

A large industrial machine with multiple yellow rollers is shown in a factory setting. The machine is composed of several parallel rollers supported by a metal frame. The background shows a dark industrial interior with overhead lighting and structural beams.

**POWERING
INNOVATION.
ENERGIZING
TOMORROW.**

Q1 2024 Presentation

7 May 2024

HydrogenPro

Disclaimer

This presentation contains forward-looking statements and information, including assumptions, opinions and views of the Company or third-party sources, and are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual results and events to be materially different from those expected or implied by the forwardlooking statements or information. The Company does not provide any assurance that the assumptions underlying such statements or information are free from errors nor accept any responsibility for the future accuracy of opinions expressed herein or as part of the Information, or the actual occurrence of forecasted developments.

Agenda

- › Quarterly highlights
- › Financials
- › Technology update

Q&A



Recent achievements and major developments

1

Secured strategic NOK 82.7m investment from Andritz

2

New board elected, chaired by Dag J. Opedal

3

Cash balance of NOK 185 million per 31 March 2024

4

On-going preparations on Salzgitter project - planned completion of manufacturing by Q3 2024

5

Awarded compensated FEED study 300 MW in Texas, USA

6

On-going feasibility study of expansion of electrode manufacturing

Cooperation strengthened with Andritz' strategic investment of NOK 82.7 million

ANDRITZ

Newsroom > News >



Green hydrogen: ANDRITZ acquires stake in Norwegian tech-company HydrogenPro

2024/04/11

International technology group ANDRITZ has acquired a 13.8% stake in the Norwegian company HydrogenPro.

The company was founded in 2013 and supplies pressurized alkaline electrolyzers (AEL) for green hydrogen production. The two companies already entered into a strategic partnership last year to provide integrated solutions for the supply of green hydrogen plants.

The acquisition strengthens the strategic partnership between ANDRITZ and HydrogenPro to serve ANDRITZ's customers even better. HydrogenPro provides the pressurized alkaline electrolyzer components and technology,

About the transaction

- Announced April 10th, Andritz (one of the leading EPC companies within green hydrogen) made a NOK 82.7 million equity investment in HydrogenPro (cash impact in Q2 2024)
- The investment strengthens the strategic partnership with Andritz, providing HydrogenPro a significant better market reach
- The proceeds will be used to finance development and testing, as well as general corporate purposes
- The cooperation has already proved successful with a 100 MW order for Salzgitter steel plant in Germany (Nov 2023)

About Andritz

- International technology group Andritz offers a broad portfolio of innovative plants, equipment, systems, services and digital solutions for a wide range of industries and end markets

