

INVITATION TO SUBSCRIBE FOR SERIES B SHARES IN CELL IMPACT AB (PUBL)

Please note that the subscription rights are expected to have an economic value

In order not to lose the value of the subscription rights, the holder must either:

- exercise the subscription rights received and subscribe for new series B shares no later than 23 December 2021, or
- no later than 20 December 2021, sell the received subscription rights that are not intended to be used for subscription of new series B shares

Please note that shareholders with nominee-registered holdings subscribe for new series B shares through their custodian/nominee.

Distribution of this prospectus and subscription of new series B shares are subject to restrictions in certain jurisdictions, see the section "Important information".

The Swedish Financial Supervisory Authority approved a Swedish version of this prospectus on 6 December 2021 and passported this English version of the prospectus to Denmark and Finland on the same date. The prospectus is valid for up to twelve months from the date of approval. The obligation to provide supplements to this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid, and Cell Impact will only make supplements to this prospectus when required by provisions on supplements to the prospectus in the Prospectus Regulation.

**Sole Global Coordinator
and Joint Bookrunner**



Joint Bookrunner



BRYAN, GARNIER & CO

Important information

For certain definitions used in this prospectus, see *"Certain definitions"* on the next page.

A Swedish version of this prospectus has been approved and registered by the Swedish Financial Supervisory Authority in accordance with Article 20 of Regulation (EU) 2017/1129 of the European Parliament and the of the Counsel of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the **"Prospectus Regulation"**).

The prospectus and the offering hereunder are governed by Swedish law. Disputes arising in connection with this prospectus, the offering and related legal matters shall be settled exclusively by Swedish courts. The prospectus has been prepared in both Swedish and English language versions. In the event of any conflict between the versions, the Swedish version shall prevail.

Cell Impact has not taken and will not take any actions to allow a public offering in any jurisdictions other than Sweden, Denmark and Finland. The offer is not being made to persons resident in the United States, Australia, Hong Kong, Japan, Canada, China, New Zealand, Singapore, South Africa or in any other jurisdiction where participation would require additional prospectuses, registration or other measures besides those required by Swedish law. Consequently, the prospectus may not be distributed in or into the mentioned countries or any other country or jurisdiction in which distribution or the offering in accordance with this prospectus requires such measures or otherwise would be in conflict with applicable regulations. Subscription of shares and acquisition of securities in violation of the restrictions described above may be void. Recipients of this prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations.

No subscription rights, paid subscribed shares or shares issued by the Company (**"Securities"**) have been, and will not be, registered under the United States Securities Act of 1933 (**"Securities Act"**), or the securities legislation of any state or other jurisdiction in the United States and may not be offered, subscribed for, exercised, pledged, sold, resold, granted, delivered or otherwise transferred, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not to subject to, the registration requirements of the Securities Act and in compliance with any applicable securities legislation in the relevant state or other jurisdiction of the United States. There will be no offer of Securities to the public or others in the United States.

Within the European Economic Area (**"EEA"**), no public offering of Securities is made in countries other than Sweden, Denmark and Finland. In other member states of the European Union (**"EU"**), such an offering of Securities may only be made in accordance with the exemptions in the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation

and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

Investing in shares is associated with certain risks (see section **"Risk factors"**). When investors make investment decisions, they must rely on their own analysis of Cell Impact and the offering in accordance with this prospectus, including applicable facts and risks. Before making an investment decision, potential investors should engage their own professional advisers and carefully evaluate and consider the investment decision. Investors may only rely on the information in this prospectus and any possible supplements to this prospectus. No person is authorized to provide any information nor make any statements other than those made in this prospectus and, if that still happens, such information or statements should not be considered to have been approved by Cell Impact and Cell Impact is not responsible for such information or statements. Neither the publication of this prospectus nor any transaction made in respect of it shall be deemed to imply that the information in this prospectus is correct or applicable at any time other than on the date of the publication of this prospectus or that there has been no change in Cell Impact's business since this date. If significant changes relating to the information contained in this prospectus occur, such changes will be announced in accordance with the provisions on prospectuses supplements under the Prospectus Regulation.

As a condition for subscription of series B shares under the offering in this prospectus, each person subscribing for series B shares shall be deemed to have made or, in certain cases, be required to make, certain representations and warranties that will be relied upon by Cell Impact and its advisers. Cell Impact reserves the right, in its sole discretion, to declare null and void any subscription of shares that Cell Impact and its advisors believe may give rise to a breach or a violation of any law, rule or regulation in any jurisdiction.

Forward-looking statements

The prospectus contains some forward-looking information that reflects Cell Impact's current views on future events as well as financial and operational developments. 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 they depend on future events and circumstances. Forward-looking statements are not a guarantee of future results or development, and actual outcomes may differ materially from those set out in the forward-looking statements.

Factors that may cause Cell Impact's future results and development to differ from the forward-looking statements include, but are not limited to, those described in section **"Risk factors"**. The forward-looking statements contained in this prospectus apply only as of the date of publishing of

this prospectus. Cell Impact does not undertake any obligation to publicly announce any update or change in forward-looking statements as a result of new information, future events or similar circumstances other than as required by applicable laws and regulations.

Industry and market information

Industry and market information in the prospectus contains information from third parties as well as statistics and calculations taken from industry reports and studies, publicly available information and commercial publications, in some cases historical information. The Company considers that such information is useful for investors' understanding of the industry in which the Company operates and the Company's position in the industry. However, the Company does not have access to the facts and assumptions behind various information, market information and other information obtained from publicly available sources. The Company has not made any independent verifications of the information about the market that has been provided through third parties, the industry or general publications. Although the Company is of the opinion that its internal analyzes are reliable, these have not been verified by any independent source and the Company cannot guarantee their accuracy. The Company confirms that the information provided by third parties has been accurately reproduced and, as far as the Company is aware, no facts have been omitted in a way that would render the reproduced information inaccurate or misleading. Websites from which industry and market information has been obtained, and to which references are made in footnotes in this prospectus, do not form part of this prospectus and have not been reviewed by the Swedish Financial Supervisory Authority.

Presentation of financial information

Some financial and other information presented in the prospectus has been rounded to make the information easily accessible to the reader. Consequently, the figures in some columns do not correspond exactly to the stated total. Except when expressly stated, no information in the prospectus has been reviewed or audited by Cell Impact's auditor.

Nasdaq First North Growth Market

Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.

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THE RIGHTS ISSUE IN SUMMARY

Preferential rights

Those who are registered in the share register as shareholders of Cell Impact on the record date of 7 December 2021 receives one (1) subscription right for each share (series A share or series B share) held in Cell Impact. The subscription rights entitle the holder to subscribe for new series B shares with preferential rights, whereby seven (7) subscription rights entitle to subscribe for two (2) new series B shares. It is also possible to register for subscription for new series B shares without the support of subscription rights.

Subscription price

SEK 20.75 per series B share

Record date for the right to participate in the Rights Issue with preferential rights

7 December 2021

Subscription period

9 December - 23 December 2021

Trading in subscription rights

9 December - 20 December 2021

Trading in BTAs (paid subscribed shares)

9 December 2021 - 4 January 2022

Other information

Ticker: CI B
 ISIN-code share: SE0005003217
 ISIN-code subscription right: SE0017133523
 ISIN-code BTA: SE0017133531
 LEI-code: 549300PS6XPVP3MP2W76

CERTAIN DEFINITIONS

The following definitions are used in this prospectus:

"Bryan, Garnier & Co" means Bryan, Garnier & Co Limited and/or Bryan Garnier Securities SAS.

"Carnegie" means Carnegie Investment Bank AB (publ).

"Cell Impact", the **"Company"** or the **"Group"** means, depending on the context, Cell Impact AB (publ) (Swedish reg. no 556576-6655), the group in which Cell Impact AB (publ) is the parent company or a subsidiary of the Group.

"Euroclear Sweden" means Euroclear Sweden AB.

"Rights Issue" means the new issue of series B shares in Cell Impact in accordance with the terms of this prospectus.

"SEK" and **"EUR"** mean Swedish kronor and euro respectively ("**K**" means thousand and "**M**" means million).

Summary

Introduction and warnings

INTRODUCTIONS AND WARNINGS

The following summary should be read as an introduction to the prospectus. Any decision to invest in the securities should be based on a consideration of the prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

THE ISSUER

The issuer is Cell Impact AB (publ), registration number 556576-6655 and LEI code 549300PS6XPVP3MP2W76. The Company's address is Källmossvägen 7 A, 691 52 Karlskoga, Sweden. The securities are series B shares with ticket CI B and ISIN code SE0005003217.

COMPETENT AUTHORITY

The Swedish Financial Supervisory Authority is the competent authority approving this prospectus. Swedish Financial Supervisory Authority address is Box 7821, 103 97 Stockholm, Sweden, telephone number +46 (0)8-408 980 00, website www.fi.se. The prospectus was approved by the Swedish Financial Supervisory Authority on 6 December 2021.

Key information on the issuer

Who is the issuer of the securities?

INFORMATION ABOUT THE ISSUER

Cell Impact AB (publ), registration number 556576-6655, is the issuer of the securities under this prospectus. The Company's board of directors is domiciled in Karlskoga municipality, Sweden. The Company was founded in Sweden in 1999 and is a Swedish public limited company regulated by the Swedish Companies Act (2005: 551) (*Sw. aktiebolagslagen (2005:551)*) The Company's LEI code is 549300PS6XPVP3MP2W76.

THE ISSUER'S PRINCIPAL ACTIVITIES

Cell Impact is a global supplier of advanced flow plates and production technology for fuel cell manufacturers. The company has developed and patented a unique method for high-speed forming that makes it possible to manufacture flow plates with more advanced patterns, which in turn creates more cost and energy-efficient fuel cells compared with conventional forming methods.

THE ISSUER'S MAJOR SHAREHOLDERS

The table below shows the shareholders who had a direct or indirect shareholding that represents five percent or more of the total number of shares and votes in Cell Impact as of 30 September 2021 and subsequent known changes. There is no single shareholder who directly or indirectly owns or controls Cell Impact.

Holder/nominee/custodian bank	Series A-shares	Series B shares	Shares %	Votes %
Försäkringsbolaget, Avanza Pension	-	3,577,720	6.08	5.88
BNY Mellon SA/NV	-	3,474,217	5.90	5.71
Östersjöstiftelsen*	-	2,995,461	5.09	4.93

*The proportion of votes is less than five percent

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Company's board of directors consists of Robert Sobocki (chairman), Thomas Carlström, Anna Frick, Mikael Eurenus and Mattias Silfversparre. The Company's executive management consists of Pär Teike, Stefan Axellie, Tord Lätt, Anders Öberg, Daniel Vallin, Susanna Sundström and Karina Sick Larsson.

AUDITOR

PricewaterhouseCoopers AB is the auditor. The authorized auditor in charge is Gert-Ove Levinsson. PricewaterhouseCoopers AB's address is 113 97 Stockholm, Sweden.

What is the key financial information regarding the issuer?

SELECTION OF HISTORICAL KEY FINANCIAL INFORMATION

Please note that the financial information is extracted from and must be read together with (i) the Group's annual reports for the financial years 2020 and 2019, and (ii) the Group's interim report for the period 1 January 2021-30 September 2021, including (where applicable) comparative figures for the same period in the previous year. Please also note that the English language version of the interim report for the period 1 January 2021-30 September 2021 and the English language versions of the Group's annual reports for the financial years 2020 and 2019 are unofficial translations of the Swedish language versions and have not been reviewed or audited by the Company's auditor. Furthermore only the parts of Swedish language version of the Group's annual report for 2019 which have been incorporated by reference in this prospectus have been translated into English.

Selected income statement items

Amounts in MSEK	2020	2019	2021	2020
	Jan-Dec Audited IFRS	Jan-Dec Audited IFRS	Jan-Sep Unaudited IAS 34	Jan-Sep Unaudited IAS 34
Total revenue ¹⁾	29.3	12.0	60.8	20.4
Operating profit/loss ²⁾	-43.1	-47.4	-52.3	-30.7
Net profit or loss attributable to the parent company's shareholders ³⁾	-44.3	-48.4	-53.2	-31.5

1) Referred to as *Intäkter* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amounts in MSEK 29.3 and MSEK 12.0 respectively, for the financial years 2020 and 2019 are a combination of the following items in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019: *Intäkter* (MSEK 29.3/MSEK 11.9) and *Övriga rörelseintäkter* (-/MSEK 0.1). The combined figures have not been audited.

2) Referred to as *Rörelseresultat* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

3) Referred to as *Periodens resultat hänförligt till moderbolagets aktieägare* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Årets totalresultat hänförligt till moderbolagets aktieägare* in the Swedish language version of the Group's annual report for the financial year 2020 and *Summa totalresultat* in the Swedish language version of the Group's annual report for the financial year 2019.

Selected balance sheet items

<i>Amount in MSEK</i>	2020-12-31	2019-12-31	2021-09-30
	Audited IFRS	Audited IFRS	Unaudited IAS 34
Total assets ¹⁾	242.9	58.0	205.8
Total equity attributable to the parent company's shareholders ²⁾	201.9	45.1	149.3

1) Referred to as *Summa tillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 – 30 September 2021 and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

2) Referred to as *Summa eget kapital hänförligt till moderbolagets aktieägare* in the Swedish language version of the Group's interim report for the period 1 January 2021 – 30 September 2021 and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

Selected cash flow analysis items

<i>Amount in MSEK</i>	2020	2019	2021	2020
	Jan-Dec Audited IFRS	Jan-Dec Audited IFRS	Jan-Sep Unaudited IAS 34	Jan-Sep Unaudited IAS 34
Cash flows from operating activities ¹⁾	-47.6	-41.0	-54.6	-25.2
Cash flows from investing activities ²⁾	-22.0	-12.5	-38.0	-10.6
Cash flows from financing activities ³⁾	204.6	62.4	-1.9	42.6

1) Referred to as *Kassaflöde från den löpande verksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 – 30 September 2021, including comparative figures for the same period in the previous year and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

2) Referred to as *Kassaflöde från investeringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 – 30 September 2021, including comparative figures for the same period in the previous year and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

3) Referred to as *Kassaflöde från finansieringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 – 30 September 2021, including comparative figures for the same period in the previous year and Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

What are the key risks that are specific to the issuer?**MOST MATERIAL RISK FACTORS SPECIFIC TO THE ISSUER**

The most material risk factors specific to Cell Impact are the following:

- There is uncertainty as to whether the Company's flow plates and manufacturing methodology will have broad market acceptance and how the market for flow plates will develop.
- The Company is dependent on delivery of inputs/components and services for producing and delivering flow plates.
- The Company is dependent on hiring and retaining key personnel in order to retain important knowledge within the Company.
- The Company has a limited number of customers and is thus dependent on customers continuing their cooperation with the Company.
- The Company's existing or future intellectual property rights may be subject to infringement by other operators and may constitute incomplete protection. Furthermore, other operators (including customers of Cell Impact) may try to develop similar technology to circumvent the Company.
- If Cell Impact is unable to carry out the Rights Issue or if the funds that Cell Impact receives from the Rights Issue are not enough, this may have a significant negative impact on the Company's future prospects and financial position and, in the long run, unless other funding or capital can be raised, lead to reconstruction or bankruptcy.
- Cell Impact has not yet reported sufficient sales revenue to achieve a positive result and has been dependent on the provision of new capital on several occasions to finance its day-to-day business. It cannot be said with certainty when Cell Impact will be profitable or if the Company even will be profitable and it cannot be taken for granted that new capital can be raised.

Key information on the securities

What are the main features of the securities?

THE SECURITIES BEING OFFERED

This prospectus relates to a rights issue of a maximum of 16,812,094 series B shares (ISIN code SE0005003217) with preferential rights for Cell Impact's shareholders.

TOTAL NUMBER OF SHARES IN THE COMPANY

As of the date of this prospectus, the Company's registered share capital amounts to SEK 6,811,362.198789 divided into 217,800 series A shares and 58,624,534 series B shares, each with a quota value of approximately SEK 0.12. The shares in Cell Impact are issued in accordance with Swedish law, fully paid and denominated in SEK.

RIGHTS ATTACHED TO THE SECURITIES

Each series A share entitles to one (1) vote and each series B share entitles to one tenth (1/10) of a vote. Each shareholder has the right to vote for all shares held by the shareholder in the Company. Should the Company decide to issue series A shares and series B shares through a cash issue or a set-off issue, owners of series A shares and series B shares shall have preferential rights to subscribe for new shares of the same series in proportion to the shareholder's existing shareholdings (primary preferential rights). Shares that are not subscribed for with primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If offered shares are not sufficient for subscription through subsidiary preferential rights, the shares shall be allocated among the subscribers in proportion to the number of shares they previously own and, to the extent that this cannot be done, by drawing lots. Should the Company decide to issue only series A shares or series B shares through a cash issue or a set-off issue, all shareholders, regardless of whether their shares are series A shares or series B shares, shall have preferential rights to subscribe for new shares in proportion to their existing shareholdings. Should the Company decide to issue warrants or convertibles through a cash issue or a set-off issue, shareholders shall have preferential rights to subscribe for warrants as if the issue regarded shares that may be subscribed for by exercising the warrants, or preferential rights to subscribe for convertibles as if the issue regarded shares that the convertibles can be exchanged for. The above shall not constitute any restrictions on the possibility to decide on a cash issue or a set-off issue, with deviation from the shareholders' preferential rights. If the share capital is increased through a bonus issue, new shares in each series shall be issued in proportion to the existing number of shares in each series. Old shares of a specific series entitle to new shares in the same series. The aforesaid shall not constitute any restrictions on the possibility to issue shares of a new series through a bonus issue, following the requisite amendment to the articles of association.

Series A shares shall, at the request of its owner, be converted into series B shares. Requests for conversion, which must be in writing and state the number of shares to be converted, must be made to the Company. The Company shall without delay notify the conversion to the Swedish Companies Registration Office for registration. The conversion is completed when registration takes place and is entered in the central depository system register.

All shares in the Company give equal rights to dividends and to the Company's assets and any surplus in the event of liquidation. Decisions on dividends are made by the general meeting in accordance with the Swedish Companies Act's (*Sw. aktiebolagslagen (2005:551)*) rules on dividends and the payment is administered by Euroclear Sweden. All shareholders who are registered in the share register kept by Euroclear Sweden on the record date decided by the general meeting are entitled to dividend.

The rights associated with shares issued by the Company, including those specified in the articles of association, can only be changed pursuant to the procedures set out in the Swedish Companies Act (*Sw. aktiebolagslagen (2005:551)*).

DIVIDEND POLICY

There are no guarantees that any dividend will be proposed or decided in the Company for a certain year. Cell Impact has not paid any dividends so far. The board of directors of Cell Impact does not intend to propose that dividends be paid within the next few years. Any profits are intended to be reinvested in the business and used for continued expansion. The intention is for the board of directors to annually review the established dividend policy.

Where will the securities be traded?**TRADING PLACE**

The Company's series B shares are listed on Nasdaq First North Growth Market. The series B share is traded under ticket CI B and has ISIN-code SE0005003217. The shares issued through the Rights Issue will also be admitted to trading on Nasdaq First North Growth Market.

What are the key risks that are specific to the securities?**MOST MATERIAL RISK FACTORS SPECIFIC TO THE SECURITIES**

The most material risk factors specific to Cell Impact's securities are the following:

- The share price can be volatile and the share price development depends on several factors.
- The Company has so far not paid any dividends to its shareholders and there is a risk that the Company will not be able to carry out any dividends at all or to the extent that may be expected in the future.
- There is a risk that there will be limited trading in the subscription rights and BTA (Paid Subscribed Shares).

