

# Nexam Chemical

## Q2 2025 Presentation

25-07-11 | Ronnie Törnqvist, CEO  
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# The future of plastics. Patented.

This is a game-changing technology.



**Another quarter of >50% QoQ Sales  
growth in Reactive Recycling, now  
representing >10% of sales!\***

\*) More on this later on in the presentation



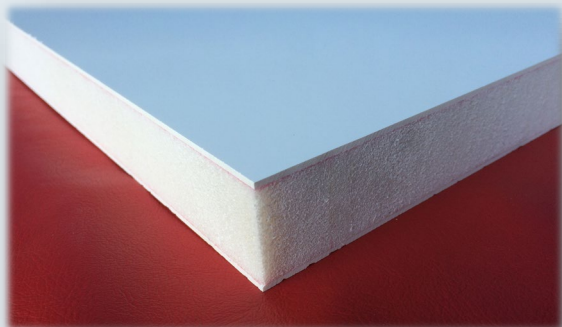


# The future of plastics. Patented.

*Innovative additives to modify polymers for new challenges*

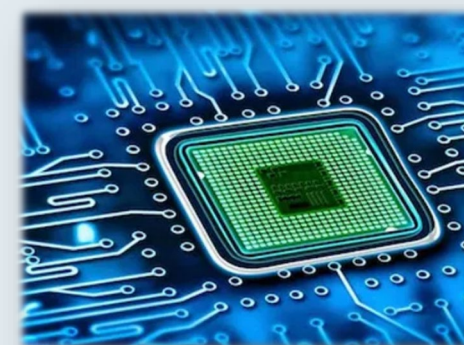
## Light Weighting

- Develop strong position in PET foam additives through R&D



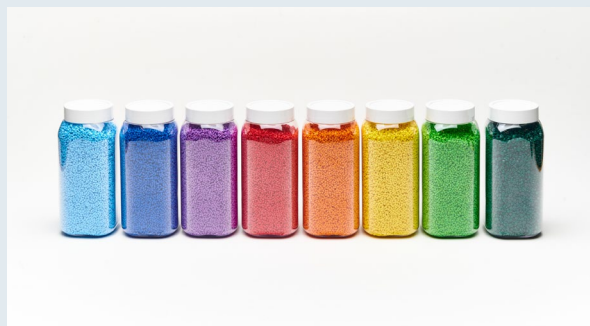
## High Temperature

- Drive composites and coatings that endure higher temperatures



## Aesthetics

- Deliver unique solutions for recycled, biobased and virgin plastics



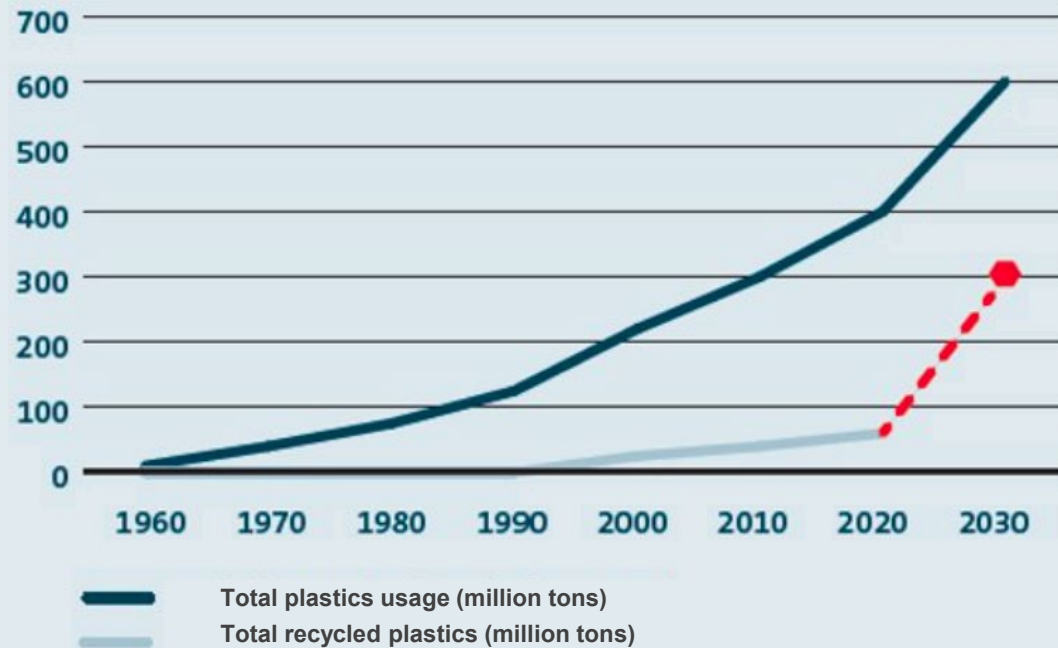
## Recycling

- Build on first industrial scale successes and drive commercialization



# ≡ Recycling expected to grow substantially

- Portfolio of tailored additives to suit a broad range of applications
- Improves the business cases for our customers, key to secure business
- Enable customers to use recycled plastics in more advanced applications, or lower grade recycled materials for decreased cost



