

# HydrogenOne Capital Growth plc Q3 2024 Investor Update



**UKSIF**  
UK Sustainable Investment  
and Finance Association

Signatory of:



*Investing in clean hydrogen  
for a climate-positive impact*

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- **Q3 2024 results**
- Portfolio update

## Q3 2024 highlights

£130m  
NAV

101p  
NAV per share

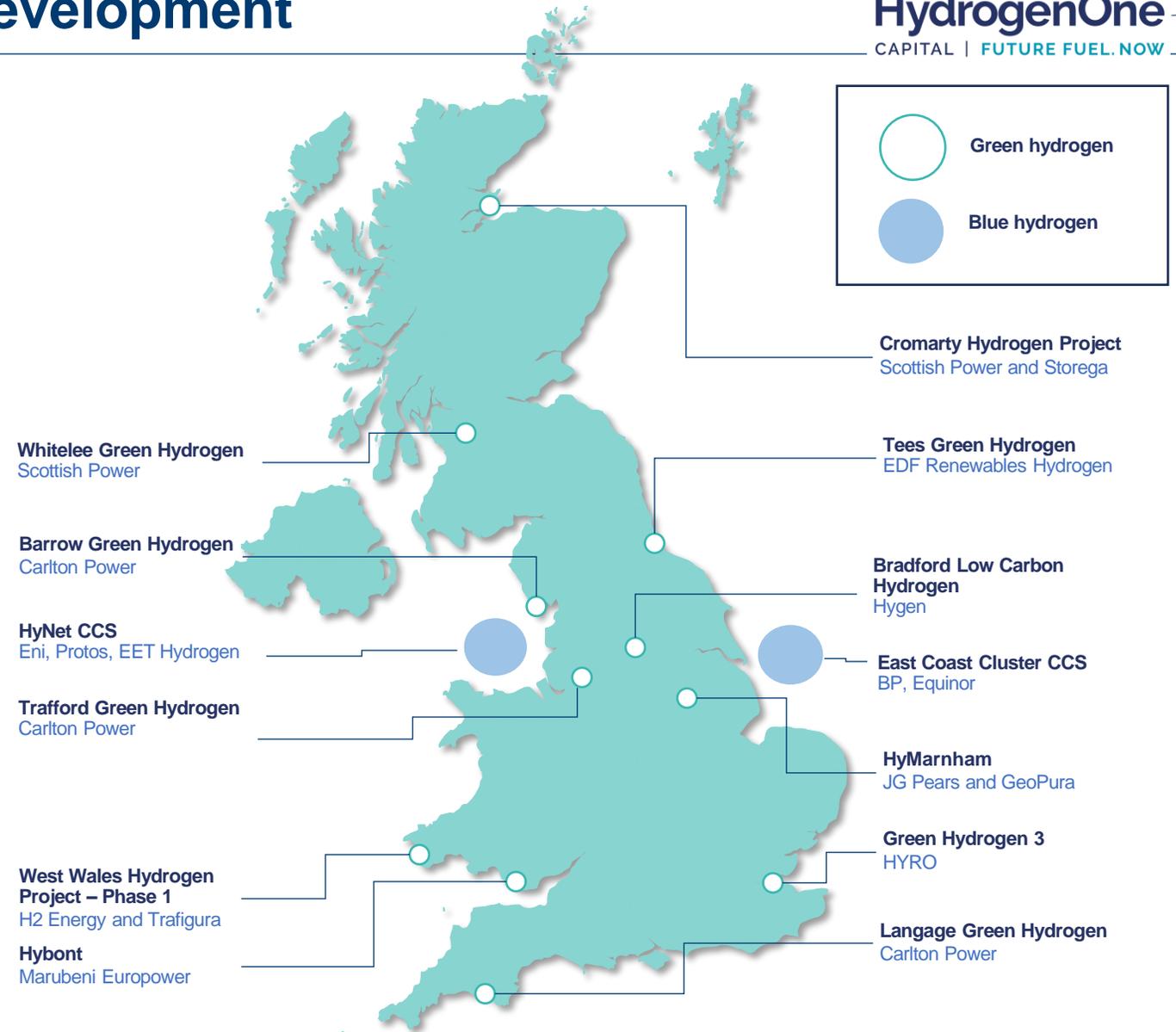
+19%  
Portfolio YoY  
LTM revenue  
increase

- NAV per share of 100.81 pence, in line with 30 September 2023 (101.42 pence); and 2.7% lower than 30 June 2024 (103.60 pence) – negative exchange rate impacts, fund costs and valuation changes in portfolio companies
- Private portfolio companies delivering an aggregate £75m total revenue LTM, 19% increase from prior 12-month period – reflects the build out of capacity to meet strong order books for hydrogen supply chain equipment
- Divestment of Gen2 for c. £3 million divests the Company from its smallest private investment, which represented 3% of the Company's NAV at 30 June 2024 (c. £3 million)
- Sunfire awarded a major contract for a 100MW electrolyser at RWE's industrial-scale hydrogen site in Lingen, underscoring the Company's investment in Sunfire, HGEN's largest holding
- Strohm awarded the largest commercial award for pipe supply with TotalEnergies in Strohm's 16-year history, marking an entry into the ultra-deepwater and high CO2 markets for the first time
- Cash and listed hydrogen companies of £4 million as at 30 September 2024, including divestment proceeds from Gen2, double compared to 30 June 2024. Following Gen2 sale, the Company expects to have sufficient funding to meet its investment commitments and current working capital requirements for at least 12 months

