AFC Energy

IMC Presentation | 22 July 2025

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Management



John Wilson
Chief Executive Officer

- Brings a wealth of experience in leading technology-driven businesses through significant growth and transformation
- Previously CEO of Bulgin Limited, where he led a private equity backed MBO through to a subsequent sale, creating substantial shareholder value
- Prior to this, John was CEO of Elektron Technology Plc for nearly a decade, where he significantly enhanced shareholder value through strategic growth initiatives and the commercialisation of complex technologies



Karl Bostock
Chief Financial Officer

- Over 15 years of experience as a CFO in manufacturing, having previously held positions at Bulgin Limited and Coveris UK.
- Multiple successful private equity exits as CFO
- Focused on driving change both commercially and operationally to increase shareholder value.
- Joint MBO of Bulgin Limited with John Wilson created incremental c.£145m of shareholder value between 2019 and 2022 (initial purchase price of £105m)

Management team with track record of leading technology-driven businesses through significant growth and transformation

Aligned with shareholders – have invested £650k since appointment in early 2025 (including £400k as part of recent fundraise)

Addressing The Hydrogen Dilemma

Shifting from a technology-led to a market-led growth strategy



Global hydrogen economy currently held back by cost and infrastructure challenges

Our solution

Provide an end-to-end hydrogen solution at cost-parity with diesel generators for off-grid applications to displace diesel

Our ambition

Deliver on site cost-parity with diesel generators in 2026, without relying on government subsidies

UK dominance in the production of hydrogen and fuel as a service

Significantly expand regional reach, acceptance and adoption through market disruption

AFCEnergy

What do we offer?

The End-to-End Solution – AFC Energy to deliver price parity with diesel without subsidy



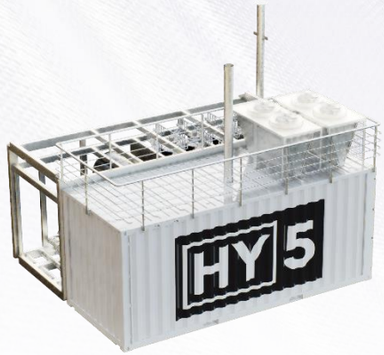
Ammonia



Hydrogen



Power



HYAMTEC

Ammonia Cracking Systems



AFC Energy

Fuel Cell Generator Systems

New Management – New Vision

What has the business achieved in the past 6 months?

Fundamental strategic repositioning focusing on achieving commercial viability in 2026. Delivered through:

- c85% cost reduction of the 30kW fuel cell generators (for delivery calendar H2 2026)
- Launch of Hy-5 containerized portable ammonia cracker generating hydrogen at a disruptive £10 per Kg under a fuel as a service model (for delivery calendar H2 2026)
- Solely focusing on projects that create shareholder value

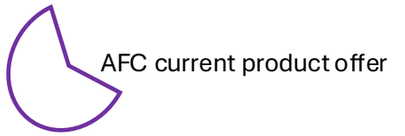
Delivering validation of the technology

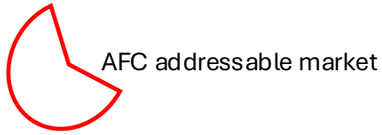
- JDA with a leading S&P 500 Industrial Company to develop a range of small to large scale crackers for hydrogen production
- Commencement of roll out of 30kW generators sold to the JV partner Speedy Hire
- Global strategic partnership with Volex Plc to support AFC fuel cell growth plans
- JV with Industrial Chemicals Limited to produce and sell low-cost hydrogen using AFC cracking technology
- Further opportunities at late stages

Fund Raise

Securing funding to deliver the strategy:

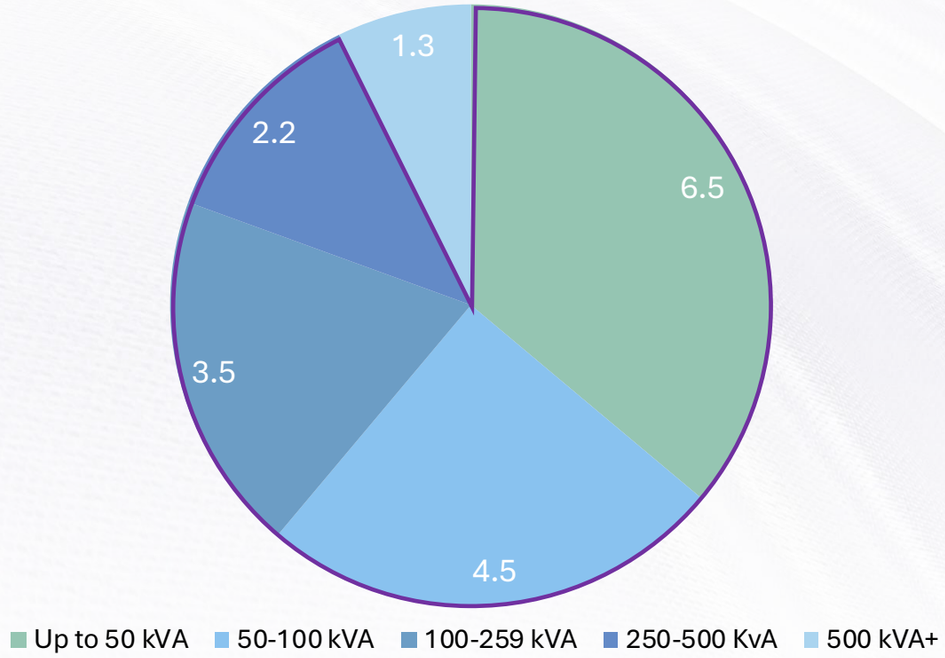
- Successful completion of £27.5m raise (subject to shareholder approval)
  - £23m ABB with significant new and existing institutional support
  - £4.5m from retail share holders
  - Of which £18.9m conditional (subject to shareholder approval at the general meeting on 7th August)
- Clear mandate to execute the strategy
- Funding provides the opportunity to demonstrate commercial viability through delivered product at a market disruptive price point



