Hydrogen pro

Pure Performance | Pure Efficiency | Pure Power

Q1 2023 presentation

9 May 2023

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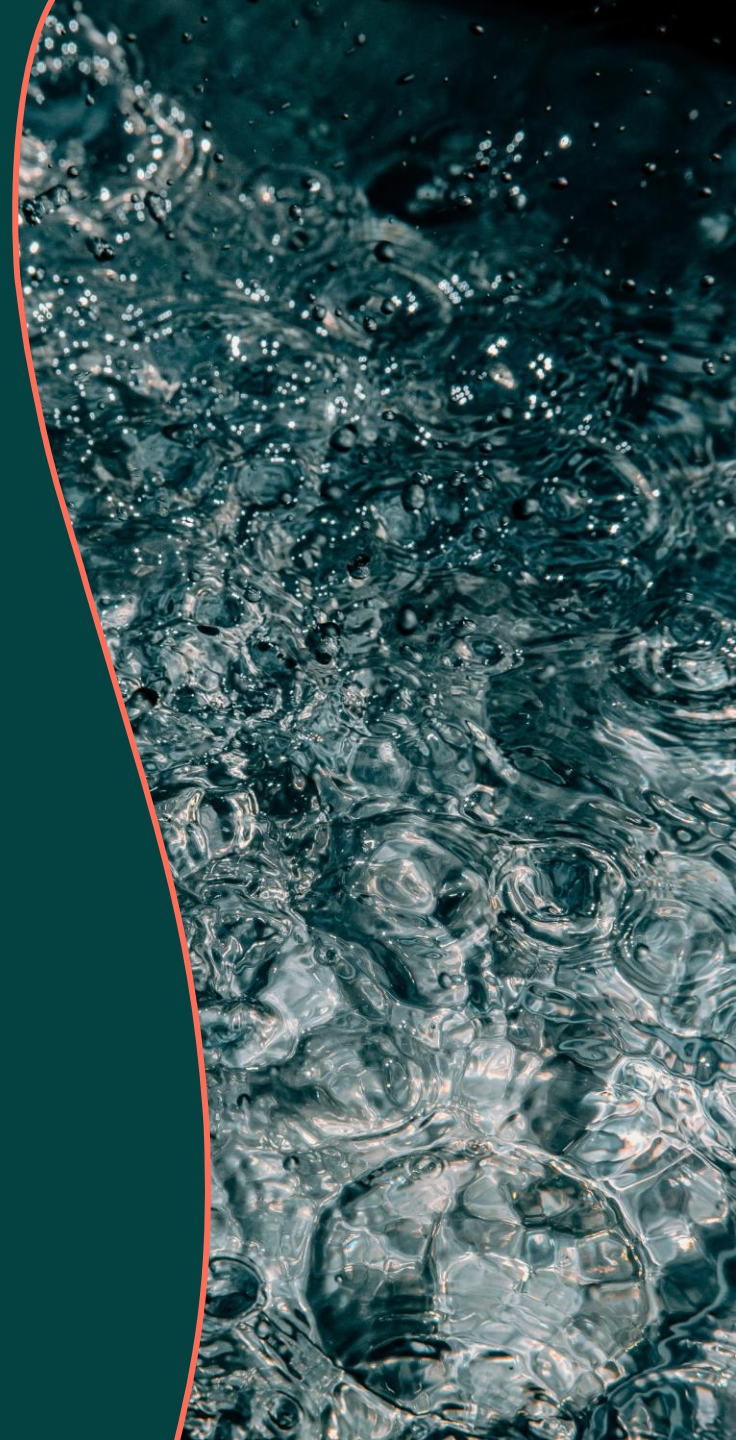

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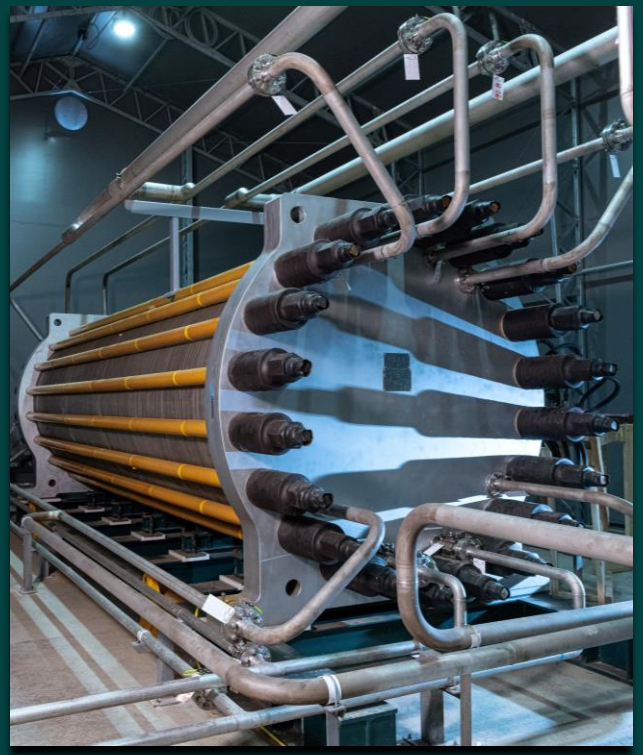
HydrogenPro is a global provider of market-leading, large-scale green hydrogen technology & systems



