

# CLIMEON PUBLISHES PROSPECTUS IN CONNECTION WITH FULLY GUARANTEED RIGHTS ISSUE OF APPROXIMATELY 160 MILLION SEK

PRESS  
RELEASE

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**The Board of Directors in Climeon AB (publ) (Nasdaq First North Premier Growth Market: CLIME B) ("Climeon" or the "Company") announced on 25 May 2022, pursuant to the authorization granted by the annual general meeting on 18 May 2022, to resolve on a fully guaranteed rights issue of up to 35,664,407 class B shares with preferential right for the Company's existing shareholders (the "Rights Issue"). The Board of Directors of Climeon has in connection with the Rights Issue, and prior to the subscription period, which commences on 3 June 2022, prepared a prospectus which today has been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) (the "SFSA") and has been published on the Company's website.**

## Publication of the Prospectus

Complete information about the Rights Issue is included in the prospectus that has been prepared by the Board of Directors of the Company and that today has been approved by the SFSA. The prospectus is available on Climeon's website (<https://climeon.com/investor-english/>), DNB Markets, part of DNB Bank ASA, Sweden branch's website, <https://www.dnb.se/emissioner> and will also be available on the SFSA's website (<https://fi.se/sv/vara-register/prospektregistret/>).

The prospectus has been prepared as an EU-Growth prospectus in accordance with article 15 in the Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The prospectus has been approved by the SFSA, which is the Swedish competent authority in accordance with the Prospectus Regulation, in accordance with article 20 of the Prospectus Regulation. The SFSA only approves the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The approval should not be considered as an endorsement of Climeon or as an endorsement of the quality of the shares that are the subject of the prospectus and does not indicate that the SFSA guarantees that the facts in the prospectus are correct or complete. Investors should make their own assessment as to the suitability of investing in the Rights Issue.

## The Rights Issue in Brief

- Existing shareholders receive one (1) class B subscription right for each share, either class A or class B, held on the record date. Five (5) subscription rights entitles subscription of three (3) class B shares in the Rights Issue.
- The maximum number of class B shares that may be issued is 35,664,407 shares with preferential right for the Company's existing shareholders. The subscription price is 4.50 SEK.
- If the Rights Issue is fully subscribed, the Company will receive approximately SEK 160 million before deduction of costs attributable to the Rights Issue.
- The purpose of the Rights Issue is to secure financing of Climeon's financial position and to support the Company's business plan, strategy and commercialization of the next generation of heatpower technology, HeatPower-300. The net proceeds from the Rights Issue will be used to finance on-going operations and development activities and commercialization of HeatPower 300.

- Thomas Öström, Peter Lindell, Joachim Karthäuser, Fredrik Ljungström, Ann-Helene Ljungström, Stefan Lerneby, SEB-stiftelsen, Johan Sjögren and Peter Bühler have through subscription undertakings undertaken to subscribe for 38 percent of the shares in the Rights Issue. Furthermore, Modelio Equity and Wilhelm Risberg have provided guarantee commitments which, in aggregate, amount to approximately SEK 100 million. The guarantors may receive compensation in cash or in class B shares. The compensation, if the guarantor choose cash payment, will amount to 10 percent of the guaranteed amount and 12 percent if the guarantors choose payment in class B shares. The Rights Issue is fully guaranteed through a combination of subscription undertakings and guarantee commitments.
- Any shareholder who chose not to subscribe for new shares in the Rights Issue will have their shareholding diluted by approximately 37.5 percent.
- Complete terms and conditions of the Rights Issue are disclosed in the prospectus.

### Timetable of the Rights Issue

- Record date for participation in the Rights Issue was 1 June 2022.
- The subscription period in the Rights Issue occurs during the period 3 June to 17 June 2022.
- Trading in subscription rights occurs during the period 3 June to 14 June 2022.
- Announcement of the final outcome in the Rights Issue is expected to take place on or about 20 June 2022.
- Trading in BTAs (Sw. Betalda Tecknade Aktier) occurs on or about 3 June – 27 June 2022.
- Delivery of shares subscribed for with subscription rights is expected to be delivered on or about 1 July 2022.
- Delivery of shares subscribed for without subscription rights is expected to be delivered on or about 4 July 2022.

### Advisers

DNB Markets, part of DNB Bank ASA, Sweden branch, is the financial advisor to the Company in relation to the Rights Issue. Baker McKenzie Advokatbyrå KB is the legal advisor to the Company in relation to the Rights Issue.

### For more information, please contact:

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#### About Climeon AB (publ)

Climeon is a Swedish product company within energy technology. The company's unique technology for thermal power - Heat Power - makes accessible a largely unused energy source and provides sustainable electricity from hot water, around the clock, all year round. Heat Power is a cheap and renewable energy source with the potential to replace much of the energy that today comes from coal, nuclear power, oil and gas. The B share is listed on the Nasdaq First North Premier Growth Market. FNCA Sweden AB is a Certified Adviser, +46 (0) 8-528 00 399 [info@fnca.se](mailto:info@fnca.se). Learn more at [climeon.com](http://climeon.com).

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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. A prospectus, equivalent to an EU growth prospectus, in respect of the Rights Issue referred to in this press release will be prepared and published by the Company prior to the commencement of the subscription period for the Rights Issue.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement relating to the Rights Issue is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. DNB is acting for Climeon in connection with the Rights Issue and no one else and will not be responsible to anyone other than Climeon for providing the protections afforded to its clients nor for giving advice in relation to the Rights Issue or any other matter referred to herein.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in 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 Rights Issue of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

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### *Forward-looking statements*

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. 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, unless it is not required by law or Nasdaq First North Growth Market rule book for issuers.

### *Information to 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 Climeon 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

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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 the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company 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 Rights 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 Climeon.

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

*The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*