

Green Hydrogen Systems - Annual report 2021

Financial highlights 2021

- Revenue from customer contracts of DKK 5.2 million (guidance: around DKK 5 million) compared to DKK 9.4 million in 2020
- Gross profit of DKK -17 million (guidance: around DKK -15 million) compared to DKK -4.0 million in 2020
- EBITDA of DKK -149 million (guidance: DKK -145 to -155 million) compared to DKK -70 million in 2020
- EBIT of DKK -163 million (guidance: DKK -160 to -170 million) compared to DKK -73 million in 2020
- R&D capitalised and expensed costs of DKK 72 million (guidance: DKK 75-80 million) compared to DKK 20 million in 2020
- Investments in tangible assets of DKK 145 million (guidance: DKK 135-145 million) compared to DKK 20 million in 2020

Commercial highlights 2021

- Strong investor support in the listing of Green Hydrogen Systems at Nasdaq Copenhagen resulting in proceeds of DKK 1,265 million
- Customer orders from Europe, Australia and South America confirming the competitiveness of Green Hydrogen Systems' technology offering and price point
- Maturing project pipeline for the A-Series targeting demonstration and small-scale projects and for the X-Series targeting multi-MW projects up to and beyond 1,000 MW
- Factory expansion towards an annual production capacity of 400 MW positioning Green Hydrogen Systems as a leading, global electrolyser manufacturer - expansion progresses on plan and budget
- Initiation of the GreenHyScale project where Green Hydrogen Systems is responsible for delivering an initial 6 MW test module intended to validate the solution and technology for a 100 MW project. Green Hydrogen Systems is backed by an EU grant of DKK 69 million for the project
- The test and delivery plan for the A-Series electrolysers progresses and revenue for the delayed orders is expected to be recognised in the middle of 2022 while additional order back-log for 2022 and 2023 is being build

Outlook

In 2022 Green Hydrogen Systems expects to deliver revenue of DKK 75 to 120 million with an EBITDA of DKK -265 to -225 million. The 2025 medium-term targets are maintained with slightly increased expectations to revenue derived from potential customer demand for the X-Series electrolyser platform.

Guidance 2022:

- Revenue: DKK 75-120 million
- Gross profit: DKK -15 to 15 million
- EBITDA: DKK -265 to -225 million
- EBIT: DKK -310 to -270 million
- R&D: DKK 75-85 million
- CAPEX: DKK 390-450 million whereof around DKK 100 million is allocated to the expansion of the production capacity

The guidance for 2022 is based on certain assumptions and risk factors. For further details, please refer to the Annual report 2021.

Sebastian Koks Andreassen, CEO of Green Hydrogen Systems comments: *"2021 was a pivotal year for Green Hydrogen Systems where we have continued our planned scaling of the business. We have grown our organisation by 134 employees (+250%) and moved from being a nascent R&D focused start-up to a well-known market contender with*

global customer reach. Our scaling efforts happened simultaneous with the listing of Green Hydrogen Systems where we received great investor support securing capital to execute on our strategic objectives.

In 2021, we have further developed the A-Series technology – a technology that will provide green hydrogen to a number of global demonstration projects and that will form the basis of the X-Series electrolyser technology with the potential to support projects up to and beyond 1,000MW.

We have experienced challenges to the production of our initial A90 electrolyser units impacting customer projects and our financial performance. Such challenges are a reflection of the early stage of the commercialisation of our current product platform, but we will continue to do our utmost to mitigate risks that can impact our deliveries to customers and the development of Green Hydrogen Systems.

Despite the disappointment of the initial delivery delays, we see progress in our production and technology industrialisation. The progress is also reflected in our expectations to 2022 with a significant increase in revenue compared to 2021.

In 2021 and during planning of 2022, we have made considered decisions regarding continued and accelerated expenditure in product development, R&D activities and general scaling to position Green Hydrogen Systems as a leading provider of electrolysis equipment for a future green hydrogen market with significant growth projections.

We remain positive on the medium and long-term development in the green hydrogen market and thereby also confirming the financial targets for 2025 set forth as part of the IPO process in 2021. Compared to the initial targets set at the IPO, the order intake potential in 2023 and 2024 has increased, positively impacting our expectation to revenue in 2025 well above DKK 1,000 million.”

Conference call details

In connection with the announcement of the annual report 2021, Green Hydrogen Systems will host a conference call. The conference call will take place 2 March 2022 at 10:00 CET. Please visit investor.greenhydrogen.dk to access the presentation used for the meeting.

Link: https://webinars.on24.com/q4/GreenHydrogenSystems_2021

DK: +45 32714988
NO: +47 23960036
UK: +44 (0) 2030595869
DE: +49 (0) 69566037000

For more info please contact:

Investors:
Jens Holm Binger, Head of Investor Relations,
+45 6065 6525, jhb@greenhydrogen.dk

Media:
Aleksandra Lozinska, Head of Marketing and Media Relations
+45 4414 0344, alo@greenhydrogen.dk

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 page 25-27 of the annual report 2021 available at investor.greenhydrogen.dk