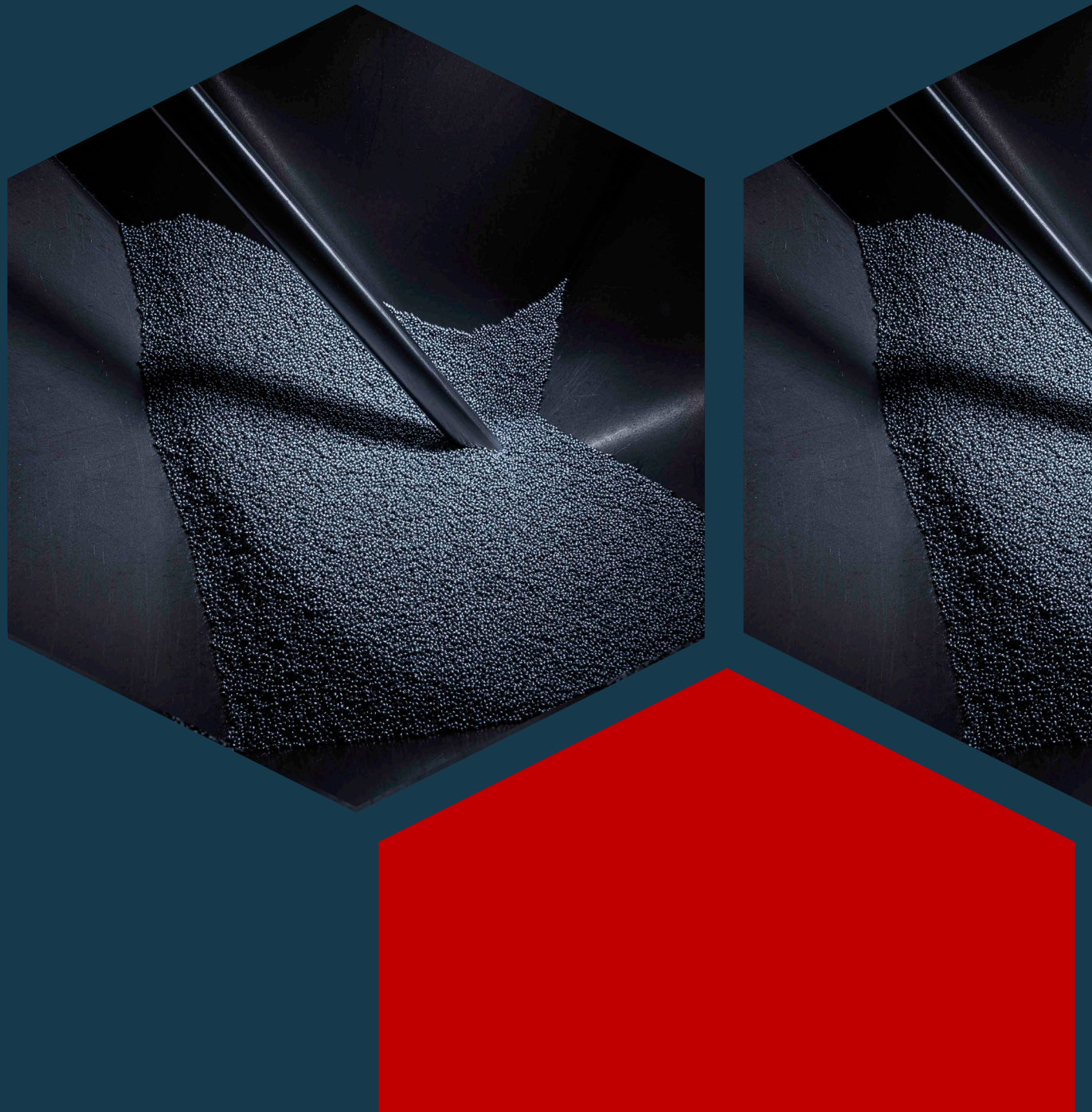


Nexam Chemical Holding AB

Q3 2020

Johan Arvidsson, CEO

Marcus Nyberg, CFO



Agenda

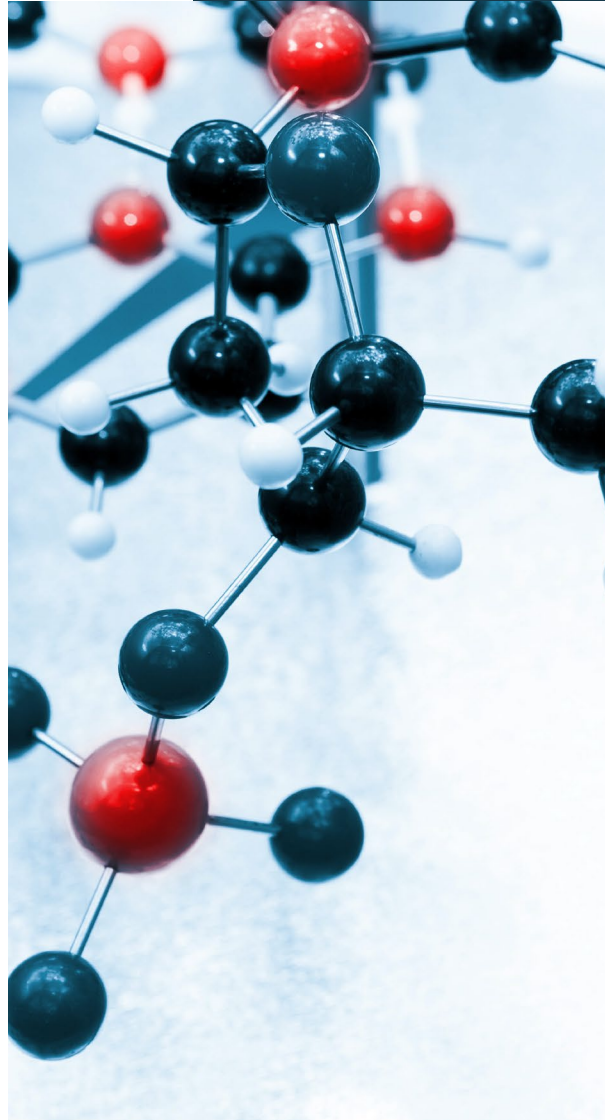
- Nexam Chemical in short
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We are *Nexam Chemical*

- Innovation driven company who develop, manufacture, and sell products that help creating sustainable polymer solutions.
- Owners: +/- 6400 share holders.
- Listed company: NASDAQ First North Premier.
- www.nexamchemical.com



Nexam Chemical's *products*

One company

Two business units

Nexam Performance
Chemical



Nexam Performance
Masterbatch



High Performance

We develop and manufacture polymers for high temperature composites replacing metal in the hot zone of jet engines. Our products are part in developing the aerospace industry towards the targets within Flightpath 2050! 75% reduction of CO₂, 90% reduction of NO_x, 65% less noise.



VALUE
PROPOSITION



Solutions for PET

We deliver innovative chemistry to PET-foam producers around the globe. Our products make PET a strong, sustainable and recyclable material solution for the wind power industry.



VALUE
PROPOSITION



Colour Masterbatch

