



NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, BELARUS, CANADA, HONG KONG, JAPAN, NEW ZEALAND, RUSSIA, SWITZERLAND, SINGAPORE, SOUTH AFRICA, SOUTH KOREA OR IN ANY OTHER JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OR OTHER MEASURES. SEE ALSO THE "IMPORTANT INFORMATION" SECTION BELOW.

European industry expert invests in Cinis Fertilizer in connection with a capital raising and agreement in principle with bondholders providing a maximum cash strengthening of approximately SEK 228 million

The Board of Directors of Cinis Fertilizer AB ("Cinis" or the "Company") has today resolved to carry out a capital raising of up to approximately SEK 172 million in total (the "Capital Raising") in order to strengthen the Company's liquidity and provide working capital financing during the continued ramp-up of the production facility in Örnsköldsvik. The subscription price in the directed share issues and the rights issue, which the Capital Raise mainly consists of, has been set at SEK 1.0 per share. Through the Capital Raising, Cinis will gain an owner with international industry expertise, Adam Nawrocki, who has extensive experience in building and running successful production and sales of water-soluble fertilizers. In addition, Cinis' partner and customer Van Iperen International B.V. ("Van Iperen") is participating in a convertible issue. To further strengthen the Company's liquidity and capital structure, an agreement in principle has been reached with bondholders on certain amendments and concessions under the terms and conditions of the bonds, which will provide a liquidity boost of approximately SEK 56 million until the second quarter of 2026.

The Capital Raising consists of:

- (i) a directed issue of shares to Adam Nawrocki totalling SEK 7.2 million (the "**Directed Issue I**");
- (ii) a directed issue of shares to Adam Nawrocki totalling SEK 9.0 million (the "**Directed Issue II**"; and together with the Directed Issue I, the "**Directed Issues**");
- (iii) a directed issue of convertible debentures with a total nominal amount of SEK 10.8 million to Van Iperen (the "**Convertible Issue**"), with whom Cinis has a long-term offtake agreement for the production of SOP (potassium sulphate) in the production facility in Örnsköldsvik; and
- (iv) a rights issue of shares with preferential rights for the Company's existing shareholders of up to approximately SEK 145.1 million (the "**Rights Issue**").

Within the framework of the Rights Issue, the Company has received subscription and guarantee commitments and declarations of intention to subscribe for shares totalling approximately SEK 73.8 million, which corresponds to approximately 50.9 per cent of the Rights Issue. The Board of Directors has resolved on the Directed Issue I based on the authorization granted by the Annual General Meeting on 23 May 2024. The Board of Directors' resolutions on the Directed Issue II, the Convertible Issue and the Rights Issue are conditional upon the subsequent approval by the General Meeting. The Company's major shareholders, Jakob Liedberg, Roger Johansson and Thomas Ranje, who together hold approximately 70.9 per cent of the shares and votes in the Company, have undertaken to vote in favour of all proposed resolutions at the Extraordinary General Meetings scheduled to be held on 2 May 2025 and 15 May 2025, respectively.

In connection with the Capital Raising, the Company has worked together with major holders (the "**Bondholders**") of the Company's senior secured bonds with ISIN SE0021147030 (the "**Bonds**") to reach an agreement in principle on certain amendments and waivers under the terms and conditions of the Bonds (the "**Terms and Conditions**") to strengthen the Company's liquidity and capital structure. The agreement in principle consists, inter alia, of a waiver of the interest payable on the Bonds on the interest payment dates 26 August 2025 up to and including 26 February 2026 and a set-off of the interest payable on the interest payment date 26 May 2025 by the Bondholders against shares (the "**Set-Off Issue**"), thus resulting in a liquidity enhancement of approximately SEK 56.1 million until the second quarter of 2026.



The Company expects to submit a proposal for written procedure under the Terms and Conditions during mid-April 2025. Bondholders representing 67.3 per cent of the nominal amount of the Bonds have undertaken to vote in favour of the amendments and waivers.

