

Content

INTRODUCTION

- 3 Year in brief
- 4 CEO's message
- 6 Nexam Chemical at a glance

THE MARKET

- 8 Market trends and insights
- 10 Trends within recycling
- 12 Business development highlights

THE BUSINESS 2025

- 16 Innovation and R&D

SUSTAINABILITY

- 20 Sustainability and impact
- 22 Work environment
- 24 Distributor profile

VISION AND FUTURE OUTLOOK

- 26 Vision and future outlook

NEXAM CHEMICALS SHARE

- 28 Why invest in Nexam Chemical?
- 30 Nexam Chemical's share

ANNUAL REPORT 2025

- 32 Administration report
- 40 Corporate governance
- 46 Consolidated financial statement
- 51 The parent company's statement
- 56 Notes
- 84 Signatures
- 85 Auditor's report
- 88 Board and management
- 90 Annual general meeting and calendar



“ Within Reactive Recycling™, several customer projects transitioned from the testing and pilot phases to recurring commercial deliveries during 2025. Demand for our solutions is primarily driven by our success in improving both the economic and technical conditions for our customers, enabling them to manufacture products with a higher proportion of recycled content while maintaining quality.”



Year in brief

During 2025, Nexam Chemical continued to strengthen its position as a leading player in advanced polymer solutions. Through a clear commercial focus, an increased presence with global customers, and a growing share of business within recycling, the company has further solidified its position in the ongoing transition toward a more circular plastics industry. The combination of a scalable business model, a strong innovation platform, and a bolstered financial position creates a solid foundation for continued growth.

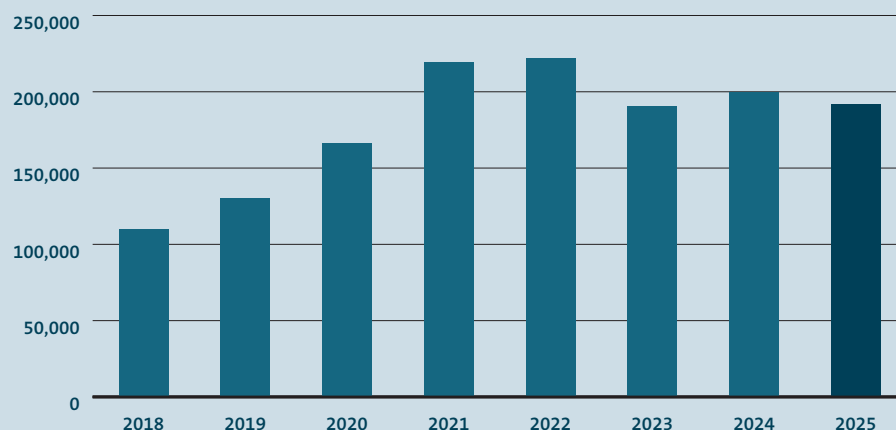
A fully subscribed rights issue of over SEK 50 million was completed toward the end of the year, strengthening the company's financial position and enabling accelerated commercialization, particularly within Reactive Recycling™.

Continued commercial scaling within Reactive Recycling™, with a growing number of customers in serial production and several projects moving from pilot to industrial application during the year. Regulatory drivers and increased requirements for recycled materials are creating structural demand for the company's solutions.

Stable development within Aesthetics and High Temperature, with continued strong demand in selected applications, while the Lightweight segment was impacted by weaker market development within wind power.

Maintained high gross margin, remaining above 45%, and increased operational efficiency driven by a higher share of in-house production, optimized formulations, and an improved product mix. The production platform enables significant volume growth without a corresponding increase in costs.

Annual turnover, kSEK



Scientifically proven upcycling potential

A research team at Politecnico di Torino has, through two published studies, scientifically validated the upcycling potential of Nexam Chemical's additives within Reactive Recycling® for plastic materials degraded over multiple recycling cycles. The studies demonstrate the possibility of creating a circular economy for plastics, where recycled material streams can be used to produce more valuable end products.



Join us on a journey of Innovation

At Nexam Chemical, we invite you to join us on our journey of innovation and sustainability. Together, we are shaping a future where plastics can continue to play a vital role in our modern society, while minimizing their negative impact and instead paving the way for progress and opportunities.



CEO STATEMENT, RONNIE TÖRNQVIST

From Vision to Industrial Scale: Enabling the Circular Plastics Economy

2025 was another year in which Nexam Chemical continued to strengthen its position in advanced polymer solutions, despite challenging macroeconomic conditions and ongoing regulatory shifts in our key markets. We delivered a positive operating result (EBITDA) for the year and a balanced cash flow, confirming that our strategy of combining innovation, sustainability, and cost control is effective.

As we summarize 2025 and look ahead to 2026, I see a Nexam Chemical that is more focused and commercially positioned than ever before. During the past year, we have navigated a changing world, driving innovation and creativity alongside many of our customers. Uncertainty driven by global political shifts and, in some cases, significantly weak end-markets has demanded high levels of adaptability. Despite this, we have strengthened our profitability and continued to build our position in strategically prioritized areas. Today, we stand on a clearly more stable foundation than a year ago—both commercially and financially. The fully subscribed rights issue conducted toward the end of the year has further bolstered our financial position, providing the room to maneuver and accelerate our strategic priorities, particularly within the growing field of performance-enhancing solutions for recycled plastics.

2025: Strategic delivery and market momentum

the strategy launched in 2023 is now fully integrated. By working from the outside-in, we have succeeded in meeting customer needs with higher precision. Although the economic climate pressured volumes in our core business by approx-

imately 10%, we countered this through increased new sales—primarily within **Reactive Recycling™**. During the year, several projects transitioned from pilot to industrial application—a vital step in the commercialization of our technology.

In **Recycling**, we have continued to build on our leading position, launching several customer-specific projects in new application areas. These solutions enable recycled plastics to be used in more demanding applications—from food-grade packaging to automotive and construction components—without compromising on performance.

During the year, we established 25 recurring customers using Reactive Recycling™ in serial production. Recycling accounted for approximately 12% of the Group's net sales for the full year and nearly 19% during the fourth quarter—where the quarter's sales in this area exceeded those of the full year 2024. This illustrates the accelerating commercialization of our technology. Given the high proportion of recurring business and the broadened customer base, we see strong potential for Recycling to gradually constitute a larger share of the Group's turnover.

This development aligns with regulatory initiatives such as the EU's PPWR legislation, which drives the use of recycled plastic through mandatory recycled content targets in packaging. At the same time, the material industry's scale-up processes are gradual and long-term. This means we are witnessing a structural shift rather than a short-term trend—a shift where performance-enhancing additives become an essential part of the value chain.

Within **High Temperature**, 2025 was a year of progress, with continued participation in long-term projects in the aerospace and electronics industries.

The **Aesthetics** market area has developed stably, where Recolour Plus and Performance Masterbatch have enabled customers to develop new products and increasingly integrate recycled material without compromising color or surface quality. Our customers in **Light Weight** faced a challenging year due to weak development in the wind power industry. However, they have continued to develop new applications and worked intensively to make PET foam an even more cost-effective and high-performance structural material. We believe the segment is well-positioned for when market conditions improve.

“Nexam Chemical’s primary climate contribution lies in the circularity and performance enhancement we enable throughout the entire plastics value chain.”

Our R&D activities remain at the forefront, with investments corresponding to approximately 20% of our overhead costs. In 2025, we developed new PET formulations, chain extenders for polyamides, and solutions that reduce warping during manufacturing. These innovations strengthen our competitiveness and increase customer value, while contributing to **sustainable growth** and long-term profitability.

Efficiency and scalability

The 2022 savings program has now reached full effect. We have lowered our break-even point and significantly strengthened the EBITDA margin. Our existing production capacity allows for a doubling of volume without major investments, creating the conditions for operating leverage over time. This provides a scalable platform as market volumes gradually increase.

Strategic priorities for 2026

In the coming year, we are channeling our resources—not least the capital raised to accelerate our growth journey—toward the following areas:

- **Global scale-up of Reactive Recycling™:** Leveraging successful customer cases in new geographic markets and industries.
- **Further development of Recolour Plus:** Our range that combines aesthetics with recyclability, perfectly timed for the packaging industry.

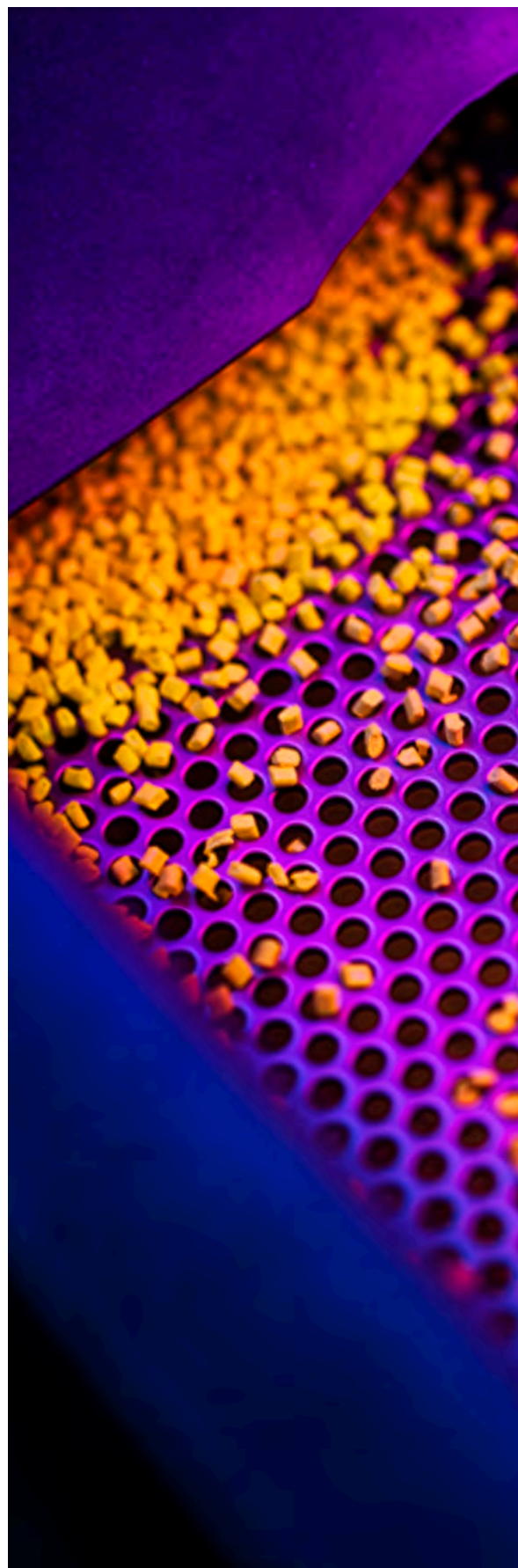
- **Continued technological development in high-performance polymers:** Developing solutions for extreme environments, from jet engines to advanced electronics.
- **Expansion in Europe:** Increasing the pace of market cultivation in Central Europe with a strengthened team.
- **Digital Scaling:** Through structured lead generation and a new web platform to more effectively target strategic customers.

A sustainable future

Sustainability is the heart of our business model. As circularity becomes an absolute requirement, Nexam Chemical stands ready with the technology that makes the transition profitable for the customer.

Our primary climate contribution lies in the handprint we create when we enable our customers to replace virgin plastic with recycled raw materials without compromising on performance.

I want to extend a warm thank you to our employees, customers, and partners **for your commitment. I also thank our shareholders for their continued trust, which has further strengthened the company’s financial platform.** Together, we continue to develop plastic as a material and create the conditions for a sustainable and circular plastics industry. ■



A pioneer in advanced polymer technology

Nexam Chemical is a global player that develops advanced additives to maximize the performance, lifespan, and recyclability of polymers. By enabling the transition to a circular economy, we help industries lower their costs and meet increasingly stringent environmental requirements without compromising on quality.

Our operations are optimized within four strategic niche areas where our expertise creates the greatest value: **Reactive Recycling[®]**, **Lightweighting**, **High Temperature**, and **Aesthetics**.

Reactive Recycling[®]

Our patented technology is the backbone of the circular transition. By molecularly repairing degraded plastic, material properties are restored to a level approaching virgin quality. This enables large-scale use of recycled material in demanding applications, fully in line with the EU's new Packaging and Packaging Waste Regulation (PPWR).

Lightweighting

We optimize the strength and mechanical properties of PET foam, with a particular focus on recycled raw materials (rPET). Our solutions are critical enablers for lighter and stronger structures within wind power, the marine industry, and the construction sector.

High Temperature

In the aerospace, electronics, and advanced manufacturing industries, we replace heavy metals with high-performance composites. Our additives ensure that polymers maintain their integrity even in the most extreme temperature environments.

Aesthetics

Through Performance Masterbatch and our ReColour Plus[®] technology, we set a new standard for coloration. We enable high-quality finishes and a visual premium feel in both virgin and recycled plastics for everything from packaging to technical components.



Nexam Chemical's global presence grows with representatives across the world: India, Israel, South Korea, Pakistan, Spain, Great Britain, Taiwan, USA and others.

▼ Nexam Chemical companies
○ Agents/distributors

Global presence and market focus

With roots in Swedish innovation and headquarters in Lomma, Nexam Chemical operates on a global arena:

- **Europe:** Our home market with a strong focus on renewable energy and circular solutions. We have our own production in Scotland, Poland, and Hungary, and are currently strengthening our presence in Central Europe to meet rapidly growing demand.
- **North America:** A strategic market for our lightweight technology and high-temperature applications, with a focus on the aerospace and space industries. New distributor since January 2026 is well-renowned Palmer Holland, specialising in additives for plastics.
- **Asia:** Here we drive growth through increased demand for circular material solutions and advanced high-temperature materials.

Sustainability as a business strategy

Sustainability is not a side project - it is our business. By making recycled plastic profitable and functional, we reduce the industry's carbon footprint and resource consumption. With a strong portfolio of patented innovations and a dedicated focus on EcoVadis validation, we help our customers stay one step ahead in a world where circularity is the only way forward.





MARKET TRENDS AND INSIGHTS

From regulatory pressure to commercial acceleration

The global plastics industry is undergoing a rapid transformation driven by strict sustainability requirements and technological breakthroughs. These factors are creating a unique demand for Nexam Chemical's solutions within Lightweighting, High Temperature, Aesthetics and Recycling.

Sustainability as a Profit Driver

Sustainability has evolved from a voluntary commitment into a regulatory necessity. The EU's Packaging and Packaging Waste Regulation (PPWR) now sets the framework with mandatory requirements for increased recycled content. However, we are witnessing a paradigm shift: companies are now choosing **Reactive Recycling™** not only for environmental reasons but because it enables the use of more cost-effective recycled raw materials without sacrificing quality. During the year, our customers reported **direct cost savings of over 20%**, turning the green transition into a clear business advantage.

From Recycling to Upcycling

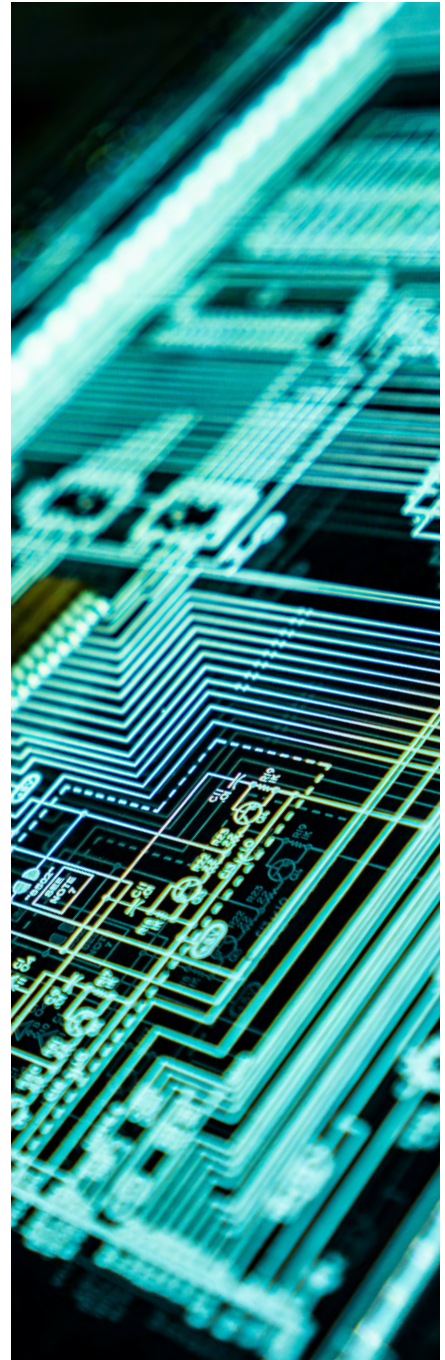
Mechanical recycling has historically been hindered by the degradation of plastic properties during its lifecycle. Nexam is breaking this downward spiral. By restoring the molecular structure of polymers, we enable the **"Upcycling"** of plastic waste. This elevates the quality of recycled material to levels previously only possible with virgin resin, opening doors for demanding applications in areas such as food packaging, automotive, and construction materials.

Lightweight Materials for a Low-Carbon Economy

Weight reduction is crucial for reducing carbon emissions in transport and industry. PET foam—strong, lightweight, and recyclable—is now expanding from wind power into the marine and construction sectors. Our technology enhances the performance of rPET foam (recycled PET), providing a significantly lower environmental footprint than traditional materials like PVC foam or balsa wood.

Electrification and High-Performance Plastics

Rapid electrification is increasing the need for heat-resistant materials in everything from electric motors to semiconductors. Nexam Chemical's solutions for high-temperature applications ensure component longevity and energy efficiency in extreme environments. Through our progress in projects like **TAPE-X**, we contribute directly to the next generation of the aerospace industry, where lightweight and temperature-resistant composites are the key to lower fuel consumption. ■



“During the year, our customers reported direct cost savings of over 20%, turning the green transition into a clear business advantage.”

Regional Market Dynamics

- **Europe:** The PPWR regulation and ambitious climate goals are creating a direct influx of inquiries regarding our circular solutions.
- **North America:** A growing aerospace and defense industry is driving demand for advanced materials, while major brands are pushing for higher recycling rates.
- **Asia:** As a global manufacturing hub for electronics, there is an increasing need for our high-temperature and aesthetic solutions, such as Recolour Plus.

Looking Ahead

Heading into 2026 and beyond, the companies that successfully combine regulatory compliance, technical performance, and cost-effectiveness will lead the industry’s growth. Nexam Chemical is well-positioned to continue shaping the future of sustainable plastics, driving innovation, and delivering value to customers on a global scale. ■



TRENDS WITHIN RECYCLING

Mechanical recycling 2.0: How additives make circularity profitable

The European Packaging and Packaging Waste Regulation (PPWR) has transitioned from theory to operational reality. Requirements for recyclability and traceability are no longer optional—they are legal mandates reshaping the entire industry. For Nexam Chemical, this translates into a heightened demand for technologies that can guarantee material performance within a circular economy.

The effects of PPWR extend far beyond EU borders, driving multinational corporations to adopt even more ambitious sustainability goals. During 2025, this further increased demand for **Nexam Chemical's solutions**, particularly within packaging and consumer goods, where regulation is most extensive.



Advanced mechanical recycling wins ground over chemical

We are seeing a distinct shift in the industry. Chemical recycling continues to struggle with high energy costs, massive capital requirements, and inherent complexity. In its place, advanced mechanical recycling, combined with additives, is gaining ground as the most cost-effective and sustainable alternative. While mechanical processes sort and wash the waste, **Reactive Recycling™** intervenes at the molecular level. Our technology utilizes chain extenders that repair degraded polymers and restore material quality for advanced applications in the packaging, construction, and automotive industries. This enables our customers to integrate a higher proportion of recycled material without compromising the performance of the end product—a solution that maximizes both cost-efficiency and sustainability.



Food-grade recycled plastics – a growing market

The demand for **food-safe recycled plastics (PET, PP, and PE)** continues to rise, driven by both regulation and consumer expectations. While mechanical recycling methods for food-grade polyolefins are still evolving, major industrial initiatives

are underway across Europe, North America, and Asia. Nexam Chemical's **next-generation additives**, which restore plastic properties post-recycling, were bolstered in 2025 with new formulations for PET, PP, and PE, playing a central role in this transition.

Textile-to-textile recycling – a breakthrough

Through ongoing collaborations with academic and industrial partners, significant progress has been made in **textile-to-textile recycling**. End-of-life polyester textiles can now be reconstructed into high-quality materials, opening doors for a more circular textile industry. The proven technical and commercial feasibility has strengthened Nexam Chemical's position as a provider of additives that support advanced, recycled material streams.

The Synergy Between AI and Chemistry

One of the most potent trends currently is the integration of AI-driven sorting in recycling facilities. While AI robots and Near-Infrared (NIR) technology can now separate plastic streams with extreme precision, a new need arises: the chemical "fine-tuning" of these pure but often

degraded fractions. Nexam's **Reactive Recycling™** acts as the chemical adjustment that allows AI-sorted plastic to actually replace virgin raw material in demanding industrial applications.

Global recycling dynamics

Beyond Europe, we are seeing massive investments in recycling infrastructure in emerging markets such as India and Southeast Asia, driven by national plastic pacts. As chemical recycling continues to face economic and environmental hurdles, the focus is shifting toward enhanced mechanical recycling with performance-enhancing additives like **Reactive Recycling™**. Nexam's technology is well-positioned to support this transformation, offering scalable solutions for an increasingly circular plastics industry.

With a global market for recycled plastics projected to grow by over 7% annually through 2030, Nexam Chemical is perfectly positioned to deliver the essential technology for this global transition. ■



Global plastic production – recycled & bio vs fossil-based





BUSINESS DEVELOPMENT HIGHLIGHTS

Strategic progress and commercial acceleration

2025 marked a commercial breakthrough for Nexam Chemical, particularly within the Recycling focus area. We successfully navigated the transition from preliminary testing to recurring deliveries on an industrial scale. Our ability to rapidly adapt to evolving customer needs has resulted in deepened partnerships and a broader range of business cases. By maintaining a clear focus on our four core areas, we have solidified our role as a strategic partner for global manufacturers seeking to unite material performance with a circular economy. Despite continued global macroeconomic uncertainty, the company has taken significant steps in broadening its customer base, deepening existing collaborations, and accelerating the industrialization of new solutions.

Deepened customer relationships in recycling

Within Reactive Recycling™, several customer projects transitioned from the testing and pilot phases to recurring commercial deliveries during 2025. Demand for our solutions is primarily driven by our success in improving both the economic and technical conditions for our customers, enabling them to manufacture products with a higher proportion of recycled content while maintaining quality. We see a growing interest in increasing recycling rates as new regulatory requirements are implemented within the EU and globally. This creates a strong tailwind for Nexam Chemical and opens a wave of new business opportunities.

A key example is the expanded strategic collaboration with a global player in food packaging. Our additives enable a higher proportion of recycled material while maintaining mechanical strength and processability. By implementing our technology, the customer has not only met its sustainability goals but also reduced total production costs by over 20%.

Lightweighting – consolidating position with market leaders

In Lightweighting, 2025 was a year characterized by strategic consolidation rather than volume growth, as the wind power markets in Europe and North America experienced a temporary slowdown. Despite this, Nexam Chemical has actively pursued business development and solidified its position as a qualified supplier to the dominant manufacturers of PET foam. As an integrated part of these players' production processes, we stand ready to scale up volumes as investments in renewable energy and infrastructure recover.

To reduce dependency on individual sectors, we have successfully collaborated with PET foam customers to develop new applications in transport and construction. In these sectors, the combination of low weight and recyclability is becoming increasingly important in material selection, and recycled plastics will play a vital role moving forward.

