



Cinis Fertilizer AB
Annual and Sustainability Report 2024

***Potassium sulfate
from Örnsköldsvik to
growers around the world***

Let's make the world's agriculture greener

Cinis Fertilizer partners with Van Iperen to provide growers around the world with environmentally friendly potassium sulfate.

Cinis Fertilizer has signed a ten-year sales and distribution agreement with the Dutch company Van Iperen International regarding the sale of potassium sulfate from Sweden.

Van Iperen International operates globally and is active in the wholesale market for mineral fertilizers and biostimulants. The company was founded a hundred years ago and today has a presence in more than a hundred countries. Over the past ten years, Van Iperen has had a clear ambition to contribute to the transition to a more sustainable agriculture, which has resulted in rapid expansion.

Van Iperen has developed two concepts that contribute to making agriculture greener, Plants for Plants® and GreenSwitch®. The water-soluble potassium sulphate from Cinis Fertilizer is a crucial part of the latter concept.

The fossil-free production combined with the recycling of residual flows from battery manufacturers and the pulp industry is marketed under the name GreenSwitch® Potassium Sulphate to customers worldwide. It is intended for use in nutrient solutions for both irrigation and foliar fertilization of vegetables, ornamental plants, fruit trees and berries in open fields and/or inside greenhouses.

GreenSwitch®
Potassium

**GreenSwitch® Potassium Sulphate,
a Premium Sustainable Water-soluble SOP**

GreenTech
Innovation
& Concept
Awards 2024
FINALIST
Innovation

Circular Economy

POLLUTION EMISSION

CO₂

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Cinis Fertilizer is a Swedish green-tech company producing an environmentally friendly mineral fertilizer, potassium sulphate (SOP), by, among other things, recycling waste products from battery manufacturing and recycling, as well as the pulp industry and other industries.

The patent protected technology uses half as much energy as today’s production methods and the result is a fertilizer with low carbon footprint.

A unique and circular contribution enabling sustainable agriculture.

“Cinis Fertilizer” refers to Cinis Fertilizer AB (publ), Corp. ID no. 559154-0322. LEI-code: 6488R5365P1TL3DK2R87.
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The audited Annual Report of Cinis Fertilizer AB comprises pages 34–59. The Annual Report is published in Swedish and English, with the Swedish version being the original. Sustainability priorities are integrated throughout the Annual Report. This Annual Report and other financial information are available at www.cinis-fertilizer.com.

Shares in Cinis Fertilizer AB are traded on Nasdaq First North Growth Market. Ticker: CINIS | ISIN-code: SE0018040784
Number of shares and votes: 72,526,468. Certified adviser: FNCA Sweden AB. Liquidity provider: ABG Sundal Collier.

Cinis Fertilizer’s green bond loan has been listed on the Sustainable Bond List on Nasdaq Stockholm since January 17, 2025. Maturity date: November 26, 2027.
Ticker: CINIS 1 | ISIN-code: SE0021147030

Cover: Sweden’s first production of environmentally friendly potassium sulfate is ongoing in Örnsköldsvik. In 2024, 9,600 tons were sold to farmers all over the world and Cinis Fertilizer thus contributed to make agriculture greener.

The figures reported in this Annual and Sustainability Report have, in some cases, been rounded and therefore the tables do not necessarily add up exactly. All figures are in Swedish kronor (“SEK”) unless otherwise stated. “SEK ‘000” refers to thousands SEK and “SEK m” refers to millions SEK. Information in the Annual Report relating to future conditions, such as statements and assumptions regarding Cinis Fertilizer AB’s future development and market conditions, is based on current conditions at the time of publication.

Forward-looking information reflects the company’s current view and expectations of future events as well as financial and operational progress and is always associated with uncertainty as it relates to and is dependent on circumstances beyond Cinis Fertilizer’s control. No assurance, either explicit or implicit, can be given that the assessments in the Annual Report regarding future conditions will materialize.

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ABOUT CINIS FERTILIZER

Cinis Fertilizer AB was founded in 2018 with the aim of producing the world's most environmentally-friendly mineral fertilizer for sustainable, circular and fossil-free agriculture. Production has started in Örnköldsvik, Sweden, and the company's potassium sulphate now contributes to greener agriculture.

Cinis Fertilizer was founded after chemical engineers Jakob Liedberg (CEO) and Roger Johansson (Chair) had been considering ways of reducing chemical emissions from major industries, and how to refine the residues from, among other things, the electric car battery industry (sodium sulfate, Na_2SO_4) and from the paper and pulp industry (ESP-ash).

The company has several patents of its own that enable a sustainable production process, which is powered by fossil-free electricity and provides a product with minimal negative impact on the environment.

Today, Cinis Fertilizer produces a potassium-based mineral fertilizer with sodium chloride (industrial salt) as a by-product in Köpmanholmen just outside Örnköldsvik.

Three main nutrients for increased harvests and sustainable agriculture



Mineral fertilizer provides enormous benefits for agriculture and society by supporting food production to feed much of the global population.

Nitrogen-based (N), phosphorus-based (P) and potassium-based (K) fertilizers account for the largest proportion of the fertilizer market. Cinis Fertilizer has chosen to focus on the potassium segment of the fertilizer market, specifically water-soluble potassium sulfate (Sulfate of Potash, SOP). Potassium sulfate is a more sustainable alternative that can support larger harvests, and improve taste and appearance, and increase sustainability to facilitate sustainable and organic agriculture.

Circular, sustainable, and cost-effective production process



Cinis Fertilizer's patented production process uses residual products from other industries – ESP ash from paper mills and sodium sulfate from electric vehicle battery manufacturing – to produce a circular and environmentally friendly mineral fertilizer, potassium sulfate (SOP).

The production process runs on fossil-free electricity, recycles all water, and is designed so that it will not add to emissions or pollution. Compared with today's dominant process, Cinis Fertilizer's process has 50 percent lower energy consumption, 20 percent lower production costs and no harmful by-products such as hydrochloric acid (HCl).

Customers will use Cinis Fertilizer's products to manufacture finished fertilizer varieties



Cinis Fertilizer's customers are mainly producers of other types of mineral fertilizers and are usually part of large chemical companies. Customers generally use potassium sulfate (SOP) to produce NPK fertilizer mixes (which can take place in multiple stages). Then their end-customers, who are mineral fertilizer distributors and farmers, will use this fertilizer for their crop cultivation.

Potassium sulfate (SOP) has attractive properties, such as strengthening the plants' quality, resilience, and root systems. It protects plants from diseases, cold and dry climates, and reduces the risk of wilting. SOP also increases harvest volumes.

CEO'S COMMENT

When I look back on 2024, I do so primarily with great pride, but of course also with certain frustration and disappointment. We can conclude that the ramp-up of production has taken longer than we expected based on what was agreed with our technical supplier. We had high ambitions early on for how quickly we could scale up and trim production. Even though we did not reach where we aimed,

I can see that during a challenging start-up year, we have, with a fossil-free method, produced and sold thousands of tons of potassium sulfate of the highest quality. Potassium sulfate that now reduces the carbon footprint of growers in over 40 countries, around the world.

Building and starting up a completely new production facility, which is also the first of its kind in Sweden, is not easy and it takes time. Just over 18 months after groundbreaking, we sent a first shipload of potassium sulfate, which has since been distributed all over the world.

I am the first to regret that we have had challenges during the ramp-up, but it is not entirely surprising. I can nevertheless state that what we have achieved so far is unique for an establishment of this kind. We have systematically worked with our technology and process supplier to increase production capacity, but in March 2025 they stated that their delivery had not been flawless and that a number of additional measures were required to raise the technical capacity of the plant.

We now have a clear plan for how we will reach full production capacity, and our technical supplier estimates that they will be able to raise the technical capacity already in the spring and thus enable us to reach full production rate later in 2025.

During the start-up year, we have also had to prove ourselves as a supplier and have not fully managed to realize the expected sales prices, mainly due to production disruptions and subsequent quality deviations.

We are continuously working to identify and implement initiatives that improve profitability and have come a long way in early 2025. The main measures to achieve profitability include an increased production rate and an

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improved price difference between our main product potassium sulfate and the largest raw material in production, potassium chloride.

As we now have a more stable production of high-quality potassium sulfate, we are being paid better, which together with the production increases, is expected to lead to stable profitability. Additional initiatives are about optimizing logistics solutions and obtaining the second largest raw material in production, sodium sulfate, at lower prices.

Northvolt's production challenges have had a significant impact on us during the year. Although we were able to secure sodium sulfate from other suppliers early on, the cost per ton was significantly higher than the Northvolt price we had planned for, as was the freight, which has affected profitability.

The problem of residual flows of sodium sulfate in industry is growing and we see a clear need for our solution, but it takes time to convert this into deliveries.

In the long term, I am convinced that this too will be realized because circularity is increasing day by day in society, as more and more people support the idea.

The collaboration with Ragn-Sells is an important first step and a milestone in the work to increase the share of residual flows and compensate for the cost increases brought about by Northvolt. The fact that we are paid to receive the sodium sulfate shows that our fundamental idea is viable and that we are solving a growing problem for industrial players.

In April 2025, we announced a capital raising in several steps. Through this, we not only obtain capital to bring the company to profitability and be able to manage unexpected events, but we also gain a better capital structure and investors with several decades of experience in successfully producing and selling water-soluble fertilizers. Bringing in Adam Nawrocki, with over 30 years of experience in developing and leading companies in fertilizer production, as a major shareholder will be a great asset for Cinis' continued development. In addition, our customer and partner Van Iperen is participating in a convertible issue, which underlines their confidence in Cinis and our product. With concessions and changes to the terms of the bonds, we will have the time we need to bring the company to full production and stable profitability.

Globally, there are major industrial investments being made where our offering fits very well for industries that take responsibility for their entire production chain. In addition to Ascend Elements, we have ongoing discussions with around twenty industrial partners for the supply of sodium sulfate to our future production facilities. Among the players are leading battery manufacturers, chemical industries, and pulp mills in Europe, North America, Asia and Australia. These will be incorporated into an updated expansion plan.

In these discussions with the battery industry, we have also identified an opportunity to build on the circular business by refining our by-product sodium chloride into a circular sodium hydroxide, caustic soda, an important input and relatively large cost item in the production of battery materials. This has the potential to strengthen circularity and profitability for both us and the battery manufacturers.

We continue to closely monitor developments regarding our planned production facility in the USA, potential policy changes and trade barriers as well as reviewing the prioritization of upcoming projects. However, we continue to experience great support for what we are doing locally and at the state level, where we have already been granted tax incentives for the planned facility.

I would like to extend a big thank you to our employees for your fantastic commitment and hard work during a tough start-up year. I would also like to thank our partners, shareholders and financiers who have supported us. Together we have made sustainable potassium sulfate a reality. With your continued support, we will work tirelessly to bring the plant in Örnsköldsvik up to full capacity and then continue to build circular industry in more locations.



Jakob Liedberg,
CEO



Access to mineral fertilizers is crucial for the European food supply. Cinis Fertilizers' production takes place close to farmers, which increases the possibility of self-sufficiency and strengthens the conditions for a more stable market and more even price development.

SIGNIFICANT EVENTS IN 2024

First quarter

- Cinis Fertilizer signed a letter of intent with the Japanese company Itochu Corporation with the aim of establishing operations in Asia. The companies intend to cooperate to enter into binding sales and delivery agreements and to study the conditions for producing environmentally friendly mineral fertilizer in Asia
- In February, Cinis Fertilizer had recruited and hired the entire workforce needed to take the production facility in Köpmanholmen, just outside Örnsköldsvik, into operation
- Cinis Fertilizer received the first deliveries of the inputs sodium sulfate and potassium chloride to its production facility in Örnsköldsvik, Sweden. With the first ship and truck deliveries in place in the company's warehouse, the important logistics flows for the input goods have been tested ahead of the start of production.



The first ship delivery arrived at Köpmanholmen on March 21, 2024.

Second quarter

- Start of production of the mineral fertilizer potassium sulfate in Cinis Fertilizer's first production facility, in Örnsköldsvik
- On June 4, the official inauguration of Cinis Fertilizer's production facility in Örnsköldsvik was celebrated. With its fossil-free production method, the company is the first in the world to produce an environmentally friendly potassium sulfate that has a low carbon footprint



The CEO of Van Iperen International, Erik van den Bergh (left), Dan Ericsson, State Secretary to the Minister for Rural Affairs, cut the ribbon together with Cinis Fertilizer's CEO and founder Jakob Liedberg, and Anna-Britta Åkerlind, the Chair of the Örnsköldsvik Municipal Executive Board.

Third quarter

- Following Northvolt's communicated delays in the ramp-up of the production facility in Skellefteå, Sweden, Cinis Fertilizer has revised the schedule for its planned production facility in Skellefteå. For a long time, Cinis Fertilizer has been in concrete and detailed discussions with several players in the global electric car battery industry about establishing new collaborations, which will now be prioritized over the Skellefteå plant
- Cinis Fertilizer signed a strategic agreement with the Swedish company Ragn-Sells to refine sodium sulfate that is produced as a by-product at industrial players. Through the agreement, Cinis Fertilizer is paid to handle and refine the sodium sulfate, which helps to solve a waste problem and create value from residual streams



- In September, the first shipment of environmentally friendly potassium sulfate left Cinis Fertilizer's plant in Köpmanholmen for delivery to customer Van Iperen International and its end-customers worldwide

Fourth quarter

- Another shipment of water-soluble potassium sulfate of the highest quality left Köpmanholmen for onward transport to Van Iperen International. The cargo amounted to approximately 3,000 tons and meant that the company achieved a positive cash flow from operating activities in October
- An Extraordinary General Meeting of Cinis Fertilizer AB resolved on amendments to the terms and conditions regarding warrants of series 2021/2024, warrants of series 2023/2026:1 and warrants of series 2023/2026:2 and the establishment of two new warrant programs, 2024/2027:1 and 2024/2027:2
- Cinis Fertilizer AB established a green financing framework and successfully issued senior secured dark green bonds of SEK 550 million. The net proceeds are used to refinance existing loans and general corporate purposes.

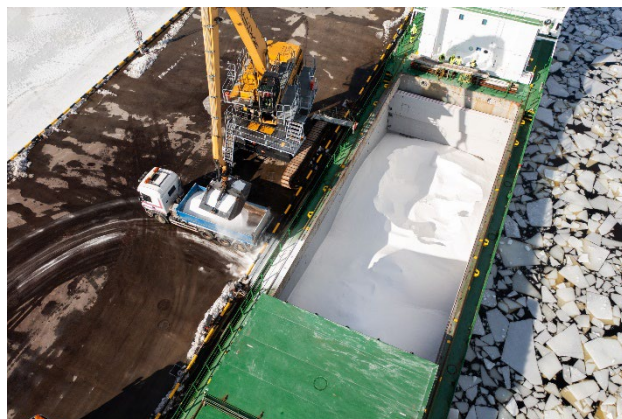


The bonds have been admitted to trading on the regulated market Nasdaq Stockholm Corporate Bond List since January 17, 2025

- Cinis Fertilizer was granted tax relief based on the company's planned establishment in Hopkinsville, Kentucky, USA. The two incentive programs can provide up to USD 1.5 million and USD 250,000 in tax breaks, respectively
- Cinis Fertilizer sent another shipment of the highest quality water-soluble potassium sulfate to Van Iperen International. The cargo amounted to approximately 3,200 tons and was sent south on the same vessel that delivered inputs, an important step in the optimization of the company's logistics flow

SIGNIFICANT EVENTS AFTER THE END OF 2024

- Cinis Fertilizer published its bond prospectus and applied for listing of its green bonds on Nasdaq Stockholm
- Due to production disruptions and temporary congestion in the port, the company informed of lower sales and margin in the fourth quarter of 2024
- Cinis Fertilizer sent another shipload of potassium sulfate. The cargo amounted to approximately 3,900 tons



- Cinis Fertilizer was granted local tax incentives in Kentucky
- Cinis Fertilizer entered into a collaboration with Wa3rm. The intention is to investigate the possibility for Wa3rm to structure the financing of production facilities that Cinis then leases and operates
- At the end of February, the next shipload of water-soluble potassium sulfate was shipped. The produced potassium sulfate has been continuously tested by both internal and external laboratories, with the conclusion that the shipload meets the quality requirements for water-soluble potassium sulfate. The payload amounted to just over 4,200 tons
- The ramp-up of Cinis Fertilizer's first production facility has taken longer than expected. Cinis Fertilizer's technology and process supplier has determined that the facility was delivered with certain deficiencies. In March, the plant's production capacity was approximately 75,000 tons per year of potassium sulfate.

The technology and process supplier has presented a new action plan to reach full production capacity of 100,000 tons per year as of 2025

- At the end of March, Cinis Fertilizer sent another shipment of water-soluble potassium sulfate to its customer Van Iperen International. The payload amounted to just over 4,400 tons.



- The Board of Directors of Cinis Fertilizer AB has resolved to carry out a capital raising of up to approximately SEK 172 million in total in order to strengthen the company's liquidity and provide working capital financing during the continued ramp-up of the production facility in Örnsköldsvik, Sweden. The subscription price in the directed share issues and the rights issue, which the capital raise mainly consists of, has been set at SEK 1.00 per share. Through the capital raising, Cinis Fertilizer 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 Fertilizer's partner and customer Van Iperen International B.V. 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
- Notices of Extraordinary General Meetings to be held on May 2 and 15, 2025, have been issued
- Cinis Fertilizer initiated a written procedure and launched an offering to participate in an equity guarantee and an offering to acquire bonds

CINIS FERTILIZER' OPERATIONS IN ÖRNSKÖLDSVIK

From breaking ground to production start

The planning of Cinis Fertilizer's production facility in Örnsköldsvik, Sweden, began in the spring of 2022, with the company breaking ground in February 2023 and commissioning of the plant began about 15 months later, in May 2024. The plant is the world's first to produce potassium sulfate by recycling industrial residual streams and fossil-free energy. Today, around thirty employees are working to contribute to the green transition.

During the ramp-up year of 2024, the focus has been on training new employees, tuning the plant and gradually increasing the production rate. In connection with an inspection of the process plant in early March 2025, the company's technology and process supplier concluded that the plant had been delivered with certain deficiencies. In order to achieve the ordered capacity of 100,000 tons per year, measures have been taken to increase the capacity to the equivalent of 85,000–90,000 tons of potassium sulfate in a first step.

Electricity and logistics

Electricity consumption is estimated to amount to approximately 50 GWh per year and is priced according to the current market price for bidding area SE2. Cinis Fertilizer has signed an agreement with the energy company E.ON for the supply of fossil-free electricity.

Transports to and from the plant in Örnsköldsvik are made via vessels with an average cargo capacity of approximately 4,000 tonnes. The company's storage capacity in Örnsköldsvik amounts to a total of approximately 35,000 tons.

Delivery of input materials

Cinis Fertilizer has signed agreements for deliveries of sodium sulfate with several partners, to compensate for lost volumes from Northvolt. The total annual demand for sodium sulfate amounts to about 80,000 tonnes. The price of the product is set in agreement between the seller and the buyer.

The company has signed an agreement with the supplier of mineral products, K+S Minerals and Agri-culture, regarding deliveries of potassium chloride (MOP). The price of the product is based on the market price published by Argus Media and quarterly agreement between seller and buyer. Total annual demand for potassium chloride amounts to about 86,000 tons.

Sales and distribution agreements

Cinis Fertilizer has entered into an agreement with Van Iperen International BV relating to the purchase of potassium sulfate. The 10-year agreement means that Van Iperen will buy some 100,000 tons of potassium sulfate per year from Cinis Fertilizer's first plant. The price for the product is based on market price and quarterly agreement between seller and buyer.

The by-product sodium chloride (approx. 65,000 tons per year) will be sold to customers in the Nordic countries.

Environmental permit

The operation is run within the framework of the environmental permit that was granted in 2023.



Cinis Fertilizer's salt storage allows a total of 35,000 tonnes of both incoming inputs and the outgoing end products, potassium sulfate and sodium chloride.

Vision and mission

Cinis Fertilizer was founded with the aim of enabling sustainable agriculture and the vision of decarbonizing plant nutrition. Cinis Fertilizer's mission is to produce the world's most sustainable mineral fertilizer through innovative upcycling.

Operational targets, financial targets and strategy

Operational targets

In 2022, Cinis Fertilizer set its operational targets to achieve annual installed production capacity and production volume of potassium sulphate of a total of 1.5 million tonnes by the end of 2030 by building six production facilities, three of which are directly linked to Northvolt.

Cinis Fertilizer is in extensive discussions with some twenty potential industrial partners regarding the delivery of sodium sulfate and future establishments that can replace the previously communicated plants linked to Northvolt.



The architect view of Cinis Fertilizer's planned plant in Hopkinsville.
Illustration: View Arkitekter

The second facility is scheduled be built in Hopkinsville, USA, and the company is closely monitoring developments around its potential plant in the US, any policy changes and trade barriers, and are reviewing the prioritization of future projects.

In order to benefit from secured agreements and manage deliveries of inputs in an efficient manner, Cinis Fertilizer's production facilities will be located in strategic locations, with access to fossil-free electricity at advantageous prices, in close proximity to, for example, electric car battery manufacturers and pulp mills to simplify the transport of inputs, and to ports to simplify the distribution of sold products.

Financial targets

The company's long-term financial target is to achieve an annual EBITDA margin in excess of 25 percent and a net debt/EBITDA ratio not exceeding 2.5 times.

Circular strategy

Cinis Fertilizer is part of the circular economy. It is about using materials efficiently with reduced extraction of new raw materials and where landfilling of waste is avoided, so that the lifespan and value of the materials increase in order to save the earth's resources. Cinis Fertilizer's products help reduce agriculture's greenhouse gas emissions and strengthen the global food production.

The circular strategy also means that Cinis Fertilizer intends to develop new and complementary offerings to strengthen existing and new customer categories' businesses.

Cinis Fertilizer has three strategic focus areas for reaching its operational and financial targets:

- 1) *Expand the inflow of raw materials from existing and new industries as well as extend sales to existing and new customers*

The company has identified electric vehicle battery production and paper manufacturing, as well as steel production and the metal recycling industry, as potential partners to expand the inflow of residual products.

The company foresees good potential for expanding its sales of potassium sulfate and sodium chloride to new customers.

Customers within and outside Europe have indicated interest in Cinis Fertilizer's expertise, patented production processes and products. These customers include chemical conglomerates, salt and mineral fertilizer producers, and battery material manufacturers.

- 2) *Expand production by constructing new production plants*

Cinis Fertilizer intends to construct additional production facilities, which will increase the company's produced volume and contribute to its continued growth.

