

SUMMARY

Introduction and Warnings

This summary should be read as an introduction to the prospectus (the **Prospectus**) prepared in connection with the admission to listing and trading of all the ordinary shares in the capital of NX Filtration N.V. (the **Company**) with a nominal value of €0.01 each (**Ordinary Shares**) on Euronext Amsterdam (**Euronext Amsterdam**), a regulated market operated by Euronext Amsterdam N.V. (the **Admission**). The Company is offering (the **Offer**) newly issued Ordinary Shares (the **Offer Shares**) to raise gross proceeds of between €150 million and €165 million.

The Company's statutory seat (*statutaire zetel*) will, as from conversion into a public company with limited liability (*naamloze vennootschap*), be in Amsterdam, the Netherlands, and its registered office is at Josink Esweg 44, 7545 PN Enschede, the Netherlands. The Company is registered with the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 64951030. The Company's telephone number is +31 85 047 9900. The Company's Legal Entity Identifier (**LEI**) is 254900YF0PQV9APMA050. The International Security Identification Number (**ISIN**) for the Ordinary Shares is NL0015000D50.

The Prospectus was approved on 8 June 2021 as a prospectus for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant delegated regulations, the **Prospectus Regulation**) by, and filed with, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**), as a competent authority under the Prospectus Regulation. The AFM's registered office is at Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands, and its telephone number is +31 (0)20 797 2000 and its website is www.afm.nl.

Any decision to invest in any Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor and not just the summary. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in, or incorporated by reference into, the Prospectus is brought before a court, the plaintiff investor might, under national law of the Member States of the European Economic Area, have to bear the costs of translating the Prospectus and any documents incorporated by reference in it before the legal proceedings can be initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

Key Information on the Company

Who is the issuer of the Ordinary Shares?

Domicile and Legal Form. NX Filtration N.V. (which at the date of the Prospectus is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) named NX Filtration Holding B.V.) with its statutory seat (*statutaire zetel*) in Enschede, the Netherlands, and operating under Dutch law. The Company is expected to be converted into a public company with limited liability (*naamloze vennootschap*) with its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands, and to be renamed to NX Filtration N.V. with effect as of the First Trading Date (as defined below). The Company's LEI is 254900YF0PQV9APMA050.

Principal Activities. The Company and its subsidiary (together the **Group**) are specialised in innovative hollow fiber membrane solutions for treating water and other liquids. The Group's unique direct nanofiltration technology removes bacteria, viruses, micropollutants (including pharmaceuticals, medicines, PFAS and insecticides), colour, nanoplastics and selective salts from water in one single step: without pre-treatment and without the use of chemicals. Together with a production method based on green chemistry and significant energy savings during operation, this provides a unique and sustainable solution.

Share Capital. As at the date of this Prospectus, the Company's share capital comprises Ordinary Shares, which will be admitted to listing and trading on Euronext Amsterdam and preference shares (the **Preference Shares**), which will have been repurchased (including payment of the cumulative interest accrued thereon) and cancelled prior to Settlement. As at the Settlement Date (as defined below), the Company's authorised share capital will comprise Ordinary Shares with a nominal value of €0.01 each.

Major Shareholders. As at the date of this Prospectus, Infestos Holding E B.V. (**Infestos**) (directly holding 28,000,000 Ordinary Shares and 44,245 Preference Shares) and the Stichting Administratiekantoor NX Filtration Holding (the **STAK**) (directly holding 7,000,000 Ordinary Shares and 2,657 Preference Shares) together hold all the issued Ordinary Shares and Preference Shares and voting rights in such Ordinary Shares and Preference Shares. Such entities are ultimately controlled by Mr B.H.F. ten Doeschot. Mr B.H.F. ten Doeschot, Mr H.D.W. (Erik) Roesink, M&G Investments and Teslin Capital Management B.V. through its investment fund Teslin Participaties Coöperatief U.A. (**Teslin**) are the only parties that have a substantial shareholding in the Company within the meaning of Chapter 5.3 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) that will apply as from the First Trading Date.

Anti-takeover Measures. The Company has no anti-takeover measures in place and does not intend to adopt any such measures.

Managing Directors. Mr M.A. (Michiel) Staatsen is the CEO (Chief Executive Officer) and COO (Chief Operations Officer) and Mr H.D.W. (Erik) Roesink is the CTO (Chief Technology Officer) of the Company and they constitute the entire management board (*bestuur*) of the Company (the **Management Board**).

