



Investor Presentation FY23 Final Results

Chris Walters, Chief Executive
Steve Hammell, CFO

30 Jan '24



Disclaimer

This presentation has been prepared by Pressure Technologies plc (the “Company“ or “Pressure Technologies”) solely in connection with providing information on the Company and to certain institutional and professional investors in the United Kingdom.

This presentation does not constitute or form part of any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities in the Company nor shall this presentation or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract, therefore. No reliance may be placed, for any purposes whatsoever, on the information contained in this presentation or on its completeness and this presentation should not be considered a recommendation by the Company or Singer Capital Markets or any of their respective affiliates in relation to any purchase of or subscription for securities of the Company. The content of this Presentation has not been verified and has not been approved by an authorised person. Reliance on this document for the purpose of engaging in any investment activity may expose you to a significant risk of losing all of the property invested or of incurring additional liability. If you are in any doubt about this document, you should consult an appropriate independent advisor.

Neither this presentation nor any copy of it may be (i) taken or transmitted into the United States of America, (ii) distributed, directly or indirectly, in the United States of America or to any US person (within the meaning of regulations made under the Securities Act 1933, as amended), (iii) taken or transmitted into or distributed in Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, or (iv) taken or transmitted into or distributed in Japan or to any resident thereof. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this document in other jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe, any such restrictions or other applicable legal requirements.

This presentation includes statements that are, or may be deemed to be, “forward-looking statements”. Such forward-looking statements are based on assumptions and estimates and involve risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. No representation or warranty express or implied is made as to the fairness, accuracy, completeness or correctness of the presentation or opinions contained therein and each recipient of the presentation must make its own investigation and assessment of the matters contained therein. In particular, but without prejudice to the generally of the foregoing, no representation or warranty is given, and no responsibility of liability is accepted, as to the achievement or reasonableness of any future projections or the assumptions underlying them, forecasts estimates or statements as to loss howsoever arising from any use of, or in connection with the presentation. No responsibility or liability whatsoever is accepted by any person for any loss howsoever arising from any use of, or in connection with the presentation or its contents or otherwise arising in connection therewith. In issuing the presentation, the Company does not undertake any obligation to update or to correct any inaccuracies which may become apparent in the presentation.

IF YOU ARE NOT A RELEVANT PERSON OR DO NOT AGREE WITH THE FOREGOING, PLEASE IDENTIFY YOURSELF IMMEDIATELY



Agenda

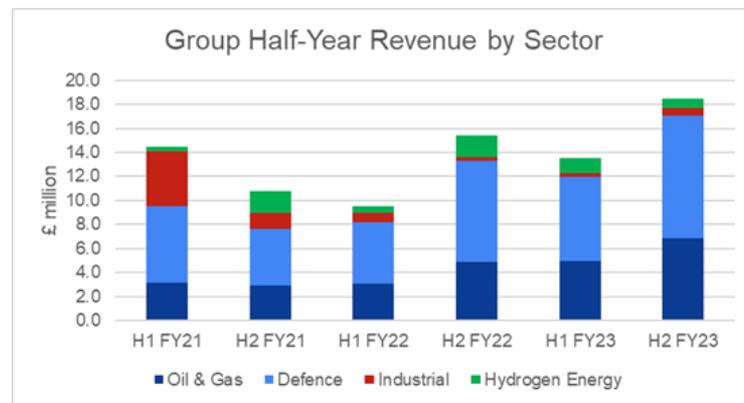
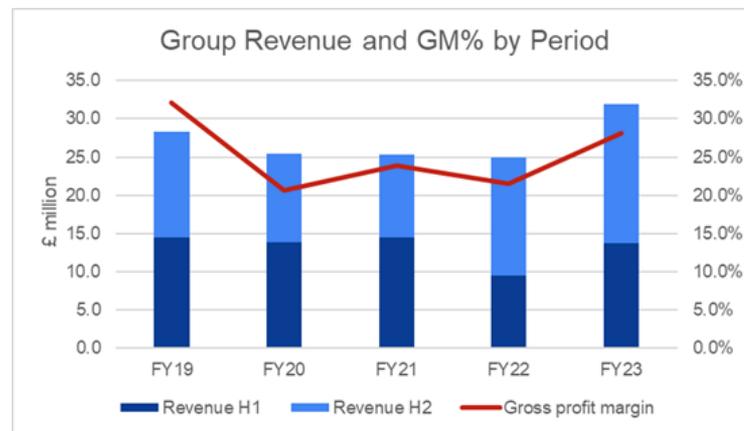
- **Group Highlights**
- **Group Financial Results**
- **CSC Division - Highlights**
- **PMC Division - Highlights**
- **Shareholder Value Focus**
- **CSC - Defence & Hydrogen**
- **Outlook**

