



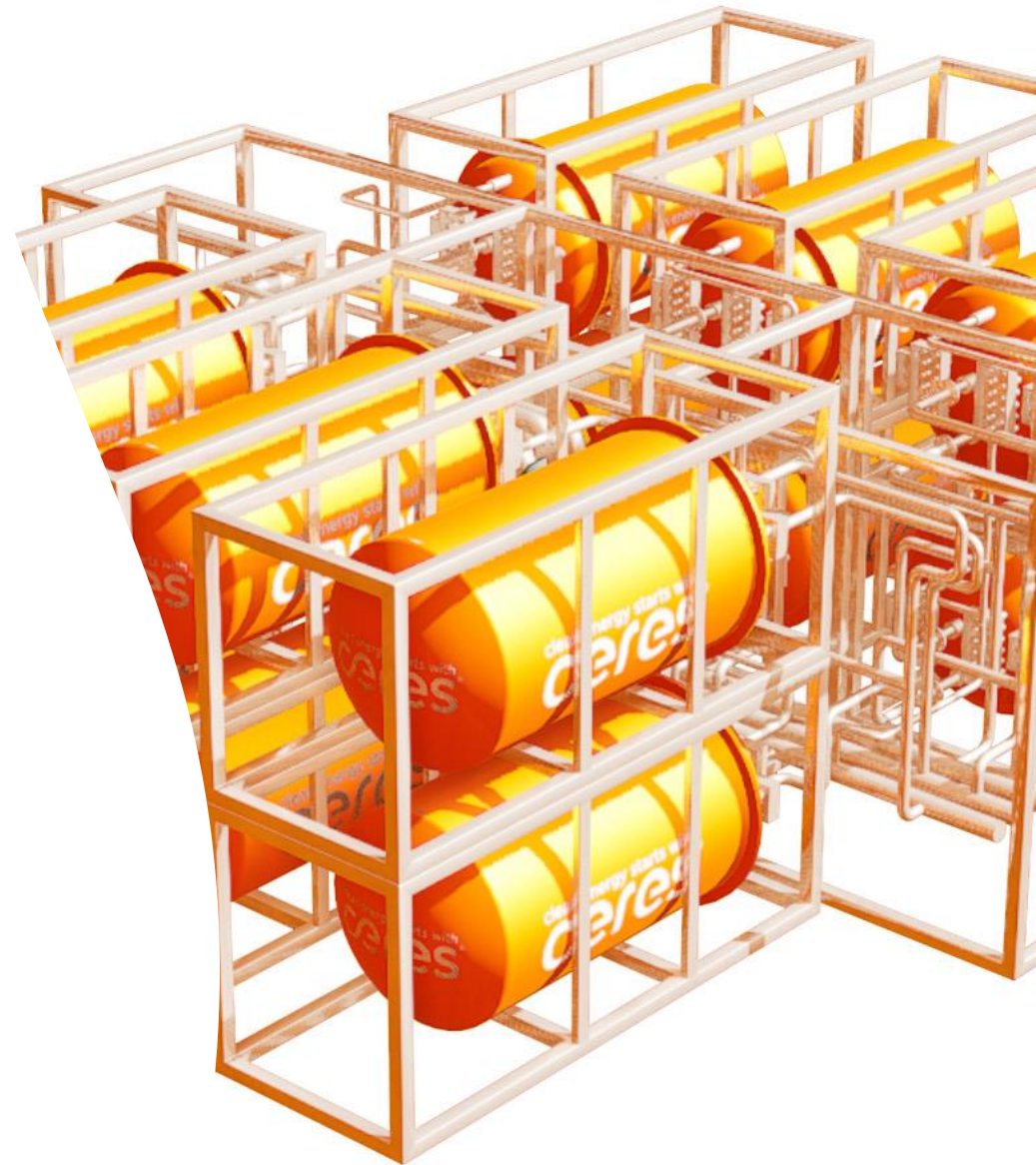
# Ceres confirms Denso as new licence partner

6 August 2024



# Ceres names Denso as new licence partner

- Ceres has confirmed Denso as its recently announced new manufacturing licence partner of Ceres' proprietary solid oxide electrolyser cell ("SOEC") technology
- Headquartered in Japan, Denso is a Fortune 500 company, employing over 160,000 people in 35 countries and regions worldwide
- Denso is a global original equipment manufacturer with the scale, expertise, and resource to manufacture advanced equipment, expanding to address the growing green hydrogen sector
- Non-exclusive global licence agreement that includes revenues for licence fees, engineering services and hardware over multiple years