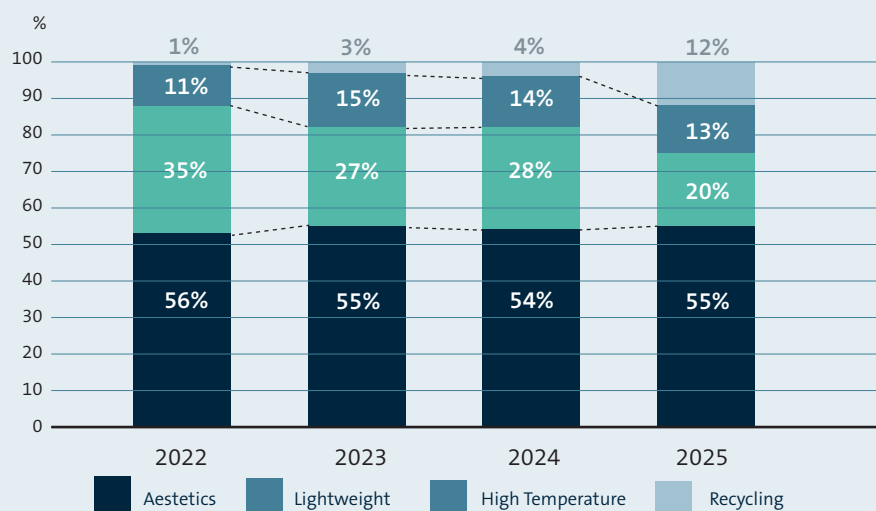
High Temperature – stable development in niche applications

In the High Temperature segment, the company continued to deliver solutions to customers in aerospace, electronics, and industrial applications. During the year, new qualification processes were initiated—a vital step in long-term industrial projects with high technical barriers to entry.

The electrification of the transport sector and continued advancement in the semiconductor industry are driving the need for plastics with enhanced heat resistance and dimensional stability. Nexam Chemical's additives contribute to increased longevity, improved safety, and higher performance in these demanding environments.

Despite continued global macroeconomic uncertainty, the company has taken significant steps in **broadening its customer base, deepening existing collaborations, and accelerating the industrialization of new solutions.**

Balanced business ready for growth



Turnover per segment 2022-2025

The last three years, Nexam's business has broadened, with an increasing number of paying customers in key segments, contributing to a more balanced turnover. Dependency on single large customers has decreased, while the broadened customer base provides opportunity for new business with existing customers.



“Business development in 2025 clearly demonstrates that Nexam Chemical stands on a solid foundation for continued expansion.”

Aesthetics – function meets sustainable design

the Aesthetics segment continued to develop in 2025, focusing on color and performance solutions that enable the use of recycled material without compromising visual expression or surface finish. Products such as Recolour Plus and Performance Masterbatch have been utilized to ensure color stability, UV resistance, and NIR-detectability, which is central to effective sorting in recycling streams. This segment complements our recycling strategy by addressing one of the practical hurdles often encountered when increasing the use of recycled material—namely, aesthetic and visual quality.

Operative scalability and market presence

during the year, Nexam Chemical continued to optimize its production structure and supply chain. Previous investments in production capacity mean that the company can handle increased volumes without a proportional increase in fixed costs, strengthening operating leverage during growth.

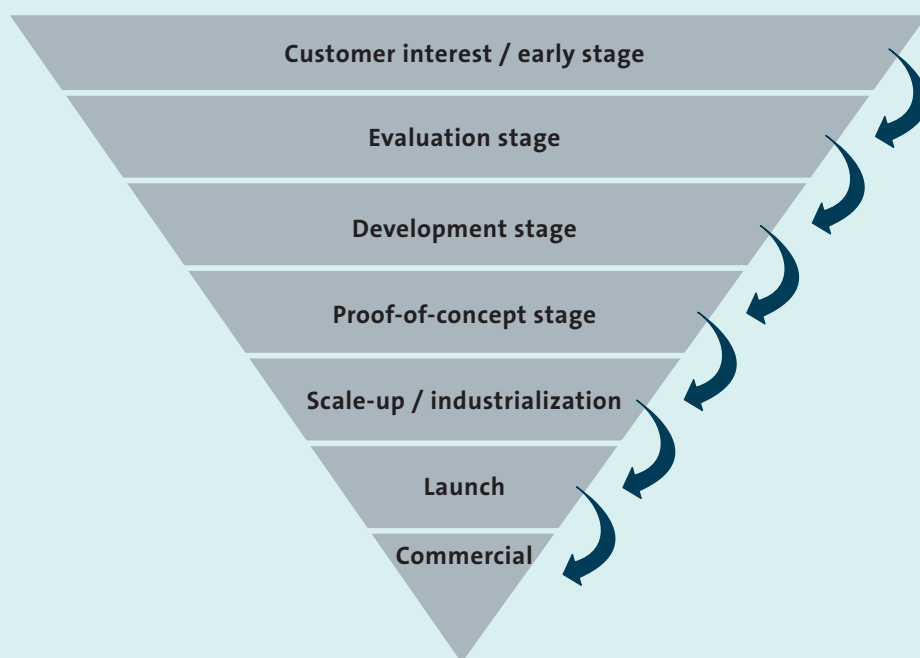
In parallel, our global presence has been bolstered through new and expanded collaborations with distributors and local partners in Europe, North America, and Asia. This improved proximity to our customers enables faster development cycles, technical support, and efficient commercialization.

Outlook

Business development in 2025 clearly demonstrates that Nexam Chemical stands on a solid foundation for continued expansion. By combining technical excellence with commercial discipline and a clear segment strategy, the company continues to transform innovation into industrial reality. With a growing project pipeline and a scalable organization, we are ready to accelerate our profitable growth journey in 2026. ■

Project pipeline overview

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





INNOVATION AND R&D

Innovation with purpose: Building the molecular toolkit for future polymers

Innovation is the core of Nexam Chemical's strategy and a decisive driver of the company's long-term competitiveness. In 2025, we continued to invest approximately 20 percent of our overhead costs in research and development, with a clear focus on translating scientific excellence into commercially viable and scalable solutions. By combining a market-oriented strategy with long-term research, we have taken significant technical strides that directly strengthen our own profitability and our customers' competitive edge.

Our innovation agenda is closely linked to the global megatrends affecting the plastics industry: increased circularity, resource efficiency, electrification, and demands for higher material performance. By combining deep chemical expertise in reactive polymer technology with close customer collaborations, we ensure that our development projects address concrete industrial needs.

Enhanced Portfolio within Reactive Recycling™

During 2025, the further development of **Reactive Recycling™** has been a priority area. New formulations of chain extenders and reactive additives have been developed to improve the properties of recycled polypropylene (PP), polyethylene (PE), and PET. The focus has been on restoring molecular weight, improving impact strength, and optimizing processability in industrial extrusion and injection molding processes.

The technology was streamlined for several different types of plastic during the year, increasing the addressable market and broadening our portfolio of solutions.

Our Reactive Recycling™ portfolio is now applicable to approximately half of all plastic produced worldwide.

We now see a constant flow of new products and additives in our pipeline, designed to meet both the technical and economic challenges posed by a large-scale circular economy. Several projects have transitioned from laboratory and pilot scale to full industrial implementation, confirming both the robustness of the technology and its commercial relevance.

PET and Lightweight Applications

In the PET area, development work has focused on improved formulations for foam applications, including the optimization of cell structure, mechanical strength, and processing stability. Particular emphasis has been placed on enabling solutions based on recycled PET (rPET), where our additives contribute to more stable material properties despite variations in raw material quality.

These advancements strengthen Nexam's position in the Lightweighting segment and enable lighter, more sus-



tainable composite structures for wind power, transport, and the construction industry.

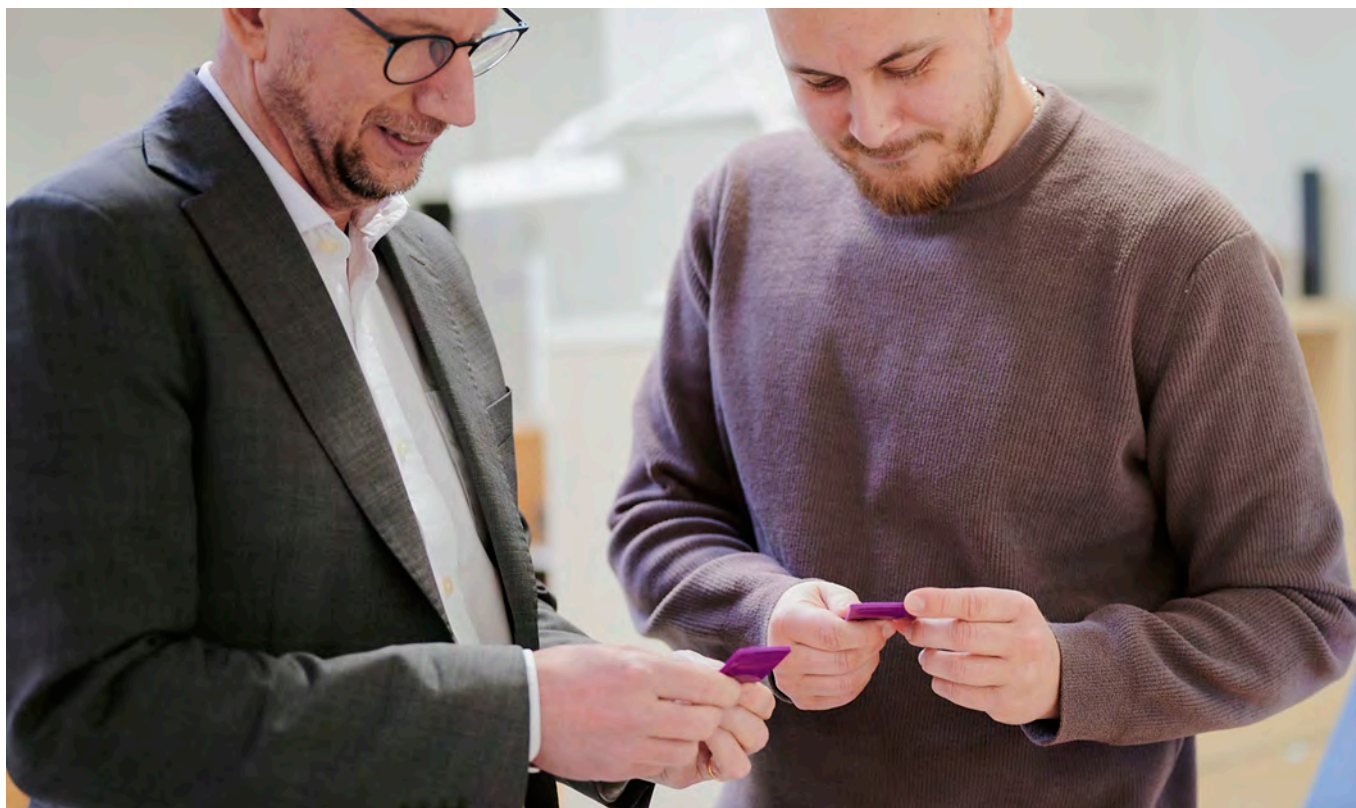
High Temperature – Materials for Demanding Environments

Development efforts in **High Temperature** during the year focused on polymers for applications with high thermal and mechanical requirements, such as electronics, semiconductors, and the aerospace industry. New solutions have been developed to improve heat resistance, dimensional stability, and long-term performance at elevated temperatures.

Through participation in advanced industrial projects, such as the recently concluded TAPE Extreme, and collaboration with leading players in material development, we have continued to strengthen our expertise in cross-linking technology and the reactive modification of high-performance polymers.

Aesthetics and Functional Masterbatches

In the **Aesthetics** segment, innovation in 2025 focused on combining visual quality with improved recyclability. Further



development of color masterbatches, including NIR-detectable black solutions, enables more efficient sorting in recycling facilities.

Simultaneously, new formulations have been developed to improve UV resistance, color stability, and mechanical performance in products containing a high proportion of recycled material. This is crucial for increasing the acceptance of recycled plastics in consumer-facing applications.

Academic Collaborations and Long-term Expertise

We believe in the power of collaboration. Our close partnership with academia—including the doctoral project with **Chalmers University of Technology** and **WISE** (Wallenberg Initiative Materials Science for Sustainability) related to advanced polymer technology and sustainable material solutions—provides us with access to cutting-edge research that we can rapidly translate into commercial products.

These collaborations strengthen our scientific foundation and provide access to new knowledge in areas such as deg-

radation, stabilization, and the molecular design of polymers. By combining internal expertise with external research networks, we ensure a continuous influx of innovation that can be converted into future products and business opportunities.

From Research to Business

A central part of our innovation model is working closely with customers throughout the entire development process—from initial needs analysis to full-scale industrialization. This reduces time-to-market and increases the likelihood of commercial success.

In 2025, several R&D projects transitioned into recurring business, clearly demonstrating how our technical platform generates concrete business value. Innovation at Nexam Chemical is thus not an isolated research initiative, but an integrated part of the company's growth strategy and profitability development.

Nexam Chemical's multifaceted innovation work sets a new standard for the industry. With a strong patent portfolio, a scalable technology platform, and a continued clear focus on circular and

high-performance materials, Nexam Chemical is well-equipped to remain at the forefront of development in reactive chemistry and advanced polymer solutions. ■

“Innovation is about solving real-world problems. By focusing on sustainability and function, we ensure that every new solution we bring to market creates measurable benefits for both the customer and the environment.”

Christer Svanberg,
CTO på Nexam Chemical



SUSTAINABILITY AND IMPACT

Sustainability as a value driver

Sustainability is embedded in Nexam Chemical's strategy and business model. Beyond managing our own footprint, our primary contribution lies in enabling customers to transition toward a more circular and resource-efficient plastics economy.



Sustainability is embedded in Nexam Chemical's strategy and business model. Beyond managing our own footprint, our primary contribution lies in enabling customers to transition toward a more circular and resource-efficient plastics economy.

Through performance-enhancing additives for recycled polymers, we help customers:

- Maximize recycled content without compromising material performance
- Extend product lifetime
- Reduce dependence on virgin plastics
- Improve cost efficiency while strengthening sustainability profiles

These capabilities are increasingly aligned with regulatory requirements for recycled content and circular material performance, strengthening the long-term relevance and competitiveness of our

offering. This positions Nexam Chemical at the intersection of regulatory-driven circularity, climate transition and advanced material innovation.

Sustainability Framework and Governance

Following regulatory updates in 2025 (Omnibus I Simplification Package), the Company is no longer in scope of the Corporate Sustainability Reporting Directive (CSRD) or the Listed SME (LSME) standard previously pursued.

Despite this change in regulatory scope, we remain committed to structured and transparent sustainability management. We have elected to align our reporting with the **Voluntary Sustainability Reporting Standard for SMEs (VSME)**, a proportionate framework reflecting our size, complexity and risk profile. We intend to progressively implement the VSME framework in a manner proportionate to


the Company's size, complexity and risk profile, with the ambition of achieving alignment for the 2026 reporting year.

Sustainability oversight is embedded within our governance structure and assigned at management level, ensuring accountability and integration into strategic decision-making.

Sustainability considerations are integrated into:

- Operational planning
- Business decisions
- Supplier relationships
- R&D and product development

We are a participant of the **United Nations Global Compact (UNGC)** and adhere to its Ten Principles covering human rights, labour standards, environmental protection and anti-corruption.



“Nexam Chemical’s primary climate impact is not found within our own walls, but in the performance uplift we enable across the global plastics value chain.”

Ronnie Törnqvist, CEO

Environmental Responsibility Climate and GHG Management

We recognize climate change as a key global challenge and measure greenhouse gas emissions in accordance with the GHG Protocol.

- Scope 1 and 2 emissions are calculated from energy billing data
- Emission intensities are based on data from the **European Environment Agency**
- Scope 3 emissions are estimated using the **EcoVadis Estimator Tool**

Significant Scope 3 categories include:

- 3-1 Purchased Goods and Services
- 3-10 Processing of Sold Products
- 3-12 End-of-life Treatment of Sold Products

We are committed to:

- Improving data robustness and completeness
- Identifying practical emission reduction measures
- Increasing internal climate awareness

Our GHG Inventory will be published separately on our website.

Enabling Scope 3 Impact Through Circular Solutions

While managing our own emissions remains important, the largest climate leverage potential lies in enabling reductions across customer value chains.

By upcycling recycled plastics to near-virgin performance, our additives:

- Increase usability of recycled feedstock
- Improve durability and performance of recycled polymers
- Support compliance with regulatory recycled-content requirements
- Reduce lifecycle emissions compared to virgin alternatives

These downstream effects illustrate the broader climate leverage of our technology platform. While not fully captured within our own reported emissions footprint, this value-chain impact represents the structural sustainability contribution of Nexam Chemical.



Energy Performance

During 2025, we significantly increased the share of fossil free electricity to 89% (74%), while improving overall energy efficiency per kg produced from 0.757 to 0.704 kWh/kg. This reflects both higher production volumes and continued operational optimization across our sites.

Two sites operate Solar PV systems (installed >10 years and 3 years respectively). From 2025, data logging enables reliable reporting:

- 86,162 kWh generated in 2025
- 89.9% consumed internally

	2024	2025	2026 TARGET
Energy Consumption (MWh)	1,439	1,705	1,800
Fossil free energy (%)	74	89	90
Production (tonnes)	1,901	2,423	2,700
Energy Efficiency (kWh/kg)	0.757	0.704	0.667

Energy consumption and fuel use are monitored based on supplier data, with emission factors applied in line with UK Government guidance (UK site).

GHG Emissions

Total GHG emissions decreased despite increased production volumes, driven primarily by improved energy sourcing and operational efficiency. Market-based Scope 2 emissions were reduced significantly, reflecting our transition toward renewable electricity.

	2024	2025	2026 TARGET
Scope 1 (tCO2e)	44.6	35.1	35
Scope 2 (market-based, tCO2e)	46.4	17.7	20
Scope 2 (location-based)	93.2	77.6	75
Scope 3-1	3,040	2,912	3,150
Scope 3-10	5,865	5,650	6,100
Scope 3-12	3,180	3,063	3,300
Total Scope 3	12,665	12,240	13,215
Total GHG	12,756	12,293	13,270

Resource Efficiency

We aim to minimize waste, optimize material usage and improve process efficiency.

Water use is monitored where relevant. Although our operations are not water-intensive, we seek to avoid unnecessary consumption.

Raw material efficiency improved from 1.37 to 1.28 kg/kg product, reflecting enhanced process control and reduced material losses. Water intensity per tonne produced improved materially from 0.65 to 0.41 m³/tonne, primarily due to higher production volumes combined with improved resource management.

Solvent purchases decreased significantly year-on-year, reflecting lower production volumes at the UK site and improved solvent management practices.

	2024	2025	2026 TARGET
Raw Material Purchases (tonnes)	2,598	3,093	3,294
Production (tonnes)	1,901	2,423	2,700
Raw Material Efficiency (kg/kg product)	1.37	1.28	1.22
Water Consumption (m ³)	1,230	983	1,026
Water Intensity (m ³ /tonne)	0.65	0.41	0.38
Solvent Purchases (kg)	60 247	41 414	45 000
Solvent Recycled (kg)	19 342	13 396	15 000
UK Production (kg)	6 270	4 420	5 000
Solvent Efficiency (kg/kg)	12.69	12.40	12.00

UK site solvent usage is monitored separately.

Waste management

Waste is managed in accordance with applicable regulations, with segregation where feasible to support recycling.

Focus areas:

- Regulatory compliance
- Source reduction
- Improved segregation and recycling

	2024	2025	2026 TARGET
Waste generated (tonnes)	290	243	216
Production (tonnes)	1,901	2,423	2,700
Waste Efficiency (kg/kg)	0.15	0.10	0.08
Energieffektivitet (kWh/kg)	0.757	0.704	0.667

Waste efficiency improved materially from 0.15 to 0.10 kg/kg product, demonstrating improved operational discipline and waste segregation practices.

Social Responsibility

Health and Safety

We aim to provide a safe working environment and comply with all applicable regulations.

Health and safety performance improved across key indicators in 2025, with zero lost time accidents and no days lost due to workplace incidents.

Employee Well-being

Absence rates are monitored to support workforce planning and preventive measures.

Business Conduct and Ethics

We maintain a whistleblowing mechanism allowing confidential and, where appropriate, anonymous reporting. All cases are investigated in line with established procedures and protection against retaliation.

We commit to training 100% of relevant personnel (Management, Financial, Sales and Purchasing) in Anti-Bribery and Anti-Corruption (ABAC) every two years.

KEY INDICATORS	2024	2025	2026 TARGET
Near miss / Incidents	17	22	24
Lost time accidents	1	0	0
Days lost to LTAs	2	0	0
Sickness absence rate	1.7%	2.1%	1.5%
Whistleblowing reports	0	0	24
Acknowledged within 5 days	n/a	100%	0
Closed within 8 weeks incl. corrective action	n/a	100%	0
Relevant personnel trained in ABAC	100%	100%	

Responsible supply chain and external assessment

Sustainability risks extend beyond our own operations. Responsible sourcing and supplier engagement are integral to our approach.

Our sustainability performance is externally assessed by EcoVadis, where we hold a Bronze Medal, covering environmental, social, ethical and supply-chain performance.

Materiality and continuous improvement

A Materiality Assessment aligned with the VSME standard is under development and will be published in 2026.

Looking ahead, we will focus on:

- Strengthening sustainability data collection
- Enhancing accountability and internal awareness
- Using external benchmarks and stakeholder feedback to prioritize actions

We view sustainability as a continuous improvement process supporting responsible growth.

In summary, Nexam Chemical's most significant climate contribution extends far beyond our operational footprint; it is defined by the performance uplift and circularity we enable across the global plastics value chain. ■



A shared vision that drives employees and the work environment forward

At Nexam Chemical, we are united by a clear and shared vision that creates an inspiring work environment where openness, collaboration, and innovation are at the center. By focusing on the development and well-being of our employees, we build a strong foundation for long-term growth and success.

“Together we create value, not just for our customers but for our employees and our organization as a whole.”

Employees at the core every day

We see our employees as our most important asset. Therefore, we continuously invest in the environment, health, safety, and quality (EHSQ) to create a safe and enjoyable workplace. Ensuring that our employees thrive and develop is not just a part of our culture – it is a strategic priority for our long-term success.

Continuous development and safety at the core

We actively work to improve the work environment and minimize risks, with a strong emphasis on safety and quality. Through ongoing safety training and technical investments, we ensure that both our work environment and our processes meet the highest standards.

Quality and security as guiding principles

Our ISO certifications for quality and safety are a clear testament to our commitment to the highest quality and a safe work environment. We leave nothing to chance – whether it concerns our products or the care we provide for our employees.

Diversity and inclusion – a given

With operations in Sweden, Scotland, and Eastern Europe, we are proud to have a workforce with diverse backgrounds, skills, and experiences. At the end of the year, we had 60 full-time employees, and we actively work to promote gender equality and diversity. We maintain a zero-tolerance policy towards all forms of discrimination.

A workplace for development and growth

We aim to be a platform for both individual and collective development. Through close collaborations with our customers, our employees naturally become part of the customers’ product development and innovation processes. Together, we create value, not only for our customers but also for our employees and our organization as a whole. ■



60
full-time
employees

Sweden
Scotland
Eastern Europe

Quality &
security





DISTRIBUTOR PROFILE

Krishna Enterprises

Region: India Representative: Gaurang Goradia

Market Perspective - *quality upgrading in a rapidly growing market*

According to Krishna Enterprises, the Indian recycled plastics market is characterized by strong growth, driven by expansion in manufacturing, packaging and export-oriented industries. Demand for higher-quality and more consistent r-PET, r-PE and r-PP materials is increasing significantly.

The challenges are well known: r-PET users face IV loss, brittleness and clarity variations, while r-PE and r-PP recyclers struggle with low melt strength and fluctuations in MFI (Melt Flow Index) and mechanical properties. At the same time, EPR regulations (Extended Producer Responsibility), plastic waste reduction initiatives and international customer requirements are accelerating the shift toward higher recycled content.

In this environment, Krishna Enterprises sees Nexam Chemical's solutions - M022400, R201 and R202 - as enabling recyclers to upgrade low-grade feedstock into materials that meet more demanding specifications, although cost efficiency remains a decisive factor in customer decision-making.



