Everfuel
beyond renewables

ANNUAL REPORT 2022

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Everfuel is making green hydrogen for zero emission industry and mobility commercially available across Europe, offering competitive all-inclusive hydrogen supply and fuelling solutions.

We own and operate green hydrogen infrastructure and partner with industry and vehicle OEMs to connect the entire hydrogen value chain and seamlessly provide hydrogen fuel to enterprise customers under long-term contracts. Green hydrogen is a 100% clean energy carrier made from renewable solar and wind power and key to decarbonising industry and transportation in Europe. We are an ambitious, rapidly growing company, headquartered in Herning, Denmark, and with activities in Norway, Denmark, Sweden, the Netherlands, Germany and Belgium, and a plan to grow across Europe. Everfuel is listed on Euronext Growth in Oslo under EFUEL.

ANNUAL REPORT 2022

CONTENT

THE EVERFUEL **HYDROGEN** PROMISE

Vision of a decarbonised world

Everfuel works towards a visionary world of fossil free industry and mobility

Our mission
Air pollution and global warming are two of the greatest challenges of today. Contributing to solving these issues, Everfuel's mission is to enable European-wide production, distribution, and supply of 100% green hydrogen to industry and mobility at prices competitive to traditional fossil fuels.

A fuel for generations
Green hydrogen is produced from renewable electricity and water. Hydrogen can be used by industry to significantly reduce process emissions and when consumed in fuel cell vehicles the only tail pipe emission is water. Hydrogen production by electrolysis enables high utilisation of renewable energy (wind/solar) by producing and storing hydrogen when most optimal. Hydrogen is the key fuel and energy carrier for future generations.

Ambition
Our ambition is to develop a European-wide offering of hydrogen supply and fuelling solutions for industry stakeholders as well as heavy-duty and commercial vehicle operators by 2030. Supporting this ambition, hydrogen production and distribution facilities and key partnerships are being developed across Europe, starting in the North-West (NO, SE, DK, DE, NL, BE) and expanding from there.

Everfuellers
We are all Everfuellers, part of an ambitious and solutions-oriented organisation. We have extensive hydrogen experience and are dedicated to commercialising hydrogen production, distribution and fuelling. Creating a sustainable zero emission alternative for Everfuel's customers, partners and for generations to come.

Complete value chain
Everfuel will facilitate the complete hydrogen value chain from renewable power to hydrogen production to point of delivery. This enables Everfuel to rapidly expand activities and provide competitive hydrogen prices to end-users.

Clean and green – zero emission
Both fuel cell and battery electric technologies support zero emission transport. However, charging of electric vehicles needs to be synchronised with renewable energy production, or it resorts to using the existing grid mix which in most areas has a significant carbon footprint. Hydrogen is produced when renewable electricity is available and stored and subsequently distributed and supplied to end-users. This makes hydrogen a true zero emission energy carrier – and contributor to a more balanced electricity grid and energy system.

MESSAGE FROM THE **CEO**

Everfuel's mission is to scale the green hydrogen value chain and enable decarbonisation of industry and mobility. We work across the entire value chain to make green hydrogen a commercially available as a clean, safe and reliable energy carrier. Delivering on our strategy has become even more urgent during 2022 with conflict in Europe and widespread concerns for the regional energy security.

Against this backdrop, we see strong confirmation of our position as a green hydrogen market leader in Europe. We experience increased interest for hydrogen and related solutions from companies within hard to abate industries seeking to reduce emissions from own processes and to diversify energy supply away from natural gas and oil. For Everfuel, this translates to potential access to long-term contracts for base hydrogen offtake with stable cash flows to support development of electrolyser capacity. This also supports our fuelling network roll-out and development of mobility solutions with emphasis on the heavy-duty transport market which we expect will be first to reach critical mass.

During the year we made significant progress across our business operations. This includes major technical and operational milestones at our Phase 1 electrolyser, business development with the launch our hydrogen hub strategy, R&D and technology innovation led by the Everfiller and by growing our team of highly motivated Everfuellers. Let me start off by thanking the entire team for your dedication and effort. Together, we make hydrogen happen!

A major milestone

In mid-December, we produced the first hydrogen from our 20 MW HySynergy facility. This is currently Europe's largest electrolyser and represent a key stepstone towards the commercialisation of green hydrogen as a clean feedstock and fuel for industry and mobility. We are eager to complete the ongoing commissioning and start commercial de-liveries to the Crossbridge Energy refinery in Fredericia to reduce the carbon intensity of their production and to supply our expanding network of hydrogen refuelling stations.

We manage the development project in-house, navigating supply chain challenges and inflationary pressures, which combined with own scope adjustments have led to increased investments as we progress towards completion. Some of the adjustments are however preparations for the next phase of HySynergy, comprising three 100 MW electrolysers, testing facilities and our own hydrogen innovation centre named Everfuel Tech. The lessons learned at HySynergy are now being fully implemented into our planned future electrolyser projects in Norway, Sweden and Denmark as we mature our project pipeline, including HySynergy Phase 2, towards final investment decision.

At year-end, we were granted DKK 246.3 million in Danish IPCEI funding for Phase 2 which will be developed together with Crossbridge Energy. We are very pleased with the support provided by the Danish government, the EU and all our partners in the HySynergy project. With this, we are executing on our promise to bring commercial green hydrogen to the market. In addition, we have signed agreements for oxygen and surplus heat, the two other primary products from electrolysis process, making HySynergy our first hydrogen hub and the first large-scale PtX facility in Denmark.

Accelerated hydrogen deployment

We plan to replicate the hub strategy that underpins HySynergy across the Nordic region. This means, phased developments of electrolyser capacity in close cooperation with local industry for base offtake and robust project returns. This will be combined with distribution of excess hydrogen for zero emission mobility to capture the full value of an integrated value chain including EU's certificates for renewable fuels of non-biological origin.

In Kristiansand, Norway, we are well underway together with strong industry and mobility partners, and we are applying the same collaborative approach in Holstebro, Denmark, and Karlstad, Sweden. The hub concept is a natural evolution of our strategy and an enabler for long-term partnerships within industry to complement our position in mobility. The hubs will be a key driver for our long-term growth and value creation for all stakeholders.

I was therefore proud when we in late February 2023 announced our joint venture with Hy24, the manager of the world's largest hydrogen infrastructure fund, for co-investing EUR 200 million of equity in electrolyser capacity in the Nordic. Together we can fund, build, own and operate up to 1 GW of green hydrogen projects. The agreement validates Everfuel's position as green hydrogen pioneer and leading project developer in Europe, and we look forward to working closely with Hy24 and benefit from their extensive industrial experience and financial strength when jointly developing projects, and as a recent Everfuel shareholder.

Ramp-up phase and beyond

There is no doubt that large quantities of hydrogen made from wind and solar energy will be required to decarbonise industry and transport and solve the global challenges of air pollution and global warming. This will require collaboration across the green hydrogen value chain, with local and central authorities and with the financial markets. We have delivered on the growth plan we presented when listing on Euronext Growth in Oslo in the autumn of 2020, both with regards to funding through equity, public grants and through external investments at project level.

We have proven the technology works and we have proven that the business case is attractive. This gives me great confidence as we accelerate into our ramp-up phase to fully capitalise on the multi-billion-euro hydrogen energy market which has opened up in Europe and elsewhere in the world.

By making hydrogen happen, we are set to generate significant long-term value for our shareholders, employees, and other stakeholders, while also creating a greener planet for everyone.

Jacob Krogsgaard,
founder and CEO of Everfuel

EVERFUEL IN BRIEF

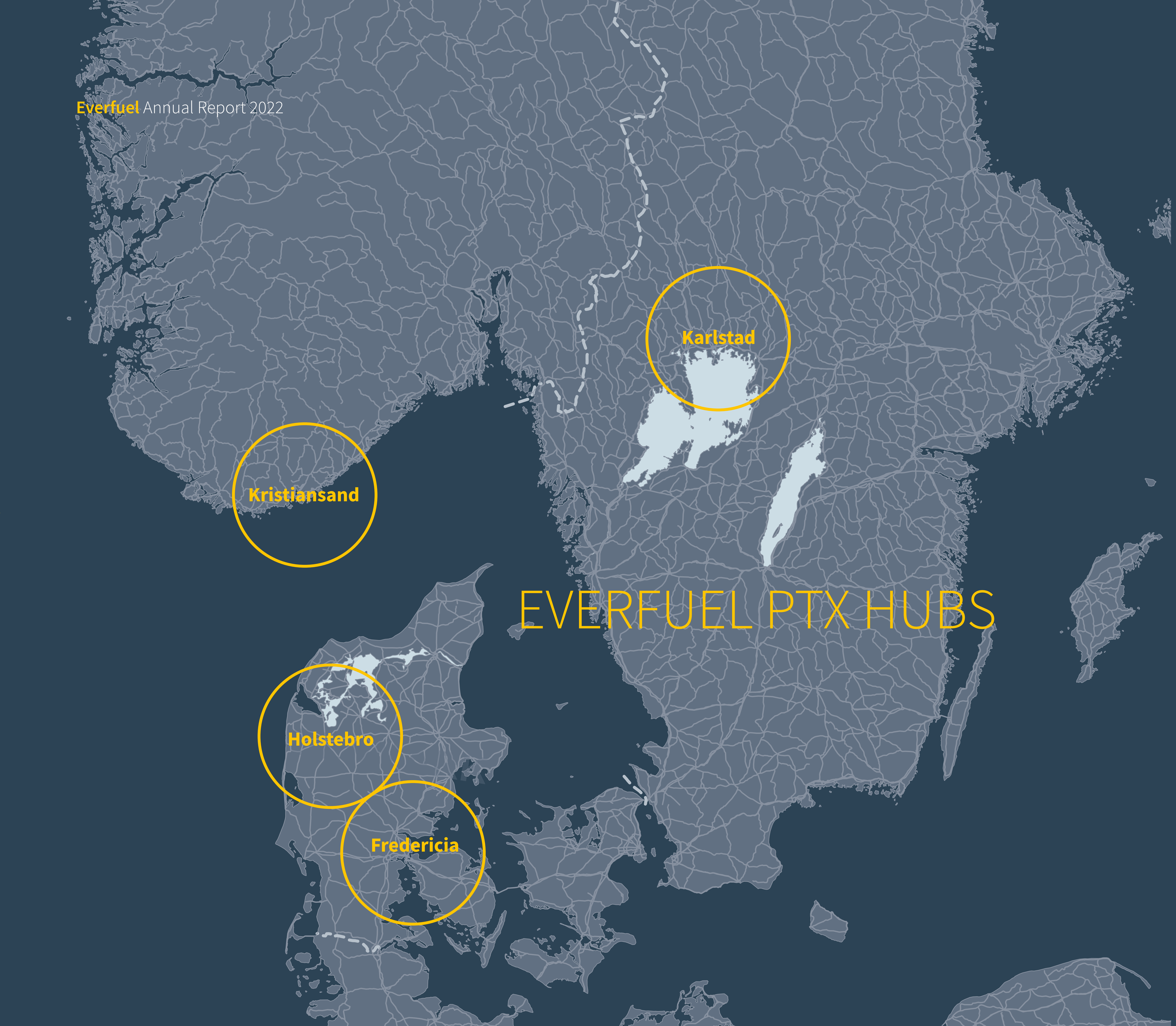
Everfuel is making green hydrogen for zero emission industry and mobility commercially available across Europe, offering competitive all-inclusive hydrogen supply- and fuelling solutions. As a leading independent hydrogen energy company, Everfuel's strategy is to connect flexible green hydrogen production and increasing demand for environmentally friendly, safe and innovative hydrogen infrastructure.

Everfuel is engaged throughout the green hydrogen value chain:

Renewable energy

Decarbonisation of the electricity system through renewable energy is well underway. But, to also decarbonise hard-to-abate sectors such as heavy industry and mobility, green hydrogen produced from renewable energy is needed. It will play a critical role in curbing climate change and achieving full decarbonisation of society. Green hydrogen is carbon-free which makes it a climate-friendly alternative to fossil fuels. Simultaneously, it helps balance the power grid as renewable energy can be stored and consumed when it is needed – even when the wind is not blowing, and the sun is not shining.

Everfuel believes in hydrogen produced from renewable sources such as wind, solar and hydropower. Hydrogen production through electrolysers is a proven technology, that offers an efficient way to increase utilisation of the fluctuating renewable energy that will otherwise be curtailed. Europe has abundant sources of renewable energy, which is the first step needed for the large-scale deployment of green hydrogen. Using renewable energy for hydrogen production is essential to continue to harvest renewable energy and make a viable business case of the renewable energy sources available. Everfuel is actively engaging in the utilisation of existing- and development of new renewable energy assets.



Hydrogen production

Green hydrogen is produced by splitting water into oxygen and hydrogen with the use of renewable electricity. That process is known as electrolysis. Everfuel has developed key competencies in the engineering, procurement, and construction (EPC) work connected to the development and operation of electrolysers.

The company installs, owns, and operates electrolysers in places with abundant renewable energy and hydrogen offtake in the same area. The electrolysers will be operated from the control centre at the HySynergy facility in Fredericia, Denmark. The primary product offered by the production facilities is hydrogen. Secondary value streams include by-products from the hydrogen productionsuch as oxygen and heat. The excess heat can for instance be applied in a district heating system and thus ensure cross-sector integration. The oxygen has multiple applications within areas such as waste processing and agriculture.

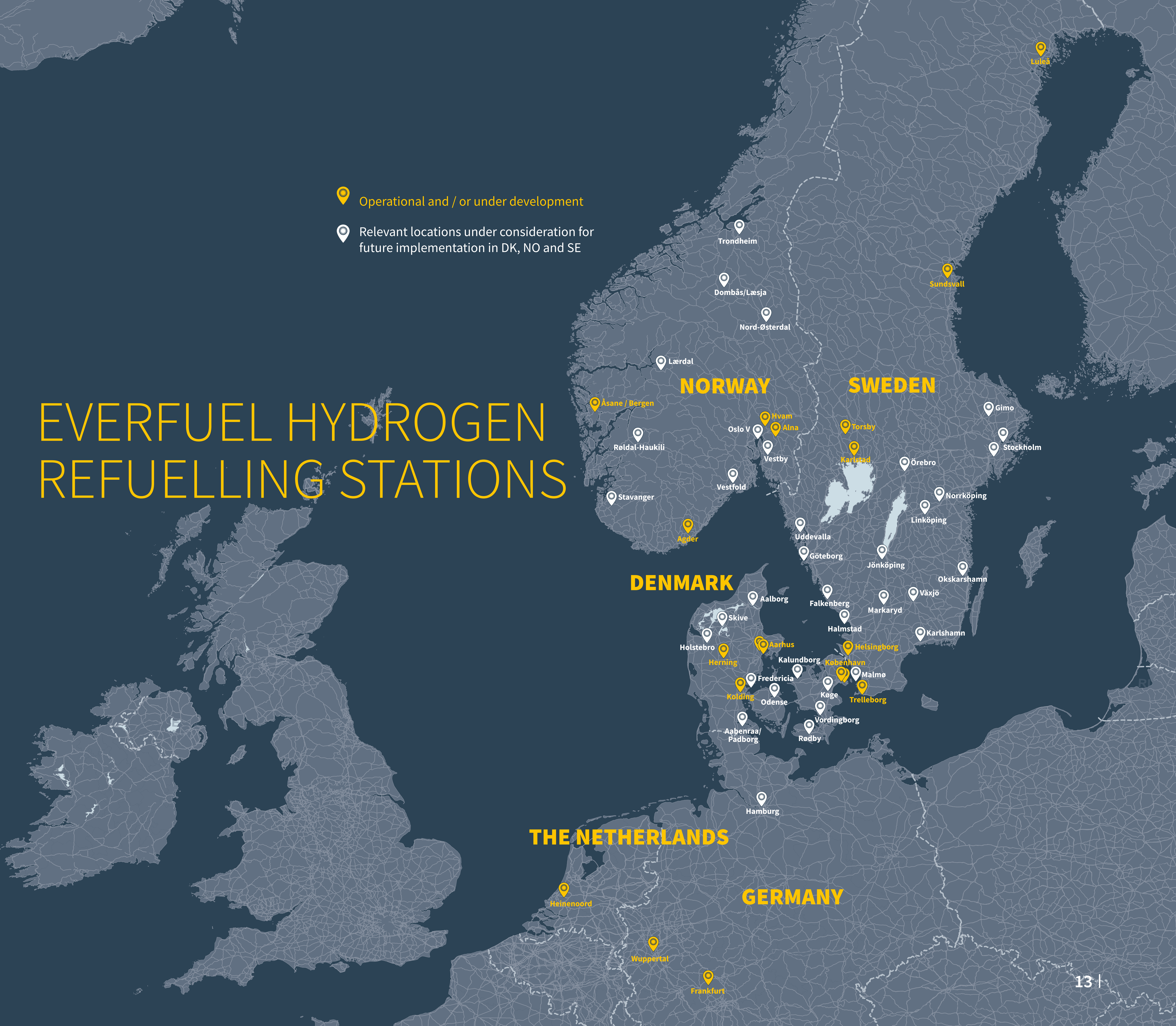
Hydrogen distribution

Delivering hydrogen to customers at the right time and at the right price is essential for Everfuel. This can be done through dedicated pipelines and via Everfuel's fleet of custom-made hydrogen trailers called Everhaulers which currently deliver green hydrogen to stations and customers throughout the North-Western parts of Europe. In the coming years, the company expects to offer hydrogen distribution throughout Europe to assist in the decarbonisation of European industries and transportation.

Hydrogen distribution is about efficiency and reliability at all times while carrying high capacities of hydrogen. The hydrogen distribution trailers operated by Everfuel all have more than one tonne of hydrogen payload. They are developed in cooperation with partners and include unique Everfuel features that offer a competitive edge via intelligent station integration IP. Everfuel distributes green hydrogen to own hydrogen refuelling stations and partners' stations. For industrial customers and partners, the hydrogen trailers act as a mobile pipeline between hydrogen production and the customer.

Everfuel operated 11 hydrogen distribution trailers at year-end 2022, with one additional trailer set for delivery in April 2023. Additionally, Everfuel also have 10 other mobile storage units.

EVERFUEL HYDROGEN REFUELLING STATIONS



Hydrogen stations

Everfuel operates hydrogen refuelling stations to support fleets of fuel-cell vehicles, which can be refuelled at the same time as regular combustion engine vehicles.

Everfuel develops publicly available hydrogen stations and has the capabilities to also build dedicated private stations. The refuelling stations can be co-located next to traditional retail stations or near dedicated hydrogen stations. When constructing a hydrogen station in urban areas, the company prefers to develop the project with local stakeholders to secure an initial offtake from the station. That ensures local support for the station and justifies the ambition of providing competitive hydrogen at fossil parity prices. Hydrogen is offered at 350 and/or 700bar at the hydrogen stations which accommodate passenger vehicles and heavy-duty vehicles.

Everfuel had eight hydrogen stations in operation, with additional 11 locations at different stages of development at year-end 2022.

Hydrogen consumption

Green hydrogen can be useful in a variety of sectors to assist in reaching zero-emission solutions or creating greener alternatives to fossil fuels.

Industry

Hydrogen is already a vital part of many production industries. However, much of the hydrogen consumed in the industry today is based on fossil fuels. With the transition to green hydrogen, industries can significantly reduce reduce CO2 emissions by using hydrogen as an energi carrier and or feedstock

Vehicles

Hydrogen can be used directly in fuel-cell electric vehicles such as passenger cars, taxis, vans, and trucks. Refuelling vehicles with green hydrogen offers several advantages. It allows for zero-emission transportation, and even purifies the surrounding air. Vehicle owners can refuel their fuel-cell cars, busses and trucks at the same speed as it takes to refuel a diesel vehicle – eliminating long battery charging hours. Fuel-cell vehicles are particularly beneficial for fleets where battery charging times can be a challenge, such as taxis, or in trucks where battery weight takes up a too substantial a part of the payload capacity.

Other transportation

Green fuels, based on hydrogen, are well on their way to decarbonising the maritime and aviation sectors. When mixed with green CO2, green hydrogen is a central component in the production of e-fuels that will replace fossil fuels in ferries and airplanes.

Secondary value streams

A by-product of green hydrogen production is oxygen and heat. Both can be used in other industries to ensure that nothing goes to waste in the production process.