# UK update / clean hydrogen development

## UK hydrogen sector is gathering pace

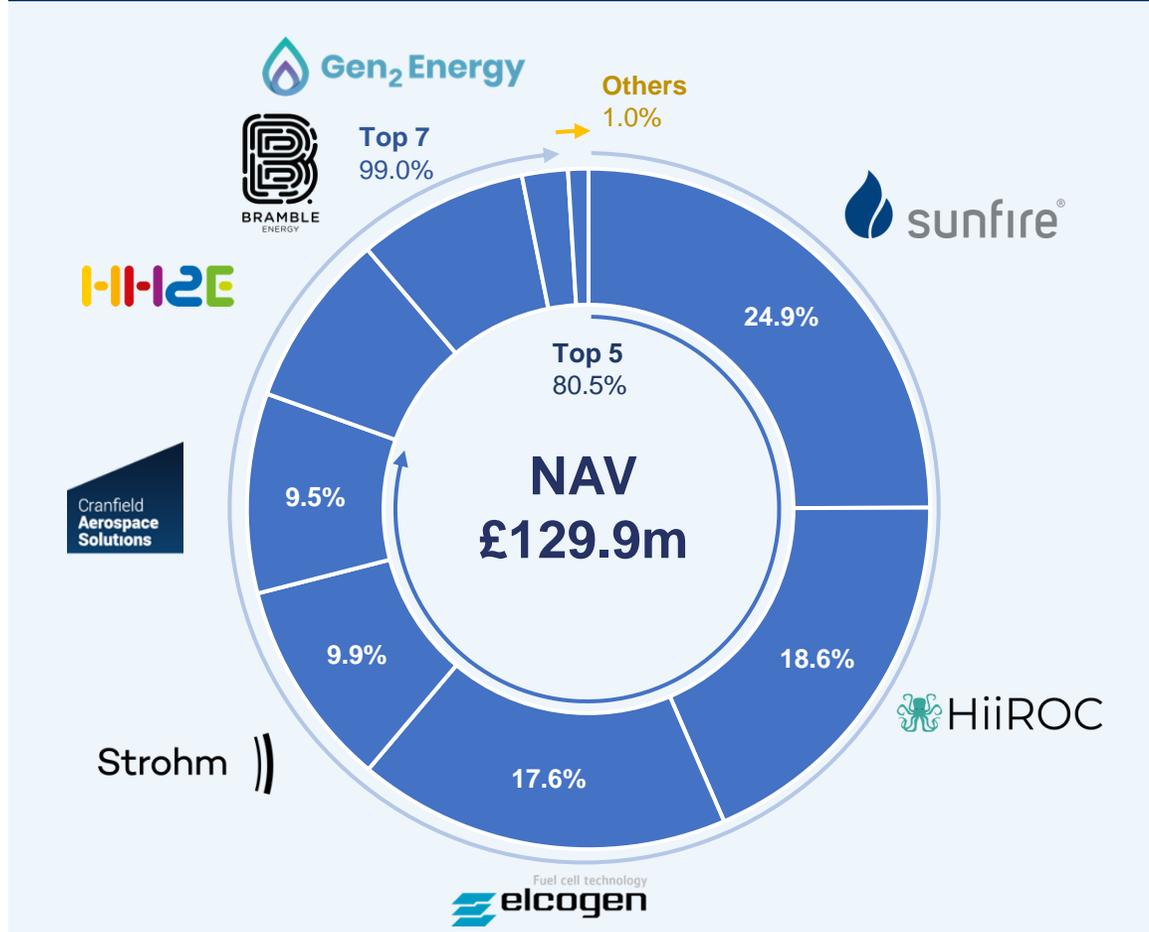
- 10GW clean hydrogen 2030; >50% green. Target has been doubled since Russia invaded Ukraine
- £240m Net Zero Hydrogen Fund established. Set up of Great British Energy underway; £500m commitment to green hydrogen
- 11 green hydrogen projects (125MW) selected in HAR1: £90m capex funding + £2bn revenue support, alongside £413m private funding. 2025+ start-ups
- 2 carbon capture projects allocated £22bn funding, enabling blue hydrogen (£3.9bn '25-26)



Source: <https://www.gov.uk/government/publications>

# HydrogenOne has a unique and concentrated portfolio, invested across the hydrogen value chain

## Access to a distinctive portfolio of private hydrogen businesses



## Where we invest

- Revenue-generating equipment businesses
- Hydrogen production projects
- Co-investing with industrial strategics and institutions
- Diversified by hydrogen theme and geography
- Clear strategies to exit via IPO or trade sale

NAV at 30 September 2024

# Q3 2024 financial highlights

	30 Sep 2024	30 Jun 2024	% change <sup>1,2</sup>	30 Sep 2023	% change <sup>2,3</sup>
NAV per share	100.81p	103.60p	(2.7)%	101.42p	(0.6)%
NAV	£129.9m	£133.5m	(2.7)%	£103.6m	(0.6)%
Market Cap	£47.8m	£68.9m	(30.7)%	£71.2m	(32.9)%
Share price premium / (discount) to NAV <sup>2</sup>	(63.2)%	(48.4)%	(30.6)%	(45.5)%	(38.9)%
Portfolio valuation	£129.2m	£132.0m	(2.1)%	£125.2m	3.2%
Portfolio fair value gain on cost	£19.5m	£22.0m	(11.4)%	£14.5m	34.3%
Cash and cash equivalents	£3.6m	£1.7m	111.8%	£6.5m	(44.6)%
Other net liabilities	£(2.9m)	£(0.2m)	NA	£(1.1m)	NA

