20 September 2022

HydrogenOne Capital Growth plc

Half-year results for the six months ended 30 June 2022

HydrogenOne Capital Growth plc ("HydrogenOne" or the "Company"), the first London-listed fund investing in clean hydrogen for a positive environmental impact, is pleased to announce its unaudited half-year results for the six months ended 30 June 2022, with the following highlights:

- The fundamentals of the clean hydrogen sector continued to strengthen, despite recent weak macro-economic conditions;
- During the period, the Company has successfully completed investments in five Private Hydrogen Assets deploying £46.1 million;
- An oversubscribed placing completed in April 2022 raised £21 million in net proceeds;
- At 30 June 2022, approximately 75% of the equity net proceeds raised since IPO had been deployed, taking the total invested capital since IPO to £94.8 million;
- The Company's NAV as at 30 June 2022 was £124.8 million or 96.8 pence per Ordinary Share;
- The NAV per Ordinary Share of the Company increased by 1.1% during the period;
- The NAV of the Company's private investments increased by 3% during the period, reflecting higher valuations in multiple positions;
- A further investment has been completed post-period end in Strohm Holding B.V. for total consideration of £8.4 million;
- The Company will commence the external reporting of its performance in accordance with the Sustainable Finance Disclosure Regulation ("SFDR") and the International Sustainability Standards Board ("ISSB") frameworks in the next annual report;
- Ongoing development of a significant pipeline of private clean hydrogen investments by HydrogenOne Capital LLP (the "Investment Adviser") in excess of £500 million, including a near-term pipeline over £100 million; and
- Intention to establish a share issuance programme to enable the Company to raise capital in an efficient manner.

	At 30 June 2022	At 31 December 2021	% change[1,2,3]
NAV per Ordinary Share	96.8p	95.7p	1.1%
NAV[3]	£124.8m	£102.8m	21%
Market capitalisation[3]	£120.1m	£128.3m	(6%)
Share price premium/(discount) to NAV[1]	(3.8%)	24.8%	(28.6%)

[1]*These are alternative performance measures*

[2] *Total returns in sterling for the six months to 30 June 2022*

[3] *Includes April 2022 fundraise proceeds of £20.9 million net of costs*

The half-year results are available on the Company's website:
https://hydrogenonecapitalgrowthplc.com/investors/corporate-documents/

Simon Hogan, Chairman of HydrogenOne, commented:

"We are pleased with our performance during the period, as we continued to deliver solid results and growth in value of our private portfolio, through implementing our distinctive strategy of investing in clean hydrogen opportunities.

We continue to see strong support for the energy transition from governments around the world and view the policy focus in this area as a catalyst for further growth. With this support and investment, there has been an increase in the size and scale of hydrogen projects and further exciting opportunities that HydrogenOne can capture.

We will continue to pursue opportunities to grow the Company and make further selective investments, aimed at a climate-positive environmental impact, in line with our ESG commitments."

Presentation from the Investment Adviser

Dr JJ Traynor and Richard Hulf, principals of the Investment Adviser, will be presenting on the half-year results via a webcast on Thursday, 22 September 2022 at 15:00 British Summer Time (BST). The presentation is open to all existing and potential shareholders, and we encourage all investors to attend by registering via this link:

https://www.investormeetcompany.com/hydrogenone-capital-growth-plc/register-investor

A copy of the half-year results presentation will be available on the Company's website from 22 September.

The Company's LEI is 213800PMTT98U879SF45.

For further information, please visit www.hydrogenonecapitalgrowthplc.com or contact:

HydrogenOne Capital LLP – Investment Adviser JJ Traynor/Richard Hulf Eva Bezruchko	+44 20 3830 8231
Panmure Gordon – Corporate Broker and Financial Adviser Tom Scrivens Alex Collins	+44 20 7886 2500

FTI Consulting – Media Enquiries	+44 20 3727 1725
Matthew O'Keeffe	+44 78 1492 1439
Cally Billimore	hygen@fticonsulting.com

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).

CHAIR'S STATEMENT

On behalf of the Board, I am pleased to report on the six-month period ended 30 June 2022.

During the period, we have continued to deliver solid results and growth in value of our private portfolio, through implementing our distinctive strategy of investing in clean hydrogen opportunities not readily accessible elsewhere. Our careful and thorough approach to investing for a climate-positive environmental impact, has resulted in us completing a further five private investments, all of which are supporting a reliable, faster and cheaper green energy transition. ESG is fully embedded in our investment decisions and we are dedicated to further developing and progressing our ESG framework to achieve the highest reporting levels.

The fundamentals of the hydrogen sector continued to strengthen, despite weak macro-economic conditions, enabling us to identify unique accretive opportunities to invest in, across the entire value chain of the sector.

We continue to see strong support for the energy transition from governments around the world and view the policy focus in this area as a catalyst for further growth. With this support and investment, there has been an increase in the size and scale of hydrogen projects and further exciting opportunities that HydrogenOne can capture.

Overall, despite the uncertainty of the current economic environment, we remain confident that the Company is investing in a sector with a favourable outlook and believe in its growth potential as illustrated by the strength of our current pipeline of private clean hydrogen investments.

Performance

During the period, we continued to deploy capital into the clean hydrogen sector with five new private investments completed, bringing the total portfolio to eight private and 19 listed investments. Including a further private investment completed post period end, we have deployed a total of £103 million, or 82% of the net proceeds raised of £126m, into low-carbon growth companies.

The total NAV on 30 June 2022 was £124.8 million, including a £95.0 million portfolio valuation, £29.9 million of cash held by the Company and other net liabilities of £0.1 million.

Since the Company's IPO, the shares have predominantly traded at a premium to NAV, first trading at a discount in May 2022.

Earnings and dividend

The Company made a revenue loss after tax of £0.7m for the period, equal to 0.57 pence per share.

The Company's dividend policy is to only pay dividends in order to satisfy the ongoing requirements under the Investment Trust (Approved Company) (Tax) Regulations 2011. The Company has paid no dividend during the period, as we continue to focus on growth investments.

Fundraising

The Company's equity raise in April 2022 was oversubscribed, underpinning our investment case, with £21 million raised (post costs). We were encouraged by the continued support of our existing shareholders and were pleased to welcome new investors to our register.

Portfolio activity

The following new private investments have been completed during the period:

- £10.0 million investment in fuel cell innovation company Bramble Energy Limited ("Bramble Energy");
- £3.5 million investment in Norwegian green hydrogen developer Gen2 Energy AS ("Gen2 Energy");
- £7.0 million investment in UK passenger flight innovator Cranfield Aerospace Solutions Ltd ("Cranfield Aerospace");
- £20.5 million investment in leading global solid oxide fuel cell and stack specialist Elcogen Plc ("Elcogen"); and
- £5.1 million investment in German green hydrogen developer HH2E AG ("HH2E").

Board

Abigail Rotheroe joined our Board as a Non-Executive Director, to replace Caroline Cook. Abigail brings a wealth of experience in sustainable and impact investing. Roger Bell, the INEOS Energy appointed director was replaced by David Bucknall, the CEO of INEOS Energy. INEOS Energy remains one of our cornerstone shareholders and supporters. I would like to take this opportunity to thank Caroline and Roger for their contributions to the Board as Non-Executive Directors.

ESG

Since our launch in 2021, we have set our focus specifically on investing in clean Hydrogen Assets and their role in the energy transition, combined with wider ESG principles, leading to avoided GHG emissions and targeting net negative emissions.

In addition to climate-positive impact, particular focus is placed on engagement to deliver effective boards and the encouragement of sustainable business practices. These, and other issues, are reviewed and integrated prior to any investment decision, and managed thereafter through close relationships with the Company's private company investments.

We will commence the external reporting of the Company's performance in accordance with the SFDR and ISSB frameworks in the next annual report, including EU taxonomy alignment of our portfolio companies and avoided GHG emissions disclosure.

Presentation from the Investment Adviser

Dr JJ Traynor and Richard Hulf, principals of the Investment Adviser, will be presenting on the Half-Year Results via a webcast on Thursday, 22 September 2022 at 15:00 British Summer Time (BST). The presentation is open to all existing and potential shareholders, and we encourage all investors to attend by registering via this link:
https://www.investormeetcompany.com/hydrogenone-capital-growth-plc/register-investor

Events After the Period End

We completed an £8.4 million investment in the Netherlands-based hydrogen pipeline company Strohm Holding B.V ("Strohm").

Outlook

As the first London-listed fund dedicated to clean hydrogen, we are well positioned to capitalise on the opportunities being presented by the rapidly growing sector. The Investment Adviser has developed a significant pipeline of private clean hydrogen investments in excess of £500m, including a near-term pipeline over £100m. We will continue to pursue opportunities to grow the Company and make further selective investments, aimed at a climate-positive environmental impact, in line with our ESG policy commitments. In order to facilitate this future growth, we are intending to establish a share issuance programme to enable the Company to raise capital in an efficient manner, which will be announced in due course.

I would like to thank our shareholders, my fellow Directors, the Investment Adviser and our external advisers for their support and look forward to our progress during a very busy period ahead.

Simon Hogan, Chairman
16 September 2022

INVESTMENT ADVISER'S REPORT

About the Investment Adviser

The Company's Alternative Investment Fund Manager ("AIFM"), Sanne Fund Management (Guernsey) Limited, (part of Apex Group), and the Company have appointed HydrogenOne Capital LLP as the Investment Adviser to the AIFM in respect of the Company.

