

December 2021

L'Hydrogène Vert en Algérie

Potentiel et Perspectives

Jeudi, 09 décembre 2021



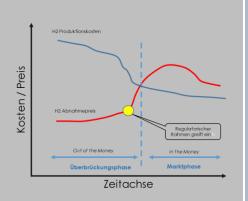
OVERVIEW: TARGETS

Key points and core elements





Direct creation of measures regarding the market launch until regulatory framework takes effect





Defined system

Long-term 10-year purchase contracts

900 million euros from the stimulus package enable the realization of 4 - 5 PtX plants with 100 - 150 MW electrolysis capacity each



Contracts for Difference

Financial compensation in the form of CfDs

Set up of an PtX intermediary: the HINT.CO





Auction-based

Auctions on PtX supply and purchase side (auctions or other competition-based allocations)

Enabling competition-based prices on both sides

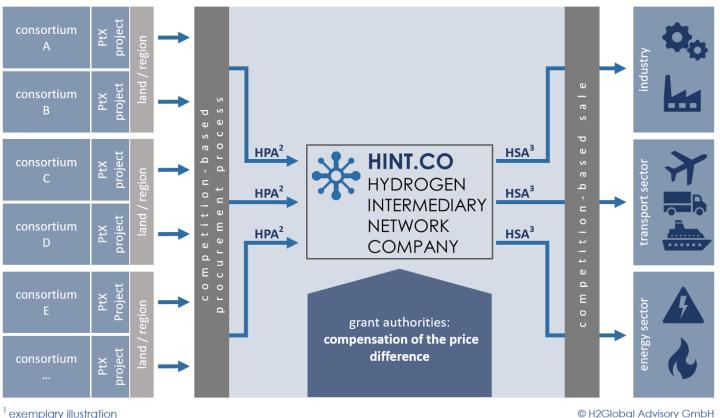


THE INTERMEDIARY: HINT.CO



Auctions for the purchase and resale of PtX products take place in German

Competition-based purchase and sale of power-to-X products by HINT.CO¹



exemplary illustration

- ► HINT.CO as H₂ market maker: buyer and reseller of PtX products.
- ▶ Provision of auction-based long-term HPAs (e.g. 10 years) on the supply side and short-term HSAs on the offtake side (e.g. 1 year)
- ► HINT.CO compensates the price difference in analogy to the CfD model
- ► HINT.CO guarantees the H₂/PtX delivery capability towards the final offtaker.

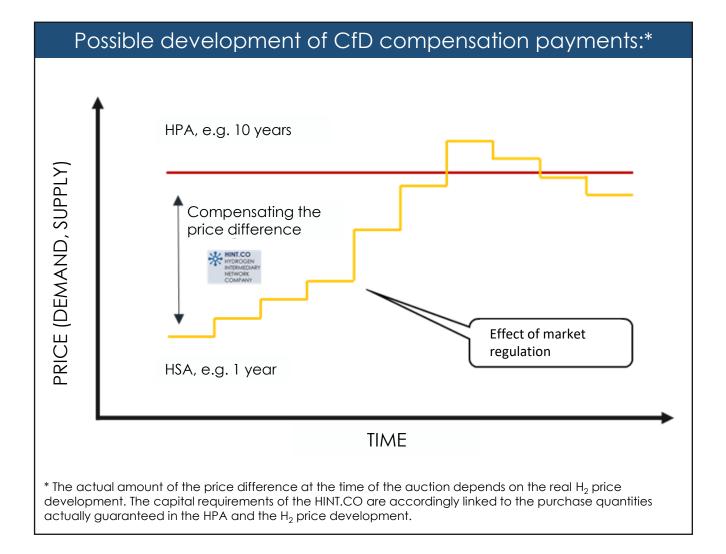
² supply side: 10 year Hydrogen Purchase Agreement (HPA)

³demand side: Hydrogen Service Agreement (HSA)

