



NOTICE TO ANNUAL GENERAL MEETING 2017 IN SCANDI STANDARD AB (PUBL)

The shareholders in Scandi Standard AB (publ), corporate identification number 556921-0627, are hereby given notice to attend the annual general meeting to be held on Tuesday 25 April 2017 at 1.00 p.m. CET at IVA:s Konferenscenter, Grev Turegatan 16 in Stockholm. The registration opens at noon CET.

RIGHT TO PARTICIPATE AND NOTICE OF ATTENDANCE

Shareholders who wish to attend the annual general meeting must:

- (a) be entered as a shareholder in the share register kept by Euroclear Sweden AB on Wednesday 19 April 2017; and
- (b) give notice of attendance to the company not later than on Wednesday 19 April 2017.

Notice of attendance may be given by telephone +46 (0) 8 402 90 55 on weekdays between 9.00 a.m. and 4.00 p.m. CET or on the company's website, www.scandistandard.com.

Notice of attendance may also be given in writing to:

Scandi Standard AB (publ)
c/o Euroclear Sweden AB
P.O. Box 191
SE-101 23 Stockholm
Sweden

The notice of attendance shall state name, date of birth or corporate identification number, address, telephone number and, where relevant, the number of attending advisors (not more than two).

The annual general meeting will be held in Swedish.

SHARES REGISTERED IN THE NAME OF A NOMINEE

In order to be entitled to participate in the annual general meeting, shareholders having their shares registered in the name of a nominee must, in addition to give notice of attendance, have their shares registered in their own name so that he or she is entered in the share register kept by Euroclear Sweden AB not later than on Wednesday 19 April 2017. Such registration may be temporary.

PROXIES AND PROXY FORMS

Those who do not attend the annual general meeting in person may exercise his or her rights at the meeting through a proxy in possession of a written, signed and dated proxy form.

A proxy forms issued by a legal entity must be accompanied by a copy of a certificate of registration or a corresponding document of authority for the legal entity. In order to facilitate the registration at the annual general meeting, proxy forms, certificates of registration and other documents of authority should be submitted to the company at the address above no later than on Wednesday 19 April 2017.

Please note that a notice of attendance must be given even if a shareholder wishes to exercise its rights at the meeting through a proxy. A submitted proxy form does not count as a notice if attendance.

Template proxy forms in Swedish and English are available on the company's website, www.scandistandard.com.

PROPOSED AGENDA

1. Election of the chairman of the meeting
2. Preparation and approval of the voting register
3. Approval of the agenda
4. Election of two persons to attest the minutes
5. Determination of whether the meeting was duly convened
6. Submission of the annual report and auditor's report and the consolidated financial statements and auditor's report for the group
7. Resolutions regarding:
 - (a) adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet
 - (b) allocation of the company's profit and loss according to the adopted balance sheet
 - (c) discharge from liability for board members and the managing director
8. Resolution on amendments to the instruction for the Nomination Committee
9. Resolution on amendments to the articles of association
 - (a) The nomination committee's proposal for amending § 6 of the articles of association
 - (b) The board of directors' proposal for amending § 11 of the articles of association
10. Determination of the number of members of the board of directors
11. Determination of fees for the board of directors
12. Election of the board of directors

The Nomination Committee's proposal for board members:

- (a) Per Harkjaer (re-election)
- (b) Ulf Gundemark (re-election)
- (c) Samir Kamal (re-election)
- (d) Michael Parker (re-election)
- (e) Harald Pousette (re-election)
- (f) Asbjörn Reinkind (re-election)
- (g) Karsten Slotte (re-election)
- (h) Heléne Vibbleus (re-election)
- (i) Øystein Engebretsen (new election)

The Nomination Committee's proposal for chairman:

- (j) Per Harkjaer (re-election)
13. Determination of the number of auditors and deputy auditors
 14. Determination of fees for the auditors
 15. Election of accounting firm or auditors
 16. Resolution on guidelines for remuneration to senior management
 17. Resolutions regarding:
 - (a) long term incentive program, LTIP 2017
 - (b) authorisation for the board of directors to resolve on acquisition of own shares
 - (c) transfer of own shares
 18. Closing of the meeting

PROPOSED RESOLUTIONS

Item 1: Election of chairman of the meeting

The nomination committee proposes that Advokat Sven Unger is elected chairman of the meeting.

