# Year-End Report AB Igrene

## Pre-Audit Financial Year 1 September 2025 – 31 August 2026

**Summary of the Period**

• Operating result: –8,281 KSEK (–8,534 KSEK)

• Result after financial items: –8,246 KSEK (–8,396 KSEK)

• Earnings per share: –0.05 SEK (–0.08 SEK)

• Equity ratio: 96.7% (96.1%)

• Cash and cash equivalents: 17,140 KSEK (1,912 KSEK)

• Board proposal: No dividend for the financial year 2025/2026

# Company Operations and Strategic Direction

AB Igrene is working to commercialise the extraction of natural gas in the Siljan Ring, thereby strengthening Sweden's energy security. The company's objective is to provide a locally produced energy source with significantly lower climate impact than imported natural gas. Extraction is to be carried out with high environmental responsibility and minimal impact on nature.

The company's strategic direction is to establish Igrene as a leading actor in natural gas production in the Siljan Ring. To enable commercial extraction, the company is actively engaging with authorities, industrial stakeholders and the capital market, with

the aim of securing political and regulatory support – either through exemptions from current legislation or through legislative change.

It is of great importance to build understanding that the Siljan Ring contains relevant gas resources that can contribute to Sweden's energy security. Furthermore, it is essential that Swedish authorities and political decision-makers recognise that the gas that can be extracted has a climate profile comparable to, or better than, the natural gas currently imported to meet industrial demand. This is supported by extensive scientific studies documenting these conditions.

The Siljan Ring is one of Europe's most distinctive geological areas and has been studied for more than three decades. Research shows that the area constitutes an active geobiological gas system in which methane is produced, migrates, and in certain zones leaks to the surface.

Studies from Chalmers University of Technology, the Swedish University of Agricultural Sciences (SLU), and international research environments – including Discover Applied Sciences and mBio – document that the methane in the Siljan structure has a clearly biogenic and microbially produced character. Active methanogenesis in deep crystalline bedrock is well established, and isotopic and microbiological analyses classify the gas as non-fossil. Several studies also show significant methane leakage from lakes, confirming ongoing gas migration from deeper levels.

For Igrene, this scientific foundation is of major strategic importance. It strengthens the company's ability to verify gas volumes, demonstrates that extraction can reduce natural methane leakage, and documents that the gas quality is relevant both for energy production and further processing. Research also shows that Siljan gas is not a traditional fossil natural gas, but part of an active geobiological system with important implications for assessments of climate neutrality and climate impact.

The company assesses that domestic Swedish gas production could reduce the industry's dependence on imports and thereby strengthen both Sweden's energy security and national defence capability. For this reason, the company has intensified dialogue with political decision-makers, energy authorities and the Swedish Armed Forces to obtain support for exemptions or legislative changes enabling gas extraction.

Swedish authorities' and the EU's long-term climate neutrality goals mean that future energy supply must be based on renewable and fossil-free energy. Although research

classifies Siljan gas as “non-fossil”, the company believes that future gas extraction can support the industrial transition to hydrogen. This can be achieved through methane splitting, where methane is converted into hydrogen and solid carbon for industrial use – without releasing carbon into the atmosphere.

This long-term ambition formed the basis for the company’s investment in Seid AS, which is developing the methane-splitting technology ColdSpark. The investment was carried out through a convertible loan issued by Seid on 4 August 2025, which was converted into shares on 21 November 2025. At the time of the investment in the convertible loan during autumn 2025, and throughout the subsequent deepened collaboration, the company initially assessed that the technology – given broader political support – could accelerate development in the Mora region even in the short term.

However, the changed geopolitical landscape, with increased focus on energy security in Sweden and the EU, has in the company’s current assessment improved the prospects for obtaining permits for traditional gas extraction in Sweden. Against this background, the company sees increased opportunities to further focus on and develop its original direction towards large-scale industrialisation of Siljan gas. In parallel, collaboration with Seid continues through Igrene’s role as an investor. The continued direction and development of the collaboration is evaluated continuously based on the company’s conditions and commercial priorities. The collaboration remains a strategically important resource but is not critical to operations in the short term.

