Second quarter and Half year report 2025

HydrogenPro

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About HydrogenPro

HydrogenPro, established in 2013, specializes in pioneering green hydrogen technology solutions in partnership with global collaborators and suppliers.

HydrogenPro is an original equipment manufacturer with a high focus on R&D. Headquartered at Herøya, Norway, our proudest achievement lies in developing cutting-edge high-pressure alkaline electrolyzers, including proprietary electrode technology that enhances our global competitiveness. Designed for scalability with renewable energy inputs, our electrolyzers offer cost-effective solutions crucial for enhancing sectors like wind, solar, and other renewables in the energy transition. Green hydrogen, as a versatile energy carrier, plays a pivotal role in advancing the green energy shift. At HydrogenPro, we are dedicated to leading the green hydrogen industry forward with our innovative technology and expertise, driving towards a sustainable future.

Our team comprises highly skilled professionals, including key experts in global hydrogen technology. In addition to our operations in Norway, we operate R&D, sales, and manufacturing facilities across Denmark, Germany, the US and China.

We take great pride in our ESG strategy about creating a sustainable society with hydrogen. Our technology supplies high-performance and zero emission energy, to help you reach your production and sustainability goals all at the same time.

By powering innovation, we are energizing tomorrow. We are changing the world. For good.

Technology Leader

Global footprint

Scalability

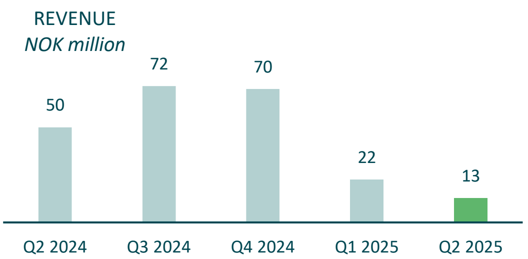
Life Cycle Partner

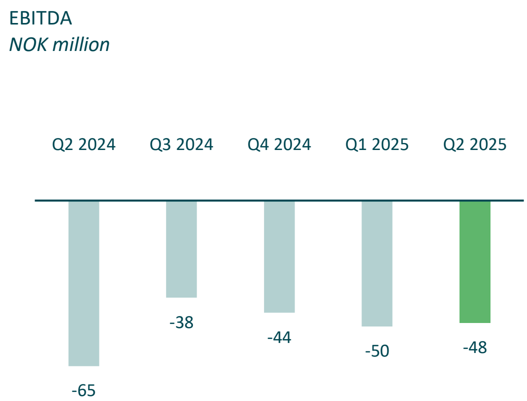
Highlights

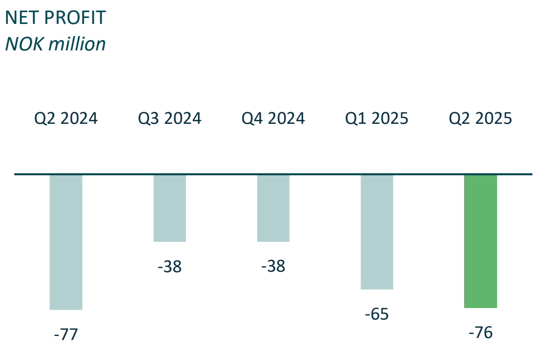
Q2 2025 Highlights

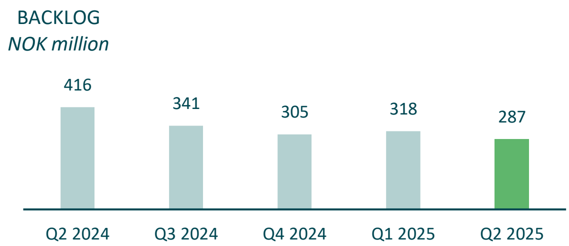
- **Revenues for the quarter of NOK 13 million** (compared to NOK 22 million in Q1 2025 and NOK 50 million in Q2 2024)
- **EBITDA of NOK -48 million** (compared to NOK -50 million in Q1 2025 and NOK -65 million in Q2 2024)
- **Cash balance of NOK 107 million** (compared to NOK 165 million end of Q1 2025 and NOK 247 million end of Q2 2024)
- **After balance sheet date:** HydrogenPro received NOK 70 million equity injection from Longi Hydrogen in July 2025

Financials









Q2 2025 Summary

Developments during the quarter

Market development

The slowdown in large-scale green hydrogen projects observed in late 2024 and continuing into 2025 has shown signs of reversal in the last quarter. During Q2, we witnessed renewed momentum—particularly within the EU—toward more active support for projects that have long been awaiting approvals and commitments.

Across Europe, several public financing awards have been granted under both the European Hydrogen Backbone (EHB) and Important Projects of Common European Interest (IPCEI) frameworks supporting Hydrogen projects. At the national level, we have seen an increase in enforcement of programs aimed at supporting future Final Investment Decisions (FIDs) for large-scale projects, especially in Spain and the UK.

European stimulus programs and advancing project pipelines are expected to drive further progress, bolstered by newly announced subsidies and funding schemes.

Over the past year, project delays and cancellations have been frequent, primarily due to factors such as insufficient funding, rising costs, and infrastructure constraints. However, the most significant barrier has consistently been the lack of offtake agreements or commitments.

Encouragingly, recent efforts have focused on creating a framework to better engage offtakers and the market by promoting more sustainable business models for selected projects. This approach is expected to foster a more dynamic and resilient market for green hydrogen and its related derivatives.

The European Hydrogen Bank's (EHB) stringent funding requirements related to electrolyzer equipment are expected to increase project costs, prompting some developers to question the value of pursuing this funding. At HydrogenPro, our focus throughout the quarter has been on ensuring full compliance with these new standards, while minimizing any negative impact on cost efficiency across our business model. This effort has been supported by our ongoing electrolyzer assembly operations in Germany, carried out in partnership with ANDRITZ and electrode plating and assembly at HydrogenPro's facility in Aarhus

HydrogenPro's partnerships are increasingly enabling the inclusion of its electrolyzer technology in project assessments and future FEED studies for major clients. This development is helping to secure a growing project pipeline and positioning the company for potential involvement in new green hydrogen plants as these projects materialize.

HydrogenPro's project portfolio has experienced some delays, but very few cancellations. Activity is increasing across the Power-to-X, ammonia, and hydrogen-as-fuel sectors, with a noticeable uptick also seen in refinery and sustainable aviation fuel (SAF) projects—driven in part by expectations of a higher drop-in requirement for the aviation industry.

