



INTERIM RESULTS

For the six months ended 30 June 2021

30 September 2021

CLEAN ENERGY STARTS WITH CERES



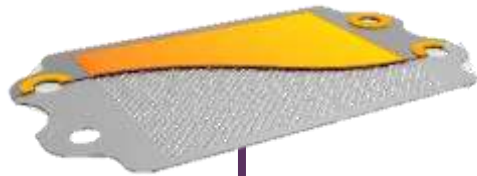
Expanded strategy for unique technology to address climate change

- Revenue and other income up 96% to £17.4m (H1 2020: £8.9m), reflecting strong progress of commercial partnerships. At sector-leading gross margin of 72%
- Successfully raised net proceeds of £179m in March through an equity fundraising to support growth into electrolysis for green hydrogen and further SOFC applications
- Discussions progressing well with Weichai on the JV and wider strategic relationship. New joint development programme for a 30kW stationary power system
- Ceres technology being explored for use in maritime; successful in two separate projects under the Clean Maritime Demonstration Competition, Doosan has signed MOUs with HHI and Navig8
- Ceres' technology and competencies span applications essential for the energy transition



Single product to multiple applications and customers

SteelCell® technology enables high efficiency energy conversion at low cost



Stack



ceres
POWER



MIURA



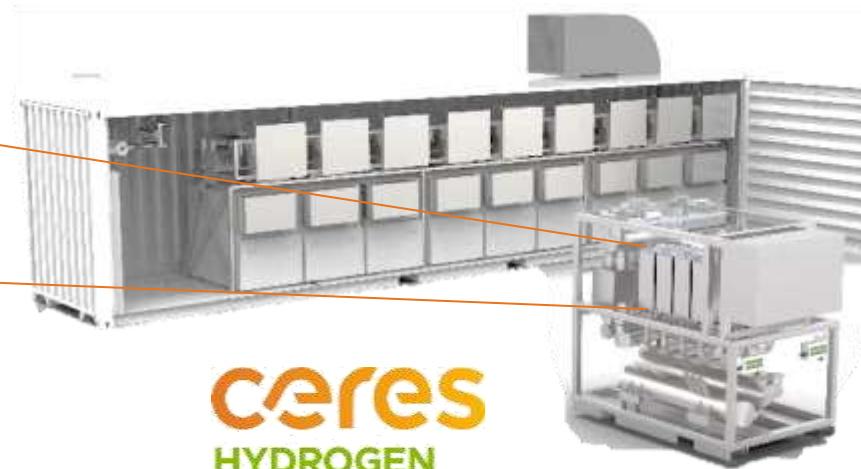
BOSCH



DOOSAN



WEICHA



ceres
HYDROGEN

Engaging with global majors in Oil & Gas, Industrial Gas and Clean Energy



Power products moving to commercialisation



- Completed development of 10kW SOFC system for buildings. Soft commercial launch in 2022



- Investing €400m into SOFC to 2024. Plans up to 100 small-scale stationary fuel cell power plants into operation this year



- Continue to provide low volumes of stacks to Miura for its commercial product. Slower roll-out due to Covid



Interest in Ceres' technology for maritime applications



- International Maritime Organization has mandated reduction of GHG emissions by at least 50% by 2050 compared to 2008 levels
- Doosan has signed two MOUs – with Navig8 and with Hyundai Heavy Industries – to develop marine systems using Ceres' SOFC technology
- Successful in two separate feasibility projects awarded UK grant funding as part of the Clean Maritime Demonstration Competition to explore the use of Ceres technology in marine applications
- 2020 Global Maritime Forum study estimates the total cost to decarbonise the industry at US\$1.65 trillion by 2050
- Substantial market opportunity. Modest estimates put the power requirements for the global shipping industry at ~730GW*

Further strength added to the management team



Caroline Hargrove CBE FREng joining the Executive team as Chief Technology Officer from 25 October 2021. Strong experience in growing and managing technical teams in fast moving innovative environments and commercialising new technologies across a range of high growth sectors and applications. Previously CTO of McLaren Applied Technologies & Babylon Health.



Mark Selby appointed to a new role as Chief Innovation Officer. Providing leadership for Ceres on innovation of new technologies beyond the established solid oxide portfolio, developing new and future opportunities.



FINANCIAL UPDATE



Financial highlights for six months ended 30 June 2021

Revenue and other operating income

£17.4m

+96%

Gross margin

72%

2020: 79%

Adjusted EBITDA

(£4.5m)

2020: (£5.0m)

Equity free cashflow

(£18.7m)

2020: (£6.1m)