Source: OECD and EU targets for plastics recycling

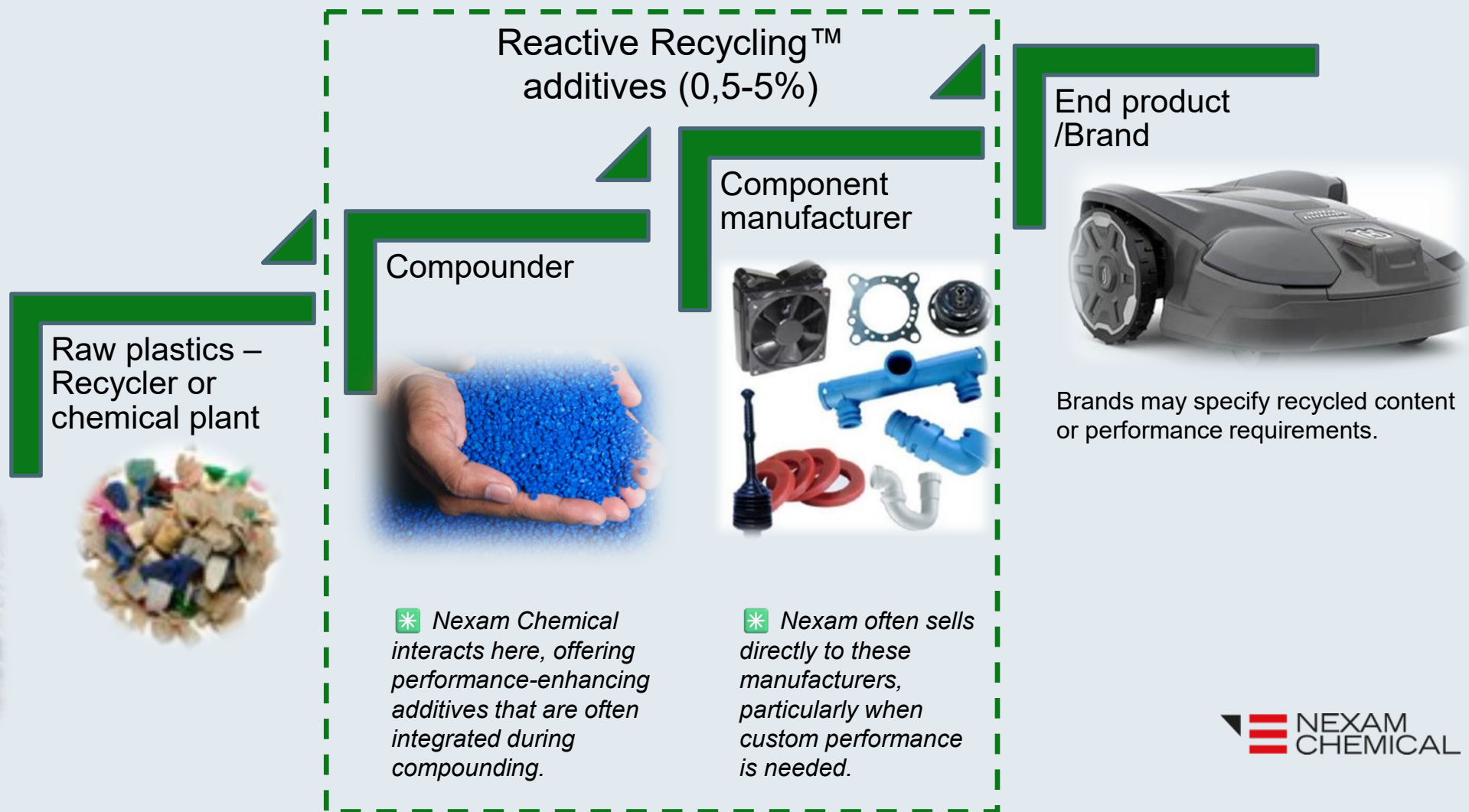






# Our role in the circular plastics value chain

*Performance-boosting additives enabling more recycled input*



# ≡ How Reactive Recycling™ works

**Heat activated** masterbatches with specific **selective** chemistry and **no by-products**. Added 0,5 - 5 % in ordinary processing equipment.

**Enabling higher recycled content in:**

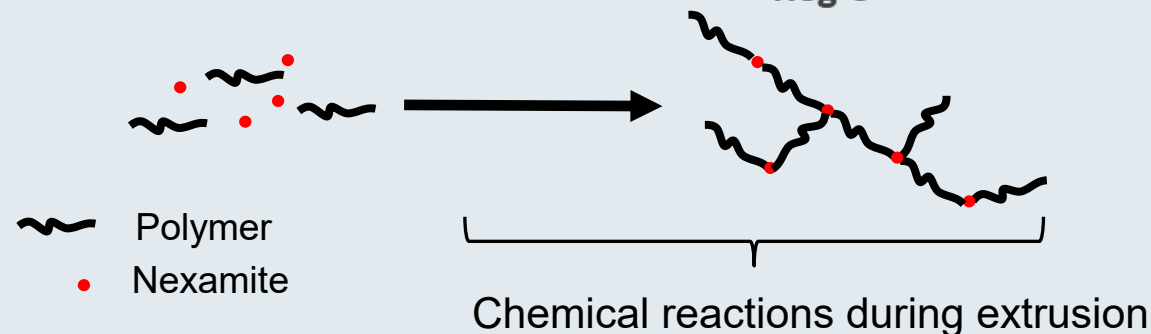
- Tray to tray recycling in PET
- Blown film of LLDPE and LDPE
- Bottle to bottle recycling in HDPE
- HDPE Pipe and sheet extrusion
- Textile to textile Polyester
- PET strap bands



