

INVESTOR PRESENTATION

APRIL 2021



RECLAIMED
REFRIGERANT



ON-SITE
REFRIGERANT
SERVICE



SMARTENERGY
OPS®



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, 2020 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.



Serving All Refrigerant Markets By Providing a Sustainable Solution

Hudson's multifaceted solutions support the circular economy of refrigerants and reduce the industry's carbon footprint:

- **Reclamation:** Net zero Global Warming Potential (GWP) solution that displaces virgin production
- **On-site Services & SMARTenergyOPS®:** Optimizing chiller performance to reduce energy consumption
- **End of Life Management:** Reuse or environmentally safe destruction



INVESTMENT CONSIDERATIONS



Large Market Opportunity



- Refrigerant is the critical chemical used in air conditioning and refrigeration systems
- Participant in multiple billion-dollar markets

Embedded at Key Points In Supply Chain



- Provider to HVAC supply houses which serve residential/light commercial market
- Directly supply contractors and end-users in refrigeration, large commercial and industrial markets
- Hudson is firmly established market leader in distribution and reclamation

Reclaim Capability



- Federal mandates phasing out environmentally harmful refrigerants creates reclamation market opportunity
- Reclaimed refrigerants are a sustainable source of supply
- Hudson's proprietary reclamation technology applies to all types of refrigerant; positioned to fill the demand gap
- ~35% share of reclamation market

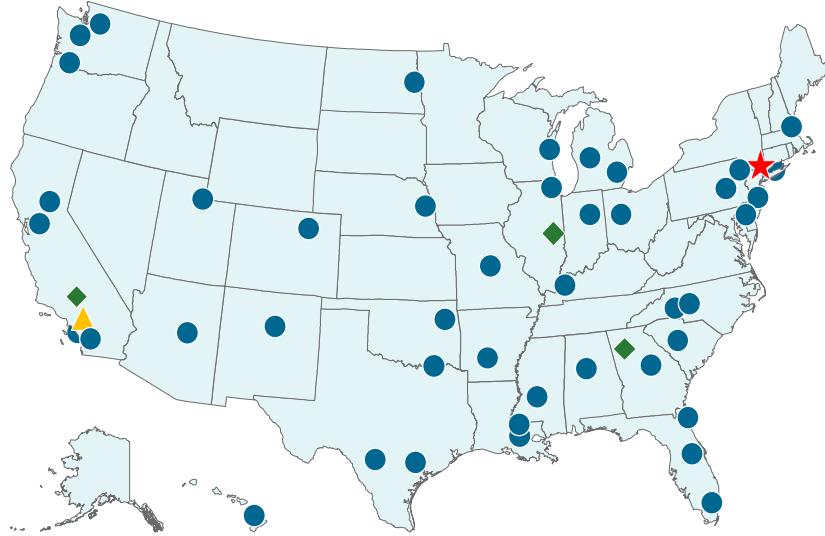
Sustainability Solution



Multifaceted solutions to support the circular economy of refrigerants and carbon footprint

- Reclamation: Net zero Global Warming Potential (GWP) solution that displaces virgin production
- On-site Service & SMARTenergyOPS®: Optimizing chiller performance to reduce energy consumption
- End of Life Management: Reuse or environmentally safe destruction

NATIONAL PRESENCE



- ★ Corporate Office
- ◆ Reclamation Centers
- Stock Points
- ▲ Government Fulfillment Center

- **Diverse customer base:**
 - 7,000+ customers
- **40+ facilities and stocking points**
- **3 reclamation facilities**
- **One of few companies with AHRI certified laboratories**

