

Green Hydrogen Systems – Annual report 2022

Business highlights 2022

- Successful acceptance test, delivery and revenue recognition of the first A90 electrolyser units
- New orders of +5 MW in total with customers across multiple European countries
- Total order backlog of 13 MW compared to 9.9 MW by the end of 2021
- Development and assembly of the X-Series prototype progressed positively. Delivery to site targeted for March 2023
- Expansion of new production facilities finalised. Assembly lines for the A-Series being established – X-Series assembly lines to follow from Q2 2023
- The Board of Directors strengthened with industry competencies, Christian Clausen elected as new Chairman and a new ad-hoc Manufacturing & Technology Committee established to support product development and industrialisation of assembly process

Financial highlights 2022

- Revenue from customer contracts of DKK 10 million (guidance: DKK 1 to 19 million) compared to DKK 5 million in 2021
- Gross profit of DKK -10 million (guidance: around DKK -20 to -15 million) compared to DKK -17 million in 2021
- EBITDA of DKK -249 million (guidance: DKK -255 to -235 million) compared to DKK -149 million in 2021
- EBIT of DKK -283 million (guidance: DKK -290 to -270 million) compared to DKK -163 million in 2021
- Investments of DKK 335 million (guidance: DKK 310 to 350 million) compared to DKK 192 million in 2021

Business events after 31 December 2022

- New order of 16 A-Series pressurised alkaline electrolyser units with a combined capacity of 7.2 MW
- Additional electrolyser units have been delivered to customers in the first two months of 2023 with more units to follow in the coming months
- Mortgage loan granted for the new facilities at Nordager 21, Kolding amounting to DKK 120 million
- New Chief Technology Officer, Stephan Kim and new Chief Operating Officer, Carsten Schütz joined Green Hydrogen Systems on 1 January 2023 and 1 March 2023 respectively

Guidance for 2023

Following successful acceptance tests and deliveries of A90 electrolyser units in December 2022, further deliveries in the first two months of 2023 and in the coming months as well as continued order backlog increase, Green Hydrogen Systems maintains the guidance for 2023 as announced 23 January 2023 (company announcement 02/2023):

- Revenue, DKK 120 to 160 million
- EBITDA, DKK -240 to -210 million
- CAPEX, DKK 270 to 300 million

The revenue guidance range reflects the uncertainty of the exact timing of the electrolysers passing revenue recognition criteria within the 2023 calendar year. Furthermore, the exact delivery, site acceptance test (SAT), revenue recognition and EBITDA may be negatively impacted by e.g. the current supply chain disruptions, increasing component and raw material costs, general inflation, delays in product assembly and pandemics as well as delays and/or challenges at customer site not controlled by Green Hydrogen Systems.

Sebastian Koks Andreassen, CEO of Green Hydrogen Systems comments:

“Looking back, our company is in a significant improved position today compared to the same time last year.

During 2022 we matured our product offerings, executed on important customer deliveries, and progressed ahead of schedule on our manufacturing capacity expansion. We have continued to strengthen our organisational competencies across the company, and we see even more positive market developments than what was the general industry expectations a year ago.

Our revenue for 2022 reached DKK 10 million and our investments were DKK 335 million. Both in line with our revised 2022 guidance range.

In 2023 we will continue to build on our competitive position by increasing sales and customer deliveries. We will also continue our investments in machinery and equipment to scale our manufacturing capacity and reap the benefits of the increasingly positive market prospects for pressurised alkaline electrolysers and green hydrogen.

We expect our revenue in 2023 to reach DKK 120 to 160 million with an investment level between DKK 270 to 300 million.

Furthermore, we target a capital increase of DKK 650 million through a rights issue with the proceeds supporting our continued production scaling efforts, our organisational competences and further strengthening of our balance sheet.”

Conference call details

In connection with this announcement, Green Hydrogen Systems will host a conference call. The conference call will be held on 1 March 2023 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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Participant access code: 617256

Information regarding new Chief Technology Officer and new Chief Operating Officer

Stephan Kim is trained as a mechanical engineer and has performed a Doctorate / PhD with Fraunhofer IFAM in Germany. Stephan comes from a position as Chief Development & Innovation Officer and Member of the Executive Board with German medical technology company BEGO and with a prior career in science, technology, and project execution roles with Senvion, Airbus and Fraunhofer.

Carsten Schütz is trained as an aerospace engineer from University of Stuttgart. Carsten comes from a position as Vice President and Head of Production with the French aviation and aerospace company Airbus and with a prior career in engineering and technology roles with BAE Systems and Eurofighter Typhoon.

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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 2022 available at greenhydrogen.dk.

Source: Green Hydrogen Systems

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Tag: Company announcement