Scandi Standard
Better Chicken for a Better Life

"An integral part of our strategy for continued growth and value creation is to share best practice, capitalize on product development and drive scale efficiencies across the group. The successful expansion of the Ready-to-eat business, which has grown organically from net sales of MSEK 500 to BNSEK 2 since 2015, has accentuated the rationale to follow up Ready-to-cook and Ready-to-eat separately.
"

Leif Bergvall Hansen, CEO

Stable development in a challenging environment

Interim report Q1 2021

January-March 2021

- Net sales amounted to MSEK 2,469 (2,479) in the first quarter 2021. At constant exchange rates net sales increased by 3 percent.
- Adjusted operating income (Adj. EBIT)[1] increased by 17 percent to MSEK 88 (75), corresponding to a margin of 3.5 (3.0) percent.
- Income for the period increased to MSEK 54 (35). Earnings per share increased to SEK 0.84 (0.51).
- Operating cash flow was MSEK 109 (95).
- Net interest-bearing debt of MSEK 1,941 increased by MSEK 8 compared to the end of the previous quarter, mainly due to repurchase of own shares during the first quarter of MSEK 32 (-).
- New segment reporting supporting our strategy for continued growth and value creation, focusing on the two reportable segments Ready-to-cook and Ready-to-eat, effective as of 1 January 2021.
- New definition for treatment of items affecting comparability with stricter classification was introduced during the first quarter 2021. See note 8 for further details and restated figures. Comparisons in this report are made against restated figures for the performance measures adjusted EBITDA and adjusted operating income (Adj. EBIT).

Key metrics

MSEK	Q1 2021	Q1 2020	%	R12M	2020
Net sales	2,469	2,479	0%	9,931	9,940
Adj. EBITDA[1]	180	159	14%	777	756
Adj. EBITA[1]	100	87	15%	471	457
Adj. EBIT[1]	88	75	17%	422	410
Non-comparable items[1]	-	-	-	-59	-59
EBIT	88	75	17%	364	351
Finance net	-16	-33	-51%	-74	-90
Income after finance net	71	41	72%	290	260
Income tax expense	-17	-6	182%	-63	-52
Income for the period	54	35	54%	227	208
Adj. EBITDA margin[1] %	**7.3%**	**6.4%**	**-**	**7.8%**	**7.6%**
Adj. EBITA margin[1] %	**4.1%**	**3.5%**	**-**	**4.7%**	**4.6%**
Adj. EBIT margin [1] %	**3.5%**	**3.0%**	**-**	**4.3%**	**4.1%**
EBIT margin %	**3.5%**	**3.0%**	**-**	**3.7%**	**3.5%**
Earnings per share, SEK	0.84	0.51	65%	3.50	3.16
Adjusted return on capital employed[1]	9.8%	9.3%	-	9.8%	9.7%
Return on equity	11.9%	11.0%	-	11.9%	11.5%
Operating cash flow[2]	109	95	15%	490	476
Net interest-bearing debt	-1,941	-2,134	-	-1,941	-1,933
NIBD/EBITDA	2.5	2.8		2.5	2.6
Feed efficiency[3]	1.53	1.54	-1%	1.52	1.52
LTI per million hours worked (no)[3]	31.8	29.6	-1%	31.2	31.0

[1] Restated non-comparable items. see note 6 and 8.
[2] Reclassification of cash flow effect for leasing assets has been made for the year and for comparative figures.
[3] See definitions in the Overview – segment consolidation and KPIs section, page 4.

All comparison figures in this report are the corresponding quarter during the previous year, unless stated otherwise.

CEO comments

Scandi Standard reports another quarter of underlying growth and a satisfactory operating result provided the turbulence around us. Net sales was stable at SEK 2,469 (2.479) but increased by 3 percent in local currency. Adjusted operating income (Adj. EBIT) increased by 17 percent to MSEK 88 (75), implying a margin of 3.5 (3.0) percent. Adjusted operating income (Adj. EBIT) was negatively impacted by MSEK 27 (27) due to effects from covid-19 and bird flu.

Sustainability is at the core of what we are doing in Scandi Standard and we see a high degree of alignment between sustainability and financial performance. Our Nordic businesses already have a leading European position across many of the key dimensions. Although we are working continually to improve our position further, I am proud to say that poultry stand out in the protein industry and Scandi Standard stand out in the poultry industry. To increase transparency, we have decided to report quarterly performance for a number of KPIs and we look forward to hosting our first ESG day in 2021.

While Scandi Standard's presence in five geographical markets provides a stable platform diversifying country-specific risk, an integral part of the strategy for continued growth and value creation is to share best practice, capitalize on product development and drive scale efficiencies across the group. In addition, Scandi Standard sees an opportunity to export best practice when adding new markets through potential strategic acquisitions and partnerships.

The matrix organisation consists of five country organisations, complemented with group functions supporting value creation. The successful expansion of the Ready-to-eat business, which has grown organically from net sales of MSEK 500 to BNSEK 2 since 2015, has accentuated the rationale to follow up Ready-to-cook and Ready-to-eat separately, as they largely represent different skill sets and production processes. In 2020, Scandi Standard conducted a comprehensive strategic review, which further strengthened the view that an increased focus on these two reportable segments will be a better way to identify, nurture and spread best practice to support continued growth and value creation.

Based on the strategic review, Scandi Standard's internal organisation has been aligned, including internal reporting and decision-making processes. Consequently, with effect from 1 January, 2021, the segment reporting is updated to comprise the reportable segments Ready-to-cook and Ready-to-eat, as it best reflects how Scandi Standard primarily manages and monitors its operations.

Ready-to-cook had a net sales of MSEK 1,938 (1,899) representing a growth of 2 percent, and adjusted operating income (Adj. EBIT) increased by 3 percent to MSEK 69 (68). All countries contributed to the growth in net sales in local currencies.

Raw material prices for feed have risen to a historic high level. We are in the process of ensuring that prices on our products are adjusted accordingly. I am confident that our relationship-based approach to absorb raw material price changes throughout the value chain will lead to high level of compensation for the raw material increases, although there will be some phasing effects.

Our Ready-to-cook business in Denmark continued to struggle, largely due to high costs for live birds combined with stock clearance in a difficult export market, and Denmark Ready-to-cook reported a negative adjusted operating income of MSEK 50 in the quarter. It is my primary focus find a sustainable long term solution for the Danish Ready-to-cook business.

Ready-to-eat had net sales of MSEK 444 (476) representing a decline of 7 percent, due to reduced Food Service sales. Adjusted operating income (Adj. EBIT) increased significantly to MSEK 26 (13). Denmark (61% of net sales) delivered a good result despite soft sales to quick service restaurants in Europe. We have progressed with our plant-based product initiatives, and we had our first product launches at the beginning of the second quarter.

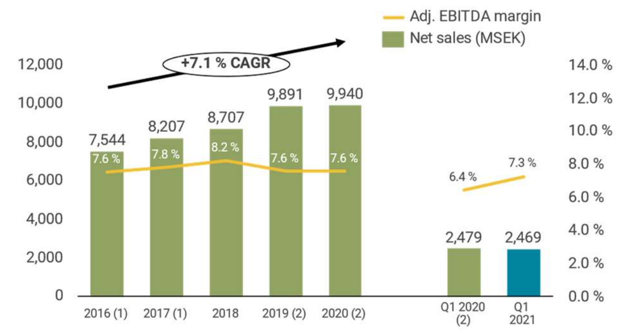
Scandi Standard has a strong balance sheet, a solid financing, and a significant available liquidity. Compared to the end of the fourth quarter 2020, net interest-bearing debt increased by MSEK 8 to MSEK 1,941 (1,933). Our capital investment amounted to MSEK 118 (103) for the quarter and our estimate for 2021 is MSEK 400. Focus for the 2021 investments are a combination of efficiency, capacity and ESG -investments.

The Board proposes at today's Annual General Meeting a dividend of SEK 1.25 per share. The Board intends to summon an Extraordinary General Meeting during the second half of 2021 to propose a second dividend of 1.25 SEK per share.

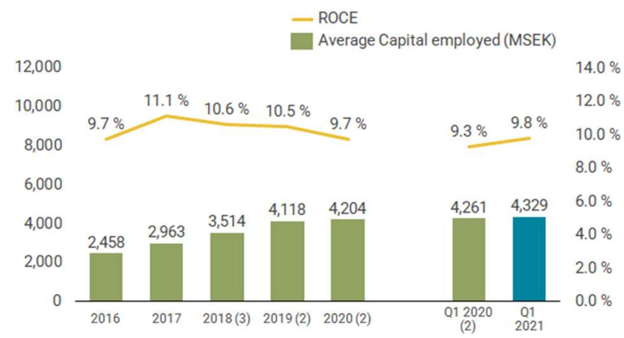
We expect gradual improvement in market conditions once Covid-19 and bird flu restrictions are being lifted.

Stockholm, 7 May 2021
Leif Bergvall Hansen, Managing Director and CEO

Net Sales and Adj. EBITDA margin



Average Capital Employed and ROCE



1) Pro forma including Manor Farm
2) Restated non-comparable items. see note 8
3) Recalculated for IFRS16

Group results, financial position and cash flow

Net sales amounted to MSEK 2,469 (2,479). At constant exchange rates net sales increased by 3 percent. Net Sales to Retail sales channel grew but declined to Food service, a trend similar to what has been observed in previous quarters.

Adjusted operating income (Adj. EBIT) for the Group increased by 17 percent to MSEK 88 (75), corresponding to an adjusted operating margin (Adj. EBIT margin) of 3.5 (3.0) percent. The improvement is mainly driven by improved results in Ready-to-eat, that the Group in same quarter previous year carried costs for strategy project. The quarter was impacted by Covid-19 pandemic across the business, as in 2020, and Bird flu impacting export sales on Ready-to-cook.

