ITM

25

ITM POWER PLC
LEADERS IN GREEN HYDROGEN TECHNOLOGY

Annual Report 2025

ABOUT US

OUR ELECTROLYSERS ARE HELPING OUR CUSTOMERS REACH NET ZERO THROUGH THE POWER OF GREEN HYDROGEN

ITM Power designs and manufactures state-of-the-art electrolysers based on proton exchange membrane (PEM) technology to produce green hydrogen, using renewable electricity and water.

Green hydrogen is the only true net-zero energy carrier, making it one of the best solutions to tackle the carbon crisis and create a clean, green future.

› Find out why ITM's 5MW containerised NEPTUNE V is exceeding the expectations of customers around the world (youtube.com)

OUR VISION AND VALUES

WITH:

- Safety at the heart of everything we do
- Innovation in our DNA
- Superior technology
- Precision manufacturing
- Integrity and respect

WE:

- Deliver the world's best electrolysers
- Scale our operations profitably to meet the rising demand
- Grow our global footprint and reach
- Challenge ourselves to become better than yesterday, every day

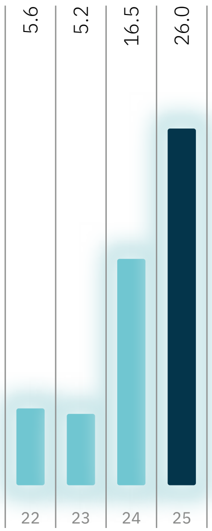
TO:

- Help customers decarbonise their operations
- Drive sustainable change within industry, government and society
- Accelerate the world's transition to net zero
- Increase shareholder value

HIGHLIGHTS

OUR RESULTS

Revenue
£m

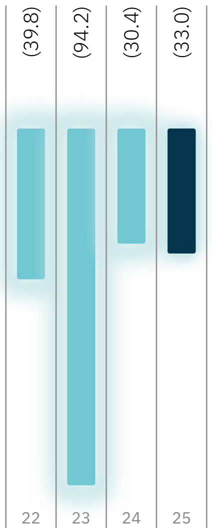


£26.0m

+58%

- Strong revenue growth of 58% compared to FY24.
- Record revenue for the second consecutive year, a cumulative increase of almost 400% over the past two years.

Adjusted EBITDA* loss
£m

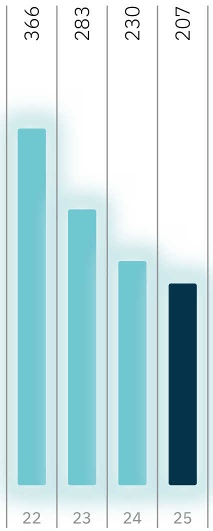


(£33.0m)

-9%

- Gross profit was impacted by the under-absorption of factory costs and inventory provisions against older generation products.
- This was partly offset by the stringent management of our administrative expenses which were reduced by 6% year on year.

Cash at year end
£m



£207m

-10%

- Record order intake, strong project delivery performance and capital discipline enabled us to land £40m, or 24%, ahead of our original guidance.
- ITM achieved a positive cash flow in the second half of the financial year.

* Adjusted EBITDA is a non-statutory measure. The calculation methodology is set out in Note 6.

IN THIS REPORT

ITM AT A GLANCE

INNOVATION MADE IN THE UK

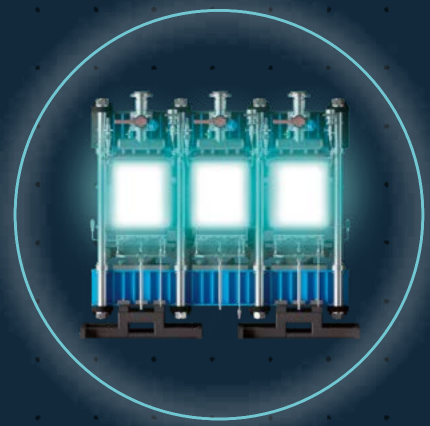
After 25 years of research and development and pioneering innovation, ITM is offering the most advanced PEM electrolyser technology in the world.

We have once again achieved strong revenue growth, and our performance this year highlights our ability to turn market opportunities into success.

OUR PRODUCTS

TRIDENT

Leading PEM electrolyser stack technology
Our commercially proven 2MW electrolyser skid is based on our industry-leading 30bar stacks. Capable of the highest current density on the market, our technology enables reduced footprint and cost.

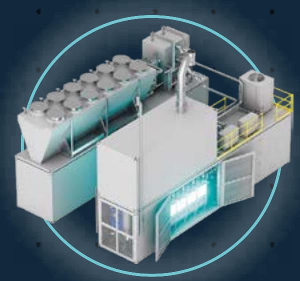


2MW

NEPTUNE II

Autonomous 2MW plug & play electrolyser for small-scale projects
With our state-of-the-art TRIDENT stack platform at its heart, NEPTUNE II is a fully autonomous electrolyser system. Supplied with a power conversion system and incorporating all necessary balance of the plant.

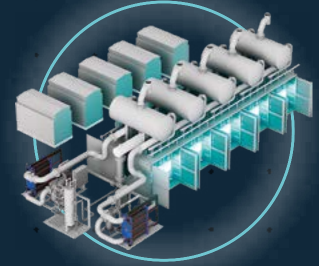
5MW



NEPTUNE V

Leading 5MW plug & play electrolyser for mid-size projects
Designed against the highest safety and quality standards, and building on the learnings from our operational electrolysers around the world, NEPTUNE V is our brand-new full-scope 5MW containerised electrolyser plant.

20MW

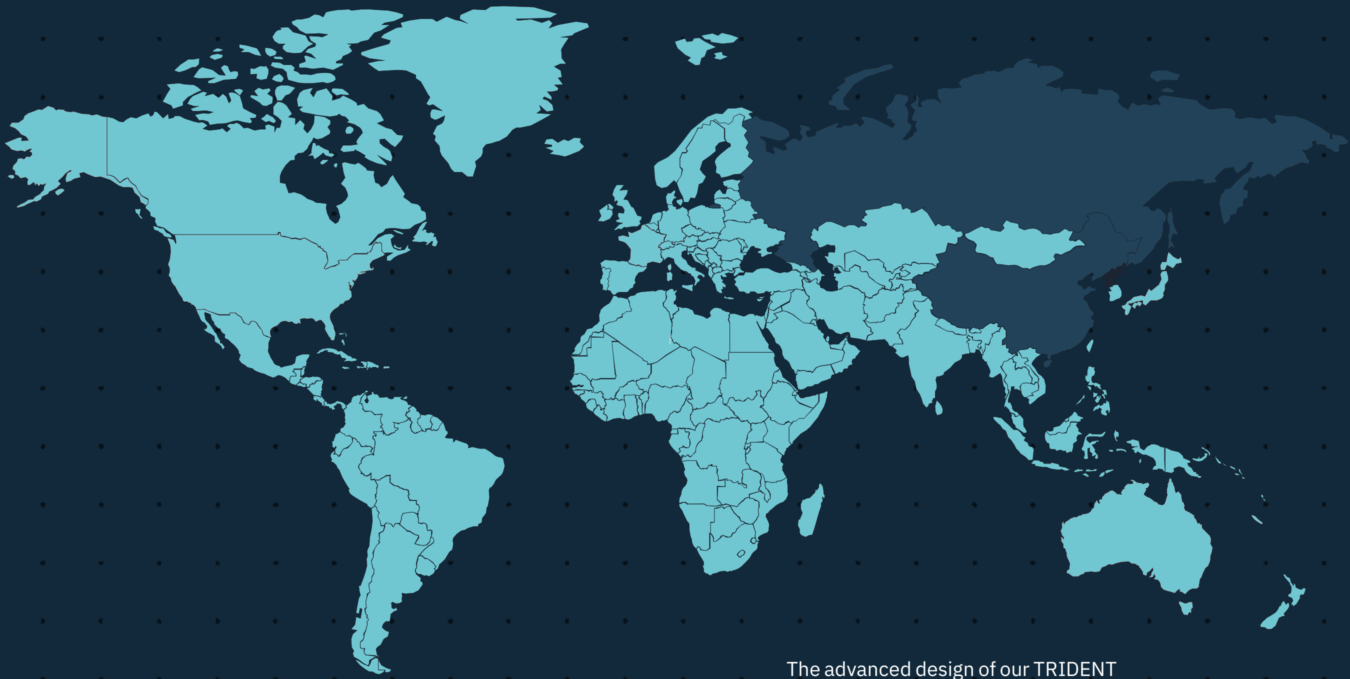


POSEIDON

Cutting-edge 20MW module for large-scale projects
Our core electrolysis process module is engineered to incorporate real-world lessons learned from commercial projects. POSEIDON is a modular building block enabling scale-up with optimised footprint.

› Find out more about our products online at www.itm-power.com

ITM AT A GLANCE CONTINUED



The advanced design of our TRIDENT stack platform enables compliance flexibility. ITM can deliver the same stack into all highlighted world regions.

GLOBAL REACH

The intentional design of our TRIDENT stack platform enables compliance flexibility.

ITM can deliver the same stack into all highlighted world regions.

This unlocks volume manufacturing advantages, including a consistent supply chain approach.

› More detail on page 7

INDUSTRY LEADING TECHNOLOGY

Our electrolysers are based on proton exchange membrane technology and are a key enabler for the energy transition.

- The highest current density on the market, reducing footprint and cost
- Leading conversion efficiency, reducing operational costs
- The lowest reported precious metal loading, relieving supply chain constraints

› More detail on page 7

OUR MARKET

Designed and built in the UK, deployed worldwide.

We work together with industrial, energy and transport companies in projects all over the world.

› More detail on page 7

ITM AT A GLANCE CONTINUED

OUR LOCATIONS

We are evolving. We are growing our production capacity and global reach with commercial projects, and investing in our commitment to best serve our customers.

SHEFFIELD, UK

- Home to our manufacturing and Research and Development
- World's first and largest PEM Gigafactory in commercial operation
- Stepwise introduction of manufacturing automation ongoing
- 20,000m^2 factory floor

LINDEN, GERMANY

- Growing closer to our customers
- Home to functions which enable ITM's accelerated growth in our most important market
- Local content creation in the EU

INVESTMENT PROPOSITION

400%
revenue growth over two years

AN ATTRACTIVE MARKET

- Green hydrogen is essential for decarbonising sectors that are challenging to electrify, such as petrochemicals, iron, steel, heavy-duty transport, cement, aviation, and shipping. This transformative technology is paving the way for a cleaner, sustainable future.
- Clean technologies, including green hydrogen, are at the forefront of ambitious climate, economic, and energy security goals set by governments worldwide. These innovations are key to achieving a sustainable and prosperous future.
- With a revenue growth of almost 400% in two years, ITM is growing quickly. Our pipeline of sales opportunities is growing at an even higher pace, underscoring a global shift and commitment to green hydrogen as a key pillar of the energy transition.

25 YEARS
of technological innovation and know-how

TECHNOLOGY LEADERSHIP AND INNOVATION

- Since our founding in 2000, ITM has been a trailblazer in electrolyser technology, and our pioneering efforts have positioned us at the leading edge of this transformative field.
- Our research and development capabilities drive continuous technological advancements. This year, we proudly announced a 40% reduction in iridium loading, demonstrating our commitment to innovation and cost efficiency.
- At the heart of our offerings is the TRIDENT stack platform, a state-of-the-art core product. Its versatility allows it to be deployed in multiple formats across a wide range of applications, ensuring optimal performance and adaptability.
- Our product portfolio is designed to provide our customers with a variety of choices and flexibility. This demonstrates our unwavering dedication to meeting their unique needs and preferences, reinforcing our commitment to excellence.

>400MW
delivered or in execution

FINANCIAL STRENGTH

- Our contracted order backlog has reached an all-time high of £145.1m at year end. This milestone reflects our strong market demand and the trust our customers place in us.
- Our sales pipeline is more robust than ever, showcasing our growing market presence and the increasing interest in our innovative solutions.
- Financial discipline is embedded into every facet of our business. We ensure optimal resource allocation and meticulously evaluate every investment decision to create long-term shareholder value.
- With a year-end cash position of £207m, we stand in an enviable position compared to our peers. This financial strength is a significant differentiator and instils confidence in our customers.

£207M
of cash on the balance sheet

GLOBAL CAPABILITIES AND SCALE

- Our TRIDENT stack platform is designed to achieve product compliance in most countries worldwide, allowing our core stack to be deployed globally with ease and efficiency.
- Our asset-light approach empowers us to manufacture and deliver from our Sheffield facilities, providing the flexibility to deploy globally as the demand for green hydrogen continues to grow.
- This strategic approach unlocks significant volume manufacturing advantages, ensuring a consistent and reliable supply chain.
- With the majority of our projects operational or in development in Europe, our facility in Germany enables us to offer a first-class customer service proposition.

PIONEERING FOR 25 YEARS

Through continuous innovation and dedication, we have developed cutting-edge technology that drives the future of green hydrogen production, contributing significantly to global sustainability efforts.

2000
June – ITM Power founded by Don Highgate, Jon Lloyd, and John Wreford

2002
April – Simon Bourne recruited as R&D technical scientist (now CTO)

London Stock Exchange

2004
June – First hydrogen related company listed on the London Stock Exchange

2008
10kW electrolyser developed

2010
June – First 4.5kW electrolyser sold to the University of Birmingham

2017
£29.4M
September – Completed £29.4m working capital fundraise

2018
January – REFHYNE project launched in Cologne, Germany

November – HyDeploy: PEM electrolyser at Keele University, Ofgem funded project led by Cadent with Northern Gas Networks (hydrogen into gas network)

2019
October – Established ITM Linde Electrolysis joint venture

£52M
October – Raised £52m in equity fundraising

2020

February – ITM awarded £7.5m of funding from BEIS to develop Gigastack

£172M

November – Raised £172m in equity fundraising

2021

January – Moved into Bessemer Park factory

134,000 SQ. FT

July – REFHYNE begins production

REFHYNE CLEAN REFINERY HYDROGEN FOR EUROPE

£250M

October – Raised £250m to expand manufacturing capacity

2022

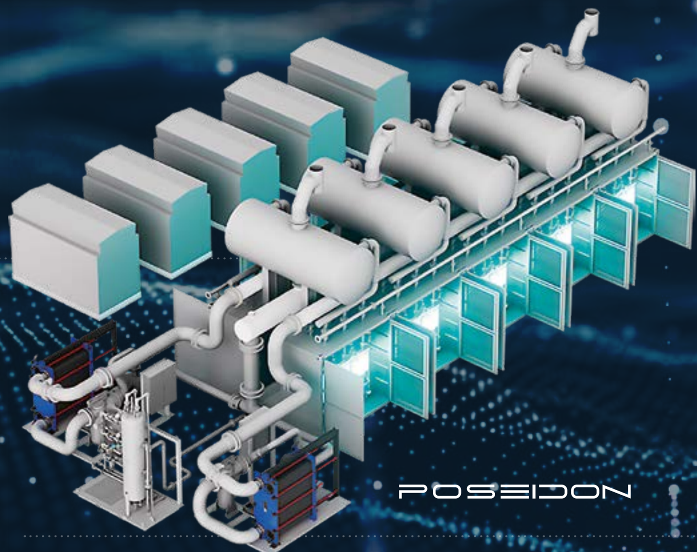
January – 24MW contract with Yara to supply the first green ammonia products

December – Dennis Schulz appointed CEO

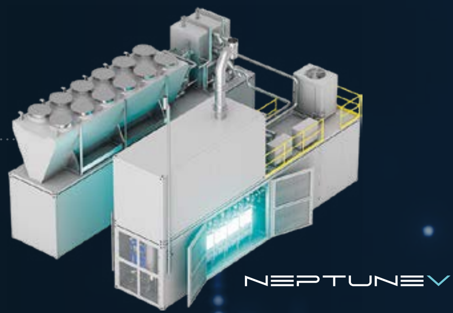
2023

January – Two 100MW contracts signed with Linde Engineering for RWE

August – Launch of POSEIDON



2024



May – Launch of NEPTUNE V

100MW

August – 100MW REFHYNE II contract signed with Shell

November – First NEPTUNE V sale

2025

8

January – Eight Contracts signed for NEPTUNE V and counting (40MW)

HYDROPULSE

120MW

May – Selected supplier for Uniper's 120MW Humber H2ub project

June – Launch of Hydropulse GmbH

PIONEERING FOR 25 YEARS

POWERFUL IMPACT

25 years ago, ITM was founded with a bold yet fundamental vision: to harness the power of the smallest atom, hydrogen, to lead the world's clean energy future. Just as hydrogen, the universe's most abundant and simplest element, holds immense potential despite its size, ITM started as a small innovator with a big ambition.

Today, we stand as a global leader in electrolyser technology, providing high-performance, scalable solutions that produce green hydrogen, supporting the transition to a net-zero world.

Like the hydrogen atom, simple in structure yet essential to life and energy, our technology is elegant, efficient, and powerful. ITM's evolution reflects the atom we work with: small beginnings, endless energy, and a future full of possibilities.

As we mark 25 years of progress, we are still inspired by the same fundamental force that founded us: hydrogen and the conviction that even the tiniest building blocks can transform the world.

STATEMENT FROM THE CHAIR OF THE BOARD

DELIVERING LASTING IMPACT

THIS WILL BE MY FINAL ANNUAL STATEMENT TO YOU, FOLLOWING THE ANNOUNCEMENT THAT JÜRGEN NOWICKI WILL SUCCEED ME ON 15 JANUARY 2026.

Sir Roger Bone
Chair of the Board

It has been an honour and a privilege to be part of ITM's journey over the past eleven years, and to have served as Chair over the last six years.

Over the past year, we have continued to execute our three-step strategy to simplify our product portfolio, improve our cost and capital discipline, and debottleneck our manufacturing facilities. We have achieved many successes, most notably the launch of NEPTUNE V, our full-scope 5MW containerised electrolyser plant.

It was pleasing to announce financial results that exceeded our original guidance, particularly in revenue and our year-end cash position of £207m, which our continued cost and capital discipline have enabled us to achieve.

In April, we celebrated ITM's 25th anniversary. Our journey has not been without its challenges, but the momentum seen in the Company today validates our ambitions, and a bright future lies ahead.

The macro picture

If net zero targets are to be achieved by 2050 and fossil fuels are to be phased out, extensive investments across every relevant sector are still required to transform and enable the implementation of clean technologies at the speed and scale required. Global efforts to decarbonise may have lost some of the elevated expectations of four years ago, but the energy transition will continue to gather momentum.

It is clear that the energy transition will not follow a straight path. The direction of travel, however, is very clear. The world needs more energy in all forms to meet growing demand. Green hydrogen will have a major role to play in this. It is a clean, versatile energy carrier. It will undeniably become a significant part of the global energy mix and be a key enabler in decarbonising the global energy system, whether as a feedstock into sectors such as chemicals and refining, as a fuel where electrification is not possible due to the need for high-temperature heat, or as a source of flexible power generation.

With our world leading technology and manufacturing capability, ITM will play a significant role in the green hydrogen economy. We are as ambitious and excited today as we were when the Company was formed 25 years ago.

Environmental, social and governance (ESG) objectives

We are dedicated to delivering a robust ESG performance, driven by a desire to uphold the highest ethical standards. Our MSCI rating of A demonstrates that our practices are well aligned with shareholders interests, and we are proud to hold this rating. It also indicates that we are a business setting the standard for how our sector manages the biggest ESG risks and opportunities.

Board changes

In January, Amy Grey joined us as our new Chief Financial Officer, replacing Andy Allen, to whom we would like to extend our thanks for his support during the transition. Additionally, we announced that Matthias von Plotho had been appointed as a Non-Executive Director to serve as Linde's nominated Board representative, replacing Jürgen Nowicki, who resigned from the Board at the same time.

Subsequently, we announced in June that Jürgen Nowicki would succeed me as Chair, and he will assume his new position on 15 January 2026. It has been my honour to serve ITM and to have played a role in its transition from a development-stage company to an established commercial business and a market leader in electrolysers.

We also announced that Sir Warren East and John Howarth will be appointed as Non-Executive Directors, effective following our Annual General Meeting (AGM) on 8 October 2025.

Warren brings a wealth of global leadership experience from the technology and engineering sectors. He spent thirty years in the semiconductor industry, serving as CEO of ARM from 2001 to 2013. He was then appointed CEO of Rolls-Royce in 2015, with a mission to modernise the company. He stepped down from his role at the end of 2022. Currently, he serves as a Non-Executive Director at ASML NV and Tokamak Energy Ltd, and is the Chair of NATS, as well as the President of the Institution of Engineering and Technology (IET).

John is a Chartered Accountant with deep expertise in manufacturing, renewable energy, professional services and aerospace. He is currently a Partner at S&W LLP, where he provides audit and accounting advisory services to a range of listed and private companies. His previous roles include Partner at EY LLP and senior finance roles at Future plc and PwC LLP.

Warren will be a member of the Audit and Remuneration Committee, and John will join the Audit Committee and take on the role of Chair of the Remuneration Committee.

Denise Cockrem, who has served on the ITM Board since July 2022, will step down from the Board at the time of the AGM. We thank her for her invaluable contributions over the past three years, and we wish her every success for the future.

Looking ahead

Our strategy is clear; operationally, ITM is in great shape, and we are financially in a healthy position.

Over the next year, we will continue to invest in our core technology, enabling us to remain at the forefront of the industry. We will also introduce more automation, particularly in stack assembly, which will enhance our production capabilities. After our year end, we announced the launch of Hydropulse in June 2025, tailored for industrial users with dependable hydrogen needs and which will build, own and operate decentralised green hydrogen production plants using ITM's modular NEPTUNE technology.

In closing, I would like to express my gratitude to our shareholders, employees, and customers for their ongoing support and confidence in our business. I am confident that our colleagues will go above and beyond to support our customers. By working together, we can continue to deliver against our strategy and create sustainable long-term value for our shareholders.

Sir Roger Bone
Chair of the Board
13 August 2025

PIONEERING FOR 25 YEARS

POWERING GROWTH

As ITM Power marks its 25th anniversary, the company stands as a beacon of innovation, resilience, and leadership in the global transition to green energy. From its early beginnings to becoming a world leader in electrolyser technology, ITM has consistently pushed the boundaries of what's possible in green hydrogen production.

From landmark projects with Yara in Norway, RWE in Germany, and Shell's REFHYNE II in Wesseling, to the recent selection by Uniper for the 120MW Humber H2ub® project in the UK, ITM's technology is powering some of the most ambitious green hydrogen initiatives worldwide. ITM is not just participating in the energy transition—it is driving it.

Globally, the policy landscape is aligning with ITM's mission. From the EU's Net-Zero Industry Act to the UK's Hydrogen Strategy and Japan's Hydrogen Society Promotion Act, governments are investing heavily in hydrogen infrastructure. ITM is strategically positioned in these key markets, with a growing global footprint and a product portfolio that meets the evolving needs of industries.

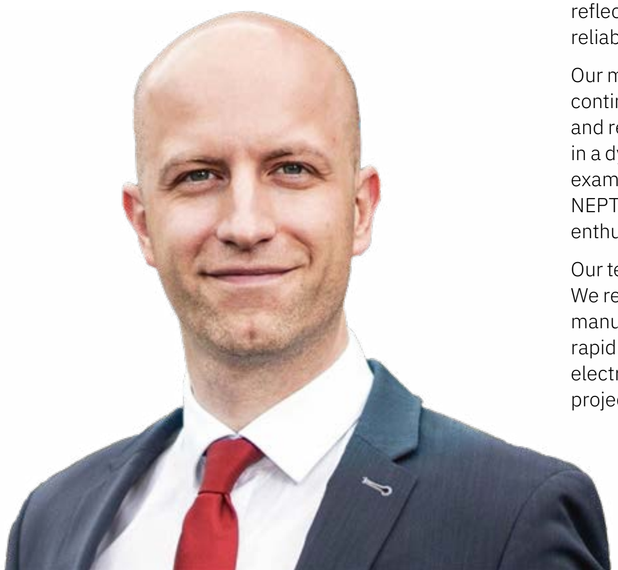
As the world races toward net zero, ITM's 25-year journey is a testament to the power of vision, innovation, and execution. With unmatched technology, and a clear strategic roadmap, ITM Power is not only celebrating its past—it is shaping the future of global green energy.

CHIEF EXECUTIVE OFFICER'S STATEMENT

GROWING AND THRIVING

OVER THE PAST 25 YEARS, ITM HAS EVOLVED INTO A LEADER IN ELECTROLYSER TECHNOLOGY WITH A FOCUS ON HIGH-PERFORMING, RELIABLE SOLUTIONS FOR THE ACCELERATING GREEN HYDROGEN MARKET.

Dennis Schulz
Chief Executive Officer



Our proprietary stack technology lies at the core of our success, enabling us to deploy scalable, cutting-edge solutions for projects of any size, across nearly every region of the world.

Our commercial momentum continues to gather pace with a contracted order backlog at year-end standing at £145.1m, representing an increase of almost 90% year-on-year.

Financial discipline remains central to our strategy. Our year-end cash position of £207m, including positive cash flow in the second half of the year, demonstrates robust capital management and positions us to scale with confidence.

In FY25, our revenue grew by more than 50%, marking the second consecutive year of record-breaking performance. This milestone represents not only the highest revenue in the company's history but also a fivefold increase compared to the year ending April 2023. It demonstrates our ability to convert market demand into commercial success.

Additionally, operational excellence is fundamental to our long-term strategy. Our commitment to manufacturing quality has driven a transformative improvement in our Factory Acceptance Test (FAT) first-time pass rate, improving from below 50% to 99%, reflecting stronger processes, efficiency, product reliability and execution capability.

Our market-leading position is underpinned by continuous technological innovation. We remain agile and responsive to the evolving needs of our customers in a dynamic global environment. There is no greater example of this than the launch of POSEIDON and NEPTUNE V, which have been met with customer enthusiasm and commercial success.

Our technology advantage is clear and differentiated. We retain full ownership of our core science and manufacturing processes, ensuring maximum value-add, rapid innovation cycles, and supply chain resilience. Our electrolysers are already being deployed in landmark projects worldwide, including for Yara in Porsgrunn (24MW), for RWE in Lingen (200MW) and REFHYNE II for Shell in Wesseling (100MW), with the latter two projects currently under construction.

Since the product launch in May, during the financial year, we have already announced three NEPTUNE V contracts for eight units, totalling 40MW, along with two Front-End Engineering Design (FEED) contracts of 50MW and 10MW respectively. Since year-end, we signed a contract for a NEPTUNE V unit with Westnetz and were selected by Uniper for their 120MW Humber H2ub® (Green) project in the UK, which will consist of six 20MW POSEIDON core electrolysis process modules. Furthermore, we signed a POSEIDON supply agreement with MorGen Energy for their 20MW West Wales Hydrogen Project. We also announced a plant integration engineering package for EDF Renewables UK and Hynamics, a 100% subsidiary of the EDF Group, utilising four NEPTUNE II units, and a contract to supply a NEPTUNE II unit to a leading cement producer in Spain.

With market demand accelerating, a world-class product portfolio, and a proven track record of execution, along with strong reference plants, ITM is well positioned to lead the green hydrogen industry into its next phase of growth.

The market for green hydrogen

Regulation and incentives

Over the past year, elections in over 70 countries have shaped the policy and economic landscape for nearly half the world's population. While political shifts and global uncertainty have influenced energy and climate policies, one thing remains clear: the energy transition is accelerating.

This transition is not only about decarbonisation — it's about energy security, economic resilience, and a diversified energy mix. Green hydrogen remains central to this vision. While early excitement led to unrealistic expectations, a course correction was inevitable for such a young sector facing global economic headwinds. Rather than signalling failure, current market adjustments reflect a healthy maturation process. The customer landscape,

OUR COMMERCIAL MOMENTUM CONTINUES TO GAIN STRENGTH

£145.1M

- Our contracted order backlog at year end stands at £145.1m, almost double the backlog at the end of FY24. This positions us strongly for future growth.

>400MW

- With 400MW delivered or in build, we are demonstrating our ability to deliver at scale.

More detail on page 20

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

The market for green hydrogen continued

Regulation and incentives continued

supply chains and technologies are evolving, weeding out weaker projects and paving the way for a more resilient, commercially viable hydrogen market.

Governments continue to play a vital role. Voluntary measures such as policy direction and decarbonisation targets, combined with regulatory tools like mandates, quotas, and carbon pricing, can stimulate demand in both existing and emerging sectors — from traditional grey hydrogen users to mobility, green steel, glass, maritime, and aviation.

By investing in hydrogen infrastructure ahead of market demand, economies can foster innovation, maintain technological leadership, and strengthen energy independence. Effective subsidies and carbon pricing will help close the cost gap, driving adoption and growth. Waiting for perfect market conditions risks falling behind in a technology vital to the global energy transition.

Across Europe, the Net-Zero Industry Act (NZIA) and the Renewable Energy Directive III (RED III) are driving investment and regulatory certainty. The EU aims to produce 10 Mt and import 10 Mt of green hydrogen by 2030, with binding targets to accelerate renewable hydrogen adoption across industries. Substantial funding is already flowing into green hydrogen projects, infrastructure, and decarbonisation initiatives.

Germany, Europe's largest economy, is positioning itself as a leader in the green hydrogen transition. The government has suspended its constitutional debt brake to unlock €500 billion in infrastructure investment, a significant portion of which is earmarked for climate and energy transformation. With net zero by 2045 now enshrined in its constitution, Germany is setting a clear long-term policy signal. The country has emerged as a key market for ITM.

In the UK, progress is underway: 11 projects totalling 125MW were selected under the first Hydrogen Allocation Round (HAR), awaiting Final Investment Decision (FID). HAR2 has shortlisted 27 projects (875MW), alongside a £500m investment to develop the UK's first regional hydrogen transport and storage network. Looking ahead, HAR3 is expected to launch in late 2025, with HAR4 to follow in 2026, providing a clear long-term foundation for project developers and investors.

In the US, recent legislation has implications for green hydrogen and the Section 45V tax credits. Whilst the availability of the tax credit was extended through to 1 January 2028, the broader rollback of clean energy incentives is likely to pose challenges and given this, our asset-light approach in the region continues.

Also elsewhere, hydrogen strategies are gaining pace. Japan's Hydrogen Society Promotion Act, which came into effect in October last year, aims to accelerate the adoption of low-carbon hydrogen by providing financial assistance to the costs of hydrogen production and infrastructure development, with its first $20bn scheme oversubscribed. In September, Australia updated its National Hydrogen Strategy, which included an A$8bn production tax incentive and additional green hydrogen production tax credits to unlock private sector investment.

Together, these developments reflect a growing global commitment to hydrogen as a cornerstone of the energy transition, creating new opportunities for collaboration and investment.

Customer activity

Our pipeline of project opportunities is expanding. Whether enabling refineries transitioning to green hydrogen or utility companies optimising excess renewable power, ITM remains a key player in the transformation.

Europe is the most important market for green hydrogen today, with projects advancing at scale and unprecedented industry participation. Leading energy players are building significant portfolios, and we are proud to be at the forefront of this momentum.

Our solutions are enabling a wide range of applications – from mobility applications and specific industrial use cases, such as in distilleries or semiconductor manufacturing. Across these diverse sectors, our technology is setting new benchmarks for performance, operational flexibility, reliability and safety.

Customers are now leveraging insights from their pilot projects or learning from industry reports on early-stage deployments. This has heightened their focus on verified technology performance, system design, integration efficiency, and execution capabilities across technology providers. In this environment, real-world operational data has become a key differentiator — and ITM is uniquely positioned. Thanks to the successful delivery and operation of flagship projects, we offer customers proven technology, robust system performance, and the confidence to scale with certainty. Our ability to demonstrate reliability and efficiency in live plants underscores our credibility as the industry transitions from demonstration to industrial deployment.

Strategic update: our priorities are clear

The market outlook for green hydrogen remains strong, with sustained growth expected over the coming years. Although wider market FIDs have experienced delays relative to initial projections, positive momentum is building. In this environment, operational agility and financial discipline are key to remaining strategically positioned to capitalise on emerging opportunities.

Our strategic priorities are aligned with our vision: delivering best-in-class electrolysers, scaling operations profitably to meet the growing demand, and expanding our global presence to maximise market reach over time.

To help us achieve our vision and further accelerate our growth, we launched Hydropulse in June, a build, own, and operate business model that will consist of decentralised green hydrogen production plants using ITM's modular NEPTUNE technology, with a focus on serving industrial customers under long-term offtake agreements.

The launch of Hydropulse opens a new chapter for ITM and the green hydrogen industry. By addressing the bankability hurdle of green hydrogen projects through capital expenditure, operations, and technology risk

> **By investing in hydrogen infrastructure ahead of market demand, economies can foster innovation, maintain technological leadership, and strengthen energy independence.**

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

mitigation for the end user, Hydropulse will solve the most pressing real-world challenges that are holding back exponential industry growth.

Outlook

Our technology sets the global benchmark, delivering cutting-edge innovation and industry-leading performance. Operationally, we are in an exceptional position; we pair agility with scale, ensuring we stay ahead of evolving market dynamics.

Our next-generation stack platform, CHRONOS, is progressing well through development and validation, and is destined to further substantiate our lead among PEM electrolyser companies.

With a strong balance sheet, clear strategic focus on the highest-growth hydrogen markets, and our agility, we are uniquely positioned for sustained success. Our record order backlog, expanding sales pipeline, and commercial traction are driving tangible momentum on our pathway to profitability.

I am confident in our strategy and business model. We are delivering on our commitments, capturing market opportunities, and creating long-term value for our shareholders as we continue to advance the global energy transition.

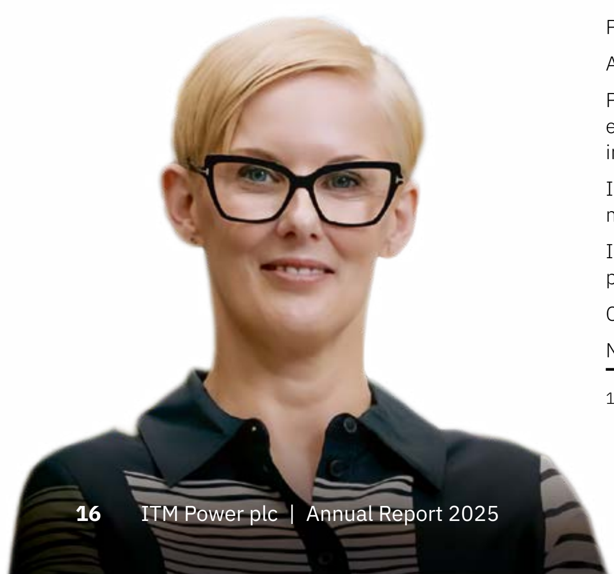
Dennis Schulz
Chief Executive Officer
13 August 2025

CHIEF FINANCIAL OFFICER'S REVIEW

BUILT ON FINANCIAL STRENGTH

THE PRUDENT MANAGEMENT OF OUR INVESTED CAPITAL BASE IS AT THE CORE OF OUR DAILY OPERATIONS AND STRATEGIC DECISION MAKING.

Amy Grey
Chief Financial Officer



By embedding financial discipline into every facet of our business, we ensure optimal resource allocation, and every investment decision is carefully evaluated for its long-term viability, aligning with our strategic priorities while maintaining flexibility to adapt to evolving market conditions.

Our long-term commitment to financial stewardship drives efficiency and strengthens our resilience, enabling us to seize opportunities while safeguarding the integrity of our capital base. Through informed decision-making and rigorous financial oversight, we uphold the principles of accountability and value creation in every step we take.

This culture is no more evident than in our year-end cash position of £207m, which is significantly above the original guidance of between £160m and £175m. We were also cash generative in the second half of the year, with cash increasing from £203m to £207m.

Key financials

A summary of the Group's key financials is set out in the table below:

Year to 30 April	**2025 £m**	2024 £m	2023 £m
Revenue	**26.0**	16.5	5.2
Gross loss	**(23.7)**	(16.7)	(79.1)
Pre-tax loss	**(45.4)**	(27.1)	(101.2)
Adjusted EBITDA[1]	**(33.0)**	(30.4)	(94.2)
Property, plant and equipment plus intangible assets	**46.2**	39.6	31.9
Inventory (raw materials)	**7.9**	10.3	18.3
Inventory work in progress (WIP)	**48.1**	60.2	40.5
Cash	**207.0**	230.3	282.6
Net assets	**224.3**	268.7	295.5

1. Adjusted EBITDA is a non-statutory measure. The calculation method is shown in Note 6.

Non-financial key performance indicators (KPIs)

We use certain non-financial performance indicators to consider our performance over time. These include QHSE metrics, order intake, megawatts contracted, stacks built, project milestones achieved, and employee metrics. During the year, MW in work-in-progress (WIP) increased to 410MW (FY24: 284MW). Revenue was recognised against 40MW of deliveries (FY24: 12MW). The Board also regularly reviews other non-financial performance criteria, including production throughput, testing and validation performance and labour utilisation. As the Group matures further, we will continue to refresh our non-financial KPIs to reflect the evolved business.

