

Lhyfe

IPO ON EURONEXT IN PARIS



Success of Lhyfe's IPO on Euronext® regulated market in Paris: share capital increase of €110.0m, potentially increasing to €124.0m in case of full exercise of the over-allotment option

- **Total share capital increase of €110.0m as part of the offering** (excluding over-allotment option) **and of €47.8m as part of the conversion of convertible bonds into shares** on the settlement-delivery date
- **Price per share: €8.75, i.e. market capitalization of around €411m**
- **Start of trading in the shares (in form of promises) on May 23, 2022 and settlement delivery on May 24, 2022**
- **End of stabilization period on June 17, 2022**

Nantes – May 20, 2022 – 6:00 p.m. – Lhyfe (the “Company”), an independent green hydrogen producer for low carbon industry and mobility, today announces the success of its initial public offering on the Euronext® regulated market in Paris (ISIN code: FR0014009YQ1 - Ticker: LHYFE).

The operation benefited from support of top-ranking French and international institutional investors, who demonstrated their confidence in Lhyfe's business model and growth prospects. The offering also received significant interest from individual investors for Lhyfe's project as a key player in the energy transition.

Matthieu Guesné, founder and CEO of Lhyfe:

“We founded Lhyfe with the aim of having a strong positive impact on the future of our planet. I am absolutely delighted and proud that we have managed to share our ambition with our new investors, and we thank them for their contribution to the success of our IPO on Euronext® Paris. I would like to express my heart-felt thanks to all the investors, individual and institutional, French and international, for making this transaction such a major success, as well as our partners for their contribution to it. I am also delighted to welcome EDP Renováveis and Mitsui & Co Ltd. as shareholders in Lhyfe as part of this operation, we are looking forward to stepping up our collaboration with these partners.”

Thanks to this milestone in Lhyfe's history, we now have stronger financial resources and new partners to provide a new impulse to our development and roll out deployment of several green production sites throughout Europe to contribute to CO₂ emissions reduction in industry and mobility and to strengthen Europe's energy independence, notably in accordance with RepowerEU plan.

With the first green hydrogen production unit in France, which is already operational and backed by one of the most advanced project portfolios in Europe (93 projects representing more than 4.8 GW in total installed capacity, i.e. green hydrogen production of more than 1,620 tons/day), and demand for green hydrogen expected to increase significantly over the coming years, our ambition is to make Lhyfe one of the leading green hydrogen producers in Europe.”



FOR INDUSTRY AND MOBILITY





Results of the offering

The Board of Directors of Lhyfe, meeting today, set the definitive price of the share at €8.75.

As a result, 11,011,036 new ordinary shares were issued as part of the global placement (the “**Global Placement**”), excluding the exercise of the over-allotment option, i.e. 88% of the offering and 1,560,393 new ordinary shares were issued as part of the open price offer (the “**Open Price Offer**” or the “**OPO**”), i.e. 12% of the offering. A1 orders (from 10 to 250 shares inclusive) and A2 orders (more than 250 shares) will be fully served.

To cover potential overallocations, the Company has granted to Portzamparc (BNP Paribas Group) (the “**Stabilizing agent**”) acting on behalf of the joint global coordinators and joint bookrunners, an option enabling the issuance of a maximum of 1,600,000 newly optional shares for a maximum gross amount of €14.0m, which could bring the free float to 23.3% on an undiluted basis, to facilitate stabilization transactions (the “**Over-allotment option**”).

This Over-allotment option can be exercised, in full or in part, at the offering price, once and at any time by the Stabilizing agent in the name of and on behalf of the joint global coordinators and joint bookrunners, during a period of 30 calendar days from the date of the fixing of the offer price, i.e. up to June 17, 2022 (inclusive).

Settlement-delivery of the shares will take place on May 24, 2022. The shares shall be admitted for trading on Euronext® regulated market in Paris from May 23, 2022 under the listing line “Lhyfe Promesses”. Trading the Company’s shares will start from May 25, 2022 under the listing line “Lhyfe”.

Ambition: becoming an independent European leader in onshore green hydrogen production

Based on the 93 projects currently in its commercial pipeline, Lhyfe has set a target of reaching a total installed capacity of **55 MW by 2024** solely from onshore units.

Based on the assumptions disclosed in its Registration Document approved by the Autorité des marchés financiers (the “**AMF**”) on April 21, 2022 under number I.22-009, **total installed capacity should reach 200 MW** by 2026, i.e. for the fiscal year ending December 31, 2026:

- **around €200 million in consolidated revenue¹; and**
- **Group EBITDA² 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 in total installed capacity.

Long term, Lhyfe targets a Group EBITDA margin of more than 30%³.

