

## **The board of directors' of Scandi Standard AB (publ) reasoned statement pursuant to Chapter 19, section 22 of the Swedish Companies Act**

With reference to the board of directors' proposal to the annual general meeting 2022 of Scandi Standard AB (publ) regarding an authorisation for the board of directors to resolve on acquisitions of not more than 416,000 own shares, the board of directors submits the following statement in accordance with Chapter 19, section 22 of the Swedish Companies Act.

As of 31 December 2021, the parent company's restricted equity totalled approximately SEK 0.7 million and its non-restricted equity totalled approximately SEK 628 million. Accordingly, the parent company's total equity totalled approximately SEK 629 million. As of 31 December 2021, the group's total equity attributable to the shareholders of the parent company totalled approximately SEK 1,951 million.

Assuming full exercise of the proposed authorisation and an acquisition of 416,000 shares in the company at the closing price for the company's share on Nasdaq Stockholm on 14 March 2022 of SEK 34.20, the total consideration would amount to approximately SEK 14.3 million.

The business of the company and the group does not involve any risks other than those related to or expected to be related to the company's and the group's line of business or the risks involved in conducting business in general. The company's and the group's dependence on market conditions does not differ from that in the company's and the group's line of business. The board of directors is of the opinion that the company's total equity and the group's total equity attributable to the shareholders of the parent company will be sufficient in relation to the scope of the company's and the group's business after an acquisition of 416,000 shares in the company at the current share price.

As of 31 December 2021, the parent company's and the group's respective equity to assets ratio was 66.2 per cent and 30.0 per cent, respectively. As of 31 December 2021, assuming full exercise of the proposed authorisation to acquire own shares (i.e. an acquisition of 416,000 shares in the company), the parent company's and the group's respective equity to assets ratio was 65.7 per cent and 29.9 per cent, respectively.<sup>1</sup> Taking into account the proposed authorisation to acquire own shares, the board assesses that the proposed dividend does not jeopardise the abilities of the company or the group to carry out the investments considered necessary. A full exercise of the authorisation to acquire shares would also be

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<sup>1</sup> Based on an acquisition of shares in the company at the closing price for the company's share on Nasdaq Stockholm on 14 March 2022 of SEK 34.20.

consistent with the established cash-flow forecast under which the company and the group are expected to manage unexpected events and temporary variations in the cash flows to a reasonable extent.

Based on the above, the board of directors considers that the proposed authorisation for the board of directors to decide on acquisitions of not more than 416,000 shares in the company is justified in view of the demands with respect to the size of shareholders' equity which are imposed by the nature, scope and risks associated with the company's and the group's operations as well as the company's and the group's need to strengthen its balance sheet, liquidity and financial position in general.

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Stockholm in March 2022  
Scandi Standard AB (publ)  
*The board of directors*