

Investor Presentation

MARCH 2025 | NASDAQ: HDSN



**RECLAIMED
REFRIGERANT**



**ON-SITE REFRIGERANT
SERVICE**



**REFRIGERANT END-OF-
LIFE MANAGEMENT**

SAFE HARBOR STATEMENT



Statements contained herein which are not historical facts constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, changes in the laws and regulations affecting the industry, changes in the demand and price for refrigerants (including unfavorable market conditions adversely affecting the demand for, and the price of, refrigerants), the Company's ability to source refrigerants, regulatory and economic factors, seasonality, competition, litigation, the nature of supplier or customer arrangements that become available to the Company in the future, adverse weather conditions, possible technological obsolescence of existing products and services, possible reduction in the carrying value of long-lived assets, estimates of the useful life of its assets, potential environmental liability, customer concentration, the ability to obtain financing, the ability to meet financial covenants under existing credit facilities, any delays or interruptions in bringing products and services to market, the timely availability of any requisite permits and authorizations from governmental entities and third parties as well as factors relating to doing business outside the United States, including changes in the laws, regulations, policies, and political, financial and economic conditions, including inflation, interest and currency exchange rates, of countries in which the Company may seek to conduct business, the Company's ability to successfully integrate any assets it acquires from third parties into its operations, the impact of the current COVID-19 pandemic, and other risks detailed in the Company's 10-K for the year ended December 31, 2023 and other subsequent filings with the Securities and Exchange Commission. The words "believe", "expect", "anticipate", "may", "plan", "should" and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made.

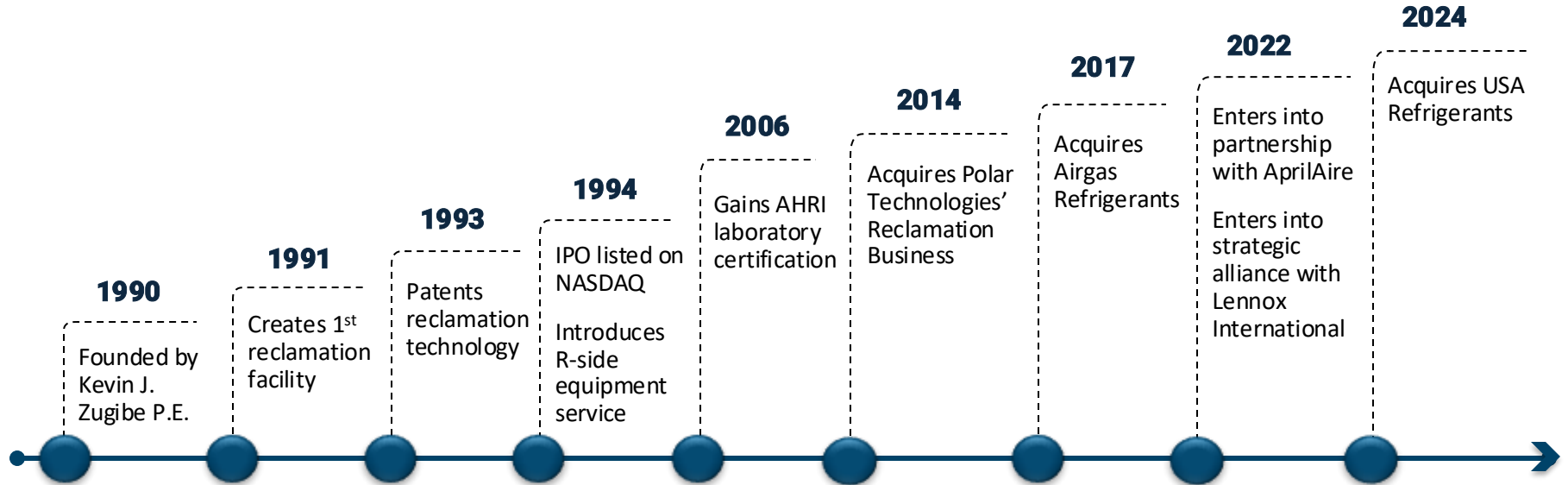


At Hudson Technologies, our commitment to environmental stewardship is core to everything we do.

