



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 30th, 2024

~\$10m

Order Backlog: August 26th, 2024

~\$30m

Opportunity Pipeline: August 26th, 2024

Over 200 *

Estimated Total # Units Installed by End of 2024

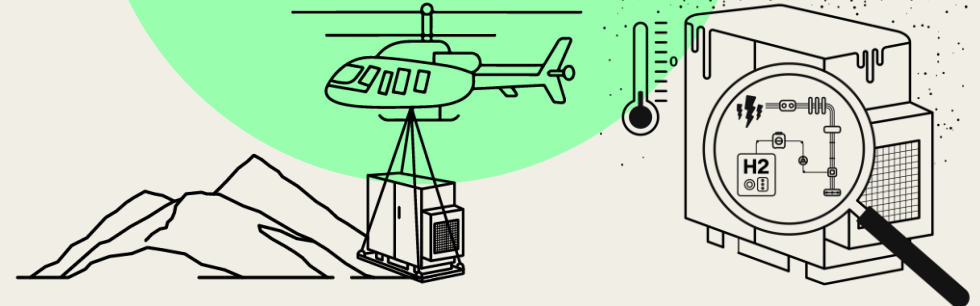
* ~\$1.8m of total are held in restricted deposits

** 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

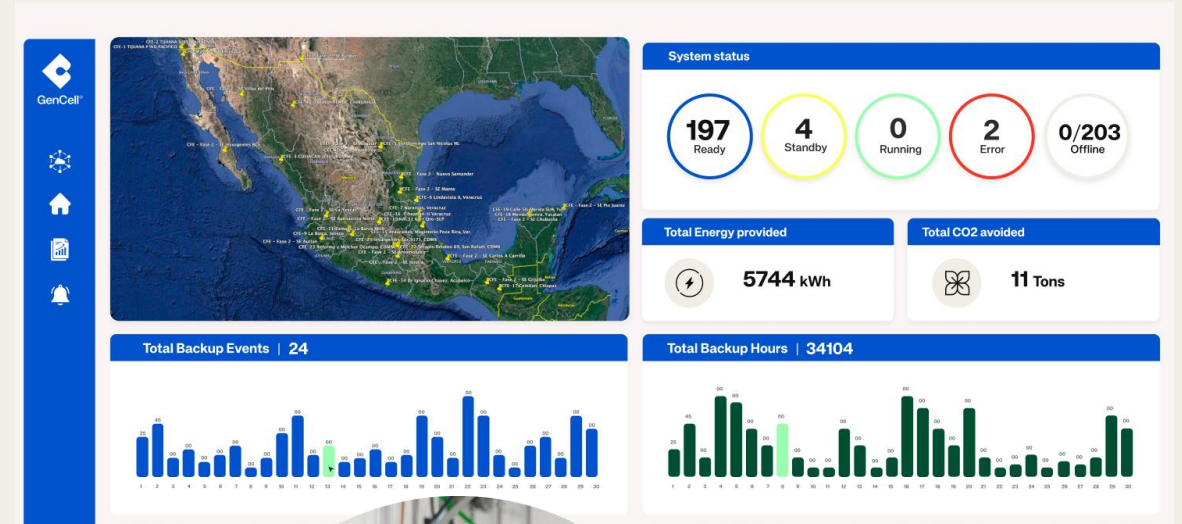
Compliance with TAA and BIA standards prerequisite for contracting with U.S. government bodies.



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

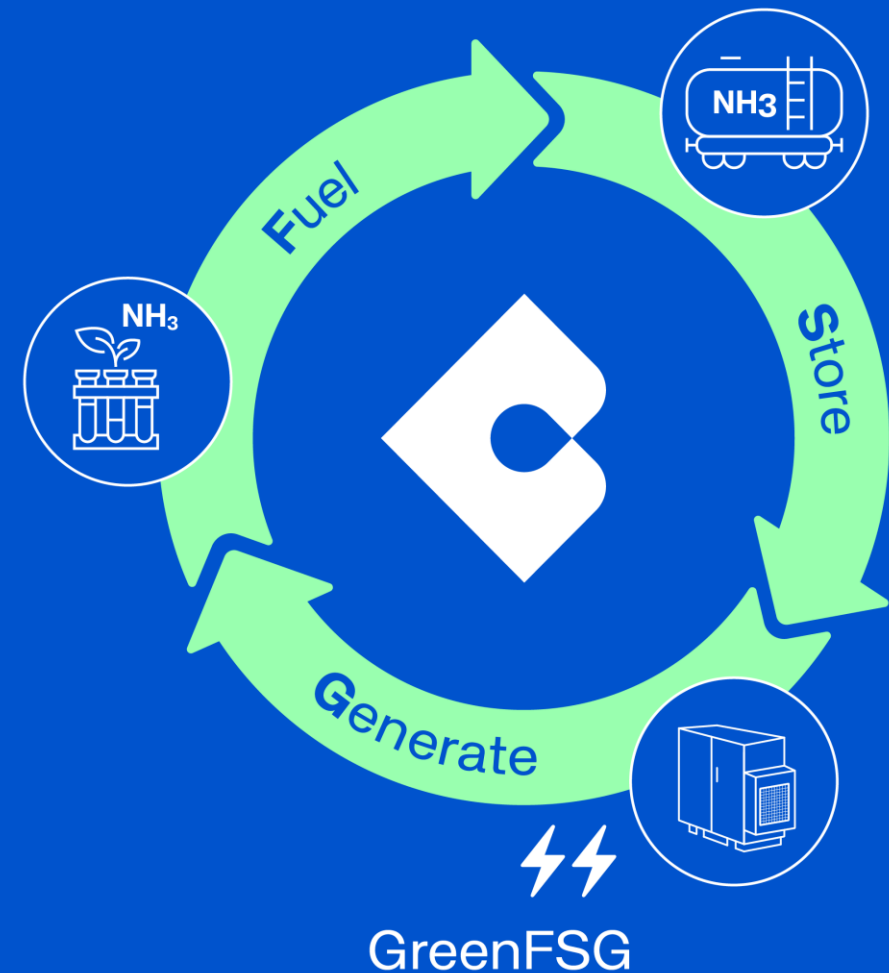
↳ Water2Power green ammonia synthesis

Store Your Fuel

↳ Seasonal storage as ammonia

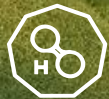
Generate Clean Power

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





THANK 
YOU



 GenCell