April 2025

Initiation of Coverage

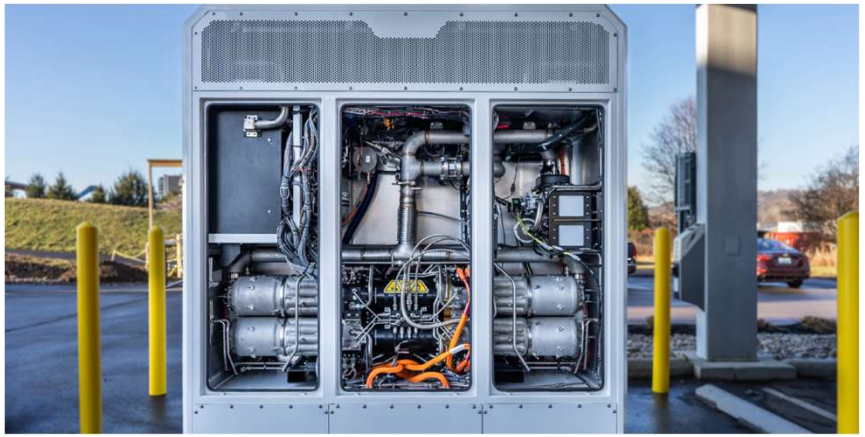
Disclosure; The author currently has a position in the equity of the Company discussed in this report. The author of this report is not a licensed or registered investment advisor and does not represent themselves as holding any such industry authorizations and licenses. The enclosed report should not be relied upon to make an investment but should only be used for informational purposes. The author does not represent that any of the enclosed information is entirely accurate or truthful.

Company Overview: Hyliion

Company Overview

- Hyliion is a Company focused on modular power technology that enables distributed power generation.
- Their base product is the enclosure shown on the right hand side – the KARNO generator – which is marketed as “your personalized power plant.”
- The goal is to be both cleaner and lower cost than grid electricity with additional features of low cost and high reliability.
- Hyliion has over 100+ KARNO units under LOIs and contracts with customers, with highlights including (i) a 10+ generator contract with H2 Energy Group and (ii) an LOI with Alkhorayef in Saudi Arabia in Q4 2024 for up to 12 generators.
- The KARNO generators are unique in that they operate by burning any number of fuels (fuel-agnostic: hydrogen, natural gas, diesel, etc.), and produces electricity through an electrochemical reaction between hydrogen and oxygen, with water as the primary byproduct.
- Hyliion was founded by CEO Thomas Healy in 2015 and went public in 2020 via a reverse merger with Tortoise Acquisition Corp.

Hyliion’s KARNO Generator



Above shows the KARNO generator in an applied location setting.

Hyliion’s Class 8 Powertrain Technology Application

Capital Structure & Liquidity Overview

Capitalization Table				Apr-25
$ in millions		xRevenue		Ratings
		FY 2024	FY 2025P	
Cash	(120.1)			
Share Price	$1.61			
# of Shares (millions)	175.2			
Equity Value	282.1			
Enterprise Value	**162.0**	**107.3x**	**10.8x**	
Revenue - FY 2023		$1.5		
Revenue - LTM			$15.0	

Liquidity	
Cash	120.1
Rev. - Comm.	-
Rev. - Drawn	-
Rev. - L/Cs	-
Liquidity	**120.1**

- Hyliion has $120.1 million of cash on hand and short-term investments as of YE 2024, having consistently burned cash from a balance of $591.6 million at YE 2020
- Hyliion burned $11.6 million of cash in FY 2024, down from $98.7 million in FY 2023
- Hyliion repurchased $14.1 million of shares in FY 2024 with cash on hand
- Hyliion does not currently have a revolving credit facility in place or a term loan or bond
- There are no existing capital leases on the business today

Maintenance Covenants:

1: Hyliion has no maintenance covenants under a revolver today as no revolver is in place per review of the most recent 10-K

2: We have not reviewed any covenants under any lease requirements, but would not expect any significant limitations for the broader corporation to exist

Capital Structure Notes:

1: $10-$15 million of revenue forecasted for FY 2025 by management

2: Liquidity does not account for expected $10 million of lease financing in FY 2025

Preliminary Thesis & Drivers of Narrative

After initial review, we think that Hyliion is a high-quality company with key industry relationships, an established supply chain, the ability to scale, and proprietary technology. Their exposure to a high-growth end market and positioning as an ESG-friendly business gives us confidence in recommending initiation of a long position on the equity.

1. **Business Quality**: Hyliion has proprietary technology that is capable of facilitating more efficient energy generation through use of the KARNO generators. The generators should have low maintenance due to limiting the movement to a single moving part and not requiring things like oil changes.
2. **Long-Term Business Plan**: Initial cost of the 200 KW generator will be higher and drive unprofitable margins during initial production stages, but as production ramps the Company forecasts achieving approximately cash neutral margins by 2026. Hyliion is additionally working on a 2 MW solution, which consists of 10 of the 200 kW solutions.
3. **Current Situation**: Hyliion has largely been able to successfully pivot from their historical powertrain business to a new generator business, which we think is comparable to a successful biotech pivot away from a failed molecule and acquisition of a successful molecule (as shown by proven customer demand). Comparable to biotech companies, we think that achieving strong returns to shareholders going forward will be contingent upon strong corporate governance decisions and rational behavior by the Board of Directors.
4. **JV or M&A Potential**: There are a number of potential JV or M&A routes for Hyliion that we highlight, including existing data center players (chips, hyperscalers, colocation providers), New Fortress Energy (recently exited Jamaica, existing Klondike data center initiative), Mainspring Energy (closest comp, raised capital), and Shell (Volta transaction is a precedent).
5. **Contemplated Financing**: We suspect that it would be beneficial for Hyliion to consider approaching the market in the near-term regarding a broader debt financing which could be supported via their existing backlog of demand, as they will be in a less favorable position after $45 million of forecasted burn in FY 2025 (implying $75 million YE 2025 cash).[1] Note that Hyliion has outlined an expected $10 million of planned financing in 2025 to help offset the $60 million of forecasted cash burn, which includes capital investment expenditures.
6. **Supply Chain**: We think that one of the more significant risks to the business is the quality and robustness of their supply chain, as in many cases the Company relies on a limited number of suppliers for various key production inputs. As has been shown through the recent tariff announcements, supply chain risks have become more tangible in recent periods and further diligence should be conducted on the supply chain as investors consider their decision to initiate a position in the Company. Hyliion highlighted supply chain and manufacturing issues, which have been relatively quickly resolved, in recent quarters.[2]
7. **ESG Considerations**: Hyliion is an energy transition play as it facilitates the move from existing fuels to cleaner fuel solutions and allows for a cleaner interim period through enhanced efficiency with energy generation.

Positive Catalysts: JV or M&A transaction, debt financing, additional customer contracts (data center, government, etc.), other JVs, growth in throughput capacity

Possible Negative Catalysts

- Poor use of existing cash on the balance sheet or other unwise Board decisions
- Inability to obtain new customer contracts or ramp sales to provide adequate impetus for scaling production capabilities; losses to competitors
- Difficulty raising capital following use of existing liquidity
- Disruption in the supply chain with particular concern to arise if access to a supplier that represents the entirety of a category for Hyliion is to be disrupted

1: Source: 2024 10-K, Q4 2024 earnings call presentation.
2: Source: Q4 2024 earnings call presentation.

Investment Merits

Merit	Discussion
Scaling High-Quality Technology	• KARNO has obtained significant industry interest and demand to date, and as production for KARNO scales the Company forecasts a transition from negative unit economics to neutral in 2026, with positive unit economics implied thereafter. • Hyliion requires some level of foresight into demand in order to provide enough time to scale capacity, as it takes 6-12 months from order to delivery for GE printing machines. • mLine printers have scaled production capacity with current production at 2x-4x as many parts as compared to former generations. • As Hyliion moves into having agreements with suppliers and volume commitments, this should allow supply chain costs to decrease in tandem.
Robust Customer Interest	• Alkhorayef, the leading provider of generators in the Middle East, began a relationship via an LOI with Hyliion in Q4 2024. Initial generators will be used in farm applications and other areas to provide prime power. This could represent a broader opportunity within the Middle East as the region is already using distributed generation via the use of diesel generation capacity. • Announced an LOI with Jardine for Hong Kong capacity. • The first early adopter unit is being sold to the US Navy, which has announced an additional contract representing $16 million of sales. Hyliion expects that the generators will be used both in military vessels as well as in stationary applications. • Other energy-efficiency oriented firms have executed LOIs, such as Victory Clean Energy which executed and LOI to purchase 10 generators through their hydrogen production subsidiary H2 Energy Group[1] • Potential demand from other end markets such as corporate and government customers in Puerto Rico.
Potential Implementation of Carbon Offsets	• By forecasting the reduced generation of carbon emissions through the use of the KARNO generator in lieu of existing methods of energy generation, Hyliion could potentially facilitate the reduction of upfront cost of KARNO generator units by facilitating the sale of carbon offsets that could be created by accounting for the more efficient energy generation.
Exposure to High-Growth Data Center Market	• Data center market is growing at 15% per annum[2] and the power question is the largest consideration when deciding on development. • In the long term, maintenance for the generators at the data centers will be completed by partnership companies that already are established in the specific end markets. Hyliion does not plan to take care of the maintenance in house.
Robust Internal IP	• The linear electric motor, which is the coil / magnets in the center of the generator that actually produce electricity, is Hyliion design and Hyliion IP. • There is only one moving piece in the Hyliion generator which limits the potential maintenance required for the machine and eliminates the need for factors such as oil changes.

1: https://www.hyliion.com/news/hyliion-and-victory-execute-letter-of-intent-to-deploy-up-to-10-karno-generators-to-h2-energy-group/#:~:text=.vyey.io.-,About%20Hyliion,visit%20www.hyliion.com.
2: Source: JLL

Investment Concerns

Concern	Discussion
Operating Losses and Negative FCF	• Hyliion has burned cash since inception and since entering the public markets, with limited ability to forecast future FCF generation given the current state of the business. • Although Hyliion currently has a strong liquidity position with over $120 million in cash and investments, ongoing losses (including $45 million of net burn forecasted in FY 2025) may necessitate future fundraising, potentially leading to shareholder dilution or an unattractive financing. • We suspect that Hyliion has a strong business model today and should be able to transition to FCF positive as sales of its generator ramp. • *Mitigants*: Strong current business model, strong interest in generator sales, transition to neutral unit economics in 2026, early adopter customer units expected by mid-2025.
Limited Robustness of Supply Chain	• Concerns have been expressed about Hyliion's ability to overcome supply chain challenges and issues with metal powder that affected initial customer deployments (discussed in Q4 2024 earnings call). • Hyliion has worked with a contract manufacturer for assembly of the linear electric motor component of the KARNO generator. This component was initially produced in-house after finalizing the motors design and developing prototype assembly processes, and the transition to the contract manufacturer took longer than originally anticipated. • *Mitigants*: Efficient historical resolution of supply chain issues
Historical Manufacturing Issues	• Given the early stage of development of the KARNO generator product, there is limited operational and manufacturing history associated with the production of the KARNO generator and production issues are expected to appear at this stage of the product lifecycle. • One manufacturing issue raised in Q4 2024 was residual metal powder being released into the system, traced back to parts that weren't sufficiently cleaned following printing. This is expected to be resolved following cleaning and other enhancements. • *Mitigants*: Efficient historical resolution of manufacturing issues
Competitive Dynamics	• There are concerns about Hyliion's ability to compete with established energy and generator companies, especially in target markets like data centers and EV charging, and to achieve meaningful adoption of its new technology. • Well-capitalized competitors exist, including Mainspring Energy which just raised $258 million in April 2025 to support the shift to a more resilient electric grid.[1] • *Mitigants*: Growth in the space may imply that there is enough momentum for several competitors to maintain a strong foothold
Corporate Governance	• We suspect that the future path of the Company will be highly contingent on corporate governance actions and we can draw a parallel to similar historical outcomes in busted biopharma companies – in this case, Hyliion had a 'failed molecule' with their powertrain technology and pivoted with an acquisition to a to-be-seen 'molecule' of the KARNO generator.

