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Press release on October 21, 2025

The Board of Directors of Impact Coatings has resolved on a rights issue of approximately SEK 87 million, conditional on the approval of the extraordinary general meeting

The Board of Directors of Impact Coatings AB (publ) ("Impact Coatings" or the "Company") has today, conditional on the approval of the extraordinary general meeting, resolved on a rights issue of approximately SEK 87.5 million (the "Rights Issue"). The subscription price has been determined to SEK 1.5 per share. Those who on the record date on 19 November 2025 are registered as shareholders in Impact Coatings will receive one (1) subscription right for each share held. Three (3) subscription rights will entitle to subscription for two (2) shares. The Company has received subscription commitments from existing shareholders and members of the Board of Directors and management which in total amount to approximately SEK 2.4 million, corresponding to approximately 2.7 percent of the Rights Issue.

Notice to the extraordinary general meeting for the resolution to approve the Rights Issue, which will be held on 14 November 2025, will be published through a separate press release.

Summary

- The Board of Directors of Impact Coatings has today resolved on the Rights Issue, conditional on the subsequent approval of the extraordinary general meeting.
- The extraordinary general meeting will be held on 14 November 2025 and the notice will be published through a separate press release.
- The net proceeds from the Rights Issue are intended to be used for the following purposes listed in order of priority; (i) industrialization of ongoing customer-driven development, (ii) development of new applications and market opportunities, (iii) strengthening of supply chain and machine production, and (iv) working capital.
- If the Rights Issue is fully subscribed, the Company will receive approximately SEK 87.5 million before deduction of transaction costs.
- The subscription price is SEK 1.5 per share.
- The subscription period in the Rights Issue runs from and including 21 November 2025, up to and including 5 December 2025.
- The subscription commitments from existing shareholders and member of the Board of Directors and management amount to approximately SEK 2.4 million, corresponding to approximately 2.7 percent of the Rights Issue.
- The full terms and conditions of the Rights Issue will be available in the disclosure document which is expected to be published around 19 November 2025.

Jonas Nilsson, CEO of Impact Coatings, commented:

"Over nearly thirty years, Impact Coatings has delivered advanced PVD coatings and coating systems to demanding customers in the energy, automotive, electronics, and luxury goods

industries. Following strong system sales in 2023 and 2024, delayed investment decisions in the industry affected machine deliveries in 2025. At the same time, robust growth in Coating Services in Linköping and Shanghai indicates strong underlying demand for our solutions. We are leveraging our technology platform to pivot away from projects that depend on hydrogen for passenger vehicles. To this end, we are prioritizing advanced coatings essential for natural gas-fueled SOFC power to AI data centers, where we have early commercial traction and see significant upside potential, along with other energy-related applications. Coupled with aggressive cost-cutting and efficiency measures, we will deploy new capital to expand into high-value application areas like SOFC and accelerate our journey to profitability.”

Background and rationale

Impact Coatings has, since its founding in 1997, earned its reputation as an innovator and reliable partner offering advanced coating materials, processes and machines to a global customer base. The Company’s unique combination of expertise, coating services, and versatile PVD coating equipment offers customers a single platform that takes coating solutions from development to volume production. With an installed base of some 50 coating systems, the Company has a loyal existing customer base and generates revenue from prototyping, Coating Services, system sales, and aftermarket products/services. During 2024 and 2025, the Company added 39 new revenue-generating customers.

Following strong system sales in 2023 and 2024, this year has seen customers postponing capital investment decisions, resulting in weak system sales across application areas. Robust demand for Coating Services, however, as well as a strong pipeline of potential orders from new and existing customers, suggest underlying demand for the Company’s solutions remains strong. The commercial weakness of green hydrogen for mobility applications, especially passenger vehicles, has negatively affected Impact Coatings and its global peer companies since 2021. The Company is therefore pivoting its strategy to address a broader set of economically viable application areas and customer groups. In particular, the Company is experiencing commercial demand for advanced coatings essential for the performance and durability of SOFC power generation systems, often powered by natural gas and aimed at accelerating time-to-launch of AI data centers. The Company’s expertise and offerings address other applications in the energy sector including PEM electrolysis and fuel cells, as well as industrial coating applications in electronics, semiconductors, military/defense, and luxury goods.

