

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 Wednesday May 15, 2024, at 15:00.

The Annual General Meeting will be held in Kista Gates premises at Torshamnsgatan 44 in Kista. Registration will take place from 14:30. After the annual general meeting, the shareholders who wish are invited to a guided tour of the company's test site to see, among other things, the HeatPower 300 in marine design. Please note that advance notification is required for participation since the guided tour can only be offered to a limited number of persons. Pre-registration is done in connection with the registration for the annual general meeting as below.

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 6, 2024, and
- have notified the company via the Company's website <https://climeon.com/agm2024-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 10, 2024, 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.

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 6, 2024, 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 8, 2024 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. Determining the number of board members and deputy board members and the number of auditors and deputy auditors
10. Decision regarding fee for the Board and the auditor
11. Election of Board members and Chairman of the Board
12. Election of auditor(s)
13. Decision to authorise the Board to decide on share issues of B-shares etc.
14. Decision on the issuance of warrants within the framework of a new incentive program
15. Other matters
16. 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 2023.

Item 13; 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 within the limits of the Company's Articles of Association as regards the number of shares and share capital, which is in force at the time of the issue decision. 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. Issuance of new shares with the support of the authorization shall be carried out on customary terms under prevailing market conditions. If the Board deems it appropriate to enable the delivery of shares in connection with an issue as described above, this can be done at a subscription price corresponding to the quota value of the shares.

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.

Resolution by the AGM requires the support by shareholders holding not less than two third of both the shares voted and of the shares represented at the general meeting.

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 6,099,000 warrants, which may result in a maximum total increase of the company's share capital with SEK 91,485. 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 535,000 warrants.

b) Senior executives and other selected key persons are offered to subscribe for a maximum of 321,000 warrants per person and in total a maximum of 1,284,000 warrants; and

c) Current and future other employees and key persons are offered to subscribe for a maximum of 107,000 warrants per person and in total a maximum of 4,280,000 warrants.

2) The warrants shall be subscribed as of June 15, 2024 up until August 31, 2024 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 August 1, 2024 - August 14, 2024. Subscription of B-shares can take place during the period from September 1, 2027 up to and including September 30, 2027.

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 2024/2027 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 0.94 at subscription and an exercise price of SEK 1.88 per share, is SEK 0.27 per warrant. The Black & Scholes valuation model has been used for the valuation, assuming a risk-free interest rate of 2.58 percent and a volatility assumption of 75.7 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 2024/2027.

The total number of registered shares and votes at the time of this proposal amount to 215,845,344 shares and 250,945,344 votes respectively. The maximum dilution of incentive program 2024/2027 is estimated to be a maximum of approximately 2.8 per cent of the total number of shares and a maximum of approximately 2.4 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.

For total dilution of all existing and proposed incentive programs, please be referred to the Board of directors' proposal regarding incentive program that are available at the company and on the company's website www.climeon.com.

Nomination Committee's proposal

The nomination committee for the AGM 2024 consists of Thomas Öström (Chairman), Joachim Karthäuser, Björn Wasing and Peter Lindell. Sara Lindell and the Chairman of the Board Håkan Osvald have been co-opted. The proposal from the nomination committee regarding items 2 and items 9-12 in the agenda together with their motivated statement are held available at the company and at the website 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 from the law firm Rasmusson & Partners Advokat AB 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.

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 has been noted that Anders Lindberg and Peter Carlberg have declined re-election.

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It is proposed that the present board members Thomas Öström, Liselotte Duthu Törnblom and Håkan Osvald will be re-elected and that Joakim Thölin and Sebastian Ehrnrooth will be newly elected.

It is proposed that Håkan Osvald will be re-elected as Chairman of the Board (re-election).

Joakim Thölin, who is proposed as a new board member, was born in 1965, holds a Master of Science in Economics from the Stockholm School of Economics. Joakim Thölin has been active within the Alfa Laval Group for several years in various positions such as e.g. Vice President for the Marine division, Vice President Equipment division and Managing Director for Alfa Laval Austria. In recent years, Joakim Thölin has led Alfa Laval's M&A group and has been a board member for AlfaWall, a product supplier in the Marine segment. Joakim Thölin also has experience from the startup area as chairman of Starcus, active in media & internet.

Sebastian Ehrnrooth, who is proposed as a new board member, was born in 1963, has a Bachelor of Science in Engineering from Linköping Institute of Technology and an MBA from IMD in Lausanne. Sebastian Ehrnrooth has been active in Segulah for more than 20 years, where he resigned as chairman of the investment committee in 2023. Sebastian Ehrnrooth has solid experience in corporate financing and has served as a board member and owner representative in around 20 companies.

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 18, 2024. 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 215,845,344 shares of which 3,900,000 are A-shares and 211,945,344 B-shares, whereby the total number of votes in the company amounts to 250,945,344 votes.

Kista in April 2024
Climeon AB (publ)
Board of Directors

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.

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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. Learn more at climeon.com.

Image Attachments

[Climeon 2024 AGM](#)

Attachments

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