



Capital Markets Day

Phil Caldwell and his executive team host a tour of Ceres' new manufacturing facility in Redhill

Tuesday, 12 November 2019

Ceres Power

Unit 3, Gatton Park Business Centre

Wells Place, Redhill RH1 3SL

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Today's agenda

09.45	Welcome and introductions	Phil Caldwell, CEO
10.00	Establishing the global standard in SOFC The addressable market for fuel cells Overview of Redhill manufacturing	Mark Selby, CTO Tony Cochrane, CCO James Falla, COO
10.45	Split into Tour Groups Tour of Manufacturing (25mins) Technology breakout (25mins) Commercial breakout (25mins)	Jim Falla, COO Mark Selby, CTO Tony Cochrane, CCO
12.15	Why customers partner with Ceres	Bosch
12.45	Closing remarks and Q&A	Phil Caldwell, CEO
13.00	Lunch and networking	ALL
14.00	Finish	

WELCOME & INTRODUCTIONS

Phil Caldwell, Chief Executive Officer



- High growth UK technology licensing company with global world-class partners
- World leading Solid Oxide fuel cell technology – Imperial College
- Unique IP ~50 Patent families + know how
- 240+ highly skilled scientists and engineers based in UK
- £71m cash and £28m order book and £50m pipeline
- AIM listed ~£320m market cap
- High-margin, capital light technology licensing business model

A photograph of a modern building with a glass and steel structure. The building has a white facade with the text 'Imperial College London' visible. The sky is blue with some clouds.

Imperial College
London

Objectives for the day



Mark Selby, CTO

Establishing the industry standard and maintaining the Ceres advantage



Tony Cochrane, CCO

Growing a global licensing business as momentum in fuel cell industry grows



James Falla, COO

Putting in place the building blocks to enable global adoption by the world's largest engineering companies

Fuel cell's role in energy transition

Air Quality

- Batteries & fuel cells key to Zero emissions
- Pressure on charging infrastructure



Climate Change

- Path to Net Zero
- Nat Gas to hydrogen



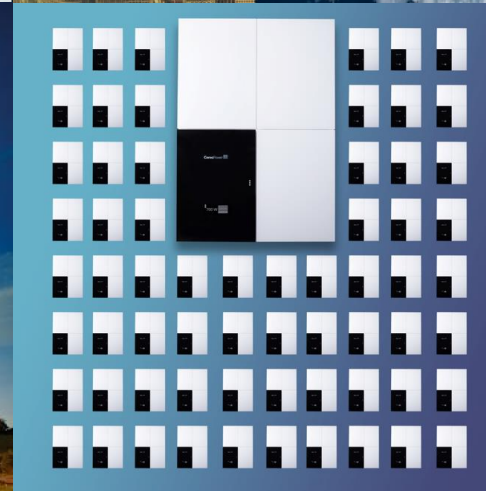
Balancing renewables

- Cheap renewable energy disrupting centralised power generation
- Fuel cells offer flexible distributed power



Energy efficiency

- Better than centralised power
- 60 % efficiency
 - > Centralised CCGT
 - 2x combustion engine



