Half-year financial report

Enapter AG

ENGLISH COURTESY TRANSLATION
of the
HALF YEAR REPORT 2024

1.1.-30.6. 2024

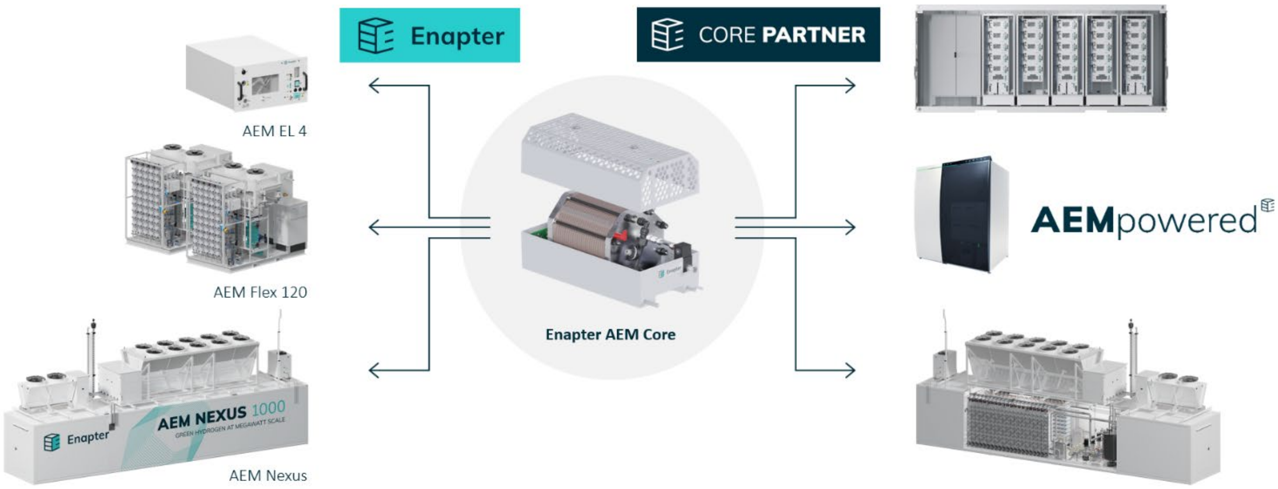
Enapter

Product-orientated platform strategy with 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 essential 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

Thanks to our modular product approach, our AEM stacks ("cores") can be used as minimum modular units in systems of different sizes. This means that we build different products on a single core design. We use these in both single-core electrolysers (EL) and multi-core electrolysers (AEM Multicore/MC) and thus cover projects from the single-kilowatt to the multi-megawatt range.

We specialise in the manufacture of AEM stacks and electrolysers. Our Technical Service Team advises customers on project design and, as part of the Core Program, on the production of customer-specific system solutions in the megawatt range. Our international partner network also integrates these systems. Our electrolysers are in use at around 360 customers in over 55 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 56.71%, Svelland Global Trading Fund 9.16%, Sergei Storozhenko 4.72%, Johnson Matthey 3.87%, Morgan Stanley 5.04, other shareholders 20.50 (as at 31 July 2024)

This report

This half-year financial report contains the interim group management report for the first half of the 2024 financial year and the interim consolidated financial statements of Enapter AG ("Company") and its subsidiaries ("Enapter Group", "the Company" or "we") as at 30 June 2024 as well as a responsibility statement by the legal representatives.

In addition to information on the earnings, net assets and financial position of the Enapter Group, the interim Group management report contains in particular reports on the expected development, significant 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 2023 financial year published in the annual report. The annual report for the 2023 financial year has been made publicly available on the company's website (https://enapterag.de/investor-relations/finanzberichte/2023/Enapter AG consolidated financial statements as at 31 December 2023).

In addition to the financial reports, the company's website (https://enapterag.de/investor-relations) also contains the corporate governance declaration pursuant to Section 289f and Section 315d of the German Commercial Code (HGB), the declaration of compliance by the Management Board and Supervisory Board with the recommendations of the Government Commission on the German Corporate Governance Code (GCGC) pursuant to Section 161 AktG, the remuneration report pursuant to Section 162 AktG and our sustainability report in the "Investor Relations" section.

Half-year financial report 2024 of Enapter AG

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from 1 January to 30 June 2024

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Interim Group Management Report

from 1 January to 30 June 2024

Company and Business activities

Reporting company

Enapter AG is a stock corporation under German law (hereinafter referred to as "Enapter AG") with its registered office in Düsseldorf. Enapter AG is registered in the commercial register at Düsseldorf Local Court under the number HRB 104171. The business address is Glockengiesserwall 3 in 20095 Hamburg.

As at 30 June 2024, Enapter AG has 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 H2O.

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

Business activities

Enapter is an innovative energy technology company that manufactures highly efficient hydrogen generators - so-called electrolysers - to replace fossil fuels and thus drive the energy transition globally. The patented and iridium-free anion exchange membrane technology (AEM) enables the production of cost-effective electrolysers, especially for the production of green hydrogen on any scale and at almost any location in the world. The modular systems are already being used worldwide by more than 360 customers in over 55 countries, including in the energy, mobility, industry, heating and telecommunications sectors.

Thanks to the modular product approach, our AEM stacks ("cores") can be used as minimum modular units in systems of different sizes. This means that we build different products on a single core design. We use these in both single-core electrolysers (EL) and multi-core electrolysers (AEM Multicore/MC) and thus cover projects from the single-kilowatt to the multi-megawatt range.

Enapter AG is based in Germany. The R&D and production sites are located in Italy and Germany. Enapter LLC, Russia, and Enapter (Thailand) Co. Ltd. are not operationally active in the reporting period and are of minor importance to the Enapter Group.

Research and development

Enapter has a large number of patents and patent applications filed. One of the most important patents granted relates to dry cathode AEM technology and in particular the "Device for the on-demand production of hydrogen by electrolysis of aqueous solutions on a dry cathode". This patent is valid for Europe, China, the USA and India. It provides Enapter with comprehensive legal protection for AEM electrolysis technology, as the granted patent does not relate to a specific type of membrane or catalyst formulation, but applies to all electrolysis applications with a dry cathode.

New patent applications have been filed to cover further developments of the dry cathode patent and to extend the term of protection beyond 2030 when the dry cathode patent family expires. These have been accepted by the UK, Japanese and Eurasian patent offices, which bodes well for the corresponding applications in other jurisdictions. We therefore assume that we will be able to achieve patent protection until 2040.

In addition to the two dry cathode patent families, Enapter has been granted patents in three other patent families. The additional patents relate to the electrolyte tank, the recombiner to improve the safety of the system and an electrochemical hydrogen compressor. Enapter has also filed patent applications for further variants of the dry cathode electrolyser, new product offerings such as our multi-core electrolysers, specific components such as the gas block, recombiner and orifice check valve, software solutions such as the dryer control network, electrolyte regeneration measures and membrane developments.

The research and development of our stacks and electrolysers is carried out at our site in Pisa, Italy, and at the Enapter Campus in Saerbeck, Germany.

As at 30 June 2024, the Enapter Group employed a total of 65 people in research and development, excluding software development.

Research and development expenses amounted to EUR 1,368 thousand in the first half of 2024 (previous period: EUR 2,376 thousand), or around 26% of revenue (previous period: 50%).

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 performance indicators and the most important financial performance indicators are sales revenue, order backlog, EBITDA and liquidity development. The financial performance indicators are continuously managed 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 judgements and assumptions - including those of third parties (such as statistical data relating to the industry and global economic developments) - at the time they were made or at the date of this report. Forward-looking statements are always subject to uncertainties. If the estimates and assumptions prove to be incorrect or only partially correct, the 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 provisions of the International Financial Reporting Standards (IFRS), as adopted by the EU, as well as the supplementary provisions of commercial and capital market law. 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 2023 financial year.

This half-year financial report with an abridged (consolidated interim) management report of the company was neither reviewed nor audited in accordance with Section 317 HGB.

Significant events

Enapter AG successfully continued its business development in the first half of the 2024 financial year. We are pursuing our growth strategy and significantly increased our order volume, particularly in the area of multi-core electrolysers in the megawatt class. Order intake in the first half of 2024 totalled EUR 23.4 million, a five-fold increase compared to the previous period (order intake in the previous period: EUR 4.6 million). As a result, the order backlog has also risen sharply to EUR 40.8 million and is mainly attributable to the megawatt class.

The year began with orders totalling over 250 AEM EL 4 electrolysers within the first six weeks. However, it was not only the number of projects that increased, but also their size. In March, Enapter received an order for a total of 3 MW from the logistics company CFFT SpA from Italy, which operates a harbour near Rome, among other things. Enapter's electrolysers are to be used in a hydrogen refuelling system there and operated with sustainably generated electricity. This is the largest single order for electrolysers from Europe to date. The majority of orders in the first half of 2024 come from Europe (primarily Italy and Germany) and the USA, with the US orders totalling around EUR 1.5 million being generated via Enapter USA's general distributor CleanH2 Inc

In spring 2024, Wolong Enapter Hydrogen Energy Technology Co, Ltd, Shaoxing City, Zhejiang Province, China was established as a joint venture company (JV) with Wolong Electric Group Co, Ltd in China to capitalise on the huge potential of the Chinese market. The JV will acquire stacks from Enapter (manufactured in Pisa, Italy), which will manufacture equipment peripherals to produce AEM electrolysers locally in China and sell them exclusively to the Chinese market. Enapter holds a 49% stake and will receive revenue from the provision of engineering services and technical support and licence income in addition to revenue from the stack sales. The Wolong Group holds 51% of the JV and will finance the JV with the necessary funds, production equipment and personnel to set up production and the sales and service network.