Independent Auditor. PricewaterhouseCoopers Accountants N.V. is the independent auditor of the Company.

What is the key financial information regarding the Company?

Selected Financial Information. The following tables set out the Group's income statement, statement of financial position, statement of cash flows and other financial data as at the dates and for the periods indicated. The selected financial information

set forth below has been derived from the audited consolidated financial statements of the Group comprising: (a) the consolidated statement of financial position as at 31 December 2020 and 31 December 2019; (b) the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the years ended 31 December 2020 and 31 December 2019; and (c) the notes, comprising a summary of significant accounting policies and other explanatory information (the **Consolidated Financial Statements**). The financial information as at and for the years ended 31 December 2019 and 31 December 2018 in the audited annual financial statements (*jaarrekening*) has been prepared on the basis of the Dutch GAAP. These audited financial statements as at and for the years ended 31 December 2019 and 31 December 2018 do not contain a statement of cash flows.

Consolidated Income Statement

	Financial Year			
	2020 (IFRS)	2019 (IFRS)	2019 (DGAAP)	2018 (DGAAP)
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Revenue from sale of goods.....	671	453	457	314
Other income.....	398	333	773	620
Gross income	1,069	786	1,230	934
Costs of raw materials and consumables	(289)	(247)	(247)	(182)
Changes in inventories of finished goods and work in progress...	357	297	-	-
Personnel expenses	(1,781)	(1,336)	(1,662)	(1,111)
Amortisation of intangible assets	(211)	(114)	(114)	(22)
Depreciation of property, plant and equipment	(592)	(445)	(364)	(270)
Operating costs.....	(967)	(739)	(763)	(579)
Research & development costs.....	(361)	(154)	(345)	(314)
Operating Expenses	(3,844)	(2,738)	(3,495)	(2,478)
Operating loss	(2,775)	(1,952)	(2,265)	(1,544)
Finance income.....	-	-	-	-
Finance costs.....	(208)	(47)	(20)	(14)
Financial costs – net	(208)	(47)	(20)	(14)
Net loss before income tax	(2,983)	(1,999)	(2,285)	(1,558)
Income tax benefit.....	891	410	468	253
Net loss for the period	(2,092)	(1,589)	(1,817)	(1,305)
Weighted average number of Ordinary Shares in issue (x1)	1,158,333	830,537	830,537	489,308
Dividend attributable to Preference Shares	908	569	569	332
Nett loss attributable to Ordinary Shareholders	(3,000)	(2,158)	(2,386)	(1,637)
Basic earnings per Share	(2.59)	(2.60)	(2.87)	(3.34)
Diluted earnings per Share	(2.59)	(2.60)	(2.87)	(3.34)

Consolidated Balance Sheet

	Financial Year			
	2020 (IFRS)	2019 (IFRS)	2019 (DGAAP)	2018 (DGAAP)
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Assets				
Non-current assets				
Intangible assets	1,300	987	987	587
Property, plant and equipment	2,246	1,801	1,801	1,741
Right-of-use assets.....	1,164	576	-	-
Deferred tax assets.....	1,921	1,030	1,088	620
Total non-current assets	6,631	4,394	3,876	2,948
Current assets				
Inventories.....	2,077	1,058	707	400
Trade and other receivables.....	626	347	264	311
Current tax receivables.....	-	-	83	84
Cash and cash equivalents.....	6,599	78	78	13

Total current assets	9,302	1,483	1,132	808
Total assets	15,933	5,877	5,008	3,756
Group Equity				
Share capital.....	5,997	997	997	686
Share premium.....	13,378	7,478	7,478	4,889
Legal reserves.....	-	-	821	473
Retained earnings.....	(6,031)	(3,939)	(5,043)	(2,878)
Total equity	13,344	4,536	4,253	3,170
Liabilities				
Non-current liabilities				
Lease liabilities.....	979	513	-	-
Total non-current liabilities	979	513	-	-
Current Liabilities				
Trade and other payables.....	1,403	753	711	561
Lease liabilities.....	207	75	-	-
Current tax payables.....	-	-	44	25
Total current liabilities	1,610	828	755	586
Total liabilities	2,589	1,341	755	586
Total equity and liabilities	15,933	5,877	5,008	3,756