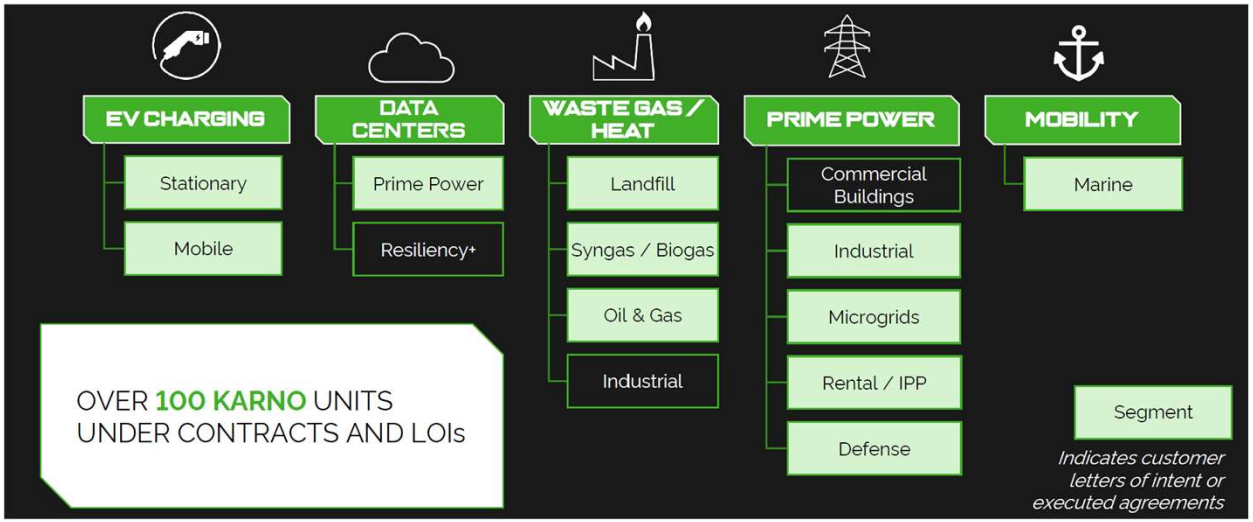
1: Source: https://digitalinfranetwork.com/news/mainspring-258mn-linear-generator-growth/
2: []

Production Timeline & Existing Demand

Timeline Overview

- Expect to deliver 10 early adopter customer units by mid-2025
- Hyliion will continue to test and validate generator performance throughout 2025, including continued testing on validation of generator performance
- Hyliion aims to ramp up the production supply chain in support of H2 2025 deliveries
- The 200 kW generator to be commercialized by H2 2025, at which point revenue may begin to be recognized for the early adopter unit and ongoing generator system sales
- Plan includes time in schedule to address unanticipated issues throughout the remainder of FY 2025 if they arise, allowing for addressing of issues such as the metal powder issue in H1 2025

Existing Customer Commitments (1)



- Hyliion has existing customer demand representing 100+ KARNO units that are under contracts and LOIs; end markets range from EV charging to mobility
- Select existing customer demand include Alkhorayef (Middle East), Jardine (Hong Kong), and the US Navy (initial unit)
- Victory Energy Group's subsidiary H2 Energy Group was formerly disclosed as expecting to receive five KARNO generators in H2 2025[2]. H2 has a contract to purchase 10 generators with an option for an additional 5 generators upon successful deployment
- GTL Leasing was another early customer with a two-generator LOI in 2023[3]

1: Customer LOIs are non-binding and subject to the execution of a definitive sales agreement prior to deliveries
2: https://www.hyliion.com/news/hyliion-and-victory-execute-letter-of-intent-to-deploy-up-to-10-karno-generators-to-h2-energy-group/#:~:text=.vyey.io.-,About%20Hyliion,visit%20www.hyliion.com.
3: https://www.hyliion.com/news/hyliion-executes-a-letter-of-intent-to-provide-karno-generators-to-gtl-leasing/

Income Statement: Historical and Street Forecast

Email for Excel model with Bloomberg pulls

Historical Financials	Historical - Annual					Street Forecast - Annual		
$ in millions	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27
Income Statement								
Revenue	**-**	**$0.2**	**$2.1**	**$0.7**	**$1.5**	**$12.5**	**$35.5**	**$69.6**
% Growth YoY	*N/A*	*N/A*	*953.0%*	*(68.1%)*	*124.6%*	*728.4%*	*184.0%*	*96.1%*
% Growth QoQ	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*			
COGS	-	$2.7	$8.8	$1.7	$1.4	$10.1	$35.4	$53.7
Gross Profit	**-**	**($2.5)**	**($6.7)**	**($1.0)**	**$0.1**	**$2.4**	**$0.1**	**$15.8**
% Gross Margin	*N/A*	*(1,268.5%)*	*(316.8%)*	*(155.4%)*	*6.2%*	*19.0%*	*0.4%*	*22.8%*
SG&A	$9.6	$35.3	$42.0	$42.6	$24.4			
R&D	12.6	58.3	110.4	82.2	37.0			
Other Operating Expenses	-	-	-	11.5	3.0			
Other Operating Income	-	-	-	-	-			
Other (Plug)	-	(5.1)	(13.3)	(2.1)	0.2			
Operating Income	**($22.2)**	**($96.1)**	**($159.0)**	**($137.4)**	**($64.3)**	**($61.4)**	**($59.1)**	**($45.8)**
% Margin	*N/A*	*(48,048.5%)*	*(7,551.3%)*	*(20,441.8%)*	*(4,261.0%)*	*(491.2%)*	*(166.5%)*	*(65.8%)*
Interest Expense, Net	$5.5	($0.8)	($5.7)	($13.8)	($12.2)	$9.1	$5.9	$2.9
Foreign Exch. (Gain) Loss	-	-	-	-	-			
(Income) Loss from Affiliates	—	—	-	-	-			
Other Non-Op (Income) Loss	(361.9)	-	0.0	(0.1)	2.8	-	-	-
Abnormal Losses (Gains)	10.2	0.7	0.0	(0.0)	(2.9)			
Income Tax Expense (Benefit)	2.1	0.2	0.0	(0.0)	(0.6)			
Net Extraordinary Losses (Gains)	-	-	-	-	-			
Minority Interest	-	-	-	-	-			
Preferred Dividends	-	-	-	-	-			
Other Adjustments	-	-	-	-	-			
Net Income to Common	**$332.2**	**($95.5)**	**($153.3)**	**($123.5)**	**($54.3)**	**($52.3)**	**($53.2)**	**($42.9)**
Weighted Avg. Shares Out.	104.3	172.2	175.4	181.4	174.9	174.0	174.4	174.8
EPS (Basic)	$ 3.18	$ (0.55)	$ (0.87)	$ (0.68)	$ (0.31)	$ (0.30)	$ (0.30)	$ (0.25)

1: Source: Bloomberg Terminal

Discussion of Income Statement

- $10-$15 million of sales in FY 2025 is expected to consist of both R&D services and sales of KARNO generators
  - Gross margin is expected to be positive for R&D services
  - Gross margin is expected to be negative for KARNO generators after adjusting for the expensing of purchased components
- Street forecast includes over 2x revenue generation YoY in 2026 of $35 million, which again doubles to $70 million of revenue in 2027
- $16.5 million of capex in FY 2025 was related to the purchase of additive printing machines and related equipment as Hyliion looked to scale production capacity
- Hyliion spent $58 million in FY 2024 on KARNO generator development and capital expenditures
- EPS remains negative in the -$0.25/sh context in FY 2027, per street forecasts
- Street forecasts assume that Hyliion burns an additional $64 million of cash in 2026 and $46 million of cash in 2027, leaving minimal cash remaining of $13 million at YE 2027

Illustrative Data Center and Puerto Rico Demand Impacts

Illustrative Data Center Demand

Illustrative Data Center Demand	2026	2027	2028	2029	2030
Data Center GW Additions	3.8	3.8	3.8	3.8	3.8
Market Share - Low	0.10%	0.10%	0.10%	0.10%	0.10%
KARNO Units Sold	19	19	19	19	19
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - Low ($mm)	**$ 7.6**	**$ 7.6**	**$ 7.6**	**$ 7.6**	**$ 7.6**
Data Center kW Additions	3.8	3.8	3.8	3.8	3.8
Market Share - High	0.25%	0.50%	0.75%	1.00%	1.25%
KARNO Units Sold	47.5	95	142.5	190	237.5
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - High ($mm)	**$ 19.0**	**$ 38.0**	**$ 57.0**	**$ 76.0**	**$ 95.0**

- Data center GW additions were based on a chart shown later in the presentation, with an estimated 3.8 GW of power additions required per annum over 2025-2030.[1]
- $400,000 price point used per conversations with operating professionals and industry experts.
- Market share is the biggest variable that drives this forecast, with initial market share set at 0.1% and growth / high revenue scenario set at 0.25% and growing at 0.25% per annum. We would aim to significantly refine this forecast as part of further diligence, but suggest that this is a reasonable starting point.

Illustrative Puerto Rico Demand

Illustrative Puerto Rico Demand	2026	2027	2028	2029	2030
Oil & Nat Gas Power in PR (GW)	5.5	5.5	5.5	5.5	5.5
Market Share - Low	0.00%	0.10%	0.20%	0.30%	0.40%
KARNO Units Sold	0	27.5	27.5	27.5	27.5
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - Low ($mm)	**$ -**	**$ 11.0**	**$ 11.0**	**$ 11.0**	**$ 11.0**
Oil & Nat Gas Power in PR (GW)	5.5	5.5	5.5	5.5	5.5
Market Share - Low	0.00%	0.25%	0.50%	0.75%	1.00%
KARNO Units Sold	0	68.75	68.75	68.75	68.75
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - High ($mm)	**$ -**	**$ 27.5**	**$ 27.5**	**$ 27.5**	**$ 27.5**

- Current oil and natural gas generation estimated using a chart shown later in the presentation.[2]
- As shown above, Hyliion may have meaningful untapped markets such as Puerto Rico that could represent large components of future demand, particularly when compared to their current revenue base of $10-$15 million for FY 2025.

Note: The purpose of both of these back-of-envelope analyses is to illustrate the broad demand potential for the KARNO generator product. Although we suspect that the existence of demand is correct, we would look to the Company for further guidance to construct a detailed forecast.

1: Source: BloombergNEF Report, BloombergNEF, DC Byte. Note: Load refers to total load.
2: Source: https://thebreakthrough.org/issues/energy/a-tale-of-two-100-renewable-puerto-rico-studies?gad_source=1&gclid=CjwKCAjwk43ABhBIEiwAvvMEB7xxxvE08vo-XUsU7Q0UEMMU-gyqlREjoPfM42wa60iGt5k_wGwSbRoCLcQQAvD_BwE

Competitive Set – Data Centers

Natural Gas Generators

- **Price Point**: $1,000-$1,500 per kW

Natural gas generators have a number of disadvantages in the context of data centers:

- **Pipeline Dependency**: Relies entirely on access to and the integrity of the natural gas pipeline. Vulnerable to disruptions from seismic events, excavation accidents, pipeline construction, or pipeline capacity issues.
- **Lower Power Density**: Typically require a larger physical footprint than diesel generators for the same power output.
- **Slower Start Time (Historically)**: While older models could have slower start-up times, many modern natural gas generators are designed to meet the critical 10-second start requirement for emergency power systems (like NFPA 110 Type 10). However, load acceptance characteristics might differ from diesel.
- **Emissions Still Present**: While cleaner than diesel in many respects, they still produce Carbon Dioxide (CO2), a greenhouse gas, and some NOx, requiring compliance with relevant emissions standards (e.g., EPA Tier standards).

Fuel Cells

- **Price Point**: $3,000-$3,500 per kW

Fuel cells have a number of disadvantages in the context of data centers:

- **Higher Price Point**: Fuel cells are priced higher than both natural gas generators and Hyliion's KARNO generator product.
- **Infrastructure Requirements**: Setting up the necessary infrastructure for hydrogen production, storage, and distribution can be complex and costly.
- **Durability and Longevity**: Fuel cells can degrade over time, leading to reduced efficiency and the need for frequent maintenance.
- **Hydrogen Storage and Safety**: Hydrogen is highly flammable, posing safety risks. Proper storage and handling protocols are essential to mitigate these risks.
- **Energy Efficiency**: While fuel cells are efficient, the process of producing hydrogen can be energy-intensive, potentially offsetting some of the environmental benefits.

Hyliion's KARNO Generator

- **Price Point**: Approximately in the middle of fuel cells and natural gas. We estimate $2,000 per kW for the KARNO generator, which is approximately in the middle of this range, and results in a $400,000 price point for their 200 kW solution.
- Hyliion claims that their generators achieve superior ROI and are more economical in the long run due to the more efficient fuel conversion process in comparison to a natural gas engine as well as lower maintenance costs. Over a 10-15-year time frame, the significance of energy efficiency and maintenance costs becomes a more salient factor driving the ROI calculation.
- Hyliion competes with other linear generation companies, such as Mainspring Energy. Further diligence to be conducted as we gain further clarity on the state of the efficient generation market.

