

Fourth quarter and full year report 2019



Full year report 2019

Fourth Quarter, October-December 2019

(last year's figures within brackets)

- Net sales amounted to 26,983 (28,102) thousand SEK
- Operating income, before items affecting comparability, amounted to -28,736 (-11,147) thousand SEK
- Operating income amounted to -28,763 (-11,147)
- Income after tax amounted to -40,977 (-11,451) thousand SEK
- Operating cash flow amounted to -21,445 (-30,163) thousand SEK
- Base earnings per share amounted to -0.84 (-0.22) SEK

Accumulated, January-December 2019

(last year's figures within brackets)

- Net sales amounted to 66,850 (60,513) thousand SEK
- Operating income, before items affecting comparability, amounted to -79,898 (-60,893) thousand SEK
- Operating income amounted to 448,408 (-60,893)
- Income after tax amounted to 438,011 (-61,862) thousand SEK
- Operating cash flow amounted to 369,146 (-99,981) thousand SEK
- Diluted earnings per share amounted to 8.38 (-1.19) thousand SEK

Financial Highlights

Thousand SEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales	26,983	28,102	66,850	60,513
Operating income before items affecting comparability	-28,736	-11,147	-79,898	-60,893
Operating income	-28,763	-11,147	448,408	-60,893
Income after tax	-40,977	-11,451	438,011	-61,862
Basic and diluted earnings per share, SEK	-0.84	-0.22	8.38	-1.19
Net debt/equity ratio, %	82.7%	58.6%	82.7%	58.6%
Operating cash flow	-21,445	-30,163	396,145	-99,981

Definitions, please see page 18.

Important events in October-December 2019

- PowerCell to participate in EU project regarding fuel cell electrification of heavy-duty trucks
- PowerCell gets additional follow-on order for PowerCell S3 fuel cell stacks from a global automotive OEM
- PowerCell launches its Chinese subsidiary
- PowerCell launches new and improved version of MS-100 fuel cell system
- PowerCell signs development contract for maritime zero emissions solution with Havyard Group
- Robert Bosch GmbH acquires Midroc New Technology's shares in PowerCell
- PowerCell gets approval for phase 2 of the German industrial project Autostack Industrie

Important events after period-end

- PowerCell's Chinese subsidiary receives its first order
- PowerCell delivers MS-100 fuel cell system to the Italian ship building company Fincantieri S.p.A
- PowerCell signs distributor agreement for Japan with the Japanese trading house Inabata & CO Ltd.

The CEO's comments

A quarter of sustained and vigorous efforts within marketing and product development



Our vigorous efforts within sales and marketing as well as within product development continued during the fourth quarter 2019. The launch of a new and improved version of our fuel cell system MS-100 and the establishment of a subsidiary in China have increased our costs during the quarter, but will strengthen our position long-term within an increasingly commercially relevant technology and improve our proximity to our Chinese customers. For the first time ever we can report a strong positive result for a full year due to our agreement with Bosch.

Total sales during the quarter fell slightly compared to the same quarter last year due to a decrease in sales of PowerCell S3 to the automotive segment. This is a natural consequence of our agreement with Bosch as we licensed out our S3 technology for this segment. As previously communicated, this will affect our sales negatively during a transition period until we start receiving royalty fees from Bosch.

The gross margin for the fourth quarter was 34 percent which reflects the fluctuations between quarters that are typical for a small company with a modest turnover. When comparing with the same quarter last year it should be noted that the gross margin for the fourth quarter 2018 was remarkably strong due to a higher portion of sales of engineering services.

The substantially higher costs for sales during the quarter, is the result of a deliberate decision to strengthen our sales organization, not the least in China, where we started a subsidiary with local employees in October. China is at the forefront when it comes to the use of the fuel cell technology and has introduced large subsidies to speed up the introduction of this technology. Our Chinese subsidiary will help us to benefit from this and to be closer to our Chinese customers. We have also deliberately increased our cost for research and development to align with customer demands and facilitate the integration of the technology. We have also improved and expanded our existing offer. On this point I would like to highlight the enhanced version of our MS-100 fuel cell system which we launched in conjunction with the big trade fair "Fuel Cell Seminar & Energy Exposition" in California, early November. The new version is 30 percent more compact, more robust and has a longer operating lifetime. The system has been developed for the electrification of a broad range of demanding applications on land (transportation and stationary) and at sea. Several systems can be joined together in megawatt containers.

The increase in cost for both selling and research and development was planned but had a short-term negative impact on our operating income during the quarter.

