

First quarter 2020



First Quarter, January-March 2020 (last year's figures within brackets)

- Net sales amounted to 26,727 (9,226) thousand SEK
- Operating income, before items affecting comparability, amounted to -17,609 (-17,804) thousand SEK
- Operating income amounted to -17,609 (-19,912) thousand SEK
- Income after tax amounted to 7,793 (-20,238) thousand SEK
- Operating cash flow amounted to -32,700 (-9,773) thousand SEK
- Diluted earnings per share amounted to 0,16 (-0,39) kronor.

Financial Highlights

| KSEK | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|---|---------------------|---------------------|---------------------|
| Net sales | 26,727 | 9,226 | 66,850 |
| Operating income before items affecting comparability | -17,609 | -17,804 | -79,898 |
| Operating income | -17,609 | -19,912 | 448,408 |
| Income after tax | 7,793 | -20,238 | 438,011 |
| Basic and diluted earnings per share, SEK | 0,16 | -0,39 | 8.38 |
| Net debt/equity ratio, % | 82,5% | 43,4% | 82.7% |
| Operating cash flow | -32,700 | -9,773 | 396,146 |

Definitions, please see page 15.

Important events in January-March 2020

- PowerCell's Chinese subsidiary receives its first order
- PowerCell delivers MS-30 fuel cell system to the Italian ship building company Fincantieri S.p.A
- PowerCell and Inabata & CO Ltd., sign exclusive distribution agreement for the Japanese market
- PowerCell joins Swedish Electromobility Center
- Bus with PowerCell S2 in daily operations in China has run the equivalent of one lap around the globe
- PowerCell receives order for PowerCell S3 from Bosch for a total value of MSEK 11.5

Important events after period-end

- PowerCell signs contract with leading European shipyard regarding fuel cell system worth MSEK 77
- PowerCell held annual general meeting where the AGM resolved to newly elect Uwe Hillmann, Riku Pekka Hägg and Annette Malm Justad as directors of the board and to re-elect Dirk De Boever, Helen Fasth Gillstedt, Magnus Jonsson and Göran Linder. Magnus Jonsson was re-elected as chairman of the board.

Regarding Covid 19

The ongoing Corona virus pandemic has had a very negative impact on society and the world economy and led to extensive human suffering. During the quarter the outbreak has had a clear impact on PowerCell's activity level in China specifically, but has not had any significant impact on revenues or profitability. How the pandemic will affect PowerCell going forward is however currently hard to predict given the high degree of uncertainty surrounding the outbreak and its developments.

A very strong quarter driven by temporarily increased sales to Bosch



Increased deliveries to Bosch led to significantly higher sales during the first quarter 2020. The Corona outbreak has had a clear impact on our activities in China specifically but has not had any significant impact on our revenues or on our profitability. It is however hard to predict how the outbreak will affect PowerCell going forward due to the high degree of uncertainty. The fact that we report a positive income after tax is explained by the weakening of the Swedish Krona and the revaluation of our Euro holdings on our Euro account.

The first quarter was merely ten days old when we announced that our Chinese subsidiary had received its first order. Just a week later the news from China was all about the new Corona virus and the many measures taken to close cities and borders. This was obviously a major setback for our employees in China as it stopped them from travelling and meeting customers. China has since slowly started to re-open again but the lack of activities there has nevertheless resulted in lower sales in China this first quarter. The total impact of the Corona virus on our sales and profitability on an overall level remains small but the high degree of uncertainty surrounding the outbreak makes it hard to predict how it will affect the company going forward. Despite the situation all news coming from China has for us not been bad news. We received for instance news in late March that a bus equipped with PowerCell S2 in field tests in China had run more than 40,000 kilometers, or the equivalent of one lap around the globe, without experiencing any problems whatsoever. For us this shows the great opportunities for the S2 fuel cell stack in China when the business now slowly begins to open again.

