



YEAR END REPORT
Q4 2021



Hydrogen, the most common
element in the universe...

...and soon our most
common green fuel

YEAR END REPORT 2021

ÖREBRO 2022-02-18

CONSOLIDATED GROUP OCTOBER 1 - DECEMBER 31, 2021

- Revenues amounted to 11 741 (6 690) kSEK
- Operating income amounted to -16 959 (-3 885) kSEK
- Profit/Loss after financial items amounted to -17 030 (-3 936) kSEK
- Earnings per share amounted to -0,13 SEK

PARENT COMPANY OCTOBER 1 - DECEMBER 31, 2021

- Revenues amounted to 116 (168) kSEK
- Operating income amounted to -2 692 (-3 137) kSEK
- Profit/Loss after financial items amounted to -2 740 (-3 178) kSEK

SIGNIFICANT EVENTS DURING THE PERIOD

OCTOBER 1 - DECEMBER 31, 2021

- On December 21, it was announced that Dr. Thomas Chalkidis has been appointed new Managing Director of Metacon's subsidiary Helbio S.A. in Greece and Head of Business Area Reforming, Metacon.
- On November 10, an order from and a collaboration with the Swiss company Wat-tAnyWhere was announced on the development of an ethanol-based system for off-grid electric vehicle charging.
- On October 11, it was announced that Metacon had decided on a non-cash share issue for the earlier acquisition of all outstanding shares in Water2H2 AB.
- On 3 October it was announced that Metacon acquires 100% of the electrolysis company Water2H2 AB.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- January 26, it was announced that Metacon has signed an EPC partner agreement with GISAB (part of Jernbro) in the electrolysis area.
- Metacon's subsidiary Helbio has delivered and received payment for a specially adapted reforming system to the University of Brunel, UK according to a previously communicated order.

CEO COMMENTS

In the final phase of the Year of Build

I have previously talked about the different phases that the company is now going through. We are now in the final phase of our Year of Build and have during the quarter developed an even stronger ability in complex turnkey scalable solutions that involve all our applications for handling green hydrogen (reformers and electrolyzers for production, compression, storage, transport, refueling, etc.). The quarter has also been characterized by intensive work with integration and organisation of the now wholly owned companies Helbio S.A. and Water2H2 AB which have now been organized into two business areas; products for reforming and electrolysis, respectively. The two business areas complement each other in a good way, both technically and commercially, and can act in-

dependently or together depending on the specific conditions and needs that our various customers have.

Even in terms of maturity, we now have a good mix and portfolio to start addressing the market with. In electrolysis, which today is the dominant technology for production of green hydrogen, we have a strong and established offer with proven partners. This gives us more room to develop and build the in-house developed and unique portfolio in reforming, both in systems for combined electricity and heat production (CHP) for both private and multi-family homes and our fully scalable hydrogen generators for commercial production of green hydrogen from for example biogas.

Increased focus with targeted efforts

We now feel a strong growing interest for our various solutions both in Sweden and internationally and are now directing our efforts towards future launches and building up our production and delivery capacity. We will increase our market focus and after analysis of

various markets we have now identified Germany as one of our early focus areas where we have established the subsidiary Metacon GmbH, from which we will drive sales and marketing with strong local presence. Germany is a large market with strong purchasing

power close to us. And a market where there is a need for our various technologies for production of and applications of green hydrogen. For our combined electric power and heat production units in the form of our upcoming product H2PS-5, we see a large potential market driven by rising electricity prices, an often-unreliable power grid and a well-developed gas grid as well as great access to biogas.

Towards the Year of Launch

If we look ahead, a lot of effort will be put into further strengthening the organisation with skills and abilities that will be important for scaling up the business. In parallel, we continue to invest in production capacity and supply chains. We build partnerships and alliances within and outside Sweden to be able to reach new markets and to be able to participate in major procurements. We will also launch more products.

I look forward to an exciting continuation of the year with many concrete breakthroughs for our products in green hydrogen. Our ambition is now to be listed on Nasdaq First North during the year.

