



McPhy Announces the Success of its Capital Increase € 180m Raised from Strategic Investors, Historical Shareholders and New Institutions to Fund Global Scale-Up of Zero-Carbon Hydrogen

La Motte-Fanjas, October 14 (07h30 CEST) – McPhy (Euronext Paris : MCPHY – ISIN : FR0011742329), (the “**Company**”), specialized in zero-carbon hydrogen production and distribution equipment, announces today the success of its capital increase without shareholders’ preferential subscription rights announced on October 13, 2020, by means of an Accelerated Bookbuild to the benefit of certain categories of beneficiaries, for a total amount of € 180m (the “**Offering**”).

The Offering was oversubscribed several times which enables the Company to upsize the amount of the Offering from an envisaged € 150 m to € 180 m. The subscription price of the new shares was set at € 23.50 per share, representing a discount of 8.56% based on the last closing price.

Chart International Holdings, Inc., part of Chart Industries, Inc. (NASDAQ: GTLS) (“**Chart Industries**”) and Technip Energies B.V. (“**Technip Energies**”) (the “**Strategic Investors**”) and historical strategic shareholders EDF Pulse Croissance Holding and Ecotechnologies Fund managed, by Bpifrance Investissement as part of the *Programme d’Investissement d’Avenir*, have participated in the Offering, significantly strengthening the Company’s shareholding structure.

Memorandum of Understandings (“**MoU**”) were concomitantly signed with the two Strategic Investors, setting collaboration frameworks to unlock new commercial opportunities globally in numerous hydrogen domains.



McPhy is, more than ever, well-positioned to scale up and prepared to meet the ever-growing needs of decarbonization in Industry, Mobility and Energy. We ambition to become a leading player in the zero-carbon hydrogen industry.

Laurent Carme, Chief Executive Officer of McPhy, comments: “*We would like to thank all of the historical and new investors which have contributed to the outstanding success of this capital increase which is the most significant one to date for McPhy. With the great support provided by our new strategic partners Chart Industries and Technip Energies, our historical and strategic shareholders EDF Pulse Croissance Holding and Ecotechnologies Fund as well as all existing and new institutional investors, McPhy is now ideally positioned to scale-up its industrial capabilities, both from an operational and financial perspective. Our new strategic partnerships, with two world leading companies in their field, bring to McPhy important*

possibilities of complementarity, an increased international exposure and the ability to target large-scale projects. The Group is, more than ever, well-positioned to scale up and prepared to meet the ever-growing needs of decarbonization in Industry, Mobility and Energy. We ambition to become a leading player in the zero-carbon hydrogen industry.”

Jillian Evanko, Chief Executive Officer of Chart Industries, comments: *“We are thrilled by the success of the offering and the reception McPhy has received from the institutional investor community. This is a landmark for hydrogen and underscores the potential we, McPhy, and Technip Energies, have to lead in the full hydrogen value chain globally. We look forward to begin working together on the many commercial opportunities ahead.”*

Arnaud Pieton, President of Technip Energies, states: *“The collaboration with McPhy is an important milestone for the future of the green hydrogen industry and demonstrates our ambition to accelerate the journey to a low-carbon society. We will work with McPhy to develop large scale and competitive carbon free hydrogen solutions from production to liquefaction, storage and distribution which we firmly believe is core to achieving net-zero targets. We are excited to be also joined by Chart Industries whose expertise lies in equipment development and is complementary to our process technology and project capabilities. We are proud to keep the same pioneering spirit and our commitment to technology and outstanding project execution to serve the energy transition.”*

Advisors to the Company:

Bryan, Garnier & Co Limited is acting as Sole Global Coordinator and Sole Bookrunner in connection with the Offering. King & Spalding acted as Legal Advisor to the Company and to Bryan, Garnier & Co Limited as Transaction Counsel.