Reg-3



Reg-3 + 2.5% NEXAMITE



# ≡ Kullaplast roll-out attracting interest

- Collaboration with local Skåne company Kullaplast, leading packaging materials' producer
- Use Nexam's additive to introduce a significantly higher share of recycled materials
- Quality and performance of the end product remains intact, while improving environmental performance – and production cost
- The collaboration has attracted *significant* international interest, given the implications for a product segment estimated to be worth 8-10 billion USD globally
- We estimate the potential value of annual additive sales to this segment at 28-35 million USD!



## Market potential

Packaging film market:

- Value: 8-10 billion USD
- Volume: 4-5 million tons
- CAGR: 5-7%

Est. share recycled: 10%

**Potential value of additives:**

- 28-35 million USD





# ≡ Strong customer value proposition



**r-PET**

80% Expensive Grade

60% Cheap Grades

10% Virgin

## Reduce total cost using Nexam Additive

- **Reduced raw material cost\*** **-30%**
- **Additional cost (Nexam Additive)\*** **+6%**
- **Reduced cost final product\*** **-25%**

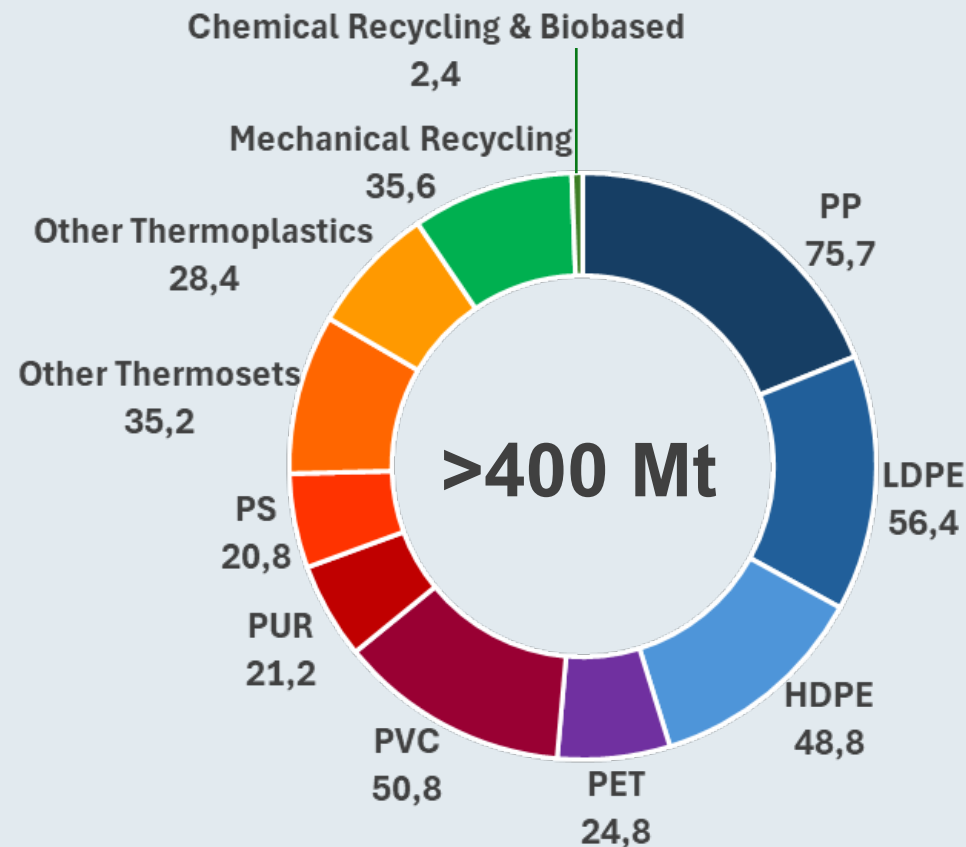


# Global plastics market still fossil dominated

## RECYCLED & BIO



## FOSSIL-BASED

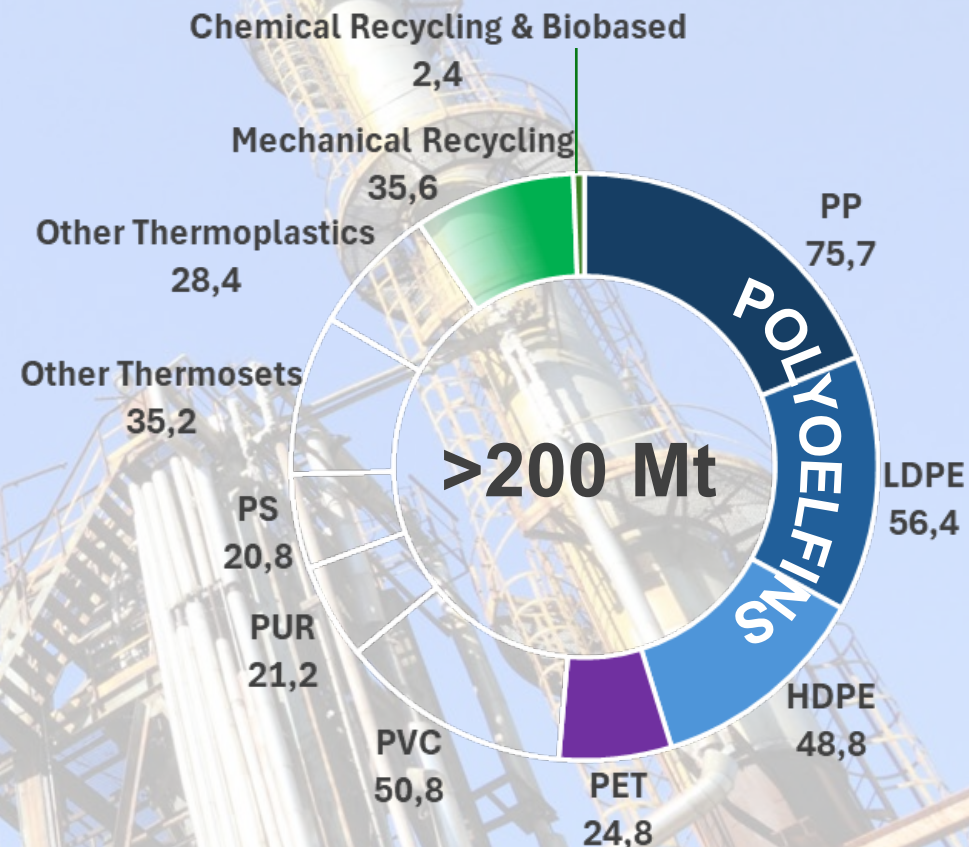




# ≡ Solutions and patents covering 50%



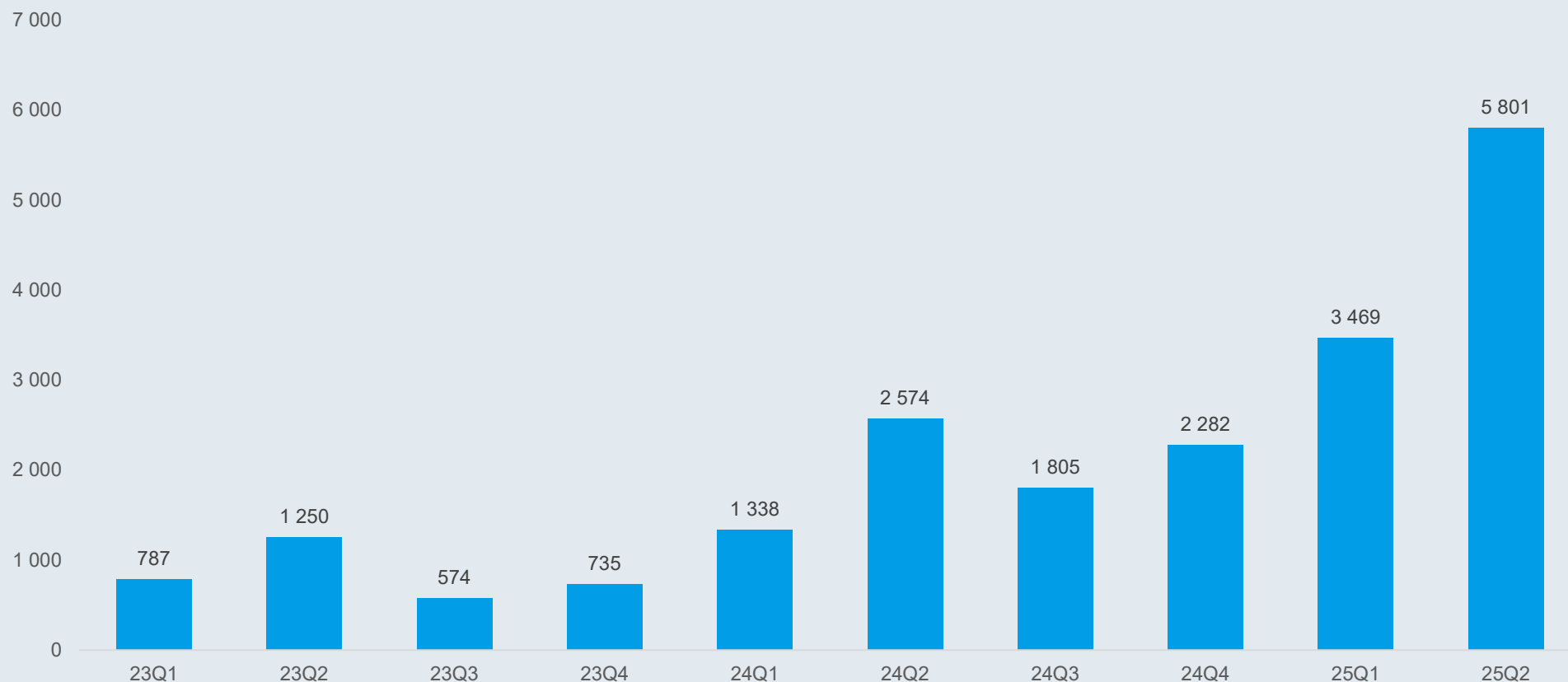
Solutions and patents for Polyolefins & PET →  
up to 50% of the global production of plastics!



