

ITM Power | Final Results | September 2021

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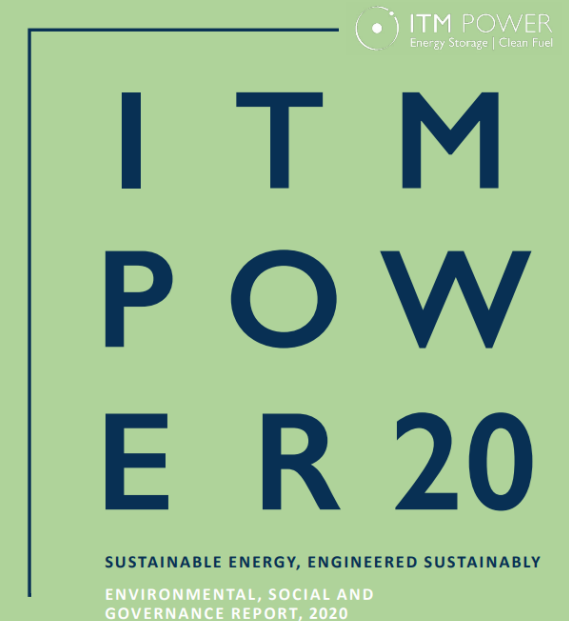


ITM Power Positioning

- ITM Power manufactures world leading, field-proven PEM electrolyzers
- ITM Power has the largest PEM electrolyser factory in the world

Only One Net-Zero Fuel | Green Hydrogen:

- PEM Electrolysis powered by renewables is the only viable solution
- The market is accelerating faster than industry forecasts (reflected by tenders)
- Governments and industry have firmed up on electrolyser targets and policy



ITM Power ESG Report | Published 8th April 2021



Market leader | Strong momentum | Global markets | Strong partnerships



The Macro Market

- **IEA:** 322m Tonnes of electrolytic hydrogen needed by 2050
- **IEA:** global electrolyser capacity of 3,585GW needed by 2050
- **Aurora:** Current pipeline of electrolysers is over 200GW
- **Aurora:** 85% of the 200GW is in Europe
- National electrolyser targets increased from 40GW to 144GW

Global Macro:

- EU net-zero law | China declares net-zero by 2060
- US rejoined the Paris Agreement | Feb 19th, 2021
- US DOE | Hydrogen Moonshot | 7th June 2021



7th June 2021

Green hydrogen leads off US energy earthshots in 'all hands on deck' technology call

First 'shot' from new Department of Energy initiative announced by secretary of energy Jennifer Granholm aims to slash the price of green H₂ by 80% in the next ten years

AURORA
ENERGY RESEARCH

Hydrogen Market Attractiveness Report (HyMAR)

Summary slides for non-subscribers
11th May 2021

Net Zero by 2050

A Roadmap for the Global Energy Sector

International Energy Agency



Market leader | Strong momentum | Global markets | Strong partnerships



Key Achievements in the period:

- Record Backlog: 310MW
- Record Tender pipeline: 1,011MW (1GW+)
- Bessemer Park Gigafactory fully operational
- 10MW Refhyne delivered
- Plans for 100MW Refhyne II announced
- 100MW Humber FEED study completed



A strong platform for rapid future growth

Financial results (figures in brackets Oct 2020 results):

- Work in Progress** of £36m (£16m) up 125% YoY constituting 43MW of electrolyzers
- Contracts backlog* of £171m (£118m) up 26% YoY constituting 310MW of electrolyzers
- Tender pipeline*** of £378m (£195m), up 94% YoY constituting 1,011MW | **Only reporting** value to ITM Power

	09/2021	10/2020	% Change
Work in Progress*	£36m	£16m	125%
Contracts backlog**	£171m	£118m	45%
Tender pipeline***	£378m	£195m	94%

