



Solid performance and important Italian marine OEM-order signed in the quarter

July - September 2024

- Net sales SEK 71.9m (69.9), an increase of 3% compared to same quarter previous year
- Gross profit decreased to SEK 23.1m (36.1) with a gross margin of 32.1% (51.6)
- Operating income before items affecting comparability SEK -15.7m (-6.5)
- Items affecting comparability amounted to SEK 0m
- Operating income SEK -15.7m (-6.5)
- Income after tax SEK -15.9m (-6.6)
- Operating cash flow SEK -7.4m (-51.9)
- Earnings per share (basic and diluted) SEK -0.46 (-0.22)

January – September 2024

- Net sales SEK 190.2m (182.8), an increase of 4% compared to previous year
- Gross profit decreased to SEK 58.6m (77.0) with a gross margin of 30.8% (42.1)
- Operating income before items affecting comparability SEK -84.4m (-64.4)
- Items affecting comparability amounted to SEK +30m and relates to a government loan converted to grant
- Operating income SEK -54.4m (-64.4)
- Income after tax SEK -49.6m (-53.0)
- Operating cash flow SEK -19.3m (-47.0)
- Earnings per share (basic and diluted) SEK -1.45 (-1.19)

Significant events during the third quarter

- PowerCell signs order in July with a leading European marine OEM manufacturer
- PowerCell receives Approval in Principle from Den Norske Veritas for a combined methanol reformer and fuel cell system
- PowerCell signs SEK 165m order in September for fuel cell systems with leading Italian marine OEM manufacturer

Significant events after the end of the reporting period

- PowerCell partners with Australian aviation company for concept study on VTOL aircraft

Key performance indicators

SEK million, unless other stated	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Net sales	71.9	69.9	190.2	182.8	310.3
Gross profit	23.1	36.1	58.6	77.0	124.0
Gross margin, %	32.1	51.6	30.8	42.1	40.0
Operating income before items affecting comparability	-15.7	-6.5	-84.4	-64.4	-66.5
Operating income	-15.7	-6.5	-54.4	-64.4	-72.6
Net income	-15.9	-6.6	-49.6	-53.0	-63.0
Earnings per share (basic and diluted), SEK	-0.46	-0.22	-1.45	-1.19	-1.57
Equity asset ratio, %	55.1	60.8	55.1	60.8	64.8
Operating cash flow	-7.4	-51.9	-19.3	-47.0	-95.7



The CEO's comments

Significant order from Italian shipyard confirms transition to OEM-driven sales

In the third quarter, while market conditions remained soft, we saw a clear improvement with new orders in the marine sector. Thanks to our solid underlying business, we delivered growth of 3% compared to the same quarter 2023. Looking ahead, we anticipate high activity levels in the fourth quarter, driven by significant progress in our two major marine projects in Norway and at the Italian shipyard.

In the quarter, net sales amounted to SEK 72 million, growing 3% compared to the same period last year. Year-to-date growth is at 4% with stable gross margins and improved EBIT. The gross margin was 32.1% in the quarter, improving from last quarter and we continue our work to strengthen the gross margin with a better product mix with higher proportion of application development and services sales as drivers. Comparison year-over-year is affected by a temporary income last year with exceptionally high profitability.

Operating cash flow in the quarter improved to SEK -7.4 million (-51.9). The cash flow has significant cut-off effects and customer payments from increased OEM-sales will increase our cash position in beginning of fourth quarter.

Revenue from the Italian order in the fourth quarter

It is encouraging to see how investment in hydrogen-electric solutions is growing in the marine industry. We have started production for SEAM and the two ships that will operate on Norway's longest ferry connection. In the fourth quarter, we will start the project for deliveries to the leading Italian marine OEM manufacturer with a total order value of approximately SEK 165 million. This is one of the industry's largest marine orders to date and a result of a long and very thorough due diligence of our technology and PowerCell as a supplier. Deliveries to customer will take place during 2025, but the order will affect net sales in the fourth quarter of 2024 as project will start now.