Continued deliberate efforts within sales

Sales for the first quarter were very strong and totaled MSEK 26.7 which is an increase of more than MSEK 17 or a full 190 percent compared to the same quarter last year. Our operating income for the quarter amounted to MSEK -17.7 which is in line with the first quarter last year. Continued and deliberate efforts to strengthen our sales organization are crucial for the on-going commercialization phase of the company. Higher costs for selling and administration explain the lack of improvement of the operating income. The strong improvement of income after tax is attributable to the significant weakening of the Swedish Krona. Positive currency effects totaling MSEK 25.8 during the quarter resulted in a positive income after tax of MSEK 7.8. The currency impact is mainly due to a re-evaluation of bank assets in Euro at period-end. The increase in sales is mainly driven by temporarily higher deliveries of PowerCell S3 to Bosch, as part of the work Bosch carries out in accordance with our agreement to eventually take over and start their own

production of S3 fuel cell stacks and fuel cell systems. According to the agreement Bosch will commence paying a royalty fee to PowerCell Sweden for every product they sell following the start of their own production.

Strategic review completed

Following the announcement of the Bosch agreement last year, we stated our ambition to make a review of our strategic priorities to evaluate how to best take advantage of the possibilities presented by the new situation. The basis of the review has been a comprehensive analysis of how well our products and technology fit into different application and product segments, but also what the short-term as well as the long-term possibilities look like within each segment. The review has now been completed and has led to several conclusions. When it comes to the applications, PowerCell will focus on identified, specific segments within the stationary and marine areas. In this context, it is gratifying to note that we received an important order within the marine segment from a leading European shipyard after period-end. The order is for a megawatt system based on multiple PowerCell S3 stacks, a technical solution and set-up well-suited for the marine and stationary segments and of which we have high expectations going forward. The order for a marine system that we received from Norwegian Havyard towards the end of last year, is based on a similar solution and is yet another confirmation of our opportunities within this segment. We will also focus on the off-road segment, including construction equipment, and the material handling segment where we also foresee good opportunities.

Automotive segment to drive the transition

In the automotive segment we will continue to sell the PowerCell S2 to the automotive segment in China and we will continue to participate in the German industrial project Autostack Industrie in which we, and several leading players within the German automotive industry, are developing the next generation of fuel cell stacks for automotive applications. PowerCell has long argued for the significant role that the fuel cell technology can play within the commercial vehicle segment, a view that among other things was substantiated by our agreement with Bosch last year. After period-end we got yet another confirmation of this view when the Volvo Group and Daimler on April 21 announced a joint multi-billion SEK effort to develop fuel cells for commercial vehicles. At an analyst call later the same day, Martin Daum, President of Daimler Trucks, made the forecast that in 20 years' time 95 percent of all heavy-duty trucks will use fuel cells. The message from the world's two largest truck manufacturers is more than welcome as it will speed up the transition to the hydrogen society and a broad deployment of the fuel cell technology within an increasing number of applications. It is also the path the world must take to develop the CO2-free solutions that are crucial if we are to stop climate change and save our planet.

Per Wassén

President and CEO PowerCell Sweden AB

Income and financial position

THE GROUP

Total sales and income for the first quarter 2020

Sales for the period January to March 2020 amounted to 26,727 (9,226) thousand SEK. The increase in sales is mainly due to higher sales of fuel cell stacks to Bosch. Other operating income for the period, which mainly consists of grants, amounted to 8,545 (7,732) thousand SEK.

Operating income before items affecting comparability amounted to -17,609 (-17,804) thousand SEK for the period January to March 2020. Operating income after items affecting comparability amounted to -17,609 (-19,912) thousand SEK. Increased efforts within selling and administration, crucial for the on-going commercialization phase of the company, has led to higher costs and explains the lack of improvement of the operating income.

The increase in financial income 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 net during the quarter positively by a total of 25,781 thousand SEK.

