



# Strong sales increase driven by orders from aviation and marine

## October – December 2023

- Net sales SEK 127.5m (101.8), growth of 25% compared to same quarter previous year
- Gross profit decreased 19% to SEK 47.0m (57.8) and gross margin of 36.9% (56.8)\*
- Operating income before items affecting comparability SEK -3.1m (2.7)
- Operating income SEK -8.1m (2.7)
- Income after tax SEK -10.0m (3.6)
- Operating cash flow SEK -48.7m (-37.7)
- Earnings per share (basic & diluted) SEK -0.38 (0.06)

## January – December 2023

- Net sales SEK 310.3m (244.7), growth of 27% compared to previous year
- Gross profit increased 10% to SEK 124.0m (113.0) and gross margin of 40.0% (46.2)\*
- Operating income before items affecting comparability SEK -66.5m (-75.0)
- Operating income SEK -72.6m (-75.0)
- Income after tax SEK -63.0m (-58.2)
- Operating cash flow SEK -95.7m (-120.5)
- Earnings per share (basic & diluted) SEK -1.57 (-1.09)
- The Board of Directors proposes that no dividend will be paid for the fiscal year 2023

## Significant events during the fourth quarter

- PowerCell listed on Nasdaq Stockholm.

## Significant events after the end of the reporting period

- No significant events after the end of the period.

## Key performance indicators

SEK million, unless other stated	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	127.5	101.8	310.3	244.7
Gross profit	47.0	57.8	124.0	113.0
Gross margin*, %	36.9	56.8	40.0	46.2
Operating income before items affecting comparability	-3.1	2.7	-66.5	-75.0
Operating income	-8.1	2.7	-72.6	-75.0
Net income	-10.0	3.6	-63.0	-58.2
Earnings per share (basic and diluted), SEK	-0.38	0.06	-1.57	-1.09
Shareholder equity ratio, %	64.8	70.2	64.8	70.2
Operating cash flow	-48.7	-37.7	-95.7	-120.5

\*As from 1 January 2023, PowerCell presents certain indirect costs related to the production as Costs of goods and services sold. Previously, these costs were presented as Selling and administrative expenses. The change impacts the gross margin negatively with 0.2 percentage points in the fourth quarter and 2.7 percentage points in the period January – December 2023. The operating income is not affected. The change is made prospectively as from 1 January 2023 which means that the comparative periods have not been adjusted. Please refer to page 15, note 2 “Accounting policy” for further details.



The CEO's comments

## Prioritizing growth and profitability in response to market demand

**PowerCell's net sales in the quarter increased by 25 percent to a record high of SEK 127.5 million, reflecting our continued progress on significant orders in aviation and marine sectors. The trend with faster increase in net sales than in operating expenditure continued. Operating cash flow was impacted by increased accounts receivable and material purchases related to 2024 deliveries. As we enter 2024, we are intensifying our focus on profitability and cash flow.**

The year has been characterized by the ramp-up of our operations and during the fourth quarter we produced larger volumes and intensified project work to, among others, the two ferries that will operate Norway's longest ferry route and the aircraft manufacturer ZeroAvia. We set a new sales record for the full year of SEK 310.3 million (244.7) with an increase of 27 percent and PowerCell strengthened its position as the leading supplier of hydrogen-electric solutions to aviation and marine industries.

### Continued good gross margin

Gross margin amounted to 36.9 percent (56.8) in the quarter. The decrease is mainly due to fluctuations in product mix and less royalty, but also positively impacted by SEK 5 million due to reversal of a previously recognized obsolescence reserve related to stack components, that now can be used in a 5 kW product. The reason being that we entered a new promising market segment with a 5 kW fuel cell system in 2023, namely vehicles that need auxiliary power to operate, for example, refrigerating or heating systems.

Operating income before items affecting comparability was SEK -3.1 million (2.7) in the quarter. Non-recurring items totaling SEK 5.0 million, related to the listing on Nasdaq Stockholm.

