

Press release  
Lomma 2019-04-16

## Notice of the Annual General Meeting in Nexam Chemical Holding AB (publ)

The shareholders of Nexam Chemical Holding AB (publ), corporate identity 556919-9432, are hereby convened to the Annual General Meeting (“AGM”), to be held at 3.00 p.m. on Thursday, May 16 2019 at Elite Hotel Ideon, Scheelevägen 27, in Lund. Admission for registration from 2.00 p.m.

### Notice of the Annual General Meeting 2019

The shareholders of Nexam Chemical Holding AB (publ), (“Nexam Chemical”), are hereby convened to attend the Annual General Meeting (“AGM”) held at 3.00 p.m. on Thursday, May 16 2019 at Elite Hotel Ideon, Scheelevägen 27, in Lund.

#### Entitlement to participate and notification

Shareholders wishing to attend the AGM must,

- first, be listed in the share register kept by Euroclear Sweden AB on Friday, May 10 2019 and
- secondly, not later than Friday, May 10 2019, inform Nexam Chemical in writing of their attendance and number of assistances, if any, to Nexam Chemical Holding AB (publ), Bolagsstämman, P.O. Box 165, SE-234 23 Lomma. Such notification can also be given by telephone +46 733 88 98 38, or by e-mail to [info@nexamchemical.com](mailto:info@nexamchemical.com).

Notification ought to include the shareholder’s name, address, telephone number, personal or corporate identity number, registered shareholding and information on proxies, if any. Notification and particulars of any proxy and assistances will be registered with Nexam Chemical to provide the basis for the voting list.

#### Proxies etc.

If shareholders attend by proxy, such proxy must bring a written power of attorney, dated and signed by the shareholder, to the AGM. This power of attorney may not be older than one year, unless a longer term of validity (although subject to a maximum of five years) is stated in the power of attorney. If the power of attorney is issued by a legal entity, a certified copy of registration certificate or equivalent document for the legal entity shall be presented. To facilitate entry, a copy of the power of attorney and other legitimacy papers is preferably attached to the notification of attendance of the AGM. Forms for power of attorney can be found at the company’s website [www.nexamchemical.com](http://www.nexamchemical.com) and at the company’s head office, Industrigatan 27, SE-234 35, Lomma, and will be sent to shareholders who so request and state their address.

### Nominee-registered shares

Shareholders who have their holdings nominee-registered, through bank or other administrator, must, to be entitled to participate in the AGM, temporarily register the shares in their own name at Euroclear Sweden AB. Such temporary re-registration of ownership must be implemented no later than Friday, May 10 2019. Accordingly, shareholders must inform their nominees or banks of their wish of re-registration well in advance before this date.

### Other

The Annual Accounts and Audit Report of the company and the Group, as well as complete proposals for resolution according to items 12-16 are available at the company's head office, Industrigatan 27, SE-234 35, Lomma, and at the company's website [www.nexamchemical.com](http://www.nexamchemical.com) no later than three weeks before the AGM and will upon request be sent to shareholders who state their address.

Shareholders attending the Annual General Meeting are entitled to request disclosures regarding matters on the agenda or the company's or Group's financial position in accordance with chap. 7 § 32 of the Swedish Companies Act (2005:551).

### Agenda

0. Opening of the meeting.
1. Election of Chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Consideration of whether the meeting has been duly convened.
6. Address by the CEO.
7. Presentation of the Annual Report and Audit Report for 2018 and the Consolidated Annual Report and Consolidated Audit Report for 2018.
8. Resolution on
  - a) adoption on the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and consolidated balance sheet;
  - b) distribution of the company's results; and
  - c) discharge from liability for the Board members and CEO.
9. Determination of the number of Board members as well as the number of auditors and deputy auditors.
10. Determination of remuneration for the Board members and auditors.
11. Election of Board members, Chairman of the Board, auditors and deputy auditors.

12. Instruction for the Nomination Committee.
13. Adoption of Remuneration Policy.
14. Resolution on implementation of a warrant program by way of (A) directed issue of warrants, and (B) approval of transfer of warrants.
15. Resolution on amendment to the articles of association.
16. Authorization for issuing new shares.
17. Closing of the meeting.

