



Positive progress on projects at advanced stage of development and rollout of the industrial project

Bordeaux, 28 September 2023 – Hydrogène de France (“HDF Energy” or the “Company” – Euronext Paris: HDF), a developer of large-scale hydrogen infrastructure and manufacturer of high-power fuel cells, presents its business activity and financial statements for the first half of 2023. The consolidated half-year financial statements were approved by the Board of Directors on 27 September 2023.

Key figures	H1 2023	H1 2022
Revenues (€000)	1,437	1,746
Gains on disposal of securities ² (€000)	-	1,041
Consolidated net income/(loss) (€000)	(2,992)	(846)
First half average headcount ¹	78	51
Key figures	30/06/2023	31/12/2022
Capacity of plants under development (MW)	909	751
Shareholders' equity (€000)	105,327	107,410
Cash and cash equivalents (€000)	76,736	87,359

(1) Employees and contractors in countries where the Company has no dedicated legal entity

(2) Sale of shares to investors in SPVs

Commercial rollout and strengthening of technical teams

Prospecting initiatives in 2022 enabled us to expand the portfolio of projects under development, which had increased by over 20% at 30 June 2023 compared to 31 December 2022.

Portfolio monitoring provides the earliest indicator of HDF's value creation for both the group and all project stakeholders. The HDF group estimates that it is able to generate revenues representing between 12% and 17% of the cost of construction during the development and construction phases, including via the provision of engineering services and supply of fuel cells during the power plant construction phase.

After focusing mainly on commercial rollout in 2022, the priority for early 2023 was to strengthen the central technical teams in order to ensure monitoring of the excellent sales results achieved in 2022, as reflected in the business portfolio. Accordingly, the Technical Division hired 17 new employees, mainly at head office.

Construction of the Blanquefort plant and consolidation of the industrial project

The deployment of technical teams includes the teams dedicated to the launch of fuel cell manufacturing in 2024 following the delivery of the Blanquefort plant scheduled for late 2023. Nearly €6 million was invested in this area during the first half.

Meanwhile, the group is expanding its deployment strategy in the marine and rail mobility sectors by acquiring equity interests in Digas, a Latvian company specialising in locomotive retrofitting, and Hynaval (after the 30 June balance sheet date), which specialises in the design, manufacture and retrofitting of hydrogen-powered ships. These two investments support strategic partnerships aimed at combining these companies' business expertise with HDF's experience throughout the hydrogen value chain.

The relevant European Commission departments are currently examining the IPCEI application (Important Project of Common European Interest). The decision is now expected by mid-2024 and will allow the group to step up the project's implementation.

Half-year results reflecting commercial and technical investments

Consolidated revenues for H1 2023 totalled €1.4 million versus €1.7 million in H1 2022. This mainly corresponds to revenues recognised under the Renewstable Barbados (RSB) project development contract and includes re-invoicing, without margin, for services outsourced to external service providers for €0.5 million (compared to €0.05 million in H1 2022).

Due to delays in project development and in the sale of shares to investors in certain SPVs, we were not able to generate consolidated revenues corresponding to the services rendered for our most advanced projects, other than RSB, during the first half. Invoicing issued by HDF in H1 2023 for project management assistance services for projects over which the group will retain control, the impact of which is eliminated in the consolidated financial statements, amounted to €0.7 million, versus €1.6 million in H1 2022. This value creation will be recognised indirectly through gains or losses on disposal of the investments when control is lost.

Accordingly, in 2022 the group posted a €1 million gain on disposal following the loss of control in RSB (compared to zero gains or losses on disposals in H1 2023).

The acceleration of the development plan and team structuring drive led to an increase in operating expenses. Average headcount (employees and contractors) rose from 51 in H1 2022 to 78 in H1 2023.

Despite the significant financial profit derived from cash investments, the group posted a €3.0 million consolidated net loss for H1 2023, compared to a €0.8 million loss in H1 2022.

Solid financial structure, promising outlook

At 30 June 2023, Group shareholders' equity stood at €105.3 million compared to €107.4 million at 31 December 2022. Cash and cash equivalents amounted to €76.7 million, down from €87.4 million at 31 December 2022 as a result of the industrial investments made during the period.

As such, the Company still has the financial means required to continue its development and accelerate its commercial rollout.



In French Guiana, various demonstrations have held up construction work on the CEOG power plant, which was temporarily suspended for several months in 2023. Construction work resumed on 16 August 2023. On this occasion, HDF paid a €0.3 million current account advance in August 2023 and committed on 7 September 2023 to the payment of an additional €0.95 million staggered over the plant construction phase. This landmark project remains profitable for HDF despite this additional financing.

Discussions are currently underway regarding the schedule for the transferral of fuel cell ownership to Siemens Energy in 2023 or 2024, when HDF will recognise the corresponding revenues.

The strong momentum observed in 2022 has continued into 2023 with the signing of partnerships, notably with the governments of Indonesia and Philippines.

HDF Energy is therefore entering the coming months with confidence.

Damien Havard, Chairman and CEO of Hydrogène de France, said: *“In line with our strategic plan, prospecting and team structuring have continued since the beginning of 2023. The positive progress made on projects under development gives us confidence in the future economic benefits. All our teams are committed to this goal. The industrial component is currently being rolled out and new markets are taking shape through concrete partnerships. Our solid financial structure is a source of confidence for planning the plant’s commissioning and the development of these new markets.”*

ABOUT HYDROGÈNE DE FRANCE (HDF Energy)

HDF Energy is a leading global player in the hydrogen industry, dedicated to developing large-scale hydrogen infrastructure and advanced multi-megawatt fuel cell technology. Its primary focus lies in decarbonizing the power, heavy mobility and industrial sectors with cutting-edge H2 solutions.

With its flagship model, the Renewstable® turnkey hydrogen power plant, HDF Energy delivers green, stable, and baseload power by seamlessly integrating intermittent renewable energy sources with substantial on-site energy storage in the form of green hydrogen. Backed by a team of hydrogen infrastructure experts with a decade of hands-on technical experience across the entire value chain, HDF Energy has already built an important portfolio of projects in advanced stages of development.

Furthermore, HDF Energy stands out with its technological know-how in the development of multi-MW fuel cells. In 2024, the Group will start mass production at its state-of-the-art factory near Bordeaux. HDF Energy’s fuel cells will be integrated into hydrogen power plants, freight locomotives and vessels.

Headquartered in France, HDF Energy has regional offices in Latin America, the Caribbean, Asia, Africa, and Oceania with 30+ nationalities among its staff. Since 2021, the Group has been listed on the Euronext Paris stock market, member of the Euronext Tech Leaders segment.

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