From initial sale of refrigerants through recovery, reclamation and reuse, peak operating performance of equipment through energy efficiency and emergency HVAC system repair, to CFC refrigerant disposal and carbon credit development, we provide environmentally sustainable solutions for a variety of refrigerant needs.

BUILDING A DIVERSIFIED REFRIGERANT SOLUTIONS PLATFORM

35 Years Developing Refrigerant Technology and Driving Growth



NATIONWIDE PRESENCE

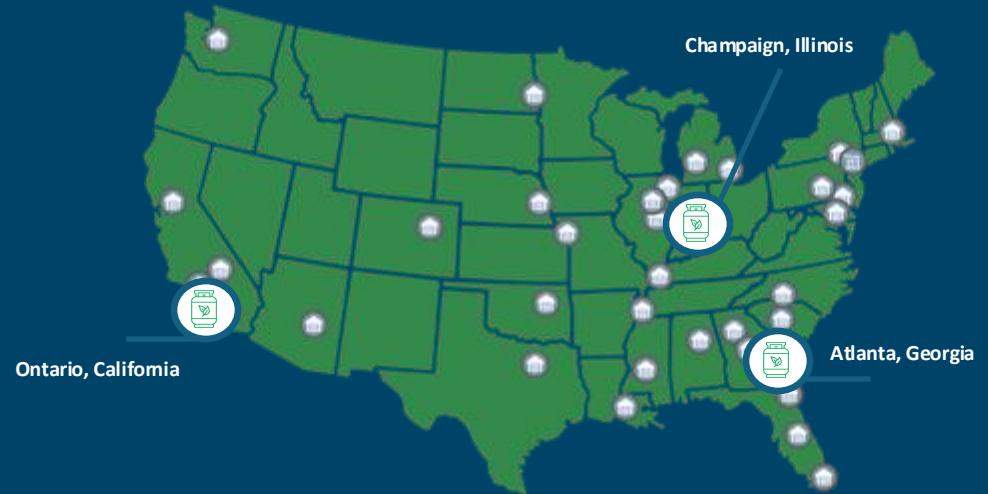
7,000+
customers

40+
facilities &
stocking points

3
carbon neutral
reclamation facilities



One of the largest reclaimers in the U.S.
Handles >300,000 cylinders per year



Own 1 of 6 AHRI certified
laboratories in the country

COMPREHENSIVE PRODUCT SELECTION

- **Broad refrigerant portfolio includes:**
 - Legacy CFCs, HCFCs, HFCs and next-generation HFOs
- **EMERALD Refrigerants™** branded and certified reclaimed refrigerants
- **All products meet or exceed AHRI 700 purity standards**
 - Available in all standard industry sizes including tanker and ISO containers for bulk delivery



UNIQUELY POSITIONED IN THE MARKET

Unparalleled Refrigerant Sales Network (Virgin and Reclaimed Refrigerant)

- **Large wholesale network** of industry distributors
- **Extensive consumer network** of contractors, supermarkets, chemical plants, data centers, property management, industrial locations

Multi-Dimensional Refrigerant Reclaimer

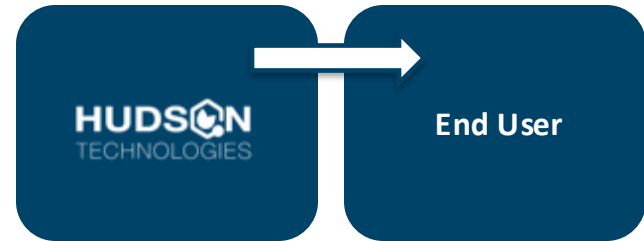
- **Recover of all types of used refrigerants** from customers and reclaim for resale
- **AHRI certified labs** (1 of 6 nationwide) with ability to remove contaminants and separate mixed gases

Cutting-Edge Technology for Servicing Equipment

- Focused on commercial chillers and industrial process cooling
- **Unique mobile system sized to go into facilities for on-site remediation** with contaminant removal and gas separation capabilities comparable to reclamation facility

STRATEGICALLY POSITIONED IN REFRIGERANT SUPPLY CHAIN

Longstanding and Diverse Customer Relationships



LEADER IN U.S. REFRIGERANT RECLAMATION

HUDSON IS A LEADER IN THE U.S. REFRIGERANT RECLAMATION MARKET AND STRATEGICALLY POSITIONED TO BENEFIT AS THE MARKET EXPANDS