*Contracted backlog

**Contracted backlog and contracts in the final stages of negotiation and preferred supplier backlog

***Quotations submitted in response to commercial tenders in the last 12months

Backlog: 310MW | Tender pipeline: 1,011MW | Annual capacity: 1,000MW

BACKLOG & TENDER PIPELINE

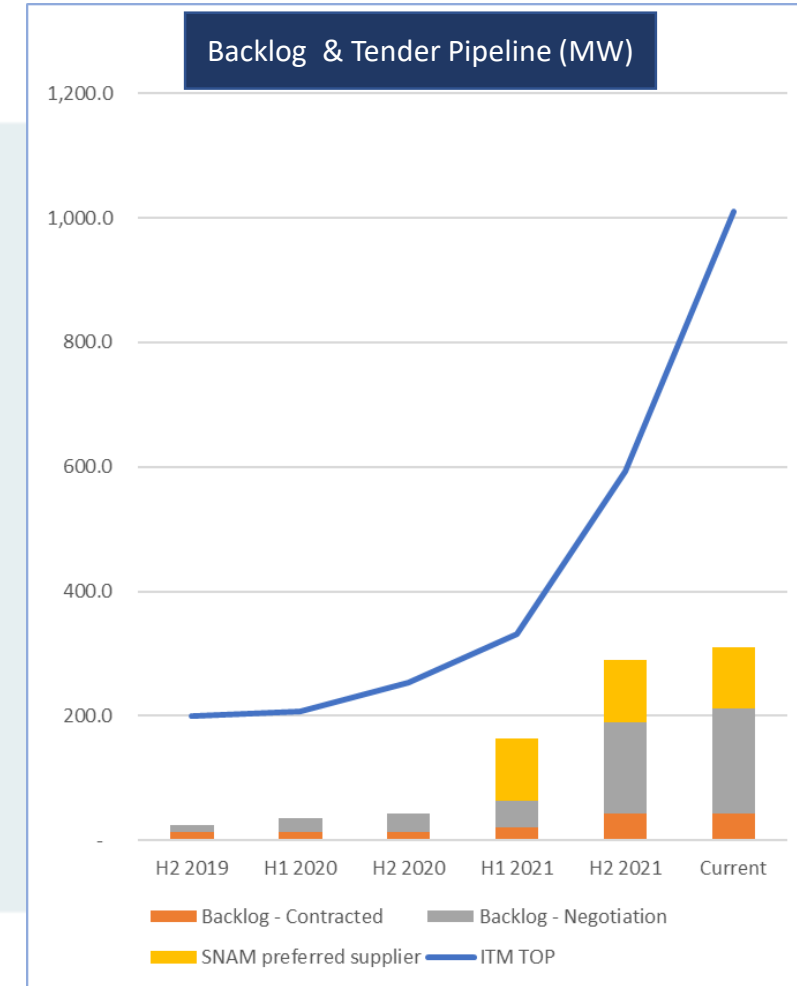
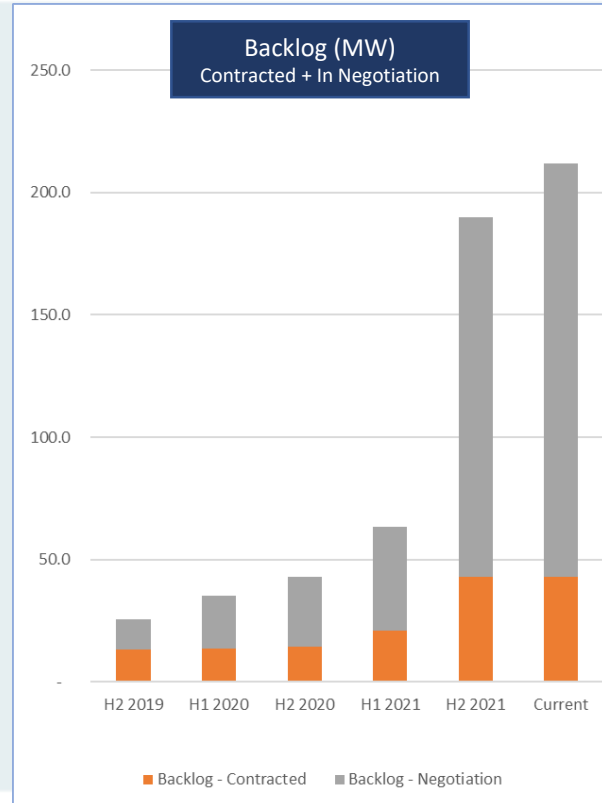
HYDROGEN ENERGY SYSTEMS

Record Backlog*:

- Total: 310MW
- Contracted: 43MW
- Negotiation: 169MW
- Preferred supplier: 98MW

Record Tender Pipeline**:

- Total: 1,011MW (1GW+) vs 593MW in June '21
- Increasingly weighted towards larger projects