### Proposed resolutions

#### *Election of Chairman of the meeting (item 1)*

The Nomination Committee, consisting of Eva Gottfridsson Nilsson, representing Länsförsäkringar Fondförvaltning AB, Tomas Klevbo, representing ÖstVäst Advisory AB, and Martin Lundin, representing Holm Invest AB (Lennart Holm), proposes that attorney Ola Grahn is appointed Chairman of the meeting.

#### *Distribution of the company's results (item 8b)*

The Board proposes that no dividends are paid and that unappropriated earnings are carried forward to a new account.

#### *Determination of the number of Board members as well as the number of auditors and deputy auditors (item 9)*

The Nomination Committee proposes that five Board members are elected.

Further, the Nomination Committee proposes that a registered public auditor is appointed as auditor.

#### *Determination of remuneration for the Board members and auditors (item 10)*

The Nomination Committee proposes that remuneration for the Board shall be paid with SEK 200,000 to the Chairman (SEK 190,000 previous year) and SEK 130,000 to every other Board member (SEK 125,000 previous year).

It is proposed that the remuneration for the auditor shall be paid according to customary norms and approved invoice.

#### *Election of Board members, Chairman of the Board, auditors and deputy auditors (item 11)*

The Nomination Committee proposes re-election of Lennart Holm, Cecilia Jinert Johansson and Jonna Opitz as ordinary Board members and election of Mats Persson and Ronnie Törnqvist as new ordinary Board members. Daniel Röme and Per-Ewe Wendel has declined re-election. The Nomination Committee proposes re-election of Lennart Holm as Chairman of the Board.

Information on the Board members proposed for re-election can be found in the Annual Report and at the company's website, [www.nexamchemical.com](http://www.nexamchemical.com). Information on the candidates who are proposed as new ordinary Board members can be found in the reasoned statement from the Nomination Committee.

The Nomination Committee further proposes re-election of MAZARS SET Revisionsbyrå AB as auditor. MAZARS SET Revisionsbyrå AB has informed that Bengt Ekenberg will continue to be appointed as lead auditor.

*Instruction for the Nomination Committee (item 12)*

The Nomination Committee proposes that an instruction and charter for the Nomination Committee shall be adopted in accordance with the following main content.

Before coming election and remuneration in Nexam Chemical, a Nomination Committee shall be appointed, which is proposed to consist of three members representing the three largest shareholders as of the last calendar day in August, 2019, based on shareholding statistics provided by Euroclear Sweden AB. The shareholding statistics which shall be used shall be sorted by voting power (grouped by owners) and cover the largest shareholders. Should this shareholding statistics include nominee-registered shareholdings, such shareholdings shall only be considered if the nominee has reported the identity of the underlying shareholder to Euroclear Sweden AB or if the company – without taking any measures on its own – receives other information that evidences the identity of the underlying shareholder.

The Chairman of the Board shall, after identifying the largest shareholders in accordance with the above, in an appropriate manner, contact the three largest identified shareholders with a request that they within 30 days shall notify, in writing, if they wish to be part of Nexam Chemical's Nomination Committee, and that they shall name the person that they wish to appoint as member of the Nomination Committee. If the shareholder does not exercise the right to appoint a member of the Nomination Committee, the next largest shareholder in size in terms of voting rights, shall have the right to appoint a member of the Nomination Committee. The procedure shall continue until the Nomination Committee consists of three ordinary members.

The majority of the members of the Nomination Committee shall be independent in relation to the company and the company's senior management. A board member, the CEO or another person from the company's senior management shall not be a member of the Nomination Committee. At least one of the members of the Nomination Committee shall be independent in relation to the largest shareholder in the company in terms of voting rights or group of shareholders that collaborates regarding the company's administration. The Chairman of the Nomination Committee shall, unless agreed otherwise by the members, be the member who has been appointed by the largest shareholder in terms of voting rights.

Information on the final composition of the appointed Nomination Committee shall include the names of the three appointed members, together with the names of the shareholders who have appointed them, and shall be announced no later than six months prior to the planned Annual General Meeting. The Nomination Committee's term shall run until a new Nomination Committee has been elected. No remuneration shall be paid to the members of the Nomination Committee.

