Everfuel

beyond renewables

INTERIM REPORT Q2 2023

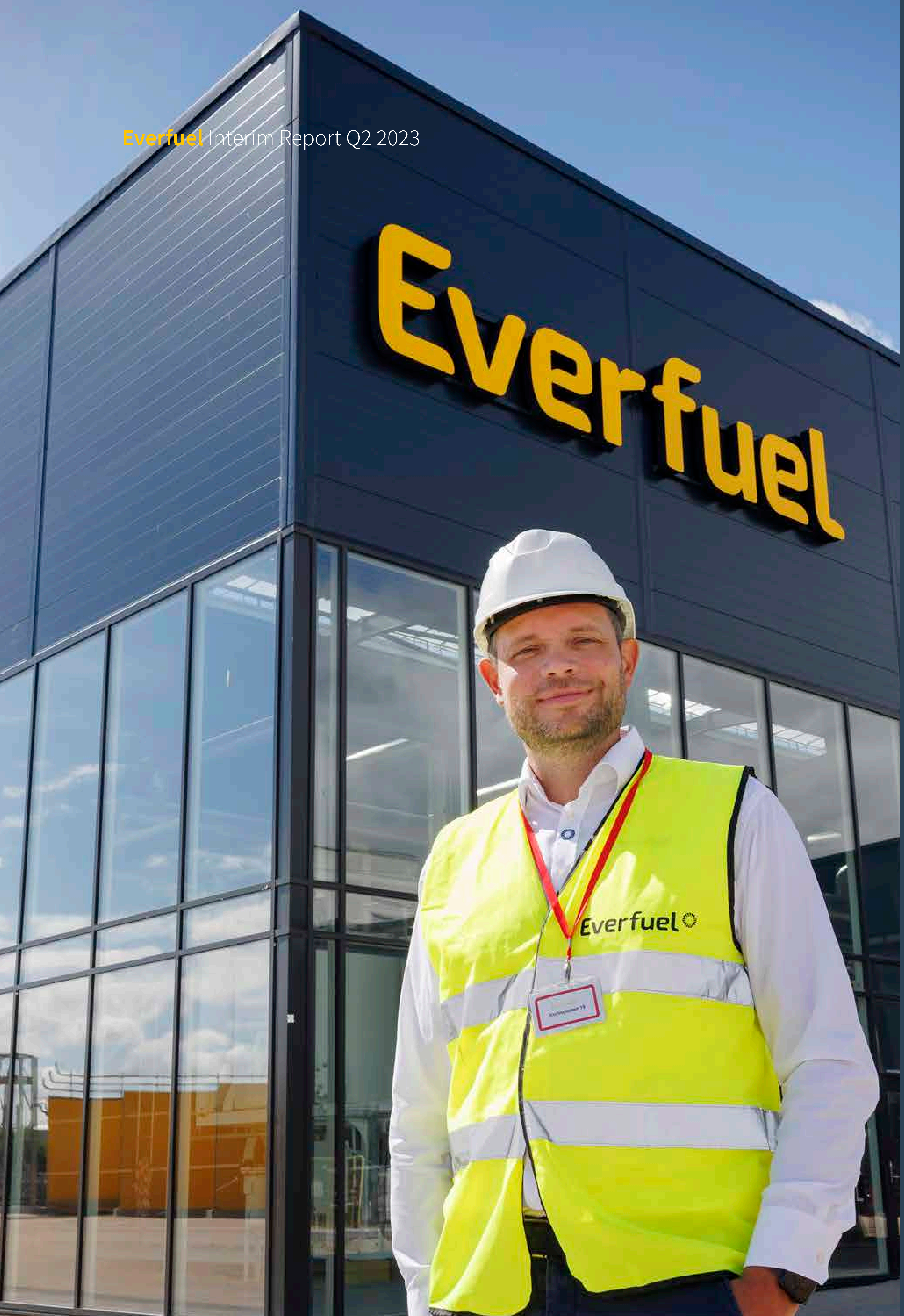
Electrolyser room at HySynergy

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

Q2 KEY EVENTS

- Realignment of strategy to focus on scaling green hydrogen production to capture significant value creation opportunities led by recent market developments in Germany and Denmark
- Restructuring of the hydrogen station network, technology development and organisation due to current immature mobility market and technology
- Reaffirmed focus on heavy duty vehicles for future hydrogen station network following final alternative fuels infrastructure regulation (AFIR) agreement and decommissioning of unprofitable legacy stations
- Revenue increase by factor of x4.5 compared to same quarter last year reflecting high activity level on station construction contracts in Germany, with revenue from hydrogen refuelling being stable over the quarter
- Updated timeline and project scope for HySynergy phase 1 to ensure safe and efficient start-up expected in Q1 2024 with fully developed operational procedures and organisation
- Prioritising safe and secure operations, grounding hydrogen trailer fleet and subsequent shut down of hydrogen stations as precautionary measure due to leakage
- Progressing towards final closing of Hy24 JV transaction
- Cash position of EUR 27.1 million at end of June 2023 and liquidity budget expected to fund investment and operation plans into 2025



MESSAGE FROM THE **CEO**

”We are very pleased to see increased momentum in Europe in support of green hydrogen across multiple dimensions, including the RED-II directive, the AFIR regulation, the European Hydrogen Backbone initiative and the recent agreement for a hydrogen pipeline connecting Denmark and Germany. Together, these form the foundation for unlocking a large European hydrogen market for which Everfuel is well positioned.

Still, we recognise, that as an early mover within green hydrogen, we are breaking new ground for a new industry and continuously contribute to constructive maturation of technology together with suppliers and stakeholders, exposing us to delays in political processes, immature technology, supply chain challenges, cost inflation and scarce resources including access to competence. Our ambition of EUR 1 billion revenue from green hydrogens sales to industry and mobility remains firm, but it will take longer to get there, and investments will be higher than we initially expected.