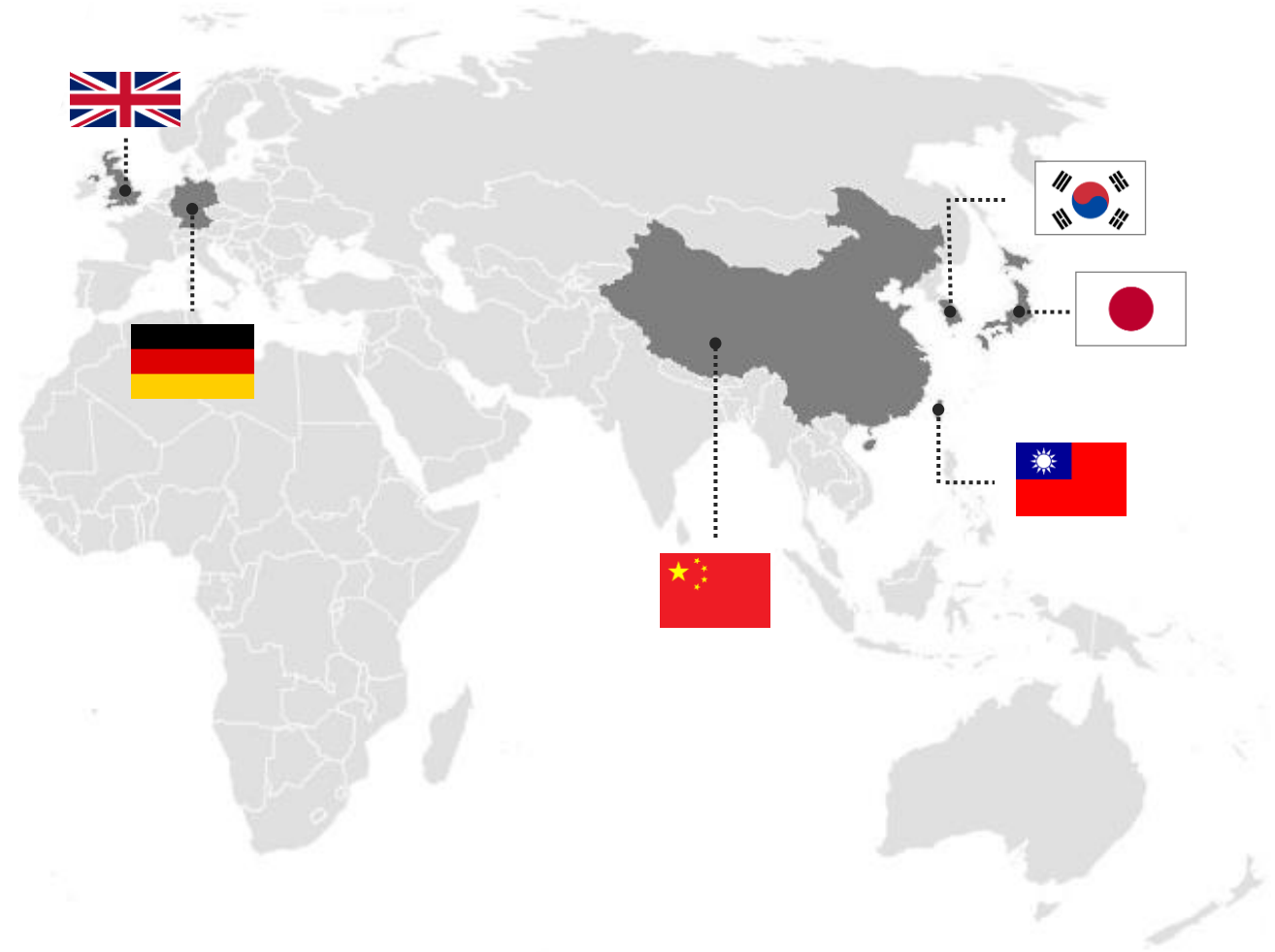
# Japanese commitment to hydrogen industry

