

Overview of “Japan Hydrogen Fund, ”Japan’s first -of-its-kind fund, and JH2A’s activities around financing Hydrogen



JAPAN
HYDROGEN
ASSOCIATION

1. Overview of Japan Hydrogen Fund

2. Initial investment

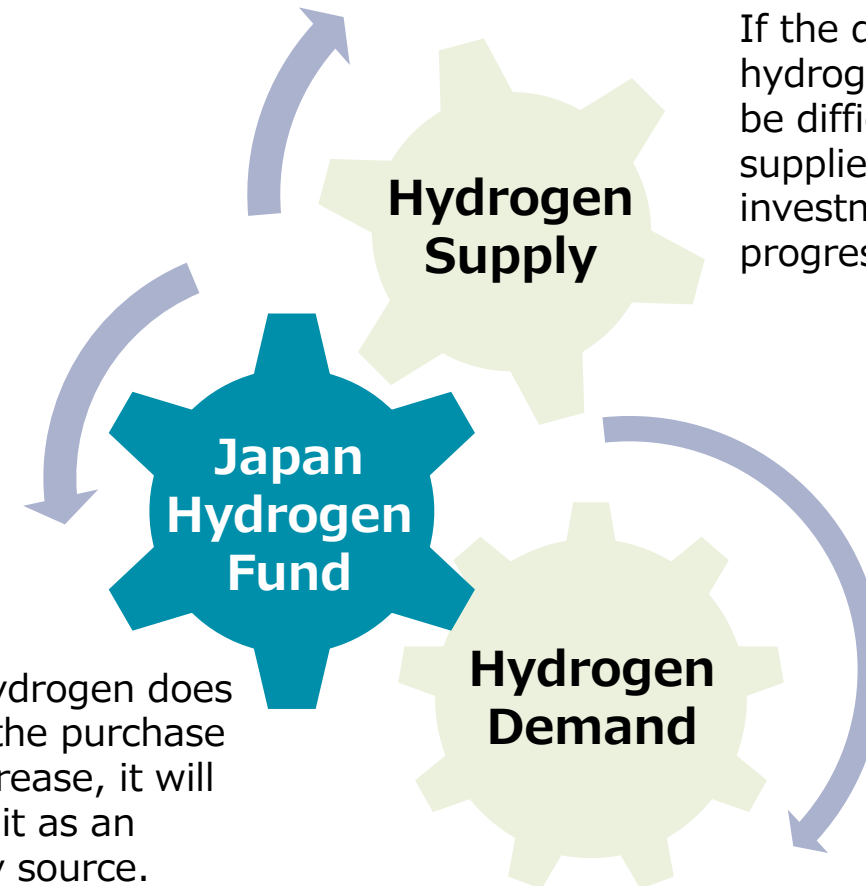
3. Global Hydrogen Market and Investment Opportunity

4. JH2A's activities around financing Committee

Role of the Hydrogen Fund

In the early stages of the hydrogen market, there will be a difference between the amount of demand and the amount of supply. Japan Hydrogen Fund will contribute to the construction of a hydrogen value chain by providing risk money.

- ✓ **Bridging the gap between supply and demand**
- ✓ **Support for energy security and decarbonization**
- ✓ **Realisation of benefits for Japan**
- ✓ **Reduction of hydrogen costs**



If the demand for hydrogen is limited, it will be difficult to make stable supplies because capital investment will not progress.

If the supply of hydrogen does not increase and the purchase cost does not decrease, it will be difficult to use it as an alternative energy source.

Japan Hydrogen Fund Outline



AP and JH2A are co-operating Japan Hydrogen Fund (JHF), a global fund aimed at support the growth of the hydrogen value chain to ultimately achieve carbon neutrality by investing hydrogen related assets and companies.

