

LHYFE

French *société anonyme* organised with a Board of Directors
Share capital of €479,004.48
Headquarters: 1 ter mail Pablo Picasso, 44000 Nantes, France
RCS Nantes 850 415 290
(the “**Company**”)

**REPORT OF THE BOARD OF DIRECTORS
TO THE ANNUAL SHAREHOLDERS’ MEETING OF 23 MAY 2023
(the “Report”)**

Ladies and Gentlemen,

Dear Shareholders,

We have convened this annual mixed shareholders’ meeting (the “**Shareholders’ Meeting**”), pursuant to the provisions of the French *Code de commerce* and the Company’s articles of association, to deliberate on the following agenda:

I. Resolutions to be submitted to the ordinary shareholder’s meeting

Resolution n°1 – Approval of the annual financial statements for the 2022 fiscal year;

Resolution n°2 – Approval of the annual consolidated financial statements for the 2022 fiscal year;

Resolution n°3 – Allocation of earnings for the fiscal year;

Resolution n°4 – Approval of the report on the regulated agreements;

Resolution n°5 – Approval of the information referred to in Article L. 22-10-9 I of the French *Code de commerce* contained in the corporate governance report (global “*ex post*” *say on pay*);

Resolution n°6 – Approval of the fixed, variable and exceptional components of overall compensation and benefits of any kind paid or granted for the 2022 fiscal year to Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer;

Resolution n°7 – Approval of the fixed, variable and exceptional components of overall compensation and benefits of any kind paid or granted for the 2022 fiscal year to Nolwenn Belléguic, Deputy Chief Executive Officer;

Resolution n°8 – Approval of the fixed, variable and exceptional components of overall compensation and benefits of any kind paid or granted for the 2022 fiscal year to Antoine Hamon, Deputy Chief Executive Officer;

Resolution n°9 – Approval of the compensation policy applicable to all of the Company’s corporate officers for the 2023 fiscal year;

Resolution n°10 – Approval of the compensation policy of Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer for the 2023 fiscal year;

Resolution n°11 – Approval of the compensation policy of Nolwenn Belléguic, Deputy Chief Executive Officer for the 2023 fiscal year;

Resolution n°12 – Approval of the compensation policy of Antoine Hamon, Deputy Chief Executive Officer for the 2023 fiscal year;

Resolution n°13 – Approval of the compensation policy of the Directors for the 2023 fiscal year;

Resolution n°14 – Authorization granted to the Board of Directors to purchase shares of the Company under a share repurchase program;

II. Resolutions to be submitted to the extraordinary shareholder's meeting:

Resolution n°15 – Authorization granted to the Board of Directors to reduce the Company's share capital by cancelling the Company's own shares under the conditions provided for in Articles L. 22-10-62 *et seq.* of the French *Code de commerce*;

Resolution n°16 – Delegation of authority granted to the Board of Directors to increase the share capital by issuing, with shareholders' preferential subscription rights, shares of the Company and/or equity securities giving access to other equity securities and/or giving the right to allocation of debt securities and/or securities giving access to equity securities to be issued;

Resolution n°17 – Delegation of authority granted to the Board of Directors to increase the share capital by issuing, without shareholders' preferential subscription rights, shares of the Company and/or equity securities giving access to other equity securities and/or giving the right to allocation of debt securities and/or securities giving access to equity securities to be issued, with or without a priority period, by offers to the public other than those referred to in paragraph 1° of Article L. 411-2 of the French *Code monétaire et financier*;

Resolution n°18 – Delegation of authority granted to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or equity securities giving access to other equity securities and/or giving the right to allocation of debt securities and/or securities giving access to equity securities to be issued, by offers to the public referred to in paragraph 1° of Article L. 411-2 of the French *Code monétaire et financier*;

Resolution n°19 – Authorization granted to the Board of Directors to determine, in the event of an issuance by public offers without preferential subscription rights, the issuance price with the terms set by the shareholders' meeting, up to the limit of 10% of the share capital per year;

Resolution n°20 – Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares without preferential subscription rights and for the benefit of a category of persons;

Resolution n°21 – Authorization granted to the Board of Directors to increase the number of securities to be issued with or without shareholders' preferential subscription rights;

Resolution n°22 – Delegation of authority granted to the Board of Directors for the purpose of deciding to increase the share capital of the Company, up to the limit of 10% of the share capital, as compensation for contributions in kind comprised of equity securities or securities giving access to the share capital of third-party companies other than in a public exchange offer;

Resolution n°23 – Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing, without shareholders' preferential subscription rights, shares and/or securities giving access to the share capital of the Company, in the event of a public exchange offer;

Resolution n°24 – Overall cap applicable to the authorizations provided for in the 16th to 18th and 20th to 23rd resolutions;

Resolution n°25 – Authorization granted to the Board of Directors to allocate options to subscribe and/or purchase shares;

Resolution n°26 – Authorization granted to the Board of Directors to allocate existing or new free shares to be issued based on the achievement of performance criteria;

Resolution n°27 – Delegation of authority granted to the Board of Directors for the purpose of issuing, without shareholders' preferential subscription rights, warrants to subscribe for business creators' shares (BSPCE) for the benefit of employees and officers of the Company subject to the employee tax regime;

Resolution n°28 – Delegation of authority granted to the Board of Directors for the purpose of issuing, without shareholders' preferential subscription rights, shares and/or other securities for the benefit of employees and officers of the Company and employees of related companies as defined in Article L. 225-180 of the French *Code de commerce* who are beneficiaries of a company savings plan as provided for in Articles L. 3332-1 *et seq.* of the French *Code du travail*;

Resolution n°29 – Overall cap applicable to the authorizations provided for in the 25th to 28th resolutions;

III. Resolutions to be submitted to the ordinary shareholder's meeting

Resolution n°30 - Powers for formalities.

