

YEAR END REPORT

JANUARY 1 - DECEMBER 31, 2024

Q4

2024

IMPORTANT BREAKTHROUGH IN THE MARINE MARKET FOR BULK CARRIERS AND INSTALLATIONS IN CHINA, AS WELL AS SUCCESSFUL DELIVERIES

The shipping company NovaAlgoima Cement Carriers has placed an order for a HeatPower 300 system intended for a new vessel to be built in China, which will be the world's largest bulk carrier for transporting dry cement. Deliveries to the six container ships that South Korean HD-HHI is building for A.P. Møller-Maersk have been successfully completed. Through a directed share issue, existing and new owners contributed SEK 50 million before transaction costs. At an extraordinary general meeting in December, Sebastian Ehrnrooth was appointed as the new Chairman of the Board.

OCTOBER - DECEMBER

- Order intake amounted to SEK 5.4 million (10.5) .
- Net sales amounted to SEK 9.7 million (1.2) and were primarily attributable to delivery of HeatPower systems.
- Operating profit/loss amounted to SEK -27.8 million (-25.1) .
- Profit/loss after financial items amounted to SEK -26.7 million (-36.0)
- Earnings per share, before and after dilution, amounted to SEK -0.08 (-0.10)
- Cash flow from operating activities after changes in working capital amounted to SEK -16.2 million (-27.6) .

SIGNIFICANT EVENTS DURING THE QUARTER

- NovaAlgoima Cement Carriers (NACC) placed an order worth EUR 0.5 million for Climeon's HeatPower 300 system. The HeatPower 300 unit will be installed at a Chinese shipyard, which is currently building bulk carriers for NACC to transport dry cement.
- Climeon completed the deliveries of all six HeatPower 300 units, which will be integrated onboard six of A.P. Møller-Maersk's new 17,200 TEU container ships. The vessels, currently under construction at HD-HHI's shipyard in South Korea, will use Climeon's HeatPower 300 system to improve energy efficiency.
- The board decided to carry out a directed share issue of approximately SEK 50 million before transaction costs. Several new investors subscribed for shares, alongside existing shareholders such as Peter Lindell, SEB Foundation, and MP Pensjon PK.

- At Climeon's extraordinary general meeting on December 9, it was decided, in accordance with the board's proposal, to amend the articles of association, changing the limits for the number of shares and share capital. The meeting also approved a reverse stock split of the company's shares (1:10), with a new nominal value of SEK 0.15 per share. At the general meeting, Sebastian Ehrnrooth was appointed as the new Chairman of the Board, joining Thomas Öström and Joakim Thölin to form a highly competent and engaged board for Climeon.

JANUARY - DECEMBER

- Order intake amounted to SEK 6.2 million (52.0)
- Net sales amounted to SEK 42.6 million (6.2)
- Order backlog amounted to SEK 18.5 million (80.5)
- Operating profit amounted to SEK -102.3 million (-102.6) .
- Profit/loss after financial items amounted to SEK -103.7 million (-135.7)
- Earnings per share, before and after dilution, amounted to SEK -0.40 (-0.52)
- Cash flow from operating activities after changes in working capital amounted to SEK -83.4 million (-90.0) and total cash and cash equivalents amounted to SEK 26.3 million (77.5) . Additionally, restricted cash amounted to SEK 6.1 million for guarantees related to future customer deliveries in Q1 2025. Thus, total cash and cash equivalents, including restricted funds, amounted to SEK 32.4 million.

A WORD FROM OUR CEO:



Lena Sundquist, CEO of Climeon

“Our latest order, successful deliveries to leading marine customers, and strong market trends toward sustainable energy and reduced carbon emissions highlight the global sales potential of HeatPower 300.”

IMPORTANT BREAKTHROUGH IN THE MARINE MARKET WITH BULK CARRIERS AND INSTALLATIONS IN CHINA

HEATPOWER 300 PRODUCES SUSTAINABLE ELECTRICITY FOR INDUSTRIAL CUSTOMER – SUCCESSFUL DELIVERIES TO MARINE CUSTOMERS

2024 was an important year for Climeon, marked by progress across all aspects of our business and operations. Demand for Climeon’s products, particularly within the marine market, experienced notable growth. This surge reflects the industry’s increasing need for energy-efficient solutions that reduce fuel consumption and greenhouse gas emissions—driven in large part by new regulations that now require shipowners to pay for carbon emissions when operating in Europe.

The demand for waste heat recovery technology, particularly Organic Rankine Cycle (ORC) systems, has increased substantially, with Climeon now listed as a preferred supplier at several key shipyards. Additionally, the marine industry has seen a surge in new vessel orders, including a record number of container ships well-suited for Climeon’s HeatPower technology. As these newly ordered vessels move into the design and construction phases, shipyards are actively placing orders for equipment such as Climeon’s, accelerating discussions about integrating Climeon’s technology into both new builds and existing fleets.

During the quarter, we were able to announce the sale of a HeatPower 300 system to the shipping company NovaAlgoma Cement Carriers for one of their new bulk carriers for dry cement, which will be built in China. With this project, Climeon has expanded its customer base to include both bulk carriers and shipbuilders in China, the world’s largest shipbuilding market.

In the second half of the year, we delivered the entire series of six HeatPower 300 systems to the South Korean shipyard HD-HHI. The systems are now being installed and are scheduled for commissioning in the spring on the six container ships being built for A.P. Møller-Maersk. In January of this year, we also delivered our first HeatPower 300 in a retrofit configuration for a container ship.

