

Halbjahresfinanzbericht Enapter AG

ENGLISH COURTESY TRANSLATION
of the
HALF YEAR REPORT 2023

1. Geschäftshalbjahr

2023



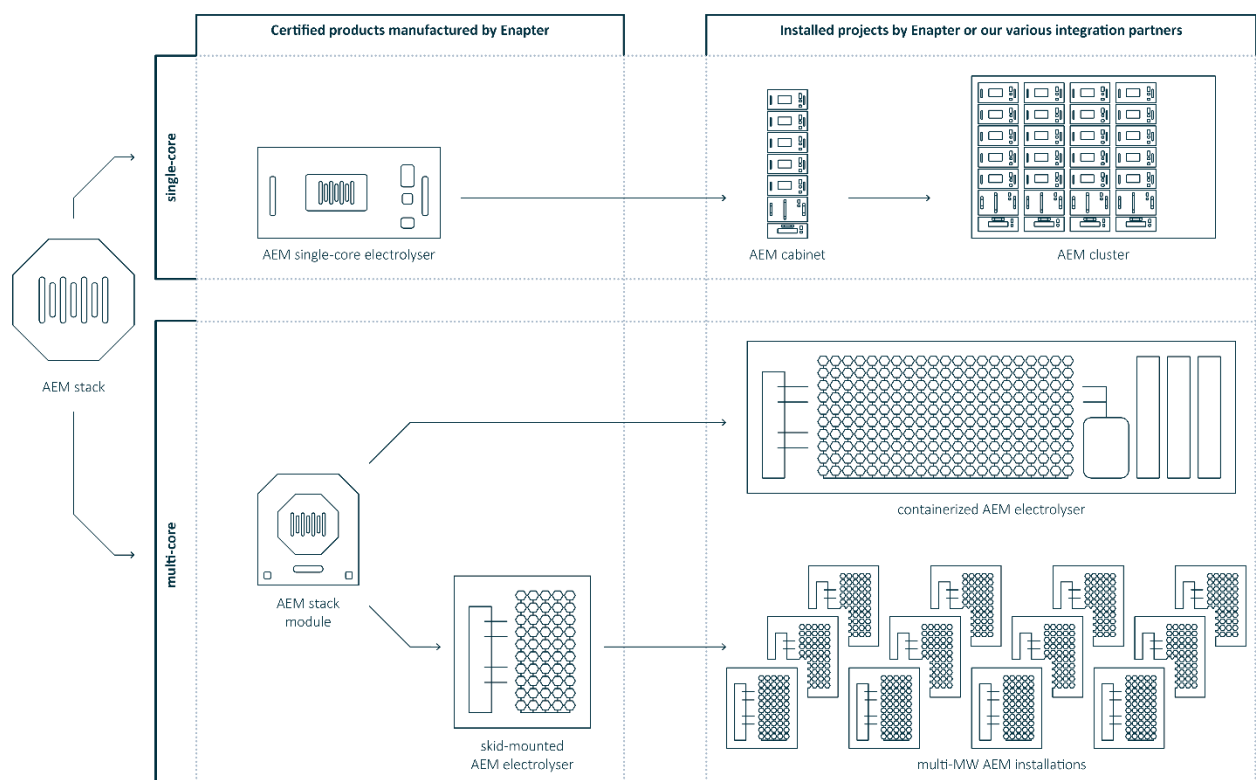
Enapter

Product-oriented platform strategy through compact AEM cores

Enapter is a company that is making a significant contribution to the decarbonisation of the global economy. We see the production and use of green hydrogen as an indispensable part of our mission. Enapter designs and produces hydrogen generators based on a patented anion exchange membrane electrolysis (AEM Electrolysis) and pursues the vision of completely replacing fossil fuels with green hydrogen.

Our modular product approach means that our AEM cores ("stacks") can be used as a minimum modular unit in systems of different sizes. This means that we build different products on a single stack design. We use our stacks for use in both single-core electrolyzers (EL) and multi-core electrolyzers (AEM Multicore/MC), covering projects from the single-digit kilowatt to the multi-megawatt range.

We focus on the production of electrolyzers. Our newly established Technical Sales Team advises customers on project design for system solutions in the megawatt range. The integration of these systems is also handled by our international partner network. Our electrolyzers are used by about 340 customers in over 50 countries.



The Enapter share

Information on the share	
ISIN	DE000A255G02
WKN	A255G02
Bloomberg Ticker	H2O
Shares issued	27.195.000
Stock exchange segment	Regulated Market /General Standard
Country	Germany
Sector / Subsector	Cleantech / Hydrogen
Shareholders	Blugreen Company Ltd/Sebastian-Justus Schmidt 66.14%, Sergei Storozhenko 4.12%, Johnson Matthey 3.87% (as at 28 August 2023).

This report

This half-year financial report contains the interim group management report for the first half of the financial year 2023 and the interim consolidated financial statements of Enapter AG ("the Company") and its subsidiaries ("Enapter Group", "the Company" or "we") as at 30 June 2023 and a responsibility statement.

In addition to information on the results of operations, net assets and financial position of the Enapter Group, the interim group management report also contains, in particular, reports on the expected development, material risks and opportunities of Enapter AG and the Group.

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". As a result, the interim consolidated financial statements do not contain all the information and notes required for consolidated financial statements at the end of the financial year. These interim consolidated financial statements should therefore be read in conjunction with the consolidated financial statements for the 2022 financial year published in the annual report. The annual report for the 2022 financial year was made publicly available on the company's website ([https://enapterag.de/investor-relations/finanzberichte/2022/Enapter AG consolidated financial statements as at 31 December 2022](https://enapterag.de/investor-relations/finanzberichte/2022/Enapter%20AG%20consolidated%20financial%20statements%20as%20at%2031%20December%202022)).

On the company's website (<https://enapterag.de/investor-relations>), in addition to the financial reports, you will also find the corporate governance statement pursuant to § 289f and § 315d of the German Commercial Code (HGB), the declaration of compliance of the Executive Board and the Supervisory Board with the recommendations of the Government Commission on the German Corporate Governance Code (DCGK) pursuant to § 161 of the German Stock Corporation Act (AktG), the remuneration report pursuant to § 162 of the German Stock Corporation Act (AktG) and our sustainability report in the "Investor Relations" section.

Half-Year Financial Report 2022 of Enapter AG

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Interim Group Management Report

from 1 January to 30 June 2023

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Forecast

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Interim Group Management Report

from 1 January to 30 June 2023

Company and Business activity

Reporting company

Enapter AG is a stock corporation under German law (hereinafter "Enapter AG") with its registered office in Heidelberg (in future: Düsseldorf). Enapter AG is registered in the Commercial Register of the Local Court of Mannheim under the number HRB 735361. The business address is Reinhardtstrasse 35 in 10117 Berlin.

As of 30 June 2023, Enapter AG has a share capital of EUR 27,195,000.00 with 27,195,000 no-par value bearer shares. The shares are admitted to the regulated market of the Frankfurt and Hamburg stock exchanges. The ISIN for the listed shares (International Securities Identification Number) is DE000A255G02, the WKN (securities identification number) is A255G0 and the stock exchange symbol is H20.

Enapter AG acts as an investment company that provides management and functional services to the subsidiaries it controls (hereinafter "Enapter" or "Group" or "Unternehmensgruppe"). It is also responsible for the financing of the group. Included in the consolidated financial statements as affiliated companies are Enapter S.r.l., Crespina Lorenzana (Pisa), Italy, Enapter GmbH, Berlin, Enapter Immobilien GmbH, Saerbeck and Enapter LLC, St. Petersburg, Russia.

Business activity

Enapter is an internationally positioned company. In 2023, production and R&D of the single-core electrolyzers will be located at our site in Pisa, Italy. In the future, R&D and production of the multi-core electrolyzers will take place at our Enapter Campus in Saerbeck near Münster, Germany, the R&D building was occupied in November 2022. The production hall was handed over to us by our general contractor in spring 2023.

Enapter is a company that is making a significant contribution to the decarbonisation of the global economy. We consider the production and use of green hydrogen as an indispensable part of our mission. With our "Life Cycle Impact Zero" concept, which we want to implement by 2027, we are creating a model project for sustainable industrial production and thus doing pioneering work.

Our corporate purpose is the production of electrolyzers based on AEM technology. As an early mover, we see ourselves as a technology leader today and want to continuously expand this lead.

The modular systems are already used by more than 340 customers in more than 50 countries worldwide, including in the energy, industry, mobility and research sectors. The vast majority of our customers use the hydrogen produced from our electrolyzers as energy storage, especially as seasonal long-term storage.

In addition, our customer base includes various companies that use our electrolyzers to develop and test innovative hydrogen-based industrial solutions. Another prominent field of application is mobility. From aircraft to buses and cars to yachts, our electrolyzers cover the entire spectrum of mobility applications. Lastly, there are a large number of research institutes that use our equipment to continuously advance the state of knowledge of AEM technology.

Research and development



Enapter has taken a unique approach to manufacturing AEM electrolyzers: We develop and produce standardised stacks that are used in all our products. This significantly speeds up the testing, development and market introduction of our products and lends itself to efficient scaling of our production capacities. This approach works because we combine AEM's inherent technological advantages with our specific patents to achieve a sustainable competitive advantage for Enapter in the market. Like a "building block system", our stacks can be assembled into electrolyzers of any size.

We rely on two different product lines. With our single-core electrolyzers, currently the EL 4.0, we cover smaller project sizes up to 250 kW. The production of our stack and our single-core electrolyzers, as well as their research and development, takes place at our site in Pisa, Italy. Furthermore, we have developed the world's first megawatt-class AEM electrolyser. Since the inauguration of the first AEM multicore in May 2023, we have been marketing the first generation of our multicore electrolyzers, so-called multicores and frames, in which various stacks are controlled by a common balance of plant, thus creating systems that cover the megawatt range. In addition to the inauguration of the first AEM multicore at the Saerbeck bioenergy park, we have also sold the first multicore electrolyser with a capacity of 120 kilowatts and will deliver it before the end of 2023. The research and development of our stacks is currently carried out at our site in Pisa/Italy and the development of our multicore electrolyzers takes place at the Enapter Campus in Saerbeck, Germany.

In the future, we would like to equip larger and larger hydrogen projects with our AEM technology and are therefore investing in the development of a larger stack. We have already started the design phase and have formed a team that will work exclusively on this. The target size of the new stack is between 20 and 40 kilowatts. This will allow us to further simplify our megawatt systems and thus equip even larger projects with the promising AEM technology in a more cost-efficient way.

As of 30 June 2023, the Enapter Group employs a total of 83 people in research and development.

Research and development expenses amounted to TEUR 2,367 in the first half of 2023 (total previous year: TEUR 6,876), or around 50% of revenue (total previous year: 47%).

Corporate management

The company is managed on the basis of a monthly integrated planning statement consisting of an income statement, balance sheet and cash flow statement. The key figures and the most significant financial performance indicators are sales revenue, order backlog, EBITDA and liquidity development. The financial performance indicators are continuously controlled and monitored by the Executive Board. Integrated reporting is made available to the company's Supervisory Board on a monthly basis.