Order book¹

£42.0m*

Dec 2020: £54.3m

Pipeline²

£43.8m*

Dec 2020: £44.4m

Cash and short-term investments

£262.9m

Dec 2020: £110.2m

Net equity raised

£179m

March 2021

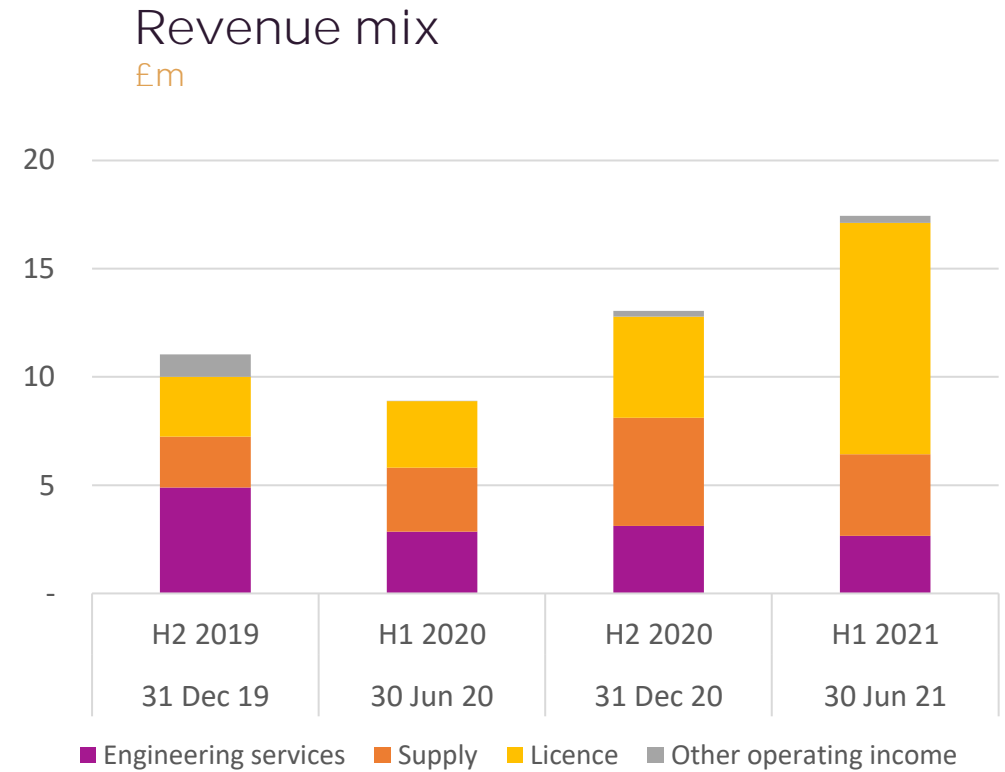
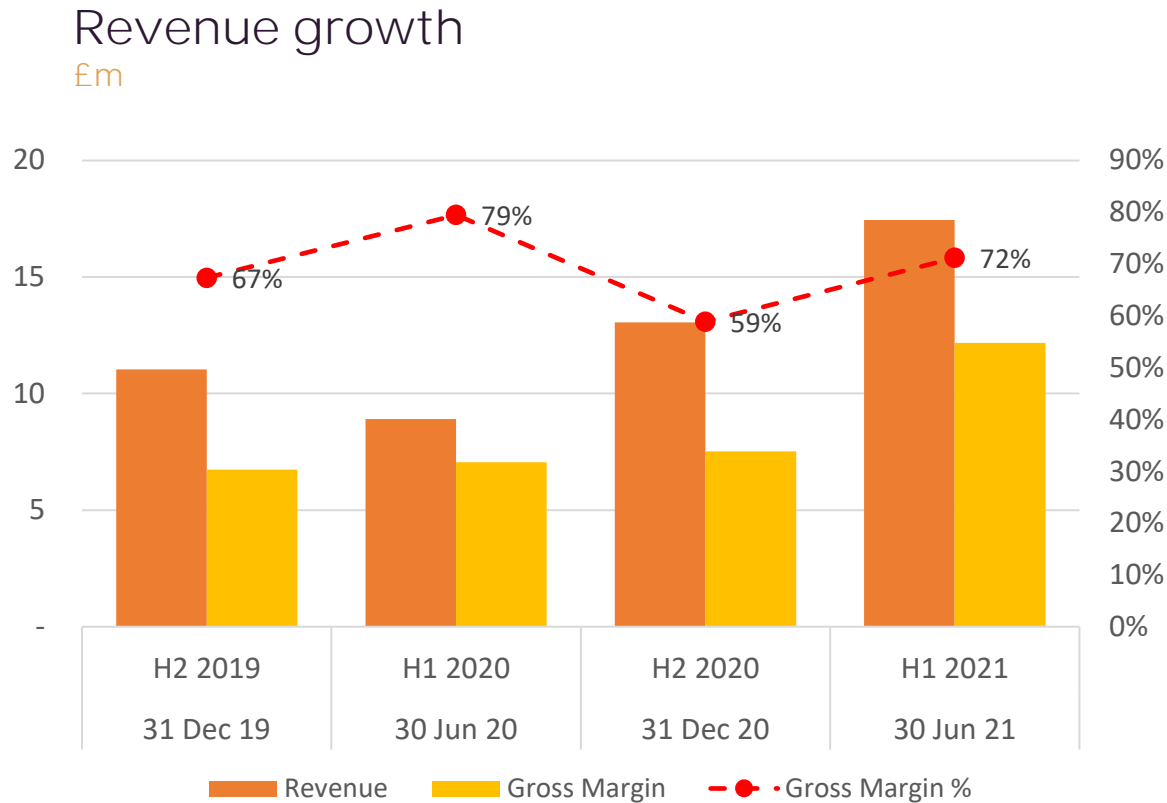
¹ Order book is the contracted commercial revenue and grant income scheduled to be realised in future years.