If, one or more of the shareholders having appointed representatives to the Nomination Committee no longer are among the three largest shareholders in terms of voting rights, representatives appointed by these shareholders shall resign, and the shareholder or shareholders who has then become one of the three largest shareholders in terms of voting rights shall have the right to appoint its representative. Unless special reasons

exists, no changes of the composition of the Nomination Committee shall be made if only marginal changes in voting rights has occurred or if the change occurs later than two months before the annual shareholders' meeting. A shareholder who has appointed a member of the Nomination Committee is entitled to dismiss said member and appoint a new member of the Nomination Committee, as well as to appoint a new member if the member appointed by the shareholder would resign from the Nomination Committee. Changes in the Nomination Committee's composition shall be announced as soon as such changes have occurred.

The Nomination Committee shall prepare proposals in the below questions which shall be presented to the Annual General Meeting for resolution:

- a) proposal for Chairman of the Annual General Meeting;
- b) proposal for the number of board members elected by the Annual General Meeting and the number of auditors;
- c) proposal for remuneration to non-employed board members as well as to non-employed members of the committees of the board;
- d) proposal for remuneration to the auditors;
- e) proposal of election of the Chairman of the board and other board members as well as election of the auditors;
- f) proposal for principles for the appointment of members of the Nomination Committee and for the Nomination Committee's assignment; and
- g) proposal for remuneration to the members of the Nomination Committee.

*Adoption of Remuneration Policy (item 13)*

The Board proposes that the AGM resolves to adopt guidelines regarding remuneration for the CEO and other senior executives in Nexam Chemical with the following substantial terms.

The guidelines shall be applied to new agreements, or existing agreements reached between senior executives after the guidelines have been adopted, and until new or revised guidelines are determined.

Nexam Chemical's principle is that remuneration shall be paid on market and competitive conditions ensuring that senior executives can be recruited and retained. The remuneration for the CEO and other senior executives may be fixed salary, variable remuneration, pension, other benefits and share-based incentive programs. The guidelines means i.e. that the CEO and other senior executives will be offered a fixed salary that is on market terms.

In addition to fixed salary, the CEO and other senior executives are entitled to a performance-based annual variable remuneration. The variable remuneration is conditional in relation to variable remuneration targets, is not pension-entitled and the variable remuneration for the CEO shall not exceed 70 per cent of fixed salary and shall not exceed 50 per cent of fixed salary for other senior executives. Nexam Chemical's commitments in reference to variable remuneration for the CEO and other senior executives who can be subject of variable remuneration targets are for 2019 calculated to

amount to – if all targets are met in full – at the highest approximately SEK 4.2 million (including social charges). The calculation is based on the persons who currently constitute senior executives and are entitled to variable remuneration.

The CEO is entitled to annual pension contributions equivalent to 28 per cent of the pensionable salary. Other senior executives are entitled to annual pension contributions equivalent to 12 per cent of the pensionable salary. A mutual notice period of six months applies for Nexam Chemical, the CEO and other senior executives and severance pay, in addition to salary, during the notice period may be up to a maximum of six months' salary for the CEO and other senior executives.

The Board shall be entitled to deviate from the guidelines in individual cases if there are special reasons for doing so.

*Resolution on implementation of a warrant program by way of (A) directed issue of warrants, and (B) approval of transfer of warrants (item 14)*

The Board proposes that the AGM resolves to implement a warrant program for all employees within the Nexam Chemical Group based on issue and transfer of warrants (the "Warrants Program 2019/2022").

