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6 November 2025

AFC Energy PLC
("AFC Energy" or the "Company")

Trading Update for Year Ended 31 October 2025

Strategic and developmental progress in line with management's expectations

AFC Energy plc (AIM: AFC), a leading provider of hydrogen and clean power generation technologies, is pleased to announce a trading update for the financial year ended 31 October 2025 ("FY25").

John Wilson, Chief Executive Officer of AFC Energy said:

"*Since joining the business 10 months ago, our focus has been on building a business capable of disrupting our industry through utilising its proprietary technology, to create significant shareholder value. We have made substantial progress in fulfilling this objective, evidenced by the partnerships and agreements signed and developmental progress to date.*

I am confident that 2026 will be a year of conversion of our growing pipeline of opportunities to contractual orders and the beginning of sustained revenue growth for our business, without the need for government subsidies."

Highlights

- Multiple fuel cell generator deployments through Speedy Hydrogen Solutions joint venture
- Successful completion of first phase of Joint Development Agreement ("JDA") development with S&P 500 partner
- Hy5 development on track and will provide the lowest cost bulk hydrogen available to industrial customers, in the UK, by the end of calendar year 2026
- Next generation S+30 30kW liquid cooled fuel cell generators on track for delivery in 2026 supported by our manufacturing partner, Volex Plc ("Volex"), at c.85% lower production costs than current variant
- Joint Venture with Industrial Chemicals Group Limited ("ICGL") on track to produce hydrogen for commercial use in the first half of calendar year 2026, subject to permitting
- Significant focus on commercial viability leading to substantial business reorganisation, headcount and footprint reduction coupled with creation of key business functions PMO ("Project Management Office") and Commercial
- As at 31 October 2025, the Company held unaudited cash, cash equivalents and short term deposits (unaudited) of £25.3m (FY24: £15.4m)
- Revenue (unaudited) of £107k due to strategic reset to accelerate commercial viability, in the short term, as announced in March 2025 (FY24: £4m)

Outcome of strategic review

Following the over-subscribed fundraise in July 2025, the business has been fundamentally restructured, following a strategic review, to ensure optimal alignment with delivery of our objectives. This has resulted in a net headcount reduction of 17, a consolidated footprint, including the closure of the previously leased Stade facility in Germany, and focus on reduction of all costs. This will lead to an annualised saving of c. £1.5m in FY26.

Commercial progress

Our leadership team has been strengthened through the appointment of a Chief Strategy Officer, and post-year end, a Chief Commercial Officer to accelerate conversion of our opportunity pipeline.

Following our revised pricing strategy offering “tomorrow’s price today,” providing Total Cost of Ownership (“TCO”) equivalence based upon our 2026/27 product set, we stimulated end customer demand, resulting in multiple deployments of 30kW generators through our Speedy Hydrogen Solutions joint venture.

The launch and development of our Hy5 decentralised portable cracker unit has led to significant numbers of enquiries due to its ability to unlock the joint challenges of hydrogen logistics and hydrogen pricing. Our £10/kg[1] onsite headline pricing is market disruptive in the UK (without the need for government subsidy), where current pricing ranges between £40/kg and £110/kg.[2]

We have successfully concluded the first phase of our JDA project with our S&P 500 partner and have submitted our report pending discussion and agreement on subsequent phases.

Operational progress

Our next generation 30kW fuel cell generator, with a c.85% reduction in cost and >50% smaller footprint, continues to be developed within the timelines previously announced. Volex continues to support the manufacturability of this product line and we expect our first revenues from these units in calendar year 2026, following rigorous testing and certification required for sale in the EU, US and MENA regions.

Similarly, the Hy5, decentralised portable cracker capable of producing 500 kg of hydrogen/day, development remains on track and on budget.

ICGL’s Port Clarence site has been selected for the relocation of AFC’s pilot cracker unit. We expect to produce low cost hydrogen for commercial use in the first half of calendar year 2026, subject to permitting. It is envisaged that the first Hy5 unit will be commissioned at this facility providing the JV with the ability to produce close to 1 tonne of hydrogen per day by the end of calendar year 2026.

Hydrogen market backdrop

Over the past three months, the US clean energy market has seen a series of developments that are expected to strengthen further the long-term demand for fuel cells and hydrogen. Share prices of several listed hydrogen and fuel cell companies have rebounded sharply, driven by growing expectations that these technologies will play a key role in meeting the power needs of AI data centres.

Several major data centre operators have now committed to integrating fuel cell systems on-site to supply primary and back-up power systems for their expanding facilities across the globe. This marks an unprecedented level of commitment to fuel cells and highlights their growing appeal as a reliable, distributed, commercially viable and scalable alternative to conventional power generation sources. As production scales up, manufacturing costs are expected to decline, improving the commercial competitiveness of fuel cells. This unprecedented data centre infrastructure buildout and associated surge in power requirements is also expected to drive demand for the supply of affordable hydrogen. AFC Energy believes this market provides a tangible future market opportunity for its fuel cell generator and ammonia cracker systems, capable of producing low cost hydrogen without government subsidy.

[1] Subject to minimum term and take or pay provisions.

[2] Based upon AFC’s range of hydrogen delivered to site cost in 2025.

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About AFC Energy

AFC Energy plc is a leading provider of hydrogen energy solutions, to provide clean electricity for on and off grid power applications. The Company's fuel cell technology is now deployable as electric vehicle chargers, off-grid decentralised power systems for construction and temporary power with emerging opportunities across maritime, data centres and rail as part of a portfolio approach to the decarbonisation of society's growing electrification needs.

The Company's proprietary ammonia cracking technology further highlights emerging opportunities across the distributed hydrogen production market with a focus on hydrogen's role in supporting industries facing challenges in decarbonisation, such as mining, cement and heavy engineering, all expected to be delivered at a commercially viable price point, without government subsidies.