Enviro announces reorganisation plan, proposal for debt settlement, enters into conditional financing agreement with Nordic Restructuring and Growth Capital 1 for up to 100 MSEK and increases existing facility

Scandinavian Enviro Systems AB (publ) ("Enviro" or the "Company") today announces the reorganisation plan for the Company's ongoing company reorganisation (the "Reorganisation Plan"). The Reorganisation Plan will now be sent to the parties concerned, and Enviro intends to request shortly that the Gothenburg District Court decide to commence so-called plan proceedings and set a date for a plan meeting. The Reorganisation Plan includes, among other things, a proposal for a debt settlement. The proposal for a debt settlement provides that priority and non-priority creditors, other than related-party creditors without priority, will receive 30 percent of the nominal claim amount, and that related-party creditors without priority will receive 0 percent of the nominal claim amount, corresponding to a composition of up to approximately 35 MSEK in total. At the plan meeting, all parties concerned will be divided into groups and have the opportunity to vote on the adoption of the Reorganisation Plan. In order to enable the holding of a plan meeting and voting on the proposed Reorganisation Plan, Enviro intends to apply shortly for an extension of the ongoing company reorganisation.

Furthermore, Enviro has today entered into a conditional financing agreement (the "Agreement") with Nordic Restructuring and Growth Capital 1, ("Nordic Restructuring and Growth Capital"), regarding convertible loans of up to a total of SEK 100 million (the "Financing"). The Financing is divided into two separate facilities, of which SEK 35 million may be used primarily to finance the Company's proposed debt settlement with the Company's creditors and secondly, to the extent any funds remain after the financing of the reorganisation, for general corporate purposes ("Facility I") and SEK 65 million may be used for general corporate purposes ("Facility II"). Facility I and Facility II are conditional upon, inter alia, Enviro's reorganisation plan becoming legally effective, and the company reorganisation having been concluded. As consideration for the Financing, Enviro shall pay consideration to Nordic Restructuring and Growth Capital corresponding to SEK 10 million in the form of newly issued shares in Enviro (the "First Issue"). The Reorganisation Plan contains a provision that Nordic Restructuring and Growth Capital shall have a priority right pursuant to Section 10, fourth point, of the Swedish Rights of Priority Act (Sw. *förmånsrättslagen*) in respect of Facility I.

In addition to the Agreement, Enviro has today entered into an amendment agreement (the "Amendment Agreement") with Alumni Capital Limited ("Alumni Capital") regarding an increase of the existing financing arrangement with Alumni Capital entered into on 22 May 2026. The Amendment Agreement entails that the commitment amount is increased by SEK 30 million, from SEK 50 million to a total of SEK 80 million, that the amount each individual request may amount to is increased by SEK 500,000, from SEK 5 million to SEK 5.5 million, and

that the number of warrants that may be issued to Alumni Capital is increased from 50,000,000 to 80,000,000, and that the number of warrants issued in connection with each subscription shall be no more than 2,750,000 warrants per occasion, proportionally adjusted if the request is less than SEK 5.5 million. The terms otherwise remain unchanged. As consideration for the increase, Enviro shall pay a commitment fee corresponding to 8 per cent of the amount of SEK 30 million, i.e. SEK 2.4 million, which shall be paid in the form of newly issued shares in the Company.

Background

Enviro's company reorganisation commenced on 27 February 2026 following a decision by the Gothenburg District Court. The District Court further decided on 30 June 2026 to approve an extension of the company reorganisation until and including 27 August 2026. As part of the reorganisation, Enviro has taken a number of measures to ensure the long-term viability of the business and strengthen the Company's financial position. The Financing constitutes a central part of these measures and is intended to enable a debt settlement with the Company's creditors and secure working capital for continued operations after the end of the reorganisation period.

The Reorganisation Plan and proposal for a debt settlement

The Reorganisation Plan will now be sent to the parties concerned, and the Company intends to request shortly that the District Court decide to hold plan proceedings and set a date for a plan meeting. At the plan meeting, all parties concerned will be divided into groups and have the opportunity to vote on the adoption of the Reorganisation Plan. The Reorganisation Plan is accompanied by a report from the reorganisation administrator, a list of assets and liabilities, and a statement of reasons for the division of the parties concerned into groups.