² Pipeline is contracted revenue and other income which management estimate is contingent upon options not under the control of Ceres.

* As at 30 June 2021



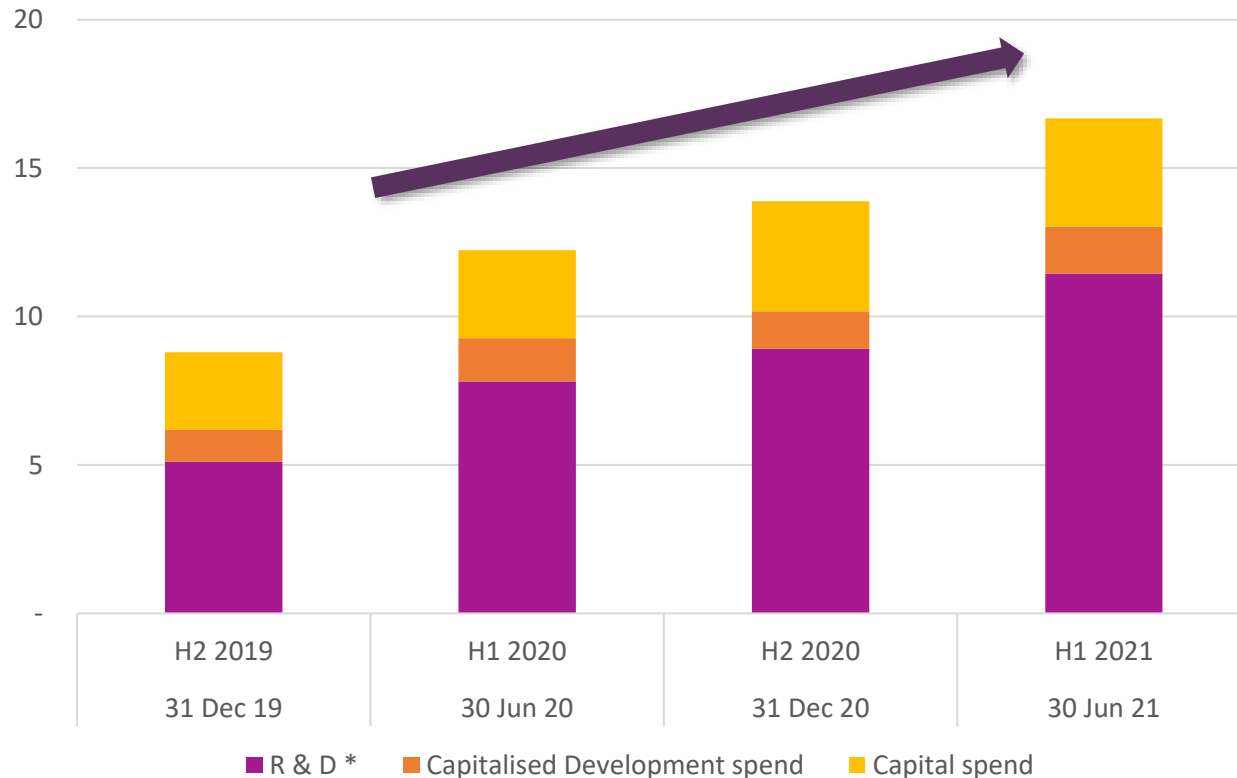
SOFC business drives strong top line growth



- Continuing revenue and gross profit growth through COVID
- Sector leading gross margin maintained
- Revenue mix expected to be variable going forward



Fundraise allows further investment for future growth



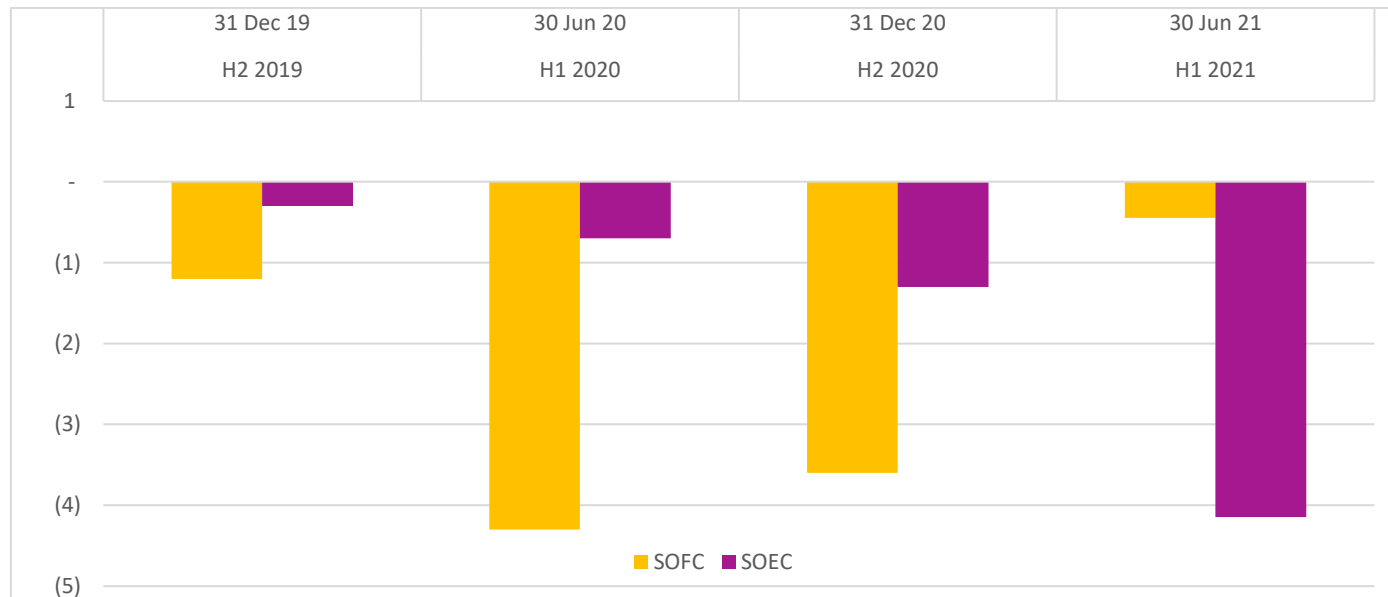
*R & D spend before depreciation, amortisation and share based payments.