To adapt the cost base to the current market and lower its break-even point, Impact Coatings has implemented significant headcount reductions and operational efficiency improvements, with continuing measures targeting working capital management and machine bill of materials (COGS). Based on the savings already realized, the Company estimates that it would reach a positive EBITDA at the same sales level and mix as in 2024, and with additional planned cost reductions, also a positive EBIT.

The proposed Rights Issue aims to provide Impact Coatings with capital to bridge a period of customers’ temporary capital spending delays while also fueling growth in high-potential application areas such as SOFC power generation for data centers. The Company sees significant opportunities to broaden its product portfolio and improve its supply chain for system manufacturing and assembly; both initiatives will require capital but build upon the Company’s already robust strengths and expertise. The Company anticipates reaching sustained profitability through a combination of revenue growth and continued improvements to the cost base and operational efficiencies.

Use of proceeds

If the Rights Issue is fully subscribed, the Company will receive approximately SEK 87.5 million before deduction of transaction costs. The Company's liquidity forecast of cash flows and available liquid assets (including precious metal stocks) indicates that the working capital deficit amounts to approximately SEK 40 million over the next twelve months. Given the Company's current business plan and considering the abovementioned background, the Company will use the net proceeds for the following purposes listed below in order of priority:

- i. Industrialization of ongoing customer-driven development within SOFC/SOEC and Iridium reduction/substitution, approximately 30 percent.
- ii. Development of new applications and market opportunities within semiconductors, defense, heat exchangers, and industrial R&D, approximately 30 percent.
- iii. Strengthening of supply chain and machine production, including local sourcing and assembly near key customer markets, approximately 20 percent.
- iv. Working capital and general corporate purposes, approximately 20 percent.

Extraordinary general meeting

The Board of Directors intends to convene an extraordinary general meeting through a separate press release, which will be held on 14 November 2025, to approve the Rights Issue.

The Rights Issue

Shareholders who are registered in the share register in Impact Coatings on the record date on 19 November 2025 will receive one (1) subscription right for each share held in the Company. Three (3) subscription rights entitles to subscription for two (2) shares. The subscription price is SEK 1.5 per share, which means that Impact Coatings will receive gross proceeds of approximately SEK 87.5 million before deduction of transaction costs, provided that the Rights Issue is fully subscribed. In addition, investors are offered the opportunity to sign up for subscription of shares without the support of subscription rights.

Provided that the Rights Issue is fully subscribed, and provided that the extraordinary general meeting resolves to approve the Rights Issue, the number of shares in Impact Coatings will increase by 58,324,474, from 87,486,713 to 145,811,187 and the share capital will increase by a maximum of SEK 7,290,559.250, from SEK 10,935,839.125 to SEK 18,226,398.375.

Shareholders who choose not to participate in the Rights Issue will through the Rights Issue have their ownership diluted by up to 40.0 percent (calculated on the total number of outstanding shares and votes in the Company after completion of the Rights Issue). These shareholders have the opportunity to compensate themselves financially for this dilution effect by selling their received subscription rights.

The last day of trading in the Company's share including the right to receive subscription rights in the Rights Issue is on 17 November 2025. The shares are traded excluding the right to receive subscription rights in the Rights Issue as of 18 November 2025. The subscription period, with or without the support of subscription rights, runs from and including 21 November 2025 up to and including 5 December 2025. Trading in subscription rights will take place on Nasdaq First North Growth Market during the period from and including 21 November 2025 up to and including 2 December 2025 and trading in BTAs (paid subscribed share) will take place on Nasdaq First North Growth Market during the period from and including 21 November 2025 to around 17 December 2025.