Our report, the statutory auditors' reports, the financial statements and consolidated financial statements have been or will be made available to you in accordance with conditions and deadlines set forth by the Company's articles of association and applicable legal provisions.

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I. RESOLUTIONS TO BE SUBMITTED TO THE ORDINARY SHAREHOLDERS' MEETING

1. Approval of the financial statements and allocation of earnings for the fiscal year ended 31 December 2022 (resolutions n°1, 2 and 3)

(a) Financial statements for the fiscal year ended 31 December 2022

The inventory and financial statements submitted for your approval, under resolution n°1, namely the balance sheet, income statement, and the notes to the annual financial statements as at 31 December 2022, have been prepared in accordance with the presentation rules and evaluation methods set forth by the regulations in force in France.

The Board of Directors presents this set of accounts for your approval.

The financial statements highlight a net loss of €(17,393,002) for the fiscal year ended on 31 December 2022, against a net loss of €(5,447,065) for the fiscal year ended on 31 December 2021.

For comments on these financial statements, please refer to the management report of the Board of Directors and to the statutory auditors' report included in the 2022 universal registration document.

(b) Amount of non-deductible expenses

In accordance with Articles 223 *quarter* and 223 *quinquies* of the French *Code général des impôts*, it is required that you acknowledge, by adopting resolution n°1, that (i) the Company has incurred non-deductible tax expenses referred to under Article 39,4° of this Code, during the past fiscal year, amounting to €9,900 and (ii) the Company has not incurred general expenses referred to under Article 39,5° of the French *Code général des impôts*.

(c) Consolidated financial statements for the fiscal year ended 31 December 2022

The consolidated financial statements submitted for your approval, under resolution n°2, namely the balance sheet, income statement, and the notes to the annual financial statements as at 31 December 2022, have been prepared in accordance with the IFRS standards.

The Board of Directors presents this set of accounts for your approval.

The consolidated financial statements show a net loss of €(25,818,619) for the fiscal year ended 31 December 2022, against a net loss of €(8,724,428) for the fiscal year ended 31 December 2021.

For comments on these consolidated financial statements, please refer to the management report of the Board of Directors and to the statutory auditors' report included in the 2022 universal registration document.

(d) Proposition as regards the allocation of earnings

The outcome of the fiscal year shows, as per the financial statements, a net loss of €(17,393,002), which we propose you allocate to "Retained Earnings" under resolution n°3. After allocation of this result, the "Retained Earnings" account will represent a loss of €(24,828,746).

There will be no declaration of dividends under the fiscal year ended 31 December 2022.

In addition, we remind you that, pursuant to Article 243 *bis* of the French *Code général des impôts*, no dividends have been declared in the last three fiscal years.

2. Regulated agreements (resolution n°4)

We propose, under resolution n°4, that you approve the agreements falling within the scope of Articles L.225-38 *et seq.* of the French *Code de commerce*, as well as any previously authorized and executed agreements performed during the past fiscal year.

You are also being asked to approve the statutory auditors' special report on these agreements.

No agreements or commitments referred to in Article L.225-38 of the said Code were entered into during the 2022 fiscal year.

3. Approval of the various components of overall compensation and benefits granted to the corporate officers (*mandataires sociaux*) for the 2022 fiscal year (resolutions n°5 to 8)

The Board of Directors invites you to approve the various components of overall compensation and benefits granted for the 2022 fiscal year to the corporate officers (*mandataires sociaux*).

Pursuant to Article L.22-10-34 of the French *Code de commerce*, the 2022 universal registration document including the corporate governance report mentioned in Article L.225-37 of the French *Code de commerce* sets out (i) in Section 13.2 the overall compensation and benefits granted to the corporate officers (*mandataires sociaux*) for the 2022 fiscal year (global "ex post" vote) and (ii) in Section 13.2.2 the components of overall compensation and benefits granted for the 2022 fiscal year to the Chairman of the Board of Directors and Chief Executive Officer and to the Deputy Chief Executive Officers (individual "ex post" vote).

These aspects are submitted for your approval in distinct resolutions:

- the approval of the components of overall compensation and benefits paid or granted for the 2022 fiscal year to the corporate officers (global "ex post" say on pay) is subject to resolution n°5;
- the approval of the components of overall compensation and benefits paid or granted for the 2022 fiscal year to Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer, is subject to resolution n°6;
- the approval of the components of overall compensation and benefits paid or granted for the 2022 fiscal year to Nolwenn Belléguic, Deputy Chief Executive Officer, is subject to resolution n°7; and
- the approval of the components of overall compensation and benefits paid or granted for the 2022 fiscal year to Antoine Hamon, Deputy Chief Executive Officer, is subject to resolution n°8.

It is to be noted that the approval of the components of overall compensation and benefits paid or granted for the 2022 fiscal year is subject to resolution n°5 and that your vote on that resolution is made without prejudice on the result of your vote on individual resolutions regarding Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer (resolution n°6), Nolwenn Belléguic, Deputy Chief Executive Officer (resolution n°7), Antoine Hamon, Deputy Chief Executive Officer (resolution n°8).