As at 30 September 2024 (unaudited)

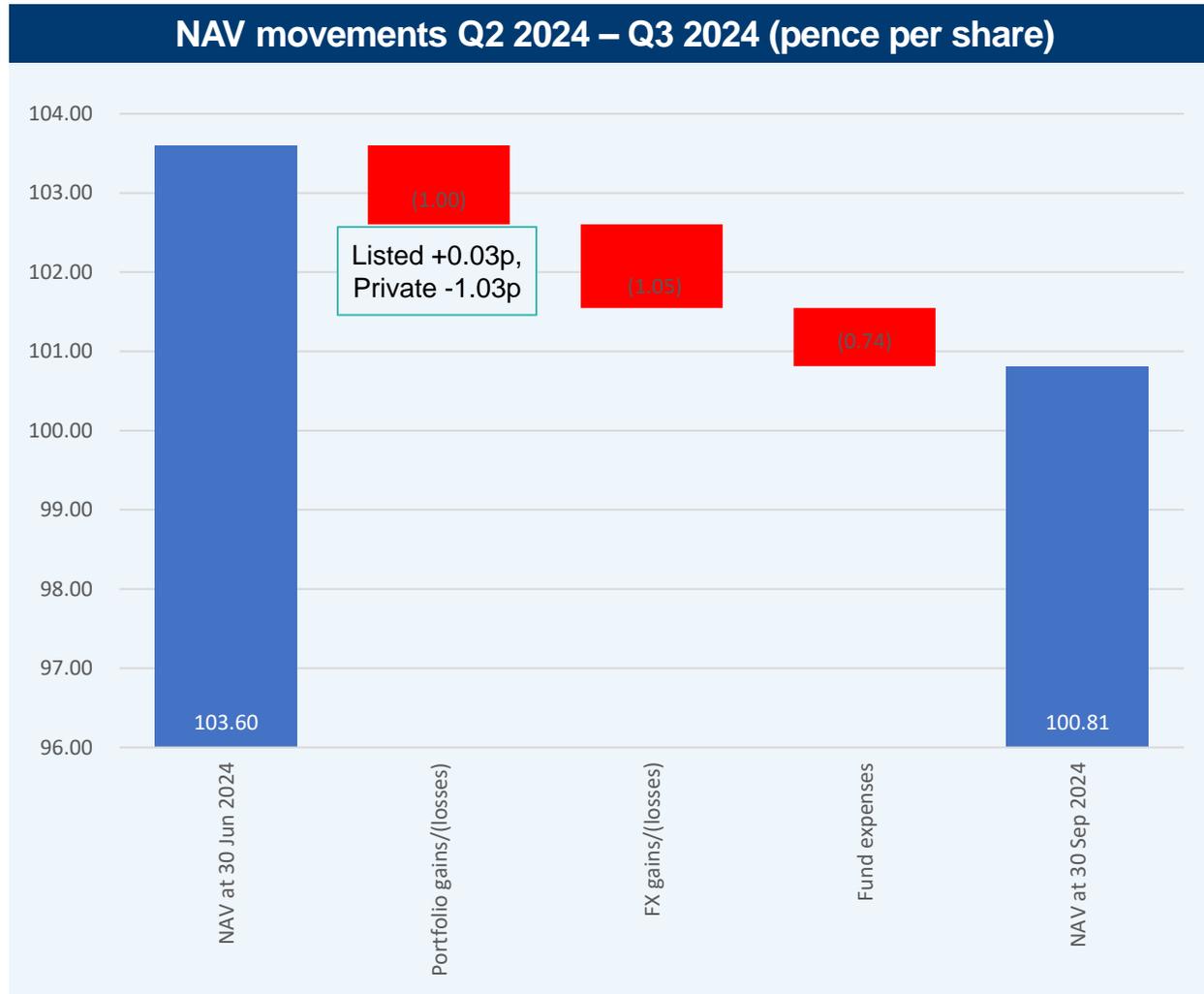
<sup>1</sup>Total returns for three months to 30 September 2024