Forward-looking statements

The interim group management report contains forward-looking statements. These statements reflect our own assessments and assumptions - including those of third parties (such as statistical data relating to the industry and to global economic developments) - at the time they were made or at the date of this report. Forward-looking statements are always subject to uncertainties. Should the estimates and assumptions prove to be inaccurate or only partially accurate, actual results may differ - even significantly - from expectations.

Accounting and auditing

Enapter AG prepares its consolidated financial statements and interim reports in accordance with the applicable regulations of the International Financial Reporting Standards (IFRS), as adopted by the EU, as well as in accordance with the supplementary commercial and capital market regulations. These interim consolidated

financial statements have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". As a result, the interim consolidated financial statements do not contain all the information and notes required for consolidated financial statements at the end of the financial year. These interim consolidated financial statements should therefore be read in conjunction with the consolidated financial statements for the 2022 financial year.

This half-year financial report with a condensed (consolidated interim) management report of the Company has not been reviewed or audited in accordance with § 317 HGB.

Major events

Enapter AG successfully continued its business development in the first half of the 2023 financial year. We are following our growth strategy and steadily developing our product portfolio in the area of multi-core electrolyzers. In the course of the company's growth and the occupation of the Enapter Campus in Saerbeck last year, we also expanded our management level and extended our management team. This enables us to accompany our international expansion plans in the best possible way, also at the personnel level. After all, our AEM electrolyzers are already used in 55 countries and by over 340 customers worldwide. We also work with over 100 globally active integration partners who supply customers from a wide range of application areas with Enapter electrolyzers for the realisation of their hydrogen projects.

Turnover in the first half of the year rose to around 4.8 million euros. In the same period of the previous year, turnover was around 3.3 million euros. Together with the change in finished goods and work in progress of around 0.8 million euros (previous period: 2.0 million euros), an operating performance of around 5.6 million euros was achieved for the first half of 2023 (previous period: 5.3 million euros). EBITDA was reported at -7.0 million euros, after -7.0 million euros in the previous period. The consolidated result for the half-year was -9.9 million euros (previous period: -7.7 million euros).

After the record year 2022, Enapter continued similarly successfully in January 2023 with new multicore orders: In January, Enapter's sales and integration partner Adsensys first ordered an AEM multicore, which is to be delivered to a Dutch energy company in the fourth quarter of 2023. Then, at the end of January, a major order was received from South Korea: two AEM Multicore Electrolyzers are to be used in a 12.5 MW hydrogen pilot project on Jeju Island and were ordered by the company YEST. Enapter AG is the only technology supplier from Europe in the South Korean mega-project.

Enapter AG is also celebrating successes elsewhere: together with other partners, Enapter opened the first training centre for green hydrogen in Southeast Asia in Chiang Mai, Thailand, in February, where project developers, system integrators and energy professionals are trained.

Enapter received liquid funds in the amount of 25 million euros in the course of a debt financing in February/March 2023. The fresh funds serve to partially refinance the equity-financed construction of the Enapter Campus and are to be used for further operational growth. As of 30 June 2023, the Group's cash and cash equivalents amount to approximately 9.5 million euros (30 June 2022: approximately 28.2 million euros).

In March, Enapter started production of the water-cooled version of its AEM EL 4.0 electrolyser, adding a new standardised unit to its product range. The AEM EL 4.0 Liquid-Cooled (LC) electrolyser enables the direct connection of an external cooling system to optimise heat management and make efficient use of waste heat. The unit is particularly suitable for the production of green hydrogen at locations and operating sites where, due to external conditions, sufficient cooling through exhaust air systems, for example, is not possible.

In the course of the significant company growth of the past years, Enapter AG also decided in March to expand its management in the operating companies. The management level around the CEO Sebastian-Justus Schmidt and CFO Gerrit Kaufhold, as well as Managing Director and CTO Jan-Justus Schmidt, will be expanded with two additional managing directors to further strengthen the operating companies: Michael Söhner moves up to the management board of Enapter S.r.l. and leads the operational business of Enapter as Chief Operations Officer (COO) since 1 March 2023. Philip Hainbach, already Chief Governance Officer (CGO) since 1 October 2022 and previously Head of Energy Policy & Government Affairs at Enapter, will also become part of the Enapter GmbH management team. Vaitea Cowan will take on the role of Chief Communication Officer (CCO). She is a co-founder of Enapter and previously held the position of Head of Communication.

In May, the AEM Multicore was officially inaugurated at the Enapter Campus in Saerbeck. Enapter AG thus presented the world's first megawatt-class AEM electrolyser for the production of green hydrogen. In 2023, Enapter AG is primarily dedicated to building the first multicore systems in Saerbeck, which are to be delivered to customers in the same year. The multicore systems will be mass-produced on the Enapter campus in the medium term. After the presentation of the Multicore, Enapter AG received another order from the British company Intelligent Energy Limited (IEL) for the delivery of an AEM Multicore electrolyser with a total capacity of 1 MW.

Economic framework conditions

Overall economic situation

The Enapter Group generates its sales in Germany, Europe and other regions of the world, especially in Asia. In this respect, the development of the real gross domestic product (GDP) in Germany and Europe as well as the overall global economic development is relevant for the development of demand for Enapter's products. In addition to integrators and research and laboratory facilities, customers include a number of large companies and corporations that also operate internationally and are thus more dependent on economic developments worldwide. Of primary importance to Enapter is investment activity in certain industries, such as energy production and storage, the food and feed industry or the chemical industry, which in turn may depend on the development of raw material and world market prices.

The German economy looks back on a very subdued first half of 2023: due to persistently high inflation rates, which reached historic highs in the first half of the year, demand for goods and services has been steadily declining since the end of 2022. The increase in prices has reached the breadth of the economy; only energy prices seem to be slowly easing, which is why the price increases for manufacturing and processing industries are less pronounced than in 2022¹. In the overall view, however, the following applies: purchasing power is falling, financing costs are rising. For many companies, therefore, a difficult year lies ahead.

In a year-on-year comparison, GDP in Germany stagnated in Q1 2023 (+0.0%), increased slightly in price-adjusted terms (+0.2%) and decreased slightly in price- and calendar-adjusted terms (-0.1%). According to the Federal Statistical Office, private as well as government consumption expenditure decreased, but investments and exports increased slightly². In Q2 2023, gross domestic product (GDP) stagnated compared to the first quarter, adjusted for price, seasonal and calendar effects, i.e. economic output remained almost unchanged³.

Market

The International Energy Agency currently estimates the global demand for hydrogen at 94.1 million tonnes per

¹ [ifo Economic Forecast Spring 2023: German economy stagnating | Facts | ifo Institute](#)

² [Gross domestic product stagnates in Q1 2023 - Federal Statistical Office \(destatis.de\)](#)

³ [Quarter-on-quarter change in GDP until 2023 | Statista](#)

year⁴. Most of this is hydrogen produced from fossil fuels such as natural gas, oil and coal, but steadily falling production costs and the international spread of so-called net-zero policies have significantly boosted demand for CO₂-free green hydrogen.

The political target for green hydrogen has developed positively in 2022 and beyond. On the one hand, the Russian war of aggression in Ukraine has prompted the EU to double its climate and energy policy ambitions compared to the previous year with the REPowerEU programme. For green hydrogen, this means that by 2030 a total of 10 million tonnes of green hydrogen (90-100GW)⁵ will be produced in the EU and another 10 million tonnes of green hydrogen will be imported. On the other hand, the USA passed the Inflation Reduction Act (IRA), probably one of the world's most generous subsidy programmes for green hydrogen. Important sales markets are thus emerging in Europe and the USA, which will also have a positive impact on the production of green hydrogen beyond their borders. Bloomberg, for example, expects that this will boost global production of up to 29.7 million tonnes of green hydrogen per year⁶.

⁴ IEA Global Hydrogen Review 2022

⁵ European Electrolyser Partnership

⁶ BNEF 2022 Hydrogen Market Outlook

Results of operations, net assets and financial position of the Enapter Group

Earnings situation in TEUR	1.1.-30.6. 2023	1.1.-30.6. 2022	+/-	1.1.-31.12. 2022
Revenues	4.766	3.314	1.451	14.671
<i>Increase in turnover in %</i>			44%	
Change in inventories of work in progress and finished goods	827	1.997	-1.170	525
Operating performance	5.592	5.311	281	15.197
<i>Increase in operating performance in %</i>			5%	
Cost of materials	-4.998	-5.264	266	-12.013
<i>Cost of materials in % of operating performance</i>	-89%	-99%		-79%
Gross profit	594	47	547	3.184
<i>Gross profit margin</i>	11%	1%		21%
Own work capitalised	2.182	1.621	560	6.383
Other operating income	1.450	668	782	2.799
Personnel expenses	-7.257	-7.074	-183	-14.300
<i>Personnel expenses in % of operating performance</i>	-130%	-133%		-94%
Other operating expenses	-3.982	-2.248	-1.734	-8.648
<i>Operating expenses in % of operating performance</i>	-71%	-42%		-57%
EBITDA	-7.014	-6.985	-29	-10.582
<i>EBITDA margin</i>	-125%	-132%		-70%
Depreciation	-1.578	-627	-951	-2.276
<i>Depreciation in % of operating performance</i>	-28%	-12%		-15%
EBIT	-8.592	-7.612	-979	-12.858
<i>EBIT margin</i>	-154%	-143%		-85%
Financial result	-1.356	-55	-1.301	-97
Income taxes	0	-7	6	-23
Group result	-9.949	-7.675	-2.274	-12.978
<i>Result margin</i>	-178%	-145%		-85%

In the first half of 2023, the Enapter Group generated sales of EUR 4,766 thousand (previous period: EUR 3,314 thousand) with electrolysers and related components, of which around 30% were with customers in Germany, around 34% in the rest of the European Union and around 36% with customers in the rest of the world. Revenue in the first half of 2023 was slightly above plan. Together with the change in inventories of work in progress and finished goods, the operating performance increased slightly by EUR 281,000 to EUR 5,592,000 compared to the previous period.

The decrease in the cost of materials by KEUR 266 to KEUR 4,998 is mainly due to the change in production from

the EL 2.1 model to the EL 4.0 model. As a result, the cost of materials ratio improved slightly in the reporting period. The gross profit margin is 11% (previous period: 1%).

The other own work capitalised relates to development costs for intangible assets in Italy of EUR 1,508,000 and for property, plant and equipment of EUR 674,000 in Germany. The additions in the first half of 2023 mainly relate to development costs for ongoing internal projects in product development (single-core and multi-core electrolyzers) and for production.

The other operating income of EUR 1,450,000 (previous period: EUR 668,000) in the reporting period mainly consists of prize money and investment grants.

As of the balance sheet date 30 June 2023, 208 people (30 June 2022: 239 employees) are employed in the Enapter Group, of which 83 employees work in research & development, 66 in production and 59 in administration, sales and business development. Personnel expenses include the non-cash expenses from the employee stock option programme in the amount of EUR 801 thousand (prior period: EUR 1,261 thousand). The number of employees was reduced because the company took personnel measures as part of the strategic realignment in January 2023.