In Europe, the Middle East, and India, established industry players are continuing to advance the green hydrogen market. In response, HydrogenPro is strengthening its partnerships and expanding its market presence in these regions. Strategic efforts have been made to position the company to participate in these developments by forming new alliances across these promising markets.

In North America, we are beginning to see the effects of the policy shift introduced by the new administration, which favors fossil fuel development over immediate investment in costly green energy transitions. Although the IRA Section 45V appears to remain intact, the investment timeline has been extended by an additional two years to safeguard already approved funding. This extension may delay several U.S. hydrogen projects, as it allows more time for project maturation without the risk of losing allocated support. It also provides a longer window to assess the impact of long-term tariff conditions—an area of uncertainty that has undoubtedly hindered progress by raising concerns around project capital expenditures.

HydrogenPro will continue to focus on technology testing, ongoing deliveries, and strategic positioning for emerging opportunities, while also preparing for the possibility of lower order volumes.

The testing of HydrogenPro's latest technology at Herøya has been successfully completed, demonstrating confirmed performance improvements in both electrode efficiency and stack design. With continued efforts to optimize the production of our Gen 3 electrodes, we aim to further enhance performance by ensuring consistently high-quality output. Variability in Gen 3 electrodes will be minimized and improved through a stable, automated quality control system integrated into the new production line in Aarhus.

We are confident that our electrode technology is a key differentiator, positioning HydrogenPro at the forefront of the electrolyzer industry. The company will maintain its commitment to R&D, driving further advancements and optimization of electrode technology in future generations.

HydrogenPro ASA – NOK 70 million investment by LONGi Hydrogen completed

On 27 May 2025, HydrogenPro's board approved the issuance of 12,703,209 new shares at a subscription price of NOK 5.50 per share, increasing the company's share capital by NOK 254,064.18. The investment, initially announced on 23 December 2024, received the necessary Overseas Direct Investment (ODI) regulatory approval from Chinese authorities on 19 May 2025 and the investment was completed with registration of the share capital increase with the Norwegian Register of Business Enterprises on 11 July 2025 with related receipt of cash injection.

With the capital increase officially registered, Haimeng Zhang has officially joined the board of directors.

Outlook

The hydrogen market is evolving as global dynamics shift, with delays in large-scale projects but increasing momentum for smaller, scalable projects. Europe is becoming a key driver of hydrogen adoption, spurred by policy incentives and a growing need for decarbonization. Although the U.S. was previously the focus of renewable energy expansion, Europe is now gaining attention, though building infrastructure and securing off-take agreements will take time.

Despite setbacks, the long-term outlook for green hydrogen remains positive. Delayed projects are moving towards Final Investment Decisions (FID), signaling renewed confidence. However, challenges such as funding, rising capital costs, and uncertainty around incentive programs still affect investment timelines.

HydrogenPro is well-positioned to capitalize on these trends through its technology, expertise, and strategic partnerships. Notable achievements include supplying electrolyzers for major projects like ACES and Salzgitter and completing successful full-scale testing of its new technology with ANDRITZ. The test showed improved performance and confirmed HydrogenPro's leading edge in electrolyzer technology.

HydrogenPro's global partnerships with ANDRITZ in Europe, Mitsubishi in the U.S., and LONGi in China position the company well across key regions. The partnerships have been strengthened further through completion of the equity investments during 2025.

The company is also expanding into emerging markets in India and the Middle East as these markets represent strong growth prospects underpinned by attractive cost on renewable energy driving down the cost of producing green hydrogen In Europe, HydrogenPro's compliance with European regulations, particularly those of the European Hydrogen Bank, ensures eligibility for financial incentives.

However, rising trade barriers and protectionist policies may increase costs for European projects, potentially slowing market adoption. HydrogenPro advocates cost reductions to accelerate the energy transition rather than restrictive trade measures. Despite fluid market conditions, the company remains positioned to drive innovation and support the growth of the green hydrogen sector.

In our 2024 Annual Integrated Report, several key risks that could impact on the Company's business operations and financial performance were identified. As of this quarter, we confirm that these risks remain relevant and continue to be actively monitored and managed. Below is a summary of the primary risks faced by our Company:

Strategy and Business Risk: The hydrogen production market is still developing, with risks from market volatility, client expectations, and regulatory changes. On 27 September 2024, the European Hydrogen Bank introduced new regulations limiting projects to sourcing no more than 25% of electrolyzer stacks from China. Following further clarification, HydrogenPro will remain compliant with minor supply chain adjustments, continue assembly operations in Germany with our partner and electrode plating and assembly at HydrogenPro's facility in Aarhus.

However, these requirements are expected to increase costs for European projects, which poses a risk to business by potentially delaying new developments in the region.

Operational Risk: The Company is exposed to potential disruptions in its supply chain, especially given its reliance on suppliers in China. To mitigate these risks, the company is actively implementing measures, including optimizing its manufacturing footprint in collaboration with Longi Hydrogen in China.

Technology Risk: Main technology risks are non-competitive performance of our equipment and limited access to long-term performance data, with limited resources to conduct short-term testing. Until long-term data is validated at customers' sites, success relies on accurate estimates and manageable liabilities. Building trust requires competitive performance, timely delivery, and strong customer support and cooperation.

People Risk: As the Company matures, pressure on staff and leadership increases, with risks of key person and staff turnover. The company is actively working to improve the work environment and has seen significant improvements in reducing unwanted turnover.

Financing risk: the Company faces financial risks from fluctuations in commodity prices like steel and nickel, and counterparty risks. Ensuring sufficient liquidity, both short and long term, is essential to continue operations, pursuing contracts and strategic goals. Until the Company generates positive cash flow from business operations, the Company is dependent on external financing, and in the event that no capital is available, the Company will meet financial difficulties to continue operations.

Health, Environmental, and Safety Risk: The Company manages health, safety, and environmental risks at its various facilities, including those in China, Denmark, and Norway, which has led to significant improvements in work related incidents and reduced risks.

ESG Risks: The Company faces challenges in meeting environmental, social, and governance (ESG) expectations, which could lead to higher costs or reputational damage.

All of these risks are continuously monitored and mitigated through a wide range of measures, including, but not limited to actively assessing and pursuing financing alternatives, establishment and implementation of systems and procedures in all parts of the organization, approval matrices, quality control, HSE, diligent planning, information sharing, insurances, contractual terms, credit assessment etc.