Placement of these will be determined based on criteria that include proximity to input suppliers and customers, price of fossil-free energy and access to competent employees.

3) Expansion of circular products to customers with stable demand

The company sees good opportunities to expand its customer base, by developing new circular flows within existing and new industries and widen its range of circular products.

The company therefore intends to develop established customer relationships as well as to create new relationships with, inter alia, customers in the chemical industry and related industries in order to strengthen the customers' circular position and profitability.

Business model

Product offering

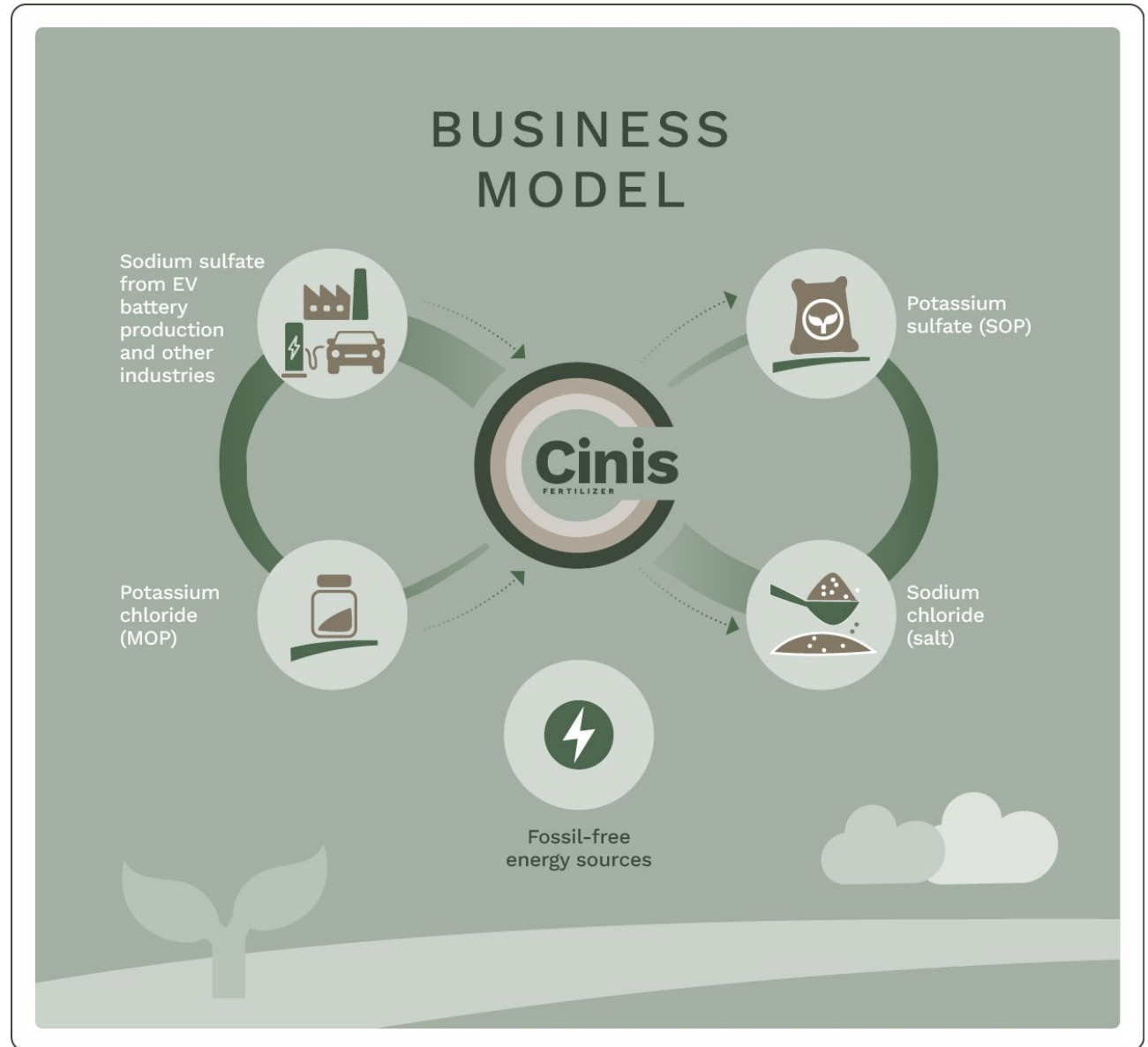
Cinis Fertilizer manufactures water-soluble potassium sulfate, with a low climate footprint. Potassium sulfate is used by farmers during agricultural processes, and by chemical companies in the production of other types of mineral fertilizer, such as NPK mixes (see also page 14).

Water-soluble SOP

Cinis Fertilizer will produce environmentally friendly and water-soluble potassium sulfate in a circular way using fossil-free electricity. This results in a mineral fertilizer that not only improves harvests in terms of volume and taste, but also reduces carbon footprint.

Natriumklorid (NaCl)

Sodium chloride is a by-product of the manufacture of potassium sulfate. The high quality of this salt and the sustainable production process make it an excellent choice in multiple application areas, which includes both further processing in the chemical industry, into sodium hydroxide, also called lye, and into road salt for deicing icy roads.



Customers

Cinis Fertilizer has signed an agreement to sell all potassium sulfate production from the first two Swedish production facilities to Van Iperen International for 10+5 years. The company's revenue will be approximately 98 percent made up of revenue generated from the sale of water-soluble potassium sulfate. Additional income comes from the sale of sodium chloride (industrial salt).

Cinis Fertilizer has signed a letter of intent with K+S Minerals and Agriculture for the sale of all production of potassium sulfate from Cinis Fertilizer's facility scheduled to be built in Hopkinsville, Kentucky, USA.

Suppliers

Following production problems and delays at Northvolt, Cinis Fertilizer is temporarily purchasing raw materials from other established suppliers and has secured that available volumes cover the production need. These flows will be phased out in line with increasing deliveries with sodium sulfate as a residual product, for example from Ragn-Sells with which Cinis has signed an agreement and is paid to upcycle sodium sulfate.

Cinis Fertilizer also has agreements with the battery manufacturer BASF for the supply of sodium sulfate for a period of 10+10 years and a leading American manufacturer of battery materials, Ascend Elements, for the supply of sodium sulfate from their facility in Hopkinsville, Kentucky for a period of 10+5 years.

In addition to manufacturers of batteries and battery materials, Cinis Fertilizer will sign agreements with complementary suppliers who offer sodium sulfate as a residual stream from their operations.

Cinis Fertilizer has signed a long-term agreement with K+S to purchase the input product potassium chloride for the company's Swedish production facilities and has a letter of intent with K+S for them to supply Cinis Fertilizer's planned US facility.

Pricing

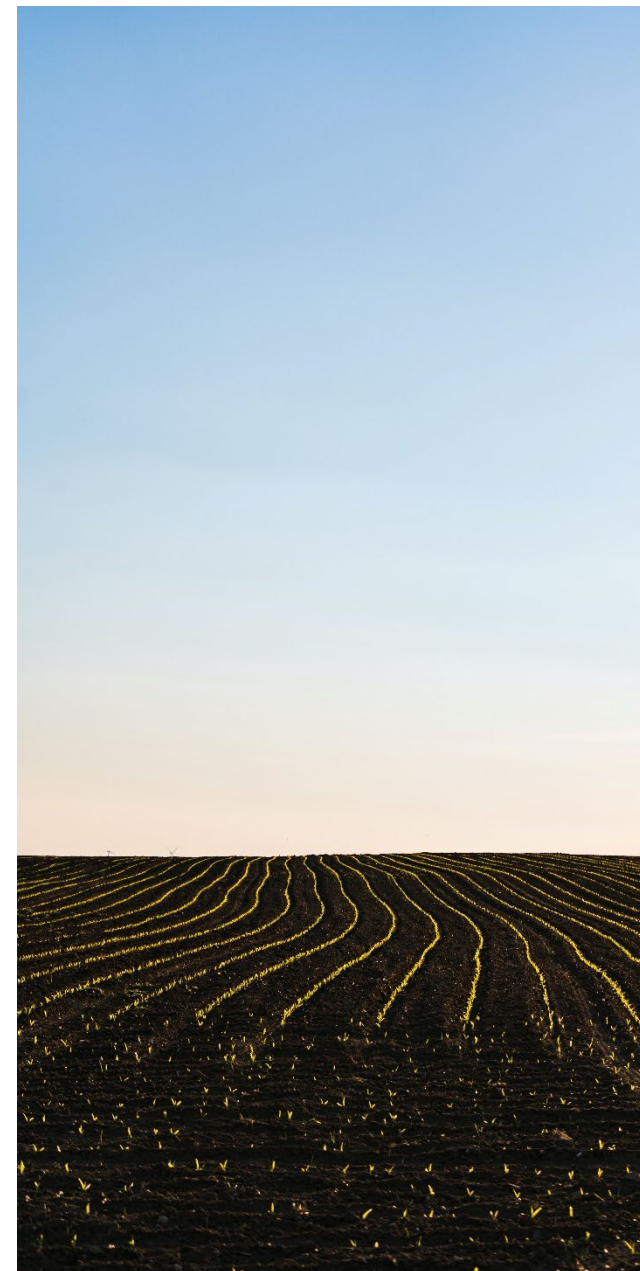
The price for Cinis Fertilizer's potassium sulfate is based on the prevailing market price and quarterly agreement between seller and buyer. The price is based on the spot price of water-soluble potassium sulfate with a discount of ten percent.

The price of potassium sulfate rose sharply in the latter part of 2022 as a result of the high price of potassium chloride and then followed it downwards. At the end of December 2024, the price of standard potassium sulfate in bulk in northwest Europe amounted to EUR 575 per ton, a decrease of just under one percent from September 30, 2024.

The graph on page 16 shows the price development on the world market for potassium sulfate and potassium chloride as bulk goods. The graph does not imply a direct correlation to the prices Cinis Fertilizer receives.

Potassium sulfate is, compared to potassium chloride, a premium product and is priced accordingly. Historically, potassium sulfate has traded at a premium to potash of approximately EUR 250 per ton and water-soluble potassium sulfate has traded at a premium of 20 percent over standard potassium sulfate.

As a new player on the market, the company is exposed to some price pressure from larger, established players during the start-up phase. Increased logistics and distribution costs have also had an impact. In the first stage, the company has chosen to sign long-term contracts without an environmental premium to secure future revenues in order to achieve a rapid impact on the market. Pricing and product strategy are continuously developed with a focus on increased margins and increased value creation.



Sustainable, tried, tested and patented process

There are currently several production methods in use for potassium sulfate (SOP). The difference between the dominant production method (Mannheim), and Cinis Fertilizer's process (Glaserite), is that the dominant method uses sulfuric acid as its input material. This substance is harmful to the environment, humans and ecosystems. The Mannheim process also requires high temperatures during production in order to initiate the chemical reaction, and thus requires large quantities of energy, often derived from oil and gas. In addition to the fact that sulfuric acid is a harmful chemical substance, it is also extracted from oil and natural gas, i.e. finite resources that have a direct negative environmental impact.

The production method that Cinis Fertilizer will use at its plants has been in operation since the 1950s. The method for production of potassium sulfate is tried and tested and associated with low technical risk.

One of Cinis Fertilizer's two most important inputs is sodium sulfate, which occurs as a residual product from other industries, which means that the company's production can solve waste problems while breaking fossil fuel dependence. The other input is potassium chloride, which is a naturally occurring mineral salt consisting of the elements potassium and chlorine.

The production process runs on fossil-free electricity, recycles all water, and has been designed to minimize emissions or pollution. Compared to the current dominant process for producing potassium sulfate, Cinis Fertilizer's process consumes 50 percent less energy, reduces production costs by 20 percent, and generates no harmful by-products such as hydrochloric acid (HCl).

Overview of Cinis Fertilizer's production process



Cinis Fertilizer's fossil fuel free production process is a sulfate reaction process known as the Glaserite process, based on salts dissolving in water, forming new precipitates when salt solutions are mixed. The inputs for this process are sodium sulfate and potassium chloride. These are dissolved in water, allowed to react, and form a precipitate of potassium sulfate, which has lower solubility than sodium sulfate and potassium chloride.

The potassium sulfate is separated mechanically in a centrifuge. The salt is then dewatered and dried in a fluidized bed dryer. The salts that do not react and form potassium sulfate are sent to an evaporator where the concentration of salts in the liquid is increased, during which the sodium chloride forms as a solid salt precipitate. This salt is then separated in a centrifuge, dewatered, and dried in a fluidized bed drier and packaged for delivery to the customer. The liquid from the centrifuge where the sodium chloride is dewatered is sent back to the first stage where sodium sulfate and potassium chloride are mixed to once again form potassium sulfate. All of the water removed is collected and reused to dissolve salts.

Mechanical vapor recompression (MVR) technology is used to run the evaporators for the dewatering process and to concentrate the salt solution. This is an efficient way to remove water from a solution because it requires very little energy per metric ton of water removed.

MARKET OVERVIEW

Plants need carbon dioxide, oxygen, water, and minerals to grow. Carbon dioxide and oxygen are absorbed by the leaves, while water and minerals are absorbed from the soil via the plant's roots. During active agriculture, however, a significant amount of nutrients is removed from the soil. Some nutrients are returned naturally and organically as plants die and decay. However, this is often not sufficient for optimal mineral composition when the soil is actively cultivated. Thus, mineral fertilizers, which provide crops with the right nutrients for the soil and type of crop, are a necessary part of agriculture.

There are three main types of mineral fertilizers, which are based on the elements nitrogen (N), phosphorus (P), and potassium (K). Of these, nitrogen fertilizer has the largest market share¹. Some mineral fertilizers are found naturally and do not require chemical processing. Other mineral fertilizers do not exist naturally and must be chemically produced by adding sub-minerals to the elements..

The agricultural industry is currently under severe pressure as a result of a growing global population, reduced arable land per capita, and rising global GDP, which has led to changes and improvements to eating habits and diets. Currently, the agricultural industry accounts for approximately 25 percent of the world's total carbon dioxide emissions², which has increased demand for alternative, more efficient and sustainable agricultural methods. This has also increased demand for mineral fertilizers.

The mineral fertilizer market

The mineral fertilizer market consists of three main types, which are based on the elements nitrogen and potassium. The three main types differ in terms of market share and composition, as well.

N The main advantage of **nitrogen-based** mineral fertilizer is that it increases the size of plants. Nitrogen is the most essential nutrient that is usually lacking in plants. Examples of nitrogen-based mineral fertilizers include urea and ammonium nitrate.

P The main advantage of **phosphorus-based** mineral fertilizer is that it increases the quality of plants. Examples of phosphorus-based mineral fertilizers include ammonium phosphate and super single phosphate. The production industry for phosphorus-based mineral fertilizers has been consolidated into a small number of suppliers and production methods.

K The main advantage of **potassium-based** mineral fertilizer is that it ensures a healthy plant and optimal yield as well as improving the plant's ability to assimilate nitrogen and optimizes the plant's water use.

Potassium-based mineral fertilizer also increases the quality of plants, the yield of harvests, and the plants' resistance to weather and wind.

Examples of potassium-based mineral fertilizers include potassium chloride ("muriate of potash" or "MOP"), potassium sulfate (Sulfate of Potash or "SOP") and potassium nitrate (Nitrate of Potash or "NOP").

The production industry for potassium-based mineral fertilizers has been consolidated into a small number of suppliers and production methods, with the five largest producers holding approximately 50 percent of the market. The potassium-based mineral fertilizer market is dominated by MOP and SOP producers³.

Operators on the mineral fertilizer market

Some of the largest companies on the nitrogen market (excluding Chinese and Russian operators), are K+S (Germany), Yara (Norway), CF (US), Agrium (Canada)⁴.

Some of the largest operators on the phosphorus market (excluding Chinese and Russian companies) are Mosaic (US), Vale (Brazil) and OCP (Morocco)⁴.

Some of the largest operators on the potassium market (excluding Chinese and Russian operators) are Nutrien (Canada), Mosaic (US), CF (US), OCP (Morocco), K+S (Germany), Phosagro (Russia), ICL (Israel), Yara (Norway) and Belaruskali (Belarus)⁴.

Once nitrogen, phosphorus and potassium fertilizers have been produced, these are then distributed for onward sales, usually through another company on the mineral fertilizer market. The product buyer then mixes the different types of mineral fertilizers to create what are known as NPK mixes, i.e. blends of nitrogen, phosphorus and potassium fertilizers. Major companies on the NPK market include Yara (Norway), Nutrien (Canada), SQM (Chile), Van Iperen International (Netherlands), K+S (Germany) and ICL (Israel)⁴.

The potassium fertilizer market

Potash is a collective name for extracted and manufactured salts that contain potassium in water-soluble form, forming the basis for potassium-based mineral fertilizers. Potash occurs naturally and requires no chemical production.

Potassium-based mineral fertilizers have several benefits, such as strengthening the crops' resistance to disease, increasing harvest volume and crop quality, protecting the plant against adverse/cold weather conditions, strengthening root systems, and preventing wilting. Potassium fertilizer can be applied to a wide variety of

¹ Green Markets – A Bloomberg Company: Global Nitrogen Supply & Demand Model

² Food and Agriculture Organization of the United Nations

³ Bloomberg Green Markets – A Bloomberg Company: Global Potash Supply & Demand Model, International Fertilizer Association – Public Summary: Medium-Term Fertilizer Outlook 2021–2025

⁴ Argus Potash Analytics – Annual Long-term Outlook 2021

crops, such as potatoes, melons, grasses, onions and chillies⁴.

MOP and SOP-market

The market for potassium-based mineral fertilizers consists of the mineral fertilizer types MOP and SOP, where MOP is the most common. The market for MOP is around 10 times larger than the market for SOP, in terms of number of metric tons consumed per year⁷. Like MOP, SOP is used as an input component in the production of NPK mixes.

SOP fertilizers is a better and more sustainable alternative

	
20% crop yield increase	Increased shelf life
	
Virtually chloride-free and low salinity levels	Improved taste and appearance

The MOP market

MOP, or potassium chloride, is a naturally occurring mineral fertilizer consisting of the elements potassium and chlorine. MOP has a higher chloride and salt content than SOP, which means that mineral fertilizer is suitable for different types of crops, soils, and areas.

Due to the low chloride content, SOP, unlike MOP, is also suitable for more sensitive crops. However, some crops thrive better on mineral fertilizers with higher chloride content and for these, MOP represents a better alternative⁵.

MOP is used extensively all over the world, primarily because MOP is a cheaper mineral fertilizer compared to SOP as it occurs naturally, while SOP must be produced.

MOP is also used as an input goods in the production of SOP, and as part of NPK mixes. China has the highest market consumption of MOP and SOP. After China, Latin America and North America have the highest MOP consumption, and Europe the highest SOP consumption⁵.

MOP production

MOP occurs naturally and is derived from what are known as potash mines. The largest potash mines are located in Canada (representing approximately two thirds of total global production), Belarus and Russia, followed by China, Germany and the United States⁵.

About 90 percent of total MOP production is used for production of NPK mixes. About 10 percent of total MOP consumption is used for production of SOP. Less than one percent of total MOP consumption is used as pure mineral fertilizer⁵.

SOP market

SOP, or potassium sulfate, is a mineral fertilizer consisting of the elements potassium, sulfur, and oxygen (sulfate). Unlike MOP, SOP does not contain chlorine, which means that it can be used even in crops sensitive to chlorine. Given the drying properties of chlorine, SOP is also a good alternative for dry soils and areas at risk of drought.

Furthermore, SOP has similar beneficial properties as MOP, strengthening plant quality, resilience, and root systems. It protects plants from diseases, cold and dry climates, and reduces the risk of wilting. SOP also

increases harvest volumes. When comparing SOP and MOP, SOP increases crop yield by 20 percent⁵.

Historically, the SOP market has enjoyed strong, non-cyclical growth, showing resilience through economic cycles. Going forward, the SOP market is expected to continue to grow with CAGR of around five percent in the period 2023–2030⁶. This growth is partly driven by climate change, which causes drought, which in turn has increased demand for mineral fertilizers that can be used in dry climates.

Around 50 percent of the market for SOP consists of smaller companies. However, there are a number of major market operators that together comprise around 30 percent of the market. These are primarily Chinese producers SDIC, Xinjian Luobupo and Qinghar Lenghu Bindi Potash, and German K+S⁵.

SOP production

There are four methods for production of SOP, of which two take place through so-called natural extraction, and two take place through chemical production processes. The natural extraction processes are the open pit process (saline solution leaching) with a market share of around 35 percent, and mining with a market share of around two percent.

The chemical production processes are the Mannheim process with a market share of around 50 percent, and Cinis Fertilizer's sulfate reaction with a market share of around 13 percent⁵.

⁵ Argus Potash Analytics – Annual Long-term Outlook 2021

⁶ Bloomberg Green Markets – A Bloomberg Company: Global Potash Supply & Demand Model, International Fertilizer Association – Public Summary: Medium-Term Fertilizer Outlook 2021–2025

⁷ Bureau of land management – Potash

Large, global, and non-cyclical SOP market with significant demand for sustainable solution

There are several underlying global megatrends driving the global market for mineral fertilizer in general, and SOP fertilizer in particular. These trends include global population growth which increases demand for food, less arable land per capita due to population growth, climate change, and an expanding built environment, as well as changed and improved eating habits and diets as a result of improved finances in the global population.

Global demand for MOP totaled approximately 68.2 million tons in 2023, after the market recovered from exceptionally low demand in 2022 when MOP consumption fell to approximately 60 million tons due to rapid price growth. Looking ahead, market demand is expected to return to in excess of 70 million tons.

In 2023, the global market for SOP comprised some 6.3 million tons consumed SOP, due to continued market volatility and high prices. In more stable market conditions, global demand is estimated to amount to some 7 million tons per year, one tenth of the market value of MOP.

SOP is usually produced in a chemical process where MOP is used as an input. Since SOP generally requires additional processing of MOP, SOP is considered a premium product that attracts a price premium compared to MOP.

SOP is sold at a premium to MOP, the higher pricing is partly due to the increased costs for Mannheim producers who use MOP as a raw material. Accordingly, SOP prices are expected to shadow MOP prices with a premium that reflects processing costs and the relative shortages of SOP.

This means that SOP prices shadow MOP, with an increase in 2021 and 2022 followed by a downturn in 2023. Demand decreased as a result of high price levels, even if the market is more focused, and the high production costs associated with Mannheim production have reduced market volumes, particularly in Europe.

