

Information regarding the bonus issue of shares in Indutrade Aktiebolag (publ)

The Board of Directors of Indutrade Aktiebolag (publ), reg. no. 556017-9367, (the "**Company**"), has presented a proposal regarding a bonus issue to the Extraordinary General meeting held on 3 December 2020. The Board hereby provides information about the reasons and the detailed forms for the proposed bonus issue.

Further information about Indutrade and its shares is available at the Company's website www.indutrade.com.

Background and motives

Indutrade's share is currently traded at a relatively high price on Nasdaq Stockholm. Hence, the Board of Directors considers it appropriate and in the shareholders' interest to issue new shares through a bonus issue whereby the number of shares in the Company is increased in order to achieve a more appropriate price per share and to increase the liquidity in the share.

The Board's proposal

Against this backdrop, the Board of Directors has proposed that the shareholders resolve on a bonus issue at the Extraordinary General Meeting held on 3 December 2020. In brief, it is proposed that each existing share in the Company per the record date for the bonus issue shall entitle to two (2) new shares and that the Company's share capital of SEK 242,410,000 (including 328,800 additional shares from the exercise of subscription warrants) will be increased by SEK 484,820,000 with the issuance of 242,410,000 new shares. The record date for the bonus issue is scheduled for 18 December 2020.

Share capital and number of outstanding shares

The Company's share capital amounts to SEK 242,410,000 divided between 121,205,000 shares (including 328,800 additional shares from the exercise of subscription warrants), each with a quota value of SEK 2.

Provided that the Extraordinary General Meeting resolves in accordance with the Board's proposal regarding a bonus issue, Indutrade's share capital will amount to SEK 727,230,000, divided between 363,615,000 shares. Hence, the quota value of SEK 2 per share will remain unchanged after the bonus issue.

Automatic change of the shareholding

Provided that the Extraordinary General Meeting resolves in accordance with the Board's proposal regarding a bonus issue, the bonus issue will be implemented automatically. Thus, no action is required by you as a shareholder in order for your shareholding to change. The new shares that you will receive through the bonus issue will automatically be registered in the same VP account/custody account as your existing shares in the Company are currently registered.

Timetable in brief

The proposed record date for the proposed bonus issue is 18 December 2020. Therefore, the last day of trading in the Indutrade share including the right to participate in the bonus issue is 16 December 2020. The first day of trading excluding such right is 17 December 2020. Shortly after the record date, Euroclear Sweden AB will provide all directly registered shareholders with a VP notice that confirms the new number of shares on your VP account. As regards shareholders with shares registered in a custody account or similar with a nominee, the nominee is responsible for making the information about the new number of shares available to you.

Effects on the owner structure

As each existing share will entitle to two (2) new shares, the bonus issue will not result in any change in the relationship between the shareholders.

Effects on the share price and key ratios per share

When the bonus issue is completed, the number of shares will be tripled and, consequently, the price per share can be expected to decrease to one third. With an assumed share price prior to the bonus issue of SEK 450, the new theoretical share price can be estimated to be approximately SEK 150 (450/3). Certain other key ratios calculated per share will also change, as exemplified in the table below:

Key ratios ¹	Before the bonus issue	After the bonus issue ²
Earnings per share after dilution moving 12 months	SEK 13.36	SEK 4.45
Equity per share	SEK 68.57	SEK 22.86
Cash flow from operating activities per share	SEK 22.50	SEK 7.50

Tax considerations

Certain Swedish tax considerations that are relevant for shareholders in the Company who receive shares through the proposed bonus issue are presented in [Appendix 1](#).

Further information

This document contains certain additional information in relation to the Board's proposal regarding a bonus issue to the Extraordinary General Meeting. The Board's complete proposal, including the Board's other proposals to the Extraordinary General Meeting held on 3 December 2020, will be available from 12 November 2020 at the Company and on the Company's website (www.indutrade.com), and will be distributed to the shareholders having requested the information and that have stated their address.

¹ Calculated per 30 September 2020.

² Not considering the 328,800 additional shares from the exercise of subscription warrants.

Stockholm, November 2020
Indutrade Aktiebolag (publ)
The Board of Directors

This information document does not constitute a prospectus nor an offer to acquire or sell shares or other financial instruments. Through this information document, the requirements are met for exemptions from the obligation to publish a prospectus in accordance with the Prospectus Regulation (EU) 2017/1129.

Appendix 1

Certain tax considerations due to the proposed bonus issue

*Below is a summary of certain Swedish tax considerations that are relevant for shareholders in Indutrade Aktiebolag (the “**Company**”) who receive shares through the proposed bonus issue. The summary only applies to individuals and limited liability companies that are Swedish tax residents, unless otherwise stated. The tax implications for each shareholder partly depend on the shareholder’s specific circumstances. Shareholders are therefore recommended to consult a tax advisor for information on the specific tax consequences that may arise due to this bonus issue.*

Usually, immediate capital gains taxation is not actualised for shareholders who participate in the bonus issue and receive new shares in the Company. Instead, the sale of the received shares gives rise to taxation.

In the event of a future sale of shares in the Company, the tax basis (Sw. *omkostnadsbelopp*) of all shares of the same class and type, are added together and calculated collectively in accordance with the average cost method (Sw. *genomsnittsmetoden*).

In the event of a future sale of listed shares, such as the shares in the Company, the tax basis may alternatively be determined in accordance with the notional method (Sw. *schablonmetoden*) to 20% of the sales price after deduction of sales costs.

The shareholder’s average tax basis for shares in the Company is affected by the bonus issue. The principle for calculating the tax basis for shares in the Company following the bonus issue is illustrated with an example below.

Example

A shareholder in the Company who holds 50 shares will after the bonus issue hold 150 shares. Assume that the average tax basis for the original shares is SEK 300 per share. Consequently, the average tax basis for the shares held by the shareholder following the bonus issue will be SEK 100 per share ($50 \times 300 / 150$). In this example, the total tax basis for all shares is SEK 15,000 before as well as after the bonus issue.

Certain tax considerations for shareholders not tax resident in Sweden

Swedish withholding tax is not imposed if the shareholder receives shares through a bonus issues. Therefore, shareholders not tax resident in Sweden will normally not be taxed in Sweden following a bonus issue. However, such shareholders may be liable to tax in their country of residence.
