

Aker Clean Hydrogen AS

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Title:	Aker Clean Hydrogen: First-Quarter Results 2022

Aker Clean Hydrogen today published the results for the first quarter of 2022, during which the company advanced the maturing of its clean hydrogen projects in Norway and internationally.

Key developments included:

- Announcing a merger plan with Aker Horizons to strengthen the integration of hydrogen production with downstream applications in large-scale hybrid decarbonization projects, such as in Narvik, Norway and Chile
- Establishing a partnership with Statkraft to collaborate on green hydrogen and ammonia production in India and Brazil
- Entering a collaboration agreement with PEAK group, a Norwegian logistics company with approximately 30 ships in operation, for the delivery of green hydrogen and ammonia to their fleet of new and existing vessels
- Successfully completing the feasibility phase of Rjukan hydrogen hub, and proceeding with the concept selection phase
- Targeting power-to-X opportunities in Uruguay with collaboration agreements signed with the leading operator and distributor of LPG in Uruguay, Acodike Supergas, and the California-based renewable dimethyl ether (DME) producer, Oberon Fuels
- Entering a series of partnerships with global industrial players such as Kuehne+Nagel, Grieg Edge and Aker BP to enable green fuel offtake in the maritime sector
- Demonstrating good progress in the development of Aker Clean Hydrogen's proprietary plant architecture, enabling modular-based plants and low-cost scale-up. Strategic vendors for key equipment short-listed and design competition initiated
- Exiting participation in the Hegra green ammonia project, along with Statkraft

Several regulatory developments that were announced in the first quarter provide strong tailwinds for the hydrogen economy. On 8 March 2022, the European Commission presented REpowerEU, a new set of proposed measures to reduce the European Union's reliance on Russian natural gas imports. In addition to plans for increased renewable power generation capacity, the package includes measures to increase the EU's production and import of clean hydrogen to 20 million tonnes by 2030.

Also in the first quarter, Germany and Norway announced that the two countries will conduct a joint review on developing a pipeline for hydrogen, which will allow Norwegian producers to export their green and blue hydrogen to continental Europe. Such a hydrogen pipeline would notably be beneficial to the Aukra hydrogen hub that Aker Clean Hydrogen is developing with Shell and Cape Omega. This adds to a number of ambitious hydrogen and renewable energy targets being set by governments across the world.

Aker Horizons announced on 25 April 2022 the establishment of a joint venture with Nordkraft AS to develop sites for power intensive-industries in Northern Norway. This will serve as a platform for a green industrial hub in the Narvik region, which will convert renewable power into large-scale hydrogen production and green value chains.

"Recent developments in the global energy markets show that the world is in need of cost-competitive, clean hydrogen now. Energy-intensive hard-to-abate industries, such as steel, shipping and fertilizer, are seeking to leverage the green energy transition. The steel industry needs large amounts of green and blue hydrogen to decarbonize their production process, and the same goes for both shipping and fertilizer industry, where the future winners are those who will successfully transition from grey to green and blue ammonia. I'm excited that we will now accelerate the development of large-scale hybrid decarbonization projects globally by merging with Aker Horizons," said Knut Nyborg, Chief Executive Officer of Aker Clean Hydrogen.

Merger plan with Aker Horizons

On 30 March 2022, Aker Clean Hydrogen and Aker Horizons announced a merger plan to strengthen the integration of hydrogen production with downstream applications such as green iron, in large-scale hybrid decarbonization projects. The two companies will combine in an all-stock merger that will reposition Aker Clean Hydrogen as a privately-held subsidiary of Aker Horizons. The merged entity will continue serving the fast-growing global markets for hydrogen, ammonia and methanol, building on Aker Clean Hydrogen's portfolio of projects to decarbonize hard-to-abate sectors.

Completion of the merger is subject to customary closing conditions, including approval by the shareholders of ACH and the Board of Directors of Aker Horizons resolving to issue the consideration shares pursuant to a board authorization. Aker Horizons has undertaken to vote in favor of the merger at ACH's annual general meeting scheduled on 4 May 2022.

Financial results

Revenue for the first quarter of 2022 was NOK 3.3 million and operating loss NOK 67 million. Aker Clean Hydrogen has matured its project portfolio, grown the market funnel and built the organization according to plan. The company made good progress on building a lean and digitized execution model, standardized hydrogen solutions and establishing a supply chain with strategic suppliers. Total cash and short-term deposits were NOK 2,638 million at the end of the quarter.

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About Aker Clean Hydrogen

Aker Clean Hydrogen aims to develop, build, own and operate clean hydrogen production on an industrial scale. Aker Horizons is the majority shareholder of the company, and Aker Clean Hydrogen uses domain expertise across the Aker Group, including systems integration, engineering, technology development, project implementation, digitalization and financial optimization to increase efficiency and reduce project costs. The company aims to reach a net installed capacity of 5 GW by 2030, and will make a major contribution to realizing the hydrogen industry and reducing greenhouse gas emissions globally.
www.akercleanhydrogen.com

This information is considered to be inside information pursuant to the EU

Market Abuse Regulation, and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by Mathias Nilsen Reierth, Communications Manager, Aker Horizons ASA, on 26 April 2022 at 07:30 (CEST).