This year, we successfully delivered and commissioned two HeatPower 300 units in collaboration with our industrial partner, Termolink, at NEO Group’s facility in Lithuania. These systems are now generating sustainable electricity and playing a key role in reducing emissions at the site, demonstrating the impact of our HeatPower technology in industrial applications.

Throughout 2024, we implemented cost-saving measures that will begin to deliver their full impact in 2025, with positive effects on cash flow and profitability as business volumes grow. Our financial position was strengthened by a directed share issue approved by the board in October, in which both existing owners and new investors expressed confidence in Climeon. This resulted in SEK 50 million in funding before transaction costs—resources that are now being used to advance the commercialization of the HeatPower 300 and support the delivery of both current and future orders.

At an extraordinary general meeting in December, we welcomed Sebastian Ehrnrooth as our new Chairman of the Board. Together with Thomas Öström and Joakim Thölin, Climeon now has a highly skilled and dedicated board.

With a strong network of sales partners across key marine markets—including China, Korea, the USA, and select regions in Europe—Climeon is well-positioned to accelerate the commercialization of HeatPower 300, and we look forward to an exciting 2025.

Lena Sundquist, CEO, Climeon



MARKETS AND DEVELOPMENT



MARITIME MARKET

NovaAlgoma Cement Carriers (NACC), a company specializing in the transport of dry bulk goods, has ordered a HeatPower 300 system from Climeon, valued at approximately EUR 0.5 million. The system will be installed on a bulk carrier designed for transporting dry cement, which is being built in China. The vessel will feature dual-fuel capability, allowing it to operate on both heavy fuel oil and methanol. This order marks an important milestone for Climeon, providing key reference in the Chinese shipbuilding market—the largest in the world—while also expanding Climeon’s marine customer base to include bulk carriers.

The installation aligns with the shipping industry’s shift toward more energy-efficient vessels, lower CO₂ emissions, and cleaner fuels. By recovering waste heat and converting it into electricity onboard, Climeon’s HeatPower technology enhances fuel efficiency and reduces emissions—an increasingly essential solution as stricter emission regulations take effect. Shipowners worldwide are seeking solutions not only to meet today’s requirements but also to prepare for future regulations.

The EU’s Emission Trading System (ETS) was implemented for the marine industry in 2024, requiring shipping companies operating in Europe to purchase emission allowances (EUAs) for their CO₂ emissions. By 2025, EUA costs are projected to reach EUR 70 per ton of CO₂. According to a Bloomberg analysis, EUA prices are expected to surpass EUR 200 per ton by 2040.

Additionally, the EU’s FuelEU Maritime initiative, which took effect in 2025, aims to accelerate the transition from fossil fuels to greener alternatives. Shipowners navigating European waters will face higher costs for burning fossil fuels compared to lower-emission fuels, further strengthening the business case for reducing fuel consumption with Climeon’s HeatPower technology.

The marine industry is increasing investments in new ships, driven by the need to replace aging fleets and comply with stricter environmental regulations. This surge in new-build projects—many well-suited for Climeon’s HeatPower 300 systems—has led to a steady rise in inquiries throughout the fall. Climeon’s strong collaborations with local sales partners in key marine markets have further enabled the company to engage in parallel discussions with a broad range of shipowners and shipyards.





ENERGY AND INDUSTRIAL MARKETS

Climeon has successfully commissioned four HeatPower 150 modules at the Rhodesia power plant in the UK, operated by its British partner Landmark Power Holdings. The company is continuing discussions with Landmark regarding future projects in the UK and is also engaging with other UK customers to explore opportunities for integrating HeatPower technology into land-based engine power plants.

In the industrial market, discussions are ongoing with customers in energy-intensive process industries, primarily in Europe, who wish to reduce electricity costs and lower CO₂ emissions.

Several geothermal projects involving Climeon are underway, currently at various stages of planning and permitting. Climeon expects to provide more specific updates on some of these projects in 2025.

The two HeatPower 300 systems ordered in May 2023 by the development and engineering company Termolink for installation at NEO Group's PET resin production facility in Lithuania are now in continuous operation, generating sustainable electricity for the facility.



TECHNOLOGY DEVELOPMENT AND PRODUCTION

In 2024, Climeon achieved several significant milestones. The first units of the HeatPower 300 platform were successfully delivered, installed, and commissioned during the year. The company now has a well-developed, scalable production and supply chain, enabling rapid scaling of production and delivery capabilities when needed. At the same time, the product platform and production processes are continuously being developed to ensure that Climeon's technology remains competitive and cost-effective in the long term.

The two systems at NEO Group's industrial facility in Lithuania have been installed and commissioned. In the second half of the year, all six HeatPower 300 systems were delivered for installation in the new container ships being built by the Korean shipyard HD-HHI for A.P. Møller-Maersk. The commissioning of the first system is planned for Q2 2025. Additionally, one of the two retrofit HeatPower 300 systems ordered for container ships was delivered in January 2025. The system, designed to be modular for easier installation on existing ships, is scheduled for installation in Q1 2025, with testing and commissioning planned for Q2 2025.

The HeatPower 300 platform now meets the requirements of international marine classification societies such as Lloyd's Register, DNV, and ABS. With the latest marine order, the platform will also be certified by the Italian classification society RINA. Additionally, the system has been designed to meet CE requirements for the European market and comply with relevant Grid Codes for power grid connections in various European countries. Climeon has also renewed its ISO 9001 and ISO 14001 certifications for an additional three years.



