

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' proposals to the annual general meeting 2024 of Scandi Standard AB (publ) regarding authorisations for the board of directors to resolve on acquisitions of own shares in accordance with items 14 b) and 15 on the proposed agenda to the annual general meeting, the board of directors submits the following statement in accordance with Chapter 19, section 22 of the Swedish Companies Act.

As of 31 December 2023, the parent company's restricted equity totalled approximately SEK 0.7 million and its non-restricted equity totalled approximately SEK 960 million. Accordingly, the parent company's total equity totalled approximately SEK 961 million. As of 31 December 2023, the group's total equity attributable to the shareholders of the parent company totalled approximately SEK 2,398 million.

Assuming full exercise of the proposed repurchase authorisation related to LTIP 2024 of 530,000 shares in the company (item 14 b) on the proposed agenda to the annual general meeting) and assuming a price of SEK 64.50 for the company's share, the total consideration would amount to approximately SEK 34.2 million. If the board of directors were to also exercise the repurchase authorisation according to item 15 on the proposed agenda in full (so that the company, together with existing holdings of own shares, holds ten per cent of the total number of shares in the company) and to the same price per share, the total consideration, at utilisation of the proposed repurchase authorisations, would amount to approximately SEK 378.8 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 utilisation of the repurchase authorisations at the current share price.

As of 31 December 2023, the parent company's and the group's respective equity to assets ratio was 100 per cent and 36 per cent, respectively. As of 31 December 2023, assuming full exercise of the proposed authorisations to repurchase own shares, the parent company's and the group's respective equity to assets ratio was

60.6 per cent and 30.3 per cent, respectively.¹ Taking into account the proposed authorisations to repurchase 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 authorisations to repurchase own shares would also be 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 authorisations for the board of directors to decide on repurchases of own shares are 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. The board of directors will make a new assessment in accordance with Chapter 19, section 22 of the Swedish Companies Act prior to each potential decision to exercise the proposed authorisations to repurchase shares. The board of directors will thus only resolve on acquisitions of own shares if, and to the extent, the board of directors deems it to be justifiable and in compliance with the Swedish Companies Act.

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Stockholm in March 2024
Scandi Standard AB (publ)
The board of directors

¹ Based on an acquisition of shares in the company assuming a price of SEK 64.50 for the company's share on Nasdaq Stockholm.