



Interim report 2019

Second Quarter, April-June 2019 (last year's figures within brackets)

- Net sales amounted to 15,552 (13,506) Thousand SEK
- Operating income, before items affecting comparability, amounted to -16,713 (-19,837) Thousand SEK
- Income after tax amounted to 508,942 (-20,030) Thousand SEK
- Operating cash flow amounted to 424,867 (-25,260) Thousand SEK
- Base earnings per share amounted to 9.8 (-0.4) SEK

Accumulated, January-June 2019 (last year's figures within brackets)

- Net sales amounted to 24,778 (21,320) Thousand SEK
- Operating income, before items affecting comparability, amounted to -34,517 (-38,924) Thousand SEK
- Income after tax amounted to 488,704 (-39,304) Thousand SEK
- Operating cash flow amounted to 414,909 (-35,183) Thousand SEK
- Diluted earnings per share amounted to 9.4 (-0.8) SEK

FINANCIAL HIGHLIGHTS

Thousand SEK	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Net sales	15,552	13,506	24,778	21,320
Operating income before items affecting comparability	-16,713	-19,837	-34,517	-38,924
Operating income	513,828	-19,837	493,916	-38,924
Income after tax	508,942	-20,030	488,704	-38,924
Basic and diluted earnings per share, SEK	9,8	-0,4	9,4	-0,8
Net debt/equity ratio, %	82.5%	59.2%	82.5%	59.2%
Operating cash flow	424,867	-25,260	414,909	-35,183

Definitions, please see page 20.

Important events in April-June 2019

- Signed a licensing agreement regarding PowerCell S3 for the automotive segment initially worth MEUR 50, as well as a joint development agreement regarding PowerCell S3, with the German automotive supplier Robert Bosch GmbH
- Announced that the company had been informed that Nikola Motor does not intend to source fuel cell stacks from PowerCell once they start serial production, following PowerCell's rejection of what PowerCell viewed as unacceptable business terms for a continued cooperation
- Announced that the company will open a sales office in China
- Among important orders received by the company during the quarter was a follow-on order for S2 stacks from a Chinese vehicle integrator worth 3.8 MSEK, an order for stack tests from a leading German car manufacturer worth 2 MSEK and the delivery of an additional 10 PowerCell S2 fuel cell stacks to Wuhan Tiger

Important events after period-end of first quarter

- Wuhan Tiger to take delivery of an additional 4 PowerCell S2 fuel cell stacks

Bosch agreement decisive for our result and future

It's obviously impossible to summarize PowerCell's second quarter 2019 without starting with a few words about our agreement with Bosch. This agreement is not only the reason for why we can report our first profitable quarter, it has also provided us with a very strong balance sheet and a truly exciting future with lots of interesting business opportunities. PowerCells' management is therefore reviewing our strategic priorities in order to make the most out of the many opportunities presented.



Our joint development and licensing agreement with Bosch regarding PowerCell S3 for the automotive segment, resulted in an initial payment of a total of 50 MEUR (approx. 530 MSEK) for the license and a royalty fee for every product sold once Bosch starts production. The agreement was reached on April 29 and in May we received 85 percent of the initial payment while the remaining 15 percent was withheld in accordance with the German tax legislation and will be paid out to PowerCell during the second half of 2019.

Total sales during the period amounted to 15,552 TSEK (13,506 TSEK), up 15 percent compared to the same period last year. Operating income before items affecting comparability of 1,994 TSEK, related to the project to change the listing of the company, and for payment and one-time currency effects associated with the Bosch agreement totaling 532,535 Thousand SEK, amounted to -16,713 TSEK (-19,837 TSEK). The underlying improvement is an effect of higher gross margin driven by increased sales and a favorable product mix.

The project to the change listing from First North to the main market at Nasdaq Stockholm is ongoing and we have executed some activities, such as the implementation of the accounting standard IFRS and other needed changes. The preparations to make the company ready for a change of listing will continue but following the agreement with Bosch, and the on-going review of our strategic priorities, we have decided not to make the change of listing this year.

