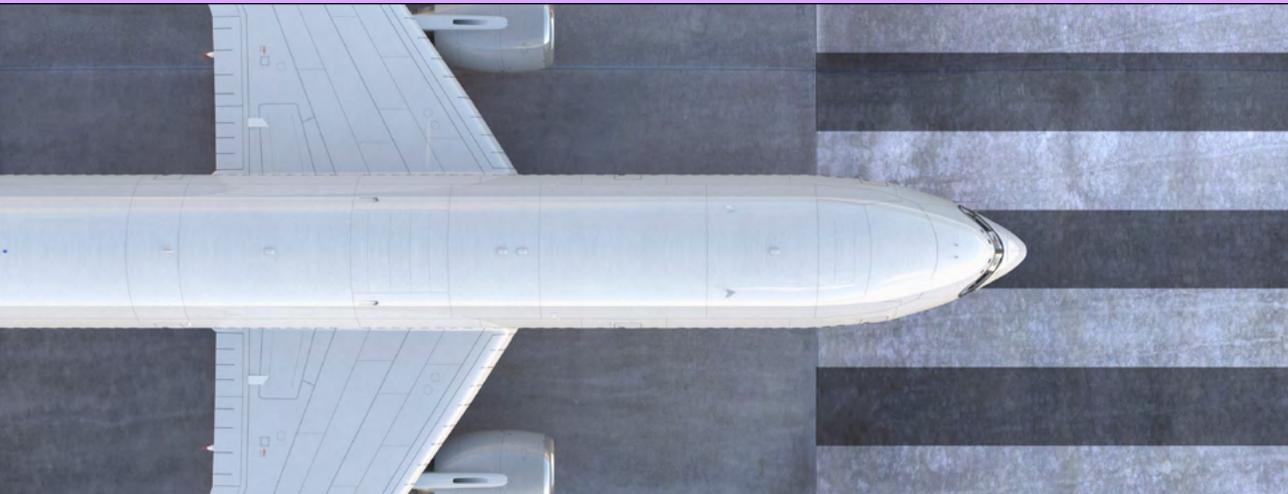
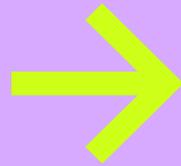


FIRST HALF YEAR 2023



TOPSOE

STRONG RESULTS IN A GROWING MARKET

- The first half of 2023 showed a strong increase in revenue by 45% to DKK 4,664 million, driven mainly by a solid demand for Topsoe's catalysts, especially in EMEA and the Americas.
- EBIT before special items increased by 22% to DKK 472 million as a result of double-digit catalyst growth as well as single-digit growth within our technology business.
- We've more than doubled our investments in Power-to-X and other green technologies in the first half of 2023 compared to first half of 2022.
- Our commitment to cutting emissions with the ultimate target of reaching net-zero in our full value chain by 2040 received SBTi approval.
- We raise the range for the expected revenue for the year to DKK 8,800–9,200 million (previously DKK 7,500–8,500 million) and narrow the range of the expected EBIT margin for the year to 9–10% (previously 8–10%).



“

We've delivered a very strong result in the first half of 2023, where we've not only recovered from closing the business in Russia last year, but also succeeded in growing our business, especially in EMEA and the US.”

ROELAND BAAN
CEO



THE WORLD NEEDS COLLECTIVE ACTION TO GET TO NET ZERO BY 2050

The battle against climate change is at a critical stage, where promises must be turned into concrete actions at scale. This was underlined by a report from the Intergovernmental Panel on Climate Change (IPCC) in March, stressing the fact that we're running out of time if we're to keep global warming below 1.5C.

At Topsoe, we're determined to provide solutions to help decarbonize those sectors that cannot easily be electrified. In June, we signed a landmark agreement with Sasol to establish a 50/50 joint venture*. The purpose of the JV is to develop, build, own, and operate sustainable aviation fuel plants and market these fuels that are derived primarily from non-fossil feedstock, utilizing renewable hydrogen, sustainable

sources of CO₂ and biomass. Together, this partnership intends to bring future-proof solutions to the market.

STRONG ECONOMIC GROWTH IN FIRST HALF YEAR

Our strong results for the first half of 2023 illustrate that we continue to grow our business and deliver our globally leading solutions. Overall, we've increased our revenue by 45% to DKK 4,664 million compared to DKK 3,210 million in the first half of 2022. The strong revenue growth is the main reason for the increase in the net working capital.

Based on the strong revenue growth, we're raising the full year revenue guidance range from DKK 7,500-8,500 million to DKK 8,800-9,200 million and

*The joint venture is subject to approval by relevant authorities.



narrowing the range for expected EBIT margin for the year from 8-10% to 9-10%.