<sup>2</sup>These are alternative performance measures

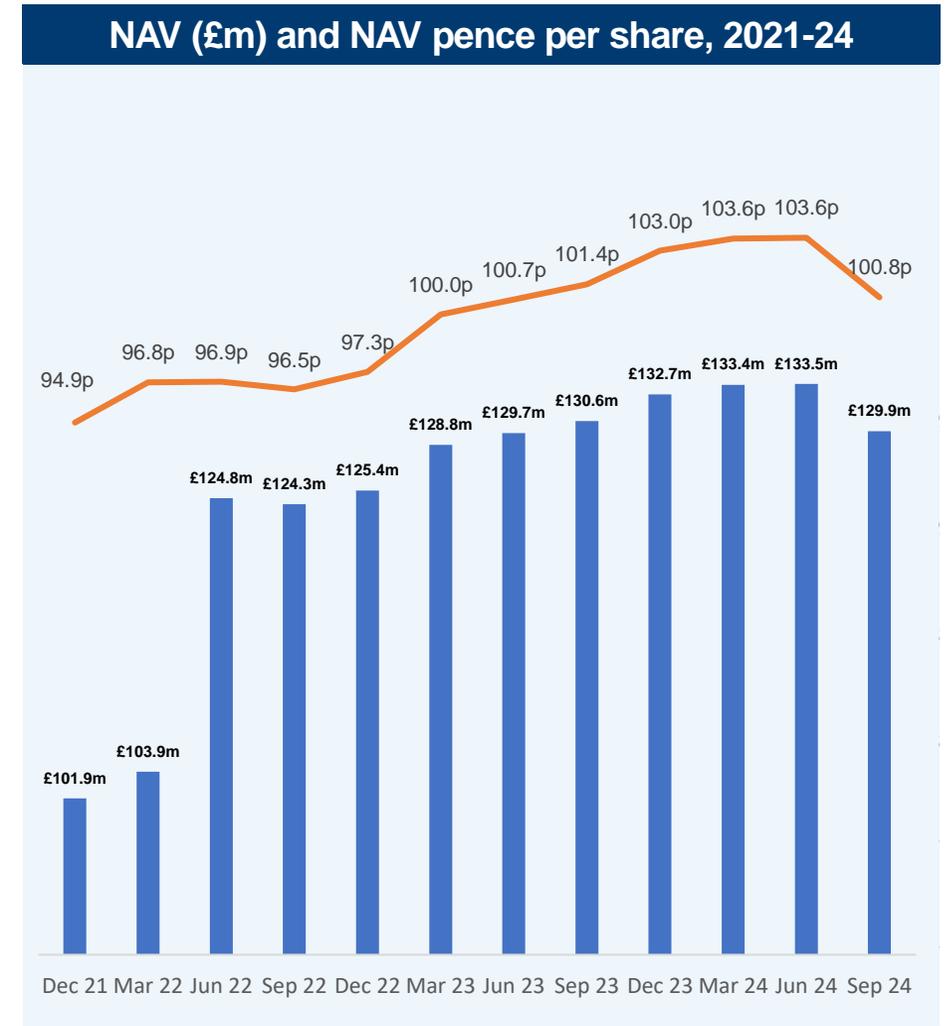
<sup>3</sup>Total returns for twelve months to 30 September 2024

- NAV per share 100.8p
  - -0.6% Q3 23 – Q3 24
  - -2.7% Q2 24 – Q3 24
- Cash and cash equivalents of £4 million, including:
  - c. £3 million divestment proceeds from Gen2
  - £0.3 million of listed hydrogen companies at the end of the quarter

