







NYSE AMERICAN: TGEN
EARNINGS CALL MAY 13, 2025
Q1 2025

MANAGEMENT

-  Abinand Rangesh – CEO
-  Robert Panora – COO & President
-  Roger Deschenes – CAO
-  Jack Whiting – General Counsel & Secretary



SAFE HARBOR STATEMENT



This presentation and accompanying documents contain “forward-looking statements” which may describe strategies, goals, outlooks or other non-historical matters, or projected revenues, Income, returns or other financial measures, that may include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "target," "potential," "will," "should," "could," "likely," or "may" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results to differ materially from those expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements.

In addition to those factors described in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q under “Risk Factors”, among the factors that could cause actual results to differ materially from past and projected future results are the following: fluctuations in demand for our products and services, competing technological developments, issues relating to research and development, the availability of incentives, rebates, and tax benefits relating to our products and services, changes in the regulatory environment relating to our products and services, integration of acquired business operations, and the ability to obtain financing on favorable terms to fund existing operations and anticipated growth.

In addition to GAAP financial measures, this presentation includes certain non-GAAP financial measures, including adjusted EBITDA which excludes certain expenses as described in the presentation. We use Adjusted EBITDA as an internal measure of business operating performance and believe that the presentation of non-GAAP financial measures provides a meaningful perspective of the underlying operating performance of our current business and enables investors to better understand and evaluate our historical and prospective operating performance by eliminating items that vary from period to period without correlation to our core operating performance and highlights trends in our business that may not otherwise be apparent when relying solely on GAAP financial measures.

AGENDA



- 🌱 Updates
 - 🌱 NYSE American uplist
 - 🌱 Data Centers & Vertiv relationship
 - 🌱 Tariffs
- 🌱 Financials Q1 2025
- 🌱 Q&A



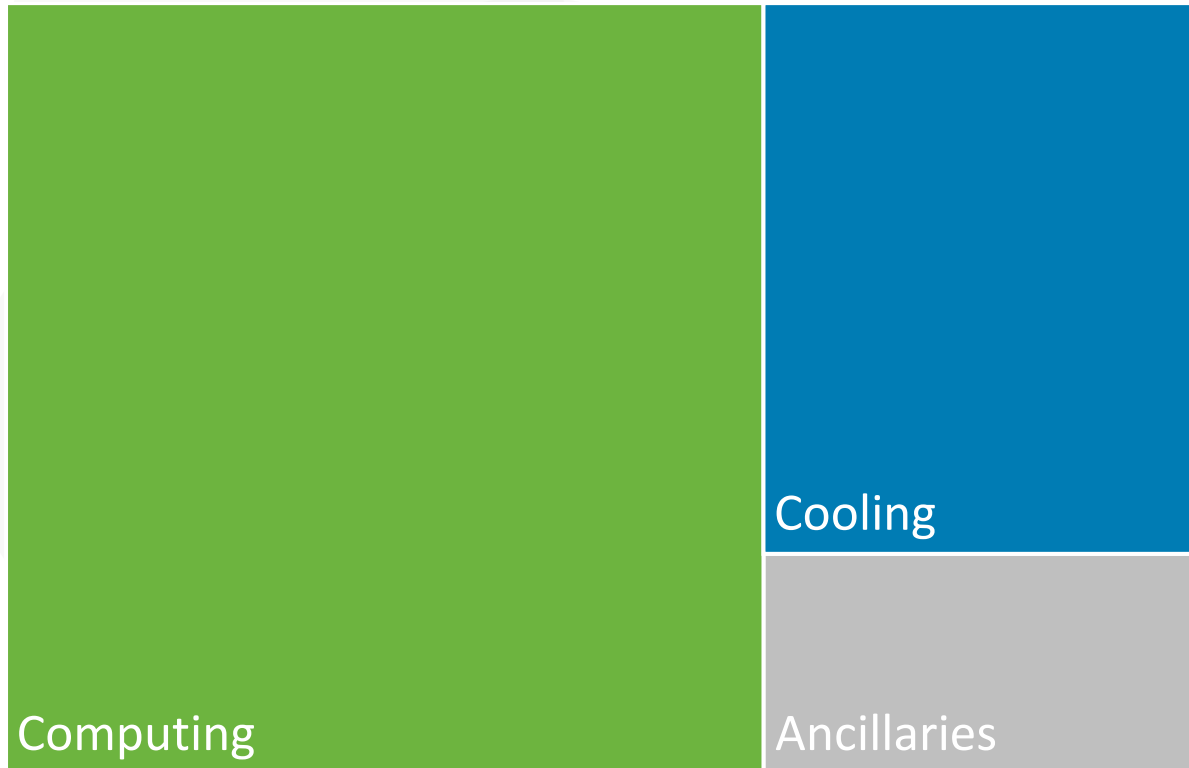
TGEN NOW ON NYSE AMERICAN



- 🌱 Tecogen successfully uplisted from OTCQX to NYSE American
- 🌱 Uplisting has increased liquidity and visibility for the company
- 🌱 Improves our ability to hire and retain talent critical to growth