Other operating expenses of TEUR 3,982 (previous period: TEUR 2,248) in the first half of 2023 consist mainly of management services provided by related parties (TEUR 392, previous period: TEUR 391), expenses for external research and development - excluding personnel costs - (TEUR 185, previous period: TEUR 201), legal, consulting and audit costs, especially in connection with financing measures (TEUR 1.004,000, previous period: 540,000), expenses for other external service providers (316,000, previous period: 495,000), and capital market costs (155,000, previous period: 80,000).

Depreciation increased compared to the previous period mainly due to the completion of the buildings in Saerbeck.

The financial result of EUR -1,356,000 (previous period: EUR -55,000) is mainly due to the borrowing of interest-bearing funds in the amount of EUR 25,000,000 as of 1 March 2023.

Consolidated EBITDA amounted to EUR -7,014 thousand for the first half of 2022 (previous period: EUR -6,985 thousand), and the consolidated result was EUR -9,949 thousand (previous period: EUR -7,675 thousand), in line with expectations.

Assets and financial position

in TEUR	30.6.2023	31.12.2022	+/-	in %
Assets				
Current assets	35.447	27.577	7.870	29%
<i>in % of balance sheet total</i>	<i>29%</i>	<i>26%</i>		
Bank balances	9.452	5.071	4.381	86%
Inventories	11.760	8.421	3.339	40%
Trade receivables	8.523	8.014	509	6%
Other current assets	5.712	6.071	-359	-6%
Non-current assets	85.167	80.237	4.930	6%
<i>in % of balance sheet total</i>	<i>71%</i>	<i>74%</i>		
Property, plant and equipment	71.564	67.900	3.665	5%
Intangible assets	11.340	10.272	1.068	10%
Other non-current assets	2.263	2.065	197	10
Total assets	120.614	107.814	12.800	12

As of the balance sheet date, 29% of the assets are current assets and 71% are non-current assets.

Current assets consist of bank balances, inventories, trade receivables and other current assets. The bank balances have increased from TEUR 5,071 as at 31 December 2022 to TEUR 9,452 mainly due to the payment of borrowed capital less payments for investments and for the build-up of working capital in the first half of 2023.

The Group's non-current assets consist mainly of intangible assets, property, plant and equipment and rights of use, which have increased by EUR 4,930,000 from EUR 80,237,000 to EUR 85,167,000 since 31 December 2022, mainly due to the completion of the buildings for the Enapter Campus.

The additions to intangible assets mainly result from the capitalisation of development costs for existing and new projects. The additions to property, plant and equipment consist of investments in land and buildings (KEUR 27), plant and machinery (KEUR 148), operating and office equipment (KEUR 172) and advance payments made and assets under construction mainly for the construction of the production facility in Saerbeck (KEUR 4,130) less depreciation and transfers.

in TEUR	30.6.2023	31.12.2022	+/-	in %
Financial position				
Current liabilities	11.171	16.070	-4.899	-30%
<i>in % of balance sheet total</i>	<i>9%</i>	<i>15%</i>		
Liabilities from deliveries and services	3.924	11.191	-7.267	-65%
Current financial liabilities	2.608	987	1.622	164%
Short-term provisions	1.542	1.243	299	24%
Other current liabilities and accrued expenses	3.096	2.649	447	17%
Long-term debt	32.141	5.290	26.850	508%
<i>in % of balance sheet total</i>	<i>27%</i>	<i>5%</i>		
Non-current financial liabilities	28.365	2.841	25.524	898%
Long-term provisions	2.239	605	1.634	270%
Accruals and deferrals	1.536	1.844	-308	-17%
Equity	77.303	86.454	-9.152	-11%
<i>in % of balance sheet total</i>	<i>64%</i>	<i>80%</i>		
Total equity and liabilities	120.614	107.814	12.800	12%

Current liabilities decreased by EUR 4,899,000 from EUR 16,070,000 to EUR 11,171,000. Of this decrease, payments of KEUR 7,267 are accounted for by trade payables, especially for the Enapter Campus and the build-up of inventory. Current financial liabilities have decreased, in particular due to the repayment of a short-term loan. In contrast, current provisions and other current liabilities and accruals increased by EUR 746 thousand. Enapter AG received a short-term, subordinated other loan in the amount of 2 million euros in January 2023.

Non-current liabilities increased by EUR 26,850,000 from EUR 5,290,000 (31 December 2022) to EUR 32,141,000 as at 30 June 2023, mainly due to the issuance of a bearer bond for EUR 25,625,000 including the premium of EUR 625,000.

The loan has a term of 2 years. In February 2023, the Enapter Group had concluded a financing of 25 million euros with the Patrimonium Middle Market Debt Fund, a private debt fund of Patrimonium Asset Management AG, by issuing a bearer bond. The financing has a term of 2 years. The interest rate is 10% above the 1-month Euribor. By entering into the respective agreements, Enapter has undertaken to provide corresponding collateral (land charge on the land and building of the Enapter Campus in Saerbeck, assignment of industrial property rights and receivables of the Group as well as assignment of movable fixed assets and inventories as security) and to fulfil other closing and downstream conditions, e.g. compliance with certain financial covenants.

The long-term provisions consist of benefit obligations arising from the termination of employment contracts (so-called TFR fund in Italy) and development costs for the property in Saerbeck and other long-term obligations.

Deferred income (current and non-current) includes, among other things, grants for completed R&D projects that receive government funding in Italy. The non-current and current deferred income totalling EUR 2,025,000 largely includes R&D grants deferred into the future; these will be released over the expected useful life of the capitalised asset when the project to which they relate will be completed.

Equity amounts to TEUR 77,303 as of 30.6.2023. The equity ratio is 64% as of 30.6.2023 (31.12.2022: 80%).

The balance sheet total according to IFRS increased from TEUR 107,814 as of 31 December 2022 to TEUR 120,614 as of 30 June 2023.

In TEUR	1.1.-30.6. 2023	1.1.-30.6. 2022	1.1.-31.12. 2022
Cash flow			
Cash flow from operating activities	-15.738	-4.219	-15.464
Cash flow from investing activities	-6.237	-34.878	-49.490
Cash flow from financing activities	26.356	47.661	50.421
Change in cash and cash equivalents with an effect on payments	4.381	8.564	-14.533
Cash and cash equivalents at the beginning of the period	5.071	19.604	19.604
Cash and cash equivalents at the end of the period	9.452	28.168	5.071

The cash flow from operating activities developed to TEUR -15,738, in particular due to the build-up of inventories and payments of trade payables.

Cash flow from investing activities amounts to TEUR -6,237 and consists mainly of capitalised development costs for intangible assets and patents of TEUR 1,705 and investments in property, plant and equipment of TEUR 4,479.

The cash flow from financing activities amounts to EUR 26,356,000 in the reporting period and consists mainly of inflows from the raising of the promissory note loan and repayments of the other financial liabilities. Cash and cash equivalents consisting of bank balances increased as a result to 9.5 million euros as of 30 June 2023.

Current assessment of the opportunity and risk situation

We provide information on the structure and processes of our risk management, the responsible organisational units, the significant risks and opportunities as well as our measures for controlling and monitoring risks in the Group Management Report in our Annual Report for the year 2022 on pages 28 et seq. This presentation in the Annual Report 2022 reflects our state of knowledge as of April 2023.

During the reporting period, we did not identify any other significant risks and opportunities that go materially beyond the risks and opportunities we presented in our Annual Report 2022. An updated summary of these risks is described below.

Due to the geopolitical conflicts Trade conflicts (most recently, Russia's war of aggression on Ukraine and increased geopolitical tensions between China and Taiwan/USA), the Enapter Group's risk position in this regard has not changed significantly at present, although a short-term change in the situation is possible at any time. Due to the general slight weakening of the economy in Germany and in parts of Europe, Asia and other parts of the world, we see a slightly increased risk that investment and financing decisions could be postponed in some countries. On the positive side, the reaffirmation of political targets for green hydrogen by many governments and the industry's decarbonisation goals mean that we continue to see very positive demand for our modular electrolyzers.

Technology-, sales- and market-related risks

With its AEM electrolyzers, the Enapter Group is positioning itself as a potential disruptor in a market that is still very young. The market for green hydrogen is predicted to grow at a high to exponential rate in the coming years⁷, but analysts still disagree on when exactly the exponential part of the market ramp-up will start. Furthermore, there is a growing consensus that by 2030 AEM will be the winner compared to other electrolyser technologies in most of the key performance and price indicators, but this requires continued investment in research and development.

For the Enapter Group, this results in two risks. Firstly, the hydrogen market may grow more slowly than predicted, or it may not grow as fast as expected. This could jeopardise Enapter's planned sales growth. Secondly, it could happen that the AEM technology does not prove to be as promising for the future as previously assumed. If there are technology-related start-up difficulties when the first demonstration systems of the AEM Multicore are commissioned, or if there are hardware-related failures in one of the pilot projects with customers, this could lead to reputational damage, which could have a negative impact on the development of sales and earnings.

Risks from negative economic developments, geopolitical or other impairments, and restrictions on international trade

In Q2 2023, gross domestic product (GDP) stagnated compared to the first quarter, adjusted for price, seasonal and calendar effects, i.e. economic output remained almost unchanged. In the previous two quarters, Germany's economic output declined. Compared to the same quarter of the previous year, price-adjusted GDP fell by 0.6 per cent. Due to the war in Ukraine, energy costs in Germany rose massively and triggered an energy crisis. Prices rose in almost all areas of consumption and inflation climbed to record highs. All these factors are having a negative impact on the economic situation in Germany and are slowing down economic growth⁸. The economic

⁷ See e.g. International Energy Agency, Global Hydrogen Review 2022; BloombergNEF, 1H 2023 Hydrogen Market Outlook; Aurora Energy Research Project Database, 2022

⁸ [Quarter-on-quarter change in GDP until 2023 | Statista](#)

climate could therefore also have a negative impact on demand for electrolyzers: In a stagnating market environment, our customers could become fearful of recession, which in the worst case could lead to private households investing less in hydrogen solutions and business customers postponing or even suspending the necessary investments. This could also worsen the creditworthiness of our integration partners / customers.

The Enapter Group generates an increasing part of its turnover abroad and is dependent on world trade and the functioning of international supply and payment chains being as free of disruptions as possible. Our assessment of impairments and restrictions on international trade, such as those recently caused by Russia's war of aggression on Ukraine and by other trade conflicts (most recently above all between the USA and China) and the resulting changes to trade defence measures, has not changed in principle.

Risks in connection with the planned expansion strategy

There are further risks arising from the ramp-up of series production of electrolyzers in Italy and from the completion of the production facility in Saerbeck in North Rhine-Westphalia, particularly with regard to the development of a new stack to be mass-produced for the multi-core/multicore/megawatt electrolyzers in the second generation and with regard to the financing of this expansion strategy.

The buildings of the production facility and the research and development centre on the Enapter campus in Saerbeck have been completed in the meantime. The orders for the machinery have not yet been triggered. The order for the machinery for the expansion of production capacities at the Saerbeck site is to be placed when development of the new stack for the second-generation multi-core electrolyzers has been completed, the corresponding orders have been received and the financing of the machinery has been secured. In addition to the risk of successful development of the new stack, there are therefore cost risks if the required investment would increase due to rising development costs and higher procurement costs for the machinery. The cost risk is partially mitigated because public funding projects exist for the development of a megawatt electrolyser and the establishment of production at the Saerbeck site.