During a transitional period until Bosch is fully up to speed with sales of PowerCell S3 the agreement with Bosch will result in an increased work load and decreasing sales of S3 within the automotive segment. How big the decrease will be during this period is currently hard to say as we do not know how long it will take for Bosch to get started with their own production and what amount of S3 fuel cell stacks they will source from PowerCell during this period. It is, however, important to remember that in the meantime we will continue to sell PowerCell S2 to the automotive segment and that we continue to see great opportunities for it, not the least in China. In addition to that our work continue within the German project Autostack Industrie, where PowerCell has the responsibility to develop a fully commercial fuel cell stack for the German automotive industry jointly with BMW, Daimler, Ford and Volkswagen.

That Bosch has great ambitions, and sees great opportunities, within the automotive segment when it comes to electrification and fuel cells is however obvious. In addition to what Bosch

communicated when our agreement was reached, Bosch has during the summer also announced that it will showcase the fuel cell technology at the upcoming international automotive fair IAA in Frankfurt in September. Given this, we have all reasons to believe that over time both our joint development of the PowerCell S3, and Bosch's own efforts to sell the stack, will generate very positive effects for PowerCell. Not only will we get access to technological improvements made to the stack and a royalty fee on Bosch's sales of it, we also expect significantly lower cost levels once the stack and its production is fully industrialized. This will benefit us within our other prioritized segments for the S3, like the marine and the stationary segments.

These other segments will be just as important. The acute climate crisis is driving a transition to a more sustainable use of energy within more and more sectors. Yet another summer with record-high temperatures underscores how urgent this transition is – according to the EU climate organ Copernicus, this July was the hottest month on record with an average of almost 1.2 degrees higher than the average temperature in the pre-industrial era.

The negative environmental impact of the marine segment has so far not been discussed nearly as much as the once stemming from the automotive segment, but a change seems to be under way. During the spring the Swedish Television highlighted the marine segments' big impact on the environment in a series of programs. Among the things revealed was the fact that the total emissions of carbon dioxide resulting from domestic sea transports in Sweden, is greater than those coming from all domestic Swedish flights. The International Maritime Organization, IMO, has set the goal to reduce the emissions from sea transports by 50 percent until 2050. How to achieve this is subject to a lively discussion but it is highly unlikely that the target will be met without the introduction of new technologies and new fuels.

It is our firm belief that an increased electrification using hydrogen and fuel cells will play a crucial role in this transition, a belief we share with the German company Siemens. A year ago we signed a memorandum of understanding regarding a joint development of fuel cell-based drive and power generating systems for marine applications with them. We currently hold discussions on how to best develop our cooperation to increase our joint commercial opportunities and to get as big an impact of our technology as possible.

The marine segment is however merely one of several segments where the search for new technologies to tackle the environmental challenges is on. Another such segment is the stationary where we expect large future volumes. The reason is the on-going transition to a more sustainable energy production where nuclear and fossil power is being phased out in favor of renewable but more volatile energy sources like solar and wind power. Here hydrogen and fuel cells can play an important role in balancing the energy system during periods of lower production.

In addition to the marine and the stationary segments, there are several other segments which we expect will be highly interesting to us going forward. The company is therefore currently reviewing our strategic priorities how to make the most out of the many opportunities now presented. We have a recognized leading technology position, competent and dedicated employees, strong partners, a strong balance sheet and a favorable cash position. We and our owners have all reasons to be excited about the future!

Per Wassén

President and CEO PowerCell Sweden AB

Income and financial position

THE GROUP

Total sales and income for the second quarter 2019

Sales for the period April to June 2019 amounted to 15,552 (13,506) Thousand SEK. The increase is mainly attributable to higher sales and increased deliveries of PowerCell MS-100 fuel cell systems.