Operating cash flow amounted to SEK -48.7 million (-37.7) in the quarter and SEK -95.7 million (-120.5) for full year, negatively impacted by the timing of payments and purchase of material. Development of the cash flow is of high priority and we are confident that our focus and activities will improve cash flow going forward.

### Megatrends drive growth

In 2023, the entire hydrogen industry has taken a big step by now implementing emission-free fuel cell systems in commercial applications. The hydrogen-electric market is growing rapidly driven by the strong megatrends of electrification and the transition to emission-free energy.

It is positive that we now see that the market is becoming increasingly agnostic when it comes to the production of hydrogen. Before the demand can be completely covered with green hydrogen, other sources such as methanol and ammonia are much better alternatives for the supply of hydrogen than continued use of fossil fuels.

### Listing on Nasdaq Stockholm

In December 2023, we took the step from Nasdaq First North Growth Market Stockholm to Nasdaq Stockholm's main list which enhances our visibility to investors and other stakeholders. From application date to first day of trading took about three months, which is just about as fast as this process could be done. This proves our maturity as a company and our ability to reach objectives fast. Our ambition is for more people to acknowledge the importance of PowerCell's leading hydrogen electric solutions and how they contribute to zero emissions in key commercial applications.

### Profitability and cash flow in focus

While we continue our growth journey in an industry which contributes to the transitioning to zero emissions, we see that also our industry is affected by the general economy, although interest in our solutions is growing. We also notice that it is taking longer for customers to come to a decision with larger projects. This means that in our industry revenue and earnings can fluctuate between quarters. As we enter 2024, we therefore accelerate our focus on profitability and cash flow. I would like to conclude by thanking all employees for your fantastic efforts during the year. You have all shown motivation, professionalism and perseverance during 2023. We are now entering a new exciting year and I look forward to continuing our joint work for an emission-free world.

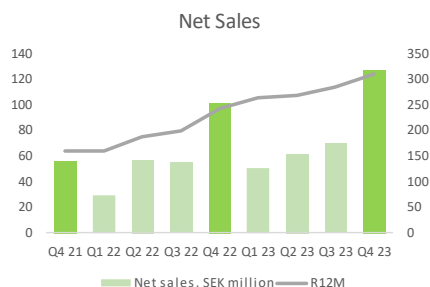
**Richard Berkling**  
CEO





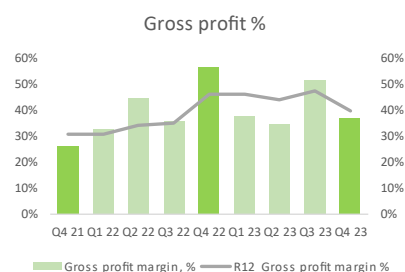
# Financial performance October – December

## Net sales



Sales in the quarter increased by 25% to SEK 127.5m (101.8) compared to the same period last year. In the quarter, the marine customer segment showed strongest growth. Aviation is together with marine PowerCell’s largest customer segments. Sales of projects according to percentage of completion amounted to SEK 80m and represented the major part of the product mix in the quarter. The increase in sales of projects relates to higher activity in the project which includes deliveries of fuel cell systems for the Norwegian ferries. Royalty fees from Robert Bosch GmbH amounted to SEK 3.4m (10.8).

## Gross profit and operating income/loss



Gross profit amounted to SEK 47.0m (57.8) with a gross margin of 36.9% (56.8). The decrease is mainly due to fluctuations in product mix and less royalty, but also positively impacted by SEK 5m due to reversal of a previously recognized obsolescence reserve related to stack components, that now can be used in a 5 kW product. The reason is that PowerCell entered a new market segment with a 5 kW fuel cell system in 2023, namely vehicles that need auxiliary power to operate, for example, refrigerating or heating systems.

During 2023, PowerCell has changed the presentation of certain indirect material and labor costs, such as warehouse personnel, transportation and warranty costs, etc. For the fourth quarter, the change means that SEK 0.3m was reported as Cost of goods sold instead of Selling and administrative costs. This impacted the gross margin with about 0.2 percentage points and a comparable gross margin versus last year would be 37.1% (56.8). Further information on page 15, note 2 “Accounting policies”.