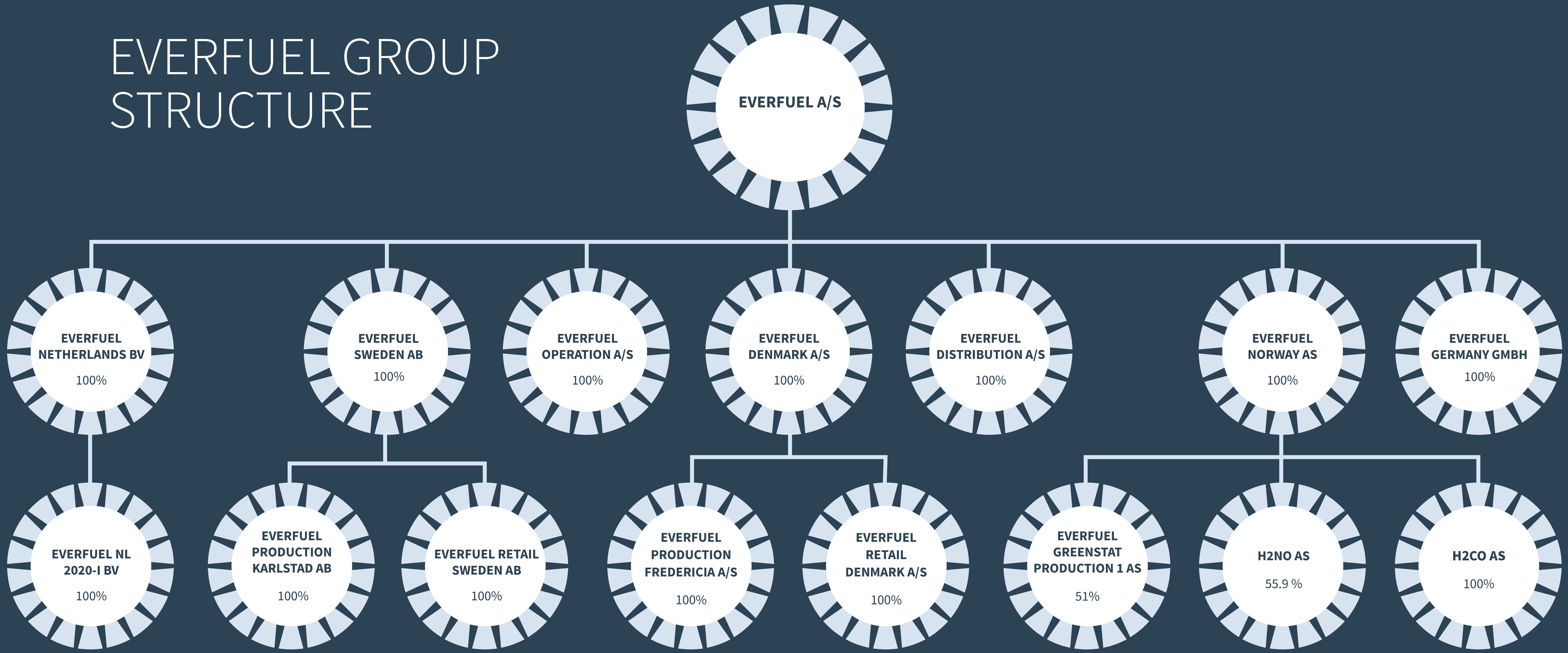
Strategy

Everfuel’s strategy is to establish vertically integrated hydrogen supply chains across Europe by developing and operating electrolysers for hydrogen production, hydrogen distribution and hydrogen fuelling stations, supported by innovative digitalisation of the entire supply chain in one central system.

Everfuel has established a clear plan for growth and value creation with a stated ambition of delivering EUR 1 billion of annualised revenue with 30-35% EBITDA margin before 2030.

Everfuel’s headquarters are located just south of Herning in Denmark with an expanding team of dedicated and highly experienced employees and managers further backed by a skilled Board of Directors.

EVERFUEL GROUP STRUCTURE



COMMITMENT TO **SUSTAINABILITY**

It is part of Everfuels (the “Company” or the “Group”) identity is to be a good corporate citizen and places due respect on the impact its business activities may have on employees, partners, suppliers, investors and the societies in which the Company has operations.

A review of the Company’s strategy, long-term targets, business model, markets, technology and projects can be found in the Annual Report and the Management’s Report. In combination with the above-mentioned reports, this section of the Annual Report details the Company’s requirements for reporting on corporate social responsibility. The report is focused on the business activities under the operational control of Everfuel.

Governance

The management and the Board of Directors are responsible for ensuring that the Company conducts its business with integrity and with due focus on sustainable and responsible operations and that it applies principles for sound corporate governance. The Board holds the highest authority in the Company's decision-making hierarchy to approve matters of significance.

As a company listed on Euronext Growth Oslo, Everfuel is not subject to a code of practice for corporate governance. As a Danish company, Everfuel intends to over time adopt the Danish recommendations for good corporate governance issued by the Danish Committee on Corporate Governance ("Komitéen for god Selskabsledelse").

The Company is committed to conducting business in a fair, ethical and transparent manner by adhering to the principles and guidelines stated in the Company's code of Business Conduct and Ethics. The Company seeks to uphold the highest ethical and responsibility standards.

Everfuel seeks to incorporate environmental, social and governance (ESG) considerations into relevant strategic decision-making. In 2022 Everfuel established an ESG committee responsible for defining sustainability priorities and related KPIs, reviewing proposed ESG initiatives and support and monitor implementation and inspire the organisation by continuously strengthening the Company's understanding of ESG factors. In late 2022, Everfuel engaged an external ESG consultant to support development and subsequent implementation of the Company's ESG strategy. The ESG strategy project commenced in January 2023 and will continue in phases throughout the year, initially focusing on analysis and evaluation of ESG maturity, materiality, ambitions and KPIs. On 31 December, the committee comprised of management and employees representing the Company's finance, procurement, construction and QHSE functions.

Contribution to people, planet and prosperity

Everfuel works towards a visionary world of fossil free industry and mobility. Air pollution and global warming continue to be two of the greatest challenges we face today. Contributing to solving these issues, Everfuel's mission is to enable European-wide production, distribution and refuelling of 100% green hydrogen to industry and mobility customers at prices competitive to natural gas, gasoline and diesel. Everfuel is active across a value chain which provides safe, accessible and affordable green hydrogen made from renewable wind and solar power. Safe and reliable access to energy is an important enabler for the prosperity of both developed and undeveloped economies.

The interest in and demand for hydrogen and green fuels have never been greater than today. Concern for energy shortages, exacerbated by the continued conflict in Ukraine, has highlighted the need for a more independent energy supply in Europe. This is increasingly reflected in national and EU legislation as part of a push to the transition towards a fossil-free future to combat climate change and to diversify energy supply. Everfuel seeks to contribute to these initiatives by offering a CO2-free alternative to fossil fuels which can be produced locally.

Everfuel is committed to ensuring transparency related to its operations and potential positive and negative impacts on people, the environment and for society. The Company has a "zero harm" policy for both people and environment and seeks to minimise unnecessary use of resources. As a responsible and inclusive employer, Everfuel impacts positively on local job creation and development in the countries where the Company has operations.

This is Everfuel's initial sustainability report and will be a baseline for measuring the Company's progress in execution of its business and sustainability strategy over time and the commitment to transparency and reporting on relevant environmental, social and governance (ESG) factors. Everfuel is a young company with limited ESG metrics to report on so far. However, future ambitions are high as the Company considers sustainable operations a prerequisite to successfully delivering on its vision and business strategy, which is the reason why the Company has initiated an ESG strategy process running throughout 2023.

SELECTED UN SUSTAINABLE DEVELOPMENT GOALS

Everfuel supports and seeks to actively contribute to the UN Sustainable Goals. The goals are a call for nations and businesses to come together in a global partnership for peace and prosperity. The UN has presented 17 goals that will enable a more sustainable future and tackle prominent societal concerns across the globe. Everfuel support all 17 goals from the UN, but Everfuel will in particular be able to contribute to two selected goals:

Goal 7 - Affordable and clean energy: clean energy is the core of Everfuel's business, where we contribute to a fossil-free world through clean and green hydrogen for industry and mobility. We will continue to build and expand our organisation in order to meet the growing need for clean energy. By scaling our production and distribution facilities we are able to offer affordable clean energy to more people and thus contribute further towards Goal 7.

Goal 13 - Climate action: Hydrogen produced solely from renewable energy comes with no harm to nature and the climate. By commercialising green hydrogen Everfuel will fight CO2-emissions and utilise renewable energy in the best possible way. We envision a fossil-free world powered by sustainable energy for generations to come.

MATERIAL ESG FACTORS

Since Everfuel listed on Euronext Growth Oslo in October 2020, business operations have changed. Initially it mainly involved business development, project planning, engineering and research and development, activities which had a limited external footprint. Today, the Company is developing an asset base and activities within production, distribution and dispensing of green hydrogen which enable decarbonisation of industry processes and the transition to zero emission mobility. These assets and activities consume land, raw materials and energy during development and operations, and it is Everfuel's ambition to minimise their external impact.

As part of this, the Company has considered the Sustainability Accounting Standards Board (SASB) standards for disclosure of financially material sustainability information as a starting point for dialogue with shareholders, customers, partners, employees, and other relevant stakeholders. The SASB standards identify a subset of 26 ESG issues relevant to financial performance. Everfuel is considered part of the Renewable Resources & Alternative Energy sector, with operations connected to sub-industries covering fuel cells and the development of solar and wind energy.

Supported by the SASB framework and own stakeholder dialogues, Everfuel highlights the following three topics as the most material to the Company:

SAFE AND SECURE OPERATIONS

ENVIRONMENTALLY CONSCIOUS OPERATIONS

A STRONG GOVERNANCE FRAMEWORK

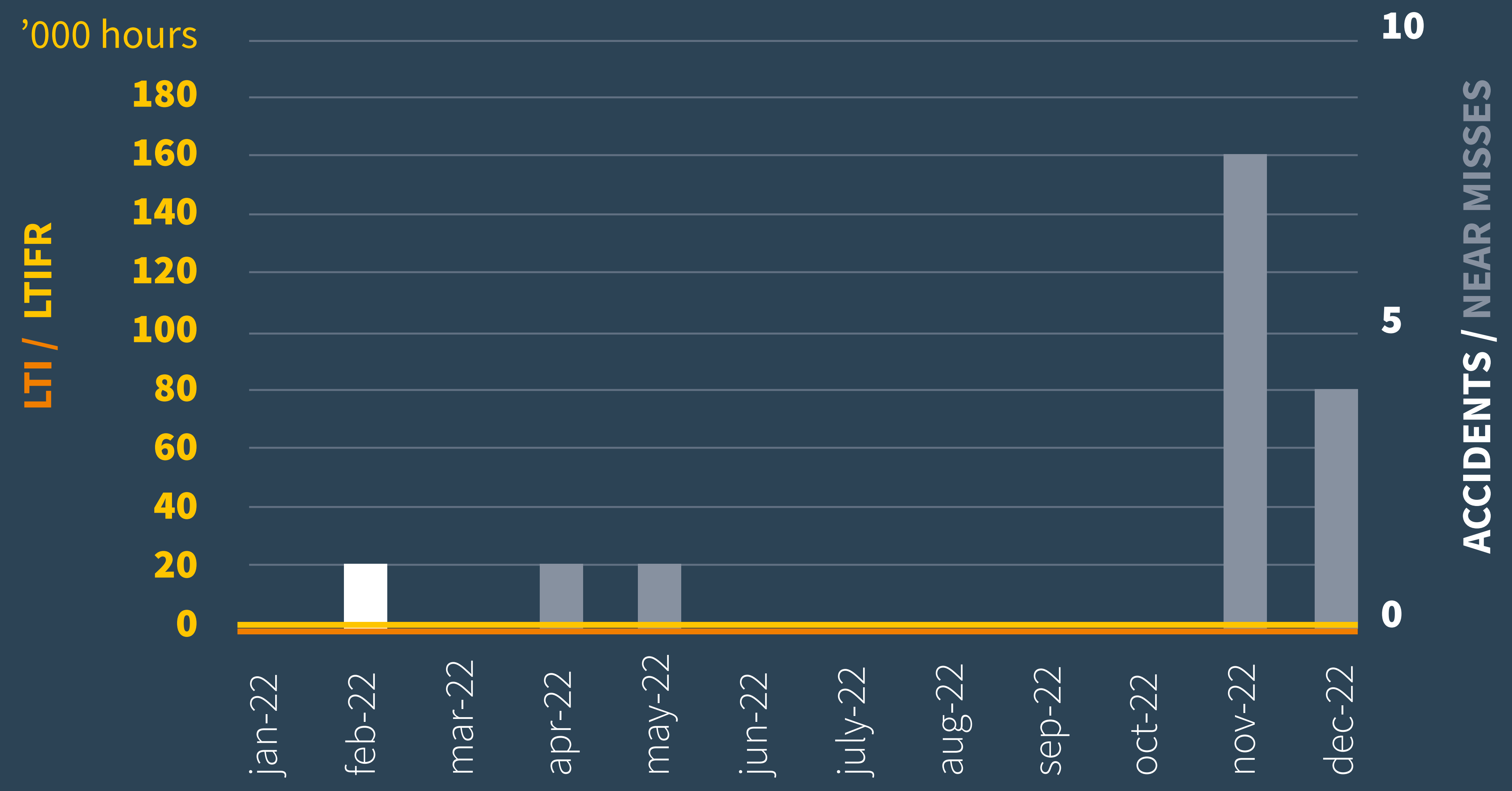
Everfuel seeks to establish and improve plans and procedures to support strategy execution and meet the Company's ambitions within each of these focus areas. Each initiative is taken to improve the safety for the employees, contractors, and clients, to do as little harm as possible to the environment and to constantly improve the governance framework.

The ESG committee is responsible for developing a more comprehensive structure for management and monitoring of ESG objectives, and for defining a chain of command and proper policies and guidelines.

SAFE AND SECURE OPERATIONS

Everfuel recognises the importance of its people for successful execution of strategy and delivery on long-term financial and societal ambitions. The Company places the outmost importance on the safety and security in operations and the well-being of its employees.

This is reflected in the target of zero HSE-related incidents. The company registered one HSE incident in 2022, compared to two in 2021, and 14 near misses (2021: one) primarily related to subcontractors during the construction of HySynergy Phase 1. The Company has established a HSE hotline for immediate reporting on any potential issues.



Quality, Health, Safety and Environment (QHSE)

The Company's QHSE Management System has been established to support the execution of and continuous improvement to its framework of working procedures and instructions. This is to ensure efficient and professional business operations, and to proactively meet stakeholder requirements and compliance with HSE laws and regulations. It also serves as a transparent, lean, and efficient tool to support execution of daily operations for all Everfuel employees.

The QHSE Management System is part of Everfuel's overall business system and an important tool for supporting strategy execution and risk management. The system is summarised in the QHSE Manual, last updated on 12 November 2022. The Company has further established separate manuals for various key business activities describing required personnel qualifications, safety equipment needed and general procedures to ensure safe and efficient execution of the various work processes throughout the hydrogen value chain.

In 2022, the impact on business operations from the Covid-19 pandemic subsided in all the countries where Everfuel is present. While employees may work from home, activity at Everfuel's offices and corporate travel normalised during the year.

Everfuel protects and promotes health and wellbeing. We provide a safe work environment, avoid risky behaviour and ’recognise dangerous situations promptly and take appropriate action. We assure compliance to HSE laws and regulations and have zero tolerance for violations and negligent behaviour.

A FAIR AND NON-DISCRIMINATING EMPLOYER

Everfuel seeks to be a fair and non-discriminating employer. The Company's commitment to promoting a positive work environment reflected in the Code of Ethics and Business Conduct, know internally as Everfueller guidelines (the "Code"). As an equal-opportunity-employer, the Company is focused on individual merits and qualifications directly related to professional competence.

Everfuel is committed to creating a supportive work environment and each employee is expected to create a respectful workplace culture that is free of harassment, intimidation, bias, and unlawful discrimination. The Company strictly prohibits discrimination or harassment of any kind based on race, colour, religion, veteran status, national origin, ancestry, pregnancy status, sex, gender identity or expression, age, marital status, mental or physical disability, medical condition, sexual orientation, or any other characteristics protected by law.

Everfuel employees represent 12 nationalities.

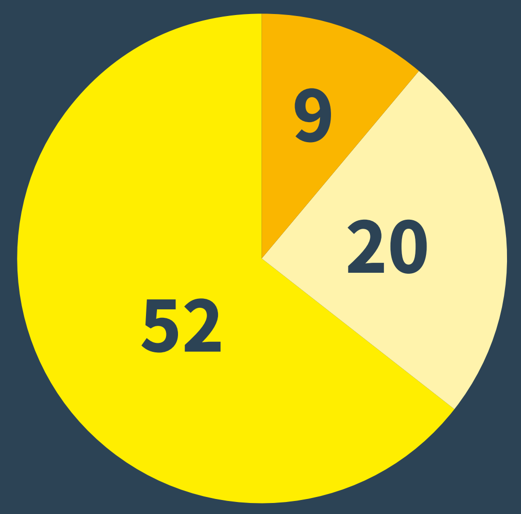
EMPLOYEES

Everfuel is a young and rapidly growing company. This is reflected in continued growth in the number of “Everfuellers” during 2022. At year end, the Company had 81 employees, of which 25% were female. This compares with 54 employees, of which 14 were female (25%) at year-end 2021.

There were no women in the management team at year-end 2022. The Board of Directors had four members at year-end, off which two were female (50%). It is the ambition of the Company to ensure a more equal gender representation in the management team over time.

25%

75%



Age distribution:
- < 30 years: 9
- 30 - 49 years: 52
- 50+: 20

Average age: 42 years

Everfuel expects to require additional skilled employees as the Company continues to execute its growth strategy by establishing hydrogen production facilities and refuelling stations. In 2022, the Company experienced great interest among potential candidates and was able to hire people with the right qualifications to complement the organisation. The Company had a turnover-rate of 8.7% recorded in 2022 (2%).

More than 86% of the Everfuellers worked on a full-time contract in 2022.

An annual workplace assessment and employee satisfaction survey is conducted to ensure Everfuel continues to live up to the expectations of the employees.

ENVIRONMENTALLY CONSCIOUS OPERATIONS

Everfuel was founded with the purpose of making the world greener through the commercialisation of zero emission hydrogen made from renewable solar and wind power.

Commitment to minimising emissions

Everfuel's activities created limited greenhouse gas emissions in 2022 as the company's physical operations related to hydrogen production, distribution and dispensing were in the early stages. However, the Company is aware that activities related to the construction of hydrogen facilities contribute to carbon emissions, why the Company is focused on mapping our carbon footprint in scope 1, 2 and 3 upstream and downstream when feasible. It is Everfuel's ambition to establish a relevant framework during 2023 for monitoring, measuring and reporting the Company's environmental footprint and emissions to air.

Currently, the trucks that carry Everfuel's hydrogen trailers to distribute green fuel to the refuelling stations, is a mix of diesel and HVO. The trucks constitute a significant part of Everfuel's CO_2-emissions. Everfuel is an enabler for zero emission transportation and has an ambition to minimise the footprint of own operations. The Company will therefore replace the trucks with fuel cell vehicles using green hydrogen as soon as they become commercially available. The same transition will be implemented for the company's service vans used by the operations team to service and maintain the hydrogen refuelling stations. Everfuel operate 3 hydrogen vehicles and 4 vans on diesel. In 2022, Everfuel ordered one fuel cell service van for operations in Germany and expect delivery of the van 2023.

CLIMATE CHANGE

Everfuel envisions a fossil-free future and contributes actively to combat climate change. This requires the Company to seek to optimise own production distribution and operations and keep a constant focus on how Everfuel's products and services help clients decarbonise their activities.

Green hydrogen is produced from renewable energy, such as solar and wind, through an electrolyser which splits water into oxygen and hydrogen. It enables efficient utilisation of fluctuating renewable energy supply that would otherwise be curtailed. Green hydrogen is carbon-free and may help balance the power grid in a future with potential overloads.

Everfuel is currently in the final phase of constructing and commissioning its first electrolyser and PtX plant with planned start-up of green hydrogen production in the second quarter of 2023. The plant, and future facilities, will seek to maximise utilisation of the energy that goes into the electrolyser. In Fredericia, this will be done by supplying excess heat into the local district heating system to ensure cross-sector integration.

Green hydrogen has the potential to help decarbonise some of the most polluting industries, where emissions are often hard to abate. The HySynergy plant is located next to a refinery, which consumes large amounts of grey hydrogen made from natural gas. Through a pipeline from the PtX facility to the refinery, green hydrogen will replace parts of the current grey hydrogen consumption and materially reduce the CO2 footprint of the refinery.

Heavy-duty mobility is a second industry which is difficult to electrify and where emissions are hard to abate. It is a segment where battery electric vehicles face challenges due to the charging speed, grid constraints and/or the weight of the batteries. Fuel-cell vehicles using green hydrogen offers an efficient fossil-free alternative in these segments of the transport sector.

A STRONG GOVERNANCE FRAMEWORK

As a provider of both energy and critical infrastructure, Everfuel places due emphasis on compliance and governance in all operations. The Company seeks to comply with applicable laws, rules, and regulations throughout all business activities.

The Code of Business Conduct and Ethics sets out clear guidelines for business conduct for all employees. The Board, which is responsible for ensuring compliance with the Code, has delegated day-to-day responsibility for managing and interpreting the Code to the Company's Compliance Officer, the CFO.

In addition to Everfuel's own controlling bodies and external audit, Everfuel is subject to external supervision by Bureau Veritas for classification in accordance with relevant ISO standards. The Company's QHSE Management System is ISO 9001:2015-certified. Furthermore, full compliance according to ISO 14001:2015 & 45001:2018 are targeted ultimo 2023.

Everfuel has zero tolerance for bribery and any form of corruption. The Code defines what constitutes bribery and corruption. Sponsorships, donations, charitable contributions etc. are only permitted to promote corporate goals. The Company is committed to being politically neutral. Payments to third parties are only made if they are legal, have a legitimate purpose and proper documentation. Everfuel seeks to comply with all applicable export controls and customs regulations. The Company is successfully growing by practicing fair competition and will never enter into anti-competitive agreements.

There were no reported cases of bribery and corruption in 2022 (2021: zero). Everfuel's executive management intend to complete anti-corruption training within the foreseeable future. Employees are familiarised with the Code of Business Conduct and Ethics which is introduced during onboarding.

Reporting channel

The Company encourages its employees to act proactively by asking questions, seeking guidance, and reporting suspected breaches of the Code and other applicable policies or procedures, as well as any violation or suspected violation of applicable law, rule or regulation during business conduct or on Company property.

Employees may communicate directly with the Compliance Officer or use channels specified in the Code, including a function for anonymous reporting of grievances. The Company expressly forbids any retaliation against any employee who, acting in good faith based on a reasonable belief, reports suspected misconduct. In 2022, zero reports of potential misconduct or grievances were made using the reporting channels (2021: zero). Everfuel will during 2023 establish a whistle-blower platform compliant with Danish requirements for companies with more than 50 employees.