Since methanol is available in most of the world's large harbours, we have added a complement to our product portfolio and gained the Approval in Principle from DNV, Det Norske Veritas, for a new Methanol-to-Power solution. The product is developed together with RIX Industries. By providing this solution, we simplify integration, enhance safety and generate higher value for our customers by minimising time-to-market as well as technical risk and investment.

Concept study for vertical take-off and landing

Parallel to our progress in the marine industry, we continue to gain ground in the aviation industry. In the quarter, we signed an agreement with an Australian aviation company for a concept study for a vertical take-off and landing aircraft, a so-called VTOL aircraft. Fuel cells are very suitable for this segment due to the high energy-to-weight ratio that a hydrogen solution can achieve. With fuel cell technology, a VTOL aircraft can have a good payload, impressive range as well as minimal emissions and low noise. The concept study will result in a hydrogen fuel cell specification that will form the base for several prototypes with long-term commercial plans.

First 300 kW platform tested

We made significant technical progress this quarter by building and testing the first 300 kW product platform. The development work is a part of the Newborn project, part of the EU's Clean Aviation Joint Undertaking. The EU project focuses on developing an aerospace-certified megawatt-class fuel cell propulsion system, which will be powered by hydrogen. In parallel, we are also part of the EU project H2Marine to ensure that this powerful platform will be ready for industrialisation in other customer segments with high demands on durability. The internal testing confirms a significant improvement in performance as energy density reaches more than 3kW/kg. This translates to improved value in all customer applications from reduced weight, volume and cost. I am very proud of how PowerCell manages to continue to develop its offering while driving growth from our industrialised products with a clear path to break-even.

More drivers accelerating the energy transition

At the end of September, I participated in Climate Week in New York and I can confirm that there is a growing interest in fuel cell technology all over the world. Besides drive for decarbonisation, the energy transition now also benefits from an increased focus on imminent health aspects of hazardous air pollutants related to the combustion engine. According to the research organisation Health Effects Institute, nearly every person on earth breathes unhealthy levels of air pollution every day. We also see a rising demand for electricity as society develops and innovations see the light of day.

Consequently, balancing the electricity system becomes increasingly important, the more solar and wind power we utilise. Hydrogen and fuel cells will be part of the expanding energy system. The fact that decarbonisation is not the only driver is what I believe is accelerating the energy transition toward financially viable business models. Our contracts with major OEMs in the marine and aerospace industries help raise attention and increase awareness that fuel cell technology is in a commercial phase.

It is a fantastic development that PowerCell has seen in recent years as we moved from being a research company to now delivering commercial applications. We have prepared ourselves well by increasing competencies and delivery capabilities internally. At the same time, we care about our ability to continue developing our products to grow our market further. I am in daily contact with companies that see fuel cell technology as the solution to reduce their emissions. I am therefore confident in our ability to deliver long-term profitable growth.



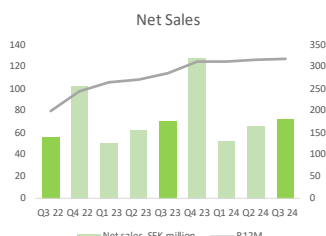
Richard Berkling
CEO



Financial performance July – September

Net sales

Net sales increased 3% in the quarter to SEK 71.9m (69.9). Sales of projects, according to percentage of completion, amounted to SEK 31.9m (23.6) and represented a major part of the product mix in the quarter. Royalty fees from Robert Bosch GmbH decreased to SEK 7.4m (12.0).



32.1%

Gross margin July – September 2024

Gross profit and operating income/loss

Gross profit decreased to SEK 23.1m (36.1) with a gross margin of 32.1% (51.6). The gross margin was impacted by the product mix with lower high margin engineering service sales and royalty.

Operating expenses decreased to SEK -44.7m (-54.9).

Other operating costs amounted to SEK -4.8m (-4.8) and relate mainly to exchange rate effects.

Other operating income amounted to SEK 10.7m (17.0) and include exchange rate gains of SEK 5.8m (7.4) and R&D grants of SEK 5.0m (9.6). The majority of R&D grants came from the EU and relate to projects within the aviation 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 capitalised, PowerCell runs R&D activities and expenditures that focus on future technical solutions.