We will leverage the unique experience from HySynergy phase 1, with contracted offtake by the Crossbridge Energy refinery and German and Dutch mobility customers, to develop hydrogen production at scale, initially targeting the German market and later other European nations as RFNBO certificates are introduced. This means an intensified focus on scaling green hydrogen capacity with the initial 100 MW at HySynergy phase 2, for which we have received an IPCEI grant and signed an offtake agreement with Crossbridge Energy as the first step.

At the same time, the mobility market is set to remain sub-scale for some time. Therefore, we will restructure our station network, including discontinuing unprofitable refuelling stations used for car fuelling and adjusting our downstream organisation to a lower activity level. We apologise for the inconvenience this will create for customers and employees, but we cannot continue to subsidise public hydrogen refuelling. We will continue to honor existing firm supply contracts.

This realignment of strategy will reduce spend, add financial flexibility and is expected to enable us to finance the current planned investments into 2025 before requiring additional equity, supported by cashflow from HySynergy, the Hy24 JV, public grants and relevant project debt financing.”

Jacob Krogsgaard
Founder and CEO of Everfuel A/S

STRATEGY REALIGNMENT

Everfuel's ambition is to make green hydrogen for zero emission industrial activity and mobility commercially available across 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.

Everfuel has made significant progress since listing on Euronext Growth Oslo in 2020. At the same time, immature technology, project complexities, delayed third-party hydrogen sources, supply chain constraints and cost inflation have impacted commercial and financial development. Further, the growth of green hydrogen market in Europe remains subject to protracted political processes, delayed roll-out of hydrogen vehicles at scale, a narrow pool of competent personnel as well as limited access to capital in the current market environment.

Based on recent market and corporate developments, Everfuel has decided to prioritise development of green hydrogen production capacity and reduce refuelling network investments by high grading the existing portfolio of refuelling stations and projects.

Scaling green hydrogen production

Germany's emergence as the largest hydrogen market in Europe, reaffirmed by the recent hydrogen strategy expansion, provides visibility for green hydrogen demand from large industrial end-users and the potential for long-term bankable contracts. The planned implementation of RFNBO fuel certificates will further add to Everfuel's cash flow and value creation potential. The market opportunity is further underpinned by the announced hydrogen pipeline between Denmark and Germany with upcoming capacity reservations for which the Company is uniquely positioned.

Everfuel will focus on phased developments of large-scale electrolysers at locations positioned to serve the German market and later other European markets as they mature and introduce RFNBO certificates. Everfuel has recently secured access to a new site in Denmark, in addition to HySynergy and PtX Holstebro, which may house over 1 GW electrolyser capacity with multiple export routes including hydrogen backbone connection. The site also has the potential to be connected to local solar and wind power generation capacity in line with future EU requirements.

The experiences from the HySynergy phase 1 development position Everfuel to take a leading role as a developer and operator of large-scale green hydrogen production facilities supported by long-term offtake contracts with industrial customers and mobility customers in selected segments. Everfuel

STRATEGY REALIGNMENT

will review its current hydrogen-hub portfolio considering recent market developments and only proceed with projects that meet return requirements.

High grading the hydrogen station portfolio

The grounding of the distribution trailer fleet and continuous low technical uptime for the existing refuelling stations reflect still immature hydrogen technology. When combined with limited potential for near-term end-user demand growth, there are few hydrogen refuelling stations that currently offer a sound business case. Everfuel has initiated a restructuring of the refuelling operations and will discontinue operations of loss-making legacy stations and thoroughly review the remaining portfolio of stations and projects subject to clear return requirements, long-term offtake contracts and compliance with AFIR regulations.

The above-mentioned measures and related adjustments to the organisation will reduce future cash consumption and are expected to enable Everfuel to execute current growth plans into 2025 before requiring additional equity as large-scale electrolyser projects are brought to final investment decision. Planned investments until then are expected to be financed by available liquidity, supported by HySynergy phase 1 cashflow from operations, the Hy24 JV, public grants and relevant project debt financing.

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 EUR 1 billion in revenue from hydrogen sales to industry and mobility customers. However, due to delays in the construction and start-up of HySynergy, slow political processes and roll-out of vehicles, the realistic timing has been extended by two to three years compared to the previous plan and required investments reflecting between 20% and 40% cost inflation for materials and services. Recent political clarifications provide added momentum to the green hydrogen market with RFNBO certificates, future contracts for difference (CfD) and the hydrogen backbone initiative. Everfuel is ready to execute projects that meet investment requirements.

REVIEW OF OPERATIONS

Safety first

Everfuel is committed to ensuring safe and secure operations. In the second quarter, this commitment led to the grounding of the hydrogen trailer fleet and subsequent shut-down of the refuelling stations following a hydrogen leakage on a valve on a hydrogen trailer. This was a precautionary measure as the initial root cause investigation did not exclude the potential of a systematic fault. Everfuel, in close cooperation with the hydrogen trailer supplier and the valve supplier, have since identified the issue and started rebuilding the distribution trailers, which are expected to return to service in the coming weeks and months.

Following the grounding of the trailers, Everfuel has received acclaim from industry peers, customers, partners and investors for the resolute handling of the situation. Everfuel will seek to share lessons learned with relevant industry forums to advance the development of a safe and viable global hydrogen market.

Preparing commercial green hydrogen deliveries from HySynergy phase 1

The focus on safe operations also contributed to the decision to extend completion and commissioning of the 20 MW HySynergy phase 1 electrolyser into the first quarter of 2024 following an operational readiness analysis. The analysis has led to the implementation of an expanded framework of policies, procedures and master control system for safe, secure and efficient facility operations which will cover all phases of HySynergy and planned future hydrogen hubs. 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.

The updated plan towards commercial operation date (COD) represents an expanded scope of work compared to previous plans, and an estimated EUR 2 million increase to the HySynergy phase 1 investment budget to a total of approximately EUR 45 million. The additional costs are mainly attributed to internal hours and external consultants. The updated plan is based on a sequential commissioning, starting with mechanical completion followed by validation combined with organisational build-up, including training the surveillance and maintenance teams prior to gradual ramp-up of production and initial supplies to Crossbridge Energy.

