

Press release

Game-changing

Decarbonization & Renewable Hydrogen and Gas Solutions



Haffner Energy presents its project for a first plant and test and training center in the heart of the Grand Est region of France

Vitry-le-François, France, November 16, 2023 at 8:00 am (CEST)

After taking the first step towards industrialization with the acquisition of Jacquier in June 2023, Haffner Energy is pleased to announce that it has completed the first stage of financing for its founding project to build its first large-capacity in Saint-Dizier (Haute-Marne). Its renewable gas and hydrogen production modules will be manufactured and assembled there, thanks to the support of the French State through the France 2030 program operated by Bpifrance and its local institutional partners, including the Grand Est region and the GIP Haute-Marne. At the same time, Haffner Energy has embarked on another short-term structuring project with the establishment of a test and training center for research and development purposes in Marolles. This is in the immediate vicinity of its head office in Vitry-le-François and at the heart of the «Pays Vitryat» industrial region (Marne).

At a time when the French government has just selected 183 new territories as part of its "Territoires d'industrie" program aimed at reindustrializing France, Haffner Energy, a specialist in biomass energy recovery, is reaffirming more than ever its commitment to making a lasting contribution to the goal of rebuilding industrial strength and developing regional economies through these two strategic projects.

A player in the energy transition for over 30 years, with strong roots in the Grand Est region, Haffner Energy designs and supplies pioneering decarbonization solutions for players in transportation, manufacturing, and local governments.

Haffner Energy's strong ambition to bring its technology to industrial scale is now being translated into a larger-scale project with the choice of the town of Saint-Dizier for the deployment of its future high-capacity assembly plant (gigafactory), as announced by the Company at the time of its IPO in February 2022.

This project was submitted as part of the France 2030 "Première Usine" call for projects, operated by Bpifrance in autumn 2022. After a demanding selection process, Haffner Energy is particularly proud to announce that its gigafactory project named "FactorHy" has been selected, marking a new strategic milestone for the company.

"I'm very pleased to witness the successes of Haffner Energy, with the support of France 2030, which has been present at every stage of the company's development. After being supported in 2018 by a France 2030 grant (PIA) operated by Ademe, to develop an initial demonstrator, the company moved on to a full-scale demonstrator in Strasbourg, with the support of the Grand-Est region. Finally, Haffner Energy has just received further support from France 2030 to build its first high-capacity assembly plant for its biogas and renewable hydrogen production modules in the Grand Est region.

The company's markets are promising, particularly internationally, where its technology is sure to play an important role. I'm already looking forward to its future commercial success, but also to its important contribution to decarbonizing our economy, as its alternative hydrogen production technology, subject to local biomass availability, can usefully complement electrolysis production and

guarantee the deployment of hydrogen in our territory" said Bruno Bonnell, General Secretary for Investment in charge of France 2030.

With this recognition, Haffner Energy will receive €5.9 million in grants and repayable advances to finance its project. After this first step, Haffner Energy is moving ahead with the realization of its project, including by completing its financing thanks to its public and private partners and by working on an Industrial Master Plan. Details of the plant, which is scheduled to start up in mid-2024 and be completed in 2026, will be announced once these additional stages have been completed.

Haffner Energy will also set up a test and training center in the immediate vicinity of its head office in Vitry-le-François, in the heart of the "Pays Vitryat" industrial region.

The project will be carried out in two stages:

- from early 2024, the installation of a new-generation demonstrator for testing all types of biomass used by our customers notably, with a view to industrial and business development and continuous improvement of our technology;
- in the medium term, a test and training center for Haffner Energy's customers and employees.

This project also enjoys the unanimous support of the region's elected representatives and institutional partners.

"The technology deployed by Haffner Energy will play a decisive role in decarbonizing and accelerating the energy transition worldwide. Haffner Energy will be in a position to address ever-expanding markets, provided it has an agile, high-performance industrial base. Our Gigafactory and test and training center will enable us to respond quickly and appropriately to customer demand, while guaranteeing product quality and preserving the confidentiality of Haffner Energy's unique intellectual property. We are delighted to be launching these highly impactful investments in the region where Haffner Energy's head office is located. I would like to thank all our partners and elected representatives, who unanimously support this industrial project and have been working with us for months to ensure its successful deployment" said Philippe Haffner, Chairman and CEO of Haffner Energy.

