

15 August 2024

ITM Power PLC
("ITM Power" or the "Company")

Preliminary results for the 12 months to 30 April 2024
Ready to scale with balance sheet strength

ITM Power (AIM:ITM) announces its preliminary results for the year ended 30 April 2024.

HIGHLIGHTS

Financial results summary

- Revenue £16.5m (FY23: £5.2m) in line with the £10m to £18m guidance, a more than threefold increase year-on-year
- Adjusted EBITDA* loss £30.4m (FY23: £94.2m) well ahead of the £45m to £50m guidance, reduced to less than one third of the previous year
- Net cash at the year-end of £230m (FY23: £283m) ahead of guidance of £200m to £220m, allowing us to conclude the year with a strong balance sheet

Operational highlights

- 12-month plan successfully completed:
 - Product portfolio narrowed for standardisation and volume manufacturing
 - Greater capital discipline, cost reduction, and improved processes achieved
 - Manufacturing, supply chain and testing debottlenecked, automation deepened
- Yara 24MW plant inaugurated in June 2024 and now the biggest PEM electrolyser in Europe
- Signed capacity reservation with major industrial customer for 500MW
- Shell REFHYNE II contract signed in August 2024 for 100MW
- Operational data from reference plants confirming market-leading stack and wider product performance
- 20MW POSEIDON module and 5MW NEPTUNE V plug & play electrolyser products launched in the year, both very well received by customers
- Positive regulatory developments stimulating customer demand (see CEO report)

Strategic priorities

Strategic priorities defined, reflecting the balance between expected long-term and near-term development of the market, necessitating readiness and flexibility, whilst maintaining a strong balance sheet:

- Remain at the forefront of technology, product and delivery credibility
- Scale operations whilst retaining flexibility and conserving cash
- Grow global footprint and reach whilst staying adaptable

Financial guidance for FY25

We start the new financial year in a strong position, and with a sales pipeline that has grown very strongly. Our operational near-term focus is on executing existing and securing new customer projects.

- Revenue expected between £18m and £22m
 - In TRIDENT contracts, revenue recognition is dependent on the site activities of the EPC integrator and/or end customer, outside of our control. As such, the value created in the year remains in WIP before being recognised as revenue at a later point. Without customer delays, the revenue guidance would have been in the range of £35m to £40m, with the delta being deferred into future periods.
- Adjusted EBITDA loss expected to be in the range of £35m to £40m
 - Having restructured the company in the prior year, we are now capable of delivering at volume. Remaining EBITDA losses are a function of factory loading and fixed cost (under-)absorption.
- Net cash at year-end is expected to be in the range of £160m to £175m
 - Capex for the year is expected to be in the range of £15m to £20m, as we continue to invest in R&D, product development and our manufacturing capabilities.

** Adjusted EBITDA is a non-statutory measure. The calculation methodology is set out in Note 4*

Commenting on the results, CEO Dennis Schulz said: "My first full financial year at ITM has seen the company make significant progress. We completed our 12-month plan and transformed ITM into a credible delivery organisation. Today, we have a focussed and highly competitive portfolio of products, all utilising the same market-leading stack technology which we can deploy into projects of any size and into almost every region of the world.

We also have achieved a shift in culture of doing things right the first time, and prioritising quality over quantity, which is becoming increasingly evident in our day-to-day operations. As a result, EBITDA losses in the financial year decreased to one third of the previous year, whilst we were able to grow revenues threefold. We now have a disciplined approach to the use of our capital, which is reflected in our year-end net cash position.

On the technology side, we are at the forefront globally, and we are deploying our electrolysers into some of the largest and most prestigious green hydrogen plants under construction worldwide. Our growing base of reference plants and operational field data helps us to convince new customers of our capabilities, as will the large-scale projects we are currently executing.

Today, ITM is significantly more capable than the company has ever been. We have gained control over what we can control. Our path to profitability is no longer a question of capability, but now a question of volume of customer orders. The foundations we have laid will enable ITM to build long-term value, allowing us to invest for growth and drive attractive returns for our shareholders.

In the meantime, our sales pipeline has been growing strongly, also backed by an increasingly positive regulatory landscape, which makes me optimistic about what lies ahead for ITM and our industry.

We are ready. Now we need more customers to take FIDs."

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There will be a presentation for investors at 0900h BST on the Investor Meet Company platform. Investors can sign up to Investor Meet Company for free and add to meet ITM POWER PLC via <https://www.investormeetcompany.com/itm-power-plc/register-investor>.

About ITM Power PLC:

ITM Power was founded in 2000 and ITM Power PLC was admitted to the AIM market of the London Stock Exchange in 2004. Headquartered in Sheffield, England, ITM Power designs and manufactures electrolysers based on proton exchange membrane (PEM) technology to produce green hydrogen, the only net zero energy gas, using renewable electricity and water.

STATEMENT FROM THE CHAIR OF THE BOARD

Over the past year, we have transitioned from an R&D company to an ambitious volume manufacturer. Our 12-month plan, announced in January 2023 and completed by January 2024, was a three-step strategy to simplify our product portfolio, improve our cost and capital discipline, and debottleneck our manufacturing facilities. As part of this, we completed a restructuring of our organisation, including a 30% reduction in our headcount, while at the same time, we have continued to enhance our professional capabilities.

The changes made will support the long-term success of our business. Operationally, ITM is in better shape than ever, and everyone in the Company is laser focused on delivering success. Financially, we are in a healthy position, borne out by the year-end net cash of £230m, which is substantially ahead of our original guidance in August 2023.