Cyber security

Everfuel develops infrastructure for production, distribution and supply of zero emission fuel. Cyber security is an integral part of the Company's operations and project planning and development processes to ensure a high level of security. This includes the proprietary Helios big data system for optimising the green hydrogen value chain and the Everfuel app used by the end users at the refuelling stations.

The Board is frequently updated on all aspects of cyber security and the related initiatives being implemented.

To the Company's knowledge, there were no breaches within Everfuel systems in 2022, and no breaches or leaks of our customer data.

Everfuel maintains its dialogue with The Danish Energy Agency to analyse requirements and needs for IT-security within its PtX facilities and the related critical infrastructure in order to prepare for the opening of the HySynergy facility in 2023 and future facilities.

Everfuel is proactively working towards meeting the requirements coming from EU directive NIS2, which is expected to be included as part of the cybersecurity requirements from The Danish Energy Agency coming in 2024. All systems and facilities are being prepared to comply with future regulations in this area.

Everfuel is in this process guided by a Gap-Analysis based on ISO27001 and BEK820 conducted in cooperation with PwC in 2021, which showed a sound technical basis for further development of the Company's infrastructure and a provided a roadmap towards compliance with the above-mentioned regulations.

As Everfuel continuously expands its operations, the amount of customer data increases. Everfuel acknowledges the responsibility for handling this data in a secure manner to ensure customers' right to privacy and has adopted a system for annual control to ensure compliance with GDPR.

ESG GOING FORWARD

Everfuel maintains an open dialogue with key stakeholders to support identification of the most material issues for future reporting. In 2023, the Company started the project to support ESG integration in strategy and to develop the framework for ESG reporting led by the ESG Committee.

For 2023, Everfuel will focus on aligning ESG reporting with relevant frameworks identified in the ongoing ESG strategy process. This includes examining EU Taxonomy eligibility and alignment as well as climate related impacts on Everfuel based on the TCFD framework. As a result, the Company's sustainability statements and ESG reporting in future Annual Reports are expected to have a stronger alignment with relevant international reporting frameworks and standards. From the financial year 2025, new reporting requirements set forth in the Corporate Sustainability Reporting directive (CSRD) will be introduced for larger companies throughout the member states of the EU.

As Everfuel grows, the Company will prepare to meet the forthcoming directive and the disclosure requirements across the European Sustainability Reporting Standards (ESRS). This includes conducting a double materiality assessment examining sustainability matters based on impact materiality and financial materiality, hence whether and how ESG topics have or may have positive or negative impact on environment or society throughout our value chain, and/or influence, or may influence, the business value and financial performance.

Green hydrogen is set to play a major role in the energy transition towards a fossil-free world. This will require a radical shift within the mobility sector and almost all other industries which will have to introduce more sustainable ways to operate than today. Everfuel believes that immediate action is required to accelerate the pace of transition to curb climate change and deliver on the UN Sustainable Development Goals. Hydrogen holds a strong value-proposition for industries that cannot readily be electrified. Everfuel therefore works to make hydrogen happen, now!




MANAGEMENT

Jacob Krogsgaard
CEO

Jacob Krogsgaard serves as CEO of Everfuel and has previously worked more than four years as Senior Vice President of Nel Hydrogen Solutions. Before this, Jacob worked as CEO and co-founder of H2 Logic from 2003 until the company was acquired by NEL ASA in 2015. Additionally, Jacob has served in several board positions and holds a BSc in Business Development from Aarhus University.

Martin Skov Hansen
Deputy CEO

Martin Skov Hansen has more than 20 years of experience as auditor, CEO and adviser for multiple medium and large companies in several industries and his areas of expertise includes multinational companies working across borders and IFRS. Martin is former CEO of Society of Lifestyle and Up & Up Capital and holds a MSc in Business Administration and Auditing from Syddansk University.

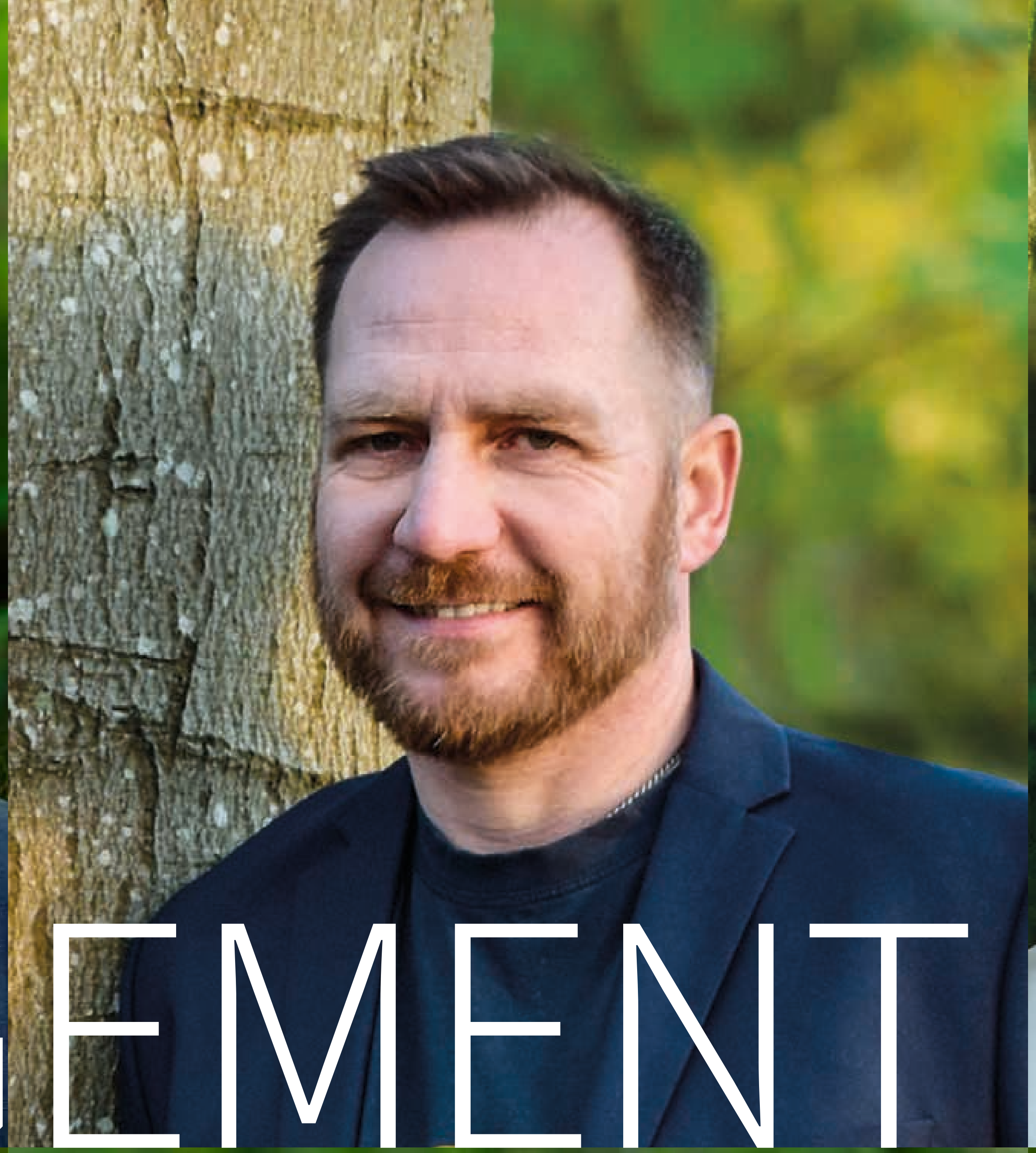
Uffe Borup
CTO

Dr. Uffe Borup serves as CTO of Everfuel and has previously worked more than three years as Vice President of Technology at Nel Hydrogen Solution. Before this, Uffe worked as Director of Business Development at Danfoss Drives, R&D director at Danfoss Solar Inverters and co-founder (CTO) at Powerlynx. Uffe holds an Industrial PhD from Aalborg University and a MSc Eng. in Power Electronics from Aalborg University.

Anders Bertelsen
CFO

Anders Bertelsen serves as CFO of Everfuel and has previously worked more than four years as CFO and interim CEO at AFRY (former ÅF & Midtconsult). Before this, Anders worked in managing and business controlling roles at Nobia, SAP and Siemens Wind Power. Anders holds a Diploma in Accounting & Financial Management from Aarhus University and a BSc in Business Administration from Aarhus University.






MANAGEMENT

Jeppe Hjuler Mikkelsen
COO

Jeppe Mikkelsen serves as COO of Everfuel and has previously worked more than six years as COO and Managing Director at Connected Wind Services. Before this, Jeppe worked in management roles at Emerson, Damcos and Danfoss. Jeppe holds a Diploma in Organisation Development from Copenhagen Business School and a MSc in Manufacturing Engineering from Aalborg University

Mikkel Abildtrup Pedersen
CDO

Mikkel Abildtrup Pedersen serves as CDO of Everfuel and has extensive experience in executive management, business- and project development, CDO at Obton, COO at Eurowind Energy and CEO at Eniig Renewables. Before that he had served in management positions in Difko and as a lawyer at DAHL lawfirm. Mikkel holds a Master of Business Administration from Henley Business School and a Master of Laws, LLM from Aarhus University.

Lars Jakobsen
Sales Director

Lars Jakobsen serves as Sales Director of Everfuel and has previously worked more than two years as Project Development Manager at Nel Hydrogen Solutions. Before this, Lars worked at Energy Universe Europe and IRD Fuel Cells, with focus on the commercialization of fuel cell systems and the hydrogen economy. Lars holds a M.Sc. in International Business Studies from Copenhagen Business School.

Nicolaj Rasmussen
Business Development Director

Nicolaj Rasmussen serves as Business Development Director of Everfuel and has previously worked more than two years as Project Manager at Nel Hydrogen Solutions. Before this, Nicolaj worked in Global S&OP and Innovation & Technology at Vestas Wind Systems A/S. Nicolaj holds a MSc Eng. in Technology-based Business Development from Aarhus University and Harvard University.

BOARD OF DIRECTORS

Søren Eriksen, Chairman

Søren Eriksen is CEO and managing partner at Viegand Maagøe A/S, with previous experience as CEO at Danish Rail and CFO at TDC. Prior to that he has been Head of Finance and Financial Analyst at Tele Danmark A/S. He holds a number of board positions, primarily within the renewable and energy sector. Søren holds a MSc in economics from University of Southern Denmark.

Anne Kathrine Steenbjerge BoD member

Anne Kathrine Steenbjerge is CEO and majority owner at Anders Nielsen & Co A/S (Ancotrans). She has extensive experience navigating a political environment with current and former positions in Danish Industry Association, Danish Agro and Hede Nielsens Fond.

Christina Aabo, BoD member

Christina Aabo is an independent advisor and has spent most of her career in the energy and renewables industries. She has previous experience as Head of R&D at Ørsted and was working as Vice President for Product Management at Vestas before that. Christina holds a MSc in civil engineering from Aalborg University

Jørn Rosenlund, Vice Chair

Jørn Rosenlund is former COO at Universal Hydrogen, with previous experience as SVP for the Nel Fueling division of Nel Hydrogen A/S. Prior to this, he worked as COO for H2 Logic A/S. He has previously held management positions at EagleBurgmann Expension Joints and at Danfoss A/S. Jørn holds inter alia a Master of Manufacturing Technology from Aalborg University.

MANAGEMENT'S REVIEW

Everfuel A/S (the "Company" or the "Group") has the ambition to make green hydrogen for zero emission mobility and industrial activity commercially available across Europe. The Company engages with partners, customers, and authorities across the entire value chain, from production to distribution and fuelling, when executing its long-term strategy for value creation as a leading European green hydrogen company.

The strategy is to supply industry and mobility customers through own and partner-developed hydrogen production, distribution and fuelling solutions. Growth is supported by data-driven optimisation through the proprietary Helios big data system which connects the to the Everfuel app, the company's hydrogen distribution trailers and related assets to drive efficiency and competitiveness across the value chain.

Everfuel is also increasingly engaging with industrial companies seeking to diversify and decarbonise energy supply.

In 2022, Everfuel progressed several strategic initiatives to establish a network of hydrogen production hubs across the Nordic region and further developing its green hydrogen fuelling network in Europe. These initiatives position the Company as a leading European provider of safe, stable, and cost-efficient hydrogen made from renewable solar- and wind energy.

28 February 2023, Everfuel announced a EUR 200 million joint venture with Hy24, the manager of the world's largest clean hydrogen infrastructure fund, followed by a EUR 25 million capital raise on 9 March. For more information on events occurring after the reporting period please see note 25.

OPERATIONAL DEVELOPMENTS

Connecting production, distribution and fuelling of green hydrogen is the foundation for safe, stable, and cost-efficient supply of zero emission energy and the enabler for Everfuel's long-term strategy for value creation.

Bringing HySynergy to first hydrogen

On 16 December 2022, Everfuel produced first hydrogen at the 20 MW HySynergy electrolyser. This was a major milestone towards the commercialisation of green hydrogen as a clean fuel for industry and mobility. The initial volumes were produced on schedule as part of the planned start-up and commissioning of the production equipment to confirm that the electrolyser, power supply and ancillaries operate as intended.

Commercial production from the 20MW electrolyser is expected to commence in the second quarter of 2023, with supply of green hydrogen to the adjacent Crossbridge Energy A/S refinery and to Everfuel's mobility customers, subject to relevant approvals by Danish authorities. Excess heat generated from the operation will be distributed in the local district heating system operated under a long-term agreement.

HySynergy will be developed in stages with the 20 MW electrolyser as Phase 1. Everfuel plans to add an up to 10 MW test facility. Commercial production from the 20MW electrolyser is expected to commence in the second quarter of 2023 and will enable electrolyser manufacturers to test equipment in a controlled environment where the produced hydrogen can be used by Everfuel or Crossbridge Energy. The test facility will be offered to a shortlisted group of electrolyser suppliers in the tender for Phase 2 of HySynergy, comprising of three 100 MW electrolysers to be installed by end of 2025. The long-term plan is to further expand the capacity at HySynergy to 1 GW by 2030 at the latest.

In June, Everfuel and Crossbridge Energy signed a long-term agreement stipulating the terms for hydrogen supply from the first of the 100 MW electrolysers. The agreement is an important step in the realisation of the planned 300MW electrolyser plant. Everfuel has also signed a conditional offtake agreement for oxygen with a neighbouring industrial company. Final investment decision (FID) for Phase 2 is expected in late 2023, subject to regulatory approvals and funding, with commissioning in 2025.

Planned investments in the initial HySynergy development increased during the year reflecting both cost inflation, scope adjustments and preparations for Phase 2. The expected cost to completion of the 20 MW electrolyser and other assets included in the HySynergy Fredericia subsidiary is approximately EUR 43 million. This includes EUR 31.3 million for the HySynergy 20 MW Electrolyser with 200 bar compression and storage, and approximately EUR 11.6 million in total for the associated heat recovery system, Phase 2 preparations and the distribution centre. The budget is not directly comparable to the approximately EUR 29 million communicated in November 2022 and earlier cost estimates.

In 2022, HySynergy was appointed as a Flagship project by Hydrogen Europe as it spearheads the roll-out of large-scale hydrogen implementation in Europe. In September, the European Commission granted Important Projects of Common European Interest (IPCEI) status to the Phase 2 project, enabling public funding of the second phase of the facility, which is being developed with Crossbridge Energy as a partner. This was followed up in December, by with the award of DKK 246.3 million in Danish IPCEI funding which will be used to finance building the first of the three 100 MW sections of Phase 2.

Green fuels for Denmark

Everfuel, is also a partner in the Green Fuels for Denmark Power-to-X project which in December received DKK 600 millions of IPCEI funding. Green Fuels for Denmark is a Copenhagen-based green hydrogen project led by Ørsted. Everfuel A/S participates in the project as the distributor of zero-emission fuel for road transportation. The funding will go towards realising Green Fuels for Denmark's first phases of 10 MW, 100 MW and 300 MW, respectively. A share of the IPCEI funds will be used to part-finance two Everfuel refuelling stations which will offtake green hydrogen produced by Green Fuels for Denmark.

Progressing hydrogen hub roll-out

HySynergy provides the Company with unique experiences and skills related to the development of industrial scale hydrogen production facilities and it will become Everfuel's first "hydrogen hub" when operational. The experiences are directly applicable to the further HySynergy phases and other hydrogen hubs, as well as making Everfuel an attractive partner in various dialogues across the European hydrogen market.

In April, Everfuel announced the development of a second hydrogen hub in Kristansand, Norway, in cooperation with Greenstat AS. This was followed up by a NOK 148 million grant by Enova in Norway support the development of the Hydrogen Hub Agder project. Later in the year the Company outlined the plans for a third hub at Holstebro, Denmark and a MoU with Karlstads Energi for a collaboration on developing a hub in Karlstad, Sweden. With these hydrogen hubs, Everfuel is building up its presence across Scandinavia in line with strategy.

The planned hubs will be developed in phases in close collaboration with partners within industry and mobility, with the aim of establishing safe, reliable and efficient local value chains for supply of clean energy to support regional transition and accelerate scale-up of green hydrogen. The concept is part of Everfuel's strategy of developing large-scale hydrogen production and distribution to meet rapidly rising demand from a wide range of industries seeking to reduce the carbon footprint of their production and from various sectors within mobility. The concept positions Everfuel to grow faster in wider markets. This implies a likely bigger share of industry customers with long-term offtake contracts and improved volume visibility which will supplement the mobility market which relies on the availability of fuel cell vehicles for end-user demand growth. The Company is working on establishing additional hubs and will provide further information when appropriate.

Building the Hydrogen fuelling network

Everfuel is also developing its network of strategically positioned Hydrogen refuelling stations in Scandinavia to cover the main cities and transport corridors in Norway south of Trondheim, Sweden south of Stockholm and Denmark, depending on availability of vehicles and customer commitment. The sites form the basis for close dialogue with transport customers, vehicle OEMs and authorities to optimise final location selection, commercial agreements, and public financial support. Developing the network will require substantial investments, partnerships with end users and vehicle providers, and public financial backing.

The Company's primary focus is on the heavy-duty segments of hydrogen trucks and buses which are expected to be the first to offer significant scale. In-der-City-Bus GmbH, based in Frankfurt, Germany, has awarded Everfuel with a contract for the planning, construction and commissioning of a hydrogen refuelling station including service and maintenance with a minimum three-year hydrogen supply agreement. Additionally, Everfuel is cooperating closely with the taxi sector, which is an early mover with vehicle fleets in Copenhagen and Aarhus in Denmark using green hydrogen from Everfuel stations.

In 2022, the Company continued to expand this network, including plans for a new heavy-duty refuelling station at Taulov Dry Port, which will be Denmark's largest Hydrogen station at one of the nation's busiest transportation centres. The Company secured a location for a refuelling station to serve growing traffic and help establish Vordingborg as a logistics hub in southern Denmark, as well as a site at the Port of Aarhus. The first two sites are strategically situated on the two main highways connecting Denmark and Scandinavia to the rest of Europe, while the Port of Aarhus is Denmark's biggest container terminal. The Port of Aarhus station is under construction and expected to open in mid-2023, initially serving a growing fleet of hydrogen taxies in the city, while also able to fuel heavy-duty vehicles. Start-up for the new Taulov and Vordingborg refuelling stations will coincide with the planned launch of hydrogen trucks from major OEM's such as Iveco and Hyundai as well as increased retrofitting activity, all in to support the EU's Fit for 55 plan for a green transition. The sites will be scaled according to the availability of hydrogen trucks.

During 2022, Everfuel received grants totalling SEK 124 million for development of five Hydrogen stations in Sweden from the Swedish Environmental Protection Agency and Energimyndigheten. A further EUR 7.7 million was granted to the Company by the EU CEF AFIF program to support the roll-out of eight stations - one in Germany, two in Sweden and five in Denmark. The stations are a part of the GREATER4H project led by STRING, which will deploy a total of 14 hydrogen refuelling stations along the main traffic corridor from Hamburg to Oslo.

In Denmark, the fuelling network comprise the hydrogen stations at Kolding, Copenhagen, Aarhus and the high-capacity Hydrogen station at Prags Boulevard in Copenhagen. In late 2022 and early 2023, Everfuel decided to close the hydrogen stations in Esbjerg and Korsør, Denmark, respectively due to unsatisfactory returns and the stations nearing the end of their technical life.

In Norway, Everfuel operated the refuelling station at Hvam, northeast of Oslo, and in September, opened an additional Hydrogen station at Alna in Oslo. Handover of the station at Åsane, near Bergen, is expected in 2023. Everfuels first Swedish station located in Trelleborg is ready for execution upon building permit currently under evaluation of the local authorities. Expected time for completion of the station is second half of 2023.

At year-end, Everfuel operated eight hydrogen stations and has an additional 11 locations in different stages of development. Earlier, the Company has secured European funding (CEF) for eight station sites in Sweden through the Nordic Hydrogen Corridor project, with geographical areas identified.

Growing in Europe

On 11 March 2022, Everfuel opened its heavy-duty hydrogen refuelling station at Heinenoord, the

Netherlands, dispensing hydrogen to an initial fleet of 20 hydrogen buses. The station has the capacity to accommodate over 50 fuel cell buses in a redundant set-up and can be scaled up to also fuel trucks in the future. The station initially offers fuelling for 350 bar buses and trucks, but it is being evaluated for upgrade to also allow for 700 bar car and truck when feasible. Volumes are expected to increase as additional hydrogen buses are delivered to the bus operator. Everfuel experiences growing interest in using the public station from other external parties.

Everfuel continued to develop its position in the German market with a high activity level within business and project development. In late, 2021 the company was awarded an initial contract for a hydrogen refuelling station and long-term hydrogen supply in Frankfurt. This was followed in early 2022 by a contract for a refuelling station and services in Wuppertal for heavy-duty vehicles which will serve an initial fleet of fuel cell buses for public transportation. The Frankfurt station is in the execution phase while Wuppertal is undergoing permitting.

