

# INTERIM RESULTS PRESENTATION

JANUARY 2018 | LONDON



Shell, Rheinland Refinery, Germany

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### Presentation Contents:

- What we do
- Company Snapshot and Deal Flow
- Summary of Results
- Financials
- Opportunity Pipeline Progress
- Market updates
- Corporate Developments



## CONTENTS

## HYDROGEN ENERGY SYSTEMS

# ITM POWER | WHAT WE DO

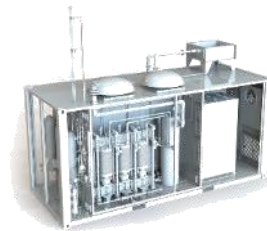
ITM Power manufactures integrated hydrogen energy systems



Renewable Electricity



Water



ITM Electrolyser



HYDROGEN



Power-To-Gas



Clean Fuel



Renewable Chemistry

# ITM POWER | WHAT WE DO

HYDROGEN ENERGY SYSTEMS

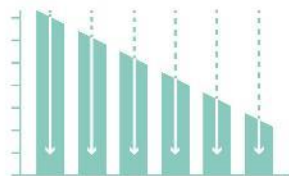
ORDERS OF  
**£28.3m**  
OVER THE CALENDAR  
YEAR 2017



DEAL BACKLOG OF  
**£41.7m**



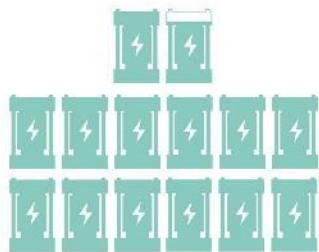
LOSSES  
**DECREASED**  
BY  
**20%**



HEAD COUNT  
**89**



WORKING  
CAPITAL  
FUNDRAISE



SOLD  
**13.9MW**  
OF UNITS IN YEAR  
UP **165%**

NEW FACTORY  
AND OFFICES  
IDENTIFIED



INCREASED  
MANUFACTURING &  
TESTING CAPACITY

**3MW**



UK BUS  
REFUELLING  
STATION  
IN BUILD

A TOTAL OF



FUEL  
CONTRACTS



**10MW**  
SALE TO SHELL  
REFINERY

## ACHIEVEMENTS IN CALENDAR YEAR 2017

HYDROGEN ENERGY SYSTEMS

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### Key Financial Results for the six months ended 31 October 2017:

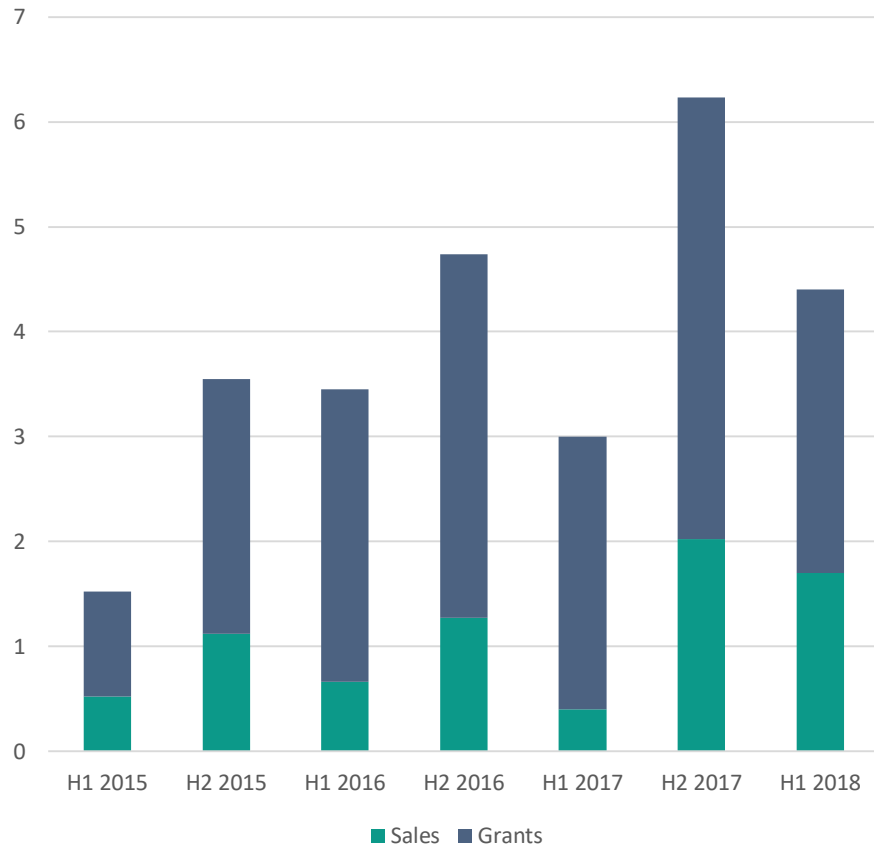
- Total income of £4.4m (2016: £3.0m), up 47%, comprising
  - Revenue - £1.7m (2016: £0.4m), up 325%
  - Grant income plus grants receivable for capital projects - £2.7m (2016: £2.6m), up 4%
- Total backlog of £37.4m (Jan-2017: £18.3m), up 103% year on year
- Tender opportunity pipeline has grown steadily and is now over £200m, reflecting strong industrial demand
- Increase in fixed assets to £5.5m (2016: £3.8m), up 139%
- Loss from operations £2.9m (2016: £2.3m), increased by 26%
- Cash balance of £27.3m at period end (2016: £1.7m)
- Debtors balances of £12.8m (2016: £9.2m), up 39%