The macro picture

Global decarbonisation is not a choice; it is an irreversible necessity if net zero targets are to be achieved by 2050 and fossil fuels are to be phased out. However, remaining on this pathway requires a substantial and accelerated expansion of the entire clean energy value chain.

Green hydrogen is widely regarded as a critical technology for decarbonisation. It will play an increasingly important role in the future energy mix as the world accelerates its progress towards a global net-zero energy system. Achieving net zero requires a comprehensive transformation of the energy system, and governments worldwide are implementing policies and regulatory frameworks, along with financial support mechanisms, to stimulate demand and supply and create a future hydrogen economy.

While policies are being put into place to encourage hydrogen project development and to aid the decarbonisation of hard-to-electrify sectors, in the short term this nascent industry has faced rising capital costs, cost inflation, supply chain bottlenecks and lack of hydrogen infrastructure, including transportation and storage. It is therefore important to distinguish between the effects of short-term challenges and the inevitable long-term trends.

The short-term challenges will eventually dissipate, and there will be increasing momentum in the development of the hydrogen industry. As an energy carrier and industrial feedstock, green hydrogen will reshape the global energy landscape.

With our combination of world-leading technology and manufacturing capability, we are in a strong position to participate in the growth of this globally significant market. Everyone at ITM is tremendously excited about what lies ahead.

Environmental, social and governance (ESG) objectives

We are dedicated to delivering robust ESG performance out of a desire to uphold ethical standards. Our MSCI rating remained at "AA" for a fourth consecutive year demonstrating that our practices are well aligned with shareholder interests, and we are proud of this achievement. It also indicates that we are a business setting the standard for how our sector manages the biggest ESG risks and opportunities.

Board changes

During the year, Katherine Roe stepped down from the Board. Denise Cockrem assumed the role of Chair of the Remuneration Committee. At the same time, Martin Green was appointed as Senior Independent Director (SID).

Looking ahead

Our strategic priorities are clear. They acknowledge the need for readiness and flexibility while maintaining stringent capital discipline.

During the next year, we will continue to invest in our core technology, enabling us to remain at the leading edge of the industry. We will increase our capacity at the pace required to fulfil customer contracts, which will be enhanced by further automation, particularly in stack assembly. In closing, I thank our shareholders, employees and customers for their continued support and confidence in our business. We remain committed to delivering value to our shareholders and creating a sustainable future for our Company.

Sir Roger Bone

Chair of the Board

CHIEF EXECUTIVE OFFICER'S STATEMENT

My first full financial year at ITM has seen the Company make significant progress. We completed our 12-month plan which transformed ITM into an organisation that manufactures and delivers market-leading products to customers on a consistent basis, as set out in January 2023, and laid out our three strategic priorities in January 2024.

Today, we have a focussed portfolio of products, all utilising the same market-leading stack technology which can be

deployed into projects of any size and into almost every world region. This strategic approach is well-aligned with the needs and preferences of our customers, enabling us to manufacture in volume to build a sustainable business.

We continue to strive for operational excellence, which is the relentless pursuit of efficiency, effectiveness and continuous improvement throughout our operations. This unwavering commitment to improvement is a testament to our dedication to providing the best electrolysers and services to our customers.

Previously, we spoke about focussing on doing things right the first time, and prioritising quality over quantity. This shift in culture has been encouraging our employees to contribute ideas for improvement, and fosters a culture of accountability, collaboration and continuous learning. By upholding these principles, we can achieve operational excellence and drive competitiveness, customer satisfaction and, in turn, profitability.

The transformation we have undertaken is evident in our day-to-day operations. As a result, EBITDA losses in the financial year to April 2024 decreased significantly to one third of the previous year, whilst we were able to grow revenues threefold. We now have a disciplined approach to the use of our capital, which is reflected in our year-end net cash position.

Our technology is at the forefront globally, and we are deploying our electrolysers into some of the largest and most prestigious green hydrogen plants under construction worldwide today, such as for Yara in Porsgrunn (24MW), which was inaugurated in June 2024 and is now the biggest PEM electrolyser plant in operation in Europe, for RWE in Lingen (200MW) currently under construction, and, following the REFHYNE II project contract signature in August 2024, now also for Shell in Wesseling (100MW).

We have also just recently commissioned our first reference plant in Japan for Sumitomo and Tokyo Gas. The partnership announced in April 2024 with Hygen, where we were appointed as its preferred supplier for PEM electrolysers for hydrogen projects in the UK and EU, and more recently the 500MW capacity reservation by a large industrial customer, are further strong endorsements of our technology and credibility to deliver.

The market for green hydrogen

Regulation and incentives

On the geopolitical side, today's landscape is characterised by a complex interplay of power dynamics regional conflicts and various upcoming elections worldwide. While such a landscape naturally carries both opportunities and challenges, we see that these developments have further strengthened the pathway to net zero. Clean technologies are fundamental to governments achieving their ambitious climate, economic and energy security goals. The widespread adoption of clean technologies will accelerate the energy transition and improve energy resilience, with green hydrogen set to play a key role in the energy mix of the future.

In the short and medium term, government incentives and support mechanisms will remain key enablers of the hydrogen economy. They can remove barriers to investment by offsetting cost differentials between fossil-based fuels and green hydrogen. Over time, as the industry scales up, business cases will get stronger, and the industry and hydrogen economy will become self-sustaining.

