



NINE MONTHS 2024 PERFORMANCE REPORT

H2APEX Group SCA
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Grand Duchy of Luxembourg

NINE MONTHS PERFORMANCE REPORT

- Revenue for the first three quarters of 2024 amounts to EUR 25.2 million (Q1-Q3 2023: EUR 3.7 million). Contract assets as of 30 September 2024 increased to EUR 18.0 million (31 December 2023: EUR 5.9 million).
- Majority of expected 2024 revenue already contractually secured: Backlog stands at EUR 15.3 million compared to EUR 34.4 million at year end 2023 due to realization of project revenues. Revenue forecast for 2024 revised to at least EUR 28 million.
- Group EBITDA minus EUR 12.6 million (9M 2023: minus EUR 12.0 million) due to expenditures for projects in development and business development activities, including participation in tenders for future projects. Group Net Profit amounted to minus EUR 18.9 million (9M 2023: minus EUR 14.7 million).
- Development of new, proprietary hydrogen plants and scaling of storage production progressing well.
- Headcount grows to 143 employees in the first three quarters as part of the growth strategy.

Overview key figures:

(in EUR 1.000, expenses in parentheses)	January - September	
	2024	2023
Income Statement		
Net Sales	25.208	3.678
Gross Profit	(15)	2.122
EBITDA ²⁾	(12.645)	(11.983)
EBIT ¹⁾	(17.881)	(13.581)
Net Loss for the period	(18.925)	(14.673)
	30. Sep 24	31 Dec 2023
Backlog (in EUR million)	15,3	34,4
Employees (full-time equivalent)	143,3	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 the first nine months 2024 to EUR 25.2 million (9M 2023: EUR 3.7 million) is mainly due to project revenues. The directly attributable costs related to these projects increased to EUR 26.7 million (9M 2023: EUR 2.8 million).

Personnel costs increased because of ramping up the business and hiring employees. The number of employees counted 143 employees (FTE) as of 30 September 2024 (31.12.2023: 110 employees (FTE)). While personnel costs increased to EUR 7.2 million in 9M 2024 (9M 2023: EUR 4.9 million), other operating expenses amounted to EUR 6.7 million in 9M 2024 compared to EUR 9.2 million in 9M 2023. The decrease is due to transaction costs relating to the reverse acquisition in Q1 2023. Depreciation and amortization increased to EUR 5.2 million due to a EUR 2.9 million impairment of a property in Q2 2024 (9M 2023: EUR 1.6 million). The financial loss improved slightly for this period to EUR 1.0 million (9M 2023: EUR 1.1 million).

EBITDA decreased in 9M 2024 to minus EUR 12.6 million (Q3 2023: minus 12.0 million). EBITDA adjusted eliminated the costs for share based payments in 9M 2024 of EUR 0.6 million (9M 2023: EUR nil million) and amounted to minus EUR 12.0 million (9M 2023: no adjustment).

The loss of the period 9M 2024 amounted to EUR 18.9 million, compared to a loss of EUR 8.5 million in 9M 2023.

Group Balance Sheet Positions

(in million EUR)	30.09.2024	31.12.2023
Balance Sheet		
Non-current assets	54,9	60,8
Current assets	48,7	61,7
Equity	39,2	57,9
Non-current liabilities	35,3	34,6
Current Liabilities	29,2	30,0

As of 30 September 2024, the total assets amounted to EUR 102.6 million, compared to EUR 122.5 million as of 31 December 2023.

The non-current assets decreased to EUR 54.9 million (31.12.2023: EUR 60.8 million).

Current assets decreased to EUR 48.7 million, compared to EUR 61.7 million at year-end 2023. The decrease in the cash position from EUR 44.5 million as of 31 December 2023 down to EUR 15.4 million as of 30 September 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 16.4 million (31.12.2023: EUR 5.9 million). Trade receivables increased to EUR 13.3 million, compared to EUR 5.6 million at year-end 2023. Working capital and other current assets remained relatively stable.

At the end of the reporting period, H2APEX Group's equity amounted to EUR 39.2 million, compared to EUR 57.9 million as of 31 December 2023. This represents an equity ratio of 38.1% (31.12.2023: 47.2%).

