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## Press release

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

### **NOTICE OF 2016 ANNUAL GENERAL MEETING**

The Annual General Meeting of Indutrade Aktiebolag (publ) will be held at 4 p.m. on Wednesday, 27 April 2016, at IVA's Conference Center, Grev Turegatan 16, Stockholm, Sweden.

#### **A. RIGHT TO PARTICIPATE AND NOTIFICATION OF ATTENDANCE**

To be entitled to participate at the Annual General Meeting, shareholders must be listed in the shareholder register maintained by Euroclear Sweden AB on Thursday, 21 April 2016, and notify the Company of their intention to participate at the Meeting no later than Thursday, 21 April 2016. Notification of intention to participate at the Meeting can be made by filling out a form on Indutrade's website, [www.indutrade.se](http://www.indutrade.se), by email to [arsstamma@indutrade.se](mailto:arsstamma@indutrade.se), by post to Indutrade Aktiebolag, Box 6044, SE-164 06 Kista, Sweden or by phone at +46-8-703 03 00. The notification must state the shareholder's name, national ID number/corporate registration number, address and phone number. Information provided in the notification will be data-processed and used only for the 2016 Annual General Meeting. Shareholders are entitled to bring one or two assistants. Proxies, registration certificates and other authorisation documents must be on hand at the Annual General Meeting, and should, in order to facilitate entrance to the Meeting, be sent to the Company by no later than Friday, 22 April 2016. Proxies must be presented in original.

Shareholders whose shares are registered in the name of a nominee must request registration of their shares in their own names in the shareholder register as per Thursday, 21 April 2016, in order to be entitled to participate in the Meeting. Such registration can be temporary.

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#### **B. ITEMS OF BUSINESS**

##### **B.1 Proposed agenda**

1. Opening of the Meeting
2. Election of a chairman to preside over the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to check the minutes
6. Determination as to whether the Meeting has been duly convened
7. Report on the work of the Board of Directors and its committees
8. Presentation of the annual report and consolidated accounts, and in connection with that, the President's report on the operations for the year
9. Presentation of the audit report and the audit report for the group, and of the auditor's statement regarding whether the Company has adhered to the guidelines for compensation of senior executives that have applied since the preceding Annual General Meeting

10. Resolutions on:
  - (a) adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet
  - (b) distribution of the Company's earnings in accordance with the adopted balance sheet
  - (c) the record date, in the event the Meeting resolves to distribute profits
  - (d) discharge from liability to the Company of the directors and the President
11. Report on the work of the Nomination Committee
12. Resolution on the number of directors and the number of auditors
13. Resolution on directors' and auditors' fees
14. Election of directors and the Chairman of the Board
15. Election of auditor
16. Resolution on the Board's proposed guidelines for compensation and other terms of employment for senior executives
17. Resolution on the Board's proposed amendment to the Articles of Association
18. Resolution on the Board's proposed bonus issue
19. Closing of the Annual General Meeting

## B.II Dividend

The Board proposes a dividend of SEK 9.00 per share.

Friday, 29 April 2016, is proposed as the record date for payment of the dividend. Provided that the Meeting resolves in accordance with the proposal, dividends are expected to be distributed by Euroclear Sweden AB on Wednesday, 4 May 2016.

## B.III Election of a chairman to preside over the General Meeting, Board of Directors, etc.

The Nomination Committee has been composed of Claes Boustedt (L E Lundbergföretagen), Fredrik Lundberg (L E Lundbergföretagen and Chairman of Indutrade), Anders Oscarsson (AMF and AMF Funds), Henrik Didner (Didner & Gerge Funds) and Jonathan Mårtensson (Handelsbanken Funds). Claes Boustedt served as Nomination Committee Chairman.

The Nomination Committee proposes the following:

### AGM chairman:

Fredrik Lundberg, Chairman of the Board of Indutrade AB

### Number of directors and auditors:

The Board shall consist of eight directors and no deputies.