According to the International Energy Agency (IEA), only under 4% of electrolytic hydrogen production projects worldwide have reached FID so far. In many cases, this is due to a combination of policy and regulatory uncertainty, inflation and increased cost of capital, lack of infrastructure or uncertain offtake commitments for the final product. The IEA estimates that 70 Mt per annum of clean hydrogen will need to be produced by 2030 to remain on track for climate goals, which compares to less than 1 Mt produced today.

To be robust and resilient, the entire hydrogen value chain must develop and scale in parallel, including production, transport, storage and end-use demand.

While this poses complexity, it is widely acknowledged today that renewables will dominate tomorrow's energy systems. Green hydrogen will be vital to ensure uninterrupted access to clean energy and to decarbonise energy-intensive sectors like steel production, chemicals, long-haul transport and aviation.

In the EU, the Net-Zero Industry Act is a key piece of legislation. In March 2023, the Commission proposed it as part of the broader Green Deal Industrial Plan, and the Council and European Parliament agreed to it in February 2024. It aims to strengthen the resilience and competitiveness of key net-zero technologies in the EU and to create the right conditions to attract investments. The EU aims to produce 10 Mt and import 10 Mt of green hydrogen by 2030 which, in order to be realised, will require significant near-term investment.

Several funding and subsidy avenues are available to industry to support Europe's energy transition, including the Important Projects of Common European Interest (IPCEI) and the European Hydrogen Bank, which recently completed its first €800m pilot auction. In addition to the availability of central EU funding, individual member states are allowed to fund projects and developments directly. Beyond such incentives, the EU's Renewable Energy Directive (RED) and, most recently, RED III mandate an increase of renewable fuels of non-biological origin (RFNBO), primarily hydrogen. It sets ambitious targets for the hydrogen sector, notably requiring at least 42% RFNBO usage by 2030 and 60% by 2035.

In the UK, the Government's Hydrogen Strategy ambition is to produce 10GW of clean hydrogen by 2030, with a minimum of 6GW being green hydrogen. The Hydrogen Allocation Rounds (HARs) allocate revenue support through the Hydrogen Production Business Model (HPBM) to hydrogen production facilities to bridge the cost gap. For HAR1, 11 projects totalling 125MW were successfully announced in December 2023. The projects will receive over £2bn of support through 15-year contracts and £91m of up front capital funding. HAR2 aims to support up to 875MW of capacity, with the application window having closed in April 2024. A shortlist of projects is expected to be announced in autumn this year, with successful projects expected to receive a conditional offer from the Department for Energy Security and Net Zero (DESNZ) in the first half of 2025. Looking ahead, HAR3 and HAR4 are expected to target 1.5GW each.

The UK's Green Industries Growth Accelerator (GIGA) fund of £960m was announced in autumn 2023 to support the expansion of clean energy supply chains, including hydrogen. In March 2024, an additional £120m was added to the fund. Successful applications are expected to begin drawing down their funding from 2025.

In the US, the government enacted the Infrastructure Investment Jobs Act (IIJA) of 2021 and the Inflation Reduction Act (IRA) of 2022 to boost infrastructure development. In 2023, the Department of Energy (DOE) released its National Clean Hydrogen Strategy and Roadmap, targeting 10 Mt by 2030, 20 Mt by 2040 and 50 Mt by 2050. In December 2023, the Treasury Department and the Internal Revenue Service (IRS) released long-awaited proposed regulations for eligibility and implementation of the Section 45V hydrogen production tax credit (PTC), ranging from \$0.60 to \$3 per kilogram for producers with the lowest emissions.

Following the announcement of these drafts, no general consensus has been achieved yet on the regulations' final shape, creating uncertainty for project developers.

In the meantime, in October 2023, the DOE announced \$7bn of funding to launch seven Regional Clean Hydrogen Hubs to accelerate commercial scale deployment. Furthermore, in March 2024, the DOE announced \$750m in funding to reduce the

accelerate commercial scale deployment. Furthermore, in March 2024, the DOE announced \$7.5bn in funding to reduce the cost of clean hydrogen, covering 52 projects across 24 states to advance electrolysis technologies and improve manufacturing and recycling capabilities for clean hydrogen systems and components.

Also elsewhere in the world, green hydrogen strategies continue to evolve at pace. In 2023, Japan updated its strategy with \$107bn earmarked to be invested over 15 years to achieve 2 Mt by 2030, 12 Mt by 2040 and 20 Mt by 2050. In May 2024, the Japanese parliament passed the Hydrogen Society Promotion Act, which paves the way for providing 15-year subsidies for locally produced and imported low-carbon hydrogen. India announced an ambition to produce 5 Mt of green hydrogen by 2030, and Egypt's green hydrogen strategy is targeting up to 8% of the global tradable market by 2040. Australia announced a Hydrogen Production Tax Incentive (HPTI) of A\$2 per kilogram, which will be available over a 10-year period starting from 2027.

Given the ambitions and targets of governments around the world, the green hydrogen market and electrolyser demand are expected to see strong growth in the coming years. We are well positioned to play a leading role in this very large market.

Customer activity

These extensive regulatory and policy developments are a major driver of our customers' green hydrogen strategies, but project activity is also influenced by wider stakeholder pressure to decarbonise industrial activities and to satisfy end customer demand for green product options. Our pipeline of project opportunities has grown strongly, especially in regions where companies see consistent regulation and incentives relating to green hydrogen production or demand.

Europe continues to lead the way in terms of tangible progress on small, medium and large-scale green hydrogen projects, with major industrial and energy companies developing portfolios of projects in their core markets. In addition to the strong energy markets of Germany and the Netherlands, the first Hydrogen Bank auction confirmed the competitiveness of the Iberian and Nordic markets for large-scale production.

