**THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.**

This document has been prepared in connection with the publication of a prospectus (the "**Prospectus**") for the purposes of Article 3 of Regulation (EU) 2017/1129, as amended, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**Prospectus Regulation**"), relating to HydrogenOne Capital Growth plc (the "**Company**") in connection with the issue of ordinary shares of £0.01 each in the capital of the Company ("**Ordinary Shares**") prepared in accordance with the prospectus regulation rules of the Financial Conduct Authority (the "FCA") made pursuant to section 73A of FSMA (the "**Prospectus Regulation Rules**") and approved by the FCA as competent authority under the Prospectus Regulation and under Section 87A of FSMA. It constitutes "a separate copy of the summary" for the purposes Article 21(3) of the Prospectus Regulation.

The Prospectus is dated 5 July 2021. The page numbers in this document correspond to the page numbers in the Prospectus. The Prospectus is available for download at www.hydrogenonecapitalgrowthplc.com.

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# HydrogenOne Capital Growth plc

*(Incorporated in England and Wales with registered number 13340859 and registered as an investment company under section 833 of the Companies Act)*

## Placing, Offer for Subscription and Intermediaries Offer for a target issue of 250 million Ordinary Shares at 100 pence per Ordinary Share

## Admission to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market

**Investment Adviser**

**HydrogenOne Capital LLP**

**Sponsor, Financial Adviser and Joint Bookrunner**

**Panmure Gordon (UK) Limited**

**Joint Bookrunner**

**Kepler Cheuvreux**

**Intermediaries Offer Adviser**

**Solid Solutions Associates (UK) Limited**

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Panmure Gordon (UK) Limited ("**Panmure Gordon**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as sponsor, financial adviser and joint bookrunner for the Company and for no one else in relation to Admission (as defined in the Prospectus) of any Ordinary Shares, the Issue (as defined in the Prospectus) and the other arrangements referred to in the Prospectus. Panmure Gordon will not regard any other person (whether or not a recipient of the Prospectus) as its client in relation to Admission of any Ordinary Shares, the Issue and the other arrangements referred to in the Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission of any Ordinary Shares, the Issue, the contents of the Prospectus or any transaction or arrangement referred to in the Prospectus.

Kepler Cheuvreux, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as joint bookrunner for the Company and for no one else in relation to Admission of any Ordinary Shares, the Issue and the other arrangements referred to in the Prospectus. Kepler Cheuvreux will not regard any other person (whether or not a recipient of the Prospectus) as its client in relation to Admission of any Ordinary Shares, the Issue and the other arrangements referred to in the Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission of any Ordinary Shares, the Issue, the contents of the Prospectus or any transaction or arrangement referred to in the Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Panmure Gordon and/or Kepler Cheuvreux by FSMA or the regulatory regime established thereunder, neither Panmure Gordon nor Kepler Cheuvreux make any representation, express or implied, in relation to, nor accepts any responsibility whatsoever for, the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, Admission of any Ordinary Shares or the Issue. Each of Panmure Gordon and Kepler Cheuvreux (and their respective affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for statutory liability), whether arising in tort, contract or otherwise which it might otherwise have in respect of the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, Admission of any Ordinary Shares or the Issue.

# SUMMARY

## 1. INTRODUCTION, CONTAINING WARNINGS

This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the securities.

The securities which HydrogenOne Capital Growth plc (the "**Company**") intends to issue are Ordinary Shares of the Company of £0.01 each, whose ISIN is GB00BL6K7L04. The SEDOL is BL6K7L0.

The Company can be contacted by writing to its registered office, 1st Floor, Senator House, 85 Queen Victoria Street, London EC4V 4AB, or by calling, within business hours, +44 (0)20 4513 9260. The Company can also be contacted through its Company Secretary, PraxisIFM Fund Services (UK) Limited, by writing to 1st Floor, Senator House, 85 Queen Victoria Street, London EC4V 4AB, calling, within business hours, +44 (0)20 4513 9260 or emailing ukfundcosec@praxisifm.com.

This Prospectus was approved on 5 July 2021 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN. Contact information relating to the FCA can be found at https://www.fca.org.uk/contact.