Over US\$1bn invested by OEMs over the past 18 months

WEICHAI

August 2019
\$163.6m
investment in
Ballard

 **BOSCH**

April 2019
€50m license
agreement with
PowerCell



June 2019
Hydrogenics 81%
acquired for
\$290m



July 2019
Linde invests
£38m into ITM
Power

 **BOSCH**

September 2019
Total investment
of \$230m in
Nikola trucks



October 2019
IPO of Doosan
Fuel Cell on KSC
\$318m mrk cap

June 2018
Equity
investment in
Ceres worth
£17m

WEICHAI

September 2018
Ceres 4% equity
investment
worth £9m

 **BOSCH**

December 2018
Further £28m
investment in
Ceres

WEICHAI

July 2019
Partnership for
Korean market
worth \$10m to
Ceres



Partnership progression



1. Joint product development
Engineering services



2. Licence: system/manufacturing
Fees for tech transfer



3. Royalties from products sold
Royalties per kW



TECHNOLOGY TO ADDRESS CLIMATE CHANGE

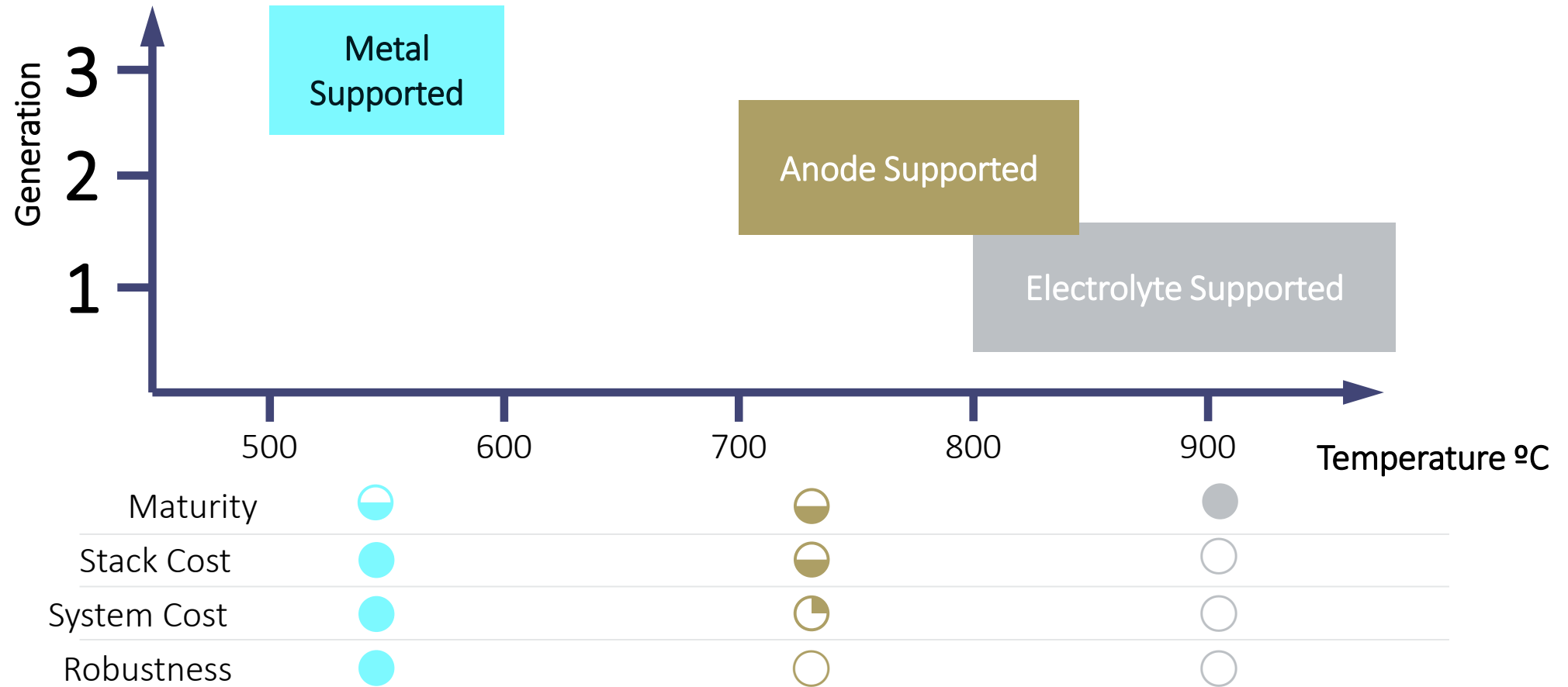
Mark Selby, Chief Technology Officer



A CHANGE OF POWER

We're a fuel cell technology and engineering company bringing cleaner and cheaper energy to every home and business.

Industry leading robustness and low cost



SteelCell® product platforms



1 kW class
home system



5 & 10 kW
Commercial and
data centres



30-100s kW
Hybrid EV buses
Power generation

SteelCell[®] is the solution for distributed generation



PEM cell



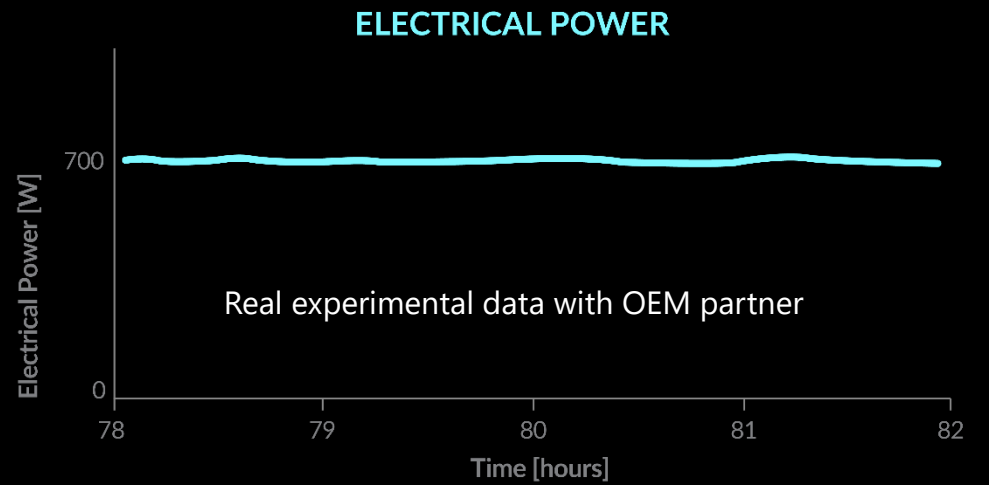
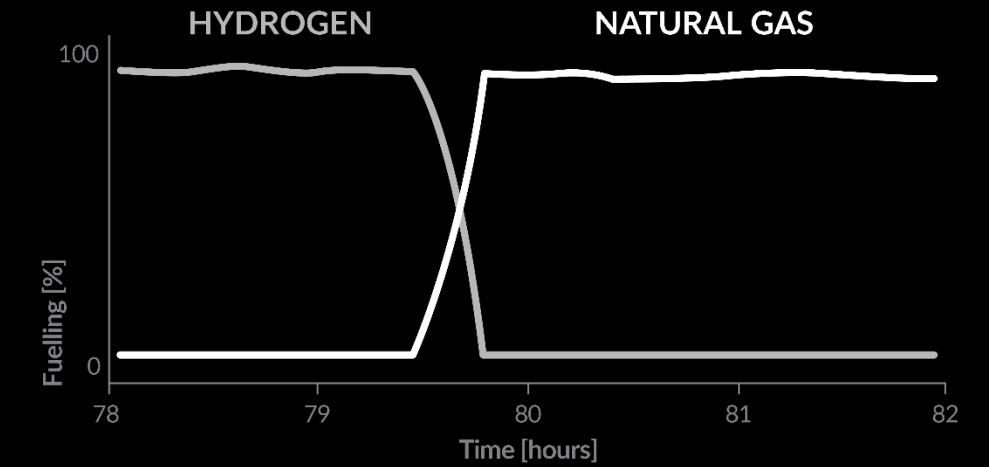
SOFC cell



