

QUARTER 2 NEWSLETTER

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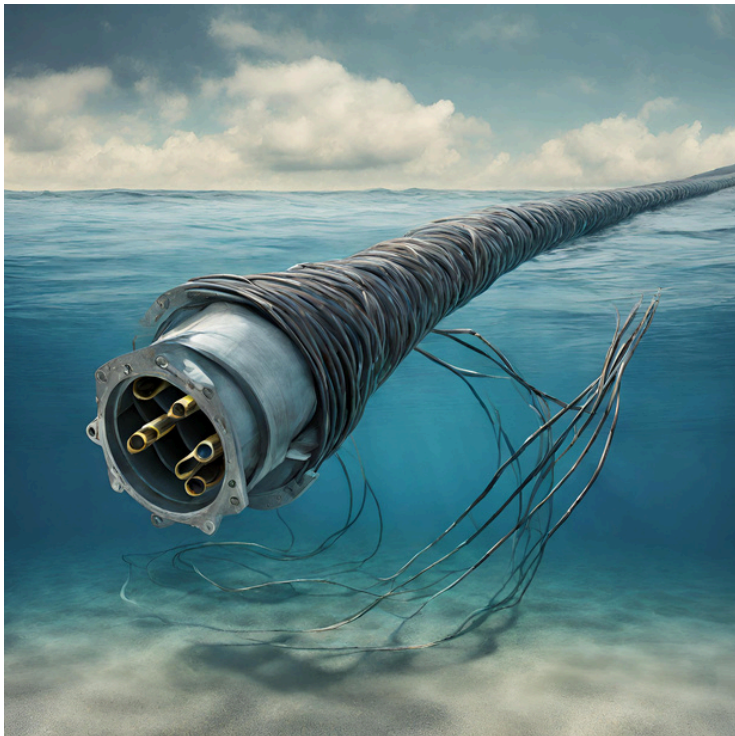


Hydro Group



Top News

- New Starts
- New Product Launch
- Charity Work
- Investment
- Exhibitions



As we close the second quarter of 2024, I am pleased to share the latest updates, achievements, and developments within Hydro Group. Your continuous support and feedback are pivotal to our progress, and we remain committed to delivering the highest quality products and services to meet your programme needs.

- **Product Innovation:**

- **New High-Density Fibre Optic Connector Launch:** We have successfully launched our next-generation fibre optic connector range, integrating up to 50 low loss fibres in a single robust design. This innovation aims to enhance data transmission reliability, reduce installation complexities and required connections in subsea environments.
- **Enhanced Durability:** Advancement of the specialist cathodic delamination system within our offerings, extending the operational lifespan of our assemblies by 28%.

- **Operational Improvements**

- **Manufacturing Enhancements:** Investment in state-of-the-art bunching equipment within our cable manufacturing cell has increased our capability by 50%, enabling us to meet growing demand while maintaining superior quality.
- **Sustainability Efforts:** We have scaled our sustainability program, focusing on reducing our environmental footprint through energy-efficient technologies, practices and recycling of manufacturing materials.
- **Strategic Stock Holding:** Growth in the value of strategic stock holding of over 22% to improve lead times and ensure timely delivery of our products, catering to urgent project requirements more effectively.

- **Workforce Development**

- **Staff Development:** We have launched comprehensive training programs for our staff, ensuring they are equipped with the latest skills and knowledge in subsea engineering. This commitment to professional growth and formality, ensures our team remains at the forefront of industry advancements.
- **Apprenticeship Program:** Our apprenticeship program has been expanded to support further growth, bringing in new talent and fostering the next generation of engineers. This initiative not only supports our expansion but also contributes to the industry's future.

- **Business Outlook**

- **Positive Growth:** The subsea market continues to show robust growth, driven by heightened maritime security, the expansion of offshore energy projects and advancements in underwater exploration technologies. Hydro Group remain committed to investing in our people and capabilities to capitalise on increasing demand for our innovative and application specific solutions.

We thank you for your continued trust and partnership. Our commitment to innovation, quality, and customer satisfaction remains unwavering as we navigate the dynamic landscape of subsea engineering. We look forward to supporting your projects and achieving new milestones together in the coming periods.