✓ Ability to reclaim **all types of refrigerants**

✓ **Reclaimed refrigerant** provides double the gross margin of virgin refrigerant distribution

✓ **Diverse customer network** positions HDSN well to purchase recovered refrigerants

✓ **Recent acquisition of USA Refrigerants** creates Company's first dedicated buying group

✓ HDSN is **one of just a few large reclaimers** in the industry of ~40 companies with reclamation capabilities₉

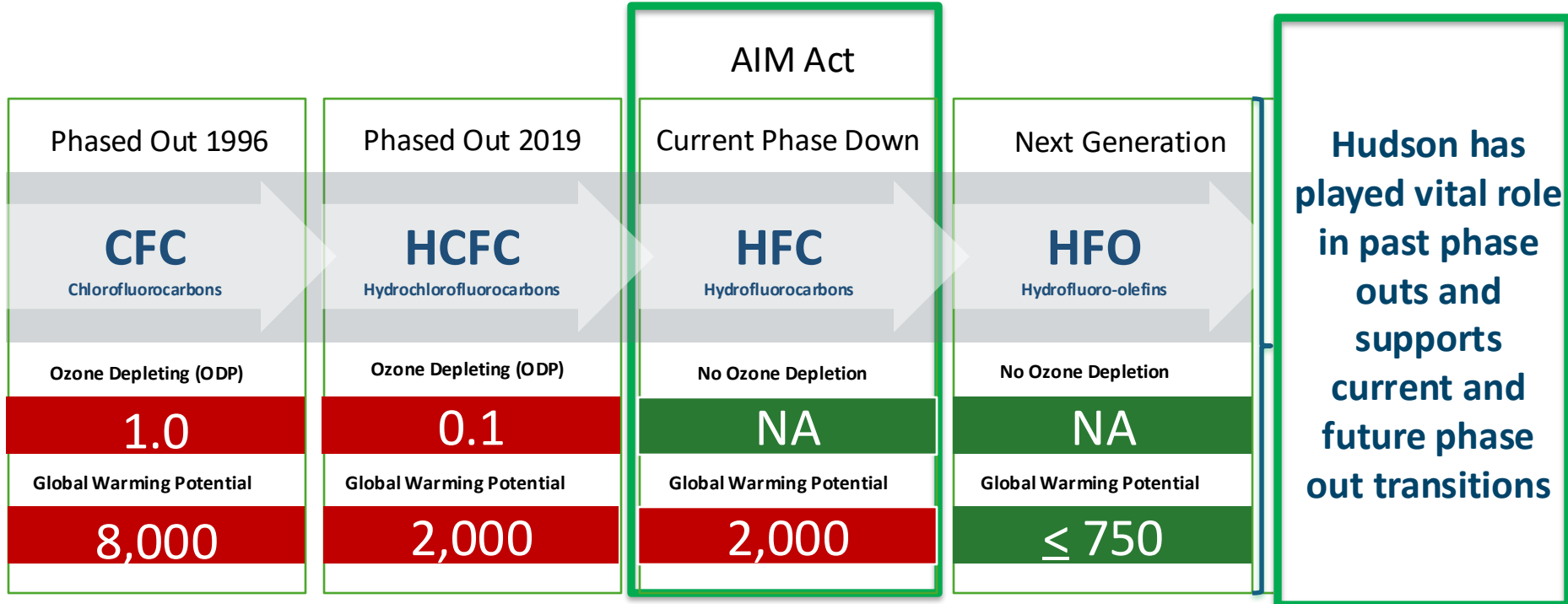
ROCKY MOUNTAIN INSTITUTE (RMI) REPORT DEFINES BENEFITS OF RECLAMATION

- Refrigerant reclamation can **reduce lifecycle greenhouse gas emissions by up to 70% per pound** versus producing and using newly manufactured
- Maximizing refrigerant reclamation to service ACHP equipment for U.S. homes can avoid 7.7 metric tons of CO₂ emissions by 2025 – **equivalent to taking 1.8 million cars off the road for one year**
- Recovering refrigerant is **critical to creating circular economy** for refrigerants and **supports full economic life for installed base** of equipment