To implement the Warrants Program 2019/2022, the board of directors proposes that the annual shareholders' meeting resolves on (A) directed issue of warrants; and (B) approval of transfer of warrants, on the following terms and conditions:

*A. Directed issue of warrants*

1. A maximum of 1,040,000 warrants shall be issued for the Warrants Program 2019/2022.
2. With deviation from the shareholders' preferential rights, the right to subscribe for the warrants shall only vest in a wholly owned subsidiary to the Company (the "Subsidiary"). The reason for the deviation from the shareholders' preferential rights is that the warrants shall be used within the Warrants Program 2019/2022.
3. The Subsidiary's subscription shall be made at the latest on 30 June 2019, with a right for the board of directors to prolong the subscription period.
4. Over subscription cannot occur.
5. The warrants shall be issued to the Subsidiary against cash consideration which shall correspond to the warrant's fair market value calculated in accordance with the Black Scholes formula. The calculation of the fair market value of the warrants shall be established by an independent valuation institute in connection with the expiration of the measurement period on 31 May 2019. The Subsidiary's payment for the warrants shall be made against cash consideration no later than one week from the time of subscription, with a right for the board of directors to prolong this period.
6. Each warrant shall entitle to subscription of one share in the Company. Subscription of shares by virtue of the warrants may be effected as from 26 August 2022 up to and including 9 September 2022.

7. The subscription price per share shall correspond to 150 per cent of the volume weighted average price according to Nasdaq First North Premier's official price list for shares in the Company during the period as from and including 17 May 2019 to and including 31 May 2019. The subscription price shall be rounded to the nearest whole öre, whereupon 0.5 öre shall be rounded upwards. The subscription price and the number of shares that each warrant entitles right to subscribe for are subject to customary recalculation concerning split or consolidation of shares, issue of new shares or similar events.
8. A share issued after subscription confers the right to dividend the first time on the record date for dividends that occurs immediately following effectuation of subscription to such extent that the share has been recorded in the company's share ledger as interim share.
9. In case all warrants are utilized for subscription of new shares, the share capital will increase with SEK 20,000.
10. The chairman of the board of directors, or anyone appointed by him, shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (*S.w.* Bolagsverket) or Euroclear Sweden AB.

B. *Transfer of warrants*

Warrant program 2019/2022 shall mainly be carried out in accordance with what is described below.

1. The Subsidiary shall have the right to transfer the warrants against cash consideration, corresponding to the fair market value of the warrant at the time of transfer calculated in accordance with Section A.5 above, to participants in the Warrants Program 2019/2022 in accordance with the guidelines set out below.
2. The board of directors of the Company shall resolve upon allotment to participants in the Warrants Program 2019/2022, whereby participants in each category listed below can be offered up to the maximum of the number of warrants listed below (however, with the possibility of over-allotment in accordance with what is set out below):
  - (a) CEO  
a maximum of 200,000 warrants
  - (b) Other senior executives (5 persons)  
a maximum of 100,000 warrants per person
  - (c) Other employees (approximately 34 persons)  
a maximum of 20,000 warrants per person

Allotment shall take place on 30 June 2019 at the latest.

3. Participants can subscribe for a lower number of warrants compared to what is offered to the participants. Should the total number of warrants that the participants wish to subscribe for exceed the maximum number of warrants that can be issued within the Warrants Program 2019/2022, a proportional reduction shall be made of



the number of warrants that each person can be allocated whereby the proportioning shall be carried out so that each participant receives the same proportion of the maximum number of warrants that the participant can be allocated in accordance with the guidelines above. Guaranteed allotment will not occur. A participant has the right to subscribe for a larger amount of warrants than what is set out in the guidelines above and the participant may be allocated additional warrants corresponding to a maximum of 100 per cent of what is stated in the guidelines above, if the program is not fully subscribed for. Should such over-subscription occur, allotment shall be made to the participants who wish to subscribe for additional warrants, pro rata in relation to the number of warrants that they have been allocated in the first allocation.

4. Any warrants that are not allocated in accordance with the above shall be reserved for future recruitment of persons within the above-mentioned categories in the Nexam Chemical Group, whereby the above-mentioned guidelines for allocation shall be applied. In such allocation, a new calculation of the fair market value of the warrants, to be paid by the participant, shall occur.
5. Right to allotment in the Warrants Program 2019/2022 requires that the participant at the relevant time of allotment at the latest, holds a position or has signed an agreement regarding it and has not, at such time, informed or been informed that the employment or assignment will be terminated.
6. For participants in other jurisdictions than Sweden, it is implied that transfer of the warrants is legally possible and that transfer, in the board of director's opinion, can be carried out with reasonable administrative and financial efforts at the warrants established fair market value. The board of directors shall be authorized to adjust the terms and conditions of the Warrants Program 2019/2022 to the extent required in order for allotment of warrants to participants in other jurisdictions, to the extent practically possible, to be carried out under the same conditions imposed by the Warrants Program 2019/2022.