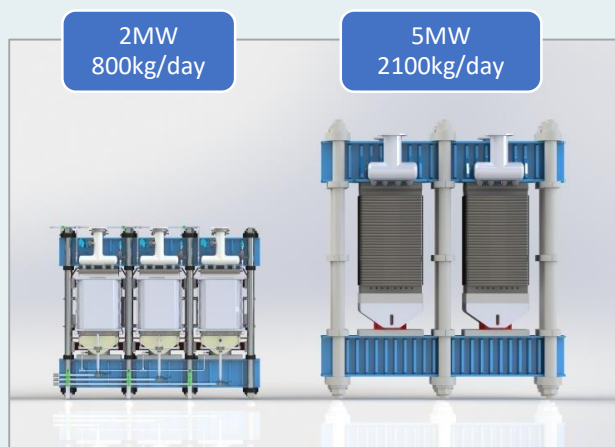
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*Contracted backlog and contracts in the final stages of negotiation and preferred supplier backlog

**Quotations submitted in response to commercial tenders in the last 12months

PRODUCTS & PROJECTS

HYDROGEN ENERGY SYSTEMS



Project	Product Platform	Integration
0-4 MW	Plug & Play	ITM
4-20 MW	Plug & Play and 2MW Modular	ITM or ILE
21-80 MW	2MW Modular	ILE
81 MW+	5MW Modular	ILE



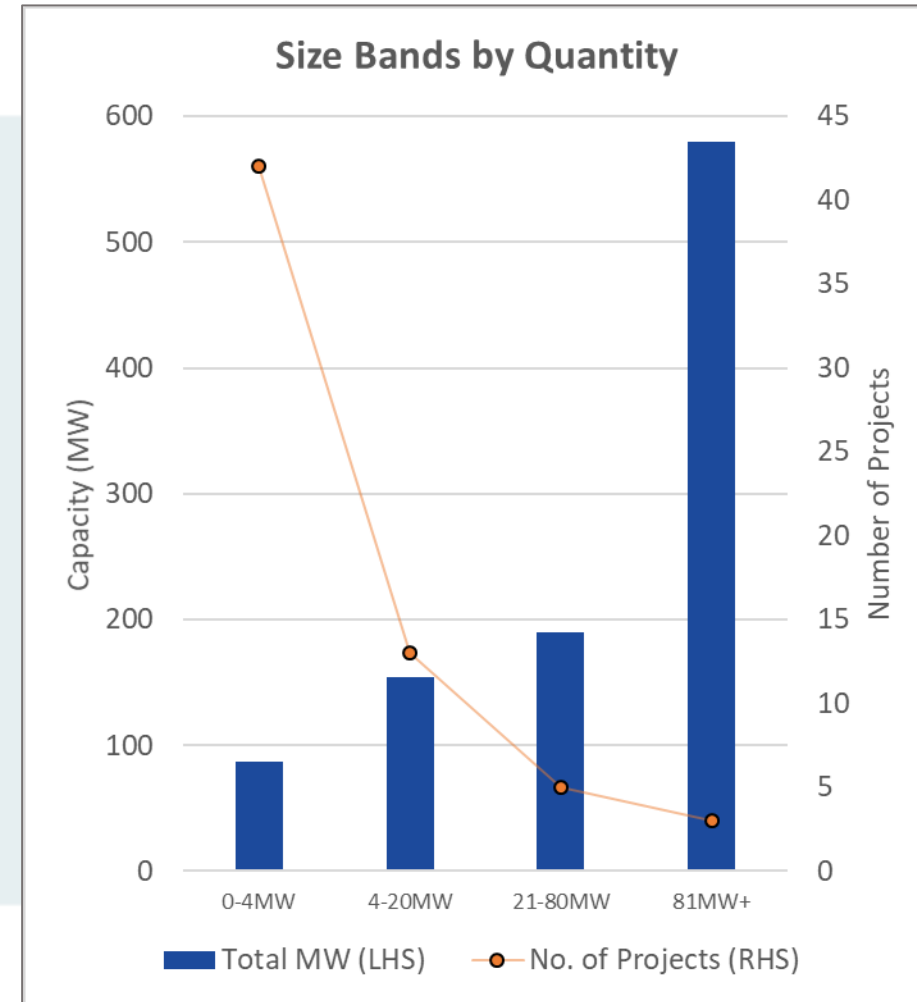
Backlog: 310MW | Tender pipeline: 1,011MW | Annual capacity: 1,000MW

Record Tender Pipeline:

- Total: 1,011MW (excludes feasibility and FEED studies)
- Excludes wider pipeline development
- Increasingly weighted towards larger projects

Project size distribution:

Project	Product Platform	Integration	Total MW	No. Projects
0-4 MW	Plug & Play	ITM	87	42
4-20 MW	Plug & Play and 2MW Modular	ITM or ILE	154	13
21-80 MW	2MW Modular	ILE	190	5
81 MW+	5MW Modular	ILE	580	3



