

Nexam Chemical Holding AB (publ)

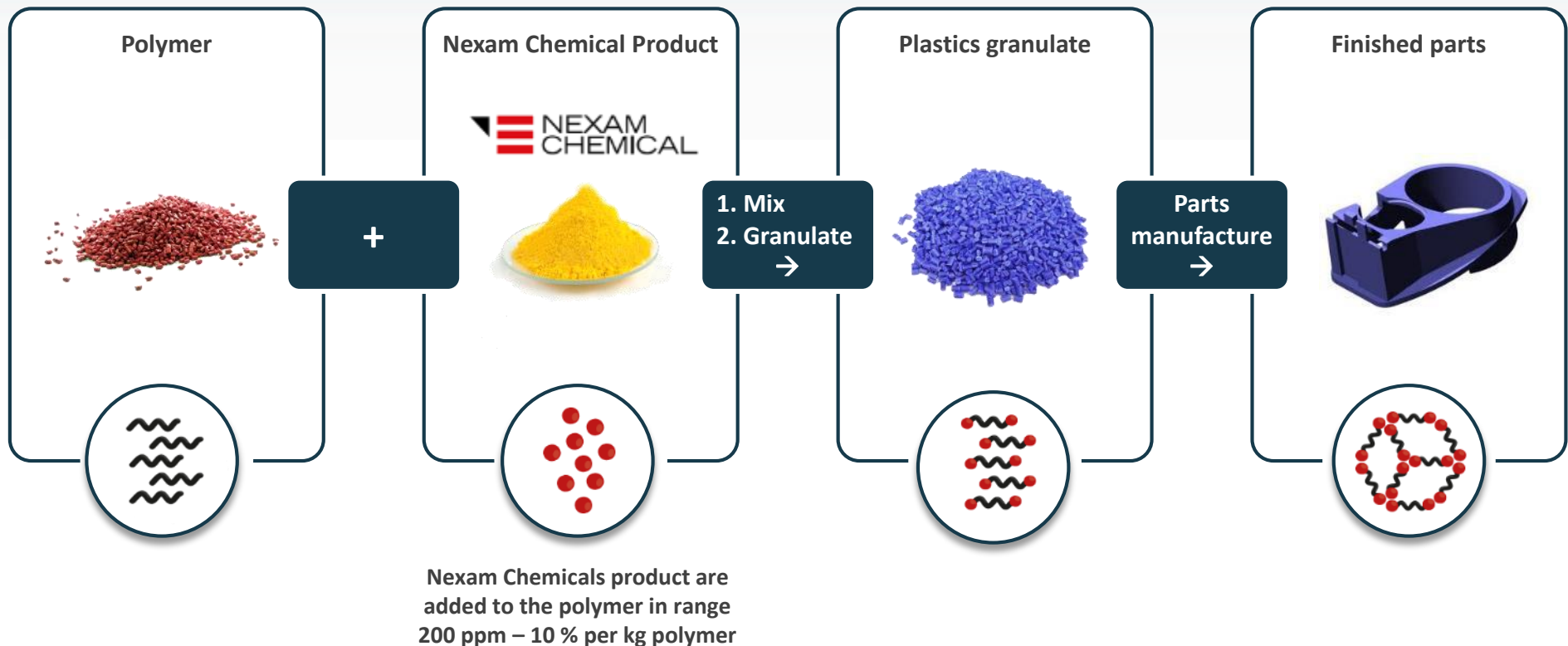
May 2016



Agenda

- Nexam Chemical
- Market overview
- Strategy – 3 focus areas
- Recent milestones
- Strategic outlook
- Communication plan

Nexam Chemical's products in the value chain



Source: Nexam Chemical

Background

Focus: Investing in R&D

Focus: Commercialisation

2009

2010

2011

2012

2013

2014

2015

2016

- Nexam Chemical is formed following a management buyout from Perstorp
- Development of the plastic processing lab and the organisation begins

- First proof of concept for nylons and polyethylene
- Several partnerships are formed
- Pre-launch of the NEXIMID®-family