# NAV and NAV/share in Q3 2024

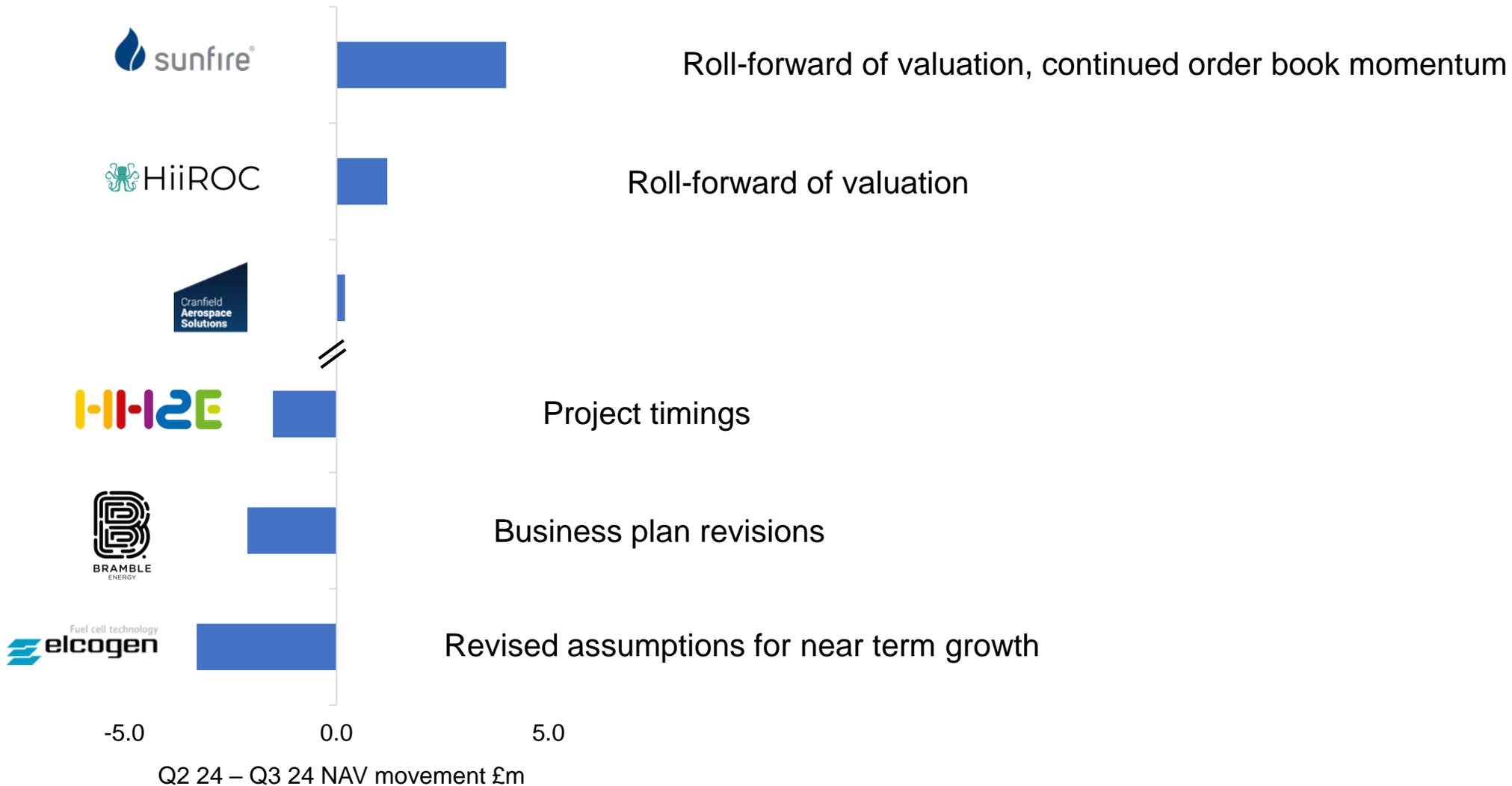


- FX loss and fund costs, combined with portfolio



- Resilient NAV/share since IPO

# NAV movements Q2 2024 – Q3 2024

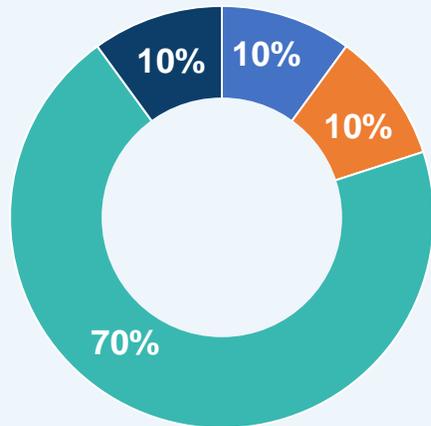


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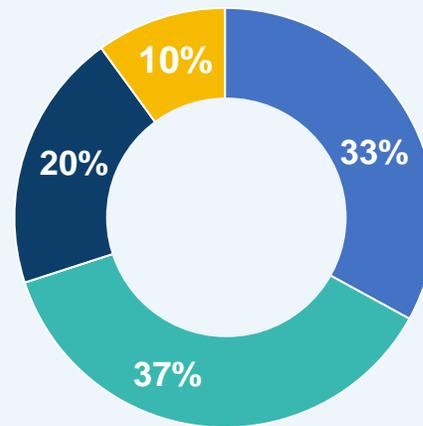
# Distinctive and unique hydrogen portfolio

Portfolio segmentation by theme



- Hydrogen production
- Hydrogen applications
- Supply chain
- Storage and distribution

Portfolio segmentation by geography



- Germany
- UK
- Scandinavia
- Netherlands

## Fund holdings (as of 30 September 24)

Private portfolio	NAV £m	NAV %
Sunfire GmbH	32	25%
HiiROC Ltd	24	19%
Elcogen Plc	23	18%
Strohm Holding B.V.	13	10%
Cranfield Aerospace Solutions	12	9%
HH2E AG	11	8%
Bramble Energy Limited	10	8%
Gen2 Energy	3	2%
<b>Private portfolio</b>	<b>129</b>	<b>99%</b>
<b>Listed portfolio</b>	<b>&lt;1</b>	<b>&lt;1%</b>

<b>Total investments</b>	<b>129</b>	<b>99%</b>
Cash and cash equivalents	4	4%
Other assets/(liabilities)	(3)	(3)%
<b>Net Asset Value</b>	<b>130</b>	<b>100%</b>

# Investing alongside blue-chip industrials and funds

## HydrogenOne Co-Investors

Invested companies	Co-investors
<p><b>Hydrogen production</b></p> 	<p>Foresight FOR A SMARTER FUTURE</p>
<p><b>Storage &amp; distribution</b></p> <p>Strohm</p>	   
<p><b>Supply chain</b></p>    	<p>PlanetFirst PARTNERS</p>      <p>Melrose</p>    <p>ipgroup</p>   <p>VNT MANAGEMENT</p>   
<p><b>Hydrogen applications</b></p> 	  

## Amazon's Hydrogen Fuel Cell Vehicles (GenH2)



- GenH2 trucks are as suitable for long-haul road transportation as conventional Mercedes-Benz Actros diesel trucks with a range of up to 1,000 kilometres
- Being tested as part of decarbonisation of Amazon's extensive transportation network by 2040
- Was part of a 5-company prototype trial that included INEOS

# Continued momentum from portfolio during Q3 2024

## Jul 2024

- Strohm wins a major contract with TotalEnergies, marking an entry into the ultra-deepwater market
- Elcogen signs partnership with AVL List GmbH to develop SOEC stack modules for MW-scale hydrogen production plants
- Cranfield Aerospace partners with Evia Aero to develop infrastructure for both electric and hydrogen-electric aircraft operations at regional airports

## Aug 2024

- Sunfire installs and commissions 10-MW pressurised alkaline electrolyser at RWE's hydrogen site in Lingen
- HH2E signs a contract with Gebrüder Karstens Bauunternehmung GmbH for the construction of HH2E's green hydrogen plant in Lubmin

