



ENERGY

Quarterly Statement
1 January to 31 March 2024

TABLE OF CONTENTS

SFC ENERGY AG – AT A GLANCE	3
INTERIM RELEASE ON BUSINESS DEVELOPMENT AS OF MARCH 31, 2024	4
BUSINESS DEVELOPMENT AND ECONOMIC SITUATION	5
Earnings Position	5
Asset and financial position	12
FORECAST	16
SUPPLEMENTARY FINANCIAL INFORMATION	19
Consolidated Statement of Income	19
Consolidated Statement of Comprehensive Income	20
Consolidated Statement of Financial Position	21
Consolidated Statement of Cash Flows	23
Group Segment Reporting	25
SUPPLEMENTARY REPORT	26
Financial Calendar 2024	27
Share Information	27

The figures presented in this quarterly statement have been rounded in accordance with commercial practice. This may mean that, when aggregated, individual figures do not equal the totals shown.

The financial figures for the first three months of 2024 and 2023 have not been audited and have not undergone any limited review.

SFC ENERGY AG – KEY FIGURES

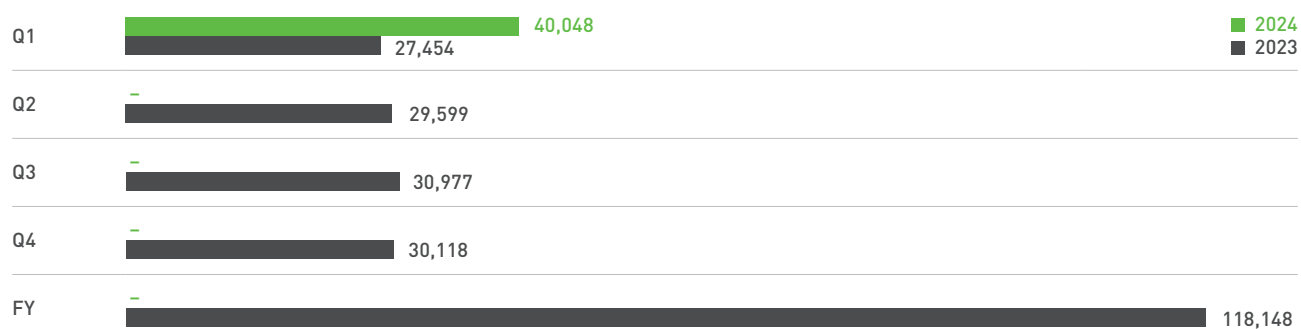
CONSOLIDATED KEY FIGURES

in EUR thousands

	1 JAN. – 31 MAR. 2024	1 JAN. – 31 MAR. 2023	CHANGE
Sales	40,048	27,454	45.9%
Gross profit	17,893	10,214	75.2%
Gross margin	44.7%	37.2%	
EBITDA	8,640	3,506	146.4%
EBITDA margin	21.6%	12.8%	
EBITDA adjusted	8,997	3,347	168.8%
EBITDA margin adjusted	22.5%	12.2%	
EBIT	7,191	2,310	211.3%
EBIT margin	18.0%	8.4%	
EBIT adjusted	7,548	2,151	250.9%
EBIT margin adjusted	18.8%	7.8%	
Consolidated net result for the period	5,248	2,035	157.8%
Earnings per share, basic	0.30	0.12	156.7%
Earnings per share, diluted	0.29	0.11	156.3%

SALES BY QUARTER

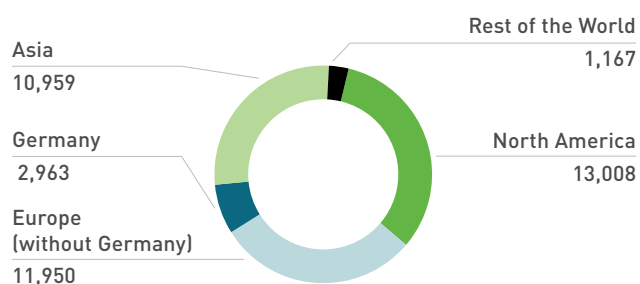
in EUR thousands



SALES BY REGION

1 JAN. – 31 MAR. 2024

in EUR thousands



SALES BY SEGMENT

1 JAN. – 31 MAR. 2024

in EUR thousands



INTERIM STATEMENT ON BUSINESS POSITION AS OF 31 MARCH 2024

Brunnthal, 15 May 2024

SFC Energy AG (ISIN: DE0007568578), a leading provider of fuel cell solutions for stationary and mobile applications based on hydrogen (PEMFC) and direct methanol (DMFC) technology, today releases its statement for the first quarter of 2024 covering the period from 1 January 2024 to 31 March 2024, reporting on its business performance and key events.

SFC Energy AG ("SFC AG" or "SFC GE"), together with its subsidiaries, forms an internationally active group of companies ("SFC" or "Group") in the fuel cell sector. In addition to the parent company SFC Energy AG (Germany), the Group's includes the subsidiaries listed below.

SUBSIDIARIES INCLUDED IN THE SCOPE OF CONSOLIDATION

in %

Subsidiary	Seat	Share in the capital			Currency
		Indirectly	Directly	gesamt	
SFC Energy B,V, („SFC NL“)	Almelo, Netherlands	100%	-	100%	EUR
SFC Energy Power SRL („SFC RO“)	Cluj-Napoca, Romania	-	100%	100%	RON
SFC Energy Ltd, („SFC CA“)	Calgary, Canada	100%	-	100.00	CAD
SFC Energy UK Ltd, („SFC UK“)	Swindon, UK	100%	-	100%	GBP
SFC Energy India Pvt, Ltd, („SFC IN“)	Gurgaon, India	92%	-	92%	INR
SFC Clean Energy SRL („SFC RO II“)	Cluj-Napoca, Romania	100%	-	100%	RON
SFC Energy LLC („SFC USA“)	Wilmington, USA	100%	-	100%	USD

The Group operates in various business areas, which are subdivided into segments and divisions.