Key information on the offer of securities to the public

Under which conditions and timetable can I invest in this security?

GENERAL TERMS AND CONDITIONS FOR THE OFFER TO SUBSCRIBE FOR NEW SERIES B SHARES

On 29 November 2021, the board of directors of Cell Impact decided, based on the authorization of the board of directors to resolve upon issue of shares, warrants and/or convertibles from the extraordinary general meeting on 16 November 2021, to carry out an issue of series B shares with preferential rights to existing shareholders. Through the Rights Issue, Cell Impact's share capital will increase with a maximum amount of approximately SEK 1,946,103.3, from approximately SEK 6,811,362.2 to approximately SEK 8,757,465.5, by issuing a maximum of 16,812,094 new series B shares. After the Rights Issue, the number of shares in Cell Impact will amount to a maximum of 75,654,428 shares (217,800 series A shares and a maximum of 75,436,628 series B shares). Cell Impact's shareholders have preferential rights to subscribe for new series B shares in relation to the number of shares (regardless of series) they own on the record date.

Those who on the record date, 7 December 2021, are registered as shareholders of Cell Impact receive one (1) subscription right for each share held in Cell Impact. The subscription rights entitle the holder to subscribe for new series B shares with preferential rights, whereby seven (7) subscription rights entitle to subscribe for two (2) new series B shares. Only whole shares can be subscribed for (i.e. no fractions). The subscription price is SEK 20.75 per new series B share. In the event that not all series B shares are subscribed for by exercise of subscription rights, the board of directors shall, within the maximum amount of the Rights Issue, decide on allotment of series B shares subscribed for without exercise of subscription rights as follows:

- *primarily*, series B shares shall be allotted to those who have subscribed for series B shares by exercise of subscription rights (regardless of whether they were shareholders on the record date or not) and who have subscribed for series B shares without exercise of subscription rights, and in case allotment to them cannot be made in full, allotment shall be made pro rata in relation to the number of subscription rights that each of them have exercised for subscription of series B shares and, to the extent this cannot be done, allotment shall be made through drawing of lots,
- *secondarily*, series B shares shall be allotted to those who have subscribed for series B shares in the Rights Issue without the exercise of subscription rights, and in case allotment to them cannot be made in full, allotment shall be made pro rata in relation to the total number of series B shares that the subscriber has subscribed for and, to the extent this cannot be done, allotment shall be made through drawing of lots,
- *lastly*, series B shares shall be allotted to those who have entered into agreements regarding guarantee commitments in their capacity as guarantors, and in case allotment to the guarantors cannot be made in full, allotment shall be made in accordance with what has previously been agreed with the guarantors and, to the extent that this cannot be done, allotment shall be made through drawing of lots.

EXPECTED TIMETABLE OF THE OFFER

The record date for determining which shareholders are entitled to receive subscription rights in the Rights Issue is 7 December 2021.

Subscription rights will be traded on Nasdaq First North Growth Market during the period from and including 9 December 2021 until and including 20 December 2021.

Subscription for series B shares by exercise of subscription rights shall take place through payment during the period from and including 9 December 2021 until and including 23 December 2021.

The new series B shares will be admitted to trading on Nasdaq First North Growth Market after the Swedish Companies Registration Office has registered them. Cell Impact estimates that trading in the new series B shares will begin around 11 January 2022.

DILUTION RESULTING FROM THE OFFER

For shareholders who refrain from subscribing for shares in the Rights Issue, a dilution effect arises of a maximum of 16,812,094 new series B shares, corresponding to approximately 22.2 percent of the total number of shares in Cell Impact after the Rights Issue and approximately 21.7 percent of the total number of votes in Cell Impact after the Rights Issue.

EXPENSES FOR THE OFFER

The costs for the Rights Issue are estimated to approximately MSEK 45. Cell Impact does not impose any fees or other costs on investors in connection with the Rights Issue. No commission will be charged.

Why is this prospectus being produced?

USE AND ESTIMATED NET AMOUNT OF THE PROCEED

The net amount from the Rights Issue, which is estimated to approximately MSEK 304 after deduction of costs for the Rights Issue, is intended to be used for the following purposes stated in order of priority:

- Repayment of utilized bridge loan that the Company has obtained from Carnegie: up to approximately 3 percent;
- Financing of the existing operating activities: approximately 10 percent;
- Investments in the additional production space and in new production equipment to ensure increased production capacity and capability: approximately 75 percent; and
- General corporate purposes: approximately 12-15 percent.

SUBSCRIPTION UNDERTAKINGS AND GUARANTEE COMMITMENTS

The Company has received subscription commitments of approximately MSEK 17.8, corresponding to approximately five percent of the Rights Issue. In addition, the Company has entered into agreements on guarantee commitments of approximately MSEK 331.1, corresponding to approximately 95 percent of the Rights Issue. In total, the Rights Issue is covered by subscription undertakings and guarantee commitments amounting to a total of approximately MSEK 349, corresponding to approximately 100 percent of the issue amount. In the event the Rights Issue is subscribed for at 100 percent or more, the guarantee commitments will not be claimed. Guarantee compensation is paid at five percent of the guaranteed amount in the form of cash compensation.

MATERIAL CONFLICTS OF INTEREST

Cell Impact's financial advisors in relation to the Rights Issue are Carnegie and Bryan, Garnier & Co. The financial advisors have provided, and may in the future provide, various banking, financial, investment, commercial and other services to Cell Impact, for which they have received, and may receive, compensation. Carnegie is also lender of a bridge loan facility of a maximum of MSEK 50. The intention is that Cell Impact shall repay the utilized bridge loan in connection with the execution of the Rights Issue.

RISK FACTORS

An investment in securities is always associated with risk. This section contains descriptions of the risks that Cell Impact deem material for Cell Impact's business and future development. The risks are attributable to Cell Impact's business, industry and market, legal and regulatory conditions and Cell Impact's shares. The assessment of the materiality of each risk is based on the probability of their occurrence and the expected magnitude of the negative outcome as a result of the risk being realized. In accordance with the Prospectus Regulation, the risks that Cell Impact describes in this section are limited to such risks that are specific to Cell Impact or Cell Impact's shares and that are essential for making an informed investment decision. The descriptions in this section are based on information available per the day of this prospectus. The risks that Cell Impact currently assesses as most significant are described first in each risk category. Furthermore, the Company has, for each risk specified below, estimated the risk level as low, medium or high.

The following risks and uncertainties may have a material adverse effect on Cell Impact's operations, financial position and/or operating results. They can also cause the shares in Cell Impact to decrease in value, which could lead to shareholders in Cell Impact losing all or part of their invested capital.

Business and market related risks

UNCERTAINTY REGARDING THE FUTURE MARKET DEVELOPMENT

The Company shall develop, manufacture, and market flow plates for use primarily in the fuel cell and hydrogen industry and conduct business compatible therewith. The Company's innovative molding technology has several application areas, where the production of flow plates for fuel cells and, in the future, also electrolysers, are the foremost. There is a risk that Cell Impact's flow plates and manufacturing methodology will not gain a broad market acceptance. The market may prefer other technologies at the same time as new technologies may develop. Furthermore, market segments may develop more slowly or worse than Cell Impact assumes in its prioritization of customer segments. The market for hydrogen can also be affected by political decisions in the energy sector in a way that Cell Impact has not anticipated. It is inevitable that assessments of future market developments are associated with uncertainty regarding factors that Cell Impact cannot control, and at this stage it is not possible to say with certainty how large a market share Cell Impact may reach in the market for flow plates for fuel cells. It cannot be ruled out that the fuel cell market will develop in a direction unfavourable to Cell Impact due to changes in the behaviour of other operators and end customers, technological development, environmental aspects, structured deals, political decisions or other external factors. Such a process can undermine Cell Impact's position and have a negative impact on Cell Impact's operations and operating results.

Risk assessment: High

DEPENDENCY ON INPUTS/COMPONENTS AND SERVICES FROM THIRD PARTIES

In order for the Company to be able to produce and deliver its products, the Company is dependent on inputs/components and services (e.g., transport services) from third parties and that these meet agreed requirements regarding for example quantity, quality and delivery time. Lack of availability for certain components and transport services has, for example, been a consequence of the Covid-19 pandemic. Incorrect or missed deliveries from suppliers or carriers can lead to the Company's production being delayed or deliveries not being made, which in the short term may

entail reduced or no sales. If current or future external parties do not fulfil their commitments or stay within the expected time frame, ongoing or planned production and sales may be hampered, delayed or completely interrupted, which could have an adverse effect on the Company's sales, operations and future prospects.

Risk assessment: High

DEPENDENCY ON KEY PERSONNEL

Cell Impact has a relatively small organisation and is dependent on the knowledge, experience, and commitment of the board, management and other key personnel. Cell Impact's ability to employ and retain such persons depends on a number of factors, some of which are beyond the Company's control, such as competition in the labour market. The loss of management or key personnel due to the employee resigning, for example, may result in important knowledge being lost, set goals not being achieved or that the implementation of Cell Impact's business strategy is negatively affected. If existing management or key personnel leave the Company or if Cell Impact is unable to employ or retain qualified and experienced management or key personnel, there may be interruptions or disruptions in Cell Impact's development and growth.

Risk assessment: High

CUSTOMER DEPENDENCY

The Company currently has a limited number of customers and the ability to generate orders is therefore mainly limited to these customers. The Company's sales and profit/loss risk being negatively affected if a major customer chooses to terminate its development work, becomes insolvent or chooses another supplier. The loss of customers would mean that the Company receives reduced revenues, which would affect the Company's operating results negatively.

Risk assessment: High

COMPETITION

There is a risk that an extensive investment in the development of products and methods, within the same area in which Cell Impact operates, from one or more competitors could adversely affect the Company's sales. In addition, there is the risk that competing products may prove to be more efficient, safer and/or cheaper than those that Cell Impact develops and manufactures. Competitors with significantly greater financial, technical and human resources can also conduct more efficient development, manufacturing and sales processes. The Company's competitors may also have access to greater capacity for marketing and distribution than Cell Impact. In the event the Company is unable to adapt its business and products to the market's requirements for performance and demand, there is a risk that the Company will be unable or unsuccessful in maintaining the competitiveness required to achieve success in the market. Increased competition from other operators could thus have a negative impact on Cell Impact's sales and operating results.

Risk assessment: Medium

TECHNICAL DEVELOPMENT RISKS

The market for and the technical development of flow plates for the fuel cell and hydrogen industry may undergo rapid and significant changes. Such a development can lead to technical problems which means that it takes longer to develop and produce the products as well as that the cost thereof increases and that it takes longer to get the products to the market. If the Company's production is delayed or completely stops due to this, it may entail reduced or no sales with a negative impact on the Company's revenues and operating results.

Risk assessment: Medium

DEFECTS IN PRODUCTS AND SERVICES

Cell Impact's products and services are usually delivered within the framework of customer-specific development that takes place in close collaboration with the customer. The cooperation is based on the parties resolving any technical problems in consultation. In the longer term, the Company intends to deliver products where technical performance is to be guaranteed. If it then turns out that the Company's products contain errors or defects, it could lead to liability for damages, which could have a negative impact on the Company's operating results.

Risk assessment: Medium

ABILITY TO MANAGE GROWTH

Cell Impact's business may grow substantially through a sudden and unexpected increase in demand for the Company's products, which places great demands on the management and the operational and financial infrastructure. As the personnel and operations grows, the Company needs to implement effective planning and management processes in order to be able to implement the business plan in an effective manner on a market that is under rapid development. The board is aware that a rapid and solid market response can entail that the Company gets delivery problems. If Cell Impact does not succeed in dealing with these, it may have a negative impact on the Company's business and growth opportunities.

The Company intends to significantly increase its production by, among other things, expand its production opportunities. There is a risk that such an expansion of production may be delayed or more costly than the Company anticipated. In addition, there is a risk that in the event of increased production, it will not be possible to maintain the same high quality that the Company currently has on its products. There is also a risk that the Company will not succeed in reaching the capacity that is planned or that production will not be as cost-effective as the Company has planned, which could have a negative impact on the Company's business and operating results.

Risk assessment: Medium

CONFIDENTIALITY AND EXPERTISE

Cell Impact relies on confidentiality and expertise to conduct its business. If employees, consultants, advisers or other persons hired were to act in breach of confidentiality agreements entered into regarding confidential information, or that confidential information would be disclosed in any other way and used by competitors, it could have a significant negative impact on the Company's business.

Risk assessment: Low

TAX

Cell Impact sells to several markets outside Sweden. The Company's business therefore requires good routines regarding accounting, follow-up and payment of taxes, duties and fees, and non-compliance in these respects can have negative consequences for the business. Cell Impact's assessment and compliance with tax laws, international tax treaties and regulations may prove incorrect. Through the decisions of the relevant tax authorities, Cell Impact's previous or current tax situation may deteriorate, which may have a negative impact on the Company.

Risk assessment: Low

Legal risks

PATENTS AND INTELLECTUAL PROPERTY RIGHTS

Patent infringements and plagiarism are risks to which Cell Impact may be exposed to. There is no guarantee that Cell Impact will be able to protect patents, trademarks and other intellectual property rights obtained or that applications for registration will be granted. There is a risk that the Company's patent portfolio and other intellectual property rights will not constitute adequate protection and that other companies (including customers of Cell Impact) will try to develop similar technology to circumvent the Company. There is further risk that new manufacturing methods or products are developed by other operators that may result in the Company's intellectual property rights being replaced, obsolete or circumvented, or that the Company may not obtain the required patent protection. The aforementioned conditions may have an adverse effect on the Company's future prospects, financial position and operating results.

Furthermore, there is a risk that other operators infringe the Company's intellectual property rights and that the Company may infringe or be alleged to infringe intellectual property rights held by third parties, which means that the Company may be forced to defend its intellectual property rights or have to defend itself against alleged infringements. Disputes concerning intellectual property rights are often time-consuming and costly which can impact the Company's business and operating results negatively.

Risk assessment: High

DISPUTES AND OTHER LEGAL PROCEEDINGS

There is a risk that the Company in the future may become involved in disputes and other legal proceedings. Such disputes may, for example, relate to alleged intellectual property infringements, the validity of certain patents and other commercial matters. Disputes and claims can be time-consuming, disrupt business, refer to significant financial amounts or fundamentally important issues and entail significant costs which may adversely affect the Company's operations and operating results. (For information on current disputes/legal proceedings, see the section "*Legal considerations and supplementary information*").

Risk assessment: Medium

Financial risks

NOT COMPLETED RIGHTS ISSUE

If Cell Impact does not take into account the net amount that Cell Impact would receive in a fully subscribed Rights Issue or Cell Impact's possible opportunities to raise alternative funding, if necessary, Cell Impact assesses that the existing working capital is not sufficient for the Company's needs during the coming twelve-month period (see section "*Background and reasons - Working capital statement*") and does not enable repayment of utilized bridge loan obtained from Carnegie (see more about the bridge loan in section "*Capitalisation, indebtedness and other financial information*" under the heading "*Significant changes since 30 September 2021, bridge loan facility*"). If Cell Impact is unable to carry out the Rights Issue or if the funds that Cell Impact receives from the Rights Issue are not enough, this may have a significant negative impact on the Company's future prospects and financial position and, in the long run, unless other funding or capital can be raised, lead to reconstruction or bankruptcy.

Risk assessment: High

EARNING CAPACITY AND FUTURE CAPITAL NEEDS

Cell Impact has not yet reported sufficient sales revenue to achieve a positive result and has been dependent on the provision of new capital on several occasions to finance its day-to-day business. It cannot be said with certainty when Cell Impact will be profitable or if the Company even will be profitable. It cannot be taken for granted that new capital can be raised if and when the need arises, that it can be raised on favourable terms or that such raised capital would be sufficient to finance the business according to Cell Impact's needs, which could have negative effects on the Company's development and investment opportunities. In the event that Cell Impact does not succeed in raising capital when the need arises, there is a risk of reconstruction or bankruptcy.

Risk assessment: High

CREDIT RISKS

Cell Impact gives its customers credit with a usually 30-60 day credit period and can be negatively affected, primarily by reduced revenues, liquidity and worse results, in the event of customers' insolvency or bankruptcy. Cell Impact is exposed to the risk that customers do not pay for ordered products or services, or pay later than expected. The risk increases during periods of economic downturn or uncertainty.

Risk assessment: Medium

CURRENCY RISKS

Currency risks arise when converting to Swedish kronor from foreign currency. Exposures to exchange rate risks are the result of Cell Impact having sales and purchasing materials and services partly in foreign currency. The parent company's reporting currency is Swedish kronor (SEK), which means that the Company, in collaboration with international players, is exposed to currency-related transaction risks that may have a negative impact on Cell Impact's sales growth and operating results.

Risk assessment: Low

Risks relating to the Company's securities

THE SHARE PRICE CAN BE VOLATILE AND THE SHARE PRICE DEVELOPMENT DEPENDS ON SEVERAL FACTORS

An investment in shares can increase or decrease in value and there is a risk that an investor will not get back the invested capital. The share price of the Company's shares may show great volatility due to a number of factors. The share price development of Cell Impact's shares depends on a number of factors, some of which are specific to the Company and others that are linked to the stock market as a whole. The share price may, for example, be affected by supply and demand, variations in actual or expected results, inability to meet analysts' earnings expectations, failure to achieve financial and operational targets, changes in general economic or regulatory conditions or by pandemics such as Covid-19. There is also a risk that there will not always be an active and liquid market for trading in Cell Impact's shares. This poses significant risks to individual investors.

Risk assessment: High

NO PREVIOUSLY PAID DIVIDEND

Due to Cell Impact's financial position and history of negative operating profit, the Company has so far not paid any dividends to the shareholders. The board of directors of the Company does not intend to propose that any dividend is paid in the next few years. Instead, any surplus funds will be reinvested in the business to finance the Company's continued growth. The size of any future dividends from Cell Impact depends on a number of factors, such as the Company's future profit, financial position, cash flow, need for working capital, investments and other factors. There is a risk that the Company will not have sufficient profit available for distribution to carry out dividends at all or to the extent that the shareholders expect in the future.

There is also a risk that the Company and/or its major shareholders for various reasons will prevent or limit future dividends. In case no dividend is paid, an investor's possible return will depend on the future development of the share price.

Risk assessment: High

DILUTION AND NEGATIVE IMPACT ON THE SHARE PRICE IN FUTURE ISSUES

In the future, Cell Impact may need to arrange more issues to finance its business, which may lower the market value of Cell Impact's shares and dilute the financial and voting rights for existing shareholders unless existing shareholders are given preferential rights in the issue or if existing shareholders for some reason cannot, may or do not want to exercise their possible preferential rights.

Risk assessment: Medium

CERTAIN RISKS FOR FOREIGN SHAREHOLDERS

Cell Impact's shares are admitted to trading on Nasdaq First North Growth Market in SEK only and the Company will pay any future dividends in SEK. This means that shareholders domiciled outside of Sweden may have a negative impact on the value of the holding and any dividends when these are converted into other currencies if the Swedish krona decreases in value in relation to the currency in question. In some jurisdictions, including the United States, Australia, Hong Kong, Japan, Canada, China, New Zealand, Singapore and South Africa, there may also be securities legislation that prevents shareholders domiciled in such jurisdictions from participating in new issues and other offers of transferable securities to the public. If Cell Impact in the future issues new shares with preferential rights for the Company's shareholders, shareholders in such jurisdictions may consequently be subject to restrictions, meaning for example that they cannot exercise their preferential rights or that their participation is otherwise made more difficult or limited. Such restrictions pose a significant risk to shareholders in the United States and other jurisdictions where such restrictions apply.

