First half 2022 results: continued ramp-up in development to create a champion in hydrogen power

Significant events in the first half:

- Launch of construction on CEOG, the world's first multi-megawatt hydrogen power plant;
- Rubis becomes majority shareholder in Renewstable® Barbados ("RSB"), a multi-megawatt power plant developed by HDF Energy;
- Development of Renewstable® Swakopmund, a multi-megawatt hydrogen power plant in Namibia;
- Investment in the largest decarbonised hydrogen plant of the Caribbean in Trinidad and Tobago;
- Continued organisation of five regional teams fuelled by 16 new hires to support the Group's international expansion goals.

Solid first-half results:

- Significant increase in revenues (€1.7 million, up from €0.5 million in the first half of 2021) and improvement in EBIT thanks to advances on power plants under development;
- Positive cash flow from operating activities of €1.3 million and €94.2 million in cash and cash equivalents to support the Group's rapid development.

Expansion of the project portfolio:

- Potential for 1,939 MW in RE capacity and 3,390 MWh in hydrogen storage capacity.

Bordeaux, 28 September 2022 – Hydrogène de France ("HDF Energy", "HDF" or the "Group") – Euronext Paris: HDF – a pioneer in continuous or on-demand electricity generation from hydrogen and renewable energies (wind or solar), has published its results for the first half of 2022. The condensed consolidated financial statements were approved by the Board of Directors on 27 September 2022. The limited review procedures for the first half financial statements have been completed and the auditors' report will be issued shortly. The first-half financial report, including the condensed consolidated financial statements for H1 2022 and the notes thereto, will be available by 30 September 2022, in the "Regulated information" section of the Group's website (www.hdf-energy.com under "Investors").

Damien Havard, Chairman and CEO of Hydrogène de France, said: *"HDF Energy once again confirmed its strong growth trajectory in the first half of the year. We achieved all of our objectives: expanding our teams in all regions, increasing our portfolio of potential and ongoing projects, and major milestones for our longest running plants. For example, we launched the construction of CEOG,* *welcomed a new majority shareholder to RSB and invested in NewGen, one of the biggest green hydrogen production projects in the world.*

In just a few months since our IPO, we have established ourselves as the first global player capable of delivering hydrogen power projects and rapidly translating them into an economic reality. From 2024, we will be able to produce large amounts of non-intermittent renewable power based on hydrogen and renewable energies.

This is how we create value for our shareholders, all our stakeholders, and the local communities and economies in which we operate. We are very proud to be helping solve the major economic, strategic and environmental challenges of our time."

Another period of strong growth

Launch of construction of the French Guiana Power Plant (CEOG), the world's first multi-megawatt hydrogen power plant

Having entered the "construction" phase in September 2021, the CEOG project reached a new milestone in the first half of 2022 with the launch of construction of the plant. The first Renewstable® power plant, invented and developed by HDF, CEOG produces 100% renewable power and stores the energy produced via green hydrogen, supplying the equivalent of 10,000 homes in French Guiana, day and night. It does so in a stable and continuous manner, at a lower cost than the region's existing diesel power plants, without greenhouse gas emissions, fine particles, noise or smoke.

Representing total funding of €170 million, CEOG is the first renewable energy project in the world to have obtained a capacity contract with a grid operator (EDF). HDF Energy holds 10% of CEOG, accounted for using the equity method since 2018, and operates under a project management contract.

New majority investor in the Renewstable® Barbados (RSB) project, the largest hydrogen power project in the Caribbean

On 16 February 2022, the RUBIS Group tooks a 51% stake in Renewstable® Barbados (RSB). The largest hydrogen power and storage project in the Caribbean, RSB is the second hydrogen power project developed by HDF Energy to welcome a majority investor.

HDF remains fully committed to the project, in which the Group still holds a 49% stake. Furthermore, HDF is operating under a project development and project management contract.

Development of a new Renewstable® plant in Namibia, the first of its kind in Africa

HDF is also making progress in the RSWK project in Swakopmund, the first green hydrogen power plant in Africa. Located in Namibia, this project represents a total investment of €181 million supported by all partners. The plant will eventually provide stable and renewable power, round the clock, all year round, thanks to its large-scale hydrogen storage capacity.

Annual production is estimated at 142 gigawatt hours, thereby meeting the energy needs of approximately 142,000 people. The plant will make a significant contribution to the energy sovereignty of a country that currently imports 40% of its energy from South Africa. HDF Energy has therefore confirmed its outlook and development goals in Africa.

Acquisition of a majority interest in the NewGen Carbon Neutral Hydrogen project in Trinidad and Tobago

In April 2022, HDF Energy acquired a 70% majority stake in NewGen in Trinidad and Tobago, a project initiated by local company Kenesjay Green Ltd ("KGL"). Once complete, the NewGen plant – representing a total investment of over $200 million supported by all partners – will be one of the largest clean hydrogen production facilities in the world, producing competitive, carbon-free hydrogen to meet 20% of the hydrogen needs of the existing Point Lisas ammonia plant.