Customers are developing projects at a range of capacities, with a significant number of projects in the sub-50MW range where our containerised products are ideally suited. These projects are commonly targeted at mobility applications and specific industrial use cases such as distilleries or semiconductor manufacture.

In the 100MW+ scale, we see strong momentum in relation to green ammonia production, refining and sustainable aviation fuels (SAF). Due to the large volumes of hydrogen produced and the risks associated with single offtakers, such projects are often contingent on emerging hydrogen infrastructure like pipelines and storage.

There are also a number of very large projects of GW scale, predominantly in regions offering low-cost renewable energy potential, typically targeting export. In all cases, we expect these projects to need to adopt a realistic phased approach to manage execution, technical, financial and offtake risks.

Integrated energy, oil and gas companies continue to be active in the development of their green hydrogen project portfolios. Such organisations have a mature approach to technical and financial risk management in relation to the investment into physical assets at scale and the capability to finance off their balance sheet. Pure play green hydrogen or wider renewable energy project developers are also increasingly common and, in the absence of balance sheet strength, are driving the market in relation to project financing options.

Customers are now reacting to their own experience of developing and delivering early pilot projects, or to reports of the experience of others. This has increased customer focus on evidence of technology performance, design, integration and execution capability across OEMs and EPCs, and the ability to demonstrate real-world operational data. As projects scale in size, customers increasingly want to ensure they can deliver on their business case, especially when they get paid only for each kilogram of hydrogen produced, like under the UK market mechanism for instance.

Furthermore, customers increasingly recognise that there are only a small number of OEMs and EPCs truly capable of delivering reliably, especially large-scale projects, and this will become an ever more important differentiator in the market.

Strategic update: 12-month plan completed, strategic priorities clear

Our 12-month plan was completed on schedule in January 2024, making ITM a stronger, more focused, and more capable company. We have put the necessary foundations in place to ensure that ITM is ready for the large-scale opportunities and significant demand in the market that lie ahead.

The three areas of focus were:

- to narrow our product portfolio so that our manufacturing processes and supply chain could be standardised, thereby setting the business up for volume manufacturing success;
- a disciplined approach to costs and capital, along with process improvements; and
- to debottleneck manufacturing, our supply chain and testing, and to incrementally increase the degree of automation.

The next phase of our journey will be focused on our strategic priorities, which we announced in January 2024. The market potential for green hydrogen remains excellent, with strong growth expected in the coming years. In the short term, the realities of industrial scale-up will remain incremental, with many FIDs delayed compared to original aspirations. This balance implies a need for readiness and flexibility whilst managing cash commitments carefully. Our strategic priorities align with our vision of delivering the world's best electrolysers, scaling our operations profitably to meet the rising demand, and growing our global footprint and reach over time:

- To remain at the forefront of technology, product and delivery credibility, we will:
 - evolve our products, including the continuous improvement of our TRIDENT stack platform and NEPTUNE plug & play units;
 - strategically extend our portfolio, currently under development, with a larger capacity, game-changing stack platform to widen the gap to competition further;
 - be prepared for rapid scaling of stack volumes; and
 - continue to evolve our processes and capabilities in manufacturing, engineering, procurement and field services.
- To scale our operations whilst retaining flexibility and conserving cash, we will:
 - continue to deepen the level of automation;
 - grow production capacity in line with commercial projects; and
 - focus on credible sales opportunities, and capture a significant market share by offering the best products and credibility to customers.
- To grow our global footprint and reach whilst staying adaptable, we will:
 - ensure an appropriate setup in all attractive offtake regions to be best positioned and ready for rapid demand uptick, as we are in the EU by means of our new entity, ITM Power Germany; and
 - take a product and service first approach and continue to expand regional product capabilities

- take a product and service-first approach and continue to expand regional product compliance.

We have already made great progress since we announced our strategic priorities. In May 2024, we launched NEPTUNE V, our new 5MW containerised full-scope plug & play electrolyser plant, in response to significant customer demand. Designed against the highest safety and quality standards and incorporating the learnings from our operational electrolysers around the world, NEPTUNE V utilises ITM's leading and proven TRIDENT stack technology. NEPTUNE V is compact and versatile, providing 5MW of reliable and highly efficient hydrogen production capacity, all contained in the smallest footprint per MW in the industry today. NEPTUNE V is competitively priced and ideally suited for mid-size projects. It complements our existing 2MW containerised solution NEPTUNE II, which remains a popular choice for projects below 10MW.

Outlook

Today, ITM is significantly more capable than the company has ever been.

Our path to profitability is no longer a question of capability, but now one of volume via customer orders. The foundations we have laid will enable ITM to build long-term value, allowing us to invest for growth and drive attractive returns for our shareholders.

In the meantime, our sales pipeline has been growing strongly, which makes me optimistic about what lies ahead for ITM and our industry.

We are ready. We now need more customers to take FIDs.

Dennis Schulz
Chief Executive Officer

CHIEF FINANCIAL OFFICER'S REVIEW

A key component of our 12-month plan was to embed a rigorous approach to capital allocation and cost management across the business. The aim was to ensure that our actions became aligned with our strategic priorities, which acknowledged the need for readiness in operational scaling and flexibility, whilst managing cash carefully.

