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MODELON'S RIGHTS ISSUE OVERSUBSCRIBED

On 3 July 2024, Modelon AB (publ) ("Modelon" or the "Company") announced the preliminary outcome for the Company's rights issue of up to 5,508,235 shares of series B (the "B-shares"), for which the subscription period ended on the same day (the "Rights Issue"). The Company has received the final outcome of the Rights Issue, which is identical to the preliminary results, which concludes that that 4,960,333 B-shares, corresponding to approximately 90.1 percent of the Rights Issue, have been subscribed for with the support of subscription rights. Additionally, applications for subscription of 2,129,661 B-shares without the support of subscription rights, corresponding to approximately 38.7 percent of the Rights Issue, have been received. In aggregate, the subscriptions with the support of subscription rights and the applications for subscription of B-shares without the support of subscription rights correspond to approximately 128.7 percent of the Rights Issue and is thus oversubscribed. In light of the large interest, the board of directors of Modelon has decided to expand the offer through over-allotment with the support of the authorization from the extraordinary general meeting on 7 June 2024. The Rights Issue will provide the Company with proceeds of approximately SEK 50.1 million before deduction of costs related to the Rights Issue. Through the over-allotment, the Company will receive an additional approximately SEK 6.4 million before transaction costs.

On 21 May 2024, Modelon announced that the board of directors of the Company had resolved on the Rights Issue, conditional upon the approval of a general meeting. On 7 June 2024, Modelon announced that the extraordinary general meeting on the same date had resolved to approve the Rights Issue. The subscription price in the Rights Issue was SEK 9.1 per B-share.

Final outcome

The Rights Issue is comprised of 5,508,235 B-shares, of which 4,960,333 B-shares, corresponding to approximately 90.1 percent of the Rights Issue, have been subscribed for with the support of subscription rights in the Rights Issue. Additionally, applications for subscription of 2,129,661 B-shares without the support of subscription rights, corresponding to approximately 38.7 percent of the Rights Issue, have been received. In total, the Rights Issue is subscribed to approximately 128.7 percent, with and without the support of subscription rights and is thus oversubscribed. In light of the large interest, the board of directors of Modelon has decided to expand the offer through over-allotment with the support of the authorization from the extraordinary general meeting on 7 June 2024. The Rights Issue will provide the Company with proceeds of approximately SEK 50.1 million before deduction of costs related to the Rights Issue. Through the over-allotment, the Company will receive an additional approximately SEK 6.4 million before transaction costs.

Notice of allotment

Those who have subscribed for B-shares without the support of subscription rights will be allocated B-shares in accordance with the principles set out in the prospectus published by the Company on 17 June 2024. Notice of allotment to the persons who subscribed for B-shares without the support of subscription rights is expected to be distributed on 5 July 2024. Subscribed and allotted B-shares shall be paid in cash in accordance with the instructions on the settlement note sent to the subscriber. Subscribers who have subscribed through a nominee will receive notification of allocation in accordance with their respective nominee's procedures. Only those who have been allotted B-shares will be notified.

Number of shares and share capital

Through the Rights Issue, the number of shares in Modelon will increase by 5,508,235, from 11,016,471 to 16,524,706 and the share capital will increase by SEK 461,326.23, from SEK 922,652.55 to SEK 1,383,978.78. Shareholders that have not participated in the Rights Issue will be diluted by approximately 33.3 percent. Through the over-allotment, the number of shares will increase by a further 700,000, and the share capital will increase by a further approximately SEK 58,626.47, which together with the Rights Issue corresponds to a dilution of approximately 36.0 percent.

Advisers

Pareto Securities AB is Sole Manager and Bookrunner. Advokatfirman Lindahl KB is legal adviser to the Company and Baker & McKenzie Advokatbyrå is legal adviser to Pareto Securities in connection with the Rights Issue.

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About Modelon

Modelon offers systems modeling and simulation software that accelerates product innovation, development and operations in a range of industries. Modelon's flagship product, Modelon Impact, is a cloud-native system simulation software platform featuring a collaborative browser-based interface and thousands of proven models and components spanning a broad range of applications. Headquartered in Lund, Sweden, and with global reach, Modelon is an expert industry leader in model-based systems engineering with a focus on leveraging open standard technologies.

Modelon AB is listed on Nasdaq First North Growth Market with ticker symbol MODEL B. Redeye AB is appointed the Company's Certified Adviser.

Important information

Publication, announcement, or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in the Company in any jurisdiction.

Any offer of securities in the Company mentioned in this press release was made through the prospectus that the Company published on 17 June 2024. This press release is not a prospectus according to Regulation (EU) 2017/1129 (together with relevant implementations and delegated regulations "Prospectus Regulation").

No securities described herein have been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws in any other state or jurisdiction in the USA and no securities may be offered or transferred (as defined in Regulation S under the Securities Act), directly or indirectly, in or into the USA other than pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the USA. This press release does not constitute an offer or invitation to acquire or subscribe for shares or other securities in the USA. No securities will be offered to the public in the United States.

In the United Kingdom, this release is only being distributed to persons who are "qualified investors" within the meaning of the Prospectus Regulation, as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018, and who are (i) investment professionals within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) persons who falls within Article 49(2)(a) to (d) of the Order, or (iii) other persons to whom this release may lawfully be communicated.

Within the European Economic Area ("EEA"), no public offering of securities is made in other countries than Sweden. In other member states of the EU, such an offering of securities may only be made in accordance with an applicable exemption in the Prospectus Regulation.

The press release contains certain forward-looking statements that reflect the Company's current views or expectations with respect to future events and financial and operational performance. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

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 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 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 the Company.

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

Attachments

Modelon's rights issue oversubscribed