



THREE MONTHS 2024 PERFORMANCE REPORT

H2APEX Group SCA
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THREE MONTHS PERFORMANCE REPORT

- Revenue for the first three months of fiscal year 2024 amounts to EUR 10.1 million (3M 2023: EUR 1.5 million). Contract assets as of 31 March 2024 increased to EUR 14.0 million (31 December 2023: EUR 5.9 million)
- Revenue guidance for fiscal year 2024 in the range between EUR 35 million – EUR 40 million confirmed
- Backlog of EUR 27.4 million as of 31 March 2024 (31 December 2023: EUR 34 million) demonstrates secured revenue streams while project pipeline continuously grows
- Development of own hydrogen plants in Laage and Lubmin and scale of storage production remain on track

Overview key figures:

(in EUR 1.000, expenses in parentheses)	January - March	
	2024	2023
Income Statement		
Net Sales	10.122	1.541
Gross Profit	263	293
EBITDA ²⁾	(3.863)	(3.503)
EBIT ¹⁾	(4.646)	(4.020)
Net Profit for the period	(4.974)	(4.402)
Adj. EBITDA ²⁾	(3.636)	(3.503)
	31 March 2024	31 Dec 2023
Backlog (in EUR million)	27,4	34,0
Employees (full-time equivalent)	137,0	110,0

Rounding differences can occur

1) Earnings Before Interest and Taxes

2) Earnings Before Interest, Taxes, Depreciation and Amortization

Financial Performance

Revenue increased in Q1 2024 to EUR 10.1 million (Q1 2023: EUR 1.5 million) is mainly due to project revenues. The directly attributable costs related to these projects increased to EUR 9.9 million (Q1 2023: EUR 1.2 million).

Personnel costs increased because of ramping up the business and hiring employees. The number of employees counted 137 employees (FTE) as of 31 March 2024 (31.12.2023: 110 employees (FTE)). While personnel costs increased to EUR 2.3 million in Q1 2024 (Q1 2023: EUR 1.2 million), other operating expenses amounted to EUR 2.0 million in Q1 2024 compared to EUR 2.7 million in Q1 2023. The decrease is due to transaction costs relating to the reverse acquisition in Q1 2023. Depreciation and amortization increased to EUR 0.8 million (Q1 2023: EUR 0.5 million). The financial loss improved for this period to EUR 0.3 million (Q1 2023: EUR 0.4 million).

EBITDA decreased in Q1 2024 to minus EUR 3.9 million (Q1 2023: minus 3.5 million). EBITDA adjusted eliminated the costs for share based payments in Q1 2024 of EUR 0.3 million (Q1 2023: EUR nil million) and amounted to minus EUR 3.6 million (Q1 2023: no adjustment).

The loss of the period Q1 2024 amounted to EUR 5.0 million, compared to a loss of EUR 4.4 million in Q1 2023.

Group Balance Sheet Positions

(in million EUR)	30.03.2024	31.12.2023
Balance Sheet		
Non-current assets	64.6	60.8
Current assets	46.6	61.7
Equity	52.4	57.9
Non-current liabilities	34.8	34.6
Current Liabilities	24.0	30.0

As of 31 March 2024, the total assets amounted to EUR 111.2 million, compared to EUR 122.5 million as of 31 December 2023.

The non-current assets increased to EUR 64.6 million (31.12.2023: EUR 60.8 million).

Current assets decreased to EUR 46.6 million, compared to EUR 61.7 million at year-end 2023. The decrease of the cash position from EUR 44.5 million as of 31 December 2023 down to EUR 20.8 million as of 31 March 2024 has the biggest effect due to a repayment of loans with an amount of EUR 10.4 million, while contract assets increased to EUR 14.0 million (31.12.2023: EUR 5.9 million). Working capital items as trade receivables and other current assets remained relatively stable.

At the end of the reporting period, H2APEX Group's equity amounted to EUR 52.4 million, compared to EUR 57.9 million as of 31 December 2023. This represents an unchanged equity ratio of 47.3%.

The non-current liabilities remained unchanged with an amount of EUR 34.8 million (31.12.2023: EUR 34.6 million). While current liabilities declined to EUR 24.0 million (31.12.2023: EUR 30.0 million). The decrease mainly results from the repayment of other current financial liabilities by EUR 10.4 million while trade payables increased to EUR 8.9 million as of 31 March 2024 (31.12.2023: EUR 5.2 million), provisions increased to EUR 14.0 million (31.12.2023: EUR 10.9 million) mainly due to an increase of provisions for outstanding supplier invoices. Contract liabilities decreased to EUR nil (31.12.2023: 1.3 million) and other current liabilities decreased to EUR 1.0 million (31.12.2023: EUR 2.0 million).

Cash Development and Net Cash

As of 31 March 2024, the cash and cash equivalents amounted to EUR 20.8 million (31.12.2023: EUR 44.5 million).

