

WeSC AB (publ) proposes a rights issue of approximately SEK 32 million

Stockholm, Sweden, 13 March 2018

The board of directors of WeSC AB (publ) ("WeSC" or the "Company") proposes that an extraordinary general meeting resolves on a rights issue with preferential rights for the Company's existing shareholders (the "Rights Issue"). Upon full subscription of the Rights Issue, the Company will receive approximately SEK 32 million, before issue expenses. The Rights Issue is covered by subscription undertakings to an amount corresponding to approximately 60 per cent of the issue proceeds.

Summary

- Shareholders in WeSC have preferential rights to subscribe for one (1) new share for every one (1) existing share held.
- The record date for participation in the Rights Issue is 19 April 2018.
- The subscription price is SEK 0.12 per share.
- The subscription period runs from 23 April 2018 up to and including 7 May 2018.
- The Rights Issue is covered to approximately 60 per cent by subscription undertakings from existing shareholders.
- In order to enable the Rights Issue, a change of the articles of association, with regards to the limits of the Company's share capital and number of shares, is also proposed.

Background and reason

The Rights Issue is carried out in conjunction with the restructuring phase and reconstruction of the subsidiary We International AB. The restructuring has meant, among other things, that WeSC has reduced the problem-driven distributor business and licensed 4 different product areas.

In addition, the subsidiary WeSC America Inc. has secured production funding for the North American market and reorganized the e-commerce. The purpose of the Rights Issue is to get a new start for the business, based on a debt-free starting position with a more narrow and focused business.

The Rights Issue

The board of directors of WeSC proposes that an extraordinary general meeting, which is expected to be held on 12 April 2018, resolves to issue new shares with preferential rights for the Company's existing shareholders, for a subscription price of SEK 0.12 per share.

The Rights Issue entitles the existing shareholders to subscribe for new shares in WeSC in relation to the number of existing shares held, whereas one (1) existing share entitles to one (1) subscription right, and one (1) subscription right entitles the holder to subscribe for one (1) new share. The record date at the Swedish Central Securities Depository, Euroclear Sweden AB, for receiving subscription rights is 19 April 2018. The subscription period runs from 23 April 2018 up to and including 7 May 2018, or such later date as decided by the board of directors of WeSC. Trading in subscription rights on Nasdaq First North is expected to take place from 23 April 2018 up to and including 3 May 2018.

Upon full subscription of the Rights Issue, the number of shares in the Company will increase with 267,838,845 shares to 535,677,690 shares, and the share capital will increase with SEK 24,208,131.94 to SEK 48,416,263.87, representing an increase of 100 per cent. Upon full subscription of the Rights Issue, the total issue proceeds amount to approximately SEK 32 million, before issue expenses. For existing shareholders not participating in the Rights Issue, a dilution effect will arise corresponding to 50 per cent of the total number of shares and votes in the Company after the Rights Issue. Shareholders who choose not to participate in the Rights Issue may be able to compensate for this dilution by selling their subscription rights on the market.

Subscription undertakings

The Rights Issue is guaranteed up to approximately 60 per cent, through subscription undertakings to subscribe for shares in the Rights Issue from a number of existing shareholders.

Indicative timetable

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| • 12 April 2018 | Extraordinary general meeting | |
| • 17 April 2018 | Last day of trading including the right to | participate in the Rights Issue |
| • 18 April 2018 | First day of trading excluding right to participate in | the Rights Issue |
| • 19 April 2018 | Record date for participation in the Rights Issue | |
| • 23 April–7 May 2018 | Subscription period | |
| • 23 April 2018 | First day of trading in subscription rights and | paid subscribed shares (BTA) |
| • 3 May 2018 | Last day of trading in subscription rights | |
| • Around 9 May 2018 | Announcement of the outcome of the Rights | Issue |

Other

An extraordinary general meeting will be held on 12 April 2018. Notice of the extraordinary general meeting will be published separately.

Advisers

Advokatfirman Lindahl KB is WeSC's legal adviser in connection with the Rights Issue. Mangold Fondkommission AB is acting as issuing agent in connection with the Rights Issue.

For further information, contact:

Business queries: Joseph Janus, CEO, +46 8 46 50 50 00

Shareholder queries: Theodor Dalenson, Board chairman, +46 8 46 50 50 00

The information is such that WeSC AB (publ) is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 13 March 2018 at 08.00 CET.

Briefly about the company

WeSC designs, markets and sells clothing and accessories in the premium streetwear segment of the international market under the WeSC brand. WESC's shares are traded on Nasdaq First North and the company's Certified Adviser is Mangold Fondkommission AB, tel. +46 8 503 015 50.