

ITM Power | Trading Update

10th June 2021

Graham Cooley, CEO

Andy Allen, CFO



ITM Power Positioning:

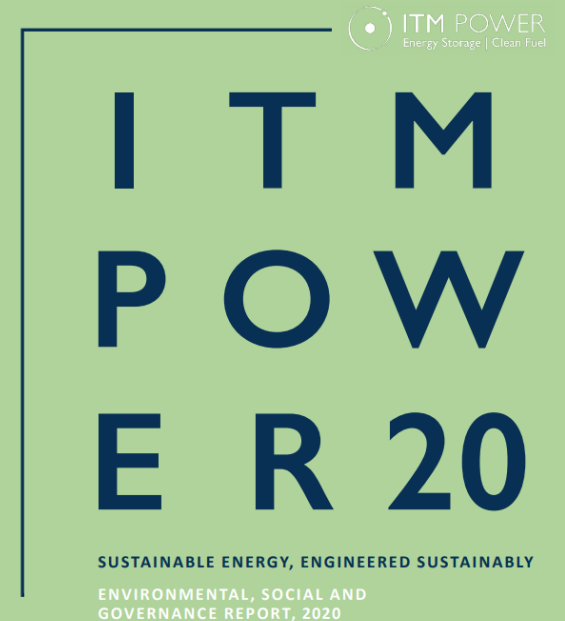
- ITM Power manufactures world leading, field-proven PEM electrolyzers
- ITM Power has the largest PEM electrolyser factory in the world

Only one net-zero fuel | green hydrogen

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



Market leader | Strong momentum | Global markets | Strong partnerships



ITM Power ESG Report | Published 8th April 2021

The Macro Market:

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

Global Macro:

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



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

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

AURORA
ENERGY RESEARCH

Hydrogen Market Attractiveness Report (HyMAR)

Summary slides for non-subscribers
11th May 2021

Net Zero by 2050

A Roadmap for the Global Energy Sector

International Energy Agency



Market leader | Strong momentum | Global markets | Strong partnerships

Key Achievements:

- Backlog: 290MW | Tender pipeline: 593MW
- Opened world's largest electrolyser factory
- Sale of a 24MW (world's largest) PEM electrolyser
- 100MW Refhyne II announced by Shell
- Rapid organizational development
- Responding to rapid market growth



ITM Power Bessemer Park | 1GW pa Capacity Electrolyser Factory



Market leader | Strong momentum | Global markets | Strong partnerships

Financial results:

- Work in Progress** of £35.4m (£21.8m) up 62% YoY constituting 43MW of electrolyzers
- Contracts backlog* of £154.0m (£52.0m) up 194% YoY constituting 290MW of electrolyzers
- Tender pipeline*** of £607m (£263m), up 131% YoY constituting 593MW | £364.2m of value to ITM Power

	4/2021	4/2020	% Change
Work in Progress*	£35.4m	£21.8m	+62%
Contracts backlog**	£154.0m	£52.0m	+194%
Tender pipeline***	£607m	£263m	+131%