Operating income (EBIT) for the Group was the same as Adjusted Operating income (Adj. EBIT) as there were no non-comparable items registered in the quarter.

Finance net for the Group of MSEK -16 (-33) which is an improvement versus previous year and is driven by interest expenses for interest-bearing liabilities of MSEK -10 (-11), interest on leasing of MSEK -3 (-4) and currency/other items MSEK -4 (-18).

Tax expenses for the Group amounted to MSEK 17 (6) corresponding to an effective tax rate of approximately 24.0 (14.7) percent. The tax rate was affected by a negative adjustment to last year's tax expenses in Ireland.

Income for the period for the Group increased by 54 percent to MSEK 54 (35). Adjusted Earnings per share and Earnings per share was SEK 0.84 (0.51) and 0.84 (0.51) respectively.

Net interest-bearing debt (NIBD) for the Group was MSEK 1,941, increased by MSEK 8 from the 31th of December 2020. Operating cash flow improved to MSEK 109 (95) positively affected by increased EBITDA and working capital reductions, partially offset by higher capital expenditure and cash items for leasing expenditure.
Change in interest-bearing debt of MSEK -8 (66) was also impacted by repurchase of own shares of MSEK 32 (-) for the Long term incentive programs (LTIP) which is included in Other items, and by increased tax payable for previous periods.

Total equity attributable to the owners of the parent company as of 31 March 2021 amounted to MSEK 1,970 (1,877). The equity to assets ratio amounted to 29.8 (28.8) percent. Return on equity was 11.9 (11.0) percent.

The financial target for adjusted EBITDA margin is 10 percent. R12M landed at 7,8 percent, slightly above 2020 and 2019 level, but still below target. Scandi Standard is committed to improve adjusted EBITDA margin over time. The financial target for NIBD/Adjusted EBITDA is 2.0-2.5x NIBD/Adjusted EBITDA landed at 2,5, which is within the target range.

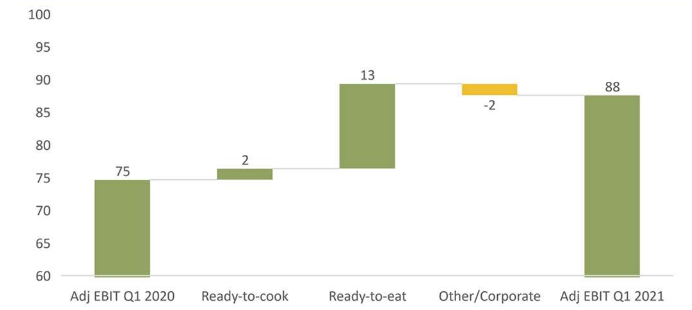
1) Target for Net sales and dividend is measured and evaluated on annual basis

Net Sales and Operating Income (EBIT)[2]

MSEK	Q1 2021	Q1 2020	R12M	2020
Net sales	2,469	2,479	9,931	9,940
Adj. EBITDA[1]	180	159	777	756
Adj. EBITDA[1] margin, %	7.3%	6.4%	7.8%	7.6%
Depreciation	-80	-72	-306	-299
Adj. EBITA[1]	100	87	471	457
Adj. EBITA[1] margin, %	4.1%	3.5%	4.7%	4.6%
Amortisation	-13	-13	-48	-47
Adj. EBIT[1]	88	75	422	410
Adj. EBIT[1] margin, %	3.5%	3.0%	4.3%	4.1%
Non-comparable items[1]	-	-	-59	-59
EBIT	88	75	364	351
EBIT margin, %	3.5%	3.0%	3.7%	3.5%
Chicken processed (tonne lw)[3]	95,759	93,679	384,337	382,257
Adj. EBIT/kg	0.9	0.8	1.1	1.07

1) Restated non-comparable items. see note 6 and 8
2) Costs related to bird flu and Covid-19 pandemic has been recognized in the quarter with MSEK 27 (42), see note 7.
3). Live Weight, tonnes

Change in adj. EBIT Q1 2020 – Q1 2021 (MSEK)



Finance net and tax expenses

MSEK	Q1 2021	Q1 2020	R12M	2020
Finance income	0	0	0	0
Finance expenses	-16	-34	-74	-91
Finance net	-16	-33	-74	-90
Income after finance net	71	41	290	260
Income tax expenses	-17	-6	-63	-52
Income tax expenses %	-24.0%	-14.7%	-21.9%	-20.1%
Income for the period	54	35	227	208
Adj. Earnings per share, SEK[1]	0.84	0.51	4.40	4.06
Earnings per share, SEK	0.84	0.51	3.50	3.16

1) Restated non-comparable items. see note 6 and 8

Cash flow

MSEK	Q1 2021	Q1 2020	R12M	2020
Opening balance NIBD	**-1,933**	**-2,200**	**-2,134**	**-2,200**
Adj. EBITDA	180	159	777	756
Change in working capital	73	52	163	143
Net capital expenditure	-118	-103	-371	-355
Other operating items	-26	-12	-81	-69
Operating cash flow	**109**	**95**	**490**	**476**
Paid finance items, net	-19	-19	-75	-76
Paid tax	-28	-16	-52	-41
Business combinations	-12	-	-116	-104
Other items	-58	7	-53	12
Change in NIBD	**-8**	**66**	**193**	**267**
Closing balance NIBD	**-1,941**	**-2,134**	**-1,941**	**-1,933**

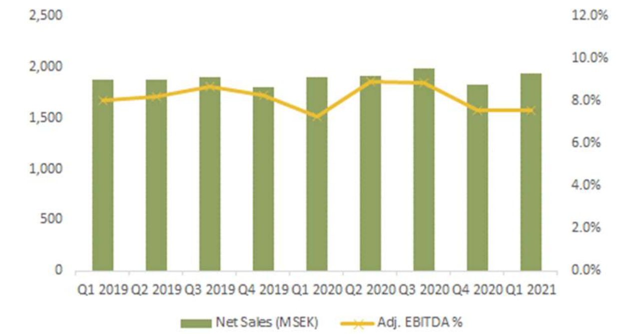
Financial targets[1]	Q1 2021	R12M	Target
Adj. EBITDA margin, %	7.3%	7.8%	10%
NIBD/Adj. EBITDA	2.5x	2.5x	2.0-2.5x

Overview – segment consolidation and KPIs

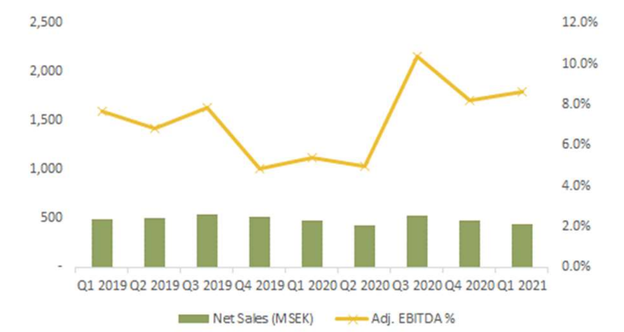
	Ready-to-cook 1)		Ready-to-eat 2)		Other 3)		Total	
MSEK unless stated otherwise	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Net sales	1,938	1,899	444	476	88	103	2,469	2,479
Adj. EBITDA4)	147	138	38	26	-5	-4	180	159
Depreciation	-65	-57	-12	-12	-3	-2	-80	-72
Adj. EBITA4)	82	81	26	13	-8	-6	100	87
Amortisation	-13	-13	-	-	-	-	-13	-13
Adj. EBIT4)	69	68	26	13	-8	-6	88	75
Non-comparable items 4)	-	-	-	-	-	-	-	-
EBIT	69	68	26	13	-8	-6	88	75
Adj. EBITDA4) margin, %	7.6%	7.3%	8.6%	5.4%	-5.4%	-4.0%	7.3%	6.4%
Adj. EBITA4) margin, %	4.2%	4.3%	5.9%	2.8%	-9.1%	-6.1%	4.1%	3.5%
Adj. EBIT4) margin, %	3.6%	3.6%	5.9%	2.8%	-9.1%	-6.1%	3.5%	3.0%
EBIT margin, %	3.6%	3.6%	5.9%	2.8%	-9.1%	-6.1%	3.5%	3.0%
Capital employed							4,363	4,295
Return on capital employed							9.8%	9.1%
Chicken processed (LW) 5)							95,759	93,679
Net sales/kg							25.8	26.4
Adj. EBIT/kg							0.9	0.8
Net sales split								
Sweden	561	555	102	96	16	17	679	668
Denmark	390	358	270	311	42	54	703	723
Norway	361	347	68	66	3	4	432	417
Ireland	491	517	-	-	20	21	511	538
Finland	135	122	3	3	6	7	144	132
Total Net sales per country	**1,938**	**1,899**	**444**	**476**	**88**	**102**	**2,469**	**2,479**
Retail	1,575	1,519	114	96	5	3	1,694	1,626
Export	120	135	43	39	12	28	176	207
Foodservice	116	132	265	317	2	2	382	452
Industry / Other	127	114	21	24	69	69	217	192
Total Net sales sales channel	**1,938**	**1,899**	**444**	**476**	**88**	**102**	**2,469**	**2,479**
Chilled	1,534	1,477						
Frozen	404	422						
Total Net sales sub segment	**1,938**	**1,899**						
CO_2 emissions 6)							89.7	88.1
Animal welfare indicator 7)	14.8	15.6	-	-	-	-	14.8	15.6
Use of antibiotics (% of flocks treated)	6.1	7.3	-	-	-	-	6.1	7.3
Feed efficiency 8)	1.53	1.54	-	-	-	-	1.53	1.54
LTI per million hours worked	34.9	34.4	11.6	0	-	-	31.8	29.6
Critical complaints 9)	0	1	1	5	-	-	1	6

