

Company Announcement 06/2024

Green Hydrogen Systems – Annual report 2023

Business highlights 2023

- Increased A-Series installed base with additional deliveries to customer sites during the last months of 2023.
- New and expanded production facilities were operational ahead of schedule and have been fully fitted for production.
- Customer deliveries were delayed by sourcing issues with quality-compliant critical components.
- A strengthened supply chain quality management and contracts with additional European suppliers have improved the sourcing challenges.
- In January 2023, new sales were added to the order backlog, including a 7.2 MW A-Series order.
- X-Series prototype assembled, installed, commissioned, and extensively tested on-site in Skive, Denmark. By the end of 2023, the first hydrogen production was reached.

Financial highlights 2023

- Revenue from customer contracts of DKK 42 million (revised guidance: DKK 30 to 45 million) compared to DKK 10 million in 2022.
- EBITDA of DKK -268 million (revised guidance: DKK -280 to -240 million) compared to DKK -249 million in 2022.
- CAPEX of DKK 279 million (guidance: DKK 270 to 300 million) compared to DKK 335 million in 2022.
- Total order backlog by the end of 2023 of 15 MW compared to 13 MW by the end of 2022.
- Proceeds from the rights issue and related term loans from ATP and APMH were DKK 719 million.

Business events after 31 December 2023

- Deliveries from the order backlog have continued in the first months of 2024.
- New order of A-Series electrolysers of a total 8.1 MW to an existing customer.
- Technical third-party validation of the X-Series prototype test programme and test results confirmed the X-Series technical concept and prototype performance.
- New X-Series assembly lines are prepared and expected to be operational by summer 2024.

Guidance for 2024

With continued momentum in customer deliveries of A-Series and encouraging progress in the X-Series prototype test programme, Green Hydrogen Systems maintains the guidance for 2024 as announced on 8 February 2024 (company announcement 04/2024).

Guidance for 2024 is summarised as follows:

Revenue, DKK 125 to 165 million
EBITDA, DKK -260 to -220 million
CAPEX, DKK 160 to 200 million

The revenue guidance range reflects the uncertainty of the exact timing of the electrolysers passing revenue recognition criteria within the 2024 calendar year. Furthermore, the exact delivery, site acceptance test

(SAT), revenue recognition, and EBITDA may be negatively impacted by, e.g. supply chain disruptions, increasing component and raw material costs, general inflation, delays in product assembly and pandemics.

Peter Friis, CEO of Green Hydrogen Systems, says:

“On the surface, 2023 was a year of technical and supply chain challenges, delayed deliveries, and not meeting our targets. Looking deeper below the headlines, we see that 2023 was a year of progress.

We continued to improve our A-Series product based on operational learnings from on-site production hours. We progressed with testing and developing a new X-Series product, now heading for commercial launch. We ramped up our production of stacks, balance of plants, and full electrolyser systems. We also secured an oversubscribed capital raise to fund our continued growth while simultaneously strengthening our commercial position, a position confirmed with the new order intake from an existing customer announced early in 2024.

On the organisational side, we strengthened our capabilities across the board, and from my personal perspective, I was glad to take the position of CEO in October 2023. Despite the headwinds we faced in 2023, we moved our company forward in several areas. We are certain this improved position will pay off in 2024.”

Conference call details

In connection with this announcement, Green Hydrogen Systems will host a conference call. The conference call will be held on 15 March 2024 at 10:00 AM CET.

Please visit investor.greenhydrogen.dk to access the presentation used for the meeting.

[Link to the webcast](#)

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Green Hydrogen Systems in Brief

Green Hydrogen Systems is a clean technology company and a leading provider of standardised, modular electrolysers for producing green hydrogen based on renewable energy. Green hydrogen plays a crucial role in the ongoing fundamental shift in energy systems towards net-zero emissions in 2050. Founded in 2007 and building on years of technology development, Green Hydrogen Systems has a commercially proven and cost-competitive electrolysis technology endorsed by leading green energy companies.

Forward-looking statements

This announcement contains forward-looking statements. Words such as ‘believe’, ‘expect’, ‘may’, ‘will’, ‘plan’, ‘strategy’, ‘prospect’, ‘foresee’, ‘estimate’, ‘project’, ‘anticipate’, ‘can’, ‘intend’, ‘outlook’, ‘guidance’, ‘target’ and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

Please also refer to the overview of risk factors in the Annual Report 2023, available at [greenhydrogen.dk](https://www.greenhydrogen.dk).

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