Next Hydrogen Reports Q3 2021 Financial Results

MISSISSAUGA, Ontario, Nov. 17, 2021 (GLOBE NEWSWIRE) -- Next Hydrogen Solutions Inc. (the "Company" or "Next Hydrogen") (TSXV:NXH, OTC:NXHSF), a designer and manufacturer of hydrogen electrolyzers, is pleased to report its financial results for the third quarter ended September 30, 2021.

"Moving into our new assembly facility as well as announcing our partnership with Hyundai and Kia marked two significant third quarter milestones in the evolution of Next Hydrogen," said Raveel Afzaal, President and CEO of Next Hydrogen. "We have relocated inhouse system assembly and consolidated our expanded product development, engineering, manufacturing, operations teams at this facility. This helps accelerate our efforts to become the leading provider of green hydrogen solutions."

Q3 2021 Financial Highlights

- Revenue was $77,397 for the three-month period, compared to $NIL in the prior year, supported by the Company's acquisition of CleanFuel Systems Inc. during the previous quarter
- Net loss was $3.8 million for the three-month period, compared to a loss of $1.5 million in the prior year
- Adjusted EBITDA was a loss of $2.9 million compared to a loss of $0.9 million in the prior year, as the Company had the capital to significantly accelerate on its growth plans
- Cash balance was $44.5 million as of September 30, 2021, compared to $1.1 million as of December 31, 2020

Management is also proud to highlight a number of recent developments that demonstrate progress in the quarter:

- Next Hydrogen opened a new 27,000 square foot assembly facility in Mississauga, Ontario. This new facility will provide the Company with an initial 20MW of annual assembly capacity, which can be significantly expanded in a low-cost fashion as the company continues to grow.
- The Company has seen significant growth in its employee and contractor base, which has expanded from 13 to 42 during 2021, and fulfilled its end-to-end capabilities from product development to manufacturing and after market support, which better positions the Company to lead in the rapidly growing hydrogen economy.
- Next Hydrogen commenced trading on the OTCQB and incorporated a US subsidiary in order to support its expansion plans.
- The Company continues to make progress in its work with Hyundai Motor Company and Kia Corporation to jointly develop an alkaline water electrolysis system and its related stack for the purpose of generating green hydrogen economically and to explore new business opportunities and technological applications.

For a more detailed discussion of Next Hydrogen's third quarter results, please see the Company's financial statements and management's discussion and analysis, which are available on the Company's website at nexthydrogen.com or on SEDAR at www.sedar.com.

About Next Hydrogen

Founded in 2007, Next Hydrogen is a designer and manufacturer of electrolyzers that use water and electricity as inputs to generate clean hydrogen for use as an energy source. Next Hydrogen's unique cell design architecture supported by 38 patents enables high current density operations and superior dynamic response to efficiently convert intermittent renewable electricity into green hydrogen on an infrastructure scale. Following successful pilots, Next Hydrogen is scaling up its technology to deliver commercial solutions to decarbonize transportation and industrial sectors.

Non-IFRS Financial Measures

The following financial measure does not have any standardized meaning under IFRS and may not be comparable to similar measures employed by other companies:

Adjusted EBITDA is calculated as net income before interest, income taxes, depreciation and amortization ("EBITDA"), adjusted for share-based compensation, change in fair value of deferred share units, unrealized gain (loss) on foreign exchange, transaction costs and other unusual and non-recurring items.

Management believes that this financial measure is useful for investors and other readers, when used in conjunction with other IFRS financial measures, as it is a measure used internally by management to evaluate performance. However, this financial measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS.

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This news release contains “forward-looking information” and “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: the risks associated with the hydrogen industry in general; delays or changes in plans with respect to infrastructure development or capital expenditures; the uncertainty of estimates and projections relating to costs and expenses; failure to obtain necessary regulatory approvals; health, safety and environmental risks; uncertainties resulting from potential delays or changes in plans with respect to infrastructure developments or capital expenditures; currency exchange rate fluctuations; as well as general economic conditions, stock market volatility; and the ability to access sufficient capital. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, there will be no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.