*Other information in connection to the Warrants Program 2019/2022*

The reasons for the implementation of the Warrants Program 2019/2022 and the deviation from the shareholders' preferential rights are to be able to create possibilities for the Company to retain competent staff through offering of a long term ownership engagement. Such ownership engagement is expected to contribute to an increased alignment of interests between the participating employees and the shareholders, and also promote a long-term commitment to the development of the Company.

Since the warrants in the Warrants Program 2019/2022 will be transferred to the participants at market value, the Company's assessment is that the Company will not incur any social costs in relation to Warrants Program 2019/2022. The Company's costs related to Warrants Program 2019/2022 will hence only be composed of limited costs for implementation and administration of the program.

As per the date of the notice, the number of shares in the Company amounts to 67,519,019. There are currently no incentive programs outstanding in the Company.

In case all warrants issued within the Warrants Program 2019/2022 are utilized for subscription of shares, a total of 1,040,000 new shares will be issued, which corresponds



to a dilution of approximately 1.5 per cent of the Company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all warrants issued under the Warrants Program 2019/2022. The dilution is expected to only have a marginal effect on the Company's key ratio "Earnings per share".

The above calculations regarding dilution and impact on key ratios are subject to recalculation of the warrants in accordance with the customary recalculation terms included in the applicable warrant terms.

The proposal of the Warrants Program 2019/2022 has been prepared by the board of directors together with external consultants.

*Resolution on amendment to the articles of association (item 15)*

The Board proposes that the AGM resolves to amend § 2 and § 11 in the company's articles of association as follows:

**§ 2 Registered office**

*Current wording*

The Board of Directors shall have its registered office in Lund, Sweden.

*Proposed wording*

The Board of Directors shall have its registered office in Lomma, Sweden. General Meetings are to be held in Lomma or in Lund.

**§ 11 Record day provision**

*Current wording*

The Company's shares shall be registered in a central securities depository register pursuant to the Financial Instruments Accounts Act (Sw: lagen (1998:1479) om kontoföring av finansiella instrument).

*Proposed wording*

The Company's shares shall be registered in a central securities depository register pursuant to the Financial Instruments Accounts Act (Sw: lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument).

*Authorization for issuing new shares (item 16)*

The Board proposes that the AGM authorizes the Board, on one or several occasions until the next AGM, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares. Issues may be made with or without the provisions regarding contribution in kind, set-off or other conditions. The number of shares that may be issued may not exceed a total of 16,879,754 shares (provided that such number of shares may be issued without amendment of the Articles of Association). The dilution may, upon full exercise of the authorization, amount to at the highest approximately 20 per cent. The purpose of the authorization is to enable to raise working capital, to enable to execute and finance acquisitions and to enable new issues to industrial partners within the framework of partnerships and alliances. To the extent the authorization is used for

new issues with deviation from the shareholders' preferential rights, the issue price shall be on market terms.

### Particular majority decisions

Valid resolution of the issue under item 14 requires that the proposal is supported by shareholders representing at least nine tenths of the votes submitted and represented at the AGM. Valid resolutions of the issues under items 15-16 require that the proposals are supported by shareholders representing at least two thirds of the votes submitted and represented at the AGM.

### Processing of personal data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

### Number of shares and votes

As of the date of issuing of this notice to attend, the total number of registered shares and votes in the company amounts to 67,519,019. The company holds no own shares.

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Lund, April 2019  
Nexam Chemical Holding AB (publ)  
The Board of Directors

*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.*

### For further information please contact:

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### 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](http://www.nexamchemical.com). The company's Certified Adviser is FNCA Sweden AB. FNCA Sweden AB can be reached at [info@fnca.se](mailto:info@fnca.se) or by phone +46-8 528 00 399.*