We continue to observe that the demand for electrolyzers for the production of larger quantities of hydrogen is increasing strongly. We can meet this demand with the AEM Multicore, which we will build at the Saerbeck site. The first, own prototype was presented to the public in May 2023, and further deliveries to customers are scheduled for the second half of 2023. Additional orders have been placed for the following years. In the medium term, the multi-core electrolyzers are to be equipped with the new stack generation, which will offer significant cost advantages in production and thus also for customers via the price. If the development of the new stack generation is delayed, Enapter could lose market share in the strongly growing segment of megawatt electrolyzers.

Liquidity and financing risks

Following the capital increases successfully carried out in the past years, in which the company has so far received a total of around 107 million euros in equity capital, and the debt capital received at the beginning of 2023, Enapter assumes that it will also be able to cover the capital requirements for further growth in the future through capital measures.

In February 2023, the Enapter Group had concluded a financing of €25 million with the Patrimonium Middle Market Debt Fund, a private debt fund of Patrimonium Asset Management AG, by issuing a bearer bond. The financing has a term of 2 years. By entering into the respective agreements, Enapter has committed to provide collateral and to fulfil other closing and downstream conditions, e.g. compliance with certain financial covenants.

Non-compliance with these provisions could lead to costs in contract adjustments or even to a termination of the respective agreements, for which there are currently no indications.

Any additional financing required will be secured through appropriate capital measures at the appropriate times. The extent to which we are able to obtain such funding may depend on several factors beyond our control. These include general economic conditions due to economic trends, geopolitical events, monetary policy and financial market regulation worldwide and in the EU. Furthermore, a deterioration in Enapter's business results, financial condition or credit rating could also lead to reduced availability of credit and/or higher financing and hedging costs. The equity markets have also been weighed down by geopolitical instability and all sorts of uncertainties. Rising inflation, an aggressive interest rate hike policy by central banks worldwide, Russia's war of aggression against Ukraine and other geopolitical commitments that had a negative impact on global procurement and sales markets ensured that recession concerns increasingly dominated events on the stock markets. In principle, the interest and demand on the capital market for "hydrogen" shares is high, also due to the political backing in the USA in the EU, but the valuation and demand for these shares could deteriorate if, due to the slower than expected market ramp-up for hydrogen, the business results remain below expectations and the profitability of the business model is achieved later. If the assumptions made in the planning regarding business performance and financing do not materialise, this would have a significant impact on the Company's financial position. These events and circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and that continues to represent a going concern risk within the meaning of section 322 (2) sentence 3 HGB.

Opportunities

Green hydrogen is in a highly attractive market environment and will experience a real boom in the next few years, as a consensus has formed in recent years that hydrogen is the only low-emission energy carrier that can sustainably decarbonise industry. Thus, green hydrogen is the only way, especially for industrialised nations, to achieve their climate targets within the given time frame. Clear political signals in core markets such as the United States and the European Union provide investors and companies with the necessary investment security to invest in the energy carrier in the long term.

Smouldering political conflicts, such as Russia's war of aggression against Ukraine, have made energy security and the relocalisation of global supply chains priority political issues in recent years. The demand for self-sufficient off-grid concepts is higher than ever before.

Enapter's product portfolio benefits in many ways from the current conditions. The promising AEM technology does not require iridium and titanium and is therefore much more resilient to potential future supply shortages and price increases for platinum group metals. The modular product approach adopted by Enapter is also ideally suited for the effective construction of hydrogen production plants and a decentralised hydrogen infrastructure. The standardised design of the stack allows for rapid scaling and high automation in manufacturing. This allows Enapter to quickly move from manual series production to mass production and thus achieve further economies of scale. Enapter thus sees itself further well equipped to participate in the expected exponential market ramp-up and to contribute to making green hydrogen the "oil of the 21st century".

Overall assessment of the risk and opportunity situation

Currently, taking into account Enapter's current direction, there are specific risks that are monitored to the extent that they are within the company's sphere of influence. Enapter continues to assess the overall risk of the listed strategic, operational and financial risks as moderate. In Enapter's opinion, there are currently no risks that could

jeopardise the company's existence within the next 12 months.

With its focus on a platform strategy for small and large electrolyzers, Enapter sees itself well positioned on the market side. Decisive for the demand for electrolyzers are the quality, functionality, price and operational costs for the production of hydrogen for customers, but also the provision of the corresponding infrastructure and reliable legal framework conditions.

The investments required for further growth and the financing of operations are to be financed through appropriate equity and/or debt measures. Following the successfully implemented capital increases and the debt capital received at the beginning of 2023, Enapter expects to be able to continue to cover the capital requirements for further growth through capital measures in the future.

Forecast

Overall economic situation and future framework conditions

The outlook for global economic developments continues to be determined by geopolitical conflicts and the associated effects on inflation and financing costs. Economic forecasts vary for many countries. In summary, price-adjusted GDP in Germany is expected to stagnate somewhat in 2023 (-0.1%) and the inflation rate to reach 6.2%, which is only less than in the previous year.⁹ Across Europe, this growth could be somewhat more positive: The International Monetary Fund raised its forecast for 2023 from 0.5% to 0.7% and sees the Chinese market in particular as a driver of global economic growth¹⁰. Globally, the International Monetary Fund expects a growth forecast of around 3% for 2023.

The political target for green hydrogen has developed positively in 2022 and beyond. On the one hand, the Russian war of aggression in Ukraine has led the EU to double its climate and energy policy ambitions compared to the previous year with the REPowerEU programme. For green hydrogen, this means that by 2030 a total of 10 million tonnes of green hydrogen (90-100GW)¹¹ will be produced in the EU and another 10 million tonnes of green hydrogen will be imported. On the other hand, the USA passed the Inflation Reduction Act (IRA), probably one of the world's most generous subsidy programmes for green hydrogen. Important sales markets are thus emerging in Europe and the USA, which will also have a positive impact on the production of green hydrogen beyond their borders. Bloomberg, for example, expects that this will boost global production of up to 29.7 million tonnes of green hydrogen per year.¹²

In 2023, these positive transfer effects can already be seen in the update of the National Hydrogen Strategy: At the end of July 2023, the German government published the new National Hydrogen Strategy. In it, the government formulates even more ambitious goals with regard to hydrogen production, import and infrastructure and thus strives for market leadership in the globally forming hydrogen economy. Not only are the envisaged fields of application being expanded to include further mobility and heating applications, but the German government is also revising its expansion and import targets sharply upwards. Although we are rather critical of the shift from a clear commitment to green hydrogen to an acceptance of imports of blue hydrogen, we are certain that the more ambitious targets will lead to an increase in demand for electrolyzers. In 2023, this increase will most likely not yet be reflected. However, we expect a clear positive impact for Enapter in the

⁹ ifo Economic Forecast Spring 2023: German economy stagnating | Facts | ifo Institute

¹⁰ IMF economic forecast with rays of hope - DW - 31.01.2023

¹¹ European Electrolyser Partnership

¹² BNEF 2022 Hydrogen Market Outlook

coming years and also think that other countries will follow suit and upscale the ambitions of their hydrogen strategy.

Demand for AEM electrolysers increases significantly

Our order backlog has increased by around 6 million euros from around 14 million euros at the beginning of the year to around 20 million euros (as of 28 August 2023). Of these, around 10 million euros are for 2023, of which around 6.7 million euros are for single-core electrolysers including accessories and around 2.3 million euros for multi-core electrolysers.

Customer demand has grown even more strongly than the order backlog. These customer enquiries have risen significantly from around 430 million euros at the beginning of the year to around 1.4 billion euros at the end of August 2023. The strong increase was due in particular to demand for the AEM Multicore / Electrolyser in the megawatt (MW) range in the first half of 2023. These customer demands increased by €0.8 billion from around €0.3 billion at the beginning of the year to €1.1 billion and account for around 80% of total customer demands. The increase reflects the growing demand from industry and logistics for larger quantities of green hydrogen. But demand for smaller modular hydrogen solutions is also growing. For example, customer enquiries for single-core electrolysers, stack modules and smaller multi-core electrolysers, all applications up to 500 kilowatts (KW) input power, have grown from approx. This segment also continues to be very interesting for us, because it enables customers to enter hydrogen production with a low investment and we can grow together with customers by supplying further modular solutions.

Turnover and earnings forecast

The total turnover from January to the end of June 2023 is around 4.8 million euros. Around 490 electrolysers were delivered to more than 60 customers in over 50 countries. The current order backlog for the second half of 2023 is around 10 million euros, as mentioned above. Overall, we are confident that we will be able to contract the remaining order backlog for 2023 from existing and new customer enquiries. The order intake from January to August 2023 is around 13.3 million euros. The capacities at the Pisa site are sufficient to produce the planned production quantities, so we are sticking to the previous sales forecast of 30 million euros for the year.

Due to the strategic decision at the beginning of 2023 to align the Saerbeck site for the development and production of stacks, stack modules and multi-core systems, especially for megawatt electrolysers, personnel measures were taken in spring 2023 that will have an impact in the second half of the year. In this context and with the external financing obtained in February/March 2023, higher legal and consulting costs were incurred, which we do not expect to be of this magnitude in the second half of the year.

As a result, we continue to expect - as communicated in the ad hoc announcement pursuant to Article 17 MAR of 10 February 2023 / 22:107 CET/CEST - an EBITDA of EUR -10 to -11 million for the full 2023 financial year (previous year: EUR -10.6 million). Due to the increased depreciation caused by the completion of the buildings at the Saerbeck site, we expect depreciation to rise compared to the previous year, so that we are planning for EBIT of EUR -14 to -15 million (previous year: EUR -7.6 million).

The Enapter Group's sales and earnings situation depends on the development of the global market for green hydrogen. We see ourselves well equipped to meet the demand for scalable systems for the production of low-cost green hydrogen through our patented, cost-effective AEM technology and our modular product approach.



