

Press release 31 March 2016

Kronfågel AB has signed a lease contract outside Kristianstad and evaluates establishing production of chilled chicken

Scandi Standard's Swedish subsidiary Kronfågel AB has signed a lease contract in Karpalund, 7 km Northwest of Kristianstad and evaluates whether to invest in the facility in order to reach an annual capacity of 20 million chickens in the first phase. Kronfågel intend to slaughter, cut and produce value-added chicken products in the facility.

Demand for chilled chicken in Sweden is strong and the market growth within retail was estimated at 15% in value in 2015. Kronfågel increased sales by 18% during the same year. Scandi Standard has a long term target to grow in line with or higher than the underlying market growth over time. Scandi Standard's subsidiary Kronfågel has during the last four years increased volumes from 36 to 50 million slaughtered chickens.

As a consequence of this growth Kronfågel has signed a long term lease contract of an industrial facility in Karpalund and evaluates whether to invest in the facility to reach an annual capacity of 20 million chickens to start with. The company believes that a manufacturing site in this part of Sweden would make economic sense as well as reducing environmental impact and improving animal welfare further through shorter transports. An investment in Karpalund would also create growth opportunities for chicken breeders in the South of Sweden.

Kronfågel currently have a production facility in Valla, close to Katrineholm where 50 million chickens are being slaughtered annually by more than 650 employees.

Further information

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