New Board of Directors



DAG J. OPEDAL

Chairman of the Board



JARLE TAUTRA

Board Member



ASTA STENHAGEN

Board Member



GEIR BREDO LARSEN

Board Member



MARIANNE M. AAMODT

Board Member



VIVIAN Y. C. ESPEETH

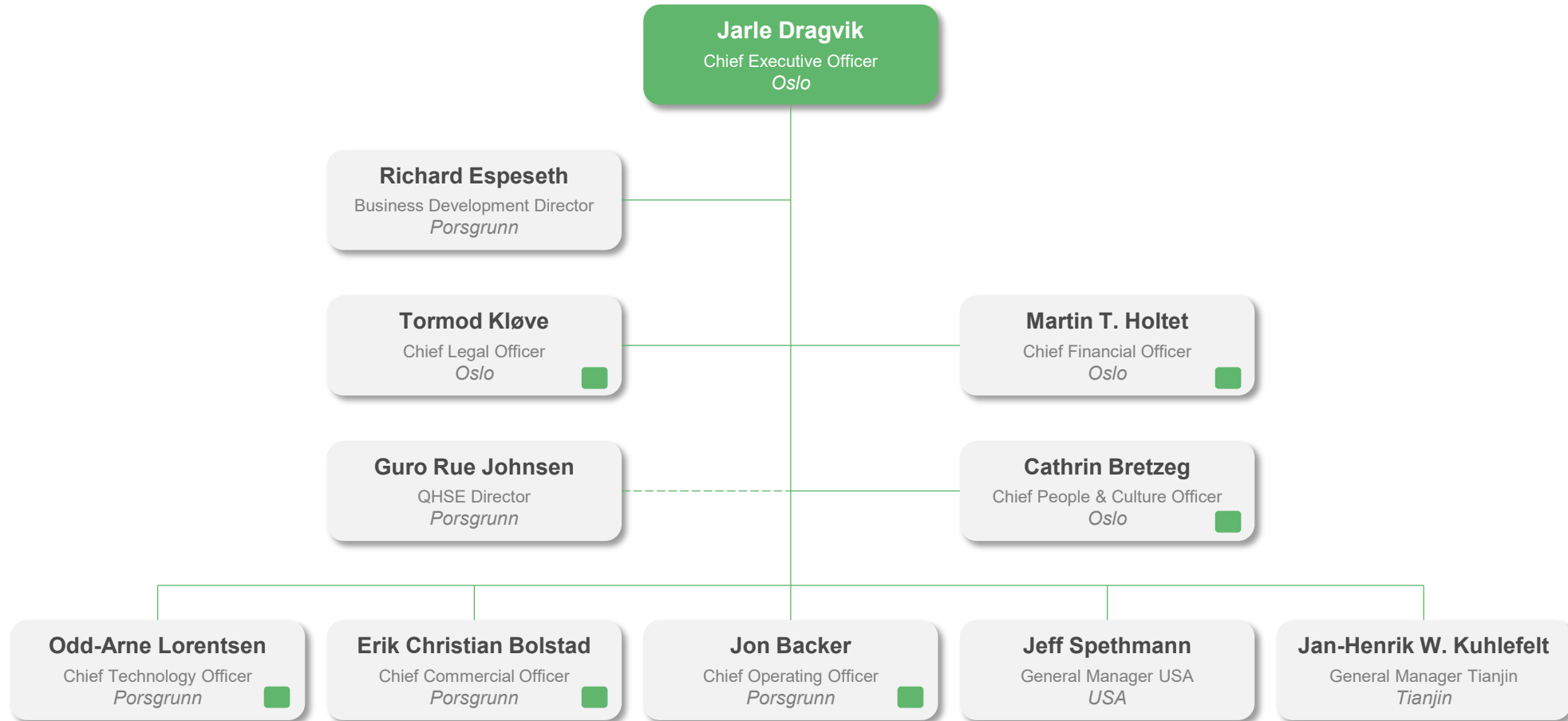
Board Member



BJØRN HANSEN

Board Member

Competent management team in place



■ Executive management

Slow start of the year, but high tender activity

› Globally

- Few contracts have been awarded in general in the market and FID decisions are being delayed
- Project awards and FIDs expected to mature during second half of 2024
- During the last quarter, leading players in hard-to-abate sectors have brought their projects closer to FID by entering FEEDs as well as selecting suppliers for their long-planned projects
- HydrogenPro's sales pipeline growth remains stable with insignificant project cancellations

› Europe

- European Commission has awarded nearly €720 million to seven renewable hydrogen projects

› USA

- Waiting for final clarifications on Inflation Reduction Act 45V clean hydrogen production tax credit

Hannover conference



“The world's leading Trade Fair for industrial technology”

“The Norwegian company HydrogenPro, which is set to supply electrolyzers for the green hydrogen shift, ordered by the German steel giant Salzgitter...”

