

CLIMEON EXPLORES THE CONDITIONS TO CARRY OUT A DIRECTED SHARE ISSUE OF CLASS B SHARES OF APPROXIMATELY 40 MSEK

PRESS
RELEASE

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The Board of Directors of Climeon AB (publ) ("Climeon" or the "Company") has mandated Augment Partners AB ("Augment Partners") to evaluate the conditions for carrying out a directed share issue of class B shares of approximately SEK 40 million (the "Share Issue"). The Share Issue is intended to, with deviation from the shareholders' preferential rights, be directed to Swedish and international qualified investors. The subscription price and the number of newly issued shares of class B in the Share Issue will be determined through an accelerated bookbuilding procedure that starts immediately after the publication of this press release. If the Board of Directors resolves to carry out the Share Issue, the final pricing and allocation of class B shares is expected to take place before trading on Nasdaq First North Premier Growth Market commences on 10 September 2026. The Share Issue is intended to be partly resolved upon by an extraordinary general meeting with respect to persons covered by Chapter 16 of the Swedish Companies Act (2005:551) (the "Leo rules"). In the event the Board of Directors resolves to carry out the Share Issue, such extraordinary general meeting is intended to be held in the Company around 29 September 2026.

The Share Issue

The Share Issue is intended to be carried out with deviation from the shareholders' preferential right and partly pursuant to the authorization granted by the annual general meeting on 18 May 2026 ("**Tranche 1**"), and partly resolved upon by an extraordinary general meeting for the portion relating to persons covered by the Leo rules ("**Tranche 2**"). Climeon has mandated Augment Partners to investigate the conditions for carrying out the Share Issue through an accelerated bookbuilding procedure, which will commence immediately after the publication of this press release and is expected to be completed before trading in the Company's shares commences on Nasdaq First North Premier Growth Market on 10 September 2026. The total number of class B shares that may be issued, the subscription price per class B share and the allotment in the Share Issue will be determined by Climeon's Board of Directors in consultation with Augment Partners.

The Company will inform about the outcome of the bookbuilding procedure and the Share Issue in a press release when the bookbuilding procedure has been completed, which is expected to occur no later than before trading on Nasdaq First North Premier Growth Market commences on 10 September 2026. The bookbuilding procedure may, if the Company or Augment Partners so decides, be shortened or extended and may be discontinued at any time. The Company may thus refrain from carrying out the Share Issue in whole or in part.

Certain board members, including the founder Thomas Öström, as well as the Company's CEO Lena Sundquist and CTO Henrik Österman have expressed an interest in participating in the Share Issue. As these persons belong to the category of related parties covered by the Leo rules, any allotment in the Share Issue to these persons will be included in Tranche 2. The extraordinary general meeting that will be proposed to resolve on Tranche 2 is expected to be held around 29 September 2026. Notice of the extraordinary general meeting will be published through a separate press release.

A valid resolution at the extraordinary general meeting requires the approval of at least nine-tenths of both the votes cast and the shares represented at the extraordinary general meeting. The Board of Directors' resolution regarding Tranche 1 is not contingent upon the extraordinary general meeting resolving to carry out Tranche 2.

Several of the Company's major existing shareholders have expressed interest in participating in the Share Issue.

The use of the issue proceeds

Climeon has, over the past period, established a validated product platform in HeatPower 300 and a growing base of commercial references in both maritime and industrial applications. If the Share Issue is carried out, the Company intends to use the issue proceeds to convert the existing sales pipeline into delivered orders:

- i) Continued commercialisation in the maritime segment, building on operational units onboard vessels as a strong commercial reference, including follow-on opportunities.
- ii) Commercial scale-up in prioritised industrial segments, focusing on the specific industrial applications and processes where HeatPower 300 has demonstrated near plug-and-play installation and attractive payback.

Deviation from the shareholders' preferential right

In preparation for the Share Issue, the Company's Board of Directors has conducted an analysis of the conditions for, and carefully considered the possibility of raising capital through, a rights issue. The conclusion of this assessment, under the prevailing conditions, is that the Share Issue is the most favorable option for the Company and its shareholders. The reasons for this and the deviation from the shareholders' preferential rights have been based on the following considerations and conclusions:

- i) A rights issue would take significantly longer to complete, which may thus risk depriving the Company of the opportunity to raise capital to ensure the Company's liquidity needs in the short and medium term, which could ultimately impair the Company's financial and operational flexibility. The Share Issue also provides the Company with greater flexibility to act on business opportunities and manage prevailing market conditions
- ii) Through a directed issue such as the Share Issue, there is potential to diversify and strengthen the Company's shareholder base with both Swedish and international investors and broaden the base of financially strong shareholders who are deemed to have the financial capabilities to support the Company's operations in the long term, which is further deemed to strengthen Climeon's ability to execute on the Company's growth strategy.
- iii) The Share Issue is deemed to be able to be carried out at a significantly lower cost and with less complexity than a rights issue.
- iv) A rights issue would likely need to be carried out at a significant discount to the market price, which would result in greater dilution for non-participating existing shareholders.