1. *The world's largest electrolyser*
2. *Game-changing electrode technology*

» *Market-leading levelised cost of hydrogen*

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Achievements and major developments

1

Revenues of NOK 83 million up 230% from Q4 2022

2

Building global manufacturing capacity across **three** continents

3

DG Fuels to start FEL 3 study in June, FID expected in **early 2024**

4

Final 1000 hours test of 3rd generation technology to be concluded in **July 2023**

5

Lab tests of 4th generation electrolyser shows **higher efficiency**

Global expansion well underway

Announced short-term expansion plans

Target 5 GW manufacturing capacity in 5 years

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Increasing manufacturing capacity in China from 300 to 500 MW

01 De-bottlenecking and lane optimisation

02 Minor investments (MNOK ~5)

03 Close to 24/7 operations

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Partnership with ANDRITZ to take a leading position in Europe

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- Best-in-class green hydrogen technology & systems
- Industry-leading R&D
- Extensive engineering and project expertise

+

ANDRITZ

- Use HydrogenPro's technology in its EPC offering of green hydrogen solutions
- Unmatched global competence within manufacturing & assembly

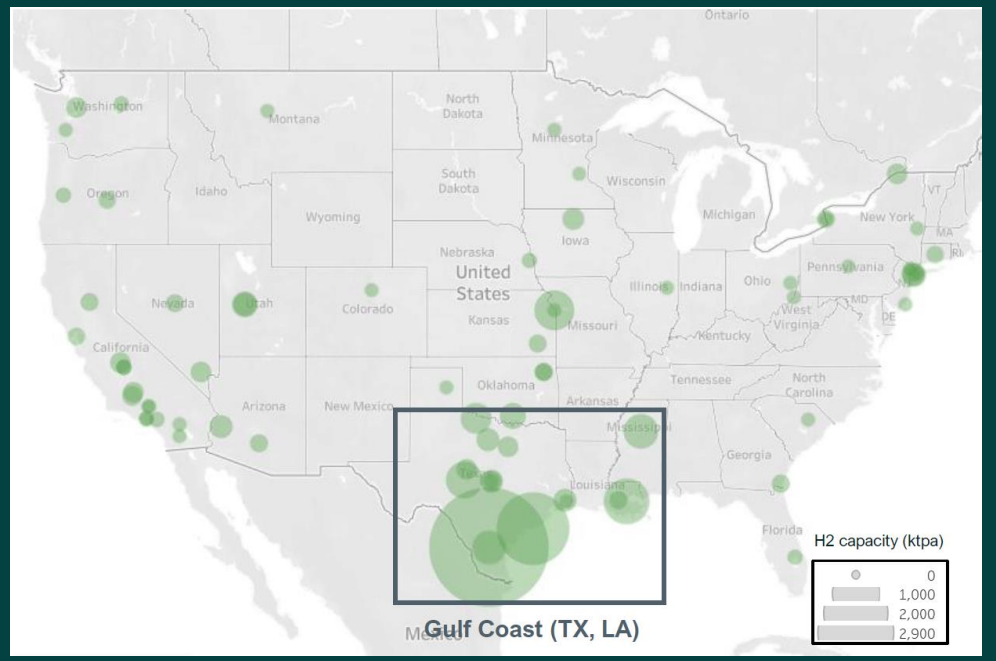
Key facts on Andritz: Global leading EPC-supplier and manufacturing company, 29 100 employees, 280 locations across 40 countries

Texas, US: Site selection planned by end of Q3 2023, operational by end of 2024

First big step into our top priority market: the US

- ***Texas*** selected as location after extensive strategic review
- Initial capacity ***500 MW***, room to scale up to ***several GWs***
- Brownfield site enables swift ramp-up to ***operate in 2024***
- Capital investment of ***MUSD 30*** (minimum scope) ***to MUSD 50*** (full scope)
- Existing pipeline in the US ***> 5 GW***
- ***Build-up*** of US ***organisation*** ongoing

