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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS DEFINED IN ARTICLE 7 OF REGULATION (EU) NO 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 16 APRIL 2014 ON MARKET ABUSE (MARKET ABUSE REGULATION) AS RETAINED AS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED.

UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

20 February 2026

Kropz Plc
("Kropz" or the "Company")

Fundraising, Amendment to Loan Terms and Trading Update

Kropz (AIM: KRPZ), an emerging African phosphate producer and developer, announces it is conducting a fundraising in order to raise short-term working capital.

The Company announced on 8 December 2025 that Kropz Elandsfontein (Pty) Ltd ("**Kropz Elandsfontein**") and the ARC Fund ("**ARC**") had agreed a ZAR 250 million loan (approximately US\$ 14.4 million) (the "**Loan**"), of which ZAR 150 million has been drawn down as at the date of this Announcement. The Loan was provided by ARC to Kropz Elandsfontein to fund its cashflow and operational expenditure needs.

The Loan was structured as a demand loan in order to mitigate regulatory complexity and foreign exchange movements, and to ensure a timely provision of additional capital as and when needed. However, as the Loan was made to Kropz Elandsfontein, the Company has been unable to move funds up from Kropz Elandsfontein in a timely manner to meet ongoing operational expenditure of the group (including for Cominco SA, which owns the Hinda project in the Republic of the Congo ("**Hinda Project**")), due to regulatory requirements around the transfer of funds in South Africa.

As a result, the Company is undertaking an equity fundraising to fund this expenditure. The fundraising will be conducted at an issue price of 1.15 pence per new ordinary share in the Company ("**Issue Price**"), by way of a conditional subscription with ARC (the "**Subscription**") and a retail offer via the Winterflood Retail Access Platform ("**WRAP**") ("**WRAP Retail Offer**"), to raise an aggregate of £917,431, before expenses (together, the "**Fundraising**").

The Issue Price represents a discount of approximately 5 per cent to the 30-day volume weighted average share price per existing ordinary share to 17 February 2026 (being the latest practicable date prior to the date of this Announcement).

The WRAP Retail Offer is intended to provide minority shareholders in the Company with the opportunity to participate in the Fundraising, on the same economic terms and at the same price as ARC. Existing Shareholders will be given the opportunity to subscribe for, in aggregate, up to 7,919,793 new ordinary shares in the capital of the Company ("**Ordinary Shares**") via the WRAP (the "**WRAP Retail Offer Shares**") at the Issue Price by way of a retail offer to raise up to approximately £ 91,077

(before expenses). A separate announcement will be made regarding the WRAP Retail Offer and its terms.

ARC has agreed to subscribe in cash for a minimum of 71,856,832 new Ordinary Shares (the **"Subscription Shares"**) and has agreed to underwrite, pursuant to an underwriting agreement entered into with the Company (the **"Underwriting Agreement"**), an amount equal to the WRAP Retail Offer to ensure that the entire amount of the Fundraising will equate to approximately £917,431 million (before expenses). Therefore, ARC will subscribe in cash pursuant to the Subscription for an amount equal to the WRAP Retail Offer not taken up by other shareholders, increasing the number of Subscription Shares subscribed for by ARC proportionately.

The value of ARC's total investment in Kropz by way of the Subscription Shares and the Underwriting Agreement will be deducted from the remaining balance of the Loan pursuant to an amendment of the Loan terms (the **"Amendment"**). The maximum amount that can be deducted from the Loan balance is £917,431 (approximately ZAR 20 million), resulting in approximately ZAR 80 million remaining to be drawn down on the Loan.

The Fundraising is conditional on approval from the South African Reserve Bank (**"Exchange Control Approval"**) under the South African Exchange Control Regulations, 1961.

Subject to, inter alia, the Exchange Control Approval being granted, 79,776,625 new Ordinary Shares (**"New Ordinary Shares"**) are to be allotted and issued pursuant to the Fundraising, representing approximately 5 per cent. of the enlarged issued share capital of the Company immediately following completion of the Fundraising.

The New Ordinary Shares will rank pari passu in all other respects with the existing Ordinary Shares.