- The NEXIMID®-family comprising of five products is launched
- New partnerships are continuously formed and existing ones are further intensified
- Nexam Chemical acquires a production facility in Scotland

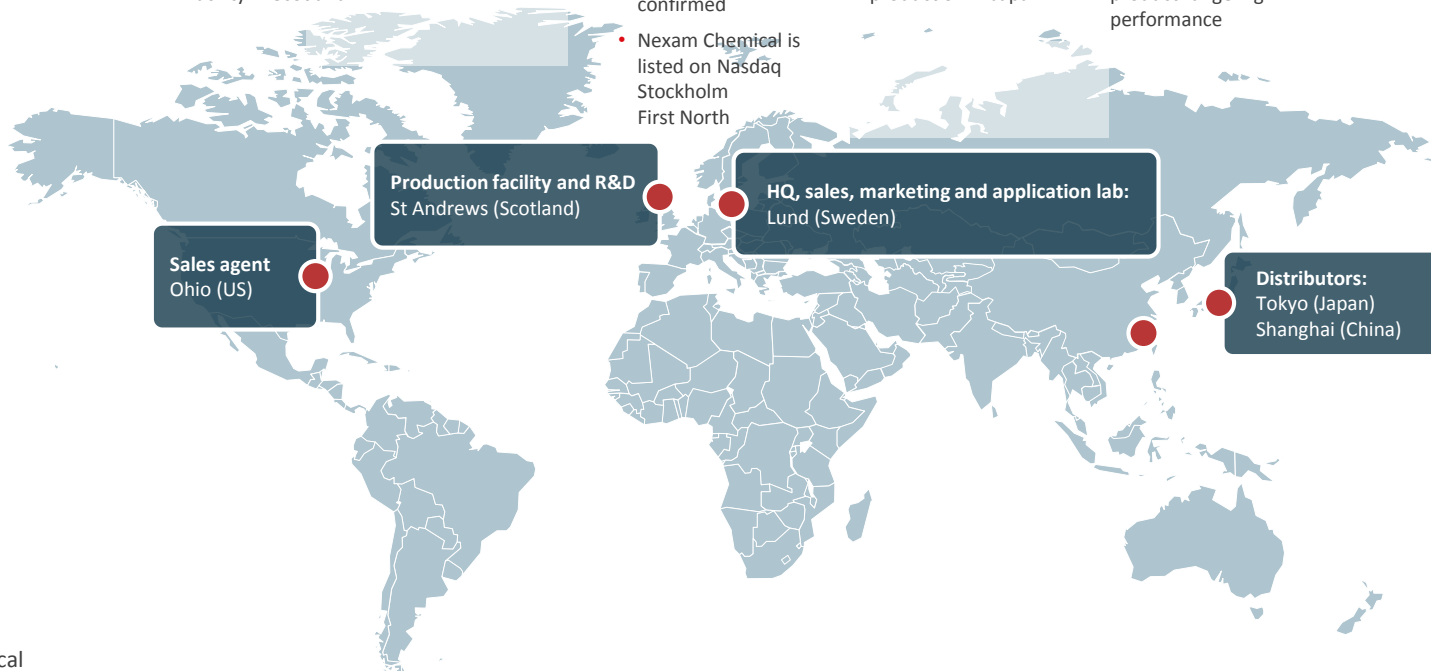
- Further roll-out of NEXIMID® to new customers within the polyimide industry
- Pre-launch of the NEXAMITE®-family following positive results within nylons, PET and polyethylene

- Nexam Chemical's products are starting to be included in customers recipes
- Volumes are scaled up
- The plastic processing lab is up and running
- The first application within electronics is confirmed
- Nexam Chemical is listed on Nasdaq Stockholm First North

- NEXAMITE® is launched
- Nexam Chemical continues to form strategic partnerships
- Commercialisation of a material, based on Nexam Chemical's product, for film production in Japan