Everfuel is managing the EPC scope of the HySynergy project. This provides the Company with unique experiences and skills related to the development of industrial scale hydrogen production facilities. These are directly applicable to the further developments at HySynergy and the other hydrogen hubs, as well as making Everfuel an attractive partner in various dialogues.

Planning is progressing for the 300 MW HySynergy phase 2, which will be developed in three phases of 100 MW each. The Important Projects of Common European Interest (IPCEI) public funding awarded in December 2022 provides part-financing for building

REVIEW OF OPERATIONS

the first 100 MW. It will be developed together with Crossbridge Energy Fredericia as partner and will produce green hydrogen used to decarbonise refinery processes and transportation. HySynergy phase 2 is also expected to be connected to the hydrogen backbone with multiple options for delivering hydrogen.

Due to the later HySynergy phase 1 start-up, final investment decision (FID) for phase 2 has been moved to 2024. This will enable the incorporation of lessons learned from the phase 1 start-up to optimise project execution and facilitate a more in-depth technological evaluation of electrolyser suppliers and providers of auxiliary systems and components. FID is subject to regulatory approval and funding, as well as synchronisation with Crossbridge Energy's investment decisions for required equipment at the refinery.

Hydrogen hub roll-out

During the quarter, the Company continued to mature the announced hydrogen hub projects in Norway, Sweden and Denmark. Further development of these projects is subject to continuous review of the project specific scope and business case.

Based on the hydrogen pipeline agreement, Germany's ambitious targets to accelerate market ramp-up and lessons learned from HySynergy, Everfuel will prioritise opportunities for phased development of sites suitable for large-scale hydrogen production facilities exceeding multiples of 100 MW to meet anticipated demand and to capture economies of scale during construction and operation. The electrolyser facilities will be located close to renewable power generation with multiple offtake routes, including connection to the planned hydrogen pipeline to Germany. They will serve a wide range of end-users within industry, as well as mobility segments led by heavy duty trucks, buses, vehicle fleets, and maritime transport as they mature over time. These facilities are also well aligned with the strategic ambitions that are the foundation for the Hy24 JV announced earlier this year.

HySynergy will become the first such facility. Today, Everfuel can disclose that the Company has secured land for an additional large-scale hydrogen production facility in Denmark meeting these requirements. The site, project Sif, has potential to house more than 1 GW of electrolyser capacity.
It will tap into Denmark's fast-growing production of renewable solar and wind power and is strategically positioned for connection to the planned hydrogen pipeline to Germany. Everfuel will provide additional information at a later stage

Prioritising roll-out of a heavy-duty hydrogen fuelling network

In late March, the European Commission approved the Alternative Fuel Infrastructure Regulation (AFIR), which sets firm targets for enabling a pan-European hydrogen fuelling network along key corridors to support a widespread adoption of hydrogen trucks and other hydrogen vehicles. The goal is to establish a minimum of 667 hydrogen stations by 2030 across the EU member states. Everfuel will align its plan for developing strategically located hydrogen stations to the new regulation.

AFIR reaffirms Everfuel's strategic focus on heavy duty trucks and large vehicle fleets when developing the

REVIEW OF OPERATIONS

future hydrogen network along the European TEN-T corridors and for urban nodes. This implies that resources will be focused to AFIR ready sites. Such sites with high capacity and modular scaling potential already under development or controlled by Everfuel include Port of Aarhus, Taulov and Vordingborg in Denmark; Alnabru site in Norway; Helsingborg, Trelleborg and Karlstad in Sweden; and the Frankfurt and Wuppertal bus stations in Germany. Everfuel will continue working to secure further AFIR ready sites, but FID on future heavy-duty station developments remain subject to availability of vehicles, capable station hardware, customer commitments and public financial backing.

Because of the new regulations, intensified focus on heavy-duty transport and the trailer leakage and related station shut-downs, Everfuel has decided to close or pause, and if possible, divest or repurpose, its hydrogen stations which are not AFIR compliant. The first-generation car fuelling stations are unprofitable and have reached technical end-of-life and will be discontinued without any material financial implications. Operations at the Port of Aarhus and Prags Boulevard stations in Denmark will be paused while Everfuel explores opportunities for establishing a robust business case for the sites in collaboration with customers.

The Company will continue to engage in non-AFIR compliant truck and bus station developments where long-term contract commitments with end-users are feasible. Light-duty stations will only be developed against profitable long-term contracts and where there is a strong strategic fit.

Following this, Everfuel operates the bus station in Heinenoord and continues the work on the bus stations in Germany. The Company also has 12 purpose-built hydrogen distribution trailers and 10 other mobile storage units.

Adjusting the organisation

During the second quarter, the organisation grew to a total headcount of 93, comprising 89 employees and 4 external consultants. The Company has taken measures to adjust the organisation to the realigned strategy with implementation during the third quarter of 2023.

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 its expanding pipeline of potential end-user contracts for supply of hydrogen. The order backlog for supply of green hydrogen was at approximately EUR 40 million at time of reporting compared to EUR 43 million reported in May following realised revenue from the Heinenoord station, construction contracts and partner OEM truck tests. The backlog excludes hydrogen sales from HySynergy phase 2.

The cash position at the end of June 2023 was EUR 27.1 million, a decrease from EUR 38.1 million at the end of March 2023, reflecting investments in developing green hydrogen production, distribution and fuelling as well as the organisational development.

In June, Jesper Ejlersen was appointed CFO, joining Everfuel from early September.

FINANCING

In the first quarter, Everfuel and Hy24, managing the world's largest clean hydrogen infrastructure fund, announced the creation of a joint venture (JV) to invest EUR 200 million of equity to develop electrolyser capacity in the Nordic region. Furthermore, the Hy24 Clean H2 Infra Fund became Everfuel's third largest shareholder in a private placement raising EUR 25 million in gross proceeds.