In the short term, SOP prices are more likely to increase than MOP as suppliers as a result of producers being slow to ramp up production, in combination with a resurgence in demand and limited exports from China. Argus expects SOP to shadow MOP prices in the medium term, with a long-term premium of some USD 250 per ton.

Based on the existing market drivers for mineral fertilizers including SOP, the SOP market is expected to grow by CAGR of around 4.5 percent from 2025 to 2030. The SOP market has historically experienced stable growth and is non-cyclical, as demand for agricultural products remains constant.

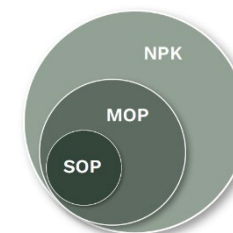
Approximately two thirds of global SOP production takes place in China, with most of production dependent on fossil fuels as manufacture takes place using the Mannheim process. Periodically, China has exported SOP, although flows have been limited since 2020. Europe, for example, consumes more SOP than it produces and therefore needs to import SOP.

Sources: Grand View Research and Mordor Intelligence

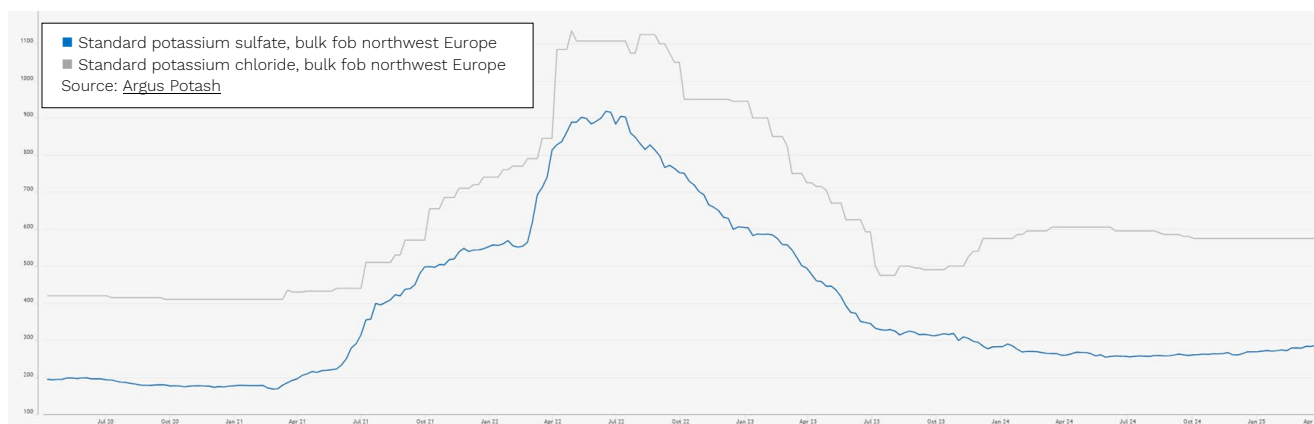
NPK, MOP and SOP market, relative size

NPK ~260 million annual tons
MOP ~70 million annual tons
SOP ~ 6.3 million annual tons

Sources: Argus Potash Analytics and Fertilizers Europe



Price trend, April 3, 2020 – April 3, 2025. Euro per ton



Cinis Fertilizer's profitability is linked to the spread between the input material MOP (potassium chloride) and the end product SOP (potassium sulfate).

Historically, these prices have correlated over time, maintaining a price premium of EUR 200–300 per ton for potassium sulfate.

As of December 31, 2024, the spread was EUR 306 per ton.

SUSTAINABILITY

Business model and strategy

Cinis Fertilizer was founded with the objective of facilitating sustainable agriculture. By producing plant nutrients in a fossil-free production process, Cinis Fertilizer can contribute to reducing CO₂ emissions from fertilizers.

Today ash and salts rich in valuable chemicals are being dumped at sea and in rivers. This is pollution and waste that could be turned into mineral fertilizer to help plants grow and give the planet healthy fruit and vegetables.

Cinis Fertilizer invests in and contributes to the green transition in several ways. By recycling residual products and using fossil-free electricity, the company produces environmentally-friendly potassium sulfate, a mineral fertilizer that is a required component in modern agriculture.

A growing population and the ensuing increased demand for food, alongside climate change, increases agricultural demand for the right nutrients to optimize efficiency and reduce the risk of eutrophication.

By providing a sustainable alternative to current fossil-based fertilizers, Cinis Fertilizers can positively impact agricultural sustainability, in line with the global targets of reducing agriculture's climate footprint.

Sustainable production process

Cinis Fertilizers' patented and patent-pending production process utilizes residual products from other industries – such as sodium sulfate from battery manufacture, battery materials, the pulp industry and other sectors – to produce an environmentally-friendly mineral fertilizer, potassium sulfate, which is sold to farmers through fertilizer wholesalers.

The production process runs on fossil-free electricity, recycles water, and is designed so that it will not add to emissions or pollution. Compared with today's dominant process to produce potassium sulfate, the Mannheim process, Cinis Fertilizer's process has 50 percent lower energy consumption, 20 percent lower production costs and no harmful by-products such as hydrochloric acid (HCl). As a by-product, Cinis Fertilizer produces fossil-free sodium chloride, salt, which is sold on to the chemicals industry and elsewhere.

A life cycle analysis of Cinis Fertilizer's potassium sulfate has been conducted in 2024 and will be used to assess Cinis Fertilizer's environmental impact at full operation.

Read more about Cinis Fertilizers' business model, strategy and production process on pages 10–13. Read more about the company's risks and risk management on pages 22–23.

Value chain

Cinis Fertilizers' value chain can be described in a number of steps, from raw materials sourcing to end user.

1. Sustainable raw materials supply

Cinis Fertilizer's value chain starts with carefully selected potassium chloride and sodium sulfate, the cornerstones of the company's production. Potassium chloride is obtained from suppliers who, among other things, guarantee that mining is done according to high standards of environmental sustainability, purity, and quality.

The same high demands on purity, quality and environmental sustainability are placed on sodium sulfate, which is primarily obtained as a residual product from other industrial processes, such as the manufacture of batteries and battery materials, and pulp production. Sodium sulphate also occurs as a natural mineral salt mined in countries such as Spain and Canada.

Cinis Fertilizer strives to optimize the sustainability of its production chain, which includes stringent demands on suppliers of input goods and transport solutions.

When selecting suppliers of input goods, transport is also taken into account, as a high proportion of the environmental impact is derived from transport. Cinis Fertilizer intends to construct its production plants in proximity to industries that produce sodium sulfate as a residual product, and close to ports or major railway connections in order to ensure efficient logistics.

2. Circular business model focused on fossil-free production

The core of Cinis Fertilizers' operations is its innovative and energy-efficient production process that operates on fossil-free energy. The company's production of potassium sulfate uses half the amount of energy compared to the current dominant production methods, reducing production costs by some 20 percent and lowering the CO₂ footprint by up to 100 percent. Sodium chloride is obtained as a by-product. The end products are controlled to ensure they meet the company's and its customers high demands on purity and quality.

3. Sales and distribution

The company's main product, water-soluble potassium sulfate, is sold and shipped by bulk container to its customers, mainly major fertilizer wholesalers. Cinis Fertilizer strives to minimize its CO₂ footprint from transport, and to optimize logistics so that the same vessel provides the input goods and transports the end product directly to fertilizer wholesalers, e.g. Van Iperen International.

4. End use and effect

Through Cinis Fertilizers' collaboration partner Van Iperen International, the company's environmentally-friendly mineral fertilizer reaches farmers all over the world,



Matters such as financing, ESG-reviews of business partners, employment questions and competence development, are handled at strategic level, while consumption of energy and water, biodiversity, regulatory compliance, and health & safety are addressed on daily basis.

Cinis Fertilizer's operations and business model are well aligned with several of the EU taxonomy's overarching environmental objectives, particularly in terms of climate change mitigation, sustainable water use and transition to a circular economy.

In 2025, Cinis Fertilizer will further develop its sustainability reporting according to CSRD and the EU taxonomy.

Governance

Cinis Fertilizer prioritizes a long-term view to support a sustainable world for people, the climate, and our planet. The company's sustainability approach is integrated into the business model and operations, and is based on Cinis Fertilizer's business concept, Code of Conduct and other control documents. By integrating sustainability, the company creates value for its stakeholders – now and for many years to come.

The Board is the ultimate decision-making authority relating to Cinis Fertilizers' sustainability framework, and the company's CEO is responsible for day-to-day operations. The company bases its work on the UN's 17 Sustainable Development Goals as outlined in Agenda 2030, alongside other important questions identified. Cinis Fertilizers' Board and management approve the company's policies and monitor compliance in monthly, quarterly and annual reports.

For more information about the composition and work of the Board and management, see pages 31–33 and 24–30.

Environmental impact

Climate change

Cinis Fertilizer was founded with the vision of reducing CO₂ emissions from plant nutrients. Accordingly, the company's process has been designed to reduce CO₂ emissions and mitigate climate change.

The company contributes to reducing greenhouse gas emissions from agriculture by collaborating with strategic business partners to recycle residual products and produce and sell mineral fertilizer with positive climate and environmental performance. The company's production process reduces CO₂ emissions by up to 100 percent compared to the current dominant processes for production of potassium sulfate, and only fossil-free energy is used in production.

The company's aim is to continuously reduce CO₂ emissions under scope 1 and 2, and to chart and set goals for emissions under scope 3.



In 2024, the company's main climate impact came from transports attributable to incoming and outgoing deliveries of input goods and end products, which are included in scope 3.

CARBON EMISSIONS, TON CO ₂	2024
Scope 1 (emissions from own vehicles)	69
Scope 2 (procured fossil-free electricity)	0
Scope 3 (travel, ship and truck transports)	1,086

WASTE, TON	2024
Recycled materials	12.6
Landfill materials	3.7

Pollution, water resources and biodiversity

One of Cinis Fertilizers' key sustainability areas relates to the resource-efficient management of water, energy, waste and emissions to the air. The company's production process has been designed to minimize emissions to land, air and water.

The business concept is based on reducing water pollution by making use of ash and salts that contain a

high proportion of valuable chemicals. By making use of sodium sulfate that is otherwise frequently released into water systems and the sea, Cinis Fertilizer can contribute to reducing the water emissions of other industries.

The fresh water used in Cinis Fertilizers' production process is circulated and reused in a Zero Liquid Discharge System that minimizes liquid emissions and maximizes water reuse. In order to minimize emissions to the air, a high efficiency particulate arresting (HEPA) filter has been installed in the production plant.

In 2024, a dust measurement was carried out by ILEMA Miljöanalysis AB. The dust measurement shows that the company maintains a good margin to the condition for the permitted emission of potassium sulfate and sodium chloride to air.

Nor are there any emissions to land from the company's production facility. The company has an ambition to contribute to increased biodiversity within and around Cinis Fertilizer's properties.

Resource use and energy supply

The circular economy and resource use are the cornerstones of Cinis Fertilizers' business model. By reusing residual streams from other industries, the company contributes to the circular economy. The ambition is to maximize the input of residual streams from suppliers that meet Cinis Fertilizers' standards and requirements, to ensure optimized circular products.

The company also contributes to long-term economic growth by supplying circular products, potassium sulfate and sodium chloride, essential components in sustainable agriculture development.

Sustainable and resource-efficient production plant
Cinis Fertilizer's first production facility in Köpmanholmen, just outside Örnköldsvik, was completed in

2024. During construction, sustainability aspects were important in the choice of materials and suppliers.

The project included the construction of a main building over some 11,600 square meters, which houses technology-, processing- and office premises, as well as a separate salt warehouse over some 6,500 square meters.

On assignment by Cinis Fertilizers' construction contractor, We Construction, consultants Solenco has completed a climate review and reported on the construction. The calculations relating to the construction of Cinis Fertilizers' office and processing plant have been carried out according to methods Miljöbyggnad (Green Building) 3.1 calculations and show that the building meets the demands of the highest rating standard: Gold.

As part of the planning of future production facilities, development work is ongoing based on Cinis Fertilizer's first project in Örnköldsvik. Together with contractors, the company is looking at how carbon dioxide emissions can be further reduced in future production facilities. This is done by, among other things, reviewing transport, lots of materials with a high carbon footprint and designing the facility to build smaller and smarter.

Energy supply

Cinis Fertilizers' operations are located in an area with good access to fossil-free electrical energy. The company's production method is energy-efficient, and fossil-free energy makes an important contribution to reducing agricultural emissions of greenhouse gases.

The company expects the electricity consumption of the production plant in Örnköldsvik to total some 50 GWh at full operation. The company's ambition is to continuously strive to reduce total energy consumption in its plants. The company seeks to ensure that its electricity supply is subject to fixed long-term agreements.

Electricity consumption in 2024 amounted to 15.85 GWh, as the production facility was not commissioned until the second quarter of 2024 and has not produced at full capacity.

Environmental permits

In 2023, Cinis Fertilizer received an environmental permit for its production facility in Köpmanholmen just outside Örnköldsvik and for the then planned facility in Skellefteå.

In accordance with the terms of the granted environmental permit, Cinis Fertilizer has prepared and submitted an environmental report for 2024. On behalf of the company, the third party has, among other things, carried out measurements of noise and emissions to air from the production facility with results that are well below the permitted limit values.

Social impact

Employees

Cinis Fertilizer's employees and the specialists it engages are critical to ensuring that the company's goals can be realized. Cinis Fertilizers' most important sustainability areas in relation its employees are health & safety, employment and competence development. The company strives to continuously create safe and innovative workplaces where people can thrive and grow.

At the beginning of 2024, the recruitment of all employees to the company's production facility in Örnköldsvik was completed. During the introduction period, training was held in, among other things, the company's values and code of conduct, as well as leadership, safety and first aid for the new employees.

The company conducts active safety work and continuously evaluates its procedures to prevent accidents. Incidents are reported via the company's app to enable follow-up and possible measures.

In addition to the initial introductory weeks in March 2024, the company has continuously arranged several training sessions during the year linked to, among other things, various process steps in the production process and safety.

HEALTH AND SAFETY, NUMBER OF	2024
Incidents	0
Fatalities	0

There were 44 full-time employees as of December 31, 2024.

GENDER DISTRIBUTION AS OF DECEMBER 31, 2024

	Women	Men
Board of Directors	50%	50%
Group management	20%	80%
Total employees	20%	80%

Membership, initiatives and networks

Cinis Fertilizer is a member of IKEM and has signed collective agreements with Unionen and Metall. The company has also signed UN Global Compact, international principles on human rights, labor, environment, and anticorruption. The principles are based on the UN's Universal Declaration of Human Rights, International Labour Organization's (ILO) Declaration of Fundamental Principles, and Rights at Work, the Rio Declaration and the UN's Convention Against Corruption.

Neighboring societies

Cinis Fertilizer's ambition is to have a positive financial, environmental and social impact on the societies where the company is active. The company contributes to local society by paying tax correctly, creating local employment opportunities, and participating in the local business community and society generally.

In 2024, the company has continued to strengthen its relationships with key stakeholders such as non-profit associations, community stakeholders, local interest associations and authorities in the area around the company's first production facility just outside Örnsköldsvik.

Governance

Sustainability policy

Cinis Fertilizer's Sustainability Policy forms the foundation for the company's efforts to promote sustainability and is supplemented by the Code of Conduct and additional policies. This includes HSEQ policy, health & safety program, and alcohol and drugs policy.

Code of Conduct

Cinis Fertilizer's operations and sustainability approach are based on the company's Code of Conduct. The Code shall be followed by the company's employees and our business partners.

The company's Code of Conduct, and the Code of Conduct for business partners, contain guidelines based on UN Global Compact, as well as commitments to human rights, business ethics and anti-corruption, environmental responsibility, community relations, equality and diversity, information security and a whistleblower function.

The principles for how Cinis Fertilizer and the employees of the company are to act are based on the company's core values: *Responsibility, Cooperation, Innovation and Courage*. Cinis Fertilizers' operations are built on close, long-term relationships with its customers, suppliers, and business partners.

The company strives to be seen as a long-term and reliable collaboration partner. It is therefore important to run the business, not only based on the company's commercial needs, but also with high standards for sustainability, integrity, and ethics.

At a minimum, Cinis Fertilizer shall comply with laws and regulations in all countries where the company operates and follow the company's existing policies. Cinis Fertilizer chooses to work with operators that share the principles set out in our Code of Conduct for business partners, and who work towards a more sustainable society.

Whistleblower policy

Instructions and reporting procedures for whistleblowers can be found in the company's Code of Conduct and Code of Conduct for Suppliers. Employees who are uncertain about whether specific conduct may be in violation of the Code of Conduct should consult their manager for advice.

Cinis Fertilizer encourages employees to report conditions that might contravene the Group's Code of Conduct to their line manager or senior manager, or alternatively anonymously in the HR app. In 2024, no complaints or irregularities were reported.

Sustainable financing

Cinis Fertilizer's green financing framework is based on the company's circular business model. In 2024, the company placed a senior secured bond loan of SEK 550 million. The independent research firm S&P Global has evaluated the company's financial framework and rated the framework as "dark green". The bonds are listed on the sustainable bond list on Nasdaq Stockholm, with ISIN code SE0021147030.

RISK AND RISK MANAGEMENT

Uncertainty about future events is a natural aspect of all business operations. Future events may impact Cinis Fertilizer's business positively and provide opportunities to create more value or have a negative impact on the company's business and outcomes.

Risk management organization

Cinis Fertilizer's Board of Directors is responsible to the shareholders for the company's risk management. Risks associated with business development and long-term strategic planning are discussed by management and proposals referred to the Board for decisions.

Management continuously reports on risks affecting the Group's financial status and progress. Cinis Fertilizer's Code of Conduct and all key policies provide a basis for operational risk management, which is carried out at all levels in the organization.

Identifying risks

Management is responsible for analyzing the overall risk profile on an ongoing basis. Risks and disruptions to transport chains and cyber threats are increasing as a result of factors including the Russian invasion of Ukraine, conflicts in the Middle East and tariffs and other trade barriers.

Some of the risks that have been identified within the framework of Cinis Fertilizer's risk management process are presented below, along with measures taken to manage these risks.

Strategic risks

Macroeconomics and geopolitical situation

Russia's ongoing military invasion of Ukraine, conflict in the Middle East and attacks on technical infrastructure, are negatively impacting the global economy.

Higher interest rates and a weaker SEK may impact the company's net profit adversely.

Cinis Fertilizer works to minimize the effects of these fluctuations by signing agreements for longer periods, and by monitoring political discussions and decisions, as well as the supply of various input goods.

Competitors

Competitors may develop alternative competitive products.

Cinis Fertilizer monitors and analyzes factors in the external environment on an ongoing basis and enlists the help of industry experts if needed.

Growth

Cinis Fertilizer is in a growth phase that places high demands on both management and the company's operational and financial infrastructure. There is a risk that the conditions necessary for the company's planned construction of production facilities will fail to materialize, or change to the company's disadvantage, resulting in the need to locate alternative production sites.

As part of its establishment plan, the company is exploring multiple options and implements an ongoing process to identify alternative and future options for establishing plants in the Nordics, North America and Asia.

Partnership agreements

Cinis Fertilizer's production is dependent on agreements being reached with suppliers of residual products from industrial processes, as well as processing equipment and power supply solutions. The company may be negatively impacted if suppliers and partners are affected by financial, legal or operational problems, if prices are increased, or if they fail to deliver as agreed or deliver products of an inferior quality.

Cinis Fertilizer's ambition is to sign agreements with established collaboration partners to ensure deliveries, price levels and quality in line with the company's requirements.

Operational risks

Exercise of authorities

Cinis Fertilizer's operations require permits and approval from the authorities in the various municipalities and regions where operations take place. There is a risk that the planning or construction of production plants will be halted, take more time or be more costly than anticipated, due to negative or delayed decisions from the authorities.

Cinis Fertilizer has established processes to manage demands associated with permits and applications. The company also monitors decisions in adjacent industries on an ongoing basis.

Production disruptions

The company's operations may be affected by interruptions and disruptions in production, such as machine breakdown, delayed, incorrect or contaminated deliveries of input materials, technical errors, IT breakdowns, labor-related legal action, accidents, suppliers violating agreements or other disruptions.

Cinis Fertilizer's processing technology is supplied by established suppliers. In addition, skills development and training of the company's own staff are carried out to troubleshoot most faults, enlisting the help of specialists if needed.

Economic and political developments

There is a risk that environmental laws, regulations, and regulatory requirements could change in future and that this could generate increased costs for the company, such as remediation costs relating to the company's current or future operations.

Cinis Fertilizer has been awarded environmental permits for its Swedish production plants. These permits describe the company's production and important assessments. The company continuously monitors decisions that may affect the company's operations.

Financial risks

Financing

The company's long-term business plan requires the acquisition of sufficient capital on favorable terms. The continued ramp-up of production is a crucial factor for the company to achieve positive cash flow.

The company is further exposed to currency risk, interest rate risk, credit risk and liquidity risk.

Cinis Fertilizer aims to minimize potential unfavorable effects on the company's financial outcomes, see also Note 4. The Board continuously evaluates the optimal capital structure for completing the company's planned projects.

Earning capacity

The company's water-soluble potassium sulfate is considered a premium product and will therefore be sold at a premium to other types of mineral fertilizer. Earnings will remain relatively stable over the year.

Production disruptions such as shortages of materials, contaminated input goods or machine breakdowns, as well as variations in product quality, can lead to significant costs and delays, which can affect the company's earning capacity during periods.

Cinis Fertilizer's aim is to sign long-term agreements with customers and suppliers, to ensure stable terms and conditions. The prices of the company's input materials are partly determined by a global market that has historically remained stable with a consistent price differential between the two categories.

Sustainability risks

Access to fossil-free electricity/energy

In order for the company to successfully compete with existing suppliers, and with other, new producers of environmentally-friendly mineral fertilizers, the company must fulfil its promise of producing products with fossil-free electricity as well as other factors that reduce the company's climate footprint.

Logistics chain

Transportation to and from the company's plants is the largest source of greenhouse gas emissions, mainly carbon emissions. The company shall select logistics solutions that meet legal requirements, as well as encourage its partners to choose transport solutions with a minimal climate footprint.

Cinis Fertilizer continuously monitors developments for all green alternatives. The company continuously seeks out transport solutions with low or zero CO₂ emissions.

Procurement

Cinis Fertilizer's Code of Conduct states that the company shall obtain partners that satisfy criteria such as a structured climate and environmental focus, ethical and safe workplaces, and quality and transport solutions criteria. The company purchases input materials from various suppliers, primarily operating within the EU. If the company is unable to identify reliable partners, this could cause delays or lead to increased costs.