Customer value & applications

Demand is primarily driven by packaging (rigid and flexible), household molded goods, textiles, automotive and appliance components, as well as construction applications. Across these segments, improved strength, stability and controlled MFI are critical requirements.

Krishna Enterprises highlights how the solutions deliver tangible performance improvements:

- For r-PET, M022400 enables reliable IV rebuild, improved melt strength and enhanced clarity.
- For r-PE, R201 improves tensile strength and bubble stability in blown film applications.
- For r-PP, R202 enhances the stiffness-to-toughness balance and improves homogeneity when blending PCR with virgin resin.

A recurring observation is that results are immediately visible in production, without requiring investment in new equipment - a particularly important factor in a cost-sensitive market.

Concrete examples include a PET sheet producer that reduced scrap by 30-40% following implementation of M022400, as well as a film manufacturer that increased recycled content from 30% to 60% while maintaining process stability.

Commercial collaboration & outlook

Krishna Enterprises emphasizes the importance of technical support and close collaboration during implementation. Local support on dosing optimization, trial runs and process adjustments reduces testing time and strengthens customer confidence in advanced recycling solutions.

Looking ahead, the distributor sees significant opportunities in high-grade r-PET for packaging and textiles, upgraded r-PE for films and pipes, and improved r-PP for injection molding in automotive and appliance segments. As Indian manufacturers expand exports and must meet international quality standards, demand for performance-enhancing recycling solutions is expected to continue growing.

In this environment, solutions that enhance material performance and consistency are positioned to become an increasingly important enabler of competitiveness within the Indian recycling industry.

Palmer Holland

Region: North America **Representative:** Jim Norris

According to Jim Norris at Palmer Holland, the North American recycled plastics market continues to develop, although collection and sorting systems are still not fully optimized. As a result, variability in post-consumer recycled (PCR) materials remains a key challenge for both converters and brand owners.

Demand for improved recycled materials is primarily driven by consumer goods applications, particularly packaging. “Packaging is at the tip of the spear,” Norris notes, while automotive demand has moderated in recent years. Brand-owner sustainability commitments and retailer scorecards are increasingly making recycled content a specification requirement rather than a “nice-to-have.” Customers are adapting product designs to meet recyclability guidelines—including mono-material constructions, reduced additive use, and increased PCR content. Adoption speed varies case by case, without clear differences between industries or regional manufacturing hubs.

Customer value & applications

In this environment, customers are looking for more than just the addition of recycled content. What resonates most strongly in discussions around Reactive Recycling™ is the potential for upcycling—improving mechanical performance such as strength, impact resistance, and ductility—rather than merely increasing PCR levels.

As recycled content becomes mandatory in key segments, customers seek the lowest-cost path to compliance; meeting regulatory and brand requirements while protecting product performance and margins. This includes redesigning products to meet recyclability rules - moving toward mono-material constructions, reducing additives and colorants, adjusting labels and adhesives, and increasing PCR content.

Although sampling has not yet begun, early discussions indicate strong interest in solutions that improve PCR consistency and reduce qualification risk.



Commercial collaboration & outlook

The initial engagement between Palmer Holland and Nexam Chemical’s technical and commercial teams has been positive. As Norris highlights, PCR materials increasingly require additives, compatibilization, and tighter process control compared to virgin resins, making technical support and customer education vital when introducing advanced recycling solutions.

Looking ahead, packaging represents the most immediate opportunity for Reactive Recycling™ in North America. As brand-owner requirements accelerate, solutions that make recycled materials more consistent and “virgin-like”, thereby reducing qualification risk, are expected to support broader adoption and potentially unlock higher-value applications over time.

This may eventually extend into industrial segments as well. As sustainability commitments evolve from voluntary targets to specification requirements, Nexam Chemical is positioned to play an increasingly important role in the North American market.



VISION AND FUTURE OUTLOOK

Accelerating the circular transition

Nexam Chemical's vision is to be one of the most innovative and compelling brands globally within reactive chemistry, dedicated to driving sustainability forward. The company develops and produces additives that enhance the properties and performance of plastics, with a particular focus on enabling a more circular use of materials.

Mission

Nexam Chemical strives to build a global business that makes plastic better and more sustainable. Our goal is to deliver profitable growth, both organically and through acquisitions, with a clear focus on results and customer value.

Recycling as a Strategic Growth Engine

During 2025, we established **Reactive Recycling™** as the company's central growth engine. Regulatory requirements (such as PPWR) are creating structural, long-term demand for solutions capable of upgrading recycled plastic to **performance levels comparable to virgin resin—an area where Nexam Chemical holds a distinct technological advantage.**

Our **priority is now to industrialize and scale these solutions.** Thanks to previous investments in production, increased volumes provide significant **operating leverage.**

The capital of over SEK 50 million raised through our fully subscribed rights issue strengthens our ability to accelerate this development by:

- **Scaling** commercial successes within recycling.
- **Increasing the share of recurring business through integrated customer solutions.**
- **Shortening the time** from pilot projects to commercial volumes.
- **Deepening relationships** with global brand owners and material producers.

Complementary Areas of Strength

Simultaneously, our Lightweighting, High Temperature, and Aesthetics segments continue to contribute stable cash flows, technological breadth, and industrial economies of scale. These areas complement Recycling strategically, particularly in applications where recycled materials are combined with requirements for low weight or extreme heat resistance.

Long-term goals and shareholder value

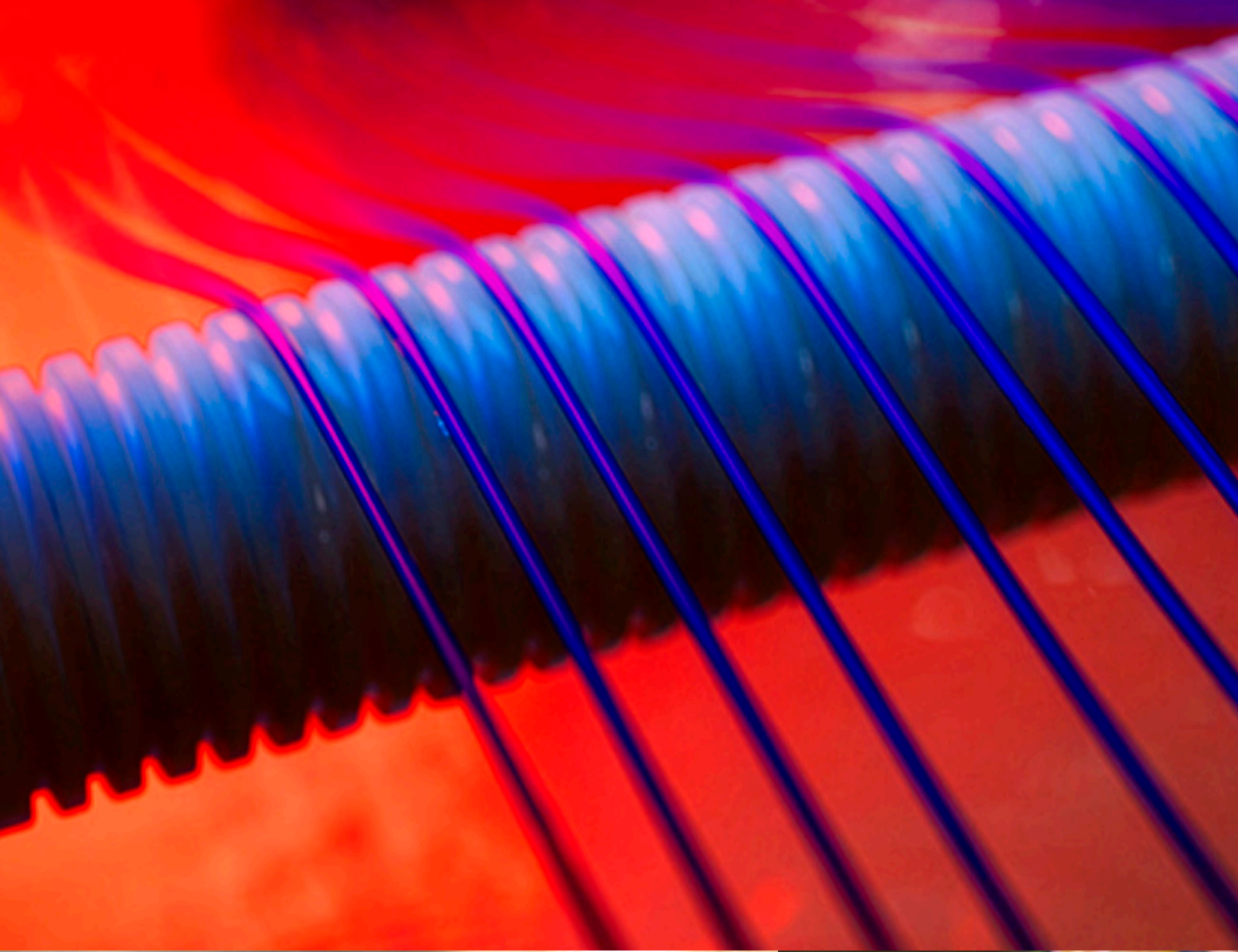
Heading into 2026 and 2027, our ambition is clear: to accelerate commercial expansion, double sales within the Recycling business area in each of the next two years, and strengthen profitability. By combining regulatory tailwinds with our scalable technology platform, we intend to:

- Drive sustained, profitable growth.
- Achieve improved margins through increased industrial repeatability.
- Consolidate our position as a leading technology partner in circular material solutions.

Given the vast addressable market we have identified specifically for additives in recycled plastics, combined with our scalable business model, we foresee continued organic growth, broadened geographical reach, and, in the long term, opportunities for targeted acquisitions.

We anticipate continued structural growth within the recycling industry, where additives play a decisive role in enabling high-quality, cost-effective, and regulatorily compliant material solutions, as well as faster **integration** of recycled materials into **demanding applications.**

With a strong patent portfolio and a recently bolstered cash position, Nexam Chemical is well-positioned to deliver on its plan and create long-term value for shareholders. ■





Why invest in Nexam Chemical?

Nexam Chemical is a Swedish cleantech company with significant growth potential and a clear strategic roadmap. We offer an attractive investment opportunity through:

A clear path to scalable and profitable growth

- Fully funded SEK 300m plan: Following our successful capital raise, the resources for execution are firmly in place.
- **Targeted investments:** Strategic allocation toward application development, market cultivation, and sales to accelerate commercialization.
- **Disciplined balance:** A rigorous focus on balancing aggressive growth with sustainable cash generation.

Recycling – the primary growth engine

- **Solving industry challenges:** Directly addressing one of the plastics industry's greatest hurdles—the often inferior quality of recycled plastic.
- **Significant untapped potential:** Vast opportunities remain within the Reactive Recycling™ portfolio.
- **Proven product-market fit:** Solid industrial validation across multiple sectors.
- **Demonstrated customer value:** Significant cost savings combined with a superior sustainability profile.
- **Rapidly expanding pipeline:** Strong momentum building despite historically limited investment levels.
- **Structural tailwinds:** Driven by global regulatory mandates for increased recycled content.

Scalable business model with operating leverage

- **Existing capacity:** Current production infrastructure enables substantial volume growth without a proportional increase in costs.
- **Clear profitability thresholds:** Well-defined pathways to a positive operating result.
- **High margin potential:** Significant upside in margins as industrial volumes increase.

Technological advantage

- **Leading innovation:** A robust R&D engine and an extensive IP portfolio.
- **Global applicability:** Technology that can be applied to a significant portion of the world's total plastic volumes.
- **Versatile platform:** A foundation for expansion into additional polymers and specialized applications.

Strategic growth opportunities

- **Organic expansion:** Scaling within existing core segments.
- **Value-creating M&A:** Strategic opportunities for acquisitions and partnerships to accelerate geographic reach and market share.





Nexam Chemical's share

Nexam Chemical's shares were listed on NASDAQ First North in 2013. In 2017, Nexam Chemical was approved for listing on Nasdaq First North Growth Market. The requirements for companies listed on Nasdaq First North Growth Market are higher and the regulations are harmonized with those applicable to the regulated market Nasdaq Stockholm.



IR connector

If you have any questions, please contact Ronnie Törnqvist, CEO.

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+46 70 625 41 85

Email:
ronnie.tornqvist@nexamchemical.com

The highest price of the year was SEK 4.60 and occurred in January. The lowest price of the year during the year occurred in December and amounted to SEK 2.42. The last paid price, at the end of December 2025, was SEK 2.42.

Nexam Chemical's total market capitalization, calculated based on the number of outstanding shares, amounted to SEK 196 million at the end of the year. During the year, a total of 19 million Nexam Chemical shares were traded at a value of SEK 65 million. On average, just over 76,000 shares were traded per day, which corresponds to just under 0.01 percent of outstanding shares as of December 31, 2025.

Share capital

Nexam Chemical's share capital amounted to SEK 1,556,073 divided into 80,915,798 outstanding shares at the end of 2025. The company has only one class of shares and all shares have equal rights to dividends and surplus upon liquidation and are entitled to one vote per share.

Authorization for new share issue

The 2025 Annual General Meeting resolved in accordance with the Board's proposal and authorized the Board to, on one or more occasions during the period up to the next Annual General Meeting, with or without deviation from the shareholders'

preferential rights, decide on a new issue of shares. The issue may be made with or without provisions for contribution in kind, set off or other conditions. The total number of shares that may be issued shall not exceed 20,228,950. The dilution may, if the authorization is fully utilized, amount to a maximum of approximately 20%.

The purpose of the authorization is to be able to raise working capital, accelerate business/product development and to be able to implement and finance company acquisitions and to enable issuance to industrial partners within the framework of collaborations and alliances. To the extent that the authorization is utilized for issuance against cash payment with deviation from the shareholders' preferential rights, the issue price shall be in line with the market.

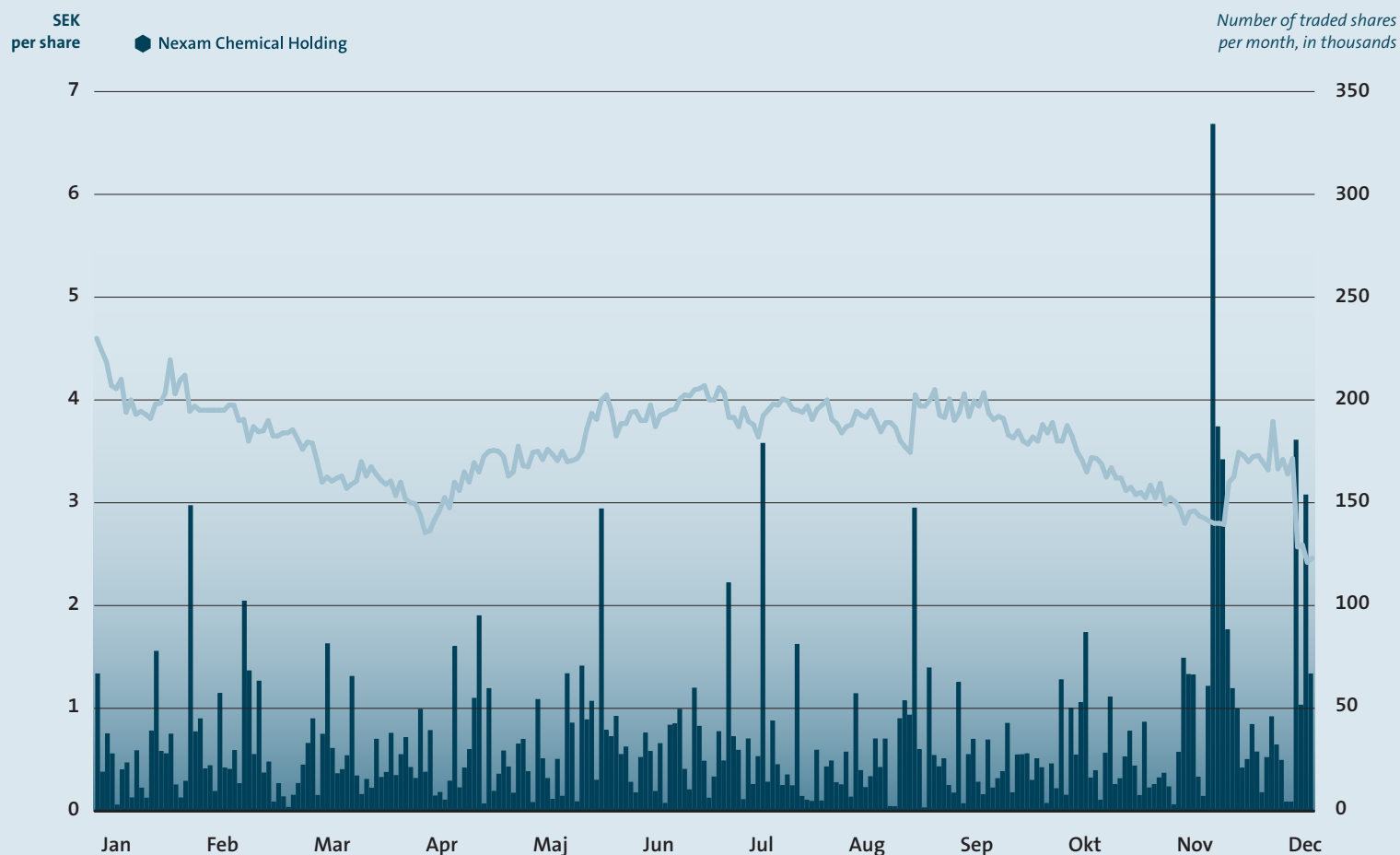
Shareholder

The number of shareholders amounted to 4,869 at the end of 2025.

Dividend

For the financial year 2025, the board of directors proposes that no dividend be paid. In the coming years, it is not expected that a dividend will be paid, but available funds will be used for continued expansion of the business. ■

Share during 2025



Largest shareholder at 31st of December 2025¹

Shareholder*	Number of shares	Share in %
Försäkringsbolaget, Avanza Pension	8,080,926	10.0
SvenOlov Hjaelmstad	7,000,000	8.7
Veronica Wallman	3,641,225	4.5
SEB Investment Management AB	2,704,300	3.3
Nordnet Pensionsförsäkring AB	2,524,155	3.1
Lennart Holm, privately and via company	2,074,426	2.6
Claes Mellgren	1,660,663	2.1
Per Olof Andersson	1,615,664	2.0
Daniel Röme	1,463,937	1.8
Mikael Wandy Karlsson, privately and via company	1,448,625	1.8
Other shareholders (approx. 4,869)	48,701,877	60.2
Total	80,915,798	100.0

¹ Nexam Chemical's ten largest owners according to the share register maintained by Euroclear. The shareholder list includes the total publicly registered holdings for persons with a private equity interest, i.e. holdings that are held privately, via companies or within the family.



Administration report

The Board of Directors and the CEO of Nexam Chemical Holding AB (publ), corporate registration number 556919-9432, hereby submit the annual report and consolidated financial statements for the financial year 1 January 2025 – 31 December 2025. The company is registered in Sweden and has its registered office in Lomma. The annual report is prepared in thousands of SEK, unless otherwise stated.

BUSINESS OVERVIEW

Nexam Chemical develops, manufactures, markets and sells unique crosslinking chemicals and masterbatches to plastic manufacturers, plastic converters and plastic recyclers. The technology of crosslinkers, chain extenders, polymer modifiers and additives that the Company develops and manufactures makes it possible to cost-effectively improve the properties and performance of a wide range

of different types of plastics. The properties that are improved include strength, flexibility, temperature resistance, lifespan and chemical resistance. Nexam Chemical's technology also makes it possible to upgrade recycled plastic, which leads to a greater amount of plastic being reused. The business also includes the sale of services and know-how and other activities compatible with the above.

Key figures

Multi-year comparison, parent company (kSEK)

	2025	2024	2023	2022	2021
Net sales	9,987	10,804	9,106	7,270	6,800
Earnings before tax	-69,689	-2,302	-8,850	-7,714	-6,337
Earnings as a % of net sales	neg	neg	neg	neg	neg
Balance sheet total	405,198	456,429	465,424	488,912	508,166
Equity ratio (%)	93	98	99	98	97

Multi-year comparison, Group (kSEK)

	2025	2024	2023	2022	2021
Net sales	192,245	199,577	190,152	221,756	219,452
Adjusted earnings before depreciation (Adj EBITDA)	4,362	8,061	-3,054	846	7,605
Earnings before depreciation (EBITDA)	3,444	8,061	-5,856	112	6,297
Earnings before tax	-15,741	-8,054	-22,011	-12,685	-5,308
Capitalized product development expenses	36,799	32,462	33,161	30,453	26,915
Cash and cash equivalents	12,168	2,882	9,056	22,875	63,601
Equity	168,171	183,311	193,055	215,621	228,064
Total assets	225,954	231,135	245,805	278,103	284,347
Equity ratio (%)	74	79	79	78	80
Return on equity (%)	neg	neg	neg	neg	neg
Return on total capital (%)	neg	neg	neg	neg	neg
Cash liquidity (%)	105	140	138	208	255
Number of outstanding shares before dilution	80,915,798	80,915,798	80,915,798	80,915,798	78,723,539
Number of outstanding shares after dilution	80,915,798	80,915,798	80,915,798	80,915,798	80,794,626
Average number of outstanding shares before dilution	80,915,798	80,915,798	80,915,798	80,915,798	78,723,539
Average number of outstanding shares after dilution	80,915,798	80,915,798	80,915,798	80,915,798	79,759,082
Number of outstanding options	1,170,000	1,170,000	380,500	380,500	3,490,087
Earnings per share before dilution (SEK)	-0.19	-0.12	-0.28	-0.15	-0.07
Earnings per share after dilution (SEK)	-0.19	-0.12	-0.28	-0.15	-0.07
Earnings per share before dilution (SEK)	2.08	2.27	2.39	2.66	2.90
Earnings per share after dilution (SEK)	2.08	2.27	2.39	2.66	2.82
Share price on balance sheet date (SEK)	2.46	4.24	3.36	5.06	10.65
Dividend (SEK)	–	–	–	–	–
Number of employees at year-end	60	53	54	60	52

THE GROUP

The legal structure of the group consists of the parent company Nexam Chemical Holding AB (publ) reg. no. 556919-9432, whose operations include group-wide functions and owning and managing the shares in the subsidiaries Nexam Chemical AB, reg. no. 556784-6711 and Nexam Performance Masterbatch AB, reg. no. 556376-3035, with their respective subgroups. All companies in the group are 100 percent owned.

MAJOR EVENTS IN 2025

Operations

have continued according to the decided strategy. The decided strategy entails continued focus on business development within existing businesses and increasing awareness and moving into commercial collaborations within additives for recycled plastic. During the year, Nexam Chemical has continued with strict cost control, recipe optimization and rationalization of working capital.

The work of marketing the group's additives for recycled plastic has achieved commercial breakthrough during the year and the sales value amounts to just over 23 million SEK on an annual basis, which is an increase of over 200% compared to 2024. During the year, Nexam Chemical has initiated several commercial collaborations within additives for recycled plastic, which have not yet contributed to sales to any great extent.

The work on recipe optimization and cost control has resulted in the company's margins continuing to strengthen and amounting to 47% (46%) for the full year.

The rationalization of working capital continued to yield results during the year, and the value of inventory was SEK 4 million lower at year-end because of the improved working method.

The company's product development has continued according to plan during the year, which has meant that resources have been concentrated on developing a standard range of additives for recycled plastic. Product development during the year has been based on clear customer needs and the development of additives

has taken place in close collaboration with customers to ensure that the developed additives work for industrial production and are commercially viable.