Everfuel and Hy24 are working towards the completion of the JV and initial cash investment by Hy24, expected later this year. The JV is set up to fund, build, own and operate up to 1 GW of green hydrogen projects. Everfuel will own 51% of the JV once fully established with HySynergy phase 1 as the first asset. Under the agreement, the JV will deliver revenue and cash flow to Everfuel through fees for project development, construction and operations. 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.

RISK FACTORS

Everfuel's potential to realise its strategic and operational objectives is subject to several risk factors. The company has identified the following areas as the most important: Operational and technology risks, financial risks, and legal and regulatory risks. Everfuel is continuously seeking to identify risks that can negatively impact 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 Everfuel operates with a sustainable level of risk which matches activity levels, the nature of the business, and long-term financial expectations.

Please see the 2022 Annual Report available at www.everfuel.com for more information.

For the second half of 2023, the Company emphasises completion and commissioning of HySynergy phase 1 and the timely repair and return to operations of the distribution trailers as key risk factors.

OUTLOOK

Everfuel maintains a high level of activity related to several business development projects supported by an efficient and competent organisation. The JV with Hy24 enables the Company to accelerate deployment of hydrogen production capacity and build new long-term customer relationship within industry and over time mobility with emphasis on developing large-scale electrolysers and AFIR compliant refuelling stations for heavy-duty trucks.

Political momentum in Europe in support of green hydrogen is advancing across the value chain. RED-II directive and RFNBO certificates, the AFIR regulation, the European Hydrogen Backbone initiative and the recent agreement for a hydrogen pipeline connecting Denmark and Germany, together form the foundation for unlocking a large European hydrogen market.

The financial results for the second quarter and first half of 2023 reflect that the company is still in the initial stages of commercialising the green hydrogen value chain in its target markets. HySynergy is expected to have material positive impact on revenue generation when it is in operation. Longer-term, the combination of increased green hydrogen production, distribution and end-user deliveries are expected to drive revenue growth and cash generation.

FINANCIAL REVIEW

One of two hydrogen compressors at HySynergy

KEY FIGURES

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Total income	2,061	456	2,695	840	3,981
EBITDA	-4,386	-2,994	-9,408	-5,431	-11,643
Net result	-4,617	-4,539	-10,900	-7,609	-16,542
Total assets			111,966	91,694	102,716
Cash and cash equivalents			27,142	50,426	31,915

Everfuel had total income, representing revenue from sale of hydrogen and other operating income, of EUR 2.061 million in the second quarter of 2023, up from EUR 456 thousand in the same period of 2022. Direct revenue from sale of hydrogen amounted to EUR 282 thousand, an increase of 3% compared to the same period last year. Direct revenue from hydrogen sales reflects stable volumes to buses filling at Heinenoord in the Netherlands and to taxis in Denmark. The station shut-down due to the grounding of the trailers occurred late in the quarter and had limited impact. EBITDA was negative EUR 4.4 million (negative EUR 3.0 million second quarter 2022), reflecting continued ramp-up of activity and organisation in the quarter.

Total income for the first half of 2023 was EUR 2.6 million (EUR 840 thousand) and the EBITDA was negative EUR 9.4 million (EUR 5.4 million).

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 Jun 2023	30 Jun 2022	31 Dec 2022
	EUR'000	EUR'000	EUR'000
Total non-current assets	69,156	35,924	55,535
Total current assets	42,810	55,770	47,181
Total assets	111,966	91,694	102,716
Total equity	73,331	69,867	59,308
Total non-current liabilities	16,011	11,834	13,440
Total current liabilities	22,624	10,443	29,968
Total equity and liabilities	111,966	91,694	102,716

Total Group assets at 30 June 2023 were EUR 112 million, compared with EUR 102.7 million at the end of 2022. The cash position was EUR 27.1 million (EUR 31.9 million), reflecting the net proceeds from the private placement of new shares in the first quarter less investments made during the first six months of the year. Total equity amounted to EUR 73.3 million (EUR 59.3 million). Changes from year-end 2022 reflects the capital raised less net loss and investments made through the period.

CONDENSED INTERIM FINANCIAL **STATEMENTS**

Hydrogen distribution center at HySynergy in construction

INTERIM CONSOLIDATED INCOME STATEMENT

Unaudited

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
	EUR' 000	EUR' 000	EUR' 000	EUR' 000	EUR' 000
Revenue	282	274	597	402	2,761
Other operating income	1,779	182	2,097	438	1,220
Total income	**2,061**	**456**	**2,694**	**840**	**3,981**
Raw materials and consumables	-4,552	-695	-5,678	-961	-3,922
Gross profit	**-2,491**	**-259**	**-2,984**	**-121**	**59**
Operating costs	-793	-996	-2,657	-1,959	-4,572
Staff expenses	-1,102	-1,757	-3,719	-3,350	-7,130
Stock market listing expenses	0	0	0	0	0
EBITDA	**-4,386**	**-2,992**	**-9,410**	**-5,430**	**-11,643**
Depreciations and amortisations	-669	-663	-1,411	-1,347	-3,097
Gain on acquisition (negative goodwill)	0	0	0	0	0
Operating loss	**-5,055**	**-3,655**	**-10,821**	**-6,777**	**-14,740**
Financial income	140	0	248	0	64
Financial expenses	298	-884	-327	-832	-2,125
Financial items, net	**438**	**-884**	**-79**	**-832**	**-2,061**
Loss before income tax	**-4,617**	**-4,539**	**-10,900**	**-7,609**	**-16,799**
Income tax expense	0	0	0	0	258
Loss for the period	**-4,617**	**-4,539**	**-10,900**	**-7,609**	**-16,542**
Attributable to:					
Equity holders of the parent	-4,617	-4,539	-10,900	-7,609	-16,542
Non-controlling interests	0	0	0	0	0
Earnings per share					
Earnings per share (EPS)	-0.054	-0,058	-0,126	-0.098	-0.212
Diluted earnings per share	-0.054	-0.058	-0.126	-0.098	-0.212