SteelCell

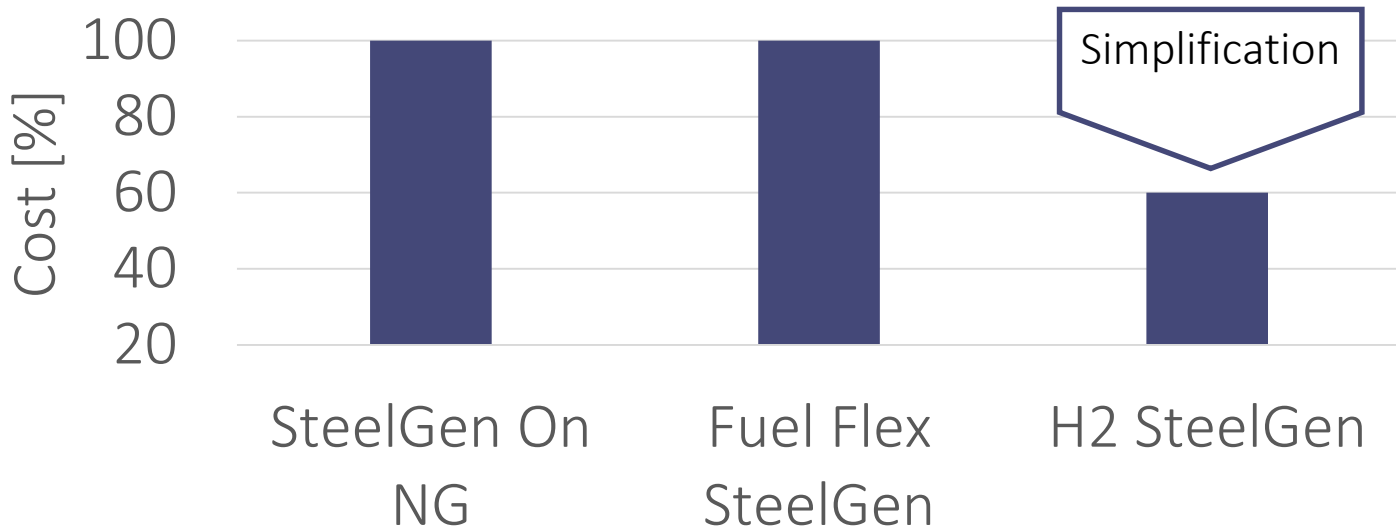
Cost			●
Efficiency		●	●
Robustness	●		●
Fuel flexibility		●	●

Transition to a Hydrogen Future is enabled by Fuel Cell Technology



Zero carbon future, with significant cost savings

Fuel	Hydrogen
Net Power	700W
Net electrical efficiency	>50%
Zero emissions	No CO ₂ , SO _x , NO _x or PM



LICENSING MODEL & ACHIEVING SCALE

Tony Cochrane, Chief Commercial Officer



Ceres partnerships in multiple applications globally

De-centralised Power



Electric vehicles



Clean power for datacentres



Market size ¹	~100 GW	>300 GW	>50 GW
Possible annual revenues for Ceres	U\$360m	U\$400m	U\$270m

Rapidly growing Fuel Cell market predicted to reach U\$25bn by 2025

- 1 kW residential to 10's to 100 kW's for businesses
- Higher efficiency than power from centralised grid

