PRESS RELEASE, 4 October 2021

Scandi Standard (SCST SS) – Trading update for the third quarter

Scandi Standard expects to post a Q3 EBIT of about MSEK 30. The result is among other things affected by a strong inflation on many of the group's input factors, a continued challenging price situation in export markets, severe under manning in Ireland due to Covid-19 and previously announced production challenges in Sweden.

Scandi Standard expects to post a Q3 EBIT of about MSEK 30. In addition to the factors mentioned in the Q2 2021 report, Scandi Standard is experiencing significant further inflation on many of its input factors. As earlier communicated, EBIT will be negatively impacted by MSEK 13 resulting from the final purchase price payment relating to the Finnish business.

"The third quarter has been challenging in many ways. It is our assessment that the strong inflation in input factors will continue in the fourth quarter. Although we are working to adjust our prices to our customers accordingly, we expect continued impact on our earnings power in the fourth quarter", says Otto Drakenberg, interim managing director and CEO of Scandi Standard.

In the interim report for the second quarter 2021, Scandi Standard announced that it had initiated a group-wide investigation with the intention to identify and handle potential deviations in production and quality processes across all markets. The investigation is ongoing, and actions are continuously being implemented. To facilitate the process of reaching operational excellence, Scandi Standard is reducing its bird intake with about 8-10% in Sweden and Ireland with effect from Q4 2021.

"Scandi Standard has a solid position in all our markets, and I am convinced that our action plan and group wide improvement programme will create an even stronger company. Although some of the measures will have a short-term impact on the results, I am confident that they will strengthen our position for sustainable and profitable growth in the longer term. The reduced throughput in Sweden and Ireland will allow swift implementation of necessary operational improvements and reduce exposure to the current inflationary environment", says Otto Drakenberg, interim managing director and CEO of Scandi Standard.

Scandi Standard will present more details on its group wide improvement programme in the Q3 2021 report, which is due 12 November 2021.

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This press release contains inside information that Scandi Standard AB (publ) is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the above contact persons at 0800 CEST on 4 October 2021.

About Scandi Standard
Scandi Standard is the leading producer of chicken-based food products in the Nordic region and Ireland. The company produces, markets and sells ready to eat, chilled and frozen products under the well-known brands Kronfågel, Danpo, Den Stolte Hane, Manor Farm and Naapurin Maalaiskana. Eggs are also produced and sold in Norway. We are approximately 3,000 employees with annual sales of around SEK 10 billion. For more information, please visit www.scandistandard.com.