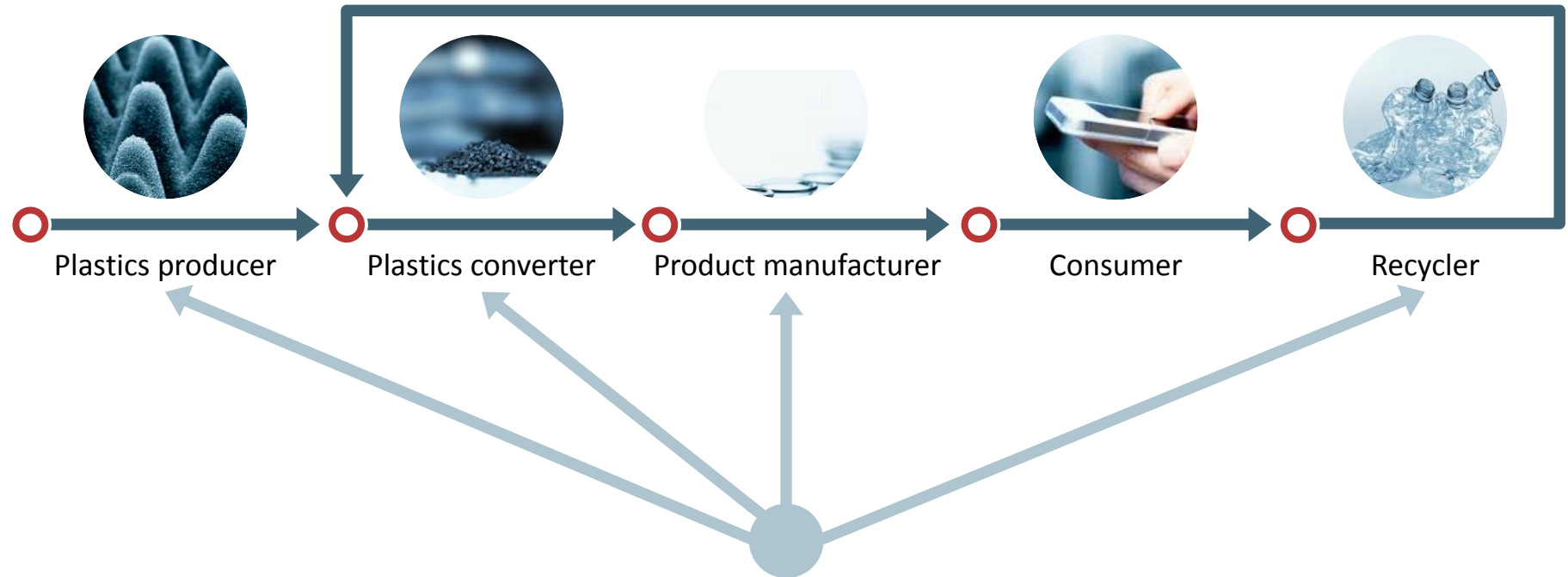
- Joint marketing program with Evonik Jayhawk regarding polyimide solutions
- First industrial order regarding product for modification of plastic pipes
- First orders within the product range high performance

- First order for industrial production of PET-foam
- 3 MSEK order from pipe manufacturer
- Share issue provide 129 MSEK for coming expansion



Source: Nexam Chemical

Value chain



**Nexam Chemical's solutions can improve the properties of plastics
and production processes in all steps of the value chain**

Value proposition

Nexam Chemical develops technology and products that aim to **cost-efficiently**, and with **production technique intact**, significantly **enhance the properties** of polymeric materials using **conventional processing equipment**

Enhanced properties


- Increased mechanical properties – strength, toughness
- Improved heat resistance
- Chemical resistance

Reduced manufacturing cost

- Increased production efficiency
- Lower material cost – less material, cheaper material

