



PRESS RELEASE

For immediate release

NOTICE TO ATTEND THE ANNUAL GENERAL MEETING OF POWERCELL SWEDEN AB (PUBL)

Gothenburg, Sweden, April 11, 2017

The leading Nordic fuel cell company [PowerCell Sweden AB \(publ\)](#) summons shareholders to Annual General Meeting May 9, 2017, and presents the annual report for 2016.

The shareholders of PowerCell Sweden AB (publ), company registration no. 556759-8353, are hereby given notice to attend the Annual General Meeting to be held on Tuesday, 9 May 2017 at 3:00 pm in the company's offices at the address Ruskvädersgatan 12 in Gothenburg. Registration for the Annual General Meeting will commence at 2:00 pm.

Notice of intention to participate

Any shareholder wishing to participate at the Annual General Meeting must:

- be entered in the share register maintained by Euroclear Sweden AB (previously VPC AB) as per Wednesday, 3 May 2017; and
- provide notice by letter addressed to Computershare AB "Powercell Sweden AB Annual General Meeting", Box 610, 18216 Danderyd, by telephone at +46 (0)771-24 64 00, or via the company's website at www.powercell.se (only private persons), not later than Wednesday, 3 May 2017, 5:00 pm.

The notice must include the shareholder's name, address, telephone number, personal identification number or company registration number as well as the number of assistants.

In order to be entitled to participate at the Annual General Meeting, shareholders who have caused their shares to be registered with a nominee must request that they be temporarily registered in their own name in the shareholders' register maintained by Euroclear Sweden AB. The shareholder should provide notice to the nominee thereof in due time so that registration in the share register has taken place by Wednesday, 3 May 2017.

Shareholders who wish to be represented by a proxy must issue a dated proxy form for the proxy. Proxy forms may be obtained through the company and are available on the company's website, www.powercell.se. The proxy should be submitted in original to the company at the above-stated address in due time prior to the meeting. Representatives of legal entities must include a copy of the current certificate of registration or other applicable document.



Business

Proposal for the agenda

- 1) Opening of the meeting;
- 2) Election of a chairman of the Annual General Meeting;
- 3) Preparation and approval of the voting register;
- 4) Election of one or two persons to attest the minutes;
- 5) Determination of whether the annual general meeting was duly convened;
- 6) Approval of the agenda;
- 7) Presentation by the President;
- 8) Presentation of the annual report and the auditor's report;
- 9) Resolutions regarding:
 - a) adoption of the income statement and balance sheet;
 - b) allocation of the company's profit or loss according to the adopted balance sheet;
 - c) discharge from liability for the directors and the President;
- 10) Determination of the fees payable to the directors and the auditors;
- 11) Determination of the number of directors and alternate directors;
- 12) Election of the Board of Directors, nominations committee and audit company;
- 13) Resolutions regarding guidelines for determination of salaries and other compensation to the President and other persons in company management;
- 14) Resolutions regarding authorization of the Board of Directors to issue shares and/or warrants and/or convertibles according to the proposal below;
- 15) Resolution regarding issue of warrants;
- 16) Resolutions regarding authorization of the Board of Directors, or such person as appointed by the Board of Directors, to make minor adjustments to resolutions adopted by the meeting which may prove necessary for registration of the resolutions with the Swedish Companies Registration Office and Euroclear Sweden AB;
- 17) Other matters incumbent upon the Annual General Meeting pursuant to the Swedish Companies Act or the company's articles of association;
- 18) Closure of the meeting.

Proposed resolutions

The nominations committee has presented the following proposals for resolutions (excluding the proposals under paragraph 13 section 2, paragraph 14 and paragraph 15 which have been put forth by the Board of Directors).

2. Election of a chairman for the shareholders meeting

Eric Ehrencrona from law firm MAQS Advokatbyrå is proposed as the chairman of the Annual General Meeting.

10. Determination of the fees payable to the directors and the auditors

Fees paid to the Board of Directors for the period between the present Annual General Meeting until the next Annual General Meeting are proposed to be paid the amount of SEK 750,000, of which the chairman of the Board of Directors shall be paid SEK 250,000, and each of the other directors elected by the Annual General Meeting who are not employed by the company, SEK 100,000.