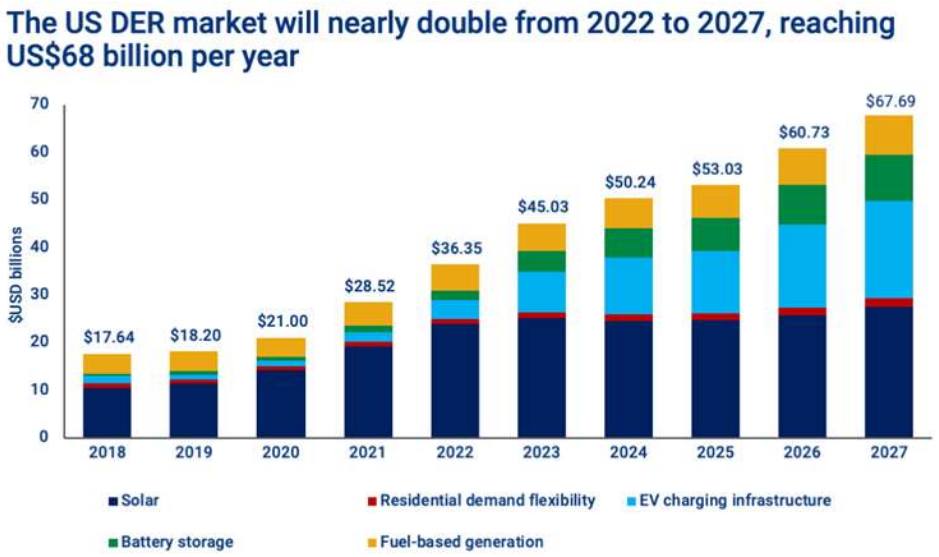
1: Source: https://www.shell.com/investors/news-and-filings/new-energies-announcements.html
2: Source: https://www.shell.us/about-us/news-and-insights/media/2023-media-releases/shell-usa-inc-finalizes-acquisition-of-volta-inc.html

U.S. Distributed Generation Demand Overview

Distributed Generation Demand Overview

- The US distributed energy resources (DER) market is experiencing significant growth, driven by a shift toward renewable energy, advancements in battery storage, and government incentives for decentralized energy systems. Key technologies include:
  - Photovoltaic (PV) DERs, primarily rooftop solar systems, dominate the market due to their versatility and cost-effectiveness.
  - Energy storage systems are gaining momentum, with substantial growth driven by declining costs and technological advancements.
  - EV charging infrastructure is a major growth area, with increasing integration of distributed energy systems.
- The US Distributed Energy Resource (DER) market is expected to nearly double in terms of capacity from 2022-2027, with annual capex reaching $68 billion per annum per Wood Mackenzie in 2023.[1]
- Key drivers of distributed generation demand growth:
  - Increasing demand for renewable energy adoption.
  - Grid integration and interconnection issues.
  - Expansion of smart energy management solutions.
  - Grid insecurity affecting homeowners and businesses.

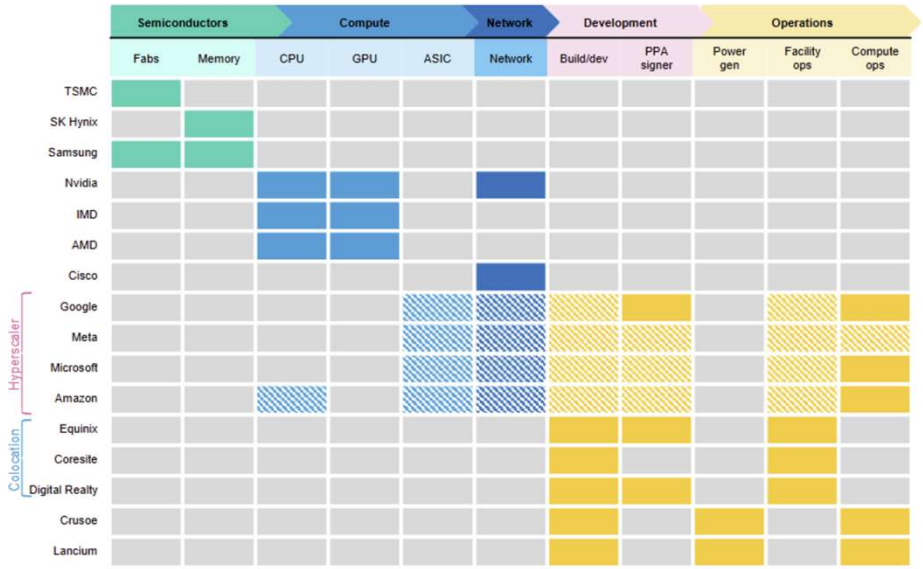
Distributed Energy Resource Forecast (2)



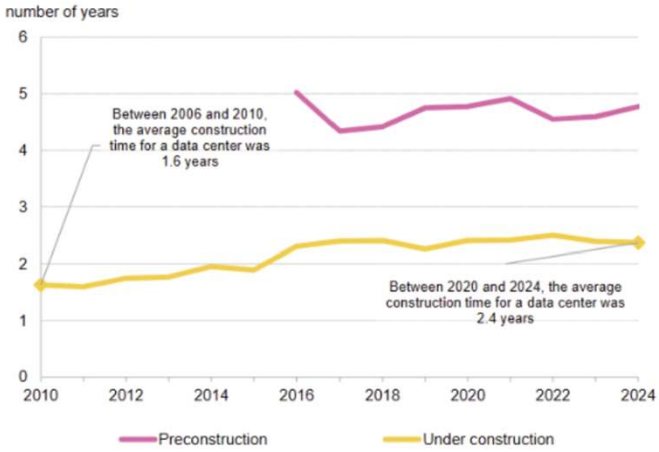
1: Source: https://www.woodmac.com/press-releases/us-distributed-energy-resource-market-to-almost-double-by-2027/
2: Source: Wood Mackenzie Grid Edge, US Distributed Solar and Energy Storage Service

Data Center Market Overview: Development Considerations

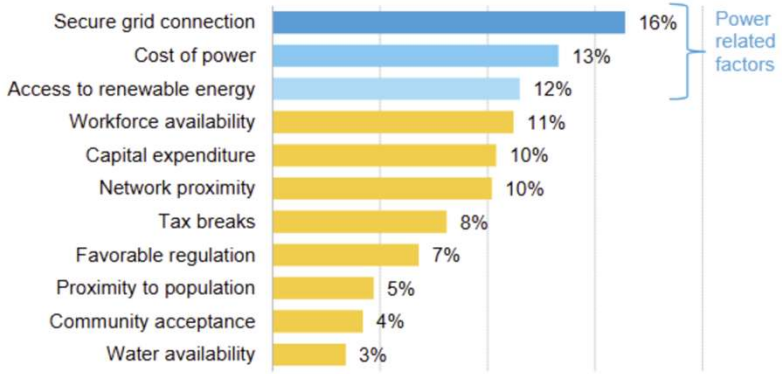
Data Center Information Technology Value Chain (1)



Time for Projects to Go From One Stage to the Next (2)



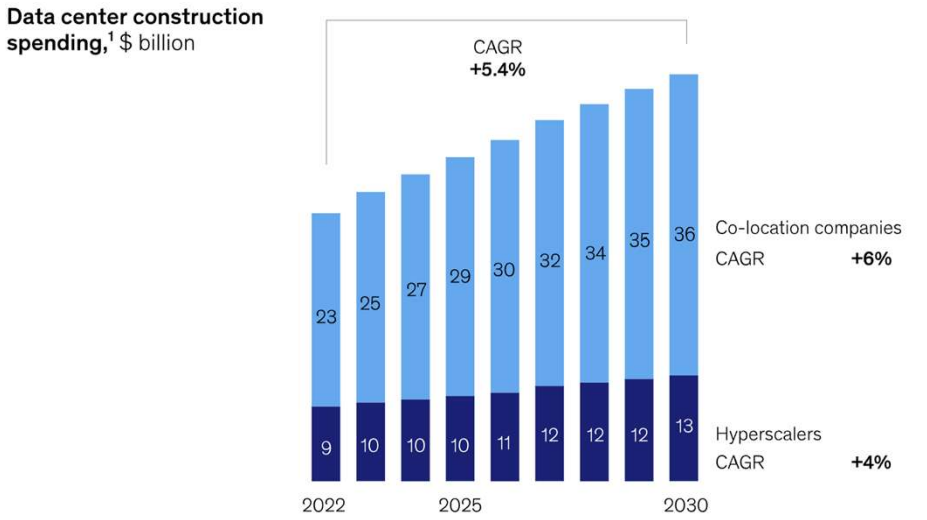
Key Factors for Data Center Site Selection (3)



1: Source: BloombergNEF. Note: Dashed shading implies that the company is only part of this value chain for self-use.
2: Source: BloombergNEF. Note: The year value for each transition category is calculated based on the five-year rolling average. For example, values for '2024' are based on information between January 2020 to December 2024.
3: Source: Data Center Dynamics, Vertiv, BloombergNEF. Note: Blue shading indicates factors related to power storage.

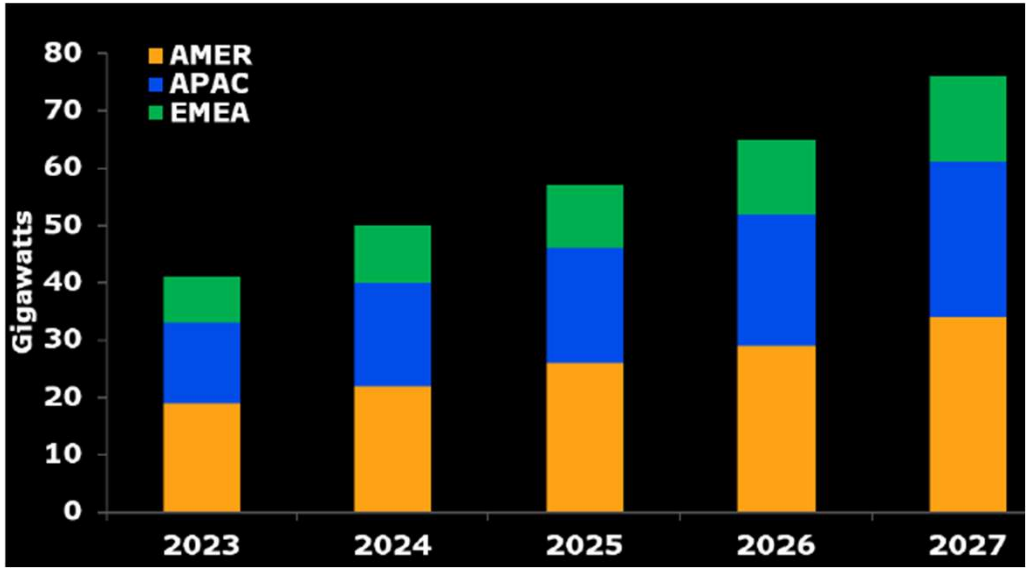
Data Center Market Overview: Growth Expectations

Global Spending on Data Center Construction (1)



- According to the Synergy Research Group, in 2022 hyperscalers spent $9 billion to build data center capacity, which is expected to increase by 4%+ per annum until 2030.
- Key constraints on data center construction include: (i) tight labor market is tight, (ii) volatile commodity prices, (iii) high inflation, (iv) constrained supply chains, driving higher global capital costs for construction projects (6%+ increase per annum since 2020).[1]

JLL Data Center Forecast (2)

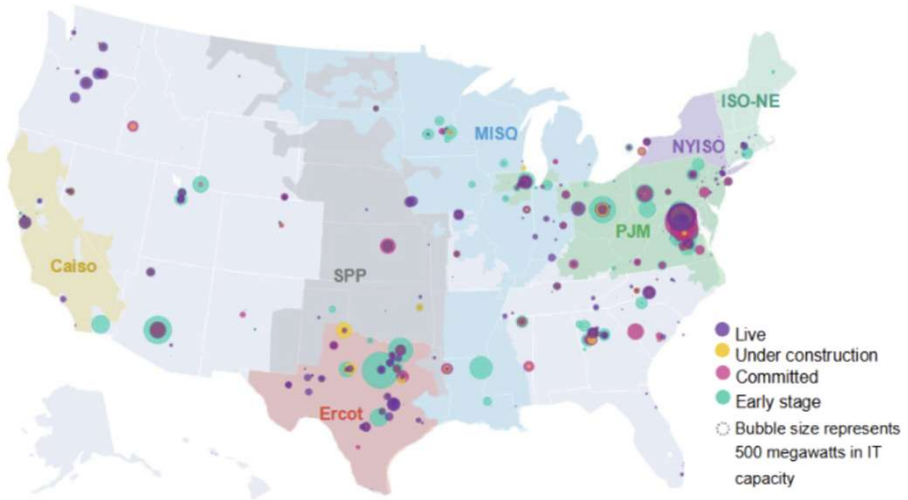


- JLL research forecasts data center growth of 15% per annum through 2027, with NAM and APAC driving the broader market growth.[2]

1: Source: McKinsey, Synergy Research Group. Note: Includes construction spending by providers. Excludes enterprise spending and any other capital expenditure outside of construction (such as equipment).
2: Source; JLL Research, Bloomberg Intelligence