# 36.9%

Gross margin October - December 2023

Operating expenses increased by 15% to SEK -65.1m (-56.7). Operating expenses include non-recurring R&D costs related to Bosch engineering work of SEK 6m. Other operating costs amounted to SEK -9.2m (-4.3) and relates mainly to operating exchange losses. Other operating income amounts to SEK 24.2m (5.9) and includes operating exchange gains of SEK 12.2m (4.4) and R&D grants of SEK 11.7m (1.5). The majority of R&D grants in the quarter comes from the EU and relates to projects within aviation and the heavy-duty truck industry. Costs related to the EU granted projects are reported in operating expenses as R&D costs. In addition to the projects granted by the EU and development expenditures that are capitalized, PowerCell run R&D activities and expenditures that focus on future technical solutions.

In the quarter, SEK 6.8m was capitalized as development expenditures. The majority of the expenditures are related to the development of the new PS200 system and a minor part is related to the development of a 5 kW system.

Operating income before items affecting comparability amounted to SEK -3.1m (2.7) in the quarter. Operating income amounted to SEK -8.1m (2.7). The item affecting comparability for 2023 consist of costs related to the listing on Nasdaq Stockholm.



## Net income and financial items

Net financial items amounted to SEK -1.8m (0.9) and mainly related to revaluation effects in bank accounts denominated in foreign currency, primarily EUR. Net income in the fourth quarter was SEK -0.8m (3.6).

## Cash flow

Operating cash flow was SEK -48.7m (-37.7) and total cash flow was SEK -61.3m (-43.3), impacted negatively by changes in working capital, closely related to increased customer orders.

Cash flow from investing activities is affected from product development capitalization. In the quarter, SEK 6.8m is capitalized as intangible assets.

## Financial position

Cash and cash equivalents amounted to SEK 70.8m on 31 December 2023. Cash was negatively impacted by the timing of payments and purchase of material. Although we are confident that the available liquid funds are sufficient to finance our operations during 2024, the cash flow development is of high priority and several cash flow-improving activities are ongoing.



# Financial performance January – December

## Net sales

Sales in 2023 increased 27% to SEK 310.3m (244.7) compared to the previous year. Customer segments aviation and marine showed strongest growth and generated the majority of the sales. The business mix continued to improve with more commercial customers as well as products and services with a higher value add. Royalty fees of SEK 19.0m (15.2) from Robert Bosch GmbH were reported as net sales in the period.

## Gross profit and operating income/loss

Gross profit increased 10% to SEK 124.0m (113.0) with a gross margin of 40.0% (46.2). The gross margin was positively impacted by the change in product mix with increased royalty fees from Robert Bosch GmbH and higher engineering services sales, and increased amount of projects reported according to percentage of completion. Gross profit was positively impacted by SEK 5m due to the due to reversal of a previously recognized obsolescence reserve related to stack components, that now can be used in a 5 kW product. The reason is that PowerCell entered a new market segment with a 5 kW fuel cell system in 2023, namely vehicles that need auxiliary power to operate, for example, refrigerating or heating systems.

In 2023, PowerCell have changed the presentation of certain indirect material and labor costs, such as warehouse personnel, transportation and warranty costs, etc. For the year, the change means that SEK 8.6m is reported as Costs of goods sold instead of Selling and administrative costs. This impacted the gross margin with about 2.8 percentage points and a comparable gross margin versus last year would be 42.8% (46.2).

Operating expenses increased to SEK -220.3m (-190.9), which reflects a planned scale up to prepare the organization for continued growth. The increase is less than the increase in net sales, giving an operating leverage. Other operating costs amounted to -25.3m (-19.0) and relates mainly to operating exchange losses.

Other operating income amounted to SEK 55.0m (21.8) and includes operating exchange gains of SEK 23.9m (16.4) and R&D grants of SEK 30.6m (5.0). The majority of R&D grants in the quarter comes from the EU and relates to projects within aviation and the heavy-duty truck industry. Costs related to the EU granted projects are reported in operating expenses as R&D costs. In addition to the projects granted by the EU and development expenditures that are capitalized, PowerCell run R&D activities and expenditures that focus on future technical solutions.