## 2. KEY INFORMATION ON THE ISSUER

### 2.1 *Who is the issuer of the securities?*

The Company is a public company limited by shares incorporated in England and Wales with an unlimited life under the Companies Act and is domiciled in the United Kingdom. The Company is an investment company under section 833 of the Companies Act. The Company's LEI number is 213800PMTT98U879SF45.

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted. The Company's principal activity is to invest in a diversified portfolio of hydrogen assets.

As at the date of this Prospectus, insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights. Pending allotment of the Ordinary Shares pursuant to the Issue, the Company is controlled by Dr JJ Traynor. The Directors and their connected persons intend to subscribe for the following number of Ordinary Shares pursuant to the Issue: Simon Hogan – 40,000 Ordinary Shares; Caroline Cook – 20,000 Ordinary Shares and Afkenel Schipstra – 10,000 Ordinary Shares. The Principals intend to subscribe for 100,000 Ordinary Shares each pursuant to the Issue. INEOS Energy has agreed to subscribe for at least 25 million Ordinary Shares under the Issue. Save as described above, the Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

The Board members are: Simon Hogan (Non-Executive Chair), Caroline Cook (Non-Executive Director) and Afkenel Schipstra (Non-Executive Director).

The Company has appointed International Fund Management Limited as the AIFM of the Company, pursuant to the AIFM Agreement. The AIFM will act as the Company's alternative investment fund manager for the purposes of the UK AIFM Rules. The AIFM has appointed HydrogenOne Capital LLP to provide investment advisory services in respect of the Company.

The Company's Auditor is KPMG Channel Islands Ltd.

The Company's investment objective and investment policy are set out below.

***Investment Objective***

The Company's investment objective is to deliver an attractive level of capital growth by investing, directly or indirectly, in a diversified portfolio of hydrogen and complementary hydrogen focussed assets whilst integrating core ESG principles into its decision making and ownership process.

***Investment Policy***

The Company will seek to achieve its investment objective through investment in a diversified portfolio of hydrogen and complementary hydrogen focussed assets, with an expected focus in developed markets in Europe, North America, the GCC and Asia Pacific, comprising: (i) assets that supply clean hydrogen; (ii) large scale energy storage assets, (iii) carbon capture, use and storage assets; (iv) hydrogen distribution infrastructure assets; (v) assets involved in hydrogen supply chains, such as electrolysers and fuel cells; and (vi) businesses that utilise hydrogen applications such as transport, power generation, feedstock and heat (together "**Hydrogen Assets**").

The Company intends to implement its investment policy through the acquisition of Private Hydrogen Assets and Listed Hydrogen Assets.

***Private Hydrogen Assets***

The Company will invest in unquoted Hydrogen Assets, which may be operational companies or hydrogen projects (completed or under construction) ("**Private Hydrogen Assets**"). Investments are expected to be mainly in the form of equity, although investments may be made by way of debt and/or convertible securities. The Company may acquire a mix of controlling and non-controlling interests in Private Hydrogen Assets, however the Company intends to invest principally in non-controlling positions (with suitable minority protection rights to, inter alia, ensure that the Private Hydrogen Assets are operated and managed in a manner that is consistent with the Company's investment policy). Given the time frame required to fully maximise the value of an investment, the Company expects that investments in Private Hydrogen Assets will be held for the medium to long term, although short term disposals of assets cannot be ruled out in exceptional or opportunistic circumstances. The Company intends to re-invest the proceeds of disposals in accordance with the Company's investment policy.

The Company will observe the following investment restrictions, assessed at the time of an investment, when making investments in Private Hydrogen Assets:

- no single Private Hydrogen Asset will account for more than 20 per cent. of Gross Asset Value;
- Private Hydrogen Assets located outside developed markets in Europe, North America, the GCC and Asia Pacific will account for no more than 20 per cent. of Gross Asset Value; and
- at the time of an investment, the aggregate value of the Company's investments in Private Hydrogen Assets under contract to any single Offtaker will not exceed 40 per cent. of Gross Asset Value.