The non-current liabilities decreased to EUR 35.3 million (31.12.2023: EUR 34.6 million). While current liabilities increased to EUR 32.0 million (31.12.2023: EUR 30.0). The increase mainly results from the decrease of other current financial liabilities by EUR 8.4 million while trade payables increased to EUR 7.8 million as of 30 September 2024 (31.12.2023: EUR 5.2 million), provisions increased to EUR 17.6 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 1.7 million (EUR 2.0 million).

Cash Development and Net Cash

As of 30 September 2024, the cash and cash equivalents amounted to EUR 15.4 million (31.12.2023: EUR 44.5 million).

Financial liabilities summed up to EUR 35.9 million (31.12.2023: EUR 43.7 million) of four shareholder loans. The decrease in the first nine months results from the repayment of financial loans. Net cash position amounted to minus EUR 35,4 million on 30 September 2024, while on 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 almost double its revenue from the previous year to above EUR 28 million. This development will be supported by revenues from

the planning and construction of hydrogen plants for third-party companies and from the operation of hydrogen plants. The revenues expected in 2024 have already been contractually secured.

The company's strategy remains focused on achieving profitable growth as quickly as possible. As a result of current tender processes, the company expects new EPC projects to be contracted.

The EU funding granted in July 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

There were no other events since the balance sheet date that would require a disclosure

Grevenmacher, 28 November 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 30 September 2024	audited 31 December 2023
ASSETS		
Non-current assets		
Intangible assets	3.845	3.922
Property, plant and equipment	47.125	52.414
Right-of-use assets	500	885
Investments	2.577	2.474
Deferred tax assets	844	1.106
Total non-current assets	54.891	60.802
Current assets		
Inventories	210	210
Contract assets	17.984	5.941
Trade receivables, net	13.322	5.641
Other current receivables	1.818	5.395
Cash and cash equivalents	15.374	44.466
Total current assets	48.708	61.652
Total assets	103.599	122.454
EQUITY		
Share Capital	564	564
Share Premium	111.432	111.204
Retained earnings	(54.024)	(29.336)
Profit for the year	(18.925)	(24.689)
Equity attributable to Shareholders of the parent company	39.047	57.742
Non-controlling interests	108	127
Total equity	39.155	57.869
LIABILITIES		
Other financial liabilities	33.928	33.109
Other non-current liabilities	507	340
Deferred tax liabilities	844	1.106
Total non-current liabilities	35.279	34.556
Current liabilities		
Financial Liabilities	76	163
Other financial liabilities	2.008	10.448
Provisions	17.602	10.949
Trade payables	7.797	5.176
Contract liabilities	0	1.284
Other current liabilities	1.682	2.010
Total current liabilities	29.165	30.029
Total liabilities	64.444	64.585
Total equity and liabilities	103.599	122.454

Rounding differences can occur

INTERIM INCOME STATEMENT (CONSOLIDATED)

(in EUR 1,000)	3 months		9 months	
	unaudited 01.07. - 30.09.2024	unaudited 01.07. - 30.09.2023	unaudited 01.01. - 30.09.2024	unaudited 01.01. - 30.09.2023
Revenue	7.733	1.399	25.208	3.678
Costs of materials	(6.683)	(407)	(25.223)	(2.179)
Gross profit	1.050	992	(15)	1.499
Gross profit margin	13,6%	70,9%	(0,1%)	40,7%
Other income	394	382	809	623
Own work capitalized	95		475	
Employee benefits expense	(2.630)	(1.997)	(7.198)	(4.910)
Other operating expenses	(2.578)	(4.062)	(6.716)	(9.195)
Depreciation and amortization	(717)	(556)	(5.236)	(1.599)
Operating result (EBIT) ¹⁾	(4.386)	(5.241)	(17.881)	(13.581)
EBIT margin	n/a	n/a	n/a	n/a
Financial income	53	82	186	596
Financial expenses	(435)	(486)	(1.156)	(1.637)
Financial result, net	(382)	(404)	(970)	(1.041)
Profit/(Loss) before income tax	(4.768)	(5.645)	(18.851)	(14.622)
Income tax expense	(24)	(2)	(74)	(51)
Profit/(Loss) for the period	(4.792)	(5.647)	(18.925)	(14.673)
Operating result (EBIT)	(4.386)	(5.241)	(17.881)	(13.581)
Depreciation and amortization	717	556	5.236	1.599
Operating result before depreciation, amortization and impairment charges (EBITDA) ²⁾	(3.669)	(4.685)	(12.645)	(11.983)

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- 2) Earnings Before Interest, Taxes, Depreciation and Amortization