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ZETDC and HDF Energy sign MoU laying foundation for development of Zimbabwe's first utility-scale green hydrogen power plant

HDF Energy Director for Southern and East Africa Nicolas Lecomte shakes hands with ZETDC Acting Managing Director Engineer John Diya after signing a memorandum of understanding for the development of the first large scale green hydrogen power plant in Zimbabwe in presence of His Excellency, the President of the Republic of Zimbabwe, Emmerson Dambudzo Mnangagwa, during the International Renewable Energy Conference in Victoria Falls.

Victoria Falls (Zimbabwe), 23 March 2023 - Hydrogène de France ("HDF Energy") has reached a further step in the development of Zimbabwe's first high-powered green hydrogen power plant, the Middle Sabi Renewstable®, by formalizing the shared goal to supply the Zimbabwe Electricity Transmission and Distribution Company (ZETDC) in a Memorandum of Understanding.

The signing ceremony of the MoU for new green hydrogen cooperation was presided over by His Excellency E. D. Mnangagwa, President of the Republic of Zimbabwe, during the International Renewable Energy Conference, in Victoria Falls.

This Memorandum of Understanding was signed by Engineer John Diya, representing the Acting Managing Director of ZETDC, and Nicolas Lecomte, Director of HDF Energy for Southern and East Africa. It creates a framework for the joint technical and administrative work to complete the development of this first green hydrogen power plant investment in Zimbabwe, as well as the commercialization of its electricity and grid services, through a dedicated Power Purchase Agreement.

HDF Energy is developing the Middle Sabi Renewstable® in the Chipinge District, Manicaland Province in Zimbabwe. The project is located in the southeast part of Zimbabwe, very far from the country's largest generation assets in the northwest. Benefits are thus created by locating generation of stable and dispatchable renewable energy closer to the demand load centers thus reducing transmission losses and increasing access to electricity for the local population. The plant will produce green power 24/7 feeding into the grid through the Middle Sabi Substation located 4 km from the project site. The annual electric production will be 178 GWh, providing electricity to more than 220,000 inhabitants.

Middle Sabi Renewstable® is being developed within the multi-project, multi-technology, multi-investor Chipangayi Renewable Energy Technology Park (RETPark). RETPark has been under development since 2016, and has obtained all the initial permitting and studies to allow fast development of tenant investments.

In line with the goals and key aspirations of the Government's National Development Strategy 1 (NDS1) and Vision 2030, this MoU supports the ambitious plan of the Government of Zimbabwe to support the development of over 1000 MW of solar projects by Independent Power Producers to help narrow the severe energy deficit currently being experienced in the country. This substantial roll out will require additional renewable baseload capacity to prevent challenges introduced to the grid by intermittent sources of power generation such as wind and solar: the firm, dispatchable, on-demand characteristics of the Middle Sabi Renewstable® will enhance the country's ability to expand this solar rollout program without the risk of causing instability to the grid, while still achieving its energy decarbonization targets. The Renewstable® power plant reduces exposure to imported fuels, price volatility and associated supply risks by using local sources of energy and thus helping to sustain domestic power generation.

Furthermore, the cooperation between HDF Energy and ZETDC will kick-start implementation of green hydrogen investment and development of technical green hydrogen skills in Zimbabwe. This investment will meaningfully contribute to the GDP growth of Manicaland which has one of the lowest provincial GDP's per capita in Zimbabwe. There will be a positive impact on the livelihoods of the local community through the local jobs that will be created directly and indirectly, as well as HDF's corporate and social responsibility initiatives.

Nicolas Lecomte, HDF Director for Southern and East Africa, **said:** "*The electricity demand in the country is very high, in part because of the growth in demand by the productive sector, a positive sign for Zimbabwe's future. Our solution, the Renewstable® hydrogen power plant, is particularly suitable, not only to supply the necessary electricity, but also the network services to improve the stability and operating conditions of the electrical grid. The signing today is a key step in our engagement with the ZETDC for the project, that demonstrates the commitment of HDF to invest in the development work required to reach a bankable power purchase agreement with the utility. HDF expect to reach financial close on the project and start construction in 2024/2025.*"

Engineer John Diya, who represented the Acting Managing Director of ZETDC, **said:** "*This is an encouraging milestone for ZETDC as it comes at a time when the Government is encouraging the transition to renewable energy. We are currently implementing initiatives to ensure security of electricity supply. Electricity is a key economic enabler, and we welcome such a partnership in a bid to bridge the demand/supply gap.*"

Laurent Chevalier, French ambassador to Zimbabwe attending the ceremony, declared: "*France is strongly committed to addressing the global challenge of climate change and promoting the development of renewable energy, and I am glad to see French expertise in the innovative field of green hydrogen develop its presence in Zimbabwe. This project contributes in a concrete way to strengthening the economic relationship and the partnership between our two countries."*

ABOUT HDF ENERGY

HDF Energy is a global pioneer in high-power hydrogen power plants. The Company designs and develops power plants that generate non-intermittent, non-polluting renewable energy, day and night. In addition, HDF Energy organises the financing, construction and operation of these power plants through SPVs.
HDF is the designer of Renewstable®, its flagship model of multi-megawatt power plants producing firm power from an intermittent renewable energy source (wind or solar) and massive energy storage in the form of green hydrogen generated on site.

HDF Energy is also an industrial company which will mass produce, from 2024, the most strategic component of its power plants - high-power fuel cells - in its plant near Bordeaux. Already a major supplier of electricity for energy grids, this industrial activity will also allow HDF Energy to serve the heavy marine and rail mobility markets. Alongside its strategic partners, the Company develops projects involving hydrogen-powered freight locomotives and large vessel propulsion and auxiliary power systems.

Founded in 2012 and headquartered in Bordeaux (France), the Company operates on five continents and is developing a business portfolio currently worth over €5 billion. HDF Energy is listed in Euronext Compartment B.

Read more on **HDF Energy** at www.hdf-energy.com

ABOUT ZETDC

For more information about the Zimbabwe Electricity Transmission and Distribution Company, visit **www.zetdc.co.zw**

ABOUT MIDDLE SABI RENEWSTABLE®

For more information about the project: **http://www.middlesabi-renewstable.com**

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