In the quarter, SEK 7.0m (5.6) was capitalised as development expenditures. The majority of the capitalised 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 and after items affecting comparability amounted to SEK -15.7m (-6.5).

Net income and financial items

Net financial items amounted to SEK -0.3m (-0.1)

Net income in the quarter was SEK -15.9m (-6.6).

Cash flow

Operating cash flow improved to SEK -7.4m (-51.9) with major effect deriving from changes in working capital. Cash flow from investing activities was affected by product development capitalisation. In the quarter, SEK 7.0m (5.6) was capitalised as intangible assets. Total cash flow improved to SEK -17.6m (-59.7).

Financial position

On September 30 2024, cash and cash equivalents amounted to SEK 67.9m. Customer payments from increased OEM-sales will increase our cash position in beginning of fourth quarter.

In second quarter 2024 PowerCell signed a loan of SEK 50m with Nordea to finance PowerCell's continued expansion. The loan is partly secured by the European Investment Fund's "InvestEU Sustainability Guarantee".



Financial performance January – September

Net sales

Sales year to date increased 4% to SEK 190.2m (182.8) compared to the previous year, mainly driven by the marine segment. Sales of projects, according to percentage of completion, amounted to SEK 95.5m (53.3) and represented a major part of the product mix in the period. Royalty fees from Robert Bosch GmbH amounted to SEK 14.8m (15.6).

Gross profit and operating income/loss

Gross profit decreased to SEK 58.6m (77.0) with a gross margin of 30.8% (42.1). The gross margin was negatively impacted by change in the product mix with lower royalty and engineering services.

Operating expenses increased to SEK -165.0m (-156.3), reflecting the scale-up of the organization for continued growth. Other operating costs amounted to SEK -18.3m (-16.0) and relates mainly to operating exchange losses.

Other operating income amounted to SEK 40.3m (30.9) and includes operating exchange gains of SEK 14.6m (11.7) and R&D grants of SEK 24.0m (18.9). The majority of R&D grants comes from the EU and relate 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 26.9m 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 -84.4m (-64.4). Operating income after items affecting comparability amounted to SEK -54.4m (-64.4). The item affecting comparability consists of the loan of SEK 30m which the Swedish government converted in May 2024 to a grant. The conditional loan was granted by the Governmental Swedish Energy Agency in 2009. The grant is reported as other income and as an item affecting comparability in the second quarter.

Net income and financial items

Net financial items amounted to SEK 4.6m (11.4) and mainly related to revaluation effects in bank accounts denominated in foreign currency, primarily EUR. Net income in the first nine months was SEK -49.6m (-53.0).

Cash flow

Operating cash flow was SEK -19.3m (-47.0) and total cash flow was SEK -7.8m (-71.3), positively impacted by the loan of SEK 50m.

Cash flow from investing activities is affected from product development. During the year, SEK 26.9m is capitalized and accounted for as an intangible asset.



Other information

Employees

On September 30, 2024, the Group had 147 (151) employees measured as full-time equivalents, FTE.

The share

The share is listed on Nasdaq Stockholm under the ticker PCELL. On 30 September 2024, the total number of outstanding shares was 52,142,434. PowerCell holds no treasury shares.

Ten largest owners September 30, 2024

Name	Number of shares	Votes and capital
Robert Bosch Group	5,848,531	11,22%
Norges Bank	1,993,134	3,82%
Avanza Pension	983,688	1,89%
Green Benefit AG	976,977	1,87%
Swedbank Robur Funds	626,604	1,20%
Global X Management Company LLC	596,213	1,14%
VanEck	365,456	0,70%
Handelsbanken Funds	329,431	0,63%
Nordnet Pensionsförsäkring	296,097	0,57%
Per Arvid Stefan Sjöberg	214,140	0,41%
Top ten largest owners	12,230,271	23,46%
Others	39,912,163	76,54%
Total	52,142,434	100,00%

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 on the most significant operational and financial risks, please see pages 68-69 and pages 78-79 in the Annual Report for 2023. PowerCell's underlying markets are driven by the strong megatrend of electrification and society's need to transition to emission-free energy. However, severe declines in economic activity can have an impact on the timing of customers' investment decisions. The current macroeconomic situation is pushing inflation higher, which PowerCell can mitigate through contractual price compensation clauses.