### Corporate Development:

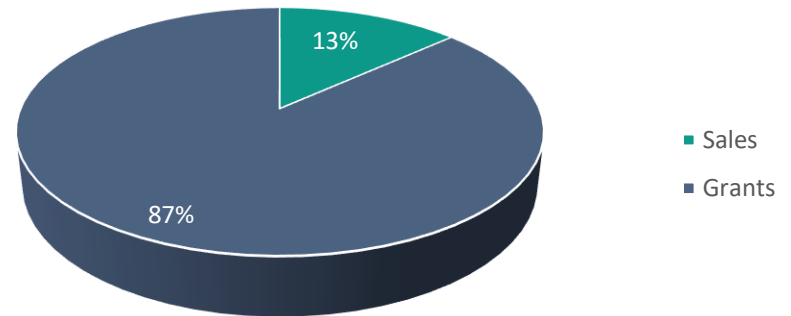
- Completion of an oversubscribed £29.4m equity fundraise
- New, larger factory premises identified and Heads of Terms agreed
- Creation of Australian subsidiary ITM Power Pty Ltd and appointment of Dr Neil Thompson as MD

# RECOGNISED REVENUE

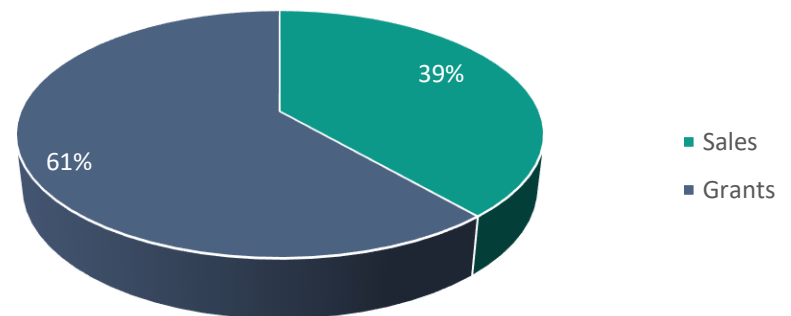
Recognised Revenue £m



## 2016 Interim results



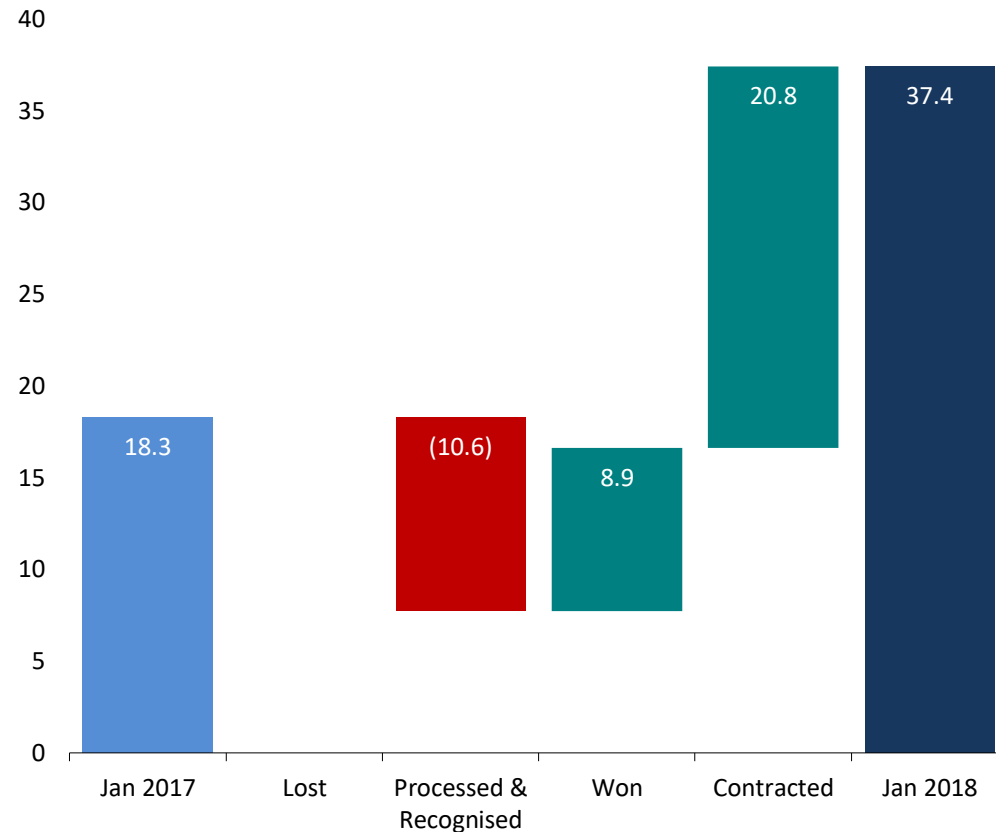
## 2017 Interim results



RECOGNISED REVENUE  
HYDROGEN ENERGY SYSTEMS

# BACKLOG

- Zero contracts lost from Backlog
- Processed and recognised: revenue recognised at stage of completion (long term contracts)
- In 12 months to January 2018, recognised revenue from 58% of all contract backlog
- Won: contract not signed but project or tender has been awarded to ITM Power