- Fundraise allows a step change in investment to maximise future value
- Employing over 430 people at 30 June 2021
- Funds being put to work – R&D increasing – much of it for both SOEC and larger SOFC applications
- Capital investment on increased manufacturing capacity and test expansion



Beginning of investment phase for electrolysis

Adjusted EBITDA by segment
£m



Adjusted EBITDA (EBITDA adjusted for share based payments and foreign exchange)

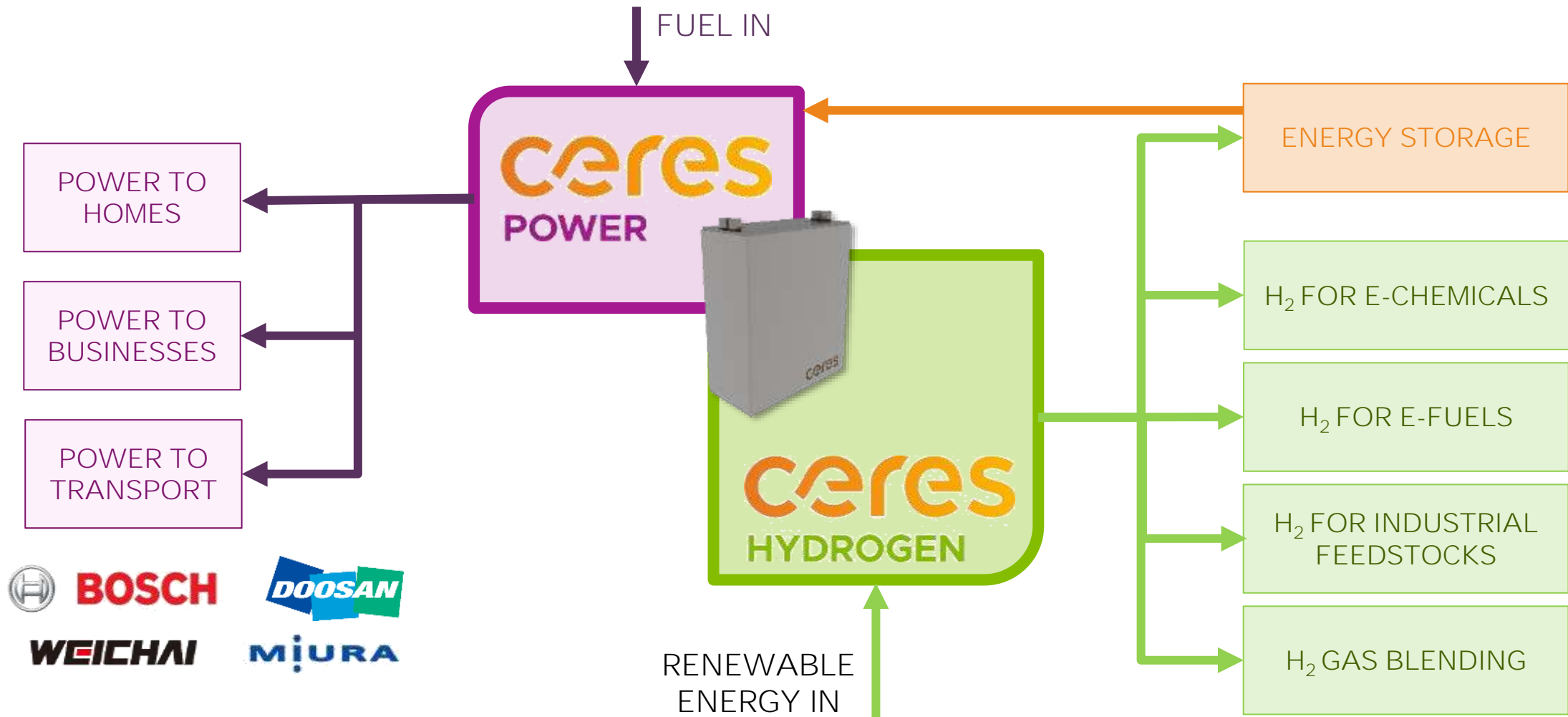
- Separating key financial metrics of electrolysis from the core fuel cell business to help show progress and investment in each area
- SOFC performance improving - still likely to be loss-making for the short term as we invest in new applications
- SOEC EBITDA reflects investment focus



