



Investors' Presentation  
March 2022

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# GENCELL AT A GLANCE



Develop hydrogen & ammonia fuel cells as an independent source of green energy



Traded on the Tel Aviv Stock Exchange (GNCL)



Deployed in 22 Countries

135

Employees

18

PhDs & NASA and MIR Space Experts

9

Patents

100s

Trade Secrets

1,250

Accumulated R&D man-years

Technology & Innovation Awards







# GREEN, RELIABLE & RESILIENT POWER

With today's dynamic climate conditions, expanded technology and dependence on digital networks, as companies are investing resources to close economic gaps and extend services around the world, the need for stable, sustainable and available energy is ever increasing.

**GenCell is creating a new future of zero-emission fuel cells available to all – everywhere, at all times and to meet any need**

# GenCell's business is based on the **Constantly Growing Market Need for Green Power**



## **Regulations**

Governments & global organizations drive standards, taxes and legislation to restrict the use of non-renewable energy resources



## **Industry**

Global warming & the recent pandemic reinforce the need for stable, zero-emission power



The digital revolution and transition to EVs drive the growing demand for energy



## **Impact Investments**

Incentives to invest in companies advancing carbon neutrality (net-zero)



Recognition of hydrogen as a key player in the energy sector & flow of investments to build out the hydrogen economy

# POWER FOR HUMANITY

1965

First commercial  
use of fuel cells  
in Space

2011

GenCell is  
established with  
a mission to  
leverage Space  
technologies to  
use green power  
on Earth

2014

GenCell  
develops fuel  
cells  
requiring no  
noble metals

2018

GenCell  
launches its first  
commercial  
hydrogen-based  
backup solution

2021

GenCell takes the  
next step towards  
its vision for green  
power by  
launching its  
off-grid power  
solution based on  
ammonia fuel

2022

GenCell announces  
its leap to the future  
by completing the  
first phase towards  
its novel method to  
synthesize green  
ammonia



# OUR SOLUTION FOR TOTAL GREEN POWER TECHNOLOGY

## Hydrogen -to-Power

### **GENCELL BOX™ / GENCELL REX™**

- Economical, long-duration backup power solution
- Reliable and resistant to severe weather conditions

## Ammonia -to-Power

### **GENCELL FOX™**

- Resilient, off-grid power for remote and rural locations, reliable in all weather conditions

## Green Ammonia Synthesis

### **GREEN AMMONIA**

- Total green solution on-site, from fuel production through to power generation
- Allows long-duration green ammonia production and storage, eliminating the need for fuel transport

# OUR PRODUCTS

## HYDROGEN-TO-POWER



### GENCELL BOX™

- Long-duration backup power solution
- Reliable & resilient to extreme weather conditions
- Economical
- Suitable for telecom, emergency communications, medical & EV charging



### GENCELL REX™

- Long-duration backup power solution for utilities
- Extends battery backup power duration from 4 – 40 hours and more

## AMMONIA-TO-POWER



### GENCELL FOX™

- Off-grid power solution ensures uninterrupted operations
- Simple to maintain

**IOT Remote Manager™** – enables monitoring and analysis of thousands of units for preventative maintenance





# MARKET OPPORTUNITY



GenCell operates in four market segments across 22 countries **having a total value of some US\$ 130 billion**

- **The global Uninterrupted Power Supply (UPS) segment is estimated to value some US\$ 7.7 billion** with a CAGR of 11% per annum
- The global industrial battery market, which was estimated to reach some **US\$ 10.8 billion** reaches an annual growth rate of 6%
- The off-grid electricity infrastructure, **valued at some US\$ 100 billion**, has an annual CAGR of 4%
- The EV charging market, **valued at some US\$ 10 billion**, features an annual growth rate of 15%

\* This data excludes some US\$ 70 billion attributed to the green ammonia market  
(Source: [Cleantech](#) )

# Active Markets



**Telecom**



**Power Utilities**



**EV Charging**

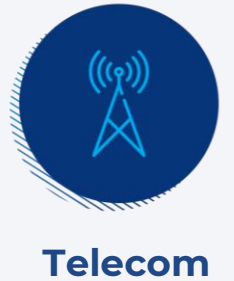
# During 2021 GenCell added Select Strategic Partners and Customers





# Accelerated Telecom Growth Engine – Deutsche Telekom

Significant progress in executing the strategic agreement signed with **Deutsche Telekom (DT)** & progress towards closing business with multiple telecom customers