Backlog: 310MW | Tender pipeline: 1,011MW | Annual capacity: 1,000MW

TENDER OPPORTUNITY PIPELINE GRAPHS

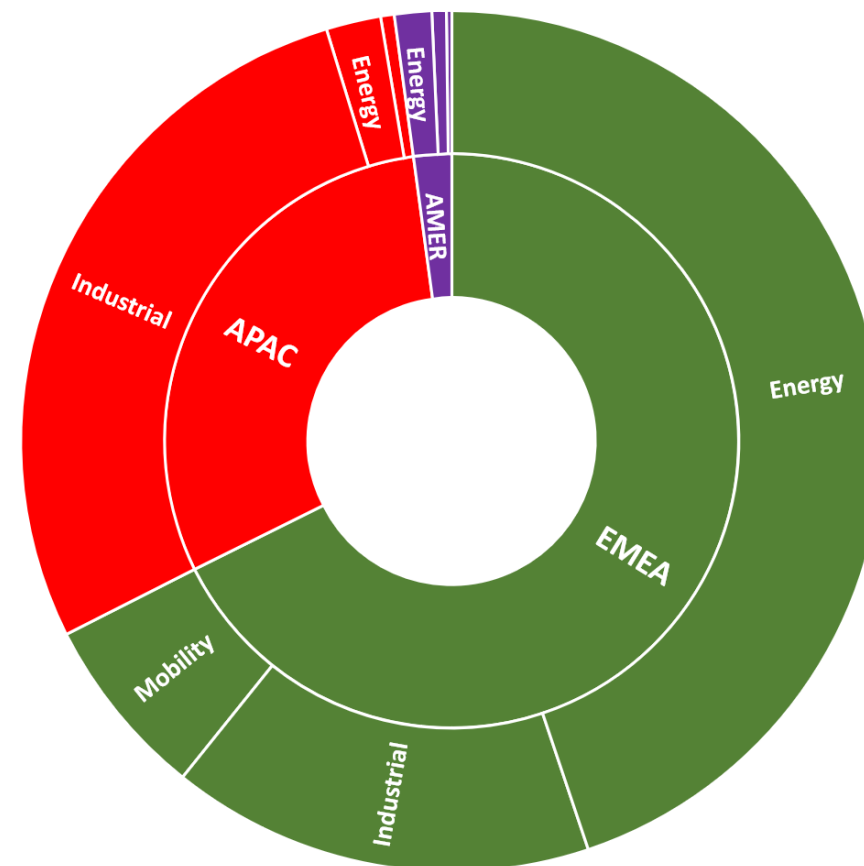
HYDROGEN ENERGY SYSTEMS

Tender Opportunity Pipeline :

- Industrial hydrogen driven by the transition to Net zero
- Renewables aligning with the O&G industry
- EMEA Leading
- APAC Fast follower
- AMER Earthshot not yet reflected

Region (MW)	Energy	Industrial	Mobility
EMEA	453.3	160.7	69.4
APAC	20.7	280.0	5.3
AMER	14.0	5.4	2.0

Capacity (MW) by Region



Backlog: 310MW | Tender pipeline: 1,011MW | Annual capacity: 1,000MW

Total Cost of Ownership | Winning orders through lowest LCoH₂

- Hydrogen **production cost** dominated by electrolyser performance
- Customers want **low cost turn key solutions**
- **Operational excellence** leads to repeat business and continuous improvement
- All three of these are sources of competitive advantage
- R&D and continuous technology progress maintains leading position

Delivering the Lowest LCoH₂

Lowest H₂ Production Costs

- Performance
- Testing
- Technology roadmap

Lowest Full System Price

- Volume manufacture | automation
- PGM reduction
- Localised supply chain

Best Operational Excellence

- 24/7 support
- Early diagnostics
- Data and RAMs modelling

Seeking lowest cost of ownership for customers by marrying excellent Capex and Opex characteristics

Strategic Partnerships Crucial to Success

- Building partnerships, rather than just supplier-customer relationships
- Long-term strategic partnerships are key to its future success
- Counterparties with the greatest potential to deploy electrolyser capacity
- Early-stage relationships key to ensuring long-term incumbency
- Benefits from EPC and engineering services support and procurement
- Benefits from contracting advice and access to new markets
- Both the Linde and Snam relationships are cemented through equity investment



Market leader | Strong momentum | Global markets | Strong partnerships

Financial Results:

- Key Drivers
- Results Snapshot

Performance:

- Revenue
- EBITDA
- Cash
- Guidance
- Summary



Andy Allen | CFO | Financial Results

Moving into Bessemer Park:

- Moved in January 2021 | Opened by Secretary of State in August 2021
- Fitout of factory: Semi automation | Blueprint for further expansion
- Capacity scalable to 1GW within six months: able to respond to demand

Partnerships:

- First full year of ITM Linde Electrolysis GmbH trading
- Snam £30m stake, partnership & preferred supplier as part of £172m fundraise
- Refhyne commissioning and inauguration
- Gigastack product development programme with BEIS

Global Events:

- Pandemic causing delays to on-site works | Brexit affecting travel
- Post year end | developing supply chain dynamics | Steel | Microchips



Bessemer Park Opening | August 2021

Themes driving a year of transformation

Total income of £5.1m (£5.4m), down 6%, comprising:

- Sales revenue: £4.3m (2020: £3.3m) up 30%
- Collaborative grant income recognised: £0.8m (2020: £2.1m) down 62.9%

Adjusted EBITDA Loss* of £21.4m, (£18.1m), increased by 20%

- Gross losses on legacy projects £6.5m | Closing out projects with EPC scope
- Positioned to capture 1GW of demand per annum

Balance sheet:

- Cash balance excl. restricted balances of £176.1m (£39.9m) at period end
- Cash burn of £32.7m (£14.0m), including £10.4m on Bessemer Park