We develop, produce and deliver tailor made colour masterbatches to the polymer industry in north and east Europe. Colour masterbatch is an additive used to provide the right colour in the plastic processing industry (injection moulding, extrusion etc).



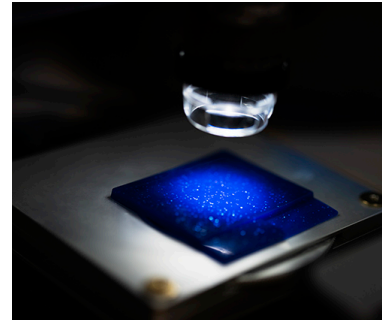
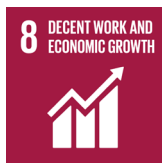
Additive Masterbatch

We develop, produce and deliver additive masterbatches that enable polymer converters to improve properties. Examples are antioxidants, processing aid, anti slip, UV stabilizers etc.



Sustainability

Nexam Chemical is passionate about its innovative reactive chemistry, providing opportunities to save our planet's precious resources. We want to enable our customers to develop light, strong, durable, recycled, composite, multifunctional and colourful products for a sustainable future.



Innovation for sustainability

Nexam Chemicals customers are leading chemical and material companies in the world and they have high demands on us regarding quality and sustainability.

To meet the expectations we develop innovative solutions based on our customers needs and future market potentials identified by Nexam.



Our products as enablers

Our products enables our customers to produce products that e.g. are strong and with low weight, enables recycling, increase material utilisation, increase productivity and reduce cost.