Financials

Income statement

Q2 2025	Q1 2025	Q2 2024	NOK million	H1 2025	H1 2024	FY 2024
13	**22**	**50**	**Revenue from contracts with customers**	**35**	**54**	**196**
10	15	58	Direct materials	25	53	147
3	**7**	**-8**	**Gross profit**	**10**	**1**	**49**
22 %	**32 %**	**-17 %**	***Gross margin***	**28 %**	**2 %**	**25 %**
32	39	32	Personnel expenses	71	62	144
19	18	25	Other operating expenses	37	60	109
-48	**-50**	**-65**	**EBITDA**	**-98**	**-122**	**-204**
5	6	6	Depreciation and amortization expenses	11	12	23
-54	**-55**	**-71**	**EBIT**	**-109**	**-134**	**-227**
-22	-10	-6	Net financial income and expenses	-32	10	27
-76	**-65**	**-77**	**Profit/(loss) before income tax**	**-141**	**-124**	**-200**
-	-	-	Income tax expense	-	-	-
-76	**-65**	**-77**	**Profit/(loss)**	**-141**	**-124**	**-200**

Q2 2025

EBITDA was NOK -48 million in the second quarter of 2025, compared to NOK - 50 in the first quarter. Although gross profit was NOK 4 million lower and operating expenses were NOK 2 million higher in the second quarter compared to the first quarter, these negative effects were fully offset by a NOK 7 million reduction in personnel expenses. .

The NOK 40 million annual savings program is executed according to plan and the impact of downsizing in Europe and reduced use of external consultants have come into effect while the planned cost measures in China will have increased impact during the second half this year.

The net loss for the second quarter of 2025 amounted to NOK- 76 million compared to NOK - 65 million in the first quarter of 2025.

The increase in net loss—despite a NOK 7 million reduction in net foreign currency loss in Q2 compared to Q1— is primarily attributable to a negative fair value adjustment of financial instruments and additional impairments of financial assets totaling NOK 20 million. These adjustments reflect developments in certain strategic investments, including a convertible instrument and other financial exposures. While the foreign currency impact improved, the valuation and impairment effects more than offset this benefit. The fair value adjustment is specifically related to the USD 3 million convertible note investment in DG Fuels.

Order Backlog

The order backlog amounted to NOK 287 million as of 30 June 2025, compared to NOK 318 million as of 31 March 2025 and NOK 415 million as of 30 June 2024. The reduction compared to the previous quarter is primarily due to the foreign exchange revaluation of contracts denominated in foreign currencies and deliveries made during the quarter, with order intake during the period providing a partial offset.

H1 2025

EBITDA was NOK -98 million in the first half of 2025, compared to NOK -122 million in the same period of 2024. Gross profit was NOK 9 million higher in H1 2025, mainly because H1 2024 included negative revenue recognition. This was impacted by the reversal of NOK 21 million in revenue recognized in Q1 2024, related to a customer contract.

Operating expenses were NOK 23 million lower in H1 2025 compared to H1 2024, primarily due to the cost savings program implemented in 2025, which included reduced use of external consultants. These positive effects were partly offset by NOK 9 million in higher personnel expenses in H1 2025. The increase is due to the fact that the cost-saving measures affecting personnel expenses have not yet come into full effect, owing to strengthening of the organization with senior personnel during 2024 and other transitional costs. Compared to H2 2024, the personnel expenses are reduced with NOK 11 million (from NOK 82 million in H1 2024 to NOK 71 million in H1 2025) mainly reflecting impact of downsizing in Europe and reduced activity level in China.

The net loss for the first half of 2025 amounted to NOK - 141 million
The net loss for the first half of 2025 amounted to NOK -141 million, compared to NOK -124 million in the same period of 2024, despite the improvement in EBITDA. This increase in net loss is primarily attributable to a negative fair value adjustment of financial instruments and additional impairments of financial assets totalling NOK 20 million recorded in H1 2025. These adjustments reflect developments in certain strategic investments, including a convertible instrument and other financial exposures. Additionally, foreign currency effects contributed negatively in H1 2025, resulting in a loss of NOK 12 million, whereas the same period in 2024 saw a gain of NOK 9 million.

Net financial items

Q2 2025	Q1 2025	Q2 2024	NOK million	H1 2025	H1 2024	FY 2024
-18	-	-	Fair value adjustment for financial instruments	-18	-	-
-0	-0	-0	Interest gain (+)/expense (-)	-0	-1	-1
-3	-10	-7	Net foreign exchange gain (+)/expense (-)	-12	9	26
-2	-	-	Impairment of financial assets	-2	-	-2
2	-0	1	Other finance income (+)/expense (-)	1	2	4
-22	**-10**	**-6**	**Net financial items**	**-32**	**10**	**27**

Q2 2025

Net financial items in the second quarter were negatively impacted by fair value adjustment of financial instruments (DG Fuel convertible note investment) from USD 3 million to USD 1 million during the second quarter and the first half of 2025.

In addition, impairments of NOK 2 million were recognized in the quarter, reflecting updated assessments of financial exposures.

The net foreign currency loss in the second quarter was significantly lower than in the first quarter of 2025, mainly due to a more stable NOK, particularly against the USD and CNY. Despite this improvement, overall net financial items for the second quarter remained negative due to the valuation and impairment effects.

For further details on the fair value adjustment of financial instruments, please refer to Note 5: Financial Investment.

H1 2025

Net financial items in the first half of 2025 were more negative compared to the same period in 2024, primarily driven by valuation effects and foreign currency losses.

A total of NOK 20 million in fair value adjustments and impairments were recognized in H1 2025, reflecting developments in certain strategic financial exposures, including a convertible instrument. This compares to lower valuation-related impacts in H1 2024.

Additionally, foreign currency effects contributed negatively in H1 2025, with a net loss of NOK 12 million, whereas H1 2024 saw a net gain of NOK 9 million. The shift is mainly attributable to NOK volatility against key currencies such as USD and CNY.

Balance sheet

NOK million	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Jun 2024
Assets				
Intangible assets	51	52	56	57
Property, plant and equipment	109	105	89	62
Right of use assets and financial investments	29	51	55	57
Total non-current assets	**189**	**208**	**200**	**176**
Current operating assets	181	190	190	219
Cash and cash equivalents	107	165	191	247
Total current assets	**288**	**355**	**382**	**466**
Total Assets	**477**	**563**	**582**	**643**
Equity and liabilities				
Total equity	**274**	**348**	**348**	**420**
Total non-current liabilities	20	21	22	23
Total current liabilities	184	194	211	199
Total liabilities	**203**	**214**	**233**	**222**
Total equity and liabilities	**477**	**563**	**582**	**643**

As of 30 June 2025, total assets were NOK 477 million, a reduction from NOK 563 million in the previous quarter and from NOK 643 million a year earlier.

