



Press release
Lund 2014-04-15

Notice of Nexam's Annual General Meeting 2014

The shareholders of Nexam Chemical Holding AB (publ) ("Nexam") are hereby given notice to attend the Annual General Meeting of Shareholders ("AGM") on Wednesday, May 14, 2014 at 3.00 p.m. at Elite Hotel Ideon, Scheelevägen 27 in Lund.

Notification

A complete notice follows below and is also available at Nexam's website www.nexam.se. Complete notice will also be inserted in Post- och Inrikes Tidningar on 16 April 2014. The fact that notice to attend a shareholders' meeting has been published will be announced on the same day in the Swedish newspaper Svenska Dagbladet. The notice is also available at Nexam's head office and is sent free of charge upon shareholder's request.

Notice to attend

Shareholders wishing to attend the AGM must, first, be listed in the share register kept by Euroclear Sweden AB on Thursday May 8, 2014 and secondly, on Thursday May 8, 2014, they must have informed Nexam of their attendance and number of assistances, if any, by email to till Ann-Gerd Salmonson, ann-gerd.salmonson@nexam.se. Such notification can also be given by telephone +46 76-108 18 00, or mail to Nexam Chemical Holding AB (publ), Bolagsstämma, Medicon Village, Scheelevägen 2, 223 81 Lund, Sweden.

Notification ought to include the shareholder's name, address, telephone number, personal or corporate identity number, registered shareholding and information on number of assistances, if any. Notification and particulars of any proxy and assistances will be registered with Nexam to provide the basis for the voting list. Shareholders represented by proxy must issue a signed and dated power of attorney for the proxy. If the power of attorney is issued by a legal entity, a certified copy of registration certificate or equivalent document for the legal entity shall be presented. Any powers of attorney shall be in writing and submitted no later than at the AGM, but preferably by sending a copy thereof before that. The validity period of any power of attorney may be no longer than five years if set out specifically. If no validity period is specified, the power of attorney is valid for no more than one year. Forms for power of attorney can be found at the company's website www.nexam.se and at the head office in Lund, (Medicon Village, Scheelevägen 2) and will be sent to shareholders who so request and state their address.

Shareholders who have their holdings nominee-registered must temporarily register the shares in their own name to be entitled to participate in the AGM. Such temporary re-registration of ownership must be implemented no later than Thursday May 8, 2014. Accordingly, shareholders must inform their nominees or banks well in advance of that date of their wish to obtain temporary owner registration (so called voting-rights registration).

Accounting documents and complete proposals

Accounting documents and complete proposals according to item 13-16 are available at the company's head office in Lund and at the company's website www.nexam.se no later than Wednesday April 23, 2014. Copies of the documents will upon request be sent to shareholders who state their address. Copies of the documents will also be available at the AGM.

Duty of disclosure at the AGM

Shareholders are reminded of their right to request that the board and the CEO provide information pursuant to chapter 7, section 32 of the Swedish Companies Act.

Agenda

1. Opening of the meeting
2. Election of Chairman of the meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Consideration of whether the meeting has been duly convened
7. Address by the CEO
8. Presentation of the Annual Report and Audit Report for 2013 and the Consolidated Annual Report and Consolidated Audit Report for 2013
9. Resolution on
 - a) adoption on the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and consolidated balance sheet
 - b) distribution of the company's results
 - c) discharge from liability for the Board members and CEO
10. Determination of the number of Board members as well as the auditor and deputy auditor
11. Determination of remuneration for the Board members and auditors
12. Election of Board members as well as the auditor and deputy auditor
13. Instruction for the Nomination Committee
14. Adoption of Remuneration Policy
15. Resolution on proposal for issuance of warrants and approval of transfer of warrants
16. Authorization for issuing new shares
17. Closing of the meeting

Proposed resolutions

Item 2

The Nomination Committee proposes that the Chairman of the Board, Lennart Holm, is appointed Chairman of the meeting.

Item 9b

The Board proposes that no dividends are paid and that unappropriated earnings of SEK 243,112,000 are carried forward to a new account.

Item 10

The Nomination Committee proposes that four ordinary Board members without deputies are elected. The members are to be appointed until the next AGM. Further,

the Nomination Committee proposes that a registered public accounting firm is appointed as auditor. The Nomination Committee proposes that the registered public accounting firm is elected until the next AGM.

