



# Ceres signs first hydrogen licence with Delta Electronics

18 January 2024



# First dual license for power and green hydrogen

- Ceres and Delta Electronics today announced the signing of a global long-term collaboration agreement for cell and stack production
- Agreement includes staged revenues of £43 million to Ceres through technology transfer and manufacturing license
- Technology introduction and factory construction will start in 2024 and the initial production is expected to start by the end of 2026



# Financial implications of the deal

- Total value of transaction is £43 million initial technology transfer, manufacturing license and engineering services over three years
- Of the £43 million, approximately half is expected to be recognised as revenue in 2024
- Potential additional revenue from stack supply over the three-year development period
- Royalty streams follow the production launch and commercial stage from contracted royalty fee

# Delta Electronics

- Headquartered in Taiwan, Delta employs over 80,000 people across approximately 200 facilities worldwide
- Global leader in mass manufacturing, power electronics and batteries for customers in the ICT sector, such as Microsoft
- Diversified into turnkey decarbonisation solutions for smart buildings, energy infrastructure, grid balancing and energy storage, for customers such as Tesla
- Strong ambitions to lead global decarbonisation, listed on the DJSI World Index of Dow Jones Sustainability™ Indices for 13 consecutive years





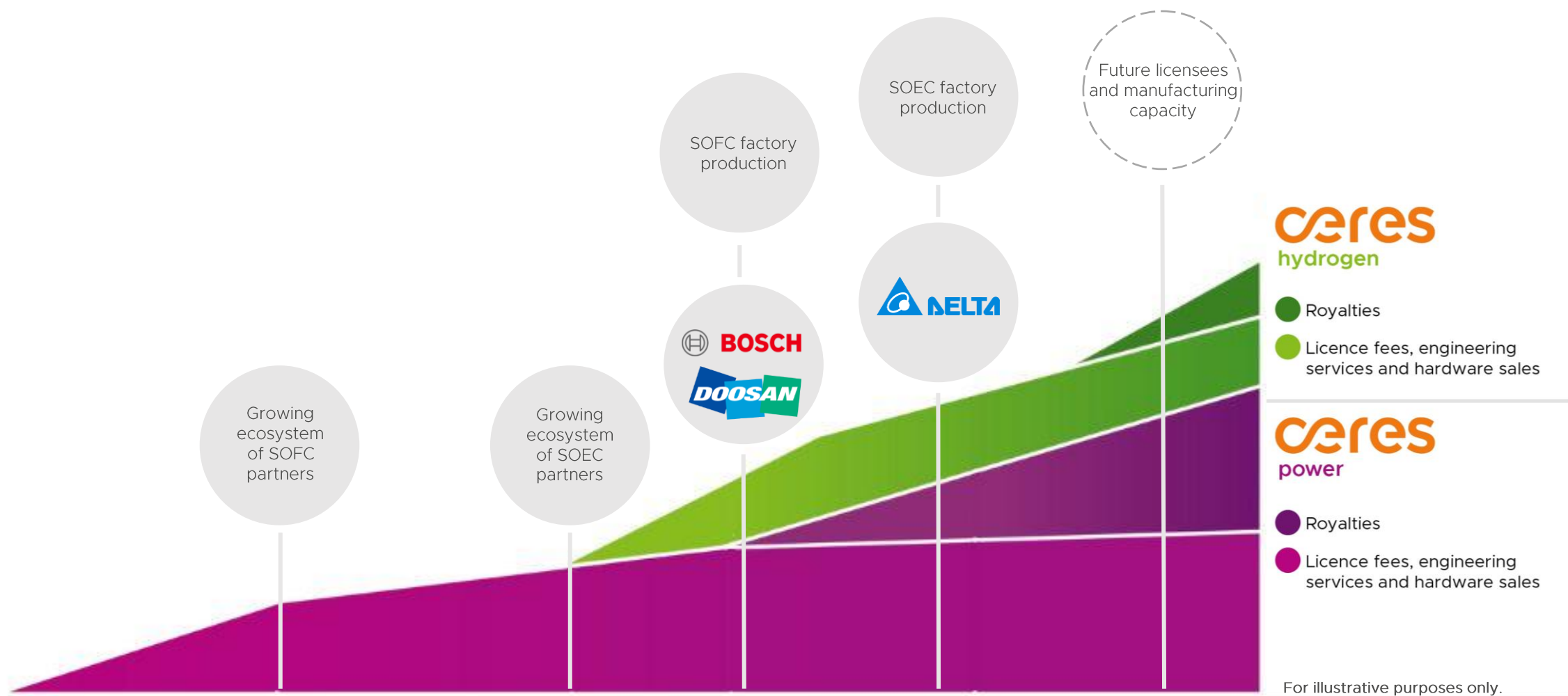
# Strategy and target markets

- Delta aims to lead Taiwan's energy transition and become a valuable contributor to decarbonising global energy systems
- Delta expects to integrate Ceres' energy stack technology with its own industry-leading technologies to develop fuel cell and electrolysis systems for hydrogen applications
- Targeting customers worldwide, across a myriad of sectors including chemicals, energy, transportation, steel and more, with strong ambition for future scale up
- Establishing a “Net-zero Science Laboratory” at its Tainan manufacturing complex to develop cutting-edge zero-carbon technologies
- Energy solutions will support the estimated global demand of hydrogen of 223 Mt in 2030 and 630 Mt in 2050<sup>1</sup>



