

thyssenkrupp nucera @ SdK Anleger Forum

14. März 2024 | Dr. Hendrik Finger, Head of Investor Relations



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nucera

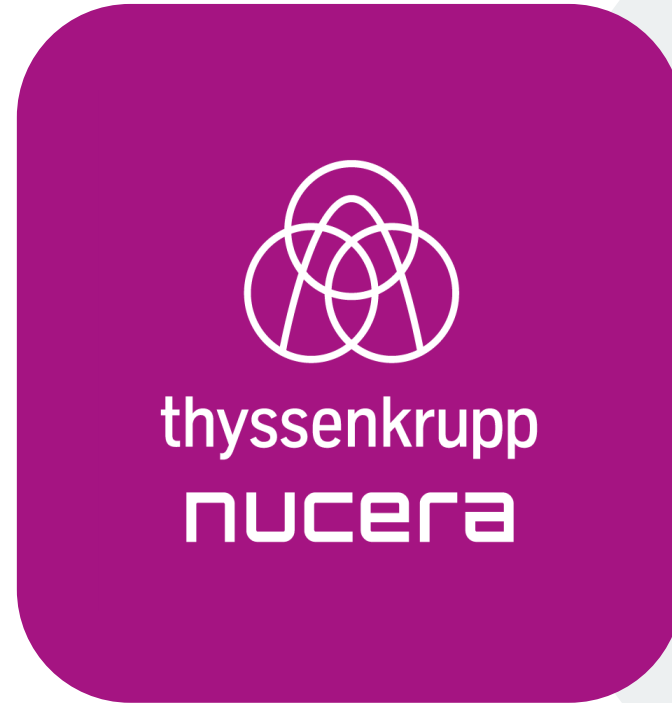
1. Company overview



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We are the Alkaline Water Electrolysis (AWE) and Chlor-Alkali (CA) technology provider globally

Shareholder structure



2 strong product lines

Chlor-Alkali

Order backlog Dec '23:

~0.5bn €

Sales FY 22/23:

330mn €

Service share ():

~50%

Alkaline Water

Order backlog Dec '23:

~0.9bn €

Sales FY 22/23:

323mn €

Dynamic growth:

sales up >6x vs. PY



750+

employees worldwide



600+

electrochemical projects delivered



653mn€

Group sales in FY 22/23



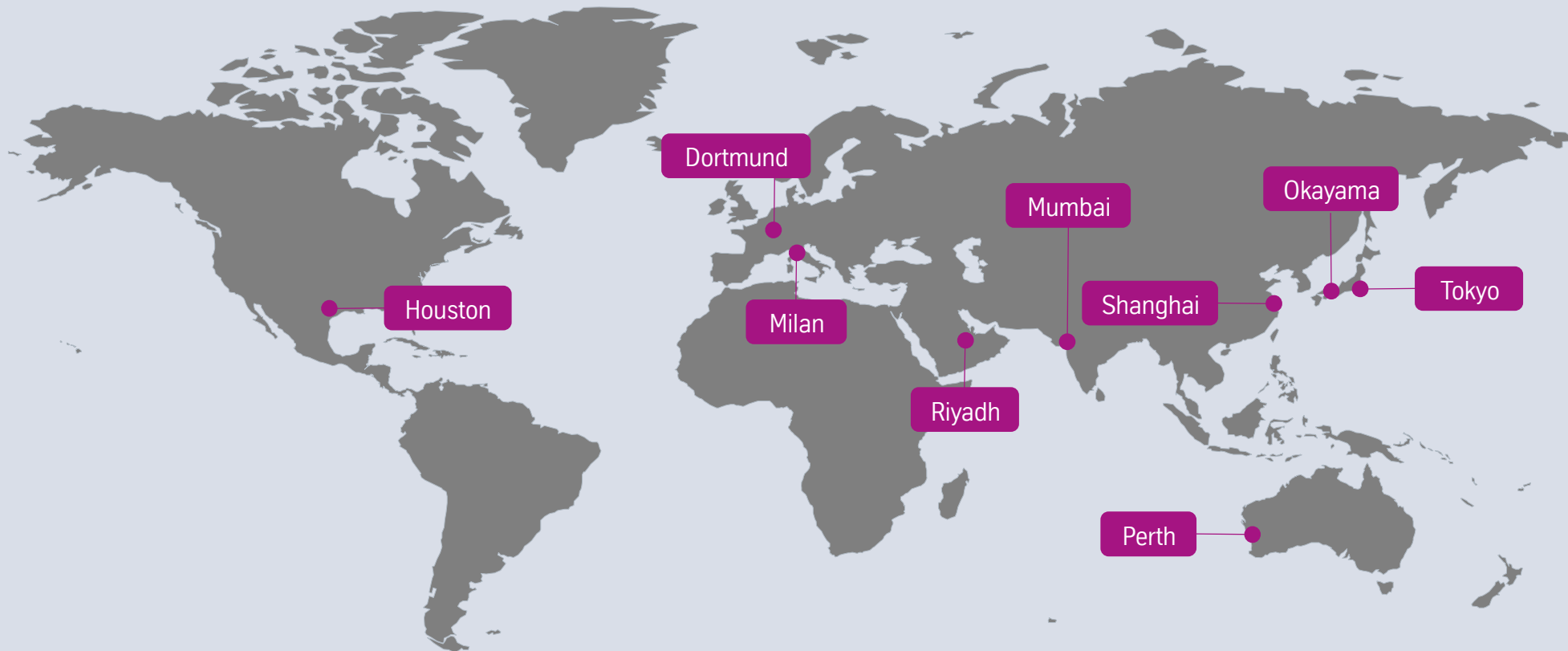
+70%

sales growth in FY 22/23



761mn€

Net financial assets (31 Dec '23)