1) Includes feed in Ireland, hatching in Sweden, 100 consolidation of the 51% owned entity Rokkedal in Denmark. Excludes margins on products transferred to Ready-to-eat and Other
2) Net sales for the segment Ready-to-cook includes the external net sales. Operative result for the segment includes the integrated result for the group without internal margins
3) Other consist of Ingredients business and group cost, see note 2 for definition of Other. Group cost was MSEK 6 (7) in the quarter
4) Restated non-comparable items. see note 6 and 8
5) Live Weight, tonnes
6) g CO2e/kg product
7) Foot score; leading industry indicator for animal welfare
8) Feed conversion rate (kg feed/kg live weight)
9) Includes recall from customers or consumers, presence of foreign objects in the product, allergens or incorrect content or sell by dates

Ready-to-cook



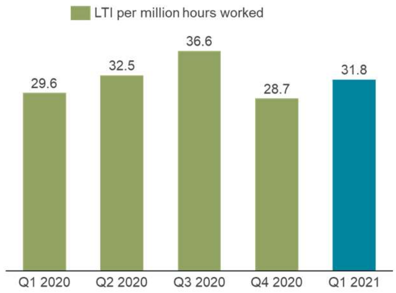
Ready-to-eat



Sustainability at Scandi Standard

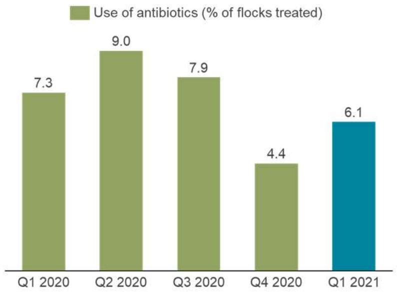
Focus areas and progress

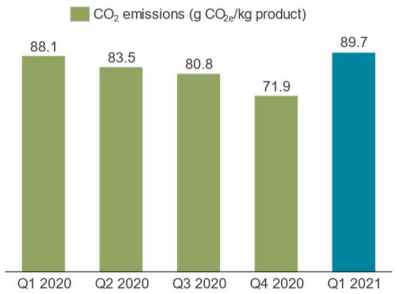
Our vision is *Better Chicken for a Better Life* - at Scandi Standard, we contribute to sustainable food production, by providing healthy, innovative chicken products that are produced in a responsible and resource-efficient way. We see that there is full alignment between meeting increasing ESG expectations and requirements, and operational and financial success for the Group – with the ambition to be a clear sustainability leader in the global poultry space. The Scandi Way is the way we work every day to make a difference and contribute to the health and well-being of people, chickens, and our planet.



First quarter 2021

- Working proactively to decrease workplace injuries is a priority for Scandi Standard, aiming to decrease LTI (lost time injuries) per 1 000 000 hours worked by 10 percent in 2021 compared to 2020. Unfortunately, there were a relatively high number of accidents in February at our sites, leading to a result of 31.8 in Q1 2021 compared to 29.6 in Q1 2020. Measures are continuously being implemented to lower the number of accidents.
- Foot pad lesions is a standardized animal welfare metric used in the poultry industry. A low score equates to good foot health, values below 15-20 are good in an international comparison. The ambitious target for 2021 is to be below 8 points, a 20 percent reduction compared to 2020. In Q1 2021 the foot score was 14.8, compared to 15.6 in Q1 2020, an improvement of 5 percent but not in line with the target and measures have been implemented towards relevant contract farmers in Ireland and Sweden.
- The use of antibiotics in Scandi Standard in the Nordic region is traditionally low, and Scandi Standard has successfully exported this practice also to its Irish operations. In Q1 2021, the percent of flocks treated with antibiotics was 6.1 (0 excl. Ireland) percent, down from 7.3 (0 excl. Ireland) percent in Q1 2020. Reported use of antibiotics can be compared with an estimated 40–80 percent treated flocks in many European countries.
- Scandi Standard has committed to set a target for reducing climate impact through the Science Based Targets initiative (SBTi). The target is under development and aims to be in line with the Paris agreement and to help keep a rise in global temperatures to 1.5 degrees. In our quarterly reporting, we report on Scope 1 and Scope 2 emissions related to energy use. The result for the first quarter was 89.7 g CO_{2e} /kg product, a three percent increase compared to the first quarter in 2020. This is mainly due to increased use of natural gas in Norway, where we have started to sell heat to a neighbouring company during the quarter. As part of the SBTi process, we are making a comprehensive long-term plan to decrease our climate impact across our value chain.

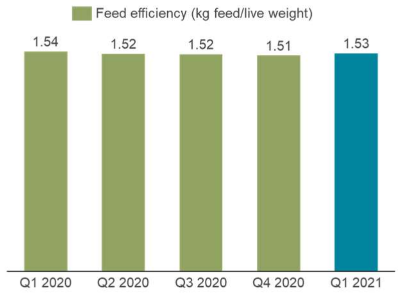




Case of the quarter

When considering climate impact across the food production value chain – from feed to farm to fork – chicken stands out with a climate footprint more than ten times lower than the climate footprint of beef. When comparing to pork, the impact is 2.5 times lower and when looking at fish and plant-based proteins the impact is roughly the same[1].

Furthermore, when looking at feed efficiency (kg feed / live weight) for different types of animal protein, chicken stands out as a clearly resource-efficient option, almost five times more efficient than beef[2]. An increase in feed efficiency saves natural resources and costs at several stages; less cultivated land is needed, fewer shipments, lower energy consumption for producing feed and less water consumption throughout the value chain. Scandi Standard's 2021 target for feed efficiency is an FCR (feed conversion ratio) of 1.50. The Q1 2021 result is 1.53, compared to 1.54 in Q1 2020 and 1.52 for the full year 2020.



Sustainability Overview	Q1 2021	Q1 2020	Change %	2021 Target
CO_2 emissions (g CO_{2e}/kg product)	89.7	88.1	2%	72.9
Animal welfare indicator (foot score)	14.8	15.6	-5%	8.0
Use of antibiotics (% of flocks treated)	6.1	7.3	-16%	5.7
Feed efficiency (kg feed/live weight)	1.53	1.54	-1%	1.50
LTI per million hours worked	31.8	29.6	8%	27.6
Critical complaints	1	6	-83%	0

1) Open list – an excerpt from the RISE climate database for food v 1.5
2) The figures given should be seen as the mean value of the FCR values (feed conversion rate) from several published sources

Segment: Ready-to-cook

MSEK	Q1 2021	Q1 2020	%	R12M	2020
Net sales	1,938	1,899	2%	7,657	7,619
Adj. EBITDA[1)]	147	138	7%	631	622
Depreciation	-65	-57	14%	-247	-239
Adj. EBITA[1)]	82	81	2%	384	382
Amortisation	-13	-13	-2%	-49	-49
Adj. EBIT[1)]	69	68	3%	335	333
Non-comparable items[1)]	-	-	-	-7	-7
EBIT	69	68	-1%	328	326
Adj. EBITDA[1)] margin, %	7.6%	7.3%	-	8.2%	8.2%
Adj. EBITA[1)] margin, %	4.2%	4.3%	-	5.0%	5.0%
Adj. EBIT[1)] margin, %	3.6%	3.6%	-	4.4%	4.4%
EBIT margin, %	3.6%	3.6%	-	4.3%	4.3%
Animal welfare indicator[2)]	14.8	15.6	-5%	10.8	10.2
LTI per millions hours worked	34.9	34.4	1%	35.1	34.9
Critical complaints[3)]	-	1	-100%	8	9

1) Restated non-comparable items. see note 6 and 8
2) Foot score; leading industry indicator for animal welfare
3) Includes recall from customers or consumers, presence of foreign objects in the product, allergen or incorrect content or sell by dates

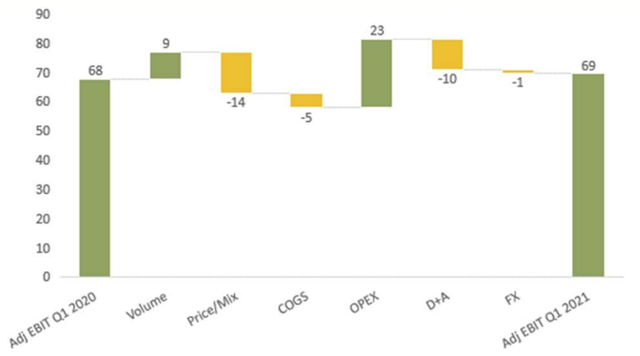
Net sales within the segment Ready-to-cook (RTC) increased by 2 percent from MSEK 1,899 to MSEK 1,938. In fixed currency the growth in net sales was 5 percent. Finland and Denmark delivering double digit growth in net sales in local currency, Norway grew 7 percent in local currency while Sweden was more modest at 2 percent and Ireland was flat in local currency.

Chilled products increased net sales with 4 percent and constitutes 79 percent of net sales for RTC. Frozen sales declined with 4 percent driven by lower export prices and constitutes 21 percent of net sales for RTC.

Sales to Retail continued to increase, growing 4 percent and now represents 81 percent t of total net sales. This is in line with the trend that has been observed since the Covid-19 pandemic started to impact consumer behaviour in our markets in March 2020. The change has been at the expense of Foodservice as consumers are eating more at home.

The Export sales channel declined in Net Sales with 11 percent, now representing 6 percent of total RTC Net Sales. Prices in the global export markets have been negatively impacted by the Covid-19 pandemic. Further prevalence of Bird flu in Denmark, Sweden and in addition Ireland has led to reduced market access to some of the core export markets in Asia and Africa which has further worsened the pricing situation. Pricing in the export markets has hence been at historic low levels and contributed negatively to the profitability.