HDF Energy offers its expertise in the development and financing of large-scale hydrogen projects, thereby helping to accelerate the industrial transition to low-carbon models.

HDF Energy has also arranged conventional project financing for NewGen, mostly in the form of debt plus a smaller portion in equity. HDF will eventually retain only a minority stake in the NewGen project once it is opened to investors, thereby limiting its financial commitment. Remuneration for the development and estimated profitability will be very similar to the Group's other projects.

Ramping up team organisation to support development goals

In order to complete programmes currently underway and regularly expand its project portfolio, HDF Energy has continued to strengthen its teams, in line with the development plan presented during its IPO. With 16 new hires in the first half of 2022 and a total of 71 employees at the end of June, the Group is fully on track to achieve its target of around 100 employees by the end of 2022.

Most new hires were made in the business development teams. These teams currently comprise 48 employees across 20 countries, all of whom have experience in the development of major power production projects and detailed knowledge of the regions in which HDF Energy operates.

These investments in new talent, as well as the strategic partnerships with its two industrial shareholders, RUBIS and TERÉGA, give HDF Energy the resources it requires to ensure optimal development of its holdings and the expansion of its project portfolio.

First-half 2022 results, a reflection of the Group's structure and development

First-half 2022 revenues driven by the RSB project

In the first half of 2022, Hydrogène de France posted condensed consolidated revenues of €1.7 million, up from €0.5 million in the same period last year. This primarily corresponds to revenues recorded under the project development and project management assistance contract for the CEOG and RSB projects, in which HDF Energy is now a minority stakeholder.

As a reminder, HDF Energy's project development revenues are recognised on a percentage-of-completion basis, based on the costs actually incurred over a given period, and may fluctuate depending on the development phase of the various projects. However, the value created is only recognised once control of the SPV is lost, which usually occurs when an investor acquires a majority stake.

Similarly, the supply of fuel cells only contributes to the Group's revenues when the cells are actually delivered, bearing in mind that manufacturing may be spread over a year or more, and despite the fact that rights to payment under contracts are not subject to recourse.

For information, advance payments received but not recognised under H1 2022 revenues amounted to €1.0 million (recorded under contract liabilities in the balance sheet, giving a total of €3.1 million), including €3.0 million relating to the CEOG fuel cell supply contracts. At 31 December 2021, advance payments received but not recognised as revenue amounted to €2.1 million.

Improvement in EBIT

In keeping with HDF Energy's structure and development, operating expenses increased once again during the first half to €3.1 million, up from €2.4 million in the same period last year. They include €2.2 million in staff costs (€0.8 million in the first half of 2021), an increase that reflects the progress made by the Group in the structuring and expansion of its teams.

External project development expenses followed the same trend, amounting to €1.9 million in the first half of 2022, up from €0.6 million in the first half of 2021. The Group also recorded income from asset disposal of €1.0 million following the dilution of its holding in RSB, enabling RUBIS to acquire a 51% stake in the project company.

Revenue growth helped to offset the increase in these expenses; H1 2022 EBIT amounted to a loss of €1.1 million, compared to a €1.9 million loss in H1 2021, including €0.8 million in IPO costs.

Net financial income amounted to €0.1 million. after a loss of €0.7 million in the first half of 2021, including the non-conversion premium on convertible bonds (OC 2021), which was offset against receivables as part of the IPO.

After recognition of €0.1 million in tax income, the net consolidated loss amounted to €0.8 million in the first half of 2022, compared to a €1.9 million loss for the same period last year.

A solid and well-managed financial structure

As a result of its rigorous cash management, HDF Energy has €94.2 million in cash and cash equivalents (€95.1 million at 31 December 2021), plus €4.0 million in cash (included in the €4.2 million non-current financial assets) tied up in the CEOG project. As such, the Group has the financial means required to continue its development and accelerate its commercial rollout.

Shareholders' equity amounted to €108.9 million at 30 June 2022.

Expansion of the project portfolio

Increase in plant potential

The Groupe carefully monitors the progress of its project portfolio at all stages of development (prospecting, development and construction). This pipeline is a leading indicator of the Group's value creation over the coming years, both for HDF Energy and all the stakeholders in these projects, via the positive knock-on effects that ensue (reduction in GHG emissions, etc.).

Faced with the challenges of climate change and energy sovereignty, HDF has noted a positive trend towards low-carbon energy projects in all of its operating regions, particularly in Latin America and the Caribbean, Asia and southern Africa. Governments are increasingly interested in HDF projects. For example, in March 2022 HDF Energy signed a partnership agreement to study hydrogen-based power plant projects in the Philippines, as well as an agreement with Malaysia in May 2022 promoting green hydrogen production to decarbonise the electricity grid.

As such, at the end of H1 2022, the portfolio of prospective projects had increased to 1,939 MW, and 3,849 MWh of energy storage.