– Norwegian PM Jonas Gahr Støre

21 April 2024



Key priorities in 2024

- › Successful installation & commissioning of ACES
- › Delivering on Salzgitter
- › Increase order intake
- › Full-scale validation of electrode technology
- › Conclude expansion of electrode manufacturing capacity

Taking a leading role in the global electrolyser industry

	Technology frontrunner	›	Supports premium pricing
	Large-scale track record	›	Customer confidence
	Proven scalability	›	Positioned for a growing market
	Geographic expansion	›	Aligned with market opportunities
	Cost competitive manufacturing	›	Attractive margin profile
	Regulatory tailwinds	›	Supports strong revenue growth
	Capital discipline	›	Attractive return on capital

Pole positioned to deliver industry-leading returns

HydrogenPro

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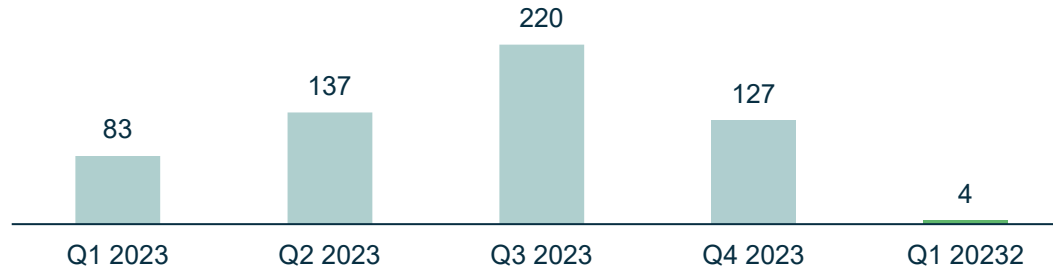
Q&A



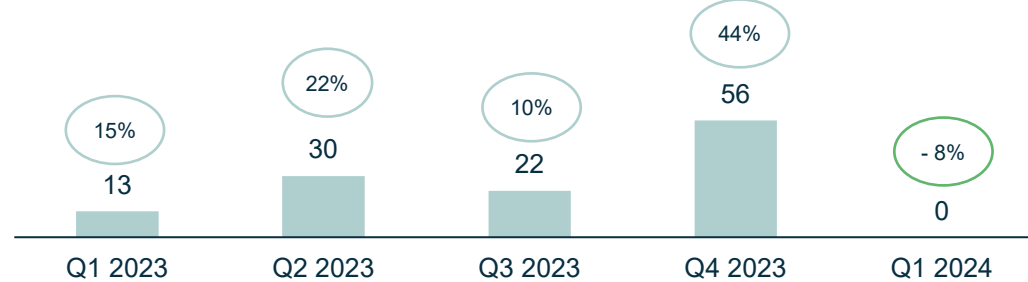
Key P&L items

NOK Million

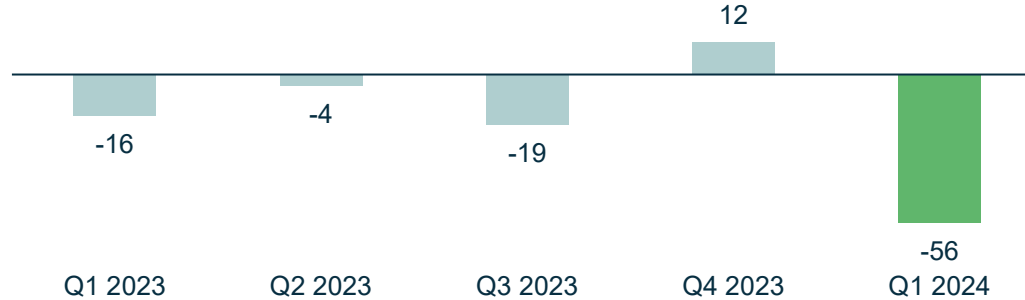
Revenues



Gross profit & margin



Adj. EBITDA

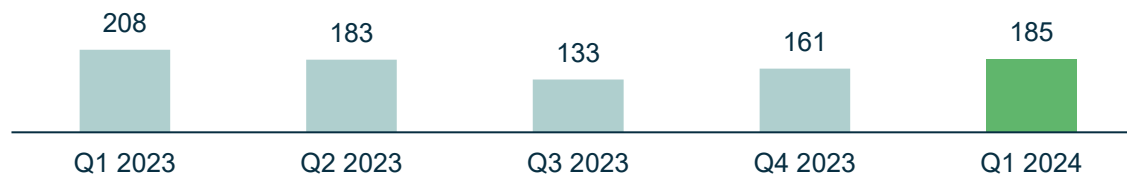


- Limited activity after ACES and prior to start-up of Salzgitter
- ACES project: additional costs for replacement of some auxiliary components reduced gross profit with NOK 5 million in the quarter
- In addition, adj. EBITDA negatively impacted by NOK 8 million write-down of the replaced auxiliary components on ACES project