*Contracted backlog

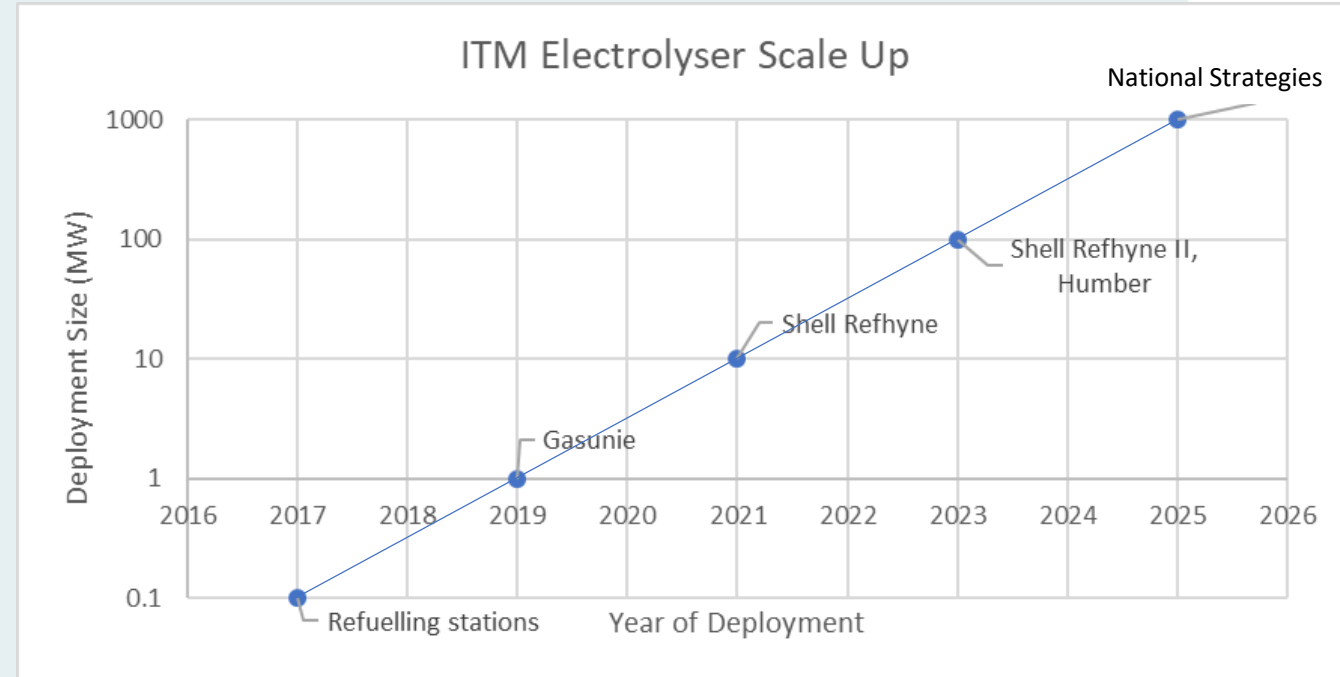
**Contracted backlog and contracts in the final stages of negotiation and preferred supplier backlog