Planning permit obtained for high-power fuel cell factory

The teams are fully engaged in the development of the Blanquefort factory (Bordeaux), which will mass-produce high-power fuel cells. Its main purpose is to equip Renewstable® power plants with fuel cells, and it will also supply fuel cells to the high-power maritime and rail markets, as well as data centers. HDF Energy has already signed agreements with leading partners, such as the one with Captrain in May 2022 for the first-ever transformation of a hydrogen-powered shunting locomotive.

In summer 2022, HDF Energy obtained the building permit cleared of all appeals.

The factory is a highly innovative project, and will help lower industry emissions. As such, the project has been pre-selected by the Government under the European IPCEI (Important Project of Common European Interest) funding scheme to increase generation capacity to the Gigawatt level. HDF Energy is awaiting the decision of the European Union before moving on to the next stages of this major project.

Read financial information on **Hydrogène de France**
at **www.hdf-energy.com**

ABOUT HYDROGÈNE DE FRANCE (HDF ENERGY)

HDF Energy is a global pioneer in hydrogen energy. HDF Energy develops high-capacity Hydrogen-Power plants and is active in their operation. These plants will provide continuous or on-demand electricity from renewable energy sources (wind or solar), combined with high power fuel cells supplied by HDF Energy

Hydrogène de France develops two types of Hydrogen-Power plants:

- **Renewstable® (POWER TO POWER**): Multi-megawatt power plants, producing stable electricity 24h/day, composed of an intermittent renewable source and on-site hydrogen energy storage
- **HyPower® (GAS TO POWER):** Multi-megawatt power plants producing electricity on demand from green hydrogen from gas transportation networks.

HDF Energy has integrated key fuel-cell know-how under a memorandum of understanding with Ballard (seven-year exclusive licence agreement) and has developed the world's first mass production plant for high-power fuel cells for energy, which will be commissioned in France (Bordeaux Metropole) in 2023. Through this activity, HDF Energy will also serve the maritime, rail and data center markets.

HDF Energy has positioned itself as a powerful accelerator of the energy transition by offering non-intermittent, grid-friendly and on-demand renewable power.

HDF shares have been listed on the regulated market of Euronext Paris compartment B since 24 June 2021.

Contacts

HYDROGÈNE DE FRANCE	Investor relations	Press contact
Sylvain Charrier	Margaux Rouillard	Serena Boni
+ 33 (0)5 56 77 11 11	+ 33 (0)1 53 67 36 32	+33 (0)4 72 18 04 92
sylvain.charrier@hdf-energy.com	hdf-energy@actus.fr	sboni@actus.fr

APPENDIX

Summary of all projects initiated and developed by HDF Energy

Regional breakdown showing stage of maturity and power to be installed

	Construction		Development		Prospecting	
	Plant MW	*Storage MWh*	*Plant MW*	*Storage MWh*	*Plant MW*	*Storage MWh*
EMEA	55	128	201	603	166	197
Latin America & Caribbean			216	592	410	1,192
Asia			91	159	982	900
Southern Africa			84	230	281	912
Indian Ocean			31	74	100	189
Total	**55**	**128**	**623**	**1,658**	**1,939**	**3,390**

Condensed consolidated statement of net income and other comprehensive income

(€000)	*6 months ended 30 June 2022*	*6 months ended 30 June 2021*
Revenues	**1,746.1**	**405.0**
Other income from operations	322.9	100.2
Total income from operations	2,069.1	505.1
Purchases consumed, change in WIP and finished goods inventories	423.7	0.0
External expenses	-1,855.9	-641.9
Personnel expenses	-2,202.1	-779.2
Taxes and duties	-5.8	-28.5
Depreciation, amortisation and impairment	-659.0	-84.3
Share of earnings of associates and joint ventures	-0.5	0.0
Income from disposal of fixed assets, securities and operations	1,041.2	0.0
Other operating income and expenses	108.8	-861.5
EBIT	**-1,080.5**	**-1,890.3**
Net financial income/(expense)	111.8	-679.5
Income before tax	-968.6	-2,569.8
Corporate income tax	122.6	640.4
Other items of comprehensive income	-33.1	-6.6
Consolidated net income/(loss)	**-879.1**	**-1,936.0**

Condensed consolidated statement of financial position

(€000)	*30 June 2022*	*31 December 2021*
Intangible assets	4,263.1	3,714.1
Property, plant and equipment	777.5	482.8
Other non-current assets	8,505.7	6,954.1
Non-current assets	13,546.2	11,151.0
Current assets	104,550.4	104,447.8
o/w Cash and cash equivalents	*94,244.4*	*95,123.3*
TOTAL ASSETS	**118,096.6**	**115,598.8**
Shareholders' equity	108,946.5	109,145.0
Non-current borrowings	188.3	129.9
Post-employment benefits	56.2	68.2
Other non-current liabilities	113.8	113.8
Non-current liabilities	405.8	311.9
Current borrowings	176.7	115.2
Trade payables	1,622.1	1,111.6
Contract liabilities	3,128.0	2,110.0
Other current liabilities	2,614.9	2,805.1
Current liabilities	8,744.3	6,141.9
TOTAL EQUITY AND LIABILITIES	**118,096.6**	**115,598.8**