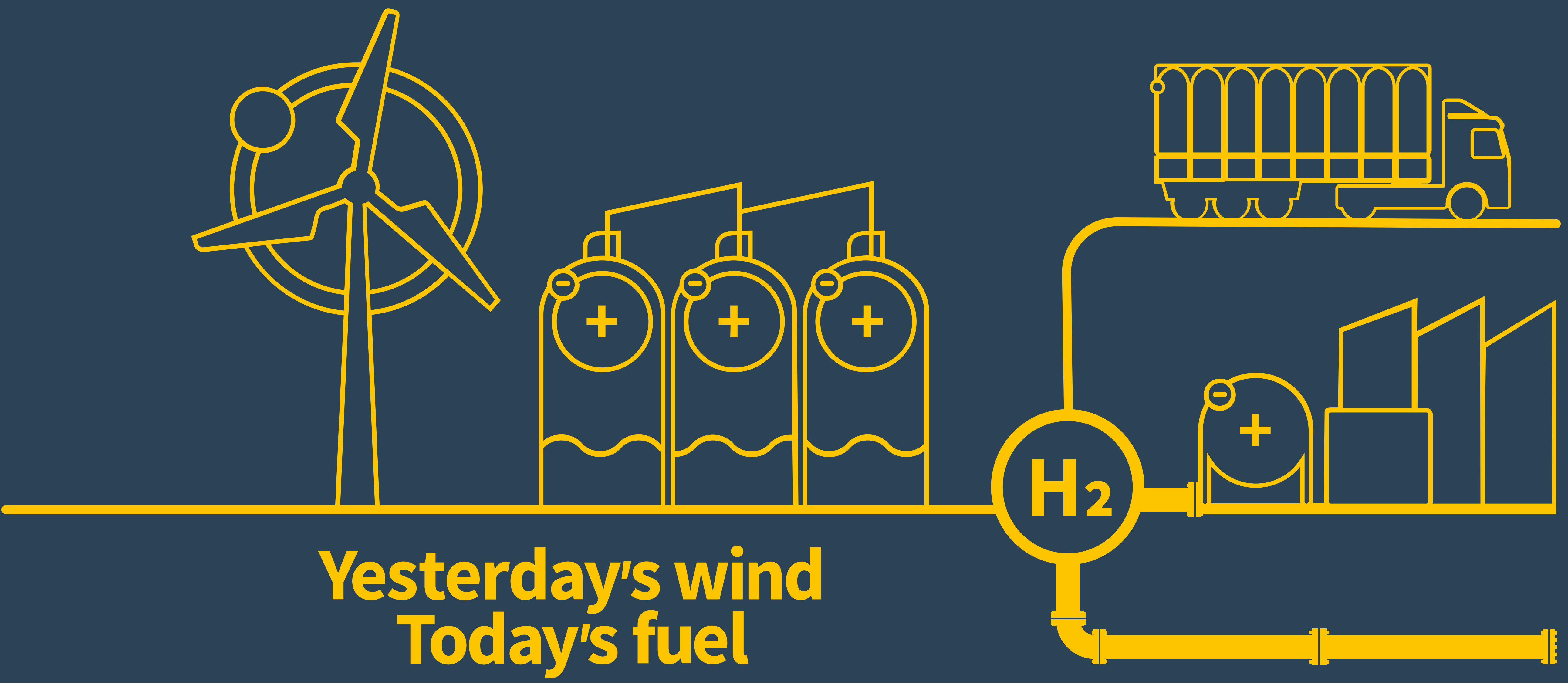
Everfuel
beyond renewables

INTERIM REPORT Q1 2024

Transformer area with entrance to Electrolyser | HySynergy

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 Denmark, Germany and The Netherlands, and a plan to grow across Europe. Everfuel is listed on Euronext Growth in Oslo under EFUEL.

Q1 KEY EVENTS

- HySynergy 1 start-up moved to second half 2024 due to failed commissioning tests of certain sub-systems provided by the supplier postponing internal Everfuel and supplier software validation
- LOI with undisclosed industrial offtaker of green hydrogen in Germany
- Political agreement in Denmark for financing of the hydrogen pipeline infrastructure
- Five trailers in operation, serving the Heinenoord bus station and upcoming bus depots in Germany
- Q1 EBITDA of EUR -2.6. million (EUR -5 million Q1 2023)
- Cash position of EUR 25.4 million at end of March 2024
- Significant cost reduction in downstream business activities
- Current liquidity position expected to fund investment and operation plans well into 2025
- Updated long-term ambition of >2 GW installed capacity,
  EUR >1 billion revenue by end-2035 with an EBITDA margin of 30-35%

Electrolyser building at HySynergy

MESSAGE FROM THE **CEO**

"Everfuel is step by step nearing the completing HySynergy 1. Having to postpone start-up into the second half of 2024 is frustrating, but it reflects our commitment to implementing a safe and long-term sustainable hydrogen production facility. Pioneering the hydrogen industry is a challenge for all participants and we are working closely with our partners and suppliers to make sure HySynergy is completed as fast as possible. Together we will succeed, building unique competences along the way, positioning Everfuel to capitalise on the fast-growing hydrogen market.