Risk assessment: Medium

OWNERS WITH SIGNIFICANT INFLUENCE AND SALE OF MAJOR SHAREHOLDINGS

The Company's major shareholders have, through their ownership, the opportunity to exercise a significant influence in matters decided by the shareholders at the general meeting, including decisions on the election of the board of directors, dividends, issues and amendments to the articles of association. Major shareholders' interests may deviate significantly from or compete with the Company's interests or the interests of other shareholders, and major shareholders may exercise their influence over the Company in a manner that is not in the interests of other shareholders.

The Company's share price may also be negatively impacted if the Company's shares are sold on the market to an unusually high extent. The share price may be particularly negatively affected if an extensive sale of shares in the Company is carried out by the Company's board members, executive management or major shareholders.

Risk assessment: Low

Risks relating to the Rights Issue

TRADE IN SUBSCRIPTION RIGHTS AND BTA (PAID SUBSCRIBED SHARES)

Those who are registered as shareholders in the Company on the record date receive subscription rights in relation to their existing shareholding. The subscription rights are expected to have an economic value that will only be available to the holder if the holder either uses them to subscribe for series B shares no later than 23 December 2021 or sells them no later than 20 December 2021. After 23 December 2021 unused subscription rights will be removed from the holder's securities account, without notification, whereby the holder completely loses the expected economic value of the subscription rights. Both the subscription rights and the BTAs (paid subscribed shares) which, after payment has been made, are booked into a securities account belonging to those who have subscribed for new shares, will be subject to time-limited trading on Nasdaq First North Growth Market. Trading in subscription rights may be limited, which may cause problems for individual holders to sell their subscription rights and thereby entail that the holder cannot compensate for the financial dilution effect that the Rights Issue entails. Furthermore, trading in BTA during the period in which trading in BTA is expected to take place on Nasdaq First North Growth Market (from and including 9 December 2021 until and including 4 January 2022) may be limited and thus investors risk not being able to realize the value of their BTAs. Such conditions would pose a significant risk to individual investors. Limited liquidity can also amplify fluctuations in the market price of subscription rights and/or BTAs. The pricing for these instruments thus risks being incorrect or misleading.

Risk assessment: High

DILUTION

If shareholders choose not to exercise or sell their subscription rights in the Rights Issue in accordance with the procedure described in this prospectus, the subscription rights will lapse and become worthless without the right to compensation for the holder. Consequently, the proportional ownership and voting rights of such shareholders in Cell Impact will decrease. Shareholders who choose not to participate in the Rights Issue will have their shareholding diluted by a maximum of 16,812,094 new series B shares, corresponding to approximately 22.2 percent of the total number of shares in Cell Impact after the Rights Issue and approximately 21.7 percent of the total number of votes in Cell Impact after the Rights Issue. If shareholders choose to sell their unused subscription rights, there is a risk that the compensation the shareholder receives for the subscription rights on the market does not correspond to the financial dilution of the shareholder's ownership in Cell Impact after the Rights Issue has been completed.

Risk assessment: Medium

SUBSCRIPTION UNDERTAKINGS AND GUARANTEE COMMITMENTS ARE NOT SECURED

In connection with the Rights Issue, Cell Impact has received a subscription undertaking from Östersjöstiftelsen of approximately MSEK 17.8, corresponding to approximately five percent of the Rights Issue. In addition, the Company has entered into agreements regarding guarantee commitments of approximately MSEK 331.1, corresponding to approximately 95 percent of the Rights Issue. In total, the Rights Issue is covered by subscription undertakings and guarantee commitments amounting to a total of approximately MSEK 349, corresponding to 100 percent of the Rights Issue. However, these subscription undertakings and guarantee commitments are not secured by bank guarantee, blocked funds, pledge of collateral or similar arrangements, whereby there is a risk that the commitments, in whole or in part, will not be fulfilled. Failure to fulfil the above commitments may have a negative effect on the Company's opportunities to successfully carry out the Rights Issue.

Risk assessment: Low

INVITATION TO SUBSCRIBE FOR SERIES B SHARES IN CELL IMPACT AB (PUBL)

The shareholders of Cell Impact are hereby offered, with preferential rights, to subscribe for new series B shares in Cell Impact in accordance with the terms and conditions of this prospectus.

On 29 November 2021, the board of directors of Cell Impact decided, based on the authorization of the board of directors to resolve upon issue of shares, warrants and/or convertibles from the extraordinary general meeting on 16 November 2021, to carry out an issue of series B shares with preferential rights to existing shareholders. Through the Rights Issue, Cell Impact's share capital will increase with a maximum amount of approximately SEK 1,946,103.3, from approximately SEK 6,811,362.2 to approximately SEK 8,757,465.5, by issuing a maximum of 16,812,094 new series B shares. After the Rights Issue, the number of shares in Cell Impact will amount to a maximum of 75,654,428 shares (217,800 series A shares and a maximum of 75,436,628 series B shares). The ISIN code for the series B shares is SE0005003217.

Cell Impact's shareholders have preferential rights to subscribe for new series B shares in relation to the number of shares (regardless of series) they own on the record date.

The record date for determining which shareholders are entitled to subscribe for new series B shares with preferential rights is 7 December 2021. To the extent that the new series B shares are not subscribed for with preferential rights, they shall be offered to shareholders and other investors in accordance with what is stated in the section "*Terms and conditions*". Subscription for shares shall take place from and including 9 December 2021 until and including 23 December 2021 or such later date as determined by the board of directors, and otherwise in accordance with the provisions of section "*Terms and conditions*".

Those who on the record date, 7 December 2021, are registered as shareholders of Cell Impact receive one (1) subscription right for each share (series A share or series B share) held in Cell Impact. The subscription rights entitle the holder to subscribe for new series B shares with preferential rights, whereby seven (7) subscription rights entitle to subscribe for two (2) new series B shares. Only whole shares can be subscribed for (i.e. no fractions). The subscription price is SEK 20.75 per new series B share, meaning that Cell Impact will raise up to approximately MSEK 349 before deduction of issue costs.

Shareholders who elect not to participate in the Rights Issue will have their holdings diluted with a maximum of 16,812,094 new series B shares, corresponding to approximately 22.2 percent of the total number of shares in Cell Impact after the Rights Issue and approximately 21.7 percent of the total number of votes in Cell Impact after the Rights Issue.

Stockholm, 6 December 2021

Cell Impact AB (publ)

The board of directors

BACKGROUND AND REASONS

Cell Impact is a global supplier of advanced flow plates in metal used in the fuel cell and electrolyser industries. By using a scalable unique method for high-velocity forming – Cell Impact Forming™ – the Company makes it possible to produce a large quantity of flow plates with more advanced designs. Cell Impact's forming technology is more compact, cost and energy efficient and environmentally friendly than conventional methods.

Cell Impact quickly implemented what the Company calls Phase 1, which includes converting existing demand into business to position Cell Impact for future growth. In the three years since Cell Impact developed its strategy to manufacture flow plates, a new industrial company has taken shape. The new organization has solid knowledge of application and manufacturing. Cell Impact is now entering Phase 2 where the Company will further enhance its production capacity and offering. During Phase 2, Cell Impact will gradually implement more compact and productive process technologies in line with the Company's internal process development. Cell Impact will also complete the remaining 2,500 sqm of production space to meet existing and expected customer demand.

The market for fuels cells continues to grow at a fast pace. Cell Impact is now in a period of acceleration in the market where companies that seek to be part of the hydrogen value chain must position themselves with an attractive offering that includes cost-efficient scalability. Normally, a fuel cell contains several hundred flow plates, which means that there is a multiplier effect. This means that the demand for flow plates is considerable even at lower levels of fuel-cells demand. At higher levels of fuel-cells demand, the demand for flow plates increases substantially. Furthermore, Cell Impact expects a significant potential for its flow plates in the growing market of electrolysers.

In order to capture the significant market opportunities and continue to deliver on its business plan, Cell Impact's Board of Directors has resolved on a rights Issue of up to approximately MSEK 349. The purpose of the Rights Issue is to ensure continued financing of the Company's business plan with an associated increase in the Company's production capacity. The Rights Issue is expected, provided that it is fully subscribed, to be able to finance the Company's business plan until mid-2023, at which time the Company expects to be able to conduct operations with a positive EBITDA-margin. The Rights Issue is estimated to bring in a net amount up to approximately MSEK 304 after deduction of issue costs, which are estimated to amount to approximately MSEK 45. The net amount from the Rights Issue is intended to be used for the following purposes stated in order of priority:

- Repayment of utilized bridge loan that the Company has obtained from Carnegie: up to approximately 3 percent;
- Financing of the existing operating activities: approximately 10 percent;
- Investments in the additional production space and in new production equipment to ensure increased production capacity and capability: approximately 75 percent; and
- General corporate purposes: approximately 12-15 percent.

Working capital statement

Cell Impact assesses that the existing working capital is not sufficient for Cell Impact's needs the coming twelve-month period.

Cell Impact's assessment is that its existing available cash and cash equivalents (including available funds within the bridge loan facility that the Company has obtained from Carnegie) are sufficient to finance the Company's working capital needs up to and including February 2022, after which the Company will be dependent on additional external financing. According to Cell Impact's assessment the deficit of the working capital, i.e. the capital contribution required to finance the Company's business plan, for the coming twelve-month period amounts to approximately MSEK 160. The Rights Issue ensures financing of the business for at least the next twelve-month period.

In the event the Rights Issue is not fully subscribed, the Company will consider alternative financing options, such as additional capital raising, grants or financing together with one or more partners, or alternatively run the business at a slower pace than planned, until additional capital can be raised. In the event the Rights Issue is not fully subscribed, the Company will focus on the business activities which are deemed absolutely necessary to preserve the value created in the Company. If the Rights Issue is not fully subscribed and in case all alternative financing opportunities fail, there is a risk that the Company would be forced to significantly revise current development plans, which could delay the Company's planned activities. Ultimately, there is a risk that, in the event all financing opportunities fail, the Company would be placed into bankruptcy.

In connection with the Rights Issue, Cell Impact has received a subscription undertaking from Östersjöstiftelsen of approximately MSEK 17.8, corresponding to approximately five percent of the Rights Issue. In addition, the Company has entered into agreements regarding guarantee commitments of approximately MSEK 331.1, corresponding to approximately 95 percent of the Rights Issue. In total, the Rights Issue is covered by subscription undertakings and guarantee commitments amounting to a total of approximately MSEK 349, corresponding to 100 percent of the Rights Issue. Thus, the Rights Issue is fully covered by subscription undertakings and guarantee commitments which is why the board of directors considers the prospect of financing the Company's working capital for the next twelve months through the Rights Issue to be very good. However, these subscription undertakings and guarantee commitments are not secured by bank guarantee, blocked funds, pledge of collateral or similar arrangements.

The board of directors of Cell Impact (i.e. Robert Sobocki, Thomas Carlström, Anna Frick, Mikael Eurenus and Mattias Silfversparre) is responsible for the content of the prospectus and to the best of its knowledge, the information provided in the prospectus is in accordance with the facts and the prospectus makes no omission likely to affect its import.

Stockholm, 6 December 2021

Cell Impact AB (publ)

The board of directors

TERMS AND CONDITIONS

Preferential rights and subscription rights

Those who on the record date, 7 December 2021, are registered as shareholders of Cell Impact have preferential rights to subscribe for new series B shares in relation to the number of shares already owned, and will receive subscription rights for series B shares in the Rights Issue.

Those who are registered as shareholders of the Company on the record date are entitled to one (1) subscription right for each share (regardless of series, i.e., both holders of series A shares and holders of series B shares will receive subscription rights for new series B shares). Seven (7) subscription rights entitle the holder to subscribe for two (2) series B shares. Only whole shares can be subscribed for (i.e. no fractions).

Shareholders who choose not to participate in the Rights Issue will have their shareholding diluted by a maximum of 16,812,094 new series B shares, corresponding to approximately 22.2 percent of the total number of shares in Cell Impact after the Rights Issue and approximately 21.7 percent of the total number of votes in Cell Impact after the Rights Issue.

Subscription price

The subscription price is SEK 20.75 per series B share. No commission will be charged.

Record date

The record date for determining which shareholders are entitled to receive subscription rights in the Rights Issue is 7 December 2021. The Company's shares will trade together with subscription rights until 3 December 2021. The Company's shares will be traded ex-subscription rights in the Rights Issue from 6 December 2021.

Subscription period

Subscription for series B shares by exercise of subscription rights shall take place through payment during the period from and including 9 December 2021 until and including 23 December 2021. During this period, it is also possible to apply for subscription of shares without exercise of subscription rights. The board of directors of the Company reserves the right to extend the subscription period.

Issue statement

DIRECTLY REGISTERED SHAREHOLDERS

A pre-printed issue statement with an attached payment form will be sent to shareholders, or representatives of shareholders, in the Company who on the record date 7 December 2021 were registered in the share register kept by Euroclear Sweden on behalf of the Company. The pre-printed issue statement sets forth, inter alia, the number of subscription rights received and the total number of shares that can be subscribed for. No separate notification will be sent regarding the registration of subscription rights in shareholders' securities accounts. Those who are included in the separate list of pledge holders and trustees maintained in connection with the share register will not receive any issue statement and will be informed separately.

NOMINEE REGISTERED HOLDINGS

Shareholders whose holdings of shares in the Company are nominee-registered at a bank or other nominee will not receive any issue statement from Euroclear Sweden. Notification of subscription and payment shall instead be made in accordance with instructions from the respective nominee.

SHAREHOLDERS RESIDENT IN CERTAIN UNAUTHORIZED JURISDICTIONS

The allotment of subscription rights and the issue of series B shares by exercise of subscription rights to shareholders residing outside of Sweden may be affected by securities legislation in such countries; please see section *“Important information”* in the beginning of the prospectus. Consequently, subject to certain exceptions, shareholders whose existing shares are directly registered in a securities account and whose registered address is in the United States, Australia, Hong Kong, Japan, Canada, China, New Zealand, Singapore, South Africa or any other jurisdiction where participation would require additional prospectuses, registration or measures other than those following from Swedish law, will not receive any subscription rights to their respective securities accounts nor be allowed to subscribe for series B shares. The subscription rights that would otherwise have been registered to such shareholders will be sold and the sales proceeds, less deduction for costs, will be paid to such shareholders. However, amounts less than SEK 100 will not be paid out.

Trading in subscription rights

Subscription rights will be traded on Nasdaq First North Growth Market during the period from and including 9 December 2021 until and including 20 December 2021. Carnegie and other securities institutions with the required licenses will provide brokerage services in connection with the purchase and sale of subscription rights. The ISIN code for the subscription right is SE0017133523.

Subscription for series B shares with subscription rights

Subscription of series B shares by exercise of subscription rights is carried out through payment during the period from and including 9 December 2021 until and including 23 December 2021. Upon expiry of the subscription period, unused subscription rights will become invalid and thus lose its value. After 23 December 2021, unused subscription rights will be deleted from holders' securities accounts, without notice from Euroclear Sweden.

To ensure that the value of the subscription rights to subscribe for series B shares is not lost, the holder must either:

- exercise the subscription rights to subscribe for series B shares no later than 23 December 2021, or in accordance with instructions received from the respective nominee; or
- sell the subscription rights that have not been exercised no later than 20 December 2021.

A subscription of series B shares by exercise of subscription rights is irrevocable and the subscriber cannot withdraw or change such subscription of series B shares.

DIRECTLY REGISTERED SHAREHOLDERS RESIDENT IN SWEDEN

Subscription for series B shares by exercise of subscription rights is carried out through cash payment, either by use of the pre-printed payment form or by use of a separate application form, with concurrent payment, in accordance with one of the following options:

- the payment form is to be used if all subscription rights in the issue statement from Euroclear Sweden are to be exercised. No additions or changes may be made to the payment form; or
- the application form named *“Subscription of shares with subscription rights”* is to be used if subscription rights have been purchased, sold or transferred from another securities account, or if, for some other reason, the number of subscription rights to be exercised for subscription for series B shares differs from the number on the pre-printed issue statement. Payment for the subscribed shares must be made concurrent to submitting the completed application form, which can be carried out in the same way as for other bank giro payments, for example through an internet bank, by giro transfer or at a bank branch office. The number of the securities ac-

count that holds the subscription rights must be stated together with the payment.

The application form stated above can be ordered from Carnegie during office hours by telephone: +46 (0)8- 588 69 482 or downloaded from Carnegie's website www.carnegie.se. Application form and payment must be received by Carnegie no later than 3:00 p.m. on 23 December 2021. Please note that payment for subscription of series B shares by exercise of the subscription rights that has not reached Carnegie by 3:00 p.m. on 23 December 2021, will be left without regard and thus payment must be made well in advance.

DIRECTLY REGISTERED SHAREHOLDERS NOT RESIDENT IN SWEDEN

Directly registered shareholders who are eligible to subscribe for series B shares by exercise of subscription rights and who are not resident in Sweden, provided that they are not subject to the restrictions described above under "*Shareholders resident in certain unauthorized jurisdictions*" and who cannot use the pre-printed payment form, can pay in SEK through a foreign bank in accordance with the instructions below:

Carnegie Investment Bank AB (publ) Transaction Support
SE-103 38 Stockholm, Sweden SWIFT address: ESSESESS
IBAN: SE3850000000052211000363
Bank account number: 522110 003 63

Upon payment, the subscriber's name, address, securities account number and the reference number on the issue statement must be stated. The final day for payment to be received is 23 December 2021.

If the subscription pertains to another number of shares than stated in the issue statement, the form "*Application form for subscription of shares with subscription rights*" should be used instead, which can be ordered from Carnegie during office hours by telephone: +46 (0)8- 588 69 482 or downloaded from Carnegie's website www.carnegie.se. Payment is to be made in accordance with the instructions above with the number of the securities account that holds the subscription rights as reference. Application forms (in accordance with the above address) and payments must be received by Carnegie no later than 3:00 p.m. on 23 December 2021.

NOMINEE-REGISTERED SHAREHOLDERS

Nominee-registered shareholders who wish to subscribe for series B shares by exercise of subscription rights must apply to subscribe for shares in accordance with the instructions from their respective nominee or nominees.

Paid subscribed shares (BTA)

After subscription and payment, Euroclear Sweden will distribute a securities notification confirming the registration of the paid subscribed shares (Sw. betalda tecknade aktier, "BTA") in the subscriber's securities account.

Series B shares will be registered as BTAs in the securities account until the Rights Issue has been registered with the Swedish Companies Registration Office. Registration of series B shares subscribed for by exercise of subscription rights is expected to take place at the Swedish Companies Registration Office around 5 January 2022. Thereafter, BTAs will be converted to shares, which is expected to take place around 11 January 2022 without notification from Euroclear Sweden. Holders of nominee-registered depository accounts will receive BTAs and information in accordance with the procedures of the respective nominee. BTAs will be admitted for trading on Nasdaq First North Growth Market from and including 9 December 2021 until and including 4 January 2022. Carnegie and other securities institutions with the required licenses will provide brokerage services in connection with the purchase and sale of BTAs. The ISIN code for BTA is SE0017133531.

Subscription for series B shares without subscription rights

Subscription of series B shares can also be done without exercise of subscription rights.

DIRECTLY REGISTERED SHAREHOLDERS AND OTHERS

Application for subscription for series B shares without exercise of subscription rights must be made on the special application form "*Subscription without subscription rights*". More than one application may be submitted; however, only the most recently dated application will be considered.