An IPO on Euronext in Paris to support its growth strategy

Lhyfe’s IPO mainly intends to support its development and growth strategy.

The net proceeds of the offering, will be used as follows:

- i. **up to approximately 50%**, to the equity contribution in the project companies carrying the group’s production units, (i.e. approximately 20% of the financing needs linked to investments in these same project companies) necessary to achieve the group’s 2026 objectives detailed above, given that the balance of total financing needs will be financed both by debt and by obtaining grants;
- ii. **approximately 35%** to strengthen its business development and engineering teams in regions targeted by the group;
- iii. **approximately 8%** to finance the group’s research and development programs, in particular those related to the development of technological solutions for green hydrogen production at sea and optimization of production costs and;
- iv. **the balance**, of approximately 7%, for general corporate purposes.

Finally, the Company’s status as a listed company should also give it a greater visibility on markets, strengthening its position in industrial and commercial negotiations.

Subscription of €25m from EDPR, of €10m from CDC Croissance and of €4m from Amundsen Investment Management to the share capital increase

EDP Renováveis S.A. (EDPR), 75% subsidiary of EDP Group, the Portuguese national electricity producer, transporter and distributor, also listed on Euronext Lisbon (ISIN: PTEDPOAM0009), subscribed, through its 100% owned subsidiary EDP Renewables Europe, S.L.U., €25m to the share capital increase as part of a partnership

¹ 2021 revenue: €197K

² EBITDA: earnings before interest, taxes, depreciation and amortization – EBITDA 2021: -€5,411K

³ EBITDA margin: ratio of “EBITDA to revenue”

agreement with Lhyfe to jointly originate, develop, engineer and manage green hydrogen projects. In addition to supplying renewable electricity for Lhyfe's green hydrogen projects, EDPR will also consider Lhyfe's participation in its own projects located in countries where the group is currently present. The two companies will also work together to identify new projects in which they could invest together, as well as in the fields of research & development and equipment supply. EDPR committed to hold its subscribed Lhyfe shares for at least 360 days from the settlement-delivery of the offering, subject to certain usual exceptions and in the event of termination of the collaboration agreement.

Furthermore, Lhyfe had received subscription commitments from institutional investors, i.e. CDC Croissance and Amundsen Investment Management, which respectively subscribed €10m and €4m to the share capital increase.

Liquidity contract

A liquidity contract is to be set up after the stabilization period. Its implementation will be the subject of a market information notice at the appropriate time, in accordance with the applicable legal and regulatory requirements.

Main terms of the IPO

Share characteristics

Product name: LHYFE – ISIN Code: FR0014009YQ1 – Ticker: LHYFE

Market: Euronext® Paris – Compartment B

ICB Classification: 60102010 - Alternative Fuels– LEI: 969500RTYSRSTZAJCG72

Eligibility for the PEA and PEA PME-ETI saving schemes- “Innovative company” qualification by Bpifrance



Offer price

The price of the Open Price Offer and Global Placement is set at €8.75 per share.

Number of shares

12,571,429 new ordinary shares will be issued representing total gross proceeds of the issue of 110.0 M€.

Automatic conversion of convertible bonds into shares

Six convertible bond issues will be automatically converted on the day of the settlement-delivery of the offering for a total nominal amount of €47.8m, and will lead to the issuance of 15,039,401 new ordinary shares.

Over-allotment option

The Company has granted an Over-allotment option to the Stabilizing Agent, exercisable until June 17, 2022, covering a maximum of 1,600,000 additional new shares for a gross maximum amount of €14.0m.

Lock-up commitments

Lock-up commitment from the company: 180 calendar days following the settlement-delivery date of the offering, subject to certain usual exceptions.

Lock-up commitments from Fresh Future⁴, Mrs. Nolwenn Belléguic, M. Thomas Creach, M. Antoine Hamon and Mrs. Taia Kronborg: 720 calendar days following the settlement-delivery date of the offer, subject to certain usual exceptions.

Lock-up commitments from other founders, other shareholders and holders of convertible bonds automatically converted at IPO: 360 calendar days following the settlement-delivery date of the offer, subject to certain usual exceptions.