During the year, SEK 16.5m was capitalized as development expenditures. The majority related to the development of the new PS200 system and a minor part is related to the development of a 5 kW system for vehicles that need auxiliary power to operate, for example, refrigerating or heating systems.



Operating income before items affecting comparability amounted to SEK -66.5m (-75.0). Operating income amounted to SEK -72.6m (-75.0). The items affecting comparability for 2023 consist of costs related to the listing on Nasdaq Stockholm.

## Net income and financial items

Net financial items amounted to SEK 9.6m (16.8) and mainly related to revaluation effects in bank accounts denominated in foreign currency, primarily EUR. Net income in the twelve-month period was SEK -63.0m (-58.2).

## Cash flow

Operating cash flow was SEK -95.7m (-120.5) and total cash flow was SEK -132.6m (-153.4), impacted by the operational result, decrease in working capital, with increases in inventory and positive effect from liabilities.

Cash flow from investing activities is affected from product development. During the year, SEK 16.5m is capitalized and accounted for as an intangible asset.



# Other information

## Employees

On 31 December 2023, the Group had 151 (112) employees measured as full-time equivalents, FTE.

## The share

The share is listed on Nasdaq Stockholm under the ticker PCELL. On 31 December 2023 the total number of outstanding shares were 52,142,434. PowerCell holds no treasury shares.

## Ten largest owners per 31 December 2023

Name	Number of shares	Votes and capital
Robert Bosch Group	5,848,531	11.22%
Avanza Pension	1,646,244	3.16%
Norges Bank	1,202,147	2.31%
Green Benefit AG	976,977	1.87%
Legal & General	729,949	1.40%
Swedbank Robur Funds	481,130	0.92%
Invesco	386,687	0.74%
Global X Management Company LLC	376,449	0.72%
Nordnet Pensionsförsäkring	315,543	0.61%
VanEck	293,095	0.56%
<i>Total 10 largest owners</i>	<i>12,256,752</i>	<i>23.51%</i>
<i>Other</i>	<i>39,885,682</i>	<i>76.49%</i>
<b>Total</b>	<b>52,142,434</b>	<b>100.00%</b>

Source: Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

## Risks and uncertainties

Through its operations PowerCell is exposed to risks and uncertainties. For extensive information of the most significant operational and financial risks, please see pages 52-53 and pages 62-64 in the Annual Report for 2022. The current macro environment, with high inflation and high interest rates impacts PowerCell, both through suppliers and customers. PowerCell can mitigate through pricing and productivity measures.

## Parent company

The main part of the Group's activity is carried out in the parent company PowerCell Sweden AB. Out of 151 employees, 147 are employed by the parent company. The parent company's revenue amounted to SEK 127.5m (101.0) in the fourth quarter. Operating income before items affecting comparability for the quarter amounted to SEK -8.6m (2.9). Operating profit/loss for the quarter amounted to SEK -13.6m (2.9).



# Assurance of the Board of Directors

The Board of Directors and the CEO warrant that this year-end report for Powercell Sweden AB (publ), 556759-8353 provides a true and fair picture of the parent company's and the Group's operations, financial position and results, and describes the significant risks and uncertainties of the parent company and the companies included in the Group.

