

*THIS PRESS RELEASE MAY NOT BE MADE PUBLIC, PUBLISHED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEELAND, SINGAPORE, SOUTH AFRICA, SOUTH KOREA, SWITZERLAND, RUSSIA, BELARUS, OR ANY OTHER JURISDICTION IN WHICH SUCH ACTIONS, WHOLLY OR IN PART, WOULD BE UNLAWFUL OR DEMAND ADDITIONAL REGISTRATION OR OTHER MEASURES. PLEASE REFER TO "IMPORTANT INFORMATION" IN THE END OF THIS PRESS RELEASE.*

## Press release

26 February 2024

The Board of Directors of Minesto has resolved on a rights issue of units of approximately SEK 121 million, conditional on the approval of the extraordinary general meeting

The Board of Directors of Minesto AB (publ) ("Minesto" or the "Company") has today, conditional on the approval of an extraordinary general meeting, resolved on a rights issue of units, consisting of new shares and warrants, of approximately SEK 120.5 million (the "Rights Issue"). The subscription price has been determined to SEK 9.0 per unit, corresponding to SEK 3.0 per share (the warrants are issued free of charge). Those who on the record date 15 March 2024 are registered as shareholders in Minesto will receive one (1) unit right for each share held. Twelve (12) unit rights will entitle to subscription for one (1) unit, consisting of three (3) newly issued shares and one (1) new warrant of series TO4. The Company has received subscription undertakings from existing shareholders and senior management, which in total amount to approximately SEK 10.2 million, corresponding to approximately 8.4 percent of the Rights Issue. The Company has also received guarantee commitments subject to customary conditions which, in aggregate, amount to SEK 90.0 million, corresponding to approximately 74.7 percent of the Rights Issue. Consequently, the Rights Issue is covered by way of subscription undertakings and guarantee commitments to a total of SEK 100.2 million, corresponding to approximately 83.1 percent of the Rights Issue.

Notice to the extraordinary general meeting for resolution on approval of the Rights Issue, which will be held on 13 March 2024, will be announced through a separate press release. Due to the Rights Issue, the publishing of Minesto's Year-End Report is brought forward to today, previously communicated date was 7 March 2024.

## Summary

- The Board of Directors of Minesto has today resolved on the Rights Issue, conditional on the subsequent approval of the extraordinary general meeting.
- The extraordinary general meeting will be held on 13 March 2024 and the notice will be published through a separate press release.
- The net proceeds from the Rights Issue are intended to be used for the following purposes listed in order of priority; (i) secure and verify production data from the commissioned Dragon 12 to enable sales and project investments, (ii) continue development and execution of project financing and sales, including identification and verification of new potential production site projects, (iii) ensure customer delivery capability focusing on product customization, service assets and production development, including the development of installation and maintenance processes and, (iv) financing of customer orders and creation of eligibility for large-scale grant funding from EU and other public investors.
- If the Rights Issue is fully subscribed, the Company will receive approximately SEK 120.5 million before deduction of transaction costs.

- Upon full exercise of all warrants of series TO4 covered by the Rights Issue, the Company will receive up to approximately SEK 60.3 million.
- The subscription price is SEK 9.0 per unit, corresponding to SEK 3.0 per share. The warrants are issued free of charge.
- Those who on the record date 15 March 2024 are registered as shareholders in Minesto will receive one (1) unit right for each share held.
- Twelve (12) unit rights entitle to subscription for one (1) unit.
- Each unit consist of three (3) newly issued shares and one (1) warrant of series TO4.
- Each warrant of series TO4 entitles the holder to subscribe for one (1) new share in the Company during the period 18 March 2025 up to and including 1 April 2025. The subscription price for subscription of shares with the support of warrants of series TO4 will correspond to 70 percent of the volume-weighted average price in the Company's share on Nasdaq First North Growth Market during the period from and including 3 March 2025 up to and including 14 March 2025. However, the subscription price can at minimum amount to the shares' quota value (SEK 0.05) and at maximum amount to SEK 4.5 per share.
- The subscription period in the Rights Issue runs from and including 19 March 2024, up to and including 2 April 2024.
- Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by up to approximately 20.0 percent but will have the opportunity to compensate themselves financially for the dilution effect by selling their unit rights. Exercise of all warrants of series TO4 covered by the Rights Issue, provided that the Rights Issue is fully subscribed, entails an additional dilution effect of approximately 6.2 percent.
- The subscription undertakings from existing shareholders and members of senior management amount to approximately SEK 10.2 million, corresponding to approximately 8.4 percent of the Rights Issue. In addition, the Company has received guarantee commitments amounting to approximately SEK 90.0 million, which corresponds to 74.7 percent of the Rights Issue. Consequently, the Rights Issue is covered by way of subscription undertakings and guarantee commitments to a total of SEK 100.2 million, corresponding to approximately 83.1 percent of the Rights Issue.
- The full terms and conditions of the Rights Issue will be available in the prospectus which is expected to be published around 18 March 2024.
- Due to the Rights Issue, the publishing of Minesto's Year-End Report is brought forward to today, previously communicated date was 7 March 2024.