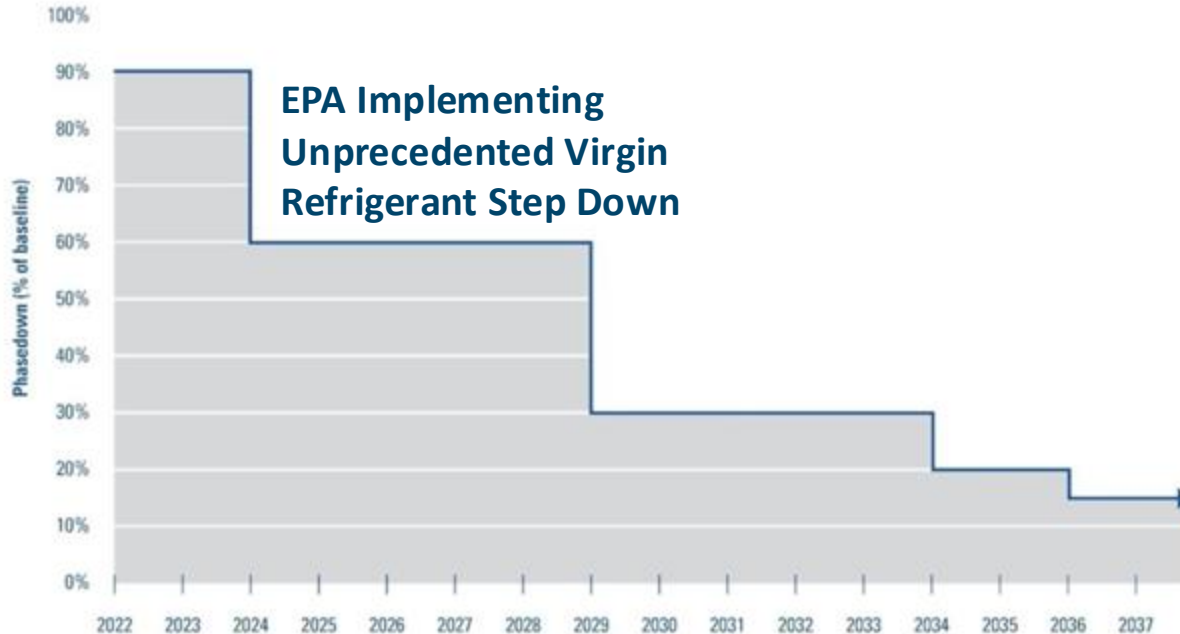


INDUSTRY TRANSITIONING TO LOWER GWP REFRIGERANTS

Climate Directed Evolution Driving Refrigerant Industry Phase Outs



AIM ACT MANDATES VIRGIN HFC PHASEDOWN; DRIVING DEMAND FOR RECLAIMED HFCS



Baseline allowances will be reduced 85% by 2036

STATE REGULATORY ACTIONS SUPPORT RECLAMATION

Several states have adopted or proposed legislation that supports growth in reclamation with more expected to follow



California

- Adopted Senate Bill 1206 in September 2022
- Prohibits the sale of high GWP virgin HFCs
- 1.1.25: Requires use of reclaimed refrigerant for servicing of state-owned properties



New York

- NYDEC Final Part 494 prohibits the sale of high GWP virgin HFCs while allowing for the use of reclaimed refrigerants
- Senate Bill S6105A and Assembly Bill A10624, both currently pending, would establish requirements for producers to take part in refrigerant collection programs



Washington

- Implemented Chapter 173-443 in January 2024; established maximum GWP thresholds for HFCs and created a refrigerant management program
- House Bill 2401, currently pending, would establish requirements for producers and nonproducers to register and take part in refrigerant stewardship organizations

HUDSON'S OPPORTUNITY: BRIDGING THE SUPPLY GAP

Current State

- U.S. has an installed base of ~125 million Stationary HFC units today with a useful life of 15+ years
 - **Reclamation will be necessary to service this base through current HFC phasedown and beyond**
- Hudson's **EMERALD™** reclaimed refrigerants are already supporting customer base
- HFO equipment becomes commercially available in 2025; transition to lower GWP HFO refrigerants to follow

Hudson's Opportunity

- **Bridge the gap in HFC supply and demand with reclaimed refrigerant**
- Build on HFC refrigerant recovery, services and chiller conversions
- Support seamless transition to HFO refrigerant reclamation as needed

