

SDE++ subsidy for green hydrogen stimulates
CO2 reduction and energy transition

VoltH2 receives SDE++ operating subsidy for green hydrogen plants in Zeeland

Bergen op Zoom, 6 March 2023 – The Netherlands Enterprise Agency (RVO) and the Dutch Ministry of Economic Affairs and Climate Policy (EZK) have awarded VoltH2 a substantial operating subsidy for the Stimulation of Sustainable Energy Production and Climate Transition (SDE++) to support the production of green hydrogen.

The subsidy is going to VoltH2 for its projects in Vlissingen and Terneuzen respectively. These green hydrogen plants have had environmental permits since Q2 2022 and the projects are now one step closer to realisation thanks to the SDE++ support. After the final investment decision, construction of the plants is expected to start at the latest in early 2024.

Capacity and emissions reduction

The two projects are virtually identical and involve a green hydrogen plant with a capacity of approximately 25 MW, which will produce 2,000 tonnes of green hydrogen annually by means of electrolysis. In a second phase, the capacity of both plants can be expanded to 100 MW, which will enable production of 8,500 tonnes of green hydrogen annually. It is estimated that an emission reduction of 9 kg CO₂ per kg hydrogen can be achieved from 2025, compared to the usual fossil-based production process for hydrogen (grey hydrogen).

Significant operating subsidy

SDE++ is the primary subsidy instrument with which the Dutch government wants to stimulate the production of renewable energy and CO2 reduction. The production of green hydrogen was included in the scope of SDE++ in 2020. The subsidy is now being awarded to VoltH2 for the first time for plants providing production on an industrial scale.

The amount of the subsidy awarded depends on the amount of green hydrogen produced and the associated reduction in CO2 emissions. The subsidy is paid out over the first 15 years in which the green hydrogen plant is operational and represents an important support for the turnover.

A step closer to the realisation of green hydrogen plants

André Jurres, Managing Director of VoltH2, on the SDE++ award: "VoltH2 is building a chain of green hydrogen plants: we are currently developing three production sites in the Netherlands and have recently also started in Wilhelmshaven (Germany). The development of the current portfolio, with a combined potential of 500 MW, naturally involves major investments. We are very pleased with this substantial subsidy from the RVO. The subsidy is an expression of the government's vision of the energy transition and the role it sees in it for hydrogen and the VoltH2 projects. The subsidy brings us one step closer to realising our plans in Vlissingen and Terneuzen."

Gijs Voskuyl, partner and Head of Infrastructure of shareholder DIF Capital Partners, says: "We consider the awarding of the first SDE++ subsidy for green hydrogen to VoltH2 projects as confirmation of the pioneering role that VoltH2 is playing in the development of green hydrogen production capacity in the Netherlands. In addition, the subsidy decision shows the government's confidence in both projects and forms an important and solid basis for the further development of these plants."

Paul Tummers, CEO of shareholder Virya Energy: "With VoltH2 we are looking forward to contributing to the development of sustainable hydrogen in the Netherlands. The allocation of the SDE++ subsidy by the government is an important step towards achieving our ambitions in the sector and a sign of the government's will to support sustainable hydrogen as a concrete alternative to fossil fuels."

Market forces

VoltH2 was the first to receive the necessary permits in 2021. The company has again been the first in the selection for the SDE++. André Jurres: "I think these achievements show that VoltH2 is a forerunner. Our team is already hard at work on the next phase, but at the same time we want to create a well-functioning market for green hydrogen as quickly as possible. By supporting individual projects such as those in Vlissingen and Terneuzen, this subsidy will stimulate market forces, which is going to be essential for meeting the climate goals. VoltH2 is pleased to play an important role in this."

(End of press release)

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About VoltH2

VoltH2 is committed to developing and operating green hydrogen plants in Europe. The company focuses exclusively on the large-scale production of green hydrogen. This hydrogen is intended for use by local industry and the transport sector.

The first two production facilities are currently being developed in Vlissingen and Terneuzen (the Netherlands). These plants are already licensed and are expected to be operational in 2025. Scalability has been taken into account in the design of both installations: in the initial phase, each installation will produce nearly 2 million kg (2,000 tonnes) of green hydrogen per year. In time, production will be expanded to grow along with the market for green hydrogen.

Since the spring of 2022, VoltH2 has been developing a third green hydrogen plant in Delfzijl (within Groningen Seaports). At the start-up, which is planned for the end of 2026, VoltH2 anticipates a production capacity of approximately 4 million kg (3,800 tonnes). VoltH2 has also recently started the development of a site in Wilhelmshaven.

With the four current locations in the Netherlands and Germany, VoltH2 has a portfolio with a potential production capacity of 500 MW.

VoltH2 is a collaboration between Volt Energy (the company of founder André Jurres), Virya Energy and DIF Capital Partners.

www.volth2.com

About DIF Capital Partners

DIF Capital Partners is an independent infrastructure fund manager with more than EUR 15 billion of AUM. The company was founded in 2005 and has built a leading position in managing mid-market investments, primarily in Europe, North America and Australia.

DIF follows two fund strategies: its traditional DIF funds, of which DIF VII is the latest fund in the series, invest in lower risk mid-sized infrastructure projects and companies in the energy transition (incl. renewables) and utilities sector, as well as PPPs and concessions. The firm's CIF

funds invest in small to mid-sized companies that will thrive in the new economy. These companies are typically active in the digital, energy transition and sustainable transportation sector.

With a team of over 210 professionals in 11 offices, DIF Capital Partners offers a unique market approach combining global presence with the benefits of strong local networks and investment capabilities. DIF is located in Amsterdam (Schiphol), Frankfurt, Helsinki, London, Luxembourg, Madrid, New York, Paris, Santiago, Sydney and Toronto.

www.dif.eu.

About Virya Energy

Virya Energy is active in the development, financing, construction and operation of renewable energy sources. Virya Energy was founded in late 2019 by Colruyt Group and its majority shareholder Korys. Virya Energy currently owns 100% stakes in Parkwind, Eurowatt, Eoly Energy and Sanchore. Based in Belgium, Virya Energy and its subsidiaries own and operate more than 1 GW of green power generation capacity worldwide and are active in numerous green hydrogen initiatives.

www.virya-energy.com

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