RECAP ON TECOGEN'S DATA CENTER SOLUTION

Power Needs of AI Data Center



- 🌱 Up to 30% of a data center's available electrical power may need to be allocated to cooling
- 🌱 This power is then not available to the data center for computing
- 🌱 Computing is the revenue source for a data center

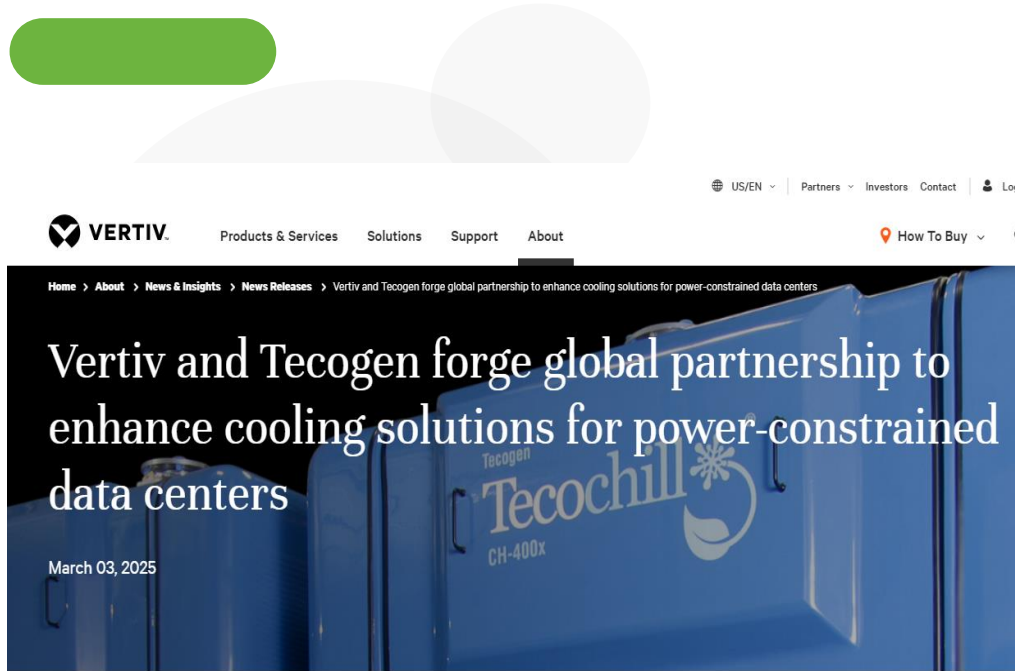
TECOCHILL COMPARED TO ALTERNATIVES

Cost of Operation



- ❖ Tecochill is 2x more efficient than nearest other gas cooling technology
- ❖ Gas Absorption chillers predominantly manufactured overseas and subject to tariffs
- ❖ Tecochill can save 50% or more in energy costs compared to an electric chiller

DATA CENTER STRATEGY UPDATES







NEWS RELEASES



Vertiv to offer Tecogen's natural gas-powered chiller to customers leveraging alternative energy sources to reduce grid reliance

Columbus, Ohio [March 3, 2025] – Vertiv (NYSE: VRT), a global provider of critical digital infrastructure and continuity solutions, and [Tecogen Inc.](#) (OTCQX: TGEN), a clean energy company providing ultra-

Starting to see interest from larger projects

-  Including projects larger than ever before
-  Reducing power constraints quickly is now more critical – Tecochill helps do that
-  Working with customers to reduce perceived technology risk
-  Timing on order closing difficult to predict but working on obtaining LOIs presently

Vertiv relationship

-  Project manager assigned for Tecochill
-  Vertiv currently working on marketing program and training for sales teams

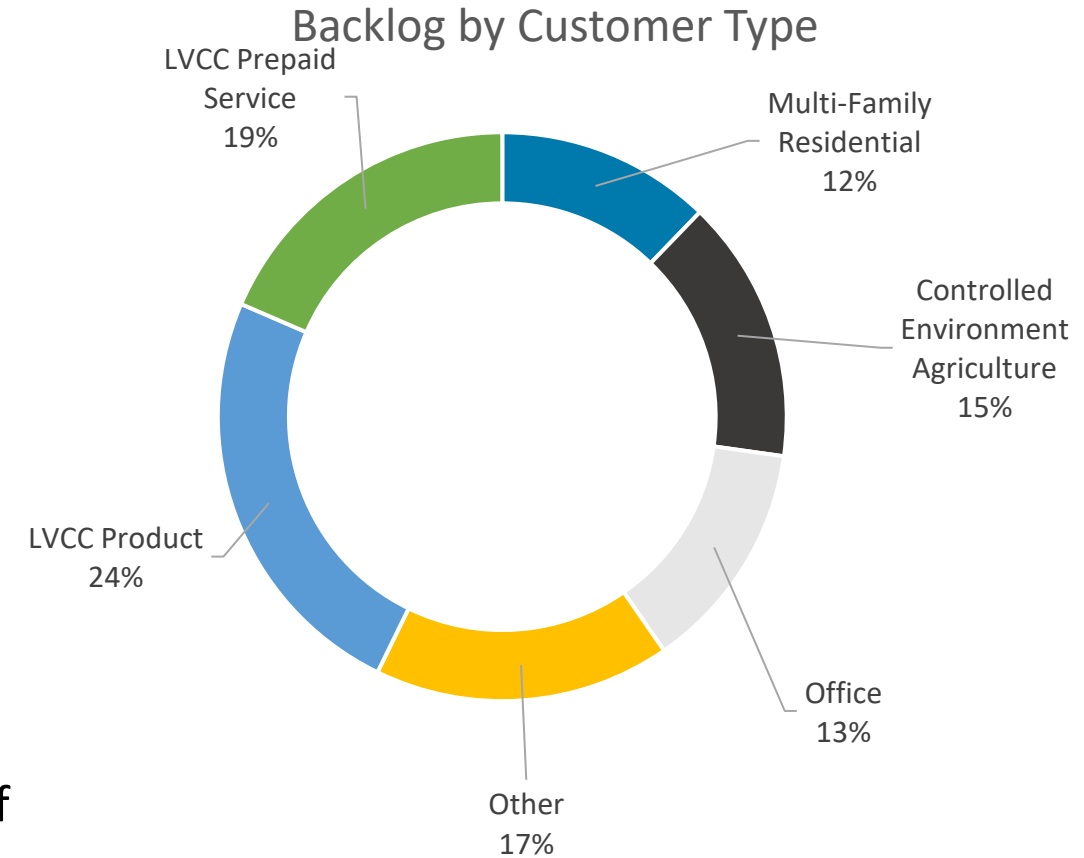
LIMITED IMPACT OF TARIFFS



- 🌱 Predominantly domestic supply chain
 - 🌱 Limited to no tariff impacts for the DTx and STx chillers for data centers
 - 🌱 Impacted components are circuit boards and electronic components but immaterial to overall product costs
 - 🌱 Permanent magnet generators for InVerde may see some impact but we have inventory to last until 2026
- 🌱 Tariffs may be a net benefit to Tecogen
 - 🌱 Competing solutions may be impacted by tariffs and knock on effects of obtaining long lead time materials

BACKLOG AND CASH

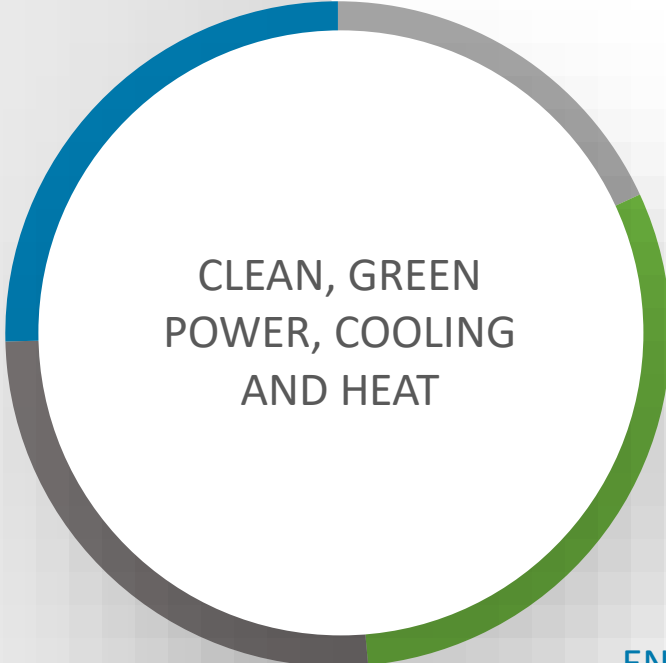
- Backlog is presently \$10.8m.
- Additional >\$2m of projects expected to enter backlog during Q2
- Cash position \$4m at quarter end and \$3m presently
 - Increased working capital for product revenue
 - Roll out of engine improvements to service fleet
- No short term debt obligations: \$500k note to director repaid in stock, and maturity date for remaining \$1m of director notes extended to 2026



REVENUE SEGMENTS

PRODUCT SALES

Sales of combined heat and power, and clean cooling systems to building owners. Key market segments include multifamily residential, health care and indoor cultivation.



CLEAN, GREEN
POWER, COOLING
AND HEAT

SERVICES

We service most purchased Tecogen equipment in operation through long term maintenance agreements through 11 service centers in North America and perform certain equipment installation work.

ENERGY SALES

We sell electrical energy and thermal energy produced by our equipment onsite at customer facilities.

1Q 2025 RESULTS



Key Points

- Revenue = \$7.3 million up 18%
- Net loss of \$0.03/share Q1 2025
- Net loss \$0.7m
- Opex \$3.8m
 - R&D, recruitment, and professional fees for uplist
- Gross Margin 44% up 2%

<i>\$ in thousands</i>	1Q'25	1Q'24	QoQ Change	%
Revenue				
Products	\$ 2,534	\$ 1,492	\$ 1,042	
Services	4,245	4,014	231	
Energy Production	499	680	(181)	
Total Revenue	7,278	6,186	1,092	17.6%
Gross Profit				
Products	1,046	443	603	
Services	1,986	1,922	64	
Energy Production	189	211	(22)	
Total Gross Profit	3,221	2,576	645	25.0%
Gross Margin: %				
Products	41%	30%	12%	
Services	47%	48%	-1%	
Energy Production	38%	31%	7%	
Total Gross Margin	44%	42%	3%	
Operating Expenses				
General & administrative	2,928	2,848	80	
Selling	594	530	64	
Research and development	293	255	38	
Gain on disposition of assets	-	(7)	7	
Total operating expenses	3,815	3,626	189	5.2%
Operating loss	(594)	(1,050)	456	
Net loss	\$ (660)	\$ (1,105)	\$ 445	

1Q 2025 ADJUSTED EBITDA RECONCILIATION

EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortization

- EBITDA and adjusted EBITDA loss was \$441k and \$381k respectively

EBITDA Non-cash adjustments

- Stock based compensation
- Unrealized and realized (gain) loss on investment securities

Non-GAAP financial disclosure (in thousands)	Quarter Ended March 31,	
	2025	2024
Net income (loss) attributable to Tecogen Inc.	\$ (660)	\$ (1,105)
Interest expense, net	32	19
Income tax expense	1	22
Depreciation & amortization, net	186	140
EBITDA	(441)	(924)
Stock based compensation	41	45
Unrealized loss (gain) on marketable securities	19	(19)
Adjusted EBITDA*	\$ (381)	\$ (898)

*Adjusted EBITDA is defined as net Income (loss) attributable to Tecogen Inc, adjusted for interest, depreciation and amortization, stock-based compensation expense, unrealized loss on investment securities, non-cash abandonment of intangible assets, goodwill impairment and other non-recurring charges or gains including abandonment of certain intangible assets and extinguishment of debt

1Q 25 PERFORMANCE BY SEGMENT

- 🔄 Products revenue increased 70% QoQ
 - Gross margin up QoQ
- 🔄 Services revenue increased 6% QoQ
 - Services gross margin decreased 1% QoQ
- 🔄 Energy Production revenue increased 27% QoQ
 - 🔄 Revenue impacted due to contract expirations
 - 🔄 Margin increased 7% QoQ
- 🔄 Gross Margin 44%
 - Increased 2% QoQ

1Q Revenues and COGS (\$ thousands)	2025	2024	YoY Growth
Revenues			
Cogeneration	\$ 1,081	\$ 775	39%
Chiller	1,374	657	109%
Engineered accessories	79	60	32%
Total Product Revenues	2,534	1,492	70%
Service Contracts	4,245	4,014	6%
Energy Production	499	680	-27%
Total Revenues	7,278	6,186	18%
Cost of Sales			
Products	1,488	1,049	42%
Services	2,259	2,092	8%
Energy Production	310	469	-34%
Total Cost of Sales	4,057	3,610	12%
Gross Profit	\$ 3,221	\$ 2,576	25%
Net income (loss)	\$ (660)	\$ (1,105)	
Gross Margin			
Products	41%	30%	
Services	47%	48%	
Energy Production	38%	31%	
Overall	44%	42%	
QTD Gross Margin	2025	2024	Target
Overall	44%	42%	>40%

SUMMARY AND Q&A

- 🌱 Uplisted to NYSE American
- 🌱 Significant headway into data center market
- 🌱 Getting interest from larger projects
- 🌱 Vertiv starting to ramp up

Company Information

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