

BUSINESS SITUATION, BRIEF SUMMARY OF THE SITUATION AND KEY FIGURES

• **Key figures 2022**

- The key figures of the McPhy Group for 2022 were as follows:
 - Revenue amounted to €16.1 million;
 - Increase in the backlog, which amounted to €30.6 million;
 - EBITDA amounted to -€36.8 million;
 - Net result amounted to -€38.2 million, benefiting from a positive financial result;
 - Cash position amounted to €135.5 million at 31 December 2022.
- The Group's simplified P&L is as follows:

(€ million)	2022	2021	Variation
Revenue	16,1	13,1	+22%
Other operating income	1,9	1,5	+27%
Income from Operating Activities	17,9	14,6	+23%
Purchases consumed	(15,9)	(10,5)	+51%
Personal costs	(17,7)	(11,6)	+52%
External costs	(21,1)	(8,0)	+169%
EBITDA	(36,8)	(15,5)	
Depreciation, amortization and net provisions	(1,6)	(8,0)	-81%
Operating Income (EBIT)	(38,4)	(23,5)	
Financial Result	0,4	(0,1)	n.s.
Income Tax	(0,1)	(0,0)	n.s.
Net Result	(38,2)	(23,6)	

(1) EBITDA: Current operating income + Depreciation and amortization and provisions

• **Elements and highlights**

- Acceleration of the industrial scale-up

The Group continued its transition to industrial scale by:

- commissioning its new hydrogen station production site in Grenoble, which will increase McPhy's production capacity to 150 stations per year. This site brings together all activities relating to charging stations and became the Company's registered office;
- taking its final investment decision for its project of Gigafactory electrolyzers in Belfort, which benefits from a public aid granted by the French State through Bpifrance under the European IPCEI scheme, for a maximum amount of €114 million. Works on this future plant has already begun, with start-up of operations scheduled for the 1st half of 2024, followed by a gradual ramp-up with the aim of reaching an annual production capacity of 1 GW; and
- increasing its production capacity to 300 MW at its San Miniato site in Italy, in order to meet market demand pending the commissioning of the Gigafactory.

- Return to sustained sales growth in 2022 and strong order intake

- Revenue for the 2022 financial year was increased of +22% compared to the 2021 financial year and amounts to €16.1 million. This return to growth is mainly due to the execution of the first orders under the major contracts signed in previous years. Revenue is divided between the supply of McLyzer and Piel high-capacity electrolyzers (68%) and the supply of stations (32%).

- On the commercial side:
 - McPhy has signed a contract with an Eiffage subsidiary to equip a site in Belfort with a 1 MW electrolyzer and a charging station capable of distributing up to 800 kg per day to fuel a fleet of hydrogen buses.
 - The Group also received two first orders as part of its strategic partnership with hydrogen mobility company Hype, which consists of supplying: (i) two alkaline electrolyzers with a capacity of 2 MW for the first and increased to 4 MW for the second, and (ii) two Dual Pressure stations with a capacity of 800 kg per day each to be installed in the Paris region.
 - The Group also booked a reference order in the industry with energy supplier Vulkan Energiewirtschaft Oderbrücke (VEO) – a joint venture between the city of Eisenhüttenstadt and ArcelorMittal. This innovative low-carbon steel production project includes the supply of two McLyzer electrolyzers with a capacity of 1 MW each. In addition, a five-year service contract was concluded.

These commercial successes are materialized by a firm order intake of €29.4 million, bringing the order book to €30.6 million at December 31, 2022, +51% compared to December 31, 2021.

– Operating result reflecting growth investments

In order to support the expected growth of its business, the Group has continued its development strategy in 2022. This has resulted in an increase in current expenses linked to the structuring of the teams and the active recruitment plan, Research & Development expenditure, as well as the strengthening of engineering resources.

For the 2022 financial year 2022,

- EBITDA thus amounted to -€36.8 million.
- Operating result reached -€38.4 million, with no significant difference to EBITDA unlike the previous year.
- Given a positive financial result, Net Income was -€38.2 million, compared to -€23.6 million for the 2021 financial year.

– Solid cash position

Given a net cash consumption of -€41.7 million during the 2022 financial year, McPhy has a cash position of €135.5 million as of December 31, 2022 compared to €177.2 million at December 31, 2021.

- In addition, on the business situation during the 2022 financial year as well as since the beginning of the current financial year, please also refer to the management report included in the 2022 universal registration Document as well as to the press releases regularly published by the Company.

<p>The 2022 universal registration Document, including the management and annual financial report as well as the press releases published by the Company are available on the Company's website (https://www.mcphy-finance.com).</p>
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