2024

Annual Financial Report

Cavendish Hydrogen

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Letter from the CEO

As we close the year of 2024 I would like to put focus on some of the key achievements for Cavendish in 2024 and share our outlook for the future:

In June, we reached an important milestone as Cavendish Hydrogen ASA was officially listed on the Oslo Stock Exchange. This listing marked a new chapter in our journey and opened new opportunities for growth and expansion. It was a great achievement by our organization to pull through this work-intensive process, ending in a successful listing on the 12th of June 2024.

During the year we continued our efforts in developing our safe work-place culture. I am very happy to see that the hard work has paid off, with significant improvements in our reported KPIs, and zero lost time injuries during 2024. We will continue our focus on safety as a prerequisite for successful business.

Revenues and EBITDA for the year came in as expected, with improvements from last year. Revenues increased with 7% to EUR 31.0 million due to higher equipment deliveries. EBITDA ended at EUR -19 million including non-recurring costs from the listing process. Our new unit sales was lower than anticipated, mainly due to market delays, and while we are seeing a positive shift in discussions with existing and new customers, the sales cycle remains longer than expected.

Our focus towards operational excellence continues to be a vital part of Cavendish Hydrogen's mission. We are continuously optimizing our processes to ensure that each station we deploy operates at best possible performance, and we continue the positive trends. We can be proud of a record high amount of stations delivered during the year with the majority opened on the European market. This year equipment delivered by Cavendish dispensed more than 900.000kg hydrogen, underlining that Cavendish is one of the most experienced suppliers of gaseous hydrogen refueling stations in Europe, North America and South Korea.

In January 2025, we announced significant restructuring measures to adjust our cost base and to improve our long-term operational ability. As a result of the restructuring efforts, we had to say farewell to 37 per cent of our workforce. It is never easy to say goodbye to talented and dedicated colleagues, but controlling our cost base is essential to ensure that we at Cavendish can fulfill our long term strategy to become the leader in Heavy Duty hydrogen mobility.

A key priority moving forward is to stay a long-term partner to our existing customers and adapt together to new market conditions. We will continue to work closely with our customers to ensure that we together keep our position for success. We will continue developing the High-Capacity Station to service the future market for heavy duty vehicles, while looking for partners to co-finance the pilot station and building of a test site.

Looking ahead, the short- and mid-term market is difficult to predict, influenced by factors beyond the company's control, but the long-term potential of the hydrogen mobility market remains strong, particularly with support from initiatives like the Alternative Fuels Infrastructure Regulation (AFIR). We remain confident that hydrogen will continue to play a critical role in the transition to a sustainable mobility future. Our commitment to improve quality, -reliability, and -customer satisfaction remains the same as we navigate the current challenges.

We thank you, our dedicated team of employees, -shareholders and -partners, for your continued support as we move into this new chapter. The road ahead is not without challenges, but we are confident that we have a unique position to capture value creating growth, and supported by the dedication of our incredible team, we will keep leading the path towards a cleaner, greener and profitable future.

Sincerely,
Robert Borin

CEO

Cavendish Hydrogen

Our History

21 years of unwavering commitment to sustainability and innovation in the name of a greener future.

2024 Nel Fueling becomes Cavendish Hydrogen
New market listing on Oslo Stock Exchange

2023 First UL Certified Fueling Station in Canada
First station in Poland and France

2020 First H2Station™ in Korea

2019 HDV dedicated 350 bar station

2018 Factory opens in Herning, Denmark
First UL Certified Fueling Station in US

2016 Second Generation 700 bar H2Station™
First office opens in California

2015 Nel acquires H2 Logic

2013 First H2Station™ for bus fueling

2011 First 700 bar Fueling Station is developed

2009 First 350 bar Fueling Station is developed

2003 H2 Logic is founded in Denmark

About us

Cavendish Hydrogen ASA is a leading hydrogen fueling company that specializes in the development, production, marketing, sales, installation, commissioning and service of equipment for fueling hydrogen to on-road vehicles. The company operates globally with offices in Denmark, USA, South Korea and Austria.

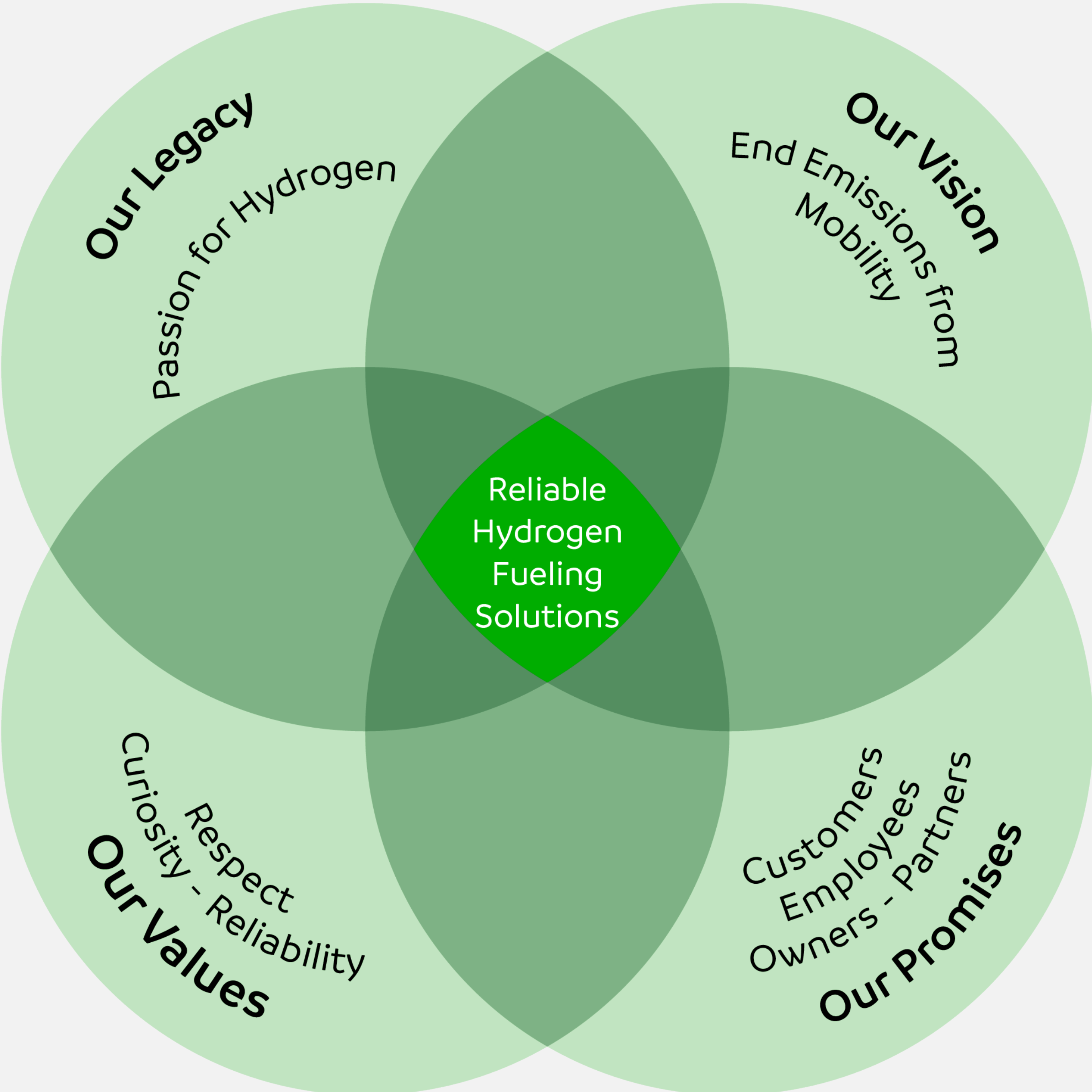
Listed on the Oslo Stock Exchange on June 12, 2024, as a spin-off from Nel ASA, Cavendish Hydrogen ASA is uniquely positioned to capitalize on the growing hydrogen opportunity. With over 20 years of experience in hydrogen fueling, the company has sold more than 145 H2Station units and operates one of the largest hydrogen station factories globally.

Cavendish Hydrogen's fueling equipment is now dispensing nearly 1 million kilograms of hydrogen for our customers on an annual basis. This is an important milestone on the jorney toward clean mobility.

Cavendish Hydrogen ASA employs a dedicated global team of hydrogen professionals, supported by local service hubs across three continents.

The company's state-of-the-art production facility in Herning, Denmark, is one of the world's largest, offering a complete value chain under one roof. This facility is central to the company's commitment to innovation, with research and development experts working on the next generation of hydrogen refueling stations and over 75 patents on core technologies secured worldwide.

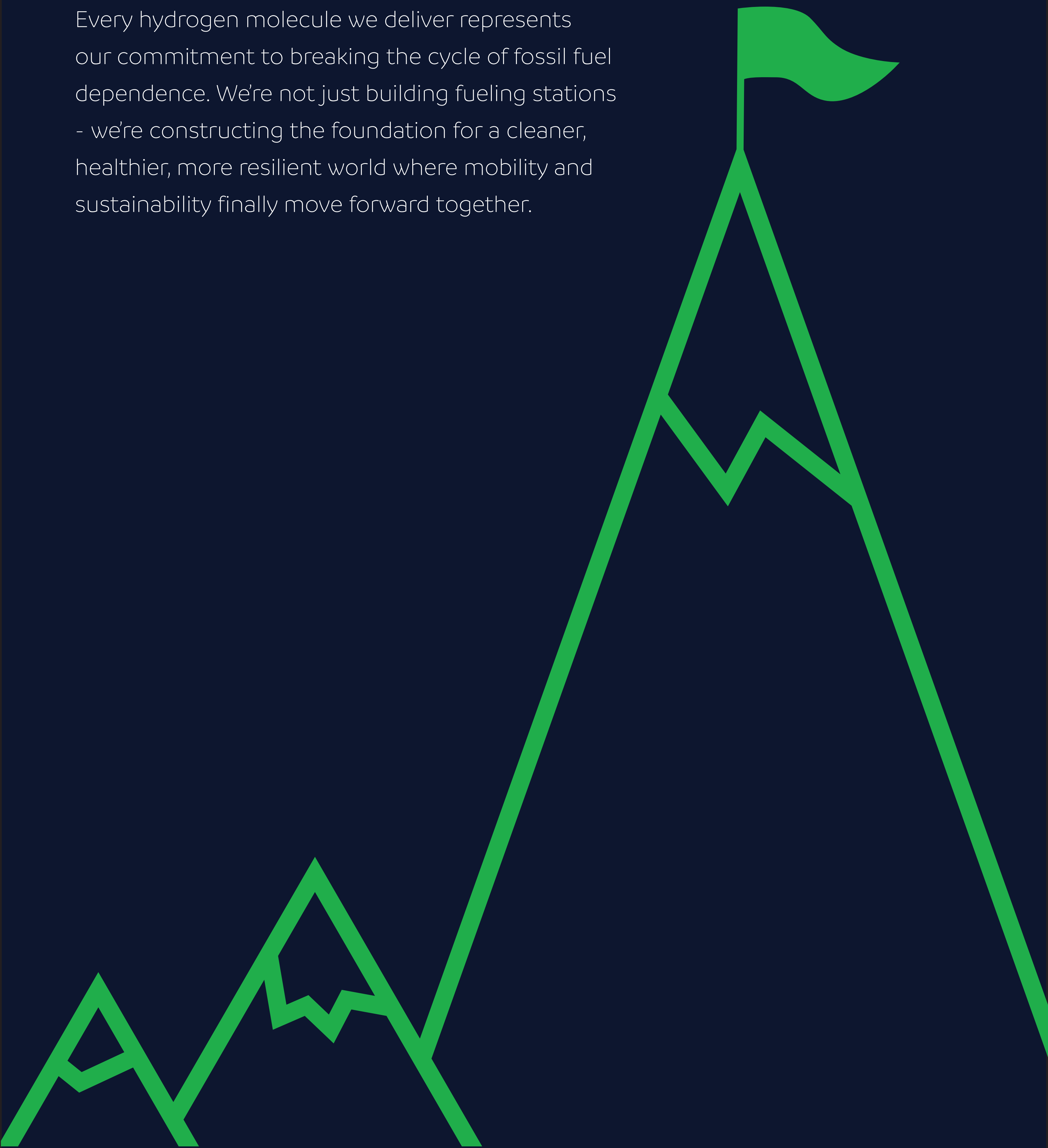
As the demand for long-distance heavy-duty transportation continues to rise, Cavendish Hydrogen ASA remains focused on expanding its product portfolio to meet the decarbonization needs of this rapidly growing market.


Our Legacy
Passion for Hydrogen
Our Vision
End Emissions from Mobility
Reliable Hydrogen Fueling Solutions
Our Values
Respect
Curiosity - Reliability
Our Promises
Customers
Employees
Owners - Partners

Our Ultimate Goal

Hydrogen for clean Mobility

Every hydrogen molecule we deliver represents our commitment to breaking the cycle of fossil fuel dependence. We're not just building fueling stations - we're constructing the foundation for a cleaner, healthier, more resilient world where mobility and sustainability finally move forward together.



Executive Management

Robert Borin

CEO

Robert Borin has many years of experience in the green energy business. Before he was appointed as CEO at Cavendish Hydrogen, Borin held a position as Senior Vice President for Nel Fueling for three years. Borin has also held several other senior management positions in MHI Vestas Offshore Wind A/S and Siemens Gamesa Renewable Energy A/S. From 2016 to 2021, Borin was Chief Supply Chain Officer, Senior Vice President, and member of the management team for MHI Vestas Offshore Wind A/S. Borin holds a Master of Science in Mechanical Engineering and Industrial Management from KTH Stockholm. Borin is a Swedish citizen and resides in Denmark.

Marcus Halland

CFO

Before Marcus Halland was appointed CFO of Cavendish, he worked at Nel's fueling division as Director of Finance for four years. Prior to this Halland was Group Chief Accountant at Nel ASA in Norway, following six years as Group Chief Accountant in Align AS. Halland holds a Bachelor of Science in Business (accounting major) from Oakland University. Halland is a Norwegian citizen and resides in Norway.

Michael Ewald Stefan

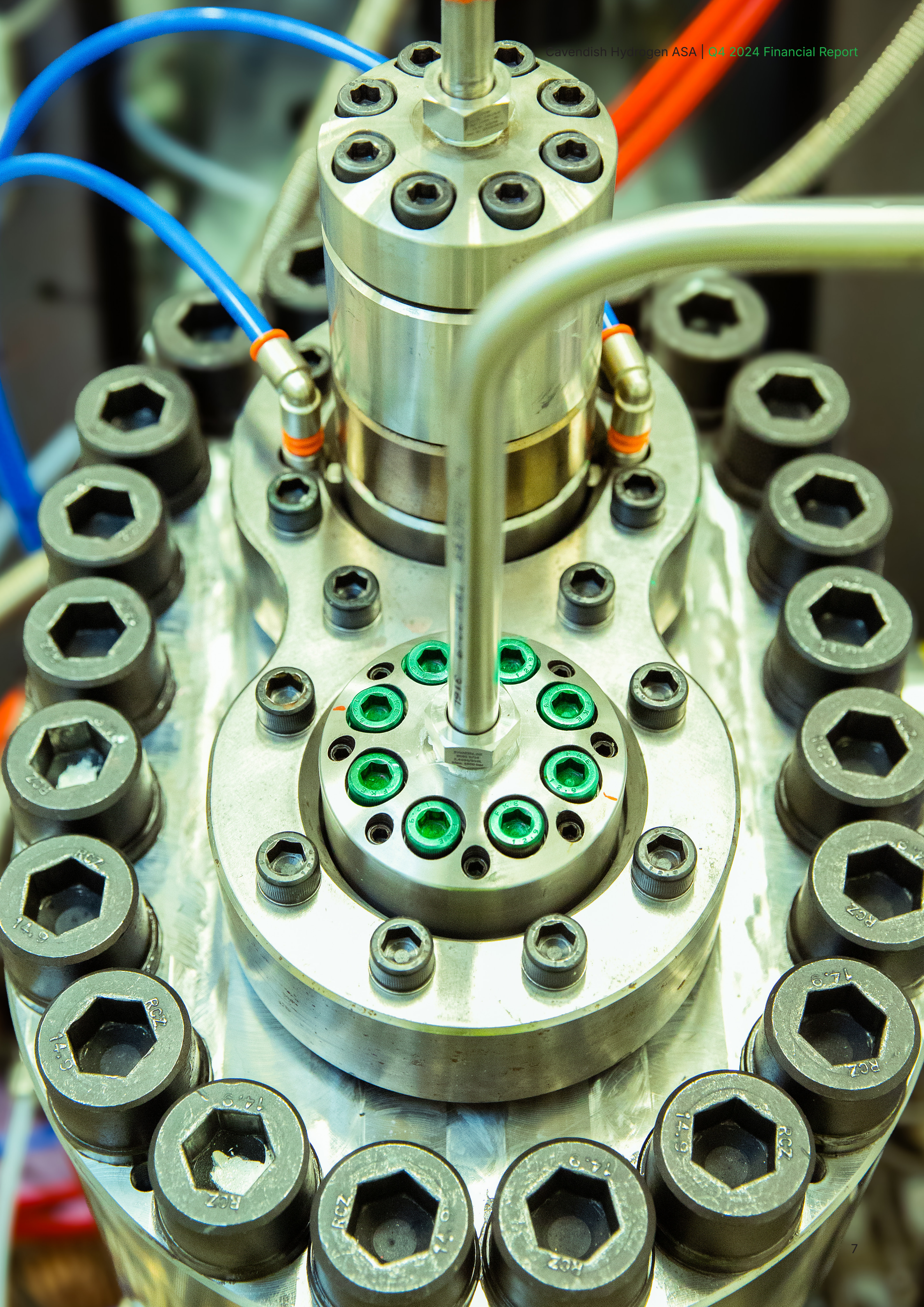
CTO - From 1 March 2025

Before Michael Ewald Stefan was appointed CTO at Cavendish, he worked as Head of Product Life Management (PLM), and Senior Director for Product Management in Nel's fueling division. Prior to joining Nel, Stefan worked four years at Linde Group's main Hydrogen Fueling division at Linde Gas GmbH in Austria as Head of Serial Production for Hydrogen Fueling Stations and Head of Production and Production Engineering. Stefan holds a Master of Science in Industrial Engineering with focus on Technical Product Management from University of Applied Sciences Wiener Neustadt. Stefan is citizen of Austria and resides in Austria.

Peder Hykkelbjerg Hansen

COO - From 1 March 2025

Before Peder Hykkelbjerg Hansen was appointed COO at Cavendish, he worked as Head of Projects and Services in Nel's fueling division. Prior to joining Nel, Hykkelbjerg Hansen worked 17 years with Siemens Gamesa Renewable Energy A/S with management positions within Projects and Service. Hykkelbjerg Hansen holds a Bachelor within Production Engineering from University of Southern Denmark in Odense. Hykkelbjerg Hansen is a Danish citizen and resides in Denmark.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Members of the board

Jon André Løkke

Chairman of the board

Jon André Løkke currently holds various board positions, manages private investments and serves as an industrial advisor for Verdane Capital's decarbonization investments. From 2015 to 2022, he served as the CEO for Nel and from 2012 to 2015 he was the CEO for Norsk Titanum AS. Prior, he held multiple positions in Renewable Energy Corporation (REC Group) in the period from 2002 to 2012, including roles as the company's CFO, head of Sales & Marketing as well as operational roles. Additionally, Løkke has extensive board experience, currently holding position as chair of the board in Bergen Carbon Solutions ASA and in Tunable AS. Løkke has previously held positions as board member (chair) in Hydrogen Europe, Viken Hydrogen AS and Green H2 Lillestrøm AS, and several Nel subsidiaries. Løkke holds an International Masters of Business and Administration from Glasgow University, and a bachelor's degree in Business and Economics from Southampton University.
Løkke is a Norwegian citizen, and resides in Norway.

Vibeke Strømme

Board member

Vibeke Strømme has experience as CEO, board member and executive advisor in several companies. Strømme currently works as an independent executive advisor, and serves as a board member in Laugstol AS and Solcellespesialisten AS. She also serves as the chair of the Corporate Assembly of Sporveien AS. Over the last 20 years, Strømme has held various board positions, inter alia, in Goodtech ASA, Multiconsult ASA and Revus Energy ASA. Strømme is an experienced CEO, and held position as CEO of Kiwa Norge AS from 2013-2021 and Nettpartner AS from 2022-2023, among others. Strømme holds a master degree in petroleum engineering from the Norwegian University of Science and Technology and a master of business administration from The International Institute for Management Development (IMD) in Swiss city of Lausanne. Strømme is a Norwegian citizen, and resides in Norway.

Mimi Kristine Berdal

Board member

Mimi Kristine Berdal currently works with independent investment and corporate consulting. Berdal has broad experience as board member, having served as board member in several companies the past 20 years. Berdal is presently chair of the board in Goodtech ASA and Connect Bus AS and board member in Norsk Titanium AS, Thor Medical ASA, EMGS ASA, KLP Eiendom AS and Energima Gruppen AS. Additionally, Berdal has professional experience as legal advisor in Total Norge AS (1988-1990), and has held the position as partner in Arntzen de Besche law firm, Oslo (1996-2005). Berdal holds a master's degree in law from the University of Oslo and is a Norwegian citizen, and resides in Norway.

Allan Bødskov Andersen

Board member

Allan Bødskov Andersen has years of CFO experience, and currently serves as CFO in Topsoe A/S. Andersen has previously held the position as Group CFO in DLF from 2022 to 2023 and as Senior Vice President, CFO Onshore & Head of Investor Relations in Ørsted from 2020 to 2022. Prior to this, Andersen was Senior Vice President, Head of Group Treasury & Risk Management in DONG Energy. Andersen holds a Master's degree in Economics and Econometrics from the University of Southampton and a PhD in Finance from Aarhus University. Andersen is a Danish citizen, and resides in Denmark.

