

Enviro strengthens its capital via a directed issue of MSEK 21.0

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Scandinavian Enviro Systems AB (publ) ("Enviro" or "The Company") strengthens its financial position via a directed issue to Unwrap Finance AB. The share issue amount is around MSEK 21.0 before transaction costs. The added capital will be used to strengthen the working capital of the company until the board has evaluated various alternatives to secure the company's long-term capital needs.

The board has, with support of the authorization given by the General Meeting, decided to conduct a directed issue of SEK 20,950,261, before transaction costs, and 10,000,000 shares. The subscription rate per issued share is SEK 2.095. The number of shares in the Company will be 590,826,115 after the directed issue and the share capital will increase with SEK 400,000 and will be in total SEK 23,633,045. The dilution after the directed issue will be around 2 percent. The directed share issue is conducted according to the stipulated market conditions. Unwrap Finance AB is a financial player that provides financing solutions for smaller, listed companies.

The added capital secures the company's financing until the board has analyzed the capital requirement and evaluated various alternatives to secure the company's long-term capital needs. As previously communicated, the company holds dialogues with various players in the capital market about potential alternatives for financing the expansion plan presented by the company.

This disclosure contains information that Scandinavian Enviro Systems is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 17-05-2021 23:00 CEST.

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Enviro is a company developing, building and operating industrial plants for material recovery from End of Life Tyres (ELT). The company has developed a process, based on a patented technology, where gas generated in the process is heating the tyres in absence of oxygen. This enables the materials in the tyres to decompose and be recovered instead of incinerated. Thus, a sustainable recovery of the resources Carbon black, Oil, Steel and Gas is obtained. The products are used in new products, replacing fossil resources to help the customers reach their sustainability targets. Enviro was founded in 2001, has its head office in Gothenburg and runs its own plant for ELT tyres in Åsensbruk, Sweden. The company is listed on the Nasdaq First North Growth Market with Mangold Fondkommission AB, tel. +46 (0)8 5030 1550, ca@mangold.se, as its Certified Advisor. www.envirosystems.se