BUSINESS STRATEGY



Now addressing potentially even greater market for SOEC



Strong investor backing for net £179m fundraise and strategy

SOFC: 25% of funds

- Growth opportunities
- New markets
- Industry standard in SOFC

SOEC: 55% of funds

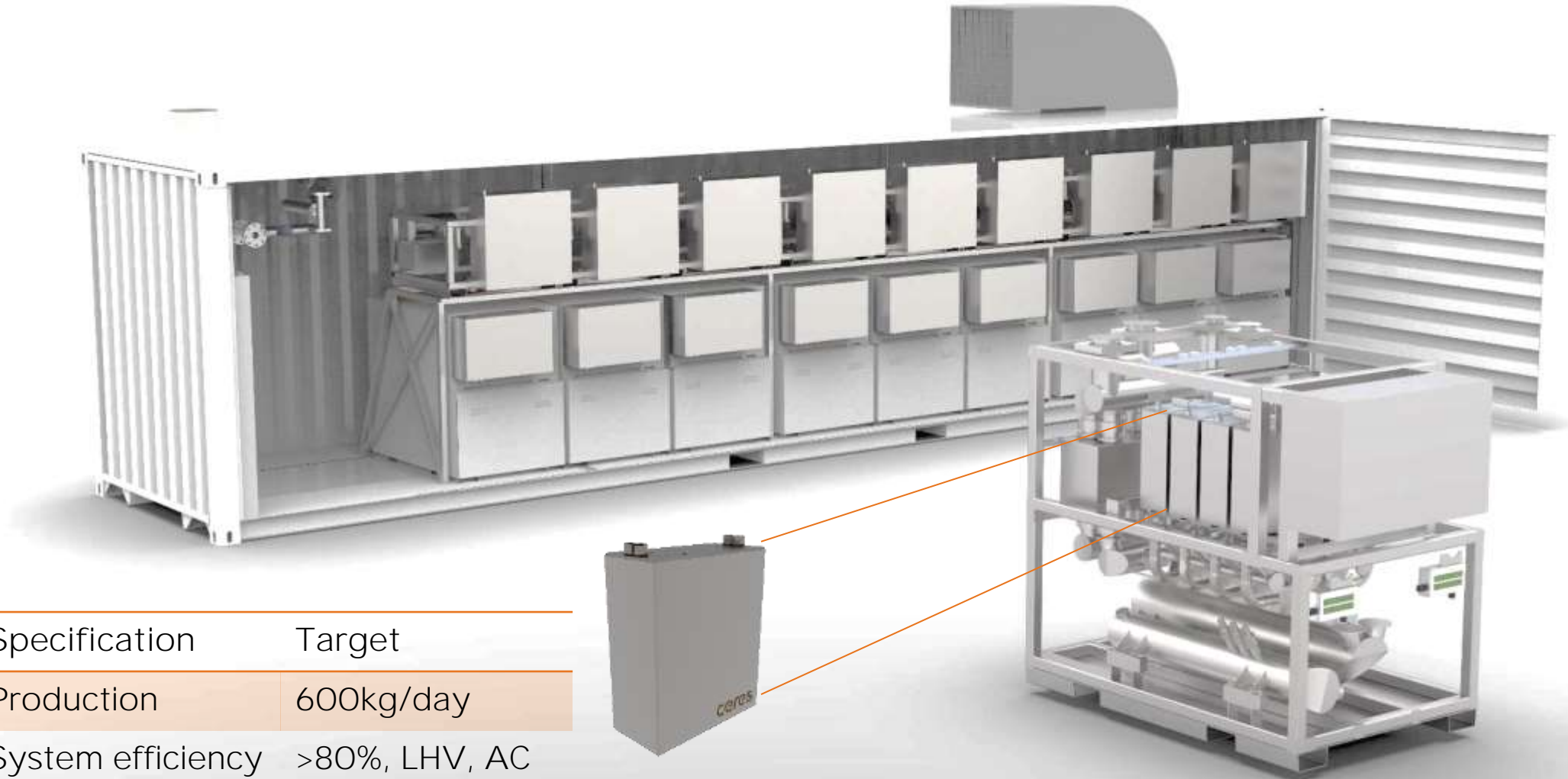
- Opportunity for differentiated SOEC technology
- Access significant green hydrogen market for industrial applications

Core investment across SOEC and SOFC: 20% of funds

- Investment in core business
- Accelerate innovation and development



First 1MW-class SOEC system demonstrator due to be operational in 2022



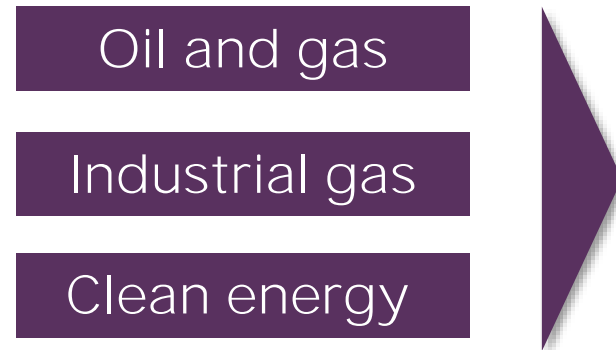
Specification	Target
Production	600kg/day
System efficiency	>80%, LHV, AC
Target cost	<\$1.50/kg ¹