Kim Søgård Kristensen

Board member

Kim Søgård Kristensen is currently CEO at Evida Holding A/S, a national gas distribution company in Denmark. Prior to this, Kristensen held position as CEO in Insero Horsens from 2018 to 2022. Kristensen additionally has extensive experience from TDC A/S, a Danish telecommunications company, where he inter alia served as CFO in TDC Finance from 2005 to 2007, Vice President (Business development) from 2007 to 2008, Senior Vice President from 2008 to 2010, Executive Vice President from 2011 to 2013, Chief Technology Officer from 2013 to 2015 and Executive Vice President from 2016 to 2018. Kristensen has a master's degree in economics from Aarhus University in Denmark and has additionally studied organizational Leadership at Harvard Business School. Kristensen is a Danish citizen, and resides in Denmark.

Report from Board of Directors

On June 12th 2024, Cavendish Hydrogen ASA was established as a publicially listed company on the Oslo stock Exchange following a successful split from Nel ASA.

Revenues of EUR 31.0 million in 2024, a growth of 7% from last year.

Year-end cash balance of EUR 41.8 million.

An all-time high 907 520 kg of hydrogen was dispensed from Cavendish Fueling Stations in 2024 due to improved reliability and more stations in operation.

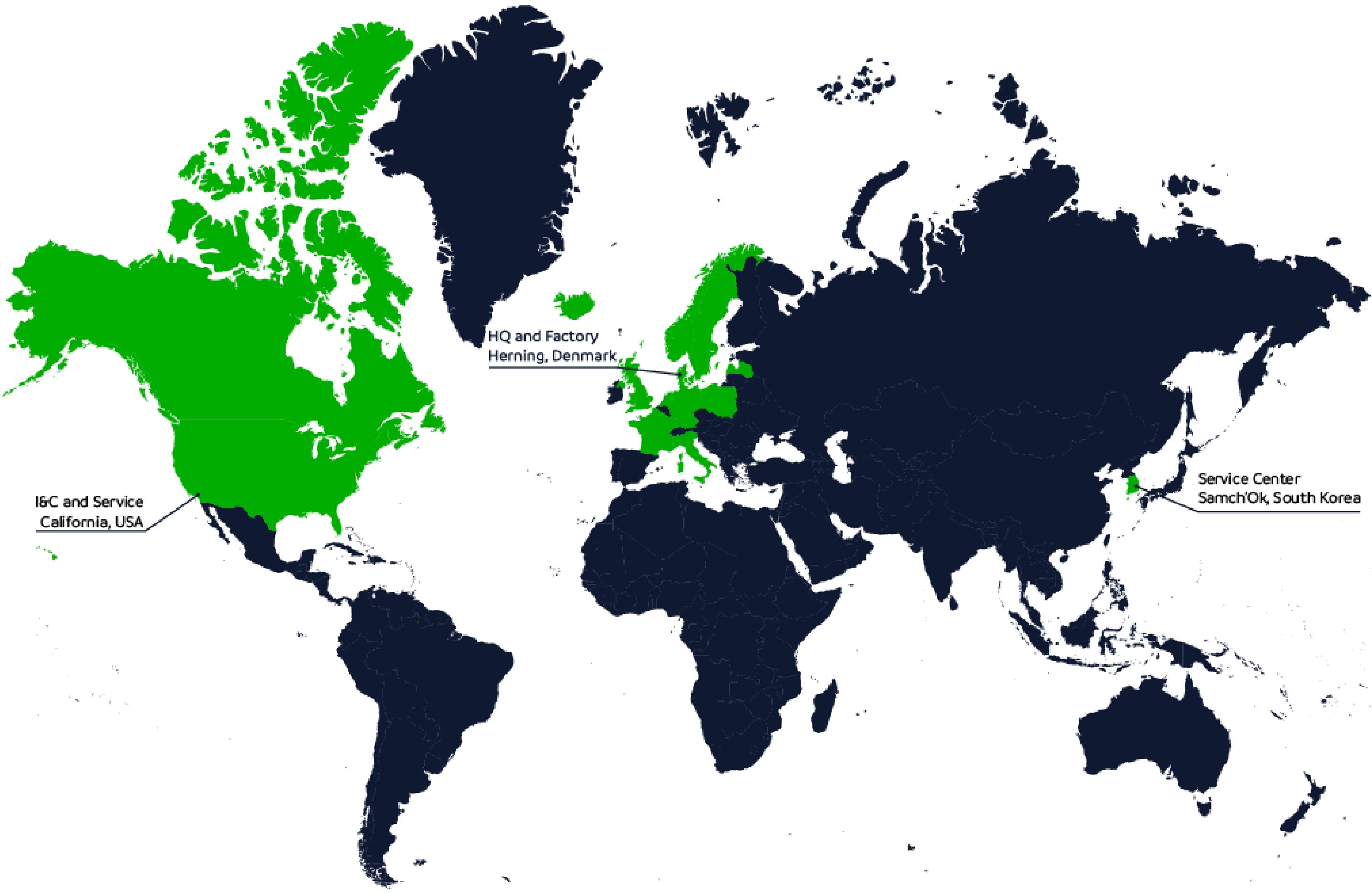
On January 21st 2025 the Company announced a cost reduction and restructuring plan to adapt and right-size the organisation to match the revised strategy and new technology roadmap. The plan was executed during February 2025 leading to a headcount reduction of 37%.

On February 7th an extraordinary general assembly was held and, Jon André Løkke, Vibeke Strømme, Mimi Berdal, Allan Andersen and Kim Kristensen was elected as the new Board of Directors

Key Figures

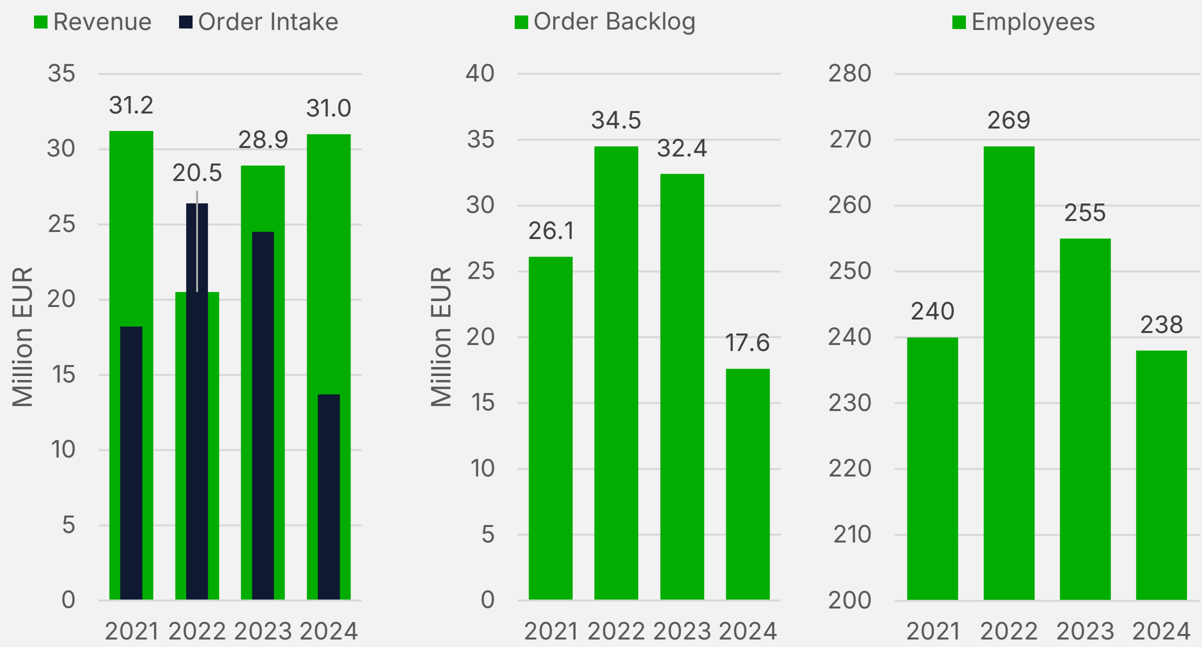
(Amounts in EUR million)	2024	2023	Change
Revenue	31.0	28.9	7%
EBITDA	-19.0	-19.4	2%
Order intake	14.6	24.9	-41%
Order backlog	17.4	32.7	-47%
Total assets	95.3	69.9	36%

Accelerating the clean mobility future



Financial development

Revenue & Order Intake, Order Backlog and Employees



Income Statement

(Comparable amounts in brackets, in EUR million)

At 12th of June 2024 Cavendish Hydrogen ASA was established as a publicly listed company on the Oslo stock Exchange following a successful split from Nel ASA. Cavendish Hydrogen ASA derives out of Nel ASA's Fueling business and comparative figures have been established through applying predecessor accounting. See Note 1.2 for further details. On this basis the financial figures from 2024 and 2023 are comparable.

The cost from the listing process is considered non-recurring, it is part of other operating expenditures and amounts to EUR 2.6 million.

Cavendish Hydrogen ASA ended the year with revenues of EUR 31.0 million in 2024, a growth of 7% from last year of EUR 28.9 million. The increase is due to 13% higher equipment deliveries than last year. These deliveries were to a new US customer that are opening the first stations in 2025.

The revenue from projects, installation and commissioning and Service was on the same level in 2023.

The payment received due to the cancellation of the supply contract with Nikola in first quarter 2024 increased the revenue with EUR 3.7 million.

The progress in the European market was good in 2024 where 8 new hydrogen stations were opened for commercial use during the year. Several of these stations were bus stations in France, Poland and Germany. In the US we have opened 1 new station in 2024 that is fewer than expected since we have experienced customer delays due to shortage of gaseous hydrogen on the US market.

Raw materials expenses totalled EUR 15.1 million (14.2), an increase of 6% from 2023. The increase is due to a write down of inventory from a customer termination of a service contract of 7 stations in the US. This station product used several component of legacy technology that lead to certain spare parts being obsolete. In addition, we were charged for liquidated damages due to a project delay from the same US customer. These negative effects were partly offset by improved margins from equipment deliveries, projects in execution and lower cost from stations in operation due to improved station reliability.

Personal expenses amounted to EUR 21.5 million (23.5) a decrease of 9%. The company adapted the organization during 2024 due to lower activity in manufacturing and service due to operational improvements. Due to the listing the company added certain headcounts to cover for functions previously done by Nel. The headcount was 238 Full-Time Employees at year end, compared to 255 FTEs at 2023, a decrease of 7%. The restructuring that was completed in February 2025 reduced the number of FTE's to 150, a reduction of 37%

Other operating expenses amount to EUR 13.8 million (12.1) an increase of 13%. The non-recurring cost from the listing process of EUR 2.6 million is the main reason for the increase combined with legal fees from an ongoing US lawsuit. Due to tight cost control other operating costs have been reduced from last year.

EBITDA ended at EUR -19.0 million (-19.4m), negatively impacted by the non-recurring costs from the listing process.

Depreciation, amortisation and impairment decreased to EUR 4.6 million (4.7).

As a result of all of the above, the operating loss amounted to EUR -23.6 million (-24.1).

Net financial items amounted to EUR 0 million (-5.6). Cavendish received EUR 1.2 million (0) in interest from its cash reserves, while finance expenses decreased driven by conversion of loans to Nel ASA to equity and a lower impairment of HyNet in 2024 amounting to EUR -0.8 million (-2.7).

Net loss ended at EUR -22.8 million (28.9)

Financial position

Total assets were EUR 95.2 million at the end of 2024, compared to EUR 69.9 million at the end of 2023. Total equity was EUR 73.1 million (21.4). Thus, the equity ratio was 77%.

The significant increase in assets and equity is mainly a result of the split from Nel ASA, which increased cash and equity through capital increases while long-term debt decreased through conversion of loans to Nel ASA to equity.

Furthermore, trade receivables and inventories have decreased due to recognized equipment deliveries in 2024, which were paid on the balance sheet date.

Cash flow

Net cash flow from operating activities in 2024 was EUR -24.0 million, compared to EUR -18.8 million in 2023. The development is positively impacted by a lower net loss and working capital development, but driven by other adjustment of -7.0 million from reduction of other liabilities and increase in other assets.

Net cash flow from investing activities was EUR -7.8 million (-4.3) mainly from new technology development for new product platform to support high capacity fuelling solutions.
Net cash flow from financing activities was EUR 67.4 million (27.1) that derives from proceeds from capital raises into the company connected to the separate listing of the company.

Cavendish Hydrogen's cash balance at the end of 2024 was EUR 41.8 million up from EUR 7.0 million in 2023.

Order intake and backlog

Order intake for the year amounted to EUR 14.6 million, 41% lower than last year (2023: EUR 24.9).

The order backlog was EUR 17.4 million at the end of the year, down 47 per cent from the end of 2023.

Parent Company Result for the Year and allocation

The Parent Company, Cavendish Hydrogen ASA, incurred a comprehensive loss for the year of EUR -4.5 million. The Board of Directors of Cavendish Hydrogen ASA propose the loss for the year is allocated as follows:

(amounts in EUR million)	**2024**
Dividends proposed	0
Retained earnings	-4.5
Total allocation	**-4.5**

Going concern

The company estimates it has sufficient working capital and cash on hand to fund operations beyond the next 12 months following the report date. In accordance with section 3(3a) of the Norwegian Accounting Act, the board of directors, therefore, confirms that the financial statements have been prepared on the assumption of a going concern.

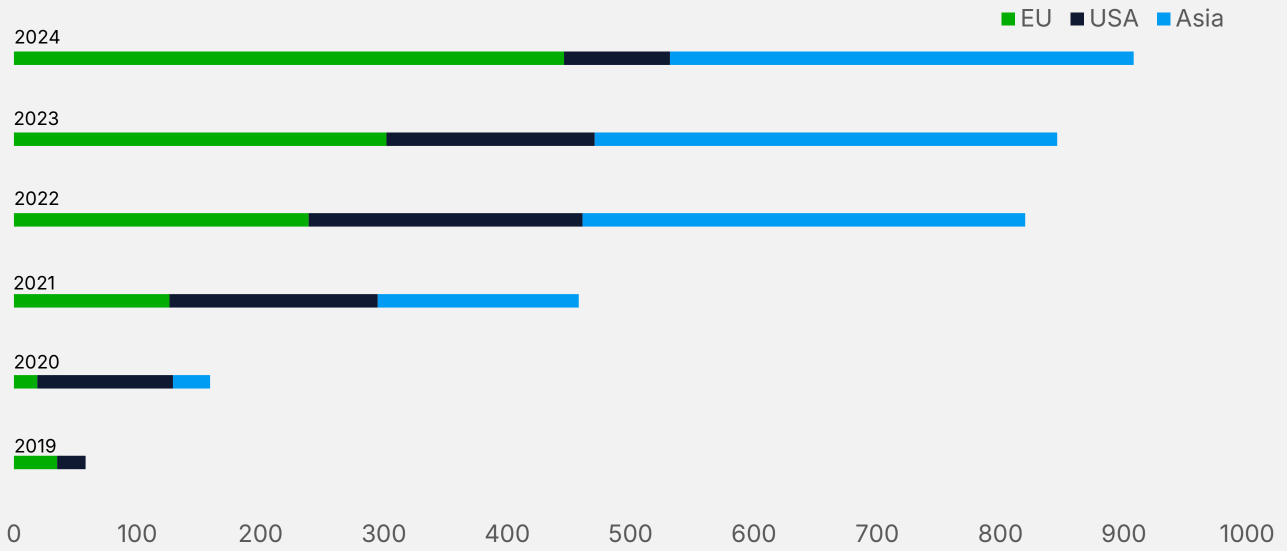
Photo by Scott Webb on Unsplash

907,520 kg Hydrogen dispensed in 2024.

That's more than 30,000 trucks refueled.

Dispensed Hydrogen and Operations

Dispensed Tonnes of Hydrogen over time



(Amounts in Tonnes)	2024	2023	2022	2021	2020	2019
EU	446	302	239	126	126	35
USA	86	169	222	169	169	23
Asia	376	375	359	163	163	-

Europe
During 2024 our customers have opened 8 new Cavendish stations for commercial use. These stations are in France, Poland, Germany and Denmark and are serving buses, cars and taxi fleets. The newly opened stations are utilized on a moderate to high level and are the reason for the increase of 48 per cent in dispensed hydrogen in 2024. The reliability of our stations in Europe is continuing to improve and we see lower costs from operations.

North America
During 2024 one customer have opened one new Cavendish station. The station is located in South California and has relatively low utilization. During Q1 2024 a US customer closed 7 hydrogen stations in Northern California. In addition, the hydrogen supply situation in all of California has suffered from a general shortage of hydrogen, technical issues on trailers and high prices, leading to very low levels of dispensed Hydrogen from the stations in North America. In total, dispensed hydrogen in the US decreased with 49 per cent from last year. During 2024 we have seen improvements in reliability on the stations in operation and we have been having progress on the installation of 2 stations in California and 1 station in Canada that is expected to open early in 2025.

Asia
Since the beginning of 2022 Cavendish Korea has serviced 15 Cavendish stations for our customers in the Korean market. The Korea stations have ever since 2022 had high utilization and high availability. 2024 marked another year with high dispensed figures at the same level as last year.

Technology development

R&Ds focus in 2024 was the new product platform, a High-Capacity Hydrogen Refuelling Station, (HC-HRS). The HC-HRS product platform is aimed at public and private hydrogen fueling stations that mainly fill commercial vehicles. It is a modular product, covering the different customer requirements and capturing the experience and learnings we have had with our current product platform. The design is focused on cost optimization, reliability, serviceability and redundancy.

The development process applied by the company is a tailor-made stage-gate process that ensures involvement of all relevant stakeholders. It is focused on hard technical and commercial requirements like total cost of ownership, condition monitoring, maintenance, redundancy and availability of the product.

To succeed in the high-capacity market, the Company has over the past years worked on developing a new station that will integrate modules that have proven to work well in the field with new innovations to further enhance performance. Capitalizing on insights derived from the light-duty market and accessing new technology from world-class partners will in the Company's view make the new high-capacity station unique. The new high-capacity station is designed to deliver up to 65 kg in 10 minutes (~800 km range) with a targeted hourly capacity of 260 kg. The daily fueling volume target specifications are set between 3 to 4 tons of hydrogen from up to six 700 and 350 bar dispensers with certain unit combinations. Another key aspect of the future high-capacity station is that it will be based on a defined set of modules to allow different configurations. The high-capacity platform will allow multiple use-cases and configurations based on a limited set of core modules, all with total cost of ownership in mind. The focus on the customers' total cost of ownership has been and will continue to be a guiding star for our strategy going forward.

Another focus of the R&D team was on continuous improvements related to existing products, mainly related to safety, station performance and reliability. This includes, among other things, the improvement of certain systems and components, such as gas detectors, valves and compressors, including the associated process control and documentation.

Total technology spend for 2024 in the company was EUR 11.2 million (10.7), of which EUR 6.2 million (3.0) and EUR 5.0 million (7.7) has been capitalised and expensed, respectively.

Strategy

Cavendish is one of the world's largest and most experienced suppliers of hydrogen fueling stations - and the company is set to strengthen that position as the market accelerates.

Rooted in years of experience with hydrogen fueling and guided by the core values, Respect, Curiosity, and Reliability, the company builds on its strong position as a trusted global partner. With manufacturing in Denmark and active projects across Europe, North America, and Asia, Cavendish is positioned to meet the expected increase in international demand for hydrogen infrastructure.

The focus continues to be hydrogen fueling solutions for mobility, evolving with the market from light-duty solutions to high-capacity fueling systems for trucks, buses, and long-haul transport. As part of this transition in the market, the company continuously evaluates opportunities where its core capabilities can be applied most effectively to ensure value creation.

"Reliability" is a commitment. That is why Cavendish takes a measured and responsible approach to market timing. In a landscape, currently shaped by hydrogen pricing uncertainty, geo-political volatility, and reduced short-term investor appetite within the green sector, the company is intensifying its customer-focused solutions within application engineering, platform refinement, and targeted innovation. This also means that the development of our next-generation station continues at a meaningful and adjusted pace, as the company seeks to engage with the right partner or customer to bring the first high-capacity prototype to life.

With a scalable platform — in both technology and operations — deep industry insight, and a strategy grounded in Respect, Curiosity, and Reliability, we are shaping the future of hydrogen mobility: built to lead, built to last.

Risk and opportunities

Cavendish is exposed to significant risk and uncertainty factors, which may affect some or all of the group's activities. Cavendish is exposed to operational, financial, market and climate-related risk. These risks could occur individually or simultaneously.

The company places strong emphasis on quality assurance and has implemented quality-assurance systems in line with the requirements applicable to its business operations.

Cavendish Hydrogen is operating in a rapidly-evolving global industry. The need to address opportunities and make investments ahead of actual market demand and revenue recognition, balanced with the need to appropriately allocate capital and demonstrate a viable business model, is a continual challenge.
In this phase of development, the risks associated with technological change are higher than in more mature industries.

Competitors' or new entrants' innovations in the hydrogen industry could impact the speed of deployment of our current and new technologies. Additionally, if competitors gain advantages in the performance of current or in the development of alternative Fueling Station technologies, this could affect the competitive position of the company.

The overall market sentiment is impacted by a slow-down in government incentives combined with higher interest rates and overall cost increases. The Geo-political situation has developed negatively with higher uncertainty around the global trade situation with potential tariffs and customs. These factors and more have contributed to a general delay in start-up of new projects across the industry which in turn impacts our business.

Cavendish Hydrogen is also to a certain degree dependent on a limited number of third-party suppliers for key production components for its fueling station products. To reduce sourcing risk, the company's supply chain strategy is to have more than one alternative of key components. Nevertheless, Cavendish does have a few single-source components and is at risk of temporary supply chain disruptions should one or more suppliers fail to deliver.

Another supply chain risk is whether suppliers can continue to operate under the uncertain market developments inherent in this industry. In addition to making its current supply chain more robust, the company is working to facilitate volumes from important sub-suppliers. The timing of addressing such elements and risks is important, as there are risks in both overshooting and not meeting market demand adequately.

