



PRESS RELEASE

For immediate release

PowerCell has received a German letter of intent to develop a fuel cell platform with partners in the German automotive industry

Gothenburg, Sweden, June 29, 2017

The leading Nordic fuel cell company [PowerCell Sweden AB \(publ\)](#) has received a nonbinding declaration of intent from the German Ministry of Transport and Digital Infrastructure together with a major consortium including BMW, Daimler, Ford and Volkswagen. The companies participate in a funded lighthouse project of the German Program Office NOW to develop a common fuel cell stack platform with PowerCell acting as stack developer.

PowerCell has, together with its German partners BMW, DANA, Daimler, Ford, Freudenberg Performance Materials, Greenerity, NuCellSys, Umicore, Volkswagen and ZSW, submitted an application to the German authorities to develop and invest in the industrialization of a common fuel cell stack technology for automotive application in the framework of the joint AutoStack-Industrie-Project (ASI). The project is planned to be performed in two phases, whereof the total budget of the first project phase comprises 29 months and MEUR 36 with PowerCell's share estimated to approximately MEUR 5.3

Germany has allocated considerable resources for the development of fuel cell and hydrogen technologies. The National Innovation Program for Hydrogen and Fuel Cell Technology (NIP) has recently entered a second phase. During the period 2016-2019, Germany invests MEUR 250 in the program "Hydrogen and fuel cell technology 2016-2026".

Together with leading German vehicle manufacturers, component suppliers and the Centre of Solar and Hydrogen Research (ZSW), PowerCell is in the unique position to develop a standardized European fuel cell stack platform that shall enable emission-free transport. The platform can be used in different vehicles and vehicle platforms to generate economies of scale and reduce the investment cost of vehicle manufacturers and component suppliers. The platform strategy can establish a significant competitive advantage for the participating companies, thus facilitating the commercialization of automotive fuel cell technology. By creating a joint consortium, the participating vehicle and component manufacturers increase the ability to quickly deliver high-quality and cost-effective products to the market.

"The strategic value of this development project is significant. The fact that PowerCell was chosen as development partner in such a strong consortium shows how far we have come. ASI is an extension of the earlier AutoStack Core project that the PowerCell S3 fuel cell stack is based upon. In that project, we were able to prove our excellent skills and technology", said Per Wassén, CEO of PowerCell Sweden AB.



"Now it is about developing products that allow our society to continue to transport goods and people, but doing that without carbon dioxide emissions. We were chosen due to our competence that amongst other things manifests in the outstanding performance of our products", said Per Ekdunge, CEO of PowerCell's German subsidiary.

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Follow the Program Office at Facebook: <https://www.facebook.com/NOWGmbH>

This information is insider information that PowerCell Sweden AB (Publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 09:00 CET on June 29, 2017.

About PowerCell Sweden AB (publ)

PowerCell Sweden AB (publ) is the leading fuel cell company in the Nordics, which develops and produces environmentally friendly power systems for stationary and mobile customer applications.

PowerCell has developed a modular system of fuel cell platforms, powered by clean environmentally friendly produced hydrogen where only electricity, heat and water are emissions. The fuel cells are also designed to handle the reformed hydrogen from e.g. biogas, natural gas, biodiesel or standard diesel.

In case hydrogen infrastructure is missing, PowerCell has combined its leading fuel cell and reformer technology and developed a fuel cell system, PowerPac, which converts standard diesel, with hydrogen, into electricity. This is done in an energy efficient and environmentally friendly way, in which emissions of carbon monoxide, nitrogen oxides and particles are completely eliminated and the carbon dioxide is greatly reduced compared with a conventional diesel engine.

PowerCell Sweden AB (publ) is listed on First North at Nasdaq Stockholm and is an industrial spinout from the Volvo Group. G&W Fondkommission is appointed Certified Adviser by the Company. Among the largest owners are Midroc New Technology, Fouriertransform, Finindus and Volvo Group Venture Capital. For additional information, please visit: www.powercell.se.

About German Program Office NOW

Full name is "National Organization for Hydrogen and Fuel Cell Technology". More information at www.now-gmbh.de

About the program Hydrogen and Fuel Cell Technology 2016-2026

The program, whose official name is "National Innovation Program Hydrogen and Fuel Cell Technology 2016-2026", is implemented and executed by NOW. More information at www.now-gmbh.de/de/nationales-innovationsprogramm/foerderprogramm

**About Auto-Stack Industrie**

The AutoStack industry project is funded by the German Federal Ministry of Transport and Digital Infrastructure in the framework of the National Innovation Program for Hydrogen and Fuel Cell Technology (NIP) with EUR 21.3 million. The NIP is coordinated by the National Organization for Hydrogen and Fuel Cell Technology (NOW). Partners of the project are BMW, Daimler, DANA, Ford, Freudenberg Performance Materials, Greenerity, NuCellSys, Powercell Germany, Umicore, Volkswagen and ZSW / AMC.

ASI is the new project that we have applied for and which is subject of the press release. Web link will be established only after formal approval.

About Autostack Core

Autostack Core is a European funded development project and the predecessor project for Autostack Industrie. More info at www.zsw-bw.de/projekt/h2-und-brennstoffzellen/autostack-core-entwicklung-und-test-eines-95-kw-brennstoffzellen-stacks.html