



02 August 2016

Proton Power Systems plc

(“Proton” or the “Company”)

Board re-organisation, proposed group restructuring and trading update

Proton Power Systems plc (AIM: PPS), a Clean Tech total power solution provider, uniquely the designer, developer and producer of fuel cells and fuel cell electric hybrid systems, announces board changes and a proposed restructuring of the Company that underlines the future growth strategy. Proton sees the volume growth in the Clean Tech market and has segmented the business into three trading business units: 1) Stationary business, 2) Mobile business and 3) Maritime business. This will enable the business units to focus on their respective market sector as traction in the Clean Tech market increases.

Board Reorganisation

The Board announces that Mr Thomas Meltzer has left the Company with immediate effect. The Board wishes to thank Thomas for his hard work and diligence, particularly during the early stages of the Company's life. Thomas's endeavour has helped build the Company from a product business into the group that operates today.

Mr Achim Loecher has also stepped down as the financial director with immediate effect and will continue as non-executive director with special responsibilities. The Board would like to thank Achim for his dedication and hard work over the last 9 years, helping strengthen Proton's position in the Clean Tech market. As a non-executive director he will offer invaluable advice to the board with his in-depth knowledge of the Company.

Re-structuring

As recently reported, 2016 is a year of strong growth and the Company has now established a solid platform for future profitability.

The business model pursued by the Company up to this point in time, offering a broader portfolio of products in Fuel Cell Hybrid Power Solutions provider, has worked. The Group increased in size and continued in further investments in product development and manufacturing capabilities. Furthermore, the stature and scale of our customers has improved. As a result, increasingly exciting and favourable sales opportunities and partnerships have arisen for the Company.

With the three new proposed reorganised divisions, the Board believes that the Company can drive further integration and selling opportunities, whilst reducing overheads with a shared service infrastructure.

Trading Update

As recently reported, current trading is positive and revenue forecast for 2016 will show significant growth of approximately 250 per cent.

Summary

The Board again would like to thank both Thomas and Achim for all the hard work and endeavours in building the Company from a product business into the group that operates today.

The Board believes that there is an excellent opportunity to build on the underlying scale of the Company and that the restructuring will benefit all shareholders in 2016 and beyond.

The Board looks forward to updating the market in due course.

Faiz Francoise Nahab Ph.D., CEO of Proton, said: “This new structure will offer a focus to the market demands in each business segment which will improve shareholder value. Proton will provide year on year revenue streams as commercialization of our core technology is now realised. Our continued investment in our manufacturing capability is now bearing fruits. The board see’s proof that the fuel cell technology is commercially attractive to customers resulting in projects which will provide years of revenues for Proton. I would also like to personally thank Thomas and Achim for their dedication in getting the company to this position. We are confident of an increase in demand for Protons Power applications in 2016 and beyond “.

– Ends –

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About Proton Motor Fuel Cells GmbH (“Proton Motor”)

Proton Motor is an expert in industrial fuel cells, fuel cell and hybrid systems with more than 21 years of experience in this sector. Based in Puchheim near Munich, Proton Motor offers complete fuel cell and hybrid systems from a single source – from the development and production through the implementation of customized solutions. The focus of Proton Motor is on mobile, marine and stationary solutions and applications. The product portfolio consists of base-fuel cell systems, standard complete systems, as well as customized systems.

Proton Motor acquired and integrated SPower GmbH in 2013. Established in 2007, SPower serves IT, Telecoms, public infrastructure and healthcare customers in Germany, Europe and Middle East with power supply solutions for DC and AC power demand. In addition to power supply, SPower also offers solutions for Solar Systems as well as a new product line for Solar Energy Storage. With the SPower expertise, Proton Motor can offer complete power supply solutions with fuel cell and all electrical components.

Proton Motor is a wholly owned subsidiary of Proton Power Systems plc which has been listed on the London Stock Exchange since October 2006 (code: PPS).