



# INVESTORS UPDATE

H1 2024 



August 2024





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# GenCell 2024 (projected) – Key Highlights:

- ↳ **Increases sales by ~70% to ~\$8m (compared to 2023)**
- ↳ **Reduces expenses in 2024 by ~\$3.4m vs 2023**
- ↳ **Launches a new plan to reduce expenses on an annual basis by an additional ~\$5m (as of 2025)**

# GenCell H1 2024 – Key Figures

**~\$22m\***

Cash Reserves: June 30<sup>th</sup>, 2024

**~\$10m**

Order Backlog: August 26<sup>th</sup>, 2024

**~\$30m**

Opportunity Pipeline: August 26<sup>th</sup>, 2024

**Over 200 \***

Estimated Total # Units Installed by End of 2024

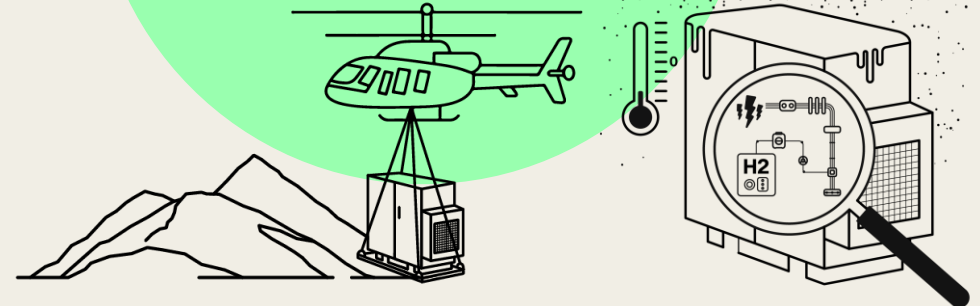
\* ~\$1.8m of total are held in restricted deposits

\*\* including units deployed against earlier orders

# 🌐 Communications – Orders Backlog

## Trend for Fuel Cell Backup Power for Critical Communications Infrastructure in Europe

- ↳ **\$4.9M telecom deal** with European provider to deploy and maintain emergency backup power units in remote locations:
  - ↳ GenCell won tender - H2 2023
  - ↳ Contract signed - H1 2024
  - ↳ Deployment starts – H2 2024
- ↳ Climate Disruptions **extending mandatory backup power to 72+ hours** across Europe.
- ↳ **Unique Cold Start Technology** kick-starts units in sub-zero temperatures in **under an hour** with **no external power**.
- ↳ **Specialization:** GenCell supports Europe's strict **TETRA** and **TETRAPOL** critical communications standards.
- ↳ **Additional Telecom Deployments:** sent and installed at NTT-AT and JEPICO sites in Japan.





# Utilities – Orders Backlog

## By EOY24 to be largest fuel cell deployment in utility

- ↳ In 2024, CFE exercised its right to order additional GenCell REX units in a **multi-million-dollar deal**.
- ↳ GenCell will deliver in the third quarter of 2024 **half of this order for ~\$4.4m**.
- ↳ The company expects to finalize the entire deal against **another ~\$4.4m** by the end of 2024.
- ↳ Until now, **100+ GenCell REX™ units** have been successfully deployed in compliance with CFE's requirements.

### Filling the Power Gap:

- ↳ The need for fast EV charging, especially of fleets that must be operationally ready at all times, challenges the U.S. power grid in many locations.
- ↳ Lacking grid infrastructure to charge its EV fleet, the **UCLA Transportation Department** ordered a first EVOX system to be deployed in Q4 2024 with potential to add multiple future units.



# Strategic Plan for Penetration into the U.S. Power Utilities Market



## Strategic U.S. Expansion

Comprehensive plan to **penetrate the U.S. market** with a strong focus on **expanding sales** of the company's current and future products.



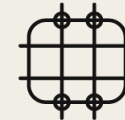
## Product Focus

Product line meets critical needs of both **U.S. power utilities** and their **mission-critical power end-user customers** to mitigate increasingly frequent and severe power outages.



## Key States

Focus on disaster-prone **Texas** seeking energy security and independence and **California** driving advanced policies and incentives for sustainable innovation & climate resilience



## Distributed Energy

**GenCell's hydrogen-fueled distributed energy solutions** are adapted for U.S. federal programs funding **hybrid microgrids** to provide power where the existing grid infrastructure is insufficient or non-existent.



# Progress in USA

## Focus Markets: California & Texas

- ↳ EVOX units deployed at first US-based sites:
  - ↳ **UCLA, CA:** Deploying EVOX in fourth quarter of 2024 to power EV fleets and meet sustainability goals.
  - ↳ **EVOX Expo @ CMC Sacramento, CA:** Showcasing EVOX in action at California Mobility Center as a prototype for local EV mobility hubs.
  - ↳ **EVOX Launch @ Austin, TEXAS:** Demos and panel for key decision-makers from the state's utilities, emergency and first responder agencies.





# Launch of New 2024 Cross-organizational Efficiency Plan to Further Cut Expenses by Another ~\$5m in FY2025 vs FY2024

- 1 Workforce Reduction
- 2 Reduction of G&A Expenses
- 3 Reduced Investment in R&D
- 4 Reduction of Manufacturing Area & Office Space
- 5 Increased Utilization of Outsourced Production Services



# Outsourced Production to Slash Costs & Add Agility



## Outsourcing Plan

The company has executed a plan to outsource a majority of its production operations - substantially reducing production costs.



## Cost Conversion

Conversion of fixed costs to variable costs.



## Diversification of Facilities

Diversification of production facilities to ensure operational continuity.



## Compliance with Standards

Compliance with TAA and BIA standards prerequisite for contracting with U.S. government bodies.

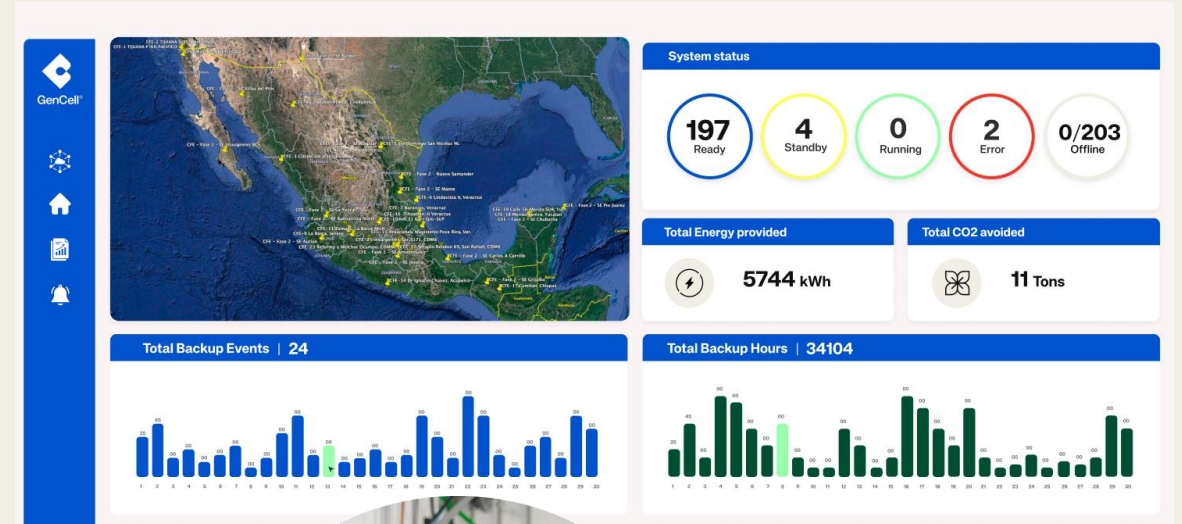




# Concentration on Killer Technologies

## Main Activities

- ↳ **Hold on development of OX and new electrode development**
- ↳ **Ammonia Cracking Unit:** Redesign of ACU completed to support a 10kW fuel cell for EVOX and dual fuel integration – hydrogen and ammonia.
- ↳ **Green Ammonia Technology:**
  - ↳ Achieved target ammonia production rate and Faradaic efficiency.
  - ↳ Alpha prototype operational and meeting program milestones.
- ↳ **Enhancement of GenCell GEMS™ energy management software suite:**  
Launch of GenCell GEMS Edge, Charge and Community applications



# Key Takeaways:

## Increasing Sales While Reducing Expenses



**~\$10m backlog, ~\$30m opportunity pipeline**



**Launch new 2024 cross-organizational efficiency plan to further cut expenses by another ~\$5m in FY2025 vs FY2024**



**Revenue forecast for 2024 of ~\$8m will lead to a reduction in the burn rate in H2 to ~\$1.1m/month**



**Technology advancements in ammonia cracking, green ammonia and energy management software development**



**Targeting critical power needs with tailored products offering unique benefits for the North American utility sector**



**Outsourcing plan for a majority of production operations to substantially reduce production costs**



**~15% additional reduction in cost of product (effective as of 2025)**



**Planned fund raising activity from both existing and new strategic investors**



# GenCell's Vision:

End- to end zero emission energy on-site,  
wherever power is needed

## Produce Your Fuel at Point of Use

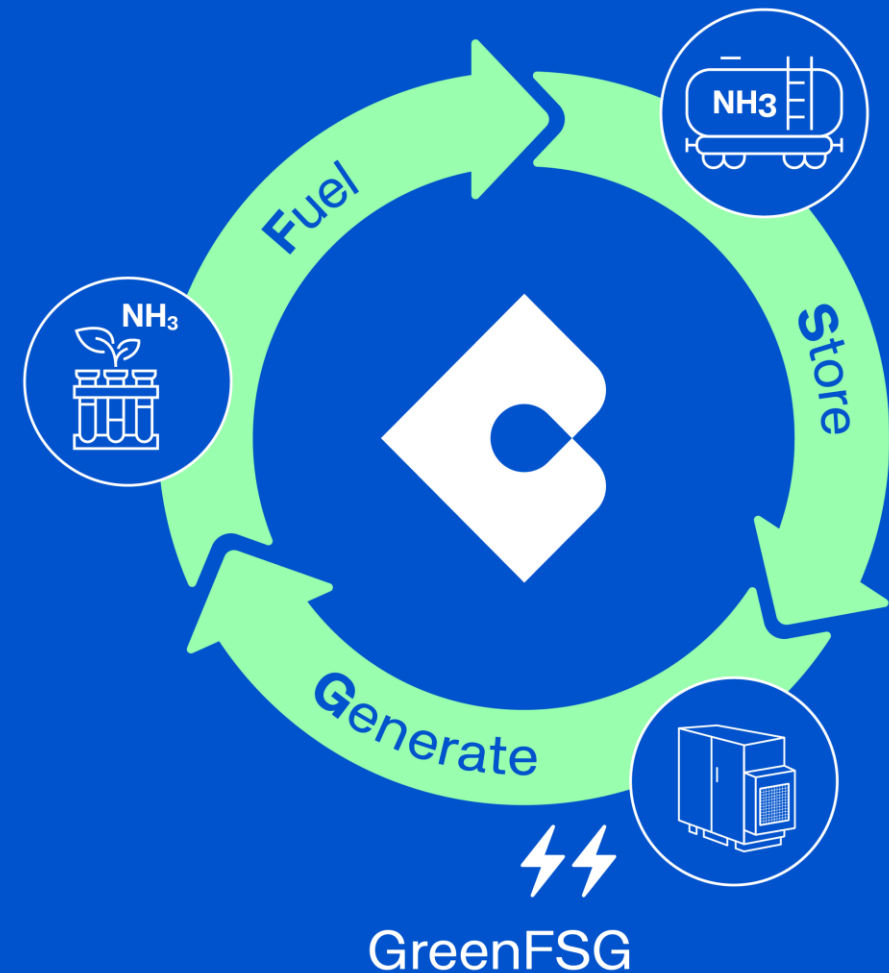
↳ Water2Power green ammonia synthesis

## Store Your Fuel

↳ Seasonal storage as ammonia

## Generate Clean Power

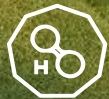
↳ Crack ammonia for hydrogen-on-demand  
↳ Resilient fuel cell power







THANK   
YOU



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 GenCell