Texas is THE GREEN HYDROGEN HUB in the US[1]



1) Source: Hydrogen Insights and Investment Tracker, Press search

Fully operational manufacturing in China – progressing with contract deliveries

- First electrolyser from the upgraded manufacturing site in Tianjin, China delivered
- Manufacturing running at full current capacity of 300 MW
- Capacity to be upgraded to 500 MW by the end of Q2 2023
- Ongoing manufacturing for ACES[1] project: the world's largest green hydrogen energy hub (220 MW)

• *1) Advanced Clean Energy Storage*

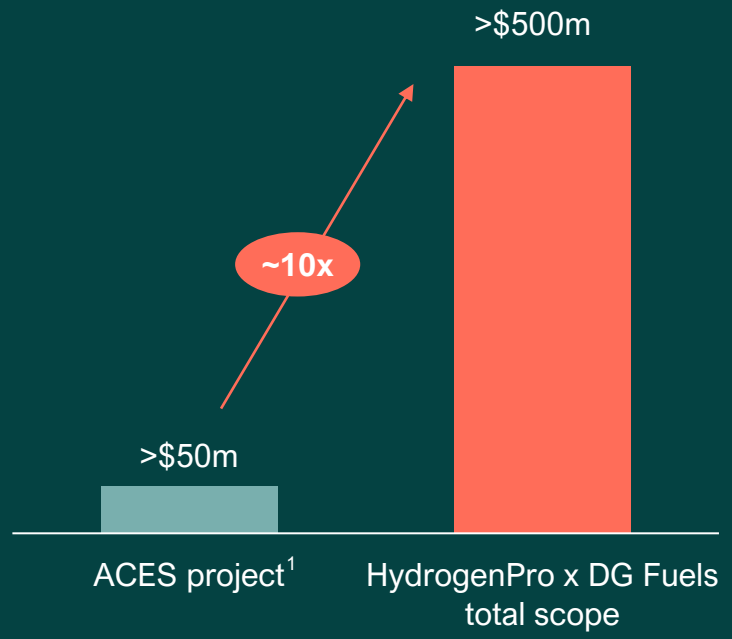
DG Fuels' FEL 3 study expected to start in June

Exclusive supplier of >800MW electrolysers for DG Fuels' Sustainable Aviation Fuel plant in Louisiana, US

DG Fuels has sold out 100% of the expected initial production at the Louisiana plant in the US

Contract value >USD 500 million, excluding life cycle services

FID expected in early 2024



- ✓ FEL 1
- ✓ FEL 2
- ✓ 100% offtake
- FEL 3 (starts June 2023)
- FID (early 2024)

1) Advanced Clean Energy Storage

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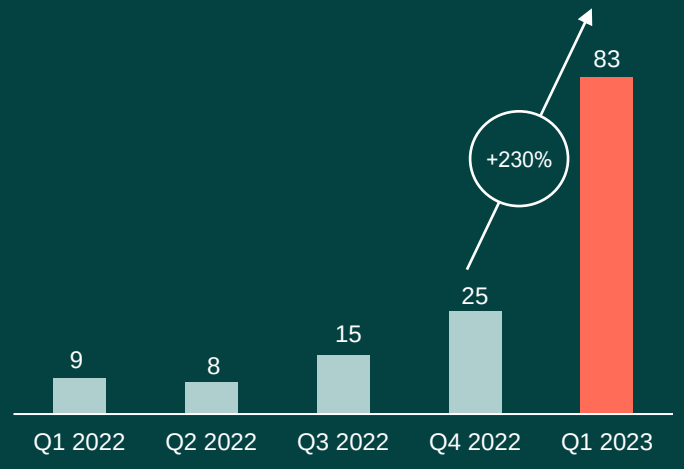
Q1 2023 financials

UNAUDITED FIGURES

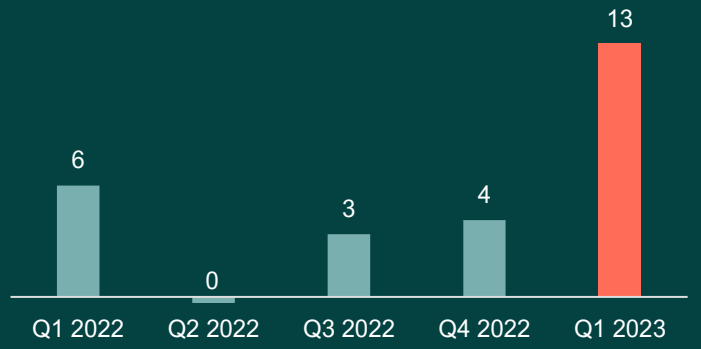
Revenues

(NOK mill)



