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Press release

Lomma 2020-03-12

Nexam Chemical publishes prospectus in connection with upcoming rights issue and presents new financial goals

The board of directors of Nexam Chemical Holding AB ("Nexam Chemical" or the "Company") has in connection with the forthcoming issue of units with preferential rights for existing shareholders, announced on February 14, 2020 (the "Rights Issue"), prepared an EU Growth Prospectus ("Prospectus") that today has been approved and registered by the Swedish Financial Supervisory Authority ("SFSA"). In connection with publication of the Prospectus, Nexam Chemical also presents new financial goals which can be found in the Prospectus.

Publishing of Prospectus

The Prospectus has been prepared in connection with the forthcoming Rights Issue and has today, on March 12, 2020 been approved and registered by the SFSA. The Prospectus, containing full terms and conditions, and application forms are available on the Company's website (www.nexamchemical.com) and on Erik Penser Bank's website (www.penser.se). The Prospectus will also be available on the SFSA's website (www.fi.se). In connection with the start of the subscription period, a summarizing folder will be sent by mail to Nexam Chemical's direct and nominee-registered shareholders.

New financial goals which can be found in the Prospectus

In connection with the publication of the Prospectus, Nexam Chemical has established new financial goals that has not previously been published by the Company. The financial goals, which also can be found in the Prospectus, are to show an annual organic revenue growth exceeding 25 percent with good profitability, over a business cycle. For the next few years, growth is expected to exceed 25 percent driven by a strong growth in Performance Chemicals, which means that revenues are expected to be between SEK 275 – SEK 325 million in 2022.

The Rights Issue in short

- For each existing share held in the Company on the record date on March 11, 2020, one (1) unit right is obtained. Twenty-four (24) unit rights entitle to subscription of one (1) unit, containing four (4) shares, one (1) warrant series TO 1 and one (1) warrant series TO 2.
- The subscription price amounts to SEK 22, corresponding to a subscription price per share of SEK 5.50, which means that Nexam Chemical, upon full subscription in the Rights Issue, will receive gross proceeds of approximately SEK 62 million before issue costs, excluding the additional capital contribution that may come from exercise of warrants.
- Subscription of units with or without unit rights takes place during the period March 16 – 30, 2020.
- Trading in unit rights will take place on Nasdaq First North Premier Growth Market during the period March 16 – 26, 2020.

- Each warrant series TO1 entitles the right to subscribe for one (1) new share in the Company at a subscription price of SEK 6.50 during the period September 6 – 17, 2021. This means that the additional capital contribution from the warrants series TO 1 may amount to a maximum of approximately SEK 18 million. Each warrant series TO 2 entitles the right to subscribe for one (1) new share in the Company at a subscription price of SEK 8.50 during the period September 5 – 16, 2022. This means that the additional capital contribution from the warrants series TO 2 may amount to a maximum of approximately SEK 24 million.
- In connection with the Rights Issue, a total of SEK 12.8 million, corresponding to approximately 20.7 percent of the Rights Issue has been pre-agreed upon through subscription undertakings and subscription intentions.

Investor presentations

In connection with the Rights Issue, the CEO Johan Arvidsson presents the business on the following occasion:

- March 16th, 2020 at 15.00, Aktiedagen Stockholm, Operaterrassen, Karl XII:s torg, Stockholm. Notice to attend shall be made on www.aktiespararna.se/aktiviteter/aktiedagen-stockholm-16-mars#

Advisors

Financial advisor to Nexam Chemical in connection with the Rights Issue is Erik Penser Bank AB and Setterwalls Advokatbyrå AB is legal advisor to Nexam Chemical in connection with the Rights Issue.

For more information, please contact:

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This information is such information as 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 13.00 CET on March 12, 2020.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Nexam Chemical. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for units in Nexam Chemical will only be made through the Prospectus that Nexam Chemical has now published.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States, Australia, Canada, Japan or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares, warrants or other securities in Nexam Chemical have been registered, and no shares, warrants or other securities will be registered, under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities legislation of any state or other jurisdiction in the United States and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States.

Within the European Economic Area (“EEA”), no public offering of shares, warrants or other securities (“Securities”) is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation (EU) 2017/1129 (the “Prospectus Regulation”). In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “Relevant Persons”). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

This press release may contain forward-looking statements which reflect the Company’s current view on future events and financial and operational development. Words such as “intend”, “expect”, “anticipate”, “may”, “believe”, “plan”, “estimate” and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

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 and 0046-(0)8-528 00 399.