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

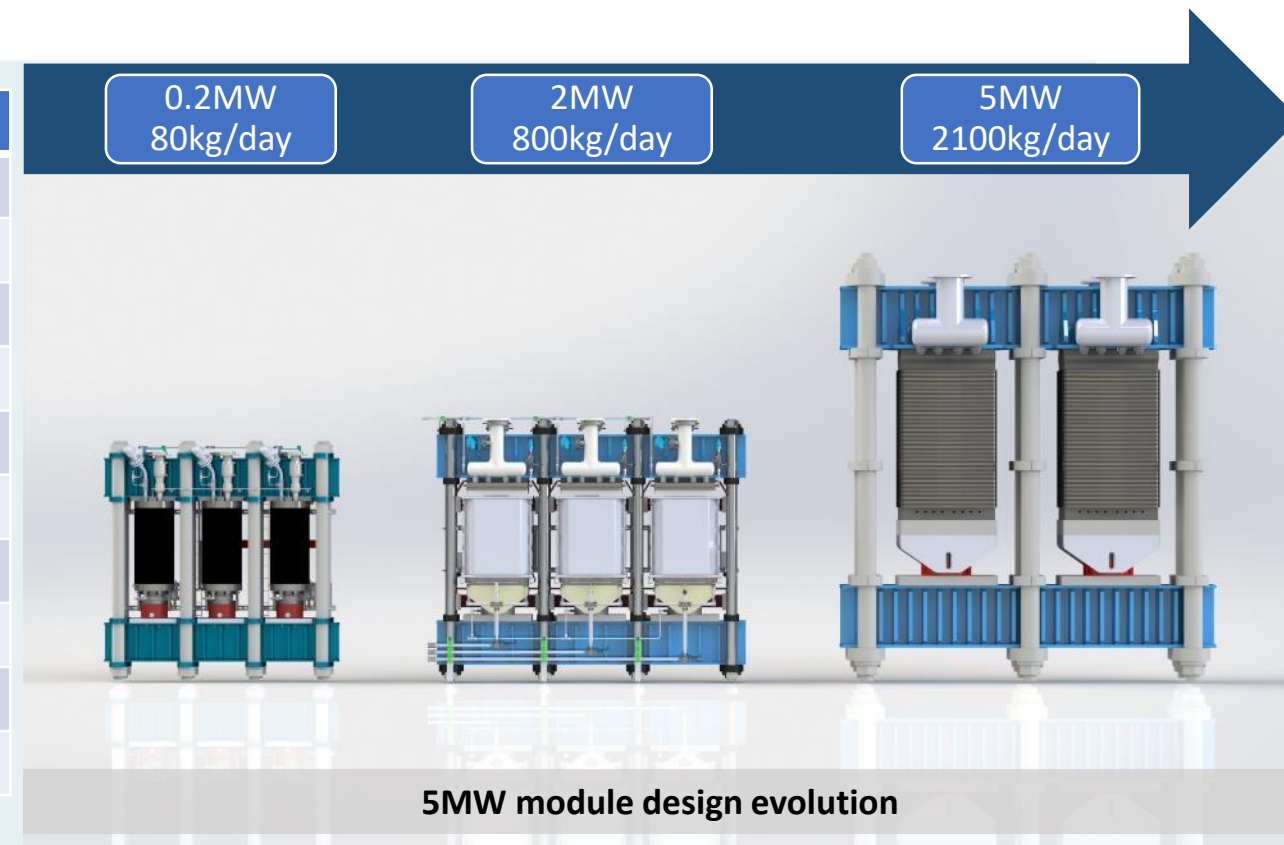
Backlog: 290MW | Tender pipeline: 593MW | Current annual capacity: 1,000MW