Item 7(b): Resolution regarding allocation of the company's profit and loss according to the adopted balance sheet

The board of directors proposes that the annual general meeting resolves on a dividend of SEK 1.35 per share and that Thursday 27 April 2017 shall be the record day for the dividend. Assuming the proposed date will be the record date, the dividend is expected to be disbursed by Euroclear Sweden AB on Wednesday 3 May 2017.

The dividend proposed by the board of directors corresponds to a total amount of SEK 80,186,325.30, based on a dividend to all outstanding shares in the company as of 17 March 2017 except for shares in the company held by the company itself

and is therefore be subject to change if the company repurchases additional shares before the record date.

Item 8: Resolution on amendments to the instruction of the Nomination Committee

The Nomination Committee proposes that the annual general meeting resolves on the following amendments to Section 7. c-d in the instruction of the Nomination Committee:

1. The Company shall have a Nomination Committee with no less than four members. One member shall be the chairman of the Board of Directors, or a board member nominated by the Chairman.
2. Based on the shareholding statistics received by the Company from Euroclear Sweden AB as per the last bank day of August following the Annual General Meeting of Shareholders, the Nomination Committee shall, without unnecessary delay, identify the four largest shareholders by voting power of the Company¹.
3. As soon as reasonably feasible, the Nomination Committee shall, in a suitable manner, contact the identified four largest shareholders and request them, within reasonable time, however not exceeding 30 days, to provide in writing to the Nomination Committee the name of the person that the respective shareholder wishes to appoint as a member of the Nomination Committee.

Should a shareholder, among the four contacted, abstain from its right to appoint a member or fail to appoint a member within the prescribed time, the right to appoint a member shall transfer to the subsequent largest shareholder by voting power provided such shareholder has not already appointed a member of the Nomination Committee or previously abstained from such right .

4. The chairman of the Nomination Committee shall be the member that represents the largest shareholder(s) by voting power, provided the Nomination Committee does not unanimously resolve to appoint another member. Notwithstanding the foregoing, neither the chairman of the Board of Directors nor a member of the Board of Directors may be appointed as the Chairman of the Nomination Committee.

¹ The shareholding statistics used shall be sorted by voting power (grouped by owners) and cover the 25 largest in Sweden direct registered shareholders, i.e. shareholders having registered an account with Euroclear Sweden AB in their own name or shareholders holding a custody account with a nominee that have reported the identity of the shareholder to Euroclear Sweden AB.

5. As soon as all the members and the chairman of the Nomination Committee have been appointed, the Nomination Committee shall inform the Company to that effect and also provide required information on the members and chairman of the Nomination Committee including the name of the appointing shareholder(s). The Company shall, without unnecessary delay, make public the constitution of the Nomination Committee by releasing a separate press release and post the information on the Company's web site not later than six months ahead of the Annual General Meeting of Shareholders.
6. The Nomination Committee shall be considered appointed and its mandate period shall start when the information has been released in a separate press release. The mandate period of the Nomination Committee extends for the period until the next Nomination Committee has been appointed and its mandate period starts, see item 2-5 above.
7. The Nomination Committee shall remain unchanged unless:
 - a. a member wishes to resign prematurely, in the case of which such a request shall be sent to the Chairman of the Nomination Committee (or in case it is the Chairman who wishes to resign, to another member of the Nomination Committee) and the receipt imply that the request has been effected, or
 - b. a nominating shareholder wishes to change its representative on the Nomination Committee against another person, in the case of which such a request (containing the two relevant names) shall be the sent to the Chairman of the Nomination Committee (or in case it is the Chairman who shall resign, to another member of the Nomination Committee) and the receipt imply that the request has been effected, or
 - c. a nominating shareholder no longer is among the four largest shareholder by voting power, in the case of which the member representing such nominating shareholder shall be deemed to have resigned from the Nomination Committee automatically, or
 - d. the Nomination Committee, to reflect the ownership structure in the Company, at its own discretion resolves to offer places on the Nomination Committee to shareholders or shareholders' representatives who in addition to the four nominating shareholders, are largest by voting power or follow immediately after to them, provided that such shareholder has not already appointed a member of the Nomination Committee or previously abstained from such right.

