



JANUARY - JUNE 2020: PRE-SILENT NEWSLETTER

The second quarter of 2020 is approaching its end and we would like to remind you of the main events of the quarter. Kemira's silent period will start on Wednesday July 1, 2020 and the January-June 2020 results will be published on Friday July 17, 2020. If you have any questions before the silent period, please reach out to mikko.pohjala@kemira.com or tiina.huoponen@kemira.com.

KEMIRA'S FINANCIAL REPORTING DATES

The publication dates for **Kemira's financial reports in 2020** are the following:

- Half-year financial report for January-June 2020, on Friday, 17 July 2020
- Interim report for January-September 2020, on Tuesday, 27 October 2020

The publication dates for **Kemira's financial reports in 2021** are the following:

- Financial Statements Bulletin for the year 2020, on Thursday February 11, 2021
- Annual Report for the year 2020 will be published the week starting February 15, 2021
- The Annual General Meeting is planned to be held on Wednesday March 24, 2021
- Interim Report for January-March 2021, on Tuesday, April 27, 2021
- Half-year financial report for January-June 2021, on Friday, 16 July 2021
- Interim report for January-September 2021, on Tuesday, 26 October 2020

ANNUAL GENERAL MEETING AND DIVIDEND FOR 2019

Kemira's Annual General Meeting 2020 was held on May 5, 2020. Due to the COVID-19 situation, the event was held virtually. During the AGM, Kemira's President and CEO Jari Rosendal gave a short overview of 2019, which can be viewed in Finnish [here](#). The AGM approved all proposals by Kemira's Board of Directors and the decisions of the AGM are available [here](#).

Dividend for 2019

The AGM authorized the Board of Directors to decide at its discretion on a dividend distribution of max. EUR 0.56 per share for 2019 with payment in two installments. Kemira's Board of Directors decided on the first installment after the AGM and the first installment of EUR 0.28 was paid on May 14, 2020. The Board will consider the payment of the second installment (EUR 0.28) in its meeting in October and Kemira will announce the Board's decisions with a stock exchange release. The preliminary record date is October 29, 2020 and the preliminary payment date is November 5, 2020, but the second installment is subject to Board decision.

FREQUENTLY ASKED QUESTIONS DURING THE QUARTER

How have Covid-19 and the oil price drop impacted Kemira during Q2?

Overall, the impact on Kemira's operations has so far continued to be limited. Kemira's operations have been running steadily throughout the second quarter without major disruptions to manufacturing facilities or logistics network. The global pandemic situation is evolving constantly and varies significantly by region, and we are naturally following the situation closely.

As discussed in Kemira's Q1 results call, demand in Pulp & Paper is expected to be solid apart from printing and writing demand, whose decline is expected to accelerate this year. In water treatment, municipal water treatment demand is expected to be solid while industrial water treatment could see some negative impact as certain industries, such as the hospitality industry, use less water due to the government lockdown measures. On the Oil & Gas side, it would appear that new fracking activity, driver for Kemira's business, has not restarted despite the recent recovery in oil prices. A key driver for shale activity, in addition to price levels and demand, is financing availability, which remains uncertain in our understanding. Overall, there continues to be a lot of uncertainty related to the pandemic's length and severity and how the easing of government-imposed lockdown measures will impact consumer demand and behavior.

Kemira's recent investments are progressing well with no material impact from the ongoing situation. Both the AKD wax facility in China and the polymer expansion in the Netherlands are almost fully ramped up. In addition, the extension of the sodium chlorate line in the U.S. has been finalized during Q2. All three will gradually contribute to Kemira's EBITDA with some positive impact already visible in Q1 2020.

What is the expected financial impact of the announced agreement with UPM?

[On May 15, 2020](#), Kemira announced a long-term extension to its bleaching chemical contract with UPM-Kymmene in Uruguay. The agreement will include bleaching chemical capacity for UPM's existing pulp mill in Fray Bentos as well as UPM's new pulp mill in Paso de los Toros.

Following the announcement, Kemira will invest around USD 30 million to the extension of its current chemical island manufacturing facility in Fray Bentos from which the new Paso de los Toros pulp mill will also be served. Both the sodium chlorate and hydrogen peroxide capacity will be extended. The investment will contribute to Kemira's figures from 2023 onwards, however we have not given exact guidance on revenue or EBITDA impact at this point. In general, brownfield investments are smaller

investment compared to greenfield investments and with the infrastructure already in place, more efficient.

INVESTOR ACTIVITIES AND EVENTS DURING Q2 2020

During Q2 2020, all Kemira's investor events were held virtually due to the COVID-19 pandemic. Kemira held virtual roadshows in Helsinki, London, New York, Boston, Zurich and Paris during May and June. We also held a conference call for sell-side analysts in June.

See [Kemira's Investor Calendar](#) for the upcoming events.

CONSENSUS

Take a look at the latest [Vara consensus](#).

FEEDBACK ON KEMIRA'S INVESTOR COMMUNICATIONS

We highly value your feedback so that we can further develop investor communications at Kemira. Should you have any feedback to us, please take a minute to answer our short [survey](#). We thank you in advance for your comments!

KEMIRA'S IR TEAM

Kemira's IR team is at your disposal and happy to help you with any questions. Do reach out to Mikko or Tiina!



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