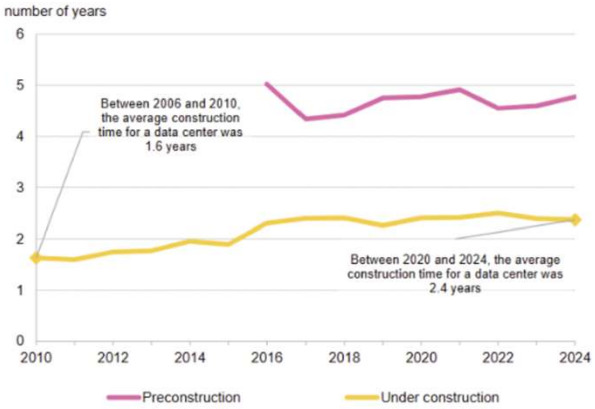
Data Center Market Overview: Pipeline

Pipeline of Data Centers in IT Load (1)

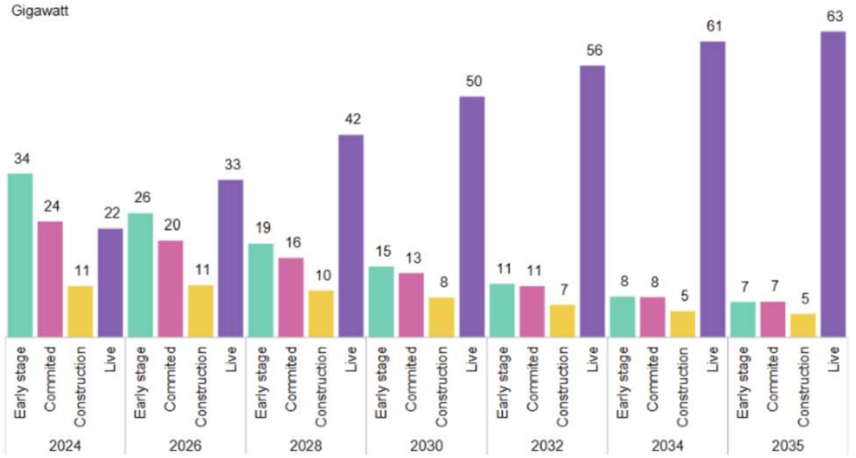


- As of 2024, there were 58 projects in either the early or committed stages with 11 under construction and 22 going live.[3]
  - The pipeline is expected to continue to evolve with most projects going live by 2028-2030 and a long tail remaining early stage or committed thereafter.[3]
- Construction timeline has extended from 1.6 years from 2006-2010 to 2.4 years from 2020-2024.[2]

Timeline for Projects to Go from Stage-to-Stage (2)



Pipeline by Stages over Time (3)

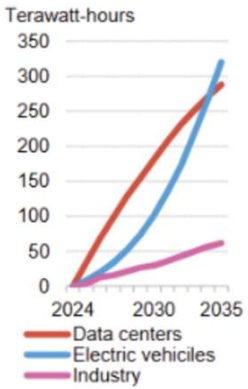


1: Source: DC Byte, BloombergNEF
2: Source: BloombergNEF, DC Byte. Note: The year for each transition category is calculated based on the five-year rolling average. For example, values for '2024' are based on information between January 2020 to December 2024.
3: Source: BloombergNEF. Note: Capacity shown is in IT capacity.

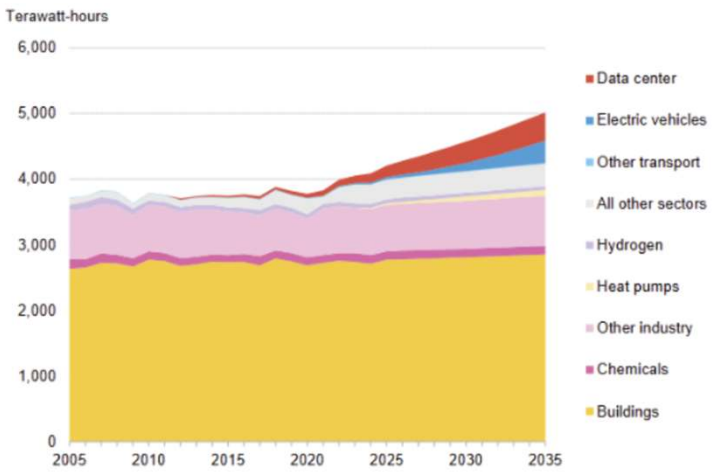
U.S. Power Demand Overview

New and Total Electricity Demand in Economic Transition Scenario (1)

New

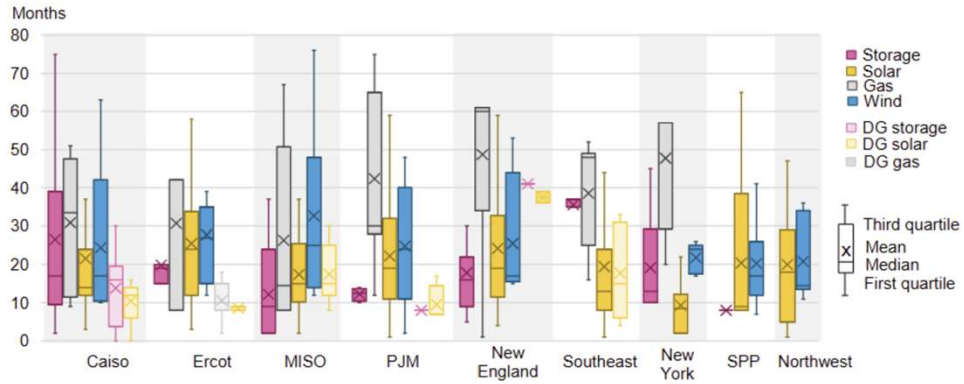


Total



- Data center energy demand is forecasted to account for 8.6% of energy demand by 2035 compared to 3.5% today.[3]
  - Data centers and electric vehicles account for the vast majority of total energy demand growth through 2035.
- AI data centers require 10x the energy needs of conventional data centers and has been growing.[4]

Lead Times for Technologies by US Power Region (2)

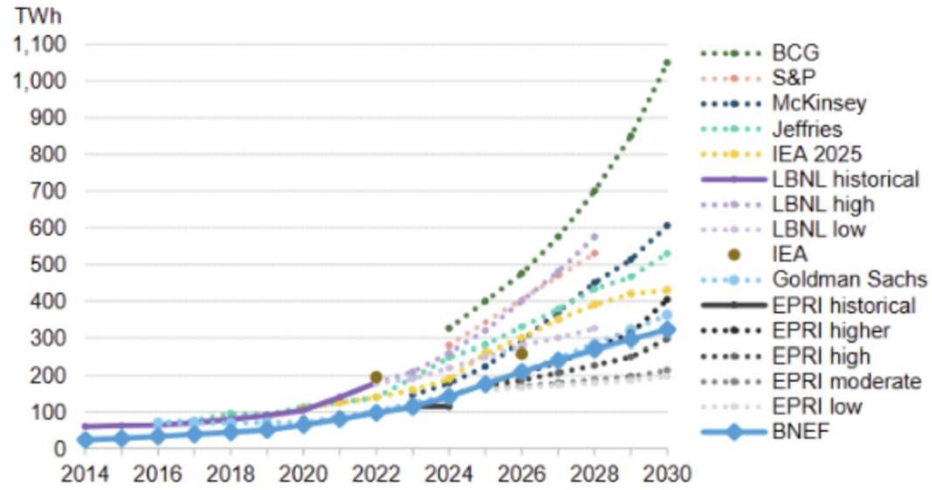


- Development timelines vary for power technology type significantly by region, although gas appears to generally be on the higher end whereas solar and wind are in the middle and storage is lowest.
- Solar appears to consistently be quicker to develop than wind, although in most regions the difference is modest at a few months.

1: Source for left chart: BloombergNEF. Note: Data center demand refers to total energy demand. Source for right chart: BloombergNEF. Note: Data center demand refers to total energy demand.
2: Based on data from 2018-2025. Source: BloombergNEF, US Energy Information Administration (EIA). Note: Caiso is California Independent System Operator, SPP Is Southwest Power Pool, Ercot is Electric Reliability Council of Texas, MISO is Midcontinent Independent System Operator, PJM is PJM Interconnection, NYISO is New York Independent System Operator, ISO-NE is ISO New England. DG is distributed generation as defined as grid-connected generators that are smaller than 0.5MW large.
3: Source: BloombergNEF.
4: Source: https://www.newfortressenergy.com/klondike

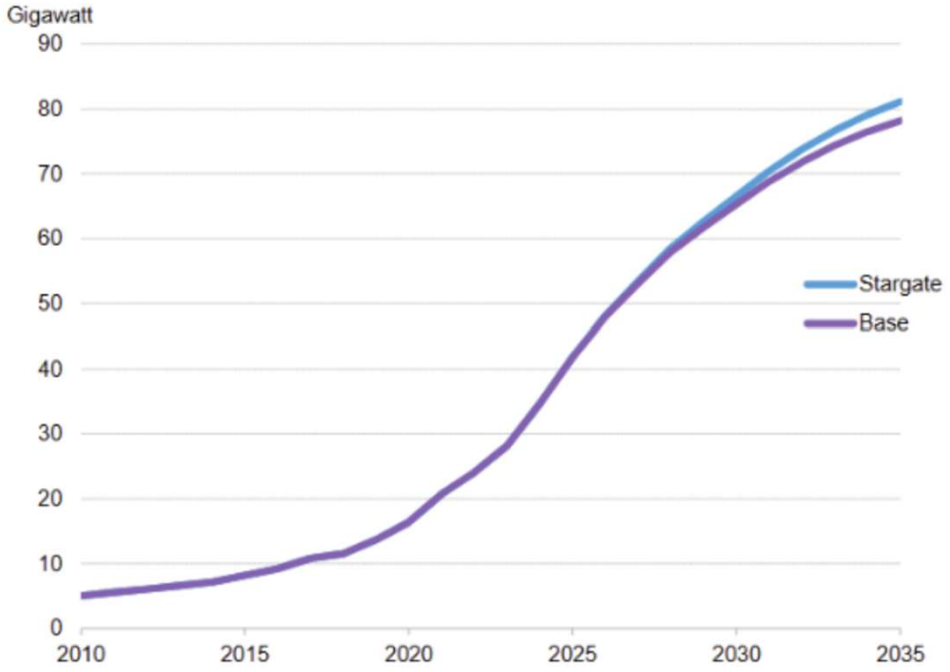
Data Center Power Demand Overview *(1 of 2)*

US Data Center Energy Demand Forecasts (1)



- Data center energy forecasts vary significantly, with BCG at the high end of the range at 1,000+ TWh and EPRI at the low end at 200 TWh by 2030.
- Most forecasts are within the 300-600 TWh context by 2030, including Jefferies, Goldman Sachs, the IEA, and LBNL.

US Data Center Power Load, By Scenario (2)

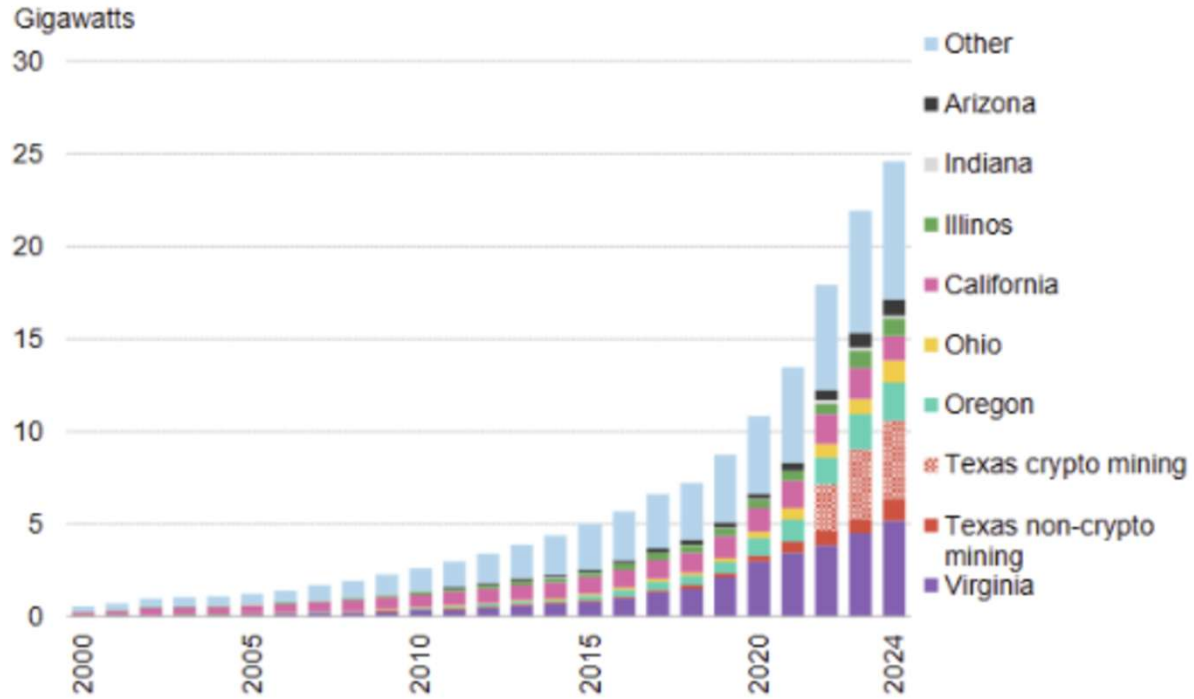


- The data center power load is expected to grow by approximately 3.8-40 GW per annum from 2025-2030.

