

Offer to senior executives within Inwido to subscribe for warrants

Program description – May 2016

INWIDO
Great Windows & Doors

Welcome!

Appendices:

- Appendix 1: Tax information
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On 10 May 2016, the Annual General Meeting of Inwido AB resolved, in accordance with a proposal by the Board of Directors, to introduce a long-term incentive programme through the issuance of convertible bonds targeting all employees of the Inwido Group and the issuance of warrants aimed at senior executives within the Inwido Group.

The Board of Directors considers it important and in the interest of all shareholders that employees of Inwido (publ) (the “Company” or “Inwido”) have a long-term interest in the favourable development of the value of the Company’s shares. The purpose of a long-term incentive programme is to stimulate employees’ continued loyalty and good performance.

Senior executives in Inwido are hereby invited, in accordance with the terms given in this information brochure and the full terms and conditions available at www.inwido.com/IncentiveProgram2016, to subscribe for warrants (“the Offer”).

Malmö, May 2016
Board of Directors of Inwido AB (publ)

Important information and disclaimer

Purchases of securities, such as shares or warrants, are always associated with risks. Prior to purchasing securities, you cannot know whether they will increase or decrease in value in the future and consequently a purchase always entails a risk. Anyone considering participating in this Offer to purchase warrants in Inwido is asked to acquaint themselves with this brochure along with Inwido's annual report and other available information on Inwido, and to consider carefully the risks associated with the investment. If you are uncertain, you should seek advice from your own financial advisor.

The Offer is aimed at senior executives within the Inwido Group, including the CEO, Group Management, members of the management teams of the local business areas (Denmark, EBE, Finland, Norway, Sweden and Supply), as well as Vice Presidents within the Inwido Group. A total of about 50 people.

This information brochure and the related acceptance form are not intended for general circulation and may not be distributed in violation of international regulations. This information brochure has been prepared in accordance with the provisions in Directive 2013/71/EC of the European Parliament and Council and the legislation for its implementation, and provides a simplified description of the invitation to subscribe for convertible bonds in Inwido. This brochure does not constitute a prospectus under the Financial Instruments Trading Act (1991:980) and has not therefore been approved by or registered with Finansinspektionen (Swedish Financial Supervisory Authority) or any other authority in Sweden or another country. The offer is made pursuant to a decision by the Annual General Meeting of Inwido on 10 May 2016, which, together with the full terms and conditions, is available at the website Inwido, www.inwido.com/IncentiveProgram2016. In case of any discrepancy between the information in this brochure and the full terms and conditions, the full terms and conditions apply.

Disputes arising from this information brochure or regarding the Offer are to be resolved under Swedish law by arbitration in accordance with the Rules for Expedited Arbitration of the Stockholm Chamber of Commerce Arbitration Institute. The Rules for Expedited Arbitrations shall apply if the Company so requests. In case the Arbitration Rules shall apply, the Company shall have the right to determine whether the Arbitral Tribunal shall be composed of one or three arbitrators. The seat of arbitration shall be Malmö, Sweden and the language to be used in the arbitral proceedings shall be English. The parties to the arbitration proceedings shall keep such proceedings strictly confidential.

Background and conditions of the Offer

As a senior executive within Inwido, you are offered the opportunity to buy warrants in the company. Senior executives are the CEO, Group Management, members of the management teams of the local business areas (Denmark, EBE, Finland, Norway, Sweden and Supply), as well as Vice Presidents within the Inwido Group. A total of about 50 people.

Entitlement to buy warrants is conditional upon your having subscribed for convertible bonds in Convertible program 2016 /2019. For more information about the convertible bond program, see www.inwido.com/IncentiveProgram2016.

The warrants grant the holder the right, but not the obligation, to subscribe for shares in Inwido in the future at a predetermined price. The term of the warrants is approximately 3.2 years.

The program entails warrants being offered to Inwido's senior executives at market value at the time of transfer. The market value has been set at SEK 10.1.

The maximum number of warrants in the program is 500,000. Each option entitles the holder to acquire one share at a predetermined subscription price of SEK 130.3, corresponding to approximately 126 percent of the volume-weighted average price for the Company's shares during a certain period prior to the issue of the warrant.

If the value of Inwido's shares rises so that it exceeds the subscription price, it is to your advantage to exercise your warrants to subscribe for shares. The value of the shares you receive would thus be higher than the amount you paid for them.

If the value of shares in Inwido does not exceed the subscription price during the subscription period, this could cause you to not be interested in converting your warrants into shares, but to allow them to expire instead. In other words, you could lose what you paid when acquiring your warrants, but never more than that.