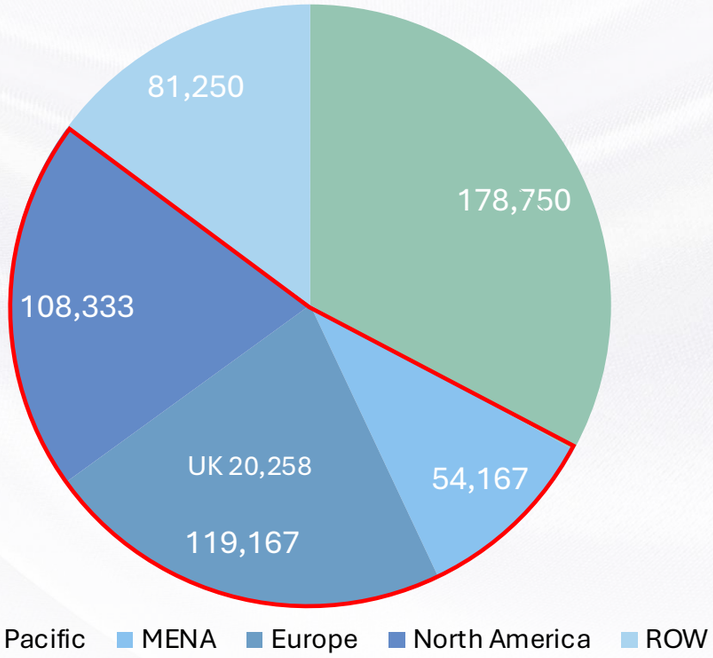


Global Generator Market (Annual Sales)

Market Size of Diesel Generators ($bn)



Up to 50 kVA by Geography (Units)



$18bn annual sales - $6.5bn in up to 50 kVA
7% forecast CAGR

280,000 unit addressable market
(£27bn @ £95k per generator)

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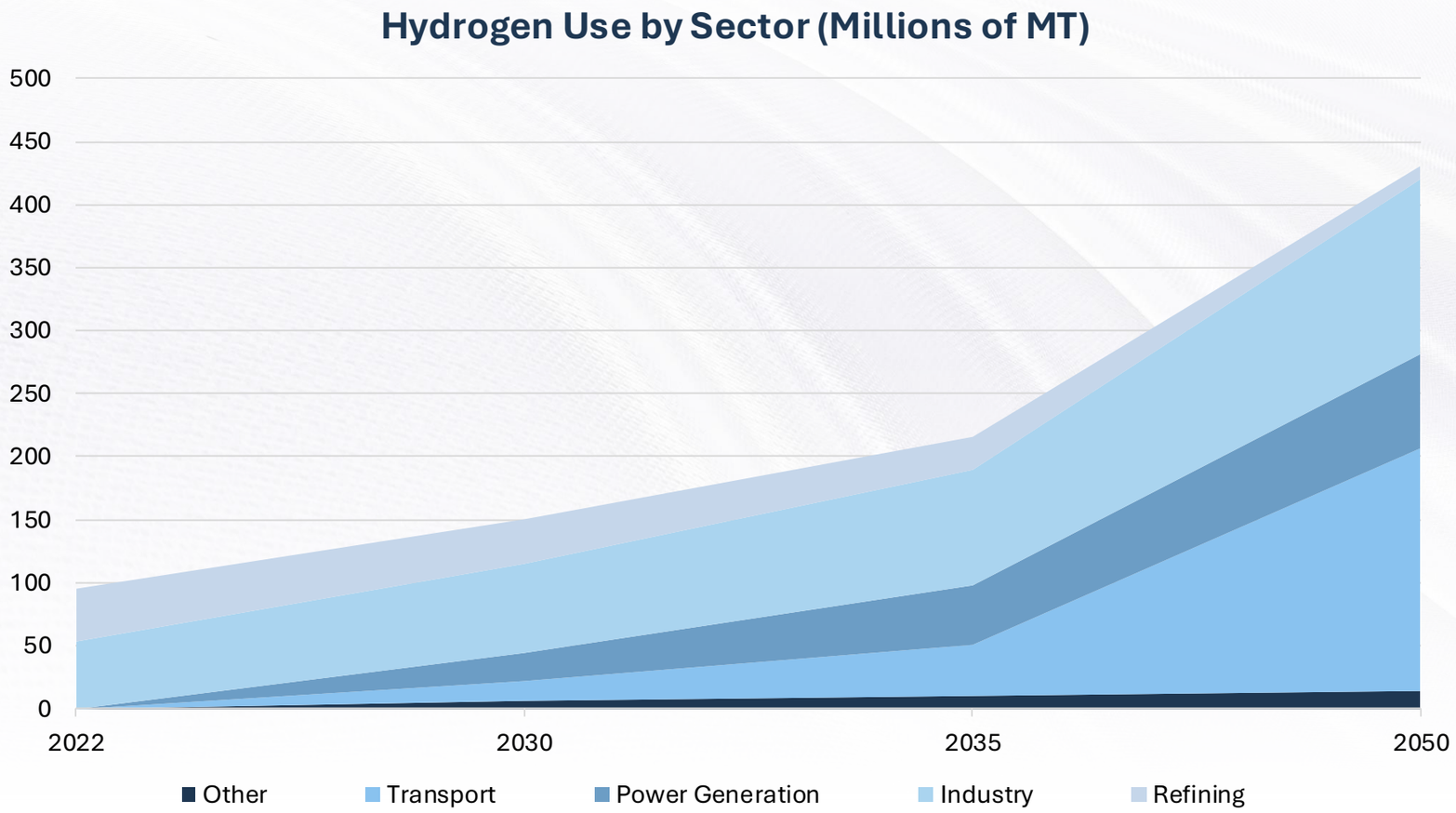
Source: Company, based on various published materials