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unaudited

	YTD 2023	YTD 2022	FY 2022
	EUR' 000	EUR' 000	EUR' 000
Loss for the period	**-10,900**	**-7,609**	**-16,542**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	110	-15	80
Exchange differences on translation from functional currency to presentation currency	-75	-54	-104
Other comprehensive income for the period, net of tax	**35**	**-69**	**-25**
Total comprehensive income for the period	**-10,865**	**-7,678**	**-16,566**
Attributable to:			
Equity holders of the parent	-10,865	-7,678	-16,566
Non-controlling interests	0	0	0
	-10,865	**-7,678**	**-16,566**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited

	30 Jun 2023	30 Jun 2022	31 Dec 2022
	EUR' 000	EUR' 000	EUR' 000
Assets			
Non-current assets			
Property, plant and equipment	61,478	34,460	51,294
Intangible assets	7,621	1,413	4,190
Deferred tax assets	0	0	0
Other assets	56	51	51
Total non-current assets	**69,155**	**35,925**	**55,535**
Current assets			
Inventories	67	36	130
Trade receivables	2,621	479	614
Contract assets	1,750	0	1,663
Other receivables	1,763	3,494	2,292
Accrued grants	9,338	1,070	10,377
Corporation tax	0	0	0
Prepayments	129	265	189
Cash and cash equivalents	27,142	50,426	31,195
Total current assets	**42,811**	**55,770**	**47,181**
Total assets	**111,966**	**91,694**	**102,716**

	30 Jun 2023	30 Jun 2022	31 Dec 2022
	EUR' 000	EUR' 000	EUR' 000
Equity and liabilities			
Equity			
Share capital	116	104	104
Translation reserve	138	12	103
Retained earnings	73,077	67,735	59,101
Equity attributable to equity holders of the parent	**73,331**	**67,851**	**59,308**
Non-controlling interests	0	0	0
Total equity	**73,331**	**67,851**	**59,308**
Non-current liabilities			
Put option over non-controlling interests	0	0	0
Borrowings	12,168	11,115	12,314
Deferred tax liabilities	0	0	0
Deferred income	3,843	269	1,126
Total non-current liabilities	**16,011**	**11,384**	**1 3,440**
Current liabilities			
Put option over non-controlling interests	0	2,016	3,332
Trade and other payables	21,351	10,185	26,216
Borrowings	249	143	238
Deferred income	1,024	115	180
Total current liabilities	**22,624**	**12,459**	**29,968**
Total liabilities	**38,635**	**23,843**	**43,408**
Total liabilities and equity	**111,966**	**91,694**	**102,716**

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited

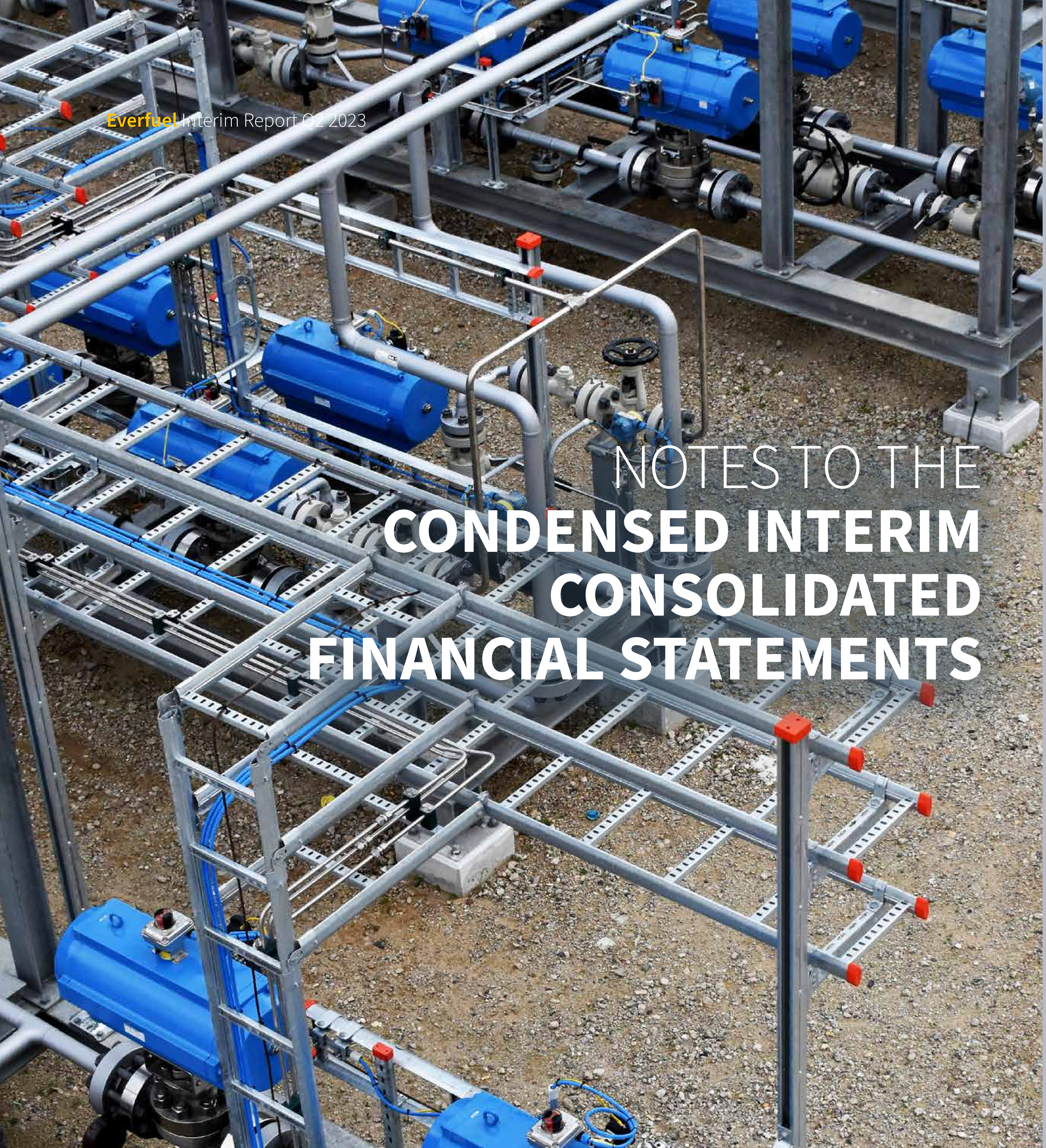
	YTD 2023	YTD 2022	FY 2022
	EUR' 000	EUR' 000	EUR' 000
Cash flows from operation activities			
Net loss	-10,900	-7,609	-16,542
Adjustments of non-cash items:			
Income taxes in the income statement	0	0	-258
Financial items, net	79	832	2,060
Depreciation, amortization and impairment losses	1,411	1,246	3,097
Other non-cash items	635	325	1,232
Change in working capital	-1,628	2,164	9,402
Interest paid	-724	-445	-2,124
Income taxes paid	0	0	0
Cash flows from operating activities	**-11,145**	**-3,487**	**-3,133**
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	-3,106	0	0
Payments for property, plant and equipment	-12,056	-15,854	-32,941
Payments for financial assets at amortised cost	0	0	0
Payment of intangible assets	-3,510	-761	-3,621
Proceeds from sale of property, plant and equipment	0	18	37
Received grants relating to property, plant and equipment	1,055	1,974	3,325
Cash flows from investing activities	**-17,617**	**-14,623**	**-33,200**