Liquidity and cash flow

The operating cash flow for the period amounted to -32,700 thousand SEK compared to -9,773 thousand SEK for the same period last year. The reduced cashflow is mainly attributable to increased receivables compared to the same period last year.

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 assess 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 March 31, 2020 amounted to SEK 432,026 thousand SEK.

Investments

Total investments of 448 (1,024) thousand SEK were made during the period.

THE PARENTAL COMPANY

Sales and operating income for the first quarter 2020

Sales for the period January to March 2020 amounted to 26,570 (9,226) thousand SEK. The increase is mainly attributable to higher sales of fuel cell stacks to Bosch. Other operating income for the period, which mainly consists of grant funding, amounted to 8,545 (7,732) thousand SEK.

Operating income before items affecting comparability amounted to -17,275 (-17,767) for the period. Increased efforts within selling and administration, crucial for the on-going commercialization phase of the company, has led to higher costs and explains the lack of improvement of the operating income.

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 2019.

Covid 19

The ongoing Corona virus pandemic has had a very negative impact on society and the world economy and led to extensive human suffering. So far the outbreak has had a clear impact on PowerCell's activities in China specifically but has not had any significant impact on revenues or profitability on an overall level. How the pandemic will affect PowerCell going forward is currently however hard to predict given the high degree of uncertainty surrounding the outbreak and its developments.

Personnel

At quarter-end, the Group had 49 (39) 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 549300751J7TGOK3VC02). 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 March 31, 2020*

| | No of shares | Ownership |
|-----------------------|--------------|-----------|
| Bosch GmbH | 5,987,740 | 11.5% |
| Fouriertransform | 4,091,512 | 7.9% |
| Avanza Pension | 2,216,733 | 4.3% |
| Midroc New Technology | 1,581,605 | 3.0% |
| Finindus | 1,472,149 | 2.8% |
| Others | 36,519,071 | 70.4% |
| Total | 51,868,810 | 100.0% |

* Source: Euroclear

Note: The German Clearing Bank, Clearstream Banking, had on March 31, 2020, a holding of a total of 18,722,989 PowerCell shares corresponding to an ownership of 36.1%. The company has no way of establishing the actual ownership of this holding.

Upcoming reports

Interim report Q2, 20 August 2020

Interim report Q3, 5 November 2020

Gothenburg, May 8, 2020

Per Wassén, CEO

FINANCIAL REPORTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Amounts in Thousand SEK | Note | Financial period | | |
|---|------|------------------|----------------|----------------|
| | | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
| Net sales | 3 | 26,727 | 9,226 | 66,850 |
| Cost of goods sold | | -18,855 | -6,585 | -46,311 |
| Gross profit | | 7,872 | 2,641 | 20,539 |
| Selling and administrative costs | 4 | -13,510 | -6,909 | -41,106 |
| Research and development costs | | -20,393 | -20,414 | -82,917 |
| Other operating income | 7 | 8,545 | 7,732 | 27,726 |
| Other operating costs | | 327 | -403 | -3,129 |
| Portion of profit after tax from associated companies recognized in accordance with the equity method | | -450 | -451 | -1,011 |
| Operating income before items affecting comparability | | -17,609 | -17,804 | 79,898 |
| Items affecting comparability | 6 | - | -2,108 | 528,306 |
| Operating profit (loss) after items affecting comparability | | -17,609 | -19,912 | 448,408 |
| Financial income | | 25,783 | 185 | 9,320 |
| Financial expenses | | -339 | -492 | -19,621 |
| Net financial items | | 25,444 | -307 | -10,301 |
| Profit (loss) before tax | | 7,835 | -20,219 | 438,107 |
| Income tax | | -41 | -19 | -96 |
| Profit (loss) for the period | | 7,793 | -20,238 | 438,011 |
| Other comprehensive income: | | | | |
| Items that may be reclassified to profit or loss | | | | |
| Exchange differences from foreign operations | | 80 | 6 | 11 |
| Other comprehensive income for the period | | 80 | 6 | 11 |
| Total comprehensive income for the period | | 7,873 | -20,232 | 438,022 |

