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# FLIGHT OF THE CONCORD: CHARLIE THANNHAEUSER, CEO AND FOUNDER OF CONCORD BLUE



Charlie Thannhaeuser, CEO and founder of Concord Blue speaks with *Acuris Capital Intelligence* about the company's financing strategy and growth plans for the year as it gears up to launch the first of its waste-to-hydrogen conversion platforms.

*Interview by Patrick Costello*

**Q. What is your operational outlook for 2022?**

Concord Blue is currently creating its first waste-to-hydrogen conversion platform, called Platform One, which consists of five separate locations across northwest Germany, mostly at waste-handling sites. We choose site locations that are already permissive for waste handling and close 20-year supply contracts to deliver the waste. We also want to be near major hydrogen offtake sources to be close to potential customers.

Our main goal for this year is to close the remaining financing for Platform One. We are looking to raise €560 million in total, of which we have already secured €280 million from investors managed by Verdantf. In the meantime, we have begun engineering Platform One and will start the final kick-off after we have obtained the remaining financing. If all goes according to plan, Platform One should go live later this year.

**Q. What risks do you see to this outlook?**

The biggest risk is that we don't get the funding but it doesn't look like that will be the case. We already have a strong partner onboard for Platform One and we would still be in quite a strong position if we just started with one of our five sites in Germany and built off on that.

Because the hydrogen market took longer than expected to take off, we have had a lot of time to prepare and do our homework well in the past few years. For everything else—be it developing the technology, engineering the platforms, optimising the process or filing for patents—we are very well positioned to take the next steps.

**Q. How have the pandemic and Russia's invasion of Ukraine affected the business?**

The first year of the pandemic had an impact on us and it slowed down our growth as many companies for a time were focused on dealing with COVID-19 and not taking meetings for other projects for months.

In contrast, the Ukraine crisis has been a catalyst for what we are doing. We are not just offering an intermediate or bridge technology to address the energy crisis. We are a long-term solution in the transition away from fossil fuels—especially foreign fossil fuels—and to decentralised, locally produced and emission-free fuels.

**Q. How has the market's perception of Concord Blue's technology changed in recent months?**

We have certainly seen an uptick in interest. We see that at conferences, for example, where companies are more receptive to our solution than in the past. We also now have some of the world's largest institutions calling us, either because they have a waste stream they are

looking to monetise or because they have a need for our hydrogen, such as steel companies. We are seeing heightened interest from funding sources as well.

**Q. In terms of fundraising, what types of capital look most attractive in the current environment?**

Debt is the most valuable type of capital for us, and it is an option we have been exploring more intently in the past few weeks. Initially we thought our €560 million fundraise would be an all-equity ticket, which also would have been the faster route, but now it looks like debt is a real possibility. The project returns are so attractive that we can even afford a bit more expensive debt, which is worthwhile because we then retain equity in the platform and make money from selling hydrogen as a co-owner rather than just being a technology provider, as would be the case with equity.

**Q. Can you tell us more about your debt raising plans and the current debt environment?**

Debt could ultimately be between 50%-75% of our total fundraise and our advisors at Saxenhammer, led by Martin Bloch, are helping us make the most of this process. We are not looking for one-off sources of funding, but for a long-term partner to roll out our solution globally.

In terms of the environment, this is really the result of what's happened in the hydrogen space recently. For years, there was a bit of scepticism about whether hydrogen was here to stay, but the sentiment has changed. I believe that scepticism is no longer there. We speak to a lot of other players in the hydrogen space, and everyone seems to say the same thing. Namely, that this niche industry is in a unique place right now with a lot of tailwinds. There is a willingness among investors and groups to get involved that would not traditionally have been interested in this kind of play before.

*A bit of background: Charlie Thannhaeuser is the CEO and founder of Concord Blue, a German-US energy technology firm developing waste-to-hydrogen platforms that use a patented waste-conversion technology, called steam thermolysis, to transform various forms of waste into renewable fuels, including hydrogen and electricity*