



Editor's note: 6 p.m. CEST 29 September 2023. The exact location of the new Cinis Fertilizer facility in Hopkinsville, Ky. is contingent upon the completion of due diligence, including approval of negotiated incentives. The company is optimistic about the planned facility and conversations are ongoing with state and local officials.

Cinis Fertilizer signs agreement with a leading American battery material manufacturer and establishes a production facility in the USA

Cinis Fertilizer AB ("Cinis Fertilizer") has today signed an agreement with Ascend Elements, Inc ("Ascend Elements"), a leading American manufacturer of engineered battery materials. The agreement pertains sourcing of sodium sulphate, an input for Cinis Fertilizer's production of environmentally friendly mineral fertilizer. This agreement and a collaboration with K+S Minerals and Agriculture GmbH ("K+S"), a global potash player and Europe's largest salt producer, lay the foundation for Cinis Fertilizer to establish a production plant in the US state of Kentucky. The plant will be the third after the company's first two plants in Sweden. The establishment in the USA is part of Cinis Fertilizer's growth plan to reach a production of 1.5 million tons of potassium sulphate in six facilities at the end of the year 2030. The investments in Cinis Fertilizer's US plant are estimated to amount to SEK 1 billion.

Cinis Fertilizer today signed a ten-year agreement with Ascend Elements, an independent manufacturer of advanced engineered battery materials with operations in multiple locations in the USA, that is currently building its largest facility in Hopkinsville, Kentucky. The agreement pertains to sourcing of up to 240,000 tons per annum of sodium sulphate starting in 2026. Cinis Fertilizer has entered into a letter of intent with K+S regarding the sale (off-take) of the finished product, potassium sulphate, and also to purchase potassium chloride from K+S' facilities in Saskatchewan in Canada to Cinis Fertilizer's plant in Hopkinsville. Cinis Fertilizer's plant is scheduled to start in 2026, with the capacity to produce up to 300,000 tonnes of potassium sulphate per annum for the North American market.

Cinis Fertilizer's business concept is to produce environmentally friendly mineral fertilizer by using half as much energy as today's production methods, resulting in a fossil free fertilizer with a close to zero carbon footprint. A unique contribution to a more sustainable agriculture industry.

"In the past year, we have experienced massive international interest in our environmentally friendly fertilizer, where circularity and fossil-free production are key. For manufacturers of batteries, it is important that the entire production chain meets high requirements for resource efficiency and environmental friendliness. The agreement with Ascend Elements in addition with the letter of intent with K+S, which includes the

purchase of our full plant production capacity, gives us the confidence we need to establish Cinis Fertilizer on the American market,” says Jakob Liedberg, founder and CEO of Cinis Fertilizer. “The fast growth of industrial in connection with the Inflation Reduction Act, currently taking place in USA contributes to our decision to carry out Cinis Fertilizer’s expansion in North America. This was further strengthened by the great interest shown by prominent investors in their recent investments in Ascend Elements.”

Cinis Fertilizers considered facility in Hopkinsville

The facility will be built in close vicinity to Ascend Elements’ operations in Hopkinsville, which entails cost-effective logistics solutions. Cinis Fertilizer has entered into an agreement with the city of Hopkinsville regarding the purchase of land for the plant and has begun discussions with a regional power supplier regarding the supply of fossil-free electricity.

The investments in Cinis Fertilizer’s plant in Hopkinsville are estimated to amount to SEK 1 billion and financing is planned through internal cash flows and loans. The company is also investigating supplementary financing solutions, which include state and federal investment grants.

“It is fantastic that Cinis Fertilizer already now is taking a first step outside the Nordics and continue our planned expansion. We are very pleased to have Ascend Elements as a long-term partner, and we look forward to embarking on our journey together and further develop our collaboration. Ascend Elements is a leading manufacturer of battery materials, specifically so-called precursors (“pCAM”) to the North American market for lithium-ion cells, primarily used in electric vehicles,” says Jakob Liedberg. “We recently signed a long-term agreement with K+S regarding the purchase of potassium chloride to our first two facilities in Sweden. The collaboration with K+S in North America we believe has good opportunities to develop into a global partnership.”

Cinis Fertilizer is currently building its first production facility outside of the town of Örnsköldsvik in Sweden, with a planned start-up in early 2024. Design for the company’s second Swedish facility, in Skellefteå, is ongoing and production is scheduled to start in mid-2025. Cinis Fertilizer’s growth plan includes 1.5 million tons of potassium sulphate in six facilities by the end of 2030, of which three locations now are designated.

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This information is such information that Cinis Fertilizer is obliged to make public pursuant to the EU’s Market Abuse Regulation. This press release has been prepared with a Swedish and an English version.

In the event of any discrepancies between the two, the Swedish version applies. This information was published, through the agency of the contact persons above, 21 September 2023, at 8.30 a.m. CEST.

About Cinis Fertilizer

Cinis Fertilizer is a Swedish green-tech company aiming to produce the world's most environmentally friendly mineral fertilizer, potassium sulphate (SOP), by recycling industrial waste products from the car battery manufacturing industry as well as the pulp & paper industry. The patent protected technology will use half as much energy as today's production methods and the result is a fertilizer with a close to zero carbon footprint, a unique and circular contribution enabling sustainable agriculture. FNCA Sweden AB is Certified Adviser. For further information please visit: www.cinis-fertilizer.com.

About Ascend Elements

Based in Westborough, Mass., Ascend Elements is the leading provider of sustainable, closed-loop battery materials solutions. From EV battery recycling to commercial-scale production of lithium-ion battery precursor (pCAM) and cathode active materials (CAM), Ascend Elements is revolutionizing the production of sustainable lithium-ion battery materials. Its proprietary Hydro-to-Cathode® direct precursor synthesis technology produces new pCAM from spent lithium-ion cells more efficiently than traditional methods, resulting in reduced cost, improved performance, and lowered GHG emissions. With fewer batteries going to landfill and a cleaner manufacturing process, Ascend Elements is taking the lithium-ion battery industry to a higher level of sustainability. For more information: ascendelements.com

About K+S

K+S makes an important contribution to society: We enable farmers securing the world's food supply. Our products keep numerous industries running. We enrich consumers' daily lives and ensure safety in winter. With around 11,000 employees, production sites on two continents, and a global distribution network, we are a reliable partner for our customers. At the same time, we are realigning ourselves: We are focusing even more strongly than before on fertilizers and specialties. We are becoming leaner, more cost-efficient, more digital, and more performance-oriented. On a solid financial basis, we are tapping into new markets and business models. We are committed to our responsibility towards society and the environment in all regions in which we operate. For more information: www.kpluss.com