Its key responsibilities are to originate, analyse, assess and recommend suitable investments within the hydrogen sector, and advise the AIFM accordingly. Additionally, the Investment Adviser performs asset management services in relation to the investments in the portfolio or, to the extent asset management is delegated to third parties, oversees and monitors such asset management.

HydrogenOne Capital LLP was founded in 2020 by Dr JJ Traynor and Richard Hulf as an alternative investment firm focused specifically on investing in Hydrogen Assets and their role in the energy transition. As a responsible investor, HydrogenOne Capital LLP is committed to contributing to the energy transition through the financing of sustainable investments and by providing investment solutions that reduce carbon emissions.

HydrogenOne Capital LLP employs a fully integrated investment and asset management approach and integrates its focus on ESG criteria throughout the entire investment process.

The Principals of the Investment Adviser

The principals of the Investment Adviser have in excess of 60 years of combined experience and a track record of success in the energy industry and capital markets which are directly applicable to the hydrogen industry, including acquisitions, mergers and divestments, development of growth energy projects, supervision of profitable energy production, ESG track record, investments in both listed and private companies and board advisory.

Dr JJ Traynor - Dr John Joseph "JJ" Traynor has extensive experience in energy, capital markets, project management, and M&A. He has held a series of senior energy and banking sector positions, including Executive Vice President at Royal Dutch Shell, where he led investor relations and established the company's ESG programme; Managing Director at Deutsche Bank, where he was the number one ranked analyst in European and Global oil & gas; Geologist at BP, in the North Sea, West Africa and Asia Pacific. He has a Geology BSc from Imperial College, a PhD from Cambridge University. He attended the INSEAD Advanced Management Programme and is a Fellow of the Geological Society of London.

Richard Hulf - Richard Hulf is a fund manager with corporate finance and engineering background. Richard has 30 years of experience in the Utilities and Energy sectors and is a Chartered Engineer, originally from Babcock Power and latterly Exxon. In addition, his financial experience spans stock broking, corporate finance, and fund management with Henderson Crosthwaite, Ernst & Young and Artemis Investment Management, where he invested into renewables companies. He has an MSc in Petroleum Engineering from Imperial College.

The Investment Adviser's team

The principals have assembled an experienced team to support the Company. This group brings a mixture of finance, technical and sector skills to support the Investment Adviser in its day-to-day activity. The Investment Adviser has established a team which is responsible for financial modelling, corporate and asset valuation analysis, and opportunity assessment for the Company.

Advisory Board of the Investment Adviser

The principals of the Investment Adviser are supported by an experienced team which comprises the Advisory Board. The Advisory Board has been carefully selected to provide expert advice to the Investment Adviser on the hydrogen sector, project finance and capital markets. The Investment Adviser has appointed the members of the Advisory Board to provide it with advice from time to time. No members of the Advisory Board are directors, officers, employees or consultants of the Company, the AIFM or the Investment Adviser. It is envisaged that the Advisory Board will expand over time, with additional experts being added or substituted as and when required.

Market review and outlook

Policy makers and industry are converging on clean hydrogen as a core technology to deliver net zero, improved air quality and enhanced energy security.

The Paris Agreement in 2015 has led at least 39 countries to set out hydrogen policies and US$70 billion of funding as part of net zero targets to deliver the energy transition.

According to the World Health Organisation ("WHO"), some 4.2 million deaths per year are caused by poor ambient air quality, and 91% of the world's population live in places exceeding the WHO's air quality guidelines. Much of this pollution is a result of emissions from internal combustion engines and fossil fuel power plants.

The 2022 Russian invasion of Ukraine has compelled decision makers across the world to focus on the importance of sustained investment and policy support for domestic energy production and, crucially, less reliance on energy imports from overseas. This new drive is further amplifying the demand pull for clean hydrogen from energy transition and air quality needs. As a result, governments and industries have responded with new initiatives in 2022 to deliver affordable, secure, and sustainable low-carbon energy, with clean hydrogen set to play a vital role.

Many countries are now focusing on developing energy supplies that are not reliant on imports from Russia, and at the same time an acceleration of the transition to low carbon energy, from renewable power and clean hydrogen.

Alongside this, 2022 has seen a significant increase in fossil fuels prices, with Brent oil prices for example increasing from a range of US$60-$80 per barrel to a range of US$100-120 per barrel. This change, combined with substantial increases in regional natural gas prices, has improved the relative economics of clean hydrogen compared to grey hydrogen, which is currently the lowest cost and most polluting form of hydrogen supply. Whereas the cost of fossil fuel feedstocks used to make grey hydrogen has increased, the cost outlook for clean hydrogen continues to improve, with larger scale and more efficient electrolysers coming to the market.

In 2022, the EU reshaped its energy policy to the REPowerEU 2030 plan, which calls for over 300GW of clean hydrogen by 2030, compared to 80GW in previous plans. Some EUR5.4 billion in hydrogen subsidies have recently been approved under Important Projects of Common European Interest (“IPCEI”), which are expected to unlock a further EUR8.8 billion of private investment. The Hy2Tech scheme, also announced in 2022, links 41 projects and 35 companies building out the hydrogen sector, and has qualified for IPCEI funding.

In the United States, the Department of Energy has announced a US$8 billion programme to develop clean regional hydrogen hubs across the country, as part of net zero ambitions by 2050. The 2022 Inflation Reduction Act set aside US$369 billion for climate and energy proposals. Within this Act, there is a tax credit for clean hydrogen of US$0.6-$3/kg, depending on life cycle emissions. This is expected to make green hydrogen cost competitive with grey hydrogen, and make US clean hydrogen amongst the lowest cost in the world.

In the UK, 2030 clean hydrogen targets have been doubled this year to 10GW. The UK Government has recently announced a national clean hydrogen subsidy scheme called Hydrogen Business Model (“HBM”), which will use a contracts-for-difference style set-up to help fund an initial 1GW of clean hydrogen projects in 2023, as part of the target to reach 10GW of low-carbon hydrogen by 2030, in a potentially £9 billion sector. This is in addition to the Net Zero Hydrogen Fund (“NZHF”) with up to £240 million of grant funding to support the upfront costs of developing and building low carbon hydrogen production projects.

In Denmark, a Hydrogen and Power-to-X strategy was announced in March 2022, calling for 4-6GW of installed hydrogen electrolysis by 2030, using wind and solar power, putting DKK 1.25 billion of subsidy funding in place, and the policy and regulatory frameworks that are required for this.

As a further example, in 2019 the Netherlands set targets for 3-4GW of electrolysis by 2030 with multi-billion-euro funding support announced by the Netherlands government. The government is providing EUR750 million of funding support for a ‘hydrogen backbone’, retrofitting existing natural gas pipelines to transport hydrogen between five industrial clusters in the Netherlands, and at cross-border connection points.

Burning fossil fuels for energy releases green-house gas and poisonous particulates. More than 20 countries have announced sales bans on internal combustion engine vehicles before 2035, and over 25 cities have pledged to buy only zero-emission buses from 2025 onwards. This is driven by net zero agendas, plus the imperative to reduce poisonous emissions from diesel in urban environments.

Access to clean hydrogen is a priority for refiners and steel and ammonia producers as they address GHG emissions. These heavy industries are under tremendous pressure to reduce or eliminate grey hydrogen from processes, to reduce the GHG emissions that result from this.

Most of today’s demand for clean hydrogen is a clean-up of grey hydrogen. In the future, clean hydrogen can displace fossil fuels in hard to decarbonise sectors, either by burning it in power plants to replace natural gas, coal, and oil, or by converting it to electricity through hydrogen fuel cells.

Water vapour is the only by-product of using hydrogen as a fuel. Hydrogen can store and transport intermittent renewable power at a grid scale. As wind and solar become a large percentage of electricity supply over time, the electric grid will need large scale electricity storage to offset periods of low wind and low light. By converting electricity to hydrogen, the energy can be stored over long periods of time either in pipelines and tanks, or in underground salt caverns.

The hydrogen sector has US$1 trillion market potential by 2040. A 200x increase in clean hydrogen supply is anticipated from 2019 to 2030, in order to achieve net zero, as the scale-up of renewable power alongside the phase-out of fossil fuels, improves the economics of established hydrogen technologies. Clean hydrogen could be 20% of the energy mix by 2050.

Today, we see some 50+ clean hydrogen projects on stream around the world with a total capacity of c. 330MW, along with in excess of 110 further projects under construction, totaling at least 7GW. In addition, we note that there are some 10GW of offshore hydrogen projects in design, in tandem with rapid growth in offshore wind.

Investment portfolio

During the period, the Company has invested a total of £46.1 million in five new Private Hydrogen Assets, which are the foundation of a diversified portfolio for investors in clean hydrogen and related technologies.

Uninvested funds of £29.9 million are currently held in cash and cash equivalents in the Company's Liquidity Reserve, ahead of investment.