The impact of this change is evident in our robust year-end net cash position of £230m, which is above the £200m to £220m guidance that we announced with our interim results in January 2024, and is materially better than our original guidance of £175m to £200m announced at the time of our preliminary results in August 2023. Doing things right the first time and challenging ourselves to achieve our expected outcomes for less are changes in culture which align everyone at ITM with the use of capital that our shareholders expect.

Key financials

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

Year to 30 April	2024 £m	2023 £m	2022 £m
Revenue	16.5	5.2	5.6
Gross loss	(16.7)	(79.1)	(23.5)
Pre-tax loss	(27.1)	(101.2)	(46.7)
Adjusted EBITDA ¹	(30.4)	(94.2)	(39.8)
Property, plant and equipment plus intangible assets	39.6	31.9	24.7
Inventory (raw materials)	10.2	18.3	24.3
Inventory work in progress (WIP)	60.2	40.5	7.9
Net cash	230.3	282.6	365.9
Net assets	268.7	295.5	395.0

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

Non-financial key performance indicators (KPIs)

We also use certain non-financial performance indicators to consider our performance over time. These include: QHSE metrics; order intake and megawatts contracted; stacks built; project milestones achieved; FTE numbers and employee turnover. During the year, MW in WIP decreased to 284MW (FY23: 285MW). Revenue was recognised against 12MW of deliveries (FY23: 5MW). 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 into a volume manufacturer, it is likely that we will 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).

Revenue

Revenue for the period was £16.5m (FY23: £5.2m). Half of this revenue, £8.2m (FY23: £4.1m), was generated from product sales, namely plug & play containers. Consulting contracts delivered £5.0m (FY23: £0.7m), mostly due to a government contract related to our stack platform development. In addition, we generated £1.5m (FY23: £0.3m) from maintenance contracts.

Gross margin

The gross loss was £16.7m (FY23: £79.1m), reflecting losses arising from production inefficiency (£3.0m), cost of quality (£3.6m), obsolete stock (£2.9m) and customer contracts (£4.2m), as well as an underutilisation of production capacity (£3.0m). With our 12-month plan, we have debottlenecked manufacturing capacity, and built to the schedules of our customer contracts instead of at full factory capacity. The improvement year on year reflects the improved control over our operations and project execution.

Administrative expenses

Operating costs reduced year on year to £22.6m (FY23: £26.2m). Across the Company (including production), staff and employment costs reduced from £24.0m to £21.2m, reflecting the impact of the restructure completed in April 2023. Another feature of our 12-month plan was to narrow our product portfolio for increased focus. As such, fewer staff costs were capitalised in the year, at £9.1m (FY23: £10.5m), a function of greater focus and fewer staff. The average number of FTE was 330, compared to 415 in FY23, and reflected the headcount reduction announced in January 2023.

Consultancy and consumable costs fell by 51% to £2.5m (FY23: £5.1m) as we focused activities and further controlled

costs, whilst depreciation and amortisation rose by 50% to £5.9m (FY23: £4.0m), reflecting the conclusion of the engineering and marketing of products within our portfolio, as well as the impact of the expansion of capacity.

The impairment charge of £1.4m (FY23: £4.5m) relates to the products where development costs had previously been capitalised, and which were no longer offered as part of the streamlined portfolio after the 12-month plan.

Government grants which constitute claims against individual projects or research and development (R&D) claims totalled £1.2m (FY23: £1.6m), with £0.8m receivable in relation to R&D tax reclaims (FY23: £1.4m)

Adjusted EBITDA¹

The Company posted an adjusted EBITDA loss of £30.4m (FY23: £94.2m) for the period. Adjusted EBITDA is a non-statutory measure and is detailed in Note 6. The loss before tax was £27.1m (FY23: £101.2m), and the basic and diluted loss per share was 4.4p (FY23: 16.5p).

	2024 £000	2023 £2000
Loss from operations	(38,011)	(103,713)
Add back:		
Depreciation	4,008	3,006
Impairment	1,417	4,469
Amortisation	1,921	942
Loss on disposal	126	64
Share-based payment charge/ credit	149	(420)
Exceptional costs of restructure	-	1,436
Adjusted EBITDA	(30,390)	(94,216)

1. Adjusted EBITDA is a primary measure used across the business to provide a consistent measure of trading performance. The adjustment to EBITDA removes certain non-cash items, such as share-based payments, to provide a key metric to the users of the financial statements as it represents a useful milestone that is reflective of the performance of the business resulting from movements in revenue, gross margin and the cash costs of the business. We have set out below how we calculate adjusted EBITDA (see also Note [4] for more information). 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 it may not allow industry-wide comparison, and includes removing the effect of certain annual charges such as share-based payments, identified above.

Capital expenditure

Capital expenditure totalled £14.0m in the period (FY23: £15.1m), with £12.0m invested in capital projects (FY23: £8.6m), namely improvements at our Sheffield factory and machinery, and £2.0m (FY23: £6.6m) in intangible assets primarily in respect of continued product development.

Working capital

The working capital position (being net of inventory, receivables and payables) improved by £1.4m in the year (FY23: £8.9m outflow), with inventories and receivables increasing by £11.6m and £9.2m respectively, offset by an increase in payables of £22.2m.

Cash

Net cash at the year-end was £230m (FY23: £283m), benefitting later in the year from the rigorous approach to costs and capital discipline, which was announced at the time of our interim results in January 2023 and was a key component of our 12-month plan. This has also led to tighter control of receivables both in terms of collection of milestone payments but also upfront payments for work to be done (resulting in deferred income increasing £20.5m in the year, albeit with inventory increasing by a similar amount, at £22.7m).