Cash balance, changes in cash and backlog

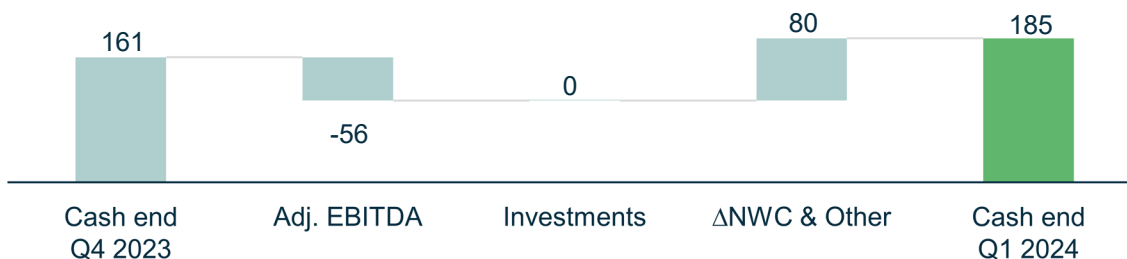
NOK Million

Cash balance



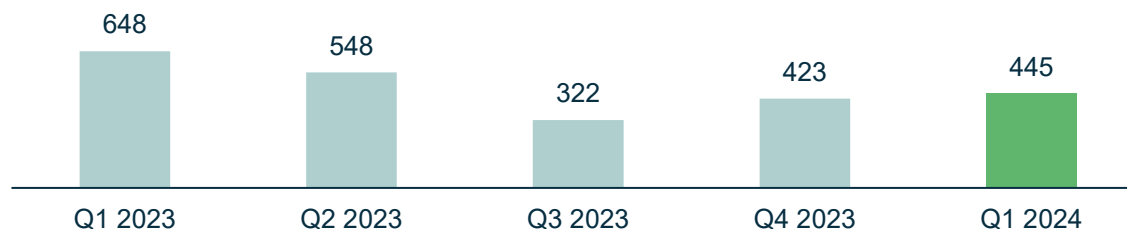
- › Cash balance increased by NOK 24 million
- › Strict capital discipline with less than NOK 10 million committed future investments
- › NOK 82.7 million Andritz investment in Q2 2024

Change in cash balance QoQ



- › Changes in NWC mainly driven by decrease in trade receivable of NOK 82 million

Order backlog



- › No significant contracts signed in Q1 2024. Increase in Q1 2024 driven by strengthened EUR and USD vs NOK

Scaling up with a strict capital discipline

- › Key focus area: technology & innovation mostly funded with R&D grants
- › On-going feasibility study of expansion of electrode manufacturing
- › Lean global organization
- › Partnership with Andritz reduces need of building a large organization in Europe
- › Competitive and flexible supply chain
- › Retaining a sustainable net working capital

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- › Financials
- › **Technology update**