The segmentation of the Group's activities is primarily aligned to its internal organisational and reporting structure by business area. These are based on the Group's technology platforms and range of products and services. The Clean Energy segment comprises the products, systems and solutions for stationary and mobile off-grid energy supplies based on hydrogen (PEMFC) and direct methanol (DMFC) fuel cells. The fuel cell solutions are used in the industrial, private and government (public safety) sectors in various markets, such as telecommunications equipment, security and surveillance technology, remote sensing technology and defence technology, as well as in the caravanning and marine markets. The Clean Power Management segment pools all the Group's business in high-tech, standardised and semi-standardised power management solutions such as voltage converters and coils, which are used in devices for the high-tech industry. The segment also includes business in frequency converters for the upstream oil and gas industry, some of which are integrated and some of which are sold.

BUSINESS PERFORMANCE AND ECONOMIC SITUATION

Earnings position

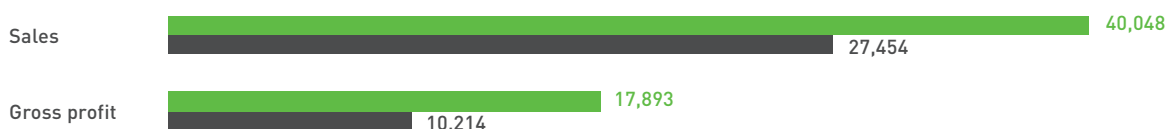
Compared to the same period of the previous year (“previous year”), the Group achieved exceptional strong sales growth of 45.9% or EUR 12,594 thousand in the first three months of the 2024 financial year (“reporting period”), posting sales for the quarter of EUR 40,048 thousand (previous year: EUR 27,454 thousand). This extremely positive sales performance is once again attributable to extraordinarily strong organic growth in sales in the Clean Energy segment, which increased by 73.4% compared to the previous year. By contrast, sales in the Clean Power Management segment dropped by 4.6% compared to the same period of the previous year, thus falling slightly short of the previous year.

The Clean Energy segment, whose share of Group sales widened significantly in the reporting period to 76.9% (previous year: 64.7%), remained the segment with the highest sales. The share of sales accounted for by the Clean Power Management segment in Group sales decreased symmetrically in the reporting period to 23.1% (previous year: 35.3%).

In the reporting period, the overall growth in sales and an increase in gross profit in both segments led to a particularly sharp increase in gross profit (“gross profit”) of EUR 7,678 thousand or 75.2% to EUR 17,893 thousand (previous year: EUR 10,214 thousand). At 44.7%, the resulting gross profit margin for the Group (gross profit as a percentage of sales) was significantly higher than in the previous year (previous year: 37.2%).

SALES AND GROSS PROFIT

in EUR thousands



■ 1 Jan. – 31 Mar. 2024
 ■ 1 Jan. – 31 Mar. 2023

Sales by segment

Sales for the reporting period by segment break down as follows compared to the previous year:

SALES BY SEGMENT

in EUR thousands

Segment	2024	2023	CHANGE
	1 JAN. – 31 MAR.	1 JAN. – 31 MAR.,	
Clean Energy	30,804	17,764	73.4%
Clean Power Management	9,244	9,690	-4.6%
Total	40,048	27,454	45.9%

BREAKDOWN OF SALES BY SEGMENT

in %

1 JAN. – 31 MAR. 2024



Sales by region

Sales by region for the reporting period break down as follows:

SALES BY REGIONS

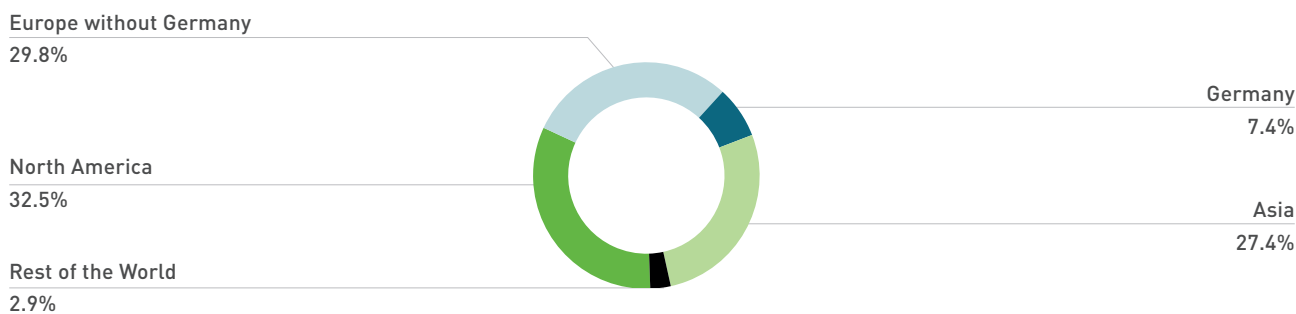
in EUR thousands

	2024 1 JAN. – 31 MAR.	2023 1 JAN. – 31 MAR.	Change
North America	13,008	13,876	-6.3%
Europe excluding Germany	11,950	9,882	20.9%
Germany	2,963	2,285	29.7%
Asia	10,959	957	1,044.8%
Rest of the world	1,167	454	157.2%
Total	40,048	27,454	45.9%

BREAKDOWN OF SALES BY REGION

in %

1 JAN. – 31 MAR. 2024



Regionally, the following changes arose in the reporting period compared to the same period in the previous year: The share accounted for by North America in Group sales shrank noticeably in the reporting period to 32.5% (previous year: 50.5%), dropping slightly in absolute terms by EUR 868 thousand. By contrast, the share of Asian sales in the Group total widened significantly in the reporting period to 27.4% (previous year: 3.5%). The share of European sales in Group sales (excluding Germany) contracted somewhat to 29.8% (pre-

vious year: 36.0%), but was up EUR 2,068 thousand in absolute terms on the previous year. The proportion of Group sales generated in Germany also decreased moderately to 7.4% (previous year: 8.3%) but was also 29.7% above the previous year's figure in absolute terms. The other regions and countries contributed 2.9% (previous year: 1.7%) to Group sales.