Other operating income for the period, which mainly consists of grant funding, amounted to 4,958 (4,629) Thousand SEK.

Adjusted for items affecting comparability related to the project to change the listing of the company of 1,994 Thousand SEK, and for payments and one-time currency effects associated with the Bosch agreement totaling 532,535 Thousand SEK, the operating result amounted to -16,713 (-19,837) Thousand SEK. The underlying improvement is an effect of higher gross margin driven by increased sales and a favorable product mix.

The increase in financial costs is mainly attributable to a re-evaluation of bank assets in Euro at period-end.

Liquidity and cash flow

The operating cash flow for the period amounted to 424,867 Thousand SEK compared to -25,260 Thousand SEK for the same period last year. In accordance with German tax regulations 15 percent has been withheld temporarily and is estimated to be paid out during the second half of the year. This is the reason why the Bosch agreement is not fully reflected in the cashflow for the period.

The Group's financial position and liquidity are satisfactory. Cash and cash equivalents at June 30, 2019 amounted to 505,086 Thousand SEK.

Investments

Total investments of 146 Thousand SEK (5,546) were made during the period. During the same period last year significant investments were made in the laboratory and the production facilities to increase the capacity.

THE PARENTAL COMPANY

Sales and operating income for the first quarter 2019

Sales for the period April to June 2019 amounted to 15,552 (13,505) Thousand SEK. The increase is attributable to higher sales and increased deliveries of PowerCell MS-100 fuel cell systems.

Other operating income for the period, which mainly consists of grant funding, amounted to 4,958 (4,628) Thousand SEK.

Operating income before items affecting comparability amounted to -16,785 (-19,287) for the period.

Adjusted for items affecting comparability related to the project to change the listing of the company of 1,994 Thousand SEK, and for payments and one-time currency effects associated with the Bosch agreement totaling 532,535 Thousand SEK, the operating result amounted to -16,785 (-19,287) Thousand SEK. The underlying improvement is an effect of higher gross margin driven by increased sales and a favorable product mix.

Significant risks in brief for the group and the parental company

Through its operations, PowerCell is exposed to risks and uncertainties. For more extensive information of the most significant risks, please see the risk section in the Annual Report. Since the Annual Report was released the company has a lower financial risk but an increased currency exposure following the license fee payment from Bosch in Euro.

Personnel

At quarter-end, the Group had 47 (42) employees measured as full-time equivalents (FTE).

The Group implemented a stock option program for senior executives in June 2018. The program comprises 273,624 options where each warrant gives the right to subscribe to one new share at the subscription price SEK 33.21 during the period May 1, 2020 to May 31, 2020. The dilution from the program amounts to a maximum of 0.5 percent.

The share

The share is listed on First North at Nasdaq Stockholm (PCELL, ISIN code: SE 000 642 5815, LEI code 549300751J7TGOK3VC02). The share capital of PowerCell amounts per June 30, 2019 to SEK 1,141,113.82 and is divided into 51,868,810 shares with a par value of SEK 0.022.

Ownership per June 30, 2019*

	No of shares	Ownership
Midroc New Technology	5,848,531	11.3%
Fouriertransform	5,848,531	11.3%
Finindus	4,138,114	8.0%
Avanza Pension	3,272,472	6.3%
Other shareholders	32,761,162	63.2%
Total	51,868,810	100.0%

* Source: Euroclear

Upcoming reports

Interim report Q3, 31 October 2019

Gothenburg, August 22, 2019

Magnus Jonsson Chairman of the Board	Dirk De Boever Director of the Board	Helen Fasth Gillstedt Director of the Board
Hasse Johansson Director of the Board	Göran Linder Director of the Board	Åse Severed Director of the Board
Mattias Silfversparre Director of the Board	Per Wassén CEO	