In early 2023, Everfuel received a follow-up order for increased capacity and scope for the planned station in Wuppertal. The planned station has a daily capacity for refuelling at least 20 fuel cell buses. With the follow-up order the capacity increases, effectively providing system redundancy while also enabling the potential to implement additional buses if desired.

Distribution capacity

At the end of the 2022, Everfuel had 11 purpose-built hydrogen distribution trailers and 10 other mobile storage units. Everfuel expects delivery of one additional distribution trailer in April 2023. The trailers are made to Everfuel specifications under a frame agreement with Hexagon Purus and are connected to the proprietary Helios big data system to drive efficiency and competitiveness across the hydrogen value chain. Everfuel expects to order additional distribution trailers as the fuelling network and end-user demand grows.

Developing new hydrogen technology and solutions

Everfuel has focused on innovation since inception as reflected in the Helios big data system and designs for distribution trucks. The Company actively seeks to develop technology and solutions to improve efficiency across the hydrogen value chain. In 2022, the decision to create the Everfuel Tech research and development (R&D) centre in Fredericia was taken to accelerate adoption of green hydrogen.

The first product coming out of Everfuel Tech is the Everfiller, a flexible and fully mobile hydrogen fuelling solution targeted at smaller vehicle fleets. The unit allows Everfuel to offer low hydrogen prices at lower volumes than a conventional filling station, and does not require long-term customer commitment, which is normally required for building a fixed station. The unit is fully mobile and can simply be rolled away when the fuelling period is finished, which allows Everfuel to offer much greater flexibility in terms of length and size of offtake commitment. The Everfiller is based on patent-pending technology from Everfuel. The first pilot project to test the Everfiller was signed with a German bus operator in March 2023. The first prototypes are scheduled to go into operation in the second half of 2023, with commercial deployment planned for 2024.

During the year, Everfuel with partners received multiple grants for technology development. These included a DKK 5.8 million to Everfuel and Crossbridge Energy, in a collaboration with Aalborg University, for a technology pre-feasibility study for potential future production of liquid e-fuels, and a DKK 7.4 million grant to a collaboration between Everfuel and Force Technology for developing a moveable hydrogen refuelling station to accelerate deployment of infrastructure for zero-emission mobility.

In July, Everfuel announced a collaboration with Volvo Group whereby the company will support Volvo's testing of fuel cell trucks in Northern Sweden and Spain by supplying green hydrogen and fuelling solutions for zero emission mobility within long-haul trucking. During the testing period, Everfuel will provide a hydrogen station to refuel the trucks at both test locations. The test period commenced in early 2023.

Positioned for growth

Everfuel is working to secure multiple customers within industry and mobility with strong commitments to reduce the financial risk of building hydrogen hubs, new hydrogen stations and is

expanding pipeline of potential end-user contracts for supply of green hydrogen. The order backlog was approximately EUR 43 million at year-end 2022 excluding hydrogen sales from HySynergy Phase 2.

Everfuel has since inception secured EUR 107 million in public grants from European, Danish, Swedish and Norwegian funding programs to finance project and technology development. This compares to approximately EUR 84 million of equity raised. In March 2023, the Company positioned to accelerate delivery of its hydrogen project pipeline in the Nordic region through a joint venture with Hy24, the world's largest clean Hydrogen infrastructure fund and a private placement of news shares. Please see the subsequent event section of the Management's report for more details.

Industrial-scale green hydrogen production, distribution and fuelling networks are required for the Scandinavian countries and the EU to meet stated climate targets. Everfuel's activities support these targets, and the abovementioned strategic initiatives are part of the "Ramp-up phase" of Everfuel's plan to invest EUR 1.5 billion in developing the green hydrogen value chain in Europe and reach EUR 1 billion annual revenue before 2030.

Corporate matters

At the Annual General Meeting (AGM) on 27 April 2022, Christina Aabo, Anne Kathrine Steenbjerge, Kjell Christian Bjørnsen and Søren Eriksen were elected to the Board of Directors and Jørn Rosenlund and Martin Skov Hansen were re-elected as directors. Søren Eriksen was appointed Chairperson of the board, replacing Mogens Filtenborg, who stepped down from the board.

In November, Martin Skov Hansen was appointed deputy chief executive officer, effective from 1 January 2023, to expand the management team and drive execution of the growth strategy by leveraging Martins strong CEO and financial experience with a special focus on organisational development, HR and maturing key business and internal processes. Martin Skov Hansen immediately stepped down from the Everfuel board of directors.

In December, Kjell Christian Bjørnsen stepped down from the Board. He is a leading employee of Nel ASA, Everfuel's second largest shareholder. Nel is among potential bidders to upcoming material equipment deliveries to planned new electrolyser facilities and hydrogen refuelling stations developed by Everfuel. Mr. Bjørnsen stepped down to proactively address any governance concerns related to these bids.

Corporate Social Responsibility

Everfuel seeks to be a good corporate citizen and prioritises safety in all its activities. In 2022, the Company continued to develop its platform for quality assurance, ensuring health and safety in all operations and managing the environmental impacts. The work includes overseeing that adopted standards and procedures are adhered to. The COVID-19 pandemic did not impact materially on business operations in 2022.

Everfuel believes that diversity among employees and management, including an even distribution of age, nationality, and educational background, contributes positively to the work environment and strengthens the company's competitiveness and performance. As at 31 December 2022, Everfuel had 81 employees, up from 54 at year-end 2021. The organisation is made up of 75% male employees and 25% female. Everfuel employees represent 12 nationalities with the age distribution ranging from 25 to 68 years, with the average being 42 years. See the "Commitment to Sustainability" included in the Annual Report for more information on the organisation.

FINANCIAL REVIEW

Profit and loss

Total Everfuel Group revenue for 2022 was EUR 4.0 million compared to EUR 0.83 million in 2021. 2021 comparison henceforth indicated by brackets. Revenue reflected increased sale of hydrogen and reduction in other operating revenue such as public project funding. Operating expenses were EUR 15.6 million (EUR 7.62 million), reflecting a growing organisation with a higher activity level than in the previous year. EBITDA was EUR -11.6 million (EUR -6.79 million). Depreciation and amortisation also increased year-over-year leading to an operating loss for 2022 of EUR -14.7 million (EUR -7.77 million).

Net financial income was EUR -2.0 million in 2022 (EUR 1.2 million) reflecting net exchange losses on foreign currency and increase interest and lease costs. Loss before tax amounted to EUR -16.8 million (EUR -6.64 million) and the Group net loss for the year was EUR -16.5 million (EUR -6.51 million).

The financial results for 2022 reflect the Group being in the initial stages of commercialising the green hydrogen value chain in its target markets.

Balance sheet

Total Group assets at 31 December 2022 were EUR 102.7 million, compared with EUR 83.8 million at the end of 2021. The cash position was EUR 31.9 million (EUR 59.3 million). Total equity amounted to EUR 59.3 million (EUR 75 million). Changes from year-end 2021 predominantly reflected the net loss and investments made through the year.

Cash flow

Net cash used by operating activities was EUR 3.1 million in 2022 (EUR 5.7 million). Cash used by investing activities was EUR 33.2 million (EUR 14.5 million), mainly related investment in the HySynergy electrolyser facility. Cash from financing activities was EUR 9.5 (EUR 55 million), reflecting proceeds from borrowings. In 2021, the Company raised net EUR 55.3 million in a private placement of new shares.

Liquidity and financing

As at 31 December 2022, the Group had working capital of EUR 17.3 million (EUR 58.3 million) and non-current liabilities of EUR 13.4 million (EUR 3.1 million). Everfuel has financed operations and investments principally through the offering of common shares supported by drawdown on the debt facility from the European Investment Bank (EIB) in 2022. While there is no assurance that the company will generate sufficient revenue or operating profits in the future, Everfuel's management considers that the company's capital resources are sufficient to fund operating activities in the foreseeable future, based on financial forecasts.

Long term, Everfuel's plans to invest approximately EUR 300 million of equity as part of a EUR 1.5 billion capex plan before 2030. To the extent necessary to fund expansion or other liquidity needs, management will consider offerings of debt, equity, or a combination thereof, depending on the cost of capital and the status of financial markets at that time.

Parent Company results

The parent company Everfuel A/S had a 2022 net loss of EUR 16.6 million (loss EUR 6.4 million). At 31 December 2022, the parent company's total assets amounted to EUR 70.2 million compared to EUR 77.4 million as at 31 December 2021. Equity was EUR 59.4 million (EUR 75.1 million), corresponding to an equity ratio of 84% (97%).

RISK MANAGEMENT

Everfuel's potential to realise its strategic and operational objectives is subject to several commercial and financial risks. Everfuel is continuously seeking to identify risks that can negatively impact the Group's future growth, activities, financial position and results and emphasises continuous risk monitoring and management as part of business activities.

The overall goal of risk management is to ensure that the Group operates with a sustainable level of risk which matches activity levels, the nature of the business, and long-term financial expectations. To the extent possible, Everfuel seeks to manage and limit risk factors which the Group can affect through its own actions. Below, some of the risk factors management considers as being of special importance to Everfuel, are described in no specific order.

Everfuel seeks to mitigate significant risks with commercially available insurance products. While the insurance coverage is deemed as satisfactory in light of current operations, no guarantee can be given that insurance may cover any potential claim or that it will be sufficient in light of any expansion of activities.

Covid-19

The pandemic has to date had limited effect on business activities, but management cannot predict the extent of potential future operational and financial implications that may arise due to Covid-19. Everfuel adheres to local and national public health regulations and recommendations to minimise the spread of the corona virus with extensive use of home offices and limitations on travel.

Geopolitical risks

The Russian invasion of Ukraine on 24 February 2022 and subsequent escalation of the armed conflict and humanitarian crisis in Europe continue to create uncertainty regarding global political and economic stability. The situation has cemented political support for the energy transition in Europe and support for the green hydrogen market as part of a wider strategy of decarbonising and diversifying energy supply reflected in EUs Fit for 55 and reinforced by REpowerEU.

Sanctions have been imposed on the Russian government, banks, businesses and certain nationals, which have impacted global politics and markets. The war has led to disruptions for some businesses and impacted volatility in debt, equity and commodity markets. It has exacerbated already existing inflationary pressures and concerns about supplies of key input factors to industrial and economic activity. It is too early to conclude if or how the conflict ultimately may impact Everfuel's operations and financial development. Everfuel does not have any activities in the Ukraine or Russia.

Financial risks

Everfuel is in the early stages of its development and will likely require raising of additional capital to finance its operation through potential equity issues, debt financing, collaborative arrangements, strategic alliances or from other sources in order to successfully execute strategies with respect to expansion and commercialisation of its hydrogen business.

Everfuel has activities in countries with other currencies than EUR, the Group's presentation currency and is exposed to changes in foreign currency rates. Management is aware of the exposure and is taking the necessary precautions to minimise the risks. In 2022 activities in other currencies than EUR have mainly been in DKK, NOK and SEK. The Group is also exposed to interest rate changes, primarily in relation to pensions, leases, and bank deposits, which may affect results from operations, cash flow and capital returns.

Everfuel may be subject to financial impact from any failure of a counterparty to fulfil its contractual obligations. The Group's customer credit risk is managed subject to an established policy, procedures and control for customer credit risk management and outstanding customer receivables are regularly monitored.

Operational and technology risks

Everfuel operates competitive markets with existing and potential new market participants providing substitutional products and services for hydrogen production, distribution, and fuelling. Technology development is rapid within the industry and may affect future competitive positioning.

The Group is exposed to fluctuations in renewable power prices. Higher power prices may reduce the competitiveness of hydrogen and negatively affect demand and results of operations and cash flow. The Group is also subject to risks related to investments in and development of production facilities, hydrogen stations and distribution systems which may have a material adverse effect on operational and financial performance.

The markets for hydrogen fuelling products and services are in an early stage and may not fully materialise or may develop more slowly than the group anticipates due to several factors, many of which are outside Everfuel's control. The products and services offered must meet established requirements with regards to maintenance, safe operations, and hydrogen quality.

Everfuel's growth strategy requires a build-up of the organisation to ensure access to competent managerial, technical, financial, and other resources, and retaining such resources over time. The Group participates in significant commercial projects, such as constructing large-scale electrolysers and trailer filling facilities. Such projects are subject to risks of delay and cost overruns inherent in any large projects. Everfuel also relies on a limited number of third-party suppliers for key components, and external subcontractors and suppliers of components, services, and goods implying supply and delay risks, further induced by US inflation reduction act, potentially moving activities aways from EU.
During 2020, the group announced acquisitions of operating companies and assets in Demark and Norway to support growth. These acquisitions entail certain operational and company-specific risks including longer or more costly integration processes than anticipated.

Intellectual property

Everfuel seeks to protect important proprietary information and have taken steps to protect proprietary information to prevent misappropriation of its products and services. Inability to adequately protect proprietary rights may negatively impact the Group's competitive position and growth potential.

Legal and regulatory risk

Everfuel operates internationally and is subject to various inherent risks, including regulatory limitations that may affect the provision of the Group's products and/or services, unexpected changes in regulatory requirements, tariffs, customs and other trade barriers, difficulties in staffing and managing foreign operations and technology export and/or import restrictions or prohibitions.

Execution of the long-term strategy is depended on the ability to access government subsidies. Political developments may affect the level and timing of subsidies for the hydrogen fuelling sector, potentially

CORPORATE GOVERNANCE

having a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Operations are subject to environmental requirements and other laws and regulations, including the use, composition, handling, distribution and transportation of hazardous materials. The Group's production, distribution, operation and services depend on obtaining various governmental permits, such as licenses, certifications, other kinds of approvals, including certifications to maintain and service equipment. The dependency on such permits represents an inherent risk to business operations.

As a company admitted to trading on Euronext Growth in Oslo, Everfuel is not formally subject to the Danish Committee on Corporate Governance recommendations for good company governance. However, the Company has established and is developing practices aligned with relevant recommendations for good corporate governance to ensure the Company is able to effectively manage its obligations to shareholders, customers, employees, authorities, and other stakeholders.

Dialogue between the Company and its shareholders

The communication between Everfuel and shareholders primarily takes place at the Company's AGM and via company announcements. Shareholders are encouraged to subscribe to the email service to r eceive company announcements, interim and annual management statements, and reports, as well as other news via e-mail.

The General Meeting

The General Meeting (GM) has the highest authority over the Company. The Board of Directors ensures that shareholders are given detailed information and an adequate basis for decisions where votes are to be taken by the GM. The GM elects the Board of Directors, which currently consists of four members.

Amendment of Articles of Association

Unless otherwise required by the Danish Companies Act, resolutions to amend the Articles of Association must be approved by at least 2/3 of the votes cast as well as at least 2/3 of the voting share capital represented at the GM.

Board responsibilities

The Board of Directors' main tasks include participating in, developing, and adopting the Company's strategy, performing the relevant control functions and serving as an advisory body for the executive management. The Board of Directors reviews and adopts the Company's plans and budgets and considers items of major strategic or financial importance. The Board of Directors is responsible for hiring the CEO and executive management defining his or her work instructions as well as determining of his or her compensation. The Board of Directors periodically reviews Company policies and procedures to ensure that the Company is managed in accordance with applicable law, observing good corporate governance principles and upholding high ethics.

Financial reporting

The Board of Directors receives regular financial reports on the Company's business and financial status.

Notification of meetings and discussion of items

The Board of Directors schedules regular meetings each year. Ordinarily, the Board meets six times a year as a standard. The meetings are typically conducted at either the Everfuel farm in Herning, Denmark, or via video conference. Additional meetings may be convened on an ad hoc basis. In 2022 the Board of Directors met 6 times.

Name	Role	Considered independent of main shareholders	Served since	Term expires	Participation Board meetings 2022	Shares in Everfuel ultimo 2022 (direct/ indirect)
Søren Eriksen	Chairman	Yes	April 2022	AGM 2023	100%	6,091
Jørn Rosenlund	Vice Chair	Yes	August 2019	AGM 2023	100%	0
Anne Kathrine Steenbjerge	Member	Yes	April 2022	AGM 2023	100%	0
Christina Aabo	Member	Yes	April 2022	AGM 2023	100%	0

All Board members receive regular information about the Company's operational and financial progress in advance of the scheduled Board meetings. The Board members also regularly receive operations reports and participate in strategy reviews. The Company's business plan, strategy and risk management are regularly reviewed and evaluated by the Board of Directors. The Board members are free to consult the Company's senior executives as needed. The Board of Directors approves decisions of particular importance to the Company including the strategies and strategic plans, the approval of significant investments, and the approval of business acquisitions and disposals.

Conflicts of interest

In a situation involving a member of the Board of Directors personally, this member will exclude him or herself from the discussions and voting on the issue.

Use of Committees

The Everfuel Board has not appointed any Board Committees but will consider future implementation hereof as the Company develops and grows.

The Board's self-evaluation

The Board of Director's composition, competencies, working methods and interaction are discussed within the Board on a recurring basis and evaluated formally on an annual basis.The Board composition is considered satisfactory in terms of professional experience and relevant special competencies required to perform the tasks within the Board of Directors. All the Board members are independent and none of the

Board members participate in the day-to-day operation of the Company.

Risk management

Please refer to the Risk Management section of the Management Report as well as Note 19 of the consolidated financial statements. As part of risk management, Everfuel has a reporting channel for expedient and confidential notification of possible or suspected misconduct.

SUBSEQUENT EVENTS

Everfuel and Hy24 EUR 200 million joint venture

On 28 February 2023, Everfuel and Hy24, managing the world's largest clean hydrogen infrastructure fund, announced the creation of a joint venture (JV) to finance the accelerated development of electrolyser capacity across the Nordics. Everfuel will own 51% of the JV and the Hy24-managed Clean H2 Infra Fund will own 49%. The JV will be named Everfuel Hy24 A/S and fully consolidated in Everfuel's accounts. The JV plans to invest a total of EUR 200 million in equity in green hydrogen infrastructure in Denmark, Norway, Sweden, and Finland. This is expected to enable the JV to fund, build, own and operate up to 1 GW of green hydrogen projects. The 20 MW HySynergy Phase 1 electrolyser is the first asset to be held by the JV.

Under the agreement, the JV will deliver revenue and cash flow to Everfuel through fees during the project development, construction, and operation phases. Everfuel will also be entitled to defined development fees from the JV for projects reaching FID based on the return profile of each specific project. Everfuel retains an exclusive right to market merchant hydrogen volumes from the electrolysers owned and operated by the JV to support the growth of Everfuel's downstream business activities.

The purchase price paid by the JV to Everfuel for the acquisition of HySynergy Phase 1 is estimated at EUR 28 million. With the transfer of HySynergy Phase 1 to the JV, Everfuel will repay the outstanding EUR 10 million loan provided by the European Investment Bank. Hy24 will also provide a bridge loan of EUR 15 million to JV that is expected to be replaced with a larger facility from external debt providers as HySynergy Phase 2 is matured. Everfuel holds an option to purchase Hy24's shares in the JV at a pre-agreed return within a specified period.

EUR 25 million private placement

On 9 March 2023, Everfuel completed a private placement of new shares raising gross proceeds of EUR 25 million. Following the placement, Hy24 Clean H2 Infra Fund became Everfuel's third largest shareholder. The proceeds will be used to finance Everfuel's share of investment in the Hydrogen Hub Agder and HySynergy Phase 2 projects, as well as other corporate purposes.

For additional information on the JV and private placement see note 25 in the consolidated financial statement.

OUTLOOK

The invasion of Ukraine and sanctions imposed on Russia shows the need for diversification of energy supply and accelerated transition to renewable technologies to ensure safe, reliable supply. This is also aligned with the requirement for global action to reduce climate gas emissions to meet the goals of the Paris Agreement. Turning ambitions into real action decarbonising global energy and transport systems are vital to creating a sustainable society for the future.

Green hydrogen will be a driving factor for energy transition through its multiple applications both as a direct use as an energy carrier and feedstock for industrial processes, a zero-emission fuel and as an enabler of PtX technologies across industries. Everfuel continues to execute its strategy of making green hydrogen commercially available across Europe by offering competitive all-inclusive hydrogen supply- and fuelling solutions to a widening base of end-users within mobility, energy and industry. Th European Delegated Act, announced in February 2023, and the following RFNBO certificate scheme including national targets for both industry and mobility, support the acceleration of green hydrogen production and supply to mobility sectors. As an integrator of the complete hydrogen value chain, Everfuel is well positioned to capture additional value from the certificate scheme.

The company maintains a high level of activity related to several business development projects supported by an efficient and expanding organisation. Development of the HySynergy Phase 1 electrolyser is on track for commercial operations in the second quarter of 2023. The JV with Hy24 will enable the Company to accelerate deployment of hydrogen production capacity and build new long-term customer relationship within industry and mobility.

The financial results for 2022 reflect that the company is still in the initial stages of commercialising the green hydrogen value chain in its target markets. The combination of increased supply of hydrogen from renewable energy from Everfuel's hubs serving customers within industry and mobility, distribution trailers and growth in number of refuelling stations represent the future scale-up of the green hydrogen value chain and is expected drive growth in revenue and gross margin in coming years.

SHAREHOLDER INFORMATION

Share price development
Everfuel A/S has one class of shares which are admitted to trading on Euronext Growth Oslo. There were 78 000 000 shares issued at 31 December 2022, each with a nominal value of DKK 0.01. During 2022, the shares traded between NOK 31.82 and NOK 92.0 per share, and 8.02 million shares were traded in total. At year end, the share closed at NOK 35.90, and the market capitalisation was NOK 2.8 billion, equivalent to approximately EUR 267 million.

