

20th September, 2013

Recyctec: Agreement signed with GEM to support finalisation of large-scale industrial process concerning glycol concentrate.

Recyctec Holding AB (Recyctec) announces that a funding agreement has been signed with Global Emerging Markets (GEM). The conditions for the funding has been negotiated in light of the funding that has been made possible from EU's Life+ programme to complete the final step of a large scale industrial process concerning glycol concentrate. According to the board, GEM's commitment completes the funding from EU Life+, and also has the potential of lowering the company's cost of raising capital. The agreement means that a capital of maximum 22.25 MSEK can be raised for Recyctec.

Funding that can be claimed by Recyctec:

Recyctec can make revolving issues of Class B shares to GEM for a value of maximum 10 MSEK, terms and conditions apply, the duration is three years. The price per Class B share is to be set at 90 per cent of the average share price during a defined period of 15 days of trading; trading volumes in the company's Class B share during the same period of trading will determine how much capital Recyctec can raise at each occasion.

Additional funding that can be claimed by Recyctec at GEM's discretion:

GEM can convert issued share warrants into new Class B shares to a fixed price of 12.25 SEK per share. Maximum value of the warrants issue is 12.25 MSEK. The agreement comprises 1 000 000 warrants, and each warrant entitles the signing of one new Class B share, the duration is five years.

CEO Roland Magnusson comments:

I am very happy that this agreement with GEM, a professional and international investor, now has been finalised. We are proud of the trust GEM has shown us, thereby demonstrating their belief in our company and the success of our business concept. The GEM funding agreement, together with the funding from EU's Life+, give us the possibility to continue with the final step of a large scale industrial process concerning glycol concentrate. We will now continue with final installations of the process needed for large scale manufacturing of glycol concentrate for the Swedish market, and subsequently address the global market.

About the GEM Group:

Global Emerging Markets Limited (www.gemny.com) was founded 1991. GEM, having completed 305 transactions in 65 countries, is an alternative investment group that handles a diverse set of investment vehicles across the world. GEM's fund include; CITIC/GEM Fund; VC Bank/GEM Mena Fund*; Kinderhook; GEM Global Yield Fund; GEM India Advisors, and GEM Brazil PE Fund.

*GEM exited both its LP and GP stakes in Q1, 2010.

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