In addition, the nominations committee proposes that the meeting resolve that directors will, if tax circumstances are appropriate for invoicing and provided that it is cost-neutral for the company, be afforded the possibility to invoice the Board of Directors' fees through their companies. In the event a director invoices the Board of Directors' fee through his/her company, the fee shall be increased in an amount corresponding to employer payroll taxes and value added tax pursuant to law.

The Board of Directors proposes that no fees be paid to the remuneration committee and audit committee as these committees consists of the Board of Directors.

It is proposed that fees be paid to the auditors according to invoice approved by the company.

11. Determination of the number of directors and alternate directors

The nominations committee proposes that the number of directors for the period until the next Annual General Meeting is held amount to seven directors and three alternate directors.

12. Election of the Board of Directors, nominating committee and audit company

The re-election is proposed of directors Per Wassén, Dirk De Boever, Magnus Jonsson, Göran Linder, André Martin, Åsa Severed as well as the new election of Per Nordberg, for the period until the end of the next annual general meeting.

The re-election is proposed of alternate directors Andreas Gunnarsson, Mattias Silfversparre and Sven Vandeputte for the period until the end of the next annual general meeting.

Magnus Jonsson is proposed as the chairman of the Board of Directors for the period until the end of the next annual general meeting.

The re-election is proposed of Öhrlings PricewaterhouseCoopers AB as auditor of the company for the period until the end of the next annual general meeting.

It is proposed that the company shall continue to have a nominations committee consisting of four persons. Each of the company's three largest shareholders determined by votes, including closely-associated persons, as this term is defined in the Chapter 21, section 1 of the Companies Act, as per 30 September 2017 shall each be entitled to appoint a member of the nominations committee. None of the three persons appointed in this respect may be directors on the company's Board of Directors. In addition, the nominations committee shall consist of a member appointed by the Board of Directors who will also convene meetings of the nominations committee. The nominations committee's term of office extends until a new nominations committee is appointed. The nominations committee's task is to present proposals prior to the Annual General Meeting regarding the number of directors to be elected by the meeting, Board of Directors' fees, a chairman and other directors on the Board of Directors, a chairman of the general meeting and election of auditors and auditors' fees.

In the event that any of the three members of the nominations committee appointed by the three largest shareholders determined by votes resigns prematurely, the shareholder who appointed the resigning member shall be entitled to appoint a new member. In the event that any of the three largest shareholders determined by votes sells all, and not just part of, its shares in the company before the nominations committee has completed its duties, the fourth



largest shareholder by votes, etc. shall instead appoint a new member on behalf of such shareholder.

13. Resolutions regarding guidelines for determination of salaries and other compensation paid to the President and senior management

Compensation to the Board of Directors

Compensation to the Board of Directors is determined by the Annual General Meeting based on proposals from the nominations committee. However, the Board of Directors is entitled to commission an individual director to perform consultancy services on behalf of the company. Directors elected by the meeting shall in special cases receive fees for services within their respective areas of competence, which do not constitute Board of Directors' work. With respect to the services, a fee on market terms will be payable which must be approved by the Board of Directors.

Compensation to company management

The Board of Directors proposes the following guidelines for the determination of salaries and other compensation to company management. For the purpose of ensuring that the company is able to recruit and retain qualified employees in company management, the fundamental principle is that the company management must be offered employment terms and compensation on market terms.

Salaries and other benefits: Compensation to the company management shall be comprised of a fixed salary and pension. The fixed salaries are normally reviewed on a calendar year basis. In addition to fixed salaries, there may be variable salaries provided that the variable part never exceeds 25 percent of the annual salary. In addition, the company management shall be entitled to customary non-monetary benefits such as a company car and occupational healthcare. In addition to these benefits, other benefits may also be offered on an individual basis

Pension: Company management shall be offered premium-based or defined-benefit pension agreements. In premium-based solutions, the premium shall correspond to the premium contributions which apply from time to time for ITP 1/ITP 2, or a maximum of 25 percent of gross salary. In the premium-based agreement, the pension will correspond to the sum of premiums and any return, without any guaranteed pension level. Under the premium-based pension plan, there is no defined time for retirement.

Notice of termination period and severance pay: The notice of termination period shall not exceed one year when notice is given by the company, and not greater than six months when notice is given by the employee. Upon termination by the company, severance pay is, in addition, payable in an amount corresponding to not more than six months' salary.