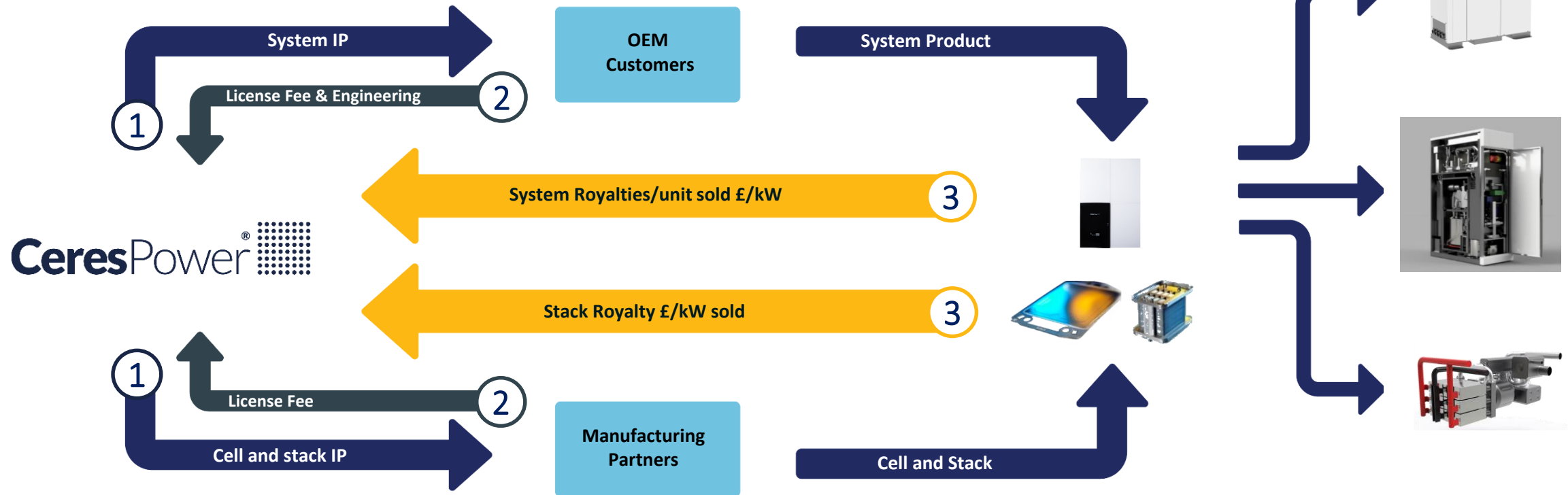
- Use as range extender for EVs in commercial vehicle markets (buses/trucks)
- Grid reinforcement for vehicle charging

- Data centres use > 2 % global power
- Saves energy and CapEx
- Reliable on-site power generation

¹ total addressable market

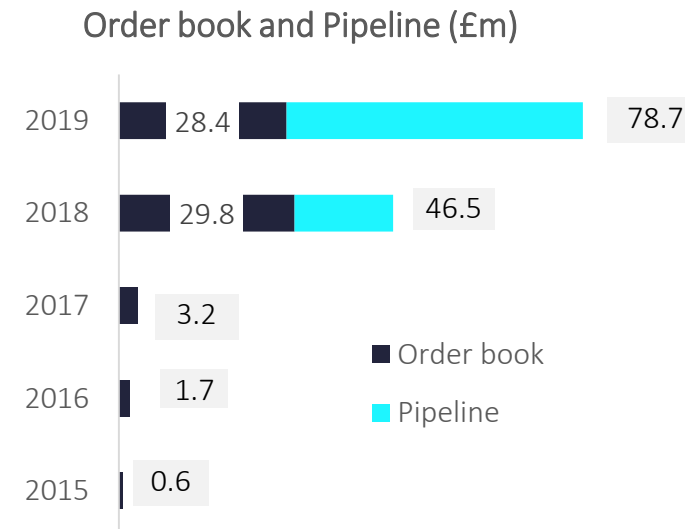
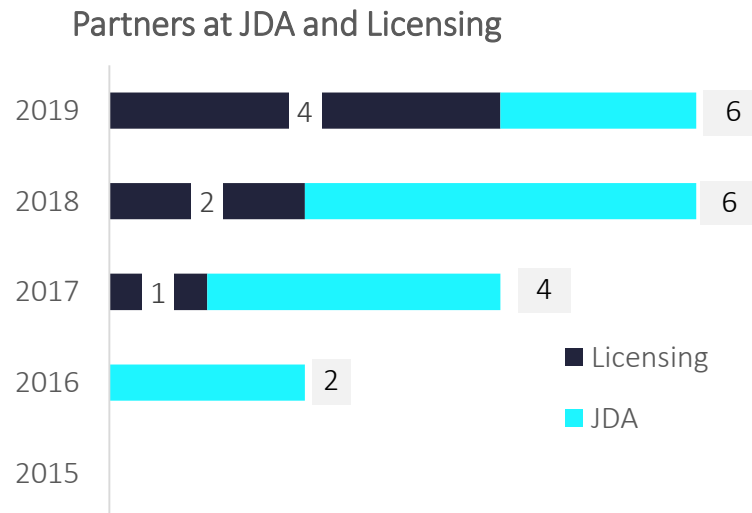
Ceres licensing business model

- ① Ceres develops fuel cell technology that is licensed to OEMs and manufacturing partners
- ② Ceres receives payments through engineering services and up front license fees
- ③ Ceres secures future royalties on every system and stack that uses Ceres technology

