



IPO PROJECT ON EURONEXT



Lhyfe announces the approval of its Registration Document by the *Autorité des marchés financiers* as part of its planned initial public offering on the regulated market of Euronext® in Paris

Lhyfe's ambition: to become a leading European green hydrogen producer

- **An independent French pure player producing green hydrogen from renewable energies**
- **An industrial facility already operating in France: the world's first facility producing green hydrogen for mobility that is directly connected with a wind farm**
- **A proven ability to win major projects such as the Danish GreenHyscale project, a 100 MW green hydrogen plant, one of the three most advanced projects in Europe with commissioning expected in 2025**
- **A pipeline of 93 projects for +4.8 GW total capacity**
- **Targets**
 - **2024:** 55 MW installed capacity by the end of 2024
 - **2026:** €200 million in consolidated revenues and Group EBITDA at breakeven, based on 200 MW installed capacity
 - **2030:** +3 GW total installed capacity
 - Group EBITDA margin above 30% over the long-term
- **An ambitious roadmap for green hydrogen production at sea: the world's first offshore pilot facility to be commissioned in September 2022 and target for an additional 3 GW offshore installed capacity by 2030-2035**
- **A ESG maturity confirmed by a 71/100 Ethifinance rating - above average for the industry players sector - and 100% of the activities in full alignment with European taxonomy**

Nantes – April 22, 2022 – Lhyfe (the Company), an independent producer of green hydrogen for low-carbon industry and mobility, announces the approval by the *Autorité des marchés financiers* (AMF) of its Registration Document under number I. 22-009 on April 21, 2022.

Approval of the Registration Document is the first step of Lhyfe's planned IPO on the regulated market of Euronext® Paris, subject to market conditions and AMF approval of the IPO prospectus.



Matthieu Guesné, President and CEO of Lhyfe:

“As an energy source, hydrogen offers all the advantages of oil and gas without their drawbacks. In cutting CO₂ emissions, it constructs a major pillar in energy transition and contributes to the decarbonization of industry and mobility by reducing greenhouse gas emissions by up to 30%. As demand explodes in the next few decades, Lhyfe aims to become an independent European leader in green hydrogen production.

Our strategy is based on the fast and massive rollout of production sites to allow us to develop plants of up to several hundred MW (producing hundreds of tonnes of green hydrogen a day) beyond 2025. Large projects have already been launched in France and abroad, especially in Denmark where we are developing one of the three most advanced projects in Europe. Our pipeline today comprises 93 projects for a total of over 4.8 GW installed production capacity (a production of over 1,615 tonnes of green hydrogen per day).

We are aiming for 55 MW total installed capacity by 2024 and consolidated revenues of around €200 million with Group EBITDA at breakeven in 2026 based on 200 MW total installed capacity. We are targeting over 3 GW total installed capacity by 2030. Long-term, Lhyfe is targeting Group EBITDA margin of over 30%.

I created Lhyfe because one day I had an idea that could have a huge impact on the future of our planet. This is every day’s mission of all the 82 men and women who work for Lhyfe today. And I hope that soon it will also be the goal of all French and international shareholders who will invest in Lhyfe at its IPO on Euronext in Paris.”

Lhyfe, an independent French pure player in the production of green hydrogen to help decarbonize mobility and industry

Started as a project in 2017 by Matthieu Guesné, the former head of CEA Tech Pays de la Loire et Bretagne, Lhyfe pioneers the production of green hydrogen from only renewable energies.

Green hydrogen, which is produced from the electrolysis of water, is a major pillar of energy transition. It plays a key role in reducing CO₂ emissions and therefore in helping decarbonize industry and mobility by replacing grey fossil hydrogen and fossil fuels.

Green hydrogen is produced by Lhyfe in decentralized local plants that are directly connected to renewable energy farms where possible. It is sold directly to end users, among which mobility players (conurbations, mobility companies, logistics platforms, etc.), chemical industries (ammonia and methanol), steel and glass.