Summary of terms

At the Annual General Meeting of Inwido on 10 May 2016, shareholders resolved that senior executives within Inwido should be offered warrants in Inwido. The Offer will be implemented by Inwido issuing 500,000 warrants to Inwido Europe AB, which will then transfer them to senior executives under the terms of the Offer.

What is a warrant?

A warrant conveys a right but not an obligation, to buy one share per warrant on a given date and at a set price. The set price is called the subscription price.

Warrants are securities that are freely transferable and thus have a market value upon being issued.

Warrants are acquired by paying the market value (premium), which is calculated by PwC using the Black & Scholes formula.

Trading in shares

Since 26 September 2014, Inwido's shares have been admitted for trading on the Nasdaq Stockholm exchange's list for medium-sized companies (MidCap), under the ticker INWI, ISIN No. SE0006220018.

Application

Applications are to be made using the special application form provided in Appendix 3, where your maximum allocation level is shown. See also "Questions and answers about the Offer" on how to register your desire to participate in the Offer.

Exercising the warrants to subscribe for shares

The warrants can be exercised to subscribe for shares in Inwido AB during the period 1 August 2019 – 15 September 2019.

According to current insider rules, participants subject to the closed period during the subscription period for shares, may always exercise their warrants to subscribe for shares on the final day of the subscription period, i.e. 15 September 2019. Note, however, that these rules are currently being changed.

Subscription price for shares

The subscription price for the shares is SEK 130.3 per share, representing 126 percent of the volume-weighted average price during the period 26 April 2016 to 9 May 2016.

Maturity

When the warrants mature on 15 September 2019, holders lose the opportunity to exercise their right to subscribe for shares. The warrants will subsequently be of no value. Following the final subscription date, unexercised warrants may never be used as a basis for the right to acquire shares in the Company.

Risks

An investment in a warrant is, like all other investments in securities, associated with risk. This means that the invested capital is lost if the value of a share in Inwido is less than the established subscription price on the final subscription date.

However, holders of warrants never risk losing more than what has been paid for the warrants.

Prior to any investment decision, it is important to carefully analyse the risk factors considered relevant to the development of Inwido. Listed below are the risks judged relevant to Inwido, in no order of mutual importance.

- Economic influence and other macroeconomic factors
- Customers and suppliers
- Seasonal variations
- Complaints, product recalls, product liability and warranties
- Competition and price pressure
- Input goods and prices on input goods, etc.
- Product development
- Acquisitions and integration
- Production disruptions and operational interruptions
- IT systems
- Human capital risk
- Restructuring
- Legal risks
- Financial risks

Adjustment of the subscription price

Under certain conditions, the subscription price will be recalculated according to the full terms and conditions established for the warrants. The recalculation serves to maintain the warrants' real financial value in connection with new share issues and share splits for example. For information on the conditions applicable in connection with recalculation, see "Conditions for warrants series 2016/2019 for new subscriptions for shares in Inwido AB (publ)", Appendix 2.

For how much may you subscribe?

For all categories, the following applies: three (3) warrants may be subscribed for every SEK 125 subscribed (regardless of allocation) in Convertible bond program 2016/2019, although the maximum number of warrants may not exceed the following:

Category	Position	Number of warrants
I	CEO	At most 48,000 warrants
II	Group Management	At most 12,000 warrants per person
III	Senior Leaders	At most 6,000 warrants per person

The group Senior Leaders consists of members of the management teams of the local business areas (Denmark, EBE, Finland, Norway, Sweden and Supply), as well as Vice Presidents within the Inwido Group. A total of about 40 people.

A practical example

Investing in warrants is different from investing directly in shares. Small fluctuations in the value per share cause relatively large shifts in the value of the warrants. If the value per share rises, the value of the warrant rises quickly. Unfortunately, the warrant's value decreases just as dramatically when the value of the share goes down.