>60GW

overall project pipeline¹



>19GW

actively pursued projects²



3GW+

contracted



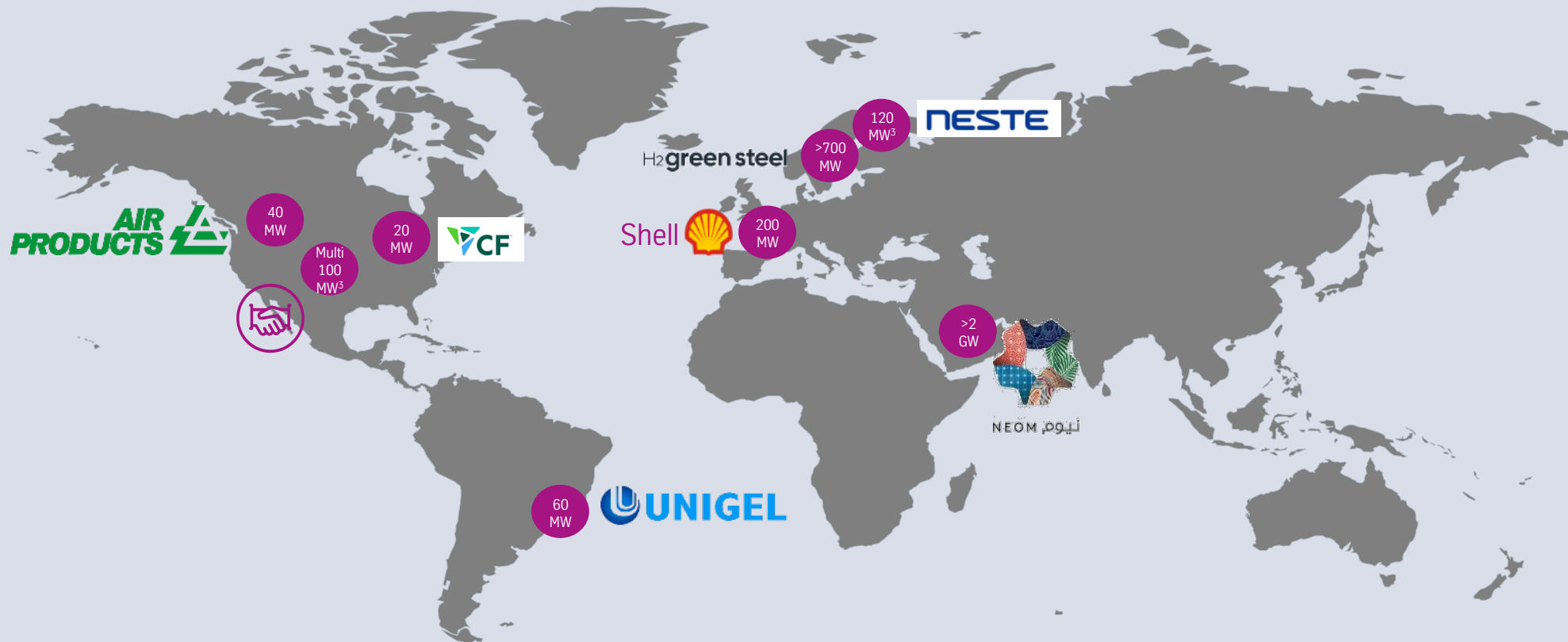
>1.5GW

annual AWE capacity



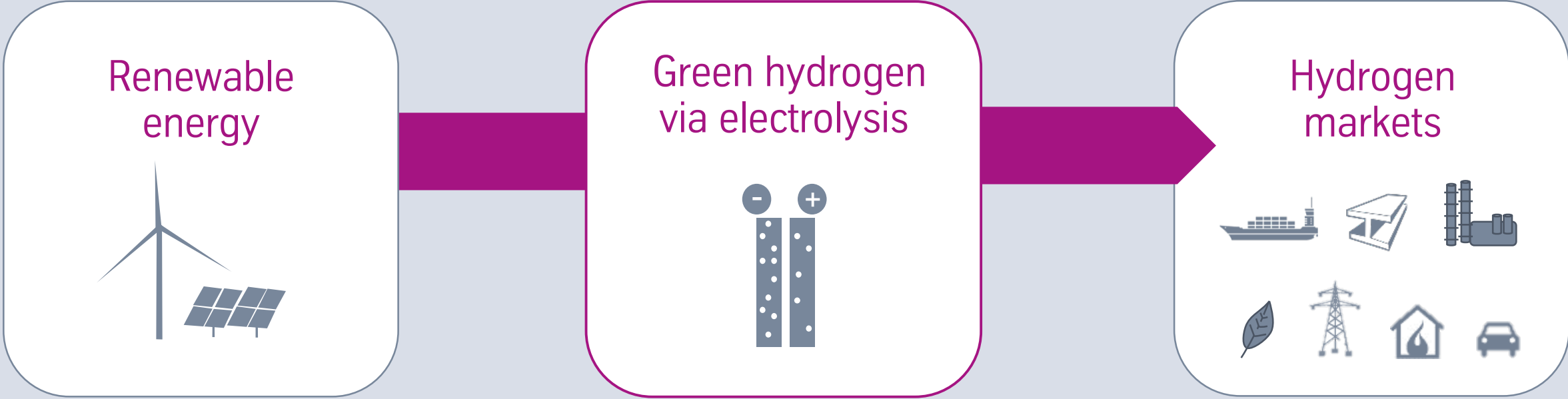
0.9bn€

AWE order backlog



1. Includes actively pursued projects and substantial pipeline, i.e. projects which thyssenkrupp nucera had first interactions with and that are being monitored closely. 2. Projects which already passed the pursue / non-pursue gate. 3. Capacity reservations.