The company’s existing wells have demonstrated high extraction capacity, and the company assesses that they may form a basis for future deliveries of gas to Swedish industry. With standard equipment for LNG production, the gas is expected to be utilizable once the necessary permits have been obtained and the required technical and commercial conditions are in place. The ability to proceed is therefore dependent on both the ongoing legislative process and subsequent permit procedures.

The scientific conclusions presented above are based on established and well-documented research on the Siljan Ring. A complete list of references supporting this research foundation is provided at the end of this year-end report.

# Ongoing Regulatory Processes and Legal Conditions for Potential Natural Gas Extraction in the Siljan Ring

Several parallel regulatory processes in Sweden currently affect the conditions for enabling natural gas extraction in the Siljan Ring. These processes include work initiated by the previous government and parliament concerning supply preparedness, national defence and environmental legislation, as well as the development of a new permitting system for environmental approvals. Taken together, these developments indicate that domestic gas production is increasingly regarded as a strategic issue for Sweden's energy security and total defence.

## Parliamentary Consideration and Government Inquiries

The Committee on Industry and Trade's report 2025/26:NU16 states that the motion concerning Siljan gas should not be approved, instead making reference to the fact that the matter is already being handled within the previous government's preparatory processes. The committee notes that the Inquiry into Industrial Supply Preparedness (SOU 2025:68) has undergone consultation and is now being further processed within the Government Offices. This means that the matter has passed the initial stage for parliamentary initiatives and is now in a more advanced phase of governmental preparation.

SOU 2025:68 is of central importance. The inquiry concludes that legislative amendments are required to enable natural gas extraction for the needs of Sweden's total defence, and that a complete repeal of the current prohibition in the Environmental Code would be more appropriate than a limited exemption. This is the first time the Swedish state has explicitly stated that current legislation is not compatible with the long-term needs of national defence.

## Provisions of the Environmental Code and the Possibility of Exemptions

Environmental legislation already provides some scope to consider the needs of total defence, supply preparedness and other essential societal interests through certain

possibilities for deviations or reasonableness assessments. These interests may strengthen the arguments for domestic gas production, but they do not in themselves allow the current prohibition on natural gas extraction to be set aside. To enable such extraction, a legislative amendment is required — for example, by removing the prohibition or introducing a specific exemption for the needs of total defence and supply preparedness.

## The Previous Government's Inquiry into the Environmental Code and Total Defence (Dir. 2026:110)

In September 2026, the government initiated an inquiry tasked with analysing how the Environmental Code can be adapted to the needs of total defence and Sweden's NATO membership. Gas extraction is not explicitly mentioned, but the issues addressed are closely related to the assessments required to enable strategic energy production. The inquiry is expected to present legislative proposals by 2028.

## New Environmental Permitting Authority — Improved Predictability and Shorter Lead Times

On 15 June 2026, the Swedish parliament decided to establish a new environmental permitting authority, effective 1 July 2027. The authority will streamline and simplify permitting processes, consolidate assessments currently handled by county administrative boards and later also land and environmental courts, support Sweden's defence preparedness and competitiveness, and create greater predictability for industrial investments.

The reform means that future permitting processes for strategic energy projects, including potential gas extraction, may benefit from shorter lead times and more consistent assessments.

## Overall Assessment

The regulatory processes now underway indicate, in the company's assessment, that domestic gas production in the Siljan Ring is increasingly viewed as a strategic issue for Sweden's total defence and supply preparedness. State inquiries conclude that legislative amendments are necessary, and the previous government has initiated further work to adapt environmental legislation to defence needs. At the same time, a

new environmental permitting authority is being established, which may improve the conditions for future permitting processes.