Everfuel also continues the implementation of our realigned strategy, prioritising the development of large-scale electrolysers supplying industry and heavy-duty mobility, while at the same time reducing cash burn and adding financial flexibility. Today, we present our updated long-term ambitions as a leading European independent hydrogen producer, enabling hard-to-abate industries to decarbonise, as reflected in the recent LOI signed with a new partner in Germany. Execution of our strategy is supported by the Hy24 JV, which positions us to accelerate deployment of green hydrogen production to meet strong European demand growth driven by the urgent need for zero-emission energy and transport systems."

Jacob Krogsgaard
Founder and CEO of Everfuel A/S

STRATEGIC DEVELOPMENTS

Everfuel's ambition is to make green hydrogen for zero emission industrial activity and mobility commercially available across Europe. Everfuel primarily focusing on the development of large-scale green hydrogen production capacities starting in Denmark, and providing green hydrogen for industrial and mobility users in Europe. The Company is engaging 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.

European support for green hydrogen is increasing. This is reflected in the RED-II directive, the Alternative Fuels Infrastructure Regulation (AFIR) regulation, the European Hydrogen Backbone, the Danish PtX tender for production and supply of green hydrogen and the agreement for a hydrogen pipeline connecting Denmark and Germany.

In April, a political agreement was reached in Demark for financing of the future hydrogen infrastructure. As part of the agreement, the national grid operator Energinet will involve market participants to take the next important step towards maturing the hydrogen infrastructure by first identifying their actual requirements based on the hydrogen project portfolio, and subsequently, provide a binding offer of capacity contracts. The technical studies are planned to be completed by end 2024, with the aim of qualifying an investment decision for the hydrogen pipeline in the first quarter of 2025. A similar process is underway in Germany. Energinet is working closely together with Gasunie Deutschland, which expects to establish a hydrogen connection from the Danish-German border southwards as part of the German hydrogen network.

Also in April 2024, The European Commission issued the Free Allocations Delegated Act, which states that from 2025, renewable hydrogen producers will receive the same amount of free carbon credit allocations as fossil incumbents. With no carbon emissions from renewable hydrogen, producers such as Everfuel can sell credits and offset the green premium by tens of euros per ton of hydrogen. Including green hydrogen in the European Renewable Fuels of Non-Biological Origins (RFBNO) scheme supports increased value creation and enables final investment decisions on additional electrolyser capacity to meet large-scale demand from industry and mobility.

In 2023, Everfuel realigned its strategy and adjusted the organisation to focus the business, increase efficiency and reduce costs extending the capitalisation of Everfuel into 2025. Upcoming electrolyser investments are expected to be financed by available liquidity, supported by HySynergy 1 cashflow from operations, new equity, the Hy24 JV, public grants and relevant project debt financing.

Updated financial ambitions

Industrial-scale green hydrogen production, distribution and fuelling networks are required for Europe to meet stated climate targets. Everfuel's activities support these targets and maintains the ambition of being one of the first green hydrogen companies to reach over EUR 1 billion in revenue from hydrogen sales to industry and mobility customers.

Following the strategy realignment, Everfuel has updated the company's financial model and set new

STRATEGIC DEVELOPMENTS

long-term ambitions based on the development of the hydrogen backbone infrastructure in line with agreements announced Danish and German Governments. Everfuel targets to have more than 2 GW of green hydrogen production capacity installed by end-of 2035 based on the execution of three electrolyser projects in Denmark, supporting the above mentioned revenue target and an expected EBITDA margin of 30-35% %. Total investments are forecast to around EUR 2 billion, of which EUR 300 million is expected externally raised equity financing and the remainder being expected cashflow from operations, debt at group and SPV level and various grants. Of the EUR 300 million equity requirement, approximately one-third has already been raised.

Everfuel recognises, that as an early mover in a new industry, the Company is breaking new ground and continuously contribute to constructive maturation of technology together with suppliers and stakeholders, exposing the Company to protracted political progress, immature technology, supply chain challenges, cost inflation and scarce resources including access to competence.

Hydrogen storage at HySynergy and pipe to Crossbridge refinery

OPERATIONAL REVIEW

Upstream activities

Everfuel continues to progress commissioning of HySynergy 1 focused on the sub-systems required to start production and delivery of green hydrogen. The main electrolyser facility is ready for start-up, while some sub-systems experience delays following commissioning tests. As announced in April, this is impacting the planned start-up of the HySynergy 1 facility with production now expected to commence in the second half of 2024. Testing, verification and certification is being executed in close cooperation with the electrolyser supplier, Nel, and other sub-suppliers with focus on the following areas:

- Gas holder
- High-pressure systems
- Compressors
- Finalisation of software and automation, documentation and certifications

Since a leakage was detected in February 2024, the electrolyser supplier has been working on completing the rebuild of the deoxidiser, which removes oxygen and moisture from the hydrogen flow as part of the electrolyser's high-pressure auxiliary system. The implemented solution is awaiting PED (pressure equipment directive) certification. Everfuel and the electrolyser supplier agree that a solution need to be safe and long-term robust.