⁴ Company 100% owned by Mr Matthieu Guesné

Indicative timetable

May 20, 2022	Start of the stabilization period
May 23, 2022	Start of trading in the Company's shares on Euronext Paris (under "Lhyfe Promesses" line until the settlement-delivery date of the OPO and Global Placement, inclusive).
May 24, 2022	Settlement-delivery of the OPO and Global Placement.
May 25, 2022	Listing and admission to trading on Euronext Paris under "Lhyfe" line.
June 17, 2022	Last day for the Over-allotment option exercise End of the potential stabilization period

Breakdown of share capital and voting rights after the offering (non-diluted basis)

	Post-IPO (after automatic conversion of convertible bonds)			Post-IPO (after automatic conversion of convertible bonds and full exercise of Over-allotment option)		
	Number of shares	% of shares	% of voting rights	Number of shares	% of shares	% of voting rights
Fresh Future ¹²	8,950,000	19.06%	27.00%	8,950,000	18.44%	26.37%
Employees ²	1,050,000	2.24%	3.17%	1,050,000	2.16%	3.09%
Noria ^{2,3}	7,540,611	16.06%	16.66%	7,540,611	15.53%	16.27%
Vendée Hydrogène ²	4,668,400	9.94%	10.56%	4,668,400	9.62%	10.32%
Les Saules ²	3,770,305	8.03%	8.33%	3,770,305	7.77%	8.13%
EDPR	2,857,142	6.09%	4.31%	2,857,142	5.89%	4.21%
Ouest Croissance ²	2,535,880	5.40%	5.59%	2,535,880	5.22%	5.45%
Andera Smart Infra 1 SLP	1,904,816	4.06%	2.87%	1,904,816	3.92%	2.81%
Océan Participations ²	1,267,840	2.70%	2.79%	1,267,840	2.61%	2.73%
Mitsui & Co Ltd.	1,269,842	2.70%	1.92%	1,269,842	2.62%	1.87%
Swen Impact Fund for Transition	840,332	1.79%	1.27%	840,332	1.73%	1.24%
CDC (Banque des Territoires)	537,811	1.15%	0.81%	537,811	1.11%	0.79%
Société Financière Lorient Développement	40,464	0.09%	0.06%	40,464	0.08%	0.06%
Free float	9,714,287	20.69%	14.66%	11,314,287	23.31%	16.67%
TOTAL	46,947,730	100.00%	100.00%	48,547,730	100.00%	100.00%

¹Company Owned at 100% by Mr Matthieu Guesné.

²Beneficiaries of double voting rights on the day of settlement-delivery of the offering for all or part of their shareholdings.

³Of which 537,311 shares held by Noria Invest SRL and 7,002,800 shares held by Noria SAS, its 100% owned subsidiary.

Breakdown of the share capital and voting rights after the transaction (diluted basis⁴)

	Post-IPO (after automatic conversion of convertible bonds)			Post-IPO (after automatic conversion of convertible bonds and full exercise of Over-allotment option)		
	Number of shares	% of shares	% of voting rights	Number of shares	% of shares	% of voting rights
Fresh Future ^{1,2}	9,120,000	18.13%	25.95%	9,120,000	17.57%	25.37%
Employees ²	2,410,000	4.79%	4.97%	2,410,000	4.64%	4.86%
Noria ^{2,3}	7,540,611	14.99%	15.86%	7,540,611	14.53%	15.50%
Vendée Hydrogène ²	4,668,400	9.28%	10.06%	4,668,400	9.00%	9.83%
Les Saules ²	4,039,212	8.03%	8.32%	4,039,212	7.78%	8.13%
EDPR	2,857,142	5.68%	4.10%	2,857,142	5.51%	4.01%
Ouest Croissance ²	2,535,880	5.04%	5.32%	2,535,880	4.89%	5.20%
Andera Smart Infra 1 SLP	1,904,816	3.79%	2.74%	1,904,816	3.67%	2.67%
Océan Participations ²	1,267,840	2.52%	2.66%	1,267,840	2.44%	2.60%
Mitsui & Co Ltd.	1,269,842	2.52%	1.82%	1,269,842	2.45%	1.78%
Swen Impact Fund for Transition	1,680,668	3.34%	2.41%	1,680,668	3.24%	2.36%
CDC [Banque des Territoires]	1,075,626	2.14%	1.54%	1,075,626	2.07%	1.51%
Société Financière Lorient Développement	40,464	0.08%	0.06%	40,464	0.08%	0.06%
Free float	9,884,287	19.65%	14.20%	11,484,287	22.13%	16.12%
TOTAL	50,294,788	100.00%	100.00%	51,894,788	100.00%	100.00%

¹Company Owned at 100% by Mr Matthieu Guesné.

²Beneficiaries of double voting rights on the day of settlement-delivery of the offering for all or part of their shareholdings.

³Of which 537,811 shares held by Noria Invest SRL and 7,002,800 shares held by Noria SAS, its 100% owned subsidiary.