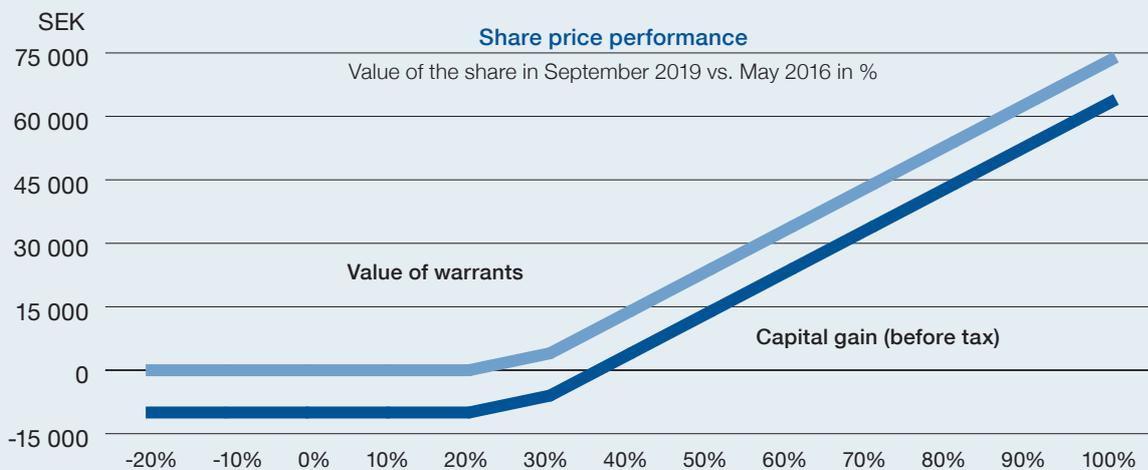
The example below details a potential outcome:

In this example, we assume that you subscribe for SEK 41,667 in Convertible bond program 2016 /2019 and thus gain the right to buy 1,000 warrants ($41,667/125 \times 3 = 1,000$). Today, the estimated market value of the share is SEK 103.4 and the subscription price is set at SEK 130.3. The market value of a warrant, the premium, is calculated using the Black & Scholes formula, based, among other things, on the current share price and the term of the warrant, and amounts to SEK 10.1.

Your potential profit is the market value of the share on subscription minus the subscription price and premium paid. In the example with 1,000 warrants, this means that you paid SEK 10,100 in warrant premiums, and that you subscribed for shares for SEK 130,300, entailing a total cost of SEK 140,400. In the graph below, we show how great your profit would be assuming different underlying share values at the time of subscription. In the event, for example, of an increase in the share price of SEK 160, a block of 1,000 warrants would provide a capital gain before tax of SEK 19,600 (SEK 160,000 – SEK 140,400).

Observe that: If the market value of Inwido's share does not exceed SEK 130.3 at the time of subscription in 2019, the warrants have no financial value. You would then have lost the SEK 10,100 that you paid in premiums.

Example of performance 2016-2019 on an investment of SEK 10,000 in warrants



The market value of Inwido's share must have increased by 26 percent at the time of subscription for the warrants to have any value. To not incur a capital loss (before tax), the share price must increase by 36 percent.

Questions and answers about the Offer

Why is Inwido making this offer?

To increase the senior executives' long-term commitment to, and interest in, the Group's growth in value, warrants are offered as an integrated part of the company's remuneration model.

Who may participate in the Offer?

Only those employees within Inwido who are offered participation in the program. Entitlement to initial allotment requires that the executive holds his/her position or has signed a contract to that effect by 3 June 2016 and has not, at that time, announced or been informed that the relevant employment is to be terminated.

What should I do to participate in the Offer?

Attached is a registration form, Appendix 3, stating your personal, maximum allocation. If you are interested in participating, please fill in the number of warrants you wish to subscribe for and submit the form to tomas.ramlid@seb.se by 3 June, 2016. By submitting the application form, you also provide power of attorney for Peter Welin, CFO of Inwido AB, to sign on your behalf the transfer agreement, a template of which has been attached for your reference, Appendix 4.

Can I change my mind once I have submitted my application form?

No, your application is binding.

How do I pay for the warrants?

By paying the total warrant premium to account number 5118 10 524 08 at SEB (IBAN: SE55 5000 0000 0511 8105 2408, BIC/SWIFT: ESSESESS) by 16 June 2016.

Will the warrants will be registered?

Once you have paid for your warrants, they will be registered with VPC (Swedish central securities register) and thus assigned to your securities or custodial account.

May I dispose of my warrants as I choose?

Yes, you can freely transfer the warrants to another.

What do I pay in taxes?

See the section "Tax issues in each country".

What is the subscription price?

The subscription price is the price at which you can exchange your warrants for shares. In this Offer, it is set at SEK 130.3.

How many shares may I subscribe for if I exercise my warrants?

It depends on how many warrants you have acquired. If you have acquired 1,000 warrants, you may subscribe for a maximum of 1,000 shares.

When may I exercise the warrants and subscribe for shares?

You may exercise the warrants to subscribe for shares during the period 1 August 2019 – 15 September 2019.

What do I do when I want to use my warrants to subscribe for shares?

If you have decided to exercise your warrants and subscribe for shares, you do so by filling in the application form. If you want to exercise 1,000 options, you would have to pay SEK 130,300 for the subscription of 1,000 shares at an assumed subscription price of SEK 130.3. You will receive further information about this during the subscription period.

