

This is an unofficial translation of the Swedish statement. In case of any discrepancies between the Swedish statement and this English translation, the Swedish statement shall prevail.

Motivated statement from the Board of Directors of Transcendent Group AB (publ) in accordance with chapter 18 section 4 of the Swedish Companies Act (2005:551)

Due to the Board of Directors' proposal to the Annual General Meeting regarding a dividend of SEK 1.50 per share, amounting to in total SEK 9,789,916.50, the Board of Directors hereby presents the following statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act.

According to Transcendent Group's dividend policy, the goal is to distribute 50 percent of the profit after tax to the shareholders, and that the dividend per share shall continuously increase. In line with the dividend policy, the Board of Directors proposes a dividend of SEK 0.9 per share for the financial year 2021, corresponding to 50 percent of Transcendent Group's profit after tax for the financial year 2021. The size of the Parent Company's and the Group's equity and liquidity enables an additional dividend of SEK 0.6 per share. The Board of Directors assesses that the nature and scope of operations for 2022 do not require the additional capital and liquidity that the dividend corresponds to. The Board of Directors thus proposes to the Annual General Meeting to resolve on a total dividend of SEK 1.50 per share.

As of December 31, 2021, the Parent Company's restricted equity amounted to SEK 652,661 and unrestricted equity to SEK 79,203,438. Total equity for the Group as of the same date amounted to SEK 63,555,706. The proposed dividend reduces the Group's equity/assets ratio from 48.3 to 40.9 percent.

The nature and scope of the Group's operations are described in the Articles of Association and the Annual Report. The operations carried out in the Group do not entail any risks beyond what is or is likely to occur in the industry or risks that are generally associated with conducting business operations. The Board of Directors has considered the consolidation needs of the Company and the Group by a general assessment of the Company's and the Group's financial position and the possibility to fulfill its obligations over time. The Board of Directors assesses that the proposed dividend does not affect the Company's and the Group's ability to meet current and unforeseen payment obligations or jeopardise investments that may be deemed necessary or investments in the Group's continued development. The Group's financial position does not give rise to any assessment other than that the Group can continue its operations and that the Company can be expected to fulfill its obligations in the short and long term.

With reference to the aforementioned and what has otherwise been brought to the attention of the Board of Directors, the Board of Directors assesses that the proposed dividend is justified with regard to the requirements that the nature, scale and risks of the operations impose on the size of the Company's and the Group's equity as well as the Company's and Group's consolidation needs, liquidity and position in general.

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Stockholm in April 2022
Transcendent Group AB (publ)
Board of Directors