ENERGY EFFICIENCY & CLIMATE CONCERNS DRIVE REFRIGERANT EVOLUTION



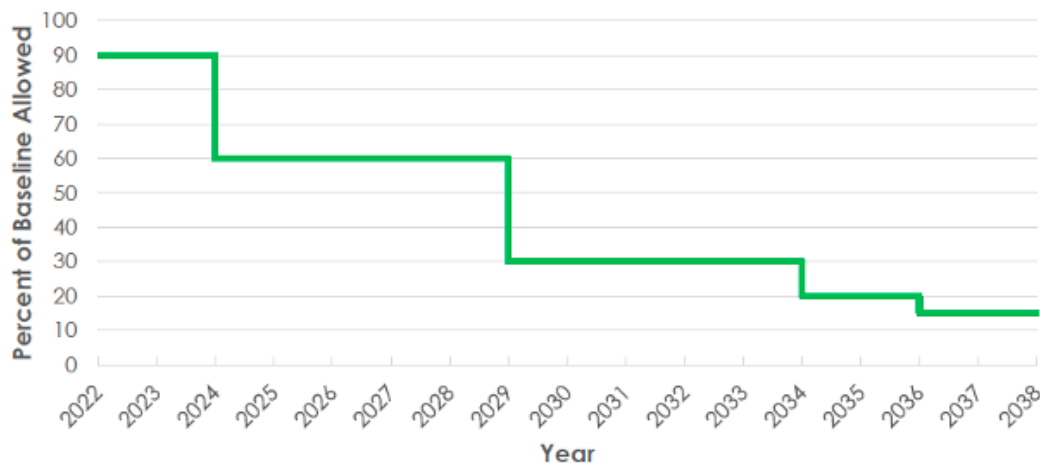
CFCs Chlorofluorocarbons	HCFCs Hydrochlorofluorocarbons	HFCs Hydrofluorocarbons	HFOs Hydrofluoroolefins
Ozone Depleting (ODP)			
1.0	0.1	~0	~0
Global Warming Potential			
8000	2000	2000	≤ 1

Recently passed American Innovation and Manufacturing Act
(AIM Act) Initiates HFC Phase Down

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



EPA To Implement Virgin Production Step Down



HFC OPPORTUNITY SIGNIFICANT & GROWING

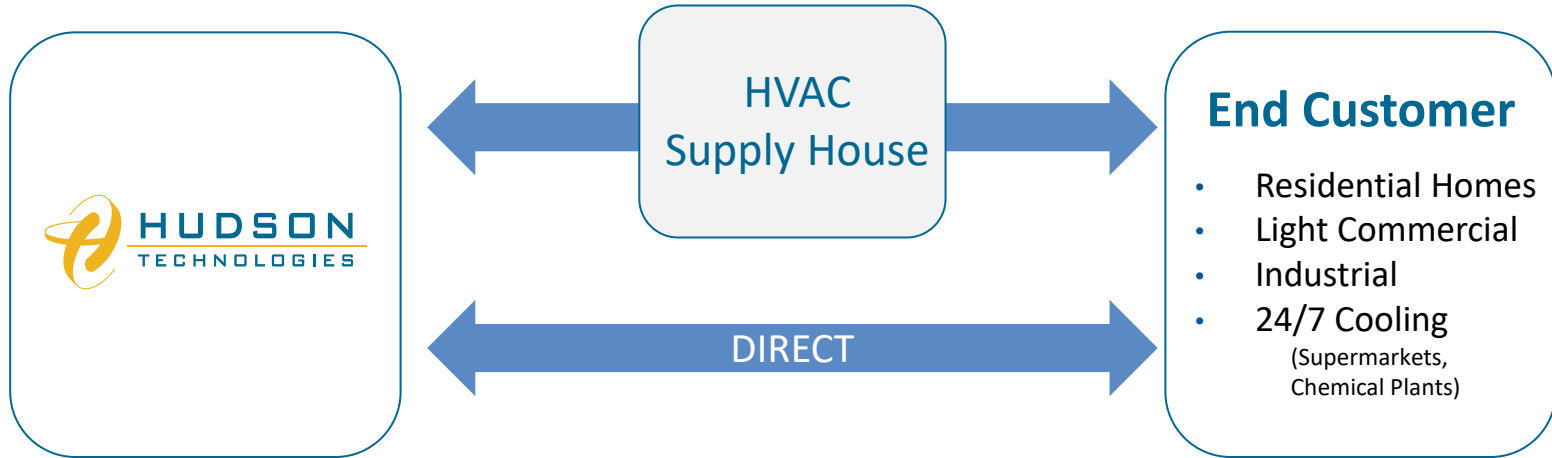


- **HFC installed base growing at ~5% annually**
 - Estimated installed base of >100 million HFC systems in 2020
 - Reclaimed HFCs: 6M pounds in 2019
 - With phase down schedule, reclaimed HFCs expected to grow to 40M pounds to meet demand due to virgin supply gap in 2024
- **AIM Act Drives Transition to Next Generation HFOs**
 - 2029 and beyond: HFOs and reclaimed HFCs will provide 70% of supply