Delivering to emerging GW demand

- Project scale is growing rapidly
- Project scale increases 10x every two years
- Imperative to secure first mover advantage
- Fully automating core elements of product
- Planning production capacity will be critical



Metric	Area	OPEX	CAPEX	Desirability
Higher efficiency	Core tech	✓	✓	✓✓
Value engineering	Product development	✓	✓	✓✓
Higher pressure	Product development	✓	✓	✓✓
Oxygen utilisation	Product development	✓	-	✓
Global compliance	Product development	-	✓	✓
Linde Integration	Product development	-	✓	✓
Footprint reduction	Product development	-	✓	✓
Delivery lead time	Product development	-	-	✓
System availability	Core tech & After sales	-	-	✓
After sales support	Core tech & After sales	-	-	✓

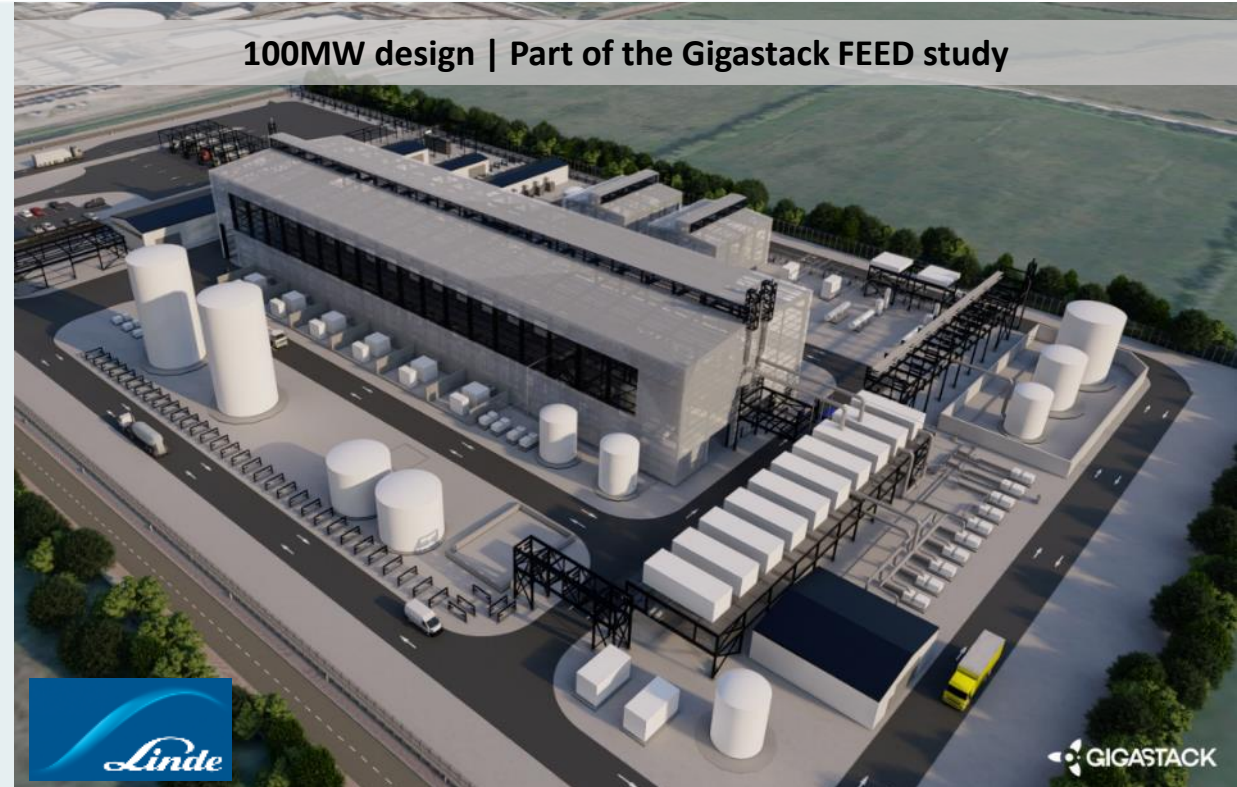


Best in class | reinforcing technology leadership



Superior offering for the XL market:

- Acceleration of 5MW stack module underway
- Market leading electrolyser performance
- Responding to the market demand for large scale
- Standardisation and modularity at scale
- Pre-engineer into 20MW packages for rapid deployment
- Exposure to larger projects faster | Minimise on site works
- 100MW Shell Refhyne II announced



Best in class | global scale



Turn Key, Full System Electrolyser Cost Reduction

- Target **50% electrolyser cost reduction** within 5 years
- Historic cost reduction has been rapid and consistent since 2018
- Based on **technology**, product **standardisation & modularisation**
- Leveraging partners (Linde) to reduce system cost
- Currently **tracking ahead of target** in 2021
- €/MW target is a function of product mix in any given year

Enablers for cost reduction:

- Manufacturing volume | Semi-automation | Procurement
- Application of technology improvements
- Provision of larger systems



<€1,000/kW today @ MW scale | <€800/kW @ 10MW | <€500/kW by mid 2020's

Strategic Partnerships Crucial to Success:

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



Market leader | Strong momentum | Global markets | Strong partnerships

Current Status:

- In production since January 2021
- Historic ITM sites closed, dilapidations complete
- Manufacturing standard products to stock to reduce lead times
- 24/7 after sales support centre established and resourced
- Capacity scalable to 1GW within 6 months
- Manufacturing processes now in-house to improve cost & quality