In total, the Capital Raising, the Set-Off Issue and the waiver of interest payments will provide the Company with a maximum liquidity enhancement of approximately SEK 228.1 million.

Background and rationale

Cinis Fertilizer is a Swedish fertilizer company founded with the ambition to produce an environmentally friendly and water-soluble mineral fertilizer, potassium sulfate (SOP). The Company uses a proven production technique called the Glaserite process, which is powered by fossil-free electricity and consumes 50 per cent less energy compared with competing production methods. Cinis also has the ability to produce through an innovative refinement of residual streams from, among others, electric car battery manufacturing and pulp and paper production.

Since its stock market listing at the end of 2022, Cinis has invested approximately SEK 820 million in a production facility in Örnsköldsvik. The facility has an annual capacity of 100,000 tons of high-quality, environmentally friendly SOP, and the entire production volume is sold to Van Iperen under a 10 + 5-year agreement. A little more than 18 months after ground was first broken, Cinis sent out its first shipload of SOP. Cinis' product has since been distributed and sold to end customers in more than 40 countries across all continents, with a very positive reception.

However, the start-up and ramp-up of the company's production facility in Örnsköldsvik has taken longer than expected. Since the start of production in 2024, a number of measures and fine-tunings have been carried out, and Cinis has systematically worked together with its primary technology and process supplier to increase production speed and availability. Following a recent review and inspection of the process facility on 10 March 2025, Cinis' technology and process supplier stated in writing that the current maximum production capacity of the plant is approximately 75,000 tons of SOP per year. During the visit, several measures were taken, including reprogramming of the control system, in order to increase stability and enable higher availability, meaning more hours of continuous running at high-capacity utilization without interruptions.

At the beginning of 2025, the rate of production corresponded to an annual production of 45,000 tons, which the Company estimates would result in a negative EBITDA margin of 16 per cent at an unchanged production rate, based on the initial sales prices Cinis has obtained during the start-up phase. In March, approximately 5,000 tons of SOP were produced, corresponding to an annual production rate of 60,000 tons.

The Company continuously works to identify initiatives that improve profitability and maintains an active dialogue with external parties. The main measures include increasing production speed and improving the price difference between the Company's main product, SOP, and the largest raw material in its production, MOP. Increasing the spread between SOP and MOP to relevant prices observed in the market is deemed feasible through a number of identified strategic initiatives that the Company has launched. With more stable production and quality, along with certain negotiations, Cinis has now raised SOP prices by approximately 8 per cent, which, together with production increases, is expected to lead to stable profitability. Moreover, the company is pursuing initiatives to reduce costs, including optimizing internal logistics solutions and sourcing sodium sulfate, the second most significant raw material in production, at lower prices.

In early April 2025, Cinis, together with the technology and process supplier, will implement additional measures to improve plant capacity, among others rerouting a pipeline that will improve the water balance. The planned measures are estimated by the technology and process supplier to increase production capacity to the equivalent of 85,000–90,000 tons of SOP per year during April 2025.

Furthermore, the Company's technology and process supplier estimates that an annual production capacity of 100,000 tons can be achieved by replacing a blower motor under warranty. The supplier's assessment is that the blower motor can be delivered and installed in May 2025, after which the production facility can achieve the ordered capacity of 100,000 tons per year. Cinis is awaiting a final delivery date from the technology and process supplier.

Assuming that the new motor is delivered and installed in May 2025, the Company expects to achieve a production rate corresponding to approximately 90,000 tons per year in the third quarter of 2025, excluding planned maintenance shutdowns for approximately two weeks that reduce the maximum



number of production hours correspondingly, to then reach a production rate of 100,000 tons per year in the fourth quarter of 2025.

The facility was purchased with a process guarantee, meaning that, according to the agreement, it will be paid for in full and handed over to Cinis only once all stipulated capacity and quality parameters have been met.