The plan meeting shall, in accordance with the Swedish Company Reorganisation Act, be held no earlier than three (3) and no later than five (5) weeks after the District Court's decision to open the plan proceedings. Enviro expects to request plan proceedings before the District Court during September 2026. The exact date of the plan meeting will be decided by the Gothenburg District Court. The date set for the plan meeting, as well as instructions for the parties concerned wishing to participate in the plan meeting, will be announced by the Company by way of a press release and on the Company's website, www.envirosystems.se.

The proposal for a debt settlement in the Reorganisation Plan provides that priority and non-priority creditors, other than related-party creditors without priority, will receive 30 percent of the nominal claim amount, and that related-party creditors without priority will receive 0 percent of the nominal claim amount, corresponding to a composition of up to approximately 35 MSEK in total. The debt settlement is intended to be financed with funds from Facility I under the Agreement (further described below). Enviro's ongoing operations are intended to be financed through Facility II and the Amendment Agreement with Alumni Capital (further described below). As of today, the Financing from Nordic Restructuring and Growth Capital together with the existing and increased financing arrangement with Alumni Capital represents total undrawn financing commitments of approximately 175 MSEK under both arrangements, excluding subscription proceeds from any exercise of the warrants that have been issued and may be issued under the arrangements.

The Reorganisation Plan in its entirety will be published on Enviro's website, www.envirosystems.se.

Key terms of the Agreement

The Financing from Nordic Restructuring and Growth Capital consists of two facilities. Facility I amounts to 35 MSEK and may be used primarily to finance the Company's proposed debt settlement with creditors and secondly, to the extent any funds remain after the financing of the reorganisation, for general corporate purposes. Facility II amounts to 65 MSEK and may be used for general corporate purposes. Drawdown under Facility I and Facility II is conditional upon the Company's Reorganisation Plan having become legally effective and the Company's company reorganisation having been completed in accordance with applicable law.

The Agreement gives Enviro the right, during a period of 36 months from the date of the Agreement, to request from time to time that Nordic Restructuring and Growth Capital provide convertible loans up to the total loan amount of 100 MSEK. Each individual request may amount to no more than 5 MSEK (a "**Tranche**"). Each convertible loan has a term of 24 months from the disbursement of the relevant Tranche and is interest-free. A subsequent Tranche may be requested only after at least ten trading days have elapsed since the disbursement of the preceding Tranche.

Nordic Restructuring and Growth Capital has the right, during a period of 24 months from the disbursement of the relevant Tranche, to request that all or part of the amount be converted into new shares in Enviro (the "**Conversion Period**"). The subscription price upon conversion shall correspond to 95 percent of the average of the three lowest volume-weighted average prices during the ten trading days immediately preceding a conversion request, but never be lower than the quota value of the shares. The portion of each Tranche that has not previously been converted shall be mandatorily converted no later than the end of the Conversion Period for the relevant Tranche. In addition, Nordic Restructuring and Growth Capital shall receive warrants in connection with each Tranche, corresponding to a maximum of 2,500,000 warrants per Tranche, or a lower number of warrants proportionally adjusted if Enviro's request is less than the maximum amount of 5 MSEK per Tranche.

Provided that Enviro does not request any drawdown of a Tranche under the Agreement, the Agreement does not entail any obligation for Enviro to issue shares or warrants other than the shares issued to Nordic Restructuring and Growth Capital as part of the First Issue (see further under the heading *First Issue*).

The number of warrants issued to Nordic Restructuring and Growth Capital as part of the Financing may amount to a maximum of 50,000,000. The warrants will be issued free of charge. Each warrant entitles the holder to subscribe for one new share in the Company. The subscription price shall correspond to 150 percent of the volume-weighted average price on the trading day immediately preceding the relevant drawdown request, but never be lower than the quota value of the shares, and the warrants shall be exercisable during a period of three years from the issue date of the relevant warrant. The warrants will be subject to customary adjustment terms and are not intended to be admitted to trading on any marketplace.