Item 11

The Nomination Committee proposes that the remuneration paid to the Board is SEK 300,000, of which SEK 150,000 is remuneration to the Chairman and SEK 75,000 is remuneration to every other Board member who is not employed by the company.

It is proposed that the remuneration for the auditor should be paid according to customary norms and approved invoice.

Item 12

The Nomination Committee proposes re-election of Lennart Holm, Michael Karlsson and Daniel Röme as ordinary board members. Further, the Nomination Committee proposes new election of Cecilia Jinert Johansson as ordinary board member. The Nomination Committee proposes re-election of Lennart Holm as Chairman of the Board. Per Palmqvist Morin has declined re-election.

Information on the Board members proposed for re-election may be found in the Annual Report and at www.nexam.se.

Cecilia Jinert Johansson, born 1963, was until March 2014 head of production and head of EHSQ at Lantmännen division Lantbruk and has former i.e worked as Senior Vice President Operations at Ruukki Construction, in SVP Supply Chain Management for Rautaruukki Oyj and as Vice President Operations at Crawford Group.

The Nomination Committee further proposes that Öhrlings PricewaterhouseCoopers AB is re-elected as accounting firm until the next AGM.

Item 13

Appointment of the Nomination Committee will take place before coming elections and payment of remuneration. It is proposed that the Nomination Committee should consist of three members, representing the two largest shareholders at the end of September together with the Chairman of the Board. Remuneration will not be paid to the members of the Nomination Committee. It is further proposed that instruction and charter for the Nomination Committee is adopted.

Item 14

The Board proposes that the AGM resolves to adopt guidelines regarding remuneration for the CEO and other senior executives in Nexam. The remuneration for the CEO and other senior executives may be fixed salary, pension, other benefits and share-based incentive programs. The guidelines means i.e that the CEO and other senior executives will be offered a fixed salary that is marketable. The remuneration of the CEO and other senior executives is based on factors such as work tasks, expertise, experience, position and performance. The CEO and other senior executives are entitled to annual pension contributions equivalent to 12 percent of the pensionable salary. A mutual notice period of six months for Nexam, the CEO and other senior executives and severance pay, in addition to salary, during the notice

period may be up to a maximum of nine months' salary for the CEO and a maximum of 6 months for other senior executives.

Item 15

The Board proposes that the AGM resolves to implement an incentive program with warrants for senior executives and key persons in the company in accordance with the following:

- A maximum of 1,083,849 warrants shall be issued.
- With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by Nexam's wholly owned subsidiary Nexam Chemical AB. Over subscription cannot occur.
- Subscription shall be made at the latest on 31 October 2014, provided that the Board shall be entitled to prolong the subscription period.
- The warrants shall be issued without consideration. The reason for issuing the warrants without consideration is that the warrants shall be utilized for implementation of Incentive Program 2014/2017.
- Nexam Chemical AB shall have the right to, at one or several occasions, transfer warrants to senior executives and key persons in the Nexam group and to otherwise handle the warrants to fulfil the obligations under Incentive Program 2014/2017. Transfers to participants in Incentive Program 2014/2017 shall be made against cash consideration corresponding to the market value of the warrants calculated in accordance with the "Black Scholes" formula and accepted assumptions regarding among others volatility and risk free interest, which assumptions shall be based on measurements during the period 1 September 2014 – 12 September 2014 (the "Measurement Period").
- Each warrant confers right to subscribe for one new share in Nexam against cash payment at a subscription price corresponding to 150 per cent of the volume weighted average last closing price for Nexam's share on Nasdaq OMX First North during the Measurement Period. The subscription price shall be rounded off to the nearest whole 10 öre, where 5 öre shall be rounded upwards. The subscription price and the number of shares that each warrant confers right to subscribe for shall be subject to customary recalculation formulas in connection with i.a. split, consolidation and rights issues.
- The subscription right may be utilized during the period from and including 25 September 2017 to and including 9 October 2017.
- The shares issued upon utilization of a warrant shall confer right to dividends as from the first AGM occurring after effectuation of the subscription.
- The Board shall be entitled to resolve on transfer of warrants to senior executives and key persons in the Nexam group in accordance with the following guidelines:
 - a) Key executives at maximum 160,000 warrants per individual (apprx. 5)
 - b) Key persons at maximum 40,000 warrants per individual (apprx. 12)
- Key executive who is also a member of the Board, shall not be entitled to participate in Incentive Program 2014/2017.
- Notice of participation from key executives and key persons to participate in Incentive Program 2014/2017 shall have been received by Nexam at the

latest on 30 September 2014, provided that the Board shall be entitled to prolong this time period and to apply a different notification period for participants that are subsequently employed in the Nexam group.

