

Energy Capital Vietnam, B.Grimm Power, and Siemens Energy partner in landmark LNG-to-Power Project in Vietnam

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HOUSTON – Energy Capital Vietnam (ECV), a U.S.-based project holding and development company established in 2015 to serve as a platform for private investment into Vietnam, has announced that B.Grimm Power of Thailand and Siemens Energy have joined its consortium to develop an LNG-to-power project in Mui Ke Ga (MKG), Binh Thuan Province, in Southern Vietnam.

B.Grimm Power and ECV have signed a Joint Development Agreement (JDA), and B.Grimm Power intends to invest approximately \$200 million in equity at financial close of the project. B.Grimm Power’s more than 20 years presence in Vietnam and expertise in operating gas fired power plants with a total capacity of more than 2’000 MW will ensure a smooth project implementation as well as reliable and efficient electricity production.

Siemens Energy will deliver advanced technology equipment into the project to reduce the global carbon footprint by bringing cleaner burning gas to a still coal-dominated region. Further, Siemens Energy is evaluating to participate with construction equity to the project, which has an estimated total project cost of \$1.75 billion.

“B.Grimm Power is excited to work with ECV, Siemens Energy and Maius to deliver the MKG LNG project on time and we welcome the timely issuance of Power Development Plan VIII,” said Dr. Harald Link, Chairman and President of B.Grimm Power. “We find great confidence in the innovative risk mitigation approach applied to the project as a cornerstone for the Vietnamese energy transition. As internationally recognized, LNG is a cleaner, cost-effective fuel alternative to coal. MKG LNG can help the energy transition in Vietnam in accordance with commitments made under the Paris Accords and at COP26.”

David Lewis, ECV Chairman and CEO, said the addition of B.Grimm Power and Siemens Energy as partners speaks to the strength of the MKG project in Vietnam.

“Partnering with B.Grimm Power and Siemens Energy bolsters ECV’s first-class LNG-to-power project that will provide critical energy security to Vietnam,” Lewis said. “Beyond world-class engineering competence and efficiency, B.Grimm Power and Siemens Energy take a comprehensive approach to the development by leveraging global relationships and experience to deliver turnkey solutions.”

Vietnam is finalizing its Power Development Plan VIII (PDP8), which is expected to include ECV's LNG-to-power project in Mui Ke Ga (MKG) near key manufacturing centers outside of Ho Chi Minh City. ECV signed an MOU with the People's Committee of Binh Thuan Province in 2019 to develop a fully private, multi-phase LNG-to-power complex and received in-principle approval from the Prime Minister in 2020.

The MKG project will produce up to 3,600 MW of power using 3 MPTA of LNG. The project will utilize a Floating Storage and Regasification Unit (FSRU) to provide the most economical solution for importing LNG and will connect via subsea pipeline to an onshore power complex. The first phase of this project is slated to go into operation in 2025.

“To be part of the clean energy transition and to bring together strategic partners to support the ambitious growth of cleaner energy production in Vietnam, with a fully privately funded project in Vietnam is something we feel strongly about” said Stefan M. Rohmer, Maius GmbH CEO. “We are proud to contribute innovative solutions for sourcing international capital and risk mitigation methods.”

Maius GmbH, a Swiss structuring and project finance advisor, advises ECV on the structuring of its debt and equity, strategic partnerships, and risk mitigation of the project. The solution uniquely integrates insurers, industrial partners and financiers, reducing and sharing the risk, thereby securing a significant reduction in project risk and finance cost.

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About B.Grimm Power Group

B.Grimm Power, an affiliate to the 143 years old B.Grimm Group, has a long and proven history of successful developments and operations of more than 50 gas-fired, solar, wind and hydro power plants to supply electricity and steam to industry and the grid in a great number of countries with vast experience in green and brown field projects from the design stage to operation.

About Maius GmbH

Maius is a financial advisory firm with extensive experience serving both business and private clients in Europe, North America, Latin America and Asia Pacific. Maius offers customized sophisticated financial services - structuring solutions to complex problems and helping clients increase their financial strength, business growth, and international expansion. www.maius.ch

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