Statement of Cash Flows

	Financial Year	
	2020 (IFRS)	2019 (IFRS)
	(EUR '000)	(EUR '000)
Cash flows from operating activities		
Operating Loss.....	(2,775)	(1,952)
<i>Adjustments to reconcile profit before taxation to net cash flows:</i>		
Depreciation, amortisation and impairment expenses.....	803	559
Increase/(decrease) provisions.....	-	-
Income taxes (paid)/received.....	-	-
Share-based payment expenses.....	-	-
<i>(Increase)/Decrease in working capital:</i>		
- Increase inventories.....	(1,019)	(603)
- (Increase)/decrease trade and other receivables.....	(279)	48
- Increase trade and other payables.....	650	168
Net cash outflow from operating activities	(2,620)	(1,780)
Cash flows from investing activities		
Payment for property, plant and equipment.....	(930)	(424)
Payment for intangible assets.....	(524)	(514)
Net cash outflow from investing activities	(1,454)	(938)
Cash flows from financing activities		
Proceeds from share premium contribution and issuance of shares	7,000	2,900
Proceeds from borrowings ⁽¹⁾	4,000	-
Payments for shares bought back.....	(100)	-
Principal elements of lease payments.....	(123)	(96)
Interest paid.....	(181)	(21)
Net cash inflow from financing activities	10,595	2,783
Net increase/(decrease) in cash and cash equivalents	6,521	65
Cash and cash equivalents at the beginning of the financial year	78	13
Cash and cash equivalents at the end of the financial year	6,599	78

Notes:

- (1) The proceeds from borrowings related to a loan from the shareholder that subsequently is converted into equity.

Medium- to Long-term Objectives. The Company has established the objectives set out below to measure its operational and managerial performance on a Group-wide level. The Company's ability to achieve these objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company, and upon assumptions with respect to future business decisions that are subject to change. As a result, the Company's actual results will vary from these objectives, and those variations may be material. The Company does not intend to publish revised objectives to reflect events or circumstances existing or arising after the date of the Prospectus or to reflect the occurrence of unanticipated events. The objectives should not be regarded as a representation by the Company or any other person that it will achieve these objectives in any time period. Readers are cautioned not to place undue reliance on these objectives. Subject to the above the Group has set the following medium-term objectives:

Revenue: achieving hypergrowth in revenue based on increasing the number of pilot systems to approximately 200 and aiming to convert these pilot systems into demo and/or full-scale projects;

Production capacity: expanding production capacity with a new manufacturing facility that can, on a modular basis and over time, house up to 10 spinning lines with a targeted total capacity of approximately 80,000 modules per year (based on production in five shifts and depending on the product mix);

EBITDA margin: realising a positive EBITDA margin by reaching a larger scale of operations and realising purchasing benefits based on increasing volumes and optimising product designs.

Subject to the above, the Group has set the following long-term objectives:

Market penetration: reaching a market share of at least 10% of NX Filtration's addressable market, based on converting pilot systems into demo and/or full-scale projects (with an expected increasing average project size), realising repeat projects from existing customers and realising recurring revenue from replacing membrane modules in existing installations;

Production capacity: further expanding production plants and/or adding additional production plants in global demand centers;

EBITDA margin: realising an industry-leading EBITDA margin based on benefitting from economies of scale, leveraging the Company's fixed cost base as it realises its revenue growth and realising an increasing share of revenue from module replacements.

Medium- to long-term: the Group has not defined, and does not intend to define, medium- to long-term and these objectives should not be read as indicating that the Company is targeting such metrics for any particular financial year.

