

NOTICE OF CLIMEON AB (PUBL) 2023 ANNUAL GENERAL MEETING

PRESS
RELEASE

The shareholders are hereby called to the Annual General Meeting of Climeon AB (publ), 556846- 1643, to be held on Tuesday May 16, 2023, at 15:00.

The Annual General Meeting will be held in Kista Gates premises at Torshamnsgatan 48 in Kista. Registration will take place from 14:30. After the meeting, shareholders are invited to a guided tour of the company's test site and the new product HeatPower 300. Please note that advance notification is required for participation since the guided tour can only be offered to a limited number of persons.

Participation in the Meeting

Shareholder wishing to participate in the meeting must:

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances as of May 8, 2023, and
- have notified the company via the Company's website www.climeon.com/agm2023-en/ or via e-mail at bolagsstamma@climeon.com or by post to Climeon AB, Att. Årsstämma, Torshamnsgatan 44, 164 40 Kista at the latest by May 12, 2023, at 16:00 hours. The notice shall include information of name, personal identity number/registration number, shareholding and, if applicable, details of any representatives and assistants, as well as contact details.

For information regarding administration of personal data please see:

<https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>

Nominee Shares

Shareholders with nominee shares must in order to be entitled to participate in the meeting in addition to the notification in accordance with the above, arrange to be temporarily registered by Euroclear Sweden AB. The nominee must be notified of this in good time before May 8, 2023, so that the shareholder is listed in the presentation of the share register made by Euroclear Sweden concerning the circumstances that day. Voting rights registration that have been made by the nominee no later than on May 10, 2023 will be taken into account in the presentation of the share register.

Power of Attorney, Etc.

The shareholders' rights at the annual general meeting may be exercised by proxy. Power of attorney must be dated and signed and shall be brought in original to the annual meeting. Furthermore, representatives of legal entities are requested to bring with them a certified copy of the certificate of registration of the legal entity or similar qualification documents when they attend the annual meeting. Proxy forms are available at the company's website.

Proposed Agenda

1. Opening of the meeting
2. Appointment of chairman for the meeting
3. Drafting and approval of voting register
4. Approval of the agenda proposed by the Board
5. Appointment of attester

6. Resolution whether the meeting has been duly convened
7. a) CEO-speech
b) Presentation of the annual report and the statement of the auditors for the company and the Group
8. Resolutions regarding
 - a) adoption of the income statement and balance sheet for the company and the Group,
 - b) allocation of the company results with respect to the adopted balance sheet for the company, and
 - c) discharge from liability for the directors and the managing director.
9. Resolution regarding the number of Board members and deputies and number of auditors
10. Decision regarding fee for the Board and for the auditor
11. Election of Board members and Chairman of the Board
12. Election of auditor(s)
13. Decision regarding Instructions for the Nomination Committee
14. Decision to authorise the Board to decide on share issues of B-shares etc.
15. Decision on the issuance of warrants within the framework of a new incentive program
16. Other matters
17. Closing of the meeting

Proposal from the Board

Item 8 b); Dividend

The Board proposes that no dividend is paid out for the fiscal year 2022.

Item 14; Decision to authorize the Board to decide on share issues, etc.

The Board proposes that the AGM resolves to authorize the Board to, at one or more occasions, until the next annual general meeting, decide upon issues of B-shares, convertibles and/or warrants with the right to subscribe for B-shares that encompass a share capital in-crease of up to SEK 252,000, which corresponds to up to 16,800,000 new B-shares. The issues may be done with or without pre-emptive rights for the company's shareholders. The Board may, if applicable, decide that payment shall be made by set-off or issue in kind.

The purpose for the board to resolve on issuances with deviation from the shareholders preferential rights in accordance with the above is among all for the purpose to enable to raise further working capital and to enable the board of directors to direct share issues to investors that are seen as strategically important to the company by the board of directors.

In case the authorization is utilized in full, it will have a dilution effect of approximately 15 % for present shareholders (based on 95,105,086 outstanding shares excluding outstanding warrants).