Group Highlights

- FY23 has been a year of significant progress for the Group with market conditions and order intake improving considerably, facilitating a return to profitability in both divisions
- Group revenue in FY23 of £32.0m (FY22: £24.9m) up 29%
- Gross profit of £8.9m at 28% margin (FY22: £5.3m at 21% margin)
- Return to EBITDA profitability in FY23 of £2.1m (FY22: loss of £0.9 million)
- Operating profit (pre-exceptionals) of £0.6m (FY22: loss of £2.6m)
- Order intake of £43.0m for FY23 (FY22: £24.6m) up 75%
- Order book of £19.3m at Dec '23 (Dec '22: £9.9m) up 95%, the highest level for more than five years
- Refinancing of debt facilities was completed in Nov '23 with new Term Loan of £1.5m
- Planned divestment of PMC, with the sale process launched in Dec '23
- Focus on delivering shareholder value from CSC in defence and hydrogen markets

Group Financial Results - Profit & Loss

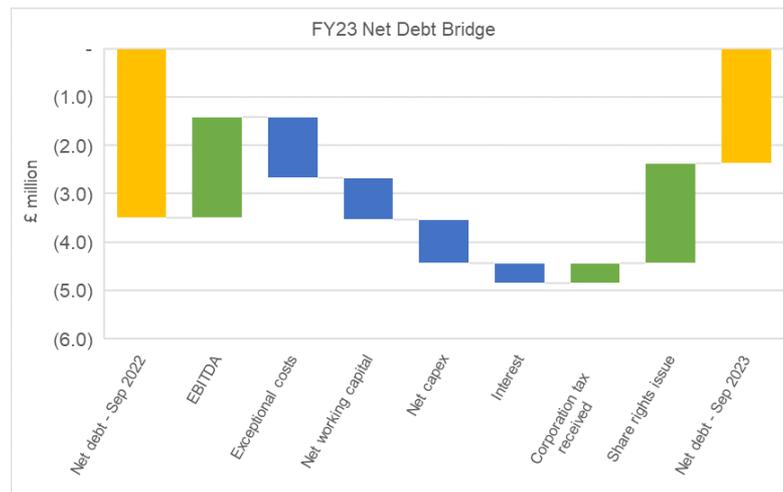
	FY23 £m	FY22 £m	H1 FY23 £m
Revenue	32.0	24.9	13.8
Chesterfield Special Cylinders	20.7	17.6	8.8
Precision Machined Components	11.3	7.3	4.9
Gross Profit	8.9	5.3	3.7
Adjusted EBITDA	2.1	(0.9)	0.3
Chesterfield Special Cylinders	3.9	1.1	1.1
Precision Machined Components	0.1	(0.3)	0.2
Central costs	(1.9)	(1.7)	(1.0)
Depreciation	(1.5)	(1.7)	(0.8)
Exceptional Items	(1.3)	(1.1)	(0.7)
Operating Loss	(0.7)	(3.7)	(1.2)
Loss before Taxation	(1.1)	(4.0)	(1.4)
Loss per share - Basic	(1.8)p	(13.0)p	(3.9)p
Profit/(loss) per share - Adjusted	0.8p	(10.2)p	(2.3)p
Dividend (pence)	nil	nil	nil