Purpose

Contribute to development and promotion of hydrogen-related businesses and achievement of carbon neutrality by providing investors with investment opportunities and financial returns and businesses with development capital and growth support

Strategy

- Harness seed assets, technology/insights, and demand for offtake retained by JH2A member companies to explore investment opportunities.
- Build a cooperative structure with major/powerful hydrogen companies, international funds, advisors in Japan & abroad to execute wide-range sourcing and reach promising cases and companies domestically and internationally.
- Harness the insights, investment experience, and network of the infrastructure of our team to consider investment and execute project management and value enhancement measures. For company investment, we will maximize value by harnessing AP's existing sourcing platforms, and insights/experience in improving value.

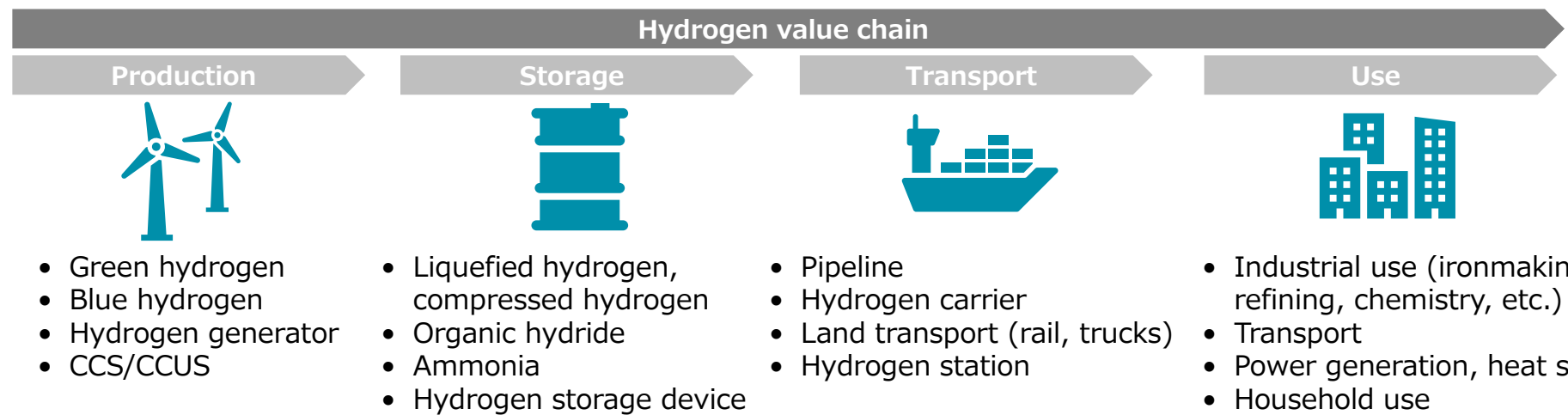
Investment targets

Hydrogen-related assets and companies (incl. ammonia, CCUS)

Target regions

Japan, North America. Europe, Australia, Other Asia, etc.

Investment domains (examples)



Structure of Japan Hydrogen Fund

【Role of each company】

<JH2A>

- ✓ Providing opportunities for collaboration with JH2A member companies
- ✓ Provision of hydrogen-related information
- ✓ Lobbying the government
- ✓ Support for information sharing, such as providing opportunities to give lectures