Q&A



HydrogenPro Technology organization set-up



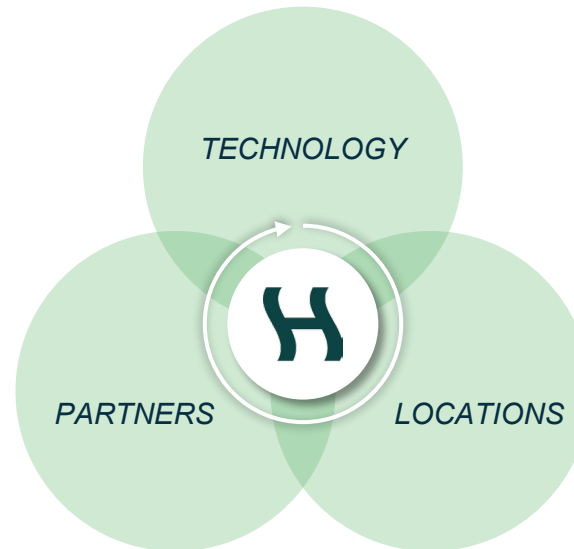
Odd-Arne Lorentsen | CTO

PhD in Electrochemistry

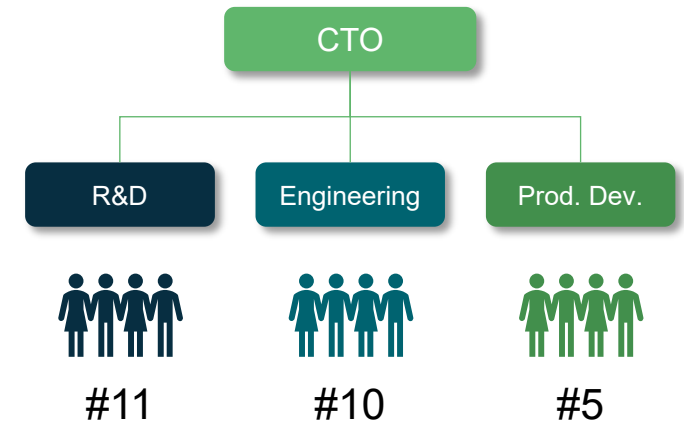
30 years of experience from:



HydrogenPro



TECHNOLOGY AND R&D ORGANIZATION



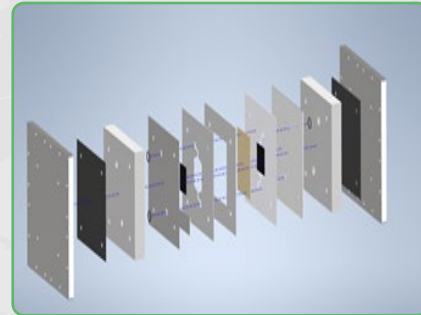
R&D grants enable a high activity level

RECENT R&D GRANTS



Recent funding

NOK 190m
(last 2 years)



Some funded projects

Low-cost H2
H2 lean
H2 Boost
H2 SAF
Ph swing

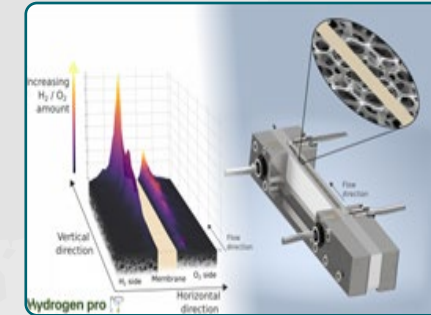


R&D PROJECTS



Electrode capacity expansion

Electroplating NextGen electrodes with lower energy consumption




Other R&D projects

Advanced electroplating
Novel electrocatalysts
Characterisation methods
Modelling

HydrogenPro's technology seeks to exceed customer demands

CUSTOMER CRITERIA

	Safety	▶
	Robust and flexible operations	▶
	Low power consumption (OPEX)	▶
	Low CAPEX	▶
	Pressurised electrolyser	▶
	High purity product	▶

HYDROGENPRO TECHNOLOGY

✓	<i>Well proven technology operated for decades</i>
✓	<i>Suitable for renewable energy input, modular-based to suit customers' size needs</i>
✓	<i>Next gen electrodes reducing power consumption with limited cooling need</i>
✓	<i>No use of noble materials and additional compressor</i>
✓	<i>Pressurized technology at 15 bar</i>
✓	<i>Core process technology developed over several years offering high purity</i>