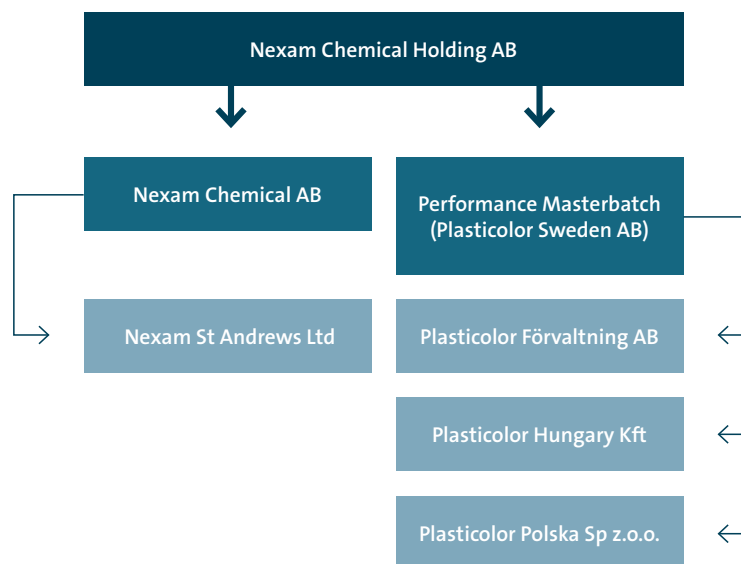
The company divides its operations into the following product areas, which are defined according to their customer benefit. The areas are light-weight, high-temperature, recycling and masterbatch. Light-weight, recycling and high temperature is organized within Performance Chemicals and masterbatch within Performance Masterbatch.

Sales for 2025 decreased by 4% compared to the previous year, but the contribution margin improved to 47% compared to 46% the previous year. The reduced volumes combined with increased sales costs to market the company's offering of additives for recycled plastic resulted in a deterioration in earnings in 2025 compared to 2024. For the full year 2025, Nexam Chemical had sales of 192 mSEK compared to 200 mSEK for 2024. Earnings before depreciation (EBITDA) amounted for the full year to 3.4 (8.1) million SEK.

Cash flow from the ongoing operations for the full year amounted to SEK 11.3 (7.4) million.

Financing

- During the year, Nexam Chemical received additional credits of SEK 5 million through a collaboration between the company's bank and the Export Credit Board.



- Nexam Chemical announced plans to conduct a fully guaranteed rights issue, which will raise at least SEK 51.8 million before costs related to the issue have been deducted. The capital injection will be used to expand the investment and intensify commercial activities within additives for recycled plastics.

Agreements and orders

- Nexam Chemical began a collaboration for industrial recycling of PET from a global player that contributed to sales of 10 million SEK during the year.
- Nexam Chemical began a collaboration with Verdofoam in bio-based plastics.
- Nexam Chemical received its first series production order from Germany for PET-based materials.
- Nexam Chemical signed a distribution agreement with Palmer Holland. Palmer Holland will represent Nexam Chemical's product portfolio in North America.

Other external factors

The current recession has meant that the company's customers have had an increased focus on liquidity and profitability and are not as inclined to increase the use of recycled plastic as new plastic has been cheaper than before.

The strong focus on liquidity and profitability has resulted in the company's

customers having lower inventory levels than before and placing even greater emphasis on the business calculation initially. This means that customers demand that switching to Nexam Chemicals' products be profitable from the first delivery.

The general uncertainty linked to, among other things, the outcome of Russia's offensive war in Ukraine and the new political leadership in the US and the unclear trade rules that this has entailed means that the company's customers remain restrictive in making commitments regarding future orders.

THE ORGANIZATION

Nexam Chemical's most important success factor is its staff. It is important for Nexam Chemical to retain its staff and at the same time develop the organization to meet future changes. It is important that all parts of the organization are market-oriented and work with the customer in focus. This should characterize the organization both in terms of product development and the service level within all parts of the organization so that the company can understand and meet customer needs.

The company conducts annual employee surveys to identify and monitor well-being, health, etc. to capture areas for improvement from the employees' perspective.

The average number of employees in the Group during the year was 57 (53), of which 9 (9) were women. The number of employees at the end of the year was 60 (53) full-time employees. Of the total of 60 (53) employees at the end of the year, 9 (9) were women.

NEXAM CHEMICAL SHARE

Nexam Chemicals' share has been listed on Nasdaq First North since April 2013 and listed on Nasdaq First North Growth Market since May 2017. The share is traded under the trading name NEXAM. As of December 31, 2025, the share capital amounted to SEK 1,556,073 divided into 80,915,798 shares. There is only one class of shares. Each share entitles the holder to one vote at the Annual General Meeting, and all shares have equal rights to a share in the Company's assets and results.

Nexam Chemical is not aware of any agreements between shareholders that may result in restrictions on the right to transfer shares in the Company.

COMPENSATIONS

The Annual General Meeting decides on remuneration for the Chairman of the Board and other members. The Annual General Meeting also decides on guidelines for remuneration for the CEO and other senior executives. For further information on the year's remuneration, see Note 11. The Board proposes that remuneration for 2026 be decided according to the same principles as for 2025.

INCENTIVE PROGRAM

The company has an ongoing incentive program (warrant program 2024/2027) comprising 1,170,000 warrants, each of which entitles the holder to subscribe for one new share. All warrants have been issued at market value, calculated according to the "Black Scholes" formula.

For the 2024/2027 warrant program, the option price was 0.16 and the earliest redemption is 2027-09-01 and the strike price is 6.00.

ENVIRONMENT AND WORKING ENVIRONMENT

Nexam St Andrews Ltd conducts licensed operations at its facility in Cupar, Scotland, as well as at its operations in Lomma.

Nexam Chemicals' commitments include minimizing emissions of volatile organic compounds to air. Emissions to the sewage system are to be maintained at zero levels.

The company measures and monitors water consumption and energy efficiency at each production site monthly. The results are presented to the board of directors monthly, and measures are taken and followed up.

In addition, Nexam Chemical AB has developed a Work Environment Policy. The policy contains guidelines for Nexam Chemical's systematic preventive work with work environment issues, safety for its employees and customers and the environment. Nexam Chemical works actively to ensure that the Company

complies with laws and regulations, including registration of products covered by REACH. REACH stands for Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals.

During the year, the company has continued to work on certification according to EcoVadis. The company has received a bronze rating in the annual evaluation.

Nexam Chemical strives for diversity and equality in the workplace. Parts of the Group have entered into collective agreements and other Group companies offer their employees terms and conditions that are like those stated in collective agreements. Individual salary setting is applied based on individual work performance. Skills development in the Company is individually based to match current and future work tasks.

DISPUTES

In early 2025, the Company received a claim from a smaller customer alleging that the Company's products were not in accordance with the specification. Nexam Chemicals and appointed legal counsel considered that there wasn't any legal basis for this claim and disputed the claim. The customer chose not to answer Nexam Chemicals' questions and the claim from the customer is deemed to be dismissed.

OUTLOOK FOR 2026

In the coming year, Nexam Chemical will continue to work primarily on business development by offering new and existing customers the company's existing products to further establish continuous sales. Nexam Chemical will continue to focus and intensify the work on the sale of additives for recycled plastic. The company had a large increase in sales for additives for recycled plastic in 2025 and experiences that the interest continues to grow from customers to test and evaluate the company's products in recycling. The company will continue to concentrate on increasing growth, while maintaining margins, and the company estimates that the largest growth areas in 2026 will be in additives for recycled plastic and an

increase in business in color concentrates in and around Poland.

PROPOSAL FOR THE TREATMENT OF THE COMPANY'S AVAILABLE FUNDS

The following amounts in SEK are available to the Annual General Meeting:

Share premium fund	551,179,823
Retained earnings	- 104,757,180
Profit for the year	- 69,688,560
	376,734,083

The board of directors proposes that SEK 376,734,083 be carried forward. Accordingly, no dividend is proposed.

FINANCIAL INFORMATION

Revenue and profit

The Group's sales for 2025 amounted to 192,245 (199,577) thousand SEK. During 2025, the Company had a negative sales development of 4%. Within Performance Masterbatch sales decreased by 3% and Performance Chemicals by 4%. The decreased sales are a consequence of headwinds in the general economy and that customers continue to optimize their inventory levels. The Group's other operating income during the year was 1,055 (833) thousand SEK and relates to exchange rate gains.

Operating expenses decreased in 2025 and amounted to -206,337 (-207,737) thousand SEK. Costs for raw materials and supplies have decreased to -101,849 (-107,175) thousand SEK. Other external expenses have increased to -40,951 (-39,504) thousand SEK. Personnel expenses for the year have increased to -44,779 (-43,709) thousand SEK.

The Group's operating profit amounted to -13,036 (-7,327) thousand SEK. Net financial items amounted to -2,705 (-729) thousand SEK and mainly related to interest expenses on loans and financial leasing. Income tax amounted to -789 (-954) thousand SEK. Profit for the year amounted to -16,529 (-9,009) thousand SEK.

Financial position

The Group's total assets at the end of the year amounted to 225,954 (231,135) thousand SEK. Cash and cash equivalents on the balance sheet date, 31 December

2025, were 12,168 (2,882) thousand SEK and in addition there was an overdraft facility of 25,000 thousand SEK, of which 13,703 thousand SEK is unutilized. As of 31 December 2025, equity amounted to 168,171 (183,311) thousand SEK and the equity/assets ratio was 74 (79) percent. Equity per share was 2.08 (2.27) SEK. Total liabilities to credit institutions amount to 24,837 (16,600) thousand SEK and consist mainly of a utilized overdraft facility of 11,297 thousand SEK and a loan relating to the property of 8,925 thousand SEK where the Company conducts its operations in Lomma. Liabilities relating to leasing commitments amounted to SEK 5,842 (6,496) thousand.

Cash flow

Cash flow for the year was 3,163 (-5,344) thousand SEK. Cash flow before changes in working capital amounted to 122 (6,303) thousand SEK and adjusted for changes in working capital by 11,287 (7,426) thousand SEK. Investments in intangible assets have affected cash flow negatively by -5,497 (-3,939) thousand SEK, of which the majority relates to capitalized development costs for the development of additives for recycled plastic. Investments made in tangible fixed assets have affected cash flow negatively by -4,070 (-5,961) thousand SEK. Amortization of loans has had a negative impact on cash flow of -4,296 (-4,227) thousand SEK. Borrowings have had a positive impact on cash flow of 5,739 (1,170).

Investments

Total fixed assets at the end of the year were 150,672 (156,339) thousand SEK. The year's investments for tangible fixed assets amounted to 4,070 (5,961) thousand SEK and for intangible fixed assets 5,497 (3,939) thousand SEK. Investments in tangible fixed assets mainly relate to a new color matching mask in Sweden and renewed leasing and replacement of company cars. Investments in intangible fixed assets mainly relate to capitalized development costs in the form of internal time spent.

Research and development

The company has conducted research and development work during the year. This work concerns the development of

molecules and application and process development for the production of the molecules. Development work during the year has primarily concentrated on additives for increased use of recycled plastic. Costs relating to research are capitalized on an ongoing basis, while development work is capitalized and then amortized over the life of the patent. During the year, the company has capitalized internal costs of 6,629 (2,733) thousand SEK, which relate to time spent, and external costs of 261 (500) thousand SEK, which mainly relate to costs for consultants who have conducted development on behalf of the company.

Risks and risk management

All business activities are associated with risks. Risks that are managed well can lead to opportunities and value creation, while risks that are not managed well can lead to damage and losses.

Nexam Chemical operates on both a regional and global market, developing, marketing and selling crosslinkers for polymers and color masterbatches, as well as services to professional users. Through its operations, the Company is exposed to a variety of external and internal risks. Risk management is therefore an important part of the governance and control of the Company. Nexam Chemical's risk management covers both strategic and operational risks, risks of non-compliance with laws and regulations, and risks of errors in the Company's reporting, including financial reporting. The risks can mainly be divided into market-related, operational-related and financial risks. Continuous work is carried out at various levels within the Company to identify all significant risks and to assess how they should be managed.

- Market-related risks are primarily managed at the board and management level. Board meetings and updates between management and the board are held via formal monthly meetings and the CEO and Chairman of the board have weekly telephone meetings. In this case, if the issues cannot wait until the scheduled meetings, meetings will be held as soon as possible.

- Operational risks are primarily managed at management level. Meetings with the management team are held weekly where these risks are discussed and measures are taken to manage them.
- Function-specific risks within Operations and Finance & Administration are managed within each function and these are also discussed at weekly meetings.
- Legal risks are managed primarily at management level in collaboration with external lawyers and advisors, but also at board level when necessary.
- Risks regarding financial reporting are primarily managed at management level by the Company's CEO and the CFO in collaboration with external advisors.
- Financial risks are mainly managed at board and management level

The risks described below are not ranked in any particular order and the description does not claim to be complete.

Market-related risks

Government requirements and political decisions.

Nexam Chemical has all the necessary permits for the conduct of its operations. The operations are conducted in accordance with applicable laws, but also with consideration for environmental and ethical requirements. However, there is no guarantee that new requirements from authorities may not make it more difficult to conduct the operations or that currently applicable permits will be renewed on the same terms as before or that the Group's currently assessed adequate insurance coverage will be sufficient.

The company has a dedicated person in the group management who monitors and evaluates so that the company is updated and complies with the various regulatory requirements in each country.

The company works with well-established insurance companies and annually takes external help from an experienced insurance broker who evaluates the company's insurance coverage to ensure that it covers relevant areas.

Political decisions such as subsidies for green energy and changes to the rules for plastic recycling have an impact on Nexam Chemical's ability to sell its chemicals.

Nexam Chemical has sales in several different markets.

Changes in laws and regulations, such as customs regulations, export regulations and other laws and regulations in countries where the Company operates and where the Company's products are sold, may negatively affect the business. Nexam Chemical is also affected by political and economic uncertainties in the countries in which the Company operates. The above may have negative consequences for Nexam Chemical's operations and results.

The increased uncertainty in the geopolitical environment contributes to an increased risk that deals will not be concluded or will be postponed because of changes in tariff rates and that established trade rules will be challenged and put out of action.

The company has significant sales (more than 5 million SEK) to more than 10 countries, which entails some risk spreading and in cases where the company does not have its own personnel on site in the country, there is close cooperation with agents and distributors who continuously update Nexam Chemical on changes in laws and regulations in each country.

Global economic conditions.

Nexam Chemical's sales are partly dependent on the global economy. A prolonged economic downturn with reduced willingness to innovate among customers could lead to a decrease in demand for the Company's products. This could result in orders not being received, being withdrawn or being postponed. A weakened economy could therefore have a negative impact on Nexam Chemical's operations.

The current recession means that the transition to more recycled plastic is at risk of being delayed. This could mean that sales of Nexam Chemical's additives for recycling plastic, which would otherwise be incinerated, will not develop at the same pace as they would have in a better economic climate.

The uncertainty in values resulting from Russia's offensive war against Ukraine, the conflict in the Middle East, the uncertain political landscape, and new political leadership in the United States have meant that uncertainty remains high in markets where Nexam Chemical operates.

The ambition to increase the use of recycled plastic, as well as upcoming regulations primarily in Europe, are expected to have a positive impact on demand for Nexam Chemical's additives to increase the recycling rate and demand for the company's paints for recycled plastic.

The changing security situation in the world has meant that the transition to more sustainable consumption is not as high on the agenda of the world's decision-makers. This entails an increased risk that the expected increase in recycled plastic will not occur at the same rate as previously forecast. The reduced interest in the green transition means that Nexam Chemical's success will be based on the fact that the company's additives for recycled plastic must bring significant economic benefits to the company's customers from the first delivery. The interest in paying a green premium for the use of additives for recycled plastic is not as great as previously expected.

Competition.

There is fierce competition in the plastics industry, even though the market for Nexam Chemical's type of polymer crosslinker consists of relatively few competitors. Nexam Chemical's products aim to out-compete other systems and solve customer problems in a new and more economical way. However, it cannot be ruled out that other systems and products may also be developed by competitors who may in the future compete with Nexam Chemical. If Nexam Chemical is unable to adapt its operations and is at the forefront of product development, there is a risk that the Company will lose competitiveness, which would negatively affect the Company's development opportunities.

The competition for plastic coloring is characterized by fierce competition where quality, service level, price and delivery time are crucial. For Nexam Chemical to

be successful, the company must perform well in these areas.

Technical risks.

The polymer modification market is expected to continue to undergo technological shifts and to be subject to changing market trends in the future. Developments may result in technical problems that will mean that it will take longer than planned for new products to reach the market and that the Company's costs may be higher than estimated, both because of costs during the development phase and of delayed market introduction. If the Company were to fail to develop and launch products based on the research and development work being conducted, there is also a risk that the value of assets will need to be revised.

Company-specific risks

Ability to handle growth.

Nexam Chemical's operations may grow through increased demand for the Company's products, which would place high demands on management and the operational and financial infrastructure. The Company currently has a small organization. In order to ensure manufacturing and delivery to customers in the event of increased demand, it is important that the Company constantly works to have effective planning and management processes. In order to be able to handle rapid growth, the Company is also partly dependent on being able to procure contract manufacturing capacity and manage and control the contract manufacturers that Nexam Chemical chooses to work with. If the Company fails to adapt its organization, processes and capacity to increased demand, this could have negative effects on the Company's sales, results and financial position.

Market acceptance of newly developed products.

Nexam Chemical intends to continuously develop and launch new products on the market. There is always a risk that new products will not be received positively by the market, or that competing products or solutions launched by other players may have a better impact.

Product liability.

Nexam Chemical sells its products to the greatest extent according to specification and with responsibility regarding purity requirements. In cases where the product deviates from the specification, Nexam Chemical will replace the buyer with a new product or rework the returned product so that it falls within the specification. Although Nexam Chemical believes that the Company has a well-developed process for product development with special documentation systems and high demands on systematic routines, it cannot be ruled out that any defects in the Company's products could give rise to liability and claims for damages against the Company. Nexam Chemical may therefore be liable for damage caused by its products. This is normally covered by insurance, but it cannot be ruled out that such liability could negatively affect the Company's position.

Dependence on key personnel and employees.

Nexam Chemical is highly dependent on the Company's senior executives and other key personnel. If the Company were to lose any of its key employees, this could delay or cause interruptions in development projects or the commercialization of the Company's products. The Company's ability to attract and retain qualified personnel is of crucial importance to its future success. Although Nexam Chemical believes that the Company will be able to attract and retain qualified personnel, there can be no guarantee that this will be possible on satisfactory terms considering the competition from other companies in the industry as well as universities and other institutions.

Customers and collaboration agreements.

Nexam Chemical's sales are mostly conducted in-house, but also through distributors and resellers. These partners are important for the Company's future development, as they cover markets that are otherwise difficult for the Company to develop.

There is no guarantee that the companies with which Nexam Chemical has signed or will sign agreements will be able to fulfill their commitments under these

agreements. Furthermore, there is a risk that Nexam Chemical's size and financial position may affect the Company's ability to enter into cooperation agreements with strategic partners and obtain important customer contracts. There can be no guarantee that existing agreements will not be terminated or declared invalid or that there will not be changes to agreements entered into. Failure to enter into cooperation agreements or cooperation partners who fail to fulfill their commitments may result in reduced or non-existent revenues for Nexam Chemical.

Patents and intellectual property rights.

Patents, which constitute an important part of Nexam Chemical's assets, have a limited lifespan. The Company cannot guarantee that the existing and/or future patent portfolio and other intellectual property rights held by the Company will provide adequate commercial protection. If Nexam Chemical is forced to defend its patent rights against a competitor, this could result in significant costs, which could negatively affect the Company's operations, results and financial position. Furthermore, there is always a risk in this type of business that Nexam Chemical may infringe or be alleged to infringe patents held by third parties. Other parties' patents may also limit the possibilities for one or more of the Company's products. The uncertainty associated with patent protection means that the outcome of such disputes is difficult to predict.

Negative outcomes of intellectual property disputes could result in loss of protection, prohibition of continuing to use the current right or obligation to pay damages. In addition, the costs of a dispute, even in the event of a favorable outcome for the Company, could be significant, which could negatively affect Nexam Chemical's results and financial position. The above could result in difficulties or delays in commercializing future products and thus also difficulties in generating revenue. The same applies to other intellectual property rights such as trademarks.

Nexam Chemical is also to some extent dependent on know-how and trade secrets, which are not protected by law in the same way as intellectual property

rights. The Company uses confidentiality agreements and thereby strives for far-reaching protection for sensitive information. However, it is not possible to fully protect itself against unauthorized dissemination of information, which entails a risk that competitors may gain access to and benefit from the know-how developed by the Company to the detriment of Nexam Chemical.

Nexam Chemical works with external lawyers who continuously work to evaluate whether relevant patents are in place within each region.

Dependence on suppliers.

The manufacture of Nexam Chemical's products takes place in Nexam Chemical's own production facilities in Sweden, Scotland, Hungary and Poland, but also, when necessary, at subcontractors, mainly in Europe. For Nexam Chemical to be able to deliver its products, the Company is dependent on raw materials, products and services from a third-party meeting agreed requirements regarding, for example, quality and delivery time. Incorrect or non-existent deliveries from suppliers may mean that Nexam Chemical's production and/or delivery are delayed, which may mean reduced or non-existent sales.

The company aims to always have at least two suppliers of key raw materials to reduce dependence on individual suppliers. However, in a few cases, the choice is limited and the company then works in close collaboration with the supplier.

Risks relating to financial reporting.

The most significant risks of errors in financial reporting relate primarily to the carrying value of intangible fixed assets in the form of acquired intangible assets and tangible assets in subsidiaries. If the carrying value of these assets deviates negatively from fair value, this will result in an impairment loss, which will have negative effects on the Company's results and financial position. As of December 31, 2025, the assessment is that the carrying value of these items does not exceed fair value. The carrying value as of December 31, 2025, is based on the company achieving the goals and budget set for 2026. Should the company not develop

in a financially positive direction during the year, there is an imminent risk that an impairment loss will need to be made on the intangible assets.

Financial risks

The Group is exposed to various types of financial risks through its operations, such as market, liquidity and credit risks. Market risks consist mainly of interest rate risk and currency risk. The Company's Board of Directors is ultimately responsible for the exposure, management and monitoring of the Group's financial risks. The Board of Directors establishes the framework that applies to the exposure, management and monitoring of financial risks, and these frameworks are evaluated and revised annually. The Board of Directors can decide on temporary deviations from the established frameworks. For other information, please refer to Note 4.

Future capital needs

Nexam Chemical's ability to meet future capital needs is largely dependent on being able to demonstrate that the company can become profitable even if growth fails. Failure to achieve profitability entails a risk that new financing will have to be obtained. Nexam Chemical has never reported a positive full-year result to date, and it cannot be ruled out that the Company may need additional capital injections until the business achieves a positive result and cash flow. It cannot be guaranteed that the Company will be able to raise the necessary capital even if the Company's development is positive.

The company announced before the end of the year that it intended to conduct a rights issue that is expected to provide a capital injection of at least SEK 51.8 million before deduction of issue costs. The implementation of the rights issue requires approval at an extraordinary general meeting.

Subsequent events after the end of the financial year

The company's rights issue was approved at an extraordinary general meeting on January 19 2026. The rights issue provided a capital contribution of SEK 51.8 million before costs attributable to the issue were deducted.

The capital injection will be used to continue developing commercial business in additives for plastic recycling. Nexam Chemical plans to increase marketing efforts in the area and to provide more resources to handle the increased commercial interest in the company's additives for recycled plastic.