Lower environmental impact

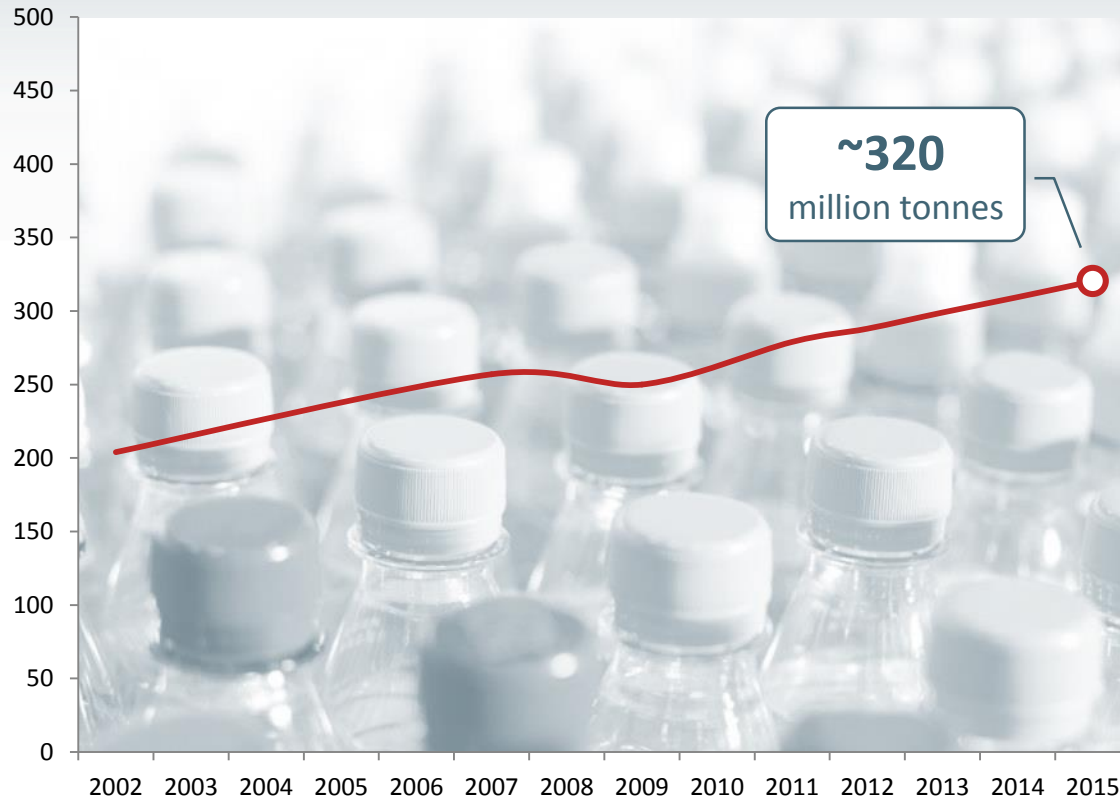
- Upgrades larger portion of recycled plastics – lower cost
- Lower weight of products

A large red arrow pointing from the list of benefits on the left towards the concluding statement on the right.

Using Nexam Chemical's technology does not require any additional CAPEX for customers which is unique to competitive alternatives

Market overview

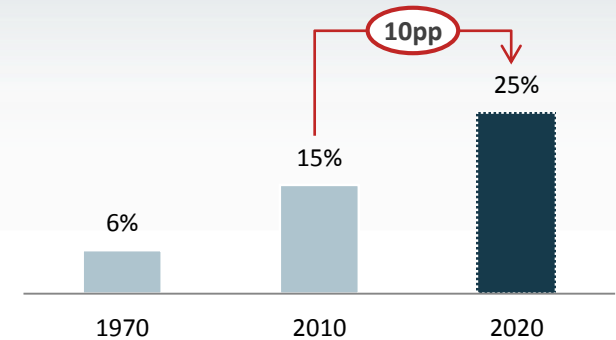
Global plastic production (million tonnes)