8. Should the Nomination Committee at any point in time consist of less than four members, the Nomination Committee shall nevertheless be authorized to fulfil its assignment according to this instruction.
9. The Nomination Committee shall perform its assignment in accordance with this instruction and applicable rules.

The assignment includes provision of proposals for:

- chairman at the Annual General Meeting of Shareholders;
 - chairman of the Board of Directors and other members of the Board of Directors appointed by the Annual General Meeting of Shareholders;
 - fees payable to non-employed members of the Board of Directors;
 - when applicable, election of auditor and fees payable to the auditor; and
 - to the extent deemed necessary, amendments to this instruction for the Nomination Committee.
10. No remuneration shall be paid to the members of the Nomination Committee. However, the Company shall bear the reasonable expenses of the Nomination Committee.
 11. This instruction for the Nomination Committee applies until the General Meeting of Shareholders resolve otherwise.

Item 9(a): Resolution on the nomination committee's proposal for amending § 6 of the articles of association

According to the articles of association, the board shall consist of no less than three and no more than eight board members, without deputies. To better reflect the ownership structure of the company, the Nomination Committee proposes that the number of board members elected by the Annual General Meeting of Shareholders shall be increased to nine as opposed to the current eight without deputies and that § 6 of the articles of association be amended accordingly.

Current wording:

§ 6

The board of directors shall consist of not less than three and not more than *eight* members without deputy directors.

Proposed wording:

§ 6

The board of directors shall consist of not less than three and not more than *nine* members without deputy directors.

Item 9(b): Resolution on the board of directors' proposal for amending § 11 of the articles of association

The board of directors proposes that § 11 of the articles of association is amended to reflect the new name of the Swedish central securities depositories and financial instruments accounts act.

Current wording:

§ 11

The company's shares shall be registered with a central security depository register, pursuant to the Swedish financial instruments accounts act (SFS 1998:1479).

Proposed wording:

§ 11

The company's shares shall be registered with a central security depository register, pursuant to the Swedish *central securities depositories and financial instruments accounts act* (SFS 1998:1479).

Item 10: Determination of the number of members of the board of directors

According to the articles of association, the board shall consist of no less than three and no more than eight board members, without deputies. To better reflect the ownership structure of the company, the Nomination Committee proposes that the number of board members elected by the Annual General Meeting of Shareholders shall be increased to nine as opposed to the current eight without deputies and that § 6 of the Articles of Association be amended accordingly.

Item 11: Determination of fees for the board of directors

It is important that board fees are maintained at an appropriate level to make it possible to recruit the best possible international competence to the board of directors of Scandi Standard and to make it possible to keep such competence. The Nomination Committee has, using independently prepared benchmarking, compared the board fees in Scandi Standard with board fees in other mid-market comparable companies on Nasdaq Stockholm. The Nomination Committee has concluded that compared with the board fees in companies of equal size and complexity, the proposed fees are in line.

Consequently, the Nomination Committee proposes that total fees to the board members, for the period until the next Annual General Meeting, shall be increased to SEK 2,750,000. The fee to the chairman of the board shall remain SEK 550,000 and the individual fee payable to the other eight non-employed board members elected by the Annual General Meeting shall remain SEK 275,000.

The Nomination Committee proposes that total fees to committees of the board, for the period until the next Annual General Meeting, shall remain SEK 330,000. This

comprises an individual annual fee of SEK 130,000 for the Chairman of the Audit Committee, SEK 50,000 for each of the two other members of the Audit Committee, SEK 50,000 for the chairman of the Remuneration Committee and SEK 25,000 for each of the two other members of the Remuneration Committee. The Nomination Committee considers that the fees for committee work are reasonable.