Financial performance

The principal ways in which we generate revenue and income are through product sales, maintenance contracts, and consulting contracts (FEED and feasibility studies). In the future, Hydropulse is expected to add additional high-quality revenue.

Revenue

Revenue for the period was £26.0m (FY24: £16.5m). The majority of this revenue, £22.5m (FY24: £8.2m), was generated from product sales, which increased almost threefold. Consulting contracts delivered £1.8m (FY24: £5.0m), primarily due to a government contract related to our stack platform development, the majority of which was received in FY24. In addition, we generated £0.9m (FY24: £1.5m) from maintenance contracts, and a small amount of other income.

Gross margin

The gross loss was £23.7m (FY24: £16.7m). This loss is due to under absorption of factory costs of £9.6m, resulting from increased production capacity and efficiency following the implementation of the prior year's 12-month plan, and wastage or inventory write-offs provisions as per our policy of £13.2m.

Staff costs and administrative expenses before exceptional items

Administrative costs reduced year on year to £21.2m (FY24: £22.6m). Across the Company (including production), staff and employment costs increased from £21.2m to £24.2m, reflecting the ongoing focus on improving our capabilities and competencies. The capitalisation of direct staff costs increased from £9.1m to £10.8m, deriving expensed staff costs of £13.4m (FY24: £12.1m).

The average number of full-time employees (FTEs) was 304.6, compared to 323.2 in FY24.

Consultancy and consumable costs fell by 13% to £2.2m (FY24: £2.5m) as we focused activities and further controlled costs, whilst depreciation and amortisation rose by 25% to £7.4m (FY24: £5.9m), reflecting our strategic investment in capital projects.

We did not incur an impairment charge in FY25. The impairment charge in FY24 of £1.4m related to products where development costs had previously been capitalised, and which were no longer offered as part of the streamlined portfolio following the 12-month plan.

Government grants, which constitute claims against individual projects or research and development (R&D) claims, totalled £3.4m (FY24: £1.2m), with £3.3m receivable in relation to R&D tax reclaims (FY24: £0.8m).

Adjusted EBITDA

The Group posted an adjusted EBITDA loss of £33.0m (FY24: £30.4m) for the period. Adjusted EBITDA is a non-statutory measure and is detailed in Note 6.

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

Loss before tax

The loss from operations was £54.5m (FY24: £38.0m), and included the exceptional item of £13.0m relating to the settlement of a commercial dispute with Linde which had previously been disclosed as a contingent liability. The loss from operations before exceptional items was £41.5m (FY24: £38.0m).

Net finance income of £9.2m (FY24: £11.6m), consisted of finance income of £10.2m (FY24: £12.2m) and finance costs of £1.0m (FY24: £0.6m).

The loss before tax was £45.4m (FY24: £27.1m), and the basic and diluted loss per share was 7.4p (FY24: 4.4p).

Capital expenditure

Capital expenditure totalled £12.8m in the period (FY24: £14.0m), with £8.5m invested in capital projects (FY24: £12.0m), namely expansion and improvements at our Sheffield facilities and machinery, and £4.3m (FY24: £2.0m) in intangible assets primarily in respect of continued product development.

> As we enter the new financial year, we are well-positioned to drive growth and deliver value.

Working capital

The working capital position (being net of inventory, receivables and payables) improved by £34.3m in the year (FY24: £1.4m inflow), with inventories and receivables decreasing by £14.4m and £7.9m respectively, as well as an increase in payables of £12.1m.

Cash

Cash at the end of the year was £207m (FY24: £230m). This is testament to our continued cost and capital discipline and a significant improvement on our original guidance. Achieving a cashflow positive position in the second half of the year demonstrates the focus we continue to have.

We have also continued to have tight control on receivables and upfront payments resulting in an increase in deferred income of £12.4m to £64.2m (FY24: £51.8m).

Financial position: positioned for the future

Current assets decreased to £283.8m (FY24: £329.5m), principally reflecting a reduction in year-end cash of £23.3m, with year-end cash of £207m (FY24: £230m), together with a £14.4m reduction in inventories to £56.0m (FY24: £70.4m).

The level of inventories held as raw materials decreased to £7.9m (FY24: £10.3m) as a result of increased throughput, and inventory held as work-in-progress reduced by £12.0m to £48.1m (FY24: £60.2m).

Inventory provisions increased by £4.4m (as per Note 16) to £28.1m (FY24: £23.6m) in accordance with our stock provisioning policy.

Trade and other receivables were £20.8m (FY24: £28.7m), reflecting the effective management of credit control with customers and the timing of invoicing upon the completion of contract milestones, which resulted in a reduction of £12.6m in trade receivables. Partly offsetting this is an increase of £3.2m in relation to the R&D tax credits. Trade and other payables increased to £80.4m (FY24: £68.3m), driven by an increase of £12.4m in deferred sales income, principally concerning the timings of payments from customers on projects to be delivered.

Non-current assets increased to £58.1m (FY24: £52.3m), reflecting a £4.8m rise in property, plant and equipment and a £1.8m increase in intangible assets, partly offset by a £0.9m reduction of right-of-use assets.

Contract loss provisions relate to several factors, including acceleration measures for previously delayed projects, additional on-site works, increased energy and labour costs due to previously under-estimated stack testing times, and future costings updated for inflation. Net contract loss provisions were reduced by £7.6m, with £1.2m created and £7.6m either utilised or released in the period. The total contract loss provision at the year-end stood at £12.3m (FY24: £19.9m).

The warranty provision was increased by £0.4m in the period, with £0.3m created during the year, £1.0m released but offset by £1.1m transferred from contract loss provisions relating to project deliveries. The balance at period end was £3.8m (FY24: £3.4m). This includes all projects that have been commissioned and entered their warranty stage but excludes those that have not yet been delivered. The warranty costs of projects not yet delivered are presented as contract loss provisions.

Contingent liabilities

In the last financial year, the Group disclosed a contingent liability around a commercial dispute. During the year, the Group concluded the commercial dispute with Linde, leading to a payment of £13.0m to Linde, which is lower than the Company's estimate of the loss at the time of the announcement of up to £15m.

Outlook for FY26

As we enter the new financial year, we are well-positioned to drive growth and deliver value. Our immediate priority is to successfully execute ongoing projects while actively securing new opportunities to expand our customer base, including the launch of our new Build, Own, and Operate company, Hydropulse.

We remain committed to strategic investment in the business, preparing for the anticipated scale-up as FIDs progress and contracts materialise. At the same time, we will uphold our disciplined approach to cost management and capital allocation, ensuring sustainable success and long-term resilience.

Our guidance for FY26 is as follows:

- Revenue expected to be between £35m and £40m: our revenue is expected to increase by almost 50% year-on-year, with the majority of the revenue coming from contracted product sales.
- Adjusted EBITDA loss of £27m to £29m: We have gained control of what we can control and reducing our losses, although we continue to deliver on loss-making projects which ITM were committed to prior to the strategic shift in the Company in 2023. Already 60% of our contracted order backlog is profitable and the share will grow further in this financial year.
- Cash at year end is expected to be between £170m and £175m: CAPEX for the year is expected to be in the range of £10m to £15m, as we continue to invest in R&D, product development and our manufacturing capabilities. We anticipate working capital to decrease by £10m to £15m.

With a strong contracted order backlog, a robust balance sheet, and a growing share of profitable projects, ITM enters FY26 with confidence and momentum. The strategic foundations we have built over the past two years are now translating into tangible results, positioning us to capture the expanding opportunities in the global hydrogen market.

Amy Grey
Chief Financial Officer
13 August 2025

OUR BUSINESS MODEL

A UNIQUE PROPOSITION FOR FUTURE VALUE CREATION

Hydrogen as an energy source is becoming increasingly important as the world looks to decarbonise. We are invested in producing and harnessing green hydrogen, the cleanest kind possible, through our innovative PEM electrolyser technology.

WHAT WE DO

World-class electrolysers
At the heart of our operations, we are dedicated to creating world-class electrolysers that cater to a diverse range of customer needs. Our offerings span from compact 2MW units to expansive projects exceeding 100MW, ensuring we meet every requirement with precision and excellence.

Collaborative growth
We believe in the power of collaboration. By working closely with our customers, strategic partners and suppliers, we continuously expand the scale and scope of the projects we deliver. This synergy not only enhances our capabilities but also drives mutual growth and success. There is no better example than Hydropulse, our recently launched Build, Own and Operate model which provides a simple and scalable green hydrogen as a service solution to industrial users with dependable hydrogen needs.

Innovation and excellence
Innovation is our cornerstone. Over the years, we have meticulously designed and developed cutting-edge electrolyser technology. Our commitment to continuous improvement and refinement ensures that we remain at the forefront of the industry, delivering solutions that are both advanced and reliable.

OUR STRENGTHS

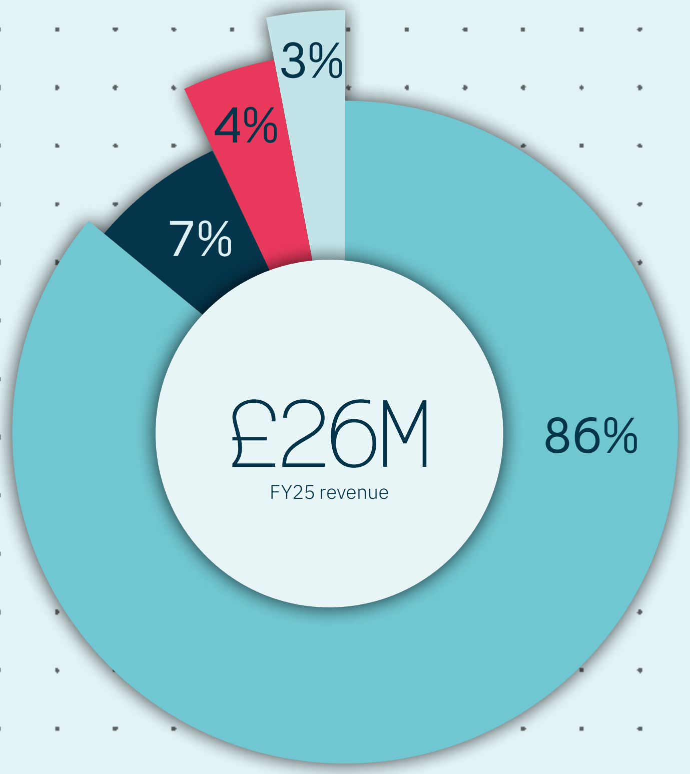
25 YEARS'
experience in technology development

4
unique products for different scales

45%
of the workforce are engineers, scientists and technicians in FY25

OUR BUSINESS MODEL CONTINUED

HOW WE GENERATE REVENUE



PRODUCTS
We sell our electrolysers to customers in energy, industry and transport

CONSULTING
Consultancy contracts including FEED studies for larger system deployments

SERVICE
We support our customers through our responsive after sales services

OTHER
Fuel and scrap sales and other contractual revenues

WHO WE DELIVER FOR

Our shareholders
We are committed to building long-term value for our shareholders. The solid foundations we have established enable ITM to invest in growth opportunities and drive attractive returns, ensuring sustained success and prosperity.

Our customers
Our cutting-edge technology and substantial volume capacity empower our customers to navigate their decarbonisation journeys confidently. We provide exceptional delivery capability, reliability, performance, and unwavering support, helping them achieve their sustainability goals.

Our people
We believe in the potential of our people. By investing in their development and offering challenging, exciting roles with competitive remuneration and rewards, we create an environment where talent thrives and innovation flourishes.

Our partners
As we scale, it is essential that our suppliers grow in tandem with us. We have forged strategic partnerships with key suppliers, ensuring they are integral to our core products and our collective success.

Our planet
Green hydrogen is crucial for achieving net-zero emissions. Our advanced technology plays a vital role in reducing greenhouse gas emissions (GHG), contributing to a cleaner and more sustainable future for our planet.

Governments
Around the world, governments have set ambitious green hydrogen strategies. Our electrolysers play a crucial role in helping them achieve their climate, economic, and energy security objectives, driving global progress toward a sustainable future.

OUR STRATEGY

THE RIGHT PRIORITIES AT THE RIGHT TIME

1. REMAIN AT THE FOREFRONT OF TECHNOLOGY, PRODUCT AND DELIVERY CREDIBILITY

- **Evolve our technology and products**
- **Utilise our core stack platform in different ways to address emerging market needs and be prepared for rapid scaling**
- **Evolve processes and capabilities in manufacturing, engineering, procurement, and services**

During FY25, we have:

- Launched NEPTUNE V, a full-scope 5MW containerised electrolyser plant which utilises ITM's leading and proven TRIDENT stack technology
- Announced a further technical milestone, achieving a step change in iridium loading with an additional 40% reduction whilst maintaining stack performance and longevity
- Further developed our next-generation and game-changing stack platform, CHRONOS, which will be a vehicle for adopting several technology improvements from our development roadmap

2. SCALE OPERATIONS WHILST RETAINING FLEXIBILITY AND CONSERVING CASH

- **Incrementally deepen the level of automation**
- **Grow capacity in line with commercial projects**
- **Focus on credible opportunities, and capture significant market share through product and (large-scale) delivery performance**

During FY25, we have:

- Introduced more automation into our processes, which will be extended as we optimise our factory layout for stack manufacturing automation and serial production
- Incrementally added capacity by increasing shift patterns when required to fulfil our project delivery obligations
- Further embedded financial discipline into every facet of our business, to ensure optimal resource allocation and careful evaluation of every investment decision

3. GROW A GLOBAL FOOTPRINT AND REACH, WHILE STAYING ADAPTABLE

- **Ensure appropriate setup in all attractive offtake regions, to be best positioned and prepared for a rapid demand uptick**
- **Pursue an asset-light product and service first approach, including further expanding regional product compliance**

During FY25, we have:

- Successfully registered TRIDENT in Australia, and we are now able to deliver our stack into every relevant part of the world
- Further strengthened our footprint in Germany as one of our key markets
- After our year end in June, we launched Hydropulse, which will build, own and operate decentralised green hydrogen production plants using ITM's modular NEPTUNE technology and which creates a new growth engine for the ITM Group

OUR STAKEHOLDERS AND SECTION 172 (1) STATEMENT

BALANCING STAKEHOLDER NEEDS TO SUPPORT RESPONSIBLE BUSINESS DECISIONS

AT ITM POWER, WE BELIEVE THAT A REAL UNDERSTANDING OF THE PRIORITIES OF OUR STAKEHOLDERS IS CRITICAL IN ENSURING LONG-TERM SUCCESS AND VALUE CREATION FOR THE GROUP.

We remain driven by innovation and continuous improvement. Actively engaging with our key stakeholders is essential to how we operate and evolve. Gaining insight into their needs and expectations helps us build meaningful, long-term relationships that support sustainable business growth. We regularly seek feedback to inform our decision making and to help refine our products, processes and operations.

To assist the world in reaching net zero by 2050, we recognise that technological advancement and innovation across the supply chain will be critical. We continue to look beyond our own operations to support the development of a wider hydrogen ecosystem. This includes participating in and championing industry organisations that drive sustainable energy and legislative progress

Statement from the Board

During the year, the Board acted in good faith to promote the long-term success of ITM Power.

In accordance with Section 172 (1) of the Companies Act 2006, each Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole. The Board oversees the operation and development of ITM Power in order to optimise its equity value over the long term, without regard to any shareholder's individual interests. Matthias von Plotho (who replaced Jürgen Nowicki in January 2025) is one of our Non-Executive Directors and is appointed by a major shareholder of ITM Power (Linde). However, each of the Directors recognises his or her responsibilities under the Companies Act to behave and conduct themselves fairly amongst Company members and to manage any potential conflicts of interest that may arise. We recognise that our decisions can influence the long-term success of ITM Power and, in turn, impact our stakeholders. We therefore approach all decisions with careful consideration and due respect in this regard. Decisions, likely to promote the success of the Company while considering the long-term interests of stakeholders, are made through rigorous analysis, debate and consideration of all the relevant factors.

To deliver our strategy in a sustainable and responsible manner, the Board acknowledges the importance of evaluating a broad range of commercial, financial, ethical, social, and environmental (ESG) considerations, in line with its duties under Section 172 (1) of the Companies Act 2006. These considerations form a key part of our decision-making process and help ensure that the interests of our stakeholders are appropriately reflected in our strategy. Throughout the year, we regularly reviewed and assessed progress against our business plan and strategic objectives. Financial and non-financial indicators, including ESG metrics, were embedded within our targets. This broader assessment framework enabled the Board to make informed decisions which reflected the values and long-term aims of the Company.

When making strategic decisions, we strive to balance the interests of our stakeholders in ways that are consistent with ITM Power's long-term, sustainable growth. The Board obtains stakeholder viewpoints to inform its decision making through direct involvement where possible, although due to the quantity and distribution of ITM Power's stakeholders, stakeholder interaction frequently occurs at an operational level. In this example, the Board learns about stakeholder perspectives through communication with senior management and regular reporting. The major stakeholder groups that we have identified are those that have significant interactions with our business model and are influenced by our business operations. The importance of each stakeholder group varies based on the choice being made. The Board must balance many, and often conflicting, perspectives, which means that it is not always possible to satisfy everyone's desired outcome or create a favourable result for all stakeholders. Ensuring that our Company runs responsibly is critical to our long-term success. To support the weighing of stakeholder interest, the Board of Directors oversees a corporate governance framework that ensures policies and processes are regularly reviewed and updated in line with best practice and stakeholder expectations, enabling the appropriate people to make the right decision at the right time.

We recognise that the long-term success of our business is intrinsically linked to our ability to meet the needs and expectations of our stakeholders. By adhering to the principles outlined in Section 172 (1) of the Companies Act 2006 and maintaining a strong commitment to corporate governance, sustainability and ethical business practices, we aim to create value for all our stakeholders while driving sustainable growth and profitability for our shareholders.

On the following pages, we have provided examples of how we have engaged with our stakeholders during the year, and the ways in which this engagement has informed the Board's decision-making process.

PARTNERING FOR PROGRESS AND PERFORMANCE

- We recognise that strong relationships with our stakeholders are essential to our long-term success.
- By maintaining open and transparent communication, we ensure that their perspectives and priorities inform our decisions.
- Through regular engagement, we build trust, create shared value, and work together towards sustainable growth.
- This ongoing dialogue helps us stay responsive, responsible, and aligned with what matters most.

OUR STAKEHOLDERS AND SECTION 172 (1) STATEMENT CONTINUED

Statement from the Board continued

You can read more about key aspects of Section 172 considerations as follows:

Section 172 (1) matters	Relevant disclosures
The likely consequences of any decision in the long term	› Our Business Model on pages 18 and 19 › Our long-term commitment to financial stewardship as seen in our CFO Review on page 17
The interests of the Company's employees	› Stakeholder Engagement: Our People on page 23 › Sustainability Report: Our Social Impact on pages 30 and 31 › Principle 3 at https://itm-power.com/investors/corporate-governance › https://itm-power.com/careers
The need to foster business relationships with suppliers, customers and others	› Stakeholder Engagement: Customers and Strategic Partners on page 23 › Principle 3 at https://itm-power.com/investors/corporate-governance › Business Partner Code of Conduct at https://itm-power.com/sustainability
The impact of the Company's operations on the community and the environment	› Stakeholder Engagement: Local Communities on page 25 › Sustainability Report: Our Environmental Impact on page 28 › Principle 3 at https://itm-power.com/investors/corporate-governance
The desirability of the Company maintaining a reputation for high standards of business conduct	› Sustainability Report: Our Governance on pages 32 and 33 › Code of Ethics at https://itm-power.com/sustainability › Principle 8 at https://itm-power.com/investors/corporate-governance
The need to act fairly as between members of the Company	› Stakeholder Engagement: Investors on page 22 › Principle 2 at https://itm-power.com/investors/corporate-governance

INVESTORS

Investors provide equity capital for our business. They hold management and the Board to account for operational, commercial and financial performance, and key ESG matters.

Our approach

We actively engage with our shareholders, communicating our strategic priorities to ensure that our strategy is aligned with their interests.

We are committed to openness and transparency with our capital providers and the effective management of risk. Our shareholders hold us accountable for doing the right thing.

Our engagements mean that we understand their expectations and can execute our strategy, which delivers sustainable shareholder value creation. This, in turn, should enable us to attract new investors to support the Company's growth ambitions.

How we engage:

- The Board, supported by the Investor Relations team, is available to meet current and potential shareholders.
- The Board is kept regularly apprised of analysts' views
- Shareholder communication is coordinated by the Investor Relations team with the Company Secretary and NOMAD.
- Through regular one-to-one meetings, attendance at broker conferences, and investor roadshows.
- Price-sensitive information is shared through the London Stock Exchange's Regulatory News Service.
- Shareholders can attend our Annual General Meeting (AGM) and any Extraordinary General Meeting (EGM) which Board members attend.
- Through our interim and final results reports, supported by webinars and roadshows.
- Through regular updates posted to the Investor Centre section on the Company's website and specifically the Investor Relations section.

Action taken:

- We conduct online and in-person investor events to facilitate the broadest possible engagement.
- We have engaged with some of the larger investors which have dedicated ESG teams to aid their understanding of us and obtain their views on our approach to ESG.

OUR STAKEHOLDERS AND SECTION 172 (1) STATEMENT CONTINUED

OUR PEOPLE

We aim to create a supportive and respectful working environment where everyone is treated fairly and feels valued. We recognise that diverse thinking strengthens our ability to meet challenges and innovate.

Our approach
As we transition from a research-driven organisation to a global manufacturing company, we continue to focus on building the knowledge, skills and confidence of our teams to support future growth. Creating an environment where our people can grow their expertise and challenge themselves by continuous improvement ensures we have a working culture that enables us to both attract and retain key talent within ITM.

How we engage:
- Our people are informed of matters affecting them directly and of the various factors affecting the performance of the Group through a variety of mechanisms from online communications to in-person town hall meetings.
- We continue to have an open-door leadership culture where Directors and senior managers welcome feedback and the opportunity to discuss business improvement.
- We conduct engagement surveys. The CEO presents the outcomes to the business and drives our action plan for improvement.
- We recognise above and beyond contributions at work through manager nominations and feedback.
- We carry out regular reporting of key workforce performance indicators to the Board.

Action taken:
- We continue to hold regular town hall meetings with employees, providing clear business updates as well as an open forum for the workforce to ask questions to the executive team and to celebrate success.
- We have reviewed and benchmarked employee remuneration, to ensure we remain competitive in the market – continuing to be an employer of choice, which introduced a ITM Living Wage compared against the National Living Wage.
- We continue to deliver significant learning and development to grow skills and keep our employees safe.
- We continue to implement our vision, mission and values to guide our delivery evolution, focusing on our commitments as a professional service delivery business.

Further reading
- See more information about what we do for our workforce on pages 30 and 31
- See our values on page 30

CUSTOMERS AND STRATEGIC PARTNERS

Customers buy our products, directly or indirectly and potential customers offer a pipeline of opportunities to sell our products.

We continue to seek and identify strategic partners to support our journey as we scale our impact, industrial reach and market penetration.

Working with safety at the heart of everything we do, our people utilise superior technology and precision manufacturing to deliver the world's best electrolysers. With a constant focus on innovation, our people work to provide an exceptional service to our customers.

Product innovation, quality and aftermarket service are key to the success and strengthening of our partnerships.

Our approach
We aim to exceed our customers' expectations in terms of product quality, delivery performance and customer service. This builds trust and ensures strong relationships and loyal customers.

How we engage:
- We hold regular meetings with our strategic partners' senior managers and key customers.
- We participate in conferences and industry events every year to ensure there is a clear market understanding of our business and products.
- We use datasheets to provide easy access to information on our products.
- We use social media to make customers aware of relevant business and product updates.
- Customers can contact us via our website, by email or by directly calling our dedicated sales lines.
- A business development manager is responsible for initial contact with a customer and for maintaining customer relations throughout the lifetime of a project.
- A bid manager is assigned to provide specific technical and commercial proposals for a customer.
- In execution, a project manager is responsible for delivery in line with the customer contract and expectations.
- Updates on customer projects are provided to the executive team and the Board.

Action taken:
- We seek customer feedback, especially when we are unsuccessful in a specific opportunity.
- We review all won and lost projects to improve our customer-facing activities.

Further reading
- Our electrolysers and how they work: **itm-power.com/products**
- Markets we serve: **itm-power.com/markets**

OUR STAKEHOLDERS AND SECTION 172 (1) STATEMENT CONTINUED

SUPPLIERS

Suppliers provide us with a wide range of commodities and services such as PGMs, components, power supply units, capital equipment, renewable energy, buildings, information technology, telecommunications and professional services.

The Board recognises that responsible procurement is integral to our long-term success and reputation. In exercising our duties under Section 172, we consider the impact of procurement decisions on our suppliers, customers, and wider stakeholders. We aim to build long-term, collaborative relationships with suppliers which share our values, particularly in relation to ethical practices, sustainability, and innovation. We have clearly articulated our approach and expectations regarding modern slavery and ethical labour practices in our Business Partner Code of Conduct, which is also embedded within our standard terms and conditions of business with suppliers. Our commitment to responsible sourcing includes the assessment of suppliers' policies, controls, and practices relating to modern slavery as part of our supplier selection and ongoing due diligence processes. This ensures alignment with our ethical standards and supports our broader human rights obligations throughout the supply chain.

During the year, we strengthened relationships with strategic suppliers to improve supply chain resilience, mitigate risks associated with raw material availability and pricing, and support innovation. Where appropriate, we engaged in longer-term contracts to foster collaboration and reduce supply volatility. Our procurement policies and practices are regular reviewed to ensure they support our broader strategy and stakeholder commitments.

Regular engagement with key suppliers helped us mitigate supply chain risks, improve product quality, and align procurement with our strategic objectives.

Our approach

To develop a high-performing, global supply chain delivering mutual competitive advantage to ITM, to the suppliers and to customers.

How we engage:

- Maintain and develop long-term relationships with our supplier partners.
- Work closely with our suppliers on product enhancements, providing them with assistance to improve their adherence to our standards of quality and ethics.
- Require suppliers to comply with our ITM Supplier Quality Requirements and Business Partner Code of Conduct.

Action taken:

- Enhanced supplier categorisation, considering aspects such as materiality and risk.
- Enhanced inventory and supply chain reporting to support active supply chain management.
- Continue to strengthen supplier due diligence processes
- Improved robustness and harmonisation of our contracting with all suppliers.
- Commenced creation of supplier performance procedure and scorecard to monitor, measure and define actions with suppliers.

Further reading

› See our Business Partner Code of Conduct on our website: itm-power.com/sustainability

REGULATORS, FUNDERS AND INDUSTRY BODIES

Regulators set standards for our products and industry.

Industry bodies work to develop our industry's future.

Funding bodies provide grants for some projects.

Our approach

Regulators and governments are vital to our business as they are policy setters and influence the markets in which we operate.

How we engage:

- Participate widely in industry bodies and work with funders and regulatory bodies through our membership of key industry associations in different territories.
- Work with key committee and standards groups in the UK, the EU and other countries both to ensure compliance with existing standards and to support development of new standards around this emerging industry. This includes active participation in ISO/TC 197 (Hydrogen Production) and shaping content for ISO 22734-1 and ISO TS 15916, IEA Task 43 (hazardous area classification).
- Contribute to consultations in the UK and the EU through direct responses and contributions to working groups; for example, our CEO is a member of the UK government's Hydrogen Delivery Council. We also work closely with organisations such as the European Union's Clean Hydrogen Joint Undertaking, Innovate UK and Department fo Energy Security and Net Zero (DESNZ) as funders of our grant-funded projects.
- In July 2025, our CEO was voted onto the Industrial Seat of the Board of Hydrogen Europe.

Action taken:

- Secured Australian design registration for the TRIDENT product.
- Worked with the UK Environment Agency to ensure the safety of our staff as new processes are brought online and with the Health and Safety Executive (HSE) to ensure continued compliance with environmental noise and emissions legislation.
- Our CEO participated in the EU hydrogen mission to Japan, ACHEMA, the H2 Forum in Berlin, the Global Energy Conference, the World Hydrogen Conference, and World Hydrogen Week. ITM also had a presence at the World Hydrogen Summit and Exhibition.
- Undertook discussions with government funding bodies in the UK and provided input to upcoming funding streams with our critical funding partners, including responses to UK Government consultations and input into the next European Clean Hydrogen calls. We also applied to relevant funding calls and continued to submit progress reports and key performance indicators for active grant-funded projects. We will continue these activities in the future, building on the successful engagement in the previous year.

OUR STAKEHOLDERS AND SECTION 172 (1) STATEMENT CONTINUED

LOCAL COMMUNITIES

We are a responsible, sustainable employer in the communities where we operate. We have a desire to provide worthwhile, fair paid employment opportunities in an environment which enables our people to thrive.

Our approach

We aim to contribute to our local communities and society in general. We operate within local communities and seek to be a positive influence around environment, education and health.

How we engage:

- We support our apprentices to play an active role in inspiring the next generation of apprentices in STEM-related careers.
- During FY25, our apprentices raised over £1,900 for the Sheffield Children's Hospital and the NHS by climbing Yr Wyddfa, and an additional £1,000 for the Forget Me Not Children's Hospice through a sponsored climb of Scafell Pike. Funds were also raised for the Sheffield Children's Hospital during the Christmas Jumper Day initiative.

Action taken:

- We have grown our Project, Commissioning, Engineering, Sales, Business & Legal Development and Procurement across our wider operations by recruiting local staff in Germany.

Further reading

- See our pages 30 and 31 for more information about our social impact

SUSTAINABILITY REPORT

PEOPLE, PLANET AND CLEAN ENERGY PRODUCTS

Our goal is to use the power of our electrolyser technology to help the world reach net zero using green hydrogen to decarbonise hard to abate industries.

We will accomplish this through the products we produce, and by actively participating in the development of the hydrogen industry to support a more sustainable global energy future.

However, we don't just focus on the positive environmental impact of our products. We're also focused on making sure that our business is engineered sustainably. For us, this is about managing our social and environmental impacts so that we meet the expectations of our employees, customers, suppliers, shareholders and the communities where we operate.

We are pleased to hold an MSCI ESG rating of A, which reflects our responsible approach to sustainability efforts.

We are proud to be fully ISO certified for our integrated management systems:

ISO 9001: 2015
Quality assurance management system

ISO 14001: 2015
Environmental management system

ISO 45001: 2018
Occupational health and safety system

SUSTAINABILITY REPORT CONTINUED

In alignment with the United Nations Sustainable Development Goals, we are committed to advancing several key initiatives. Our focus includes the goals detailed in the below table, each of which plays a vital role in building a sustainable future.

ENVIRONMENTAL

Our impact on the planet

Operations ● Products ● Energy ● Climate

	What we're doing
GOAL 7 **Affordable and clean energy**	Our continual progress to develop more reliable, efficient and cost-effective electrolysis solutions will support the widespread adoption of green hydrogen. This will directly contribute to ensuring access to affordable, reliable, sustainable and modern energy for all.
GOAL 12 **Responsible consumption and production**	By harnessing the considerable efficiency gains of our technology, we can reduce GHG emissions. Through electrolysis, our electrolysers enable the production of emission-free, clean green hydrogen, helping the world switch from hydrogen produced directly from fossil fuels. At ITM we strive to prevent the generation of waste with our recycling methods. Under our enhanced scrap policy, we recycle, where possible, all metals and other raw materials from obsolete electrolysers, thereby contributing to the circular economy.
GOAL 13 **Climate action**	Climate action is in our DNA and our sole purpose is to scale up to help the world decarbonise and achieve net zero. By maintaining and establishing key strategic partnerships, ITM is deploying its innovative technology to accelerate its role in climate action. ITM monitors its own energy consumption and carbon emissions while continually ensuring to minimise the impact of energy generation.

SOCIAL

Our positive contribution to the lives of our people and local communities

Engagement ● Vision and values ● Health, safety and wellbeing ● Diversity and inclusion

GOAL 11 **Sustainable cities and communities**	Green hydrogen, such as that produced with our electrolyser systems, can be used as zero-emissions fuel for mass transit systems. This contributes towards target 11.2: by 2030, to provide access to safe, affordable, accessible and sustainable transport systems for all.

GOVERNANCE

How we conduct ourselves

Ethical behaviour ● Human rights ● Cyber security and data protection ● Resilience and risk management

GOAL 9 **Industry, innovation and infrastructure**	Through our leading-edge innovations and new research methods, our products are helping industries to decarbonise. ITM continues to manufacture best-in-class PEM electrolysers. Our technology provides a significant upgrade to existing infrastructure and retrofit industries to make them sustainable, with increased resource use and efficiency and greater adoption of clean and environmentally sound technologies for industrial processes.

SUSTAINABILITY REPORT CONTINUED

OUR ENVIRONMENTAL IMPACT

FROM DAY ONE SUSTAINABILITY HAS BEEN AT THE CORE OF ITM. 25 YEARS LATER, WE STILL EMBED IT INTO EVERYTHING WE DO

- Our goal remains simple: to help the world reach net zero using the power of our electrolyser technology by using green hydrogen to decarbonise hard to abate industries.
- 25 years tackling the global energy crisis and we are just getting started. Our plans only get more ambitious as we continue to develop the hydrogen industry to support a more sustainable global energy future.

ENERGY AND CLIMATE IMPACT

Importance to ITM Power

Our goal is to create a net-zero society where everyone can breathe pure air. While our products are made to run on renewable energy, we can also contribute towards our vision by running our own operations responsibly and lowering our own carbon footprint, which includes the carbon that is embedded in our products.

Approach and policies

To better manage our environmental impact, we maintain a UKAS-accredited environmental management system to the specifications outlined in the international standard, ISO 14001:2015. The programmes used for accreditation included wide staff participation and consultation with employees, as well as auditing processes in the pursuit of zero harm to people or planet. We ensure the efficacy of the management system through routine internal audits and monitoring.

Environmental improvement programmes

Beyond our own operations, all of our business partners are required by our Business Partner Code of Conduct to use energy and natural resources responsibly, as well as to continuously seek out methods to reduce waste, emissions, and discharge from their operations, goods, and services.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

Energy consumption

Electricity (kWh)

FY25	6,375,312
FY24	5,416,257

Diesel (litres)

FY25	1,935
FY24	2,708

Natural gas (kWh)

FY25	52,388
FY24	63,066

Notes:

1. Electricity consumption figures cover our UK offices and factory, and hydrogen refuelling station in the Orkney Islands, as well as our offices in Germany and Australia. Where consumption data was unavailable, estimates were made based on spend, historical consumption and property averages.
2. Diesel consumption is based on actual litres of fuel recorded on fuel cards.
3. Natural gas consumption figures cover our UK offices and factory as well as our offices in Germany. Where consumption data was unavailable, estimates were made based on historical usage.

	FY25	FY24	FY23
Proportion of electricity procured from renewable sources	**99.4%**	99.2%	96.0%

Notes:

1. Electricity consumption figures cover our UK offices and factory, and hydrogen refuelling station in the Orkney Islands, as well as our offices in Germany and Australia.
2. FY23 figures have been restated. Where possible, we have used actual data rather than estimates and assumptions.

While our products are made to run on renewable energy, we can also contribute towards our vision by running our own operations responsibly and lowering our carbon footprint, which includes the carbon embedded in our products.

SUSTAINABILITY REPORT CONTINUED

ENERGY AND CLIMATE IMPACTS

ENERGY AND CLIMATE IMPACTS

The calculation of our carbon footprint follows the methodology set out by the GHG Protocol for corporate accounting and the output can be found in the table below and complies with the requirements of Part 7A of Schedule 7 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) regarding disclosure of GHG emissions.