Strong interest in SOEC from potential partners

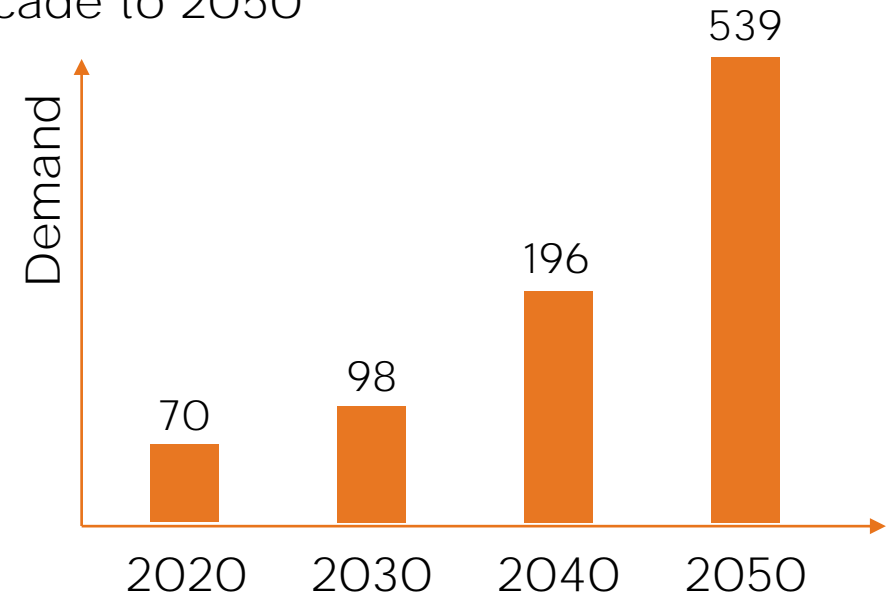
Suppliers of green hydrogen

Engaging with global majors in each sector to demonstrate and commercialise our technology in the following sectors:



Demand for green hydrogen (MT)

Global demand projected to double every decade to 2050



Ceres is well positioned technically and commercially to capture a significant share of the global electrolyser market

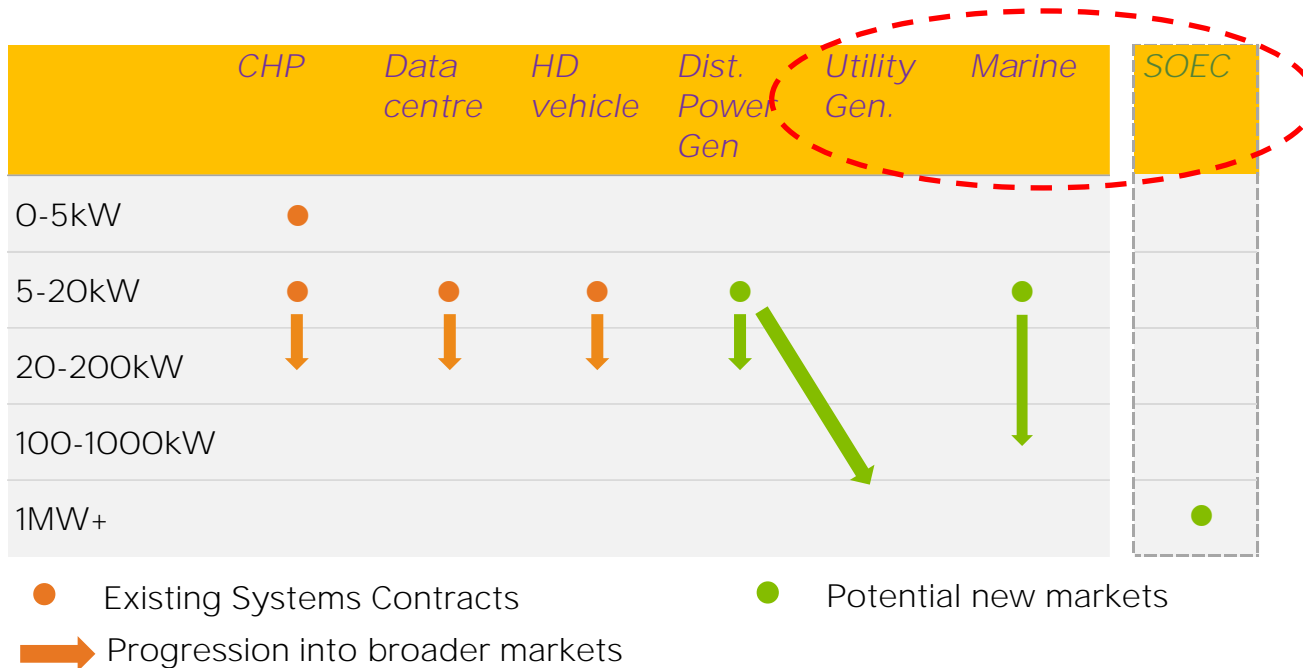
Scaling the ecosystem into higher power and e-fuels