Everfuel has implemented additional safety measures, in addition to the recommendation of the supplier, to ensure integrity of HySynergy. This resulted in identification of a leakage during verification test of the recently rebuilt gas holder, which serves a pressure balancing and safety function. The gas holder integrity is a precondition for the continued commissioning and final validation of the high-pressure system, compressors and completion of the automation and software systems. Electrolyser supplier and Everfuel has taken actions to resolve the gas holder leakage.

Everfuel and sub-suppliers have committed highest attention and priority for completing the remaining, and strongly interdependent commissioning steps.

Further commissioning of the facility includes operations and procedures framework and master control systems. These are developed in close cooperation with Crossbridge Energy and Danish authorities and covers technical documentation, training and obtaining required public and third-party approvals to commence commercial operations, as well as development of the company's proprietary software for facility operations and related system integration.

Everfuel is managing the EPC scope of the HySynergy project. Combined with the abovementioned process, this provides unique experiences and skills related to the development of industrial scale hydrogen production facilities which are directly applicable to future planned hydrogen facilities, and it makes Everfuel an attractive partner in various dialogues.

Planning is progressing for the 300 MW HySynergy 2, which will be developed in three phases of 100 MW each supported by phase 1 funding from EU's Important Projects of Common European Interest (IPCEI). Everfuel and Crossbridge Energy has a long-term agreement stipulating the terms for hydrogen supply from the first 100 MW electrolyser. Final investment decision is planned in 2025, supported by lessons learned from the HySynergy 1 start-up to optimise project execution and technology selection. FID is subject to regulatory approval and funding, as well as synchronisation with Crossbridge Energy's investment decisions for required equipment at the refinery.

OPERATIONAL REVIEW

Downstream activities

Everfuel is focused on establishing fuelling solutions for truck and bus depots with long-term hydrogen offtake agreements without technology risk. Later, as technology matures, and demand emerges Everfuel will engage or partner in developing publicly available heavy-duty hydrogen stations.

Everfuel operates the bus station in Heinenoord, Netherlands, and continues the construction of the bus stations in Frankfurt and Wuppertal, Germany. The Company has 12 purpose-built hydrogen distribution trailers and 6 mobile storage units, following divestment of 4 storage units.

Everfuel prioritises the safe and efficient operations of the Heinenoord bus depot in the Netherlands and completing the existing projects in Frankfurt and Wuppertal, Germany. These will be served by the distribution trailers as these return to operations, bringing green hydrogen from HySynergy 1 from 2024 or external hydrogen sources when optimal. The target is to confirm a positive business case based on these three bus depots and capture further growth opportunities, prioritising additional bus depots in Germany. Everfuel will also seek to develop truck depot projects.

Following the grounding of parts of the hydrogen trailer fleet in 2023 due to leaks, Everfuel has worked closely with the trailer supplier and the valve manufacturer on rebuilding the hydrogen containment system to resolve the root cause. Two of the nine impacted trailers have returned to operation. The remaining units are expected to complete repairs in the near future. Three distribution trailers of an older specification were not affected by the valve issues and have continued to serve the Heinenoord bus station. With trailers starting to return to operations, Everfuel have capacity to supply the German bus station in Frankfurt and Wuppertal when they commence operations.

Hydrogen distribution center at HySynergy in construction

OPERATIONAL REVIEW

Group activities

Everfuels group activities comprise administrative and business development functions. The Company is working to secure multiple customers within industry and mobility with strong commitments to reduce the financial risk of building hydrogen production capacities, hydrogen refuelling projects and its expanding pipeline of potential end-user contracts for supply of hydrogen primarily focused on Germany due to favourable conditions for hydrogen offtake.

In May, Everfuel signed a Letter of Intent (LOI) with a large industrial offtaker in Germany for the supply of up to 10,000 tons of green hydrogen per year from 2028. The undisclosed customers' initial demand is expected to match the hydrogen output from an operationally optimised 100 MW electrolyser, aligning with Everfuels' strategy of developing standardised, scalable electrolyser modules tailored to demand. The customer expects to increase consumption of green hydrogen, classified a RFNBO, over time in accordance with its plans for decarbonising industrial processes.

Denmark has a significant potential for hydrogen export and the German industrial company recognises Everfuel's unique strategic position and plans for establishing hydrogen production capacities in the attractive Danish power zone DK1.