The Market Opportunity – Hyamtec



* Source: Hydrogen – Analysis - IEA
** Source: UK: hydrogen demand forecast by scenario 2050 | Statista)

- 2022 demand of 95 million MT per year
- Increasing to 143 million MT by 2030*
- Total addressable market in 2030 is the equivalent of 657,000 Hy-5
- Regulation driving grey hydrogen to green hydrogen shift
  - EU directive to replace at least 42% of current consumption to green hydrogen by 2030 (60% by 2035) in hard-to-abate sectors
- UK government target of 1.575 million MT per year by 2030 **
  - e.g. 5% market share @ £10 per kg is £788m revenue per annum
  - Equivalent to 480 Hy-5 units deployed

The Hydrogen Economy Trajectory

Global Activity

- In **July 2024**, TotalEnergies signed a 15-year agreement with Air Products for the annual supply of 70,000 tons of green hydrogen, starting in 2030 for use in its European refineries
- In **July 2025**, as part of Donald Trump's "One Big Beautiful Bill", the US Senate extended eligibility for the V45 hydrogen production tax credit (worth up to US$3/kg) for projects starting construction by 31 Dec 2027

EU Activity

- The EU Hydrogen Bank awarded nearly €1 billion in its second auction (**February 2025**) to 15 renewable hydrogen projects across five countries, supporting the production of almost 2.2 million tonnes of renewable hydrogen over 10 years and avoiding over 15 million tonnes of CO_2 emissions. A third auction, with a proposed budget of up to €1 billion, is planned for late 2025
- The EU and Member States have allocated substantial funding for hydrogen, with cumulative national commitments estimated at €37 billion and additional pledges through IPCEIs. Latest round announced in **May 2024**

UK Activity

- The UK Government announced £500 million hydrogen storage and transport fund (**June 2025**)
- 27 projects were shortlisted for the Second Hydrogen Allocation Round (HAR2) in the UK. These shortlisted projects span England, Scotland, and Wales and represent a significant step forward in the country's efforts to scale up low-carbon hydrogen production (**April 2025**)

Source: https://www.airproducts.com/company/news-center/2024/06/0607-totalenergies-and-air-products-green-hydrogen-to-decarbonize-european-refineries#:~:text="This%20deal%20with%20Air%20Products,and%20two%20biorefineries%20in%20Europe
https://hydrogeneurope.eu/wp-content/uploads/2024/11/Clean_Hydrogen_Monitor_11-2024_V2_DIGITAL_draft3-1.pdf
https://energy.ec.europa.eu/topics/eus-energy-system/hydrogen/european-hydrogen-bank_en
UK Unveils £500 Million Hydrogen Boost to Power Clean Energy Future

AFC Energy

Speedy Hire

S&P 500
JDA Partner

icl

Volex



Hyamtec – Ammonia Cracker Highlights

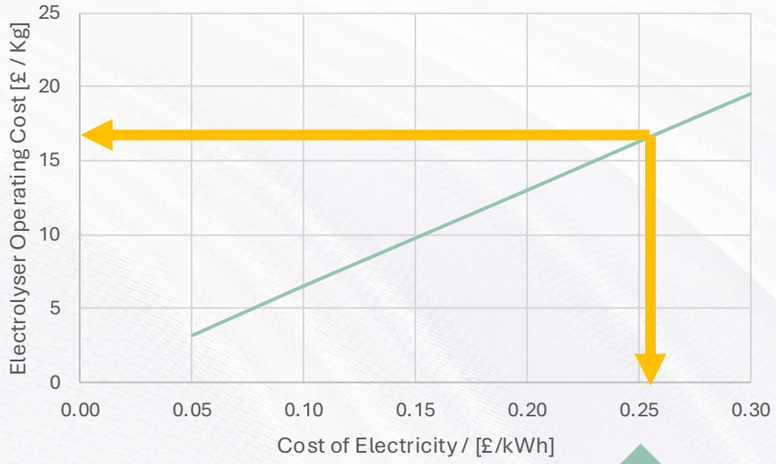
AFC Energy

Source : IRENA Innovation Outlook (Renewable Ammonia)

Why Ammonia Cracking is a Lower Cost Way of Making Hydrogen

Making Hydrogen by Electrolysing Water

Cost of Hydrogen
~£15 / Kg



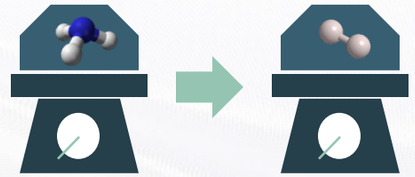
UK Grid Electricity
£0.258 / kWh*

- Typical Electrolyser operating efficiency of 60 kWh/Kg
- Typical UK Grid Electricity can range up to £0.26 / kWh
- Small scale solar / wind installations can get as low as £0.14 / kWh

Levelised cost of Hydrogen = Electrolyser Operating Cost (~£15)
+ Water
+ Electrolyser CAPEX
+ Hydrogen Logistics
+ Site OPEX
+ Profit

- Source: https://www.ons.gov.uk/economy/economicoutputandproductivity/output/articles/theimpactofhigherenergycostsonukbusinesses/2021to2024