If the application concerns a person other than the signatory, a special form "*Guardians and authorised agents*" must also be filled in and sent together with the application form "*Subscription without subscription rights*".

Application forms and other forms can be obtained from any of Carnegie's offices in Sweden or downloaded from Carnegie's website www.carnegie.se as well as from Cell Impact's website www.cellimpact.com. The application form can either be sent by post to Carnegie Investment Bank AB, Transaction Support, SE-103 38 Stockholm or be handed in to one of Carnegie's branch offices in Sweden. The application form must be received by Carnegie no later than 3 p.m. on 23 December 2021.

LEGAL ENTITY IDENTIFIER (LEI CODE)

As of 3 January 2018, all legal entities need a global identification code, a so called Legal Entity Identifier (LEI), to conduct a securities transaction. In order to be entitled to participate in the Rights Issue and to be allocated series B shares that are subscribed for without exercise of subscription rights, a corporation must have and state a LEI code.

NOMINEE-REGISTERED SHAREHOLDERS

Holders of depository accounts that wish to subscribe for series B shares without exercise of subscription rights must register to subscribe in accordance with the instructions from their nominee or nominees, who will also process allotment notifications and other issues.

ALLOTMENT OF SERIES B SHARES SUBSCRIBED FOR WITHOUT SUBSCRIPTION RIGHTS

In the event that not all series B shares are subscribed for by exercise of subscription rights, the board of directors shall, within the maximum amount of the Rights Issue, decide on allotment of series B shares subscribed for without exercise of subscription rights as follows:

- primarily, series B shares shall be allotted to those who have subscribed for series B shares by exercise of subscription rights (regardless of whether they were shareholders on the record date or not) and who have subscribed for series B shares without exercise of subscription rights, and in case allotment to them cannot be made in full, allotment shall be made pro rata in relation to the number of subscription rights that each of them have exercised for subscription of series B shares and, to the extent this cannot be done, allotment shall be made through drawing of lots,
- secondarily, series B shares shall be allotted to those who have subscribed for series B shares in the Rights Issue without the exercise of subscription rights, and in case allotment to them cannot be made in full, allotment shall be made pro rata in relation to the total number of series B shares that the subscriber has subscribed for and, to the extent this cannot be done, allotment shall be made through drawing of lots,
- lastly, series B shares shall be allotted to those who have entered into agreements regarding guarantee commitments in their capacity as guarantors, and in case allotment to the guarantors cannot be made in full, allotment shall be made in accordance with what has previously been agreed with the guarantors and, to the extent that this cannot be done, allotment shall be made through drawing of lots.

As confirmation of the allotment of series B shares subscribed for without exercise of subscription rights, a settlement note will be sent to the subscriber around 28 December 2021. No notice will be sent to subscribers who received no allotment. Subscribed and allotted new series B shares must be paid for in cash within two banking days in accordance with the instructions on the settlement note sent to the subscriber. After payment of subscribed and allotted new series B shares has been made and the new series B shares have been registered with the Swedish Companies Registration Office, Euroclear Sweden will send a notice confirming the registration of the new series B shares in the subscriber's securities account. No BTA will be posted to the subscriber's securities account as the subscriber receives the series B shares directly. Registration of series B shares subscribed for without exercise of subscription rights is expected to take place at the Swedish Companies Registration Office around 5 January 2022. Registration of series B shares in the securities account is expected to take place around 11 January 2022. Nominee-registered shareholders will be notified of allotment and payment instructions in accordance with the respective nominees' routines.

Admission to trade new series B shares on Nasdaq First North Growth Market

The new series B shares will be admitted to trading on Nasdaq First North Growth Market after the Swedish Companies Registration Office has registered them. Cell Impact estimates that trading in the new series B shares will begin around 11 January 2022.

Right to dividend on shares

Dividends are paid following a resolution by the general meeting. Payment of dividends will be administered by Euroclear Sweden or, for nominee-registered shareholdings, in accordance with the procedures of the respective nominee. Entitlement to receive a dividend is limited to shareholders who on the record date were registered as shareholders in the share register maintained by Euroclear Sweden. The new series B shares carry the right to participate in the distribution of dividends for the first time on the dividend record date that occurs immediately following the registration of the new shares with the Swedish Companies Registration Office.

Announcement of the outcome of the Rights Issue

The outcome of the Rights Issue is expected to be announced around 27 December 2021 through a press release from the Company.

Information about the processing of personal data

Anyone who subscribe for, or apply to subscribe for, series B shares will submit personal data to Carnegie. Personal data that is submitted to Carnegie, for example contact information and personal identification number, or which is otherwise registered in connection with the preparation or administration of the Rights Issue, is processed by Carnegie, as controller of the personal data, for the administration and execution of the Rights Issue. Processing of personal data also takes place to enable Carnegie to comply with its statutory duties.

Personal data may for the defined purposes, in observance of bank secrecy rules, occasionally be disclosed to other companies within the Carnegie Group or to undertakings which co-operate with Carnegie, within and outside the EU/EEA in accordance with EU's approved and appropriate protective measures. In certain cases, Carnegie is also under a statutory duty to provide information, e.g., to the Swedish Financial Supervisory Authority and Swedish Tax Agency.

Similarly to the Securities Market Act (2007:528) (Sw. lagen (2007:528) om värdepappersmarknaden), the Banking and Financing Business Act (2004:297) (Sw. lagen (2004:297) om bank- och finansieringsrörelse) contains confidentiality provisions according to which all of Carnegie's employees are bound by a duty of confidentiality with regard to clients of Carnegie and other parties to whom services are provided. The duty of confidentiality also applies between and within the various companies in the Carnegie Group.

Information regarding what personal data is processed by Carnegie, deletion of personal data, limitation on the processing of personal data, data portability or the rectification of personal data can be requested from Carnegie's data protection officer. It is also possible to contact the data protection officer to obtain further information about how Carnegie processes personal data. If the investor wishes to make a complaint regarding Carnegie's processing of personal data, the investor is entitled to turn to the Swedish Authority for Privacy Protection in its capacity as supervisory authority. Personal data shall be deleted if it is no longer needed for the purposes for which it was originally collected or otherwise processed, provided that Carnegie has no legal obligation to preserve the personal data. The normal storage time for personal data is 10 years. Address to Carnegie's data protection officer: dpo@carnegie.se.

Other information

Carnegie is the issuing institution in connection with the Rights Issue. The fact that Carnegie is the issuing institution does not imply that Carnegie views any party that applies to subscribe under the Rights Issue as a customer of Carnegie. In the event that a larger amount than necessary has been paid by a subscriber for series B shares, Cell Impact will arrange for the excess amount to be refunded. No interest will be paid on excess amounts. Incomplete or incorrectly completed application forms may be disregarded. If the subscription payment is made late, is insufficient or is paid incorrectly, the subscription application may be disregarded entirely or allotment may be for a lower amount, in which case, any excess amount will be refunded. No interest will be paid on any such excess amount. Amounts less than SEK 100 will not be refunded.

Important information about taxation

The tax legislation in the investor's home country and in Sweden may have an impact on the income received from shares in Cell Impact.

The taxation of any dividend, as well as capital gains taxation and rules on capital losses on the sale of securities, depend on the specific situation of each individual shareholder. Special tax rules apply to certain types of taxpayers and certain types of investment forms. Each holder of shares and subscription rights should therefore consult a tax adviser to obtain information on the specific consequences that may arise in the individual case, including the applicability and effect of foreign tax rules and tax treaties.

HOW TO SUBSCRIBE FOR SERIES B SHARES

Terms

For each existing share that you hold in Cell Impact on the record date, you will receive one (1) subscription right. Seven (7) subscription rights entitle to subscription for two (2) series B shares. Subscription can also take place without exercise of subscription rights but without preferential rights.

Subscription price	Record date for right to receive subscription rights	Subscription period	Trading in subscription rights
SEK 20.75 per series B share	7 December 2021	9 December-23 December 2021	9 December-20 December 2021

Subscription for shares by exercise of subscription rights

YOU ARE ALLOTTED SUBSCRIPTION RIGHTS

For each share in Cell Impact that you hold on 7 December 2021, you will receive one (1) subscription right. **One (1) share in Cell Impact → One (1) subscription right**

HOW TO EXERCISE YOUR SUBSCRIPTION RIGHTS

Seven (7) subscription rights entitle to two (2) new series B share
Seven (7) subscription rights → Two (2) series B shares

ARE YOU A DIRECTLY REGISTERED SHAREHOLDER OR ARE YOUR SHARES NOMINEE-REGISTERED?

You have a securities account (i.e., directly registered shares) and are resident in Sweden.



If you exercise all subscription rights, use the pre-printed payment form from Euroclear Sweden.



If you have purchased, sold or transferred subscription rights to/from your securities account, use the application form for subscription by exercise of subscription shares. The form is available on Carnegie's website www.carnegie.se alternatively on Cell Impact's website www.cellimpact.com. Payment must be made in accordance with the instructions on the application form.

You have a securities account (i.e., directly registered shares) and are resident outside of Sweden.¹



See above. Payment is made in accordance with the instructions set out in section "Terms and conditions" under the heading "Directly registered shareholders not resident in Sweden".

You have a custody account (i.e. nominee-registered shares).



If your shares are held in one or more custody accounts at a bank or other securities institution, your nominee(s) will inform you about the number of subscription rights. Follow the instructions that you receive from your nominee(s).

¹ Note that certain rules apply to shareholders resident in the United States and certain other jurisdictions. See section "Terms and conditions" under the heading "Shareholders resident in certain unauthorized jurisdictions".

Subscription of shares without exercise of subscription rights²

You have a securities account.



Use the form for subscription without exercise of subscription rights. The form is available on Carnegie's website www.carnegie.se alternatively on Cell Impact's website www.cellimpact.com.

You have a custody account (i.e. nominee-registered shares).



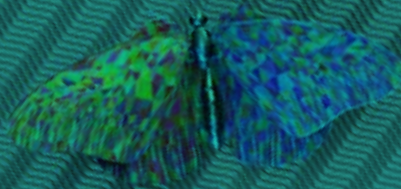
Subscription and payment should be made through your respective nominee. Follow the instructions that you receive from your nominee(s).

Please note that certain nominees can have a shorter subscription period. Please check the instructions that you receive from your respective nominee.

2) Any allotment will be made in accordance with what is stated in section "Terms and conditions" under the heading "Allotment of series B shares subscribed for without subscription rights".

BUSINESS OVERVIEW

Websites from which industry and market information has been obtained, and to which references are made in footnotes in this prospectus, do not form part of this prospectus and have not been reviewed or approved by the Swedish Financial Supervisory Authority. When information has been sourced from a third party, the information has been accurately reproduced and as far as Cell Impact is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.



Introduction

Cell Impact is a global supplier of advanced flow plates and production technology for fuel cell manufacturers. The company has developed and patented a unique, scalable method of high-speed forming, Cell Impact Forming™ (high-velocity forming), that meets the industry's need for scalability and that with high productivity makes it possible to manufacture flow plates with more advanced patterns, creating more cost and energy-efficient fuel cells compared with conventional forming methods.

Fuel cell technology is an environmentally friendly way to produce energy in which heat and electricity can be produced through a chemical reaction between hydrogen with oxygen. The only by-product is clean water. Around the world, a major shift from fossil fuels to renewable energy sources is now taking place and Cell Impact is part of this development. Recently, electrolyzers have been added as an additional application area for flow plates – an area that is considered to have great market potential.

Hydrogen

Hydrogen is the lightest and most abundant element in the universe and on the earth, it is found mainly in water and other organic compounds. Hydrogen is a highly energy-rich element that is becoming increasingly important as a substitute for fossil fuels. By producing hydrogen with the help of renewable energy, an environmentally friendly fuel can be produced for use in fuel cells.

Fuel cell

A fuel cell produces electricity and heat through a chemical reaction in which hydrogen and oxygen are converted into water. Fuel cells are an environmentally friendly and efficient way to create electricity for many types of electric vehicles and other applications that require energy.

Flow plate

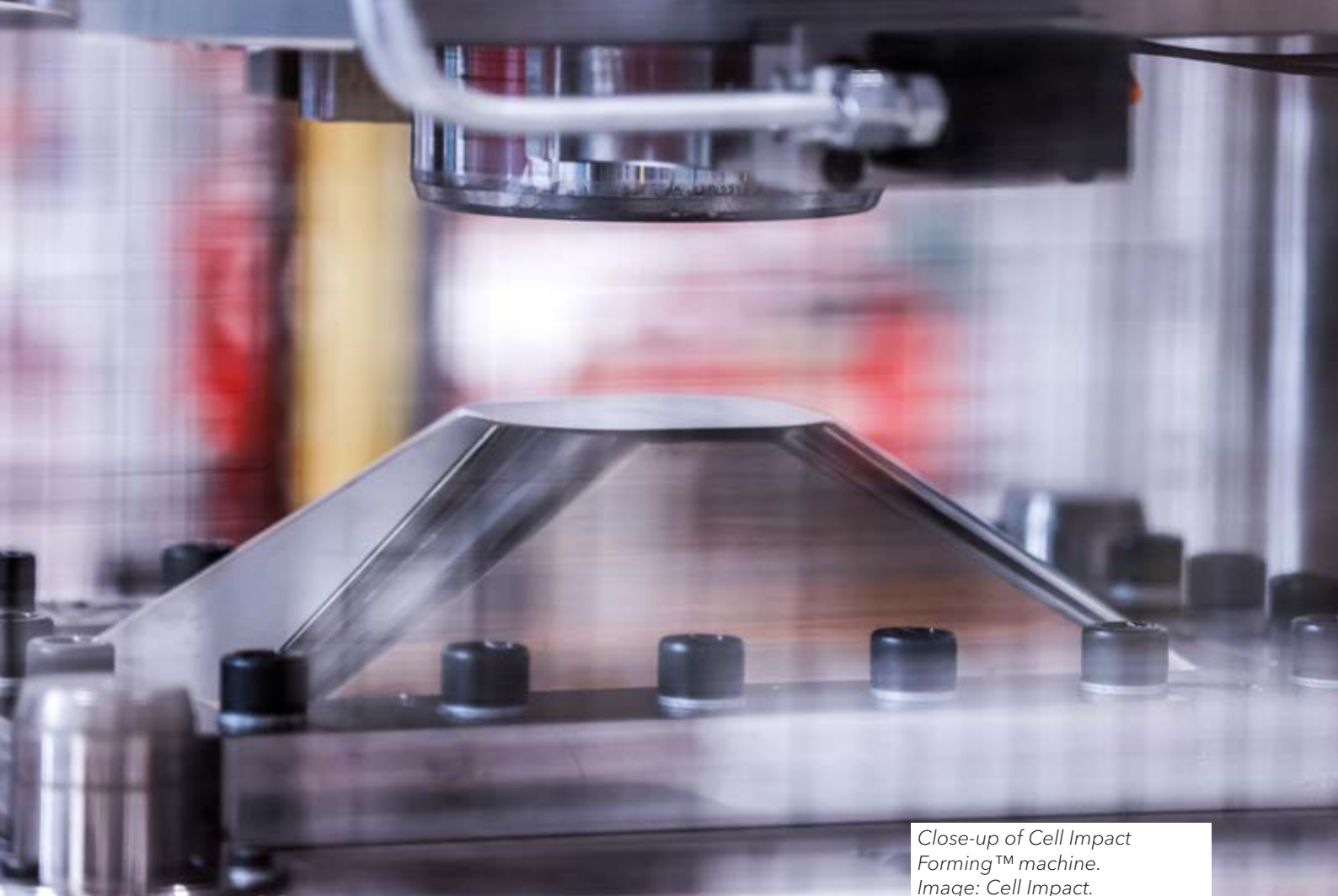
The part of the fuel cell where the chemical reaction takes place is called a stack. Each stack consists of a large number of flow plates. The task of the flow plates is to ensure that the gases are mixed as efficiently as possible and to dissipate excess heat. Each plate is composed of pairs called bipolar plates. In principle, each side functions as a minus and plus pole in a battery. By connecting many bipolar plates in a series, a very powerful source of energy can be created.

Electrolysers

Electrolysers are used to produce hydrogen from water in an environmentally friendly way through a process called electrolysis. The method is similar to that in a fuel cell but in the opposite direction: instead of letting the fuel cell produce energy, electricity is supplied. The electrolyser then divides water into hydrogen and oxygen that can be compressed or cooled for storage.

Cell Impact's high-velocity machine for flow plate manufacturing. Image: Cell Impact.





*Close-up of Cell Impact Forming™ machine.
Image: Cell Impact.*

Strategy

Cell Impact's strategy is to offer cost-efficient, scalable production of high-performance flow plates for the fuel cell and electrolysis industry. The Company's offer is based on its patented molding technology, Cell Impact Forming™, which provides a significant cost advantage for customers. Demand for fuel cells and electrolyzers is increasing and Cell Impact expects the demand to accelerate in the coming years. The Company's goal is to become a significant supplier of flow plates in the emerging fuel cell and electrolysis industry. About three years ago, in 2018, Cell Impact implemented its strategy to become a producer of flow plates. Since then, the Company has focused considerably on building up its ability to grow with existing customers. Looking ahead, Cell Impact will concentrate on developing existing and potential business relationships to include more comprehensive delivery agreements and high-volume production of flow plates. In addition, Cell Impact aims to further scale up the Company's production capacity and develop its offer to its customers.

Offering

Cell Impact's offering includes qualified design services for flow plates, tool design, prototype series and production of larger volumes. The Company manufactures both single-sided flow plates and mounted plates, so called bipolar flow plates, for its customers.

Cell Impact Forming™

For the past 10 years, Cell Impact has been developing its own method of shaping very thin metallic plates with high precision. This method relies on a hydraulic impact unit that very quickly, and with incredible accuracy, forms a metallic substance between two precision tools. The high energy levels make it possible to utilize special physical properties in the metal to form the exact patterns required for high efficiency in a modern flow plate.



An electric bus powered by hydrogen:
Image: Adobe Stock.

Cell Impact Forming™ offers many advantages over conventional forming technology. The method is significantly faster than progressive pressing, consumes less energy, needs no lubricant or water-intensive cleaning, reduces tool costs by up to 50 percent and requires minimal maintenance. In addition, the technology is significantly less space-consuming than traditional technology.

Market and international presence

Cell Impact's market consists mainly of vehicle and fuel cell manufacturers that electrify vehicles such as forklifts, trucks, lorries and buses. Within these application areas, the climate benefit of fuel cells is particularly great. Other important areas of application include factories, mobile networks, hospitals and data centers where fuel cells deliver both direct and reserve power. In the short term, cars and aircraft will also become areas of application.

The market in which Cell Impact operates is international and consists largely of Europe, where Germany and France are dominant, China, Japan, North America and South Korea. Cell Impact believes that it is important to be close to its customers and maintain a local presence in these countries so as to best capitalize on the momentum in their markets.

EUROPE

There are several European countries that have a hydrogen strategy, but the most significant ones with the greatest potential for flow plates for, above all, fuel cells are Germany and France. Since 2017, Achim Zeiss has represented Cell Impact in Europe as Area Manager Europe. He is responsible for both strategic purchasing of key components for production and technology as well as marketing. Germany and France are driving forces in the EU when it comes to building up green hydrogen production³ and fuel stations for the transport industry.⁴



3) Euractiv, *Franco-German team-up aims to drive hydrogen production forward*, September 11 2020, <https://www.euractiv.com/section/energy/news/franco-german-team-up-aims-to-drive-hydrogen-production-forward/>

4) Hydrogen Mobility Europé, (no year available), <https://h2me.eu/about/hydrogen-refuelling-infrastructure/>

CHINA

China is rapidly evolving into one of the most important fuel cell markets in the world. Cell Impact has been active in the Chinese market since 2018 and since mid-2019, the Company has employed full-time representatives in China who are tasked with identifying and developing attractive project opportunities. In January 2021, Cell Impact hired Forrest Zhang as Country Manager to develop the Company's strategy for the Chinese market.

