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23 December 2022

**Cindrigo Holdings Limited**  
(‘Cindrigo’ or the ‘Company’)

### **Financing, Financial Restructuring and Trading Update**

Cindrigo Holdings Limited (LSE: CINH) is pleased provide an update as part of the Company’s intended application for re-admission to trading on the London Stock Exchange.

In order to ensure that the Company has sufficient working capital to satisfy listing requirements, and to support the Company’s on-going development, the Company has, subject to execution of documentation, reached agreement with Danir AB, (“Danir”) the Company’s largest shareholder and creditor, to provide new funding and to restructure short-term debt of £4,277,513 into long-term convertible loans, details of which are set out below,

Danir has provided additional loan funding of £750,000 following the failure by BK Fortuna AS to provide its agreed funding (announced on 30 September 2022). The funding is to be by way of a 24-month convertible loan with an interest rate payable of 5% per annum. This convertible loan will, subject to certain restrictions, be convertible into ordinary shares from 60 days after the Company is readmitted to listing, with a conversion price equal to the higher of a 25% discount to the 30-day volume weighted average share price, or the minimum price per share of 125p per share. The terms of the loan will prevent the exercise of any the conversion rights if such conversion would result in Danir’s holding of shares and voting rights in the Company increasing to 30% or more. Danir currently holds 29% of the Company’s ordinary shares and voting rights.

The existing £3,800,900 debt funding from Danir AB will be restructured and replaced by the issue of new 10-year zero coupon convertible loan notes with a conversion price of 15p per share, which if converted will result in the issue of 25,339,333 new ordinary shares. Conversion of the new loan notes will also be restricted where it would result in Danir’s holding of shares and voting rights in the Company increasing to 30% or more.

The short-term working capital loans of £408,422 from Spånan AB, and £68,191 from Kvantio AB, which were both liabilities of Energy Co-Invest Global Corp (“ECG”) and due for repayment in December 2022, have been replaced by new convertible loans in the same amounts. The term of the loans is 24 months with an interest rate payable of 8% per annum and a conversion right from 60 days after listing at a 25% discount to a 30-day volume weighted average share price, with a minimum conversion price of 100p per share.

With Danir AB providing an additional £750,000, and the restructuring of loans the Company has secured the working capital required to enable it to meet Listing Rules requirements in respect of its proposed application for re-listing once the FCA has approved a prospectus, the process for which is now well advanced.

In recent months the Company has made further progress with its geothermal project in Slatina, Croatia (“Croatia One”) where the pre-engineering and drilling preparation work has been undertaken. Suppliers have also been identified and, subject to agreement of formal contractual terms, have indicated they are prepared to start on-site work. GEG, of which Cindrigo, through ECG, is a substantial shareholder and its projects have progressed and is preparing for the next phase of its development including the closure of a €9.8million grant from the German Development Bank for its geothermal project in Chile.

Cindrigo are in advanced discussions regarding the project financing required to initiate the next steps in the Croatia One development. The financing for each power plant project is primarily sought on a project-finance basis at the level of the special purpose vehicle utilised for a particular project.

There is strong support for the geothermal clean energy sector in financial markets. The instability and potential termination of the supply of fossil fuels from Russia have further increased the need for locally sourced and produced secure and stable sources of power (particularly baseload power), from environmentally sustainable sources as the world also races to deliver on the net zero targets. The geothermal energy market is an exciting and high growth clean baseload energy resource which is forecasted to play an increasingly prominent role as a green baseload power source. As a clean baseload power developer, Cindrigo have identified Croatia as a country with extensive geothermal potential and thanks to the strategic acquisitions of ECG and Dravacel, Cindrigo believes it is well placed to build shareholder value by capitalising on the opportunities available with rising market demand.

With our projects under way and, with the required financial restructuring achieved and new capital raised, Cindrigo is well positioned to meet the requirements for re-admission of its issued and to be issued share capital to the Official List and to trading on the Main Market of the London Stock Exchange (‘LSE’) with a Standard Listing, which the Company hopes to update shareholders further on in the near future.

**\*\*ENDS\*\***

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