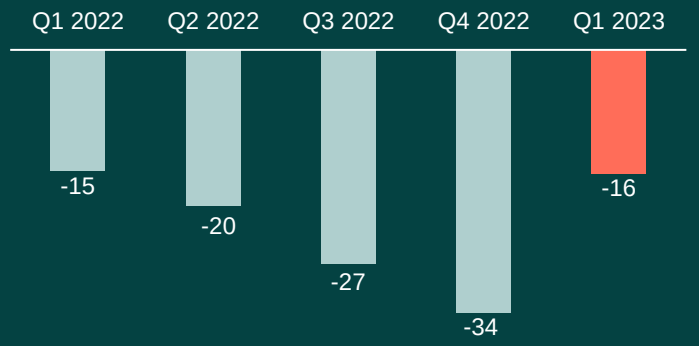
Gross profit

(NOK mill)



Adj. EBITDA[2]

(NOK mill)



- Adj. gross margin of 22.9% in Q1 2023[1]
- Backlog of NOK 648 million as of 31 March 2023

1) Reported gross margin of 15% in Q1 2023 . Adjusting for NOK 6.1 million in one-off R&D expenses) related to validation of the world's largest electrolyser: gross margin of 22.9% in Q1 2023.

2) Excl. non-cash impact of incentive program

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Q1 2023 financials (cont.)

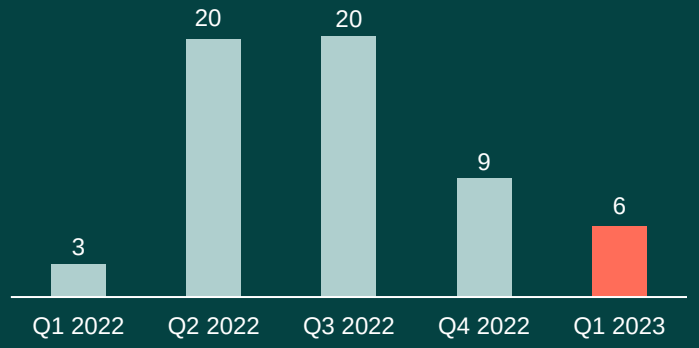
UNAUDITED FIGURES

Cash balance

(NOK mill)

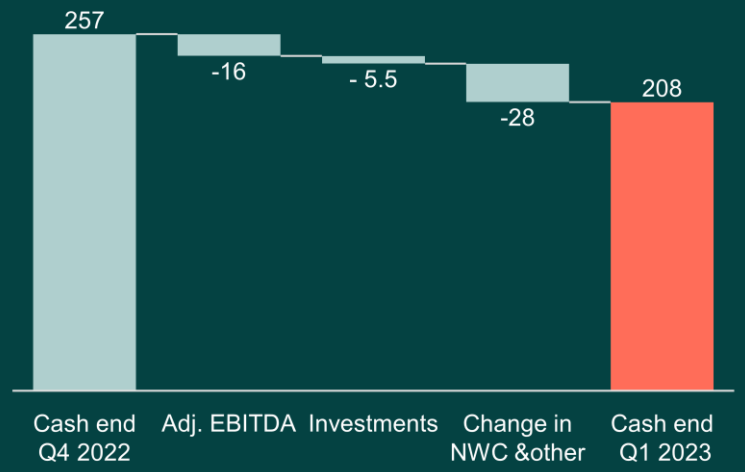
Net investments

(NOK mill)



Change in cash balance

(NOK mill)



Breakdown of ΔNWC: Inventory NOK 5 mill., accounts payable NOK 11 mill., accounts receivable NOK 10 mill., contract assets/liabilities NOK -74 mill., agio/disagio NOK 13 mill., other NOK 7 mill..