Cinis Fertilizer monitors market trends and analyzes its partners on an ongoing basis.

Reporting and compliance

New legal requirements and expectations from key stakeholders increase the need for the company to set clear and relevant sustainability goals and targets. The company may need to map and analyze its climate impact to satisfy new conditions and requirements.

Cinis Fertilizer follows the development and in 2024 will initiate the work to update its sustainability goals and communication regarding the development of the company's ambitions to report according to CSRD and the EU's taxonomy.

Purpose



Enabling sustainable agriculture

Vision



Decarbonizing plant nutrition

Mission

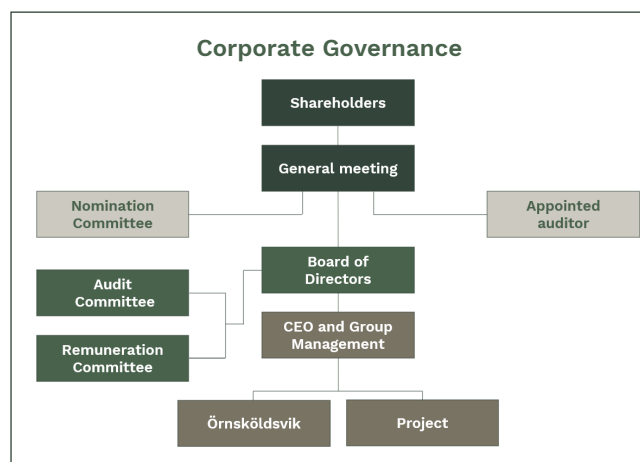


Produce the world's most environmentally friendly mineral fertilizer through innovative upcycling

CORPORATE GOVERNANCE REPORT

Cinis Fertilizer is a Swedish green-tech company producing an environmentally friendly mineral fertilizer, potassium sulphate (SOP), by, among other things, recycling waste products from battery manufacturing and recycling, as well as the pulp industry and other industries. The Parent Company, Cinis Fertilizer AB, with corporate registration number 559154-0322, is a Swedish limited liability company with its registered office in Örnsköldsvik.

Cinis Fertilizer's share has been traded on Nasdaq First North Growth Market since October 21, 2022, and, accordingly, the company applies the regulatory framework of this marketplace. Cinis Fertilizer's Corporate Governance is governed by the Swedish Company's Act, the Articles of Association adopted by the shareholders, and undertakings that Cinis Fertilizer has entered into through agreements, such as the listing agreement with Nasdaq First North Growth Market. Cinis Fertilizer must also comply with other applicable laws, regulations, and internal rules and instructions.



The Board has decided to apply the Swedish Corporate Governance Code (the "Code"). Cinis Fertilizer followed the Code in all respects in 2024.

This corporate governance report has been reviewed by the company's auditor. The auditor's opinion can be found on page 30.

Cinis Fertilizer's corporate governance information, including the Articles of Association, is available on the company's website, www.cinis-fertilizer.com.

Shareholders

The number of shares in Cinis Fertilizer as of December 31, 2024, was 72,526,468. The total number of shareholders at the end of the year was approximately 3,200 (4,800).

The company's largest shareholder was Jacob Liedberg, with a holding of 36.4 percent of the shares and capital at year end. The proportion of foreign ownership was 8.4 (6.9) percent of the number of outstanding shares. For more information, see the section "The share and shareholders", page 65, and the company's website.

Shareholders with a direct or indirect holding in Cinis Fertilizer as of December 31, 2023, representing at least 10 percent of the voting rights for all shares in the company:

SHAREHOLDER	No. of shares	Share of votes
Jakob Liedberg	26,400,000	36.4%
Roger Johansson*	13,947,427	19.2%
Thomas Ranje*	11,075,676	15.3%

* including holding through related parties, endowment insurance and ISK (Investment savings account)

Sources: Euroclear and Cinis Fertilizer

Shareholders' Meetings

The shareholders' right to vote on Cinis Fertilizer's affairs is exercised at Shareholders' Meetings. The Annual General Meeting must be held within six months of the end of each financial year. In addition to the Annual

General Meeting, Extraordinary General Meetings may be convened.

Pursuant to Cinis Fertilizer's Articles of Association, notice of Shareholders' Meetings shall be published in Post- och Inrikes Tidningar (the Swedish Official Gazette) and on the company's website. When notice of a Meeting is given, the company shall also communicate this by an advertisement in the Dagens industri business newspaper. The resolutions of the General Meeting are announced in press releases and minutes published on Cinis Fertilizer's website.

Initiatives from shareholders

Shareholders who wish to raise a matter before the Shareholders' Meeting must submit a written request to the Board. This request shall normally have been received by the Board by no later than seven weeks prior to the Shareholders' Meeting.

Annual General Meeting 2024 (AGM)

The Annual General Meeting was held in Stockholm, Sweden, on May 23, 2024. The AGM adopted the income statements and balance sheets for 2023 and the Board of Directors and the CEO were granted discharge from liability for the 2023 administration.

The AGM elected the Board of Directors and auditors and determined their fees. In accordance with the Nomination Committee's proposal, the meeting resolved to re-elect Roger Johansson, Viktoria Bergman, Sten Hedbäck, Åsa Källenius, Morgan Sadarangani and Anna-Maria Tuominen-Reini as members of the Board of Directors. Roger Johansson was re-elected, in accordance with the Nomination Committee's proposal, as Chairman of the Board. The auditing company Forvis Mazars AB was re-elected, in accordance with the Nomination Committee's proposal, as the company's auditor.

The Annual General Meeting resolved, in accordance with the Nomination Committee's proposal, that the remuneration to the Board of Directors shall amount to a total of SEK 660,000 annually with the following distribution: the Chair shall be compensated with SEK 200,000 (unchanged compared with the previous year) and the other members with SEK 80,000 each (unchanged compared with the previous year). Furthermore, the three members of the Board of Directors who are members of the Audit Committee shall receive a fee of SEK 20,000 each. Auditor's fees shall be paid in accordance with approved invoices.

Furthermore, the AGM resolved, among other things, to adopt the Annual and Sustainability Report and the Remuneration Report, and authorized the Board to decide on one or more occasions prior to the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, to resolve on a new issue of shares, warrants and/or convertibles.

Extraordinary General Meeting 2024

An Extraordinary General Meeting was held on October 31, 2024, to resolve on amendments to the terms and conditions regarding warrants of series 2021/2024, warrants of series 2023/2026:1 and warrants of series 2023/2026:2.

Nomination Committee

Cinis Fertilizer's AGM on May 25, 2022, adopted instructions for the appointment of the Nomination Committee. The instructions for the Nomination committee will apply until the AGM decides to amend them.

The Nomination Committee shall comprise the three largest shareholders in terms of votes as of the end of September, and the Chair, who shall convene the Nomination Committee's first meeting.

The Chair of the Nomination Committee shall be the member representing the largest shareholder in terms of

votes, or be appointed by the Nomination Committee from amongst its members.

In the event that the shareholder structure changes before the date of the AGM, regulations are in place that govern such a situation. The Nomination Committee shall serve until a new Nomination committee is appointed.

The Nomination Committee is tasked with presenting proposals at the next Annual General Meeting regarding a chair for the AGM, the Board, Chair of the Board, Auditors and audit fees, any committee fees, and possible proposals on changes to the Nomination Committee instructions. The Nomination Committee's proposals and statements shall be announced in connection with publication of the Notice convening the Meeting at the latest.

Nomination Committee ahead of the 2025 Annual General Meeting

The Nomination Committee ahead of the 2025 AGM has the following members: Frederik Nilner, appointed by shareholder Jakob Liedberg (36.4 percent of the votes in the company), Thomas Ranje, representing himself (15.5 percent of the votes in the company), Morgan Sadarangani, appointed by shareholder Molindo Energy AB (3.3 percent of the shares in the company) and Roger Johansson, Chair of the Board.

Ahead of the AGM 2025, the main owners have carried out an assessment as to whether the composition of the current Board is expedient, based on factors including applicable elements of the annual evaluation of the Board's performance and on the basis of the company's operations.

Shareholders wishing to contact the Nomination Committee can do so based on information found on Cinis Fertilizer's website.

2025 Annual General Meeting

The Annual General Meeting of Cinis Fertilizer AB will take place on June 25, 2025.

Shareholders may attend in person or by proxy. Read more in the notice of the Annual General Meeting published on the company's website.

Board of Directors

The Board of Directors is Cinis Fertilizer's highest decision-making body after the shareholders' meeting. According to the Swedish Companies Act the Board of Directors is responsible for the company's administration and organization, which means that the Board is responsible for factors such as establishing goals and strategies, ensuring that routines and systems are in place to evaluate performance in relation to established targets, evaluate the company's performance and financial position on an ongoing basis, and evaluate operational management. The Board is also responsible for ensuring that Annual Reports and Interim Reports are prepared in a timely manner. The Board also appoints the company's CEO.

Pursuant to Cinis Fertilizer's Articles of Association, the Board shall consist of no fewer than three and no more than ten members with no deputies. The 2023 Annual General Meeting decided that the Board shall consist of six members with no deputies. Board members are normally elected by the AGM for the period until the end of the following AGM. For more information about Board members, see pages 31–32. The company's CFO acts as Secretary to the Board.

The Board's work

The Chair of the Board is elected by the AGM and has special responsibility for overseeing the work of the Board and for ensuring that the Board's duties are

organized effectively. The Chair of the Board is also responsible for ensuring that the Board evaluates its work annually, and that the Board obtains sufficient information to carry out its duties efficiently.

The Board follows written Rules of Procedure that are revised annually and adopted at the statutory Board meeting each year. The Rules of Procedure stipulate Board practices, functions and the distribution of responsibilities between Board members and the CEO. At the statutory Board meeting, the Board also adopts instructions for the CEO, including financial reporting.

The Board meets according to a schedule established on an annual basis. In addition to these meetings, further Board meetings may be convened to discuss issues that cannot be deferred until an ordinary Board meeting is held. In addition to attending Board meetings, the Chair and the CEO conduct an ongoing dialogue concerning management of the company.

The Board’s agenda 2024

The Board held 18 meetings during the year at which minutes were kept. The CEO and CFO participated at every Board meeting and reported on the company’s position, including status of projects, market conditions and business environment.

Other employees of the company may participate in Board meetings when required. When the Board discusses matters relating to the CEO, neither the CEO nor the CFO participate. The work of the CEO is evaluated once annually. Board member attendance at Board meetings during the year is presented in the table on page 28.

Board committees

Audit committee

The Cinis Fertilizer Audit committee comprises Viktoria Bergman, Åsa Källenius and Morgan Sadarangani and has

elected Åsa Källenius to Chair of the committee. The company’s CFO is co-opted to all meetings. The Audit committee’s responsibilities include ensuring the quality of the company’s financial reporting, sustainability reporting, risk management and internal control.

The committee shall meet regularly with the company’s auditor to stay informed about the focus and scope of the audit, and to discuss complex accounting matters and the risks facing the company.

In 2024, the Audit committee held four meetings. The company’s auditor participated in two of these meetings. Meetings of the Audit Committee are recorded and reported verbally at Board meetings.

Remuneration committee

The Board of Cinis Fertilizer has resolved that the company’s Audit committee shall comprise the Board in its entirety.

The responsibilities of the Remuneration committee include preparing recommendations for the Board on principles for remuneration and other employment terms for management, and to monitor and evaluate the application of the remuneration guidelines adopted by the AGM as well as the Group’s current remuneration structures.

Evaluation of the Board

The Board’s work is evaluated in order to optimize the effective functioning of the Board. The chair of the Board is responsible for this evaluation, and for ensuring it is presented to the Nomination committee.

The annual evaluation of the work of the Board, including that of the committees, was carried out by the Chairman of the Board, Roger Johansson, at the end of 2024 through individual conversations with all members.

The Board has evaluated the work of the CEO.

The conclusions of the board evaluation have been compiled and discussed by both the board and the nomination committee.

The Board’s work 2024

Recurring matters to be addressed at each Board meeting: investments, operational review including sustainability aspects. Below a list of the main topics addressed at Board meetings in the year follows.

First quarter – January – February – March	Year-end report Proposed dividend Ongoing and upcoming investments Materials for the Annual General Meeting Project update
Second quarter – April – May – June	Interim report Annual General Meeting notice Meeting with the auditor and review of Auditor’s report Annual Report and Sustainability Report Remuneration report Annual General Meeting Konstituerande möte
Third quarter – July – August – September	Interim report Project update Production and quality monitoring Decision on reprioritization of future production facilities
Fourth quarter – October – November – December	Interim report Extra General Meeting Strategy and budget meeting Production and quality monitoring Warrants – allocation Bond process Evaluation of the Board of Directors and CEO

Related material available at www.cinis-fertilizer.com

- Cinis Fertilizer AB’s Articles of Association
- Reports on the Group’s governance since 2022 (as part of the Annual Report)
- Information about the Cinis Fertilizer AB’s AGMs, including Remuneration reports

CEO and Group management

The CEO reports to the Board and is responsible for the ongoing administration of the company and its day-to-day operations. The distribution of responsibilities between the Board and the CEO is stipulated in the Board's Rules of Procedure and in the instructions for the CEO.

The CEO is also responsible for preparing reports and compiling information from management ahead of Board meetings and shall report on this at Board meetings.

According to the instructions for financial reporting, the CEO is responsible for the company's financial reporting and must ensure that the Board receives sufficient information to continuously monitor the company's financial position.

The CEO shall keep the Board continually informed of the Cinis Fertilizer's operational performance, sales development, earnings and financial position, liquidity and credit position, important business events and all other events, circumstances or situations that can be considered of material significance to the company's shareholders.

For more information about members of the Board and Group management, see pages 31–34.

Corporate Governance, sustainability

Cinis Fertilizer's sustainability work is carried out on the basis of the questions most material to operations. Governance is exercised by the Board, through the CEO and management, over project management.

In 2024, all employees participated in the training of Cinis Fertilizer's values as well as the establishment of common leadership and employee principles. The aim is to create a values-driven culture with an emphasis on responsibility and cooperation when operations begin at the company's first plant.

Another important area is to establish a clear regulatory framework for business ethics at an early stage. The company's Code of Conduct covers issues such as anti-corruption, trade sanctions, money laundering, personal data integrity, human rights, whistleblowing and assessment of business partners.

As of 2022, the sustainability report is a part of the annual report. The most material sustainability issues are integrated into the company's strategy and are described on pages 17–21.

Audit and auditor

The company's statutory auditor is appointed by the Annual General Meeting. The external auditor is an independent auditor of the accounts to ensure that they provide a correct, fair and complete view of the company's position and results in all material respects. The auditor shall review the company's annual report and accounting as well as the administration of the Board of Directors and the CEO. After the end of each financial year, the auditor shall submit an Auditor's report to the Annual General Meeting. Fees to the auditor are set out in note 8 on page 52.

According to Cinis Fertilizer's Articles of Association, the company shall have 1–2 Authorized Public Accountants (or a registered Audit firm). Cinis Fertilizer's auditor is Forvis Mazars AB, at Regeringsgatan 67, SE-111 56 Stockholm, Sweden. Forvis Mazars has been the auditor for Cinis Fertilizer AB since November 22, 2021, and was re-elected by the AGM on May 23, 2024, for the period until the end of the 2025 AGM.

The Auditor-in-Charge is Martin Kraft (born 1981). He is an Authorized Public Accountant and member of FAR (professional institute for Swedish authorized public accountants).

Remuneration to Board members, the CEO and other senior executives

Guidelines for remuneration to senior executives

The Annual General Meeting on 25 May, 2022 adopted the following guidelines on remuneration to senior executives. The guidelines shall apply to contractual remuneration, and to changes to contractual remuneration after the guidelines were adopted by the 2022 Annual General Meeting. The guidelines do not cover remuneration decided at Shareholders' Meetings.

The guidelines shall apply until new guidelines have been adopted by the Shareholders' Meeting.

How the guidelines promote Cinis Fertilizer's business strategy, long-term interests, and sustainability
Cinis Fertilizer will create shareholder value by manufacturing and selling environmentally friendly potassium sulfate. To successfully implement the company's business strategy and safeguard the long-term interests of Cinis Fertilizer, including its sustainability, the company needs to recruit and retain employees who will create value for shareholders, customers, other key stakeholders and society as a whole.

To do this, the company needs to be able to offer competitive remuneration. These guidelines enable senior executives to be offered a competitive remuneration package.

Forms of remuneration

Remuneration to senior executives shall be in line with market norms and may include the following components: fixed cash salary, variable remuneration, pension benefits and other benefits. The Shareholders' Meeting may also – irrespective of these guidelines – decide to offer, for example, share-related/share price-related remuneration.

Total senior executive remuneration should consist of a balanced mix of the aforementioned components, as well as terms relating to termination of employment and severance pay.

The Board should annually evaluate whether share-related or share price-related long-term incentive programs should be proposed to the shareholders' meeting. Fixed salary is to be determined on an individual basis based on the senior executive's area of responsibility and experience. Variable remuneration must not exceed 50 percent of the executive's fixed annual cash salary.

Pension benefits for senior executives are to take the form of defined-contribution plans, unless the executive is covered by a defined-benefit pension plan by provisions in a collective bargaining agreement.

Variable remuneration shall be pensionable. Other benefits may include company car, pension solutions and access to occupational health services. The value of such benefits shall be limited in value in proportion to other compensation and be consistent with market norms in the respective geographical market.

End of employment

A mutual notice period of a maximum of six months applies to senior executives upon termination of employment. The fixed cash salary shall be paid during the notice period. As a rule, no severance pay or similar compensation shall be paid.

Criteria for payment of variable remuneration

The purpose of variable remuneration is to promote Cinis Fertilizer's business strategy and long-term interests, including the company's sustainability.

The amount of variable remuneration shall be based on the individual's fulfilment of criteria that are established annually. There must also be a clear link between this remuneration and the individual's work and performance.

The criteria may be financial or non-financial, qualitative or quantitative, and can be based on factors that support the company's business strategy and long-term interests, including its sustainability by a clear link to value-creation and the company's progress, for example. The outcome of variable remuneration shall be followed up annually.

When the measurement period for meeting the criteria for payment of variable remuneration has ended, the outcome in relation to performance criteria shall be assessed. The Board is responsible for carrying out this assessment. With respect to financial targets, the assessment shall be based on the latest financial information published by the company. The company must have the ability, by law or contractually, and observing any limitations thereby imposed, to reclaim any variable remuneration that has been paid out on erroneous grounds.

No variable remuneration was paid for 2024.

Salary and employment terms for employees

In the preparation of the Board's proposals for these remuneration guidelines, the salary and employment terms of the company's employees have been taken into account by including information on total remuneration, remuneration components, and remuneration increases and rates of increase over time, as a basis for the Board's decision when evaluating whether the guidelines and the limitations imposed are reasonable.

Name	Nationality	Position	Independent of:		Attendance¹		Total Board fees, SEK	Variable remuneration, SEK	Pensions expenses, SEK	Other remuneration, SEK	Total, SEK
			The company and management	Major share-holders	Board meetings	Remuneration committee					
Board members											
Roger Johansson	Swedish	Chair	Yes	No	18/18	–	200,000	–	–	–	200,000
Viktoria Bergman³	Swedish	Board member	Yes	Yes	18/18	4/4	100,000	–	–	–	100,000
Sten Hedbäck	Swedish	Board member	Yes	Yes	18/18	–	80,000	–	–	–	80,000
Åsa Källenius³	Swedish	Board member	Yes	Yes	18/18	4/4	100,000	–	–	–	100,000
Morgan Sadarangani³	Swedish	Board member	Yes	Yes	16/18	4/4	100,000	–	–	–	100,000
Anna-Maria Tuominen-Reini	Finnish and Swedish	Board member	Yes	Yes	18/18	–	80,000	–	–	–	80,000
Senior executives											
							Basic salary, SEK				
Jakob Liedberg	–	CEO	–	–	–	–	1,380,647⁴	–	276,204	–	1,656,851
Other senior executives (4)	–	–	–	–	–	–	4,883,977⁴	–	1,093,441	–	5,977,418

¹ Attendance refers to meetings in the 2024 financial year

² Board fees, includes committee work and consists of fixed amounts from the AGM on May 23, 2024, until the AGM on May 23, 2025

³ Member of the company's Remuneration committee

⁴ Including company car supplement

Decision-making process to establish, review and implement the guidelines

The Remuneration committee consists of the Board in its entirety. The responsibilities of the Remuneration committee include preparing recommendations to the Board on principles for remuneration and other employment terms for the management team, and to monitor and evaluate the application of the remuneration guidelines adopted by the AGM as well as the Group's present remuneration structures.

The Remuneration Committee shall also monitor and evaluate variable remuneration programs for management, the application of guidelines for remuneration to senior executives, and the remuneration structures and levels applied within the Group. When the Board discusses and decides on remuneration-related matters, neither the CEO nor other senior executives shall be present if the discussion concerns them.

Deviations from the guidelines

The Board may decide to temporarily depart entirely or partly from the guidelines if there are special reasons for doing so in individual cases and such departure is required to serve Cinis Fertilizer's long-term interests, including its sustainability, or to ensure the company's financial strength.

Fees to Board members

Remuneration granted to the Board, including the Chair, is established in a resolution at the AGM. Cinis Fertilizer's AGM held on May 23, 2024, decided on annual remuneration totaling SEK 660,000 (600,000). Furthermore, it was resolved, in accordance with the Nomination committee's proposal, that the three board members of who are members of the Audit committee shall receive a fee of SEK 20,000 (0) each.

The Board Chair shall receive SEK 200,000 (200,000) and other Board members SEK 80,000 (80,000) each. Board members have no entitlement to benefits after their term on the Board has ended.

Remuneration to Group management

The CEO is entitled to monthly remuneration. In 2024 this amounted to SEK 100,000 (100,000). As of January 1, 2022, the CEO is entitled to occupational pension insurance according to the company's policy on insurance applicable from time to time. A mutual notice period of six months applies to the company and CEO. The CEO is not entitled to severance pay.

Other senior executives receive a fixed salary and have a mutual notice period of between three and six months. Other senior executives are entitled to occupational pension insurance. For more information, see Note 6, Payroll expenses.

Incentive program

The company's warrant program 2021/2024 expired in 2024 and no warrants were exercised for subscription of shares.

In 2023, the Extraordinary General Meeting decided on the issue of 500,000 warrants in the company. During the third quarter of 2023, 500,000 warrants have been transferred to the newly elected board member and new employees in Cinis Fertilizer. The transfers have taken place at market price according to the Black & Scholes valuation model. Each warrant entitles to one share in the company at a subscription price of SEK 80.00 per share. The warrants can be used to subscribe for shares during the period from and including October 3, 2023, to and including October 31, 2026.