Everfuel may supply the RFNBO hydrogen from project Sif or other future electrolyser projects under development. The LoI is the first step towards a final commercial agreement between the parties, which is conditional upon several factors, including the establishment of hydrogen pipeline infrastructure between Denmark and Germany connecting Everfuel's production facility and the customer. The Company's advanced stage of production capacities and experience make Everfuel a credible partner in discussions with several potential industrial customers in Germany.

In April, Everfuel welcomed Yasuhiro Miyata from ITOCHU Group in the Board of Directors. Mr. Miyata comes with extensive industrial network and experience supporting the strategic collaboration agreement between Everfuel and ITOCHU and Osaka Gas. Everfuel, ITOCHU and Osaka Gas plan to leverage their combined competencies and resources to develop and commercialise green hydrogen, initially targeting Germany, Benelux and the Nordic countries, and over time expanding into new markets.

Electrolyser building and trailer bay from above | HySynergy

FINANCIAL **REVIEW**

Valve panel area at HySynergy

KEY FIGURES

	Q1 2024	Q1 2023	FY 2023
	EUR'000	EUR'000	EUR'000
Total revenue	1,212	634	6,188
EBITDA	-2,582	-5,020	-18,467
Net result	-3,398	-6,280	-27,632
Total assets	107,575	117,859	111,191
Cash and cash equivalents	25,393	38,140	28,630

Total revenue, representing the sale of hydrogen, projects and other operating income, was EUR 1.2 million in the first quarter of 2024, up from EUR 0.6 million in the same period of 2023. Total revenue included EUR 0.4 million in proceeds from sales of legacy assets related to the downstream business.

EBITDA was negative EUR 2.5 million (negative EUR 5.0 million in first quarter 2023). The improvement is driven by high-grading of the downstream project portfolio and optimised downstream operations as well as savings in group cost.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2024	31 March 2023	31 Dec 2023
	EUR'000	EUR'000	EUR'000
Total non-current assets	75,529	61,944	72,926
Total current assets	32,046	55,915	38,265
Total assets	**107,575**	**117,859**	**111,191**
Total equity	67,486	79,349	70,289
Total non-current liabilities	3,076	12,618	3,199
Total current liabilities	37,013	25,892	37,703
Total equity and liabilities	**107,575**	**117,859**	**111,191**

Total Group assets at 31 March 2024 were EUR 107.6 million, compared with EUR 111.2 million at year-end 2023. The increase in non-current assets reflects that the construction phase of HySynergy 1 is close to completion. The decrease in current assets reflects that accrued grants have been received and a reduction in in cash and cash equivalents. At period end, the cash position was EUR 25.4 million, compared to EUR 28.6 million at year-end 2023. The decrease reflects investments made during the period. Total equity amounted to EUR 67.5 million (EUR 70.3 million). Changes from year-end reflects the net loss in the period.

BUSINESS ACTIVITY REPORTING

Everfuel use business activity reporting as part of the governance structure aligned with strategy, underlying business units and future initiatives. The reporting structure comprises the following business activities to provide increased transparency on business operations and value streams.

Upstream activities: Renewable energy and hydrogen project development and hydrogen production and operations, including co-owned companies with external minority investors.

Downstream activities: Includes distribution of hydrogen to, and or operation of, owned and partner mobility solutions as well as supply of hydrogen to non-pipeline connected industry customers.

Group activities: Comprises administrative and business development functions. O&M (operations and maintenance) revenue is recognised based on fixed service payments with additional profit-sharing arrangements.

	Total	**Upstream**	**Downstream**	**Group**
Consolidated Q1 2024	EUR'000	EUR'000	EUR'000	EUR'000
Revenue	645	0	645	0
Other operating income	567	0	446	121
Total income	**1,212**	**0**	**1,091**	**121**
Other operating expenses	**-3**	**0**	**0**	**-3**
Cost of sales	**-453**	**0**	**-471**	**18**
Project costs	**0**	**-1**	**-121**	**122**
Direct costs	**-155**	**0**	**-242**	**87**
Raw materials and consumables	-611	-1	-834	224
Gross profit/loss	**601**	**-1**	**257**	***345***
Other external expenses	-839	-38	-54	-747
Staff expensenses	-2,344	-1,008	-373	-962
EBITDA	**-2,582**	**-1,048**	**-170**	**-1,364**

BUSINESS ACTIVITY REPORTING

	Q1 2024	Q1 2023
	EUR'000	EUR'000
Upstream		
Revenue	0	-
Other operating income	0	-
Total income	**0**	-
Gross profit/loss	**-1**	**-9**
Other external expenses	-38	-203
Staff expensenses	-1,008	-828
EBITDA	**-1,048**	**-1,040**

Investment in Upstream activities in the first quarter of 2024 was in line with the corresponding quarter last year.