Parent Company

The main part of the Group's activity is carried out in the Parent Company PowerCell Sweden AB. Out of 147 employees, 144 are employed by the Parent Company. The Parent Company's revenue amounted to SEK 71.8m (69.9m) in the third quarter. Operating income after items affecting comparability for the quarter amounted to SEK -23.7m (-10.1).



Assurance of the Board of Directors

The Board of Directors and the CEO warrant that this interim report for PowerCell Sweden AB (publ), Corp. Id. No 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, October 17, 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

Auditor's report

Powercell Sweden AB (publ), 556759-8353

Introduction

We have reviewed the condensed interim financial information (interim report) of PowerCell Sweden AB as of 30 September 2024 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Gothenburg, 17 October 2024
Öhrlings PricewaterhouseCoopers AB

Fredrik Göransson
Authorized Public Accountant



Condensed income statement - Group

SEK thousand	Note	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Net sales	3	71,852	69,881	190,198	182,770	310,287
Costs of goods and services sold		-48,789	-33,797	-131,595	-105,777	-186,275
Gross profit		23,063	36,084	58,603	76,993	124,012
Selling and administrative costs	4	-23,312	-27,511	-84,029	-80,854	-105,796
Research and development costs		-21,353	-27,401	-80,979	-75,435	-114,498
Other operating income	7	10,741	17,041	40,282	30,885	55,036
Other operating costs	8	-4,814	-4,751	-18,326	-16,035	-25,272
Operating income before items affecting comparability		-15,675	-6,538	-84,449	-64,446	-66,518
Items affecting comparability	6	-	-	30,000	-	-6,057
Operating income		-15,675	-6,538	-54,449	-64,446	-72,575
Net financial items		-314	-121	4,557	11,444	9,620
Profit (loss) after financial items		-15,989	-6,659	-49,892	-53,002	-62,955
Income tax		83	13	273	28	-5
Profit (loss) for the period		-15,906	-6,646	-49,619	-52,974	-62,960
Other comprehensive income:						
Items that may be reclassified to profit or loss						
Exchange differences from foreign operations		-26	2	-254	81	234
Other comprehensive income for the period		-26	2	-254	81	234
Total comprehensive income for the period		-15,932	-6,644	-49,873	-52,893	-62,726

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	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Earnings per share, basic	5	-0.46	-0.22	-1.45	-1.19	-1.57
Earnings per share, diluted	5	-0.46	-0.22	-1.45	-1.19	-1.57



Condensed balance sheet - Group

SEK thousand	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Non-current assets			
Intangible assets	50,307	16,255	22,485
Right of use assets (leasing)	28,376	33,313	31,838
Tangible fixed assets	28,261	32,745	33,377
Deferred tax assets	390	256	279
Total non-current assets	107,334	82,569	87,979
Current assets			
Inventories	117,729	107,714	116,985
Current receivables	122,698	145,440	149,341
Cash and cash equivalents	67,895	134,546	70,809
Total current assets	308,322	387,700	337,135
TOTAL ASSETS	415,656	470,269	425,114
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders			
Share capital	1,147	1,147	1,147
Other contributed capital	635,007	635,007	635,007
Reserves	-254	-153	-
Retained earnings (including profit (loss) for the year)	-406,695	-350,290	-360,720
Total equity attributable to Parent Company shareholders	229,205	285,711	275,434
LIABILITIES			
Non-current liabilities leases	18,761	22,691	21,521
Non-current liabilities	448	30,600	30,611
Current liabilities leases	6,829	6,987	6,614
Current liabilities	160,413	124,280	90,934
Total liabilities	186,451	184,558	149,680
TOTAL EQUITY AND LIABILITIES	415,656	470,269	425,114