Carbon footprint (tCO_2e)	FY25	FY24	FY23
Scope 1 (location & market based)	**16**	62	24
Scope 2 (location based)	**1,128**	1,121	717
Scope 2 (market based)	**4**	4	–
Scope 3 (location & market based)	**16,242**	15,951	16,013
Total (location based)	**17,386**	17,134	16,754
Total (market based)	**16,262**	16,017	16,037
Intensity ratio[7]			
Scope 1 and 2 emissions intensity ratio (tCO_2e/employees)	**3.74**	3.84	2.06
Scope 1, 2 and 3 emissions intensity ratio (tCO_2e/employees)	**56.82**	55.63	46.67

1. Number of employees at 30 April 2023 was 359, at 30 April 2024 was 308, and at 30 April 2025 was 306, which has had a negative impact on our intensity ratio.
2. FY23 figures have been restated. Where possible, we have used actual data rather than estimates and assumptions.
3. Our footprint was calculated using the methodologies set out in the GHG Protocol Corporate Accounting and Reporting Standard. An "operational control" approach has been used to define the emissions boundary.
4. Entities included in the footprint are as follows: ITM Power plc; ITM Power UK Limited; ITM Power Inc.; ITM Power Germany GmbH; and ITM Power Pty Ltd.
5. In the calculation and preparation of our carbon footprint we have considered a number of relevant sources, including the 2025 Government GHG Conversion Factors for Company Reporting, published by BEIS; the Homeworking Emissions Whitepaper 2020 published by EcoAct; and Supply Chain GHG Emission Factors for US Industries and Commodities, published by the United States Environmental Protection Agency.
6. Scope 1 emissions are derived from natural gas heating our facilities and fuel consumption within our vehicle fleet. Where natural gas consumption data was unavailable, estimates were made based on spend, historical average and average consumption figures based on property size and use. This led to a large decrease in FY24 and FY25 when actual data has become available.
7. Scope 2 emissions are derived from electricity consumed by our facilities.
8. Scope 3 categories included in this calculation include purchased goods and services, fuel and energy-related activities, waste, business travel, employee commuting, upstream leased assets, use of sold goods and investments. Notes on the calculation methodologies for these categories are as follows:
   a. Purchased goods and services: a financial allocation model was used using emission factors provided by the United States Environmental Protection Agency.
   b. Fuel- and energy-related activities: BEIS 2025 conversion factors were used to calculate well-to-tank GHG emissions from fuel usage and transmission and distribution losses from purchased electricity and well-to-tank emissions from fuels.
   c. Waste: BEIS 2025 conversion factors were used according to mass of waste disposal by destination.
   d. Business travel: emissions related to air and rail travel and hotel stays were obtained from our business travel service providers. Service provider CT Travel conversion factors were used for mileage for personal cars and taxis.
   e. Employee commuting: data comprising employee home postcode, place of work and share of days worked in office was collected by employee survey. National travel survey data, together with BEIS 2025 conversion factors, was used to determine commute emissions intensity. Homeworking emissions were calculated on the basis of the methodology set out in the Homeworking Emissions Whitepaper 2020 published by EcoAct.
   f. Upstream leased assets: service provider data used.
   g. Use of sold goods: sold goods are considered to be those electrolysers that have completed site acceptance testing during the reporting period. The lifetime energy consumption of these units, together with the share of green electricity used for their operation and grid emission factors, was used to calculate lifetime emissions.
   h. Investments: data on electricity and district heating consumed by ITM Linde Electrolysis GmbH was collected and converted to emissions using location-specific conversion factors.
9. When choosing our carbon intensity ratio we explored different options such as revenue or floor space, but felt number of employees was most reflective of business performance.

Energy efficiency actions taken

Sustainable energy addresses our core business purpose, which is to help the world reach net zero through the power of green hydrogen. Within our facilities we strive to reduce energy use wherever possible.

In FY25 we continued with our energy reduction programmes , which included encouraging employees to switch off lights and equipment when not in use to reduce energy waste. Our 6S programme facilitates this behaviour change and is audited monthly.

Our facilities and maintenance team implemented a full proactive maintenance schedule for all machinery and equipment to help reduce energy consumption and keep machinery and equipment operating at maximum efficiency.

All cleaning is performed during core working hours, reducing the need for all lights to be on out of hours, thus cutting energy waste.

Our energy monitoring dashboard, analysis of half-hourly energy data and analysis of energy invoices helps us to identify energy waste and patterns of consumption, providing key insights that feed into future energy reduction schemes.

In FY25 energy compliance schemes such as ESOS Phase 3 helped us to identify energy saving opportunities, evaluation and implementation of these opportunities will provide a reduction in consumption in the upcoming financial years.

Future plans

We are working to develop a climate strategy for the business. Our climate goals and aspirations will be outlined in this strategy, which will apply to both our internal operations and the entire extended value chain.

Further reading
› Corporate Governance section of our website:
itm-power.com

SUSTAINABILITY REPORT CONTINUED

OUR SOCIAL IMPACT

WORKING AT ITM POWER

We operate a lean organisational structure, which allows us to drive improvement in our business practices to underpin our capabilities.

People engagement

We employ multiple channels for employees to engage with business leaders and to have a voice. Our regular town hall meetings stimulate key employee-led discussions. Given the business-improvement focus, it has been essential to keep our employees informed and involved to enable them to thrive and grow as part of this. We redesigned our Employee Engagement Survey which gives our employees a chance to feed back on key areas of the business.

Providing team members with the opportunities to grow capability and experience as part of a longer-term career path is essential in a growing business. Our transformational change journey is enabling capable employees through their day-to-day activities to add real value to the business and to client projects that will help decarbonise their operations.

We have continued to invest in our skills to drive operational capability. Key actions have included the building of technical skills as required and also targeted external hiring to complement our existing global team.

We recognise that nurturing and developing talent is critical to support business success and we have invested in technical and leadership development during the year. We continue to invest in early careers talent through apprenticeships and industrial placements with gap year students in STEM-related fields and beyond. In FY25, three apprentices successfully completed their programmes and remain with ITM on a full-time basis.

VISION AND VALUES

During FY25 we continued to prioritise our ITM vision and values. This approach continued to focus on safety being at the heart of everything we do and our mission being to deliver the world's best electrolysers to enable customers to decarbonise their operations. Our leadership and management continue to work with their teams to prioritise innovation, integrity and respect in our working practices.

WITH:

- Safety at the heart of everything we do
- Innovation in our DNA
- Superior technology
- Precision manufacturing
- Integrity and respect

WE:

- Deliver the world's best electrolysers
- Scale our operations profitably to meet the rising demand
- Grow our global footprint and reach
- Challenge ourselves to become better than yesterday, everyday

TO:

- Help customers decarbonise their operations
- Drive sustainable change within industry, government and society
- Accelerate the world's transition to Net Zero
- Increase shareholder value

EMPLOYEE HEALTH, SAFETY AND WELLBEING

Initiatives in the year

- Executive team HSE tours
- Enhanced Safety Observation System (SOS) HSE reporting
- Improvements made to contractor control, permit to work system and lock out, tag out procedures
- Maintained certification of ISO 14001 and ISO 45001 standards

ITM Power is focused on safety being at the heart of everything we do, with continuous improvement in our processes and systems driving this vision. ITM is constantly looking for improvements in health and safety and environmental practices. Health and safety is≈embedded throughout the organisation and is discussed at every level of the business regularly.

Accidents and incidents

- Enhanced health and safety metrics reporting

The ITM health and safety targets and objectives are revised annually based on the previous year's performance and any other notable events or changes. Once agreed, they are communicated throughout the business and are included in the monthly CEO report and at each Board meeting.

This year we have seen a significant improvement in safety performance with many departments not encountering any adverse events for over six months and some for over a year. In FY25 we have seen an overall reduction in adverse events by 29%.

The FY25 reporting data is shown in the table below:

	FY25	FY24	FY23
On-job fatalities	**–**	–	–
Lost time incidents (LTI)	**–**	2	–
LTI rate*	**–**	3.5	–

* LTI rate: per 1 million hours worked. Calculation based on next shift absence.

A revised workplace inspection process has been implemented with cross-function inspections being carried out monthly across departments. This gives a fresh pair of eyes approach and is manager led with workforce involvement further improving our safety culture and improving workplace safety.

“ITM Power is focused on safety being at the heart of everything we do, with continuous improvement in our processes and systems driving this vision.”

SUSTAINABILITY REPORT CONTINUED

EMPLOYEE HEALTH, SAFETY AND WELLBEING CONTINUED

Systems and policy
We encourage all employees to challenge and intervene when something is not right, and we encourage our people to "see it, sort it, report it" though our SOS reporting system. To complement the SOS system we have a Stop Work Policy. This policy is championed by the CEO and VP Operations and gives all staff, without repercussions, the ability to stop any work where: employees, customers, contractors, visitors or members of the public are in imminent danger; an operation carries unacceptable risk of injury or damage to plant or equipment; the actions of a person or team are not in compliance with Risk Assessments and/or Standard Operating Procedures or there is a possibility of environmental damage.

Our management systems continue to be accredited to ISO 14001 and 45001 standards which give us, our customers, and our supply chain the comfort that we have the framework to deliver our products and services safely and efficiently.

Our Health, Safety and Environment policy, which is a Board-approved statement of intent, serves as the basis for enhancements to all of our linked processes and management systems. It is published on our intranet and all employees are required to review it upon joining. Out in the field, where we support installation, commissioning or maintenance of our electrolysers for our customers, we ensure an open and collegiate approach to ensure all parties are committed to delivering safe site operations.

Engagement and training
Staff members are invited to internal audits and workplace inspections and are also involved in incident investigations should the need arise.

The executive team have carried out 13 safety tours during the year. During these tours the executive team engage with department managers and staff and review previous issues, checking that audit corrective actions have been implemented and that they are effective.

Occupational health
We have a robust and continually improved Occupational Health programme which includes regular screening for industrial injuries, workplace assessments and interventions to support our colleagues to work in a safe and supportive environment.

We continue to focus on mental health awareness and related topics. We have a stress management policy and continue to provide educational resources to both employees and line managers that help to increase understanding of how certain conditions are directly and indirectly related to mental health. In addition to our Employee Assistance programme and Mental Health First Aider programme, we maintain a number of policies and procedures to support our people through life events or other situations that have the potential to impact their mental wellbeing.

EMPLOYEE TRAINING AND DEVELOPMENT

Importance to ITM Power
Our team is fundamental to the transformational journey that ITM is on. It is essential that our employees maintain and enhance their expertise whilst also ensuring high standards of technical competence aid our ongoing efforts to increase the creativity and quality of our outputs.

Approach and policies
Our actions are centred around assessing individual competence and department capability when it comes to addressing and anticipating current and future learning and development needs. Our internal processes provide the opportunities to discuss not only role specific training requirements but also aspirational growth plans.

In FY25, we delivered almost 7,000 training hours. This includes leadership and management development, business process optimisation training and extensive technical skills development. In addition, our health and safety training extended well beyond compliance, focusing on embedding a culture of safety and proactive risk awareness across the organisation.

Outside this commitment, we have supported seven apprentices as part of their ongoing development. Three apprentices have successfully completed their apprenticeships in this time and have been offered an ongoing position within the business. We work closely with the University of Sheffield and the Advanced Manufacturing Research Centre to actively support STEM career choices.

Upcoming plans
We continue to invest in all aspects of training delivery, not least in advanced manufacturing techniques and design requirements.

Further reading
› Corporate Governance section of our website:
itm-power.com

EQUALITY AND DIVERSITY

Importance to ITM Power
Recruiting, keeping and supporting employees from varied backgrounds allows our Company to better understand the customers that we serve, as well as the communities where our activities are located. It lowers risk, improves employee retention and wellbeing and fosters greater social equality and mobility.

Approach and policies
Our strategy and supporting plan outline our commitment to ensuring ITM Power is an inclusive place to work. We want a working atmosphere where everyone can use their skills to their full potential, where there is no discrimination or harassment, and where decisions are made on merit. We have policies that support our strategy, not least our Equal Opportunity Policy which contains specific clauses about recruiting and selection, training and development, possibilities for advancement, working conditions, and termination of employment, including redundancy. We issued an updated detailed Anti-Harassment and Bullying Policy that gives examples of the types of conduct that may constitute harassment or bullying, as well as our commitment to eliminating such conduct, to promote a safe and inclusive workplace. We rolled out updated Anti-Harassment and Bullying training in the financial year to all employees. We also actively promote applications from suitably qualified and eligible applicants, regardless of disabilities, in our hiring practices, and published our third Gender Pay Gap Report within the financial year.

Recruitment and benefits
To support employee relations, we have looked at reward and recognition from a range of perspectives. We continued our all-employee bonus scheme, providing an opportunity for all employees to share in ITM's success, as underpinned through achievement against Group-wide KPIs. This is in addition to our longstanding BAYE all-employee share scheme.

All employees: breakdown

Category	FY25	FY24	FY23
Gender			
Male	**77.50%**	77.85%	75.77%
Female	**22.50%**	22.15%	24.23%
Prefer not to say	**–**	–	–

SUSTAINABILITY REPORT CONTINUED

OUR GOVERNANCE

ETHICAL BUSINESS AND GOOD GOVERNANCE STANDARDS

Initiatives in the year

- Implementation of standardised supplier contracts with longer terms (over two years) for consistency and harmonisation
- Implementation of new KPIs and automated supply chain assessments
- Introduction of monthly automated scorecards for performance and delivery
- Continuous improvements across procurement and sourcing practices and supply chain management processes
- Enhanced due diligence procedures for onboarding new suppliers, with particular focus on ESG risks.

At ITM Power we recognise that being a responsible business is vital to the success in all our operations, and we are committed to sustainable procurement and supply chain management. ITM's suppliers are central to achieving our ambition to scale up. Wherever possible, we aim to use local suppliers and the majority of our direct suppliers are based in the UK.

We fully support ethical and sustainable sourcing practices and compliance with all current legislation. Our Business Partner Code of Conduct sets out our expectations for how we work and for all our suppliers, vendors and people to act with integrity, transparency and adherence to our current policies and practices.

All of our business operations are based on fair and ethical governance practices. Our employees receive thorough training and continued education to support this, starting with a corporate induction and continuing with ongoing learning and development.

Our business environment is competitive and fast paced. Our suppliers must understand this dynamic and be agile and flexible in responding to changing business conditions.

The ideal suppliers are those who understand our culture and expectations. We value suppliers who take the time to learn about and understand our business and who look for ways to add value. These suppliers know the importance of making and meeting commitments and delivering the highest quality goods and services.

Policies and systems

Internal governance and compliance:
Our primary policies, which acknowledge, uphold, and defend the human rights of our workers and so serve as the foundation for our moral business conduct, encompass the following topics:

- whistleblowing (as further described on page 51 in the Audit Committee Report);
- data protection;
- modern slavery and human trafficking (available on our website);
- anti-bribery and corruption (available on our website);
- equality and diversity (see also page 31);
- employee relations;
- dignity at work; and
- political donations.

These internal governance and compliance policies form a key pillar of our wider ESG strategy, supporting the long-term sustainability of our business and alignment with stakeholder expectations.

These policies are regularly reviewed, communicated to our teams and supported via e-learning modules. We have reporting and escalation processes in place to ensure monitoring. During the year, there were no reported breaches under our human rights, anti-bribery and corruption, modern slavery and human trafficking policies. As part of Company policy, we do not make political donations.

Effectiveness of policy implementation is measured through internal audits, completion rates of training modules, employee engagement feedback and Board oversight. Where relevant, policies are refreshed in line with regulatory change, material risk reassessment or stakeholder feedback.

Supplier governance and compliance:

ITM Power requires each of its suppliers to meet the highest standards for all goods and services. Our requirements include a commitment to ensuring the highest standards of social responsibility via various policies and monitoring requirements, including, but not limited to, the following actions:

- a mandatory acceptance of our Business Partner Code of Conduct via our general conditions of purchase (both available on our website);
- contracts with new suppliers require a guarantee to us that they are compliant with the terms of the UK Bribery Act 2010;
- monitoring of compliance with the ITM Power plc Platinum Group Metal (PGM) Supply Chain Policy Statement (where relevant) which can be found on our website; and
- issuance of our Supplier Quality Requirements Document which defines the minimum QHSE requirements, processes and systems for doing business with ITM Power.

Future outlook

We consistently look for ways in which we can provide continuous improvements as we scale up the business; our focus has been on stability and standardising our procedures and processes, screening our existing suppliers and facilities and ultimately providing a world-class service.

Respect for human rights

We recognise the importance of treating the people around us, and those we may impact, with respect but also acknowledge there are practices globally that seek to threaten human rights. ITM Power does not tolerate these practices. In relation to our supply chain activities, we have focused policies on Modern Slavery, PGM Supply Chain and Anti-Fraud and Bribery. Before any supplier can become an approved supplier to ITM Power, they must pass through our due diligence process which involves: site-specific audits where appropriate; detailed responses to a robust onboarding process that examines all relevant areas of the business operation, with special focus on labour rights, health and safety and environmental and ethical factors; and acknowledgement and acceptance of the ITM Power Supplier Code of Conduct. The process is cyclical, to ensure the appropriate focus is maintained on those suppliers deemed as strategically important or as high risk to ITM Power.

SUSTAINABILITY REPORT CONTINUED

RESPONSIBLE GOVERNANCE

Importance to ITM Power

Good governance is vital for making us a sustainable organisation as we scale up, reducing risk and adding value to our business. Strong governance is also essential for delivering on our business values. Effective governance underpins our long-term sustainability, helping us to build stakeholder trust and meet evolving ESG expectations.

Approach and policies

As a public company, we consider that our governance processes are already well established. However, we recognise these processes need to be maintained and regularly reviewed to ensure we continue to govern our activities with financial integrity and in accordance with best practice. More information about our corporate governance strategy and how we implement our frameworks can be found on page 44.

BUSINESS ETHICS

Importance to ITM Power

We are committed to conducting business with integrity and high standards of business ethics. As our Company continues to grow, we need robust procedures in place to eliminate these practices and address them wherever they arise.

Approach and policies

We maintain a suite of responsible business policies for our employees, contractors and individuals employed by other organisations which work on ITM Power's behalf. These are some examples of such policies:

- Code of Ethics;
- Anti-Fraud and Bribery;
- Speak Up (Whistleblowing);
- Conflict Management; and
- Hospitality and Gifts.

To defend against unethical business practices, we conduct risk assessments as appropriate, with follow-up analysis performed if potential substantial concerns are detected. These assessments help us proactively mitigate reputational and legal risks across our supply chain and operational footprint. Actions and additional training can also be provided to parts of the Company that are recognised as being potentially more vulnerable to unethical activities. Beyond our own operations, we incorporate anti-corruption measures in our contracts and our Business Partner Code of Conduct, as outlined on page 32.

While ITM Power aims to reinforce a healthy culture at all levels of the organisation, we know that sometimes things go wrong. We therefore have an independent whistleblowing channel, as well as internal channels, which employees can use to speak up against possible malpractice or wrongdoing by any employee, supplier, competitor or customer. We report bi-annually on any whistleblowing trends and outcomes to our Audit Committee, to ensure accountability and transparency.

CYBER SECURITY AND DATA PROTECTION

Importance to ITM Power

In today's digital age, we have a legal and ethical obligation to protect the personal data of our employees and customers. The development of our electrolysers is crucial to our Company's success, making the security of our intellectual property paramount. With the increasing threat of cyber-attacks, we continuously assess our readiness against both external and internal threats.

Approach and policies

Our **Data Protection Policy** underscores our commitment to handling all personal data legally and ethically. Our website details our privacy policies regarding third-party data usage, and our **Employee Privacy Notice** informs employees about our data privacy practices. We educate all employees on our security practices to mitigate the risk of data breaches.

Additionally, our **Intellectual Property Management Policy** is designed to prevent unauthorised disclosure of our trade secrets and proprietary technology, and this policy is regularly communicated to our staff.

Our **Social Media Policy** includes clauses on intellectual property, emphasising that employees should not use social media to compromise our trade secrets, private information, or intellectual property. As part of our new employee induction plan, we provide comprehensive data protection and cyber security training.

We employ **risk-based cyber security measures** to ensure the integrity, confidentiality, and availability of our data. Regardless of where our data resides, we implement appropriate safeguards to maintain a sustainable and robust corporate environment for our stakeholders.

We are committed to fostering a culture of security awareness and resilience, ensuring that our employees are well equipped to handle the challenges of the digital landscape.

Secure by Design

We are committed to the principle of **Secure by Design,** ensuring that security is integrated into every stage of our system development lifecycle. This approach involves:

- **Threat Modelling:** identifying potential threats and vulnerabilities early in the design phase;
- **Security Requirements:** defining clear security requirements for all new systems and applications;
- **Code Reviews and Testing:** conducting regular code reviews and security testing to identify and address vulnerabilities; and
- **Continuous Monitoring:** implementing continuous monitoring to detect and respond to security incidents in real time.

By adhering to the Secure by Design principle, we aim to safeguard our data and intellectual property, ensuring the continued success and trust of our stakeholders.

RESILIENCE AND RISK MANAGEMENT

Importance to ITM Power

We are focused on continuing to develop and enhance our control mechanisms to manage risk and maximise the returns for all our stakeholders. Effective risk management is essential to safeguarding our long-term strategy, protecting value and maintaining operational resilience.

There are various risks and uncertainties that could impair our strategy's implementation as well as our short-term performance. Proactively identifying, managing and mitigating these risks supports both resilience and sustainable business growth to our Company's success.

Approach and policies

We have a risk management system in place that makes it easier to identify, evaluate and mitigate risks which is designed to support continuous monitoring and timely escalation. The Executive Directors analyse the risks that we face , and the Board identifies and reports on our key risks, along with a description of our governance mechanisms for identifying, assessing, and mitigating these risks, including any recognised ESG concerns. The Board is responsible for the risk framework and strives to guarantee that we are able to fulfil our goals without exposure to unmanageable risks. Executive Directors and senior leaders are accountable for operational implementation and ongoing refinement of risk controls, including ESG-related risk categories. Full details can be read on page 34.

PRINCIPAL RISKS AND UNCERTAINTIES

OUR APPROACH TO RISK

Our risk management process is underpinned by an integrated approach to managing risk across the Group through the three lines of defence model. It involves identifying, understanding and addressing risk to enable the business to achieve its strategic and operational objectives, and in so doing delivering its commitments to all stakeholders.

Our risk framework
The organisational risk management framework comprises the recording and management of "top-down" strategic risks, which are discussed by the Board and executive leadership team, as well as "bottom-up" risks, which capture potential operational and project execution issues. Our risk assessment model considers both the probability of a risk materialising and the potential impact if the risk did materialise.

Our risk management process has allowed the Board to identify those risks which are deemed principal to its business due to their potential severity and link to the Group's strategy, markets and operations, which are set out on pages 35 and 36. This is not intended to be an exhaustive list. Additional risks not presently known to management, or risks currently deemed to be less material/strategically important, may also have the potential to cause an adverse impact on our business.

The Group's strategy has been formulated in light of the current legal and regulatory environment in which it operates, and considers anticipated changes to that environment. Unanticipated changes in the legal and regulatory environment may therefore have a negative impact on the business. We are proactively engaged with relevant governments and regulatory bodies to this end and maintain active membership and key roles in relevant committees, trading associations and compliance bodies – in so doing supporting the development and standardisation of policies, regulations and codes within the green hydrogen industry. There also remains a heightened focus on managing the risks associated with cyber threats, as well as climate and environmental considerations. The Group also continues to prioritise the need to attract and retain talent within the organisation and ensuring health and safety considerations and product quality remain fundamental areas of focus.

OUR RISK FRAMEWORK

The organisational risk management framework comprises the recording and management of "top-down" strategic risks, which are discussed by the Board and executive leadership team, as well as "bottom-up" risks, which capture potential operational issues. Our risk assessment model considers:

- the probability of a risk materialising; and
- the potential impact if the risk did materialise.

Board/Audit Committee
The Board is responsible for monitoring business performance. This includes regularly reviewing risks that could impact achievement of the Group's strategic objectives. The Board is supported by an effective corporate governance structure, including the Audit Committee, which has specific delegated authority to review the effectiveness of the Group's internal control mechanisms, financial reporting, internal audit and risk management processes.

Executive team
The executive team is responsible for reviewing and managing the strategic risks within the Group and for providing oversight on operational risks. It provides leadership and direction to employees on risk-taking activity. The executive leadership team also has primary responsibility for driving the development and enhancement of the risk management processes used within the Group.

Quality, health and safety (QHSE) and legal teams
The QHSE team, in conjunction with the executive leadership team, is instrumental in setting the tone in relation to safety matters. This includes obtaining and maintaining the Group's ISO certifications, which are supported by business assurance reviews. The legal team supports the executive leadership team to oversee all aspects of corporate compliance.

Departmental management
The management teams in each department within the Group are responsible for the day-to-day management of risks within their area, ensuring that risks are appropriately identified, prioritised and mitigated.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

The Board has identified those risks which are deemed principal to its business due to their potential severity and link to the Group's strategy, markets and operations, which are set out below. This is not intended to be an exhaustive list. Additional risks not presently known to management, or risks currently deemed to be less material/strategically important, may also have the potential to cause an adverse impact on our business.

Risk	Risk impact and description	Mitigation	Change to risk
1 MARKET DYNAMICS	The macro-economic environment continued to present several external challenges during the year, including ongoing volatility within energy markets, and international conflicts. High energy prices and subsequent cost-of-living increases also remain challenging. Whilst we have seen a reduction in the volatility mentioned, there remains a lag to decisive, large-scale investment by customers and governments. The growth of the green hydrogen market relies on stable policy and support mechanisms for both supply and demand.	› Our vertically integrated technology approach allows incremental product evolution and provides us with the capability to rapidly adapt to changing market needs. › We seek to create partnerships, frameworks and preferred supplier status with key customers wherever possible. › Our first-mover status on several mid- to large-scale projects gives ITM Power a strong advantage over competitors. We are seeing more investment decisions being made, as global industrial players' confidence in green hydrogen technologies grows. › We continue to ensure that we have engagement with politicians across the political spectrum to maintain a high profile for the ITM story as part of net zero.	→
2 TECHNOLOGY	As we are developing new technologies, unforeseen difficulties and obstacles may arise which can result in the product not performing as expected, damage to our reputation, delayed or lost revenue, increased development spend, service and warranty costs and potential product liability claims.	› We continue to enhance our processes and procedures to support systematic and routine testing and validation of current and new technologies. › This is supported through extensive data collection for products both under testing and in the field.	↓
3 SUPPLY CHAIN	Our pace of growth poses risks with our supply chain, to supplier capability, quality, scalability, and working capital management. We rely on third-party suppliers to provide raw materials and components for our products that are critical to our manufacturing process. In some cases, this is through a single supplier. Price volatility of precious metals used within our core technology could lead to costs of projects being underestimated. A new or existing supplier's failure to provide materials or components in a timely manner or in the right quality or quantity may harm our ability to manufacture products. An IT system failure or non-availability, cyber-attack or breach of system security could disrupt our operations or cause the loss of, destruction of, or unauthorised access to sensitive, confidential or personal data or information.	› Where we rely on a single supplier, we seek to enter into appropriate contracts with these suppliers or a future strategy to source different product portfolios with different suppliers where appropriate. For other materials, we employ a multi-sourcing strategy. We continue to review opportunities to bring processes in house to address potential intellectual property (IP), quality and security of supply risks. › Timely and accurate forecasting models have been adopted to provide better visibility of volume requirements over time and to drive action plans ahead of requirement for supply chain readiness. › We have a PGM strategy which minimises risk and is regularly reviewed by the Board. › We undertake regular reviews and testing and maintain robust and effective security policies, controls and technologies to protect commercial and sensitive data and to ensure the overall system protection in place remains appropriate and proportionate.	→

↑ Increase ↓ Decrease → No change

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

Risk	Risk impact and description	Mitigation	Change to risk
4 IP PROTECTION	Failure to protect our IP could reduce our ability to prevent others from using our technology. PEM electrolysis systems as a whole cannot be patented or otherwise legally protected because some of the technologies underpinning their operation are based on other proven and mature technologies and are generally know-how based. Also, while it is the case that various components and processes developed have been or are assessed to have the potential to be patented, we only pursue patents when they are expected to be of high value, because patent applications include risks stemming from publication of detailed component and process descriptions. As we operate in an emerging technology sector, it is possible that a third party develops similar technology and/or product design, which has the potential risk of leading to claims for IP infringement.	› We rely on a combination of patent, trade secret, trademark and copyright laws to protect our IP and seek legal and other third-party specialist advice where appropriate. › The choice of territories and jurisdictions we serve includes an evaluation of inherent IP risk. Freedom-to-operate (FTO) searches are also undertaken where it is deemed appropriate. › We have an agreed IP management policy and seek to protect our proprietary IP through contracts including, when possible, confidentiality agreements and inventors' rights agreements with our customers, partners, and employees. › Secure file sharing practices are also employed to provide technical mitigation and we have an ongoing training plan for staff to support this aim.	→
5 FINANCIAL RISKS	In addition to the potential financial impact as detailed within the other principal risks and uncertainties, specific financial risks also exist. The length and variability of our customer projects and a dependency on third-party site work make it difficult to accurately forecast the timing and amount of specific revenue and corresponding cash generation. Operationally, whilst processes are maturing, there is a risk of outflows from unforeseen manufacturing and project execution challenges. Especially for new or first of a kind technologies, we need to closely manage our warranty and liability risks for plant operating in the field. Our plans include investment in our product development as well as scaling up our manufacturing capabilities, leading to cash outflows.	› We continue to have a strong and healthy balance sheet. › A comprehensive monthly governance process is in place to monitor our financial and operational performance. › Standard cost models for our products have been further developed and are being fully embedded in our sales activity. › To support customer contracts, we are engaged with partners like UK Export Finance (UKEF) to leverage our balance sheet for sales contracts. › We continue to maintain a tight focus on costs.	↓

↑ Increase ↓ Decrease → No change

GOING CONCERN

The Directors have prepared a cash flow forecast for the period from the balance sheet date until 30 September 2026. This forecast indicates that the Group would expect to remain cash positive without the requirement for further fund raising based on delivering the existing pipeline.

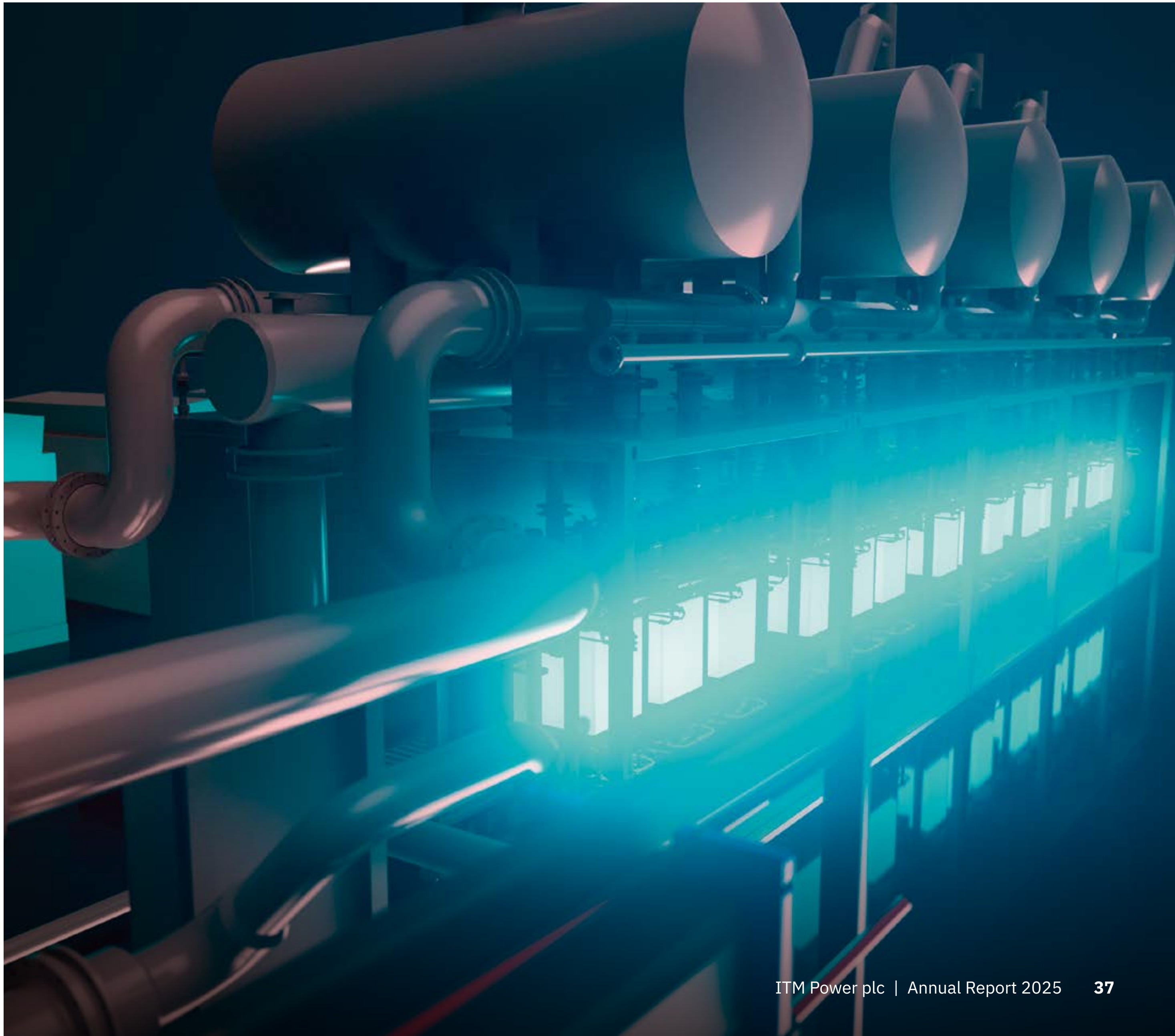
By the end of the period analysed, the Group is forecast to hold significant cash reserves. This should give the business sufficient funds to trade for the going concern period if the business continues according to its medium-term business plan.

The business continues in a forcasted cash outflow position, using funding generated from previous fundraises. As such, this cash flow forecast was stress-tested, both for a worst-case scenario of no receipts and inflationary pressures on utilities and purchases. In all the scenarios tested, the business would remain cash positive for the 12 months from the date of approval of these financial statements.

The accounts have therefore been prepared on a going concern basis.

The Strategic Report set out on pages 3 to 37 was approved by the Board on 13 August 2025 and signed on its behalf by:

Amy Grey
Chief Financial Officer



INTRODUCTION FROM THE CHAIR OF THE BOARD

ON BEHALF OF THE BOARD, I AM PLEASED TO PRESENT OUR GOVERNANCE REPORT. THIS REPORT PROVIDES AN OVERVIEW OF THE ACTIVITIES OF THE BOARD AND ITS COMMITTEES, AND ON HOW WE HAVE DISCHARGED OUR DUTIES AND RESPONSIBILITIES THROUGHOUT THE FINANCIAL YEAR.

Sir Roger Bone
Chair of the Board

Dear shareholder
On behalf of the Board, I am pleased to present our Governance Report. This report provides an overview of the activities of the Board and its Committees, and on how we have discharged our duties and responsibilities throughout the financial year.

The Board is responsible for the long-term sustainable success of ITM Power as we continue, with our strategic partners, to take a leading position in green hydrogen technology. The Board has continued to support the excellent work of Dennis Schulz and his executive management team through a year of accelerated growth. Throughout this period, we have operated with continued high governance standards, with the Board providing appropriate challenge and scrutiny.

Governance development
Upholding robust governance principles and standards is of paramount importance to the Board. We continue to adopt and adhere to the Quoted Companies Alliance's Corporate Governance Code (the "QCA Code"), with the application of the principles of the QCA Code evidenced throughout this report.

This year, the Board undertook a comprehensive review of its governance framework to ensure alignment with the 2023 version of the QCA Code, which is further detailed in the Corporate Governance Report on pages 44 and 47.

In terms of the Board's composition, there have been a number of changes throughout the year. Details of the appointments and the relevant recruitment processes can be found in the Nomination Committee Report on pages 52 and 53. Andy Allen stepped down from the Board in January 2025 and Denise Cockrem is due to step down at the 2025 AGM. On behalf of the Board, I would like to express an immense amount of gratitude to Andy and Denise for their commitment, insight and valued contributions, which have supported ITM Power through this period of growth.

Reflection
As ITM Power marks its 25th year, I would like to take this opportunity to reflect on the journey the business has taken and the privilege it has been to serve as Chair since 2019, following my appointment in 2014. Over this time, I have seen the Company evolve significantly, navigating challenges, scaling operations and delivering real technological impact in the drive to net zero. Much has been achieved over this time, particularly in recent years under the leadership of our current CEO, Dennis Schulz.

I have always been an advocate of strong governance and under my chairmanship I am pleased that ITM Power has continued to be at the forefront of providing stakeholders with this assurance.

This year also marks a personal milestone, as I prepare to step down as Chair of the Board, and it has been an honour to work alongside such a dedicated team and to see the Board develop into a more robust and forward-looking leadership group. With a new Chair in place, I am confident ITM Power is in very capable hands as it enters its next chapter with strong momentum; the potential ahead is considerable.

Sir Roger Bone
Chair of the Board
13 August 2025

Where to find additional disclosures

Disclosure	Location
How we seek to engage shareholders	Stakeholders and Section 172 Statement from page 21
Outcomes of votes at general meetings	Regulatory news announcements on our website: https://itm-power.com/investors/news
Response to significant proportion of votes against a resolution at any general meeting	Shareholder documents, under Notices and circulars, on our website: https://itm-power.com/investors/shareholder-documents
Historical annual reports	Financial and ESG reports on our website: https://itm-power.com/investors/financial-reports
Notices of general meetings	Shareholder documents, under Notices and circulars, on our website: https://itm-power.com/investors/shareholder-documents
Articles of Association	Shareholder documents, under Articles of Association, on our website: https://itm-power.com/investors/shareholder-documents
Admission documents	Shareholder documents, under Admission documents, on our website: https://itm-power.com/investors/shareholder-documents
Information required to comply with AIM Rule 26	AIM Rule 26 on our website: https://itm-power.com/investors/aim-rule-26
Terms of reference for each Committee	https://itm-power.com/investors/corporate-governance

GOVERNANCE AT A GLANCE

BALANCE ON THE BOARD

The Board is satisfied that its members possess an appropriate balance of skills, experience, personal qualities, and capabilities. It has identified the skills and experience below as being of key importance to support our future plans. It has also identified supporting skills and experience where it feels it is appropriate to rely on the support of specialists within senior management and external advisors, including technology/IT, marketing/PR, lobbying/political/regulatory and legal.

