



Dear H2X Shareholder,

As we enter 2026, H2X Global is firmly focused on one priority: execution.

The foundations have been reset, our technology has been validated, and the pathway forward is clear. This update outlines how your company is now aligning engineering capability, capital discipline, and delivery to progress confidently toward commercial deployment and the public markets.

Next week marks two years since I joined H2X Global as your Chief Executive Officer. I stepped into the role at a time of significant challenge, with the business facing both internal and external pressures. Since then, the Board and management have worked methodically to restore clarity, discipline, and momentum across the organisation.

Over this period, H2X has been reshaped from the ground up. We have built a strong leadership team, sharpened strategic focus, refined the product roadmap, embedded a performance-driven culture, and aligned the organisation around a clear commercial objective. These changes have been essential in stabilising the business, rebuilding investor confidence, and positioning H2X for sustainable growth as a global hydrogen mobility company.

2025: A Year of Foundation, Validation and Positioning

During 2025, H2X accelerated its transition from concept-led innovation to a delivery-focused industrial business. The year was defined by three clear priorities: strengthening our technology platform, deepening strategic partnerships, and positioning your company for public markets.

Key achievements during 2025 included:

- **Confirmation of ongoing eligibility under the Australian Government R&D Tax Incentive through to 30 June 2026**, following a rigorous review of H2X's activities. Beyond the financial benefit, this outcome represents meaningful recognition by the Australian Government of the depth, originality, and technical credibility of the engineering being delivered by H2X Global.
- **Commercial launch of H2X hydrogen storage tanks**, with first sales into Germany and early validation of a profitable and scalable component business.
- **Execution of the Distribution and Production Agreement with FES GmbH**, providing immediate access to certified hydrogen vehicles and scalable European production capacity.
- **Strengthening of governance**, including the appointment of Stefan Müller as Chair and Danny Bernstein as Non-Executive Director, materially enhancing capital markets capability and hydrogen and fuel-cell expertise at Board level.
- **Continued cost discipline and operational focus**, ensuring H2X remains capital-efficient while maintaining momentum across all major programs.

Collectively, these milestones moved H2X from early-stage development into a position where execution, delivery, and listing are now the clear priorities.





Engineering Partners and Vehicle Readiness

FES GmbH Engagement and Technical Validation

Last month (December 2025), H2X undertook an on-site engagement with FES GmbH in Germany, reviewing tank deliveries, vehicle programs, engineering quality, and system integration firsthand. Feedback from the FES engineering team was positive and highly constructive, with particular emphasis on the performance and design advantages of H2X's hydrogen storage systems.

FES engineers identified several material advantages of H2X tanks compared with current-generation alternatives:

- **Full-empty operation without liner damage**, delivering a meaningful benefit from a maintenance, durability, and lifecycle perspective.
- **Support for On-Tank Valve (OTV) assembly and servicing**, allowing for independent maintenance and greater operational flexibility for fleet operators.
- **Replaceable OTV components without compromising the tank**, materially reducing whole-of-life costs and improving serviceability.

This technical validation reinforces our confidence that H2X's tank systems are not only robust from an engineering standpoint, but also commercially compelling for fleet operators focused on uptime, serviceability, and total cost of ownership.

The partnership with FES also provides H2X with immediate access to certified, roadworthy hydrogen vehicles in the 18-tonne class, built on a platform capable of scaling to 40 tonnes. This capability addresses a clear gap in the global market and positions H2X with a credible heavy-duty hydrogen solution available today, rather than at a future development stage.

Importantly, these vehicles are already certified and operating on public roads. This allows H2X to tender with confidence, which we are actively doing, and fundamentally shifts our commercial position from concept-based engagement to execution-ready delivery. The result is reduced risk, shorter sales cycles, and more substantive engagement with fleet operators and government customers.

Alongside the Yarra heavy-duty platform, the current funding round is specifically intended to support the development and delivery of the Paroo 3.5-tonne light commercial vehicle in partnership with FES. With approximately 29.5 million light commercial vehicles operating across Europe, tightening regulatory requirements from 2030, and average fleet lifecycles extending beyond a decade, operators need to begin transitioning to zero-emission solutions now. The Paroo is expected to become H2X's "hero" vehicle, a scalable, fleet-ready platform positioned directly at the centre of this regulatory and commercial shift.

Legacy Engineering Firm Update

Shareholders will be aware of the legacy engineering firm previously involved in the Warrego program. H2X remains in contact with the appointed administrator and continues to work constructively to secure the best possible outcome for shareholders under the circumstances.

While disappointing, this situation does not detract from H2X's broader production plans or our strengthened engineering ecosystem. We now have partners capable of supporting vehicle completion and future scale.





This is why global automotive leaders such as H2X's largest shareholder, Volvo, Daimler, and Hyundai are focusing their hydrogen efforts on heavier commercial classes – but all above the 18-ton class. The Yarra fills a key market gap – no other scale producer currently offers an 18-tonne hydrogen truck.

