

Press Release  
Stockholm, 14 September 2020

## Ferronordic's Board proposes to pay a dividend of SEK 4.25 per share

**The Board of Directors of Ferronordic have, based on a review of the financial position and outlook for the Group, decided to propose to pay a dividend of SEK 4.25 per share.**

Against the backdrop of the extraordinary uncertainty caused by the COVID-19 outbreak and with the objective to further increase Ferronordic's resilience and financial flexibility, the Group's Board in May 2020 decided to withdraw its previously issued dividend proposal for 2019. Following the Group's solid performance in Q2 2020, with strong cash flow and reduced net debt, Ferronordic's financial position and liquidity has improved further compared to year-end 2019 and Q1 2020. While recognizing that risks to an economic recovery persist and that uncertainty remains, the Board is cautiously optimistic about the outlook for Ferronordic's markets and the business. As a result, the Board has reexamined its position and concluded that the current conditions allow Ferronordic to pay a dividend as originally proposed. The Board intends to call an Extraordinary General Meeting (EGM) of shareholders in October and propose that an ordinary dividend of SEK 4.25 per share (SEK 3.75 in 2019) be paid, which represents a total payment of SEK 62 million or approx. 25 percent of the result for 2019 and is fully in line with Ferronordic's dividend policy. The precise date and full agenda will be presented in the notice to the EGM, which will be published later.

Staffan Jufors, chairman of the Board of Directors, comments: "*The dividend for 2019 was cancelled as part of several precautionary measures to build maximum financial flexibility in the face of unprecedented uncertainty. Despite this uncertainty, different degrees of market disruption and without any government support in Sweden or Russia/CIS, Ferronordic's business model, which is built around a great team and a robust aftermarket business, has again proven its resilience. The Group's financial and liquidity position improved over this challenging period. While we continue to closely monitor our business environment and remain cautious, we believe that we are now in a better position to deliver on our policy and commitment to our shareholders and distribute approx. 25 percent of previous year earnings.*"

A more detailed update on the recent business performance and financial position of the Group was provided in connection with Ferronordic's second quarter 2020 report on 13 August 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](http://www.ferronordic.com)

### For more information, please contact:

Erik Danemar, CFO, Tel: +46 73 660 72 31, or email: [erik.danemark@ferronordic.com](mailto:erik.danemark@ferronordic.com)

### Ferronordic AB (publ)

Nybrogatan 6  
114 34 Stockholm  
Corporate ID no. 556748-7953  
Phone: +46 8 5090 7280

This information is information that Ferronordic AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 14 September 2020, at approx. 15:20 CET.