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

FINANCIAL REPORTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in Thousand SEK	Note	Financial period			
		Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Net sales	4	15,552	13,506	24,778	21,320
Cost of goods sold		-9,830	-10,055	-16,415	-16,159
Gross profit		5,722	3,451	8,363	5,161
Selling and administrative costs	5	-12,076	-8,481	-18,985	-14,913
Research and development costs		-14,651	-18,062	-35,065	-34,655
Other operating income	8	4,958	4,629	12,690	7,423
Other operating costs		-288	-738	-691	-933
		-378	-635	-829	-1,009
Portion of profit after tax from associated companies recognized in accordance with the equity method					
Operating profit (loss) before items affecting comparability		-16,713	-19,837	-34,517	-38,924
Items affecting comparability	7	530,541	-	528,433	-
Operating profit (loss) after items affecting comparability		513,828	-19,837	493,916	-38,924
Financial expenses		-4,859	-174	-5,166	-342
Net financial items		-4,859	-174	-5,166	-342
Profit (loss) before tax		508,969	-20,011	488,750	-39,267
Income tax		-27	-19	-46	-37
Profit (loss) for the period		508,942	-20,030	488,704	-39,304
Other comprehensive income:					
Items that may be reclassified to profit or loss					
Exchange differences from foreign operations		16	22	22	27
Other comprehensive income for the period		16	22	22	27
Total comprehensive income for the period		508,957	-20,008	488,726	-39,277

Profit (loss) for the period and total comprehensive income are, in their entirety, attributable to shareholders of the Parent Company.

Earnings per share, calculated on profit (loss) for the year attributable to Parent Company shareholders of ordinary shares:

Amounts in SEK		Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Earnings per share, basic	6	9,8	-0,4	9,4	-0,8
Earnings per share, diluted	6	9,8	-0,4	9,4	-0,8

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

Amounts in Thousand SEK

	Note	June 30, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Intangible assets		1,913	1,143
Right of use (leasing)		50,969	-
Tangible fixed assets		25,008	40,886
Financial assets		794	1,623
Total non-current assets		78,684	43,652
Current assets			
Inventories		42,183	32,723
Current receivables		120,360	42,488
Cash and cash equivalents		505,086	98,254
Total current assets		667,629	173,465
TOTAL ASSETS		746,313	217,117

Amounts in Thousand SEK

	Note	June 30, 2019	Dec 31, 2018
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders			
Share capital		1,141	1,141
Other contributed capital		625,926	625,926
Reserves		-21	-42
Retained earnings (including profit (loss) for the year)		-11,072	-499,776
Total equity attributable to Parent Company shareholders		615,974	127,249
LIABILITIES			
Non-current liabilities		82,514	46,586
Current liabilities		47,825	43,282
Total liabilities		130,339	89,868
TOTAL EQUITY AND LIABILITIES		746,313	217,117

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in Thousand SEK	Note	Attributable to shareholders of the Parent Company					Total equity
		Share capital	Ongoing new share issue	Other contributed capital	Reserves	Retained earnings incl. profit (loss) for	
Opening balance at January 1, 2018		1,137	4	625,488	-5	-437,914	188,710
Profit (loss) for the period		-	-	-	-	-19,274	-19,274
Other comprehensive income for the period		-	-	-	5	-	5
Total comprehensive income for the period		-	-	-	-	-19,274	-19,269
Transactions with shareholders in their role as owners							
Registered new share issue		4	-4	-	-	-	-
Closing balance at March 31, 2018		1,141	-	625,488	-	-457,188	169,441
Opening balance at April 1, 2018		1,141	-	625,488	-	-457,188	169,441
Profit (loss) for the period		-	-	-	-	-20,030	-20,030
Other comprehensive income for the period		-	-	-	22	-	22
Total comprehensive income for the period		-	-	-	-	-20,030	-20,008
Transactions with shareholders in their role as owners							
Option proceeds		-	-	438	-	-	438
Closing balance at June 30, 2018		1,141	-	625,926	22	-477,218	149,871
Opening balance at July 1, 2018		1,141	-	625,926	22	-477,218	149,871
Profit (loss) for the period		-	-	-	-	-22,558	-22,558
Other comprehensive income for the year		-	-	-	-64	-	-64
Total comprehensive income for the year		-	-	-	-42	-22,558	-22,622
Closing balance at December 31, 2018		1,141	-	625,926	-42	-499,776	127,249