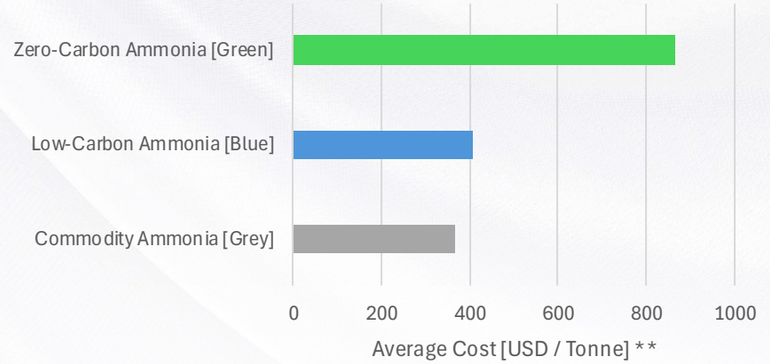
Making Hydrogen by Cracking Ammonia



One Tonne of Ammonia

0.176 Tonnes of Hydrogen

- 17.6% of ammonia by mass is hydrogen
- Ammonia globally available from different manufacturing methods & carbon intensities
- Green ammonia projected to be at cost parity with grey from 2030



Cracked Hydrogen Cost

$4.93 / £3.61

$2.31 / £1.69

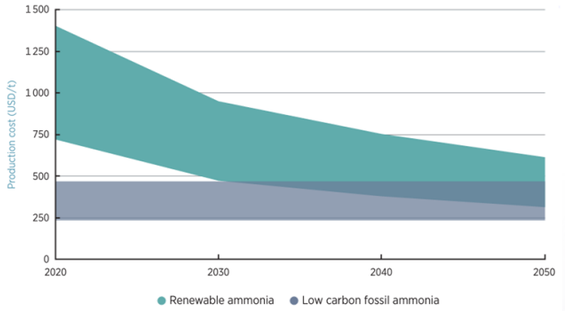
$2.09 / £1.53

Levelised cost of Hydrogen = Cracked Hydrogen Cost (£1.53 - £3.61)
+ Cracker CAPEX
+ Ammonia Logistics
+ Site OPEX
+ Profit

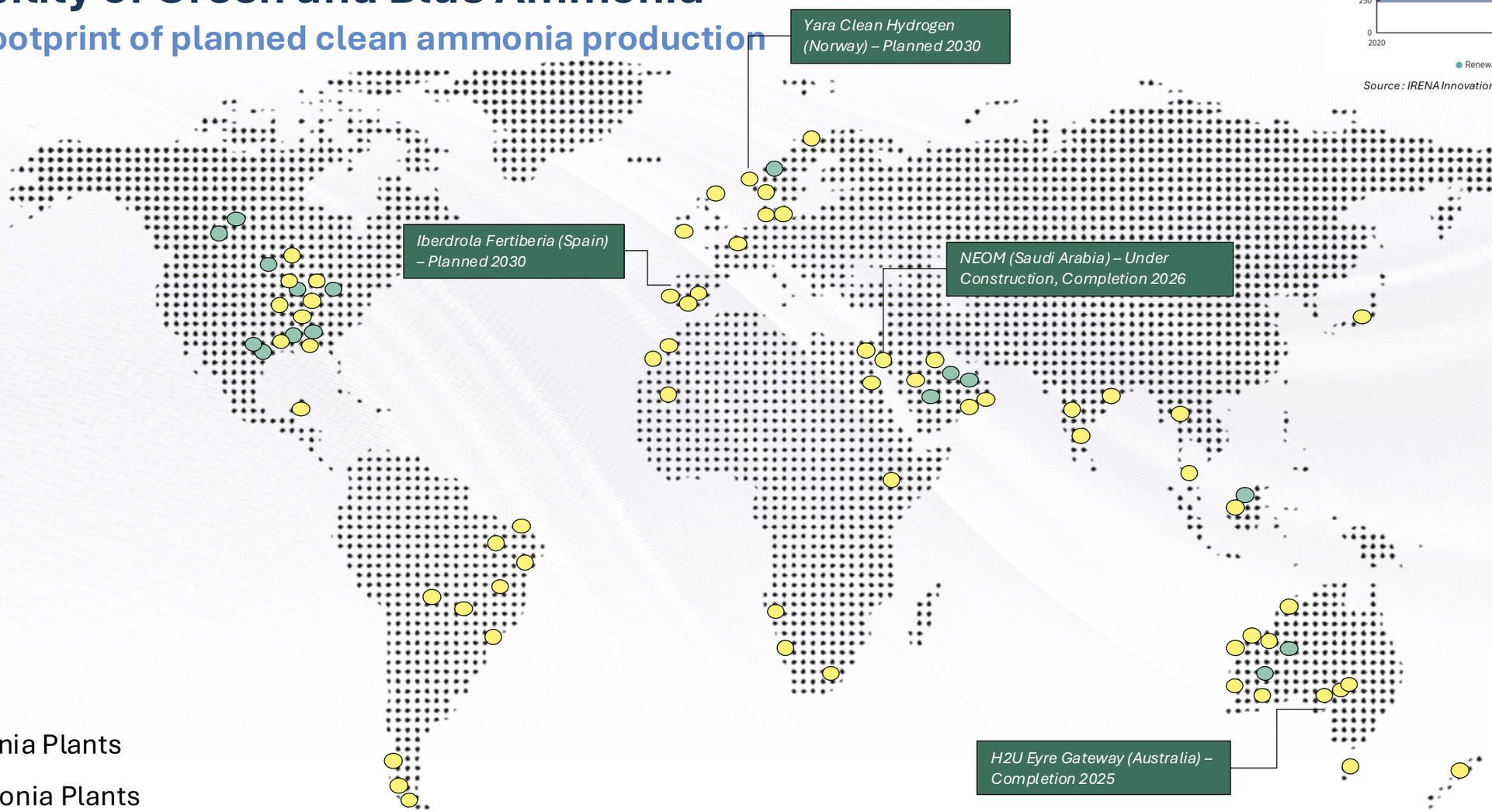
** Source: https://www.spglobal.com/commodity-insights/en/news-research/latest-news/energy-transition/051023-interactive-ammonia-price-chart-natural-gas-feedstock-europe-usgc-black-sea