In light of the above, the Company's production ramp-up has been delayed and, as a result, Cinis' financial situation has become strained. In order to ensure that the Company has sufficient working and development capital during the ramp-up period of the production facility in Örnsköldsvik, the Board of Directors today resolved to carry out the Capital Raise.

Use of proceeds

Upon full subscription in the Rights Issue, the Company will receive approximately SEK 172.1 million through the Capital Raising, before deduction of issue costs. The net proceeds from the Capital Raising are expected to be used for the following purposes in order of priority:

- strengthen the Company's financial position and fund working capital requirements for, among other things, raw materials related to the ongoing ramp-up of the production facility in Örnsköldsvik, approximately 50 per cent;
- plant improvements and spare parts, around 20 per cent; and
- buffer and general corporate purposes, around 30 per cent.

The Directed Issues and the Convertible Issue

The Board of Directors has resolved on the Directed Issue I, based on the authorization granted by the Annual General Meeting on 23 May 2024, and the Directed Issue II, subject to the subsequent approval of the Extraordinary General Meeting. All shares in the Directed Issues are issued at a subscription price of SEK 1.0 per share, which corresponds to the subscription price in the Rights Issue. Through the Directed Issues, the Company will receive SEK 16.2 million before deduction of issue costs.

Adam Nawrocki has undertaken to subscribe for all shares in the Directed Issues. Through the Directed Issues, the Company's share capital will increase by SEK 162,000.00 through the issue of a total of 16,200,000 new shares. With over 30 years of international experience in developing and managing companies within fertilizer production, the Company's Board of Directors believes that Adam Nawrocki will be a great asset to Cinis' continued development. Adam Nawrocki is the founder and former CEO of a leading fertilizer and chemical company, ADOB Fertilizers, which produces and sells water-soluble fertilizers and inorganic chemicals.

The newly issued shares in the Directed Issues are expected to be registered with the Swedish Companies Registration Office and admitted to trading on Nasdaq First North Growth Market at the same time as the shares in the Rights Issue. Consequently, the shares subscribed for and issued in the Directed Issues do not entitle to participation in the Rights Issue.

The Board of Directors has further resolved on the Convertible Issue, subject to the subsequent approval of the Extraordinary General Meeting. The total nominal amount of the convertible bonds amounts to SEK 10.8 million and the subscription price corresponds to the nominal amount of the convertible bonds. The convertible debentures bear a fixed annual interest rate of four per cent from (but excluding) the date of issue of the convertible debentures up to (and including) the maturity date. Accrued interest shall be capitalized on the anniversary of the date of issue of the convertible debentures each year.

Holders of the convertible debentures have the right to convert the loan amount, including accrued interest, from the time the convertible debentures are registered with the Swedish Companies Registration Office up to and including 30 May 2028 at a conversion price of SEK 3.36 per share. The loan, including accrued interest, falls due for payment on 31 May 2028 to the extent that conversion has not taken place before then. The Company shall be entitled to repay, on one or more occasions up to the maturity date, all or part of the loan amount together with accrued interest on the repayment amount, whereby the loan amount shall be reduced by the repayment amount (excluding repaid accrued interest).

The Company's collaboration partner Van Iperen, a leading Dutch manufacturer of specialty fertilizers and bio stimulants, has undertaken to subscribe for all convertible debentures in the Convertible Issue. In the event that Van Iperen chooses to convert all convertible debentures into shares, the Company's share



capital will increase by SEK 36,156.34 through the issue of a total of 3,615,634 new shares. Full terms and conditions of the convertible debentures will be published on the Company's website in connection with the publication of the notice to the Extraordinary General Meeting that will be held to approve the Convertible Issue.