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P&L outlook: Q2 – Q4 2023

- Revenues on ACES contract recognised in line with percentage of completion principle
- Step-up in revenue recognition as manufacturing activity increases
- HydrogenPro to recognise ~90% of the ACES contract revenues (>$50M) by the end of 2023 - with a healthy project margin

Focused investments to generate *industry-leading returns*

Focused capital deployment plan	*Main short-term uses*
• Global manufacturing & assembly capacity	• *Expansion in US + expansion in China*
• Technology and innovation front-runner	• *Testing of 3rd Gen technology*
• Scale-up of the organisation	• *Build US organisation*
• Working capital on large-scale projects	• *ACES project delivery*

Green hydrogen is all about large scale

Global electrolysis capacity ~1GW[2]

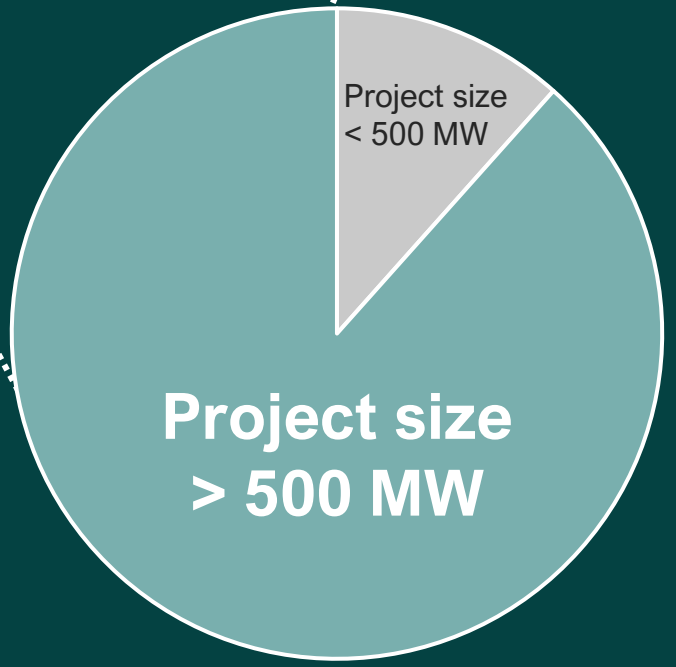
Announced green hydrogen projects ~345GW[1]

To reach IEA net zero scenario:

3600 GW

installed electrolysis capacity by 2050[3]

Large scale projects (> 500 MW) represents ~ 90% of announced capacity[1]:



1) Data from global management consulting firm
2) IEA, September 2022
3) Hydrogen Council, IEA