Incentive programmes: Resolutions regarding share and share price-related incentive programmes directed to company management shall be taken by the general meeting.

Remuneration committee: The Board of Directors shall act as the company's remuneration committee. The Board of Directors shall prepare issues regarding remuneration principles, compensation and other employment terms and conditions for company management. The more detailed principles regarding setting salaries, pensions and other benefits shall be set



forth in a salary policy established by the Board of Directors in relation to the company management.

Deviations in individual cases: The Board of Directors shall be entitled to deviate from these guidelines where there is special cause for such an individual case. If such deviation takes place, information regarding this and the reason for the deviation shall be reported at the next Annual General Meeting.

Resolutions as set forth above, require the approval of shareholders representing more than half of the votes cast.

14. Resolutions regarding authorization of the Board of Directors to issue shares and/or warrants and/or convertibles

The Board of Directors propose that the Annual General Meeting authorizes the Board of Directors to resolve, on one or several occasions, to resolve on issue of shares and/or warrants and/or convertibles during the time until the next Annual General Meeting for payment in cash and/or with terms regarding set-off or issue in kind or otherwise with terms and thereby deviate from the preferential right of the shareholders.

The issues shall be done to a marketable issue price determined by the Board of Directors in consultation with the company's financial advisers, taking into consideration any marketable issue-discount.

The number of shares that could be issued, or the number of shares that could be subscribed for through warrants, or the number of shares that convertibles could be converted into shall amount to a total of 8,956,878 new shares.

The purpose of the authorization and the reason to deviate from the preferential right of the shareholders is that issues shall be possible for financing the company's business, commercialisation and development of the company's products and markets and/or acquisition of businesses, companies or parts of companies and/or enable a broadening of the owner base of the company.

The Board of Directors, the President or the person appointed by the Board of Directors, shall be authorized to make such minor amendments and clarifications of the resolution by the Annual General Meeting that may prove necessary in connection with registration with the Swedish Companies Registration Office.

The approval by the Annual General Meeting of this proposal is valid only if supported by shareholders representing at least 2/3 of both the votes cast and the votes represented at the Annual General Meeting.

15. Resolution regarding issue of warrants

The board proposes the Annual General Meeting to resolve on a warrant issue in the company in two series (P03 and P04).

P03

The board proposes that the issue of warrants in the company shall not exceed more than 1,186,789 warrants (P03) entitling for subscription of no more than 1,186,786 shares. With derogation from the shareholders pre-emptive right, only a wholly owned subsidiary to the



company which will be acquired prior to the Annual General Meeting ("Subsidiary") shall be entitled to subscribe for warrants. After subscribing, the Subsidiary shall both have the right, and the obligation, if instructed by the board of directors of the company, to transfer the warrants to managing executives, key employees and employees in the company or its subsidiary in accordance with stated below. The issue of warrants is made without consideration to the Subsidiary. Subscription of warrants shall be made directly in the minutes of the Annual General Meeting.

Each warrant shall entitle the owner to subscribe for one new share in the company during the period of 1 May 2019 up to and including 31 May 2019. The subscription price for each share when exercising the warrant shall be set to a value calculated as follows: the average market price of the share of the company during April 2017 * 1.35. Share issued after subscription entitle to dividend as of the financial year of subscription.

If fully subscribed and if all warrants are used, the share capital of the company will increase by SEK 26,109.292 divided in 1,186,786 shares. Based on the current number of shares and votes, the dilution of shares because of the proposed warrants will be no more than approximately 2.65 percent ($1,186,786 / 44,784,392$).

P04

The board proposes that the issue of warrants in the company will not exceed more than 1,186,787 warrants (P04) entitling for subscription of no more than 1,186,787 shares. With derogation from the shareholders pre-emptive right, only the Subsidiary shall be entitled to subscribe for warrants. After subscribing, the Subsidiary shall both have the right, and the obligation, if instructed by the board of directors of the company, to transfer the warrants to managing executives and key employees in the company or its subsidiary in accordance with stated below. The issue of warrants is made without consideration to the Subsidiary. Subscription of warrants shall be made directly in the minutes kept at the Annual General Meeting.