New applications drive demand for cell and stack production

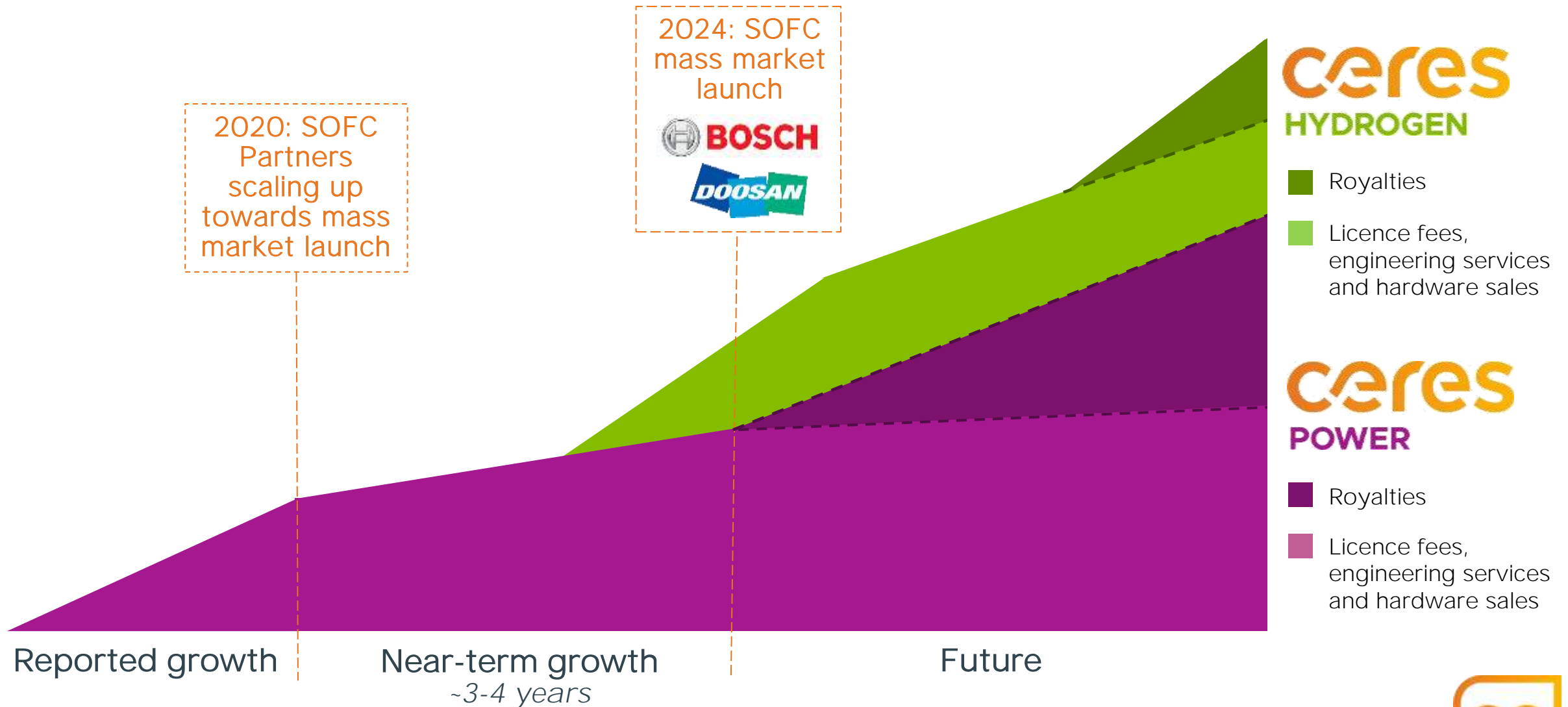
Moving into higher power systems and broadening applications in each region (through direct and shared system licensees)

Manufacturing for SOFC and SOEC

Target global manufacturing partners to supply cells and stacks to system OEMs in regions of greatest demand



Building new licensing revenues from the same business model



Summary and outlook

- On track to be in line with revenue consensus estimates of £31.5m for the full year
- Good visibility on commercialisation of products and new interest in higher power and maritime applications
- Discussions progressing well with Weichai on the JV and wider strategic relationship
- Actively engaging with global majors in oil & gas, industrial gas and clean energy sectors to demonstrate and commercialise our SOEC technology
- Plan to move up to London Stock Exchange Main Market Premium Listing on track for mid-2022

Strategy consistent with our purpose to address climate change
and to create significant shareholder value



