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HydrogenOne Capital Growth plc
("HydrogenOne" or the "Company")

Q3 2023 Net Asset Value and portfolio update

HydrogenOne, the first London-listed fund investing in clean hydrogen for a positive environmental impact, today announces its quarterly net asset value and portfolio update for the period ended 30 September 2023.

Key highlights for the quarter

- Net Asset Value ("NAV") per share of the Company 101.4 pence; broadly similar to 30 June 2023 (100.7 pence), and an increase of 5.1% since 30 September 2022. NAV includes 0.62 pence reduction for accrual of carry;
- Continued revenue growth delivery from private portfolio companies, delivering an aggregate £63 million in total revenue in the 12 months to September 2023, an increase of 174% compared to the 12 months to September 2022;
- The recent €45m investment in Elcogen by HD Hyundai and €25 million "Important Projects of Common European Interest" (IPCEI) grant funding underscores HydrogenOne's valuation and introduces a major industrial strategic investor;
- Sunfire awarded an industry-leading 100MW electrolyser order, and €169 million IPCEI grant funding;
- Cranfield Aerospace announces a partnership with Dronamics, its second platform for hydrogen flight;
- HH2E and Gen2 Energy progress new hydrogen sales agreements in Germany;
- Investments in the quarter totalling £1.6 million in two existing portfolio companies; cash and cash equivalents of £6.5 million, and £2.4 million of listed hydrogen companies at the end of the quarter.

Net asset value

At 30 September 2023, the unaudited NAV per share of the Company was 101.4 pence, representing an increase of 0.7% from 30 June 2023, and an increase of 5.1% from 30 September 2022. The Company had net assets of £130.6 million as of 30 September 2023.

The quarterly increase was driven primarily by valuation uplifts to the Company's portfolio of private investments, positively contributing 2.24 pence (2.2%) per share to the NAV movement, with Strohm contributing the largest increase of 0.98 pence per share (1.0%) compared to 30 June 2023.

NAV movements

Opening NAV per share at 30 June 2023	100.70p
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Portfolio valuation uplifts	1.70p
Accrual for Investment Adviser carry	(0.62)p
FX gains/(losses)	0.65p
Fund expenses	(1.00)p
Closing NAV per share at 30 September 2023	101.42p

Financial summary

	30 September 23	30 June 23	Change	30 September 22	Change
NAV	£130.6m	£129.7m	0.7%	£124.3m	5.1%
NAV per share	101.42p	100.70p	0.7%	96.49p	5.1%
Portfolio valuation	£125.2m	£120.5m	3.9%	£103.3m	21.2%
Portfolio fair value gain / (loss) on cost	£14.5m	£11.6m	24.8%	£3.1m	368%
Cash and cash equivalents	£6.5m	£8.9m	(27.1)%	£23.1m	(71.9)%
Other net assets	£(1.1m)	£0.2m	(630) %	£(2.1m)	(47.6)%

Investment activity

- The Company made £1.6 million of follow on investment in two portfolio companies during the quarter: Cranfield Aerospace Solutions Ltd and NanoSUN in the United Kingdom.
- The Company had cash and cash equivalents of £6.5 million, and £2.4 million of listed hydrogen companies at the end of the quarter, and remains well funded for its day-to-day activities.
- \$7 billion US Department of Energy funding for seven clean hydrogen hubs announced, combined with continued strong policies in the EU again underlines the supportive regulatory regimes in many regions for clean hydrogen.

Portfolio

- At 30 September 2023, the Company has invested in ten private investments, in the UK and Europe, representing 98.0% of its invested portfolio by value. Additional investment in strategic, global hydrogen equities represented 2.0% of the invested portfolio.
- The portfolio continues to perform in line with the expectations of the Investment Adviser, HydrogenOne Capital LLP.
- Eight of the Company's ten private investments are revenue-generating, producing equipment and technology solutions for clean hydrogen production. The unaudited aggregate revenue from these investments was c. £63 million in the 12-month period to 30 September 2023, an increase of 174% compared to the 12 months to September 2022, on a pro-forma basis

- The portfolio weighted average discount rate at 30 September 2023 was 13.5%, higher than 30 September 2022 (13.1%), reducing NAV by 3.0 pence per share. The 30 June 2023 weighted average discount rate was 13.7%, increasing 30 September 2023 NAV by 0.7 pence per share compared to 30 June 2023.