Revenue outlook for the financial year 2021

The Group has estimated its gross income for the financial year 2021 by adding the following components: (i) realised revenue in the first quarter of 2021, (ii) expected revenue from order backlog, (iii) expected other income such as grants and pilot rentals, (iv) a weighted pipeline of orders and (v) additional opportunities from new leads such as expanding the Group's sales force and sales network and the ramp-up of the HYDRAcap business. In aggregate, as at 31 March 2021, the Group estimates that its gross income will increase to above €3.7 million in 2021. A substantial portion of the orders included in the Group's revenue estimates are subject to decisions ultimately made by the Group's customers. The Group's revenue estimates, its order backlog and weighted pipeline figures, are not audited and should not be read as forecasts or projections for any particular year, but are management estimates resulting from the Group's pursuit of its strategy. The Group can provide no assurance that the estimated future revenue will be realised and the actual revenue for the financial year 2021 could differ materially. The levels of the Group's order backlog are not necessarily indicative of its future revenue related to the performance of such work or of the Group's future levels of order backlog. Cancellations or delays may occur, from time to time. The expected gross income has been determined based on assumptions and estimates that the Group considered reasonable at the date these were made, 31 March 2021. These estimates and assumptions are inherently uncertain and reflect management's views that are also based on its experience of historic success of being assigned projects, which may materially differ from the success rates for any future orders or projects. Given that the Group has a limited operating history, there is limited historic information on which management's views can be based. The Group regularly monitors the estimates and assumptions made since 31 March 2021 and believes the applied methodology for its revenue projections for the financial year 2021 is still accurate on the date of this Prospectus; however, these estimates and assumptions have not been updated and may change as a result of uncertainties related to the economic, financial or competitive environment and as a result of future business decisions of the Group or its customers, such as cancellations or delays. Investors are therefore urged not to place undue reliance on the revenue estimate for the financial year 2021 set out above.

Other Key Financial Information. No *pro forma* financial information or profit forecast has been included in the Prospectus. There is no qualification in the auditor's report provided by the independent auditor on the Consolidated Financial Statements for the year ended 31 December 2020. There are no qualifications in the auditor's reports for the years ended 31 December 2019 and 31 December 2018 in the audited financial statements (*jaarrekening*) that have been prepared on the basis of the Dutch GAAP.

What are the key risks that are specific to the Company?

Any investment in the Ordinary Shares is associated with risks. Prior to any investment decision, it is important to carefully analyse the risk factors considered relevant to the future development of the Group and the Ordinary Shares. The following is a summary of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In making the selection, the Group has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact which the materialisation of the risk could have on the Group's business, financial condition, results of operations and

prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

- The Group has a limited operating history and the Group's nascent technology makes evaluating its business and future prospects difficult.
- The Group experienced losses in the past and it does not expect to be profitable in the next few years.
- Competition in the water treatment solution market may materially adversely affect the Group's ability to gain market share and its margins and results of operations.
- The Group is dependent upon acceptance of its new technology and approach by customers and future partners, and if the Group cannot achieve and maintain market acceptance, the Group will be unable to build a sustainable or profitable business.
- Technology is constantly evolving and the Group must successfully develop, manufacture and market products that improve upon existing technologies in order to achieve acceptance and remain competitive.
- An unsuccessful pilot system or demo-phase or inconsistent performance of the Group's products, or of products similar to or in the same categories as those of the Group, could harm the integrity of, or customer support for, the Group's products and materially adversely affect the Group's sales.
- Demand for the Group's products depends on the continuation of market trends towards greater sustainability, including trends to address global water issues and decarbonisation.
- If the Group experiences significant delays in the planned scale-up of its production and the build of its planned manufacturing facility, or if such facility were to become inoperable, the Group would be unable to produce sufficient products and its business would be harmed.
- The Group's business and strategy depends, in part, on significant customers and its relationship with OEMs.
- The Group's failure to protect its intellectual property rights may undermine its competitive position, and litigation to protect its intellectual property rights may be costly, time consuming and distracting from daily operations.

Key Information on the Ordinary Shares

What are the main features of the Ordinary Shares?

Type, Class and ISIN. The Ordinary Shares are ordinary shares in the share capital of the Company with a nominal value of €0.01 each. The Ordinary Shares are denominated in and will trade in euro on Euronext Amsterdam. The ISIN for the Ordinary Shares is NL0015000D50.