Marc Gordon

Managing Director

Hydro Group

New Starts

As we strive for continued growth, Hydro Group are delighted to welcome seven new starts to our Aberdeen Headquarters who have joined the team over the last couple of months. We are excited to see the valuable contributions that they make to the company and all that they accomplish in their new roles.

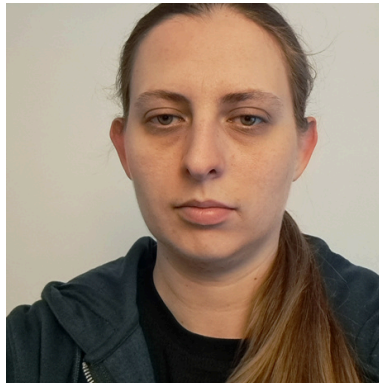
Brian Scott
QHSE Manager



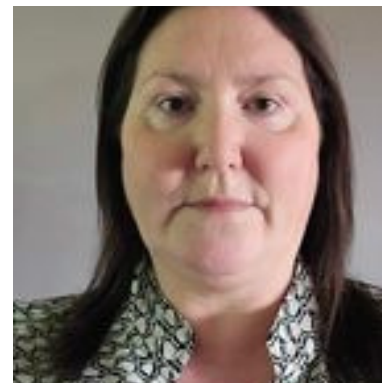
Emma Thom
Sales & Marketing Assistant



Dorota Strembicka
Technician



Illona Cockburn
QA Co-ordinator



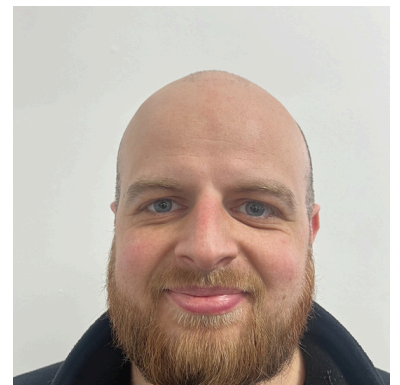
Thomas Haughey
Graduate Engineer



Jelena Jurovska
Trainee QC Inspector



Craig Argo
Stores Team Leader



New Product

Fibre Max Connector



APPLICATIONS

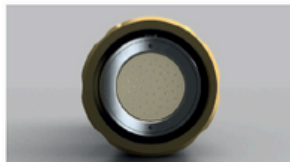
Subsea Monitoring Systems

Underwater Data Gathering

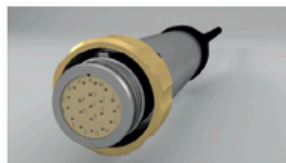
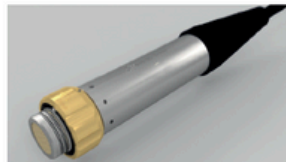
Harsh Environment
Communication Systems

Our newest innovation – The High-Density Fibre Max Connector Range is designed to excel in harsh environments and offers up to 50 micro multi-mode or single-mode fibres. The range provides high-level data transmission rates and low insertion losses. The design is proven shock & vibration tested with a positive metal key way to prevent misalignment. The range offers a variety of shell sizes and materials with hybrid electrical and coaxial options. Additionally, cathodic delamination protection is applied to mould areas as standard. This is a great addition to Hydro Groups' extensive product portfolio.

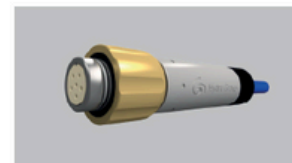
Shell size 20 50 fibres



Shell size 08 20 fibres



Shell size 04 6 fibres



Charity Work

For the year 24/25, Hydro Group are in partnership with Charlie House who are a local charity in the North-East of Scotland that support young children and their families with life-limiting and life-threatening conditions.



We took part in 'Wear it Green Day' to raise awareness for Mental Health whilst hosting a Bake Sale to raise funds for Charlie House. Some of the team also took part in the Kiltwalk to raise further funds. We are delighted to have raised a total of £980 and look forward to seeing how much more we can raise for this extremely worthy charity.