*Excludes extraordinary and non-cash costs



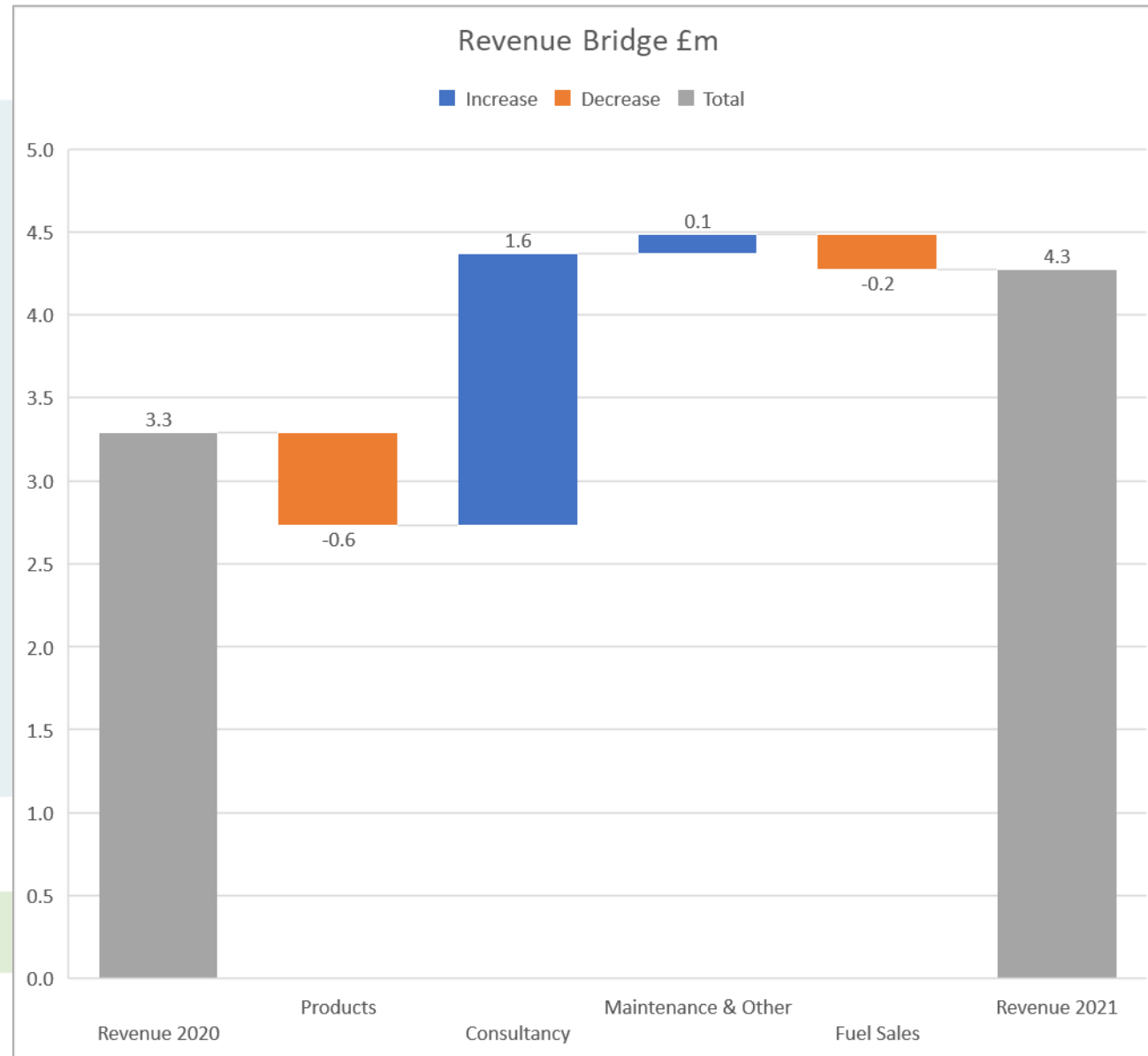
Bessemer Park | August 2021

Well positioned to respond to demand

Total Income weighted towards sales revenue

- Product sales down £0.6m | Covid and IFRS 15 impact
- Consultancy up | Gigastack development | Future sales
- Maintenance offering developing
- Fuel sales down due to Covid

Commercial revenue growing in the mix

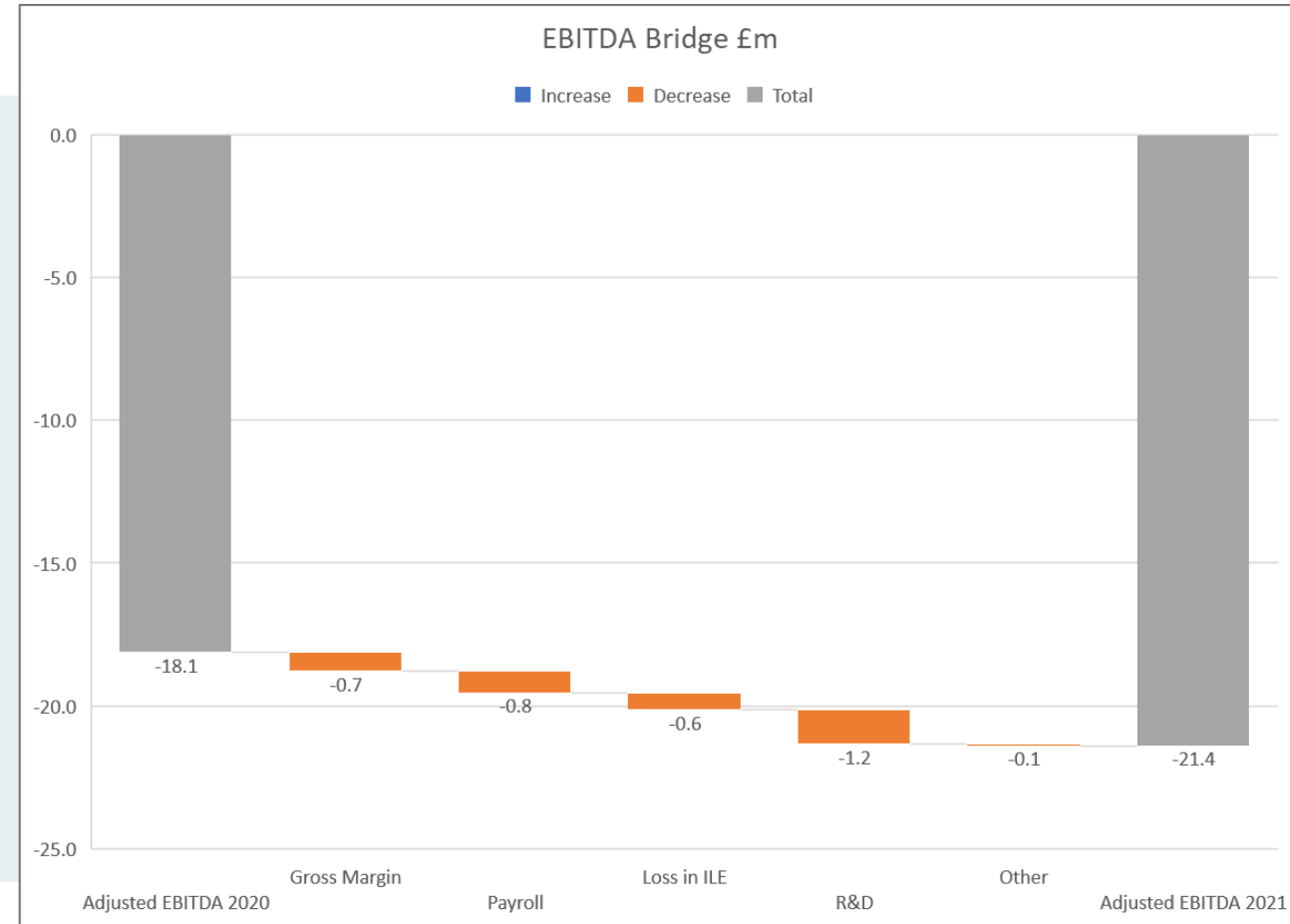


Positioning for growth:

- Gross margin impact of exiting EPC scope of projects
- Includes Refhyne 10MW project, inaugurated July 2021

Investing in the future

- Payroll increased by £0.8m | experienced hires
- Investment in JV, ILE | Record pipeline
- R&D | Focussed on cost reduction and innovation



Closing out legacy EPC projects | Setting up to address global demand

Investment in skills & experience:

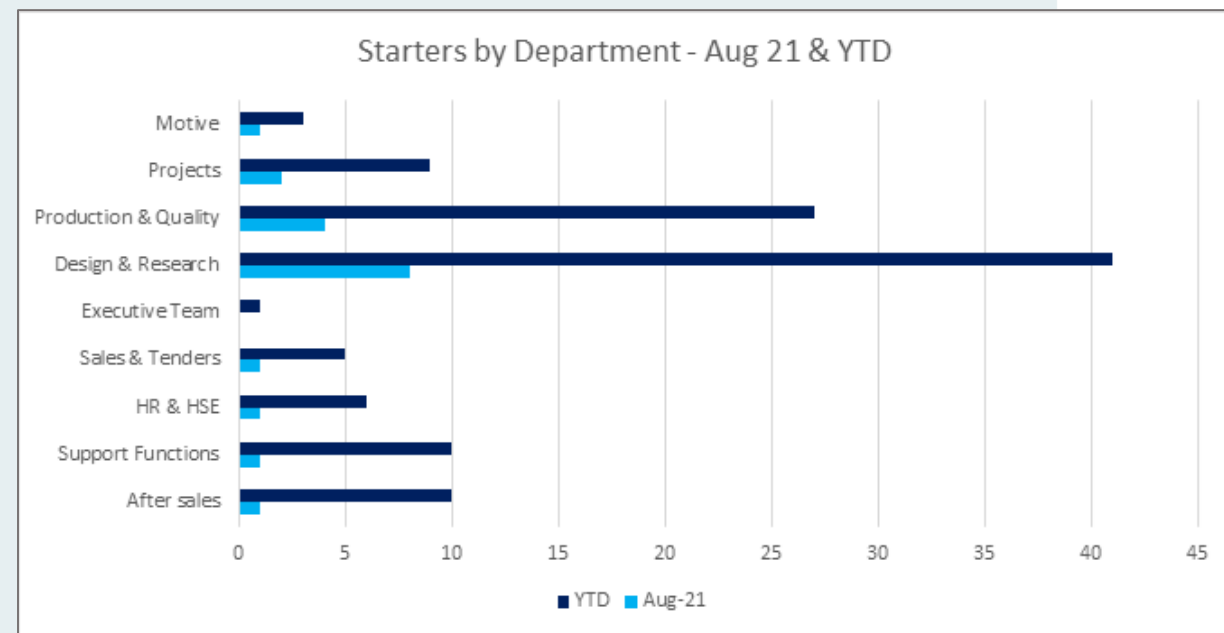
- FTEs as at 31 August of **305**

Strengthening the management team

- Filled CoSec and Ops Director vacancies
- Seeking Projects Director

New starters heavily weighted to delivery:

- | | | |
|------------------------|-----------|------------------------------|
| Production and Quality | 27 | Automation, testing, process |
| Design and Research | 41 | Product range, new product |
| After Sales | 10 | Future recurring revenue |
| Projects | 9 | Delivery backbone at scale |
| Sales | 5 | Excludes 15 ILE staff |



Building delivery capability | Skills & people

Strong balance sheet:

- £176.1m cash at year end (£39.9m)