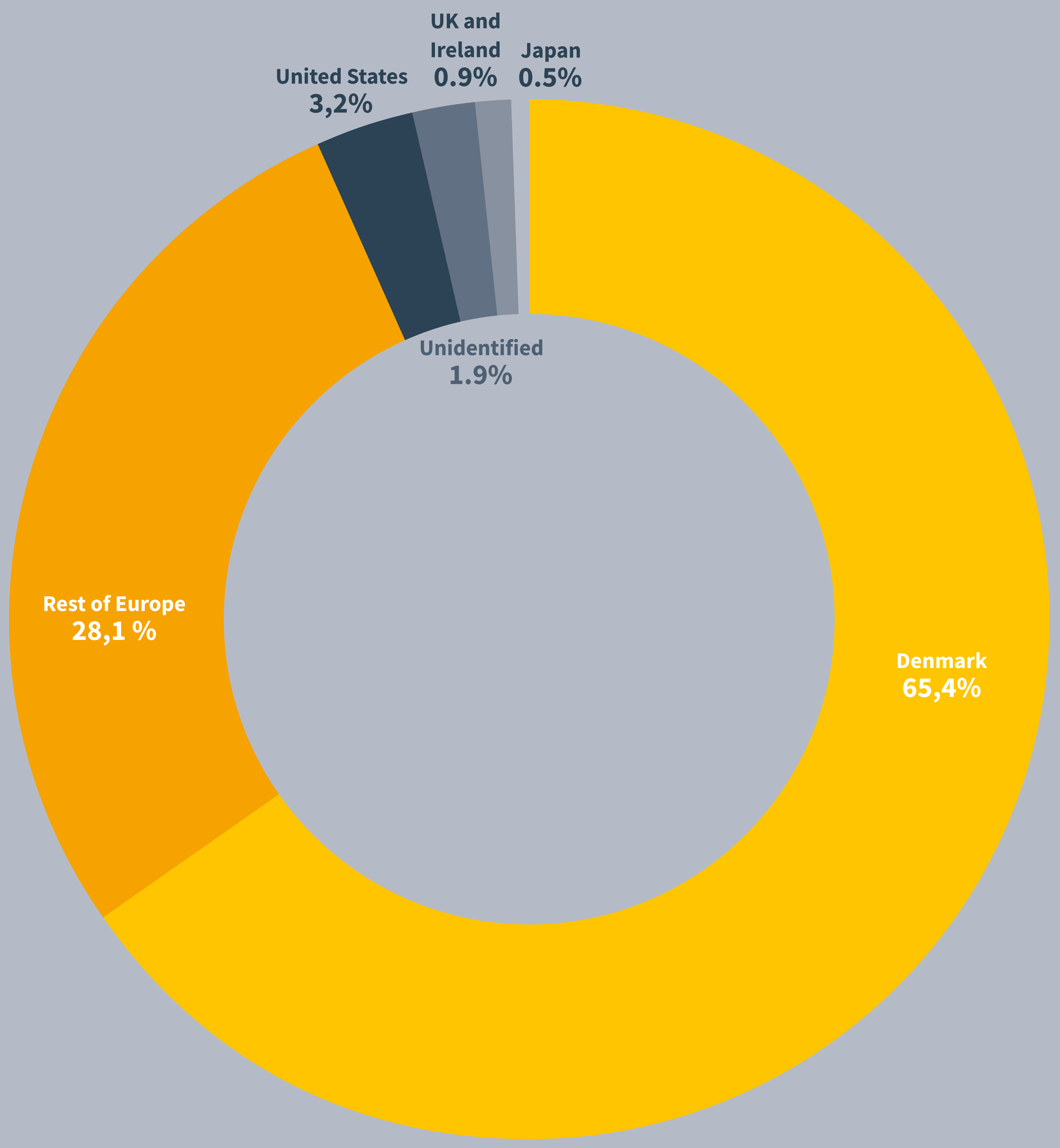
Major shareholders and voting rights
Everfuel had 959 registered shareholders in VPS at 31 December 2022, compared to 1,153 shareholders a year earlier. The 20 largest shareholders owned 98.1% (97.7%). The percentage of issued shares held by foreign shareholders was 34.6% (34.5%). All the shares registered by name carry equal voting rights. The shares are freely negotiable.

The Everfuel share price from start of trading january 2022 to ultimo december 2022

EVERFUEL'S 20 LARGEST SHAREHOLDERS AT 31 DECEMBER 2022:

Name	Citizenship	Holding	Stake
E.F. Holding	Denmark	49,746,452	63.78 %
Nel Fuel AS	Norway	12,140,255	15.56 %
Clearstream Banking S.A.	Luxembourg	5,615,315	7.20 %
State Street Bank and Trust Comp	United States	1,804,590	2.31 %
J.P. Morgan SE	Luxembourg	1,279,644	1.64 %
BNP Paribas	Luxembourg	1,012,437	1.30 %
Nordnet Bank AB	Sweden	828,026	1.06 %
State Street Bank and Trust Comp	United States	688,578	0.88 %
Danske Bank A/S	Denmark	461,140	0.59 %
Citibank Europe plc	Ireland	450,000	0.58 %
Brown Brothers Harriman & Co.	Japan	400,000	0.51 %
Nordea Bank Abp	Denmark	343,428	0.44 %
UBS Switzerland AG	Switzerland	272,468	0.35 %
Saxo Bank A/S	Denmark	272,237	0.35 %
The Bank of New York Mellon SA/NV	United Kingdom	271,823	0.35 %
Fjarde AP-fonden	Sweden	250,000	0.32 %
Avanza Bank AB	Sweden	200,177	0.26 %
The Bank of New York Mellon SA/NV	Denmark	181,827	0.23 %
Caceis Bank	Germany	176,919	0.23 %
BNP Paribas	France	116,740	0.15 %
Total number owned by top 20		**76,512,056**	**98.09 %**
Total number of shares outstanding		**78,000,000**	**100 %**

An overview of the 20 largest shareholders is available on Everfuel's website, updated bi-weekly.



Capital breakdown by geography

Dividends and dividend policy

Everfuel is in a growth phase and does not expect to pay any dividends soon. Any future decision to pay a dividend will depend on the company's financial position, operating profit, and capital requirements.

Analyst coverage

Two investment banks had active coverage of Everfuel at year-end 2022, unchanged from a year earlier. See **www.everfuel.com** for more details.

General Meetings and Board authorisations

As at 31 December 2022, the Board of Directors held the following authorisations:

1. Authorisation to issue warrants entitling the holder to subscribe for up to nominally DKK 39,000 in the Company. In addition, the Board is authorized to make the resulting cash capital increase. The authority expires on 20 October 2025. A total of 871,322 warrants were granted during 2022. Each warrant gives the right to subscribe for one share.

2. Authorisation to increase the share capital with a total nominal value of DKK 156,000 without pre-emptive rights for the shareholders at a subscription price, which is not lower than market value. The authority expires on 19 May 2026.

3. The Board of Directors is authorised to increase the Company's share capital by up to a nominal value of DKK 156,000, through one or more issues of new shares to be subscribed for by cash contribution, with right of pre-emption for the existing shareholders. The capital increase can be subscribed at a price lower than the market value. The authority expires on 19 May 2026.

Everfuel will hold its AGM on 16 May 2023. Further information can be found in the AGM documents and the Articles of Association which are available from the company's website **www.everfuel.com** and **www.newsweb.no.**

FINANCIAL CALENDAR **2023**

ANNUAL GENERAL MEETING **16 MAY 2023**

FIRST QUARTER 2023 RESULTS 10.05.2023

HALF-YEARLY 2023 RESULTS 30.08.2023

THIRD QUARTER 2023 RESULTS 22.11.2023

CONSOLIDATED FINANCIAL **STATEMENTS**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	2022	2021
		EUR'000	EUR'000
Revenue	3	2,761	193
Other operating income	6	1,220	632
Total income		**3,981**	**825**
Raw materials and consumables		-3,922	-429
Gross profit		**59**	**396**
Operating costs	4	-4,572	-3,505
Staff expenses	5	-7,130	-3,682
Stock market listing expenses		0	0
EBITDA		**-11,643**	**-6,791**
Depreciations and amortisations		-3,097	-1,061
Gain on acquisition (negative goodwill)		0	81
Operating loss		**-14,740**	**-7,771**
Financial income	7	64	1,647
Financial expenses	7	-2,124	-515
Financial items, net		**-2,060**	**1,132**
Loss before income tax		**-16,799**	**-6,639**
Income tax expense	8	258	125
Loss for the period		**-16,542**	**-6,514**
Attributable to:			
Equity holders of the parent		-16,542	-6,514
Non-controlling interests		0	0
		-16,542	**-6,514**
Earnings per share			
Earnings per share (EPS)		-0,212	-0,004
Diluted earnings per share		-0,212	-0,004

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2022	2021
	EUR'000	EUR'000
Loss for the period	**-16,542**	**-6,514**
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	80	-9
Exchange differences on translation from functional currency to presentation currency	-104	137
Other comprehensive income for the period, net of tax	**-24**	**128**
Total comprehensive income for the period	**-16,566**	**-6,386**
Attributable to:		
Equity holders of the parent	-16,566	-6,386
Non-controlling interests	0	0
	-16,566	**-6,386**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2022	2021
		EUR'000	EUR'000
Assets			
Non-current assets			
Property, plant and equipment	16	51,294	19,054
Intangible assets	16	4,190	733
Deferred tax assets	17	0	0
Other assets		51	51
Total non-current assets		**55,535**	**19,838**
Current assets			
Inventories	10	130	0
Trade receivables	9	614	164
Contract assets	9	1,663	0
Other receivables	11	2,292	4,216
Accrued grants	12	10,377	-
Corporation tax		0	0
Prepayments		189	278
Cash and cash equivalents	13	31,915	59,296
Total current assets		**47,181**	**63,954**
Total assets		**102,716**	**83,792**

		2022	2021
		EUR'000	EUR'000
Equity and liabilities			
Equity			
Share capital	18	104	104
Translation reserve		103	127
Retained earnings		59,101	74,806
Equity attributable to equity holders of the parent		**59,308**	**75,037**
Non-controlling interests		0	0
Total equity		**59,308**	**75,037**
Non-current liabilities			
Put option over non-controlling interests	20	0	2.205
Borrowings	15	12,314	529
Deferred tax liabilities	17	0	0
Deferred income	6	1,126	379
Total non-current liabilities		**13,440**	**3,113**
Current liabilities			
Put option over non-controlling interests	20	3,332	0
Trade and other payables	14	26,216	5,361
Borrowings	15	238	175
Deferred income	6	180	106
Total current liabilities		**29,968**	**5,642**
Total liabilities		**43,408**	**8,755**
Total equity and liabilities		**102,716**	**83,792**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital and premium	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 1 January 2022	**104**	**127**	**74,806**	**75,037**	**0**	**75,037**
Loss for the period	0	0	-16,542	-16,542	0	-16,542
Other comprehensive income	0	-24	0	-24	0	-24
Total comprehensive income for the period	**0**	**-24**	**-16,542**	**-16,566**	**0**	**-16,566**
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs and tax	0	0	0	0	0	0
Non-controlling interests on acquisition of subsidiary	0	0	0	0	0	0
Management and employee Warrant Program – value of services	0	0	837	837	0	837
Balance at 31 December 2022	**104**	**103**	**59,101**	**59,308**	**0**	**59,308**
Balance at 1 January 2021	**98**	**-1**	**25,663**	**25,760**	**0**	**25,760**
Loss for the period	0	0	-6,514	-6,514	-0	-6,514
Other comprehensive income	0	128	0	128	0	128
Total comprehensive income for the period	**0**	**128**	**-6,514**	**-6,386**	**0**	**-6,386**
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs and tax	6	0	55,306	55,312	0	55,312
Non-controlling interests on acquisition of subsidiary	0	0	0	0	0	0
Management and employee Warrant Program – value of services	0	0	351	351	0	351
Balance at 31 December 2021	**104**	**127**	**74,806**	**75,037**	**0**	**75,037**

Transaction costs relating to the capital increase in 2021 amounts to EUR 2.1 million.
Non-controlling interest was restated and reclassified to 'put options over non-controlling interest'. Refer to note 2.

CONSOLIDATED STATEMENT OF CASH FLOWS

	2022	2021
	EUR'000	EUR'000
Cash flows from operating activities		
Net loss	-16,542	-6,514
Adjustments of non-cash items:		
Income taxes in the income statement	-258	-125
Financial items, net	2,060	-1,213
Depreciation, amortization and impairment losses	3,097	1,061
Other non-cash items	1,232	836
Change in working capital	9,402	512
Interest paid	-2,124	-515
Income taxes paid	0	187
Cash flows from operating activities	**-3,133**	**-5,771**
Cash flows from investing activities		
Payment for acquisition of subsidiaries, net of cash acquired	0	1,880
Payments for property, plant and equipment	-32,941	-16,336
Payments for financial assets at amortised cost	0	-45
Payment of intangible assets	-3,621	-584
Proceeds from sale of property, plant and equipment	37	8
Received grants relating to property, plant and equipment	3,325	529
Cash flows from investing activities	**-33,200**	**-14,548**
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	0	55,310
Proceeds from borrowings	9,793	0
Repayment of borrowings	-262	-100
Transactions with non-controlling interests	0	-256
Cash flows from financing activities	**9,531**	**54,954**
Net change in cash and cash equivalents	**-26,802**	**34,635**
Cash and cash equivalents at the beginning of the financial year	59,296	23,410
Effects of exchange rate changes on cash and cash equivalents	-578	1,251
Cash and cash equivalents at end of year	**31,915**	**59,296**

ACCOUNTING POLICIES

CONSOLIDATED STATEMENT OF CASH FLOWS

The cash flow statement is presented under the indirect method based on net profit/loss for the year. The cash flow statement shows cash flows for the year, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items, and corporate taxes as well as changes in working capital. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments. Government grants that relate to acquisitions of property, plant and equipment are also classified and presented as cash flows from investing activities.

Cash flows from financing activities
Cash flows from financing activities comprise of expenses received and paid and financial income, the raising and repayment of long-term debt, dividend paid and proceeds from share capital increases.

Cash and cash equivalents
Cash and cash equivalents comprise cash holdings and withdrawals from the overdraft facility. Cash flows in foreign currencies are translated at the average monthly exchange rates which do not deviate materially from the exchange rates at the date of payment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Everfuel A/S ('the Company'), and its subsidiaries (together, 'Everfuel Group', 'the Group' or 'Everfuel') produces, distributes and supply 100% green hydrogen to industry and mobility at prices competitive to traditional fossil fuels. The company owns and operates green hydrogen infrastructure and partner with industry actors and vehicle OEMs to connect the hydrogen value chain and provide green hydrogen to industry and mobility customers under long-term contracts. Green hydrogen is a 100% clean fuel made from renewable energy and key to decarbonise industry and mobility sectors in Europe for a sustainable future.

Everfuel is headquartered in Herning, Denmark, and has activities in Norway, Denmark, Sweden, The Netherlands, Germany and Belgium. Everfuel (Org. no. DK38456695) is a Danish public limited company. The Company's shares are traded on Euronext Growth in Oslo under the symbol "EFUEL". The group's head office is placed at Øst Høgildvej 4A, 7400 Herning, Denmark.

2. BASIS OF REPORTING

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years represented, unless otherwise stated.

Basis of preparation
The Consolidated and Parent Company Financial Statements of Everfuel A/S have been prepared in accordance with International Financial Reporting Standards as approved by the EU (IFRS) and additional Danish disclosure requirements applying to enterprises of reporting class B, cf. IFRS notification issued according to the Danish Financial Statements Act.

The consolidated financial statements have been prepared on a historical cost, except for certain items with alternative measurement bases, which are identified in these accounting policies. The Group has prepared the financial statements on the basis it will continue to operate as going concern.

The consolidated financial statements of were authorised for issue in accordance with a resolution of the directors on (insert date).

Restatement
The Company reassessed the accounting treatment of its business combination in 2021. The terms and conditions of the business combination included a put option over non-controlling interest which was not accounted for in the financial statements of 2021. This error resulted in understatement of financial liabilities as of 31 December 2021 amounting to EUR 2.2 million, overstatement of allocated loss for the period ending 2021 to non-controlling interests of EUR 0.16 million and overstatement of non-controlling interest in equity amounting to EUR 2.2 million.

The impact of restatement of the business combination is as follows:

	2021 (as restated)	2021
	EUR'000	EUR'000
Consolidated statement of profit or loss		
Loss for the period	-6,514	-6,514
Attributable to:		
Equity holders of the parent	-6,514	-6,355
Non-controlling interests	0	-159
Consolidated statement of comprehensive income		
Total comprehensive income for the period	0	-6,386
Attributable to:		
Equity holders of the parent	-6,386	-6,352
Non-controlling interests	0	-34
Consolidated statement of financial position		
Equity		
Non-controlling interests	0	2,171
Non-current liabilities		
Put option over non-controlling interests	2,233	0
Consolidated statement of changes in equity		
Translation reserve	127	2
Retained earnings	74,806	74,965
Non-controlling interests	0	2,171

2. BASIS OF REPORTING

Change of Accounting Policies
In 2020, Everfuel adopted IFRS for the first time.
In 2021, there are no changes in accounting policies, except for adoption of amendments to IFRS which had no impact on the consolidated financial statements of Everfuel.

The presentation currency was in 2020 changed from DKK to EUR. The effects from the change in presentation currency have been incorporated accordingly.

Applying materiality
Material items are presented individually in the financial statements as required by IAS 1.

Items that are not individually material but support the understanding of the Everfuel Group's business model and performance in the reporting period, are also presented in the financial statements.

Currency
Consolidated and Parent Company Financial Statements are presented in Euro (EUR) and are rounded to the nearest thousand EUR, unless otherwise stated. The Group uses EUR as presentation currency as it is considered to be beneficial for potential and current shareholders in Everfuel.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the parent company Everfuel A/S and entities controlled by Everfuel A/S. Control exists when Everfuel A/S has effective power over the entity and has the right to variable returns from the entity.

Where necessary, adjustments are made to bring the financial statements of subsidiaries in line with the Everfuel Group's accounting policies. All intra-Group transactions, balances, income and expenses are eliminated in full when consolidated.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal.

Translation of foreign currency
A functional currency is determined for each of the reporting entities of the Group. The functional currency of the Parent Company is Danish kroner (DKK). Transactions denominated in currencies other than the functional currency are considered transactions denominated in foreign currencies. On initial recognition, transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Gains and losses arising due to differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

On recognition in the consolidated financial statements of entities with a functional currency other than the presentation currency (EUR), the income statement and statement of cash flows, are translated at the exchange rates prevailing at the transaction date, and the statement of financial position items are translated at the exchange rates prevailing at the reporting date.

Differences arising from the translation of the opening balance of equity of foreign entities at the exchange rates prevailing at the reporting date, and on translation of the income statement from the transaction date to the reporting date, are recognised in other comprehensive income.

Critical accounting estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to use estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Areas where significant judgment has been applied are:

Business combinations
Identified assets and liabilities of the entity being acquired must be measured at fair value at the time of acquisition. The significant assets are mostly goodwill, tangible and intangible assets, receivables, and inventories. For most of the assets and liabilities being acquired there are no active markets which can be used when determining the fair value. Methods usually used are based on the present value of future cash flows relating to the asset or cost method. Therefore, management makes estimates and judgments in relation to the measurement at fair value for the acquired assets and liabilities. Depending on the nature of the items these measurements at fair value can be subject to uncertainty and may be subject to subsequent adjustment.

2. BASIS OF REPORTING

Valuation of deferred tax assets
Deferred income tax assets are recognised to the extent that the realisation of the tax benefit to offset future tax liabilities is probable. In this period and in prior periods, the Danish Companies within the Group incurred net operating losses which forms part of carried-forward tax losses of these companies. Management has concluded that the deferred tax assets from these cannot be recognised due to timing of realisation estimated future taxable income based on the approved business plans and budgets. The losses can be carried forward indefinitely and have no expiry date.

Government grants
Grants for the government are recognised where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Implementation of new accounting standards, amendments and interpretations
The IASB has issued the following new standards, amendments and new interpretations which could be relevant to Everfuel A/S.

Some standards and amendments are adopted by the EU with an effective date later than that established by the IASB. The summary below presents these changes and the impact to the Group

Issued as of 31 December 2022 and effective in 2022
The following amendments were issued as of and effective in 2022 at EU:

- *IFRS 3 Business Combinations:* Reference to the Conceptual Framework. The amendment will be effective for financial years beginning on or after 1 January 2022.
- *IAS 16 Property, plant, and equipment:* Proceeds before Intended Use. The amendment will be effective for financial years beginning on or after 1 January 2022.
- *IAS 37 Provision, Contingent liabilities and Contingents Assets:* Onerous Contracts – Cost of Fulfilling a Contract. The amendment will be effective for financial years beginning on or after 1 January 2022.

These amendments had no impact on the ' consolidated financial statements of the Group.

Issued as of 31 December 2022 but not yet effective in 2022
The following amendments were issued by the IASB, adopted by EY but not yet effective in 2022:

- *IFRS 17 Insurance contracts and IFRS 9 Financial instruments:* Initial application of IFRS 17 and 9 – comparative information. The amendments are effective on or after 1 January 2023.
- *IAS 1 Presentation of financial statements:* Disclosure of accounting policies. The amendments are effective on or after 1 January 2023.
- *IAS 1 Presentation of Financial Statements:* Disclosure of Accounting Policies. The amendments are effective on or after 1 January 2023.
- *IAS 8 Accounting policies, Changes in Accounting Estimates and Errors:* Definition of Accounting Estimates. The amendments are effective on or after 1 January 2023.
- *IAS 12 Income Taxes:* Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendments are effective on or after 1 January 2023.

The Group intends to adopt these new and amended standards and interpretation, if applicable, when they become effective.