# ATH Sales of Recycling in Q2

- Q2 2025 Sales 5.8 mSEK (2.6 mSEK), another quarter with 50% QoQ growth!
- New major customers ramping up full scale production and multiple trials ongoing

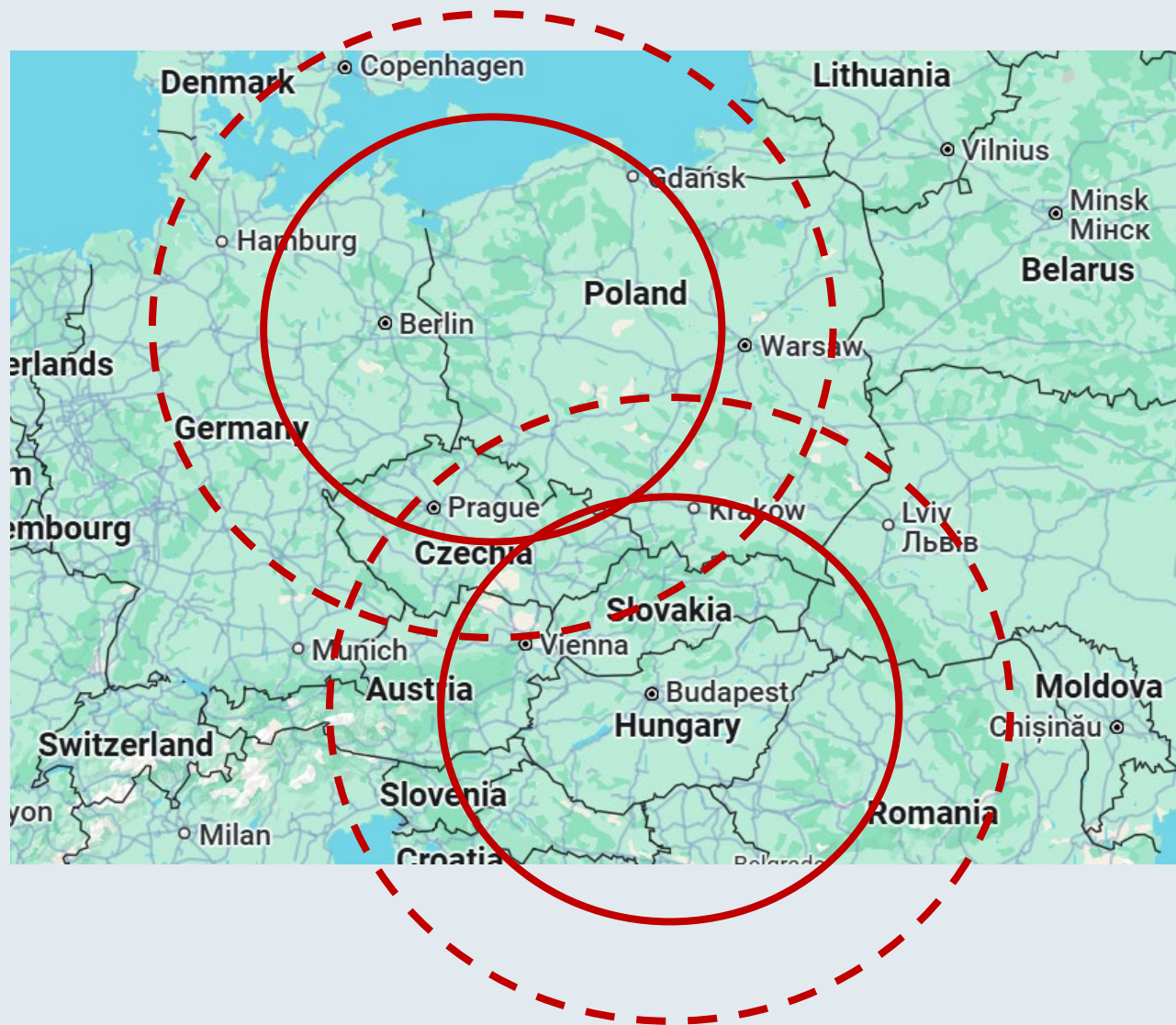
Recycling Sales 23Q1 to 25Q2 (KSEK)







# Ramping up in Central & Eastern Europe



- Hungary Q2 ATH 10,3 MSEK (+11% vs Q2 2025)
- Poland Q2 ATH 2,1 MSEK (+10% vs Q2 2025)
- Untapped potential in DACH, PL, CZ, RO etc.
- Huge interest for ReColour Plus, combining “Recycling” with “Aesthetics” – synergistic
- Plan to ramp up activities further – hiring Business Developer in PL

# Q2 2025 - Business Update

## Financial Highlights (Q1)

- **Net Sales:** 54.3 mSEK (53.6 mSEK); growth driven by Recycling and Central/Eastern Europe, but continued very low end customer demand within Lightweight (-22% YoY)
- **Gross Margin:** Maintained high level of 47% (46%)
- **EBITDA:** 1.3 mSEK (2.6 mSEK)
- **Financial stability** achieved, funded by self-generated cash flow