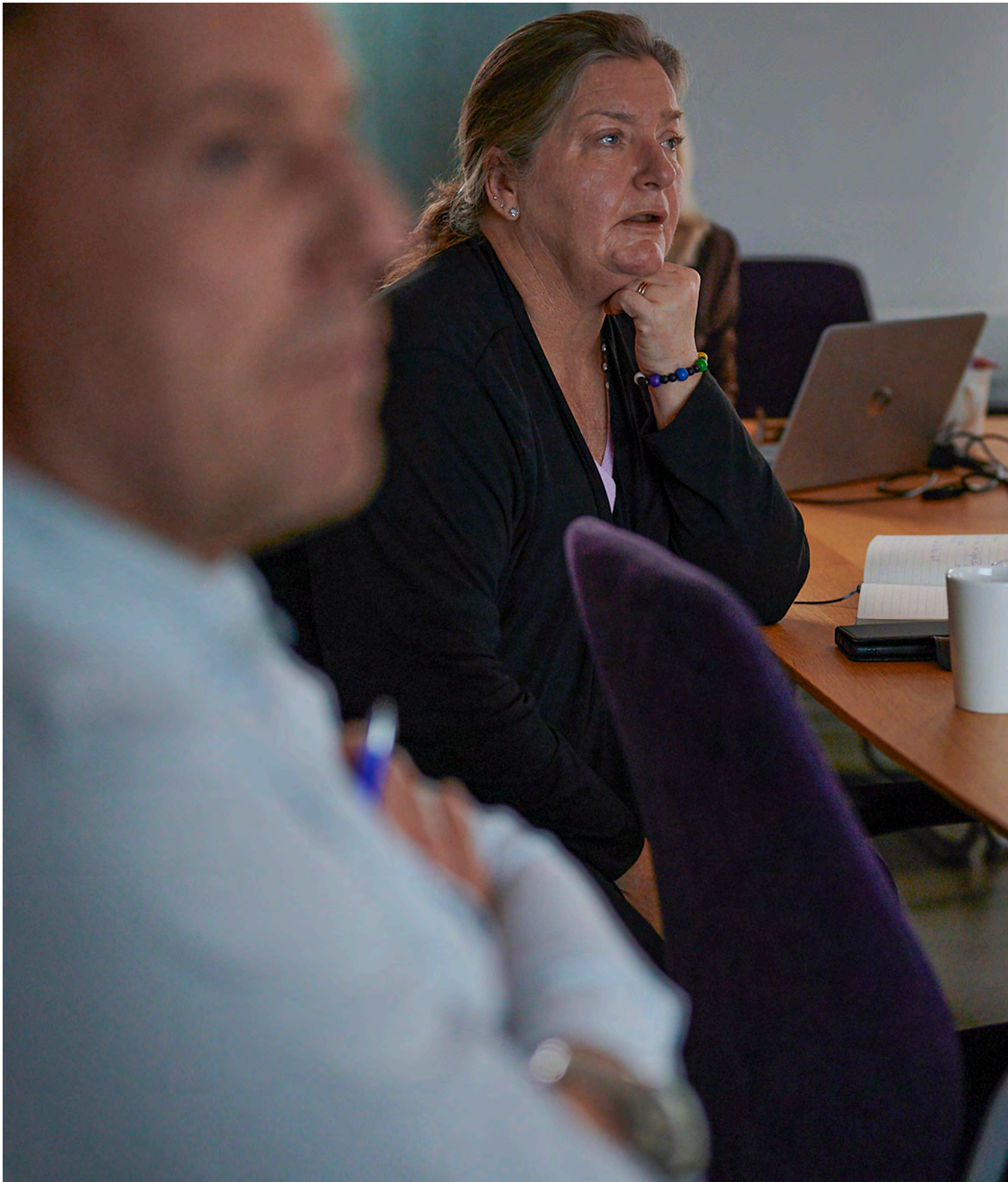
The uncertain geopolitical situation combined with unclear trade rules may cause fluctuations in the company's sales throughout the year. However, Nexam Chemical believes that the changed trade barriers will not directly affect the company's sales, but unclear trade rules and changing patterns make it more difficult to assess the prospects in the short term.

PARENT COMPANY

The parent company's income of 9,987 (10,804) thousand SEK refers to invoiced management fees for subsidiaries. In 2025, the parent company's operating expenses increased by 422 thousand SEK compared to the previous year. Personnel expenses decreased by 478 thousand SEK, -6,317 (-6,795) thousand SEK, and other external expenses increased by 900 thousand SEK, -7,437 (-6,537) thousand SEK.

The parent company made an impairment loss of SEK 50,000 thousand on shares in subsidiaries. The impairment loss is a consequence of the expected growth in color masterbatch not occurring because of the recession in the general plastics industry.

Net financial items amount to -921 (227) thousand SEK, which refers to currency differences. The parent company's cash and cash equivalents amounted to -23,386 (-8,601) thousand SEK on the balance sheet date, which resulted in the parent company partially utilizing the overdraft facility of 25,000 thousand SEK. ■



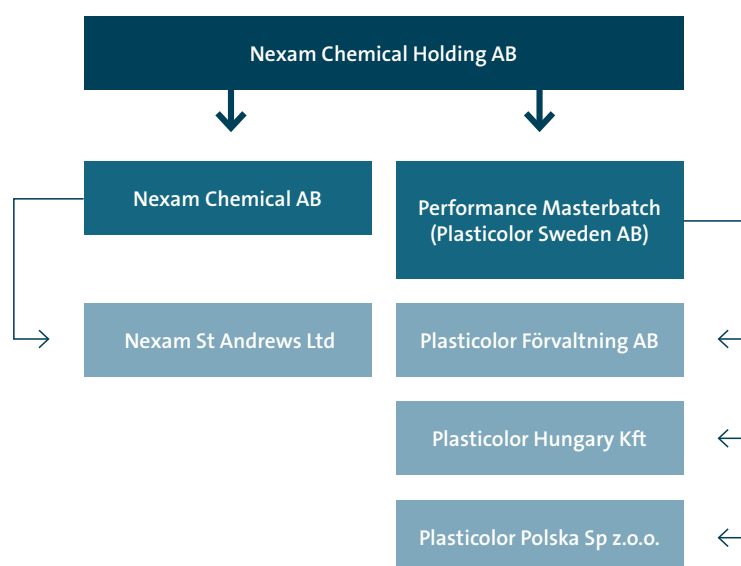
Corporate governance

This corporate governance report has not been reviewed by the Company's auditors. The report does not form part of the formal annual financial statements.

Nexam Chemical is a Swedish public limited company with its registered office in Lomma. In addition to the parent company, the group consists of two wholly owned subsidiaries in Sweden and four additional companies owned through subsidiaries located in Sweden, the UK, Poland and Hungary.

The company's share is listed on Nasdaq First North Growth Market. Nexam Chemical has applied the Swedish Code of Corporate Governance (the Code) since January 1, 2017 and reports no deviations from the Code for the year 2025.

The term corporate governance usually refers to the rules and structure that are built up to effectively and controlledly govern and manage a limited liability company. Governance and control of Nexam Chemical is divided between the shareholders at the annual general meeting, the board of directors and the CEO, and is regulated in legislation (including the Swedish Companies Act), the articles of association, the Nasdaq First North rules for issuers and the Swedish Code of Corporate Governance. The code is available at www.bolagsstyrning.se. In addition to legal control and governance principles, Nexam Chemical is also affected by several internal governance documents, including instructions and work rules for the CEO and board of directors, as well as internal policies and guidelines.

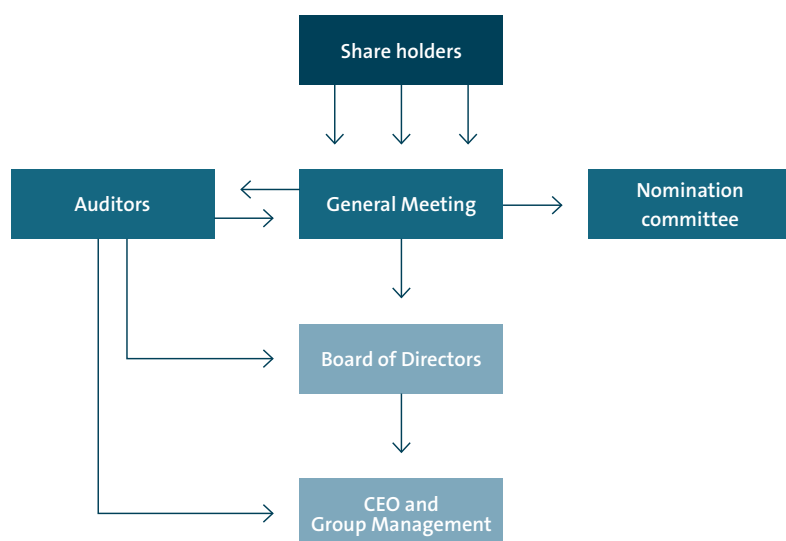


Shareholder

The share capital on 31 December 2025 amounted to SEK 1,556,073 divided into 80,915,798 shares. Each share entitles to one vote and each voting shareholder may vote at a general meeting for the full number of shares owned and represented by him/her without limitation in voting rights. All shares carry equal rights to a share in the Company's assets and profits. On the closing date, Nexam Chemical had 4,869 (5,204) shareholders. Of these, one shareholder has direct and indirect holdings that constitute more than nine percent of the votes and capital, which is the insurance company Avanza Pension, which holds 10.2%. No shares are held by the company itself. For further information about the share and shareholders, see pages 30-31 and Nexam Chemical's website.

Articles of association

The Articles of Association of Nexam Chemical stipulate that the Company shall develop, manufacture, market and sell chemical substances and carry out related activities. The Board of Directors is based in Lomma and the Company's financial year is the calendar year. The Articles of Association contain provisions on, among other things, the number of shares, the number of board members and auditors and the annual general meeting. The Articles of Association do not contain any specific provisions on the appointment or dismissal of board members or on amendments to the Articles of Association. The Articles of Association in their entirety can be downloaded at www.nexamchemical.com.



General Meeting

Shareholders exercise their influence over Nexam Chemical at the Annual General Meeting, which is the highest decision-making body in Nexam Chemical. The Annual General Meeting is convened at least once a year and decides, among other things, on the treatment of the Company's and the Group's balance sheet and income statement including the allocation of the Company's results, discharge from liability for the Board of Directors and CEO, election of the Board of Directors and auditor, fees to the Board of Directors and auditor and how the Nomination Committee is to be appointed. Amendments to the Articles of Association also require a resolution at the Annual General Meeting. In order to participate in the Meeting, the shareholder who wishes to be present at the Meeting, in person or by proxy, must be entered in his or her own name in the share register no later than five business days before the Meeting and must notify the Company of his or her intention to participate in the Meeting no later than the date stated in the notice of the Meeting.

The Annual General Meeting is held in Lund or Lomma during the first half of each year. In connection with the third quarterly report, Nexam Chemicals shareholders are informed of the time and place of the Annual General Meeting and of their right to have a matter discussed at the meeting. Notice of the Annual General Meeting is published no earlier

than six and no later than four weeks before the meeting. An extraordinary general meeting may be held if the Board of Directors deems it necessary or if the Company's auditors or owners of at least 10 percent of the shares request it.

Annual General Meeting 2025

Nexam Chemicals' Annual General Meeting was held in Lund at the Elite Hotel on Tuesday, May 13, 2025. At the meeting, 12 (14) shareholders were represented by proxy or in person. These represented approximately 17 (13) percent of the total votes. In essence, the following decisions were made:

- The Parent Company's and the Group's income statements and balance sheets were adopted.
- Discharge from liability for the board members and the CEO.
- Re-election of Cecilia Jinert Johansson, Magnus Wikström, Lennart Holm and Martin Roos as board members. Cecilia Jinert Johansson was elected as chairwoman of the board.
- Re-election of Deloitte AB as auditor.
- Board fees are presented in the table on page 38 and in Note 11 of the annual report.
- Guidelines for remuneration of senior executives.
- Authorization for the issuance of shares.

- Procedures and instructions for the nomination committee.

The minutes of the Annual General Meeting were presented on the website within one week of the meeting. The materials from the meeting, such as the notice, minutes and information about the nomination committee, can be found on Nexam Chemical's website. The full resolutions of the meeting as above are available at the Company's office, Industriegatan 27 in Lomma, and are sent to shareholders who request them.

Nomination Committee

The Nomination Committee's primary task is to submit proposals to the Annual General Meeting regarding the composition of the Board of Directors, which are then decided by the Annual General Meeting. The Nomination Committee's work begins with reviewing the evaluation of the Board's work that the Board has commissioned. The Nomination Committee's work is characterized by openness and discussion in order to achieve a well-balanced Board of Directors. The Nomination Committee then nominates members to the Board of Directors for the upcoming term of office and submits proposals for the Board's remuneration. The Nomination Committee also submits proposals for the election and remuneration of the auditor.

Nomination Committee for the 2026 Annual General Meeting

According to a resolution of the 2025 Annual General Meeting, Nexam Chemical's Nomination Committee for the 2026 Annual General Meeting shall consist of three members representing the three largest shareholders as of the last day of August 2025. The composition of the Nomination Committee was announced on 14 October 2025. The members of the Nomination Committee and the owners who appointed them are shown in the table below. The Chair of the Nomination Committee for the 2026 Annual General Meeting is Anita Otterheim.

The Nomination Committee has held 5 minutes-recorded meetings and in addition email and telephone contact prior to the 2026 Annual General Meeting. The

Nomination Committee's proposal is presented in the notice of the 2026 Annual General Meeting, which is also available on the Company's website, together with a reasoned statement regarding the proposal for the Board of Directors.

Board

The Board of Directors and, by extension, the CEO, manage the company's affairs on behalf of the owners. The Board of Directors appoints the CEO who is responsible for the Company's day-to-day management. The division of work and responsibilities between the Board of Directors and the CEO is clarified in the Board's rules of procedure and the CEO's instructions. The Board of Directors is appointed by the shareholders at the Annual General Meeting with a term of office from the Annual General Meeting until the end of the next Annual General Meeting. The Board of Directors manages the company on behalf of the owners by establishing goals and strategy, evaluating the operational management and ensuring systems for monitoring and controlling the established goals. It is also

the Board's responsibility to ensure that the Company's information provision is correct, relevant and reliable. The Board of Directors has a quorum if more than half of the members are present. According to Nexam Chemical's articles of association, the Board of Directors shall consist of a minimum of three and a maximum of eight members without deputies. The Board of Directors constitutes itself at a meeting immediately after the Annual General Meeting.

Chairman of the Board

Nexam Chemical's board of directors is led by Cecilia Jinert Johansson, who was re-elected at the Annual General Meeting.

The Chairman of the Board is appointed by the Annual General Meeting. The Chairman of the Board organizes and leads the work of the Board, ensures that the Board continuously deepens its knowledge of the company, conveys the views of the owners and supports the CEO. The Chairman of the Board and the CEO prepare proposals for the agenda for the Board meetings. It is the Chairman's

responsibility to ensure that the Board's decisions are implemented effectively, and that the Board's work is evaluated annually and that the Nomination Committee is informed of the results of the evaluation.

Board rules of procedure

The Board of Directors establishes a procedure for its work each year. The current procedure was adopted on 13 May 2025. The procedure is also revised as necessary. The procedure describes, among other things, the Board's responsibilities and duties, the duties of the Chairman of the Board, audit issues and specifies which reports and financial information the Board shall receive prior to each regular Board meeting.

Evaluation of the board's work

Under the leadership of the Chairman of the Board, the Board conducts an annual evaluation of its work. The evaluation concerns working methods and working climate, the focus of the Board's work and the availability and need for special expertise on the Board. The evaluation is used as a tool to develop the Board's work.

The Nomination Committee

Members of the Nomination Committee, appointed by:	Share of votes
Antita Otterheim, SvenOlov Hjaelmstad	6.18%
Tomas Klevbo, Veronica Wallman	4.50%
Mette Gross, Holm Investment AB	2.47%
Total	13.15%

Members of the Board

Name	Independent of the Company and company management	Independent of the Company's major shareholders	Total fee (kSEK)	Attendance at board meetings
Cecilia Jinert Johansson	Yes	Yes	290	13/13
Martin Roos	Yes	Yes	168	13/13
Lennart Holm	Yes	Yes	168	11/13
Magnus Wikström	Yes	Yes	168	13/13
Total			794	

In accordance with the Swedish Code of Corporate Governance, relevant parts of the results are reported to the Nomination Committee.

Board composition 2025

The Board consists of four members without deputies. At the 2025 Annual General Meeting, Cecilia Jinert Johansson, Lennart Holm, Magnus Wikström and Martin Roos were re-elected as Board members. Cecilia Jinert Johansson was elected as Chair of the Board. The Board members have extensive experience and expertise in chemistry as well as business development, marketing, capital raising, communications and international operations. The composition of the Board meets the Code's requirements regarding independent members. The information that must be provided regarding the Board members according to section 10.2 of the Code can be found on page 88.

The board's work in 2025

During 2025, Nexam Chemical's board of directors held a total of 13 minutes-recorded meetings. Four of the meetings were held in connection with the approval of the year-end report and interim reports. Between minutes-recorded board meetings, the CEO and CFO have updated the board monthly by telephone on the status of the business. On occasions when a member was unable to attend, the chairman of the board has collected views that affected decisions in advance. Important issues during the year have included strategy, capital situation, communication with investors, developments in additives for plastic recycling and the potential in the area, market assessments and significant risks. The company's CEO and CFO regularly participate in board meetings. Other senior executives participate in board meetings when necessary.

A more detailed presentation of the board members can be found on page 88 and on the Company's website www.nexamchemical.com.

Remuneration Committee

The Board of Directors has decided not to establish a remuneration committee, but rather that the entire Board shall fulfill the tasks of the remuneration committee. The

primary task is to propose salary, other remuneration and terms of employment for the CEO. The committee develops proposals for principles for remuneration and terms of employment for other senior executives in the Group Management. The remuneration committee develops proposals for incentive programs. The remuneration committee shall ensure compliance with the established guidelines for remuneration to senior executives.

CEO and Group Management

The CEO is appointed and receives instructions from the Board. Nexam Chemicals' CEO and Group CEO is Ronnie Törnqvist. Ronnie Törnqvist is responsible for the day-to-day management as well as strategic and operational issues of the Company in accordance with the Board's guidelines and instructions. The current CEO instruction was adopted by the Board on May 13, 2025. The CEO prepares information and decision-making documents for Board meetings and is the rapporteur at the meetings. The Board continuously evaluates the CEO's work by following up on the set goals. Once a year, a formal evaluation is made and discussed with the CEO.

Management composition 2025

The CEO has appointed a management team responsible for different parts of Nexam Chemicals' operations. In 2025, the group management team consisted of five people, in addition to the CEO:

- Chief Financial Officer
- Research and Development Manager
- Quality and Environmental Manager
- Business Development Manager for Additives for Lightweight Applications
- Business Development Manager for Additives for Sustainability Applications

All members of the Group Management were based at the Company's head office in Sweden, except for the Quality and Environmental Manager who was based in St Andrews, Scotland. The Group Management has continuous meetings where operational issues are discussed, as well as quarterly meetings where strategic

issues are discussed. Each year, the Group Management prepares a business plan that is approved by the Board. A more detailed presentation of the CEO and the management team can be found on page 88. It also contains the information about the CEO that must be provided in accordance with section 10.2 of the Code.

Auditor

The management of the Board of Directors and the CEO and the financial reporting are audited by the external auditor appointed by the Annual General Meeting. The auditor is proposed by the nomination committee and elected by the meeting for a term of one year. At the 2025 Annual General Meeting, Deloitte AB was re-elected as auditor until the 2026 Annual General Meeting. The auditor in charge at Deloitte AB is the authorized public accountant Jeanette Roosberg. The auditor's assignment is to audit Nexam Chemical's annual report and accounting, as well as the management of the Board of Directors and the CEO, on behalf of the shareholders. In addition to the annual audit, the auditor reviews at least one of the Company's interim reports per year. The auditor's fee is paid according to an approved invoice. For amounts, see Note 9.

Salaries, remuneration and other benefits

Salaries, remuneration and other benefits for the Board of Directors, CEO and other senior executives are reported in Note 11 of the annual report. The Board's remuneration can also be followed in the table on page 43.

Guidelines for remuneration of senior executives 2025

Basic principles

The Chairman and members of the Board of Directors are paid a board fee in accordance with the decision of the Annual General Meeting. Board fees are not paid to employees of the Group.

Nexam Chemicals' starting point is that remuneration should be paid on market and competitive terms that enable senior executives to be recruited and retained. Remuneration to the CEO and other senior executives may consist of base

salary, variable remuneration, pension, other benefits and share-based incentive programs. The CEO and other senior executives are generally entitled to health insurance and a company car as well as other benefits according to local practice. Remuneration to the CEO and other senior executives shall be based on factors such as work duties, skills, experience, position and performance. Remuneration shall not be discriminatory on the basis of gender, ethnic background, national origin, age, disability or other irrelevant circumstances.

Fixed salary

The CEO and other senior executives shall be offered a fixed salary that is in line with the market and based on the individual's responsibility and conduct. Salary shall be determined per calendar year with a salary review on January 1st of each year.

Variable remuneration

The CEO and Group Management have been entitled to variable remuneration in 2025.

Share-based incentive programs

Senior executives are included in share-based option programs in the Nexam Chemical Group. Share-based incentive programs are reported in the annual report and the full proposals for the annual general meeting. The board shall annually evaluate whether to propose additional share-based incentive programs to the annual general meeting.

Pension

The CEO is entitled to a defined contribution pension provision equivalent to 28% of pensionable salary. Other senior executives are entitled to annual pension provisions, which correspond to the amounts according to local practice.

Termination and severance pay

For the CEO and other senior executives residing in Sweden, a mutual notice period of no more than six months applies. Severance pay, in addition to salary during the notice period, occurs and may, in addition to fixed salary during the notice period, amount to a maximum of six months' salary for the CEO and other senior executives.

Deviations from the guidelines

The board shall be entitled to deviate from the guidelines if, in an individual case, there are special reasons for doing so.

The Board's report on internal control and risk management regarding financial reporting

This report on internal control over financial reporting is submitted by the board of Nexam Chemicals and has been prepared in accordance with the Swedish Code of Corporate Governance.

Background

According to the Companies Act and the Code, the board of directors is responsible for internal control.

Control environment

The basis for internal control is the overall control environment. A good control environment is based on an organization with clear decision-making paths where responsibilities and authorities are well defined. Within Nexam Chemical there are policies, guidelines and process descriptions for the essential elements of the business flow from transaction management to accounting and preparation of external reporting.

Risk assessment

The Board is responsible for identifying and managing significant financial risks and risks of errors in external reporting. The Board evaluates the need for risk management annually.

Control activities

The main purpose of control activities is to prevent and detect errors as early as possible so that any deficiencies can be addressed. Routines and activities have been designed to detect and manage the most significant risks related to financial reporting. The Group companies are followed up by the CEO and CFO through regular reports. The Board and Group Management receive monthly reports in which the CEO and CFO account for the past period regarding the Group's results and financial position. Monthly financial statement and annual report work is well defined and reporting is carried out according to standardized reporting

templates including comments regarding all significant profit and loss and balance sheet items.

At present, the Company's size or risk exposure does not justify its own internal audit. The Board of Directors assesses that with the procedures in place for monitoring and control, there is currently no need for this.

Information and communication

Nexam Chemical's procedures and systems for providing information aim to provide the market with relevant, reliable, accurate and up-to-date information about the Company's development and financial position. The Board of Directors has established an information policy that specifies what should be communicated, by whom and in what manner the information should be issued to ensure that external information is correct and complete. Financial information is provided regularly in the form of interim reports, annual reports and press releases on news that may affect the share price. Information and communication are published predominantly in both Swedish and English on the Company's website.

Follow-up

Compliance and effectiveness of internal controls are monitored on an ongoing basis. The company's financial situation and strategy regarding the financial position are discussed at each board meeting, where the board receives detailed monthly reports regarding the financial position and development of the business. Each interim report is analyzed and approved by the board before publication.