JAPAN

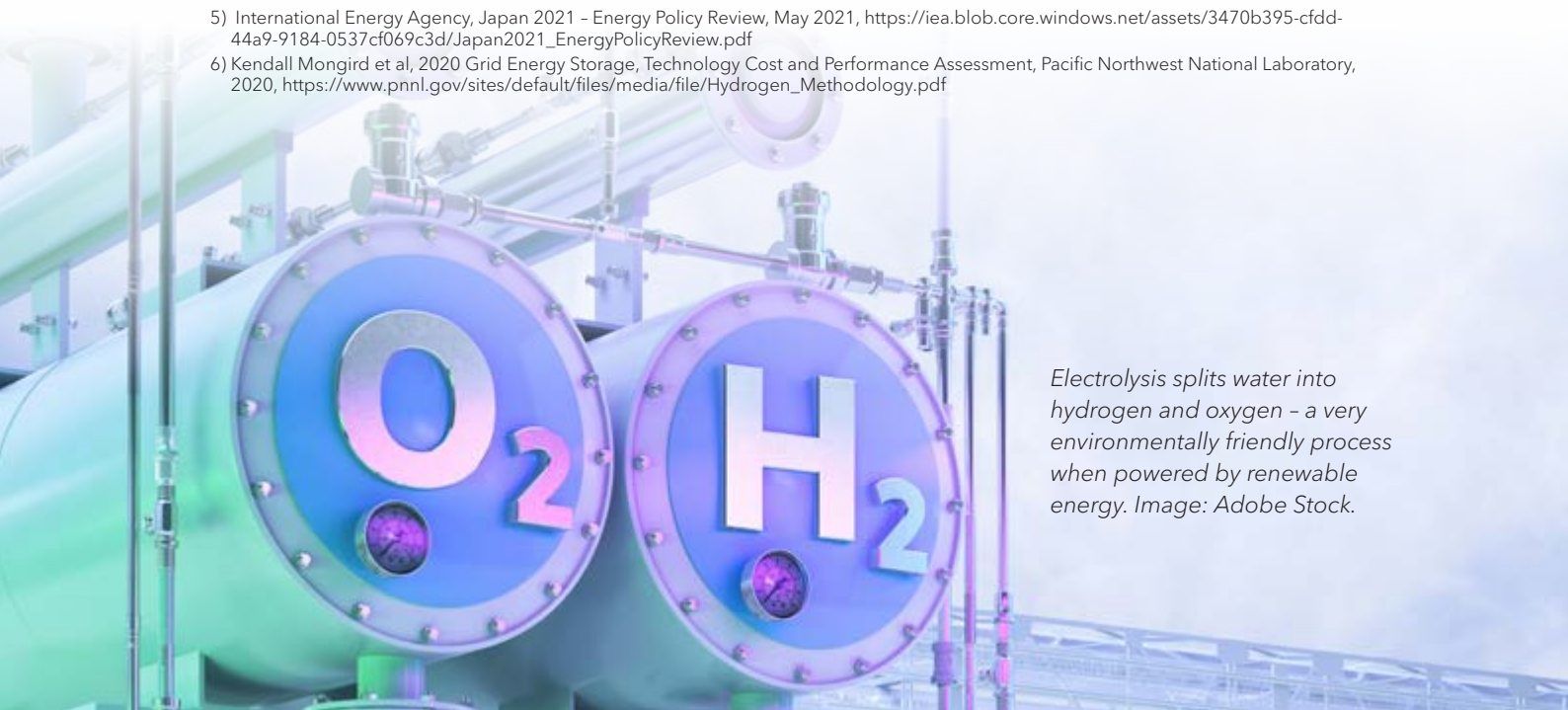
Japan is at the forefront of fuel cell technology, particularly in the automotive industry, and it has an ambitious national plan to build an all-encompassing hydrogen-based society to reduce climate emissions.⁵ Cell Impact has had presence in Japan since 2019 when Cell Impact and Japanese Nakanishi Metal Works Co. Ltd (NKC) signed a Memorandum of Understanding (MoU) aimed at exploring an international business development collaboration. At the end of December 2020, the companies decided that there were not enough mutual synergies to justify further deepening of the cooperation. Consequently, Cell Impact decided to start a subsidiary in Japan to manage ongoing projects and local sales. The subsidiary, Cell Impact Japan Inc., opened during the first quarter of 2021 with its office in central Tokyo. Cell Impact Japan will market and position Cell Impact in the growing Japanese hydrogen economy. Shigeru Nakagawa is the CEO of Cell Impact Japan Inc. Shigeru Nakagawa was previously responsible for Cell Impact and NKC's joint development initiative in Japan.

Electrolysis – potential business opportunities

In view of the substantial investments planned and implemented for green hydrogen production (read more in the "General information about the market" section), the demand for electrolytic technology, which splits water molecules to produce green hydrogen, will increase. One technology track among electrolysis processes is a variant of the PEM process (Proton Exchange Membrane) used in today's fuel cells. This represents a smaller share of the process techniques that exist, but many observers believe that the share of PEM electrolysis will increase gradually in the future since it seems to be the most cost-efficient.⁶ This would broaden the market for Cell Impact to both fuel cells and electrolysis equipment. During 2021, Cell Impact has received several inquiries regarding flow plates for electrolysis and views this as a sign that the market is gaining momentum. For this reason, the Company has begun exploring business opportunities in this area.

5) International Energy Agency, Japan 2021 – Energy Policy Review, May 2021, https://iea.blob.core.windows.net/assets/3470b395-cfdd-44a9-9184-0537cf069c3d/Japan2021_EnergyPolicyReview.pdf

6) Kendall Mongird et al, 2020 Grid Energy Storage, Technology Cost and Performance Assessment, Pacific Northwest National Laboratory, 2020, https://www.pnnl.gov/sites/default/files/media/file/Hydrogen_Methodology.pdf



Electrolysis splits water into hydrogen and oxygen – a very environmentally friendly process when powered by renewable energy. Image: Adobe Stock.



Customers

Cell Impact has two categories of customers – those outside of the automotive industry and those that are part of the automotive industry. The latter is currently the most important category for Cell Impact in terms of sales. The automotive industry is a powerful driver that places great demands on reliability in processes, which is why the Company has run a number of projects, such as tool life testing, to test the Company's production technology for future production of large volumes with its scalable Cell Impact Forming™ as the technology platform.

Today, Cell Impact has about five active customers, of which two are in North America, two in China and one in Japan. Since launching its new strategy in 2018 to become a producer and supplier of flow plates, Cell Impact has chosen to focus on existing customers by supporting their development of flow plates and satisfying their needs in general. The purpose has been to concentrate existing resources on focused areas for maximum dividends in terms of new sales. At the time the new strategy was launched, Cell Impact had no European customers with potential in the fuel cell industry, but in the pipeline of business opportunities that has now been added, especially during the past year, there are now a number of European business opportunities.

Most customers prefer to keep their development and purchases of flow plates a trade secret. Some customers, however, allow their names to be published when orders are placed or following a period of joint development until production is up and going. One such customer is the world's leading fuel cell manufacturer, Plug Power.

DEMAND FOR CELL IMPACT'S PRODUCTS AND SERVICES

Existing and prospective customers are initially attracted by Cell Impact Forming™ and its scalability, but also by the qualitative aspects that come from the high-speed molding that make the shape, stack fit and functionality of the flow plates comparatively good.

A typical course of events in a commercial phase starts with the customer initiating a design project to create its own design for a flow plate, which results in a forming tool. When the forming tool

is finished, prototype production starts. During this phase, Cell Impact usually receives a number of orders. In the early stages of the Company's new strategy, these orders could be quite large in relation to total sales, but as Cell Impact has grown and built up a steady inflow of larger orders, these have shrunk in relation to total sales. As a result, Cell Impact are now only announcing the types of orders that have large magnitudes, that are milestones in relation to sales forecasts or that are important for other reasons, including what is significant in terms of technical or commercial development. Below is a list of important customers that have placed orders that Cell Impact considers to be milestones and that have had a major impact on the Company's commercial and technical development.

NORTH AMERICAN CUSTOMERS – PLUG POWER

Plug Power is the market leader in fuel cells for all applications. Fuel cells will play an important role in energy conversion, which includes logistics vehicles, trucks, buses, cars, aircraft and data centers. Plug Power is expanding internationally and is also a pioneer in the manufacture of electrolyzers for green hydrogen production. The company is also an emerging supplier of hydrogen to users other than themselves.

Since 2018, Cell Impact has received a number of development orders from Plug Power and during the second quarter of 2021, the Company received a larger order worth MSEK 42. This is the company's largest order to date and Cell Impact regards it as a milestone and validation of its technology, including Cell Impact Forming™, and of the Company's application knowledge. The order includes delivery of Cell Impact Forming™ and equipment for related processes. It also includes a significant proportion of flow plates, which represents a start on volume production that will continue with continuous orders and joint planning. This will help establish a good base for Cell Impact's production activity going forward.

Cell Impact has a deep collaboration with Plug Power which includes both companies using the same forming technology for flow plates in metal, Cell Impact Forming™. The purpose of using the same forming technology is to reduce risk in the value chain. For this reason, Cell Impact will manufacture part of Plug Power's flow plates in Karlskoga while Plug Power's Innovation Center and Gigafactory in Rochester, New York, will produce the remaining volume. Plug Power is experiencing strong growth in all business areas that use flow plates and Cell Impact is enjoying strong growth along with them, in line with the Company's goal to grow internationally with Plug Power over time.

INNOVATIVE NORTH AMERICAN FUEL CELL MANUFACTURER

This particular customer, which has a long history of fuel cell development, is part of a larger global group that has launched products that the market considers to be innovative. The customer is involved in several steps in the value chain, including producing, cleaning and compressing hydrogen. Cell Impact manufactures a number of products for this customer and the Company sees opportunities for growth as the customer achieves success in its own work in large internal and external markets.

Since 2018, Cell Impact has received a number of development orders from this customer and in the fourth quarter 2019, the Company received an order of MSEK 10, which was the beginning of continuous production. However, the outbreak of the Covid-19 pandemic, disrupted the customer's marketing activities, but the deal is continuing, albeit on a lower level. Additional development projects have been initiated, and Cell Impact believes that this customer has significant potential in the future.

JAPANESE CUSTOMER

Development activities for this customer started when Cell Impact began cooperating with Nakanishi Metal Works Co. Ltd (NKC) in Osaka, Japan in 2019. At the end of 2020, Cell Impact and NKC decided that there were not enough mutual synergies to justify a deepening of the cooperation. As a consequence, Cell Impact founded a subsidiary in Japan to manage this ongoing project and local sales. The new company, Cell Impact Japan Inc., is located in Tokyo and opened during the first quarter 2021. Mr. Shigeru Nakagawa, who was New Business Development Director at NKC and responsible for NKC and Cell Impact's development initiatives in Japan, was appointed CEO of the new company.

Cell Impact is continuing to receive orders for design and tool projects, which helps drive the development of new and robust manufacturing processes within Cell Impact. The customer is a leader in the fuel cell industry with large internal and external B2B markets, particularly in the automotive sector. The goal is to establish Cell Impact as a supplier of flow plates before accelerating growth within a few years. Cell Impact Japan Inc. is also working with other potential customers in the Japanese market.

Between April 2019 and July 2021, Cell Impact has announced orders worth approximately MSEK 15 for producing tools and carrying out different types of product tests for the aforementioned Japanese customer, which have been placed through NKC to Cell Impact Japan Inc. So far, all of the tests carried out have been satisfactory to the underlying customer.

CHINESE CUSTOMERS

Cell Impact has a number of customers in China, the largest of which is Beijing Nowogen Technology. This corporation is a well-established fuel cell company that Cell Impact believes will be successful in the Chinese market. At the moment, a strong trend in China is to replace graphite plates with metal plates, and Cell Impact is well equipped to assist customers with this. Cell Impact has two employees in China, including a Country Manager who works to maintain and establish new business relationships and a strategy that addresses how the company can convert market opportunities into business in China.

During the period November 2018 to October 2021, the Company announced orders of approximately MSEK 5 for producing tools and flow plates for Beijing Nowogen Technology's fuel cells. Cell Impact sees good opportunities to grow alongside Beijing Nowogen Technology and other fuel cell manufacturers in China.

Financial targets

The Board of Directors has established the following financial targets for Cell Impact. These financial targets are forward-looking statements, i.e., there is no guarantee regarding future financial results and they may be subject to change. Cell Impact's actual result may differ materially from the results expressed or implied in these forward-looking statements due to several factors, including, but not limited to, those described in the "Risk factors" section.

These financial targets are based on a number of assumptions, including factors related to overall economic conditions, Cell Impact's ability to secure financing for its business plan, the successful expansion of the factory in Karlskoga and continued high demand for the Company's products. The Board of Directors of Cell Impact has established the following financial targets:

	2022	2024
Sales, MSEK	100-150	250-300
Cash flow	Positive operating cash flow during 2022	

In addition the Company targets an EBITDA margin of at least 15 percent in the medium term.

These financial targets should be considered in light of the fact that in the short term, to capitalize on the great potential in the Company's markets, Cell Impact will prioritize capacity expansion and sales growth before profitability and cash flow. In the long term, the Company sees potential to achieve significantly higher profitability than what the Company has set out in its goals for the medium term.

Factory in Karlskoga

At the end of September 2020, Cell Impact completed its move to its newly renovated and larger production facility in the Brickegården area in Karlskoga.

Since then, Cell Impact has built up a complete and robust production system covering approximately half of the Karlskoga factory's total 5,000 sqm of production space. This is a milestone in the Company's development, supporting both existing customers' growth and creating trust among the growing list of potential customers. To meet expected demand, completion of the remaining 2,500 sqm of premises began during the third quarter of 2021. The Company calls this Phase 2 during which it will introduce more compact and productive process technologies to further strengthen its production offering. This is of great importance for Cell Impact to be able to meet new customer needs with cutting-edge technology processes in flow plate production. The new area will be partially renovated and is expected to be put into use in 2022, initially to test new prototypes and production concepts.

Cell Impact's selection and development of technology-leading production processes involve two development phases. The current phase, Phase 1, aims to satisfy the existing demand for flow plates based on available production technology. Phase 1 started in 2018 and is expected to continue through 2021. Phase 2 will include Cell Impact's innovative proprietary processing concepts and new equipment developed in collaboration with a number of technology partners.

In the production facility in Karlskoga, the construction of a total of 3 to 4 production lines, suitable for both high and low volume production corresponding to 18 to 20 million flow plates per year, is expected to be completed sometime between 2025 and 2027. Given the Company's current assessment of price levels and revenue mix, this capacity is estimated to correspond to an annual sales potential of approximately MSEK 800. The goal is to create the conditions necessary to raise Cell Impact's EBITDA margin to a level that is significantly higher than the Company's stated financial targets in the medium term through highly automated production in combination with a large pool of expertise within application, tool design and production.



Cell Impact's production facility in Karlskoga.

Laser machines in the new production facility.



During 2022 Cell Impact will automate a large part of the production. Images: Cell Impact

General information about the market

HYDROGEN - THE MOST IMPORTANT ENERGY CARRIER FOR THE CLIMATE

The great potential of hydrogen as an energy source has been known for almost 200 years. Despite this, the hydrogen has never really had a breakthrough. Critics have argued that it is too expensive to produce, store and transport and that most hydrogen is made from natural gas using methods that are not environmentally friendly. This criticism has to some extent been justified, but it has been based on a situation where carbon dioxide-based production and use has been supported by significant annual subsidies thus distorting the market in favour of carbon-based energy. Now, carbon dioxide emissions are increasingly being priced based on their true costs on society, making hydrogen a more competitive alternative. Hydrogen is already being used today in many sectors of society and it can make a major contribution to the green transition, both in the transport sector and cement and steel production as well as in heating. Furthermore, it can also play a major role in renewable energy systems by balancing intermittent wind and solar energy through electrolysis, which splits water molecules to produce hydrogen gas. This means hydrogen can be produced in an environmentally friendly way and can play an important role in a more sustainable energy system.

HYDROGEN SIGNIFICANT FOR THE PARIS AGREEMENT

Under the 2015 Paris Agreement, which aims to avoid a planetary crisis, it is now possible to capitalize on the full potential of fuel cell technology. This means that the signatories of the Paris Agreement can greatly improve their chances of actually delivering on the set targets. These targets include requirements to reduce greenhouse gas emissions by at least 40 percent by 2030 (compared with 1990 levels) and a further 80 to 95 percent by 2050.⁷ When the agreement was signed, hydrogen was not considered an obvious choice for reducing greenhouse gases, but now the situation has changed. Hydrogen is about to become a major part of the green transition.

EUROPEAN GREEN DEAL, ETC.

As part of the recovery from the Covid-19 pandemic and lessons learned from it, governments are introducing more green stimulus programs than ever before. The goal is to avoid repeating earlier economic emissions-intensive recoveries and truly start the green transition. Additionally, there are industrial policies in place in a number of European countries that want to gain a strategic lead in the hydrogen market and not risk falling behind. Germany was first to launch a program valued at EUR 9 billion in the summer of 2020 to start large-scale green hydrogen production quickly.⁸ The EU followed with an investment of close to EUR 430 billion that extends until 2030. The EU has also identified hydrogen as a strategic energy source that will make Europe competitive⁹ while contributing to the green transition¹⁰. Japan¹¹ and China¹² followed suit by announcing major ambitions in their climate initiatives, promising updated strategies for producing hydrogen. In the US, Joe Biden won the presidential election and returned the country to the Paris Agreement. He also announced ambitious plans for electrification that include increased support for hydrogen production and the use of fuel cells.¹³ This means that major greenhouse gas emitting countries are now clarifying their plans to reduce their emissions. Green hydrogen production and increased fuel cell use are included as a viable alternative in all cases.

NET ZERO - TOWARD CLIMATE-NEUTRAL OPERATIONS

More and more global companies are now also reviewing their greenhouse gas emissions and developing strategies to operate in more environmentally friendly ways. Many have devised "Net Zero Plans" for 2050¹⁴ in line with the goals of the Paris Agreement. This means that the conditions for using fuel cells in transport and energy systems have never been better. The combined effect of planned investments in green hydrogen production and fuel cells around the world will greatly strengthen Cell Impact's growth opportunities in the long term.

Vattenfall's Hybrit facility.
Image: Vattenfall, Åsa Bäcklin



SWEDEN AND HYDROGEN

Sweden has thus far not been one of the driving forces for increasing the use of hydrogen. In the industrial sector, however, major investments are being made by SSAB, LKAB and Vattenfall within the joint HYBRIT project.¹⁵ The same applies to H2 Green Steel, which is planning a completely new factory that will be operational in as early as 2024.¹⁶ If the project is successful, it will be a significant breakthrough for the steel industry as a whole.