Item 12: Election of the board of directors

The Nomination Committee proposes that the following persons be elected.

Board members

- (a) Per Harkjaer (re-election)
- (b) Ulf Gundemark (re-election)
- (c) Samir Kamal (re-election)
- (d) Michael Parker (re-election)
- (e) Harald Pousette (re-election)
- (f) Asbjörn Reinkind (re-election)
- (g) Karsten Slotte (re-election)
- (h) Heléne Vibbleus (re-election)
- (i) Öystein Engebretsen (new election)

Chairman of the board:

- (j) Per Harkjaer (re-election)

Öystein Engebretsen (new board member)

Born: 1980

Education: BI Norwegian School of Management (Sandvika/Oslo), Master of Science in Business, Major in Finance.

Other appointments: Member of the board of directors in Projektengagemang Sweden AB.

Holdings in the company: 3,000 shares.

Principal work experience: Investment AB Öresund, Investment manager, Member of the board of directors of Investment AB Öresund, Project manager at Viking Sverige AB and HQ Bank, Corporate Finance.

In the composition of the board of directors, the Nomination Committee considers, among others, necessary experience and competence, the value of diversity, age, gender balance, reflection of the ownership structure of the company and renewal and assesses the appropriateness of the number of members of the board.

The Nomination Committee takes into account the competence and experience of each individual member along with the individual member's contribution to the board work as a whole in its appraisal of qualifications and performance of the individual board members. The Nomination Committee considers it important that board members can devote the necessary time and care required to fulfil their tasks as board members in Scandi Standard, and has therefore also familiarized itself with the proposed Board members' engagements outside of Scandi Standard and the time they require.

The Nomination Committee considers that the current Board and Board work is well functioning and that the board fulfils high expectations in terms of composition and that the Board as well as the individual board members fulfil high expectations in terms of expertise. All Board members contribute meritoriously with their respective expertise. The Nomination Committee has noted that board members in Scandi Standard have high board meeting attendance and that they are well prepared at the meetings. Based on thorough discussions and assessments, the Nomination Committee considers that the proposed Board well balances the desire to reflect the ownership structure of the company while taking continuity into account. Moreover, the Nomination Committee considers that the proposed board members have sufficient skills and time to fulfil their tasks as board members of Scandi Standard.

Information on the proposed board members

Information regarding the proposed board members is presented in Exhibit 2 of the Nomination Committee proposal, which can be found on Scandi Standard's website, www.scandistandard.com.

The independence of the board members

In terms of applicable Swedish independence requirements, the Nomination Committee has made the following assessments.

- (a) The Nomination Committee considers that all of the board members are independent of Scandi Standard and its senior management.
- (b) From among the board members reported in a. above, the Nomination Committee considers that at least the following are independent of Scandi Standard's major shareholders:

Per Harkjaer
Mike Parker
Samir Kamal
Asbjörn Reinkind
Karsten Slotte
Helene Vibbleus

Item 13: Determination of the number of auditors and deputy auditors

According to the articles of association, Scandi Standard shall have no less than one and no more than two auditors with no more than two deputies. As auditor and, when applicable deputy auditor, shall an authorized public accountant or a registered public accounting firm be elected. The Nomination Committee proposes that Scandi Standard shall have one auditor without deputy auditor.

Item 14: Determination of fees for the auditors

The Nomination Committee proposes that the auditor fees be paid against approved account.

Item 15: Election of accounting firm or auditors

The Nomination Committee proposes that PricewaterhouseCoopers AB be re-elected as auditor for the period as of the end of the Annual General Meeting 2017 until the end of the Annual General Meeting 2018.

Item 16: Resolution on guidelines for remuneration to senior management

The board of directors proposes that the annual general meeting resolves to approve the board of director's proposal regarding guidelines for remuneration for the senior management as set forth below which shall apply until the annual general meeting 2018.

