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Press Release

Notice of 2020 Annual General Meeting

The Annual General Meeting of Indutrade Aktiebolag (publ) (reg. no. 556017-9367) will be held at 3 p.m. on Tuesday, 2 June 2020, at City Conference Centre, Folkets Hus, Barnhusgatan 12–14, 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 Wednesday, 27 May 2020, and notify the Company of their intention to participate at the Meeting no later than Wednesday, 27 May 2020. Notification of intention to participate at the Meeting can be made by filling out a form on Indutrade's website, www.indutrade.com, by post to Indutrade Aktiebolag, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden or by phone at +46 8 401 43 12. 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 2020 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 no later than Thursday, 28 May 2020. 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 Wednesday, 27 May 2020, in order to be entitled to participate at the Meeting. Such registration can be temporary.

B. POSTAL VOTING

The shareholders may exercise their voting rights at the Annual General Meeting by voting in advance, so called postal voting. Indutrade encourages the shareholders to use the opportunity of postal voting to minimise the number of participants attending the Meeting in person and thus reduce the spread of the infection.

A shareholder who wishes to use postal voting shall, in addition to being included in the shareholders' register and giving notification to participate in accordance with the above, use a special form. The form is available on www.indutrade.com.

The completed postal voting form must be received by Indutrade no later than Monday, 1 June 2020 at 5.00 p.m. The form shall be sent per post to Indutrade Aktiebolag, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden or per e-mail to generalmeetingservice@euroclear.eu. Preferably, the form is submitted already together with the shareholder's notification to participate at the Meeting. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed with the form. The same apply for shareholders voting in advance by proxy. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

Further instructions and conditions are included in the postal voting form.

C. INFORMATION ABOUT MEASURES DUE TO THE NEW CORONAVIRUS

As a precautionary measure to reduce any risk of the new coronavirus, the Company has decided that no beverages or food will be offered, that customary presentations will be minimised and that some restrictions will be made as to the attendance of non-shareholders. In light of government instructions, Indutrade would like to encourage all shareholders to carefully consider using the opportunity of postal voting instead of attending the Meeting in person. Indutrade is carefully monitoring the development and will if necessary update the information.

D. ITEMS OF BUSINESS

D.I Proposed agenda

1. Opening of the Meeting;
2. Election of a Chair 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;
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) discharge from liability to the Company of directors and President for 2019;
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 Chair of the Board;
15. Election of auditor;
16. Resolution on guidelines for compensation and other terms of employment for senior executives;
17. Closing of the Annual General Meeting.

D.II Dividend

The Board proposes that no dividend is paid to shareholders for the financial year 2019 and that the funds at the Annual General Meeting's disposal of SEK 5,617,029,271.95 are carried forward.

D.III Election of a Chair to preside over the Meeting, Board of Directors, etc.

The Nomination Committee has been composed of Claes Boustedt (L E Lundbergföretagen, committee chair), Katarina Martinson (Chair of the Board of Indutrade), Henrik Didner (Didner & Gerge Funds), Dick Bergqvist (AMF and AMF Funds), and Bo Selling (Alecta Pension Insurance).

The Nomination Committee proposes the following:

AGM Chair:

Katarina Martinson, Chair of the Board of Indutrade Aktiebolag.

Number of directors and auditors:

The Board shall consist of eight directors and no deputies.

One registered accounting firm is proposed as auditor of the Company.

Directors' fees:

A fee of SEK 600,000 (unchanged) is proposed for the Chair of the Board, SEK 450,000 (unchanged) for the Deputy Chair of the Board, SEK 300,000 (unchanged) for each of the other non-executive directors, SEK 80,000 (unchanged) for the Audit Committee Chair, SEK 40,000 (unchanged) for each of the other Audit Committee members and SEK 30,000 (unchanged) for the Remuneration Committee Chair and members.

Auditors' fees:

Fees payable on current account (unchanged).

Board of Directors:

Re-election of Bo Annvik, Susanna Campbell, Anders Jernhall, Bengt Kjell, Ulf Lundahl, Katarina Martinson, Krister Mellvé and Lars Pettersson.

Katarina Martinson is proposed to be re-elected as Chair 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 2021, in accordance with the recommendation from the Audit Committee.

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

The Board of Directors proposes that the Annual General Meeting adopts the following guidelines for compensation and other terms of employment for senior executives. These guidelines shall be applicable to agreed compensation, and amendments to compensation already agreed, after adoption of the guidelines by the 2020 Annual General Meeting. These guidelines do not apply to compensation resolved or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

A prerequisite for the successful implementation of the company's business strategy and safeguarding of the company's long-term interests, including its sustainability, is that Indutrade is able to recruit and retain management with high qualifications. To this end, the company must offer competitive compensation and other terms of employment, which these guidelines enable. The forms of compensation should motivate members of the executive management

to perform their utmost in order to safeguard the interests of the shareholders. For more information about the company's business strategy, please see the company's website: <https://www.indutrade.com/about-indutrade/objectives--strategy/>.

These guidelines encompass senior executives, i.e. the CEO and other members of the group management (the executive management). For employments governed by rules other than Swedish, customary adjustments may be made for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Variable cash compensation covered by these guidelines shall aim to promote the company's business strategy and long-term interests, including its sustainability.

