













In Le Cheylas, Lhyfe is today laying the foundation stone of its largest green hydrogen production site in France, kick-starting large-scale production in the Auvergne-Rhône-Alpes region.

- Double the initially planned capacity: this site will produce up to 4 tonnes of green hydrogen a day at the former steelworks waste storage site in Le Cheylas.
- This will be Lhyfe's first site in Auvergne-Rhône-Alpes and its largest site in France with 10 MW of installed electrolysis capacity.
- The site is one of 11 sites being built or operated by Lhyfe in Europe. It will help to decarbonise mobility in particular by supplying fuel stations belonging to the HYmpulsion network and local industry, by replacing grey hydrogen.
- The foundation stone will be laid today in the presence of Mr Kovacs, Vice President for the Environment and Positive Ecology of the Auvergne-Rhône-Alpes Region.

Nantes and Lyon (France), 18 October 2024, 6.30 am – Lhyfe (EURONEXT: LHYFE), one of the world's pioneers in the production of green and renewable hydrogen for mobility and industry, is today kicking off the large-scale production of green hydrogen in Auvergne-Rhône-Alpes. The aim is to produce green hydrogen locally, using renewable electricity and the electrolysis of water, to decarbonise mobility and industry in the region.



<u>Above</u>: Computer-generated image of the future Lhyfe Le Cheylas site, at the SLS ACTIPARC business park (in Isère).

<u>Credit</u>: Lhyfe. <u>HD image available here</u>

# Production capacity of 4 tonnes per day

Lhyfe is today officially starting construction of its green hydrogen production plant in Le Cheylas, at the former Ascométal steelworks waste storage site, on a 7,000 m2 plot of land. The project will

contribute to the reindustrialisation of this brownfield site, initiated by its current owner SLS Actiparc Sillon Alpin.

The site, which has been named Lhyfe Le Cheylas, was initially planned to have 5 MW of capacity producing up to 2 t/day, but instead, will have a production capacity of up to 4 t/day (i.e. an installed electrolysis capacity of 10 MW), right from its launch – planned early 2026 – to meet the demand of the particularly dynamic local market. This doubling of capacity will make it the largest Lhyfe site in France – the next largest are Bessières and Buléon, each with a capacity of 5 MW.

As a pure player and pioneer in green hydrogen, Lhyfe produces its hydrogen by electrolysis of water and uses electricity from renewable sources supplied by national producers. The company has already installed four production sites, including three in France and one in Germany.

# Decarbonising mobility and industry in a pioneering region for green hydrogen

The purpose of this green hydrogen is two-fold – decarbonising heavy and intensive transport (particularly lorries, buses, etc.), and industry.

As France's leading industrial region in terms of employment, Auvergne-Rhône-Alpes is at the forefront of the deployment of hydrogen for mobility and industry in Europe. It launched its first projects in 2017, including the Zero Emission Valley (ZEV) project, supported by the Region and implemented by HYmpulsion, and IMAGHyNE (Investment to Maximise the Ambition for Green Hydrogen iN Europe) in 2024. This latest project, in which Lhyfe is a direct partner with its production unit in Le Cheylas, aims to develop a large-scale renewable and low-carbon hydrogen economy in the Auvergne-Rhône-Alpes Region, fully integrated with the existing energy system and meeting the needs of high-emission sectors.

Lhyfe has signed a ten-year sales contract with HYmpulsion, giving priority to supplying HYmpulsion hydrogen stations in the Alps, with a volume of 600 tonnes per year (i.e. around 1.6 tonnes a day), over a total period of ten years. Six stations have already been inaugurated across the HYmpulsion network and seven others are currently under construction.

With a total production capacity of 4 tonnes per day, Lhyfe will also be able to meet the significant needs of regional industry, replacing grey hydrogen and natural gas in particular, in sectors such as metallurgy, microelectronics, chemicals, etc.

With Le Cheylas, Lhyfe aims to contribute to the ambitious objectives of the Auvergne-Rhône-Alpes Region, which are promoting the development of clean mobility and low-carbon industry, and improving air quality in the Alpine valleys.

# A project supported by Europe through the Auvergne-Rhône-Alpes Region

The Lhyfe Le Cheylas site has received support from the Just Transition Fund, as part of the 2021-2027 European Regional Programme implemented by the Auvergne-Rhône-Alpes Region, in close collaboration with the areas concerned. The contracted subsidies amount to €5.5 million.