Opening balance at January 1, 2019	1,141		625,926	-42	-499,776	127,249
Profit (loss) for the period	-	-	-	-	-20,238	-20,238
Other comprehensive income for the year	-	-	-	6	-	6
Total comprehensive income for the year	-	-	-	6	-20,238	-20,232
Closing balance at March 31, 2019	1,141	-	625,926	-36	-520,014	107,017
Opening balance at April 1, 2019	1,141		625,926	-36	-520,014	107,017
Profit (loss) for the period	-	-	-	-	508,942	508,942
Other comprehensive income for the year	-	-	-	15	-	15
Total comprehensive income for the year	-	-	-	15	508,942	508,957
Closing balance at June 30, 2019	1,141	-	625,926	-21	-11,072	615,974

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Amounts in Thousand SEK	Note	Financial period			
		Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Cash flow from operating activities					
Operating profit (loss)		513,828	-19,837	493,916	-38,924
Adjustments for non-cash items		1,907	2,503	5,839	11,703
Interest paid		-153	-174	-304	-342
Cash flow from operating activities before changes in working capital		515,582	-17,508	499,451	-27,564
Cash flow before changes in working capital					
Increase/decrease of inventories		-3,347	-2,742	-9,461	-5,756
Increase/decrease of current receivables		-83,426	-6,857	-76,109	1,048
Increase/decrease of current liabilities		-3,942	1,847	1,028	-2,911
Total changes in working capital		-90,715	-7,752	-84,542	-7,619
Cash flow from operating activities		424,867	-25,260	414,909	-35,183
Cash flow from investing activities					
Acquisitions of tangible and intangible assets		-146	-3,844	-94	-14,699
Disposals of tangible and intangible assets		-	-1,702	-	-1,702
Cash flow from investing activities		-146	-5,546	-94	-16,401
Cash flow from financing activities					
Repayment of leasing liability		-2,299	-225	-3,810	-444
Option proceeds		-	438	-	438
Cash flow from financing activities		-2,299	213	-3,810	-6
Decrease/increase of cash and cash equivalents		422,422	-30,594	411,005	-51,590
Opening cash and cash equivalents		87,023	197,124	98,254	218,121
Effects of exchange rate changes on cash and cash equivalents		-4,359	-	-4,173	-
Closing cash and cash equivalents		505,086	166,530	505,086	166,530

CONDENSED PARENT COMPANY INCOME STATEMENT

Amounts in Thousand SEK	Note	Financial period			Jan-Jun 2018
		Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	
Net sales		15,552	13,505	24,778	-21,320
Cost of goods sold		-9,830	-10,055	-16,415	-16,159
Gross profit		5,722	3,450	8,363	5,161
Selling and administrative costs		-11,769	-8,566	-19,093	-15,093
Research and development costs		-15,408	-18,062	-35,822	-34,655
Other operating income		4,958	4,628	12,690	7,423
Other operating costs		-288	-738	-691	-932
Operating profit (loss) before items affecting comparability		-16,785	-19,287	-34,553	-38,096
Items affecting comparability		530,541	-	528,4332	-
Operating profit (loss) after items affecting comparability		513,756	-19,287	493,880	-38,096
Profit (loss) from financial items					
Interest costs and similar items		-4,511	-154	-4,477	-302
Total profit (loss) from financial items		-4,511	-154	-4,477	-302
Profit (loss) after financial items		509,245	-19,441	489,403	-38,398
Tax on profit (loss) for the period		-	-	-	-
Profit (loss) for the period		509,245	-19,441	489,403	-38,398

In the Parent Company, there are no items recognized as other comprehensive income, which is why total comprehensive income corresponds to profit (loss) for the year.