In the area of our scalable systems for commercial production of green hydrogen, we can offer Germany's approximately 10,000 biogas plants an opportunity to enter the fast-growing hydrogen area by refining biogas into green hydrogen. This possibility should be of particular interest since many biogas plants are expected to lose existing subsidies in the coming years.



Christer Wikner

President and CEO, Metacon AB (publ)

Comments on the financial development

Revenues

The Group's revenues for the year amounted to 13 733 (12 967) kSEK. Sales have increased by 6 115 kSEK, while other operating income, mainly EU grants, has decreased by 5 349 kSEK. The increase in sales mainly consists of revenues from the Electrolysis Business Area.

The Group's revenues for the quarter amounted to 11 741 (6 690) kSEK. Sales have increased by 7 306 thousand, while other operating income, mainly EU grants, has decreased by 2 255 kSEK. The increase in sales mainly consists of income from projects within the Electrolysis Business Area.

Operating expenses

The Group's operating expenses for the year amounted to -52 838 (-32 624) kSEK. The corresponding costs for the quarter amounted to -28 700 (-10 575) kSEK. The change during the year and quarter is mainly due to increased amortization of goodwill of SEK 8.5 million due to the acquisition of the minority's shares in Helbio and the acquisition of Water2H2. Furthermore, a cost is reported in projects within the Electrolysis business area.

Operating income

The Group's operating income for the year amounted to -39 105 (-19 657) kSEK. The corresponding result for the quarter was -16 959 (-3 885) kSEK.

Financial standing

As of December 31, the Group's equity amounted to 230 775 (90 545) kSEK. In addition to the result for the year, equity was mainly affected by the non-cash issues carried out in 2021.

Cash and cash equivalents amounted to 42 940 (76 288) kSEK. Overdrafts of SEK 2 million were closed during the year. The Group's interest-bearing liabilities amounted to 4 085 (4 798) kSEK. The equity-to-asset ratio at the end of the reporting period was 93,6 % (90,1 %).

Significant changes in financial position after the end of the reporting period

No significant changes have taken place since the end of the reporting period.

Accounting principles

The report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general advice 2012: 1 Annual Report and consolidated accounts, K3. The principles are unchanged compared with the previous period.

The report has not been subject to review by the company's auditor.

Upcoming financial reports

The company publishes the following reports during the year:

- Report for the first quarter, (January – March) is published May 19, 2022
- Annual report is published April 26, 2022
- The Annual General Meeting is held on June 8, 2022
- Report for the second quarter, (April – June) is published August 25, 2022
- Report for the third quarter, (July – September) is published Nov 17, 2022
- Year-end report with the fourth quarter, (October – December) is published February 16, 2023

FINANCIAL INFORMATION IN SUMMARY

Amount in kSEK if nothing else is noted	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	9 369	2 063	10 186	4 071
Operating income	-16 959	-3 885	-39 105	-19 657
Profit/loss after financial items	-17 030	-3 936	-34 397	-19 788
Total assets	246 566	100 466	246 566	100 466
Equity	230 775	90 545	230 775	90 545
Operating margin %	-181 %	-188 %	-384 %	-483 %
Net debt %	-17 %	-79 %	-17 %	-79 %
Solidity %	93,6 %	90,1 %	93,6 %	90,1 %
Number of shares ('000)	265 380	233 207	265 380	233 207
Average number of shares ('000)	262 601	215 933	240 556	199 738
Share price on the balance date, SEK	3,04	5,15	3,04	5,15
Average number of employees	24	17	22	17
Number of employees, end of period	24	17	24	17

DEFINITIONS OF KEY FIGURES:

Operating income

Profit/loss before financial items

Operating margin

Operating profit as a percentage of net sales

Net debt

Long-term and short-term interest-bearing liabilities less cash and cash equivalents as a percentage of equity

Earnings per share

Profit attributable to the parent company's shareholders divided by the weighted average number of shares outstanding during the period