EXTERNAL IMPACT

Currently, Climeon is not directly affected by ongoing geopolitical conflicts worldwide. The company is monitoring the situation and taking actions to mitigate any potential negative impacts as much as possible.

ORDER ENTRY AND ORDER BACKLOG

During the fourth quarter of 2024, one new order for HeatPower 300 was signed. At the end of the period, the order backlog amounted to SEK 18.5 million (80.5), equivalent to 3 (18) HeatPower systems and associated services. During the quarter, deliveries corresponding to SEK 9.2 million were made, primarily consisting of hardware deliveries to the marine market, along with service and aftermarket deliveries. Other changes in the order backlog during the quarter were due to fluctuations in exchange rates. The backlog largely consists of orders in euros, which are revalued at the end of the period.

THE GROUP'S FINANCIAL DEVELOPMENT

OCTOBER - DECEMBER

NET SALES AND EARNINGS

Net sales amounted to SEK 9.7 million (1.2) and are mainly attributable to delivery of HeatPower 300 systems and associated aftermarket services to the company's existing customers.

Operating profit/loss amounted to SEK -27.8 million (-25.1) . It can be noted that last year's operating results included a cost of approx -2.0 MSEK related to the scrapping of inventory.

Costs for raw materials and consumables amounted to -13,7 MSEK (-3,5) where costs for delivered systems made up most of the item.

Net financial income/expenses amounted to SEK 1.0 million (-10.9) , whereof SEK 0.0 million (-7.8) relates to revaluation of the shareholding in Baseload Capital to fair value. Net financial items were also affected by a positive exchange rate effect of SEK 1.4 million, mainly related to the development of the Swedish krona against the Euro and Japanese Yen. Of this, SEK 1.2 (-2,7) million pertains to unrealized exchange rate differences.

Profit/loss after financial items amounted to SEK -26.7 million (-36.0) . Depreciations and amortizations amounted to SEK -9.2 million (-6.3) where write downs of research projects and patents amounted to -1.8 MSEK (-0,2).

CASH FLOW

The cash flow from operating activities *before* change in working capital amounted to -16.9 MSEK (-21.4).

Cash flow from operating activities *after* changes in working capital amounted to SEK -16.2 million (-27.6) , whereof the change in working capital amounted to SEK 0.7 million (-6.3) . The change in working capital during the quarter was positively impacted by incoming customer payments for delivered customer orders.

Cash flow from investing activities amounted to SEK -7.8 million (-7.8) , which was mainly related to investments in product development and patents of SEK -7.8 million (-7.1) .

Cash flow from financing activities amounted to SEK 45.3 million (89.8) and corresponded to the majority of the issue proceeds from the completed share issue minus costs for its implementation.

Cash flow for the quarter thus amounted to SEK 21.3 million (54.4) where the single largest change compared to the corresponding period last year is related to the issue proceeds as described above.

JANUARY - DECEMBER

NET SALES AND EARNINGS

Net sales amounted to SEK 42.6 million (6.2) and were mainly attributable to the delivery and commissioning of HeatPower systems as well as aftermarket revenues. *Operating profit/loss* for the period amounted to SEK -102.3 million (-102.6) . In the operating

result for 2024 an Other operating income of SEK 10.3 MSEK is included, related to a loan converted into a grant. It can also be noted that the previous year's operating profit contained an accrual for bad debts of approx. -4.9 MSEK. The company has taken extensive cost-saving measures related to both the day-to-day operations and to achieve a more efficient and resource-optimized production and supply chain for HeatPower300. The savings for operating activities are expected to have full effect during the first quarter of 2025 and beyond.

Net financial income/expense amounted to SEK -1.4 million (-33.1) whereof SEK -3.2 million (-21.1) related a revaluation of the shareholding in Baseload Capital to fair value. Profit/loss after financial items amounted to SEK -103.7 million (-135.7) Depreciations and amortizations amounted to SEK -33.3 million (-25.8) . Depreciation has increased in 2024 as a result of more development projects being depreciated during the period.

CASH FLOW

Cash flow from operating activities *after* change in working capital amounted to SEK -83.4 million (-90.0) whereof the change in working capital amounted to SEK -15.8 million (-20.6) . The change compared to the previous period is primarily due to supplier prepayments for upcoming customer deliveries, which will be settled by the customer in the first quarter of 2025.

Cash flow from investing activities amounted to SEK -30.5 million (-22.4) , which was mainly related to product development and patents of SEK -28.2 million (-23.0) . Cash flow from financing activities amounted to SEK 62.7 million (50.7) . The item includes received rights issue proceeds of 68.5 (91.0). Cash flow for the period amounted to SEK -51.2 million (-61.7) .

FINANCIAL POSITION

At the end of the period, cash and cash equivalents amounted to SEK 26.3 million (77.5) . In addition, restricted cash amounted to 6.1 million SEK for guarantees related to future customer deliveries in 2025. Thus, *total cash and cash equivalents*, including restricted funds, amounted to 32.4 million SEK. The equity ratio amounted to 89.2 percent (76.4) and the net debt ratio amounted to -0.1 times (-0.2) Shareholder's equity amounted to SEK 288.1 million (323.8) or SEK 0.8 (0.9) per share.

DEFERRED TAX ASSET

The company has unutilized deficit carryforwards in Sweden amounting to SEK 925.2 million (801.4) , of which the tax effect has not been recognized as a deferred tax asset in the balance sheet. The deductions have no time limit for utilization.