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:

| Amounts in SEK | | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|-----------------------------|---|--------------|--------------|--------------|
| Earnings per share, basic | 5 | 0.16 | -0.39 | 8.41 |
| Earnings per share, diluted | 5 | 0.16 | -0.39 | 8.38 |

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

Amounts in Thousand SEK

| | Note | Mar 31, 2020 | Mar 31, 2019 | Dec 31, 2019 |
|---------------------------------|------|----------------|----------------|----------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Intangible assets | | 1,498 | 2,050 | 1,636 |
| Right of use (leasing) | | 48,759 | 51,258 | 50,423 |
| Tangible fixed assets | | 21,183 | 26,601 | 21,887 |
| Financial assets | | 162 | 1,172 | 612 |
| Total non-current assets | | 71,601 | 81,081 | 74,558 |
| Current assets | | | | |
| Inventories | | 51,484 | 38,836 | 43,309 |
| Current receivables | | 139,693 | 39,890 | 124,398 |
| Cash and cash equivalents | | 432,026 | 87,023 | 440,948 |
| Total current assets | | 623,203 | 165,749 | 608,655 |
| TOTAL ASSETS | | 694,804 | 246,830 | 683,213 |

Amounts in Thousand SEK

| | Note | Mar 31, 2020 | Mar 31, 2019 | Dec 31, 2019 |
|---|------|----------------|----------------|----------------|
| EQUITY AND LIABILITIES | | | | |
| Equity attributable to Parent Company shareholders | | | | |
| Share capital | | 1,141 | 1,141 | 1,141 |
| Other contributed capital | | 625,926 | 625,926 | 625,926 |
| Reserves | | 49 | -36 | -31 |
| Retained earnings (including profit (loss) for the year) | | -53,972 | -520,014 | -61,765 |
| Total equity attributable to Parent Company shareholders | | 573,144 | 107,017 | 565,271 |
| LIABILITIES | | | | |
| Non-current liabilities | | 70,147 | 82,213 | 71,505 |
| Current liabilities | | 51,513 | 57,600 | 46,437 |
| Total liabilities | | 121,660 | 139,813 | 117,942 |
| TOTAL EQUITY AND LIABILITIES | | 694,804 | 246,830 | 683,213 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Amounts in Thousand SEK | 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, 2019 | | 1,141 | - | 625,926 | -42 | -499,776 | 127,249 |
| Profit (loss) for the period | | - | - | - | - | -20,238 | -20,238 |
| Other comprehensive income for the period | | - | - | - | 6 | - | 6 |
| Total comprehensive income for the period | | - | - | - | 6 | -20,238 | -20,232 |
| Closing balance at March 31, 2019 | | 1,141 | - | 625,926 | -36 | -520,014 | 107,017 |
| Opening balance at 1 April 2019 | | 1,141 | - | 625,926 | -36 | -520,014 | 107,017 |
| Profit (loss) for the period | | - | - | - | - | 458,249 | 458,249 |
| Other comprehensive income for the period | | - | - | - | 5 | - | 5 |
| Total comprehensive income for the period | | - | - | - | 5 | 458,249 | 458,254 |
| Closing balance at December 31, 2019 | | 1,141 | - | 625,926 | -31 | -61,765 | 565,271 |
| | 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, 2020 | | 1,141 | - | 625,926 | -31 | -61,765 | 565,271 |
| Profit (loss) for the period | | - | - | - | - | 7,793 | 7,793 |
| Other comprehensive income for the year | | - | - | - | 80 | - | 80 |
| Total comprehensive income for the year | | - | - | - | 80 | 7,793 | 7,873 |
| Closing balance at March 31, 2020 | | 1,141 | - | 625,926 | 49 | -53,972 | 573,144 |

