

Press Release
Stockholm, 12 May 2020

Ferronordic's Board of Directors withdraws its dividend proposal

The Board of Directors of Ferronordic have decided to withdraw the previous dividend proposal and propose that the Annual General Meeting on 25 June resolve that no dividend shall be paid.

Ferronordic has a strong financial position, liquidity and business model, built around a great team and a robust aftermarket business. Since the original dividend proposal was submitted however, the business environment has changed significantly as a result of COVID-19.

To ensure that Ferronordic can maintain the highest possible financial strength and flexibility in the current environment, the Board proposes to the AGM on 25 June that no dividend shall be paid out.

Staffan Jufors, chairman of the Board of Directors, comments: *"Given the current uncertainty and potential disruption on our markets, Ferronordic is taking steps to further strengthen its resilience and financial position. In the context of this outlook and in line with these efforts, the Board proposes that no dividend shall be paid"*.

A more detailed update on the business situation and financial position will be provided in connection with Ferronordic's first quarter 2020 report on 13 May 2020.

About Ferronordic

Ferronordic is a service and sales company in the areas of construction equipment and trucks. It is the dealer of Volvo Construction Equipment and certain other brands in all of Russia and Kazakhstan, aftermarket partner of Volvo Trucks and Renault Trucks in part of Russia, and dealer of Volvo Trucks and Renault Trucks in part of Germany. The company also offers contracting services where it owns and operates equipment to carry out works for customers. Ferronordic began its operations in 2010 and now has approx. 100 outlets and about 1,400 employees. Ferronordic's vision is to be regarded as the leading service and sales company in its markets. The shares in Ferronordic AB (publ) are listed on Nasdaq Stockholm.

www.ferronordic.com

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