In March 2024, Enapter SRL received a grant from the Italian Ministry of Economy for the "AEM Technology Next Generation" project totalling approximately EUR 1.3 million. The funds received are to be used for further research and development purposes as well as the further development of the product portfolio.

Enapter AG introduced an adapted, complementary sales and production strategy at the end of the second quarter of 2024. The focus will be on the so-called "core", the patented core/stack of each AEM electrolyser that is responsible for hydrogen production. Enapter is thus expanding its range of services and will in future also make the cores available to industrial partners (core partners), who can install Enapter's cores/AEM hydrogen cores in their own electrolysers and use the corresponding operating software. In future, the company will therefore concentrate on producing the stacks at its site in Pisa, Italy.

In July 2024, Enapter AG published its first voluntary ESG (environmental, social and governance) report in accordance with the European Sustainability Reporting Standards. In the very detailed report, it provides an overview of ESG activities and commitments, discloses non-financial key figures and reports on sustainability successes already achieved and targets for the coming years. Enapter is one of the first electrolyser manufacturers to prepare its sustainability statement in accordance with the new European sustainability reporting standards, which are set to become mandatory for companies from 2026.

Economic framework conditions

Overall economic situation

The Enapter Group generates the majority of its sales in Europe (primarily Germany and Italy), Asia (primarily Japan) and the USA. In this respect, the development of real gross domestic product (GDP) in these regions and overall global economic development are relevant for the development of demand for Enapter's products. Customers include system integrators, who integrate the electrolysers into hydrogen projects, as well as a number of large international companies and groups. Of primary importance to Enapter is investment activity in certain industrial sectors, such as energy generation and storage, the chemical industry and the manufacturing sector.

The German economy can look back on a very subdued first half of 2024: demand for goods and services has been falling steadily since the end of 2022 due to persistently high inflation rates, although these are slowly easing. The rise in prices has reached the breadth of the economy. This applies in particular to energy prices, which are having a negative impact on the manufacturing and processing industries in particular. Many companies are therefore facing a difficult year. However, GDP adjusted for price, seasonal and calendar effects rose by 0.2% in the first quarter of 2024 after falling at the end of 2023 - meaning the year started with a positive trend. GDP in Germany also rose slightly year-on-year in the second quarter of 2024 (+0.3%), although there is a slight negative trend compared to the first quarter of 2024. The German government has revised its forecasts for 2024 downwards and is assuming stagnation, i.e. low economic growth of 0.3%.

In the first half of 2024, gross domestic product (GDP) in the European Union recorded moderate growth. In the first quarter, GDP in both the eurozone and the EU as a whole rose by 0.3% compared to the previous quarter[1] . This development was primarily driven by the services sector, while the manufacturing sector showed signs of stabilisation[2] .

The picture in Asia was mixed. China's economy grew by 5% in the first half of 2024 compared to the previous year[3] . In the first quarter, GDP rose by 1.6% compared to the previous quarter. Despite this growth, economic uncertainty remains due to demographic change and weak consumer prices[4] .

In the US, gross domestic product grew at an annualised rate of 1.6% in the first quarter of 2024 compared to the previous quarter. Private domestic demand was robust, indicating that the economy remains strong[5] .

Market

As the energy carrier of the future, hydrogen has become a core component of the global energy transition. Although the political objective for green hydrogen had developed positively in 2023, there was still a delay in

[1] https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/2-30042024-bp
[2] https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/2-30042024-bp
[3] https://german.cri.cn/2024/07/17/ARTIJSBuMMrRNsdRbyV0ldMH240717.shtml
[4] https://de.statista.com/statistics/19365/bruttoinlandsprodukt-in-china/
[5] https://www.lbbw.de/artikelseite/ersteinschaetzung/usa-bip-wachstum-im-1-quartal-2024_ah79ed6n1r_d.html

finalising some key legislation in the first half of 2024, such as the formulation of the so-called 45V of the Inflation Reduction Act in the United States.

The market for green hydrogen therefore grew less quickly than analysts had forecast at the beginning of 2024. This is mainly due to the fact that although many hydrogen projects are in the planning and development phase, no final investment decision has yet been made. Market participants - especially investors and end users - are currently still acting cautiously and appear to be waiting for further political signals. The EU continues to pursue its ambitious political goals for the development of a hydrogen economy. For green hydrogen, this means that a total of 10 million tonnes of green hydrogen (approx. 120GW)[6] are to be produced in the EU by 2030 and a further 10 million tonnes of green hydrogen are to be imported. Of this, 10 GW of electrolysis capacity is to be built in Germany. However, at the beginning of 2024, only 100 MW were in operation and around 550 MW were financed. In the EU as a whole, projects with a total capacity of around 3 GW are currently financed or under construction[7] . These figures make it clear that, from a regulatory perspective, further political signals are absolutely necessary in order to bring investment security and thus market growth to a level that allows the political goals set to be achieved in a timely manner.

We currently offer electrolysers in the single-digit KW to multi-digit MW range (generally 1-10 MW). Customers for the electrolysers are research institutes, industrial customers, customers from logistics and the energy industry who have a small to medium demand for hydrogen. Some of these projects are subsidised, but are not necessarily dependent on subsidies due to the size of the project and therefore the investment costs. We are therefore currently positive about the market for our electrolysers.

[6] European Electrolyser Partnership
[7] Strategy& 2024 Navigating the Hydrogen Ecosystem

Earnings, net assets and financial position of the Enapter Group

Earnings position in TEUR	1.1.-30.6. 2024	1.1.-30.6. 2023	+/-	1.1.-31.12. 2023
Sales revenue	**8.268**	**4.766**	**3.502**	**31.606**
Sales increase in %			73%	
Change in inventories of work in progress and finished goods	-442	827	-1.269	2.078
Operating performance	7.825	5.592	2.233	33.684
Increase in operating performance in %			40%	
Cost of materials	-5.202	-4.998	-204	-12.961
Cost of materials as % of operating performance	-66%	-89%		-38%
Gross profit	**2.623**	**594**	**2.029**	**20.722**
Gross profit margin	34%	11%		62%
Own work capitalised	1.262	2.182	-919	4.076
Other operating income	3.330	1.450	1.880	4.116
Personnel expenses	-6.329	-7.257	928	-13.561
Personnel expenses as % of operating performance	-81%	-130%		-40%
Other operating expenses	-3.861	-3.982	121	-13.867
Operating expenses as a % of operating performance	-49%	-71%		-41%
EBITDA	**-2.975**	**-7.014**	**4.039**	**-1.486**
EBITDA margin	-38%	-125%		4%
Depreciation and amortisation	-2.254	-1.578	-675	-4.168
Depreciation and amortisation in % of operating performance	-29%	-28%		-12%
EBIT	**-5.228**	**-8.592**	**3.364**	**-2.682**
EBIT margin	-67%	-154%		-8%
Financial result	-2.696	-1.356	-1.340	-3.618
Income taxes	-1	0	-1	-864
Group result	**-7.925**	**-9.949**	**2.024**	**-7.164**
Profit margin	-101%	-178%		-21%

Revenue increased by 73% compared to the previous period from EUR 4,766 thousand to EUR 8,268 thousand in the first half of 2024. Revenue is made up of sales of electrolysers and the associated components totalling EUR 7,001 thousand (previous period: EUR 4,505 thousand) and services and other services totalling EUR 1,267 thousand (previous period: EUR 261 thousand). In geographical terms, around half of sales were generated with customers in Germany (previous period: 30%), around 15% with customers in the European Union (previous period: 34%) and around 35% with customers in the rest of the world (previous period: 36%).

The cost of materials rose from EUR 4,998 thousand to EUR 5,202 thousand, which is less than the increase in sales. As a result, the cost of materials ratio improved significantly in the reporting period. As a result, the gross profit margin improved overall from 11% to 34%.

Other own work capitalised relates to development costs for intangible assets in Italy in the amount of EUR 1,262 thousand. The additions in the first half of 2024 mainly relate to development costs for ongoing internal projects in product development (single-core and multi-core electrolysers). Other operating income of EUR 3,330 thousand (previous period: EUR 1,450 thousand) in the reporting period mainly comprises income in connection with the JV China (EUR 1,960 thousand), subsidies and investment grants (EUR 846 thousand), income from the derecognition/reversal of liabilities and other prior-period income (EUR 303 thousand) and other income (EUR 221 thousand).

As at the reporting date of 30 June 2024, the Enapter Group had 197 employees including the members of the Management Board (30 June 2023: 208 employees), 65 of whom worked in research & development, 65 in production and 67 in administration, sales and business development. Personnel expenses in the reporting period include non-cash expenses from the employee share option programme in the amount of EUR 381 thousand.