Are there any risks involved in investing in warrants?

Yes. If the value of Inwido's share is lower than the subscription price during the subscription period, the warrant would be valueless. The amount you would lose would, in this case, be the premium you paid for the warrants. Read more about risks in the section "Summary of terms".

May I participate in and vote at General Meetings if I own warrants but no shares?

No, you must wait until you have exercised your warrants and received shares in Inwido.

What happens if Inwido implements a bonus issue or share split, for example?

The subscription price and the number of shares that may be subscribed for would then be recalculated so that you would subscribe for an adjusted number of shares at an adjusted price. The recalculation is performed to maintain the actual financial value of the warrants. Information on the rules governing recalculation can be found in "Conditions for warrants series 2016/2019 for new subscriptions for shares in Inwido AB (publ)", Appendix 2.

Sources of information about Inwido

Inwido's share price

You can find Inwido's daily share price at www.inwido.com or the website of Nasdaq Stockholm, www.nasdaqomxnordic.com. You can also find the share price in the Swedish business newspapers and major Swedish broadsheets. Look for the symbol "INWI" under the Stockholm Stock Exchange's list for medium-sized companies (Mid Cap).

Financial information

Inwido's quarterly and annual reports are available in Swedish and English at www.inwido.com.



Questions to consider regarding the Offer

Subscribing for warrants is a decision you must make based on your personal circumstances. It is important that you make the choice that fits with your future plans and what feels right for you.

Investing in securities such as warrants and shares always involves a risk. You should therefore carefully consider all of the risk factors associated both with subscribing for warrants and a potential purchase of shares. In addition, if you live outside Sweden, you must also bear the exchange rate risk between your national currency and the Swedish krona.

With regard to buying or selling warrants in Inwido, the same rules apply as for trading in the Company's shares. Accordingly, you may not buy or sell warrants via the market if you have knowledge of any undisclosed or publicly unknown fact that, if it became public knowledge, could materially affect Inwido's share price. Such transactions may not be conducted on your own behalf or on behalf of another. Nor may you advise another to make such a transaction.

If you are an individual with insider status within Inwido, you are required to notify Finansinspektionen in writing of your holdings of warrants and of any changes in those holdings. Further information on the obligation to report for individuals with insider status is available at Finansinspektionen's website www.fi.se.

Tax issues in each country

An overview of the applicable tax laws in each country is provided in Appendix 1: Tax information. The description of the tax rules provided in the appendix is intended only as general information based on current information on the national tax rules and should not therefore be construed as advice

on tax laws. Tax regulations may change over the term of the warrants. It is the responsibility of each participant to comply with the national tax rules during the term of the warrants.

The offer in brief

Final application date	3 June 2016
Final payment date	16 June 2016. Payment to account number 5118 10 524 08 at SEB.
Warrants	Each warrant entitles the holder to subscribe for one (1) share in Inwido AB. The number of warrants offered to you for subscription is stated on your application form.
Term of the warrants	Until and including 15 September 2019, approximately 3.2 years.
Subscription price for warrants	SEK 130.3, representing 126 percent of the volume-weighted average price for the Company's share during the period 29 April 2016 to 9 May 2016.
Market value of the warrants	The premium is set at SEK 10.1 per warrant.
Subscription period for shares	1 August 2019 – 15 September 2019

Vocabulary

Custodial account

Storage of securities on behalf of clients of the bank or broker.

Option

A right, but not an obligation, to buy (sell) something at a predetermined price on a specified date.

Securities account

Instead of issuing physical securities certificates representing the convertible bonds, Euroclear Sweden AB registers the convertible bonds in "securities accounts". When you buy and sell shares or convertible bonds, for example, this is accounted for through entries and reversals in securities accounts. You can keep your securities in either a securities account or a custodial account, see "Custodial account" above.

SEK

Swedish crowns

Share

A share represents an ownership interest in a limited liability company. Together, the shareholders own the company and appoint its Board of Directors. In Inwido, each share entitles the holder to one vote at the General Meeting.

Share issue

A limited liability company can implement a bonus issue or a new issue. In a bonus issue, no new capital is injected into the company. In a new share issue, the company receives an injection of new capital through, for example, shareholders acquiring new shares in the company.

Split

A split entails the nominal amount of a share being reduced and the share being divided into multiple new shares.

Subscription period

The subscription period is the time during which you can subscribe for shares in Inwido at the set subscription price.

Subscription price

The subscription price is the predetermined price at which you can subscribe for shares when exercising warrants.

Warrant

Conveys the right to purchase newly issued shares. Thereby causing dilution of the number of votes and share capital.

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