## Sep 2024

- Sunfire wins a major contract for a 100-MW pressurised alkaline electrolyser at RWE's hydrogen site in Lingen
- Strohm successfully completes installation of its TCP Jumper technology at the Deepwater Sabah project offshore Malaysia
- Swift Hydrogen receives £0.3m grant from the European Innovation Council for the development of hydrogen refuelling network for heavy-duty vehicles

# Gen 2 Energy divestment £3m



- Signed binding agreements to divest its entire holding in Gen2, an early-stage green hydrogen developer in Norway
- The agreed consideration of c. £3m. Carrying value at 30 June 2024 c. £3m
- The sale divests the Company from its smallest private investment and frees up capital for operating expenses
- The sale is expected to complete by the end of 2024



# Sunfire: World-leading electrolyser manufacturer at industrial scale (25% HGEN NAV)

## Sunfire electrolyser completes RWE's 300-MW Plant



➤ 800  
MW

Order book



650+

Dedicated employees

14+ yrs

Experience in H2 industry

Up to  
1 GW/a

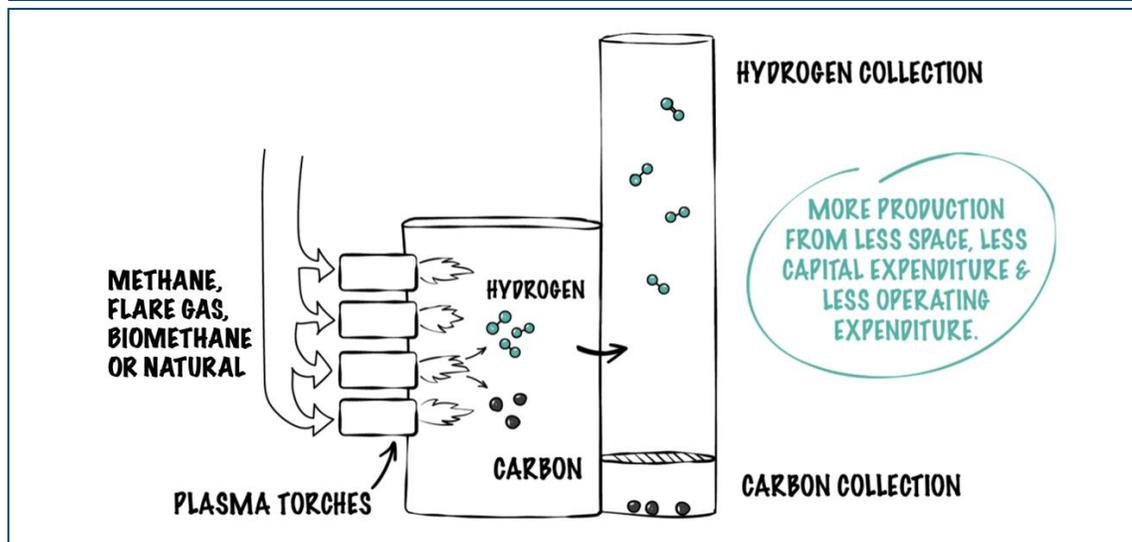
Production capacity in 2024

- Awarded major contract for a 100 MW electrolyser at RWE's site in Linggen – H2 for industrial customers at a commercial scale (2025 commission)
- From mid-2025, hydrogen-powered vehicles can be refuelled at the plant
- Intent to feed the produced hydrogen into the public hydrogen grid, which is currently being developed

**+14% (£4.0m) increase in Q3 2024**

# HiiROC: Transformational technology for zero-emission Hydrogen (19% HGEN NAV)

## Proprietary Thermal Plasma Electrolysis process for affordable clean hydrogen



### World leading

New, proprietary technology for zero CO<sub>2</sub> emission Hydrogen

### Clean

Zero CO<sub>2</sub> emission process, producing clean hydrogen and clean versatile, solid carbon black

### Economical

As cheap as SMR without needing CCUS; a fraction of the energy/cost of water electrolysis

### Efficient

Saving transport and storage costs through point-of-use production

### Scalable

From smaller modular units up to industrial scale

### Versatile

Suitable for all sectors from power generation and blending to industrial decarbonisation