1: Source: BloombergNEF, Lawrence Berkeley National Lab (LBNL), International Energy Agency (IEA) 2024, Boston Consulting Group (BCG), Electric Power Research Institute (EPRI), Jefferies, Goldman Sachs, McKinsey, S&P, IEA 2025.
2: Source: BloombergNEF Report, BloombergNEF, DC Byte. Note: Load refers to total load.

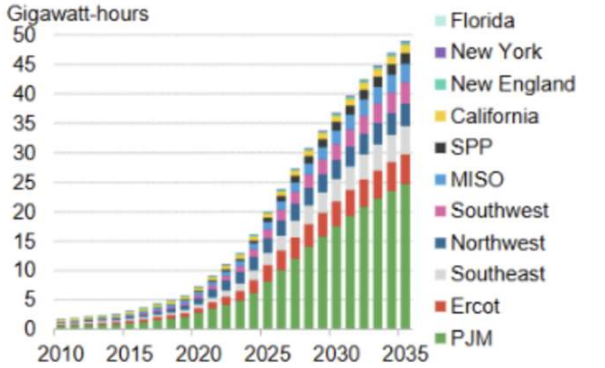
Data Center Power Demand Overview *(2 of 2)*

Data Center IT Power Capacity by Market Over Time (1)

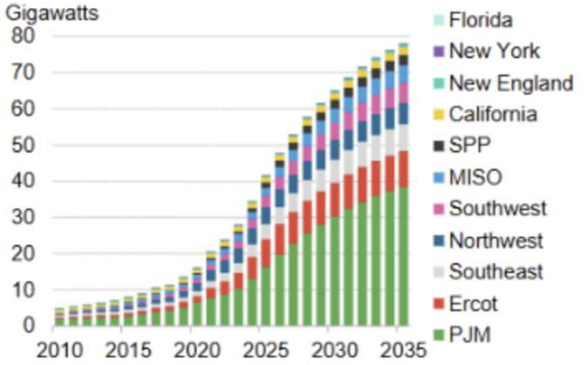


- Virginia, Texas, and Oregon are the largest markets for data center IT power demand, with notable growth occurring in Virginia and Oregon since 2020.[1]
- PJM is the largest power market for data center power demand and demand growth is expected to continue through 2035.[2]

US Data Center Power Load (2)



Average Hourly US Data Center Electricity Demand (2)



1: Source: DC Byte, BloombergNEF. Note: 2024 estimates are through June. Texas non-crypto mining facilities is total facility power demand while all other capacity is just IT power.
2: Source: BloombergNEF, DC Byte. Note: 'Power load' and 'average hourly electricity demand' refer to the total electricity used by the entire data center facility.

Puerto Rico Current Power Generation Overview

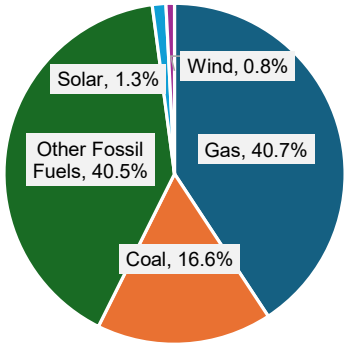
Puerto Rico Thesis

- Puerto Rico is primarily powered by fossil fuels today and could represent an attractive additional market for Hyliion to enter and/or gain momentum in the near term.
  - Fossil fuels have accounted for 97%-99% of Puerto Rico energy generation since 2000, with petroleum being the leading contributor of generation and natural gas second.[1]
  - Natural gas has increased share as new LNG import facilities and natural gas fired power plants have been constructed.
- Hyliion's generators could help Puerto Rico transition from their 97.8% fossil fuel mix.[1]
- Recent power outages, including one impacting 1.4 million customers across the island, show the necessity of stable generation capacity for critical environments such as hospitals and critical commercial and industrial applications.[2]
  - Note that the power outage did impact hospitals with power still not online days after the outage for select hospitals and the broader timeline for power restoration set at 2-3 days for 90% of customers.[2]
- Hyliion's generators also would appear to be more resilient to extreme weather events, allowing for continued power generation capabilities during natural disasters such as Hurricane Maria in 2017.
- The energy grid has adapted to the use of distributed generation with many residents installing their own solar panels and batteries in their homes and businesses to address the persistent issue.

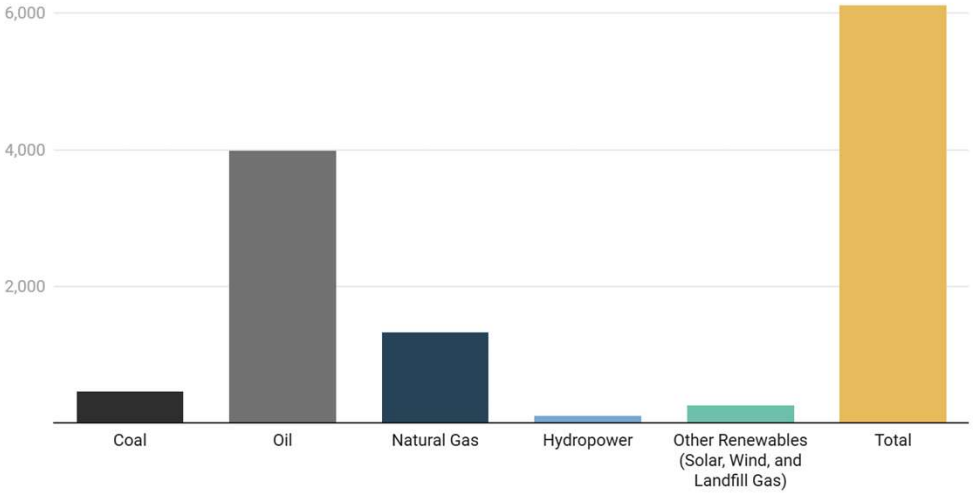
1: Source: https://lowcarbonpower.org/region/Puerto_Rico
2: Source: https://abcnews.go.com/International/puerto-rico-plunged-darkness-island-wide-blackout-hits/story?id=120884304
3: Source: https://thebreakthrough.org/issues/energy/a-tale-of-two-100-renewable-puerto-rico-studies?gad_source=1&gclid=CjwKCAjwk43ABhBIEiwAvvMEB7xxxvE08vo-XUsU7Q0UEMMU-gyqlREjoPfM42wa60iGt5k_wGwSbRoCLcQQAvD_BwE

Electricity Generation in Puerto Rico (2023/2024) (1)

Note: Other fossil fuels primarily consists of petroleum.

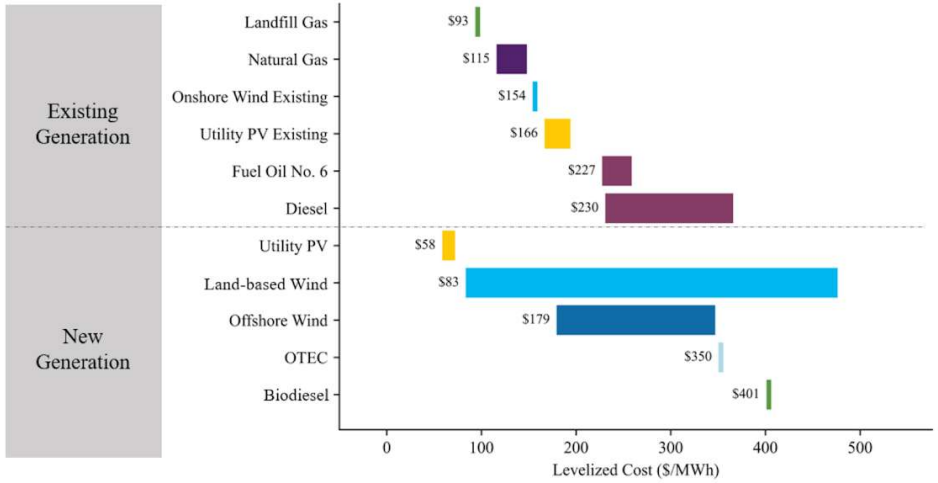


Installed Capacity by Technology, Puerto Rico (MW) (3)

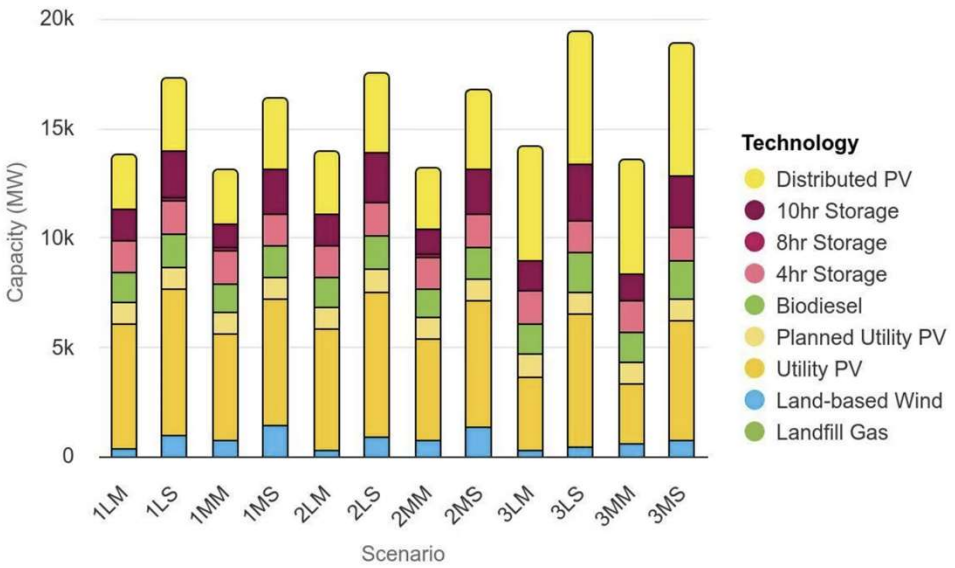


Puerto Rico 100% Renewable Power Overview

Levelized Cost of Electricity by Technology in 2035 (1)



Energy Generation Capacity by Modeling Scenario (1)



- The DOE conducted an analysis that looked at various energy generation scenarios which accounted for various energy technology cost assumptions that spanned the range show in the top left chart.
- Per those assumptions on energy technology cost, the capacity by energy technology varied across modeling scenario as shown in the top right chart.
- Utility PV and distributed PV (i.e. solar) accounted for the largest component of the 100% renewable energy mix.
- We suspect that Hyliion could help bridge between the existing energy generation landscape, as discussed on the previous slide, to help reach this 100% renewable energy mix in an energy efficient manner.

1: https://thebreakthrough.org/issues/energy/a-tale-of-two-100-renewable-puerto-rico-studies?gad_source=1&gclid=CjwKCAjwk43ABhBIEiwAvvMEB7xxxvE08vo-XUsU7Q0UEMMU-gyqlREjoPfM42wa60iGt5k_wGwSbRoCLcQQAvD_BwE

Manufacturing Overview

Hyliion Manufacturing Process Overview

- Hyliion's manufacturing operations have recently been enhanced by adopting advanced M Line additive manufacturing systems from Colibrium Additive, a GE Aerospace company.
  - These systems enable Hyliion to manufacture complex parts more efficiently, significantly increasing production capacity.
  - The manufacturing process involves additive 3D printing using the M Line additive manufacturing systems, which incorporates laser printing using metal powder.
- Hyliion uses a number of advanced technologies which collectively contribute to their ability to produce their KARNO generator efficiently and sustainably.
  - **Additive Manufacturing**: Hyliion uses advanced M Line additive manufacturing systems from Colibrium Additive, enabling the production of complex parts with greater precision and speed.
  - **Robotics and Automation**: Robotics are employed to streamline assembly processes, improve quality control, and reduce manual labor.
  - **Artificial Intelligence (AI)**: AI is utilized for predictive maintenance, optimizing production schedules, and enhancing decision-making processes.
  - **Big Data Analytics**: Big data helps in analyzing production data to improve performance, predict machine failures, and reduce costs.
  - **Internet of Things (IoT)**: IoT devices monitor equipment and processes in real-time, providing valuable insights for continuous improvement.