Group Financial Results - Balance Sheet & Net Debt

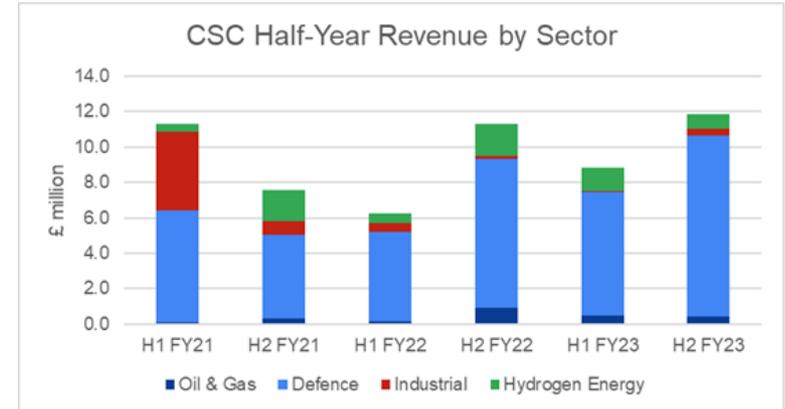
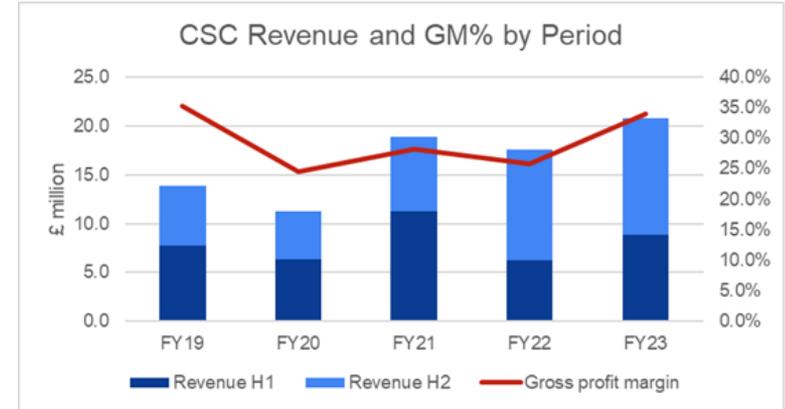
	FY23 £m	FY22 £m	H1 23 £m
Tangible Fixed Assets	9.5	10.3	10.1
Right of Use Assets ("ROUA")	0.8	0.9	0.9
Tangible Assets	10.3	11.2	11.0
Net Working Capital	5.6	4.4	5.5
Tax Provisions	0.1	0.0	0.0
Cash	0.9	1.8	1.0
RCF	(0.9)	(2.4)	(1.9)
Finance Leases & ROUA Liabilities	(2.4)	(2.9)	(2.8)
Net Debt	(2.4)	(3.5)	(3.7)
Net Assets	13.6	12.1	12.8

- Loss after tax in FY23 of £0.7m
- Equity issue in Dec '22 raised £2.1m (net)
- Net Assets increased by £1.5m in the year
- Net Debt reduced from £3.5m to £2.4m from EBITDA and equity issue, net of exceptionals and capex



CSC Division - Highlights

- Revenue in FY23 of £20.7m (FY22: £17.6m) up 18%
- Driven by defence contracts in the second half underpinning improved gross margins
- Defence revenue of £17.2m (FY22: £13.5m) reflecting strong order book and new contract placements for UK and overseas new build programmes
 - Largest ever contract award of £18.2m in Feb '23 for major UK naval programme
- Hydrogen revenue subdued at £2.1m (FY22: £2.4m) due to broader industry supply chain constraints