Solidity

Equity as a percentage of total assets

Average number of shares

Average number of shares outstanding during the period

Average number of employees

Average number of employees during the period converted to full-time positions

CONSOLIDATED INCOME STATEMENT

Amount in kSEK	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Revenues				
Net sales	9 369	2 063	10 186	4 071
Other operating income	2 372	4 627	3 547	8 896
	11 741	6 690	13 733	12 967
Operating expenses				
Raw materials and consumables	-9 901	-	-9 901	-
Other external costs	-4 130	-5 408	-14 635	-15 414
Employee benefit expenses	-3 733	-1 943	-11 244	-6 796
Depreciation/amortization and impairment of tangible and intangible assets	-10 755	-1 983	-16 722	-8 213
Other operating expenses	-181	-1 241	-336	-2 201
Operating income	-16 959	-3 885	-39 105	-19 657
Result from financial items				
Income from other securities and receivables accounted for as non-current assets	-	-	4 963	-
Interest income and similar income	1	51	47	249
Interest expenses and similar expenses	-72	-102	-302	-380
Profit/loss after financial items	-17 030	-3 936	-34 397	-19 788
Earnings before tax	-17 030	-3 936	-34 397	-19 788
Net income	-17 030	-3 936	-34 397	-19 788
Attributable to				
Shareholders of the parent company	-17 030	-3 581	-30 548	-17 583
Non-controlling interest	-	-355	-3 849	-2 205

CONSOLIDATED BALANCE SHEET

Amount in kSEK	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Intangible assets		
Capitalized expenditure for development and similar	1 078	199
Goodwill	169 001	10 151
	170 079	10 350
Tangible assets		
Plant and machinery	4 209	1 897
Equipment, tools and installations	888	848
	5 097	2 745
Financial assets		
Other securities held as non-current assets	4 963	0
Other long term receivables	89	88
	5 052	88
Total fixed assets	180 228	13 183
Current assets		
Inventories etc.		
Raw materials and consumables	4 760	2 124
Work in progress	3 432	2 632
	8 192	4 756
Current receivables		
Accounts receivable	936	232
Recognized but not invoiced income	7 151	-
Other receivables	1 478	1 446
Prepaid expenses and accrued income	5 641	4 561
	15 206	6 239
Cash and cash equivalents	42 940	76 288
Total current assets	66 338	87 283
TOTAL ASSETS	246 566	100 466

CONSOLIDATED BALANCE SHEET

Amount in kSEK	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
Share Capital	2 654	2 332
Other equity	228 121	88 105
Equity attributable to the parent company's shareholders	230 775	90 437
Non-controlling interest	-	108
Total equity	230 775	90 545
Non-current liabilities		
Other liabilities to credit institutions	3 107	3 750
Other long-term liabilities	335	336
	3 442	4 086
Current liabilities		
Other liabilities to credit institutions	643	712
Accounts payable	738	676
Tax liabilities	97	27
Other current liabilities	3 686	3 079
Accrued expenses and deferred income	7 185	1 341
	12 349	5 835
TOTAL EQUITY AND LIABILITIES	246 566	100 466

CHANGE IN EQUITY IN THE GROUP

Amount in kSEK	2021 Jan-Dec	2020 Jan-Dec
Opening equity		
Attributable to the parent company's shareholders	90 437	34 324
Non-controlling interest	108	2 313
Result of the period	-34 397	-19 788
Proceeds from issuance of shares	172 626	80 067
Costs from issuance of shares and other items	2 001	-6 371
Ending equity	230 775	90 545
Attributable to the parent company's shareholders	230 775	90 437
Non-controlling interest	-	108

THE GROUP'S CASH FLOW ANALYSIS

Amount in kSEK	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Profit/loss after financial items	-17 030	-3 936	-34 397	-19 788
Adjustment for non-cash items	10 735	-4 561	11 830	7 455
Operating cash flow	-6 295	-8 497	-22 567	-12 333
Change in working capital	125 665	1 382	-5 959	452
Cash flow from operating activities	119 370	-7 115	-28 526	-11 881
Cash flow from investing activities	-171 497	-438	-178 806	-904
Cash flow from financing activities	43 066	79 369	173 984	71 337
Total cash flow	-9 061	71 816	-33 348	58 552
Cash at the beginning of the period	52 001	4 472	76 288	17 736
Cash at the end of the period	42 940	76 288	42 940	76 288

