

## Evonik participates in growth financing for young Danish hydrogen peroxide company HPNow

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- HPNow develops decentralized systems for electrochemical production of H<sub>2</sub>O<sub>2</sub>
- Company expands portfolio with solutions for agriculture, industrial and municipal water treatment
- The technology supports Evonik's H<sub>2</sub>O<sub>2</sub> strategy

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**Essen, Germany.** Evonik has made a second investment in HPNow, based in Copenhagen, Denmark, through its venture capital unit. Evonik participated in the first financing round of the start-up as early as 2017. Co-investor is the London-based venture capital specialist AP Ventures. "HPNow has been very successful over the past three years in developing and commercializing its technology," said Bernhard Mohr, head of Evonik Venture Capital. "Evonik has extensive know-how and experience in the hydrogen peroxide business. That's why HPNow and we are an ideal match".

With HPGen, HPNow has developed a modular generator that produces hydrogen peroxide (H<sub>2</sub>O<sub>2</sub>) directly on site based on a patented electrochemical technology. The used H<sub>2</sub>O<sub>2</sub> breaks down into water and oxygen after its application. This technology makes it possible to use the environmentally friendly H<sub>2</sub>O<sub>2</sub> even in places to which transport has been uneconomical or even impossible until now. All that the system needs on site is electricity, water and air.

To date, HPNow mainly addressed the market for agricultural drip irrigation water treatment. Drip irrigation uses water very efficiently in the irrigation of plants and is used as a solution to the problem of increasingly inadequate water supply, but the method is prone to bio-fouling and clogging. HPNow helps customers with increased crop yields and reduced irrigation system maintenance.

Following its successful entry into the agricultural market, HPNow is now also entering markets for the treatment of industrial wastewater with high oxygen demand, for advanced

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oxidation in municipal water treatment, and for use in cooling systems.

Only recently, HPNow also entered into a partnership with BSH Electrodomesticos, which produces Bosch and Siemens dishwashers. The technology of the young Danish company should make it possible to reduce cleaning times by half and thus make the use of the appliances more convenient and sustainable.

"This patented technology offers the possibility of a demand-oriented and cost-efficient supply of hydrogen peroxide directly to the customer," said Michael Traexler, head of the Active Oxygens business line at Evonik. "This investment supports our strategy of offering our customers customized system solutions."

HPGen uses a patented electrochemical cell to convert water and oxygen into H<sub>2</sub>O<sub>2</sub>. "Drip irrigation releases just the right amount of water for the plant. This conserves the valuable resource water," said Traexler. "In addition, the technology makes it possible to use H<sub>2</sub>O<sub>2</sub> in areas where less environmentally friendly techniques have been used in the past."

"In the development of our company we benefit from the experience Evonik has as a global producer of hydrogen peroxide," said Ziv Gottesfeld, chief executive officer of HPNow. Evonik is one of the world's largest producers of H<sub>2</sub>O<sub>2</sub>. As recently as March, it acquired the US producer PeroxyChem for €640 million. The companies have agreed not to disclose the size of their stake in HPNow.

The most recent success of the Danish company is a grant of almost €1.8 million from the Accelerator Pilot Project of the European Innovation Council (EIC). HPNow is one of only 36 companies to receive funding as part of a program to combat the coronavirus pandemic. There were around 1,400 applications in total. The EIC was convinced by HPNow's approach of being able to produce hydrogen peroxide as a highly effective oxidation agent in places that would otherwise be cut off from a rapid supply of H<sub>2</sub>O<sub>2</sub>. HPNow will also use the funds to further improve the security of supply of clean water in the European Union.

### **Company information**

Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €13.1 billion and an operating profit (adjusted EBITDA) of €2.15 billion in 2019. Evonik goes far beyond chemistry to create innovative, profitable and sustainable solutions for customers. More than 32,000 employees work together for a common purpose: We want to improve life today and tomorrow.

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