Overview of Manufacturing Expansion in Austin, TX (1)

1: Source: Q4 2024 earnings call presentation
2: []

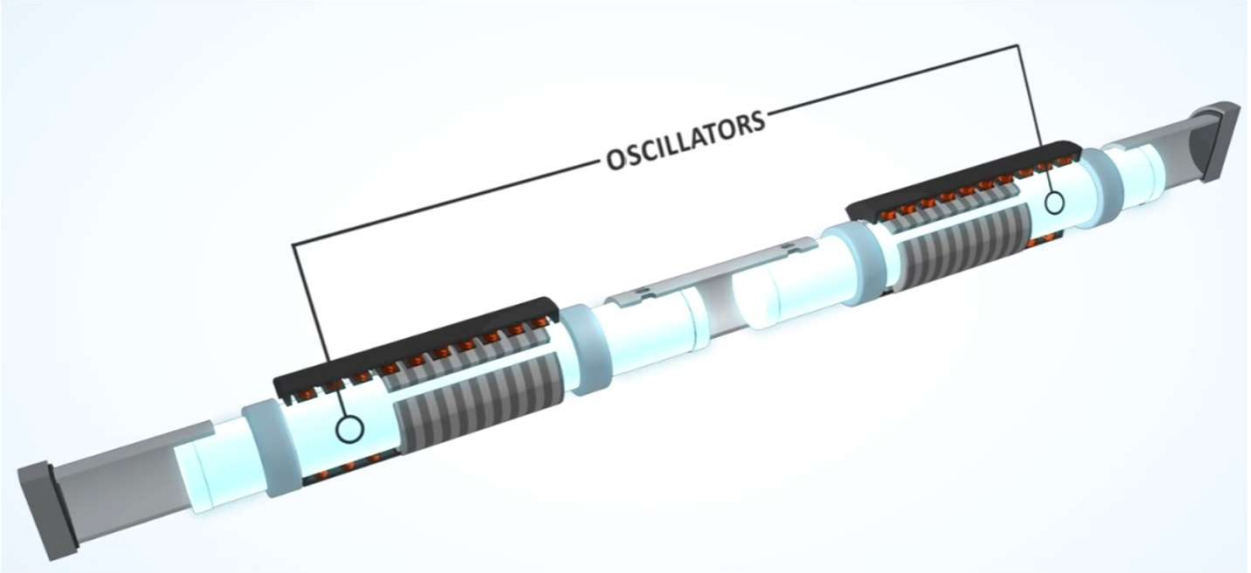
Competitor Profile: Mainspring Energy

Company Overview

- Mainspring Energy is a company that delivers local power solutions to meet capacity, resilience, and cost needs today while providing the infrastructure to move to increasingly cleaner fuels as they become available[1]
- Mainspring has a variety of energy applications including a linear generator application that is competitive with Hyliion. Mainsprings innovative power generation technology designed for high efficiency, low cost, and ultimate flexibility[2]
- Mainspring's linear generators combine the high-efficiency and low emissions of fuel cells with the low costs and dispatchability of engines and microturbines[3]
- Mainspring raised $258 million of Series F financing in April 2025 to support the transition to a more resilient electric grid[4]
- 250 kW is the base power level for Mainspring vs 200 kW for Hyliion

1,2: Source: https://www.mainspringenergy.com/
3: Source: https://www.mainspringenergy.com/technology/
4: Source: https://digitalinfranetwork.com/news/mainspring-258mn-linear-generator-growth/

Technical Overview



- Mainspring's linear generator is comprised of two oscillators that move linearly within a central reaction zone[3]
- Similar to Hyliion, the technology operates without the use of oil, with air and fuel used within a central reaction zone where the mixture is compressed until a low-temperature reaction occurs[3]
- Near-zero NOx emissions are enabled my having a low-temperature, flameless reaction
- Low capital and maintenance costs are enabled through simplicity of design and efficient use of materials[3]

Competitor Profile: FuelCell Energy

Company Overview

- FuelCell Energy "is an American clean technology and manufacturing company providing large-scale, always-on, power solutions and emissions management."[3]
  - Solutions range from microgrids to applications that produce energy from wastewater treatment facilities.[3]
- Fuel cells can be used to power data centers and are a potential application for the rapidly expanding data center market. "Their modular design enables progressive installation and staggered maintenance, ensuring maximum uptime," while also being able to "integrate with other generation assets like battery energy storage systems, turbines, diesel gensets, solar and wind."[3]
- Fuel cells are generally regarded as being more expensive than KARNO generators both at upfront capital investment and in the long run due to KARNO's higher efficiency and ability to run on different fuels.[4]

1: Source: https://www.fuelcellenergy.com/solutions/buildings/data-centers
2: Source: https://www.fuelcellenergy.com/solutions/power/microgrids
3: Source: https://www.fuelcellenergy.com/
4: Source: https://x.com/hyliionaire/status/1821667891160478111

Data Center Application Overview (1)

- Fuel Cells have been used in a variety of applications including (i) Gyeonggi Green Energy, a "58.8 MW fuel cell park provides power and heat to local homes," (ii) Bridgeport, CT, where there is a "14.9 MW fuel cell park supplies reliable, low-carbon power to the grid," (ii) the US Navy, which has a "7.4 MW fuel cell microgrid plant [that] supports a U.S. Navy submarine base," and (iv) Pfizer, which has a "5.6 MW fuel cell microgrid plant powers a research and development facility," and Woodbridge, CT, which has a 2.2 MW microgrid that "provides power to a local high school and other nearby buildings."[1,2]

Potential Acquirers

Data Center Ecosystem

- Several well-capitalized players in the data center ecosystem could be future acquirers of Hyliion in a transaction scenario.
- Chip Companies: NVIDIA, IMD, AMD, Cisco, ASML
  - ASML in particular could be an interesting acquirer as they have the manufacturing expertise already and have the experience working through a complex supply chain
- Hyperscalers: Google, Meta, Microsoft, Amazon,
  - Both hyperscalers and colocation providers could benefit by bringing Hyliion in house as a solution to offer for more efficient and cheaper energy generation for customers
- Colocation Providers: Equinix, Coreside, Digital Realty

Mainspring Energy

- Mainspring Energy just raised $258 million, which is over double the TEV of Hyliion of $120 million.
  - Mainspring Energy specifically targeted the raise at grid energy resilience, potentially indicating that they would be open to an acquisition of Hyliion.
- By acquiring Hyliion, Mainspring would be eliminating one of their closest competitors and solidifying their leading market position in the sector.

New Fortress Energy

- New Fortress Energy recently exited their Jamaica business to Excelerate Energy for a TEV of $1.05 billion, which could provide capital for them to buy Hyliion.
  - Jamaica represented one of the more stable business segments for NFE, with the remaining being more volatile and growth subject to the obtainment of additional contracts.
- NFE stock is down -65% YTD (4/19) and the Board may be looking for a growth-oriented opportunity to provide some momentum for the equity.
- NFE has an existing business unit called Klondike that is focused on providing modular power for data center applications, and the acquisition of Hyliion would accelerate their deployment capabilities for the end market.

Shell

- Shell has a track record of acquiring and partnering with leaders in the renewable energy markets for various applications, including solar developments and carbon capture, utilization, and storage.[1]
- Shell previously acquired Volta, one of the largest public electric vehicle (EV) charging networks in the US, for $169 million in March 2023.[2]
  - Hyliion's generators could be used in Volta charging applications across the US as additional deployments are made.

Additional Potential Acquirers: Traditional generator businesses (Cummins, Generac, Caterpillar, Kohler), GE (source of KARNO tech)

1: Source: https://www.shell.com/investors/news-and-filings/new-energies-announcements.html
2: Source: https://www.shell.us/about-us/news-and-insights/media/2023-media-releases/shell-usa-inc-finalizes-acquisition-of-volta-inc.html

Appendix

How Fuel Cells Work

Fuel Cells Overview

- A fuel cell generates electricity through an electrochemical reaction, not by combustion like traditional power generation methods.
  - A fuel cell takes in fuel and oxygen, and through a series of electrochemical reactions, it produces electricity, water (if hydrogen is the fuel), and heat.
- Fuel cells can be more efficient than combustion engines because they directly convert the chemical energy of the fuel into electrical energy, bypassing the heat and mechanical steps involved in combustion.
  - Efficiencies can exceed 60% for converting fuel to electricity, and even higher (up to 90%) when heat is also utilized in combined heat and power (CHP) systems.

Key Differences from Batteries

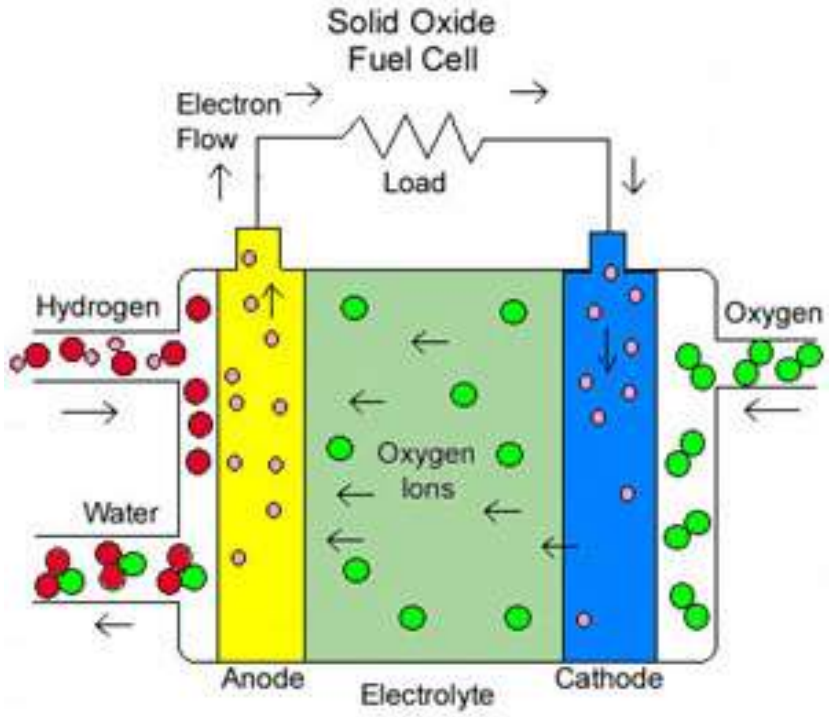
- Fuel cells don't "run down" or need recharging. They will continue to produce electricity as long as they are supplied with fuel and oxygen.
- Batteries store a finite amount of chemical energy, while fuel cells convert energy from an external fuel source.

Additional Resource

- https://www.fuelcellenergy.com/blog/how-does-a-fuel-cell-work/

1: Source: https://americanhistory.si.edu/fuelcells/basics.htm

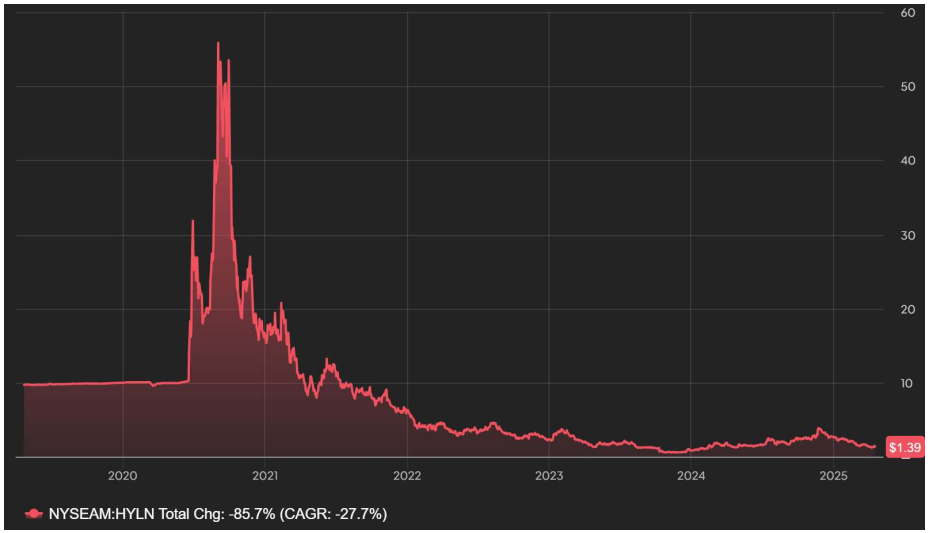
Fuel Cells Overview (1)



- "Every fuel cell has two electrodes called, respectively, the anode and cathode. The reactions that produce electricity take place at the electrodes."[1]
- "Every fuel cell also has an electrolyte, which carries electrically charged particles from one electrode to the other, and a catalyst, which speeds the reactions at the electrodes."[1]
- "Hydrogen is the basic fuel, but fuel cells also require oxygen."[1]

Equity Trading History & Ownership

Historical Equity Price Chart (1)



- Following an initial spike from the SPAC transaction, Hyliion equity has remained below $10 since 2022 and below $5 since 2023.
- Thomas Healy, founder and CEO, is the largest holder of Hyliion equity with approx. 20.2% of outstanding shares.
- Several additional insiders and individuals own notable portions of the equity
- Top corporate and institutional holders include Blackrock, Vanguard, and General Electric