The Company's Board of Directors has made an overall assessment and carefully considered raising the necessary capital solely through a rights issue but has made the assessment that, for several reasons, it is favourable for the Company and the shareholders to partially raise capital through the Directed Issues and the Convertible Issue. Among other things, the Directed Issues and the Convertible Issue reduce the need for guarantee commitments in the Rights Issue and thus also the guarantee compensation. The Directed Issues and the Convertible Issue also strengthen the shareholder base in the Company with strong investors with industry expertise, which is considered positive from a long-term and strategic perspective. The subscription price in the Directed Issues and the subscription price and conversion price in the Convertible Issue have been determined through arm's length negotiations with the investors and by analysing a number of market factors such as the Company's financing needs, alternative cost of other financing and assessed market interest for an investment in the Company. It is the Board of Directors' assessment, based on the above factors, that the subscription price in the Directed Issues and the subscription price and conversion price in the Convertible Issue reflect current market conditions and current demand. Against this background, the Board of Directors assesses that the subscription price in the Directed Issues and the subscription price and conversion price in the Convertible Issue are in line with market conditions.

The Rights Issue

Anyone who is entered in the share register as a shareholder in Cinis on the record date on 19 May 2025 will receive one (1) subscription right for each share held in the Company. One (1) subscription right entitles to subscription of two (2) new shares. The subscription price in the Rights Issue is set at SEK 1.0 per share, which means that Cinis, in the event of a fully subscribed Rights Issue, will receive gross proceeds of approximately SEK 145.1 million, before deduction of issue costs. In addition, investors are offered the opportunity to apply for subscription of shares without subscription rights.

Provided that the Rights Issue is fully subscribed, the Company's share capital will increase by a maximum of SEK 1,450,529.36 through the issue of a maximum of 145,052,936 new shares.

The subscription period is expected to run from 21 May 2025 up to and including 4 June 2025, or such later date as decided by the Board of Directors. Trading in subscription rights is expected to take place on Nasdaq First North Growth Market during the period from and including 21 May 2025 up to and including 30 May 2025 and trading in BTAs (paid subscribed shares) during the period from and including 21 May 2025 up to and including when the Rights Issue is registered with the Swedish Companies Registration Office.

In the event all shares in the Rights Issue are not subscribed for with the support of subscription rights, the Board of Directors shall, within the maximum amount of the Rights Issue, resolve on the allotment of shares subscribed for without the support of subscription rights in accordance with the following allotment principles:

- i. Firstly, allocation shall be made to those who subscribed for shares with the support of subscription rights, regardless of whether the subscriber was a shareholder on the record date or not, and, in case of oversubscription, in relation to the number of subscription rights that each party has exercised for subscription of shares, and, if this is not possible, by drawing lots.
- ii. Secondly, allocation shall be made to other subscribers who subscribed for shares without the support of subscription rights, and, in case of oversubscription, in relation to the subscribed amount, and, if this is not possible, by drawing lots.
- iii. Thirdly, allocation of any remaining shares shall be made to guarantors in accordance with signed guarantee undertakings. In the event that allotment cannot be made in full, allotment shall be made in proportion to the amount guaranteed by each guarantor and, if this is not possible, by drawing lots.



Preliminary timetable for the Rights Issue

15 May 2025	Extraordinary General Meeting
15 May 2025	Last day of trading in the share with right to receive subscription rights
16 May 2025	First day of trading in the share without the right to receive subscription rights
19 May 2025	Record date for participation in the Rights Issue
19 May 2025	Estimated date of publication of information documents
21 May 2025 – 30 May 2025	Trading in subscription rights
21 May 2025 – 4 June 2025	Subscription period
21 May 2025 – around 19 June 2025	Trading in BTA (paid subscribed shares)
Around 9 June 2025	Estimated date for announcement of final outcome of the Rights Issue

Guarantee and subscription commitments and declarations of intention to subscribe for shares