A year of validations

As the CEO of PowerCell I have for years argued for the important role that the fuel cell technology and PowerCell can play in a transition to a carbon dioxide-free and more sustainable use of energy. 2019 has to a great extent confirmed this prediction. Without a doubt the most important event in that respect was our joint development and licensing agreement with Robert Bosch GmbH which not only provided us with a one-time payment of MEUR 50 but was also a great sign of recognition of our position and technology. Bosch's interest in PowerCell and its fuel cell technology is driven by the increasingly tough legislative demands for carbon dioxide emissions that have been introduced over the last couple of years in the transport sector. Bosch forecasts that as much as 20 percent of all the world's electric vehicles will be powered by fuel cells by 2030.

Another major event last year was the decision of the German authorities to approve step 2 of the industrial Autostack Industrie project, ASI. The approval opens up grant funding possibilities for PowerCell of up to a maximum of MEUR 4.85 (approx. MSEK 50) for work carried out by PowerCell within the project. The aim of the project is to develop a fuel cell stack for mass production for the German automotive industry. Other partners of the project are, among others, Audi, BMW, Daimler, Ford and Volkswagen. When it comes to the memorandum of understanding that we signed with Siemens Marine in August 2018, we have ongoing discussions on how to best proceed with our cooperation for a joint development of fuel cell-based propulsion and power generating systems for marine applications.

Growing interest within marine and stationary applications

During 2019, PowerCell took an important step within the marine segment when we signed a development contract with Norwegian ship technology company Havyard Group ASA for a zero-emissions fuel cell system. The contract comprises the development, the design and technical specifications for a system of 3.2 MW. The system is intended to be used in vessels that will service a new route from Bergen to Kirkenes.

Over the last year, customers' interest in using fuel cells for a wide range of applications within the stationary segment have increased sharply. We have received requests regarding the use of fuel cells for everything from peak-shaving to use for combined heat and power and for the optimization of renewable energy sources like solar and wind power. The lack of grid capacity and the high investment cost associated with improving the capacity, have also contributed to an increase in interest for the use of fuel cells for charging battery-electric vehicles.

To round up, I would like to thank in particular all of PowerCell's employees whose hard and dedicated work contributed in making 2019 so far the most exciting year in the history of PowerCell! To be continued!

Per Wassén

President and CEO PowerCell Sweden AB

Income and financial position

THE GROUP

Total sales and income for the fourth quarter 2019

Sales for the period October to December 2019 amounted to 26,983 (28,102) thousand SEK. The decrease in sales is mainly due to lower sales of PowerCell S3 to the automotive segment. Other operating income for the period, which mainly consists of grants, amounted to 10,530 (11,773) thousand SEK.

Operating income before items affecting comparability amounted to -28,736 (-11,147) thousand SEK. The lower operating income is mainly caused by higher costs for sales and administration and to higher costs for research and development, mainly driven by the launch of a new and enhanced version of MS-100 fuel cell system. Operating income after items affecting comparability amounted to -28,763 (-11,147) thousand SEK.

The increase in financial costs is mainly attributable to a re-evaluation of bank assets in Euro at period-end. The re-evaluation of the Bosch payment on a Euro account affected the financial costs during the quarter by a total of -12,295 thousand SEK.

Total sales and income accumulated January - December 2019

Sales for the period January to December 2019 amounted to 66,850 (60,513) thousand SEK. The increase in sales is mainly due to increased sales of fuel cell systems.

Operating income before items affecting comparability for the period January-December 2019 amounted to -79,898 (-60,893) thousand SEK. Operating income after items affecting comparability for the period January-December 2019 amounted to 448,408 (-60,893) thousand SEK.

During the period January-December 2019 the re-evaluation of the Bosch payment on the Euro account affected the financial costs with a total of -10,301 (-818) thousand SEK.

Liquidity and cash flow

The operating cash flow for the period amounted to -21,445 thousand SEK compared to -30,163 thousand SEK for the same period last year. The improvement in the cashflow is mainly attributable to a lower build-up of inventories compared to the same period last year, and to EU grant payments. The cashflow was negatively affected by a repayment of approximately MSEK 9 on a conditional loan, from the Swedish Energy Agency.

The 15 percent of the Bosch payment that has been withheld in accordance with German tax regulations, is still being processed by the German tax authorities. PowerCell's assessment is that the money will be paid out to the company but has currently difficult to estimate when it will happen.

The Group's financial position and liquidity are satisfactory. Cash and cash equivalents at December 31, 2019 amounted to SEK 440,948 thousand SEK.

