

Green Hydrogen Systems – Interim report for H1 2023

Business highlights

- In the first half of 2023, two A-Series customer orders were revenue recognised, totalling DKK 14 million in revenue
- Since Q1 2023, delivered electrolysers have been site acceptance tested and are commissioned for commercial production of green hydrogen at customer sites in Chile, Norway and Denmark
- In H1 2023, two orders from international customers of 7.2MW and 0.9MW were signed with targeted delivery end of 2023 and beginning of 2024
- The X-Series prototype has been installed at the GreenLab facility in Skive, Denmark. Commissioning is progressing well, with several component and system tests already done towards targeted commercial launch in Q4 2023
- During the first half of 2023, the expansion to a 400 MW electrolyser manufacturing facility in Kolding was finalised on budget and ahead of schedule. Currently, the expanded facilities of around 18,000 m² in total are undergoing commissioning and ramp-up
- In June 2023, Green Hydrogen Systems announced the initiation of a rights issue comprising up to 104 million new shares. By July 2023, the rights issue was completed and fully subscribed providing gross proceeds of DKK 469 million to the Company
- In addition to the capital raise, Green Hydrogen Systems has drawn on term loans from two major shareholders with a total principal amount of DKK 250 million
- Medium-term targets announced with targeted revenue of more than DKK 1,200 million and positive EBITDA in 2026

Guidance for 2023

Green Hydrogen Systems maintains guidance for 2023 as follows:

- Revenue: DKK 120 to 160 million
- EBITDA: DKK -280 to -240 million
- CAPEX: DKK 270 to 300 million

The revenue guidance range reflects the uncertainty of the exact timing of the electrolysers fulfilling revenue recognition criteria within the 2023 calendar year. Assembly, test and delivery of the A-Series electrolysers can be impacted by supply chain and quality challenges which may postpone delivery of orders expected as part of the revenue assumptions for 2023.

Furthermore, the guidance for 2023 may be negatively impacted by e.g., other supply chain disruptions, increasing component and raw material costs, general inflation, delays in product assembly etc.

Sebastian Koks Andreassen, CEO of Green Hydrogen Systems comments:

“In the first half of 2023, we continued our product and project deliveries. In recent months, delivered electrolysers have been site acceptance tested and are commissioned for commercial production of green hydrogen at customer sites in

Chile, Norway and Denmark. These are important milestones in the roll-out of the first wave of electrolyzers for green hydrogen production.

During Q2 2023, we experienced certain supply chain and product quality challenges influencing our production and delivery plan. These challenges are gradually resolved with new component arrivals allowing for an acceleration in customer deliveries from Q3 2023, following a Q2 with no revenue recognition.

We continue to have a good dialogue with existing and potentially new customers for both our A-Series and X-Series and rest comfortable that new orders and sales will pick up. The maturation of the first X-Series prototype is progressing well, with several component and system tests done.

In July we completed a capital raise and we were very pleased with the result and see it as strong support from both existing and new investors. The gross proceeds from the rights issue and the term loans provide the capital and the financial flexibility to continue executing our growth strategy.”

Conference call details

In connection with this announcement, Green Hydrogen Systems will host a conference call. The conference call will be held on 22 August 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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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

Ticker: GREENH

Tag: Company announcement