Production underway | GW scale blueprint developed for the future



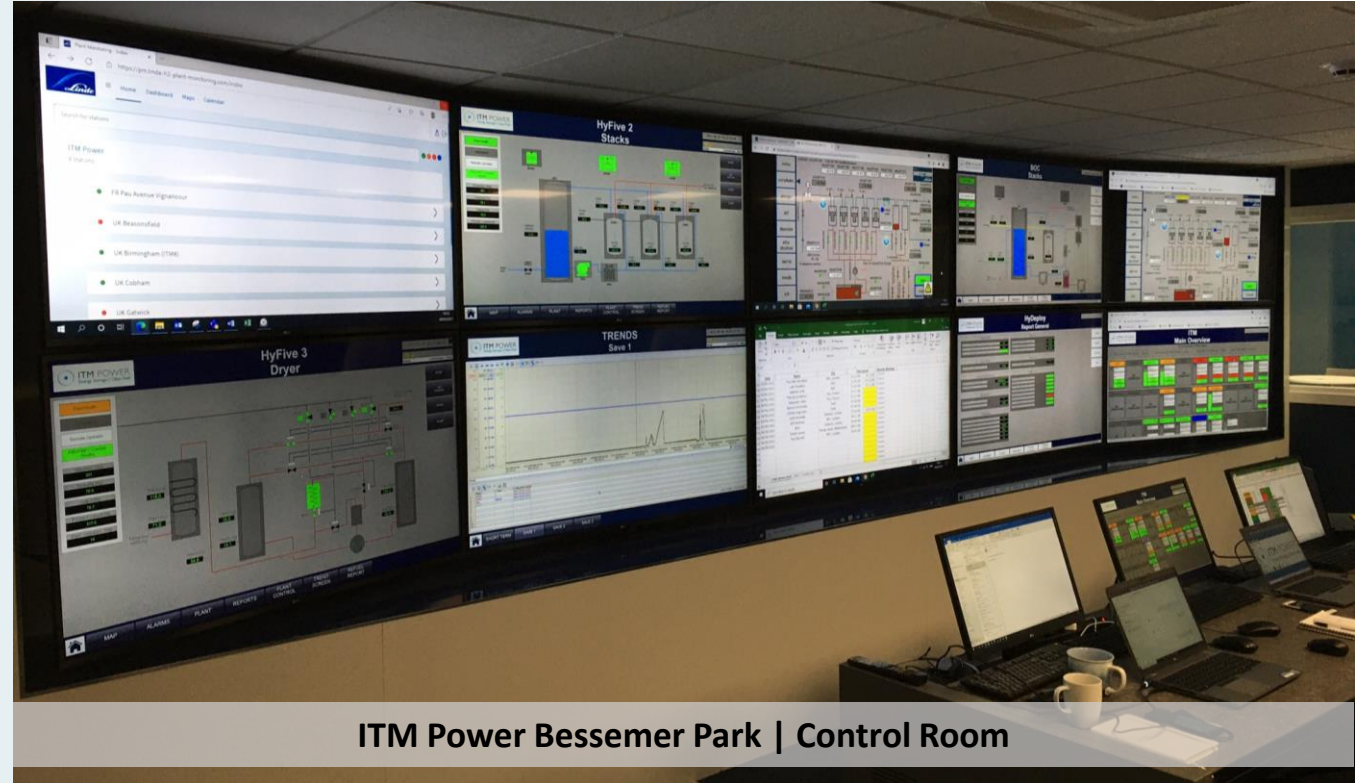
AFTER-SALES CAPABILITIES

ADDING LONG-TERM VALUE TO BUSINESS MODEL

- Service contracts providing steady, long-term revenues
- 24/7 after-sales support offering
- ITM Control Centre in Bessemer Park
- Ongoing monitoring of all products
- Repair and maintenance capabilities

Case Study | Optimal | January 2021

- Long-term commissioning, operational and maintenance support in Australia through Optimal
- Enhances project deliverability in a key market, as ITM pursues larger, multi-MW systems in Australia



ITM Power Bessemer Park | Control Room

Organisation & Corporate Development

- Operations Director | Commercial Director
- Strengthening the management team | Skill & experience
- Recently recruited 80 engineers
- Established ITM Academy | Upskill existing workforce
- Recruitment focused on global manufacture, quality and automation
- ESG focused organisation and reporting

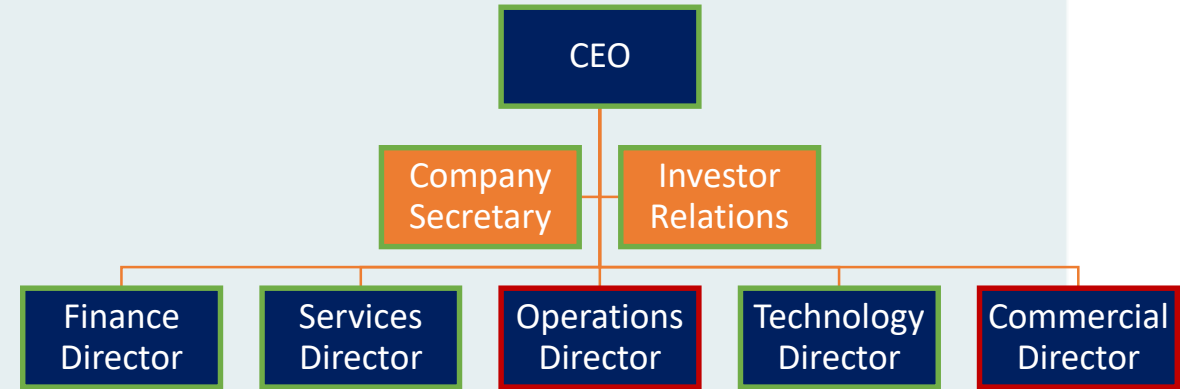


Diagram Key:

Current Exec

New Exec



Building global capability | Skills, people and partnerships

- Financial Results
- Pipelines
- Outlook



Financial results:

- Revenue of £4.0m (2020: £5.4m)
- Adjusted EBITDA loss broadly in line with expectations
- Cash of £176m at year end

Factors impacting on revenue recognition:

- Covid-19 related project delays, particularly in Australia
- Without Covid-19 restrictions revenue would have been £5.5m
- These Australian projects are expected to conclude in Q1 FY22
- The first year of the JV, ILE, resulted in sales contracts of £12.8m which were ongoing at year end, hence no revenue was recognized in the financial year



ITM Power Bessemer Park | 1GW pa Capacity Electrolyser Factory

First year of ILE GmbH | A year of transition | Covid-19 delays

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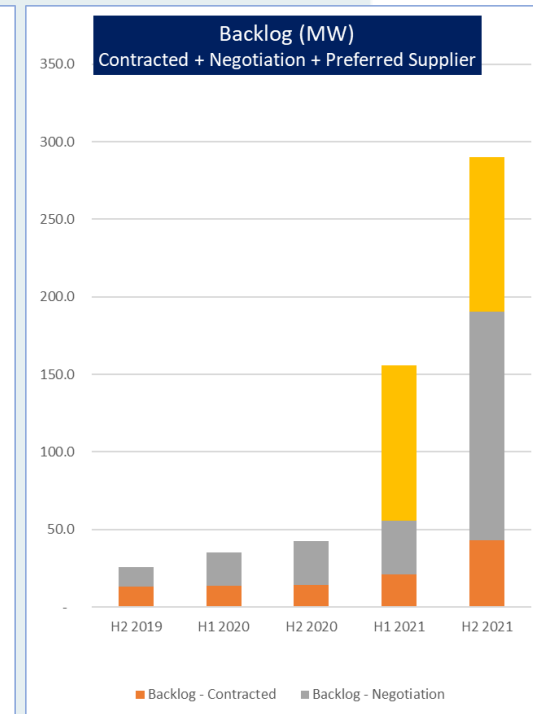
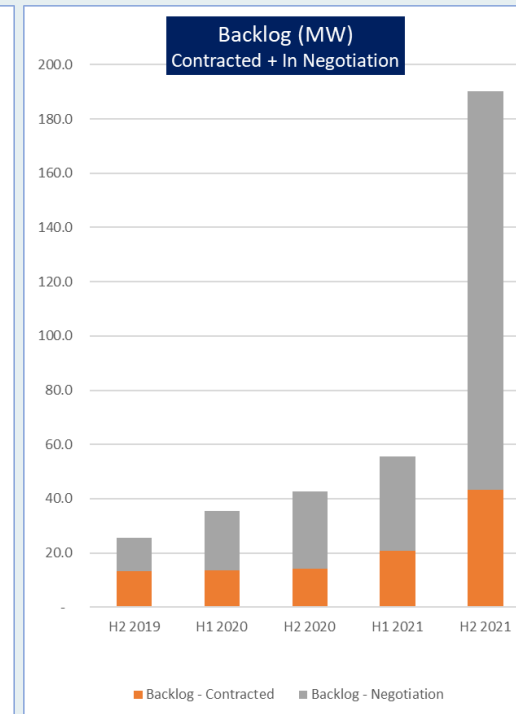
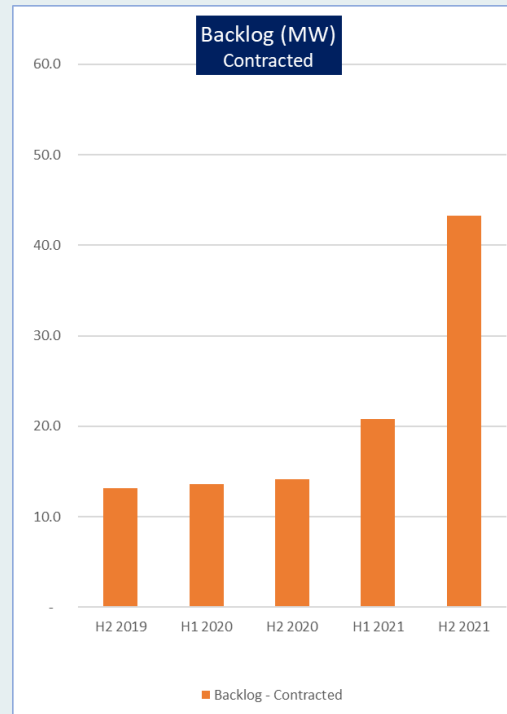
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Record Backlog:

- Total: 290MW
- Contracted: 43MW
- Negotiation: 147MW
- Preferred supplier: 100MW

Record Tender Pipeline:

- Total: 593MW



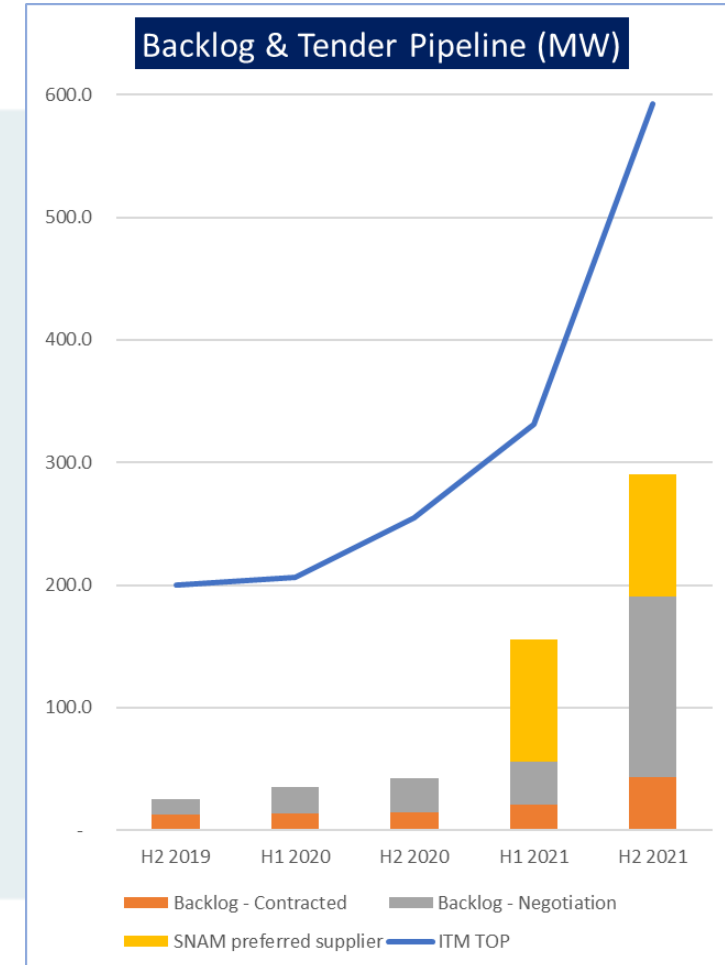
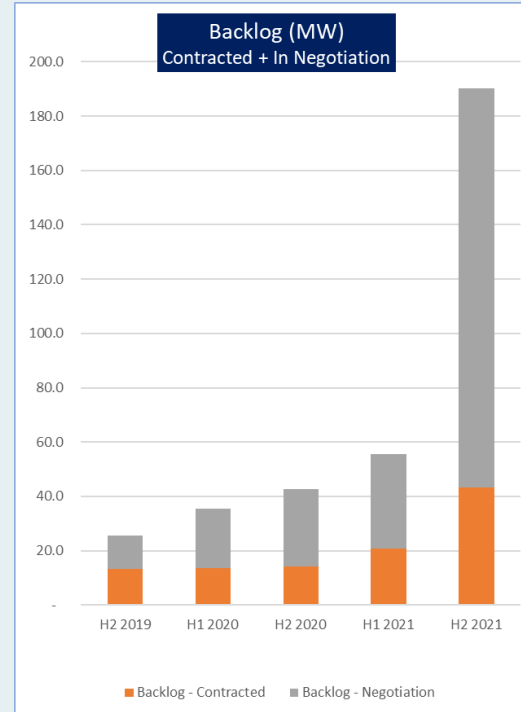
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Current Trading and Outlook

