

Loan Extensions

PROTON MOTOR POWER SYSTEMS PLC

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Proton Motor Power Systems PLC

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Proton Motor Power Systems plc

("Proton" or the "Company")

Loan Extensions

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, announces that it has successfully agreed to increase the existing loan facilities with SFN Cleantech Investment Limited ("SFN") and Mr. Falih Nahab by €3.6 million each (the "Additional Facilities"). The loan facility with SFN has therefore been increased to €20.2 million and the loan facility with Mr. Falih Nahab has been increased to €44.7 million.

The annual interest rate on both of these Additional Facilities is 10%, and will be convertible into the Company's ordinary shares ("Ordinary Shares") at 48 pence per Ordinary Share. The maturity of these loans outstanding with a total value, including interest, of €80.8 million is extended to by 12 months to 31 December 2021.

In addition, an existing non convertible facility of c.€2.6 million (including interest) provided by SFN has been extended until 31 December 2021.

The undrawn portions of the existing facilities and the Additional Facilities are expected to allow the Company to satisfy its working capital needs until at least June 2021. However, it should be noted that the Company does not currently expect to generate net free cash by that time and therefore it is likely to require additional funding.

Related Party Transaction

Mr. Falih Nahab is indirectly, via SFN, a substantial shareholder (as defined in the AIM Rules) of the Company and therefore both Mr. Falih Nahab and SFN, which is a substantial shareholder, are related parties to the Company. The extensions of the existing loan facilities and of the Additional Facilities are therefore classified as transactions with related parties for the purposes of the AIM Rules. In accordance, therefore, with the AIM Rules, the directors of the Company, with the exclusion of Dr. Faiz Nahab, who is the brother of Mr. Falih Nahab and a shareholder in SFN, having consulted with the Company's nominated adviser, Shore Capital, consider that the terms of the extensions of the existing loan facilities and of the Additional Facility are fair and reasonable insofar as the Company's shareholders are concerned.

For further information:

Proton Power Systems plc

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About Proton Motor Fuel Cell GmbH

Proton Motor is an expert with more than 20 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 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 back-to-base, for example, for mobile, marine and stationary solutions applications. The product portfolio consists of base-fuel cell systems, standard complete systems, as well as customized systems.

Proton Motor 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.

Proton Motor Fuel Cells GmbH is wholly owned subsidiary of Proton Power Systems plc. The Company has been listed on the London Stock Exchange since October 2006 (code: PPS).

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