

Press Release

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L&T signs MoU with HydrogenPro for manufacturing Hydrogen Electrolysers in India

Mumbai/Porsgrunn, 27 January 2022: Larsen & Toubro (L&T), an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services, today announced it has entered a Memorandum of Understanding (MoU) with HydrogenPro AS (OSE: HYPRO), a Norway-based leading Electrolyser technology and manufacturing company for partnership to tap the emerging Green Hydrogen market.

Under this agreement, L&T and HydrogenPro will jointly work towards setting up of a joint venture in India for Gigawatt-scale manufacturing of Alkaline Water Electrolysers based on HydrogenPro technology for Indian market and other select geographies. The proposed joint venture in India is in line with L&T's strategic vision to be present across the green energy value chain and HydrogenPro's strategy of establishing a global manufacturing footprint to maintain cost leadership and ensure local presence.

Commenting on the occasion, **Mr. S N Subrahmanyam, CEO & MD, L&T** said, "The energy industry is undergoing a tectonic shift with Green Hydrogen emerging as a key fuel in the future energy basket. We are delighted to have signed this MoU with HydrogenPro. This will be a win-win partnership given our extensive relationship across the energy industry, deep EPC experience in this sector and successful ongoing collaborations with many MNCs and HydrogenPro's focus to stay ahead of the curve as far as technology leadership is concerned".

"We're extremely pleased to enter this Memorandum of Understanding with L&T, an E&C powerhouse which is the perfect partner to establish HydrogenPro in the Indian market, a huge and growing energy market with tremendous potential for hydrogen-based solutions," said **Mr. Elling Nygaard, CEO of HydrogenPro**.

"We are looking forward to this exciting journey and make this partnership work for creating sustainable infrastructure for the future. The Green Hydrogen industry is at a nascent stage with an immense potential to offer great opportunities. This partnership is a right step in creating clean, green and sustainable future," said **Mr. Subramanian Sarma, Whole Time Director (Energy), L&T**.

India has made the world's largest expansion plan for renewable energy transition, with a target of 175GW of renewables by 2022 and 500 GW by 2030.

India is well suited for Green Hydrogen production due to the low generation costs of renewable electricity from abundantly available solar PV and wind power sources. The country aims to be among the world's largest Green Hydrogen hubs and has plan for using the same across the sectors. It can also provide India the energy security by reducing the

ever-increasing energy import bill and a pathway to green alternative for “hard-to-abate” industries, like refineries, fertilisers, steel, and transport.

Green Hydrogen demand in India is estimated to grow up to 2 MMTPA by 2030 in line with the nation’s Green Hydrogen Mission, which would call for investments upward of \$60 billion.

About HydrogenPro:

HydrogenPro designs and supplies customized hydrogen plants in cooperation with global partners and suppliers, all ISO 9001, ISO 45001 and ISO 14001 certified.

The Company was founded in 2013 by individuals with background from the electrolysis industry, which was established in Telemark, Norway by Norsk Hydro in 1927. We are an experienced engineering team of leading industry experts, drawing upon unparalleled experience and expertise in the hydrogen and renewable energy industry.

Our core product is the alkaline high-pressure electrolyser. With the new electrode technology, they are able to increase the efficiency of each unit by 14% to reach 93% of the theoretical maximum. This is a significant step forward as the cost of electric power, depending on market prices, amounts to 70-90% of the cost of producing hydrogen, the value of such increased efficiency equals approximately the investment cost for the entire plant in a Total Cost of Operation perspective. The Company is targeting a production cost for green hydrogen of USD 1.2 per kg in 2022.

For more information, please contact:

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About L&T:

Larsen & Toubro is an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services. It operates in over 50 countries worldwide. A strong, customer-focused approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business for eight decades.

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