THE PARENT COMPANY

The parent company's net sales during the period amounted to SEK 42.6 million (6.2) . Operating profit/loss amounted to SEK -102.5 million (-102.2) and profit/loss after financial items amounted to SEK -128.3 million (-133.7)

OTHER INFORMATION

FINANCIAL CALENDAR

Interim Report of the 1st quarter 2025
May 6th, 2025

Annual report 2024
May 20th, 2025

Annual General Meeting 2025
June 10th, 2025

Interim Report of the 2nd quarter 2025
July 11th, 2025

Interim Report of the 3rd quarter 2025
November 4th, 2025

CONTACT INFORMATION

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This report contains information Climeon AB (publ) is required to publish in accordance with the EU Market Abuse Regulation.

The information was published, through the care of the above contact persons, for publication
February 6th, 2025, at 07:30 (CET).

After publication, the report is available on the company's website, www.climeon.com

PERSONNEL AND ORGANIZATION

The average number of employees during the period of October to December amounted to 38 (40), of which 26 (29) percent are women and 74 (71) percent men. At the end of December, the number of employees amounted to 35 (41). In addition to the parent company Climeon AB (publ), the group also includes the subsidiaries Climeon Japan K.K. in Japan as well as Climeon Taiwan Inc. in Taiwan.

WARRANT PROGRAMS

The purpose of share incentive programs is to encourage an ownership interest in the company through a long-term financial interest, and subsequently to strengthen the bonds between the shareholders and the employees. Over the years, Climeon has established several share incentive programs based on capital-taxed warrants. As of December 31st, 2024, the company has two outstanding warrant programs as shown below. In addition to this, the extra annual general meeting in December 2024 decided on a new warrant program for the years 2025–2028, which as of the date of this report has not yet been implemented.

Additional information regarding the warrant programs can be found on page 81-82 of the annual report for 2023 and on the company's website.

Warrants program	Number of warrants	Number of new B-shares	Issue price	Subscription period
Program 2022/2025	997 500	1 117 200	16,68	Sept 1st - Sept 30th 2025
Program 2023/2026	1 798 600	1 798 600	6,18	Sept 1st - Sept 30th 2026
Total	2 796 100	2 915 800		

MATERIAL RISKS AND UNCERTAINTIES

As a relatively newly founded company with a limited number of Heat Power systems in operation, the company is exposed to several operational and financial risks. A presentation of the company's significant risks and risk management can be found on pages 55-58 in the 2023 annual report as well as in the prospectus for the rights issue from 2023 that can be found on the company's website.

Going concern

The company is currently deemed to need external financing within a twelve-month period in order to continue operating. Such funding may come from existing or new shareholders, or from third parties through public or private funding options. While the company's financial statements are prepared on a going concern basis, there is an element of uncertainty regarding the availability of capital during this period. Climeon will therefore continue focusing on managing and planning the company's cash flow and liquidity in both the short term and the long term.

ADDITIONAL INFORMATION DUE TO GEOPOLITICAL CONFLICTS

In addition to price increases on certain components driven by higher costs for suppliers, Climeon is not directly affected by the various geopolitical conflicts ongoing in the world today. The company is monitoring developments and taking action to prevent any potential negative effects to the best of its ability.

COMPARATIVE FIGURES

Comparative figures for income statement items and order intake refer to the corresponding period of the previous financial year. Comparative figures for balance sheet items and order backlog refer to the end of the previous fiscal year.

RELATED-PARTY TRANSACTIONS

No transactions between Climeon and related parties that affected the financial status of the Group have taken place during the period.

SEASONAL EFFECTS

Presently, there appears to be no significant seasonal variations in Climeon's sales.

OTHER INFORMATION

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

FINANCIAL REPORTS IN SUMMARY

CONSOLIDATED INCOME STATEMENT

SEK, thousand	Note	Oct-Dec		Jan-Dec	
		2024	2023	2024	2023
Net sales	2	9,705	1,218	42,587	6,186
Capitalized work for own account		2,246	2,702	9,535	9,743
Other operating income		19	60	12,091	3,135
Total income		11,970	3,981	64,213	19,064
Operating expenses					
Raw material and consumables		-13,656	-3,462	-61,331	-12,594
Other external expenses		-5,027	-5,041	-23,245	-29,435
Personnel expenses		-11,573	-14,250	-48,382	-51,366
Depreciation and amortization		-9,174	-6,290	-33,255	-25,845
Other operating expenses		-296	-8	-303	-2,406
Operating profit/loss		-27,757	-25,070	-102,304	-102,580
Profit/loss from financial items					
Interest income and other financial items		2,046	4,251	12,432	14,145
Interest expenses and other financial items		-1,012	-15,157	-13,802	-47,260
Net financial income	5	1,034	-10,905	-1,369	-33,115
Profit/loss after financial items		-26,723	-35,975	-103,674	-135,696
Tax		-43	-13	-116	-73
Profit/loss for the period		-26,765	-35,988	-103,790	-135,769
Earnings per share, SEK *)					
Before dilution		-0.08	-0.10	-0.40	-0.52
After dilution		-0.08	-0.10	-0.40	-0.52

SEK, thousand	Note	Oct-Dec		Jan-Dec	
		2024	2023	2024	2023
Profit/loss for the period		-26,765	-35,988	-103,790	-135,769
Other comprehensive profit/loss for the period					
Translation differences		42	500	-355	2,201
Other comprehensive profit/loss for the period		42	500	-355	2,201
Comprehensive income/loss for the period		-26,723	-35,487	-104,145	-133,568
Comprehensive income/loss for the period attributable to Shareholders of the parent company		-26,723	-35,487	-104,145	-133,568

*) Fund issue elements from the new share issue in Q4 2023 and the exercise of warrants in Q2 2024 have been taken into account in the calculation of earnings per share before and after dilution, which is why comparative figures have been recalculated.

