



Another step forward on the European eSAF market: P2X-Europe and Nordic Electrofuel reach next milestone in collaboration for production of sustainable fuels in Scandinavia



- **Nordic Electrofuel and P2X-Europe have today signed a term sheet for long-term supply of synthetic fuels, in particular targeting synthetic aviation fuel (eSAF).**
- **Nordic Electrofuel will produce synthetic crude in Norway, which P2X-Europe will take delivery of and upgrade into eSAF and other synthetic products.**
- **Initial production and supply volume is set at around 8,000 tonnes per annum, with specific plans for a further scale-up of production thereafter.**
- **RefuelEu Aviation requires initial blending quota of renewable fuels as of 2025 and a specific quota for eSAF from 2030: this legal framework is a clear call for action – for the aviation as well as for future PtL producers and fuel suppliers.**

23/06/2023, Hamburg/Oslo. Following extensive negotiations and cooperation that started last year, Norwegian Nordic Electrofuel (NEF) and German P2X-Europe (P2X), a joint venture of Mabanaft GmbH & Co. KG (Mabanaft) and H&R Group, have today signed a term sheet that formally lays the foundation for the production and commercialisation of synthetic fuels, with a clear focus on eSAF (electricity generated Sustainable Aviation Fuel).

The agreement between the two companies foresees the production and long-term offtake of sustainable fuels from green hydrogen and captured CO₂, using the Power-to-Liquid pathway. In a joint approach, NEF plans to produce synthesis-based raw materials for the aviation and chemical industry at large scale from 2026 in Norway, while P2X will further upgrade those syncrudes into eFuels such as eSAF and other synthetic and sustainable products. The final synthetic products will then be marketed to end-users through parent companies Mabanaft Group with its expertise in liquid fuels and H&R Group as an expert in chemical specialty products. For the first time, the PtL project developer P2X is committed to also take on the offtaker role by purchasing PtL-derived syncrude, aiming at accelerating the ramp-up of low-carbon energy production.

The initial stage of the project estimates a production capacity of 8,000 tonnes of synthetic hydrocarbons per year, ready to be refined into sustainable fuels, with a considerable production ramp up planned in the following years. The production site will be located at Herøya industrial park, Prosgrunn, about 150 kilometers southwest of the Norwegian capital Oslo.

Nordic Electrofuel's CEO Gunnar Holen explains "the agreement reached with P2X marks a quantum leap for Nordic Electrofuel. It greatly improves the needed *bankability* for us with secured long-term offtake for our products and enables us to reach the markets for NEF's products in volumes. P2X is a perfect partner, since it will do the upgrading and brings the downstream part, which is complementing our business and having the skills and assets in place to do so. NEF has over a long time enjoyed a strong relationship with P2X and its sponsors, which have made this process towards the agreement easier. We also expect to sign subsequent agreements between the parties for future plants."

"P2X-Europe is expanding its business to most attractive regions in Europe, starting at the Iberian Peninsula now including Scandinavia" says Detlev Woesten, CEO of P2X-Europe and Chief Sustainability Officer at H&R. The project will further nourish the extensive know-how of P2X-Europe, a global pioneer in PtL project development and technology configuration, backed by its strongly representable reference projects of its parent companies. The strategic partnership positions P2X's parent company Mabanaft Group to increase market supplies of non-fossil, green jet fuel for the aviation industry.

Volker Ebeling, Executive Director of P2X-Europe and Senior Vice President New Energy, Chemicals and Gas at Mabanaft, states "this marks another significant milestone as we constantly expand our sustainable product offering, in this case for our aviation customers. With Nordic Electrofuel we have an innovative partner for Power-to-Liquid solutions on our side, fostering another European strategic partnership for the production of green molecules at scale."

According to the long-awaited ReFuelEU Aviation draft regulation presented by the EU Commission, an initial blending quota of renewable fuels as of 2025 and a specific quota for eSAF from 2030 is required: the quota finally establishes the legal framework for the eSAF market and is a clear call for action – for the aviation as well as for future PtL producers and fuel suppliers.

Undoubtedly, this PtL project represents a crucial endeavour in advancing the decarbonisation of the global economy. Through carbon net-zero production of high-value synthetic fuels, it strives to replace the fossil fuels currently utilised in various industries, making a significant impact.

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About Nordic Electrofuel AS:

Nordic Electrofuel AS (NEFAS) business idea is to produce carbon-neutral eFuel and wax, based on synthetic hydrocarbons using renewable energy, water and CO/CO₂. The eFuel product will be sent to refining partners where the end product may include, among other things, eSAF (aviation fuel), eDiesel (maritime & heavy-duty road transport), naphtha, wax and lubricants. With aviation being the hardest sector to abate, this industry is of primary focus. Power-to-Liquid provides the most cost-effective solution for decarbonising the aviation industry. The company Bureau Veritas has carried out a life cycle analysis of our eFuel, which confirms a 99.9 % avoidance of emissions compared to fossil-based fuel. Following commencement of the first plant, Nordic Electrofuel has a portfolio of subsequent plants with a roadmap to reach a capacity of 800,000 tonnes within a decade from now.

www.nordicelectrofuel.no

About P2X-Europe:

P2X-Europe GmbH & Co. KG is an independent Power-to-Liquid project development joint-venture, backed by two Hamburg-based German companies; Mabanaft Group, a leading independent and integrated energy company, and H&R Group, which develops and manufactures specialty chemical and pharmaceutical products. P2X-Europe develops, builds, and invests in vertically integrated end-to-end Power-to-Liquid technology solutions to enable the market introduction of synthetic carbon net-zero chemicals and fuels. Based in Hamburg, the company has set the ambition to become a global leader in renewable hydrogen and green synthetic hydrocarbons with a focus on sustainable aviation fuels, while the company is building a strong and diverse portfolio of large-scale Power-to-X projects across industries and geographies.

www.p2x-europe.com

About H&R GmbH & Co. KGaA:

H&R KGaA is a specialty-chemicals company listed on the Frankfurt Stock Exchange's Prime Standard segment. It develops and manufactures crude-oil-based chemical and pharmaceutical specialty products and produces high-precision plastic parts. The product portfolio comprises white oils, petroleum jellies, paraffin waxes, lubricants, base oils, process oils, cable filling compounds, ozone protection waxes, plasticizers, cosmetic and pharmaceutical raw materials.

www.hur.com

About Mabanaft:

Mabanaft GmbH & Co. KG is a leading independent and integrated energy company, providing its customers with innovative energy solutions for their transportation, heating, industrial and agricultural needs. The group is active in import, distribution and marketing of petroleum products, natural gas liquids, chemicals and biofuels, and supports its customers' transition to cleaner fuels by providing alternative long-term solutions.

www.mabanaft.com

Forward-looking statements and forecasts

This press release contains forward-looking statements. The statements are based on the current estimates and forecasts by the Executive Board and the information available to the Board at this time. These forward-looking statements do not provide any warranty for the future developments and results contained therein. The future developments and results are dependent on a number of factors; they entail various risks and contingencies and are based on assumptions which could prove to be incorrect. We do not assume any responsibility for updating the forward-looking statements contained in this press release.