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SUBGEN AI ANNOUNCES A DIRECTED ISSUE OF ORDINARY SHARES AND WARRANTS WITH PAYMENT IN KIND CONSISTING OF A SHARES IN SUBSTRATE AI

The Board of Directors in Subgen AI AB ("Subgen AI" or the "Company") has today, pursuant to the authorization from the annual general meeting 2026, resolved on a directed issue with payment in kind of approximately SEK 59.5 million, comprising of a maximum of 671,717,301 ordinary shares in the Company against consideration in the form of a maximum of 54,699,000 A shares in its controlled Spanish subsidiary Substrate Artificial Intelligence S.A. ("Substrate AI") as well as a total of 105,000,000 warrants series 2026/2029 free of charge (the "Directed Issue"). The Directed Issue is directed to Assured Mind S.L., Yann Roche and Loft Capital Limited as shareholders of Substrate AI who have undertaken to subscribe for new ordinary shares in Subgen AI and entails an offer of approximately 12.3 ordinary shares in Subgen AI for each (1) contributed A share in Substrate AI. Allotment of the new ordinary shares and warrants in the Company will be resolved by the Board of Directors following the contributing shareholders' transfer of their A shares in Substrate AI as payment in kind. Following completion of the Directed Issue and the related payment in kind, Subgen AI will directly hold approximately 58.6 percent of the capital and approximately 58.8 percent of the votes in Substrate AI.

The Directed Issue

The Board of Directors in Subgen AI has today, pursuant to the authorization from the annual general meeting 2026, resolved on the Directed Issue of a maximum of 671,717,301 ordinary shares as well as 105,000,000 warrants series 2026/2029. The Directed Issue is being carried out in the form of an issue with payment in kind in which Assured Mind S.L., Yann Roche and Loft Capital Limited have undertaken to subscribe for new ordinary shares and warrants series 2026 /2029 in the Company (Assured Mind S.L., 312,520,039 ordinary shares and 50,000,000 warrants series 2026/2029, Yann Roche, 294,725,959 ordinary shares and 50,000,000 warrants series 2026/2029, and Loft Capital Limited, 64,471,303 ordinary shares and 5,000,000 warrants series



2026/2029) and, as payment for the new ordinary shares, contribute A shares in Substrate AI to the Company as payment in kind, whereby approximately 12.3 ordinary shares in the Company are issued for each (1) contributed A share in Substrate AI (12.3:1). The new warrants are issued free of charge. In total, 671,717,301 new ordinary shares will thus be issued by the Company in exchange for the payment in kind, consisting of a total of 54,699,000 A shares in Substrate AI. Allotment of the new ordinary shares and warrants in the Company will be resolved by the Board of Directors following the contributing shareholders' transfer of their A shares in Substrate AI as payment in kind. The Board of Directors has assessed the value of the payment in kind, taking into account, inter alia, the subscription price in Substrate AI's issue of A shares of EUR 0.10 as announced by Substrate AI on 4 May 2026, and has determined the value to be in total EUR 5,469,900, corresponding to in total SEK 59,514,152.8686 based on the Riksbank's EUR/SEK exchange rate on 4 June 2026 and following rounding of issued ordinary shares in the Directed Issue. The subscription price per share in the Directed Issue with payment in kind has been set at SEK 0.0886, corresponding to the closing price of Subgen AI's ordinary share on 4 June 2026. The subscription price has been determined through arm's-length negotiations together with a financial adviser. The Board of Directors considers the subscription price to be in line with market conditions and to reflect the demand for the Company's ordinary shares.

One (1) warrant series 2026/2029 entitles the holder to subscribe for one (1) new ordinary share in the Company. The subscription price upon exercise of the warrants series 2026/2029 has been determined through arm's-length negotiations with the investors and amounts to SEK 0.25, corresponding to a premium of approximately 182.2 percent compared to the subscription price per ordinary share in the Directed Issue of SEK 0.0886. In view of this, the Board of Directors considers that the subscription price upon exercise of the warrants series 2026/2029 is in line with market conditions. The warrants may be exercised during three separate periods, the first running from and including 14 June 2027 up to and including 28 June 2027, the second from and including 12 June 2028 up to and including 26 June 2028 and the third from and including 11 June 2029 up to and including 25 June 2029. The warrants are issued free of charge and are not intended to be admitted to trading. A maximum of 105,000,000 warrants series 2026/2029 may be issued in connection with the Directed Issue. Upon full exercise of the warrants of series 2026/2029, the Company may receive proceeds of a maximum of SEK 26.25 million before transaction costs.

Considerations

It is proposed that the Directed Issue be carried out with deviation from the shareholders' pre-emptive rights. The reasons for deviating from shareholders' pre-emptive rights are as follows. The Directed Issue is carried out as an issue with payment in kind, where the consideration consists of A shares in Substrate AI contributed by certain shareholders of Substrate AI. The purpose of the Directed Issue is to enable the Company to acquire these shares and thereby increase its ownership and degree of control in Substrate AI, an entity which the Board considers to be of strategic importance to the Subgen AI group, not least in light of the significant potential the Board sees in Substrate AI's future revenue-generating capabilities. As the consideration is to be paid in kind through the contribution of A shares in Substrate AI held by these shareholders, a directed issue to the contributing shareholders is considered the appropriate structure for the



transaction. A rights issue would not enable the Company to acquire the specific A shares in Substrate AI concerned in a corresponding manner. Against this background, the Board considers that the Directed Issue, on the terms proposed, is in the best interests of the Company and all its shareholders.