Investments

Total investments of 1,400 thousand SEK were made during the period (2,005).

THE PARENTAL COMPANY

Sales and operating income for the fourth quarter 2019

Sales for the period October to December 2019 amounted to 26,983 (28,102) thousand SEK. The decrease is mainly attributable to lower sales of PowerCell S3 to the automotive segment. Other operating income for the period, which mainly consists of grant funding, amounted to 10,418 (11,670) thousand SEK.

Operating income before items affecting comparability amounted to -28,972 (-11,752) for the period.

The lower income is mainly attributable to higher costs for selling and administration and to planned higher costs for research and development, mainly driven by the launch of a new and improved version of PowerCell MS-100 fuel cell system.

Significant risks for the group and the parental company

Through its operations, PowerCell is exposed to risks and uncertainties. For an extensive information of the most significant risks, please see the risk section on pages 24-25 and 35-36 in the Annual Report for 2018. Since the Annual Report was released the company has a lower financial risk but an increased currency exposure following the license fee payment from Bosch in Euro.

Personnel

At quarter-end, the Group had 48 (36) employees measured as full-time equivalents, FTE.

The Group implemented a stock option program for senior executives in June 2018. The program comprises 273,624 options where each warrant gives the right to subscribe to one new share at the subscription price SEK 33.21 during the period May 1, 2020 to May 31, 2020. The dilution from the program amounts to a maximum of 0.5 percent.

The share

The share is listed on First North at Nasdaq Stockholm (PCELL, ISIN code: SE 000 642 5815, LEI code 54930075IJ7TGOK3VC02). The share capital of PowerCell amounts per December 31, 2019 to SEK 1,141,113.82 and is divided into 51,868,810 shares with a par value of SEK 0.022.

Ownership per December 31, 2019*

	No of shares	Ownership
Bosch GmbH	5,928,495	11.4%
Fouriertransform	5,848,531	11.3%
Avanza Pension	2,762,242	5.3%
Midroc New Technology	2,138,114	4.1%
Finindus	2,000,000	3.9%
Others	33,193,428	64%
 Total	 51,868,810	 100,0%

* Source: Euroclear

Note: The German Clearing Bank, Clearstream Banking, had on December 31, 2019, a holding of a total of 13,032,614 PowerCell shares corresponding to an ownership of 25.1%. The company has no way of establishing the actual ownership of this holding.

Dividend

The board proposes that no dividend will be paid for the 2019 fiscal year.

Annual General Meeting

The Annual General Meeting for PowerCell AB is scheduled to be held on April 24, 2020 at 3:00 p.m. in Palmstedtsalen at Chalmers University of Technology, Chalmersplatsen 4, in Gothenburg. The Company's Annual Report is scheduled to be published no later than March 27.

Upcoming reports

Interim report Q1, 8 May 2020

Interim report Q2, 20 August 2020

Interim report Q3, 5 November 2020

Gothenburg, February 27, 2020

Per Wassén
CEO

This full year report has not been reviewed by the Company's auditor.

FINANCIAL REPORTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in Thousand SEK	Note	Financial period			
		Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales	3	26,983	28,102	66,850	60,513
Cost of goods sold		-18,302	-14,936	-46,311	-37,175
Gross profit		8,681	13,166	20,539	23,338
Selling and administrative costs	4	-14,778	-9,806	-41,106	-30,829
Research and development costs		-29,618	-26,150	-82,917	-73,857
Other operating income	8	10,530	11,773	27,726	23,080
Other operating costs		-3,446	-249	-3,129	-1,316
		-105	119	-1,011	-1,309
Portion of profit after tax from associated companies recognized in accordance with the equity method					
Operating income before items affecting comparability		-28,736	-11,147	-79,898	-60,893
Items affecting comparability	7	-27	-	528,306	-
Operating profit (loss) after items affecting comparability		-28,763	-11,147	448,408	-60,893
Financial expenses		-12,199	-237	-10,301	-818
Net financial items		-12,199	-237	-10,301	-818
Profit (loss) before tax		-40,962	-11,384	438,107	-61,711
Income tax		-15	-67	-96	-151
Profit (loss) for the period		-40,977	-11,451	438,011	-61,862
Other comprehensive income:					
Items that may be reclassified to profit or loss					
Exchange differences from foreign operations		-24	-86	11	-37
Other comprehensive income for the period		-24	-86	11	-37
Total comprehensive income for the period		-41,001	-11,537	438,022	-61,899
Profit (loss) for the period and total comprehensive income are, in their entirety, attributable to shareholders of the Parent Company.					
Earnings per share, calculated on profit (loss) for the year attributable to Parent Company shareholders of ordinary shares:					
		Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Amounts in SEK					
Earnings per share, basic	6	-0.84	-0.22	8.41	-1.19
Earnings per share, diluted	6	-0.84	-0.22	8.38	-1.19