In this context, the senior management means the managing director of the company and the executives in the company and other group companies who, from time to time, are reporting to the managing director or the CFO and who are also members of the senior management, as well as members of the board of directors of the company that has entered into an employment or consulting agreement.

Salaries and other terms and conditions of employment shall be sufficient for the company to recruit and retain skilled senior managers at a reasonable cost. The remuneration to the senior managers shall consist of a fixed salary, variable salary, pension and other benefits, and it shall be based on principles of performance, competitiveness and fairness. Each senior manager shall be offered a fixed salary in line with market conditions and based on the senior manager's responsibility, expertise and performance. All senior managers may, from time to time, be offered variable salary (cash bonuses). The variable salary shall be based on a set of financial and personal objectives determined in advance by the board of directors. The variable salary may not amount to more than 75% of the fixed annual salary (in this context, fixed annual salary means cash salary earned during the year, excluding pension, supplements, benefits and similar). To the extent a board of

director performs work for the company, in addition to board work, a market-based consulting fee may be paid.

In addition, the annual general meeting may resolve on long-term incentive programs such as share and share price-related incentive programs. These incentive programs shall be intended to contribute to long-term value growth and provide a shared interest in value growth for shareholders and employees. Agreements regarding pensions shall, where applicable, be premium based and shall be designed in accordance with the level and practice applicable in the country in which the member of senior management is employed. Fixed salary during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed salary for two years. The total severance payment shall for all members of the management be limited to the existing monthly salary for the remaining months up to the age of 65.

The board of directors resolve upon principles for remuneration of the senior management based upon the guidelines adopted by the annual general meeting. The board of directors may resolve to deviate from the guidelines if the board of directors, in an individual case, is of the opinion that there are special circumstances justifying that.

Item 17(a): Resolution on long term incentive program, LTIP 2017

Background and summary

Salaries and other terms and conditions of employment in Scandi Standard AB (publ) (“**Scandi Standard**”) and any of its subsidiaries (Scandi Standard and its subsidiaries are hereinafter jointly referred to as the “**Group**”) shall be sufficient for the Group to recruit and retain skilled employees at reasonable costs to the Group. Remuneration shall be based on principles of performance, competitiveness and fairness. The board of directors of Scandi Standard has decided to propose to the annual general meeting the below Long Term Incentive Program 2017 (“**LTIP 2017**”) for key employees, which is intended to contribute to long term value growth and provide a shared interest in value growth between shareholders and employees.

Performance share rights shall be allotted free of charge to the participants of LTIP 2017, who are key employees in the Group, in relation to a fixed percentage of their base salary. After a three-year vesting period commencing in connection with the implementation of LTIP 2017 and provided that certain conditions are fulfilled, the participants may exercise their performance share rights through which they will be allotted shares in Scandi Standard free of charge.

In order to ensure the delivery of shares under LTIP 2017 and for the purpose of hedging social security charges under LTIP 2017, the board of directors proposes that the board of directors be authorized to acquire a maximum of 294,773 shares in Scandi Standard on Nasdaq Stockholm. In addition, the board of directors proposes that the annual general meeting resolves to transfer a maximum of 251,386 own shares to the participants of LTIP 2017 in accordance with the terms of LTIP 2017.

The intention is that a program similar to LTIP 2017 shall be adopted annually, at the annual general meetings the coming years.

Proposal

The board of directors proposes that the annual general meeting resolve on the implementation of LTIP 2017 principally based on the terms and conditions set out below.

1. Participants and allotment under LTIP 2017

LTIP 2017 comprises a maximum of 22 participants divided into four (4) categories.