Financial position: positioned for the future

Current assets decreased to £329.5m (FY23: £362.9m), principally reflecting a reduction in year-end net cash of £52.3m with year-end cash of £230.3m (FY23: £282.6m), partly offset by an increase in inventories. Inventories net of provisions were £70.4m (FY23: £58.8m). The amount of inventories held as raw materials decreased to £10.3m (FY23: £18.3m) as the Company debottlenecked manufacturing and increased throughput as part of the 12-month plan. Project milestones completed therefore led to increased inventory and deferred income in the balance sheet as products were built but revenue not recognised. Inventory provisions increased by £5.8m to £23.6m (FY23: £17.8m) as a result of manufacturing inefficiencies (whilst improving) and also the discontinuation of certain components relating to older versions of product no longer supplied.

Trade and other receivables were £28.7m (FY23: £19.7m), reflecting the increase largely brought about by completion of milestones on our sales contracts, the timing of those billings and receipts thereof. Trade and other payables increased to £68.3m (FY23: £46.1m), driven by an increase of £20.4m in deferred sales income principally in relation to the timings of payments from customers on projects to be delivered and a £4.4m increase in trade payables, partly offset by a £2.7m reduction in deferred grant income.

Non-current assets increased to £52.3m (FY23: £39.5m), reflecting an £8.9m rise in property, plant and equipment and £5.3m of right-of-use assets reflecting the additional facilities in Sheffield.

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 £22.8m, with £10.7m created and £33.5m either utilised or released in the period. The total contract loss provision at the period end stood at £19.9m (FY23: £42.6m).

The warranty provision was reduced by a net £0.5m in the period, with £0.3m created during the year, offset by the utilisation of £0.8m. The balance at period end was £3.4m (FY23: £3.9m). This includes all projects that have been commissioned and entered their warranty stage, but excludes those not yet delivered. The warranty costs of projects not yet delivered are presented as contract loss provisions. Other provisions increased in the year by £1.9m (FY23: £4.0m), being an increase of £4.5m, offset by a release of £2.6m in the year.

Contingent liabilities

The Company is in a commercial dispute, the details of which are commercially sensitive. This dispute has not resulted in a formal claim and based on advice the Directors have made a judgement that an obligation was possible rather than probable at the year end.

Accordingly, this matter is considered to represent a contingent liability. However, the Directors would like to resolve the issue and believe that if a settlement were made that there could be an outflow of up to £15m.

Events after the balance sheet date

1. The Company has received a letter from the High Court dated 14th February 2024, in relation to the dispute mentioned above.

After the balance sheet date, we signed a contract with Shell for its 100MW REHYNE II project at its refinery in Wesseling.

Outlook for FY25

We start the new financial year in a strong position. Our near-term focus is on executing existing and securing new customer projects. We will continue to invest in the business for the scale-up we expect to arise as FIDs start to be taken and as contracts materialise. At the same time, we will continue to manage our cost and capital allocations carefully. Our guidance for the financial year ending April 2025 is as follows:

Revenue expected to be between £18m and £22m: For the manufacture and supply of standardised products, we recognise revenue towards the end of a contract, which is usually either ready for shipment for containerised NEPTUNE units, or on-site acceptance tests for TRIDENT stacks and skids. In contrast, cash payment milestones are spread across the duration of a contract. Therefore, in TRIDENT contracts, revenue recognition is dependent on the site activities of the EPC integrator and/or end customer, outside of our control. As such, the value created in the year can often be reflected in deferred income, rather than revenue. Without customer delays, the revenue guidance would have been in the range of £35m to £40m, with the delta being deferred into FY26.

Adjusted EBITDA loss of £35m to £40m: We have gained control of our project and manufacturing operations, and have restructured the Company in the prior year to be capable of delivering at volume. Remaining EBITDA losses are a function of factory loading and fixed costs absorption.

Net cash at year end is expected to be between £160m and £175m: Capex for the year is expected to be in the range of £15m to £20m, as we continue to invest in R&D, product development and our manufacturing capabilities. We anticipate working capital to increase by £10m to £15m, against commercial contracts awaiting revenue recognition (see Revenue).

Andy Allen
Chief Financial Officer

CONSOLIDATED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

	Note	2024 £000	2023 £000
Revenue	3	16,509	5,229
Cost of sales		(33,173)	(84,294)
Gross loss		<u>(16,664)</u>	<u>(79,065)</u>
Administrative expenses		(22,575)	(26,222)
Other income - government grants		1,228	1,574
Loss from operations		<u>(38,011)</u>	<u>(103,713)</u>
Share of loss of associate companies		(291)	(1,567)
Finance income		12,219	4,652
Finance costs		(643)	(541)
Loss on disposal of joint venture		(331)	-
Loss before tax		<u>(27,057)</u>	<u>(101,169)</u>
Current tax		(167)	(32)
Loss for the year		<u>(27,224)</u>	<u>(101,201)</u>
OTHER TOTAL COMPREHENSIVE INCOME:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation differences on foreign operations		174	160
Net other total comprehensive income		<u>174</u>	<u>160</u>
Total comprehensive loss for the year		<u>(27,050)</u>	<u>(101,041)</u>
Basic and diluted loss per share	5	<u>(4.4p)</u>	<u>(16.5p)</u>