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

Amounts in Thousand SEK

	Note	Dec 31, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Intangible assets		1,636	1,143
Right of use (leasing)		50,423	-
Tangible fixed assets		21,887	40,886
Financial assets		612	1,623
Total non-current assets		74,558	43,652
Current assets			
Inventories		43,309	32,723
Current receivables		124,398	42,488
Cash and cash equivalents		440,948	98,254
Total current assets		608,655	173,465
TOTAL ASSETS		683,213	217,117

Amounts in Thousand SEK

	Note	Dec 31, 2019	Dec 31, 2018
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders			
Share capital		1,141	1,141
Other contributed capital		625,926	625,926
Reserves		-31	-42
Retained earnings (including profit (loss) for the year)		-61,765	-499,776
Total equity attributable to Parent Company shareholders		565,271	127,249
LIABILITIES			
Non-current liabilities		71,505	46,586
Current liabilities		46,437	43,282
Total liabilities		117,942	89,868
TOTAL EQUITY AND LIABILITIES		683,213	217,117

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in KSEK		Attributable to shareholders of the Parent Company				
Note	Share capital	Ongoing new share issue	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for the year	Total equity
Opening balance at January 1, 2018	1,137	4	625,488	-5	-437,914	188,710
Profit (loss) for the period	-	-	-	-	-61,862	-61,862
Other comprehensive income for the period	-	-	-	-37	-	-37
Total comprehensive income for the period	-	-	-	-37	-61,862	-61,899
Transactions with shareholders in their role as owners						
Registered new share issue	4	-4	-	-	-	-
Option proceeds	-	-	438			438
Closing balance at December 31, 2018	1,141	-	625,926	-42	-499,776	127,249
		Ongoing new share issue	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for the year	Total equity
Note	Share capital	Ongoing new share issue	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for the year	Total equity
Opening balance at January 1, 2019	1,141		625,926	-42	-499,776	127,249
Profit (loss) for the period	-	-	-	-	438,011	438,011
Other comprehensive income for the year	-	-	-	11	-	11
Total comprehensive income for the year	-	-	-	11	438,011	438,022
Closing balance at December 31, 2019	1,141	-	625,926	-31	-61,765	565,271

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Amounts in Thousand SEK	Note	Financial period			
		Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Cash flow from operating activities					
Operating profit (loss)		-28,763	-11,147	448,408	-60,893
Adjustments for non-cash items		4,948	1,445	13,811	8,792
Interest paid		-929	-235	-1,386	-818
Cash flow from operating activities before changes in working capital		-24,744	-9,937	460,833	-52,919
Cash flow before changes in working capital					
Increase/decrease of inventories		6,358	-8,401	-10,586	-26,326
Increase/decrease of current receivables		-7,083	-11,744	-81,442	-16,292
Increase/decrease of current liabilities		4,024	-81	341	-4,443
Total changes in working capital		3,299	-20,226	-91,687	-47,062
Cash flow from operating activities		-21,445	-30,163	369,146	-99,981
Cash flow from investing activities					
Acquisitions of tangible and intangible assets		-1,400	-2,005	-1,666	-17,097
Shareholder contribution to associated companies		-	-	-	-1,702
Cash flow from investing activities		-1,400	-2,005	-1,666	-18,799
Cash flow from financing activities					
Amortization		-8,800		-9,854	
Repayment of leasing liability		-254	-548	-6,018	-1,525
Option proceeds		-	-	-	438
Cash flow from financing activities		-9,054	-548	-15,872	-1,087
Decrease/increase of cash and cash equivalents		-31,899	-32,716	351,608	-119,867
Opening cash and cash equivalents		485,147	130,970	98,254	218,121
Effects of exchange rate changes on cash and cash equivalents		-12,300	-	-8,914	-
Closing cash and cash equivalents		440,948	98,254	440,948	98,254