Electrolysis connects the renewable energy sector with a wide range of industries and enables industry decarbonization



Green hydrogen economy drivers

Climate & environmental protection

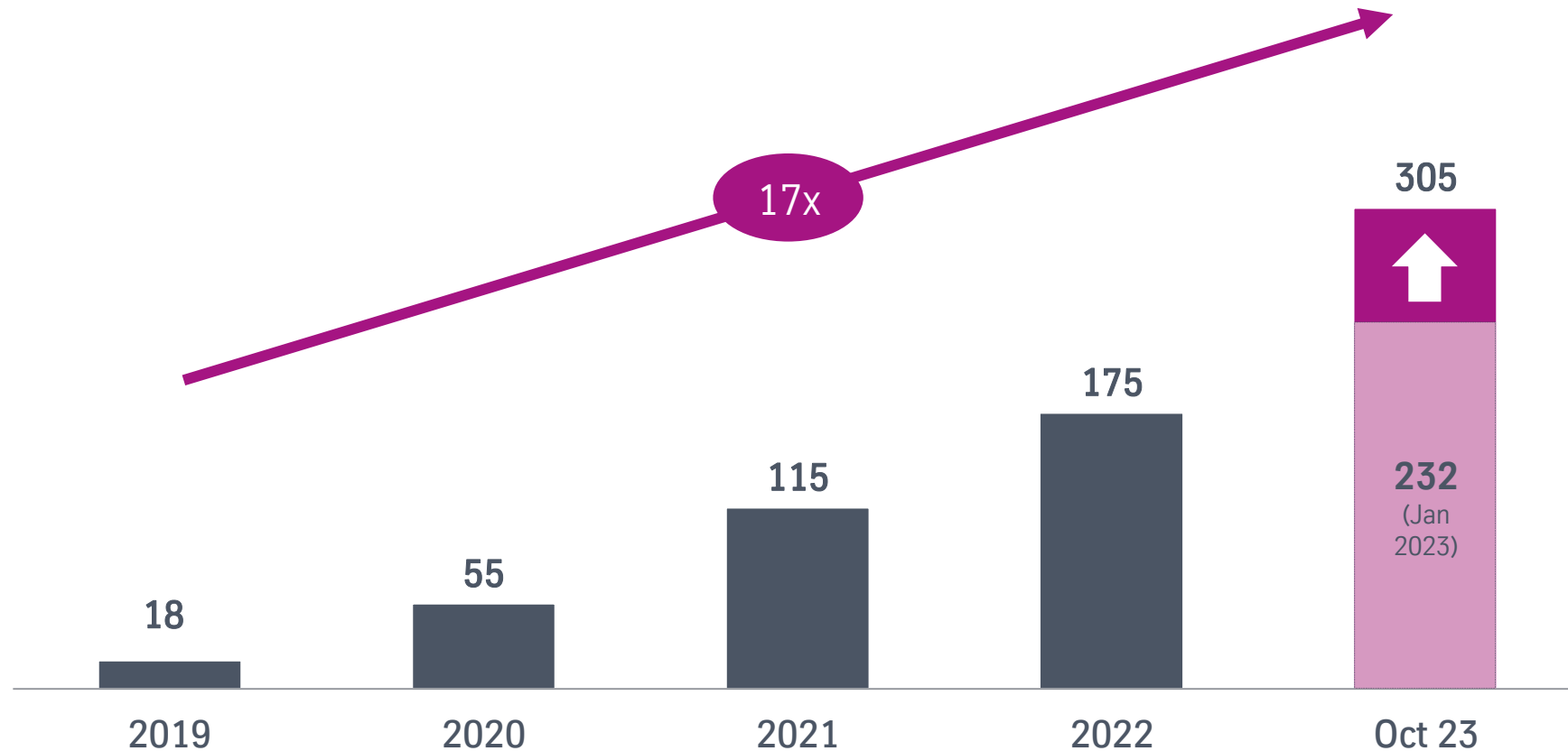
Growing renewable energy sector at low cost

Appropriate legal frameworks

Globally accelerating demand for gH₂ creates significant growth opportunity for electrolyser OEMs