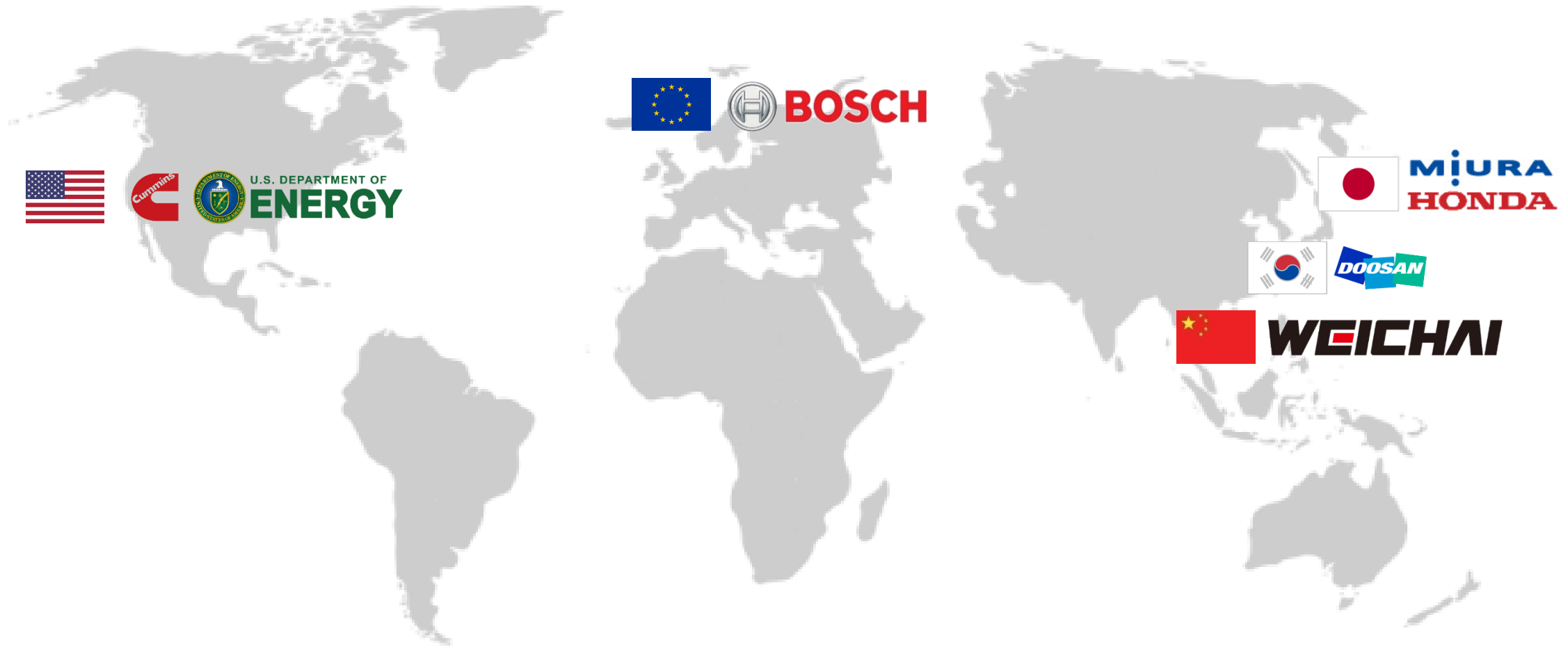


Commercial progress

- Strategic partnerships signed with Bosch and Weichai including equity investment and licensing agreements
- First product launch with Japan's Miura Co. using Ceres' SteelCell® in a CHP system for commercial use
- New system licence and JDA worth £8.0m over two years signed with Doosan post year end
- Strong order book of £28.4m and pipeline £50.3m (as at date of Annual Report)



Commercial partners in every major FC market



Scaling the business

Potential cell and stack licensee factories supplying multiple products in regions of greatest demand



Product applications in each region (system licenses)

	CHP	Data Centre	HD Vehicle	LD Vehicle	Dist. Power Gen	Utility Gen.	Marine, Train
0-5kW	○						
5-20kW	○	○			○		
20-200kW	○		○				
200-1000kW							
1MW+							