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| Amounts in Thousand SEK | Financial period | | |
|--|------------------|-----------------|-----------------|
| | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
| | Note | | |
| Cash flow from operating activities | | | |
| Operating profit (loss) | -17,609 | -19,912 | 448,408 |
| Adjustments for non-cash items | 3 304 | 4,273 | 13,811 |
| Interest paid | -334 | -307 | -1,386 |
| Cash flow from operating activities before changes in working capital | -14,639 | -15,946 | 460,833 |
| Cash flow before changes in working capital | | | |
| Increase/decrease of inventories | -8,174 | -6,113 | -10,586 |
| Increase/decrease of current receivables | -14,946 | 7,317 | -81,441 |
| Increase/decrease of current liabilities | 5,059 | 4,969 | 340 |
| Total changes in working capital | -18,061 | 6,173 | -91,687 |
| Cash flow from operating activities | -32,700 | -9,773 | 369,146 |
| Cash flow from investing activities | | | |
| Acquisitions of tangible and intangible assets | -448 | -1,024 | -1,666 |
| Shareholder contribution to associated companies | - | 1,077 | - |
| Cash flow from investing activities | -448 | 53 | -1,666 |
| Cash flow from financing activities | | | |
| Amortization | - | - | -9,854 |
| Repayment of leasing liability | -1,551 | -1,510 | -6,018 |
| Cash flow from financing activities | -1,551 | -1,510 | -15,872 |
| Decrease/increase of cash and cash equivalents | -34,699 | -11,230 | 351,608 |
| Opening cash and cash equivalents | 440,948 | 98,253 | 98,254 |
| Effects of exchange rate changes on cash and cash equivalents | 25,777 | - | -8,914 |
| Closing cash and cash equivalents | 432,026 | 87,023 | 440,948 |

CONDENSED PARENT COMPANY INCOME STATEMENT

| Amounts in Thousand SEK | Note | Financial period | | Jan-Dec 2019 |
|---|------|------------------|-----------------|-----------------|
| | | Jan-Mar 2020 | Jan-Mar 2019 | |
| Net sales | | 26,570 | 9,226 | 66,850 |
| Cost of goods sold | | -18,835 | -6,585 | -46,311 |
| Gross profit | | 7,735 | 2,641 | 20,539 |
| Selling and administrative costs | | -13,412 | -7,323 | -42,190 |
| Research and development costs | | -20,470 | -20,414 | -83,250 |
| Other operating income | | 8,545 | 7,732 | 27,613 |
| Other operating costs | | 327 | -403 | -3,129 |
| Operating income (loss) before items affecting comparability | | -17,275 | -17,767 | -80,417 |
| Items affecting comparability | | - | -2,108 | 528,306 |
| Operating profit (loss) | | -17,275 | -19,875 | 447,889 |
| Profit (loss) from financial items | | | | |
| Write-downs of financial assets | | - | - | -2,664 |
| Interest costs and similar items | | 25,781 | 34 | -8,942 |
| Total profit (loss) from financial items | | 25,781 | 34 | -11,606 |
| | | 8,506 | -19,841 | 436,283 |
| Profit (loss) after financial items | | | | |
| Tax on profit (loss) for the period | | - | - | - |
| Profit (loss) for the period | | 8,506 | -19,841 | 436,283 |

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 | Mar 31, 2020 | Mar 31, 2019 | Dec 31, 2019 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Intangible assets | | 1,498 | 2,050 | 1,636 |
| Tangible fixed assets | | 21,162 | 26,601 | 21,887 |
| Financial assets | | 2,173 | 3,561 | 2,173 |
| Total non-current assets | | 24,833 | 32,212 | 25,696 |
| Current assets | | | | |
| Inventories | | 51,484 | 38,836 | 43,309 |
| Current receivables | | 140,663 | 40,617 | 125,524 |
| Cash and bank | | 430,902 | 86,247 | 439,130 |
| Total current assets | | 623,049 | 165,700 | 607,963 |
| TOTAL ASSETS | | 647,882 | 197,912 | 663,659 |

