



PRESS RELEASE

Circa Group AS announces Q4 results and plans for financing

OSLO, NORWAY - 15 February 2024 – Circa Group AS (stock symbol: CIRCA) announced its fourth quarter results today and its intention to potentially launch a process to secure additional financing for the company. A webinar will be held at 08.30 CET (details below).

Circa continues to demonstrate progress on key work-streams related to Resolute™, FC6 and future plants, consistent with earlier quarterly communications.

In manufacturing, progress continues at Resolute™ with continued efforts to secure the Environmental Permit. Significant deliveries to the site have already taken place.

The role of FC5 is unchanged and its performance is good. It provides conceptual and operating verification support for the Resolute™ project. The FC5 operations passed a customer initiated quality audit. We see possibilities to leverage increased production volumes for additional customer deliveries from FC5.

FC6 plans are being investigated with multiple site alternatives, in France, Thailand and Finland.

Product development activities have been focusing on customer technical support to accelerate adoption of Circa's products in high value applications. LGO derivatives activities remain an important part of the longer-term innovation strategy for Circa as we observe increased interest from R&D partners in different industries.

The main operational activity for the Group in the quarter has been related to the ReSolute™ plant and building the organization of the group in Europe. The spend in Q4 2023 proceeds in line with the expected quarterly run rate. No significant sales are expected prior to commissioning and start-up of the ReSolute™ plant.

Circa Group AS CEO Bertel Karlstedt said, "It is an honour to continue as the CEO of Circa after Tony Duncan, whom I highly admire for his efforts and success in taking Circa to where it is today. I am energized and enthusiastic about leading this company, recognizing the opportunities and solutions that Circa can bring to so many sustainability challenges of today, and the future."

Financing of current capital requirements

As noted in the Company's stock exchange notice on 17 August 2023, the Company has had discussions with industrial, strategic and financial partners with the aim of enhancing the longer-term liquidity of the Company. In order to secure the liquidity required for the Company's current business plan, the Company is now providing an update on the capital need and its intention to engage in broader discussions with the aim of securing additional financing during H1 2024.

To adhere to the current business plan on the planned timeline, the Company requires approximately EUR 40 million in new capital to cover the remaining capex and opex related



to the construction and commissioning of the ReSolute™ plant in North-East France. Capex is estimated to approximately 70% and opex is estimated to account for the remaining 30%. A majority of the costs will be incurred based on already signed contracts. For remaining project purchases the market has shifted in favour of the Company since the last capex and opex update. Further, current estimates include sufficient contingencies for key items.

Subject to securing the required financing, Circa expects to have sufficient funding to finance start of production at ReSolute™ and be able to achieve production at ReSolute™ with a positive EBITDA contribution on a stand-alone basis. As previously communicated, the Company has in place agreements with customers which have already tested products from its currently operating FC5 facility, and the Company plan that production at ReSolute™ will take the Company to a stage with proven production of high-quality products at a relevant industrial scale, which is expected to further support securing commercial agreements and financing of future plants.

If the planned production is reached with a positive EBITDA contribution, the Company will have increased flexibility to move ahead at its own pace into the next phase of scaling. The company will have proven unit economics for larger plants expected to be profitable on a stand-alone basis.

As part of the ongoing process to secure financing, the Company is pleased to report that Finnvera, the official export credit agency of Finland, has indicated that it will provide a loan of EUR 20 million, subject to the Company providing a satisfactory third-party guarantee. If the Company obtains such a guarantee, approximately half of the currently required financing will be covered.

The Company is considering whether to launch a process to raise the remaining capital required to fulfil the current business plan through a share issue. The timing, structure and size of any such share issue is subject to, inter alia, prevailing market conditions and required corporate resolutions. However, to continue the current business plan as is, the Company needs to obtain additional capital during H1 2024.

Please see the attached company presentation for more information. More information about the potential share issue will be published in due course and no assurance can be given that the Company will carry out any share issue. If a share issue is proposed and the existing board authorization is not sufficient to cover the amount of shares proposed to be issued, the Company may consider to call for an extraordinary general meeting with the minimum notice time of two weeks. Shareholders are therefore encouraged to follow the Company's public communications in the upcoming period.

The Company has engaged Pareto Securities AS to assist and advice in the process.

For further information, access the complete Q4 report: <https://circa-group.com/stock-announcements>.

To join the Q4 results webinar please copy and paste this link into your web browser:

https://teams.microsoft.com/join/19%3ameeting_NmlzMjI5YjltZTZQwNi00YzczLWE2ZDUtOTE0NTZhZjQ4MwY5%40thead.v2/0?context=%7b%22id%22%3a%227fe83212-6533-49bf-96c7-1c50525cb252%22%2c%22oid%22%3a%22b5d8e996-8850-4133-9fce-bf140a9a7209%22%7d

**About Circa**

Established in 2006, Circa Group converts sustainable, non-food biomass into advanced bio-based chemicals with its proprietary Furacell™ process. Its developing product portfolio includes flavours, biopolymers, and bio-solvents including Cyrene™. By creating renewable chemicals from cellulose, Circa is extracting value from non-food biomass and addressing a gap in the market by providing bio-based, less carbon intensive alternatives, contributing to a more circular economy.

<https://circa-group.com>

Investor Contact

Tone Leivestad
Chief Financial Officer
Circa Group AS

tone.leivestad@circa-group.com

Tel: +47 406 39 455

Media Contact

Kathryn Sheridan
Sustainability Consult

ks@sustainabilityconsult.com

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

This stock exchange announcement was published by Tone Leivestad, CFO at Circa Group AS, on 15 February 2024 at 7 CET.