The company assesses that these developments collectively strengthen the prospects that Sweden may eventually enable extraction of Siljan gas, either through exemptions or legislative amendments. The company further believes that a new government is likely to continue this work, given the geopolitical situation and its significance for Sweden's energy security, defence capability and industrial needs.

This development also explains the company's strategy to conduct a focused and structured long-term dialogue with relevant authorities — including the Swedish Energy Agency and the Swedish Armed Forces — as well as with political decision-makers at the national level. The purpose is to ensure that the potential of the Siljan Ring is considered in ongoing preparatory processes and future legislative initiatives.

# Significant Events During the Financial Year

## Investment in Seid AS

During the period, the company continued its strategic planning and analysed various delivery models to ensure long-term and sustainable development. In November 2025, the company participated in a directed share issue of NOK 3 million in Seid AS, linked to the development of methane-splitting technology and industrial solutions for exhaust gas purification. In connection with this, discussions were also held regarding a more active role in the technology development, including the possibility of separating ColdSpark into a standalone company with Igrene as the dominant owner and with operations located in Mora. These discussions have been paused.

## Amendment to the Company's Articles of Association

At the Annual General Meeting in January 2026, the company's business description in the Articles of Association was amended to the following:

*"The company shall conduct activities related to the handling of natural gas and the development and sale of technology that promotes sustainable conversion of natural gas into hydrogen and carbon. The company shall also, when permitted, participate in*

*further prospecting and collection of leaking methane gas in the Siljan Ring with the purpose of reducing leakage into the atmosphere and utilising a resource that would otherwise harm the environment and climate, as well as conduct other related activities."*

## The Company's Share on Spotlight Stock Market

Igrene's share has been traded on Spotlight Stock Market's observation list since 30 June 2020, but as of 5 February 2026, the share has been transferred to Spotlight's main list.

## Deepened Collaboration with Seid AS

During the period, Igrene and Seid initiated a deepened collaboration around ColdSpark, a technology under development for converting methane into hydrogen and carbon powder without carbon dioxide emissions in the process itself. The collaboration aimed to enable future test facilities in Sweden and the Nordic region. Until further development of ColdSpark is financed, the collaboration continues through Igrene's role as an investor.

## Capital Raising Through Rights Issue

In April 2026, the company carried out a rights issue amounting to 20.6 MSEK. Although the issue was subscribed to 75 percent of the offered amount, it is considered successful as it secures liquidity for the company's continued operations. Following the issue, the total number of shares amounts to 156,758,437.

## Board of Directors, Management and Administration

At the Annual General Meeting in January 2026, Sven Otto Littorin (Chairman), Karl-Åke Johansson and Mats Budh were re-elected. Robert Tingvall and Hans Göran Åhgren were elected as new board members.

In June 2026, Sven Otto Littorin and board member Karl-Åke Johansson resigned from their positions. At an Extraordinary General Meeting in July 2026, Ragnar Krefting and Henrik Badin were elected as new board members, with Henrik Badin assuming the role of Chairman of the Board.

The CEO agreement with Annette Blyhammar expired on 31 August 2026, and on 1 September 2026, Ragnar Krefting was appointed Acting CEO.

To ensure that the company's ongoing administrative obligations are managed and that strategic plans are implemented, agreements have been entered into whereby members of the Board also engage operationally beyond their ordinary board duties. The agreements are made on market terms and may be terminated without notice once a permanent administrative organisation is in place.

## Strategic Transition and Board Work

After the new Board was elected in July 2026, a strategic seminar was held focusing on the company's continued development, priorities and strategic direction going forward. The company is now intensifying its efforts to enable gas extraction and strengthen its position vis-à-vis political decision-makers, authorities, media and the capital market, in accordance with the strategy established by the current Board.

## Assessment of Additional Investments in Seid AS

In connection with the rights issue in April 2026, it was originally planned that part of the capital would be used for additional investments in Seid AS. Through the "Green Platform" programme, Seid AS had the opportunity to receive NOK 80 million in government support, provided that it secured NOK 20 million in equity financing.