| Amounts in Thousand SEK | | | | |
|-------------------------------------|------|----------------|----------------|----------------|
| | Note | Mar 31, 2020 | Mar 31, 2019 | Dec 31, 2019 |
| EQUITY AND LIABILITIES | | | | |
| Restricted equity | | | | |
| Share capital | | 1,141 | 1,141 | 1,141 |
| Total restricted equity | | 1,141 | 1,141 | 1,141 |
| Non-restricted equity | | | | |
| Share premium reserve | | 546,426 | 545,988 | 546,426 |
| Retained loss | | 16,890 | -419,392 | -419,393 |
| Profit (loss) for the period | | 8,506 | -19,841 | 436,283 |
| Total non-restricted equity | | 571,822 | 106,755 | 563,316 |
| Total equity | | 572,963 | 107,896 | 564,457 |
| LIABILITIES | | | | |
| Non-current liabilities | | 30,000 | 39,854 | 30,000 |
| Current liabilities | | 44,919 | 50,162 | 39,202 |
| Total liabilities | | 74,919 | 90,016 | 69,202 |
| TOTAL EQUITY AND LIABILITIES | | 647,882 | 197,912 | 633,659 |

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 May 8, 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 2019. This Interim Financial 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.

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.

| | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|--|-------------------------|-------------------------|-------------------------|
| Revenue from external customers | | | |
| Hardware | 26,009 | 8,958 | 61,177 |
| Services | 718 | 268 | 5,673 |
| Total | 26,727 | 9,226 | 66,850 |
| | | | |
| Revenue from external customers per country, based on where customers are located: | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
| Sweden | 655 | - | 6,453 |
| Germany | 22,770 | 4,135 | 20,126 |
| China | 466 | - | 17,855 |
| USA | - | 2,289 | 12,048 |
| Other | 2,836 | 2,802 | 10,368 |
| Total | 26,727 | 9,226 | 66,850 |

4 Related party transactions

Since December 19, 2014, PowerCell Sweden AB (publ) is listed on Nasdaq First North Stockholm. Principal shareholder at March 31, 2020 is Bosch GmbH and Fouriertransform who's participating interest is 19,4%.

| The following related party transactions have been performed: | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|
| (a) Purchases of services | | | |
| André Martin Consulting | - | 13 | 132 |
| Total | - | 13 | 132 |

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 2019 and 2020 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

| | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|--|--------------|--------------|--------------|
| SEK | | | |
| Earnings per share, basic | 0,16 | -0,39 | 8.41 |
| Earnings per share, diluted | 0,16 | -0,39 | 8.38 |
| 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, KSEK | 8,506 | -19,841 | 436,283 |
| Number | | | |
| Weighted average number of ordinary shares at the calculation of earnings per share, basic | 51,868,810 | 51,868,810 | 51,868,810 |
| Adjustment for the calculation of earnings per share, diluted | 52,098,118 | 51,868,810 | 52,041,980 |
| Options | | | |
| Weighted average number of ordinary shares and potential ordinary shares used as the denominator at the calculation of earnings per share, diluted | 229,308 | - | 173,170 |

6 Items affecting comparability

| | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|
| Costs related to the initiation process to move to Nasdaq main list | - | -2,108 | -4,229 |
| Initial license payment from Bosch | - | - | 529,101 |
| One-time currency effect relating to the Bosch payment | - | - | 3,434 |
| Total | - | -2,108 | 528,306 |

7 Other operating income

| | Jan-Mar 2020 | Jan-Mar 2019 | Jan-Dec 2019 |
|-------------------------|-----------------|-----------------|-----------------|
| Currency exchange gains | 4,757 | 135 | 690 |
| Grants | 3,788 | 7,597 | 27,036 |
| Total | 8,545 | 7,732 | 27,726 |

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.