New Private Hydrogen Assets acquisitions

Bramble Energy

Company description	• UK-based fuel cell and portable power solutions company
Investment size / date	• £10.0m / February 2022
Co-investors	• IP Group, BGF, Parkwalk, UCL Technology Fund
Why invested	• Pioneering revolutionary fuel cell design and manufacturing techniques • Novel printed circuit board design PCBFC™ - low cost, scalable and recyclable fuel cell modules • Launched a portable power product range • Developing high-power density, mobility fuel cell systems
Total Addressable Market	• >£100bn (by 2030)
Recent developments	• UK Government funding for its fuel cell technology developments
Key milestones	• SDX portable power launch 2022 • Mobility technology development

Gen2 Energy

Company description	• Norwegian green hydrogen project developer
Investment size / date	• £3.5m / March 22
Co-investors	• HyCap, Vitol, Hoegh LNG, Knutsen Group
Why invested	• Up to 700MW green hydrogen projects in Norway, with expected production in 2025-2027 • Specialist in low-cost 24/7 hydroelectric power • HGEN has follow-on investment rights in project SPVs
Total Addressable Market	• >£100bn

Recent developments	• Progressing with plans for clean hydrogen supply in Norway, with agreements reached in shipping and logistics
Key milestones	• First hydrogen project launch at Mosjøen in 2023

Cranfield Aerospace

Company description	• UK-based passenger flight innovator, powering turboprop flight with hydrogen
Investment size / date	• £7.0m / March 22 (£5.6m invested to date, a further £1.4m committed on successful completion of milestones)
Co-investors	• Safran Ventures, Tawazun Strategic Development Fund, Motus Ventures
Why invested	• Aerospace market leader in the design and manufacture of new aircraft design concepts, complex modifications to existing aircraft and integration of cutting-edge technologies • Working on CAA certification of the Britten-Norman Islander passenger aircraft using hydrogen
Total Addressable Market	• £1.4bn (by 2030)
Recent developments	• Collaboration and supply agreement for 10 hydrogen-fuelled planes with EVIA AERO in Northern Europe • New funding from Tawazun Strategic Development Fund and Motus Ventures (total investment round £14.4m)
Key milestones	• Test flight 2023 • Commercial certification 2025

Elcogen

Company description	• Fuel cell and electrolyser manufacturer with presence in Estonia and Finland
Investment size / date	• £20.5m / May 2022
Co-investors	• Biofuel OÜ, VNTM Powerfund II
Why invested	• Amongst the world's most advanced solid oxide specialists, with lower than-normal operating temperatures and superior economics • Developed a reversible ceramic technology that can convert hydrogen into emission-free electricity and vice versa • +10 year track record

	• Over 60 established industrial customers worldwide
Total Addressable Market	• >£40bn (by 2030)
Recent developments	• c. €17m public funding for research & innovation activities under IPCEI Hy2Tech project • WattAnyWhere supply partnership for BEV
Key milestones	• Expansion of manufacturing facilities during 2022-23 at 25MW/year, rising to 50MW/year (equivalent to 100MW - 200MW in electrolysis mode)

HH2E

Company description	• German green hydrogen project developer with a focus on industrial customers
Investment size / date	• £5.1m / May 22
Co-investors	• Foresight Group LLP
Why invested	• Assessing five new projects for Final Investment Decision ("FID") • Provides HGEN with investment rights in multiple large-scale industrial decarbonization projects • The new zinc electrolyser (or battery+alkali electrolyser) in combination with the high-temperature storage unit enables constant production with only a limited number of hours of renewable electricity supply
Total Addressable Market	• >£100bn
Recent developments	• Announced a new 6,000 tpa/ 200MW (c.1GW by 2030) clean hydrogen project with MET Group in Lubmin, Germany
Key milestones	• First hydrogen project launch Lubmin expected in Germany in 2023

Listed Hydrogen Assets portfolio

The Company has invested in 19 global hydrogen sector listed equities with an average market capitalisation of £1.4 billion overall and a minimum market capitalisation of £200 million at the time of the investment. The aggregate value of the Listed Hydrogen Assets portfolio as at 30 June 2022 was £5.4 million. These companies are key players in the electrolysis, fuel cell and clean hydrogen projects sectors.

These are long term strategic holdings in companies that the Investment Adviser expects will be the eventual leaders in the listed hydrogen market.

Post period end acquisition

In August 2022, the Company has made a new £8.4m investment in Strohm.

Strohm

Company description	• The Netherlands-based hydrogen pipeline company
Investment size / date	• £8.4m / August 2022
Co-investors	• Shell Ventures, Chevron Technology Ventures, Evonik Venture Capital
Why invested	• 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 greenhouse gas emissions on as-installed basis • TCP can transfer up to nine times the amount of energy compared to a cable, and can be used to store hydrogen • TCP's flexibility, lack of corrosion, fatigue and embrittlement make it the superior pipeline solution for offshore wind farms, generating hydrogen
Total Addressable Market	• >100GW (2040)
Recent developments	• Doubled production capacity in the Netherlands-based plant
Key milestones	• Aiming to increase revenue generation from energy transition applications including hydrogen to over 50%, effective 2025

Valuation

The Investment Adviser has carried out fair market valuations of the Private Hydrogen Assets at 30 June 2022, which have been reviewed by the Valuation Committee, and the Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation.

All Private Hydrogen Assets at 30 June 2022 have been valued using either the Price of Recent Investment or discounted cash flow methodology as described by the International Private Equity and Venture Capital Valuation 2018 ("IPEV") Guidelines. Each valuation has been calibrated with a discounted cash flow analysis of the future expected cash flows accruing to the Company from each portfolio investment where applicable, and progress assessed against specific milestones assessed for indications of positive or negative performance which may impact valuation.

Listed Hydrogen Assets are valued at fair value, which is the bid market price, or, if bid price is unavailable, last traded price on the relevant exchange.

Net assets

Net assets increased from £102.8 million at 31 December 2021 to £124.8 million at 30 June 2022. The increase is due to the fund raise of £20.88 million (net of costs) and an uplift in the value of the Private Hydrogen Assets of £4.6 million, offset by the fall in global stocks generally and the hydrogen sector more specifically.

The net assets of £124.8 million comprise £95.0 million portfolio value of investments, including the holding in the HydrogenOne Capital Growth Investments (1) LP ("Limited Partnership"), and the Company's cash balances of £29.9 million, and other net liabilities of £0.1 million.

The Limited Partnership's net assets of £89.5 million comprise £90.5 million portfolio value of investments, cash balances of £0.5 million, and other net liabilities of £1.5 million.

Cash

At 30 June 2022, the Group had a total cash balance of £30.4 million, including £29.9 million in the Company's balance sheet and £0.5 million in the Limited Partnership, which is included in the Company's balance sheet within 'investments held at fair value through profit or loss'.

Gain for period

The Company's total gain before tax for the period ended 30 June 2022 is £1.2 million, generating gains of 0.97 pence per Ordinary Share.

In the period to 30 June 2022, the gains on fair value of investments were £1.8 million.

The expenses included in the income statement for the year were £0.7 million, in line with expectations. These comprise £0.2 million Investment Adviser fees and £0.5 million operating expenses. The details on how the Investment Adviser fees are charged are as set out in note 5 to the financial statements.

Ongoing charges

The 'ongoing charges' ratio is an indicator of the costs incurred in the day-to-day management of the Company.

The ongoing charges percentage for the six-month period to 30 June 2022 was 2.5%. The ongoing charges have been calculated, in accordance with AIC guidance, as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted Net Asset Value in the period. The ongoing charges percentage has been calculated on the consolidated basis and therefore takes into consideration the expenses of Limited Partnership as well as the Company.

Richard Hulf, Dr JJ Traynor
HydrogenOne Capital LLP
16 September 2022

PORTFOLIO

Private Hydrogen Assets held by HydrogenOne Capital Growth Investments (1) LP*

Company	Country of incorporation	Value of investment £'000
Sunfire GmbH	Germany	20,659
HiiROC Limited	United Kingdom	13,000
NanoSUN Limited	United Kingdom	10,100
Bramble Energy Limited	United Kingdom	12,000
Cranfield Aerospace Solutions Ltd	United Kingdom	5,600
Gen2 Energy	Norway	3,335
Elcogen Plc	United Kingdom	20,659
HH2E AG	Germany	5,164
Total		**90,519**

Listed Hydrogen Assets held by HydrogenOne Capital Growth PLC*

Company	Country of main listing	Market value £'000	% of net assets
Hexagon Purus ASA	Norway	459	0.4
SFC Energy AG-BR	France	439	0.4
NEL ASA	Norway	415	0.4
Powercell Sweden AB	Sweden	400	0.3
Doosan Fuel Cell Co Ltd	South Korea	361	0.3
Bloom Energy Corp	United States	357	0.3
S-Fuelcell Co Ltd	South Korea	328	0.3
Hydrogen-Refueling-Solutions SA	Germany	308	0.2
McPhy Energy SA	France	302	0.2
Plug Power Inc	United States	291	0.2
Aker Horizons AS	Norway	286	0.2
Fuelcell Energy Inc	United States	279	0.2
Ceres Power Holdings plc	United Kingdom	231	0.2
AFC Energy plc	United Kingdom	222	0.2
Green Hydrogen Systems A/S	Denmark	191	0.2
Cell Impact AB	Sweden	186	0.2
ITM Power plc	United Kingdom	180	0.1
Ballard Power Systems Inc	Canada	178	0.1
Enapter AG	Germany	20	0.0
Total listed investments		**5,433**	**4.4**
Private Assets investment*			
HydrogenOne Capital Growth Investments (1) LP	United Kingdom	89,536	71.8
Total investments		**94,969**	**76.2**
Cash		29,863	23.9
Other net assets		(65)	(0.1)
Total net assets		**124,767**	**100.0**

**As at 30 June 2022.*
All investments are in equity securities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Overview

The ESG criteria is fully embedded in the Company's investment and divestment decisions, from screening through to engagement and asset monitoring.

The Board has oversight of, and monitors, the compliance of the AIFM, and the Investment Adviser and any undertaking advised by the Investment Adviser in which it invests, with the Company's ESG policy, and ensures that the ESG policy is kept up to date with developments in industry and society.