Ready-to-cook: Change in Adj. EBIT Q1 2020 – Q1 2021 (MSEK)



Adjusted operating income (Adjusted EBIT) for RTC increased by MSEK 2 to MSEK 69 (68) corresponding to a adjusted operating income margin (adj. EBIT margin) of 3.6 (3.6) percent.

The result was positively affected by positive mix effects in Sweden, Norway and Finland coupled with improved production costs.

Operating expenses decreased by MSEK 23 of which 12 MSEK is related to that in the same quarter previous year The Group carried costs for the strategy project. The remaining saving is a mix of lower marketing investments and general overhead cost.

The main negative contributor is the Danish RTC business, which delivered a negative adjusted EBIT of MSEK 50. Volume increased in Denmark driven by sell-out of inventory, which gave a positive volume effect. However, Denmark also saw a large negative price/mix effect behind the inventory sell-out and low export prices due to Bird flu and Covid-19 pandemic. In addition, Denmark also had increased production costs and increased cost for live birds that has not been fully optimized.

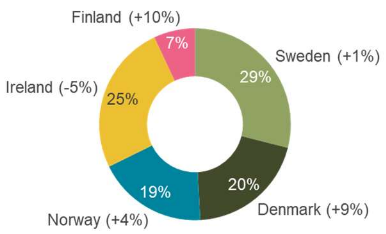
Total negative impact from Bird flu was estimated to MSEK 19, mainly driven by lower export prices. Both Denmark, Sweden and Ireland were impacted. Ireland also impacted by Increased feed prices.

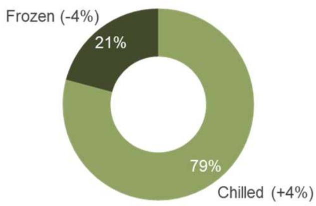
Depreciation increased by MSEK 10 due to high investment level in previous years, and currency impacted negatively by MSEK 1.

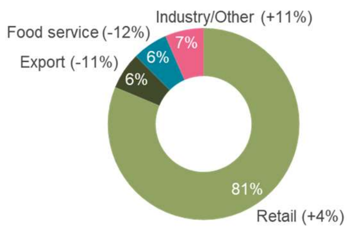
Note, operating income was in line with adjusted operating income as no non-comparable items were reported.

Lost time injuries for the RTC business were stable in the first quarter, 34.9 per million hours worked compared to 34.4 in the first quarter 2020. However, the target for the group is to decrease injuries with 10 percent during 2021 and measures to reach this ambitious target is being implemented. No critical complaints were reported for RTC during the first quarter.

Net Sales per country, product type and sales channel. Change versus previous period in brackets ()







Segment Ready-to-cook (RTC): is the Group's largest product category and consists of products that are either chilled or frozen, that have not been cooked. These include whole birds, cuts of meat, deboned and seasoned, or marinated products. Products are made available mainly via Retail and Foodservice to both domestic and export markets. The segment comprises RTC processing plants in all five countries, the feed business in Ireland, egg production in Norway, and the hatching business in Sweden. The segment accounts measure net sales and profitability excluding the products transferred internally to the Ready-to-eat segment.

Segment: Ready-to-eat

MSEK	Q1 2021	Q1 2020	%	R12M	2020
Net sales	444	476	-7%	1,878	1,911
Adj. EBITDA[1)]	38	26	49%	154	141
Depreciation	-12	-12	-3%	-47	-47
Adj. EBITA[1)]	26	13	99%	107	94
Amortisation	-	-	.	1	1
Adj. EBIT[1)]	26	13	99%	108	95
Non-comparable items[1)]	-	-	-	-	-
EBIT	26	13	0%	108	95
Adj. EBITDA[1)] margin, %	8.6%	5.4%	-	8.2%	7.4%
Adj. EBITA[1)] margin, %	5.9%	2.8%		5.8%	5.0%
Adj. EBIT[1)] margin, %	5.9%	2.8%	-	5.8%	5.0%
EBIT margin	5.9%	2.8%	-	5.8%	5.0%
LTI per millions hours worked	11.6	0	-	14.6	11.5
Critical complaints[2)]	1	5	-80%	13	17

1) Restated non-comparable items. see note 6 and 8

2) includes recall from customers or consumers, presence of foreign objects in the product, allergens or incorrect content or sell by dates

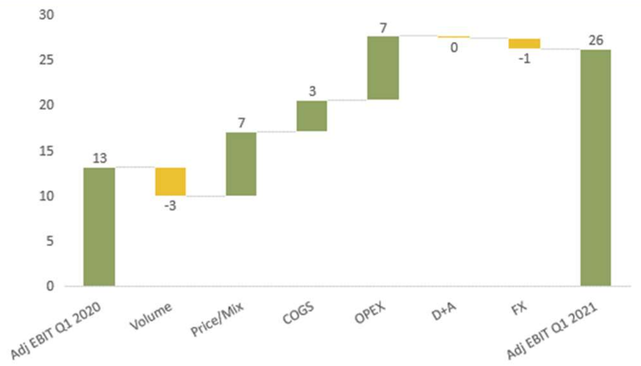
Net sales within the segment Ready-to-eat (RTE) decreased by 7 percent from MSEK 476 to MSEK 444. In fixed currency the decrease was 3 percent. Sweden, Norway and Finland all contributed with growth but was more than offset by declining Net sales in Denmark with 13 percent, equal to 8 percent in fixed currency. Denmark still by far the largest market and represents 61 percent of the total net sales. A large part of the sales is to QSR (quick service restaurants) in Nordic and Europe.

The Foodservice sales channel continued to decrease, down 16 percent, and now represent 60 percent of Net sales. This is in line with what has been observed in the period since the Covid-19 pandemic started to impact consumer behaviour in our markets in March 2020.

Opposite impact can be observed in the Retail sales channel which increased Net sales by 19 percent in the same period, also positively impacted by new customer agreements and new launches. The Retail sales channel now represent 26 percent of the Net sales of Ready-to-Eat.

The Export sales channel increased in Net sales with 9 percent, and now represent 10 percent of Net sales for RTE. Growth is mainly driven by UK opening up in March compared to being completely closed in 2020. The export business within RTE does not deal in surplus sales in the same way as is the case for RTC and has not been negatively impacted by the declining export prices in the same way as RTC.

Ready-to-eat: Change in Adj. EBIT Q1 20 – Q1 21 (MSEK)



Adjusted operating income (Adj. EBIT) for RTE increased by MSEK 13 to MSEK 26 (13) corresponding to an adjusted operating margin (Adj. EBIT margin) of 5.9 (2.8) percent.

Positive price/mix effect improved the result. Main driver was positive mix in sales originating from Denmark with less sales to QSR customer outside Nordic, but also strong sales in Norway contributes positively to the mix.

Cost of goods sold was negatively impacted by temporary closure of production lines focusing on Foodservice channel, negative EBIT impact estimated to 9 MSEK. However this was more than offset by lower raw material costs and improved operational efficiency in Denmark and improved operational efficiency in Norway.

Operating expenses decreased by MSEK 7 of which 3 MSEK is related to that in the same quarter previous year the Group carried costs for the strategy project. The remaining cost saving is a mix of lower marketing investments in the wake of Covid-19 pandemic and lower general overhead cost.

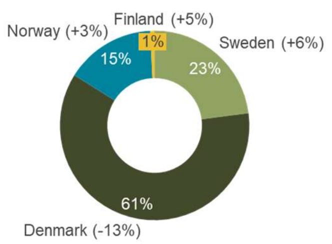
Volume decreased driven by Denmark and the QSR business, which worsened the result by MSEK 3.

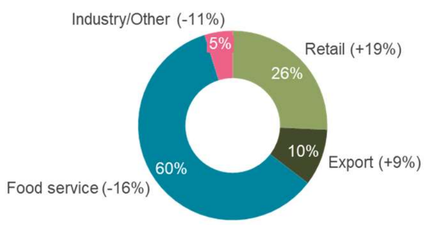
Depreciation was flat in the quarter and currency impacted the result negatively by MSEK 1.

Note, operating income in line with adjusted operating income as no non-comparable items was reported.

11.6 lost time injuries per million hours worked were reported for the RTE business in the quarter, which is in line with the total figure for 2020 (11.5) but an increase compared to the first quarter 2020 where no lost time injuries were reported. Generally, the injury frequency is lower in the RTE segment than for RTC, but measures are continuously being implemented to improve performance.
The number of critical complains decreased to one in the first quarter compared to five in the first quarter 2020, which is historically low levels for the RTE business.

Net Sales per country and sales channel. Change versus previous period in brackets ()





Segment Ready-to-eat (RTE): consists of products that have been cooked during processing and are ready to be consumed, either directly or after being heated up. Products range from grilled and pre-sliced chicken fillets with different seasoning to chicken nuggets. Sales are mainly to Retail and Foodservice sales channels, and part of the production is exported. The segment comprises RTE processing plants in Sweden, Denmark and Norway, combined with third-party production. The reporting of the segment includes the value creation throughout the Scandi Standard group of RTE products.

Segment: Other/ Ingredients Group cost

Ingredients
Net sales of MSEK 88 (103) were recognised with an adjusted operating income (Adj. EBIT) of MSEK -2 (1). The reduction in adjusted operating income (Adj. EBIT) was driven by reduced prices in fur feed.

Group cost
Group costs of MSEK 6 (7) were recognised in the Group adjusted operating income (Adj. EBIT).

Other information

Personnel
The average number of employees in the first quarter 2021 was 3,227 (3,146).

