

## e-VAC Magnetics Receives Historic \$111.9 Million Qualifying Advanced Energy Project Tax Credit for Construction of First U.S. Manufacturing Facility in South Carolina

Facility Will Help Accelerate U.S. Rare Earth Magnet Manufacturing, Build Domestic Supply Chain and Create Hundreds of New Jobs

SUMTER, S.C., (April 09, 2024) – e-VAC Magnetics (“e-VAC” or the “Company”), a leading manufacturer of rare earth permanent magnets in the Western Hemisphere, today announced that it has been awarded a \$111.9 million Qualifying Advanced Energy Project Tax Credit (“Section 48c”) to advance the construction of its first U.S. manufacturing facility in Sumter, South Carolina. The facility was one of more than 100 projects to receive an award under the Section 48c program, which is designed to help accelerate domestic clean energy manufacturing and reduce greenhouse gas emissions at industrial facilities.



e-VAC, which is part of Vacuumschmelze (“VAC Group” or “VAC”), produces rare earth neodymium-iron-boron (NdFeB) magnets, which are critical to automotive, defense, industrial and renewable energy applications. The Company broke ground on the state-of-the-art facility in March, and expects to complete the facility in late fall 2025. The project is expected to create 300 new jobs in Sumter.

“e-VAC is proud to invest in America’s 21st century supply chain and to advance clean energy manufacturing efforts,” said VAC Group Chief Executive Officer Dr. Erik Eschen. “This award demonstrates the importance of high-quality, high-performance magnetic materials, which are key enablers to electrification and energy efficiency across a range of industries. Our facility will help to establish a resilient, U.S.-based supply chain for decades to come.”

In January 2023, e-VAC announced a binding long-term supply agreement with GM to manufacture permanent magnets, using locally sourced raw materials, for the electric motors used in a broad portfolio of EVs in North America. In September 2023, the U.S. Department of Defense entered into an agreement with e-VAC as part of its ‘Mine-to-Magnet’ supply chain initiative, ensuring U.S. companies are able to source and produce the rare earth permanent magnets that are essential components in the F-35, Unmanned Aerial Vehicles, and numerous other defense systems.

In October 2023, VAC was acquired by Ara Partners (“Ara”), a private equity and infrastructure firm that specializes in industrial decarbonization investments. Ara’s investment has provided VAC with the capital to expand and build a robust rare earths value chain.

“The Inflation Reduction Act is helping companies invest in America and build critical domestic supply chains,” said Tuan Tran, Partner at Ara Partners. “Suppliers like e-VAC will play an important role in decarbonizing the industrial world, and we are committed to helping these companies expand their footprints here in the U.S. while substantially reducing emissions.”



### About Vacuumschmelze

**VAC** VAC is a leading global producer of advanced magnetic solutions, rare earth permanent magnets, and inductive components that are crucial for the decarbonization of our planet. With more than 100 years of application know how and experience in material science and product development, VAC designs and manufactures mission critical solutions for a wide variety of industries, including renewable energy, e-mobility, automotive, industrial automation, medical, aerospace and defense. VAC's unique ability to develop and manufacture from base elements through final products enables us to provide customers optimal form factors and performance, generating best in class efficient solutions in an environmentally conscious manner.

More information at [www.vacuumschmelze.com](http://www.vacuumschmelze.com).

### About Ara Partners

 Ara Partners Ara Partners is a global private equity and infrastructure investment firm focused on industrial decarbonization. Founded in 2017, Ara Partners seeks to build and scale companies with significant decarbonization impact across the industrial and manufacturing, chemicals and materials, energy efficiency and green fuels, and food and agriculture sectors. The company operates from offices in Houston, Boston, Washington, D.C., and Dublin. Ara Partners closed its third private equity fund in December 2023 with over \$2.8 billion in capital commitments. As of September 30, 2023, Ara Partners had approximately \$5.6 billion of assets under management. For more information about Ara Partners, please visit [www.arapartners.com](http://www.arapartners.com).

### Media Contacts

#### For VAC:

Kirsten Reising  
Marketing Manager  
[info@vacuumschmelze.com](mailto:info@vacuumschmelze.com)

#### For Ara Partners:

Scott Bisang / Jack Kelleher  
Collected Strategies  
[Ara-CS@collectedstrategies.com](mailto:Ara-CS@collectedstrategies.com)