Directors' skills and experience

Category	Core capability	Supplemental capability
Our market/industry	●●●●●●	●
Manufacturing/industrial	●●●●●●	●
Business-to-business customers	●●●●●●●	–
Supplier management	●●●●●●●	–
Strategy	●●●●●●●	–
Financial markets	●●●●●●●	–
Audit/finance	●●●●●●●	–
Risk	●●●●●●●	–
Leadership	●●●●●●●	–
People	●●●●●●●	–
Succession planning	●●●●●●●	–
Remuneration	●●●●●●●	–
ESG	●●●●●●●	–

Tenure profile of the Board[1]

	Length of service (years)[1]
Sir Roger Bone	11.18
Simon Bourne	15.70
Denise Cockrem	3.09
Martin Green	5.89
Amy Grey	0.58
Dennis Schulz	2.68
Matthias von Plotho	0.56

1. As at 14 August 2025.

○ Chair of the Board ○ Executive

Women on the Board

- Women[3] 2
- Men 5

3. 33% of Board excluding Matthias von Plotho as a shareholder appointed nominee.

Independent Directors on the Board

(including the Chair of the Board)

- Independent[4] 4
- Non-independent 3

4. 50% of Board excluding Matthias von Plotho as a shareholder appointed nominee.

Age profile of the Board

- 41–50 3
- 51–65 3
- Over 65 1

Executive/Non-Executive Directors on the Board

- Executive 3
- Non-Executive[5] 3
- Non-Executive (shareholder nominee) 1

5. Including the Chair of the Board.

A summary of each Director's attendance at meetings in which they were eligible to attend during the year is shown below.

	Board[2]	Audit Committee	ESG Committee	Nomination Committee	Remuneration Committee
Chair of the Board					
Sir Roger Bone	5(5)	3(3)	1(1)	3(3)	n/a
Executive Directors					
Dennis Schulz	5(5)	n/a	n/a	3(3)	n/a
Andy Allen[3]	2(2)	n/a	1(1)	n/a	n/a
Simon Bourne	5(5)	n/a	n/a	n/a	n/a
Amy Grey[4]	3(3)	n/a	n/a	n/a	n/a
Non-Executive Directors					
Denise Cockrem	5(5)	3(3)	n/a	n/a	3(3)
Martin Green	5(5)	3(3)	n/a	3(3)	3(3)
Jürgen Nowicki[5]	2(2)	n/a	n/a	n/a	n/a
Matthias von Plotho[6]	3(3)	n/a	n/a	n/a	n/a

1. The maximum number of scheduled meetings in the period during which the individual was a Board or Committee member is shown in brackets.
2. A number of additional ad hoc meetings were held during the year to consider specific matters as they arose.
3. Andy Allen resigned from the Board on 6 January 2025.
4. Amy Grey joined the Board on 6 January 2025.
5. Jürgen Nowicki resigned from the Board on 15 January 2025.
6. Matthias von Plotho joined the Board on 15 January 2025.

OUR COMPLIANCE WITH AND APPLICATION OF THE QCA CODE

Principle	Application and key actions during the year
1 **Establish a purpose, strategy and business model which promote long-term value for shareholders**	Our strategy and business model are focused on helping the world achieve net zero, through our best-in-class PEM electrolysers. We aim to add long-term value for our shareholders through our elite product range and market penetration. As we continue to scale up the manufacturing side of the business, we deepen and form new collaborative relationships with our business partners, increase our brand and influence industrial reach. We remain committed to ongoing investment in research and development of our products, which will enhance the long-term sustainability of our business and support value creation for our investors. We structure our remuneration policy to align Director interests with our shareholder interests.
2 **Promote a corporate culture that is based on ethical values and behaviours**	The Board seeks to lead by example and our strategy and business model on ethical values are regularly promoted throughout the business. We maintain a strong Code of Conduct in line with our Company values both internally and with our external stakeholders. Further information on our Company values can be found in our Sustainability Report on page 30. Our core focus and vision are of offering solutions to help the world reach net zero; we are passionate about our mission and our work and strive for excellence in everything we do. We have the best-in-class PEM technology and are a world leader in our field, and our culture is upheld through: › strong visible leadership; › Our Code of Conduct, which enshrines our ethical values; › regular review of corporate policies; › ISO certifications; and › industry accreditations.
3 **Seek to understand and meet shareholder needs and expectations**	The Company reports formally to its shareholders at the half year and year end. At the AGM, all Directors are available to take questions both formally during the meeting and informally after the meeting. The Chair of the Board, the Senior Independent Director and the Executive Directors are available for dialogue with major shareholders to answer any questions on the Company's plans and objectives and meet with them as appropriate. These meetings are arranged through our investor relations team. Our CEO and CFO meet formally with institutional shareholders, usually after the interim and final results announcements. By engaging with our shareholders, we aim to understand their longer-term needs and to align these with our business strategy.
4 **Take into account wider stakeholder and social responsibilities and their implications for long-term success**	As a company engaged in the sustainability space, we work collaboratively with all our stakeholders for the social good. Our ESG strategy supports our responsibility to be a sustainable business, and we have identified our key stakeholders and ensure that we continue to have meaningful dialogue with them. These include: › our people; › STEM access with local schools; › pioneering projects with universities; › strategic business partners; › customers and potential customers; › local communities; and › regulators.
5 **Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation**	The Board has overall responsibility for risk management. Ongoing risk assessment is delegated to the Audit Committee which seeks to ensure that ITM's risk governance framework and systems remain focused and robust. Our risk management approach incorporates a top-down approach, setting the risk appetite and identifying our principal and strategic risks, together with a bottom-up approach to identify our key operational and project execution risks. The Audit Committee's terms of reference ensure that it has the capability and structure to operate independently of the executive management. Quarterly internal control reports are presented to the Audit Committee and assurance activities are embedded across key business processes. We are focused on developing cultural awareness around good risk management practices across the business, such as: › health and safety behavioural training provided in person on site; › compulsory online training modules related to anti-bribery and corruption, MAR and data security; › framework for financial internal controls; and › framework for non-financial controls.

OUR COMPLIANCE WITH AND APPLICATION OF THE QCA CODE CONTINUED

Principle	Application and key actions during the year
6 **Establish and maintain the Board as a well-functioning, balanced team led by the Chair**	The Chair has overall responsibility to ensure that the Board is run effectively. Each of the Directors has the same duties but plays a different role in order to properly support the effective operation of the Board. The Board comprises three Executive Directors and four Non-Executive Directors. The Non-Executive Directors bring valuable knowledge and experience to support the Company in its aims. The Board has constituted four standing Committees: Audit, Remuneration, Nomination and ESG meetings are scheduled at least twice a year. In addition to regularly scheduled Board meetings, there is frequent contact between all the Directors in connection with the Company's business and ad hoc meetings may be scheduled as required. Board performance and effectiveness are kept under review, led by the Chair of the Board, which considers individual and collective contributions to ensure the Board remains effective and balanced. The Board is supported by a Company Secretary who is also a corporate governance specialist and qualified solicitor.
7 **Maintain governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities**	The Directors recognise the importance of strong corporate governance and the Company was an earlier adopter of the QCA Code, often seeking to adhere to a higher standard by making relevant disclosures as appropriate similar to companies in the Main Market or Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). Day-to-day operating decisions are made by the Executive Directors with support from the leadership team. The Board meets regularly during the year at scheduled meetings to discuss strategy, performance and approval for major capital projects and the framework of robust internal controls. In order to discharge their duties and make informed decisions, all Directors receive appropriate and timely information. Briefing papers are circulated to all Directors ahead of the meetings. In addition, the Board is supported by its Committees with delegated authorities which enables: › the Board to retain overall control of key decisions; › a schedule of matters reserved for the Board to be maintained; › the delegation of certain matters to the Board Committees; › annual review of terms of reference for each of the Board Committees; and › adherence to best practice and governance codes. The Board is satisfied that it has the appropriate skills and balance of market/industry, financial and manufacturing experience as well as an appropriate balance of personal qualities and capabilities to support our strategy and business model. A Board skills matrix assessment was completed during the year, and the results are set out on page 39.

Principle	Application and key actions during the year
8 **Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**	An effective Board leads to good decision making. All Board members have the same duties, including to act in the best interests of the Company as whole, but they have different roles which contribute to the effective operation of the Board. During the year, there were several changes to the Board's composition. As such, the formal annual evaluation of the Board's performance, its Committees and individual Directors did not take place in FY25 and will be undertaken at the latter half of FY26, to allow the new Board to embed and operate together as a full cohort. This approach is intended to ensure a more meaningful assessment of performance and effectiveness. The process will be led by the Chair of the Board and supported by the Company Secretary. Once completed, the results of the Board evaluation will be shared with the Board as a whole, while the results of any individual assessments will remain confidential between the Chair of the Board and the Director concerned.
9 **Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture**	The Company maintains a formal remuneration policy, which is disclosed annually in the Remuneration Report and can be found on pages 54 to 64 of this Annual Report.
10 **Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**	The Company regularly communicates with its shareholders including presentations after the Company's preliminary announcement of the half year and year end results. This year saw Berenberg become our NOMAD and joint broker with JP Morgan who maintain contact with our institutional shareholders. More information on ITM Power maintains dialogue with shareholders and other relevant stakeholders can be found in Our Stakeholders and Section 172 (1) Statement on page 21.

BOARD OF DIRECTORS

I A N E

SIR ROGER BONE

Chair of the Board
Appointed to the Board: June 2014

Key skills/experience:
- Senior leadership of international and manufacturing/industrial organisations
- Broad range of financial experience
- Risk management
- Significant service within UK Government
- Honorary Fellow of the Institution of Engineering Designers

Previous appointments include:
- Boeing UK – President
- F&C Investment Trust PLC – Senior Independent Director
- Honorary Ambassador for British business
- British Ambassador to Brazil and Sweden

Key external commitments:
- None

N

DENNIS SCHULZ

Chief Executive Officer
Appointed to the Board: December 2022

Key skills/experience:
- Strategy development
- Sales and project execution
- Broad experience and deep understanding of the electrolyser markets
- Strong financial acumen and CFO experience

Previous appointments include:
- Linde Engineering – MD
- Linde Engineering – CFO

Key external commitments:
- UK Hydrogen Delivery Council – Council member
- Hydrogen Europe – Board member

E

AMY GREY

Chief Financial Officer
Appointed to the Board: January 2025

Key skills/experience:
- Chartered accountant
- Financial planning and analysis
- Financial controls
- Strategic planning
- Understanding of financial markets

Previous appointments include:
- Sheffield Forgemasters International Ltd – CFO
- Heras Perimeter Protection Ltd – Finance Director

Key external commitments:
- Sheffield Chamber of Commerce & Industry – Board member

DR SIMON BOURNE

Chief Technology Officer
Appointed to the Board: November 2009

Key skills/experience:
- Proton Exchange Membrane (PEM) technology
- Design and development of electrolysers
- PhD regarding hydrophilic polymers

Previous appointments include:
- Sonatest Ltd – Project Engineer
- Ministry of Defence – Researcher

Key external commitments:
- None

BOARD OF DIRECTORS CONTINUED

I A R

DENISE COCKREM

Non-Executive Director
Appointed to the Board: July 2022

Key skills/experience:
- Chartered accountant
- Financial planning and analysis
- Performance reporting and forecasting
- Financial controls
- Internal audit and risk management
- Strategic planning
- Regulatory compliance

Previous appointments include:
- Benefact Group and Ecclesiastical Insurance Office plc – Group Chief Financial Officer
- Good Energy Group PLC – Chief Financial Officer

Key external commitments:
- Benefact Broking & Advisory Holdings Ltd and Eden Tree Asset Management (part of Benefact Group plc) – Non-Executive Director and Chair of Audit Risk & Compliance Committee
- Julius Baer International Ltd – Chair of the Board
- MacIntyre Academy Trust – Chair
- Benefact Trust – Trust/Director

I A N R

MARTIN GREEN

Senior Independent Non-Executive Director
Appointed to the Board: September 2019

Key skills/experience:
- Battery, fuel cell and hydrogen technologies
- Senior leadership of international and manufacturing/industrial organisations
- Broad range of financial experience
- Risk management
- Business-to-business customer and supply chain management
- Strategy development and implementation
- Scaling growth businesses
- Mergers and acquisitions experience

Previous appointments include:
- Johnson Matthey Plc – various positions over 30 years, latterly as Group Strategy Director

Key external commitments:
- LeydenJar Technologies BV – Non-Executive Director

S

MATTHIAS VON PLOTHO

Non-Executive Director
Appointed to the Board: January 2025

Key skills/experience:
- Accountant
- Financial planning and analysis
- Financial controls
- Understanding of financial markets
- Strategic planning
- Mergers and acquisitions experience

Previous appointments include:
- Project Lead Merger with Praxair and Linde AG
- Linde AG – CFO EMEA
- Linde AG – CFO Region Continental and Northern Europe
- Linde AG – Global Head of M&A

Key external commitments:
- Linde group companies – Board member

Key:
- ● Committee member
- ● Committee Chair
- **I** Independent Director
- **S** Shareholder nominated
- **A** Audit Committee
- **E** ESG Committee
- **N** Nomination Committee
- **R** Remuneration Committee

Board members who stepped down during the year:
- Andy Allen resigned effective 6 January 2025
- Jürgen Nowicki resigned effective 15 January 2025

CORPORATE GOVERNANCE REPORT

Governance framework

Our governance framework is summarised here:

STAKEHOLDERS

- Workforce
- Strategic partners
- Customers
- Potential customers
- Suppliers
- Regulators
- Industry bodies
- Local communities

BOARD

- Provides overall leadership and independent oversight of performance and works to ensure that ITM Power plc and its wider business group (the "Group") is managed for the long-term benefit of all shareholders.
- Primarily responsible for oversight of our strategic plan, risk management, systems of internal control and corporate governance to ensure the long-term success of the Group.
- Retains control of key decisions, including: strategically significant decisions, annual and long-term business plans, changes to our principal activities, material contracts, mergers, acquisitions and disposals.

AUDIT COMMITTEE

Monitors the integrity of the Group's financial statements and financial announcements. Monitors the quality and effectiveness of internal controls and risk management systems. Reviews arrangements for speaking up, detecting fraud and managing bribery risks. Monitors internal audit or alternative arrangements. Manages the external auditor relationship.

ESG COMMITTEE

Leads the development of the Group's ESG strategy, policies and programmes. Responsible for the Group's short- and long-term ESG objectives and reporting of key metrics. Oversees compliance with relevant laws and regulations, including principles of good corporate governance and ethical behaviour.

NOMINATION COMMITTEE

Leads the process for Board appointments and succession planning, including considering the composition of the Board and its future requirements.

REMUNERATION COMMITTEE

Determines the remuneration policy for the Chair of the Board and Executive Directors, aiming to support the strategy and long-term success of the Company. Sets the performance conditions for awards granted under the terms of the ITM Power plc Long Term Incentive Plan (LTIP). Approves the remuneration packages of the Executive Directors, including grants of LTIP awards.

DISCLOSURE COMMITTEE

Ensures that all regulatory disclosures are accurate, timely, and complete, supporting the Group's commitment to transparency and regulatory compliance.

Further reading:

- Board activities during the year on page 46
- Audit Committee Report from page 48
- Sustainability Report from page 26
- Remuneration Report from page 54

CORPORATE GOVERNANCE REPORT CONTINUED

Roles and responsibilities on the Board

All the Board members have the same duties, including to act in the best interests of the Company as a whole, but they have distinct roles:

Role	Held by	Responsibilities
Chair of the Board	Sir Roger Bone	In addition to all other responsibilities of Non-Executive Directors: › Ensures effective working of the Board › Shapes boardroom cultures and encourages individual Director engagement › Leads and manages the business of the Board › Sets the agenda for Board discussions › Promotes effective and constructive debate › Supports a sound decision-making process › Available to shareholders
CEO	Dennis Schulz	› Develops and proposes strategy to the Board › Sets and communicates the culture, values and behaviours for the Group › Executive management of the business day to day › Leading operational matters › Performance (financial and non-financial) › Manages relationships with key stakeholders and is available to shareholders
Executive Directors	Amy Grey Simon Bourne	› Operational matters, within areas of specific responsibility › Performance, within areas of specific responsibility › Available to shareholders on request
Senior Independent Non-Executive Director	Martin Green	› Supports the Chair in the delivery of the Board's objectives and provides a "sounding board" for the Chair › Serves as an intermediary for the other Directors when necessary › Acts as an alternative point of contact for shareholders where contact through the normal channels of the Chair or other Executive Directors has failed to resolve any concerns, or for which such contact is inappropriate › Leads the annual assessment of the effectiveness of the Chair
Non-Executive Directors (NEDs)	Denise Cockrem (independent) Matthias von Plotho (shareholder nominated)	› Provide constructive challenge and strategic guidance to Board and Committee discussions › Oversee management and the business and offer specialist advice › Hold management to account › Available to shareholders on request
Company Secretary	Huan Quayle	› Supports the Chair in the efficient and effective functioning of the Board and its Committees › Assists the Chair and the wider Board to uphold governance standards › Responsible for ensuring good information flows to the Board and its Committees and between the Executive Directors and Non-Executive Directors › Advises the Board on all regulatory and corporate governance matters

Board operation

The management of the Group's business activities is delegated to the CEO, who is ultimately responsible for establishing objectives and monitoring executive actions and for the overall performance of the business. The day-to-day management of the business is delegated to the senior leadership team.

The Board meets regularly throughout the year for discussions on strategy, performance, the approval of major capital projects and the framework of internal controls. In addition, the Board considers matters relating to stakeholder engagement, ESG performance and overall compliance with the Company's governance policies. To enable the Board to discharge its duties, all Directors receive comprehensive briefing papers, prepared and issued electronically in advance of each scheduled meeting to allow sufficient time for the consideration of the papers provided. All Directors and senior management can access the advice and services of the Company Secretary and Directors are able to take independent professional advice, if necessary, at the Company's expense.

All Board meetings are scheduled in advance; however additional ad hoc meetings are held as required. The Board operated to a formal schedule of matters reserved for its decision and is supported by delegated authorities to its Committees where appropriate. The Non-Executive Directors also hold meetings without the Executive Directors being present outside the standard meeting schedule.

Board Committees

There were five Committees of the Board during the period. The work and duties of the Technology Management Committee and ESG Committee were performed by the Board as a whole during the year. The work of the Audit, Nomination and Remuneration Committees is discussed in their respective Committee reports on pages 48 to 65.

CORPORATE GOVERNANCE REPORT CONTINUED

Board activities during the year to 30 April 2025

The key areas of focus for the Board's activities and topics discussed during the year were as follows:

Strategic/governance pillar	Discussion topics
Strategic: continual technology development	› 12-month priority review overseen to completion › Oversight of continued enhancements to the existing product portfolio, including NEPTUNE V
Strategic: strong partners and relationships	› Reviewing the work being undertaken to strengthen our key supply chain partnerships › Oversight of the execution progress of key projects and providing insight and advice on sales opportunities and strategic customer discussions
Governance: financial	› Approval of budget › Approval of full year results and Annual Report for FY24 › Approval of half year results for the six months ended 31 October 2024 › Gaining feedback and views from investors and analysts
Governance: operations	› Health and safety performance › Workforce performance indicators including senior management and wider recruitment and analysis of workforce composition › Reviewing the Group's key risks
Governance: compliance and ethics	› Approval of the Notice of AGM and Proxy Form › Approval of the Group's Modern Slavery Statement › Training on AIM and Market Abuse Regulation rules and obligations › Implementation of the revised QCA Code 2023 compliance › At each meeting the Board reviews the minutes from the previous meeting and the status of outstanding actions › Reviewing the terms of reference of the Board Committees

Balance and diversity

The Board recognises the importance of maintaining an appropriate balance of skills, experience, independence and appropriate diversity of thought, all of which contribute to effective decision making. The Board considers that its current composition reflects an appropriate mix of these elements. The Board remains committed to reviewing its composition on an ongoing basis and considers diversity in all its forms as part of succession planning and Director appointments. Further details of individual Directors' skills and experience plus an overview of the skills and experience on the Board are provided on page 39. The Board maintains an overarching ambition to achieve no less than 33% female representation on the Board. We recognise that periods of change in Board composition and size may result in periods when the desired balance is not met. In FY25 this increased to 28.6% (33.3% if the shareholder nominated representative is excluded) following the appointment of Amy Grey to the Board as an Executive Director.

Induction and training

The Company Secretary works to ensure the Board and its Committees have full and timely access to relevant information. It is important to ensure all Board members are given the right access to information to enable them to discharge their duties. This includes provision of an induction programme to new Board members and circulation of papers in advance of meetings.

The Board induction programme includes a suite of induction materials explaining:

- background information about ITM Power and the Group;
- their legal duties and responsibilities, including in relation to Section 172 (1) of the Companies Act 2006;
- the calendar of Board and Committee meetings;
- constitutional and governance documents, policies, and procedures;
- Committee terms of reference; and
- our Code of Conduct and share dealing code.

The Company Secretary provides support to the Directors by keeping them abreast of changes to the regulatory landscape and best practice thinking on matters on corporate governance, through briefing papers and regular updates on these matters as appropriate. The Group's external auditor also provides regular updates and briefing notes on various accounting and regulatory matters. The Board also meets with its NOMAD annually to reconfirm its AIM Rule obligations.

The Board undertakes an annual review of the expected time commitment for the Directors and is satisfied that each Director allocates sufficient time to the Company in order to discharge their responsibilities effectively. During the year, the Committee Chairs, the Senior Independent Director and the Chair of the Board commit more time as required, to prepare for and attend Board and Committee meetings, attend the AGM and engage with stakeholders.

CORPORATE GOVERNANCE REPORT CONTINUED

Induction and training continued

The Chair of the Board commits around five to six days a month to his duties and is paid an annual fee. Other NEDs are expected to provide around three days a month of their time and, with the exception of Matthias von Plotho, also receive an annual fee and an additional fee for chairing a Committee. Matthias, being the shareholder nominee, receives no remuneration from ITM for his service as he is remunerated by Linde. The Board considers the other demands on the time of any proposed NED before their appointment and satisfies itself that their other commitments will not interfere with their ability to perform their duties effectively.

The Executive Directors are full-time employees and officers of the Company. They receive salaries, performance-related remuneration and benefits under their service contracts. More details can be found in the Remuneration Report.

From the FY25 AGM, all Directors are now subject to annual re-election.

Board composition

The composition of the Board is reviewed annually by the Committee to ensure that there is an effective balance of skills, experience and knowledge and that the Board comprises an appropriate proportion of Independent Directors. Matthias von Plotho is not considered independent by the Board as a shareholder nominee and processes are in place to ensure any conflicts arising from Linde's material shareholding are actively managed. The Board currently has three Independent Directors, namely Sir Roger Bone, Denise Cockrem and Martin Green. The Board undergoes a rigorous assessment annually to affirm the independent status of its Non-Executive Directors. This assessment considers a range of factors including tenure, external appointments, conflicts of interests and related party transactions. The Board recognises Institutional Shareholder Services (ISS) voting guidance which provides guidance that a Chair with tenure exceeding nine years would need to have their independence critically challenged.

As the Chair of the Board has met this tenure threshold during the year, the Board strenuously assessed if the independence of the Chair had become compromised. Consideration was given to Sir Roger's behaviour, conduct and level of independence of mind displayed, along with the fact that only four and a half of his nine years' service has been as Chair. Following this, the Board strictly reaffirms its view that Sir Roger Bone remains independent and is committed to keeping this under close review. As noted in the Introduction from the Chair of the Board Report on page 38, Sir Roger Bone will be stepping down from the Board effective January 2026. Jurgen Nowicki will join the Board as Chair, having previously served on the Board as the Linde nominated representative for five years. This previous tenure will be taken into account as part of the independence assessment conducted each year.

"The Board meets regularly throughout the year for discussions on strategy, performance, the approval of major capital projects and the framework of internal controls.

Sir Roger Bone and Dennis Schulz at No.10 Downing Street to discuss the economic opportunities green hydrogen and the domestic manufacturing of electrolysers pose for the UK

Site tour around Unit 3, Bessemer Park, with the Non-Executive Directors

AUDIT COMMITTEE REPORT

THE AUDIT COMMITTEE CONTINUES TO FULFIL AN IMPORTANT OVERSIGHT ROLE, MONITORING THE INTEGRITY OF THE GROUP'S FINANCIAL REPORTING AND THE EFFECTIVENESS OF ITS SYSTEM OF INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK.

Martin Green
Chair of the Audit Committee

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

- Monitoring the integrity of the financial statements of the Group including its annual and half-yearly reports, and any announcements relating to its financial performance; reviewing significant financial reporting issues and judgements which they contain and any significant financial returns to regulators
- Reviewing the effectiveness of the Group's internal financial controls, and operational and compliance matters
- Reviewing the arrangements for speaking up in confidence for employees and third parties regarding possible wrongdoing in financial reporting, procedures for detecting fraud and bribery and any actions to be taken on non-compliance
- Reviewing the overall effectiveness of the Group's risk management system
- Reviewing and monitoring the effectiveness of the external auditor, satisfying itself of the independence and objectiveness and approving the terms of engagement and remuneration
- Approving and monitoring the operation of the Group's non-audit policy

Attendance at meetings for the year ended 30 April 2025
The Board is satisfied that the members of the Committee are independent Non-Executive Directors.

Committee attendance

Name	Meetings attended
Martin Green (Chair)	●●●●
Denise Cockrem	●●●●
Sir Roger Bone	●●●●

By invitation the CEO and CFO, other finance team members and the external auditor attend Committee meetings as required.

Where to find additional disclosures

Disclosure	Location
External auditor's report	Independent Auditor's Report to the Members of ITM Power plc on pages 69 to 75
Fees paid to the external auditor	Note 7 to the consolidated financial statements

Dear shareholder
I am pleased to present the Committee Report, which provides a review of the work undertaken by the Committee during the year, together with insight into how the Committee addressed significant matters reported to the Board.

Composition and relevant experience
The Committee is made up of three independent Non-Executive Directors. The Board continues to be satisfied that I have current and appropriate financial experience to be Chair of the Committee and that the Committee as a whole has the suitable skills, knowledge and experience to discharge its duties to the Board.

I have an extensive range of experience in financial roles, having been responsible for financial performance of a portfolio of companies within international organisation Johnson Matthey plc. Denise Cockrem has a strong finance and accounting background and brings a wealth of relevant experience, having held a number of senior finance roles within the financial services sector, including most recently Group CFO for Benefact Group and Ecclesiastical Insurance Office plc. Sir Roger Bone brings a wide ranging set of financial skills and business experience, having served as President of Boeing UK, and as Senior Independent Director on the Board of F&C Investment Trust.

Areas of focus during the year
The diagram opposite highlights the areas of focus and matters considered by the Committee during the year.

AUDIT COMMITTEE REPORT CONTINUED

Our key driver for the year continued to be the strengthening of our internal controls framework, including our ERP system. The Committee continued to receive regular updates and is confident that the enhancements made to internal controls have materially strengthened the Group's overall control environment.

Availability to shareholders
I am available to shareholders to answer any questions on the work of the Audit Committee at any point during the year, including at our upcoming 2025 AGM.

Martin Green
Chair of the Audit Committee
13 August 2025

World Hydrogen Summit 2025

KEY ACTIVITIES AND FOCUS TO 30 APRIL 2025

- Recommended for approval the final and interim financial results and related statements
- Recommended for approval Annual Report
- Reviewed going concern basis and various management judgements made
- Reviewed risk register, principal risks and uncertainties and risk framework
- Approved external auditor independence, objectivity and remuneration
- Monitored the operation of the non-audit policy and associated fees
- Regular monitoring and challenge in relation to internal control improvements
- Reviewed progress on system transformation ensuring internal controls evolved in line with the implementation of the new ERP infrastructure and emerging reporting requirements
- Reviewed the Committee terms of reference

AUDIT COMMITTEE REPORT CONTINUED

Significant accounting judgements and estimates

The Committee considered the significant accounting judgements and estimates ahead of each market announcement regarding ITM Power's results. The areas in which the Committee was required to exercise significant judgement during the year were:

Accounting area	Key financial impact(s)	Audit Committee considerations
Inventory provisions	The year-end provision for inventory obsolescence stands at £28.1m	The Audit Committee, on recommendation of management, is comfortable with the judgement that full provision should be made against obsolete stock. All other stock holdings are reflected at the lower of cost and net recoverable value as they are forecast to have a use to the business.
Project loss provisions	Project loss provisions decreased to £12.3m during the year	The Audit Committee considered management's forecasting of costs to complete projects. It agreed with management's approach of basing provisions on the best estimates of management aligned with information known at the time to ensure the forecast cost to completion is appropriate. It reviewed and challenged management's estimates during the year. Any expected losses are recognised immediately through profit and loss.
Warranty provisions	Provisions for warranty losses increased in year to £7.1m for projects not yet complete and £3.8m for projects in warranty	When ITM Power sells products it provides a warranty on those products as part of either its legal obligations in line with relevant local consumer legislation or as part of extended warranty agreements signed between ITM Power and its customers. The Audit Committee considered management's analysis under which the Company has used its best estimate to make an assessment of the provisions value for warranties at the year end and approved the methodology proposed on how to calculate this liability.
Separability of performance obligations	Separability has also been considered in order to recognise £500k of other contractual revenue	Each contract is assessed to identify its distinct performance obligations to determine whether goods and the services related to their commissioning are distinct. Inter-related goods or services will be bundled to create a single performance obligation.
Non-recognition of deferred tax asset	£65.6m, being 25% of tax losses carried forward	The Group has accumulated tax losses, for which we could have recognised a deferred tax asset. Instead, management continues to believe that there is insufficient evidence of probable future taxable profits against which to offset such losses and therefore has decided not to recognise the asset in these financial statements.
Impairment of Group Assets and investments held at company only level	No impairment of Group assets was deemed necessary. However, subsidiary investments required further impairment in the individual accounts of the parent company	At the year end consideration was given to whether the assets held within the Group should be impaired, given the volatility in the company share price at the year end.

Annual Report for FY25

The Committee considered whether the Annual Report was fair, balanced and understandable, and if the information provided was sufficient for a reader of the statements to understand the Group's position and performance, business model and strategy. The Committee also had regard to the findings and judgements of the external auditors.

External audit

Grant Thornton UK LLP has been the Group's external auditor since 2017 and David White continues to be the lead audit partner. The Committee has responsibility and oversight of the Group's relationship with its external auditor and for assessing the effectiveness of the external audit process.

At the start of each financial year, the Committee agrees the approach and scope of the audit work to be undertaken by the external auditor. It also reviews the external auditor's terms of engagement and the fees payable in respect of audit and non-audit services to ensure they are appropriate and reflect performance. Details of the amounts paid to the external auditor are provided in Note 7 to the consolidated financial statements.

Grant Thornton UK LLP provided the Audit Committee with regular reports on the status of the audit, its assessment of the agreed areas of audit focus and findings, and its conclusions to date.

The Committee reviewed the experience and expertise of the external auditor team, the fulfilment of the agreed audit plan and any variations to it, as well as feedback from ITM Power's management and the contents of the external audit report. The Committee also agreed and confirmed its satisfaction with the effectiveness of the external auditor.

AUDIT COMMITTEE REPORT CONTINUED

External auditor independence

An effective audit is driven by the independence of the external auditor, and as part of its annual review, the Committee has had regard to the independence and objectivity of the external auditor. The Committee also maintains a policy in connection with the provision of non-audit services by the external auditor. If any such work is undertaken, it must not compromise any law or regulation or the firm's independence. This work may only be performed in exceptional circumstances and only on the approval of the Committee.

Grant Thornton UK LLP provided a statement of independence in April 2025, stating that in its professional judgement it had complied with the relevant ethical requirements and that it was independent in the delivery of its services to the Group. The Committee determined, based on its evaluation of the statement and the work performed, that the external auditor was independent.

The Committee limits the scope of any non-audit services performed by the external auditor during the year and monitors that there is no diminution of independence or objectivity, and that if any such work is undertaken, it remains within the agreed policy guidelines. In addition, the fees for the non-audit work are carefully scrutinised. Non-audit fees paid to Grant Thornton UK LLP were for interim agreed upon procedures/review work which it was determined appropriate for the external auditor to undertake given its knowledge of the Group and the need for independent assurance. They represented 13.09% (£39k) of the total audit and non-audit fees paid (£298k). It also considered the extent of non-audit services provided to ITM Power.

Reappointment of the external auditor

As part of its annual review process, the Committee has responsibility for making a recommendation to the Board regarding the reappointment of the external auditor. Consideration is given for the rotation of both the external auditor and the external audit lead partner.

Whilst the Committee continues to be satisfied with the audit work performed to date and Grant Thornton UK LLP's continued independence, the Committee has commended to the Board, and the Board has approved, that a tender is carried out for audit services. A proposal will be made to the shareholders at the 2025 AGM.

Internal audit

The Committee acknowledge the importance of a robust internal audit function and given recent governance improvements and the Committee's continued discussion on risk oversight in the absence of a dedicated internal audit function, the Committee will continue to monitor the appropriate timing for reintroducing a dedicated internal audit role. During the year the duties of an internal audit function continued to be managed by the Committee, supported by the QHSE, legal and finance teams, with additional internal and external resources where appropriate.

Internal controls and risk management

The Committee continues to review the effectiveness of the internal financial controls and the internal controls and risk management systems. This year, the Committee received deep dive updates on IT and cyber risks, including access management within the ERP system and infrastructure risks. The Board, on the recommendation of the Committee, considers that the current internal controls are appropriate for the Group's size, complexity and risk profile.

We continuously seek opportunities to enhance our risk management and internal control environment and introduce greater rigour and harmonisation in our processes and controls.

Internal financial controls

The Committee is responsible for monitoring the Group's internal control environment and assessing its effectiveness. To facilitate this assessment, the Committee receives regular updates on internal controls and in forming an opinion on effectiveness it also considers the requirement to make relevant recommendations to the Board.

Responsibilities are separate and defined:

- The Board is responsible for reviewing and approving our overall strategy, corporate objectives, financial strategy, the annual budget, and capital fundraising. It receives periodic financial reports, tracking budget and forecasts.
- The Committee reviews key financial controls throughout the year. It has responsibility for monitoring the integrity of the financial reporting of the Company and for ensuring internal financial controls are sufficiently robust and appropriate.
- The Executive retains day-to-day responsibility for financial performance and has internal financial reporting processes in place.
- The CFO oversees budgeting, cash flow forecasts and financial statements and the operation of the Group's financial systems, working with our auditor. Internal controls and financial systems transformation are the responsibility of other members of the finance team.

Non-financial controls

We recognise that maintaining sound controls and discipline are critical to managing the risks to our strategy. The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness.

The CFO has day-to-day responsibility for ensuring internal controls remain appropriate. She reports to the Executive on operational changes as required.

Day-to-day activities are closely managed by the Executive Directors. There is detailed monthly reporting of performance against our corporate objectives, project schedules, budget, risks and expected performance, and operational needs. These are key to the success of the internal management and control system.

We continue to increase our commercial operations, including investing in new manufacturing facilities, and we also continue to make appropriate senior appointments to support our business plan and address the resulting operational needs and risks.

In parallel, the Group has enhanced its focus on organisational culture and resilience that non-financial control frameworks evolve alongside commercial growth and stakeholder expectations.

Risk management

The Committee is also required to conduct an annual formal review into risk management and review the effectiveness of risk management systems. This was undertaken as part of the review of the principal risks and uncertainties. The Committee remains confident that an effective and robust risk management system is in place with the Committee performing regular deep dive reviews on identified key risks.

Speaking up

The Committee is responsible for reviewing arrangements for employees and third parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.

There are established ways to raise concerns. These include options to contact a line manager or the General Counsel and Company Secretary. We also offer a service via a third-party reporting agent, Safecall, through which confidential, anonymous reporting is available.

An initial assessment is carried out to determine the scope of any investigation when someone speaks up, and where appropriate, a full investigation is instigated. If appropriate, subject matter experts are used to support the investigation. In particularly serious cases, the matter may be escalated to the Chair of the Audit Committee, the Chair of the Board, or our external auditor.

Anyone who raises an honest concern, even if they turn out to be mistaken, is protected from retaliation and detrimental treatment.

The Committee receives and considers reports from management and Safecall regarding concerns raised and provides the Board with key information for its consideration as appropriate. One whistleblowing case was reported during the year and was handled in line with Company policy and procedure.

NOMINATION COMMITTEE REPORT

THE NOMINATION COMMITTEE CONTINUES TO PLAY A VITAL ROLE IN ENSURING THE BOARD'S COMPOSITION IS BALANCED, DIVERSE AND ALIGNED WITH THE COMPANY'S STRATEGIC NEEDS, WHILE OVERSEEING EFFECTIVE SUCCESSION PLANNING.