- Category 1 consists of the CEO
- Category 2 consists of the CFO and the Group COO
- Category 3 consists of the country managers and the chief of live operations
- Category 4 consists of other key employees

The participants shall free of charge be allotted performance share rights entitling to allotment of shares in Scandi Standard. The number of performance share rights allotted to a participant shall be calculated as a percentage of the relevant participant's base salary plus any social security charges attributable to such amount divided by 53.58, which was the average share price during the period 6 March 2017 to 17 March 2017. The percentage of the base salary forming the basis for allotment of performance share rights depends on which category the participant belongs to, in accordance with the following:

- Category 1: 100 percent of the base salary for 2017
- Category 2: 75 percent of the base salary for 2017
- Category 3: 50 percent of the base salary for 2017
- Category 4: 25 percent of the base salary for 2017

The above percentages will be adjusted so that participants who have been employed with the Group for less than a year will receive less than 100 percent of the numbers illustrated above.

Provided that the conditions set out in item 2 below are fulfilled, the performance share rights shall entitle to allotment of shares in Scandi Standard in accordance with what is described below. Allotment of shares on the basis of performance share rights shall be made at the earliest three years after the implementation of LTIP 2017 (the "**Vesting Period**").

2. Performance share rights

Following the Vesting Period, each performance share right shall entitle to allotment of up to one (1) share. The conditions for allotment of shares are described in the following.

Vesting requirement

In order for performance share rights to entitle to allotment of shares, it shall be required that the relevant participant remains employed and has not given or been given notice of termination of employment within the Group during the Vesting Period. If this condition is not fulfilled, no shares shall be allotted. However, in case a participant's employment has terminated prior to the end of the Vesting Period due to such participant's death or disability or if the employer has given notice of termination of the participant's employment without cause (including, for the avoidance of doubt, notice of termination due to redundancy/shortage of work (Sw. *arbetsbrist*)), 1/3 of the right to allotment of shares shall be vested at each anniversary of the implementation of LTIP 2017.

Performance requirement

In addition, allotment of shares shall be conditional upon satisfaction of a financial target set by the board of directors of Scandi Standard, being the compound annual growth rate of earnings per share ("**EPS CAGR**").

The EPS CAGR shall be calculated by the board of directors on the basis of the Group's quarterly financial statements, which are adjusted for non-comparables. EPS for the financial year 2016 was SEK 2.50.

In order for full allotment of shares to occur, the average EPS CAGR during the period 1 January 2017 – 31 December 2019 must be at least 12.5 percent. If the average EPS CAGR during the period 1 January 2017 – 31 December 2019 is 5 percent, the participants shall be allotted shares for 25 percent of their performance share rights. If the average EPS CAGR during the period 1 January 2017 – 31 December 2019 is more than 5 percent but less than 12.5 percent, the participants shall receive linear allotment. If the average EPS CAGR during the period 1

January 2017 – 31 December 2019 is less than 5 percent, no shares shall be allotted.

3. Terms and conditions for the performance share rights

In addition to what has been stated above, the following terms and conditions shall apply for the performance share rights:

- The performance share rights are allotted free of charge.
- The participants are not entitled to transfer, pledge, or dispose the performance share rights or perform any shareholder's rights regarding the performance share rights during the Vesting Period.
- Execution of the performance share rights may take place at the earliest three years after LTIP 2017 was implemented.
- Scandi Standard will not compensate the participants for any dividends.

4. Detailed terms and administration

The board of directors, or a certain committee appointed by the board of directors, shall be responsible for determining the detailed terms and the administration of LTIP 2017, within the scope of the terms and guidelines given by the general meeting. By way of example, the board of directors shall be authorized to decide that, despite the conditions under item 2 above being fulfilled, no allotment of shares shall be made to a participant in case of fraud, other criminal activity or gross misconduct by such participant.

In connection with any rights issues, splits, reverse splits and similar dispositions, the board of directors shall be authorized to recalculate EPS CAGR as well as the number of shares that the performance share rights shall entitle to.

In case a public offer for all shares in Scandi Standard is completed resulting in the offeror owning more than 90 percent of the shares in Scandi Standard, the board of directors shall be authorized to resolve upon the close-down of LTIP 2017, including but not limited to approving earlier execution of performance share rights, amending the vesting requirements and shorten the periods for application of the EPS CAGR thresholds for determination of to which extent the performance requirement is fulfilled.