Reconciliation of adjusted EBITDA and adjusted EBIT

Adjusted EBITDA and adjusted EBIT are reported in order to allow for any distortions in the presentation of financial performance indicators caused by non-recurring effects that may either increase or decrease operating result in the reporting period and to ensure comparability of these performance indicators from period to period. The non-recurring effects listed below, which are included in the relevant functional costs, are eliminated in the reporting period as part of the reconciliation of adjusted EBITDA with adjusted EBIT.

In the reporting period, the non-recurring effects include expenses and income for additions to or the reversal of provisions and the share premium for obligations under the long-term variable share-based payment programmes ("LTI programmes") as well as expenses associated with transaction endeavours (e.g. potential acquisitions).

These programmes entail stock appreciation rights ("SARs") and stock option programmes ("SOPs") for the Management Board and selected managers of SFC. These expenses totalled EUR 1,026 thousand in the reporting period (previous year: EUR 94 thousand) ("extraordinary expenses"). Income of EUR 756 thousand (previous year: EUR 284 thousand) from the reversal of provisions for the LTI programmes ("extraordinary income") was recognised in the reporting period. This income is due, among other things, to the reversal through profit and loss of provisions previously recognised for the SARs or the reversal of the share premium for the SOPs, which are higher than the payment of the amounts received in cash in a reporting period or which resulted from accounting in accordance with IFRS 2.

Expenses associated with transaction endeavours amounting to EUR 86 thousand (previous year: EUR 31 thousand) are included in non-recurring effects ("extraordinary expenses").

Overall, the non-recurring effects are included in EBIT and EBITDA as net expenses of EUR 357 thousand for the reporting period (previous year: net income of EUR 159 thousand).

The expenses and income for the LTI programmes for the current Management Board are included in both selling expenses and general administration expenses. The expenses and income for the LTI programmes for employees (managers) are included in selling expenses and in research and development costs. The expenses associated with transaction endeavours are included in general administration expenses.

Reconciliation with adjusted EBITDA and adjusted EBIT (= adjusted operating result) and the allocation of the non-recurring effects to the items of the income statement break down as follows:

NON-RECURRING EFFECTS	in EUR thousands	
	2024 1 JAN. – 31 MAR.	2023 1 JAN. – 31 Mar.
Expenses from the recognition of provisions for LTI programmes	-1,026	-94
Income from the reversal of provisions for the LTI programmes	756	284
Expenses in connection with transaction endeavours	-86	-31
Total net expense / income	-357	159
of which included as expense / income in selling expenses	-80	181
of which included as expense / income in research and development expenses	-41	13
of which included as expense in general administration expenses	-235	-35

Gross profit

At 75.2%, gross profit increased even more significantly than sales to EUR 17,893 thousand (previous year: EUR 10,214 thousand), translating into an increase of EUR 7,678 thousand. This growth was mainly attributable to the aforementioned extremely strong organic sales growth combined with margin expansion, which was also due to a very favourable product mix dominated by products with attractive margins together with a significant increase in production capacity utilisation in the Clean Energy segment and in Power Management solutions.

At 44.7% (previous year: 37.2%), the Group's gross profit margin in the reporting period was significantly up on the same quarter of the previous year as well as the full-year figure recorded in 2023 (39.6%). The gross margin widened in both segments. In the Clean Energy segment, which generates higher sales and margins, the gross margin of 49.7% (previous year: 43.1%) was substantially higher than in the same quarter of the previous year as well as the full-year figure recorded in 2023 (46.0%). The Clean Power Management segment recorded significant margin expansion, with the gross margin coming to 28.1% (previous year: 26.5%).

Selling expenses

Selling expenses increased significantly in the reporting period compared to the previous year, rising by 17.2% to EUR 3,841 thousand (previous year: EUR 3,278 thousand). Adjusted for the non-recurring effects described above, selling expenses also rose in the reporting period, although at 8.7% they climbed at a noticeably slow rate to EUR 3,760 thousand (previous year: EUR 3,458 thousand). Higher personnel expenses, which also reflected a noticeable increase in the number of employees, as well as higher advertising and travelling expenses were the main reasons for this increase.

Group-wide, however, adjusted selling expenses as a proportion of sales were significantly lower than in the previous year, coming to 9.4% (previous year: 12.6%) due to the higher sales.

Research and development expenses

The research and development expenses recognised in the income statement increased very substantially in the reporting period by 35.8% to EUR 1,620 thousand (previous year: EUR 1,193 thousand).

Adjusted for the aforementioned non-recurring effects and including the development expenses capitalised in the reporting period as well as grants received totalling EUR 947 thousand (previous year: EUR 944 thousand), the Group's total research and development expenses amounted to EUR 2,527 thousand (previous year: EUR 2,149 thousand). This marked a considerable increase of 17.6% over the previous year. The higher total expenses in the reporting period were mainly due to a significant increase in personnel expenses as well as the higher costs of the materials used in the development department.

The Group's overall development ratio (research and development expenses adjusted for non-recurring effects and including capitalised development costs and grants as a percentage of sales) declined moderately to 6.3% (previous year: 7.8%) due to the growth in sales despite higher overall expenses.

General administration expenses

General administration expenses in the reporting period totalled EUR 4,681 thousand (previous year: EUR 3,158 thousand) and were thus significantly up on the same period of the previous year. Allowing for the non-recurring effects described above of EUR -235 thousand (previous year: EUR -35 thousand), adjusted general administration expenses were 42,3% higher than in the same period of the previous year, increasing to EUR 4,446 thousand (previous year: EUR 3,124 thousand). This increase is mainly due to higher personnel expenses as well as increased auditing and consulting costs.

Other operating income

Other operating income fell sharply in the reporting period compared to the same period of the previous year to EUR 218 thousand (previous year: EUR 376 thousand). This was chiefly attributable to lower currency-translation income in conjunction with the currency-translation expenses presented below.