1: Historical equity price chart via Finchat
2: Equity holder list sourced from Bloomberg Terminal

Equity Holders (2)

Holder Name	Shares Owned	Value ($mm)	% Outst.
Thomas Healy	35,408,305	$ 48.86	20.2%
Blackrock	9,927,950	$ 13.70	5.7%
Victoria Grace	9,548,288	$ 13.18	5.4%
The Vanguard Group	725,439	$ 1.00	0.4%
General Electric Co	5,500,000	$ 7.59	3.1%
Howard Jenkins	5,213,435	$ 7.19	3.0%
Millennium Management	4,939,809	$ 6.82	2.8%
Geode Capital Management	3,051,907	$ 4.21	1.7%
State Street Corp	3,001,107	$ 4.14	1.7%
DE Shaw & Co LP	2,949,691	$ 4.07	1.7%
Invesco	1,864,908	$ 2.57	1.1%
Renaissance Technologies	1,290,566	$ 1.78	0.7%
Northern Trust Corp	1,143,762	$ 1.58	0.7%
UBS AG	1,107,794	$ 1.53	0.6%
Charles Schwab	1,065,720	$ 1.47	0.6%
Vincent T Cubbage	1,031,887	$ 1.42	0.6%
Jon T Panzer	891,636	$ 1.23	0.5%
HITE Hedge Asset Management	887,304	$ 1.22	0.5%
Morgan Stanley	826,197	$ 1.14	0.5%
Jose M Oxholm	822,881	$ 1.14	0.5%
Total (Top 20)	**91,198,586**	**$ 125.85**	**52.1%**

Valuation Summary

Valuation Methodology	Est. Range	Description
Volta Transaction	5x TEV/EBITDA 2.5x TEV/Sales	• We think that the Volta transaction serves as a helpful precedent for Hyliion given that (i) they were both owned by Tortoise SPACs, (ii) both saw a significant decline in their share price from SPAC valuation, and (iii) both make reasonably logical additions to the Shell portfolio • Shell announced their acquisition of Volta on January 18, 2023 for an enterprise value of $169 million; this compares to a $1.4 billion valuation at the time of the SPAC transaction in February 2021[1] • Volta had been trading at approximately 2.5x EV/NTM Sales at the time of the transaction • Volta had generated $55 million of sales in FY 2022 and was expected to generate approximately $94 million of sales in FY 2023 • Volta was EBITDA negative (-$135 million in FY 2023) but was acquired at approximately 5x FY 2023E EBITDA (we assume that this was highly adjusted)[1] • **Notably, when at a similar stage in development as Hyliion, Volta was trading at a far higher TEV/Revenue**
Public Comps	$400-$600 million	• Companies in both the distributed generation and utility-scale products and services trade within fairly broad bands of valuation depending on where they are at in their development lifecycle and the growth opportunities that set before them • We could potentially value Hyliion by using a 10x-15x revenue multiple on FY 2026 revenue expectations, resulting in a $400-$600 million TEV.
uFCF Yield	N/A	• Less applicable in this context given the stage of the business and no forecasted FCF generation per street analyst expectations over the next two years.
Historical Trading Levels	N/A	• Given that the business was focused on a different application historically, we think that it is difficult to use the historical trading level as a relevant metric for evaluating the future trading level of Hyliion.

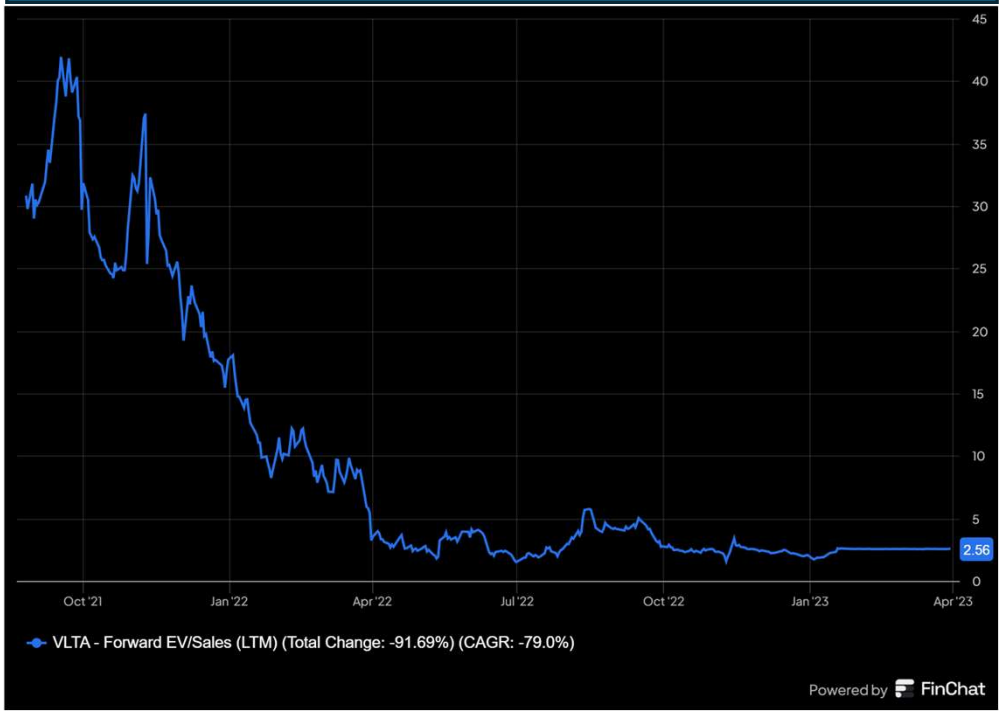
1: Source: https://www.spacinsider.com/news/intel/volta-to-be-acquired-by-shell-for-0-86-per-share

Valuation | *Volta Transaction*

Volta Summary Financials

Summary Financials		Historical - Annual			
$ in millions	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23E
Income Statement					
Revenue	**$19.5**	**$19.5**	**$32.3**	**$54.6**	**$93.8**
% Growth YoY	*N/A*	*-*	*66.1%*	*69.0%*	*71.8%*
COGS	$20.1	$20.1	$24.7	$39.2	$64.0
Gross Profit	**($0.6)**	**($0.6)**	**$7.6**	**$15.4**	**$29.8**
% Gross Margin	*(3.2%)*	*(3.2%)*	*23.5%*	*28.2%*	*31.8%*
SG&A	$44.1	$44.1	$262.6	$165.3	
R&D	—	—	-	-	
Other Operating Expenses	0.1	0.1	2.0	2.9	
Other Operating Income	-	-	-	-	
Other (Plug)	(7.7)	(7.7)	4.1	11.5	(106.6)
Operating Income	**($51.3)**	**($51.3)**	**($268.2)**	**($172.1)**	**($136.4)**
% Margin	*(263.6%)*	*(263.6%)*	*(830.1%)*	*(315.2%)*	*(145.4%)*
Interest Expense, Net	$18.3	$18.3	$6.4	$5.5	
Other Non-Op (Income) Loss	1.0	1.0	2.0	(23.0)	
Income Tax Expense (Benefit)	0.0	0.0	0.0	0.0	
Net Income to Common	**($70.6)**	**($70.6)**	**($276.6)**	**($154.6)**	**($143.8)**

Volta Historical TEV/NTM Sales (2)

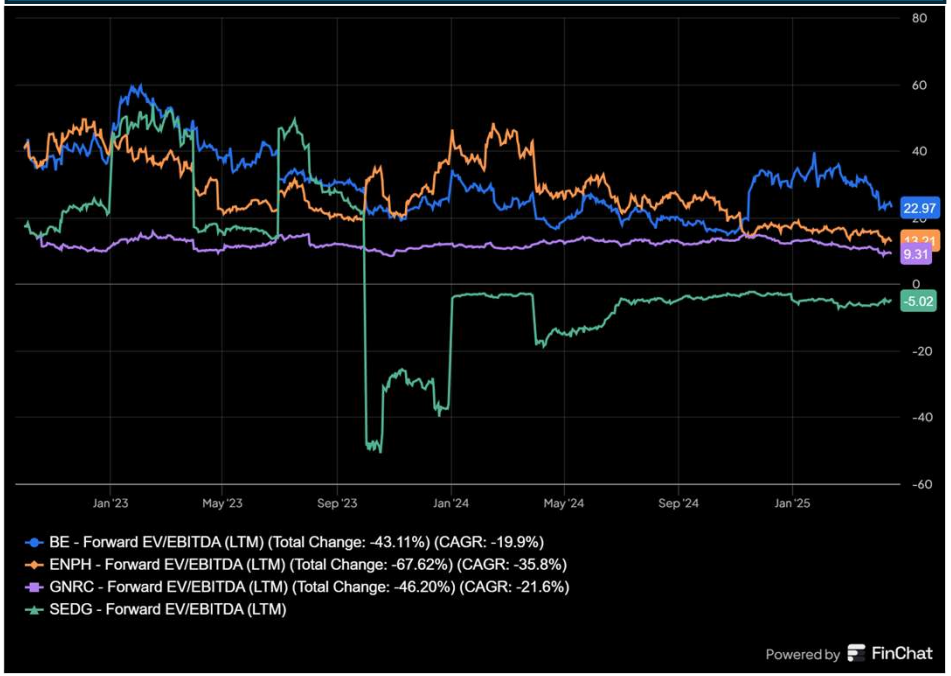


- VLTA was consistently burning a larger amount of FCF each year, which is different than what the street expects Hyliion to achieve. This was due to the large capex required to deploy Volta's charging stations across the US. FCF was -$74 million in FY 2020, -$150 million in FY 2021, and -$215 million in FY 2022.
- We suspect that Volta's decline was more due to competitive dynamics and too high of a valuation to begin with, whereas Hyliion's decline can be attributed to failure with the initial technology prior to pivoting to a seemingly successful technology (comparable to a biotech).

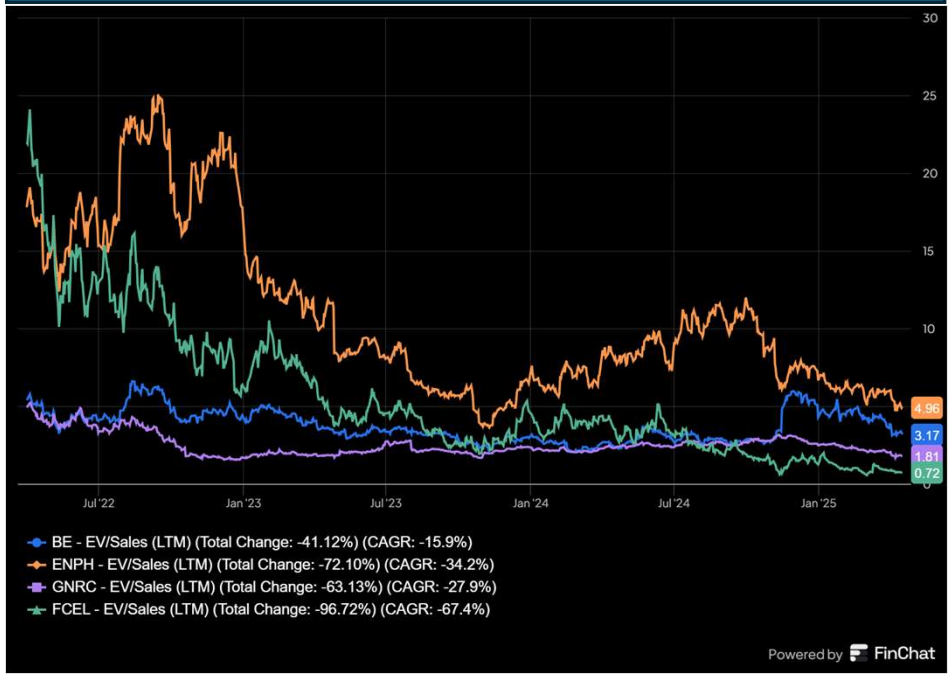
1: Source: Financial data from Bloomberg Terminal
2: Source: Chart from FinChat

Valuation | *Public Comps – Distributed Generation*

Distributed Generation (TEV/NTM EBITDA)



Distributed Generation (TEV/NTM Revenue)



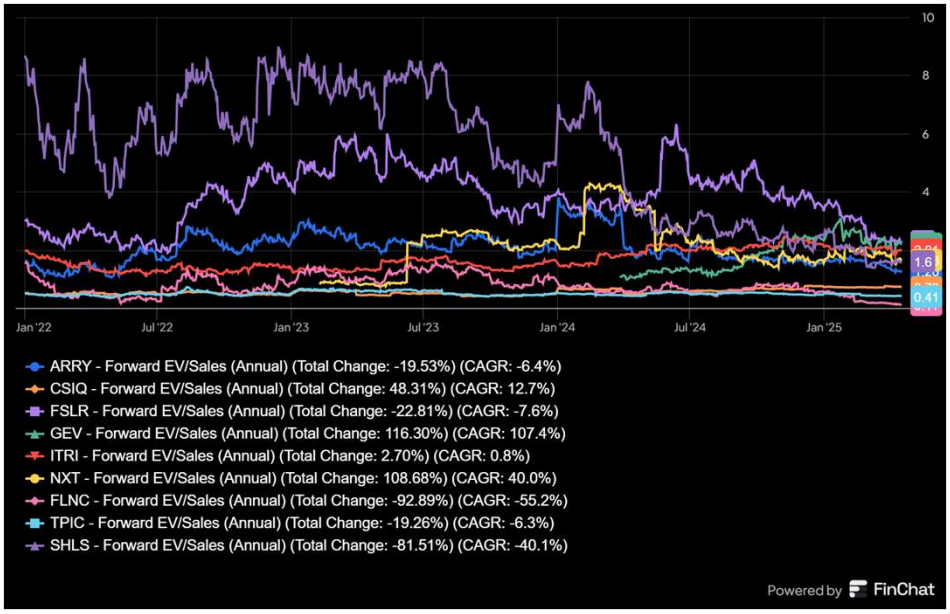
- Distributed Generation public companies have historically traded between 8.0x-40.0x EV/NTM EBITDA.
- Distributed Generation public companies have historically traded between 0.7x-10.0x EV/NTM Revenue.
- FuelCell Energy is a good comp for Hyliion and traded at 10x-15x/TTM Revenue in 2022 after achieving $70 million in sales – this data point suggests that Hyliion is not trading at an unreasonable range, perhaps likely a conservative range, relative to their current revenue base.
- Note that we would further refine the public comp set if we had more time to better understand where Hyliion should be in the comp range.

