



*NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, BELARUS, HONG KONG, JAPAN, CANADA, NEW ZEALAND, RUSSIA, SINGAPORE, SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, DISTRIBUTION OR PUBLICATION WOULD BE UNLAWFUL. PLEASE SEE "IMPORTANT INFORMATION" AT THE END OF THIS PRESS RELEASE.*

Press release 20 December 2023

## **The Board of Directors in Metacon intends to resolve on a rights issue of approximately SEK 120 million**

The Board of Directors of Metacon AB (publ) ("Metacon" or the "Company") today announces its intention to resolve on rights issue of units consisting of new shares and warrants of series TO 1, of approximately SEK 120 million (the "Rights Issue"). In total, subscription commitments from members of the Board of Directors and senior management amount to approximately SEK 2.4 million. The Company has also received guarantee undertakings, subject to customary conditions which, in aggregate, amount to approximately SEK 97.6 million. Accordingly, the Rights Issue is covered by subscription commitments and guarantee undertakings up to approximately SEK 100 million. In order to secure the financing requirement from January to February 2024, the Company has entered into a bridge loan agreement of SEK 10 million at market terms and with a granted option to increase to SEK 25 million. Due to the Rights Issue, the publishing of Metacon's year-end report will be postponed to 28 March 2024. An extraordinary general meeting is planned to be held on or about 24 January 2024 to authorize the Board of Directors to resolve on the Rights Issue and its terms as well as to resolve to amend the articles of association's limits for share capital and number of shares. Notice to the extraordinary general meeting will be announced through a separate press release.

### **Summary**

- The Board of Directors of Metacon today announces its intention to resolve on a rights issue of units of approximately SEK 120 million, before deduction of transaction costs, which is partially covered by subscription commitments and guarantee undertakings.
- In connection with the Rights Issue, the Company has entered into a bridge loan agreement of SEK 10 million at market terms, with a granted option to increase to SEK 25 million, to ensure sufficient liquidity during the period January to February 2024.
- An extraordinary general meeting is planned to be held on or about 24 January 2024 and the notice will be announced through a separate press release.
- The net proceeds from the Rights Issue are intended to be used for the following purposes in order of priority: (i) Repayment of bridge loan, (ii) international expansion and capacity-build in strategic projects, (iii) strengthened organization, (iv) working capital purposes and (v) development of partnerships.
- The subscription commitments from persons from the Board of Directors and senior management amount to approximately SEK 2.4 million.
- The Company has received guarantee undertakings amounting to approximately SEK 97.6 million. Together with the subscription commitments, the Rights Issue is covered by subscription commitments and guarantee undertakings up to approximately SEK 100 million.
- If the Rights Issue is fully subscribed and upon full exercise of warrants of series TO 1, the Company is expected to raise up to an additional approximately SEK 60 million, before deduction of transaction costs.



- The subscription period in the Rights Issue is expected to take place during the period from and including 5 February 2024 until and including 19 February 2024.
- The subscription period for warrants of series TO 1 is expected to commence approximately 12 months after the completion of the Rights Issue.
- Complete terms of the Rights Issue are expected to be communicated around 25 January 2024.
- The subscription price in the Rights Issue will be determined by the Board of Directors at a customary discount.

Christer Wikner, CEO of Metacon comments:

*"I am very pleased that we are now acquiring the additional resources required to take the company to the next phase in terms of commercialization and scalability in this highly expansive and global growth industry that green hydrogen has grown into in the last year. It is also pleasing to note that we received a large and quick response from the investors who contribute to securing the new share issue at the desired level and that there is great interest in Metacon and the hydrogen market."*

### **Background and rationale**

In order to support Metacon's strategy and opportunities to achieve its future commercial and financial goals, the Board of Directors intends to resolve on the Rights Issue. The net proceeds from the Rights Issue are expected to help the Company promote growth and commercialization, with a focus on strengthening the Company's production capacity in strategic projects, which includes, among other things, the establishment of serial production of Metacon's patented catalytic reactors, which are the heart of the Company's reforming products. This is deemed necessary in order to meet expected demand from Metacon's future customers as well as the previously announced collaborations with PERIC Hydrogen Technologies Co., Ltd. for the Chinese market and for ongoing collaborative projects with the Company's partners in ammonia for deep sea shipping and ethanol-to-hydrogen for fast charging of battery vehicles and for so-called microgrids. Furthermore, the Company plans to expand internationally, accelerate product development and strengthen its organizational capacity to optimize operations and effectively manage its growth.