Other operating expenses

Other operating expenses totalled EUR 581 thousand in the reporting period (previous year: EUR 602 thousand) and arose from currency-translation differences.

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

The Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) increased to EUR 8,640 thousand in the reporting period (previous year: EUR 3,506 thousand), producing an EBITDA margin (EBITDA relative to sales) of 21.6% (previous year: 12.8%).

As the key financial performance indicator for managing operating business, EBITDA adjusted for non-recurring effects (EBITDA adjusted) reached EUR 8,997 thousand in the reporting period (previous year: EUR 3,347

thousand), increasing very sharply over the previous year's figure of EUR 5,650 thousand. The adjusted EBITDA margin also widened at an extraordinary rate and, at 22.5% (previous year: 12.2%), was well up on the previous year.

The particularly sharp increase in adjusted EBITDA compared to the same period of the previous year is primarily due to the significantly higher gross profit mentioned above and the slower increase in functional costs relative to sales.

Earnings before interest and taxes (EBIT)

The Group's earnings before interest and taxes (EBIT) improved significantly to EUR 7,191 thousand (previous year: EUR 2,310 thousand) despite the higher depreciation and amortisation in the reporting period. The EBIT margin (EBIT relative to sales) widened to 18.0% (previous year: 8.4%).

EBIT adjusted for non-recurring effects (EBIT adjusted) came to EUR 7,548 thousand (previous year: EUR 2,151 thousand), thus increasing more than three-fold by EUR 5,397 thousand over the previous year. This resulted in an adjusted EBIT margin of 18.8% (previous year: 7.8%), which was substantially higher than in the previous year.

Interest and similar income

Interest and similar income rose to EUR 368 thousand (previous year: EUR 138 thousand), particularly due to the higher average investments in the reporting period.

Interest and similar expenses

Interest and similar expenses totalled EUR 206 thousand (previous year: EUR 155 thousand).

Taxes on income and earnings

The positive earnings resulted in tax expense of EUR 2,106 thousand in the reporting period (previous year: EUR 257 thousand).

Consolidated net result

The reporting period closed with a clearly positive consolidated net result for the period of EUR 5,248 thousand (previous year: EUR 2,035 thousand).

Earnings per share

Basic and diluted earnings per share in accordance with IFRS came to EUR 0.30 and EUR 0.29 respectively in the reporting period (previous year: EUR 0.12 and EUR 0.11 respectively).

Order intake and backlog

Order intake in the reporting period came to EUR 51,608 thousand. Reflecting this, the Group's order backlog increased to EUR 92,848 thousand as of 31 March 2024 (31 December 2023: EUR 81,300 thousand). Of this, SFC AG accounted for EUR 29,904 thousand (31 December 2023: EUR 37,111 thousand), SFC NL for EUR 47,722 thousand (31 December 2023: EUR 27,267 thousand), SFC CA for EUR 14,756 thousand (31 December 2023: EUR 16,922 thousand) and SFC IN for EUR 466 thousand (31 December 2023: EUR 0).

Clean Energy

In the reporting period, the segment generated sales of EUR 30,804 thousand (previous year: EUR 17,764 thousand), thus posting a significant increase of EUR 13,040 thousand or 73.4% over the same period of the previous year.

The segment's sales growth was driven on the one hand by fuel cell solutions for industrial applications – which made the greatest contribution to segment sales – and on the other by project business with fuel cells for public safety applications.

Segment sales with industrial customers climbed by around 30% compared to the same period of the previous year. By contrast, sales with customers for private applications decreased significantly.

At 49.7% (previous year: 43.1%), the segment's gross margin was substantially higher in the reporting period than in the same period of the previous year due to the extremely attractive product mix in conjunction with the effects of the ongoing normalisation of raw material prices and the absence of substantial write-ups for inventories. Reflecting these positive factors, among others, gross profit doubled by EUR 7,648 thousand to EUR 15,296 thousand (previous year: EUR 7,648 thousand).

Selling expenses adjusted for the above-mentioned extraordinary expenses of EUR 80 thousand (previous year: extraordinary income EUR 181 thousand) reached EUR 3,187 thousand (previous year: EUR 2,911 thousand) and were therefore 9.5% above the previous year's figure.

The segment's general administration expenses adjusted for the aforementioned extraordinary expenses of EUR 235 thousand (previous year: EUR 35 thousand) rose significantly in the reporting period by 58.5% to EUR 3,406 thousand (previous year: EUR 2,150 thousand) and were thus substantially higher than in the previous year.

Reflecting the significant increase in gross profit, EBITDA adjusted for non-recurring effects rose more than three-fold in the reporting period to EUR 8,158 thousand (previous year: EUR 2,566 thousand), resulting in a very significant increase in the segment's adjusted EBITDA margin to 26.5% (previous year: 14.4%).

Clean Power Management

Compared to the previous year, the Clean Power Management segment recorded a slight decline of 4.6% in sales to EUR 9,244 thousand (previous year: EUR 9,690 thousand). While business in power management solutions expanded noticeably, frequency converter business for the upstream oil and gas industry sustained a decline over the same quarter of the previous year.

Despite the lower sales, gross profit in the Clean Power Management segment remained steady at EUR 2,597 thousand and was thus in line with the previous year's figure (previous year: EUR 2,566 thousand). The segment's slightly wider gross margin of 28.1% compared to the same period of the previous year (previous year: 26.5%) was due to the product mix.

Selling expenses in the segment, which do not include any non-recurring effects, were slightly up on the previous year, coming to EUR 574 thousand (previous year: EUR 547 thousand).

At EUR 1,040 thousand in the reporting period, the segment's general administration expenses were also slightly higher by EUR 66 thousand than in the same period of the previous year (previous year: EUR 974 thousand), mainly as a result of higher personnel expenses.