STRATEGICALLY POSITIONED IN SUPPLY CHAIN



- **Leading source for refrigerants (CFC, HCFC, HFC, HFOs)**
 - Providing all refrigerants: HFCs & next generation as well as legacy via reclamation
 - Longstanding customer relationships
- **Embedded at two key points in supply chain**
- **Hudson leverages sales network to buy back refrigerants for reclamation**



LARGE DOD CONTRACT: EXPANDED PRODUCTS & SERVICES



Department of Defense Contract With Maximum Value of \$400M Over 10 Years

- 5-Year contract with 5-year renewal option from the U.S. Defense Logistics Agency (“DLA”); finishing fifth year with an exceptional rating in all categories
 - Fixed price contract for management and supply of refrigerants, compressed gases, cylinders and related items to U.S. Military Commands and Installations, Federal Civilian Agencies and Foreign Ministries
- Hudson is prime contractor
- Leverages existing infrastructure

Prime Contractor Experience Expected to Lead to Additional Opportunities





Reclamation Opportunity

As R-22 Opportunity Begins to Sunset, HFC Opportunity is Introduced

R-22 MARKET OPPORTUNITY CONTINUES



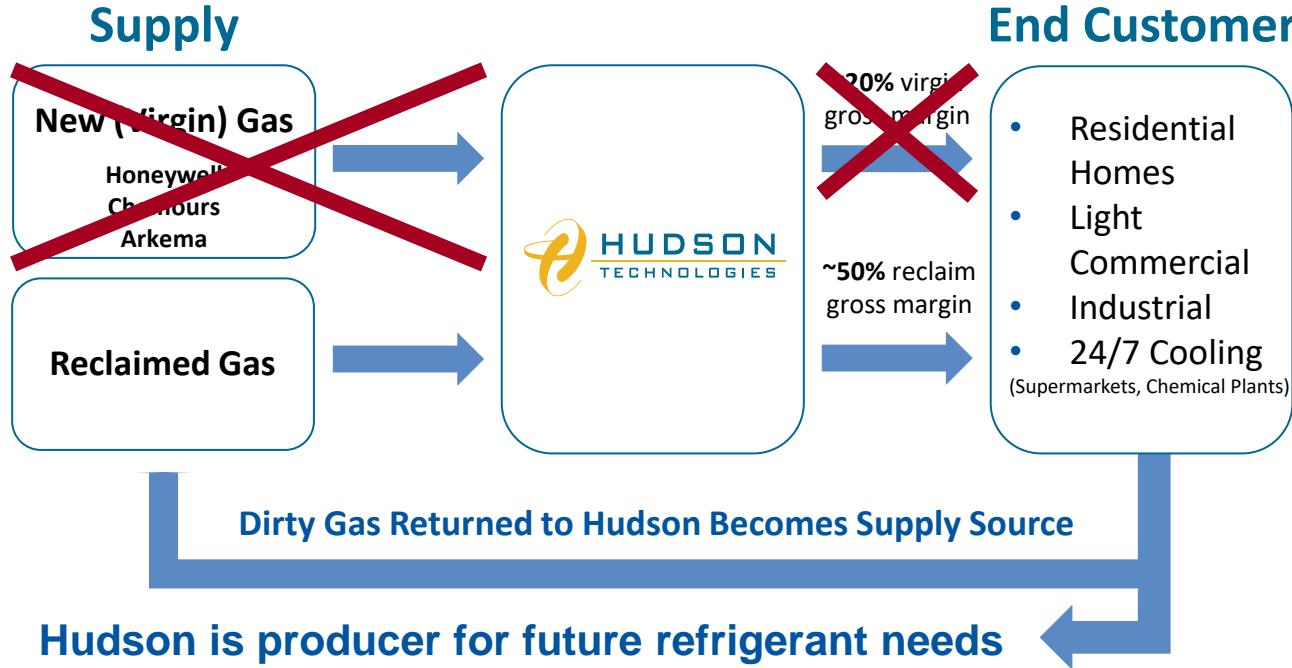
- **Virgin R-22 Production Ceased as of December 31, 2019**
 - 2021 and beyond: Reclaimers will provide 100% of R-22
- **Despite Elimination of Virgin Production, Aftermarket Demand Expected to Continue for Approximately 20 Years**
 - ~50 million residential & light commercial systems in 2018*

