

Press Release
For Immediate Distribution

SinterCast withdraws original dividend proposal
Extraordinary General Meeting planned for autumn

[Stockholm, 15 May 2020] – Compared to the full year run-rate of 3.3 million Engine Equivalents in 2019, annualised series production decreased to 2.4 million Engine Equivalents in March and further to 1.0 million Engine Equivalents in April. Annualised series production for the first four months of the year is down 25%, from 3.2 million Engine Equivalents in 2019 to 2.4 million Engine Equivalents in 2020. Although the production has started to show signs of recovery in May, the Board of Directors judges that it is still too early to quantify the full impact of the COVID-19 pandemic on the foundry and automotive industries.

As a result of the current uncertainty, the Board has decided to withdraw the original dividend proposal comprised an ordinary dividend of SEK 4.50 per share plus an extraordinary dividend of SEK 2.25, representing a distribution of SEK 47.9 million to the shareholders of SinterCast AB (publ) for the financial year 2019. The Board hereby announces the ambition to convene an Extraordinary General Meeting on or before 20 November 2020 to decide on the dividend for the 2019 financial year. The Board judges that the waiting until the autumn will improve the market visibility, enabling a more informed and positive approach to the dividend proposal.

The Annual General Meeting of the shareholders will be convened on 23 June 2020. At the AGM, the Nomination Committee will propose unchanged Board fees for the coming year. With effect from 1 May 2020, the Board has also decided upon a 5% salary deferral for the Group Management, comprising the President, the Finance Director and the Operations Director, until after the next dividend has been paid.

“Our cash position is strong and we remain confident in our growth potential. The achievements of 2019 resulted in ‘record everything’ and we maintain the ambition to share the strong financial results of 2019 with our shareholders” said Dr Steve Dawson, President & CEO. “We have all worked hard to build this success story and it is the right time to take a short pause in the dividend payment to ensure that we protect what we have built. Since 2011, we have generated SEK 148.3 million in free cashflow and distributed SEK 154.7 million to our shareholders. This postponement is an interim safeguard – we maintain our confidence and we maintain our pro-active approach to dividends.”

For and on behalf of the Board of Directors:

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This press release contains information SinterCast AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the President & CEO Dr. Steve Dawson, at 08:00 CET on 15 May 2020.

SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). With at least 75% higher tensile strength, 45% higher stiffness and approximately double the fatigue strength of conventional grey cast iron and aluminium, CGI allows engine designers to improve performance, fuel economy and durability while reducing engine size, weight, noise and emissions. The SinterCast technology is used for the production of petrol and diesel engine cylinder blocks and exhaust components for passenger vehicles, medium-duty and heavy-duty cylinder blocks and heads for commercial vehicles, and industrial power engine components for agriculture, marine, rail, off-road and stationary engine applications. SinterCast supports the series production of components ranging from 2.7 kg to 9 tonnes, all using the same proven process control technology. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve process control, productivity and traceability in a variety of applications. With 57 installations in 14 countries, SinterCast is a publicly traded company, quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange (SINT). For more information: www.sintercast.com

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