The project is also receiving financial support from the Clean Hydrogen Partnership as part of the European large-scale hydrogen valley project IMAGHyNE, coordinated by the Region. The contracted subsidies here are for €0.75 million.

Thierry Kovacs, Vice-President of the Auvergne-Rhône-Alpes Region responsible for the Environment and Positive Ecology: "Since 2017, under the impetus of President Laurent Wauquiez, the Region has invested in the H2 sector. The deployment of its regional strategy, adopted in 2020 and implemented today under the authority of President Fabrice Pannekoucke, has made Auvergne-Rhône-Alpes the pioneering region for hydrogen. The Zero Emission Valley and IMAGHyNE projects are inspirations for the regions of France and Europe. European funding is an important lever for

supporting this transition to a carbon-neutral economy. Over the 2021-2027 period, almost €77m in JTF funding will be devoted to this issue in the eligible areas of the Rhône and Isère departments. The Region is using this fund to support the job-generating hydrogen industry. Lhyfe's electrolyser project is a fine example of this, and with the support of the Region and Europe, it can set up its largest green hydrogen production site, which is an essential link in the value chain in Auvergne-Rhône-Alpes."

Thierry Raevel, Chairman of HYmpulsion and Director of Parliamentary Relations and Regions for ENGIE: "Beyond the national challenges of energy supply security, hydrogen offers an answer to three challenges for our regions: decarbonising light and heavy mobility, improving air quality in our valleys, and creating jobs locally. We are proud to establish this partnership with Lhyfe for the production of renewable hydrogen. This project will enable us to supply the Hympulsion stations, supplementing the hydrogen produced by our 2 MW electrolyser (around 800 kg hydrogen/day)."

Mathieu Janin, CEO SLS ACTIPARC: "We are extremely proud to welcome Lhyfe, an innovative company and a pioneer in the production of green hydrogen, to the SLS ACTIPARC site. Lhyfe's installation in our park not only demonstrates our commitment to sustainable development, but also our desire to support cutting-edge energy transition projects. Green hydrogen is a solution of the future to the climate and energy challenges we face. Lhyfe's decision to locate here is recognition of the relevance of our infrastructure and our ability to support key players in tomorrow's industry. Together, we are helping to build a cleaner, more sustainable and more resilient industrial ecosystem. We salute their work and look forward to seeing the concrete results of this collaboration for a more environmentally-friendly form of energy. This partnership is an opportunity for the whole region to benefit from this dynamic and to pave the way for other green innovation projects."

Matthieu Guesné, Founder and CEO of Lhyfe: "We commend the clear-sighted, visionary and determined nature of the Auvergne-Rhône-Alpes Region, which as early as 2017 wanted to develop the green hydrogen sector to decarbonise its mobility and industrial fabric, and which has subsequently provided unfailing and highly effective support to companies like ours. This support is now enabling us to start building our largest production site in France. The favourable development of the ecosystem has enabled us to save time by installing the enhanced version of our site straight away. We will now be meeting the region's many industrial operators to discuss their needs."

## **About Lhyfe**

Lhyfe is a European group devoted to energy transition, and a producer and supplier of green and renewable hydrogen. Its production sites and portfolio of projects seek to provide access to green and renewable hydrogen in industrial quantities, and enable the creation of a virtuous energy model capable of decarbonising entire sectors of industry and transport.

In 2021, Lhyfe inaugurated the first industrial-scale green hydrogen production plant in the world to be interconnected with a wind farm. In 2022, it inaugurated the first offshore green hydrogen production pilot platform in the world. In 2023, it installed three new sites, and currently has several sites under construction or expansion across Europe. Lhyfe is represented in 12 European countries and had 200 staff at the end of June 2024. The company is listed on the Euronext market in Paris (ISIN: FR0014009YQ1 – LHYFE). Lhyfe.com Click to access the Lhyfe Media Kit (press releases and visuals)

## About the Auvergne-Rhône-Alpes Region

The Region's investment in the H2 sector since 2017, under the impetus of President Laurent Wauquiez, and the vote on the H2 Regional Strategy in 2020 that we are implementing, have made the Region the pioneer of hydrogen in France, and even in Europe:

- The first major step was the Zero Emission Valley project in 2018, co-funded by the European Union and ADEME, and the creation in 2019 of Hympulsion (an innovative public-private partnership in which the Region acquired a stake alongside Engie, Michelin, Banque des Territoires and Crédit Agricole).
  - The aim is to create an initial network across the region to develop H2 mobility (initially light and intensive, then increasingly heavy with LCVs, buses, coaches and trains);
  - Tangible results achieved: Six stations open to date (13 to be open by the first half of 2025) and financial aid provided for almost 150 light vehicles (300 by the end of 2024). Arrival of the first heavy vehicles, including the Region's first H2 retrofitted coaches, in spring 2025.