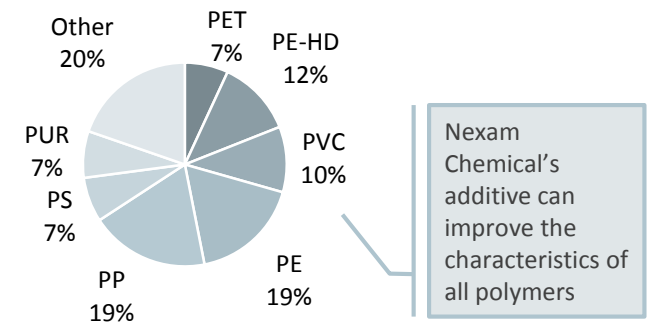
Nexam Chemical's products can add value to a large part of the global plastic market

Plastics are replacing metals in many products

Estimated share of plastic in a car



Plastic demand by type of polymer¹




1) European market

Source: Nexam Chemical, PlasticsEurope

Nexam Chemical's market is mature and characterised by stable growth and demand for cost-efficient innovations

- Continuous growing use of plastics
- Increasing sustainability requirements (recycling, life cycle etc.)
- Health and safety regulations (REACH)
- Innovation need (replacement of materials i.e. metal)
- Process and material efficiency (cost)

A diagram consisting of a horizontal line with a downward-pointing arrow in the center, connecting the list of market drivers to a conclusion box below it.

Nexam Chemical's technology and products are well positioned to benefit from the drivers and the challenges facing the plastic industry

Nexam Chemical's strategy – three focus areas

Polyester foam



- **Status:**
 - Commercialisation
- **Application areas:**
 - Buildings, infrastructure, windmills
- **Drivers:**
 - Stronger and lighter foam enable larger and energy efficient constructions

High performance



- **Status:**
 - Commercialisation
- **Application areas:**
 - Cars, electric power industry, airplanes
- **Drivers:**
 - Enhanced properties, e.g. heat/chemical resistance, strength
 - Processability
 - Replaces heavier material, e.g. metal

Polyethylene pipe



- **Status:**
 - Commercialisation
- **Application areas:**
 - Tubing, pipelines, cables
- **Drivers:**
 - Enables production of plastic tubing in larger dimensions, with improved durability and decreased environmental impact
 - Replaces metal, cement and other heavy materials

Engineering polyester foam

Market characteristics

**20
kton**

annual
market demand

>10%

annual
growth rate

Application areas:

*Light weight material
used within wind
energy, transportation/
automotive and
building sectors*

Nexam Chemical's offer

>>100% improvement in key mechanical properties

Allows customer to:

1. Reduce density – raw material cost savings
2. Increase performance – competitive to high performance foams
3. Choose preferred material – PET instead of PVC
4. Use recycled Plastic – save money on RM, "green" profile

Illustrative product examples



Polyethylene pipe

Market characteristics

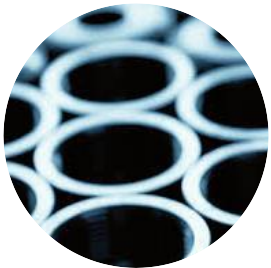
4,000 kton annual market demand

>5% annual growth rate

Application areas:

Gas- and water supply in industrial, rural and household applications

Illustrative product examples



Nexam Chemical's offer

Improved key parameters for processing and performance of polyethylene pipe

Allows customer to:

1. Meet higher specifications/standards even for high-end applications
2. Upgrade commodity grade to high-margin products
3. Possibility to increase use of recycled material
- dramatic reduction in cost
4. Replace less favourable processing chemistry i.e. peroxides

Polyimide coatings/varnishes

Market characteristics

**5
kton**

annual
market demand

>10%

annual
growth rate

Application areas:

*Heat resistant
insulation for wires
and plates used in
electric motors and
batteries*

Nexam Chemical's offer

Enables a new product with outstanding processing properties and performance

Allows customer to:

1. Meet novel requirements, which cannot be addressed by conventional technology
2. Combine excellent processability with extraordinary material properties

Illustrative product examples



Significant investments completed

R&D investments of
> SEK 56 million since 2009
(~45% of total cost)