Announced electrolyser capacity to be operational by 2030

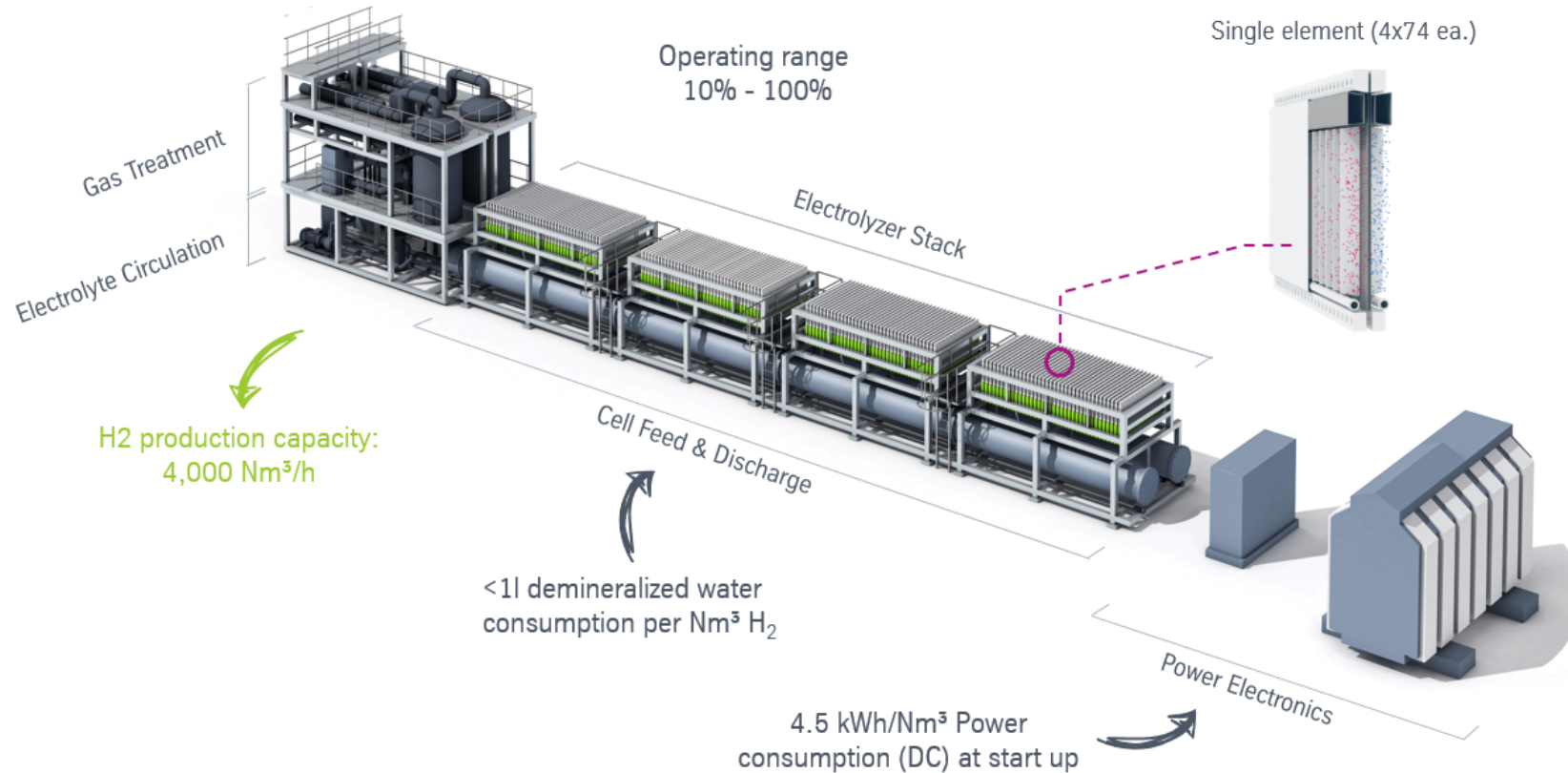
(GW; year of forecast)



- The **global electrolyser installed base** was **~1.1 GW** in **2023**
- **Electrolyser manufacturing capacity** needs to **significantly increase** to fulfil **strong demand growth**
- To date, the **>2 GW NEOM** project is the largest green H₂ plant under construction globally
- **~150 GW of the announced electrolyser projects** are currently considered to be at an **advanced planning stage**¹

