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First day of trading in Renewcell's shares on Nasdaq First North Premier Growth Market

Re:NewCell AB (publ) ("Renewcell" or the "Company"), being the first in the world to commercially offer a dissolving pulp for textile production manufactured from 100 per cent recycled textiles, today announces the outcome of offering in connection to the listing of the Company's shares on Nasdaq First North Premier Growth Market (the "Offering"). The Offering attracted very strong interest, both from institutional investors in Sweden and internationally as well as the general public in Sweden. The Offering was oversubscribed multiple times.

The Offering in brief

- The Offering price was SEK 76 per share, corresponding to a total value of the Company's outstanding shares of approximately SEK 1,541 million before the Offering and approximately SEK 2,341 million after the Offering.
- The Offering comprised 10,526,316 new shares, and will provide the Company with approximately SEK 800 million before transaction costs.
- The total number of shares in the Company after the Offering amounts to 30,799,426.
- To cover the over-allotment in the Offering, the shareholder Girindus Investments AB has undertaken, at the request of Nordea Bank Abp, filial i Sverige ("**Nordea**"), to sell another 1,578,947 existing shares, corresponding to approximately 15 per cent of the number of shares in the Offering (the "**Over-allotment Option**"). The Over-allotment Option thus amounts to approximately SEK 120 million.
- The total value of the Offering amounts to approximately SEK 920 million if the Over-allotment Option is exercised in its entirety.
- Funds managed by Capital World Investors, AMF Fonder AB, Handelsbanken Fonder AB on behalf of managed funds and Swedbank Robur, among other institutional investors have subscribed for shares in the Offering.
- Trading in Renewcell's shares commences today, 26 November 2020, on Nasdaq First North Premier Growth Market under the ticker "RENEW" and is conditional up to and including 27 November 2020. The settlement day is expected to be 30 November 2020.

Patrik Lundström, CEO of Renewcell:

"I am grateful for the trust given to us by our new and existing shareholders. The new share issue carried out in connection with the IPO enables us to begin construction of our new factory – a project that will continue until the first half of 2022. Although we have already sold two-thirds of the capacity in the new plant for the next five years, I am dedicated to ensure that our product, Circulose, is spread and used by additional clothing brands and fibre manufacturers so that even more sustainable clothing reaches consumers. We, therefore, intend to increase production in our existing factory in Kristinehamn during the construction period in order to launch new collaborations with apparel brands."

Mia Hemmingson, Chairman of the board of Renewcell:

"We are pleased that the interest in investing in a sustainable future for the fashion industry has proven to be very great. The listing on Nasdaq First North Premier Growth Market marks a clear step in the Company's development from a research company to an industrial and commercial company with circularity as a business concept. We welcome all new shareholders to Renewcell and look forward to continuing the journey with them."

About Renewcell and background to the Offering

Renewcell provides an alternative raw material for textile production that replaces resource-intensive material, such as cotton, or petroleum-based material, such as polyester. As far as is known, the Company is the first in the world to commercially offer a dissolving pulp for textile production manufactured from 100 per cent recycled textiles and has, thereby, succeeded in closing the loop for cellulose-based textiles (cotton or viscose) in an otherwise linear textile value chain.

The commercialisation of Renewcell's Circulose® pulp product is ongoing and global clothing brands, including H&M and Levi's have already launched garments produced in textile made from Circulose® and BESTSELLER launches a collection during the spring of 2021. There is also substantial interest from other global clothing brands. The Company has also established partnerships across the value chain with fibre producers, pulp agents, textile sorters and a number of clothing brands to secure both the delivery of the raw material to and sales of Circulose® pulp.

The next step in Renewcell's development is the construction of a new plant with an annual production capacity of 60,000 air-dried metric tons ("ADMT")[1] of pulp. The plant will be located in facilities at SCA's paper mill in Ortviken outside Sundsvall, Sweden. Installation of machinery is scheduled to start in the third quarter of 2021 and will be fully installed in the first quarter of 2022. The production volume will gradually increase, commencing during the first six months of 2022 with the intention to reach full production volume toward the end of 2024.

The objective of the Offering and the listing on Nasdaq First North Premier Growth Market is to finance the Company's construction of the new plant and the Company's continued growth until the Company reaches positive cash flow from operating activities as well as to further increase international recognition of Renewcell among customers, and existing and potential partners.

Advisers

Nordea is Sole Global Coordinator and Joint Bookrunner. Pareto Securities is Joint Bookrunner. Advokatfirman Vinge is legal adviser to the Company and White & Case Advokat AB is legal adviser to Sole Global Coordinator and Joint Bookrunners. Avanza is Retail Manager.

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This press release may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

[1] A pulp-industry specific term, which denotes air-dried tonnes of pulp. Air-dried is defined as 90 per cent dry matter in the pulp, entailing that one ADMT is equal to 900 kilos of absolutely dry pulp plus 100 kilos of bound water.

Attachments

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