

Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act

The Board of Directors has proposed that the Annual General Meeting 2026 resolves on distribution of profits in the form of a dividend of SEK 1.50 per share to the shareholders, thereby, amounting to a total dividend distribution of SEK 30,000,000 based on 20,000,000 shares outstanding as of 31 December 2025. The Board of Directors has proposed Wednesday 27 May 2026 as record date. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB on Monday 1 June 2026.

With reference to the Board of Directors' proposed distribution of profits, the Board of Directors hereby submits the following statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act.

The share premium reserve amounts to SEK 136,980,000, profit brought forward amounts to SEK 0 and earnings for the 2025 fiscal year amounted to SEK -3,350,965.39. Provided that the Annual General Meeting 2026 resolves on distribution of profits in accordance with the Board of Directors' proposal, SEK 0 will be carried forward in the item retained earnings. The company's restricted equity will be fully covered following the proposed dividend distribution.

Following the proposed dividend distribution the Board of Directors' assessment is that the company's and the Group's equity will be adequate given the scope and nature of the operations and the risks connected therewith. The Board of Directors has hereby taken into consideration, inter alia, the company's and the Group's historical development, budgeted development and economic conditions.

The Board of Directors has conducted an assessment of the company's and the Group's positions as well as their ability to meet their undertakings on both a short- and long-term basis. The proposed dividend in total constitutes 19.53 percent of the company's equity and 15.92 percent of the Group's equity. The equity of the parent company has neither increased nor decreased as a result of valuation of assets or liabilities pursuant to Chapter 4, Section 14 (a) of the Annual Accounts Act.

Following distribution of the dividend, the company's and the Group's equity ratio will amount to approximately 96.36 and 12.35 percent. Accordingly, the company and the Group have healthy equity ratios. The Board of Directors considers that the company and the Group are in a position to meet future business risks and withstand possible losses. The dividend distribution will have no negative effect on the company's or the Group's ability to make further investments, as planned by the Board of Directors.

The dividend distribution will have no negative effect on the company's or the Group's ability to meet payment undertakings. The company and the Group have good access to short- and long-term credit facilities, which can be utilized at short notice. Therefore, the assessment of the Board of Directors is that the company and the Group are well prepared to manage changes in liquidity as well as unforeseen events.

In addition to the above, the Board of Directors has taken into account other known circumstances that could be material in relation to the financial position of the company and the Group. No circumstances have come to light that would suggest that the proposed dividend is not justifiable.

Stockholm in April 2026

The Board of Directors of Terranor Group AB (publ)