4. Approval of the general principles and the compensation policy of the corporate officers (*mandataires sociaux*) for the 2023 fiscal year (resolutions n°9 to 13)

The Board of Directors invites you to approve the general principles and compensation policy of the corporate officers for the 2023 fiscal year. Pursuant to Article L.22-10-8 of the French *Code de commerce*, the 2022 universal registration document including the corporate governance report mentioned in Article L.225-37 of the French *Code de commerce* sets out (i) in section 13.1.1, the general principles of compensation of the corporate officers, (ii) in Section 13.1.2, the compensation policy of the Chairman of the Board of Directors and Chief Executive Officer and the Deputy Chief Executive Officers, and, (iii) in Section 13.1.3 the compensation policy of the other members of the Board of Directors for the 2023 fiscal year.

These aspects are submitted for your approval in distinct resolutions:

- the approval of the compensation policy of the corporate officers for the 2023 fiscal year is subject to resolution n°9;
- the approval of the compensation policy of Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer for the 2023 fiscal year is subject to resolution n°10;
- the approval of the compensation policy of Nolwenn Belléguic, Deputy Chief Executive Officer, for the 2023 fiscal year is subject to resolution n°11;
- the approval of the compensation policy of Antoine Hamon, Deputy Chief Executive Officer, for the 2023 fiscal year is subject to resolution n°12; and
- the approval of the compensation policy of the other members of the Board of Directors for the 2023 fiscal year is subject to resolution n°13.

It is to be noted that the overall compensation policy of the corporate officers for the 2023 fiscal year is subject to resolution n°9 and that your vote on that resolution is made without prejudice on the result of your vote on individual resolutions regarding the compensation policy of Matthieu Guesné, Chairman of the Board of Directors and Chief Executive Officer (resolution n°10), Nolwenn Belléguic, Deputy Chief Executive Officer (resolution n°11), Antoine Hamon, Deputy Chief Executive Officer (resolution n°12) and the other members of the Board of Directors (resolution n°13).

We also invite you, under resolution n°13 to vote on the compensation referred to in Article L.225-45, paragraph 1° of the French *Code de commerce* to be allocated to the members of the Board of Directors, of a maximum amount of €150,000 for the 2023 fiscal year. The Board of Directors will allocate all or part of this amount amongst its members based on a calculation pertaining to their level of participation during meetings and their responsibility in the different committees.

5. Company shares repurchase programme (resolution n°14)

We propose, under resolution n°14, that you authorize the Board of Directors, in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French *Code de commerce*, for a period of 18 months, to purchase the Company's shares at a maximum purchase price which shall not exceed €26.25 as part of the implementation of a share repurchase programme.

The maximum amount that the Company would be able to allocate to the repurchase programme of its own shares may not exceed the amount of €30,000,000.

This authorization is intended to allow the Board of Directors to acquire a number of Company's shares representing up to 10% of the share capital of the Company, in order to:

- retain the Company's shares that would have been purchased and ultimately use them in exchange or as payment within the context of potential external growth, merger, demerger or contribution transactions, in particular in accordance with stock market regulations;
- provide shares as a result of the exercise of the rights attached to securities giving access to the share capital of the Company;
- allot shares to employees or corporate officers of the Company and its subsidiaries in accordance with terms and conditions set forth by law, in particular in respect of the allocation of free shares, participation in the profits resulting from the expansion of the business, stock options plans or via a company savings plan;
- ensure liquidity and promote the secondary market for the Company's securities, which would be accomplished by an investment services provider acting under a liquidity contract in compliance with the ethics charter recognised by the *Autorité des marchés financiers*;
- cancel all or part of the repurchased shares, provided the adoption of the 15th resolution below; and
- accomplish all other authorized goals or goals that could become authorized by law or recognised or that would be recognised as market practice by the *Autorité des marchés financiers*, in which case the Company would inform its shareholders by way of a press release.

These purchase, assignment, exchange or transfer transactions may be carried out in any manner, in one or several instalments, or on a regulated market, on a multilateral trading facility, through a systematic internalizer or through an over-the-counter transaction, such as an acquisition or block trades, or by resorting to financial instruments.

It is specified that these transactions may not occur during public tender offers initiated by the Company or aimed at its securities.

During the 2022 fiscal year, the share purchase programme approved by the shareholders' meeting of 14 April 2022 was used within the framework of the liquidity contract set up by the Company, resulting in the purchase of 114,878 shares and the sale of 81,139 shares.

Please see Section II. 1 of the present Report for a description of the resolution pertaining to the cancellation of shares that would be repurchased under such a program.

II. RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY SHAREHOLDER'S MEETING

1. Cancellation of shares under the share repurchase programme (resolution n°15)

The objectives of the share repurchase programme, subject to resolution n°14, include amongst others the cancellation of the acquired shares. As such, we would like you to grant, by your vote on resolution n°15, authorization to the Board of Directors for a period of 18 months, to cancel all or part of the shares of the Company which it may acquire under a share repurchase programme, up to the 10% limit of shares comprising the share capital of the Company per 24-month period.

It is reminded that should resolution n°15 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°19 adopted by the shareholders' meeting held on 14 April 2022.

2. Financial delegations authorizing the Board of Directors to increase the share capital (resolutions n°16 to 24)

It is proposed, in the context of these financial resolutions described below, to grant the Board of Directors the possibility to increase the share capital of the Company, to strengthen its equity, and enable the development of its activities and, as the case may be, to carry out external growth transactions.