A registered accounting firm is proposed as auditor of the company.

### Directors' fees:

A fee of SEK 530,000 is proposed for the Chairman of the Board, SEK 398,000 for the Deputy Chairman of the Board, SEK 266,000 for each of the other non-executive directors, SEK 52,000 for the Audit Committee chair and SEK 26,000 for members of the Remuneration Committee.

### Auditors' fees:

Fees payable on current account (unchanged).

Board of Directors:

Re-election of Fredrik Lundberg, Bengt Kjell, Johnny Alvarsson, Katarina Martinson, Ulf Lundahl, Krister Mellvé and Lars Petterson. Eva Färnstrand has announced that she is not available for re-election. Annica Bresky is proposed to be elected as a new board member.

Annica Bresky (b. 1975), M.Sc. Civil Engineering and Executive MBA, is CEO and Business Area Manager at Iggesund Paperboard AB, a subsidiary of Holmen AB. Prior to this she served as CEO of BillerudKorsnäs Karlsborg AB and as Production Manager at Stora Enso Kvarnsveden AB.

Fredrik Lundberg is proposed to be re-elected as Chairman of the Board.

Auditor:

Re-election of PricewaterhouseCoopers AB as auditor of the company for the period until the end of the Annual General Meeting of 2017.

B.IV The Board's proposed guidelines for compensation and other terms of employment for senior executives

The Board proposes that the Annual General Meeting adopt the following guidelines for compensation and other terms of employment for senior executives.

Indutrade shall apply compensation levels and terms of employment necessary to be able to recruit and retain management with high qualifications and the ability to achieve set objectives. The forms of compensation shall motivate members of the executive management to perform their utmost in order to safeguard the interests of the shareholders.

The forms of compensation shall therefore be in line with the going rate in the market and shall be straightforward, long-term and quantifiable. Compensation of members of executive management shall normally consist of a fixed and a variable portion. The fixed salary for members of the executive management shall be in line with the going rate in the market and shall be commensurate with the individual's expertise, responsibilities and performance. The variable portion shall reward achievement of clear goals to improve the Company's and the respective business areas' level of earnings and the Group's growth, in simple and transparent structures. The variable compensation component for members of the executive management shall normally not exceed seven months' salary and may never exceed SEK 14 million.

Incentive programmes in the Company shall mainly be share price related and cover persons in senior positions in the Company who have a significant influence over the Company's results of operations and growth, and shall be based on the achievement of set targets. An incentive programme shall contribute to the long-term commitment to the Company's development and shall be implemented on market terms. The Company may pay out monetary compensation to key executives linked to investments in shares or share-related instruments. Such monetary compensation shall normally not exceed 15 per cent of the fixed salary.

Non-monetary benefits for members of the executive management shall facilitate the individuals in the execution of their duties and correspond to what can be considered to be reasonable in respect of practice in the market in which the respective executive is active.

Pension terms for members of the executive management shall be in line with the going rate in the market in respect of what applies for peer executives in the market in which the executive works and should be based on a defined contribution pension solution or correspond to a public pension plan (in Sweden the ITP plan).

Severance pay for members of executive management shall not exceed a total of 24 months' salary in the event the Company serves notice, and six months in the event the member of the executive management gives notice.

By executive management is meant in this context the President and CEO, the Chief Financial Officer, the Business Area presidents, the Head of Group Finance and the Head of Business Development.

The Board's Remuneration Committee prepares and drafts proposals for decisions regarding the terms of employment for the President, and the Board evaluates the President's performance on a yearly basis. The Remuneration Committee also prepares and deals with guidelines for remuneration matters regarding members of the executive management, for decisions by the Board.

The President consults with the Remuneration Committee regarding the terms of employment for other members of the executive management.

The Board shall have the right to depart from the aforementioned guidelines for compensation of the executive management if there are special reasons in a particular case.