- In 2017 Japan was the first country to release a national hydrogen strategy
- The 2023 revised hydrogen strategy has been expanded to focus on hard-to-abate sectors, particularly steel production, synthetic fuels and hydrogen and ammonia for power generation
- Japan has committed to mobilize ¥15 trillion, equivalent to \$98 billion, of public-private investment in the next 15 years
- Targeting installed electrolyser capacity of 15GW by 2030



# Strategy and target markets

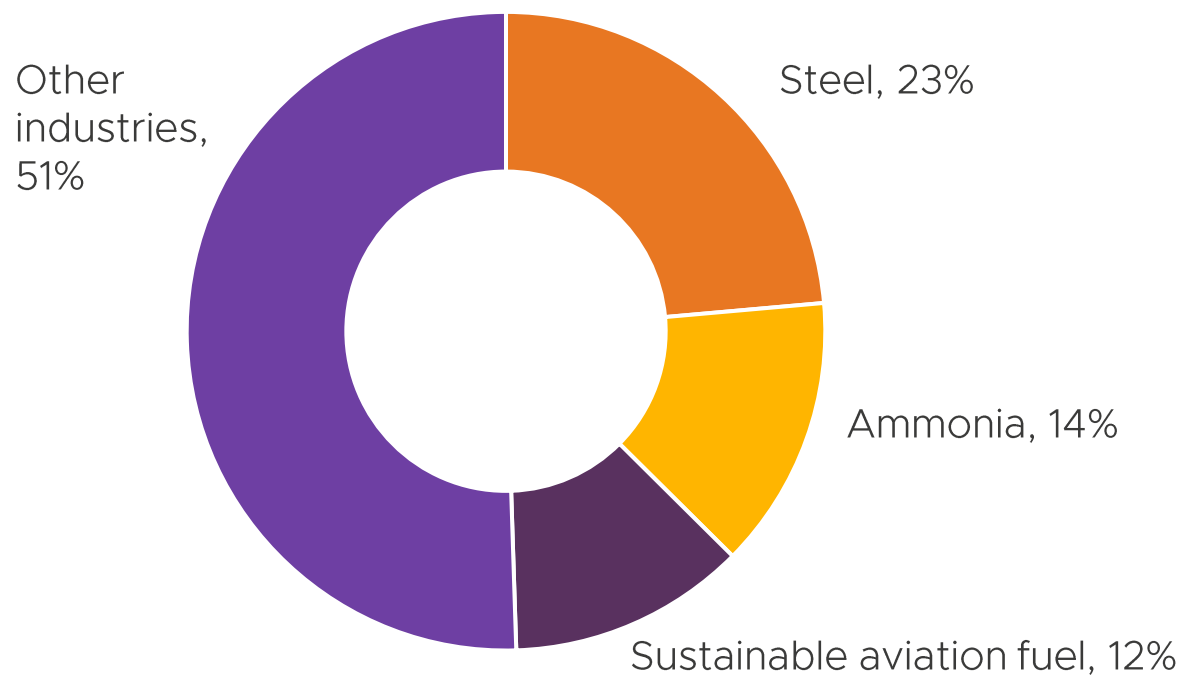
- Strategic collaboration with global partners to achieve scaled deployment of Ceres' technology
- Factories being built concurrently across key geographies
- Accelerated market entry for our partners by leveraging the continuous innovation and development of our world-leading solid oxide technology
- Growing interest in green hydrogen market
- BNEF estimates global production of green hydrogen will be 390 million metric tonnes by 2050<sup>1</sup>, with an estimated market value of \$1.4tr<sup>2</sup>