CONDENSED PARENT COMPANY BALANCE SHEET

Amounts in Thousand SEK	Note	June 30, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Intangible assets		1,913	1,143
Tangible fixed assets		25,008	30,536
Financial assets		3,561	3,560
Total non-current assets		30,482	35,239
Current assets			
Inventories		42,184	32,723
Current receivables		121,622	42,868
Cash and bank		504,332	97,461
Total current assets		668,138	173,052
TOTAL ASSETS		698,620	208,291
Amounts in Thousand SEK	Note	June 30, 2019	Dec 31, 2018
EQUITY AND LIABILITIES			
Restricted equity			
Share capital		1,141	1,141
Total restricted equity		1,141	1,141
Non-restricted equity			
Share premium reserve		546,426	545,988
Retained loss		-419,392	-358,248
Profit (loss) for the period		489,403	-61,145
Total non-restricted equity		616,437	126,595
Total equity		617,578	127,736
LIABILITIES			
Non-current liabilities		39,854	39,854
Current liabilities		41,187	40,701
Total liabilities		81,041	80,555
TOTAL EQUITY AND LIABILITIES		698,620	208,291

Notes to the consolidated statements

1 General

PowerCell Sweden AB (publ) (PowerCell), Corp. Id. No 556759-8353 is a Parent Company registered in Sweden and domiciled in Gothenburg, with address Ruskvädersgatan 12, 418 34 Gothenburg, Sweden.

The Board has approved this consolidated financial statement for publication on 22 August 2019.

All amounts are stated in thousand SEK unless stated otherwise. Amounts in brackets refer to the comparative year.

2 Accounting policies

Powercell applies IFRS as endorsed by the EU. The accounting policies and definitions adopted are consistent with those described in the Powercell Group Annual Report 2018 with the exception of the implementation of IFRS 16 detailed under section New accounting principles 2019. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies RFR 2 *Accounting for legal entities* and the Swedish Annual Accounts Act.

New accounting principles 2019

IFRS 16 *Leases* enters into force for financial year beginning on the January 1, 2019. The standard requires that assets and liabilities attributable to all leases, with a few exceptions, are recognized in the balance sheet. This recognition is based on the view that the lessee has a right to use an asset during a specific period of time and at the same time has an obligation to pay for this right. Reporting for the lessor will, in all significant aspects, be unchanged. The Group has chosen to apply the simplified transition method and no revaluation of comparative figures has been done. Right of use will therefore be valued according to the remaining leasing debt at the opening of 2019. The implementation of IFRS 16 *Leases* have only had minor effects on the Interim report. Therefor no quarterly comparative presentation of the effects is deemed necessary.

New accounting policy regarding Leases as of 1 January 2019

Powercell only acts in the capacity of lessee. The Group's leases mainly comprise the right-of-use regarding premises and vehicles. The leases are recognised as a right-of-use asset with a corresponding lease liability when the leased asset is available for use by the Group. Short-term leases and leases for which the underlying asset is of low value are exempted.

Each lease payment should be divided between amortisation of the lease liability and a financial cost. The financial cost should be allocated over the lease term, so that each reporting period is charged with an amount corresponding to a fixed interest rate for the liability recognised under each period.

The lease term is determined as the non-cancellable period of the lease, together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Group's lease liabilities are recognised at the present value of the Group's fixed lease payments (including in-substance fixed lease payments). Purchase options are included if it is reasonably certain that Powercell will exercise the option to acquire the underlying asset. Penalties for terminating the lease are included if the lease term reflects that the lessee will exercise an option to cancel the lease. Lease payments are discounted with the interest rate implicit in the lease, if this rate can easily be determined. Otherwise, the Group's incremental borrowing rate is applied.