In view of the above, the Board of Directors considers, after an overall assessment, that the Share Issue is the most advantageous option for Climeon to raise capital in a cost and time efficient manner in order to strengthen the Company's financial position, while maintaining the most value in the Company and being most favorable for the Company's shareholders. As the subscription price in the Share Issue will be determined through a bookbuilding procedure, the Board of Directors believes that the subscription price will reflect current market conditions and demand.

Lock-up

Shareholding members of the Company's Board of Directors and management, provided that the Share Issue is completed, have undertaken towards Augment Partners, with certain exceptions, not to dispose of shares or other financial instruments in the Company for a period of 6 months after the announcement of the Share Issue.

Advisors

Augment Partners is Sole Manager and Bookrunner in connection with the Share Issue. BAHR is acting as legal advisor to the Company in connection with the Share Issue. Aqurat Fondkommission AB is issuing agent in connection with the Share Issue.

For more information, please contact;

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This information is information that Climeon AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact persons set out above, at the time stated by the Company's news distributor at the publication of this press release.

About Climeon AB

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. Learn more at www.climeon.com.

Since Climeon AB (publ) has made the assessment that the Company conducts activities worthy of protection according to the Swedish Foreign Direct Investments Act (Sw. lag (2023:560) om granskning av utländska direktinvesteringar), certain investments in the Share Issue may require review by the Swedish Inspectorate for Strategic Products (Sw. Inspektionen för strategiska produkter). For more information, please visit the Swedish Inspectorate for Strategic Products' website, www.isp.se, or contact the Company.

Important information

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This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or other securities in any EEA country and no prospectus has been or will be prepared in connection with the Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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This press release does not identify or purport to identify any risks (direct or indirect) that may be associated with an investment in New Shares. An investment decision to acquire or subscribe for new shares in the Share Issue may only be made on the basis of publicly available information about the Company or the Company's shares, which has not been verified by Augment Partners. Augment Partners is acting for the Company in connection with the Share Issue and not on behalf of anyone else and will not be responsible to anyone else for providing the protections afforded to its clients or for providing advice in connection with the transaction or in relation to any other matter referred to herein.

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This announcement does not constitute an invitation to underwrite, subscribe or otherwise acquire or transfer securities in any jurisdiction. This press release does not constitute a recommendation for any investor's decision regarding the Share Issue. Each investor or potential investor should conduct its own investigation, analysis and evaluation of the business and information described in this announcement and any publicly available information. The price and value of the securities may go down as well as up and past performance is no guide to 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 expectations regarding 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 can be identified by the use of words such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "anticipates", "should", "could" and, in each case, the negatives thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will materialize or that they are accurate. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, actual results or outcomes could differ materially from those in the forward-

looking statements for a variety of reasons. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this press release by the forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements contained in this press release are accurate and any reader of this press release should not place undue reliance on the forward-looking statements contained in this press release. The information, opinions and forward-looking statements expressed or implied herein are made only as of the date of this press release and are subject to change. Neither the Company nor anyone else undertake to review, update, confirm or to 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, except as required by law or Nasdaq First North Premier Growth Market's Rule Book for Issuers.

Information to distributors

For the purpose of complying with the product governance requirements set out in: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as consolidated, ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593, which complements MiFID II; and (c) national implementing measures (together, the "**MiFID II Product Governance Requirements**") and to discharge any non-contractual, contractual or other liability to which any "manufacturer" (within the meaning of the MiFID II Product Governance Requirements) might otherwise be subject, the Climeon B Shares have been subject to a product approval process, which has determined that such shares are: (i) suitable for a target market of retail investors and investors meeting the criteria of professional clients and eligible counterparties, as defined in MiFID II (the "**Positive Target Market**"); and (ii) suitable for distribution through all distribution channels permitted under MiFID II. Distributors should note that: the price of the shares in Climeon may fall and investors may lose all or part of their investment; the shares in Climeon carry no guarantee of return or capital protection; and an investment in the shares in Climeon is suitable only for investors who (acting alone or with the assistance of an appropriate financial or other adviser) are capable of evaluating the merits and risks of such investment and who have sufficient resources to bear the losses that such investment may involve. Conversely, an investment in the shares of Climeon is not suitable for investors who require full capital protection or full repayment of the amount invested, cannot bear any risk or who require guaranteed or predictable returns (the "**Negative Target Market**", and together with the Positive Target Market, the "**Target Market**"). The Target Market Assessment is without prejudice to any other requirements relating to contractual, legal or regulatory selling restrictions in connection with the Issue.

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 (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.

Each distributor is responsible for carrying out its own Target Market Assessment in respect of the shares in Climeon and for determining appropriate distribution channels.

This information is information that Climeon 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 2026-09-09 17:40 CEST.

Image Attachments

Climeon Powering A Sustainable Future

Attachments

Climeon explores the conditions to carry out a directed share issue of class B shares of approximately 40 MSEK