Activities 2025

Nexam Chemical continuously works to minimize risks by removing redundant manual steps from the Company's processes and having a clear structure in decision-making paths, authorities and responsibilities. ■

Consolidated income statement

Amounts in kSEK	Note	2025	2024
Sales			
Net sales	5,6	192,245	199,577
Other operating income		1,055	833
	8	193,301	200,410
Operating expenses			
Raw materials and consumables		-101,849	-107,175
Operating expenses		-40,951	-39,504
Personnel cost	9, 10	-44,779	-43,709
Depreciation and write-down of tangible and intangible assets	11	-16,480	-15,386
Other operating expenses		-2,278	-1,964
Operating profit/loss	12	-13,036	-7,327
Financial items			
Financial income		680	2,460
Financial costs	13	-3,385	-3,189
Profit/loss before tax	13	-15,741	-8,055
Income tax		-789	-954
Profit/loss for the period	14	-16,529	-9,009
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Translation differences on foreign subsidiaries		1,390	-923
Sum of other comprehensive income, net after tax		1,390	-923
Comprehensive result for the period		-15,139	-9,931
The profit for the year as well as comprehensive income are wholly attributable to the parent company's shareholders.			
Earnings per share (SEK)			
Basic earnings per share (SEK)	15	-0.19	-0.12
Diluted earnings per share (SEK)		-0.19	-0.12
Average number of basic shares		80,915,798	80,915,798
Average number of diluted shares		80,915,798	80,915,798

Consolidated balance sheet

Amounts in kSEK	Note	2025-12-31	2024-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Balanced expenses for product development	16	36,799	32,462
Patent	17	6,981	7,477
Goodwill	18	45,943	45,943
Market positions	19	8,433	12,833
		98,155	98,715
<i>Tangible assets</i>			
Buildings and land	20	33,730	35,530
Machines and other technical facilities	21, 34	12,197	15,657
Equipment, tools and installations	22, 34	5,843	5,826
Improvement expenses on someone else's property	23	719	583
		52,489	57,597
<i>Financial assets</i>			
Other long-term receivables	25	28	28
		28	28
Total fixed assets		150,672	156,339
Current assets			
<i>Inventory, etc</i>			
Raw materials and supplies	26	24,239	28,600
Goods under production		410	–
Finished goods and merchandise		5,711	5,752
		30,360	34,352
<i>Short-term receivables</i>			
Accounts receivable	27	23,538	31,527
Current tax claim		–	44
Other claims		7,923	4,799
Prepaid expenses and accrued income	28	1,293	1,192
		32,754	37,562
<i>Cash and cash equivalents</i>			
	29	12,168	9,020
Total current assets		75,283	80,934
TOTAL ASSETS		225,954	237,273

Consolidated balance sheet (cont.)

Amounts in kSEK	Note	2025-12-31	2024-12-31
EQUITY AND LIABILITIES			
<i>Equity</i>	30		
Share capital		1,556	1,556
Other contributed capital		423,760	423,760
Reserves		-514	-1,904
Balanced profit including profit for the year		-256,631	-240,101
Total equity		168,171	183,311
<i>Long-term liabilities</i>			
Debts to credit institutions	32, 33	10,636	13,560
Lease liability	34	3,953	4,737
Other long-term liabilities	35	569	558
		15,158	18,855
<i>Current liabilities</i>			
Debts to credit institutions	32, 33	14,201	9,178
Lease liability	34	1,889	1,759
Accounts payable		13,353	11,263
Current tax liabilities		13	–
Other debts		6,674	5,262
Accrued costs and prepaid income	36	6,497	7,645
		42,625	35,107
TOTAL EQUITY AND LIABILITIES		225,954	237,273

Summary consolidated statement of changes in equity

Amounts in kSEK	Share capital	Other capital provided	Reserves	Retained earnings	Sum equity
Equity opening balance 2025-01-01	1,556	423,760	-1,904	-240,101	183,311
Loss for the period				-16,529	-16,529
Other comprehensive income					
<i>Change in translation reserve for the period</i>			1,390		1,390
Sum other comprehensive income after tax	0	0	1,390	0	1,390
Total comprehensive income for the period	1,556	423,760	-514	-256,631	168,171
Transaction with Group's owners					
Warrants					0
Total transaction with the Group's owners	0	0	0	0	0
Equity closing balance 2025-12-31	1,556	423,760	-514	-256,631	168,171
Equity opening balance 2024-01-01	1,556	423,573	-981	-231,093	193,055
Loss for the period				-9,009	-9,009
Other comprehensive income					
<i>Change in translation reserve for the period</i>			-923		-923
Sum other comprehensive income after tax	0	0	-923	0	-923
Total comprehensive income for the period	1,556	423,573	-1,904	-240,101	183,124
Transaction with Group's owners					
Warrants		187			187
Total transaction with the Group's owners	0	187	0	0	0
Equity closing balance 2024-12-31	1,556	423,760	-1,904	-240,101	183,311

Consolidated cash flow

Amounts in kSEK	Note	2025	2024
Cash flow from operating activities			
Operating income		-13,037	-7,327
<i>Adjustments for items not included in the cash flow:</i>			
Depreciation and scrapping		16,480	15,386
Translation difference foreign subsidiaries		172	-73
Received interest etc	13	680	2,460
Interest paid	13	-3,385	-3,189
Tax paid	14	-789	-954
Cash flow from current operations before changes in working capital		122	6,303
Change in stock		3,991	6,858
Change in operating receivables		4,764	-3,803
Change in operating liabilities		2,410	-1,932
Cash flow from current operations		11,287	7,426
The investment activities			
Acquisition of intangible fixed assets	16	-5,497	-3,939
Acquisition of tangible fixed assets	20, 21, 22, 23	-4,070	-5,961
Transaction with owner when acquiring warrants		-	187
Cash flow from investment activities		-9,567	-9,713
The financing activities			
Taking out loans	32	5,739	7,308
Amortization of loans	32	-4,296	-4,227
Cash flow from financing activities		1,443	3,081
Cash flow for the year		3,163	794
Cash and cash equivalents at the beginning of the year		9,020	9,056
Exchange rate difference in cash and cash equivalents		-15	-830
Cash and cash equivalents at end of period	29	12,168	9,020

Parent company – Income statement

Amounts in kSEK	Note	2025	2024
Sales			
Net sales	5,7	9,987	10,804
		9,987	10,804
Operating expenses			
Operating expenses	9	-7,437	-6,537
Personnel cost	11	-6,317	-6,795
Operating profit/loss		-3,767	-2,528
Financial items			
Results from shares in group companies	12	-50,000	–
Other interest rate. and similar profit and loss items		254	1,256
Interest costs to group companies		–	40
Interest costs and similar income items	13	-1,175	-1,070
Profit before tax		-54,688	-2,302
Closing dispositions		-15,000	-10,000
This year's results		-69,688	-12,302

The parent company's report on comprehensive income

Amounts in kSEK	Note	2025	2024
This year's results		-69,688	-12,302
Total total profit for the year		-69,688	-12,302

The parent company's balance sheet

Amounts in kSEK	Note	2025-12-31	2024-12-31
ASSETS			
Fixed assets			
<i>Financial fixed assets</i>			
Shares in group companies	24	358,352	408,352
		358,352	408,352
Total fixed assets		358,352	408,352
Current assets			
<i>Short-term receivables</i>			
Receivables from group companies		46,102	56,119
Other claims		110	–
Prepaid expenses and accrued income	28	633	559
		46,845	56,678
Total current assets		46,845	56,678
TOTAL ASSETS		405,198	465,030
EQUITY AND LIABILITIES			
Equity	30		
<i>Restricted equity</i>			
Share capital		1,556	1,556
		1,556	1,556
<i>Free equity</i>			
Premium fund		551,180	551,180
Balanced result		-104,757	-92,456
This year's results		-69,689	-12,301
		376,734	446,423
Total equity		378,290	447,979
Provisions			
Provision for pensions and similar obligations	31	569	558
		569	558
Current liabilities			
Debts to credit institutions	29, 33	23,386	8,601
Accounts payable		243	181
Liabilities of group companies		–	5,000
Other debts		532	508
Accrued costs and prepaid income	36	2,178	2,204
		26,339	7,893
TOTAL EQUITY AND LIABILITIES		405,198	456,429

The parent company's report on changes in equity

Amounts in kSEK	Share capital	Other capital provided	Reserves	Retained earnings	Sum equity
Equity opening balance 2025-01-01	1,556	551,180	-92,456	-12,301	447,979
Total result					
Disposition according to AGM resolution			-12,301	12,301	–
This year's results				-69,688	-69,688
Total total result	–	–	-12,301	-57,388	-69,689
Transactions with shareholders					–
Total transactions with shareholders	–	–	–	–	0
Equity closing balance 2025-12-31	1,556	551,180	-104,757	-69,689	378,290
Equity opening balance 2024-01-01	1,556	551,180	-73,606	-18,850	460,280
Total result					
Disposition according to AGM resolution			-18,850	18,850	–
This year's results				-12,301	-12,301
Total total result	–	–	-18,850	6,549	-12,301
Transactions with shareholders					–
Total transactions with shareholders	–	–	–	–	0
Equity closing balance 2024-12-31	1,556	551,180	-92,456	-12,301	447,979

The parent company's statement of cash flows

Amount in kSEK	Note	2025	2024
Cash flow from current operations			
Operating results		-3,767	-2,528
<i>Adjustments for items not included in the cash flow:</i>			
Change provisions	31	11	18
Received interest etc		254	1,297
Interest paid	13	-1,175	-1,070
Cash flow from current operations before changes in working capital		-4,677	-2,283
Change in operating receivables		9,833	-7,970
Change in operating liabilities		-4,941	3,289
Cash flow from current operations		215	-6,964
The financing activities			
Taking out loans		14,785	0
Group contributions		-15,000	-10,000
Cash flow from financing activities		-215	-10,000
Cash flow for the year		0	-16,964
Cash and cash equivalents at the beginning of the year			8,363
Exchange rate difference in cash and cash equivalents		-	0
Cash and cash equivalents at the end of the year	29	0	-



Notes

NOTE 1 General information

Nexam Chemical Holding AB (publ) with corporate registration number 556919-9432 is a limited liability company registered in Sweden with its registered office in Lomma. The address of the head office is Industrigatan 27, 234 35 Lomma. Nexam Chemical Holding AB (publ) and its subsidiaries (the “Group”) engage in the development, manufacture, marketing and sale of unique crosslinking chemicals and masterbatches to plastic manufacturers, plastic converters and plastic recyclers. The technology with crosslinkers, masterbatches and chain extenders that the Company develops and manufactures makes it possible to cost-effectively improve the properties, appearance and performance of a wide range of different types of plastics.

“Nexam Chemical” or the “Company” refers to Nexam Chemical Holding AB (publ).

The financial statements have been prepared on the going concern basis.

NOTE 2 Significant accounting policies

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary accounting rules for groups and International Financial Reporting Standards (IFRS) and interpretations from IFRIC as adopted by the EU.

Nexam Chemical applies the following accounting standards.

IFRS 18 will be implemented in the future. The Group's initial assessment is that this will not have a material impact on the financial statements.

2.1 Basis for preparing financial statements

The Group's functional currency is Swedish kronor (SEK), which is also the reporting currency for the Company. Financial statements are always presented in thousands of SEK unless otherwise stated. All amounts, unless otherwise stated, are rounded to the nearest thousand.

Assets and liabilities are reported at historical cost. The Company has no assets or liabilities that are measured at fair value.

2.2 Consolidated financial statements

The consolidated financial statements comprise the parent company Nexam Chemical Holding AB and the companies over which the parent company directly or indirectly has a controlling influence (subsidiaries). The Group controls an entity when it is exposed to or has rights to variable returns from its holding in the entity and could affect those returns through its influence in the entity. Subsidiaries are included in the consolidated financial statements from the date on which controlling influence is transferred to the Group. They are excluded from the consolidated financial statements from the date on which controlling influence ceases.

When controlling influence over the entity ceases, but the Group

retains shares in the Company, the remaining shares are initially recognised at fair value. The resulting gain or loss is recognised in the income statement.

For information on which subsidiaries are included in the Group, please refer to Note 24.

The acquisition method is used to account for the Group's business combinations. The purchase price for the acquisition of a subsidiary consists of the fair value of the transferred assets, the liabilities that the Group incurs to the previous owners of the acquired Company and the shares issued by the Group. The purchase price also includes the fair value of any assets or liabilities that result from an agreement on a contingent purchase price. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at fair value on the acquisition date. For each acquisition – i.e. acquisition by acquisition – the Group determines whether non-controlling interests in the acquired company are recognized at fair value or at the holding's proportionate share of the carrying amount of the acquired company's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group's profit or loss and components of other comprehensive income are attributable to the owners of the Parent Company.

The accounting policies for subsidiaries are adjusted where necessary to conform to the Group's accounting policies. All intra-group transactions, balances and unrealized gains and losses attributable to intra-group transactions are eliminated in preparing the consolidated financial statements.

2.3 Allocation of revenue based on different types of revenue streams

The financial information reported to the chief executive officer (CEO), as a basis for allocating resources and assessing the

Group's performance, is divided into two different types of revenue streams, but not the allocation of results, regarding revenue based on IFRS 15. The revenue streams into which revenue is divided are Performance Chemicals and Performance Masterbatch, see Note 6.

Nexam Chemical's reporting of the allocation of revenue to different revenue streams is consistent with the internal reporting to the chief executive officer. The chief executive officer is the function that assesses the performance of the revenue streams and decides on the allocation of resources. Nexam Chemical's assessment is that the CEO is the chief executive officer. In the regular internal reporting to the CEO, revenue is reported divided into the revenue streams Performance Chemicals and Performance Masterbatch, while the result for the Group is reported.

2.4 Revenue recognition

The Company's revenue principle is that revenue includes the fair value of what will be received for goods and services sold in the business. Revenue is reported excluding value-added tax, and with the elimination of intra-group sales.

Goods revenue. Goods revenue is recognized upon delivery in accordance with the applicable sales and delivery terms in each individual case. The Company recognizes revenue when control of the goods has been transferred, which occurs when the goods have been delivered to the customer and there are no unfulfilled commitments that may affect the customer's acceptance of the goods. Revenue recognition always occurs at a specific point in time, i.e. not over time.

Interest income. Interest income is recognized over the term using the effective interest method. The effective interest rate is the interest rate that makes the present value of all future receipts and payments during the fixed interest period equal to the carrying amount of the receivable.

2.5 Leasing agreements

IFRS 16

New lease agreements, a right-of-use asset and a lease liability are recognized in the balance sheet. The acquisition value consists of the discounted remaining lease payments for non-cancellable lease periods. When discounting, the group uses the marginal lending rate, which currently amounts to 6.8% for leases and 5.4% for machinery and equipment.

The lease agreement may change during the lease period, in which case the lease liability and the right-of-use asset are revalued.

Lease payments are allocated between amortization of the lease liability and payment of interest.

The Group's significant lease agreements consist of leases for land in the subsidiary Nexam St Andrews.

The company applies the relief rules regarding lease agreements where the underlying asset has a low value and short-term

lease agreements. These lease agreements are recognized as an expense in the period in which the use occurs.

2.6 Foreign currency

Items included in the financial statements of the various entities in the Group are reported in the currency used in the primary economic environment in which each entity primarily operates (functional currency). In the consolidated financial statements, all amounts are translated into Swedish kronor (SEK), which is the functional currency of the parent company and the reporting currency of the Group.

Transactions in foreign currencies are translated in each entity into the entity's functional currency at the exchange rates prevailing on the transaction date. At each balance sheet date, monetary items in foreign currencies are translated at the exchange rate at the balance sheet date. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate at the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not translated.

Exchange rate differences are recognized in profit or loss for the period in which they arise.

When preparing consolidated financial statements, the assets and liabilities of foreign subsidiaries are translated into Swedish kronor at the exchange rate on the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Any translation differences that arise are reported in other comprehensive income and transferred to the Group's translation reserve. When a foreign subsidiary is divested, such translation differences are reported in the income statement as part of the capital gain or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of this operation and are translated at the exchange rate on the balance sheet date.

2.7 Government grants

Government grants are recognised at fair value when there is reasonable certainty that the company will comply with the conditions attached to the grants and the grants will be received. Government grants are recognised systematically in profit or loss over the same periods as the costs the grants are intended to compensate for. Grants relating to the acquisition of assets are recognised as a reduction in the carrying amount of the asset, which means that the grant is recognised in profit or loss over the useful life of the depreciable asset in the form of lower depreciation. Grants relating to profit or loss are recognised as other operating income in the statement of comprehensive income.

2.8 Employee benefits

Employee benefits in the form of salaries, bonuses, paid vacation, paid sick leave, benefits and pensions are recognized as earned. Regarding pensions and other post-employment benefits, these

are classified as defined contribution or defined benefit pension plans. The Group only has defined contribution pension plans.

Defined contribution plans. For defined contribution plans, the company pays fixed contributions to a separate independent legal entity and has no obligation to pay further contributions. The Group's profit or loss is charged to the income statement as the benefits are earned, which normally coincides with the time when premiums are paid.

Termination benefits. Termination benefits are paid when any company within the Group decides to terminate an employment before the normal termination date or when an employee accepts an offer of voluntary redundancy in exchange for such compensation. If the compensation does not provide the company with any future economic benefit, a liability and an expense are recognised when the company has a legal or constructive obligation to provide such compensation. The compensation is measured at the best estimate of the compensation that would be required to settle the obligation at the balance sheet date.

2.9 Income taxes

The tax expense consists of the sum of current tax and deferred tax.

Current tax. Current tax is calculated on the taxable profit for the period. Taxable profit differs from the reported profit in the statement of comprehensive income as it has been adjusted for non-taxable income and non-deductible expenses and for income and expenses that are taxable or deductible in other periods. The Group's current tax liability is calculated according to the tax rates that have been decided or announced as of the balance sheet date.

Deferred tax. Deferred tax liability is recognized for taxable temporary differences attributable to investments in subsidiaries, except in cases where the Group can control the timing of the reversal of the temporary differences, and it is probable that such a reversal will not occur in the foreseeable future. Deferred tax assets relating to deductible temporary differences relating to such investments are recognised only to the extent that it is probable that the amounts can be utilised against future taxable profits, and it is probable that such utilisation will occur in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to utilise, in whole or in part, against the deferred tax asset.

Deferred tax is calculated using the tax rates expected to apply to the period in which the asset is recovered or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and tax liabilities are offset when they relate to income tax levied by the same authority and when the Group intends to settle the tax on a net basis.

Current and deferred tax for the period. Current and deferred tax is recognized as an expense or income in profit or loss, except when the tax is attributable to transactions recognized in other comprehensive income or directly in equity. In such cases, the tax shall also be recognized in other comprehensive income or directly in equity. In the case of current and deferred tax arising from the accounting for business combinations, the tax effect shall be recognized in the acquisition cost.

2.10 Intangible assets

Research and development costs. Development costs are normally capitalized only when the development project transitions into the process optimization of the developed molecule.

Research costs aimed at obtaining new scientific or technical knowledge are recognized as expenses when incurred.

Expenditures for development, where research results or other knowledge are applied to achieve new or improved products or processes, are recognized as an asset in the statement of financial position only if the following conditions are met:

- It is technically possible to complete the intangible asset and use or sell it,
- The company intends to complete the intangible asset and use or sell it,
- There are conditions to use or sell the intangible asset,
- The company demonstrates how the intangible asset will generate probable future economic benefits,
- There are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- The expenses attributable to the intangible asset during its development can be reliably measured.

The starting point for when all of the above criteria are deemed to be met for Nexam Chemical's development projects is normally when the molecule is defined, the recipe is established, and process optimization is to be initiated.

Other development costs that do not meet these criteria are expensed when incurred. Development costs that were previously expensed are not recognized as assets in the subsequent period.

Directly attributable costs that are capitalized mainly include expenses from subcontractors, employee costs and amortization of patents linked to the development projects and are reduced by government grants related to the capitalized expenses and the development projects.

After the initial recognition, capitalized development costs are recognized at cost less accumulated depreciation and any accumulated impairment losses. Amortization begins when the asset is ready for use. Nexam Chemical's products and technology are so unique and competitively limited by patents with a long remaining protection period, which gives Nexam Chemical a long

economic advantage from its products. Amortization is therefore calculated over a useful life of 15-18 years from the completion of the product with the remaining patent protection as an upper limit.

Patents. Expenses for patents are recognized at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is recognized on a straight-line basis over the estimated useful life of the asset. Estimated useful lives and depreciation methods are reviewed at least at the end of each financial year, and the effect of any changes in estimates is recognized prospectively. Annual fees and other additional expenses are expensed on an ongoing basis. The products and technology protected by the patents are deemed to be so unique that Nexam Chemical will derive economic benefit from the patents for the duration of the patents. Planned amortization is therefore calculated over a useful life of 20 years, which is consistent with the duration of patent protection, for example, under Section 40 of the Swedish Patent Act and Article 63 of the European Patent Convention.

Goodwill. Goodwill arising from business combinations is included in intangible assets. Goodwill refers to the amount by which the purchase price exceeds the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is not amortized but is tested annually or more frequently if events or changes in circumstances indicate a possible decrease in value. Goodwill is therefore reported at cost less any impairment. When a unit is sold, the reported value of goodwill is included in the resulting profit/loss.

For testing for impairment, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the group at which the goodwill in question is monitored in internal control. Goodwill is monitored per subsidiary.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate a possible decrease in value. The carrying amount of the cash-generating unit to which the goodwill is allocated is compared with the recoverable amount, which is the higher of the value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not reversed.

Market positions. In connection with the acquisition of operations, values in long-term customer relationships, product formulations and product portfolios have been identified and are recognized at fair value at the acquisition date. These market positions are considered to have a finite useful life, which is estimated to be 10 years, and are amortized on a straight-line basis over this period.

Disposals and disposals. An intangible asset is removed from the statement of financial position upon disposal or disposal or when no future economic benefits are expected from the use or disposal/disposal of the asset. The gain or loss arising when an

intangible asset is removed from the statement of financial position, consisting of the difference between the proceeds received on disposal and the carrying amount of the asset, is recognised in profit or loss when the asset is removed from the statement of financial position.

2.11 Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses.

The cost comprises the purchase price, costs directly attributable to bringing the asset to its intended location and condition for use, and estimated costs of dismantling and removing the asset and restoring the site where it is located. Additional costs are only included in the asset or recognised as a separate asset when it is probable that future economic benefits attributable to the item will flow to the Group and the cost of the item can be measured reliably. All other costs of repairs and maintenance and additional costs are recognised in profit or loss in the period in which they are incurred.

Depreciation of tangible fixed assets is expensed so that the value of the asset is reduced by the estimated residual value at the end of its useful life, depreciated on a straight-line basis over its estimated useful life, which is estimated to be:

Industrial buildings:	25 years
Machinery and other technical facilities:	4-10 years
Inventories, tools and installations:	3-10 years

Estimated useful lives, residual values and depreciation methods are reviewed at least at the end of each accounting period, the effect of any changes in assessments is reported prospectively.

The carrying amount of a tangible fixed asset is removed from the statement of financial position upon disposal or disposal, or when no future economic benefits are expected from the use or disposal/disposal of the asset. The gain or loss arising on the disposal or sale of the asset, consisting of the difference between any net proceeds from the disposal and its carrying amount, is recognised in profit or loss in the period in which the asset is derecognised from the statement of financial position.

2.12 Impairment of assets

At each balance sheet date, the Group analyses the carrying amounts of property, plant and equipment and intangible assets to determine whether there is any indication that these assets have been impaired. If so, the asset's recoverable amount is calculated in order to determine the amount of any impairment. Where it is not possible to calculate the recoverable amount for an individual asset, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Capitalized product development costs are therefore tested for impairment at least annually. Intangible assets with indefinite useful lives and intangible assets that are not yet ready for use are tested annually for impairment or whenever there is an indication of impairment.

The recoverable amount is the higher of the fair value less costs to sell and its value in use. In calculating value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is determined to be lower than its carrying amount, the carrying amount of the asset (or cash-generating unit) is written down to its recoverable amount. An impairment loss is immediately expensed in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revalued recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized directly in profit or loss.

2.13 Financial instruments

Financial instruments reported in the statement of financial position include, on the asset side, cash and cash equivalents, accounts receivable, other long-term receivables, other receivables and other long-term securities. On the liability side, accounts payable, liabilities to credit institutions and other liabilities are included.

Recognition in and derecognition from the statement of financial position. A financial asset or financial liability is recognized in the balance sheet when the Company becomes a party to the contractual terms of the instrument. A financial asset or a part of a financial asset is derecognized from the balance sheet when the rights in the contract are realized, expire or when the Company loses control over it. A financial liability or a part of a financial liability is derecognized from the balance sheet when the obligation in the contract is fulfilled or otherwise extinguished.

