
EDF and McPhy sign a partnership agreement to develop carbon-free hydrogen in France and around the world

- An industrial, commercial and research partnership agreement to develop carbon-free hydrogen in France and around the world
- Investment by EDF Nouveaux Business of approximately €16M in McPhy via the subscription to a reserved capital increase¹
- Consolidation of McPhy's financial capacity, meaning that it will be able to sustain its growth and draw on EDF's strategic markets to speed up its commercial development
- Another step forward for EDF in its contribution to the energy transition: EDF enters the carbon-free hydrogen market, with the medium-term goal of developing a competitive carbon-free hydrogen solution

Paris - La Motte Fanjas, 5 June 2018 at 19:45 – McPhy (Euronext Paris Compartiment C : MCPHY, FR0011742329), experts in equipment for producing, storing and distributing hydrogen, and the EDF group, have today announced the signature of a partnership agreement to develop carbon-free hydrogen in France and around the world.

Cédric Lewandowski, Senior Executive Vice President in charge of Innovation, Strategy and Planning at the EDF Group, declares: *"We are proud to announce this collaboration with McPhy, a key player in the field of hydrogen, with whom the EDF Group has had ties for several years. This partnership is the first step in the process that will help EDF speed up its entry to this flourishing new market that is creating jobs in France and around the world."*

Pascal Mauberger, Chief Executive Office of McPhy announces: *"We are delighted with the signature of this partnership agreement with the EDF Group, world leader when it comes to low-carbon energy. This agreement marks an important new chapter in McPhy's development. Thanks to the additional financial resources and the support provided by the EDF Group we are going to be able to speed up our growth, consolidate our commercial development and conquer new markets. We would like to thank the EDF Group for this expression of confidence in our technology and our industrial infrastructure to develop hydrogen solutions. On a personal note, I am very proud to be at the helm for this new chapter in the development of McPhy."*

¹ EDF Nouveaux Business Holding's contribution to McPhy's capital, which is subject to receiving the approval by the shareholders during the McPhy AGM, due to take place on 26 June 2018 and obtaining the visa from the French Market Authority (Autorité des Marchés) on the prospectus related to the capital increase.

An industrial, commercial and research partnership to develop carbon-free hydrogen in France and around the world

Founded in 2008, McPhy, a company originally from Drôme and listed on Euronext, is a key player in the field of hydrogen and offers a comprehensive range of solutions including electrolysers, hydrogen charging stations and storage. McPhy covers the whole value chain, from engineering, manufacturing and production to operation and maintenance, as well as R&D. McPhy relies on a highly qualified team of more than 80 employees, mainly distributed between France, Italy and Germany, to target the growing markets of carbon-free hydrogen for industry and mobility. With this collaboration with EDF, who will thus become its key shareholder, McPhy is equipping itself with the additional means it needs to help fund its growth. It will be able to draw on EDF's position in its strategic markets in Europe, the United States and China, along with sustained support to consolidate its commercial development and secure new clients in France and around the world.

EDF's ambitions are focused on developing competitive carbon-free hydrogen solutions, mainly aimed at industrial clients and the heavy-duty mobility sector, by relying on industrial partners and regional vitality. The Group has also already dedicated more than 15 years of R&D resources to hydrogen, including in particular electrolysers and vehicle charging stations, at its EIFER research centre in Karlsruhe. In keeping with its involvement in creating a carbon-free economy and the Hydrogen Plan announced by Nicolas Hulot, the Minister for an Ecological and Inclusive Transition, the EDF Group thus embarks on a new chapter in its contribution to the energy transition, by working with McPhy, experts in equipment for producing, storing and distributing hydrogen, in order to contribute to the development of the production of carbon-free hydrogen.

McPhy's roots in France and elsewhere around the world are a major asset in this regard. In France, McPhy plays an active role in rolling out hydrogen solutions, including in particular in industry, with a 1 MW project for GRTgaz in Fos-sur-Mer, and in terms of mobility, by equipping 9 of the 18 hydrogen charging stations installed in France. Internationally, the company has also enjoyed a number of significant commercial successes in recent months, such as the contract it won in China to provide 4 MW of hydrogen production units for Jiantou Yanshan Wind Energy.

Thanks to McPhy's expertise, EDF will be able to offer its customers new services to help them reduce their carbon footprint and boost their competitiveness. This expertise when it comes to producing and marketing CO₂-free hydrogen will also constitute a boost to the EDF Group's electromobility strategy. With this partnership, EDF consolidates its commitment to combating climate change². Indeed, EDF sees electrolytic hydrogen as a vital energy carrier to make certain sectors of the economy (industry, mobility) carbon-free when it is produced from electricity that is itself carbon-free, as is the case thanks to EDF's low-carbon mix, which combines nuclear and renewable energy³.

² According to a recent study carried out by the Hydrogen Council with McKinsey, hydrogen could represent almost 1/5 of the total energy consumed by 2050, helping to reduce CO₂ emissions by 20%, so 55 million tonnes. According to these estimates, the large-scale development of hydrogen could generate a turnover of 2,500 billion dollars and 30 million jobs.

³ According to a study by IFP Energies Nouvelles, at the moment 96% of hydrogen is produced from fossil fuels.

Financial details

EDF's investment will involve the subscription to a reserved increase in McPhy's capital worth a total of approximately €16M, at a price per share of €5,10 (representing a discount of 4,2% compared with the average closing price for the last three months, of €5,32, and of 15% compared with the current price per share of €6,00), representing 3 137 250 new shares in the company, and circa 21,7% of its share capital, and 20,4% of its voting rights. The implementation of this capital increase is subject to the fulfilment of certain conditions precedent, including in particular receiving the approval of McPhy's annual general meeting on 26 June 2018, and obtaining the visa from the French Market Authority (Autorité des Marchés) on the prospectus related to the capital increase; and is due to be finalised in the days following these approvals..

In addition, the appointment of two directors designated by EDF Nouveaux Business will be proposed to the Shareholders' meeting of McPhy on 26 June 2018.

About EDF

A key player in energy transition, the EDF Group is an integrated electricity company, active in all areas of the business: generation, transmission, distribution, energy supply and trading, energy services. A global leader in low-carbon energies, the Group has developed a diversified generation mix based on nuclear power, hydropower, new renewable energies and thermal energy. The Group is involved in supplying energy and services to approximately 35.1 million customers, 26.5 million of whom are in France. It generated consolidated sales of €70 billion in 2017. EDF is listed on the Paris Stock Exchange.

About McPhy

Experts in equipment for producing, storing and distributing hydrogen, McPhy contributes to the worldwide deployment of clean hydrogen as a solution for the energy transition.

On the strength of its comprehensive range dedicated to hydrogen energy, zero-emission mobility and industrial hydrogen, McPhy offers its clients turnkey solutions to suit their applications for storing and using excess renewable energy, charging electric vehicles with fuel cells, and industrial raw material supplies. McPhy has been designing, manufacturing and integrating hydrogen equipment since 2008 and boasts three development, engineering and production centres in Europe (France, Italy and Germany). Its international subsidiaries guarantee broad commercial coverage for its innovative hydrogen solutions.

In accordance with Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council, this press release may contain inside information and has been communicated to the approved information provider McPhy on 5 June 2018 at 19:45 o'clock in Paris

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