Segment EBITDA likewise does not include any non-recurring effects. It increased slightly in the reporting period to EUR 839 thousand (previous year: EUR 781 thousand), mainly due to the increase in the gross profit margin in conjunction with higher other operating income. The segment's EBITDA margin widened moderately compared to the same period in the previous year to 9.1% (previous year: 8.1%).

Asset and financial position

Capital structure

Equity increased by EUR 6,326 thousand to EUR 134,459 thousand as of 31 March 2024 ("reporting date") (31 December 2023: EUR 128,133 thousand).

The increase was mainly due to the consolidated net result for the period of EUR 5,248 thousand (previous year: EUR 2,035 thousand).

Cash and cash equivalents

As of the reporting date, freely available cash and cash equivalents amounted to EUR 66,623 thousand (31 December 2023: EUR 59,847 thousand).

Overall, liabilities to banks decreased in the reporting period by EUR 402 thousand to EUR 3,390 thousand compared to the end of the 2023 financial year (31 December 2023: EUR 3,791 thousand) due to the lower utilisation of working capital credit lines by SFC NL and SFC RO as of the reporting date.

The net financial position (freely available cash and cash equivalents less liabilities to banks) increased significantly in the reporting period by EUR 7,177 thousand to EUR 63,234 thousand (31 December 2023: EUR 56,056 thousand).

Cash flow and investments

CASH FLOW	in EUR thousands	
	1 Jan. – 31 Mar. 2024	1 Jan. – 31 Mar. 2023
Operating cash flow before changes in working capital	9,091	3,426
Cash flow from		
operating activities	9,603	-2,953
investing activities	-1,770	-2,522
financing activities	-697	-593

Operating cash flow and cash flow from operating activities

Operating cash flow before changes in net working capital and income taxes (operating cash flow before changes in working capital) improved considerably in the reporting period compared to the previous year, reaching EUR 9,091 thousand (previous year: EUR 3,426 thousand).

After changes in net working capital, which decreased by EUR 1,113 thousand in the reporting period (previous year: cash-effective increase EUR 5,744 thousand) with a corresponding effect on cash flow, as well as income tax payments, there was a positive cashflow from operating activities of EUR 9,603 thousand (previous year: EUR -2,953 thousand).

With regard to the main changes in net working capital, trade receivables increased by EUR 5,914 thousand in the reporting period, affecting cash flow accordingly. This increase was offset by the cash-flow-effective increase in trade payables in the same period by EUR 3,795 thousand. In the reporting period, inventories dropped by EUR 3,120 thousand, with a corresponding effect on the cash flow.

Together with the other items of net working capital, this resulted in a decrease in net working capital and thus a cash inflow of EUR 1,113 thousand in the reporting period (previous year: increase / liquidity outflow of EUR 5,744 thousand).

Cash flow from investing activities and investments

Cash outflows from investing activities came to EUR 1,770 thousand in the reporting period (previous year: EUR 2,522 thousand). This includes payments of EUR 27 thousand (previous year: EUR 1,171 thousand) made for the acquisition of intangible assets, which were significantly lower in the reporting period than in the previous year. However, the previous year's figure includes the acquisition of intangible assets in connection with the takeover of Membrane Electrode Assemblies (MEAs).

Investments in plant and office equipment were valued at EUR 1,339 thousand (previous year: EUR 817 thousand). Investments in research and development (capitalised development expenses) amounted to EUR 754 thousand (previous year: EUR 771 thousand).

Investments

Gross investments in property, plant and equipment (value of additions to property, plant and equipment excluding disposals and effects from the application of IFRS 16) totalled EUR 2,120 thousand in the reporting period (previous year: EUR 2,759 thousand). Gross investments in intangible assets came to EUR 781 thousand (previous year: EUR 1,943 thousand), of which EUR 754 thousand (previous year: EUR 771 thousand) was attributable to capitalisable development expenses.

As a proportion of Group sales, the gross investment ratio corresponds to 5.3% (previous year: 10.1%). This was significantly below the previous year, mainly as a result of the aforementioned acquisition of intangible assets in the previous year and due to the significant increase in sales.

Investments were funded using the Group's own cash flow or under existing loan agreements.

Cash flow from financing activities

The cash outflow from financing activities in the reporting period stood at EUR -697 thousand (previous year: EUR -593 thousand) and widened due to an increase in the settlement of lease liabilities and higher interest expenses.

Change in the cash flow components of cash and cash equivalents

Cash and cash equivalents increased significantly by EUR 7,136 thousand in the reporting period (previous year: increase of EUR 6,069 thousand).

Asset position

As of 31 March 2024, total assets amounted to EUR 185,356 thousand (31 December 2023: EUR 176,399 thousand), marking an increase of 5.1% or EUR 8,957 thousand at the end of the first quarter of 2024.

Among other things, this increase is due to the consolidated net result for the period of EUR 5,248 thousand (previous year: EUR 2,035 thousand) in connection with the accounting effects of the Group's successful business performance.

Current assets in particular climbed by EUR 10,342 thousand, while current liabilities rose by EUR 3,640 thousand and, as mentioned above, equity was higher. In contrast, non-current liabilities fell slightly by EUR 1,009 thousand. The equity ratio remained steady at 72.5% (31 December 2023: 72.6%).

Within current assets, trade receivables in particular increased significantly by 20.0% to EUR 34,371 thousand (31 December 2023: EUR 28,645 thousand), mainly due to the continued growth in sales.

Inventories, on the other hand, decreased noticeably by 12.7% to EUR 21,862 thousand (31 December 2023: EUR 25,043 thousand) despite the significant growth in sales.

Deferred tax assets dropped to EUR 16,121 thousand as of 31 March 2024 (31 December 2023: EUR 17,416 thousand), primarily due to the positive net result for the period.

Property, plant and equipment increased slightly in the reporting period to EUR 17,405 thousand (31 December 2023: EUR 16,944 thousand). In this context, however, gross investments¹ in property, plant and equipment excluding investments in right-of-use assets in connection with the application of IFRS 16 totalled EUR 2,120 thousand in the reporting period (previous year: EUR 2,759 thousand).