The Company will initially acquire Private Hydrogen Assets via the HydrogenOne Partnership, a wholly owned subsidiary undertaking of the Company structured as an English limited partnership which is controlled by the Company and advised by the Investment Adviser. The HydrogenOne Partnership's investment policy and restrictions are the same as the Company's investment policy and restrictions for Private Hydrogen Assets and cannot be changed without the Company's consent. In due course, the Company may acquire Private Hydrogen Assets directly or by way of holdings in special purpose vehicles or intermediate holding entities (including successor limited partnerships established on substantially the same terms as the HydrogenOne Partnership) or, if the Company is considered a 'feeder fund' under the Listing Rules, other undertakings advised by the Investment Adviser and, in such circumstances, the investment policy and restrictions will also be applied on a look-through basis and such undertaking(s) will also be managed in accordance with the Company's investment policy.

*Listed Hydrogen Assets*

The Company will also invest in quoted or traded Hydrogen Assets, which will predominantly be equity securities but may also be corporate debt and/or other financial instruments ("**Listed Hydrogen Assets**"). The Company will be free to invest in Listed Hydrogen Assets in any market or country with a market capitalisation (at the time of investment) of at least US$200 million. The Company's approach is to be a long-term investor and will not ordinarily adopt short-term trading strategies.

The Company will observe the following investment restrictions, assessed at the time of an investment, when making investments in Listed Hydrogen Assets:

- no single Listed Hydrogen Asset will account for more than 3 per cent. of the Gross Asset Value, with a targeted average stock weighting of 1.5 per cent. of the Gross Asset Value;
- the portfolio of Listed Hydrogen Assets will comprise no fewer than 15 listed Hydrogen Assets at times when the Company is substantially invested; and
- each Listed Hydrogen Asset must derive at least 50 per cent. of revenues from hydrogen and/or related technologies.

*Liquidity Reserve*

During the initial Private Hydrogen Asset investment period after a capital raise (currently anticipated to be up to 18 months in respect of the Issue) and/or a realisation of a Private Hydrogen Asset, the Company intends to allocate the relevant net proceeds of such capital raise/realisation to cash (in accordance with the Company's cash management policy set out below) and/or to additional Listed Hydrogen Assets and related businesses pending subsequent investment in Private Hydrogen Assets (the "**Liquidity Reserve**"). The Company anticipates holding cash to cover the near-term capital requirements of the pipeline of Private Hydrogen Assets and in periods of high market volatility.

When deploying the Liquidity Reserve into Listed Hydrogen Assets and related businesses, the Company will invest in businesses that: (i) consist of larger hydrogen companies (e.g. global fuel cell, electrolyser manufacturers and hydrogen suppliers), companies in the industries that support these manufacturers (e.g. engineering, manufacturing and materials companies) and project level companies (e.g. electrical utilities that produce green electricity and the infrastructure that supports this electricity supply and the transmission and storage of the produced hydrogen); and (ii) have a market capitalisation (at the time of investment) of at least US$1 billion.

When investing in Listed Hydrogen Assets and related businesses as part of the Liquidity Reserve, no single Listed Hydrogen Asset or related business will account for more than 7 per cent. of Gross Asset Value with a targeted average stock weighting of 2.5 per cent. of Gross Asset Value.

It is anticipated that, once the Initial Net Proceeds are fully invested (with the Liquidity Reserve having been subsequently invested in Private Hydrogen Assets), at least 70 per cent. of the Company's assets will be invested in Private Hydrogen Assets with the balance invested in Listed Hydrogen Assets. Over the medium term, it is expected that the weighting to Listed Hydrogen Assets will reduce further, to approximately 10 per cent. of the Company's assets, as the allocation to Private Hydrogen Assets grows, with Listed Hydrogen Assets primarily focussed on strategic equity holdings derived from the listing of operational companies within the Private Hydrogen Assets portfolio over time.

***Investment Restrictions***

The Company will, in addition to the investment restrictions set out above, comply with the following investment restrictions when investing in Hydrogen Assets:

- the Company will not conduct any trading activity which is significant in the context of the Company as a whole;
- the Company will, at all times, invest and manage its assets (i) in a way which is consistent with its object of spreading investment risk; and (ii) in accordance with its published investment policy;
- the Company will not invest in other UK listed closed-ended investment companies; and
- no investments will be made in companies or projects that generate revenues from the extraction or production of fossil fuels (mining, drilling or other such extraction of thermal coal, oil or gas deposits).

Compliance with the above restrictions will be measured at the time of investment and non-compliance resulting from changes in the price or value of Hydrogen Assets following investment will not be considered as a breach of the investment policy or restrictions.

***Borrowing Policy***

The Company may take on debt for general working capital purposes or to finance investments and/or acquisitions, provided that at the time of drawing down (or acquiring) any debt (including limited recourse debt), total debt will not exceed 25 per cent. of the prevailing Gross Asset Value at the time of drawing down (or acquiring) such debt. For the avoidance of doubt, in calculating gearing, no account will be taken of any investments in Hydrogen Assets that are made by the Company by way of a debt investment.

Gearing may be employed at the level of an SPV or any intermediate subsidiary undertaking of the Company (such as the HydrogenOne Partnership) or, if the Company is considered a 'feeder fund' under the Listing Rules, other undertakings advised by the Investment Adviser in which the Company has invested or the Company itself. The limits on debt shall apply on a consolidated and look-through basis across the Company, the SPVs or any such intermediate holding entities (such as the HydrogenOne Partnership) or, if the Company is considered a 'feeder fund' under the Listing Rules, other undertakings advised by the Investment Adviser in which the Company has invested but intra-group debt will not be counted.

Gearing of one or more Hydrogen Assets in which the Company has a non-controlling interest will not count towards these borrowing restrictions. However, in such circumstances, the matter will be brought to the attention of the Board who will determine the appropriate course of action.

*Currency and Hedging Policy*

The Company has the ability to enter into hedging transactions for the purpose of efficient portfolio management. In particular, the Company may engage in currency, inflation, interest rates, energy prices and commodity prices hedging. Any such hedging transactions will not be undertaken for speculative purposes.

***Cash management***

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds ("**Cash and Cash Equivalents**").

There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position. For the avoidance of doubt, the restrictions set out above in relation to investing in UK listed closed-ended investment companies do not apply to money market type funds.

***Changes to and compliance with the Investment Policy***

The Company will not make any material change to its published investment policy without the approval of the FCA and Shareholders by way of an ordinary resolution at a general meeting. Such an alteration would be announced by the Company through a Regulatory Information Service.

In the event of a breach of the investment policy and/or the investment restrictions applicable to the Company, the AIFM shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

***ESG Policy***

The Company will include, and the Investment Adviser has agreed that any undertaking it advises in which the Company invests (such as the HydrogenOne Partnership), will include ESG criteria in its investment and divestment decisions, and in asset monitoring. The Board will have oversight of and will monitor the compliance of the AIFM, and the Investment Adviser and any undertaking advised by the Investment Adviser (such as the HydrogenOne Partnership) in which it invests with the Company's ESG policy, and will ensure that the ESG policy is kept up-to-date with developments in industry and society.

***ESG principles***

The Company has embedded four ESG principles into its policy:

*Allocating capital to low-carbon growth*

The Company is focused on investing for a climate-positive environmental impact, accelerating the energy transition and the drive for cleaner air. The Directors prioritise this long-term goal over short-term maximisation of Shareholder returns or corporate profits. The Company will enable investors to back innovators in low carbon industries by supporting the access of such companies to the capital markets.

*Engagement to deliver effective boards*

The Company prioritises positive and proactive engagement with the boards of its investments. The Directors recognise that structure and composition cannot be uniform, but must be aligned with long term investors while supporting managements to innovate and grow. The presence of effective and diverse independent directors is important to the Company, as are simple and transparent pay structures that reward superior outcomes.

*Encourage sustainable business practices*

The Company expects its Hydrogen Assets to be transparent and accountable and to uphold strong ethical standards. This includes a demonstrated awareness of the interests of material stakeholders and engagement to deliver positive impacts on environment and society. Hydrogen Assets should support the letter, and spirit, of regional laws and regulations. The Company and the Investment Adviser will encourage adoption of initiatives such as the Task Force on Climate-related Financial Disclosures and the EU Sustainable Finance Taxonomy, and will encourage transparency and alignment in any lobbying activities.

*ESG in the Company*

Given the nature of its investments, the Company intends to disclose key performance metrics ("**KPIs**") that describe the environmental impact of its portfolio. The Company is particularly focused on the greenhouse gas emissions from investments and the emissions that have been avoided ("**avoided emissions**") as a result of the investments, and intends to actively engage with portfolio companies to be able to adopt an appropriate reporting framework in this area. The Company will frame its investments around positive contributions to UN Sustainable Development Goals ("**UN SDGs**"), and will work within responsible frameworks such as those promoted by the UN Global Compact ("**UN GC**"), the London Stock Exchange's Green Economy Mark, and the UN Principles for Responsible Investment ("**UN PRI**"). The Company will manage its own direct carbon footprint.

**Green Economy Mark**

The Company is expected to qualify for London Stock Exchange's Green Economy Mark at Admission, which recognises companies that derive 50 per cent. or more of their total annual revenues from products and services that contribute to the global green economy. The underlying methodology incorporates the Green Revenues data model developed by FTSE Russell, which helps investors understand the global industrial transition to a green and low carbon economy with consistent,transparent data and indexes.

2.2 ***What is the key financial information regarding the issuer?***

No key financial information is included in this Prospectus as the Company is yet to commence operations.

2.3 ***What are the key risks that are specific to the issuer?***

The attention of investors is drawn to the risks associated with an investment in the Company which, in particular, include the following:

- the Company has no operating results and will not commence operations until it has obtained funding through the Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective and provide a satisfactory investment return;
- the Company may not meet its investment objective and there is no guarantee that the Company's target total return, as may be adopted from time to time, will be met. The Company's return will depend on many factors, including successfully pursuing its investment policy and the Company's earnings, financial position, cash requirements, level and rate of borrowings and availability of profit, as well as the provisions of relevant laws or generally accepted accounting principles from time to time. There can be no assurance that the Company's investment policy will be successful;
- the Company's targeted return is a target only and is based on estimates and assumptions about a variety of factors including, without limitation, value, yield and performance of the Company's portfolio of Hydrogen Assets, which are inherently subject to significant business, economic, currency and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve its targeted returns. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with the targets;
- the Company is reliant on projections. Investment decisions and ongoing valuations will be based on financial projections for the Company's Hydrogen Assets. Projections will primarily be based on the Investment Adviser's assessment and are only estimates of future results based on assumptions made at the time of the projection. These projections may not be realised and are subject to change as relevant inputs to the projections change;

- the Group may use borrowings for multiple purposes, including for investment purposes. While the use of borrowings should enhance the total return on the Ordinary Shares, where the return on the Company's portfolio of Hydrogen Assets exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's portfolio of Hydrogen Assets is lower than the cost of borrowing. The use of borrowings by the Group may increase the volatility of the Company's revenues and the Net Asset Value per Ordinary Share;
- the success of the Company's investment activities depends on the Investment Adviser's ability to identify Hydrogen Assets and the availability of such investments. Identification and exploitation of the investment strategies to be pursued by the Company involves a high degree of uncertainty. There can be no assurance that the Investment Adviser will be able to do so or that it will enable the Company to invest on attractive terms or generate any investment returns for Shareholders or avoid investment losses;
- due diligence on Hydrogen Assets may not uncover all of the material risks or defects affecting the Hydrogen Asset, and/or such risks or defects may not be adequately protected against in the acquisition or investment documentation or adequately insured against. The Company may acquire Hydrogen Assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities;
- the Company may invest in Hydrogen Assets which are in construction or construction-ready or otherwise require significant future capital expenditure. Hydrogen Assets which have significant capital expenditure requirements may be exposed to certain risks, such as cost overruns, construction delay, failure to meet technical requirements or construction defects which may be outside the Company's control;
- the Company, the AIFM and the Investment Adviser are subject to laws and regulations enacted by national and local governments. The laws and regulations affecting the Company, the AIFM and the Investment Adviser may change and any changes in such laws and regulations may have a material adverse effect on the ability of the Company, the AIFM and the Investment Adviser to carry on their respective businesses. Any such changes could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Ordinary Shares;
- many of the Hydrogen Assets will be in entities that are subject to substantial regulation by governmental agencies. In addition, their operations may often rely on governmental licences, concessions, leases or contracts that are generally very complex and may result in disputes over interpretation or enforceability. If the Company, the HydrogenOne Partnership or the SPVs fail to comply with these regulations or contractual obligations, they could be subject to monetary penalties or they may lose their rights to operate the underlying assets, or both; and
- the hydrogen energy sector is evolving and the subject of intense and sometimes rapidly changing regulation in many jurisdictions. Therefore, the Company is exposed to the risk that the competent authorities may pass legislation that might hinder or invalidate rights under existing contracts as well as hinder or impair the obtaining of the necessary permits or licences necessary for Hydrogen Assets in the construction phase. Furthermore, the relevant licences and permits may be adversely altered, revoked, or in the case of their expirations not be extended by the relevant authorities. These actions and any litigation undertaken by the Company in response, could have a material adverse effect on the Company's profitability, the Net Asset Value and/or the price of the Ordinary Shares.

## 3. KEY INFORMATION ON THE ISSUER

### 3.1 *What are the main features of the securities?*

#### 3.1.1 Ordinary Shares

The securities which the Company intends to issue are Ordinary Shares of the Company of £0.01 each, whose ISIN is GB00BL6K7L04. The SEDOL is BL6K7L0. Immediately following Admission, the Company will have one class of share in issue.

The Ordinary Shares are denominated in Sterling. The Ordinary Shares are being offered under the Issue at the Issue Price of 100 pence per Ordinary Share.

Set out below is the issued share capital of the Company as at the date of this Prospectus:

| | Aggregate nominal value | Number |
|---|---|---|
| Management Shares of £1.00 each | £50,000 | 50,000 |
| Ordinary Share of £0.01 | £0.01 | 1 |

The Ordinary Share in issue is fully paid up. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under section 761 of the Companies Act, on 20 May 2021, 50,000 Management Shares were allotted to the Investment Adviser. The Management Shares are fully paid up and will be redeemed immediately following Admission out of the proceeds of the Issue.

#### 3.1.2 Rights attaching to the Ordinary Shares

The Ordinary Shares have the following rights:

| | |
|---|---|
| Dividend: | The holders of the Ordinary Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares that they hold. |

| | |
|---|---|
| *Rights in respect to capital:* | On a winding-up or return of capital, provided the Company has satisfied all its liabilities and subject to the rights conferred on any other class of shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares shall be entitled to all the surplus assets of the Company. |
| *Voting:* | The Ordinary Shares shall carry the right to receive notice of, attend, speak and vote at general meetings of the Company and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. |

3.1.3 **Restrictions on the free transferability of Ordinary Shares**

There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws.

**3.1.4 Target return and dividend policy**

The Company is targeting a Net Asset Value total return of 10 per cent. to 15 per cent. per annum over the medium to long-term with further upside potential.

The Company intends to invest in Hydrogen Assets with cash flow typically re-invested for further accretive growth.

The Company only intends to pay dividends in order to satisfy the ongoing requirements under the Investment Trust (Approved Company) (Tax) Regulations 2011 for it to be approved by HMRC as an investment trust save that, in the medium term, the Company's Hydrogen Assets may also generate free cash flow which the Company may decide not to re-invest and, in such case(s), the Company currently intends to distribute these amounts to Shareholders.

The Company intends to pay any dividends on a semi-annual basis with dividends typically declared in respect of the six month periods ending June and December and paid by the following September and June respectively.

Distributions made by the Company may take either the form of dividend income or may be designated as interest distributions for UK tax purposes. Prospective investors should note that the UK tax treatment of the Company's distributions may vary for a Shareholder depending on the classification of such distributions.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

Prospective investors who are unsure about the tax treatment which will apply to them in respect of any distributions made by the Company should consult their own tax advisers.

The return target stated above is a target only and not a profit forecast. There can be no assurance that this target will be met and should not be taken as an indication of the Company's expected future results. The Company's actual returns will depend upon a number of factors, including but not limited to the size of the Issue, currency exchange rates, the Company's actual performance 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 Company and should decide for themselves whether or not the return target is reasonable or achievable.

Investors should note that references in this paragraph 3 to "dividends" and "distributions" are intended to cover both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.