Sir Roger Bone
Chair of the Nomination Committee

Roles and responsibilities of the Committee

- Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) required of the Board and make recommendations to the Board with regard to any changes
- Keep under review the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace
- Review annually the time required from Non-Executive Directors. Performance evaluation should be used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties
- Ensure that, on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them
- Formulating plans for succession for both Executive and Non-Executive Directors and in particular for the key roles of Chair of the Board, CEO and CFO

Attendance at meetings for the year ended 30 April 2025

The Board is satisfied that the members of the Committee are independent Non-Executive Directors.

Committee attendance

Name	Meetings attended
Sir Roger Bone (Chair)	●●●
Martin Green	●●●
Dennis Schulz	●●●

By invitation, Denise Cockrem attended Committee and sub-Committee meetings as required.

Dear shareholder

On behalf of the Nomination Committee, I am pleased to present the Committee's report for FY25. The Committee is responsible for reviewing the composition of the Board and its Committees, overseeing succession planning and leading the appointment process for senior leadership roles. The Committee acts in accordance with its terms of reference, which are reviewed annually.

Composition and relevant experience

The Nomination Committee consists of myself, as Chair of the Committee, Martin Green as Senior Independent Non-Executive Director and Dennis Schulz, CEO. The Nomination Committee met formally twice during the year and in addition a sub-Committee was convened to progress the Chair of the Board succession project.

Areas of focus during the year

During FY25, the Committee oversaw a number of key governance and succession activities:

- On 6 January 2025, we appointed Amy Grey as our new CFO, replacing Andy Allen, and as a member of the Board. To support this appointment, the Committee engaged Russell Reynolds during 2024 to lead a robust and competitive executive search process. The Committee regularly reviewed the process throughout the search and supported Amy's appointment following a thorough, multi-stage selection process.
- Additionally on 15 January 2025, Matthias von Plotho was appointed to the Board as a Non-Executive Director, replacing Jürgen Nowicki as the nominated representative of our largest shareholder.
- The Committee initiated the Chair succession process during the year, using Warren Partners to support. Following this extensive and thorough process, we announced on 9 June 2025 that Jürgen Nowicki would succeed me as Chair of the Board from 15 January 2026.
- The Committee also recommended to the Board both John Howarth and Sir Warren East as Independent Non-Executive Directors. Both appointments were announced on 8 July 2025, and subject to shareholder approval, will take effect from the date of this years AGM, on 8 October 2025.
- The Committee reviewed and approved an Emergency Executive Team Succession Plan, identifying interim successors for key roles.
- The Committee initiated a Board skills matrix exercise, with the outcome being used to support the recruitment processes mentioned above.

FY25 nomination outcomes

The Committee's work this year ensured ITM Power was well positioned for Board leadership continuity, composition and effectiveness. The new Board Directors provide enhanced experience, in particular in manufacturing, which will support ITM Power's continued growth.

Availability to shareholders

I am available to shareholders to answer any questions on the work of the Nomination Committee at any point during the year, including at our upcoming 2025 AGM.

Sir Roger Bone
Chair of the Nomination Committee
13 August 2025

NOMINATION COMMITTEE REPORT CONTINUED

REVIEW OF EXISTING SUCCESSION PLANS

We believe maintaining a well-balanced Board with the right mix of skills and experience is important to ensure our future success. This needs regular review to ensure:

- the skills and experience on the Board are the right ones to oversee and guide the delivery of our current and future strategy; and
- there is a plan to respond to any vacancy that may arise – whether anticipated or unexpected.

To support this, and as an action from the FY24 Board evaluation process, a matrix was developed to identify the skills and experience needed to support our future plans. The Nomination Committee reviewed the matrix considering the skills and experience on the Board, within the Group and available externally.

It concluded that the Board was balanced, with a good mix of skills and experience, with appropriate support from specialists within senior management and external advisors. It nevertheless identified some areas for consideration in any future recruitment activity. Feedback received as part of the Board evaluation process was also taken into consideration in developing the matrix and identifying future requirements. An overview of the skills and experience identified through this process is provided on page 39.

The Board was balanced, with a good mix of skills and experience, with appropriate support from specialists within senior management and external advisors.

REMUNERATION REPORT

ENSURING FAIR REMUNERATION ALIGNED WITH DRIVING BUSINESS PERFORMANCE AND FUTURE GROWTH

Denise Cockrem
Chair of the Remuneration Committee

Dear shareholder
As Chair of the Remuneration Committee, I am pleased to present the Remuneration Report for FY25. This report is intended to explain how the Remuneration Committee has met its responsibilities throughout the year and to provide information about the remuneration received by Directors.

As a company admitted to trading on AIM, our Directors' Remuneration Report does not have to comply with the requirements of Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). Nevertheless, we have aligned our remuneration reporting with these requirements as far as possible, but we may not provide all the information required under the regulations.

Remuneration principles

The overarching principles we apply in our approach to remuneration are:

- To ensure overall remuneration is set at a competitive level against our peer group enabling us to attract and retain high-calibre employees with the required skills to execute our strategy.
- Take into account all factors to:
  - ensure executive remuneration is aligned to the Group's purpose and values, clearly linked to the successful delivery of the Group's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to adjust sums or awards under appropriate specified circumstances;
  - attract, retain and motivate the executive management of the Group without inappropriate financial burden on the Group; and
  - consider the requirements for clarity, transparency, risk mitigation, predictability, proportionality and alignment to culture.

Performance during the year

The Remuneration Committee's decisions for the year were made against the following backdrop:

- Strong revenue growth and cash generative in the second half of the financial year
- Record order intake and strong project delivery performance
- Robust capital discipline, enabling the business to exceed its original cash at end of year target

Full details are provided in the CFO's Review on page 16.

Roles and responsibilities of the Committee

- Approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes
- Review the design of all share incentive plans for approval by the Board and, where required, shareholders. For any such plans determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive directors and, as appropriate, such other members of the senior management team as it is designated to consider, and the performance targets to be used
- Determine the policy for, and scope of, pension arrangements for each executive director and, as appropriate, such other members of the senior management team as it is designated to consider
- Within the terms of the agreed policy, and in consultation with the Chair of the Board and/or CEO as appropriate, determine the total individual remuneration package of the Chair of the Board, and each Executive Director, including bonuses, incentive payments and share options or other share awards
- Ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded, and that the duty to mitigate loss is fully recognised

Attendance at meetings for the year ended 30 April 2025

The Board are satisfied that the members of the Committee are independent Non-Executive Directors.

Committee attendance

Name	Meetings attended
Denise Cockrem (Chair)	●●●
Martin Green	●●●

By invitation the Chair of the Board, CEO, CFO and remuneration consultants attend Committee meetings as required.

Where to find additional disclosures

Disclosure	Location
Detailed assumptions used in calculating the fair value of options	Note 18 to the consolidated financial statements

REMUNERATION REPORT CONTINUED

FY25 remuneration outcomes

All awards in relation to FY25 were made in accordance with our current remuneration policy. The key decisions made by the Remuneration Committee in respect of the Executive Directors' remuneration were as follows:

- Having considered current market salary information in assessing base salaries, it was determined that base salaries for all Executive Directors would remain unchanged.
- For the annual bonus, the Remuneration Committee offered in FY25 the opportunity to receive an additional 5% against stretch financial targets, for truly exceptional performance. In the financial year contracted orders were nearly 200% of target and the cash position significantly exceeded expectations. Taking these outcomes into account, the maximum bonus potential equated to 105%.
- Executive Directors were granted an LTIP award during the year, structured as nominal cost options meaning the exercise price is £0.05 per share. The number of shares awarded was calculated using a share price being the volume weighted average price for the last five days of trading prior to the date of grant.
- Awards granted during the year are subject to stretching performance conditions over a performance period from 1 May 2024 to 30 April 2027. 40% of the award is subject to a performance condition relating to the growth in the Company's total shareholder return ('TSR'), 30% of the award is subject to a performance condition relating to the Company's order intake over the performance period, 20% of the award is subject to a performance condition relating to the successful delivery and execution of key contracts over the performance period, and 10% of the award is subject to a performance condition relating to the Company's EBITDA performance.

Remuneration policy review

As set out in last year's remuneration report, the Remuneration Committee undertook a review of the total package of the CEO during the year. Mercer was used as advisors for this review.

The Board believe that the Company is at a key juncture in its growth and it is important that it can retain and motivate individuals who will be instrumental in its successful delivery. It is also necessary to ensure that The Company's executive remuneration policy and structure reflects relevant peer group dynamics, in what is becoming an increasingly competitive and high-profile sector.

Dennis Schulz was recruited as CEO of ITM from Linde in December 2022. Since his appointment he has overseen a strategic reset of the Company, which has led to a successful turnaround in performance and growing customer contracts backlog. The Remuneration Committee is mindful that following this successful period there is a need to retain his exceptional leadership particularly while the Company remains at a critical point on the Company's growth trajectory. The Committee also believes that the fortunes of the Executive Directors should be closely aligned with shareholder wealth creation. A key element in this is ensuring the long-term incentive schemes allow Executive Directors to build up and maintain a meaningful shareholding in ITM Power plc.

The conclusion of the review undertaken was that the current remuneration policy cap of annual awards under the LTIP at 100% of salary, does not provide sufficient scope to ensure the necessary alignment, incentivisation and retention for an Executive of Dennis Schulz's calibre. In order to address these issues, the Remuneration Committee are therefore proposing to grant Dennis Schulz a one-off exceptional award of 1.3 million shares during FY26, as an award of options with a 5p exercise price. The award would vest in one-third equal tranches each year over the subsequent three years subject to performance conditions based on pre-defined milestones. Any vested awards would then be subject to a minimum two-year holding period, ensuring a total time period of five years for the award. This award, adjusted for the 5p exercise price of the options, would have a face value of approximately 170% of base salary based on current share price.

In addition to the one-off award we are also proposing to amend the Policy for the normal level of annual LTIP grants so that the cap on annual LTIP grants to the CEO would be increased from 100% to 150% of salary. Taken together these changes would ensure that Dennis Schulz's total remuneration is competitive and that he is appropriately aligned with shareholders, with a significant share element that would be forfeited if he were to leave ITM.

The views of our shareholders will continue to be an important factor in informing the decisions of the Remuneration Committee, with key industrial and institutional shareholders having been engaged on the above outcome.

A review of the remuneration policy and total remuneration package for the other Executive Directors will take place during FY26. This will ensure that remuneration for Executive Directors is fair and aligns to shareholder interest through the delivery of the Company's strategic goals over the short, mid and long-term horizons.

Any updates to the Company's remuneration policy will be set out in next year's report.

Availability to shareholders

I am available to shareholders to answer any questions on the work of the Remuneration Committee. On behalf of the Remuneration Committee, I would like to place on record our appreciation to our shareholders for their constructive input throughout the year.

Denise Cockrem
Chair of the Remuneration Committee
13 August 2025

REMUNERATION REPORT CONTINUED

Overview of the Executive Director remuneration policy

Remuneration element	Purpose and link to our strategy	Operation	Maximum opportunity	Performance framework	Implementation FY25	Implementation FY26
Fixed pay						
Base salary	To ensure we can recruit and retain high-calibre executives.	Paid monthly in arrears by bank transfer. No recovery provisions apply to base salary.	No maximum.	Several factors are considered when setting base salary levels, including market rates, benchmarking to peers, individual Director's experience, responsibilities and performance.	Executive Directors salaries in the year were: Dennis Schulz – £500,000 Andy Allen/Amy Grey – £300,000 Simon Bourne – £300,000	There are no proposed changes to base salaries.
Pension provisions	To attract and retain talent through the provision of attractive retirement benefits.	Monthly payments into a defined contribution or similar pension scheme or, in agreed circumstances, a cash allowance in lieu of pension contributions. No recovery provisions apply to pensions.	A contribution into the Group's defined contribution pension arrangement no higher than that offered to the wider workforce. No maximum for any cash allowance.	Not applicable.	Executive Directors contributions to their pensions equivalent to 7% of base salary (before any salary exchange).	No change.
Benefits	To assist in attracting and retaining employees in a cost-effective way.	May include private medical insurance, sick pay, a fully expensed car (or equivalent cash allowance), disability and life assurance cover. Some benefits may be provided in the case of relocation, such as removal expenses and, in the case of international relocation, might also include items such as cost of accommodation, children's schooling, home leave, tax equalisation and professional advice. The tax payable (grossed up) on any business expenses captured as taxable benefits may also be reimbursed. No recovery provisions apply to benefits.	Not applicable.	Not applicable.	Executive Directors have access to private medical insurance. This is taxed as a benefit in kind.	No change.

REMUNERATION REPORT CONTINUED

Overview of the Executive Director remuneration policy continued

Remuneration element	Purpose and link to our strategy	Operation	Maximum opportunity	Performance framework	Implementation	
					FY25	FY26
Variable pay						
Annual bonus	To incentivise Executive Directors to deliver strategic and financial success.	An annual bonus scheme with measures and performance targets set by the Remuneration Committee. Paid in cash and deferred share options. Pay-out determined after the end of the financial year following the Remuneration Committee's assessment of performance relative to targets and objectives. Annual bonus payments do not form part of pensionable earnings and are non-contractual. The Remuneration Committee retains discretion in exceptional circumstances to adjust the targets and/or set different measures and alter weightings if certain events occur that cause it to determine they are no longer appropriate. The Remuneration Committee will ensure any revisions to targets are not materially less difficult to satisfy. All payments are at the ultimate discretion of the Remuneration Committee and it retains an overriding ability to ensure that overall bonus payments are appropriate and reflect corporate performance.	Capped at 125% of base salary for the CEO and 85% of base salary for other Executive Directors.	Specific annual targets based on clear and measurable objectives that underpin, and are key to the achievement of, the Group's strategy.	Executive Directors received the following bonus payments: Dennis Schulz – £512,500 in cash and £128,125 in deferred shares. Amy Grey – £61,317 in cash and £25,132 in deferred shares. Simon Bourne – £162,000 in cash and £67,500 in deferred shares. Andy Allen – £102,000 in cash and £42,500 in deferred shares.	Executive Directors have the following bonus opportunities, as a percentage of base salary: Dennis Schulz – 125%. Amy Grey – 85%. Simon Bourne – 85%.
LTIP	To align the long-term interests of shareholders and management and reward achievement of stretching long-term targets.	Any awards granted are subject to a three-year vesting period and stretching performance targets. All vesting is at the ultimate discretion of the Remuneration Committee and the Remuneration Committee retains an overriding ability to ensure that vesting reflects its view of corporate performance over the set period. The Remuneration Committee retains discretion in exceptional circumstances to adjust the targets and/or set different measures and alter weightings if certain events occur that cause it to determine they are no longer appropriate. The Remuneration Committee will ensure any revisions to targets are not materially less difficult to satisfy. Malus and clawback provisions apply in cases of material financial misstatement or conduct that results (or is reasonably likely to result) in significant reputational damage to the Company, negligence or misconduct, or fraud.	Capped at 150% of base salary for the CEO and 100% of base salary for the other Executive Directors, plus an uplift to cover Employer's National Insurance Contributions, which are passed on to the participant as permitted under UK legislation.	Specific targets based on clear, stretching and measurable objectives that underpin, and are key to the achievement of, the Group's long-term strategy.	All Executive Directors were granted an award equivalent to 100% of base salary, uplifted to reflect the payment by the recipient of Employer's National Insurance Contributions.	The CEO is expected to be granted an award equivalent to 150% of base salary and the other Executive Directors are expected to be granted an award equivalent to a maximum of 100% of base salary, all uplifted to reflect the payment by the recipient of Employer's National Insurance Contributions.

REMUNERATION REPORT CONTINUED

Overview of the Executive Director remuneration policy continued

Remuneration element	Purpose and link to our strategy	Operation	Maximum opportunity	Performance framework	Implementation FY25	Implementation FY26
Share ownership						
All-employee share plan	To encourage share ownership across the organisation.	Executive Directors can participate in the UK Buy As You Earn plan (BAYE) on the same basis as other employees in the organisation.	Executive Directors are subject to the same maximum as all other employees who participate in the BAYE.	Not applicable.	The Company offered the BAYE throughout the year. All Executive Directors, except Amy Grey, participated in the BAYE at the maximum level throughout the year.	The Company intends to offer the BAYE throughout the year. All Executive Directors are expected to continue their participation in the BAYE at the maximum level throughout the year.
Share ownership guidelines/ requirements	To build and maintain a shareholding to align their interests with those of shareholders.	Levels are set in relation to earnings and according to the post held in the Group. It is expected that Executive Directors will build up to the required level over a period, usually five years, through retaining shares received under the Group's incentive arrangements, net of sales to settle tax and other deductions, and/or shares purchased in their own right. Vested but unexercised options are included in the shareholding total at the date of vesting, adjusted for the exercise price, tax and any other deductions. When the options are exercised, the vesting calculation is reversed and the shares retained on exercise are included instead.	Executive Directors are expected to build and maintain a minimum shareholding equivalent to 100% of base salary.	Not applicable.	All Executive Directors met the shareholding guideline excluding Dennis Schulz and Amy Grey who have three years to build their holdings under the terms of the Directors' holding policy. See Directors' interests in shares of the Company on page 65 for details.	All Executive Directors are expected to continue to meet the shareholding guideline excluding Dennis Schulz and Amy Grey who have three years to build their holdings under the terms of the Directors' holding policy.

Alignment with the wider workforce

The remuneration policy for the Executive Directors is informed by the structure operated for the broader employee population. Pay levels and components vary by organisational level but the broad themes and philosophy remain consistent across the Group.

Salaries are reviewed annually with regard to the same factors as those considered for Executive Directors. Pay rises for the wider workforce, excluding the Executive Directors, were implemented with effect from 1 August 2025 at an average of 2.3% of base salary.

All staff may participate in the BAYE after completing six months' qualifying service. This is intended to encourage share ownership in the Company and align the management team and all staff with the strategic business plan.

Eligibility for and provision of benefits and allowances varies by level and local market practice.

A contribution of 7% of base salary into a company pension scheme was available to most of the UK workforce.

REMUNERATION REPORT CONTINUED

Alignment with the wider workforce continued

Remuneration element	Purpose and link to our strategy	Operation	Maximum opportunity	Performance framework	Implementation FY25	Implementation FY26
Overview of the Chair of the Board and Non-Executive Director remuneration policy						
Fees	To ensure we can attract and retain experienced and skilled Non-Executive Directors able to advise and assist with establishing and monitoring the strategic objectives.	Paid monthly in arrears by bank transfer. Fees for the Chair of the Board are determined by the Remuneration Committee. Fees for other NEDs are determined by the CEO and Chair of the Board. Any Director representing a shareholder on the Board is paid by the shareholder, not the Group.	Fee increases for NEDs will not normally exceed average base salary increases across the Group.	The Remuneration Committee considers several factors, including market rates, benchmarking to peers and the time commitment expected.	Chair of the Board: £150,000 NED base fee: £51,000 Additional fee for being Senior Independent Director: £10,000 Additional fee for an independent Non-Executive Director (excluding the Chair of the Board) chairing a Board Committee: £10,000 per Committee chaired. Jürgen Nowicki and Matthias von Plotho received no fees.	Chair of the Board: £120,000
Expenses	Not applicable.	Reasonable expenses are reimbursed. The tax payable (grossed up) on any business expenses captured as taxable benefits may also be reimbursed. Expenses incurred for advice in respect of UK tax returns for non-UK NEDs may be reimbursed.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Share ownership guidelines/ requirements	To build and maintain a shareholding to align their interests with those of shareholders.	NEDs are encouraged to build and maintain a shareholding. See Director's interests in shares of the Company on page 65 for details.	Not applicable.	Not applicable.	Not applicable.	Not applicable.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION

Remuneration outcomes for FY25

The following pages set out details of the remuneration received by Directors for FY25. Prior year figures have also been shown. The Remuneration Report has not been audited.

The Directors' remuneration in the year was awarded in line with the remuneration policy.

Single total figure of remuneration for each Director

	Year ended 30 April	Base salary and fees (£)	Pension-related benefits (£)	Annual bonus (£)[1]	Long-term incentive awards (£)[2]	Loss of office (£)	Total (£)	Total fixed remuneration (£)	Total variable remuneration (£)
Executive Directors									
Dennis Schulz	**2025**	**476,000**	**54,542**	**512,500**	**128,125**	**–**	**1,171,167**	**530,542**	**640,625**
	2024	432,000	49,500	424,913	106,228	–	1,012,641	481,500	531,141
Amy Grey[3]	**2025**	**97,077**	**2,750**	**61,317**	**25,132**	**–**	**186,276**	**99,827**	**86,449**
	2024	–	–	–	–	–	–	–	–
Simon Bourne	**2025**	**288,000**	**33,000**	**162,000**	**67,500**	**–**	**550,500**	**321,000**	**229,500**
	2024	288,000	33,000	160,965	67,069	–	549,034	321,000	228,034
Andy Allen[4]	**2025**	**189,219**	**28,485**	**102,000**	**42,500**	**–**	**362,204**	**217,704**	**144,500**
	2024	279,000	42,000	106,965	44,569	–	472,534	321,000	151,534
Non-Executive Directors									
Sir Roger Bone, Chair	**2025**	**150,000**	**–**	**–**	**–**	**–**	**150,000**	**150,000**	**–**
	2024	150,000	–	–	–	–	150,000	150,000	–
Martin Green	**2025**	**71,000**	**–**	**–**	**–**	**–**	**71,000**	**71,000**	**–**
	2024	71,000	–	–	–	–	71,000	71,000	–
Matthias von Plotho[5][6]	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Denise Cockrem	**2025**	**60,999**	**–**	**–**	**–**	**–**	**60,999**	**60,999**	**–**
	2024	56,833	–	–	–	–	56,833	56,833	–
Jürgen Nowicki[5][6]	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	–	–	–	–	–	–	–	–

1. The cash element of the annual bonus payment for the FY25 performance period was paid in August 2025 after completion of the Audit process.
2. This figure relates solely to the deferred shares element of the annual bonus payments for the FY24 performance period. Any deferred shares will be granted at the next available opportunity when not under share dealing restrictions.
3. Amy Grey was appointed effective 6 January 2025.
4. Andy Allen resigned from the Board with effect from 6 January 2025.
5. Shareholder nominated Directors receive no fees from the Company.
6. Matthias von Plotho was appointed effective 15 January 2025 and Jürgen Nowicki resigned from the Board with effect from 15 January 2025.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Notes to the single figure table for Executive Directors

Base salary

Base salary refers to salary before any salary exchange (for example, for pension contributions or BAYE participation).

The Remuneration Committee considered current market salary information alongside the following factors in considering the remuneration of the Executive Directors:

- That shareholders would expect care and discretion to be used in judging to what extent, and over what timeframe, adjustments should be made
- Its remuneration principles, including the need to ensure its policy remains competitive and retains key talent
- The performance of the Executive Directors
- The approach taken to remuneration in the wider workforce

Consequently, the Remuneration Committee determined that the base salaries for all Executive Directors would remain unchanged.

Base salaries for the Executive Directors as from 1 August 2025:

Name	Base salary from 1 August 2024	Base salary from 1 August 2025
Dennis Schulz	£500,000	£500,000
Amy Grey	–	£300,000
Simon Bourne	£300,000	£300,000

Pension

During the year, the Group paid contributions to the pensions of Dennis Schulz, Andy Allen and Simon Bourne a to 7% of base salary (before any salary exchange) in line with the terms available to the wider work force. The value stated represents the value of the Group's contribution and does not reflect any contribution made by the individual concerned through salary exchange.

Annual bonus

The annual bonus is the cash value of the annual bonus paid in respect of the year. It is based on the annual base salary (before any salary exchange) as at 30 April in the relevant financial year.

The Remuneration Committee's assessment of performance in FY25 is set out overleaf.

The Remuneration Committee takes into consideration wider performance before approving the formulaic outcomes from the incentive plans and applies its judgement by exercising upwards or downwards discretion when appropriate to do so. To assist it in determining whether adjustments are necessary, the Remuneration Committee applies a framework which considers performance from multiple perspectives including the underlying strength of results, the execution of strategic priorities, pay practices and outcomes for the wider workforce, and the returns to investors during the year.

For the annual bonus, the Remuneration Committee agreed to an additional 5% stretch element for financial objectives to be paid for a truly exceptional financial performance. In the financial year contracted orders were nearly 200% of target and the cash position significantly exceeded expectations and therefore the additional 5% was achieved. The Remuneration Committee is satisfied that the FY25 bonus outcomes are appropriate.

Annual bonuses payable to the Executive Directors for FY25 were paid in cash and a deferred share award as follows. The payment for both Amy Grey and Andy Allen was pro-rated to reflect their time in the role of CFO during FY25:

Cash element:

Name	Maximum potential % of base salary	% of potential bonus achieved[1]	Cash payment
Dennis Schulz	105	102.50	£512,500
Amy Grey	63	102.50	£60,317
Simon Bourne	63	90.00	£162,000
Andy Allen	63	85.00	£102,000

1. This reflects the additional 5% stretch element, where appropriate.

Deferred shares element:

Name	Maximum potential % of base salary	% of base salary achieved[1]	Value of deferred share award
Dennis Schulz	26.25	25.63	£128,125
Amy Grey	26.25	25.63	£25,132
Simon Bourne	26.25	22.50	£67,500
Andy Allen	26.25	21.25	£42,500

1. This reflects the additional 5% stretch element, where appropriate.

The deferred share awards will be granted in accordance with the deferred bonus plan rules adopted by the Remuneration Committee on 18 December 2023, at the next available opportunity when not under share dealing restrictions.

The annual bonus for FY26 is expected to operate on similar terms to the prior year. The performance target categories (and associated weightings) are: financial objectives (50%), relevant personal objectives (50%). It is not intended by the Committee that any additional stetch element for the financial targets will be set in FY26. The performance targets are measurable, challenging and subject to rigorous review by the Remuneration Committee. Subject to commercial sensitivity, we intend to provide an overview of the Remuneration Committee's assessment of performance against the underlying targets in next year's report.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Assessment of performance for FY25 bonus

Financial objectives (50%)

Pay-out between each level (minimum to target; target to maximum) will be on a straight-line basis.

All Executive Director financial objectives were based upon the following targets and outcomes. Revenue and EBITDA targets were adjusted to reflect the discretion applied by the Remuneration Committee for the FY24 annual bonus achievement:

Metric	Minimum	Target	Maximum	Performance Assessment	Pay out
Revenue	£16.3m	£19.2m	£20.4m	£25.97m	
Orders contracted in year	£45m	£60m	£66m	£89.1m	
EBITDA	-£40m	-£35.3m	-£31.5m	-£32.9m	
Cash burn (excluding CAPEX)	-£38m	-£30.4m	-£27.4m	-£11.34m	
Total					55%

Personal objectives (50%)

Personal objectives for Executive Directors reflected their specific responsibilities around the successful completion of the Company's strategic priorities, principally around the three focus areas of: i) remain at the forefront of technology, product and delivery credibility; ii) scale operations whilst retaining flexibility and conserving cash; and iii) grow a global footprint and reach, while staying adaptable.

On reviewing personal performance against these objectives, the outcomes have been assessed as follows:

Name	Outcome
Dennis Schulz	47.5%
Amy Grey	47.5%
Simon Bourne	35%
Andy Allen	30%

Long-term incentive awards

ITM Power plc Share Option Plan: EMI and Unapproved (SOP)

The SOP was introduced in 2010. Options were granted under the SOP as follows:

- EMI options granted under the SOP vested in three equal instalments on the first, second and third anniversaries of the date of grant and may be exercised up to the tenth anniversary of the date of grant
- Unapproved options granted under the SOP before 2019 vested in three equal instalments on the first, second and third anniversaries of the date of grant and may be exercised up to the tenth anniversary of the date of grant
- Unapproved options granted under the SOP in 2019 vest on the third anniversary of the date of grant and may be exercised up to the tenth anniversary of the date of grant

There are no performance conditions for EMI options or unapproved options granted under the SOP.

No consideration is payable for the grant of awards under the SOP. The exercise price is the mid-market price of shares on AIM at the close of trading on the day before the grant of options.

No further awards will be granted under this plan.

Details of outstanding options granted under the SOP are provided in the Statement of directors' shareholding and share interests on page 65.

LTIP

The LTIP was introduced in 2020, when use of the SOP was discontinued. Vesting of awards occurs on the third anniversary of the date of grant, subject to continued employment and satisfaction of performance conditions. Performance conditions are set by the Remuneration Committee and awards granted to the wider workforce are subject to the same performance conditions as those applied to the Executive Directors. The performance conditions set stretching targets to drive future performance, aligned with our long-term strategy.

The Remuneration Committee may, in its discretion, adjust downwards the extent to which an award shall vest (including to zero) where overall Company performance over the duration of the performance period has not been deemed to be satisfactory.

Shares granted to Executive Directors under the terms of the LTIP are subject to a two-year holding period from the vesting date to the fifth anniversary of the date of grant.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Long-term incentive awards continued

LTIP continued

Dennis Schulz and Simon Bourne were granted an LTIP award of 100% of base salary during the year. Andy Allen was granted an LTIP award of 100% of salary which was adjusted to reflect his time in his CFO role and subsequent role as VP Strategy, having stepped down from the Board. Amy Grey was granted an LTIP award of 100% of base salary, pro-rated to her start date. All received an uplift to cover Employer's National Insurance Contributions, which are passed on to the participant as permitted under UK legislation. No consideration is payable for the grant of awards under the LTIP, which are structured as nominal cost options meaning the exercise price is £0.05 per share. The number of shares awarded was calculated using the volume weighted average price for the last five days of trading prior to the date of grant.

Awards granted during the year are subject to stretching performance conditions over a performance period from 1 May 2024 to 30 April 2027. 40% of the award is subject to a performance condition relating to the growth in the Company's total shareholder return ('TSR'), 30% of the award is subject to a performance condition relating to the Company's order intake over the performance period, 20% of the award is subject to a performance condition relating to the successful delivery and execution of key contracts over the performance period, and 10% of the award is subject to a performance condition relating to the Company's EBITDA performance. The TSR, order intake and EBITDA performance conditions will be measured at the end of each of three consecutive financial years commencing with the financial year in which the award is granted and each relevant performance period will commence on the first day of the financial year in which the award is granted. The contract execution performance condition will be measured once only, after the end of the second financial year after the financial year in which the award is granted.

It is expected that awards will be granted to the Executive Directors in FY26 on the same basis as in the prior year and will be subject to similar stretching performance conditions, with the Remuneration Committee due to undertake a review of the performance criteria and any relevant comparator benchmarking groups ahead of any grant.

Deferred Bonus Plan

The DBP was introduced in in 2024 to support mid-term Executive Director incentivisation and provide a further mechanism for Executive Directors to increase their shareholding in the Company and further align their interests with shareholders. All shares granted under the deferred bonus plan are subject to a two-year vesting period. There are no performance conditions attached to the vesting of the shares (given the original annual bonus to which they apply was subject to appropriate performance conditions), with vesting of the awards subject to continued employment at the date of vesting.

Notes to the single figure table for Non-Executive Directors

Fees

The base fee paid to the Chair of the Board was reviewed as part of the new Chair of the Board recruitment process. It was considered appropriate to reduce the base fee for any newly appointed Chair of the Board to align with the market. No changes to the fees paid to Non-Executive Directors was made when reviewed by the Chair of the Board and CEO in the summer of 2025.

Fees paid to the Non-Executive Directors with effect from 1 July 2025 were:

Role		Current fees
Current Chair of the Board		£150,000
New Chair of the Board		£120,000
Base fee	Independent Non-Executive Director	£51,000
	Shareholder nominated Non-Executive Director	–
Senior Independent Director		£10,000
Chair of a Committee	Audit, ESG and Remuneration	£10,000
	Nomination and Technology Management Committees	–

Payments to past Directors

During the year, a former Director, Rachel Smith, exercised 391,666 USOP options.

Payments for loss of office

There were no payments for the loss of office during the year.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Statement of directors' shareholding and share interests

Directors' share awards and long-term incentive awards

Name	Plan name	Award date	Shares under option at 01/05/24	Granted	Exercised	Lapsed	Shares under option at 30/04/25	Exercise price	Vesting date	Expiry date
Dennis Schulz	LTIP	25/10/23	1,117,960	–	–	–	1,117,960	£0.05	25/10/26	25/10/33
	DBP	27/08/24	–	239,183	–	–	239,183	£0.05	27/08/26	27/08/34
	LTIP	06/12/24	–	1,675,501	–	–	1,675,501	£0.05	06/12/27	06/12/34
	Total		**1,117,960**				**3,032,644**			
Amy Grey	LTIP	31/01/2025	–	401,193	–	–	401,193	£0.05	31/01/28	31/01/35
	Total		**–**				**401,193**			
Simon Bourne	SOP[1]	14/08/18	1,666,667	–	–	–	1,666,667	£0.30	1/2: 14/08/20 1/2: 14/08/21	14/08/28
	SOP[1]	24/10/19	159,750	–	–	–	159,750	£0.48	24/10/22	24/10/29
	LTIP	25/10/23	496,871	–	–	–	496,871	£0.05	25/10/26	25/10/33
	DBP	27/08/24	–	151,013	–	–	151,013	£0.05	27/08/26	27/08/34
	LTIP	06/12/24	–	1,005,300	–	–	1,005,300	£0.05	06/12/27	06/12/34
	Total		**1,823,288**				**2,979,601**			
Andy Allen	SOP[1]	14/08/18	666,667	–	–	–	666,667	£0.30	1/2: 14/08/20 1/2: 14/08/21	14/08/28
	SOP[1]	24/10/19	47,250	–	–	–	47,250	£0.48	24/10/22	24/10/29
	LTIP	25/10/23	496,871	–	–	–	496,871	£0.05	25/10/26	25/10/33
	DBP	27/08/24	–	100,360	–	–	100,360	£0.05	27/08/26	27/08/34
	LTIP	06/12/24	–	975,141	–	–	975,141	£0.05	06/12/27	08/12/34
	Total		**1,210,788**				**2,286,289**			

1. SOP awards described here are all unapproved options granted under a plan adopted in 2010, when our share price was significantly lower. Unlike awards granted under the terms of the LTIP, they are not subject to performance conditions.

REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Statement of directors' shareholding and share interests continued

Directors' interests in shares of the Company

	Shares beneficially owned at 30 April 2025	Options vested but not exercised	Shareholding as a percentage of base salary[1]
Executive Directors			
Dennis Schulz	446,433[2]	–	23.20%
Amy Grey[3]	102,455	–	10.00%
Simon Bourne	199,031[2]	1,166,667	461.04%
Andy Allen[4]	134,319[2]	666,667	298.94%
Non-Executive Directors			
Sir Roger Bone	359,736	–	–
Denise Cockrem	16,996	–	–
Martin Green	174,063	–	–
Matthias von Plotho[5]	–	–	–
Jürgen Nowicki[6]	–	–	–

1. Base salary is as at 30 April 2025. Shares are valued as follows:
   - Shares that are beneficially owned are valued at the price at which they were acquired.
   - Options that have vested but not been exercised are valued at the mid-market closing price of the shares on the date of vesting, less the exercise price and deductions for tax and social security contributions. Once they are exercised, they are included in the shares beneficially owned and valued at the share price on the date of exercise.
2. Includes shares held in the BAYE. Each Executive Director participates in the BAYE. As at 30 April 2025, Dennis Schulz held 7,580 shares he had purchased and 7,580 matching shares awarded to him by the Company. Simon Bourne held 10,230 shares he had purchased and 10,230 matching shares awarded to him by the Company. As at the date of resignation from the Board, Andy Allen held 7,584 shares he had purchased and 7,584 matching shares awarded to him by the Company. Shares acquired through the BAYE are held in a trust until a request is received to withdraw them or a participant leaves the Group's employment. Matching shares are forfeited if the participant leaves or withdraws the associated purchased shares from the trust within three years of the matching shares being acquired, except in specific leaving circumstances.
3. Amy Grey was appointed effective 6 January 2025.
4. Andy Allen resigned effective 6 January 2025.
5. Matthias von Plotho was appointed effective 15 January 2025.
6. Jürgen Nowicki resigned effective 15 January 2025.

Dilution

SOP, LTIP and deferred bonus plan awards can be satisfied using new issue shares, shares held in treasury or market purchase shares. The Remuneration Committee reviews the dilution position of the Company prior to granting share awards.

In line with best practice, the Remuneration Committee ensures that the number of new ordinary shares issued in any 10-year period does not exceed 10% of the Company's issued share capital under all the Company's share plans and does not exceed 5% under the SOP, LTIP and deferred bonus plan in aggregate.

Currently, new issue shares are used to satisfy options granted under the terms of the SOP, LTIP and deferred bonus plan when they are exercised.

Executive Directors' service contracts

Each Executive Director has a signed service contract that terminates on 12 months' notice.

The Directors' service contracts are available to view at the Company's registered office and prior to each AGM at the venue for the meeting.

The contracts contain restrictive covenants for periods of up to six months post-employment relating to non-competition and non-solicitation of the Group's customers, suppliers and employees and indefinitely with respect to confidential information. In addition, they provide for the Group to own any intellectual property rights created by the Directors in the course of their employment.