Trading Update

Kropz Elandsfontein achieved production of 38,970 tonnes of phosphate concentrate (a new record) and sales of 35,850 tonnes of phosphate concentrate during December 2025. This brings production to 266,069 tonnes and sales to 236,058 tonnes for 9 months to 31 December 2025.

Admission and Total Voting Rights

An application will be made for Admission of the 79,776,625 New Ordinary Shares and dealing in respect of the New Ordinary Shares is expected to commence at 8.00 a.m. on 26 March 2026, being the fourth business day following the expected date of receipt of Exchange Control Approval. The date of Admission will be reconfirmed upon announcement of the receipt of Exchange Control Approval.

Following Admission of the New Ordinary Shares, the Company's issued share capital will be 1,647,367,866 Ordinary Shares. This figure of 1,647,367,866 may then be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Related Party Transaction

The Subscription, entry into the Underwriting Agreement and the Amendment (together the **"Arrangements"**) are related party transactions pursuant to Rule 13 of the AIM Rules. Gerrit Duminy, a director of the Company, is the representative of ARC. Gerrit Duminy has not been involved in the approval of the Arrangements by the Company's board.

The remaining directors of the Company, who are considered independent for the purposes of the Arrangements, having consulted with the Company's nominated adviser, consider the terms of the Arrangements to be fair and reasonable insofar as the Company's shareholders are concerned.

Concert Parties and Impact on Shareholdings

As noted in the Company's AIM admission document, ARC and Kropz International SARL ("**Kropz International**") are treated as acting in concert for the purposes of the Code and have individual and aggregate interests in the Ordinary Shares as set out in the table below.

Kropz also has an existing £ 70.8 million (US\$ 97.6 million, ZAR 1.6 billion) of existing convertible debt (the "**Existing Equity Facilities**") with ARC (including accumulated interest) and an existing £46.2 million (US\$ 63.7 million, ZAR 1.0 billion) convertible loan note (the "**Convertible Loan Note**") with ARC (including accumulated interest) which are not being impacted by the Fundraising or the Amendment.

It is noted that, both before and after the Fundraising and the Amendment, on an aggregate basis, ARC and Kropz International hold and will continue to hold more than 50 per cent. of the Ordinary Shares and voting rights in the Company. On a standalone basis ARC, through its option with Kropz International, currently has a fully diluted interest of 97.4 per cent. of the Company (see footnote 5 below).

Maximum Interests in Ordinary Shares

	Existing Ordinary Shares		Maximum number of shares to be issued pursuant to the Subscription ⁽¹⁾	Maximum number of further shares to be issued pursuant to the Existing Equity Facilities ⁽²⁾	Maximum number of further shares to be issued pursuant to the Convertible Loan Note ⁽³⁾	Maximum shareholdings following the Subscription, the Existing Equity Facilities, and Convertible Loan Notes	
	No.	%	No.	No.	No.	No.	%
ARC ^{(2) (3)}	1,411,969,230	90.1%	79,776,625	902,093,959	2,403,549,091	4,797,388,905	96.9%
Kropz International ⁽⁴⁾⁽⁵⁾	54,933,474	3.5%	0	0	0	54,933,474	1.1%
Concert Party	1,466,902,704	93.6%	79,776,625	902,093,959	2,403,549,091	4,852,322,3789	98.0%

(1) Assumes for illustrative purposes that there is no uptake of the WRAP Retail Offer and the New Ordinary Shares are allotted in full to ARC and consequently ARC is issued 79,776,625 New Ordinary Shares.

(2) Assumes for illustrative purposes that the fully drawn Existing Equity Facilities are converted into equity.

- ZAR 200 Million Equity Facility – 219,272,938 ordinary shares⁽⁶⁾
- ZAR 177 Million Equity Facility – 96,378,566 ordinary shares⁽⁶⁾
- ZAR 550 Million Equity Facility – 586,442,455 ordinary shares⁽⁶⁾

(3) Assumes for illustrative purposes that the Convertible Loan Note is converted into equity:

- ZAR 821 million Convertible Loan Note – 2,403,549,091 ordinary shares⁽⁶⁾

(4) ARC and Kropz International are deemed to be acting in concert as defined in the Code.