CONSOLIDATED BALANCE SHEET

SEK, thousand	Note	31 Dec 2024	31 Dec 2023
Assets			
Intangible non-current assets	3	131,588	125,512
Tangible non-current assets	4	14,633	23,481
Financial assets	5	42,258	72,928
Total non-current assets		188,478	221,921
Inventories		53,001	44,353
Accounts receivable		20,230	23,899
Other current receivables	6	34,971	56,250
Cash and cash equivalents		26,335	77,550
Total current assets		134,537	202,051
Total Assets		323,015	423,972
Equity and liabilities			
Share capital		5,343	3,238
Other contributed capital		1,399,366	1,193,449
Retained earnings		-1,012,811	-737,077
Profit/loss for the period		-103,790	-135,769
Total shareholder's equity		288,109	323,841
Other provisions		4,723	7,070
Other non-current liabilities		600	16,680
Total non-current liabilities		5,322	23,750
Advance payments from customers	5	3,717	26,755
Accounts payable		8,673	21,384
Other current liabilities		17,194	28,243
Total current liabilities		29,584	76,381
Total equity and liabilities		323,015	423,972

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Statement of changes in total equity	Contributable to the parent company's owners			Total equity
	Share capital	Other contributed capital	Retained earnings incl profit/loss for the period	
Opening balance equity 2024-01-01	3,238	1,193,428	-872,825	323,841
Comprehensive profit/loss				
Profit/loss for the period	-	-	-103,790	-103,790
Other comprehensive profit/loss for the period				
Translation differences	-	-	-355	-355
Other comprehensive profit/loss for the period:	-	-	-355	-355
Total comprehensive profit/loss	-	-	-104,145	-104,145
Transactions with share holders:				
Rights issue (73,073 TSEK before deduction of costs of 4,660 TSEK)	2,106	66,307	-	68,413
Sum of transactions with shareholders	2,106	66,307	-	68,413
Closing balance equity 2024-12-31	5,343	1,259,735	-976,970	288,109

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Statement of changes in total equity	Contributable to the parent company's owners			Total equity
	Share capital	Other contributed capital	Retained earnings incl profit/loss for the period	
Opening balance equity 2023-01-01	1,427	1,103,038	-739,277	365,187
Comprehensive profit/loss				
Profit/loss for the period	-	-	-135,769	-135,769
Other comprehensive profit/loss for the period				
Translation differences	-	-	2,221	2,221
Other comprehensive profit/loss for the period:	-	-	2,221	2,221
Total comprehensive profit/loss	-	-	-133,548	-133,548
Transactions with share holders:				
Rights issue	1,811	89,347	-	91,158
Warrants	-	1,044	-	1,044
Sum of transactions with shareholders	1,811	90,390	-	92,201
Closing balance equity Sunday-12-31	3,238	1,193,428	-872,825	323,841

CONSOLIDATED CASH FLOW STATEMENT

SEK, thousand	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Operating activities				
Operating profit/loss	-27,756	-25,070	-102,304	-102,580
Adjustments for items not included in cash flow	9,038	6,843	38,906	35,271
Financial items	1,861	-3,142	-4,120	-2,092
Cash flow from operating activities before changes in working capital	-16,857	-21,369	-67,518	-69,402
Change in working capital	-4,726	-7,022	-7,710	-858
Change in accounts receivable	17,874	-23,589	18,556	-38,275
Change in accounts payable	-12,486	24,345	-26,695	18,491
Cash flow from operating activities	-16,195	-27,635	-83,366	-90,045
Investing activities				
Investments in intangible assets	-7,804	-7,091	-28,238	-22,952
Investments in tangible assets	13	-855	-2,545	-1,894
Change in financial assets	3	177	250	2,410
Cash flow from investing activities	-7,788	-7,769	-30,533	-22,436
Cash flow after investing activities	-23,983	-35,404	-113,899	-112,481
Financing activities				
Change in lease debt	-1,373	-1,420	-5,726	-41,490
Share issue	46,629	91,158	68,413	91,158
Premiums paid for warrants	-	77	-	1,064
Cash flow from financing activities	45,257	89,815	62,687	50,732
Cash flow for the period	21,273	54,411	-51,213	-61,749
Cash and cash equivalents at the beginning of the period	5,064	23,147	77,550	139,341
Exchange rate differences in cash and cash equivalents	-2	-9	-1	-43
Cash and cash equivalents at the end of the period	26,335	77,550	26,335	77,550

PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

SEK, thousand	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	9,705	1,218	42,587	6,186
Capitalized work for own account	2,246	2,702	9,535	9,743
Other operating income	19	60	12,091	3,135
Total income	11,970	3,981	64,213	19,064
Operating expenses	-	-	-	-
Raw material and consumables	-13,656	-3,463	-61,331	-12,549
Other external expenses	-6,463	-6,384	-29,106	-34,788
Personnel expenses	-11,573	-14,254	-48,359	-51,042
Depreciation and amortization	-7,826	-4,907	-27,864	-20,443
Other operating expenses	-13	-	-13	-2,398
Operating profit/loss	-27,561	-25,028	-102,460	-102,156
Profit from financial items	-	-	-	-
Interest income and other financial items	2,638	4,545	13,024	15,000
Interest expenses and other financial items	-26,935	-15,003	-38,827	-46,551
Net financial income	-24,297	-10,458	-25,803	-31,550
Profit/loss after financial items	-51,858	-35,485	-128,263	-133,706
Allocations	-	-	-	-
Tax	-	-	-	-
Profit/loss for the period 1)	-51,858	-35,485	-128,263	-133,706