The Board of Directors specifies that these financial delegations provided for by resolutions n°16 to 24 may not be used during a public offer.

The main features of these resolutions may be summed up as follows:

In terms of size:

The maximum number of shares that may be issued pursuant to the financial delegations authorizing the Board of Directors to increase the share capital (resolutions n°16 to 18 and 20 to 23) represents 100% of the current share capital.

The Board of Directors has decided to propose a higher cap than in the previous financial delegations voted by the shareholders before the Company's initial public offering, in order to take into account the pace of the Company's development and in line with the practices of comparable companies experiencing high-growth.

This overall cap is set out in resolution n°24.

We also ask you to give the Company the possibility to increase the initial size of the transaction by 15% (resolution n°21). **This increase is within the cap set for the resolution used for the transaction – it may therefore never lead to a dilution higher than the 100% specified above.** This increase in size, the so-called "green shoe", is very important for the successful completion of a capital increase transaction: during the hours and days following the listing of the securities issued, the short sellers may exert downward pressure on the stock price, by selling securities, including short-selling. To counter this pressure, the banks that underwrite the transaction need to have the possibility to purchase shares on the market and maintain the stock price at least at the price level of the share capital increase. To do so, they "over allot" to the investors by 15%. If the stock price falls below the transaction price, they may thus repurchase to maintain the stock price (and deliver to the over-allotted investors). If the stock price does not go down, or if their stabilizing transactions have allowed the stock price to go up, they will use the green shoe (also called

“over-allotment option”) to deliver the over-allotted 15% to investors. The implementation of this mechanism is strictly bound by applicable regulations. From a shareholder’s perspective, it is necessary to remember that the implementation of the green shoe, if this option is used, represents an additional capital increase and thus additional financing raised by the Company at the same price as the initial transaction, and within the envelope adopted by the Shareholders’ Meeting. If the banks securing the transaction cannot use this option, they will not perform the transaction. In other words, **approving an authorization to increase the share capital without shareholders’ preferential subscription right while refusing to approve of the resolution enabling to implement a green shoe is contradictory.**

In the context of a transaction carried out with preferential subscription right, this option enables to better serve demands subject to reduction, always within the cap of 100%.

In terms of kind:

You are being asked to grant the Company the tools needed to carry out funding transactions so as to accelerate the development of its projects, to pursue its recruitment plan and, more broadly, to finance its activity.

These capital increases may be carried:

- with shareholders’ preferential subscription rights (resolution n°16);
- without this right, but in the context of public offerings (resolution n°17); or
- without this right, but in the context of an institutional private transaction to institutional investors or to investors specialising in the “energy or hydrogen” sector (resolutions n°18 and 20) – this kind of financial transactions may be performed within a short timeframe in order to properly seize market opportunities.

Eventually, you are also being asked to grant the Company the flexibility enabling it to realise external growth transactions, paid in shares rather than in cash:

- through contributions in kind – up to 10% of the share capital (resolution n°22); or
- through an exchange public offer (resolution n°23).

In terms of price:

For capital increases with shareholders’ preferential subscription rights (resolution n°16), the law does not provide for any price limit other than the *par value* of the share. However, for capital increases without preferential subscription rights in the context of public offerings (resolution n°17) or in the context of private institutional placements (resolution n°18), the law provides for a minimum price, equal to the weighted average of the prices of the last three trading sessions preceding the beginning of the public offering within the meaning of Regulation (EU) No. 2017/1129 of 14 June 2017, possibly reduced by a maximum discount of 10% (Article R.22-10-32 of the French *Code de commerce*).

It should be noted that this provision is not applicable to capital increases reserved for the category of investors specialising in the “energy or hydrogen” sector (resolution n°20).

Furthermore, the law allows shareholders, in cases where this text applies, to derogate from it up to 10% of the capital over 12 months and by setting an alternative minimum price formula. This is the purpose of resolution n°19, which therefore provides for granting the Board of Directors the flexibility to provide for a discount of 20%, but only up to 10% of the

capital over 12 months, higher than the legal discount of 10% when using resolutions n°17 and 18. This option enables, in particular in private placement transactions, to successfully carry out transactions in a difficult market context. It is the same price formula as the one used for resolution n°20.

(a) Delegation of authority to the Board of Directors for the purpose of increasing the share capital, with preferential subscription right (resolution n°16)

It is proposed that the Shareholders' Meeting delegates authority to the Board of Directors to decide on the issue, with shareholders' preferential subscription right, of shares or any other securities giving access to the share capital of the Company.

The overall nominal amount of the share capital increases carried out pursuant to this delegation may not exceed a capped amount of €479,004.48 (that is 100% of the current share capital of the Company), it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

The amount of securities representing debt securities giving access to share capital to be issued of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°16 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°20 adopted by the shareholders' meeting held on 14 April 2022.

(b) Delegations of authority to the Board of Directors for the purpose of increasing the share capital, without preferential subscription rights (resolutions n°17 and 18)

- **Delegation of authority to the Board of Directors for the purpose of increasing the share capital, without preferential subscription rights, by way of an offer to the public (resolution n°17)**

It is proposed, under resolution n°17, that the Shareholders' Meeting delegates authority to the Board of Directors to decide on the issue, without shareholders' preferential subscription rights, of shares or any other securities giving access to the share capital of the Company, by way of an offer to the public.

The Board of Directors will have the option to grant shareholders a priority subscription period on all or part of the issue of these securities.