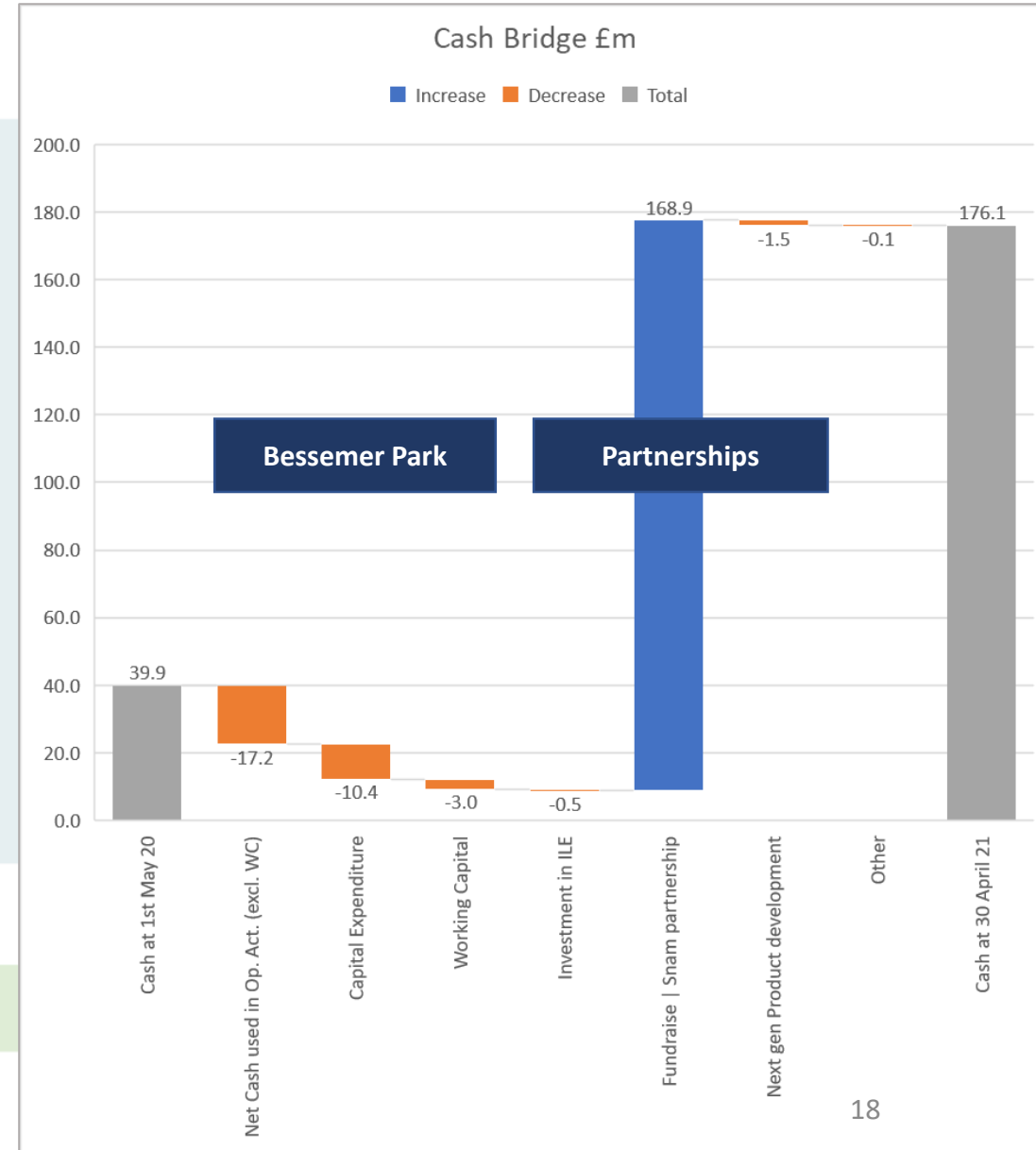
Bessemer Park:

- Capital Expenditure of £10.4m | Semi automation
- Beginning to build to Inventory

Partnerships

- Invested £0.5m in Joint venture | Support in 2022 through to breakeven
- Snam investment of £30m as part of £169m net fund raise
- Product development of Gigastack £1.5m

Cash balances to support lead time reduction



Current year guidance:

- Core stack module production in excess of 55MW
- Completed product production volume 33-50MW
- Revenue recognition depends on:
 - Site access and travel restrictions
 - Micro-chip and steel availability
- Revenue heavily weighted to H2 2022



Manufacturing, Bessemer Park

Manufacturing & delivery focus

Summary of Results and Progress:

- Results in line with the June 10th trading update
- Record Backlog: 310MW
- Record Tender pipeline: 1,011MW (593MW, 10th June 2021)
- Strong market & policy momentum
- Green hydrogen a significant theme at COP26

ITM Power Hosts Energy & Mining Ministry Delegation from Chile



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From Bessemer Park