1) Other comprehensive income for the period correspond to net result for the period

PARENT COMPANY'S BALANCE SHEET IN SUMMARY

SEK, thousand	31 Dec 2024	31 Dec 2023
Assets		
Intangible non-current assets	131,588	125,512
Tangible non-current assets	9,139	12,295
Financial assets	42,091	94,294
Total non-current assets	182,817	232,101
Inventories	53,001	44,348
Accounts receivable	20,230	23,627
Other current receivables	34,971	59,335
Cash and cash equivalents	26,318	77,155
Total current assets	134,520	204,464
Total Assets	317,338	436,565
Equity and liabilities		
Share capital	5,343	3,238
Share premium reserve	1,399,366	1,325,213
Retained earnings	-1,115,956	-979,847
Shareholder's equity	288,753	348,604
Provisions	4,723	7,070
Other non-current liabilities	-	10,381
Total Non-current liabilities	4,723	17,451
Advance payments from customers	3,717	26,755
Accounts payable	8,673	21,337
Other current liabilities	11,472	22,418
Current liabilities	23,861	70,510
Total equity and liabilities	317,338	436,565

THE CLIMEON SHARE

LARGEST SHAREHOLDERS PER DECEMBER 31, 2024

Shareholders	Number of shares		Capital, %	Number of votes	Voting rights, %
	Series A	Series B			
Cidro Förvaltning AB	-	73,325,543	20.6	73,325,543	18.7
Försäkringsaktiebolaget Avanza Pension	-	24,396,976	6.8	24,396,976	6.2
Skandinaviska Enskilda Bankens SEB-Stiftelsen	-	20,271,697	5.7	20,271,697	5.2
Stefan Wikström	-	19,956,915	5.6	19,956,915	5.1
Wilhelm Risberg	-	16,581,077	4.7	16,581,077	4.2
Fredrik Lundgren	-	16,543,048	4.6	16,543,048	4.2
Nordnet Pensionsförsäkring AB	-	15,350,982	4.3	15,350,982	3.9
MP Pensjon PK	-	12,616,601	3.5	12,616,601	3.2
Futur Pension Försäkringsaktiebolag	-	11,377,405	3.2	11,377,405	2.9
Thomas Östrom	3,900,000	5,675,344	2.7	44,675,344	11.4
Novo Fund Management AB	-	9,251,969	2.6	9,251,969	2.4
SEB AB Luxembourg Branch	-	6,550,297	1.8	6,550,297	1.7
Clearstream Banking S.A.	-	6,341,553	1.8	6,341,553	1.6
Olle Bergström	-	3,974,637	1.1	3,974,637	1.0
Sea You Rederiet Aktiebolag	-	3,937,008	1.1	3,937,008	1.0
Others	-	106,169,838	29.8	106,169,838	27.1
Total	3,900,000	352,320,890	100.0	391,320,890	100.0

SHARE PRICE DEVELOPMENT



	Oct-Dec 2024	Oct-Dec 2023	Jan-dec 2023
Total number of issued shares at period end	356,220,890	215,845,344	257,795,687
Average number of shares outstanding	356,220,890	356,220,890	356,220,890
Earnings per share, before and after dilution, SEK	-0.08	-0.10	-0.52
Equity per share, SEK	0.81	0.91	0.91

SHARE INFORMATION

Per December 31, 2024 The number of shares in Climeon amounted to 356,220,890 with quota value of 0.015 SEK, of which 3,900,000 are Class A shares, 10 votes/share, and 352,320,890 are Class B shares, 1 vote/share. A reverse split (1:10) was decided by an Extra General Meeting in December 2024 and implemented in January 2025.

Climeon's B share is listed on Nasdaq First North Premier since October 13, 2017. The share price amounted to SEK 0.40 at the end of the period.

Fund issue elements from the new share issue in Q4 2023 and the exercise of warrants in Q2 2024 have been taken into account in the calculation of average number of shares issued, earnings per share before and after dilution as well as equity per share, which is why comparative figures have been recalculated.

NOTES

NOTE 1 ACCOUNTING PRINCIPLES

Climeon prepares consolidated statements in accordance with the Swedish Annual Accounts Act, RFR 1 completing rules for consolidated groups and IFRS, International Financial Reporting Standards with IFRIC-interpretations as adopted by EU as applied by IAS 34 Interim reporting. Information is given both in notes and in other parts of the report.

The parent company has prepared the interim report in accordance with the Swedish Annual Accounts Act (1995: 1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. Complete information on principles applied by the parent company is found in the annual report 2023 pages 68-75.

NOTE 2 DISTRIBUTION OF NET SALES

CONSOLIDATED

SEK, thousand	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Revenue type				
Hardware	9,462	1,195	41,856	6,041
Consulting and support services	244	23	732	145
Total	9,706	1,218	42,588	6,186
Geographic market				
Sweden	207	6	479	244
Europe	60	1,212	12,998	5,942
North America	-	-	335	-
Asia	9,439	-	28,776	-
Total	9,706	1,218	42,588	6,186

NOTE 3 INTANGIBLE ASSETS

Intangible assets of the Group comprise capitalized expenditure on development SEK 128.5 million (121.6) and patents SEK 3.1 million (3.9). Depreciations during the quarter amounted to SEK 5.8 million (3.1) and write-downs during the period amounted to SEK 0.6 million (0.3). Accumulated depreciations of the period amounted to SEK 20.4 million (12.4) and accumulated write downs of the period amounted to SEK 1.8 million (0.7).