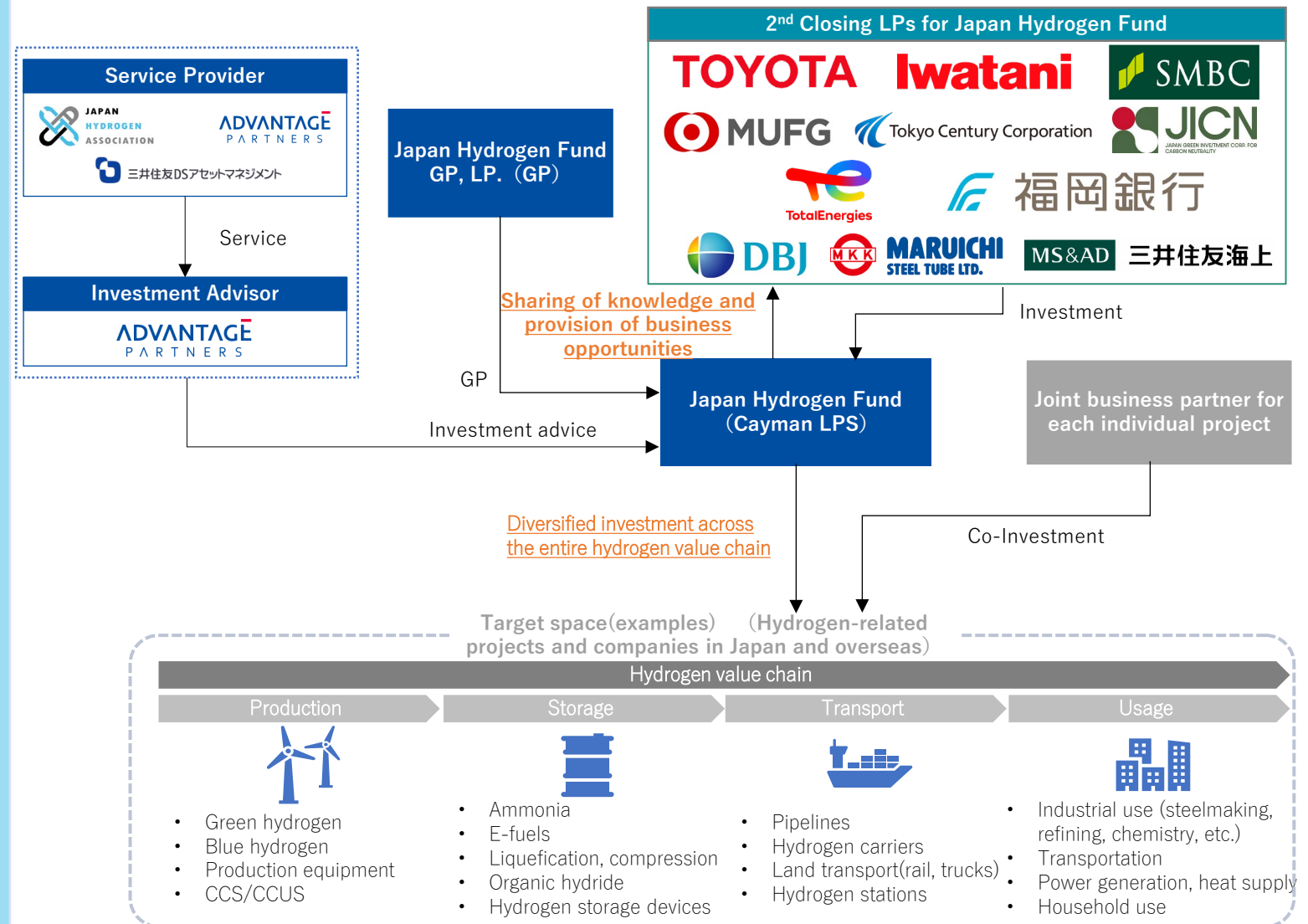
※The fund is managed by **Advantage Partners and SMDAM**

<Advantage Partners >

- ✓ Investment project sourcing
- ✓ Investment review
- ✓ Increase value

<SMDAM>

- ✓ ESG & Japan Impact evaluation
- ✓ Information disclosure
- ✓ Middle and back office



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First investment: Infinium

In December 2024, Japan Hydrogen Fund made its first investment in Infinium, the US-based eFuel developer with proprietary liquid fuel production technology.

