



CERES AND AVL LIST FORM STRATEGIC SYSTEM COLLABORATION

10 December 2020

CLEAN ENERGY STARTS WITH CERES



Strategic rationale

- Scales the business through a Strategic System Collaboration with AVL, a globally recognized consulting engineering firm based in Austria employing 11,500 people in 26 countries
- New systems customers are anticipated to drive demand from Ceres stack manufacturing licensees
- The collaboration brings a number of benefits to Ceres:
 - Increases global presence - significantly enhances our global business development reach
 - Enhances brand - creates a globally recognized centre of excellence in fuel cell systems engineering
 - Brings technology leadership - strengthens Ceres' IP position in an increasingly competitive landscape
 - Boosts infrastructure and capability - provides access to additional infrastructure and competencies
 - Improves scalability of execution – removes constraints around systems engineering resource that limits customer adoption of Ceres' stacks
- First agreement signed with an unnamed customer



Scaling the SteelCell® ecosystem

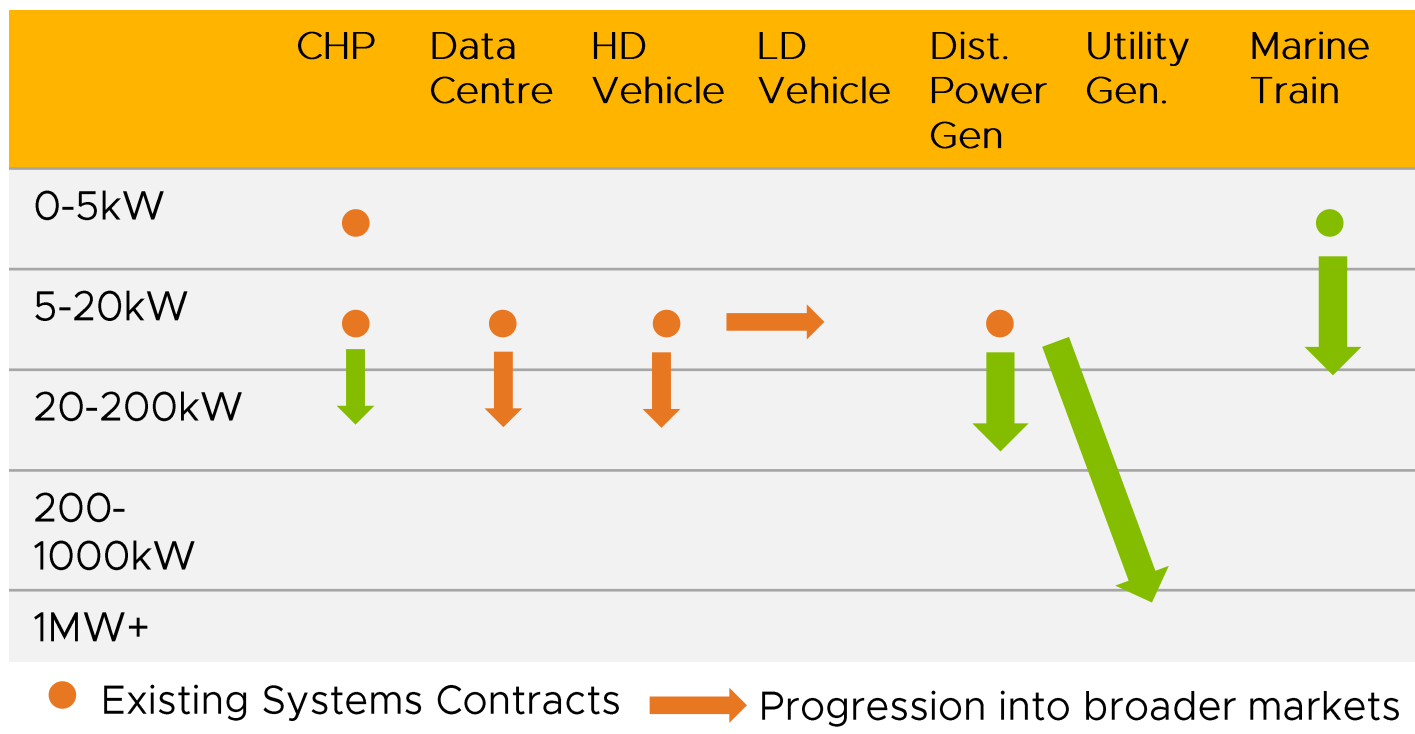
STACK

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

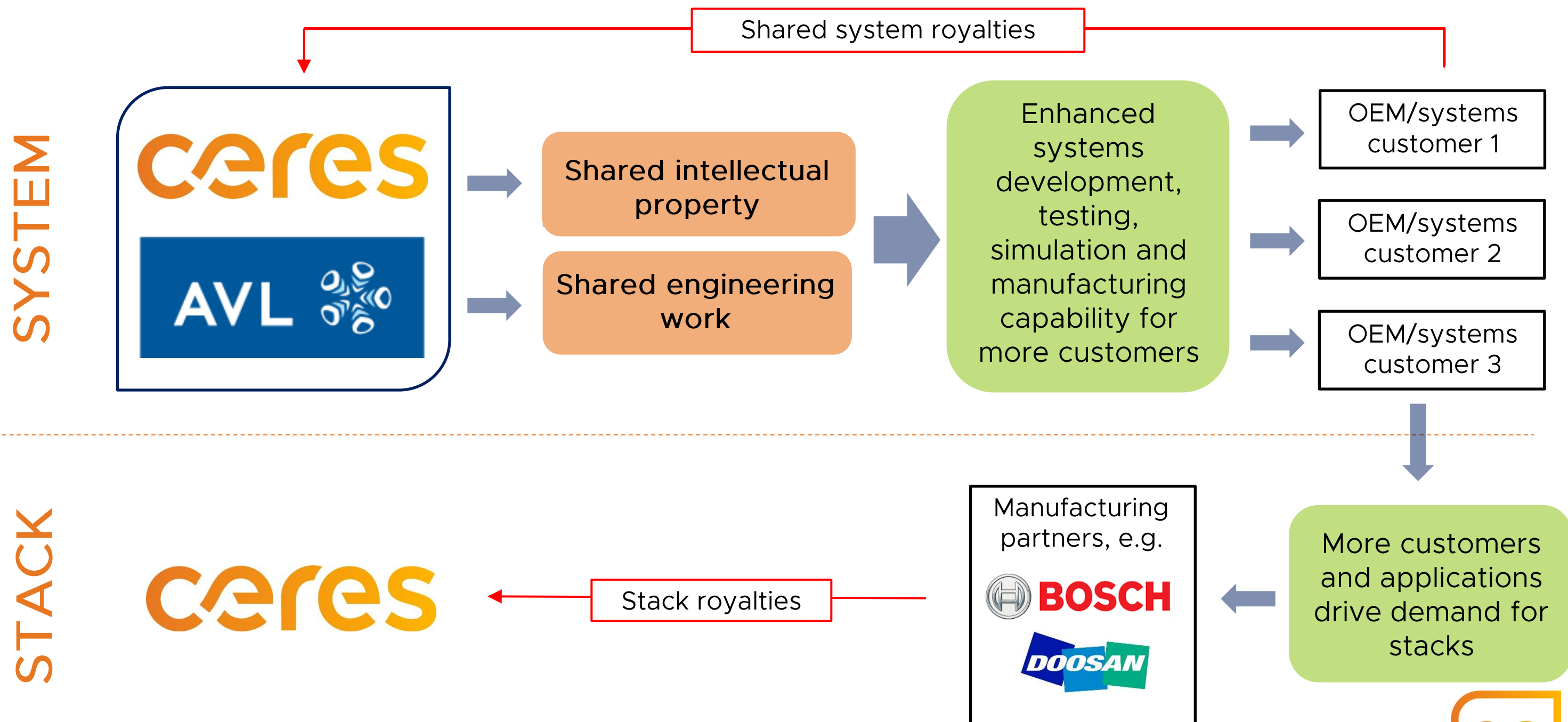


SYSTEM

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



Driving system royalties and stack demand



AVL's presence and scale

- AVL is a globally recognized consulting engineering firm with the strongest global practice in fuel cell solutions engineering
- AVL has 20+ years of experience in fuel cells, with capabilities including:
 - Test services, methods and infrastructure practice
 - Highly recognized simulation and modelling capabilities
 - Existing systems designs in:
 - Commercial CHP, industrial prime power
 - Cars, buses, trucks
 - Marine
 - Large scale power systems (100kW+)
- AVL currently generates around €2 billion in turnover and employs more than 11,500 employees, 65% of whom are engineers and scientists. It has presence in 26 countries worldwide.