Financial liabilities summed up to EUR 33.7 million (31.12.2023: EUR 43.7 million) as a result of two shareholder loans. The decrease in the first three months based on the repayment of financial loans. Net cash position amounted to minus EUR 12.9 million at 31 March 2024, while at 31 December 2023 net cash position was at EUR 0.8 million.

Outlook

Hydrogen is a central component of the strategy for achieving the EU climate targets for 2030 and is particularly relevant for Germany as an industrial hub. In Germany, 10 GW of electrolysis capacity is to be created by 2030 – subsidies amounting to EUR 9 billion have already been pledged for hydrogen technology. Green hydrogen is of particular importance here: it contributes to the decarbonization of the economy and the decreasing costs for hydrogen electrolysis plants due to economies of scale make hydrogen an attractive option for industry, infrastructure and mobility.

For the current fiscal year 2024, the company expects its growth course to continue and to more than double its revenue from the previous year to EUR 35 million to EUR 40 million. This development will be supported by revenues from the planning and construction of hydrogen plants for third-party companies, from the operation

of hydrogen plants. The majority of the revenues expected in 2024 have already been contractually secured. At the end of 2024 hydrogen storage tanks will be produced fully automated.

The company's strategy remains focused on achieving profitable growth as quickly as possible, which is reflected in two medium-term target figures communicated by the Management Board: H2APEX expects to generate a positive operating cash flow starting in the fiscal year 2025 and a positive adjusted EBITDA starting in the fiscal year 2026.

The EU funding approved in February 2024 for our 100 MW H2ERO plant, for which the company has applied for funding totaling EUR 167 million, confirms our leading position in the planning and construction of large-scale plants. Further growth potential is in the EU's funding approval for the IPCEI hydrogen projects because these projects will require project developers such as H2APEX to implement them.

Significant Events after Balance Sheet Date

As of 1 April 2024, Bastian Bubel is no longer Managing Director of H2APEX Management Sàrl.

Grevenmacher, 28 May 2024

H2APEX Management S.à r.l. in its capacity as General Partner
H2APEX Group SCA

Financial Calendar

13 June 2024	General Shareholder Meeting
29 August 2024	Six-month financial reporting January to June 2024
28 November 2024	Nine-month financial reporting January to September 2024

INTERIM FINANCIAL STATEMENTS

(CONSOLIDATED)

INTERIM BALANCE SHEET (CONSOLIDATED)

(in EUR 1,000)	unaudited 31 March 2024	audited 31 December 2023
ASSETS		
Non-current assets		
Intangible assets	3,901	3,922
Property, plant and equipment	56,535	52,414
Right-of-use assets	757	885
Investments	2,474	2,474
Deferred tax assets	973	1,106
Total non-current assets	64,640	60,802
Current assets		
Inventories	210	210
Contract assets	13,975	5,941
Trade receivables, net	5,827	5,641
Other current receivables	5,743	5,395
Cash and cash equivalents	20,847	44,466
Total current assets	46,602	61,652
Total assets	111,242	122,454
EQUITY		
Share Capital	564	564
Share Premium	110,776	111,204
Retained earnings	(54,026)	(29,336)
Profit for the year	(4,974)	(24,689)
Equity attributable to Shareholders of the parent company	52,341	57,742
Non-controlling interests	93	127
Total equity	52,434	57,869
LIABILITIES		
Other financial liabilities	33,622	33,109
Other non-current liabilities	227	340
Deferred tax liabilities	973	1,106
Total non-current liabilities	34,822	34,556
Current liabilities		
Financial Liabilities	87	163
Other financial liabilities	0	10,448
Provisions	14,041	10,949
Trade payables	8,851	5,176
Contract liabilities	0	1,284
Other current liabilities	1,007	2,010
Total current liabilities	23,986	30,029
Total liabilities	58,808	64,585
Total equity and liabilities	111,242	122,454

Rounding differences can occur

INTERIM INCOME STATEMENT (CONSOLIDATED)

(in EUR 1,000)	0101.-3103 2024	0101.-3103 2023
Revenue	10,122	1,541
Costs of materials	(9,859)	(1,249)
Gross profit	263	292
Gross profit margin	2.6%	18.9%
Other income	218	88
Employee benefits expense	(2,316)	(1,167)
Other operating expenses	(2,028)	(2,717)
Depreciation and amortization	(783)	(517)
Operating result (EBIT) ¹⁾	(4,646)	(4,020)
Financial income	101	38
Financial expenses	(407)	(388)
Financial result, net	(306)	(350)
Profit/(Loss) before income tax	(4,952)	(4,370)
Income tax expense	(22)	(32)
Profit/(Loss)	(4,974)	(4,402)
Operating result (EBIT)	(4,646)	(4,020)
Depreciation and amortization	783	517
Operating result before depreciation, amortization and impairment charges (EBITDA) ²⁾	(3,863)	(3,504)

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