Preparing for full-scale validation of electrodes

Developing
technology
together with
strong
industrial
partners

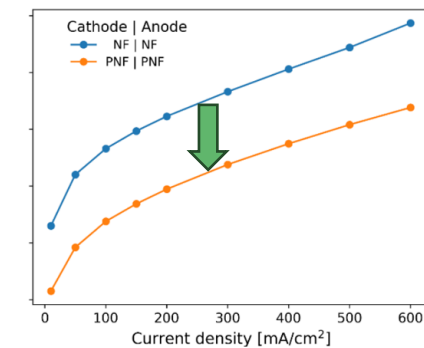
Mitsubishi
Heavy
Industries
&
Andritz

Mobilise for hot commissioning of the ACES plant

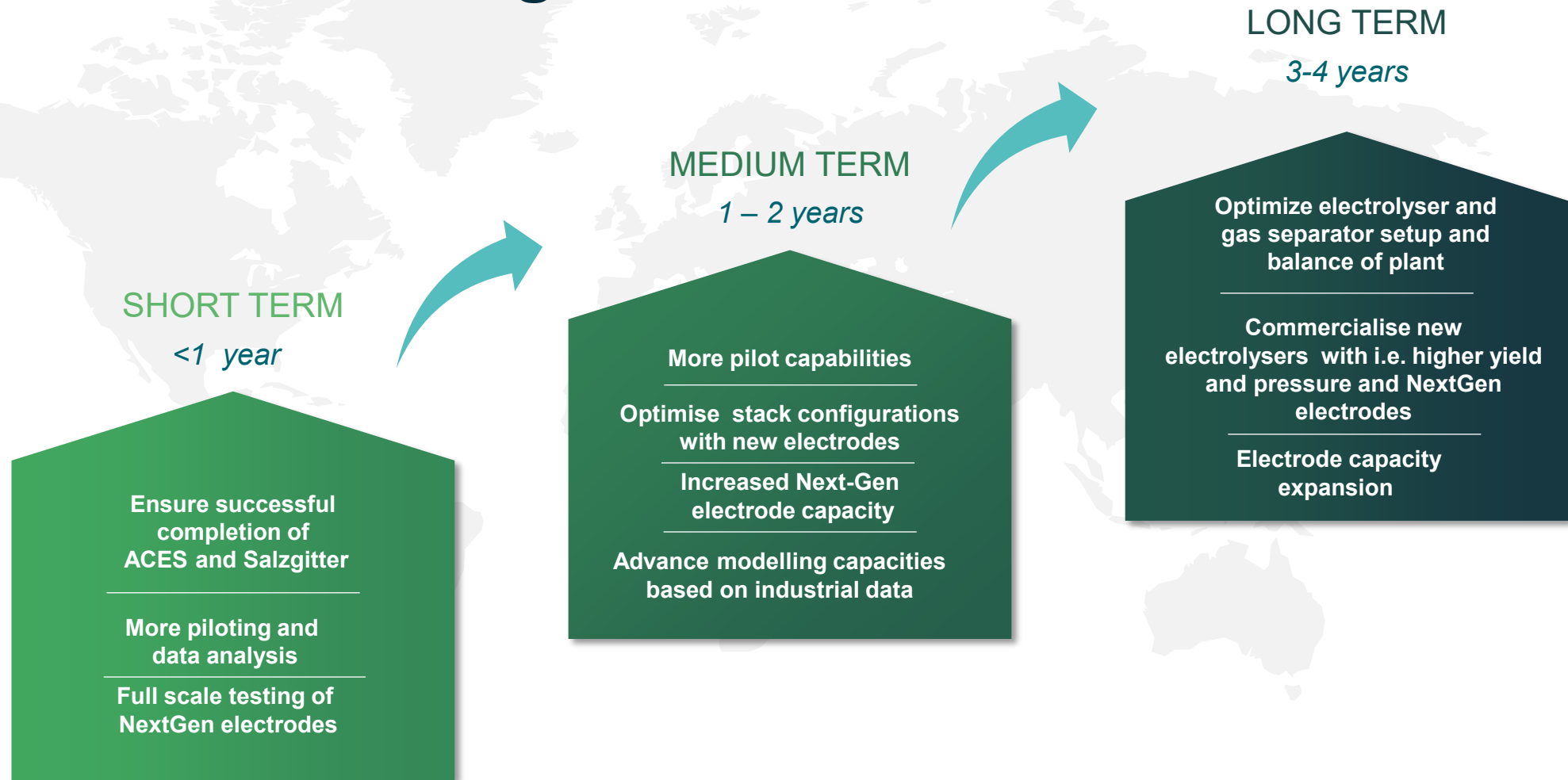
- Strengthen large-scale experience with commissioning, start-up and operation relevant for, i.e. Salzgitter