Each Executive Director's service contract includes a right for the Group to terminate the agreement and make a payment of base salary in lieu of the notice period. There are no contractual rights to additional compensation at termination.

Advisors to the Committee

During the year, the Remuneration Committee was supported by Ernst & Young LLP and Mercer Limited. Ernst & Young received fees of £7,800 and Mercer Limited received fees of £14,400 in connection with their advice to the Remuneration Committee. The Remuneration Committee have retained Mercer Limited as its advisor. The Remuneration Committee also receive advice from the Company Secretary.

DIRECTORS' REPORT

The Directors of the Company present their report, together with the audited consolidated financial statements, for FY25.

This Directors' Report has been prepared in accordance with the Companies Act. Additional information and disclosures, as required by the Companies Act, are included elsewhere in this Annual Report and are incorporated into this Directors' Report by reference in the following table:

Disclosure	Location	Page(s)
Names of Directors during the year	Board of Directors	42 and 43
Review of likely future developments	CEO's Statement CFO's Review	13 to 16 17
Post-balance sheet events	CFO's Review Note 32 to the consolidated financial statements	17 97
Workforce engagement	Our Stakeholders and Section 172 (1) Statement Sustainability Report	23 30 and 31
Information on the employment and training of disabled people	Sustainability Report	31
Business relationships with suppliers, customers, and others	Our Stakeholders and Section 172 (1) Statement	22 to 25
GHG emissions	Sustainability Report	28 and 29
Corporate Governance arrangements	Corporate Governance Report Audit Committee Report Nomination Committee Report Remuneration Report	44 to 47 48 to 51 52 and 53 54 to 65
Financial instruments and financial risk management	Note 29 to the consolidated financial statements	95 to 97
Related party transactions	Note 30 to the consolidated financial statements	97
Disclosure of information to the external auditor	Directors' Responsibilities Statement	68

Dividend
The Directors do not recommend payment of a dividend (2024: nil).

Directors' indemnity arrangements
Qualifying third-party indemnities were in place throughout FY25 and remain in place as at the date of this Annual Report. Under these indemnities, the Company has agreed to indemnify the Directors of the Company, to the extent permitted by law, against losses and liabilities that may be incurred in executing the powers and duties of their office.

Political donations
The Group made no political donations or contributions during the year (2024: nil). It is our policy not to make political donations or incur political expenditure.

Research and development (R&D)
During the year the Group incurred R&D-related costs of £1.7m (2024 £2.6m). The Group's R&D is focused on achieving four main aims: (1) new manufacturing processes for cost cutting and mass production; (2) improving cell efficiency; (3) improving stack life and reducing degradation; and (4) scale-up and product life cycle.

Domicile
The Company was incorporated in England and Wales under the Companies Act. It is registered at Companies House under company number 05059407.

Shares

Share capital
The Company's issued share capital comprises ordinary shares of £0.05 each, which are admitted to trading on AIM on the London Stock Exchange.

As at the date of this Annual Report, the Company's share capital comprised 617,370,989 ordinary shares issued and fully paid up. Shares may be held in certificated or uncertificated form. Further details of the Company's issued share capital, including changes during the year, can be found in Note 23 to the consolidated financial statements on page 93.

Rights and obligations attaching to shares
The rights and obligations attaching to the Company's ordinary shares are contained in the Company's Articles of Association and the Companies Act. In summary:

- The ordinary shares allow holders to receive dividends and to exercise one vote on a poll per ordinary share for every holder present in person or by proxy at general meetings of the Company
- Shares held in treasury are not entitled to vote or receive dividends

There is no ownership ceiling.

Restrictions on transfer of securities
There are no restrictions on the transfer or sale of ordinary shares and no requirements for prior approval of any transfers, except:

- Under the Company's Articles of Association, the Directors have the power to suspend voting rights and the right to receive dividends in respect of ordinary shares and to refuse to register a transfer of ordinary shares in circumstances where the holder of those shares fails to comply with a notice issued under Section 793 of the Companies Act.
- The Directors also have the power to refuse to register any transfer of certificated shares that does not satisfy the conditions set out in the Articles of Association.

The Company is not aware of any agreements between shareholders that might result in the restriction of transfer or voting rights in relation to the shares held by such shareholders.

DIRECTORS' REPORT CONTINUED

Shares continued

Employee share schemes

Shares issued under the Company's employee share schemes rank pari passu with the existing shares of the Company. Voting rights attached to shares held on trust on behalf of participants in the BAYE are exercised by the trustee as directed by the participants.

Significant shareholdings

Notification has been received of the following interests of significant shareholders that equal or exceed a 3% interest in the issued share capital of the Company:

	At 30 April 2025		At 13 August 2025	
Investor	Number of ordinary shares	% of issued share capital	Number of ordinary shares	% of issued share capital
Linde UK Holdings No.2 Limited	**100,000,000**	**16.20**	100,000,000	16.20
Hargreaves Lansdown	**54,781,311**	**8.87**	59,630,513	9.66
DWP Bank AG	**37,645,166**	**6.10**	39,641,606	6.42
Interactive Investor Services (UK)	**36,004,216**	**5.83**	39,092,896	6.33
JCB Research	**31,470,595**	**5.10**	31,470,595	5.10
Mr Peter K Hargreaves	**27,686,070**	**4.48**	27,686,070	4.48
ING DiBA AG	**22,328,874**	**3.62**	23,133,203	3.75
Commerzbank AG	**18,861,206**	**3.06**	21,565,527	3.49

The Directors have been notified that 18.27% of the shares in issue were not in public hands as at 30 April 2025 and 16.20% of the shares in issue are not in public hands as at the date of this Annual Report.

Share buy-backs

The Directors have not sought authority to buy back the Company's shares and the Company has not purchased any of its own shares. No shares are held in treasury.

External auditor

Whilst the Company continues to be satisfied with the audit work performed to date and Grant Thornton UK LLP's continued independence, the Board has approved that a tender is carried out for audit services. A proposal will be made to the shareholders at the 2025 AGM.

Employees with disabilities

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Financial instruments

Details of the use of financial instruments and financial risk management are included in note 29 to the financial statements contained in this Annual Report, which are incorporated by reference into this Directors' Report.

Approved by the Board and signed on its behalf by:

Huan Quayle
General Counsel and Company Secretary
13 August 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 (the "Act") as applicable to companies reporting under those standards. They have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) (UK GAAP), including FRS 101 Reduced Disclosure Framework.

Under company law, the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs and profit or loss of the Company and the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and/or Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Act. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. In this regard, the Company has complied with Rule 19 and Rule 26 of the AIM Rules for Companies (2021).

Legislation, regulation and practice in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in respect of the Annual Report and Accounts

We, the Directors, whose names and functions are set out on pages 42 and 43, confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Group's external auditor is unaware; and
- the Directors have each taken all the steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Approved by the Board and signed on its behalf by:

Amy Grey
Chief Financial Officer
13 August 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC

Opinion

Our opinion on the financial statements is unmodified
We have audited the financial statements of ITM Power plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 April 2025, which comprise the consolidated income statement and other comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, and notes to the consolidated financial statements, including material accounting policy information, the company statement of changes in equity, the company balance sheet and notes to the company financial statements, including material accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 April 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the Group's and the parent company's ability to continue to adopt the going concern basis of accounting included the following procedures:

- Obtained and assessed management's going concern assessment and supporting information, including, as appropriate, cash flow forecasts, sensitivity analysis, and reverse stress testing;
- Assessed the appropriateness of the assumptions and the relevance and reliability of the data underpinning management's assessment;
- Through our audit procedures on cash and bank balances, corroborated / checked the Group's significant cash reserves;
- Evaluated management's forecasting accuracy by comparing historical forecasts to actual results and considered the impact on the going concern forecasts;
- Considered and inquired whether management and those charged with governance were aware of events or conditions beyond the period of management's assessment that might cast significant doubt on the entity's ability to continue as a going concern;
- Requested written representations regarding plans for future actions and the feasibility of those plans; and
- Assessed the adequacy of the going concern disclosures.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflation, as well as heightened geopolitical and trade-related risks. These include the ongoing effects of recently reimposed tariffs and broader economic uncertainty driven by current U.S. trade policies. We assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

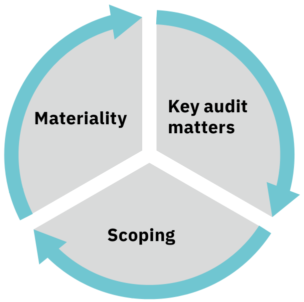
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

Our approach to the audit

Grant Thornton



Overview of our audit approach

Overall materiality:
Group: £2,679,000, which represents approximately 5% of the Group's three-year average loss before tax, excluding exceptional items.

Parent company: £2,143,200 which represents approximately 1% of the parent company's total assets.

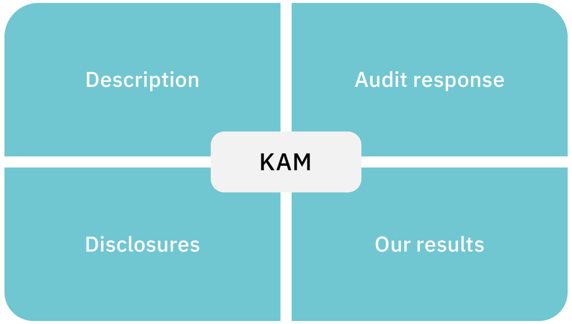
Key audit matters were identified as:
- Accuracy of the contract loss provision and warranty provision (same as previous year); and
- Valuation of the inventory provision (same as previous year).

Our auditor's report for the year ended 30 April 2024 included no key audit matters that have not been reported as key audit matters in our current year's report.

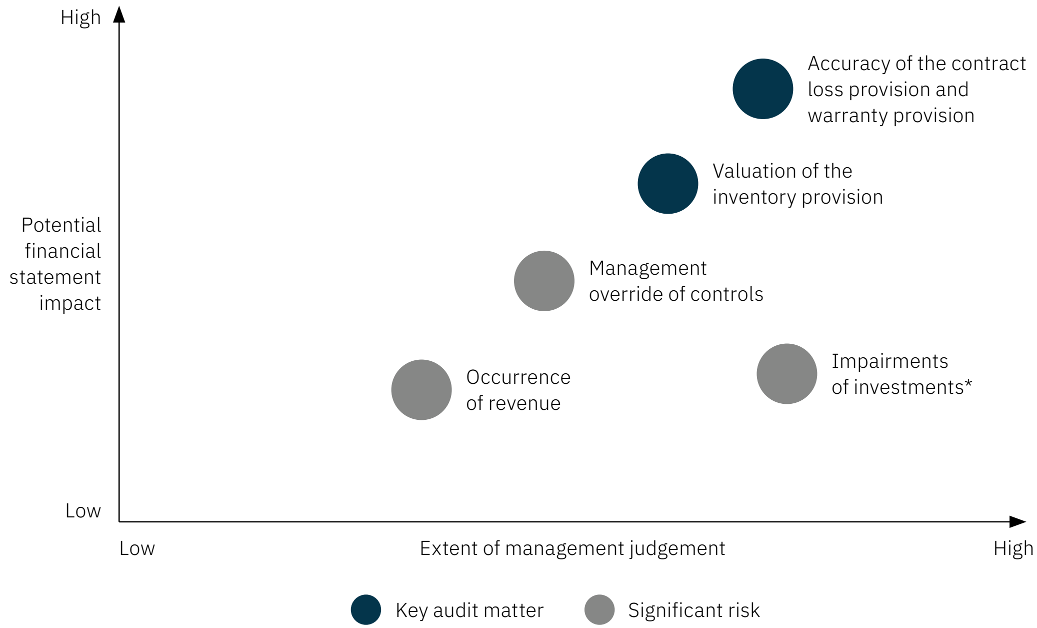
Scoping has been determined to ensure appropriate coverage of the Group significant risks and key financial statement line items. The coverage of key financial statement line items in significant components and where specific audit procedures were performed were:
- Group loss before tax: 96% (2024: 97%)
- Group revenue: 99% (2024: 95%)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.



* Relates to parent company only.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

Key audit matters continued

Key Audit Matter – Group	How our scope addressed the matter – Group
Accuracy of the contract loss provision and warranty provision We identified the accurate recognition of the contract loss provision and warranty provision as one of the most significant assessed risks of material misstatement due to error. This is because of the management judgement and estimation needed to assess the provisions. The contract loss and warranty provisions recorded in the financial statements total £16.1 million (2024: £23.3 million). Historically, most of the contracts that ITM Power have entered into have been loss making and there is a significant level of judgement and estimation in calculating future expected costs on the contracts. The impact of incorrect assessment of these costs is the potential that future losses are not recognised in the current period. As these are typically multiyear projects, the estimate around forecasting losses is sensitive to project-specific risks and external uncertainties and has the potential for material error. There is a significant level of management judgement and estimation in calculating future expected warranty costs on the contracts as there is limited data available for the performance of these first-of-kind products. Where the contract is loss making and before the control of goods has passed to the customer, the warranty provision is recognised within the contract loss provision. As these contracts can be individually significant, the estimate around forecasting warranty costs is sensitive to the estimated failure rates and has the potential for material error.	In responding to the key audit matter, we performed the following audit procedures: › Understood the design and assessed the implementation of the controls over the determination and recording of the contract loss and warranty provisions; › Obtained management's schedule of contract loss and warranty provisions; › Made inquiries of project managers to obtain an understanding of their processes and methods of estimating costs to complete and assessed whether there are indicators of management bias in the assumptions used and corroborated estimates based on prior experience to historic data; › Analysed the management prepared risk register by comparing risks on a contract-by-contract basis for completeness, gained an understanding the value and probability assigned to risks and challenged project managers over their assumptions; › Analysed contracts to identify liquidated damages that impact the contract loss provision, or other clauses which may have had a material impact on the loss recognised; › Obtained post year end schedules for total expected costs for loss making contracts to identify whether the costs used in assessing contract losses were appropriate and assessed if forecast costs to complete had increased significantly and where they had, we corroborated management's explanations for the changes; › Compared the total expected costs by contract from the year end to the previous year end, obtaining explanations and supporting documentation for movements in order to assess the historical accuracy of forecasting; › Obtained supporting evidence, such as purchase orders and supplier quotations for a sample of forecast costs to complete › Challenged the assumptions relating to the warranty provisions by comparing the data for warranty failures to the percentages applied in the provision; › Recalculated the warranty provision based on management's assumptions and re-performed management's sensitivity analysis; › Agreed a sample of inputs to the warranty calculation to supporting evidence; › Considered and assessed the allocation between the contract loss and warranty provision; and › Assessed the adequacy of the financial statement disclosures in line with IFRS 15 and IAS 37.
Relevant disclosures in the Annual Report › Financial statements: Note 4, Critical accounting judgements and key sources of estimation uncertainty and Note 21, Provisions › Audit committee report: Page 50, Significant accounting judgements and estimates	**Our results** Based on our audit work, we are satisfied that assumptions made by management in recording the contract loss and warranty provisions are appropriate, and their recognition is in accordance with the requirements of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and IFRS 15 'Revenue from Contracts with Customers'.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

Key audit matters continued

Key Audit Matter – Group	How our scope addressed the matter – Group
Valuation of the inventory provision We have identified the potential for the incorrect valuation of the provision in relation to inventory as one of the most significant assessed risks of material misstatement due to error. This is because of the high level of estimation needed to calculate the inventory provision. Historically, the majority of contracts that ITM Power have entered into have been loss making which casts doubt over the net realisable value of remaining inventory. As the gross value of inventory is significant at £83.1 million (2024: £94.0 million), and the level of judgement within the provision. The estimate has the potential for material error with a value of £28.1 million at 30 April 2025 (2024: £23.6 million).	In responding to the key audit matter, we performed the following audit procedures: › Understood the design and assessed implementation of the controls over the determination and recording of the inventory provision; › Obtained the inventory provision workings and tested the accuracy of these by agreeing a sample of items through to supporting evidence to assess whether the methodology has been accurately and consistently applied; › Identified and challenged the key judgements within the inventory provision workings and agreed a substantive sample to supporting documentation to ensure the judgement applied is reasonable. We agreed the gross inventory balance used for the inventory provision workings to the inventory ledger for completeness; › Obtained management's paper regarding the methodology applied and assessed the appropriateness of their policy in accordance with IAS 2 (Inventories) and IAS 37 (Provisions Contingent Liabilities and Contingent Assets); › Understood how management identify slow moving or excess inventory quantities and challenged how the provision for these items has been determined from both a completeness and accuracy perspective; › Challenged management over a sample of inventory held at year end and whether they are assigned to loss making contracts and should therefore be provided for within the inventory provision; and › Assessed the adequacy of the financial statement disclosures in accordance with IAS 2 and IAS 37.
Relevant disclosures in the Annual Report › Financial statements: Note 4, Critical accounting judgements and key sources of estimation uncertainty and Note 16, Inventory › Audit committee report: Page 50, Significant accounting judgements and estimates	**Our results** Based on our audit work, we are satisfied that assumptions made by management in recording the inventory provisions are appropriate, and their recognition is in accordance with the requirements of IAS 37 and IAS 2 'Inventories'.

We did not identify any key audit matters relating to the audit of the financial statements of the parent company only.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£2,679,000 (2024: £2,927,000), which represents 5% of loss before tax (3-year average) excluding exceptional items.	£2,143,200 (2024: £1,399,000), which represents approximately 1% of total assets.
Significant judgements made by auditor in determining materiality	In determining materiality, we made the following significant judgements: › The profitability of the Group is a key measure in the Group's ability to deliver additional value and is therefore the most appropriate measure. We have used a three-year average due to the fluctuations in the profitability of the Group and the life cycle for contracts. › 5% has been applied as a reasonable percentage having considered regulator expectations and other market participants. Materiality for the current year is lower than the level that we determined for the year ended 30 April 2024 to reflect the decrease in the Group's three-year average loss before tax excluding exceptional items.	In determining materiality, we made the following significant judgements: › We determined an asset-based measure was most appropriate as the company holds investments in the Group undertakings, as well as provides financing to Group undertakings. › 1% has been applied as a reasonable percentage given the non-complex nature of its activities. Materiality for the current year is higher than the level that we determined for the year ended 30 April 2024 to reflect an increase in the percentage from 0.5% in the prior year to 1% of the parent company's total assets.

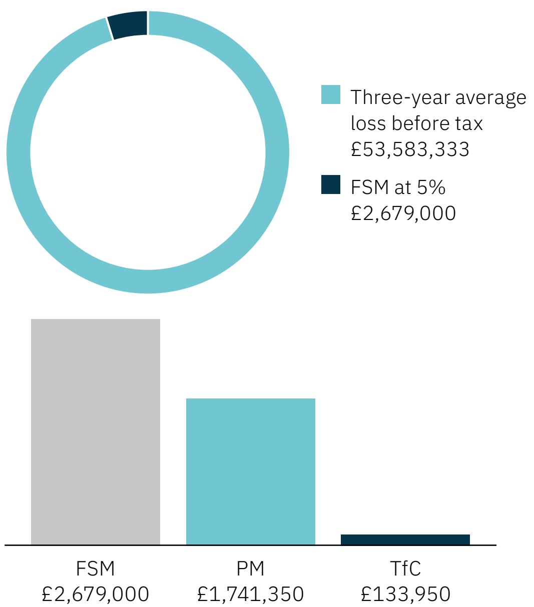
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

Our application of materiality continued

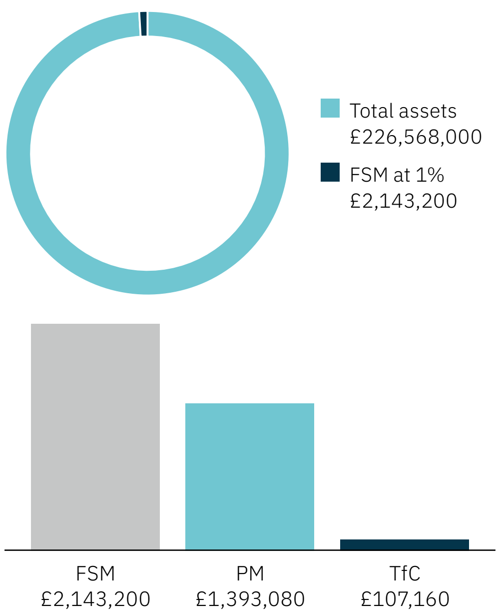
Materiality measure	Group	Parent company
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	£1,741,350 (2024: £1,756,000), which is 65% (2024: 60%) of financial statement materiality.	£1,393,080 (2024: £839,000), which is 65% (2024: 60%) of financial statement materiality.
Significant judgements made by auditor in determining performance materiality	In determining performance materiality, we made the following significant judgements: › The extent and size of errors identified in the prior year along with control deficiencies identified.	In determining performance materiality, we made the following significant judgements: › The extent and size of errors identified in the prior year along with control deficiencies identified.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: › Directors and key management personnel remuneration; and › Identified related party transactions outside of the normal course of business.	We determined a lower level of specific materiality for the following areas: › Directors and key management personnel remuneration; and › Identified related party transactions outside of the normal course of business.
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£133,950 (2024: £146,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£107,160 (2024: £70,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the threshold for communication to the audit committee.

Overall materiality – Group



Overall materiality – Parent



FSM: Financial statement materiality
PM: Performance materiality
TfC: Threshold for communication to the audit committee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the Group's and the parent company's business and in particular matters related to:

Understanding the Group, its components, their environments, and its system of internal control including common controls

- the engagement team obtained an understanding of the Group and its components, their environment, and its system of internal control, including the nature and extent of common controls, and assessed the risks of material misstatement at the Group level;
- the engagement team obtained an understanding of the Group's organisational structure and considered it for impact on the scope of the audit, for example the level of centralisation of the Group control function; and
- the engagement team performed walkthrough tests of key areas of focus, including significant risks, to confirm their understanding of the control environment across the Group.

Identifying components at which to perform audit procedures

- The engagement team evaluated the identified components to assess their significance and determine the planned audit response based on a measure of materiality. Significance was determined based on the percentage of the Group's loss before tax and qualitative factors, such as the component's specific nature or circumstances.

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- an audit of the financial information of the component using component materiality (full-scope audit) was performed on the financial information of two components. These procedures included a combination of tests of details and analytical procedures.
- the accuracy of the contract loss provision and warranty provision and the valuation of the inventory provision key audit matters were addressed with the full scope entities.
- analytical procedures were performed for the five components that were not individually financially significant to the Group. Where there were material balances in these components that affect the Group, procedures were performed on those balances to determine whether there was evidence of material misstatement.

Performance of our audit

- The going concern assessment for the Group and the parent company was performed at a Group level given the Group structure and capital management policies.
- The Group engagement team attended year-end inventory counts in the UK.
- Audit procedures across all components were performed by the Group engagement team in accordance with the scope described. There were no component engagement teams engaged to support the Group engagement team.
- As part of planning procedures, the Group engagement team assessed the Group's internal control environment including controls in relation to its IT systems and controls to inform our risk assessment. The audit testing approach was wholly substantive.

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the Group auditor, considered had the potential for the greatest impact on the Group financial statements either due to risk, size or coverage.

The components within the scope of further audit procedures accounted for the following percentages of the Group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage revenue	% coverage loss before tax
Full-scope audit	2 (2024: 2)	99	96
Specific scope procedures	– (2024: 1)	– (2024: –)	– (2024: –)
Full-scope and specific scope procedures coverage	2 (2024: 3)	99 (2024: 95)	96 (2024: 97)
Analytical procedures	5 (2024: 4)	1 (2024: 5)	4 (2024: 3)
Total	7 (2024: 7)	100	100

Changes in approach from previous period

- The subsidiary in Germany has been removed from specific scope procedures due to this being included in 2024 for an element of unpredictability and there was nothing identified that indicated there was a risk of material misstatement for 2025.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ITM POWER PLC CONTINUED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 68, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and how the entity is complying with them. We did this based on our commercial and sector experience, through discussion with the directors and the Audit Committee, and from inspection of the Group's board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations across the Group with the directors and the Audit Committee;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and parent company and determined that the most significant are those related to the reporting frameworks (UK-adopted international accounting standards, United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006), as well as the relevant tax regulations and data protection laws;
- We assessed the susceptibility of the Group and parent company financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - journal entries that are posted by key management personnel, large and round postings to accruals, unusual material journals to cash, audit data analytics to identify elevated risk journals and for ITM Power UK Limited only transactions posted to revenue in the final four months; and
  - potential management bias in determining accounting estimates, especially in relation to their assessment of the contract loss and warranty provisions, inventory provision and the valuation of non-current assets and in the case of the parent company, investments in subsidiaries.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the client operates; and
  - understanding of the legal and regulatory requirements specific to the Group and the parent company.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David White
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
13 August 2025

CONSOLIDATED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

		2025		2024	
	Note	£000	£000	£000	£000
Revenue	5		**26,040**		16,509
Cost of sales	6		**(49,726)**		(33,173)
Gross loss			**(23,686)**		(16,664)
Administrative expenses	6		**(34,275)**		(22,575)
Other income – government grants	5		**3,420**		1,228
Loss from operations before exceptional items			**(41,451)**		(38,011)
Exceptional items	30		**(13,090)**		–
Loss from operations			**(54,541)**		(38,011)
Share of loss of associated companies	12		**(5)**		(291)
Finance income	9		**10,168**		12,219
Finance costs	9		**(985)**		(643)
Loss on disposal of joint venture			**–**		(331)
Loss before tax			**(45,363)**		(27,057)
Current tax	10		**(152)**		(167)
Loss for the year			**(45,515)**		(27,224)
Other total comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences on foreign operations		**(46)**		174	
Net other total comprehensive (loss)/income			**(46)**		174
Total comprehensive loss for the year			**(45,561)**		(27,050)
Basic and diluted loss per share	11		**(7.4p)**		(4.4p)

The notes on pages 80 to 97 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

	Note	2025 £000	2024 £000
Non-current assets			
Investment in associate	12	**48**	53
Intangible assets	13	**11,997**	10,174
Right of use assets	14	**11,388**	12,250
Property, plant and equipment	15	**34,173**	29,398
Financial asset at amortised cost	29	**526**	400
Total non-current assets		**58,132**	52,275
Current assets			
Inventories	16	**56,009**	70,417
Trade and other receivables	18	**20,782**	28,741
Cash and cash equivalents	19	**207,041**	230,348
Total current assets		**283,832**	329,506
Current liabilities			
Trade and other payables	20	**(80,364)**	(68,290)
Provisions	21	**(11,296)**	(10,095)
Lease liability	22	**(837)**	(678)
Total current liabilities		**(92,497)**	(79,063)
Net current assets		**191,335**	250,443
Non-current liabilities			
Lease liability	22	**(11,494)**	(12,026)
Provisions	21	**(13,718)**	(21,974)
Total non-current liabilities		**(25,212)**	(34,000)
Net assets		**224,255**	268,718
Equity			
Called up share capital	23	**30,869**	30,849
Share premium account	23	**542,833**	542,735
Merger reserve	23	**(1,973)**	(1,973)
Foreign exchange reserve	23	**300**	346
Retained loss	23	**(347,774)**	(303,239)
Total equity		**224,255**	268,718

The notes on pages 80 to 97 form part of these financial statements.

The financial statements of ITM Power plc, registered number 05059407, were approved by the Board of Directors and authorised for issue on 13 August 2025. Signed on behalf of the Board of Directors:

Amy Grey
Director
13 August 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Called up share capital £000	Share premium account £000	Merger reserve £000	Foreign exchange reserve £000	Retained loss £000	Total equity £000
At 1 May 2023	23	30,823	542,593	(1,973)	172	(276,107)	295,508
Transactions with owners							
Issue of shares	23	26	142	–	–	–	168
Credit to equity for share-based payment		–	–	–	–	92	92
Total transactions with owners		26	142	–	–	92	260
Loss for the year		–	–	–	–	(27,224)	(27,224)
Other comprehensive income	23	–	–	–	174	–	174
Total comprehensive loss		–	–	–	174	(27,224)	(27,050)
At 1 May 2024	23	30,849	542,735	(1,973)	346	(303,239)	268,718
Transactions with owners							
Issue of shares	23	**20**	**98**	**–**	**–**	**–**	**118**
Credit to equity for share-based payment		**–**	**–**	**–**	**–**	**980**	**980**
Total transactions with owners		**20**	**98**	**–**	**–**	**980**	**1,098**
Loss for the year		**–**	**–**	**–**	**–**	**(45,515)**	**(45,515)**
Other comprehensive loss	23	**–**	**–**	**–**	**(46)**	**–**	**(46)**
Total comprehensive loss		**–**	**–**	**–**	**(46)**	**(45,515)**	**(45,561)**
At 30 April 2025	23	**30,869**	**542,833**	**(1,973)**	**300**	**(347,774)**	**224,255**

The notes on pages 80 to 97 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

	Note	2025 £000	2024 £000
Net cash used in operating activities	25	**(20,020)**	(50,581)
Investing activities			
Proceeds on sale of joint venture		**–**	1,483
Deposits paid (financial assets)	29	**(100)**	(496)
Purchases of property, plant and equipment	15	**(8,546)**	(11,967)
Proceeds on disposal of property, plant and equipment		**130**	19
Payments for intangible assets	13	**(4,277)**	(2,037)
Interest received		**10,141**	12,203
Net cash used in investing activities		**(2,652)**	(795)
Financing activities			
Issue of ordinary share capital		**118**	167
Payment of lease liabilities	22	**(785)**	(1,058)
Net cash used in financing activities		**(667)**	(891)
Decrease in cash and cash equivalents	26	**(23,339)**	(52,267)
Cash and cash equivalents at the beginning of year		**230,348**	282,557
Effect of foreign exchange rate changes	26	**32**	58
Cash and cash equivalents at the end of year	19	**207,041**	230,348

The notes on pages 80 to 97 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

ITM Power plc is a public company incorporated in England and Wales under the Companies Act 2006. The registered office is at 2 Bessemer Park, Sheffield, South Yorkshire S9 1DZ. The nature of the operations and principal activities of the Company and its subsidiaries (together the "Group") are disclosed in the Strategic Report.

These financial statements are presented in Pounds Sterling, which is the currency of the primary economic environment in which the Group operates.

2. Adoption of new and revised standards

Amendments to International Financial Reporting Standards (IFRSs) that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (IASB):

- IAS 1 Classification of Liabilities as Current or Non-Current (effective for periods beginning on or after 1 January 2024);
- IFRS 16 Lease Liability in a Sale and Leaseback (effective for periods beginning on or after 1 January 2024);
- IAS 1 Non-current Liabilities with Covenants (effective for periods beginning on or after 1 January 2024); and
- IAS 7 and IFRS 7 Supplier Finance Arrangements (effective for periods beginning on or after 1 January 2024).

These standards have not had a material impact on the entity in the current reporting period.

New and revised IFRSs in issue but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 April 2025 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions:

- IAS 21 Lack of Exchangeability (effective for periods beginning on or after 1 January 2025);
- IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments (effective for periods beginning on or after 1 January 2026);
- Annual improvements to IFRS Accounting Standards – Volume 11 (effective for periods beginning on or after 1 January 2026); and
- IFRS 18 Presentation and Disclosures in Financial Statements (effective for periods beginning on or after 1 January 2027).

3. Material accounting policies

Basis of accounting

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared under the assumption that the Group operates on a going concern basis and on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at that time.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern

The Directors have prepared a cash flow forecast for the period from the balance sheet date until 30 September 2026. This forecast indicates that the Group would expect to remain cash positive without the requirement for further fundraising based on delivering the existing pipeline.

By the end of the period analysed, the Group is forecast to retain significant cash reserves. This should give the business sufficient funds to trade for the going concern period if the business continues according to its medium-term business plan.

The business continues in a forecasted cash outflow position, using funding generated from previous fundraises. As such, this cash flow forecast was stress-tested, both for a worst-case scenario of no receipts and inflationary pressures on utilities and purchases. In all the scenarios tested, the business would remain cash positive for the 12 months from the date of approval of these financial statements.

The accounts have therefore been prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 April each year. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. Material accounting policies continued

Basis of consolidation continued

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company ceases to have control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of the subsidiaries is attributed to the owners of the Company.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). The presentation currency for the consolidated financial statements is Pounds Sterling. The financial statements are presented in round thousands.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

The Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements:

- Separability of performance obligations – Note 5
- Non-recognition of deferred tax asset – Note 10
- Impairment – Note 13
- Inventory provisions – Note 16

Sources of estimation uncertainty

The Directors have made the following estimates on the amounts recognised in the financial statements:

- Provisions – Note 21

Change in accounting estimate

During the year, we completed a claim for R&D tax credits relating to expenditure incurred on stack development in FY23. Significant expenditure had been incurred on consumables for stack prototypes but this had been conducted outside of our usual internal project tracking and so it had been uncertain as to whether we would be able to quantify the claim based on R&D legislation and HMRC guidance and home in on the elements that met the criteria for qualifying R&D expenditure. By December 2024, we had succeeded in collating information from across the business to put a strong case together for its inclusion in the claim, which was submitted in February 2025. In doing so, we were able to substantiate a claim for a larger sum than anticipated (an uplift of £2.7m).

IAS 20 requires reasonable assurance that the entity will comply with the conditions attaching to a grant and that the grant would be received before recognition within the financial statements. Thus, the additional receivable amount was recognised in the second half of the current financial year. The recognition of this additional income impacts both the Consolidated Income Statement and EBITDA (Note 6).

5. Revenue, operating segments and income from government grants

Accounting policy:

Product sales

ITM Power undertakes sales of three main products (containerised plug & play systems, electrolyser units or stack and skid solutions) that involve manufacture followed by varying degrees of integration, installation and commissioning over a period of several months. Systems are quoted to the customer as a single value or as individual units, stacks or skids. Both types of sale will be split into agreed payment milestones to facilitate cash flow. Performance obligations are identified according to the separability of the goods and services being provided. Any ancillary requests, e.g. for training, will be treated as separate performance obligations if they can be separately identified and measured. The revenue value is also quoted separately.

Under IFRS 15.35, a performance obligation is satisfied over time if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the seller's performance as the seller performs;

b) the seller's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) the seller's performance does not create an asset with an alternative use to the seller and the seller has an enforceable right to payment for performance completed to date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. Revenue, operating segments and income from government grants continued

Accounting policy: continued

Product sales continued

Revenue from product sales, which do not meet the first two criteria, will therefore be treated differently depending on whether the product is standard or bespoke in reference to point (c) above:

- Bespoke contracts by their nature do not create an asset with an alternative use to the seller; some have traceability requirements attached to them that would prevent them being diverted during production whilst others are simply bespoke to the customer's requirements and therefore would not meet the needs of, or be easily converted for use on, another project. There is also an enforceable right to payment for performance completed to date if the contract is terminated by the customer for reasons other than ITM Power's failure to perform as promised. Revenues for bespoke contracts will therefore be recognised over time according to how much of the performance obligation has been satisfied. This is measured using the input method, comparing the extent of inputs towards satisfying the performance obligation with the expected total inputs required. Any changes in expectation are reflected in the total inputs figure as they become known. The progress percentage obtained is then applied to the revenue associated with that performance obligation. Management views this as a much more reliable measure of progress towards completion of the performance obligation than the output method as, despite contracting with milestone payments, these are not reliable measures of progress or value to the customer but instead have been designed to aid cash flow. Any differences between the revenues recognised and the milestone billings will result in contract assets/liabilities (shown as accrued or deferred income on the balance sheet).
- Most of our newer projects involve standard products. Revenue from standard products will be recognised at point in time, only when identified performance obligations for distinct goods or bundles of goods have been fulfilled and ownership of the goods has transferred, i.e. at the official handover of control of a working machine to the customer. This is due to the "transferability" of such products and their components up until handover, so the asset generated has an alternative use to the Group up until that point. Contracts will be reviewed at inception and with each variation or additional purchase order to ascertain when the performance obligation(s) will be met, e.g. following factory acceptance testing and notification of readiness for dispatch if the customer is collecting and installing the goods themselves or, if we are committed to more involvement with the installation on site, following site acceptance testing. In the meantime, income from progress billings and advances received from customers will be reflected in the balance sheet as contract liabilities (deferred income). Costs incurred on projects to date will not be included in the statement of comprehensive income but will be accumulated on the balance sheet as work in progress so long as they are considered recoverable and only transferred to cost of sales once the revenue applicable to those costs can be recognised in the accounts. Should costs exceed anticipated revenues, a provision will be recognised and the surplus costs expensed with immediate effect. Revenue will be recognised net of any estimates for variable consideration, including any reduction for potential liquidated damages. Management uses the expected value method to recognise only non-reversible revenues until the uncertainty of the variable consideration can be resolved.

ITM Power supplies units with a standard 12-month warranty although some jurisdictions will require this to be adjusted to 24 months. This covers the equipment against any fault due to manufacturing defects. Any repairs made under this warranty will be completed free of charge. Where possible, diagnosis will be performed via remote connection to minimise the time and expense associated with travel to the site. The warranty period start date should be defined in the original contract but will usually reflect the date of official handover to the customer.