Issued by the IASB as of 31 December 2022 but not yet adopted by the EU
The following amendments were issued by the IASB but not yet adopted by EU:

- *IFRS 16 Lease:* Lease liability in a sale and leaseback
- *IAS 1 Presentation of financial statements:* Classification of liabilities as current or non-current

The Group intends to adopt these new and amended standards and interpretation, if applicable, when they become effective.

3. DISAGGREGATION OF REVENUE

The group derives revenue from the sale of hydrogen in Denmark, Netherlands and Norway. The revenue is recognised at a point in time. The group also derives revenue from construction contracts which is recognised over time.

	Hydrogen Netherlands	Hydrogen Norway	Hydrogen Denmark
	EUR'000	EUR'000	EUR'000
2022 Revenue	**477**	**95**	**526**
Recognition: At a point in time	477	95	526
2021 Revenue	**0**	**29**	**164**
Recognition: At a point in time	0	29	164

	Construction Contracts Germany
	EUR'000
2022 Revenue	**1,663**
Recognition: Over time	1,663
2021 Revenue	**0**
Recognition: Over time	0

ACCOUNTING POLICIES

3. DISAGGREGATION OF REVENUE AND CONSTRUCTING SERVICES

Sale of hydrogen

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer and is recognised by the amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. This normally corresponds to the amount as specified in the contract.

4. OPERATING COSTS

	2022	2021
	EUR'000	EUR'000
Distribution and marketing costs	170	72
Premises costs	149	40
IT-related costs	457	249
Consultancy and professional services	1,738	1,463
Consortium costs	0	97
Operating costs refuelling stations and trailers	703	561
Other operating costs	1,355	1,023
Total operating costs	**4,572**	**3,505**

Fees to statutory auditors

The consultancy and professional services costs include fees to statutory auditors:

	2022	2021
Statutory audit	56	20
Other assurance engagements	2	2
Tax assistance	12	4
Other services	120	81
Total fees to statutory auditors	**190**	**107**

ACCOUNTING POLICIES

4. OPERATING COSTS

Cost of sales of goods

Cost of sales of goods comprises cost of purchased finished goods and raw materials and point-of-sale materials includes the purchase cost and costs directly related to bringing inventories to the relevant place of sale and getting them ready for sale, for example insurance, freight and duties.

Operating costs

Sales costs comprise costs relating to general sales activities and write-downs for bad debt losses. Distribution costs comprise costs incurred in distributing goods. Distribution and marketing costs comprise expenses relating to sales and distribution of the Group's products and services, including advertising and exhibition costs. Administrative costs comprise costs for offices.

5. STAFF EXPENSES

	2022	2021
	EUR'000	EUR'000
Fee to Executive Board, Board of Directors and Key Management		
- Salaries	1,197	765
- Share-based remuneration	631	280
- Pension	152	56
Total fee to Executive Board, Board of Directors and Key Management	**1,980**	**1,101**
Salaries	4,303	2,169
Share-based remuneration	206	71
Pensions	506	272
Other social security expenses	135	69
Total Staff expenses	**7,130**	**3,682**
Average number of full-time employees	**64**	**36**

6. OTHER OPERATING INCOME

	2022 EUR'000	2021 EUR'000
Government grants	624	468
Consortium income	-57	97
Other non-recurring operating income	481	65
Other items	172	2
	1,220	**632**

	2022 EUR'000	2021 EUR'000
Deferred grants at 1 January	485	0
Received during the year	1,000	529
Released to the statement of profit or loss	-179	-44
Deferred grants at 31 December	**1,306**	**485**
Current liabilities	180	106
Non-current liabilities	1,126	379

Other non-recurring operating income mainly consist of fees related to operating obligations of the hydrogen refuelling stations acquired in 2020.

Deferral and presentation of government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. There are no unfulfilled conditions or other contingencies attached to the government grants recognised as income during the year.

Government grants relating to the purchase of property, plant and equipment are included in current and non-current liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets

ACCOUNTING POLICIES

6. OTHER OPERATING INCOME

Other operating income

Other operating income are secondary to the principal activities of the Group and include income relating to government grants, consulting services and consortium income.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in the current and non-current liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets. The cash flows from government grants relating to purchase of property, plant and equipment are presented and classified as cash flows from investing activities.

Prepayments and deferred income

Prepayments comprise expenses concerning subsequent financial years.

Deferred income comprises payments received in respect of income in subsequent years.

7. FINANCIAL INCOME AND EXPENSES

	2022 EUR'000	2021 EUR'000
Financial income		
Net exchange gains on foreign currency	0	1,647
Other financial income	64	0
	64	**1,647**
Financial expenses		
Net exchange losses on foreign currency	490	0
Interest and finance charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	1,634	515
	2,124	**515**
Financial items, net	**-2,060**	**1,132**

ACCOUNTING POLICIES

7. FINANCE INCOME AND EXPENSES

Financial income and expenses

Financial income and expenses comprise interest, amortisation addition and deduction, fair value adjustments and realised and unrealised exchange adjustments.

8. INCOME TAX EXPENSE

	2022 EUR'000	2021 EUR'000
Current tax		
Current tax on profits for the year	0	0
Adjustments for current tax of prior periods	-258	-187
Total current tax expense	**-258**	**-187**
Deferred income tax		
Decrease/(increase) in deferred tax assets	0	62
(Decrease)/increase in deferred tax liabilities	0	0
Total deferred tax expense/(benefit)	**0**	**62**
Income tax expense	**-258**	**-125**
Deferred tax related to items recognised in OCI during in the year:		
Exchange differences on translation of foreign operations	0	0
Exchange differences on translation from functional currency to presentation currency	0	0
Deferred tax charged to OCI	**0**	**0**
Numerical reconciliation of income tax expense to prima facie tax payable		
Tax rate of 22% (2021 – 22%)	-3,696	-1,461
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Transactions cost for increase in share capital etc.	22	288
Adjustments for current tax of prior periods	-258	-187
Adjustments for deferred tax of prior periods	0	-649
Unrecognised deferred tax asset	3,674	1,884
Previously unrecognised tax losses used to reduce deferred tax expense	0	0
Other permanent adjustments	22	0
	-258	**-125**

ACCOUNTING POLICIES

8. INCOME TAX EXPENSE

Tax

The tax expense for the period comprises current and deferred tax. It also includes adjustments to previous years and changes in provisions for uncertain tax positions. Tax is recognised in the income statement except to the extent that it relates to items recognised in equity or other comprehensive income.

Provisions for ongoing tax disputes are included as part of deferred tax assets, tax receivables and tax payables.

Deferred income taxes arise from temporary differences between the accounting and tax values of the individual consolidated companies and from realisable tax loss carry-forwards. The tax value of tax loss carryforwards is included in deferred tax assets to the extent that these are expected to be utilised in future taxable income. The deferred income taxes are measured according to current tax rules and at the tax rates assumed in the year in which the assets are expected to be utilised.

9. TRADE RECEIVABLES AND CONTRACT ASSETS

	2022	2021
	EUR'000	EUR'000
Current assets		
Trade receivables from contracts with customers	756	164
Loss allowance	-142	0
	614	**164**
Contract assets	1,663	0

Trade receivables from contracts with customers
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 14 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Contract assets
Contract assets relate to revenue earned from ongoing services provided to our customers. The balance of this account relates to a single contract with a customer that is ongoing as at the end of the year.

Fair values of trade receivables
Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure
Information about the impairment of trade receivables and contract assets and the group's exposure to credit risk and foreign currency risk can be found in note 19.

ACCOUNTING POLICIES

9. TRADE RECEIVABLES AND CONTRACT BALANCES

Receivables
Trade receivables are initially recognised at transaction price and other receivables are recognised initially at fair value. Subsequently they are measured at amortised cost using the effective interest method, less allowance for doubtful receivables.

10. INVENTORIES

	2022 EUR'000	2021 EUR'000
Spare parts inventories	130	0

Spare parts inventories
Spare parts inventories are initial recognised at cost and subsequently measured at the lower of cost or net realisable value.

During the year, there were no inventory write-down. The projects to which the inventories will be utilised are currently in-progress and no impairment indicators were evaluated in these development projects.

11. OTHER RECEIVABLES

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payable within three years from the end of the reporting period.

Fair values of other receivables
Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

12. ACCRUED GRANTS

Accrued grants comprise accrued receivables of Government grants awarded relating to purchase of property, plant and equipment.

Grants for the government are recognised where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

13. CASH AND CASH EQUIVALENTS

	2022 EUR'000	2021 EUR'000
Current assets		
Cash at bank and in hand	31,915	59,296
	31,915	**59,296**

Reconciliation to cash flow statement
The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2022 EUR'000	2021 EUR'000
Balances as above	31,915	59,296
Balances per statement of cash flows	**31,915**	**59,296**

14. TRADE AND OTHER PAYABLES

	2022 EUR'000	2021 EUR'000
Current liabilities		
Trade payables	7,590	1,988
Payroll tax and other statutory liabilities	626	402
Prepayments grants	16,774	2,896
Other payables	1,226	75
	26,216	**5,361**

Trade payables are unsecured and are usually paid within 30 days of recognition.

Fair values of trade and other payables
The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

15. BORROWINGS

	2022	2021
	EUR'000	EUR'000
Non-current liabilities		
Credit institution loans	9,811	0
Lease liabilities	2,503	529
	12,314	**529**
Current liabilities		
Credit institution loans	0	0
Lease liabilities	238	175
	238	**175**
Total borrowings	**12,552**	**704**

Lease liability

The lease liability is measured at the present value of the remaining lease payments at the reporting date, discounted using the incremental borrowing rate for similar assets, taking into account the terms of the leases. A remeasurement of the lease liability, for example a change in the assessment of an option to purchase, results in a corresponding adjustment of the related right-of-use assets.

Extension or termination options are included in the lease term if the lease is reasonably certain to be extended or not terminated. Consequently, all cash outflows that are reasonably certain to impact the future cash balances are recognised as lease liabilities at initial recognition of lease contracts. The Group reassesses the circumstances leading to it not recognizing extension or termination options on an ongoing basis.

The maturity analysis of lease liabilities is disclosed in note 19.

The Group had total cash outflows for leases of EUR 0.3 million in 2022 (EUR 0.1 million). The Group has no lease contracts that contains variable payments.

Reconciliation between the opening and closing balances for liabilities arising from financing activities:

	2022	2021
	EUR'000	EUR'000
Balance at 1 January	704	455
Lease payments	-262	-100
New leases	2,299	349
New credit institution loans	9,811	0
Balance at 31 December	**12,552**	**704**

Credit institution loans

In December 2020, the Group obtained a loan facility from the European Investment Bank (EIB) amounting to EUR 20.7 million. The loan repayment is scheduled to start in 2024 and will will mature in 2032. The loan is secured/with accounts and share pledge. The loan is repayable in specified instalments as disclosed with 11,11% per year for 9 years. The loan charges interest rate of 4%. The loan has a royalty payment on 2,4% of revenue in the Everfuel Denmark Group. The loan can be repaid before maturity with an internal rate of return (IRR) of 9.3%.

During the year, the Group recognised interest expense amounting to EUR 0.4 million (EUR 0 in 2021) of which EUR 0.4 million has been capitalised as borrowing costs under assets under construction.

Compliance with loan covenants

The Group has not entered into financial covenants during the 2022 and 2021 reporting period. In 2022, the credit institutions loan drawn down requires the Group to observe and comply certain financial covenants. The Group has performed covenants test during the year and no reported breach of covenants. In 2021, the Group does not have any loans binding financial covenants.

ACCOUNTING POLICIES

15. BORROWINGS

Borrowings are initially measured at fair value less transaction costs incurred. Subsequently, they are measured at amortised cost by applying the effective interest rate method. Non closely related embedded derivatives, if any, are separated from the loan and accounted for separately as derivatives. For borrowings comprising royalty based payments, an estimate of the payments is made on inception and included in determining the effective interest rate. The effect of subsequent changes in the estimated payments is recognised in the income statement.

16. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Patents, trademarks, and other rights	Completed development projects	Development projects in progress	Land and buildings	Plant and machinery	Other fixt. and fit., tools and equipment	Assets under construction
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
2022							
Cost at 1 January	57	714	0	656	5,599	669	13,378
Acquisition of entities	0	0	0	0	0	0	0
Additions	62	0	3,559	2,382	1,102	151	31,606
Disposals	-17	0	0	0	-33	-7	0
Transfers for the year	0	0	0	48	7,388	0	-7,436
Foreign exchange adjustments etc.	0	0	0	-1	-46	0	-4
Cost at 31 December	**102**	**714**	**3,559**	**3,085**	**14,010**	**812**	**37,544**
Amortisation, depreciation and impairment losses at 1 January	2	36	0	111	994	143	0
Acquisition of entities	0	0	0	0	0	0	0
Amortisation and depreciation	4	143	0	259	2,518	198	0
Reversal of impairm. and deprec. of sold assets	0	0	0	0	-1	-1	0
Foreign exchange adjustments etc.	0	0	0	0	-63	0	0
Amortisation, depreciation and impairment losses at 31 December	**6**	**179**	**0**	**370**	**3,448**	**340**	**0**
Carrying amount at 31 December	**96**	**535**	**3,559**	**2,715**	**10,562**	**472**	**37,544**
Assets in Denmark	96	535	3,599	1,096	5,140	465	35,507
Assets in the Netherlands	0	0	0	0	5,668	0	0
Right-of-use assets included at 31 December							
Amortisation and depreciation	0	0	0	254	0	62	0
Carrying amount at 31 December	0	0	0	2,572	0	152	0

Development costs not capitalised and therefore recognised in the consolidated income statement amounts to EUR 4.7 million (EUR 1.0 million).
Interest rate EUR 0.4 million recognised in Assets under construction with an interest rate of 4 % annually.

16. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Patents, trademarks, and other rights	Completed development projects	Development projects in progress	Land and buildings	Plant and machinery	Other fixt. and fit., tools and equipment	Assets under construction
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
2021							
Cost at 1 January	31	0	156	459	900	177	1,209
Acquisition of entities	0	0	0	0	879	0	0
Additions	26	0	557	197	1,688	510	14,290
Disposals	0	0	0	0	0	-8	0
Transfers for the year	0	713	-713	0	2,133	-11	-2,122
Foreign exchange adjustments etc.	0	1	0	0	-1	1	1
Cost at 31 December	**57**	**714**	**0**	**656**	**5,599**	**669**	**13,378**
Amortisation, depreciation and impairment losses at 1 January	1	0	0	31	0	21	0
Acquisition of entities	0	0	0	0	219	0	0
Amortisation and depreciation	1	36	0	80	775	123	0
Reversal of impairm. and deprec. of sold assets	0	0	0	0	0	-1	0
Foreign exchange adjustments etc.	0	0	0	0	0	0	0
Amortisation, depreciation and impairment losses at 31 December	**2**	**36**	**0**	**111**	**994**	**143**	**0**
Carrying amount at 31 December	**55**	**678**	**0**	**545**	**4,605**	**526**	**13,378**
Assets in Denmark	55	678	0	545	4,166	525	9,045
Assets in the Netherlands	0	0	0	0	0	0	4,262
Right-of-use assets included at 31 December	0	0	0	78	0	34	0
Amortisation and depreciation	0	0	0	530	0	214	0
Carrying amount at 31 December							

ACCOUNTING POLICIES

16. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets and property plant and equipment
Intangible assets and property, plant and equipment are initially recognised at cost and subsequently measured at cost less accumulated amortisation or depreciation and impairment losses.

Cost comprises the purchase price and costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, wages and salaries, and capitalised borrowing costs on specific or general borrowings attributable to the construction of the asset.

Research and development costs are recognised in the income statement as incurred. Development costs are recognised under other intangible assets if the costs are expected to generate future economic benefits. Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items. Subsequent costs, for example in connection with replacement of components of property, plant and equipment, are recognised in the carrying amount of the asset if it is probable that the costs will result in future economic benefits for the Group.

The replaced components are derecognised from the statement of financial position and recognised as an expense in the income statement. Costs incurred for ordinary repairs and maintenance are recognised in the income statement as incurred.

Useful life, amortisation, depreciation and impairment losses
Useful life and residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

Amortisation and depreciation are recognised over the expected useful life of the assets, taking into account any residual value. The expected useful life and residual value are determined based on past experience and expectations of the future use of assets. Goodwill and other intangible assets with an indefinite lifetime are not amortised but instead impairment tests are carried out on a yearly basis.

For other intangible assets and property, plant and equipment impairment tests are performed when indications of recoverable amounts lower than the carrying amount. Depreciation is calculated on the basis of the cost less the residual value and impairment losses.

The following expected useful lives are applied:

- **Development projects (under construction):**
  Amortised from the time of completion. Projects under construction are tested annually for impairment.

  Development projects (completed):
  2-6 years, or the remaining term of intellectual property right if shorter.
- **Patents, trademarks and other rights:**
  2-6 years, or the remaining term of intellectual property right if shorter.
- **Land and buildings:**
  Land: None
  Buildings: 30-40 years
  Installations: 10 years
- **Plant and machinery:**
  Single purpose: 3-10 years
  Other plant and machinery: 3-10 years
- **Other fixtures and fittings, tools and equipment:**
  3-10 years
- **Leasehold improvements:**
  Over term of lease on a straight-line basis.
- **Right-of-use assets:**
  Over term of lease on a straight-line basis, or the asset's useful life if shorter.

Leases
The Group has lease contracts for land/sites and various items of plant and other equipment used in its operations. Leases of land/sites generally have lease terms between 1 and 10 years and leases of plant and equipment generally have lease terms between 1 and 5 years. At the commencement date, the Group recognises a lease liability and a corresponding right-of-use asset at the same amount, except for short-term leases of 12 months or less with no extension options and leases of low-value assets. A right-of-use asset is initially measured at cost, which consists of the initial lease liability and initial direct costs less any lease incentives received.

Subsequently, the right-of-use asset is measured at cost less depreciation and impairment losses and adjusted for remeasurement of the lease liability.

The impairment testing of right-of-use assets follows the same principles as those applied for property, plant and equipment.

Right-of-use assets are recognised as property, plant and equipment.

The Group has elected not to recognise right-of-use assets and liabilities for leases with a term of 12 months or less and leases of low-value assets. Lease payments related to such leases are recognised in the income statement as an expense on a straight-line basis over the lease term.

17. DEFERRED TAX ASSETS/LIABILITIES

	2022	2021
	EUR'000	EUR'000
The balance comprises temporary differences attributable to:		
Property, plant and equipment	1,268	759
Right-of-use assets	-164	-164
Intangible assets	-129	-161
Lease liabilities	155	155
Other	0	0
Tax losses	4,511	1,295
Total deferred tax assets/liabilities	**5,641**	**1,884**
Balance at 1 january	0	62
Tax expense during the period recognised in profit or loss	0	-62
Tax income/(expense) during the period recognised in OCI	0	0
Deferred taxes acquired in business combinations	0	0
Balance at 31 December	**0**	**0**

The Group has tax losses that arose in 2022 of EUR 4.5 million (EUR 1.3 million) that are available indefinitely for offsetting against future taxable profits.

The temporary differences associated with investments in the Group's subsidiaries, for which a deferred tax liability has not been recognised in the periods presented, aggregate to EUR 0 million (EUR 0 million).

ACCOUNTING POLICIES

17. DEFERRED TAX ASSETS/LIABILITIES

Deferred tax and corporation tax
Current tax payable and receivable are recognised in the statement of financial position as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account respectively.

Deferred tax on all temporary differences between the carrying amount and the tax base of assets and liabilities is measured using the balance sheet liability method. However, deferred tax is not recognised on temporary differences relating to goodwill that is not deductible for tax purposes or on office premises and other items where temporary differences, apart from business combinations, arise at the acquisition date without affecting either profit/loss for the year or taxable income.

Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability. Deferred tax is recognised on expected dividend payments from subsidiaries, associates and joint ventures in countries levying withholding tax on distributions.

Deferred tax assets related to tax loss carryforwards are recognised under other non-current assets at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax assets and tax liabilities are offset if the entity has a legally enforceable right to offset current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets or to realise the assets and settle the liabilities simultaneously. Deferred tax assets are recognised only to the extent that it is probable that the assets will be utilised.

Deferred tax is measured according to the tax rules at the reporting date and at the tax rates applicable when the deferred tax is expected to materialise as current tax.

The change in deferred tax as a result of changes in tax rates is recognised in the income statement. Changes to deferred tax on items recognised in other comprehensive income are, however, recognised in other comprehensive income and equity.

18. SHARE CAPITAL

	Number of shares		Nominal value	
	2022	**2021**	**2022**	**2021**
	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 1 January	78,000	73,200	104	98
Increase in share capital	0	4,800	0	6
Other comprehensive income	0	0	0	0
Balance at 31 December	**78,000**	**78,000**	**104**	**104**

Ordinary shares
Ordinary shares have a par value of DKK 0.01. They entitle the holder to participate in dividends.

Dividend
No dividend has been paid out in 2022 or 2021.

Everfuel A/S' Board of Directors currently assess whether the Company's capital structure is adequate and which activities are necessary to ensure this. Usually no dividend is paid out unless it may be included in net profit/loss for the year.

Capital management
For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and adjust in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

There are no changes in the objectives, policies or processes for managing capital during the years ended 31 December 2022 and 2021.

ACCOUNTING POLICIES

18. SHARE CAPITAL

Dividend
Dividend is disclosed as a separate equity item.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities are limited to trade and other payables and lease liabilities classified under borrowings. The main purpose of these financial liabilities is to finance Company's operations as part of its working capital. The Company's principal financial assets are limited to cash and cash equivalents, trade receivables, and other receivables that derive directly from its operations.

The Company is exposed to market risk (more particularly, currency risk), credit risk and liquidity risk. The Group's management oversees the management of these risks.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate based because of changes in market prices. Financial instruments affected by market risk include all the Company's financial assets and liabilities described above.