CONSOLIDATED BALANCE SHEET

	Note	2024 £000	2023 £000
NON-CURRENT ASSETS			
Investment in associate		53	379
Intangible assets		10,174	11,475
Right of use assets		12,250	6,934
Property, plant and equipment		29,398	20,489
Financial asset at amortised cost		400	174
TOTAL NON-CURRENT ASSETS		<u>52,275</u>	<u>39,451</u>
CURRENT ASSETS			
Inventories	7	70,417	58,840
Trade and other receivables		28,741	19,657
Cash and cash equivalents		220,248	282,557

Cash and cash equivalents		<u>230,240</u>	<u>202,551</u>
Assets held for Sale		329,506	361,054
TOTAL CURRENT ASSETS		<u>329,506</u>	<u>362,868</u>
CURRENT LIABILITIES			
Trade and other payables	6	(68,290)	(46,081)
Provisions		(10,095)	(17,893)
Lease liability		(678)	(943)
TOTAL CURRENT LIABILITIES		<u>(79,063)</u>	<u>(64,917)</u>
NET CURRENT ASSETS		<u>250,443</u>	<u>297,951</u>
NON-CURRENT LIABILITIES			
Lease liability		(12,026)	(6,866)
Provisions	6	(21,974)	(35,028)
TOTAL NON-CURRENT LIABILITIES		<u>(34,000)</u>	<u>(41,894)</u>
NET ASSETS		<u>268,718</u>	<u>295,508</u>
EQUITY			
Called up share capital	8	30,849	30,823
Share premium account		542,735	542,593
Merger reserve		(1,973)	(1,973)
Foreign exchange reserve		346	172
Retained loss		(303,239)	(276,107)
TOTAL EQUITY		<u>268,718</u>	<u>295,508</u>

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 2022		30,658	542,323	(1,973)	12	(176,067)	394,953
Transactions with owners							
Issue of shares		165	270	-	-	-	435
Credit to equity for share-based payment		-	-	-	-	1,161	1,161
Total transactions with owners		165	270	-	-	1,161	1,596
Loss for the year		-	-	-	-	(101,201)	(101,201)
Other comprehensive income		-	-	-	160	-	160
Total comprehensive loss		-	-	-	160	(101,201)	(101,041)
At 1 May 2023		30,823	542,593	(1,973)	172	(276,107)	295,508
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 for the year		-	-	-	-	(27,224)	(27,224)
Other comprehensive income		-	-	-	174	-	174
Total comprehensive loss		-	-	-	174	(27,224)	(27,050)
At 30 April 2024		30,849	542,735	(1,973)	346	(303,239)	268,718

CONSOLIDATED CASH FLOW STATEMENT

	Note	2024 £000	2023 £000
Net cash used in operating activities	9	<u>(50,581)</u>	<u>(72,554)</u>
Investing activities			
Investment in joint venture/associate		-	(472)
Proceeds on sale of joint venture		1,483	-
Deposits paid on new leasehold assets		(496)	-
Purchases of property, plant and equipment		(11,967)	(8,553)
Capital grants received against purchases of non-current assets		-	124
Proceeds on disposal of property, plant and equipment		19	-
Payments for intangible assets		(2,037)	(6,562)

Interest received	12,203	4,562
Net cash used in investing activities	<u>(795)</u>	<u>(10,901)</u>
Financing activities		
Issue of ordinary share capital	167	1,048
Costs associated with previous equity raise	-	(612)
Payment of lease liabilities	(1,058)	(531)
Net cash used in financing activities	<u>(891)</u>	<u>(95)</u>
Decrease in cash and cash equivalents	(52,267)	(83,550)
Cash and cash equivalents at the beginning of year	282,557	365,882
Effect of foreign exchange rate changes	58	225
Cash and cash equivalents at the end of year	<u>230,348</u>	<u>282,557</u>

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.

The summary accounts set out above do not constitute statutory accounts as defined by Section 434 of the UK Companies Act 2006. The summarised consolidated balance sheet at 30 April 2024, the summarised consolidated income statement and other comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated cash flow statement for the year then ended have been extracted from the Group's 2024 statutory financial statements upon which the auditor's opinion is unqualified and did not contain a statement under either sections 498(2) or 498(3) of the Companies Act 2006. The audit report for the year ended 30 April 2023 did not contain statements under sections 498(2) or 498(3) of the Companies Act 2006. The statutory financial statements for the year ended 30 April 2023 have been delivered to the Registrar of Companies. The 30 April 2024 accounts were approved by the directors on 14 August 2024 but have not yet been delivered to the Registrar of Companies.

2. MATERIAL ACCOUNTING POLICIES

Basis of accounting

The summary accounts are based on the consolidated financial statements that 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.

They 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.

Going Concern

The Directors have prepared a cash flow forecast for the period from the balance sheet date until 30 September 2025. 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 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.

3. REVENUE, OPERATING SEGMENTS AND INCOME FROM GOVERNMENT GRANTS

	2024 £000	2023 £000
Disaggregated revenue recognised		
Revenue from product sales recognised over time	75	-
Revenue from product sales recognised at point in time	8,144	4,099
Consulting contracts recognised at point in time	5,040	636
Maintenance contracts recognised at point in time	1,498	250
Fuel sales	216	244
Other	1,536	-
Revenue in the Consolidated Income Statement	<u>16,509</u>	<u>5,229</u>
Grant income (claims made for projects)	401	155
Other government grants (R&D claims)	827	1,419
Other income - government grants	1,228	1,574
	<u>17,737</u>	<u>6,803</u>

All revenues are derived from continuing operations

All revenues are derived from continuing operations.

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 2024, the aggregate amount of the transaction price allocated to remaining performance obligations of continuing build contracts was £79.7m (2023: £87.7m). The Group expects to recognise 24% of this within one year, with the remaining 76% expected after one year.