Climate - related risk factors

Cavendish Hydrogen assesses climate transition risks into two major categories: (1) risks related to the transition to a low-carbon economy and (2) risks related to the physical impacts of climate change. No climate related risk has been identified to affect our physical assets or operations in the short and mid-term. In January 2025 we saw detrimental forest fires destroy parts of the city of Los Angeles, an area were we have stations in operation. No damages were inflicted on our equipment during this event. Although these events might be unlikely, due to the climate change, they will happen more and more frequent. Climate events may increase the requirements for product safety. These risks are not considered to have a severe impact to our operations. The climate transition will also allow customers and governments to select the product technology that better suit their need. Cavendish foresee an increased risk related to product failure and technology obsolescence. The reputational damage risk from product failure and failure to meet high expectation from our customers may affect the eligibility of our equipment technology. The company prioritize investments in R&D, allocating resources to meet regulation and market demands. Lastly, the local authorities and governments have an important role in the renewable hydrogen sector by enacting legislations that support research and innovation and scalable investments in production and infrastructure. Reduced and/or delayed support from governments will delay the developments of the renewable hydrogen industry. Political incentive schemes such as the Inflation Reduction act in the United States and the Hydrogen Bank in the EU are expected to be important contributors to developing the industry.

Directors' and Officers' Liability Insurance

The Company maintains a Directors and Officers Liability Insurance on behalf of the members of the Board of Directors and CEO. The insurance additionally covers any employee acting in a managerial capacity and includes subsidiaries owned with more than 50%. The insurance is worldwide. The purpose is to prevent employees and board members of Cavendish Hydrogen ASA (incl. subsidiaries) from being held personally responsible for decisions made by the company.

Outlook

Based on the current order backlog, revenue from equipment sales in next year are expected to be lower than in 2024. Installation and commissioning projects are expected to generate slightly lower revenue levels next year as expected projects to be executed in Europe are fewer in 2025 compared to 2024. The company expects more stations to open in US and Canada. The service segment is expected to continue to grow as the installed base of stations in operation with a service contract is increasing and there is a full-year revenue effect of the stations that was put in commercial operation during 2024. As Cavendish has a project-based business, fluctuations in order intake and revenue recognition are to be expected.

To adapt and right-size the organisation to match the revised strategy and technology roadmap the company initiated a cost reduction and restructuring project. This was concluded in February 2025. 37% of our Full Time Equivalent employees have been laid-off. This will affect the cost levels negatively in the first half of 2025 while cost savings will be apparent in the second half of 2025.

During 2024 investment activities was according to plan with significant efforts made in the development of the High-Capacity Hydrogen Refuelling Station. As the market is delayed for this project the company has decided to adapt the investment effort to better tailor to the market needs. The company will continue its engineering efforts and explore customer and/or partner financing to build the first pilot HC-HRS.

Over the last year period, our stations have consistently delivered improved performance, leading to better uptime and reliability. Moving forward, operational improvements in the installed station fleet are expected to have a positive impact on margins.

With more than 20 years' experience, constructive dialogues with existing and new customers, and with our equipment dispensing close to one million kg of Hydrogen in 2024, Cavendish is uniquely positioned to capture the hydrogen filling mobility market.


ex HYNET
H2
충전중 시동정지
H2ON
HYNET
29하 7939

Human capital, working environment and Social conditions

Cavendish's values and drivers

At Cavendish, Respect, Curiosity and Reliability are the values and drivers behind Employer behavior and constitute the roots of the company integrity. Embracing diversity and valuing different opinions and points of view is a key enabler to create more innovation, better solutions and a great place to work at Cavendish. Management as well as employees globally are recognized as and asked to stay curious and open-minded towards all aspects of interaction with external as well as internal people and business relations to constantly seeking continuous learning, creating innovative solutions and improvements. Employees and management strive for and must be recognized as a reliable partner in everything the company does resulting in high quality solutions on time.

Curiosity

Cavendish strives for continuous learning and improvements in processes, products as well as in local and global leadership. As part of the mandatory APV (Arbejdspladsvurdering) across the organization, local work groups across roles and departments facilitated by HR were established as an outcome of the results to ensure all input was translated into concrete actions and taken seriously. This bottom-up process ensured employee buy-in and commitment to support local leadership in becoming better, adjusting and managing expectations between employees and leaders.

Another initiative and action to capture the voice of the employees was introducing a Pulse survey pilot project across the global Projects & Service organization in KR, US and Denmark. The purpose of the pulse survey is to create an understanding for leaders and management about our employees' motivation, engagement and well-being across teams and departments locally and globally. The purpose with Cavendish' pulse survey is to open for ongoing feedback from the organization to ensure updated and constructive feedback is highlighted and made "visible" while potential issues, challenges or concerns are still relevant for the organization to address, react and adapt to the feedback as soon as possible.

Setting direction, aligning expectations and giving feedback

Each year all managers invite their employees to a formal Appraisal dialogue with the purpose of looking back and evaluating the year that passed by, giving constructive feedback and praise good performance and together with the employees setting direction and new targets for expected business results and behavior in the year to come. The aim is to align on "the past" (how to continuously learn and develop) and ensure common ground for the short and mid-term activities and priorities and creating the line of sight for each employee; how each and everyone contributes to the overall business plans and priorities.

Equal treatment and diversity

Cavendish values and consists of a diverse workforce, enriched by the knowledge and experience derived from various professional backgrounds, beliefs, races and cultures. Cavendish acknowledges the critical importance of fostering a culture that promotes diversity and integrity, with equal opportunities for all irrespective of gender, cultural backgrounds, or race. At Cavendish we have a zero tolerance for discrimination, bullying or harassment of any kind and in alignment with this commitment, we publicly declare our status as an equal opportunity employer in all job advertisements. HR drives the hiring process in close collaboration with the Hiring manager, advising and supporting the Hiring manager to ensure equitable treatment of candidates at every stage of the recruitment process.

In performance cases our managers collaborate closely with HR and it's always an aim and ambition to ensure the employees are met with mutual respect, no discrimination based on gender, pregnancy, maternity leave ethnicity, religion etc. but is solely based on the individual's performance and development opportunities.

Training & Development of our people

At Cavendish, our colleagues come from diverse backgrounds (education and industry experience) as well as different nationalities. Interacting with colleagues across countries is required and a must in most roles. As the world gets "smaller" and collaboration across countries becomes a higher demand, several employees asked for the opportunity to participate in English language courses to overcome the language barriers by upgrading and strengthening day-to-day and business English capabilities. This was initiated in 2024 with a high participation rate and all training was conducted during normal working hours with a professional English teacher at the location in Herning, Denmark. The outcome and effect of the training was evaluated as "value for money" and time spent, and similar courses will be offered in 2025 when relevant and needed.

As continuous learning and development are important at Cavendish, all employees are asked to discuss development opportunities (online training, courses, side-by-side training etc.) with their direct manager in the yearly Appraisal process where development opportunities are identified and plans for the coming years training activities are established. For Cavendish colleagues in technical roles, both mandatory and optional safety, product, process etc. training courses (internally/externally) are offered.

Works council

As part of "the cooperation agreement" which contains rules on how the company and employees mutually inform each other about working conditions.

The Works Council discusses workplace matters, and fosters collaboration between management and employee representatives on decisions affecting staff, ensuring compliance with labor laws, implementing workers council agreements, and promoting fair treatment in the workplace.

Employees

Employees measured as headcount number at year end.

Employee contract	Female	Male	Total	Female %
Permanent employees	39	196	235	17%
Temporary employees[1]	4	4	8	50%
Total number of employees	**43**	**200**	**243**	**18%**

1 Temporary employees: Employees with fixed-term contracts.

Permanent employees by region and gender	Female	Male	Total	Female %
Denmark	30	150	180	17%
United States	5	24	29	17%
South Korea	3	15	18	17%
Austria	1	6	7	14%
Norway	0	1	1	0%
Total number of permanent employees	**39**	**196**	**235**	**17%**

Working hours	Female	Male	Total	Female %
Full-time employees	37	195	232	16%
Part-time employees	6	5	11	55%
Total number of employees	**43**	**200**	**243**	**18%**

Employee turnover rates	Turnover rate %
Total turnover rate[1]	20.6%
Total turnover rate excluding temporary employees	18.2%
Involuntary terminations[2]	9.8%
Voluntary terminations[3]	7.4%
Temporary employees - end of contract	60%

1 The temporary employees whose contract expired in 2024 and wasn't renewed are not included in the total employee turnover
2 The involuntary terminations in 2024 were as result of organizational reductions
3 Voluntary terminations are defined by employees retiring in 2024 and own resignations in 2024

Parental leave

Cavendish supports that all employees, regardless of gender, can take parental leave. Cavendish applies same opportunities and conditions for maternity and paternity leave for employees covered by the CBA in Denmark as for Salaried employees outside of the CBA scope. Cavendish believes this approach is crucial for supporting an employee’s work-life balance and overall well-being.

Parental leave	Female	Male
Took parental leave	3	13
Percentage of entitled employees that took parental leave	100%	100%
Average number of weeks of parental leave	9.0	6.7

Sick leave

Sick leave	Unit of measure	
Total sick leave	Days	1 273
Total sick leave rate (share of sick leave)	% of working days	2.1%

Health of the employees

To ensure further focus on Cavendish’ most important asset; the employees; Cavendish introduced and offered a professional Health check in 2024 to all employees in Denmark (by a professional Danish Health care provider) - similar activities were initiated across the regions.

Occupational health and safety

At Cavendish occupational health and safety is a top priority and is anchored within Management. The safety focus in incorporated in all levels of the organization, e.g. through the company's Work Environment Organization (Arbejdsmilljøorganisation), and efforts are defined with purpose to continue building the culture where the organization discusses health- and safety topics and openly shares ideas and observations for potential further improvements.

Therefore, Cavendish defined in 2024 specific focus efforts to develop the culture, and improve results, with the ambition to significantly reduce the number of Lost Time- and Recorded safety incidents. We have in 2024 seen extremely positive results and had no lost time- or recordable injuries during the year;

- The Lost Time Injury Rate (LTIR), which measures the number of incidents that result in time away from work, dropped from 11,3 at the beginning of the year to 0 at the end of the year, a reduction of 100%
- The Recordable Incident Rate (TRIR), which measures the number of lost time-, restricted work- and medical treatment cases, dropped from 13,6 at the beginning of the year to 0 at the end of the year, a reduction of 100%.

The progress Cavendish has made during 2024 is a result of many reinforcing initiatives:

- Putting safety first in terms of our priorities
- Discussing safety and sharing safety moments at every all-hands meeting
- Continuing company-wide programs digital reporting of hazards (Short-Term Incentive scheme of employees 2024)
- Improving our safety training courses further, with a focus on practical topics like behaviors, hazard recognition
- Re-training all our service technicians in our internal service training
- Continued the developing of root cause analyses of hazardous observations and lost time incidents internally and sharing across the functions and regions
- Cavendish has dedicated QHSE resources reporting to executive management about safety incidents, preventive safety actions and implemented responses to incidents occurring in accordance with Cavendish's procedure for incident handling.

Further Cavendish requires that all our employees and relevant contractors receive appropriate safety training and equipment.

Key Performance Indicators related to Health and Safety

Key Performance Indicators	Unit of measure	2024	2023	Change
Total Recordable Injury rate (TRIR)	TRI /1 mio. hours worked	0	13.6	-13.6
Lost time Injury Rate (LTIR)	LTI /1 mio. hours worked	0	11.3	-11.3
Hazardous- and near-miss reports	Number of reports	812	353	459
Obligatory safety training all employees	% of employees	100%	100%	0%

Ethical business conduct and compliance

Cavendish Hydrogen ASA is founded on a clear commitment to compliance with applicable laws and to conducting business with integrity. Operating globally with a diverse project portfolio and extensive third-party engagement, we consider a strong culture of compliance fundamental to maintaining trust and achieving sustainable business outcomes.

Since our spin out from Nel ASA in 2024, Cavendish has maintained and further refined a solid governance framework, which underpins our approach to ethics and compliance.
During the year, we introduced a series of targeted enhancements, including onboarding a new compliance e-learning platform and a whistleblower reporting channel - both designed to reflect Cavendish's organizational structure and specific risk landscape.

Our compliance training program has been expanded with customized courses aligned with Cavendish's operational context and legal exposure. Training modules are now available in all major languages spoken within our workforce, ensuring employees can access content in their native language. While English remains the official corporate language, the multilingual approach improves engagement and reinforces a shared compliance culture across the organization.

Training is a key element of our compliance efforts. All employees are required to complete training, which addresses core areas such as anti-corruption, competition law, sanctions compliance, data protection, and workplace behaviour including prevention of discrimination and harassment.

Whistleblowing

In 2024, Cavendish introduced our new dedicated whistleblower channel. The channel provides a secure and confidential way to report concerns related to potential breaches of laws, internal policies, or other serious misconduct in a work-related context. Reports can be submitted anonymously, and all communication takes place via an encrypted platform to ensure confidentiality throughout the process.
In 2024, no concerns were raised through the whistleblower system.

Further information and access to the whistleblower system are available at: https://report.whistleb.com/cavendishh2

Privacy

In 2024 Cavendish has implemented a new group-wide Data Protection Policy to strengthen our data governance and ensure alignment with applicable privacy legislation, including the EU General Data Protection Regulation (GDPR). The policy applies to all entities within the Cavendish group and governs the handling of personal data across our operations.

Cavendish has established a Data Protection Board, composed of the General Counsel, Head of HR, and Head of Operational IT. The Data Protection Board oversees compliance efforts, reviews new processing activities, manages updates to the policy owned by the Board of Directors, and ensures appropriate risk assessments and training are conducted.

Transparency Act Statement

Cavendish Hydrogen ASA is committed to conducting business with integrity and to respecting fundamental human rights and decent working conditions throughout its operations and supply chains.

The Norwegian Transparency Act sets out requirements to explain how work is carried out to identify and manage actual and potential negative impacts, to report on identified impacts and risks, and to describe the measures taken or plans to implement in response. Examples of such impacts may include poor working conditions, child or forced labour, discrimination, lack of freedom of association, or inadequate wages

Governance Supplier Declaration

Cavendish requires all suppliers to confirm adherence to its Supplier Declaration, which sets clear requirements regarding compliance with applicable laws, respect for labour and human rights, anti-corruption, and environmental responsibility. Suppliers are required to at least uphold these standards throughout their own supply chains.

Due diligence process

Cavendish applies a risk-based approach to third-party management, supported by the Ethixbase360 platform.

Our due diligence process is guided by the OECD Due Diligence Guidance for Responsible Business Conduct and is carried out to identify and assess potential or actual risks to human rights and working conditions in our own operations, among suppliers, and across relevant parts of the value chain.

The process among others includes supplier screening and continuous monitoring, with a particular focus on geographies and sectors associated with elevated risk.

Identified risks

No actual adverse impacts were identified in 2024.

Mitigating measures

Where concerns arise, suppliers are actively engaged for clarification and potential remediation. Non-compliance may lead to termination of the supplier relationship.

Access to information

Cavendish maintains appropriate measures to respond to public requests under Section 6 of the Transparency Act and is committed to timely and transparent communication.

NUES Corporate Governance Report

The Board of Directors (also, the board) and management of Cavendish Hydrogen are committed to maintaining high ethical standards and promoting good corporate governance.

The company believes that good corporate governance builds confidence among shareholders, employees, partners, customers, and other stakeholders, and thereby supports maximum value creation over time. The equal treatment of all shareholders lies at the heart of the company's corporate governance policy.

Cavendish Corporate Governance Report is based on the Norwegian Code of Practice for Corporate Governance ("the code" from NUES), dated 17 October 2018 and its amendments. The code is available on www.nues.no Observance of the recommendations is based on the "comply or explain" principle. Cavendish board and management have resolved to follow the recommendations of the Code to the extent deemed reasonable in view of the company's size and stage of development.

Business

Cavendish Hydrogen ASA's business purpose is to develop, produce, install and commission and provide service and maintenance of hydrogen fueling stations. The company invest in and/or own rights in production and sale of hydrogen fueling stations, or other related areas.

Cavendish Hydrogen is a global leader in hydrogen fueling solutions for the mobility sector. Driven by the vision to end emission from mobility, Cavendish is committed to providing safe, competitive, and reliable hydrogen fueling solutions, offering the convenience of traditional fuels but with zero emissions.

With a dedicated team across offices on three continents, the company covers the entire value chain from development and production to installation, commissioning, and maintenance. Through value creation and cutting-edge technology, Cavendish is setting new standards for fueling heavy-duty vehicles with reliable hydrogen solutions. Cavendish Hydrogen ASA is listed on the Oslo Stock Exchange (CAVEN) and headquartered in Herning, Denmark.
Cavendish is committed to create value for shareholders in a sustainable manner.

Capital and dividend

The company's registered share capital as of 31 December 2024 consisted of 33 618 145 shares, including both outstanding shares and treasury shares, with a par value of EUR 0.20 per share. The company has in place a shareholder return policy.

The distribution of dividends and repurchase of shares are subject to the discretion of the Board of Directors at Cavendish Hydrogen ASA. The company is currently in a growth phase, with substantial investments directed towards new technology development and organizational development. Considering the company's state, shareholder returns in the form of dividends or share buy-backs are currently not prioritized.

Equal treatment of shareholders and transactions with related parties

All shares in Cavendish Hydrogen ASA carry one vote, and the shares are freely transferable. The company has only one share class, and all shareholders have equal rights. Existing shareholders are given priority in the event of share capital increases unless special circumstances warrant deviation from this principle.

On 15 May 2024, the Company's extraordinary general meeting granted the Board of Directors:

• An authorization to acquire the Company's own shares by up to EUR 142 541 (corresponding to 5% of the Company's share capital at such time) for the purpose of optimizing the Company's share capital structure etc. The authorization is valid until the Company's ordinary general meeting in 2025, however latest until 30 June 2025.

• An authorization to acquire the Company's own shares by up to EUR 142 541 (corresponding to 5% of the Company's share capital at such time) in connection with the Company's incentive programs.

The authorization is valid until the Company's ordinary general meeting in 2025, however latest until 30 June 2025.

On 29 May 2024, the Company's extraordinary general meeting granted the Board of Directors:

• An authorization to increase the Company's share capital by up to EUR 1 140 327 (corresponding to 20% of the Company's share capital) for the purpose of investments within the Company's operations, by offering shares to potential strategic investors or partners, and to strengthen the Company's equity. Within this aggregated amount the authorization can be used one or more times. The authorization is valid until the Company's ordinary general meeting in 2025, however latest until 30 June 2025. The shareholders' preferential rights to subscribe for Shares pursuant to section 10-4 of the Norwegian Public Companies Act may be set aside under the authorization pursuant to section 10-5 of said Act.

• An authorization to increase the Company's share capital by up to EUR 570 164 (corresponding to 10% of the Company's share capital) in connection with the Company's incentive programs. Within this aggregate amount the authorization can be used one or more times. The authorization is valid until the Company's ordinary general meeting in 2025, however latest until 30 June 2025. The shareholders' preferential rights to subscribe for Shares pursuant to section 10-4 of the Norwegian Public Companies Act may be set aside under the authorization pursuant to section 10-5 of said Act.

Other than the above, the Board of Directors has no authorization to increase the Company's share capital or to acquire the Company's own Shares as of the date of the annual report.

Transactions between the company and related parties, including members of the board or persons employed by the company either personally or through companies belonging to related parties, must be based on terms achievable in an open, free and independent market, or on a third-party valuation. Significant transactions with related parties must be approved by the general meeting.

Free transferability

The company's shares are listed on the Oslo Stock Exchange under the ticker "CAVEN" and are freely transferable.

The Articles of Association contain no restrictions on transferability.

General meeting

Shareholders can exercise their rights at general meetings, and the company wants general meetings to be a meeting place for shareholders and the board. The company will seek to enable as many shareholders as possible to participate in general meetings. Meeting documents will be published on the company's website no later than 21 days before a general meeting.

The company endeavours to ensure that meeting documents are sufficiently detailed to enable shareholders to take a view on all matters to be considered. The deadline for notifying attendance at a general meeting is set as close to the meeting as possible.

Shareholders who are unable to participate themselves may vote by proxy. The proxy form will be designed so that it can be used to vote on all matters up for consideration, and on candidates for election.

In 2024, an extraordinary general meeting was held on 29 May and 100 percent of the total share capital was represented. This meeting happened before the separate listing of the company. The company encourages board members and nomination committee to attend general meetings. The external auditors are also invited to attend.

In accordance with the articles of association, general meetings are chaired by the board chair if no-one else is elected to do so. Minutes of general meetings are published in the form of stock exchange notifications and on the company's website.

In November 2024 a group of individual investors called for an extraordinary general meeting that was held 6 December 2024. The meeting elected a new Board of Directors. Subsequently another extraordinary general meeting was called for and held on 9 February 2025 re-instating the initial Board of Directors.

Nomination commitee

In accordance with Cavendish articles of association, the general meeting shall establish a nomination committee comprising of three to five members.

The nomination committee evaluates and proposes board members to the general meeting and makes recommendations on director remuneration. No board members or representatives of company management are members of the nomination committee. Nomination committee members are elected for a one-year term.

At an extraordinary general meeting on 29 May 2024, the following persons were elected to the nomination committee and serve until the 2025 annual general meeting:

- Hanne Blume, chair
- Mai-Lill Ibsen, member
- Rune Sørensen, member.

Board composition and independence

The board members and chair of the board are elected by the general meeting. The board's composition is designed both to represent the interests of all shareholders and meet the company's need for expertise, capacity, and balanced decision-making.

The board should function as an effective collegiate body. The board is elected for a one-year term, and board members may stand for re-election. The CEO is not a member of the board.

According to its articles of association, Cavendish board must have between three and seven members.

At an extraordinary general meeting 15 May 2024, Jon André Løkke, chair of the board, Vibeke Strømme, Mimi Berdal, Allan Andersen, and Kim Kristensen were all elected to the board. From 6 December 2024 the extraordinary general meeting elected a Board consisting of Lavrans Grjotheim, Anders Imenes og Sheri Shamlou. They served for a period that lasted until 7 February 2025 when another extraordinary general meeting elected Jon André Løkke, chair of the board, Vibeke Strømme, Mimi Berdal, Allan Andersen, and Kim Kristensen as the new board of directors. Each of the board members are considered independent from the company's day-to-day management.

