

Press release
Lund 2016-10-12

Nexam Chemical Holding AB intends to acquire warrants issued under incentive programs in its subsidiary

Nexam Chemical Holding AB intends to acquire the outstanding warrants in the subsidiary Nexam Chemical AB from ten warranty holders, consisting of employees and former employees, for a total value of SEK 4.7 million. Fully exercised, the warrants correspond to 1,328,625 shares in Nexam Chemical Holding AB. None of these warrants are held by the Board, CEO or the founders of the company.

Nexam Chemical Holding AB has for some time negotiated and finally entered into an agreement with all ten warrant holders to acquire their warrants in the subsidiary Nexam Chemical AB. The agreement is conditional upon that an Extraordinary General Meeting ("EGM") approves the agreements by simple majority. The notice to the EGM will be press released separately.

Background

The subsidiary Nexam Chemical AB has three ongoing incentive programs subscribed for by employees during the years 2009 and 2012, i.e. before the current parent company Nexam Chemical Holding AB was formed and listed on Nasdaq First North Stockholm. The duration periods of the incentive programs are 2009/2016, 2010/2017 and 2012/2018. The warrants entitle the warrant holders to subscribe for shares in the subsidiary Nexam Chemical AB during a three month exercise period in each respective year.

To avoid future minority shareholders in the subsidiary, an agreement was entered into with all warrant holders in connection with the listing of Nexam Chemical Holding AB in the spring of 2013. In short, the agreement implicates that each share the warrant holders subscribe for in the subsidiary shall be exchanged for 182.5034 newly issued shares in Nexam Chemical Holding AB through an issue in kind. For more information, see the company [website](#) or the [annual reports](#).

Extraordinary General Meeting required

In order to go through with an issue in kind, an EGM needs to be held each time a warrant holder subscribes for shares in the subsidiary. The EGM needs to approve each issue in kind with a nine-tenth majority requirement. Fully exercised warrants, followed by the required approvals from the EGMs would result in a dilution of approximately 2 percent.

A consequence of the agreement is that several EGMs need to be held the coming three years. Unless the required majority of nine-tenths approves each of these issues in kind, the subsidiary Nexam Chemical AB will have a number of minority shareholders, which shareholders are entitled to have their minority shareholding redeemed. If an agreement on such redemption is not reached,

the request of redemption will be settled in accordance with the provisions on compulsory redemption in the Swedish Companies Act (2005:551).

The Board's proposal to the Extraordinary General Meeting

In order to avoid multiple future EGMs and uncertainties regarding future minority shareholders and processes related to compulsory acquisition, Nexam Chemical Holding AB has entered into agreements with all ten warrant holders regarding an acquisition of their warrants. The purchase price to be paid per warrant is shown in the chart below. The agreed purchase price has been calculated from the assessment of market values which, inter alia, have included analyses, warrant value estimates and value estimates related to each warrant series. The weighted average share price on Nexam Chemical Holding AB's share, during the last three months, is approximately 10.63 SEK.

Six of the warrant holders remain employed by the Nexam Chemical Group. Whereas some of the warrant holders are employed by the Nexam Chemical Group, the Board has made the assessment that Nexam Chemical Holding AB's acquisition of warrants constitutes such transactions that, in accordance with the statement from the Swedish Securities Council in AMN 2012:05, requires approval from an EGM in Nexam Chemical Holding AB. The agreements are therefore subject to the approval from the EGM.

The Board has obtained a so-called "Fairness opinion" from Öhrlings PriceWaterhouseCoopers AB which supports that the agreed terms and conditions for Nexam Chemical Holding AB's acquisition of the warrants are reasonable for Nexam Chemical Holding AB's shareholders from a financial point of view.

In the light of the above, the Board proposes that the EGM on 28 October, 2016, resolves to approve Nexam Chemical Holding AB's acquisition of the warrants.

Notice to the EGM will be press released separately. Prior to the EGM, the Board's statement in accordance with AMN 2012:05, which also include the board's complete proposal for resolution and the fairness opinion from Öhrlings PriceWaterhouseCoopers AB, will be made available for the shareholders in the manner stated in the notice to the EGM.

Information regarding the incentive programs

Program	Date of allotment	Exercise period	Initial amount the Subsidiary			Re-calculated amount according to agreement (182.5034) with Nexam Chemical Holding AB			
			Initial number of warrants	Initial exercise price (SEK)	Purchase price per warrant (SEK)	Number of out-standing warrants	Re-calculated exercise price (SEK)	Purchase price per warrant (SEK)	Total offered purchase price (SEK)
2009/ 2016	2009-12-11	2016-09-15 2016-12-15	2,040	1,000	971.04	372,307	5.48	5.32	1,980,915
2010/ 2017	2010-12-20	2017-09-15 2017-12-15	2,300	1,000	971.04	419,758	5.48	5.32	2,233,384
2012/ 2018	2012-11-01	2018-10-01 2018-12-31	2,940	2,000	190.04	536,560	10.96	1.04	558,720
Total:			7,280			1,328,625			4,773,019

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.

For further information please contact:

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This information is information that Nexam Chemical Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 13:30 CET on October 12, 2016.

About Nexam Chemical

Nexam Chemical develops technology and products that make it possible to significantly improve the production process and properties of most types of plastics in a cost-effective manner and with retained production technology. The improved properties include strength, toughness, temperature and chemical resistance as well as service life. The improvements in properties that can be achieved by using Nexam Chemical's technology make it possible to replace metals and other heavier or more expensive materials with plastics in a number of applications. In applications where plastic is already used, Nexam Chemicals products can improve the manufacturing process, reducing material use and enable more environmental friendly alternatives. Example of commercial applications: pipe manufacturing, foam production and high-performance plastics. More information about the business will be found on www.nexamchemical.com. The company's Certified Adviser is FNCA Sweden AB.