The First Issue

As compensation for Nordic Restructuring and Growth Capital's provision of the Financing, Enviro shall pay a so-called commitment fee corresponding to 10 percent of the total loan amount, i.e. 10 MSEK. This fee shall be paid through a directed share issue of new shares in the Company to Nordic Restructuring and Growth Capital as part of the First Issue.

The First Issue is to be carried out as a directed share issue to Nordic Restructuring and Growth Capital at a subscription price corresponding to the closing price of Enviro's share on Nasdaq First North on the trading day immediately preceding the Board of Directors' resolution on the First Issue, which shall be adopted as soon as possible. The number of shares in the First Issue will be determined based on the final subscription price and announced in connection with the issue resolution.

The First Issue is intended to be resolved upon by the Board of Directors pursuant to the existing authorisation to issue shares granted by the Annual General Meeting on 23 June 2026 and with deviation from the shareholders' pre-emptive rights. The principal reasons for the deviation from the shareholders' pre-emptive rights are to ensure, in a time- and cost-efficient manner, the financing required for the Company's proposal for a debt settlement with creditors and the Company's continued operations. The complete issue terms and the detailed reasons for the deviation from the shareholders' pre-emptive rights will be disclosed in full in connection with the Board of Directors' resolution on the issue.

Further information about subsequent issues to Nordic Restructuring and Growth Capital will be disclosed if and when they are carried out.

Key terms of the Amendment Agreement

Enviro has today entered into the Amendment Agreement with Alumni Capital regarding an increase of the existing financing arrangement entered into on 22 May 2026.[1] The increase provides that the commitment amount is increased by 30 MSEK, from 50 MSEK to a total of 80 MSEK and that the amount each individual request may amount to is increased by SEK 500,000, from SEK 5 million to SEK 5.5 million. The Amendment Agreement further provides that the maximum number of warrants that may be issued to Alumni Capital under the arrangement is increased from 50,000,000 to 80,000,000, and that the number of warrants issued in connection with each subscription shall be no more than 2,750,000 warrants per occasion, proportionally adjusted if the request is less than SEK 5.5 million. The other terms remain unchanged, which means, inter alia, that Alumni Capital shall, at Enviro's request, subscribe for newly issued shares in Enviro, and that the subscription price per share shall correspond to 90 percent of the lowest daily volume-weighted average price during the five trading days preceding the relevant settlement date. Alumni Capital shall, in connection with each subscription, receive no more than 2,750,000 warrants per occasion, proportionally adjusted if the request is less than SEK 5.5 million, whereby each warrant entitles the holder to subscribe for one (1) new share in the Company at a subscription price of SEK 0.22 during the period until 22 May 2030.

As consideration to Alumni Capital for the increased facility, the Company shall pay a commitment fee of 2.4 MSEK, corresponding to 8 percent of the increased amount, which is paid in the form of newly issued shares in the Company at a subscription price of SEK 0.186475. The subscription price corresponds to the lowest daily VWAP of the Company's shares on First North during the five trading days preceding the signing of the Amendment Agreement. The issue to Alumni Capital is intended to be resolved upon as soon as possible pursuant to the existing share issue authorisation. The complete issue terms and the detailed reasons for the deviation from the shareholders' pre-emptive rights will be disclosed in full in connection with the Board of Directors' resolution on the issue.

[1] Further information about the existing financing arrangement with Alumni Capital Limited is set out in a previously published press release dated 22 May 2026, which is available on the Company's website, www.envirosystems.se.

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N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Scandinavian Enviro Systems contributes to enhanced environmental and economic sustainability using a patented technology for the recovery of valuable raw materials from scrapped and end-of-life products, including tires. The production of new tires using carbon black recovered with Enviro's technology reduces carbon dioxide emissions by up to 93 percent compared to virgin carbon black. Enviro has its head office in Gothenburg. Enviro was founded in 2001 and is listed on Nasdaq First North Growth Market with FNCA Sweden AB, +46 8-528 00 399, info@fnca.se, as its Certified Advisor. www.envirosystems.se

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