The Rights Issue is covered by subscription and guarantee commitments and declarations of intention to subscribe for shares totalling approximately SEK 73.8 million, corresponding to approximately 50.9 per cent of the Rights Issue. The subscription commitments amount to approximately SEK 1,2 million, corresponding to approximately 0.9 per cent of the Rights Issue. The Company has entered into guarantee commitments with larger Bondholders to a total amount of SEK 70.0 million, corresponding to approximately 48.3 per cent of the Rights Issue (the "**Bondholder Guarantee**"). All existing Bondholders will be offered the right to participate in the Bondholder Guarantee up to its pro rata share of the Bonds. Declarations of intention to subscribe for shares in the Rights Issue from existing shareholders within the Company's Board of Directors amount to a total of approximately SEK 2.5 million, corresponding to approximately 1.7 per cent of the Rights Issue. For guarantee commitments, a compensation of 12.0 per cent of the guaranteed amount is paid, which according to the guarantee agreements entered into shall be paid in cash. No compensation is paid for the subscription commitments or the declarations of intention to subscribe for shares. The commitments are not secured by bank guarantee, blocked funds, pledge or similar arrangements.

The Company considers that it conducts activities worthy of protection under the Foreign Direct Investment Review Act (2023:560) (the "**FDI Act**"). Accordingly, an investment in shares in the Rights Issue (other than by way of preferential rights), which results in an investor acquiring a shareholding corresponding to or exceeding a threshold of 10, 20, 30, 50, 65 or 90 per cent or more of the total number of votes in the Company after the completion of the Rights Issue, must be notified to the Swedish Inspectorate for Strategic Products prior to the investment and, if applicable, the corresponding body in accordance with the laws of another jurisdiction and cannot be implemented until the Swedish Inspectorate for Strategic Products and, if applicable, other corresponding body in another jurisdiction, has cancelled the notification or approved the investment ("**FDI Resolution**"). As a result, underwriting commitments entered into, for any shares that would require a prior FDI Resolution, are conditional upon the guarantor obtaining such FDI Resolution.

Agreement in principle with holders of the Company's outstanding bonds

The Company intends to initiate a written procedure in mid-April 2025 regarding certain amendments and concessions to the Terms and Conditions of the Bonds pursuant to the agreement in principle reached by the Company with certain major Bondholders.

The Agreement in Principle consists of the following main commercial terms, modifications and concessions to the Terms and Conditions:

1. The Company may raise additional financing in the form of (i) the Convertible Issue, (ii) super senior operating financing up to an amount of SEK 130.0 million, (iii) the New Bonds (as defined below) and (iv) general indebtedness up to SEK 20.0 million
2. a change of ownership will only occur if the Company is delisted or if someone other than Jakob Liedberg, Adam Nawrocki or Van Iperen takes control of more than 50 per cent of the shares in the Company;
3. the interest due on the Bonds and payable on the interest payment dates 26 August 2025 up to and including 26 February 2026 is waived, and the interest payable on the interest payment date 26 May 2025 is set off by the Bondholders against new shares in the Set-Off Issue at a subscription price of



- SEK 0.25. Through the Set-Off Issue, the Company's share capital may increase by a maximum of SEK 560,967.00 through the issue of 56,096,700 new shares;
4. the Company may make partial repayments of the Bonds at the relevant redemption amount;
 5. the financial covenant relating to the Company's minimum liquidity is waived for the periods ending 31 March 2025 and 30 June 2025, and will amount to SEK 15.0 million until 30 December 2025 and SEK 30.0 million thereafter;
 6. the date for testing the financial covenant relating to the Company's maximum loan-to-value ratio will be postponed by 6 months;
 7. as compensation to the Bondholders for entering into guarantee commitments in relation to the Rights Issue, inter alia, a conversion of Bonds of SEK 210.0 million will be made into new super senior bonds (the "**New Bonds**"). The New Bonds mature in August 2027 and bear an interest at ten per cent per annum, payable in-kind during the first twelve months. The New Bonds will rank senior to the Bonds but junior to the super senior operating financing. As consideration for the structuring of the New Bonds, the holders of the New Bonds will receive a structuring fee corresponding to five (5) per cent of the nominal amount of the New Bonds (i.e. SEK 10,500,000.0) (the "**Structuring Fee**"), which will be set off against new shares in the Company at a subscription price of SEK 1.0 per share (the "**Structuring Issue**"). All new shares in the Structuring Issue shall be allotted to the holders of the New Bonds pro rata in relation to each holder's claim relating to the Structuring Fee. Through the Structuring Issue, the Company's share capital may increase by SEK 105,000.00 through the issue of 10,500,000 new shares;
 8. all Bondholders will be offered to provide guarantee commitments pro rata based on their holdings of the Bonds, and the offer is intended to be initiated in April 2025; and
 9. amendments to the Intercreditor Agreement regarding ranking and waterfall reflecting the New Bonds and their ranking.