AN ENORMOUS MARKET

Cell Impact has experienced an increase in inquiries since the EU announced the European Green Deal. The investment in green energy has been a catalyst for a variety of initiatives among companies and countries and it will accelerate both the hydrogen and fuel cell markets. Some analysts, such as the Bank of America (formerly Bank of America Merrill Lynch) estimate that the hydrogen market is worth up to USD 2,500 billion in sales over the long term and that it will attract USD 11,000 billion in investment by 2050.¹⁷

- 7) Prop. 2016/17:16, Swedish Governments adoption of the Paris climate agreement, s. 12-13
- 8) Christoph Steitz & Tom Kaeckenhoff, "Germany earmarks \$10 billion for hydrogen expansion", Reuters 2020-06-04, <https://www.reuters.com/article/us-health-coronavirus-germany-stimulus-idUSKBN23B10L>
- 9) European Commission, European Clean Hydrogen Alliance, (no year available), https://ec.europa.eu/growth/industry/policy/european-clean-hydrogen-alliance_en
- 10) European Parliament, Report on a European Strategy for Hydrogen (2020/2242(INI)), p. E., 2021-04-23, https://www.europarl.europa.eu/doceo/document/A-9-2021-0116_EN.html
- 11) International Energy Agency, Japan 2021 - Energy Policy Review, may 2021, https://iea.blob.core.windows.net/assets/3470b395-cfdd-44a9-9184-0537cf069c3d/Japan2021_EnergyPolicyReview.pdf
- 12) Bai Yujie, Liu Yukun, Wen Simin & Denise Jia, "China's hydrogen roadmap: 4 things to know", Nikkei Asia 2021-06-21, <https://asia.nikkei.com/Spotlight/Caixin/China-s-hydrogen-roadmap-4-things-to-know>
- 13) Alex Ivanenko, "What Is The Role Of Hydrogen In Biden's Infrastructure Plan?", Forbes 2021-08-05, <https://www.forbes.com/sites/forbes-techcouncil/2021/08/05/what-is-the-role-of-hydrogen-in-bidens-infrastructure-plan/?sh=286446d272bd>
- 14) United Nations, Climate Action, For a livable climate: Net-zero commitments must be backed by credible action, (no year available), <https://www.un.org/en/climatechange/net-zero-coalition>
- 15) HYBRIT, (no year available), <https://www.hybritdevelopment.se/>
- 16) H2 Green Steel, With a view to large-scale fossil-free steel production from 2024, (no year available), <https://www.h2greensteel.com/2024>
- 17) Bank of America, Q&A: New energy behind green hydrogen, August 2, 2021, <https://www.privatebank.bankofamerica.com/articles/green-hydrogen-market-importance>

Cell Impact's history

Cell Impact's history goes back to 1999. The Company initially focused on developing technology for high-speed impact units with a concept stemming from research and technology from Bofors and concentrated on making production equipment for flow plates for the fuel cell industry until 2018, when it changed strategy to focus on manufacturing and delivering flow plates for the fuel cell industry. Cell Impact was listed on Nasdaq First North (now Nasdaq First North Growth Market) in 2013.

1999 – The company was founded.

2013 – Cell Impact was listed on Nasdaq First North (now Nasdaq First North Growth Market).

2013-2016 – The market for fuel cells begins to accelerate and is forecasted to develop quickly in the coming years. The demand for flow plates increases. The Company invests in its first automated production line for medium-sized serial production and continues development work with a focus on solving technical challenges together with customers in product development projects.

2017 – Cell Impact's new production line in Karlskoga is put into operation. The purpose is to demonstrate Cell Impact's technology and help develop prototypes to sell forming equipment and entire production lines for manufacturing flow plates.

Pär Teike appointed new CEO (Chief Executive Officer)

2018 – The Company undergoes a strategic reorientation from previously delivering production equipment to primarily focusing on manufacturing and delivering flow plates using its patented molding technology.

Cell Impact focuses on a number of key projects that enable ongoing production and sales.

Cell Impact establishes presence in Germany and China.

Anders Öberg recruited as CTO (Chief Technology Officer).

2019 – Cell Impact carries out a rights issue of MSEK 78.4 and a directed issue of MSEK 5.

The Company receives VINNOVA financing.

Cell Impact receives a number of important orders from Nakanishi Metal Works Co. Ltd (NKC) within the framework of a development project in the Japanese automotive industry.

The Company establishes presence in Japan.

2020 – Cell Impact receives several important orders and reports its highest sales ever.

Cell Impact announced that its main patent was granted in all countries where protection was sought.

Cell Impact carries a MSEK 175 directed share issue.

Cell Impact inaugurates its new factory for flow plates in Karlskoga.

Stefan Axellie recruited as new CFO (Chief Financial Officer).

Susanna Sundström recruited as Quality Manager.

Tord Lätt appointed CPO (Chief Project Officer).

2021 – Plug Power Inc. places order worth MSEK 42.

Production starts at new factory in Karlskoga.

Cell Impact establishes operations in Japan through its newly acquired subsidiary, Cell Impact Japan Inc.

Daniel Vallin recruited as COO (Chief Operating Officer).

Karina Sick Larsson recruited as CHRO (Chief Human Resources Officer).

SELECTED HISTORICAL FINANCIAL INFORMATION

The information in this section should be read in conjunction with the information in the section *"Capitalisation, indebtedness and other financial information"*. The financial information is extracted from and must be read in conjunction with (i) the Group's annual reports for the financial years 2020 and 2019 and (ii) the Group's interim report for the period 1 January 2021-30 September 2021 including comparative figures for the same period in the previous year. The annual reports and the interim report are incorporated into the prospectus by reference, see the section *"Legal considerations and supplementary information"* under the heading *"Historical financial information incorporated by reference"*. The Group's annual reports for the financial years 2020 and 2019 have been prepared in accordance with IFRS as adopted by the EU and the Group's interim report for the period 1 January 2021-30 September 2021 has been prepared in accordance with IAS 34. Please note that only the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019 have been audited by the Company's auditor and that only the Swedish language version of the Group's interim report for the period 1 January 2021-30 September 2021 has been reviewed, but not audited, by the Company's auditor. The parts of the English language versions of these financial reports which have been incorporated into the prospectus by reference are unofficial translations and thus have not been audited or reviewed by any auditor. Apart from the Swedish language versions of the Company's audited annual reports for 2020 and 2019, no information in the prospectus has been audited by any auditor.

The layout of the lines in this section is taken from the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021 in order to facilitate a comparison between the various financial periods. The names of the lines in this section are taken from the English unofficial translation of the Group's interim report for the period 1 January 2021 - 30 September 2021 while the numbers in this section are taken from the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021 and the Swedish language versions of the Group's annual reports for 2020 and 2019. The amounts stated in the sections *"Selected historical financial information"* and *"Capitalisation, indebtedness and other financial information"* are rounded to MSEK, while the calculations are performed with a larger number of decimals. Rounding can thus mean that certain amounts calculated in the notes do not add up to the amount stated in the respective table.

The Group's income statement in summary

	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2019 Jan-Dec
Amounts in MSEK	Unaudited IAS 34	Unaudited IAS 34	Audited IFRS	Audited IFRS
Revenue ¹⁾	60.8	20.4	29.3	11.9
Other operating income ²⁾	-	-	-	0.1
Purchase of products and services ³⁾	-32.6	-7.0	-10.2	-8.8
Other external costs ⁴⁾	-30.7	-19.4	-26.4	-25.1
Staff costs ⁵⁾	-42.6	-20.0	-28.9	-20.7
Depreciation and amortization ⁶⁾	-7.2	-4.7	-6.7	-4.7
Other operating costs ⁷⁾	0.0	-0.1	-0.2	-0.1
Operating result ⁸⁾	-52.3	-30.7	-43.1	-47.4
Net finance income ⁹⁾	-0.9	-0.8	-1.2	-1.0
Profit / loss before tax ¹⁰⁾	-53.2	-31.5	-44.3	-48.4
Tax ¹¹⁾	-	-	-	-
Profit/loss attributable to the shareholders of the parent company ¹²⁾	-53.2	-31.5	-44.3	-48.4

1) Referred to as *Intäkter* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

2) Referred to as *Övriga rörelseintäkter* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

3) Referred to as *Inköp av varor och tjänster* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period the previous year. Referred to as *Råvaror och förnödenheter* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

4) Referred to as *Övriga externa kostnader* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

5) Referred to as *Personalkostnader* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

6) Referred to as *Avskrivningar av materiella och immateriella tillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period previous year and the Swedish language version of the Group's annual report for the financial year 2019. Referred to as *Avskrivningar av immateriella och materiella anläggningstillgångar* in the Swedish language version of the Group's annual report for the financial year 2020.

7) Referred to as *Övriga rörelsekostnader* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

8) Referred to as *Rörelseresultat* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

9) Referred to as *Finansnetto* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2020. Referred to as *Finansiella poster - netto* in the Swedish language version of the Group's annual report for the financial year 2019.

10) Referred to as *Resultat före skatt* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

11) Referred to as *Skatt* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Skatt på årets resultat* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

12) Referred to as *Periodens resultat hänförligt till moderbolagets aktieägare* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Årets totalresultat hänförligt till moderbolagets aktieägare* in the Group's Swedish language annual reports for the financial year 2020 and *Summa totalresultat* in the Group's Swedish language annual report for the financial year 2019.

The Group's balance sheet report in summary

	2021-09-30	2020-09-30	2020-12-31	2019-12-31
Amounts in MSEK	Unaudited IAS 34	Unaudited IAS 34	Audited IFRS	Audited IFRS
Assets¹⁾				
<i>Non-current assets²⁾</i>				
Intangible assets ³⁾	5.0	5.5	5.2	6.3
Leasehold improvements ⁴⁾	6.2	0.7	6.5	-
Plant and equipment ⁵⁾	27.6	25.2	25.0	24.7
Equipment, tools, fixtures and fittings ⁶⁾	2.6	0.9	2.0	2.0
Right-of-use assets ⁷⁾	14.6	16.6	15.9	0.4
Investments in progress⁸⁾	41.6	7.4	11.0	-
Total non-current assets⁹⁾	97.6	56.3	65.6	33.3
<i>Current assets¹⁰⁾</i>				
Inventories ¹¹⁾	22.2	5.3	8.4	2.1
Trade receivables ¹²⁾	6.3	0.7	10.1	2.2
Other current receivables ¹³⁾	22.2	3.5	6.9	3.6
Cash and cash equivalents ¹⁴⁾	57.5	23.6	151.9	16.9
Total current assets¹⁵⁾	108.2	33.1	177.3	24.8
Total assets¹⁶⁾	205.8	89.5	242.9	58.0

1) Referred to as *Tillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

2) Referred to as *Anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

3) Referred to as *Immateriella anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amount MSEK 5.2 for the financial year 2020 are a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2020: *Patent* (MSEK 0.1) and *Balanserade utvecklingsutgifter* (MSEK 5.2). The amount MSEK 6.3 for the financial year 2019 are a combination of the following items in the Swedish language version of the Group's annual reports for the financial year 2019: *Patent* (MSEK 0.1) and *Balanserade utgifter för utvecklingsutgifter* (MSEK 6.1). The combined values of MSEK 5.2 and MSEK 6.3, respectively, have not been audited.

4) Referred to as *Förbättringsutgifter på annans fastighet* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Byggnader och mark* in the Swedish language version of the Group's annual report for the financial year 2019 the item is included in *Inventarier, verktyg och installationer*.

5) Referred to as *Maskiner och anläggningar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Maskiner och andra tekniska anläggningar* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

6) Referred to as *Inventarier, verktyg och installationer* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019. In the Swedish language version of the Group's annual report for the financial year 2019, *Förbättringsutgifter på annans fastighet* is also included under this line.

7) Referred to as *Nyttjanderättstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

8) Referred to as *Pågående investeringar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Pågående nyanläggningar* in the Swedish language version of the Group's annual report for the financial year 2020.

9) Referred to as *Summa anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

10) Referred to as *Omsättningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

11) Referred to as *Varulager* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Råvaror och förnödenheter* in the Swedish language version of the Group's annual report for the financial year 2019. The amount of MSEK 8.4 for the financial year 2020, is a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2020: *Råvaror och förnödenheter* (MSEK 6.2) and *Varor under tillverkning* (MSEK 2.2). The combined value of MSEK 8.4 has not been audited.

12) Referred to as *Kundfordringar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

13) Referred to as *Övriga kortfristiga fordringar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amount MSEK 6.9 for the financial year of 2020 is a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2020: *Upparbetad ej fakturerad intäkt* (MSEK 0.7), *Övriga kortfristiga fordringar* (MSEK 4.8) and *Förutbetalda kostnader och upplupna intäkter* (MSEK 1.4). The amount MSEK 3.6 for the financial year 2019 is a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2019: *Övriga kortfristiga fordringar* (MSEK 2.7) and *Förutbetalda kostnader och upplupna intäkter* (MSEK 0.8). The combined value of MSEK 6.9 and MSEK 3.6, respectively, have not been audited.

14) Referred to as *Likvida medel* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

15) Referred to as *Summa omsättningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

16) Referred to as *Summa tillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

(The Group's balance sheet report in summary, contin.)

	2021-09-30	2020-09-30	2020-12-31	2019-12-31
Amounts in MSEK	Unaudited IAS 34	Unaudited IAS 34	Audited IFRS	Audited IFRS
Equity and liabilities ¹⁷⁾				
Share capital ¹⁸⁾	6.8	6.0	6.8	5.3
Other contributed capital ¹⁹⁾	389.1	266.9	388.5	188.9
Retained earnings including profit/loss for the period ²⁰⁾	-246.6	-220.6	-193.4	-149.1
Equity attributable to the parent company's shareholders ²¹⁾	149.3	52.3	201.9	45.1
Non-current liabilities ²²⁾				
Lease liabilities ²³⁾	12.9	14.5	14.0	0.1
Liabilities to credit institutions ^{24) 25)}	4.6	-	4.6	-
Total non-current liabilities ²⁶⁾	17.5	14.5	18.6	0.1
Current liabilities ²⁷⁾				
Liabilities to credit institutions ^{25) 28)}	0.5	5.9	1.2	1.1
Trade payables ²⁹⁾	19.8	9.0	9.6	6.5
Other current liabilities ³⁰⁾	5.1	1.2	3.0	0.7
Lease liabilities ³¹⁾	2.6	2.0	2.1	0.1
Accrued expenses and deferred income ³²⁾	10.9	4.7	6.4	4.4
Total current liabilities ³³⁾	39.0	22.7	22.4	12.9
Total equity and liabilities ³⁴⁾	205.8	89.5	242.9	58.0

17) Referred to as *Eget kapital och skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

18) Referred to as *Aktiekapital* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

19) Referred to as *Övrigt tillskjutet kapital* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

20) Referred to as *Balanserade vinstmedel inklusive periodens resultat* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Balanserade vinstmedel inklusive årets resultat* in the Swedish language version of the Group's annual report for the financial year 2020 and *Balanserat resultat* in the Swedish language version of the Group's annual report for the financial year 2019.

21) Referred to as *Eget kapital hänförligt till moderbolagets aktieägare* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

22) Referred to as *Långfristiga skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

23) Referred to as *Leasingskulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

24) Referred to as *Skulder till kreditinstitut* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2020.

25) Mutually referred to as *Upplåning* in the Swedish version of the Group's annual report for the financial year 2019.

26) Referred to as *Summa långfristiga skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including

comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

27) Referred to as *Kortfristiga skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

28) Referred to as *Skulder till kreditinstitut* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2020.

29) Referred to as *Leverantörsskulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

30) Referred to as *Övriga kortfristiga skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2019. The amount of MSEK 3.0 for the financial year 2020 is a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2020: *Övriga kortfristiga skulder* (MSEK 1.0) and *Fakturerad ej uppärbetad intäkt* (MSEK 2.0). The combined value of MSEK 3.0 has not been audited.

31) Referred to as *Leasingskulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

32) Referred to as *Upplupna kostnader och förutbetalda intäkter* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

33) Referred to as *Summa kortfristiga skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

34) Referred to as *Summa eget kapital och skulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

The Group's report on cashflow analyses in summary

	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2019 Jan-Dec
Amounts in MSEK	Unaudited IAS 34	Unaudited IAS 34	Audited IFRS	Audited IFRS
Operating activities ¹⁾				
Operating result ²⁾	-52.3	-30.7	-43.1	-47.4
Adjustments for non-cash items ³⁾	7.0	4.7	6.8	4.7
Net finance income ⁴⁾	-0.9	-0.8	-1.2	-1.0
Cash flows from operating activities before changes in working capital ⁵⁾	-46.2	-26.8	-37.4	-43.7
Increase (-) / decrease (+) in inventories ⁶⁾	-13.8	-3.2	-6.3	-0.9
Increase (-) / decrease (+) in operating receivables ⁷⁾	-11.5	1.5	-11.3	-1.5
Increase (+) / decrease (-) in operating liabilities ⁸⁾	16.9	3.2	7.4	5.1
Cash flows from operating activities ⁹⁾	-54.6	-25.2	-47.6	-41.0
Investing activities ¹⁰⁾				
Acquisition of property, plant and equipment ¹¹⁾	-37.4	-10.6	-22.0	-12.5
Acquisition of intangible assets ¹²⁾	-0.6	-	-	-
Disposals of property, plant and equipment ¹³⁾	-	-	0.1	-
Cash flows from investing activities ¹⁴⁾	-38.0	-10.6	-22.0	-12.5
Financing activities ¹⁵⁾				
New issue of shares ^{16) 17)}	-	-	175.0	83.4
New issue expenses ^{17) 18)}	-	-2.0	-14.6	-9.2
Premiums received and exercising of warrants ¹⁹⁾	0.6	40.7	40.7	0.2
Borrowings ²⁰⁾	-	5.0	5.0	6.8
Principal elements of lease payments ²¹⁾	-1.7	-	-	-
Repayment of borrowings ²²⁾	-0.8	-1.1	-1.5	-18.7
Cash flows from financing activities ²³⁾	-1.9	42.6	204.6	62.4
Cash flow for the period ²⁴⁾	-94.4	6.7	135.0	8.9
Cash and cash equivalents at the beginning of the period ²⁵⁾	151.9	16.9	16.9	8.0
Cash and cash equivalents at the end of the period ²⁶⁾	57.5	23.6	151.9	16.9