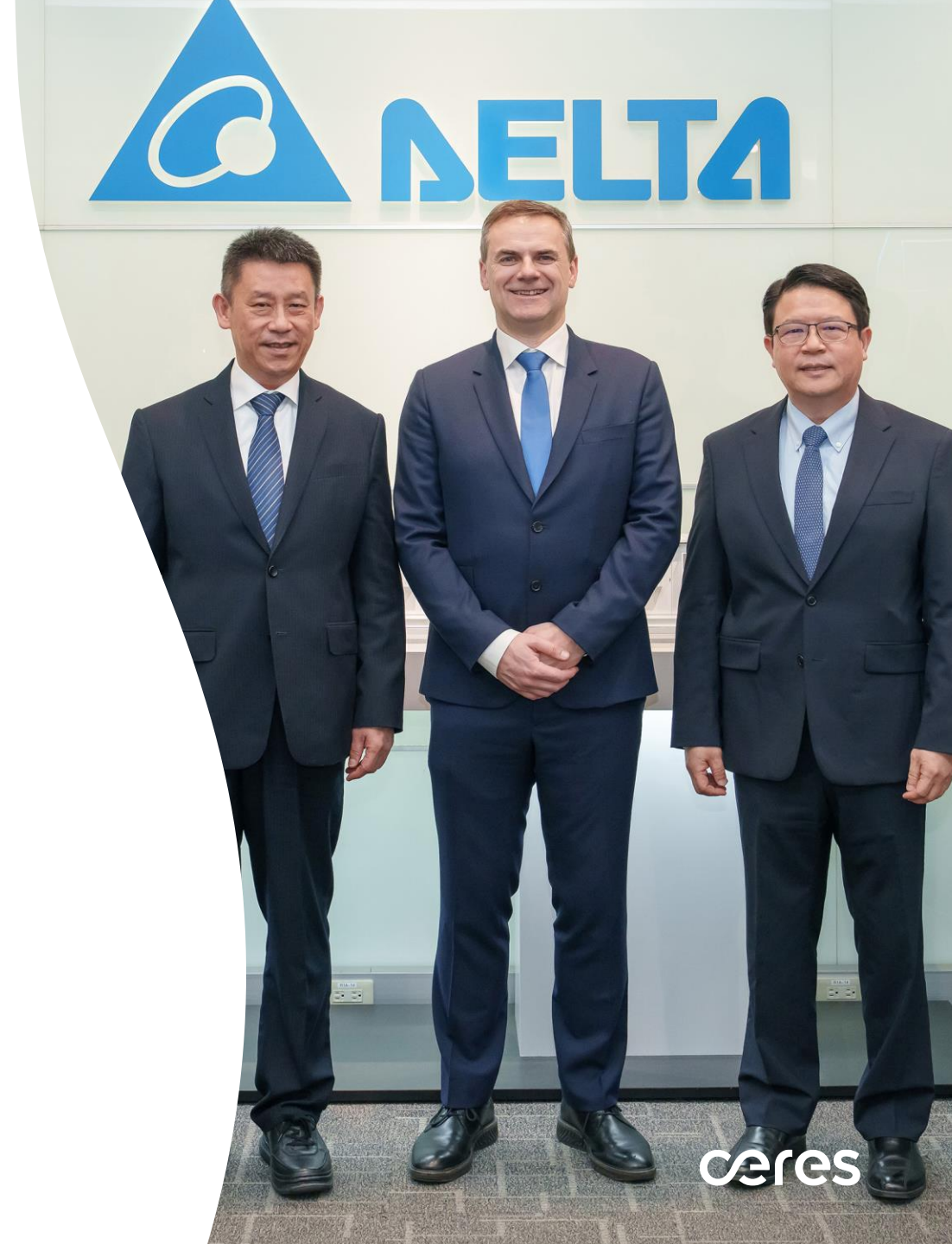
# Evolution of royalty revenue

Inflection driven by mass market scale of partner manufacturing



# Summary

- First dual license partner for SOEC and SOFC into multiple applications
- Endorsement of investment into SOEC technology by a new partner
- Delta brings strong capability in one of the world's leading centres for high volume technology manufacturing
- New partnership license worth £43 million
- Strong start to 2024 with significant revenue already under contract, and a growing pipeline for both SOEC and SOFC licensees



# Questions

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