## Increasing Market Activities (during and after quarter end)

- Second major Recycling customer now up and running at industrial scale
- Collaboration with Kullaplast on blown film continues to attract *substantial* international interest
- Continued very strong inflow of new potential customers, especially within Recycling, with ATH levels of trials
- Strong growth in Central and Eastern Europe, with ReColour Plus attracting increasing interest
- Hiring additional Business Developer in Poland, to capitalize on momentum in the region
- Successful participation at Plasttechnik (SE) and preparing for K Show (DE) and Mumbai Recycling Fair (India)





# Q2 2025 - Financial update

	2025	2025	2024	2024	2024	2024	2023
kSEK	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales	54 302	49 281	48 640	44 092	53 626	53 219	50 461
Operating expenses	-23 873	-22 347	-21 191	-18 066	-22 538	-21 418	-20 978
EBITDA*	1 251	1 299	2 039	1 189	2 622	2 212	1 611
Cash and bank	9 091	6 953	9 020	9 362	10 988	9 909	9 056
Cash flow from operations	-1 224	1 876	-1 563	899	4 469	3 622	-4 510
Average number of employees	55	53	53	53	53	54	53
Sales Performance Masterbatch	31 386	28 846	26 244	24 738	31 128	27 525	25 760
Sales Performance Chemical	22 916	20 435	22 396	19 354	22 498	25 694	24 700

	2024	2023	2022
kSEK	FY	FY	FY
Net sales	199 577	190 152	221 756
Operating expenses	-83 212	-88 100	-87 465
Adjusted EBITDA*	8 061	-3 054	8 061
EBITDA*	8 061	-5 856	112
Cash and bank	2 882	9 056	22 875
Cash flow from operations	7 426	-352	-11 100
Average number of employees	53	55	54

\*EBITDA är resultat före avskrivningar, ränta och skatt

## Financial comments for the quarter

- Net sales in Q2 amounted to MSEK 54.3 compared to MSEK 53.6 in Q2 2024.
- Margin in Q2 was 47% compared to 46% in Q2 2024.
- EBITDA amounted to +1.3 (+2.6) MSEK in the quarter.
- Cash flow from operations amounted to MSEK -1,2 (+4.5) MSEK, large payments just before end of Q.
- Cash and bank balance at the end of the quarter amounted to 9.1 mSEK and a remaining credit facility of MSEK 13.1.

# Scalability

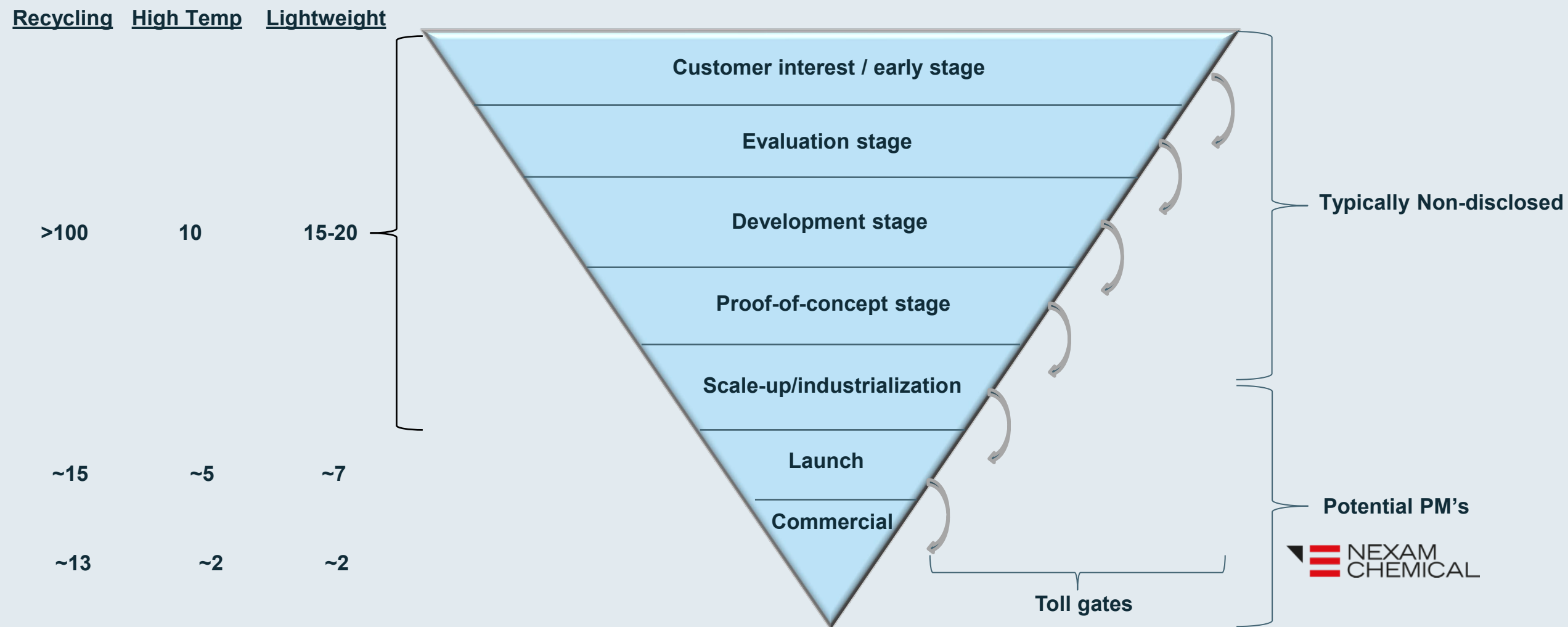
- Break-even (EBITDA) currently <50 MSEK per quarter
- Beyond break-even point, top line increase contributes ~35% to bottom line
- Past year has shown organization's ability to generate incremental sales and new business
- >90% of sales are recurring to serial production, to an increasing customer base
- Potential to double volume with current organization and cost base – no additional investments needed, nor significant increase in overhead costs
- The contribution margin is expected to remain at this level the coming quarters





# Project pipeline overview

Same standardized, and well proven, project pipeline process also for Recycling (with 3-10X more volume)



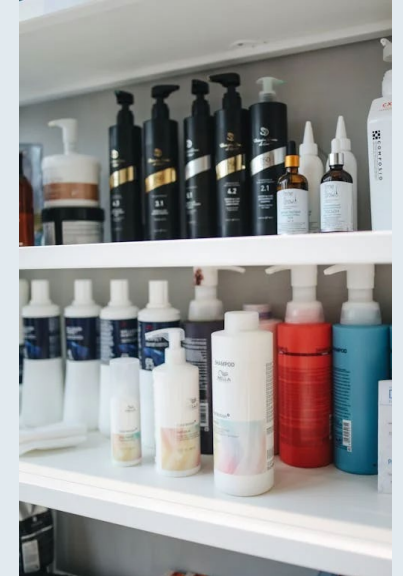
# Project Pipeline Activities

## Drive Customer Interest

- Building awareness: Direct Customer contacts, Trade Fairs, Conferences
- Understand markets, becoming more targeted on high potentials, technical customer support
- Next generation application specific additives

## Ongoing "Evaluation to Industrialization"

- Flexible Packaging ~7-8 highly active (EU)
- Rigid packaging ~20-30 highly active (WW)
- Polyester Fiber applications, ongoing market introduction ~10 early adopters (WW)
- ReColour Plus, technical applications ~50 new cases per quarter (Nordics, DACH, EE)





# Example of recycling development project

Global food packaging producer approached already in Q4 2020 and with recurring discussions with R&D until 2024 Q1 when it was decided to evaluate Nexam's solution

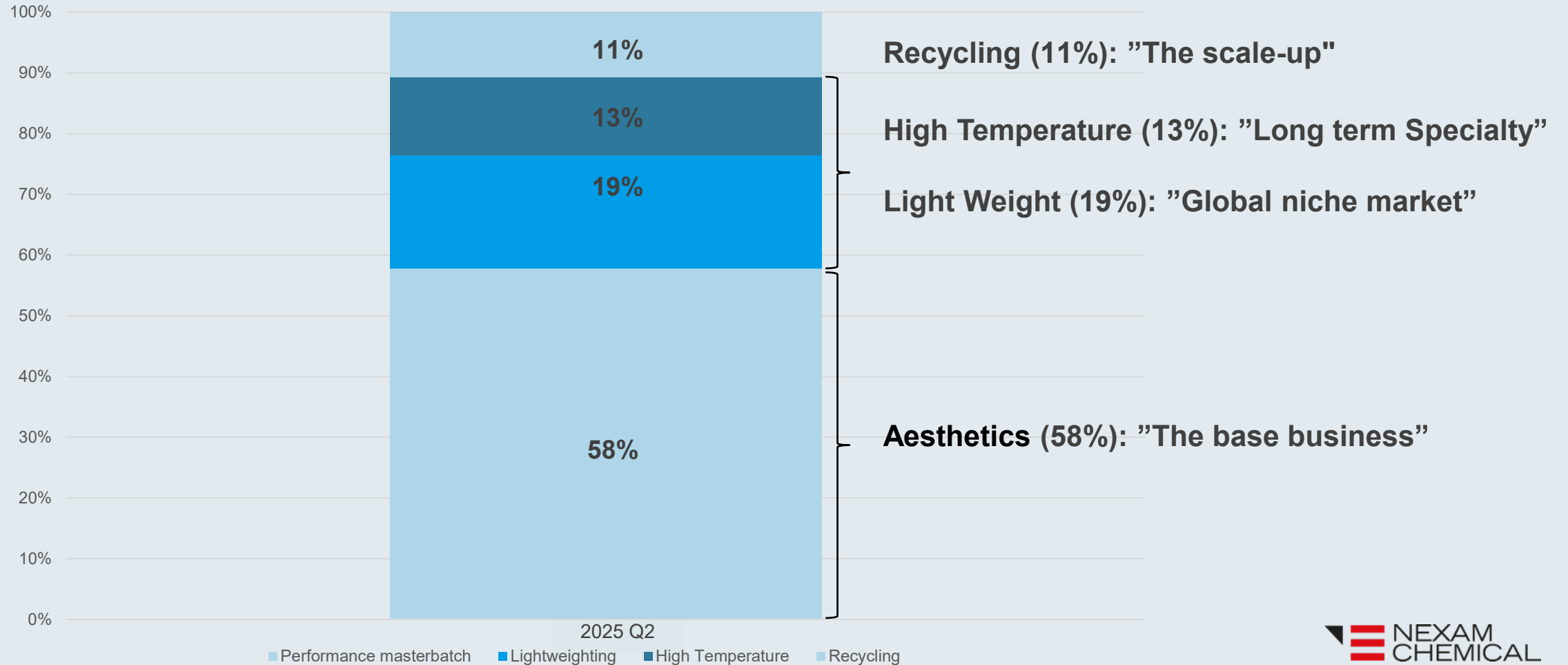
Allows for higher amount of recycled material while maintaining mechanical performance

