



McPhy signs a strategic partnership with Hype to structure the hydrogen mobility sector

- A strategic agreement with several dimensions:
 - The commercial part consists in the securing of firm short-term orders in 2022 and in a privileged access to a potential market of about 50 high-capacity hydrogen stations and 15 to 25 megawatts of electrolysis by 2025;
 - The technological part of the agreement will focus on the mutualization of expertise, with a view to standardizing equipment, improving technical performance and increasing their economic competitiveness;
 - The financial dimension of the partnership will materialize by an investment of 12 million euros by McPhy in the form of convertible bonds to be issued by Hype.

La Motte-Fanjas, December 14, 2021 – 06:00 pm CET – McPhy (Euronext Paris Compartment C: MCPHY, FR0011742329), (the “Company”), specialized in zero-carbon hydrogen production and distribution equipment (electrolyzers and refueling stations), announces that it has signed a strategic partnership agreement with Hype, a group at the forefront of hydrogen infrastructure deployment for zero-emission urban mobility solutions in France and Europe.

As a key player in the structuring of light and heavy hydrogen mobility, Hype is relying on a first market that is immediately relevant for hydrogen - the urban cab - in order to deploy a hydrogen production and distribution network opened to all other forms of urban mobility: utility vehicles, buses, trucks, etc. Directly operating the world's largest fleet of hydrogen cabs, which is expected to exceed 700 vehicles during 2022, Hype's ambition is to deploy 10,000 zero-emission cabs and 20 high-capacity stations in the Paris region by the end of the 2024 Olympic Games, and to expand to 15 other cities around the world, in target areas such as Spain, Portugal, Italy, Belgium and the United Kingdom by the end of 2024. This growth plan should represent a total of around 40,000 vehicles and about 100 stations by the end of 2025 and is supported by major shareholders, including the Banque des Territoires (CDC).

The strategic agreement between McPhy and Hype is part of this development plan, and includes commercial, technological and financial aspects.

Jean-Baptiste Lucas, Chief Executive Officer of McPhy, stated: *"The agreement signed with Hype is part of an ambitious strategic approach to actively contribute to the integration of the hydrogen industry in France. The combination of Hype's offer, as an operator of hydrogen vehicles and infrastructures, and McPhy's one, as a supplier of hydrogen production and distribution solutions for zero-emission mobility, provides an example of the cooperation needed to synchronize the mass production of hydrogen vehicles and the infrastructures required for their use."*

"We are delighted with this strategic alliance with McPhy, which perfectly illustrates the ambitions of the Hype project. With McPhy, we have found a partner who, like us, is putting all its know-how at the service of the fast and ambitious deployment of a French hydrogen industrial sector", said **Mathieu Gardies, President of Hype.**

New orders for high-capacity stations and electrolyzers for McPhy

The cooperation between the two groups will materialize in 2022 with firm orders for the supply to Hype of a 2 to 4 MW alkaline electrolyzer and a 800 kg / day hydrogen station.

These first orders could be followed, subject to confirmation of specific subsidies requested by Hype in 2021, by additional orders in 2023, for a new multi-megawatt electrolyzer and 5 additional high-capacity hydrogen stations.

With a potential of orders of 50 stations and 15 to 25 megawatts by end of 2025, this cooperation opens many opportunities in the medium term

These first orders could be followed by other commercial opportunities, as part of the establishment by the end of 2022 of a co-exclusive framework agreement between Hype and McPhy. This agreement covers the deployment by Hype of a minimum of 100 stations in France and Europe, of which 50% would be allocated to McPhy.

As part of this agreement, McPhy would also be designated as the preferred partner for the supply of 15 to 25 MW of alkaline electrolysis.

A similar co-exclusivity agreement, on a parity basis for the supply of high-capacity hydrogen refueling stations, has also been reached between Hype and the HRS company.

A strong technological component, in a logic of joint innovation

In addition to their commercial collaboration, McPhy will have access to the data collected by Hype vehicles, in order to optimize its offer of stations and electrolyzers. This technological partnership is based on the mutualization of expertise, with a view to standardizing equipment, improving technical performance and increasing their economic competitiveness.

12-million-euro investment in the form of convertible bonds

In order to strengthen its cooperation, McPhy will subscribe at the date of formalization of the firm order mentioned above, an amount of €12 million in Hype's convertible bonds which will bear interest at 4.5% per year and redeemable after 9 years from their subscription. These bonds may be converted into Hype shares, prior to their maturity date, under certain conditions and in limited circumstances, including a change of control, an initial public offering or a share issuance in excess of €10 million.

Through this transaction, McPhy is entering into a partnership with a leading operator in zero-emission urban mobility, based on a common vision of the democratization of green hydrogen for the decarbonization of the transportation sector. The integration of McPhy equipment into Hype's "turnkey" mobility offer, which synchronizes the large-scale supply of hydrogen vehicles and their refueling infrastructure, will give the Group access to a portfolio of opportunities that should represent a very significant business volume in the coming years, and already secures orders for the coming years. The stations planned under this partnership will be produced in McPhy's new hydrogen station production facility, which will be operational in Grenoble in 2022.

Next financial events

- **2021 Full-Year Sales**, on January 25, 2022 (after market)



About McPhy

Specialized in hydrogen production and distribution equipment, McPhy is contributing to the global deployment of zero-carbon hydrogen as a solution for energy transition. With its complete range of products dedicated to the industrial, mobility and energy sectors, McPhy offers its customers turnkey solutions adapted to their applications in industrial raw material supply, recharging of fuel cell electric vehicles or storage and recovery of electricity surplus based on renewable sources. As designer, manufacturer and integrator of hydrogen equipment since 2008, McPhy has three development, engineering and production centers in Europe (France, Italy, Germany). Its international subsidiaries provide broad commercial coverage for its innovative hydrogen solutions. McPhy is listed on Euronext Paris (compartment C, ISIN code: FR0011742329, MCPHY).

To learn more: www.mcphy.com

McPhy is eligible PEA-PME

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