The board is qualified to assess the day-to-day management and significant contracts entered into by the company on an independent basis. See also note 7.4 (group) and note 12 (parent company) for transactions with related parties.

The work of the Board

A plan for the boards' work is prepared every year. The board has also adopted instructions for the board and CEO, detailing the work and responsibilities of the board and CEO, respectively.

The board ensures the company's business is properly organised and that plans and budgets are prepared. The board's plans and rules of procedure ensure the board is kept informed of the company's financial position and that the business, asset management, and accounts are subject to controls.

Cavendish' Code of Conduct includes guidelines for how conflicts of interests that may arise should be handled with. The code applies to all members of the board and employees of Cavendish. The board are not aware of any transactions that were material between the group and its shareholders, board members, executive management or related parties in 2024, save any listed under item 8 independence.

The chair of the board ensures the proper functioning of the board. The chair of the board leads the board meetings and prepares board matters in cooperation with the CEO. The Head of Legal keeps minutes of board meetings, which are approved and signed by all board members. In addition to ordinary board meetings, annual strategy meetings are held, devoted to the in depth assessment of major challenges and opportunities for the company.

The board manages the company's strategic planning and assesses its strategy regularly. The board evaluates its composition and the board work at least once per year. The evaluation may also cover the way in which the board functions, at both individual and group level, in relation to the objectives that have been set for its work. The evaluation reports are presented to the nomination committee.

In 2024, the board conducted 4 board meetings with 100% meeting attendance. The meetings were held at group headquarters in Herning, one meeting in Oslo at the Norwegian Parent company and/or virtual meetings due to travel convenience, and also treated a number of issues by circulation of documents.

The company has an audit committee consisting of 3 members from the board, which is governed by the Norwegian Public Limited Liability Companies Act. The audit committee assist the board in exercising its oversight responsibility with respect to the integrity of the company's financial statements, financial reporting processes and internal controls, risk management and compliance system. With the broader mandate, the committee is referred to as the Audit and Risk Committee. The members of the audit committee are appointed by and from the members of the board, and currently consist of Allan Andersen as chair, Mimi Berdal and Kim Kristensen as members. Current members are independent of the company's management. The audit committee conducted 2 meetings with 100% meeting attendance in 2024.

The company has a remuneration committee, which consist of 2 members from the board. The committee shall assist the board in exercising its oversight responsibility, in particular to compensation matters pertaining to the CEO and other members of the executive management, compensation issues of principal importance and strategic people process in the company, in particular related to succession, recruitment, talent and diversity and inclusion. The committee currently consist of Vibeke Strømme as chair and Jon Andre Løkke as member.

The committee has held 2 meetings with 100% meeting attendance in 2024. The committee was also involved in discussions related to the recruitment of strategic positions for Cavendish and key organisational adjustments through the year.

Risk management and internal controls

Risk management and internal controls are important to Cavendish Hydrogen. They enable the company to achieve its strategic objectives, and are an integral part of management decision making processes, the organisational structure, and internal procedures and systems.

Cavendish's enterprise risk management process is value driven and aims to identify, assess and manage risk factors that could impact the value of the company. The process is to mitigate potential damages and loss, and to explore business opportunities. The enterprise risk management function has the responsibility to facilitate the legal and operational risk management activities and develop risk policies and tools as well as maintaining an aggregated view of risk exposure.

The function reports to the CEO with active involvement by Cavendish's General Counsel and CFO. Risk management and internal control requirements have been evaluated by management and the board, and a set of appropriate procedures and our established framework is inspired by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) ERM framework and the ISO 31000 risk management standard.

The materiality of each risk factor is determined by assessing the likelihood and consequence. Risks are evaluated to determine whether the level is acceptable or unacceptable and to prioritise those that have the greatest potential to impact our value. We implement mitigating strategies to ensure that each risk is optimally managed.

Risk mitigation plans are based on evaluations of the cost of control and potential impacts relative to the benefits of reducing the risk. The operating segments are responsible to maintain business continuity plans. The post-mitigation residual risks are continually monitored by the operating segments. The mitigation strategies, residual risks and risk appetite are reviewed and updated by the executive management during bi-yearly dedicated business review meetings.

The board believes that expressing the company's risk appetite within important areas of its business activity helps to convey how the company approaches and evaluates risk to investors, customers and society at large. The audit committee will perform ongoing evaluations of the Company's Enterprise Risk Management process. In this context, emphasis is also given to ensuring that the company operates in accordance with accepted ethical guidelines and values, including guidelines on how employees can communicate matters relating to illegal or unethical behaviour on the company's part to the board.

The company believes that its values and control procedures meet requirements found within the environmental, social, and governance domain, and are proportionate to the scope and nature of its business.

Cavendish' regular business activities entail exposure to various types of risk. The company proactively manages such risks, and the board regularly analyses its operations and potential risk factors and takes steps to reduce risk exposure. The company places a strong emphasis on quality assurance, and has quality systems implemented, or under implementation, in line with the requirements applicable to its business operations.

The most significant risk factors are discussed in more detail in the notes 6.1-6.4 to the annual accounts. The company's financial reporting complies with the laws and regulations applicable to companies listed on the Oslo Stock Exchange. The board reviews the company's financial position frequently through reporting and reviews at board meetings and reviews the financial statements at the end of every quarter. At least once per year, the board assesses the company's risk profile by reference to strategic, operational, and transactional factors.

As a listed company, Cavendish Hydrogen has a special responsibility relating to the insider trading rules, the provision of information, and share trading. The company has guidelines to ensure board members, senior management, and other insiders comply with relevant legislation and rules relating to insider trading in the company's shares.

Board remuneration

Cavendish Hydrogen's general meeting determines the remuneration of the board based on a recommendation by the nomination committee. Board remuneration must reflect the board's expertise and time investment, as well as the complexity of the business and the fact that Cavendish is a listed company.

Remuneration takes the form of a fixed annual amount and is not tied to the company's performance or share price. An assessment regarding the independence of the directors and chair of the board is set out in section 8 above. The board remuneration for 2024 is outlined in note 7.4 to the annual accounts.

Remuneration of senior management

The board prepares guidelines on the remuneration of the company's senior management. These guidelines, as well as details of the remuneration packages and incentive schemes of the CEO and other senior executives, are set out in the note 7.2 to the annual accounts.

The guidelines on the remuneration of senior management must be submitted to the general meeting.

The remuneration policy was approved by the shareholders at the extraordinary general meeting held on 15 May 2024. The board considers that the remuneration paid to senior management reflects market practice and that the remuneration packages do not include any unreasonable terms, for example in connection with resignation or termination of employment. In accordance with section 6-16b of the Norwegian Public Limited Liability Companies Act, the board has prepared a report on salary and other remuneration to the executive management.

The remuneration report for 2024 will be presented to the general meeting in 2025 for an advisory vote. The remuneration report is made available during April 2025, on www.cavendishh2.com.

The shareholdings of executive management are outlined in note 7.2 (group).

Information and communication

The company publishes a financial calendar on an annual basis, which includes the dates of general meetings and dates for the presentation of interim reports.

Presentation of the quarterly reports are broadcasted through pre-recorded presentations and live Q&A sessions are held to enable investors, analysts and other interested parties to ask questions directly to executive management.

Press releases and stock exchange notifications are typically posted on the company's website, www.cavendishh2.com. All stock exchange notifications are also available at www.newsweb.no.

The company complies with all applicable disclosure laws and practice, including equal treatment requirements. The ability to provide information about the company in addition to published reports is restricted under stock exchange regulations.

Inside information is only released to persons other than primary insiders when the company considers it necessary, and then only in accordance with a system of insider declarations and insider lists. The insider lists are maintained by the CFO.

Company takeovers

Notice to general meetings of shareholders is sent directly to shareholders with known addresses unless they have consented to receive these documents electronically.

All information sent to the shareholders is made available on www.cavendishh2.com when distributed. The company wishes to maintain a constructive, open dialogue with its shareholders, analysts, and the stock market in general. The company holds regular presentations for investors, analysts, and shareholders.

The company's CFO is responsible for external communication and investor relations. The CEO, CFO and chair of the board are all authorised to speak on behalf of the company and may delegate their authority in this regard as they consider appropriate.

In the event of a takeover situation, the company's board and management will endeavour to ensure the equal treatment of shareholders. The board will ensure that shareholders are given information and time to evaluate any bona fide bid and will endeavour to provide a recommendation to shareholders as to whether or not the bid should be accepted.

The board and management will help ensure that there are no unnecessary disruptions to the business in the event of a takeover. Moreover, such a situation will be governed by the provisions applicable to listed companies.

Auditor

The external auditor attends the board meeting at which the annual financial statements are approved. As part of the approval, the board should at least once a year review the company's internal control procedures with the external auditor, including weaknesses identified by the auditor and proposals for improvement.

The external auditor participates in all meetings of the audit committee. The auditor presents an annual audit plan to the audit committee. The board has adopted guidelines on management's use of the auditor for services other than auditing.

The Public Audit Act entered into force on January 1, 2021. Extended tasks including purchase of non-audit services and follow-up of the external auditor are considered by the audit committee.

Non audit services are subject to pre-approval as defined by the audit committee. The fee payable to the auditor is specified in note 7.3 to the annual accounts and is categorised under the items statutory audit, attestation and non-auditing services. The board submits proposals regarding the fees payable for the statutory audit to the general meeting for approval.

Responsibility statement

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January 2024, up to and including 31 December 2024, have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and that the directors' report includes a fair review of the development and performance of the business and the position of the company as a whole together with a description of the principal risks and uncertainties the company faces.

The Board of Directors

Herning, 29th of April 2025

Jon André Løkke Chairman of the Board (Electronically signed)	Mimi Kristine Berdal Board member (Electronically signed)	Vibeke Strømme Board member (Electronically signed)
Allan Bødskov Andersen Board member (Electronically signed)	Kim Søgård Kristensen Board member (Electronically signed)	Robert Borin CEO (Electronically signed)

Consolidated Financial Statements 2024
Cavendish Group

Consolidated statement of comprehensive income

1 January - 31 December

(Amounts in EUR thousand)	Note	2024	2023
Revenue and income			
Revenue from contracts with customers	2.1, 2.3	31 007	28 887
Other income	2.2	343	1 506
Total revenue and income		**31 350**	**30 393**
Operating expenses			
Raw materials	2.4	15 099	14 164
Personnel expenses	2.5	21 451	23 467
Depreciation, amortisation and impairment	3.1, 3.2	4 623	4 736
Other operating expenses	2.6	13 779	12 132
Total operating expenses		**54 952**	**54 499**
Operating loss		**-23 602**	**-24 106**
Finance income	2.7	1 582	153
Finance cost	2.7	-1 535	-5 740
Pre-tax income (loss)		**-23 555**	**-29 693**
Tax expense (income)	2.8	-796	-804
Net income (loss) attributable to equity holders of the company		**-22 759**	**-28 889**
Other comprehensive income that are or may subsequently be reclassified to profit or loss			
Currency translation differences		-541	813
Cash flow hedges, effective portion of changes in fair value	6.5	-141	-125
Other comprehensive income		**-682**	**688**
Total comprehensive income attributable to equity holders of the company		**-23 441**	**-28 201**
Basic earnings per share (figures in EUR)	2.9	-0.68	-0.86
Diluted earnings per share (figures in EUR)	2.9	-0.68	-0.86

Consolidated statement of financial position

(Amounts in EUR thousand)	Note	31.12.2024	31.12.2023
ASSETS			
Intangible assets	3.1	12 608	8 683
Property, plant and equipment	3.2, 3.3	11 395	11 880
Other non-current financial assets	3.4	207	1 035
Total non-current assets		**24 210**	**21 599**
Inventories	4.1	18 754	27 748
Trade receivables	4.2	4 839	10 243
Contract assets	2.1	1 429	641
Other current assets	4.3	4 189	2 646
Cash and cash equivalents	4.4	41 778	7 018
Total current assets		**70 989**	**48 296**
TOTAL ASSETS		**95 199**	**69 895**
EQUITY AND LIABILITIES			
Share capital	5.1	5 889	0
Treasury shares	5.1	35	0
Share premium	5.1	87 298	0
Retained earnings	5.1	-21 805	19 325
Other components of equity	5.1	1 637	2 038
Total equity		**73 054**	**21 363**
Deferred tax liability	2.8	29	88
Long-term debt	5.2	1 862	15 767
Lease liabilities	3.3	358	600
Deferred income	5.3	2 014	1 392
Other non-current liabilities	5.4	0	13
Total non-current liabilities		**4 263**	**17 859**
Trade payables		2 629	5 571
Lease liabilities	3.3	400	440
Contract liabilities	2.1	9 119	17 461
Other current liabilities	5.4	2 606	3 187
Provisions	5.5	3 128	4 014
Total current liabilities		**17 882**	**30 674**
Total liabilities		**22 145**	**48 533**
TOTAL EQUITY AND LIABILITIES		**95 199**	**69 895**

Consolidated statement of cash flows

(Amounts in EUR thousand)	Note	2024	2023
Cash flow from operating activities			
Pre-tax income (loss)		-23 555	-29 693
Adjustments for interest expense	2.7	276	1 972
Depreciation, amortisation and impairment	3.1, 3.2	4 623	4 736
Change in fair value equity instruments	2.7, 4.3	842	2 736
Equity-settled share-based compensation expense	2.5	232	0
Change in provisions	5.5	-886	-2 358
Change in inventories	4.1	8 994	-6 346
Change in trade receivables and contract balances	2.1, 4.2	-3 726	10 401
Change in trade payables		-2 942	-4 073
Changes in other balances	4.3, 5.4	-7 888	3 819
Net cash flow from operating activities		**-24 031**	**-18 806**
Cash flow from investment activities			
Purchases of property, plant and equipment	3.2	-1 599	-1 240
Payments for capitalised technology	3.1	-6 231	-3 044
Proceeds from sales of property, plant and equipment	3.2	5	0
Net cash flow from investing activities		**-7 824**	**-4 284**
Cash flow from financing activities			
Interest paid	2.7	-107	-88
Payment of lease liabilities	3.3	-446	-512
Payment of non-current liabilities	5.2	-6 860	-635
Proceeds from new loans	5.2	2 507	28 363
Proceeds from capital increase	5.1	72 283	0.0
Net cash flow from financing activities		**67 377**	**27 128**
Foreign currency effects on cash		-762	325
Net change in cash and cash equivalents		**34 760**	**4 363**
Cash and cash equivalents beginning of period	4.4	7 018	2 655
Cash and cash equivalents	**4.4**	**41 778**	**7 018**

Consolidated statement of changes in equity

(Amounts in EUR thousand)	Share capital	Treasury shares	Share premium	Retained earnings	Currency translation difference	Other components of equity	Total equity
Equity as of 31.12.2022	**0**	**0**	**0**	**4 510**	**1 109**	**127**	**5 746**
Total comprehensive income	0	0	0	-28 889	813	-125	**-28 201**
Debt conversions	0	0	0	43 704	0	0	**43 704**
Options and share program	0	0	0	0	0	114	**114**
Equity as of 31.12.2023	**0**	**0**	**0**	**19 325**	**1 922**	**116**	**21 363**
Total comprehensive income	0	0	0	-22 759	-537	-141	**-23 437**
Capital Increase [1])	5 889	35	87 298	-18 371	0	0	**74 851**
Options and share program	0	0	0	0	0	277	**277**
Equity as of 31.12.2024	**5 889**	**35**	**87 298**	**-21 805**	**1 385**	**252**	**73 054**

1) Cavendish Hydrogen ASA was established on 13 March 2024 with a capital increase of NOK 1 000 000 from Nel ASA. In Q2 the share capital was increased to NOK 67 236 290 (EUR 5 889 thousand) with a total number of shares of 33 618 145.

Herning, 29th of April 2025

The Board of Directors

Jon André Løkke
Chairman of the Board

(Electronically signed)

Mimi Kristine Berdal
Board member

(Electronically signed)

Vibeke Strømme
Board member

(Electronically signed)

Allan Bødskov Andersen
Board member

(Electronically signed)

Kim Søgård Kristensen
Board member

(Electronically signed)

Robert Borin
CEO

(Electronically signed)

Notes to the Consolidated Financial Statements

Notes to the consolidated financial statements

Note 1.1 - Corporate information

Cavendish Hydrogen ASA (“the Company”), was incorporated on 13 March 2024 for the purpose of continuing the hydrogen fueling station manufacturing activities (Nel Hydrogen Fueling segment) of the previous parent company of Nel ASA.

Cavendish Hydrogen ASA became the parent of the Fueling Group (“the group”) in May 2024 through an internal reorganization whereby Nel ASA transferred all its shares in Nel Hydrogen Inc, Nel Korea Co. Ltd, Nel Hydrogen A/S (the “Fueling Entities”) to the group. This included shares in Nel Austria GmbH as a subsidiary of Nel Hydrogen A/S and Hydrogen Energy Network as an investment in Nel Korea Co. Ltd.

The transactions listed above are considered to be common control transactions and were recognized on a carry-over basis. In general, all amounts presented for the comparative period 2023 have therefore been recorded at predecessor values as they have been included in Nel ASA's financial statements.

Cavendish Hydrogen ASA was distributed to the shareholders of Nel ASA on 12th June 2024 by way of a dividend in kind, through a distribution regarded as repayment of paid in capital by the shareholders of Nel ASA.

The Company is a public limited liability company listed on the Oslo Stock Exchange and domiciled in Norway. The address of its registered office is Dronning Eufemias gate 16, N-0191 Oslo, Norway.

The Company, and its subsidiaries (together ‘the group’) is a manufacturer of hydrogen fueling stations. The Company’s core product is hydrogen fueling stations that provide fuel cell electric vehicles (FCEV) including cars, vans, buses and trucks with comparable fast fueling and long range as conventional vehicles today. Beside pure sales of the fueling stations the company offers services such as project execution, site engineering, installation, commissioning, operation support and service and maintenance for its own products.

Note 1.2 - Basis for Preparation

The consolidated financial statements of Cavendish Hydrogen ASA and its subsidiaries (collectively “the Group” or “Cavendish”) comprise the statement of total comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and related notes.

The group’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Applying predecessor accounting Cavendish account for the transaction mentioned in Note 1.1 as if it had taken place prior to the comparative period presented. The financial statements therefore present historical information as if the Company and its subsidiaries constituted the group of entities under control of the Company in 2023.

The comparative figures in the financial statements presented herein have been carved out of the financial statements of Nel ASA Group as if the Company had obtained the control of the assets and liabilities of the Fueling entities as of 1 January 2023. The carrying amounts of the assets and liabilities in 2023 in the financial statements are based on the predecessor values of the consolidated financial statements prepared by the previous parent company Nel ASA.

As reorganization of ownership interests, assets and liabilities under common control is outside the scope of IFRS 3 Business Combinations, predecessor accounting approach has been applied following IAS 8.12 and industry practise.

Accounts are based on the principle of historical cost, except for certain financial instruments, which are measured at fair value.

The consolidated financial statements are presented in Euro (EUR) to reflect the main influcences on the group's sales prices and cost base. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of Cavendish Hydrogen ASA is Norwegian krone ("NOK").

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date.

Items within total comprehensive income are translated from functional currency to presentation currency by applying yearly average exchange rates. The resulting translation differences are recognized in other comprehensive income.

All values are rounded to the nearest thousand, unless when indicated otherwise. As a result of rounding differences numbers or percentages may not add up to the total.

The financial statements are prepared based on a going concern assumption.

Definition and applying of materiality judgements in preparation of these consolidated financial statements

These consolidated financial statements aim to provide useful financial information which increase the understandability of Cavendish and its performance. To meet the information needs of its primary users, Cavendish apply materiality judgments which are necessary to meet this objective, and Cavendish has made such judgments related to recognition, measurement, presentation and disclosures. Within these consolidated financial statements information is considered material if omitting, misstating or obscuring it could reasonably be expected to influence decisions taken by primary users based on the information provided. In practice this will lead to Cavendish omitting certain information if it is assessed it will obscure the material information. The materiality judgments are reassessed at each reporting date and updated based on changed facts and Cavendish specific circumstances.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries as of 31 December 2024. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Control is achieved if, and only if, the group has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: i) The contractual arrangement with the other vote holders of the investee, ii) Rights arising from other contractual arrangements and iii) The group’s voting rights and potential voting rights.

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the group. There are no non-controlling interests in the Group as all subsidiaries are 100 % owned. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are fully eliminated upon consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities and other components of equity while any transaction gain or loss is recognised in statement of comprehensive income.

Foreign exchange and currency

Transactions and balances

Transactions in foreign currencies are converted to functional currency to the exchange rate on the transaction date. Exchange rate gains and losses are recognised within 'finance cost' in the profit or loss. Foreign currency monetary items are translated into functional currency using the balance sheet closing rates. Non-monetary items that are measured in terms of historical cost in a foreign currency continue to be translated using the exchange rate that prevailed at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates that prevailed at the date when the fair value was measured.

All foreign currency translations are recognised in profit or loss as finance cost.

Consolidation of subsidiaries

The individual financial statements of a subsidiary are prepared in the subsidiary's functional currency. In preparing the consolidated financial statements, the statement of comprehensive income items from the subsidiaries are converted to EUR using the respective monthly average exchange rates, while statement of financial position items is converted using the rate at year-end. Exchange rate gains and losses are recognised net within Other comprehensive income and accumulated in Currency translation differences in 'Other components of equity'.

Statement of comprehensive income

The Group present a single statement of 'Consolidated statement of comprehensive income' which comprise all components of profit or loss, OCI and the comprehensive income for the period.

Statement of cash flows

The Group uses the indirect method for the presentation of the cash flow statement.

Note 1.3 - Significant judgements, estimates and assumption

The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgments that may have the most significant effect on the amounts recognized in the financial statements, are summarized below:

- Revenue recognition from contracts with customers (note 2.1)
- Deferred tax assets (note 2.8)
- Development costs and impairment testing (note 3.1)

A detailed description of the significant estimates and assumptions are included in the individual note referenced above.

Note 2.1 - Revenue from contracts with customers

The revenue in the Company is from sale of hydrogen fueling stations, including installation, commissioning, and long-term service agreements. Additionally, the Company earns revenue from replacement parts and accessories in the aftermarket.