As a key player in the green hydrogen value chain, Lhyfe provides the link between renewable energies and the decarbonization of these sectors.

Green hydrogen: an industrial answer to the challenges of energy transition

With world demand forecasted to increase six-fold over 2020-2050¹ to reach 530 million tonnes by 2050, hydrogen is a major pillar in the decarbonization of many activities. But today 98%² of all hydrogen is made from fossil energy sources (oil, natural gas and coal) using a process that creates huge CO₂ emissions.

Making hydrogen from fossil energies simply shifts the problem around. Green hydrogen made entirely from renewable energies is the only totally carbon-free solution able to replace fossil hydrogen (or grey hydrogen) in the industry and become the clean fuel of the mobility sector.

Green hydrogen therefore lies at the heart of national decarbonization strategies. There are currently 522 green hydrogen projects² worldwide, half of which in Europe. The EU’s Horizon 2050 project will invest €180-470 billion out to 2050³, while France’s *Plan de relance* and its national strategy for decarbonized hydrogen will provide €7.2 billion in public support out to 2030 (plus an additional €1.9 billion announced in November 2021⁴).

The world’s first green hydrogen production facility directly connected to a wind farm

In September 2021, Lhyfe opened the world’s first industrial site with a direct link to a wind farm and seawater supplies for electrolysis. This has now started delivering its first few kilograms of green hydrogen.

Located in Bouin in the Vendée (France), the site can already produce 750 kW or around 300 kg of green hydrogen a day. This is set to rise to 2.5 MW by 2023 (around 1 tonne per day) to meet growing demand.

Bouin’s green hydrogen is supplied to public and private clients in the mobility sector, including a hydrogen station owned by SYDEV (*syndicat départemental d’énergie et d’équipement de la Vendée*) at La Roche-sur-Yon to fuel heavy vehicles (buses, household waste trucks, service trucks) and the hydrogen distribution stations on one of the Lidl distribution group’s logistics platforms to fuel its maintenance trucks.

¹ International Energy Agency, *Global Hydrogen Review*, October 2021

² Hydrogen Council, McKinsey Company, *Hydrogen for Net-Zero A critical cost-competitive energy vector*, November 2021

³ *Les Echos*, Brussels’ plan for hydrogen takeoff in Europe, July 8, 2020

⁴ *National strategy for the development of decarbonized hydrogen in France*, press pack, September 8, 2020

A pipeline of 93 onshore projects⁵ with over 4.8 GW total installed capacity

Lhyfe has grown fast and its technical and commercial skills have won it a significant place on the market in just a few years. The Company is present in 10 European countries and has 82 employees, over 25 of whom are dedicated to business development.

Thanks to its proven industrial ability to produce local, competitive green hydrogen, Lhyfe has already won many international calls for tender and is deploying many key green hydrogen projects:

- **GreenLab & GreenHyScale projects (Denmark):** Lhyfe's first international projects, GreenLab and GreenHyScale, aim to deploy gradually two green hydrogen production plants with 12 MW initial capacity by 2023 (around 4 t/day of green hydrogen) that will be raised to 124 MW by 2025 (around 38 t/day). The green hydrogen produced will be for industrial usage (methanol production) and mobility. GreenHyScale is one of the three most advanced projects in Europe⁶ and been awarded with EU Green Deal funding.
- **H2goesRail (Germany):** Lhyfe was selected by Deutsche Bahn, Germany's national rail operator, to build a green hydrogen production plant with c. 30 tonnes annual production capacity for the hydrogen fuel cell train constructed by Siemens Mobility and operated by Deutsche Bahn.
- **VhyGo (France):** VhyGo (*Vallée Hydrogène Grand Ouest*) aims at building the first supraregional green hydrogen distribution infrastructure in France. The target is to have five plants producing over five tonnes of green hydrogen a day that will be delivered to c. 20 hydrogen distribution stations supplying up to 500 hydrogen vehicles a day by 2024.
- **Storgrundet, Söderhamn (Sweden):** Lhyfe and Wpd Offshore AB, one of the world's biggest developers of onshore and offshore wind energy, intend to build a green hydrogen production plant at Storgrundet and to connect it to the offshore wind farm to be built by Wpd in Söderhamn. The plant targets 600 MW (around 240 t/day) total installed capacity, Lhyfe's biggest project to date and one of Europe's most ambitious. The proposed site is to be constructed in phases, starting from 2025.

