

July 27, 2022

Notice of a long-term hydrogen supply contract from renewable fuels

Nippon Sanso Holdings Corporation (“NSHD”, President CEO: Toshihiko Hamada) hereby announces that Matheson Tri-Gas, Inc. (“Matheson”, headquartered in Texas, U.S.), NSHD’s U.S. operating company, has signed a long-term supply agreement to meet hydrogen requirements for renewable diesel production for a 75,000 bpd (barrel per day) refinery in Mobile, Alabama owned by Vertex Energy (“Vertex”), in addition to supplying hydrogen from our existing facility.

The new facility established by Matheson will have a nameplate capacity exceeding 30 mmscfd (million standard cubic feet per day) hydrogen production and supply from renewable hydrocarbon feedstocks (C1-C10 hydrocarbon streams including bio-naphtha and other bio-offgases) for Vertex's renewable diesel production, in addition to hydrogen supply based on conventional natural gas and refinery offgas feedstocks. For NSHD group, this is the first HyCO plant that uses renewable feedstock and fuel.

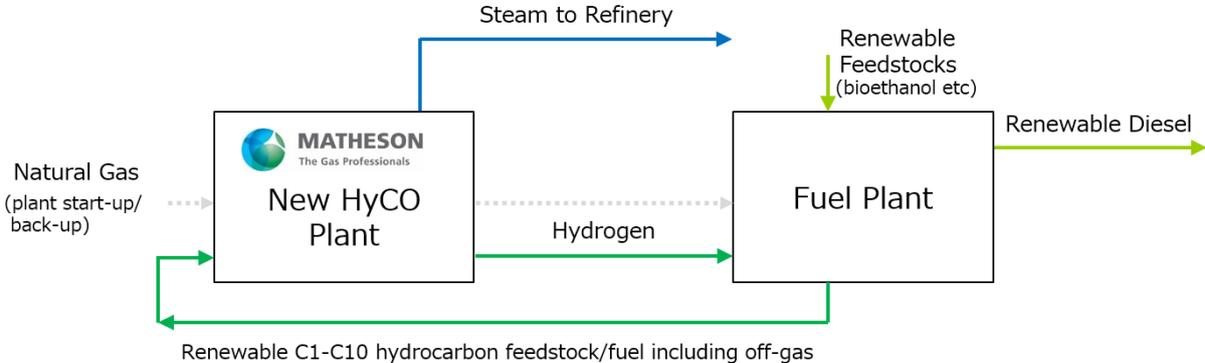
This facility is designed in accordance with Matheson HYCO’s global standards with respect to safety, ultra-high supply reliability, and with the flexibility required to best integrate these specifications with Vertex’s operations and supply considerations. Conceptual Design of the HyCO facility has been completed and engineering has been progressed. Procurement of critical path equipment by Matheson has also commenced.

James Rhame, COO of Vertex said; “Matheson brings proven technical expertise to the project, positioning us to accelerate our energy transition strategy”

“Vertex looks forward to partnering with Matheson in support of our renewable diesel initiative at the Mobile refinery,” stated James Rhame, COO of Vertex. “Matheson brings proven technical expertise to the project, positioning us to accelerate our energy transition strategy. We look forward to continued collaboration as we move toward project commissioning and operations.”

This initiative demonstrates NSHD Group’s commitment to gases supply for commercially sound renewable energy projects and represents a significant additional dimension for our Global HyCO footprint. It also enhances our Global HYCO’s presence in the region, which includes existing facilities at McIntosh and Saraland in Alabama, and Pensacola in western Florida.

In the development of our Global HyCO business, NSHD Group will continue to actively explore target customers and projects, and through careful scrutiny we will continue to realize business growth and contribute to a carbon-neutral society.



[Hydrogen production flow in a new HyCO plant]

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