- DT and GenCell announce successful completion of testing of the **GenCell BOX™** and now working towards deployment at an active telecom site in Germany
- As we speak, DT is evaluating the **GenCell FOX™** at a testing site in Israel as a continuous power substitute for diesel generators
- **DT** showcased the **GenCell BOX** in its booth at **Mobile World Congress Barcelona**
- First **GenCell BOX** units were delivered to a leading European telecom operator, to soon be followed by supply of **GenCell FOX** units
- Economic assessment of **GenCell FOX** initiated by global telecom tower operator managing some 25,000 telecom sites
- Ties continue with Icelandic operator **Neyðarlínan ohf** to close on winter testing and first commercial orders



## Important Growth Engine in the Power Utilities Market: Active Customers

## Power Utilities



# Collaborations in the Power and EV Charging Sectors

- Following signature on a collaboration agreement with global power equipment leader **ABB** after the successful deployment of a joint solution at the Hillel Yaffe Hospital, the two companies market the joint solution to ABB customers
- Four GenCell stations for EV charging were delivered to **EV Motors** to enable autonomous hybrid off-grid charging
- GenCell and **H. Sterling**, the leading hydrogen and ammonia supplier for EV charging in China advance ties towards supply of EV charging stations



**Power Utilities**



**EV Charging**





# Strategic Growth Engine: Green Ammonia – the Fuel of the Future

- Following signature on an agreement with Japanese conglomerate **TDK**, second largest manufacturer of Li-ion batteries and electronics equipment who supports GenCell's unique, innovative R&D project to synthesize green ammonia from sun, water and air alone, GenCell announced in Q1 2022 a significant breakthrough in the project on meeting the requirements for the first milestone
- The innovative green ammonia manufacturing process will enable production of green ammonia directly from water at temperature and pressure far lower than in the production processes commonly carried out today
- Upon evaluating the project's progress, **TDK** elected to exercise its right to continue to invest in the project in accordance with the terms of its agreement, enabling continued project development towards the next milestone
- This innovative technology will allow energy storage and availability of green ammonia for traditional uses such as in industry and agriculture

**GREEN**  
**NH<sub>3</sub>**  
AMMONIA

# Looking to the Future

- Positioning GenCell as a leader in the clean energy sector and initiator of the new ammonia-to-power category
- Reinforcing GenCell's status as a backup power vendor to the telecom and utilities sectors while growing quality and quantity of customer install base
- Deep penetration of the EV Charging segment
- Expanded collaboration with ABB
- GenCell FOX – initial use by key customers towards a “Big Bang”
- Progress on the **Green Ammonia** project towards achievement of the next milestone (towards 2023)
- Expansion of technology manufacturing capacity, product range and equipment power capacity



An aerial photograph of a winding asphalt road that curves through a dense, green forest. Several cars are visible on the road, including a white car, a blue car, and a dark car. The road has white dashed lines marking the lanes. The forest is lush and green, with some areas of brown earth visible along the road's edge.

## Corporate Responsibility towards a better future with GenCell

- **Promotion of Awareness**  
Company Events and lectures to promote employee initiatives in the Sustainability arena
- **Activism**  
Incentives and encouragement to participate in third-party Sustainability initiatives
- **Energy Efficiency**  
Setting of long and short-term goals for measurement and reporting of energy consumption levels by each department
- **Incentives**  
Granting of incentives for sustainable consumption, recycling, reuse and safe and efficient waste disposal at home and at work
- **Transparency**  
Routine data collection, analysis and reporting of GenCell's impact on society, environment and government



# Balance Sheet - (U.S. dollars in thousands)

	December 31, 2020	December 31, 2021
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 33,091	\$ 11,881
Short-term investments	29,949	42,611
Trade account receivables, net	44	2,347
Other accounts receivable	1,306	2,144
Inventories	<u>3,516</u>	<u>1,514</u>
Total current assets	67,906	60,497
<b>Long-term Assets</b>		
Restricted cash	394	1,927
Property, plant and equipment, net	3,035	5,411
Operating lease right -of-use assets	4,388	7,687
Other intangible assets	<u>-</u>	<u>5,126</u>
Total long-term assets	<u>7,817</u>	<u>20,151</u>
<b>Total Assets</b>	<b>\$ 75,723</b>	<b>\$ 80,648</b>