## HiiROC units at Centrica Brigg site, UK

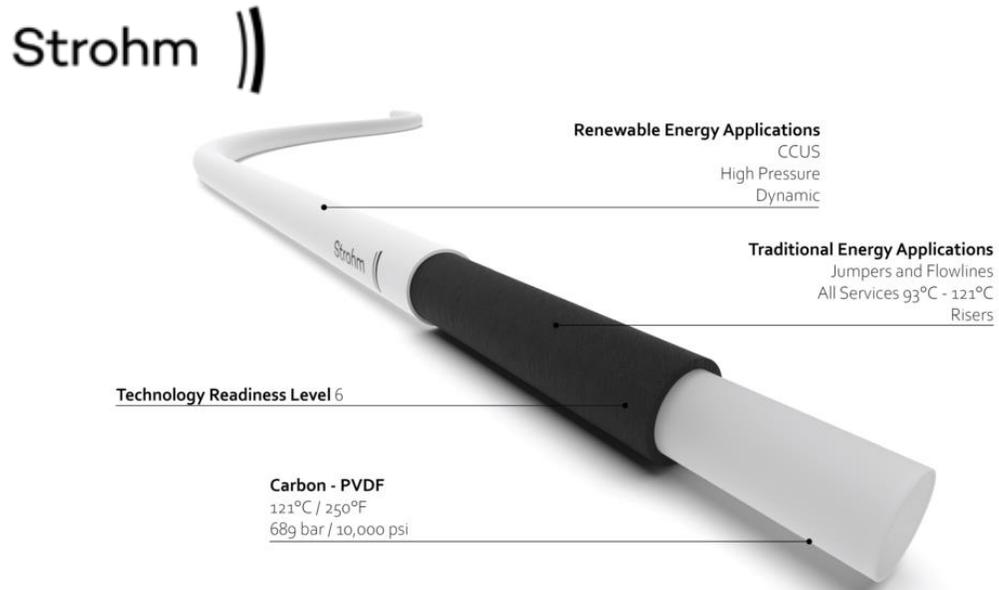


- HiiROC developing the first UK project with Centrica to inject hydrogen at Brigg Power station in UK
- The project is part of the Net Zero Technology Centre's £8m Open Innovation Programme

**+5% (£1.2m) increase in Q3 2024**

# Strohm: Unlocks new ultra-deepwater and CCS market (10% HGEN NAV)

## Strohm's new TCP product for CCS applications



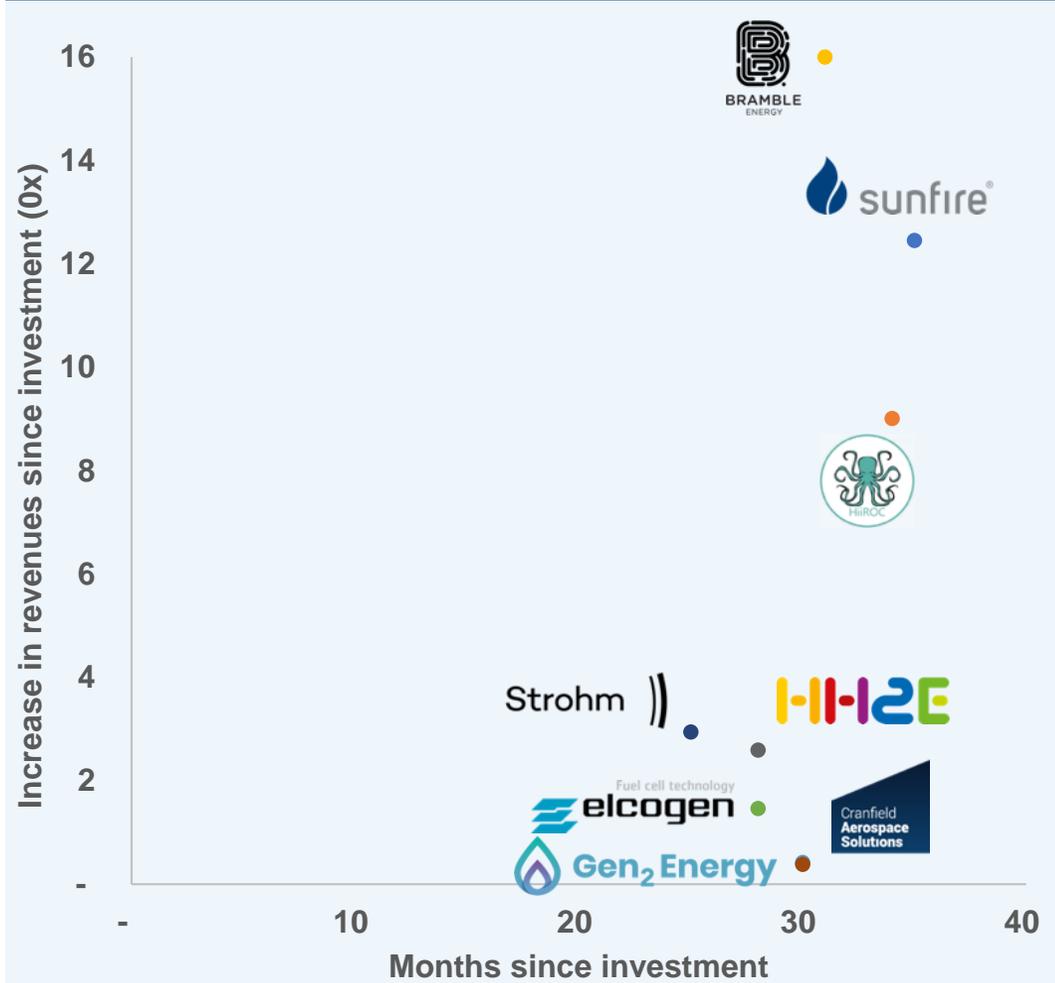
- Industry leaders in offshore hydrogen and CO2 pipelines – a robust, corrosion free and low-carbon solution for operators
- Awarded the largest commercial award for pipe supply with TotalEnergies in Strohm's 16-year history
- Follows a recent a €30 million funding round