Today, we're involved in technology projects representing close to half of the market within sustainable aviation fuel and almost two thirds of the market for technology solutions within low-carbon hydrogen. We see growth across all segments, and especially in the US where we currently have more than 100 projects in our pipeline. The Inflation Reduction Act (IRA) has made the US a very attractive market to do business in, and we're exploring the possibility of placing our next industrial-scale SOEC facility there.

As part of developing new solutions and services for the green energy transformation, we more than doubled our investments in the first half of 2023 compared to the first half of 2022. This included significant investments in both our R&D and in the construction of our industrial-scale SOEC manufacturing facility in Herning, Denmark. The change in our investment approach is reflected by an increase in our net debt.

DELIVERING ON OUR AMBITIONS

Our commitment to cutting emissions with the ultimate target of reaching net-zero in our full value chain by 2040 – a decade ahead of the targets set in the Paris Agreement – has received SBTi approval. This is a huge step in the transformation Topsoe is currently undergoing, underlining our strong commitment to decarbonization.

To put sustainability even more at the core of our business, we've welcomed Amy Chiang, Chief Sustainability & Public Affairs Officer, and Allan Bødskov Andersen, Chief Financial Officer, to the Senior Leadership Team. Both come with strong credentials and extensive expertise within the green energy market.

We remain committed to making Topsoe an even better workplace. As stated in our Zero Harm vision, we always put the safety and well-being of our employees first. We've recently launched a new onboarding program to ensure that new colleagues feel a sense of belonging at Topsoe from day one. We're also pleased to see that our engagement score has increased, and it is now at the highest level ever.

These are just a few of the highlights for the year so far, but we have plenty of exciting projects ahead of us. There's a lot of work to be done – both for Topsoe and for society at large – if we are to secure a greener future for all of us.

I want to extend my thanks to our owners, business partners, and customers for their continued support in all the activities we have launched in the first half of the year. A special thanks also goes to my colleagues for their dedication and tremendous efforts in helping us deliver on our ambitions.

Roeland Baan
CEO



We continue to prove our commitment to reduce global greenhouse gas emissions. We're investing heavily in scaling decarbonization technologies and solutions by building SOEC electrolyzer manufacturing capacity and by entering strategic partnerships with equally ambitious partners such as Sasol, with whom we've entered a joint venture agreement to produce sustainable aviation fuel to help decarbonize the aviation industry.”

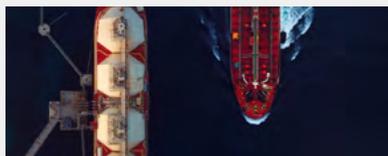
ROELAND BAAN
CEO

BUSINESS HIGHLIGHTS FOR FIRST HALF OF 2023

CARBON NEUTRAL TECHNOLOGY ALLIANCE

We have formed the global Carbon Neutral Technology Alliance with Fidelis New Energy to reduce lifecycle carbon emissions in hydrogen production. Together, we'll be working to ensure the production of hydrogen from natural gas has a lifecycle carbon intensity of 0 kgCO₂e/ kgH₂.

[→ Read more](#)



GLOBAL LICENSING AGREEMENT WITH STEEPER ENERGY

We have signed a global licensing agreement with Steeper Energy to introduce complete waste-to-biofuel solutions. The agreement accelerates the use of advanced biofuels produced from waste biomass for the transportation sector.

[→ Read more](#)

LOW-CARBON AMMONIA PROJECT IN THE US

Copenhagen Infrastructure Partners and Sustainable Fuels Group have chosen Topsoe technology for a low-carbon ammonia plant on the US Gulf Coast. We expect the facility to be in operation by 2027, with a daily production capacity of 4,000 metric tons of ammonia.

[→ Read more](#)

TECHNOLOGY FOR FIRST COMMERCIAL AVIATION EFUELS PLANT IN DENMARK

Arcadia has selected technology from Topsoe and Sasol for the first commercial eFuels-for-aviation plant in Denmark. Once final investment decision has been made, the plan is for the factory to be ready for production in 2026. It will produce around 100 million liters of eFuels per year.

[→ Read more](#)

SBTI APPROVAL

Our target of reaching net-zero across the value chain by 2040 has been approved by the Science Based Targets initiative (SBTi), placing Topsoe among a select group of companies with an approved 2040 net-zero target.

[→ Read more](#)



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

FIRST COMMERCIAL-SIZE, DYNAMIC, GREEN AMMONIA PLANT IN CHINA

We have signed an agreement with Mintal Hydrogen Energy Technology to deliver technology for the first commercial-size dynamic green ammonia plant in Baotou, Inner Mongolia, China.

