

CWR.L

25 July 2023

Ceres Power Holdings plc

Trading Update

Progress in green hydrogen technology driving commercial interest

Horsham, UK: Ceres Power Holdings plc ("Ceres", the "Company") (CWR.L), a global leader in fuel cell and electrochemical technology, today provides the following update ahead of the announcement of its interim results for the six months ended 30 June 2023, which will be released on Thursday 28 September 2023.

Financial

- Revenue for the six months to 30 June 2023 is expected to be approximately £11 million (H1 2022: £9.7m)
- Gross margins are expected to be around 55-60% (H1 2022: 55%)
- Cash and short-term investments were approximately £162 million as at 30 June 2023
- On 29 June 2023, Ceres successfully moved to the Main Market of the London Stock Exchange from AIM

Current trading and outlook

- Bosch and Weichai have reconfirmed to Ceres their commitment to the China JVs and are targeting signature this year. However, given the continued delay which is not within Ceres' control, and the time required post signature for regulatory clearances, we are taking a prudent view that the revenue associated with the JVs is now unlikely to be recognised this year. This reduces our expectation for 2023 by an estimated net £15m (compared with current market consensus^[1]), by moving revenue associated with the China JVs to 2024, partially offset by the anticipation of additional licence fee revenue from new contract wins this year.
- The Company continues to expect full-year revenue growth against the prior year as a result of the growing pipeline of potential new licence partners with whom the Company is in active discussions. The Company will update guidance as appropriate once any new material commercial contracts are signed.
- Bosch's 'Power Units' have received European funding of ~€160 million as an Important Project of Common European Interest (IPCEI) to enable the mass production of its solid oxide [fuel cell](#) product, utilising Ceres' stack technology.
- Building construction is nearing completion on Doosan's 50MW factory in South Korea. All machinery and processes have undergone factory acceptance testing, and is on track for installation and commissioning to achieve first production in 2024.
- The first-of-a-kind MW-scale electrolyser is undergoing commissioning and initial testing at AVL in Germany, in preparation for deployment later in the year to Shell's R&D centre in Bangalore, India, in line with the timetable set out in the 28 June 2022 announcement.
- A two-year collaboration with Linde Engineering and Bosch has commenced to validate the performance, cost, and operational functionality of Ceres' electrolyser technology.
- Ceres has been announced as the Winner of the Royal Academy of Engineering's 2023 MacRobert Award, widely regarded as the UK's most prestigious prize for engineering innovation.

Phil Caldwell, Chief Executive Officer of Ceres said: *"Despite the ongoing delay with the China JVs, the company is making good progress elsewhere, especially with our growing pipeline of opportunities. We have made a significant shift in the business over*

the past two years, and I am particularly excited by the progress in our electrolyser technology, including signing a partnership with Linde and Bosch earlier this year, and the level of interest in licences to exploit the global market for green hydrogen. I look forward to sharing further updates in the coming months."

Ends

For further information visit www.ceres.tech or contact:

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About Ceres

Ceres is a world-leading developer of electrochemical technologies: fuel cells for power generation, electrolysis for the creation of green hydrogen and energy storage. Its asset-light, licensing model has seen it establish partnerships with some of the world's largest engineering and technology companies, such as Bosch, Doosan, Shell and Weichai, to develop systems and products that address climate change for power generation, transportation, industry, data centres and everyday living. Ceres is listed on the London Stock Exchange ("LSE") (LSE: CWR) and is classified by the LSE Green Economy Mark, which recognises listed companies that derive more than 50% of their activity from the green economy.

^[1] Current market consensus revenue for 2023 =£49m (Source: Bloomberg)

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