Submission of the written procedure proposal under the Terms and Conditions is expected to be made by the Company in mid-April 2025. The Bondholder representing 67.3 per cent. of the total outstanding nominal amount of the Bonds has undertaken to approve the intended proposals in a written procedure. The undertaking has been given subject to (i) the completion of the Capital Raising and (ii) the completion of the Set-off Issue.

Extraordinary General Meetings

The Board of Directors' resolutions regarding the Directed Issue II and the Convertible Issue are subject to the approval of an Extraordinary General Meeting intended to be held on 2 May 2025.

The Board of Directors' resolution regarding the Rights Issue is subject to the approval of an Extraordinary General Meeting intended to be held on 15 May 2025. The Set-Off Issue and the Structuring Issue are conditional upon the general meeting resolving to authorize the Board of Directors of the Company to resolve on the Set-Off Issue and the Structuring Issue.

Notices of the Extraordinary General Meetings will be published through separate press releases.

The shareholders Roger Johansson, Jakob Liedberg and Thomas Ranje, who together hold approximately 70.9 per cent of the shares and votes in the Company, have undertaken to vote in favour of all the Board of director's proposals at the Extraordinary General Meetings.

Due to the Extraordinary General Meetings, the 2025 Annual General Meeting, scheduled for 22 May 2025, will be postponed. Notice of the 2025 AGM will be published through a separate press release.

Information document

In connection with the Rights Issue, the Company is preparing an information document (the "**Information Document**") in accordance with Article 1(4)(b) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). The Information Document is prepared in accordance with Annex IX to the Prospectus Regulation.

Further information on the Rights Issue and information about the Company will be provided in the Information Document which is expected to be published on the Company's website on or around 19 May 2025.



Incentive programme

The Bondholders have requested that incentive programmes shall be proposed for the Company's CEO, Jakob Liedberg, and the Company's Chairman of the Board, Roger Johansson at the Annual General Meeting 2025. Therefore, the Board of Directors of the Company intends to propose to the Annual General Meeting to introduce an incentive programme for Jakob Liedberg and major shareholders of the Company intend to propose to the Annual General Meeting to introduce an incentive programme for Roger Johansson.

Description of Van Iperen

Van Iperen is a Dutch producer of specialty fertilizers and bio stimulants for fertigation and foliar application and aims to change the rules of the game in plant nutrition by offering innovative solutions to growers to make conventional agriculture more sustainable.

Advisors

ABG Sundal Collier AB and Pareto Securities AS are acting as financial advisers and Advokatfirman Schjødt is acting as legal advisor to the Company.

For more information, please contact:

Charlotte Becker, IR and Communications Director Cinis Fertilizer
charlotte@cinis-fertilizer.com
+46 730 37 07 07

Jakob Liedberg, CEO Cinis Fertilizer
jakob@cinis-fertilizer.com
+46 768 58 12 86

This information is information that Cinis Fertilizer AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 17.35 CEST on 15 April 2025.