Non-current assets decreased to NOK 189 million at the end of the second quarter, down from NOK 208 million in the previous quarter. The primary driver was a negative fair value adjustment of NOK 18 million on financial instruments recognized in Q2. Additionally, property, plant, and equipment increased by NOK 5 million, reflecting investments made to expand manufacturing capacity in Aarhus.

Current assets declined to NOK 288 million as of the end of the second quarter, down from NOK 355 million in the previous quarter. The decrease was primarily driven by a reduction in cash and cash equivalents from NOK 165 million to NOK 107 million. This amount excludes the cash injection related to LONGi Hydrogen's NOK 70 million investments, which was settled in July 2025.

Current operating assets experienced a modest net decrease of NOK 9 million, mainly attributable to a NOK 14 million decline in trade and other receivables, partially offset by a NOK 5 million increase in inventory.

Equity amounted to NOK 274 million at the end of the second quarter of 2025, down from NOK 348 million at the end of the first quarter. The decrease is almost entirely attributable to the total comprehensive loss of NOK 75 million recognized during the second quarter.

The equity ratio for the second quarter of 57.4%, (61.9% in the first quarter of 2025) and 65.4% at the end of second quarter of 2024.

Total liabilities decreased to NOK 203 million, primarily due to a decrease in current liabilities to NOK 182 million from NOK 194 million in the previous quarter. Current liabilities include trade payables, other short-term obligations, and provisions for warranty related to project activity (see Note 7).

Cash flow

Q2 2025	Q1 2025	Q2 2024	NOK million	H1 2025	H1 2024	FY 2024
165	**191**	**185**	**Cash balance start of period**	**191**	**161**	**161**
-48	-50	-65	EBITDA	-98	-122	-204
-6	-23	46	Changes in NWC & other	-29	**127**	182
-2	-22	-0	Investments	-24	**-1**	-25
-1	68	82	Financing	67	**82**	78
-58	**-26**	**62**	**Total changes in cash**	**-84**	**87**	**31**
107	**165**	**247**	**Cash balance end of period**	**107**	**247**	**191**

Q2 2025

Net change in cash position during the second quarter 2025 was NOK -58 million (decrease in cash position) compared to NOK -26 million (decrease in cash position) in the first quarter of 2025.

During this second quarter, net cash flow from investing activities was NOK -2 million, compared to NOK -22 million in the first quarter 2025. These investments primarily support the expansion of manufacturing capacity in Aarhus.

As of the second quarter of 2025, the expanded manufacturing capacity in Aarhus is currently in the test production phase. The plant is expected to be fully operational during the third quarter of 2025. The total estimated investment cost is NOK 60 million, with NOK 35 million paid by the end of the second quarter, i.e. NOK 25 million remaining to be paid in H2 2025.

Net cash flow from financing activities in the quarter was NOK -1 million compared to NOK 68 million in the first quarter 2026. The amount for the second quarter is payment of lease liabilities while the positive financing in the first quarter of 2025 is primarily the equity injection of NOK 70 million through a private placement of new shares from HydrogenPro's existing shareholders, ANDRITZ AG and Mitsubishi Heavy Industries (MHI). The corresponding amount for the second quarter of 2024 is NOK 82 million, mainly due to the private placement by ANDRITZ AG in April 2024.

H1 2025

The net change in cash position during the first half of 2025 was NOK -84 million, representing a decrease in cash, compared to an increase of NOK 87 million in the same period of 2024.

This change is primarily driven by net working capital movements: a positive change of NOK 127 million in H1 2024 versus a negative NOK -29 million in H1 2025. The difference is mainly attributable to trade receivables and contract assets, which improved by NOK 96 million in H1 2024 but declined by NOK -4 million in H1 2025.

Net cash flow from investing activities also contributed to the negative change, amounting to NOK -24 million in H1 2025 compared to NOK -1 million in H1 2024. This decline is primarily driven by substantial investment activities in 2025 related to the expansion of manufacturing capacity in Denmark, which commenced during the second half of 2024.

Another contributing factor is the net cash flow from financing activities, which amounted to NOK 67 million in H1 2025, down from NOK 82 million in H1 2024. These activities primarily relate to equity injections. In H1 2025, HydrogenPro received NOK 70 million through a private placement of new shares from existing shareholders ANDRITZ AG and Mitsubishi Heavy Industries (MHI). In comparison, the equity contribution in H1 2024 was NOK 84 million, mainly from a private placement by ANDRITZ AG in April 2024.

Financial statements

Condensed interim financial statements

Condensed Consolidated statement of comprehensive income *(unaudited)*

Q2 2025	Q1 2025	Q2 2024	NOK '000	Notes	H1 2025	H1 2024	FY 2024
			Operating income and operating expenses				
12 382	21 870	49 904	Revenue from contracts with customers	2	34 252	54 000	195 688
436	526	-	Other operating income		961	-	-
12 818	**22 396**	**49 904**	**Total revenue**		**35 214**	**54 000**	**195 688**
9 985	15 227	58 235	Direct materials		25 212	53 166	146 967
31 844	39 245	32 429	Personnel expenses		71 089	62 428	144 005
19 414	17 769	24 711	Other operating expenses		37 183	60 157	108 900
-48 425	**-49 846**	**-65 470**	**EBITDA**		**-98 271**	**-121 750**	**-204 184**
5 435	5 527	5 554	Depreciation and amortization expense	3.4	10 962	12 212	23 265
-53 860	**-55 373**	**-71 024**	**EBIT**		**-109 233**	**-133 962**	**-227 449**
-18 421	-	-	Fair value adjustment for financial instruments		-18 421	-	-
-2 852	-9 602	-6 871	Net foreign exchange gain (+)/loss (-)		-12 454	9 290	26 122
1 697	928	1 344	Financial income		1 676	1 926	4 864
-1 959	-	-	Impairment of financial assets		-1 959		-1 839
-357	-1 306	-474	Financial expenses		-715	-1 096	-1 834
-21 892	**-9 981**	**-6 001**	**Net financial income and expenses**		**-31 873**	**10 120**	**27 313**
-75 752	**-65 354**	**-77 025**	**Profit / (loss) before income tax**		**-141 106**	**-123 842**	**-200 137**
-	-	-	Income tax expense		-	-	-
-75 752	**-65 354**	**-77 025**	**Profit / (loss) for the period**		**-141 106**	**-123 842**	**-200 137**
			Other comprehensive income:				
			Items that may be reclassified to profit or loss:				
832	-4 824	-2 096	Exchange difference on translation of foreign operations		-3 992	3 987	7 027
832	**-4 824**	**-2 096**	**Net Other comprehensive income**		**-3 992**	**3 987**	**7 027**
-74 920	**-70 178**	**-79 120**	**Total comprehensive profit / (loss) for the period**		**-145 098**	**-119 855**	**-193 108**
			Total comprehensive profit / (loss) for the period attributable to:				
-73 932	**-68 987**	**-78 832**	**Equity holders of the parent company**		**-142 919**	**-116 999**	**-189 033**
-989	**-1 191**	**-289**	**Non-controlling interest**		**-2 179**	**-2 856**	**-4 076**
			Earnings per share (in NOK)				
-0.92	-0.79	-1.32	**Basic and diluted earnings per ordinary share**[1]		-1.71	-1.77	-2.87