On top of these flagship projects, Lhyfe embraces its development with a sound portfolio of 93 onshore projects⁷ across Europe, corresponding to a total installed production capacity of over 4.8 GW (over 1,615 tonnes of green hydrogen/day) by 2028. Out of these 93 projects, 20 are at an advanced stage of development (in «Tender ready», «Awarded» or «Construction» phases) and together represent 380.5 MW of total installed capacity.

Major development partnerships: Plug Power, Mitsui, etc.

In March 2022 Lhyfe signed an MoU with the objective to form a strategic alliance with Mitsui & Co Ltd., one of Japan's leading commercial and investment conglomerates, with an investment of about € 10 million by Mitsui in convertible bonds (that will be automatically converted into shares if the Company is listed). Beyond this investment, the strategic alliance aims notably to support Lhyfe in its international expansion into new strategic markets.

To foster its development, Lhyfe also initiated in October 2021 discussions with Plug Power Inc., a leading provider of turnkey hydrogen solutions for the global green hydrogen economy, for the joint development of green hydrogen production sites across Europe. The objective would target a total hydrogen production capacity of 300 MW to be in operation by 2025. This objective is not included in 2026 Company's target (200 MW installed capacity) since the collaboration agreement is being finalized.

Lhyfe, an integrated organization with a high visibility model

As a major player in the green hydrogen value chain, Lhyfe is at the heart of the global ecosystem, working with the main independent producers of renewable energy and equipment providers (electrolyzers, compressors, etc.) to build and operate its production plants.

With its first industrial site Lhyfe has proved that it has total command over the entire value chain thanks to an integrated model that covers all its operations and provides better control over the efficiency and costs of the industrial process:

- **Development:** origination, permits, design, project engineering;

⁵ Onshore production

⁶ European Commission, *Horizon 2020 European Green Deal Call Funded projects*, October 27, 2021

⁷ According to the figures in the Registration Document, pipeline projects are at various stages of development. The Group uses the term 'pipeline' for operating purposes and not as a standard accounting term with a unique and generally accepted definition. The number of actually completed projects could be significantly lower than the pipeline number suggested at the date of the Registration Document.



- **Construction:** finance, engineering and project management;
- **Operation:** green hydrogen production, storage and facility maintenance;
- **Sales:** sales and delivery contracts.

Lhyfe has put data and AI at the heart of its industrial process, through proprietary software and algorithms such as:

- **Qualifhy**, for designing virtual sites suitable for any situation: analysis of renewable energy farms (price/performance), green hydrogen production setups (based on intermittency, electrolyzer, etc.) and demand-based production forecasts;
- **H₂ Management Systems**, ensuring minimum energy consumption during the production process; and
- **Loghystics**, to optimize production based on customer consumption profiles, and to eventually create forecasting models based on AI algorithms.

As at Bouin's site, where production capacity will be increased to meet growing demand, the Company is developing modular sites that will make scaling up easy as demand grows. The green hydrogen production solution developed for Bouin can be scaled up for Lhyfe's future sites: initially by putting several electrolyzers together to form a cluster on a single site, then by gathering several clusters on the same site.

A top-notch business development team supporting growth

Lhyfe has a top-flight sales team with 30 international seasoned professionals combining sales and engineering backgrounds located across 10 countries.

The team's strength lies in its ability to match the offered energy produced from available renewable sources with demand for green hydrogen, based on catchment area and potential customers. This team of experts, supported by Lhyfe engineers, understands the entire value chain and all electrolyzer technologies (alkalines, proton exchange membrane - PEM, pressurized alkalines, etc.).

