

The Board of Directors of Metacon resolves on a rights issue of up to approximately SEK 159 million

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The Board of Directors of Metacon AB (publ) ("Metacon" or "the Company") has today, based on the authorisation from the annual general meeting held on 8 June 2021, resolved on a new share issue of a maximum of 88,460,034 shares with preferential rights for existing shareholders (the "Rights Issue"). The subscription price in the Rights Issue is SEK 1.80 per share where holders of shares on the record date on 14 June 2022 will receive one (1) subscription right for each share held. Three (3) subscription rights entitle the holder to subscribe for one (1) new share. If the Rights Issue is fully subscribed, the Company will receive approximately SEK 159 million before deduction of transaction costs related to the Rights Issue. The Company has received subscription commitments from all members of the board and a selection of the Company's shareholders, members of the management team and certain external investors, amounting to approximately SEK 17.0 million, corresponding to approximately 10.7 percent of the Rights Issue. Furthermore, the Company has received guarantee commitments of approximately SEK 122.0 million, which means that Rights Issue is secured to approximately 87.3 percent.

Summary

- The net proceeds from the Rights Issue will be used to expand production capacity, increase working capital capacity, implement a new leasing model and strengthen marketing and sales activities in existing and new markets.
- Existing shareholders in the Company receives one (1) subscription right for each share held as of the record date. Three (3) subscription rights entitle the holder to subscribe for one (1) new share in the Rights Issue.
- The record date for participation in the Rights Issue is 14 June 2022.
- The subscription period in the Rights Issue runs during the period 16 – 30 June 2022.
- If the Rights Issue is fully subscribed, the Company will receive approximately SEK 159 million before deduction of transaction costs related to the Rights Issue.
- The subscription price in the Rights Issue is SEK 1.80, corresponding to a discount to TERP of approximately 32.1 percent, based on the closing price of the Metacon share on NGM Nordic SME on 3 June 2022.
- For existing shareholders not participating in the Rights Issue, a dilution effect corresponding to 25.0 percent of the total number of shares and votes in the Company following the Rights Issue will arise.

- All members of the board and certain existing shareholders, certain external investors, and members of the management team including Christer Wikner, Johan Berggren, Julia Berggren and Bo Carlsson have undertaken to subscribe for shares in the Rights Issue. These subscription undertakings amount to, in aggregate, approximately SEK 17.0 million, equivalent to approximately 10.7 percent of the Rights Issue.
- Certain external guarantors have provided guarantee commitments up to a subscription level of approximately SEK 139.0 million, subject to customary conditions, which in aggregate, amount to SEK 122.0 million, equivalent to approximately 76.6 percent of the Rights Issue.

Background and reasons

For the purpose of supporting Metacon's strategy, the Company has resolved on the Rights Issue.

It is the Company's assessment that the existing working capital is not sufficient for the current needs during the coming twelve months. In light of the above, the Board of Directors has, with authorisation from the annual general meeting held on 8 June 2021, resolved to carry out the Rights Issue amounting to up to approximately SEK 159 million before transaction costs. The Company has, via written agreements, received subscription and guarantee commitments totalling SEK 139.0 million, corresponding to approximately 87.3 percent of the Rights Issue.

The net proceeds from the Rights Issue is intended to finance the Company during the coming 18 months, which includes the following activities, arranged in order of priority with estimated distribution of the issue proceeds indicated in parentheses:

- Expand production capacity through expanded premises, purchase and installation of an automatic production line for catalyst coating as well as development work to scale up hydrogen reforms and pre-purification unit for raw gas and capacity to engage external contract manufacturers for volume production (approximately 40-50 percent).
- Increase working capital capacity to meet the strong increasing demand for sales of electrolysers and connected systems such as storage, transport, and refuelling stations (approximately 20-30 percent).
- Implement a leasing model to start the distribution of hydrogen reformers and increased investments to strengthen marketing and sales activities in order to strengthen position in Germany and Scandinavia and expand to new key markets such as France, Spain, Italy, Portugal and China (approximately 20-30 percent).

The Rights Issue is thus carried out to provide Metacon with working capital and improve conditions for realising the Company's strategy and business plan to create value for Metacon's shareholders and other stakeholders.

The Rights Issue

The Board of Directors of the Company has today, based on the authorisation from the annual general meeting held on 8 June 2021, resolved on a new share issue of a maximum of 88,460,034 shares with preferential rights for existing shareholders in proportion to their shareholdings as of the record date on 14 June 2022.

Shareholders receive one (1) subscription right for each share held on the record date. Three (3) subscription rights entitle to subscription of one (1) share in the Rights Issue, at a subscription price of SEK 1.80 per share. The subscription price corresponds to a discount to TERP of approximately 32.1 percent, based on the closing price of the Metacon share on 3 June 2022 on NGM Nordic SME. The Rights Issue will provide Metacon with a maximum of SEK 159,228,061, before deduction of transaction costs, by issuing a maximum of 88,460,034 shares.

