

Nexam Chemical Holding

General Annual Meeting

May 2022

22-05-11 |

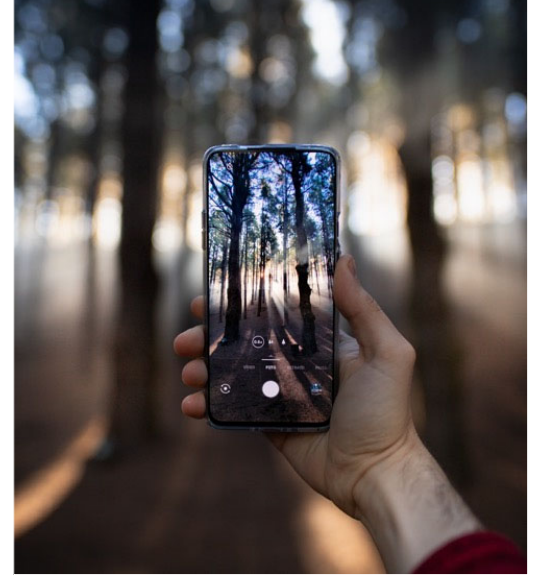
Johan Arvidsson, CEO





MAKING PLASTIC BETTER

Performance additives for plastics



Plastic, a future material?

Global mega trends

Innovative chemistry to modify polymers for new challenges

Target trends



**Light weighting
and
miniaturization**



**Renewable
energy**



**Waste/
recycling**



**Plastic for
the future**

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Wind energy Growth expectation for the capacity until 2030

Global mega trends
 Innovative chemistry to modify polymers for new challenges

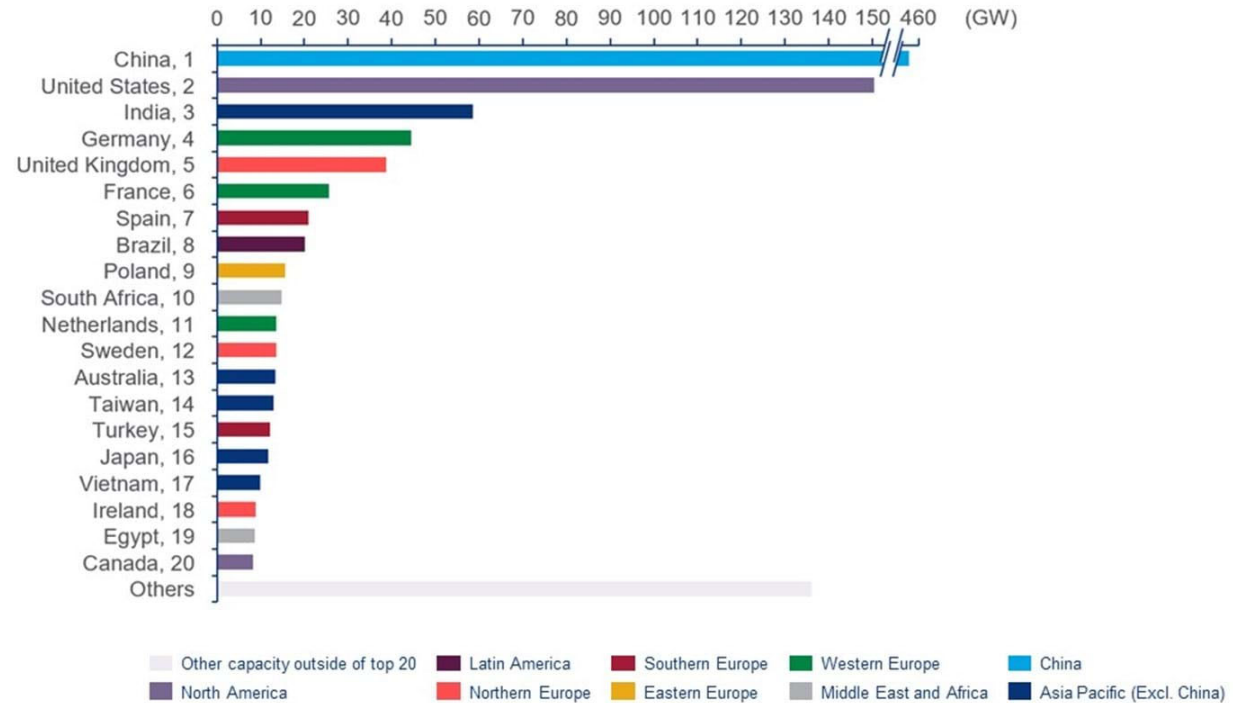
Target segments



Light weighting Renewable energy Waste/recycling Plastic for the future

- By the end of the decade, cumulative global wind power capacity is projected to hit over 1,756 gigawatts (GW). 800 GW installed. 1000 GW still to be installed in 8 years
- Average size of one wind turbine in 2021 is 3 MW
- **1 million new blades** will be produced until 2030 (excluding replacement of already existing)

Top 20 global wind power markets: new capacity 2021-2030



Note: Other capacity includes all countries outside of the top 20 globally.
 Source: Wood Mackenzie

Growth expectations for PET in the wind industry



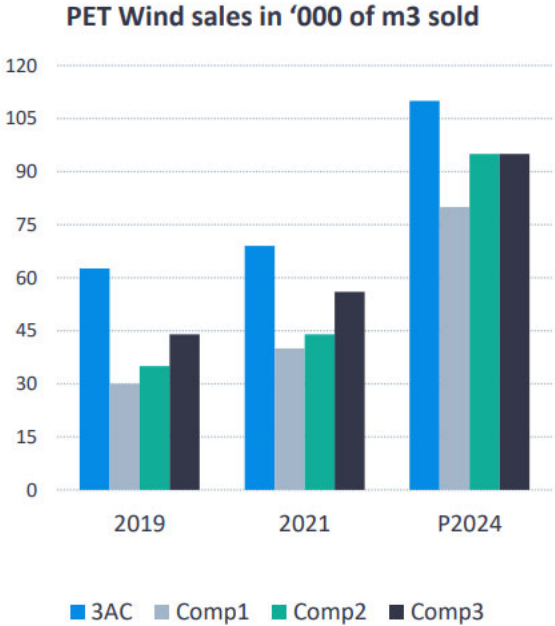
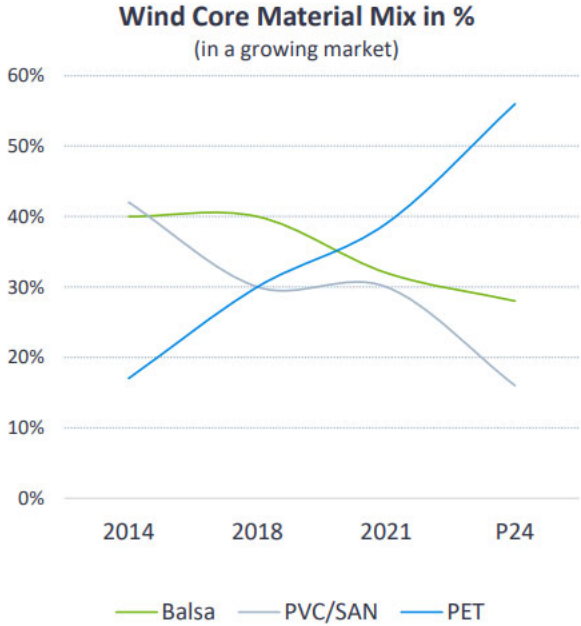
Global mega trends
 Innovative chemistry to modify polymers for new challenges
 Target segments

Light weighting Renewable energy Waste/recycling Plastic for the future


➤ *PET- foam:*
Gaining share in the core material mix


From 3A composite, Annual report

Global wind volumes sold are steadily increasing



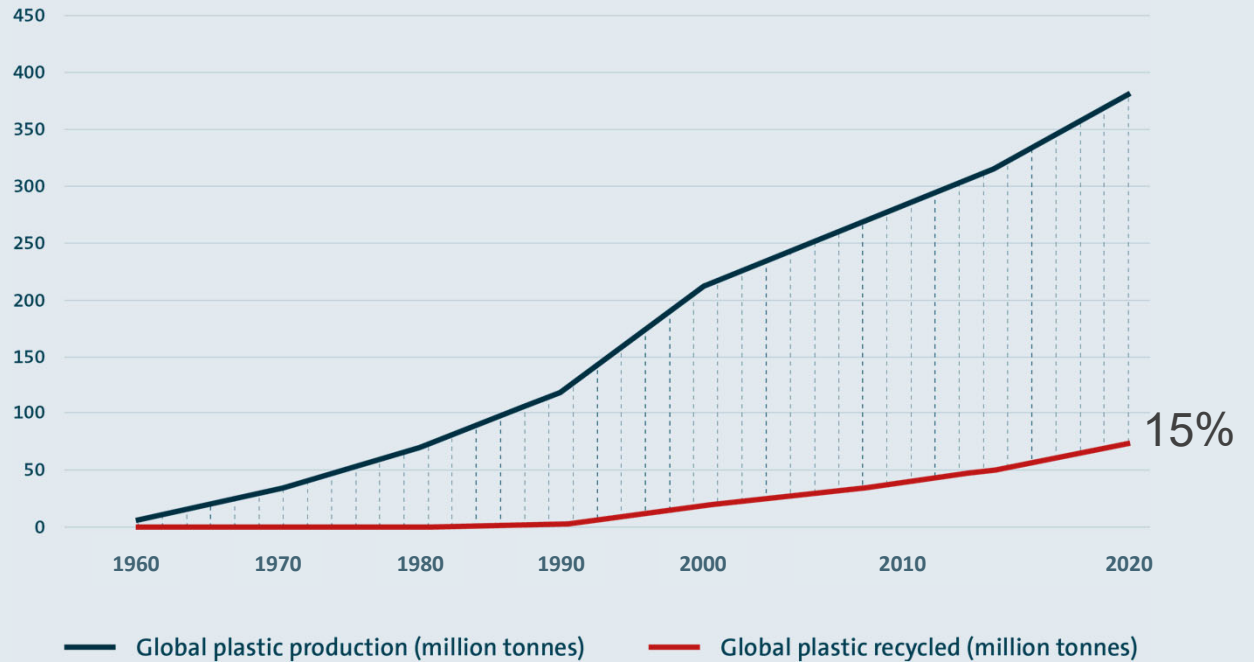
Source: Internal data/information, Wood Mackenzie Global Wind Power Outlook, Export statistics Ecuador

 **Global mega trends**
 Innovative chemistry to modify polymers for new challenges
 Target segments



Light weighting Renewable energy **Waste/ recycling** Plastic for the future

Vast majority of plastics is being incinerated or discarded



- EU recycling target: 50% by 2025 and of 55% by 2030.
- Swedish recycling target: 55% by 2025
- **The European plastic recycling has to grow by 3 times during the coming 3 years**

REACTIVE RECYCLING

By Nexam Chemical

RECYCLING

LÄSKJÄTTENS BRUTNA PLASTLOFTEN
DOKUMENT UTFRÅN
Läskjä
plastlo
52 min
SPELA

ÅTERVINNINGSLUFFEN
DOKUMENT
Åter
52 min
SPELA

Bara 10 procent av all plast i Sverige återvinns

2022-01-21 09:38 Bättre plaståtervinning är nästa steg för klimatet - DN SE

DAGENS NYHETER.

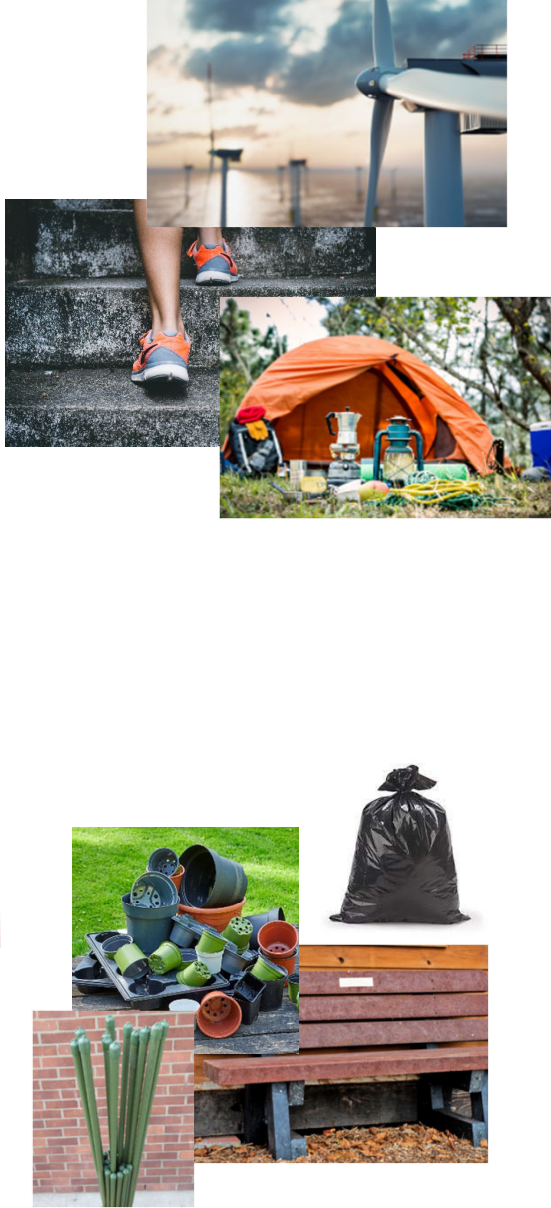
LEDARE
Ledare: Bättre plaståtervinning är nästa steg för klimatet

Pressmeddelande från [Miljödepartementet](#)

Sveriges första handlingsplan för plast – ett stort steg för att ligga längst fram i klimatomställningen

Publicerad 21 februari 2022

Regeringen har fattat beslut om Sveriges första handlingsplan för plast - ett kraftfullt åtgärdsprogram med 55 åtgärder för att





Sustainability

Creating value with sustainable solutions in the polymer market

- A structured way to describe the sustainability efforts in the company.
- System is hosted by Nasdaq.
- External audit by Cicero.
- Sustainability assessment report open.
- **The focus is how the products are used**





Innovation and R&D

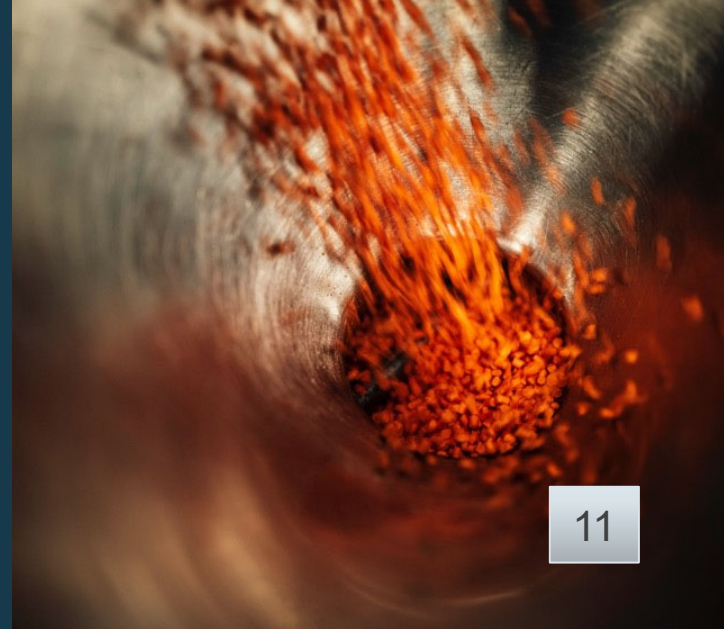
Creating value with innovative chemistry in the polymer market

- Development activities in Sweden, Scotland and Hungary
- Share of employees working with R&D: 1/4
- 56 patents, and one ongoing patent application, in 4 different patent families: still untapped opportunities
- **Multiple new patents in progress**

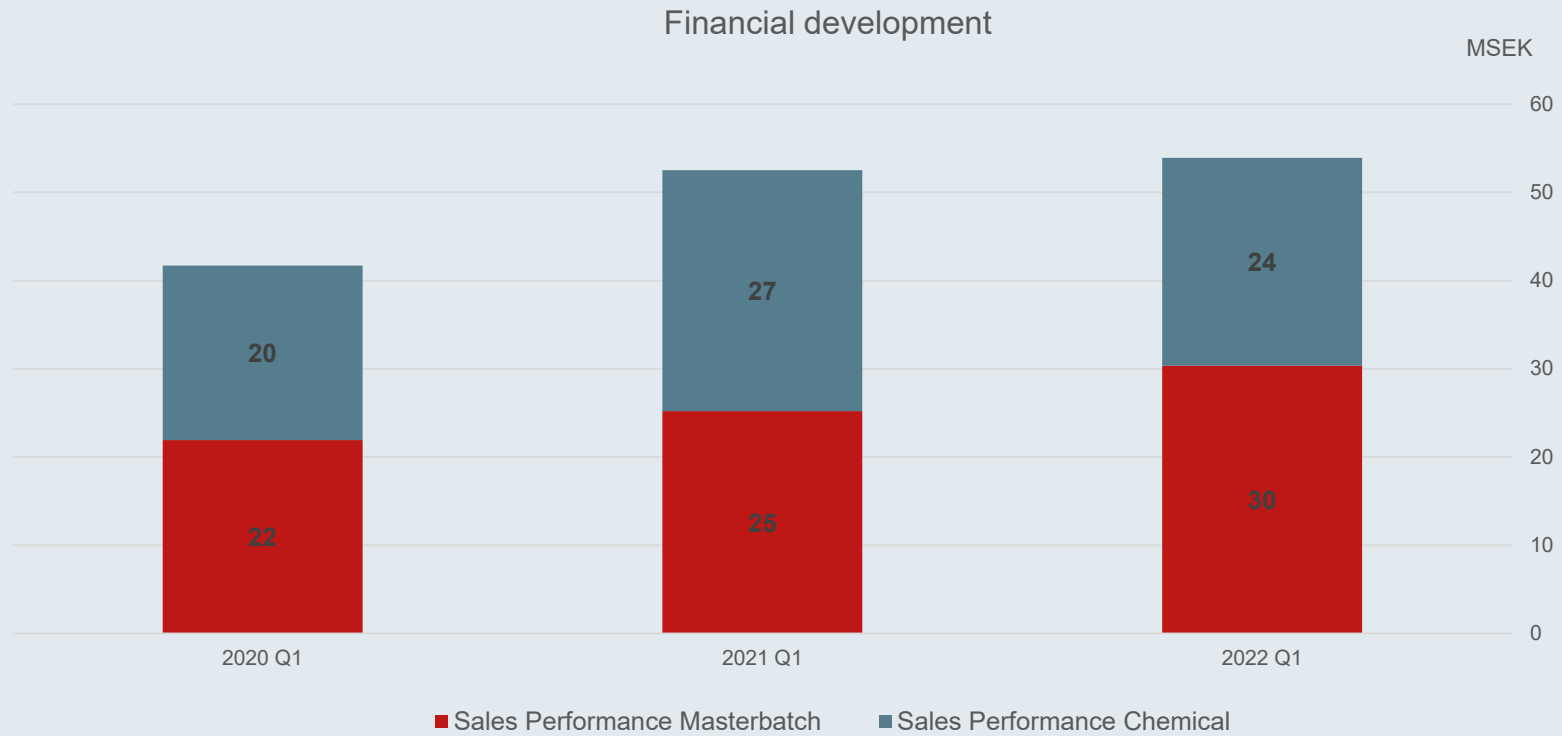




**One
company,
two
business
units**



2020-2022 Q1 Update Financials



Development 2015-2021



2022 Q1 Update Financials

	2022	2021	2021	2021	2021	2020	2020	2020	2020
kSEK	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	53 913	57 052	50 229	59 664	52 506	46 693	41 054	36 379	41 704
Operating expenses	-20 974	-19 305	-17 109	-22 355	-19 843	-18 491	-15 619	-14 037	-16 373
EBITDA*	1 690	1 204	1 046	1 957	2 090	677	1 769	374	2 283
Cash and bank	64 192	63 601	53 775	49 767	61 556	29 791	42 499	50 657	14 305
Cash flow from operations	5 404	15 305	-4 179	-7 471	3 600	-7 287	-4 383	-1 474	-3 940
Average number of employees	52	52	51	49	45	44	41	42	40
Sales Performance Masterbatch	30 363	26 157	26 138	26 746	25 194	22 380	21 292	21 004	21 923
Sales Performance Chemical	23 550	30 895	24 091	32 918	27 312	24 313	19 762	15 375	19 781

	2021	2020	2019	2018	2017	2016	2015
kSEK	FY	FY	FY	FY	FY	FY	FY
Net sales	219 452	165 830	130 057	109 835	43 399	8 268	7 842
Operating expenses	-78 612	-64 519	-59 302	-52 760	-36 457	-24 331	-24 665
Adjusted EBITDA*	7 605	6 324	-5 576	-5 757	-16 511	-19 485	-19 285
EBITDA*	6 297	4 908	-5 576	-5 757	-16 511	-19 485	-19 285
Cash and bank	63 601	29 791	23 101	53 705	86 407	133 147	36 305
Cash flow from operations	7 255	-17 084	-21 277	-12 887	-16 615	-17 585	-23 182
Average number of employees	49	44	40	41	17	13	18

Financial comments for the quarter

- Net sales in Q1 amounted to MSEK 53,9 compared to MSEK 52,5 in Q1 2021.
- 3 % in growth for net sales for the quarter.
- EBITDA amounted to 1.7 (2.1) MSEK in the quarter.
- Cash flow from operations amounted to MSEK 5,4 (3,6) KSEK.
- Cash and bank balance at the end of the quarter amounted to MSEK 64,2 excluding an unused credit facility of MSEK 11.



Expectations 2022:

Sales

- Wind energy/PET-foam: More volume with more customers and more product. Slow start Q1/Q2 2022.
- PET-fibre : Business initiated in 2021. Multiple customer projects running
- Masterbatch: Maintain 2021 momentum
- Stepwise improved business in the high performance/electronic sector (Sumitomo Bakelite).
- Plastic Recycling: Reactive Recycling concept launched 2021. Filling business development pipeline during 2022

Development

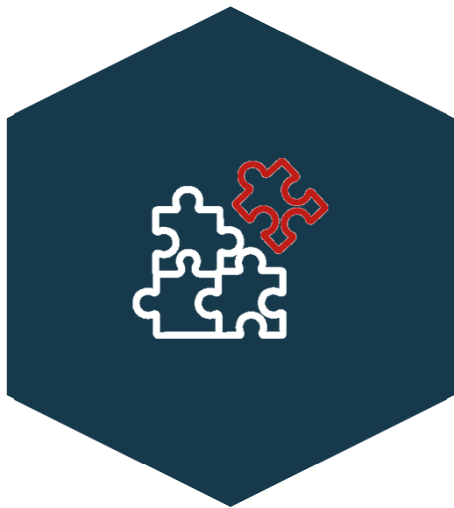
- Keep 2021 momentum: patents and innovation

Sustainability

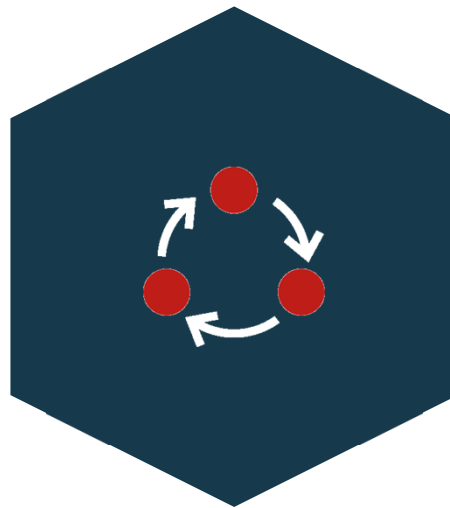
- Higher share generated in green areas; Nasdaq Green Equity Designation
- Reduced footprint
- Great place to work at



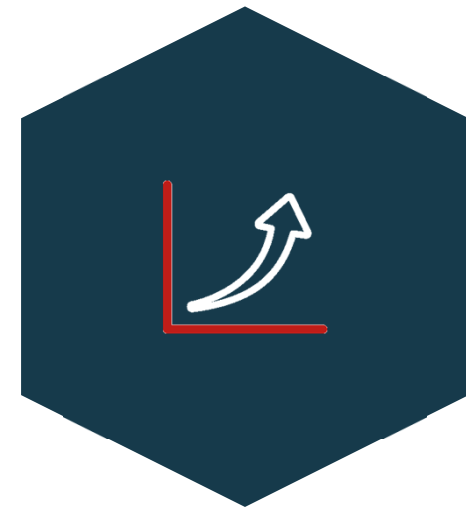
Improving sustainability in plastics with creative chemistry is our growth strategy!



Efficient solutions for quality and capacity improvement, with cost saving potential.



Our solutions contribute to a more sustainable and circular industry.



We are just at the beginning of a long journey, offering unique solutions in growing markets.



See new Nexam animation
on nexamchemical.com



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