At each balance sheet date, the Company evaluates whether there are objective indications that a financial asset or group of financial assets needs impairment due to events that have occurred. Examples of such events are a significant deterioration in the financial position of the counterparty or failure to pay amounts due.

Classification and subsequent measurement of financial assets.

At initial recognition, a financial asset is classified based on the Group's business model and the cash flow that the financial asset is expected to generate. All financial assets are measured at amortized cost.

Amortized cost. Amortized cost refers to the amount at which the asset or liability was initially recognized less amortization, additions or deductions for accumulated amortization according to the effective interest method of the initial difference between the amount received/paid and the amount to be paid/received on the due date and less impairment losses. The effective interest rate is the interest rate that, when discounting all future

expected cash flows over the expected term, results in the initially recognized value of the financial asset or financial liability.

Financial liabilities measured at amortized cost. This category includes liabilities to credit institutions, trade payables and other financial liabilities. The liabilities are measured at amortized cost.

2.14 Inventories

Inventories are valued at the lower of cost, using the first-in, first-out (FIFO) method, and net realizable value on the balance sheet date. The cost of finished goods consists of raw materials. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Obsolescence assessment of the inventory has been considered.

2.15 Provisions

Provisions are recognized when the Group has a present obligation (legal or informal) as a result of an event and it is probable that payments will be required to fulfil the obligation. A further condition is that a reliable estimate of the amount to be paid can be made.

2.16 Equity

Transaction costs that are directly attributable to the issue of new ordinary shares or options are recognized, net of tax, in equity as a deduction from the issue proceeds.

2.17 Cash flow statement

The cash flow is prepared using the indirect method. The reported cash flow only includes transactions that result in receipts or payments. The company's cash and cash equivalents consist of cash and bank balances.

2.18 Accounting principles for the parent company

The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Application of RFR 2 means that the parent company applies all EU-approved IFRS as far as possible within the framework of the Annual Accounts Act and the Insurance Act and takes into account the connection between accounting and taxation. The differences between the parent company's and the group's accounting principles are described below:

Classification and presentation. The parent company's income statement and balance sheet are prepared in accordance with the schedules of the Annual Accounts Act. The difference from IAS 1 Presentation of Financial Statements applied in the preparation of the consolidated financial statements is primarily the reporting of financial income and expenses, fixed assets, equity and the existence of provisions as a separate heading.

Subsidiaries. Participations in subsidiaries are reported at cost in the parent company's financial statements. Acquisition-related costs for subsidiaries, which are expensed in the consolidated financial statements, are included as part of the cost of participations in subsidiaries.

NOTE 3 Estimates and judgments

The preparation of financial statements and the application of accounting policies are often based on management's judgments, estimates and assumptions that are considered reasonable at the time the judgment is made. Estimates and assumptions are based on historical experience and a number of other factors that are considered reasonable under the circumstances. The results of these are used to assess the reported values of assets and liabilities that are not otherwise clearly apparent from other sources. The actual outcome may differ from these estimates and judgments.

The estimates and assumptions are reviewed regularly. Any changes are reported in the period in which the change is made, if it only affects that period, or in the period in which the change is made and future periods if the change affects both the current and future periods.

The significant risks in the financial reporting relate primarily to the reported value of fixed assets. Partly in the form of intangible assets and tangible fixed assets in the subsidiaries, and partly for the parent company's shares in the subsidiaries. The carrying amount is dependent on the future market for the Company's products developing as expected. As of December 31, 2025, the assessment is that the carrying amount of these items does not exceed fair value.

Historically, the group has not yet demonstrated positive results. However, the company assesses that the restructuring of the strategy to focus more clearly on profitability and positive cash flow in the short term will ensure that the company will survive.

Impairment testing of intangible assets. Since parts of the company's capitalized expenses for product development have not yet begun to be amortized, the need for impairment for these is tested at least annually. Goodwill and other intangible assets are tested for impairment annually or when there is an indication that these assets have decreased in value. Tangible fixed assets are tested for impairment if there is any indication that an impairment need may exist. Impairment testing is based on a review of the recoverable amount, which is estimated based on the value in use of the assets. Management makes calculations of future cash flows according to internal business plans and forecasts. This review also uses estimates of, among other things, the discount rate and future growth rate beyond established budgets and forecasts. Reported values for intangible assets amount to kSEK 98,155 (98,715), of which capitalized expenses for product development constitute kSEK 36,799 (32,462), goodwill kSEK 45,943 (45,943) and market positions kSEK 8,433 (12,833). Changes to the assumptions made by management in the impairment test would affect the company's results and financial position. Management assesses that there is no need for impairment of the Group's intangible assets as of 31 December 2025.

NOTE 4 Financial risk management and financial instruments

The Group is exposed to various types of financial risks through its operations, such as market, liquidity and credit risks. Market risks consist mainly of interest rate risk and currency risk. The Company's Board of Directors is ultimately responsible for the exposure, management and monitoring of the Group's financial risks. The Board of Directors establishes the framework that applies to the exposure, management and monitoring of financial risks, and these frameworks are evaluated and revised annually. The Board of Directors could decide on temporary deviations from the established framework.

Market risks

Currency risks. Currency risk refers to the risk that fair value or future cash flows fluctuate as a result of changes in exchange rates. The exposure to currency risk arises mainly from payment flows in foreign currency, so-called transaction exposure, and from the translation of balance sheet items in foreign currency and the translation of foreign subsidiaries' income statements and balance sheets into the Group's reporting currency, which is Swedish kronor, so-called translation exposure.

Transaction exposure. The Group operates in a global market with large parts of its sales and purchases in other currencies. The Group's sales are mainly in SEK, HUF, PLN, EUR, DKK and USD and the Group's purchases are mainly in USD, EUR and GBP. The Group's overheads arise in SEK, HUF, PLN and GBP. Changes in the value of SEK in relation to other currencies can therefore have both positive and negative effects on the Company's results and financial position. The Group has automatic daily exchange rates for all Swedish companies and for Nexam St Andrews Ltd to reduce currency risk. No other hedging is made of the transaction exposure. A change in the exchange rate for the Group's net flows in EUR, USD, DKK, HUF, PLN and GBP against Swedish kronor by 5% would affect profit and equity by 563 (269) thousand SEK.

Translation exposure. The Group's translation exposure of foreign subsidiaries' net assets as of 31 December 2025 amounted to 30,369 thousand SEK.

Interest rate risks. Interest rate risk refers to the risk that fair value or future cash flows fluctuate as a result of changes in market interest rates. The Group has loan liabilities to credit institutions that as of 31 December 2025 totaled 30,679 thousand SEK.

A change in the interest rate on the loan liability by +1% would negatively affect profit and equity by 307 (207) thousand SEK.

Liquidity and financing risk

Credit risk refers to the risk that the counterparty to a transaction causes the Group a loss by not fulfilling its contractual obligations. The Group's exposure to credit risk is mainly attributable to other short-term receivables that amount to less significant amounts, which is why the credit risk in other short-term receivables is limited.

Credit risk also arises when the Company's excess liquidity is invested in various types of financial instruments. According to the framework established by the Board, excess liquidity may be invested in interest-bearing bank accounts. The credit risk when investing excess liquidity shall be reduced by only investing with counterparties with very good ratings.

The Group's and the parent company's maximum exposure to credit risk is considered to correspond to the carrying amounts of all financial assets. The credit risk is considered to be limited.

Categorization of financial instruments

The carrying amounts of financial assets and financial liabilities distributed by valuation category are shown in the table below.

There have been no reclassifications between the valuation categories above during the period.

Capital

The Group's objective for capital management is to ensure the Group's ability to continue as a going concern in order to generate a reasonable return to shareholders and benefits to other stakeholders. The Group is financed through equity, which amounts to SEK 168,171 (183,311) thousand. The Group's current policy is not to pay any dividends. Only when the company achieves long-term profitability will proposals for dividends to shareholders be made.

NOTE 4 Financial risk management and financial instruments(cont.)

(kSEK)	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Financial assets				
<i>Available-for-sale financial assets</i>				
Other long-term receivables	28	28	–	–
Accounts receivable	23,538	31,527	–	–
Receivables from group companies	–	–	46,102	56,119
Other receivables	9,216	6,035	743	559
Cash and cash equivalents	12,168	2,882	–	-8,601
	44,950	40,471	46,845	48,077
Total financial assets	44,950	40,471	46,845	48,077
Financial liabilities				
<i>Financial liabilities measured at amortized cost</i>				
Debts to credit institutions and similar liabilities	30,679	23,096	23,386	–
Other long-term liabilities	569	558	–	–
Trade payables	13,353	11,263	243	181
Liabilities to group companies	–	–	–	5,000
Other short-term liabilities	6,674	5,262	532	508
Accrued liabilities	6,497	7,645	2,178	2,204
	57,771	47,824	26,339	7,893
Total financial liabilities	57,771	47,824	26,339	7,893

2025	DUE WITHIN					
	less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 5 years	more than 5 years
Liabilities to credit institutions and similar liabilities	357	1,128	14,609	3,004	2,719	8,862
Other long-term liabilities						569
Trade payables	12,037	1,316				
Other short-term liabilities	2,826	3,848				
Accrued liabilities	1,271	1,397	3,829			

2024	DUE WITHIN					
	less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 5 years	more than 5 years
Liabilities to credit institutions and similar liabilities	375	754	3,421	4,082	4,087	10,377
Other long-term liabilities						558
Trade payables	10,038	1,225				
Other short-term liabilities	2,497	2,765				
Accrued liabilities	812	2,103	4,730			

NOTE 5 Net sales

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Net sales broken down by type of income				
Product sales	191,425	199,411	9,987	–
Service sales	821	166	–	10,804
	192,245	199,577	9,987	10,804
	–			
Net sales broken down by geographic market				
Turnover Sweden	42,469	40,290	9,987	10,804
Turnover Hungary	31,090	30,168	–	–
Turnover Denmark	10,871	9,783	–	–
Turnover Finland	10,515	17,310	–	–
Turnover Switzerland	24,735	30,527	–	–
Turnover Poland	9,281	7,175	–	–
Turnover Italy	124	5,253	–	–
Turnover Europe	7,875	7,708	–	–
Turnover China	948	4,112	–	–
Turnover India	4,291	4,705	–	–
Turnover USA	16,234	22,007	–	–
Turnover rest of the world	3,289	6,888	–	–
Turnover Germany	610	1,710	–	–
Turnover Belgium	8,488	5,229	–	–
Turnover Japan	7,660	6,670	–	–
Turnover UK	–		–	–
Turnover Canada	1,085	–	–	–
Turnover Mexico	1,046	–	–	–
Turnover Israel	1,025	–	–	–
	192,245	199,577	9,987	10,804

Net sales are divided by geographic market based on where the customer is located.

NOTE 6 (1/2) Net sales divided by revenue stream

	GROUP	
	2025	2024
Net sales broken down by revenue stream		
Performance Masterbatch	105,981	109,635
Performance Chemicals	86,265	89,942
	192,245	199,577

NOTE 6 (2/2) Information on revenue streams

Information about major customers

Nexam Chemical has two customer groups which account for more than 19 (24) percent of the group's total turnover and amount to kSEK 36,648 (48,532).

Fixed assets distributed by geographical area

The group operates in four countries, Sweden, Great Britain, Poland and Hungary. The fixed assets in each country amount to:

Sweden kSEK 130,511 (135,619)
 Scotland kSEK 8,468 (8,707)
 Poland kSEK 1,327 (1,463)
 Hungary kSEK 10,337 (10,552)

NOTE 7 Parent Company's purchases and sales to/from subsidiaries

	PARENT COMPANY	
	2025	2024
Share of sales relating to group companies	100.00%	100.00%
Proportion of purchases relating to group companies	0.00%	0.00%

NOTE 8 Other operating income

	GROUP	
	2025	2024
Received development grants	5	10
Exchange rate gains attributable to the operation	1,032	792
Insurance compensation	–	14
Miscellaneous	18	9
Sale of machinery and equipment	–	8
Total	1,055	833

NOTE 9 Information on the auditor's fee and cost reimbursement

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Deloitte				
Audit assignment	625	678	417	469
Thomson & Cooper				
Audit assignment	246	–	–	–
Mazars				
Audit assignment	–	206	–	–
ASJ Audit kft.				
Audit assignment	45	23	–	–
Total	915	907	417	469

The audit engagement refers to the fee for the statutory audit, i.e. the work necessary to issue the audit report, as well as so-called audit advice provided in connection with the audit engagement. No other services have been invoiced.

NOTE 10 Leasing

Group

The group is a lessee primarily through the lease of land, but leasing is also available in machinery, leased cars and leases for warehouses. The contract regarding the lease extends until 2090. The group's assessed marginal loan interest amounts to 5.75%, which is used for discounting. For leasing cars and machines that are leased, 4.5% has been used as the discount rate

The Group has leases of lower value regarding copiers, coffee and water machines amounting to SEK 76 (144) thousand annually.

A maturity analysis of lease liabilities is presented in note 34

Amounts reported in the income statement	GROUP	
	2025	2024
Depreciation on leased assets	1,792	1,601
Interest costs for lease liabilities	178	409
Total	1,970	2,010

Cash flow	GROUP	
	2025	2024
Amortization of leasing debts	1,233	1,501
Interest expenses lease liabilities	178	409
Total	1,411	1,910

No assets are sublet.

Parent company

Leasing costs charge the result with reporting linearly over the leasing period. Total cost for the leasing agreements during the year amounted to 237 (245) SEK thousand.

	2025-12-31	2024-12-31
Within 1 year	152	213
Between 1-5 years	12	145
Later than 5 years	–	12
Total	164	370

During the year, new leasing agreements were signed to a value of 0 (398) SEK thousand.

NOTE 11 Employees

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Average number of employees¹				
Average number of employees	57	53	2	2
of which women	9	9	–	–

¹ The average number of employees is based on attendance hours paid by the company, related to normal working hours.

Average number of employees per country	AVERAGE NUMBER OF EMPLOYEES		OF WHICH WOMEN	
	2025	2024	2025	2024
Sweden	35	32	6	6
Scotland	7	9	1	1
Hungary	11	9	2	2
Poland	3	2	–	–

This year's salaries and allowances

Salaries, benefits, social costs and pension costs have been charged to the result with the following amounts:

2025	Board fee	Basic salary	Variable remuneration	Pension cost	Other remuneration and benefits	Social security contributions	Total
Cecilia Jinert Johansson, chairman of the board	290					91	381
Martin Roos	168					53	221
Lennart Holm	168					53	221
Magnus Wikström	168					53	221
Total board	794	0	0	0	0	249	1,043
Ronnie Törnqvist CEO		2,084	350	583	95	907	4,048
Other five senior executives		5,696		1,412	238	2,050	9,396
Other employees		25,263	1,002	1,911	,336,	8,822	37,334
Total CEO and other employees	–	33,043	1,352	3,906	669	11,778	50,778
Amount	794	33,043	1,352	3,906	669	12,028	51,821

2024	Board fee	Basic salary	Variable remuneration	Pension cost	Other remuneration and benefits	Social security contributions	Total
Cecilia Jinert Johansson, chairman of the board	280					88	368
Martin Roos	165					52	217
Lennart Holm	165					52	217
Magnus Wikström	165					52	217
Jonna Opitz (resigned in May 2024)	83					26	109
Total board	858	0	0	0	0	270	1,128
Ronnie Törnqvist CEO		2,184	119	682	85	916	3,986
Other five senior executives		5,546	107	1,705	214	1,746	7,593
Other employees		22,975	1,497	1,973	288	8,769	37,226
Total CEO and other employees	–	30,705	1,723	4,360	587	11,431	48,805
Amount	858	30,705	1,723	4,360	587	11,700	49,933

Other remuneration and benefits include consultancy fees and other remuneration to related parties. For further information see note 41, transactions with related parties.

NOTE 11 Employees (cont.)

The annual general meeting has decided on the following guidelines for the board and senior executives.

Fees are paid to the chairman and members of the board according to the decision of the annual general meeting. The board has no severance pay.

Salary and other terms of employment as well as any share-related incentive programs must be market-based. The compensation must be based on factors such as duties, competence, experience, position and performance. Remuneration to the CEO and other senior executives can consist of basic salary, variable compensation, pension, other benefits and share-related incentive programs. In addition to a fixed salary, the CEO is entitled to an annual performance-based remuneration. The compensation is conditional on the fulfillment of measurable goals, is not pensionable and for the CEO can amount to a maximum of 40 percent of fixed salary. Other senior executives must be able to be offered variable compensation.

The CEO is entitled to a defined contribution pension provision corresponding to 28% of pensionable salary. Other senior executives are entitled to annual pension provisions according to standard practice in each country. For the CEO and other senior executives residing in Sweden, a mutual notice period of no more than six months applies. Severance pay, in addition to salary during notice period, occurs and can, in addition to fixed salary during notice period, amount to a maximum of six months' salary for the CEO and other senior executives. For more information, see the remuneration policy decided by the 2025 Annual General Meeting on the company's website.

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Gender distribution in the board and company management				
Number of board members	4	4	4	4
of which women	1	1	1	1
Number of people in the management team	6	6	6	6
of which women	0	0	0	0

NOTE 12 Other operating costs

	GROUP	
	2025	2024
Exchange rate losses attributable to the operation	-2,278	-1,964
	-2,278	-1,964

NOTE 13 Financial income and expenses

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Interest income	680	2,460	30	–
Interest income (group companies)	–	–	–	1,256
Interest costs	-3,385	-3,189	-951	40
Interest expenses (group companies)	–	–	–	-1,070
	-2,704	-729	-921	227

All interest income is attributable to financial assets valued at amortized cost

All interest costs are attributable to financial assets valued at amortized cost

NOTE 14 Tax

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
This year's tax				
Current tax on the year's result	-789	-954	–	–
Total reported tax cost	-789	-954	–	–

Income tax in Sweden is calculated at 20.6% (20.6%) on the year's tax result. Tax in other jurisdictions is calculated using the tax rate that applies to the respective jurisdiction. A reconciliation between reported profit and the year's tax expense is presented below:

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Reconciliation of the year's tax expense				
Year's result	-16,529	-9,009	-69,688	-12,302
This year's tax revenue				
Tax calculated according to the Swedish tax rate	3,405	1,856	14,356	2,534
Tax effect of non-deductible costs	-52	-55	-29	-32
Tax effect of deficits for which no deferred tax asset is reported	-3,856	-2,755	-14,327	-2,502
Total	-503	-954	0	0
Reported tax expense for the year	-503	-954	0	0

	GROUP	
	2025	2024
Deferred tax claim / tax liability		
Deferred tax claim		
Tax effect of assessed losses	13,187	13,847
Total deferred tax receivable	13,187	13,847
Deferred tax liability		
Group surplus values	-4,273	-5,745
Balanced development expenditure	-8,902	-8,082
Untaxed reserves	-12	-19
Total deferred tax liability	-13,187	-13,847
Net	0	0

NOTE 14 Tax (cont.)

	Tax effect of assessed losses	Group-wise excess values	Other temporary differences	Net
Reconciliation of deferred net debt				
Net debt at the end of the year	13,187	-4,273	-8,914	0

Fiscal deficits

Deferred tax receivable attributable to loss deductions is reported at a value corresponding to deferred tax on other temporary differences. The company generates losses and the company management cannot assess when the remaining tax loss deductions can be used. Deferred tax receivables attributable to loss deductions have therefore been reported to the extent that they can be set off against deferred tax liabilities on temporary differences. The loss deductions, which are available in three of the Group's companies, can be used without a time limit and can therefore reduce future profits.

	GROUP		PARENT COMPANY	
	2025	2024	2025	2024
Loss deduction for which no deferred tax claim has been reported.	-299,102	-219,975	-148,058	-68,863
	-299,102	-219,975	-148,058	-68,863

NOTE 15 Earnings per share

The following results and weighted average number of shares have been used in the calculation of earnings before and after dilution:

	GROUP	
	2025	2024
Profit for the year (SEK)	-69,688,560	-12,301,277
Weighted average number of shares before dilution	80,915,798	80,915,798
Earnings per share before dilution (SEK)	-0.19	-0.12
Weighted average number of shares after dilution	80,915,798	80,915,798
Earnings per share after dilution (SEK)	-0.19	-0.12

Group has a warrant program, see note 31 Equity. These can lead to dilution, but when the Group reports a loss for the current financial year, no dilution effect occurs. Dilution can only occur if this leads to a lower profit or higher loss per share.

NOTE 16 Balanced expenses for product development

	GROUP	
	2025	2024
Initial acquisition values	38,180	39,302
Capitalized internal expenses for the year	6,629	2,733
The year's capitalized external expenses	261	500
Reclassification	–	-4,355
Closing acquisition values	45,071	38,180
Entering depreciation	-5,718	-6,142
Depreciation for the year	-2,554	-1,412
Reclassification	–	1,835
Outgoing depreciation	-8,272	-5,718
Closing reported value	36,799	32,462

Capitalized costs refer to projects for molecular development. Capitalized expenses for product development are tested for possible write-downs at least annually. In this examination, the recovery value is calculated based on the intangible asset's value in use, which is then compared with the reported value. If the reported value were to exceed the value in use, a write-down is made in the result.

Impairment testing as of 31 December 2025 showed that there is no need for impairment.

NOTE 17 Patents

	GROUP	
	2025	2024
Initial acquisition values	12,487	7,426
This year's investments	441	706
Reclassification	–	4,355
Closing acquisition values	12,927	12,487
Entering depreciation	-5,009	-2,736
Depreciation recognized in the income statement for the year	-937	-439
Reclassification	–	-1,835
Outgoing depreciation	-5,946	-5,009
Closing reported value	6,981	7,477

NOTE 18 Goodwill

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	45,943	45,943
Closing acquisition values	45,943	45,943
Closing reported value	45,943	45,943

The goodwill represents the value of the competencies in the acquired companies and the synergies that are made possible when the two businesses are integrated and products and offerings are combined. The acquired business creates a base and organization for Nexam Chemicals' products on the European market and provides the prerequisites for the development and manufacture of multifunctional masterbatch products based on the competencies that the acquired business possesses. The acquired companies are Nexam Performance Masterbatch AB (formerly Plasticolor Sweden AB) with subsidiaries and goodwill is calculated on Nexam Performance Masterbatch AB including subsidiaries.

Impairment testing as of December 31, 2025 showed that there is no impairment requirement. The discount rate used before tax amounts to 7.98%. When testing for impairment, a calculation has been made for the budget for 2026 and for cash flow forecasts for the next 4 years and with a growth rate of 2% thereafter. If the WACC (weighted average cost of capital) changes by 1%, the carrying amount of goodwill would be affected and an impairment of SEK 12,569 thousand would be required. When calculating the WACC, Nexam Chemical has chosen to use a peer group regarding equity to adjust the calculation so that it follows the industry standard. In its assumptions about future cash flows, Nexam Chemical has chosen a conservative stance (+2%) of future growth after year 5. The company assesses the company's ability to generate cash flows for years 1-5 as likely as this is in line with the budget for 2026 and the plan for the years thereafter. In 2025, the company established the concept "Re-color+", which is a concept for coloring recycled plastic. The concept has been very well received in the market and the number of color samples for recycled plastic amounted to 180 during the year, which is the highest in the company's history. The company has also hired a salesperson based in Poland and an additional operator for the Polish operation. The increased sales capacity in Poland means that Poland is expected to grow by approximately 35% in 2026 as Poland is a large market but where the company has previously been limited by few resources. During the year, the company has renovated 2 of the machines for the production of paint, which means that these are expected to last for at least 5 more years and that the output from them can increase. Overall, the company makes the following assessment of the equal parts that affect the impairment assessment.

NOTE 18 Goodwill (cont.)

