



NINE MONTHS 2023 PERFORMANCE REPORT

exceet Group SCA
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Grand Duchy of Luxembourg

NINE MONTHS PERFORMANCE REPORT

- Revenue for the first nine months of fiscal year 2023 amounts to EUR 3.7 million (9M 2022: EUR 3.0 million). Contract assets as of 30 September 2023 increased to EUR 12.5 million (31 December 2022: EUR 2.7 million)
- Revenue guidance for fiscal year 2023 of more than EUR 15 million confirmed based on expected strong Q4 2023
- Backlog increase to EUR 46 million as of 30 September 2023 (31 December 2022: EUR 34 million) demonstrates strong uptick of both project and storage business
- Strong cash position of EUR 40.1 million as of 30 September 2023 serves as basis to finance further projects and investments
- With acquisitions of 5.2ha land at a strategic location in Lubmin, Germany, for potential 600 MW electrolyser capacity APEX plans to build up the plants and operate facilities starting in 2027

“Reversed Acquisition” defines the accounting policies

With the business combination between exceet and APEX, the accounting policies of exceet changed. According IFRS 3 and IFRS 10 the transaction has been recorded as “reversed acquisition”. For accounting purposes, APEX Group was determined to be the acquirer in this “reversed acquisition”. Consequently these consolidated financial statements of exceet represent the continuation of the financial statements of APEX Group with the exception of the capital structure, which has been adjusted to reflect the share capital of exceet Group SCA as ultimate parent company.

Following this guidance, exceet financials has been integrated into APEX financials. Comparable figures fully reflect the history of APEX only.

Overview key figures:

(in EUR 1.000, expenses in parentheses)	9 months	
	2023	2022
Income Statement		
Net Sales	3,678	2,956
Gross Profit	2,122	867
EBITDA	(11,983)	(5,596)
EBIT	(13,581)	(6,122)
Net Profit for the period	(14,673)	(8,448)
- per Ordinary Share	<i>Euro</i> (0.4)	(0.2)
Adj EBITDA	(10,287)	(5,596)
	30 Sep 2023	31 Dec 2022
Backlog in Mio EUR*	46	34
Employees (Headcount) **	98	48

Rounding differences can occur

* Fixed orders

** Without employees of General Partner

Financial Performance

APEX-Group is the operating business unit within exceet Group and providing revenues.

Revenue increased in the first nine month of fiscal year 2023 to EUR 3.7 million (9M 2022: EUR 3.0 million) due to proceeds from the project development segment, while in prior year the revenues were mainly caused by the sale of a filling station. The directly attributable costs related to these revenues were EUR 2.2 million (9M 2022: 2.4 million). The Q3 revenues amounted to EUR 1.4 million (Q3 2022: 2.8 million), while directly attributable costs amounted to EUR 0.4 million (EUR 2,4 million).

Personnel costs and other operating expenses increased due to the ramp-up of the business and hiring employees. The number of employees as of 30 September 2023 was 98 employees (Headcount) (31 December 2022: 48 employees (Headcount)). Personnel costs subsequently increased to EUR 4.9 million in 9M 2023 (9M 2022: EUR 2.7 million) and other operating expenses in 9M 2023 amounted to EUR 9.2 million compared to EUR 3.8 million in 9M 2022. For Q3 2023 the personnel costs amounted to EUR 2.0 million (Q3 2022: EUR 0.8 million), while other operating expenses increased to EUR 4.1 million (Q3 2022: EUR 1.2. million), mainly because of expenses for the release of a Stock Option Programm with a value (non cash effect) of EUR 1.7 million. Depreciation and amortization increased for 9M 2023 to EUR 1.6 million (9M 2022: EUR 0.5 million) because of higher investments in property. For Q3 2023 depreciation and amortization amounted to EUR 0.6 million (Q3 2022: EUR 0.2 million). The financial result in 9M 2023 amounted to EUR -1.0 million (9M 2022: EUR -2.3 million), respectively for Q3 2023 EUR -0.4 million (Q3 2022: EUR -0.7 million).

