



Sotkamo Silver announces final results in the exchange offer and that the Board of Directors has resolved on an issue of new shares and convertibles

Sotkamo Silver AB | Stock Exchange Release | August 13, 2025 at 19:25:00 EEST

Sotkamo Silver AB's (publ) ("Sotkamo Silver" or the "Company") Board of Directors resolved on 1 August 2025 to carry out an exchange offer to the holders of the Company's outstanding EURM 6.3 convertible loans 2022/2026 (the "Existing Convertibles") to exchange their Existing Convertibles for either new shares ("New Shares") or new convertibles in the Company (the "Exchange Offer").

The final results in the Exchange Offer shows that (i) 49.8 percent of the Existing Convertibles are exchanged for New Shares in the Company, (ii) 41.6 percent of the Existing Convertibles are exchanged for new convertibles 2025/2029 (the "**New Convertibles**"). In total, the acceptance rate for exchanging Existing Convertibles into New Shares or New Convertibles is 91.5 %.

The Board of Directors has today resolved to issue and allot in total 35,919,720 New Shares and 132 New Convertibles (corresponding to a nominal amount of EUR 2,640,792). The share capital of the Company will increase with approx. SEK 34,630,845 following registration of the New Shares. The New Shares will entail a dilution of 11.2 percent based on the number of shares and votes in the Company after the New Shares are registered with the Swedish Companies Registration Office. Upon full conversion of the New Convertibles into shares in the Company, the conversion would entail a dilution of 7.2 percent based on the number of shares and votes in the Company after the New Shares are registered with the Swedish Companies Registration Office and after the conversion.

The New Shares and New Convertibles are expected to be registered with the Swedish Companies Registration Office on or around 20 August 2025. Trading in the New Shares is expected to commence on the NGM Main Regulated Equity and on the official list of the Nasdaq Helsinki on or around 21 August 2025.

Advisors

Aktia Alexander Corporate Finance Oy is acting as Sotkamo Silver's financial advisor, advokatfirman Schjødt is acting as Sotkamo Silver's Swedish legal advisor and Borenius Attorneys Ltd is acting as Sotkamo Silver's Finnish legal advisor in connection with the transaction.

Mikko Jalasto

CEO of Sotkamo Silver AB



Sotkamo Silver in brief

Sotkamo Silver is a mining and ore prospecting company that develops and utilises mineral deposits in the Kainuu region in Finland. Sotkamo Silver supports the global development towards green transition technologies and produces the metals needed responsibly and by taking local stakeholders into account. Sotkamo Silver's main project is a silver mine located in Sotkamo, Finland. In addition to silver, the mine produces gold, zinc and lead. The company also has mining and ore prospecting rights for mineral deposits in the vicinity of the silver mine in Kainuu. Sotkamo Silver Group consists of the parent company Sotkamo Silver AB and its wholly-owned Finnish subsidiary (Sotkamo Silver Oy). Sotkamo Silver AB is listed at NGM Main Regulated in Stockholm (SOSI), Nasdaq Helsinki (SOSI1), and Börse Berlin.

Read more about Sotkamo Silver on www.silver.fi/en/

This information is information that Sotkamo Silver AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-08-13 19:25 EEST.

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This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision in connection with the Exchange Offer must be made on the basis of all publicly available information relating to the Company and the Company's shares.

This press release does not constitute an invitation to warrant, subscribe, or otherwise acquire or transfer any securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Exchange Offer. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

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 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 regulation.

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 in Sotkamo Silver 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 "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600 /2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in Sotkamo Silver may decline and investors could lose all or part of their investment; the shares in Sotkamo Silver offer no guaranteed income and no capital protection; and an investment in the shares in Sotkamo Silver 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 Exchange Offer.



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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 UK MiFIR; 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 Sotkamo Silver.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Sotkamo Silver and determining appropriate distribution channels.

The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.