⁴Considering the 1,700,000 shares that may result from the exercise of outstanding BSPCEs and BSAs at the date of this press release and the 1,378,151 and 268,907 shares that may result respectively from the full conversion of OCA LB2 and OCA LB2 Bis, on the basis of a market value of the Company's shares equal to the offer price

Availability of the Prospectus

The Prospectus approved by the AMF on May 6, 2022 under number 22-133, consisting of (i) a registration document approved on April 21, 2022 under number I.22-009 (the "**Registration Document**"), (ii) a supplement to the Registration Document approved on May 6, 2022 under number I.22-020 (iii) a securities note (included in the Registration Document) (the "**Securities Note**") and (iv) a summary of the prospectus (included in the Securities Note) (the "**Prospectus**"), contains a section that describes certain risk factors associated with the Company and the offering. The Prospectus 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.

Investors are advised to pay careful attention to the risk factors described in Chapter 3 "Risk Factors" of the Registration Document and Chapter 2 "Risk Factors" of the Securities Note.

Erratum

In section 8.1.1 of the Registration Document, page 130, the restated net cash flow (*trésorerie nette excédentaire*) at December 31, 2020 is not (5,650) K€, but 5,650 K€.

In the table in section 3.2 of the Securities Note, page 18, the amount of non-current debt (excluding the current portion of non-current debt) secured is zero (and not €1.6 million) and the amount of non-current debt (excluding the current portion of non-current debt) guaranteed is €1.6 million (and not zero).



GREEN HYDROGEN PRODUCER FOR INDUSTRY AND MOBILITY

Intermediaries and Advisors



BRYAN, GARNIER & CO
The European Growth Investment Bank

Joint Global Coordinator
and Joint Bookrunner



Joint Global Coordinator and Joint
Bookrunner



PORTZAMPARC
BNP PARIBAS GROUP

Joint Global Coordinator and Joint
Bookrunner



Issuer's advisor



Issuer's legal counsel



Joint Global Coordinators
and Joint Bookrunners' legal counsel



Statutory auditors



Financial communication

**Full details of Lhyfe's IPO are available at
www.lhyfe-finance.com**

About Lhyfe

Created in Nantes in 2017, Lhyfe produces and supplies renewable green hydrogen for mobility and industry. Its production plant and its commercial pipeline will allow access to renewable green hydrogen in industrial quantities and form part of a virtuous energy model benefitting the environment. It is a member of France Hydrogène and Hydrogen Europe. Lhyfe inaugurated its first green hydrogen industrial production site in September 2021. It currently has 93 projects in its pipeline across Europe, of which 20 in advanced development by 2026, to contribute in mobility and industry decarbonization. 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

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



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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.

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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.

The Joint Global Coordinators and Joint Bookrunners are acting exclusively for the Company and no one else in connection with the initial public offering and will not regard any other person as their respective clients and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients in connection with any offer of shares of the Company or otherwise, nor for providing any advice in relation to the offer of shares, the content of this press release or any transaction, arrangement or other matter referred to herein. None of the Joint Global Coordinators and Joint Bookrunners or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this press release (or whether any information has been omitted from this press release) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In case of exercise of the over-allotment option, Portzamparc (BNP Paribas Group) (or any entity acting on its behalf), acting as a stabilizing agent in the name and on behalf of the Joint Global Coordinators and Joint Bookrunners may, without being bound and having the right to terminate at any time, during a period of 30 days following the date on which the price for the offering is determined, i.e., according to the indicative timetable, from May 20, 2022 up to and including June 17, 2022, carry out transactions with a view to maintaining the market price of Lhyfe shares in a manner consistent with applicable laws and regulations and, in particular, Regulation (EU) No. 596/2014 of the European Parliament and of Council of April 16, 2014 supplemented by Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016. Any stabilizing action aims to support the market price of Lhyfe shares and may affect the share price.

MiFID II product governance

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the securities offered in the offering (the "Offered Shares") have been subject to a product approval process, which has determined that the Offered Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offered Shares may decline and investors could lose all or part of their investment; the Offered Shares offer no guaranteed income and no capital protection; and an investment in the Offered Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or



other adviser] are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offered Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offered Shares and determining appropriate distribution channels.

Prospective statements

Some information contained in this press release are prospective statements, and not historical data. These prospective statements are based on current opinions, forecasts and assumptions, including, but not limited to, assumptions regarding the group's current and future strategy and the environment in which the group operates. They involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to differ significantly from those described or implied by such forward-looking statements. These risks and uncertainties include those listed and detailed in Chapter 3 "Risk Factors" of the Registration Document.

These prospective statements are made only as of the date of this press release and the Group expressly disclaims any obligation or undertaking to release any updates or corrections to the prospective statements included in this press release to reflect any change in expectations or events, conditions or circumstances on which the prospective statements are based. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Group. Actual results could differ materially from those described in, or suggested or projected by, the prospective information and statements.