Company profile

Name	
Foundation	2020 (Spinoff from Greyrock Energy which was founded in 2006)
Headquarter	Sacramento, California, USA
Employees	72
Business model	Development, operating, and technological licensing of synthetic fuels (eSAF, eDiesel, eNaphtha) plants
Project portfolio	<ul style="list-style-type: none"> • Pathfinder: operating since November 2023 • Roadrunner: construction starting • Pipeline projects: developing 12+ projects

Management



Robert Schuetzle
CEO
Ex Co-founder of Greyrock



Paula Lausa
CFO
Ex CFO of Greyrock



Roger Harris
COO
Ex management of Sasol



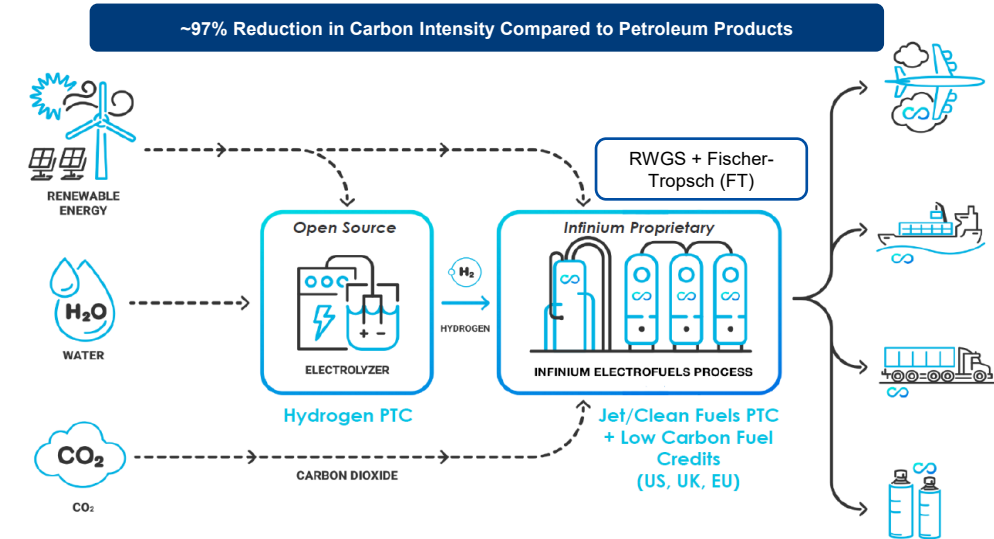
Glenn McGinnis
CEng
Ex Exxon Mobil with 30+ years in gas processing