EBITDA in 9M 2023 amounted to EUR -12.0 million (9M 2022: EUR -5.6 million), Adj EBITDA amounted to EUR -10.3 million for 9M 2023, reflecting the elimination of the expenses for the Stock Option Program in an amount of EUR 1.7 million in Q3 2023.

The loss in 9M 2023 amounted to EUR 14.7 million (9m 2022: loss of EUR 8.5 million), respectively to a loss in Q3 2023 of EUR 5.6 million (Q3 2022: EUR -2.4 million).

Group Balance Sheet Positions

(in million EUR)	30.09.2023	31.12.2022 *
Balance Sheet		
Non-current assets	59.9	38.2
Current assets	59.1	23.5
Equity	68.2	8.0
Non-current liabilities	17.0	51.6
Current Liabilities	33.8	18.2

* It should be noted that individual figures relating to the financial year ended December 31, 2022, differ from the corresponding figures of the first quarter of financial year 2023 in the Unaudited Condensed Consolidated Interim Financial Statements published by the Company, as these published figures were still based on unaudited annual financial statements of APEX as of and for the financial year ended December 31, 2022. Based on the audited annual financial statements of APEX as of and for the financial year ended December 31, 2022, a value adjustment on a receivable in the amount of EUR 800 thousand was recorded due to adjusting events, which had not been taken into account in the published figures for the first quarter of the financial year 2023.

As of 30 September 2023, the total assets amounted to EUR 119.0 million, compared to EUR 61.7 million as of 31 December 2022. The significant increase is related to the higher cash position, as a result of the consolidation of exceet within the financial statements of APEX based on reversed acquisition accounting principles. The figures as of 31 December 2022 only reflect APEX Group.

Non-current assets increased by EUR 21.7 million to EUR 59.9 million (31 December 2022: EUR 38.2 million). The significant increase results from tangible assets related to additional land and buildings, which were acquired in 2023 respectively first time consolidated.

Current assets amounted to EUR 59.1 million, compared to EUR 23.5 million at year-end 2022. The increase of the cash position from EUR 0.2 million as of 31 December 2022 up to EUR 40.1 million as of 30 September 2023 has the strongest effect, while other current receivables decreased to EUR 4.5 million (31 December 2022: EUR 13.4 million) because of first time consolidation of RLG GmbH & Co. KG in 2023.

Contract assets increased by EUR 9.8 million to EUR 12.5 million (31 December 2022: EUR 2.7 million). This is due to the advance payments made as part of project development and forms the basis for the targeted revenue of over EUR 15 million for fiscal year 2023.

In addition, inventories decreased by EUR 5.2 million to EUR 1.3 million (31 December 2022: EUR 6.5 million) due to a strategic reduction in inventories of project components. Trade receivables remained relatively stable.

At the end of the reporting period, exceet Group's equity amounted, to EUR 68.2 million, versus EUR -8.0 million as of 31 December 2022. This translates into an equity ratio of 57.3%. The share capital represents the share capital of exceet Group SCA with EUR 0.6 million as of 30 September 2023 (31 December 2022: EUR 0.3 million). The increase reflects the capital increase of exceet Group SCA based on the transaction with APEX Group according capital increase by contribution in kind. The number of shares increased by 16,285,467 shares, the capital amounts to EUR 564,385 (31 December

2022: EUR 311,960). The amount of the share premium includes effects from reversed acquisition in the amount of EUR 40.4 million.

The non-current liabilities decreased to EUR 17.0 million (31 December 2022: EUR 51.6 million). While other non-current financial liabilities decreased to an amount of EUR 15.7 million (31 December 2022: EUR 41.1 million) because of becoming current liabilities, the bond has been repaid completely (31 December 2022: 9.1 million).

