

Company announcement 15/2023

Green Hydrogen Systems adjusts its EBITDA guidance for 2023

Kolding, Denmark, 31 May 2023 – Due to implementation of modifications to the A-Series electrolysers, Green Hydrogen Systems adjusts its EBITDA guidance for 2023. The adjustment is reflected in a new expectation to EBITDA for full year 2023 in the range of DKK -280 to -240 million (previously: DKK -240 to -210 million).

The Company has decided to implement a number of modifications to the A-Series platform to ensure product quality and reliability. These modifications consist of changes to materials, components and production processes, which will have a negative impact on the production costs of the A-Series electrolysers.

The modifications will be implemented on the current order backlog, in the assembly process as well as retrofitted on already assembled and delivered electrolysers. For electrolysers already delivered, inspections and increased site work are expected until retrofitting has been completed. Furthermore, price inflation for materials and components and additional work required in the production process due to the needed modifications result in additional cost increases.

These modifications have now been estimated to amount to a total expected cost increase of around DKK 80 million for the financial year 2023, of which around 50% is considered of one-off nature only impacting 2023. The cost increases will be partly offset through various measures including revised phasing of activities totalling around DKK 45 million for the financial year 2023.

From 2024, the negative impact from increased production costs is expected to be offset by higher selling prices as well as ongoing realisation of the general cost-out programme for the A-Series platform.

The order backlog and the updated plan for deliveries in 2023 continue to support revenue in the range of DKK 120 to 160 million. Investments in tangible and intangible assets are expected unchanged in the range of DKK 270 to 300 million.

Updated guidance for 2023:

Revenue: DKK 120 to 160 million (unchanged)

EBITDA: DKK -280 to -240 million (previously: DKK -240 to -210 million)

CAPEX: DKK 270 to 300 million (unchanged)

The revenue guidance reflects the usual uncertainty of the exact timing of the electrolysers passing revenue recognition criteria within the 2023 calendar year. Furthermore, the exact delivery, site acceptance test, 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 as well as delays and/or challenges at customer site not controlled by Green Hydrogen Systems.

Conference call details

In connection with this announcement, Green Hydrogen Systems will host a conference call. The conference call will be held on 31 May 2023 at 10:00-10:30 AM CEST.

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 leading provider of standardised and modular electrolysers to produce green hydrogen solely based on renewable electricity. With its wide range of possible applications, green hydrogen plays a key role in the ongoing fundamental shift in our energy systems towards a net-zero emission society in 2050. As a result, the demand for green hydrogen is surging, requiring a significant scale-up of electrolysis capacity. Founded in 2007 and building on more than 10 years of technology development, Green Hydrogen Systems today has a commercially proven and cost-competitive electrolysis technology endorsed by leading energy, as well as industrial companies.

Source: Green Hydrogen Systems
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