



Highlights & business update of the 2nd half of 2022

- Progress on green and renewable hydrogen production projects
- Industrial and technological agreements to secure access to strategic equipment
- Structuring of the company with a workforce of 150 employees by the end of 2022
- Continuation of offshore developments

Commercial pipeline at the end of 2022: 9.8 GW of total installed production capacity

- Targeted total installed capacity of **55 MW in 2024** and **200 MW in 2026**
- Targeted consolidated revenues of €200m and Group EBITDA¹ at breakeven in 2026

Nantes (France) - January 25, 2023 - 8:00 pm - Lhyfe (Euronext Paris - FR0014009YQ1 - LHYFE), one of the world's pioneers in the production of green and renewable hydrogen to decarbonize industry and mobility, presents the highlights of the 2nd half of the year 2022 and gives an update on its development and on the advancement of the company's projects at the end of the year.

Progress of projects

Lhyfe Pays de la Loire (Bouin, France)

The Bouin production unit, the first industrial site in the world directly connected to a wind farm, celebrated the delivery of its 100th container of hydrogen at the end of 2022.

The increase in production capacity was initiated in 2022 (authorization and equipment orders). The current production capacity of 750 kW will be increased to 2.5 MW (approx. 1 t./day) in early 2024 to meet increased customer demand in the region. Its storage capacity, currently around 700 kg, will also be increased to almost 5 tonnes.

Lhyfe Bretagne (Morbihan, France)

In the second half of 2022, Lhyfe obtained the building permit for a unit with a total capacity of 5 MW (i.e. approximately 2 t/day of green hydrogen) located in Morbihan in Bretagne. This unit, supported by the ADEME (French Environment and Energy Management Agency) to the tune of €2.8 million and expected to be operational in the second half of 2023, will be the company's second hydrogen production site.

As a reminder, the consortium made up of the companies HyGO, GNVert and Lhyfe has been appointed by the Lorient agglomeration as the successful bidder for a Global Performance Contract for the design, construction, operation and maintenance of two renewable hydrogen refueling stations. Lhyfe will supply the renewable hydrogen for a period of 10 years.

¹ Group EBITDA: current consolidated operating profit before depreciation, amortisation and provisions



Lhyfe Occitanie (Bessières, France)

In Occitanie (France), Lhyfe has also obtained the permit for the construction of the 5 MW production unit in Bessières (Haute-Garonne), which is scheduled to be commissioned at the end of 2023.

This project is the winner of the Corridor H2 tender for projects, supported by the Occitanie region, whose objective is to decarbonize the transport of goods and passengers on a North/South axis running from the Mediterranean to the North Sea, through the development of green hydrogen uses.

Lhyfe Bade-Württemberg (Schwäbisch Gmünd, Germany)

In Schwäbisch Gmünd, Germany, Lhyfe has submitted the permit for the construction of a plant with a production capacity of 10 MW (about 3 t/day). The plant is expected to be commissioned in the first half of 2024. It will be accompanied by a hydrogen distribution station accessible to the general public, built and operated by a Lhyfe partner, and a pipeline to supply the future "H2-Aspen" technology park with green hydrogen.

This project is part of the HyFIVE (Hydrogen For Innovative Vehicles) project which has received €33 million in funding from the European Regional Development Fund (ERDF).

Lhyfe Groningen (Delfzijl, The Netherlands)

In the Netherlands, Lhyfe aims to build a large-scale renewable green hydrogen production plant in the Delfzijl chemical cluster in the northern province of Groningen. This plant could reach a production capacity of 200 MW (about 55 t/day).

Lhyfe has already secured the land and the electrical connection of the plant. The realization of the project is subject to obtaining the required operating licenses and building permits, as well as the financial investment decision. It is expected to be commissioned in 2026 at the earliest.

Signing of industrial and technological agreements for the supply of key equipment's

Through these agreements, Lhyfe has secured its access to strategic equipment (electrolysers, compressors, distribution systems) for the construction of its production units, the production of green and renewable hydrogen and its logistical distribution throughout Europe.

