

Press release
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Nexam Chemical secures production capacity by acquiring the masterbatch manufacturer Plasticolor Sweden AB

Nexam Chemical has signed an agreement to acquire all shares in the privately owned company Plasticolor Sweden AB for a total of SEK 116 million, of which SEK 22.2 million is paid through new shares in Nexam Chemical Holding AB (publ).

Plasticolor is an internationally established manufacturer of masterbatch products to the plastic industry and has production in four countries. Through the acquisition, Nexam Chemical ensures access to high-class production capacity, which means that the company can expand its product portfolio and accelerate its growth. Nexam Chemical and Plasticolor complements each other and enables the introduction of NEXAMITE® Multifunctional Masterbatch (NMMB), where a number of additives are packaged together with NEXAMITE® in a masterbatch.

“Nexam Chemical has now access to production technology and capacity that fits perfectly with our needs. NEXAMITE® Multifunctional Masterbatch is a more advanced masterbatch than we offer today. Our customers will be able to benefit from the performance improvements and the cost effectiveness of NMMB. It also open doors for establishing ourselves in new segments,” says Anders Spetz, CEO at Nexam Chemical.

“We have, since we started the discussions of a collaboration with Nexam Chemical, seen the synergies and value that our two businesses can create together. The two company’s complements each other very well and we see that our common know-how can create new customer offers which will generate value and long-term profitable growth. I and my partners look forward to join Nexam Chemical for this journey as new shareholders,” says Håkan Linné, CEO and co-founder of Plasticolor.

Plasticolor is an established masterbatch manufacturer, which, during over 25 years, has built a well-managed business with production and sales/marketing offices in six European countries. Plasticolor currently employs around 30 persons and has a turnover of approximately SEK 86 million with an operating margin of 15 percent. The acquisition of Plasticolor gives Nexam Chemical production resources and technology that enables for additional product opportunities and improved margins. It also give access to new customers and market segments in addition to the three areas, polyethylene pipes, polyester foams and high performance applications, which is Nexam Chemicals focus today. The acquisition also include a number of properties together with manufacturing equipment.

The acquisition is financed through own funds (33.8 MSEK), bank loan (60.0 MSEK) and new shares (22.2 MSEK) in Nexam Chemical Holding AB (publ). The number of new shares issued amounts to 2,795,019, with a dilution of approximately 4.1 %. In determining the number of shares issued a settlement price of approximately SEK 7.94 has been used. This corresponds to the average volume weighted price of the share in Nexam Chemical Holding AB (publ) during 45 trading days before 7 December 2017. The new shares have been issued pursuant to the authorization granted by the Annual General Meeting on May 16, 2017. The closing of the acquisition and the subscription of the new shares will take place on 8 December 2017. The

acquisition will have a positive impact on Nexam Chemicals earnings per share. The seller has undertaken that during a period of six months following closing not to divest any of the new issued shares in Nexam Chemical Holding AB (publ) received as consideration.

Note: This press release has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in case of any discrepancy with the English version.

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This information is information that Nexam Chemical Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07:45 CET on December 8, 2017.

About Nexam Chemical

Nexam Chemical develops technology and products that make it possible to significantly improve the production process and properties of most types of plastics in a cost-effective manner and with retained production technology. The improved properties include strength, toughness, temperature and chemical resistance as well as service life. The improvements in properties that can be achieved by using Nexam Chemical's technology make it possible to replace metals and other heavier or more expensive materials with plastics in a number of applications. In applications where plastic is already used, Nexam Chemicals products can improve the manufacturing process, reducing material use and enable more environmental friendly alternatives. Example of commercial applications: pipe manufacturing, foam production and high-performance plastics. More information about the business will be found on www.nexamchemical.com. The company's Certified Adviser is FNCA Sweden AB.