Highlights of the Offering:

- Gross proceeds from the Offering amount to € 180 m, an 20% upsize compared to the anticipated amount announced on October 13, 2020.
- 7,659,574 new shares were issued, representing a dilution of c. 38% based on the number of shares outstanding prior to the Offering.
- The subscription price of the new shares was set at € 23.50, representing a discount of 8.56% to the last closing price and of 11.78% to the volume weighted average price over the three preceding trading days¹.
- Strategic Investor Chart Industries subscribed to 1,276,595 shares for € 30 m, and now holds 4.59% of the capital post-Offering.
- Strategic Investor Technip Energies subscribed to 638,297 shares for € 15 m, and now holds 2.29% of the capital post-Offering.
- Historical long-term shareholder and strategic partner EDF Pulse Croissance Holding subscribed to 255,319 shares for € 6 m, and now holds 14.14% of the capital post-Offering.
- Historical and strategic long-term shareholder Ecotechnologies Fund managed by Bpifrance Investissement subscribed to 340,425 shares for € 8 m, and now holds 6.00% of the capital post-Offering.
- Institutional investors subscribed to 5,148,938 shares for an incremental € 121 m under the institutional placing.

Upon completion of the Offering, the share capital of the Company amounts to € 3,338,316, corresponding to 27,819,300 shares with a par value of € 0.12 each. By way of illustration, a shareholder holding 1% of the

¹ In accordance with the 19th resolution of the shareholders general meeting held on May 20, 2020, providing a maximum discount of 20% to the volume weighted average price of the shares over the three preceding trading days.



share capital prior to the Offering and which did not participate in the Offering will hold 0.72% after completion of the Offering.

Application will be made to list the new shares to be issued pursuant to the Offering on Euronext pursuant to a listing prospectus subject to a visa application with the French Autorité des marchés financiers ("AMF") and comprising the 2019 Universal Registration Document (*Document d'Enregistrement Universel 2019*) registered with the AMF on April 22, 2020 under the number 20-0334, an amendment to the 2019 Universal Registration Document and a Securities Note (*Note d'opération*), including a summary of the prospectus. This prospectus (including the amendment to the 2019 Universal Registration Document) will be filed today with the AMF for approval in order to be made available to the public.

This prospectus will, upon its approval by the AMF, provide the most recent information available on the Company. These documents may be consulted, along with the Company's other regulated information and all its press releases, on its website (www.mcphy.fr).

As the subscription commitments from the Strategic Investors were fulfilled, appointments at the Board of Directors of Jillian Evanko as representative of Chart Industries and of a representative of Technip Energies will be proposed for approval to the next shareholders' general meeting to be held on or before January 31, 2021 at the latest. In the meantime, these representatives will be invited to the meetings of the Board of Directors.

Use of proceeds:

Net proceeds from the Offering will be used primarily to finance over the next 48 months:

- Acceleration of the change of scale of McPhy manufacturing capacities;
- Research & Innovation expenses, with a focus on the development of large capacity stacks to target large-scale projects (>100MW) and large-capacity hydrogen refueling stations (>2 tons per day);
- Sales and Marketing expenses, to accelerate the international commercial ramp-up;
- Acceleration of the recruitment policy;
- Working capital.

Admission to trading of the new shares:

The new shares carry current dividend rights, give right, from their issuance, to all distributions decided by the Company as of that date and will be admitted to trading on Euronext under the same ISIN code FR0011742329 – MCPHY on October 16, 2020.

Lock-up Undertakings:

McPhy has entered into a lock-up agreement ending 180 calendar days after the execution of the placement agreement entered into between the Company and the Sole Global Coordinator, today (the "**Placement Agreement**").

The Strategic Investors, historical and strategic shareholders EDF Pulse Croissance Holding and Ecotechnologies Fund will each be subject to a lock-up on the new shares subscribed under the Offering for a period of 180 days from the settlement date of the new shares, subject to customary exceptions.

Risk factors:

The investors' attention is drawn to the risk factors associated with the Company and its business presented in Section 3 of the 2019 Universal Registration Document filed with the AMF on April 22, 2020, which is available free of charge on the Company's website (<https://mcphy.com/fr/investisseurs/information-financiere/information-financieredocuments-a-telecharger/>). The occurrence of all or part of these risks



could have a negative impact on the Company's business, financial position, results, development and outlook.

In this respect, it is specified that the amendment to the 2019 Universal Registration Document (*Document d'Enregistrement Universel 2019*) filed with the AMF following the completion of the Offer will include an update of the summary table of the Company's main risk factors, the liquidity risk and the risk related to the uncertain nature of the additional financing, seeing their probability of occurrence and their degree of criticality reduced from "high" to "low". In addition, the risk factor relating to the Covid-19 epidemic was updated. As of the date hereof, due to the current health situation, the Company notes certain delays in the expected order intake and certain delays in planned maintenance operations in high-risk countries. Short-term, these delays could have an impact on the Company's business and/or generate a billing and/or collection delay.