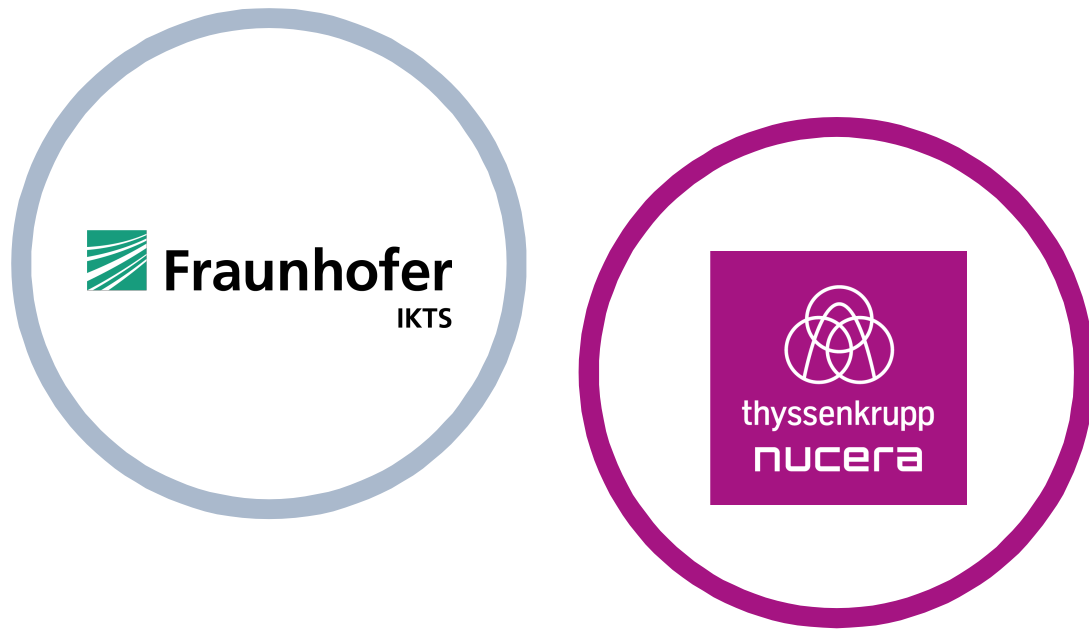
Note: 1. Projects that have passed final investment decision or are undergoing FEED (front-end engineering design) or feasibility studies.
Source: Project & Investment tracker, as of Oct 2023 as published in Hydrogen Council in collaboration with McKinsey & Company, Hydrogen Insights Dec 2023.

Our technology for industrial-scale roll-out



- ✓ **Safety** | Non-pressurized design | Single-element monitoring
- ✓ **Quality** | Proven cell design
- ✓ **Longevity** | High durability proven by Chlor-alkali
- ✓ **High performance** | Long-term technology experience
- ✓ **Reliability** | Reliable operations
- ✓ **Compact design** | High current density
- ✓ **Service** | Global service network with partners
- ✓ **Certified design** | Certified by TÜV Rheinland to meet requirements of chapter 4 of ISO 22734:2019

Strategic partnership with Fraunhofer IKTS for the industrialization of the SOEC technology



- **Strengthening hydrogen technology portfolio** for industrial applications through highly innovative **high-temperature electrolysis (SOEC)**
- **Investment in the further development and industrialization** of the SOEC technology by IKTS
- **Acquisition of license** to use technology
- **Pilot plant** designed and built by IKTS to start operation in Q1 2025
- **Design for later production** ramp-up depending on results of the pilot production line

The partnership on SOEC technology is the next step in the implementation of nucera's growth strategy.

2. Business Update & Outlook



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Project execution on track



NEOM / HIDC

- Erection of HIDC module completed
- First 8 NEOM modules handed over (FOB)
- Deliveries to project partner ongoing despite tensions in the Red Sea

H2 Green Steel

- Around 100mn € of additional order intake booked in December, remaining c.60% expected to follow in next few months
- Execution in full swing after signing of second limited notice to proceed and customer's financing milestone

Shell

- Module fabrication in Spain well underway, 6 of 10 modules already finished
- First cell elements delivered