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	
Opening balance 1 January 2024		1,147	635,007	-	-360,720	275,434
Profit (loss) for the period		-	-	-	-49,619	-49,619
Other comprehensive income for the period		-	-	-254	-	-254
Total comprehensive income for the period		-	-	-254	-49,619	-49,873
Transactions with shareholders						
Share-based compensation to employees		-	-	-	3,644	3,644
Closing balance 30 September 2024		1,147	635,007	-254	-406,695	229,205
Opening balance 1 January 2023		1,147	635,007	-234	-303,046	332,874
Profit (loss) for the period		-	-	-	-52,974	-52,974
Other comprehensive income for the period		-	-	81	-	81
Total comprehensive income for the period		-	-	81	-52,974	-52,893
Transactions with shareholders						
Share-based compensation to employees		-	-	-	5,730	5,730
Closing balance 30 September 2023		1,147	635,007	-153	-350,290	285,711



Condensed cash flow - Group

SEK thousand	Note	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Cash flow from operating activities						
Operating profit (loss)		-15,675	-6,539	-54,449	-64,445	-72,574
Adjustments for non-cash items		7,264	5,236	-2,707	21,277	22,354
Interest paid/received		-859	361	-654	1,447	3,005
Paid income tax		-	-	-648	-696	-78
Cash flow from operating activities before changes in working capital		-9,270	-942	-58,458	-42,417	-47,293
Cash flow before changes in working capital						
Increase/decrease of inventories		1,884	15,413	-1,372	-30,061	-34,195
Increase/decrease of current receivables		-4,567	-25,181	24,012	-20,793	-25,740
Increase/decrease of current liabilities		4,558	-41,216	16,519	46,321	11,541
Total changes in working capital		1,875	-50,984	39,159	-4,533	-48,394
Cash flow from operating activities		-7,395	-51,926	-19,299	-46,950	-95,687
Cash flow from investing activities						
Acquisitions of tangible and intangible assets		-8,366	-5,681	-33,037	-17,776	-28,170
Cash flow from investing activities		-8,366	-5,681	-33,037	-17,776	-28,170
Cash flow from financing activities						
Borrowed short-term loans		-	-	50,000	-	-
Repayment of leasing liability		-1,820	-2,126	-5,503	-6,579	-8,780
Cash flow from financing activities		-1,820	-2,126	44,497	-6,579	-8,780
Decrease/increase of cash and cash equivalents		-17,581	-59,733	-7,839	-71,305	-132,637
Opening cash and cash equivalents		85,226	195,274	70,809	196,857	196,857
Effects of exchange rate changes on cash and cash equivalents		250	-995	4,925	8,994	6,589
Closing cash and cash equivalents		67,895	134,546	67,895	134,546	70,809



Condensed income statement – Parent Company

SEK thousand	Note	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Net sales		71,852	69,881	190,198	182,770	310,287
Costs of goods and services sold		-48,789	-33,797	-131,595	-105,776	-186,274
Gross profit		23,063	36,084	58,603	76,994	124,013
Selling and administrative costs		-24,455	-26,843	-83,452	-79,178	-102,806
Research and development costs		-28,224	-31,622	-107,569	-85,676	-131,751
Other operating income		10,741	17,041	40,237	30,849	54,987
Other operating costs		-4,815	-4,809	-18,322	-15,892	-24,911
Operating income before items affecting comparability		-23,690	-10,149	-110,503	-72,903	-80,468
Items affecting comparability		-	-	30,000	-	-6,057
Operating income		-23,690	-10,149	-80,503	-72,903	-86,525
Net financial items		-89	-1,417	4,694	10,612	4,333
Profit (loss) after financial items		-23,779	-11,566	-75,809	-62,291	-82,192
Income tax		23	23	111	70	93
Profit (loss) for the period		-23,756	-11,543	-75,698	-62,221	-82,099

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	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Non-current assets			
Intangible assets	6,945	6,603	5,996
Tangible fixed assets	28,261	32,744	33,376
Financial assets	1,405	1,271	1,294
Total non-current assets	36,611	40,618	40,666
Current assets			
Inventories	117,729	107,714	116,985
Current receivables	125,528	150,525	150,438
Cash and bank balances	64,564	132,045	67,978
Total current assets	307,821	390,284	335,401
TOTAL ASSETS	344,432	430,902	376,067
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	1,147	1,147	1,147
Total restricted equity	1,147	1,147	1,147
Non-restricted equity			
Share premium reserve	555,507	555,507	555,507
Retained loss	-296,740	-217,842	-218,285
Profit (loss) for the period	-75,698	-62,221	-82,099
Total non-restricted equity	183,069	275,444	255,123
Total equity	184,216	276,591	256,270
LIABILITIES			
Non-current liabilities	-	30,000	30,000
Current liabilities	160,216	124,311	89,797
Total liabilities	160,216	154,311	119,797
TOTAL EQUITY AND LIABILITIES	344,432	430,902	376,067



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 October 17, 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 Group's Annual Report 2023.

