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20 November 2024

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

**Financing update and
Proposed cancellation from AIM**

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, provides the following update.

On 22 August 2024, the Company announced that it had received a notification from the Company's principal lender that the Company's working capital requirements will only be supported until 31 December 2024. It was also simultaneously announced that the Company was in discussions with other potential sources of finance in order that the business could continue as a going concern.

On 18 September 2024, the Company announced that, in the absence of securing financing or being able to draw upon its existing debt facilities beyond the end of the year, there was a very high risk that the Company would not be able to operate beyond 31 December 2024. The Directors considered that in this scenario, they would have no option but to initiate an orderly wind down of the business and seek the cancellation of the admission of the Company's ordinary shares ("Ordinary Shares") from trading on AIM. The Company subsequently announced on 23 September 2024 and more recently on 29 October 2024, that potential funding discussions continued, although highlighted that there was no certainty that any such funding discussions will conclude satisfactorily.

The Company had been in advanced discussions with a German based potential industrial partner regarding a possible funding solution which would have enabled the Company to continue to trade beyond the end of 2024. Regrettably, these discussions have now terminated.

As a result, and following an extensive review by the Board of the likelihood of securing sources of finance to enable the Company to continue to operate beyond 31 December 2024, the Board has now concluded that the most appropriate course of action is to continue with the orderly wind down of the business.

The Company intends to seek approval from the shareholders of the Company ("Shareholders") to cancel the admission of the Company's Ordinary Shares to trading on AIM in accordance with Rule 41 of the AIM Rules for Companies (the "Proposed Cancellation"). A circular convening a general meeting of the Company to approve the Proposed Cancellation and providing further detail on the next steps will be published in due course and a further announcement will be made at that time.

The principal asset of the Company is its intellectual property, the value of which is largely dependent on the group's ability to continue to trade as a going concern. As at 30 June 2024, the Company had unaudited total liabilities of approximately of £143.1 million and net liabilities of approximately £116 million. There can therefore be no guarantee that the Company will be capable of a solvent winding up, nor of the possible returns to Shareholders, if any, in that circumstance.

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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 heavy-duty, 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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