Additionally, investors are invited to consider the following risks specific to this Offering:

- (i) **Dilution:** shareholders will see their participation in the Company's share capital diluted. In the event of a new call to the market, this would result in additional dilution for the shareholders;
- (ii) **Volatility and liquidity:** the market price and liquidity of the Company's shares may fluctuate significantly and fall below the subscription price of the new shares;
- (iii) **Impact on the stock market price:** the sale by the main shareholders of the Company at the end of the lock-up period of a large number of Company's shares may have a negative impact on the share price of the Company; and
- (iv) **Termination of the Placement Agreement:** the Placement Agreement in respect of the Offering may be terminated by the Sole Global Coordinator at any time up to (and including) the settlement date. In the event that the Placement Agreement is terminated in accordance with its terms, all the orders of investors and the subscription agreements entered into under the Offering will be null and void.

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Next financial communication

2020 annual revenues release, on **January 26, 2021**, after close of trading.

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).

McPhy is eligible PEA-PME

To learn more: www.mcphy.com



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In France, the Offering described above will take place solely as a placement to a category of qualified investors, in accordance with Article 1(4)(a) of the Prospectus Regulation (EU) 2017/1129 of the European Parliament and the Council and applicable regulations, including Article L. 225-138 of the French Code de commerce. In addition, in accordance with the authorization granted by the general meeting of the Company's shareholders dated May 20, 2020, only the persons pertaining to the categories specified in the 19th resolution of such general meeting may subscribe to the Offering.

Application will be made to list the new shares to be issued pursuant to the Offering on Euronext pursuant to a listing prospectus subject to a visa application with the French Autorité des marchés financiers ("AMF") and comprising the 2019 Universal Registration Statement (Document d'Enregistrement Universel 2019) registered with the AMF on April 22, 2020 under the number 20-0334, an amendment to the 2019 Universal Registration Document and a Securities Note (Note d'opération), including a summary of the prospectus.

This press release and the information it contains does not constitute an offer to sell, nor the solicitation of an offer to subscribe for or buy, new shares in the United States or any other jurisdiction where restrictions may apply including notably Canada, Australia or Japan.

The securities will be offered in the United States to persons reasonably believed to be qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The securities have not been and will not be registered under the Securities Act or any state or other jurisdiction's securities laws. Accordingly, the securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements under the Securities Act and any applicable state or other jurisdiction's securities laws. Copies of this document are not being, and should not be, distributed in or sent into the United States.

This communication is being distributed only to, and is directed only at (a) persons outside the United Kingdom, (b) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), and (c) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the new shares has led to the conclusion in relation to the type of clients criteria only that: (i) the type of clients to whom the new shares are targeted is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU, as amended ("MiFID II"); and (ii) all channels for distribution of the new shares to eligible counterparties, professional clients and retail clients are appropriate. Any person subsequently offering, selling or recommending the new shares (a "distributor") should take into consideration the manufacturers' type of clients assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the new shares (by either adopting or refining the manufacturers' type of clients assessment) and determining appropriate distribution channels. For the avoidance of doubt, even if the target market includes retail clients, the Sole Global Coordinator has decided it will only procure investors for the new shares who meet the criteria of eligible counterparties and professional clients.

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This press release provides information on McPhy's objectives, as well as forward-looking statements that do not constitute historical data and should not be considered as a guarantee that the facts stated will occur. This information is based on data, assumptions and estimates that McPhy considers reasonable. The Company operates in a competitive environment subject to rapid change and is therefore unable to anticipate all the risks, uncertainties or other factors likely to affect its business, their potential impact on its business or assess the extent to which the occurrence of a risk or combination of risks could cause actual results to differ materially from those identified in forward-looking information. This information is provided only as of the date of this press release. McPhy does not undertake to update any of this information or the forward-looking statements it is based on, unless a legal or regulatory obligation requires otherwise.

The Sole Global Coordinator is acting exclusively for the Company and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this press release) as its client in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to its client nor for providing advice in relation to the proposed Offering. The Sole Global Coordinator is authorized and regulated by the Financial Conduct Authority in the United Kingdom.