Interim consolidated financial statements

as at 30 June 2023

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Interim consolidated financial statements

as at 30 June 2023

Consolidated balance sheet

	Annex informatio n	30.6.2023	31.12.2022	30.6.2022
	No.	EUR	EUR	EUR
Assets				
Non-current assets				
Intangible assets	III.A.(1)	11.339.815	10.272.092	8.580.391
Property, plant and equipment	III.A.(2)	71.564.492	67.899.678	56.829.520
Rights of use	III.A.(3)	1.052.784	909.012	1.005.990
Shares in associated companies		972.489	972.489	0
Other financial assets		229.746	176.690	112.517
Deferred tax assets		7.602	7.007	24.567
		85.166.928	80.236.969	66.552.986
Current assets				
Inventories	III.A.(4)	11.760.337	8.421.443	8.940.310
Receivables from deliveries and services	III.A.(5)	8.522.953	8.013.914	1.666.031
Other assets	III.A.(6)	5.711.817	6.070.938	5.689.448
Cash and cash equivalents	III.A.(7)	9.451.706	5.070.823	28.168.205
		35.446.813	27.577.118	44.463.993
Balance sheet total		120.613.741	107.814.087	111.016.978
Liabilities				
Equity				
Subscribed capital	III.A.(8)	27.195.000	27.195.000	24.405.647
Capital reserves	III.A.(9)	88.394.368	87.586.151	87.360.528
Retained earnings	III.A.(10)	-38.341.368	-28.396.078	-23.148.940
Other reserves	III.A.(11)	54.561	68.999	49.119
Total equity		77.302.561	86.454.072	88.666.354
Equity attributable to owners of the parent company		77.302.517	86.453.450	88.664.985
Non-controlling interests		45	623	1.369
Total equity		77.302.561	86.454.072	88.666.354
Long-term debt				
Other financial liabilities	III.A.(12)	27.750.984	2.370.589	2.606.153
Leasing liabilities	III.A.(3)	613.968	470.630	496.678
Provisions	III.A.(13)	2.239.195	604.883	514.215
Passive accruals	III.A.(14)	1.536.484	1.844.323	1.428.406
Total non-current liabilities		32.140.631	5.290.424	5.045.453
Current liabilities				
Other financial liabilities	III.A.(12)	2.484.960	870.510	607.211
Leasing liabilities	III.A.(3)	123.521	116.446	98.016
Liabilities from deliveries and services	III.A.(15)	3.923.995	11.190.982	13.703.554
Other liabilities	III.A.(16)	2.607.576	2.338.164	2.331.806
Provisions	III.A.(13)	1.542.289	1.243.042	445.267
Passive accruals	III.A.(14)	488.207	310.447	119.317
Total current liabilities		11.170.549	16.069.591	17.305.172
Balance sheet total		120.613.741	107.814.087	111.016.978

Consolidated income statement

for the period from 1 January to 30 June 2023

	Annex information No.	1.1.-30.6. 2023 EUR	1.1.-30.6. 2022. EUR	1.1.-31.12. 2022 EUR
Revenues	II.C.;II.B.(1)	4.765.534	3.314.420	14.671.422
Other own work capitalised	III.A.(1)(2)	2.181.623	1.621.432	6.382.582
Change in inventories of finished goods and work in progress	III.A.(4)	826.760	1.996.663	525.270
Other operating income	III.B.(2)	1.449.632	667.783	2.799.251
Cost of materials	III.B.(3)	-4.998.202	-5.264.058	-12.012.787
Personnel expenses	III.B.(4)	-7.257.229	-7.073.856	-14.299.979
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	III.A.(1-3)	-1.578.046	-627.272	-2.275.871
Other operating expenses	III.B.(5)	-3.982.030	-2.247.577	-8.647.936
Financial income		23.368	370	2.397
Financial expenses		-1.379.523	-55.785	-99.073
Result before taxes		-9.948.113	-7.667.881	-12.954.724
Income tax expense		-443	-6.725	-23.208
Group result		-9.948.556	-7.674.606	-12.977.933
Thereof attributable to:				
Shareholders of the parent company		-9.947.981	-7.674.108	-12.976.684
non-controlling interests	III.B.(6)	-575	-498	-1.249
		-9.948.556	-7.674.606	-12.977.933
Earnings per share				
Basic earnings attributable to ordinary equity holders of the parent company	III.B.(7)	-0,37	-0,31	-0,51
Diluted earnings attributable to ordinary equity holders of the parent company	III.B.(7)	-0,37	-0,31	-0,51

Consolidated statement of comprehensive income

for the period from 1 January to 30 June 2023

	Annex informatio n No.	1.1-30.6. 2023 EUR	1.1-30.6. 2022 EUR	1.1-31.12. 2022 EUR
Group result		-9.948.556	-7.674.606	-12.977.933
Other comprehensive income after income taxes				
Remeasurement of the net defined benefit liability	III.A.(13)	-4.539	51.518	24.663
Items that will not be reclassified to the income statement		-4.539	51.518	24.663
Derivative financial instruments		-9.898	71.244	127.450
Difference from currency translation		0	468	0
Items that may be reclassified to the income statement		-9.898	71.712	127.450
Other result		-14.438	123.231	152.113
Group overall result		-9.962.994	-7.551.376	-12.825.820
Thereof attributable to:				
Shareholders of the parent company		-9.962.991	-7.550.902	-12.825.848
non-controlling interests	III.B.(6)	-3	-474	-29
		-9.962.994	-7.551.376	-12.825.820

Consolidated Statement of Changes in Equity

as of 30 June 2023

	Annex information	Subscribed capital	Capital reserves	Retained earnings	Other reserves	Total equity	Equity attributable to shareholders of the parent company	Non- controlling interests	Total equity
		EUR	EUR	EUR	EUR	EUR		EUR	EUR
Notes	No.	III.A.(8)	III.A.(9)	III.A.(10)	III.A.(11)			III.B.(6)	
Status 1.1.2022		24.405.647	37.615.442	-15.418.145	-83.114	46.519.830	46.517.987	1.843	46.519.830
Cash capital increase Enapter AG		-	49.367.083	-	-	49.367.083	49.367.083	-	49.367.083
Costs of raising capital		-	-888.570	-	-	-888.570	-888.570	-	-888.570
Share-based payment		-	1.261.835	-	-	1.261.835	1.261.835	-	1.261.835
Other changes		-	4.738	-56.189	9.002	-42.449	-42.449	-	-42.449
Group result		-	-	-7.674.606	-	-7.674.606	-7.674.108	-498	-7.674.606
Other result		-	-	-	123.231	123.231	123.206	25	123.231
Status 30.6.2022		24.405.647	87.360.528	-23.148.940	49.119	88.666.354	88.664.985	1.369	88.666.354
Status 01.1.2023		27.195.000	87.586.151	-28.396.078	68.999	86.454.072	86.453.450	623	86.454.072
Cash capital increase Enapter AG		-	-	-	-	-	-	-	0
Costs of raising capital		-	-	-	-	-	-	-	0
Share-based payment		-	800.832	-	-	800.832	800.832	-	800.832
Other changes		-	7.385	3.266	-	10.651	10.651	-	10.651
Group result		-	-	-9.948.556	-	-9.948.556	-9.947.981	-575	-9.948.556
Other result		-	-	-	-14.438	-14.438	-14.435	-3	-14.438
Status 30.6.2023		27.195.000	88.394.368	-38.341.368	54.561	77.302.562	77.302.517	45	77.302.562

Consolidated cash flow statement

for the period from 1 January to 30 June 2023

		1.1.-30.6. 2023	1.1.30.6. 2022	1.1-31.12 2022
		EUR	EUR	EUR
Current business activity	Annex information			
Group result after taxes		-9.948.556	-7.674.606	-12.977.933
Income taxes		443	6.725	23.208
Financial result		1.356.155	55.415	96.676
Depreciation, amortisation and impairment of non-current assets	III.A.(1-3)	1.578.046	627.272	2.275.871
Interest received		23.368	370	2.397
Interest paid		-1.364.980	-54.415	-69.223
Income taxes paid		-443	-6.725	-4
+/- Increase/decrease in long-term provisions		1.634.312	2.057	92.725
+/- Increase/decrease in short-term provisions		299.248	-70.208	727.567
+/- Decrease/increase in trade receivables and other receivables		-149.917	-643.835	-7.373.209
-/+ Increase/decrease in inventories		-3.338.894	-5.336.483	-4.817.616
Increase/decrease in trade payables and other liabilities		-7.127.652	7.613.691	5.714.523
Other non-cash transactions		1.300.919	1.261.780	840.868
Cash flows from operating activities		-15.737.953	-4.218.961	-15.464.149
Investment activity				
Payments for the acquisition of intangible assets	III.A.(1)	-1.705.021	-1.579.086	-4.435.804
Payments for the acquisition of property, plant and equipment	III.A.(2)	-4.478.613	-33.155.023	-44.989.275
Payments for investments in financial assets		-53.056	-80.490	-3.329
Payments for modernisation of leased buildings (rights of use)	III.A.(3)	0	-63.763	-61.458
Cash flows from investing activities		-6.236.690	-34.878.362	-49.489.865
Financing activity				
Contributions made to Enapter AG for the implementation of the cash capital increase / payments received from the issue of new shares	III.A.(8-9)	0	49.367.083	52.997.707
Transaction costs for the issue of shares		0	-888.570	-1.769.813
Payments for the redemption portion of the lease liabilities		-135.871	-136.776	-154.581
Proceeds from borrowings		27.000.000	200.110	395.900
Payments from the redemption of financial liabilities		-508.603	-880.398	-1.048.455
Cash flows from financing activities		26.355.526	47.661.449	50.420.759
Change in cash and cash equivalents		4.380.883	8.564.126	-14.533.256
Cash and cash equivalents as at 1 January		5.070.823	19.604.079	19.604.079
Cash and cash equivalents as at 31 December of the previous period	III.A.(7)	9.451.706	28.168.205	5.070.823
Composition of cash and cash equivalents		30.6.2023	30.6.2022	31.12.2022
		EUR	EUR	EUR
Balances with credit institutions	III.A.(7)	9.451.706	28.168.205	5.070.823

Notes to the consolidated interim financial statements

(condensed) as at 30 June 2023

I. Preliminary remarks and basis of preparation

A. Information on the Company and the Group

Enapter AG, Heidelberg (in future: Düsseldorf) is a stock corporation under German law (hereinafter referred to as "Enapter AG" or the "Company"). Enapter AG is registered in the commercial register at the Local Court of Mannheim under the number HRB 735361 and has its registered office in Heidelberg and its business address at Reinhardtstraße 35 in 10117 Berlin.

As of 30 June 2023, Enapter AG has a share capital of EUR 27,195,000.00 with 27,195,000 no-par value bearer shares. The shares are admitted to the regulated market of the Frankfurt and Hamburg stock exchanges. Accordingly, as of the balance sheet date, the Company is considered a large corporation pursuant to section 267 (3) HGB in conjunction with section 264d HGB. The ISIN for the listed shares (International Securities Identification Number) is DE000A255G02, the WKN (securities identification number) is A255G0 and the stock exchange symbol is H20.

Enapter AG acts as an investment company that provides management and functional services to the subsidiaries it controls (hereinafter "Enapter" or "Group" or "Unternehmensgruppe").

Subsidiaries of the company are Enapter S.r.l., Crespina Lorenzana (Pisa), Italy, Enapter GmbH, Berlin, Enapter Immobilien GmbH, Saerbeck and Enapter LLC, St. Petersburg, Russia.

Enapter designs and manufactures hydrogen generators based on a patented anion exchange membrane electrolysis (AEM Electrolysis) and pursues the vision of completely replacing fossil fuels with green hydrogen.

B. Legal basis for the preparation of the consolidated financial statements

The interim consolidated financial statements as at 30 June 2023, including further disclosures in the interim group management report, have been prepared in accordance with § 115 of the German Securities Trading Act (WpHG) and in compliance with IAS 34 Interim Financial Reporting and should be read in conjunction with the latest consolidated financial statements as at 31 December 2022. It complies with the International Financial Reporting Standards (IFRS) and the related interpretations of the International Accounting Standards Board (IASB) as adopted by the European Union. They were authorised for issue on 30 August 2023.

In accordance with IAS 34, a condensed scope of reporting was chosen for the presentation of the interim consolidated financial statements as at 30 June 2023 compared to the consolidated financial statements as at 31 December 2022. Consequently, these interim financial statements do not contain all the information and notes required by IFRS for consolidated financial statements at the end of the financial year. With the exception of the changes and new regulations described below, the same accounting and valuation

methods are applied in the interim consolidated financial statements as in the consolidated financial statements as at 31 December 2022. For further information, please refer to the consolidated financial statements for 2022, which form the basis for this half-year financial report.

The consolidated financial statements of Enapter AG are prepared in euros (EUR). Unless otherwise stated, all values are rounded up or down to the nearest euro (EUR). Rounding may result in values in this report not adding up exactly to the totals shown and in percentages not adding up exactly to the values shown.

These interim consolidated financial statements and the management report of the Company have not been reviewed by an auditor or audited in accordance with section 317 of the German Commercial Code (HGB).

II. Selected accounting and consolidation regulations

Apart from the standards, interpretations and amendments to be applied for the first time in the financial year, the Enapter Group has not made any significant changes to the accounting and valuation methods.

A. Accounting pronouncements issued by the IASB and adopted for the first time

Accounting standards issued by the IASB and applied for the first time		
Standard	New or amended standards and interpretations	Obligation to apply EU
IAS 1	Changes in the classification of liabilities as current or non-current and disclosure of significant accounting policies	01.01.2023
IAS 8	Definition of accounting estimates	01.01.2023
IAS 12	Deferred taxes at the time of addition of an asset or liability	01.01.2023
IFRS 17	Insurance contracts	01.01.2023

The new or amended standards have no or no material impact on the interim consolidated financial statements of the Enapter Group.

B. Accounting standards issued by the IASB that have not yet been applied

The Enapter Group does not make use of the right of voluntary early adoption of the standards issued by the IASB before their mandatory adoption. No material impact on the interim consolidated financial statements is expected.

C. Use of judgements and estimates

The preparation of the consolidated (interim) financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions by management that relate to the amount and disclosure of recognised assets and liabilities, income and expenses and the disclosure of contingent liabilities are necessary when preparing the consolidated financial statements in accordance with IFRS. Assumptions and estimates have an influence on the valuation of assets, provisions and liabilities in the consolidated financial statements, particularly with regard to the recognition criteria and accounting regulations for intangible assets, the recoverability of financial assets and the resulting value adjustments, the determination of useful lives, and the recognition and valuation of other provisions.

The assumptions and estimates as of the balance sheet date are based on current circumstances and

knowledge. The forward-looking assumptions and estimates as at the balance sheet date take into account the expected future business development, the circumstances prevailing at the time of the preparation of the consolidated financial statements and the future development of the global and industry-specific environment that is assumed to be realistic. Developments in these general conditions that deviate from the assumptions and are beyond the management's control may cause the actual amounts to deviate from the estimated values. In the event of such a development, the assumptions and, if necessary, the carrying amounts of the assets and liabilities concerned are adjusted to the new level of knowledge.

Enapter AG calculates the expense from the option programme on the basis of the fair value on the grant date. The estimation of the fair value requires the determination of the most appropriate valuation method, which depends on the terms of the option programme. It is also necessary to determine the input factors for the valuation model (share price, exercise price, term, risk-free interest rate, expected volatility and expected dividend yield).

H2 Core Systems GmbH is presented as an associated company of the Group, as Enapter AG holds a stake of around 30% and thus has a significant influence on the associated company. There are no special agreements under company law or contractual law.

War, geopolitical tensions and global pandemics such as the COVID 19 pandemic may continue to have an impact on the Group's financial statements as a result of declining and more volatile equity prices, interest rate adjustments in various countries, increased volatility in foreign currency exchange rates, deteriorating creditworthiness, payment defaults or late payments, delays in order intake and also in order execution or contract fulfilment, contract cancellations, adjusted or modified revenue and cost structures, the limited use of assets, the limited or impossible access to customers' premises or the difficulty in making forecasts and projections due to uncertainties regarding the amount and timing of cash flows. These factors can affect the fair values and carrying amounts of assets and liabilities, the amount and timing of profit realisation and cash flows.

Management has prepared the consolidated financial statements on the assumption that Enapter AG and its subsidiaries will be able to continue as a going concern. As an early-stage technology company, the Company is dependent on future external financing or the ability of its shareholders to provide the necessary funds in order to continue as a going concern. Enapter anticipates that losses and related cash outflows will continue until production and associated sales of the electrolysers have ramped up. Financing for the group within the ramp-up period is expected to be provided by further equity, subsidies and debt. However, there is an inherent risk that financing rounds may not be successful as expected. In the event that the financial and revenue planning is not met or the planned injections of funds are not implemented on time, the existence of the company would be at risk.

D. Segment reporting

In the reporting period, the Group had only one reportable segment - the design and production of hydrogen generators based on a patented anion exchange membrane electrolysis (AEM electrolysis) and pursues the vision of completely replacing fossil fuels with "green hydrogen". In the reporting period, the internal management of business activities was not separated according to products, services or geographical markets. Currently, all major operational business activities are bundled in Enapter S.r.l..

III. Notes to selected items of the consolidated balance sheet and the consolidated statement of comprehensive income

A. Balance sheet

≡ Assets

≡ Non-current assets

(1) Intangible assets

Intangible assets break down as follows as at the reporting date of 30 June 2023:

Acquisition or production costs	Capitalised development costs	Patents and trademarks	Total
	EUR	EUR	EUR
Status as of 1.1.2023	11.402.147	923.425	12.325.573
Access	1.652.899	52.122	1.705.021
Status as of 30.6.2023	13.055.046	975.548	14.030.594
Accumulated depreciation			
Status as of 1.1.2023	1.826.829	226.652	2.053.481
Scheduled depreciation	602.981	34.317	637.299
Status as of 30.6.2023	2.429.810	260.969	2.690.780
Book value as at 31.12.2022	9.575.318	696.773	10.272.092
Book value as at 30.6.2023	10.625.236	714.579	11.339.815

Acquisition or production costs	Capitalised development costs	Patents and trademarks	Total
	EUR	EUR	EUR
Status as of 1.1.2022	7.416.951	472.818	7.889.769
Access	1.495.776	246.598	1.742.374
Disposals	-62.597	0	-62.597
Status as of 30.6.2022	8.850.130	719.415	9.569.546
Accumulated depreciation			
Status as of 1.1.2022	620.867	159.378	780.245
Scheduled depreciation	181.277	27.632	208.909
Status as of 30.6.2022	802.144	187.010	989.154
Book value as at 31.12.2021	6.796.084	313.440	7.109.524
Book value as at 30.6.2022	8.047.986	532.405	8.580.392

This item mainly includes capitalised development costs, patents and trademarks. The main additions in the first half of 2023 relate to development costs for ongoing internal projects that will be completed in subsequent years and then amortised over the expected useful life - generally five years. A total amount of EUR 2,181,000 (previous year period 2022: EUR 1,621,000) was recognised in the statement of comprehensive income as other own work capitalised. Patents are amortised over a useful life of fifteen

years, software and trademarks over an expected useful life of five years.

(2) Property, plant and equipment

Property, plant and equipment developed as follows in the first half of 2023:

Acquisition or production costs	Land and buildings	Plant and machinery	Operating and business equipment	Payments on account and assets under construction	Total
	EUR	EUR	EUR	EUR	EUR
Status as of 1.1.2023	20.344.583	3.025.502	1.699.749	44.475.713	69.545.547
Access	27.300	148.487	172.657	4.130.167	4.478.613
Disposals	0	0	-843	0	-843
Transfers	27.464.718	-336	0	-27.464.718	-336
Status as of 30.6.2023	47.836.602	3.173.653	1.871.563	21.141.162	74.022.980
Accumulated depreciation					
	EUR	EUR	EUR	EUR	EUR
Status as of 1.1.2023	476.257	842.828	326.784	0	1.645.869
Scheduled depreciation	464.017	220.006	129.775	0	813.798
Disposals	-676	339	-842	0	-1.179
Status as of 30.6.2023	939.598	1.063.173	455.717	0	2.458.489
Book value as at 31.12.2022	19.868.326	2.182.674	1.372.965	44.475.713	67.899.678
Book value as at 30.6.2023	46.897.004	2.110.480	1.415.846	21.141.162	71.564.492

Acquisition or production costs	Land and buildings	Plant and machinery	Operating and business equipment	Payments on account and assets under construction	Total
	EUR	EUR	EUR	EUR	EUR
Status as of 1.1.2022	5.677.881	1.866.655	626.357	16.676.772	24.847.665
Access	1.053.255	1.823.869	199.368	30.389.586	33.466.079
Disposals	0	0	0	-311.056	-311.056
Status as of 30.6.2022	6.731.136	3.690.524	825.725	46.755.303	58.002.688
Accumulated depreciation					
	EUR	EUR	EUR	EUR	EUR
Status as of 1.1.2022	240.004	481.514	141.553	0	863.071
Scheduled depreciation	68.582	173.219	68.296	0	310.096
Status as of 30.6.2022	308.586	654.733	209.849	0	1.173.168
Book value as at 31.12.2021	5.437.876	1.385.141	484.804	16.676.772	23.984.593
Book value as at 30.6.2022	6.422.550	3.035.791	615.876	46.755.303	56.829.520

The main additions in the first half of 2023 relate to investments in buildings as well as advance payments made and assets under construction at Enapter Immobilien GmbH for the Enapter Campus.

Work on the Enapter campus in Saerbeck began in mid-September 2021 and the first construction phase (BA2 / R&D building) was handed over in October 2022. The second construction phase (BA1 / production hall) was handed over in February 2023. The Enapter Campus in Saerbeck is valued at acquisition and production cost and amounts to TEUR 54,710 as at 30 June 2023. TEUR 11,858 (previous year: TEUR 38,990) of this is attributable to advance payments and assets under construction and TEUR 42,852

(previous year: TEUR 15,367) to land and buildings less expenses for depreciation of TEUR 393 (previous year: TEUR 94).

Other significant additions to advance payments made and assets under construction relate to the development costs for the prototype of the AEM Multicore and for setting up production at the Saerbeck site. In this context, own work amounting to EUR 674,000 and EUR 3,000,000 in third-party production costs were capitalised.

The additions/disposals and depreciation of low-value assets capable of independent use (so-called MLA) were not recorded in the asset register for reasons of materiality.

(3) Rights of use

The Enapter Group leases various assets, mainly buildings and two company cars, generally with fixed lease payments in Germany and Italy. The average lease term is approximately three years for the company cars and approximately three to nine years for the buildings (taking into account the predominantly probable utilisation of renewal options). The Enapter Group has no purchase options to acquire certain buildings for predetermined amounts at the end of the lease term.

Taking into account the additions and disposals and the depreciation in the first half of 2022, the rights of use developed as follows as at the balance sheet date:

Acquisition or production costs	Land and buildings	Maintenance expenses	Operating and business equipment	Total
	EUR	EUR	EUR	EUR
Status as of 1.1.2023	917.009	508.957	64.745	1.490.712
Access	11.052	0	264.612	275.664
Disposals	-237.021	0	0	-237.021
Status as of 30.6.2023	691.040	508.957	329.357	1.529.354
Accumulated depreciation				
	EUR	EUR	EUR	EUR
Status as of 1.1.2023	396.618	154.935	30.148	581.701
Scheduled depreciation	77.186	22.656	32.048	131.890
Disposals	-237.021	0	0	-237.021
Status as of 30.6.2023	236.783	177.591	62.196	476.570
Book value as at 31.12.2022	520.391	354.022	34.597	909.010
Book value as at 30.6.2023	454.257	331.366	267.161	1.052.784

Acquisition or production costs	Land and buildings	Maintenance expenses	Operating and business equipment	Total
	EUR	EUR	EUR	EUR
Status as of 1.1.2022	934.825	443.394	52.921	1.431.140
Access	0	63.763	0	63.763
Disposals	-17.816	0	0	-17.816
Status as of 30.6.2022	917.009	507.157	52.921	1.477.087
Accumulated depreciation				
	EUR	EUR	EUR	EUR
Status as of 1.1.2022	247.816	110.705	18.021	376.542
Scheduled depreciation	67.544	22.015	4.996	94.555
Status as of 30.6.2022	315.360	132.720	23.017	471.097
Book value as at 31.12.2021	687.009	332.689	34.900	1.054.599
Book value as at 30.6.2022	601.649	374.437	29.904	1.005.990

The maintenance expenses capitalised as rights of use are mainly modernisation expenses for the leased production and office space at Enapter S.r.l. in Italy, which are depreciated in accordance with the expected lease and rental period.

There are no contractual relationships from sale and leaseback transactions. Leases with variable lease payments linked to sales from the leased markets have not been agreed at present. There are no rights of use that are accounted for using the revaluation model.

The corresponding leasing liabilities for the rights of use (without capitalised modernisation expenses) amount to TEUR 737 (31.12.2022: TEUR 587) as at the balance sheet date.

Current assets

(4) Inventories

Inventories are composed as follows:

	30.6.2023	31.12.2022
	EUR	EUR
Raw materials and supplies	9.405.379	6.893.245
Work in progress	1.994.474	1.228.810
Finished products	360.483	299.388
Work in progress and finished goods	2.354.958	1.528.197
	11.760.337	8.421.443

(5) Trade receivables

Trade receivables amounted to TEUR 8,523 as at the balance sheet date (31.12.2022: TEUR 8,014). No significant value adjustments were made.

(6) Other assets

Other assets consist mainly of current financial assets (including payments on account and receivables from employees) and other assets (including receivables from foreign tax subsidies granted and VAT receivables).

The foreign (Italian) tax subsidies or tax credits capitalised at Enapter S.r.l. result from the possibility to offset costs of investments made in or for research and development projects against taxes and duties in Italy. The tax credits are determined on the basis of the costs paid during a financial year, regardless of whether the project to which they relate has been completed or is still in progress. The company may use the credit to offset liabilities (such as contributions, withholdings and other taxes/duties) once a certificate to this effect has been obtained from an auditor.

We also refer to our explanations on "Accruals and deferred income" in section III.A.(14).

(7) Cash and cash equivalents

Bank balances in Germany and Italy are reported, as well as a small amount in Russia.

≡ Liabilities

≡ Equity

(8) Subscribed capital

As of 30 June 2023, the subscribed capital of Enapter AG amounts to EUR 27,195,000.00 divided into 27,195,000 ordinary bearer shares (no-par value shares) with a notional value of EUR 1.00. As of the balance sheet date 30 June 2023, 27,195,000 no-par value bearer shares (ISIN:DE000A255G02 / WKN: A255G0) are admitted to trading on the regulated market of the Frankfurt Stock Exchange (General Standard) and to trading on the regulated market of the Hamburg Stock Exchange. The stock exchange symbol is H20.

By resolution of the Annual General Meeting of 28 July 2022, the Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital of the Company on one or more occasions until 27 July 2027 by up to EUR 13,500,000.00 against contributions in cash and/or in kind. Shareholders' subscription rights may be excluded (Authorised Capital 2022).

The Annual General Meeting of 6 May 2021 authorised the Executive Board, with the consent of the Supervisory Board, to issue convertible bonds and/or bonds with warrants or profit participation rights with or without conversion or subscription rights (collectively hereinafter also referred to as "Bonds") in a total nominal amount of up to EUR 250,000,000.00 on one or more occasions until 5 May 2026. The holders of the Bonds referred to in the preceding sentence may be granted conversion or subscription rights to up to 9,240,520 no-par value bearer shares of the Company with a pro rata amount of the share capital of up to EUR 9,240,520.00 in total. The conversion and subscription rights may be serviced from a conditional capital to be resolved in this or future general meetings, from existing or future authorised capital and/or from a cash capital increase and/or from existing shares and/or provide for a cash settlement instead of the delivery of shares. The conditional capital has not been used since the authorisation by the Annual General Meeting on 5 May 2021.

(9) Capital reserve

The capital reserve amounts to EUR 88,394,368 as of 30 June 2023 (31 December 2022: EUR 87,586,151). The balance sheet increase in equity through the issue of employee stock options amounts to EUR 801,000 as at the balance sheet date 30 June 2023 (total previous year: EUR 1,542,000).

(10) Retained earnings

Retained earnings include accumulated results and amount to EUR - 38,341,368 as at the balance sheet date 30 June 2023 (31 December 2022: EUR -28,396,078).

(11) Other reserves

Other reserves mainly include expenses from the remeasurement from defined contribution plans for former employees and changes in the value of derivative financial instruments that may be reclassified to the income statement and amount to EUR 54,561 as at the balance sheet date 30 June 2023 (31 December 2022: EUR 68,999).

≡ Long and short-term debt

(12) Other financial liabilities

The other financial liabilities are composed as follows:

	30.6.2023	31.12.2022
	EUR	EUR
Long and medium term		
Bank loan	2.125.984	2.370.589
Bearer bond	25.625.000	0
	27.750.984	2.370.589
Short-term		
Bank loan	484.960	748.958
Other loans	2.000.000	121.552
	2.484.960	870.510
	30.235.943	3.241.099

In February 2023, the Enapter Group had concluded a financing of €25 million with the Patrimonium Middle Market Debt Fund, a private debt fund of Patrimonium Asset Management AG, by issuing a bearer bond. The financing has a term of 2 years. The interest rate is 10% above the 1-month Euribor, the premium is EUR 625 k. By entering into the respective agreements, Enapter has undertaken to provide appropriate collateral (land charge on the land and building of the Enapter Campus in Saerbeck, assignment of industrial property rights and receivables of the Group as well as assignment of movable assets and inventories as security) and to fulfil other closing and downstream conditions, e.g. compliance with certain financial covenants.

Enapter S.r.l. was granted a bank loan of TEUR 2,500 in April 2021 with a term of 72 months as part of Corona support measures. The loan bears interest at 1.55% points above the 3-month Euribor. A hedging transaction was concluded to hedge the interest rate risk. Furthermore, in the wake of the Corona crisis, Bank SIMEST S.p.a., Rome, Italy, on behalf of the Italian government, granted Enapter S.r.l. a concessional loan of EUR 600,000 in August 2021 (maturity 31 December 2027, interest rate 0.565%, two years grace

period, one-off processing fee 2%). All of these loans are unsecured and loans granted by related parties are non-interest bearing.

Enapter AG received a subordinated other loan in the amount of 2 million euros in January 2023. The loan bears interest at 10% and has a term of one year.

(13) Provisions

The (non-current) provisions consist of benefit obligations arising from the termination of employment contracts in the amount of EUR 652,000, development costs to the municipality in Saerbeck in the amount of EUR 1,156,000 and other non-current obligations in the amount of EUR 431,000.

The TFR fund ("Trattamento di Fine Rapporto"), commonly known in Italy by the acronym "TFR", is a compulsory benefit paid by the employer to the employee upon termination of employment. This type of benefit is specific to private sector workers. The TFR is paid by the employer to the employee upon termination of employment, regardless of the reason for termination, and is considered "deferred" compensation as it is calculated as a percentage of the salary earned (salaries, bonuses or commissions). The TFR is generally paid as a lump sum at the end of the employment relationship. For the calculation, the projected unit credit method (PUCM) is used to calculate the present value of the defined benefit obligation and the related current service cost and, if applicable, past service cost.

The (current) provisions mainly consist of provisions for personnel, warranty provisions, outstanding invoices and other provisions.

(14) Passive accruals

The accrued liabilities result from deferred income from government grants awarded to Enapter S.r.l. in Italy for research and development costs. Due to new regulations in Italy, there is uncertainty as to whether this income can be recognised immediately after the costs have been incurred or after the research and development projects have been completed. Enapter has decided not to recognise the expected tax benefits and offsets from other charges and levies until after the projects have been completed or to amortise them over the useful life of the capitalised development costs.

(15) Trade payables

This item mainly includes trade payables. The trade payables and other liabilities have a remaining term of up to one year.

(16) Other liabilities

	30.6.2023	31.12.2022
	EUR	EUR
Advance payments received	991.825	904.215
Other liabilities		
Wages and salaries	795.861	721.534
Social security	439.513	503.805
Income and other taxes	104.350	8.119
Wage and church tax	140.949	186.409
Other	135.071	14.081
Total other liabilities	1.615.752	1.433.948
	2.607.576	2.338.164

B. Consolidated statement of comprehensive income
(1) Revenues

Revenues were generated from the sale of electrolyzers and similar products from own manufacturing and production as well as from the trading and resale of electrolyzers and similar products and related software and control systems. The main application areas of the Enapter Group's products are electricity storage (residential and industrial buildings), scientific use, production of synthesis gas or methane (power-to-gas), mobility and industrial use

Invoices for deliveries and services are always issued in Euro and ex works. Subject to the manufacturer's warranty set forth in the general terms and conditions of the order, Enapter warrants that each product purchased from Enapter will be free from defects in material and/or workmanship for a period of not less than 1 year and not more than 2 years from the date of delivery. The manufacturer's warranty generally does not apply to defects, failures or damage caused by improper use, improper or inadequate maintenance or care. The sales revenues achieved by product category are:

	1.1.-30.6.	1.1.-30.6.
	2023	2022
	EUR	EUR
Sale of electrolyzers and energy management systems	4.504.419	3.309.960
Service and services	261.115	4.460
	4.765.534	3.314.420

Sales revenues were generated in the following geographical areas:

	1.1.-30.6.	1.1.-30.6.
	2023	2022
	EUR	EUR
Germany	1.405.432	1.342.609
Rest of European Union	1.607.173	957.326
Rest of the world	1.752.929	1.014.485
	4.765.534	3.314.420

(2) Other operating income

The other operating income mainly consists of public subsidies and grants, which were posted to income according to the projects completed in the financial year. In this context, we refer to the explanations in III.A.(14).