NOTE 4 TANGIBLE ASSETS

Tangible assets of the Group comprise leasehold improvements SEK 7.0 million (8.8), right-of-use assets, SEK 5.5 million (10.8), equipment SEK 1.0 million (1.5), technical equipment SEK 0.9 million (1.6) and systems located at customer premises and where the customers pay for the electricity generated ("As-a-

Service") SEK 0.3 million (0.4). Depreciations during the quarter amounted to SEK 1.4 million (1.6). Accumulated depreciations of the period amounted to SEK 5.7 million (7.4).

NOTE 5 FINANCIAL ASSETS

Financial assets of the Group amount to SEK 42.3 million (72.9) and consist of shares in the finance company Baseload Capital of SEK 40.8 million (71.1). The holding of the shares is valued at fair value through the profit/loss statement. Revaluation has affected the quarter by SEK 0.0 million (-7.8). Accumulated revaluation of the year amount to SEK -3.3 million (-28.8). The valuation is based on unobservable inputs (level 3), such as market transactions of Baseload's shares and the company's own fair value calculations, based on the DCF valuation of Climeon's agreements with Baseload (see section below). If a major transaction involving Baseload's shares were to occur at a significantly different value, this would be taken into account and impact Climeon's valuation of the shares. In the absence of such transactions, the valuation is primarily affected by changes in the DCF calculation. Climeon's management assesses this valuation in accordance with the accounting principles outlined in the 2023 annual report. The profit/loss effect is reported as a financial item.

In February 2024, Climeon announced that it had entered into an agreement with Baseload Capital and its other owners regarding Climeon's ownership in Baseload Capital, where Climeon initially divests approximately 34% of its shares, which have occurred gradually during 2024. The transaction has not had a net liquidity impact on Climeon as the company simultaneously repurchased a number of unused modules and repaid a previously received pre-payment to a corresponding value. During the third quarter of 2024, the last sale of shares took place according to the agreement, corresponding to a value of approx. SEK 16.9 million at the same time as a previous pre-payment was settled to the corresponding value.

In addition, Climeon has issued a call option for its remaining shares for any of Baseload Capital's other owners to exercise during a specified term. The value of this call option has been assessed, as of the balance sheet date, at a low and non-material amount. The company continuously tests this value according to IFRS 9 and 13.

An exercise of this option can thus lead to a future liquidity addition for Climeon. Climeon's intention is to, over time, divest its entire ownership in Baseload Capital.

NOTE 6 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Pledged assets and contingent liabilities amounted to SEK 0.0 million (0,0)

SIGNATURES

The Board of Directors and the CEO guarantees that the interim report provides a fair overview of the company's operations, position and earnings and describes material risks and factors of uncertainty which the company is facing.

Kista, February 6th, 2025

Sebastian Ehrnrooth
Chairman of the Board

Joakim Thölin
Board member

Thomas Öström
Board member

Lena Sundquist
CEO

This interim report has not been reviewed by the company's auditors.

KEY NUMBERS FOR THE GROUP

	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Order intake, SEK million	5.4	10.5	6.2	52.0
Order backlog, SEK million	18.5	80.5	18.5	80.5
Equity ratio (%)	89.2	76.4	89.2	76.4
Debt ratio (times)	0.1	0.3	0.1	0.3
Net debt ratio (times)	-0.1	-0.2	-0.1	-0.2
Earnings per share, before and after dilution, SEK	-0.08	-0.10	-0.40	-0.52
Equity per share, SEK	0.81	0.91	0.81	0.91
Cash and cash equivalents, SEK million	26.3	77.5	26.3	77.5

*) Fund issue elements from the new share issue in Q4 2023 and the exercise of warrants in Q2 2024 have been taken into account in the calculation of earnings per share before and after dilution, which is why comparative figures have been recalculated.

Climeon presents certain financial measures in the interim report that are not defined according to IFRS, so called alternative performance measures. Climeon believes that these measures provide valuable supplemental information to investors and the company's management as they allow for evaluation of trends and the company's performance. Since all companies do not calculate financial measures in the same way, they are not always comparable to measures used by other companies. For definitions of the performance measures that Climeon uses, please see below.

DEFINITIONS

Order intake	The value of assignments received where agreements have been signed during the relevant period.
Order backlog	The value at the end of the period of the remaining unearned income in outstanding assignments.
Equity ratio	Shareholders' equity as a percentage of total assets.
Debt ratio	Liabilities including deferred tax liabilities and provisions divided by shareholders' equity (times).
Net debt ratio	Interest-bearing net debt including cash and cash equivalents divided by shareholders' equity (times). Negative net debt ratio means that cash and cash equivalents exceed interest-bearing liabilities.
Earnings per share, before dilution	Profit/loss for the period divided by the weighted average number of outstanding shares during the period.
Earnings per share, after dilution	Earnings per share adjusted by the number of outstanding warrants.
Equity per share	Shareholders' equity divided by the number of outstanding shares at end of the period.