Agreement with Hexagon Purus for the delivery of hydrogen distribution systems

Lhyfe and Hexagon Purus, a leading supplier of hydrogen systems, have entered into an agreement for the supply of hydrogen distribution systems with Hexagon Purus Type 4 composite high-pressure cylinders. Lhyfe will be able to deliver up to 19 tonnes of green hydrogen per trip, equivalent to the consumption of 650 buses.

Agreement with Hiperbaric for the supply of high-pressure compressors

Lhyfe and Hiperbaric, a Spanish group and world leader in high pressure technologies, have signed an agreement to supply high pressure compressors for the storage and transportation of green and renewable hydrogen.

The Hiperbaric hydrogen compression technology approaches an isothermal compression process, resulting in high reliability and low energy consumption. The Hiperbaric range of compressors is capable of compressing hydrogen from an input pressure of 20 bar up to 200-950 bar for storage tank filling.

Order of Plug electrolysers for a total capacity of 50 MW

Lhyfe has signed a purchase agreement for ten Plug electrolyser systems of 5 MW each with the American Plug Group, a major player in green hydrogen. These electrolysers, with a total capacity of 50 MW (up to 20 tonnes per day), are intended to enable Lhyfe to produce green hydrogen for mobility in several onshore plants across Europe, with delivery of the equipment from 2023.

The order follows on from a partnership with Plug to jointly develop green hydrogen production plants across Europe. The aim of the collaboration is to co-develop by 2025 a total hydrogen production capacity of 300 MW (up to 120 tonnes of green hydrogen per day) across Europe, which will mainly serve on- and off-road mobility applications.

Structuring & development of the company

Success of the 2022 recruitment plan

Lhyfe is pleased to announce the remarkable success of its 2022 recruitment campaign, a year marked by the arrival of more than a hundred new employees to support the increase in the number of projects and the internationalization of the company, with now 6 subsidiaries across Europe and a presence in 11 countries.

At the end of 2022, Lhyfe's workforce will be 150 employees (vs. 57 at the end of 2021), of which 40% will be dedicated to engineering, in order to pursue the development of solutions and the deployment of production sites, and 40% to business development in all the geographical regions targeted by the company. By the end of 2022, 20% of Lhyfe's workforce was internationally based.

In order to support its development, Lhyfe has continued to structure itself on a human level with the creation of key positions.

Philippe Desorme joined Lhyfe in 2022 as Vice President Sales & Business Development, to enhance Lhyfe's business development capabilities alongside Taia Kronborg, Chief Business Officer. Prior to joining Lhyfe, Philippe Desorme spent most of his career since 1998 in the industrial gases sector at Linde Group where he held several positions as Head of Market Segment & Application for the Southern Europe region and Sales Director in Africa and France.

In order to strengthen its health, safety and environment policy, Lhyfe has also recruited Clément Falk as HSE (Health, Safety and Environment) Director. An expert in process safety engineering and chemical technologies, Clément Falk has over 16 years of international experience in the chemical, oil and gas (onshore & offshore) and new energies (offshore wind farms) industries.

For international development, Colin Brown and Frans-Pieter Lindeboom have been appointed Country Manager UK & Ireland and Country Manager Spain respectively, following the incorporation of these two new subsidiaries in 2022. Colin Brown has held various Development positions in groups in the sector renewable energies (Aker, Vattenfall, SSE Renewables, etc.). Frans-Pieter Lindeboom has 20 years of experience in the energy sector, including nearly 15 years in the Spanish group Repsol, in charge of supply chain management for the group's offshore platforms.

Finally, Nathalie Guillot joined Lhyfe in early 2023 as Human Resources Director. Prior to joining Lhyfe, Nathalie Guillot was Deputy Human Resources Director, in charge of France, for the Antargaz group.

Continued progress in offshore green hydrogen production

Inauguration of the world's first offshore green hydrogen production pilot site

In September 2022, Lhyfe inaugurated its offshore green hydrogen production demonstrator, the world's first offshore hydrogen production pilot plant, on the SEM-REV, Europe's first multi-technology offshore test site off the coast of Le Croisic. The Sealhyfe platform has a capacity of 1 MW, which means it can produce about 400 kg of green hydrogen per day.

At the end of the 6-month test phase for all the equipment (desalination systems, cooling, stack behavior, remote control, energy management, resistance to environmental conditions, etc.) the Sealhyfe platform, docked in the port of Saint-Nazaire, will leave for a 12-month period off the Atlantic coast, less than 1 km from the floating wind turbine.