COMPENSATING THE PRICE DIFFERENCE



The HINT.CO compensation mechanism over time during market development



- ► HINT.CO as H2 market maker: Buyer and seller of H2 und H2 derivatives
- ▶ Provision of auction-based long-term HPAs (10 years) on the supply side and short-term HSAs on the demand side (1 year)
- ►HINT.CO as bankable off taker, guaranteed by the Federal Government (BMWi)
- ► HINT.CO compensates the price difference, in analogy to a CfD model
- ► HINT.CO guarantees H2 delivery capability towards final off taker

H2GLOBAL IMPLEMENTATION STRUCTURE



Implemented by an dependent, industry-led foundation



1 Thyssenkrupp AG, Linde GmbH, VNG Handel & Vertrieb GmbH, Siemens Energy AG, F. Laeisz Gruppe, Deutsche Bank AG, MAN Energy Solutions SE, RWE AG, Uniper SE, Salzgitter AG, Hydrogenious LOHC Technologies GmbH, Viridi RE GmbH, Hamburger Hafen und Logistik AG, Enertrag AG, NEUMAN & ESSER GROUP, FEV Europe GmbH, Nordex SE, Green Enesys Deutschland GmbH)

2 Location of the HINT.CO to be decided

Background

Development of the H2Global scheme





March HINT.CO as intermediary and double auction model



July/August Further development of the concept, together with DWV- Validation by REDEKER/SELLNER/DAHS OTH and Fraunhofer



H2|Global **FACHKOMMISSION**

April 21 BMWI decision to implement H2 Global



January First draft of H2Global as means of a commodity partnership



agreement



Overall concept development by GIZ, together with interdisciplinary team, proposal to BMWI

June



September Final Report Phase I

December Start of H2Global Fachkommission

H2#Global STIFTUNG

PHASE 0





PHASE I



November

Decision by BMWI to

continue the

development towards

implementation





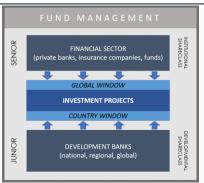
OVERVIEW: THE H2GLOBAL CONCEPT



SUPPLY INTERMED DEMAND Request for Proposal **Proposal Outline** Market Maker Industrial Offtaker • Plant construction (Stage I) • 1-3 consortia per country • Provision of auction-based long-term HPAs (e.g. 10 • H₂/PtX customers bid on Hydrogen driven by HINT.CO years) on the supply side and short-term HSAs on the Service Agreement (HSA) for e.g. • Scaling up to the gigawatt offtake side (e.g. 1 year) one year (enables to react to Expansion of plant capacity range with export option to market developments) • HINT.CO as bankable offtaker, guaranteed by a (stage II) driven by industry Germany foundation endowed with federal funds High export share • Compensating the price difference (analog to CfD) ${\color{red} {\mathbb{Z}}}$ Benefits for partner countries Z HINT.CO guarantees supply and off-take . Z Z Z O ∑ FORMIN ONSORTIU Flexible approach and secure HINT.CO offtake in Germany enable H₂ **HYDROGEN** AUCTI GERA value chains to be established **INTERMEDIARY** in a wide range of countries NETWORK ΠΑ COMPANY H2 Global H2IGlobal H2IGlobal H2IGlobal STIFTUNG RFP tender / competitive Project readiness Organisation and structuring of Financing of the difference ESG criteria demand is accompanied dialogue compensation Competitive dialgue • Commissioning the H2Global Foundation

FINANCING





Financing the projects

- Consortia and projects are privately financed from the outset (incl. blended finance).
- Traditional project financing, based on long-term HPAs provided by HINT.CO

- External fund manager, tendered by the H2Global Foundation
- Institutional and development asset class (blended finance)
- Country window and global window to include local, regional and international institutional investors and development banks

CONTACT DETAILS

Please call on us













HINT.CO MATCHES SUPPLY AND DEMAND AND BALANCES THE PRICE DIFFERENCE



Exemplary illustration of product trade over 10 years for an HPA.