Other operating expenses of EUR 3,861 thousand (previous period: EUR 3,982 thousand) in the first half of 2024 mainly consist of management services provided by related parties (EUR 298 thousand, previous period: EUR 392 thousand), expenses for external research and development - excluding personnel costs - (EUR 119 thousand, previous period: EUR 185 thousand), legal, consulting and auditing costs (EUR 1,080 thousand, previous period: EUR 1,004 thousand) and expenses for other external service providers (EUR 90 thousand, previous period: EUR 316 thousand).

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

The financial result of EUR -2,696 thousand (previous period: EUR -1,356 thousand) is mainly due to the borrowing of interest-bearing debt in the amount of EUR 25,000 thousand in March 2023 and EUR 10,000 thousand in December 2023.

Consolidated EBITDA totalled EUR -2,975 thousand for the first half of 2024 (previous period: EUR -7,014 thousand), while the consolidated result was EUR -7,925 thousand (previous period: EUR -9,949 thousand), in line with expectations.

Net assets and financial position

in TEUR	30.6.2024	31.12.2023	+/-	in %
Assets				
Current assets	44.354	54.778	-10.424	-19%
in % of total assets	33%	*39%*		
Bank balances	4.082	14.589	-10.507	-72%
Inventories	9.702	11.310	-1.608	-14%
Trade receivables	27.608	23.269	4.339	19%
Other current assets	2.961	5.609	-2.648	-47%
Non-current assets	89.172	86.631	2.541	3%
in % of total assets	67%	61%		
Property, plant and equipment	72.080	72.902	-822	-1%
Intangible assets	13.121	11.973	1.148	10%
Other non-current assets	3.972	1.755	2.217	126%
Total assets	133.526	141.408	-7.882	-6%

As at the reporting date, 33% of assets were current and 67% non-current.

Current assets consist of bank balances, inventories, trade receivables and other current assets. The slight decrease in inventories and the increase in trade receivables are the result of the increase in production and other services.

The Group's non-current assets consist in particular of intangible assets, property, plant and equipment and right-of-use assets. The additions to intangible assets mainly result from the capitalisation of development costs for existing and new projects. Additions to property, plant and equipment consist of investments in land and buildings (EUR 24 thousand), plant and machinery (EUR 250 thousand), operating and office equipment (EUR 165 thousand) and advance payments and assets under construction, mainly for the construction of the production facility in Saerbeck (EUR 196 thousand), less depreciation and reclassifications.

in TEUR	30.6.2024	31.12.2023	+/-	in %
Financial position				
Current liabilities	16.125	18.745	-2.620	-14%
in % of total assets	*12%*	*13%*		
Liabilities from deliveries and services	3.133	5.534	-2.401	-43%
Current financial liabilities	547	1.138	-591	-52%
Current provisions	2.328	4.438	-2.1102.925	-48%
Other current liabilities and deferred income	10.117	7.635	2.482	33%
Non-current liabilities	44.693	42.398	2.295	5%
in % of total assets	*34%*	*30%*		
Non-current financial liabilities	38.692	38.687	5	0%
Non-current provisions	3.185	1.632	1.553	95%
Accruals and deferrals	2.816	2.079	737	35%
Equity	72.708	80.266	-7.558	-9%
in % of total assets	*54%*	*57%*		
Total equity and liabilities	133.526	141.408	-7.882	-6%

Current liabilities fell by EUR 2,620 thousand from EUR 18,745 thousand to EUR 16,125 thousand. Of this decrease, EUR 2,401 thousand is attributable to payments of trade payables. In contrast, other current liabilities and deferred income increased by EUR 3,298 thousand, in particular due to advance payments received for customer projects. The decrease in current provisions is mainly due to the reclassification of warranty provisions from current to medium and long-term.

Non-current financial liabilities include the bearer bond issued in the 2023 financial year (carrying amount EUR 25,416 thousand) and the subordinated loan from a related party (EUR 10,000 thousand). In addition, further bank liabilities of EUR 1,608 thousand, non-current liabilities of EUR 1,157 thousand and lease liabilities of EUR 511 thousand are recognised.

Equity as at the reporting date of 30 June 2024 amounted to EUR 72,708 thousand (31/12/2023: EUR 80,266 thousand). The equity ratio is around 54% (31 December 2023: around 57%) and, including the subordinated loan of EUR 10,000 thousand, around 62% (31 December 2023: 64%) in relation to total assets of EUR 133,526 thousand (31 December 2023: EUR 141,408 thousand).

In TEUR	1.1.-30.6. 2024	1.1.-30.6. 2023	1.1.-31.12. 2023
Cash flow			
Cash flow from operating activities	-3.763	-15.738	-14.067
Cash flow from investing activities	-3.509	-6.237	-10.426
Cash flow from financing activities	-3.235	26.356	34.012
Cash-effective change in cash and cash equivalents	**-10.507**	**4.381**	**9.518**
Cash and cash equivalents at the beginning of the period	14.589	5.071	5.071
Cash and cash equivalents at the end of the period	**4.082**	**9.452**	**14.589**

The cash flow from operating activities of EUR -3,763 thousand developed positively compared to the previous period (EUR -15,738 thousand), in particular due to the improved operating result.

Cash flow from investing activities amounts to EUR -3,509 thousand and mainly consists of capitalised development costs for intangible assets and patents of EUR 2,007 thousand as well as investments in property, plant and equipment of EUR 583 thousand and in financial assets of EUR 918 thousand.

Cash flow from financing activities totalled EUR -3,235 thousand in the reporting period and mainly consisted of repayments of other financial liabilities (EUR 547 thousand) and interest paid (EUR 2,688 thousand).

Cash and cash equivalents consisting of bank balances decreased from € 9.5 million as at 31 December 2023 to € 4.1 million as at 30 June 2024.

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 main risks and opportunities and our measures for managing and monitoring risks in the Group management report in our Annual Report for 2023 on pages 29 ff. This presentation in the 2023 Annual Report reflects our state of knowledge as at April 2024.

In the reporting period, we did not identify any further significant risks and opportunities that go significantly beyond the risks and opportunities presented in our 2023 Annual Report. An updated assessment of these risks is described below.

Technology, sales and market-related risks

AEM electrolysis technology is seen as a great opportunity in the global hydrogen economy that is currently taking shape. It offers more compact and flexible electrolysers than large-scale alkaline industrial plants and, unlike PEM, does not utilise highly endangered raw materials such as iridium. We are observing that some competitors are turning to AEM electrolysis technology, but to our knowledge do not yet have a commercial product on the market. We believe that we are well equipped thanks to our patents and our technological lead. In addition, our devices have been on the market for several years, so we can benefit from our customers' experience and growing demand. Furthermore, it cannot be ruled out that other competitors with significantly higher capacities and financial resources will enter the AEM segment and catch up with Enapter's technological lead - a risk that the Enapter Group is endeavouring to counteract by continuously developing the technology and investing in research and development.

Demand for our appliances, particularly for multicore electrolysers in the megawatt class, is currently very good and rising, while demand for our single-core electrolysers in the kilowatt range remains constant. A deterioration in the economic climate and thus in the willingness to invest could also have a negative impact on demand for electrolysers. This could also worsen the creditworthiness of our integration partners / customers and lead to payment defaults. With a lower order volume in the overall market and an increasing number of competitors, competition for existing orders could rise sharply - a risk that the Enapter Group generally tries to counteract through stringent market analyses and targeted customer approaches. For important markets such as the USA and China, we have had strong sales partners on board to distribute our electrolysers since the end of last year and the beginning of 2024 respectively. These partnerships are developing very promisingly. We announced our core partner strategy in the first half of 2024 as an additional sales channel and also to mitigate dependencies. Selected core partners can purchase our stack/core modules along with control software, build their own electrolysers and sell them under their own label. Enapter counters credit risks through a compliance check when accepting orders, through appropriate contractual bases and through suitable receivables management.

Overall, our assessment of technology, sales and market-related risks has not changed.

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

Due to the geopolitical conflicts (Russia's war of aggression against Ukraine, Middle East conflict) and trade conflicts (USA/China), 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 and has become more likely. Due to the generally slightly weakening economy in Germany and parts of Europe, we see a slightly increased risk that investment and financing decisions could be postponed in some countries. However, the relatively favourable and stable economic development in the USA, China and parts of Asia is counteracting this - we are seeing increased demand for our products and partnership offers in these markets. We also continue to see the ongoing confirmation of many governments' political objectives for green hydrogen and the industry's decarbonisation targets as positive, meaning that we continue to see very positive demand for our modular electrolysers overall.

Risks in procurement and production

The results of our operating units depend on the reliable and effective management of our supply and logistics chain for components, parts, materials and services. Increased procurement prices can have a negative impact on our gross profit margin and therefore on our earnings situation. By expanding our production volumes, we have been able to optimise and broaden our supplier structure, but we are still affected by potential price increases for energy and key components if we are unable to pass these price increases on to our customers. This is particularly relevant for our multi-core electrolysers, for which we have commissioned so-called "build partners" to manufacture. In some cases, these partners have to establish new supplier relationships and negotiate new procurement conditions. In times of sharply rising prices and tight supply chains, this can lead to a more expensive cost base and thus to an increase in the price of Enapter's electrolysers. We can use our joint venture in China, which was founded in spring 2024, as a further "build partner" for the balance of plant (BoP, i.e. containers, plant peripherals). Electrolysers for special markets with special certification requirements or market access restrictions can be provided by our core partners in future. Production of the stacks/cores will continue to take place at our site in Pisa. Overall, we currently believe that the procurement and production risks have been slightly reduced by the decisions taken.