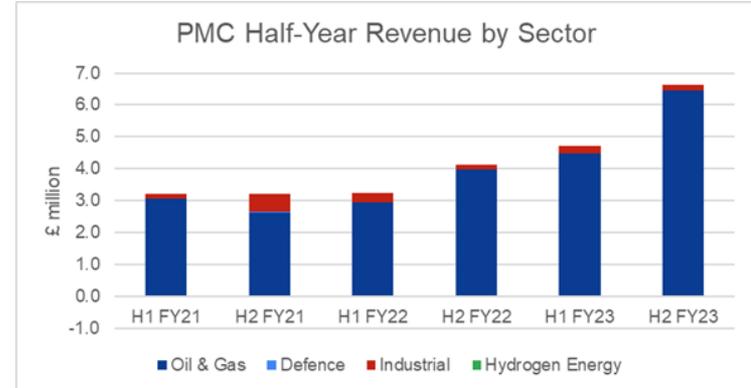
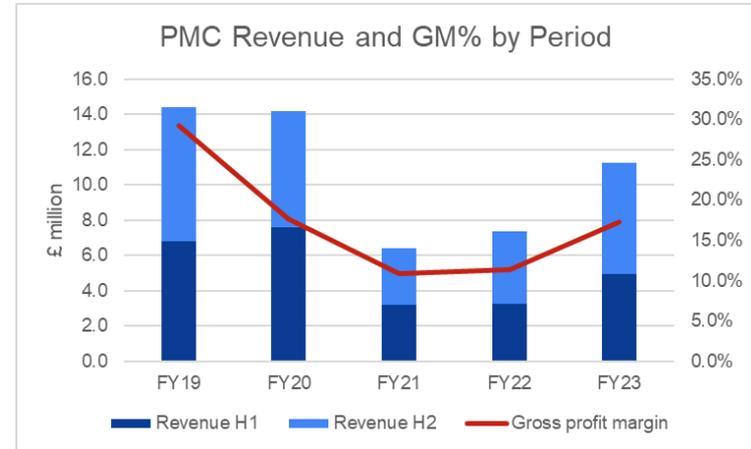


CSC Division - Highlights

- EBITDA of £3.9m (FY22: £1.1m) at 19% margin (FY22: 6%)
- Order intake strengthened in FY23 to £24.6m (FY22: £15.7m)
- Order book of £11.0m at Dec '23 (Dec '22: £7.0m), providing good visibility into FY24
- Enquiry levels for Integrity Management services increased sharply during FY23
 - Work started in FY24 on new Integrity Management contract for major UK defence customer
- Strong progress continues on operational improvements to capacity and efficiency

PMC Division - Highlights

- Strong recovery in oil and gas markets in FY23
- Major customers continue to report increased activity levels in FY24
- Revenue in FY23 of £11.3m (FY22: £7.3m) up 55%, supporting a return to EBITDA profit of £0.1m (FY22: loss of £0.3m)
- Order intake strengthened significantly in FY23 to £18.4m (FY22: £8.9m)
- Order book of £8.3m at Dec '23 (Dec '22: £2.9m), the highest order book level seen in the last five years, providing strong revenue cover into FY24