[1] Based on average 81.13 million shares (68.28 million for 2024) outstanding for the purpose of earnings per share

[2] See Note 10 Change of Presentation of Income Statement

Condensed Consolidated statement of financial position *(unaudited)*

NOK '000	Note	30 Jun 2025	31 Dec 2024	30 Jun2024
Assets				
Intangible assets	3	50 641	56 295	57 373
Property, plant and equipment	4	109 220	88 811	61 575
Right of use assets	4	14 568	17 283	20 271
Non-current tax asset		-	-	-
Financial assets	5	11 872	34 060	31 938
Other receivables		2 764	3 500	5 161
Total non-current assets		**189 066**	**199 949**	**176 318**
Current assets				
Inventories	6	33 707	27 509	40 656
Trade receivables	9	104 823	115 292	131 286
Contract assets	2	22 783	15 272	14 922
Other receivables		19 423	32 405	32 183
Cash and bank deposits		107 403	191 216	247 168
Total current assets		**288 138**	**381 694**	**466 214**
Total assets		**477 204**	**581 643**	**642 532**
Equity				
Share capital		1 656	1 402	1 402
Share premium account		845 471	775 875	775 875
Other equity contributed		43 177	42 596	41 393
Other equity		-619 052	-480 275	-405 205
Currency translation difference		2 410	6 402	3 362
Equity attributable to HydrogenPro's shareholders		**273 662**	**346 000**	**416 827**
Non-controlling interest		183	2 362	3 581
Total equity		**273 845**	**348 362**	**420 408**
Non-current lease liabilities		10 272	12 305	15 506
Non-current provisions	7	9 250	9 538	7 349
Total non-current liabilities		**19 521**	**21 843**	**22 855**
Current liabilities				
Current lease liabilities		5 124	5 651	5 360
Trade creditors		37 401	59 361	20 471
Contract liabilities	2	6 378	916	74 415
Public duties payable		4 618	8 558	3 866
Other short term liabilities	7	130 317	136 952	95 157
Total current liabilities		**183 838**	**211 438**	**199 269**
Total liabilities		**203 360**	**233 281**	**222 124**
Total equity and liabilities		**477 204**	**581 643**	**642 532**

The Board of Directors and Chief Executive Officer Hydrogen Pro ASA Oslo, 14 August 2025

Porsgrunn/Oslo, 14 August 2025

(All signatures electronically signed)

Asta Stenhagen	Marianne Mithassel Aamodt	Hallvard Hasselknippe	Bjørn Hansen	Haimeng Zhang
Chair of the Board	*Board member*	*Board member*	*Board member*	*Board member*

Jarle Dragvik

CEO

Condensed Consolidated statement of changes in equity *(unaudited)*

NOK '000	Share capital	Share premium account	Other equity contrib.	Currency translat. Difference	Other equity	Equity attrib. to share-holders	Non-controlling interest	Total equity
Equity as at 1 Jan 2024	**1 266**	**691 796**	**38 558**	**-625**	**-284 221**	**446 774**	**6 438**	**453 212**
Total comprehensive income				7 027	-196 060	-189 034	-4 076	-193 109
Issue of shares	136	1 508				1 644		1 644
Private placement		82 571				82 571		82 571
Cost of share-based payment			4 038		6	4 044		4 044
Equity as at 31 Dec 2024	**1 402**	**775 875**	**42 596**	**6 402**	**-480 275**	**346 000**	**2 362**	**348 362**
Equity as at 1 Jan 2025	**1 402**	**775 875**	**42 596**	**6 402**	**-480 275**	**346 000**	**2 362**	**348 362**
Total comprehensive income				-3 991	-138 927	-142 919	-2 179	-145 098
Private placement	254	69 596				69 850		69 850
Cost of share-based payment			581		150	731		731
Equity as at 30 Jun 2025	**1 656**	**845 471**	**43 177**	**2 410**	**-619 052**	**273 662**	**183**	**273 845**

Condensed Consolidated statement of cash flows *(unaudited)*

Q2 2025	Q1 2025	Q2 2024	NOK '000	Notes	H1 2025	H1 2024	FY 2024
			Cash flows from operating activities				
-75 752	-65 354	-77 026	Profit / (loss) before income tax		-141 106	-123 843	-200 137
5 435	5 527	5 554	Depreciation and amortization expense	3.4	10 962	12 212	23 265
137	218	239	Interest expensed on lease liabilities		355	552	1 036
18 421	-	-	Fair value adjustment for financial instruments		18 421	-	-
-1 055	25	34	Gain (-) or Loss (+) on disposals of property, plant and equipment		-1 031	3 851	5 549
330	401	2 087	Option cost no cash effect		731	2 836	4 391
-2 491	-1 735	69	Change in trade receivable and contract assets		-4 226	96 138	119 870
-4 811	-1 387	-17 832	Change in inventory		-6 198	-26 101	-12 954
564	-17 063	30 177	Change in trade payable and contract liabilities		-16 499	6 076	-28 533
1 959	-	-	Impairment of financial assets		1 959	-	1 839
1 964	802	2 682	Effect of foreign currency translation		2 766	-1 424	-14 169
903	5 931	34 735	Change in other accruals		6 834	35 192	77 987
-54 398	**-72 635**	**-19 280**	**Net cash flows from operating activities**		**-127 032**	**5 488**	**-21 856**
			Cash flows from investing activities				
-2 122	-21 999	-467	Purchases of tangible assets	4	-24 121	-743	-25 124
-2 122	**-21 999**	**-467**	**Net cash flows from investing activities**		**-24 121**	**-743**	**-25 124**
			Cash flows from financing activities				
-921	-1 233	-484	Principal Repayments of lease liabilities		-2 154	-1 771	-5 514
-137	-218	-239	Interest paid on lease liabilities		-355	-552	-1 036
-	69 850	82 702	Proceeds from Equity Issue		69 850	84 214	84 214
-1 057	**68 399**	**81 979**	**Net cash flows from financing activities**		**67 341**	**81 892**	**77 664**
164 981	191 216	184 936	Cash balance start of period		191 216	160 531	160 531
-57 578	-26 234	62 232	Net change in cash		-83 813	86 637	30 684
107 403	**164 981**	**247 168**	**Cash balance end of period**		**107 403**	**247 168**	**191 216**