On October 31, 2024, the Extraordinary General Meeting decided on the issue of two new warrant programs, 2024/2027:1 for senior executives and key personnel and

2024/2027:2 for board members. A total of 75,000 options have been transferred to senior executives and key personnel and 725,000 to board members. The transfers have been made at market price according to the Black & Scholes valuation model. Each warrant entitles to one share in the company at a subscription price of SEK 2.10 per share. The warrants can be used to subscribe for shares during the period from November 15, 2027, to December 15, 2027.

Board report on internal control

According to the Swedish Companies Act, the Board is responsible for corporate governance and internal control of financial reporting. This report is limited to internal control over financial reporting.

Internal control covers the control of Cinis Fertilizer's organization, procedures and support measures. The objective is to ensure that reliable and accurate financial reporting takes place, that the company's and Group's financial statements are prepared in compliance with laws and applicable accounting standards, that the company's assets are protected and that other requirements are met.

The system for internal control is also intended to monitor compliance with the company's and the Group's policies, principles and instructions. Internal control also involves risk analysis and monitoring information and business systems.

The Group identifies, assesses, and manages risks based on the Group's vision and goals. A risk assessment of strategic, compliance, operational and financial risks is compiled annually by the CFO. This assessment is then discussed by the Board.

The Board is responsible for internal controls. Processes for managing the business and delivering value shall be defined in the business management system. The CEO is

responsible for the structure of business processes within the Group.

A self-assessment of the minimum requirements for defined controls for mitigating identified risks in each business process shall be performed and reported annually to the Board. The CFO is responsible for this self-assessment process, which is facilitated through effective internal control based on the Financial policy. In addition, the CFO performs controls according to a plan agreed with the Board and management.

Authority and responsibilities are documented and communicated in internal guidelines and instructions. This includes the distribution of duties between the Board and CEO, accounting and reporting instructions and authorization instructions for the Parent Company and subsidiaries.

The instructions in these documents are designed to provide reasonable assurance on the quality and reliability of the company's external financial reporting and to minimize the risk of irregularities or improper favoring of a third party at the company's expense.

The Board monitors the company's financial progress by reporting at Board meetings and through regular financial reporting. The CEO is responsible for preparing and presenting reports containing the following main information for the period in question at each Board meeting:

- Progress of projects,
- Production and sales,
- Liquidity and tied-up capital,
- Key ratios
- Forecast for the current quarter and full year.

Evaluation of the need for a separate internal audit function

There is currently no internal audit function within Cinis Fertilizer. The company's Auditor participates in one Board meeting per year and reports on observations relating to the company's internal routines and control systems. The Board is given the opportunity to raise questions.

The Board reviews the need for such a function on an annual basis. The Board has assessed that the existing monitoring and evaluation structures for review and evaluation are adequate. External resources may be used for specific internal reviews.

Information and communication

The Board of Directors has established a Communication Policy that sets out procedures and systems to ensure that Cinis Fertilizer provides the market with relevant, reliable, accurate and up-to-date information on the company's progress and financial position.

In 2023, the company introduced an app used by all employees for reporting, instructions, policies, and internal information.

AUDITOR'S OPINION

Auditor's opinion on the corporate governance report

To the general meeting of the shareholders of Cinis Fertilizer AB, Corporate identity number 559154-0322

Tasks and responsibilities

The Board of Directors is responsible for the 2024 corporate governance report on pages 24–33, and for ensuring that it is prepared in accordance with the Annual Accounts Act.

Focus and scope of the review

Our review was conducted in accordance with FAR's recommendation RevR 16 Auditor's Review of the Corporate Governance Report. This means that our audit of the corporate governance report has a different focus and is significantly lesser in scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides a reasonable basis for our opinions.

Opinion

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6, section 6, second paragraph, items 2–6 of the Swedish Annual Accounts Act and Section 7, second paragraph of Chapter 31 of the same Act are consistent with the annual accounts and consolidated accounts and comply with the Swedish Annual Accounts Act.

Stockholm, April 30, 2025

Forvis Mazars AB

Martin Kraft

Authorized Public Accountant

BOARD OF DIRECTORS



Roger Johansson

*Chair of the Board since 2021.
Appointed 2021.
Born 1968.*

*Holding in Cinis Fertilizer AB
13,947,427 shares*.*

Education: MSc Chemical Engineering from Lund University and UCLA.

Background: Roger Johansson is currently Executive Vice President Roxtec International and CEO Roxtec Services AB. Roger is also Chair of the Board of Solenco AB, Gripen Betongelement AB and Power Heat Midco 1 AB as well as Board member of DD Development AB. He has many years experience in senior international positions with Alfa Laval, Unilever, Findus and Tetra Pak as Chair of Drivator Equity AB.

Independent:

In relation to largest shareholders: No

In relation to the company and management: Yes



Viktoria Bergman

*Board member and member of
the Remuneration committee.
Appointed 2021.
Born 1965.*

*Holding in Cinis Fertilizer AB
100,561 shares*.*

Education: Berghs School of Communication and Communications Executive Program at Stockholm School of Economics.

Background: Viktoria Bergman is currently Chair of the Board of Fastighets Aktiebolaget Trianon, Galber AB as well as Board member of Duni Group and Novus Group International AB as well as Deputy Chair of Water Aid Sweden. Viktoria has held multiple senior positions in international companies in food, energy and industrial operations and has broad global experience in the areas of sustainability, corporate governance and communication. Previous assignments include being a Board member of Vattenfall, Communications and Sustainability Director at E.ON, Communications and Sustainability Director at Trelleborg Group and various positions in Falcon Bryggerier/Unilever and the Cerealia Group.

Independent:

In relation to largest shareholders: Yes

In relation to the company and management: Yes



Sten Hedbäck

*Board member.
Appointed 2021.
Born 1969.*

*Holding in Cinis Fertilizer AB
312,688 shares and 200,000
warrants corresponding to
200,000 shares*.*

Education: Master of Laws from Stockholm University.

Background: Sten Hedbäck is a lawyer and partner in the Törngren Magnell & Partners Advokatfirma Holding AB law firm and Advokat Sten Hedbäck AB, focusing on mergers & acquisitions. Sten is also Board alternate of Peter Törngren and has many years experience in corporate law, including from the Vinge law firm and within the Electrolux Group.

Independent:

In relation to largest shareholders: Yes

In relation to the company and management: Yes

* The number of shares stated is as of December 31, 2024, and includes related party holdings, ISK and endowment insurance.

**Åsa Källenius**

Board member and member of the Remuneration committee. Appointed 2021. Born 1967.

Holding in Cinis Fertilizer AB: 1,025,733 shares and 200,000 warrants corresponding to 200,000 shares.*

Education: M.Sc. in Business and Economics, Stockholm University.

Background: Åsa Källenius is currently CFO of Polygon Group AB and has many years' experience in senior positions in business and finance, including CFO of MEKO AB and Tele2 Sweden AB. Åsa is also Chair of the Board of Do My Pizza Sweden AB, Tockarps Vingård AB and companies in the Polygon Group as well as Board member of, inter alia, Green Landscaping Group AB and companies in the Polygon Group.

Independent:

In relation to largest shareholders: Yes

In relation to the company and management: Yes

**Morgan Sadarangani**

Board member and member of the Remuneration committee. Appointed 2021. Born 1975.

Holding in Cinis Fertilizer AB: 2,387,457 shares.*

Education: Master of Economics from Uppsala University.

Background: Morgan Sadarangani is founder and CEO of Molindo Energy AB. Morgan is Chair Ecohelix AB and Meva Energy AB, CEO and Board member of Apstec Sweden AB and Board member of companies such as Graphmatech AB and Altris AB. He has many years' experience in business and finance. His past experience includes serving as CFO for Tethys Oil and serving in roles at SEB and Enskilda Securities' Corporate Finance department.

Independent:

In relation to largest shareholders: Yes

In relation to the company and management: Yes

**Anna-Maria Tuominen-Reini**

Board member. Appointed 2023. Born 1974.

Holding in Cinis Fertilizer AB: 0 shares and 325,000 warrants corresponding to 325,000 shares.*

Education: Master of Science (Economics, Intellectual Property Law), Hanken School of Economics and MBA (Digital technology management) and BBA (International business) Helsinki School of Economics.

Background: Anna-Maria Tuominen-Reini has over 25 years of experience in leading operations, supply chain and sourcing in international companies operating in process and consumer goods industry. Her previous operational management experiences include CEO of Marmaskog, SVP and EVP Procurement and Wood Supply Billerud, VP Procurement Metso Outotec, SVP Sourcing and Manufacturing Outotec, SVP Supply Chain, Supply Chain Director and VP Supply Chain Stora Enso, various roles at Unilever, Huhtamaki and Cebal. She is currently a board member of Lassila & Tikanoja Oyj, Heimo Yhtiöt Oy and Metsäkuutio Oy, amongst others.

Independent:

In relation to largest shareholders: Yes

In relation to the company and management: Yes

* The number of shares stated is as of December 31, 2024, and includes related party holdings, ISK and endowment insurance.

SENIOR EXECUTIVES



Jakob Liedberg

Born 1972.
Chief Executive Officer since 2021.

Holding in Cinis Fertilizer AB:
26,400,000 shares*.

Education: M.Sc. Chemical Engineering from Lund University.

Background: Jakob Liedberg has more than 20 years' experience of international sales and exports in the chemical industry. Jakob has held senior positions in sales in the processing industry and founded Aprotech Engineering AB in 2007, a company that sells processing solutions for the chemical industry in Sweden and Eastern Europe.

Other current positions: Member of the Board and CEO of Rearden Holding AB and Aprotech Engineering AB. Board member of Jakob Liedberg Holding AB.



Henrik Andersson

Born 1971.
Chief Financial Officer since 2022.

Holding in Cinis Fertilizer AB:
8,620 shares and 10,000 warrants corresponding to 10 000 shares*.

Education: B.Sc. in Business and Economics from Lund University.

Background: Henrik Andersson has more than 25 years' experience in positions in business and finance. Henrik's most recent position was as Business Control Director for Tetra Pak. He has held several leading financial positions within the Tetra Pak Group in Sweden and abroad.



Charlotte Becker

Born 1992.
IR, Communication & Marketing Director since 2022.

Holding in Cinis Fertilizer AB:
11,950 shares and 30,000 warrants corresponding to 30,000 shares*.

Education: B.Sc. in Business and Economics from Stockholm School of Economics.

Background: Charlotte Becker has many years' experience in Investor Relations, financing and communication, including as Head of Investor Relations and PR at First North-listed company Climeon, where she also was a member of senior management.



Roger Svensk

Born 1967.
Chief Operative Officer since 2023.

Holding in Cinis Fertilizer AB:
9,195 shares and 235,000 warrants corresponding to 235,000 shares*.

Education: Studies and working in the Swedish defense sector.

Background: Roger Svensk has extensive experience of the manufacturing industry in various leading positions both nationally and internationally. Regional Manager at IKEA Industry, with responsibility for five factories in Sweden, Russia, and the USA.

Fredrik Eide was a member of Group management in 2024. He terminated his employment on April 30, 2025.

* The number of shares stated is as of December 31, 2024, and includes related party holdings, ISK and endowment insurance.

DIRECTORS' REPORT

The Board of Directors and Chief Executive Officer of Cinis Fertilizer AB (publ) corporate identity number 559154-0322, head office in Örnköldsvik, Sweden, hereby submit the Annual Report for the financial year January 1–December 31, 2024, for the Parent Company and Group. The company's shares are listed on Nasdaq First North Growth Market.

Cinis Fertilizer is a Swedish green-tech company producing an environmentally friendly mineral fertilizer, potassium sulphate, by, among other things, recycling waste products from battery manufacturing and recycling, as well as the pulp industry and other industries.

The Parent Company's holdings in Group companies as of December 31, 2024, consisted of wholly owned subsidiary Cinis Sweden AB (559322-4156) and Asset-KH AB (559379-9132) and Cinis Fertilizer LLC (EIN: 36-5087250). The Group was formed on December 23, 2021.

Group operations

Cinis Fertilizer was founded with the mission to produce the world's most sustainable mineral fertilizer for more sustainable, circular and fossil-free agriculture. As of spring 2024, Cinis Fertilizer is producing a potassium-based mineral fertilizer that will be sold to farmers around the world via the company's sales and distribution partner Van Iperen.

Sales and profit

Net sales amounted to SEK 40.6 million (0.0). Operating profit/loss amounted to SEK -130.9 million (-36.1). Profit/loss from financial items amounted to SEK -35.9 million (3.5). Profit/loss after financial items amounted to SEK -166.8 million (-32.6).

Cash flow, investments and financial position

Cash flow from operating activities after changes in working capital amounted to SEK million -110.7 (10.7), of which changes in working capital totaled SEK 5.4 million (46.8). Cash flow from investing activities amounted to SEK -186.9 million (-585.1). Cash flow from financing activities amounted to SEK 205.5 million (300.7). Cash flow for the year amounted to SEK -96.1 million (-273.7).

Investments

Accumulated investments as of December 31, 2024, amounted to SEK 186.9 million (634.4) and related to capitalization of expenses for the company's first production plant. The production facility was commissioned, and depreciation has begun as of September 1, 2024. Following additional costs in connection with the installation and commissioning of the company's first plant, total book value including depreciation as of December 31, 2024 amounted to SEK 805.3 million.

Capital situation

At the end of the year, total available cash and cash equivalents (bank funds + unutilized credits) amounted to SEK 56.7 million, of which cash and cash equivalents available amounted to SEK 32.7 million (128.8). The equity/assets ratio was 27.3 percent (51.4) and the debt/equity ratio was -4.3 times (-4.6).

Equity

Equity amounted to SEK 239.1 million (404.7). Equity per share was SEK 3.3 (5.6).

Parent Company

Cinis Fertilizer AB (publ), corporate registration number 559154-0322, is a Parent Company registered in Sweden with its registered office in Örnköldsvik.

The Parent Company's operations mainly focus on corporate activities/administration, such as executive

management and finance. In 2024, the Parent company also completed the construction and commissioning of the production facility in Örnköldsvik, Sweden.

Net sales in 2024 amounted to SEK 0.0 million (0.0). Operating profit amounted to SEK -37.1 million (-32.8) and profit after financial items to SEK -51.1 million (-30.5).

In November, Cinis Fertilizer AB issued green bonds of SEK 550 million and refinanced all previously outstanding loans.

The Parent Company issued a loan of SEK 442 million to the subsidiary Cinis Sweden AB to refinance this company's debts.

Research and development

Patents

Cinis Fertilizer has a patent family that includes active patents in Sweden, Finland and Canada regarding the application process of a potassium sulfate fertilizer with residues from pulp mills as raw material (patent number: SE 537 954 C2). This patent family protects the company's process of using ESP ash (residuals from pulp mills) as input goods for its production of SOP. Finland and Canada have been selected as countries in which to obtain patents (in addition to Sweden) based on their similar approach to the environment, residuals management and establishing a circular society, as well as the availability of wood and the number of domestic pulp mills.

In addition to the patent family, Cinis Fertilizer has active patent applications pending approval.

In 2024, the company expensed SEK 318,715 (429,900) in patent costs.

Employees

The average number of employees was 36.8 (10) in the full year 2024. At the end of December, the number of

employees was 44 (11), of which 20 percent (27) were women and 80 percent (73) men.

Key ratios

Group	2024	2023
Total assets, SEK m	877.2	786.7
EBITDA, SEK m	-116.1	-36.1
Profit/loss after financial items, SEK m	-166.1	-32.6
Equity/assets ratio, %	27.3	51.4
Net debt, SEK m	500.5	167.6
Net debt/EBITDA, multiple	-4.3	-4.6

For more information, see four-year summary on page 63.

Significant events in 2024

First quarter

- Cinis Fertilizer signed a letter of intent with the Japanese company Itochu Corporation with the aim of establishing operations in Asia. The companies intend to cooperate to enter into binding sales and delivery agreements and to study the conditions for producing environmentally friendly mineral fertilizer in Asia
- In February, Cinis Fertilizer had recruited and hired the entire workforce needed to take the production facility in Köpmanholmen, just outside Örnköldsvik, into operation
- Cinis Fertilizer received the first deliveries of the inputs sodium sulfate and potassium chloride to its production facility in Örnköldsvik, Sweden. With the first ship and truck deliveries in place in the company's warehouse, the important logistics flows for the input goods have been tested ahead of the start of production

Second quarter

- Start of production of the mineral fertilizer potassium sulfate in Cinis Fertilizer's first production facility, in Örnköldsvik

- On June 4, the official inauguration of Cinis Fertilizer's production facility in Örnköldsvik was celebrated. With its fossil-free production method, the company is the first in the world to produce an environmentally friendly potassium sulfate that has a low carbon footprint

Third quarter

- Following Northvolt's communicated delays in the ramp-up of the production facility in Skellefteå, Sweden, Cinis Fertilizer has revised the schedule for its planned production facility in Skellefteå. For a long time, Cinis Fertilizer has been in concrete and detailed discussions with several players in the global electric car battery industry about establishing new collaborations, which will now be prioritized over the Skellefteå plant
- Cinis Fertilizer signed a strategic agreement with the Swedish company Ragn-Sells to refine sodium sulfate that is produced as a by-product at industrial players. Through the agreement, Cinis Fertilizer is paid to handle and refine the sodium sulfate, which helps to solve a waste problem and create value from residual streams
- In September, the first shipment of environmentally friendly potassium sulfate left Cinis Fertilizer's plant in Köpmanholmen for delivery to customer Van Iperen International and its end- customers worldwide

Fourth quarter

- Another shipment of water-soluble potassium sulfate of the highest quality left Köpmanholmen for onward transport to Van Iperen International. The cargo amounted to approximately 3,000 tons and meant that the company achieved a positive cash flow from operating activities in October
- An Extraordinary General Meeting of Cinis Fertilizer AB resolved on amendments to the terms and

- conditions regarding warrants of series 2021/2024, warrants of series 2023/2026:1 and warrants of series 2023/2026:2 and the establishment of two new warrant programs, 2024/2027:1 and 2024/2027:2
- Cinis Fertilizer AB placed senior secured dark green bonds of SEK 550 million. The net proceeds will be used, among other things, to refinance existing debt and strengthen the company's buffer. The bonds have a maturity of three years and carry a floating interest rate of STIBOR three months plus 8.0 per cent per annum, to be paid quarterly in arrears
- Cinis Fertilizer was granted tax relief based on the company's planned establishment in Hopkinsville, Kentucky, USA. The two incentive programs can provide up to USD 1.5 million and USD 250,000 in tax breaks, respectively
- Cinis Fertilizer sent another shipment of the highest quality water-soluble potassium sulfate to Van Iperen International. The cargo amounted to approximately 3,200 tons and was sent south on the same vessel that delivered inputs, an important step in the optimization of the company's logistics flow.

Important events after the end of the period

- Cinis Fertilizer published a listing prospectus for green bonds and applied for listing on the Nasdaq Sustainability List
- Due to production disruptions and temporary congestion in the port, the company informed of lower sales and margin in Q4 2024
- Cinis Fertilizer sent another shipload of potassium sulfate. The cargo amounted to approximately 3,900 tons
- Cinis entered into a collaboration with Wa3rm. The intention is to investigate the possibility for Wa3rm to structure the financing of production facilities that Cinis then leases and operates
- At the end of February, another shipment of water-soluble potassium sulfate was shipped to a

customer. The payload amounted to just over 4,200 tons

- The ramp-up of Cinis Fertilizer's first production facility has taken longer than expected. Cinis Fertilizer's technology and process supplier determined that the facility was delivered with certain deficiencies. In March, the plant's production capacity was approximately 75,000 tons per year of potassium sulfate. The technology and process supplier has presented a new action plan to reach full production capacity of 100,000 tons per year as of 2025
- At the end of March, Cinis Fertilizer sent another shipment of water-soluble potassium sulfate to its customer Van Iperen International. The payload amounted to just over 4,400 tons
- The Board of Directors of Cinis Fertilizer AB resolved to carry out a capital raising of up to approximately SEK 172 million in total in order to strengthen the company's liquidity and provide working capital financing during the continued ramp-up of the production facility in Örnköldsvik, Sweden. The subscription price in the directed share issues and the rights issue, which the capital raise mainly consists of, has been set at SEK 1.00 per share. Through the capital raising, Cinis Fertilizer 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 Fertilizer's partner and customer Van Iperen International B.V. 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

- Notices of Extraordinary General Meetings to be held on May 2 and 15, 2025 were issued
- Cinis Fertilizer initiated a written procedure and launched an offering to participate in an equity guarantee and an offering to acquire bonds.

Material risks and uncertainties

Through its operations, the Group is exposed to various types of risk, such as strategic, operational and financial risk. Below is a description of the risks within the organization which Cinis Fertilizer considers to be material.

Macroeconomics and geopolitical situation

Russia's ongoing war in Ukraine is having a negative impact on the global economy, creating continued uncertainty. Higher market interest rates can also negatively impact the company's net profits.

Growth

Cinis Fertilizer is in a growth phase that places high demands on both management and the company's operational and financial infrastructure.

Operational risks

The company's operations may be affected by interruptions and disruptions in production, for example as a result of machine breakdowns, delayed, incorrect or contaminated deliveries of input materials, technical errors, IT breakdowns, labor law measures, accidents, suppliers who violate agreements entered into or other disruptions.

Earnings capacity

Production disruptions such as material shortages, contaminated inputs or machine breakdowns, as well as variations in product quality, can lead to significant costs and delays, which can affect the company's earnings capacity during periods.

Financing

The Group has issued senior secured green bonds to an amount of SEK 550 million. The bonds mature on November 26, 2027, and carry a floating interest rate of STIBOR 3 months plus 8.0 per cent per annum, to be paid quarterly in arrears.

The net proceeds have been used to refinance existing debt and strengthen the company's buffer. The terms of the bond loan include covenants for debt and liquidity levels.

Since January 17, 2025, Cinis Fertilizer's green bond loan is listed on the Sustainable Bond List of Nasdaq Stockholm.

Since the start of operations, Cinis Fertilizer has reported a negative result and has not achieved a positive cash flow in 2024. The Board of Directors of Cinis Fertilizer AB has decided to raise capital of a maximum of SEK 147 million in total, after transaction costs, of which SEK 75.9 million is guaranteed in order to strengthen the company's liquidity and meet working capital financing during the continued ramp-up of the production facility in Örnköldsvik, see also Note 27.

