



English convenience translation of Swedish original. In case of discrepancies between the Swedish original and the English translation, the Swedish original shall prevail.

THE BOARD OF DIRECTORS' UPDATED PROPOSAL FOR DIVIDEND AND THE MOTIVATED STATEMENT THEREON

At the disposal for the Annual General Meeting:

| | |
|---|------------------|
| <i>SEK</i> | |
| Profit brought forward by the beginning of the year | 2,569,342,444 |
| Dividend | - 133,580,969 |
| <u>Net profit for the year</u> | <u>6,239,207</u> |
| Profit carried forward by the end of the year | 2,442,000,682 |

The Board of Directors proposes the following appropriation of profits:

| | |
|--|----------------------|
| <i>SEK</i> | |
| Dividend to shareholders, SEK 1.75 per share | 133,580,969 |
| <u>To be carried forward</u> | <u>2,308,419,713</u> |
| Total | 2,442,000,682 |

The Board of Directors hereby presents the following statement regarding its assessment of whether the revised proposal for a dividend is justifiable with regard to the provisions of Chapter 17, Section 3, paragraphs 2 and 3 of the Swedish Companies Act.

With respect of the current market situation the Board of Directors has resolved on a downward adjustment of its proposal for dividend. The Board of Directors proposes that the Annual General Meeting on April 29, 2020 resolves to pay a dividend of SEK 1.75 per share, corresponding to the previous year's dividend level, entailing a total dividend of approximately SEK 134 m. This deviates from the previously communicated dividend of SEK 3.60 per share in the Annual Report. The dividend is proposed to be distributed in two equal parts, with a payment of SEK¹ 0.875 per share per payment date. As record dates for right to dividend May 4, 2020, with the dividend expected to be distributed to the shareholders on May 7, 2020, and November 2, 2020, with the dividend expected to be distributed on November 5, 2020, are proposed.

The objective of the Board of Directors is that the dividend should be equivalent to minimum 40 percent of the company's net profit, taking into account the company's financial position, acquisition opportunities and long-term financing needs. The dividend policy intends to create a balance between the shareholders' interest of receiving long term return and the financial flexibility for Lindab to continue to invest to deliver on the strategy. Proposed dividend corresponds to 20 percent of the group's net profit, which means that deviation will be made from Lindab's dividend policy.

¹ Due to practical reasons the dividend will be distributed by SEK 0.88 in May and 0.87 in November



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The restricted equity is fully covered after the proposed dividend. Proposed dividend amounts to 4 percent of the company's equity and 3 percent of the consolidated equity. After the distribution of the dividend, the company's and the group's equity/asset ratios are approximately 92 and 53 percent respectively.

The company's and the group's equity/asset ratios are considered to be good compared to the industry. The Board of Directors finds that the company and the group will be able to assume future business risks and can be expected to fulfill their short- and long term obligations. The dividend will not have a detrimental impact on the company's capacity to make required investments.

In the light of the general uncertainty created by measures taken to reduce the spread of the coronavirus (covid-19), the global economic outlook is at this time very uncertain. The adjusted proposal for dividend reflects this development.

The Board of Directors finds that the proposed dividend is justifiable considering the requirements the nature, scope and risks of the operations pose on the size of the company's and the group's equity as well as the company's and the group's consolidation requirements, liquidity and position in general.

Båstad in March 2020

The Board of Directors