- The Company currently expects to produce 50MW of electrolyzers in the financial year ending 30 April 2022
- Of this, 33MW are already contracted in the backlog
- Recognised revenue will be strongly weighted to the second half of the financial year given manufacturing ramp up



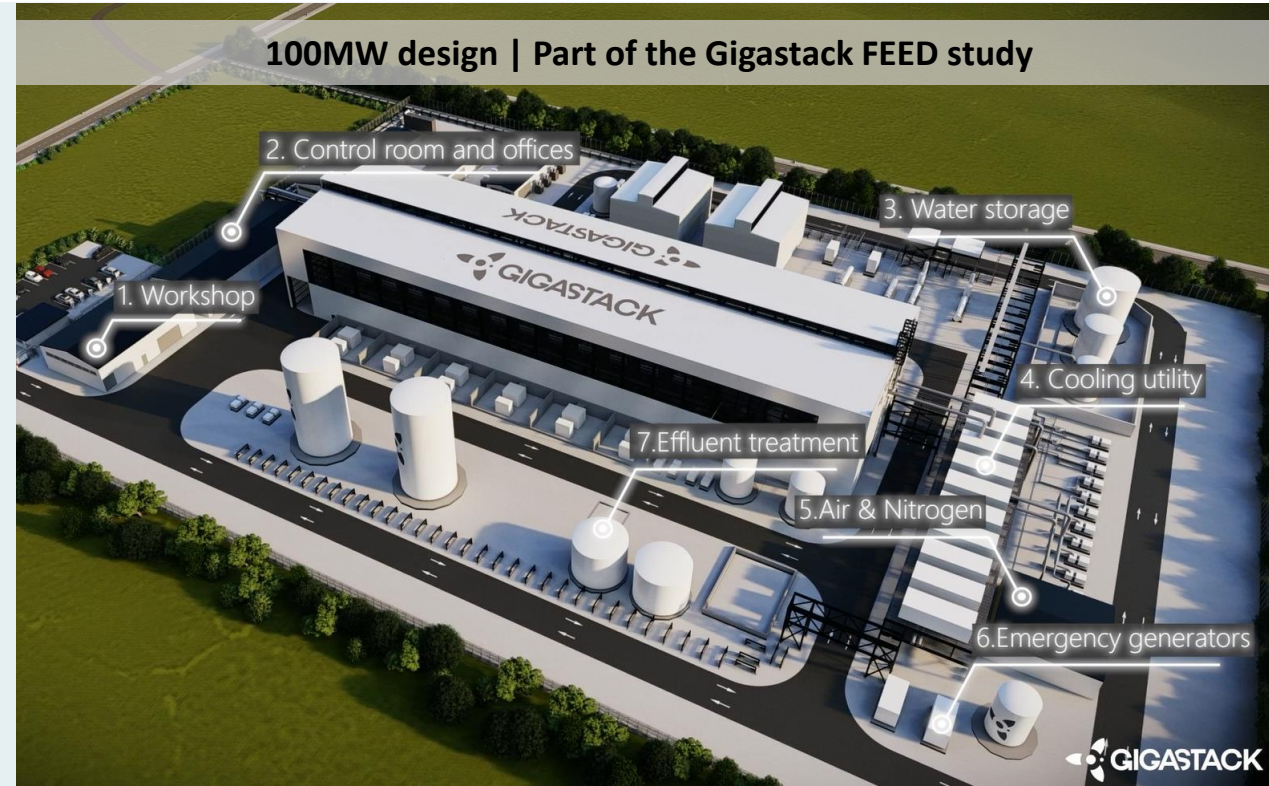
10MW Shell Electrolyser | Expansion to 110MW



First year of Bessemer Park | Production second half weighted

Why ITM Power:

- Rapid market growth in the GW scale
- Project size increasing ten-fold every two years
- Global technology leadership and manufacturing scale
- Partners: Shell, Linde, Snam, Ørsted and SPR (Iberdrola)
- Transformation of the backlog and pipeline
- Funds raised in 2020 to accelerate ITM Power growth
- Factory Blueprint to increase capacity established
- Capturing the global opportunity



Capturing the global green hydrogen opportunity

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