The increase of the current liabilities to EUR 33.8 million as of 30 September 2023 (31 December 2022: EUR 18.2 million) is mainly due to the decrease of non-current financial liabilities by EUR 25.4 Million mitigated by the repayment of other current financial liabilities by EUR 7.0 million. Trade payables amounted to EUR 2.6 million as of 30 September 2023 (31 December 2022: EUR 6.0 million), while accrued expenses increased to EUR 1.4 million (31 December 2022: nil) and other current liabilities increased to EUR 1.2 million (EUR 0.3 million). Provisions decreased to EUR 0.8 million (31 December 2022: EUR 1.2 million).

Cash Development and Net Cash

As of 30 September 2023, the cash and cash equivalents amounted to EUR 40.1 million (31 December 2022: EUR 0.2 million). The cash position increased due to the cash, which exceet contributed as a result of the business combination with APEX.

Financial liabilities summed up to EUR 43.5 million (31 December 2022: EUR 61.0 million). The decrease in the first nine months of 2023 is based on the repayment of APEX' bond and financial loans. The net cash position amounted to EUR -3.4 million as of 30 September 2023, while at 31 December 2022 net cash position was at EUR -60.8 million.

Outlook

For the fiscal year 2023 exceet confirms its forecast of more than EUR 15 million in revenue. The significant part of the annual revenue is expected for Q4 2023. APEX is furthermore in negotiations on additional projects, which are expected to drive the company's growth in the upcoming years.

While in recent years APEX has invested primarily in the development of plant technology, distribution strategies, capacity and know-how, the company now expects significant growth in the coming years as the realization of the pipeline in both its project and storage business is underway.

On July 27, 2023 APEX acquired 5.2 ha land at a strategic location in Lubmin, Germany in order to build up to 600 MW of electrolyser capacity for the production of green hydrogen. Completion of the first construction stage is planned for 2027. APEX will construct the plants and subsequently take over their operation as the owner. In the final construction phase, the plant would generate up to 43,000 metric tons of hydrogen annually, avoiding more than 400,000 metric tons of carbon dioxide. Furthermore, APEX is participating in the project 'Flow – making hydrogen happen' as an associated partner. The aim of this project is to enable the transport of hydrogen across Germany using the current natural gas infrastructure. Lubmin will be the northeast hub of the pipeline project in Germany. Thanks to this feed-in option, APEX will also be able to make its green hydrogen available to customers in southern Germany in the future.

Based on its long time experience in hydrogen distribution, APEX invests in the development and production of mobile physical storage and expects first significant revenues in this segment for 2024.

Additionally, continued requests for tenders and projects support growth expectations of APEX.

Significant Events after Balance Sheet Date

exceet Group SCA, being the sole shareholder of Apex and represented exceet Management S.à r.l. as its General Partner appointed Bert Althaus (CFO) starting October 1, 2023 and Axel Funke (CTO) starting January 1, 2024 as Managing Directors of Apex Nova Holding GmbH.

Grevenmacher, 27 November 2023

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

INTERIM FINANCIAL STATEMENTS (CONSOLIDATED)

INTERIM INCOME STATEMENT (CONSOLIDATED)

(in EUR 1,000)	3 months		9 months	
	unaudited 01.07. - 30.09.2023	unaudited 01.07. - 30.09.2022	unaudited 01.01. - 30.09.2023	unaudited 01.01. - 30.09.2022
Revenue from contracts with customers	1.399	2.750	3.678	2.956
Other operating income	382	217	623	348
Material Costs	(407)	(2.434)	(2.179)	(2.437)
Gross profit	1.374	533	2.122	867
<i>Gross profit margin</i>	98,2%	19,4%	57,7%	29,3%
Personnel Costs	(1.997)	(837)	(4.910)	(2.676)
Other operating expenses	(4.062)	(1.228)	(9.195)	(3.787)
Depreciation and amortization	(556)	(200)	(1.599)	(525)
Operating result (EBIT) ¹⁾	(5.241)	(1.732)	(13.581)	(6.122)
<i>EBIT margin</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Financial income	82	(117)	596	362
Financial expenses	(486)	(577)	(1.637)	(2.688)
Financial result, net	(404)	(694)	(1.041)	(2.326)
Profit/(Loss) before income tax	(5.645)	(2.426)	(14.622)	(8.448)
Income tax expense	(2)	(0)	(51)	(0)
Profit/(Loss)	(5.647)	(2.426)	(14.673)	(8.448)
<i>Profit/(Loss) margin</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Operating result (EBIT)	(5.241)	(1.732)	(13.581)	(6.122)
Depreciation and amortization	556	200	1.599	525
Operating result before depreciation, amortization and impairment charges (EBITDA) ²⁾	(4.686)	(1.532)	(11.983)	(5.596)
<i>EBITDA margin</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