Established research lab
and plastic application lab

Investment in production
facility St Andrews, Scotland

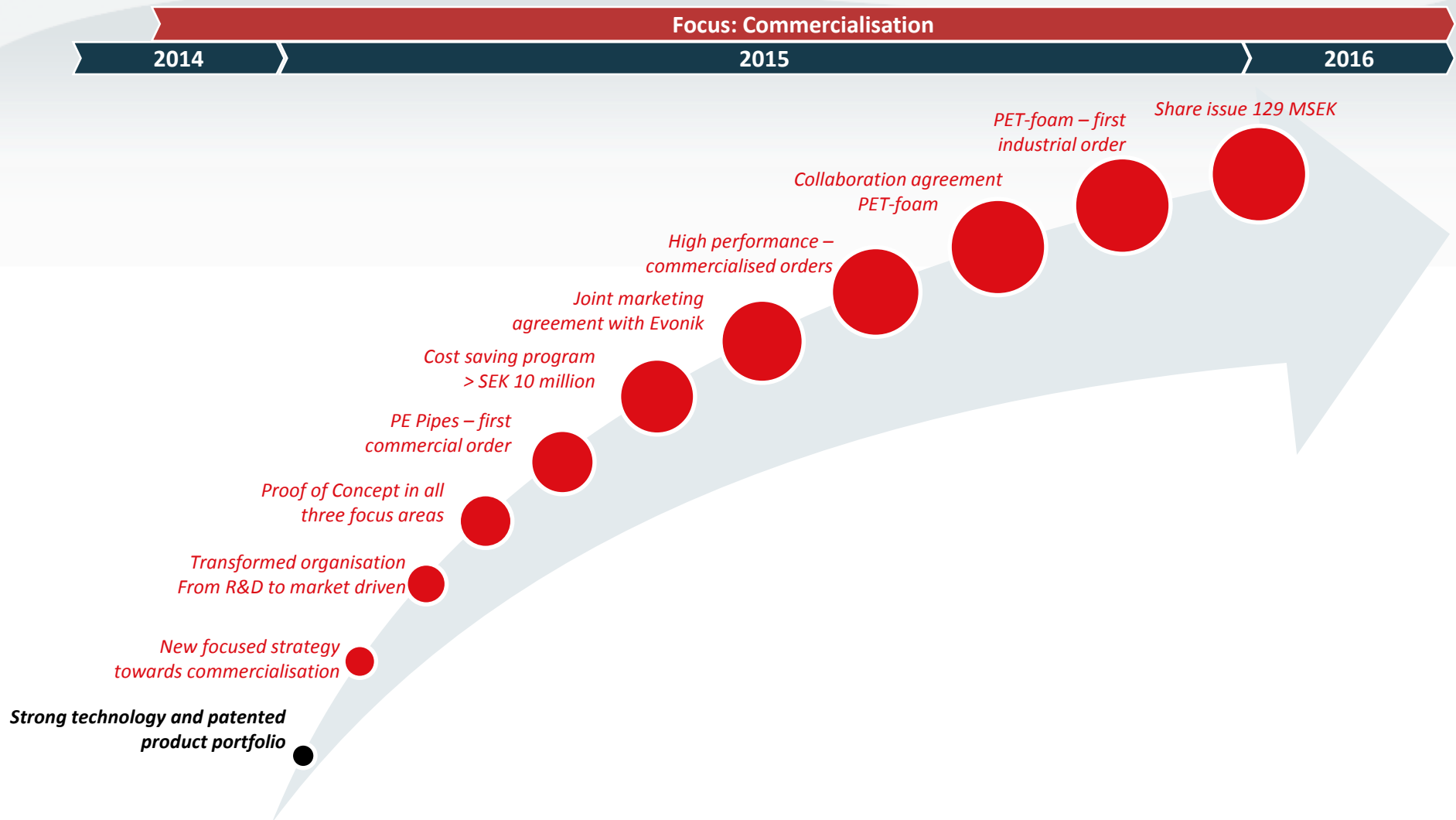
Several Eurostar-funded
development projects in co-
operation with partners