The Company continues to develop its ESG framework and the level of disclosure. As part of this commitment, it has engaged an external sustainability consultant. During the second half of the financial year, the Company will be working to:

- Commence the external reporting in accordance with SFDR and ISSB frameworks;
- Adopt an appropriate reporting framework and methodology to quantify avoided GHG emissions;
- Map its portfolio to the EU Taxonomy; and
- Complete its application to become a signatory to the UN PRI.

HydrogenOne's ESG Tool – "HET"

The Company has embedded four ESG principles into its policy:

ESG principles		**HGEN performance (for the six months ended 30 June 22)**
1 **Allocating capital to low-carbon growth**	• Investing for a climate-positive environmental impact • Prioritise this long-term goal over short-term maximisation of shareholder returns or corporate profits • Backing innovators in low carbon industries	*£46.1 million invested in low-carbon growth during the period, including investments in a fuel cell innovation company Bramble Energy; a Norwegian green hydrogen developer Gen2 Energy; a UK passenger flight innovator Cranfield Aerospace; a leading global solid oxide fuel cell and stack specialist Elcogen; and a German green hydrogen developer HH2E, bringing the total to £85.4 million.*
2 **Engagement to deliver effective boards**	• Positive and proactive engagement with the boards of Private Hydrogen Assets • Effective and diverse independent directors • Simple and transparent pay structures that reward superior	*The Investment Adviser is represented on all of the Boards of its Private Hydrogen Assets and is actively engaged in ESG matters in these businesses.* *The Company and the Investment Adviser support the UK Stewardship code issued by the Financial Reporting Council and the Investment Adviser on behalf of the Company votes at all meetings where they are able to exercise the Company's vote.*

	outcomes	
3 Encourage sustainable business practices	• Strong ethical standards, to deliver positive impacts on the environment and society • Alignment with ISSB and the EU Taxonomy • Encourage transparency and alignment of lobbying activities	*The Investment Adviser is actively and constructively engaged with the invested companies in the implementation of sustainable business practices.* *This includes a demonstrated awareness of the interests of material stakeholders and engagement to deliver positive impacts on the 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 ISSB and the EU Sustainable Finance Taxonomy and will encourage transparency and alignment of lobbying activities.*
4 ESG in the Company	• KPIs, in particular avoided GHG emissions • Framing investments around UN SDGs, UN GC, LSE • Green Economy Mark and UN PRI • The Company manages its own direct carbon footprint	*The Investment Adviser has implemented ESG screening on key metrics and UN SDGs, spanning 22 assessments within the Company's four ESG principals.* *This results in an aggregate scoring of ESG performance, which frames engagement with invested companies to drive continuous improvement, and in some cases may mean the Company decides not to invest in the relevant company.* *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 estimation of the emissions that might be avoided through the deployment of new hydrogen and related technologies forms an important part of the investment assessments made by the Investment Adviser. These estimates complement perspectives on total addressable markets in revenue terms. Work continues on an avoided emissions framework that is broad and robust enough for useful publication and comparison across assets.* *SFDR / ISSB / EU taxonomy – relevant disclosures will be included in the 2022 annual report.*

SFDR

Whilst SFDR compliance is not mandatory for UK domiciled funds, the Company has elected to comply with article 8 of the SFDR. Article 8 applies where a financial product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices. The external reporting of the Company's performance in accordance with the SFDR framework will commence in the 2022 year-end annual report.

United Nations Sustainable Development Goals

The Company's investment objective and investment policy are closely aligned with seven of the United Nations Sustainable Development Goals:

Goal	***UN SDG target***	***The Company's focus***
3 GOOD HEALTH AND WELL-BEING	• Reduce deaths from pollution (3.9)	Fuel cell vehicles to displace diesel and fuel oil. Direct use in industrial activities to displace fuel oil and coal.
7 AFFORDABLE AND CLEAN ENERGY	• Increase renewable energy in the global energy mix (7.2) • Increase access to electricity (7.1) • Increase energy efficiency (7.3)	Enable the expansion of renewable energy through direct use of clean hydrogen and as a form of energy storage. Exclude those involved in the production of fossil fuels.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Upgrade industries for sustainability (9.4) • Increase R&D in industrial technologies (9.5)	Enabling the decarbonisation of processes in heavy industry and enhancing innovation for a more circular economy.
11 SUSTAINABLE CITIES AND COMMUNITIES	• Reduce the environmental impacts of cities (11.6)	Enabling the adoption of cleaner fuels for transportation and in heavy industry to reduce pollution and advance a more sustainable economy.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Adopt sustainable practices and reporting (12.6)	Engagement for good governance and transparency across the portfolio.

	• Reduce acidification (14.3)	Enabling the replacement of fossil fuels, to reduce CO_2 emissions and the corresponding negative impacts on ocean chemistry.
	• Combatting desertification and land degradation (15.3)	Enabling the replacement of fossil fuels to reduce GHG emissions and the associated acceleration of global warming.

LSE Green Economy Mark

The Company's role in clean hydrogen investments has been recognised by its award of the Green Economy Mark by London Stock Exchange plc, which recognises companies that derive 50% or more of their total annual revenues from products and services that contribute to the global green economy.

ESG Screening

As part of the investment process, the Investment Adviser scores each proposed investment against the criteria, which align with the four ESG principles in its policy. These criteria have been established by the Investment Adviser and approved by the Board. Each investment is scored against these criteria in the initial investment review, and investments which do not meet the expected level of the Board and Investment Adviser are not progressed.

ESG screens for the investments	
Allocating capital to carbon growth	• Significant revenue from hydrogen and related technologies • Avoided GHG emissions (annual/life cycle) • Excludes fossil fuels extraction or production
Engagement for effective Boards	• Effective board • Independence of Audit Committee • Alignment with long term minorities • Board qualifications (skills, tenure, diversity) • Alignment of Executive pay with long term shareholders
Encourage sustainable business practices	• Board oversight of HSSE process • Company policy and disclosure of supply and reporting chain practices • Transparency including International Sustainability Standards Board ("ISSB") and SFDR • Framing investments around UN GC ('UN Global Compact')

Mapping vs. UN SDGs	• 3.9 Reduce deaths from pollution • 7.1 Increase access to electricity • 7.2 Increase renewables in the energy mix • 7.3 Increase energy efficiency • 9.4 Upgrade industries for sustainability • 9.5 Increase R&D in industrial technologies • 11.6 Reduce environmental impact of cities • 12.6 Adopt sustainable practices and reporting • 14.3 Reduce acidification (water) • 15.3 Desertification and land degradation

GOVERNANCE

INVESTMENT OBJECTIVE AND POLICY

Investment objective and policy

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 focused assets whilst integrating core ESG principles into its decision-making and ownership process.

The Company will seek to achieve this 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 and Asia Pacific. The Company intends to implement its investment policy through the acquisition of Private Hydrogen Assets and Listed Hydrogen Assets, comprising:

- assets that supply clean hydrogen;
- large scale energy storage assets;
- carbon capture, use and storage assets;
- hydrogen distribution infrastructure assets;
- assets involved in hydrogen supply chains, such as electrolysers and fuel cells; and
- 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 hydrogen and complementary hydrogen focussed assets. No investments will be made in companies or projects that generate revenues from the extraction or production of fossil fuels.

Private Hydrogen Assets

The Company will invest in unquoted Hydrogen Assets, which may be operational companies or hydrogen projects (completed or under construction). 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

The Company intends to allocate the relevant net proceeds of any capital raise/realisation of Private Hydrogen Assets 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.

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% 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% 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, in addition to the investment restrictions set out above, will 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:
  - in a way which is consistent with its object of spreading investment risk; and
  - 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% 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 Limited 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.

INTERIM MANAGEMENT REPORT

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authority ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Directors consider that the Chair's Statement and the Investment Adviser's Report of this Half-yearly Financial Report, provide details of the important events which have occurred during the six months ended 30 June 2022 ("Period") and their impact on the financial statements. The statement on related party transactions and the Directors' Statement of Responsibility (below), the Chairman's Statement and the Investment Adviser's Report together constitute the Interim Management Report of the Company for the Period. The outlook for the Company for the remaining six months of the year ending 31 December 2022 is discussed in the Chairman's Statement and the Investment Adviser's Report.

Details of the Private and Listed Hydrogen Assets held at the Period end are provided in the Portfolio section of the Half Yearly Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are summarised below:

(i) Regulatory – changes in political or environmental conditions in the hydrogen sector (for example, changes in government policy or support) could affect the Company's prospects;

(ii) Policy support - the technologies required to produce and use green hydrogen need policy support to underpin the scale needed to drive stand-alone cost competitiveness. Governments worldwide are showing such support today, but that may be volatile over the investment time horizon of the Company;

(iii) Power price - the income and value of the Company's investments may be affected by changes in the market prices of electricity and hydrogen, both current and expected;

(iv) Operational - initial pre-deal due diligence may not uncover all risks associated to a transaction. Investments are subject to operating and technical risks. While the Company will seek investments with creditworthy and appropriately insured counterparties who bear the majority of these risks, there can be no assurance that all risks can be mitigated;

(v) Performance - underperforming investments or investment strategy can lead to underperformance to the Company's target return and ultimate investment objective;

(vi) Private Assets – investments in Private Hydrogen Assets are highly illiquid and have no public market. Such illiquidity may affect the Company's ability to vary or liquidate its portfolio, in a timely fashion or at satisfactory prices.