The overall nominal amount of the issuances carried out pursuant to this delegation may not exceed a capped amount of €239,502.24 (that is 50% of the current share capital of the Company), it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

The amount of securities representing debt securities giving access to the share capital to be issued of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

The issuance price of the shares and securities giving access to the share capital, likely to be issued pursuant to this resolution, would be determined by the Board of Directors pursuant to the provisions of Article L. 22-10-52 of the French *Code de commerce*, currently a price at least equal to the weighted average of the prices of the last three trading sessions preceding the beginning of the public offering (within the meaning of Regulation (EU) No. 2017/1129) of the shares, which will be issued under such delegation, reduced as the case may be, by a maximum discount of 10% authorized by law.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°17 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°21 adopted by the shareholders' meeting held on 14 April 2022.

- **Delegation of authority to the Board of Directors for the purpose of increasing the share capital, without preferential subscription rights, through a private placement (resolution n°18)**

It is proposed, under resolution n°18, that the Shareholders' Meeting delegates authority to the Board of Directors to decide on the issuance, without shareholders' preferential subscription rights, of shares or any other securities giving access to the share capital of the Company, through private placement with institutional investors.

The overall nominal amount of the issuances carried out pursuant to this delegation may not exceed a capped amount of €191,601.79 (that is 40% of the current share capital of the Company), it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

Furthermore, the amount of the share capital increases carried out or likely to be carried out may not exceed 20% of the amount of the share capital per year pursuant to Article L.225-136, 2° of the French *Code de commerce*.

The amount of securities representing debt securities giving access to the share capital to be issued of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

The issuance price of the shares and securities giving access to the share capital, likely to be issued pursuant to this resolution, would be determined by the Board of Directors pursuant to the provisions of Article L. 22-10-52 of the French *Code de commerce*, currently a price at least equal to the weighted average of the prices of the last three trading sessions preceding the beginning of the public offering (within the meaning of Regulation (EU) No. 2017/1129) of the shares, which will be issued under such delegation, reduced as the case may be, by a maximum discount of 10% authorized by law.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°18 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°22 adopted by the shareholders' meeting held on 14 April 2022.

(c) Delegation of authority to the Board of Directors to determine the issue price (resolution n°19)

It is proposed, under resolution n°19, that the Shareholders' Meeting delegate authority to the Board of Directors, to decide, for a share capital increase without shareholders' preferential subscription rights representing no more than 10% of the share capital per year, carried out pursuant to resolutions n°17 and 18, to derogate from price conditions provided for under these resolutions, and to set the issuance price of the ordinary shares or all securities giving access to the share capital, in accordance with the following conditions: having taken into account market opportunities, the issue price would at least be equal to the average weighted volumes (in the central order book and excluding over the counter block trades) of the price of the Company shares on Euronext Paris on the last three trading sessions preceding the setting of the issue price was set, potentially reduced by a maximum discount of 20%.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°19 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°23 adopted by the shareholders' meeting held on 14 April 2022.

(d) Delegation of authority to the Board of Directors for the purpose of increasing the share capital, without shareholders' preferential subscription and for the benefit of a category of persons (resolution n°20)

It is proposed, under resolution n°20, that the Shareholders' Meeting delegates authority to the Board of Directors to decide, both in France and abroad, on the issuance, without shareholders' preferential subscription rights, of shares of the Company or any other securities giving access to the share capital for the benefit of:

(a) in the context of an industrial or strategic agreement with the Company to:

- industrial or commercial companies in the energy or hydrogen sector or its derivatives, or
- investment fund companies or fund management companies or collective savings managing funds established under French or foreign law investing in the energy sector, or
- any other legal entity (including a trust) or physical person, investing in the energy sector,

(b) in the context of an offering referred to in paragraph 1° of Article L. 411-2 of the French *Code monétaire et financier* in respect of French investors and equivalent provisions for foreign investors to:

- industrial or commercial companies of the energy or hydrogen sector or its derivatives, or
- investment fund companies or fund management companies or collective savings managing funds established under French or foreign law investing in the energy sector, or

- any other legal entity (including a trust) or physical person, investing in the energy sector,

meeting, in each case listed above, the criteria to participate in such an offering, or

- investment services providers of French or foreign law likely to secure such an offering;

The overall nominal amount of the issuances carried out pursuant to this delegation may not exceed a capped amount of €191,601.79 (that is 40% of the current share capital of the Company), it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

The amount of securities representing debt securities giving access to the share capital of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

The issuance price of the shares and securities giving access to the share capital, likely to be issued pursuant to the present delegation, would be determined by the Board of Directors and should be at least equal to the volume-weighted average (in the central order book and excluding off-market blocks trades) of the Company's share price on the regulated market of Euronext Paris during the last three trading sessions preceding the setting of the issue price, potentially reduced by a maximum discount of 20% authorized by law, including after correction for a difference in the entitlement date.

This delegation would be granted for a period of 18 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°20 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°24 adopted by the shareholders' meeting held on 14 April 2022.

(e) Authorization granted to the Board of Directors to increase the number of securities to be issued, with or without preferential subscription right (resolution n°21)

It is proposed, under resolution n°21, that the Shareholders' Meeting delegates authority to the Board of Directors, to decide during a share capital increase with or without shareholders' preferential subscription rights carried out pursuant to resolutions n°16, 17, 18 and 20 to increase the number of securities to be issued at the same price as the one retained for the initial issuance.