Availability of Green and Blue Ammonia

Global footprint of planned clean ammonia production



Source : IRENA Innovation Outlook (Renewable Ammonia)



- Blue Ammonia Plants
- Green Ammonia Plants

Source : Argus Clean Ammonia Projects Tracker Map 2023

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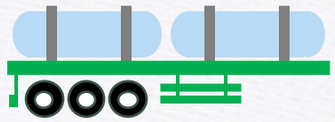
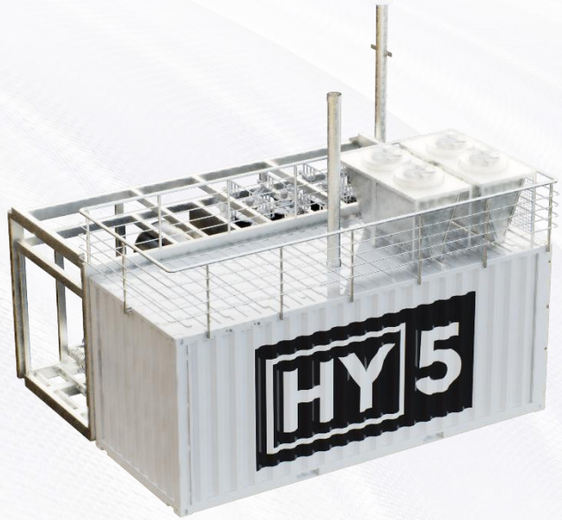
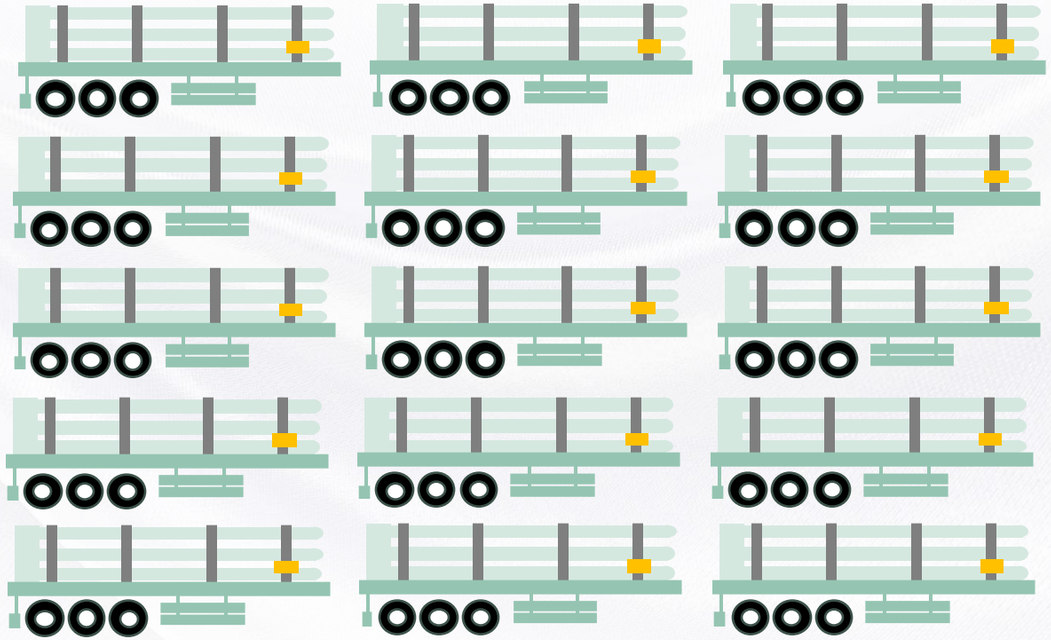
Why do we Think Ammonia is the Future?



Two ISO Tanks of Ammonia (26 Tonnes)