- Contracted: contracts signed in the period



Key:



Backlog reduced through delivery of contracts



Backlog Increased

## BACKLOG

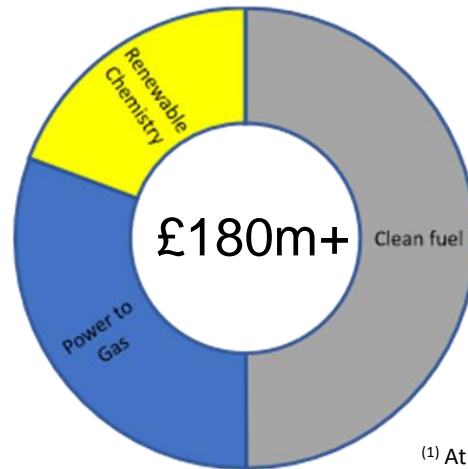
## HYDROGEN ENERGY SYSTEMS

# TENDER OPPORTUNITY PIPELINE

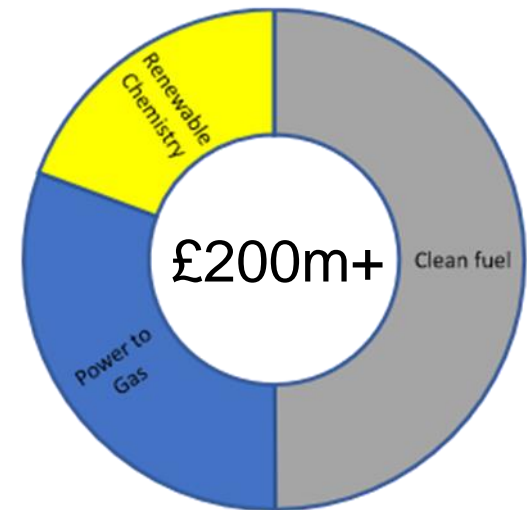
## A developing assessment and qualification process:

- Must have been tendered in the last 12 months
- Must have a project ready to go with finance in place
- Must be expected to happen within three years
- Tender opportunity pipeline is increasing
- Average contract value at £3.5m

September 2017 <sup>(1)</sup>



January 2018



<sup>(1)</sup> At the equity fund raise

## Power-To-Gas



### Power-To-Gas Storage:

- £25m UK Gov end user device funding
- UK Gov P2G feasibility study
- Shell Wessling refinery