	Q1 2024	Q1 2023
	EUR'000	EUR'000
Downstream		
Revenue	645	316
Other operating income	446	318
Total income	**1,091**	**634**
Gross profit/loss	**257**	**-589**
Other external expenses	-54	-195
Staff expensenses	-373	-590
EBITDA	**-170**	**-1,374**

Following the restructuring and close-down of legacy car stations, the financial results of the Downstream business significantly improved year-over-year.

Revenue from sales of hydrogen decreased to EUR 0.2 million from EUR 0.3 million in the same quarter last year when the loss giving legacy stations were still in operation. Quarterly revenue from Heinenoord was stable year-over-year at EUR 0.2 million. Revenue from the German station projects was EUR 0.2 million with zero EBITDA effect as project related losses were recognised in 2023. Other projects in Denmark contributed with EUR 0.3 million of revenue.

Divestment of discontinued downstream assets yielded EUR 0.4 million in proceeds (EUR 0.7 million cash effect) in the quarter. The divested legacy hardware is reused for hydrogen refuelling purposes by the buyers and their partners. The proceeds are reported as other operating income, bringing the gross profit for the quarter to EUR 0.3 million compared to a loss of EUR 0.6 million in the same period of last year. Reduced other and staff expenses, also contributed to a EUR 1.2 million improvement in the Downstream EBITDA, with a negative EUR 0.2 million reported in the first quarter of 2024 compared to negative EUR 1.4 million in the same period of 2023.

	Q1 2024	Q1 2023
	EUR'000	EUR'000
Group		
Revenue	0	-
Other operating income	121	-
Total income	**121**	-
Gross profit/loss	**345**	**107**
Other external expenses	-747	-1,465
Staff expensenses	-962	-1,248
EBITDA	**-1,364**	**-2,605**

Following last years' strategic realignment, the EBITDA from Group activities improved to a negative EUR 1.4 million in the quarter from negative EUR 2.6 million the previous year.

The order backlog for supply of green hydrogen was at approximately EUR 36.4 million at end of the first quarter, down from EUR 39.3 due to deliveries made on existing contracts. The backlog excludes hydrogen sales from HySynergy 2.

OUTLOOK

Everfuel maintains a high level of activity related to multiple business development projects. For 2024, the completion of the HySynergy 1 commissioning and start of hydrogen deliveries will be the first major milestone. Everfuel continues to progress HySynergy 2 towards FID and are maturing the other large-scale electrolyser projects to be executed as SPVs under the strategic collaboration with Hy24.

The JV with Hy24 and the cooperation with ITOCHU and Osaka Gas are part of Everfuel's strategy to systematically build a strong foundation for capitalisation of large-scale electrolyser projects under development. In 2024, the Company will continue to strengthen this foundation as part the ongoing engagement with existing and potential new strategic partners which support execution of Everfuel's green hydrogen growth ambitions.

The financial results for the first quarter of 2024 reflect that the company is still in the initial stages of commercialising the green hydrogen value chain. HySynergy 1 is expected to have material positive impact on revenue generation when it is in operation. The delayed start-up will impact cash flow from hydrogen sales, however, Everfuel expects to have liquidity to finance the current approved investments well into 2025 before requiring additional equity. Longer-term, the combination of increased green hydrogen production, distribution and end-user deliveries are expected to drive revenue growth and cash generation. For 2024, Everfuel maintains the expectation to report a negative financial result, in the range of EUR 15 to EUR 11 million, with a significant improvement in cash flow compared to 2023.

Electrolyser room at HySynergy

CONDENSED INTERIM FINANCIAL **STATEMENTS**

Hydrogen distribution centre and distribution trailer | HySynergy

INTERIM CONSOLIDATED INCOME STATEMENT

Unaudited

	Q1 2024	Q1 2023	FY 2023
	EUR' 000	EUR' 000	EUR' 000
Revenue from Hydrogen	170	316	980
Other operating income	1,042	318	5,208
Total income	**1,212**	**634**	**6,188**
Raw materials and consumables	-453	-1,125	-8,596
Gross profit	**759**	**-491**	**-2,408**
Operating costs	-997	-1,863	-7,491
Staff expenses	-2,344	-2,666	-8,568
EBITDA	**-2,582**	**-5,020**	**-18,467**
Depreciations and amortisations	-597	-743	-9,730
Operating loss	**-3,179**	**-5,763**	**-28,197**
Financial income	109	108	732
Financial expenses	-328	-625	-167
Financial items, net	**-219**	**-517**	**565**
Loss before income tax	**-3,398**	**-6,280**	**-27,632**
Income tax expense	-	-	-
Loss for the period	**-3,398**	**-6,280**	**-27,632**
Attributable to:			
Equity holders of the parent	-3,387	-6,280	-27,498
Non-controlling interests	-11	0	-134
Earnings per share			
Earnings per share (EPS)	-0.039	-0.073	-0.328
Diluted earnings per share	-0.039	-0.073	-0.328

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unaudited

	Q1 2024	Q1 2023	FY 2023
	EUR' 000	EUR' 000	EUR' 000
Loss for the period	**-3,398**	**-6,280**	**-27,632**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	188	110	-235
Exchange differences on translation from functional currency to presentation currency	99	-94	-123
Other comprehensive income for the period, net of tax	**287**	**16**	**-358**
Total comprehensive income for the period	**-3,111**	**-6,264**	**-27,990**
Attributable to:			
Equity holders of the parent	-3,091	-6,264	-27,850
Non-controlling interests	-20	0	-140
	-3,111	**-6,264**	**-27,990**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited

	31 March 2024	31 March 2023	31 Dec 2023
	EUR' 000	EUR' 000	EUR' 000
Assets			
Non-current assets			
Property, plant and equipment	72,279	57,502	69,539
Total intangible assets	3,188	4,388	3,328
Other assets	62	54	59
Total non-current assets	**75,529**	**61,944**	**72,926**
Current assets			
Inventories	32	545	34
Trade receivables	1,883	757	590
Contract assets	1,005	1,651	1,776
Other receivables	1,217	2,101	982
Accrued grants	2,248	12,344	6,212
Prepayments	268	377	41
Cash and cash equivalents	25,393	38,140	28,630
Total current assets	**32,046**	**55,915**	**38,265**
Total assets	**107,575**	**117,859**	**111,191**

	31 March 2024	31 March 2023	31 Dec 2023
	EUR' 000	EUR' 000	EUR' 000
Equity and liabilities			
Equity			
Share capital	116	116	116
Translation reserve	47	122	-249
Retained earnings	54,262	79,111	57,341
Equity attributable to owners of Everfuel A/S	**54,425**	**79,349**	**57,208**
Non-controlling interests	13,061	0	13,081
Total equity	**67,486**	**79,349**	**70,289**
Non-current liabilities			
Borrowings	2,261	12,308	2,330
Deferred income	815	310	869
Total non-current liabilities	**3,076**	**12,618**	**3,199**
Current liabilities			
Trade and other payables	19,039	25,517	20,033
Borrowings	17,759	245	17,455
Deferred income	215	130	215
Total current liabilities	**37,013**	**25,892**	**37,703**
Total liabilities	**40,089**	**38,510**	**40,902**
Total liabilities and equity	**107,575**	**117,859**	**111,191**

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited

	31 March 2024	31 March 2023	31 Dec 2023
	EUR' 000	EUR' 000	EUR' 000
Cash flows from operating activities			
Net loss	-3,398	-6,280	-27,632
Adjustments of non-cash items:			
Financial items, net	219	517	-565
Depreciation, amortization and impairment losses	597	743	9,730
Other non-cash items	-666	-52	2,430
Change in working capital	-1,171	-1,230	-3,181
Interest paid	100	-625	565
Cash flows from operating activities	**-4,319**	**-6,927**	**-18,653**
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	-57	-1,942	-3,033
Payments for property, plant and equipment	-3,529	-8,801	-22,439
Payments for financial assets at amortised cost	-3	0	-8
Payment of intangible assets	0	-836	-5,604
Proceeds from sale of property, plant and equipment	746	0	18
Received grants relating to property, plant and equipment	4,081	0	2,487
Cash flows from investing activities	**1,238**	**-11,579**	**-28,579**

	31 March 2024	31 March 2023	31 Dec 2023
	EUR' 000	EUR' 000	EUR' 000
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities	0	24,774	24,356
Proceeds from borrowings	0	173	16,800
Repayment of borrowings	-86	-107	-10,414
Sales on shares to non-controlling interests	0	0	13,220
Cash flows from financing activities	**-86**	**24,840**	**43,962**
Net change in cash and cash equivalents	**-3,167**	**6,334**	**-3,270**
Cash and cash equivalent at the beginning of the financial year	28,630	31,915	31,915
Effects of exchange rate changes on cash and cash equivalents	-70	-109	-15
Cash and cash equivalents at the end	**25,393**	**38,140**	**28,630**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited

	Share capital	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 31 March 2024	**116**	**-249**	**57,341**	**57,208**	13,081	**70,289**
Loss for the period	0	0	-3,387	**-3,387**	-11	**-3,398**
Other comprehensive income	0	296	0	**296**	-9	**287**
Total comprehensive income for the period	**0**	**296**	**-3,387**	**-3,091**	**-20**	**-3,111**
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	308	**308**	0	**308**
Balance at end period	**116**	**47**	**54,261**	**54,425**	**13,061**	**67,486**
Balance at 31 December 2023	**104**	**103**	**59,101**	**59,308**	**0**	**59,308**
Loss for the period	0	0	-27,498	**-27,498**	-134	**-27,632**
Other comprehensive income	0	-352	0	**-352**	-6	**-358**
Total comprehensive income for the period	**0**	**-352**	**-27,498**	**-27,850**	**-140**	**-27,990**
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs and tax	12	0	24,356	**24,368**	0	**24,368**
Non-controlling interests on acquisition of subsidiary	0	0	0	**0**	13,221	**13,221**
Management and employee Warrant Program – value of services	0	0	1,382	**1,382**	0	**1,382**
Balance at end period	**116**	**-249**	**57,341**	**57,208**	**13,081**	**70,289**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Valve panel area at HySynergy