Igrene currently has no information on whether Seid has secured the necessary equity financing. This is considered a decisive condition for the continued development of the ColdSpark technology.

The Board has evaluated the conditions for further investment in Seid, taking into account the company's financing needs, investor interest and the resources required to complete the development of ColdSpark. The Board's assessment is that the development work will extend over several years and require substantial capital, which overall is considered challenging for Igrene.

In parallel, other methane-splitting technologies are being developed and commercialised internationally. The company therefore assesses that equivalent technology could be procured from other suppliers if ColdSpark does not reach commercialisation within the timeframe required by the company's operations.

Based on this overall assessment, the Board has decided to temporarily refrain from further investments in Seid AS and ColdSpark.

# Significant Events After the End of the Period

# Financial Development

## Revenue and Earnings

The company reports revenues of 4 KSEK (0 KSEK). The result after financial items amounts to –8,246 KSEK (–8,396 KSEK). A significant portion of the costs relates to consultancy services connected to regulatory processes for gas extraction.

## Liquidity and Equity

Cash and cash equivalents amount to 17,140 KSEK (1,912 KSEK), and equity totals 37,950 KSEK (23,002 KSEK). The share capital amounts to 15,675,843.70 SEK.

## Accounting Assessment of the Investment in Seid

The Board assesses that the investment of NOK 3 million in Seid AS should be reported at its current carrying value. However, an impairment requirement may arise depending on Seid's financial development and its ability to secure continued financing. As a development-stage company, Seid is dependent on substantial capital injections and long-term owners. These conditions lie outside Igrene's control, and the Board is monitoring developments closely.

## Environment and Sustainability

Igrene conducts its operations with high standards of safety, environmental responsibility and ethical guidelines. The company works to:

• reduce uncontrolled methane emissions • contribute to the development of a future hydrogen-based society • offer a climate-friendlier alternative to the gas currently used in Swedish industry

The company has operated for many years without any workplace injuries.

## Proposed Dividend

The Board proposes that no dividend be paid for the financial year 2025/2026.

## Accounting Principles

The annual report is prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 (K3). The reporting is based on the assumption that the company will continue its operations.

## Upcoming Reporting Dates

• 18 December 2026: Year-End Report 2025/2026 • 15 January 2027: Q1 Interim Report • 18 January 2027: Annual General Meeting, Mora Parken • 23 April 2027: Half-Year Report • 16 July 2027: Q3 Interim Report

# Summary Financial Information

| Income statement (KSI | 2026-06-01-2026-08-31<br>3 mån | 2025-06-01-2025-08-31<br>3 mån | 2025-09-01-2026-08-31<br>12 mån | 2024-09-01-2025-08-31<br>12 mån |
|---|---|---|---|---|
| Operating income | 2 | 0 | 4 | 0 |
| **Total revenue** | **2** | **0** | **4** | **0** |
| | | | | |
| **Operating expenses** | | | | |
| External costs | -1 668 | -1 268 | -7 695 | -7 783 |
| Personnel costs | -152 | -225 | -590 | -674 |
| Depreciation / Impairment | 0 | -1 | 0 | -77 |
| Other operating expenses | 0 | 0 | 0 | 0 |
| | | | | |
| **Total operating expenses** | **-1 820** | **-1 494** | **- 8 285** | **-8 534** |
| | | | | |
| **Operating profit** | **-1 818** | **-1 494** | **-8 281** | **-8 534** |
| | | | | |
| **Financial items** | | | | |
| Interest income and similar income it | 2 | 137 | 35 | 138 |
| Interest expense and similar income i | 0 | 0 | 0 | 0 |
| | | | | |
| **Profit and financial items** | **-1 816** | **-1 357** | **-8 246** | **-8 396** |
| | | | | |
| **Financial statement appropriations** | | | | |
| Submitted conc. Grants | 0 | -46 | 0 | -46 |
| | | | | |
| **Profit for the period** | **- 1816** | **-1 403** | **-8 246** | **-8 442** |

