

## The board's motivated statement according to Ch 18 Sec 4 of the Swedish Companies Act

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The board of Dustin Group AB (publ) (the "Company") hereby presents the following statement in accordance with Ch 18 Sec 4 of the Swedish Companies Act. The board's motivation to the proposed dividend is in accordance with the provisions of Ch 17 Sec 3 paragraph 2 and 3 of the Swedish Companies Act are as follows:

The board proposes that the, by the annual general meeting disposable, free funds of SEK 317,857,728 are allocated so that SEK 182,815,476 are paid in dividend and the balance of SEK 135,042,252 is carried forward. The board's proposal means a dividend of SEK 2.40 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, M&A opportunities and prospects.

The proposed dividend corresponds to 81 per cent of the total result for the financial year 2015/16. The board has determined that the group should have a high degree of financial flexibility which allows M&A activity. The target is that the debt/equity ratio should be 2.0 - 3.0 x adjusted EBITDA for the last 12 months. The proposed dividend means no deviation from the board's determined financial targets regarding capital structure.

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 7,221,717 and SEK 7,221,717 higher, respectively, if the assets and liabilities not been measured at their actual value pursuant to Ch 4 Sec 14 § (a) of the Annual Accounts Act).

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

- the required level of shareholders' equity imposed as a result of the nature, scope and risks associated with the operations of the Company (and also the Dustin Group), 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 provide the opportunity to make potentially necessary investments.

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Stockholm in November 2016

DUSTIN GROUP AB (PUBL)

THE BOARD OF DIRECTORS