Notes to the financial statements

Note 1 – Organization and basis for preparation

Corporate information
HydrogenPro ASA ("the Company") is a public limited company, incorporated in Norway, headquartered in Herøya, Norway and listed on Oslo Stock Exchange. Address headquarters: Hydrovegen 55, 3936 Porsgrunn, Norway.

The Company was established in 2013 by individuals with background from the electrolysis industry which was established in Telemark, Norway. HydrogenPro comprises an experienced engineering team of leading industry experts, drawing upon unparalleled experience and expertise within the hydrogen and renewable sectors. By combining in-depth knowledge with innovative design, the company continuously aspires to pioneer game-changing ideas and solutions to realize and maximize new opportunities in a smarter, sustainable, hydrogen powered future. HydrogenPro designs and supplies customized hydrogen plants in cooperation with global partners and suppliers, all ISO 9001, ISO 45001 and ISO 14001 certified. The core product is the alkaline high-pressure electrolyzer.

HydrogenPro is listed on Oslo Stock Exchange under the ticker "HYPRO".

Basis for preparation
The first quarter statements and the have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34). The quarterly financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS).

The accounting policies applied in the preparation of the half year financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

Significant accounting judgements, estimates and assumptions
The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which include a significant degree of estimates and assumptions or judgments that may have the most significant effect on the amounts recognized in the financial statements, are summarized below:

- Revenue recognition from contracts with customers
- Provision for warranty
- Estimating fair value for share-based payments transactions
- Impairment of goodwill and intangible assets

Refer to the annual report of 2024 for more details related to key "judgement" and estimations.

The Interim financial information has not been subject to audit or review.

Note 2 – Revenue from contracts with customers and segments

Geographical region

Q2 2025	Q1 2025	Q2 2024	NOK '000	H1 2025	H1 2024	FY 2024
			Geographical region			
9 463	20 075	51 880	Europe	29 538	64 390	196 855
3 320	2 387	-2 686	America	5 708	-12 256	-5 588
34	-66	710	Asia Pacific	-33	1 866	4 421
12 818	**22 396**	**49 904**	**Total revenue**	**35 213**	**54 000**	**195 688**

The Group generates revenue primarily from the sale of hydrogen electrolyzer systems, which are delivered either as stand-alone units or as part of EPC (Engineering, Procurement, and Construction) turnkey solutions. The Group also enters into long-term service agreements and provides front-end engineering and design (FEED) studies. Revenue is recognized in accordance with IFRS 15, either overtime or at a point in time, depending on the specific contract terms and the timing of the transfer of control to the customer.

Performance obligations include:

- **Electrolyzer Sales** (recognized at delivery or site acceptance),
- **EPC Contracts** (recognized over time based on project progress),
- **FEED Services** (recognized over time using the cost-to-cost method),
- **Long-Term Service Agreements** (recognized over time as services are provided).

Variable consideration, such as performance incentives and liquidated damages, is estimated conservatively to prevent significant revenue reversals.

Liquidated Damages (LDs):

Liquidated damages are penalties for project delays or missed milestones. The transaction price accounts for the maximum potential LDs, with any additional amounts treated as variable consideration. Revenue from LDs is recognized only when it is highly probable there will be no significant reversal. The assessment is based on historical data, contract terms, and ongoing negotiations.

The assessment of variable consideration is judgmental and based on factors such as historical data, contractual obligations, client relationships, and the status of ongoing negotiations.

The Group's revenue and expenses are not allocated to different segments, and this is consistent with the internal reporting provided to the chief operating decision maker.

Timing of revenue recognition

Q2 2025	Q1 2025	Q2 2024	NOK '000	H1 2025	H1 2024	FY 2024
			Timing of revenue recognition			
2 884	2 336	-2 692	Revenue recognized over time	5 220	-9 693	-744
9 934	20 060	52 596	Revenue recognized at point - in - time	29 993	63 693	196 432
12 818	**22 396**	**49 904**	**Total revenue**	**35 213**	**54 000**	**195 688**

Revenue recognized over time in the first half of 2025 was positive, in contrast to a negative amount in H1 2024. The 2024 figure was impacted by a NOK 21 million adjustment in Q1, related to a customer contract.

The reversal in 2024 was linked to a contract accounted for under the percentage of completion (POC) method. Additional estimated costs for replacing delivered components reduced the POC, resulting in lower revenue recognition and a reversal of revenue initially booked in Q1

No such adjustments occurred in 2025, contributing to improved revenue performance.

Note 2 – Revenue from contracts with customers and segments- continued

Major Products and Services

Q2 2025	Q1 2025	Q2 2024	NOK '000	H1 2025	H1 2024	FY 2024
9 406	19 617	51 836	Revenue from sale of electrolyzer system	29 024	61 829	192 799
2 884	2 387	-3 566	Revenue from EPC Contracts	5 271	-14 388	-6 930
0	-51	874	Revenue from sale of Feed and case-studies	-51	4 696	6 186
528	442	760	Other revenue	970	1 864	3 633
12 818	**22 396**	**49 904**	**Total revenue**	**34 244**	**54 000**	**195 688**

The group has not recognized revenue from Long-Term Service Agreements Contracts for far in 2025 or 2024.