Portfolio developments

Sunfire GmbH, a leading German industrial electrolyser producer: (19.4% of NAV)

- Sunfire has secured a contract to supply a 100 MW pressurized alkaline electrolyser to a European refinery. The purchase order includes ten modules of Sunfire's highly reliable pressurized alkaline electrolysis technology, each with a capacity of 10 MW, as well as the power supply units. Sunfire will be responsible for supervising the subsequent installation and commissioning of the system, which is due to commence operation in early 2026. This marks Sunfire's entry into the large-scale electrolysis sector.
- Sunfire received a €169 million grant from IPCEI to support its growth plans. Sunfire is investing in total some around €400 million to establish industrial series production of its technologies, and validating them in Saxony and North Rhine-Westphalia, aiming for GW scale over time.
- After the end of the quarter, the GET H2 TransHyDE joint project, based in Lingen achieved first hydrogen production, on the site of the RWE gas-fired power plant in Emsland (KEM) using a high-temperature 250 KW solid oxide electrolyser (SOEC) from Sunfire.

Elcogen, a leading innovator and supplier of solid oxide fuel cell and electrolyser components: (17.1% of NAV)

- Elcogen was awarded funding from IPCEI for a €25.4m project to accelerate the deployment of its solid oxide technology, to enable affordable green hydrogen production in Europe.
- After the end of the quarter, Korea Shipbuilding & Offshore Engineering, a member of HD Hyundai Group, invested €45m in Elcogen. This investment will be used to expand Elcogen's manufacturing capacity, with the company's new factory facility in Tallinn, Estonia, due to begin construction shortly. This facility should add manufacturing capacity of up to 360MW to meet increasing demand for Elcogen's products, with 100MW capacity planned for Phase 1. The investment by HD Hyundai underscores both the Company's strategy of backing the leading innovators in the hydrogen industry, and its valuation of Elcogen. Following this investment, HD Hyundai and Elcogen intend to further strengthen their collaboration with a focus on marine propulsion systems and stationary power generation, based on Elcogen's proprietary solid oxide fuel cell technology, with the intent to manufacture products in South Korea.

Strohm Holding B.V., a Netherlands-based hydrogen pipeline company: (15.1% of NAV)

- Strohm successfully installed its first deep-water / high pressure thermoplastic composite pipe (TCP) jumper in Guyana at water depths of 1,700m. TCP offers significant greenhouse gas emissions savings compared to traditional solutions, and has significant growth prospects in transporting offshore hydrogen and CO2.

Cranfield Aerospace Solutions Ltd ("CAeS"), a UK hydrogen flight innovator: (9.1% of NAV)

- CAeS unveiled its newly refurbished hangar and R&D facility for the development of zero emissions aircraft. The facility, leased by CAeS, has undergone major refurbishments as part of Cranfield University's decarbonisation plan, with significant investment into reducing the building's carbon footprint.
- CAeS announced a three-party agreement with MONTE Aircraft Leasing (MONTE) and Australian air charter company Torres Strait Air to convert up to ten Britten-Norman Islander aircraft to hydrogen-electric power.
- CAeS has adjusted its strategy, and intends to deploy its innovative hydrogen flight technology across multiple platforms, and at the same time to develop further IP in hydrogen powered flight. The previously-announced plan to merge CAeS and Britten-Norman has been replaced with the intent to further strengthen the strategic co-operation between these two separate parties.
- After the end of the quarter, CAeS and Dronamics announced a Memorandum of Understanding to further progress the application of the CAeS's hydrogen-electric propulsion system to the Dronamics Black Swan cargo drone aircraft. This agreement confirms the position of CAeS as the preferred supplier of HFC propulsion systems to Dronamics and includes a letter of intent for the supply of a substantial number of

propulsion systems to enhance and increase a fleet of aircraft for the supply of a substantial number of propulsion systems from 2026. This opens a new route to market for its hydrogen-electric propulsion system, alongside existing arrangements with Britten-Norman.