(vii) Future acquisitions and capital raises - ongoing capital raises are intended. Should there be a deterioration of the intended investment pipeline and the capital unable to be deployed into suitable opportunities in the expected time frame, this will result in 'cash drag'. Cash drag will have the potential to impact on the ongoing dividend target and investment objective;

(viii) Refinancing - the operational risks of the company including market, counterparty, credit and liquidity risk. Extreme market volatility can disrupt capital raising process and ability to raise monies to repay a debt demand in full;

(ix) Service providers - disruption to, or failure of the Company's Administrator or other parties to complete their role efficiently, on time and in line with expectation;

(x) Portfolio valuation - risk that portfolio asset valuations published do not represent the Fair Market Values in accordance with the accounting requirements. Investment valuations are based on modelling/ financial projections for the relevant investments. 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. Actual results may vary significantly from the projections, which may reduce the profitability of the Company leading to reduced returns to Shareholders;

(xi) Key person - the Investment Adviser has only been in existence for a limited period, with minimum employees. As such, there are significant Key Person risks at this time and should they become unavailable, this could have a negative impact on the Company's ability to achieve its investment objective;

(xii) Tax - breaches of Section 1158 of the Corporation Tax Act could result in loss of investment trust status. Changes in tax legislation such as BEPS, WHT rules and structural requirements result in increased tax and resulting; and

(xiii) Political and associated economic risk - exposure to Russia and/or Ukraine within the investment portfolio could lead to losses on investments. The impact on the global equity markets, and hydrogen stocks in particular, of a prolonged downturn caused by the situation, could lead to reduced valuations of the Company.

The Company's Annual Report for the year ended 31 December 2021 contains more detail on the Company's principal risks and uncertainties, including the Board's ongoing process to identify, and where possible mitigate, emerging risks (pages 30 to 31). The Annual Report can be found on the Company's website at www.hydrogenonecapitalgrowthplc.com.

The Board is of the opinion that these principal risks are equally applicable to the remaining six months of the financial year as they were to the six months being reported on.

Related Party Transactions

Details of the investment management arrangements were provided in the Annual Report. There have been no changes to the related party transactions described in the Annual Report that could have a material effect on the financial position or performance of the Company. Amounts payable to the Investment Adviser and the Directors in the period are detailed in note 13 to the financial statements on pages 35 to 37.

Going Concern

This Half-yearly Financial Report has been prepared on a going concern basis. The Directors consider this the appropriate basis as they have a reasonable expectation that the Company and Group has adequate resources to continue in operational existence for at least twelve months from the date of this report.

In reaching this conclusion, the Directors considered the income and expense projections and the liquidity of the investment portfolio, and considered the mitigation measures which key service providers, including the Investment Adviser, have in place to maintain operational resilience particularly in light of secondary effects of the COVID-19 pandemic and the war in Ukraine.

The Company and Group continue to meet day-to-day liquidity needs through its cash resources. The Company and Group had unrestricted cash of £29.9 million as well as £5.4 million in Listed Hydrogen Assets at 30 June 2022. The Company and Group's net assets at 30 June 2022 were £124.8 million and total expenses for the period ended 30 June 2022 were £0.7 million, which represented approximately 0.6% of the average net assets value of the Company in the six months to 30 June 2022 (£110,669,477).

The Directors also recognise that the continuation of the Company is subject to the approval of shareholders at the Annual General Meeting ("AGM") in 2026, and every fifth AGM thereafter.

The Directors have considered the impact of the secondary effects of the COVID-19 pandemic and the Russian invasion of Ukraine on the Company's portfolio of investments, and that any future prolonged and deep market decline would likely lead to falling values in the Company's investments and/or reduced dividend receipt. However, as explained above, the Company has more than sufficient liquidity available to meet its expected future obligations and to date impact has been limited. In addition, the Board believes that the Company and its key third party service providers have in place appropriate business continuity plans to continue to maintain service levels throughout future pandemics.

Board of Directors
16 September 2022

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Directors confirm to the best of their knowledge that:

- The condensed set of financial statements contained within the Half-yearly Financial Report has been prepared in accordance with IAS 34 Interim Financial Reporting and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

- The Interim Management Report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7R (indication of important events during the first six months, their impact on the condensed set of Financial Statements and a description of the principal risks and uncertainties for the remaining six months of the year); and

- The Interim Financial Report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

Simon Hogan
Chairman of the Board of Directors
16 September 2022

FINANCIAL STATEMENTS

CONDENSED PARENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2022

		Six months to 30 June 2022 (Unaudited)		
		Revenue	**Capital**	**Total**
	Note	**£'000**	**£'000**	**£'000**
Gain on investments		-	1,794	1,794
Income		20	-	-
Total gain		**20**	**1,794**	**1,814**
Investment Advisor fee	5	(206)	-	(206)
Other expenses	6	(475)	-	(475)
(Loss)/gain before finance costs and taxation		**(661)**	**1,794**	**1,133**
Finance costs		-	-	-
Operating (loss)/gain before taxation		**(661)**	**1,794**	**1,133**
Taxation	7	-	-	-
(Loss)/gain for the period		**(661)**	**1,794**	**1,133**
Return per Ordinary Share (basic and diluted)	11	**(0.57)p**	**1.54p**	**0.97p**

There is no other comprehensive income and therefore the 'Loss for the period' is the total comprehensive income for the period.

The total column of the above statement is the Parent and Consolidated Statement of Comprehensive Income, including the return per Ordinary Share, which has been prepared in accordance with IFRS. The supplementary revenue and capital columns, including the return per Ordinary Share, are prepared under guidance from the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

CONDENSED PARENT AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2022 and 31 December 2021

	Note	30 June 2022 (Unaudited) £'000	31 December 2021 (Audited) £'000
Assets			
Non-current assets			
Investments held at fair value through profit or loss	4	94,969	68,830
Current assets			
Cash and cash equivalents		29,863	34,019
Trade and other receivables	8	163	183
Total current assets		**30,026**	**34,202**
Total assets		**124,995**	**103,032**
Current liabilities			
Trade and other payables	9	(228)	(246)
Total liabilities		**(228)**	**(246)**
Net assets		**124,767**	**102,786**
Equity			
Share capital	10	1,288	1,074
Share premium account		124,763	104,129
Capital reserve		182	(1,612)
Revenue reserve		(1,466)	(805)
Total equity		**124,767**	**102,786**
Net asset value per Ordinary Share	12	**96.85p**	**95.75p**

Approved by the Board of Directors and authorised for issue on 16 September 2022 and signed on their behalf by:

Simon Hogan
Chairman

HydrogenOne Capital Growth plc is incorporated in England and Wales with registration number 13340859.

CONDENSED PARENT AND CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 June 2022 (Unaudited)

	Note	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 1 January 2022		1,074	104,129	(1,612)	(805)	**102,786**
Issue of Ordinary Shares	10	214	21,255	-	-	**21,469**
Ordinary Share issue costs		-	(621)	-	-	**(621)**
Profit/(loss) for the period		-	-	1,794	(661)	**1,133**
Closing balance as at 30 June 2022		1,288	124,763	182	(1,466)	**124,767**

CONDENSED PARENT AND CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2022

	Six months to 30 June 2022 (Unaudited) £'000
Cash flows from operating activities	
Income	20
Management expenses	(681)
Decrease in trade and other receivables	20
(Decrease) in trade and other payables	(18)
Net cash flow used in operating activities	**(659)**
Cash flows from investing activities	
Purchase of investments	(24,345)
Net cash flow used in investing activities	**(24,345)**
Cash flows from financing activities	
Proceeds from issue of Ordinary Shares	21,469
Ordinary Share issue costs	(621)
Net cash flow from financing activities	**20,848**
Decrease in cash and cash equivalents	**(4,156)**
Cash and cash equivalents at start of period	**34,019**
Cash and cash equivalents at end of period	**29,863**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Company information

HydrogenOne Capital Growth plc (the "Company" or "Parent") was incorporated in England and Wales on 16 April 2021 with registered number 13340859 as a public company limited by shares and is an investment company within the terms of Section 833 of the Companies Act 2006 (the "Act"). The Company is listed and began trading on the Main Market of the London Stock Exchange and was admitted to the premium segment of the Official List on 30 July 2021 (the "IPO"). The Company has applied for and been accepted as an approved investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2 Chapter 1 of Statutory Instrument 2011/2999.

Sanne Fund Management (Guernsey) Limited acts as the Company's Alternative Investment Fund Manager ("AIFM").

Sanne Fund Services (UK) Limited (the "Company Secretary" or "Administrator") provides administrative and company secretarial services to the Company.

The Company's Investment Adviser is HydrogenOne Capital LLP.

The Company's registered office is 6th Floor, 125 London Wall, London, EC2Y 5AS.

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 environmental, social and governance ("ESG") principles into its decision making and ownership process.

Company structure

The Company makes its investment in unquoted Hydrogen Assets ("Private Hydrogen Assets") through HydrogenOne Capital Growth Investments (1) LP (the "Limited Partnership"), in which the Company is the sole Limited Partner. The Limited Partnership registered as a private fund limited partnership in England and Wales under the Limited Partnerships Act 1907 with registered number LP021814. The Limited Partnership has been established pursuant to a Limited Partnership Agreement dated 5 July 2021 as amended and restated on 26 November 2021 (the "Limited Partnership Agreement") in order to make investments pursuant to the investment policy of the Limited Partnership. The Limited Partnership's investment policy and restrictions are consistent with the Company's investment policy and restrictions for Private Hydrogen Assets.