Item 15, Decision on the issuance of warrants within the framework of a new incentive program

The board of directors of, proposes that the AGM decides to issue a maximum of 1,835,400 warrants, which may result in a maximum total increase of the company's share capital with SEK 27,531. The warrants shall entitle to subscribe for new B shares in the company. The following main terms shall apply to the issuance:

1. A participant may subscribe for warrants each in accordance with three categories as set out below:
 - a) The CEO is offered to subscribe for a maximum of 161,000 warrants.
 - b) Senior executives and other selected key persons are offered to subscribe for a maximum of 96,600 warrants per person and in total a maximum of 386,400 warrants; and
 - c) Current and future other employees and key persons are offered to subscribe for a maximum of 32,200 warrants per person and in total a maximum of 1,288,000 warrants.
2. The warrants shall be subscribed as of June 1, 2023 up until August 31, 2023 on a separate subscription list. The board of directors shall be entitled to extend the time for subscription.
3. In the event of oversubscription within a category, the number of warrants shall be reduced pro rata based on how many warrants each participant has notified to subscribe. No subscriber shall be able to receive more than the maximum number of warrants per person / category, unless one or more persons refrain from

subscribing for the maximum number of warrants per person / category. In the event that not all warrants are registered for subscription, the number of warrants shall be increased pro rata based on how many warrants each participant has notified to subscribe, among the persons who have notified to subscribe for more warrants than the maximum number of options per person / category specified in this section.

4. Subscribers shall for each warrant subscribed pay a price per warrant equal to the warrant's market value calculated according to the Black & Scholes valuation model at the time for subscription.
5. Payment for subscribed warrants shall be made in cash within five business days following subscription. The board of directors shall have the right to extend the period for payment.
6. Each warrant entitles to subscription of one new B share in the company at a price corresponding to 200 percent of the volume weighted average price listed for the company's shares at First North Premier during the period May 9, 2023 - May 23, 2023. Subscription of B-shares can take place during the period from September 1, 2026 up to and including September 30, 2026.

The purpose of the issuance and the deviation from the shareholders priority right is to be able to offer warrants within the Company's incentive program to senior executives, key persons and other employees of the Company and within the Group. The purpose is to create a common interest for the Company's shareholders and key persons and other employees to work for and aim at the company achieving the best development possible with respect to its business and value.

Resolution by the AGM requires the support by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the general meeting, due to the fact that the share issue is in made to persons who belong to one or more of the categories according to Ch. 16 of the Swedish Companies Act.

The Board's complete proposal together with the complete terms and conditions for the warrants are available at the company and on the company's website www.climeon.com.

Preparations of the board of directors' proposal regarding incentive program, costs for the program, dilution etc.

Incentive program 2023/2026 has been prepared by the board of directors and members of the management and external advisors and in consultation with major shareholders.

Subscription of the warrants shall be made at a price equal to the warrant's fair market value the day of subscription, which means no social fees should arise for the group in connection with the subscription of warrants. The warrants' fair market value, according to a preliminary valuation based on assumptions of the market value of the underlying share of SEK 4.30 at subscription and an exercise price of SEK 8.60 per share, is SEK 0.57 per warrant. The Black & Scholes valuation model has been used for the valuation, assuming a risk-free interest rate of 2.65 percent and a volatility assumption of 49.6 percent, taking into account that no dividends and other distributions to shareholders are expected during the period of the program.

As the warrants are subscribed for at fair market value, it is the Company's assessment that there will be no social fees for the Company as a result of the subscription. The costs will therefore consist only of limited costs for the implementation and administration of incentive program 2023/2026.

The total number of registered shares and votes at the time of this proposal amount to 95,105,086 shares and 180,155,086 votes respectively. The maximum dilution of incentive program 2023/2026 is estimated to be a maximum of approximately 1.9 per cent of the total number of shares and a maximum of approximately 1.0 per cent of the total number of votes in the Company (calculated on the number of existing shares in the Company), assuming full subscription and exercise of all warrants offered.

Nomination Committee's Proposal

The nomination committee for the AGM 2023 consists of Helen Öström (Chairman), Joachim Karthäuser, Björn Wasing, Peter Lindell and the Chairman of the Board Håkan Osvald. The proposal from the nomination committee regarding items 2 and items 9-13 in the agenda together with their motivated statement are held available at the company and at the web site www.climeon.com. In summary, the nomination committee proposes the following regarding items 2 and items 9-12 in the agenda:

Item 2; Appointment of the Chairman for the Meeting

The lawyer Sven Rasmusson is proposed to be appointed as Chairman of the AGM.

Item 9; Resolution regarding the number of Board members and deputies and number of auditors

It is proposed that the Board should comprise of five (5) directors (previous year 5) and no deputy directors (previous year 0) for the period up to the next AGM. One auditing firm is proposed to be appointed.

Item 10; Decision regarding fee for the Board and for the auditor

It is proposed that the over-all Board fee will be SEK 1,200,000 (previous year SEK 1,200,000) whereof SEK 400,000 is to be allocated to the Chairman (previous year SEK 400,000) and SEK 200,000 (previous year SEK 200,000) to all other non-employed Board members. In addition, a fee of SEK 40,000 (SEK 40,000) is proposed to the Chairman of the remuneration committee and SEK 20,000 (SEK 20,000) to each other member of the remuneration committee. A fee of SEK 80,000 (SEK 80,000) is proposed to the Chairman of the audit committee and SEK 40,000 (SEK 40,000) to each other member of the audit committee. In addition to this, it is proposed that a total fee of SEK 100,000 should be paid to the legal committee that may be appointed by the Board of which one or two members of the Board may be included and where the proposed fee should be distributed within the legal committee according to the Board's decision.

The Nomination Committee proposes that the auditor will be paid a fee in accordance with a reasonable invoice approved by the company.

Item 11; Election of Board members and Chairman of the Board

It is proposed that the present Board members Thomas Öström, Anders Lindberg, Liselotte Duthu Törnblom, Peter Carlberg and Håkan Osvald will be re-elected. Håkan Osvald is proposed as Chairman of the Board (re-election). Information about the Board members proposed for re-election is available at the company's website www.climeon.com. Furthermore, the Nomination Committee's proposal with its reasoned opinion regarding the proposal for board elections can be found on the company's website.

Item 12; Election of auditors

The audit firm Deloitte AB is proposed to be re-elected. It is noted that Deloitte AB has notified that the chartered accountant Daniel Wassberg will continue to be head auditor if Deloitte AB is re-elected.

Documents, Etc.

The annual accounts with the auditors' report will be held available at the company and on the company's website www.climeon.com in connection with the publishing of the annual accounts on April 19, 2023. The Board's proposals and other documents will be kept available at the company and on the company's website www.climeon.com in accordance with applicable rules. Copies of the said documentation and all other documents available for the AGM will be sent by post to shareholders requesting it and stating their postal address.

The Board of Directors and the CEO shall, if any shareholder so requests and the Board considers that this can be done without significant harm to the company, provide information on circumstances that may affect the assessment of a matter on the agenda, circumstances that may affect the assessment of the company or subsidiary's financial situation and the company's relationship with other companies within the Group.

The total numbers of shares in the company on the date of this notice amount to 95,105,086 shares of which 9,450,000 are A-shares and 85,655,086 B-shares, whereby the total number of votes in the company amounts to 180,155,086 votes.

Kista in April 2023
Climeon AB (publ)
Board of Directors

PRESS RELEASE

This document has been published in a Swedish and an English version. The Swedish version shall prevail in the event of differences between the two.

FOR MORE INFORMATION, PLEASE CONTACT:

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About Climeon AB (publ)

Climeon is a Swedish product company operating within the energy technology sector. Climeon's proprietary technology, the Climeon HeatPower system, uses an Organic Rankine Cycle (ORC) process to convert low-temperature heat into clean, carbon free electricity. Providing access to dependable and cost-effective sustainable power, HeatPower enables industries to increase energy efficiency, decrease fuel consumption, and reduce emissions. As a non-weather-dependent source of green energy, HeatPower has the potential to diversify and safeguard the renewable energy mix and, therefore, accelerate the global transition to a net-zero future. Climeon's B shares are listed on the Nasdaq First North Premier Growth Market. FNCA Sweden AB is a Certified Adviser, +46 (0) 8-528 00 399 info@fnca.se. Learn more at climeon.com.

Image Attachments

[Notice Of Climeon Ab \(Publ\) 2023 Annual General Meeting](#)

Attachments

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