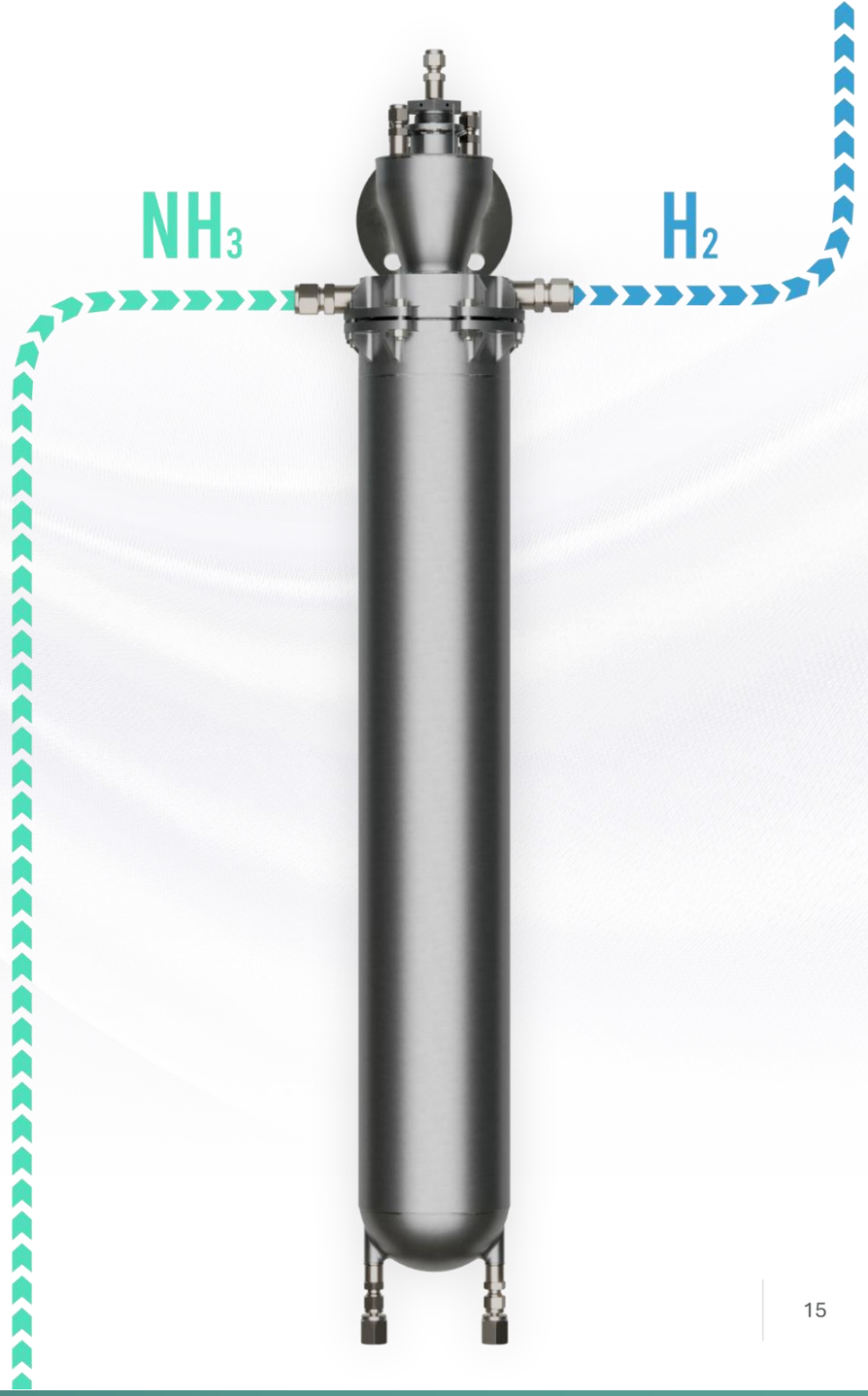


Fifteen 300Kg Hydrogen Tube Trailers

The AFC Energy / Hyamtec ammonia cracker technology unlocks access to low-cost, readily transportable hydrogen

Reactor Technology

- Novel design, architecture & efficiency protected via filed patents
- Easily integrated into larger systems
  - Designed to operate over a wide pressure range (up to 40 barg)
  - Harmoniously operates with all purification technologies for fuel cell applications due to patent protected polishing technology to removes waste gases
  - Compact size yet modular for higher throughputs
- Efficient operation
  - Can utilise multiple heat sources (including waste heat streams)
  - Low electrical power consumption (<9.5 kWh/Kg) with roadmap to decrease further (patented heat exchange architecture)
  - Can extract waste heat from combustion engine exhausts for further efficiency gains (patented burner architecture)
- Optimised operating with low thermal mass, responsive to demand (20 minute start time)



Ammonia Cracker Target Markets

Current architecture

Gen 2



Future architecture

Gen 3





Technology Proven – Hydrogen from Ammonia in Action



Pilot Cracking Plant



Hydrogen Tube-Trailer Filling

- 400Kg/day fuel-cell grade hydrogen production pilot plant operating, 15 barg
- High efficiency (<10kW electrical consumption) with waste streams utilised for heat generation
- Compressed hydrogen output (450 barg) for tube trailer filling
- Now taking learnings & repackaging for UK / EU deployments
- Pilot site to relocate & operate as a new UK source of commercially viable hydrogen with our JV partners



Practical Use Cases for a Hy-5

A single Hy-5 unit could support the following daily usage profiles



80 x 30 kW Fuel Cells[1]



25 x 200 kW Fuel Cells[2]