PARENT COMPANY INCOME STATEMENT

Amount in kSEK	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Revenues				
Net sales	-	-	162	260
Other operating income	116	168	1 153	555
	116	168	1 315	815
Operating expenses				
Other external costs	-826	-2 355	-5 187	-6 565
Employee benefit expenses	-1 866	-539	-5 412	-1 907
Depreciation/amortization and impairment of tangible and intangible assets	-115	-176	-415	-702
Other operating expenses	-1	-235	-156	-332
Operating income	-2 692	-3 137	-9 855	-8 691
Result from financial items				
Income from other securities and receivables accounted for as non-current assets	-	-	4 963	-
Interest income and similar expenses	-	16	-	16
Interest expenses and similar expenses	-48	-57	-204	-254
Profit/loss after financial items	-2 740	-3 178	-5 096	-8 929
Earnings before tax	-2 740	-3 178	-5 096	-8 929
Net income	-2 740	-3 178	-5 096	-8 929

PARENT COMPANY BALANCE SHEET

Amount in kSEK	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Intangible assets		
Capitalized expenditure for development and similar	0	0
	0	0
Tangible fixed assets		
Plant and machinery	1 096	1 160
	1 096	1 160
Financial assets		
Participations in group companies	270 031	83 872
Other securities held as non-current assets	4 963	-
Other long-term receivables	7	7
	275 001	83 879
Total fixed assets	276 097	85 039
Current assets		
Current receivables		
Receivables from group companies	7 836	3 307
Other receivables	287	495
Prepaid expenses and accrued income	276	293
	8 399	4 095
Cash and cash equivalents	34 799	60 723
Total current assets	43 198	64 818
TOTAL ASSETS	319 295	149 857

PARENT COMPANY BALANCE SHEET

Amount in kSEK	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	2 654	2 332
Statutory reserve	10	10
Reserve for development expenditure	-	-
	2 664	2 342
<i>Non-restricted equity</i>		
Share premium reserve	384 819	212 515
Profit or loss brought forward	-70 894	-61 965
Net result	-5 096	-8 929
Total equity	311 493	143 963
Non-current liabilities		
Other liabilities to credit institutions	3 107	3 750
	3 107	3 750
Current liabilities		
Other liabilities to credit institutions	643	643
Accounts payable	444	677
Liabilities to group companies	2 002	-
Tax liabilities	96	27
Other current liabilities	313	126
Accrued expenses and deferred income	1 197	671
	4 695	2 144
TOTAL EQUITY AND LIABILITIES	319 295	149 857

CHANGE IN EQUITY IN THE PARENT COMPANY

Amount in kSEK	2021 Jan-Dec	2020 Jan-Dec
Opening equity	143 963	78 438
Result of the period	-5 096	-8 929
Proceeds from issuance of shares	172 626	80 067
Costs from issuance of shares	-	-5 613
Ending equity	311 493	143 963

PARENT COMPANY'S CASH FLOW ANALYSIS

Amount in kSEK	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Profit/loss after financial items	-2 740	-3 178	-5 096	-8 929
Adjustment for non-cash items	115	-5 436	-4 478	702
Operating cash flow	-2 625	-8 614	-9 574	-8 227
Changes in working capital	126 426	3 286	-1 824	259
Cash flow from operating activities	-123 801	-5 328	-11 398	-7 968
Cash flow from investing activities	-180 210	-301	-186 509	-15 774
Cash flow from financing activities	43 089	63 845	171 983	73 705
Total cash flow	-13 320	58 216	-25 924	49 963
Cash at the beginning of the period	48 119	2 507	60 723	10 760
Cash at the end of the period	34 799	60 723	34 799	60 723

For further questions please contact Christer Wikner, CEO.
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Short of Metacon AB (publ)

Metacon is an international energy technology company based in Sweden in Örebro, whose overall business idea is to commercialize small and medium-sized energy systems for the production of hydrogen, electricity and heat from primarily biogas. Metacon's system has been developed to provide maximum benefits for society, the environment and owners. www.metacon.se.

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