Current liabilities increased significantly in the reporting period by EUR 3,640 thousand to EUR 37,218 thousand (31 December 2023: EUR 33,578 thousand). The main reason for this was the sharp increase in trade payables of EUR 3,803 thousand to EUR 16,693 thousand (31 December 2023: EUR 12,890 thousand) in line with the increase in operating output.

Non-current liabilities dropped moderately in the reporting period by EUR 1,009 thousand to EUR 13,679 thousand (31 December 2023: EUR 14,688 thousand), mainly as a result of the reduction in liabilities under the LTI programmes included in non-current liabilities, which amounted to EUR 1,087 thousand as of the reporting date (31 December 2023: EUR 1,418 thousand), as well as the reduction in non-current lease liabilities.

Financial liabilities declined by EUR 402 thousand to EUR 3,390 thousand in the reporting period (31 December 2023: EUR 3,791 thousand) and are solely of a current nature. These entail the working capital facilities for SFC Energy B.V., SFC Power SRL and SFC Energy Ltd.

The composition of and changes in net financial liabilities are presented below:

NET FINANCIAL LIABILITIES		in EUR thousands	
	31 Mar. 2024	31 Dec. 2023	Change
Liabilities to banks	3,390	3,791	-402
of which SFC Energy AG	0	0	0
of which SFC Energy B.V.	3,390	3,791	-402
of which SFC Energy Ltd.	0	0	0
Less			
Freely available cash and cash equivalents ^a	66,623	59,847	6,776
Total (net financial position)	63,234	56,056	7,177

a) Cash and cash equivalents less restricted cash and cash equivalents

Overall, the share of debt in total capital amounted to 27.5% (31 December 2023: 27.4%).

¹ Value of additions to property, plant and equipment excluding disposals

The Group’s equity increased to EUR 134,459 thousand in the reporting period (31 December 2023: EUR 128,133 thousand). The equity ratio remained steady at 72.5% (31 December 2023: 72.6%).

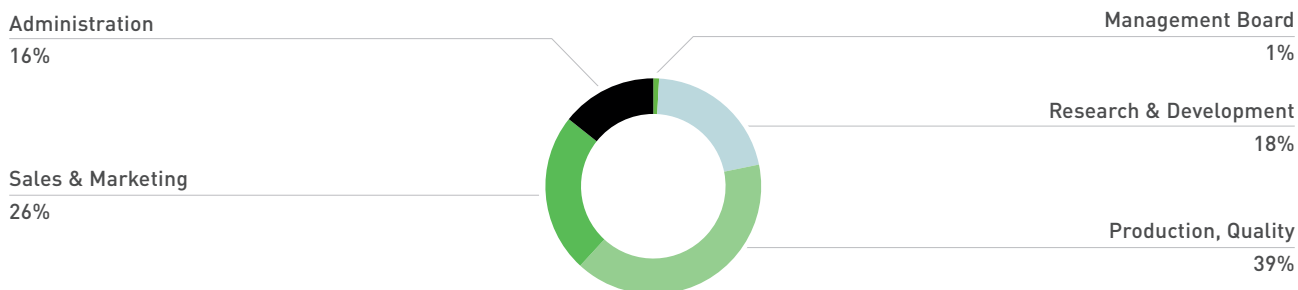
Employees

The number of permanent employees as of 31 March 2024 is as follows:

EMPLOYEES

	31 Mar. 2024	31 Dec. 2023	Change
Management Board	3	3	0
Research and development	75	77	-2
Production, logistics, quality management	162	156	6
Sales and marketing	108	103	5
Administration	65	64	1
Permanent employees	413	403	10

EMPLOYEES BY FUNCTION



As of March 31, 2024, the Group employed 413 permanent employees worldwide (December 31, 2023: 403).

FORECAST

Following a very successful start to the financial year 2024, which was characterized by exceptionally strong sales growth in the Clean Energy segment, we confirm our forecast for the 2024 financial year.

The Management Board assumes that the ongoing geopolitical tensions and conflicts will not increase further or significantly negatively impact SFC's business. Nevertheless, these tensions also harbour risks for SFC.

The forecasts are based on the assumption that global economic output will grow at a slightly slower pace overall in 2024 compared to 2023. Although there are signs that the global outlook is gradually brightening, with the latest economic data for the leading industrialized countries being more positive than recently expected, growth is still forecast to remain subdued and the projections for growth in the eurozone in particular remain weak.

The Management Board assumes that inflationary pressure will continue to decrease. While core inflation in goods prices has fallen steadily, inflation in service prices appears more persistent, partly reflecting the greater weight of higher unit labour costs in many services and higher unit profits in some sectors. Irrespective of this, inflation in many countries remains well above pre-pandemic averages.

The development of the raw materials situation remains one of the main risks. Concerning the raw materials markets and intermediate goods, the Management Board expects prices for some raw materials to remain stable in 2024 due to slight supply surpluses, while slight price increases are expected for the majority of raw materials and intermediate goods given the expected recovery of the global economy and continued inflation.

SFC is continuing to focus its efforts on creating a sustainable basis for growth through targeted investments and thus securing the Group's future viability. For the Clean Energy segment, the Management Board expects fixed costs to rise in the second half of the financial year, in particular, due to the ramp-up of our own MEA production in Swindon, UK, the expansion of the service and sales subsidiary in Orem (UT), USA, and the ramp-up of the production company in Cluj, Romania, which will have a negative impact on the segment's earnings.

Furthermore, the Management Board assumes that there will be capacity restrictions in the production of fuel cells in the second and possibly the third quarter, depending on the availability of MEAs. This leads to a decline in sales volumes in both following quarters compared to the record quarter Q1/2024, which would simultaneously lead to a lower dilution of production overheads and have a greater negative impact on the operating result compared to the first quarter of 2024.

Sales

In the first quarter of the financial year 2024, SFC's business developed in line with the Management Board's expectations, in particular due to strong, budgeted project business. Despite the solid start and the positive volume and product mix development in the first quarter, SFC expects average quarterly revenue to remain lower for the rest of the year.

