

Sunfire Secures Further Growth Capital and an Agreement for up to 640 MW Electrolysis Offtake



Sunfire increases its Series D capital raising to €195 million (\$215 million), partnering with *Copenhagen Infrastructure Partners (CIP)* and *Blue Earth Capital (BlueEarth)*. The electrolysis company benefits from the unique partnership by entering into a framework agreement with CIP for its alkaline electrolyzers alongside growth and climate impact expertise from *BlueEarth*.

Dresden, March 24, 2022 | With the EU set to significantly increase its targets for renewable hydrogen to reduce fossil fuel dependency, key players in the energy market are rising to the challenge. Sunfire is rapidly expanding its manufacturing capacity and has raised further funds to enable the scaling of its hydrogen technologies. Following an initial €109 million (\$125 million) capital raise in October 2021, Sunfire has secured two additional partners in a second closing to the Series D round, to reach a total raise of €195 million (\$215 million).

CIP enters into framework agreement for up to 640 MW of electrolysis

CIP invests into Sunfire through its *Copenhagen Infrastructure Energy Transition Fund I*. The company is the world's largest fund manager within greenfield renewable energy infrastructure investments and active in areas such as offshore wind power, energy storage and Power-to-X.

To scale its Power-to-X projects, *CIP* requires reliable, industrial electrolysis systems which are currently in limited supply. By partnering with Sunfire, *CIP* secures substantial electrolysis capacity. It enters into a framework agreement to purchase pressurized alkaline electrolyzers with a total capacity of up to 640 MW, to supply a portion of *CIP*'s multi-GW Power-to-X project pipeline.

"This agreement adds huge value for all parties involved", says Sunfire CEO Nils Aldag. "While CIP can rely on the most advanced electrolysis technology and our highly dedicated expert team, we showcase our ability to deliver commercially scalable projects."

Global impact investment firm BlueEarth provides capital and expertise

BlueEarth partners with Sunfire as a new investor. The global impact investment firm, incubated by and built up with the support of Partners Group, will invest via their dedicated climate growth strategy. Alongside growth capital, BlueEarth contributes a wealth of entrepreneurial experience, institutionalization guidance and in-house climate impact expertise to bolster Sunfire's next stage of growth.

Carbon Direct Capital Management Increases its Commitment

Existing investors are also increasing their investment in Sunfire. *Carbon Direct Capital Management*, already supporting the German-based electrolysis company since October 2021, acquires additional shares.

For Nils Aldag, Series D is a major milestone: "Current political developments make us realize how quickly the green hydrogen market needs to grow. As a leading global electrolysis company, we want to make a significant contribution to European energy independence and help to fight climate change. With the funds raised, we can consistently and rapidly drive our growth in Europe."



Comments From the Investors

Felix Pahl, Partner at Copenhagen Infrastructure Partners: "One key factor to drive down the cost of green hydrogen is the industrialization of the manufacturing of electrolyzers and CIP plans to participate in this through partnerships and framework agreements. Sunfire is a leader in electrolysis technology, which will be the key component in the decarbonization of hard-to-abate sectors and a contributor to European energy independence. With a strong team and backing from a strong investor base, we expect that Sunfire can be a driver of the industrialization of the green hydrogen sector and thereby contribute significantly to net zero emissions and energy security targets."

Kayode Akinola, Global Head of Private Equity Direct Investments at Blue Earth Capital: "We believe Sunfire is well positioned at the nexus of energy security and the net zero transition. Green hydrogen has the potential to transform some of the world's most emissions-intensive industries, many of which have no alternative pathways to fully decarbonize. With its leading track record in two of the preeminent electrolyzer technologies, Sunfire is poised to play a key role in fulfilling this promise. We are excited to be partnering with the Sunfire team and shareholders by providing growth capital and support to help scale operations within existing and new markets."

Jonathan Goldberg, CEO of Carbon Direct: *“We believe that scaling green hydrogen is a climate imperative. Involvement from customers like CIP speak to the technical and commercial readiness of Sunfire’s green hydrogen solutions.”*

Goldman Sachs Bank Europe SE served as exclusive financial adviser and placement agent to Sunfire.

About Sunfire

Sunfire GmbH is a global leader in the production of industrial electrolyzers based on alkaline and solid oxide (SOEC) technologies. With its electrolysis solutions, Sunfire is addressing a key challenge of today’s energy system: providing renewable hydrogen and Syngas as climate-neutral substitutes for fossil energy. Sunfire’s innovative and proven electrolysis technology enables the transformation of carbon-intensive industries that are currently dependent on fossil-based oil, gas, or coal. The company employs more than 370 people located in Germany and Switzerland.

For further information please visit www.sunfire.de

About Copenhagen Infrastructure Partners

Copenhagen Infrastructure Partners P/S is the world’s largest dedicated fund manager within greenfield renewable energy investments, and a leader in offshore wind globally. At COP26 CIP announced the ambition and a roadmap for increasing and accelerating its role in delivering on the energy transition by deploying EUR 100bn into green energy investments by 2030.

CIP manages nine funds and has approx. EUR 16 billion of assets under management focused on investments in energy infrastructure, including offshore wind, onshore wind, solar PV, biomass and energy-from-waste, transmission and distribution, reserve capacity and storage, and other energy assets like Power-to-X. Today CIP’s funds have approximately 100 international institutional investors from the Nordics, Continental Europe, the UK, Israel, Asia, Australia, and North America and multi-lateral organizations e.g. EIB. CIP has approximately 300 employees and offices in Copenhagen, London, Hamburg, Utrecht, New York, Tokyo, Singapore and Melbourne. The Sunfire investment will be part of CIP’s Energy Transition Fund I, which focuses on Power-to-X and other next generation renewable technologies in order to facilitate the decarbonization of hard-to-abate sectors such as steel, agriculture and transportation.

For further information please visit www.cip.dk

About Blue Earth Capital

Blue Earth Capital is a global impact investment firm headquartered in Zug, Switzerland, with operations in London, New York and Singapore. Blue Earth Capital seeks to invest in businesses that address pressing environmental and social challenges, whilst generating market-rate financial returns. Initiated in 2015 by Urs Wietlisbach, one of the founders of Partners Group, and backed by the Ursimone Wietlisbach Foundation, Blue Earth Capital has been incubated by and built up with the support of Partners Group, leveraging its experience as a leading global private markets firm.

For further information please visit www.blueearth.capital

About Carbon Direct Capital Management

Carbon Direct combines scientific expertise, technology and financial capital to scale carbon management into a global industry. Our investment business – Carbon Direct Capital Management LLC – makes direct investments into leading carbon management technology companies. Our advisory business – Carbon Direct Inc. – helps corporate clients with carbon management solutions. Carbon Direct’s team of world-renowned carbon scientists has a critical understanding of the risks and opportunities of carbon technologies. The firm has offices in New York City and Seattle.

For further information please visit www.carbon-direct.com

About Sunfire

Sunfire is a global leader in the production of industrial electrolyzers based on pressurized alkaline and solid oxide (SOEC) technologies. With its electrolysis solutions, Sunfire is addressing a key challenge of today's energy system: Providing renewable hydrogen and syngas as climate-neutral substitutes for fossil energy. Sunfire's innovative and proven electrolysis technology enables the transformation of carbon-intensive industries that are currently dependent on fossil-based oil, gas, or coal. The company employs more than 650 people located in Germany and Switzerland.

For more information visit www.sunfire.de