

Coloreel receives financing from Nefco – Swedish innovation furthers circularity in the textile industry

On-demand thread colouring and fully recycled materials reduce the environmental impact of embroidery and make Coloreel a unique partner for sustainable clothing companies.

Nefco, the Nordic Green Bank, has signed a loan agreement with Coloreel Group AB to support its growth and expansion on global markets. The technology developed by Coloreel will lead to positive environmental effects within the textile industry by minimising thread waste, use of chemicals and wastewater.

All known embroidery machines on the market today rely on individual pre-coloured reels of thread for each colour used in the embroidery process. The Swedish company Coloreel's unique, patented technology addresses this issue by using a single recycled polyester thread as input, thereby eliminating the need for pre-coloured threads, which are a significant cause of wastewater pollution. Coloreel's on demand solution will also reduce the amount of wasted thread in the embroidery process.

“We are excited to provide this financing for Coloreel because the company has the potential to make embroidery and clothing production far more sustainable than it is today and enable a major step towards circularity in the textile industry,” said **Fredrik Larsson**, Investment Adviser, Nefco.

Coloreel's innovation was driven by the significant environmental impact of the textile industry and the challenges posed by traditional methods of handling threads, which require many hundreds of thread reels to be stocked while still not ensuring the right colours are available to complete subsequent production orders. Based in Jönköping, southern Sweden, Coloreel is primarily looking to grow on global markets.

“The Nefco financing will go a long way in supporting our international expansion. It is also a strong acknowledgement of the sustainability benefits we can offer the textile industry,” said **Torbjörn Bäck**, CEO, Coloreel.

Using 100% recycled polyester threads, Coloreel offers the design freedom of digital print, including unlimited colours and effects, while delivering quality embroidery.

For further information, please contact:

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About Coloreel

COLOREEL®

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Coloreel is a Swedish textile innovation brand that has developed a ground-breaking technology for embroidery that enables high-quality colouring of textile thread on demand, unlocking a world of potential. By instantly colouring thread during production, Coloreel produces no wastewater, minimises the use of chemicals and reduces thread waste. Featuring 100% recycled polyester, Coloreel products support the textile industry's move towards more sustainable production.

About Nefco

Nefco is an international financial institution, the Nordic Green Bank, that finances the initial scale-up of Nordic green solutions on global markets. Founded in 1990 by the five Nordic countries, Nefco has already financed and implemented over 1,500 projects in energy efficiency, renewable energy, clean water and sanitation, waste management and cleaner industrial processes, among others. To date, more than 600 Nordic growth companies have received financing from Nefco to scale up their green technologies and solutions on global markets. We serve the interests of our owners, Denmark, Finland, Iceland, Norway and Sweden, and work with concrete actions to accelerate the green transition. Read more about us on www.nefco.int.