Rights attached to the Ordinary Shares. The Ordinary Shares will rank *pari passu* with each other and holders of Ordinary Shares will be entitled to dividends and other distributions declared and paid on them. Each Ordinary Share carries distribution rights and entitles its holder the right to attend and to cast one vote at the general meeting (*algemene vergadering*) of the Company (the **General Meeting**). There are no restrictions on voting rights attaching to the Ordinary Shares. Each holder of Ordinary Shares shall, subject to exceptions, have a pre-emptive right in respect of the Ordinary Shares to be issued in proportion to the number of Ordinary Shares already held by it. Such a pre-emptive right may, however, be excluded or limited. Exceptions to pre-emptive rights include: (i) the issue of Ordinary Shares against a contribution in kind, (ii) the issue of Ordinary Shares to the Company's employees pursuant to an employee share scheme or as an employee benefit, and (iii) the issue of Ordinary Shares to persons exercising a previously granted right to subscribe for Ordinary Shares. Pursuant to the Articles of Association, the pre-emptive right may be restricted or excluded by a resolution of the General Meeting. The proposal to this effect must explain in writing the reasons for the proposal and the intended issue price. Pursuant to a resolution adopted by the General Meeting, the board (*bestuur*) of the Company (the **Management Board**) has been authorised, for a period of three years following Settlement Date, subject to the approval of the supervisory board (*raad van commissarissen*) of the Company (the **Supervisory Board**), to resolve to issue Ordinary Shares (either in the form of stock dividend or otherwise) and/or grant rights to acquire Ordinary Shares up to a maximum of 20% of the number of Ordinary Shares issued immediately following the Settlement Date, and to exclude pre-emptive rights in relation thereto.

Dissolution and Liquidation. If the Company is dissolved or liquidated, the Company's assets will be paid to secured creditors, preferential creditors (including tax and social security authorities) and unsecured creditors, in that order. The balance of the Company's assets remaining after all liabilities have been paid, if any, will be transferred to the holders of Ordinary Shares in proportion to the nominal value of each shareholder's holding in Ordinary Shares.

Restrictions on Free Transferability of the Ordinary Shares. There are no restrictions under the Company's articles of association, including as they will become effective on the First Trading Date (the **Articles of Association**), or under Dutch law that limit the right of shareholders to hold Ordinary Shares. The transfer of Ordinary Shares to persons who are located or resident in, citizens of, or have a registered address in jurisdictions other than the Netherlands may, however, be subject to specific regulations or restrictions according to the securities laws of such jurisdictions.

Dividend Policy. The Company does not intend to declare or pay dividends for the financial year 2021 or in the medium term.

Where will the Ordinary Shares be traded?

Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam, under the symbol "NXFIL". Subject to acceleration or extension of the timetable for the Offer, trading on an "as-if-and-when-issued/delivered" basis in the Ordinary Shares on Euronext Amsterdam is expected to commence at 09:00 (Central European Time (**CET**)) on or around 11 June 2021 (the **First Trading Date**). Prior to being admitted to trading on Euronext Amsterdam, there has been no public trading market for the Ordinary Shares.

What are the key risks that are specific to the Ordinary Shares?

The main risks relating to the Offer and the Ordinary Shares include, among others:

- Immediately after Settlement, Infestos will continue to be in a position to exert substantial influence on the Company and the interests pursued by Infestos could differ from the interests of the Company's other shareholders.
- Future offerings of debt or equity securities by the Company, or the perception thereof, may adversely affect the market price of the Ordinary Shares and any future issuances of Ordinary Shares may dilute investors' shareholdings.

- Future sales or the possibility of future sales of a substantial number of Ordinary Shares by Infestos, members of the Management Board or other key managers of the Company may adversely affect the market price of the Ordinary Shares.

Key Information on the Offer and the Admission

Under which conditions and timetable can I invest in the Ordinary Shares?

Offer. The Company is offering such number of Offer Shares as will raise gross proceeds of between €150 million and €165 million. Infestos has granted ABN AMRO in its capacity as Stabilisation Manager (as defined below), on behalf of the Underwriters (as defined below), an option (the **Over-Allotment Option**), exercisable within 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager (on behalf of the Underwriters) may require Infestos to sell up to 2,250,000 Ordinary Shares (the **Over-Allotment Shares**) at the offer price per Offer Share (the **Offer Price**), comprising up to 15% of the aggregate number of Offer Shares sold in the Offer (excluding the Over-Allotment Shares), to cover over-allotments or short positions, if any, in connection with the Offer.

Assuming no exercise of the Over-Allotment Option and an Offer Price at the bottom of the Offer Price Range (as defined below), the Offer Shares will constitute not more than 30% of the issued Ordinary Shares. Assuming the Over-Allotment Option is fully exercised and an Offer Price at the bottom of the Offer Price Range, the Offer Shares will constitute not more than 34.5% of the issued Ordinary Shares. In the Offer, any investor may only acquire Offer Shares for a total consideration of at least €100,000.