	YTD 2023	YTD 2022	FY 2022
	EUR' 000	EUR' 000	EUR' 000
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities	24,241	0	0
Proceeds from borrowings	173	9,793	9,793
Repayment of borrowings	-308	-114	-262
Transactions with non-controlling interests	0	0	0
Cash flows from financing activities	**24,106**	**9,679**	**9,531**
Net change in cash and cash equivalents	**4,656**	**-8,431**	**-26,802**
Cash and cash equivalents at the beginning of the financial year	31,915	59,296	59,296
Effects of exchange rate changes on cash and cash equivalents	-117	-439	-578
Cash and cash equivalents at the end	**27,142**	**50,426**	**31,915**

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 1 January 2023	**104**	**103**	**59,101**	**59,308**	**0**	**59,308**
Loss for the period	0	0	-10,900	-10,900	0	-10,900
Other comprehensive income	0	35	0	35	0	35
Total comprehensive income for the period	**0**	**35**	**-10,900**	**-10,865**	**0**	**-10,865**
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs and tax	12	0	24,241	24,253	0	24,253
Non-controlling interests on acquisition of subsidiary	0	0	0	0	0	0
Management and employee Warrant Program – value of services	0	0	635	635	0	635
Balance at 30 June 2023	**116**	**138**	**73,077**	**73,331**	**0**	**73,331**
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**



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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 29 August 2023.

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 2022.

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 2022.

< Valve panel area at HySynergy

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
2023				
Cost at 1 January	714	3,559	102	**4,375**
Acquisition of entities	0	0	0	**0**
Additions	0	3,476	34	**3,510**
Disposals	0	0	0	**0**
Transfers for the year	0	0	0	**0**
Foreign exchange adjustments etc.	-1	-5	0	**-6**
Cost at 30 June 2023	**713**	**7,030**	**136**	**7,879**
Amortisation, depreciation and impairment losses at 1 January	179	0	6	**185**
Acquisition of entities	0	0	0	**0**
Amortisation and depreciation	71	0	2	**73**
Reversal of impairm. and deprec. of sold assets	0	0	0	**0**
Foreign exchange adjustments etc.	0	0	0	**0**
Amortisation, depreciation and impairment losses at 30 June 2023	**250**	**0**	**8**	**258**
Carrying amount at 30 June 2023	**463**	**7,030**	**128**	**7,621**
2022				
Cost at 1 January	714	0	59	**771**
Acquisition of entities	0	0	0	**0**
Additions	0	0	0	**0**
Disposals	0	3,559	61	**3,621**
Transfers for the year	0	0	-17	**-17**
Foreign exchange adjustments etc.	0	0	0	**0**
Cost at 31 December	**714**	**3,559**	**102**	**4,375**
Amortisation, depreciation and impairment losses at 1 January	36	0	2	**38**
Acquisition of entities	0	0	0	**0**
Amortisation and depreciation	143	0	4	**147**
Reversal of impairm. and deprec. of sold assets	0	0	0	**0**
Foreign exchange adjustments etc.	0	0	0	**0**
Amortisation, depreciation and impairment losses at 31 December	**179**	**0**	**6**	**185**
Carrying amount at 31 December	**535**	**3,559**	**96**	**4,190**

