



L'HYDROGÈNE, PILIER DE LA MOBILITÉ DÉCARBONÉE



2022/2023 HALF YEAR REVENUE UP 135% TO €10.7M

ORDER BACKLOG UP 81% TO €109M

2023-2025 REVENUE TARGETS CONFIRMED

- Sharp increase in first half revenue driven by production launch of 11 hydrogen stations (€9.2m, up 141%);
- Major partnership signed with Engie Solutions for 15 station projects;
- Framework agreement with pHYnix for the supply of 8 stations for green hydrogen projects in Spain;
- Commercial pipeline of potential orders and identified projects increased to €1,186m.

Grenoble, January 19, 2023 - **HRS**, a European designer and manufacturer of hydrogen refueling stations, presents its revenue for the first half of the 2022/2023 financial year (from July 1 to December 31, 2022).

€000	H1 2021/2022	H1 2022/2023	Change
Revenue (unaudited)	4,569	10,720	+135%
<i>Hydrogen Stations*</i>	3,824	9,233	+141%
<i>Industrial Piping and other</i>	745	1,497	+101%

ACCELERATED GROWTH IN HYDROGEN STATIONS BUSINESS

The first half confirmed **HRS's** European market leadership in hydrogen stations, as illustrated by another sharp ramp-up in business development. **In line with this brisk momentum, total first half revenue rose 135% to €10.7 million, including €9.2 million for the Hydrogen Stations segment, up 141%.** *Hydrogen Stations* revenue comprised €1.4 million from the 21 stations that went into production during the previous two financial years and €7.9 million from the 11 stations that went into production this year, including the first six 1 tonne/day stations ordered by Hype, for a total of 32 stations in production, produced or being delivered.

This strong performance confirms the likelihood of the Company achieving its full-year revenue growth target of 50%. As in previous financial years, seasonal trends will have a marked impact again this year with a second half stronger than the first half.

Meanwhile, the *Industrial Piping* core business has risen sharply to €1.5 million, notably in connection with two new one-off contracts.

ROBUST DEVELOPMENT OF LONG-TERM PARTNERSHIPS WITH 27 NEW STATIONS ORDERED SINCE JULY 1, 2022

Since the beginning of the year, **HRS** has actively pursued its conquering strategy by stepping up existing business relationships and establishing new partnerships:

- With **pHYnix**, a major European producer and distributor of green hydrogen for mobility and industrial heating sectors, **HRS** has signed a framework agreement¹ resulting in an initial firm order for eight **HRS** stations, including five 1 tonne/day and three 200 kg/day stations, all of which have been added to the order **backlog** for delivery by 2024;
- With **Engie Solutions**, in December 2022 **HRS** finalized a partnership² for the development of 15 hydrogen projects between 2022 and 2026 (including one firm station order so far). Given the strong likelihood of completing a majority of these projects quickly, **HRS** has decided to include 9 of these stations in its **backlog** and 5 in the **final selections or negotiations** of the commercial pipeline.

Besides these partnerships, **HRS** also received three more orders for a total of four additional stations, including one for a bus depot³ in a French metropolis.

STRATEGIC REVIEW OF KEY PARTNERSHIPS DURING 2021/2022

During the 2021/2022 financial year, the Company signed two long-term partnerships with Hype and Gaussin:

For Hype, besides the 13 stations ordered during the previous financial year, given Hype's development plan and the additional program of 50 stations to be finalized: 25 of these 50 stations have been added to the order **backlog** for delivery by 2026, while the remaining 25 stations are still under **final negotiation**.

Regarding the partnership with Gaussin, **HRS** carried out a strategic review, which concluded that there was a lack of short-term visibility on the conversion of the term sheet signed in 2021 into firm orders, and therefore decided to withdraw Gaussin's stations from the order **backlog** and reassign them to the **call for projects and prospecting** portfolio of the commercial pipeline.