A high-visibility proprietary production model

Lhyfe's business model is based on the sale of green hydrogen produced in industrial sites that are wholly or majority owned by the Company.

Lhyfe relies on 3 to 15-year power purchase agreements (PPAs) with renewables producers located close to its own plants and, where possible, favours a direct connection to the renewable energy plants.

Alongside the power purchase agreements, 3 to 15-year green hydrogen sales agreements are signed with clients using pricing models that vary depending on whether the plants are dedicated to mobility or industrial use.

Lhyfe's revenues depend on multi-year contracts that offer the Company visibility on its revenues and long-term cash flow comparable to that of independent power producers (IPPs).

A ESG commitment confirmed by a well above average non-financial rating (71/100) and full alignment with EU taxonomy

Since its creation, Lhyfe has had ethics embedded in its DNA: ethics that relate to stakeholders, employees, environment and governance.

Lhyfe's business is fully aligned with the European taxonomy for sustainable activities (hydrogen production): *"Lhyfe's business falls entirely within the eligible sub-sector that European taxonomy identifies as contributing directly to the mitigation of climate change. The company's business also complies with listed selection criteria."* **EthiFinance – March 2022.**

The Company's commitment to ESG was confirmed in March 2022 when it obtained a non-financial rating of 71/100 (vs 46/100 average⁸) and an 'Advanced' maturity classification by EthiFinance, a non-financial rating agency: *"Lhyfe's non-financial rating reflects an Advanced level of performance and promising ESG maturity that is already significantly greater than that of other companies with comparable workforces that operate in similar sectors."* **EthiFinance – March 2022.**

Becoming an independent European leader in onshore green hydrogen production

To confirm its position as a major player in decarbonization of the heavy mobility and industrial sectors and to become an independent European green hydrogen leader, Lhyfe has developed a strategy of fast and

⁸ Sample of 2022 ratings based on 2021 data for companies in the Renewables sector selected for size in terms of employee numbers (<100)

massive rollout of onshore green hydrogen sites with plants capable of producing several hundred MW from 2025.

Relying on its current pipeline comprising 93 projects, which together represent over 4.8 GW total installed capacity (over 1,615 t/day green hydrogen production), Lhyfe has defined a **2024 target of 55 MW** total installed capacity entirely from onshore facilities.

Based on the assumptions disclosed in the Registration Document and on **200 MW total installed capacity**, Lhyfe's targets for the fiscal year ending December 31, 2026 are:

- **Consolidated revenues of around €200 million⁹; and**
- **Group EBITDA¹⁰ at breakeven.**

By 2030, the Company intends to be positioned as a key player in the green hydrogen production industry and more specifically to have over 3 GW total installed capacity.

Lhyfe targets a long-term Group EBITDA margin of more than 30%¹¹.

Lhyfe, a pioneer in offshore production: vital for the massification of green hydrogen production for industry with the launch of an operating pilot in 2022

Replacing fossil fuels in industry with green hydrogen will require massive production with huge quantities of renewable electricity. Offshore wind power, which is the most abundant, powerful, least intermittent, and therefore the most competitive source of renewable energy, offers the best solution to meet this strong demand and to allow for the massification of the production of green hydrogen for industrial use.

Since its creation, Lhyfe has been running a major research program for green hydrogen production at sea, as close as possible to the offshore sources of energy.

In September 2022, Lhyfe will commission the first pilot offshore green hydrogen facility to operate under real conditions. It will be the world's first floating electrolyzer (of 1 MW) and will be directly connected to a floating wind mill, making then of Lhyfe the only company in the world with offshore operating experience.

Moreover, Lhyfe is also collaborating to develop various offshore green hydrogen production concepts: modular topsides with 50-100 MW capacity in partnership with Les Chantiers de l'Atlantique; offshore hydrogen production plants on existing oil rigs with the Aquaterra and Borr Drilling groups; and floating wind farms incorporating green hydrogen production systems with Doris, an offshore wind farm designer.

By 2030-2035, offshore green hydrogen plants could represent for Lhyfe an additional 3GW of installed capacity.