 The second major step taken since 1 January 2024 has been the coordination of the large-scale hydrogen valley, IMAGHyNE, which was the 2023 winner of the Clean Hydrogen Partnership. IMAGHyNE represents a €200m investment budget covering the entire value chain from production, storage, transport and distribution to industrial uses and mobility. LHYFE is one of the project's 40 partners and is leading the production component.

The Auvergne-Rhône-Alpes Region is the managing authority of the European Just Transition Fund (JTF) fund, which aims to support economic development and the transition of regions to a carbon-neutral economy. A total of €77m has been allocated to eligible areas in the Rhône and Isère departments. Among the themes supported by the JTF, the Region has chosen to include the theme of hydrogen in order to support the development of this job-creating sector in the region. <a href="https://www.europeenauvergnerhonealpes.fr">www.europeenauvergnerhonealpes.fr</a>

#### **About HYmpulsion**

Resulting from an alliance between public and private players including the Auvergne-Rhône-Alpes Region, ENGIE, Michelin, Crédit Agricole and Banque des Territoires, HYmpulsion is the pioneer of renewable hydrogen mobility to drive connections between regions.

Through the construction and operation of more than 15 renewable hydrogen filling stations, powered in particular by a 2-megawatt electrolyser, HYmpulsion is making a reality of environmentally friendly, high-performance and reliable mobility.

The objectives are:

- Weaving a network that interconnects the regions,
- Facilitating the introduction of more than 1,000 hydrogen-powered vehicles, with the support of subsidies and the creation of partnerships,
- And thus, contribute to reducing emissions and achieving our climate objectives. Its role goes beyond simply building infrastructure. HYmpulsion accompanies and supports organisations in their low-carbon transition.

Find out more: <u>hympulsion.com</u>

### About IMAGHyNE (Investment to Maximise the Ambition for Green Hydrogen iN Europe)

IMAGHyNE is a large-scale hydrogen valley project coordinated by the Auvergne-Rhône-Alpes Region, and winner of the 2023 call for projects issued by the Clean Hydrogen Partnership (CHP). It will run for six years from 2024 to 2029, with a total budget of €200m, including €20m in subsidies, and is led by 40 partners in six countries: France, Italy, Spain, Portugal, Switzerland and Germany.

Its aim is to develop a large-scale renewable and low-carbon hydrogen economy in the Auvergne-Rhône-Alpes Region, fully integrated with the existing energy system and meeting the needs of high-emission sectors.

IMAGHyNE will considerably accelerate the development of hydrogen technologies in Auvergne-Rhône-Alpes, with the deployment of a hydrogen economy covering the entire value chain, including the production of renewable, low-carbon hydrogen, its storage in salt caverns, its transport, and its distribution for industrial, energy and mobility uses. Key figures:

- 57 MW of new electrolysis capacity, representing 8,000 t/year of hydrogen, including 4,000 t/year of renewable hydrogen
- 44 tonnes of salt cavern storage capacity
- 2 pipelines and 20 tube trailers
- 13 refuelling stations.
- 250 heavy, utility and off-road vehicles
- One 4-MW generator powered by a hydrogen fuel cell

### About SLS Actiparc

SLS ACTIPARC is an incubator for positive-energy entrepreneurs, located at the heart of a strategic hub between Chambéry and Grenoble in the Gresivaudan Valley. SLS ACTIPARC provides companies with modern, purpose-built facilities to help them grow and perform. Our mission is to create an environment conducive to innovation and collaboration, attracting players from a variety of sectors, with a particular focus on those engaged in green and social reindustrialisation, promoting both ecological transition and social progress. SLS ACTIPARC is also a disabled-friendly company which actively works to promote the inclusion of people with disabilities. We are committed to promoting diversity and accessibility within our teams and in our facilities.

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