The Group's revenues result from the sale of goods or services and reflect the consideration to which the Group is and expect to be entitled. IFRS 15 requires the Group to assess revenue recognition based on a five-step model. For its customer contracts, the Group identifies the performance obligations (goods or services), determines the transaction price, allocates the contract transaction price to the performance obligations, and recognises the revenue when (or as) the performance obligations are satisfied.

Revenue recognition is determined on a contract-by-contract basis by determining the terms and performance obligations given in a specific contract. Based on the specific customer contract and its obligations, revenue under IFRS 15 is either recognised at a point in time or over time, 72% (2023: 88%) and 28% (2023: 12%) of revenue in 2023, respectively. Revenue is recognised over-time using the method that best depicts the pattern of the transfer of control over time. The method applied is the cost-to-cost input method, adjusted as time and goods are delivered to the customer. Costs of performance under the contract are expensed as incurred.

Significant accounting judgements – revenue recognition

The Group applied the following judgements that significantly affect the determination of the timing of revenue from contracts with customers:

Performance obligations
In determining whether revenue from a specific contract can be classified as customised and in turn recognised using a progress-based measurement, several criteria must be evaluated. The first criterion is related to alternative use. Manufacturing a customised product or piece of equipment for a specific customer that would require significant cost to modify to be able to transfer it to another customer, then the contract would likely meet the criteria of no alternative use. The other important criterion is that an enforceable right to payment exists in the contract between the group and the customer. Right to payment entails that the group has a right to receive payment from the customer if the contract would be terminated. Upon termination at a certain time, the group should be able to recover costs incurred and a reasonable margin.

Determining whether revenue from a contract should be recognised over time or at point in time could have a significant effect on the financial statements and are to some extent dependent upon judgements from management.

Estimation uncertainty – revenue recognition

The Group applied the following estimations that significantly affect the determination of the timing of revenue from contracts with customers:

Timing - Total contract costs
In a customised customer project, Cavendish uses cost-to-cost input method when measuring progress; thus, the total cost estimates can significantly impact measured progress and revenue recognition. The total project cost comprises estimates on the ability to execute the planned engineering and design phase, the availability of skilled resources, performance of subcontractors, commodity prices, foreign currency and Cavendish's manufacturing capacity, productivity and quality.

Type of Goods or Services

The group generates revenue from customer contracts from two principal sources: i) Equipment and ii) Projects, I&C (Installation and Commissioning) and Service. The equipment and projects sales are mainly generated from standard equipment.

Standard equipment

The group recognizes revenue at the point in time at which it satisfies a performance obligation by transferring the control of a good or service to the customer, generally this upon agreed incoterms, which is mainly at shipment. The customer has control of a good or service when it has the ability to direct the use of and obtain substantially all of the remaining benefits from the good or service.

The point in time measurement basis for standard equipment has been the main method of recognizing revenue.

Customized equipment

Most of the group's revenue stems from standard equipment, however, certain contracts requires customized equipment. Customized equipment occurs when the group is creating a good that it cannot sell to another customer without significant re-work and the group would incur significant economic losses to direct the asset for another use. Such sale of customized equipment is recognized as revenue over-time if the group has an enforceable right to payment for performance completed to date. The group has not recognized any sale of customized equipment in 2024 or 2023, but this type of sale is considered likely in the future.

Projects

The project contracts typically comprise design, siting, installation, and commissioning of standard product or customized equipment. They often include a standard installation service and commissioning, each assessed as individual performance obligations. Revenue recognition for equipment depends on assessment of standard or customized equipment. Revenue for installation and commissioning is recognized over-time measuring progress using a cost-to-cost input method.

Service

The service contracts typically comprise service and maintenance (S&M), extended warranty, 24/7 remote monitoring, repair, replacement parts and accessories.

For separately sold service and maintenance contracts where the group has agreed to provide routine maintenance services over a period for a fixed price, revenue is recognized on a straight-line basis over the contract period as the stand-ready obligation is time elapsed.

The following table show the revenue from contracts with customers by type of goods or service:

Segments / Type of goods or service	2024			2023		
	Equipment	Project, I&C and Service	Total	Equipment	Project, I&C and Service	Total
Timing of revenue recognition						
Revenue recognised at point in time	17 740	4 511	22 251	15 988	9 548	25 536
Revenue recognised over time	0	8 756	8 756	0	3 352	3 352
TOTAL Revenue from contracts with customers	**17 740**	**13 268**	**31 007**	**15 988**	**12 900**	**28 887**

Onerous contracts

In the circumstance that the unavoidable costs directly related to project is expected to exceed the economic benefits expected to be received under the contract, the estimated loss on the contract will be recognised in its entirety in the period when such loss is identified. Additional information for onerous contracts is disclosed in note 5.5 'Provisions'.

Contract balances

Equipment contracts with a customer will have milestone payments with variable structures. The contract price will be invoiced when certain criteria are met. A typical milestone structure could be contract acceptance, placement of major supplier purchases, delivery/shipment and complete installation and commissioning. The payment structure of the contracts typically results in advance payments and progress billings exceed the satisfaction of performance obligations in progress. Consequently, creating a net contract liability. In certain circumstances based on the order value, credit worthiness of geographic location, the group may require payment in advance of shipment. The group does not accept returns of product or provide customers refunds or other similar concessions.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. As of the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the advances and progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed advances and progress billings, the balance is presented as due from customers on construction contracts within "contract assets". When the contract assets become an unconditional right to consideration they are reclassified and presented separately as trade receivables, usually when invoices are issued to the customers.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract. Where advances and progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "contract liabilities".

Contract balances	2024			2023		
	Contract assets	Contract liabilities	Total	Contract assets	Contract liabilities	Total
Rights to consideration on contracts in progress	1 718	9 755	11 474	7 547	7 572	15 118
Less - advances and progress billings	-290	-18 874	-19 164	-6 906	-25 033	-31 938
TOTAL Contract assets (liabilities)	**1 429**	**-9 119**		**641**	**-17 461**	

Contract assets	2024	2023
Balance as of 01.01.	641	3 937
Transfers from contract assets recognised at the beginning of the period to receivables	-931	-3 831
Increases due to measure of progress in the period	1 707	631
Revaluation	12	-96
Balance as of 31.12.	**1 429**	**641**

Contract liabilities	2024	2023
Balance as of 01.01.	-17 461	-22 747
Revenue from amounts included in contract liabilities at the beginning of the period	16 874	17 052
Billings and advances received not recognised as revenue in the period	-8 532	-12 151
Basis adjustment - effect of hedge accounting	0	-119
Revaluation	0	504
Balance as of 31.12.	**-9 119**	**-17 461**

Order backlog

The performance obligations in contracts with customers vary from a few months to 4 years. The order backlog as of 31 December 2024, was EUR 17 411 thousands (2023: EUR 32 401 thousands). The transaction price allocated to the remaining performance obligations is illustrated in table below:

as of 31.12.2024	2025	2026	2027	2028 or later	Total backlog
Partly unsatisfied performance obligations	9 154	883	544	371	10 952
Unsatisfied performance obligations	4 737	1 696	26	0	6 459
TOTAL backlog	**13 891**	**2 579**	**570**	**371**	**17 411**

as of 31.12.2023	2024	2025	2026	2027 or later	Total backlog
Partly unsatisfied performance obligations	21 583	1 947	542	213	24 284
Unsatisfied performance obligations	4 094	3 715	307	0	8 117
TOTAL backlog	**25 677**	**5 662**	**849**	**213**	**32 401**

Note 2.2 - Other income

(Amounts in EUR thousands)	2024	2023
Government grants	343	1 017
Other income	0	489
TOTAL Other operating income	**343**	**1 506**

Government grants are provided to Cavendish Hydrogen A/S and relate to assets amortized. Refer to note 5.2 for additional information on government grants.

Note 2.3 - Segment information

Cavendish identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments. This standard requires Cavendish to identify its segments according to the organization and reporting structure used by management. The executive management group is the chief operating decision maker and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The group operates within three main segments; 'Equipment', 'Projects, I&C and Service' and 'Corporate and other'. The identification of segments in the group is made based on the different types of services the division offers and is supplemented by the location of the group's legal entities.

Segment performance is evaluated based revenues and EBITDA and is measured consistently with the consolidated financial statements.

Billing of goods and services between operating segments are effected on an arm's length basis.

2024	Operating segments			
Revenues by geographic region based on customer location	**Equipment**	**Project, I&C and Service**	**Corporate and other**	**Total**
Norway	0	228	0	228
Europe ex Norway	279	5 001	0	5 280
North America	17 461	6 828	0	24 289
Asia	0	1 211	0	1 211
TOTAL Revenue from contracts with customers	**17 740**	**13 268**	**0**	**31 007**
Other operating income	0	0	343	343
Operating expenses excluding depreciation, amortisation and impairment	-10 960	-19 654	-19 714	-50 328
EBITDA	**6 779**	**-6 386**	**-19 371**	**-18 978**

Cavendish generates sales with large customers, in particular related to the sale of equipment, which is individually above 10%. Year 2024 includes revenues from two undisclosed US customers which accounted for approximately 53% and 12%, representing a total 65% of revenue from contracts with customers in 2024.

In 2023, revenue from four customers accounted for 67% of total revenues with 22%, 19%, 15% and 11% respectively.

2023	Operating segments			
Revenues by geographic region based on customer location	**Equipment**	**Project, I&C and Service**	**Corporate and other**	**Total**
Norway	0	135	0	135
Europe ex Norway	8 879	4 464	0	13 343
North America	7 110	7 0793	0	14 202
Asia	0	1 207	0	1 207
TOTAL Revenue from contracts with customers	**15 988**	**12 899**	**0**	**28 887**
Other operating income	0	0	1 506	1 506
Operating expenses excluding depreciation, amortisation and impairment	-16 187	-17 542	-16 034	-49 763
EBITDA	**-199**	**-4 643**	**-14 528**	**-19 370**

Intangible assets, Property, plant and equipment and total assets by geography	Intangible assets		Property, plant and equipment		Total assets	
	2024	2023	2024	2023	2024	2023
Norway	0	0	0	0	34 155	0
Denmark	12 608	8 683	9 960	10 153	49 323	49 830
USA	0	0	1 287	1 504	9 392	14 470
South Korea	0	0	149	223	2 330	3 238
Balance as of 31.12.	**12 608**	**8 683**	**11 395**	**11 880**	**95 199**	**67 538**

Note 2.4 - Raw materials

Raw materials in the income statement comprise the following:

(Amounts in EUR thousands)	2024	2023
Raw material	14 691	13 366
Freight expense	408	798
TOTAL	**15 099**	**14 164**

Note 2.5 - Personnel expenses

(Amounts in EUR thousands)	2024	2023
Salaries[1]	22 386	21 947
Social security tax	970	1 206
Pension expense	1 699	1 517
Other payroll expenses[2]	833	857
Capitalised salary to technology development	-4 436	-2 060
TOTAL	**21 451**	**23 467**

1 Included here are expenses amounting to EUR 256 thousands to a pro-rata accrual related to the Group's one-time cash-settled Long Term Incentive Program for the executive management and certain key employees, which will be settled on 12 July 2025 subject to continued employment.

2 Included here are expenses amounting to EUR 277 (2023: EUR 92) thousands related to the Group's RSU program (EUR 232 thousands) and legacy share option program from Nel ASA (EUR 45 thousand, accelerated vesting at spin-off).

	2024	2023
Average number of full time employees	246	255
Hereof women	44	48

Share-based payments

Cavendish compensate selected employees with Restricted Share Units (RSU's) as part of a program to incentivize and retain key employees. When granted, there is only service-time based vesting conditions, which is between 2-3 years. Vesting requires the RSU-holder to still be an employee in the Group. The share-based payment is equity-settled. Each RSU, when exercised will give the right to one share in the Group. The RSU's are granted without consideration.

Recognition, costs and social security provisions

The fair value of the RSU's are measured as the grant-date price of the Company's shares, and employees are not entitled to potential dividends while the RSU is unvested. The cost of the RSU's are recognized over the service period in accordance with IFRS 2 - Share-based payment.

Social security tax provisions are accrued on a quarterly basis and becomes payable at exercise of the RSUs. The social security tax provisions are estimated based on the gain on the share-based instruments multiplied with the relevant social security tax rate.

The total expense recognised for the share-based programs, excluding social security, during 2024 was EUR 232 thousands. The total social security accruals at the end of the year are EUR 2 thousands. The total intrinsic value of the company's share-based instruments is EUR 232 thousands as of 31 December 2024.

Pensions

The group has defined contribution pension scheme for its employees. This scheme is funded through payments to insurance companies. A defined contribution plan is one under which the group pays fixed contributions to a separate legal entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the group pays contribution to publicly or privately administered pension insurance plans on an obligatory, contractual or voluntary basis.
The group has no further payment obligations once the contributions have been paid. The contributions are recognised as a salary expense when they fall due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The parent company has pension plans that meet the requirements of the Pension Act of Norway. The Danish and the US subsidiary have pension plans that meet their respective requirements.

Restricted share units held by members of group management

					Expiry[1]		
Name	**Opening balance**	**Granted**	**Vested**	**Closing balance**	**2026**	**2027**	**Total intrinsic value 31 Dec 2024[2]**
Robert Borin	0	189 040	0	189 040	94 520	94 520	65
Marcus Halland	0	96 666	0	96 666	48 333	48 333	33
Other members of group management	0	394 658	0	394 658	197 329	197 329	135
TOTAL	**0**	**680 364**	**0**	**680 364**	**340 182**	**340 182**	**232**

1 All RSU's are granted and vested on 12 July in a given fiscal year.
2 The RSU's have a strike price of EUR 0.

Note 2.6 - Other operating expenses

(Amounts in EUR thousands)	2024	2023
Research and development expenditure	688	1 201
Utilities	134	138
Professional fees	4 665	2 881
Travel expenses	1 479	1 693
IT and communication costs	1 356	1 132
Changes in provisions	336	-2 237
Repair and maintenance	165	109
Premises costs	302	541
Sub supplier services	956	3 330
Other expenses	3 697	3 344
TOTAL Other operating expenses	**13 779**	**12 132**

Note 2.7 - Finance income and cost

(Amounts in EUR thousands)	2024	2023
Interest income	1 289	153
Other	294	0
Finance income	**1 582**	**153**
Interest expense	209	2 125
Interest expense lease liabilities	52	49
Net foreign exchange loss	432	830
Change in fair value financial instruments	842	2 736
Finance cost	**1 535**	**5 740**
Net finance income (cost)	**48**	**-5 587**

The change in fair value financial instruments is due to change in fair value of Cavendish's shareholding in HyNet.

Note 2.8 - Income taxes

The tax expense in the statement of comprehensive income comprises of the tax payable for the period and of the change in deferred tax. Deferred tax is calculated at the prevailing tax rate in the respective countries where the parent company and subsidiaries are tax resident. Deferred tax is calculated based on temporary differences that exist between accounting and tax values, as well as any tax loss carry forward at the end of the financial year. The deferred tax asset is recognised if it is probable that the company will have a sufficient tax profit to be able to utilise the tax asset.

Significant accounting judgements – Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The group has EUR 31 394 thousand of tax amounts from tax losses carried forward (EUR 26 576 thousand in 2022). These losses relate to subsidiaries that have a history of losses, do not expire, and to some extent may not be used to offset taxable income elsewhere in the group. On this basis, the group has determined that it cannot recognise deferred tax assets from the tax losses carried forward. Deferred tax assets not recognised in the statement of financial statement amount to EUR 31 816 thousand in 2023 (27 331 in 2022).

Calculations of the tax base for the year	2024	2023
Income (loss) before tax	-23 555	-29 692
Permanent differences	-509	-1 306
Change in temporary differences	-1 972	4 093
Use of tax losses carried forward	3 352	3 355
The year's taxable income	**-22 685**	**-23 550**

Reconciliation of tax expense to Norwegian nominal statutory tax rate	2024	2023
Nominal tax rate	*22%*	*22%*
Income (loss) before tax	-23 555	-29 692
Tax this years income (loss), estimated	-5 182	-6 532
Tax effect of:		
Tax rates different from Norway	83	70
Permanent differences	-107	-287
Change in tax rates recognised in temporary differences	0	0
Change in deferred tax	-58	-59
Change in not recognized deferred tax assets (tax liabilities)	5 214	6 753
Other differences	-746	-742
Currency translation differences	0	-7
Income tax expense	**-796**	**-804**

Income tax expense comprise	2024	2023
Income tax payable	-737	-745
Change in deferred tax	-58	-59
Other	0	0
Total income tax expense (income)	**-796**	**-804**

Tax effects of temporary differences	2024	2023
Trade receivables and customers contracts	-174	38
Intangible assets	2 432	1 597
Property, plant and equipment	-1 379	-1 092
Inventories	145	133
Accrued warranty	-356	-477
Leases	6	15
Deferred income	-708	-80
Other accruals	-86	-801
Shares and other investments	-274	0
Tax losses carry forward	-31 394	-26 576
Deferred tax asset	-31 787	-27 244
Deferred tax asset	**-796**	**-804**

Reconciliation to statement of financial position	2024	2023
Deferred tax asset	-31 787	-27 244
Deferred tax asset not recognised in statement of financial position	31 816	27 331
Deferred tax liability in the statement of financial position	**29**	**88**

Changes in recognised deferred tax liability	2024	2023
Balance as of 01.01.	88	147
Recognised in the income statement	-58	-60
Translation differences on deferred taxes	0	1
Balance as of 31.12.	**29**	**88**

The majority of the deferred tax asset is related to tax losses carry forward. As of 31 December 2024, it is considered not to be likely that the deferred tax asset can be utilised in near future, therefore no deferred tax asset has been capitalised. Table below show net operating losses carried forward by country multiplied with the tax rate, the deferred tax asset not recognised.

Tax losses carry forward by country	2024	2023
Norway	38	0
Denmark	22 840	19 897
United States	7 925	5 589
South Korea	590	1 090
Balance as of 31.12.	**31 394**	**26 576**

Note 2.9 - Earnings per share

Earnings per share are calculated by dividing the profit/loss for the year by the corresponding weighted average of the number of outstanding shares during the reporting period. 'Diluted earnings per share' is based on the same calculation as for earnings per share, but it also considers all potential shares with dilutive effect that have been outstanding during the period. Potential shares relate to agreements that confer the right to issue shares in future. Options and RSU's are excluded if their effect would have been anti-dilutive.

Earnings per share is calculated as profit/(loss) attributable to the equity holders of the parent company divided by the average number of shares outstanding.

The Company was established 13 March 2024, and the Group had no shares outstanding in 2023. The Company was established with a share capital of NOK 1 milllion (EUR 88 802) and 5 000 000 shares.

The Company became the parent of the Cavendish Group following a reorganisation on 30 April 2024. Subsequent the reorganisation, the share capital of the Company is NOK 67 236 290 (EUR 5 889 thousand) with a total number of shares of 33 618 145. The proforma earnings per share for 2023 have been presented as if these shares were outstanding for 2023.

(Amounts in EUR thousands)	**2024**	**2023**
Net loss attributable to the equity holders of the parent company and for the purpose of basic and diluted shares	-22 759	-28 889
Basic earnings per share		
Issued ordinary shares at 1 January	0	0
RSU's exercised	0	0
Share issued	33 618 145	0
Issued ordinary shares at 31 December	**33 618 145**	**0**
Effect of weighting (RSU's exercised and share issued during the year)	0	0
Weighted-average number of shares outstanding for the purpose of basic earnings per share	**33 618 145**	**33 618 145**
Basic earnings per share for loss attributable to the equity holders of the parent company (EUR)	**-0.68**	**-0.86**
Diluted earnings per share		
Weighted-average number of shares outstanding for the purpose of basic earnings per share	33 618 145	33 618 145
Effect of RSU's on issue[1]	0	0
Weighted-average number of shares outstanding for the purpose of diluted earnings per share	**33 618 145**	**33 618 145**
Diluted earnings per share for loss attributable to the equity holders of the parent company (EUR)	**-0.68**	**-0.86**

1 As of 31 December 2024, 680 364 weighted-average RSU's were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive (earnings per share is negative).

Note 3.1 - Intangible assets

Research and development

Research activities are defined as activities whose purpose is to generate new technological understanding or knowledge. Research costs are expensed as incurred.

Capitalised development costs are recognised at historical cost after the deduction of accumulated amortisations and impairments. The capitalised value is amortised over the period of expected future earnings from the related project on a straight-line basis.

As an indication of the level of internal technology costs, Cavendish had in 2024 60 research and development professionals globally developing the next generation of fueling stations.

Cavendish has recognized on the statement of Financial Position Technology from internal development of EUR 12 066 thousand as of 31.12.2024.

Significant accounting judgements - Development costs

Development expenditures on an individual project are recognised as an intangible asset when the group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- How the asset will generate future economic benefits
- Its intention to complete and its ability and intention to use or sell the asset
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

To demonstrate technical feasibility and availability of resources, it should be a high certainty that Cavendish has the intention and ability to complete. Cavendish categorises its intention and ability to complete in a matrix with the overarching risk to complete buckets low, medium and high. In the phase of a project where the risk of completing is medium to high, then the development costs are expensed as incurred. A capitalised development project commence amortisation when a succesful pilot is demonstrated. After a succesful pilot, the technology is in the condition necessary for it to be capable of operating in the manner indented by management and enters 'ramp-up' stage. Subsequent expenditure is maintenance of existing technology (expensed).

Total technology spend for 2024 was EUR 9 963 (8 144) thousand, of which EUR 6 231 (3 044) million and EUR 3 732 (5 100) thousand has been capitalised and expensed, respectively.