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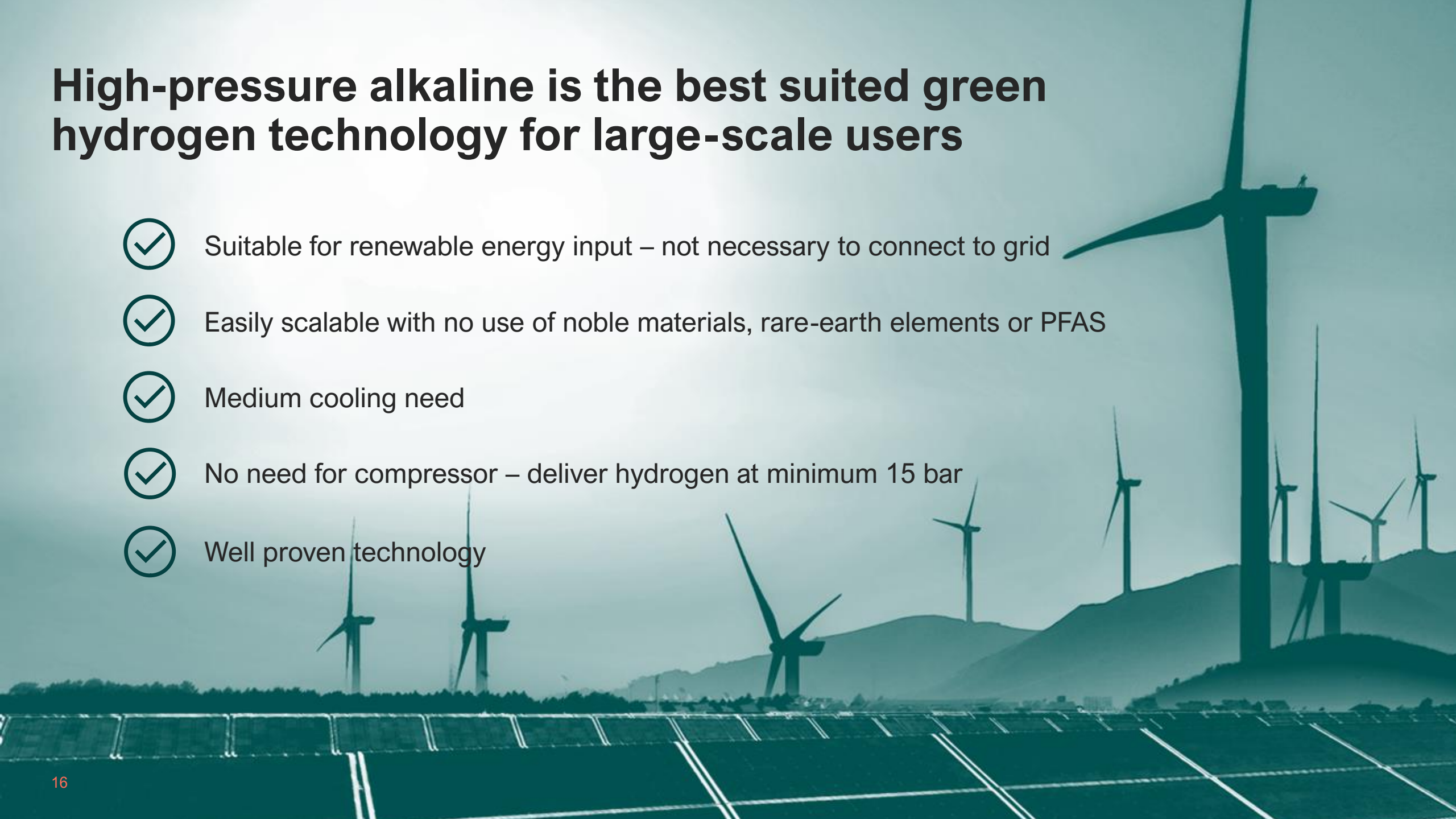
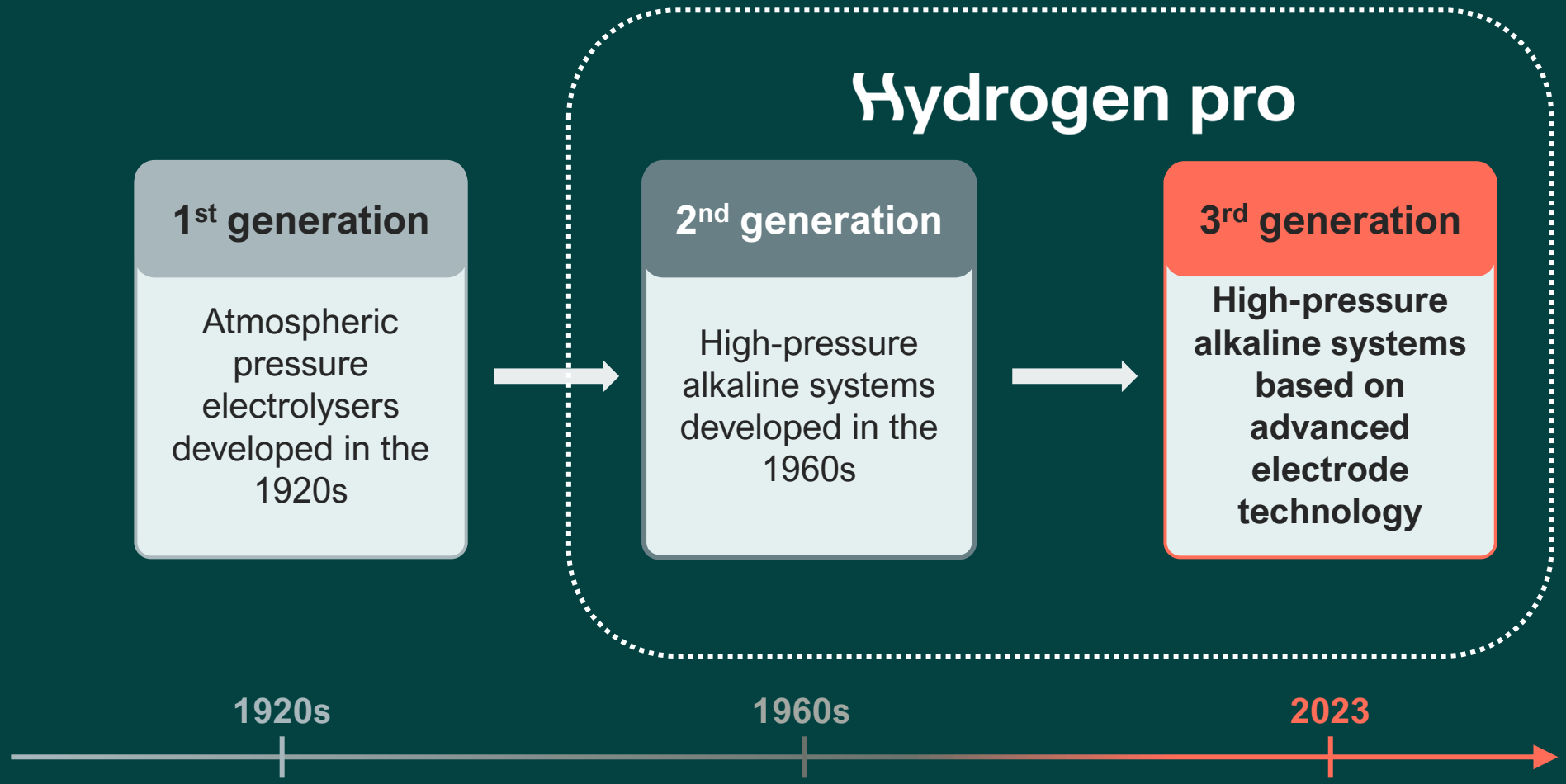
High-pressure alkaline is the best suited green hydrogen technology for large-scale users