(5) Kropz International and ARC have entered into an arrangement pursuant to which Kropz International has granted to ARC a call option over 25,793,909 of its Ordinary Shares. The call option over Kropz International's Ordinary Shares can be exercised by ARC if the value of ARC's shareholding on the third anniversary of Admission is 20 per cent. lower than its value on IPO on 30 November 2018. The call option has an alternative settlement of cash or assets, if the transfer of the Ordinary Shares would require the transferee to make a Rule 9 offer for the Company pursuant to the City Code.

(6) Exchange rates used are fixed at:

- ZAR 200 Million Equity Facility – GBP 1 = ZAR 20.24
- ZAR 177 Million Equity Facility – GBP 1 = ZAR 19.84
- ZAR 550 Million Equity Facility – GBP 1 = ZAR 20.48
- ZAR 821 Million Convertible Loan Note – GBP 1 = ZAR 23.81

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About Kropz Plc

Kropz is an emerging African producer and developer of plant nutrient feed minerals with phosphate projects in South Africa and in the Republic of Congo. The vision of the Group is to become a leading independent phosphate rock producer and to develop into an integrated, mine-to-market plant nutrient company focusing on sub-Saharan Africa.

This Announcement should be read in its entirety. In particular, the information in the "Important Notices" section of the announcement should be read and understood.

IMPORTANT NOTICES

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This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Canada, Australia, New Zealand, Japan or The Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the securities is being made in any such jurisdiction.

No prospectus, offering memorandum, offering document or admission document has been or will be made available in connection with the matters contained in this Announcement and no such prospectus is required to be published by virtue of the exemption under Schedule 1 (Part 1) of The Public Offers and Admission to Trading Regulations 2024. Accordingly, there is no need for publication of a prospectus pursuant to the Public Offers and Admissions to Trading Regulations 2024, or for approval of the same by the Financial Conduct Authority. Persons needing advice should consult a qualified independent legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any State or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any State or any other jurisdiction of the United States. Accordingly, the Subscription Shares will be offered and sold outside of the United States only in “offshore transactions” (as such term is defined in Regulation S under the Securities Act (“**Regulation S**”)) pursuant to Regulation S and otherwise in accordance with applicable laws pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act. No public offering of the New Ordinary Shares will be made in the United States or elsewhere, other than the WRAP Retail Offer Shares under the WRAP Retail Offer which is being made in the United Kingdom only.

The proposed Fundraising has not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the proposed Fundraising, or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

This Announcement has not been approved by the London Stock Exchange.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in South Africa in relation to the New Ordinary Shares and the New Ordinary Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, New Zealand, Canada, Japan or The Republic of South Africa. Accordingly, the New Ordinary Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, New Zealand, Canada, Japan or The Republic of South Africa or any other jurisdiction in which such activities would be unlawful.

Certain statements contained in this Announcement constitute “forward-looking statements” with respect to the financial condition, results of operations and businesses and plans of the Group. Words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “plans”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely”, “estimate” and variations of these words and similar future or conditional expressions, are intended to identify forward-looking statements and forecasts but are not the exclusive means of identifying such statements. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon future circumstances that have not occurred. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. As a result, the Group’s actual financial condition, results of operations and business and plans may differ

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This Announcement does not constitute a recommendation concerning any investor's investment decision with respect to the proposed Fundraising. Any indication in this Announcement of the price at which Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance. 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 Ordinary Shares. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult their or its own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

No statement in this Announcement is intended to be a profit forecast or profit estimate for any period, and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

All offers of the New Ordinary Shares will be made pursuant to one or more exemptions under Schedule 1 (Part 1) of The Public Offers and Admission to Trading Regulations 2024 from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the FSMA does not require approval of the communication by an authorised person.

The New Ordinary Shares to be issued or sold pursuant to the proposed Fundraising will not be admitted to trading on any stock exchange other than the AIM market of the London Stock Exchange.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this Announcement.

This Announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

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