**Gothenburg, 8 February 2024**

**Magnus Jonsson**

Chairman

**Nicolas Boutin**

Director

**Helen Fasth Gillstedt**

Director

**Riku-Pekka Hägg**

Director

**Karin Ryttberg-Wallgren**

Director

**Uwe Hillmann**

Director

**Annette Malm Justad**

Director

**Richard Berkling**

CEO

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





## Condensed income statement - Group

SEK thousand	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	3	127,517	101,780	310,287	244,691
Costs of goods and services sold		-80,498	-43,944	-186,275	-131,668
<b>Gross profit</b>		<b>47,019</b>	<b>57,836</b>	<b>124,012</b>	<b>113,023</b>
Selling and administrative costs	4	-26,016	-28,901	-105,796	-98,559
Research and development costs		-39,063	-27,775	-114,498	-92,329
Other operating income	7	24,151	5,872	55,036	21,807
Other operating costs	8	-9,238	-4,319	-25,272	-18,961
<b>Operating income before items affecting comparability</b>		<b>-3,147</b>	<b>2,713</b>	<b>-66,518</b>	<b>-75,019</b>
Items affecting comparability	6	-4,982	-	-6,057	-
<b>Operating income</b>		<b>-8,129</b>	<b>2,713</b>	<b>-72,575</b>	<b>-75,019</b>
<b>Net financial items</b>		<b>-1,824</b>	<b>864</b>	<b>9,620</b>	<b>16,801</b>
<b>Profit (loss) after financial items</b>		<b>-9,953</b>	<b>3,577</b>	<b>-62,955</b>	<b>-58,218</b>
Income tax		-33	-7	-5	45
<b>Profit (loss) for the period</b>		<b>-9,986</b>	<b>3,570</b>	<b>-62,960</b>	<b>-58,173</b>
Other comprehensive income:					
Items that may be reclassified to profit or loss					
Exchange differences from foreign operations		153	79	234	37
<b>Other comprehensive income for the period</b>		<b>153</b>	<b>79</b>	<b>234</b>	<b>37</b>
<b>Total comprehensive income for the period</b>		<b>-9,833</b>	<b>3,649</b>	<b>-62,726</b>	<b>-58,136</b>

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:

SEK	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Earnings per share, basic	5	-0.38	0.06	-1.57	-1.09
Earnings per share, diluted	5	-0.38	0.06	-1.57	-1.09



## Condensed balance sheet - Group

SEK thousand	2023-12-31	2022-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	22,485	8,173
Right of use assets (leasing)	31,838	34,842
Tangible fixed assets	33,377	34,817
Deferred tax assets	279	186
Long term trade receivables	-	6,677
<b>Total non-current assets</b>	<b>87,979</b>	<b>84,695</b>
<b>Current assets</b>		
Inventories	116,985	75,485
Current receivables	149,341	116,909
Cash and cash equivalents	70,809	196,857
<b>Total current assets</b>	<b>337,135</b>	<b>389,251</b>
<b>TOTAL ASSETS</b>	<b>425,114</b>	<b>473,946</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Parent Company shareholders</b>		
Share capital	1,147	1,147
Other contributed capital	635,007	635,007
Reserves	-	-234
Retained earnings (including profit (loss) for the year)	-360,720	-303,046
<b>Total equity attributable to Parent Company shareholders</b>	<b>275,434</b>	<b>332,874</b>
<b>LIABILITIES</b>		
Non-current liabilities leases	21,521	24,123
Non-current liabilities	30,611	30,558
Current liabilities leases	6,614	7,342
Current liabilities	90,934	79,049
<b>Total liabilities</b>	<b>149,680</b>	<b>141,072</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>425,114</b>	<b>473,946</b>



## Condensed statement of changes in equity - Group

SEK thousand	Note	Attributable to shareholders of the Parent Company				Total equity
		Share capital	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for the year	
<b>Opening balance 1 January 2023</b>		<b>1,147</b>	<b>635,007</b>	<b>-234</b>	<b>-303,046</b>	<b>332,874</b>
Profit (loss) for the period		-	-	-	-62,960	-62,960
Other comprehensive income for the period		-	-	234	-	234
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>234</b>	<b>-62,960</b>	<b>-62,726</b>
<b>Transactions with shareholders</b>						
Share-based compensation to employees		-	-	-	5,286	5,286
<b>Closing balance 31 December 2023</b>		<b>1,147</b>	<b>635,007</b>	<b>-</b>	<b>-360,720</b>	<b>275,434</b>
<b>Opening balance 1 January 2022</b>		<b>1,147</b>	<b>635,007</b>	<b>-271</b>	<b>-252,432</b>	<b>383,451</b>
Profit (loss) for the period		-	-	-	-58,173	-58,173
Other comprehensive income for the period		-	-	37	-	37
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>37</b>	<b>-58,173</b>	<b>-58,136</b>
<b>Transactions with shareholders</b>						
Share-based compensation to employees		-	-	-	7,559	7,559
<b>Closing balance 31 december 2022</b>		<b>1,147</b>	<b>635,007</b>	<b>-234</b>	<b>-303,046</b>	<b>332,874</b>