## Background and reasons

Minesto is a development company in renewable ocean energy with a technology for commercial production of electricity from a previously untapped global natural resource: tidal and ocean currents. Minesto owns and develops a patented technology to convert the kinetic energy in slow ocean currents into electricity. The technology has been verified in a grid-connected production facility in the sea of the Faroe Islands since 2020. To realize the global market potential, the Company needs to strengthen its financial resources. Investments and a strong balance sheet are required to secure large-scale delivery capability and to secure orders from project developers and power companies. The Rights Issue gives Minesto the opportunity to complete ongoing large-scale commercialization and ensure delivery capability. The strategy to get there includes three main areas: (i) securing the first project investments from customers and other financiers, (ii) completing installation and the first phase of production from the first megawatt power plant, Dragon 12 (1.2 MW), and (iii) supporting ongoing identification and development of production facilities, primarily in Hestfjord, Faroe Islands.

## Use of proceeds

If the Rights Issue is fully subscribed, the Company will receive a maximum of approximately SEK 120.5 million before deduction of transaction costs. Given the Company's current business plan and against the above background, the Company intends to distribute the expected net proceeds in accordance with the below order of priority:

- Secure and verify production data from the commissioned Dragon 12 to enable sales and project investments – approximately 20 percent.
- Continue development and execution of project financing and sales, including identification and verification of new potential production site projects – approximately 20 percent.
- Ensure customer delivery capability focusing on product customization, service assets and production development, including the development of installation and maintenance processes – approximately 50 percent.
- Financing of customer orders and creation of eligibility for large-scale grant funding from EU and other public investors – approximately 10 percent.

The net proceeds from the warrants covered by the Rights Issue are intended to be distributed as described above.

### **Extraordinary general meeting**

Through a separate press release, the Company will convene an extraordinary general meeting to be held on 13 March 2024 to approve the Rights Issue.

### **The Rights Issue**

Shareholders who are registered in the share register in Minesto on the record date on 15 March 2024 will receive one (1) unit right for each share held in the Company. Twelve (12) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of three (3) newly issued shares and one (1) warrant of series TO4. The subscription price is SEK 9.0 per unit, corresponding to SEK 3.0 per share (the warrants are issued free of charge), which means that Minesto will receive gross proceeds of approximately SEK 120.5 million before deduction of transaction costs, provided that the Rights Issue is fully subscribed. In addition, investors are offered the opportunity to sign up for subscription of units without the support of unit rights.

Each warrant of series TO4 entitles the holder to subscribe for one (1) new share in the Company during the period from and including 18 March 2025 up to and including 1 April 2025. The subscription price for subscription of shares with the support of warrants of series TO4 will correspond to 70 percent of the volume-weighted average price in the Company's share on Nasdaq First North Growth Market during the period from and including 3 March 2025 up to and including 14 March 2025. However, the subscription price can at minimum amount to shares' quota value (SEK 0.05) and at maximum amount to SEK 4.5 per share.

Provided that the Rights Issue is fully subscribed, and provided that the extraordinary general meeting resolves to approve the Rights Issue, the number of shares in Minesto will increase by 40,183,173, from 160,732,694 to 200,915,867 and the share capital will increase by a maximum of SEK 2,009,158.65, from SEK 8,036,637.70 to SEK 10,045,793.35.

Shareholders who choose not to participate in the Rights Issue will through the Rights Issue have their ownership diluted by up to approximately 20.0 percent (calculated on the total number of outstanding shares in the Company after completion of the Rights Issue). These shareholders have the opportunity to compensate themselves financially for this dilution effect by selling their received unit rights.

Upon exercise of all warrants of series TO4 covered by the Rights Issue, the number of shares will increase by 13,394,391 and the share capital will increase by SEK 669,719.55 provided that the Rights Issue is fully subscribed, corresponding to a dilution effect of approximately 6.2 percent of the total number of shares and votes in the Company.

The last day of trading in Minesto's shares including the right to receive unit rights in the Rights Issue is 13 March 2024. The shares are traded excluding the right to receive unit rights in the Rights Issue as of 14 March 2024. The subscription period, with or without the support of unit rights, runs from and

including 19 March 2024 up to and including 2 April 2024. Trading in unit rights will take place on Nasdaq First North Growth Market during the period from 19 March 2024 up to and including 26 March 2024 and trading in BTUs (paid subscribed unit) will take place on Nasdaq First North Growth Market during the period from and including 19 March 2024 until the registration of the Rights Issue with the Swedish Companies Registration Office.

The complete terms and conditions of the Rights Issue and information about the Company will be presented in a prospectus that is expected to be published on the Company's website around 18 March 2024.