The important assumptions in the calculation of the impairment test are the forecasts for 2025-2029 and the methods used to estimate the values are as follows

Important variables	Methods for estimating value
Turnover increase	The demand for the company's additives historically follows economic trends. Demand for the company's additives for coloring recycled plastic is expected to increase more than the general economic trend due to expected increased demand for applications that contain an increased proportion of recycled plastic as well as an improved market presence in Germany including neighboring countries.
Raw materials	The company has historically been able to pass on price increases to customers during a business cycle. The company operates in a competitive market and the margin is on par with industry peers.
Personnel costs	The forecast for personnel costs is based on expected inflation, some real wage increases is expected, but the assessment is made that the company can compensate for this through efficiency improvements in production.
Discount rate	The discount rate is produced by a weighted average cost of capital for the industry in which the group operates and reflects current market conditions assessments of the time value of money and the risks that particularly relate to that asset for which the future cash flows have not been adjusted.

NOTE 19 Market positions

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	44,000	44,000
Closing acquisition values	44,000	44,000
Entering depreciation	-31,167	-26,767
Depreciation recognized in the income statement for the year	-4,400	-4,400
Outgoing depreciation	-35,567	-31,167
Closing reported value	8,433	12,833

Market positions refer to acquired long-term customer relationships, product formulations and product portfolio. The depreciation period for market positions is 10 years.

NOTE 20 Buildings and land

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	46,987	46,203
Acquisition of the year	850	742
Conversion difference	-832	42
Closing acquisition values	47,005	46,987
Entering depreciation	-11,457	-9,496
Depreciation for the year	-1,974	-1,974
Conversion difference	156	12
Outgoing depreciation	-13,275	-11,457
Closing reported value	33,730	35,530

NOTE 21 Machinery and other technical facilities

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	42,941	42,344
Acquisition of the year	1,744	1,398
This year's sale/disposal	-830	-1,084
Conversion difference	-680	283
Closing acquisition values	43,175	42,941
Entering depreciation	-27,283	-22,733
Depreciation for the year	-4,949	-5,329
This year's sale/disposal	797	970
Conversion difference	458	-191
Outgoing depreciation	-30,978	-27,283
Closing reported value	12,197	15,657

NOTE 22 Equipment, tools and installations

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	11,980	9,174
Acquisition of the year	2,136	3,522
This year's sale/disposal	-1,310	-716
Conversion difference	-99	-
Closing acquisition values	12,707	11,980
Entering depreciation	-6,154	-5,205
Depreciation for the year	-1,647	-1,494
This year's sale/disposal	840	545
Conversion difference	96	-
Outgoing depreciation	-6,864	-6,154
Closing reported value	5,843	5,826

NOTE 23 Improvement expenses on someone else's property

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	646	519
Acquisition of the year	168	127
Closing acquisition values	814	646
Entering depreciation	-63	-35
Depreciation for the year	-32	-28
Outgoing depreciation	-95	-63
Closing reported value	719	583

NOTE 24 Shares in group companies

	PARENT COMPANY	
	2025-12-31	2024-12-31
Initial acquisition values	435,076	435,076
Closing acquisition values	435,076	435,076
Entering write-downs	-26,723	-26,723
Impairment losses for the year*	-50,000	–
Closing write-downs	-76,723	-26,723
Closing reported value	358,352	408,352

*A write-down was made of the holding in Nexam Performance Masterbatch AB, as a result of lack of growth and a more cautious assessment of future prospects due to the uncertain economic situation and geopolitical tensions.

Specification of the Parent Company's holdings of shares in group companies

Shares in subsidiaries	Organization number	Location	Number of shares	Capital share	BOOK VALUE	
					2025-12-31	2024-12-31
Nexam Chemical AB	556784-6711	Lomma	251,009	100.0%	281,202	281,202
Nexam Performance Masterbatch AB	556376-3035	Lomma	1,500	100.0%	77,151	127,151
					358,352	408,352
						Capital votes and shares
Shares owned through subsidiaries	Organization number	Location	Parent Company		2025-12-31	
Nexam St. Andrews Ltd	SC410830	Cupar, UK	Nexam Chemical AB		100.0%	
Plasticolor Förvaltning AB	556409-7094	Lomma, Sweden	Nexam Performance Masterbatch AB		100.0%	
Plasticolor Polska Sp z.o.o.	PL7790034059	Poznan, Poland	Nexam Performance Masterbatch AB		100.0%	
Plasticolor Hungary Kereskedelmi Kft.	13-09-095701	Budapest, Hungary	Nexam Performance Masterbatch AB		100.0%	

NOTE 25 Other long-term receivables

	GROUP	
	2025-12-31	2024-12-31
Types of claims		
Deposits left	28	28
	28	28
Initial acquisition values	28	28
Outgoing acquisition value	28	28
Closing reported value	28	28

NOTE 26 Inventory

	GROUP	
	2025-12-31	2024-12-31
Raw materials and supplies	22,178	32,161
Goods under production	252	145
Finished goods	3,808	2,045
Prepayment to suppliers	4,123	–
	30,360	34,352

NOTE 27 Accounts receivable

As of December 31, 2025, accounts receivable totaled SEK 23,538 (31,527) thousand, of which SEK 6,514 (4,090) thousand were past due without any impairment being deemed necessary. During the year, the Group has taken a bad debt loss of SEK 918 thousand, relating to a company in England that went bankrupt and which had purchased the Group's additives to increase the use of recycled plastic. The aging analysis for the Group regarding accounts receivable is shown below. The Group applies the simplified method for calculating expected credit losses. The method means that expected losses over the entire term of the receivable are used as the starting point for the accounts receivable. To calculate expected credit losses, accounts receivable have been grouped based on credit characteristics and number of days past due. During the year, the Group has taken a bad debt loss of SEK 918 thousand, but historically, losses within the Group have been negligible. In 2025, losses amounted to 918 (42) thousand SEK.

	GROUP	
	2025-12-31	2024-12-31
Accounts receivable not past due	17,024	27,437
Overdue 1-30 days	6,330	3,828
Past due 31-60 days	36	86
Past due 61-90 days	13	43
Overdue more than 90 days	136	132
	23,538	31,527

NOTE 28 Prepaid costs and accrued income

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Prepaid rent	145	–	–	–
Prepaid insurances	645	624	469	466
Advance payment supplier	473	488	164	86
Pension insurance	–	31	–	7
Prepaid licenses	29	49	–	–
	1,293	1,192	633	559

NOTE 29 Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow analysis include:

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Available balances with banks and other credit institutions and utilization of overdraft facilities for the parent company	12,168	9,020	-23,386	-8,601
	12,168	9,020	-23,386	-8,601

Parent Company is part of a group-wide cash pool

NOTE 30 Equity

	Number of shares	Quota value ¹⁾ per share (SEK)	Share capital (SEK)
Opening share capital 2025-01-01	80,915,798	0,02	1,556,073
Closing share capital 2025-12-31	80,915,798	0,02	1,556,073
Opening share capital 2024-01-01	80,915,798	0,02	1,556,073
Closing share capital 2024-12-31	80,915,798	0,02	1,556,073

¹⁾ The quota value per share is rounded. The share's exact ratio value is 1/52, i.e. about SEK 0.0192.

Each share entitles to one vote and each person entitled to vote may, at the general meeting, vote for the full number of shares owned and represented by him/her without limitation in voting rights. All shares carry an equal right to a share in the company's assets and profits. No shares are held by the company itself.

Profit allocation (SEK)

Premium fund	551,179,823
Balanced result	-104,757,180
This year's results	-69,688,560
	376,734,083

Unrestricted equity - the Group

Unrestricted equity consists of share premium reserve, retained earnings from previous years and the year's profit.

No dividend has been paid in 2025 or 2024. At the annual general meeting on May 12, 2026, the board proposes that no dividend be given.

NOTE 30 Equity (cont.)

As of December 31, the company has the following options issued

	Number	Price per option	Price per share	Redemption period
Warrants 2024/2027	1,170,000	0.16	6.00	2027-09-01 - 2027-10-01

Warrants 2024/2027 are valued according to Black & Scholes and are offered to management and the CEO with 200,000 as well as 50,000 to other employees.

NOTE 31 Provisions

	PARENT COMPANY	
	2025-12-31	2024-12-31
Input value	558	540
Deferred payroll tax	11	17
Output value	569	558

Pension provisions in the form of endowment insurance have been netted against other long-term receivables.

NOTE 32 Change in liabilities from financing activities

GROUP	2024	CASH FLOW FOR THE PERIOD			NO LIQUIDITY IMPACT	2025
		Borrowed loans	Amortization	Net	Reclassification	
Long-term loans	18,297	–	–	18,297	-3,709	14,589
Short-term loans	4,799	11,879	-4,296	12,381	3,709	16,090
Total debt	23,096	11,879	-4,296	30,679	–	30,679

NOTE 33 Liabilities to credit institutions

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Amortization within 1 year	16,094	4,706	23,386	–
Short-term debt	16,094	4,706	23,386	–
Amortization within 2 to 5 years	5,723	8,013	–	–
Amortization after 5 years	8,862	10,377	–	–
Long term debt	14,585	18,390	–	–
Total liabilities credit institutions	30,679	23,096	23,386	0

NOTE 34 (1/4) Lease commitments

Leasing agreements that are reported as fixed assets are included in the consolidated balance sheet with the following amounts:

	2025-12-31	2024-12-31
Machines and other technical facilities	1,570	2,162
Equipment, tools and installations	1,235	1,297
Buildings and land	3,037	3,037
	5,842	6,496

Liabilities on leasing commitments are included in the consolidated balance sheet with the following amounts:

	2025-12-31	2024-12-31
Long-term lease liability	3,953	4,737
Short-term lease liability	1,889	1,759
	5,842	6,496

Due dates for lease payments and their estimated present values are:

	Leasing fee incl. redemption price	of which amortization	of which interest
2025			
Within a year	2,145	2,007	138
Later than one year, but within five years	1,193	1,080	113
Later than five years	7,978	6,496	1,482
	11,316	9,583	1,733
2024			
Within a year	3,295	2,930	365
Later than one year, but within five years	4,300	3,488	813
Later than five years	10,233	2,285	7,948
	17,829	8,702	9,126

NOTE 34 (2/4) Machinery and technical facilities

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	5,952	5,651
Acquisition of the year	45	301
Closing acquisition values	5,997	5,952
Entering depreciation	-3,790	-3,166
Depreciation for the year	-637	-624
Outgoing depreciation	-4,427	-3,790
Closing reported value	1,570	2,162

NOTE 34 (3/4) Equipment, tools and installations

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	3,186	2,089
Acquisition of the year	665	1,097
Closing acquisition values	3,851	3,186
Entering depreciation	-1,889	-1,369
Depreciation for the year	-727	-520
Outgoing depreciation	-2,616	-1,889
Closing reported value	1,235	1,297

NOTE 34 (4/4) Buildings and land

	GROUP	
	2025-12-31	2024-12-31
Initial acquisition values	4,470	3,947
Acquisition of the year	559	523
Conversion difference	-106	-
Closing acquisition values	4,923	4,470
Entering depreciation	-1,433	-1,003
Depreciation for the year	-453	-430
Outgoing depreciation	-1,886	-1,433
Closing reported value	3,037	3,037

NOTE 35 Other long-term liabilities

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Input value	558	540	–	–
Deferred payroll tax	11	18	–	–
Output value	569	558	0	0

NOTE 36 Accrued costs and prepaid income

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Accrued holiday pay incl. social security contributions	3,328	2,816	531	355
Audit fee	666	585	300	225
Accrued board fee	44	127	44	127
Accrued interest	28	41	–	–
Estimated accrued payroll tax on pension costs	500	1,545	500	564
Agents	108	287	–	–
Reserved bonus	731	928	459	733
Consultants	365	250	,344,	200
Received goods not invoiced	–	291	–	–
Government grants	–	479	–	–
Accrued fees for water, electricity, waste management	532	291	–	–
Miscellaneous	195	5	–	–
	6,497	7,645	2,178	2,204

NOTE 37 Collateral and contingent liabilities

	GROUP		PARENT COMPANY	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Collateral pledged				
<i>For debts to credit institutions</i>				
Real estate mortgages	12,000	12,000	–	–
Corporate mortgages	25,000	20,000	25,000	20,000
	37,000	32,000	25,000	20,000
Contingent liabilities				
Payment guarantees	1,205	3,808	–	2,571
Total liabilities	1,205	3,808	–	2,571

NOTE 38 Commitment for environment and restoration cost

Nexam Chemical's financial reporting is based on the assumption of the Group's continued operation, which is also reflected in how any environmental liabilities are assessed. The Group follows authority decisions and takes measures proactively to prevent environmental impact, as well as reactively in the event of environmental disturbances. In the Group there are no known material environmental liabilities or events that can be feared to create environmental debt in the near term.

NOTE 39 Transactions with related parties

Transactions between the company and its subsidiaries, which are related to the company, have been eliminated on consolidation and information about these transactions is therefore not provided in this note. Information about transactions between the group and other related parties is presented below. Apart from the information below and remuneration to board members related to board work, according to note 11, no other transactions have taken place between the group and related parties during 2025.

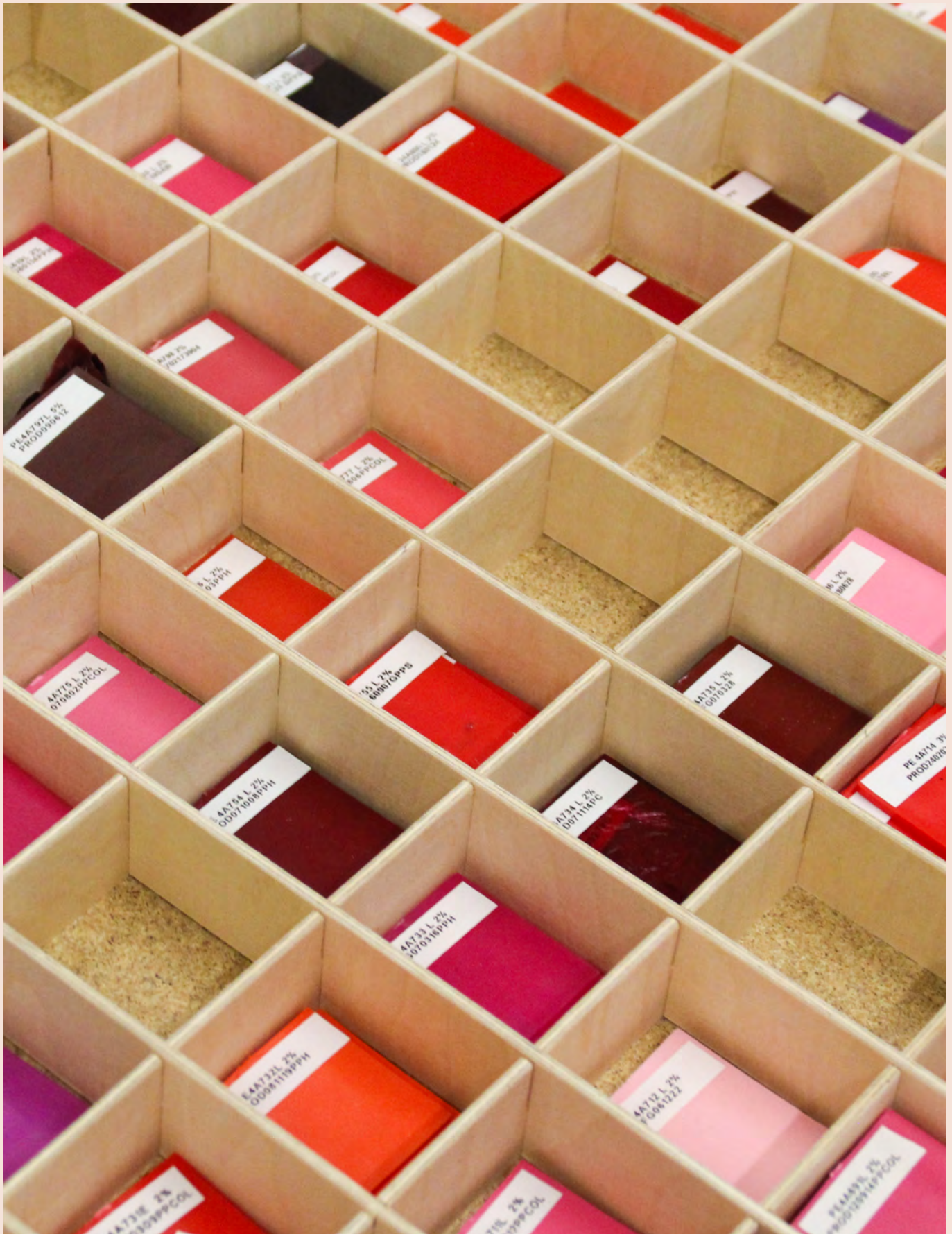
During the year, the parent company had income of 9,987 (10,804) thousand SEK, which relates to invoiced management fees to the subsidiaries Nexam Chemical AB and Nexam Performance Masterbatch AB. As in previous years, the parent company has not had any costs from the subsidiaries. The parent company has a net receivable of 46,102 (51,119) thousand SEK from the subsidiaries.

NOTE 40 Significant events after the end of the year

A capital raising was completed in February, resulting in a capital injection of SEK 47 million. The capital injection will primarily be used to invest in growth in the form of marketing, expanded sales and development resources in the area of additives for plastic recycling. The uncertain geopolitical environment makes it more difficult to obtain forecasts and commitments from the company's customers regarding future orders and to obtain established timetables for when joint projects will be completed. The increased uncertainty means that it is more difficult for the company to assess developments in the near future than has been the case previously.

NOTE 41 Approval of financial reports

This consolidated annual report was approved by the board of directors for publication on March 25, 2026.



Signatures

Lomma, March 25, 2026

Cecilia Jinert Johansson
Chairman

Lennart Holm
Board member

Martin Roos
Board member

Magnus Wikström
Board member

Ronnie Törnqvist
CEO

Our audit report was submitted on March 25, 2026
Deloitte AB

Jeanette Roosberg,
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Nexam Chemical Holding AB corporate identity number 556919-9432

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Nexam Chemical Holding AB for the financial year 2025-01-01 - 2025-12-31.

The annual accounts and consolidated accounts of the company are included on pages 36-43 and 50-88 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-35, 45-49 and 92-94. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give

a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users tak-

en on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up

to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements *Opinions*

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Nexam Chemical Holding AB for the financial year 2025-01-01 - 2025-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions,

actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 45-49 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö on the 25th of March 2026

Deloitte AB

Signature on Swedish original

Jeanette Roosberg
Authorized public accountant

Board and management



Martin Roos

Board member since 2021.

Born: 1975

Education: Roos holds a Master of Science (Chemistry) from the Royal Institute of Technology (KTH) and a Master of Science (Economics) from the Stockholm School of Economics.

Other ongoing assignments: Board member of Codiqo AB, Lignin Industries AB, Silknet JCS, Seamless Distribution Systems AB, Redsense Medical AB, Tyrill AB and The path less traveled AB and deputy board member of Amarazen AB and Roos Fastighetskonsult AB.

Holdings: 400,000 shares

Cecilia Jinert Johansson

Board member since 2014 and Chairman since 2023.

Born: 1963.

Education: Master of Science in Economics from Lund University.

Other ongoing assignments: Chairman of the Board of Cascade Drives AB and Exeri AB and member of the Board of Minang AB, Microbas Precision AB, Freemelt Holding AB (publ) and Dahrén Group AB.

Holdings: 273,443 shares

Lennart Holm

Board member since 2023.

Born: 1960

Education: M.Sc Chemical Engineering at CTH, Gothenburg.

Other ongoing assignments: Axolot Solutions Holding AB, Chairman of the board; Hamnkrogen Holding AB, chairman of the board; NWS Group AB, Chairman of the Board; EBC Group AB, Chairman of the Board.

Holdings: 2,074,426 shares

Magnus Wikström

Board member since 2023.

Born: 1963

Education: Doctor of Science in Paper Technology at KTH in Stockholm.

Other ongoing assignments: MaWi Development AB, CEO; Cellfion AB, Chairman of the Board; Rottneros AB, Board member; Cellcomb AB, Board member.

Holdings: 17,482 shares

Auditor
Deloitte AB
Jeanette Roosberg
Authorized public accountant



Ronnie Törnqvist

CEO (since 2023). Employed since 2023.

Born: 1971.

Education: Doctorate in polymer and composite technology, EPFL Lausanne Switzerland.

Other ongoing assignments: Board member of Nexam Chemical AB, Plasticolor Förvaltnings Aktiebolag and Nexam Performance Masterbatch Aktiebolag. CEO of Nexam Chemical AB, Plasticolor Förvaltnings Aktiebolag and Plasticolor Sweden Aktiebolag and board member of Rontorn AB.

Holdings: 285,648 shares

Warrants: 200,000 warrants series 2024/2027



Marcus Nyberg

CFO (since 2019).

Born: 1975.

Education: Master of Business Administration, Lund University School of Economics.

Other ongoing assignments: Board member of Nexam Chemical AB, Plasticolor Förvaltnings Aktiebolag, Performance Masterbatch Aktiebolag and Lommaboxen AB.

Holdings: 98,934 shares

Warrants: 200,000 warrants series 2024/2027



Christer Svanberg

CTO (since 2022).

Born: 1970.

Education: Doctor of Technology (PhD) in Materials Science, Chalmers University of Technology.

Other ongoing assignments: –

Holdings: 30,000 shares

Options: 200,000 warrants series 2024/2027



Adrian Pepper

Group Regulatory and EHSQ Manager (since 2017). Employed since 2012.

Born: 1973.

Education: PhD in Synthetic Organic Chemistry and Bachelor of Science (Hons) in Chemistry, Salford University, UK.

Other ongoing assignments: –

Holdings: 14,300 shares

Options: 200,000 warrants series 2024/2027.



Dane Momcilovic

Business Manager (since 2022).

Born: 1976.

Education: PhD in Technical Analytical Chemistry, Lund University, Sweden.

Other ongoing assignments: –

Holdings: 243,682 shares

Options: 200,000 warrants series 2024/2027



Henrik Bernquist

Business Manager (since 2020).

Born: 1980.

Education: MSc in Chemical Engineering, LTH, Lund.

Other ongoing assignments: –

Holdings: 15,000 shares

Options: 120,000 warrants series 2024/2027

Information about the Annual General Meeting and calendar

Annual General Meeting

Nexam Chemical's Annual General Meeting will be held on Tuesday, May 12, 2026 at 3:00 p.m. at Elite Hotel Ideon, Scheelevägen 27, in Lund.

Registration opens at 2:30 p.m. Shareholders who wish to participate in the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB no later than Tuesday, May 5, 2026, and must notify the Company no later than Tuesday, May 6, 2025.

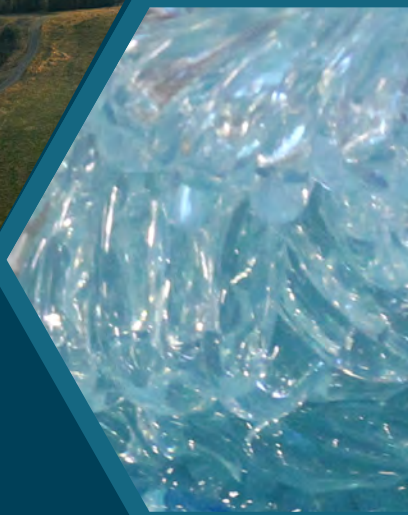
Notification must be made to Nexam Chemical Holding AB (publ), General Meeting, Box 165, 234 23 LOMMA. Notification can also be submitted by telephone at 0702-71 93 11 or by e-mail to info@nexamchemical.com.

Shareholders who have had their shares registered with a nominee must, in order to have the right to participate in the general meeting, temporarily register the shares in their own name with Euroclear Sweden AB well in advance of Monday, May 5, 2026.

Financial calendar

21 Apr 2026	Interim report January–March 2026
12 May 2026	Annual General Meeting 2026
14 Jul 2026	Interim report January–June 2026
16 Oct 2026	Interim report January–September 2026
29 Jan 2027	Year-end-report 2026





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