CONDENSED PARENT COMPANY INCOME STATEMENT

Amounts in Thousand SEK	Not e	Oct-Dec 2019	Financial period Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales		26,983	28,102	66,850	60,513
Cost of goods sold		-18,302	-14,936	-46,311	-37,175
Gross profit		8,681	13,166	20,539	23,338
Selling and administrative costs		-15,847	-10,189	-42,190	-31,677
Research and development costs		-28,778	-26,150	-83,250	-73,857
Other operating income		10,418	11,670	27,613	22,977
Other operating costs		-3,446	-249	-3,129	-1,316
Operating income (loss) before items affecting comparability		-28,972	-11,752	-80,417	-60,535
Items affecting comparability		-27	-	528,306	-
Operating profit (loss)		-28,999	-11,752	447,889	-60,535
Profit (loss) from financial items					
Write-downs of financial assets		-2 664		-2 664	
Interest costs and similar items		-11 869	-153	-8 942	-610
Total profit (loss) from financial items		-14,533	-153	-11,606	-610
		-43,532	-11,905	436,283	-61,145
Profit (loss) after financial items					
Tax on profit (loss) for the period		-	-	-	-
Profit (loss) for the period		-43,532	-11,905	436,283	-61,145

In the Parent Company, there are no items recognized as other comprehensive income, which is why total comprehensive income corresponds to profit (loss) for the year.

CONDENSED PARENT COMPANY BALANCE SHEET

Amounts in Thousand SEK	Note	Dec 31, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Intangible assets		1,636	1,143
Tangible fixed assets		21,887	30,536
Financial assets		2,173	3,560
Total non-current assets		25,696	35,239
Current assets			
Inventories		43,309	32,723
Current receivables		125,524	42,868
Cash and bank		439,130	97,461
Total current assets		607,963	173,052
TOTAL ASSETS		633,659	208,291
EQUITY AND LIABILITIES			
Restricted equity			
Share capital		1,141	1,141
Total restricted equity		1,141	1,141
Non-restricted equity			
Share premium reserve		546,426	545,988
Retained loss		-419,393	-358,248
Profit (loss) for the period		436,283	-61,145
Total non-restricted equity		563,316	126,595
Total equity		564,457	127,736
LIABILITIES			
Non-current liabilities		30,000	39,854
Current liabilities		39,202	40,701
Total liabilities		69,202	80,555
TOTAL EQUITY AND LIABILITIES		633,659	208,291

Notes to the consolidated statements

1 General

PowerCell Sweden AB (publ) (PowerCell), Corp. Id. No 556759-8353 is a Parent Company registered in Sweden and domiciled in Gothenburg, with address Ruskvädersgatan 12, 418 34 Gothenburg, Sweden.

The Board has approved this consolidated financial statement for publication on February 27, 2020.

All amounts are stated in SEK thousand (KSEK) unless stated otherwise. Amounts in brackets refer to the comparative year.

2 Accounting policies

Powercell applies IFRS as endorsed by the EU. The accounting policies and definitions adopted are consistent with those described in the Powercell Group Annual Report 2018 with the exception of the implementation of IFRS 16 detailed under section New accounting principles 2019. This full year report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies RFR 2 *Accounting for legal entities* and the Swedish Annual Accounts Act.

New accounting principles 2019

IFRS 16 *Leases* enters into force for financial year beginning on the January 1, 2019. The standard requires that assets and liabilities attributable to all leases, with a few exceptions, are recognized in the balance sheet. This recognition is based on the view that the lessee has a right to use an asset during a specific period of time and at the same time has an obligation to pay for this right. Reporting for the lessor will, in all significant aspects, be unchanged. The Group has chosen to apply the simplified transition method and no revaluation of comparative figures has been done. Right of use will therefore be valued according to the remaining leasing debt at the opening of 2019. The implementation of IFRS 16 *Leases* have only had minor effects on the Interim report. Therefor no quarterly comparative presentation of the effects is deemed necessary.

New accounting policy regarding Leases as of 1 January 2019

Powercell only acts in the capacity of lessee. The Group's leases mainly comprise the right-of-use regarding premises and vehicles. The leases are recognised as a right-of-use asset with a corresponding lease liability when the leased asset is available for use by the Group. Short-term leases and leases for which the underlying asset is of low value are exempted.

Each lease payment should be divided between amortisation of the lease liability and a financial cost. The financial cost should be allocated over the lease term, so that each reporting period is charged with an amount corresponding to a fixed interest rate for the liability recognised under each period.