○ Existing Systems Contracts ➡ Progression into broader markets

OVERVIEW REDHILL MANUFACTURING

James Falla



UK's first SOFC reference plant: Redhill

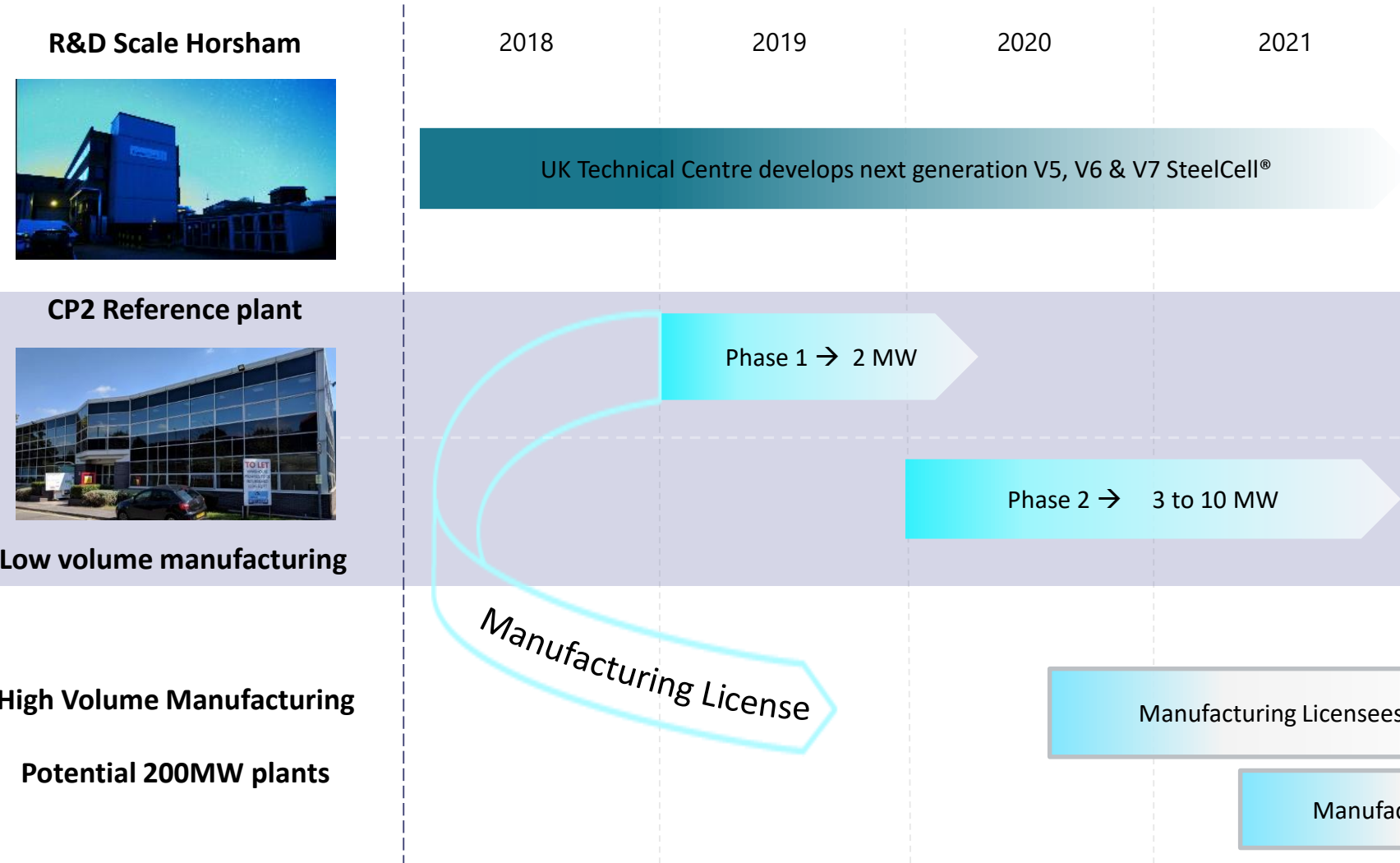
- £8m investment creating ~60 skilled jobs in UK
- Near term capacity for customers and “blueprint” for tech transfer to manufacturing partners
- Fit-out completed Q1 2019
- Equipment installed Q2 2019
- Site training and validation H2 2019
- Phase 1 Launch 2020 at 2MW capacity per year