Haffner Energy is also delighted to be partnering with three "Territoires d'industrie" in the Grand Est region. Among the 183 territories selected by this national initiative for green industrial rebuilding unveiled by the Government on November 9, Haffner Energy is particularly committed to the following Territoires d'industrie: "Pays Vitryat", comprising 3 public inter-municipal cooperation bodies (EPCIs) (Communauté de Communes de Vitry, Champagne et Der, Communauté de Communes de Côtes de Champagne et Val de Saulx and Communauté de Communes de Perthois-Bocage et Der), "Sud Meuse Nord Haute Marne", comprising 4 EPCIs (Grand Saint-Dizier Der et vallées, Communauté de communes des Portes de Meuse, Communauté de communes du Bassin de Joinville en Champagne and Communauté d'Agglomération Meuse Grand Sud), and "Pays Chalonnais" around 3 EPCIs (Châlons en Champagne Agglo, Communauté de Communes Région de Suippes and Communauté de Communes de la Moivre à la Coole).

Haffner Energy, an economic player committed to the green rebuilding of regions' industrial strength, has actively supported the candidacy of these three territories, and wished to invest Haffner Energy more particularly by becoming the elected-industrial binomial of the "Pays Vitryat" and "Sud Meuse Nord Haute-Marne" industrial territories, in view of its development projects.

For Haffner Energy, this support is a way of contributing to the national ambition of a sovereign, low-carbon industry through the territories, particularly in the Grand Est region, which is the cradle of the company's development.

Haffner Energy's approach to reindustrialization: positive local initiatives come together to serve a global ambition: regenerating the planet

While Haffner Energy's technology is intended to be a long-term solution to the global challenge of decarbonization, it is of particular interest in the collaboration between local authorities and their stakeholders, whether biomass producers, talent pools or incubators of positive initiatives, all of whom feed into and support projects designed with Haffner Energy, around its technology.

The thermolysis process developed by Haffner Energy is highly adaptable, making it possible to valorize all types of biomass residues and thus generate new outlets for local producers of this raw material — which until now have often been untapped (farmers, winegrowers, foresters, etc.) and would be, sourced locally, thus sustaining local employment. Yet another argument to justify the resources deployed by Haffner Energy to pursue its unchanged ambition: promoting decarbonization while remaining a highly competitive business.

It is in this perspective of building impactful synergies with local players that Haffner Energy recalls its participation in several positive local initiatives in the service of green reindustrialization, which highlight the trust placed in it by numerous local partners.

Haffner Energy is a partner in the Chârl'Hy project, an ambitious and unique project in the Champagne region, which aims to establish an industrial hub for the production of hydrogen and renewable gas in the Châlonnais basin. The project, which won Châlons Agglo's "Financial support for the creation and development of industrial activities with low environmental impact" call for expressions of interest on November 10, 2023, is led by CVE, a French independent producer of renewable energies, in partnership with Haffner Energy, and scheduled to be completed by 2026/2027. The installation of a SYNOCA® module designed by Haffner Energy will enable biomass residues, particularly from forestry, to be valorized. Following a study phase carried out by CVE and Haffner Energy, the project will be tailored to meet local industrial and urban heating needs.

In partnership with Nedey, Haffner Energy is also developing a project for a renewable hydrogen production and distribution station, called NedE'Hy, once again demonstrating its progress in supporting local energy transition. This ambitious project, based on Haffner Energy's HYNOCA® solution, is supported by a consortium of local players led by car dealer Nedey Automobiles, and will be located in Brognard (Doubs).

To read our press kit: click here

About Haffner Energy

Haffner Energy (ISIN code: FR0014007ND6 - Mnemonic: ALHAF), a listed family company co-founded and co-directed by Marc and Philippe Haffner, has been a key player in the energy transition for 30 years. It designs and supplies innovative decarbonization solutions for mobility, industry and local authorities. Its HYNOCA®, SYNOCA® and SAFNOCA® solutions, based on biomass thermolysis, a technology protected by 15 patent families, enable customers to produce locally renewable hydrogen and gas, as well as other green energies such as Sustainable Aviation Fuel, while capturing carbon from the atmosphere through the co-production of biochar.

More information at <u>www.haffner-energy.com</u>

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