Environmental Commitments

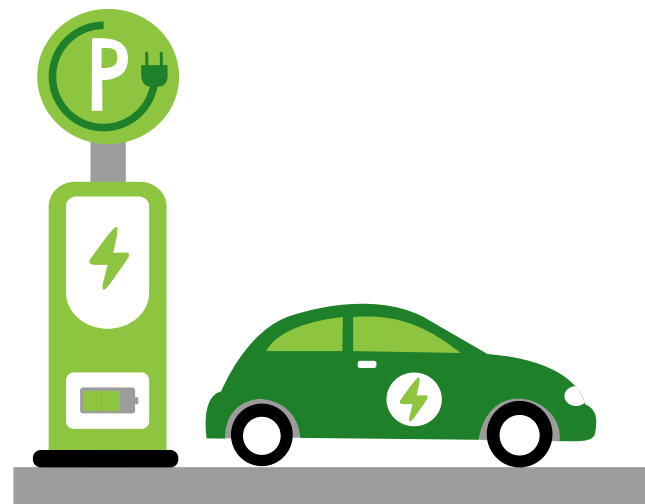
Cycle to Work Scheme



As we work towards efficiency and strive to reduce our carbon footprint, Hydro Group have implemented a Cycle to Work Scheme to improve the impact that we make on the environment and promote healthier lifestyles for our employees.

Electric Car Charging Onsite

Hydro Group have also implemented opportunities for staff to purchase electric cars and now have an electric car charging station available onsite for employees and visitors to utilise whilst at our Aberdeen facility. This addition will assist to contribute towards a cleaner environment and enhance efficiency.



Investment

NEW **LAY-UP BUNCHING MACHINE**

During Q2, Hydro Group have been strongly focusing on product development and have invested £370,000 in a new Lay-Up Bunching Machine to expand business capabilities. The new machine will replace the old High Speed Twinner Quader, allowing for reduced time processing, increased capacity and greater throughput rate. The new Buncher has been designed and manufactured to process up to six components up to 20mm overall diameter. It will assist to maximise efficiency at Hydro Group due to its ability to run long lengths without the requirement of an operator.



Manufactures significantly longer lengths of cable



**Standard TSP max length - 4000m,
New Buncher TSP max length - 30000m**



Takes previous speeds of 8 metres a minute to 50 metres a minute



Increased capacity & reduced time processing

Exhibitions

CNE 2024



21st-23rd May 2024
Farnborough, UK

The Hydro Group team experienced a busy Exhibition period during Quarter 2. Alec Bruce our Proposals and Applications Engineer, Heather Andrade our Director of Sea Markets, Aidan Kidd our Technical Sales Engineer and Dylan Bruce our Business Development Manager exhibited at The Combined Naval Event in Farnborough. The team are pictured on stand showcasing our extensive range of products. We launched our newest innovation - The Fibre Max Connector at the show which was a great opportunity to present it in action.



14th May 2024
Aviemore, Scotland

Dylan Bruce and Aidan Kidd attended Aquaculture UK in Aviemore. The Exhibition brought Aquaculture professionals together and surrounded sustainability, welfare and environmental challenges to identify solutions to enhance production and profitability.

Aquaculture UK 2024



Aquaculture UK
AVIEMORE, SCOTLAND

Exhibitions

All-Energy 2024



15th May 2024
Glasgow, Scotland



Dylan Bruce and Aidan Kidd attended the UK's largest low carbon energy and full supply chain renewables event - All-Energy in Glasgow. The Exhibition was a fantastic opportunity to network with attendees across the renewable industry in a variety of sectors to identify opportunities to reach net zero.



24th-26th April 2024
Marseille, France

Dylan Bruce attended the world's largest event dedicated to floating offshore wind turbines - FOWT 2024, he is pictured with the Scotland Development International team. The event was a great opportunity to network and discuss the capabilities of Hydro Group's 66KV Connector and Distribution Hub within the renewable energy industry.

FOWT 2024



Upcoming Exhibition

ONS 2024



**26th–29th August
Stavanger, Norway**

Hydro Group will be Exhibiting at ONS in Stavanger from the 26th–29th of August. The team will be showcasing our extensive product range and will be located at Stand 5514. Come past our stand to discuss how we can assist with your next project.