Useful life, amortisation plan

- Technology has a useful life of 3-7 years
- Customer relationship has a useful life of 7-10 years
- Goodwill has indefinite life

(Amounts in EUR thousands)	Technology	Customer relationship	TOTAL
Acquisition cost as of 01.01.2023	20 208	281	20 489
Additions from internal development	2 842	0	2 842
Additions aqcuired separately	202	0	202
Disposals	-3 008	0	-3 008
Currency effects	-153	-13	-166
Acquisition cost as of 31.12.2023	**20 091**	**268**	**20 359**
Additions from internal development	6 038	0	6 038
Additions aqcuired separately	193	0	193
Disposals	-118	0	-118
Currency effects	18	0	18
Acquisition cost as of 31.12.2024	**26 221**	**268**	**26 489**
Accumulated amortisation and impairment as of 01.01.2023	12 332	207	12 539
Amortisation	2 263	30	2 292
Reversed amortisation disposals	-3 008	0	-3 008
Currency effects	-134	-13	-147
Accumulated amortisation and impairment as of 31.12.2023	**11 452**	**224**	**11 676**
Amortisation	2 250	29	2 280
Reversed amortisation disposals	-118	0	-118
Impairment	50	0	50
Currency effects	-6	0	-6
Accumulated amortisation and impairment as of 31.12.2024	**13 628**	**253**	**13 881**
Carrying value as of 31.12.2023	**8 639**	**44**	**8 682**
Carrying value as of 31.12.2024	**12 593**	**15**	**12 608**

Impairment loss EUR 50 (0) thousand, from the category Technology, is included within "Impairment of tangible and intangible assets" in profit or loss. The impairment of technology is related to not material development project. The assessment included uncertainty of future economic benefits from these products, both from actuals historical results and as Cavendish develops new technology that will replace existing. Cavendish will focus on developing its core technology with special focus on high-pressure compression, cooling and control. Cavendish will continue to invest in the development of next generation Heavy-Duty Vehicle ("HDV") equipment such as high-capacity station modules and dispensers.

Specification of carrying amount

2024

(Amounts in EUR thousands)	Technology	Customer relationship	TOTAL
Internal development	12 066	0	12 066
Acquired separately	418	0	418
Acquired through business combinations	110	15	125
Carrying value as of 31.12.2024	**12 593**	**15**	**12 607**

2023

(Amounts in EUR thousands)	Technology	Customer relationship	TOTAL
Internal development	7 747	0	7 747
Acquired separately	19	0	19
Acquired through business combinations	873	44	918
Carrying value as of 31.12.2023	**8 639**	**44**	**8 682**

Intangible assets with indefinite useful lives - impairment considerations

The Group assesses fixed assets for impairment in accordance with IAS 36. Intangible assets with indefinite useful lives and intangible assets not yet available for intended use are assessed at least annually or when there are indicators of impairment. Impairment indicators include a more uncertain near-term market outlook due to a slow-down in government incentives combined with higher interest rates and potential tariffs and customs in addition to a market capitalization of the Group that has fallen below the book value of equity.

As of 31 December 2024, the market capitalization of the group was approximately 65% below the book value of equity. Management assesses the share price to be negatively affected by the general uncertainty in the hydrogen and "green transition" sector.

Impairment losses are recognised where the recoverable amount is less than the carrying amount.

Annual impairment test - assumptions

CGU

The annual impairment test is performed for the Group's Cash Generating Units (CGUs). A CGU is defined as the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups thereof. The way management monitors operations assisted in the judgements of identifying the CGUs. Cavendish has identified the group as one CGU.

Key assumptions

The calculations of value in use are sensitive to several assumptions, the following are assessed key assumptions in the measured value:

- Revenue growth and gross margin
- EBITDA margins
- Discount rate / Weighted average cost of capital (WACC)

Forecast period

For the CGU a recoverable amount has been measured. The impairment test has been based on the business and strategy plans approved by the Board of Directors and management's best estimate of cash flows. The recoverable amount is based on a discounted cash flow model determined value in use, which are based on the following:

i. the future expectations reflected in the current budget and strategy over the next 6-year period (forecast period), and do not include restructuring activities that the group is not yet committed to; and
ii. Terminal value beyond year 2031 applying a growth rate of 2.0%

There is uncertainty associated with the assumptions used as a basis in the preparation of budgets for the calculation of value in use. These calculations require the use of estimates and assumptions about future income and expense trends. Expected or reasonably possible climate and environmental changes as well as regulatory changes responding to such changes, impacts the assessment of financial viability and remaining useful life of the assets. Such factors are assessed in the same way as uncertainties in future income and expense trends, impacting cash flow estimates used for the test.

The cash flow forecasts are derived based on an assessment of transition to zero emission infrastructure and mobility solutions. As described in the Risk and opportunities section in the Board of Directors' Report, a delay in this transition constitutes a significant risk for the Group.

Cavendish has extended the forecast period to seven years instead of the typical five years based on the assessment that 2029 is not a steady state of the hydrogen industry and not for Cavendish, specifically. This is among other things based on delays around European countries' implementation of the Alternative Fuels Infrastructure Regulation (AFIR) and the announced timelines from truck OEMs developing heavy-duty hydrogen trucks.

Discount rate

Discount rates represent the current market assessment of the risks, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC considers the cost of debt and equity. The cost of equity is derived from the expected return on investment by the group's investors. The cost of debt is based on the interest-bearing borrowings the group is obliged to service. Segment specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future cash flows to reflect a pre-tax nominal discount rate. Pre-tax nominal discount rate is 15.2%.

Annual impairment test - results and sensitivity

The impairment test has been prepared in accordance with IAS 36 impairment of non-financial assets following the discounted cash flow methodology for value in use within the standard. The cash flows projections relate to the cash-generating unit in the current condition which means future investments not commenced has not been included in the valuation. It excludes cash inflows and investments forecasted to meet the market demand before 2031. In addition, the standard encourages a conservative valuation to ensure that assets are not carried at more than their recoverable amount.

(Amounts in EUR thousands)	**Cavendish**
Goodwill	0
Other intangible assets	12 675
Other invested capital	23 373
Carrying value	**36 047**
Recoverable amount	56 118
Headroom	**20 070**
Pre-tax nominal discount rate	15.2%
Terminal growth rate	2.0%

The CGU Cavendish covers the production and manufacturing of hydrogen refueling stations in Herning, Denmark. The operations consist of both assembly of hydrogen refueling stations, marketing activities and product development. The CGU offers H2Station® for fast fueling of fuel cell electric vehicles as well as services in relation to the supply of these stations. The objective to the CGU is to deliver world class fueling stations offering a complete solution from sourcing and storage of hydrogen to fueling of vehicles.

The table below show the sensitivity analysis for the range of +/-2 percentage points in WACC and +/-4 percentage points in EBITDA margin.

Sensitivity in headroom *(Amounts in EUR thousands)*		Percentage point change in EBITDA margin				
		-4.0%	-2.0%	0.0%	2.0%	4.0%
	-2.0%	2 369	26 193	49 969	73 708	97 446
	-1.0%	-8 148	12 565	33 229	53 856	74 483
Changes in WACC	0.0%	-16 362	1 879	**20 070***	38 225	56 379
	1.0%	-22 910	-6 678	9 506	25 652	41 798
	2.0%	-28 216	-13 645	0 878	15 364	29 849

*Represents headroom in impairment calculation for the CGU. Negative numbers in the table indicate impairment.

Additional sensitivities - assumptions

The sensitivities in the table show the change in assumptions that results in zero headroom, at perpetuity growth 2.0%, all else being equal.

Key assumption	Assumption change
Revenue growth*	-15 367 thousand
Gross margin**	-3.2%
Free cash flow margin***	-2.5%

*If revenue assumption in the terminal year changes with the assumption change, the headroom is zero.

**If average gross margin rate assumption is reduced with this percentage point in the terminal year, the headroom is zero.

***If free cash flow margin rate assumption is reduced with this percentage point in the terminal year, the headroom is zero.

Note 3.2 - Property, plant and equipment

Property, plant and equipment comprise owned and leased assets.

Property, plant and equipment are measured using the cost model; thus, recognised at cost price after deduction for accumulated depreciation and any impairment. Cost prices include purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

The assets are depreciated using the straight-line method over the expected useful life of the asset. Costs of direct maintenance on the operating assets are expensed as incurred. Additional investments and improvements are added to the asset's cost price and depreciated in line with the remaining useful life of the asset.

(Amounts in EUR thousands)	Office machines and other equipment	Production equipment	Buildings	Technical installations	Right-of-use Assets (note 3.3)	TOTAL
Acquisition cost as of 01.01.2023	6 357	857	8 595	49	1 737	17 594
Additions	1 234	2	3	0	889	2 128
Remeasurement	0	0	0	0	20	20
Currency effects	-84	-2	-28	-3	-93	-210
Acquisition cost as of 31.12.2023	**7 507**	**857**	**8 570**	**46**	**2 552**	**19 532**
Additions	1 119	4	476	0	147	1 745
Disposals	-89	0	-32	0	0	-120
Remeasurement	0	0	0	0	7	7
Currency effects	80	-1	-6	0	21	94
Acquisition cost as of 31.12.2024	**8 618**	**860**	**9 008**	**46**	**2 726**	**21 257**
Accumulated depreciation as of 01.01.2023	2 659	505	1 081	3	1 064	5 313
Depreciation	1 507	115	329	2	443	2 397
Impairment	0	32	16	0	0	47
Currency effects	-59	-1	17	0	-62	-105
Accumulated depreciation as of 31.12.2023	**4 108**	**651**	**1 442**	**5**	**1 446**	**7 652**
Depreciation	1 411	68	316	2	494	2 292
Reversed depreciation disposals	-118	0	-11	0	0	-129
Currency effects	48	0	-1	0	0	47
Accumulated depreciation as of 31.12.2024	**5 449**	**719**	**1 747**	**7**	**1 940**	**9 862**
Carrying value as of 31.12.2023	**3 400**	**206**	**7 127**	**41**	**1 106**	**11 880**
Carrying value as of 31.12.2024	**3 169**	**141**	**7 261**	**39**	**786**	**11 395**
Useful life	3-5 years	3-8 years	30-40 years	15-20 years	2-10 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

Useful life, depreciation plan

- Office machines and other equipment has a useful life of 3-5 years
- Production equipment has a useful life of 3-8 years
- Buildings have a useful life of 30-40 years
- Technical installations have a useful life of 15-20 years
- Right of use assets has a useful life of 2-10 years

Impairment

An assessment of impairment of property, plant and equipment is made if there is an indication of impairment. If the impairment test reveals that an asset’s carrying amount is higher than the recoverable amount, an impairment loss will be recognised.

Property, plant and equipment is included in 'other invested capital' in the annual impairment test. See note 3.1 for impairment considerations for other invested capital.

Note 3.3 - Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement date or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices. The Group has not chosen to follow the practical expedient to account for the lease and non-lease components as a single component. Non-lease components are treated separately in other standards than IFRS 16.

The group recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate (IBR) as the discount rate. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions). The Group determines its incremental borrowing rate by considering various interest rates (risk free rate as 10-year government bonds, and risk premiums) and makes certain adjustments to reflect the terms of the lease, the type of the asset leased and certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Lease payments included in the measurement of the lease liability comprise the following: i) fixed payments and ii) variable lease payments that depend on an index, initially measured using the index or rate as at the commencement date. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

Payments for insurance, property tax and VAT are excluded from the lease payments amount as they are defined variable lease payments.

The Group presents right-of-use assets in 'property, plant and equipment' and the lease liabilities within 'lease liabilities', divided into current and non-current portions.

Short-term leases and leases of low value assets

Cavendish has elected the practical expedient of treating short-term leases and low value assets outside the scope of IFRS 16.

The group has lease contracts for various items of offices, warehouse, parking, vehicles and other equipment used in its operations. Leases of offices, warehouse and parking have lease terms of 5 years while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

Right-of-use assets

(Amounts in EUR thousands)	Office and warehouse	Motor vehicles	Equipment	TOTAL
As of 01.01.2023	482	153	40	675
Additions	277	608	0	886
Remeasurement	11	8	1	20
Depreciation	-274	-157	-12	-443
Translation difference	-19	-13	0	-31
As of 31.12.2023	**477**	**600**	**29**	**1 106**
Additions	48	87	12	147
Remeasurement	0	6	1	7
Depreciation	-252	-231	-11	-494
Translation difference	-1	19	3	21
As of 31.12.2024 (note 3.2)	**271**	**480**	**34**	**786**

Lease liabilities

The table below show the carrying amounts of lease liabilities (both current and non-current portion) and the movements during the period:

(Amounts in EUR thousands)	2024	2023
Balance as of 01.01.	1 040	670
Additions	147	889
Remeasurement	7	20
Accretion of interest	52	49
Lease payments	-498	-556
Translation differences	11	-31
Balance as of 31.12.	**759**	**1 040**
Current	400	600
Non-current	358	440
Balance as of 31.12.	**759**	**1 040**

The maturity analysis of undiscounted cash flow in lease liabilities is disclosed in Note 5.2. The difference between discounted cash flows and undiscounted cash flows (discount effect) is EUR 56 (95) thousand as of 31.12.2024.

Reconciliation of liabilities arising from financing activities in statement of cash flows, split in cash flows and non-cash changes:

(Amounts in EUR thousands)	2024	2023
Balance as of 01.01.	1 040	670
Cash flows principal amount	-446	-508
Cash flows interests	-52	-49
Non-cash changes:		
Additions and remeasurements	153	908
Accretion of interest expense	52	49
Foreign currency effects	11	-31
Balance as of 31.12.	**759**	**1 040**

Amounts recognized in profit or loss

(Amounts in EUR thousands)	2024	2023
Depreciation expense of right-of-use assets	-494	-320
Interest expense on lease liabilities	-52	-49
Expense relating to leases of low-value assets	-24	-21
Expense relating to short-term leases, excluding short-term leases of low-value assets	0	-78
TOTAL amount recognised in profit or loss	**-570**	**-467**

Other information

	2024	2023
Total cash outflow for leases as a lessee	522	655
Weighted incremental borrowing rate used as discount rate for the measuring of lease liabilities	7.0 %	8.0 %

Extension and termination options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

Note 3.4 - Non-current financial assets

(Amounts in EUR thousands)	2024	2023
Investment in Hydrogen Energy Network (HyNet)	0	872
Other non-current financial assets	207	163
Balance as of 31.12.	**207**	**1 035**

Hydrogen Energy Network (HyNet)

The group's shareholdings in Hydrogen Energy Network (HyNet) constitute a 4.75 % ownership interest. HyNet is structured as a Special Purpose Company and is principally engaged in expanding the hydrogen fueling infrastructure in South Korea.

During 2024, the Group recognised negative fair value adjustment of EUR 872 thousand in the HyNet investment. The fair value adjustment is based on the financial situation in the company is strained and the company needs additional capital either through capital increases, investor loans or external loans. Therefore, a negative fair value adjustment is assessed prudent and unbiased. The accumulated cost of shares in HyNet is EUR 3 800 thousand and cost less fair value adjustments equals EUR 0 per 31 December 2024. The shares are unquoted and there have not been any transactions of an identical or similar instrument.

Note 4.1 - Inventories

Inventories comprises purchased raw materials, work in progress and finished goods. Obsolescence is considered for inventories and write-down is performed on obsolete goods.

Inventories are measured under the weighted-average cost formula. The cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items bought or produced during the period.

Inventories are measured at the lowest of cost and net realisable value. Net realisable value is the estimated future sales price of the product the group expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale.

During 2024 allowance for obsolete inventory increased with EUR -932 thousand to EUR -1 509 thousand per 31 December 2024. The increase is due to a write down of inventory from a customer termination of a service contract of 7 stations in the US. This station product used several components of legacy technology that lead to certain spare parts being obsolete.

The amount of inventories recognized as an expense was EUR 10 096 (14 020) thousands during 2024.

(Amounts in EUR thousands)	2024	2023
Raw material	5 672	6 687
Work in progress	3 119	3 879
Finished goods	11 473	17 759
Allowance for obsolete inventory	-1 509	-577
Balance as of 31.12.	**18 754**	**27 748**

Note 4.2 - Trade receivables

Trade receivables are initially recognised at their transaction price, i.e. the amount of consideration to which Cavendish expects to be entitled for transferring the promised goods or services to the customer. Trade receivables are subsequently accounted for at amortised cost and are reviewed for impairment on an ongoing basis. Trade receivables are generally not discounted. Trade receivables are presented net of expected credit losses. Changes in the expected credit loss are recognised within other operating expenses in statement of comprehensive income.

(Amounts in EUR thousands)	2024	2023
Receivables from third-party customers	5 573	7 186
Receivables from related parties	0	3 056
Gross trade receivables	**5 573**	**10 243**
Allowance for expected credit losses	-734	0
Balance as of 31.12.	**4 839**	**10 243**

Trade receivables are non-interest bearing and are generally on terms 30 to 60 days.

The allowance for expected credit losses covers the amounts that are assessed as uncertain. In 2024 Cavendish has recognized a credit loss allowance of EUR -734 thousand relating to two specific US based customers mainly representing the time value of money.

See Note 6.2 on credit risk of trade receivables, which explains how the group manages and measures expected credit loss of trade receivables that are neither past due nor impaired.

Cavendish recognises loss allowances for 'Expected Credit Loss' (ECL) on:

a. Financial assets measured at amortised cost; and
b. Contract assets

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to Cavendish in accordance with the contract and the cash flows that Cavendish expects to receive).

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Note 4.3 - Prepaid expenses and other current assets

(Amounts in EUR thousands)	2024	2023
VAT net receivable	281	232
Prepayments	201	35
Other current assets	3 707	2 379
Balance as of 31.12.	**4 189**	**2 646**

Note 4.4 - Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and all other monetary items due within three months or less.

(Amounts in EUR thousands)	2024	2023
Cash and cash equivalents	41 778	7 018
Balance as of 31.12.	**41 778**	**7 018**

(Amounts in EUR thousands)	2024	2023
Norwegian Kroner	16 181	0
US Dollars	5 370	733
Danish Kroner	2 048	2 644
Euro	17 006	2 357
GB Pounds	673	767
Korean Won	500	517
Balance as of 31.12.	**41 778**	**7 018**

Note 5.1 - Share capital and shareholders

Share capital

The share capital comprises the number of shares multiplied by their par value and are classified as equity. Expenses which can be attributed directly to the issue of new shares or options (less tax) are recognised in equity as a reduction in the proceeds received.

As of 31 December 2024, the group's share capital was EUR 5 889 thousand, consisting of 33 618 145 shares each with a par value of NOK 2 (app. EUR 0.17).

The parent company has only one share class and no special regulations relating to the shares; thus, one share represents one vote.

Shareholders as of 31.12.2024	Country	Number of shares	Ownership
CLEARSTREAM BANKING S.A.[1]	Luxembourg	21 739 667	64.67%
CACEIS Bank	Germany	846 166	2.52%
AXON AS	Norway	691 817	2.06%
The Bank of New York Mellon SA/NV	Belgium	502 354	1.49%
Nordnet Bank AB	Sweden	460 249	1.37%
SIX SIS AG	Switzerland	333 368	0.99%
JMI AS	Norway	326 540	0.97%
UBS Switzerland AG	Switzerland	324 200	0.96%
Avanza Bank AB	Sweden	260 985	0.78%
GALILEO AS	Norway	258 748	0.77%
Saxo Bank A/S	Denmark	223 251	0.66%
CAVENDISH HYDROGEN ASA	Norway	200 180	0.60%
NORTH SEA GROUP AS	Norway	170 000	0.51%
Danske Bank A/S	Denmark	161 104	0.48%
KBC Bank NV	Belgium	153 633	0.46%
Euroclear Bank S.A./N.V.	Belgium	148 102	0.44%
YOUNAS RASK AS	Norway	138 258	0.41%
The Bank of New York Mellon SA/NV	Belgium	130 657	0.39%
BNP Paribas	France	118 140	0.35%
Citibank, N.A.	Ireland	113 700	0.34%
Total 20 largest shareholders		**27 301 119**	**81.21%**
Total remaining shareholders		**6 317 026**	**18.79%**
Total number of shares		**33 618 145**	**100.00%**

1 Clearstream Banking S.A. is a leading international central securities depository, and the shareholdings in Cavendish Hydrogen ASA consist of a large number of retail investors with no major individual holdings.

Note 5.2 - Long-term debt

Long-term debt - lender *(Amounts in EUR thousands)*	**Legal entity**	**Maturity**	**Interest rate**	**2024**	**2023**
Nykredit - Vejlevej 5 - Property	Cavendish Hydrogen A/S	2038	3.19 %	1 354	1 438
Nykredit - Vejlevej 5 - Property	Cavendish Hydrogen A/S	2038	0.84 %	445	477
Nykredit - Vejlevej 3 - Land	Cavendish Hydrogen A/S	2028	3.51 %	64	84
Nel ASA	Cavendish Hydrogen A/S	Repayable on demand	NIBOR 3M + 3 %	0	2 013
Nel ASA	Cavendish Korea Co. Ltd	Repayable on demand	NIBOR 3M + 3 %	0	11 756
Balance as of 31.12.				**1 862**	**15 767**
Current portion				138	134
Non-current portion				1 725	15 633
Balance as of 31.12.				**1 862**	**15 767**

Carrying amount of assets that are pledged *(Amounts in EUR thousands)*	**2024**	**2023**
Building	5 619	5 881
TOTAL	**5 619**	**5 881**

Reconciliation of liabilities arising from financing activities

(Amounts in EUR thousands)	**2024**	**2023**
Balance as of 01.01.	15 767	25 647
New loan	2 507	28 363
Payment of loan	-6 860	-634
Non-cash changes:		
Debt conversion	-9 695	-43 704
Accretion of interest	209	1 884
Foreign currency effects	-65	4 211
Balance as of 31.12.	**1 863**	**15 767**

The reconciliation of lease liabilities arising from financing activities is disclosed in note 3.3 leases.