| Balance sheet (KSEK) | 2026-08-31 | 2025-08-31 |
|---|---|---|
| **Assets** | | |
| **Fixed assets** | | |
| Intangible fixed assets | 0 | 0 |
| Propert, plant and equipment | 18 699 | 18 699 |
| Financial fixed assets | 2 862 | 50 |
| **Total fixed assets** | **21 561** | **18 749** |
| | | |
| **Current assets** | | |
| Current receivables | 535 | 3 268 |
| Cash and bank | 17 140 | 1 912 |
| **Total current assets** | **17 675** | **5 180** |
| | | |
| **Total assets** | **39 236** | **23 929** |
| | | |
| **Liabilities and equity** | | |
| **Equity** | | |
| Restricted equity | 16 794 | 11 487 |
| Free equity | 21 156 | 11 515 |
| **Total equity** | **37 950** | **23 002** |
| | | |
| **Debts** | | |
| Current liabilities | 1 286 | 927 |
| **Total liabilities** | **1 286** | **927** |
| | | |
| **Total liabilities and equity** | **39 236** | **23 929** |

| Cash flow statement (KSEK) | 2025-09-01-2026-08-31 | 2024-09-01-2025-08-31 |
|---|---|---|
| Operating profit | -8 281 | -8 534 |
| Depreciation and impairment | 0 | 76 |
| Other items not included in cashflow | 0 | -46 |
| Interest Paid / Received | 35 | 138 |
| | | |
| Increase / decrease in current receivables | 2 732 | -2 455 |
| Increase / decrease in current liabilities | 359 | -680 |
| | | |
| **Cash flow from operating activities** | **-5 155** | **-11 501** |
| | | |
| **Investment activities** | | |
| Intangible fixed assets | 0 | 0 |
| Investment in property, plant and equipment | 0 | 0 |
| Investment in financial fixed assets | -2 812 | 0 |
| | | |
| **Cash flow from investing activities** | **-2 812** | **0** |
| | | |
| **Financing activities** | | |
| New issue after issues cost | 23 195 | 12 346 |
| Paid-in warrants | 0 | 95 |
| Borrowings | 0 | 0 |
| | | |
| **Cash flow from financing operations** | **23 195** | **12 441** |
| | | |
| **Cash flow for the year** | **15 228** | **940** |
| | | |
| Cash and cash equivalents at the begging of the period | 1 912 | 972 |
| **Cash and cash equivalents at the end of the period** | **17 140** | **1 912** |

# References

## Geologically Distinct Area and Three Decades of Research

Koeberl, C. & Reimold, W.U. (2005). *Impact structures in Europe: Siljan and other major craters.* Geological Society of America Special Papers, 384, pp. 1–20.

Kirsimäe, K. et al. (2019). *Timing and origin of natural gas accumulation in the Siljan impact structure, Sweden.* Nature Communications, 10, 1–11.

## Active Geobiological Gas System: Methane Production, Migration and Leakage

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Drake, H., Ivarsson, M., et al. (2025). *Active methylotrophic methanogenesis in deep crystalline bedrock of the Siljan impact structure.* mBio, 16(2), pp. 1–14.

Chalmers University of Technology (2023). *Measurement of methane leakages from lakes in the Siljan Ring.* Chalmers Climate and Energy Systems Report Series.

Chalmers University of Technology (2024). *Methane ebullition and flux quantification in Siljan lakes: Evidence for deep gas migration.* Department of Earth Sciences Technical Report.

## Biogenic and Thermogenic Origin, Active Microbial Methane Production and Significant Methane Leakage

Drake, H., Heim, C., et al. (2025). *Microbial methanogenesis fueled by freshwater infiltration and oil biodegradation in the Siljan impact structure, Sweden.* Discover Applied Sciences, 5, pp. 1–18.

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