(3) Cost of materials

The cost of materials is made up as follows:

	1.1.-30.6. 2023	1.1.-30.6. 2021
	EUR	EUR
Expenses for raw materials, consumables and supplies	4.648.773	4.121.868
Expenses for purchased services	349.429	1.142.191
	4.998.202	5.264.058

(4) Personnel expenses

The personnel expenses for an average of 225 employees in the first half of 2023 (previous period: 224), including the managing directors of the subsidiaries, break down as follows:

	1.1.-30.6. 2023	1.1.-30.6. 2022
	EUR	EUR
Wages and salaries	5.957.078	5.990.369
Social security contributions and expenses for pensions and other employee benefits	1.300.152	1.083.487
	7.257.229	7.073.856

The employees (excluding the Executive Board) were active in the following areas in the first half of 2023:

	30.6.2023 (deadline)	30.6.2022 (deadline)
Research & Development	83	114
Production	66	65
Administration	49	43
Marketing & Business Development	10	17
	208	239

Not included in the above personnel expenses and employee figures are 9 employees of the related company Enapter Co. Ltd, Thailand (11 employees as at 30 June 2022).

Personnel expenses include expenses for the employee option programme in accordance with IFRS 2 in the amount of TEUR 801 (first half of 2022: TEUR 1,261).

(5) Other operating expenses

	1.1.-30.6. 2023
	EUR
Legal and consulting fees	883.315
Software licences	433.536
Software Development and Management Services Related Parties	391.671
Operating supplies	331.260
Expenses for external services	315.890
Sales, distribution and marketing costs (incl. travel expenses)	268.406
Warranty costs	195.892
R&D expenditure	185.423
Capital market costs and investor relations	155.373
Rents and service charges	147.784
Accounting, closing and audit costs	120.866
Insurances, contributions and fees	71.942
Costs external warehouses	70.520
Supervisory Board	33.000
Advisory Board	18.000
Further education	8.709
Currency conversion	6.009
Other	344.434
	3.982.030

The presentation of comparative figures for the previous period has been omitted, as the allocation within other operating expenses has been changed compared to the previous year. For the breakdowns of the previous year, please refer to page 38 of the half-year financial report of the previous year.

(6) Non-controlling interests

The non-controlling interests continue to relate to a non-Group shareholder in Enapter S.r.l., which holds 0.02% of Enapter S.r.l. as at 30 June 2023.

(7) Earnings per share

The weighted average number of shares for the calculation of basic and diluted earnings per share in the first half of 2023 is 27,195,000 shares (previous period: 24,405,647). Earnings per share amount to -0.37 euros (previous period: -0.31 euros).

IV. Other information and explanations

A. Additional disclosures on financial instruments

Carrying amounts, valuations and fair values by class and measurement category

	Carrying amount 30.06.2023/ 30.06.2022	Amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Fair value 30.6.2023/ 30.06.2022
	EUR	EUR	EUR		EUR
30.06.2023					
Assets					
Cash and cash equivalents	9.451.706	9.451.706			9.451.706
Debt instruments					
Trade receivables and other receivables	8.708.919	8.708.919			8.708.919
Other financial assets	257.650	129.340		128.311	257.650
Liabilities					
Debt instruments					
Trade payables and other liabilities	4.915.820	4.915.820			4.915.820
Other financial liabilities					
Loan	30.235.943	30.235.943			30.235.943
Leasing liabilities	737.489	737.489			737.489
30.06.2022					
Assets					
Cash and cash equivalents	28.168.205	28.168.205			28.168.205
Debt instruments					
Trade receivables and other receivables	2.055.932	2.055.932			2.055.932
Other financial assets	112.517	33.292		79.225	112.517
Liabilities					
Debt instruments					
Trade payables and other liabilities	13.962.042	13.962.042			13.962.042
Other financial liabilities					
Loan	3.913.365	3.913.365			3.913.365
Leasing liabilities	594.694	594.694			594.694

All recognised financial assets and liabilities - with the exception of one financial instrument for an interest rate hedge, which was allocated to Level 2 - are allocated to Level 3 in the fair value measurement classification, as there are no input parameters observable on the market. For all current financial assets and liabilities as well as investments, the acquisition costs represent the best possible estimate of the fair value. Due to the risk-adequate interest rate of the non-current financial liabilities, the book value also corresponds to the fair value.

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit	Financial liabilities measured at amortised cost	Total
--	---	--	--	-------

	or loss			
30.06.2023	EUR	EUR	EUR	EUR
Interest income	20.351	-	-	20.351
Interest expenses	-	-	-1.361.964	-1.361.964
Dividends	-	-	-	0
Impairments / reversals of impairments	-	-	-	0
Net result	20.351	-	-1.361.964	-1.341.613

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
30.06.2022	EUR	EUR	EUR	EUR
Interest income	370	-	-	370
Interest expenses	-	-	-53.045	-53.045
Dividends	-	-	-	0
Impairments / reversals of impairments	-	-	-	0
Net result	370	-	-53.045	-52.675

B. Executive Board and Supervisory Board

Board of Directors:

- ≡ Mr Sebastian-Justus Schmidt, Industrial Clerk, Chiang Mai, Thailand
- ≡ Mr Gerrit Kaufhold, Tax Consultant, Hamburg
- ≡ Dr Jürgen Laakmann, Engineer, Munich (from 1 July 2023)

Supervisory Board:

- ≡ Armin Steiner (Chairman of the Supervisory Board), Hanover, business economist
- ≡ Oswald Werle (Deputy Chairman of the Supervisory Board), Feldkirch/Austria, Industrial Engineer
- ≡ Ragnar Kruse, Hamburg, Managing Director
- ≡ Prof. Dr. -Ing. Christof Wetter, Münster, Civil Engineer

The members of the Executive Board and Supervisory Board can be reached at the Company's business address - Reinhardtstraße 35, 10117 Berlin.

C. Related party disclosures

The group of related persons and companies has not changed significantly compared to the consolidated financial statements as at 31 December 2022. The majority of transactions with related persons and companies take place with the members of the executive bodies or the companies of the members of the executive bodies and the Sebastian-Justus Schmidt family.

Information on related parties of Enapter AG, Heidelberg:

Name of related persons and companies	Relationship	Seat
BluGreen Company Ltd.	Majority shareholder of Enapter AG since 10 August 2020	Hong Kong, PR China

Sebastian-Justus Schmidt	Majority shareholder and director of BluGreen Company Ltd.	
Jan-Justus Schmidt	Son of Mr. Sebastian-Justus Schmidt and Managing Director of Enapter S.r.l., Enapter GmbH and Enapter Immobilien GmbH	
Enapter Ltd Co.	No affiliated company; consulting contract	Thailand

For the remuneration and other direct and indirect benefits to the members of the executive bodies, please refer to the consolidated financial statements as at 31 December 2022.

BluGreen Company Limited, with its registered office in Hong Kong ("BluGreen"), is the majority shareholder of Enapter AG with 66.14% as of 28 August 2023. The majority shareholder and director of BluGreen is Mr Sebastian-Justus Schmidt. Mr. Schmidt is therefore to be regarded as the ultimate controlling party.

Enapter AG has concluded a Consultancy Agreement with BluGreen. In this agreement, BluGreen undertook to provide management personnel as consultants, in particular the board member Sebastian-Justus Schmidt. For this, a monthly payment of EUR 35,000 is to be made by Enapter AG to BluGreen. It is envisaged that Sebastian-Justus Schmidt will devote 90% of his time to the company as consultancy services. The monthly advance payments are adjusted annually. This is done on the basis of recalculations. These recalculations shall take into account the costs actually incurred by BluGreen for the services rendered, plus a surcharge of 5%, minus the advances already paid. The contract has been concluded for an indefinite period with a notice period of three months. As of 30 June 2023, there are liabilities to BluGreen from the consultancy contract in the amount of EUR 105,000 (31 December 2022: EUR 70,000).

Mr Jan-Justus Schmidt received remuneration of TEUR 90 (previous period: TEUR 60) for his work as managing director at Enapter GmbH in the first half of 2023.

Enapter AG has entered into a Consultancy Agreement with Enapter Co. Ltd. of Thailand ("Enapter Thailand"). In this agreement, Enapter Co. Ltd. undertook to provide consultancy services against payment of TEUR 30 per month. The consultancy services include software services, which are created and continuously maintained in the form of interactive dashboards for corporate control and management information, as well as corporate design services. These monthly advance payments are adjusted annually. This is done on the basis of recalculations. These recalculations will take into account the costs actually incurred by Enapter Co. Ltd. for the services provided, plus a mark-up of 5%, less any advances already paid. The contract has been concluded for an indefinite period with a notice period of three months. As at 30 June 2023, there was a liability to Enapter Co Ltd under the consultancy agreement of EUR 60 thousand (31 December 2022: EUR 30 thousand). In January 2023, Enapter (Thailand) Co. Ltd., Thailand was founded as a wholly owned subsidiary of Enapter AG, which will take over the employees and the operating business of the related company Enapter Co. Ltd., Thailand, as soon as the company has been recognised for tax purposes by the Thai tax authorities.

D. Employees

The Enapter Group employed an average of 225 employees in the first half of 2023 (previous period: 224), excluding the members of the Enapter AG Executive Board. For the breakdown of the average number of employees by area of activity, please refer to bullet point III.B.(4).

E. Events after the balance sheet date

On 1 July 2023, Dr Jürgen Laakmann will take on the role of Co-CEO alongside Mr Sebastian-Justus Schmidt. Dr Laakmann has more than 20 years of management experience, including in strategy consulting and in the automotive and tech sectors. Most recently, he was CEO at Formel D Group, a leading automotive

service provider. There, Dr. Laakmann played a key role in shaping strategic business development and, among other things, established 22 international branches and subsidiaries. As a mechanical engineer with a doctorate, Dr Laakmann also brings extensive technical expertise to the table.

The shareholders of Enapter AG approved all agenda items with a large majority at the Annual General Meeting on 6 July 2023. Among other things, the transfer of the registered office to Düsseldorf was approved at the general meeting.

In August, Enapter AG signed a framework supply agreement worth over six million euros with the Chinese company Wolong. This is designed for several years and includes the delivery of five MW multicore systems for various customers in China, as well as around 130 EL 4.0, which are planned to be used at various test sites in different application environments. Enapter and Wolong thus intend to jointly make modular hydrogen solutions competitive in China.

Also in August, Enoah Inc, a Japanese company specialising in the manufacture and distribution of fuel cell, power generation and water electrolysis systems, placed an order for 101 AEM EL 4.0 electrolyzers. The units are primarily intended for use in power-to-power and refuelling applications. The end customers include leading Japanese companies. Since the beginning of their partnership in 2021, Enapter has delivered around 20 AEM electrolyzers to Enoah. This latest order now further contributes to increasing hydrogen production in Japan and supporting the country's sustainability goals in renewable energy and zero-emission mobility. Delivery of the units is planned in several stages between the end of the third quarter of 2023 and the first quarter of 2024.



Responsibility statement by the legal representatives

Responsibility statement by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Berlin, 30 August 2023

The Board of Directors Enapter AG

gez. Sebastian-Justus Schmidt

signed Gerrit Kaufhold

signed Dr Jürgen Laakmann

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