Government support
During the first quarter 2021 an amount of MSEK 2 (-) of governmental support has been recognized in profit. The received government support refers to compensation for short term leave and increased sick leave and is in total substantially lower than the overall increased costs related to the Covid-19 pandemic.

Average exchange rates

	2021-03	2020-03
DKK/SEK	1.36	1.43
NOK/SEK	0.99	1.02
EUR/SEK	10.12	10.66

Risks and uncertainties
Scandi Standards' risks and uncertainties are described on pages 55 – 59 and pages 87 – 90 in the Annual Report 2020, which is available at www.scandistandard.com. This description includes a section on Covid-19 pandemic under the heading "Virus pandemic", which is also stated here. The ongoing outbreak of the new Corona virus affects our operations in several ways. The Groups sales to Foodservice is negatively affected since the hospitality industry is suffering consequences of the virus outbreak. The ability to produce may also be affected by high levels of sick leave if employees for other reasons cannot be at work or by government directives that may affect the ability to maintain the production. If the outbreak has major impact on the Groups result, it may affect the liquidity and financial position of the Group. The Group has crisis plans that are updated and put into action during prevailing circumstance and production capacity is adapted to demand. A detailed analysis of the expected liquidity and financial position is made and updated continuously. Crisis package from governments may be applicable in some cases.

Events after the close of the quarter
Additional cases of Bird flu in Sweden and Denmark in late April. Will prolong the export bans to certain markets until August.
In May 2021 Scandi Standard have prolonged short term credit facilities of 400 MSEK one year.

Stockholm, 7 May 2021

Leif Bergvall Hansen Managing Director and CEO

The interim report has not been subject to review by the Company's auditors. This is a translation of the original Swedish version published on **www.scandistandard.com**

Consolidated income statement

MSEK	Q1 2021	Q1 2020	R12M	2020
Net sales	2,469	2,479	9,931	9,940
Other operating revenues	6	5	22	21
Changes in inventories of finished goods and work in progress	-55	11	-36	30
Raw materials and consumables	-1,449	-1,469	-5,878	-5,898
Cost of personnel	-495	-506	-2,057	-2,067
Depreciation, amortisation and impairment	-93	-85	-358	-350
Other operating expenses	-296	-361	-1,262	-1,327
Share of income of associates	-	-	2	2
Operating income	**88**	**75**	**364**	**351**
Finance income	0	0	0	0
Finance expenses	-16	-34	-74	-91
Income after finance net	**71**	**41**	**290**	**260**
Tax on income for the period	-17	-6	-63	-52
Income for the period	**54**	**35**	**227**	**208**
Whereof attributable to:				
Shareholders of the Parent Company	55	33	229	207
Non-controlling interests	-1	2	-2	1
Average number of shares	65,255,270	65,383,603	65,373,635	65,501,968
Earnings per share, SEK	0.84	0.51	3.50	3.16
Earnings per share after dilution, SEK	0.84	0.51	3.50	3.16
Number of shares at the end of the period	66,060,890	66,060,890	66,060,890	66,060,890

Consolidated statement of comprehensive income

MSEK	Q1 2021	Q1 2020	R12M	2020
Income for the period	54	35	227	208
Other comprehensive income				
Items that will not be reclassified to the income statement				
Actuarial gains and losses in defined benefit pension plans	18	-	30	12
Tax on actuarial gains and losses	-4	-	-6	-3
Total	**14**	**-**	**24**	**10**
Items that will or may be reclassified to the income statement				
Cash flow hedges	-4	-4	6	6
Currency effects from conversion of foreign operations	72	94	-141	-115
Income from currency hedging of foreign operations	-14	12	-11	16
Tax attributable to items that will be reclassified to the income statement	1	1	-1	-1
Total	**55**	**102**	**-146**	**-95**
Other comprehensive income for the period, net of tax	69	102	-122	-85
Total comprehensive income for the period	**123**	**137**	**105**	**123**
Whereof attributable to:				
Shareholders of the Parent Company	124	136	107	122
Non-controlling interests	-1	2	-2	1

Consolidated statement of financial position

MSEK	Note	March 31, 2021	March 31, 2020	December 31, 2020
ASSETS				
Non-current assets				
Goodwill		920	934	888
Other intangible assets		884	970	878
Property plant and equipment		1,917	1,856	1,817
Right-of-use assets		458	415	455
Non-current leasing receivables		-	8	0
Participations in associated companies		44	43	43
Financial assets	3	1	4	1
Deferred tax assets		39	39	41
Total non-current assets		**4,265**	**4,270**	**4,123**
Current assets				
Biological assets		104	102	103
Inventory		670	754	713
Trade receivables	3	895	954	818
Other short-term receivables		73	73	78
Prepaid expenses and accrued income		139	108	131
Current leasing receivables		-	2	0
Derivative instruments	3	-	-	5
Cash and cash equivalents	3	458	250	413
Total current assets		**2,339**	**2,242**	**2,262**
TOTAL ASSETS		**6,604**	**6,512**	**6,385**
EQUITY AND LIABILITIES				
Shareholder's equity				
Share capital		1	1	1
Other contributed equity		727	727	727
Reserves		125	269	70
Retained earnings		1,117	881	1,077
Capital and reserves attributable to owners		**1,970**	**1,877**	**1,875**
Non-controlling interests		0	2	1
Total equity		**1,970**	**1,879**	**1,876**
Liabilities				
Non-current liabilities				
Non-current interest-bearing liabilities	3	1,907	1,922	1,863
Non-current leasing liabilities		402	376	401
Derivative instruments	3	12	18	15
Provisions for pensions		-13	26	8
Other provisions		8	6	7
Deferred tax liabilities		165	147	166
Other non-current liabilities	4	65	164	64
Total non-current liabilities		**2,547**	**2,660**	**2,524**
Current liabilities				
Current leasing liabilities		75	65	73
Derivative instruments	3	2	2	-
Trade payables	3	1,240	1,249	1,163
Tax payables		29	22	29
Other current liabilities	4	313	220	342
Accrued expenses and prepaid income		427	416	378
Total current liabilities		**2,087**	**1,974**	**1,985**
TOTAL EQUITY AND LIABILITIES		**6,604**	**6,512**	**6,385**

Consolidated statement of changes in equity

MSEK	Note	Equity attributable to shareholders of the Parent Company Share capital	Other contributed equity	Reserves	Retained earnings	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
Opening balance January 1, 2020		**1**	**727**	**166**	**845**	**1,738**	**3**	**1,741**
Income for the year					207	207	1	208
Other comprehensive income for the year, net after tax				-96	10	-86	-	-86
Total comprehensive income				**-96**	**217**	**121**	**1**	**122**
Dividend						-	-2	-2
Long term incentive program (LTIP)					**15**	**15**	**-**	**15**
Total transactions with the owners		**-**	**-**	**-**	**15**	**15**	**-2**	**13**
Closing balance December 31, 2020		**1**	**727**	**70**	**1,077**	**1,875**	**1**	**1,876**
Opening balance January 1, 2021		**1**	**727**	**70**	**1,077**	**1,875**	**1**	**1,876**
Income for the period					55	55	-1	54
Other comprehensive income, net after tax				55	14	69	-	69
Total comprehensive income				**55**	**69**	**124**	**-1**	**123**
Dividend						-	-	-
Long term incentive program (LTIP)					3	3	-	3
Repurchase of own shares					-32	-32	-	-32
Total transactions with the owners		**-**	**-**	**-**	**-29**	**-29**	**-**	**-29**
Closing balance March 31, 2021		**1**	**727**	**125**	**1117**	**1,969**	**-**	**1,970**

Consolidated statement of cash flows

MSEK	Q1 2021	Q1 2020	R12M	2020
OPERATING ACTIVITIES				
Operating income	88	75	364	351
Adjustment for non-cash items	89	89	424	424
Paid finance items net	-19	-19	-75	-76
Paid current income tax	-28	-16	-52	-41
Cash flow from operating activities before changes in operating capital	**129**	**127**	**660**	**658**
Changes in inventories and biological assets	55	-7	46	-16
Changes in operating receivables	-51	-23	-15	13
Changes in operating payables	68	82	132	146
Changes in working capital	**73**	**52**	**163**	**143**
Cash flow from operating activities	**202**	**180**	**823**	**801**
INVESTING ACTIVITIES				
Business combinations	-12	-	-116	-104
Investments in rights of use assets	0	0	-2	-2
Investment in property, plant and equipment	-118	-103	-371	-355
Cash flows used in investing activities	**-130**	**-103**	**-489**	**-461**
FINANCING ACTIVITIES				
New loan	-	-	60	60
Repayment loan	-5	-1	-59	-55
Payments for amortization of leasing liabilities	-21	-20	-84	-82
Dividend	-	-	-	-
Repurchase of own shares	-32	-	-32	-
Other	22	-7	4	-25
Cash flows in financing activities	**-35**	**-27**	**-110**	**-102**
Cash flows for the period	**36**	**50**	**224**	**238**
Cash and cash equivalents at beginning of the period	**413**	**194**	**250**	**194**
Currency effect in cash and cash equivalents	9	6	-16	-19
Cash flow for the period	36	50	225	238
Cash and cash equivalents at the end of the period	**458**	**250**	**458**	**413**

Parent Company income statement

MSEK	Q1 2021	Q1 2020	R12M	2020
Net sales	-	-	-	-
Operating expenses	0	0	0	0
Operating income	**0**	**0**	**0**	**0**
Finance net	5	6	27	29
Income after finance net	**5**	**6**	**27**	**29**
Group contribution	-	-	-4	-4
Tax on income for the period	0	-1	0	-0
Income for the period	**4**	**6**	**23**	**25**

Parent Company statement of comprehensive income

MSEK	Q1 2021	Q1 2020	R12M	2020
Income for the period	4	6	23	25
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	**4**	**6**	**23**	**25**