The Cinis Fertilizer Board of Directors continuously evaluates the financing of existing and future operations.

Supply of fossil-free electricity/energy

For the company to compete successfully, it must fulfil its promise of producing products using fossil-free electricity as well as other factors that reduce the company's climate footprint.

Transport to and from the company's plants is the largest source of greenhouse gas emissions, mainly carbon dioxide, and the company must select logistics solutions that satisfy legal requirements, as well as encourage its partners to choose transport solutions with minimal climate footprint.

Sustainability

Since inception, Cinis Fertilizer has had a clear sustainability profile. Sustainability is a key focus area. The entire business concept is based on striving to reduce emissions and facilitating a more circular and sustainable society. The company is in a start-up phase and reporting on the development of sustainability work has begun.

The facility in Örnsköldsvik is subject to reporting requirements according to the Swedish Environmental Code. Environmental permits for the company's Swedish units were obtained in 2023 and are valid until further notice.

Ownership structure and share capital

Shareholders as of December 31, 2024, with more than 10 percent of the votes and capital:

	Share of capital	Share of votes
Jakob Liedberg	36.4%	36.4%
Roger Johansson*	19.2%	19.2%
Thomas Ranje*	15.3%	15.3%
* including holding through related parties, endowment insurance and ISK (Investment savings account)		
Sources: Modular Finance and Cinis Fertilizer		

The market value amounted to SEK 783.3 million (2,426) at year-end. The company had no treasury shares as of the end of 2024.

Transactions with related parties

See Note 25 Transactions with related parties.

Outlook

Cinis Fertilizers' focus in the coming months is to quickly implement the measures required for the company's processing plant in Örnsköldsvik to achieve its full production capacity of 100,000 tons of potassium sulfate per year.

The company expects the market outlook to remain positive due to demand for the Group's expertise in circular and sustainable production of products for which there is substantial demand from customers in the EU area. The Group has good relationships with key suppliers and important customers in Europe, and on other key markets in the rest of the world.

There is global demand for Cinis Fertilizer's main product, and the market conditions have improved due to growing demand for mineral fertilizer for use in fossil-free agriculture. The company is experiencing significant interest in its operations and perceives positive potential to strengthen its position on several geographical markets. Cinis Fertilizer currently collaborates with partners in Europe, North America and Asia on new establishments.

Proposed appropriation of Parent Company profit

According to Cinis Fertilizer's dividend policy, the Board of Directors intends to allow the company to balance any earnings to invest in the business and thus does not expect that any dividends will be paid in the near future. Cinis Fertilizer's Board of Directors proposes that the Annual General Meeting (AGM) to resolve not pay dividends to shareholders for the financial year 2024.

The Board proposes that the funds at the disposal of the AGM on May 22, 2025, be allocated as follow:

SEK	2024
Share premium reserve	464,713,237
Retained earnings	-57,519,177
Profit/loss for the year	-51,092,451
Funds at the Board's disposal	356,101,610
The Board's proposed allocation	
Carried forward	356,101,610
Total	356,101,610

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

SEK million	Note	2024	2023
Net sales	5	40.6	0.0
Other operating income		1.6	1.4
Change in inventory		6.1	–
Raw materials and consumables		-734	–
Other external expenses	7, 8	-50.8	-20.2
Personnel expenses	6	-39.3	-14.5
Depreciation/amortization		-14.8	0.0
Other operating expenses		-0.8	-2.7
Operating profit/loss		-130.9	-36.1
Interest income		0.7	3.8
Interest expenses		-36.6	-0.3
Profit/loss after financial items		-166.8	-32.6
Tax	9	–	–
Profit/loss for the year		-166.8	-32.6
Profit/loss for the year attributable to:			
Parent Company shareholders		-166.8	-32.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2024	2023
Profit/loss for the year		-166.8	-32.6
Other comprehensive income for the year		–	–
Comprehensive income for the year		-166.8	-32.6
Profit/loss for the year attributable to:			
Parent Company shareholders		-166.8	-32.6
Earnings per share before and after dilution, SEK		-2.30	-0.45
Number of shares		72,526,498	72,526,498
Average number of shares before and after dilution *		72,526,498	72,526,498

* The Group holds warrants, however as the result is negative, no dilution effect arises from this program

CONSOLIDATED FINANCIAL POSITION

SEK million	Note	December 31, 2024	December 31, 2023
ASSETS			
<i>Non-current assets</i>			
<i>Property, plant, and equipment</i>	10, 11		
Construction in progress and advance payment for property, plant, and equipment		3.5	634.4
Right-of-use assets		6.2	–
Buildings and land		293.2	–
Machines and other technical facilities		458.8	–
Equipment, tools and installations		53.3	0.0
<i>Total property, plant, and equipment</i>		815.0	634.4
<i>Total non-current assets</i>		815.0	634.4
<i>Current assets</i>			
Stock-in-trade	10		
Current tax receivables	12	23.4	–
Other current receivables		0.3	–
Prepaid expenses and accrued income	13	5.0	22.7
Cash and cash equivalents	17	0.9	0.8
	14, 21	32.7	128.8
<i>Total current assets</i>		62.2	152.3
Total assets		877.2	786.7
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	19	0.7	0.7
Share premium reserve		464.7	463.6
Retained earnings		-59.6	-27.0
Profit/loss for the year		-166.8	-32.6
<i>Equity attributable to Parent Company shareholders</i>		239.1	404.7
Total equity		239.1	404.7
<i>Liabilities</i>			
<i>Non-current liabilities</i>			
Interest-bearing liabilities	14		
Leasing liabilities	15	529.6	296.4
	16	3.6	–
<i>Total non-current liabilities</i>		533.2	296.4
<i>Current liabilities</i>			
Accounts payable	14	89.3	73.8
Leasing liabilities	16	2.6	–
Other current liabilities		3.1	1.7
Deferred income and accrued expenses	20	9.9	10.0
<i>Total current liabilities</i>		104.9	85.5
<i>Total liabilities</i>		638.2	381.9
Total equity and liabilities		877.2	786.7

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK million	Note	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total equity
Opening balance on January 1, 2023		0.7	462.8	-3.4	-23.6	436.5
Profit/loss for the year		—	—	—	-32.6	-32.6
Other comprehensive income for the year		—	—	—	—	—
<i>Comprehensive income for the year</i>		—	—	—	-32.6	-32.6
Retained earnings				-23.6	23.6	
Warrant premiums			0.8			
<i>Total transactions with shareholders</i>		—	0.8	-23.6	23.6	—
Closing balance on December 31, 2023		0.7	463.6	-27.0	-32.6	404.7
Opening balance on January 1, 2024		0.7	463.6	-27.0	-32.6	404.7
Profit/loss for the year		—	—	—	-166.8	-166.8
Other comprehensive income for the year		—	—	—	—	—
<i>Comprehensive income for the year</i>		—	—	—	-166.8	-166.8
Retained earnings				-32.6	32.6	
issuance costs			—			
Warrant premiums			1.2			1.2
<i>Total transactions with shareholders</i>		—	1.2	-32.6	32.6	1.2
Closing balance on December 31, 2024		0.7	464.8	-59.6	-166.8	239.1

CONSOLIDATED CASH FLOW STATEMENT

SEK million	Note	2024	2023
Operating activities			
Operating profit/loss		-130.9	-36.1
Adjustments for non-cash items		14.8	0.0
Cash flow from operating activities before changes in working capital		-116.1	-36.1
Operating receivables (+ decrease)		-6.0	-13.7
Operating liabilities (+ increase)		11.4	60.5
<i>Cash flow from working capital</i>		<i>5.4</i>	<i>46.8</i>
Cash flow from operating activities		-110.7	10.7
Investing activities			
Investments in property, plant, and equipment		-186.9	-585.1
Cash flow from investing activities		-186.9	-585.1
Financing activities			
Warrant premiums		1.1	0.8
New borrowing less transaction expenses	15	692.9	296.2
Amortization of loans		-471.3	-
Interest received		0.7	3.8
Interest paid		-21.9	-0.1
Cash flow from financing activities		201.5	300.7
Cash flow for the year		-96.1	-273.7
Cash and cash equivalents at beginning of year		128.8	402.5
Cash and cash equivalents at year-end	21	32.7	128.8

PARENT COMPANY INCOME STATEMENT

SEK million	Note	2024	2023
Net sales		0.0	0.0
Other operating income		0.3	0.5
Other external expenses	7, 8	-17.0	-18.0
Personnel expenses	6	-20.1	-14.5
Depreciation/amortization		0.0	0.0
Other operating expenses		-0.3	-0.8
Operating profit/loss		-37.1	-32.8
Interest income and similar profit/loss items		9.9	2.3
Interest expense and similar profit/loss items		-23.9	0.0
Profit/loss after financial items		-51.1	-30.5
Tax	9	-	-
Profit/loss for the year		-51.1	-30.5

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2024	2023
Profit/loss for the year		-51.1	-30.5
Other comprehensive income for the year		-	-
Comprehensive income for the year		-51.1	-30.5

PARENT COMPANY BALANCE SHEET

SEK million	Note	December 31, 2024	December 31, 2023
ASSETS			
<i>Non-current assets</i>			
<i>Property, plant, and equipment</i>	10		
Construction in progress and advance payment for property, plant, and equipment		3.5	1.6
Equipment, tools and installations		0.1	0.0
<i>Total property, plant, and equipment</i>		3.6	1.6
<i>Financial non-current assets</i>			
Holdings in Group companies	18	380.1	380.1
Receivables from Group companies		442.4	—
<i>Total financial non-current assets</i>		822.5	380.1
<i>Total non-current assets</i>		826.1	381.7
<i>Current receivables</i>			
Receivables from Group companies	14	44.6	5.4
Other current receivables	13	0.9	0.4
Prepaid expenses and accrued income	17	0.7	0.7
<i>Total current receivables</i>		46.2	6.5
<i>Cash and cash equivalents</i>			
Cash and bank balances	21	27.9	26.5
<i>Total cash and cash equivalents</i>		27.9	26.5
<i>Total current assets</i>		74.0	33.0
Total assets		900.2	414.8
EQUITY AND LIABILITIES			
Share capital	19	0.7	0.7
<i>Total restricted equity</i>		0.7	0.7
<i>Unrestricted equity</i>			
Share premium reserve		464.7	463.6
Retained earnings		-57.5	-27.0
Profit/loss for the year		-51.1	-30.5
<i>Total unrestricted equity</i>		356.1	406.1
Total equity		356.8	406.8
<i>Liabilities</i>			
<i>Non-current liabilities</i>			
Interest-bearing liabilities	14	529.6	—
<i>Total non-current liabilities</i>		529.6	—
<i>Current liabilities</i>			
Accounts payable	14	3.9	3.9
Other current liabilities		1.9	1.8
Deferred income and accrued expenses	20	7.9	2.3
<i>Total current liabilities</i>		13.7	8.0
<i>Total liabilities</i>		543.3	8.0
Total equity and liabilities		900.2	414.8

PARENT COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK million	Note	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total equity
Opening balance on January 1, 2023		0.7	462.8	-3.4	-23.6	436.5
Profit/loss for the year		–	–	–	-30.5	-30.5
Other comprehensive income for the year		–	–	–	–	–
<i>Comprehensive income for the year</i>		<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-30.5</i>	-30.5
<i>Retained earnings</i>				-23.6	23.6	0.0
Bonus issue						
New share issue			0.0			
Issue costs						
Warrant premums			0.8			
<i>Total transactions with shareholders</i>		<i>0.0</i>	<i>0.8</i>	<i>0.0</i>	<i>0.0</i>	0.8
Closing balance on December 31, 2023		0.7	463.6	-27.0	-30.5	406.8
Opening balance on January 1, 2024		0.7	463.6	-27.0	-30.5	406.8
Profit/loss for the year		–	–	–	-51.1	-51.1
Other comprehensive income for the year		–	–	–	–	
<i>Comprehensive income for the year</i>					<i>-51.1</i>	-51.1
<i>Retained earnings</i>				-30.5	30.5	
Warrant premums			1.2			1.2
<i>Total transactions with shareholder</i>		<i>0.0</i>	<i>1.2</i>	<i>–</i>	<i>–</i>	1.2
Closing balance on December 31, 2024		0.7	464.8	-57.5	-51.1	356.8

PARENT COMPANY CASH FLOW STATEMENT

SEK million	Note	2024	2023
Operating activities			
Operating profit/loss		-37.1	-32.8
Items not included in cash flow		0.0	0.0
Cash flow from operating activities before changes in working capital		-37.1	-32.8
Operating receivables (+ decrease)		-30.0	3.2
Operating liabilities (+ increase)		0.4	-17.1
<i>Cash flow from working capital</i>		<i>-29.6</i>	<i>-14.0</i>
Cash flow from operating activities		-66.7	-46.8
Investing activities			
Investments in property, plant, and equipment		-2.0	47.7
Lending subsidiaries		-442.4	-
Acquisition of operations and participations		-0.0	-380.0
Cash flow from investing activities		-444.4	-332.3
Financing activities			
New share issue		-	0.0
Warrant premiums		1.1	0.8
Borrowing, less transaction expenses		644.8	-
Amortization of loans		-120.8	-
Interest received		0.3	2.3
Interest paid		-12.9	0.0
Cash flow from financing activities		512.5	3.1
Cash flow for the year		1.4	-375.9
Cash and cash equivalents at beginning of year		26.5	402.4
Cash and cash equivalents at year-end	21	27.9	26.5

NOTES

Note 1 General information

Cinis Fertilizer is a Swedish green-tech company producing an environmentally friendly mineral fertilizer, potassium sulphate, by, among other things, recycling waste products from battery manufacturing and recycling, as well as the pulp industry and other industries. The Parent Company, Cinis Fertilizer AB, corporate registration number 559154-0322, is a Swedish limited liability company with its registered office in Örnsköldsvik. The Parent Company's holdings in Group companies as of December 31, 2023, consisted of wholly owned subsidiary Cinis Sweden AB (559322-4156) and Asset-KH (559379-9132) and Cinis Fertilizer LLC (EIN: 36-5087250). The Group was formed on December 23, 2021.

Since October 21, 2022, the company's shares have been listed on the Nasdaq First North Growth Market.

Publication of this Annual report was approved by the Board of Directors on April 30, 2025. The consolidated financial statements may be amended by the company's owners after the Board of Directors has approved them.

Note 2 Accounting principles

Compliance with laws and standard

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act (ÅRL) and the Swedish Corporate Reporting Board's recommendation RFR 1, "Supplementary accounting rules for groups". The Parent Company's financial statements have been prepared in accordance with the ÅRL and RFR 2, "Accounting for legal entities".

Conditions applying to the preparation of the Group's financial statements

Cinis Fertilizer's consolidated accounts have been produced on the basis of historical cost. Offsetting of receivables and liabilities, and of income and costs, is only done where required or expressly permitted according to IFRS.

The preparation of the financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect the application of the accounting principles, and thus also carrying amounts. Estimates and assumptions are based on historical experience and a number of other factors that are considered reasonable given the circumstances. The results of these estimates and assumptions are used to assess the carrying amounts of assets and liabilities that are

not clearly apparent from other sources. Actual results may differ from these estimates and judgements. Estimates and assumptions are reviewed on a regular basis.

See also Note 3.

New IFRS not yet applied

In April 2024, the IASB published a new accounting standard that will replace IAS 1 Presentation of Financial Statements on January 1, 2027, with retroactive effect. The standard has not yet been endorsed by the EU, so early adoption is not permitted. Application of IFRS 18 will require new assessments and may require changes to both the presentation of income statements and the presentation of disclosures.

Other new IFRS standards, that have not yet come into force, are not expected to have any material impact on future financial reporting.

Upcoming standards that are expected to have an impact on future financial statements No IFRS standards or IFRIC interpretations that have not yet entered into force are expected to have a material impact on the Group. It is the management's assessment that these, when applied for the first time, will not have a material effect on the Group's financial statements.

Classification

The Group's non-current assets and non-current liabilities consist, in all material respects, only of amounts expected to be recovered or paid more than twelve months after the Balance Sheet date. The Group's current assets and liabilities consist, in all material respects, only of amounts expected to be recovered or paid within twelve months of the Balance Sheet date.

Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with the Group's accounting principles and include reporting for the Parent Company, Cinis Fertilizer AB and all Group companies. Group companies are consolidated from the date the Group gains control of, or a controlling influence in, the company. The Group controls a company when the Group is exposed to, or is entitled to receive, variable returns from its holding in the company and has the ability to influence those returns through its control of the company. Divested companies are included in the Consolidated Financial Statements until the date the Group loses control of, or its controlling influence in, such companies.

Subsidiaries

Subsidiaries are companies in which Cinis Fertilizer has a controlling interest. The purchase method is applied in consolidated accounting. With this method, an acquisition

of a subsidiary is considered as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities.

The consolidation cost is established through an acquisition analysis carried out in connection with the acquisition. This analysis establishes the cost of participations or operations and the fair value on the acquisition date of acquired identifiable assets and assumed liabilities and contingent liabilities. The cost of a participations or operations is calculated as the total, as of the acquisition date, of the fair value of assets acquired plus liabilities arisen or taken over, as well as equity instruments issued as payment in return for the acquired net assets. Any contingent considerations are measured at fair value. If cost exceeds the fair value of the acquired company's net assets, the difference is recognized as goodwill. If the cost is less than the fair value of the acquired company's net assets, the difference is recognized directly in operating profit or loss. Acquisition-related expenses are recognized directly in operating profit or loss. In connection with remeasurement of the fair value of a contingent consideration, the amount is recognized in operating profit or loss.

Transactions eliminated upon consolidation

Intra-group receivables and liabilities, revenue, and costs, as well as gains and losses arising in intra-group transactions, are eliminated in their entirety when the consolidated accounts are prepared.

Employee benefits

Salaries, benefits and other remuneration for employees are recognized as an expense under operating profit as and when the employees have performed services in exchange for remuneration.

Pension commitments

The company's pension commitments are exclusively in the form of defined contribution plans, under which the company pays fixed contributions to a separate legal entity. The company has no obligation to pay more contributions if this legal entity does not have sufficient assets to pay all compensation due to employees related to the employees' service during the current or previous period.

Warrants

Warrants are issued at an assessed market value and there is therefore no requirement to disclose a theoretical cost for the company according to IFRS 2. The effect on financial statements of warrant programs occurs only in the case of cash payment for warrants and upon conversion to share capital.

Income

The Group manufactures and sells mineral fertilizers. Sales are made through agreements with customers where each delivery is seen as an individual performance obligation. Sales are recognized as revenue when control of the goods is transferred to the customer, which normally occurs according to applicable shipping terms, i.e. revenue is fulfilled and is therefore recognized after a certain time lag. Revenue from sales is recognized based on the price in the agreement. Volume and cash discounts may occur and are recognized in such cases as a reduction in net sales.

Taxes

Income taxes consist of current and deferred tax. Income taxes are recognized in profit or loss unless the underlying transaction is directly recognized in other comprehensive income or directly in equity, in which case the related tax effect is recognized in other comprehensive income or equity, respectively.

Current tax is tax to be paid or received in the current year applying the tax rates enacted or substantively enacted as of the Balance Sheet date. This includes adjustment of current tax relating to previous periods.

Deferred income tax is calculated according to the Balance Sheet method based on temporary differences between the carrying amount of assets and liabilities and their value for tax purposes. The deferred tax amount is based on how carrying amounts of assets or liabilities are expected to be realized or settled, and on tax rules enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets pertaining to deductible temporary differences and loss carry-forwards are only recognized to the extent that they are likely to be utilized. Deferred tax assets are reduced if it is no longer deemed likely that they will be utilized.

Financial assets

The Group's financial assets consist of cash and cash equivalents. Purchases and sales of financial assets are recognized on the transaction date, i.e. the date the Group undertakes to purchase or sell the asset. Financial assets are derecognized from the Balance Sheet when the right to receive cash flows from the instrument has expired or been transferred, and the Group has transferred essentially all risks and rewards associated with ownership of the assets.

Financial assets are initially recognized at fair value plus transaction expenses.

Financial assets measured at amortized cost

Financial assets in this category have a business model involving receiving contractual cash flows, and the assets' contractual cash flows consist solely of payment of principal and interest. Assets in this category consist of cash and cash equivalents.

Impairment of financial assets measured at amortized cost

To the extent that accounts receivable are recognized, they are reported at net realizable value on the balance sheet date. Currently and during a ramp-up period, payment is made upon delivery.

The Group generally defines credit-impaired assets as assets overdue by more than 90 days, or assets where observable data indicates that there will be a measurable decrease in estimated future cash flows.

Property, plant, and equipment

Property, plant, and equipment are recognized at cost less accumulated depreciation and potential impairment losses. Cost includes the purchase price and expenses directly attributable to installation of the asset and preparing it for utilization according to the purpose of the acquisition.

Depreciation is recognized on a straight-line basis over the estimated useful life of the asset. Estimated useful life is defined as follows:

- Buildings and land: 10–100 years
- Machinery and other technical facilities: 10–30 years
- Equipment, tools, and installations: 5–10 years

When there is an indication at the closing date that a tangible fixed asset has decreased in value, it is tested for possible impairment.

Impairment

If there is an indication of impairment of an asset, its recoverable amount is determined. If the asset's carrying amount exceeds the recoverable amount, the asset is written down to this amount. The recoverable amount is defined as the higher of the market value and the value in use. The value in use is defined as the present value of the estimated future payments that the asset generates. Impairment losses are recognized in the Income Statement.

Leasing

Benefits of the Group's lease contracts (right-of-use agreements) relate to machinery and other technical facilities. A right-of-use contract is recognized as an asset and a corresponding liability from the date the leased asset is available to the Group.

A lease payment is split between amortization of the liability and interest expense. The interest expense for each period is calculated using the annuity method. Right-of-use assets are depreciated on a straight-line basis over the term of the lease, or if ownership is transferred at the end of the lease term, over the shorter of the asset's economic life and the lease term.

The right-of-use asset is initially measured at acquisition value, which consists of the initial value of the lease liability plus lease fees paid on or before the commencement date plus any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life and the end of the lease term, which is normally the end of the lease term for the Group.

The lease liability – which is divided into long-term and short-term parts – is initially measured at the present value of the remaining lease payments over the estimated lease term. Future payments are discounted to present value using the interest rate implicit in the contract, or when this cannot be readily determined, the Group's incremental borrowing rate for a comparable asset with comparable collateral. For current right-of-use assets, future cash flows have been discounted at 8.5 percent and 9.7 percent.