The Rights Issue will result in an increase of the share capital of a maximum of approximately SEK 884,600. Upon full subscription, the number of shares in Metacon, after the Rights Issue, will amount to a maximum of 353,840,136 shares and the share capital will amount to a maximum of approximately SEK 3,538,401. For existing shareholders not participating in the Rights Issue, a dilution effect corresponding to approximately 25 percent of the total number of shares and votes in the Company following the Rights Issue will arise. 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 Metacon's shares, including the right to receive subscription rights in the Rights Issue, is 10 June 2022. The shares are traded excluding the right to receive subscription rights in the Rights Issue from 13 June 2022. Subscription of shares with subscription rights shall be made by cash payment during the period from 16 – 30 June 2022. Subscription of shares without subscription rights shall be made on a special subscription list during the period from 16 – 30 June 2022. Payment for 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.

If not all newly issued shares are subscribed for by exercise of subscription rights, allotment of the remaining shares shall be made within the highest amount of the Rights Issue:

- firstly, to those who have subscribed for shares by exercise of subscription rights (regardless of whether they were shareholders on the record date or not) and who have applied for subscription of shares without exercise of subscription rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of subscription rights that each and every one of those, who have applied for subscription of shares without exercise of subscription rights, have exercised for subscription of shares;
- secondly, to those who have applied for subscription of shares without exercise of subscription rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of shares the subscriber in total has applied for subscription of shares;
- and lastly, to those who have provided issue guarantees with regard to subscription of shares, in proportion to such issue guarantees.

To the extent that allotment in any section above cannot be done pro rata, allotment shall be determined by 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 made public and published on the Company's website on or around 14 June 2022.

Subscription undertakings and guarantee commitments

All members of the board and certain shareholders, certain external investors and members of the management team, including Christer Wikner, Johan Berggren, Julia Berggren and Bo Carlsson have undertaken to subscribe for shares in the Rights Issue. These subscription undertakings amount to, in aggregate, approximately SEK 17.0 million, equivalent to 10.7 percent of the Rights Issue.

In addition to the aforementioned subscription undertakings, certain external guarantors have provided guarantee commitments, subject to customary conditions, up to a subscription level of SEK 139.0 million which, in aggregate, amount to SEK 122.0 million, equivalent to approximately 76.6 percent of the Rights Issue. Consequently, the Rights Issue is secured to an amount of approximately SEK 139.0 million, equivalent to approximately 87.3 percent of the Rights Issue, through the subscription undertakings and guarantee commitments mentioned above.

A guarantee commission will be paid for the issue guarantees, based on current market conditions, of ten (10) percent of the guaranteed amount in cash consideration. No consideration is to be paid for the subscription commitments that have been entered into. These subscription commitments and issue guarantees are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

Further information on the parties who have entered into subscription and guarantee commitments will be presented in the prospectus to be made public before the commencement of the subscription period.

Lock-up

Prior to the execution of the Rights Issue, the board of directors and management of the Company have entered into lock-up undertakings, which, among other things and with customary exceptions, mean that they have undertaken not to sell shares in the Company. The lock-up undertakings expire on the day that falls 90 days after the settlement date in the Rights Issue.

Furthermore,, the Company has undertaken towards Pareto Securities AB, subject to customary exceptions, not to issue additional shares or other share-related instruments for a period of twelve months after the end of the subscription period.

Preliminary timeplan for the Rights Issue

Last day of trading in shares including right to receive subscription rights	10 June 2022
First day of trading in shares excluding right to receive subscription rights	13 June 2022
Prospectus announced and published on the company's webpage	14 June 2022
Record date for participation in the Rights Issue	14 June 2022
Subscription period	16 – 30 June 2022
Trading in subscription right	16 – 27 June 2022
Trading in BTAs	16 June – 11 July 2022
Announcement of the outcome in the Rights Issue	4 July 2022

Advisers

Pareto Securities AB act as Global Coordinator and Bookrunner. Advokatfirman Schjødt is legal adviser to the Company in connection with the Rights Issue and Baker & McKenzie Advokatbyrå is legal advisor to the Global Coordinator and Bookrunner in connection with the Rights Issue.

This information is information that Metacon 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 below, on 7 June 2022 at 08:00 CEST.

For further information, please contact Christer Wikner, by phone +46 (0)707-647389 or e-mail info@metacon.se

About Metacon AB (publ)

Metacon AB (publ) develops and manufactures energy systems for the production of hydrogen, heat and electricity. The core products are based on a patented technology that, through so called catalytic steam reforming of biogas or other hydrocarbons, generates hydrogen. The development of Metacon's reforming products is done within the wholly owned subsidiary Helbio, which is a spin-off from the University of Patra, Greece and was founded by Professor Xenophon Verykios in 2001. From the onset, the business has focused on catalysts and advanced reforming for high-efficiency hydrogen production.

Metacon also offers system solutions for the production of hydrogen through electrolysis, a large and globally growing area for small and large-scale production of green hydrogen. Electrolysis is a process of starting and driving a chemical reaction to split water by adding electricity. If the electricity used is non-fossil and green, the hydrogen will also become completely climate neutral and green. Green hydrogen can be used in, for example, the transport sector, the basic industry and the real estate sector with a better environment and climate as a result. <https://metacon.se/>

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This press release is not a prospectus according to the definition in Regulation (EU) 2017/1129 ("the Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus will be prepared by the Company and published on the Company's website after the prospectus has been reviewed and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*).

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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 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 NGM Nordic SME's rules for issuers.