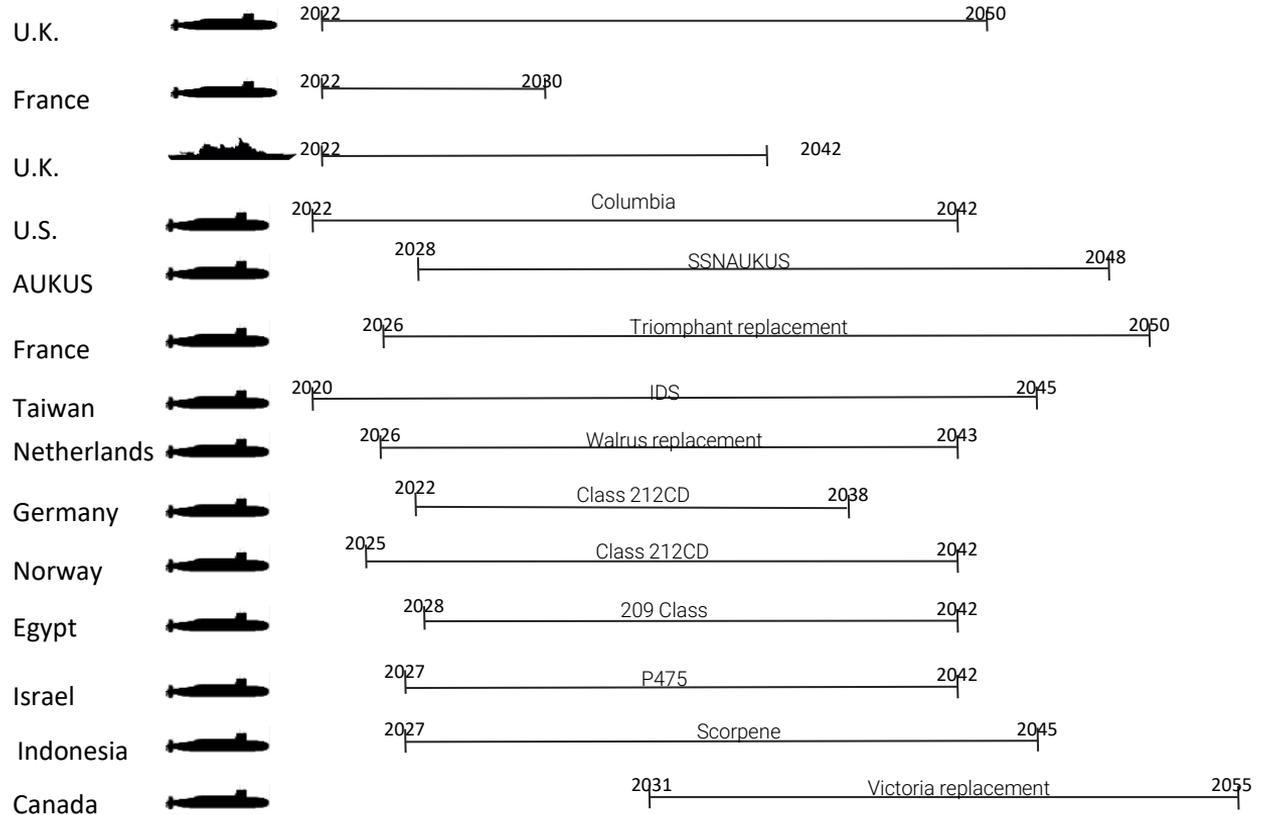


Shareholder Value Focus

- Focused on delivery of shareholder value against the backdrop of improving market conditions
- Well positioned as a trusted, world-leading manufacturer serving growing, safety-critical markets
- Improving operational performance in capacity and efficiency
- Prioritising the growth and development of CSC in 2 key markets:
 - **Defence** - working with UK and global defence primes on long-term programmes and platforms
 - **Hydrogen** - focus on the key emerging segment of storage and transportation solutions
 - **and**, building our leading **Integrity Management** services across these safety-critical markets
- Progress made towards realising value from the sale of PMC:
 - DSW Corporate Finance appointed in Oct '23 to manage the sale process
 - Information Memorandum completed and marketing commenced Dec '23
 - Targeting completion in Q3 FY24

CSC - Long-term opportunities in UK & global defence markets

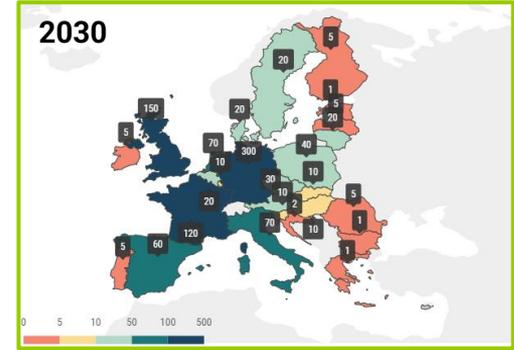
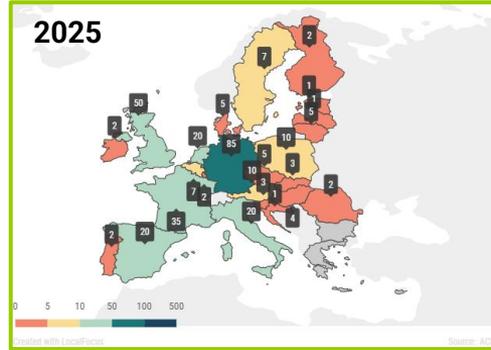
- New build revenue opportunity of **£100m-£150m** over next 15 years
- Major programmes include:
 - AUKUS £32m
 - France £24m
 - US £19m
- Qualification process for major US Defence prime contractor is progressing positively
- Creates long-term Integrity Management opportunities



CSC - Increasingly exciting outlook for hydrogen

UK & EUROPEAN MOBILITY PROJECTS (BUS, MEDIUM/HEAVY DUTY TRUCK, LOGISTICS, TRAIN)

- Hydrogen refuelling station (HRS) manufacturers are increasing output to meet growing demand for mobility projects in the UK, Europe, Australia and Americas.