Hydrogen pipeline to Crossbridge Energy Fredericia at HySynergy

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

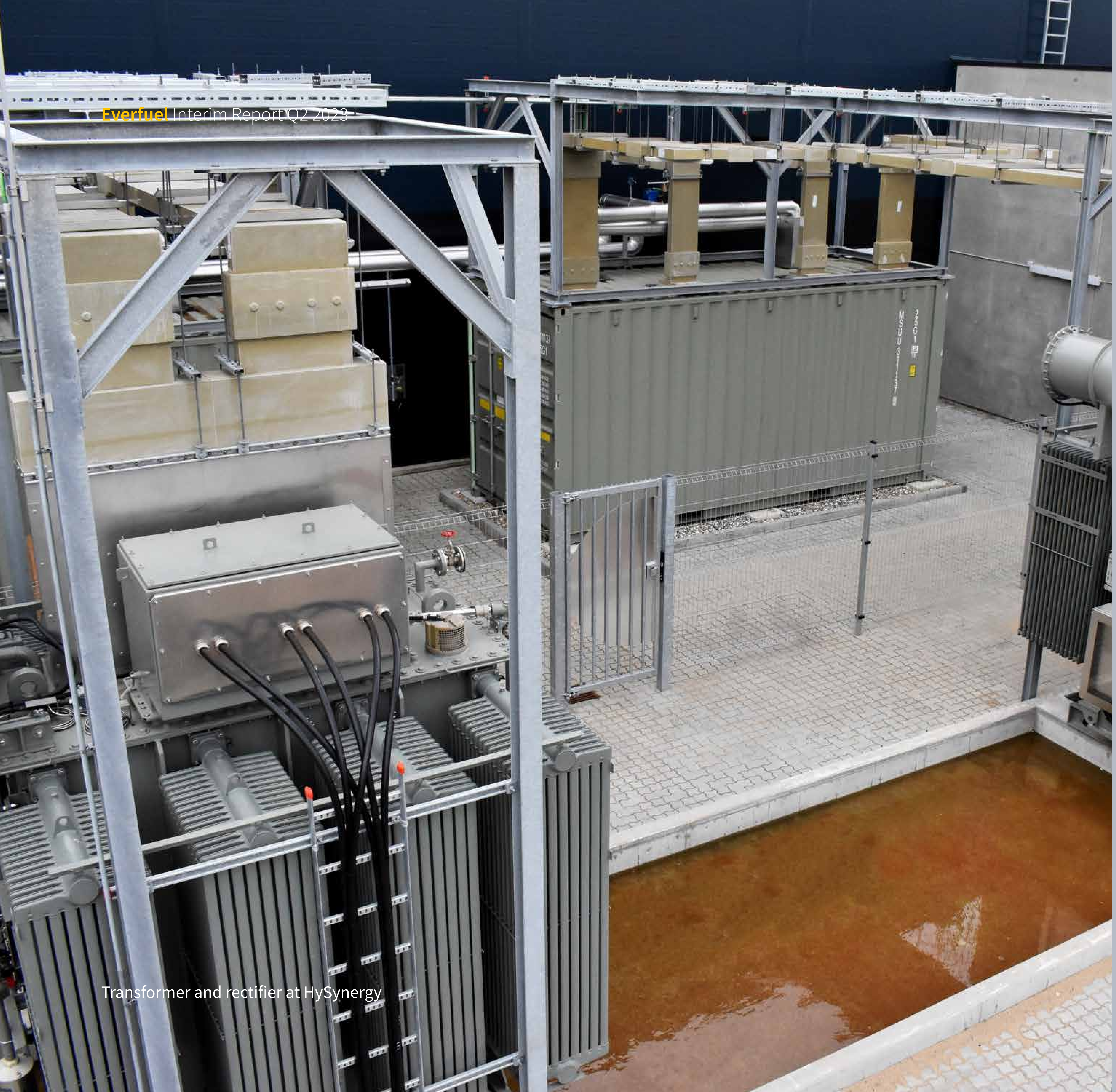
Unaudited

	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 at 1 January	3,085	14,010	812	37,544	**55,451**
Acquisition of entities	0	0	0	0	**0**
Additions	55	381	14	11,606	**12,056**
Disposals	0	0	-1	0	**-1**
Transfers for the year	0	0	0	0	**0**
Foreign exchange adjustments etc.	-99	-125	-2	-393	**-619**
Cost at 30 June	**3,041**	**14,266**	**823**	**48,757**	**66,877**
Amortisation, depreciation and impairment losses at 1 January	370	3,448	340	0	**4,158**
Acquisition of entities	0	0	0	0	**0**
Amortisation and depreciation	69	1,169	100	0	**1,338**
Reversal of impairent and depreciation of sold assets	0	0	0	0	**0**
Foreign exchange adjustments etc.	-7	-78	-1	0	**-86**
Amortisation, depreciation and impairment losses at 30 June	**432**	**4,539**	**439**	**0**	**5,410**
Carrying amount at 30 June	**2,609**	**9,727**	**384**	**48,757**	**61,478**
Right-of-use assets included at 30 June					
Amortisation and depreciation	377	0	89	0	**466**
Carrying amount at 30 June	2,575	0	132	0	**2,707**

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
2022					
Cost at 1 January	656	5,599	669	13,378	**20,302**
Acquisition of entities	0	0	0	0	**0**
Additions	2,382	1,102	151	31,606	**35,241**
Disposals	0	-33	-7	0	**-40**
Transfers for the year	48	7,358	0	-7,436	**0**
Foreign exchange adjustments etc.	-1	46	0	-4	**-51**
Cost at 31 December	**3,085**	**14,010**	**812**	**37,544**	**55,451**
Amortisation, depreciation and impairment losses at 1 January	111	994	143	0	**1,248**
Acquisition of entities	0	0	0	0	**0**
Amortisation and depreciation	259	2,518	198	0	**2,975**
Reversal of impairent and depreciation of sold assets	0	-1	-1	0	**-2**
Foreign exchange adjustments etc.	0	-63	0	0	**-63**
Amortisation, depreciation and impairment losses at 31 December	**370**	**3,448**	**340**	**0**	**4,158**
Carrying amount at 31 December	**2,715**	**10,562**	**472**	**37,544**	**51,293**
Right-of-use assets included at 31 December					
Amortisation and depreciation	254	0	62	0	**316**
Carrying amount at 31 December	2,572	0	152	0	**2,724**



Transformer and rectifier at HySynergy

NOTE 4.
FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Unaudited

	30 Jun 2023	FY 2022
	EUR' 000	EUR' 000
Financial assets		
Financial assets at amortized cost:		
Trade receivables	2,621	614
Other financial assets at amortized cost	3,642	4,144
Cash and cash equivalents	27,142	31,915
Total financial assets	**33,405**	**36,673**
Financial assets, total current	33,405	36,673
Financial assets, total non-current	0	0
	33,405	**36,673**
Financial liabilities		
Liabilities at amortized cost:		
Trade and other payables	21,351	26,216
Borrowings	12,417	12,552
Total financial liabilities	**33,768**	**38,768**
Financial liabilities, total current	21,600	26,454
Financial liabilities, total non-current	12,168	12,314
	33,768	**38,768**

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 2028. 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.