About Cinis Fertilizer

Cinis Fertilizer is a Swedish greentech company that produces an environmentally friendly mineral fertilizer, potassium sulphate (SOP), by recycling residual streams from the manufacture of batteries and battery materials, as well as from the pulp and other industries. The patented technology uses half the energy of current production methods and results in a mineral fertilizer with a low carbon footprint. A unique and circular contribution that enables sustainable agriculture. FNCA Sweden AB is the company's Certified Adviser.

For more information, visit www.cinis-fertilizer.com.

Important information:

The publication, release or distribution of this press release in certain jurisdictions may be restricted by law and persons in the jurisdictions in which this press release has been published or distributed should inform themselves about and observe any such legal restrictions. The recipient of this press release is responsible for using this press release and the information contained herein in accordance with the applicable rules in each jurisdiction.

This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Cinis in any jurisdiction, neither from Cinis nor from anyone else. This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. No prospectus will be prepared in connection with the Rights Issue. The Company will prepare and publish an information document in the form prescribed in Annex IX to the Prospectus Regulation.

This press release does not identify or purport to identify any risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this press release is for the purpose of describing the background to the Rights Issue only and does not purport to be complete or exhaustive. No representation is made as to the accuracy or completeness of the information contained in this press release.

This press release does not constitute an offer or invitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act of 1933, as amended (the



"Securities Act"), and may not be offered or sold in the United States absent registration or an applicable 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 such securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction where such announcement, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would require additional registration or other measures than those required by Swedish law. Actions in violation of this instruction may constitute a violation of applicable securities legislation.

The Company considers that it is engaged in activities worthy of protection under the FDI Act. In accordance with the FDI Act, the Company must inform prospective investors that the Company's activities may fall within the scope of the regulation and that the investment may be notifiable. In the event that an investment is notifiable, it must be notified to the Swedish Inspectorate for Strategic Products ("ISP") prior to its realization. An investment may be notifiable if (i) the investor, any member of its ownership structure or any person on whose behalf the investor is acting, after the investment is made, holds voting rights equal to or exceeding any of the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total voting rights in the Company, (ii) the investor acquires the Company through the investment and the investor any member of its ownership structure or any person on whose behalf the investor is acting, directly or indirectly, would hold 10 per cent or more of the total voting rights in the Company; and (iii) the investor, any member of its ownership structure or any person on whose behalf the investor is acting, would acquire through the investment a direct or indirect influence in the management of the Company. An administrative fine may be imposed on the investor if a notifiable investment is made before the ISP has either (i) decided to leave the notification without action or (ii) approved the investment. Each shareholder should consult an independent legal advisor regarding the possible application of the FDI Act in relation to the Rights Issue for the individual shareholder.

Forward-looking statements

Matters discussed in this press release may contain forward-looking statements. Forward-looking statements are all statements that do not refer to historical facts and events, as well as statements that refer to the future and for example contain expressions such as "anticipates", "intends", "may", "will", "should", "estimates", "believes", "may", "plans", "continues", "potential", "estimates", "forecasts", "known" or similar expressions. In particular, these statements relate to future results of operations, financial condition, cash flows, plans and expectations of the Company's business and management, future growth and profitability and the general economic and regulatory environment and other circumstances affecting the Company, many of which are in turn based on additional assumptions, such as the absence of changes in existing political, legal, tax, market or economic conditions or in applicable laws (including, but not limited to, accounting principles, accounting methods and tax policies), which individually or in the aggregate could be material to the Company's results of operations or its ability to operate its business. Although the Company believes that these assumptions were reasonable when made, they are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors that are difficult or impossible to predict and may be beyond the Company's control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in such forward-looking statements. Accordingly, prospective investors should not place undue reliance on the forward-looking information contained herein, and prospective investors are strongly advised to read those parts of the prospectus that include a more detailed description of factors that may affect the Company's business and the market in which the Company operates. The information, opinions and forward-looking statements contained in this press release is valid only as of the date of this press release and is subject to change without notice.