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Cinis Fertilizer has resolved on set-off issues to bondholders

The Board of Directors of Cinis Fertilizer AB ("Cinis" or the "Company") has today, in accordance with the intention announced by the Company on 15 April 2025, resolved to carry out two set-off issues of shares to holders of the Company's outstanding senior secured bonds with ISIN code SE0021147030 (the "Bonds"). The issue resolutions have been taken pursuant to the authorisation granted to the Board of Directors at the Extraordinary General Meeting of the Company on 15 May 2025. One set-off issue relates to the set-off of interest accrued on the Company's Bonds which fell due for payment on 26 May 2025 (the "Set-off Issue I"). The second set-off issue relates to the set-off of the structuring fee to be received by certain bondholders following the structuring of new bonds (the "Set-off Issue II" and, together with Set-off Issue I, the "Set-off Issues"). The subscription price in Set-off Issue I is SEK 0.25 per share and the subscription price in Set-off Issue II is SEK 1.0 per share. All shares in the Set-Off Issues have been subscribed for and allotted.

In connection with the capital raising announced by the Company on 15 April 2025, the Company has worked together with major holders (the "Bondholders") of the Company's Bonds to reach an agreement in principle on certain amendments and waivers under the terms and conditions of the Bonds (the "Terms and Conditions") to strengthen the Company's liquidity and capital structure. The agreement in principle consists of, inter alia, that the interest due on the Bonds and payable on the interest payment dates 26 August 2025 up to and including 26 February 2026 is waived, and the interest payable on the interest payment date 26 May 2025 is set off by the Bondholders against new shares in Set-off Issue I, which thus entails a liquidity strengthening of approximately SEK 56.1 million until the second quarter of 2026. The Board of Directors of the Company has today, in accordance with what has previously been communicated, resolved on Set-Off Issue I to set-off the interest that was due for payment on 26 May 2025 against new shares in the Company.

In addition, the agreement in principle outlines that as compensation to the Bondholders, for entering into underwriting commitments related to the rights issue of shares announced by the Company on 15 April 2025, inter alia, a conversion of Bonds of SEK 210.0 million into new super senior bonds (the "New Bonds") is made. As compensation for the structuring of the New Bonds, the holders of the New Bonds will receive a structuring fee corresponding to five (5) per cent of the nominal amount of the New Bonds (i.e. SEK 10,500,000.0) (the "Structuring Fee"). The Board of Directors of the Company has today, in accordance with what has previously been communicated, resolved on Set-Off Issue II to set-off the Structuring Fee against new shares in the Company.

The Board of Directors believes that it is in favour of the Company's financial position to take advantage of the possibility to pay the interest due on the Bonds and the Structuring Fee in the form of shares instead of cash payment. The reason for the Board of director's resolution to deviate from the shareholders' preferential rights is to enable a strengthening of the Company's balance sheet by reducing the Company's indebtedness.

The subscription price in Set-off Issue I is SEK 0.25 per share and the subscription price in Set-off Issue II is SEK 1.0 per share. The subscription prices in the Set-Off Issues have been determined by the Board of Directors through arm's length negotiations with the Bondholders, whereby the Board of Directors has taken into account several factors such as the market situation, the Company's financing needs, alternative cost for other financing, customary discount for issues and assessed market interest for an investment in the Company. It is the Board's assessment, based on the above factors, that the subscription prices reflect current market conditions and current demand and are thus market-based.

All shares in the Set-off Issues have been subscribed for and allotted.



Shares and share capital

Through the Set-Off Issues, the Company's share capital will increase by SEK 665,967.00 through the issuance of 66,596,700 new shares. The Set-Off Issues entail a dilution of approximately 29.1 per cent of votes and capital based on the total number of outstanding shares in Cinis after the Set-Off Issues.

Advisors

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

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About Cinis Fertilizer

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

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This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Cinis in any jurisdiction, neither from Cinis nor from anyone else. This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. No prospectus will be prepared in connection with the Set-off Issues.

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

This press release does not constitute an offer or invitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of such securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction where such announcement, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would require additional registration or other measures than those required by Swedish law. Actions in violation of this instruction may constitute a violation of applicable securities legislation.

The Company considers that it is engaged in activities worthy of protection under the FDI Act. In accordance with the FDI Act, the Company must inform prospective investors that the Company's activities may fall within the scope of the regulation and that the investment may be notifiable. In the



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

Forward-looking statements

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