Sustainable operations

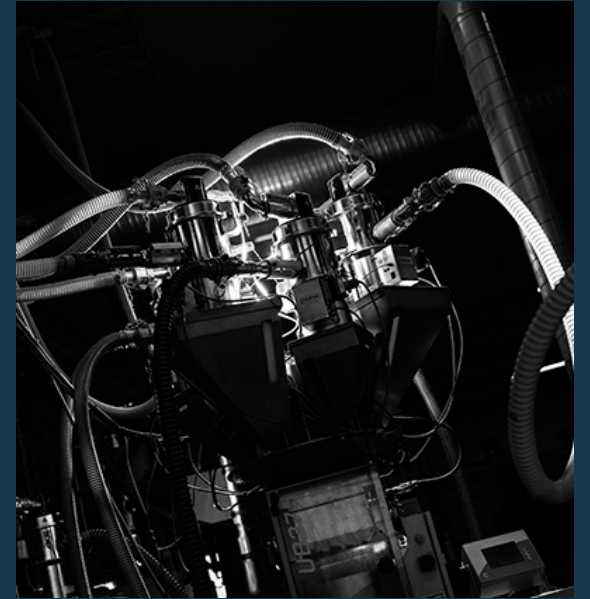
Our production site in St Andrews, Scotland, is accredited according to ISO 9001 for quality, ISO 14001 for environment and OHSAS 18001 for health and safety. Other production sites have ISO certifications on part of their operations.

We have installed solar generated electricity and geothermal heating at some of our sites

Innovation and R&D

*Creating value with
innovative chemistry in the
polymer market*

- Nexam has development activities in Sweden, Scotland and Hungary
- Share of employees working with R&D: 22%
- 54 Patents, and 4 ongoing patent applications in 4 different patent families



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Third Quarter 2020 - Business Update

Marketing & Sales

- Net sales during quarter amounted to SEK 41,1 (31,1)
- Revenue grows by 32% compared to Q3 2019
- Sales of Performance Masterbatch starts to grow (4% up compared to Q3 2019)
- Continued sales growth within Nexam Performance Chemical's NEXAMITE®-based range where products.
- Improved gross margin from 42% to 43% from last quarter (Q3 2019: 36%).
- Still uncertain market conditions due to Covid 19 situation

Operations

- Higher volumes enable optimization of supply chains.

Innovation

- Moving forward in developing new innovative product within PET (Foam, Fibre and Recycling performance)
- Focus on securing sales of already developed products; application development
- Participate in European R&D projects within Horizon 2020 and RISE projects.

