

The Board of Directors in Cell Impact has resolved on a fully guaranteed rights issue of up to approximately SEK 349 million

Cell Impact AB
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PRESS RELEASE

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The Board of Directors in Cell Impact AB (Nasdaq First North Growth Market: CI B) ("Cell Impact" or the "Company") has today, pursuant to the authorization granted by the extra general meeting on November 16, 2021, resolved on a fully guaranteed rights issue of up to 16,812,094 series B shares with preferential right for the Company's existing shareholders (the "Rights Issue"). The subscription price in the Rights Issue is SEK 20.75 per series B share. If the Rights Issue is fully subscribed, the Company will receive approximately SEK 349 million before deduction of transaction costs related to the Rights Issue.

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Summary

- » The Board of Directors in Cell Impact AB has today, pursuant to the authorization granted by the extra general meeting on November 16, 2021, resolved on a fully guaranteed rights issue of up to 16,812,094 series B shares with preferential right for the Company's existing shareholders.
- » The purpose of the Rights Issue is to ensure continued financing of Cell Impact's business plan, which includes increasing the Company's production capacity. Hence, the net proceeds will be used to finance existing operations, investments in the arrangement of additional production space and new production equipment to ensure increased production capacity and capabilities as well as for general corporate purposes (including the repayment of any drawn amount of a bridge loan facility provided by Carnegie Investment Bank AB). Together with existing cash, the net proceeds from the Rights Issue is expected to be sufficient to finance the Company's business plan to mid-2023 provided that the Rights Issue is fully subscribed.
- » Record date for participation in the Rights Issue is set to take place December 7, 2021.
- » The subscription period in the Rights Issue is set to take place December 9–23, 2021.
- » The subscription price in the Rights Issue is SEK 20.75 per series B share, which corresponds to a discount of approximately 35.6 percent compared to the theoretical price after separation of subscription rights, based on the average volume weighted share price of the Cell Impact series B shares on Nasdaq First North Growth Market on November 29, 2021.
- » For existing shareholders not participating in the Rights Issue, a dilution effect corresponding to approximately 22.2 percent of the number of shares and approximately 21.7 percent of the votes in the Company following the Rights Issue.
- » Östersjöstiftelsen has undertaken to subscribe for its pro rata share of the proposed Rights Issue. This subscription undertaking amounts to SEK 17.8 million, equivalent to

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- approximately 5 percent of the Rights Issue.
- » Certain external guarantors have provided guarantee commitments subject to customary conditions which, in aggregate, amount to the remaining SEK 331.1 million, equivalent to approximately 95 percent of the Rights Issue. The Rights Issue is thus fully covered by a subscription undertaking and guarantee commitments.
 - » Cell Impact has obtained a bridge loan facility with a framework of up to SEK 50 million provided by Carnegie Investment Bank AB in connection with the Rights Issue. Any drawn amount will be repaid and the facility will cease to exist after the completion of the Rights Issue.

Background and reasons

Cell Impact is a global supplier of advanced flow plates in metal and production technology used in the fuel cell and electrolyzer 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 correctly 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 fuel 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 electrolyzers.

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 SEK 349 million. The purpose of the Rights Issue is to ensure continued financing of Cell Impact's business plan, which includes increasing the Company's production capacity. Hence, the net proceeds will be used to finance existing operations, investments in arrangement of additional production space and new production equipment to ensure increased production capacity and capabilities as well as for general corporate purposes (including the repayment of any drawn amount of a bridge

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loan facility provided by Carnegie Investment Bank AB).

Assuming the Rights Issue is fully subscribed, the net proceeds from the Rights Issue, together with existing cash, are expected to be sufficient to finance the Company's business plan to mid-2023, at which time the Company is expected to generate a positive EBITDA margin.

Cell Impact has obtained a bridge loan facility with a framework of up to SEK 50 million provided by Carnegie Investment Bank AB in connection with the Rights Issue. Any drawn amount will be repaid and the facility will cease to exist after the completion of the Rights Issue.

Rights issue

The Board of Directors of the Company has today, pursuant to the authorization granted by the extra general meeting held on November 16, 2021, resolved on a new share issue of up to 16,812,094 series B shares, corresponding to a maximum of approximately SEK 349 million, with preferential rights for the Company's existing shareholders in proportion to their shareholding in series A or B shares as of the record date December 7, 2021.

Shareholders receive one subscription right for each share of series A or B held on the record date. Seven (7) subscription rights entitle subscription of two (2) series B shares in the Rights Issue, at a subscription price of SEK 20.75 per series B share. The subscription price corresponds to a discount of approximately 35.6 percent compared to the theoretical price after separation of subscription rights, based on the average volume weighted share price of the Cell Impact series B shares on Nasdaq First North Growth Market on November 29, 2021.

Upon full subscription, the Company will receive SEK 348,850,950.50 before deduction of transaction costs related to the Rights Issue through a new issue of 16,812,094 series B shares. The Rights Issue will increase the share capital with approximately SEK 1,946,103. For existing shareholders not participating in the Rights Issue, a dilution effect corresponding to approximately 22.2 percent of the number of shares and approximately 21.7 percent of the votes in the Company following the Rights Issue. Shareholders who choose not to participate in the Rights Issue have the opportunity to compensate for the economic dilution effect by selling their subscription rights.