Bramble Energy (6.5% of NAV) is a UK-based fuel cell and portable power solutions company:

- Bramble Energy announced the opening of its new state-of-the-art headquarters in Crawley, West Sussex. The expansive new facility, which includes a world-leading hydrogen innovation and development hub, and builds on the company's strong growth since launching in 2016.

HH2E is a green hydrogen project developer with a focus on industrial customers in Germany: (3.4% of NAV). HH2E is the operator of the Thierbach green hydrogen development project, in which HGEN has a direct investment:(1.4% of NAV)

- HH2E has placed an order with BASF Stationary Energy Storage GmbH (BSES) for 93MWh of high-capacity Sodium Sulphur batteries (NAS® Batteries). Additionally, HH2E has reserved production capacity for a further 140 MWh of these batteries.
- DHL Group, HH2E, and Sasol announced plans to collaborate to "Propel Germany as a Leader in Decarbonized Aviation". The intent is for the production of sustainable aviation fuels in Germany, using HH2E-supplied green hydrogen, for an initial capacity of 200,000 tonnes per annum, with potential to scale up to 500,000 tonnes per annum.
- After the end of the quarter, HH2E announced plans for a supply agreement for green hydrogen with Germany hydrogen refuelling leader H2 Mobility, aimed at the transport sector.

Gen2 Energy (3.0% of NAV) is a Norwegian green hydrogen project developer

- Gen2 Energy received a general building permit from Vefsn municipality for its proposed hydrogen plant in Mosjøen, Norway and for the associated administrative building. The Nesbruket-1 plant, at this site, is targeting final investment decision in 2024 for a 120MW green hydrogen facility.
- After the end of the quarter, Gen2 Energy and SEFE Securing Energy for Europe (SEFE), via its subsidiary WINGAS GmbH, signed a Transaction Term Sheet for the delivery of green hydrogen. This defines the terms and conditions for a final Sales and Purchasing Agreement and represents a major step to realize the import of green hydrogen from Norway to Germany.

Further details on the Company's private investments, including the new investments referenced above, can be found on its website at <https://hydrogenonecapitalgrowthplc.com/portfolio/private-investments>.

Factsheet and investor webinar

The 30 September 2023 factsheet is now available on the Company's website: <https://hydrogenonecapitalgrowthplc.com/investors/factsheets/>.

The Company's Investment Adviser, HydrogenOne Capital LLP, will be hosting a 30-minute live webinar presentation for investors and analysts on Q3 2023 Factsheet and NAV update commencing at 11.00 GMT today.

In order to register for the webinar, please follow the link: <https://www.investormeetcompany.com/hydrogenone-capital-growth-plc/register-investor>.

The presentation will also be available on the Company's website at <https://hydrogenonecapitalgrowthplc.com/investors/documents-and-publications/>.

Notes

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About HydrogenOne:

HydrogenOne is the first London-listed hydrogen fund investing in clean hydrogen for a positive environmental impact. The Company was launched in 2021 with an investment objective to deliver an attractive level of capital growth by investing in a diversified portfolio of hydrogen and complementary hydrogen focussed assets. INEOS Energy is a strategic investor in HydrogenOne. The Company is listed on the London Stock Exchange's main market (ticker code: HGEN). The Company is an Article 9 climate impact fund with an ESG policy integrated in investment decisions and asset monitoring.

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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014, as it forms part of UK domestic law ("**MAR**"). Upon publication of this announcement, the inside information is now considered to be in the public domain for the purposes of MAR. The person responsible for arranging the release of this announcement on behalf of the Company is HydrogenOne Capital LLP.

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