Located near Redhill, Surrey



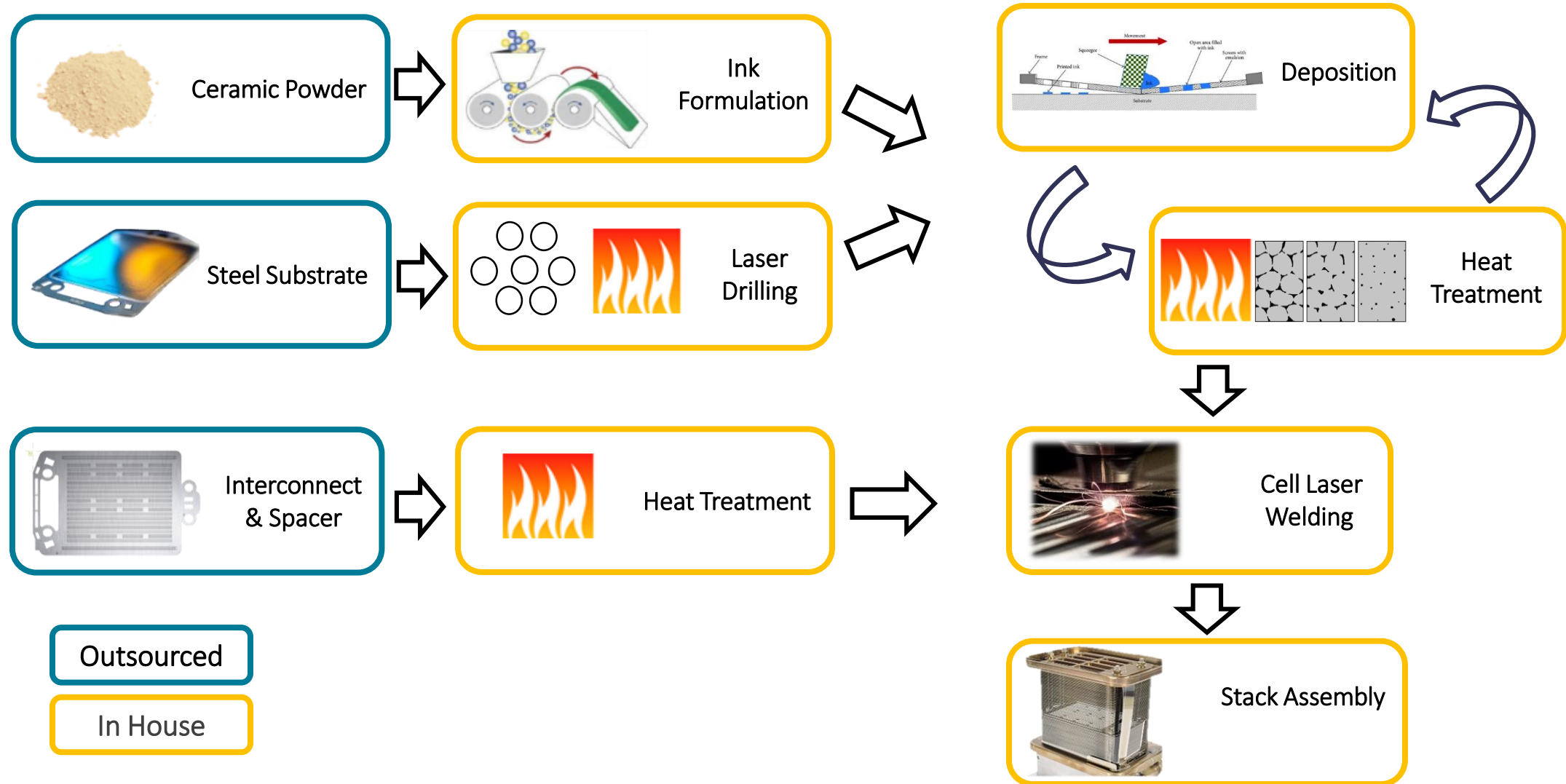
UK Manufacturing enables global licensees



Annual capacity equivalent in units:

			
HOME	WORK	CLOUD	ROAD
1kW	10kW	Datacentres	30kW
2,000	200	-	60
10,000	1,000	0.25	300
200,000	20,000	4-10	6,000

Process Overview



BOSCH & CERES PARTNERSHIP



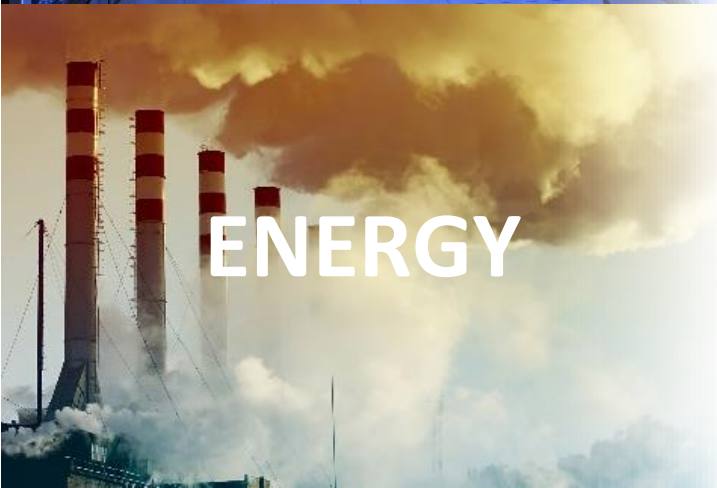


MOBILITY



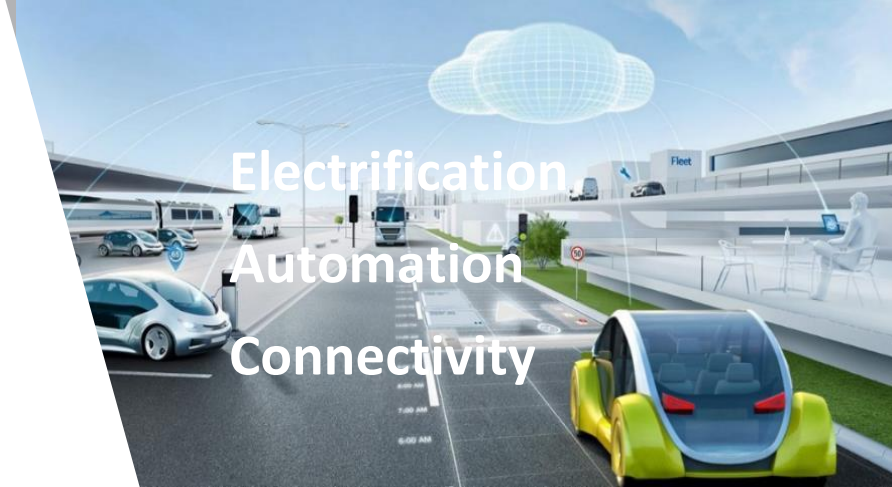
IoT

INTERNET OF THINGS
AND SERVICES



ENERGY

WHAT
DOES
THE FUTURE
LOOK
LIKE
?



