

Letter from the Chairman

Sebastian-Justus Schmidt talks urgency and simplicity

November 20, 2019

Dear readers,

We have to step up our game to tackle the imminent threat of climate change. We understand how the world ticks. While we understand the environmental necessity of our products, we are convinced that only cost-effective systems will change the world we live in and the decisions made by those in charge. For green hydrogen, this means only a price on par with fossil fuels will trigger ultimate acceptance of the technology and rapid market uptake. When we get there, it will radically change the world.

Disrupting the market

Today, our electrolysers are used across the globe. Enapter has shown that in specific applications, green hydrogen is already cost-competitive or advantageous compared to carbon-based fuels. However, we have a long way to go for green hydrogen to be on par with fossil fuels. Luckily for Enapter, we are not dependent on anyone but take things into our own hands. We see the urgency that exists and have no time to waste: we are now going to scale. We will extend our production capacity massively and ensure ongoing development. This will dramatically reduce the price of green hydrogen within the next 5 years.

Enapter's disruptive business model is based on 3 pillars:

- ≡ Intense R&D as part of continuous AEM Electrolyser technology development and building valuable IP;
- ≡ Increasing serial fabrication and moving to mass-fabrication within 4 years to deliver very cheap hydrogen;
- ≡ Focusing strongly on software – in the energy system of the future, hardware and software are inseparable.

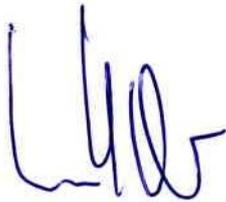
The future is simple

Changing the world will require simple but radical solutions – fast. We cannot deny the urgency behind climate change and this urgency requires immediate action. To reduce complexity and take this fast action, Enapter is starting with simple and transparent business practices. This radical policy of doing business simply will enable us to scale up and achieve our big goals. We offer simple sales contact, clean warranty conditions, easy to use products and comprehensive manuals, partner programs and investment contracts. Where specific solutions are required and complexity rises, we will rely on our partner network to make deals happen.

We are fully committed to reaching our goals. As an electrolyser manufacturer, we understand that we need partners. Partners who will use our hydrogen systems and integrate them into a final application. We support our partners in every way: to understand our systems and helping to install and maintain them. We will ensure that product is available, delivery is fast and critical power installations are safe.

Join us in our journey to replacing fossil fuels with green hydrogen via the AEM Electrolyser. It's simple – let's make hydrogen affordable and accessible.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Schmidt', with a stylized flourish at the end.

Sebastian-Justus Schmidt
Chairman