- In case all warrants are exercised for subscription of new shares, the share capital will increase with SEK 20,843.250001.

The reasons for the implementation of the warrant program with deviation from the shareholders' preferential rights are to be able to create possibilities for Nexam to retain competent key persons through the offering of a long term ownership engagement for the key persons. Such ownership engagement is expected to stimulate the key persons to an increased interest in the business and profit development and increase the feeling of connectedness with Nexam.

Nexam's subsidiary Nexam Chemical AB has previously issued 7,280 warrants to employees. Each warrant confers right to subscription of one new share in the subsidiary at a subscription price of SEK 1,000 per share (4,340 warrants) and the subscription price of SEK 2,000 per share (2,940 warrants), respectively. The warrants can be utilized during the periods 15 September 2016 – 15 December 2016 (2,040 warrants), 15 September 2017 – 15 December 2017 (2,300 warrants) and 1 October 2018 – 31 December 2018 (2,940 warrants). Nexam has entered into agreements with the holder of the warrants pursuant to which Nexam has the right to acquire the shares potentially subscribed for against payment in the form of 182.5034 shares in Nexam for each new issued share in the subsidiary. In case all warrants are exercised for subscription of shares in the subsidiary, Nexam will issue 1,328,625 shares as consideration.

The now proposed Incentive Program 2014/2017 and thereby associated issue of at maximum 1,083,849 warrants in accordance with the proposal above, may cause a dilution of approximately 2.0 per cent of Nexam's share capital and votes after full dilution, calculated as the number of shares that will be added upon full exercise of Incentive Program 2014/2017 in relation to the number of existing shares with the addition of the shares that will be added upon full exercise of all warrants outstanding in the group. In case all warrants (existing as well as the now proposed) are exercised, the aggregate dilution, calculated in the same manner, will amount to approximately 4.45 per cent.

Since the warrants in Incentive Program 2014/2017 will be transferred at market value, it is Nexam's opinion that no social charges will be triggered for Nexam due to Incentive Program 2014/2017. The costs for Incentive Program 2014/2017 will hence only consist of limited costs related to implementation and administration of the program.

Item 16

The Board proposes that the AGM authorizes the Board, on one or several occasions until the next AGM, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares. Issues may be made with or without the provisions regarding contribution in kind, set-off or other conditions. The number of shares that may be issued may not exceed a total of 5,753,333 shares (provided that such number of shares may be issued without amendment of the Articles of Association).



The dilution may, upon full exercise of the authorization, amount to at the highest approximately 10 per cent. The purpose of the authorization is to enable to raise working capital, to enable to execute and finance acquisitions and to enable new issues to industrial partners within the framework of partnerships and alliances. To the extent the authorization is used for new issues with cash payment with deviation from the shareholders' preferential rights, the issue price shall be on market terms.

Particular majority decisions

Valid resolution under item 15 requires that the proposals are supported by shareholders representing at least nine tenths of the votes submitted and represented at the AGM. Valid resolution under item 16 requires that the proposals are supported by shareholders representing at least two thirds of the votes submitted and represented at the AGM.

Number of shares and votes

As of the date of issuing of this notice to attend, the total number of registered shares and votes in the company amounts to 51,780,000. The company holds no own shares.

Lund, April 2014
Nexam Chemical Holding AB (publ)
The Board of Directors

For more information, please contact:

Lennart Holm, Chairman of the Board: +46 (0)706 30 8562
Per Palmqvist Morin, CEO, +46 (0)706 55 55 82

Nexam is a Swedish company with a world-leading technology within its area for heat-activated crosslinking of plastics and polymers. The company develops, manufactures and markets unique heat-activated crosslinkers to the plastics market. A company description and more information about the business will be found on www.nexam.se. The company's Certified Adviser is Remium Nordic AB.

Note: This press release has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in case of any discrepancy with the English version.