#### B.V The Board's proposed amendment to the Articles of Association

In order to enable the Board's proposed bonus issue the Board proposes that the Annual General Meeting resolves to amend § 4 of the Articles of Association from its current phrasing "The company's share capital is minimum SEK 40 million and maximum SEK 160 million. The number of shares is minimum 40 million and maximum 160 million." to "The company's share capital is minimum SEK 120 million and maximum SEK 480 million. The number of shares is minimum 60 million and maximum 240 million."

The resolution above is valid if shareholders holding at least two-thirds of the votes cast as well as the shares represented at the Annual General Meeting vote in favour of the proposal.

#### B.VI The Board's proposed bonus issue

In order to achieve an appropriate share capital and number of shares, as well as to facilitate the trade of the Company's share on Nasdaq Stockholm, the Board proposes that the Annual General Meeting resolves on a bonus issue with the issuance of new shares on the following terms.

1. The Company's current share capital shall be increased by SEK 200 million by the transfer of profit brought forward (freely distributable reserves) to the share capital. After the bonus issue, the Company's share capital amounts to SEK 240 million.
2. Each existing share shall entitle to two (2) new shares. In total 80 million new shares will be issued and after the bonus issue, the total number of shares will be 120 million.
3. The new shares shall entitle to dividends from and including the first record day for dividend following the registration of the bonus issue with the Swedish Companies Registration Office.
4. Record day for the bonus issue shall be 27 May 2016.

The proposal in accordance with this item is conditional upon that the Annual General Meeting resolves on an amendment to the Articles of Association in accordance with the Board's proposal.

The Board, or whomever the Board may appoint, shall be authorised to make such minor adjustments of the above resolution as may prove necessary in conjunction with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

## C. SHARES AND VOTES

The number of shares and votes in the Company at the time of this notice was 40,000,000.

## D. DOCUMENTS

Accounting records (including the Board's proposed distribution of profits and statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act), the audit report, the Board's complete proposal for compensation and other terms of employment for senior executives, the Board's proposed amendment to the Articles of Association, the Board's proposed bonus issue, the auditors' statement on whether the guidelines for compensation and other terms of employment for senior executives for the time since the preceding Annual General Meeting have been adhered to and proxy forms will be available at the Company for the shareholders and on the Company's website, www.indutrade.se, three weeks before the Annual General Meeting. These documents can also be ordered by post from Indutrade Aktiebolag, Box 6044, SE-164 06 Kista, Sweden, or by e-mail: arsstamma@indutrade.se, and will also be sent to shareholders who so request, provided they provide their postal address. The documents will also be on hand at the Annual General Meeting.

## E. DISCLOSURES AT THE ANNUAL GENERAL MEETING

The Board of Directors and President shall, if requested by any shareholder, and if the Board believes that it can be done without causing material harm to the Company, provide disclosures on conditions that could affect the assessment of a matter on the agenda, including conditions that could have an effect on the assessment of the Company's or a subsidiary's financial situation as well as of the Company's relations with another Group company. A shareholder who wishes to submit questions in advance can do so by post to Indutrade AB, Box 6044, SE-164 06 Kista, Sweden, or by e-mail to arsstamma@indutrade.se.

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Stockholm, March 2016  
Indutrade Aktiebolag (publ)  
*The Board of Directors*

### **About Indutrade**

*Indutrade markets and sells components, systems and services with a high-tech content within selected niches. Indutrade's business is distinguished by*

- *High-tech products for recurring needs*
- *Growth through a structured and tried-and tested acquisition strategy*
- *A decentralised organisation characterised by an entrepreneurial spirit*

*The Group is organised into six business areas: Engineering & Equipment, Flow Technology, Fluids & Mechanical Solutions, Industrial Components, Measurement & Sensor Technology and Special Products. Indutrade's sales totalled SEK 11,881 million in 2015, generating operating income of SEK 1,427 million before depreciation of intangible assets. Indutrade is listed on Nasdaq Stockholm.*