Parent Company statement of financial position

MSEK	Note	March 31, 2021	March 31, 2020	December 31, 2020
ASSETS				
Non-current assets				
Investments in subsidiaries		533	533	533
Receivables from Group entities		405	405	405
Total non-current assets		**938**	**938**	**938**
Current assets				
Receivables from Group entities		30	27	27
Cash and cash equivalents		0	0	0
Total current assets		**30**	**27**	**27**
TOTAL ASSETS		**968**	**965**	**965**
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		1	1	1
Non-restricted equity				
Share premium account		727	727	727
Retained earnings		-27	-20	-20
Income for the period		4	6	25
Total equity		**704**	**713**	**732**
Current liabilities				
Tax payables		0	1	0
Liabilities to Group companies	4	263	252	233
Accrued expenses and prepaid income		0	0	0
Total current liabilities		**263**	**252**	**233**
TOTAL EQUITY AND LIABILITIES		**968**	**965**	**965**

Parent Company statement of changes in equity

MSEK	
Opening balance 1 January, 2020	**707**
Income for the year	25
Other comprehensive income for the year, net after tax	-
Total comprehensive income	**25**
Closing balance December 31, 2020	**732**
Opening balance 1 January, 2021	**732**
Income for the period	4
Other comprehensive income for the period, net after tax	-
Total comprehensive income	**4**
Repurchase of own shares	-32
Total transactions with the owners	**-32**
Closing balance 31 March, 2021	**704**

Notes to the condensed consolidated financial information

Note 1. Accounting policies

Scandi Standard applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and recommendation RFR 1, Supplementary accounting principles for Groups, issued by the Swedish Financial Reporting Board. The Parent Company's accounts have been prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2, Accounting for legal entities. issued by the Swedish Financial Reporting Board.

No changes have been made in the Group's accounting and valuation principles compared with the accounting and valuation principles described in Note 1 of the Annual Report 2020.

Amount and dates

Unless otherwise stated. amounts are indicated in millions of Swedish kronor (MSEK). All comparative figures in this report refer to the corresponding period of the previous year. Rounding errors may occur.

Long-term incentive program

The Annual General Meeting 2021 proposes a long-term incentive program (LTIP 2021) for key employees which is designed to promote the long-term value growth of the company and the Group and increase alignment between the interests of the participating individual in the program and the company's shareholders. The program is of the same type as LTIP 2020. The programs are equity-settled, share based compensation plans accounted for in accordance with IFRS 2, Share based payments. The programs are expensed over the vesting period (3 years). At the end of each reporting period the Group considers changes in the anticipated number of vested shares. Social charges related to the programs are recognized as a cash-settled instrument. For more information about the Group's long-term incentive programs, see Notes 1 and 5 in the Annual Report 2020.

To secure the Scandi Standards obligation to provide conditional performance shares under LTIP, the company has during the first quarter of 2021 repurchased 540,000 shares at a price of SEK 60.90 per share, for a total of MSEK 32. Scandi Standard's holding of treasury shares thereby amounts to 978,953 shares, which secure delivery of shares for all of the Company's incentive programmes.

Note 2. Segment information

From the first quarter 2021 Scandi Standard manages and monitors its business based on the segments Ready-to-cook, Ready-to-eat and Other.

The Group has updated its operational structure to a more integrated matrix organisation, i.e. managers are held responsible both for product segments and geographies. An integral part of the Company strategy for continued growth and value creation is to share best practice, capitalize on product development and drive scale efficiencies across the Group.

The successful expansion of the Ready-to-eat business, which has grown from sales of MSEK 500 to BNSEK 2 since 2015, has accentuated the rationale to follow up Ready-to-cook and Ready-to-eat separately, as they largely represent different skill sets and production processes. In 2020, Scandi Standard conducted a comprehensive strategic review, which further strengthened the view that an increased focus on these two reportable segments will be a better way to identify, nurture and spread best practice to support continued growth and value creation. Based on the strategic review, Scandi Standard's internal organisation has been aligned, including internal reporting and decision-making processes. Consequently, with effect from 1 January 2021, the segment reporting is updated to comprise the reportable segments Ready-to-cook and Ready-to-eat, as it best reflects how Scandi Standard primarily manages and monitors its operations.

The responsibility for the Group's financial assets and liabilities, provisions for taxes, gains and losses on the re-measurement of financial instruments according to IFRS 9 and pension obligations according to IAS 19 are dealt with by the corporate functions and are not allocated to the segments. All capital expenditure on property, plant and equipment and intangible assets, apart from expendable equipment, is included in the segments' investments.

Segment Ready-to-cook (RTC): is the Group's largest product segment and consists of products that are either chilled or frozen, that have not been cooked. These include whole birds, cuts of meat, deboned and seasoned, or marinated products. Products are made available mainly via Retail and Foodservice to both domestic and export markets. The segment comprises RTC processing plants in all five countries, the feed business in Ireland, egg production in Norway, and the hatching business in Sweden. The segment accounts measure net sales and profitability excluding the products transferred internally to the Ready-to-eat segment.

Segment Ready-to-eat (RTE): segment consists of products that have been cooked during processing and are ready to be consumed, either directly or after being heated up. Products range from grilled and pre-sliced chicken fillets with different seasoning to chicken nuggets. Sales are mainly to Retail and Foodservice sales channels, and part of the production is exported. The segment comprises RTE processing plants in Sweden, Denmark and Norway, combined with third-party production. The reporting of the segment includes the value creation throughout the Scandi Standard group of RTE products.

Other: Segment Other consists of ingredients, which is surplus products mainly for non-human consumption, and mainly used for industrial production of animal feed and other applications, in line with Scandi Standard's ambition is to utilize the animal entirely, as it reduces production waste to almost zero and contributes to a lower carbon footprint. No individual part of *Other* is significant enough in size to constitute its own segment.

Segment reporting – historical data

Ready-to-cook, MSEK	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Net sales	1,879	1,883	1,900	1,806	7,467	1,899	1,912	1,983	1,824	7,619
Adj. EBITDA	151	155	165	150	621	138	170	175	139	622
Adj. EBITA	99	103	112	97	411	81	111	117	74	382
Adj. EBIT	87	92	99	84	362	68	98	105	63	333
Non-comparable items	0	-7	0	0	-7	0	0	0	-7	-7
EBIT	87	83	99	84	352	68	98	105	56	326
Adjusted EBITDA margin	*8.0%*	*8.2%*	*8.7%*	*8.3%*	*8.3%*	*7.3%*	*8.9%*	*8.8%*	*7.6%*	*8.2%*
Adjusted EBITA margin	*5.3%*	*5.5%*	*5.9%*	*5.4%*	*5.5%*	*4.2%*	*5.8%*	*5.9%*	*4.0%*	*5.0%*
Adjusted EBIT margin	*4.6%*	*4.9%*	*5.2%*	*4.7%*	*4.8%*	*3.6%*	*5.1%*	*5.3%*	*3.4%*	*4.4%*
EBIT margin	*4.6%*	*4.4%*	*5.2%*	*4.7%*	*4.7%*	*3.6%*	*5.1%*	*5.3%*	*3.0%*	*4.3%*

Ready-to-eat, MSEK	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Net sales	489	498	542	514	2,042	476	426	532	476	1,911
Adj. EBITDA	37	34	42	25	139	26	21	55	39	141
Adj. EBITA	25	22	28	11	87	13	9	44	28	94
Adj. EBIT	25	21	28	11	85	13	9	44	29	95
Non-comparable items	0	0	0	0	0	0	0	0	0	0
EBIT	25	21	28	11	85	13	9	44	29	95
Adjusted EBITDA margin	*7.7%*	*6.8%*	*7.8%*	*4.9%*	*6.8%*	*5.4%*	*5.0%*	*10.4%*	*8.2%*	*7.4%*
Adjusted EBITA margin	*5.2%*	*4.3%*	*5.2%*	*2.2%*	*4.2%*	*2.8%*	*2.2%*	*8.2%*	*5.8%*	*4.9%*
Adjusted EBIT margin	*5.1%*	*4.2%*	*5.2%*	*2.1%*	*4.2%*	*2.8%*	*2.2%*	*8.2%*	*6.1%*	*5.0%*
EBIT margin	*5.1%*	*4.2%*	*5.2%*	*2.1%*	*4.2%*	*2.8%*	*2.2%*	*8.2%*	*6.1%*	*5.0%*

Other, MSEK	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Net sales	91	91	99	100	381	103	110	106	92	411
Adj. EBITDA	6	7	4	1	18	2	5	5	0	11
Adj. EBITA	4	4	3	0	11	1	4	4	-1	7
Adj. EBIT	4	4	3	0	11	1	4	4	-1	7
Non-comparable items	0	0	0	0	0	0	0	0	0	0
EBIT	4	6	3	0	13	1	4	4	-1	7
Adjusted EBITDA margin	*6.5%*	*7.3%*	*4.3%*	*0.8%*	*4.6%*	*1.8%*	*4.3%*	*4.4%*	*-0.5%*	*2.6%*
Adjusted EBITA margin	*4.3%*	*4.5%*	*2.9%*	*0.1%*	*2.9%*	*0.7%*	*3.3%*	*3.6%*	*-1.2%*	*1.7%*
Adjusted EBIT margin	*4.3%*	*4.5%*	*2.9%*	*0.1%*	*2.9%*	*0.7%*	*3.3%*	*3.6%*	*-1.2%*	*1.7%*
EBIT margin	*4.3%*	*6.7%*	*2.9%*	*0.1%*	*3.4%*	*0.6%*	*3.3%*	*3.6%*	*-1.2%*	*1.7%*