Payments attributable to short-term contracts or contracts of lesser value are expensed in the Income Statement as they arise. Short-term contracts refer to contracts with a lease period of no more than twelve months. Minor value is assessed by Group Management as cases where the value of a leased asset, when new, is less than SEK 50,000.

The lease period is determined as non-cancellable periods together with extension periods if it is considered reasonably certain that these will be utilized.

Inventory

The cost of raw materials and supplies is based on purchase price and includes expenses incurred in acquiring the inventory assets and transporting them to their present location and condition. The cost of finished goods consists of raw materials, other direct costs and attributable indirect manufacturing costs (based on normal manufacturing capacity).

The net realizable value corresponds to the estimated sales price under normal circumstances, less costs required to make the transaction.

Financial liabilities

Group financial liabilities valued at amortized cost. Financial liabilities at amortized cost are initially valued at fair value including transaction expenses. After the first reporting date, financial liabilities are valued according to the effective interest rate method.

Borrowing is classified as current liabilities unless the Group has the unconditional right to defer payment of the liability for at least 12 months after the record date. All borrowing (liabilities to credit institutions) and accounts payable are included in this category.

The effective interest rate method is used to calculate the amortized cost of a financial liability. The effective interest rate is the interest rate that precisely discounts estimated future deposits and payments during the expected term at the reported value. In accordance with this method, transaction costs have been divided over the term of the loan agreement.

Provisions

A provision is recognized in the Balance Sheet under current and non-current liabilities when the company has a legal or constructive obligation as a result of an event that has occurred and it is likely that an outflow of financial resources will be required to settle the obligation and the amount can be reliably estimated.

Contingent liabilities

Information relating to a contingent liability is disclosed when a possible obligation arises that stems from past events, the occurrence of which depends on one or more uncertain future events, or where there is an obligation that is recognized as a liability or provision because it is unlikely that an outflow of resources will be required or if the amount cannot be estimated with sufficient reliability.

Cash Flow Statement

The Cash Flow Statement shows incoming and outgoing payments. The indirect method has been applied to operating activities. In addition to cash and bank balances, the category of cash and cash equivalents includes short-term, liquid investments with an original maturity of less than three months.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement include cash, bank balances and other short-term investments. Other short-term investments are classified as liquid assets if they mature within three months of the date of acquisition, can be easily converted to cash at a known amount, and are exposed to insignificant risk of value fluctuations.

The Group had no short-term investments in the financial year.

Cash and cash equivalents include the share of restricted assets that matures within 12 months of the end of the financial year.

Equity

Equity in the company consists of the following:

- Share capital represented by the value of ordinary shares
- Share premium reserve including the proceeds received from a new issue of share capital. Transaction costs associated with new share issues are deducted from the proceeds, taking into account any income tax effect
- Retained earnings, i.e. all gains/losses for current and prior periods carried forward.

Earnings per share

When calculating earnings per share after dilution, the average number of shares – which is used when calculating earnings per share before dilution – must be increased by the weighted average number of shares that would be added if all potential shares giving rise to dilution are assumed to have been converted to shares.

Options and warrants only give rise to dilution when the average share price during the period exceeds the strike price for the options or warrants. Furthermore, potential shares give rise to dilution only if conversion into shares results in a lower profit or a higher loss per share. As the company has reported a loss for the financial years presented, there is no dilution effect.

Parent Company

Accounting principles

The Parent Company applies RFR 2, which means that IFRS is followed with certain additions and exceptions. The exceptions are listed below.

Presentation format

The Income Statement and Balance Sheet have been presented according to the Annual Account Act's presentation format. This means that there are differences compared to the Consolidated Financial Statements, in particular differences in financial income and expenses, and equity.

Participations in subsidiaries

Participations in subsidiaries are recognized at cost less impairment losses. Cost includes purchase consideration paid for shares as well as acquisition costs. Any capital contributions are added to cost as they arise. The value of subsidiaries is tested if there is any indication of impairment.

Note 3 Judgements and estimates

When preparing financial statements, it is necessary to make a number of important estimates for accounting purposes. Management is also required to make certain judgements when applying the company's accounting principles. Estimates and judgements are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under prevailing conditions.

The company makes estimates and assumptions about the future. The estimates for accounting purposes resulting from these will, by definition, rarely correspond to the actual outcome. Assumptions regarding the useful life of property, plant and equipment, residual value, and potential need for impairment, are subject to annual assessments. For more information, see Note 10.

Note 4 Financial risk management

Factors that have impacted the company's profit are linked to currency risk, interest rate risk, credit risk and liquidity risk. Cinis Fertilizer aims to minimize potential unfavorable effects on the company's financial outcomes.

Currency risk: Cinis Fertilizer is exposed to currency risk primarily in EUR, through the purchase of raw materials and sales of end products. Receivables and liabilities in foreign currencies have been valued at the closing date exchange rate. The difference between the acquisition value and the closing date value has been reported in the Income Statement. A weakening of SEK against EUR of SEK 0.5 means approximately SEK 1 million in reduced net settlement for a normal-sized ship delivery of end products.

Interest rate risk: Cinis Fertilizer has issued senior secured green bonds in an amount of SEK 550 million, see also Notes 15 and 23. The bonds mature on November 26, 2027, and carry a floating interest rate of STIBOR 3 months plus 8.0 percent per annum, payable quarterly in arrears. An interest rate increase of 0.25 points (STIBOR) means an increased interest cost per year of approximately SEK 1.4 million.

Credit risk: Cinis Fertilizer had no credit risk during 2024. The company receives payment upon delivery, i.e. in advance before the ship arrives at its destination. These payment terms will apply throughout the start-up phase in 2025, after which customary payment terms will apply.

Liquidity and financing risk: Since the start of operations, Cinis Fertilizer has reported a negative result and has not achieved a positive cash flow in 2024. The Board of Directors of Cinis Fertilizer AB has decided to raise capital of a maximum of SEK 147 million in total, after transaction costs, of which SEK 75.9 million is guaranteed in order to strengthen the company's liquidity and meet working capital financing during the continued ramp-up of the production facility in Örnsköldsvik, see also Note 27.

Through this new issue, the company secures liquidity for the next twelve months. The company expects to be able to achieve positive operating cash flow in 2025. For a maturity analysis of financial liabilities, see Note 15.

Asset management

The company's goal regarding capital structure is to secure the company's ability to continue operations and allow the company to carry forward any profits to invest in the business. Accordingly, the company does not expect to pay dividends in the near future. However, dividends may be distributed in future, when Cinis Fertilizer's profits and financial position allow.

Note 5 Net sales

The company's net sales in 2024 consisted entirely of the sales of one product, potassium sulfate, to one customer, Van Iperen International, in the Netherlands. The sales are on comparable terms and conditions.

Note 6 Payroll expenses

Remuneration to the Board, CEO, senior executives, and other employees.

Name	Position	Board fees, SEK	Audit committee, SEK	Variable remuneration, SEK	Pensions-expenses, SEK	Other remuneration, SEK	Total, SEK
Board members							
Roger Johansson	Chair	200,000	–	–	–	–	200,000
Viktoria Bergman	Board member	80,000	20,000	–	–	–	100,000
Sten Hedbäck	Board member	80,000	–	–	–	–	80,000
Åsa Källenius	Board member	80,000	20,000	–	–	–	100,000
Morgan Sadarangani	Board member	80,000	20,000	–	–	–	100,000
Anna-Maria Tuominen-Reini	Board member	80,000	–	–	–	–	80,000
Senior executives							
		Basic salary, SEK					
Jakob Liedberg	CEO	1,380,647	–	–	276,204	–	1,656,851
Other senior executives (4)	–	4,883,977	–	–	1,093,441	–	5,977,418

Remuneration principles

The Chair and Board members receive fees as resolved by the Annual General Meeting.

The guidelines for remuneration and other employment terms for management mainly involve the company offering executives remuneration on market terms. Remuneration to the CEO and other senior executives consists of a fixed monthly salary. If notice of termination of employment is given by Cinis Fertilizer AB, the notice period is a maximum of six months for the CEO and for other senior executives. No additional remuneration, such as severance pay, is payable.

PAYROLL EXPENSES SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Salaries and other remuneration	26.3	9.2	13.0	9.2
Social security contributions	8.2	2.9	4.0	2.9
Pension expenses	3.4	1.8	2.4	1.8
Total	37.9	13.9	19.4	13.9

SALARIES AND OTHER REMUNERATION SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Board of Directors	0.6	0.6	0.6	0.6
Chief Executive Officer	1.4	1.3	1.4	1.3
Other senior executives	4.9	2.1	4.9	2.1
Other employees	19.5	5.2	6.2	5.2
Total	26.3	9.2	13.0	9.2

SOCIAL SECURITY EXPENSES SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Board of Directors	0.1	0.2	0.1	0.2
Chief Executive Officer	0.4	0.4	0.4	0.4
Other senior executives	1.5	0.7	1.5	0.7
Other employees	6.2	1.6	2.0	1.6
Total	8.2	2.9	4.0	2.9

PENSION EXPENSES SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Board of Directors	–	–	–	–
Chief Executive Officer	0.3	0.2	0.3	0.2
Other senior executives	1.1	0.8	1.1	0.8
Other employees	2.0	0.8	1.0	0.8
Total	3.4	1.8	2.4	1.8

Salaries and fees to the CEO and Board

In 2024, total remuneration to the CEO and Board amounted to SEK 2.0 million (1.9), of which SEK 0.6 million (0.6) was remuneration to the Board. Remuneration mainly comprised basic salary and Board fees. Board fees were paid as follows: Chair of the Board SEK 200,000 per year, members of the remuneration committee 100,000 SEK and other members of the Board: SEK 80,000, per individual and year.

NUMBER OF EMPLOYEES	GROUP		PARENT COMPANY	
AVERAGE NUMBER OF EMPLOYEES	2024	2023	2024	2023
Men	27	7	8	7
Women	8	3	4	3
Total	35	10	12	10

BOARD MEMBERS AND SENIOR EXECUTIVES

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<i>Women</i>				
Board members	3	3	3	3
Senior executives	1	1	1	1
<i>Men</i>				
Board members	3	3	3	3
Senior executives	4	4	4	2
Total	11	11	11	9

Note 7 Other external expenses

	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Electricity	12.0	0.4	0.1	0.1
Consulting services	6.2	5.7	3.8	5.3
Logistics	5.4	0.9	0.5	0.5
Legal fees	5.4	5.3	5.4	5.3
Consumable items	2.9	0.3	0.2	0.2
Repair and maintenance	2.8	0.2	0.0	0.2
Travel expenses	2.1	1.4	2.0	1.4
Insurance	1.6	1.6	0.7	1.6
Rent for premises	2.7	0.9	0.9	0.8
Other	9.7	3.5	3.4	2.6
Total	50.8	20.2	17.0	18.0

Note 8 Auditor's fees

Audit assignment fees constitute the auditor's compensation for the statutory audit. The assignment involves examining the Annual Report, the Consolidated Financial Statements and accounting records, the administration of the company by the Board and CEO, and fees for audit advisory services provided in connection with the audit.

FORVIS MAZARS AB	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Audit services	0.5	0.2	0.4	0.2
Tax advisory services	–	–	–	–
Other services	–	–	–	–
Total	0.5	0.2	0.4	0.2

Note 9 Tax on profit for the year

RECONCILIATION OF TAX FOR THE YEAR	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Recognized profit before tax	-166.8	-32.6	-51.1	-30.5
Tax based on the current tax rate	34.3	6.7	10.5	6.3
Effect of non-deductible expenses	-10.3	0.0	-1.9	0.0
Effect of non-taxable income	–	–	–	–
Effect of costs expensed in equity	–	0.0	0.0	0.0
Effect of deficit for which no deferred tax has been recognized	-24.0	-6.7	-8.6	-6.3
Total	0.0	0.0	0.0	0.0
Adjustments recognized in the current year for tax from previous years	–	–	–	–
Tax expensed recognized for the year	0.0	0.0	0.0	0.0

The effect of non-deductible costs relates to interest deduction limitations.

No tax was recognized directly in equity or other comprehensive income. The total deficit for the Group was SEK 213.6 million as of December 31, 2024. The company's deficit has no maturity period.

The Group has neither any deferred tax assets, net nor any deferred tax liabilities, net to report, however there are deferred tax assets, which are net recognized against deferred tax liabilities.

Note 10 Non-current assets**PROPERTY, PLANT, AND EQUIPMENT**

GROUP	Buildings and land		Machines and other technical facilities		Equipment, tools and installations		Construction in progress		Total	
SEK million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Acquisition value										
Opening acquisition values	–	–	–	–	0.0	–	634.4	–	634.4	0.0
Acquisitions for the year	–	–	–	–	–	–	186.9	634.4	186.9	634.4
Reclassifications	294.6	–	469.1	–	54.1	–	-817.8	–	0.0	0.0
Scrapping and disposal	–	–	–	–	–	–	–	–	0.0	0.0
Depreciation/amortization	-1.4	–	-10.3	–	-0.8	–	–	–	-12.5	0.0
Closing carrying amount	293.2	–	458.8	–	53.3	–	3.5	634.4	808.8	634.4
As of December 31, 2024										
Acquisition value	294.6	–	469.1	–	54.1	–	3.5	634.4	821.3	634.4
Accumulated depreciation and impairments	-1.4	–	-10.3	–	-0.8	–	–	–	-12.5	0.0
Carrying amount	293.2	–	458.8	–	53.3	–	3.5	634.4	808.8	634.4

PARENT COMPANY

SEK million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Acquisition value										
Opening acquisition values	–	–	–	–	–	–	1.6	–	1.6	0.0
Acquisitions for the year	–	–	–	–	0.1	–	1.9	1.6	2.0	1.6
Reclassifications	–	–	–	–	–	–	–	–	0.0	0.0
Scrapping and disposal	–	–	–	–	–	–	–	–	0.0	0.0
Depreciation/amortization	–	–	–	–	–	–	–	–	0.0	0.0
Closing carrying amount	0.0	–	0.0	–	0.1	–	3.5	1.6	3.6	1.6
As of December 31, 2024										
Acquisition value	–	–	–	–	0.1	–	3.5	1.6	3.6	1.6
Accumulated depreciation and impairments	–	–	–	–	–	–	–	–	0.0	0.0
Carrying amount	0.0	–	0.0	–	0.1	–	3.5	1.6	3.6	1.6

The company's non-current assets are located in Sweden.

The results of the impairment tests carried out have not led to the company management identifying any impairment requirement. The company management assesses that no reasonable changes in any of the most important assumptions in the calculation of the values in use would result in the carrying amount exceeding the recoverable amount.

Of the year's investments, SEK 19.4 million was paid in capitalized interest. The interest rate used for capitalized interest is 8 percent.

Note 11 Right-of-use assets

RIGHT-OF-USE ASSETS	GROUP	
SEK million	2024	2023
Acquisitions for the year	8.5	–
Amortization for the year	-2.3	–
Closing carrying amount	6.2	–
December 31, 2024		
Acquisition value	8.5	–
Accumulated depreciation and impairments	-2.3	–
Carrying amount	6.2	–

The interest expensed for the leasing liability in 2024 amounted to SEK 0.6 million (0.0). The total cash flow from leasing agreements in 2024 amounted to SEK -2.9 million (0.0). Total costs for short-term leasing outside IFRS 16 amounted to SEK -2.2 million (-0.9).

Note 12 Inventory

	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Raw materials	17.3	–	–	–
Finished goods	6.1	–	–	–
Total	23.4	–	–	–

The inventory is valued at the lower of the acquisition value and the net sales value. Raw material stocks consist of potassium chloride (MOP) and sodium sulfate and finished goods stocks consist of potassium sulfate (SOP) and sodium chloride.

Note 13 Current receivables

CURRENT RECEIVABLES	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
VAT receivables	4.9	22.6	0.5	0.4
Other current receivables	0.1	0.1	0.4	0.0
Total	5.0	22.7	0.9	0.4

Note 14 Classification of financial assets and liabilities

ASSETS	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Receivables Group companies	–	–	487.0	5.4
Other receivables	0.1	22.7	–	0.4
Cash and cash equivalents	32.7	128.8	27.9	26.5
Total assets to accrued acquisition value	32.8	151.5	515.0	32.3
LIABILITIES				
Interest-bearing liabilities	529.6	296.4	529.6	0.0
Leasing liabilities	6.2	0.0	0.0	0.0
Accounts payable	89.3	73.8	3.9	3.9
Other liabilities	0.4	1.7	0.0	1.7
Accrued expenses	7.3	10.0	6.1	2.3
Total liabilities to accrued acquisition value	632.8	382.0	539.6	8.0

As the interest-bearing liabilities have a variable interest rate, and that other financial assets and liabilities mature within one year, the reported values are considered to correspond to fair values.

Note 15 Financial liabilities

INTEREST-BEARING LIABILITIES	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Non-current corporate bond	529.6	–	529.6	–
Non-current liabilities to credit institutions	–	296.4	–	–
Current liabilities to credit institutions	–	–	–	–
Total interest-bearing liabilities	529.6	296.4	529.6	–

CONTRACTUAL TERMS FOR FINANCIAL UNDISCOUNTED LIABILITIES, 2024
NOMINAL AMOUNT, SEK million

Financial liabilities	<3 months	3–12 months	1–2 years	3–5 years	>5 years	Nominal amount
Interest-bearing liabilities	–	–	–	550.0	–	550.0
Leasing liabilities	0.7	1.9	2.9	0.9	–	6.4
Accounts payable	89.3	–	–	–	–	89.3
Other liabilities	0.4	–	–	–	–	0.4
Accrued expenses	7.3	–	–	–	–	7.3
Total	97.7	1.9	2.9	550.9	–	653.4

In November 2024, Cinis Fertilizer issued green bonds of SEK 550 million, paying all previously outstanding loans. In connection with this, blocked bank funds were also released. The bonds have a maturity of three years and carry a floating interest rate of STIBOR 3 months plus 8.0 percent per year, payable quarterly in arrears. The bond loan also requires the fulfillment of two covenants linked to cash and cash equivalents and loan-to-value ratio (Net debt to EBITDA). Minimum liquidity must at all times be at least SEK 30 million. The loan-to-value ratio applies from December 3, 2025, and shall then be 4.00 times.

Cinis Fertilizer's green bond loan is as of January 17, 2025, listed on Nasdaq Stockholm's Sustainable Bond List. In connection with the bond issue, a revolving credit facility of SEK 82.5 million was signed that can be used for guarantees or cash, see also Note 27.

Note 16 Leasing

SEK million	GROUP	
	2024	2023
Within 12 months	2.6	–
Total current leasing liabilities	2.6	–
1–2 years	2.6	–
2–5 years	1.0	–
Total non-current leasing liabilities	3.6	–

Note 17 Prepaid expenses

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Rent	0.3	0.1	0.2	0.0
Insurance	0.2	0.4	0.2	0.4
Legal fees	–	–	–	–
Other	0.4	0.3	0.3	0.3
Total	0.9	0.8	0.7	0.7

Note 18 Participations in Group companies

SEK million	PARENT COMPANY	
	2024	2023
Opening balance	380.1	0.1
Acquisitions	–	–
Shareholder contributions paid	–	380.0
Closing balance	380.1	380.1
Impairment losses, opening balance	0.0	0.0
Accumulated impairment losses, closing balance	0.0	0.0

The Parent Company has holdings in the following subsidiaries:

Company, corporate identity number	Registered office	Share of capital, %	Carrying amount, MSEK
Cinis Sweden AB, 559322-4156	Örnsköldsvik	100	380.0
Asset-KH AB, 559379-9132	Örnsköldsvik	100	0.1
Cinis Fertilizer LLC, 36-5087250	Delaware	100	0.0

During the year, SEK 442 million was lent from the Parent Company to its subsidiary Cinis Sweden AB with a maturity that corresponds to the green bond issued in November 2024, see Note 14 (Classification of financial assets and liabilities).

Note 19 Equity

SHARE CAPITAL AND OTHER PAID-IN CAPITAL

	Number of shares	Share capital (SEK '000)	Other paid-in capital (SEK '000)
December 31, 2022	72,526,468	725	426,876
Bonus issue	–	–	–
Warrant premiums received	–	–	825
Share split	–	–	–
New issue after issue expenses	–	–	-34
December 31, 2023	72,526,468	725	463,667
Bonus issue	–	–	–
Warrant premiums received	–	–	1,146
Share split	–	–	–
New issue after issue expenses	–	–	–
December 31, 2024	72,526,468	725	464,813

Note 20 Accrued expenses

ACCRUED EXPENSES	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Accrued vacation pay	1.9	1.0	1.4	1.0
Accrued social security contributions	0.6	0.3	0.4	0.3
Accrued interest costs	5.4	0.1	5.4	–
Accrued legal and consultant fees	0.5	0.8	0.5	0.8
Other accrued expenses	1.4	7.8	0.2	0.2
Total	9.9	10.0	7.9	2.3

Note 21 Cash flow analysis

ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Depreciation	14.8	–	–	–
Total	14.8	–	–	–

FINANCIAL OPERATIONS, CHANGES IN LIABILITIES

GROUP	Interest-bearing liabilities	Leasing	Utilized overdraft facility	Interest-bearing liabilities	Leasing	Utilized overdraft facility
SEK million			2024			2023
Opening balance on January 1	300.0	–	–	–	–	–
Changes affecting cash flow	224.4	-2.8	–	296.4	–	–
Other changes not affecting cash flow	25.6	9.0	–	3.6	–	–
Closing balance on December 31	550.0	6.2	–	300.0	–	–

PARENT COMPANY	Interest-bearing liabilities	Leasing	Utilized overdraft facility	Interest-bearing liabilities	Leasing	Utilized overdraft facility
SEK million			2024			2023
Opening balance on January 1	–	–	–	–	–	–
Changes affecting cash flow	524.0	–	–	–	–	–
Other changes not affecting cash flow	26.0	–	–	–	–	–
Closing balance on December 31	550.0	–	–	–	–	–

CASH AND CASH EQUIVALENTS	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Pledged assets in bank account	–	46.4	–	–
Cash and cash equivalents	32.7	82.4	27.9	26.5
Total	32.7	128.8	27.9	26.5

At year-end, total available cash and cash equivalents (bank funds amounting to SEK 32.7 million + unutilized credits amounting to SEK 24.0 million) totaling SEK 56.7 million, of which cash amounted to SEK 32.7 million (128.8).

Note 22 Warrants

The company's warrant program 2021/2024 expired in 2024 and no warrants were exercised for subscription of shares.