This option enables, in the context of an issuance of securities, the issuance within 30 days of the closing of the subscription period, of additional securities up to a maximum amount of 15% of the initial issuance, subject to the Overall Nominal Cap Amount I and the Overall Nominal Cap Amount II defined and set under resolution n°24.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°21 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°25 adopted by the shareholders' meeting held on 14 April 2022.

(f) **Delegations of authority to the Board of Directors for the purpose of increasing the share capital, without preferential subscription rights, in the context of acquisition transactions (resolutions n°22 and 23)**

Within the context of geographic expansion, the Company may have to acquire other companies, listed or not, and make these acquisitions by using securities. This is the aim of the following two resolutions.

- **Delegation of authority to the Board of Directors for the purpose of increasing the share capital without preferential subscription rights, as compensation for contributions in kind comprised of equity securities or securities giving access to the share capital (resolution n°22)**

To enable it to develop its activity through potential acquisitions whilst maintaining its cash flow, the Company should be able to pay for these via ordinary shares or securities giving access to the share capital.

It is proposed, under resolution n°22, that the Shareholders' Meeting delegate authority to the Board of Directors to issue, without shareholders' preferential subscription rights, shares or any other securities giving immediate or future access to the share capital of the Company, as payment for contributions in kind made to the Company and comprised of equity securities or securities giving access to the share capital of the Company.

This option would be limited to 10% of the Company's share capital, it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

The amount of securities representing debt securities giving access to the share capital of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°22 be adopted, it voids any prior of authority having the same purpose, including resolution n°26 adopted by the shareholders' meeting held on 14 April 2022.

- **Delegation of authority to the Board of Directors for the purpose of increasing the share capital without preferential subscription rights, in the event of an exchange public offer initiated by the Company (resolution n°23)**

The Company should reserve the option to be able to issue securities during a potential exchange public offering initiated by the Company.

It is proposed, under resolution n°23, that the Shareholders' Meeting delegates authority to the Board of Directors to decide on the issuance, without shareholders' preferential subscription rights, of shares or any other securities giving access to the share capital of the Company, in order to carry out an exchange public offer or a similar transaction on the securities of another company.

The overall nominal amount of the issuances carried out pursuant to this delegation may not exceed a capped amount of €239,502.24 (or 50% of the current share capital of the

Company), it being specified that this cap will be deducted from the Overall Nominal Cap Amount I, as defined and set under resolution n°24.

The amount of securities representing debt securities giving access to the share capital of the Company that could potentially be issued pursuant to this delegation will be limited to a maximum amount of €500,000,000, it being specified that this cap will be deducted from the Overall Nominal Cap Amount II, as defined and set under resolution n°24.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°23 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°27 adopted by the shareholders' meeting held on 14 April 2022.

(g) Overall cap applicable to the share capital increases that may be carried out immediately or in the future pursuant to resolutions n°16 to 18 and n°20 to 23 (resolution n°24)

It is proposed, under resolution n°24, that the Shareholders' Meeting set the overall limitation on authorizations which may be granted for share capital increases with or without preferential subscription rights (resolutions n°16 to 18 and 20 to 23), to an overall nominal amount of €479,004.48 (that is 100% of the current share capital of the Company) (the "Overall Nominal Cap Amount I").

It is specified that this overall cap amount shall be increased, when needed, by the nominal value of the shares to be issued to preserve the rights of holders of securities giving access to the Company's share capital.

It is also proposed that the Shareholders' Meeting set the overall limitation on authorizations which may be granted for debt securities issues immediately or in the future under resolutions n°16 to 18 and 20 to 23, to an overall nominal amount of €500,000,000 (the "Overall Nominal Cap Amount II").

3. Long-term capital instruments of executive officers, corporate officers and employees (resolutions n°25 to 28)

It is proposed, in the context of the authorizations described below, to grant the Board of Directors the possibility to allocate to the employees, executive officers and corporate officers the capital instruments presented below.

- Options to subscribe and/or purchase shares (resolution n°25);
- Allocation of existing or new free shares (resolution n°26); and
- Allocation of warrants to subscribe for founder warrants ("BSPCE") (resolution n°27).

Resolutions n°25 to 27 are intended to enable the Company to set up three long-term incentive instruments in order, for 2023 and 2024, to:

- continue to offer to its employees competitive packages as compared to those offered by other companies in the sector;
- offer employees and directors of the Company and its subsidiaries part of their compensation in the form of shares of the Company, and thus contribute to align their interests and the shareholders' ones, involve the managers and teams of the

Company over the long term and retain talents by maintaining a direct link between their compensation level and the results and performance of Lhyfe's shares;

- while maintaining the dilutive impact of these benefits granted to the employees and the executive managers of the Company and its subsidiaries in reasonable proportions and in line with standard of the sector.

These resolutions are essential to continue to motivate and strengthen a high-performance management team with new talent and to involve them, as well as all employees, in the success of the Company and its shareholders. The terms and conditions of allocation and/or exercise of these three instruments will be set by the Board of Directors. When the beneficiaries are executive corporate officers or senior executives, the appointments and remuneration committee will advise the Board of Directors.

The allocation of options to subscribe and/or purchase shares, free shares and BSPCE will only become final if the condition presence as an employee and/or corporate officer (*mandataire social*) and/or member of an administrative or supervisory body is met. The number of instruments definitively granted will depend on the fulfilment of performance conditions. The performance conditions of the instruments to be granted during 2023 will be based on installed production capacity and/or revenue targets at the end of 2024 and 2026.