Share capital, shares and dilution

Through the Directed Issue, the total number of shares in Subgen AI may increase with up to 671,717,301 ordinary shares, from a total of 1,309,721,451 shares (of which 498,987,606 A shares and 810,733,845 ordinary shares) to a total of 1,981,438,752 shares (of which 498,987,606 A shares and 1,482,451,146 ordinary shares), and the share capital may increase with up to approximately SEK 1,746,986.83, from approximately SEK 3,406,293.28 to approximately SEK 5,153,280.12. All shares issued in the Directed Issue will be ordinary shares. The Directed Issue implies a maximum dilution for existing shareholders in the Company of approximately 33.9 percent of the capital and approximately 10.4 percent of the votes, calculated on the basis of the maximum number of ordinary shares that may be issued under the Directed Issue.

Should all warrants series 2026/2029 issued in the Directed Issue be utilized for subscription of new ordinary shares, the total number of shares in Subgen AI may increase with an additional 105,000,000 ordinary shares and the share capital may increase with approximately SEK 273,081.57.

Ownership in Substrate AI

Following completion of the Directed Issue and the related payment in kind consisting of in total 54,699,000 A shares in Substrate AI, Subgen AI will directly hold approximately 58.6 percent of the capital and approximately 58.8 percent of the votes in Substrate AI.

Advisors

Eminova Partners Corporate Finance AB acts as financial advisor and Moll Wendén Advokatbyrå AB acts as legal advisor in connection with the Directed Issue. Eminova Fondkommission AB acts as the issue agent.

For further information, please contact:

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About Subgen AI

Subgen AI is an enterprise artificial intelligence company that develops both infrastructure and proprietary agent-centric AI-as-a-Service software, branded as Serenity Star. Its solutions are



designed to scale and accelerate the adoption of AI across organizations. Subgen AI is experiencing rapid growth, building data centers and delivering services to clients in sectors such as healthcare, energy, legal, and human resources. Subgen AI operates across Europe, Latin America, and the United States. For more information, see Subgen AI's website <https://subgen.ai/>.

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This press release does not constitute a prospectus within the meaning of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction.

This press release does not constitute an offer or invitation to acquire or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States without registration, or without the application of an exemption from registration, under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States unless they are registered, are covered by an exemption from, or are part of a transaction not subject to the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of such securities in the United States. The information in this press release may not be disclosed, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or to the United States, Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Switzerland, Singapore, South Africa, South Korea or any other jurisdiction where such disclosure, publication or distribution of this information would be contrary to applicable regulations, or where such action is subject to legal restrictions or would require further registration or other measures beyond those required under Swedish law. Any action contrary to this instruction may constitute a breach of applicable securities legislation.

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(Financial Promotion) Order 2005 (the “**Order**”); or (ii) “high net worth entities” as referred to in Article 49(2)(a)-(d) of the Order (all such persons are collectively referred to as “relevant persons”). An investment or investment activity to which this notice relates is available in the UK only to relevant persons and will be undertaken only with relevant persons. Persons who are not relevant persons should not take any action based on this document, nor act or rely on it.

This press release neither identifies nor purports to identify 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 Company may only be made on the basis of publicly available information, which has not been verified by Subgen AI’s financial advisers. The Company’s financial advisers are acting on behalf of the Company in connection with the transaction and not on behalf of any other party. The Company’s financial advisers are not liable to any other party for providing the protection afforded to their clients or for providing advice in connection with the transaction or in relation to any other matter mentioned herein.

Forward-looking statements

This press release contains forward-looking statements relating to the Company’s intentions, assessments or expectations regarding the Company’s future results, financial position, liquidity, development, prospects, expected growth, strategies and opportunities, as well as the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by the use of terms such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “assume”, “should”, “could” and, in each case, the negations thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no guarantee that they will materialise or that they are correct. As these assumptions are based on estimates and are subject to risks and uncertainties, the actual results or outcomes may, for a variety of reasons, differ materially from those indicated in the forward-looking statements. Such risks, uncertainties, contingencies and other material factors may cause actual events to differ materially from the expectations expressly or implicitly set out in this press release through the forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are correct, and readers of the press release should not unduly rely on the forward-looking statements contained herein. The information, views and forward-looking statements expressly or implicitly contained herein are provided only as of the date of this press release and are subject to change. Neither the Company nor any other party undertakes to review, update, confirm or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise regarding the content of this press release, unless required by law or the rules of Nasdaq First North Stockholm.



Information for distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Subgen AI have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Subgen AI may decline and investors could lose all or part of their investment; the shares in Subgen AI offer no guaranteed income and no capital protection; and an investment in the shares in Subgen AI is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed 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 in Subgen AI.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Subgen AI and determining appropriate distribution channels.

This information is information that Subgen AI 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 2026-06-05 16:36 CEST.