The last day of trading in Cell Impact's series B shares including the right to receive subscription rights in the Rights Issue is December 3, 2021. Subscription of series B shares with subscription rights shall be made by cash payment during the period from 9–23 December 2021. Subscription of series B shares without subscription rights shall be made on a special subscription list during the period from 9–23 December 2021. Payment for series B shares subscribed without subscription rights shall be made in cash no later than two banking days following the issue of the settlement note, which indicates notification of allocation. The Board of Directors is entitled to extend the subscription period and the last day for payment.

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

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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 of 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.

The full terms and conditions of the Rights Issue and information about the Company will be included in a prospectus expected to be published before the subscription period commences.

Subscription undertakings and guarantee commitments

Östersjöstiftelsen has undertaken to subscribe for series B shares in the Rights Issue. This subscription undertaking amounts to SEK 17.8 million, equivalent to approximately 5 percent of the Rights Issue.

In addition to the aforementioned subscription commitment, certain external guarantors have provided guarantee commitments subject to customary conditions which, in aggregate, amount to the remaining SEK 331.1 million, equivalent to approximately 95 percent of the Rights Issue.

Consequently, the Rights Issue is secured to an amount of approximately SEK 349 million through the subscription undertakings and guarantee commitments mentioned above, which means that the Rights Issue is fully covered by a subscription undertaking and guarantee commitments.

For the guarantee undertakings, a guarantee commission of 5 percent of the guaranteed amount shall be paid as a cash remuneration. No remuneration shall be paid for the subscription commitment entered into. Neither subscription undertakings nor guarantee commitments are secured by bank guarantee, blocked funds, pledges or similar arrangements. Further information regarding the parties who have entered into guarantee commitments will be available in the prospectus published before the start of

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the subscription period.

Timetable of the Rights Issue

- » Last day of trading in series B shares including right to receive subscription rights occurs on December 3, 2021.
- » First day of trading in series B shares excluding right to receive subscription rights occurs on December 6, 2021.
- » The record date in the Rights Issue is set to December 7, 2021.
- » Trading in subscription rights occurs on December 9–20, 2021.
- » The subscription period in the Rights Issue occurs on December 9–23, 2021.
- » Announcement of the final outcome in the Rights Issue will take place on or about December 27, 2021.
- » Trading in BTAs occurs on or about December 9, 2021–January 4, 2022.
- » Delivery of and trading in new shares will take place on or about January 11, 2022.

Prospectus

The prospectus and subscription form will be made available before the subscription period commence on Cell Impact's website, www.cellimpact.com, and on Carnegie Investment Bank AB's (publ) website, www.carnegie.se.

Advisers

In conjunction with the Rights Issue, the Company has engaged Carnegie Investment Bank AB (publ) as Sole Global Coordinator and Joint Bookrunner and Bryan, Garnier & Co as Joint Bookrunner. Advokatfirman Vinge and Advokatfirman Wåhlin AB act as legal advisers.

This information is information that Cell Impact AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation.

For more information, please contact:

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About Cell Impact

Cell Impact AB (publ) is a global supplier of advanced flow plates to fuel cell manufacturers. The company has developed and patented a unique method for high-velocity forming, Cell Impact Forming™, which makes it possible to produce flow plates with more advanced designs, which in turn creates more cost and energy-efficient fuel cells compared to conventional forming methods.

The Cell Impact share is listed on Nasdaq First North Growth Market and FNCA Sweden AB is the company's Certified Advisor (CA). Contact info: +46 8-528 00 399 or info@fnca.se.

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Forward-looking statements

This press release contains forward-looking statements related to the Company's intentions, estimates or expectations with regard to the Company's future results, financial position, liquidity, development, outlook, estimated growth, strategies and opportunities as well as the markets in which the Company is active. Forward-looking statements are statements that do not refer to historical facts and can be identified by the use of terms such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "implies", "should", "could" and, in each case, their negative, or comparable terminology. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there is no guarantee that they will occur or that they are correct. Since these assumptions are based on assumptions or estimates and involve risks and uncertainties, actual results or outcomes, for many different reasons, may differ materially from those what is stated in the forward-looking statements. Due to such risks, uncertainties, eventualities and other significant factors, actual events may differ materially from the expectations that expressly or implicitly are contained in this press release through the forward-looking statements. The Company does not guarantee that the assumptions which serve as a basis for the forward-looking statements in this press release are correct, and each reader of the press release should not rely on the forward-looking statements in this press release. The information, opinions and forward-looking

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statements that expressly or implicitly are stated herein are provided only as of the date of this press release and may change. Neither the Company nor any other party will review, update, confirm or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise with respect to the contents of this press release, beyond what is required by law or Nasdaq First North Growth Market Rulebook.

Potential investors should not put undue trust in the forward-looking statements herein, and potential investors are strongly recommended to read the sections in the prospectus that include a more detailed description of the factors that can affect the Company's business and its associated market.