## Clean Fuel



### Hydrogen Fuel:

- OLEV £9m funding TBA shortly
- Toyota truck and bus
- New Hyundai vehicle
- GM FC platform
- FCHU JIVE I & II bus projects
- FC buses in China



## Renewable Chemistry



### Renewable Chemistry and Refineries:

- Akzo Nobel & Gasunie; green hydrogen
- Yara: Renewable Ammonia
- Siemens and Evonik; P2L



# MARKET DEVELOPMENTS

## HYDROGEN ENERGY SYSTEMS

# AUSTRALIAN MARKET OPPORTUNITY



## Gas Vision 2050 Report:

- Published by gas industry stakeholders in Australia, this year, highlighted the enormous potential of the gas network for energy storage

**“Hydrogen is not only the most plentiful element in the universe, but is also the ultimate clean fuel”**



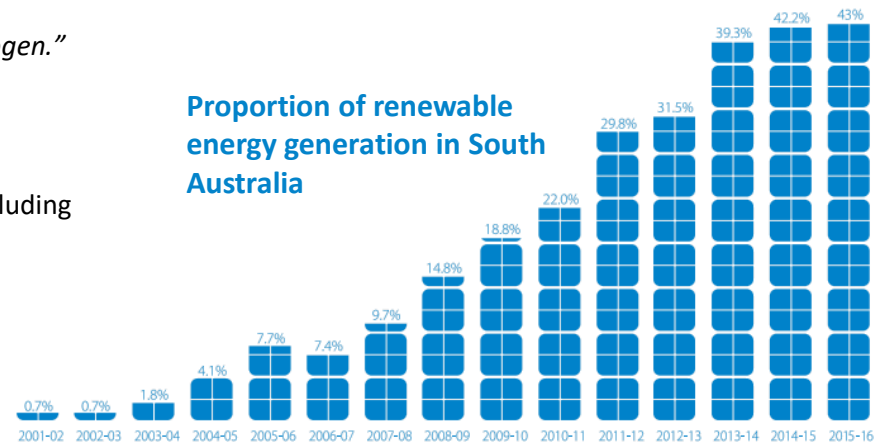
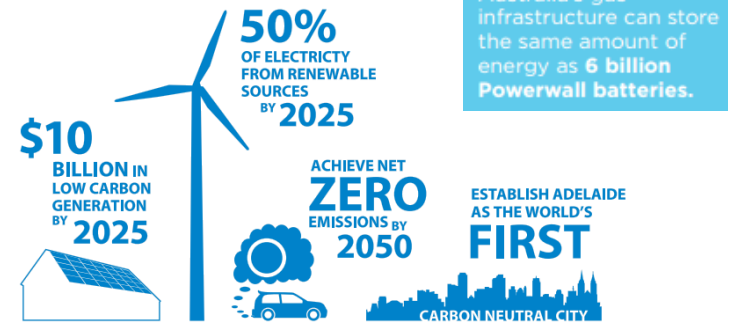
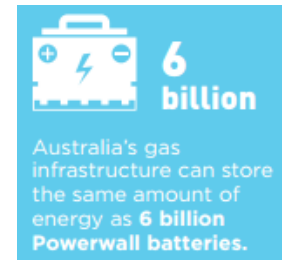
## A Hydrogen Roadmap for South Australia:

- Jay Weatherill, the Premier of South Australia said *“This nation-leading strategy sets out clear pathways to capitalise on South Australia’s competitive advantages and accelerate the State’s transition to a clean, safe and sustainable producer, consumer and exporter of hydrogen.”*



## The South Australian 2017-2018 State Budget:

- A\$150m in loans and grants to renewable projects including hydrogen storage
- A\$8.2m for the first stage of the Hydrogen Roadmap
  - Trial of six hydrogen fuel cell buses for use by Adelaide Metro
  - Support hydrogen production and refuelling infrastructure