- Suitable for renewable energy input – not necessary to connect to grid
- Easily scalable with no use of noble materials, rare-earth elements or PFAS
- Medium cooling need
- No need for compressor – deliver hydrogen at minimum 15 bar
- Well proven technology

Taking the lead role in the technology revolution



World’s largest electrolyser

2nd generation

- Core technology based on 2nd generation technology with HydrogenPro’s signifcant scale upgrades
- One scalable module: 5.5 MW single stack configuration
- Module-based to easily meet customer requirements for MW- to GW-sized projects
- Hydrogen and oxygen delivered at 15 bar
- Produces 1,100 Nm^3/h hydrogen at normal current density (100 kg hydrogen per hour)
- Market-leading efficiency of ~80%[1]

Delivering BIG stuff – creating BIG impact

• *1) According to HHV*

Next-generation electrode technology

3rd generation

Significant efficiency improvements:

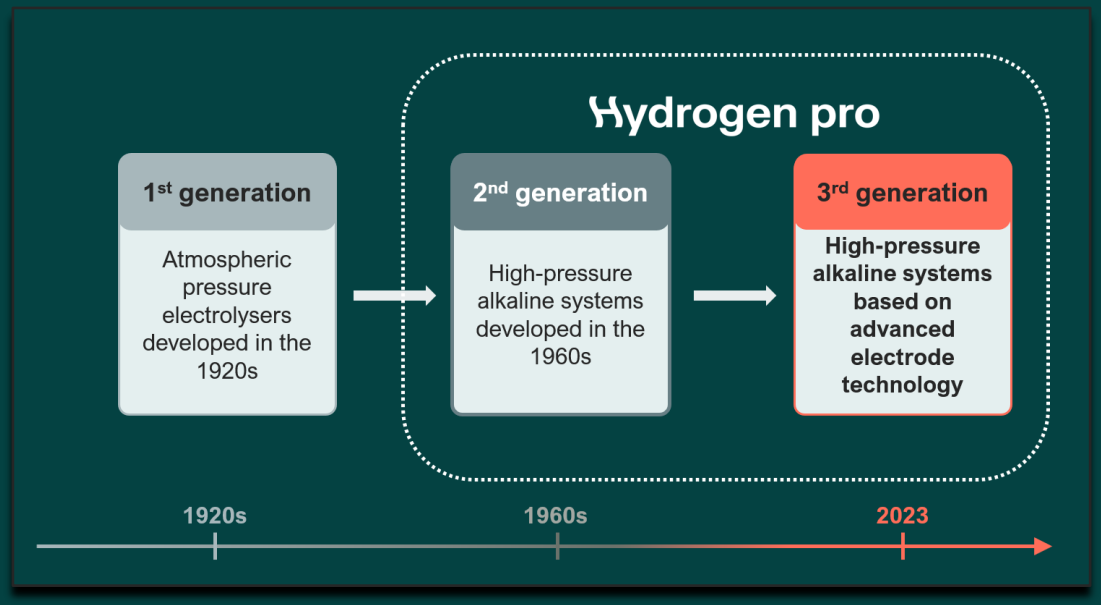
14 %
lower electricity consumption

75 %
reduction in water cooling need

1000 hours tests in containerised electrolyser	▪ First test autumn 2022 ▪ **Final test to be concluded in July 2023**
Ready to begin manufacturing	▪ 100 MW/year manufacturing line in Denmark ▪ **Can scale to 400 MW/year**
Plug and play	▪ Can be installed in 2nd generation electrolysers without retrofitting