The General Partner of the Limited Partnership is HydrogenOne Capital Growth (GP) Limited (the "General Partner"), a wholly owned subsidiary of the Company. The General Partner was incorporated in England and Wales on 19 May 2021 with registered number 13407844. The General Partner undertakes the responsibility for the management, operation and administration of the business and affairs of the Limited Partnership. The General Partner's Profit Share for each accounting period shall be an amount equal to 1.5% per annum of the prevailing NAV of the Limited Partnership, which shall be allocated to the General Partner as a first charge on the profits of the Limited Partnership. For so long as the Company is the sole Limited Partner, the General Partner's Profit Share shall be allocated and distributed to the Company rather than the General Partner.

The carried interest partner of the Limited Partnership is HydrogenOne Capital Growth (Carried Interest) LP (the "Carried Interest Partner") which, in certain circumstances, will receive carried interest on the realisation of Private Hydrogen Assets by the Limited Partnership. The Carried Interest Partner has been set up for the benefit of the principals of the Investment Adviser.

Private Hydrogen Assets

The Company invests via the Limited Partnership in Private Hydrogen Assets, which may be operational companies or hydrogen projects. Investments are 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 invests 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).

The Company will initially acquire Private Hydrogen Assets via the Limited Partnership. 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 Limited 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 also invests directly in quoted or traded Hydrogen Assets, which are predominantly equity securities but may also be corporate debt and/or other financial instruments ("Listed Hydrogen Assets"). The Company has the ability 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.

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 IPO) 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) 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. The Investment Adviser anticipates that the Liquidity Reserve will be allocated to cash for the foreseeable future.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The principal accounting policies are set out below:

Reporting entity

These Parent and Consolidated Financial Statements (the “Financial Statements”) present the results of both the Parent; and the Parent and the General Partner (together referred to as the “Group”).

As at 30 June 2022, the statement of financial position of the General Partner consisted of issued share capital and corresponding share capital receivable in the amount of £1. The General Partner had no income, expenditure or cash flows for the period.

Due to the immaterial balances of the General Partner there is no material difference between the results of the Parent and the results of the Group. As a result, the Financial Statements as presented represent both the Parent’s and the Group’s financial position, performance, and cash flows.

Basis of accounting

The Financial Statements have been prepared in accordance with UK-adopted international accounting standards (“IFRS”) and the applicable legal requirements of the Companies Act 2006.

The Financial Statements have also been prepared as far as is relevant and applicable to the Company and Group in accordance with the Statement of Recommended Practice (“SORP”) issued by the Association of Investment Companies (“AIC”) in July 2022.

The Financial Statements are prepared on the historical cost basis, except for the revaluation of financial instruments measured at fair value through profit or loss.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company and Group take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis.

The Financial Statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the Company and Group operate.

The accounting policies applied in these Financial Statements are consistent with those applied in the last Annual Audited Financial Statements for the year ended 31 December 2021. These condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s annual financial statements as of 31 December 2021. The audited annual accounts for the year ended 31 December 2021 have been delivered to Companies House and the audit report thereon was unqualified.

Going concern

Having reassessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing these Financial Statements. Details of the Directors’ assessment of the going concern status of the Company and Group, which considered the adequacy of resources and the impacts of the COVID Pandemic and war in Ukraine are given in the Governance section of the Half Yearly Report.

Critical accounting judgements, estimates and assumptions

There have been no changes to the critical accounting judgements estimates and assumptions from those applied in the Company's Audited Annual Financial Statements for the period ended 31 December 2021.

Comparatives

As the Company began trading on 30 July 2021, there are no comparatives for the six months to 30 June. The financial information for the year ended 31 December 2021 has been extracted from the audited Annual Report and Accounts for the period ended 31 December 2021.

3. SEGMENTAL REPORTING

The Board has considered the requirements of IFRS 8 – 'Operating Segments'. The Company has entered into an Investment Advisory Agreement with the Investment Adviser under which the Investment Adviser is responsible for the management of the Company's investment portfolio, subject to the overall supervision of the Board of Directors. Subject to its terms and conditions, the Investment Advisory Agreement requires the Investment Adviser to manage the Company's investment portfolio in accordance with the Company's investment guidelines as in effect from time to time, including the authority to purchase and sell investments and to carry out other actions as appropriate to give effect thereto. However, the Board retains full responsibility to ensure that the Investment Adviser adheres to its mandate. Moreover, the Board is fully responsible for the appointment and/or removal of the Investment Adviser. Accordingly, the Board is deemed to be the 'Chief Operating Decision Maker' of the Company.

The Directors are of the opinion that the Company is engaged in a single segment of business being investment into the hydrogen focused investments. Segment information is measured on the same basis as that used in the preparation of the Company's Financial Statements.

4. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Summary of valuation

As at	**30 June 2022 £'000**	**31 December 2021 £'000**
Investments held at fair value through profit or loss		
Listed Hydrogen Assets	5,433	8,233
Limited Partnership	89,536	60,597
Closing valuation of financial assets at fair value through profit or loss	**94,969**	**68,830**

(b) Movements in valuation

	£'000	**£'000**
Opening cost of financial assets at fair value through profit or loss	70,438	–
Additions, at cost – Listed Hydrogen Assets	–	9,461
Additions, at cost – Limited Partnership	24,345	60,977
Cost of financial assets at fair value through profit or loss at the end of the period	**94,783**	**70,438**
Loss on investments – Listed Hydrogen Assets	(4,028)	(1,228)
Gain on investments – Limited Partnership	4,214	(380)
Closing valuation of financial assets at fair value through profit or loss	**94,969**	**68,830**

(c) Loss on investments

	£'000	£'000
Movement in unrealised gain/(loss) – Listed Hydrogen Assets	(2,800)	(1,228)
Movement in unrealised gain/(loss) – Limited Partnership	4,594	(380)
Total loss on investments	**1,794**	**(1,608)**

Under IFRS 13 'Fair Value Measurement', an entity is required to classify investments using a fair value hierarchy that reflects the significance of the inputs used in making the measurement decision.

The following shows the analysis of financial assets recognised at fair value based on:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Transfers between levels of the fair value hierarchy are recognised as at the end of the reporting period during which the change has occurred. There have been no transfers between levels during the period ended 30 June 2022. (December 2021: same).

The classification of the Company and Group's investments held at fair value through profit or loss is detailed in the table below:

	30 June 2022				**31 December 2021**			
	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Listed Hydrogen Assets	5,433	-	-	5,433	8,233	–	–	8,233
Limited Partnership	-	-	89,536	89,536	–	–	60,597	60,597
Total	5,433	-	89,536	94,969	8,233	–	60,597	68,830

The Company and Group's Level 3 investment is the investment in the Limited Partnership. The NAV of the Limited Partnership as of 30 June 2022 is £89,536,000 (31 December 2021: £60,597,000). The movement on the Level 3 investments during the period is shown below:

	30 June 2022 £'000	31 December 2021 £'000
Opening balance	**60,597**	**–**
Investment in Limited Partnership	24,345	60,977
Unrealised gain/(loss) on investment in Limited Partnership	4,594	(380)
Closing balance	**89,536**	**60,597**

Look-through financial information

The NAV of the Limited Partnership consists of the fair value of its Private Hydrogen Assets and the carrying value of its assets and liabilities. As at the period end, the Limited Partnership held three Private Hydrogen Assets.

The following table reconciles the fair value of the Private Hydrogen Assets and the NAV of the Limited Partnership.

	30June 2022 £'000	31 December 2021 £'000
Investment in Private Hydrogen Assets	90,519	39,231
Plus: net current assets/(liabilities)	(983)	21,366
NAV of the Limited Partnership	**89,536**	**60,597**

The Level 3 Private Hydrogen Assets at 30 June 2022 have been valued using either the Price of Recent Investment or discounted cash flow methodology as described by the International Private Equity and Venture Capital Valuation 2018 ("IPEV") Guidelines. Each valuation has been calibrated with a discounted cash flow analysis of the future expected cash flows accruing to the Company from each portfolio investment where applicable, and progress assessed against specific milestones assessed for indications of positive or negative performance which may impact valuation.

Name	Country of Incorporation	Value of Investment £'000	Primary valuation technique	Significant unobservable inputs	Range input
Sunfire GmbH	Germany	20,659	Price of recent Investment	Third-party pricing (without adjustment)	n/a
Elcogen Group plc	United Kingdom	20,659	Price of recent Investment	Third-party pricing (without adjustment)	n/a
HiiROC Limited	United Kingdom	13,000	Discounted cashflow	Discount rates	11.5%-13.5%
Bramble Energy Limited	United Kingdom	12,000	Price of recent Investment	Third-party pricing (with adjustment)	n/a
NanoSUN Limited	United Kingdom	10,100	Price of recent	Third-party pricing (with	n/a

			Investment	adjustment)	
Cranfield Aerospace Solutions Limited	United Kingdom	5,600	Price of recent Investment	Third-party pricing (without adjustment)	n/a
HH2E AG	Germany	5,165	Price of recent Investment	Third-party pricing (without adjustment)	n/a
GEN2 Energy AS	Norway	3,336	Price of recent Investment	Third-party pricing (without adjustment)	n/a

5. INVESTMENT ADVISER FEE

	Six months ended 30 June 2022		
	Revenue £'000	**Capital £'000**	**Total £'000**
Investment Adviser fee	206	—	206

At 30 June 2022 an amount of £27,741 was payable to the Investment Adviser in respect of the Investment Adviser fee. Additionally, the Company has agreed with the Investment Adviser that the costs and expenses of the IPO would be capped at 2% of the gross proceeds received, with any cost above this amount to be paid by the Investment Adviser by way of rebate of its adviser fee. At 30 June 2022, £145,042 in respect of excess issue costs is due to be received from the Investment Adviser.