NOTE 1. CORPORATE INFORMATION AND BASIS FOR PREPARATION

Corporate information

Everfuel A/S (‘the Company’), and its subsidiaries (together, ‘Everfuel Group’, ‘the Group’ or ‘Everfuel’) produces, distributes and dispenses green hydrogen, making the zero-emission mobility fuel commercially across Europe by offering competitive all-inclusive hydrogen supply- and fuelling solutions. The company owns and operates green hydrogen infrastructure and partner with vehicle OEMs to connect the hydrogen value chain and provide hydrogen fuel to enterprise customers under long-term contracts. Green hydrogen is a 100% clean fuel made from renewable energy and key to the electrification of the transportation sector in Europe and a sustainable future.

Everfuel is headquartered in Herning, Denmark, and has activities in Norway, Denmark, Sweden, The Netherlands and Germany. Everfuel A/S (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.

The condensed interim consolidated financial statements were authorised for issue by the Board of Directors on 14 May 2024.

Basis for preparation

The Condensed interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. These Condensed interim financial statements do not include all the information and disclosures required for the full annual financial statements of the Group and should be read together with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

The accounting policies used in preparation of these condensed consolidated financial statements are consistent with those used for preparation of the Group’s annual financial statements for 2023.

NOTE 2. INTANGIBLE ASSETS

Unaudited

	Development projects	Development projects in progress	Patents, trademarks and other rights	Total
	EUR' 000	EUR' 000	EUR' 000	EUR' 000
2024				
Cost	5,260	1,861	112	**7,233**
Exchange adjustment	-3	-1	0	**-4**
Additions	0	0	0	**0**
Disposals	0	0	0	**0**
Transfer	177	-177	0	**0**
Cost at 31 March	**5,434**	**1,683**	**112**	**7,229**
Impairment losses and amortisation	3,894	0	11	**3,905**
Exchange adjustment	-3	0	0	**-3**
In period	137	0	2	**139**
Reversal at disposals	0	0	0	**0**
Transfer	0	0	0	**0**
Impairment losses and amortisation at 31 March	**4,028**	**0**	**13**	**4,041**
Carrying amount at 31 March	**1,406**	**1,683**	**99**	**3,188**
2023				
Cost	714	3,559	102	**4,375**
Exchange adjustment	-2	-8	0	**-10**
Additions	0	5,552	51	**5,603**
Disposals	0	0	-41	**-41**
Transfer.	4,548	-7,242	0	**-2,694**
Cost at 31 December	**5,260**	**1,861**	**112**	**7,233**
Impairment losses and amortisation	179	0	6	**185**
Exchange adjustment	-1	0	0	**-1**
In period	3,716	0	5	**3,721**
Reversal at disposals	0	0	0	**0**
Transfer	0	0	0	**0**
Impairment losses and amortisation at 31 December	**3,894**	**0**	**11**	**3,905**
Carrying amount at 31 December	**1,366**	**1,861**	**101**	**3,328**

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

Unaudited

	Land and buildings	Plant and machinery	Other fixt. and fit., tools and eqp.	Assets under construction	Total
	EUR' 000	EUR' 000	EUR' 000	EUR' 000	EUR' 000
2024					
Cost	3,199	18,851	859	55,727	**78,636**
Exchange adjustment	-15	-65	-1	-43	**-124**
Additions	5	239	7	3,348	**3,599**
Disposals	0	-1,573	-71	0	**-1,644**
Transfer	0	0	0	0	**0**
Cost at 31 March	**3,189**	**17,452**	**794**	**59,032**	**80,467**
Impairment losses and amortisation	329	8,049	491	228	**9,097**
Exchange adjustment	0	-48	0	0	**-48**
In period	52	366	39	0	**457**
Reversal at disposals	0	-1,251	-67	0	**-1,318**
Transfer	0	0	0	0	**0**
Cost at 31 March	**381**	**7,116**	**463**	**228**	**8,188**
Carrying amount at 31 March	**2,808**	**10,336**	**331**	**58,804**	**72,279**
Right-of-use assets included at 31 March					
Amortisation and depreciation	41	0	20	0	**61**
Carrying amount at 31 March	2,528	0	136	0	**2,664**