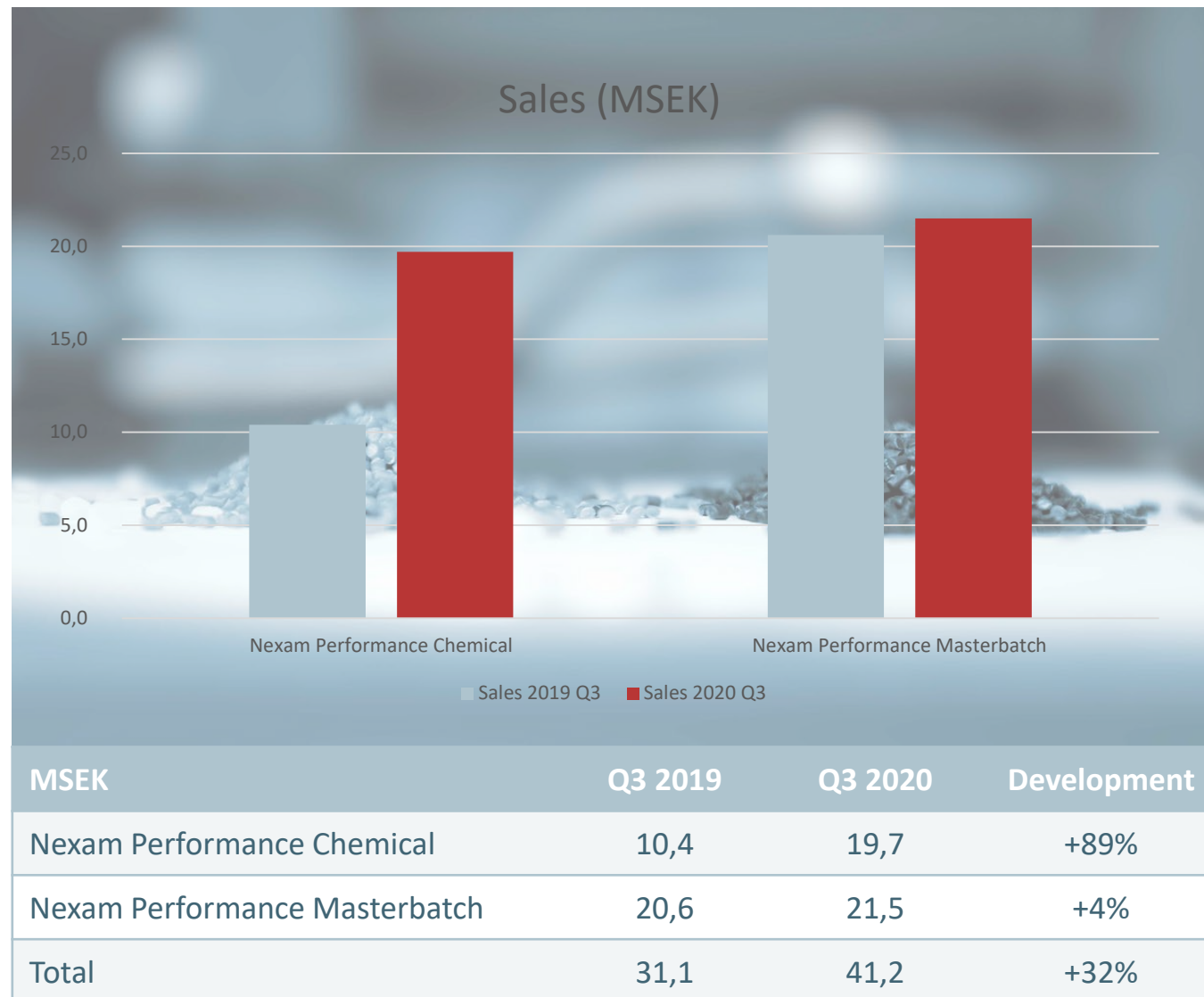
Agenda

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Business development 2019 Q3 to 2020 Q3

Financial Targets

- >25% annual profitable growth
- A run rate between 275 and 325 MSEK during 2022



2020 Q3 Update Financials

	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1
kSEK	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1
Net sales	41 054	36 379	41 704	32 024	31 084	35 195	31 754	29 547	25 624	27 623	27 041
Operating expenses	-15 619	-14 037	-16 373	-16 523	-13 089	-14 250	-15 461	-13 411	-14 124	-11 943	-13 282
EBITDA*	1 769	540	2 283	-2 814	-1 459	326	-1 650	-894	-3 491	-471	-901
Cash and bank	42 499	50 657	14 305	23 101	38 718	40 772	35 448	53 705	63 676	68 973	76 597
Cash flow from operations	-4 383	-1 474	-3 940	-8 631	4 193	-2 588	-14 251	-4 206	-1 120	-2 257	-5 307
Average number of employees	41	42	40	40	38	40	41	42	41	39	42

kSEK	2019 FY	2018 FY	2017 FY	2016 FY	2015 FY
Net sales	130 057	109 835	43 399	8 268	7 842
Operating expenses	-59 302	-52 760	-36 457	-24 331	-24 665
EBITDA*	-5 576	-5 757	-16 511	-19 485	-19 285
Cash and bank	23 101	53 705	86 407	133 147	36 305
Cash flow from operations	-21 277	-12 887	-16 615	-17 585	-23 182
Average number of employees	40	41	17	13	18

*EBITDA är resultat före avskrivningar, ränta och skatt

Financial development

- Net sales Q3 41,1 (31,1) MSEK.
- 32 % in growth in net sales for the Q3 2020 compared to Q2 2019.
- EBITDA amounted to 1,8 (-1,5) MSEK.
- Cash flow from operations amounted to -4 383 (4 193) KSEK.
- Cash and bank balance at the end of the quarter amounted to 42.5 MSEK.

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Expectations 2020 and beyond

Continued growth in line with targets and expectations

The high level of interest for sustainable solutions in the polymer and plastic industry continue to benefit Nexam Chemical

Continue expansion in focus segments

Nexam Performance Chemical:

- High potential to capture growth with existing customers
- Expand to new customers (geography and applications)
- Increase of leads and projects in the recycling area

Nexam Performance Masterbatch:

- Looking forward to a stronger demand.

Still a strong potential for successes in new areas

- PET fibre and recycling
- Polyolefins

Continue to be a growth company!

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Nexam – World Wide

Johan Arvidsson, CEO


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NEXAM CHEMICAL

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A world map composed of a grid of small blue squares. Red circular markers with white downward-pointing triangles are placed on the map to indicate the locations of Nexam Chemical Company and its agents/distributors. The markers are concentrated in Europe, Asia, and Australia.

 Nexam Chemical Company
 Agent/Distributor