Unless an extended warranty is specifically purchased under the sales contract and thus, together with its maintenance obligations, creates a separate performance obligation under that contract, warranty provisions will continue to be treated under IAS 37 as they are by nature an assurance warranty (see Note 22).

Out-of-warranty repairs and part replacements will be charged to the customer. After the warranty period, it is recommended that a maintenance package is continued (see maintenance contracts below).

Maintenance contracts

Maintenance contracts typically involve two scheduled annual visits. Therefore, revenue is recognised in two instalments against the costs of those visits, i.e. when each performance obligation is met. However, where remote support forms part of the contract, revenue for this performance obligation will be recognised over time as the customer simultaneously receives and consumes the benefits of such a service, and criteria (a) under IFRS 15.35 is met as referred to above.

Ad hoc maintenance events where the customer requests additional aftersales services beyond the annual maintenance contract, e.g. upgrades, are accounted at point in time when the system is handed back to the customer for their operation.

Consulting contracts

Larger systems, or those where the system will need to perform to new conditions, are sometimes preceded by a design study or a front-end engineering design (FEED) contract that defines solutions to customer specifications. Revenue will usually be recognised at point in time as performance obligations are met within the contract or on final completion of the contract if delivered as a whole.

Fuel sales or sales of scrap/spares

Sales are recognised immediately upon completion of the performance obligation, being the transfer of ownership of the goods.

Other sales

Other contractual revenues can include capacity reservation agreements, expired letters of intent, etc. As in the case of all customer contracts, these will be reviewed to identify the performance obligations and their separability as well as the point in time when we are likely to have met the criteria for revenue recognition.

Grants

Government and other grants are included in other operating income in the period that the grant becomes receivable, unless relating to property, plant and equipment when they are netted against the cost of the assets acquired on the balance sheet.

Grants have stage payments, which can include upfront payments to ITM Power. Where pre-finance has been received at the start of the grant and continues to exceed expenditure incurred to date, the surplus is shown as deferred income and is included in the Consolidated Balance Sheet as a liability. When expenditure incurred to date exceeds receipts from the grant body, the surplus is shown as accrued income until such time that it can be claimed. Such balances are reviewed for recoverability, ensuring that the costs incurred met the conditions of the grant for recognition of grant income and such recognition of income does not exceed the maximum value of the award.

In specific instances where grant income subsidises a sale, grant income will come to be shown alongside the revenue and costs of sale as "grant income against direct costs" in profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. Revenue, operating segments and income from government grants continued

Judgement:
Each contract is assessed to identify its distinct performance obligations and their separability from other performance obligations within the contract. This means that goods or services that are inter-related will be bundled to create a single performance obligation. More specifically, management judgement is required to determine whether goods and the services related to their commissioning are distinct, or which goods make up a single "working unit" for delivery to the customer.

	2025		2024	
Disaggregated revenue recognised	**£000**	**£000**	£000	£000
Revenue from product sales recognised over time		**–**		75
Revenue from product sales recognised at point in time		**22,533**		8,144
Consulting contracts recognised at point in time		**1,755**		5,040
Maintenance contracts recognised at point in time		**900**		1,498
Fuel sales		**131**		216
Other		**721**		1,536
Revenue in the Consolidated Income Statement		**26,040**		16,509
Grant income (claims made for projects)	**85**		401	
Other government grants (R&D claims)	**3,335**		827	
Other income – government grants		**3,420**		1,228
		29,460		17,737

The "Other" category includes contractual revenues recognised at point in time but not classified elsewhere as not involving the transfer of goods or the completion of maintenance or consultancy services.

At 30 April 2025, the aggregate amount of the transaction price allocated to remaining performance obligations of continuing build contracts was £141.8m (2024: £79.7m). The Group expects to recognise 26% of this within one year, with the remaining 74% expected after one year. This differs from our backlog figure as the latter contains other types of revenue e.g. consultancy and other contractual revenue.

Segment information
ITM Power plc is organised internally to report to the Group's Chief Operating Decision Maker, the Chief Executive Officer, on the financial and operational performance of the Group as a whole. The Group's Chief Operating Decision Maker is ultimately responsible for Group-wide resource allocation decisions, evaluating performance on a Group-wide basis and any elements within it on a combination of information from the executives in charge of the Group and Group financial information.

Management has previously identified three target markets for our products (power, transport, and industry). Revenue reporting looks at these three sectors to assess the commerciality of those sales. However, decisions for resourcing cannot be made by reference to these as segments. The Group operates a single factory in the UK that builds units for use across all sectors. It would be hard to assign overhead costs to particular product segments as builds all occur in that one facility and can run concurrently. Similarly, fixed assets and suppliers' balances cannot be assigned to the production of one specific segment. For overhead costs and net asset resources, therefore, decisions are taken on a Group basis.

An analysis of the Group's revenue, by major product (or customer group), is as follows:

	2025 £000	2024 £000
Power	**1,911**	253
Transport	**1,401**	2,764
Industry	**20,379**	7,275
Other	**2,349**	6,217
Revenue in the Consolidated Income Statement	**26,040**	16,509

The "Other" category contains consultancy values that cannot be allocated to a single product group.

Geographical analysis
The United Kingdom is the Group's country of domicile but the Group also has subsidiary companies in the United States, Germany and Australia. All non-current tangible assets were domiciled in the United Kingdom (NBV: £33.8m) or Germany (NBV: £0.4m). All intangible assets were domiciled in the United Kingdom. Revenues have been generated as follows:

	2025 £000	2024 £000
United Kingdom	**1,627**	5,900
Germany	**21,306**	6,028
Austria	**–**	1,659
Rest of Europe	**1,299**	996
United States	**131**	216
Australia	**5**	1,710
Rest of World	**1,672**	–
	26,040	16,509

Included in revenue are the following amounts, which each accounted for more than 10% of total revenue:

		2025 £000	2024 £000
Customer A	Industry	**10,753**	n/a
Customer B	Other	**<10%**	4,490
Customer C	Transport	**<10%**	3,121
Customer D	Industry	**9,037**	n/a
Customer E	Industry	**n/a**	1,659

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

6. Material items in profit and loss

The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

	2025 £000	2024 £000
Depreciation of property, plant and equipment	**3,649**	2,962
Depreciation of right of use assets	**1,278**	1,046
Amortisation of intangible assets	**2,454**	1,921
Impairment of intangible assets	**–**	1,417
(Reversal of)/charge for expected credit loss	**(119)**	176
(Gain)/loss on disposal of property, plant and equipment	**(10)**	126
Loss on disposal of Motive	**–**	331
Movement on obsolete inventory provision	**4,416**	2,278

Whilst costs have been shown on the income statement by function, the following table shows costs grouped by nature:

	2025 £000	Restated 2024 £000
Direct costs		
Manufacturing costs	**42,088**	20,657
Labour	**10,389**	7,354
Other bought-in items	**3,137**	4,101
Depreciation (see Notes 14 and 15)	**4,104**	3,219
Contract provisions	**(9,992)**	(2,158)
Total direct costs	**49,726**	33,173

	2025 £000	2024 £000
Administrative expenses excluding exceptional items		
Staff and employment costs	**14,976**	13,845
Consultancy and consumables	**2,380**	2,544
Building overheads	**545**	1,441
Depreciation (see Notes 14 and 15)	**823**	789
Amortisation	**2,454**	1,921
(Gain)/loss on disposal of non-current assets	**(10)**	126
Impairment	**–**	1,417
Other	**17**	492
Total administrative expenses excluding exceptional items	**21,185**	22,575

Direct costs have been restated to show depreciation as a separate line item in the prior year. This splits the cost out of the manufacturing costs line, where it was presented last year, in order to provide more relevant information.

Calculation of adjusted EBITDA

In reporting EBITDA, management uses the metric of adjusted EBITDA:

	2025 £000	2024 £000
Loss from operations	**(54,541)**	(38,011)
Add back:		
Depreciation	**4,927**	4,008
Amortisation	**2,454**	1,921
(Gain)/loss on disposal of non-current assets	**(10)**	126
Impairment	**–**	1,417
Non-underlying share-based payment charge (Note 24)	**1,053**	149
Exceptional costs (Note 30)	**13,090**	–
	(33,027)	(30,390)

Management uses adjusted EBITDA as an alternative performance measure (APM) as it allows better monitoring of the operations. Notwithstanding, Management recognises the limitations of APMs as they may not allow industry-wide comparison and include removing the effect of certain annual changes such as share-based payments, identified above.

Loss from operations includes amounts receivable from a prior year R&D claim that became receivable in the current year (see Note 4 – Change in accounting estimates).

In the last financial year, the Group disclosed a contingent liability around a commercial dispute. During the year, the Group reached the conclusion of the commercial dispute with Linde, leading to a payment to Linde of £13.0m. Whilst the details of the dispute remain confidential, the Directors are satisfied that all historic claim risk is now settled. We have shown these costs, together with related professional fees, as exceptional items in the income statement. Exceptional costs are outside the scope of normal business and have therefore been removed for the purposes of adjusted EBITDA.

7. Auditor's remuneration

The following amounts were payable to the Group's auditor and have been charged within the loss before tax:

	2025 £000	2024 £000
Fees payable to the Company's auditor for:		
– The audit of the Company's annual accounts	**253**	249
– The audit of the Company's subsidiaries pursuant to legislation	**55**	50
Total audit fees	**308**	299
Other services pursuant to legislation:		
– Interim agreed upon procedures/review work (audit-related services)	**39**	37
Total non-audit fees	**39**	37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. Employee benefits expenses

Monthly average number of persons employed	2025 Number	2024 Number
Research and development	**73**	73
Production and engineering	**174**	194
Sales and marketing	**20**	18
Administration	**45**	45
	312	330

Staff costs during the year (including all key management personnel)	2025 £000	2024 £000
Wages and salaries	**18,892**	17,194
Social security costs	**2,296**	2,033
Other pension costs	**1,977**	1,804
Share-based payment expense	**1,053**	149
	24,218	21,180
Less: staff costs capitalised	**(10,807)**	(9,098)
Staff costs expensed in the year	**13,411**	12,082

In the above, capitalised staff costs relate to costs that have been recognised on the balance sheet. These may arise upon capitalisation of fixed or intangible assets or in the creation of inventory work in progress.

The Group operates a defined contribution pension scheme, which is charged to the income statement as incurred. Any contributions unpaid at the balance sheet date are included within accruals. As at 30 April 2025 pension contributions of £169,000 (2024: £156,000) due in respect of the current year had not been paid over to the scheme. These were paid over in the following month and within statutory deadlines.

9. Finance income and costs

	2025		2024	
	£000	£000	£000	£000
Finance income				
Interest received on cash deposits		**10,168**		12,219
Finance cost				
Interest paid	**(74)**		(54)	
Lease liability interest paid	**(911)**		(589)	
		(985)		(643)
Net finance income		**9,183**		11,576

10. Tax

Accounting policy:

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. The resulting tax charge, where applicable, is shown within the tax line of the income statement.

Research and development tax credits are recognised on an accruals basis and are reported in the income statement. By their nature, they are similar to grant funding and are presented amongst other income (see Note 5).

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Judgement:

The Group has accumulated tax losses, for which it could have recognised a deferred tax asset. Instead, management continues to believe that there is insufficient evidence of probable future taxable profits against which to offset such losses and therefore has decided not to recognise the asset in these financial statements. This will continue to be monitored as we review our forecasts for the months/years ahead.

Current taxation	2025 £000	2024 £000
Corporation tax charge in the year	**150**	113
Corporation tax charge relating to prior years	**2**	54
	152	167

Corporation tax is calculated at 25% (2024: 25%). Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The charge for the year can be reconciled to the income statement as follows:

	2025 £000	2024 £000
Loss before tax	**(45,363)**	(27,057)
Tax on loss at 25%	**(11,340)**	(6,764)
Factors affecting the charge for the year:		
Expenses not deductible for tax purposes	**1,149**	290
Fixed asset differences	**899**	813
Tax charge on current year RDEC claim	**150**	113
Adjustments in respect of prior years	**2**	54
Unrelieved tax losses carried forward	**9,292**	5,661
Tax charge for the year	**152**	167

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

10. Tax continued

Factors affecting future tax charges

The Group has tax losses of approximately £262.4m (2024: £232.9m) available to carry forward against future taxable profits, subject to agreement with HM Revenue & Customs. Deferred tax would have been calculated at a rate of 25% following substantive enactment in May 2021. However, a deferred tax asset has not been recognised as it is not yet probable that there will be sufficient future taxable profit to utilise the tax benefit.

11. Loss per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2025 £000	2024 £000
Loss for the purposes of basic and diluted loss per share being net loss attributable to owners of the Company	**(45,515)**	(27,224)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**617,273,073**	616,743,434
Loss per share	**7.4p**	4.4p

The loss per ordinary share and diluted loss per share are equal because share options are only included in the calculation of diluted earnings per share if their issue would decrease the net profit per share. The number of potentially dilutive shares not included in the calculation above due to being anti-dilutive in the years presented was 12,271,234 (2024: 6,582,037).

12. Investments in associates and joint ventures

ITM Linde Electrolysis GmbH (ILE) is incorporated in Germany, with registered office: Bodenbacher Str. 80, 01277 Dresden, Germany. Interest in ILE is split 50:50 with Linde Engineering GmbH, although control is deemed to lie with Linde for the purposes of consolidation as it appoints the Managing Director. ITM Power has significant influence in ILE due to its representation on the company's board of directors.

As such, the investment was an equity-accounted investment in associate, initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the investee entity. However, during the previous financial year, it was decided that ILE would honour its ongoing contracts but would not take on any further work.

Investment in associate	2025 £000	2024 £000
ITM Linde Electrolysis GmbH (associate)	**48**	53

Below we provide information regarding the performance of the investment in associate within the year:

ITM Linde Electrolysis GmbH	2025 £000	2024 £000
Cost brought forward	**53**	379
Foreign exchange	**–**	(35)
50% share of loss recognised in the year and other write down	**(5)**	(291)
	48	53

The investment was written down to recoverable amount in the prior year and continues to be held at that value.

Key financial data of ILE:

	30 April 2025 £000	30 April 2024 £000
Non-current assets	**–**	–
Current assets	**7,388**	7,435
Current liabilities	**(7,292)**	(7,329)
Revenue	**–**	618
Loss from operations	**(9)**	(479)

Balance sheet figures were translated from Euros using the year-end exchange rate of 1.18 (2024: 1.17). Revenue and loss figures were translated using an average exchange rate of 1.19 (2024: 1.16).

ITM Power continued to pay for the hosting of ILE's website until December 2024. Invoices for progress billings of £Nil were raised to ILE with £Nil outstanding at year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. Intangible assets

Accounting policy:

Software

Software purchased from external companies has been recognised at cost under the heading of intangible assets. Amortisation is charged so as to write off the cost of assets over an estimated useful life of three years (in line with the Group policy for computer equipment), using the straight-line method. This is recognised in administrative expenses.

Internally generated intangible assets – development costs and know-how

The Group undertakes a number of internal projects for the advancement of its core technology, the design of its standard products and improved efficiencies around the business. These will be timebound and involve specific groups of staff. As such, time and costs can be tracked through our reporting and accounting systems.

Expenditure on research activities is recognised as an expense in the period in which it is incurred, except where the costs of activities are considered development for the purposes of capitalising development costs per the criteria laid out in IAS 38 Intangible Assets.

Once completed, development costs transfer into the category of know-how. As these assets form the basis of the Group's product range, amortisation is recognised on a straight-line basis in administrative expenses over their useful lives, considered to be four years, in line with expected product life cycles.

Each asset is assessed on an annual basis to ensure that it still meets the criteria and continues to contribute to the Group's products. If not, an impairment will be recognised.

The recoverable amount of each asset (or cash generating unit) is estimated to determine the extent of the impairment loss. The recoverable amounts of non-current assets are derived from the higher of fair value less costs to sell and value-in-use calculations. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the group of units.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is also recognised immediately in administrative expenses.

Judgement:

Management must decide at what point efforts become development work that will result in future economic benefits to the Group and thus, meet the criteria for capitalisation. There is also judgement to be made as to when costs should cease to be capitalised and the asset amortised, especially on phased projects of continual improvement to our core technology.

Management has also considered whether there are any indicators of impairment.

During the year, management reconsidered the focus of our development work and the recoverability of our internally generated intangible assets. The Group still expects to obtain future benefit from their completion.

The group structure of ITM Power is relatively straight forward and most of the Group's business goes through one main subsidiary (ITM Power UK Limited). As such, we have determined that the entire group of ITM Power forms one cash generating unit. When gauging the potential impairment of its assets, management considered fair value less costs to sell of the Group as a whole, based on its market capitalisation. The calculation used an average share price of 35.92p and a control premium of 20%. The average share price was taken over a 2-week period from the reporting date given the share price increase noted in the period immediately after the reporting date reflecting contract wins that had not been announced at the year end but were virtually certain and therefore appropriate to take into account in the fair value valuation. Given that the assets held make up the intellectual property that is key to potential future revenue generation of the Group and are thus intrinsic to its valuation, no impairment was deemed necessary.

	Software £000	Know-how £000	Development costs £000	Total £000
Cost at 1 May 2023	351	5,238	11,419	17,008
Transfers	–	8,207	(8,207)	–
Additions	107	–	1,930	2,037
Disposals	(42)	(975)	–	(1,017)
Cost at 30 April 2024	416	12,470	5,142	18,028
Transfers	**–**	**735**	**(735)**	**–**
Additions	**–**	**–**	**4,277**	**4,277**
Disposals	**(5)**	**–**	**–**	**(5)**
Cost at 30 April 2025	**411**	**13,205**	**8,684**	**22,300**
Amortisation at 1 May 2023	245	2,200	3,088	5,533
Charge for the year	94	1,827	–	1,921
Impairment	–	1,134	283	1,417
Disposals	(42)	(975)	–	(1,017)
Amortisation at 30 April 2024	297	4,186	3,371	7,854
Charge for the year	**72**	**2,382**	**–**	**2,454**
Disposals	**(5)**	**–**	**–**	**(5)**
Amortisation at 30 April 2025	**364**	**6,568**	**3,371**	**10,303**
Carrying amount at 30 April 2025	**47**	**6,637**	**5,313**	**11,997**
Carrying amount at 30 April 2024	119	8,284	1,771	10,174

During the year we continued to analyse the associated materials and develop the processes that would enhance the efficiency of our stack production. This has created additions of £1.5m. The remaining additions were for design of both our current and future products.

Research and non-capitalised development costs totalled £1.7m (2024: £2.6m) and were expensed through the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

14. Right of use assets

Accounting policy:

At inception of a leasing contract, the Group assesses whether it conveys the right to control the use of an identified asset – and obtain substantially all of the economic benefits from use of the asset – for a period of time in exchange for consideration. In this instance the Group recognises a right of use asset and a lease liability at the lease commencement date.

Right of use assets are recognised at the total value of the lease payments (i.e. initial measurement of the lease liability) plus any deposit or lease payments made at or before the commencement date, less any lease incentives. The Group creates a separate asset under leasehold improvements for any dilapidations costs to restore a property to the condition required by the landlord at the end of the lease.

An adjustment to cost will be recognised when there is a change in the future lease payments, e.g. rent review or lease extension.

Depreciation of right of use assets is recognised over their lease term. During the year £0.9m was charged through cost of sales (2024: £0.9m) and £0.3m was charged through administrative expenses (2024: £0.1m).

	Leasehold property £000	Leased vehicles £000	Office equipment £000	Total £000
Cost at 1 May 2023	9,017	206	80	9,303
Additions	6,368	121	8	6,497
Adjustments	(48)	–	–	(48)
Disposals	(831)	(152)	–	(983)
Cost at 30 April 2024	14,506	175	88	14,769
Additions	**–**	**468**	**–**	**468**
Adjustments	**(2)**	**–**	**–**	**(2)**
Disposals	**–**	**(55)**	**–**	**(55)**
Cost at 30 April 2025	**14,504**	**588**	**88**	**15,180**
Depreciation at 1 May 2023	2,199	139	31	2,369
Charge for the year	975	58	13	1,046
Disposals	(770)	(126)	–	(896)
Depreciation at 30 April 2024	2,404	71	44	2,519
Charge for the year	**1,141**	**120**	**17**	**1,278**
Disposals	**–**	**(5)**	**–**	**(5)**
Depreciation at 30 April 2025	**3,545**	**186**	**61**	**3,792**
Net book value at 30 April 2025	**10,959**	**402**	**27**	**11,388**
Net book value at 30 April 2024	12,102	104	44	12,250

The Group currently holds right of use assets in both the UK (four properties, 22 vehicles and office equipment at one site) and Germany (one property, five vehicles and office equipment). The majority of the UK vehicles are leased as part of the employee car ownership scheme.

15. Property, plant and equipment

Accounting policy:

Leasehold improvements, laboratory and test equipment, production plant and equipment, computer equipment and office furniture and fittings are stated at cost less accumulated depreciation and any recognised impairment loss.

Assets in the course of construction are carried at cost, less any recognised impairment loss following annual review. Depreciation of these assets commences only when the assets are transferred to the relevant main category ready for their intended use. During the year, they were considered within our asset impairment review but no impairment was deemed necessary.

Depreciation is charged through the income statement so as to write off the cost of assets, other than land and assets under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Category	Period
Laboratory and test equipment	5 to 8 years
Production plant and equipment	5 to 8 years
Computer equipment	3 years
Office furniture and fittings	10 years
Leasehold improvements	10 years or lease term

During the year, £3.2m was charged through cost of sales (2024: £2.3m) and £0.5m was charged through administrative expenses (2024: £0.7m).

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is also recognised in administrative expenses on the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

15. Property, plant and equipment continued

	Production plant & equipment £000	Laboratory & test equipment £000	Computer equipment £000	Office furniture & fittings £000	Leasehold improvements £000	Assets in the course of construction £000	Total £000
Cost at 1 May 2023	8,681	2,752	1,532	553	13,785	4,871	32,174
Additions	3,219	99	25	105	133	8,386	11,967
Transfers	3,256	143	23	–	710	(4,132)	–
Disposals	(1,360)	(93)	(122)	–	(552)	–	(2,127)
Foreign exchange	–	–	–	–	–	–	–
Cost at 30 April 2024	13,796	2,901	1,458	658	14,076	9,125	42,014
Additions	**769**	**101**	**6**	**–**	**164**	**7,506**	**8,546**
Transfers	**3,641**	**–**	**–**	**4**	**–**	**(3,645)**	**–**
Disposals	**(575)**	**(136)**	**(29)**	**–**	**(47)**	**–**	**(787)**
Foreign exchange	**–**	**–**	**–**	**(1)**	**(2)**	**–**	**(3)**
Cost at 30 April 2025	**17,631**	**2,866**	**1,435**	**661**	**14,191**	**12,986**	**49,770**
Depreciation at 1 May 2023	3,148	2,088	1,161	194	3,713	1,381	11,685
Disposals	(1,301)	(93)	(123)	–	(512)	–	(2,029)
Charge for the year	1,465	196	263	63	975	–	2,962
Foreign exchange	(1)	–	–	(1)	–	–	(2)
Depreciation at 30 April 2024	3,311	2,191	1,301	256	4,176	1,381	12,616
Charge for the year	**2,273**	**213**	**119**	**52**	**992**	**–**	**3,649**
Disposals	**(455)**	**(136)**	**(29)**	**–**	**(47)**	**–**	**(667)**
Foreign exchange	**1**	**–**	**(1)**	**–**	**(1)**	**–**	**(1)**
Depreciation at 30 April 2025	**5,130**	**2,268**	**1,390**	**308**	**5,120**	**1,381**	**15,597**
Net book value at 30 April 2025	**12,501**	**598**	**45**	**353**	**9,071**	**11,605**	**34,173**
Net book value at 30 April 2024	10,485	710	157	402	9,900	7,744	29,398

16. Inventories

Accounting policy:
Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the standard cost method. Net realisable value represents the estimated selling price less all estimated costs of completion.

Inventory obsolescence
It is recognised that parts can be held in the business for a number of reasons, not least the contractual requirements of our warranty and aftersales provisions. Stocked items are therefore classified into four different categories: those actively in use in our bills of material, those that can be used for product development work, discontinued items that may not be part of active bills of material but still have demand through maintenance and aftersales work on legacy equipment, and finally redundant parts. The first three categories still hold value for the business and will be maintained at cost, whilst redundant inventory will be fully written down. The provision can be further refined: for example, if the discontinued category begins to exceed contractual obligations, a provision would be made against the surplus items.

Judgement:
The categorisation of inventory requires management judgement, particularly as regards development category parts. Management must also assess the likelihood of obsolescence. Following specific scrap provisions, the value of inventory held in the development or discontinued categories was £4.3m. Management has reviewed these listings and has assessed that the inventory held continues to have a use in the business and is therefore not redundant or in excess.

Inventories have been stated in the table below after a provision for impairment of obsolete inventory of £28.1m (2024: £23.6m).

Inventories held	2025 £000	2024 £000
Raw materials	**7,869**	10,257
Work in progress	**48,140**	60,160
	56,009	70,417

Included in work in progress is inventory that has yet to be assigned to a specific contract. If not assigned to a specific contract, inventory is tested for obsolescence and net realisable value (NRV) and a provision is created against such non-contract stock where necessary.

In addition to the above inventory provisions, at the point that the work in progress is assigned to a contract, and it is loss-making, the work in progress will be reduced to recoverable value, which will be offset by an equal and opposite reduction in the contract loss provision.

The cost of inventories recognised as an expense through the income statement was £37.7m (2024: £18.6m).

17. Contract balances and performance obligations

Contract revenue recognised through release from deferred income was £16.4m (2024: £5.2m).

Contracts with customers in progress at the balance sheet date	2025 £000	2024 £000
Amounts due from contract customers included in trade and other receivables	**2,868**	14,659
Contract assets (accrued income)	**3,186**	2,133
Contract liabilities (deferred income)	**(64,176)**	(51,811)
Balance sheet position of sales contracts	**(58,122)**	(35,019)

The contract position will change according to the number or size of contracts in progress at the year end as well as the status of payment milestones towards those contracts. The Group will continue to structure payment milestones to cover the upfront costs of materials for cash flow purposes. The variance between these and the performance obligations for revenue recognition under IFRS 15 (typically acceptance of the product by the customer – whether at factory or at site – for all standard products) will cause increasing values to remain in deferred income for longer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

18. Trade and other receivables

Accounting policy:

Trade receivables are recognised at their transaction price, whilst other receivables are recognised at fair value and subsequently measured at either amortised cost or fair value through profit and loss depending on their contractual characteristics.

Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk in trade receivables and contract assets (accrued sales income). For trade receivables only, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. An analysis of historical default amongst our trade receivables was conducted and showed that less than 1% of sales over several years have resulted in default. The Group continues to trade with large entities with good credit scores but trading data is monitored annually to ensure that there are no significant changes to this percentage.

	2025		2024	
	£000	**£000**	£000	£000
Trade receivables	**3,497**		16,252	
Impairment for credit risk	**(111)**		(230)	
Net trade receivables		**3,386**		16,022
Restricted cash balances		**1,312**		757
Other receivables		**5,665**		4,768
R&D relief claims receivable		**4,528**		1,345
Prepayments		**999**		2,172
Amounts recoverable from employees		**311**		105
Accrued sales income		**3,186**		2,133
Accrued grant income		**1,395**		1,439
		20,782		28,741

Trade receivables fluctuate according to the timing of completion of milestones, billing and payments from customers.

Prepayments include £0.2m (2024: £1.3m) paid upfront by way of pro forma and stage payments to suppliers for the long lead time items required on our build projects.

Amounts recoverable from employees relate to Employer's NIC on share options where, under the terms of the offer, staff will cover this cost upon exercise and other payroll benefits that involve upfront payment by the Group before recovery from the employee.

Other receivables include indirect taxes reclaimable by the Group.

R&D claims were higher at the year end as there were 2 claim years pending. This included the FY23 claim, for which further amounts were recognised during the year when we gained reasonable assurance that they would comply with the conditions attached to such a claim and monies would be receivable (see Note 4 – Change in accounting estimate).

Restricted cash balances relate to cash cover for a bank guarantee relating to a refund of Italian VAT.

Trade receivables are measured at amortised cost. Their ageing is analysed as follows:

	2025 £000	2024 £000
Less than 30 days	**107**	15,397
31-60 days	**388**	–
61-90 days	**156**	–
Greater than 91 days	**2,846**	855
	3,497	16,252

With reference to the highest trade receivable balance at the year end, the Group had a debtor concentration of 72% (2024: 58%).

Movement in expected credit loss

	2025 £000	2024 £000
Brought forward balance at 1 May	**230**	52
Impairment losses recognised	**–**	30
Movement on credit risk provision	**(119)**	148
Balance at 30 April	**111**	230

Our payment terms with customers are generally 30 to 60 days so items falling beyond those terms are chased up and monitored for potential default. A specific expected credit loss may arise.

The movement on the expected credit loss provision in the year recognises a potential loss of 1% on the Group's trade receivable and accrued sales income balances.

19. Cash and cash equivalents

Accounting policy:

Cash and cash equivalents comprise cash in hand and on demand deposits, as well as other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

	2025 £000	2024 £000
Cash and cash equivalents	**207,041**	230,348

The Directors consider that the carrying amount of these assets approximates to their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

20. Trade and other payables

Accounting policy:
Trade and other payables are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. These financial liabilities are recorded initially at fair value and subsequently measured at amortised cost. A financial liability is derecognised only when the obligation is discharged, cancelled or expires.

	2025 £000	2024 £000
Trade payables	**2,328**	8,818
Other payables	**3,558**	–
Other taxation and social security	**734**	636
Accruals	**5,955**	3,412
Deferred sales income	**64,176**	51,811
Deferred grant income	**3,613**	3,613
	80,364	68,290

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Tighter controls on spending and prompt payment, together with timings of purchases have contributed to the lower value of trade payables at the year end.

Other payables contains an amount awaiting refund to a customer.

As discussed in Note 17, the increase in deferred sales income is due to the time taken to satisfy the performance obligations, and therefore reach the determined point in time for revenue recognition, under IFRS 15 Revenue from Contracts with Customers.

21. Provisions

Accounting policy:
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle that obligation, and that a reliable estimate can be made of the amount of that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Group's obligation.

Estimation uncertainty:
Management has particularly considered the following in relation to key estimates:

Warranty provisions are based on management's current best estimate of the potential costs involved in diagnosing and correcting faults and the likelihood of such faults occurring during the warranty period. These assumptions are built upon our ongoing assessment of the performance of our products and their components both in the field and in our testing facilities. They are reviewed and revised as more information becomes available. If it becomes known that additional work is required, then the provision is extended. Risks around this judgement are high given the limited data ITM Power has available, and the potentially large values involved in making warranty repairs, particularly if stack components require replacement. The assumptions made for the warranty provision are based on field data from older generation stacks, adjusted to take account of product improvements that have been implemented since the older generation stacks were built. However, should the new generation stacks currently in production deliver none of these forecasted improvements then warranty costs may cost approximately a further £13.8m for the projects installed or contracted at year end, which would be charged to the income statement, and split across provisions for warranty or contract loss depending on whether the plant had achieved handover to a customer. Other variables include timing and efficiency of planned process optimisations, recoverability of parts and precious metals, visits and delivery costs to site, and whether any efficiencies can be found from resolving more than one issue per visit.

A provision for onerous contracts (contract losses) has been recognised in line with the requirements of IAS 37, given the expected costs to complete projects exceeding the headroom in contracted sales values. Cost forecasts produced by project managers are monitored on a monthly basis to ensure that such potential losses are recognised immediately in the accounts. As quotes are finalised with suppliers these estimates may fluctuate but the provision will be adjusted accordingly and ultimately used to offset the future costs of the project as it nears completion. Furthermore, the Group tracks risks and opportunities of each project. This gives a potential cost and likelihood for active risks and has been reviewed by management at year end to determine if any additional contingency should be recognised on projects. All projected costs reflect the current technology and production processes currently implemented in the business.

Due to the location or the first of a kind nature of certain contracts there are inherent uncertainties in estimating the forecast cost to complete, which presents the possibility of a range of possible outcomes. Management has assessed the range of possible outcomes and determined the provision based on the estimated value on the weighted probability. If the probability increases by 10%, the impact on contract loss provision would be £1.7m (FY24 £1.3m). A sensitivity analysis was also performed on the future costs. If forecasted costs were to increase by 10%, the provision would need to increase by £5.2m (2024: £9.4m).

	Leasehold property provision £000	Warranty £000	Provision for contract losses £000	Other provisions £000	Share option provision £000	Total provisions £000
Balance at 1 May 2023	(896)	(3,854)	(42,630)	(5,326)	(215)	(52,921)
Provision created in the year	(213)	(344)	(10,734)	(4,524)	(261)	(16,076)
Use of the provision	–	–	27,695	–	71	27,766
Release in the year	–	767	5,817	2,578	–	9,162
Balance at 30 April 2024	(1,109)	(3,431)	(19,852)	(7,272)	(405)	(32,069)
Provision created in the year	**(66)**	**(321)**	**(1,194)**	**(1,497)**	**(37)**	**(3,115)**
Transfer between provisions	**–**	**(1,139)**	**1,139**	**–**	**–**	**–**
Use of the provision	**–**	**26**	**5,271**	**–**	**21**	**5,318**
Release in the year	**–**	**1,020**	**2,339**	**1,493**	**–**	**4,852**
Balance at 30 April 2025	**(1,175)**	**(3,845)**	**(12,297)**	**(7,276)**	**(421)**	**(25,014)**
In the balance sheet:						
Expected within 12 months (current)	**–**	**(107)**	**(6,158)**	**(4,610)**	**(421)**	**(11,296)**
Expected after 12 months (non-current)	**(1,175)**	**(3,738)**	**(6,139)**	**(2,666)**	**–**	**(13,718)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

21. Provisions continued

Estimation uncertainty: continued

The leasehold property provision represents management's best estimate for the dilapidations work that may be required to return our leased buildings to the landlords at the end of the lease term. In a prior year we recognised a dilapidations provision for the present value of the cost of works quoted by our Employer's Agent for stripping our current factory building back to the original condition at handover from the landlords. The discounting will continue to amortise over the remaining 11 years of the lease. Although we have taken on the lease of the unit next door last year, no provision for dilapidations has yet been recognised; this is due to work having yet to be undertaken for the fit-out of the unit.

The warranty provision represents management's best estimate of the Group's liability under warranties granted on products, based on knowledge of the products and their components gained both through internal testing and monitoring of equipment in the field. As with any product warranty, there is an inherent uncertainty around the likelihood and timing of a fault occurring that would trigger further work or part replacement. Warranties are usually granted for a period of one year, although two-year warranties are the standard within some jurisdictions.

The provision for contract losses is created when it becomes known that a commercial contract has become onerous. The provision is based on best estimates and information known at the time to ensure the expected losses are recognised immediately through profit and loss. The effects of discounting on non-current balances were not deemed to be material. The increase on the provision in the current year is due to a number of factors including changes of scope to projects, additional on-site engineering works, increased energy and labour costs due to extended stack testing times and updating costs for the effects of inflation since the original quote to the customer. The increase in the year is allocated against two projects. This provision will be used to offset the costs of the project as it reaches completion in future periods. Contract loss provisions are recognised as greater than one year based on the expected completion of the contract.

Provision is also made, in other provisions, at the point when project forecasts suggest that the contractual clauses for liquidated damages might be triggered for late delivery on contracts with customers. The release in the year is attributable to renegotiations of contract terms. The provision also represents management's best current estimate of monies that could be refundable to grant bodies for non-completion of works.

The share option provision provides for both deferred bonus awards (before share options are awarded) and Employer's NIC due on all share options as they exercise.

22. Lease liability

Accounting policy:

At inception of a contract, the Group assesses whether it conveys the right to control the use of an identified asset – and obtain substantially all of the economic benefits from use of the asset – for a period of time in exchange for consideration. In this instance the contract should be accounted as a lease.

The Group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is recognised at cost and is subsequently depreciated using the straight-line method over the lease term.

The lease liability is initially measured at the present value of the lease payments and discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Group's incremental borrowing rate or best estimate of the same. The lease liability continues to be measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset.

The interest charge appears with other interest at the bottom of the income statement and is the only value described above that affects profit or loss. Each liability is matched by a corresponding right of use asset, upon which depreciation is also charged to the income statement (see Note 14). The two amounts together replace the previous accounting treatment of expensing rental payments.

The Group has elected not to recognise right of use assets and lease liabilities for leases of less than 12 months and leases of low-value assets. These largely relate to short-term rentals of equipment to undertake our field activities. The Group recognises the lease payments associated with these leases, together with any property service charges and storage fees, as an expense on a straight-line basis over the lease term.