Unigel

- Module fabrication finalized

Strong financial performance in FY 2022/23

Sales
+70% yoy

AWE sales
up >6x vs. PY

Total sales
653mn €

EBIT
24mn €

EPS
0.21 €

Total order backlog
~1.4bn €

Strong and sufficient financial position to finance high growth ambition

**Net financial
assets¹:
761mn €**

Use of proceeds

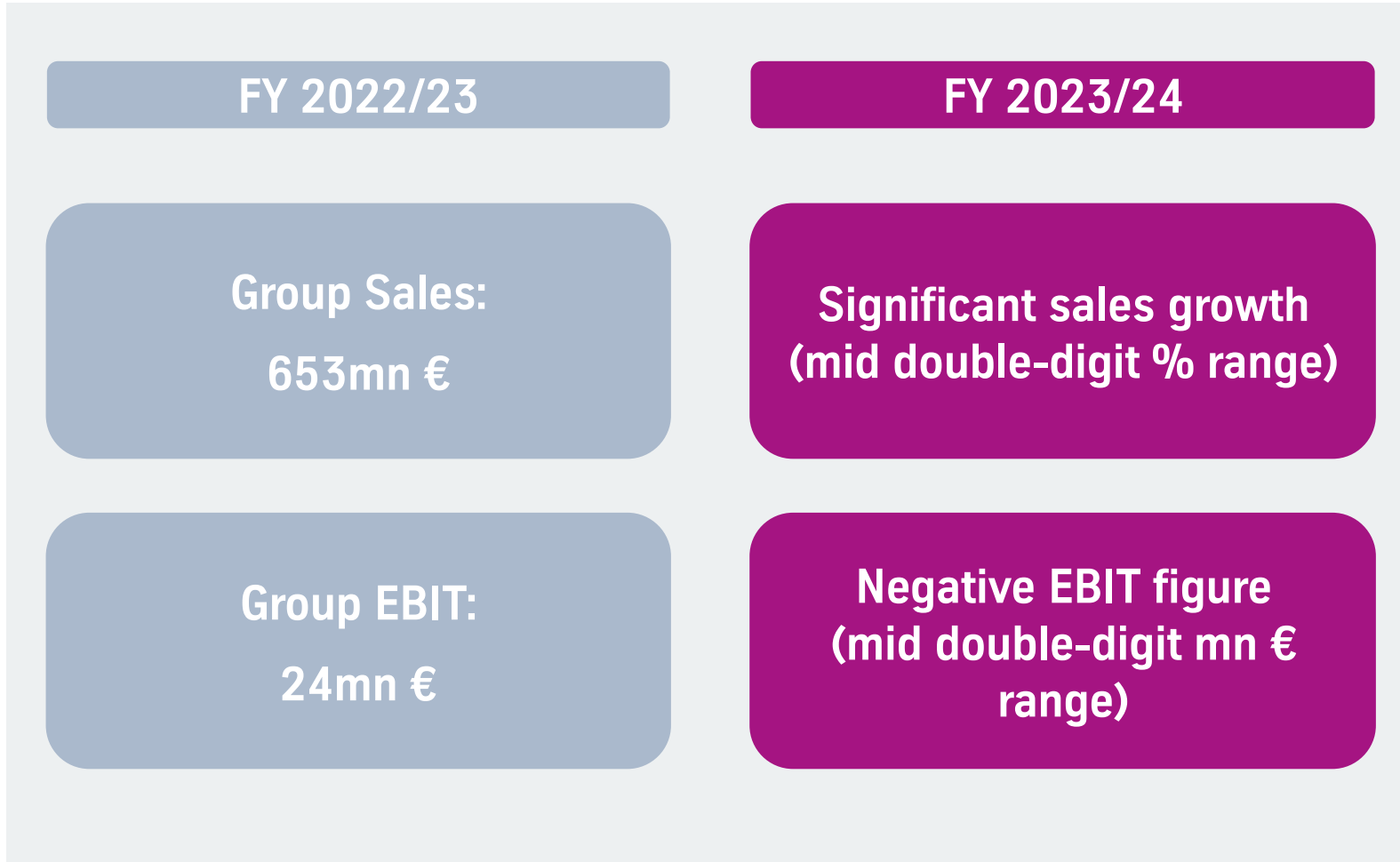
- Automation and serial fabrication
- Strengthen and widen supply chain
- Technology development
- Organizational growth



maintaining
a strong
cash
position

1. As of 31 December 2023. 2. Including non-cash elements such as lease contracts.

Outlook for FY 2023/24 in line with mid-term ambition



Underlying assumptions

- Sales growth driven by existing order backlog – AWE sales expected to reach 600 - 700mn €
- Lower gross margin (in %) due to change in order mix (higher share of new build) in CA and AWE
- Planned increase in R&D and SG&A expenses for the implementation of the growth strategy and organizational build-up

Market outlook

- Stable CA market
- Strong growth in gH2 market

thyssenkrupp nucera's value proposition



- 1 A technology leader in the industrial scale electrolysis
- 2 Long-standing expertise and strong strategic partnerships
- 3 Global organization with a network close to customers
- 4 Driving innovation for a high performing and clean technology worldwide
- 5 Strong balance sheet to finance future growth
- 6 Substantial pipeline driven by high demand for green H2 and large-scale green H2 production technology



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Q1 Highlights



Continued good progress in first quarter 2023/24:

Environment remains favorable for both CA and AWE; order intake of around 100mn € for H2GS; headcount increased by 40% yoy to 765



Sales grew 35% driven by a dynamic increase in AWE sales, resulting in the **highest ever quarterly sales** amount for the group and the AWE business



Project execution progressing in line with customer schedules:

First 8 modules for the NEOM project handed over for shipment; erection of modules complete for CFI and HIDC/Element One