QUARTERLY FIGURES, CONSOLIDATED

INCOME STATEMENT

SEK, million	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	9.7	18.8	0.8	13.3	1.2	3.9	0.6	0.5
Capitalized work for own account	2.2	1.8	2.6	2.9	2.7	1.5	2.4	3.1
Other operating income	0.0	1.6	10.4	0.0	0.1	0.0	3.1	0.0
Operating expenses								
Raw material and consumables	-13.7	-22.9	-10.7	-14.1	-3.5	-6.3	-1.6	-1.1
Other external expenses	-5.0	-5.4	-6.3	-6.5	-5.0	-11.3	-5.9	-7.2
Personnel expenses	-11.6	-10.6	-13.9	-12.3	-14.3	-12.6	-12.7	-11.9
Depreciation and amortization	-9.2	-9.3	-7.7	-7.0	-6.3	-6.8	-6.4	-6.3
Other operating expenses	-0.3	-0.0	-	-	-0.0	-	-2.4	-0.0
Operating profit/loss	-27.8	-26.0	-24.8	-23.7	-25.1	-31.6	-23.0	-22.9
Net financial income	1.0	-2.2	-2.3	2.1	-10.9	-6.2	-2.0	-14.0
Profit/loss after financial items	-26.7	-28.2	-27.1	-21.6	-36.0	-37.7	-25.0	-36.9
Tax	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
Profit/loss for the period	-26.8	-28.3	-27.1	-21.6	-36.0	-37.8	-25.1	-37.0
Earnings per share, before and after dilution, SEK	-0.08	-0.08	-0.08	-0.06	-0.10	-0.11	-0.07	-0.10

**) Fund issue elements from the new share issue in Q4 2023 and the exercise of warrants in Q2 2024 have been taken into account in the calculation of earnings per share before and after dilution, which is why comparative figures have been recalculated.*

BALANCE SHEET

SEK, million	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Intangible non-current assets	131.6	130.2	128.8	129.2	125.5	121.8	121.4	121.7
Tangible non-current assets	14.6	17.4	20.1	22.0	23.5	25.6	28.7	32.0
Financial assets	42.3	42.3	62.5	62.6	72.9	80.9	84.7	90.2
Total non-current assets	188.5	189.9	211.5	213.9	221.9	228.3	234.9	243.9
Inventories	53.0	49.2	54.4	46.0	44.4	40.2	42.9	46.6
Current receivables	55.2	73.1	71.8	75.6	80.1	53.9	63.2	49.6
Cash and cash equivalents	26.3	5.1	42.0	38.4	77.5	23.1	57.6	95.8
Total current assets	134.5	127.3	168.2	160.1	202.1	117.3	163.7	192.0
Total assets	323.0	317.2	379.7	373.9	424.0	345.6	398.6	436.0
Shareholder's equity	288.1	268.2	298.2	302.3	323.8	268.1	304.3	328.6
Non-current liabilities and other provisions	5.3	6.9	9.6	21.5	23.8	31.0	33.2	34.6
Current liabilities	29.6	42.1	71.9	50.1	76.4	46.5	61.2	72.8
Total equity and liabilities	323.0	317.2	379.7	373.9	424.0	345.6	398.6	436.0

CASH FLOW STATEMENT

SEK, million	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities before changes in working capital	-16.9	-18.8	-18.7	-13.2	-21.4	-21.2	-10.5	-16.3
Changes in working capital	0.7	-9.1	7.8	-15.3	-6.3	5.0	-11.5	-7.8
Cash flow from operating activities	-16.2	-27.9	-10.9	-28.4	-27.6	-16.3	-22.0	-24.2
Investing activities	-7.8	-7.6	-5.9	-9.2	-7.8	-3.0	-4.1	-7.6
Cash flow after investing activities	-24.0	-35.5	-16.7	-37.7	-35.4	-19.3	-26.1	-31.7
Financing activities	45.3	-1.5	20.3	-1.4	89.8	-15.1	-12.1	-11.9
Cash flow for the period	21.3	-37.0	3.6	-39.1	54.4	-34.4	-38.2	-43.5
Cash and cash equivalents at the beginning of the period	5.1	42.0	38.4	77.5	23.1	57.6	95.8	139.3
Exchange rate differences in cash and cash equivalents	-0.0	0.0	0.0	-0.0	-0.0	-0.0	-0.0	-0.0
Cash and cash equivalents at the end of the period	26.3	5.1	42.0	38.4	77.5	23.1	57.6	95.8

THIS IS CLIMEON

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.

OUR MISSION

To make sustainable power accessible, dependable, and cost-effective through the development of industry-leading, low-temperature waste heat recovery technologies.

OUR VISION

To reduce global CO2 emissions and accelerate the use of sustainable power with world leading HeatPower solutions.

LONG-TERM OPERATIONAL GOALS

Climeon aims to become the leading provider of low temperature heat power solutions by offering competitive products with the lowest possible levelized cost of energy (LCOE) for customers. In order to do this, Climeon will focus on:

- Becoming the low temperature de facto standard in chosen segments
- Maintaining the Heat Power system's market leading conversion efficiency
- Optimize the Heat Power system to give users a lower electricity cost (LCOE)

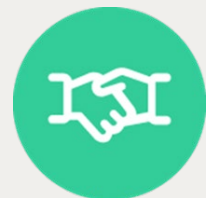
CORE VALUES



DO GOOD



BE A TEAMPLAYER



ALWAYS DELIVER

HEADQUARTERS

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CLIMEON

POWERING A SUSTAINABLE FUTURE