Dennis Schuetzle (Dr.)
CTO
Ex Ford with 40+ years in auto and clean fuel



Technology



Investors and offtakers

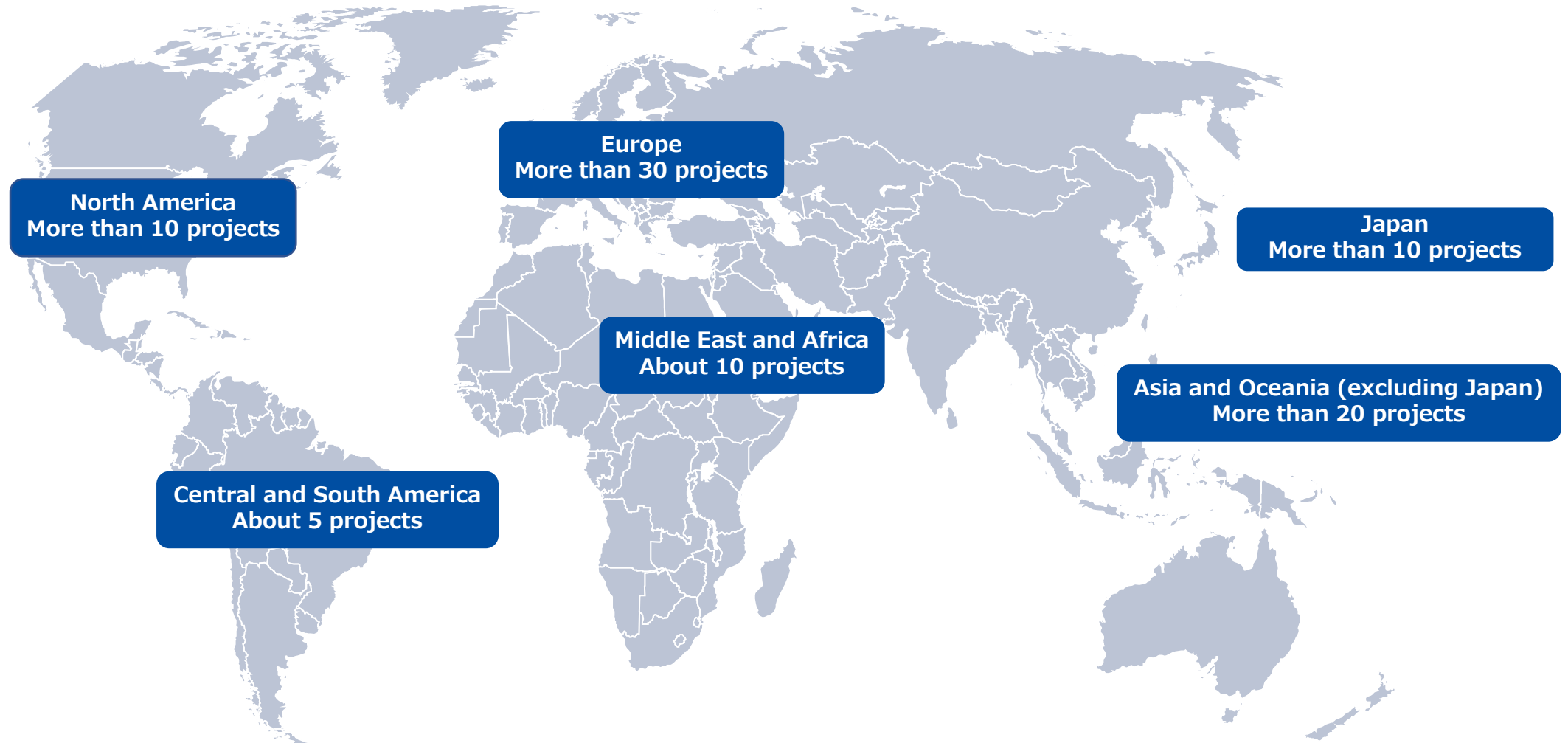
Investors

Offtakers

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Investment Pipeline

There are various investment opportunities in all regions of the world.



*There are over 100 projects that are not currently viable for investment, but are expected to be in the medium to long term.

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Finance Committee

Purpose

Present financing options and prospects to the operating companies for the realization of hydrogen projects

Activity

Item	Background, Challenge	Activity	FY23 Projected Result
Fund establishment	<ul style="list-style-type: none"> • Presentation of financing options for hydrogen projects that are taking shape 	<ul style="list-style-type: none"> • Detailed study of structures, etc. for establishment of the fund 	<ul style="list-style-type: none"> • Establishment of fund and start of operations
Policy coordination	<ul style="list-style-type: none"> • Public-private partnerships for funding from development and demonstration to commercialization 	<ul style="list-style-type: none"> • Organize policy requests • Collaboration with government financial institutions 	<ul style="list-style-type: none"> • Realization of policy support for the Fund • Recommendations for GX Promotion Agency's Support Menu
Communicate with operating company	<ul style="list-style-type: none"> • Gathering information on projects for hydrogen fund investment • Setting investment criteria that contribute to building a value chain • Understand trends in standards related to finance 	<ul style="list-style-type: none"> • Identification of investment opportunities • Investigation of financing cases for hydrogen PJ, CO2 emission standards, blended finance, impact assessment, etc. • Information dissemination 	<ul style="list-style-type: none"> • Identification of projects for investment in multiple funds • Gathering and disseminating information through advocacy and events

Other

- Positioning of Hydrogen in Sustainable Finance
 - Also working with the CO2 Free Hydrogen Committee
 - Survey of global discussion trends and finance cases as base information