Risks in connection with the further expansion strategy

In May 2024, Enapter AG announced that the Enapter Group will focus on the production of stacks at its site in Pisa, Italy, in future. The background to this is the adjusted sales and production strategy described above. In future, the focus will be on the so-called stack, the patented core of every AEM electrolyser, which is responsible for hydrogen production. Together with its joint venture partner Wolong, Enapter will continue to produce its own electrolysers and install its stacks in these devices. At the same time, Enapter is expanding its range of services and will also make the stacks available to industrial partners (core partners) in future, who will be able to install Enapter's AEM hydrogen cores in their own electrolysers and use the corresponding operating software. It is therefore to be expected that production will not be expanded in Saerbeck in the short to medium term. In order to generate additional income, the company has initiated a third-party lease of the hall and office space in Saerbeck. The company expects annual income of around EUR 2 million once the property is fully let. The contracts are to be structured in such a way that stack production in Saerbeck can be taken up or utilised as an alternative in the event of a significant increase in demand for additional production capacity.

We continue to observe that the demand for electrolysers for the cost-effective production of large quantities of hydrogen is increasing sharply. We believe that there is currently strong demand for electrolysers in the 1 to 50 MW range, which we can fulfil with the current AEM Nexus multi-core electrolyser. For larger projects above 50 MW, the multi-core electrolysers are to be equipped with a new, larger AEM stack in the medium term, which will offer significant cost advantages in terms of production, plant connection and therefore also price for customers. If the development of the new stack generation is delayed or the necessary investments for development and production are not made, market entry in the expected fast-growing segment of multi-megawatt electrolysers could become more difficult and Enapter's overall competitive position could deteriorate.

In our opinion, the risk situation has decreased in connection with the adjusted expansion strategy.

Liquidity and financing risks

As a fast-growing company, Enapter continues to rely on external financing in the short and medium term in the form of equity and/or debt capital. Following the successful equity increases carried out in recent years and the loan funds received in 2023, Enapter continues to assume that it will be able to cover its capital requirements for further growth through suitable capital measures in the future. Any necessary financing, extensions or repayments of loan obligations are to be secured by appropriate measures at the appropriate time. If the assumptions made in the planning with regard to 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.

The risk assessment described in detail in the 2023 Annual Report has not changed.

Opportunities

Despite the still slower than expected market ramp-up, green hydrogen is in a highly attractive market environment. There is a global consensus that hydrogen is the only low-emission energy carrier that can sustainably decarbonise industry - and therefore the economy. Many industrialised nations need green hydrogen to achieve their climate targets. Funding programmes worth billions for the production of green hydrogen, such as those being promoted in the USA and Europe, signal the political will to build an international hydrogen infrastructure. On the other hand, there are smouldering political conflicts, such as Russia's war of aggression against Ukraine, which 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 therefore higher than ever before.

With Enapter's new Core Partner Strategy, we are offering companies the opportunity to utilise Enapter's patented technology to produce promising AEM electrolysers locally. We are thus further expanding our decentralised approach. Through our new distribution strategy, our global partner network can drive the expansion of the hydrogen economy at the local level. We are thus accelerating the effective expansion of a decentralised hydrogen infrastructure with the help of AEM technology.

Thanks to the standardised stack design, Enapter's systems are highly flexible and are suitable for small pilot projects and demonstration plants as well as megawatt systems. Enapter's AEM electrolysers can therefore also be manufactured on site to decarbonise, stabilise and flexibilise local energy systems. Enapter therefore believes that it is still well equipped to participate particularly positively in the current market situation and the expected market ramp-up.

Overall assessment of the risk and opportunity situation

Taking into account the current orientation of Enapter, there are currently specific risks that are monitored and mitigated insofar as they are within the company's sphere of influence. Apart from the changes in the risk and opportunity situation described in the previous paragraph, there are no significant changes to the risk and opportunity landscape overall.

The investments required for further growth and the financing of business operations are to be financed through suitable equity and/or debt capital measures. However, there is still an inherent risk that financing rounds may not be successful as expected. If the financial and earnings planning is not met or the planned cash injections are not realised on time, the company's continued existence would be jeopardised. Following the successful capital increases carried out in recent years and the external funding received, Enapter plans to continue to be able to cover its short and medium-term capital requirements for further growth through suitable capital measures.

Forecast

Overall economic situation and future framework conditions

The outlook for global economic development appears to be turning positive for the first time in a long time. Both the World Bank and the Organisation for Economic Co-operation and Development (OECD) are rather optimistic in their forecasts for 2024 and 2025. In its economic outlook, the OECD predicts that overall inflation in its member countries will fall from 6.9% to 5% in 2024 and 3.4% in 2025, i.e. a significant decline - and faster than expected. For the global economy as a whole, the World Bank predicts overall growth of 2.6%, raising its forecast from January 2024 by 0.2%. This growth will vary from country to country: The economic performance of India, China and Indonesia, for example, will increase by more than 5% in some cases, while key sales markets in Europe such as France, the UK and Italy will grow much less strongly. The eurozone as a whole is forecast to see low growth of just 0.7%, while the German economy is one of the laggards in a global comparison with virtual stagnation (+0.2%) [8][9] .

In 2024, the overall growth of the hydrogen market is expected to be slower than anticipated. As a result, many governments could miss their short-term targets, which would also make it more difficult to reach capacity by 2030[10] . Analysts believe that 2024 will show which electrolysis technologies are truly mature: With the start-up of various hydrogen projects that have only just been completed, it will also become clear which manufacturers can keep their promises of quality and which technologies may still face teething problems[11] .

In 2024, it will also become clear in the USA how hydrogen projects will be funded in future and how the Inflation Reduction Act is to be implemented, which could provide a template for many other countries that are currently finalising the design of their financial support programmes. Clarity in the USA should also lead to a large number of project completions, which will bring additional confidence to the market. Analysts assume that the numerous support programmes on the supply side will be joined by more government incentives on the demand side. The EU has provided the first templates for this with the "Fit for 55" and RefuelEU programmes[12] . In addition, auctions will be held in various countries and it is assumed that the first long-term purchase agreements will be concluded in the maritime and aviation sectors, which could lead to higher demand for green hydrogen. All in all, we anticipate further projects and political incentives in 2024.

[8] Organisation for Economic Co-operation and Development (OECD) Economic Outlook 2024
[9] World Bank Global Economic Outlook 2024-2025
[10] BNEF 2024 1H 2024 Hydrogen Market Outlook
[11] BNEF 2024 Hydrogen: 10 Things to Watch for 2024
[12] ING 2024 A return to reality in the path towards scaling up hydrogen

Demand for our AEM electrolysers in the megawatt class is increasing significantly

Incoming orders from January to the end of August 2024 totalled around EUR 30 million. The order backlog at the end of August 2024 was around EUR 40 million, of which around EUR 35 million was for multicore / megawatt systems (multicore) and around EUR 5 million for single-core systems (singlecore). The increase reflects the growing demand from industry and logistics for larger quantities of green hydrogen. However, demand for smaller modular hydrogen solutions is also growing. This segment continues to be very interesting for us because it enables customers to get started with hydrogen production at a low investment cost and we can generate follow-up orders thanks to the scalability of our products.

Sales and earnings forecast

Total sales from January to the end of June 2024 totalled around EUR 8.3 million (previous period: EUR 4.8 million). The current order backlog for the second half of 2024 amounts to around EUR 12 million. Overall, we are confident that we will contract the remaining order backlog for 2024 from existing and new customer enquiries and thus achieve the planned turnover of around EUR 34 million.

We still expect to achieve an EBITDA of EUR -7 to -8 million. The sales and earnings situation of the Enapter Group depends, among other things, on the development of the global market for green hydrogen, but also on the production capacity of our production sites and suppliers. We believe we are well equipped for the growing market thanks to our patented AEM technology and our modular product approach.

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as at 30 June 2024

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Consolidated balance sheet

as at 30 June 2024

	Appendix information	30.6.2024	31.12.2023	30.6.2023
	No.	EUR	EUR	EUR
Assets				
Non-current assets				
Intangible assets	III.A.(1)	13.120.604	11.973.180	11.339.815
Property, plant and equipment	III.A.(2)	72.079.545	72.902.136	71.564.492
Rights of use	III.A.(3)	916.961	1.007.161	1.052.784
Shares in associated companies	III.A.(4)	2.878.488	-	972.489
Other financial assets		160.350	732.068	229.746
Deferred tax assets		16.360	15.956	7.602
		89.172.307	**86.630.502**	**85.166.928**
Current assets				
Inventories	III.A.(5)	9.702.341	11.310.472	11.760.337
Receivables from goods and services	III.A.(6)	27.608.482	23.269.444	8.522.953
Other assets	III.A.(7)	2.960.937	5.608.781	5.711.817
Cash and cash equivalents	II	4.081.897	14.589.245	9.451.706
		44.353.657	**54.777.943**	**35.446.813**
Balance sheet total		**133.525.964**	**141.408.445**	**120.613.741**
Liabilities				
Equity capital				
Subscribed capital	III.A.(8)	27.195.000	27.195.000	27.195.000
Capital reserves	III.A.(9)	89.003.187	88.662.478	88.394.368
Retained earnings	III.A.(10)	-43.485.142	-35.560.254	-38.341.368
Other reserves	III.A.(11)	-5.276	8.471	54.561
Total equity		**72.707.769**	**80.265.695**	**77.302.561**
Share of equity attributable to owners of the parent company		72.709.003	80.266.334	77.302.517
Non-controlling interests		-1.234	-639	45
Total equity		**72.707.769**	**80.265.695**	**77.302.561**
Non-current liabilities				
Tax liabilities		860.475	860.475	-
Other financial liabilities	III.A.(12)	38.180.677	38.107.457	27.750.984
Leasing liabilities	III.A.(3)	510.932	579.156	613.968
Provisions	III.A.(13)	3.185.132	771.387	2.239.195
Passive accruals and deferrals	III.A.(14)	1.955.573	2.079.452	1.536.484
Total non-current liabilities		**44.692.789**	**42.397.927**	**32.140.631**
Current liabilities				
Other financial liabilities	III.A.(12)	411.316	1.003.694	2.484.960
Leasing liabilities	III.A.(3)	135.733	134.601	123.521
Liabilities from deliveries and services	III.A.(15)	3.132.918	5.533.806	3.923.995
Other liabilities	III.A.(16)	9.458.826	6.912.098	2.607.576
Provisions	III.A.(13)	2.328.339	4.438.182	1.542.289
Passive accruals and deferrals	III.A.(14)	658.273	722.442	488.207
Total current liabilities		**16.125.405**	**18.744.823**	**11.170.549**
Balance sheet total		**133.525.964**	**141.408.445**	**120.613.741**

Consolidated income statement

for the period from 1 January to 30 June 2024

	Appendix information No.	1.1.-30.6. 2024 EUR	1.1.-30.6. 2023. EUR	1.1-31.12. 2023 EUR
Sales revenue	II.C.;II.B.(1)	8.267.861	4.765.534	31.605.509
Other own work capitalised	III.A.(1)(2)	1.262.393	2.181.623	4.075.815
Change in inventories of finished goods and work in progress	III.A.(5)	-442.471	826.760	2.077.921
Other operating income	III.B.(2)	3.329.867	1.449.632	4.115.730
Cost of materials	III.B.(3)	-5.202.497	-4.998.202	-12.960.953
Personnel expenses	III.B.(4)	-6.328.970	-7.257.229	-13.560.903
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	III.A.(1-3)	-2.253.529	-1.578.046	-4.167.883
Other operating expenses	III.B.(5)	-3.860.970	-3.982.030	-13.867.468
Financial income		24.561	23.368	1.860
Financial expenses		-2.720.455	--1.379.523	-3.620.261
Earnings before taxes		**-7.924.210**	**-9.948.113**	**-6.300.634**
Income tax expense		-678	-443	-863.543
Consolidated net income		**-7.924.888**	**-9.948.556**	**-7.164.177**
Of which attributable to:				
Shareholders of the parent company		-7.924.296	-9.947.981	-7.162.927
Non-controlling interests	III.B.(6)	-592	-575	-1.250
		-7.924.888	-9.948.556	-7.164.177
Earnings per share				
Undiluted, based on the profit attributable to the holders of ordinary shares of the parent company	III.B.(7)	-0.29	-0,37	-0.26
diluted, based on the earnings attributable to the holders of ordinary shares in the parent company	III.B.(7)	-0.29	-0,37	-0.26

Consolidated statement of comprehensive income

for the period from 1 January to 30 June 2024

	Appendix information No.	1.1-30.6. 2023	1.1-30.6. 2023	1.1-31.12. 2023
		EUR	EUR	EUR
Consolidated net income		**-7.924.888**	**-9.948.556**	**-7.164.177**
Other comprehensive income after income taxes				
Remeasurement of the net defined benefit liability	III.A.(16)	23.799	-4.539	-39.040
Items that will not be reclassified to the income statement		**23.799**	**-4.539**	**-39.040**
Derivative financial instruments	III.A.(14)	-37.545	-9.898	-21.488
Difference from currency translation		0	0	0
Items that may be reclassified to the income statement		**-37.545**	**-9.898**	**-21.488**
Other result		**-13.746**	**-14.438**	**-60.528**
Consolidated comprehensive income		**-7.938.634**	**-9.962.994**	**-7.244.705**
Of which attributable to:				
Shareholders of the parent company		-7.938.631	-9.962.991	-7.233.443
Non-controlling interests	III.B.(6)	-3	-3	-1.262
		-7.938.634	**-9.962.994**	**-7.224.705**

Consolidated statement of changes in equity

as at 30 June 2024

	Appendix 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 to the financial statements	No.	III.A.(8)	III.A.(9)	III.A.(10)	III.A.(11)			III.B.(6)	
Status 1 January 2023		27.195.000	87.586.151	-28.396.078	68.999	86.454.072	86.453.450	623	86.454.072
Share-based payment		-	800.832	-	-	800.832	800.832	-	800.832
Other changes		-	7.385	3.266	-	10.651	10.651	-	10.651
Consolidated net income		-	-	-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 June 2023		27.195.000	88.394.368	-38.341.368	54.561	77.302.562	77.302.517	45	77.302.562
Status 01.1.2024		27.195.000	88.622.478	-35.560.254	8.471	80.265.695	80.266.334	-639	80.265.695
Share-based payment		-	380.709	-	-	380.709	380.709	-	380.709
Other changes		-	0	0		0	0	-	0
Consolidated net income		-	-	-7.924.888		-7.924.888	-7.924.296	-592	-7.924.888
Other result		-	-	-	-13.746	-13.746	-13.744	-3	-13.746
Status 30 June 2024		27.195.000	89.003.187	-43.485.142	-5.276	72.707.769	72.709.003	-1.234	72.707.769

Consolidated cash flow statement

for the period from 1 January to 30 June 2024

		1.1.-30.6. 2024	1.1.30.6. 2023	1.1-31.12 2023
Ongoing business activities	Appendix information	EUR	EUR	EUR
Consolidated net income after taxes		-7.924.888	-9.948.556	-7.164.177
Income taxes		678	443	863.543
Financial result		2.695,894	1.356.155	3.618.401
Depreciation, amortisation and impairment of non-current assets	III.A.(1-3)	2.253.529	1.578.046	4.167.883
Interest received		24.561	23.368	1.860
Interest paid		0	-1.364.980	-2.885.337
Income taxes paid		-678	-443	-3.068
+/- Increase/decrease in non-current provisions		2.413.745	1.634.312	166.504
+/- Increase/decrease in current provisions		-2.109.843	299.248	3.195.140
+/- Decrease/increase in trade receivables and other receivables		-1.691.195	-149.917	-14.793.373
-/+ Increase/decrease in inventories		1.608.131	-3.338.894	-2.889.029
Increase/decrease in trade payables and other liabilities		-1.367.623	-7.127.652	720.763
Other non-cash transactions		334.204	1.300.919	933.587
Cash flows from operating activities		**-3.763.485**	**-15.737.953**	**-14.067.304**
Investment activity				
Payments for the acquisition of intangible assets	III.A.(1)	-2.007.064	-1.705.021	-4.496.261
Payments for the acquisition of property, plant and equipment	III.A.(2)	-583.001	-4.478.613	-5.929.524
Payments for investments in financial assets		-918.488	-53.056	0
Cash flows from investing activities		**-3.508.552**	**-6.236.690**	**-10.425.786**
Financing activities				
Payments for the amortisation portion of lease liabilities		-66.091	-135.871	-126.681
Proceeds from the assumption of financial liabilities		0	27.000.000	34.595.533
Payments from the repayment of financial liabilities	.	-480.524	-508.603	-457.339
Cash flows from financing activities		**-3.235.311**	**26.355.526**	**34.011.512**
Change in cash and cash equivalents		**-10.507.348**	**4.380.883**	**9.518.422**
Cash and cash equivalents as at 1 January		14.589.245	5.070.823	5.070.823
Cash and cash equivalents as at 31 December of the previous period	III.A.(7)	**4.081.897**	**9.451.706**	**14.589.245**
Composition of cash and cash equivalents		**30.6.2024**	**30.6.2023**	**31.12.2023**
		EUR	EUR	EUR
Cash at banks	III.A.(7)	**4.081.897**	**9.451.706**	**14.589.245**

Notes to the interim consolidated financial statements

(abridged) as at 30 June 2024

I. Preliminary remarks and basis of preparation

A. Information on the company and the Group

Enapter AG, Düsseldorf is a stock corporation under German law (hereinafter referred to as "Enapter AG" or "Company"). Enapter AG has its registered office in Düsseldorf and is registered in the commercial register at Düsseldorf Local Court under the number HRB 104171. The business address is Glockengiesserwall 3 in 20095 Hamburg.

As at 30 June 2024, Enapter AG has 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, the company is considered a large corporation in accordance with Section 267 (3) HGB in conjunction with Section 264d HGB as at the balance sheet date. 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 H2O.

Enapter AG acts as a holding company that provides management and functional services for the subsidiaries it controls (hereinafter referred to as "Enapter" or "Group" or "Group of Companies").

Subsidiaries of the company and included in the consolidated financial statements are Enapter S.r.l., Crespina Lorenzana (Pisa), Italy, Enapter GmbH, Berlin, Enapter Immobilien GmbH, Saerbeck and Enapter LLC, St. Petersburg, Russia. Enapter LLC, Russia, and the wholly owned subsidiary Enapter (Thailand) Co. Ltd, Thailand, which was founded in 2023, were not operationally active in the financial year and are of minor importance to the Enapter Group. Enapter (Thailand) Co. Ltd, Thailand, was not included in the interim consolidated financial statements.

Enapter designs and manufactures electrolysers / hydrogen generators based on a patented anion exchange membrane electrolysis.

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

The interim consolidated financial statements as at 30 June 2024, including further disclosures in the interim Group management report, were prepared in accordance with Section 115 of the German Securities Trading Act (WpHG) and in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the most recent annual consolidated financial statements as at 31 December 2023. It complies with the International Financial Reporting Standards (IFRS) and the relevant interpretations of the International Accounting Standards Board (IASB) as applicable in the European Union. They were released for publication on 2 September 2024.

In accordance with IAS 34, a condensed scope of reporting was selected for the presentation of the interim consolidated financial statements as at 30 June 2024 compared to the consolidated financial statements as at 31 December 2023. As a result, these interim financial statements do not contain all the information and notes required by IFRS for consolidated financial statements as at the end of the financial year. With the exception of the changes and new regulations described below, the same accounting policies are applied in the interim consolidated financial statements as in the consolidated financial statements as at 31 December 2023. For further information, please refer to the consolidated financial statements for 2023, 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 figures are rounded up or down to the nearest euro (EUR). As a result of rounding, figures in this report may not add up exactly to the totals provided and percentages may not add up exactly to the figures shown.

These interim consolidated financial statements and management report of the company were neither reviewed nor audited in accordance with Section 317 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 its accounting policies.

A. Accounting standards issued by the IASB and applied 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	Non-current liabilities with ancillary conditions and classification as current or non-current	01.01.2024
IFRS 16	Lease liabilities from a sale and leaseback transaction	01.01.2024
IAS 7 and IFRS 7	Supplier financing agreements	01.01.2024

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 to voluntarily apply the standards issued by the IASB prior to their mandatory application. No material effects on the interim consolidated financial statements are 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.

Management estimates and assumptions relating to the amount and recognition 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 measurement of assets, provisions and liabilities in the consolidated financial statements, particularly with regard to the recognition criteria and accounting policies for intangible assets, the recoverability of financial assets and the resulting value adjustments, the determination of useful lives, the recognition and measurement of other provisions and the assessment of projects up to project completion, particularly with regard to the accounting treatment of supplements and the timing and amount of profit realisation as well as value adjustments on receivables and inventories.

The assumptions and estimates as at the reporting date are based on current circumstances and knowledge. The forward-looking assumptions and estimates as at the reporting date take into account the expected future business development, the circumstances prevailing at the time the consolidated financial statements were prepared and the assumed realistic future development of the global and industry-specific environment. The actual amounts may differ from the estimated values due to developments in these general conditions that deviate from the assumptions and are beyond the control of management. In the event of such a development, the assumptions and, if necessary, the carrying amounts of the affected assets and liabilities 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. Estimating the fair value requires the determination of the most suitable valuation method, which depends on the conditions 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 AG is presented as an associated company of the Group, as Enapter AG holds a stake of around 25%, is represented on the Supervisory Board and therefore has a significant influence on the associated company. There are no special agreements under company or contractual law. The joint venture Wolong Enapter Hydrogen Energy Technology Co, Ltd, Shaoxing City, Zhejiang Province, China (JV) with Wolong Electric Group Co, Ltd. in China (51%) and Enapter AG (49%) is also treated as an associated company of the Group. Enapter AG also has a significant influence on the associated company in this case.

War, geopolitical tensions and global pandemics such as the COVID-19 pandemic may continue to have an impact on the consolidated financial statements as a result of falling and more volatile share prices, interest rate adjustments in various countries, increasing volatility in foreign exchange rates, deteriorating creditworthiness, payment defaults or late payments, delays in incoming orders and also in the execution of orders or fulfilment of contracts, contract cancellations, adjusted or modified sales revenue and cost structures, the restricted use of assets, restricted or impossible access to customers' premises or the difficulty of making predictions and forecasts 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 earnings 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 expanding technology company, the company is dependent on future external financing or the ability of its shareholders to provide the necessary funds. The financing of the Group during the ramp-up phase is to be realised with further equity, subsidies and debt capital. However, there is an inherent risk that financing rounds may not be successful as expected. If the financial and earnings planning is not met or the planned funding is not realised on time, the continued existence of the company would be jeopardised. Following the successful capital increases carried out in recent years and the external funding received, Enapter plans to continue to be able to cover its short and medium-term capital requirements for further growth through suitable capital measures.

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, business activities were not managed internally separately by product, service or geographical market. All significant operating activities are currently 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 30 June 2024

Acquisition or production costs	Capitalised development costs	Patents and trademarks	Total
	EUR	EUR	EUR
Status as at 1 January 2024	14.802.068	1.105.843	15.907.911
Additions	1.303.708	703.356	2.007.064
Status as at 30 June 2024	**16.105.776**	**1.809.199**	**17.914.975**
Accumulated amortisation			
Status as at 1 January 2024	3.405.235	529.497	3.934.731
Scheduled depreciation and amortisation	789.203	70.438	859.641
Status as at 30 June 2024	**4.194.438**	**599.935**	**4.794.372**
Carrying amount as at 31 December 2023	11.396.833	576.347	11.973.180
Carrying amount as at 30 June 2024	**11.911.338**	**1.209.264**	**13.120.603**

Acquisition or production costs	Capitalised development costs	Patents and trademarks	Total
	EUR	EUR	EUR
Status as at 1 January 2023	11.402.147	923.425	12.325.573
Additions	1.652.899	52.122	1.705.021
Status as at 30 June 2023	**13.005.046**	**975.548**	**14.030.594**

Accumulated amortisation			
Status as at 1 January 2023	1.826.829	226.652	2.053.481
Scheduled depreciation and amortisation	602.981	34.317	637.299
Status as at 30 June 2023	**2.429.810**	**260.969**	**2.690.780**
Carrying amount as at 31 December 2022	9.575.318	696.773	10.272.092
Carrying amount as at 30 June 2023	**10.625.236**	**714.579**	**11.339.815**

This item mainly comprises capitalised development costs, patents and trademarks. The main additions in the first half of 2024 relate to development costs for ongoing internal projects that will be completed in subsequent years and then amortised over their expected useful life, which is generally five years. Patents are amortised over a useful life of fifteen years, while software and trademarks are amortised 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 2024

Acquisition or production costs	Land and buildings	Plant and machinery	Operating and office equipment	Advance payments and assets under construction	Total
	EUR	EUR	EUR	EUR	EUR
Status as at 1 January 2024	57.005.983	4.062.190	2.341.850	13.202.127	76.612.150
Additions	23.940	250.199	164.513	195.748	634.401
Status as at 30 Ju 2024	**57.029.923**	**4.312.389**	**2.506.364**	**13.346.476**	**77.246.551**

Accumulated amortisation					
	EUR	EUR	EUR	EUR	EUR
Status as at 1 January 2024	1.822.109	1.283.714	604.191	0	3.710.015
Scheduled depreciation and amortisation	911.733	238.203	304.617	0	1.454.553
Rebookings	0	2.438	0	0	2.438
Status as at 30 June 2024	**2.733.843**	**1.522.254**	**908.808**	**0**	**5.167.006**

Carrying amount as at 31 December 2023	55.183.874	2.778.475	1.737.660	13.202.127	72.902.136
Carrying amount 30.6.2024	**54.296.080**	**2.790.134**	**1.597.555**	**13.346.476**	**72.079.545**

Acquisition or production costs	Land and buildings	Plant and machinery	Operating and office equipment	Advance payments and assets under construction	Total
	EUR	EUR	EUR	EUR	EUR
Status as at 1 January 2023	20.344.583	3.025.502	1.699.749	44.475.713	69.545.547
Additions	27.300	148.487	172.657	4.130.167	4.478.613
Departures	0	0	-843	0	-843
Rebookings	27.464.718	-336	0	-27.464.718	-336
Status as at 30 June 2023	**47.836.602**	**3.173.653**	**1.871.563**	**21.141.162**	**74.022.980**

Accumulated amortisation					
	EUR	EUR	EUR	EUR	EUR
Status as at 1 January 2023	476.257	842.828	326.784	0	1.645.869
Scheduled depreciation and amortisation	464.017	220.006	129.775	0	813.798
Departures	-676	339	-842	0	-1.179
Status as at 30 June 2023	**939.598**	**1.063.173**	**455.717**	**0**	**2.458.489**

Carrying amount as at 31 December 2022	19.868.326	2.182.674	1.372.965	44.475.713	67.899.678
Carrying amount as at 30 June 2023	**46.897.004**	**2.110.480**	**1.415.846**	**21.141.162**	**71.564.492**

The operating properties in Pisa, Italy, and Saerbeck/Münster, Germany, are recognised under land and buildings.

Advance payments and assets under construction mainly relate to building, plant and warehouse technology as well as development costs for the prototype of the AEM Multicore and for setting up production at the Saerbeck site.

For reasons of materiality, the additions/disposals and depreciation of low-value assets capable of independent use (so-called AMLA) were not recognised in the fixed asset register.

(3) Rights of use

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

There are no contractual relationships from sale and leaseback transactions. Leases with variable lease payments that are linked to sales from the leased stores have not currently been agreed. There are no right-of-use assets that are recognised in accordance with the revaluation model.

The corresponding lease liabilities for the rights of use (excluding capitalised modernisation expenses) amounted to EUR 647 thousand as at the balance sheet date (31/12/2023: EUR 713 thousand).

(4) Shares in associated companies

H2 Core Systems AG, in which Enapter AG holds a stake of around 25% following the contribution of shares in H2 Core Systems GmbH to H2 Core AG and is represented on the Supervisory Board, and the joint venture Wolong Enapter Hydrogen Energy Technology Co, Ltd, Shaoxing City, Zhejiang Province, China (JV), in which Wolong Electric Group Co, Ltd. in China holds 51% and Enapter AG 49% of the shares, are recognised as associated companies of the Group.

H2 Core AG ("H2 Core", ISIN: DE000A0H1GY2), formerly trading as MARNA Beteiligungen AG ("MARNA"), has carried out the capital increase in kind resolved by the extraordinary general meeting of MARNA on 28 February 2024 by contributing all shares of H2 Core Systems GmbH to H2 Core AG in the commercial register. Upon implementation and entry in the commercial register, the share capital of H2 Core AG will consequently increase by EUR 10,000,000 to EUR 11,500,500, divided into the same number of no-par value shares. The new shares are entitled to dividends from 1 January 2023. In addition, the name change to H2 Core AG, which was also resolved at MARNA's Extraordinary General Meeting, was entered in the commercial register. This completes the change of name from MARNA Beteiligungen AG to H2 Core AG. The shares of H2 Core AG will continue to be listed on the stock exchanges under the well-known ISIN DE000A0H1GY2. The shares in H2 Core AG are recognised at the original acquisition cost of the shares in H2 Core GmbH, taking into account transactions with the associated company and further share acquisitions at a carrying amount of EUR 918 thousand as at 30 June 2024. The market value of the 2,932,905 shares in H2 Core AG held by Enapter AG amounts to around EUR 6.4 million as at the balance sheet date of 30 June 2024.

In spring 2024, Wolong Enapter Hydrogen Energy Technology Co., Ltd, Shaoxing City, Zhejiang Province, China, was founded as a joint venture company (JV) with Wolong Electric Group Co, Ltd. in China. The share capital of the JV was established by the Wolong Group through a cash contribution of EUR 2,040 thousand and by Enapter AG through a non-cash contribution (transfer of the use of 2 trademark rights) valued at EUR 1,960 thousand. The contribution in kind represents the acquisition costs for Enapter's shares in the JV. The capitalisation of the shares in the JV led to other operating income of EUR 1,960 thousand in the reporting period.

Current assets

(5) Inventories

Inventories are made up as follows:

	30.6.2024	31.12.2023
	EUR	EUR
Raw materials and supplies	**6.538.694**	**7.704.354**
Work in progress	2.704.984	1.350.890
Finished products	458.663	2.255.228
Unfinished and finished products	**3.163.647**	**3.606.118**
	9.702.341	**11.310.472**

(6) Trade receivables

Trade receivables amounted to EUR 27,608 thousand as at the reporting date (31/12/2023: EUR 23,296 thousand). Trade receivables include contract receivables in the amount of EUR 513 thousand. No material valuation allowances were recognised.

(7) Other assets

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

The foreign (Italian) tax subsidies and tax credits capitalised at Enapter S.r.l. result from the possibility of offsetting the costs of investments made in or for research and development projects against taxes and duties in Italy. The tax credits are calculated 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 corresponding certificate from an auditor has been obtained.

Please also refer to our explanations on "Deferred income" in section III.A.(14).

≡ Liabilities

≡ Equity capital

(8) Subscribed capital

As at 30 June 2024, the subscribed capital of Enapter AG amounted 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 at the balance sheet date of 30 June 2024, 27,195,000 no-par value bearer shares (ISIN: DE000A255G02 / WKN: A255G0) were 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 H2O.

On 20 June 2024, the Annual General Meeting resolved to create new Authorised Capital 2024. The Executive Board is authorised, with the approval of the Supervisory Board, to increase the company's share capital by a total of up to EUR 13,597,500.00 by issuing up to 13,597,500 new no-par value shares against cash and/or non-cash contributions on one or more occasions in the period up to 19 June 2029 (Authorised Capital 2024).

The Annual General Meeting on 20 June 2024 also resolved to create new Contingent Capital WSV 2024. The share capital is conditionally increased by up to EUR 13,597,500.00 by issuing up to 13,597,500 new no-par value bearer shares with dividend entitlement from the beginning of the last financial year for which no resolution on the appropriation of profits has yet been passed (Conditional Capital WSV 2024).

(9) Capital reserve

The capital reserve amounted to EUR 89,003,187 thousand as at 30 June 2024 (31/12/2023: EUR

88,622,478 thousand). The balance sheet equity increase from the issue of share options for employees amounted to EUR 381 thousand as at 30 June 2024 (previous year as a whole: EUR 1,036 thousand).

(10) Retained earnings

Retained earnings include the accumulated results and amount to EUR -43,485,142 as at the balance sheet date of 30 June 2024 (31/12/2023: EUR -35,560,254).

(11) Other reserves

Other reserves mainly include expenses from the remeasurement of defined contribution pension 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 - 5,276 as at the balance sheet date of 30 June 2024 (31/12/2023: EUR 8,471).

≡ Non-current and current liabilities

(12) Other financial liabilities

Other financial liabilities are made up as follows:

	30.6.2024	31.12.2023
	EUR	EUR
Long and medium term		
Promissory note loan	25.416.250	25.260.000
Loans to related parties	10.000.000	10.000.000
Bank loan	1.607.547	1.690.577
Other liabilities	1.156.880	1.156.880
	38.180.677	**38.107.457**
Short term		
Bank loan	253.286	885.232
Other loans	158.030	118.462
	411.316	**1.003.694**
	38.591.993	**39.111.151**

In February 2023, the Enapter Group concluded financing of EUR 25,625 thousand with the Patrimonium Middle Market Debt Fund, a private debt fund of Patrimonium Asset Management AG (PAM), 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 thousand. In concluding the corresponding agreements, Enapter has undertaken to provide appropriate collateral (land charge on the land and buildings of the Enapter Campus in Saerbeck, assignment of industrial property rights and receivables of the Group and assignment of movable fixed assets and inventories as security) and to fulfil other closing and downstream conditions, e.g. compliance with certain financial covenants.

On 29 December 2023, Enapter AG received a subordinated shareholder loan in the amount of EUR 10 million from the shareholder BluGreen Company Ltd, which held around 65% of the shares in Enapter AG as at the reporting date. The financing has a term of at least 12 months and bears interest at 10% plus 1-month Euribor. The loan may only be repaid once the PAM loan has been repaid in full.

Enapter S.r.l. was granted a bank loan of EUR 2.5 million with a term of 72 months by Banco BPM S.p.a. in April 2021 as part of coronavirus support measures. The loan bears interest at 1.55 percentage points above the 3-month Euribor rate. A hedging transaction was concluded to hedge the interest rate risk. According to the terms and conditions, the loan can only be used for wages and all other operating costs (e.g. suppliers, investments), but is otherwise not subject to any covenants or conditions. In the course of the coronavirus crisis, Bank SIMEST S.p.a., Rome, Italy, also granted Enapter S.r.l. a subsidised loan of EUR 600,000 in August 2021 (term until 31 December 2027, interest rate 0.565%, two-year grace period, one-off processing fee 2%) on behalf of the Italian government. The loan was granted to promote exports, but is otherwise not subject to any conditions or requirements. The exact repayment terms depend on the development of Enapter S.r.l.'s equity and foreign sales. The bank loans are unsecured.

Other non-current liabilities relate to liabilities to the municipality of Saerbeck from development costs payable to the municipality until 31 December 2025.

(13) Provisions

The (non-current) provisions consist of benefit obligations arising from the termination of employment contracts in Italy (TFR fund). Provisions for warranties and other non-current obligations in the amount of

The TFR fund ("Trattamento di Fine Rapporto"), commonly known in Italy by the acronym "TFR", is a mandatory benefit paid by the employer to the employee on termination of employment. This type of benefit is a speciality for employees in the private sector. The TFR is paid by the employer to the employee upon termination of employment, regardless of the reason for the termination of employment and is considered as "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 obligations and the associated current service cost and, if applicable, the past service cost.