The Group's right-of-use assets are recognised at cost, and include initial present value of the lease liability, adjusted for lease payment made at or before the commencement date and any initial direct expenses. Restoration costs are included in the asset if a corresponding provision for restoration costs exists. The right-to-use asset is depreciated on a straight-line basis over the asset's useful life and the lease term, whichever is the shortest.

Items affecting comparability

Powercell has chosen to present items affecting comparability separately. These costs of non-recurring items may refer to preparatory actions for initiating a move to the Nasdaq main list. Examples of items included are legal fees and consultations, fees to auditors and other external consultants as well as personnel costs. In addition, the license payment from Bosch, and

currency effects related to the license payment, are presented as items affecting comparability to make it easier to compare the underlying performance with earlier periods.

4 Net sales

Revenue

As revenue from external parties are reported to the CEO, it is valued in the same way as in the consolidated statement of comprehensive income. The main part of revenue is recognized at one point in time.

Amounts in Thousand SEK

	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Revenue from external customers				
Hardware	14,473	13,278	23,431	20,961
Services	1,079	227	1,347	358
Total	15,552	13,506	24,778	21,320

5 Related party transactions

Since December 19, 2014, PowerCell Sweden AB (publ) is listed on Nasdaq First North Stockholm. Principal shareholders at June 30, 2019 is Midroc New Technology, Fouriertransform and Finindus who's participating interest is in total 30,5%.

Amounts in Thousand SEK

The following related party transactions have been performed:	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
(a) Purchases of services				
André Martin Consulting	-	43	13	118
Total	-	43	13	118

The above transactions are deemed to constitute related party transactions, as the principal of the related party company is a member of the Company's Board of Directors. Purchased services during 2017 and 2018 comprise solely consulting services. Services are purchased from and sold to related parties at arm's length and are in accordance with the current transfer pricing policy. Services are purchased at full cost, and are, too, regulated by the valid current transfer pricing policy.

6 Earnings per share

	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
SEK				
Earnings per share, basic	9,8	-0,4	9,4	-0,8
Earnings per share, diluted	9,8	-0,4	9,4	-0,8

Performance measures used in the calculation of earnings per share

Profit/loss attributable to the shareholders of the Parent Company used in the calculation of earnings per share, basic and diluted

Profit (loss) attributable to Parent Company shareholders, Thousand SEK	508,942	-20,030	488,704	-39,304
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Number

Weighted average number of ordinary shares at the calculation of earnings per share, basic	51,868,810	51,868,810	51,868,810	51,868,810
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Adjustment for the calculation of earnings per share, diluted	52,028,344	51,868,810	52,004,333	51,868,810
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Options

Weighted average number of ordinary shares and potential ordinary shares used as the denominator at the calculation of earnings per share, diluted	159,534	-	135,523	-
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7 Items affecting comparability

	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Costs related to the initiation process to move to Nasdaq main list	-1,994	-	-4,102	-
Initial license payment from Bosch	529,101	-	529,101	-
One-time currency effect relating to the Bosch payment	3,434	-	3,434	-
Total	530,541	-	528,433	-

8 Other operating income

	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018
Currency exchange gains	184	170	319	466
Grants	4,774	4,459	12,371	6,957
Total	4,958	4,629	12,690	7,423

Definitions

Solidity

Equity in relation to total assets

Earnings per share

Profit after tax in relation to the number of shares

PowerCell Sweden AB in brief

PowerCell Sweden AB (publ) develops and produces fuel cell stacks and fuel cell systems for stationary and mobile applications with a world class energy density. The fuel cells are powered by hydrogen, pure or reformed, and produce electricity and heat with no emissions other than water. As the stacks and systems are compact, modular and scalable, they are easily adjusted to any customer need.

PowerCell was founded in 2008 as an industrial spinout from the Volvo Group. The share (PCELL) is since 2014 subject to trade at Nasdaq First North Stockholm with G&W Fondkommission as Certified Adviser.

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The English version is an in house-translation. In case of any discrepancy, the Swedish text will prevail.