Each warrant shall entitle the owner to subscribe for one new share in the company during the period of 1 May 2020 up to and including 31 May 2020. The subscription price for each share when using the warrant shall be decided 1 May 2018 and be calculated as follows: the average market price of the share of the company during the period 1 April 2018 up to and including 30 April 2018* 1.35. Share issued after subscription entitle to dividend as of the financial year of subscription.

If fully subscribed and if all warrants are used, the share capital of the company will increase by SEK 26,109.314 divided in 1,186,787 shares. Based on the current number of shares and votes, the dilution of shares because of the proposed warrants will be no more than approximately 2.65 percent ($1,186,787 / 44,784,392$).

The below stated details applies on both proposed series i.e. PO3 and PO4.

The reason for derogating from the shareholders pre-emptive right is that the board of directors wishes to promote the long-term interest of the company by offering managing executives, key employees and employees the opportunity to participate in an incentive program that will allow them to take part in the development of the company. This is



expected to increase the commitment for the business among the managing employees and key employees.

The board also proposes the AGM to resolve on approving that the Subsidiary is entitled to transfer the above issued warrants to managing executives, key employees and employees of the company or its subsidiary, or otherwise dispose the warrants in order to complete the obligations of the company in respect to above stated programs of warrants.

When transferring warrants from the Subsidiary to managing executives, key employees and employees, payment shall be made at the market price established by Black & Scholes valuation model for warrants. Since the warrants shall be transferred at the established market price, the incentive program should not result in any costs, besides minor costs for drafting and administrating.

Resolution on adopting the incentive programs through a warrant issue presumes that the shareholders voting for the proposal at the meeting represent at least 9/10 of the number of represented shares and votes of the Annual General Meeting.

Number of shares and votes

At the time of this notice, the total number of shares in the company amounts to 44,784,392. The total number of votes amounts to 44,784,392. The company holds no treasury shares.

Information

Where so requested by any shareholder and the board deems that it can take place without serious harm to the company, the Board of Directors and the President shall provide information regarding circumstances which may have an impact on the assessment of an item on the agenda and any circumstances which may have an impact on the assessment of the financial position of the company.

Annual report and other documents

Proposals for resolutions under items 2, 10, 11, 12, 13, 14 and 15 will be made available to the shareholders at the company's offices, as well as on the company's website www.powercell.se commencing on Tuesday, 11 April 2017. The annual report and auditor's report for the 1 January 2016 – 31 December 2016 financial year will be made available to shareholders at the company's offices as well as on the company's website, commencing on Tuesday, 11 April 2017. All other documents that must be available pursuant to law will be sent to the shareholders who request such from the company and provide their address. All documents will also be available at the Annual General Meeting.

Gothenburg, April 2017
The Board of Directors of
PowerCell Sweden AB (publ)



THE ENGLISH VERSION OF THE SUMMON IS AN UNCERTIFIED TRANSLATION AND IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE ENGLISH SUMMON AND THE SWEDISH SUMMON, THE SWEDISH VERSION SHALL PREVAIL.

For further information, please contact:

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This information is insider information that PowerCell Sweden AB (Publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:45 CET on April 11, 2017.

About PowerCell Sweden AB (publ)

PowerCell Sweden AB (publ) is the leading fuel cell company in the Nordics, which develops and produces environmentally friendly power systems for stationary and mobile customer applications.

PowerCell has developed a modular system of fuel cell platforms, powered by clean environmentally friendly produced hydrogen where only electricity, heat and water are emissions. The fuel cells are also designed to handle the reformed hydrogen from e.g. biogas, natural gas, biodiesel or standard diesel.

In case hydrogen infrastructure is missing, PowerCell has combined its leading fuel cell and reformer technology and developed a fuel cell system, PowerPac, which converts standard diesel, with hydrogen, into electricity. This is done in an energy efficient and environmentally friendly way, in which emissions of carbon monoxide, nitrogen oxides and particles are completely eliminated and the carbon dioxide is greatly reduced compared with a conventional diesel engine.

PowerCell Sweden AB (publ) is listed on First North at Nasdaq Stockholm and is an industrial spinout from the Volvo Group. G&W Fondkommission is appointed Certified Adviser by the Company. Among the largest owners are Midroc New Technology, Fouriertransform, Finindus and Volvo Group Venture Capital. For additional information, please visit: www.powercell.se.