41 granted patents

40 applications pending

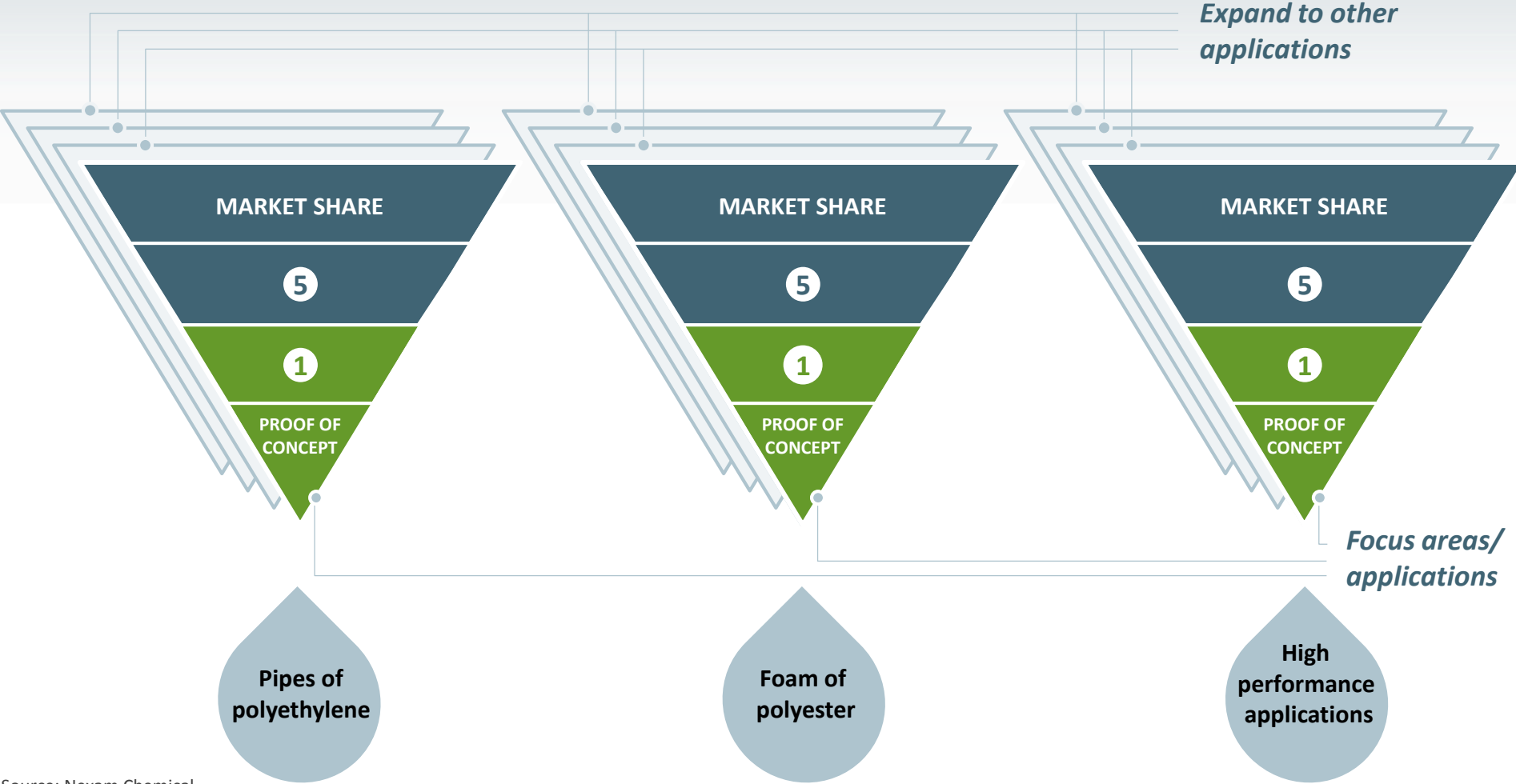
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- Strong technology and patented product portfolio
 - Own production capacity
 - Intellectual Property
 - Know how and skilled staff