Jurisdictions. The Offer comprises: (i) a public offering to certain retail and certain institutional investors in the Netherlands; and (ii) a private placement to certain institutional investors in various other jurisdictions. The Offer Shares are being offered and sold within the United States to persons reasonably believed to be "qualified institutional buyers", as defined in Rule 144A (**Rule 144A**) under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), pursuant to Rule 144A or another exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state and other securities laws, and outside the United States in accordance with Regulation S under the U.S. Securities Act. The Offer is made only in those jurisdictions in which, and only to those persons to whom, the Offer may be lawfully made. There will be no public offering in any jurisdiction outside the Netherlands.

Timetable. Subject to acceleration or extension of the timetable by the Company, in consultation with the Joint Global Coordinators for, or withdrawal of, the Offer, the timetable below lists the expected key dates for the Offer.

Event	Date (2021) (Time (CED))
Start of offer period (the Offer Period)	8 June (9:00)
End of Offer Period	10 June (17:30)
Expected pricing and allocation	10 June
Publication of results of the Offer	11 June
First Trading Date (trading on an 'as-if-and-when-issued/delivered' basis) on Euronext Amsterdam	11 June
Settlement Date (payment and delivery)	15 June

The Company, in consultation with the Joint Global Coordinators, reserves the right to accelerate or extend the Offer Period. In the event of an acceleration or extension of the Offer Period, pricing, allocation, admission and first trading of the Offer Shares, as well as payment (in euro) for and delivery of the Offer Shares may be advanced or extended accordingly. If the Company should decide to do so, it will make this public in a timely manner through a press release, which will also be posted on the Company's website (www.nxfiltration.com)

Offer Price, Offer Price Range and number of Offer Shares. The Offer Price is expected to be in the range of €10 to €11 (inclusive) per Offer Share (the **Offer Price Range**). The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is indicative and may be changed. The number of Offer Shares may be increased or decreased prior to the allocation of the Offer Shares. The Offer Price and the exact number of Offer Shares (including the maximum number of Over-Allotment Shares) will be determined after the end of the Offer Period by the Company, in agreement with the Joint Global Coordinators and on the basis of a book building process, and will be stated in a pricing statement that will be published through a press release that will also be posted on the Company's website (www.nxfiltration.com) and filed with the AFM (the **Pricing Statement**).

Allocation. Allocation of the Offer Shares to investors is expected to take place after the closing of the Offer Period on or about 10 June 2021, subject to acceleration or extension of the timetable for the Offer. Full discretion will be exercised as to whether or not and how to allot the Offer Shares. There is no maximum or minimum number of Offer Shares for which prospective investors may apply and multiple applications to purchase, or subscribe for, Offer Shares are permitted. In the event that the Offer is over-subscribed, investors may receive fewer Offer Shares than they applied for.

Payment and Delivery. Payment (in euro) for and delivery of the Offer Shares (**Settlement**) will take place on the date of settlement, which is expected to be 15 June 2021 (the **Settlement Date**). Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offer Price in immediately available funds in full in euro on or before the Settlement Date (or earlier in the case of an early closing of the Offer Period and consequent acceleration of pricing, allocation, commencement of trading and Settlement). The Offer Shares will be delivered in book-entry form through the facilities of Netherlands Central Institute for Giro Securities Transactions (Euroclear Nederland). If Settlement does not take place on the Settlement Date as planned or at all, the Offer may be withdrawn, in which case all applications for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any payments made will be returned without interest or other compensation. Any dealings in Ordinary Shares prior to Settlement are at the sole risk of the parties concerned.

Cornerstone Investors. M&G Investments, Teslin and Infestos (together, the **Cornerstone Investors**) have irrevocably agreed to purchase Offer Shares in the aggregate amount of €66 million at the Offer Price on the Settlement Date as part of the Offer (the **Cornerstone Investments**). The Cornerstone Investments will be for the following amounts: (i) M&G Investments: €28 million; (ii) Teslin: €28 million; and (iii) Infestos: €10 million. Assuming an Offer Price at the top of the Offer Price Range and the sale of 15,000,000 Offer Shares, the Cornerstone Investments comprise an aggregate of 5,999,998