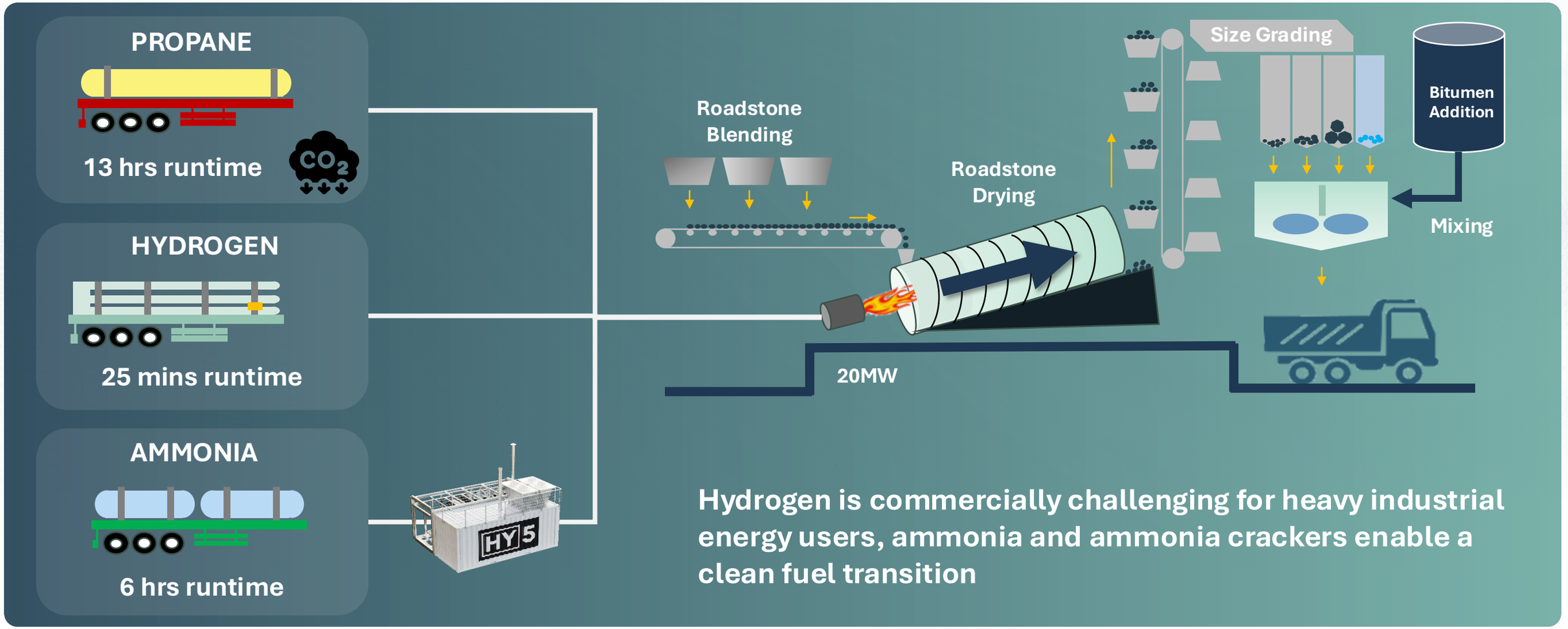
14 x Hydrogen Buses[3]



9 x Hydrogen Trucks[4]

1. Based on a typical off-grid diesel generator usage profile (AFC Energy S30)
2. Based on typical working day high power generator usage profile (AFC Energy S+200)
3. Based on Van Hool Bus (35kg On-board storage)
4. Based on Scania Hydrogen Truck literature (56 Kg On-board storage)

Industry Example : Asphalt production



Fuel Cell Technologies

AFC Energy

Our Fuel Cell Platforms

Medium Power Platform



- Air cooled fuel cell stack architecture
- 30kW (50kVA) – high voltage DC bus
- Modular blade format for power scaling
- Interfaces with external battery systems for hybrid power provision
- 85% cost reduction achieved

High Power Platform



- Liquid cooled fuel cell stack architecture
- Up to 500kW – high voltage DC bus
- Power dense footprint
- Interfaces with external battery systems for hybrid power provision

Adoption of Hydrogen Technologies – Addressing Total Cost of Ownership

	Diesel	Our Offer
Capital Cost	Low, commoditised technology	New technology
Servicing / Maintenance Cost	Regular maintenance intervals and short operating life	Infrequent low-cost maintenance
Fuel	Low-cost diesel	Low-cost hydrogen from ammonia
Generator Efficiency	Low/Medium	High
Total Cost of Ownership	Acceptable	Parity

*Future offer includes lower cost fuel cell and Hydrogen supplied from a Hy-5 unit @ £10/kg

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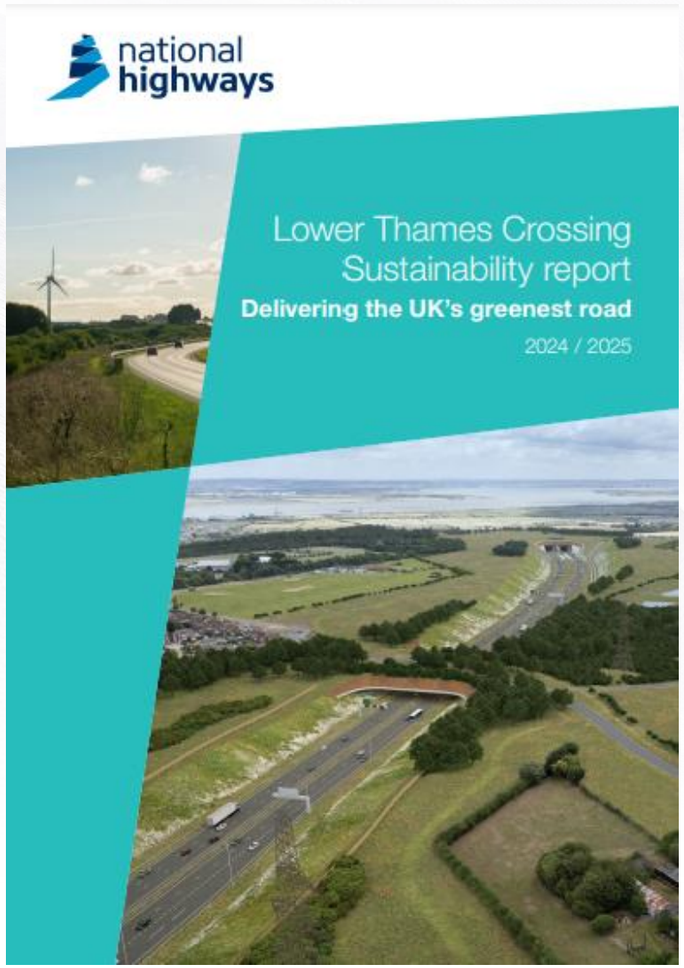
Route to Market – Construction Industry focus