## Balance Sheet - (U.S. dollars in thousands) cont.

	December 31, 2020	December 31, 2021
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Current maturities of operating leases	\$ 861	\$ 1,273
Trade payables	414	1,826
Other accounts payable	<u>2,547</u>	<u>3,247</u>
Total current liabilities	3,822	6,346
<b>Long-term Liabilities</b>		
Accrued severance pay	-	16
Grants liabilities	522	621
Operating leases	<u>4,028</u>	<u>7,444</u>
Total long-term liabilities	<u>4,550</u>	<u>8,081</u>
Total Liabilities	<u>8,372</u>	<u>14,427</u>
<b>Shareholders' Equity</b>		
Ordinary shares of NIS 0.01 par value	269,644f	287,165
funds	20,467	22,906
Accumulated deficiency	<u>(222,760)</u>	<u>(243,850)</u>
Total shareholders' equity	<u>67,351</u>	<u>66,221</u>
Total Liabilities and Stockholders' Equity	<u>\$ 75,723</u>	<u>\$ 80,648</u>

# Capitalization of Development Costs

During 2021, the Company began for the first time to capitalize developments costs and create intangible assets in its balance sheet in accordance with international accounting standards IAS 38.

- Capitalization of development costs during the period reached a total of US\$ 5,126 million for three projects:
- **GenCell A5** product development – an amount of US\$ 2,492 million
- **GenCell BOX** product development – an amount of US\$ 1.7 thousands
- **GenCell G10** product development – an amount of US\$ 925 thousands

Following extended analysis of how the products meet the criteria to be recognized as intangible assets as a result of development in accordance with the instructions in Article 57 of the international accounting standard 38, the company reached the conclusion that the three above projects meet the following criteria:

- Technical Feasibility of the intangible asset such that it will be available for use or sale
- Intention to complete the intangible asset
- Ability to use or sell the intangible asset
- How the intangible asset will produce expected future economic benefits
- The existence of technical, financial and other resources
- Ability to accurately and reliably measure the amounts that can be applied to the intangible asset during its development.



# Statements of Operations

(U.S. dollars in thousands)

IFRS		
For the twelve months ended		
	December 31, 2020	December 31, 2021
Revenues	\$ 324	\$ 5,542
Cost of revenues	<u>1,887</u>	<u>8,507</u>
Gross loss	<b>1,563</b>	<b>2,965</b>
Operating costs and expenses:		
Research and Development, net	8,287	5,704
Sales and Marketing	4,158	4,780
General and Administration	<u>4,615</u>	<u>6,973</u>
Operating Loss	18,623	20,422
Financial income	1,289	482
Financial expenses	<u>1,717</u>	<u>1,085</u>
Financial expenses, net	428	603

IFRS		
For the twelve months ended		
	December 31, 2020	December 31, 2021
Other Income	17	-
Loss before taxes	19,034	21,025
Taxes on income	<u>20</u>	<u>65</u>
Net income for the period	<u>\$ 19,054</u>	<u>\$ 21,090</u>
Other comprehensive income	<u>-</u>	<u>72</u>
Total comprehensive income for the period	<u>\$ 19,054</u>	<u>\$ 21,018</u>

# Statements of Cash Flows - (U.S. dollars in thousands)

	For the twelve months ended	
	December 31, 2020	December 31, 2021
Cash flows from operating activities		
Net income(loss) for the period	\$ (19,054)	\$ (21,090)
Adjustments to reconcile net income to net cash provided by operating activities:	9,111	10,296
<b>Net cash provided by operating activities</b>	(9,943)	(10,794)
Cash flows from investing activities		
loan	-	(2,615)
Change in Other intangible assets	-	(5,126)
Change in restricted short-term deposits	(124)	(1,533)
Change in short-term deposits	(29,949)	(12,662)
Purchase of property and equipment	(921)	(2,454)
<b>Net cash used in investing activities</b>	(30,994)	(24,390)
Cash flows from financing activities		
Short-term credit from bank, net	(437)	-
Convertible loans	4,573	-
Exercise of options	33	491

## Statements of Cash Flows - (U.S. dollars in thousands) cont.

	For the twelve months ended	
	December 31, 2020	December 31, 2021
Issuance of shares, net	69,314	13,739
Loans from shareholders	(281)	-
Receipt of grants	92	-
Payments on account of grants	(1)	(11)
Payments of operating leases liabilities	(618)	(842)
Payments of operating leases interest	(163)	(171)
<b>Net cash provided by financing activities</b>	72,512	13,206
Increase (decrease) in cash and cash equivalents	31,575	(21,978)
Exchange rate differences on cash and cash equivalents	1,212	768
Balance of cash and cash equivalents at the beginning of the period	304	33,091
Balance of cash and cash equivalents at the end of the period	\$ 33,091	\$ 11,881





# THANK YOU!

**FOR MORE INFORMATION:**

[gencellenergy.com](http://gencellenergy.com)