The Board of Directors will decide on the allocation according to the hierarchical level, the level of compensation and the individual performance of each beneficiary.

Furthermore, the Board of Directors will have the discretionary power to modify all or part of the provisions of the plan. In particular, it will have the possibility to modify the sizing of the conditions and/or the date of performance measurement.

The following table summarizes the main characteristics of these capital instruments which you are asked to vote:

Applicable resolution	Beneficiaries	Term of autorisation	Cap	Dilution
Authorization granted to the Board of Directors to allocate existing or new free shares to be issued based on the achievement of performance criteria (resolution n°26)	Employees and the executive officers of the Company or the entities or groups referred to in Article L. 225-197-2 of the French <i>Code de commerce</i> at the date of allocation, or some of them	38 months	€6,000 (corresponding to 600,000 ordinary shares, existing or new, with a nominal value of one euro cent each)	1.25% of the share capital
Authorization granted to the Board of Directors to allocate options to subscribe and/or purchase shares (resolution n°25)	Employees and executive officers of the Company or of the groups provided in Article L. 225-180 of the French <i>Code de commerce</i> at the date of the	38 months	€6,600 (corresponding to 600,000 ordinary shares, existing or new, with a nominal value	1.37% of the share capital

	allocation, or some of them		of one euro cent each)	
Delegation of authority granted to the Board of Directors for the purpose of issuing, without shareholders' preferential subscription rights, warrants to subscribe for business creators' shares (BSPCE) for the benefit of employees and officers of the Company subject to the employee tax regime (resolution n°27)	Employees and executive officers, subject to the employee tax regime, of the Company or of the entities or groups referred to in Article L. 225-197-2 French <i>Code de commerce</i> at the date of allocation, under the conditions set out in Article 163 bis G of the French <i>Code général des impôts</i>	18 months	€6,600 (corresponding to 600,000 ordinary shares, existing or new, with a nominal value of one euro cent each)	

Furthermore, it is proposed that you grant the Board of Directors the possibility to increase the share capital under the conditions provided for in Articles L. 3332-18 et seq. of the French *Code du travail* and Article L. 225-138-1 of the *French Code de commerce*, namely within the framework of a company savings plan. Regarding the various authorizations to increase the share capital that have just been proposed to you (resolutions n°25 to 27), the Board of Directors recommends that you vote against this resolution.

The overall nominal amount of the issuances carried out immediately or in the future pursuant to resolutions n°25 to 28 is set out in resolution n°29.

The maximum amount of shares that could be issued through these capital instruments for employees, executive officers and corporate officers (resolutions n°25 to 28) represents (if all the conditions are satisfied) a maximum dilution of 2.6% of the current share capital of the Company, corresponding to the issue of 1,260,000 new shares, *i.e.* a share capital increase of €12,600 par value.

(a) Delegation of authority to the Board of Directors to allocate options to subscribe and/or purchase shares (resolution n°25)

It is proposed, under resolution n°25, that the Shareholders' Meeting authorizes the Board of Directors to allocate options to subscribe and/or purchase shares.

The Board of Directors shall determine, for each allocation (i) the exercise price of the options and the period during which the options may be exercised, (ii) the exercise conditions and, if applicable, the performance conditions to which the exercise of the options would be subject and, (iii) when applicable, a period during which the options may not be exercised and/or a period during which the acquired shares may not be sold.

- Beneficiaries: employees and executive officers of the Company or of the companies or of the groups provided in Article L. 225-180 of the French *Code de commerce* at the date of the allocation, or some of them;
- Capital increase: maximum nominal amount of €6,600, *i.e.*, a maximum of 660,000 ordinary shares, existing or new, with a nominal value of one euro cent each, it being specified that the nominal amount of the capital increases carried out pursuant to resolution n°25 will be deducted from the overall cap amount provided for in resolution n°29;
- Exercise/transfer of acquired shares: the Board of Directors shall set the exercise price in accordance with the terms of resolution n°25. The exercise price of the options shall not be (i) lower than 80% of the average of the stock price during the twenty stock market trading days preceding the date upon which the options are granted; and (ii) only for stock options, lower than 80% of the average purchase price of the shares held by the Company, pursuant to Article L. 22-10-62 of the French *Code de commerce*. The Board of Directors will also set a time period during which the options granted shall not be exercised and/or a time period during which the shares acquired may not be transferred.

This delegation would be granted for a period of 38 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°25 be adopted, it voids any prior delegation of authority having the same purpose.

(b) Delegation of authority to the Board of Directors to allocate free ordinary shares based on the achievement of performance criteria (resolution n°26)

It is proposed, under resolution n°26, that the Shareholders' Meeting authorizes the Board of Directors to allocate free shares to employees and executive officers of the Company and its subsidiaries.