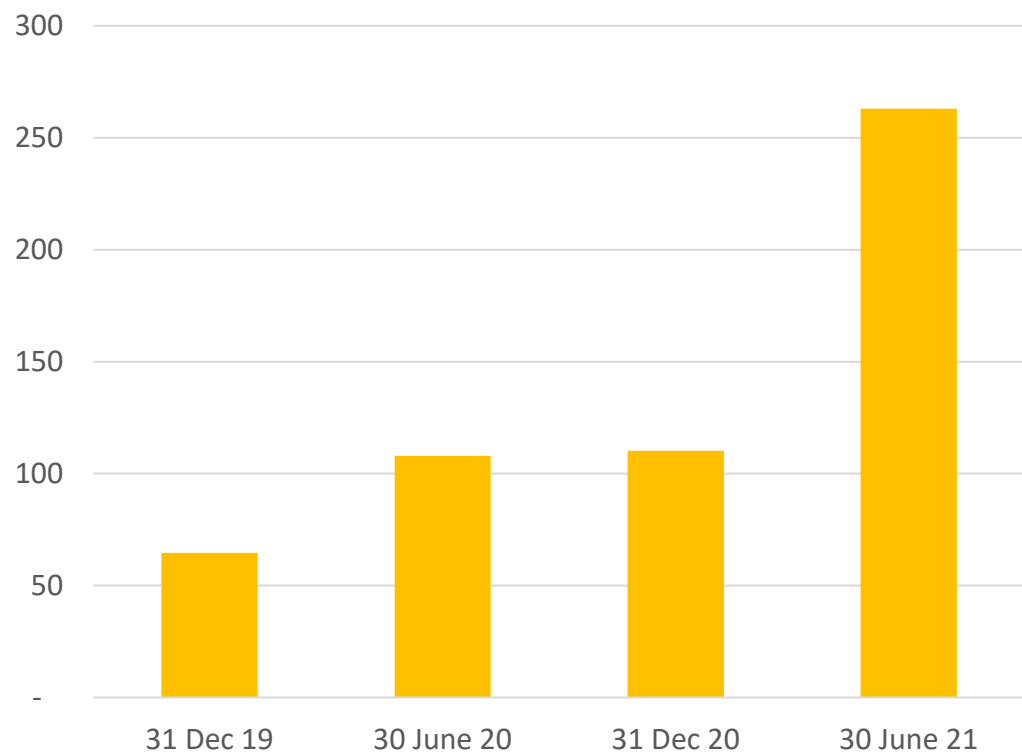
APPENDICES



Cashflow and cash

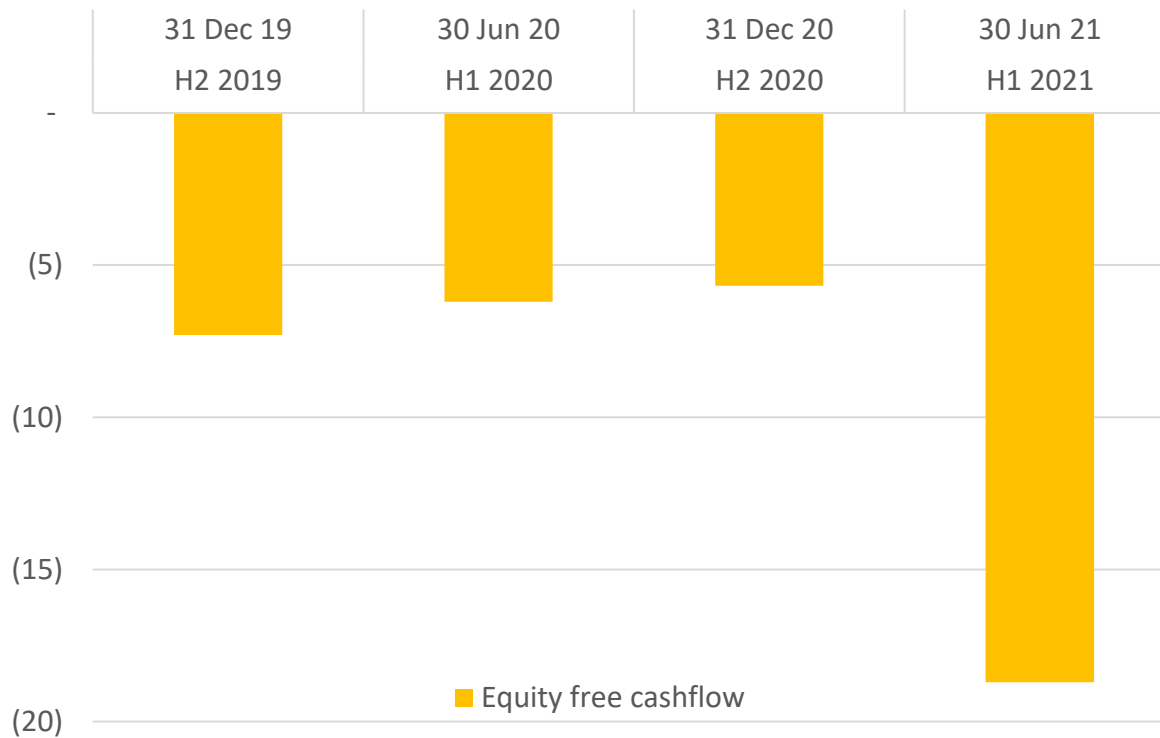
Cash and investments

As at
£m



Equity free cash flow

£m



- Increased EFCF loss reflects investment across the business and working capital movements



Board of Directors



Tudor Brown
Non-Executive Director



Julia King, Baroness Brown of Cambridge
Non-executive Director

Newly appointed in the period

Due to step down 25 Oct.

Executive Directors



Warren Finegold
Chairman



Steve Callaghan
Senior Independent Director



Uwe Glock
Non-Executive Director



Qinggui Hao
Non-Executive Director



Caroline Hargrove
Non-Executive Director



Aidan Hughes
Non-Executive Director



Phil Caldwell
Chief Executive Officer



Richard Preston
Chief Financial Officer





THANK YOU

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