

MCPHY ENERGY

Société anonyme

79, Rue Général Mangin

38100 Grenoble

Statutory Auditors' special report on regulated agreements

Shareholders' Meeting held to approve the financial statements for the year ended 31 December 2022

SARL AUDIT EUREX
Technosite Altéa
196, rue Georges Charpak
74100 Juvigny

Deloitte & Associés
6, place de la Pyramide
92908 Paris-La Défense Cedex

MCPHY ENERGY

Société anonyme

79, Rue Général Mangin

38100 Grenoble

Statutory Auditors' special report on regulated agreements

Shareholders' Meeting held to approve the financial statements for the year ended 31 December 2022

This is a free translation into English of the statutory auditors' special report on regulated agreements issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders' Meeting of McPhy Energy,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements, if any. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code (*code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R.225-30 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements approved and concluded during the year

Pursuant to Article L.225-40 of the French Commercial Code, we have been informed of the following agreements concluded during the year and previously approved by your Board of Directors.

1. Technological joint development agreement involving Technip Energies NV, director and shareholder of the Company

Purpose of the agreement: On 18 February 2022, your Company entered into a partnership agreement with Technip Energies France, a 100% subsidiary of Technip Energies NV, concerning the joint development and use of technological tools and the intellectual property rights relating thereto.

This agreement was authorised by the Board of Directors' meeting of 8 February 2022.

Terms and conditions:

- The agreement was concluded for the period from 26 July 2021 to 31 December 2026;
- The financial conditions provide for possible fees relating to the use of intellectual property rights;
- For the year ended 31 December 2022, each party assumed their direct costs related to technological developments (in particular salary costs, purchases and external charges) without rebilling or royalties.

Reasons why the agreement is in the Company's interest: The Board of Directors considered that this technological joint development agreement, which is part of the strategic partnership between both groups and aims to pool together their respective skills and expertise, was concluded in the Company's interest.

2. State aid agreement (Important Project of Common European Interest - IPCEI Hydrogen) involving Bpifrance Investissement, director and management company of the FCPI Ecotechnologies Fund, itself a shareholder of the Company

Purpose of the agreement: On 28 October 2022, your Company entered into a state aid agreement in the form of a subsidy of up to €114 million with Bpifrance SA, a shareholder company that has common executives with Bpifrance Investissement. This agreement, concluded in connection with the IPCEI H2 MCPHY ENERGY programme, covers certain categories of expenses (qualified as eligible) incurred and settled up to 31 December 2026. This eligible expenditure covers technological research and development costs and net operating costs during the industrialisation and commercial start-up phase. The agreement provides for an initial payment of €28.5 million in 2022 and subsequent payments through reimbursements of eligible expenses (under the terms of the agreement) according to the satisfactory completion of key stages by the Company. In addition, there is a clawback clause applicable in the event of an overrun compared to the initially presented cash flow model.

This agreement was authorised by the Board of Directors' meeting of 26 October 2022.

Terms and conditions:

- The agreement is concluded for the period from 28 October 2022 to 31 December 2026 (expected programme expiry date) and will extend specifically until 31 December 2031 (clawback expiry date) with regard to the overrun control mechanism (as from 30 July 2029);
- The financial conditions provide for 4 payment instalments for a total maximum amount of €114 million depending on the amount of eligible expenses actually incurred and paid;
- For the year ended 31 December 2022, the company recorded €26.9 million in subsidy advances received (on the balance sheet) and €1.6 million in operating income.

Reasons why the agreement is in the Company's interest: The Board of Directors considered that this subsidy, which would finance the technological development and commercial launch of Gigafactory, was concluded in the Company's interest.

AGREEMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements approved in previous years with continuing effect during the year

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed of the following agreement, previously approved by Shareholders' Meetings of prior years, with continuing effect during the year.

1. **Support agreement involving Luc Poyer, Chairman of the Board of Directors, which expired on 31 March 2022**

Purpose of the agreement: On 18 October 2021, your Company entered into a support agreement with Mr. Luc Poyer, through France Energies Nouvelles, as consultant on aspects of business networking or service delivery.

This agreement was authorised by the Board of Directors' meeting of 11 October 2021 and approved by the Shareholders' Meeting of 19 May 2022.

Terms and conditions:

- The agreement concluded on 18 October 2021 expired on 31 March 2022;
- The total amount of fees paid under the agreement amounted to €60,000 excluding taxes;
- For the year ended 31 December 2022, the Company recorded €35,000 excluding taxes in operating expenses under this agreement.

Reasons why the agreement is in the Company's interest: The Board of Directors considered this agreement to be in the Company's interest due to the application of Luc Poyer's skills that are necessary for the managerial transition with the new Chief Executive Officer, Jean-Baptiste Lucas, and the Group's strategic projects.

Juvisy and Paris-La Défense, April 21, 2023

The Statutory Auditors

SARL AUDIT EUREX Deloitte & Associés

Guillaume BELIN

Hélène DE BIE