1) Earnings Before Interest and Taxes

2) Earnings Before Interest, Taxes, Depreciation and Amortisation

INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

(in EUR 1,000)	3 months		9 months	
	unaudited 01.07. - 30.09.2023	unaudited 01.07. - 30.09.2022	unaudited 01.01. - 30.09.2023	unaudited 01.01. - 30.09.2022
Profit/(Loss) for the period	(5,647)	(2,426)	(14,673)	(8,448)
Items not to be reclassified to income statement:				
Expenses directly offset with equity	(785)	0	(1,092)	0
Items not to be reclassified to income statement	(785)	0	(1,092)	0
Items to be reclassified to income statement:				
Stock Option Program	1,696	0	1,696	0
Currency translation differences	(407)	0	(644)	0
Items to be reclassified to income statement	1,289	0	1,052	0
Total comprehensive income for the period	(5,143)	(2,426)	(14,713)	(8,448)
Attributable to:				
Shareholders of the parent company	(5,165)	(2,432)	(14,746)	(8,463)
Minority interests	22	6	33	15
	(5,143)	(2,426)	(14,713)	(8,448)

INTERIM BALANCE SHEET (CONSOLIDATED)

(in EUR 1,000)	unaudited 30 September 2023	audited 31 December 2022 *
ASSETS		
Non-current assets		
Tangible assets	50,171	33,530
Right-of-use assets	54	0
Intangible assets ¹⁾	5,749	2,521
Other financial investments	2,688	1,100
Deferred tax assets	1,216	1,096
Total non-current assets	59,879	38,247
Current assets		
Inventories	1,258	6,498
Trade receivables, net	729	724
Contract assets	12,478	2,740
Other current receivables	4,525	13,375
Cash and cash equivalents	40,102	149
Total current assets	59,092	23,487
Total assets	118,971	61,734
EQUITY		
Share capital	564	312
Share Premium	111,164	20,570
Reserves	(43,574)	(28,901)
Equity attributable to Shareholders of the parent company	68,154	(8,020)
Non-controlling interests	33	3
Total equity	68,187	(8,017)
LIABILITIES		
Non-current liabilities		
Lease liabilities	38	0
Financial Liabilities	0	192
Financial Liabilities Bonds	0	9,132
Other non-current financial liabilities	15,700	41,140
Deferred tax liabilities	1,216	1,096
Total non-current liabilities	16,954	51,560
Current liabilities		
Trade payables	2,611	6,000
Financial Liabilities	310	1,606
Other current financial liabilities	27,507	9,077
Other current liabilities	1,240	329
Accrued expenses	1,382	0
Lease liabilities	18	0
Provisions	762	1,179
Total current liabilities	33,830	18,191
Total liabilities	50,784	69,751
Total equity and liabilities	118,971	61,734

Rounding differences can occur

* It should be noted that individual figures relating to the financial year ended December 31, 2022 differ from the corresponding figures of the first quarter of financial year 2023 in the Unaudited Condensed Consolidated Interim Financial Statements published by the Company, as these published figures were still based on unaudited annual financial statements of APEX as of and for the financial year ended December 31, 2022. Based on the audited annual financial statements of APEX as of and for the financial year ended December 31, 2022, a value adjustment on a receivable in the amount of EUR 800 thousand was recorded due to adjusting events, which had not been taken into account in the published figures for the first quarter of the financial year 2023.

1) Incl. Goodwill of EUR 3,274 (31 December 2022: EUR 0)