### Subscription undertakings and guarantee commitments

Minesto has received subscription undertakings from Corespring New Technology AB and the Company's senior management, including Martin Edlund (CEO), Gustav Kvibling, (CFO), and Bernt Erik Westre (CTO), amounting to a total of approximately SEK 10.2 million, corresponding to approximately 8.4 percent of the Rights Issue. Furthermore, the Company has entered into guarantee commitments on customary terms. The guarantee commitments amount to a total of SEK 90.0 million, corresponding to approximately 74.7 percent of the Rights Issue. Consequently, the Rights Issue is covered by way of subscription undertakings and guarantee commitments to a total of SEK 100.2 million, corresponding to approximately 83.1 percent of the Rights Issue. Neither the subscription nor the guarantee commitments are secured by bank guarantees, escrow funds, pledges or similar arrangements.

The guarantee commitments are subject to an underwriting commission, adapted to the prevailing market condition, of twelve (12) percent of the guaranteed amount in cash compensation. No commission is paid for the subscription undertakings.

The full terms and conditions of the Rights Issue and further information about the parties that have entered into subscription undertakings and guarantee commitments will be presented in the prospectus that is expected to be published around 18 March 2024.

### Lock-up undertakings

Prior to the execution of the Rights Issue, members of the Board of Directors and senior management of the Company as well as the principal shareholders Corespring New Technology AB and BGA Invest AB have entered into lock-up undertakings, which, among other things mean that they, with customary exceptions, have undertaken not to sell shares in the Company. The lock-up undertakings expire on the day that falls 180 days after the announcement date of the outcome in the Rights Issue. Further information about the parties that have entered into lock-up undertakings will be presented in the prospectus that is expected to be published around 18 March 2024.

Furthermore, the Company has undertaken towards Pareto Securities AB, subject to customary exceptions, not to issue additional shares or other share-related instruments for a period of 12 months after the end of the subscription period.

### Indicative time plan

The following time plan for the Rights Issue is preliminary and subject to change.

Extraordinary general meeting to resolve on the Rights Issue	13 March 2024
Last day of trading in shares including right to receive unit rights	13 March 2024
First day of trading in shares excluding right to receive unit rights	14 March 2024
Record date for the Rights Issue	15 March 2024
Planned publishing date of prospectus	18 March 2024
Trading in unit rights	19 – 26 March 2024

Subscription period	19 March – 2 April 2024
Trading in paid subscribed unit (BTU)	19 March – 18 April 2024
Expected announcement of the preliminary outcome in the Rights Issue	2 April 2024
First day of trading in warrants of series TO4	22 April 2024
Subscription period for warrants of series TO4	18 March – 1 April 2025

### Advisers

Pareto Securities AB is Sole Manager and Bookrunner. MAQS Advokatbyrå is legal adviser to the Company and Baker & McKenzie Advokatbyrå is legal adviser to Pareto Securities in connection with the Rights Issue.

### For additional information please contact

Martin Edlund, CEO  
ir@minesto.com

Cecilia Sernhage, Chief Communications Officer  
+46 735 23 71 58  
ir@minesto.com

*This information is such insider information that Minesto AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted, through the agency of the contact person above, for publication on 26 February 2024, 08:00 CET.*

### About Minesto

Minesto is a leading marine energy technology company with the mission to minimize the global carbon footprint of the energy industry by enabling commercial power production from the ocean.

Minesto was founded in 2007 and has operations in Sweden, the Faroe Islands, Wales, and Taiwan. The major shareholders in Minesto are BGA Invest and Corespring New Technology. The Minesto share (MINEST) is traded on Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, email: ca@gwkapital.se, telephone: +46 8 503 000 50.

Read more about Minesto at [www.minesto.com](http://www.minesto.com)

Press images and other media material is available for download via [minesto.com/media](http://minesto.com/media)

Financial information in English, including reports, prospectuses, and company descriptions, is available at [www.minesto.com/investors](http://www.minesto.com/investors).

### Important information

Publication, release, or distribution of this press release may in certain jurisdictions be subject to legal restrictions and persons in the jurisdictions where this press release has been made public or distributed should inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release and the information herein in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of an offer, to acquire or subscribe for any securities in Minesto in any jurisdiction, neither from Minesto nor from anyone else.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. A prospectus, equivalent to an EU growth prospectus, regarding the Rights Issue referred to in this press release will be prepared and published by the Company before the subscription period in the Rights Issue begins.

This press release does not identify, or purport to identify, risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement is for background purposes for the Rights Issue only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Pareto Securities AB acts for Minesto and not on behalf of anyone else. Pareto Securities AB is not liable to anyone else for providing the protection provided to their clients or for providing advice in connection with the Rights Issue or with respect to anything else mentioned herein.

This press release does not constitute or form part of an offer or solicitation 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 exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within 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 the 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, within or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland, or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

#### *Forward-looking statements*

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to

change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq First North Growth Market rule book for issuers.

*Information to distributors*

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in the Company.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the shares in the Company and determining appropriate distribution channels.