# Global hydrogen market estimated value of \$1.4tr in 2050

The Green Industrial Revolution is a global opportunity for UK technology

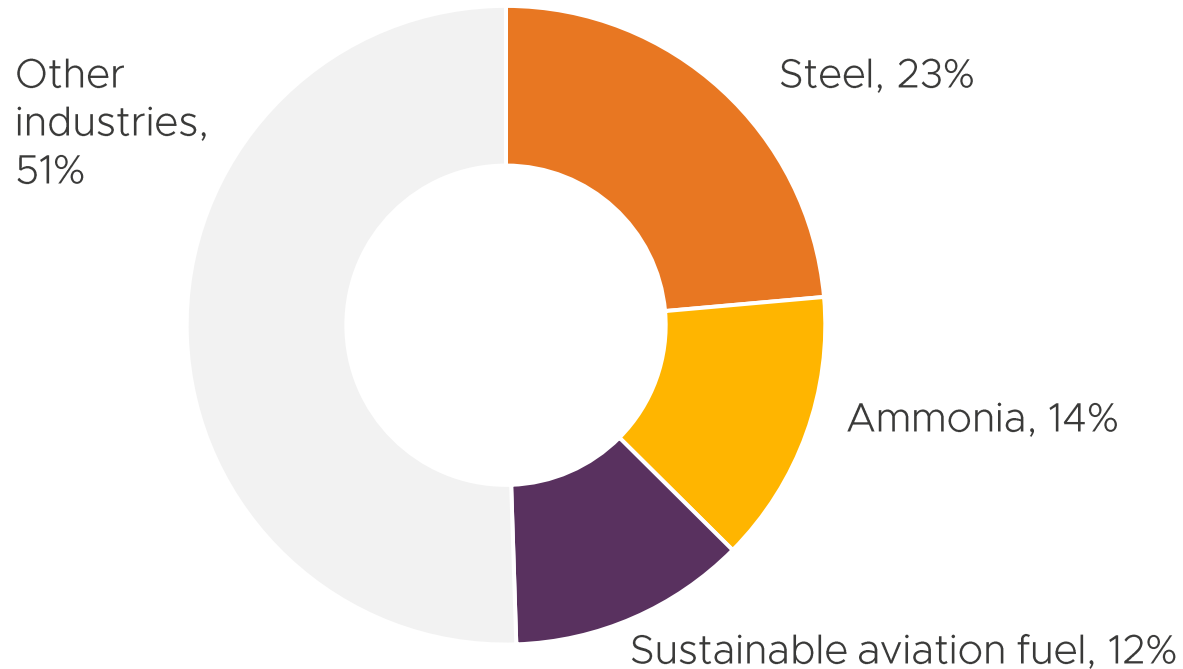
## Ceres technology advantage



# SOEC compelling advantage in 50% of this target market

The Green Industrial Revolution is a global opportunity for UK technology

## Ceres technology advantage



Steel production



Ammonia production



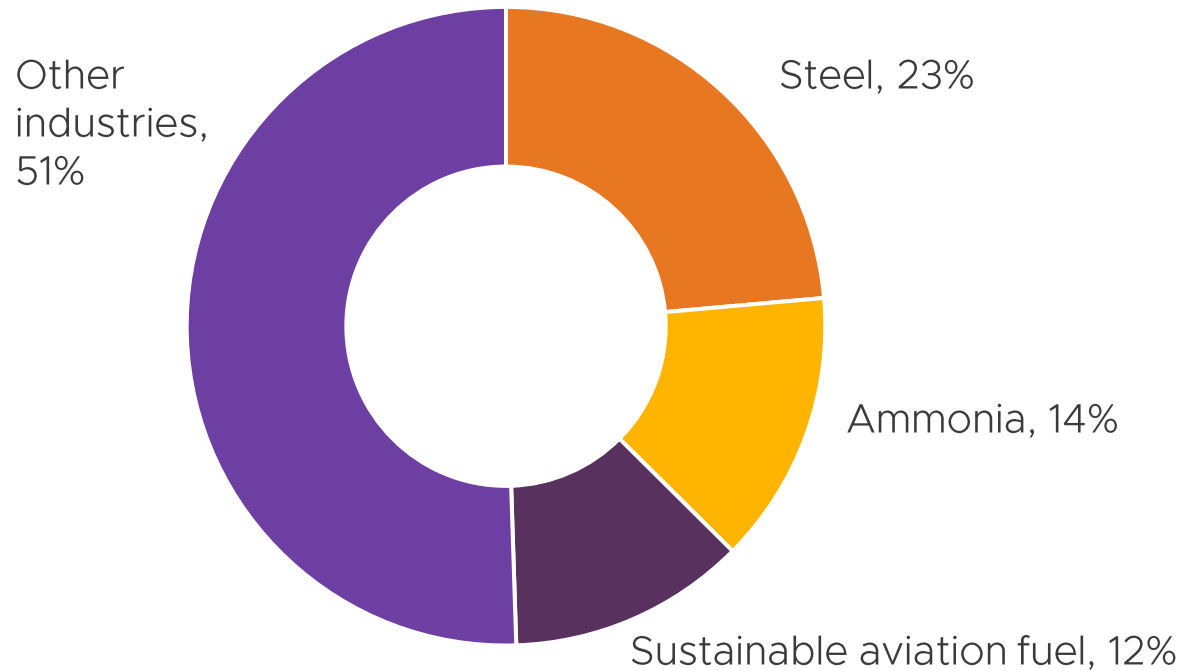
SAF production



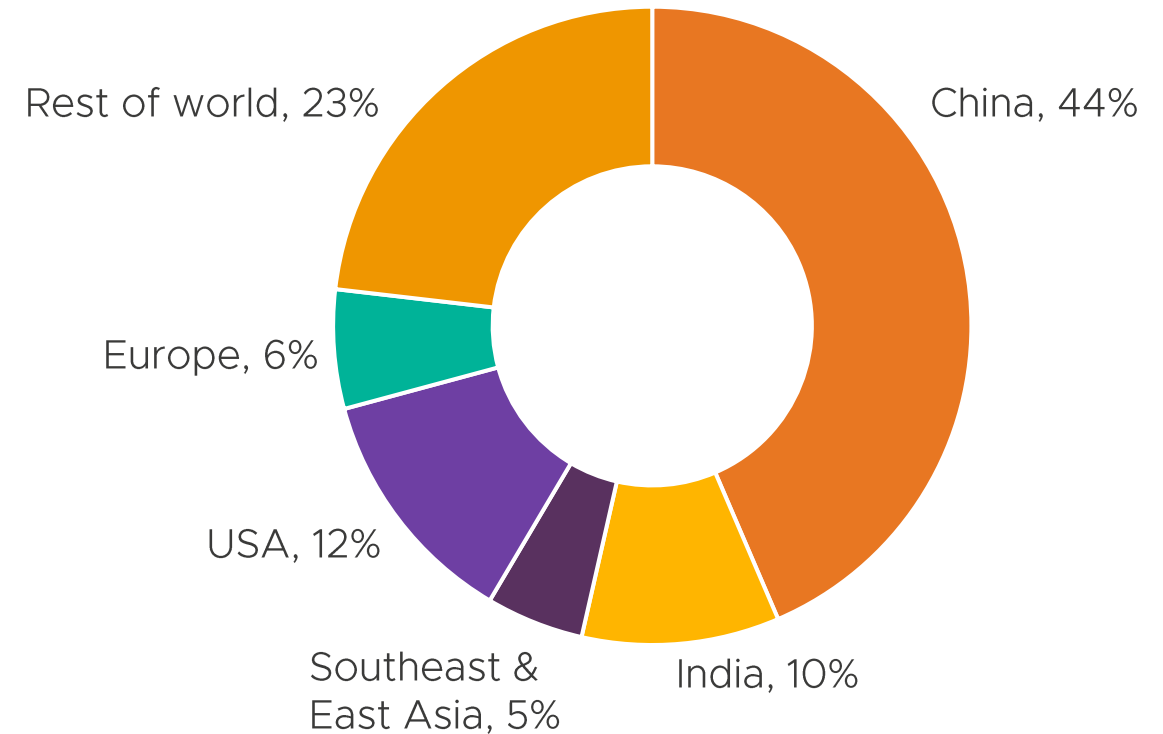
# SOEC compelling advantage in 50% of this target market

The Green Industrial Revolution is a global opportunity for UK technology

Ceres technology advantage



Ceres business model advantage



# Upgraded financial guidance for 2024

- Increased full year revenue guidance of £50 – 60 million
- Additional licence deal commensurate with previous licences leading to significant revenues from licence fees, engineering service and hardware over multiple years
- Significant increase to gross margin driven by high margin licence fees, H1 gross margin guidance is 75 – 80% (1H23: 61%)
- Royalty streams follow the production launch and commercial stage from contracted royalty fee



# Summary

- Denso brings advanced high-volume manufacturing in cutting edge electrical products for various industries from a global team
- First license partner exclusively for SOEC
- Further endorsement of investment into SOEC technology by a new partner
- Second SOEC partner in Asia in 2024
- Growing consensus of hydrogen's role in decarbonising hard-to-abate sectors
- Significant revenue growth for 2024 from two new licences partners, increasing the potential commercial manufacturing capacity and future royalty streams



# Questions

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