

## PRESS RELEASE

### econnext GmbH and Circular Carbon join forces in the field of circular economy

- Circular Carbon decarbonises industrial processes
- Biomass and agricultural residues become valuable biochar
- econnext conversion to KGaA to be decided in 2019
- Preparations initiated for econnext financing round in Q1 2020

Frankfurt, 12.11.2019. econnext GmbH has recently implemented another important strategic decision. econnext will acquire 50.1% of the shares of Circular Carbon GmbH and is thus continuing its promising course in the support of business models for sustainable development.

Circular Carbon is positioning itself as a leading specialist for biochar. The company is pursuing a strategy of identifying and operating decarbonisation projects together with major commercial partners. The aim of these large-scale projects is to replace fossil fuels in industrial processes with biomass and at the same time to develop, manufacture and market high-quality biochar products.

"We believe that Circular Carbon, with its convincing founding team, will successfully prove its path in becoming a leading biochar specialist in the coming years. The cooperation is based on a specific and ground-breaking project in Hamburg. High-quality biochar which is suitable as a CO<sub>2</sub> sink, will be produced, hence the decarbonisation of industrial processes in the food industry can also be demonstrated on a large scale under commercial conditions," says Jobst von Hoyningen-Huene, one of the three managing founders of econnext.

Based on the first large-scale project, Circular Carbon and econnext now jointly want to introduce biochar as a key product and enhance its visibility, especially in the feed industry, biogas industry and soil improvement.

Felix Ertl, CEO Circular Carbon emphasises: "In the first project we will produce 3,000 t of biochar and additionally generate 20,000 MWh of renewable steam per year. This enables us to reduce 12,000 tons of CO<sub>2</sub> yearly, equivalent to the amount of CO<sub>2</sub> that approximately 1 million adult trees extract from the atmosphere," says Felix Ertl and continues: "By feeding biochar to dairy cows, we have the potential of reducing their methane emissions by 20% to 40%. With 3,000 tonnes of biochar, this means a further reduction of 60,000 to 120,000 tonnes of CO<sub>2</sub> per year. This corresponds to the amount of CO<sub>2</sub> a forest 5-10 million trees captures in the same period. Felix Ertl emphasises Circular Carbon's mission: "Humans within one generation have moved the amount of carbon from fossil fuels from the ground into the atmosphere, which has accumulated in the form of biomass over millions of years in the earth. Within the next few decades we will have to return a large part of it into the soil. We are using previously unused raw materials to transfer carbon back into the soil and therefore we are sustainably regenerating our soils through the use of our carbonisation technology. The entire technology is highly beneficial to industry, agriculture, animals and nature.."

econnext is now planning to convert econnext GmbH by the end of 2019 into econnext GmbH & Co. KGaA. "This corporate law measure will give us greater flexibility in successfully realising the growth potential of our promising companies. It will put us in the position of opening econnext to semi-institutional and institutional investors in the coming financing round in spring 2020," said von Hoyningen-Huene.

#### About econnext

The econnext group was founded in 2016 and, in accordance with its articles of association, it is exclusively dedicated to supporting companies that contribute to achieving the UN Sustainable Development Goals (SDGs) in a profitable and scalable manner in the long term. The shareholders of German-Dutch econnext are 11 renowned families or family entrepreneurs and the three founding shareholders.

Following the latest transaction, econnext holds a majority stake in the ESG Screen17 GmbH in Frankfurt, autarq GmbH in Prenzlau, GRIPS Energy GmbH in Berlin, Lumenion GmbH in Berlin and Circular Carbon GmbH in Würzburg. In addition, econnext holds a qualified minority interest in FLAXTEC GmbH in Dresden the sole shareholder of FLAXRES GmbH, as well as a minority interest in GoStudent GmbH in Vienna.