HFC OPPORTUNITY BEGINS



- **AIM Act Initiates HFC Phase Down**
- **R-22 Phase Down Took Over 15 Years to Create Shortage**
- **AIM Act Creates Shortage in Just 2.5 Years**

REFRIGERANT SUPPLY CHAIN 2020 & BEYOND



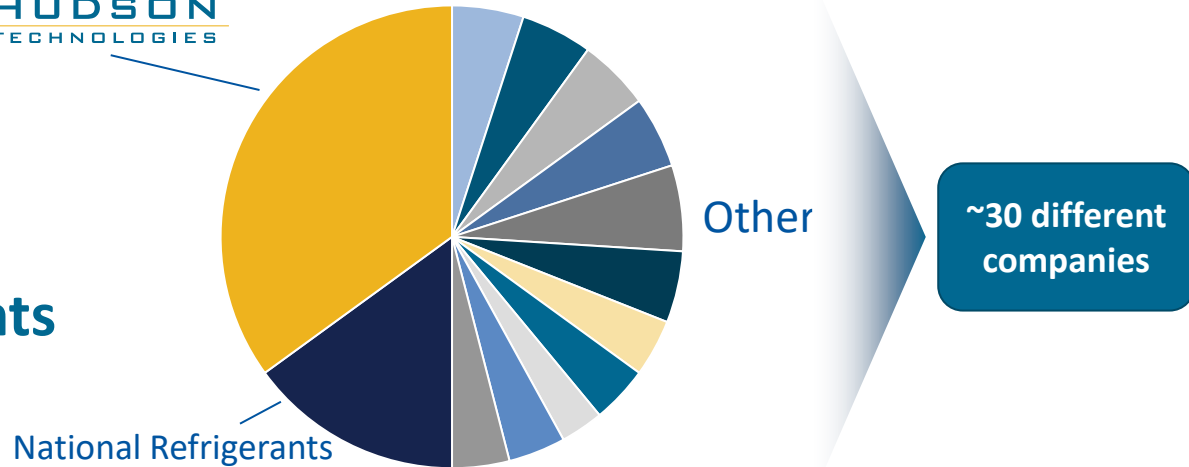
A LEADER IN THE FRAGMENTED RECLAMATION MARKET



Hudson captures approximately 35% of the reclaim market



**Ability to Reclaim
and Recycle ALL
Types of Refrigerants**



POSITIONED FOR GROWTH AS INDUSTRY EVOLVES



Leverage Scale to Drive Refrigerant Sales

- Supplying the marketplace through a comprehensive portfolio of legacy, current and next generation refrigerants

Extend Penetration of the Reclaim Market

- Largest reclaimer with infrastructure and proprietary processes in place
- HFC phaseout represents ~2X the R-22 opportunity related to larger installed base;
- AIM Act mandates the EPA to promote reclamation opportunities

Opportunity to Gain Market Share Through Support of Circular Economy of Refrigerants

- Reclamation is a net zero GWP solution displacing virgin production
- On-site Service and SmartenergyOPS® can optimize chiller performance, reducing energy consumption resulting in lower carbon footprint
- Providing end-of-life management via reuse or safe destruction in support of circular economy

Fragmentation of Refrigerant & Reclamation Market Presents Strategic Acquisition Opportunities