Prepare for demonstration test of a full-sized electrolyser with improved electrodes

- Co-creating optimal solutions for the Salzgitter plant together with Andritz
 - Full scale pilot testing in Porsgrunn with Gen3 electrodes
 - Collect various performance data under varying conditions



Our technology roadmap is focused on delivering best-in-class offering



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Q&A



Q&A

APPENDIX



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

1


THE WORLD'S LARGEST ELECTROLYSER

- 5.5 MW single stack suitable for renewable energy input
- A modular system that can be scaled to any size for large-scale industrial applications
- Pressurised hydrogen ready for industrial use

2

GAME-CHANGING ELECTRODE TECHNOLOGY

- 14% lower electricity need for same H2 output
- Reduced cooling water need
- Reduced OPEX from H2 production



Market-leading levelised cost of hydrogen

HydrogenPro targets

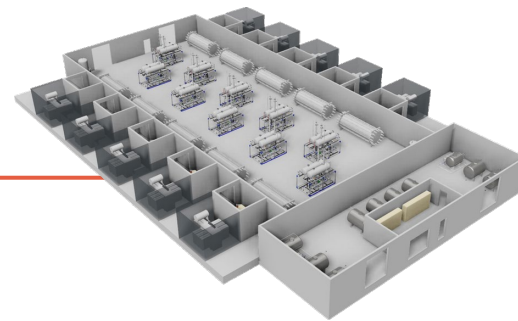
Industrial applications and hard-to-abate sectors – enables the energy transition through hydrogen



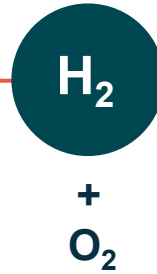
Renewables



Water



**LARGE-SCALE
HYDROGEN PLANTS**



Income statement

NOK million	Q1 2024	Q4 2023	Q1 2023 ¹	2023
Revenue from contracts with customers	4	127	83	568
Cost of goods sold	4	71	71	447
Gross profit/(loss)	-0	56	13	121
Personnel expenses	28	22	15	82
Other operating expenses	28	22	14	66
Adj. EBITDA	-56	12	-16	-27
Non-cash cost of incentive programs/payrolls	0	-4	1	3
Non-cash provisions with limited predictive value	0	-1	0	6
EBITDA	-56	17	-17	-36
Depreciation and amortization expenses	7	6	5	22
EBIT	-63	11	-22	-58
Net financial income and expenses	16	-11	12	-5
Profit/(loss) before income tax	-47	-1	-10	-63
Income tax expense	0	0	0	0
Profit/(loss)	-47	-1	-10	-63

Balance sheet

NOK million		31 Mar 2024	31 Dec 2023
Assets			
Intangible assets		60	58
Property, plant and equipment		65	68
Right of use assets and financial investments		55	56
Total non-current assets		180	182
Current operating assets		208	301
Cash and cash equivalents		185	161
Total current assets		393	462
Total Assets		573	644
Equity and liabilities			
Total equity		415	453
Total non-current liabilities		20	18
Total current liabilities		139	172
Total liabilities		158	190
Total equity and liabilities		573	644

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