Investment Adviser fee

The Company has entered into an Investment Adviser Agreement dated 5 July 2021 between the Company, the AIFM and the Investment Adviser (the "Investment Adviser Agreement"), pursuant to which the Investment Adviser has been given responsibility for investment advisory services in respect of any Private Hydrogen Assets the Company invests in directly and the Listed Hydrogen Assets (including Listed Hydrogen Assets forming part of the Liquidity Reserve and uninvested cash) in accordance with the Company's investment policy, subject to the overall control and supervision of the Board and the AIFM.

Under the Investment Adviser Agreement, the Investment Adviser receives from the Company, quarterly in advance, an advisory fee equal to:

i. 1.0% of the Net Asset Value per annum of the Listed Hydrogen Assets up to £100 million:

ii. 0.8% of the Net Asset Value per annum of the Listed Hydrogen Assets from £100 million (save that the Investment Adviser has agreed to reduce this fee to 0.5% in respect of the Liquidity Reserve pending its re-investment in Private Hydrogen Assets for 18 months following Admission, being to and including 30 January 2023);

iii. 1.5% of the Net Asset Value per annum of any Private Hydrogen Assets held by the Company directly (i.e. not held by the Limited Partnership or any other undertaking advised by the Investment Adviser where the Investment Adviser is receiving a separate advisory fee); and

iv. for so long as the Company is not considered a ‘feeder fund’ for the purposes of the Listing Rules, 1.5% per annum of the Net Asset Value of the Private Hydrogen Assets held by the Limited Partnership.

The Limited Partnership has entered into a Limited Partnership Investment Adviser Agreement dated 5 July 2021 (the “Limited Partnership Investment Adviser Agreement”) between the General Partner (in its capacity as general partner of the Limited Partnership), the AIFM and the Investment Adviser, pursuant to which the Investment Adviser has been given responsibility for investment advisory services in respect of the Private Hydrogen Assets in accordance with the investment policy of the Limited Partnership, subject to the overall control and supervision of the General Partner and the AIFM.

Under the Limited Partnership Investment Adviser Agreement, the Investment Adviser, if the Company was considered a ‘feeder fund’ for the purposes of the Listing Rules by virtue of additional investors co-investing via the Limited Partnership in the future, shall receive from the Limited Partnership an advisory fee equal to 1.5% per annum of the Net Asset Value of the Private Hydrogen Assets held by the Limited Partnership, payable quarterly in advance. Advisory fees paid or payable by the Limited Partnership are reflected through the NAV of the Limited Partnership.

No performance fee is paid or payable to the Investment Adviser under either the Investment Adviser Agreement or the Limited Partnership Investment Adviser Agreement but the principals of the Investment Adviser are, subject to certain performance conditions being met, entitled to carried interest fees from the Limited Partnership. Refer to ‘Carried Interest Partner Fees’ section below.

Carried Interest Partner Fees

Pursuant to the terms of the Limited Partnership Agreement dated 5 July 2021 as amended and restated on 26 November 2021 (the “Limited Partnership Agreement”), the Carried Interest Partner is, subject to the limited partners of the Limited Partnership receiving an aggregate annualised 8% realised return (i.e. the Company and, in due course, any additional co-investors), entitled to a carried interest fee in respect of the performance of the Private Hydrogen Assets.

Subject to certain exceptions, the Carried Interest Partner will receive, in aggregate, 15% of the net realised cash profits from the Private Hydrogen Assets held by the Limited Partnership once the limited partners of the Limited Partnership (i.e. the Company and, in due course, any additional co-investors) have received an aggregate annualised 8% realised return. This return is subject to a ‘catch-up’ provision in Carried Interest Partner’s favour. Any realised or unrealised carried interest fee paid or payable to the Carried Interest Partner is reflected through the NAV of the Limited Partnership. During the period carried interest fees of £753,213 were accrued as payable to the Carried Interest Partner.

20% of any carried interest received (net of tax) will be used by the principals of the Investment Adviser to acquire Ordinary Shares in the market. Any such acquired shares will be subject to a 12-month lock-up from the date of purchase.

General Partner’s priority profit share

Under the Limited Partnership Agreement, the General Partner of the Limited Partnership shall be entitled to a General Partner’s Profit Share (“GPS”). The GPS for each accounting period shall be an amount equal to 1.5% of the prevailing NAV of the Limited Partnership. For so long as the Company is the sole limited partner of the Limited Partnership, the GPS shall be distributed to the Company rather than the General Partner. The Company is currently the sole limited partner of the Limited Partnership. Therefore, under the

Investment Adviser Agreement, the investment adviser fee in relation to the Private Hydrogen Assets held by the Limited Partnership is settled by the Company which for the period totaled £444,856. During the period the Limited Partnership did not call any GPS from the Company as the net effect of the calling and distributing GPS from/to the Company is £nil.

6. OTHER EXPENSES

	For the six months ended 30 June 2022 £'000
Administration & Secretarial Fees	93
AIFM Fees	40
Directors' Fees	84
Custodian Charges	24
Brokers Fees	30
Registrar's Fees	9
Legal Fees	12
Audit Fees	47
D & O Insurances	24
PR & Marketing	57
Other expenses	55
Total revenue expenses	**475**
Expenses charged to capital:	
Capital transaction costs	-
Total expenses	**475**

During the period, the auditors received £159,000 (including VAT of £12,000) for non-audit services in respect of the Company's equity raise, which have been treated as a capital expense and included in 'share issue costs' disclosed in the Statement of Changes in Equity. This service is required by law or regulation and is therefore a permissible non-audit service under the FRC Ethical Standard.

7. TAXATION

Analysis of charge in the period

	For the six months ended 30 June 2022		
	Revenue £'000	Capital £'000	Total £'000
Withholding tax expense	–	–	–
Total tax charge for the period	–	–	–

8. TRADE AND OTHER RECEIVABLES

	As at 30 June 2022 £'000	As at 31 December 2021 £'000
Prepayments	8	24
Other receivables	155	159
Total	**163**	**183**

9. TRADE AND OTHER PAYABLES

	As at 30 June 2022 £'000	As at 31 December 2021 £'000
Amounts falling due within one year:		
Accrued expenses	228	246
Total	**228**	**246**

10. SHARE CAPITAL

	As at 30 June 2022		As at 31 December 2021	
Allotted, issued and fully paid:	**No. of shares**	**Nominal value of shares (£)**	**No. of shares**	**Nominal value of shares (£)**
Shares in issue at the beginning of the period	107,350,000	1,073,500.00	-	-
Allotted upon incorporation				
Ordinary Shares of 1p each	-	-	1	0.01
Management Shares of £1.00 each	-	-	50,000	50,000.00
Allotted/redeemed following admission to LSE				
Ordinary Shares issued	21,469,999	214,700	107,349,999	1,073,499.99
Management Shares redeemed	-	-	(50,000)	(50,000.00)
Closing balance	**128,819,999**	**1,288,200**	**107,350,000**	**1,073,500.00**

The Company is permitted to hold Ordinary Shares acquired by way of market purchase in treasury, rather than having to cancel them. Such Ordinary Shares may be subsequently cancelled or sold for cash. No Ordinary Shares have been repurchased during the period.

Each Ordinary Share held entitles the holder to one vote. All shares carry equal voting rights and there are no restrictions on those voting rights.

11. RETURN PER ORDINARY SHARE

Return per share is based on the weighted average number of Ordinary Shares in issue during the six months ended 30 June 2022 of 116,839,502.

	For the six months ended 30 June 2022

	Revenue £'000	Capital £'000	Total £'000
Loss/(gain) for the period (£'000)	(661)	1,794	1,133
Return per Ordinary Share	(0.57)p	1.54p	0.97p

There is no dilution to return per share as the Company has only Ordinary Shares in issue.

12. NET ASSET VALUE PER ORDINARY SHARE

	As at 30 June 2022	As at 31 December 2021
Net Asset Value (£'000)	124,767	102,786
Ordinary Shares in issue	128,819,999	107,350,000
NAV per Ordinary Share	96.85p	95.75p

There is no diluted Net Asset Value per share as the Company has only Ordinary Shares in issue.

13. RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS

Directors

Fees are payable to the Directors at an annual rate of £65,000 to the Chairman, £55,000 to the Chairman of the Audit and Risk Committee and £45,000 to the other Directors with the exception of Mr Bucknall who is not remunerated for his role as a Non-Executive Director. These fees were effective from the date of appointment of each Director being 20 May 2021 for Mr Hogan and Mrs Schipstra, 8 February 2022 for Mrs Rotheroe and 20 May 2022 for Mr Bucknall. Details of the Directors remuneration paid during the period is given in note 6. At the period end, the Directors had the following holdings in the Company:

	Ordinary Shares at 30 June 2022	Ordinary Shares at 31 December 2021*
Simon Hogan	40,000	40,000
Afkenel Schipstra	10,100	10,100
Abigail Rotheroe[1]	10,000	–
David Bucknall[2]	–	–

[1]*Mrs Rotheroe was appointed as a Non-Executive Director on 8 February 2022*
[2]*Mr Bucknall was appointed as a Non-Executive Director on 20 May 2022*
**Audited*

Mrs Caroline Cook retired as a Director of the Company on 7 April 2022, at which date Mrs Cook held 20,100 Ordinary Shares. Mr Roger Bell retired as a Director of the Company on 4 May 2022, at which date Mr Bell held no Ordinary Shares.

Investment Adviser

Fees payable to the Investment Adviser are shown in the Statement of Comprehensive Income. Fees details of the Investment Adviser are shown in note 5. At 30 June 2022, the principals of the Investment Adviser, Dr JJ Traynor and Mr R Hulf, each held 100,000 Ordinary Shares of the Company (31 December 2021: same). Transactions between the Company and the Investment Adviser during the period are disclosed in note 5.