**3.1.5 Where will the securities be traded?**

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all of the Ordinary Shares (issued and to be issued) in connection with the Issue to be admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market. No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange.

3.2 ***What are the key risks specific to the securities?***

The attention of investors is drawn to the risks associated with an investment in the Ordinary Shares which, in particular, include the following:

- the value of an investment in the Company, and the returns derived from it, if any, may go down as well as up and an investor may not get back the amount invested. The market price of the Ordinary Shares may fluctuate independently of the underlying net asset value and may trade at a discount or premium to Net Asset Value at different times; and

- it may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares and the Directors are under no obligation to effect repurchases of Ordinary Shares. Shareholders wishing to realise their investment in the Company will therefore be required, in the ordinary course, to dispose of their Ordinary Shares in the market

## 4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

### 4.1 *Under which conditions and timetable can I invest in this security?*

The Company is targeting an issue of 250 million Ordinary Shares pursuant to the Issue comprising the Placing, Offer for Subscription and Intermediaries Offer. Ordinary Shares will be issued pursuant to the Issue at an Issue Price of 100 pence per Ordinary Share.

INEOS Energy, which has extensive development activities in developing low carbon technologies for the coming energy transition, has agreed to subscribe for at least 25 million Ordinary Shares under the Issue at the Issue Price, representing 10 per cent. of the issued share capital of the Company at Admission (on the assumption that the Issue is subscribed as to 250 million Ordinary Shares).

The Offer for Subscription and Intermediaries Offer will remain open until 27 July 2021 and the Placing will remain open until 3.00 p.m. on 27 July 2021. If the Issue is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus are: (i) AJ Bell Youinvest; (ii) Equiniti Financial Services Ltd; (iii) Hargreaves Lansdown Asset Management; (iv) Interactive Investor Services Limited; and (v) Redmayne Bentley.

Applications will be made for the Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market. It is expected that Admission will become effective and dealings in the Ordinary Shares will commence at 8.00 a.m. on 30 July 2021.

The costs and expenses of, and incidental to, the formation of the Company and the Issue will be no more than 2.0 per cent. of the Gross Proceeds, equivalent to £5 million, assuming Gross Proceeds of £250 million. The costs will be deducted from the Gross Proceeds and the starting Net Asset Value per Ordinary Share will be 98 pence. The Company has agreed with the Investment Adviser that the Investment Adviser will contribute to the costs of the Issue by way of a rebate of its advisory fee such that the Net Asset Value per Ordinary Share at Admission will not be less than 98 pence.

The Issue is conditional, inter alia, on: (i) Admission having become effective on or before 8.00 a.m. on 30 July 2021 or such later time and/or date as the Company, the Investment Adviser, Panmure Gordon and Kepler Cheuvreux may agree (being not later than 8.00 a.m. on 31 August 2021); and (ii) the Placing Agreement becoming wholly unconditional in respect of the Issue (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission; and (iii) the Minimum Gross Proceeds, being £100 million (or such lesser amount as the Company, the Investment Adviser, Panmure Gordon and Kepler Cheuvreux may agree) being raised. If the Minimum Gross Proceeds are not raised, the Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

The Company will not charge investors any separate costs or expenses in connection with the Issue.

All expenses incurred by any Intermediary pursuant to the Intermediaries Offer are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

### 4.2 *Why is this Prospectus being produced?*

#### 4.2.1 Reasons for the issue

The Issue is intended to raise money for investment in accordance with the Company's investment objective and investment policy. The Directors intend to use the Net Proceeds, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy.

The Investment Adviser and the Board believe that, with the Investment Adviser's experience and the preparatory work undertaken by it to date, suitable Hydrogen Assets will be identified, assessed and acquired such that the Net Proceeds will be substantially invested or committed ((with the Liquidity Reserve having been subsequent invested in Private Hydrogen Assets) within 18 months of Admission.

The Issue has not been underwritten.

#### 4.2.2 Estimated Net Proceeds

The Company is targeting an issue of 250 million Ordinary Shares pursuant to the Issue subject to a maximum of £300 million. The Net Proceeds are dependent on the level of subscriptions received. Assuming Gross Proceeds are £250 million, it is expected that the Net Proceeds will be £245 million.