For the current financial year, however, the Management Board confirms its forecast of 22 February 2024, also taking into account the course of business and the current order backlog and continues to expect sales growth of around 20% to 30% compared to sales in the 2023 financial year and consolidated sales in a range of EUR 141,700 thousand to EUR 153,500 thousand.

EBITDA adjusted

In view of the expectations described above, the Management Board confirms the adjusted EBITDA forecast of 22 February 2024 for the current financial year in a range of EUR 17,500 thousand to EUR 22,400 thousand.

EBIT adjusted

In line with the results achieved in the first three months of the financial year and the expectations described above, the Management Board confirms the adjusted EBIT forecast of 22 February 2024 in a range of EUR 9,800 thousand to EUR 14,700 thousand.

This outlook excludes burdens from legal and regulatory issues.

SUPPLEMENTARY FINANCIAL INFORMATION

Consolidated Income Statement

FROM 1 JANUARY TO 31 MARCH 2024 (UNAUDITED)

in EUR

	2024 1 Jan. - 31 Mar.	2023 01 Jan. - 31 Mar.
Sales	40,047,576	27,453,570
Cost of goods sold and services rendered to generate sales	-22,154,761	-17,239,230
Gross profit	17,892,815	10,214,340
Selling expenses	-3,840,535	-3,277,816
Research and development expenses	-1,620,151	-1,192,631
General administration expenses	-4,681,119	-3,158,314
Other operating income	217,509	376,270
Other operating expenses	-580,974	-601,810
Impairment losses on financial assets	-196,087	-49,623
Earnings before interest and taxes (EBIT)	7,191,457	2,310,416
Interest and similar income	368,245	137,587
Interest and similar expenses	-205,638	-155,476
Earnings before tax	7,354,064	2,292,527
Taxes on income and earnings	-2,106,471	-257,068
Consolidated net result for the period	5,247,593	2,035,459
attributable to the owners of SFC Energy AG	5,224,086	2,035,459
attributable to non-controlling interests	23,507	0
Earnings per share		
basic	0.30	0.12
diluted	0.29	0.11

Consolidated Statement of Comprehensive Income

FROM 1 JANUARY TO 31 MARCH 2024 (UNAUDITED)

in EUR

	2024 1 Jan. - 31 Mar.	2023 01 Jan. - 31 Mar.
Consolidated net result for the period	5,247,593	2,035,459
Other comprehensive income which will be recycled to profit or loss in the future:		
Differences from the translation of foreign subsidiaries	66,651	-219,325
Changes in value recognised directly in equity (Total other comprehensive income)	66,651	-219,325
Total comprehensive income for the period	5,314,244	1,816,134
attributable to the owners of SFC Energy AG	5,286,720	1,816,134
attributable to non-controlling interests	27,524	0

There are no deferred tax effects on the changes in value recognised directly in equity.

Consolidated Statement of Financial Position

ASSETS AS AT 31 MARCH 2024 (UNAUDITED)

in EUR

	31 Mar. 2024	31 Dec. 2023
Current assets	131,600,553	121,258,735
Inventories	21,861,659	25,043,347
Trade receivables	34,370,890	28,645,153
Assets from contracts with customers	1,270,019	2,013,114
Other assets and receivables	7,188,975	5,424,007
Cash and cash equivalents	66,623,390	59,847,494
Restricted cash and cash equivalents	285,620	285,620
Non-current assets	53,755,641	55,140,522
Intangible assets	20,029,914	19,819,787
Property, plant and equipment	17,405,334	16,943,596
Other assets and receivables - non-current	199,575	960,644
Deferred tax assets	16,120,818	17,416,495
Assets	185,356,194	176,399,257

Consolidated Statement of Financial Position

EQUITY AND LIABILITIES AS OF 31 MARCH 2024 (UNAUDITED)

in EUR

	31 Mar. 2024	31 Dec. 2023
Current liabilities	37,217,820	33,578,134
Tax provisions	1,382,261	1,331,652
Other provisions	2,508,419	2,108,107
Liabilities to banks	3,389,592	3,791,132
Liabilities from advance payments	386,913	178,982
Trade payables	16,693,370	12,890,047
Lease liabilities	2,238,359	2,200,030
Liabilities from contracts with customers	637,022	1,470,035
Other financial liabilities - current	9,105	0
Other liabilities and deferred income	9,972,779	9,608,149
Non-current liabilities	13,679,203	14,687,907
Other provisions	2,204,846	2,188,891
Lease liabilities	9,878,394	10,363,153
Other liabilities	1,444,478	2,015,720
Deferred tax liabilities	151,485	120,143
Equity	134,459,171	128,133,216
Non-controlling interests	-1,485	-29,009
Equity attributable to the owners of SFC Energy AG	134,460,656	128,162,225
Subscribed capital	17,363,691	17,363,691
Share premium	174,178,948	173,167,237
Other changes in equity not recognised through profit and loss	-996,797	-1,059,431
Profit/loss carried forward	-61,309,272	-82,393,765
Consolidated net result for the period	5,224,086	21,084,493
Passiva	185,356,194	176,399,257

Consolidated Statement of Cash Flows

FROM 1 JANUARY TO 31 MARCH 2024 (UNAUDITED)

in EUR

	2024 1 Jan. - 31 Mar.	2023 01 Jan. - 31 Mar.
Cash flow from operating activities		
Earnings before tax	7,354,064	2,292,527
+ Interest result	-162,607	17,889
+ Depreciation and amortization	1,448,595	1,195,390
+/- Expenses/income under LTI programmes	270,238	-189,682
+ Change in loss allowances	341,705	55,949
+/- Losses/gains on the disposal of non-current assets	3,482	0
+/- Other non-cash income and expenses	-164,158	53,942
Operating cash flow before changes in working capital	9,091,319	3,426,015
+/- Increase / decrease in provisions	410,873	86,293
-/+ Increase / decrease in trade receivables	-5,913,888	-6,478,896
-/+ Increase / decrease in inventories	3,119,708	-849,230
-/+ Increase / decrease in other receivables and assets	-217,849	-202,939
+/- Increase / decrease in trade payables	3,794,703	3,147,064
+/- Increase / decrease in other liabilities	-80,447	-1,446,134
Cash flow from operating activities before income taxes	10,204,419	-2,317,827
+/- Income tax refunds/payments	-600,972	-635,407
Cash flow from operating activities	9,603,447	-2,953,234