INEOS Energy

The Relationship and Co-Investment Agreement dated 19 June 2021 between INEOS UK E&P Holdings Limited ("INEOS Energy"), the Investment Adviser, the Company and the General Partner (acting in its capacity as the general partner of the Limited Partnership), pursuant to which the parties agreed that: (i) INEOS Energy would subscribe for and/or shall procure that its associates shall subscribe for at least 25 million Ordinary Shares in the IPO; (ii) such Ordinary Shares subscribed by INEOS Energy would be subject to a 12 month lock-up from the date of purchase pursuant to which INEOS Energy agreed that it will not sell, grant options over or otherwise dispose of any interest in any such Ordinary Shares purchased by them (subject to the usual carve-outs); (iii) INEOS Energy was entitled to nominate one Non-Executive Director for appointment to the Board; (iv) prior to making any co-investment opportunity in relation to a Private Hydrogen Assets that is a project to any limited partner of the Limited Partnership, the Company and the Investment Adviser will give INEOS Energy a right of first refusal to acquire up to 100% of such co-investment opportunity (provided that the 'related party transaction' requirements set out in the Listing Rules are complied with); (v) INEOS Energy are provided with certain information rights relating to Private Hydrogen Assets and co-investment opportunities; and (vi) INEOS Energy shall be entitled to second one or more employees to the Investment Adviser from time-to-time. INEOS Energy has agreed that all transactions between INEOS Energy and its associates and any member of the Company and Group and/or the Investment Adviser are conducted at arm's length on normal commercial terms.

At the IPO, INEOS Energy subscribed for and received 25 million Ordinary Shares of the Company. At 30 June 2022, INEOS Energy held 25 million Ordinary Shares of the Company (31 December 2021: 25 million Ordinary Shares).

David Bucknall is currently Chief Executive Officer of the INEOS Energy group of companies and was appointed as the Board representative of INEOS Energy on 20 May 2022 pursuant to the Relationship and Co-Investment Agreement entered into between, inter alia, INEOS Energy and the Company at the Company's launch.

Alternative Investment Fund Manager

Sanne Fund Management (Guernsey) Limited is appointed to act as the Company's and the Limited Partnership's Alternative Investment Fund Manager (the "AIFM") for the purposes of the UK AIFM Rules. The AIFM and the Company have delegated the provision of Portfolio Advisory services to the Investment Adviser. The AIFM, Company Secretary and Administrator are part of the same Apex Group Limited.

Under the AIFM Agreement between the AIFM and the Company dated 5 July 2021, and with effect from Admission, the AIFM shall be entitled to receive from the Company a fee of 0.05% of Net Asset Value per annum up to £250 million, 0.03% of Net Asset Value per annum from £250 million up to £500 million and 0.015% of Net Asset Value per annum from £500 million, in each case adjusted to exclude any Net Asset Value attributable to any Private Hydrogen Assets held through the Limited Partnership and subject to a minimum annual fee of £85,000.

Under the AIFM Agreement between the AIFM and the Limited Partnership dated 5 July 2021, the AIFM receives from the Limited Partnership a fee of 0.05% of the net asset value of the Limited Partnership per annum up to £250 million, 0.03% of the net asset value of the Limited Partnership per annum from £250 million up to £500 million and 0.015% of the net asset value of the Limited Partnership per annum from £500 million, subject to a minimum annual fee of £25,000. AIFM fees paid or payable by the Limited Partnership are reflected through the NAV of the Limited Partnership.

The AIFM is also entitled to reimbursement of reasonable expenses incurred by it in the performance of its duties.

Administration and Company Secretarial services fee

The Company has entered into an Administration and Company Secretarial Services Agreement dated 5 July 2021 (the "Administrator and Company Secretary Agreement") between the Company and Sanne

Fund Services (UK) Limited (the "Company Secretary and Administrator") pursuant to which the Company Secretary and Administrator has agreed to act as Company secretary and administrator to the Company.

Under the terms of the Administration and Company Secretarial Services Agreement, the Company Secretary and Administrator receives a fee from the Company of 0.06% of Net Asset Value per annum up to £250 million, 0.05% of Net Asset Value per annum from £250 million up to £500 million and 0.025% of Net Asset Value per annum from £500 million and subject to a minimum annual fee of £135,000 plus a further £10,000 per annum to operate the Company's Liquidity Reserve.

Under the terms of the Limited Partnership Administration Agreement 5 July 2021, pursuant to which the Company Secretary and Administrator has agreed to act as administrator to the Limited Partnership, the Company Secretary and Administrator receives an annual fee from the Limited Partnership of £62,500 and of £15,000 in respect of the General Partner. Administration fees paid or payable by the Limited Partnership are reflected through the NAV of the Limited Partnership. For so long as the Company is the sole Limited Partner, the administration fee in respect of the General Partner shall be allocated settled by the Company rather than the General Partner.

Custodian fee

The Company has entered into a Custodian Agreement between the Company and The Northern Trust Company (the "Custodian") dated 23 June 2021 (the "Custodian Agreement"), pursuant to which the Custodian has agreed to act as custodian to the Company.

The Custodian is entitled to a minimum annual fee of £50,000 (exclusive of VAT) per annum. The Custodian is also entitled to a fee per transaction taken on behalf of the Company.

Registrar fee

The Company utilises the services of Computershare Investor Services plc (the "Registrar") as registrar to the transfer and settlement of Ordinary Shares. Under the terms of the Registrar Agreement dated 5 July 2021, the Registrar is entitled to a fee calculated based on the number of shareholders, the number of transfers processed and any Common Reporting Standard on-boarding, filings or changes. The annual minimum fee is £4,800 (exclusive of VAT). In addition, the Registrar is entitled to certain other fees for ad hoc services rendered from time to time.

14. SUBSIDIARY AND RELATED ENTITIES

Subsidiary

The Company owns 100% of HydrogenOne Capital Growth (GP) Limited.

Subsidiary name	Effective ownership	Country of ownership	Principal activity	Issued share capital	Registered address
HydrogenOne Capital Growth (GP) Limited	100%	United Kingdom	General partner of HydrogenOne Capital Growth Investments (1) LP	£1	6th Floor, 125 London Wall, London, EC2Y 5AS

Related entities

The Company holds Private Hydrogen Assets through its investment in the Limited Partnership, which has not been consolidated as a result of the adoption of IFRS 10: Investment entities exemption to consolidation. There are no cross guarantees amongst related entities. Below are details of the unconsolidated Private Hydrogen Asset held through the Limited Partnership.

Name	Purpose of the entity	Country of Incorporation	Value of Investment £'000	Total assets as at 30 June 2022 £'000	Registered address
Sunfire GmbH	Electrolyser producer	Germany	20,659	147,836	Gasanstaltstraße 2 01237 Dresden, Germany
Elcogen Group plc	Solid oxide fuel cell supply	United Kingdom	20,659	26,400	HIghdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH
HiiROC Limited	Supplier of clean hydrogen production technology	United Kingdom	13,000	33,863	22 Mount Ephraim, Tunbridge Wells, Kent, TN4 8AS
Bramble Energy Limited	Printed Circuit Board fuel cell solutions	United Kingdom	12,000	33,923	6 Satellite Business Village, Fleming Way, Crawley, England, RH10 9NE
NanoSUN Limited	Supplier of mobile hydrogen storage and refueling systems	United Kingdom	10,100	15,148	Abraham Heights Farm, Westbourne Road, Lancaster, LA1 5EF
Cranfield Aerospace Solutions Limited	Aviation design and maintainance	United Kingdom	5,600	6,737	Hanger 2, Cranfield Airport, Cranfield, Bedfordshire, MK43 0AL
HH2E AG	Supplier of green electrolysis and energy storage facilities	Germany	5,165	6,625	HRB 167243, Kaiser-Wilhelm-Straße 93, 20355 Hamburg
GEN2 Energy AS	Green Hydrogen development	Norway	3,336	11,304	Raveien 205, 3184 Borre, Norway

The maximum exposure to loss from the unconsolidated entities is the carrying amount of the financial assets held.

During the period the Company did not provide financial support and has no intention of providing financial or other support to the subsidiary and the unconsolidated Private Hydrogen Assets held through the Limited Partnership.

16. POST BALANCE SHEET EVENTS

On 27 July 2022, an investment of £8,500,000 was made to the Limited Partnership in respect of Strohm Holding B.V., an unlisted thermoplastic composite pipe supply company. This was purchased by the Limited Partnership for EUR 10,000,000 on 11 August 2022.

17. STATUS OF THIS REPORT

These Half-yearly financial statements are not the Company's statutory accounts for the purposes of section 434 of the Companies Act 2006. They are unaudited. The unaudited Half-yearly Financial Report will be made available to the public at the registered office of the Company.

The report will also be available in electronic format on the Company's website https://hydrogenonecapitalgrowthplc.com/

The information for the year ended 31 December 2021 has been extracted from the last published audited financial statements, unless otherwise stated. The audited financial statement has been delivered to the Registrar of Companies. KPMG Channel Islands Limited reported on those accounts and their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

The Half-yearly Financial Report was approved by the Board on 16 September 2022.

For further information contact:

Secretary and registered office:

Sanne Fund Services (UK) Limited

6th Floor, 125 London Wall, London, EC2Y 5AS

The Half-yearly financial report will be submitted to the National Storage Mechanism and will shortly be available for inspection at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism