



FULL YEAR RESULTS

For the year ended 31 December 2021

17 March 2022

CLEAN ENERGY STARTS WITH CERES



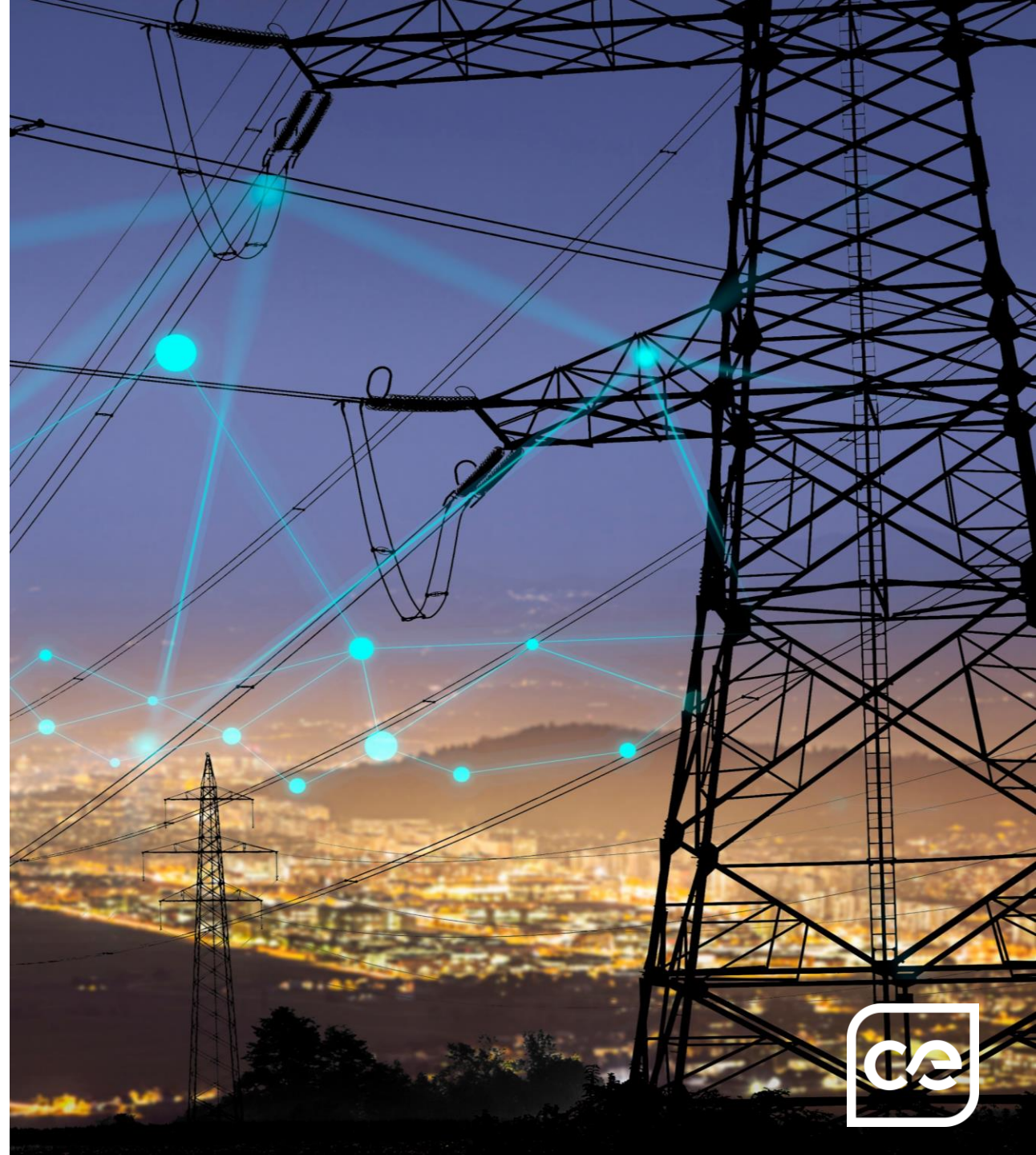
Leading solid oxide
**technology for power and
green hydrogen**

Unique IP ~100 patent families

**High-margin, licensing
business model**

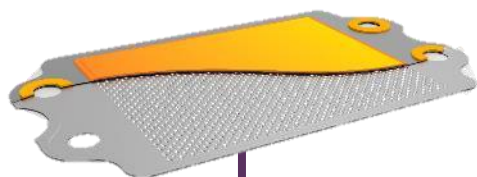
We **collaborate with world-
leading companies** to deliver
clean energy technology...

....at scale and pace



Growing commercial applications through global partners

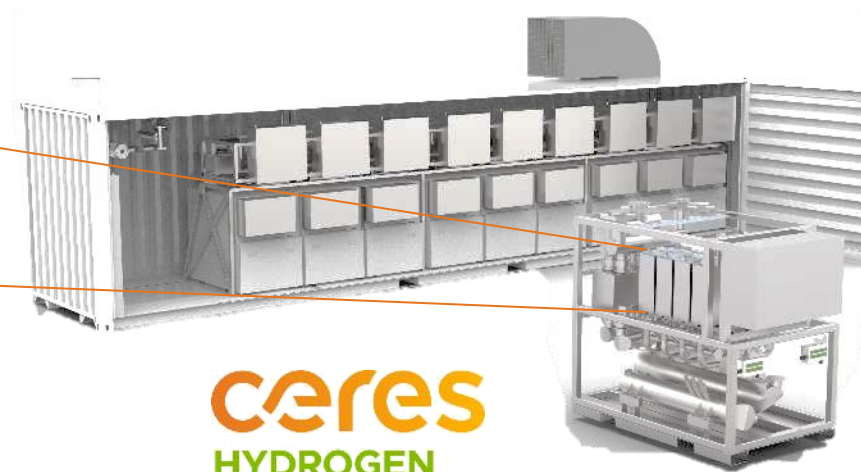
Ceres technology enables high efficiency energy conversion at low cost



ceres
POWER



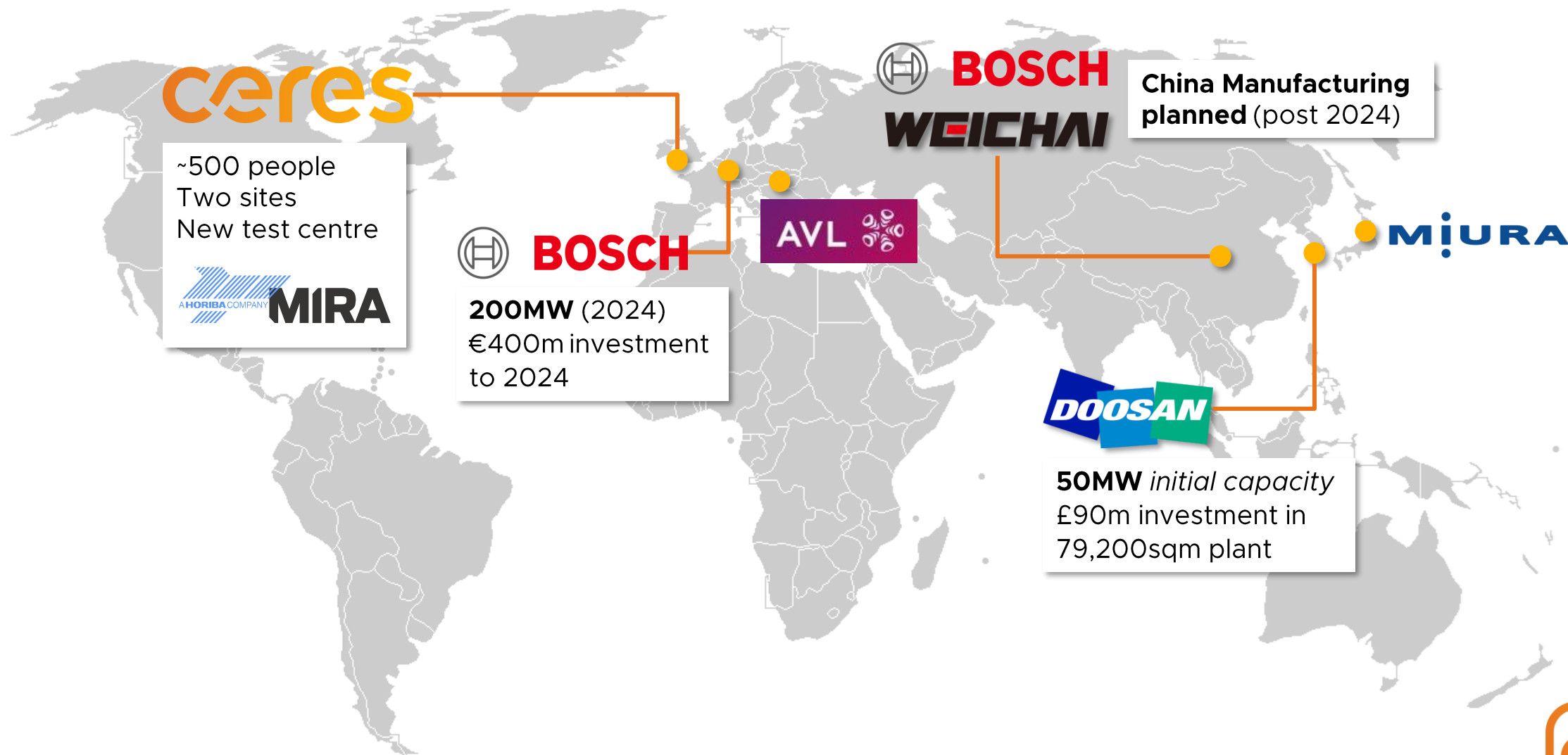
Stack



ceres
HYDROGEN

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

Partners scaling global manufacturing to meet demand for clean energy



Transformational year for the business

- Strong progress on major contracts has driven a 44% increase in revenue to £31.7m for the year
- £250m of cash following a successful fundraise of £179m for growth including development of SOEC for green hydrogen for industrial decarbonisation
- Partners building manufacturing scale globally – 250MW capacity planned with third manufacturing facility intended for China as Weichai, Bosch and Ceres sign JV Heads of Terms
- Entering new markets through partnerships– e.g. Marine Doosan letter of intent with Shell and Hyundai Heavy Industries, to develop a 600kW SOFC marine system
- Continued to attract highly talented scientists and engineers, adding over 160 people in 2021



FINANCIAL UPDATE



Financial highlights for year ended 31 December 2021

Revenue and other
operating income

£31.7m

+44% vs 31 Dec 20

Gross margin

66%

CY2020: 67%

Cash and short-term
investments

£250m

Dec 2020: £110.2m

Employees

489

Dec 2020: 325

Gross profit

(£20.3m)

CY2020: (£14.6m)

Adjusted EBITDA

(£16.7m)

CY2020: (£10.0m)

Order book¹

£37.4m

Dec 2020: £54.3m

Pipeline²

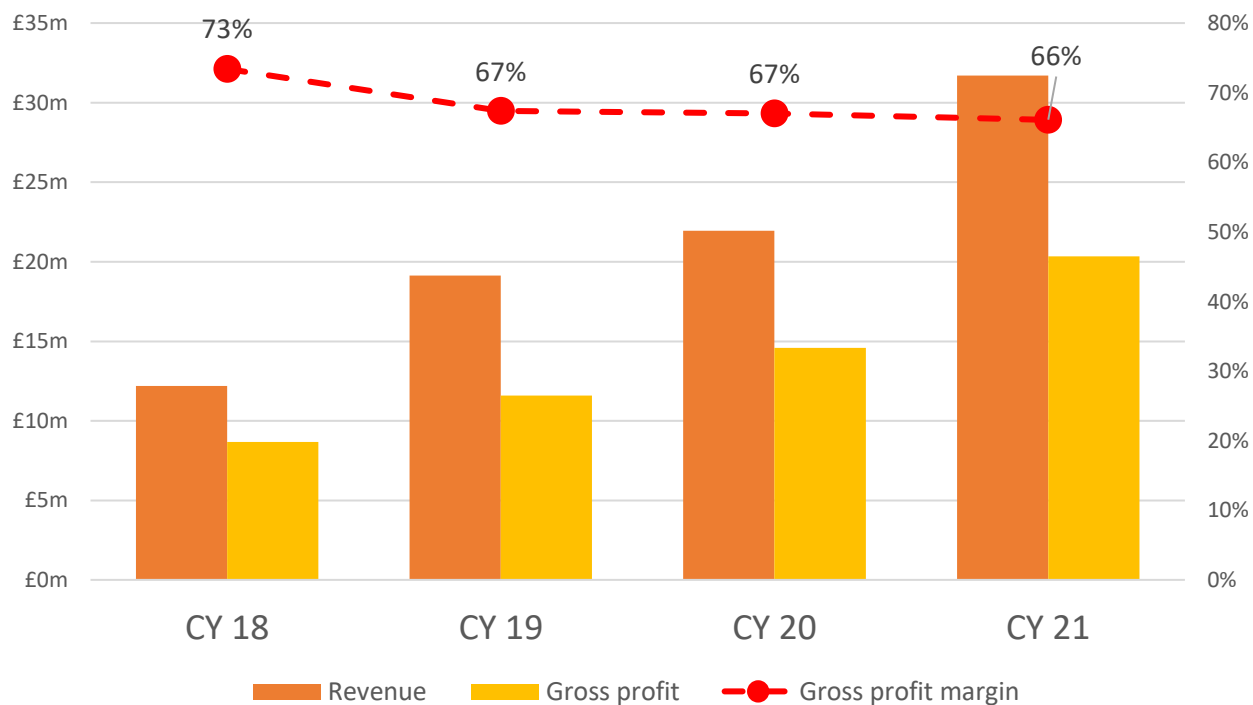
£42.4m

Dec 2020: £44.4m

SOFC business drives strong top line growth

Revenue growth

£m



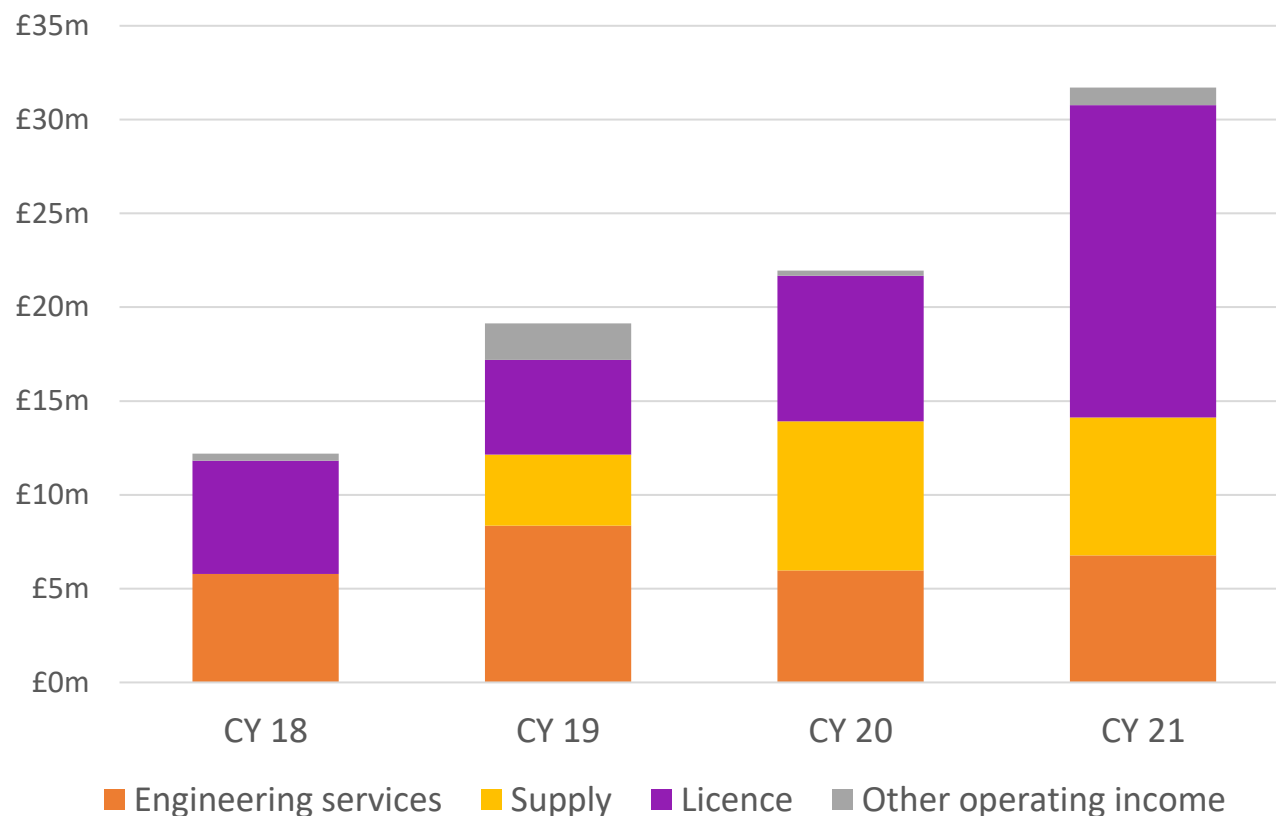
- Continuing revenue and gross profit growth
- Sector leading gross margin maintained, driven by high levels of licence fees
- High gross margin expected to be sustained in 2022



Growing licence revenues driving future royalties

Revenue mix

£m

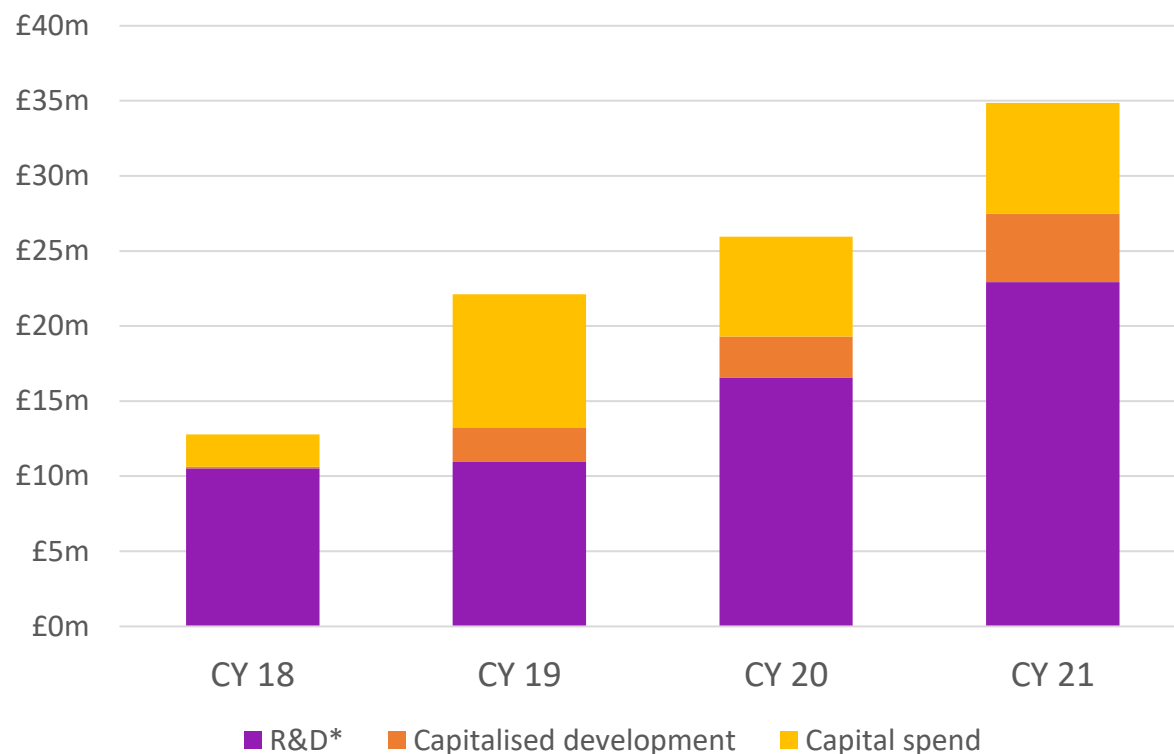


- Licence fees – growth in the year driven by the Doosan contract
- Supply of prototype technology (cells and stacks) to SOFC partners for development
- Engineering services – joint development and collaboration with our partners on stacks and systems across multiple applications
- Other operating income - grant income (APC)

Continued investment for future growth

Investment

£m



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

- Fundraise allows a step change in investment to maximise future value
- Total “Investment in the future” increased to £34.9m (CY2020 £26.0m) driven largely by growth in SOEC R&D, as well as continued investment in SOFC applications
- Capital investment in 2021 to enhance manufacturing capacity and capability
- Planning significant continued increase of investment in 2022 to drive future growth in electrolysis and fuel cell applications, in line with strategy

Investment to accelerate delivery of technology

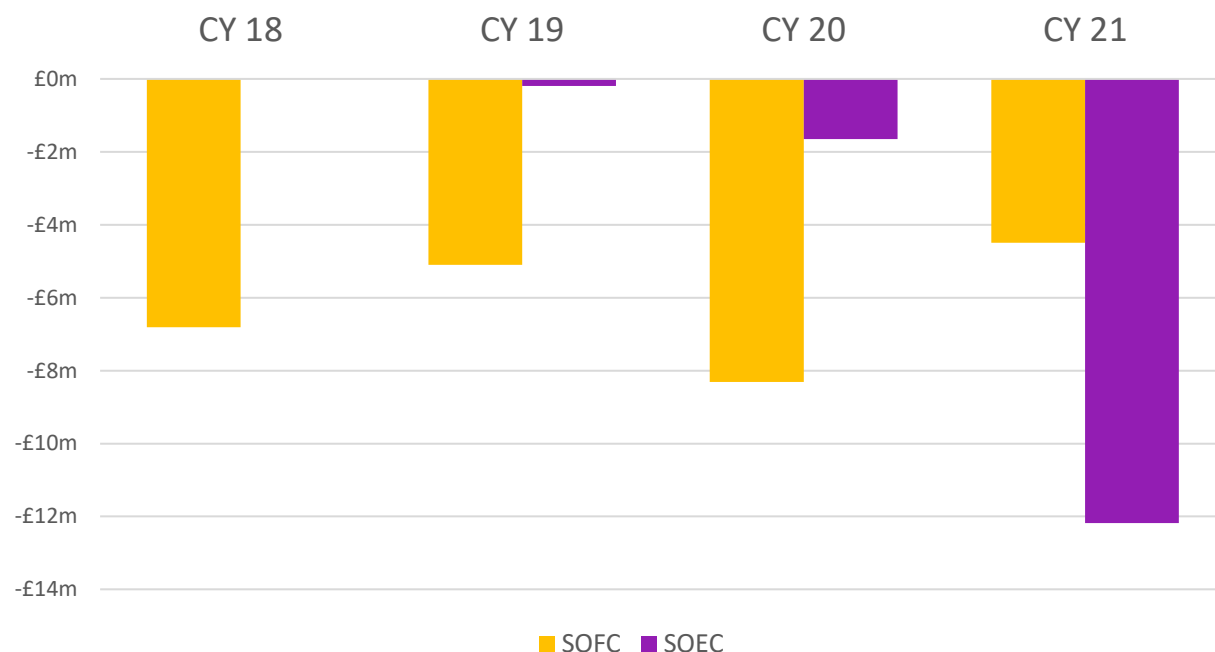
- Multi-million pound agreement with HORIBA MIRA, Europe's leading engineering and testing consultancy, expands Ceres' test capacity
- Expansion of CP2 Redhill prototype and sample facility, including investment in automation and capacity
- Continued to attract and retain highly talented scientists and engineers, adding over 160 people in the year



Beginning of investment phase for electrolysis

Adjusted EBITDA by segment

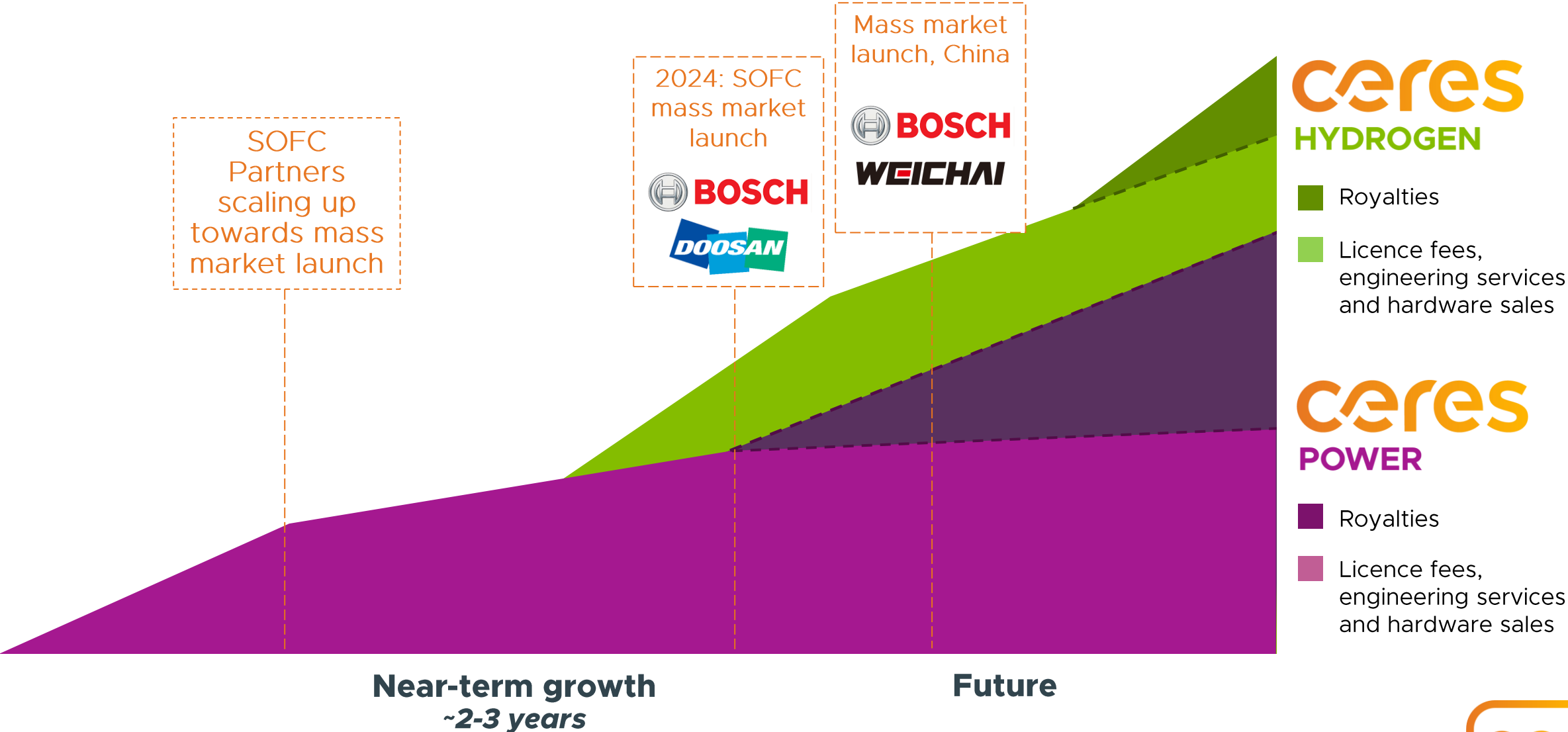
£m



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

- SOFC – reducing losses due to increasing sales profile
- SOEC – rising investment phase

Growing visibility of future royalty revenue



BUSINESS STRATEGY



Clean energy technology to address climate change



Stationary SOFC



Ceres core IP, 1kW to 20kW. Potential for 150-500kW utility scale

HIGHER POWER



Transport SOFC



Ceres 30kW today. Potential for 150kW+ for trucks and shipping

NEW APPLICATIONS



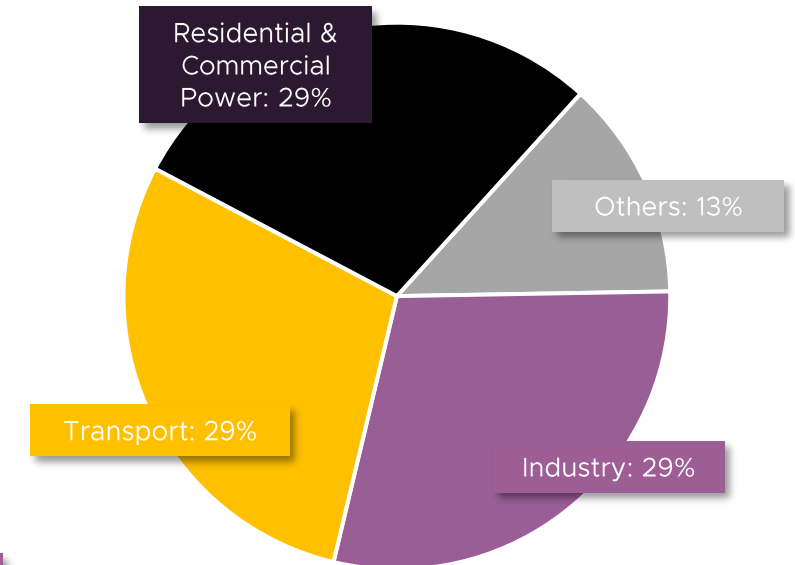
SOEC



SOEC for H₂ demand in industrial uses e.g. green steel, ammonia, e-fuels

H₂ & E-FUELS

Global demand for energy
By sector



Power products moving to commercialisation



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



Investing €400m into SOFC to 2024. Installing up to 100 small-scale stationary fuel cell power plants



New programme for a 30kW stationary power module, expanding the collaboration alongside transportation

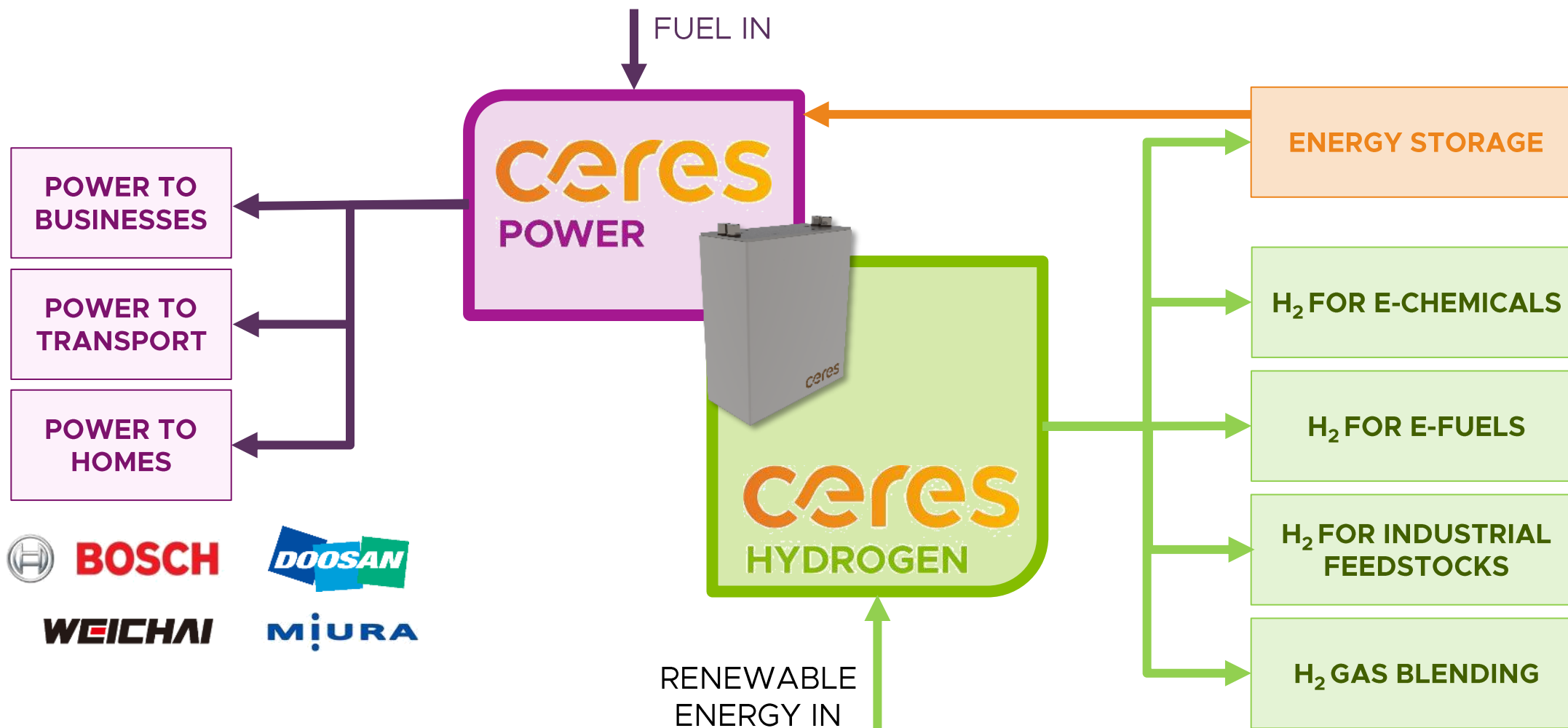


Heads of Terms signed for collaboration in China

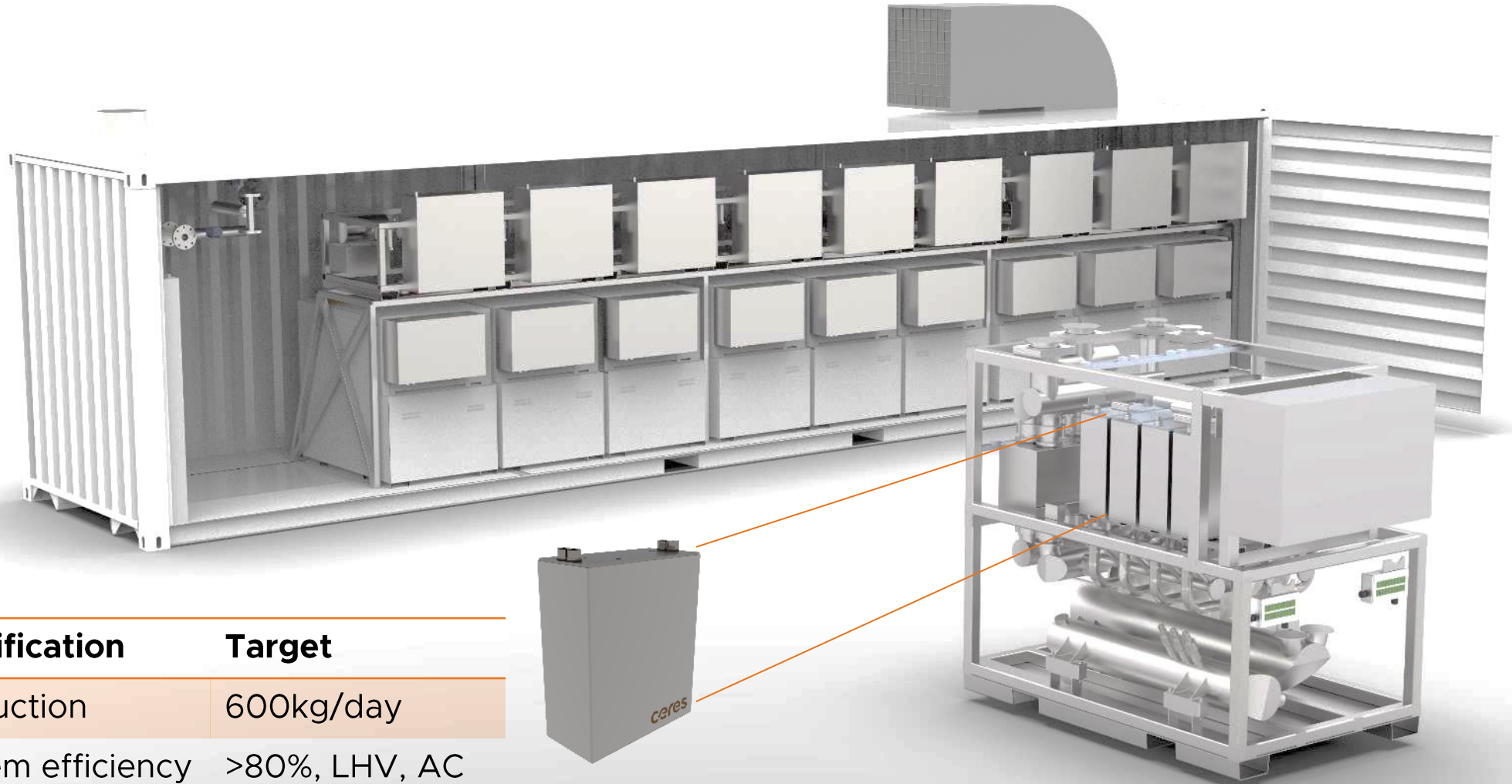
- Access to China market – stationary and mobile applications – through two significant partners Weichai and Bosch
- Intent that two separate JVs will be formed in Shandong Province:
 - A three-way System JV
 - A two-way (Bosch and Weichai) Stack JV
- Strategic deal worth up to £30m to Ceres over the next three years and long-term recurring annual royalties anticipated after start of production from each of the JVs
- Strengthens visibility of future scale up of Ceres' technology through its partners, consistent with licensing business model



Now addressing potentially even greater market for SOEC



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



Scaling the business through global licensing model

New applications drive demand for cell and stack production

Higher power systems and broadening applications

	CHP	Data centre	HD Transport	Distributed power	Utility generation	Marine	Electrolysis
0-20kw	● ↓	● ↓	● ↓	● ↓		● ↓	
20-200kw				↓			
200-1,000kw				↘		↓	
1MW++							●

Manufacturing for SOFC and SOEC

Manufacturing partners scaling globally



Outlook and targets for the year ahead

- Continued topline growth for FY2022 with investment in SOEC and marine to drive future value
- Supporting existing partners as they scale manufacturing in Germany and South Korea
- Establish China JV for third global manufacturing facility
- SOEC progression with commercial partnerships for green hydrogen
- Expansion of SOFC into new applications in higher power and maritime
- Intention to move to the Main Market of the London Stock Exchange this year





THANK YOU

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