Interest rate risk
During the year and as at the year end, the Group has two main interest rate risk exposures arising from the Group's loans from credit institution and deposits at bank. The table below demonstrates the sensitivity to a reasonably possible change in interest rates on these two exposures.

	Increase/decrease in basis points	Effect on profit before tax
2022		
Cash at banks	+/-1%	0,3
2021		
Cash at banks	+/-1%	0,5

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Group manages its foreign currency risk as part of its normal budget and forecast planning. For the year-ended 31 December 2022 and 2021, the Group does not hedge this foreign currency risks by entering into forward contracts.

The information below describes the net exposure of the Company from the relevant foreign currencies.

Monetary items* in foreign currencies in the balance sheet at the end of the year:

	Assets	Liabilities	Net
	EUR'000	EUR'000	EUR'000
At 31 December 2022			
Currency payment			
DKK	25,324	36,356	-11,032
NOK	6,939	268	6,671
SEK	3,275	5,398	-2,123
Other	0	0	0
At 31 December 2021			
Currency payment			
DKK	32,102	3,641	28,461
NOK	11,532	229	11,303
Other	2	0	2

* Monetary items are cash at bank and in hand and similar, receivables as well as payables which are settled in cash.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The following table demonstrate the sensitivity to a reasonably possible change of +/-10% in DKK/EUR and NOK/EUR exchange rates, with all other variables held constant

	Change in currency exchange rates	2022 Effect on profit before tax	2022 Effect on pre-tax equity	2021 Effect on profit before tax	2021 Effect on pre-tax equity
		EUR'000	EUR'000	EUR'000	EUR'000
Currency exposure					
NOK	+/-10%	667	667	1,246	1,246
SEK	+/-10%	212	212	0	0

We consider that the currency exposure arising from DKK/EUR is immaterial since Denmark's firm rates policy towards EUR only allows very marginal fluctuations.

Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including cash at banks and other receivables.

The Company manages credit risk through its established policy, procedures, and control. Outstanding receivables are regularly monitored.

Liquidity risk
The Company monitors its risk of a shortage of funds based on its financial forecasts. To the extent necessary to fund expansion or other liquidity needs, management will consider offerings of debt, equity or a combination thereof, depending on the cost of capital and the status of financial markets at that time. Currently, the Company has obtained a loan facility of EUR 20.7 million of which EUR 9.8 million has been utilised.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Year ended 31 December 2022						
Trade and other payables	0	8,216	0	0	0	8,216
Lease liabilities	0	65	174	1,246	1,257	2,742
Credit institution loans	0	0	0	4,356	5,455	9,811
Put option over non-controlling interests	0	0	3,333	0	0	3,333
	0	**8,281**	**3,507**	**5,602**	**6,712**	**24,102**
Year ended 31 December 2021						
Trade and other payables	0	2,465	0	0	0	2,465
Lease liabilities	0	43	132	379	150	704
Put option over non-controlling interests	0	0	0	2,205	0	2,205
	0	**2,508**	**132**	**2,584**	**150**	**5,374**

20. BUSINESS COMBINATIONS

Acquisitions in 2021 (as restated)
In the first quarter of 2021, Everfuel acquired Everfuel Retail Norway AS (formerly named H2 Fuel AS) by carrying out a capital increase of approximately EUR 2.6 million. Within the same quarter, Everfuel acquired additional 4.9% of the voting shares of Everfuel Retail Norway AS (formerly named H2 Fuel AS) by exercising its option to acquire these shares from NEL ASA at a purchase price of appr. EUR 0.3 million.
The impact of the change of ownership when acquiring the additional interest is not significant. The additional interest increased the ownership of Everfuel to 55.9%.

The acquiree owns and operate hydrogen fueling stations in Norway. The acquisition is part of Everfuel's key objective to expand in Norway to develop viable growing market for green hydrogen in Norway – enabling zero emission mobility for retail customers.

From the date of acquisition, Everfuel Retail Norway AS contributed EUR 0 million of revenue and EUR 0.3 million to loss before income tax of the Group. As the combination took place almost at the beginning of the year, revenue and profit before income tax for the Group would not have been significantly different from the actual contribution during the year.

Put options over non-controlling interests
In 2021 consolidated financial statements, the Group has recognized non-controlling interests arising from this acquisition. The Group has elected to measure the non-controlling interest in the acquiree at an amount equal to the proportionate share of the non-controlling interest in the acquiree's net identifiable assets.

In 2022, the Group reviewed the terms and conditions of the acquisition and evaluated that NEL ASA's put option is a financial liability. This put option was not recognised in the statement of financial position as of the acquisition date and the year ended 31 December 2021. The Group consolidated financial statements have been restated to reflect the following:

a) That the put options is recognised as put liability representing an anticipated acquisition of the remaining non-controlling . interest of 44.1%. The put options (as restated) were measured at the present value of the potential redemption price as of the acquisition date amounting to EUR 2.2 million. The put liability is recognised on statement of financial position as 'Put option over non-controlling interest.'

b) That the put options do not create present access to NEL ASA over the returns and as such the acquisition is deemed acquisition of the full 100% interest over Everfuel Retail Norway AS. The non-controlling interest recognized under equity in prior year is now derecognised.

c) That there will be no allocation of total comprehensive income to non-controlling interest considering the deemed acquisition of full 100% interest.

The assets and liabilities recognised at fair value as a result of the acquisitions are as follows which include the restated put options over non-controlling interests.

The assets and liabilities recognised at fair value as a result of the acquisitions are as follows:

	Everfuel Retail Norway AS (as restated) EUR'000	Everfuel Retail Norway AS EUR'000
Plant and equipment	730	730
Trade receivables	8	8
Other receivables	15	15
Cash	1,880	1,880
Trade payables and other liabilities	-90	-90
Net identifiable assets acquired	**2,543**	**2,543**
Non-controlling interests	0	-2,205
Put options over non-controlling interests	-2,205	0
Goodwill	0	0
Gain on acquisition	-82	-82
Purchase consideration	**256**	**256**
Of which is cash	-1,880	-1,880
	-1,624	**-1,624**

ACCOUNTING POLICIES

20. BUSINESS COMBINATIONS

Business combination and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in operating costs.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

21. CONTINGENT LIABILITIES

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Purple Pioneers ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

22. RELATED PARTY TRANSACTIONS

The Company's related party with controlling interest is Purple Pioneers ApS, Herning, Denmark.

The related parties with significant influence in the Company are the Executive Board and some senior employees as well as their related family members. Related parties also comprise companies in which these persons have material interests.

Executive Board and senior employees
Besides what follows from the employment, there have been no transactions with the Executive Board or senior employees. Salary and remuneration appear in note 5.

Trade with related parties with controlling interest has comprised the following:

	2022	2021
	EUR'000	EUR'000
- Lease of an office building	84	63
- Loan facility from parent company to Everfuel A/S, up to	0	0

The payment terms for normal trade is current month plus 30 days. No security has been provided for the accounts, and there has been no need to make provisions for expected bad debt concerning these accounts. Moreover, no losses have been realised concerning these accounts in 2022 or 2021.

23. GROUP MATTERS

The Company's controlling shareholder is Purple Pioneers ApS. Purple Pioneers ApS is ultimately owned by Jacob Bech Krogsgaard.

24. SHARE-BASED PAYMENTS

The Company has implemented warrant programs to support long-term employee alignment, commitment and motivation to unlock hydrogen at scale through potential shared ownership.

Management and other employees warrant programs (MEWP)
Warrants in the parent company have been granted to executive management and other employees. Each warrant gives the right to subscribe for one share which can be exercised within exercise period between 1 May 2024 and 30 April 2027. It is a vesting condition that the employee has not resigned before start of the exercise period.

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model that takes into account the exercise price, the term of the warrant, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the warrant, and the correlations and volatilities of a peer group companies. These are disclosed in the tables on next page.

CEO warrant program (CWP)
An additional warrant program in the parent company have been granted to the CEO. Each warrant gives the right to subscribe for one share which can be exercised within exercise period between 1 May 2029 and 30 April 2031. Vesting of the warrants is dependent on the achievement of a predetermined increase in the average share price measured for a period of three consecutive months compared to the exercise price.

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the warrant, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the warrant, and the correlations and volatilities of a peer group companies. These are disclosed in the tables on next page.

Movements during the year
The following table below illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	2022 Number	2022 WAEP EUR'000	2021 Number	2021 WAEP EUR'000
Outstanding at 1 January	1,731,053	1,653	1,546,504	856
Granted during the year	871,322	2,119	185,685	802
Forfeited during the year	-76,129	-234	-1,136	-5
Exercised during the year	0	0	0	0
Expired during the year	0	0	0	0
Outstanding at 31 December	**2,526,246**	**3,538**	**1,731,053**	**1,653**
Exercisable at 31 December	0	0	0	0

Number of warrants granted to executive board and key management during 2022 is 603,492 (138.600 warrants in 2021).

The average remaining contractual life for these share warrants outstanding as of 31 December 2022 was 2 to 8 years (3 to 9 years). The range of exercise prices for warrants outstanding at the end of the year was EUR 1.97 to EUR 7.88 (EUR 1.97 to EUR 7.88)

24. SHARE-BASED PAYMENTS

The following tables list the inputs to the models used for the two plans for the years ended 31 December 2022, 2021 and 2020, respectively:

2022	MEWP
Weighted average fair values at the measurement date	EUR 3.16 NOK 32.37
Dividend yield (%)	0%
Expected volatility (%)	70%
Risk-free interest rate (%)	2.64%
Weighted average share price	EUR 5.75 NOK 59.50
Weighted average exercise price	EUR 5.61 NOK 58.02
Model used	Black-Scholes

2021	MEWP
Weighted average fair values at the measurement date	EUR 4.32 NOK 43.53
Dividend yield (%)	0%
Expected volatility (%)	70%
Risk-free interest rate (%)	0.98%
Weighted average share price	EUR 8.23 NOK 83
Weighted average exercise price	EUR 7.88 NOK 79.46
Model used	Black-Scholes

2020	CWP	MEWP
Weighted average fair values at the measurement date	EUR 0.43 NOK 4.77	EUR 0.61 NOK 6.82
Dividend yield (%)	0%	0%
Expected volatility (%)	65%	65%
Risk-free interest rate (%)	0.70%	0.40%
Weighted average share price	EUR 1.43 NOK 15.9	EUR 1.43 NOK 15.9
Weighted average exercise price	EUR 1.97 NOK 22	EUR 1.97 NOK 22
Model used	Black-Scholes/Monte Carlo	Black-Scholes

The expected life of the share warrants is based on historical data and current expectations. It is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over the period similar to the life of these warrants is indicative of future trends, which may not necessarily be the actual outcome.

ACCOUNTING POLICIES

24. SHARE-BASED PAYMENTS

Warrant Program (equity-settled programs)
The fair value of the Warrant Program is estimated using a stochastic (quasi-Monte Carlo) valuation model of market conditions and a Black-Scholes call option-pricing model of other conditions, taking into account the terms and conditions upon which the performance shares were granted.

On initial recognition of warrants, an estimate is made of the number of awards expected to vest and subsequently revised for any changes. Accordingly, recognition is based on the number of awards that ultimately vest.

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD

After the reporting date, the following events occurred:

On 3 January 2023, Everfuel signed a conditional agreement with Trinity Synergies for the supply of oxygen from HySynergy Phase 2. The contract is Everfuels first agreement to deliver oxygen made from electrolysis and is conditional upon FID for HySynergy Phase 2 and Partners FID on the waste handling facility. The long-term contract includes payment for a capacity reservation of oxygen and a recurring payment for the oxygen supply.

On February 13 2023, Everfuel was awarded follow-up order to increase capacity and associated services by WSW mobil GmbH for the Wuppertal bus station in Germany announced by the company in April 2022. The planned heavy-duty station has a daily capacity for refuelling at least 20 fuel cell buses. The capacity extension effectively provides system redundancy while also enabling WSW the potential to implement additional buses if desired. WSW mobil GmbH is planning a ramp-up to an estimated 150 fuel cell buses by 2030.

On February 21 2023, Everfuel and Better Energy entered collaboration agreement on green power for PtX Holstebro, Denmark. The proposed solar park by Better Energy is located between two high-voltage power lines and a direct line from the park to Everfuel's hydrogen production could potentially be built. On 14 February, Better Energy applied to Holstebro Municipality for the establishment of the solar park.

On February 28 2023, Everfuel and Hy24, managing the world's largest clean hydrogen infrastructure fund, announced the creation of EUR 200 million JV to accelerate the development of green hydrogen infrastructure in the Nordics covering Denmark, Norway, Sweden and Finland. Everfuel will own 51% of the JV and the Hy24-managed Clean H2 Infra Fund will own 49%. The JV plans to invest a total of EUR 200 million in equity in green hydrogen infrastructure effectively enabling the JV to fund, build, own and operate up to 1 GW of green hydrogen projects.

The JV combines Everfuel's position as pioneer and leading green hydrogen project developer in Europe and Hy24's extensive industrial experience and financial strength. The JV's first investment is to acquire the HySynergy Phase 1 20 MW green hydrogen production plant in Fredericia, Denmark for a purchase price reflecting the costs incurred at signing, less grants received, subject to adjustment for additional costs incurred up until closing.

Under the agreement, the JV will deliver revenue and cash flow to Everfuel through fees during the project development, construction and operation phases. Everfuel will also be entitled to defined development fees from the JV for projects reaching FID based on the return profile of each specific project. Everfuel retains an exclusive right to market merchant hydrogen volumes from the electrolysers owned and operated by the JV to support the growth of Everfuel's downstream business activities. The JV will be named Everfuel Hy24 A/S and fully consolidated in Everfuel's accounts.

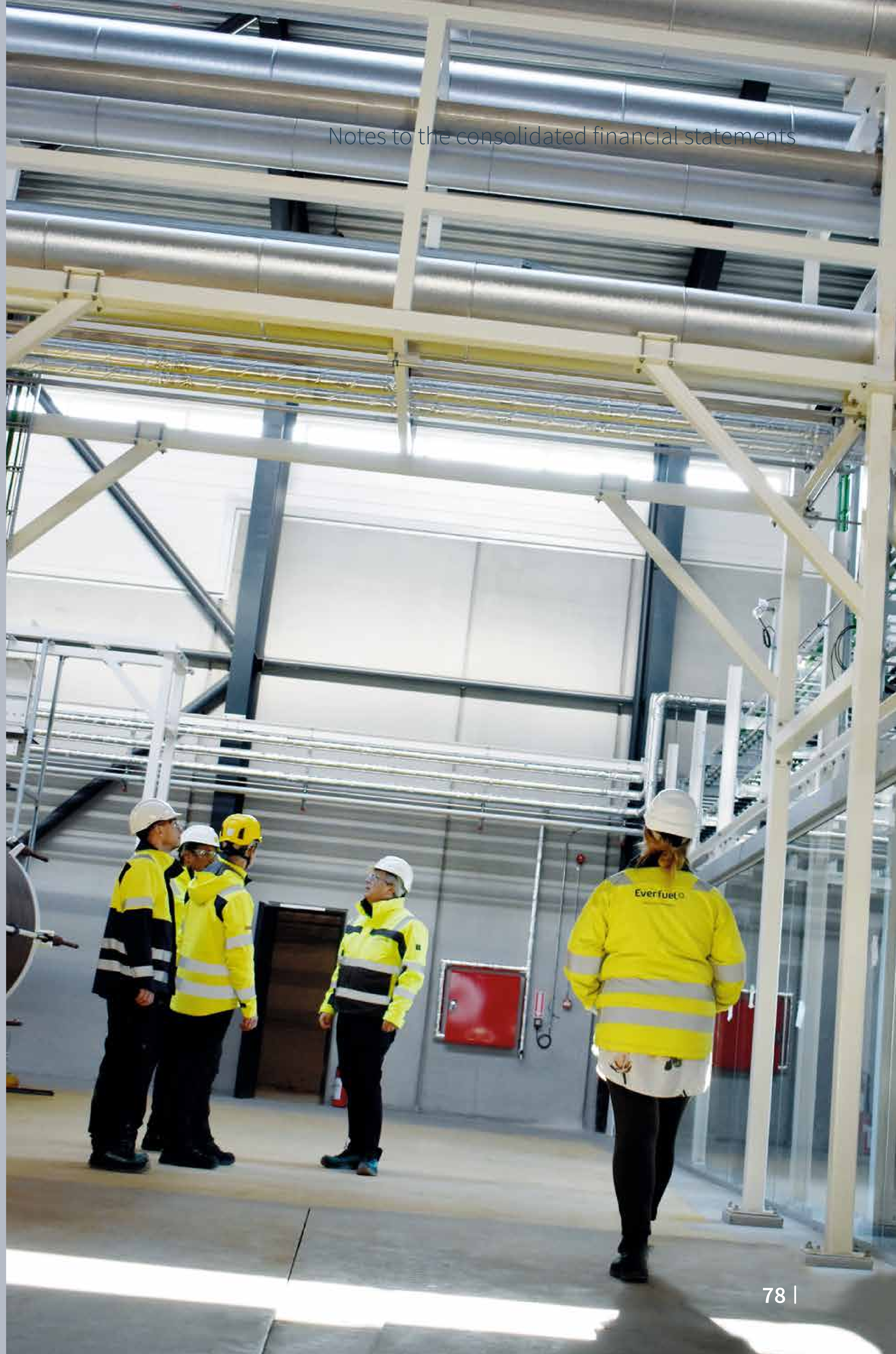
The purchase price paid by the JV to Everfuel for the acquisition of HySynergy Phase 1 is estimated at EUR 28 million. With the transfer of HySynergy Phase 1 to the JV, Everfuel will repay the outstanding EUR 10 million loan provided by the European Investment Bank. Hy24 will also provide a bridge loan of EUR 15 million to the JV that is expected to be replaced with a larger facility from external debt providers as HySynergy Phase 2 is matured. Everfuel holds an option to purchase Hy24's shares in the JV at a pre-agreed return within a specified time period.

On 6 March 2023, Everfuel and Vestische Straßenbahnen GmbH signed a contract for a pilot project with the Everfuel developed mobile refuelling solution, the Everfiller. The contract value is approximately EUR 1.1 million. The Everfiller is based on Everfuel's patent-pending technology. The first prototypes are scheduled to go into operation in the second half of 2023, with commercial deployment planned for 2024.

On 9 March 2023, Everfuel completed a private placement of new shares raising gross proceeds of EUR 25 million. Following the placement, Hy24 Clean H2 Infra Fund became Everfuel's third largest shareholder. The proceeds will be used to finance Everfuel's share of investment in the Hydrogen Hub Agder and HySynergy Phase 2 projects, as well as other corporate purposes.

26. COMPANIES OF THE EVERFUEL GROUP

Company name	Place of registered office	Currency	Share capital, local currency	Votes and ownership
Denmark				
Everfuel A/S	Herning, Denmark	DKK	780,000	
Everfuel Denmark A/S	Herning, Denmark	DKK	500,000	100%
Everfuel Production Fredericia A/S	Herning, Denmark	DKK	400,000	100%
Everfuel Retail Denmark A/S	Herning, Denmark	DKK	2,342,141	100%
Everfuel Operation A/S	Herning, Denmark	DKK	400,000	100%
Everfuel Distribution A/S	Herning, Denmark	DKK	400,000	100%
Europe				
Everfuel Netherlands B.V.	Amstelveen, The Netherlands	EUR	10	100%
Everfuel NL 2020-I B.V.	Amstelveen, The Netherlands	EUR	10	100%
Everfuel Norway AS	Oslo, Norway	NOK	30,000	100%
H2NO AS	Oslo, Norway	NOK	1,000,000	55.9%
H2CO AS	Oslo, Norway	NOK	30,000	100%
Everfuel GmbH	Köln, Germany	EUR	25,000	100%
Everfuel Sweden AB	Stockholm, Sweden	SEK	25,000	100%
Everfuel Retail Sweden AB	Stockholm, Sweden	SEK	25,000	100%
Everfuel Production Karlstad AB	Stockholm, Sweden	SEK	50,000	100%
Everfuel Greenstat Production 1 AS	Arendal, Norway	NOK	30,000	51%



PARENT COMPANY FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS, PARENT COMPANY

	Notes	2022	2021
		EUR'000	EUR'000
Revenue	3	841	75
Other operating income	6	1,657	886
Total income		**2,498**	**961**
Raw materials and consumables		-808	-155
Gross profit		**1,690**	**806**
Operating costs	4	-3,288	-2,828
Staff expenses	5	-6,498	-3,383
Stock market listing expenses		0	0
EBITDA		**-8,096**	**-5,405**
Depreciations and amortisations		-1,655	-369
Operating loss		**-9,751**	**-5,774**
Income from investments in subsidiaries		-7,045	-2,033
Financial income	8	730	1,820
Financial expenses	8	-733	-493
Finance items, net		**-7,048**	**-706**
Loss before income tax		**-16,799**	**-6,480**
Income tax expense	9	212	125
Loss for the period		**-16,587**	**-6,355**

STATEMENT OF COMPREHENSIVE INCOME, PARENT COMPANY

	2022	2021
	EUR'000	EUR'000
Loss for the period	**-16,587**	**-6,355**
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	85	-9
Exchange differences on translation from functional currency to presentation currency	7	12
Other comprehensive income for the period, net of tax	**78**	**3**
Total comprehensive income for the period	**-16,509**	**-6,352**

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

	Notes	2022	2021
		EUR'000	EUR'000
Assets			
Non-current assets			
Investments in subsidiaries	14	3,151	5,818
Property, plant and equipment	16	3,920	3,927
Intangible assets	16	4,165	733
Deferred tax assets	17	0	0
Other assets		52	51
Total non-current assets		**11,288**	**10,529**
Current assets			
Inventories	7	35	0
Trade receivables	10	76	70
Receivables from group enterprises		32,964	25,934
Other receivables	11	683	940
Accrued grants		4,120	
Corporation tax		0	0
Prepayments		170	44
Cash and cash equivalents	12	20,899	39,848
Total current assets		**58,947**	**66,836**
Total assets		**70,235**	**77,365**

		2022	2021
		EUR'000	EUR'000
Equity and liabilities			
Equity			
Share capital	18	104	104
Retained earnings		59,295	74,967
Total equity		**59,399**	**75,071**
Non-current liabilities			
Investments in subsidiaries	14	4,189	0
Borrowings	15	380	491
Deferred tax liabilities	17	0	0
Deferred income	6	251	379
Total non-current liabilities		**4,820**	**870**
Current liabilities			
Trade and other payables	13	5,812	1,147
Borrowings	15	107	171
Deferred income	6	97	106
Total current liabilities		**6,016**	**1,424**
Total liabilities		**10,836**	**2,294**
Total equity and liabilities		**70,235**	**77,365**

STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY

	Share capital and premium	Retained earnings	Total equity
	EUR'000	EUR'000	EUR'000
Balance at 1 January 2022	**104**	**74,967**	**75,071**
Loss for the period	0	-16,587	-16,587
Other comprehensive income	0	78	78
Total comprehensive income for the period	**0**	**-16,509**	**-16,509**
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs and tax	0	0	0
Management and employee Warrant Program – value of services	0	837	837
Balance at 31 December 2022	**104**	**59,295**	**59,399**
Balance at 1 January 2021	**98**	**25,662**	**25,760**
Loss for the period	0	-6,355	-6,355
Other comprehensive income	0	3	3
Total comprehensive income for the period	**0**	**-6,352**	**-6,352**
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs and tax	6	55,306	55,312
Management and employee Warrant Program – value of services	0	351	351
Balance at 31 December 2021	**104**	**74,967**	**75,071**

Transaction costs relating to the capital increase in 2021 amounts to EUR 2.1 million.