BUSINESS DYNAMICS CONFIRMED WITH ORDER BOOK GROWTH OF NEARLY €50M

At the time of the press release, the project portfolio breaks down as follows:

- The **order backlog**⁴ increased sharply by €49 million (+81%) from October 10, 2022, to €109 million. It consists of 74 stations delivered or to be delivered by 2026, including 32 stations already in production, produced or being delivered and 42 awaiting to be produced for Hype, Engie Solutions, and pHYnix.
- **HRS's commercial pipeline** has also increased sharply since the beginning of the financial year, up €331 million to €1,186 million in potential orders and identified projects (versus €855 million at October 10, 2022). In detail, the pipeline comprises:
 - several stations in the **final negotiation or selection** stage in calls for tender representing potential revenue of €92 million (down €13 million) with deliveries staggered over the 2022-

¹ Cf. Press release of January 19, 2023: PHYNIX and HRS sign a framework agreement for the deployment of European hydrogen mobility projects - Firm order for 8 HRS green hydrogen refueling stations, including 5 of 1 ton/day.

² Cf. Press release of December 22, 2022: HRS and ENGIE Solutions enter into a commercial and technological partnership to develop hydrogen mobility.

³ Cf. Press release of December 20, 2022: Order for a hydrogen refueling station for a bus depot.

⁴ Order backlog: purchase orders received + order commitments likely to be fulfilled under long-term partnerships.

2030 period. This decrease is due to the transfer of a large number of stations to the order backlog;

- **calls for projects** and prospecting for which **HRS** has submitted additional station projects for delivery between 2023 and 2027, representing over €1,094 million in potential revenue (up €344 million). The market has notably accelerated, driven by major European cross-border plans (European Commission) and Southern Europe (Spain and Italy), where **HRS** is developing its sales network.

2021-2025 BUSINESS DEVELOPMENT PLAN STEAMING AHEAD

The new partnerships and projects are in line with **HRS**'s bold development plan to build 100 stations over the 2021-2025 period, as announced at the time of the IPO. The portfolio of stations deployed or to be deployed under signed contracts now comprises 74 stations in the order backlog (32 already in production, produced or being delivered), most of which will be deployed by June 30, 2025.

HRS confirms its confidence in achieving its 2021-2025 development plan targets, as well as continued strong revenue growth in 2022/2023, with an expected increase of over 50% versus FY 2021/2022.

STRENGTHENING OF HRS MANAGEMENT

At its meeting on January 18, 2023, the Board of Directors noted the departure for personal reasons of Adamo Screnci, Deputy CEO, with effect from March 31, 2023, allowing for the establishment of a tighter and more efficient operational management structure centered around Hassen Rachedi, founding Chairman and Chief Executive Officer, and Olivier Dhez, who becomes the sole Deputy CEO.

The first half was also marked by the strengthening of **HRS**'s management team with the early August appointment of Kader Hidra as Chief Financial Officer. As such, Kader Hidra is taking over the reins of **HRS**'s finance division, leveraging his extensive expertise in financial markets, financial reporting, and financial control.

Next financial press release:

H1 2022/2023 results, April 27, 2023

ABOUT HRS

Founded in 2004, Hydrogen-Refueling-Solutions (**HRS**), formerly TSM, is pioneer in hydrogen mobility. European designer and manufacturer of hydrogen refueling stations, for over ten years, the Company has been committed to reducing transport emissions.

Thanks to its unique experience and know-how, **HRS** has developed a complete range of hydrogen refueling stations for all types of fuel cell vehicles that is perfectly suited to the needs of a fast-growing European market. At its Champ-sur-Drac site, **HRS** has mass production capacities that enable it to assemble up to 60 units per year in record time, in as little as 8 weeks.

The Company posted 2021/2022 revenue of €17.0 million. As of June 30, 2022, the company had 78 employees. (ISIN code: FR0014001PM5 - ticker symbol: ALHRS).



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