Subscription commitments

The Company has received subscription commitments from existing shareholders and member of the Board of Directors and management, which in total amount to approximately SEK 2.4 million, corresponding to approximately 2.7 percent of the Rights Issue. No fee is paid for submitted subscription commitments. The subscription commitments are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

The Company assesses that it conducts protected activities according to the Act (2023:560) on the Review of Foreign Direct Investments. Consequently, an investment in shares in the Rights Issue (other than by exercising preferential rights), which results in an investor acquiring a shareholding corresponding to or exceeding a threshold of 10, 20, 30, 50, 65, or 90 per cent or more of the total number of votes in the Company after the completion of the Rights Issue, must be reported to the Inspectorate for Strategic Products before the investment and, if applicable, the corresponding authority in accordance with legislation in another jurisdiction and cannot be completed until the Inspectorate for Strategic Products and, if applicable, another corresponding authority in another jurisdiction, has left the notification without action or approved the investment.

Preliminary timetable

Extraordinary general meeting	14 November 2025
Last day of trading in shares including right to receive subscription rights	17 November 2025
First day of trading in shares excluding right to receive subscription rights	18 November 2025
Planned publishing date of disclosure document	19 November 2025
Record date for the Rights Issue	19 November 2025
Trading in subscription rights	21 November – 2 December 2025
Subscription period	21 November – 5 December 2025
Trading in paid subscribed share (BTA)	21 November – 17 December 2025
Expected announcement of the preliminary outcome in the Rights Issue	5 December 2025

Disclosure document

In connection with the Rights Issue, the Company will prepare a disclosure document in accordance with Article 1.4 db of the European Parliament and Council Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The disclosure document will be prepared in accordance with the requirements of Annex IX to the Prospectus Regulation and will be published by the Company before the subscription period begins. The disclosure document is expected to be published around 19 November 2025.

Lock-up undertakings

Prior to the execution of the Rights Issue, all shareholding members of the Board of Directors and senior management of the Company as well as the Company's largest shareholder Accendo Capital SICAV RAIF, have entered into lock-up undertakings, which, among other things and with customary exceptions, mean that they have undertaken not to sell shares in the Company. The lock-up undertakings expire on the day that falls 180 days after the settlement date in the Rights Issue.

Furthermore, the Company has undertaken towards Pareto Securities AB, subject to customary exceptions, not to issue additional shares or other share-related instruments for a period of 12 months after the end of the subscription period.

Advisers

Pareto Securities is Sole Manager and Bookrunner, KANTER Advokatbyrå KB is legal adviser to the Company and Advokatfirman Schjødt is legal adviser to Pareto Securities in connection with the Rights Issue.

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This information is information that Impact Coatings 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[s] set out above, on October 21, 2025, at 07:50 CEST.

About Impact Coatings

Impact Coatings (www.impactcoatings.com) is a global technology leader and full-service provider of coating solutions using PVD technology. The company is an enabler in the energy sector, for off-grid power and hydrogen-related applications, as well in automotive and other industries with emerging PVD applications.

PVD stands for physical vapor deposition – clean processes of applying thin layers of coatings to design surface properties, prolong lifespan, and improve product performance. The company's offer consists of efficient, modular, and flexible PVD systems, and coating services, underpinned by several decades of coating experience and expertise.

The company was founded in 1997 and has since expanded in Europe, Asia and North America. Current production facilities are located in Linköping, Sweden, and in Shanghai, China.

The Impact Coatings share is listed on Nasdaq First North Growth Market (Nasdaq Nordic). The company's Certified Adviser is Redeye AB.

Important information

This press release does not contain or constitute an offer to subscribe, acquire or otherwise trade in shares, subscription rights or other securities in Impact Coatings. This press release is not a prospectus within the meaning of the Prospectus Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. This press release neither identifies nor purports to identify risks (direct or indirect) that may be associated with an investment in securities. In connection with the Rights Issue, the Company will prepare a disclosure document in accordance with Article 1.4 db of the Prospectus Regulation. The disclosure document will be prepared in accordance with the requirements of Annex IX to the Prospectus Regulation. The disclosure document does not

constitute a prospectus under the Prospectus Regulation and will neither be reviewed nor approved by the Financial Supervisory Authority.

The information in this press release is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction where such release, publication or distribution would violate applicable laws or regulations or would require additional documentation to be prepared or registered or require any other action to be taken, in addition to what is required under Swedish law. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations.