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:

	2024	2023
	£000	£000
Power	253	126
Transport	2,764	2,717
Industry	7,275	1,750
Other	6,217	636
Revenue in the Consolidated Income Statement	16,509	5,229

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: £29.1m) or Germany (NBV: £0.27m). All intangible assets were domiciled in the United Kingdom. Revenues have been generated as follows:

	2024	2023
	£000	£000
United Kingdom	5,900	699
Germany	6,028	1,750
Austria	1,659	-
Rest of Europe	996	188
United States	216	244
Australia	1,710	2,348
	16,509	5,229

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

		2024	2023
		£000	£000
Customer A	Industrial	n/a	1,750
Customer B	Other	4,490	636
Customer C	Chemical	3,121	n/a
Customer D	Refuelling	<10%	2,348
Customer E	Chemical	1,659	n/a

4. CALCULATION OF ADJUSTED EBITDA

In reporting EBITDA, Management uses the metric of adjusted EBITDA, removing the effect of non-repeating costs that are not directly linked to the trading performance of the business in the year under review:

	2024	2023
	£000	£000
Loss from operations	(38,011)	(103,713)
Add back:		
Depreciation	4,008	3,006
Amortisation	1,921	942
Loss on disposal of non-current assets	126	64
Impairment	1,417	4,469
Non-underlying share-based payment charge/(credit) (Note 25)	149	(420)
Exceptional costs of restructure	-	1,436
	(30,390)	(94,216)

The exceptional costs of restructure refer to redundancy costs in the prior year that largely sit within the staff costs in administrative expenses. Management removed these in the adjusted EBITDA calculation due to their one-off nature that would otherwise distort the true operational figures.

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 it may not allow industrywide comparison, and includes removing the effect of certain annual changes such as share-based payments, identified above.

5. LOSS PER SHARE

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

	2024	2023
	£000	£000
Loss for the purposes of basic and diluted loss per share being net loss attributable to owners of the Company	(27,224)	(101,201)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	616,743,434	614,683,780
Loss per share	<u>4.4p</u>	<u>16.5p</u>

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 6,582,037 (2023: 5,999,019).

6. PROVISIONS

	Leasehold property provision	Warranty	Provision for contract losses	Other provisions	Employer's NIC provision	Total provisions
	£000	£000	£000	£000	£000	£000
Balance at 1 May 2022	(854)	(2,938)	(12,493)	(1,330)	(4,153)	(21,768)
Provision created in the year	(42)	(3,219)	(44,810)	(4,059)	-	(52,130)
Use of the provision	-	2,303	14,673	-	1,615	18,591
Release in the year	-	-	-	63	2,323	2,386
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	<u>(1,109)</u>	<u>(3,431)</u>	<u>(19,852)</u>	<u>(7,272)</u>	<u>(405)</u>	<u>(32,069)</u>

In the balance sheet:

Expected within 12 months (current)	-	(452)	(3,152)	(6,086)	(405)	(10,095)
Expected after 12 months (non-current)	<u>(1,109)</u>	<u>(2,979)</u>	<u>(16,700)</u>	<u>(1,186)</u>	<u>-</u>	<u>(21,974)</u>

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 12 years of the lease. Although we have taken on the lease of the unit next door in the current 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 three 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 at the point when project forecasts suggest that the contractual clauses for liquidated damages might be triggered. The other provisions category relates to potential liquidated damages for late delivery on contracts with customers. It also includes amounts payable to contracted parties for potential non-performance on contracts.

There is a provision for Employer's NIC due on share options as they exercise.

7. INVENTORY

	2024	2023
	£000	£000
Inventories held		
Raw materials	<u>10,257</u>	18,308
Work in progress	<u>60,160</u>	40,532
	<u>70,417</u>	58,840

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. Inventories have been stated after a provision for impairment of obsolete inventory of £23.6m (2023: £17.8m).

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. Inventory has increased as contract sizes have increased and we are also building to inventory when possible.

The total cost of inventories recognised as an expense through the income statement was £18.6m (2023: £23.3m)

8. 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.

	Number of shares	£000
Called up, allotted and fully paid (ordinary shares of 5p each)		
At 1 May 2023	616,465,655	30,823
Share options exercised	513,668	26
At 30 April 2024	<u>616,979,323</u>	<u>30,849</u>

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.

9. NOTES TO THE CASH FLOW STATEMENT

	2024 £000	2023 £000
Loss from operations	(38,011)	(103,713)
Adjustments:		
Depreciation	4,008	3,006
Share-based payment (through equity)	92	1,161
Foreign exchange on intercompany transactions	176	(137)
Loss on disposal	126	64
Impairment	1,417	4,469
Amortisation	1,921	942
Operating cash flows before movements in working capital	<u>(30,271)</u>	<u>(94,208)</u>
Increase in inventories	(11,577)	(26,642)
(Increase)/decrease in receivables	(9,219)	5,852
Increase in payables	22,209	11,787
(Decrease)/increase in provisions	<u>(21,056)</u>	<u>31,152</u>
Cash used in operations	<u>(49,914)</u>	<u>(72,059)</u>
Interest paid	(605)	(495)
Income taxes paid	(62)	-
Net cash used in operating activities	<u>(50,581)</u>	<u>(72,554)</u>

10. EVENTS AFTER THE BALANCE SHEET DATE

In August 2024, we signed a contract with Shell for its 100MW Refhyne II project at its refinery in Wesseling.

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