## Condensed cash flow - Group

SEK thousand	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<b>Cash flow from operating activities</b>					
Operating profit (loss)		-8,129	2,713	-72,574	-75,019
Adjustments for non-cash items		1,076	14,356	22,354	37,693
Interest received		1,558	20	3,005	-684
Paid income tax		619	696	-78	493
<b>Cash flow from operating activities before changes in working capital</b>		<b>-4,876</b>	<b>17,785</b>	<b>-47,293</b>	<b>-37,517</b>
<b>Cash flow before changes in working capital</b>					
Increase/decrease of inventories		-4,134	-3,239	-34,195	-41,609
Increase/decrease of current receivables		-4,947	-53,079	-25,740	-48,646
Increase/decrease of current liabilities		-34,780	808	11,541	7,266
<b>Total changes in working capital</b>		<b>-43,861</b>	<b>-55,510</b>	<b>-48,394</b>	<b>-82,989</b>
<b>Cash flow from operating activities</b>		<b>-48,737</b>	<b>-37,725</b>	<b>-95,687</b>	<b>-120,506</b>
<b>Cash flow from investing activities</b>					
Acquisitions of tangible and intangible assets		-10,394	-3,425	-28,170	-17,717
Change in financial assets		-	-126	-	-6,677
<b>Cash flow from investing activities</b>		<b>-10,394</b>	<b>-3,551</b>	<b>-28,170</b>	<b>-24,394</b>
<b>Cash flow from financing activities</b>					
Repayment of leasing liability		-2,200	-2,000	-8,780	-8,464
<b>Cash flow from financing activities</b>		<b>-2,200</b>	<b>-2,000</b>	<b>-8,780</b>	<b>-8,464</b>
<b>Decrease/increase of cash and cash equivalents</b>		<b>-61,331</b>	<b>-43,276</b>	<b>-132,637</b>	<b>-153,364</b>
Opening cash and cash equivalents		134,546	239,375	196,857	332,507
Effects of exchange rate changes on cash and cash equivalents		-2,406	758	6,589	17,714
<b>Closing cash and cash equivalents</b>		<b>70,809</b>	<b>196,857</b>	<b>70,809</b>	<b>196,857</b>



## Condensed income statement – Parent Company

SEK thousand	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales		127,517	100,980	310,287	243,838
Costs of goods and services sold		-80,498	-43,944	-186,274	-131,661
<b>Gross profit</b>		<b>47,019</b>	<b>57,036</b>	<b>124,013</b>	<b>112,177</b>
Selling and administrative costs		-24,703	-27,952	-102,806	-95,746
Research and development costs		-46,075	-27,975	-131,751	-93,084
Other operating income		24,138	5,872	54,987	21,856
Other operating costs		-9,019	-4,128	-24,911	-18,803
<b>Operating income after items affecting comparability</b>		<b>-8,640</b>	<b>2,853</b>	<b>-80,468</b>	<b>-73,600</b>
Items affecting comparability		-4,982	-	-6,057	-
<b>Operating income</b>		<b>-13,622</b>	<b>2,853</b>	<b>-86,525</b>	<b>-73,600</b>
<b>Net financial items</b>		<b>-6,279</b>	<b>151</b>	<b>4,333</b>	<b>16,814</b>
<b>Profit (loss) after financial items</b>		<b>-19,901</b>	<b>3,004</b>	<b>-82,192</b>	<b>-56,786</b>
Income tax		23	23	93	93
<b>Profit (loss) for the period</b>		<b>-19,878</b>	<b>3,027</b>	<b>-82,099</b>	<b>-56,693</b>

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 balance sheet – Parent Company