[→ Read more](#)



WORLD'S LARGEST LOW-CARBON HYDROGEN FACILITY

ExxonMobil will be using Topsoe technology for their planned low-carbon hydrogen, also known as blue hydrogen, facility, set to start in 2027-2028. This facility will be built in Houston, Texas, with a targeted production capacity of 1 billion cubic feet of hydrogen per day.

[→ Read more](#)

GROUNDBREAKING INDUSTRIAL-SCALE SOEC FACTORY

We have begun the construction of our industrial-scale SOEC manufacturing facility in Herring, Denmark. Production is due to start in 2025, and an offtake agreement for the first 5GW is already in place with the US-based company, First Ammonia.

[→ Read more](#)



MOU ON LOW-CARBON AMMONIA PROJECT IN INDONESIA

We have signed a memorandum of understanding with Copenhagen Atomics, Alfa Laval, Aalborg CSP, Pupuk Kaltim and Pertamina New & Renewable Energy to explore the possibility of establishing low-carbon ammonia production in Indonesia.

[→ Read more](#)

JOINT VENTURE WITH SASOL

We have signed a 50/50 joint venture agreement with Sasol with the ambition to form a company that produces sustainable aviation fuel (SAF) to decarbonize the aviation industry (subject to regulatory approval).

[→ Read more](#)



KEY FINANCIAL FIGURES

	H1 2023	H1 2022	FY 2022	FY 2021
Income statement				
DKK million				
Revenue	4,664	3,210	6,845	6,225
Gross profit	1,712	1,448	2,765	2,884
EBITDA	653	562	956	1,233
Depreciation, amortization and impairment losses	-181	-175	-348	-330
EBIT before special items	472	387	608	903
Special items	-1	-40	-43	-26
EBIT after special items	471	347	565	877
Net financial income and expenses	37	30	128	167
Profit from continuing operations	410	277	567	880
Profit/loss from discontinuing operations	0	0	0	10
Net profit	410	277	567	890
Balance sheet				
DKK million				
Balance sheet total	8,880	7,170	8,386	7,162
Equity	3,317	2,926	3,216	2,941
Net working capital	1,755	989	1,159	1,132
Net interest-bearing debt	1,558	379	578	136

	H1 2023	H1 2022	FY 2022	FY 2021
Cash flow				
DKK million				
Cash flows from operating activities	-28	802	943	500
- of which continuing operations	-28	802	943	500
Cash flows from investing activities	-674	-388	-743	-391
- of which investments in property, plant and equipment	-696	-337	-777	-330
Cash flows from financing activities	353	-509	-619	-435
Cash flows for the year	-349	-95	-419	-326

Employees				
Numbers				
Average number of employees	2,448	2,183	2,242	2,133

Ratios				
(%)				
Gross margin	36.7	45.1	40.4	46.3
EBITDA margin	14.0	17.5	14.0	19.8
EBIT before special items margin	10.1	12.1	8.9	14.5
EBIT after special items margin	10.1	10.8	8.3	14.1
Return on invested capital (ROIC)	28.8	21.2	15.7	28.5
Equity ratio	37.3	40.7	38.2	40.9
Return on equity	25.3	19.0	18.5	35.1
Leverage ratio	1.2	0.3	0.6	0.2
Earnings per share	1.08	0.73	1.49	2.34

The ratios have been prepared in accordance with the Recommendations & Financial Ratios produced by the Danish Finance Society and CFA Society Denmark.

CONSOLIDATED INCOME STATEMENT

DKK million	H1 2023	H1 2022	FY 2022
Revenue	4,664	3,210	6,845
Other operating income	45	16	61
Purchased equipment for contract work	-222	-164	-417
Raw materials and consumables used	-1,979	-1,021	-2,398
Other external expenses	-796	-593	-1,326
Gross profit	1,712	1,448	2,765
Staff costs	-1,059	-886	-1,809
EBITDA	653	562	956
Depreciation, amortization and impairment losses	-181	-175	-348
EBIT before special items	472	387	608
Special items	-1	-40	-43
EBIT after special items	471	347	565
Financial income	154	138	315
Financial expenses	-117	-108	-187
Profit before tax	508	377	693
Tax	-98	-100	-126
Net profit	410	277	567
Attributable to:			
Owners of the parent company	412	278	567
Minorities	-2	-1	0
Net profit	410	277	567

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK million	H1 2023	H1 2022	FY 2022
Net profit	410	277	567
Foreign currency translation adjustment	-50	109	82
Fair value adjustment on cash flow hedges	0	0	3
Items that will be reclassified to the income statement	-50	109	85
Fair value adjustment of investments in other enterprises	8	0	0
Actuarial adjustments on pension obligations	0	0	10
Tax on this	-2	0	-2
Items that will not be reclassified to the income statement	6	0	8
Other comprehensive income	-44	109	93
Total comprehensive income	366	386	660
Attributable to:			
Owners of the parent company	368	387	660
Minorities	-2	-1	0
Total comprehensive income	366	386	660