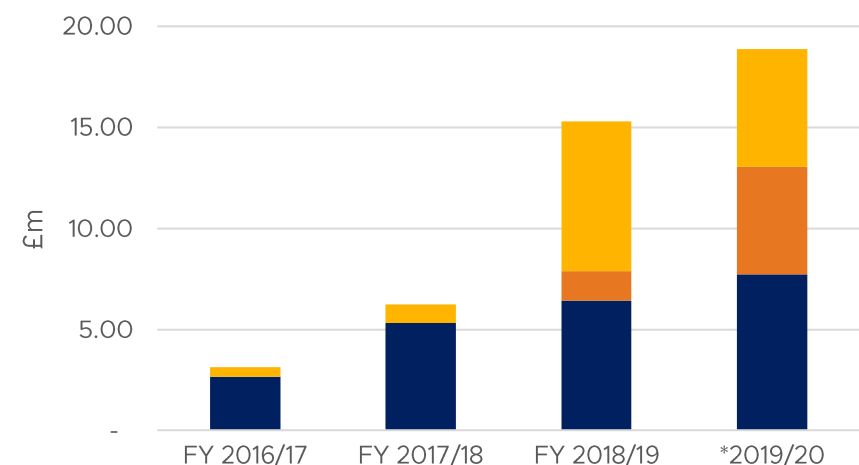


Framework of the partnership

- Creates a systems engineering services practice to offer customers state-of-the-art systems designs incorporating Ceres' SOFC stack
- Ceres and AVL will collaborate on customer acquisition and to identify and exploit the growing interest in SOFC technology in new applications and regions
- The pooling of the IP portfolios of two leading industry players will create a significantly stronger IP position in the market
- Collaboration on new systems architectures and designs to expand the applications accessible to Ceres' technology
- Revenues generated from the collaboration will be shared in an equitable manner
- The core SteelCell® stack IP is outside the scope of the collaboration and will continue to be developed and licensed independently by Ceres