SEK thousand	2023-12-31	2022-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	5,996	8,173
Tangible fixed assets	33,376	34,814
Financial assets	1,294	8,753
<b>Total non-current assets</b>	<b>40,666</b>	<b>51,740</b>
<b>Current assets</b>		
Inventories	116,985	75,485
Current receivables	150,438	121,833
Cash and bank balances	67,978	192,893
<b>Total current assets</b>	<b>335,401</b>	<b>390,211</b>
<b>TOTAL ASSETS</b>	<b>376,067</b>	<b>441,951</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Restricted equity</b>		
Share capital	1,147	1,147
<b>Total restricted equity</b>	<b>1,147</b>	<b>1,147</b>
<b>Non-restricted equity</b>		
Share premium reserve	555,507	555,507
Retained loss	-218,285	-166,878
Profit (loss) for the period	-82,099	-56,693
<b>Total non-restricted equity</b>	<b>255,123</b>	<b>331,936</b>
<b>Total equity</b>	<b>256,270</b>	<b>333,083</b>
<b>LIABILITIES</b>		
Non-current liabilities	30,000	30,000
Current liabilities	89,797	78,868
<b>Total liabilities</b>	<b>119,797</b>	<b>108,868</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>376,067</b>	<b>441,951</b>



## 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 Interim consolidated financial statement for publication on 8 February 2024.

All amounts are stated in SEK thousand 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 PowerCell's Annual Report 2022.

This Interim financial statement 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.

#### Change of presentation of items affecting comparability

During fourth quarter 2023, PowerCell presents items affecting comparability, previously presented as operating expenses. Items affecting comparability refer to significant income or expense items that are reported separately due to the significance of their nature or amount.

#### Change of presentation of cost

As from 1 January 2023, PowerCell presents certain costs, previously presented as Selling and administrative costs as Costs of goods and services sold. The change has no impact on the reported operating income and has been made prospectively from 1 January 2023. The comparative periods have not been adjusted. For the fourth quarter 2023, the gross margin would be increased by 0.2 percentage points, should the same presentation of the costs be applied as in previous periods. The comparable gross margin versus last year is 37.1% (56.8). For the twelve-month period, the gross margin would be increased by 2.8 percentage points.



### 3. Net sales

#### Revenue from contracts with customers

Sales are reported as revenue when control of the goods is transferred to the customer, which normally coincides with its delivery.

#### Revenue from contracts with customers

SEK thousand	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Hardware	15,284	36,839	92,267	83,887
Services	28,640	31,440	65,499	57,133
Royalty fees	3,398	10,818	18,993	15,182
Projects according to percentage of completion	80,195	22,683	133,528	88,489
<b>Total</b>	<b>127,517</b>	<b>101,780</b>	<b>310,287</b>	<b>244,691</b>

#### Revenue from contracts with customers per country, based on where customers are located

Sweden	3,251	184	6,111	2,694
Germany	19,857	38,757	55,876	92,176
Great Britain	35,048	23,973	83,694	30,267
Netherlands	-3,905	17,060	12,697	44,874
US	-1,492	9,801	38,514	42,366
Norway	71,970	-	93,687	3,724
Other	2,788	12,005	19,708	28,590
<b>Total</b>	<b>127,517</b>	<b>101,780</b>	<b>310,287</b>	<b>244,691</b>

### 4. Related party transactions

No significant transactions with related parties have taken place in the period.

### 5. Earnings per share

SEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Earnings per share, basic	-0.38	0.06	-1.57	-1.09
Earnings per share, diluted	-0.38	0.06	-1.57	-1.09

#### 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	-19,878	3,027	-82,099	-56,693
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**Number**

Weighted average number of ordinary shares at the calculation of earnings per share, basic	52,142,434	52,142,434	52,142,434	52,142,434
Adjustment for the calculation of earnings per share, diluted	52,142,434	52,142,434	52,142,434	52,142,434

**6. Items affecting comparability**

Thousand SEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Costs related to listing on Nasdaq Stockholm	-4,982	-	-6,057	-
<b>Total</b>	<b>-4,982</b>	<b>-</b>	<b>-6,057</b>	<b>-</b>

**7. Other operating income**

SEK thousand	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Currency exchange gains	12,235	4,381	23,908	16,410
Grants	11,659	1,491	30,607	4,974
Other	257	-	521	423
<b>Total</b>	<b>24,151</b>	<b>5,872</b>	<b>55,036</b>	<b>21,807</b>

Majority of R&D grants in 2023 comes from EU and relates to projects within aviation and heavy-duty truck industry. Costs related to the EU granted projects are to be found in operating expenses as R&D costs.