* HRS market projections by European Automobile Manufacturers' Association (ACEA) validated by HyEnergy (September 2023)

GREEN HYDROGEN GENERATION EXPECTED TO DRIVE DEMAND FOR HIGH-VOLUME STORAGE AND DISTRIBUTION

- Strong commitment to green hydrogen generation in UK and Europe expected to drive demand for pressurised storage and transportation
- UK government awarded c.£90 million funding for projects under Hydrogen Allocation Round one (HAR1), with HAR2 funding awards to follow in 2024. CSC well positioned to support several HAR1 and HAR2 funded projects with hydrogen storage and transportation solutions

INCREASING DEMAND FOR HYDROGEN ROAD TRAILERS PRESENTS EXCITING GROWTH OPPORTUNITY

- Demand for hydrogen road trailer newbuild and periodic inspection and testing expected to grow significantly through to 2030

Outlook

- During FY24, CSC expects to pass the peak of activity on current high-value defence contract milestones and will seek to rebalance its revenue profile across global defence programmes and the hydrogen energy market, with each of these markets presenting significant opportunities over the medium-term
- During this transitional period, CSC revenue is expected to decline slightly on FY23 levels with a consequent reduction in divisional profitability in FY24
- PMC continues to see increasing demand from global oil and gas customers and improving operational performance
- The momentum in PMC's order intake provides significant confidence in delivering an improved full-year FY24 performance for the division
- Given these divisional trends, the Board expects the Group's full-year FY24* revenue and Adjusted EBITDA to be in-line with current market expectations (revenue of £34m and Adjusted EBITDA of £2.1m)

* FY24 outlook includes CSC and PMC, on the basis that PMC is not sold in FY24 and remains a continuing operation

About Us

Our Company Values



We put
people first



We innovate &
create the future



We work
together



We deliver to the
highest standard

Introduction to Pressure Technologies

Our Purpose

Our Purpose is to advance safety and reliability in demanding environments through technology, high quality engineering and the skills of our people.

Our Vision

Our Vision is to build a Company that is globally recognised within its markets as the leading provider of pressure containment and control products and services to customers who operate in highly-demanding, safety critical environments where the consequences of product failure could be catastrophic

Our Group

We are leaders in the design and manufacture of safety-critical components and systems serving global supply chains in defence, oil and gas, industrial and hydrogen energy markets



- Established in 1897
- Safety-critical gas containment systems
- Inspection and recertification services
- Global hydrogen, defence, oil and gas and industrial customers
- Growing presence in hydrogen energy market

Precision Machined Components (PMC)



- Al-Met, Roota Engineering and Martract brands
- Highly specialised precision components
- Complex, safety-critical applications
- Drilling, well intervention, production flow control
- Global OEM customer base



Our history - 125 years in the making

The Universal Weldless Steel Tube Company Ltd was formed in London

1897

Chesterfield Tube Company (CTCO) acquires The Universal Weldless Steel Tube Company Limited.

1906

The first seamless stainless steel tubes were manufactured by CTCO.

1921

CTCO 10,000,000 cylinders had been manufactured and supplied to a customer base of 269.

1961

Cylinders are now made to carry virtually all commercially compressed gases including: oxygen, carbon dioxide, nitrogen, acetylene, nitrous oxide, hydrogen, freon, chlorine, sulphur dioxide, ammonia, argon and helium.

2004/05

 **Chesterfield Special Cylinders**

MBO of Chesterfield Tube Company Limited. Renaming of the business to Chesterfield Special Cylinders (CSC) and relocated the business to Sheffield.

Supply and growth for hydrogen static and mobile storage continues with ongoing trailer system development and production.