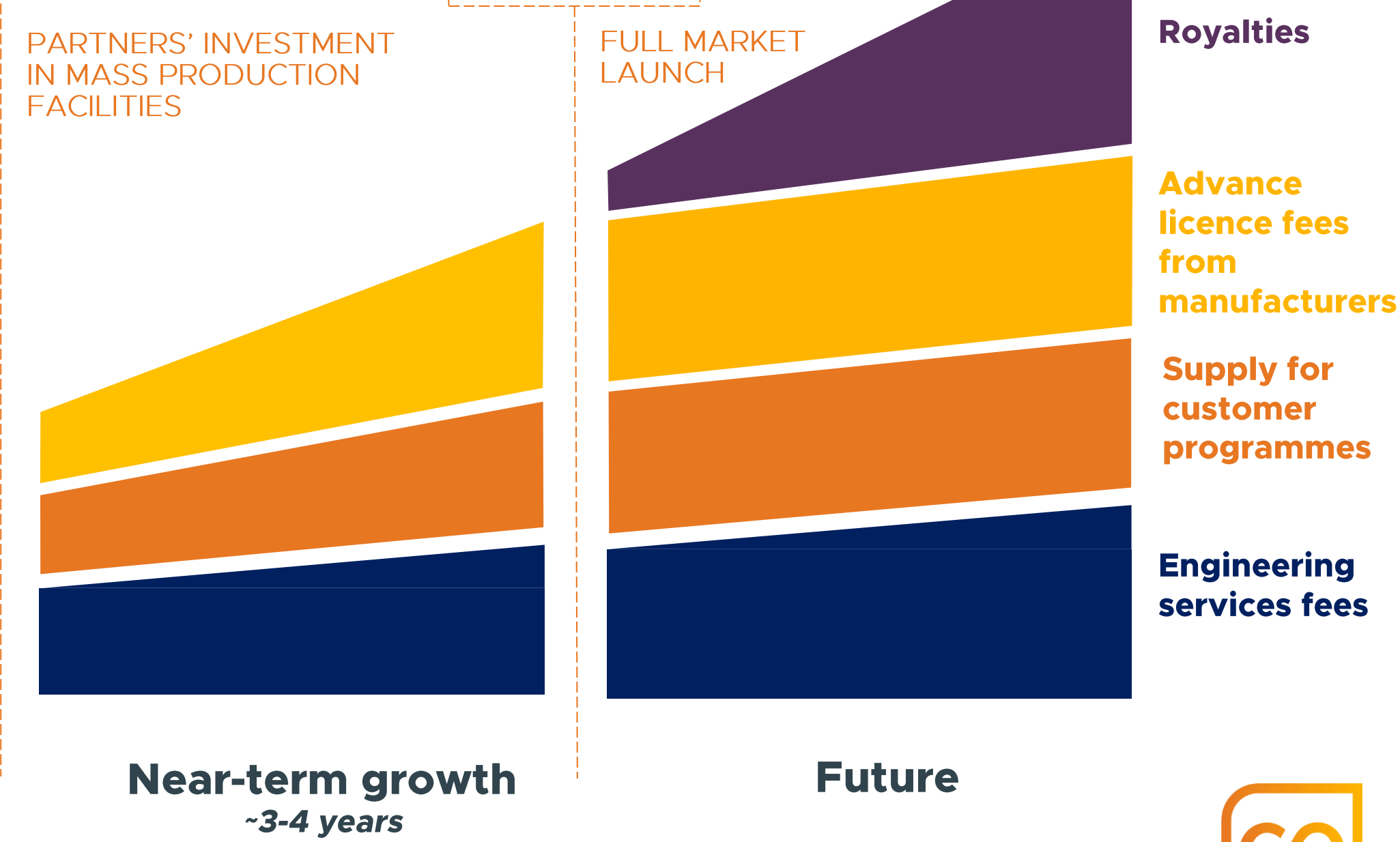


Revenue evolution



FY Revenue

*2019/20 12 months ended 30 June 2020



Deep expertise in stationary SOFC power systems...



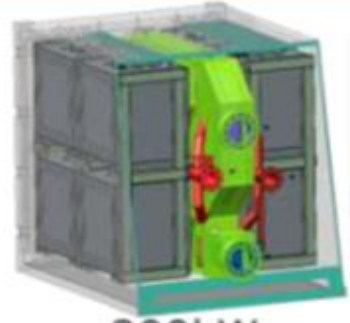

AVL SOFC CHP Development

AVL

MULTI FAMILY HOMES  **INDUSTRY**  **DATA CENTERS**  **HOTELS**  **HOSPITALS**  **TELECOM STATIONS** 

AVL SOFC CHP

- 5-10kW System available on TRL7, Projects from 5kW to 1 MW
- MW powerplant concept design available
- Unique system designs for high efficiency, high durability and low cost

10kW  **5kW**  **20kW**  **50kW**  **200kW**  **1000kW** 

... as well as motive development

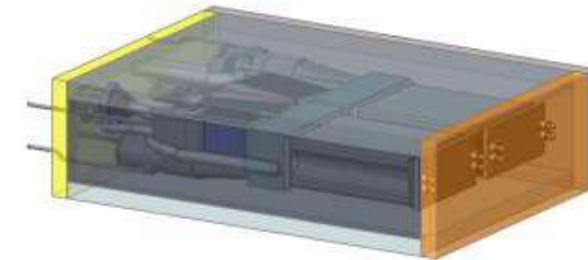
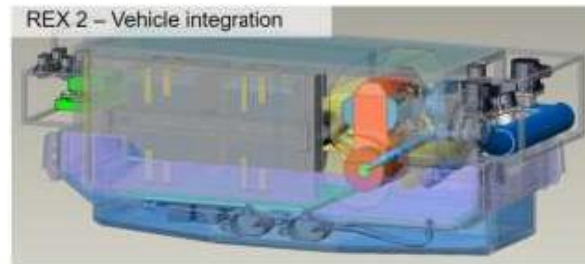
AVL Development of SOFC REX



2016

2017

2019



Fuel: Ethanol
Power output: 5kW
Efficiency: ~35-45%
Start-up time: ~40 min
Power Density: 30W/L
SOFC type: ASC

Fuel: Ethanol
Power output: 5kW
Efficiency: ~45%
Start-up time: ~30 min
Power Density: 50W/L
SOFC type: ASC

Fuel: CNG, Ethanol
Power output: 5-30kW
Efficiency: >50%
Start-up time: 15 min
Power Density: 70W/L
SOFC type: MSC

Confidential

J. Rechberger | Fuel Cell | 29 Oktober 2019 | 32

Summary

- The combination of Ceres SOFC technologies and AVL's engineering expertise will create a world-leading systems engineering competence
- The collaboration should significantly expand and accelerate the global adoption of Ceres technology into new application areas through a well-established partner
- The collaboration creates one of the largest combined portfolios of SOFC systems IP globally to be jointly licensed to customers
- System licensees are anticipated to drive demand for fuel cell stacks from Ceres manufacturing licensees



QUESTIONS





THANK YOU

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