

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR AUSTRALIA OR ANY OTHER JURISDICTION WHERE SUCH PUBLICATION, DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OR ANY OTHER MEASURES

Renewcell publishes prospectus in connection with offering for subscription of shares and listing 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, announced on 5 November 2020 its intention to list its shares on Nasdaq First North Premier Growth Market and to raise capital through an issue of new shares, for the financing of the future growth of the Company (the "Offering"). Funds managed by Capital World Investors, AMF Fonder AB, Handelsbanken Fonder AB on behalf of managed funds, Swedbank Robur and H&M Fashion AB as well as members of the Company's management and board have undertaken to subscribe for shares in the Offering. The prospectus for the Offering has been approved by the Swedish Financial Supervisory Authority (the "SFSA") and is published today. Nasdaq Stockholm AB has assessed that the Company meets the listing requirements with customary conditions, and the first day of trading on Nasdaq First North Premier Growth Market is expected to be 26 November 2020.

The Offering in brief

- The Offering is directed to institutional investors in Sweden and internationally as well as to the general public in Sweden.
- The Offering price is set at 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, assuming full subscription.
- The Offering comprises up to 10,526,316 new shares, and is expected to provide the Company with up to approximately SEK 800 million, before transaction costs.

- To cover any 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 up to 1,578,947 existing shares, corresponding to up 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.
- Prior to the Offering, a number of institutional investors as well as members of the Company’s management and board have undertaken, subject to specific terms and conditions, and at the same price as other investors, to subscribe for shares in the Offering of up to SEK 444 million, corresponding to approximately 56 per cent of the Offering, excluding the Over-allotment Option, as described below:
 - Funds managed by Capital World Investors: SEK 130 million
 - AMF Fonder AB: SEK 75 million
 - Handelsbanken Fonder AB on behalf of managed funds: SEK 75 million
 - Swedbank Robur: SEK 75 million
 - H&M Fashion AB: SEK 81 million (corresponding to its pro rata share of the Offering excluding the Over-allotment Option)
 - The Norlin family through Girincubator AB: SEK 5 million
 - Members of the Company’s management and board in total: SEK 3 million

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.

Prospectus and application

The prospectus regarding the Offering has been approved by the SFSA and is published today 13 November 2020 on the Company's website, <https://www.renewcell.com/en/section/ipo/>. The prospectus will also be available on the SFSA's website, www.fi.se/en/, Nordea's website, www.nordea.se/aktier, Pareto's website, www.paretosec.com and Avanza's website, www.avanza.se/kampanjer/renewcell.html. Application can be made through Avanza's online services, www.avanza.se, and through Nordea and Pareto for existing customers.

Preliminary timetable

Publication of the prospectus 13 November 2020

Application period for the general public in Sweden 16 – 24 November 2020

Application period for institutional investors 16 – 25 November 2020

First day of trading on Nasdaq First North Premier Growth Market 26 November 2020

Settlement date 30 November 2020

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.

For further information, please contact:

Patrik Lundström, CEO Renewcell

Telephone: +46 761 83 41 17

Email: patrik.lundstrom@renewcell.com

Harald Cavalli-Björkman, CMO Renewcell

Telephone: +46 705 90 32 04

Email: harald.cavalli-bjorkman@renewcell.com

The information was released for publication at 20:05 CET on 13 November 2020 .

Important information

This press release is not an offer to sell or a solicitation of any offer to buy any securities issued by Re:NewCell AB (the "**Company**") in any jurisdiction where such offer or sale would be unlawful.

In any EEA Member State, other than Sweden, that has implemented the (EU) Regulation 2017/1129 (the "**Prospectus Regulation**"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

Neither this press release nor the publication in which it is contained is for publication or distribution, directly or indirectly, in whole or in part, in or into the United States of America, including its territories and possessions, any state of the United States and the District of Columbia (the "**United States**"). The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in

the Company in any jurisdiction. Any securities referred to herein have not been and will not be registered under the U. S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered, subscribed, used, pledged, sold, resold, allotted, delivered or transferred, directly or indirectly, in or into the United States absent exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” (as defined in section 2(e) of the Prospectus Regulation) and who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

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

Renewcell publishes prospectus in connection with offering for subscription of shares and listing on Nasdaq First North Premier Growth Market