CONSOLIDATED BALANCE SHEET

DKK million	H1 2023	H1 2022	FY 2022
Goodwill	0	0	0
Rights	10	15	12
Patents	91	76	86
Software	54	79	70
Assets under construction	79	20	44
Intangible assets	234	190	212
Land and buildings	370	369	370
Plant and machinery	643	536	774
Other fixtures and equipment	157	182	174
Assets under construction	1,713	888	1,009
Property, plant and equipment	2,883	1,975	2,327
Right-of-use assets	451	489	459
Deferred tax asset	13	10	7
Other non-current assets	350	342	347
Non-current assets	3,931	3,006	3,352
Inventories	2,420	1,953	2,438
Trade receivables	1,878	1,076	1,490
Contract assets	298	154	293
Tax receivables	9	13	47
Other receivables and prepayments	232	196	289
Cash	112	772	477
Non-current assets	4,949	4,164	5,034
Assets	8,880	7,170	8,386

DKK million	H1 2023	H1 2022	FY 2022
Share capital	386	383	385
Share premium	287	67	271
Treasury shares	-149	0	-151
Reserves	148	195	197
Retained earnings	2,636	2,270	2,502
Equity attributed to the owners of the parent company	3,308	2,915	3,204
Non-controlling interests	9	11	12
Equity	3,317	2,926	3,216
Pension obligations	34	35	32
Deferred tax	514	483	516
Provisions	219	192	211
Borrowings	952	391	330
Lease liabilities	443	468	445
Other payables	101	104	102
Non-current liabilities	2,263	1,673	1,636
Borrowings	121	122	122
Lease liabilities	56	67	60
Contract liabilities	1,789	1,386	1,923
Trade payables	808	637	953
Tax payables	53	0	6
Other payables	434	326	441
Deferred income	39	33	29
Current liabilities	3,300	2,571	3,534
Liabilities	5,563	4,244	5,170
Equity and liabilities	8,880	7,170	8,386

CONSOLIDATED CASH FLOW STATEMENT

DKK million	H1 2023	H1 2022	FY 2022
EBITDA	653	562	956
Special items	-1	-40	-26
Adjustments for non-cash items	19	117	62
Change in working capital	-667	231	21
Interest received, etc.	26	6	17
Interest paid, etc.	-37	-17	-17
Corporate income tax paid	-21	-57	-70
Cash flows from operating activities	-28	802	943
Purchase of intangible assets	-47	-30	-80
Purchase of property, plant and equipment	-696	-337	-777
Sale of property, plant and equipment	0	0	3
Purchase of non-current financial assets	-2	-21	-20
Sale of non-current financial assets	1	0	2
Dividend received	70	0	129
Cash flows from investing activities	-674	-388	-743

DKK million	H1 2023	H1 2022	FY 2022
Proceeds from borrowings	732	0	0
Repayment of borrowings	-111	-61	-122
Installments on lease liabilities	-33	-40	-81
Purchase/sale of treasury shares	2	-149	-151
Received share capital	43	149	180
Dividend paid	-280	-408	-445
Cash flows from financing activities	353	-509	-619
Net cash flow	-349	-95	-419
Cash and cash equivalents at January 1, 2023	477	872	872
Net cash flow	-349	-95	-419
Foreign currency translation adjustments	-16	-5	24
Cash and cash equivalents at June 30, 2023	112	772	477

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK million	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Equity attributable to the owners of Topsoe A/S	Non-controlling interests	Total equity
Equity at January 1, 2023	385	271	-151	197	2,502	3,204	12	3,216
Net profit	0	0	0	0	412	412	-2	410
Foreign currency translation adjustment	0	0	0	-49	0	-49	-1	-50
Fair value adjustment of investments in other enterprises	0	0	0	0	6	6	0	6
Other comprehensive income	0	0	0	-49	6	-43	-1	-44
Comprehensive income	0	0	0	-49	418	369	-3	366
Capital increase	1	16	0	0	0	17	0	17
Purchase of own shares	0	0	-4	0	0	-4	0	-4
Sale of own shares	0	0	6	0	0	6	0	6
Dividend paid	0	0	0	0	-280	-280	0	-280
Employee Share Program - value of employee services	0	0	0	0	-4	-4	0	-4
Transactions with owners	1	16	2	0	-284	-265	0	-265
Equity at June 30, 2023	386	287	-149	148	2,636	3,308	9	3,317



TOPSOE