Collaboration with Nantes Saint-Nazaire Port to develop offshore green hydrogen

Lhyfe and Nantes Saint-Nazaire Port, France's fourth largest seaport, have signed a partnership agreement to develop the renewable hydrogen sector at sea and thus accelerate the energy transition in the Loire estuary.

This collaboration should make it possible to identify port spaces and facilities likely to host prototypes and to test innovative solutions. The partnership also covers the identification of industrial needs related to the construction of equipment for the mass production of hydrogen at sea and the port infrastructures necessary for the production, launching and integration of this future equipment. Finally, the two parties are combining their thinking on the issue of repatriating the hydrogen produced massively at sea to land in order to define the industrial and logistical requirements for receiving and injecting the gas into the land network.

Offshore project of 10 MW in Belgium

The HOPE (Hydrogen Offshore Production for Europe) project, led by a consortium coordinated by Lhyfe, has received a positive evaluation under the 2022-TC01-10 call for projects of the Clean Hydrogen Partnership, co-funded by the European Union. As a result, the project partners started the preparation phase of the subsidy agreement, which will end no later than May 2023.

The project consists of designing, building and operating by 2025 the first 10 MW renewable hydrogen production unit in the North Sea off the coast of Belgium. The purpose is to prove the technical and financial viability of producing renewable hydrogen offshore and transporting it by pipeline to serve onshore customers. The project will produce a wide range of exploitable results, as well as pre-feasibility studies and techno-economic assessments of large-scale offshore concepts.

Commercial pipeline at the end of 2022: 9.8 GW of production capacity

Supported by the RepowerEU European Energy Independence Plan, Lhyfe’s commercial portfolio continued to strengthen in the 2nd half of 2022.

At the end of 2022, Lhyfe’s commercial pipeline² represented a total installed production capacity of 9.8 GW (unchanged from mid-September 2022).

Within this commercial portfolio, projects at an advanced stage of development³ represented a total installed generation capacity of 759 MW at the end of the year (vs. 629 MW mid-September 2022).

With this strong commercial pipeline, Lhyfe confirms the objectives set at the time of its IPO to make the company one of the leaders in green hydrogen production in Europe⁴.

Lhyfe aims to have a total installed capacity of 55 MW by 2024.

By 2026, Lhyfe aims to have a total installed capacity of 200 MW, as well as:

- around €200m in consolidated revenue;
- Group EBITDA⁵ at breakeven.

By 2030, the company plans to become a green hydrogen production reference player and more specifically to have over 3 GW in total installed capacity.

Long term, Lhyfe is targeting a Group EBITDA margin above 30%⁶.

Financial calendar

Date	Release
Wednesday 22 March 2023	FY 2022 results (audited)
Tuesday 23 May 2023	General Meeting
Wednesday 20 September 2023	H1 2023 results (audited)

² The commercial pipeline does not include offshore projects

³ Projects in “Tender ready”, “Awarded, or “Construction” phases. The definitions of these phases are detailed in Section 10.1 of the Registration Document approved by the AMF on 21 April 2022 and available on Lhyfe’s website

⁴ Based on the assumptions detailed in Section 10.1 of the Registration Document approved by the AMF on 21 April 2022 and available on Lhyfe’s website

⁵ Group EBITDA: current consolidated operating profit before depreciation, amortisation and provisions

⁶ Group EBITDA margin: ratio of “EBITDA to revenue”

About Lhyfe

Lhyfe is a European group dedicated to the energy transition, and a producer and supplier of green and renewable hydrogen. Its production sites and portfolio of projects aim to provide access to green and renewable hydrogen in industrial quantities, and to enter into a virtuous energy model allowing the decarbonization of entire sectors of industry and mobility.

In 2021, Lhyfe inaugurated the world's first industrial green hydrogen production site in direct connection with a wind farm. In 2022, Lhyfe inaugurated the world's first pilot platform for green hydrogen production at sea.

Lhyfe is present in 11 European countries and has 150 employees at the end of 2022. The company is listed on the Euronext market in Paris (ISIN: FR0014009YQ1 - mnemonic: LHYFE).

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

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