Including the new major investments that the Company plans to make, the Company's assessment is that the existing working capital is not sufficient for the current needs during the next twelve months.

### **Use of proceeds**

If the Rights Issue is fully subscribed, the Company will receive approximately SEK 120 million before deduction of transaction costs. Given the Company's current business plan and considering the abovementioned background, the Company will use the net proceeds for the following purposes listed in order of priority:

- Approximately 10 – 20 percent will be used for repayment of the bridge loan, including interest and a set-up fee. The loan amounts to approximately SEK 25 million at full utilization and aims to sustain liquidity throughout January to February to start initiate growth and expansion plans.
- Approximately 20 – 30 percent will be used to start to establish own manufacturing capability delivering full scale reactors for Metacon's hydrogen generators (HHG) and prepare technology transfer for the production of complete hydrogen generators to manufacturing partners including PERIC, ensuring supply capacity and expanding the international presence of Metacon's hydrogen generators in the European and Chinese market.



- Approximately 10 – 20 percent will be used to strengthen and expand the organization with experienced management, engineering, and sales resources to drive global expansion, sales growth and delivery capability for the Company's products and services including leading or participating in large scale sales projects of industrial electrolysis plants with a capacity of 10 - 500 MW in various European countries.
- Approximately 10 – 20 percent will be used to strengthen the Company's working capital including trade finance needs to meet the increased demand for electrolyzers and associated systems for storage, transportation, and refueling stations.
- Approximately 10 – 20 percent will be used to develop strategic partnerships and growth initiatives with industry leading players in the biogas, hydrogen and related industrial sectors to, among other things, create demonstration sites in order to accelerate sales efforts through longer term partnerships.

If the Rights Issue is fully subscribed and upon full exercise of warrants of series TO 1, the Company is expected to raise up to an additional approximately SEK 60 million, before deduction of transaction costs. The net proceeds from the warrants of series TO 1 will be used for the same purposes as the above.

#### **The bridge loan**

To ensure sufficient liquidity during the period January to February 2024, the Company has entered into a bridge loan agreement of SEK 10 million at market terms and with a granted option to increase to SEK 25 million. The bridge loan will be repaid with the proceeds from the Rights Issue.

#### **Extraordinary general meeting**

The Board of Directors intends to convene an extraordinary general meeting through a separate press release, which is planned to be held on or about 24 January 2024, to authorize the Board of Directors to resolve on the Rights Issue and its terms as well as amendments to the articles of association's limits for share capital and number of shares.

Complete terms of the Rights Issue are expected to be announced on or about 25 January 2024.

#### **Subscription commitments and guarantee undertakings**

The Company has received subscription commitments from members of the Board of Directors and senior management that amount to approximately SEK 2.4 million.

Guarantors have provided guarantee undertakings subject to customary conditions which, in aggregate, amount to approximately SEK 97.6 million. Together with the subscription commitments, the Rights Issue is thus covered by subscription commitments and guarantee undertakings up to approximately SEK 100 million.

No fee is paid for submitted subscription commitments from members of the Board of Directors and senior management. A guarantee fee will be paid to the guarantors, based on current market conditions, of eleven (11) percent of the guaranteed amount in cash. Neither the subscription commitments nor the guarantee undertakings are secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

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



### Lock-up undertakings

Prior to the execution of the Rights Issue, all members of the Board of Directors and senior management of the Company which are shareholders in 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 180 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 12 months after the end of the subscription period.

### Preliminary timetable

Extraordinary general meeting	24 January 2024
Expected date for communication of complete terms in the Rights Issue	25 January 2024
Last day of trading in shares including right to receive unit rights	30 January 2024
Planned publishing date of prospectus	30 January 2024
First day of trading in shares excluding right to receive unit rights	31 January 2024
Record date for the Rights Issue	1 February 2024
Trading in unit rights	5 – 14 February 2024
Subscription period	5 – 19 February 2024
Trading in paid subscribed unit (BTU)	5 February – 5 March 2024
Expected announcement of the preliminary outcome in the Rights Issue	19 February 2024

### Prospectus

A prospectus and subscription form will be made available before subscription period commence on Metacon's website, [www.metacon.com](http://www.metacon.com) and on Pareto Securities AB:s website, [www.paretosec.com](http://www.paretosec.com).