## Netherlands manufacturing base

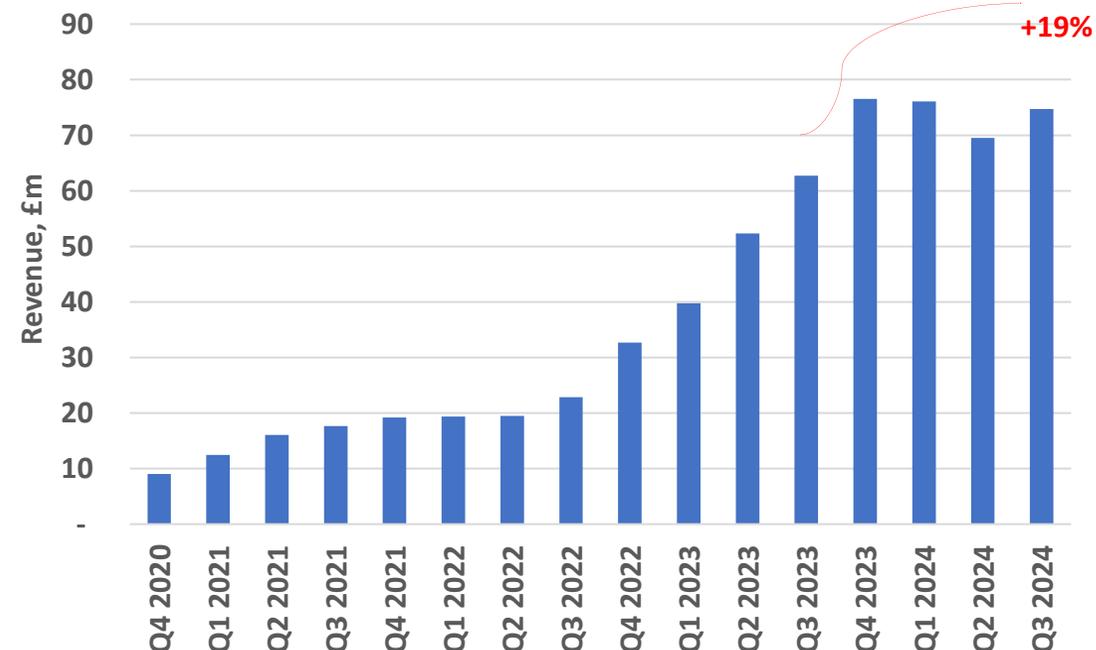


# The portfolio is revenue generating and has produced consistent growth

## Growth in private portfolio revenues since investment



## Private portfolio revenue (100% basis), £m - Trailing 12 months



- The aggregate revenue from private investments c. £75m for 12 months to 30 September 2024, an increase of 19% compared to the 12 months to 30 September 2023
- Revenue growth reflects the build out of capacity to meet strong order books for hydrogen supply chain equipment

## Identifying the best investment opportunities



## Clear strategy to grow NAV

(1) For an investor in HGEN at IPO, the total NAV return target is a target only and not a profit forecast. There can be no assurance that this target will be met, or that the Investment Trust will make any distributions or returns at all and it should not be taken as an indication of the Investment Trust's expected future results. The Investment Trust's actual returns will depend upon a number of factors, including but not limited to the size of the Investment Trust, currency exchange rates, the Investment Trust's net income and level of ongoing charges. Accordingly, potential investors should not place any reliance on this target in deciding whether or not to invest in the Investment Trust and should decide for themselves whether or not the target total NAV return is reasonable or achievable. The illustrative returns has been calculated on the basis of various assumptions and inputs. There can be no assurance that these assumptions and/or inputs will be correct or that the associated potential revenues and returns will be generated.

## Q3 2024 highlights

- NAV per share of the Company 100.81 pence, in line with 30 September 2023 (101.42 pence); and 2.7% lower than 30 June 2024 (103.60 pence)
- Private portfolio companies delivering an aggregate £75m total revenue LTM, 19% increase from prior 12-month period
- Continued portfolio momentum and valuation uplifts in multiple private holdings including Sunfire, HiiROC, and Cranfield Aerospace
- Following the sale of Gen2, HGEN expects to have sufficient funding to meet its investment commitments and current working capital requirements for at least 12 months

# Fund holdings

	As at 30 Sep 2024		As at 30 Jun 2024	
	NAV £m	NAV %	NAV £m	NAV %
<b>Private portfolio</b>				
Sunfire GmbH	32	25%	28	21%
HiiROC Ltd	24	19%	23	17%
Elcogen Plc	23	18%	26	20%
Strohm Holding B.V.	13	10%	13	10%
Cranfield Aerospace Solutions	12	9%	12	9%
HH2E AG	11	8%	12	9%
Bramble Energy Limited	10	8%	13	9%
Gen2 Energy	3	2%	3	3%
<b>Private portfolio</b>	<b>129</b>	<b>99%</b>	<b>131</b>	<b>98%</b>
<b>Listed portfolio</b>	<b>&lt;1</b>	<b>&lt;1%</b>	<b>&lt;1</b>	<b>&lt;1%</b>
<b>Total investments</b>	<b>129</b>	<b>99%</b>	<b>132</b>	<b>99%</b>
Cash and cash equivalents	4	4%	2	1%
Other assets/(liabilities)	(3)	(3)%	(<1)	(<1)%
<b>NAV</b>	<b>130</b>	<b>100%</b>	<b>133</b>	<b>100%</b>

## Contact us

### **HydrogenOne Capital LLP:**

Dr JJ Traynor, Managing Partner  
Richard Hulf, Managing Partner

E: JJ.Traynor@hydrogenonecapital.com  
E: Richard.Hulf@hydrogenonecapital.com

4 Manchester Square  
London  
W1U 3PD

[www.hydrogenonecapitalgrowthplc.com/](http://www.hydrogenonecapitalgrowthplc.com/)

### **Barclays Bank PLC:**

Dion Di Miceli  
Stuart Mures  
James Atkinson

E: BarclaysInvestmentCompanies@barclays.com

T: +44 20 7623 2323