

26 June 2024

**Proton Motor Power Systems plc**  
**("Proton" or the "Company")**

**Variation to Loan Agreement**

Proton Motor Power Systems plc (AIM: PPS), the designer, developer and producer of fuel cells and fuel cell electric hybrid systems with a zero-carbon footprint, announces an update on its existing loan facility with Mr. Falih Nahab (the "Falih Nahab Facility").

On 20 June 2023, the Company announced that it had increased the size of the Falih Nahab Facility by €14.5 million, to approximately €71.4 million, to provide the Company with the funding to meet its anticipated working capital requirements for the 12 months to June 2024.

The Company has today entered into a variation to the Falih Nahab Facility to increase the facility by a further €6.1 million, to €77.5 million, (plus accrued interest of €21.2 million as at end May 2024). The facility has consistently enabled the Company to progress the development and commercialization of its hydrogen product offer, without the need to issue further equity. The additional €6.1 million of loan funding made available pursuant to the variation was advanced to the Company by Mr. Falih Nahab between February and June 2024 and was necessitated by the decision to accelerate payments on sums due to contractors for the new production facility, together with a delayed receipt of a payment due from a customer.

Since 1 January 2022, the annual interest rate on the Falih Nahab Facility has remained at 12 months EURIBOR + 3%. The annual interest charge accrued on the Falih Nahab Facility for the period commencing 1 January 2023 can be settled once or twice yearly by way of issue of ordinary shares of 0.5 pence each of Proton Motor Power Systems PLC (the "Ordinary Shares") to Mr. Falih Nahab with such shares being issued at the prevailing market price of an Ordinary Share at the time of issue and subject to there being no closed period at the time of issue.

The principal amount and accrued interest on the Falih Nahab Facility that is not converted into equity (as set out above) are repayable on 31 December 2025. All other terms to the Falih Nahab Facility remain unchanged, as do the terms of the existing loan facilities between SFN Cleantech Investment Limited ("SFN") and the Company, and SFN and SPower, a subsidiary of Proton.

It is anticipated that the Company will be required to increase its existing loan facilities further, or enter into a new facility, in order to provide the Company with the funding to cover its anticipated working capital requirements for the next 12 months. The Company is currently in discussions with Mr. Falih Nahab in relation to a new loan facility and a further announcement will be made in due course.

**Related Party Transaction**

Mr. Falih Nahab is a substantial shareholder (as defined in the AIM Rules for Companies). The variation to the Falih Nahab Facility is therefore classified as transaction with a related party for the purposes of the AIM Rules for Companies. The directors of the Company, with the exclusion of Dr. Faiz Nahab, the Company's Chief Executive, who is the brother of Mr. Falih Nahab, having consulted with the Company's nominated adviser, Allenby Capital Limited, consider that the changes to the Falih Nahab Facility are fair and reasonable insofar as the Company's shareholders are concerned.

**For further information:**

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### About Proton Motor Fuel Cell GmbH

Proton Motor has 25 years of experience in Power Solutions using CleanTech technologies such as hydrogen fuel cells, fuel cell and hybrid systems with a zero carbon footprint. Based in Puchheim near Munich, Proton Motor develops and produces standard Products as well as customised solutions. The focus of Proton Motor is on stationary solutions, as well as mobile, marine and rail applications. The product portfolio consists of base-fuel cell systems, standard complete, as well as customised systems.

Proton Motor Fuel Cell GmbH is a wholly owned subsidiary of Proton Motor Power Systems plc. The Company has been quoted on the AIM market of the London Stock Exchange since October 2006 (code: PPS).

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