PURSUING STRATEGIC RELATIONSHIPS

- **Enabling the reduction of waste and greenhouse gas emissions**
- **Agreements** with Lennox, April Aire and LG Air Conditioning Technologies USA

OEM Partnerships

Contractor Strategy

- **Attractive contractor economics;** Hudson pays contractors for recovered refrigerant
- **Increasing contractor education** on efficient recovery process
- **Refrigerant recovery** required for continued refrigerant supply



Acquisition expands sourcing of higher margin recovered refrigerants

- **Long-term purchasing relationships** with ACCA members and other industry groups
- **Extensive network of independent representatives** with expertise in refrigerant sourcing
- **Establishes a new, dedicated refrigerant acquisition group** focused on procuring all types of refrigerants

PROPRIETARY ON-SITE REFRIGERANT SERVICES

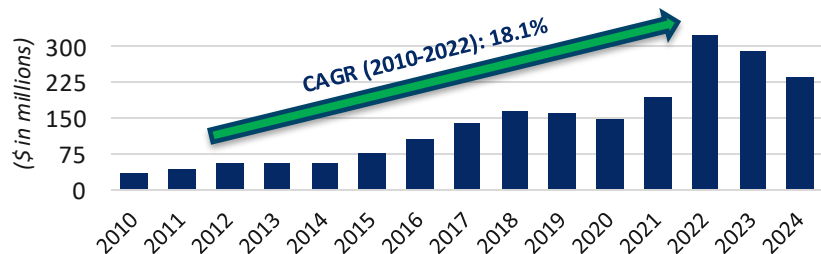


The ZugiBeast® is a patented portable reclamation system for on site service

- **ONLY** reclamation technology that can go through a standard doorway into industrial settings
- On-site refrigerant services provided on a nationwide basis and in emergency situations
- Returns chiller systems to optimal operating performance and energy efficiency
- Quick and seamless customer solution

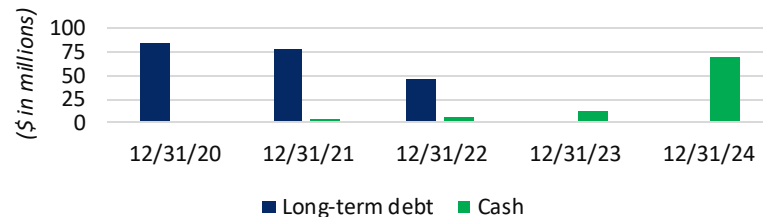
FINANCIAL SNAPSHOT

Long-Term Revenue Performance



Particularly strong revenue and profitability in 2022 and 2023 largely due to increase in certain refrigerant prices

De-Levered Balance Sheet and Growing Cash Position

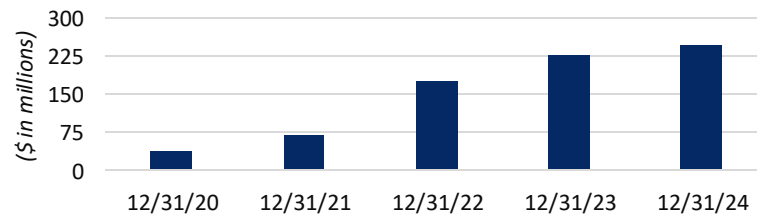


As of 8/21/23 the Company paid down its outstanding term loans and has no long-term debt

Strong Profitability

	Twelve Months Ended 12/31/24 (\$ in millions, excluding EPS)
Revenue	\$237.1
Operating Income	\$29.3
Diluted Earnings Per Share	\$0.52

Growth in Shareholders' Equity



\$5.40 per share in shareholders' equity as of 12/31/24

THREE PILLARS OF CAPITAL ALLOCATION



Organic Growth



Acquisitions



Share Repurchase

SUMMARY

Leading provider of sustainable refrigerant solutions

Diverse business model leverages multiple sales, reclamation and servicing channels

Largest independent source for virgin and reclaimed refrigerants

Nationwide presence with 7,000+ customers

Proven success supporting prior refrigerant phase-outs; well-positioned for future phase-outs

Strong unlevered balance sheet and **disciplined three-pillar capital allocation strategy**

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