- First lab trials in Q2 2024 (50+25 kg) - successful
- Upscaling and pilot evaluation in Q3 2024 (250 kg)
- First commercial order received in Q4 2024 (4 000 kg)
- Current run rate: ~ 30 000 kg per annum
- Now running accelerated R&D project to offer next generation version to enhance the mechanical performance - despite using a high amount of recycled plastics



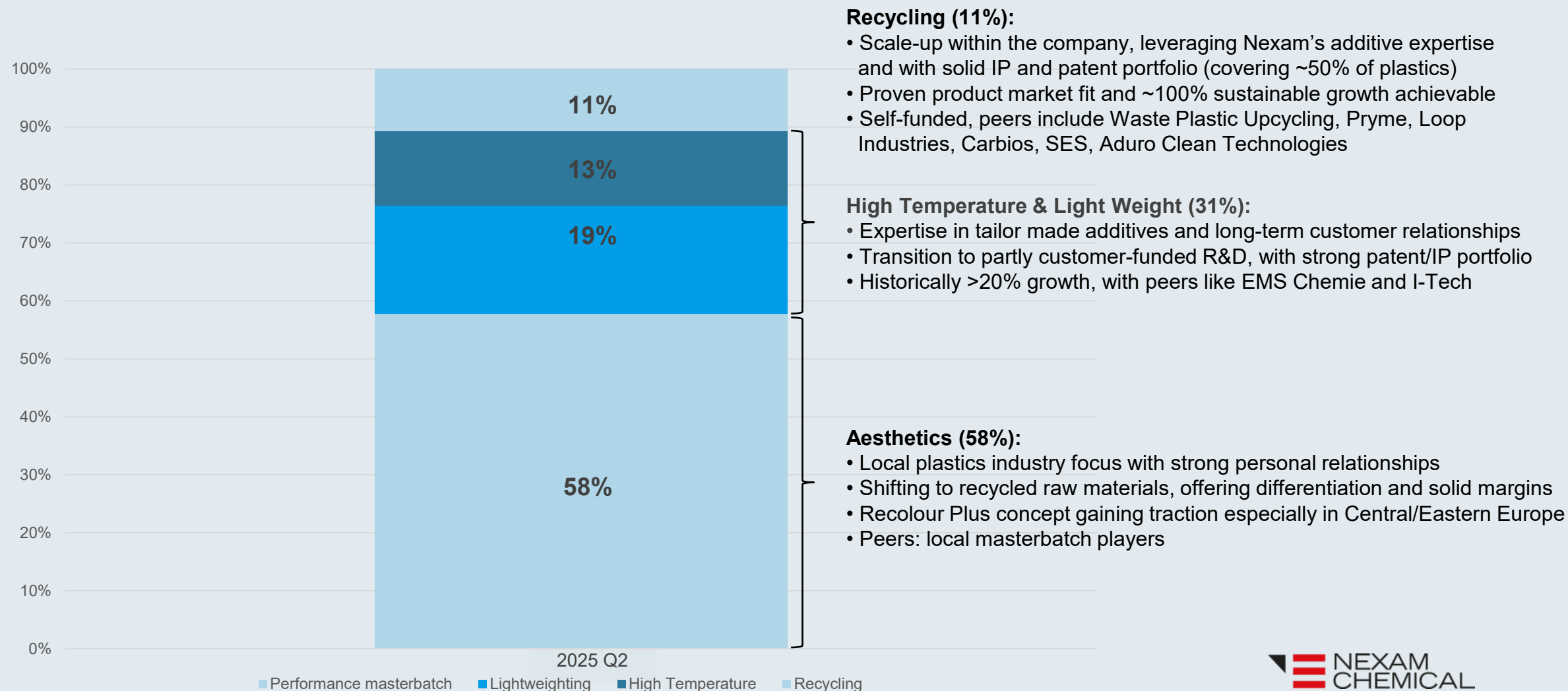


# Three underlying business logics





# Three underlying business logics





# Growth in Recycling - strong outlook for H2

- Continued growth in Recycling and stable base business with broadening customer base
- Focused commercial strategy and recycling innovation driving market differentiation
- Major Recycling breakthroughs: multiple customers transitioning from testing to industrial scale
- Strong performance and increased interest in Eastern and Central Europe
- Expanding position in structural foams, despite overall market headwinds
- Several long term opportunities in the high temperature segment



# Why invest in Nexam Chemical?

- Strong Growth Potential
- Focused Commercial Strategy, in line with Key Global Trends
- Huge untapped potential in Recycling and Central Europe
- Enhanced Innovation Capacity and Diverse Portfolio of Patented Solutions
- Improving Profitability and solid Financial Position
- Scalable Organization
- Strategic M&A Opportunities





# The future of plastics. Patented.

This is a game-changing technology.





# Q&A



# Our short movie about the effect of Nexamite R305 in blown film

<https://www.youtube.com/watch?v=rRCKnvfGsd8>



## CONTACT

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