"Pain point" that cannot be met by renewables or batteries alone

- Tender requirements require decarbonised solutions
- Emission regulations driving technology choice
- Higher cost, less efficient Stage V diesel generators
- Tier 1 construction companies' ESG shareholder requirements

UK Go to Market Strategy – JV with Speedy Hire



Speedy Hydrogen Solutions Incorporated



Delivery of first 30kW H-Power Generator

- 50:50 Joint Venture
- Exclusivity for supply of generators for the power hire market in the UK & Ireland
- Purchased first 20 generators
- Speedy responsible for the deployments
- AFC responsible for the provision of hydrogen

Outlook

AFC Energy

Use of Placing Proceeds

Advance Hy-5 commercialisation	• **Containerisation and accreditation of Hy-5**
	  • 4 units to be manufactured
	  • £10 per kg hydrogen
	  • £1.0m annual revenue per unit

Low cost fuel cells	• **Production and accreditation of first 5 low-cost fuel cell gen set** • 8x reduction on cost with new strategy supported by Volex agreement
Fixed costs	• **Fixed factory and payroll costs** • Management focused on removing all non-value adding costs

Executing on AFC's short term focus:

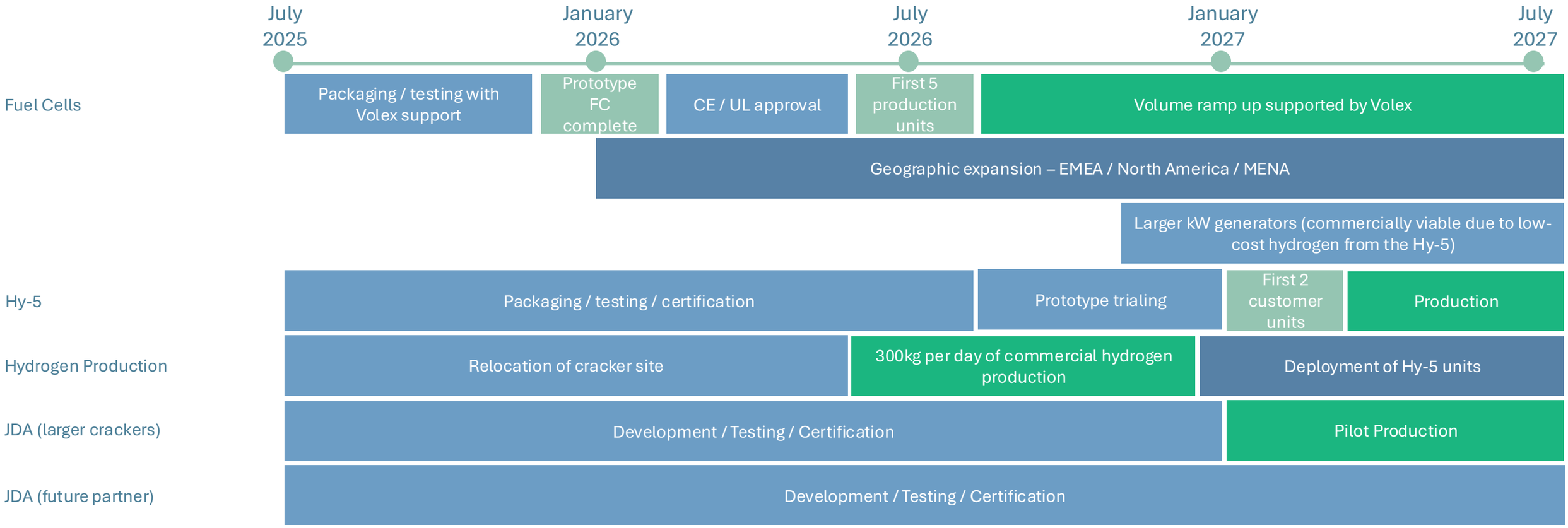
HYAMTEC

Product suite development to capitalise on market disruptive price point for hydrogen production

AFC Energy

Lower cost fuel cell gen sets to enable market penetration

Value Creation Roadmap



Milestone | Development | Commercial | Revenue Generation

AFC Energy

Conclusion

Commercially viable today – without the need for Government subsidy

- Proven executive team – aligned with shareholders via personal investment
- Commercially viable business model based upon cost parity with diesel for off-grid applications
- Proven technology:
  - Fuel cell generators in the field
  - Ammonia cracker site operational for more than 12 months
  - Technology verified by a JDA with S&P 500, ICL, Volex and Speedy Hire
- IP protective moat ensures competitive advantage
- Management focused solely on shareholder value creation





Interim Results

Unaudited Interim Financial Accounts*

Revenue

£17k

- 96% from H1 '24 (change of strategy)

R&D capitalisation

£3.1m

Part funded by government grants

R&D tax credits accrued

£1.5m

+31% from H1 '24

Loss after tax

£10.1m

+22% from H1 '24

Depreciation & amortization

£2.0m

+60% from H1 '24

Stock provision / write off

£2.9m

£nil in H1 '24 (change in strategy)

Cash & cash equivalents

£4.3m (£2.6m as at 30 June)**

- 65% from H1 '24

Funds due to be received in Q3

£4.2m

+ Grant income, vat and R&D tax credit

Capital expenditure

£0.5m

- 67% from H1 '24

H1 – Cash flow

15	£'000s
Fixed cost cash burn (£1.067m per month)	(6,402)
Capitalised R&D (net of grant income received)	(2,654)
Capital expenditure (net of financing)	(380)
Completion cost for the 28 generators built (net of funds from Speedy)	(1,302)
Restructuring costs	(373)
Reduction in Cash	**(11,111)**

* Full statements detailed in appendix

** £1.6m in tax credits and £0.6m of grants to be received in July 2025

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Questions

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