Access to the Registration Document

Lhyfe's Registration Document approved by AMF on April 21, 2022 under number I. 22-009 can be downloaded from the Company's website (www.lhyfe.com) and from AMF (www.amf-france.org), or can be obtained free of charge on request from the Company's registered office at 30 rue Jean Jaurès, 44000 Nantes, France.

The Registration Document gives a detailed description of the Company, including its business, strategy, financial position, profits and losses and the relevant risk factors.

Risk factors

The Company draws your attention to Section 3 (Risk factors) in its AMF-approved Registration Document.

Full details of Lhyfe's planned IPO at Lhyfe-finance.com

⁹ 2021 revenue: €197k

¹⁰ EBITDA: earnings before interest, taxes, depreciation and amortization – EBITDA 2021: -€5,411k

¹¹ EBITDA margin: ratio of EBITDA to revenue



About Lhyfe

Created in Nantes in 2017, Lhyfe produces and supplies renewable green hydrogen for mobility and industry. Its production plants are designed to provide renewable green hydrogen in industrial quantities and to form part of a virtuous energy model benefitting the environment. Lhyfe is already present in 10 countries (France, Germany, Belgium, Netherlands, Denmark, Sweden, Finland, Norway, Spain and Portugal). It is a member of France Hydrogène and of Hydrogen Europe. Lhyfe inaugurated its first green hydrogen industrial production site in September 2021. It currently has 93 projects in its pipeline across 11 countries, with production beginning 2022-2028. A research program started in 2019 should also lead to the start of a test phase in real conditions for the world's first floating electrolyzer linked to a floating wind farm planned for fall 2022.

For more information go to [Lhyfe.com](https://lhyfe.com)

Contacts

Investor relations

ACTUS
Mathieu Omnes
+33 (0)1 53 67 36 92
lhyfe@actus.fr

Financial press relations

ACTUS
Manon Clairet
+33 (0)1 53 67 36 73
mclairet@actus.fr

Business press relations

Nouvelles Graines
Clémence Rebours
+33 (0)6 60 57 76 43
c.rebours@nouvelles-graines.com



Disclaimer

This announcement does not, and shall not, in any circumstances constitute a public offering nor an invitation to the public in connection with any offer.

The distribution of this document may be restricted by law in certain jurisdictions. Persons into whose possession this document comes are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended [the "**Prospectus Regulation**"]. The prospectus approved by the AMF is available on the AMF's website (www.amf-france.org) and Lhyfe's website (www.lhyfe.com).

European Economic Area

In France, an offer of securities to the public may only be made pursuant to a prospectus approved by the AMF. With respect to the member States of the European Economic Area other than France (each, a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any Relevant Member State. As a result, the securities may not and will not be offered in any Relevant Member State except in accordance with the exemptions set forth in Article 1(4) of the Prospectus Regulation, or under any other circumstances which do not require the publication by Lhyfe of a prospectus pursuant to the Prospectus Regulation and/or to applicable regulations of that Relevant Member State.

For the purposes of the provisions above, the expression "offer to the public" in relation to any securities in any Relevant Member State, means any communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities in that Relevant Member State.

These selling restrictions with respect to Relevant Member States apply in addition to any other selling restrictions which may be applicable in the Relevant Member States.

United States of America

This document is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). This document does not constitute or form a part of any offer or solicitation to purchase or subscribe for, or otherwise invest in, securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**").

The securities may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of securities in the United States.

United Kingdom

This document does not constitute an offer of securities to the public in the United Kingdom. In the United Kingdom, this document is only being distributed to, and is only directed at "qualified investors" (as defined in the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) and who (i) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Article 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). This document is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person other than a Relevant Person should not act or rely on this document or any of its content.

Any investment decision to buy securities must be made solely on the basis of publicly available information regarding Lhyfe. This announcement cannot be used as basis for any investment agreement or decision.

General

This document may not be distributed, directly or indirectly, in or into the United States of America, Australia, Canada or Japan.