Maturity analysis

Maturity analysis for long-term debt (undiscounted cash flows)

2024	2025	2026	2027	2028	>2028	Total
Nykredit	138	142	146	124	1 314	1 862
Lease liabilities (note 3.3)	412	260	130	9	3	815
Estimated interest cost[1]	41	41	41	41	244	407
TOTAL long-term debt including interest	**591**	**442**	**316**	**173**	**1 561**	**3 084**

1 Based on prevailing debt installment agreements and interest rates.

2023	2024	2025	2026	2027	>2027	Total
Nykredit	134	138	142	146	1 438	1 998
Related party loans, including interest	-	-	13 769	-	-	13 769
Lease liabilities (note 3.3)	453	328	231	121	2	1 135
Estimated interest cost[1]	44	41	41	41	244	410
TOTAL long-term debt including interest	**631**	**507**	**14 183**	**307**	**1 684**	**17 313**

1 Based on prevailing debt installment agreements and interest rates.

Note 5.3 - Deferred income

(Amounts in EUR thousands)	2024	2023
Government grants	2 014	1 392
TOTAL deferred income	**2 014**	**1 392**

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grants relate to an expense item, it is normally recognised as other operating income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants received that relate to an acquisition or development of assets has been presented "gross" in Cavendish's financial statements. A gross presentation entails that the grant received is presented separately as deferred income. The deferred income is presented as a non-current liability and is amortised over the useful life of the related asset. The amortised part of the deferred income is presented as other operating income in the statement of comprehensive income.

Government grants *(Amounts in EUR thousands)*	2024	2023
As of 31.12.2023	1 392	2 011
Grants received	940	181
Income recognised within 'other operating income' in 2024 (note 2.2)	-343	-1 017
Translation difference	26	217
As of 31.12.2024	**2 014**	**1 392**

The aging schedule shows the remaining governments grants divided in the year the grants was initially received.

The group is not aware of any unfulfilled conditions associated with these grants.

Deferred income aging schedule	<2021	2021	2022	2023	2024	TOTAL
Government grants as of 31.12.2024	670	193	173	38	940	2.014
Government grants as of 31.12.2023	969	236	154	33	0	1.392

Note 5.4 - Other liabilities

Other current liabilities

(Amounts in EUR thousands)	2024	2023
Vacation allowance and other salary related accruals	1 880	1 980
Other current liabilities	725	1 207
Balance as of 31.12.	**2 606**	**3 187**

Other non-current liabilities

(Amounts in EUR thousands)	2024	2023
Other non-current liabilities	0	13
Balance as of 31.12.	**0**	**13**

Note 5.5 - Provisions

Provisions, contingent liabilities and contingent assets

The group makes provisions when a legal or constructive obligation exists as a result of past events, it is more likely than not that a transfer of financial resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. When the effect is significant, provisions are calculated by discounting expected cash flows at a pre-tax rate that reflects the time value of money and if appropriate the risks specific to the liability. Increase in provisions as a result of time passing, is presented as interest expense.

Information regarding significant contingent liabilities is disclosed. A contingent asset is not recognised, but information is disclosed if there is a possibility that a significant advantage will accrue to the group.

(Amounts in EUR thousands)	Accrued warranty	Employee benefits	Settlement and claims	Onerous contracts	TOTAL
As of 01.01.2023	3 174	805	1 688	1 186	6 853
Additions	1 796	1 282	0	426	3 503
Used during the year	-1 471	-741	-88	-837	-3 137
Reversal of unused provisions	-1 309	0	-1 570	-214	-3 093
Foreign currency translation	-27	-43	-30	-12	-112
As of 31.12.2023	**2 162**	**1 302**	**0**	**549**	**4 014**
Additions	796	333	925	450	2 504
Used during the year	-1 363	-1 170	0	-473	-3 005
Reversal of unused provisions	-372	0	0	0	-372
Foreign currency translation	2	-12	0	-3	-13
As of 31.12.2024	**1 226**	**453**	**925**	**524**	**3 128**

Accrued warranty

The group's warranty to customers is limited to replacement parts and services and generally expires one year from the date of shipment or contract completion. Such warranties are limited in time, for most products not exceeding 12 months. Warranty is based on both contractual commitments and caused by liability under background law.

Estimated warranty obligations are recorded in the period in which the related revenue is recognised or when a project is installed or commissioned. The group quantifies and records an estimate for warranty related costs, which is principally based on historical experience. The accounting for warranties requires the Group to make assumptions and apply judgments when estimating product failure rates and expected material and labour costs. The group adjusts accruals as warranty claim data and historical experience warrant. If actual results are not consistent with the assumptions and judgments used to calculate the warranty liability because either failure rates or repair costs differ from the groups assumptions, the group may be exposed to gains or losses that could be material. Accrued warranty provision is based on experience assumptions.

Employee benefits

Cavendish has short term incentive bonuses in place for all employees. The provision for bonus incurred in 2024 to be finally measured and paid in 2025 is EUR 217 thousand (1 302).
In addition, the employee benefits include provision for social security on RSU's for social security payable in Norway, calculated at the intrinsic value at year end. The provision fluctuates with the number of active RSU's, timing of exercise and Cavendish Hydrogen ASA share price. See note 2.5 for further information on incentive program.

Settlement and claims

Settlement and claims comprise disputes, claims and fines where cash outflow is assessed probable (more likely that not to occur). The provision per 31 December 2024 relates to case with an undisclosed US-based customer which Cavendish still cooperates closely with.
In the first quarter of 2024, Iwatani Corporation of America filed a lawsuit with claims for damages towards Cavendish Hydrogen Inc, Cavendish Hydrogen A/S, Nel ASA and certain other individual defendants, including current CEO and the Chair of the Board of Cavendish Hydrogen ASA, in connection with agreements for delivery of fueling equipment and services between Cavendish Hydrogen Inc. and Iwatani Corporation of America. No provisions have been made in the financial statements as of 31st December 2024.

Onerous contracts

An onerous contract is a contract in which the unavoidable costs (i.e. the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil it) exceed the economic benefits expected to be received under the contract. For all contracts that are onerous, the present obligation under the contract is recognised and measured as a provision.

Note 6.1 - Operational risk factors

Objectives, policies and processes for managing capital

The group's objective is to manage the capital structure to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The group sets the size of capital in proportion to business strategy, risk and financial market conditions. The group manages the capital structure and adjusts it in the light of changes in economic conditions, perceived risk associated with product development and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of new share issue or increase the debt by taking up loans.

Technological change

There is a risk that competitors may utilize technological change to launch new products and services, to provide products or services at more competitive prices, or to secure exclusive rights to new technologies. That includes but is not limited to cryo-compressed hydrogen, liquid hydrogen and sub cooled liquid hydrogen technologies. If these circumstances materialize, it may have a material adverse effect on the Group's business, prospects, financial results or results of operations.

Expansion risk

The uneven pace of Cavendish's anticipated expansion in facilities, staff and operations may place serious demands on the group's managerial, technical, financial, and other resources. The organization is currently relatively small and there is no guarantee that the group will be able to build a capable organization at a speed that is required to meet the demands of its customers or potential customers. Cavendish's failure to manage its growth effectively or to implement its strategy in a timely manner may significantly harm its ability to achieve profitability.

Dependence of third parties in manufacturing

The group's operations relies on external subcontractors and suppliers of services and goods to varying degrees. This operating model inherently contains a risk to the group's goodwill and branding. If suppliers fail to meet agreed or generally accepted standards in areas such as environmental compliance, human rights, labor relations and product quality, this could have a significant adverse effect on the group's business, prospects, financial results and results of operations. In general, the company aims at dual sourcing of critical components to limit risk. In addition, the majority of the spending directed towards large industrial companies with full ISO compliance and smaller vendors that are in compliance with local legislation. Further, Cavendish conducts regular quality reviews, including production site visits for risk assessment.

Cavendish is dependent on a limited number of third-party suppliers for key production components for its fueling equipment. All contract manufactured or purchased components are designed and selected in order to avoid a critical supply situation. However, in a worst case scenario, if Cavendish fails to develop or maintain its relationships with its suppliers or such suppliers are prevented from supplying, Cavendish may be delayed in manufacturing its products or its products may be available only at a higher cost which could prevent Cavendish from timely delivering its products to its customers and Cavendish may experience order cancellation, customer claims and loss of market share. To reduce the sourcing risk Cavendish's supply chain strategy is to have dual supply chains on all components. Cavendish currently has few components with single source and is at the risk of temporary supply chain disruptions should one or more suppliers fail to deliver.

Project risk

Cavendish participates in large commercial projects. Large commercial projects are subject to risks of delay and cost overruns inherent in any large construction project from numerous factors, including:

- unexpectedly long delivery times for, or shortages of, key equipment, parts and materials;
- unforeseen design and engineering problems leading to delays;
- labor disputes and work stoppages;
- HSE accidents/incidents or other safety hazards;
- disputes with suppliers;
- last minute changes to the customer's specifications;
- adverse weather conditions or any other force majeure events; and
- inability or delay in obtaining regulatory approvals or permits

Failure to complete a commercial project on time may result in the delay, renegotiation or cancellation of the contract. Further, significant delays could have a negative impact on Cavendish's reputation and customer relationships. Cavendish could also be exposed to contractual penalties for failure to complete the project and commence operations in a timely manner, all of which would adversely affect Cavendish's business, financial condition and results of operations.

Key Personnel

The successful development and performance of the group's business depends on the group's ability to attract and retain skilled professionals with appropriate experience and expertise. Further, if the group loses the service of its senior management or key personnel, it may not be able to execute its business strategy. There is no assurance, however, that the group will be able to attract or retain such personnel on acceptable terms or at all. Any failure to attract or retain such personnel could have a material and adverse effect on the group's business and operations.

Intellectual property rights

Cavendish seeks to protect important proprietary manufacturing processes, documentation and other written materials, and other intellectual property primarily under patent, trade secret and copyright laws. It also typically requires employees, consultants and companies that have access to its proprietary information to execute confidentiality agreements. The steps taken by Cavendish to protect its proprietary information may not be adequate to prevent misappropriation of its technology.

In addition, Cavendish's proprietary rights may not be adequately protected because:

- people may not be deterred from misappropriating its technologies despite the existence of laws or contracts prohibiting misappropriation:
- policing unauthorized use of Cavendish's intellectual property is difficult, expensive and time-consuming, and the group may be unable to determine the extent of any unauthorized use; and
- the laws and legislation of countries in which the group sells or plans to sell its products may offer little or no protection for its proprietary technologies

Unauthorized copying or other misappropriation of Cavendish's proprietary technologies could enable third parties to benefit from its technologies without paying for doing so. Any inability to adequately protect its proprietary rights could harm the group's ability to compete, to generate revenue and to grow its business. This could have a significant adverse effect on the group's business, prospects, financial results and results of operations.

In order to achieve future success in a highly competitive market, the Group is dependent on its ability to protect patents on the technology embodied in its products and production processes. Failure in obtaining patent applications or insufficient scope and/or protection of issued patents may make it difficult for the Group to effectively protect its intellectual property from misuse or infringement by other companies. Any inability to obtain and enforce intellectual property rights in some countries could have a significant adverse effect on the group's business, prospects, financial results and results of operations. In addition, given the costs of obtaining patent protection and the sometimes limited potential for protection, the group may choose not to protect certain innovations that later turn out to be important. There is also a general risk that the group receives information subject to confidentiality agreements, regarding other parties' know-how and trade secrets in relation to technology which may hinder the group from development of similar intellectual assets.

Adverse publicity and product liability

Product liability claims against the group could result in adverse publicity and potentially monetary damages. It is possible that its products could result in injury, whether by product malfunctions, defects, improper installation or other causes. The successful assertion of product liability claims against the group could result in potentially significant monetary damages, which could have a significant adverse effect on the group's business, prospects, financial results and results of operations.

Legal, governmental or arbitration proceedings

The Company, the Group, its customers or third parties may be involved in legal, governmental or arbitration proceedings related to the ordinary course of the Group's business, including personal injury litigation, intellectual property litigation, contractual litigation, environmental litigation, tax or securities litigation, as well as other proceedings.

The Group is currently involved in a legal dispute where a contracting party is, among other things, claiming intentional misrepresentation, fraudulent behavior, concealment, false promises, fraud in making contracts, breach of contract for deliveries and maintenance of equipment for hydrogen fueling. Based on reasonable evaluations at this early stage of the dispute, the companies and persons involved will fight the allegations, on both formal, procedural and material basis.

Defending against the claims may lead to the Group incurring significant legal costs and other external costs, while also requiring the attention and capacity of the Group's key management and other internal resources.

In the event that the Group is unsuccessful in defending against or settling the above mentioned claim or is otherwise unsuccessful in defending against other claims that may arise, or negotiating reasonable settlements with its customers, subcontractors, or other parties, the Group could incur cost overruns, reduced profits, or, in some cases, a loss of an operation or service, all of which could result in financial difficulties or bankruptcy any specific entities and individuals ultimately subject to a successful claim and/or the Group as a whole.

Large commercial contracts

The Group participates in large commercial contracts consisting of multiple hydrogen fueling station modules for installation across several sites, and in a variety of legal jurisdictions, which are subject to risks of delay, defect/warranty costs and cost overruns inherent in any large framework contract. Failure to complete part of a contract covering multiple station modules on time may result in the delay, defect/warranty costs, renegotiation, or cancellation of the contract. The risk is concentrated as the majority of the Group's current order backlog relates to a single customer for which limited deliveries have taken place at the date of this combined statements.

Note 6.2 - Financial risk factors

The key financial risks the group is exposed to are related to liquidity, currency, interest rate, and credit risk.

Liquidity risk

Liquidity risk is the potential loss that occurs when the group fails to fulfil its contractual obligations when they fall due. Cavendish is operating in a fast-growing, emerging market, with a long list of initiatives in many regions. The need to address growth opportunities ahead of actual market demand, balanced with the need to conserve cash, is a continual challenge. The timing of addressing such elements and risks is important. Moving too fast could result in an unnecessarily high cost level, with cash requirements beyond the current financing plan.

However, the group has a strong liquidity position, EUR 41 778 thousand, as per 31.12.2024. The strong cash position is a good basis for the group’s growth strategy. The group monitors its risks associated with lack of capital up against the company’s planned activities. The group will, if necessary, attempt to raise capital through private placements, debt financing, partnerships, and strategic alliances or from other sources.

The group may fail to raise capital on acceptable terms, or not do it at all, and this can result in a liquidation of the group.

Currency risk

Cavendish operates internationally and is subject to currency risks arising from foreign currency transactions and exposures. As the group presents its consolidated results in EUR, any change in exchange rates between EUR and its subsidiaries’ functional currencies, primarily with respect to changes in USD and KRW, affects its consolidated statement of income and consolidated statement of financial position. Since the DKK is pegged against EUR, it is assumed to not cause any currency risk. As the group expands its operations with projects in new markets the currency risk exposure increases.

The group is on an overall level managed as a EUR company for currency risk management purposes with primary focus on EUR cash flow.

The group's gross foreign currency risk exposure is significant, with the majority of revenue and expenses denominated in foreign currency, in particular the USD and KRW. The group mitigates the currency risk exposure by entering into forward currency contracts with financial institutions when considered relevant.

The group has a residual net currency risk exposure considering hedging which is considered low to medium.

Interest rate risk

The group does not have a significant amount of interest-bearing long-term debt. Due to the low amount of debt in the group it is assessed that a change in interest rates will not have a material effect on the financial statements.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Cavendish is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Expected credit loss assessment
Expected Credit Losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expect to receive).

Historically, the Group has had no credit losses on its trade receivables, however in 2024 the Group has recognized credit losses relating to two specific customers due to an individual assessment following common credit risk characteristics; geographic region, age of customer relationship and type of products purchased.

Note 6.3 - Market risk factors

Market development risk

Significant markets for fueling products, other hydrogen energy products or renewable energy as a major source for hydrogen production may never develop or may develop more slowly than the group anticipates. This would significantly harm Cavendish's revenues and may cause Cavendish to be unable to recover the expenditures it has incurred and expects to incur in the development of its products.

Regulatory issues

The group's operations are subject to numerous environmental requirements. Such laws and regulations govern, among other matters, air pollution emissions, wastewater discharges, solid and hazardous waste management, and the use, composition, handling, distribution and transportation of hazardous materials. Many of these laws and regulations are becoming increasingly stringent (and may contain "strict liability"), and the cost of compliance with these requirements can be expected to increase over time.

The group cannot predict the impact of new or changed laws or regulations relating to health, safety, the environment or other concerns or changes in the ways that such laws or regulations are administered, interpreted or enforced. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change. To the extent that any of these requirements impose substantial costs or constrain the group's ability to expand or change its processes, the group's business, prospects, financial results and results of operations could suffer. Any breach of such requirements could in addition result in fines or other substantial costs and/or constraint the group's ability to operate its production plant, which could have a significant adverse effect on its business, prospects, financial results and results of operations.

In recent years, there has been significant progress in establishing regulatory frameworks for hydrogen activities. In the EU, renewable hydrogen is addressed and given a pivotal role in both the EUs climate strategy, as delineated in the 'Fit for 55' package, the Alternative Fuels Infrastructure Regulation (“AFIR”) and the Commission's REPowerEU communication. Additionally, revisions to the Energy Taxation Directive support renewable hydrogen by increasing taxes on fossil fuels. Furthermore, in the U.S., the Inflation Reduction Act ("IRA") and the Bipartisan Infrastructure Law ("BIL") have proven to be very helpful in reducing the cost gap between renewable and fossil hydrogen, and hence de-risking hydrogen projects. The IRA's clean energy incentives include many provisions for clean hydrogen and fuel cell technologies, either extending many existing federal tax credits, increasing existing federal tax credits, or creating new federal tax credits.

Despite recent rapid regulatory developments, some gaps persist, notably in standards development, especially concerning technical and safety standards for hydrogen transport and storage. In the European context, there are also uncertainties regarding state aid regulations for decarbonization efforts. The Company anticipates encountering industry-specific government regulations in its operational jurisdictions, such as regulatory approvals or permits required for product design, installation, and operation. Delays in obtaining such approvals could restrict the Group's development and growth. Furthermore, changing regulations, or interpretations of current or future regulations, may lead to the Group being required to redesign or stop marketing and selling products in certain geographies, or redesigning or changing products already delivered.

The Company depends substantially on government subsidies. Political developments could lead to a material deterioration of the conditions for, or a discontinuation of, the subsidies for its technology. It is also possible that government financial support for the Company’s technology will be subject to judicial review and determined to be in violation of applicable constitutional or legal requirements or be significantly reduced or discontinued for other reasons. Without government subsidies, or with reduced government subsidies, the availability of profitable investment opportunities for the Company would be significantly lower, which could have a material adverse effect on Nel's business, financial condition, results of operations and cash flows.

Competition

The Group competes in a highly competitive market, with many current and potential competitors within hydrogen fueling products and services and many competitors providing substitutional products or services based on other technologies. The market consists of competitors which have partly longer operating histories, greater name recognition, lower costs, access to larger customer bases and significantly greater financial, sales and marketing, distribution, technical and other resources than the Group. There is a risk that competitors may utilize technological change to launch new products and services, to provide products or services at more competitive prices, or to secure exclusive rights to new technologies. That includes but is not limited to cryo-compressed hydrogen, liquid hydrogen and sub cooled liquid hydrogen technologies. If these circumstances materialize, it may have a material adverse effect on the Group's business, prospects, financial results or results of operations

Note 6.4 - Climate-related risks and opportunities

Climate-related opportunities

Cavendish is a pure play hydrogen company. The climate-related opportunities are the company's only opportunities. The assumption from climate-related opportunities in climate-related scenarios have impacted the financial statements. Specifically, the climate-related opportunities are the driver for the revenue and activity growth included in the company's impairment tests. In addition, the climate-related opportunities also impact the assessment of probable future economic benefits from capitalised technology development.

Climate-related risks

The company pursue solely climate-related opportunities; therefore, the company does not have any transformation of any legacy business negatively impacted by the climate-related scenarios. Further analysis of the climate-related risks below:

Regulatory risks and Geopolitics

While climate change is the megatrend, the anticipated role of green hydrogen as a sustainable activity contributing to climate change mitigation could change. How geopolitics will impact and shape climate policies going forward constitutes a risk for Cavendish. We would not be significantly impacted by the introduction of a potential carbon tax or restrictions on the use of carbon-intensive assets. Further, we do not consume products from conflict areas and our consumption of rare materials is limited. However, we identify opportunities in the enactment of a low carbon economy.

The Geo-political situation has developed negatively with higher uncertainty around the global trade situation with potential tariffs and customs.

Reputation risk

Cavendish recognizes the importance of maintaining a strong brand in the developing renewable hydrogen industry. Reputational risk comprises: i) any damage to brand value that will cause lost opportunities, ii) challenges in recruiting and retaining talent that in turn could halt technology developments and damage customer experience, and iii) challenges in attracting investors due to damaged reputation which could affect the going concern status of the group.

Note 7.1 - Composition of the group

The following subsidiaries are included in the consolidated financial statements of Cavendish Hydrogen ASA:

Company	Location	Main operations	Consolidated from:	Ownership/ votes 2024	Ownership/ votes 2023
Cavendish Hydrogen A/S	Herning, Denmark	Sales, engineering, manufacturing, projects and service	01.07.2015	100 %	100 %
Cavendish Hydrogen Co. Ltd	Daejeon, South Korea	Projects and service	01.07.2018	100 %	100 %
Cavendish Hydrogen Inc	Irvine, California USA	Projects and service	01.01.2019	100 %	100 %
Cavendish Hydrogen GmbH	Wien, Austria	Sales and engineering	30.03.2022	100 %	100 %

All subsidiaries are 100 % owned. There is no uncertainty about control and no restrictions on the ability to access or use assets and settle liabilities in the group.

Note 7.2 - Executive management remuneration

Cavendish was established as a separate group and listed on the Oslo Stock Exchange on 12 June 2024 after a spin-off from the Nel ASA Group. On the basis hereof disclosure of Cavendish Executive Management Compensation and number of shares owned is limited to the period after the spin-off.

Remuneration of management 2024 *(amounts in EUR thousands)*	**Salary**	**Bonus**	**Pension expense**	**Other remuneration**[1]	**Total remuneration**	**Number of shares**
Robert Borin, CEO	167	0	19	142	328	0
Marcus Halland, CFO	107	0	11	72	190	0
TOTAL	**274**	**0**	**30**	**214**	**518**	**0**

1 Other remuneration is related to RSU program (EUR 98 thousand) and pro-rata value of cash-based LTIP Program (EUR 116 thousand)

Note 7.3 - External audit remuneration

Fees to the group auditor *(Amounts in EUR thousands)*	**2024**	**2023**
Statutory auditing services	212	97
Attestation services	6	17
Non-auditing services	0	10
TOTAL	**218**	**124**

Note 7.4 - Related parties

Executive management

Information on key management compensation is disclosed in note '7.2 executive management remuneration'.