If delivery of shares cannot be accomplished at reasonable costs, with reasonable administrative effort and without regulatory problems, the board of directors shall be authorized to decide that the participants may instead be offered a cash-based settlement.

Further, the board of directors shall be authorized to decide on other adjustments in the event that major changes in the Group, the market or otherwise in the industry would occur, which would entail that resolved conditions for allotment and the possibility to use the performance share rights under LTIP 2017 would no longer be appropriate.

5. Hedging of commitments according to LTIP 2017 – Acquisitions and transfers of own shares

The board of directors proposes that the annual general meeting resolve to authorize the board of directors to acquire maximum 294,773 shares for the following purposes:

- (1) Securing delivery of shares at exercise of the performance share rights.
- (2) Securing and covering social security charges triggered by LTIP 2017.

Acquisitions shall be made on Nasdaq Stockholm on one or several occasions and until the next annual general meeting at a price within the band of prices applying on the exchange. The full proposal regarding authorization for the board of directors to acquire own shares is included in item 17 b. of the notice.

Further, the board of directors proposes that the annual general meeting resolves to transfer a maximum of 251,386 shares acquired in accordance with the foregoing. Transfers shall be made to the participants of LTIP 2017 in accordance with the terms of LTIP 2017. The full proposal regarding transfers of own shares is included in item 17 c. of the notice.

6. The value of and the estimated costs for LTIP 2017

Assuming 100 percent vesting, full fulfilment of the EPS requirement and a share price at the time of exercise of the performance share rights of SEK 56.50, LTIP 2017 will result in the allocation of 251,386 shares in Scandi Standard, representing a value of SEK 16,654,699.

LTIP 2017 will cause costs for the Group in the form of social security charges. Social security charges shall be expensed and allocated to the periods during which the participants' services were performed. The social security charges are expected to amount to in average approximately 17 percent of the market value of the shares allocated upon exercise of the performance share rights.

The board of directors has proposed that the effect on cash flow that may arise as a result of social security charges payable when the performance share rights are exercised be hedged by way of acquisitions of own shares in the market.

In addition, the performance share rights will give rise to accounting costs in accordance with IFRS 2. These costs shall be determined on the allotment date and

be allocated over the Vesting Period. In accordance with IFRS 2, the theoretical value of the performance share rights shall form the basis of the calculation of these costs. The theoretical value shall not be re-valued in subsequent reporting periods, although adjustments shall be made in conjunction with every financial report for the performance share rights that have not been vested. In this manner, the accumulated costs at the end of the Vesting Period will correspond to the number of performance share rights that fulfil the conditions.

7. Dilution and effects on key ratios

No new shares will be issued in Scandi Standard due to LTIP 2017. However, Scandi Standard will need to acquire 294,773 own shares, corresponding to approximately 0.5 percent of the outstanding shares and votes in Scandi Standard in order to secure delivery of shares under LTIP 2017 and to secure and cover social security charges.

The costs for LTIP 2017 are expected to have a marginal effect on the Group's key ratios.

8. The objectives of the proposal and reasons for deviations from the shareholders' preferential rights

The board of directors considers the existence of effective share-related incentive programs for key employees of Scandi Standard to be of material importance for the development of Scandi Standard. The proposed program creates a common Group focus for the key employees in the different parts of the Group. By linking the key employees' remuneration to Scandi Standard's earnings, long term increase in value is rewarded and thus an alignment of interest of the key employees and shareholders is achieved.

In light of these circumstances, the board of directors considers that LTIP 2017, with regard to the terms and conditions, the size of the allotment and other circumstances, is reasonable and advantageous for Scandi Standard and its shareholders.

Preparation of proposal

The proposal has been prepared by the remuneration committee in consultation with the board of directors and external advisors. The resolution to propose LTIP 2017 to the annual general meeting has been taken by the board of directors.

Outstanding incentive programs in Scandi Standard

The AGM 2016 adopted a long-term incentive plan for 19 senior executives and key employees, which has essentially the same design as the now proposed LTIP 2017. A maximum of 209,976 shares may be awarded under LTIP 2016.