The Board of Directors shall determine, for each allocation, (i) a vesting period after which the allocation of existing or new shares will become definitive, and/or (ii) a mandatory retention period starting from the definitive allocation of existing or new shares, and/or (iii) the performance conditions, under the following terms:

- Beneficiaries: employees and executive officers of the Company or the entities or groups referred to in Article L. 225-197-2 of the French *Code de commerce* at the date of allocation, or some of them;
- Capital increase: maximum nominal amount of €6,000, *i.e.*, a maximum of 600,000 ordinary shares, existing or new, with a nominal value of one euro cent each, it being specified that the nominal amount of the capital increases carried out pursuant to resolution n°26 will be deducted from the overall cap amount provided for in resolution n°29;
- Vesting and holding periods: pursuant to applicable legal provisions, the Board of Directors shall determine a vesting period of at least one year after which the allocation of existing or new shares will become definitive, followed, if deemed useful or necessary by the Board of Directors, by a retention period of a duration it shall determine and which shall run from the definitive acquisition of the shares. It being specified that the cumulated duration of the vesting period and, as the case may be, of the retention period, shall be of at least two years in order to align these instruments with the shareholders' long-term interests and the holding by the

employees, and the definitive vesting of these instruments shall be subject to a presence condition of the beneficiaries at the Company or its subsidiaries;

- Performance conditions: the definitive vesting of the shares granted to the executive officers as well as employees of the Company and its subsidiaries shall be subject to performance conditions set by the Board of Directors.

This delegation would be granted for a period of 38 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°26 be adopted, it voids any prior delegation of authority having the same purpose.

(c) Delegation of authority to the Board of Directors for the purpose of issuing, without shareholders' preferential subscription rights, warrants to subscribe for business creators' shares (BSPCE) for the benefit of employees and officers of the Company subject to the employee tax regime (resolution n°27)

It is proposed, under resolution n°27, that the Shareholders' Meeting authorizes the Board of Directors to set up a plan of warrants for the subscription of business creators' shares ("**BSPCE**").

The Board of Directors will determine (i) the exercise price of the BSPCE and the period during which they may be exercised, and (ii) the conditions of subscription and exercise of the BSPCE, under the following terms:

- Beneficiaries: employees and corporate officers subject to the employee tax regime, of the Company or of the entities or groups referred to in Article L. 225-197-2 on the date of allocation, under the conditions set out in Article 163 bis G of the French *Code général des impôts*;
- Capital increase: maximum nominal amount of €6,600, *i.e.*, a maximum of 660,000 ordinary shares, existing or new, with a nominal value of one euro cent each, it being specified that the nominal amount of the capital increases carried out pursuant to resolution n°27 will be deducted from the overall cap amount provided for in resolution n°29;
- Ratio: the exercise of each BSPCE will give the right to subscribe to one new share of the Company with a nominal value of one euro cent;
- Exercise period: the BSPCE may be exercised for a maximum period of 10 years from the date of the allocation. They shall lapse and lose all validity after this date.

This delegation would be granted for a period of 18 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°27 be adopted, it voids any prior delegation of authority having the same purpose.

(d) Delegation of authority to the Board of Directors for the purpose of increasing the share capital without preferential subscription rights, for the benefit of beneficiaries of a company savings plan (resolution n°28)

You are reminded that pursuant to the provisions of Article L.225-129-6 of the French *Code de commerce*, it is mandatory to submit to any shareholders' meeting convened to vote on a share capital increase, a draft resolution for the purpose of realising a capital increase

pursuant to the conditions set forth at Articles L.3332-18 *et seq.* of the French *Code du travail* and of Article L.225-138-1 of the French *Code de commerce*, *i.e.*, in the context of a company employees savings plan.

Accordingly, it is proposed under resolution n°28, that the Shareholders' Meeting delegates to the Board of Directors the authority to decide on the issuance of Company's shares or securities giving access to the share capital of the Company, without shareholders' subscription rights, for the benefit of members of a company savings plan established within the Company or its group, up to a maximum nominal amount of €1,000 *i.e.*, a maximum of 100,000 ordinary shares, existing or new, with a nominal value of one euro cent each, it being specified that the nominal amount of the capital increases carried out pursuant to resolution n°28 will be deducted from the overall cap amount provided for in resolution n°29.

The subscription price of new shares would be equal (i) to 30% of the weighted average of the Company's share prices on Euronext Paris during the 20 trading sessions preceding the decision setting the opening date for subscription, when duration of the lock-up period provided for by the company savings plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French *Code du travail* is less than ten years, and (ii) to 40% of this weighted average when such lock-up period is greater than or equal to ten years. The Shareholders' Meeting will expressly authorize the Board of Directors, if it deems appropriate, to reduce the above-mentioned discounts, within legal and regulatory limits, in order to take into account, among others, tax, social security or accounting constraints applicable in the countries where the group entities participating in the capital increase transactions are located.

This delegation would be granted for a period of 26 months from the date of the Shareholders' Meeting.

It is reminded that should resolution n°28 be adopted, it voids any prior delegation of authority having the same purpose, including resolution n°3 adopted by the shareholders' meeting held on 14 April 2022.

(e) Overall cap applicable to the authorizations provided for in resolutions n°25 to 28 (resolution n°29)

It is proposed that the Shareholders' Meeting set the overall limitation on authorizations which may be granted for share capital increases with or without preferential subscription rights (resolutions n°25 to 28), to an overall nominal amount of €12,600.

It is specified that this overall cap amount shall be increased, when needed, by the nominal value of the shares to be issued to preserve the rights of holders of securities giving access to the Company's share capital.

4. Powers for formalities (resolution n°30)

It is proposed that the Shareholders' Meeting grants full powers to the holder of an original, a copy, or an excerpt of the minutes of the Shareholders' Meeting for the purpose of completing legal formalities.

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Should you approve our various proposals, please confirm with your vote by adopting these resolutions which will be read to you and have been kept available at the registered office during the fifteen days preceding the Shareholders' Meeting of 23 May 2023 in accordance with law.

The Board of Directors