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.

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 2023	FY 2022
	Number	Number
Outstanding at 1 January	2,526,246	1,731,053
Granted during the year	824,101	871,322
Forfeited during the year	-12,818	-76,129
Exercised during the year	0	0
Expired during the year	0	0
Outstanding at 31 March	**3,337,529**	**2,526,246**

NOTE 6. RELATED PARTY TRANSACTIONS

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

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

	YTD 2023	FY 2022
	EUR'000	EUR'000
- Lease of an office building	46	84

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.

NOTE 7. SUBSEQUENT EVENTS

The Company today announced a strategy realignment to focus on scaling hydrogen production. This includes a restructuring of the hydrogen station network and organisation due to current immature mobility market and technology.

STATEMENT BY THE BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and the Management have considered and adopted the half year report of Everfuel A/S for the period 1 January – 30 June 2023. The half year report is presented in accordance with the International Accounting Standard IAS 34 on Interim Financial Reporting and additional Danish disclosure requirements.

The accounting policies applied in the Half Year Report are unchanged from those applied in the Group's annual report for 2022. We consider the accounting policies appropriate, the accounting estimates reasonable and the overall presentation of the half year report adequate. Accordingly, in our opinion, the half year report gives a true and fair view of Everfuel's consolidated financial position, results of operations and cash flows for the period.

In our opinion, the half year report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty facing Everfuel. The half year report has not been audited or reviewed by the auditors.

Herning, Denmark, 29 August 2023

Executive Management Board

Jacob Krogsgaard
CEO

Martin Skov Hansen
Deputy CEO

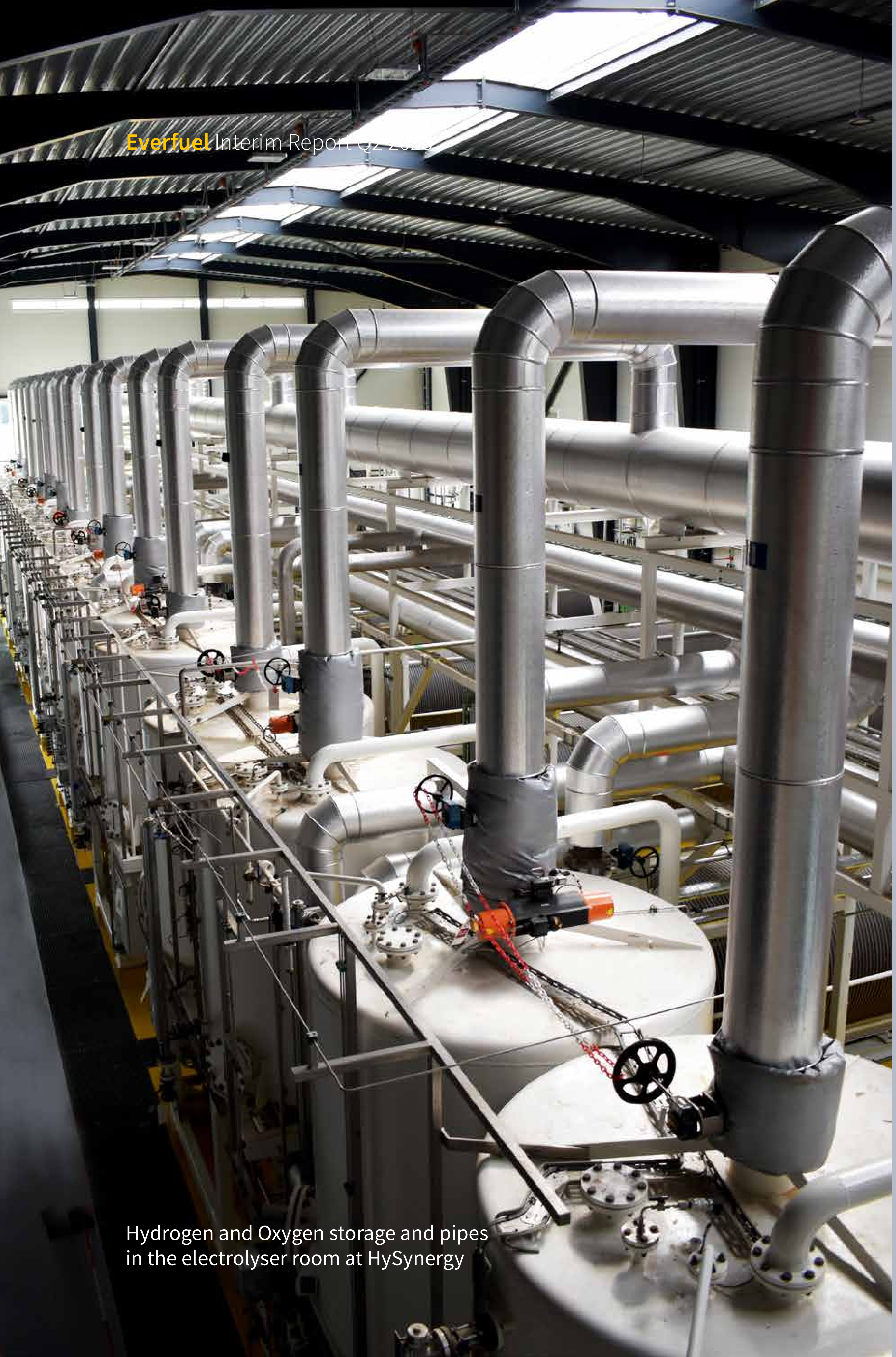
Board of Directors

Søren Eriksen
Chairman

Jørn Rosenlund
Vice chair

Christina Aabo
BoD member

Anne Kathrine Steenbjerge
BoD member



Hydrogen and Oxygen storage and pipes in the 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 2022 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.