Introducing the next technology revolution

4th generation



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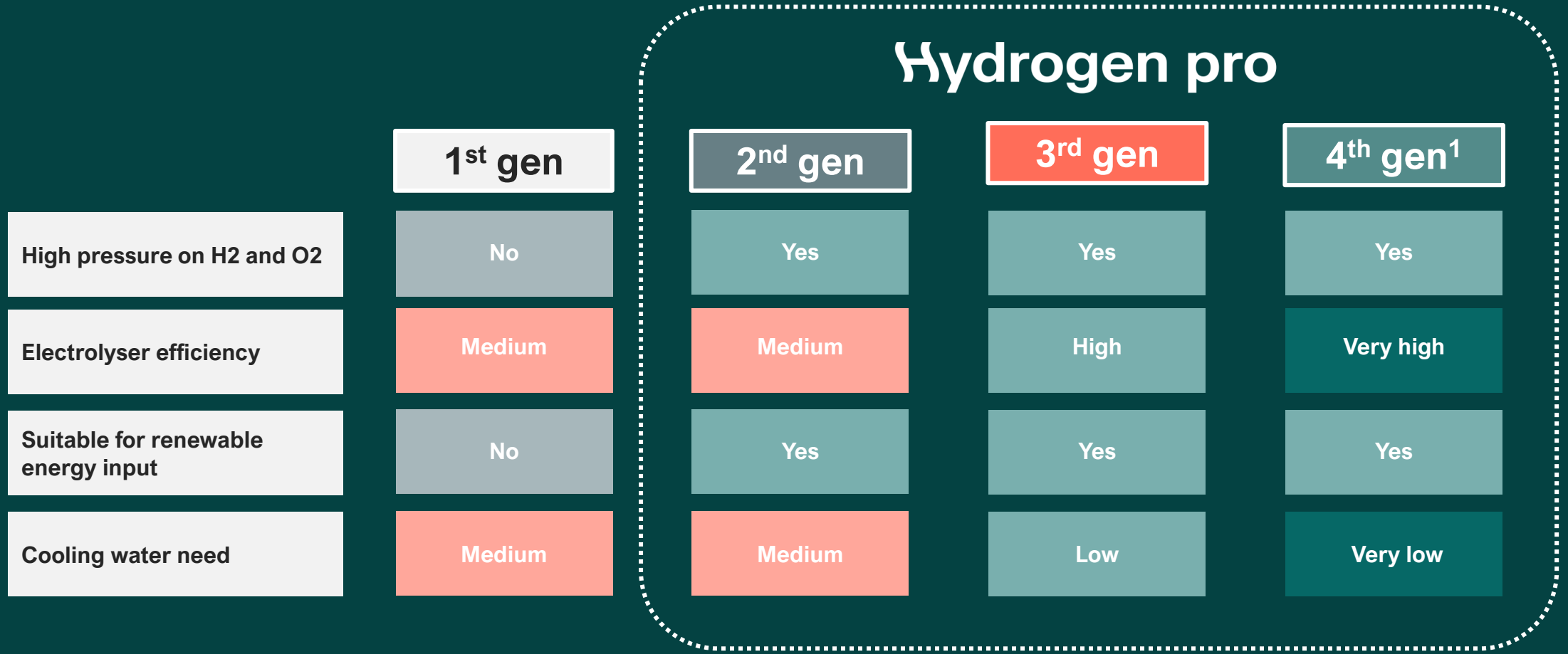
4th generation

Higher efficiency & zero loss of cooling water

Technology roadmap



	1st gen	2nd gen	3rd gen	4th gen[1]
High pressure on H2 and O2	No	Yes	Yes	Yes
Electrolyser efficiency	Medium	Medium	High	Very high
Suitable for renewable energy input	No	Yes	Yes	Yes
Cooling water need	Medium	Medium	Low	Very low

1) Based on initial lab tests

On track to deliver on 2023 key priorities

Key priorities 2023	*Current status*
Complete product delivery for ACES[1] Project	Progressing as per plan
Expand footprint	Announced factory in Texas. ANDRITZ partnership in Europe
Increase order backlog	Several projects getting closer to FID and engaged in multiple FEED studies
Secure > 1 GW additional manufacturing capacity	Upgrade of China factory to 500 MW, Texas facility 500 MW
Final verification of 3rd Gen electrode	Final 1000 hour test to begin in second half of May

1) Advanced Clean Energy Storage

#1

provider of large-scale green hydrogen technology & systems

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