The lease term is determined as the non-cancellable period of the lease, together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Group's lease liabilities are recognised at the present value of the Group's fixed lease payments (including in-substance fixed lease payments). Purchase options are included if it is reasonably certain that Powercell will exercise the option to acquire the underlying asset. Penalties for terminating the lease are included if the lease term reflects that the lessee will exercise an option to cancel the lease. Lease payments are discounted with the interest rate implicit in the lease, if this rate can easily be determined. Otherwise, the Group's incremental borrowing rate is applied.

The Group's right-of-use assets are recognised at cost, and include initial present value of the lease liability, adjusted for lease payment made at or before the commencement date and any initial direct expenses. Restoration costs are included in the asset if a corresponding provision for restoration costs exists. The right-to-use asset is depreciated on a straight-line basis over the asset's useful life and the lease term, whichever is the shortest.

Items affecting comparability

Powercell has chosen to present items affecting comparability separately. These costs of non-recurring items may refer to preparatory actions for initiating a move to the Nasdaq main list. Examples of items included are legal fees and consultations, fees to auditors and other external consultants as well as personnel costs. In addition, the license payment from Bosch, and currency effects related to the license payment, are presented as items affecting comparability to make it easier to compare the underlying performance with earlier periods.

3 Net sales

Revenue

As revenue from external parties are reported to the CEO, it is valued in the same way as in the consolidated statement of comprehensive income. The main part of revenue is recognized at one point in time.

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Revenue from external customers				
Hardware	25,973	24,475	61,178	56,278
Services	1,010	3,627	5,672	4,235
Total	26,983	28,102	66,850	60,513

Revenue from external customers per country, based on where customers are located:	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Sweden	6,452	-	6,453	1,322
Germany	6,735	22,002	20,126	27,267
China	437	681	17,855	19,052
USA	8,354	5,001	12,048	11,011
Other	5,005	418	10,368	1,861
Total	26,983	28,102	66,850	60,513

4 Related party transactions

Since December 19, 2014, PowerCell Sweden AB (publ) is listed on Nasdaq First North Stockholm. Principal shareholder at December 31, 2019 is Bosch GmbH and Fouriertransform who's participating interest is 22,7%.

The following related party transactions have been performed:	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
(a) Purchases of services				
André Martin Consulting	-	31	132	149
Total	-	31	132	149

The above transactions are deemed to constitute related party transactions, as the principal of the related party company is a member of the Company's Board of Directors. Purchased services during 2018 and 2019 comprise solely consulting services. Services are purchased from and sold to related parties at arm's length and are in accordance with the current transfer pricing policy. Services are purchased at full cost, and are, too, regulated by the valid current transfer pricing policy.

5 Earnings per share

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
SEK				
Earnings per share, basic	-0.84	-0.22	8.41	-1.19
Earnings per share, diluted	-0.84	-0.22	8.38	-1.19
Performance measures used in the calculation of earnings per share				
Profit/loss attributable to the shareholders of the Parent Company used in the calculation of earnings per share, basic and diluted				
Profit (loss) attributable to Parent Company shareholders, Thousand SEK	-43,532	-11,451	436,283	-61,862
Number				
Weighted average number of ordinary shares at the calculation of earnings per share, basic	51,868,810	51,868,810	51,868,810	51,868,810
Adjustment for the calculation of earnings per share, diluted	52,078,038	51,868,810	52,048,033	51,868,810
Options				
Weighted average number of ordinary shares and potential ordinary shares used as the denominator at the calculation of earnings per share, diluted	209,228	-	179,223	-

6 Items affecting comparability

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Costs related to the initiation process to move to Nasdaq main list	-27	-	-4,229	-
Initial license payment from Bosch	-	-	529,101	-
One-time currency effect relating to the Bosch payment	-	-	3,434	-
Total	-27	-	528,306	-

7 Other operating income

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Currency exchange gains	175	269	690	927
Grants	10,355	11,504	27,036	22,153
Total	10,530	11,773	27,726	23,080

Definitions

Solidity

Equity in relation to total assets

Earnings per share

Profit after tax in relation to the number of shares

PowerCell Sweden AB in brief

PowerCell Sweden AB (publ) develops and produces fuel cell stacks and fuel cell systems for stationary and mobile applications with a world class energy density. The fuel cells are powered by hydrogen, pure or reformed, and produce electricity and heat with no emissions other than water. As the stacks and systems are compact, modular and scalable, they are easily adjusted to any customer need.

PowerCell was founded in 2008 as an industrial spinout from the Volvo Group. The share (PCELL) is since 2014 subject to trade at Nasdaq First North Stockholm with G&W Fondkommission as Certified Adviser.

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The English version is an in house-translation. In case of any discrepancy, the Swedish text will prevail.