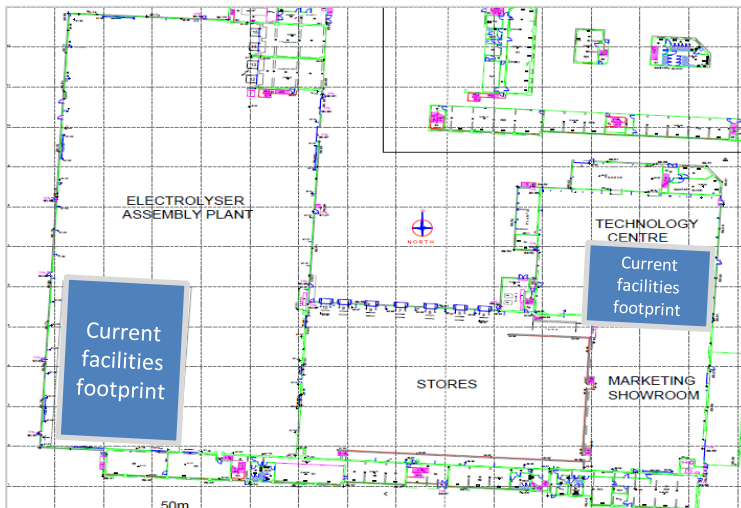
# AUSTRALIAN MARKET OPPORTUNITY

## HYDROGEN ENERGY SYSTEMS

# PROPOSED SITE

## Expansion of manufacturing capacity

- Increase of power on-site to allow testing of larger systems
- Expected benefits of operational leverage at larger capacity
- Whole company under one roof expected to create synergies
- Heads of terms agreed
- Costs in-line with expectations



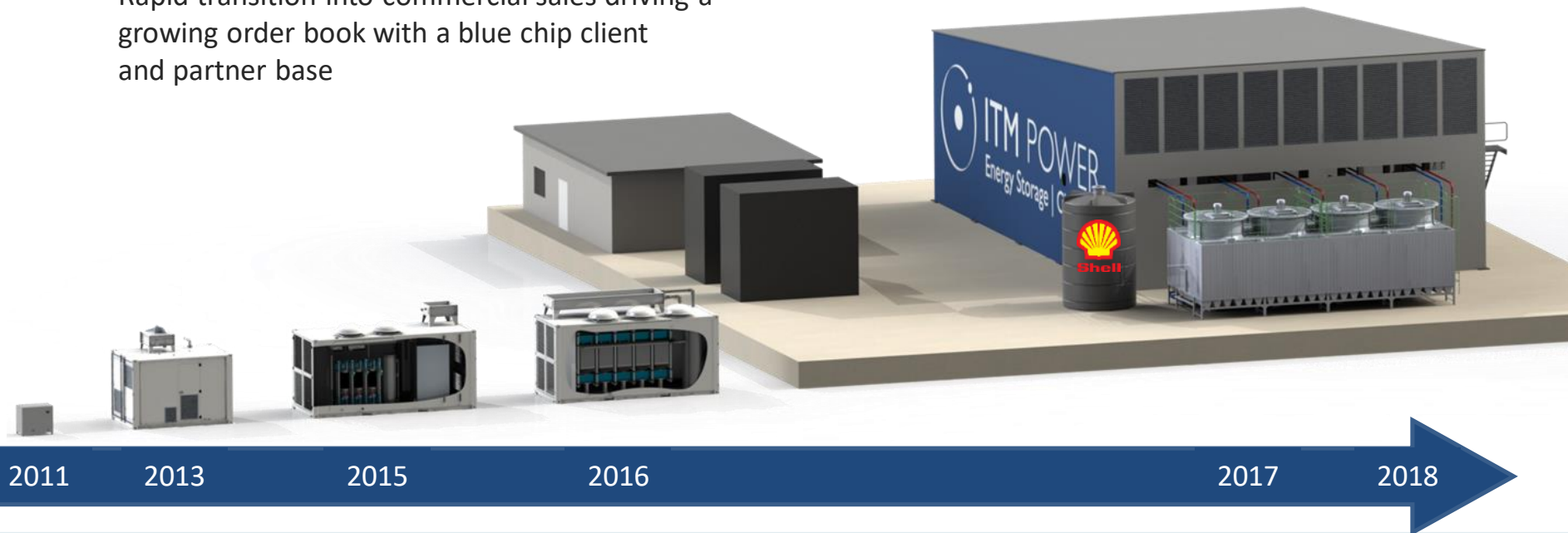
# PROPOSED SITE

## HYDROGEN ENERGY SYSTEMS

# SUMMARY

## Company and market at the tipping point:

- Accelerating global momentum in the hydrogen industry
- The potential markets for hydrogen are diverse, global and huge
- ITM Power is well placed to exploit these growing markets
- Rapid transition into commercial sales driving a growing order book with a blue chip client and partner base



# SUMMARY

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