Group Cost	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Net sales	-	-	-	-	0	-	-	-	-	0
Adj. EBITDA	-5	-8	-5	-7	-24	-6	-4	-3	-5	-18
Adj. EBITA	-5	-9	-5	-8	-26	-7	-6	-6	-7	-26
Adj. EBIT	-5	-9	-5	-8	-26	-7	-6	-6	-7	-26
Non-comparable items	0	0	0	0	0	0	0	-31	-21	-52
EBIT	-5	-9	-5	-8	-26	-7	-6	-37	-28	-78
Adjusted EBITDA margin	-	-	-	-	-	-	-	-	-	-
Adjusted EBITA margin	-	-	-	-	-	-	-	-	-	-
Adjusted EBIT margin	-	-	-	-	-	-	-	-	-	-
EBIT margin	-	-	-	-	-	-	-	-	-	-

TOTAL	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Net sales	2,458	2,472	2,541	2,420	9,891	2,479	2,448	2,621	2,393	9,940
Adj. EBITDA	190	187	207	169	753	159	192	232	173	756
Adj. EBITA	123	120	138	101	482	87	117	159	93	457
Adj. EBIT	110	108	125	87	431	75	105	147	83	410
Non-comparable items	0	-7	0	0	-7	0	0	-31	-28	-59
EBIT	110	101	125	87	424	75	105	116	56	351
Adjusted EBITDA margin	*7.7%*	*7.6%*	*8.2%*	*7.0%*	*7.6%*	*6.4%*	*7.8%*	*8.8%*	*7.2%*	*7.6%*
Adjusted EBITA margin	*5.0%*	*4.9%*	*5.4%*	*4.2%*	*4.9%*	*3.5%*	*4.8%*	*6.1%*	*3.9%*	*4.6%*
Adjusted EBIT margin	*4.5%*	*4.4%*	*4.9%*	*3.6%*	*4.4%*	*3.0%*	*4.3%*	*5.6%*	*3.5%*	*4.1%*
EBIT margin	*4.5%*	*4.1%*	*4.9%*	*3.6%*	*4.3%*	*3.0%*	*4.3%*	*4.4%*	*2.3%*	*3.5%*

Note 3. Accounting and valuation of financial instruments

Scandi Standard's financial instruments, by classification and by level in the fair value hierarchy as per 31 March 2021 and for the comparison period, are shown in the tables below.

March 31 2021, MSEK	Valued at amortized cost	Valued at fair value through profit and loss[1]	Derivatives used in hedge accounting[1]
Assets			
Other non-current financial assets	1	-	-
Trade receivables	895	-	-
Derivatives instruments	-	-	-
Cash and cash equivalents	458	-	-
Total financial assets	**1,354**	**-**	**-**
Liabilities			
Non-current interest-bearing liabilities	1,907	-	-
Other non-current liabilities	-	-	-
Derivatives instruments	-	-	14
Current interest-bearing liabilities	-	-	-
Other current liabilities	-	171	-
Trade and other payables	1,240	-	-
Total financial liabilities	**3,147**	**171**	**14**

March 31 2020, MSEK	Valued at amortized cost	Valued at fair value through profit and loss[1]	Derivatives used in hedge accounting[1]
Assets			
Other non-current financial assets	4	-	-
Trade receivables	954	-	-
Derivative instruments	-	-	-
Cash and cash equivalents	250	-	-
Total financial assets	**1,208**	**-**	**-**
Liabilities			
Non-current interest-bearing liabilities	1,922	-	-
Other non-current liabilities	-	125	-
Derivative instruments	-	-	20
Current interest-bearing liabilities	0	-	-
Other current liabilities	-	125	-
Trade and other payables	1,249	-	-
Total financial liabilities	**3,171**	**250**	**20**

1) The valuation of the Groups financial assets and liabilities is performed in accordance with the fair-value hierarchy:
Level 1. Quoted prices (unadjusted) in active markets for identical instruments.
Level 2. Data other than quoted prices included within level 1 that are observable for the asset or liability either directly as prices or indirectly as derived from prices.
Level 3. Non-observable data for the asset or liability.

As of 31 March 2021, and at the end of the comparison period the Group had financial derivatives (level 2) measured at fair value on the balance sheet. The fair value of forward exchange contracts is estimated based on current forward rates at the reporting date, while interest rate swaps are valued using estimates of future discounted cash flows. As of 31 March 2021, the derivatives amounted to MSEK -14 (-20).

For the Group's long-term borrowing, which as of 31 March 2021 amounted to MSEK 1,907 (1,922), fair value is considered to be equal to the amortized cost as the borrowings are held at floating market rates and hence the booked value will be approximated as the fair value.

For other financial instruments, fair value is estimated at cost adjusted for any impairment. Other non-current liabilities and other current liabilities (level 3) refers to the additional purchase price related to the acquisition of Manor Farm. The liability is valued at estimated fair value based on historic and future expected EBITDA.

Note 4. Other liabilities

The part in other non-current liabilities and other current liabilities for the Group as per 31 March 2021 amounting to MSEK - (125) and MSEK 171 (125) respectively, refers to the additional purchase price related to performed acquisitions.

The current liabilities to Group entities in the Parent Company as per 31 March 2021 amounted to MSEK 263 (252).

Note 5. Alternative KPIs

The Scandi Standard Group uses the below alternative KPIs. The Group believes that the presented alternative KPIs are useful when reading the financial statements in order to understand the Group's ability to generate results before investments, assess the Group's opportunities to dividends and strategic investments and to assess the Group's ability to fulfill its financial obligations.

From Income Statement, MSEK		Q1 2021	Q1 2020	R12M	2020
Net sales	A	2,469	2,479	9,931	9,940
Income for the period	B	54	35	227	208
+ Reversal of tax on income for the year		17	6	63	52
Income after finance net	**C**	**71**	**41**	**290**	**260**
+ Reversal of financial expenses		16	34	74	91
+ Reversal of financial income		0	0	0	0
Operating income (EBIT)	**D**	**88**	**75**	**364**	**351**
+ Reversal of depreciation, amortization and impairment		93	85	358	350
+ Reversal of share of income of associates		-	-	-2	-2
EBITDA	**E**	**180**	**159**	**720**	**699**
Non-comparable items in income for the period (EBIT)	F	-	-	59	59
Adjusted income for the period (Adj. EBIT)	**D+F**	**88**	**75**	**422**	**410**
Adjusted operating margin (Adj. EBIT margin)	(D+F)/A	*3.5%*	*3.0%*	*4.3%*	*4.1%*
Non-comparable items in EBITDA	G	-	-	57	57
Adjusted EBITDA	**E+G**	**180**	**159**	**777**	**756**
Adjusted EBITDA margin %	*(E+G)/A*	*7.3%*	*6.4%*	*7.8%*	*7.6%*

From Statement of Cash Flow, MSEK		Q1 2021	Q1 2020	R12M	2020
Operating activities					
Operating income (EBIT)		88	75	364	351
Adjustment for non-cash items					
+ Depreciation, amortisation and impairment		93	85	358	350
- Share of income of associates		-	-	-2	-2
EBITDA		**180**	**159**	**720**	**699**
Non-comparable items in EBITDA	G	-	-	57	57
Adjusted EBITDA		**180**	**159**	**777**	**756**

From Balance Sheet, MSEK		March 31, 2021	March 31, 2020	December 31, 2020
Total assets		**6,604**	**6,512**	**6,385**
Non-current non-interest-bearing liabilities				
Deferred tax liabilities		-165	-147	-166
Other non-current liabilities		-65	-164	-64
Total non-current non-interest-bearing liabilities		**-230**	**-311**	**-230**
Current non-interest-bearing liabilities				
Trade payables		-1,240	-1,249	-1,163
Tax payables		-29	-22	-29
Other current liabilities		-313	-220	-342
Accrued expenses and prepaid income		-427	-416	-378
Total current non-interest-bearing liabilities		**-2,010**	**-1,907**	**-1,912**
Capital employed		**4,363**	**4,295**	**4,243**
Less: Cash and cash equivalents		-458	-250	-413
Operating capital		**3,906**	**4,045**	**3,830**
Average capital employed	**H**	**4,329**	**4,261**	**4,204**
Average operating capital	**I**	**3,975**	**4,090**	**3,901**
Operating income (EBIT), R12M		364	389	351
Adjusted operating income (Adj. EBIT), R12M	J	422	396	410
Financial income	K	0	1	0
Adjusted return on capital employed	**(J+K)/H**	**9.8%**	**9.3%**	**9.7%**
Adjusted return on operating capital	**J/I**	**10.6%**	**9.7%**	**10.5%**
Interest bearing liabilities				
Non-current interest-bearing liabilities		1,907	1,922	1,863
Non-current leasing liabilities		402	376	401
Derivates		14	20	10
Current leasing liabilities		75	65	73
Total interest-bearing liabilities		**2,399**	**2,384**	**2,351**
Less: Cash and cash equivalents		-458	-250	-413
Net interest-bearing debt		**1,941**	**2,134**	**1,933**

Note 6. Items affecting comparability (non-comparable items)

Items affecting comparability (non-comparable items) are transactions or events that rarely occur or are unusual in the ordinary business operations, and hence are unlikely to occur again. The Group's alternative performance measures, adjusted EBITDA, adjusted EBITA and adjusted operating income (adjusted. EBIT), are adjusted for non-comparable items as presented in the tables below to facilitate the understanding of the underlying current trading of the ordinary business operations. For a definition of alternative performance measures see page 23.