No subscription rights, paid subscription shares (Sw. Betalda tecknade aktier) or shares issued by Impact Coatings have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities legislation of any state or other jurisdiction of the United States and no subscription rights, paid subscription shares or shares may be offered, subscribed for, exercised, pledged, granted, sold, resold, delivered or otherwise transferred, directly or indirectly, in or into the United States, other than according to applicable exceptions from, or in a transaction not subject to, the registration requirements of the Securities Act, and in accordance with securities laws in the state or other jurisdiction in question in the United States. There will be no public offering of such securities in the United States. The securities referred to herein have not been approved or disapproved by the U.S. Securities and Exchange Commission (SEC), any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Issue or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

This press release is distributed to and directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within the definition of "professional investors" in Article 19(2) of the British Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Order or (iv) certified high net worth individuals and certified and self-certified sophisticated investors as described in Articles 48, 50, and 50A respectively of the Order or (v) persons to whom this press release may otherwise be lawfully communicated (all such persons together being referred to as "relevant persons"). Any investment to which this press release relates will only be available to and will only be directed to and distributed to relevant persons. Any person who is not a relevant person should not take any action based on this press release, nor act or rely on it.

The Company assesses that it conducts protected activities according to the Act (2023:560) on the Review of Foreign Direct Investments (the "**FDI Act**"). Consequently, an investment in shares in the Rights Issue (other than by exercising preferential rights), which results in an investor acquiring a shareholding corresponding to or exceeding a threshold of 10, 20, 30, 50, 65, or 90 per cent or more of the total number of votes in the Company after the completion of the Rights Issue, must be reported to the Inspectorate for Strategic Products ("**ISP**") before the investment and, if applicable, the corresponding authority in accordance with legislation in another jurisdiction and cannot be completed until ISP and, if applicable, another corresponding authority in another jurisdiction, has left the notification without action or approved the investment. Each investor should consult an independent legal advisor regarding

the potential application of the FDI Act in relation to the Rights Issue for the individual investor. For more information, please visit ISP's website, www.isp.se, or contact the Company.

Information to distributors

In consideration of the product governance requirements in: (a) EU Directive 2014/65/EU on markets in financial instruments ("MiFID II"), (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and (c) Chapter 5 of the Swedish Financial Supervisory Authority's regulations regarding investment services and activities (FFFS 2017:2) (jointly referred to below as "MiFID II's product governance requirements"), and with no liability to pay damages for claims that may rest with a "manufacturer" (in accordance with MiFID II's product governance requirements) that may otherwise be relevant, the shares, subscription rights and BTAs in the Company have been subject to a product approval process whereby the target market for the shares, subscription rights and BTAs in the Company comprises (i) retail clients, and (ii) investors who meet the requirements for non-retail clients and equivalent counterparties, each in accordance with MiFID II (the "target market").

Notwithstanding the assessment of the target market, distributors are to note the following: the value of the shares, subscription rights and BTAs in the Company may decline and it is not certain that investors will recover all or portions of the amount invested; the shares, subscription rights and BTAs in the Company offer no guaranteed income and no protection of capital; and an investment in the shares in the Company is suitable only for investors who do not require a guaranteed income or protection of capital, who (either themselves or together with an appropriate financial advisor or other type of advisor) are capable of evaluating the benefits and risks of such an investment and who have sufficient funds with which to sustain such losses as may arise from the investment. The assessment of the target market does not impact the requirements in the contractual, statutory, regulatory or sales restrictions in relation to the Rights Issue.

The assessment of the target market is not to be considered to be: (a) an assessment of suitability and appropriateness under MiFID II, or (b) a recommendation to any investors or group of investors to invest in, procure or take any other action regarding shares, subscription rights and BTAs in the Company.

Each distributor is responsible performing their own assessment of the target market regarding the Company's shares, subscription rights and BTAs and for deciding on suitable channels of distribution.

Forward-looking statements

This press release contains certain forward-looking statements which reflects Impact Coatings' current view on future events and anticipated financial and operational performance. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking statements. Forward-looking statements are inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking statements is not a guarantee of future results or development, and actual outcomes may differ materially from the statements set forth in the forward-looking statements. Forward-looking statements in the press release speak only as of the date of the press release and are subject to change without notice. The Company makes no promises to publish updates or revisions to forward-looking statements as a result of new

information, future events or the like beyond what is required by applicable laws or stock market regulation.