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HydrogenOne Capital Growth plc invests £8.4m (EUR 10m) in Netherlands-based hydrogen pipeline company Strohm

HydrogenOne Capital Growth plc ("HydrogenOne" or the "Company"), the first LSE-listed investment fund dedicated to clean hydrogen, is pleased to announce that it has signed definitive agreements for an investment of £8.4m (EUR 10m) in Strohm Holding B.V. ("Strohm"). HydrogenOne is investing alongside Strohm's existing investors Shell Ventures, Chevron Technology Ventures and Evonik Venture Capital, in the first close of a funding round totalling £11.8m (EUR 14m). HydrogenOne may also invest up to a further £1.7m (EUR 2m) in the second close of this funding round, which is anticipated to be at least £5.1m (EUR 6m) in aggregate in addition, expected later in 2022.

Following the investment in Strohm, HydrogenOne will have the right to a board seat.

Strohm is a private supply chain company, focused on the offshore wind-to-hydrogen sector and supporting a reliable, faster and cheaper green energy transition around the world. The company is developing safe and dependable pipeline solutions, whereby green hydrogen generated at offshore wind turbines can be transported to shore via Strohm's subsea pipe infrastructure.

From its base near Amsterdam, the Netherlands, Strohm is a global market leader in design and manufacturing of Thermoplastic Composite Pipe ("TCP"). TCP is more cost effective than steel pipe and has c.50% less manufacturing greenhouse gas emissions. As TCP is a flexible pipe, it can be installed offshore easily and quickly, using the same methods as currently used for array cables. The technology can be used to safely transport hydrogen, CO₂, ammonia and water, where steel solutions suffer from embrittlement and corrosion.

This fundraising is expected to enable Strohm to scale up its plant capacity in the Netherlands and deliver on its energy transition agenda as it continues to support clients towards net-zero goals with its durable, lightweight and 100% recyclable pipe solution, proven to reduce the CO₂ footprint of pipeline infrastructures by up to 60%.

Over 9 gigawatts ("GWs") of offshore green hydrogen projects have been proposed in the North Sea basin, with further multi-GWs growth potential, alongside Carbon Capture, Utilisation and Storage ("CCUS"), all of which will require specialist pipeline solutions at scale. Strohm is well positioned to service the development of this offshore hydrogen and CCUS market.

Simon Hogan, Chairman of HydrogenOne, commented: "We continue to demonstrate the impressive pace and quality of our capital deployment through this latest investment in Strohm.

This is our ninth private investment since the launch of our clean hydrogen-focused fund and an excellent addition to our growing portfolio.

“Strohm’s core commitment to a sustainable future, through reduction of the carbon footprint of pipelines around the globe and provision of solutions for clean hydrogen applications, is one we support. We look forward to working with Strohm’s management team as it scales up to meet the growing demand for hydrogen as an energy source.”

Martin van Onna, Managing Director of Strohm, said: “We recognised the fit between clean hydrogen and offshore wind at an early stage, and developed a compelling pipe solution to support it. TCP can transfer up to nine times the amount of energy compared to a cable, and can be used to store hydrogen, thereby increasing the uptime of offshore wind farms. The pipe’s flexibility, lack of corrosion, fatigue and embrittlement make it the superior pipeline solution for offshore wind farms, generating hydrogen.

“The investment by HydrogenOne allows us to increase our capacity to service this exciting and growing market.”

Peter van Giessel, Partner at Shell Ventures, said: “We are looking forward to working with HydrogenOne to further realise the potential of Strohm. The company has qualified its products, commercially deployed them in various applications across the world and has now reached the inflection point. This investment underlines the versatility of Strohm’s technology and its potential to play an important enabling role in the offshore renewable space.”

Bernhard Mohr, Managing Director of Evonik Venture Capital, added: “As a long-term investor and development partner, Evonik actively supports Strohm's contribution to the energy transition. The jointly developed thermoplastic composite pipes are the most reliable and cost-effective solution for the transport of offshore hydrogen. With HydrogenOne, we found the ideal partner to bring the technology to scale and establish Strohm in the field of renewable hydrogen.”

The Company's LEI is 213800PMTT98U879SF45.

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About HydrogenOne:

HydrogenOne 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).

About Strohm:

Strohm has the world's largest track-record for TCP having brought the technology to market in 2007. The business is committed to driving sustainability with its range of composite subsea flowlines and jumpers which helps clients to reach their net-zero carbon emissions targets and supports the renewables sector.

TCP is a strong, non-corrosive, spoolable, lightweight solution which is delivered in long lengths, resulting in a significant reduction of transportation and installation costs. It has proven to reduce the CO₂ footprint of pipeline infrastructures by more than 60%. It is also 100% recyclable.

Strohm is headquartered in IJmuiden in the Netherlands where its manufacturing plant is also located. It has additional offices in Houston (US), Rio de Janeiro (Brazil) and Kuala Lumpur (Malaysia). Its shareholders include Chevron Technology Ventures, Evonik Venture Capital, and Shell Ventures. Visit the Strohm website here: <https://strohm.eu/>.

For Strohm's media enquiries, please contact pam.wilson@bigpartnership.co.uk or +44 (0)7772 287 588.

About Shell Ventures:

Shell Ventures helps companies reach the next level. With major offices in Europe, the USA, India and China, Shell Ventures invests in innovative companies from seed to late stage to further the development of solutions and technologies that have the potential to accelerate the energy and mobility transformation.

About Chevron Technology Ventures:

Chevron Technology Ventures (CTV) pursues technologies and new business solutions that have the potential to enhance the way Chevron delivers affordable, reliable, and ever-cleaner energy. More information about CTV is available on its [corporate page](#) and [LinkedIn](#).

About Evonik Venture Capital:

With a fund size of €400 million, Evonik Venture Capital (EVC) has made more than 45 investments since 2012, being both direct and fund investments.

From its offices in Germany, the USA and China, EVC invests in innovative technologies in the areas of Nutrition & Care, Smart Materials, Specialty Additives and Digitalization, as well as in technologies to support Evonik's Sustainability Strategy. The investment scope ranges from early stage to growth stage with investment volume per portfolio company of up to €15 million.

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