

Press release
Lomma 2019-05-16

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Report from the Annual General Meeting in Nexam Chemical Holding (publ)

Today, Thursday May 16, 2019, an Annual General Meeting (the “AGM”) was held in Nexam Chemical Holding AB (publ). At the AGM, 14 944 501 shares were represented, which corresponds to approximately 22 % of the total number of shares. A summary of the resolutions adopted follows below. All resolutions were adopted with the required majority of votes.

Adoption of accounts and distribution of the company’s results

The AGM resolved to adopt the presented profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and consolidated balance sheet. The AGM also resolved to distribute the company’s results in accordance with the Board of Directors’ proposal in the Annual Report, meaning that no dividends are paid and that unappropriated earnings are carried forward to a new account.

Discharge from liability

The AGM resolved to discharge the Board members and the Chief Executive Officer from liability for the financial year 2018.

Remuneration

The AGM resolved that remuneration for the Board shall be paid with SEK 200,000 to the Chairman of the Board and with SEK 130,000 to every other Board member.

The AGM also resolved that remuneration for the auditor shall be paid according to approved invoice and customary norms.

The Board of Directors

Lennart Holm, Cecilia Jinert Johansson and Jonna Opitz were re-elected as Board members. Mats Persson and Ronnie Törnqvist were elected as new Board members. Lennart Holm was re-elected as Chairman of the Board. Daniel Röme and Per-Ewe Wendel had declined re-election as Board members.

Auditor

MAZARS SET Revisionsbyrå AB was re-elected as auditor until the end of the next AGM. MAZARS SET Revisionsbyrå AB has informed that Bengt Ekenberg will continue to be appointed as the lead auditor.

Instruction for the Nomination Committee

The AGM resolved that the work of the Nomination Committee before the AGM 2020 shall be conducted in accordance with the proposal, see item 12 in the notice to the AGM which was published on April 16, 2019. The Nomination Committee shall consist of three members, representing the three largest shareholders of the last calendar day in August, 2019, based on shareholding statistics provided by

Euroclear Sweden AB. The Chairman of the Nomination Committee shall, unless the members of the Nomination Committee agree differently, be the member who has been appointed by the largest shareholder in terms of voting rights. Remuneration will not be paid to the members of the Nomination Committee.

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.

Remuneration Policy

The AGM resolved on a Remuneration Policy for senior executives in accordance with the proposal, see item 13 in the notice to the AGM which was published on April 16, 2019. Remuneration for the CEO and other senior executives may consist of fixed salary, variable remuneration, pension, other benefits and share-based incentive programs. The guidelines means i.a. that the CEO and other senior executives shall be offered a fixed salary on market terms. The remuneration for the CEO and other senior executives shall be based on factors such as work tasks, expertise, experience, position and performance. The variable remuneration is conditional upon the fulfillment of measurable targets and shall for the CEO not exceed 70 per cent of fixed salary and shall not exceed 50 per cent of fixed salary for other senior executives. The company'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 – approximately SEK 4.2 million at the highest (including social charges). The calculation is based on the persons who currently constitute senior executives and are entitled to variable remuneration. The guidelines shall be applied on new agreements, or changes in existing agreements reached with senior executives after the guidelines have been adopted, and until new or revised guidelines have been determined.

Resolution on implementation of a warrant program by way of (A) directed issue of warrants; and (B) approval of transfer of warrants

The AGM resolved to implement a warrant program for all employees in the Nexam Chemical Group based on issuance and transfer of warrants in accordance with the proposal, see item 14 in the notice to the AGM which was published on April 16, 2019.

The warrant program shall comprise a maximum of 1,040,000 warrants. Each warrant entitles to subscription of one share in the company. 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. Subscription of shares by virtue of the warrants may be effected as from 26 August 2022 up to and including 9 September 2022.

The warrants shall be issued to a wholly owned subsidiary of the company 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. Transfer to participants in the warrant program shall be made against cash consideration which shall correspond to the warrant's fair market value calculated in accordance with the Black Scholes formula.

The reasons for the implementation of the warrant program 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 warrant program 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 warrant program. The company's costs related to warrant program will hence only be composed of limited costs for implementation and administration of the program. In case all warrants issued within the warrant program 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 warrant program.

Resolution on amendment to the articles of association

The AGM resolved to amend the articles of association in accordance with the proposal, see item 15 in the notice to the AGM which was published on April 16, 2019. The amendments mean that the Board of Directors shall have its registered office in Lomma, Sweden, that general meetings are to be held in Lomma or in Lund, Sweden, and that an editorial amendment is being made regarding the record day provision.

Authorization for the Board of Directors to resolve on new issues of shares

The AGM resolved to authorize the Board of Directors, 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 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 can be issued without amending the articles of association). The dilution may, upon full exercise of the authorization, amount to a maximum of 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. The resolution was adopted in accordance with the proposal, see item 16 in the notice to the AGM which was published on April 16, 2019.

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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. The company's Certified Adviser is FNCA Sweden AB. FNCA Sweden AB can be reached at info@fnca.se or by phone +46-8 528 00 399.