Board of Directors

Members of Cavendish's Board of Directors' remuneration and share ownership are disclosed in the tables below. The company was established in 2024 and therefore did not have a Board of Directors for the financial year 2023.

Remuneration Board of Directors 2024	Period	Board member *(EUR thousands)*	Audit committee *(EUR thousands)*	Remuneration committee *(EUR thousands)*	Other remuneration *(EUR thousands)*	Total remuneration *(EUR thousands)*
Jon André Løkke - Chair of the Board[1)]	15 May - Dec 6 2024	37	0	4	23[2]	63
Mimi Kristine Berdal[1)]	15 May - Dec 6 2024	20	4	0	0	24
Vibeke Strømme[1)]	15 May - Dec 6 2024	20	0	5	0	25
Allan Bødskov Andersen[1)]	15 May - Dec 6 2024	20	6	0	0	26
Kim Søgård Kristensen[1)]	15 May - Dec 6 2024	20	4	0	0	24
Board of Directors at balance sheet date						
Lavrans Grjotheim - Chair of the Board[1 and 3)]	6 Dec - 31 Dec 2024	5	1	0	0	5
Sheri Shaghayegh Shamlou[1)]	6 Dec - 31 Dec 2024	2	1	0	0	4
Anders Gravir Imenes[1)]	6 Dec - 31 Dec 2024	2	1	1	0	4
TOTAL		**125**	**15**	**9**	**23**	**171**

1 At an Extraordinary General Meeting in December 2024, Lavrans Grjotheim, Sheri Shaghayegh and Anders Gravir Imenes were elected as new board members replacing the previous Board of Directors. In February 2025 a new Extraordinary General Meeting was held and Jon André Løkke, Mimi Kristine Berdal, Vibeke Strømme, Allan Bødskov Andersen and Kim Søgård Kristensen were reelected as Board of Directors.
2 Consultancy fee related to work outside role of chair of the Board provided through Ludens AS.
3 Per 31 Dec 2024 Lavrans Grojtheim held 950 565 shares through Axon AS and Galileo AS equal to 2.83% of the total share capital. The shares have been sold subsequent to the balance sheet date.

Note 7.5 - Events after the balance sheet date

Information about the group's financial position that has occurred after the balance sheet date is disclosed if the information is considered to be significant for the group's current financial statements and future position.

On 21 January 2025 Cavendish announced a cost reduction and restructuring plan that has been executed during February 2025.

Further, on 7 February 2025 an extraordinary general assembly was held and Jon André Løkke, Vibeke Strømme, Mimi Berdal, Allan Andersen and Kim Kristensen was elected as the new board of directors.

There have not been any other significant events after the balance sheet date that have not been previously disclosed in this report.

Note 7.6 - Going concern

The financial statement is presented on the going concern assumption under International Financial Reporting Standards. As per the date of this report the group has sufficient working capital and cash on hand to fund operations beyond the next twelve-month period.

The Board of Directors confirmed on this basis that the going concern assumption is valid, and that financial statements are prepared in accordance with this assumption.

Parent company financial statements

Statement of comprehensive income

(Amounts in EUR thousands)	Note	13 March 2024 - 31 December 2024
Revenue and income		
Revenue from contracts with customers	3	490
Total revenue and income		**490**
Operating expenses		
Personnel expenses	4	477
Other operating expenses	5	3 298
Total operating expenses		**3 775**
Operating loss		**-3 285**
Finance income	6	2 528
Finance cost	6	-701
Net financial items		**1 827**
Pre-tax income (loss)		**-1 458**
Tax expense (income)	7	0
Net income (loss) attributable to equity holders of the company		**-1 458**
Other comprehensive income that are or may subsequently be reclassified to profit or loss		
Currency translation differences		-3 077
Other comprehensive income		**-3 077**
Total comprehensive income attributable to equity holders of the company		**-4 535**
Appropriation of comprehensive income (loss) and equity transfers		
Dividends proposed		0
Retained earnings		-4 535
Total appropriation		**-4 535**

Statement of financial position as of 31 December

(Amounts in EUR thousands)	Note	31.12.2024
ASSETS		
Investments in subsidiaries	8	53 648
Long-term receivables group	9	1 480
Total non-current assets		**55 128**
Receivables group	9	1 422
Other current assets	10	170
Cash and cash equivalents	11	33 852
Total current assets		**35 444**
TOTAL ASSETS		**90 572**
EQUITY AND LIABILITIES		
Share capital	12	5 889
Treasury shares	12	35
Share premium	12	87 309
Retained earnings	12	-4 535
Other components of equity	12	35
Total equity		**88 733**
Deferred tax liability	7	0
Total non-current liabilities		**0**
Trade payables		1 177
Short-term liabilities group	9	163
Other current liabilities	10	499
Total current liabilities		**1 839**
Total liabilities		**1 839**
TOTAL EQUITY AND LIABILITIES		**90 572**

Statement of cash flows

(Amounts in EUR thousands)	Note	13 March 2024 - 31 December 2024
Cash flow from operating activities		
Pre-tax income (loss)		-1 458
Adjustments interests received	6	-838
Impairment of financial assets	6	699
Equity-settled share-based compensation expense	4	35
Change in trade receivables, group receivables		-1 422
Change in trade payables and group payables		1 340
Changes in other current assets and other liabilities		963
Net cash flow from operating activities		**-680**
Cash flow from investment activities		
Loan given to subsidiaries	10	-25 155
Net cash flow from investing activities		**-25 155**
Cash flow from financing activities		
Proceeds from capital increase	12	59 591
Net cash flow from financing activities		**59 591**
Foreign currency effects on cash		96
Net change in cash and cash equivalents		**33 852**
Cash and cash equivalents beginning of period	11	0
Cash and cash equivalents	**11**	**33 852**

Statement of changes in equity

(Amounts in EUR thousands)	Share capital	Treasury shares	Share premium	Retained earnings	Other components of equity	Total equity
Equity as of 31.12.2023	**0**	**0**	**0**	**0**	**0**	**0**
Capital Increase 1)	5 889	35	87 309			**93 233**
Total comprehensive income				-4 535		**-4 535**
RSU's and share program					35	**35**
Equity as of 31.12.2024	**5 889**	**35**	**87 309**	**-4 535**	**35**	**88 733**

1) Cavendish Hydrogen ASA was established on 13 March 2024 with a capital increase of NOK 1 000 000 from Nel ASA. In Q2 the share capital was increased to NOK 67 236 290 (EUR 5 889 thousand) with a total number of shares of 33 618 145.

Herning, 29th of April 2025

The Board of Directors

Jon André Løkke
Chairman of the Board

(Electronically signed)

Mimi Kristine Berdal
Board member

(Electronically signed)

Vibeke Strømme
Board member

(Electronically signed)

Allan Bødskov Andersen
Board member

(Electronically signed)

Kim Søgård Kristensen
Board member

(Electronically signed)

Robert Borin
CEO

(Electronically signed)

Notes to the consolidated financial statements

Note 1 - Corporate information

Cavendish Hydrogen ASA ("the Company") is a leading hydrogen fueling company that specializes in the development, production, marketing, sales, installation, commissioning and service of equipment for fueling hydrogen to on-road vehicles. The company operates globally with offices in Denmark, USA, South Korea and Austria.

The Company (org. no. 933 187 764) was incorporated on 13 March 2024 for the purpose of continuing the hydrogen fueling station manufacturing activities (Nel Hydrogen Fueling segment) of the previous parent company of Nel ASA.
Cavendish Hydrogen ASA became the parent of the Fueling Group ("the group") in May 2024 through an internal reorganization whereby Nel ASA transferred all its shares in Nel Hydrogen Inc, Nel Korea Co. Ltd, Nel Hydrogen A/S (the "Fueling Entities") to the group. This included shares in Nel Austria GmbH as a subsidiary of Nel Hydrogen A/S and Hydrogen Energy Network as an investment in Nel Korea Co. Ltd.

Cavendish Hydrogen ASA was distributed to the shareholders of Nel ASA on 12th June 2024 by way of a dividend in kind, through a distribution regarded as repayment of paid in capital by the shareholders of Nel ASA.

The Company is a public limited liability company listed on the Oslo Stock Exchange and domiciled in Norway. The address of its registered office is Dronning Eufemias gate 16, N-0191 Oslo, Norway.

Note 2 - Basis for Preparation and significant accounting principles

Statement of compliance

The financial statements of Cavendish Hydrogen ASA have been prepared and presented in accordance with simplified IFRS pursuant to section 3-9 of the Norwegian Accounting Act.

Basis for preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair value.

Accounting estimates and judgements

In preparing the financial statements, assumptions and estimates that have had effect on the amounts and presentation of assets and liabilities, income and expenses and contingent liabilities must be made. Actual results could differ from these assumptions and estimates.

Foreign currency translation

The functional currency of the company is Norwegian kroner (NOK) and the presentation currency of the company is Euros (EUR). Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into EUR using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical cost expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date, and translated into EUR on the balance sheet date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date.

Segment information

Cavendish Hydrogen ASA operates with only one operating segments, providing management services to subsidiaries. A separate disclosure for segment information is therefore not applicable.

Significant accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements and estimates that influence amounts recognized in certain accounts for assets, liabilities, income and expenses. The actual results may deviate from such assumptions. Estimates and underlying assumptions are subject to continuous assessment.

Revenue from contracts with customers

In general, revenue comprises sale of intercompany services. These are recognized when the services are delivered based on intragroup allocation of costs.

Personnel expenses

Wages, salaries, bonuses, pension and social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the company. The company has pension plans for employees that are classified as defined contribution plans. Contributions to defined contribution schemes are recognized in the statement of comprehensive income in the period in which the contribution amounts are earned by the employees.

The company has an equity-settled Restrict Share Unit (RSU) program for some employees. The fair value of the RSU's are measured as the grant-date price of the Company's shares, and employees are not entitled to potential dividends while the RSU is unvested. The cost of the RSU's are recognized over the service period in accordance with IFRS 2 - Share-based payment. Refer to group financial statements note 2.5 for further accounting policies, including social security provisions.

For further information refer note 4 – Personnel expenses.

Financial instruments and fair value

Cavendish Hydrogen uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Inputs are quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2: The fair value of financial instruments that are not quoted in an active market is determined using valuation techniques which maximise the use of observable market price and rely as little as possible on entity-specific estimates.

Level 3: Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Company has assessed that cash and short-term deposits, trade receivables, other current assets, trade payables and other current liabilities' carrying amounts is a reasonable approximation of their fair value largely due to the short-term maturities of these instruments.

Interest income and expenses

Interest income and expenses are recognized in the statement of comprehensive income within 'finance income' and 'finance cost' as they are accrued, based on the effective interest method.

Income tax expense

Income tax expense in the statement of comprehensive income for the year comprises current tax and changes in deferred tax. Income tax expense is recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. Uncertain tax positions and potential tax exposures are analysed individually and the best estimate of the probable amount for liabilities to be paid (unpaid potential tax exposure amounts, including penalties) and virtually certain amounts for assets to be received (disputed tax positions for which payment has already been made) in each case are recognised within current tax or deferred tax as appropriate.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between financial statements and their respective tax bases, subject to the initial recognition exemption. The amount of deferred tax provided is based on the expected manner of utilized on or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. For a deferred tax asset to be recognised based on future taxable profits, convincing evidence is required.

Subsidiaries

Subsidiaries are all entities controlled by Cavendish Hydrogen ASA. Control is achieved when the company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Shares in subsidiaries are presented according to the cost method. Shares in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the fair value of the investment. Indications may be operating losses or adverse market conditions. Fair value of the investment is estimated based on valuation model techniques. If it is considered probable that the fair value is below Cavendish's carrying value, the investment is impaired. The impairment is reversed if the impairment situation is no longer present.

Cash and cash equivalents

Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be immediately converted into a known amount of cash and have a maximum term to maturity of three months.

Events after the reporting period

New information of the company's financial position at the end of the reporting period, which becomes known after the reporting period, is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position at the end of the reporting period, but which will affect the company's financial position in the future are disclosed, if significant.

Statement of cash flow

The cash flow statement is prepared using the indirect method.

Note 3 - Revenue from contracts with customers

Revenues by geographic region based on customer location *(Amounts in EUR thousands)*	**2024**
Austria	14
United States	65
Denmark	374
South Korea	37
TOTAL	**490**

All revenues in 2024 are internal revenue from management services. Revenues are recognised over time based on cost-to-cost input method. Billings occur at the end of each year for all cumulative costs incurred plus recognised profit, thus, there are no contract balances at year end. Both contract assets and the billings are recognised as current assets within 'Receivables Group' in the statement of financial position and is an unconditional right to payment.

Note 4 - Personnel expenses

Salaries and personnel expenses *(Amounts in EUR thousands)*	**2024**
Salaries	163
Social security tax[1]	34
Pension expense	11
Other payroll expenses[2]	268
TOTAL	**477**

1 Social security tax includes provisions for social security related to the RSU program.
2 Included in this amount are expenses amounting to EUR 35 thousand related to the RSU-program, EUR 148 thousand related to board remuneration and EUR 83 thousand related to reinvoiced salaries.

Remuneration and direct ownership of shares of the Board of Directors are disclosed in Cavendish Remuneration Report for 2024. The full report can be found at www.cavendishh2.com. Remuneration to CEO and Cavendish executive management are also disclosed in the Cavendish Remuneration Report for 2024.

The company has a RSU program. For more information refer to group accounts note 2.5.

	2024
Average number of full time employees	1

Pension

The company has a defined contribution pension plan for its employee that meet the requirements of the Pension Acts of Norway.

Note 5 - Other operating expenses

Other operating expenses *(Amounts in EUR thousands)*	**2024**
Hardware and common cost office premises	154
Administrative costs	465
Professional fees	2 618
Travel expenses	62
TOTAL	**3 298**

Auditor fees

Fees to the auditor[1] *(Amounts in EUR thousands)*	**2024**
Statutory auditing services	125
Attestation services	6
Non-auditing services	0
TOTAL	**131**

1 Amounts are inclusive VAT

Note 6 - Finance income and cost

(Amounts in EUR thousands)	**2024**
Internal interest income	838
Interest income	1 160
Net foreign exchange gain	531
Finance income	**2 528**
Expected credit loss receivables from subsidiaries	-699
Other	-2
Finance cost	**-701**
Net finance income (cost)	**1 827**

The net foreign exchange gain(loss) is mainly the unrealised currency exchange effectes related to internal loans and bank deposits.

Note 7 - Income taxes

Calculations of the tax base for the year	2024
Income (loss) before tax	-1 458
Permanent differences	0
Change in temporary differences	1 283
Use of tax losses carried forward	0
The year's taxable income	**-175**
Nominal tax rate	*22%*
Income (loss) before tax	-1 458
Tax this years income (loss), estimated	-321
Tax effect of:	
Permanent differences	0
Change in not recognized deferred tax assets (tax liabilities)	321
Other differences	0
Income tax expense	**0**

Income tax expense (income) comprise	
Income tax payable	0
Change in deferred tax	0
Total income tax expense (income)	**0**

Specification of temporary differences	
Provisions for liabilities	-37
Shares and other investments	-1 247
Tax losses carry forward	-175
Basis for deferred tax asset	**-1 458**
Nominal tax rate for next year	*22%*
Deferred tax asset	**-321**

Deferred tax asset not recognized in Statement of financial position	**-321**
Deferred tax asset in the Statement of financial position	**0**

As of 31 December 2024, it is not considered likely that the tax loss carry forward will be fully utilized in the near future, therefore, the deferred tax assets are not capitalized.

Note 8 - Subsidiaries

Subsidiaries: Company Name	Ownership	Registered office	Functional currency	Total equity in 2024 (functional currency thousands)	Net income (loss) 2024 (functional currency thousands)	Carrying value 2024 (EUR thousands)
Cavendish Hydrogen A/S	100%	Denmark	DKK	287 781	-81 092	**53 648**
Cavendish Hydrogen Inc	100%	USA	USD	-149	-8 987	-
Cavendish Korea Co. Ltd	100%	South Korea	KRW	-21 440 489	-4 107 215	-
Total						**53 648**

The increase in book value of shares in subsidiaries are mainly debt conversions. Refer note 12 for additional information of debt conversions.

Note 9 - Transactions with related parties

Long term interest bearing receivables group	2023	Loan issue	Debt conversion	Accrued interest 2024	FX Translation effects	Other	2024
Cavendish Hydrogen A/S	0	23 320	-23 864	743	0	0	**198**
Cavendish Hydrogen Inc	0	1 136	0	95	51	0	**1 282**
Cavendish Korea Co. Ltd	0	699	0	0	0	-699	-
Total	**0**	**25 155**	**-23 864**	**838**	**51**	**-699**	**1 480**

In the course of the ordinary business, intercompany financing is provided from Cavendish Hydrogen ASA to its subsidiaries. Long-term financing is interest bearing and priced at arm's length terms using a NIBOR 3 month interest rate + 3%-point margin.

Note 10 - Specification of balance sheet items

Specification of other current assets *(Amounts in EUR thousands)*	2024
Prepayments	163
Other current receivables	7
TOTAL	**170**

Specification of other current liabilities *(Amounts in EUR thousands)*	2024
Vacation allowance and other salary related accruals	198
Other current liabilities	301
TOTAL	**499**

Current assets *(Amounts in EUR thousands)*	**2024**
Cavendish Hydrogen Austria GmbH	18
Cavendish Hydrogen A/S	1 002
Cavendish Korea Co. Ltd	47
Cavendish Hydrogen Inc.	355
TOTAL	**1 422**

Current liabilities *(Amounts in EUR thousands)*	**2024**
Cavendish Hydrogen A/S	163
TOTAL	**163**

All related party transactions have been carried out as part of the normal course of business and at arm's length.

Cavendish Hydrogen ASA has during 2024 charged EUR 490 thousands for corporate services provided to its subsidiaries. The management services are priced with the cost plus method applying a 5 % mark-up for low value services. The management fee has been allocated to the subsidiaries based on headcount as allocation key.

Revenues by geographic region based on customer location *(Amounts in EUR thousands)*	**2024**
Cavendish Hydrogen Austria GmbH	14
Cavendish Hydrogen A/S	374
Cavendish Korea Co. Ltd	37
Cavendish Hydrogen Inc.	65
TOTAL	**490**

Board of directors

Remuneration of Board of Directors is disclosed in note 7.4 in the consolidated financial statements.

Note 11 - Cash and cash equivalents

(Amounts in EUR thousands)	**2024**
Cash and cash equivalents	33 852
TOTAL	**33 852**

Note 12 - Share capital and shareholders

For information of shareholders as of 31 December 2024, shares hold by executive management and the board of directors please refer to Note 7.2 and 7.4, respectively, in the consolidated financial statements. For information of top 20 shareholders in Cavendish Hydrogen ASA refer to note 5.1 in the consolidated financial statements.

Note 13 - Guarantees

Cavendish provides guarantees arising in the ordinary course of business including stand-by letters of credit, performance bonds and various payment, financial guarantees and parent company guarantees. All commercial guarantees are on behalf of subsidiaries.

Note 14 - Subsequent events

An extraordinary general assembly was held on 7 February 2025 where Jon André Løkke, Vibeke Strømme, Mimi Berdal, Allan Andersen and Kim Kristensen were elected as the new board of directors.

Alternative Performance Measures

Cavendish discloses alternative performance measures (APMs) in addition to those normally required by IFRS. This is based on the group's experience that APMs are frequently used by analysts, investors and other parties as supplemental information.

The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospect of the group. Management also uses these measures internally to drive performance in terms of monitoring operating performance and long-term target setting.

APMs are adjusted IFRS measures that are defined, calculated and used in a consistent and transparent manner over the years and across the group where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS.

Cavendish's financial APMs

EBITDA: is defined as earnings before interest, tax, depreciation, amortization and impairment. EBITDA corresponds to operating profit/(loss) plus depreciation, amortization and impairment.

EBITDA margin: is defined as EBITDA divided by revenue and income.

Equity ratio: is defined as total equity divided by total assets.

Order intake: is defined as firm purchase orders with agreed price, volume, timing, terms and conditions entered within a given period. The order intake includes both agreed upon and signed contracts and change orders. For service contracts and contracts with uncertain transaction price, the order intake is based on estimated revenue.

Order backlog: is order intake where revenue is yet to be recognized.

Auditor's report

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Medlemmer av Den norske Revisorforening

To the General Meeting in Cavendish Hydrogen ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Cavendish Hydrogen ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the statement of financial position as at 31 December 2024 and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Assessment of impairment

Basis for the key audit matter
As of 31 December 2024, the carrying amount of intangible assets amounted to EUR 12,6 million, approximately 13 % of total assets. Estimating the recoverable amount requires management judgment including estimates of future sales, gross margins, operating expenses, growth rates, capital expenditures and discount rate. Management's annual impairment assessment is a key audit matter because the assessment requires significant judgment and includes estimation uncertainties.

Our audit response
We evaluated the appropriateness of the identified cash generating unit and valuation methodology applied in Management's impairment assessment. We compared estimated future cash flows against board approved budget for 2025 and long-term plan for the years 2026 to 2030. We considered underlying assumptions for expected growth rates profitability, working capital and the related estimated cash flows and assessed the accuracy of management's estimates from the prior year. Additionally, we tested the assumptions for the weighted average cost of capital against comparable market data and considered management's adjustments for company-specific factors. We also verified the mathematical accuracy of the impairment model and conducted sensitivity analyses for the key assumptions. Finally, we assessed the disclosures in Note 3.1 of the financial statements.

Other information

The Board of Directors and the CEO (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

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Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

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statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Cavendish Hydrogen ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name cavendishhydrogenasa-2024-12-31-0-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL

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tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 30 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Asbjørn Ler
State Authorised Public Accountant (Norway)

Title:
Annual report for 2024

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Reliable Hydrogen Fueling Solutions