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.

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	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Hardware	22,460	28,095	54,973	76,983	92,267
Services	10,024	6,239	24,943	36,860	65,499
Royalty fees	7,439	11,994	14,809	15,595	18,993
Projects according to percentage of completion	31,929	23,553	95,473	53,332	133,528
Total	71,852	69,881	190,198	182,770	310,287

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

Sweden	89	1,350	1,915	2,859	6,111
Germany	10,635	20,298	38,429	36,019	55,876
Great Britain	1,567	9,573	7,331	48,646	83,694
Netherlands	331	45	4,777	16,602	12,697
US	16,237	8,112	21,250	40,006	38,514
Norway	33,260	-	88,932	-	93,687
Other	9,733	30,503	27,564	38,638	19,708
Total	71,852	69,881	190,198	182,770	310,287



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4. Related party transactions

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

5. Earnings per share

SEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Earnings per share, basic	-0.46	-0.22	-1.45	-1.19	-1.57
Earnings per share, diluted	-0.46	-0.22	-1.45	-1.19	-1.57

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	-23,756	-11,543	-75,698	-62,221	-82,099
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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	52,142,434
Adjustment for the calculation of earnings per share, diluted	52,142,434	52,142,434	52,142,434	52,142,434	52,142,434

6. Items affecting comparability

Thousand SEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Costs related to listing on Nasdaq Stockholm	-	-	-	-	-6,057
Government loan converted into grant	-	-	30,000	-	-
Total	-	-	30,000	-	-6,057

7. Other operating income

Thousand SEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Currency exchange gains	5,764	7,378	14,623	11,673	23,908
Grants	4,977	9,639	23,969	18,947	30,607
Other	-	24	1,690	265	521
Total	10,741	17,041	40,282	30,885	55,036

The majority of the R&D grants come from the EU and relate to projects within the aviation and heavy-duty truck segments. Costs related to the EU-granted projects are to be found in operating expenses as R&D costs.

**8. Other operating cost**

Thousand SEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	2023
Currency exchange losses	-4,814	-4,751	-18,326	-16,035	-25,106
Other	-	-	-	-	-166
Total	-4,814	-4,751	-18,326	-16,035	-25,272

9. Significant events after the end of the reporting period

PowerCell partners with Australian aviation company for concept study on VTOL aircraft.

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 analysing 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.

Equity/assets ratio, %

Equity in relation to total assets. The ratio can help investors understand how much of the company's assets are funded by issuing stock rather than borrowing money and may indicate how financially stable the company may be in the long run.

Earnings per share

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

Gross margin, %

Net revenue less cost of goods sold through net revenue. Gross margin may help investors in understanding how much revenue the company retains which can be used to pay other costs.

Net sales rolling twelve-month

Net sales for a period that is determined monthly and consists of the previous twelve consecutive calendar months. Net sales rolling twelve months can give investors an understanding of the company's sales development on a more current basis than the previous financial year.



Financial calendar

Interim report Q4 and year-end report 2024, February 13, 2025
Interim report Q1 2025, April 24
Annual General Meeting, April 29
Interim report first half year 2025, July 17
Interim report Q3 2025, October 23
Interim report Q4 and year-end report 2025, February 12, 2026

Webcast presentation

An online presentation will take place today at 10:00 am CEST. 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-q3-report-2024> 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=50048562> 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.

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This information constitutes information that PowerCell Sweden AB (publ) is obliged to make public according to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication through the agency of the contact person set out below, at 07:30 am CEST on October 17, 2024.

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 unique fuel cell stacks and systems. 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.

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