Recent milestones



Source: Nexam Chemical

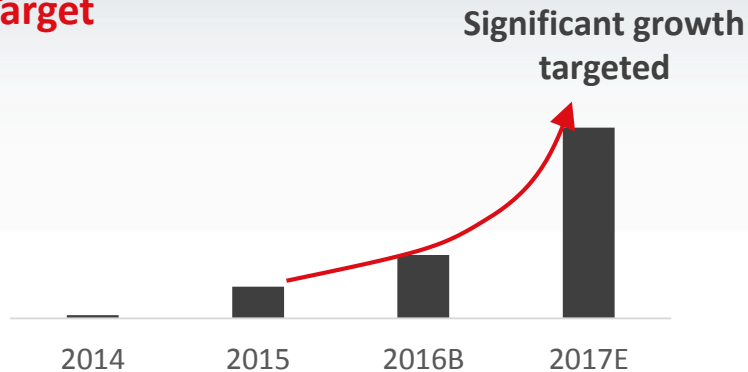
Strategic outlook



Source: Nexam Chemical

Profitable growth path-Organic/Aquired

Target



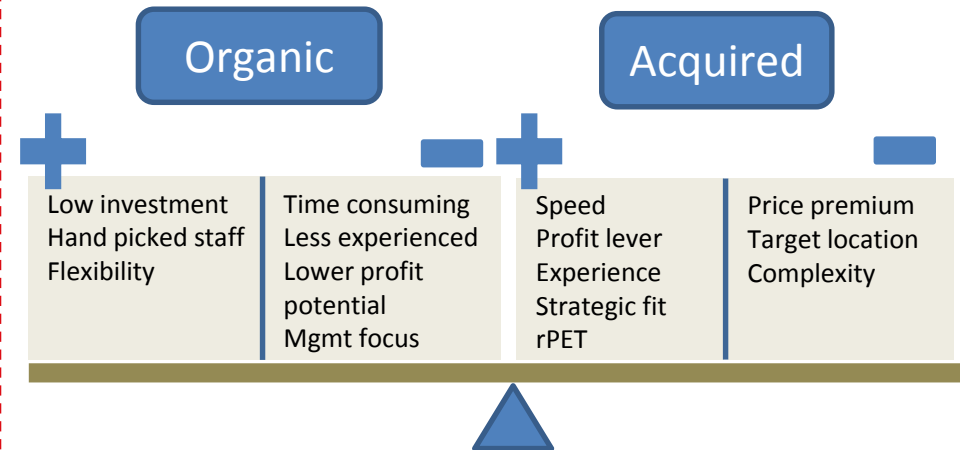
Customer intimacy-Business development

- Customers requiring Master Batch = MB needed
- More customers = more sales resources
- More sales = more production capacity
- More sales = efficient processes and systems
- Regulatory investments needed

Tactical implications

- Secure master batch capacity in-house or externally
- Appoint technical sales resources per geographic area
- Develop processes and supporting systems for SCM, Sales efficiency, QM.
- Profit maximization

Growth paths



Communication - regulatory requirements

- Three Interim Financial Reports
- Year-End Report
- Annual Report
- Press releases – (app. 15 2015 and 5 so far 2016)
 - Relevant
 - Accurate and reliable (korrekt och tillförlitlig)
 - Quick and simultaneous (snabb och samtidig)

Ambition additional communication

- Release a couple of CEO business updates per year
- Video with CEO- interview in connection with quarterly reports
- Publish a couple customer and technology cases per year
- Regular presentations with Shareholders' Association (Aktiespararna), etc
- Meetings with financial media and financial analysts
- Initiate analyst coverage



Totally 25 till 30 shareholder communications, i.e. approx. 2 per month

Q&A

Thank you!



Nexam Chemical Holding AB (publ)

Scheelevägen 19

223 63 Lund

www.nexamchemical.com