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

(14) Passive accruals and deferrals

Deferred income results from deferred income from government grants awarded to Enapter S.r.l. in Italy by the government 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 are incurred or after the research and development projects have been completed. Enapter has decided to recognise the expected tax benefits and offsetting options for other charges and levies only after completion of the projects or to amortise them over the normal useful life of the capitalised development costs.

(15) Trade accounts payable

Trade payables are mainly recognised as trade payables. Trade payables and other liabilities have a total remaining term of up to one year.

(16) Other liabilities

	30.6.2024	31.12.2023
	EUR	EUR
Advance payments received	8.423.044	5.894.185
Other liabilities		
Wage and salary	314.060	262.923
Social security	252.869	294.032
Income and other taxes	193.080	160.286
Wage and church tax	131.924	263.330
Other	143.848	26.570
Total other liabilities	1.035.782	1.007.141
	9.458.826	6.901.327

B. Consolidated statement of comprehensive income

(1) Sales revenue

Revenue was generated from the sale of electrolysers and similar products manufactured and produced in-house, the associated software and control systems, the trade and resale of accessories and parts as well as service and other services.

Invoices for goods and services are generally issued in euros and ex works. An amount of EUR 1,307 thousand (previous period: EUR 0 thousand) was recognised using the percentage of completion method (PoC).

The sales revenue generated by product category totalled

	1.1.-30.6. 2024	1.1.-30.6. 2023
	EUR	EUR
Sale of electrolysers and energy management systems	7.000.878	4.504.419
Services and support	1.266.983	261.115
	8.267.861	**4.765.534**

Sales were generated in the following geographical areas:

	1.1.-30.6. 2024	1.1.-30.6. 2023
	EUR	EUR
Germany	4.141.068	1.405.432
Other European Union	1.258.019	1.607.173
Rest of the world	2.868.774	1.752.929
	8.267.861	**4.765.534**

(2) Other operating income

Other operating income mainly consists of the capitalisation of the investment in the JV China (see also III.A.(4), public subsidies and grants, which were recognised in profit or loss in accordance with 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 breaks down as follows:

	1.1.-30.6. 2024	1.1.-30.6. 2023
	EUR	EUR
Cost of raw materials, consumables and supplies	5.105.793	4.648.773
Expenses for purchased services	96.704	349.429
	5.202.497	**4.998.202**

(4) Personnel expenses

Personnel expenses for an average of 196 employees in the first half of 2024 (previous period: 225), including the managing directors of the subsidiaries, break down as follows

	1.1.-30.6. 2024	1.1.-30.6. 2023
	EUR	EUR
Wages and salaries	5.185.772	5.957.078
Social security contributions and expenses for pensions and other benefits	1.143.197	1.300.152
	6.328.970	**7.257.229**

Employees (excluding the Executive Board) worked in the following areas in the first half of 2024

	30.6.2024 (key date)	30.6.2023 (key date)
Research & Development	65	83
Production	65	66
Administration	33	49
Marketing & Business Development	32	10
	195	**208**

Personnel expenses include expenses for the employee option programme in accordance with IFRS 2 amounting to EUR 381 thousand (previous period: EUR 801 thousand).

The above personnel expenses and employee figures do not include 7 employees of the related company Enapter Co. Ltd, Thailand (9 employees as at 30 June 2023).

(5) Other operating expenses

	1.1.-30.6. 2024	1.1.-30.6. 2023
	EUR	EUR
Legal and consulting costs	1.080.105	883.315
Licences for software	303.982	433.536
Companies and persons related to software development and management services	298.083	391.671
Operating requirements	189.639	331.260
Expenses for external services	89.683	315.890
Sales, distribution and marketing costs (incl. travelling expenses)	398.885	268.406
Warranty costs	89.539	195.892
R&D expenditure	118.936	185.423
Capital market costs and investor relations	22.113	155.373
Rents and ancillary costs	308.708	147.784
Accounting, closing and audit costs	21.926	120.866
Insurance, contributions and fees	127.633	71.942
Costs of external warehouses	101.238	70.520
Supervisory Board	33.000	33.000
Advisory Board	18.000	18.000
Further training	5.000	8.709
Currency conversion	0	6.009
Other	649.501	344.434
	3.860.970	3.982.030

(6) Non-controlling interests

The non-controlling interests continue to relate to a non-Group shareholder in Enapter S.r.l., which holds a 0.02% stake in Enapter S.r.l. as at 30 June 2024.

(7) Earnings per share

The weighted average number of shares used to calculate basic and diluted earnings per share in the first half of 2024 was 27,195,000 shares (previous period: 27,195,000 shares). Earnings per share totalled -0.29 euros (previous period: -0.37 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 30.06.2024/ 30.06.2023	Amortised acquisition costs	At fair value through profit or loss	At fair value through other comprehensive income	Fair value 30.6.2024/ 30.06.2023
	EUR	EUR	EUR		EUR
30.06.2024					
Assets					
Cash and cash equivalents	4.081.897	4.081.897			4.081.897
Debt instruments					
Trade receivables and other receivables	28.284.363	28.284.363			28.284.363
Other financial assets	63.660	0	0	63.660	63.660
Liabilities					
Debt instruments					
Trade payables and other liabilities	11.555.962	11.555.962			11.555.962
Other financial liabilities					
Loans	38.591.993	38.591.993			38.591.993
Leasing liabilities	646.665	646.665			646.665
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					
Loans	30.235.943	30.235.943			30.235.943
Leasing liabilities	737.489	737.489			737.489

All recognised financial assets and liabilities - with the exception of a 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 observable input parameters 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-adjusted interest rate for non-current financial liabilities, the carrying amount also corresponds to the fair value.

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
30.06.2024	EUR	EUR	EUR	EUR
Interest income	24.561	-	-	24.561
Interest expenses	-	-	-2.720.455	-2.720.455
Net result	**24.561**	**-**	**-2.720.455**	**-.2.695.894**

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
30.06.2023	EUR	EUR	EUR	EUR
Interest income	20.351	-	-	20.351
Interest expenses	-	-	-1.361.964	-1.361.964
Net result	**20.351**	**-**	**-1.361.964**	**-1.341.613**

B. Executive Board and Supervisory Board

Board of Directors:

≡ Dr Jürgen Laakmann, Engineer, Munich

≡ Gerrit Kaufhold, tax consultant, Hamburg

Supervisory Board:

≡ Armin Steiner (Chairman of the Supervisory Board), Hanover, business economist

≡ Ragnar Kruse, Hamburg, Managing Director

≡ Prof Dr Christof Wetter, Münster, civil engineer

≡ Eva Katheder, Frankfurt, Management Consultant (from 20 June 2024)

The members of the Management Board and Supervisory Board can be contacted at the company's business address - Glockengiesserwall 3 in 20095 Hamburg.

C.Related party disclosures

The group of related parties has not changed significantly compared to the consolidated financial statements as at 31 December 2023. The majority of transactions with related parties take place with the companies of the main shareholder of Enapter AG, Mr Sebastian-Justus Schmidt.

Information on related parties and companies of Enapter AG, Düsseldorf:

Name of related parties 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.	
Enapter Ltd Co.	Not an affiliated company; consultancy agreement	Thailand

Please refer to the consolidated financial statements as at 31 December 2023 for information on the remuneration and other direct and indirect benefits paid to former board member Sebastian-Justus Schmidt.

BluGreen Company Limited, based in Hong Kong ("BluGreen"), is the majority shareholder of Enapter AG with 56.71% as at 31 July 2024. The majority shareholder and director of BluGreen is Mr Sebastian-Justus Schmidt. Mr Schmidt is therefore to be regarded as the ultimate controlling party.

On 29 December 2023, Enapter AG received a subordinated shareholder loan of EUR 10 million from the shareholder BluGreen Company Ltd, which holds over 65% of the shares in Enapter AG. The financing has a term of at least 12 months and bears interest at 10% plus 1-month Euribor.Enapter AG has concluded a consultancy agreement with BluGreen. In this agreement, BluGreen undertook to provide management personnel as consultants, in particular Sebastian-Justus Schmidt. A monthly payment of EUR 35 thousand is to be made by Enapter AG to BluGreen for this.

Enapter AG has concluded a consultancy agreement with the Thai company Enapter Co. Ltd ("Enapter Thailand"). In this agreement, Enapter Co. Ltd. undertook to provide consultancy services in return for a monthly payment of EUR 30 thousand. The consultancy services include sales, software and other services.

D. Employees

In the first half of 2024, the Enapter Group had an average of 196 employees (previous period: 225), excluding the members of the Executive Board of Enapter AG. For a breakdown of the average number of employees by area of activity, please refer to section III.B.(4).

E. Events after the balance sheet date

No events of particular significance expected to have a significant impact on the Group's net assets, financial position and results of operations had occurred by the time of preparation.

Insurance of the legal representatives

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Insurance of 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.

Hamburg, 2 September 2024

The Executive Board Enapter AG

signed Dr Jürgen Laakmann signed Gerrit Kaufhold

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