- 1) Referred to as *Den löpande verksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 2) Referred to as *Rörelseresultat* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2020. Referred to as *Rörelseresultat före finansiella poster* in the Swedish language version of the Group's annual report for the financial year 2019.
- 3) Referred to as *Justering för poster som inte ingår i kassaflödet* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial years 2020. Referred to as *Justering för poster som inte ingår i kassaflödet, mm* in the Swedish language version of the Group's annual report for the financial years 2019.
- 4) Referred to as *Finansnetto* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amounts MSEK -1.2 and MSEK -1 for the financial years 2020 and 2019, respectively, are a combination of the following items in the Swedish language version of the Group's annual reports for the financial year 2020 and 2019: *Erhållen ränta* (MSEK 0.0 / MSEK 0.0) and *Erlagd ränta* (MSEK -1.2 / MSEK -1.0). The combined figures of MSEK -1.2 and MSEK -1.0, respectively, have not been audited.
- 5) Referred to as *Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 6) Referred to as *Ökning (-) / Minskning (+) av varulager* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 7) Referred to as *Ökning (-) / Minskning (+) av rörelsefordringar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amounts MSEK -11.3 and MSEK -1.5, respectively, regarding the financial years 2020 and 2019, are a combination of the following items in the Swedish language version of the Group's annual report for the financial years 2020 and 2019: *Ökning/minskning kundfordringar* (MSEK -7.9 / MSEK -1.2) and *Ökning/minskning övriga kortfristiga fordringar* (-3.3 MSEK / MSEK -0.2). The combined value of MSEK -11.3 and MSEK -1.5, respectively, have not been audited.
- 8) Referred to as *Ökning (+) / Minskning (-) av rörelseskulder* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amounts MSEK 7.4 and MSEK 5.1, respectively, for the financial years 2020 and 2019, respectively, are a combination of the following items in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019: *Ökning/minskning leverantörsskulder* (MSEK 3.1 / MSEK 3.8) and *Ökning/minskning övriga rörelseskulder* (MSEK 4.3 / MSEK 1.3). The combined value of MSEK 7.4 and MSEK 5.1, respectively, have not been audited.
- 9) Referred to as *Kassaflöde från den löpande verksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 10) Referred to as *Investeringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 11) Referred to as *Förvärv av materiella anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Investeringar i materiella anläggningstillgångar* in the Group's Swedish language annual report for the financial years 2020 and 2019.
- 12) Referred to as *Förvärv av immateriella anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial year 2020. Referred to as *Investeringar i immateriella anläggningstillgångar* in the Group's Swedish language annual report for the financial year 2019.
- 13) Referred to as *Avyttring av materiella anläggningstillgångar* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language version of the Group's annual report for the financial years 2020.
- 14) Referred to as *Kassaflöde från investeringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 15) Referred to as *Finansieringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 16) Referred to as *Nyemission* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year.
- 17) In the Swedish language version of the Group's annual report for the financial year 2019, the items *Nyemission* and *Kostnader för nyemission* are mutually referred to as *Nyemission* (MSEK 74.2). The values in the table have been divided in accordance with the Swedish language version of the Group's annual report for the financial year 2020. The divided amounts of MSEK 83.4 and MSEK -9.2, respectively, have not been audited.
- 18) Referred to as *Kostnader för nyemission* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Emissionskostnader* in the Swedish language version of the Group's annual report for the financial year 2020.
- 19) Referred to as *Erhållna premier och utnyttjande av teckningsoptioner* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. The amount MSEK 40.7 for the financial year 2020 is a combination of the following items in the Swedish language version of the Group's annual report for the financial year 2020: *Nyttjande av teckningsoptioner* (MSEK 38.4) and *Erhållna optionspremier* (MSEK 2.3). The combined figure of MSEK 40.7 has not been audited. The value is found under line *Erhållna teckningsoptioner* in the Swedish language version of the Group's annual report for the financial year 2019.
- 20) Referred to as *Upptagna lån* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 21) Referred to as *Amortering leasingsskuld* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year.
- 22) Referred to as *Amortering skuld* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Amortering av lån* in the Swedish language version of the Group's annual report for the financial years 2020 and 2019.
- 23) Referred to as *Kassaflöde från finansieringsverksamheten* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year and the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 24) Referred to as *Periodens kassaflöde* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Årets kassaflöde* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 25) Referred to as *Likvida medel vid periodens början* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Likvida medel vid årets början* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.
- 26) Referred to as *Likvida medel vid periodens slut* in the Swedish language version of the Group's interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the same period in the previous year. Referred to as *Likvida medel vid årets slut* in the Swedish language versions of the Group's annual reports for the financial years 2020 and 2019.

CAPITALISATION, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION

The tables in this section describe the Company's capitalisation and indebtedness at Group level as of 30 September 2021. See the section "Shares, share capital and ownership structure" for further information on the Company's share capital and shares. The tables in this section should be read in conjunction with the section "Selected historical financial information" and the Company's financial information which can be found elsewhere in the prospectus.

Capitalisation

Set forth below is Cell Impact's capital structure based on equity and interest-bearing liabilities as of 30 September 2021.

Amounts in MSEK	Per 30 September 2021
Current debt	
Guaranteed	0.0
Secured ¹⁾	0.5
Unguaranteed/unsecured	0.0
Total current debt (Incl. current portion of non-current debt) ²⁾	0.5
Non-current debt	
Guaranteed	0.0
Secured ³⁾	4.6
Unguaranteed / unsecured	0.0
Total non-current debt (Excl. current portion of non-current debt) ⁴⁾	4.6
Shareholder equity	
Share capital	6.8
Other reserves	389.1
Translation reserve / accumulated profit or loss	-246.6
Total shareholder equity	149.3

1) Almi loan. As security for its obligations under the loan agreement, Cell Impact has pledged a corporate mortgage of MSEK 6 within MSEK 6 in the Company's property.

2) Referred to as *Skulder till kreditinstitut (kortfristiga)* in the Swedish language version of the Group's interim report for the period 1 January - 30 September 2021.

3) Almi loan. As security for its obligations under the loan agreement, Cell Impact has pledged a corporate mortgage of MSEK 6 within MSEK 6 in the Company's property.

4) Referred to as *Skulder till kreditinstitut (långfristiga)* in the Swedish language version of the Group's interim report for the period 1 January - 30 September 2021.

Financial indebtedness

Set forth below is Cell Impact's financial indebtedness as of 30 September 2021.

Amounts in MSEK	Per 30 September 2021
(A) Cash and bank ¹⁾	57.5
(B) Cash equivalents	0.0
(C) Other current financial assets	0.0
(D) Liquidity (A)+(B)+(C)	57.5
(E) Current financial debt (incl. debt instrument, but excl. the current portion of non-current financial debt)	0.0
(F) Current portion of non-current financial debt ²⁾	3.1
(G) Current financial indebtedness (E)+(F)	3.1
(H) Net current financial indebtedness (G)-(D)	-54.4
(I) Non-current financial debt (excl. current portion and debt instruments) ³⁾	17.5
(J) Debt instruments	0.0
(K) Non-current trade and other payables	0.0
(L) Non-current financial indebtedness (I)+(J)+(K)	17.5
(M) Total financial indebtedness (H)+(L)	-36.9

- 1) Referred to as *Likvida medel* in the Swedish language version of the Group's interim report for the period 1 January - 30 September 2021.
- 2) Almi loan incl. leasing liability, i.e. interest-based liabilities. The amount MSEK 3.1 is a combination of the following items in the Swedish language version of the Group's interim report for the period 1 January - 30 September 2021: *Skulder till kreditinstitut* (MSEK 0.5) and *Leasingskulder* (MSEK 2.6).
- 3) Corresponds to and is referred to as *Summa långfristiga skulder* in the Swedish language version of the Company's interim report for the period 1 January - 30 September 2021. The amount of MSEK 17.5 is a combination of the following items in the Swedish language version of the Group's interim report for the period 1 January - 30 September 2021: *Skulder till kreditinstitut* (MSEK 12.9) and *Leasingskulder* (MSEK 4.6).

Significant changes since 30 September 2021, bridge loan facility

On 29 November 2021, the board of directors of Cell Impact decided on the Rights Issue, based on an authorization from the general meeting. The Rights Issue is fully covered by subscription undertakings and guarantee commitments.

Cell Impact has obtained a bridge loan facility from Carnegie of a maximum of MSEK 50 to finance its operating activities until the Rights Issue has been completed. Cell Impact may utilize the loan completely or partially. The outstanding amount shall be repaid in connection with completion of the Rights Issue, however no later than 28 February 2022, and is subject to an annual interest of five percent. A commitment fee of 300 TSEK shall also be paid.

No other significant changes have occurred in Cell Impact's financial performance or financial position since 30 September 2021.

Ongoing and future investments

As of the date of the prospectus, the Company has since 30 December 2020 invested approximately MSEK 50 in machinery and equipment for the new production facility in Karlskoga, which has been financed through revenues and externally contributed capital. Otherwise, the Company has not entered into any commitments regarding material future financial investments in tangible or intangible fixed assets.

Trends

In addition to what is described above and in the sections "*Risk factors*" and "*Business overview*", there are, as of the date of the prospectus, no trends, uncertainties, demands, commitments or events known to the Company that are reasonably likely to have a material effect on the Company's prospects for the current financial year.

As regards the most significant recent trends in production, sales and inventory, and costs and selling prices since 31 December 2020, Cell Impact has experienced a steadily increasing demand for flow plates, which has resulted in increased production and sales. Demand has in the short term exceeded the Company's capacity to deliver in line with customer demand. Cell Impact has ensured the supply of the material used to produce its flow plates. The company's pricing of its products is long-term, with prices changing in relation to volume and technology development programs. In order to deliver in accordance with demand, the Company has in 2021 invested in new production equipment and recruited personnel, who will primarily work in production, which has increased the Company's expenses significantly. Investments and the recruitments that have been made entail that the Company is deemed to be able to produce flow plates based on customer demand.

BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITOR

Board of directors

According to the Company's articles of association, the board shall consist of a minimum of three and a maximum of ten board members. The board currently consists of the following five members who are elected for the period until the end of the annual general meeting 2022.



ROBERT SOBOCKI, BORN 1952

Chairman of the board since 2020.

Education

Master of science degree in engineering from Chalmers University of Technology, Gothenburg, specializing in production, organisation and industrial economy.

Other current assignments

Board member in Pampas Marina Aktiebolag, Pampas Fastighets AB and Pampas Marinentreprenad Holding AB. Board member in Pampas Marinentreprenad AT AB and Pampas Marinentreprenad AB. CEO and board member in Adiuvent AB. Deputy board member in Finnshyttan HydroPower AB. Senior Advisor in Scania do Brasil and Scania USA Inc.

Previous assignments (last five years)

CEO and board member in Scania Sverige Aktiebolag. Board member in Pampas Marina Västervik AB, Business Challenge AB and Aqua Floating Group AB. Senior Advisor in Scania Russia.

Shareholding in the Company

12,700 series B shares and 150,000 warrants.



THOMAS CARLSTRÖM, BORN 1951

Member of the board since 2017.

Education

Degree in mining and metallurgical engineering from the Royal Institute of Technology (KTH), Stockholm.

Other current assignments

Board member in BoMill AB and Rototest International AB.

Previous assignments (last five years)

Board member in Oatly AB, Cereal Base CEBA AB and SunCool AB.

Shareholding in the Company

110,000 series B shares B-aktier and 75,000 warrants.

**ANNA FRICK, BORN 1968**

Member of the board since 2020.

Education

Masters degree from the Stockholm School of Economics (HHS) with a specialization in marketing and financing.

Other current assignments

Board member in Fortnox Aktiebolag, Svea Ekonomi AB, Sensec Holding AB (publ), Lohilo Foods AB (publ), LeoVegas AB (publ), Transfer Group AB (publ), AFO AB, Med Help Care Aktiebolag (publ), War Child Sverige and Bostadsrättsföreningen Bryggerihuset 14.

Previous assignments (last five years)

Board member in Nordnet AB, Nordnet Bank AB, Bredband2 Allmänna IT AB and Odd Molly International AB. External CEO in Oakwood Creative AB. Board member in Frisq Holding AB (publ), Target Aid AB, Above Group AB and Above Agency AB. Vice CEO and deputy board member in Martin Frick AB. Vice CEO and board member in Garbergs Reklambyrå AB. Deputy board member in Vendo Ekonomi AB.

Shareholding in the Company

75,000 warrants.

**MIKAEL EURENIUS, BORN 1968**

Member of the board since 2021.

Education

Master of laws, Stockholm University.

Other current assignments

Corporate lawyer in the Scania group.

Previous assignments (last five years)

-

Shareholding in the Company

-



MATTIAS SILFVERSPARRE, BORN 1972

Member of the Board since 2021.

Education

Master of science degree in engineering from Chalmers University of Technology, Gothenburg, specializing in industrial economy as well as master of science degree in business and economics and master of laws from School of Business, Economics and Law at Gothenburg University.

Other current assignments

Chairman of the board in More PR Norden AB, Start Communication i Göteborg AB, Vekst AB, Maces Sweden AB, Silfversparre Consulting AB, Based On People AB. Board member in SMP Parts Aktiebolag, AgLine AB, Understandit AB, SMPP Holding AB, Atomize AB and Atomize Intressenter AB.

Previous assignments (last five years)

Chairman of the board in FDJH Sweden AB. Board member in JOBRO SHEET METAL TECHNOLOGY AB, Osstell AB, Randek Robotics AB, Hasse Hantverkarinvest AB, Svensk Automationskoncern AB, Lamera AB, Applied Nano Surfaces Sweden AB, Powercell Sweden AB (publ) and OSTAB Intressenter AB. Deputy board member in Arccore AB, Hand Over Your Multimedia AB and MaxTruck AB.

Shareholding in the Company

-

Executive Management



PÄR TEIKE, BORN 1962

CEO (Chief Executive Officer) / Managing Director since 2017. Employed in Cell Impact since 2017.

Education

Bachelor degree in economics, Karlstad University and various courses at Gustavus Adolphus College, MN, USA and Kansai University of Foreign Studies, Japan.

Other current assignments

Board member in Finshyttan HydroPower AB.

Previous assignments (last five years):

CEO in Elos Medtech Kina.

Shareholding in the Company

122,078 series B shares and 325,000 warrants.



STEFAN AXELLIE, BORN 1964

CFO (Chief Financial Officer) since 2020. Employed in Cell Impact since 2020.

Education

Bachelor degree in economy and administration from Örebro University. Certified controller from IHM Gothenburg and lean manager from Royal Institute of Technology (KTH), Södertälje.

Other current assignments:

Deputy board member in Axellie Holding AB.

Previous assignments (last five years)

CFO and vice CEO in Würth Svenska Aktiebolag.

Shareholding in the Company

2,000 series B shares and 50,000 warrants.



TORD LÄTT, BORN 1966

CPO (Chief Project Officer) since 2020. Employed in Cell Impact since 2019.

Education

Master of science degree in engineering from Chalmers University of Technology, Gothenburg, specializing in mechanical engineering, production and organisation. Executive MBA, Mgruppen.

Other current assignments

Board member in El Supply i Ed Aktiebolag and TL Management AB.

Previous assignments (last five years)

Board member in Dynamic Components i ED AB.

Shareholding in the Company

15,000 series B shares and 20,000 warrants.



ANDERS ÖBERG, BORN 1965

CTO (Chief Technology Officer) since 2018. Employed in Cell Impact since 2018.

Education

Design and production engineer.

Other current assignments

-

Previous assignments (last five years)

CTO (Chief Technology Officer) in Bharat Forge Kilsta AB.

Shareholding in the Company

50,000 warrants.

**DANIEL VALLIN, BORN 1977**

COO (Chief Operations Officer) since 2021. Employed in Cell Impact since 2021.

Education

Master of science degree in engineering, Luleå University of Technology

Other current assignments

-

Previous assignments (last five years)

-

Shareholding in the Company

-

**SUSANNA SUNDSTRÖM, BORN 1976**

Quality Manager since 2020. Employed in Cell Impact since 2020.

Education

Bachelor of science degree in engineering, Blekinge Institute of Technology, specializing in mechanical engineering, and quality management, Institute of Technology, Sligo, Ireland.

Other current assignments

-

Previous assignments (last five years)

HSQE-Manager in Exact MCG Group AB and HSQE-Manager and Sustainability Manager i Saint Gobain Sweden AB.

Shareholding in the Company

150 warrants.

**KARINA SICK LARSSON, BORN 1972**

CHRO (Chief Human Resources Officer) since 2021. Employed in Cell Impact since 2021.

Education

Human resources & organizational development, Karlstad University. Conflict management, Gothenburg University.

Other current assignments

-

Previous assignments (last five years)

Human resources & communication manager in CAB Group AB.

Shareholding in the Company

320 series B shares.

Other information regarding the board of directors and executive management

All board members and the executive management can be reached through the Company's address, Källmossvägen 7A, 691 52 Karlskoga, Sweden.

There are no family relationships between the board members and/or the executive management. No board member or member of the executive management has been convicted for any fraudulent offences in the past five years. None of them has, in addition to what is stated below, been involved in any bankruptcy, liquidations or receiverships, as a member of an administrative, management or supervisory body or company management for at least the past five years. Nor has any statutory or regulatory authorities (including designated professional bodies) issued any official public incriminations and/or sanctions against such a person in the last five years. During the past five years, no board member or member of the executive management has been disqualified by a court from acting as a member of a company's administrative, management or supervisory body or from acting in the management or conduct of the affairs of an issuer.

Anna Frick has been a deputy board member and deputy CEO of Martin Frick AB until 13 October 2015 when the company decided on voluntary liquidation. Later, on 11 Maj 2016, the company went into bankruptcy. Mattias Silfversparre has been a deputy board member of MaxTruck AB, that went into bankruptcy on 27 August 2018. Otherwise, no board member or member of the executive management has been involved in bankruptcy or compulsory liquidation in the past five years.

No board member or member of the executive management has any private interests or other duties that may conflict with the duties they perform for Cell Impact. There are no arrangements or understandings between the Company and major shareholders, customers, suppliers or others, pursuant to which a board member has been elected to the board of directors or a member of the executive management has been appointed to the executive management. To the extent that board members or members of the executive management hold warrants in the Company as described above, these have been acquired within the framework of the Company's incentive programs. These warrants may not be transferred unless a pre-emptive offer is first submitted to the subsidiary Finshyttan Hydropower AB, whereby Finshyttan Hydropower AB has the right to acquire the warrants at a predetermined price. Otherwise, no board member or member of the executive management has accepted restrictions on their ability to dispose of their holdings of securities in Cell Impact for a certain period of time.

Auditor

PricewaterhouseCoopers AB (113 97 Stockholm, Sweden) has been the Company's auditor throughout the period covered by the historical financial information in this prospectus and was re-elected at the 2021 annual general meeting for the period up to and including the 2022 annual general meeting. The auditor in charge is currently Gert-Ove Levinsson. Gert-Ove Levinsson is an authorised accountant and a member of FAR, the institute for the accountancy profession in Sweden. Gert Ove Levinsson has been the Company's auditor in charge since 2016.

SHARES, SHARE CAPITAL AND OWNERSHIP STRUCTURE

Share information

According to Cell Impact's articles of association, the share capital shall amount to a minimum of SEK 4,440,000 and a maximum of SEK 17,760,000, divided into no less than 37,000,000 shares and no more than 148,000,000 shares. The shares can be partly series A shares and partly series B shares. A maximum of 4,440,000 series A shares and a maximum of 143,560,000 series B shares may be issued. As of the date of this prospectus, the Company's registered share capital amounts to SEK 6,811,362.198789 divided into 217,800 series A shares and 58,624,534 series B shares, each with a quota value of approximately SEK 0.12.

The shares in Cell Impact are issued in accordance with Swedish law, fully paid and denominated in SEK. Each share gives an equal right to the Company's assets and profits. The shares are not subject to restrictions on transferability. The rights associated with shares issued by the Company, including those specified in the articles of association, can only be changed pursuant to the procedures set out in the Swedish Companies Act (Sw. aktiebolagslagen (2005:551)).

The Rights Issue

The Rights Issue will, upon full subscription, result in the share capital amounting to approximately SEK 8,757,465.5 and the number of shares of Cell Impact increasing from 58,842,334 shares to 75,654,428 shares, of which 217,800 series A shares and 75,436,628 series B shares, which corresponds to an increase of approximately 28.6 percent. The quota value of the shares will remain unchanged at approximately SEK 0.12 per share.

Dilution

For shareholders who refrain from subscribing for shares in the Rights Issue, a dilution effect arises of a maximum of 16,812,094 new series B shares, corresponding to approximately 22.2 percent of the total number of shares in Cell Impact after the Rights Issue and approximately 21.7 percent of the total number of votes in Cell Impact after the Rights Issue.

Net asset value per share

The table below shows the net asset value per share before and after the Rights Issue, respectively, based on the Group's equity as of 30 September 2021 as well as the maximum number of series B shares that Cell Impact may issue in the Rights Issue. The amounts are rounded.