Contract Assets and Liabilities

NOK '000	30 Jun 2025	31 Dec 2024	30 Jun 2024
Contract assets			
Opening balance 1 January	15 272	65 836	65 836
Transfers from contract assets recognised at the beginning of the period to receivable	-26 349	-51 441	-43 375
Impairment of contract assets	-	-1 380	0
Increase due to measure of progress in the period	33 860	2 258	-7 539
Balance end of period	**22 783**	**15 272**	**14 922**
Contract liabilities			
Opening balance 1 January	917	49 641	49 641
Revenue from amounts included in contract liabilities at the beginning of the period	-917	-49 641	-49 535
Billing and advances received not recognised as revenue in the period	6 378	917	74 309
Balance end of period	**6 378**	**917**	**74 415**

Note 3 – Intangible assets

NOK '000	Technology	Development Cost	Goodwill	Total
Purchase cost 1 Jan 2025	**45 940**	**11 742**	**24 034**	**81 716**
Foreign exchange differences	134	-	-2 256	-2 122
Purchase cost 30 Jun 2025	**46 074**	**11 742**	**21 778**	**79 594**
Accumulated amortization 1 Jan 2025	18 377	7 045	-	25 422
Amortization year to date 2025	2 270	1 174	-	3 444
Foreign exchange differences	87			87
Net book value 30 Jun 2025	**25 340**	**3 523**	**21 778**	**50 641**
Economic life	10 years	5 years		
Depreciation method	linear	linear		

The Group's Intangible assets comprise technology following the acquisition of HydrogenPro Aps in Denmark (formerly; Advance Surface Plating ApS), development costs related to development of structured Invitation to Bid (ITB) documentation, aiding the procurement of electrolyzer components and goodwill following the acquisition of 75 percent of the shares of HydrogenPro (Tianjin) CO Ltd.

No additions of intangible assets have been recognized as for the first half of 2025 (and the year 2024).

Note 4 – Property, plant, equipment and right-of-use asset

Property, plant and equipment and right of use assets mainly relate to the production plant facility in Tianjin China, and Aarhus, Denmark, the Technology Centre at Herøya, Norway and office facilities in Norway, Denmark and China.

Total additions to tangible assets in the first half of 2025 amounted to NOK 27.5 million (NOK 22 million in the first quarter and NOK 5.5 million in the second quarter). The additions for the first half of 2025 are mainly related to the work in progress in Denmark in connection with the expansion of the manufacturing capacity and investments in the test center in Herøya in connection with the Stack One Testing.

Depreciation of tangible assets for the year to date was NOK 4.6 million.

NOK '000	Plant and machinery	Movables	Machinery and plant in progress	Right-of-use assets	Total
Purchase cost 1 Jan 2025	**75 972**	**6 399**	**29 392**	**27 534**	**139 297**
Additions	54	61	27 348	891	28 352
Remeasurements/Modifications	825	-	-	-	825
Disposals	-123	-	-	-	-123
Foreign exchange differences	-4 691	-188	228	-1 409	-6 060
Purchase cost 30 Jun 2025	**72 036**	**6 271**	**56 967**	**27 016**	**162 291**
Accumulated depreciation 1 Jan 2025	19 651	2 780	-	10 251	32 682
Depreciation year to date 2025	3 952	603	-	2 730	7 285
Remeasurements/Modifications	-266	-	-	-	-266
Disposals	-63	-	-	-	-63
Foreign exchange differences	-483	-121	-	-533	-1 137
Net book value 30 Jun 2025	**49 244**	**3 010**	**56 967**	**14 568**	**123 789**

Economic life	5-10 years	5-10 years			
Depreciation method	linear	linear			

Note 5 – Financial investment

NOK '000	30 Jun 2025	31 Dec 2024	30 Jun 2024
Opening balance 1 January	34 060	30 517	30 517
Fair value adjustment for financial instruments	-18 421	-	-
Foreign currency translation effect	-3 767	3 543	1 421
Convertible receivables end of period	**11 872**	**34 060**	**31 938**

As of 30 June 2025, the Group holds a USD 3.0 million convertible promissory note issued by DG Fuels, LLC, a U.S.-based developer of sustainable aviation fuel (SAF). The note bears an annual interest rate of 10% and includes an embedded equity conversion feature.

The instrument is measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9, as it does not meet the criteria for solely payments of principal and interest (SPPI). It is classified within Level 3 of the fair value hierarchy under IFRS 13 due to the use of unobservable inputs in its valuation.

As of the reporting date, the fair value of the note has been reassessed using a methodology consistent with Level 3 valuation techniques. The updated valuation reflects factors such as credit risk, illiquidity, strategic considerations, and marketability constraints. It also takes into account the Group's investment strategy and current project developments.

The reassessment resulted in a reduction in the carrying value of the investment. This adjustment reflects the early-stage nature of DG Fuels' operations and ongoing funding challenges. The resulting fair value change has been recognized in the income statement under "Net financial items."

Note 6 – Inventory

NOK '000	30 Jun 2025	31 Dec 2024	30 Jun 2024
Inventory			
Finished goods	12 525	6 346	70
Raw material	8 079	15 605	17 782
Work in progress	13 102	5 557	22 804
Carrying amount	**33 707**	**27 509**	**40 656**

As of 30 June 2025, inventories comprise purchased raw materials, work in progress (semi-finished goods) and finished goods. The raw materials include parts that are integrated into the final finished goods. Work in progress represents partially completed products awaiting further processing.

Finished goods are complete products that are ready for sale but for which control remains with the Group until the product is sold or transferred.
Obsolescence assessed for inventories was NOK 0 million as of 30 June 2025, 31 December 2024 and as of 30 June 2024.

Note 7 – Provisions and Other Current Liabilities

NOK '000	Warranty Provision	Other provisions	30 Jun 2025	31 Dec 2024
Provisions				
Opening balance 1 January	23 846	81 728	105 575	42 280
Additions	756	10 931	11 687	59 557
Foreign exchange differences	-1 477	-9 279	-10 756	3 738
Warranties and other provisions end of period	**23 125**	**83 381**	**106 506**	**105 575**
Current provisions	13 875	83 381	97 256	96 036
Non-current provisions	9 250		9 250	9 538
Other current liabilites		33 061	33 061	40 916
Provisions and other current liabilities end of period	**23 125**	**116 442**	**139 567**	**146 490**

Estimated warranty obligations are recognized in the same period as the related revenue, or when a project is installed or commissioned. These warranties are based on contractual commitments and liabilities under applicable laws.

The Group's warranties provide assurance that the electrolyzers are free from defects and meet the required specifications. They are accounted for under IAS 37 as a provision and recorded as an operating expense.

The warranty provision is typically based on historical experience and often constitutes a percentage of revenue from contracts with customers.

Due to limited historical data, the Group considers available industry information, documented product failure rates, and expected material and labor costs for the project to make its estimates.