Ordinary Shares or 12.0% of the total issued share capital of the Company immediately following Settlement, regardless of whether the Over-Allotment Option is exercised (the shares to be purchased in the Cornerstone Investments, the **Cornerstone Investments Shares**). The Cornerstone Investments of M&G Investments and Teslin are conditional on (i) the Admission occurring prior to or substantially simultaneously with the delivery of the respective Cornerstone Investment Shares, (ii) no breach of customary warranties from the Company that could have a material adverse effect on the interests of the respective Cornerstone Investor, and (iii) the Company issuing the Pricing Statement. M&G and Teslin are not subject to any lock-up undertaking with respect to their Cornerstone Investment Shares. The Cornerstone Investment of Infestos is conditional on the Company issuing the Pricing Statement. If the Settlement Date has not occurred on or before 31 August 2021, each Cornerstone Investor is entitled to terminate its respective Cornerstone Investment. The Cornerstone Investors may also subscribe for or purchase additional Ordinary Shares in the Offer.

Joint Global Coordinators. ABN AMRO and Berenberg are the joint global coordinators for the Offer (the **Joint Global Coordinators**).

Listing and Paying Agent. ABN AMRO is the listing and paying agent for the Admission and the Ordinary Shares (the **Listing and Paying Agent**).

Stabilisation Manager. ABN AMRO is the stabilisation manager for the Offer (the **Stabilisation Manager**).

Dilution. The issue of the Offer Shares will result in a maximum dilution of voting interest of existing shareholders of the Company of 30% regardless of whether the Over-Allotment Option is exercised.

Estimated Expenses. Based on an Offer Price at the mid-point of the Offer Price Range and assuming the sale of 15,000,000 Offer Shares, full payment of discretionary commission and full exercise of the Over-Allotment Option, the expenses related to the Offer payable by the Company are estimated at approximately €10.1 million.

Who is the offeror and/or the person asking for Admission?

The Company is offering the Offer Shares. The Company is expected to be converted into a public company with limited liability (*naamloze vennootschap*) with its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands, and to be renamed to NX Filtration N.V. with effect as of the First Trading Date. The Company's LEI is 254900YF0PQV9APMA050 and its trade register number is 64951030. The Company operates under Dutch law.

Why is the Prospectus being produced?

Reasons for the Offer and Admission. The Company believes that the Offer will strengthen its financial position. The Admission further provides the Company with access to capital markets, which it may use to support and develop further growth of the Group and to finance mergers and acquisitions, as they may become available.

Net Proceeds. The commissions due to the Underwriters, and expenses (including their legal fees and documented out-of-pocket expenses up to an agreed cap of €480,000 in aggregate, excluding VAT), will be borne by the Company. The Company expects the net proceeds from the Offer, after deduction of expenses, commissions and taxes payable by the Company (estimated to amount to approximately €10.1 million), to amount to approximately €147.4 million (based on an Offer Price at the mid-point of the Offer Price Range and assuming the sale of 15,000,000 Offer Shares and full exercise of the Over-Allotment Option). The Company intends to use the expected net proceeds of the issue of the Offer Shares mainly to advance and increase the Company's pilot systems; to scale-up the production of the Company's products; for research and development, and expanding the capacity in terms of equipment and personnel; for mergers and acquisitions if and when they become available; and for the repurchase (including payment of the cumulative interest accrued thereon) and the cancellation of all outstanding Preference Shares.

Underwriting Agreement. The Company and the Underwriters entered into an Underwriting Agreement on the date of this Prospectus with respect to the Offer (the **Underwriting Agreement**). The Underwriting Agreement is conditional on, among others, the entry into of a pricing agreement between the Company and the Underwriters setting the Offer Price and the final number of Offer Shares. On the terms, and subject to the conditions, of the Underwriting Agreement and such agreement not being terminated, the Company has agreed to issue the Offer Shares at the Offer Price to the Cornerstone Investors and, in the case of Offer Shares other than the Cornerstone Investment Shares, to subscribers and purchasers procured by the Underwriters or, failing subscription or purchase by such procured purchasers, to the Underwriters themselves.

Most Material Conflicts of Interest Pertaining to the Offer and the Admission. The Underwriters and/or their affiliates are, or have been, engaged and may in the future engage in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Group or any parties related to or competing with any of them, in respect of which they have received, and may in the future receive, customary fees and commissions. Additionally, the Underwriters may, in the ordinary course of their business, in the future hold the Company's securities for investment. As a result of acting in the capacities described above, the Underwriters and their affiliates may have interests that may not be aligned, or could potentially conflict, with the interests of investors or with the interests of the Company or the Group.