 **Pressure Technologies**

Pressure Technologies plc is established and listed on AIM.

2007

 **Al-Met**

2010 Acquisition of Al-Met, specialist in complex flow control parts and founding of the PMC division at Pressure Technologies.

2010

 **Roota Engineering**

Acquisition of Roota Engineering in 2014, experts in complex bespoke components and addition to the PMC division at Pressure Technologies.

2014/15

 **Martract**

Acquisition of Martract, the final business to join the PMC division.

2017

2019

CSC Develops a clear strategy to refocus, deliver and accelerate growth plans and build scale.

2022

CSC builds dedicated hydrogen team with clear focus for accelerating hydrogen opportunities and revenue.

2015 Integrity Management team established for in-situ inspection and recertification, delivering major time and financial savings for customers due to decreased down time.

What makes us unique?

125 years in the making

Decades of design, manufacturing and supply to worldwide markets



- UK manufacturer of cylinders, tubes and pressure vessels
- Experienced and skilled Engineering and Research & Development teams
- Manufacture and Certify to a range of codes, directives and in different jurisdictions (e.g. PED, TPED, ISO 9809, ISO 11120, ASME, AD2000, UK/EU/USA)

Trusted by our customers

Very strong presence in the hydrogen market in Europe and ROW



- Proven delivery with excellent customer base
- Collaborations with customers from conceptual design phases to completion to realise their projects
- Develop ready /turnkey solutions for EPCs

One stop shop

We design, manufacture and maintain world-leading bespoke pressure gas containment solutions



- Working from design stage to optimise and conduct through-life servicing
- Pioneered British Standard for in-situ testing with reduced equipment downtime

Our operational facilities - Pressure Technologies



1. Chesterfield Special Cylinders and Pressure Technologies Head Office	
Employees	125
Property	Meadowhall Road, Sheffield
Specialisms	High pressure gas containment cylinders and in-situ inspection and recertification
2. Roota Engineering	
Employees	36
Property	Rotherham
Specialisms	Turning, Milling & Inspection
3. Martract	
Employees	10
Property	Barton-upon-Humber
Specialisms	Grinding & lapping
4. Al-Met	
Employees	36
Property	Pontyclun
Specialisms	Turning, Milling, Grinding, Inspection & Wire and Spark Erosion

Group Revenue
FY23
£32m

Fuelling hydrogen storage for over 80 years

Proven track record for the delivery of many hydrogen projects

- Engaged with the world's leading hydrogen sector players
- Provided Type 1 pressure vessels for many HRSs, cylinders/tubes for commercial vehicles, trains and small marine vessels
- In excess of 20 projects delivered across the UK and Europe customers such as for Shell, Haskel, McPhy, ITM Power and Arcola (Ballard Motive Solutions)
- Valued and trusted by customers for advice and design of safety-critical applications