Consolidated Statement of Cash Flows

FROM 1 JANUARY TO 31 MARCH 2024 (UNAUDITED)

in EUR

	2024 1 Jan. - 31 Mar.	2023 01 Jan. - 31 Mar.
Cash flow from investing activities		
Investments in intangible assets from development projects	-754,043	-771,363
+ Investments in other intangible assets	-26,921	-1,171,168
+ Investments in property, plant and equipment	-1,339,207	-816,773
Interest and similar income received	350,022	137,587
Proceeds from the acquisition of restricted bank balances	0	99,307
Cash flow from investing activities	-1,770,149	-2,522,410
Cash flow from financing activities		
- Repayment of lease liabilities	-494,435	-441,491
- Interest paid and similar expenses	-202,901	-152,007
Cash flow from financing activities	-697,336	-593,498
Exchange rate-related and other changes in cash and cash equivalents	41,474	6,556
Cash and cash equivalents at the beginning of the reporting period	56,056,362	60,747,980
Cash and cash equivalents at the end of the reporting period	63,233,798	54,685,394
Net change in cash and cash equivalents	7,135,962	-6,069,142

Consolidated Segment Report

FROM 1 JANUARY TO 31 MARCH 2024 (UNAUDITED)

in EUR

	Clean Energy		Clean Power Management		Group	
	2024	2023	2024	2023	2024	2023
Sales	30,803,511	17,763,929	9,244,065	9,689,641	40,047,576	27,453,570
Cost of goods sold and services rendered to generate sales	-15,507,958	-10,116,037	-6,646,803	-7,123,193	-22,154,761	-17,239,230
Gross profit	15,295,553	7,647,892	2,597,262	2,566,448	17,892,815	10,214,340
Selling expenses	-3,266,821	-2,730,421	-573,714	-547,395	-3,840,535	-3,277,816
Research and development expenses	-1,041,950	-618,352	-578,201	-574,279	-1,620,151	-1,192,631
General administration expenses	-3,641,137	-2,184,120	-1,039,982	-974,193	-4,681,119	-3,158,314
Other operating income	192,413	355,927	25,096	20,344	217,509	376,270
Other operating expenses	-567,958	-589,582	-13,016	-12,229	-580,974	-601,811
Change in impairment of financial assets	-220,756	-37,358	24,668	-12,265	-196,088	-49,623
Earnings before interest and taxes (EBIT)	6,749,344	1,843,986	442,113	466,432	7,191,457	2,310,416
EBIT adjustments	357,007	-159,014	0	0	357,007	-159,014
EBIT adjusted	7,106,351	1,684,972	442,113	466,432	7,548,464	2,151,404
Amortisation and depreciation	-1,051,252	-880,606	-397,345	-314,784	-1,448,597	-1,195,390
EBITDA	7,800,596	2,724,592	839,458	781,216	8,640,054	3,505,808
EBITDA adjustments	357,007	-159,014	0	0	357,007	-159,014
EBITDA adjusted	8,157,603	2,565,578	839,458	781,216	8,997,061	3,346,794
Financial result					162,607	-17,889
Income from continuing operations					7,354,064	2,292,527
Taxes on income and earnings					-2,106,471	-257,068
Consolidated net result for the period					5,247,593	2,035,459

EVENTS SUBSEQUENT TO THE REPORTING DATE

There were no events of particular significance liable to have a significant impact on the Group's net assets, financial position and results of operations as of the date on which this interim quarterly statement was prepared.

Brunnthal, 15 May 2024

The Management Board



Dr. Peter Podesser
Chairman of the Executive Board (CEO)



Daniel Saxena
Management Board (CFO)



Hans Pol
Executive Board (COO)

FINANCIAL CALENDAR FOR 2024

16 MAY 2024	ANNUAL SHAREHOLDERS' MEETING
7 JUNE 2024	ACATIS VALUE CONFERENCE
20 AUGUST 2024	QUARTERLY STATEMENT Q2 / HALF-YEAR REPORT 2024
21 AUGUST 2024	HAMBURG INVESTORS DAY, HIT
23 – 25 SEPTEMBER 2024	BERENBERG AND GOLDMAN SACHS 13TH GERMAN CORPORATE CONFERENCE
26 SEPTEMBER 2024	SFC CAPITAL MARKETS DAY
19 NOVEMBER 2024	QUARTERLY STATEMENT Q3 2024
25 – 27 NOVEMBER 2024	GERMAN EQUITY CAPITAL FORUM, FRANKFURT (MAIN)

SHARE INFORMATION

Bloomberg symbol	F3C
Reuters symbol	CXPNX
WKN	756857
ISIN	DE0007568578
Number of shares outstanding as of 31 March 2024	17,363,691
Share characteristics	No-par value shares
Stock-market segment	SDAX, Prime standard, Renewable energies
Home exchange	Frankfurt, FWB
Designated sponsors	mwb fairtrade Wertpapierhandelsbank AG

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CROSS ALLIANCE communication GmbH

This quarterly statement contains forward-looking statements and information - i.e. statements about events that lie in the future, not in the past. These forward-looking statements can be recognised by words such as "expect", "intend", "plan", "believe", "aim", "estimate" or similar terms. Such forward-looking statements are based on our current expectations and certain assumptions. They therefore involve a number of risks and uncertainties. A large number of factors, many of which are beyond the control of SFC Energy AG, influence the business activities, success, business strategy and results of SFC Energy AG. These factors could cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. SFC Energy AG assumes no obligation to update forward-looking statements.