Battery-electric technology will remain an attractive zero-emission option for short-range and light-duty vehicles in warmer climates. However, it cannot alone deliver net-zero outcomes for high-duty or long-range operations. Hydrogen fuel-cell systems maintain consistent range and payload in all climates, refuel in minutes, and provide the scalability required for continuous commercial use.

Europe's regulatory timeline further strengthens this opportunity. Under Regulation (EU) 2019/631, new vans must cut CO₂ emissions by 50% by 2030 and achieve 100% zero-emission status by 2035. It is also worth noting that the zero-emission requirement for new heavy-duty vehicles (N2/N3) is progressing under Regulation (EU) 2024/1243, which mandates a 90% CO₂ reduction by 2040 – reinforcing the strategic timing of the Yarra and Paroo platforms.

With an average fleet lifespan of 12 years, many vehicles purchased today will still be operating when these targets take effect – just four years away. Around 40% of Europe's commercial fleet operates in cold-climate regions, where lithium-ion efficiency falls sharply.

Fleet operators must transition now. H2X is ready to support that shift through vehicles combining Toyota's proven fuel-cell technology, certified Type IV hydrogen storage systems, and German manufacturing expertise – delivering scalable, high-performance zero-emission transport.

Hydrogen Systems and Component Sales

H2X's hydrogen systems achieved its first commercial milestone with the sale of Type IV tank systems to customers in Germany. Though modest in size, these initial deliveries mark entry into a substantial and growing market segment.

High-pressure composite tanks represent one of the most valuable components in hydrogen mobility. Capturing even a small share of the European tank market could translate into tens to hundreds of millions USD in annual addressable revenue by the end of the decade – a meaningful driver of long-term growth and margins.





Vehicles, Delivery and the Importance of Renova

Ultimately, delivery is what validates any industrial business. Our immediate operational priority remains the delivery of the first vehicles to Renova, the Swedish Government-owned waste and recycling company.

Once the first vehicles are delivered and operating on public roads, they will provide powerful real-world demonstration of H2X's capability. Vehicles in service; generating data, visibility, and customer confidence; are far more persuasive than prototypes or presentations. These deliveries will mark a critical inflection point as H2X moves from development into demonstrated commercial deployment.

Shareholder Communication from an External Administrator

Some investors may have received correspondence from an external administrator in relation to a separate parcel of H2X shares held by a third party. This process is entirely independent of H2X Global and its current capital activities, and your company cannot comment on the administrator's process or any pricing outcomes.

As shareholders will be aware, H2X Global currently has an offer open to support the next phase of your company's development, including vehicle delivery and preparation for the public markets. The offer is priced at AUD 0.15 per share and includes one attaching option per share, structured to provide the capital required to sustain execution momentum and advance H2X's transition into its next stage of growth.

Shareholders and prospective investors who are interested in supporting this phase of H2X's development, or who would like further information on the current offer, are welcome to contact me directly. As always, investors should consider their own circumstances and seek independent advice as appropriate.

IPO Preparation and Capital Focus

Advancing H2X toward a public listing remains a core priority for the Board and management. The business is operationally and strategically ready to IPO, subject to the successful completion of the current funding round. This round is structured to fund final listing preparation costs while ensuring your company can maintain execution momentum through vehicle delivery and commercial expansion.

The strategy is clear, the pathway is defined, and execution is being managed with discipline and intent, always aligned with shareholder interests. A public listing is expected to enhance transparency, broaden access to capital, and strengthen market credibility, all of which are increasingly important as H2X engages with government customers, fleet operators, and long-term strategic partners.





Capital Alignment and Option Exercise

Late in 2025, three option classes expired, and it was particularly rewarding to see that almost all eligible investors exercised their options. The Board and I sincerely respect the capital you have invested and the trust you have placed in H2X, and we look forward to deploying these funds to grow your business.

Several option classes expire during 2026. We encourage all option holders to review their positions via the H2X share registry and consider their choices well ahead of expiry. Exercising options directly strengthens the balance sheet and accelerates delivery across vehicles, hydrogen systems, and IPO preparation. If you have any questions, please feel free to contact me directly.

Looking Ahead

With validated technology, certified vehicles, proven engineering partners, and a disciplined capital strategy in place, H2X has entered a pivotal execution phase. The foundations are complete; the focus now is delivery.

As we move through the first quarter of 2026, our priorities are clear and tightly aligned with building long-term shareholder value:

- Finalise the current funding round and advance your company's IPO pathway
- Deliver vehicles into service and establish visible, real-world operating performance
- Expand sales and tender activity using certified, road-ready platforms
- Progress the Paroo light commercial vehicle as H2X's long-term hero product
- Continue disciplined, capital-efficient growth across all programs

Momentum is now tangible across engineering, commercial activity, and capital alignment. Thank you for your continued support and confidence as H2X moves decisively into what we believe will be a defining year for your company.

Kind Regards

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About H2X Global: H2X Global is building the next generation of zero-emission hydrogen fuel-cell vehicles for commercial and industrial transport. Through its Paroo and Yarra platforms and proprietary hydrogen systems, H2X is focused on delivering long-range, fast-refuelling solutions that support the transition to sustainable, zero-emission mobility.