SIEMENS

Linde



AIR LIQUIDE

Haskel

nel

McPhy

AIR PRODUCTS

FUEL CELL SYSTEMS

Ørsted

framatome

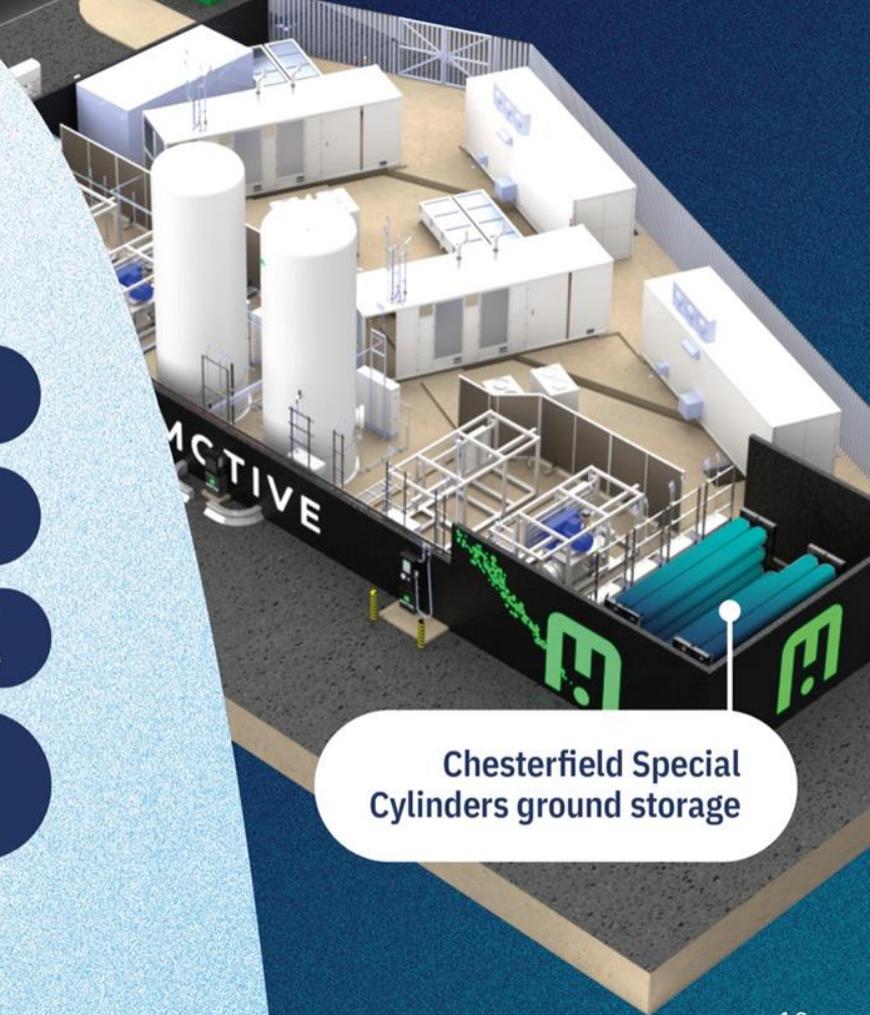
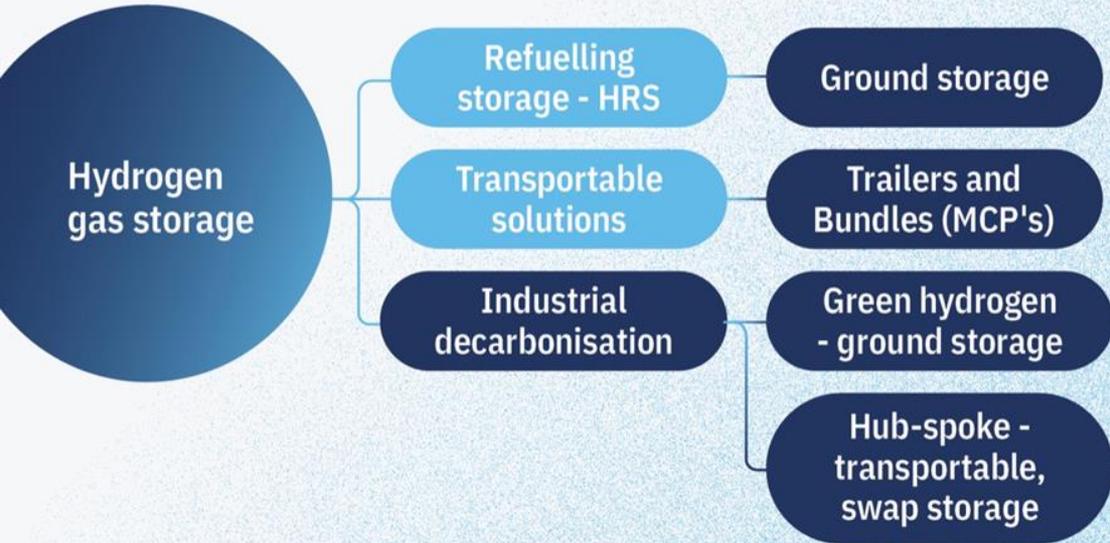
ITM POWER
Energy Storage | Clean Fuel

PLUG POWER

ARUP

Chesterfield
Special Cylinders

Our ground & transportable end-end H₂ gas storage solutions



Chesterfield Special Cylinders ground storage