In 2023, the Extraordinary General Meeting decided on the issue of 500,000 warrants in the company. During the third quarter of 2023, 500,000 warrants have been transferred to the newly elected board member and new employees in Cinis Fertilizer. The transfers have taken place at market price according to the Black & Scholes valuation model. Each warrant entitles to one share in the company at a subscription price of SEK 80.00 per share. The warrants can be used to subscribe for shares during the period from and including October 3, 2023, to and including October 31, 2026.

On October 31, 2024, the Extraordinary General Meeting decided on the issue of two new warrant programs, 2024/2027:1 for senior executives and key personnel and 2024/2027:2 for board members. A total of 75,000 options have been transferred to senior executives and key personnel and 525,000 to board members. The transfers have been made at market price according to the Black & Scholes valuation model. Each warrant entitles to one share in the company at a subscription price of SEK 2.10 per share. The warrants can be used to subscribe for shares during the period from November 15, 2027, to December 15, 2027.

Note 23 Pledged assets and contingent liabilities

	GROUP		PARENT COMPANY	
SEK million	2024	2023	2024	2023
Corporate mortgages	100.0	100.0	–	–
Pledged shares	262.4	377.9	380.0	380.0
Pledged outstanding accounts, subsidiaries*	–	–	442.4	–
Pledged fixed assets*	–	25.0	–	–
Pledged cash and blocked bank accounts	–	46.4	–	–
Real estate mortgages	100.0	–	–	–
Guarantee commitment towards group companies	–	–	58.4	–
Total	462.4	549.3	880.8	380.0

* Säkerhetsförsäljningsavtal för lösöre gällande utrustning för produktionsplatsen i Köpmanholmen

Following refinancing through the green bond of SEK 550 million, the pledge on the fixed assets and the pledge on cash held on blocked bank accounts was released.

Note 24 Segment reporting

Cinis Fertilizer's CEO, who is the highest decision-maker, monitors and analyzes the performance and financial position of the company as a whole and, accordingly, the company only comprises one reporting segment.

Note 25 Transactions with related parties

In addition to remuneration to senior executives, there have been no purchases of services or goods from senior executives or other parties related to the Group, nor have any corresponding sales been made.

Receivables from subsidiaries as described in Note 14.

Information on remuneration to senior executives is presented in Note 6.

Note 26 Allocation of profit/loss

The allocation proposal set out below will be presented to the Annual General Meeting on May 22, 2025:

THE FOLLOWING FUNDS ARE AT THE DISPOSAL OF THE ANNUAL GENERAL MEETING

SEK	2024
Share premium reserve	464,713,237
Retained earnings	-57,519,177
Profit/loss for the year	-51,092,451
Total	356,101,610

The Board proposes that profit be

allocated as follows:	356,101,610
	356,101,610

Note 27 Important events after the end of the period

- Cinis Fertilizer published its bond prospectus and applied for listing of its green bonds on Nasdaq Stockholm
- Due to production disruptions and temporary congestion in the port, the company informed of lower sales and margin in the fourth quarter of 2024
- Cinis Fertilizer sent another shipload of potassium sulfate. The cargo amounted to approximately 3,900 tons
- Cinis Fertilizer entered into a collaboration with Wa3rm. The intention is to investigate the possibility for Wa3rm to structure the financing of production facilities that Cinis then leases and operates
- At end of February, the next shipload of water-soluble potassium sulfate was shipped. The produced potassium sulfate has been continuously tested by both internal and external laboratories, with the conclusion that the shipload meets the quality requirements for water-soluble potassium sulfate. The payload amounted to just over 4,200 tons

- The ramp-up of Cinis Fertilizer's first production facility has taken longer than expected. Cinis Fertilizer's technology and process supplier has determined that the facility was delivered with certain deficiencies. In March, the plant's production capacity was approximately 75,000 tons per year of potassium sulfate. The technology and process supplier has presented a new action plan to reach full production capacity of 100,000 tons per year as of 2025
- At the end of March, Cinis Fertilizer sent another shipment of water-soluble potassium sulfate to its customer Van Iperen International. The payload amounted to just over 4,400 tons
- The Board of Directors of Cinis Fertilizer AB has resolved to carry out a capital raising of up to approximately SEK 172 million in total in order to strengthen the company's liquidity and provide working capital financing during the continued ramp-up of the production facility in Örnsköldsvik, Sweden. The subscription price in the directed share issues and the rights issue, which the capital raise mainly consists of, has been set at SEK 1.00 per share. Through the capital raising, Cinis Fertilizer 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 Fertilizer's partner and customer Van Iperen International B.V. 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
- Notices of Extraordinary General Meetings to be held on May 2 and 15, 2025 have been issued
- Cinis Fertilizer initiates a written procedure and launches an offering to participate in an equity guarantee and an offering to acquire bonds.

THE BOARD’S AND CEO’S ASSURANCE

The Board of Directors and Chief Executive Officer hereby provide assurance that the annual financial statements provide a fair and true overview of the Parent Company’s and Group’s operations, financial position, and performance, and that they describe any significant risks and uncertainties facing the Parent Company and the Group.

Örnsköldsvik, Sweden, April 30, 2025

Roger Johansson
Chair

Viktoria Bergman
Board member

Sten Hedbäck
Board member

Åsa Källenius
Board member

Morgan Sadarangani
Board member

Anna-Maria Tuominen-Reini
Board member

Jakob Liedberg
Chief Executive Officer

The Auditor’s Report was presented on April 30, 2025

Forvis Mazars AB

Martin Kraft
Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of
Cinis Fertilizer AB
Corporate identity number 559154-0322

Report on the annual accounts

Opinions

We have audited the annual accounts and consolidated accounts of Cins Fertilizer AB for the financial year January 1, 2024 – December 31, 2024. The annual accounts and consolidated accounts of the company are included on pages 34–59 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2024, and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2024, and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Tangible Fixed Assets

Description of the key audit matter

As indicated in the annual report, Note 10, the production facility in Örnköldsvik was completed during the year. In connection with this, tangible fixed assets were reclassified from ongoing new constructions to buildings and land as well as machinery and equipment. In this reclassification, the assets were divided into significant components whose economic lifespan is detailed in

Note 2. According to Note 3 of the annual report, this involves estimates and judgments by the management. This, combined with the acquisition during the year, primarily until the production unit was commissioned, leads us to consider tangible fixed assets as a particularly significant area in our audit.

How the Area has been Considered in the Audit

Our audit has included the following procedures:

- Mapped and evaluated selected systems and processes for accounting treatment of acquisitions during the year and tested a selection of key controls for determining tangible fixed assets.
- Haphazardly tested this year's acquisitions against received invoices.
- Reviewed and assessed the company's allocation of the completed production facility and the various economic lifespans.
- We have also recalculated depreciation and reconciled it against the company's fixed asset register.
- Reviewed disclosures in the annual report against the accounting and other financial information.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–23 and 63–69 in the Financial report. The Board of Directors and the Managing Director are responsible for this other information. Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise

obtained in the audit and assess whether the information otherwise appears to be materially misstated. If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Ours objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Cinis Fertilizer AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Ours responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Cinis Fertilizer AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of

Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Ours objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Ours objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit.

The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts.

Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Forvis Mazars AB, Regeringsgatan 67, SE-111 56 Stockholm, Sweden, was appointed auditor of Cinis Fertilizer AB by the general meeting of the shareholders on May 23, 2024, and has been the company's auditor since November 22, 2021.

Our auditor's report was submitted in Stockholm on the date indicated by our electronic signature.

Forvis Mazars AB

Martin Kraft
Authorized Public Accountant

FOUR-YEAR SUMMARY, GROUP

SEK million	2024	2023	2022	2021*
Net sales	40.6	0.0	0.0	0.0
Total assets	877.2	786.7	461.6	38.6
EBITDA	-116.1	-36.1	-24.1	0.0
EBITDA margin (%)**	Neg.	Neg.	Neg.	Neg.
Profit/loss after financial items	-166.8	-32.6	-23.6	0.0
Cash flow from investing activities	-186.9	-585.1	-49.3	0.0
Equity	239.1	404.7	436.5	37.7
Equity/assets ratio (%)	27.3	51.4	94.6	97.8
Net debt (+) / Net cash (-)	500.5	167.6	-402.5	-37.2
Net debt/EBITDA (multiple)**	-4.3	-4.6	16.7	n.a.
Installed production capacity, metric tons**	100,000	–	–	–
Average number of employees	36.8	10	9	0
Number of shares at the beginning of the year	72,526,498	72,526,498	56,664,400***	1,000
Number of shares at year-end	72,526,498	72,526,498	72,526,498	56,664,400

* The Group was incorporated on December 23, 2021.

** Financial and operational targets from 2024 onwards.

*** Share split 40 1 implemented on May 30, 2022.

Five reasons to invest in Cinis Fertilizer

Cinis Fertilizer has the following strengths and competitive advantages, which contribute to realizing the company's vision of decarbonizing plant nutrition:

- **Large, global, and non-cyclical market for potassium sulfate** with significant demand for sustainable solutions **supported by several global megatrends**. These include a growing global population which increases demand for food, less arable land per capita, climate change, changing eating habits and improved diet due to reduced poverty.
- Cinis Fertilizer's business model involves **significant expansion potential and a profitable growth plan, with a circular, sustainable, energy- and cost-efficient production process based on strong patent protection**. The production process is based on the established technology known as Glaserite or sulfate reaction, uses half as much energy as the dominant production method and has a lower production cost while solving waste problems for several industries.
- **Access to mineral fertilizers** is crucial for the European food supply. Cinis Fertilizers' production takes place close to farmers, which increases the possibility of self-sufficiency and strengthens the conditions for a more stable market and more even price development.
- Strategically selected locations for production plants **close to partners** and the potential to attract competent employees.
- **Experienced executive management supported by an experienced Board of Directors**. The majority of Directors and the management group are shareholders in Cinis Fertilizer.



SHARES AND SHAREHOLDERS

The Cinis Fertilizer share was listed on Nasdaq First North Growth Market on October 21, 2022.

THE CINIS FERTILIZER SHARE

Market place	Nasdaq First North Growth Market
Listed	October 21, 2022
Listing price	SEK 29
Sector	Chemicals
Ticker	CINIS
Liquidity provider	ABG Sundal Collier
ISIN code	SE0018040784
Currency	SEK

The number of outstanding shares as of December 31 2024, totaled 72,526,468, representing the same number of votes. Cinis Fertilizer's market value on December 31, 2024, amounted to SEK 783 million (2,426) Each share in Cinis Fertilizer entitles the holder to one vote at shareholders' meetings, and each shareholder is entitled to cast votes equal to the number of shares held by the shareholder. All shares in the company confer equal entitlement to any surplus in the event of liquidation.

Bond loan

The bond loan 2024/2027 with maturity date November 26, 2027, ISIN code: SE0021147030, was classified as a non-current liability at a total nominal value of SEK 550 million on the balance sheet date.

Dividends and dividend policy

Cinis Fertilizer is in an expansive growth phase and has not yet distributed dividends. According to the company's dividend policy, the Board intends to instruct the company to carry forward any profits to invest in the business and, accordingly, no dividend payments are anticipated in the near future.

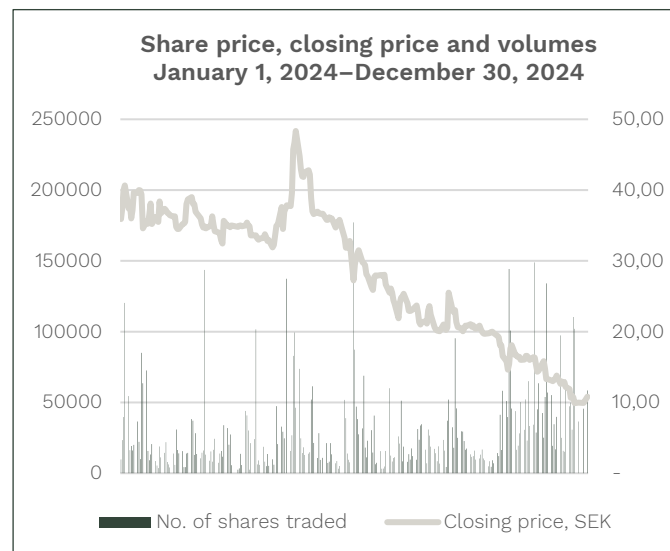
However, dividends may be distributed in future, when Cinis Fertilizer's profit and financial position allow this.

No dividend has been proposed for the year.

Share price development

When trading commenced on October 21, 2022, the price was SEK 29.00. When trading closed on December 30, 2024, the price of one share in Cinis Fertilizer was SEK 10.80. The highest closing price in 2024 was SEK 48.35 on May 17, 2024, and the lowest closing price, SEK 9.90, was noted on December 20, 2024.

Daily trading volume for the share in 2024 averaged 28,936 shares (19,512).



Source: Nasdaq

Shareholders

On December 31, 2024, Cinis Fertilizer had around 3,200 (4,800) shareholders. The three largest shareholders were Jakob Liedberg, Roger Johansson, and Thomas Ranje. As of December 31, 2024, the combined holdings of the Board and management amounted to 44,196,731 shares, equivalent to 60.9 percent of capital and votes in Cinis Fertilizer.

An updated list of the principal shareholders can be found on the company's website in connection with publication of Interim reports.

At year-end, the company held no treasury shares.

LARGEST SHAREHOLDERS, DECEMBER 31, 2024

NAME	Number of shares	Share of capital and votes, %
Jakob Liedberg	26,400,000	36.4
Roger Johansson*	13,947,427	19.2
Thomas Ranje*	11,075,676	15.3
Molindo Energy AB	2,387,457	3.3
Schroders	1,399,115	1.9
Åsa Källenius*	1,015,733	1.4
Livförsäkringsbolaget Skandia	988,179	1.4
Poularde AB	862,068	1.2
GADD & Cie	682,617	0.9
Libra Invest AB	542,000	0.7
<i>Other shareholders</i>	<i>13,226,196</i>	<i>18.2</i>
Total	72,526,468	100.0
<i>Of which Board and management</i>	<i>44,206,731</i>	<i>60.9</i>

* Includes related parties and, where applicable, through endowment insurance and ISK (Investment savings account)

Sources: Modular Finance and Cinis Fertilizer

Share capital

Cinis Fertilizer's share capital as of December 31, 2024, amounted to SEK 725.3 million, split over 72,526,468 shares. The share's quotient value is SEK 0.01.

Share capital progress since the company's foundation is described in the table below.

Incentive program

The company has four incentive programs based on outstanding warrants.

The company's warrant program 2021/2024 expired in 2024 and no warrants were exercised for subscription of shares.

In 2023, the Extraordinary General Meeting decided on the issue of 500,000 warrants in the company. During the third quarter of 2023, 500,000 warrants have been transferred to the newly elected board member and new employees in Cinis Fertilizer. The transfers have taken place at market price according to the Black & Scholes valuation model.

Each warrant entitles to one share in the company at a subscription price of SEK 80.00 per share. The warrants can be used to subscribe for shares during the period from and including October 3, 2023, to and including October 31, 2026.

On October 31, 2024, the Extraordinary General Meeting decided on the issue of two new warrant programs, 2024/2027:1 for senior executives and key personnel and 2024/2027:2 for board members. A total of 75,000 options have been transferred to senior executives and key personnel and 525,000 to board members. The transfers have been made at market price according to the Black & Scholes valuation model. Each warrant entitles to one share in the company at a subscription price of SEK 2.10 per share. The warrants can be used to subscribe for shares during the period from November 15, 2027, to December 15, 2027.

If all warrants in the program are exercised, the dilution would be less than 1.4 percent of the total number of shares in the company.

Insiders

Senior executives in Cinis Fertilizer and individuals or legal entities closely associated with such parties are required to inform the company and the Swedish Financial Supervisory Authority of any transaction that changes their holding in Cinis Fertilizer.

Cinis Fertilizer keeps a record of people who are employed or working on assignments for the company, who have access to insider information about the company, such as financial statements or press releases where the information could affect the share price.

Undertaking to refrain from selling shares

All shares are freely transferable, and the shares are not subject to any transfer restrictions.

Quiet periods

Cinis Fertilizer applies a quiet period of at least 30 days before publishing its Interim Report. During this period, the company's representatives do not meet with financial media representatives, analysts, or investors.

SHARE CAPITAL DEVELOPMENT

Date registered with Swedish Companies Registration Office	Event	Change in no. of shares	Change in no. of votes	Total number of shares	Total number of votes	Share capital (SEK)	
						Change	Total
03/28/2018	Founding	1,000	1,000	1,000	1,000	100,000	100,000
09/20/2021	Conversion to A shares and B shares	1,000 ¹	117	1,000	1,117	–	100,000
09/20/2021	New share issue	250 ²	475	1,250 ³	1,592	25,000	125,000
11/22/2021	Share split 1,000:1	1,248,750 ⁴	1,590,408	1,250 000 ⁵	1,592,000	–	125,000
11/22/2021	New share issue	166,610 ⁶	166,610	1,416,610 ⁷	1,758,610	16,661	141,661
03/02/2022	Conversion from A shares to B shares	–	342,000	1,416,610	1,416,610	–	141,661
05/30/2022	Conversion from B shares to shares	–	–	1,416,610 ⁸	1,416,610	–	141,661
05/30/2022	Bonus share issue	–	–	1,416,610	1,416,610	424,983	566,644
05/30/2022	Share split 40:1	55,247,790	55,247,790	56,664,400	56,664,400	–	566,644
10/21/2022	New share issue	13,793,103	13,793,103	70,457,503	70,457,503	137,931.03	704,575.03
11/22/2022	New share issue	2,068,965	2,068,965	72,526,468	72,526,468	20,689.65	725,264.68

¹ Conversion of 1,000 shares to 13 A shares and 987 B shares.

⁵ 38,000 A shares and 1,212,000 B shares.

² 25 A shares and 225 B shares.

⁶ 166,610 B shares.

³ 38 A shares and 1,212 B shares.

⁷ 38,000 A shares and 1,378,610 B shares.

⁴ 37,962 A shares and 1,210,788 B shares.

⁸ 1,416,610 shares. The company only has one share class following conversion.

Analyst covering

The following analysts monitor Cinis Fertilizer's development on a regular basis:

- **ABG Sundal Collier,**
Adrian Gilani Göransson (adrian.gilani@abgsc.se)
- **Nordea,**
Anders Åkerblom (anders.akerblom@nordea.com)
- **Pareto Securities,**
Tom Guinchard (tom.guinchard@paretosec.com)

Distribution of financial reports

The Annual Report and Interim Reports are available on the company's website, www.cinis-fertilizer.com.



DEFINITIONS

General	All amounts in tables are in SEK million unless otherwise stated. All amounts in brackets are comparative figures for the corresponding period of the previous year, unless otherwise stated.	
Definitions of key ratios		
Margins	Definition/calculation	Purpose
Gross margin, %	Gross profit in relation to net sales.	Used to measure product profitability.
EBITDA-margin, %	EBITDA in relation to net sales plus other operating income.	Measure of the underlying earnings capacity of the company's operations.
Operating margin (EBIT-margin), %	Operating profit in relation to net sales.	The company considers the operating margin to be a useful key ratio, together with sales growth, to monitor value creation.
Profit margin, %	Profit for the period after tax in relation to net sales.	Key ratios indicating the value due to shareholders in the company.
Return	Definition/calculation	Purpose
Equity/assets ratio	Equity divided by total assets at the end of the period.	Equity/assets ratio is stated as the company considers it to be a measure of financial position commonly used by certain investors, securities analysts, and other analysts.
Per share data	Definition/calculation	Purpose
Number of shares	Antal utestående aktier vid årets utgång.	—
Average number of shares	Vägt genomsnitt av antalet utestående aktier under perioden med tillägg för ett vägt antal aktier som tillkommer om samtliga potentiella aktier, som ger upphov till utspädning, konverteras till aktier.	—
Equity per share	Equity divided by the number of outstanding shares after dilution.	A measure indicating the shareholders' share of Cinis Fertilizer's total net assets per share.
Earnings per share, before and after dilution, SEK	Earnings after tax divided by average number of outstanding shares before and after dilution.	—
Other definitions	Definition/calculation	Purpose
Net sales	The company's income from normal operations.	—
EBITDA	Operating profit/loss according to the Income Statement before depreciation, amortization and impairment of intangible assets and property, plant and equipment.	Measure of underlying earnings capacity of the company's operations.
Operating profit (EBIT)	Operating profit before financial items.	—
Profit/loss after tax	Profit/loss for the period.	—
Total assets	The sum of the company's total assets.	—
Cash flow from operating activities	Cash flow from operating activities including changes in working capital and before cash flow from investing and financing activities.	Cash flow from operating activities is used as a measure of the cash flow the company generates before investments and financing.
Net debt/Net cash	Non-current and current interest-bearing liabilities less cash and cash equivalents.	This measure is used to assess the company's ability to meet its financial obligations.
Net debt/EBITDA	Non-current and current interest-bearing liabilities less cash and cash equivalents in relation to operating profit in accordance with the Income Statement, before depreciation, amortization and impairment of intangible assets and property, plant, and equipment.	This measure shows the company's net debt in relation to underlying earnings ability.
Average number of employees	Average number of employees in the company during the period.	—
Installed production capacity	Installed annual production capacity.	Measure of the Group's total installed production capacity per calendar year.

INFORMATION TO SHAREHOLDERS

Calendar

Extra General Meeting	May 2, 2025
Interim report Jan–Mar 2025	May 8, 2025
Extra General Meeting	May 15, 2025
Annual General Meeting 2025	June 25, 2025
Interim report Jan–Jun 2025	August 21, 2025
Interim report Jan–Sep 2025	November 13, 2025

Shareholder contact: Charlotte Becker

Email: info@cinis-fertilizer.com

Subscribe to receive Cinis Fertilizer's press releases.

ANNUAL GENERAL MEETING 2025

The Annual General Meeting of Cinis Fertilizer AB will be held on Thursday, June 25, 2025. Notice of the Annual General Meeting and related information will be published in a separate press release and on the company's website.

Production: Cinis Fertilizer AB.

Photos: Pixabay, Unsplash, Roger Svensk, Lillemor De Waal, Leif Wikberg.

Om Cinis Fertilizer

Cinis Fertilizer is a Swedish green-tech company producing an environmentally friendly mineral fertilizer, potassium sulphate (SOP), by, among other things, recycling waste products from battery manufacturing and recycling, as well as the pulp industry and other industries. The patent protected technology uses half as much energy as today's production methods and the result is a fertilizer with low carbon footprint, a unique and circular contribution enabling sustainable agriculture.

FNCA Sweden AB is Certified Adviser, +46 8 52 800 399, info@fnca.se.

For more information about Cinis Fertilizer and its operations, visit www.cinis-fertilizer.com.

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