Majority vote requirement

A resolution in accordance with the board of directors' proposal regarding the implementation of LTIP 2017 requires support from shareholders representing more than half of the votes cast at the meeting.

A resolution in accordance with the board of directors' proposal regarding authorization to the board of directors to acquire shares requires support from shareholders representing at least 2/3 of the votes cast as well as shares represented at the meeting.

A resolution in accordance with the board of directors' proposal regarding resolution to transfer shares to the participants of LTIP 2017 requires support from shareholders representing at least 9/10 of the votes cast as well as shares represented at the meeting.

Item 17(b): Resolution regarding authorisation for the board of directors to resolve on acquisition of own shares

The board of directors proposes, for the purposes of (1) securing delivery of shares to the participants of LTIP 2017 at exercise of the performance share rights, and (2) securing and covering costs that can be triggered by the LTIP 2017 (e.g. social security charges and tax), that the annual general meeting resolves to authorize the board of directors to, on one or several occasions and until the next annual general meeting, resolve on acquisition of shares in the company, in accordance with the following.

- (1) A maximum of 294,773 shares in the company may be acquired, however only to such extent that, following each acquisition, the company holds a maximum of 10 per cent of all shares issued by the company.
- (2) Acquisitions shall be made on Nasdaq Stockholm.
- (3) Acquisitions shall be made at a price per share contained within the at each time prevailing price interval for the share.
- (4) Payment for the shares shall be made in cash.

The board of directors has issued a reasoned statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

Item 17(c): Resolution regarding transfer of own shares

The board of directors proposes that, in order to secure delivery of shares at exercise of the performance share rights under LTIP 2017, the annual general meeting resolves to transfer own shares to the participants in LTIP 2017 in accordance with the following.

Transfers of a maximum of 251,386 own shares may occur on the following terms and conditions.

- (1) The right to receive shares shall, with deviation from the shareholders' preferential rights, be granted to the participants in LTIP 2017, with right for each of the participants to receive no more than the maximum number of shares allowed under the terms and conditions for LTIP 2017. Furthermore, subsidiaries within the Scandi Standard Group shall have the right to receive shares, free of consideration, and such subsidiaries shall be obligated to immediately transfer, free of consideration, such shares to the participants in LTIP 2017 in accordance with the terms and conditions of the program.
- (2) The participants' right to receive shares are conditional upon the fulfillment of all terms and conditions of LTIP 2017.
- (3) The shares shall be transferred within the time period set out in the terms and conditions of LTIP 2017.
- (4) The shares shall be transferred free of charge.
- (5) The number of shares that may be transferred to the participants in LTIP 2017 may be recalculated due to share issues, splits, reverse splits and/or similar dispositions in accordance with the terms and conditions of LTIP 2017.

The rationale for the proposed transfers of own shares and for the deviation from the shareholders' preferential rights is to enable delivery of shares to the participants in LTIP 2017.

SPECIAL MAJORITY RULES

A resolution in accordance with item 9(a) and 9(b) and item 17(b) above requires that the annual general meeting's resolution is supported by at least two thirds of the votes cast as well as the shares represented at the meeting.

A resolution in accordance with item 17(c) above requires that the annual general meeting's resolution is supported by at least nine tenth of the votes cast and the shares represented at the meeting.

NUMBER OF SHARES AND VOTES

At the date of this notice, the total number shares and votes in the company amounts to 60,060,890. The company holds 663,612 of its own shares, corresponding to 663,612 votes.

SHAREHOLDER'S RIGHT TO REQUEST INFORMATION

The board of directors and the managing director shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda and circumstances that can affect the

assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group.

DOCUMENTATION

The complete proposals and other documents that shall be made available prior to the annual general meeting pursuant to the Swedish Companies Act will be made available at the company and at the company's website, www.scandistandard.com, no later than three weeks prior to the annual general meeting. The documents will also be sent free of charge to shareholders who so request and provide their address to the company.

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Stockholm in March 2017

The board of directors