Guidance for FY 2023/24 confirmed

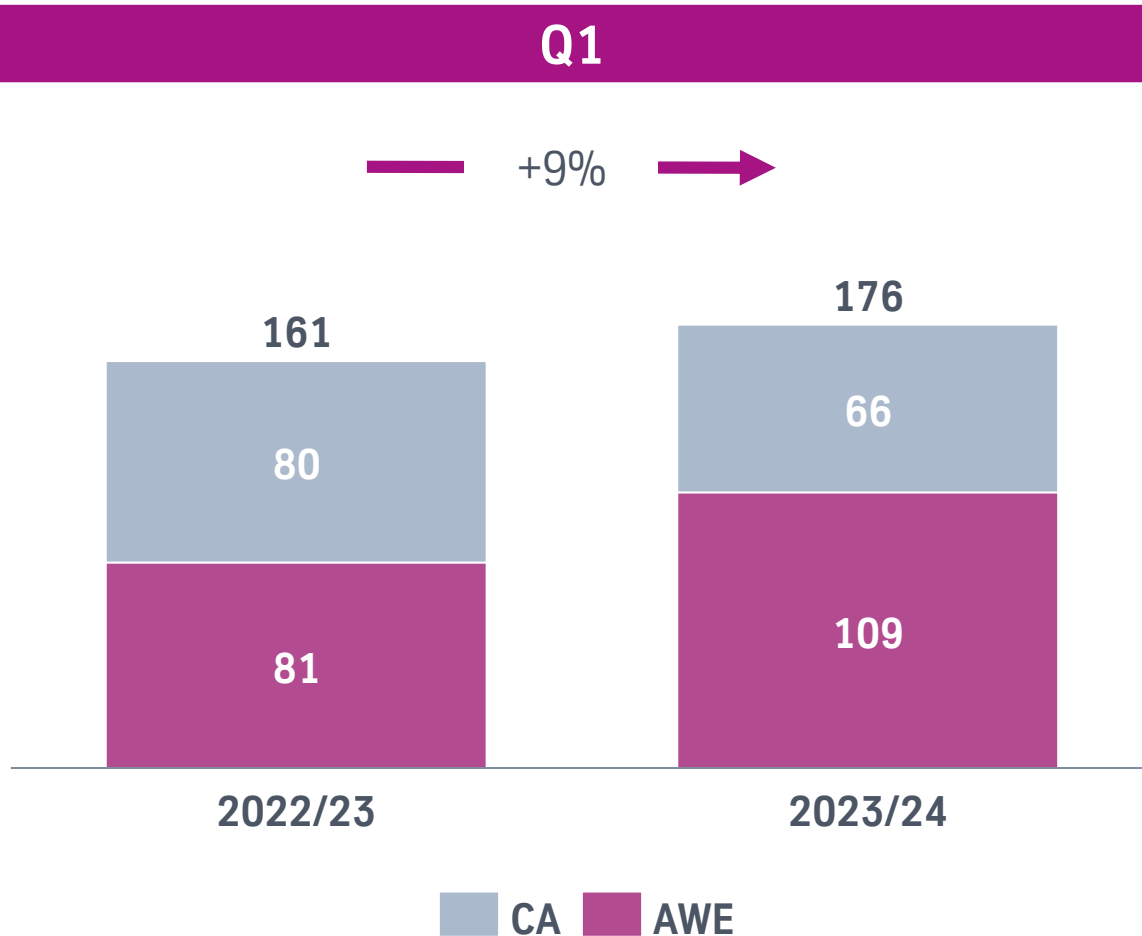
**AWE sales growth
+73%**

**Total sales
208mn €**

**Total order backlog
~1.3bn €**

Growing order intake in Q1, H2GS project main contributor

Order intake (mn €)