The following table describes the types of right of use asset owned by the Group and shows the movements on lease liabilities within the year:

2025	Leasehold property £000	Office equipment £000	Motor vehicles £000	Total £000
Brought forward at 1 May 2024	12,558	44	102	12,704
Additions	**–**	**–**	**467**	**467**
Disposals	**–**	**–**	**(55)**	**(55)**
Interest applied	**894**	**3**	**16**	**913**
Payments made	**(1,544)**	**(21)**	**(133)**	**(1,698)**
At 30 April 2025	**11,908**	**26**	**397**	**12,331**
Split:				
Within 1 year	**1,532**	**18**	**157**	**1,707**
2-5 years (inclusive)	**6,626**	**11**	**272**	**6,909**
Over 5 years	**9,483**	**–**	**–**	**9,483**
Less:				
Future finance charges	**(5,733)**	**(3)**	**(32)**	**(5,768)**
Present value of lease obligations	**11,908**	**26**	**397**	**12,331**
In the balance sheet:				
Due within 12 months (current)	**682**	**16**	**139**	**837**
Due after 12 months (non-current)	**11,226**	**10**	**258**	**11,494**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

22. Lease liability continued

Accounting policy: continued

2024	Leasehold property £000	Office equipment £000	Motor vehicles £000	Total £000
Brought forward at 1 May 2023	7,712	52	45	7,809
Adjustments	(18)	–	5	(13)
Additions	5,847	8	111	5,966
Interest applied	584	3	3	590
Payments made	(1,567)	(19)	(62)	(1,648)
At 30 April 2024	12,558	44	102	12,704
Split:				
Within 1 year	1,508	20	44	1,572
2-5 years (inclusive)	5,963	29	63	6,055
Over 5 years	11,075	–	–	11,075
Less:				
Future finance charges	(5,988)	(5)	(5)	(5,998)
Present value of lease obligations	12,558	44	102	12,704
In the balance sheet:				
Due within 12 months (current)	616	17	45	678
Due after 12 months (non-current)	11,942	27	57	12,026

Adjustments refer to foreign exchange movements and contracts that have changed their length of duration or their value during the year, e.g. following a rent review or a change in decision regarding potential break clauses. Currently, we are recognising all leases at their full term.

Total lease payments for capitalised leases and short-term leases were £1.9m (2024: £2.3m).

23. Called up share capital and reserves

Accounting policy:
An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Called up, allotted and fully paid (ordinary shares of 5p each)	Number of shares	£000
At 1 May 2024	616,979,323	30,849
Share options exercised	391,666	20
At 30 April 2025	**617,370,989**	**30,869**

Holders of ordinary shares have voting rights at General Meetings in proportion with their shareholding.

The share premium account represents the amount paid in excess of the nominal value when shares are issued.

The merger reserve arose on the acquisition of ITM Power (Research) Limited in 2004.

The foreign exchange reserve arises upon consolidation of the foreign subsidiaries in the Group and accounts for the difference created by translation of the income statement at average rate compared with the year-end rate used on the balance sheet as well as the effect of the change in exchange rates on opening and closing balances.

The Group's other reserve is retained earnings which represents cumulative profits or losses, net of any dividends paid and other adjustments.

24. Share-based payments

Accounting policy:
The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed in profit or loss on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The Group also recognises a provision for Employer's National Insurance Contributions (NIC) that becomes payable on the exercise of share options granted under the Group's non-tax advantaged share plans, to the extent that the liability has not been transferred to the employees. Where a liability is due, the provision has been calculated using the intrinsic value of the share option which is the difference between the Group's share price at the balance sheet date and the exercise price. The actual amount of Employer's NIC that will be payable will be determined on the difference between the exercise price and Group's share price at the date of exercise. For share options that have not vested, the provision for Employer's NIC is calculated on the same basis and is accrued over the vesting period.

For options granted prior to 2020, the Group has agreed that settlement of the Employer's NIC liability arising on gains made on the exercise of unapproved share options be capped at the exercise price of the options. Any excess liability for Employer's NIC would be recovered from the option holder. For option grants from 2020, the employees have agreed to pay any Employer's NIC liability that is due on exercise of their options. As such a separate reimbursement asset is recognised for this recoverable amount.

The Group operates a number of share schemes to provide employees and third parties with the opportunity to acquire a proprietary interest in the Group as an incentive to attract and retain their services as follows:

- an all-employee Share Incentive Plan (referred to as the Buy As You Earn or BAYE scheme);
- an Unapproved Share Option Plan, under which Group employees can be granted share options; and
- a Long Term Incentive Plan (LTIP) under which Group employees can be granted share options or conditional share awards.

Share Incentive Plan

In FY21, the Company implemented a new Share Incentive Plan (the "BAYE scheme"), which is available to all eligible UK Group employees. Employees can contribute up to £150 per month to acquire partnership shares, which are purchased or allotted monthly. The Group currently matches employee contributions, awarding matching shares on a one-for-one basis.

At 30 April 2025 the trustees of the SIP held 1,203,810 ordinary shares (2024: 693,200) in ITM Power plc, of which 1,193,871 (2024: 689,938) have been conditionally awarded to employees and 9,939 (2024: 3,262) remain unallocated.

The Group recognised a charge of £109,000 in relation to this scheme in 2025 (2024: £113,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. Share-based payments continued

Unapproved Share Option Plan and LTIP

In 2010 the Company introduced an Unapproved Share Option Plan to be applied to subsequent issues of share options. Under the scheme rules the exercise price is deemed to be the mid-market price of shares on the London Stock Exchange AIM market at the close of trading on the day before the grant of the share options. Share options vest over a period of three to five years and are exercisable up to the 10th anniversary of the grant. As a general rule, unexercised awards granted to participants who leave employment, both pre- and post-vesting, will be forfeited. In the event a participant leaves as a result of a qualifying reason, they retain vested but unexercised share options but forfeit unvested share options.

The Unapproved Share Option Plan was replaced by a Long Term Incentive Plan in 2020. The exercise price for awards granted to date has been set at the nominal value for shares. Share options vest, subject to the achievement of performance conditions set at grant, over a period of three years and are exercisable up to the 10th anniversary of the grant. As a general rule, awards granted to participants who leave employment prior to vesting will be forfeited. In the event a participant leaves as a result of a qualifying reason, they receive a pro rata entitlement.

A more comprehensive description of the different schemes can be found within the Remuneration Report.

Movements within the year on the share option plans (including unapproved and LTIP options) were as follows:

	2025		2024	
	Number	**Weighted average exercise price**	Number	Weighted average exercise price
Outstanding at the beginning of the year	**6,346,148**	**15p**	5,129,365	20p
Granted during the year	**7,233,904**	**5p**	2,850,798	5p
Exercised during the year	**(391,666)**	**30p**	(488,668)	33p
Lapsed during the year	**(808,068)**	**6p**	(1,145,347)	5p
Outstanding at the end of the year	**12,380,318**	**9p**	6,346,148	15p
Exercisable at the end of the year	**2,295,616**	**29p**	5,307,798	17p

The options outstanding at 30 April 2025 had an exercise price in the range of 5p to 48p and a weighted average remaining contractual life of eight years.

In the current year, the fair value of options issued was measured using a combination of the Monte Carlo options pricing model and the Black Scholes model as options were split 40% based on total shareholder return (TSR) performance conditions and 60% based on non-market performance conditions. Wherever share options include a TSR performance condition, IFRS 2 requires the use of a model that can take into account the likelihood of the performance condition being achieved (hence the use of the Monte Carlo model) but for non-market-based performance conditions, the Black Scholes model suffices.

The weighted average fair value of those options granted during the year was calculated as 25p.

The assumptions used in the models are as follows:

Weighted averages	**2025**	2024
Share price	**36p**	64p
Exercise price	**5p**	5p
Expected volatility	**55.2%**	74.7%
Expected dividend yield	**0%**	0%
Expected life	**3.0 years**	3.0 years
Risk-free rate	**4.27%**	4.5%

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility was determined by calculating the historical volatility of the Company's shares over a period in line with the expected term of the options.

The Group has recognised a share-based payment expense for the year, made up of the following elements:

	2025 £000	2024 £000
Share-based payment expense (as seen through equity)	**980**	92
Less deferred bonus award transferred from provisions	**(74)**	–
Adjusted for release against former subsidiary	**10**	–
Purchase of partnership shares under the BAYE scheme	**109**	113
Deferred bonus scheme	**92**	74
Movement on provision for Employer's NIC on potential gain	**(64)**	(130)
	1,053	149

The full share-based payment charge is shown within staff costs on the income statement.

Deferred Bonus Scheme

Executive Directors have been granted a deferred bonus in addition to the usual bonus provisions. The value, based on similar performance criteria to their cash bonus, will be confirmed by the Remuneration Committee in July but withheld for a period of two years. If a Director ceases to be employed by the Group within this period, the rights will be forfeited.

The deferred bonus has been accounted as an equity-settled share-based payment under IFRS 2, over three years (the performance year and two subsequent years for the employment condition).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

25. Notes to the cash flow statement

	2025 £000	2024 £000
Loss from operations	**(54,541)**	(38,011)
Adjustments:		
Depreciation	**4,927**	4,008
Share-based payment (through equity)	**980**	92
Net exchange differences	**(80)**	176
(Gain)/loss on disposal of non-current assets	**(10)**	126
Impairment	**–**	1,417
Amortisation	**2,454**	1,921
Operating cash flows before movements in working capital	**(46,270)**	(30,271)
Decrease/(increase) in inventories	**14,408**	(11,577)
Decrease/(increase) in receivables	**7,808**	(9,219)
Increase in payables	**12,074**	22,209
Decrease in provisions	**(7,121)**	(21,056)
Cash used in operations	**(19,101)**	(49,914)
Interest paid	**(919)**	(605)
Income taxes paid	**–**	(62)
Net cash used in operating activities	**(20,020)**	(50,581)

26. Net cash reconciliation

	Lease liabilities £000	Cash £000	Total £000
Net (debt)/cash as at 1 May 2023	(7,809)	282,731	274,922
Adjusted	13	(174)	(161)
Cash flows	1,648	(52,267)	(50,619)
Acquisition – leases	(5,966)	–	(5,966)
Other changes – interest expense	(590)	58	(532)
Net (debt)/cash as at 30 April 2024	(12,704)	230,348	217,644
Adjusted	**(1)**	**–**	**(1)**
Cash flows	**1,698**	**(23,339)**	**(21,641)**
Acquisition – leases	**(467)**	**–**	**(467)**
Disposal – leases	**55**	**–**	**55**
Other changes – interest expense	**(912)**	**32**	**(880)**
Net (debt) / cash as at 30 April 2025	**(12,331)**	**207,041**	**194,710**

27. Capital commitments

The Group had capital commitments of £4.0m at the balance sheet date; these include £2.2m of open purchase orders relating to the fit-out of Unit 3 Bessemer Park and the power upgrade (2024: £4.2m, including fit-out of Unit 3 Bessemer Park and the power upgrade of £3.3m).

28. Contingent liability

Receipt of government grants

The Group participates in a number of grant funded projects. Income is recognised in the accounts as receivable based on the grant contract and the levels of expenditure incurred on the project. It is claimed periodically according to a timetable laid down by each coordinator. The claims are audited before any money is awarded. However, grants are ultimately funded by government or EU institutions and can be subject to further scrutiny at later dates. This leaves grant income in the accounts subject to potential recall.

Management does not know which grants will be subject to such audit nor the time that they are likely to arise and as such would be unable to quantify the potential financial impact of any subsequent recall of funds. To the best of its knowledge, claims are made for expenditure agreed ahead of any project undertaking and in accordance with grant procedure.

29. Financial instruments

Capital risk management

The current capital risk management objective is to ensure that the existing pipeline continues to be delivered in line with cash management expectations.

The capital risk management landscape has not materially changed in the last year; the Group continues to manage large cash reserves gained through past fundraises and has no loans or other debt instruments.

Externally imposed capital requirement

During the year the Group was not required to comply with any externally imposed capital requirements.

Categories of financial instruments

Financial assets – amortised cost	2025 £000	2024 £000
Financial asset at amortised cost	**526**	400
Cash and cash equivalents	**207,042**	230,348
Trade receivables (excluding IFRS 9 impairment)	**3,497**	16,252
Restricted cash balances	**1,312**	757
Other receivables	**5,665**	4,768
	218,042	252,525

The financial asset at amortised cost sits under non-current assets in the balance sheet and relates to the security deposits on our leasehold properties at Bessemer Park, including a deposit relating to the substation for the power upgrade in the current year.

The rest of the Group's financial assets consist of cash or cash equivalents and receivables that are largely due from large organisations with a strong credit history. ITM Power PLC does not consider there to be undue risk associated with receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

29. Financial instruments continued

Categories of financial instruments continued

Financial liabilities – amortised cost	2025 £000	2024 £000
Trade and other payables	**5,886**	8,818
Accruals	**5,955**	3,412
Lease liabilities	**12,331**	12,704
	24,172	24,934

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

2025	Within 1 year £000	2-5 years (inclusive) £000	Over 5 years £000	Total payable £000
Trade and other payables	**5,886**	**–**	**–**	**5,886**
Lease liabilities	**1,707**	**6,909**	**9,483**	**18,099**
	7,593	**6,909**	**9,483**	**23,988**

2024	Within 1 year £000	2-5 years (inclusive) £000	Over 5 years £000	Total payable £000
Trade and other payables	8,818	–	–	8,818
Lease liabilities	1,572	6,056	11,075	18,703
	10,390	6,056	11,075	27,521

The carrying value of all other financial instruments at 30 April 2025 and 30 April 2024 approximated to their fair value.

Financial risk management objectives and policies

The Group's Finance function monitors and manages the financial risks relating to the operations of the Group. The Group's activities expose it primarily to the financial risks of changes in interest rates.

The Group seeks to minimise the effects of these risks. The Group's policies approved by the Board of Directors provide written principles on interest rate risk and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed on a continuous basis.

The treasury activities are reported to the Group's Board as required.

Liquidity and interest risk management

The Group is exposed to the interest rate risks associated with its holdings of cash and cash equivalents and short-term deposits.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which regularly monitors the Group's short, medium and long-term funding, and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties.

The credit risk of liquid funds (cash, cash equivalents and short-term deposits) is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Management has put some of the funds on fixed-term deposit and in a money market account where they can generate interest. The funds have also been split between different banking institutions.

Sales invoices are expected to be paid within 30 to 60 days under our usual contractual terms. At the year end, there were receivables totalling £3.0m (2024: £0.8m) that were overdue but considered fully recoverable. Where payment has been delayed, this is due to a dispute regarding the exact details of a milestone. However, this can usually be resolved through dialogue and provision of additional information to the customer. Over 40% of these overdue balances have already been received post-year end. Most of our sales income is subject to contractual terms that would limit the potential impact of default.

Given the increasing volumes of raw materials and inventory required to fulfil our contracts, more frequent credit checks have been performed and bank guarantees sought from some suppliers where upfront payments were made.

Foreign currency risk management

The Group manages cash balances in Australian and US Dollars, Euros and Pounds Sterling but also receives and spends money in different currencies. As such, the Group has exposure to foreign exchange variation. Management keeps under review the need for hedging opportunities with regard to capital risk management and will look to use bulk purchases or forward contracts as a means of mitigating exposure to exchange rate volatility on long-term purchase contracts. The intention is to try to "lock in" a budget rate that will help to ensure more reliable forecasting of costs and therefore a more controlled return on contracts.

During the year, net foreign exchange movements in the income statement amounted to £124,000 loss (2024: £307,000 loss).

The Group's currency exposure at year end comprises the monetary assets and monetary liabilities that are not denominated in the functional currency of the operating unit involved. The Group's exposure to currency risk predominantly arises on trade (transactions with both suppliers and customers) in a variety of locations and denominated in currencies other than the functional currency of the operating unit excluding intercompany balances.

These exposures were as follows:

		Liabilities		Assets	
		2025 £000	2024 £000	2025 £000	2024 £000
EUR	(i)	**469**	250	**45**	3,144
USD	(ii)	**1,363**	1,290	**–**	9
SEK	(iii)	**–**	144	**–**	–
AUD	(iv)	**11**	5	**9**	7
		1,843	1,689	**54**	3,160

(i) This is mainly attributable to the exposure to outstanding Euro to Pound Sterling receivables and payables in the Group at the balance sheet date.

(ii) This is mainly attributable to the exposure to outstanding US Dollar to Pound Sterling receivables and payables at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

29. Financial instruments continued

Foreign currency risk management continued

(iii) This is mainly attributable to the exposure to outstanding Swedish Krona to Pound Sterling receivables and payables at the balance sheet date.

(iv) This is mainly attributable to the exposure to outstanding Australian Dollar to Pound Sterling receivables and payables at the balance sheet date.

Foreign currency sensitivity analysis

The Group did not hedge its exposure of foreign investments held in foreign currencies.

The table below assumes an increase/decrease of 10% in the Euro to Pound Sterling exchange rate, the US Dollar to Pound Sterling exchange rate and the Australian Dollar to Pound Sterling exchange rate.

The sensitivity analysis is based on the subsidiaries' profit or loss for the year.

	EUR impact		USD impact		AUD impact	
	2025 £000	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Profit or loss	**140**	50	**102**	82	**143**	(10)

If rates had been 10% higher/lower and all other variables had remained constant, loss for the year would have decreased/increased by £385,000 (2024: £122,000).

30. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Key management personnel compensation (including Directors)	2025 £000	2024 £000
Short-term employee benefits	**3,754**	2,982
Post-employment benefits	**182**	154
Share-based payment expense	**731**	308
Total costs for key management personnel	**4,667**	3,444

Directors' remuneration	2025 £000	2024 £000
Emoluments	**2,172**	2,001
Pension contributions	**119**	125
Aggregate emoluments	**2,291**	2,126

Salary figures detailed here are after salary exchange for pensions. Consequently, the pension figures are employer contributions inclusive of those salary exchange amounts. Four Directors were members of money purchase pension schemes during the year (2024: three).

Three Directors participated in the Group BAYE scheme (2024: three) and received matching shares. Four Directors participated in Long Term Incentive Plans (2024: three).

Directors did not exercise options in either the current year or the prior year.

Remuneration of the highest paid Director	2025 £000	2024 £000
Emoluments	**989**	857
Pension contributions	**55**	50
	1,044	907

More detail is provided on Directors' remuneration and share options within the Remuneration Report.

Transactions with other related parties

All related party transactions which were not intra-group have been conducted at arm's length.

In the last financial year, the Group disclosed a contingent liability around a commercial dispute. During the year, the Group reached the conclusion of the commercial dispute with Linde, leading to a payment to Linde of £13.0m. Whilst the details of the dispute remain confidential, the Directors are satisfied that all historic claim risk is now settled. We have shown these costs, together with related professional fees, as exceptional items in the income statement.

During the year, purchases from Linde/BOC Group totalled £0.8m (2024: £0.7m) with £3,000 outstanding for payment at year end (2024: £43,000). There were also milestone billings on sales contracts of £12.2m (2024: £25.2m) with £2.8m remaining outstanding at year end (2024: £13.5m).

Linde/BOC Group was represented on the Board by J Nowicki and subsequently by M von Plotho.

Balances and transactions with ILE are discussed in Note 12 – Investments.

31. Controlling party

As at the date of these accounts neither the Directors together, nor any individual shareholder, owned more than 50% of the issued share capital of the Company and hence, in the opinion of the Directors, there is no controlling party at this date.

32. Events after the balance sheet date

There are no material events that have occurred after the balance sheet date.

COMPANY BALANCE SHEET

	Note	2025 £000	2024 £000
Fixed assets			
Tangible assets	4	**–**	–
Right of use assets	5	**449**	563
Intangible assets	6	**–**	–
Financial assets	7	**41**	41
Investments	8	**24,543**	53,094
		25,033	53,698
Current assets			
Debtors	9	**522**	490
Cash at bank and in hand	10	**201,013**	225,609
		201,535	226,099
Creditors: amounts falling due within one year			
Trade and other creditors	11	**(1,466)**	(1,512)
Provisions	12	**(97)**	(115)
Lease liability	13	**(113)**	(75)
		(1,676)	(1,702)
Net current assets		**199,859**	224,397
Creditors: amounts falling due after one year			
Lease liability	13	**(353)**	(501)
Net assets		**224,539**	277,594
Capital and reserves			
Called up share capital	14	**30,869**	30,849
Share premium account	14	**542,833**	542,735
Retained loss	14	**(349,163)**	(295,990)
Shareholders' funds		**224,539**	277,594

The Company reported a loss for the financial year ended 30 April 2025 of £54.2m (2024: a loss of £159.4m). The notes on pages 100 to 103 form part of these financial statements.

The financial statements of ITM Power plc, registered number 05059407, were approved by the Board of Directors and authorised for issue on 13 August 2025.

Signed on behalf of the Board of Directors:

Amy Grey
Director
13 August 2025

COMPANY STATEMENT OF CHANGES IN EQUITY

	Called up share capital £000	Share premium account £000	Retained loss £000	Total equity £000
At 1 May 2023	30,823	542,593	(136,637)	436,779
Transactions with owners				
Issue of shares	26	142	—	168
Credit to equity for share-based payment	—	—	92	92
Total transactions with owners	26	142	92	260
Loss and comprehensive loss for the year	—	—	(159,445)	(159,445)
Total comprehensive loss	—	—	(159,445)	(159,445)
At 1 May 2024	30,849	542,735	(295,990)	277,594
Transactions with owners				
Issue of shares	**20**	**98**	**—**	**118**
Credit to equity for share-based payment	**—**	**—**	**980**	**980**
Total transactions with owners	**20**	**98**	**980**	**1,098**
Loss and comprehensive loss for the year	**—**	**—**	**(54,153)**	**(54,153)**
Total comprehensive loss	**—**	**—**	**(54,153)**	**(54,153)**
At 30 April 2025	**30,869**	**542,833**	**(349,163)**	**224,539**

The notes on pages 100 to 103 form part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. Material accounting policies

Basis of preparation

The separate financial statements of the Company are presented as required by the Companies Act 2006.

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, financial statements have been prepared in accordance with Financial Reporting Standard 101 (FRS 101) Reduced Disclosure Framework as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of non-current assets, presentation of a cash flow statement and certain related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements.

In accordance with Section 408 of the Companies Act 2006, the Company has taken the exemption from presenting the parent company's individual profit and loss account.

The financial statements have been prepared on the historical cost basis except for the remeasurement of certain financial instruments to fair value. The principal accounting policies adopted are the same as those set out in the consolidated financial statements except as noted below.

2. Critical accounting judgements and key sources of estimation uncertainty

The Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no critical judgements that the Directors have made in the process of applying the Company's accounting policies.

Key sources of estimation uncertainty

- Recoverability of investments – Note 8

3. Staff numbers and costs

	2025 Number	2024 Number
Monthly average number of persons employed	**5**	4

All employees of the Company in the year were Executive or Non-Executive Directors of the Group. Directors' remuneration is presented in Note 30 of the consolidated financial statements. Share-based payment details are presented in Note 24 of the consolidation financial statements.

4. Tangible fixed assets

Accounting policy:

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost, over an estimated useful life of three years, using the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

	Computer equipment £000
Cost	
At 1 May 2024	42
Disposals	**(23)**
At 30 April 2025	**19**
Depreciation	
At 1 May 2024	42
Disposals	**(23)**
At 30 April 2025	**19**
Net book value	
At 30 April 2025	**–**
At 30 April 2024	–

5. Right of use assets

Accounting policy:

At inception of a leasing contract, the Company assesses whether it conveys the right to control the use of an identified asset – and obtain substantially all of the economic benefits from use of the asset – for a period of time in exchange for consideration. In this instance the Company recognises a right of use asset and a lease liability at the lease commencement date.

Right of use assets are recognised at the total value of the lease payments (i.e. initial measurement of the lease liability) plus any deposit or lease payments made at or before the commencement date, less any lease incentives.

An adjustment to cost will be recognised when there is a change in the future lease payments, e.g. rent review or lease extension.

Depreciation of right of use assets is recognised over their lease term in administrative expenses.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

5. Right of use assets continued

	Leasehold property £000
Cost at 1 May 2024 and 30 April 2025	573
Depreciation	
Depreciation at 1 May 2024	10
Depreciation	**114**
Depreciation at 30 April 2025	**124**
Net book value	
Net book value at 30 April 2025	**449**
Net book value at 30 April 2024	563

6. Intangible assets

Accounting policy:
Software purchased from external companies has been recognised at cost under the heading of intangible assets. Amortisation is charged so as to write off the cost over an estimated useful life of three years using the straight-line method (in line with our policy for computer equipment) and is recognised in income.

	Software £000
Cost	
Cost at 1 May 2024	5
Disposals	**(5)**
Cost at 30 April 2025	**–**
Amortisation	
Amortisation at 1 May 2024	5
Disposals	**(5)**
Amortisation at 30 April 2025	**–**
Net book value	
Net book value at 30 April 2025	**–**
Net book value at 30 April 2024	–

7. Financial asset at amortised cost

	2025 £000	2024 £000
Security deposit	**41**	41
	41	41

The financial asset at amortised cost sits under non-current assets in the balance sheet and relates to the security deposit on our leasehold property.

8. Investments

Accounting policy:
Balances are stated at cost less any provision for impairment in value.

The Company holds 50% of the share capital of ILE, although control is deemed to lie with Linde for the purposes of consolidation as it also appoints the Managing Director, who has the casting vote at meetings of the ILE board of directors. ITM Power has significant influence due to its representation on the board. As such, ITM Power accounts for this investment in associate using the equity method. This means that the investment is originally recognised at cost, with subsequent movements to reflect ITM Power's share of the profit or loss after the date of acquisition. This share of the profit or loss is recognised in ITM Power's profit or loss. Should any adjustments be necessary for changes in proportionate interest arising from changes in ILE's other comprehensive income, ITM Power's share of those changes would be recognised in other comprehensive income. Any distributions received will reduce the carrying amount of the investment.

	Loans to subsidiary undertakings £000	Investment in subsidiary undertakings £000	Investment in associate £000	Total £000
Cost				
At 1 May 2024	19,726	319,267	53	339,046
Additions	**15,472**	**23**	**–**	**15,495**
Foreign exchange	**–**	**(22)**	**–**	**(22)**
Share options granted to subsidiary employees	**–**	**549**	**–**	**549**
50% share of loss and write down to fair value	**–**	**–**	**(5)**	**(5)**
At 30 April 2025	**35,198**	**319,817**	**48**	**355,063**
Provisions for impairment				
At 1 May 2024	12,964	272,988	–	285,952
Movement in year	**2,540**	**42,028**	**–**	**44,568**
At 30 April 2025	**15,504**	**315,016**	**–**	**330,520**
Net book value				
At 30 April 2025	**19,694**	**4,801**	**48**	**24,543**
At 30 April 2024	6,762	46,279	53	53,094

Interest is charged annually upon intercompany loan balances at a rate of 1% over the Bank of England base rate.

As in previous years, a provision for credit losses has been made in recognition that the foreign subsidiaries are loss-making and therefore unlikely to be able to repay their debt to the parent company in the near term.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

8. Investments continued

Estimation uncertainty:

In line with IAS 36 Impairment of Assets, the Company tests the net recoverable amounts of assets annually for impairment, or more frequently if there are indicators of impairment. Given that the subsidiaries are in the early stages of commercial trade and that the Company continues to support its subsidiaries as they build up trade, there are indicators of impairment.

During the year, ITM Power invested in a new German subsidiary, Hydropulse GmbH, which is currently inactive. No provision has been made against this as it was newly incorporated at the year end.

Management has considered the recoverability of its investment in the older subsidiary companies. The subsidiaries continue to trade but currently are trading at a loss, which is seen as temporary by management. The recoverable amount being the higher of each subsidiary's value in use and the fair value less cost to sell, the higher of these was determined to be fair value less costs to sell. The investment in ITM Power Germany GmbH was already written down in a prior year and there were no triggers noted for a reversal of that impairment.

ITM Power (Trading) Limited changed its name to ITM Power UK Limited during the year. This subsidiary is responsible for well over 90% of Group activities, along with the future revenue opportunities (being the only centre for R&D and the sole manufacturing entity). As such, this subsidiary contributes significantly to the market capitalisation of the Group (and parent company, listed on AIM). Therefore, the market capitalisation (level 2 input), with some adjustments (for example, the removal of an amount equivalent to the cash balance in the parent copany) to make it appropriate for the Trading entity, is an important proxy in the fair value less costs to sell assessment of the Trading subsidiary. The calculation used an average share price of 35.92p and a control premium of 20%. The average share price was taken over a two-week period from the reporting date given the share price increase noted in the period immediately after the reporting date reflecting contract wins that had not been announced at the year end but were virtually certain and therefore appropriate to take into account in the fair value valuation. In comparing the cost of the total investment with this fair value proxy there was an impairment of £42m to recognise in the current year to bring the investment back to the calculated recoverable amount of £24.5m. A sensitivity analysis was performed on the fair value less costs to sell calculation. If the average share price and control premium decreased by 10%, the impairment recognised would need to increase by £27m.

The investment in ITM Linde Electrolysis GmbH is discussed in more detail in Note 12 to the consolidated financial statements.

A full list of the Company's subsidiaries and associates as at 30 April 2025 comprises:

Name	Place of incorporation	% equity interest	Status during the year	Registered address/principal office
ITM Power (Research) Limited	England and Wales	100	Dormant	2 Bessemer Park, Sheffield S9 1DZ
ITM Power UK Limited	England and Wales	100	Active	2 Bessemer Park, Sheffield S9 1DZ
ITM Power Germany GmbH	Germany	100	Active	Kurt Schumacher Strasse 1, 35440 Linden, Germany
ITM Power, Inc.	California, USA	100	Active	2 Bessemer Park, Sheffield S9 1DZ
ITM Power US, Inc.	Delaware, USA	100	Active	1209 Orange Street, Wilmington, New Castle County, Delaware 19801
ITM Power Pty Ltd	Australia	100	Active	Shop 2, 32 Main Street, Samford Village, Queensland, Australia 4520
Hydropulse GmbH	Germany	100	Dormant	Kurt Schumacher Strasse 1, 35440 Linden, Germany
Orkney Hydrogen Trading Limited	Scotland	100	Dormant	Suite 2, Ground Floor, Orchard Brae House, 30 Queensferry Road, Edinburgh EH4 2HS
ITM Linde Electrolysis GmbH	Germany	50	Active	Bodenbacher Str. 80, 01277 Dresden, Germany

9. Debtors: amounts falling due within one year

Accounting policy:

Financial assets are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Trade and other receivables are recognised at fair value and subsequently measured at either amortised cost or fair value through profit and loss depending on their contractual characteristics.

	2025 £000	2024 £000
Prepayments	**364**	338
Amounts recoverable from employees	**55**	43
Other debtors	**103**	109
	522	490

The amounts recoverable from employees relate to the extent that Employer's NIC can be recovered when share options are exercised and will offset the provision in Note 12.

10. Cash and cash equivalents

Accounting policy:

Cash and cash equivalents comprise cash in hand, on demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

	2025 £000	2024 £000
Cash and cash equivalents	**201,013**	225,609

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

11. Trade and other creditors

Accounting policy:
Trade and other creditors are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. These financial liabilities are recorded initially at fair value and subsequently measured at amortised cost. A financial liability is derecognised only when the obligation is discharged or cancelled or expires.

	2025 £000	2024 £000
Trade creditors	**89**	152
Payroll creditors	**77**	63
Accruals and deferred income	**1,300**	1,297
	1,466	1,512

12. Provisions

Accounting policy:
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle that obligation, and that a reliable estimate can be made of the amount of that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

There is a provision for deferred bonus awards (before share options are awarded) and Employer's NIC due on equity-settled share-based payments as they exercise:

	Provision £000
Balance at 1 May 2024	(115)
Provision created in the year	**(48)**
Transfer to equity (share options issued for deferred bonus award FY24)	**53**
Release in the year	**13**
Balance at 30 April 2025	**(97)**

13. Lease liabilities

Accounting policy:
Where a lease contract is identified, the Company recognises a right of use asset and a lease liability at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments and discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Group's incremental borrowing rate or best estimate of the same. The lease liability continues to be measured at amortised cost using the effective interest method. When there is a change in the future lease payments, the lease liability is remeasured and a corresponding adjustment is made to the carrying amount of the right of use asset.

The Company has elected not to recognise right of use assets and lease liabilities for leases of less than 12 months and leases of low-value assets. Instead, the lease payments associated with these agreements would be recognised as an expense on a straight-line basis over the lease term.

The following table shows the movements on lease liabilities within the year:

	Leasehold property £000
Existing contracts at 1 May 2024	576
Additions	**–**
Interest applied	**34**
Payments made	**(144)**
At 30 April 2025	**466**
Within 1 year	**141**
2-5 years (inclusive)	**391**
Over 5 years	**–**
Less:	
Future finance charges	**(66)**
Present value of lease obligations	**466**
In the balance sheet:	
Due within 12 months (current)	**113**
Due after 12 months (non-current)	**353**

The interest charge is the only value described above that is recorded through the income statement. Each liability is matched by a corresponding right of use asset, upon which depreciation is also charged to the income statement (see Note 5).

14. Share capital and reserves

The movements on share capital and share premium accounts are disclosed in Note 23 to the consolidated financial statements.

The Company's other reserve is the profit and loss reserve which represents cumulative profits or losses, net of dividends paid and other adjustments.

15. Related party transactions

The Company has taken advantage of the exemption included in FRS 101 Related Party Disclosures for wholly owned subsidiaries not to disclose transactions with entities that are part of the Group qualifying as related parties.

The balance with ILE is shown under Note 8. Details of the investment's performance and transactions with the entity are described more fully in Note 12 to the consolidated financial statements. These were the only transactions made with that entity in the year.

GLOSSARY

Term	Meaning
AIM	the Alternative Investment Market operated by the London Stock Exchange
BAYE	ITM Power plc Buy As You Earn Plan (a SIP)
BEIS	UK Department for Business, Energy & Industrial Strategy
Board (the)	the board of directors of ITM Power PLC
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHRONOS	next-generation stack platform
CO_2	carbon dioxide
Companies Act	UK Companies Act 2006
Company (the)	ITM Power plc, registered in England and Wales number 5059407
CTO	Chief Technology Officer
EBITDA	earnings before interest, tax, depreciation and amortisation
EMI	enterprise management incentive
ESG	environmental, social and governance
EU	European Union
FAT	Factory Acceptance Testing
FEED	front end engineering design
FID	final investment decision
FTO	freedom-to-operate
FY21	the financial year ending 30 April 2021
FY22	the financial year ending 30 April 2022
FY23	the financial year ending 30 April 2023
FY24	the financial year ending 30 April 2024
FY25	the financial year ending 30 April 2025
FY26	the financial year ending 30 April 2026
GHG	greenhouse gas(es)
green hydrogen	hydrogen created solely from renewable energy and water through the process of electrolysis; this results in a clean, zero-emission fuel
grey hydrogen	the most common form of hydrogen, produced by reforming natural gas (methane); this results in substantial carbon emissions
Group (the)	the group of companies headed by ITM Power plc
GW	gigawatt (one billion watts, 10^9 watts)
HSE	health, safety and environment
IEA	International Energy Agency
ILE	ITM Linde Electrolysis GmbH, our joint venture with Linde
IP	intellectual property
LTIP	ITM Power plc Long Term Incentive Plan
Motive	Motive Fuels Limited (formerly ITM Motive Limited, our joint venture with Vitol), registered in England and Wales number 13290733
Mt	megatonne (one million tonnes)
MW	megawatt (one million watts, 10^6 watts)
NED	Non-Executive Director
NEPTUNE II	2MW containerised plug & play electrolyser system
NEPTUNE V	5MW containerised plug & play electrolyser system
NIC	National Insurance Contributions
NOMAD	nominated advisor
PEM	proton exchange membrane
PGM	platinum group metal(s)
POSEIDON	20MW module based on ITM's TRIDENT stack platform
QCA Code (the)	The Quoted Companies Alliance Corporate Governance Code 2023
R&D	research and development
RIDDOR	UK Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
SDGs	UN Sustainable Development Goals
skid	A "package" or sub-system that forms part of an electrolyser e.g. stack skid, dryer skid
SIP	share incentive plan, a type of tax-advantaged all-employee share plan offered to eligible UK employees
SMR	steam methane reformer
SOP	ITM Power plc Share Option Plan: EMI and Unapproved
stack	a stack of cells that perform electrolysis
STEM	science, technology, engineering and maths
TCFD	Task Force on Climate-related Financial Disclosures
TRIDENT	ITM's 30-bar electrolyser stack technology
TSR	total shareholder return
UK	United Kingdom
UN	United Nations
VP	Vice President
WIP	work-in-progress

OFFICERS, PROFESSIONAL ADVISORS AND USEFUL CONTACTS

Officers

Directors:
See biographies on pages 42 and 43

Executive Leadership Team:
Dennis Schulz, CEO

Dr Simon Bourne, CTO

Amy Grey, CFO

Andy Allen, VP Strategy

Tim Calver, VP Commercial

Martin Clay, VP Operations

Pedram Pazouki, VP Products & Projects

Peter Poetschacher, VP EU & Middle East

Company Secretary:
Huan Quayle

Advisors

Nominated advisor and co-broker:

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1. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK are charged at the applicable international rate. Lines are open between 09:00 and 17:30 Monday to Friday, excluding public holidays in England and Wales.

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