

McPhy: strong revenue growth of +43% to €11.4 million in 2019

- Growth driven by excellent sales momentum over the year, with orders booked in France and Europe
- Capital increase of almost €7 million in November 2019 enabling the Company to roll-out its international activities and pursue its development strategy
- Confirmation of medium-term growth prospects with McPhy's industrial scaling up

La Motte-Fanjas (France), January 28, 2020 – 5:45 pm CET – McPhy (Euronext Paris Compartment C: MCPHY, FR0011742329), a specialist in hydrogen production and distribution equipment, today announces its annual revenue for the year to December 31, 2019.

(€ millions)	2019	2018	Δ
First half	4.3	3.5	23%
Second half	7.1	4.5	58%
Total revenue	11.4	8.0	+43%

Laurent Carme, Chief Executive Officer of McPhy, states: “We ended 2019 on a very positive trend thanks to excellent sales activity throughout the year, initiated in the first half and confirmed during the second half which generated revenue growth of 58% compared with the same period in 2018. The taking and completion of orders in 2019 illustrate the relevance of our positioning on the industry, mobility and energy markets, as well as the technological maturity of our hydrogen production and distribution equipment.

The capital increase we carried out in November 2019 has given us the means to seize new opportunities within the context of an acceleration in the hydrogen market, and we would like to thank again all our investors for their trust.

The recognition of our know-how and our technology by major industrial groups and the zero-carbon hydrogen market's positive outlook strengthen our confidence in our medium-term growth prospects. The signing, in January 2020, of an engineering contract to equip Europe's largest zero-carbon hydrogen site (20 MW) substantiates this first step in McPhy's industrial scaling up.”

McPhy records strong growth in 2019

As announced, McPhy recorded a +43% increase in revenue in 2019 to €11.4 million, versus €8 million in 2018. This growth was driven by the taking and completion of a number of orders for electrolyzers and hydrogen production and distribution stations in France and abroad.

In 2019, McPhy continued its ramp-up and the consolidation of its technological lead on its key markets.

The Company also strengthened its shareholders' equity and, at December 31, 2019, had a cash position of €13 million, notably as a result of the success of the capital increase by private placement of almost €7 million carried out last November. This operation enables the Company to accelerate its development strategy and the roll-out of its international activities.

McPhy's Extraordinary General Meeting of January 16, 2020 approved the resolution pertaining to the issuance of 14,773,307 stock warrants ("BSA"), thus enabling all shareholders (apart from Fonds Ecotechnologies and EDF Pulse Croissance Holding, who have agreed not to exercise any stock warrants allocated to them) to participate in the operation and benefit from the same subscription conditions. The stock warrants can be exercised from January 17, 2020 until May 18, 2020, i.e. two days before the Company's Annual General Meeting called to approve its annual accounts for the year to December 31, 2019. The exercise of the stock warrants could strengthen the Company's shareholders' equity by a maximum of €2.8 million.

Bolstered by its commercial successes, a strengthened financial structure and its positioning as a major technological and industrial partner on a high-potential market, McPhy is reaffirming its confidence in its medium-term growth prospects.

Confirmation of the transition to hydrogen production on an industrial scale

According to the Hydrogen Council's "Path to Hydrogen Competitiveness: A Cost Perspective" report, the scaling up of the zero-carbon hydrogen production and distribution markets and the industrialization of equipment manufacturing should lead to a reduction of up to 50% in costs by 2030¹.

Perfectly in line with the global acceleration of the sector, this cost-reduction trajectory will help strengthen the attractiveness and competitiveness of zero-carbon hydrogen.

Within this buoyant and high-potential context, McPhy has further strengthened its leadership position after it was chosen by two globally-renowned industrial groups² to equip the first zero-carbon hydrogen production plant on a large scale in Europe.

Designed, manufactured and integrated by McPhy, the 20 MW zero-carbon hydrogen production platform uses the Company's innovative "Augmented McLyzer" electrolysis technology. Each year, 3,000 tons of clean hydrogen will thus be generated by electrolysis from green electricity and utilized to produce bio methanol used in industrial processes, thus helping reduce CO₂ emissions by up to 27,000 tons a year, the equivalent of the annual emissions of 4,000 French households.

This major project marks a change in McPhy's size, confirming its transition to an industrial scale with the aim of cutting zero-carbon hydrogen production costs and thus promoting the emergence of efficient and competitive hydrogen ecosystems with the highest quality and safety levels.

¹ <https://hydrogencouncil.com/en/path-to-hydrogen-competitiveness-a-cost-perspective/>

² Nouryon, global leader in specialty chemicals, and Gasunie, gas infrastructure company



Upcoming financial communication: 2019 annual results, on March 10, 2020 (after market)

About McPhy

In the framework of the energy transition, and as a leading supplier of hydrogen production and distribution equipment, McPhy contributes to the roll-out of zero-carbon hydrogen throughout the world.

Thanks to its wide range of products and services dedicated to the industrial, mobility and energy markets, McPhy provides turnkey solutions to its clients adapted to their applications in industrial raw material supply, fuel cell electric car refueling or renewable energy surplus storage and valorization.

As a designer, manufacturer and integrator of hydrogen equipment since 2008, McPhy has three development, engineering and production units based in Europe (France, Italy, Germany).

The company's international subsidiaries ensure a global sales coverage of McPhy's innovative hydrogen solutions.

McPhy is listed on NYSE Euronext Paris (Segment C, ISIN code: FR0011742329; ticker: MCPHY).

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