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

Unaudited

	Land and buildings	Plant and machinery	Other fixt. and fit., tools and eqp.	Assets under construction	Total
	EUR' 000	EUR' 000	EUR' 000	EUR' 000	EUR' 000
2023					
Cost	3,085	14,446	812	37,573	**55,916**
Exchange adjustment	-58	-90	-4	-86	**-238**
Acquisition of entities	0	0	0	0	**0**
Additions	1,213	2,543	127	18,655	**22,538**
Disposals	-1,041	-757	-76	-400	**-2,274**
Transfer	0	2,709	0	-15	**2,694**
Cost at 31 December	**3,199**	**18,851**	**859**	**55,727**	**78,636**
Impairment losses and amortisation	370	3,740	340	0	**4,450**
Exchange adjustment	-4	-53	-2	0	**-59**
Acquisition of entities	0	0	0	0	**0**
In period	189	5,092	203	228	**5,712**
Reversal at disposals	-226	-730	-50	0	**-1,006**
Transfer	0	0	0	0	**0**
Cost at 31 December	**329**	**8,049**	**491**	**228**	**9,097**
Carrying amount at 31 December	**2,870**	**10,802**	**368**	**55,499**	**69,539**
Right-of-use assets included at 31 December					
Amortisation and depreciation	-54	0	70	0	**16**
Carrying amount at 31 December	2,581	0	156	0	**2,737**

Distribution centre | HySynergy

NOTE 4.
FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Unaudited

	31 March 2024	31 Dec 2023
	EUR' 000	EUR' 000
Financial assets		
Financial assets at amortized cost:		
Trade receivables	1,883	590
Other financial assets at amortized cost	4,801	9,070
Cash and cash equivalents	25,393	28,630
Total financial assets	**32,077**	**38,290**
Financial assets, total current	32,015	38,231
Financial assets, total non-current	62	59
	32,077	**38,290**
Financial liabilities		
Liabilities at amortized cost:		
Trade and other payables	-19,039	-20,033
Borrowings	-20,021	-19,785
Total financial liabilities	**-39,060**	**-39,818**
Financial liabilities, total current	-36,799	-37,488
Financial liabilities, total non-current	-2,261	-2,330
	-39,060	**-39,818**

NOTE 5. 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.

2023	MEWP
Weighted average fair values at the measurement date	EUR 0.63 NOK 7,35
Dividend yield (%)	0%
Expected volatility (%)	70%
Risk-free interest rate (%)	3.73 %
Weighted average share price	EUR 1.28 NOK 15.00
Weighted average exercise price	EUR 1.58 NOK 18.57
Model used	Black-Scholes

The following tables list the inputs to the models used for the two plans:

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

NOTE 5. SHARE-BASED PAYMENTS

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.

Movements during the year
The following table below illustrates the number of, and movements in, share options during the year:

	YTD 2024	FY 2023
	Number	Number
Outstanding at 1 January	3,401,559	2,526,246
Granted during the year	0	964,101
Forfeited during the year	-26,035	-88,788
Exercised during the year	0	0
Expired during the year	0	0
Outstanding at 31 March	**3,375,524**	**3,401,559**

NOTE 6. 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, except for lease of an office building and consultancy services.

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

	YTD 2024	FY 2023
	EUR'000	EUR'000
Lease of an office building	31	92
Consultant	20	96

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 2024, 2023 or 2022.

NOTE 7. SUBSEQUENT EVENTS

In April, Everfuel announced that the commissioning of HySynergy 1 facility was postponed with expected production to commence in the second half of 2024 following failed commissioning test of suppliers' sub-systems. Testing, verification and certification is being executed in close cooperation with the electrolyser supplier and other sub-suppliers with focus on the remaining interdependent commissioning steps.

Electrolyser room at HySynergy

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 APMs

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

Order backlog: Defined as firm contract 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 offtake is lower than committed.

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

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

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

FORWARD LOOKING STATEMENT

This report contains certain forward-looking statements that involve risks and uncertainties. In some cases, the Company uses words such as ”ambition”, ”continue”, ”could”, ”estimate”, ”expect”, “believe”, ”focus”, ”likely”, ”may”, ”outlook”, ”plan”, ”strategy”, ”will”, ”guidance” and similar expressions to identify forward-looking statements. All statements other than statements of historical fact, including, among others, statements regarding plans and expectations with respect to Everfuel’s development and returns, balance sheet and long-term underlying earnings growth; market outlook and future economic projections and assumptions; capital expenditure guidance; production guidance; development and construction activities; projected unit of production cost; accounting decisions and policy judgments, ability to put new facilities into profitable production, and the impact thereof; expected dividend payments; estimated provisions and liabilities; planned acquisitions and divestments; and the projected impact or timing of administrative or governmental rules, standards, decisions or laws, including with respect to and future impact of legal proceedings are forward-looking statements.

You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of operating countries; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions; economic sanctions, security breaches; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new plants on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; an inability to find and develop new plants; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of partners; the actions of governments; counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; industrial actions by workers and other factors discussed elsewhere in this report.

For additional information on risk factors see the 2023 Annual Report available at **www.everfuel.com.**

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot assure that its future results, level of activity, performance or achievements will meet these expectations. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.