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Cindrigo Holdings Limited
('Cindrigo, the 'Company' or the 'Group')

Majority investment in three Geothermal Projects in Germany Acquired
Grant Thornton (Channel Islands) Appointed as Group Auditor

Cindrigo Holdings Limited, a renewable energy developer, is pleased to announce that the previously agreed Term Sheet for three geothermal energy projects in the Upper Rhine Valley, Germany, has been set out in definitive agreements, providing for the acquisition of an 85% majority interest in these projects.

Covering a total licence area of approximately 125 km² (12,500 hectares), the Eich, Weinheim and Worms projects (the "Projects") represent a major step in Cindrigo's strategy to expand its presence in the European geothermal sector. The process to apply for extension of the licenses from current expiry in Q3 2025 is in progress, with an extension of at least one year anticipated. . The Projects have an expected initial target capacity of approximately 80 MW, with a probable combined potential exceeding 300 MW across both geothermal power and heat generation. Additionally, they hold significant promise for lithium extraction, reinforcing the Upper Rhine Valley's status as a key region for geothermal lithium recovery in Europe. This acquisition aligns with Cindrigo's commitment to advancing renewable energy solutions while leveraging Germany's strong regulatory framework and financial incentives to drive sustainable geothermal development.

Strategic Importance & German Geothermal Market

The Upper Rhine Valley is a very promising geothermal region characterised by high subsurface temperatures exceeding 170°C at a depth of 3km. It is also a mature, producing field with over 400 oil & gas wells and +20 deep geothermal wells already drilled, providing a strong foundation for further development.

Germany has a clear target to increase geothermal energy output to 10 TWh by 2030, which will require at least 100 additional geothermal projects. The German Renewable Energy Sources Act (EEG) offers a feed-in tariff of €0.25 per kWh for geothermal power over a 20-year term, providing a stable and transparent support framework for investment. Additionally, the German federal government's BEW programme offers subsidies covering up to 40% of capital expenditure for geothermal district heating projects. Further de-risking the sector, the German Ministry of Economic Affairs and Climate Action has commissioned KfW, the federal development bank, to prepare a program financing and covering the risk and costs of exploratory geothermal drilling. This policy is planned to ensure significant indemnification if drilling fails to produce the expected heat output.

With strong policy supports, high power prices, and rising demand, Germany's geothermal industry is positioned for substantial growth, and Cindrigo is set to play a key role in this expanding market.

Transaction Highlights

- Cindrigo will own 85% of a newly created German Geo Holding Co (GGH) which will make investments in the exploration and development of the projects
- Three new German SPVs will be established, one for each project/license, each wholly owned by GGH.

- The Projects are likely to benefit from subsidies and grants, including the German federal government's Bundesförderung für effiziente Wärmenetze (BEW) subsidy, and EPC provider (Kaishan) are expected to finance some 70% of the on-surface cost

Grant Thornton New Group Auditor

As part of the on-going listing process on LSE, and as approved at the Company's 2024 AGM, Cindrigo has separated the contractual services of financial accounting and audit. Accordingly, Grant Thornton Guernsey has been appointed as auditor for the Cindrigo Group.

Business Update

As previously announced, initial heat production has on a limited scale commenced at Cindrigo's Kaipola Energy plant in Finland, ahead of increasing to larger heat and also electricity production when the Plant's primary industrial heat customer / off-taker opens its new pellet production factory, which is expected during 2025. The Company's prospective application for admission of its shares to trading on the Main Markets of the London Stock Exchange remains aiming for Q1 2025.

Lars Guldstrand, CEO of Cindrigo, commented: *"Our investment in the geothermal space in Germany provides Cindrigo with attractive licenses and highly qualified partners in the German geothermal market. The acquisition marks a significant milestone in our expansion into the European geothermal sector and reinforces our commitment to renewable energy and positions Cindrigo at the forefront of Germany's geothermal growth. Germany, with its supportive Government providing subsidies and high-power prices and a proven transparent framework, has created a geothermal development opportunity that is arguably unmatched, making it an attractive and predictable location for investment.*

"With this new position in Germany geothermal and the progress at our Kaipola Energy plant and our planned London Stock Exchange listing, we are building a strong platform and momentum for what promises to be a transformative future ahead."

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Cindrigo Holdings Limited is an active renewable energy developer focussed on developing sustainable energy solutions across Europe. This includes a 110 MW ready built biomass combined heat and power plant in Kaipola, Finland, which commenced limited initial operations in December 2024 ahead of phased expansion throughout 2025.

The Company has also acquired a substantial interest in three geothermal licences in the Upper Rhine Valley of Germany, covering a total area of 125km². Early stage, initial development of the licences is projected to deliver around 80MW, with a total potential capacity of c. 300MW of combined geothermal power and heat.