	Before the Rights Issue (as of 30 September 2021)	After the Rights Issue
Total equity attributable to the parent company's shareholders, MSEK	149.3	453.3 ^{*)}
Number of shares	58,842,334	75,654,428
Net asset value per share, SEK	2.54	5.99

^{*)} Refers to Cell Impact's equity as of 30 September 2021 increased by the proceeds from the Rights Issue (MSEK 349) after deduction of issue costs (MSEK 45).

The price per share in the Rights Issue is SEK 20.75.

Information about public takeover bids, etc.

The shares in Cell Impact are not subject to any public takeover bid. No public takeover bids have been made in respect of the shares in Cell Impact during the current financial or previous financial year.

According to the Takeover rules for certain trading platforms issued by the Swedish Corporate Governance Board, a company may, only after a decision by the general meeting, take measures that are detrimental to the conditions for the submission or implementation of an offer, if the board of directors or the managing director has good reason to assume that the offer is imminent or if an offer has been submitted.

Certain rights attached to the shares

Notice of a general meeting shall be given by advertising in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and on the Company's website. Simultaneously, an announcement with information that the notice has been issued shall be published in Dagens Nyheter. To be entitled to participate in a general meeting, the shareholder must be registered in Cell Impact's share register six banking days prior to the meeting, and notify the Company of the participation not later than on the day specified in the notice of the meeting.

Voting rights

Each series A share entitles to one (1) vote and each series B share entitles to one tenth (1/10) of a vote. Each shareholder has the right to vote for all shares held by the shareholder in the Company.

Preferential rights to new shares, etc.

Should the Company decide to issue series A shares and series B shares through a cash issue or a set-off issue, owners of series A shares and series B shares shall have preferential rights to subscribe for new shares of the same series in proportion to the shareholder's existing shareholdings (primary preferential rights). Shares that are not subscribed for with primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If offered shares are not sufficient for subscription through subsidiary preferential rights, the shares shall be allocated among the subscribers in proportion to the number of shares they previously own and, to the extent that this cannot be done, by drawing lots. Should the Company decide to issue only series A shares or series B shares through a cash issue or a set-off issue, all shareholders, regardless of whether their shares are series A shares or series B shares, shall have preferential rights to subscribe for new shares in proportion to their existing shareholdings.

Should the Company decide to issue warrants or convertibles through a cash issue or a set-off issue, shareholders shall have preferential rights to subscribe for warrants as if the issue regarded shares that may be subscribed for by exercising the warrants, or preferential rights to subscribe for convertibles as if the issue regarded shares that the convertibles can be exchanged for.

The above shall not constitute any restrictions on the possibility to decide on a cash issue or a set-off issue, with deviation from the shareholders' preferential rights.

If the share capital is increased through a bonus issue, new shares in each series shall be issued in proportion to the existing number of shares in each series. Old shares of a specific series entitle to new shares in the same series. The aforesaid shall not constitute any restrictions on the possibility to issue shares of a new series through a bonus issue, following the requisite amendment to the articles of association.

Conversion clause

Series A shares shall, at the request of its owner, be converted into series B shares. Requests for conversion, which must be in writing and state the number of shares to be converted, must be made to the Company. The Company shall without delay notify the conversion to the Swedish Companies Registration Office for registration. The conversion is completed when registration takes place and is entered in the central depository system register.

Right to dividends and surplus in the event of liquidation

All shares in the Company give equal rights to dividends and to the Company's assets and any surplus in the event of liquidation. Decisions on dividends are made by the general meeting in accordance with the Swedish Companies Act's (*Sw. aktiebolagslagen (2005:551)*) rules on dividends and the payment is administered by Euroclear Sweden. Dividends can be paid as a cash amount per share, but can also be in a form other than cash (dividend in kind).

All shareholders who are registered in the share register kept by Euroclear Sweden on the record date decided by the general meeting are entitled to dividend. If a shareholder cannot be reached through Euroclear Sweden, such shareholder still retains its claim to the dividend amount. Such a claim is subject to a statutory limitation of 10 years. Should the claim become barred by the statute of limitations, the dividend amount is forfeited to Cell Impact. Neither the Swedish Companies Act (*Sw. aktiebolagslagen (2005:551)*) nor the Company's articles of association contain any restrictions regarding dividend rights of shareholders resident outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdictions, payments to such shareholders are made in the same manner as for shareholders resident in Sweden.

The tax legislation in Sweden and in the investor's home country may affect the income received from any dividend. Please see section "Terms and conditions" under the heading "Important information about taxation".

Dividend policy and dividend history

There are no guarantees that any dividend will be proposed or decided in the Company for a certain year. Cell Impact has not paid any dividends so far. The board of directors of Cell Impact does not intend to propose that dividends be paid within the next few years. Any profits are intended to be reinvested in the business and used for continued expansion. The intention is for the board of directors to annually review the established dividend policy.

Ownership structure

The table below shows the shareholders who had a direct or indirect shareholding that represents five percent or more of the total number of shares and votes in Cell Impact as of 30 September 2021 and subsequent known changes.

Holder/nominee/custodian bank	Series A shares	Series B shares	Shares %	Votes %
Försäkringsbolaget, Avanza Pension	-	3,577,720	6.08	5.88
BNY Mellon SA/NV	-	3,474,217	5.90	5.71
Östersjöstiftelsen*	-	2,995,461	5.09	4.93

* The proportion of votes is less than five percent

Source: Euroclear Sweden

The Company's major shareholders only own series B shares, all of which have the same voting value.

Since Cell Impact's series B shares are admitted to trading on Nasdaq First North Growth Market, the Company's major shareholders are not obliged to inform – so called flagging – about changes in their holdings in the Company in accordance with the Financial Instruments Trading Act (1991:980) (*Sw. lagen (1991:980) om handel med finansiella instrument*).

Authorizations

The extraordinary general meeting held on 16 November 2021 authorized the board of directors to, until the next annual general meeting and within the limits of the articles of association and on one or more occasions and with preferential rights for the shareholders, resolve upon issues of shares, warrants, and/or convertibles. Issues may be made against cash payment, issue in kind and/or set-off, or otherwise be combined with conditions. Issues may in total not entail an increase of the company's share capital by more than 50 percent, calculated on the size of the share capital the first time the authorization is used. The board of directors has, on a board meeting held on 29 November 2021, decided to carry out the Rights Issue based on this authorization.

Share-based incentive programs

Program 2019/2022 for executive management and other coworkers

The incentive program was approved by the annual general meeting on 11 April 2019. The program is addressed to the executive management and other coworkers in the Company and covered 800,000 warrants, of which 658,000 warrants have been acquired. Each warrant entitles the holder to subscribe for one new series B share in the Company during the period 20 June 2022-18 July 2022 at a subscription price of SEK 14.46.

Program 2020/2023 for executive management and other coworkers

The incentive program was approved by the annual general meeting on 16 April 2020. The program is addressed to the executive management and other coworkers in the Company and covered 450,000 warrants, of which 223,200 warrants have been acquired. Each warrant entitles the holder to subscribe for one new series B share in the Company during the period 1 June 2023 - 30 June 2023 at a subscription price of SEK 37.19.

Program 2020/2024 for board members

The incentive program was approved by the annual general meeting on 16 April 2020. The program is addressed to the board members of the Company and covered 450,000 warrants, of which 375,000 warrants have been acquired. Each warrant entitles the holder to subscribe for one new series B share in the Company during the period 1 June 2024-30 June 2024 at a subscription price of SEK 37.19.

Program 2021/2024 for executive management and other coworkers

The incentive program was approved by the annual general meeting on 22 April 2021. The program is addressed to the executive management and other coworkers in the Company and covered 530,000 warrants, of which 72,550 warrants have been acquired. Each warrant entitles the holder to subscribe for one new series B share in the Company during the period 3 June 2024-2 July 2024 at a subscription price of SEK 87.20.

Central securities depository

Cell Impact's shares are book-entry registered in a securities register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (*Sw. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). The register is operated by Euroclear Sweden. No share certificates have been issued for the Company's shares or will be issued for the new series B shares. The ISIN code for the series B shares of Cell Impact is SE0005003217.

Shareholders' agreements, etc.

To the knowledge of the board of directors, there are no shareholders' agreement or other agreements between shareholders in Cell Impact intended to exercise joint control of the Company. Nor is the board of directors aware of any agreements which may result in a change in control of the Company.

LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

General company and group information

The Company was incorporated on 9 September 1999 and registered with the Swedish Companies Registration Office on 1 October 1999. The legal name of the Company (and its commercial name) is Cell Impact AB (publ). Cell Impact's registration number is 556576-6655 and the board of directors is based in Karlskoga. The Company is a Swedish public limited company regulated by the Swedish Companies Act (2005: 551). Cell Impact's LEI code is 549300PS6XPVP3MP2W76. The Group consists of the parent company Cell Impact AB (publ) and the Swedish subsidiary Finshyttan HydroPower AB with registration number 556703-5752 and the Japanese subsidiary Cell Impact Japan Inc. with registration number 01014-01-158383. No business is conducted by Finshyttan HydroPower AB. All operating activities are conducted by the Company and by the subsidiary Cell Impact Japan Inc., which operates in Japan.

The Company's main operations are conducted at Källmossvägen 7A, 691 52 Karlskoga, telephone: +46 (0)586-574 50. The web address to Cell Impact's website is www.cellimpact.com. Information on the website does not form part of this prospectus, unless the information is incorporated by reference into the prospectus.

The Company's series B shares are since 20 February 2013 listed on Nasdaq First North Growth Market. The series B share is traded under ticket CI B and has ISIN-code SE0005003217. The Company's series A shares are not listed. The company's share register is maintained by Euroclear Sweden.

Material contracts

Below is a summary of material contracts entered into by Cell Impact during the past two years as well as other contracts entered into by Cell Impact, which contains any obligation or entitlement that is material to Cell Impact (in both cases excluding agreements entered into in the ordinary course of business).

CONTRACT REGARDING BRIDGE LOAN FACILITY

See section "*Capitalisation, indebtedness and other financial information*" under the heading "*Significant changes since 30 September 2021, bridge loan facility*".

Subscription undertakings and guarantee commitments

The Company has received subscription commitments of approximately MSEK 17.8, corresponding to approximately five percent of the Rights Issue. In addition, the Company has entered into agreements on guarantee commitments of approximately MSEK 331.1, corresponding to approximately 95 percent of the Rights Issue. In total, the Rights Issue is covered by subscription undertakings and guarantee commitments amounting to a total of approximately MSEK 349, corresponding to approximately 100 percent of the issue amount. In the event the Rights Issue is subscribed for at 100 percent or more, the guarantee commitments will not be claimed. Guarantee compensation is paid at five percent of the guaranteed amount in the form of cash compensation. The figures in the tables below are rounded.

Subscription undertakings

Name	Amount, MSEK	Share of the Rights Issue, %
Östersjöstiftelsen	17.8	5
Total	17.8	5

Guarantee commitments

Name	Address	Amount, MSEK	Share of the Rights Issue, %
Ilija Batlan Invest AB	c/o Newsec Property Asset Management AB, Box 114 05, 404 29 Göteborg, Sweden	99.7	29
Modelio Equity AB	Ingmar Bergmans Gata 2, 114 34 Stockholm, Sweden	79.7	23
Anavio Equity Capital Markets Master Fund Limited	11a Regent Street, London, SW1Y 4LR, UK	29.9	9
Maven Investment Partners Ltd - Hong Kong Branch	20/F, Tai Tung Building, No.8 Fleming Road, Wan Chai, Hong Kong	29.9	9
Atlant Fonder AB	Skomakaregatan 13, 223 50 Lund, Sweden	24.9	7
Fredrik Lundgren	Can be reached via the Company's address Källmossvägen 7 A, 691 52 Karlskoga, Sweden	19.9	6
Arnholmen Förvaltning AB	Nybrokajen 7 (6tr), 111 48 Stockholm, Sweden	15.9	5
Wilhelm Risberg	Can be reached via the Company's address Källmossvägen 7 A, 691 52 Karlskoga, Sweden	15.9	5
Jakob Ryer	Can be reached via the Company's address Källmossvägen 7 A, 691 52 Karlskoga, Sweden	15.1	4
Totalt		331.1	95

The above mentioned guarantee commitments were entered into on 27 October 2021, except for the guarantee commitment with Maven Investment Partners Ltd - Hong Kong Branch which was entered into on 28 October 2021. Neither the guarantee commitments nor the subscription undertakings are secured by bank guarantee, blocked funds, pledge of collateral or similar arrangements, so there is a risk that the commitments, in whole or in part, will not be fulfilled. For more information, see section "Risk factors" under the heading "Subscription undertakings and guarantee commitments are not secured".

The guarantors, except for Anavio Equity Capital Markets Master Fund Limited and Modelio Equity AB, have unconditionally committed to the Company, Carnegie and Bryan, Garnier & Co not to sell, assign, transfer or lend, grant any proxy rights over or otherwise deprive themselves of the voting or other rights attached to the subscribed series B shares, during the period from the date of allotment of the series B shares in the Rights Issue up until two weeks after the date of announcement of the outcome of the Rights Issue. In addition to the above, as far as the board of directors of Cell Impact is aware, there are no agreements whereby a shareholder has undertaken not to sell his securities in Cell Impact for a certain period.

Legal and arbitration proceedings

It cannot be ruled out that Cell Impact may be involved in any legal dispute or arbitration that may have significant effects on the Company's profit/loss or financial position.

Nasdaq made a claim to the disciplinary committee at Nasdaq Stockholm (the "**Disciplinary Committee**") that the Company had violated section 4.1 of the regulations of Nasdaq First North Growth Market in force at the time (the "**Regulations**") since the Company in a press release had not named a customer who had placed an order. In a decision on 1 June 2020, the Disciplinary Committee found in its review that the information in the press release had been published in accordance with the Regulations and that the Company had not violated its obligation to comply with the Regulations. The Swedish Financial Supervisory Authority has subsequently initiated an investigation as to whether the Company has complied with its obligations under the EU Market Abuse Regulation (596/2014) ("**MAR**"). The Swedish Financial Supervisory Authority considers in its primary assessment that there is reason to question whether the Company has fulfilled its obligations under MAR, but as of the date of the prospectus, the Swedish Financial Supervisory Authority has not made any decision in the matter.

Cell Impact has, however not been a party in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Cell Impact is aware and including the above-mentioned matter that shall be investigated by the Swedish Financial Supervisory Authority), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on Cell Impact's financial position or profitability.

Related party transactions

No related party transactions which are, as a single transaction or in their entirety, material to Cell Impact, have occurred after 31 December 2020.

A summary of information disclosed under MAR

Below is a summary of the information Cell Impact has disclosed in accordance with MAR over the last 12 months which is relevant as at the date of the prospectus.

FINANCIAL REPORTS

- On 19 February 2021 Cell Impact published its year-end report for the financial year 2020.
- On 7 May 2021 Cell Impact published its interim report for the first quarter of 2021.
- On 25 August 2021 Cell Impact published its interim report for the second quarter of 2021.
- On 22 October 2021 Cell Impact published its interim report for the third quarter of 2021.

OBTAINED ORDERS

- On 12 March 2021 Cell Impact announced that the Company had received an order worth MSEK 42 from Plug Power Inc for a Cell Impact Forming™ production line and flow plates for delivery during 2021.
- On 15 March 2021 Cell Impact announced that the Company had received an order worth MSEK 1.3 for serial production of bipolar flow plates from Nowogen Technology.

NEW STRATEGY IN JAPAN

On 3 December 2020 Cell Impact announced that Cell Impact and Japanese Nakanishi Metal Works Co. Ltd, following a year-long feasibility study regarding international business development collaboration, jointly concluded not to deepen the cooperation. Cell Impact further announced its new strategy in Japan including starting a subsidiary in Japan to manage ongoing projects and local sales and appointing Shigeru Nakagawa as managing director of the Japanese subsidiary.

THE RIGHTS ISSUE

- On 28 October 2021 Cell Impact announced that the board of directors intended to resolve on the Rights Issue and that it was fully guaranteed.
- On 29 November 2021 Cell Impact announced that the board of directors had resolved on the Rights Issue.

Advisors, etc.

Cell Impact's financial advisors in relation to the Rights Issue are Carnegie and Bryan, Garnier & Co. The financial advisors have provided, and may in the future provide, various banking, financial, investment, commercial and other services to Cell Impact, for which they have received, and may receive, compensation. Carnegie is also lender of a bridge loan facility of a maximum of MSEK 50. The intention is that Cell Impact shall repay the utilized bridge loan in connection with the execution of the Rights Issue.

Advokatfirman Wåhlin AB is Cell Impact's legal advisor in relation to the Rights Issue.

Competent authority approval

The Swedish version of this prospectus has been approved by the Swedish Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129 (the Prospectus Regulation). The Swedish Financial Supervisory Authority only approves the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

Historical financial information incorporated by reference

Cell Impact's financial statements for the financial years 2020 and 2019 and for the current financial year 2021 are incorporated by reference and consequently form part of this prospectus and are to be read as a part hereof. The said financial statements are included in Cell Impact's annual report for the financial years 2020 and the interim report for the period 1 January 2021-30 September 2021. Please note that the English language versions of the financial reports (including the auditor's reports and the auditor's review report) which are incorporated by reference are unofficial translations. Reference to incorporated documents takes place as follows.

Annual report 2020 ¹⁾

The reference refers only to the consolidated income statement (p. 25), the consolidated statement of comprehensive income (p. 25), the consolidated balance sheet (consolidated statement of financial position) (p. 26), the consolidated statement of changes in equity (p. 27), the consolidated cash flow statement (p. 28), the consolidated notes (pp. 33-52) and auditor's report (pp. 54-55).

Annual report 2019 ²⁾

The reference refers only to the consolidated income statement (consolidated income statement and statement of comprehensive income) (p. 29), the consolidated balance sheet (consolidated statement of financial position) (p. 30), the consolidated statement on changes in equity - attributable to parent company's shareholders (p. 31) the consolidated cash flow statement (p. 32), notes (pp. 36-48) and auditor's report (pp. 50-51).

Interim report for the period 1 January 2021 - 30 September 2021, including comparative figures for the corresponding period 2020 ³⁾

The reference refers only to the consolidated income statement in summary (p. 8), the consolidated statement of comprehensive income in summary (p. 8), the consolidated balance sheet in summary (p. 9), the consolidated statements of changes in equity in summary (p. 10), the statement of cash flows in summary (p. 11), notes (p. 14) and the auditor's review report (p. 15).

The parts of the above documents that are not incorporated by reference are either not relevant to investors or are covered by other parts of the prospectus.

Documents available for inspection

Copies of the Company's articles of association and registration certificate are available for inspection at Cell Impact's office at Källmossvägen 7A, 691 52 Karlskoga, on weekdays during normal office hours. The documents are also available in electronic form on Cell Impact's website www.cellimpact.com.

1) https://www.bequoted.com/bolag/cell-impact/pressmeddelande/?file=annual-report-2020-84435/Cell_Impact_2020AR_EN_F.pdf

2) [https://assets.website-files.com/612f8bf7bdb6467b0d7f9e5f/61ad177bf2766663120ea9a0_2019_Cell%20Impact_AnnualReport_EN_\(Excerpt\)_F.pdf](https://assets.website-files.com/612f8bf7bdb6467b0d7f9e5f/61ad177bf2766663120ea9a0_2019_Cell%20Impact_AnnualReport_EN_(Excerpt)_F.pdf)

3) https://www.bequoted.com/bolag/cell-impact/pressmeddelande/?file=cell-impact-2021-q3-en-90272/Cell_Impact_2021Q3_EN_F.pdf

ADDRESSES

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