

Inside information

Green Hydrogen Systems A/S announces the completion of the reduction in the Company's share capital and the entering into a short-term loan agreement of DKK 80 million

Kolding, Denmark, 20 December 2024

Green Hydrogen Systems A/S ("**Green Hydrogen Systems**" or the "**Company**") announces the completion of the reduction in the Company's nominal share capital. Following the reduction of the Company's share capital, including the reduction of the nominal value of each share, the Company's nominal share capital now amounts to DKK 1,877,339.02 with a nominal value per share of DKK 0.01.

The reduction of the Company's share capital was completed as part of the Company's preparations for raising new capital to strengthen its capital base and to counter the breach of covenants with existing lenders, as announced on October 9, 2024. The Company has, since the announcement, been in close dialogue with its largest shareholders, as well as its existing lenders, to find a solution to the funding requirements. These discussions continue to progress in a constructive manner but requires additional time to conclude.

To secure Green Hydrogen Systems' funding to continue its operations to at least the end of March 2025, APMH Invest A/S ("**A.P. Moller Holding**") and Arbejdsmarkedets Tillægspension ("**ATP**"), who are among the largest shareholders of the Company as well as its two largest existing lenders, have agreed to provide a short-term subordinated fixed loan facility of DKK 80 million expiring on June 30, 2025. This will allow the Company more time to realise its commercial prospects and secure the first order(s) for the HyProvide X-series. On this basis, the Company's existing lenders have also agreed to provide a covenant waiver for the respective loans, subject to certain conditions.

The Company continues to believe in the attractive prospects of green hydrogen and of Green Hydrogen Systems' role in the future hydrogen ecosystem. Since his appointment on November 1, 2024, the Company's CEO, René Umlauf, has visited a number of key customers with active projects and potential new key customers, and while no new firm orders have yet been committed, the Company is in close dialogues and contract discussions with a number of customers regarding HyProvide X-Series orders to be contracted in the beginning of 2025 with delivery during late 2025 and early 2026.

With the expectation that the Company will obtain the first order(s) for the HyProvide X-series during the beginning of 2025, Green Hydrogen Systems intends to initiate a rights issue of at least DKK 300 million with pre-emptive subscription rights for the Company's existing shareholders to subscribe for the new shares during March to April 2025. A.P. Moller Holding and ATP have, subject to the Company having achieved commercial traction with the X-Series, indicated their non-binding interest to participate in the rights issue. The specific terms of such intended offering will be announced in connection with the expected initiation of the rights issue during March 2025. There can be no assurance that the rights issue will commence or be

completed. Any final decision to commence a rights issue, and the terms and conditions thereof, will be communicated by the Company separately and in due course.

While the Company is still in the early phases of implementation, the product cost-out program and the reduction of the operational cost base is moving ahead according to plan. The Company will provide an update on realised and expected cost savings as well as one-off costs relating to the program in connection with the earlier of the announcement of the 2024 Annual Report or the expected initiation of the rights issue in March 2025.

For more info, please contact:

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Green Hydrogen Systems in Brief

Green Hydrogen Systems is a clean technology company and a leading provider of standardised, modular electrolysers for producing green hydrogen based on renewable energy. Green hydrogen plays a crucial role in the ongoing fundamental shift in energy systems towards net-zero emissions in 2050. Founded in 2007 and building on years of technology development, Green Hydrogen Systems has a commercially proven and cost-competitive electrolysis technology endorsed by leading green energy companies.

Forward-looking statements

This announcement contains forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'outlook', 'guidance', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events, which may prove incorrect.

Please also refer to the overview of risk factors in the Annual Report 2023, available at greenhydrogen.dk.

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