Other provisions include provisions for settlements and claims.

Note 8 – Overview of Group companies

			Ownership interest			Voting power		
Company	**Country**	**Main operations**	**30 Jun 2025**	**31 Dec 2024**	**30 Jun 2024**	**30 Jun 2025**	**31 Dec 2024**	**30 Jun 2024**
HydrogenPro ApS	Denmark	Technology industries	100 %	100 %	100 %	100 %	100 %	100 %
HydrogenPro Tianjin CO Ltd	China	Technology industries	75 %	75 %	75 %	75 %	75 %	75 %
HydrogenPro Shanghai CO Ltd	China	Technology industries	100 %	100 %	100 %	100 %	100 %	100 %
Kvina Energy AS	Norway	Technology industries	50 %	50 %	50 %	50 %	50 %	50 %
HydrogenPro France*	France	Technology industries	100 %	100 %	100 %	100 %	100 %	100 %
HydrogenPro Inc	United States of America	Technology industries	100 %	100 %	100 %	100 %	100 %	100 %
HydrogenPro GmbH	Germany	Technology industries	100 %	100 %	100 %	100 %	100 %	100 %

**The company is excluded from consolidation as this is a company without significant assets or operating assets that provide services to the group that would have been consolidated.*

Note 9 – Trade Receivables

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables from individual customers at the end of the first half of 2025.

NOK '000	Gross carrying Amount	Provision for bad debt
Current (not past due)	5 018	
1-120 days past due	4 134	
121-260 days past due	3 017	
260-365 days past due	2 122	
More than one year past due	90 533	
Carrying value as of 30 Jun 2025	**104 823**	**-**

About 97% of the trade receivables past due are related to one customer. HydrogenPro does not consider the receivable as uncertain despite its age, as it is due from a counterparty with a strong financial position, and it is expected that, subject to contractual discussions in connection with project completion, the entire amount will be paid.

Note 10 – Change of Presentation of Income Statement

NOK million	H1 2024	Q1 2024	Q2 2024
Cost of Goods Sold (COGS)	77	4	72
Personnel and Opex included in COGS	*-24*	*-10*	*-14*
Direct materials	**53**	**-5**	**58**
Personnel expenses	56	28	28
Personnel related to COGS	*6*	*2*	*4*
Personnel expenses	**62**	**30**	**32**
Other operating expenses	43	28	15
Opex related to COGS	*18*	*8*	*10*
Other operating expenses	**60**	**35**	**25**

In connection with the third quarter of the 2024 report, the presentation of the Income Statement was modified. Prior to that, Gross Profit was presented as Total Revenue less Cost of Goods Sold (COGS), which included personnel and other operating expenses. Starting from the third quarter of 2024, Gross Profit is now calculated as Total Revenue less Direct Material Costs only. Personnel expenses and other operating costs directly related to project deliveries are no longer included in the Gross Profit calculation and are instead reported separately below Gross Profit. This change provides a clearer view of the direct material margin.

Prior period figures have been reclassified to ensure consistency and comparability. The periods that are relevant for comparison in the first quarter report are the figures reported in the first and second quarter of 2024.

This reclassification does not impact on operating profit, net income, or other key financial results.

Responsibility Statement

We confirm, to the best of our knowledge, that the condensed set of interim consolidated financial statements at 30 June 2025 and for the six-month period 1 January to 30 June 2025 have been prepared in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view of the Group's assets, liabilities, financial position and the result for the period viewed in their entirety, and that the report of the first half in accordance with the Norwegian Securities Trading Act section 5-6 fourth paragraph includes a fair review of any significant events that arose during the six-month period and their effect on the first half financial report, any significant related parties transactions, and a description of the principal risks and uncertainties.

Porsgrunn/Oslo, 14 August 2025

(All signatures electronically signed)

Asta Stenhagen	Marianne Mithassel Aamodt	Hallvard Hasselknippe	Bjørn Hansen	Haimeng Zhang
Chair of the Board	*Board member*	*Board member*	*Board member*	*Board member*

Jarle Dragvik

CEO

Alternative Performance Measures

Alternative Performance Measures

HydrogenPro discloses alternative performance measures (APMS).
This is based on the group's experience that APMs are frequently used by analysts, investors and other parties as supplemental information.
The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospects of the group. Management also uses these measures internally to drive performance in terms of monitoring operating performance and long-term target setting. APMs are adjusted IFRS measures that are defined, calculated and used in a consistent and transparent manner over the years and across the group where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

HydrogenPro's financial APMs:

- **Gross profit** is defined as gross profit (Revenues – Direct materials) divided by revenues in percentage.
- **EBITDA** is defined as earnings before interest, tax, depreciation, amortisation and impairment, corresponding to operating profit/(loss) plus depreciation, amortisation and impairment.
- **Order Intake** is defined as firm purchase order with agreed price, volume, timing, term and conditions entered within a given period. The order intake includes both contracts and change order. For service contracts and contracts with uncertain transaction prices, the order intake is based on estimated revenue. The measure does not include potential change order.
- **Order Backlog** is defined as a firm purchase order with agreed price, volume, timing, term and condition and where revenue is yet to be recognized. The backlog includes both contracts and change orders. For service contracts and contracts with uncertain transaction prices, the backlog is based on estimated revenue. The measure does not include potential change order.

APMs

Q2 2025	Q1 2025	Q2 2024	NOK '000	H1 2025	H1 2024
13	22	50	Revenue from contracts with customers	35	54
10	15	58	Direct materials	25	53
3	**7**	**-8**	**Gross profit**	**10**	**1**
3	7	-8	Gross profit/(loss)	10	1
13	22	50	Revenue from contracts with customers	35	54
22 %	**32 %**	**-17 %**	**Gross profit margin**	**28 %**	**2 %**
3	7	-8	Gross profit/(loss)	10	1
32	39	32	Personnel expenses	71	62
19	18	25	Other operating expenses	37	60
-48	**-50**	**-65**	**EBITDA**	**-98**	**-122**
-48	-50	-65	EBITDA	-98	-122
5	6	6	Depreciation and amortization expenses	11	12
-54	**-55**	**-71**	**Operating profit/(loss) (EBIT)**	**-109**	**-134**
318	**305**	**445**	**Order backlog start of period**	**305**	**423**
3	40	26	Order intake	43	26
-9	-22	-49	Revenue from projects contracts with customers	-31	-52
-25	-5	-6	Revaluation	-30	20
287	**318**	**417**	**Order backlog end of period**	**287**	**417**

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