**8. Other operating cost**

SEK thousand	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Currency exchange losses	-9,072	-4,319	-25,106	-18,961
Other	-166	-	-166	-
<b>Total</b>	<b>-9,238</b>	<b>-4,319</b>	<b>-25,272</b>	<b>-18,961</b>

**9. Significant events after the end of the reporting period**

No significant events after the end of the period



## Definition of key financial indicators

In this financial report, there are references to several performance measures. Some of the measures are defined in IFRS, others are alternative performance measures and are not disclosed in accordance with applicable financial reporting frameworks or other legislations. The performance measures are used by the Group to assist both investors and management in analyzing PowerCell's business. Below the performance measures found in this financial report are described and defined. The reason for the use of the performance measure is also disclosed.

### **Shareholder equity ratio, %**

Equity in relation to total assets.

### **Earnings per share**

Net income divided by the weighted average number of outstanding shares.

### **Number of employees**

Number of employees is presented recalculated as full-time positions, if not otherwise stated.

### **Gross margin, %**

Net revenue less cost of goods sold through net revenue.

### **Net sales rolling twelve-month**

Net sales for a period that is determined monthly and consists of the previous twelve consecutive calendar months.



This information constitutes 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 below, at 08:00 AM CET on 8 February 2024.

The Annual General Meeting for PowerCell Sweden AB will be held by on 25 April, 2024. More details will be announced in connection with the publications of the notice.

## Financial calendar

Interim report Q1 2024, 25 April  
Annual General Meeting, 25 April  
Interim report Q2 and first half year 2024, 18 July  
Interim report Q3 2024, 17 October  
Interim report Q4 and year-end report Q4 2024, 13 February 2025

## Webcasted presentation

PowerCell's fourth quarter and year-end report 2023 will be published on Thursday 8 February at 08:00 am CET. An online presentation will take place the same day at 02:00 pm CET. The presentation can be listened to online or by calling in. The presentation will be followed by a question-and-answer session. The presentation is held in English. If you wish to participate online, please use the link <https://ir.financialhearings.com/powercell-group-q4-2023>. You can ask questions in writing at the online presentation. If you wish to participate in the telephone conference, you can register using the link <https://conference.financialhearings.com/teleconference/?id=5002029>. Following registration, you will receive telephone numbers and a conference ID to log in to the conference. You can ask questions verbally at the telephone conference.

### Contact details:

CEO Richard Berkling	CFO Torbjörn Gustafsson
+46 (0) 31 7203620	+46 (0) 70 1866986
<a href="mailto:richard.berkling@powercellgroup.com">richard.berkling@powercellgroup.com</a>	<a href="mailto:torbjorn.gustafsson@powercellgroup.com">torbjorn.gustafsson@powercellgroup.com</a>
<a href="http://www.powercellgroup.com">www.powercellgroup.com</a>	

Every care has been taken in the translation of this interim report. In the event of discrepancies, the Swedish original will supersede the English translation. The addition of the totals presented may result in minor rounding differences.

## About PowerCell

PowerCell is a world leader in hydrogen electric solutions. With decades of experience, we use our expertise to accelerate the transition to an emission-free, more sustainable world. We target industries such as aviation, marine, off-road, on-road and stationary power generation. With our cutting-edge products we help our customers to reach net zero emissions already today.

We are headquartered in Gothenburg, Sweden with sales globally. PowerCell is listed on Nasdaq Stockholm.

To read more about our products and services, visit [powercellgroup.com](http://powercellgroup.com).

**PowerCell Sweden AB (publ)**  
Corp. Reg. No. 556759-8353  
Ruskvädersgatan 12  
SE-418 34 Göteborg  
Tel: +46 (0) 31 720 36 20  
[powercellgroup.com](http://powercellgroup.com)