### Advisers

Pareto Securities is Sole Manager and Bookrunner, Advokatfirman Schjødt is legal adviser to the Company and Baker & McKenzie Advokatbyrå KB is legal adviser to Pareto Securities in connection with the Rights Issue.

### For further information, contact:

Christer Wikner  
CEO  
[info@metacon.com](mailto:info@metacon.com)  
+46 70 7647 389

*This press release constitutes inside information that Metacon AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted, through the agency of the contact person above, for publication on 20 December 2023, 21.00 CET.*



### **About Metacon AB (publ)**

Metacon AB (publ) develops and manufactures energy systems for the production of fossil-free "green" hydrogen. The products in the Reforming business area are based, among other things, on a patented technology that generates hydrogen through so-called catalytic steam reforming of biogas or other hydrocarbons. The development of Metacon's reforming products is done within the wholly owned subsidiary Metacon S.A in Patras, Greece. The business is focused on catalytic process chemistry and advanced reformers for highly efficient hydrogen production.

Metacon also offers complete electrolysis plants and integrated hydrogen refueling stations, a large and globally growing area for small- and large-scale production of green hydrogen. Electrolysis is a process of driving a chemical reaction to split water by adding electricity. If the electricity used is non-fossil, the hydrogen will also be fossil-free and climate-neutral. Green hydrogen can be used in sectors such as transport, basic industry and the real estate sector, with a better environment and climate as a result. [www.metacon.com](http://www.metacon.com)

### **For further information, see:**

[www.metacon.com](http://www.metacon.com) | X: @Metaconab | LinkedIn: [www.linkedin.com/company/metaconab](http://www.linkedin.com/company/metaconab)

### **Important information**

This press release and the information herein is not for publication, release or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, South Africa, Singapore or any other state or jurisdiction in which publication, release or distribution would be unlawful or where such action would require additional prospectuses, filings or other measures in addition to those required under Swedish law.

The press release is for informational purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy or acquire, or subscribe for, any of the securities mentioned herein (collectively, the "**Securities**") or any other financial instruments in Metacon AB (publ). Any offer in respect of any of the Securities will only be made through the prospectus that Metacon AB (publ) expects to publish in due course. Offers will not be made to, and application forms will not be approved from, subscribers (including shareholders), or persons acting on behalf of subscribers, in any jurisdiction where applications for such subscription would contravene applicable laws or regulations, or would require additional prospectuses, filings, or other measures in addition to those required under Swedish law. Measures in violation of the restrictions may constitute a breach of relevant securities laws.

The Securities mentioned in this press release have not been registered and will not be registered under any applicable securities law in the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, South Africa or Singapore and may, with certain exceptions, not be offered or sold within, or on behalf of a person or for the benefit of a person who is registered in, these countries. The Company has not made an offer to the public to subscribe for or acquire the Securities mentioned in this press release other than in Sweden.

None of the Securities have been or will be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction in the United States, and may not be offered, pledged, sold, delivered or otherwise transferred, directly or indirectly. There will not be any public offering of any of the Securities in the United States.



In the EEA Member States, with the exception of Sweden (each such EEA Member State, a “**Relevant State**”), this press release and the information contained herein are intended only for and directed to qualified investors as defined in the Prospectus Regulation. The Securities mentioned in this press release are not intended to be offered to the public in any Relevant State and are only available to qualified investors except in accordance with exceptions in the Prospectus Regulation. Persons in any Relevant State who are not qualified investors should not take any actions based on this press release, nor rely on it.

In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons who are existing members or creditors of Metacon AB (publ) or other persons falling within Article 43 of the Order, or (iv) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii), (iii) and (iv) above together being referred to as “**Relevant Persons**”). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.

This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.

#### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company’s intentions, assessments, or current expectations about and targets for the Company’s future results of operations, financial condition, development, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by the fact that they contain words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. Neither the Company nor anyone else does undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.



### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Metacon have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Metacon may decline and investors could lose all or part of their investment; the shares in Metacon offer no guaranteed income and no capital protection; and an investment in the shares in Metacon is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Metacon.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Metacon and determining appropriate distribution channels.

*The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*