Electrification
Automation
Connectivity



Digitalisation
Big Data
Power/Data Security



Air Quality
CO₂-Reduction
Decentralisation

Bosch SOFC

Target values

High electrical efficiency
>60% AC net

Very low noise
No vibrations



10 kW_{el}
AC power nominal load

> 3 kW_{th}
Thermal output

Focus on CO₂ reduction

Capable to run on:

Hydrogen (H₂)

Biogas/Ecogas

Natural Gas

& all combinations of above



Efficiency

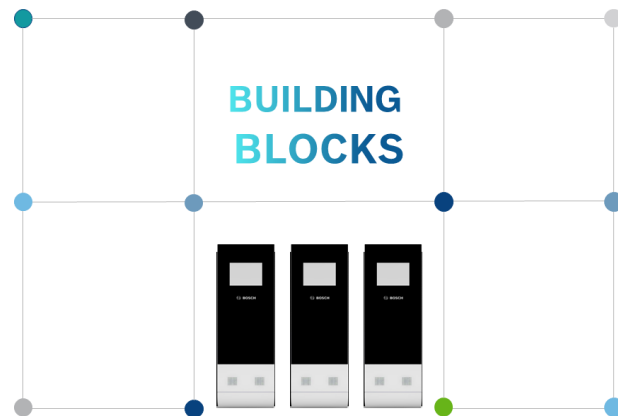
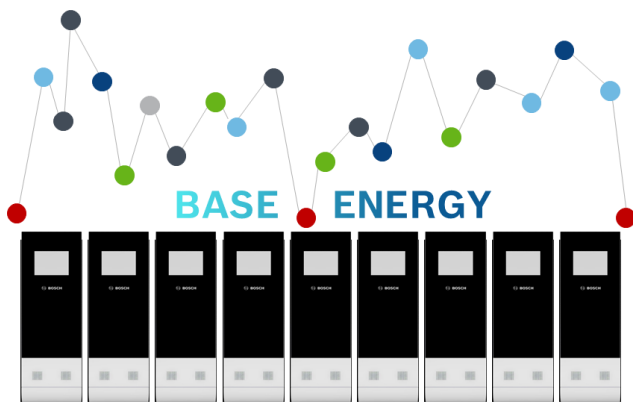
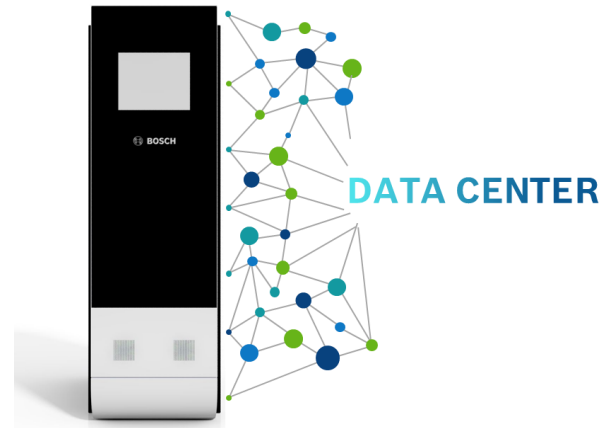
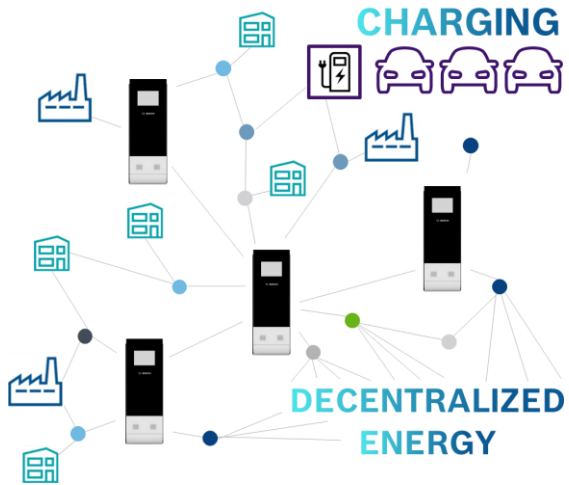
Scalability up to
several MW_{el}

Resilience

Profitability.

SOFC – Use Cases (Selection)

Various Application Opportunities



Growing on Demand

Preventing overcapacities and downtimes of power stations by using a decentralized energy system

Combined Heat and Power

Providing precious electricity with 60 % AC efficiency and additional thermal power

Unlimited Scalability

Being able to install plug and play solutions worldwide only requires availability of natural gas or if available Hydrogen

Cost Competitive

Technical benefits come with cost competitiveness to alternative solutions

SUMMARY

Phil Caldwell, Chief Executive



Summary

- Market has never been more real and with tangible momentum
- Ceres highly differentiated and establishing the industry standard
- Now have all the building blocks in place to enable global adoption by the world's largest engineering companies