STATEMENT OF CASH FLOWS, PARENT COMPANY

	2022 EUR'000	2021 EUR'000
Cash flows from operating activities		
Net loss	-16,587	-6,355
Adjustment of non-cash items:		
Income taxes in the income statement	-212	-125
Financial items, net	3	-1,328
Depreciation, amortisation and impairment losses	1,655	368
Income from investments in subsidiaries	7,045	2,033
Other non-cash items	791	1,013
Change in working capital	-6,395	-24,530
Interest received	730	174
Interest paid	-733	-493
Income taxes paid	0	186
Cash flows from operating activities	**-13,703**	**-29,057**
Cash flows from investing activities		
Payment for acquisition of subsidiaries, net of cash acquired	0	-28
Change in capital structure in subsidiaries	0	-7,729
Payments for property, plant and equipment	-2,157	-4,373
Payments for financial assets at amortised cost	-108	-41
Payment of intangible assets	-3,595	-584
Proceeds from sale of property, plant and equipment	656	1,591
Received grants relating to property, plant and equipment	350	529
Cash flows from investing activities	**-4,854**	**-10,635**

	2022 EUR'000	2021 EUR'000
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	0	55,310
Repayment of borrowings	-175	-97
Cash flows from financing activities	**-175**	**55,213**
Net change in cash and cash equivalents	**-18,732**	**15,521**
Cash and cash equivalents at the beginning of the financial year	39,848	23,326
Effects of exchange rate changes on cash and cash equivalents	-217	1,001
Cash and cash equivalents at end of year	**20,899**	**39,848**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Refer to Note 1 of the Consolidated Financial Statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 2022 financial statements for Everfuel A/S have been prepared in accordance with International Financial Reporting Standards as approved by the EU (IFRS). The financial statements are presented in Euro (EUR).

The accounting policies for the Parent Company are identical to the accounting policies for the Group, with the exception of the items listed below:

Accounting policies different from the Group
Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

3. DISAGGREGATION OF REVENUE

The Company derives revenue from the sale of hydrogen in Denmark and Netherlands. The revenue is recognised at a point in time.

	Hydrogen Denmark	Hydrogen Netherlands
	EUR'000	EUR'000
2022 Revenue	**501**	**340**
Recognition: At a point in time	501	340
2021 Revenue	**75**	**0**
Recognition: At a point in time	75	0

4. OPERATING COSTS

	2022	2021
	EUR'000	EUR'000
Distribution and marketing costs	164	72
Premises costs	50	28
IT-related costs	448	243
Consultancy and professional services	1,447	1,280
Consortium costs	0	97
Operating costs refuelling stations and trailers	175	201
Other operating costs	1,004	907
Total operating costs	**3,288**	**2,828**

5. STAFF EXPENSES

	2022	2021
	EUR'000	EUR'000
Fee to Executive Board, Board of Directors and Key Management		
- Salaries	1,197	765
- Share-based remuneration	631	280
- Pension	152	56
Total fee to Executive Board, Board of Directors and Key Management	**1,980**	**1,101**
Salaries	3,775	1,898
Share-based remuneration	206	71
Pensions	468	272
Other social security expenses	70	41
Total Staff expenses	**6,498**	**3,383**
Average number of full-time employees	**58**	**32**

6. OTHER OPERATING INCOME

	2022 EUR'000	2021 EUR'000
Government grants	583	468
Consortium income	-57	97
Other non-recurring operating income	1,035	320
Other items	96	1
	1,657	**886**

Other non-recurring operating income mainly consist of fees related to operating obligations of the hydrogen fueling stations acquired in 2020.

Deferral and presentation of government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. There are no unfulfilled conditions or other contingencies attached to the government grants recognised as income during the year.

Government grants relating to the purchase of property, plant and equipment are included in current and non-current liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

	2022 EUR'000	2021 EUR'000
Deferred grants at 1 January	485	0
Received during the year	0	529
Released to the statement of profit or loss	-137	-44
Deferred grants at 31 December	**348**	**485**
Current liabilities	97	106
Non-current liabilities	251	379

7. INVENTORIES

	2022 EUR'000	2021 EUR'000
Spare parts inventories	35	0

Spare parts inventories
Spare parts inventories are initial recognised at cost and subsequently measured at the lower of cost or net realisable value.

During the year, there were not inventory write-down. The projects to which the inventories will be utilised are currently in-progress and no impairment indicators were evaluated in these development projects.

8. FINANCIAL INCOME AND EXPENSES

	2022 EUR'000	2021 EUR'000
Financial income		
Net exchange gains on foreign currency	0	1,646
Interest income from subsidiaries	701	174
Other financial income	29	0
	730	**1,820**
Financial expenses		
Net exchange losses on foreign currency	509	0
Interest and finance charges paid/payable for lease liabilities and financial liabilities at amortised cost	224	493
	733	**493**
Financial items, net	**-3**	**1,327**

9. INCOME TAX EXPENSE

	2022 EUR'000	2021 EUR'000
Current tax		
Current tax on profits for the year	0	0
Adjustments for current tax of prior periods	-212	-186
Total current tax expense	**-212**	**-186**
Deferred income tax		
Decrease/(increase) in deferred tax assets	0	61
(Decrease)/increase in deferred tax liabilities	0	0
Total deferred tax expense/(benefit)	**-212**	**61**
Income tax expense	**-212**	**-125**
Deferred tax related to items recognised in OCI during in the year:		
Exchange differences on translation of foreign operations	0	0
Exchange differences on translation from functional currency to presentation currency	0	0
Deferred tax charged to OCI	**0**	**0**
Numerical reconciliation of income tax expense to prima facie tax payable		
Tax rate of 22% (2020 – 22%)	-3,696	-1,426
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Transactions cost for increase in share capital etc.	22	213
Income from subsidiaries	1,550	447
Adjustments for current tax of prior periods	-212	-186
Adjustments for deferred tax of prior periods	0	61
Unrecognised deferred tax asset	2,124	766
Other permanent adjustments	22	
Previously unrecognised tax losses used to reduce deferred tax expense	0	0
	-212	**-125**

10. TRADE RECEIVABLES

	2022	2021
	EUR'000	EUR'000
Current assets		
Trade receivables from contracts with customers	114	70
Loss allowance	-38	0
	76	**70**

Classification as trade receivables
Trade receivables are amounts due from customers for gooads sold or services performed in the ordinary course of business. They are generally due for settlement within 14 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Fair values of trade receivables
Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure
Information about the impairment of trade receivables and the group's exposure to credit risk and foreign currency risk can be found in note 19.

11. OTHER RECEIVABLES

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payable within three years from the end of the reporting period.

Fair values of other receivables
Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts

12. CASH AND CASH EQUIVALENTS

	2022	2021
	EUR'000	EUR'000
Current assets		
Cash at bank and in hand	20,899	39,848
	20,899	**39,848**

Reconciliation to cash flow statement
The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2022	2021
Balances as above	20,899	39,848
Balances per statement of cash flows	**20,899**	**39,848**

13. TRADE AND OTHER PAYABLES

	2022	2021
	EUR'000	EUR'000
Current liabilities		
Trade payables	1,577	827
Payroll tax and other statutory liabilities	475	298
Prepayments grants	2,745	22
Other payables	1,015	0
	5,812	**1,147**

Trade payables are unsecured and are usually paid within 30 days of recognition.

Fair values of trade and other payables
The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

14. INVESTMENTS IN SUBSIDIARIES

	2022	2021
	EUR'000	EUR'000
Cost at 1 January	7,882	126
Additions for the year	108	7,756
Cost at 31 December	**7,990**	**7,882**
Value adjustments at 1 January	-2,064	-21
Net profit/loss for the year	-7,045	-2,033
Exchange adjustments	81	-10
Value adjustments at 31 December	**-9,028**	**-2,064**
Carrying amount at 31 December	**-1,038**	**5,818**

Company name	Place of registered office	Share capital	Votes and ownership
Everfuel Denmark A/S	Denmark	DKK 500,000	100%
Everfuel Operation A/S	Denmark	DKK 400,000	100%
Everfuel Distribution A/S	Denmark	DKK 400,000	100%
Everfuel Norway AS	Norway	NOK 60,000	100%
Everfuel Netherlands B.V.	The Netherlands	EUR 10	100%
Everfuel GmbH	Germany	EUR 25,000	100%
Everfuel AB	Sweden	SEK 25,000	100%

15. BORROWINGS

	2022 EUR'000	2021 EUR'000
Non-current liabilities		
Lease liabilities	380	491
	380	**491**
Current liabilities		
Lease liabilities	107	171
	107	**171**
Total borrowings	**487**	**662**

Reconciliation between the opening and closing balances for liabilities arising from financing activities:

	2022 EUR'000	2021 EUR'000
Balance at 1 January	662	455
Lease payments	-175	-97
New leases	0	304
Balance at 31 December	**487**	**662**

Lease liability
The lease liability is measured at the present value of the remaining lease payments at the reporting date, discounted using the incremental borrowing rate for similar assets, taking into account the terms of the leases. A remeasurement of the lease liability, for example a change in the assessment of an option to purchase, results in a corresponding adjustment of the related right-of-use assets.

Extension or termination options are included in the lease term if the lease is reasonably certain to be extended or not terminated. Consequently, all cash outflows that are reasonably certain to impact the future cash balances are recognised as lease liabilities at initial recognition of lease contracts.

The Group reassesses the circumstances leading to it not recognising extension or termination options on an ongoing basis.

The maturity analysis of lease liabilities is disclosed in note 19.

The Company had total cash outflows for leases of EUR 0.2 million in 2022 (EUR 0.1 million). The Company has no lease contracts that contains variable payments.

16. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Patents, trademarks, and other rights	Development projects	Development projects in progress	Land and buildings	Plant and machinery	Other fixt. and fit., tools and equipment	Assets under construction
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000A	EUR'000
2022							
Cost at 1 January	57	713	0	611	2,133	667	899
Additions	37	0	3,559	0	0	94	2,063
Disposals	-17	0	0	0	-33	-6	-617
Transfers	0	0	0	48	2,161	0	-2,209
Foreign exchange adjustments etc	0	0	0	0	0	0	0
Cost at 31 December	**77**	**713**	**3,559**	**659**	**4,261**	**755**	**136**
Amortisation, depreciation and impairment losses at 1 January	2	35	0	108	133	142	0
Amortisation and depreciation	4	143	0	133	1,181	196	0
Reversal of impairment and depreciation of sold assets	0	0	0	0	-1	-1	0
Foreign exchange adjustments etc.	0	0	0	0	0	0	0
Amortisation, depreciation and impairment losses at 31 December	6	**178**	**0**	**241**	**1,313**	337	**0**
Carrying amount at 31 December	**71**	**535**	**3,559**	**418**	**2,948**	**418**	**136**
Right-of-use assets included at 31 December							
Amortisation and depreciation	0	0	0	126	0	62	0
Carrying amount at 31 December	0	0	0	363	0	152	0

Development costs not capitalised and therefore recognised in the consolidated income statement amounts to EUR 4.7 million (EUR 1.0 million).

16. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Patents, trademarks, and other rights	Development projects	Development projects in progress	Land and buildings	Plant and machinery	Other fixt. and fit., tools and equipment	Assets under construction
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
2021							
Cost at 1 January	31	0	156	459	0	177	588
Additions	26	0	557	152	0	509	4,016
Disposals	0	0	0	0	0	-8	-1,583
Transfers	0	713	-713	0	2,133	-11	-2,122
Foreign exchange adjustments etc	0	0	0	0	0	0	0
Cost at 31 December	**57**	**713**	**0**	**611**	**2,133**	**667**	**899**
Amortisation, depreciation and impairment losses at 1 January	1	0	0	31	0	21	0
Amortisation and depreciation	1	35	0	77	133	122	0
Reversal of impairment and depreciation of sold assets	0	0	0	0	0	-1	0
Foreign exchange adjustments etc.	0	0	0	0	0	0	0
Amortisation, depreciation and impairment losses at 31 December	**2**	**35**	**0**	**108**	**133**	**142**	**0**
Carrying amount at 31 December	**55**	**678**	**0**	**503**	**2,000**	**525**	**899**
Right-of-use assets included at 31 December							
Amortisation and depreciation	0	0	0	75	0	34	0
Carrying amount at 31 December	0	0	0	489	0	214	0

17. DEFERRED TAX ASSETS/LIABILITIES

	2022	2021
	EUR'000	EUR'000
The balance comprises temporary differences attributable to:		
Property, plant and equipment	380	48
Right-of-use assets	-155	-155
Intangible assets	-129	-161
Lease liabilities	146	146
Other	0	0
Tax losses	2,951	888
Total deferred tax assets/liabilities	**3,193**	**766**
Reconciliation of deferred tax assets/liabilities		
Balance at 1 January	0	62
Tax expense during the period recognised in profit or loss	0	-62
Tax income/(expense) during the period recognised in OCI	0	0
Deferred taxes acquired in business combinations	0	0
Balance at 31 December	**0**	**0**

The Company has tax losses that arose in 2022 of EUR 3.0 million (EUR 0.9 million) that are available indefinitely for offsetting against future taxable profits.

The temporary differences associated with investments in subsidiaries, for which a deferred tax liability has not been recognised in the periods presented, aggregate to EUR 0 million (EUR 0 million).

18. SHARE CAPITAL

	Number of shares		Nominal value	
	2022	2021	2022	2021
	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 1 January	78,000	73,200	104	98
Increase in share capital	0	4,800	0	6
Other comprehensive income	0	0	0	0
Balance at 31 December	**78,000**	**78,000**	**104**	**104**

Ordinary shares
Ordinary shares have a par value of DKK 0.01. They entitle the holder to participate in dividends.

Dividend
No dividend has been paid out in 2022 or 2021. The Company's Board of Directors currently assess whether the Company's capital structure is adequate and which activities are necessary to ensure this.

Usually no dividend is paid out unless it may be included in net profit/loss for the year.

Capital management
Capital management in the Everfuel Group is made for the entire Group. We refer to note 18 of the Consolidated Financial Statements, to which reference is made.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities are limited to trade and other payables and lease liabilities classified under borrowings. The main purpose of these financial liabilities is to finance Company's operations as part of its working capital. The Company's principal financial assets are limited to cash and cash equivalents, trade receivables, and other receivables that derive directly from its operations.

The Company is exposed to market risk (more particularly, currency risk), credit risk and liquidity risk. The Group's management oversees the management of these risks.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate based because of changes in market prices. Financial instruments affected by market risk include all the Company's financial assets and liabilities described above.

Interest rate risk
As the Company does not have any significant interest-bearing debt the interest rate risk relates only to negative interest on cash deposits at banks.

A one percentage point change in the negative interest rate is estimated to have an effect of approximately EUR 0.5 million on financial items (EUR 0 million).

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Group manages its foreign currency risk as part of its normal budget and forecast planning. For the year-ended 31 December 2022 and 2021, the Group does not hedge this foreign currency risks by entering into forward contracts.

The information below describes the net exposure of the Company from the relevant foreign currencies.

Monetary items* in foreign currencies in the balance sheet at the end of the year:

	Assets	Liabilities	Net
	EUR'000	EUR'000	EUR'000
At 31 December 2022			
Currency payment			
DKK	37,078	4,364	32,714
NOK	7,022	11	7,011
SEK	7	0	7
At 31 December 2021			
Currency payment			
DKK	33,551	1,218	32,333
NOK	10,166	4	10,162

* Monetary items are cash at bank and in hand and similar, receivables as well as payables which are settled in cash.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The following table demonstrate the sensitivity to a reasonably possible change of +/-10% in exchange rates, with all other variables held constant.

	Change in currency exchange rates	2022 Effect on profit before tax	2022 Effect on pre-tax equity	2021 Effect on profit before tax	2021 Effect on pre-tax equity
		EUR'000	EUR'000	EUR'000	EUR'000
Currency exposure					
NOK	+/-10%	701	701	1,052	1,052
SEK	+/-10%	1	0	0	0

We consider that the currency exposure arising from DKK/EUR is immaterial since Denmark's firm rates policy towards EUR only allows very marginal fluctuations.

Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including cash at banks and other receivables. The Company manages credit risk through its established policy, procedures, and control. Outstanding receivables are regularly monitored.

In relation to credit risk associated with cash at banks the Company evaluates the credit rating of the banks with whom the Company enters into business with. The risk is minimized by securing that the Company only enters into business with banks with high credit ratings.

Liquidity risk
The Company monitors its risk of a shortage of funds based on its financial forecasts. To the extent necessary to fund expansion or other liquidity needs, management will consider offerings of debt, equity or a combination thereof, depending on the cost of capital and the status of financial markets at that time.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
At 31 December 2022						
Trade and other payables	0	2,052	0	0	0	2,052
Lease liabilities	0	27	80	372	8	487
	0	**2,080**	**80**	**372**	**8**	**2,540**
At 31 December 2021						
Trade and other payables	0	1,125	0	0	0	1,125
Lease liabilities	0	42	129	361	130	662
	0	**1,167**	**129**	**361**	**130**	**1,787**

20. CONTINGENT LIABILITIES

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Purple Pioneers ApS, which is the management company of the joint taxation purposes.

Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

21. RELATED PARTY TRANSACTIONS

In addition to the disclosures in note 22 of the Consolidated Financial Statements, the Parent Company's related parties comprises of subsidiaries. See note 14 of the Parent Company's financial statements.

Trade with subsidiaries has comprised the following:

	2022	2021
	EUR'000	EUR'000
- Sale of hydrogen, subsidiaries	801	53
- Sale of services, subsidiaries	461	241
- Rental of equipment, subsidiaries	216	14
- Interest income, subsidiaires	701	174

22. GROUP MATTERS

The Company's controlling shareholder is Purple Pioneers ApS. Purple Pioneers ApS is ultimately owned by Jacob Bech Krogsgaard.

23. SHARE-BASED PAYMENTS

We refer to note 24 of the Consolidated Financial Statements.

24. EVENTS OCCURRING AFTER THE REPORTING PERIOD

We refer to note 25 of the Consolidated Financial Statements. Apart from this, no events have occurred after the reporting date.

MANAGEMENT STATEMENT

The Board of Directors have today considered and adopted the Annual Report of Everfuel A/S for the financial year January 1 to December 31, 2022. The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

In our opinion, the Consolidated Financial Statements and Parent Company Financial Statements give a true and fair view of the financial position at December 31, 2022 of the Group and the Parent company and of the results of the Group and Parent company operations and cash flows for 2022.

In our opinion, Management's Report includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, Denmark, 21 march 2023

Executive Management Board

Jacob Krogsgaard
CEO

Martin Skov Hansen
Deputy CEO

Board of Directors

Søren Eriksen
Chairman

Jørn Rosenlund
Vice chair

Christina Aabo
BoD member

Anne Kathrine Steenbjerge
BoD member

ALTERNATIVE PERFORMANCE MEASURES

Everfuel discloses alternative performance measures (APMs) in addition to those normally required by IFRS. This is based on the company'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 prospect 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.

Everfuel's APMs

EBITDA: is defined as earnings before interest, tax, depreciation, amortisation and impairment. EBITDA corresponds to operating profit/(loss) plus depreciation, amortisation and impairment.

Order backlog: is defined as firm purchase orders with agreed price, volume, timing, terms and/or conditions and where revenue is yet to be recognised.

Firm contract: Customer commits to a fixed long-term minimum quantity offtake with penalty if off-take is lower than committed.

Strong commitment: Customer uncertain about their offtake volume, but want exclusive supply from Everfuel.

Megawatt (GW): A unit of power equal to one million watts.

Gigawatt (GW): A unit of power equal to one billion watts.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Everfuel A/S

Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Everfuel A/S for the financial year 1 January - 31 December 2022, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("financial statements").

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the

INDEPENDENT AUDITOR'S REPORT

economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Herning, Denmark, 21 march 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Poul Spencer Poulsen
State Authorised Public Accountant
Mne23324

Kim Vorret
State Authorised Public Accountant
Mne33256

ANNUAL REPORT **2022**