Non-comparable items in operating income (EBIT)

MSEK	Q1 2021	Q1 2020	R12M	2020
Earn-out Debt adjustment [1]	-	-	-52	-52
Restructuring of production[2]	-	-	-7	-7
Total	**-**	**-**	**-59**	**-59**

[1] Cost related to increased earn-out debt attributable to the acquisition of Manor Farm, mainly driven by the strong result development in Manor Farm in 2020 compared with the assessment made at the acquisition time.
[2] Costs due to restructuring of a Swedish subsidiary during 2020, with terminating a long-term contract and write-downs of assets of MSEK 7.

Non-comparable items in operating income (EBIT) by segment

MSEK	Q1 2021	Q1 2020	R12M	2020
Ready-to-cook	-	-	-7	-7
Group cost	-	-	-52	-52
Total	**-**	**-**	**-59**	**-59**

Note 7. Specific explanatory items (Exceptional items)

Specific explanatory items (Exceptional items) are transactions or events that do not qualify as non-comparable items as they are likely to occur from time to time in the ordinary business operations. Disclosures about these items are provided to facilitate the understanding and assessment of the financial result. These items are not adjusted for in the Group's and the segment's alternative performance measures, adjusted EBITDA, adjusted EBITA and adjusted operating income (adjusted EBIT).

Specific explanatory items (Exceptional items)

MSEK	Q1 2021	Q1 2020	R12M	2020
Bird flu[1]	-19	-	-15	-15
Covid-19 pandemic[2]	-8	-27	-33	-60
Strategy project[3]	-	-16	-	-16
Total	**-27**	**-42**	**-48**	**-91**

[1] Cost related to bird flu – mainly price reductions.
[2] Costs related to Covid-19 pandemic - Temporarily closing of production lines on products within Foodservice in Denmark, provision for bad debt, and inventory write-down.
[3]Comprehensive strategy project in the Group aimed to review the business has resulted in a common Group strategy on medium-and long-term path.

Specific explanatory items (Exceptional items) in operating income (EBIT) by segments

MSEK	Q1 2021	Q1 2020	R12M	2020
Ready-to-cook	-19	-29	-34	-63
Ready-to-eat	-8	-12	-15	-27
Ingredients	-	-1	-	-1
Total	**-27**	**-42**	**-48**	**-91**

Note 8 Restatement non-comparable items

Scandi Standard has during the first quarter 2021 decided to implement a new definition for treatment of items affecting comparability, implying a stricter classification of such items. See table below for details on restated historical financial information related to items affecting comparability for the alternative performance measures adjusted EBITDA and adjusted operating income (adjusted EBIT).

Non-comparable items in the operating income (EBIT) 2019-2020

SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Bird flu1)									-15	-15
Earn-out Debt adjustment 2)								-31	-21	-52
Covid-19 pandemic3)						-27	-17		-16	-60
Strategy project4)						-16				-16
Restructuring5)		-6		-5	-12					
Restructuring of production6)		-7			-7				-7	-7
Transaction costs7)				-1	-1					
Costs for incorrect inserts goods8)				-6	-6					
Other				-4	-4					
Total	**-**	**-13**	**-**	**-16**	**-30**	**-42**	**-17**	**-31**	**-59**	**-150**

Non-comparable items in the operating income (EBIT) 2019-2020 Restated

SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Bird flu1)										
Earn-out Debt adjustment 2)								-31	-21	-52
Covid-19 pandemic3)										
Strategy project4)										
Restructuring5)										
Restructuring of production6)		-7			-7				-7	-7
Transaction costs7)										
Costs for incorrect inserts goods8)										
Other										
Total	**-**	**-7**	**-**	**-**	**-7**	**-**	**-**	**-31**	**-28**	**-59**

SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Ready-to-cook		-7			-7				-7	-7
Ready-to-eat										
Other										
Group cost								-31	-21	-52
Total	**-**	**-7**	**-**	**-**	**-7**	**-**	**-**	**-31**	**-28**	**-59**

1) Cost related to bird flu - mainly inventory write-down.
2) Cost related to increased earn-out debt attributable to the acquisition of Manor Farm, mainly driven by the strong result development in Manor Farm in 2020 compared with the assessment made at the acquisition time.
3)Cost related to Covid-19 pandemic - Temporarily closing of production lines on products within Foodservice in Denmark (for the quarter and full year), provision for bad debt (for the quarter) and inventory write-down (for the quarter and full year).
4) Comprehensive strategy project in the Group aimed to review the business has resulted in a common Group strategy on medium-and long-term path.
5) For 2019 restructuring costs in Denmark.
6) Closing of hatchery in Finland in the second quarter 2019. For 2020, costs due to restructuring of a Swedish subsidiary during the fourth quarter 2020, with terminating a long-term contract and write-downs of assets.
7) Deal fees mainly related to the acquisitions of Rokkedahl Food ApS in Denmark in 2018.
8) Costs incurred due to quality issues in purchased raw material that have not been covered by insurance.

Definitions

EBIT
Operating income.

Adjusted operating income (Adj. EBIT)
Operating income (EBIT) adjusted for non-comparable items.

Operating margin (EBIT margin)
Operating income (EBIT) as a percentage of net sales.

Adjusted operating margin (Adj EBIT margin)
Adjusted operating income (Adj. EBIT) as a percentage of net sales.

EBITDA
Operating income before depreciation, amortization and impairment and share of income of associates.

EBITA
Operating income before amortization and impairment and share of income of associates.

Adjusted EBITDA
Operating income before depreciation, amortization and impairment and share of income of associates. adjusted for non-comparable items.

EBITDA margin
EBITDA as a percentage of net sales.

Adjusted EBITDA margin
Adjusted EBITDA as a percentage of net sales.

Adjusted EBITA
Operating income before amortization and impairment and share of income of associates. adjusted for non-comparable items.

Adjusted EBITA margin
Adjusted EBITA as a percentage of net sales.

Adjusted return on operating capital (ROC)
Adjusted operating income last twelve months (R12M) divided by average operating capital.

Adjusted return on capital employed (ROCE)
Adjusted operating income last twelve months (R12M) plus interest income divided by average capital employed.

Return on equity
Income for the period last twelve months (R12M) divided by average total equity.

Operating cash flow
Cash flow from operating activities excluding paid finance items net and paid current income tax. with the addition of net capital expenditure and net increase in leasing assets.

Adjusted operating cash flow
Cash flow adjusted for non-comparable items.

Adjusted income for the period
Income for the period adjusted for non-comparable items.

Earnings per share (EPS)
Income for the period. attributable to the shareholders. divided by the average number of shares.

Adjusted earnings per share (EPS)
Adjusted income for the period. attributable to the shareholders. divided by the average number of shares.

Net interest-bearing debt (NIBID)
Interest-bearing debt excluding arrangement fees less cash and cash equivalents.

Working capital
Total inventory and operating receivables less non-interest-bearing current liabilities.

Operating capital
Total assets less cash and cash equivalents and non-interest-bearing liabilities. including deferred tax liabilities.

Capital employed
Total assets less non-interest-bearing liabilities. including deferred tax liabilities.

Net sales
Net sales is gross sales less sales discounts and joint marketing allowances.

Other operating revenues
Other operating revenue is revenue not related to sales of chicken. instead such as rent of excess land/buildings to other users and payment by non-employees for use of the Company's canteens.

COGS
Cost of goods sold.

Raw materials and consumables
Costs of raw materials and other consumables include the purchase costs of live chicken and other raw materials such as packaging etc.

Production costs
Production costs include direct and indirect personnel costs related to production and other production related costs.

Other operating expenses
Other operating expenses include marketing, Group personnel and other administrative costs.

Items affecting comparability (non-comparable items)
Transactions or events that rarely occur or are unusual in the ordinary business operations, and hence are unlikely to occur again.

Specific Explanatory items (exceptional items)
Transactions or events that do not qualify as non-comparable items as they are likely to occur from time to time in the ordinary business. Disclosure about these items are useful to understand and assess the performance of the business.

RTC
Ready-to-cook. Products that requires cooking.

RTE
Ready-to-eat. Products that are cooked and may be consumed directly or after heating-up.

R12M
Rolling twelve months.

Conference Call

A conference call for investors, analysts and media will be held on 7 May 2021 at 8.30 AM CET.

Dial-in numbers:
UK: 020 3936 2999
Sweden: 010 884 80 16
US: +1 646 664 1960
Other countries: +44 20 3936 2999

Slides used in the conference call can be downloaded at www.scandistandard.com under Investor Relations. A replay of the conference call will be available on www.scandistandard.com afterwards.

Further information

For further information, please contact:

Leif Bergvall Hansen, Managing Director and CEO
Tel: +45 22 10 05 44

Julia Lagerqvist, CFO
Tel: +46 72 402 84 02

Henrik Heiberg, Head of M&A, Financing & IR
Tel: +47 917 47 724

Financial calendar

Annual general meeting	May 7, 2021
Interim report for Q1 2021	May 7, 2021
Interim report for Q2 2021	August 26, 2021
Interim report for Q3 2021	November 12, 2021

This interim report comprises information which Scandi Standard is required to disclose pursuant to EU market abuse regulation and the Securities Markets Act. It was released for publication at 07:30 AM CET on 7 May 2021.

Forward looking statement

This report contains forward-looking statements and the actual outcome could be materially different. Factors that could have a material effect on the actual outcome include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialization and technological difficulties, products quality and safety, interruptions in supply, increased raw material costs, disease outbreaks, loss of major customer contracts and major customer credit losses.

The forward-looking statements reflect the Board of Directors' and management's current views with respect to certain future events and potential financial performance. Although the Board of Directors and the management believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. This report does not imply that the Company has undertaken to revise these forward-looking statements, beyond what is required under the company's registration contract with Nasdaq Stockholm, if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

Scandi Standard AB (publ)
Strandbergsgatan 55
104 25 Stockholm
Reg no. 556921-0627
www.scandistandard.com