The types of compensation

The total compensation shall be on market terms, straightforward, long-term and quantifiable, and may consist of the following components: fixed cash salary, variable cash compensation, pension benefits, as well as other benefits.

The general meeting may also, irrespective of these guidelines, resolve on, among other things, share-related or share price-related compensation (for information about ongoing incentive programmes, please see the company's website: <https://www.indutrade.com/about-indutrade/corporate-governance/remuneration/>).

The performance period with respect to criteria for awarding variable salary shall be measured over a period of one or several years. The variable cash compensation may amount to a maximum of 50 percent of the fixed annual salary. Additionally, senior executives may be awarded cash compensation linked to their investments in shares or share-related instruments under such incentive programmes, as well as pension and other benefits. Such cash compensation must not exceed 15 percent of the fixed annual salary.

The pension terms for 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, a maximum of 40 percent of the fixed annual salary, and should be based on defined contribution pension solutions or correspond to a public pension plan (in Sweden the ITP plan). Variably salary to members of the executive management not covered by the ITP plan shall not qualify for pension benefits.

Other benefits may include, for example, life insurance, health insurance and company car. Premiums and other costs related to such benefits may amount to not more than 15 percent of the fixed annual salary. Awarding of non-monetary benefits shall facilitate the individuals in the execution of their duties and correspond to what can be considered reasonable in respect of practice in the market in which the respective executive is active.

Termination of employment

The notice period for a member of the executive management may not exceed 12 months if the termination is initiated by the company, and 6 months if it is initiated by the individual. Severance pay to a member of the executive management shall in aggregate not exceed 24 months' salary in the event the company serves notice, and 6 months' salary in the event the member of the executive management gives notice.

Criteria for variable cash compensation

The variable compensation shall be designed so as to reward the achievement of clear objectives, in straight-forward and transparent structures, and be linked to one or several predetermined and measurable financial criteria, such as sales growth, EBITA-margin or

return on operating capital/capital employed. Any non-financial criteria shall be related to sustainability. Financial criteria shall constitute at least 75 percent of all criteria.

Once the period for measuring the satisfaction of criteria for awarding variable cash compensation expires, the outcome will be determined. The Remuneration Committee is responsible for determining the CEO's outcome, while the CEO is responsible for determining the outcome for other members of the executive management. For financial objectives, the assessment shall be based on the latest financial information made public by the company, with any adjustments deemed necessary or reasonable by the Board of Directors.

The terms for variable compensation shall be designed so that the Board of Directors, under exceptional financial conditions, may limit, refuse or redeem payment of variable compensation if such measure is deemed reasonable.

In specific cases, arrangements may be made on one-time variable compensation, provided that such compensation does not exceed an amount corresponding to 10 percent of the fixed annual salary, and is not paid more than once each year per individual. Such compensation shall not qualify for pension benefits unless required by mandatory collective agreement provisions. Resolutions on such compensation shall be made by the Board of Directors based on a proposal from the Remuneration Committee, so far as it concerns the CEO, and by the Remuneration Committee based on a proposal from the CEO, so far as it concerns other senior executives.

No other variable cash compensation shall be paid.

Salary and other employment terms for employees

In the preparation of the Board of Directors' proposal for these compensation guidelines, salary and other employment terms for employees of the company have been taken into account by including information on the employees' total compensation, the components of the compensation and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, evaluate and apply the guidelines

The Board of Directors has appointed a Remuneration Committee with the task of preparing the Board of Directors' decisions regarding proposal for guidelines for compensation to senior executives. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year, and submit it to the Annual General Meeting.

The Remuneration Committee shall also monitor and evaluate programmes for variable compensation to members of the executive management, as well as the application of the guidelines in terms of compensation levels and structures. Members of the executive management do not participate in the Board of Directors' processing of, and resolutions regarding, compensation-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines adopted by the general meeting, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interest, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in compensation-related matters, including any resolutions to derogate from the guidelines.

E. SHARES AND VOTES

The number of shares and votes in the Company at the time of this notice was 120,855,000.

F. DOCUMENTS

Accounting records, the audit report, the Board's proposed guidelines for compensation and other terms of employment for senior executives, 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, as well as proxy forms and postal voting forms will be available at the Company for the shareholders and on the Company's website, www.indutrade.com, 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: IndutradeAGM@indutrade.com, 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.

G. 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 Aktiebolag, Box 6044, SE-164 06 Kista, Sweden, or by e-mail to IndutradeAGM@indutrade.com.

H. PROCESSING OF PERSONAL DATA

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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

About Indutrade

Indutrade markets and sells components, systems and services with a high-tech content in selected niches. Indutrade's business is distinguished by high-tech products for recurring needs, growth through a structured and tried-and-tested acquisition strategy, and a decentralised organisation characterised by an entrepreneurial spirit. The Group is organised into eight Business Areas: Benelux, DACH, Finland, Flow Technology, Fluids & Mechanical Solutions, Industrial Components, Measurement & Sensor Technology and UK. Indutrade's sales totalled SEK 18,411 million in 2019, generating an operating profit of SEK 2,330 million before amortisation of intangible assets. Indutrade is listed on Nasdaq Stockholm. Please read more at www.indutrade.com