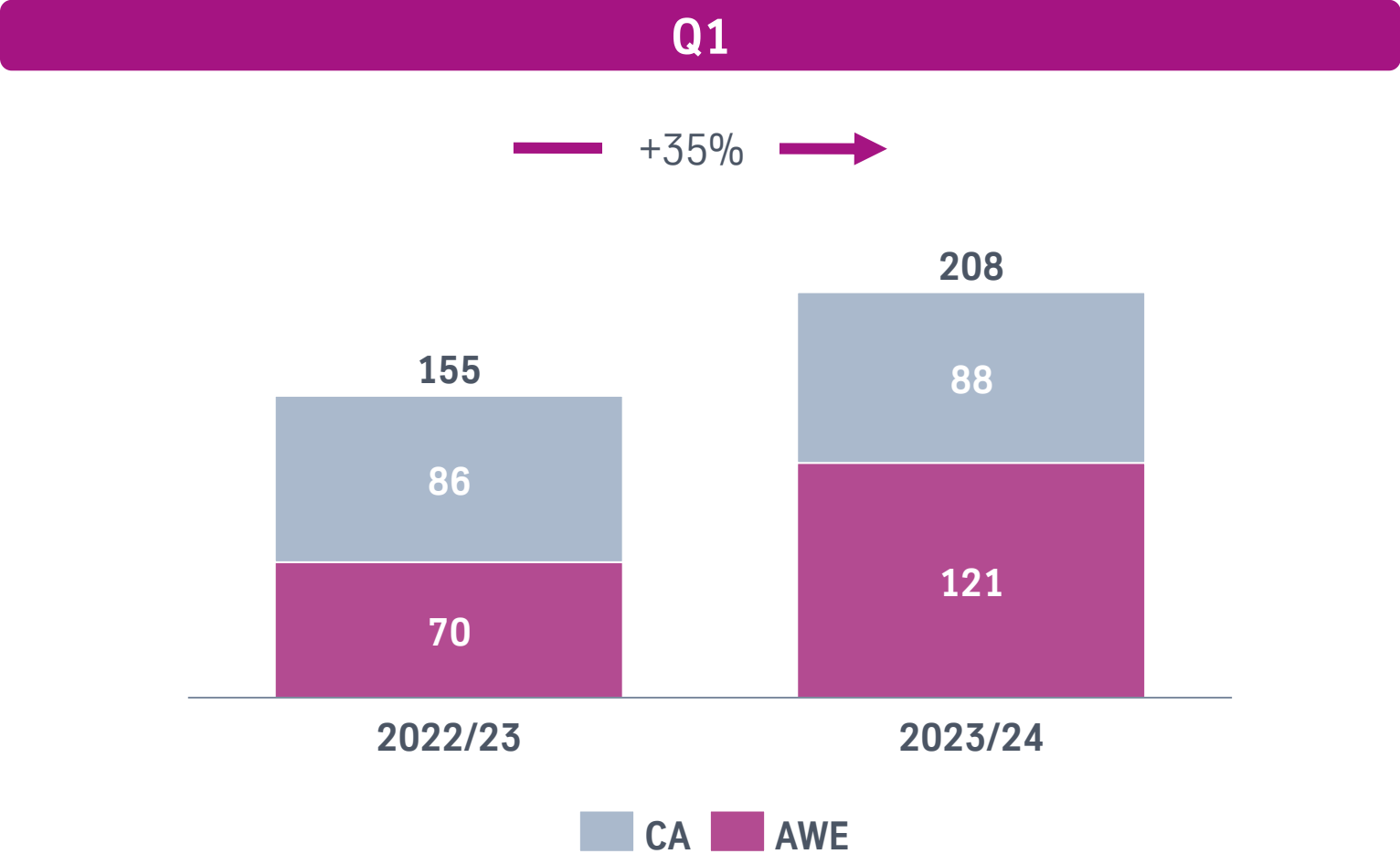


Order intake Q1

- Order intake in CA includes service orders and project with CAPE IGARASSU (Chlorum Solutions) on conversion to eco-friendly CA plant in Brazil
- AWE with around 100mn € of order intake from H2 Green Steel
- Remaining contract value (~60%) of H2 Green Steel expected to be booked in the upcoming months
- Backlog of ~1.3bn € thereof ~0.9bn € AWE

Sales growth in Q1 driven by existing AWE order backlog

Sales (mn €)



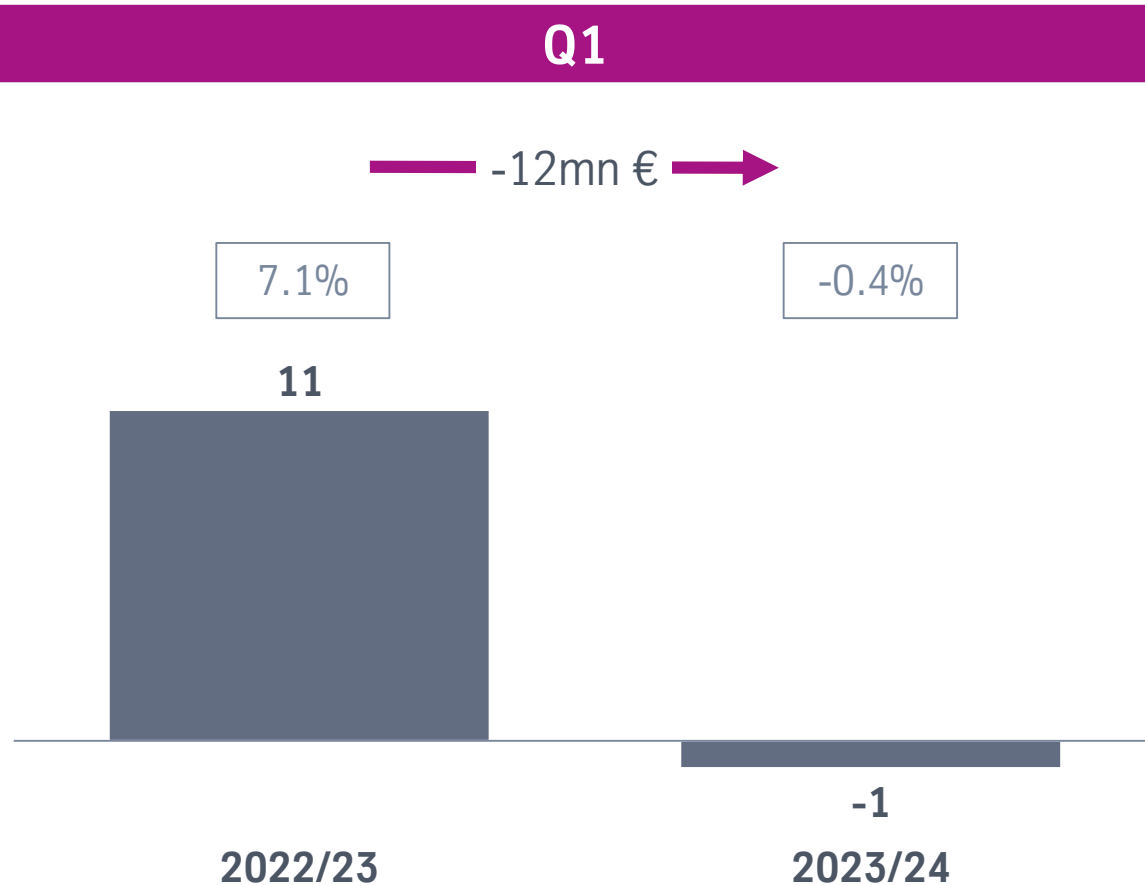
Sales development Q1

- CA sales slightly above PY
- Increase in CA new build offset by expected decline in CA service business against PY's high level
- AWE sales up 73% and thereby reaching the highest ever quarterly sales amount
- Strong AWE growth mainly driven by NEOM, positive contribution from Unigel project

EBIT below PY due to volume/mix effects and planned ramp-up costs

EBIT (mn €)

% of sales



EBIT development Q1

- Lower gross margin (in %) due to volume/mix effects (higher sales share of NEOM project and lower share of CA service business) and start-up costs for capacity increase
- Increase in G&A and R&D expenses as planned for AWE ramp-up
- Further acceleration of ramp-up costs in the upcoming quarters expected