

The Board's Motivated Statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act

The Board of Dustin Group AB hereby presents the following statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act. The Board's motivation that the proposed dividend is in accordance with the provisions of Chapter 17, Section 3, Paragraph 2 and 3 of the Swedish Companies Act is as follows.

The Board proposes that the, by the Annual General Meeting disposable, free funds of SEK 3,115,482,199 are allocated so that SEK 249,992,495 are paid as dividend and the balance of SEK 2,865,489,704 is carried forward. The Board's proposal means a dividend of SEK 2.21 per share. The proposal complies with the Board's policy that means that resolutions on dividend shall be based on an appraisal of the group's financial position, cash flow, acquisition opportunities and prospects.

The proposed dividend corresponds to approximately 70 per cent of the total result for the financial year 2020/21. The Board has determined that the company's capital structure should enable a high degree of financial flexibility and provide scope for acquisitions. The company's net debt target is a 2.0–3.0 multiple of adjusted EBITDA for the past twelve-month period. The company's net debt in relation to adjusted EBITDA increased as a result of the financing of the acquisition of Centralpoint and is temporarily above the target. The Board assesses that the company's net debt target even after the proposed dividend will be achieved on a medium-term perspective through the company's expected internally generated cash flow.

The Board notes that after the proposed dividend there will be full coverage for the company's restricted equity. The company's and the group's equity would have been SEK 0 and SEK 3,968,296 higher, respectively, if the assets and liabilities had not been measured at their actual value pursuant to Chapter 4, Section 14 (a) of the Annual Accounts Act.

The Board believes that a dividend to the shareholders of the proposed amount is justifiable considering:

- the requirements that the nature, scope and risks of the operations pose on the size of equity; and
- the company's and the group's consolidation needs, liquidity and financial position in general.

The financial position remains strong after the proposed dividend and is expected to be fully adequate for the company to have the ability to meet its obligations in both the short and long term and to make necessary investments.

Stockholm in November 2021
DUSTIN GROUP AB (PUBL)
THE BOARD OF DIRECTORS