Source: Charts shown above from Finchat

Valuation | *Public Comps – Utility-Scale Products & Solutions*

Utility-Scale Products & Services (TEV/NTM EBITDA)

Utility-Scale Products & Services (TEV/NTM Revenue)



- Utiity-scale products and services public companies have historically traded between 4.0x-25.0x EV/NTM EBITDA
- Utiity-scale products and services public companies have historically traded between 0.4x-3.0x EV/NTM Revenue, falling to the lower end as they reach scale
- Note that we would further refine the public comp set if we had more time to better understand where Hyliion should be in the comp range

Source: Charts shown above from Finchat

Valuation | *Public Comps – Current Levels*

Overview of Current Public Comp Trading Levels

			Revenue		EBITDA		EBITDA Margin		TEV / Revenue		TEV / EBITDA	
	TEV	Equity Value	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026
Distributed Generation												
Bloom Energy	$5,115.6	$4,363.5	$1,732.9	$2,081.4	$211.4	$330.2	12.2%	15.9%	3.0x	2.5x	24.2x	15.5x
Enphase	$5,912.2	$6,144.4	$1,476.3	$1,653.8	$394.8	$504.5	26.7%	30.5%	4.0x	3.6x	15.0x	11.7x
FuelCell	$98.6	$80.8	$150.6	$173.5	($67.9)	($49.4)	-45.1%	-28.5%	0.7x	0.6x	(1.5x)	(2.0x)
Generac	$7,844.4	$6,729.8	$4,515.2	$4,837.6	$824.6	$913.6	18.3%	18.9%	1.7x	1.6x	9.5x	8.6x
SolarEdge	$71,231.8	$69,819.8	$21,055.8	$25,089.0	$3,023.1	$4,253.9	14.4%	17.0%	3.4x	2.8x	23.6x	16.7x
Average	**18,040.5**	**17,427.7**	**5,786.2**	**6,767.1**	**877.2**	**1,190.5**	**5.3%**	**10.7%**	**2.5x**	**2.2x**	**14.2x**	**10.1x**
Median	**5,912.2**	**6,144.4**	**1,732.9**	**2,081.4**	**394.8**	**504.5**	**14.4%**	**17.0%**	**3.0x**	**2.5x**	**15.0x**	**11.7x**
Utility-Scale Products and Solutions												
Array Technol.	$1,594.9	$765.6	$1,093.3	$1,221.7	$187.1	$229.5	17.1%	18.8%	1.5x	1.3x	8.5x	7.0x
Canadian Solar	$4,563.2	$720.9	$7,276.9	$8,474.0	$549.4	$949.5	7.5%	11.2%	0.6x	0.5x	8.3x	4.8x
Fluence	$668.3	$543.6	$3,158.7	$3,879.3	$30.7	$80.8	1.0%	2.1%	0.2x	0.2x	21.8x	8.3x
First Solar	$14,139.0	$15,213.1	$5,436.2	$6,524.3	$2,525.0	$3,527.0	46.4%	54.1%	2.6x	2.2x	5.6x	4.0x
GE Vernova	$94,604.4	$101,646.3	$36,897.6	$40,210.8	$3,200.9	$4,745.5	8.7%	11.8%	2.6x	2.4x	29.6x	19.9x
Itron	$5,574.8	$5,031.4	$2,468.2	$2,605.1	$338.5	$383.8	13.7%	14.7%	2.3x	2.1x	16.5x	14.5x
Nextracker	$5,808.1	$6,273.0	$2,869.2	$3,178.6	$729.5	$753.0	25.4%	23.7%	2.0x	1.8x	8.0x	7.7x
Shoals Technol.	$726.7	$608.5	$426.8	$476.6	$102.8	$122.3	24.1%	25.7%	1.7x	1.5x	7.1x	5.9x
TPI Composites	$588.0	$42.2	$1,422.3	$1,551.8	$39.6	$92.9	2.8%	6.0%	0.4x	0.4x	14.9x	6.3x
Average	**14,251.9**	**14,538.3**	**6,783.3**	**7,569.1**	**855.9**	**1,209.4**	**16.3%**	**18.7%**	**1.5x**	**1.4x**	**13.3x**	**8.7x**
Median	**4,563.2**	**765.6**	**2,869.2**	**3,178.6**	**338.5**	**383.8**	**13.7%**	**14.7%**	**1.7x**	**1.5x**	**8.5x**	**7.0x**
Hyliion	$168.8	$282.1	$12.5	$35.5	($56.3)	($45.2)	-450.4%	-127.3%	13.5x	4.8x	(3.0x)	(3.7x)

- It is difficult to use current public comp trading levels as a relevant data point for Hyliion given Hyliion's early stage of development in the product lifecycle and smaller scale in comparison to many of the comps.
- The best comps of the set shown above would appear to be Shoals Technologies and FuelCell given their size and scale

1: Source: Data from this slide pulled from Bloomberg Terminal into Microsoft Excel

Summary of 10-K Risk Factors

Risk Factor	Significance	Description
Product Development		• The KARNO generator is still in the development and testing phase, with commercial deliveries expected in 2025 or later. Delays in financing, design, production, or launch could harm the company's brand, business prospects, and financial condition. Initial deployments may require discounts or free units to attract customers.
Revenue Dependence		• Hyliion relies heavily on government funding, particularly from the Office of Naval Research (ONR), which is currently the largest source of revenue. If ONR contracts are not extended or if commercial sales of the KARNO generator do not materialize as planned, the company's financial condition could be adversely affected.
Financial Performance		• The company has a history of significant net losses ($52.0 million in 2024 and $123.5 million in 2023) and expects to continue incurring losses until it achieves sufficient positive gross margins from KARNO generator sales. There is no guarantee that profitability will be achieved.
Market Acceptance		• The distributed power generation industry is still emerging, and significant markets for the KARNO generator may develop more slowly than anticipated or may not develop at all. Customers may prefer traditional or competing power sources, and regulatory or political headwinds could further hinder adoption.
Manufacturing Challenges		• Hyliion has no experience manufacturing the KARNO generator on a large scale. Scaling production will require significant investments in additive printing capacity, cost reductions, and partnerships with outsourced manufacturers. Failure to develop adequate manufacturing processes or identify qualified partners could prevent the company from achieving growth and profitability objectives.
Supplier Dependence		• The company depends on single or limited-source suppliers for critical components. Any disruption in the supply chain, inability to meet performance specifications, or failure to secure favorable pricing could materially impact operations and financial results.
Cybersecurity		• Hyliion faces risks related to cybersecurity threats, including potential breaches of operational systems, customer data, and integrated software in the KARNO generator. Such incidents could harm the company's reputation, disrupt operations, and result in regulatory or legal consequences.
Product Liability		• Defects in the KARNO generator could lead to product liability claims, recalls, or warranty expenses. Even unfounded claims could harm the company's reputation and financial condition.
Competition and Industry Dynamics		• The company operates in a competitive and heavily regulated industry. Developments involving competitors, changes in governmental regulations, or failure to obtain required certifications for the KARNO generator could adversely affect financial performance.
Customer Demand		• Demand for the KARNO generator depends on end-user customers, many of whom operate in cyclical industries. Economic factors such as commodity prices, infrastructure spending, and interest rates could significantly impact demand.
Government Incentives		• The company and its customers rely on government grants, loans, and tax incentives to support the adoption of the KARNO generator. Failure to secure these incentives could adversely affect business prospects.

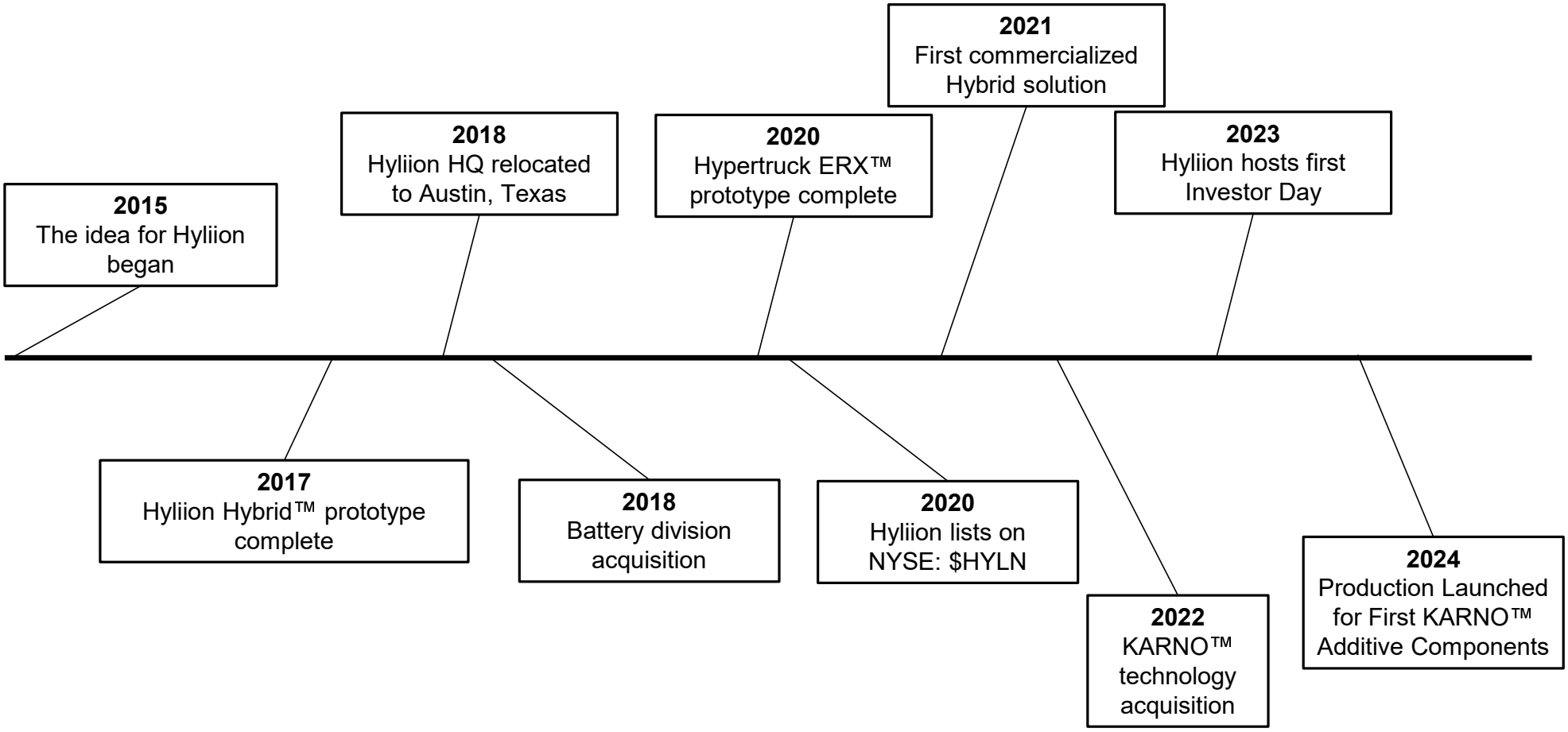
Onsite Power Generation Feature Comparison (Mainspring)

Feature Comparison Table for Types of Onsite Power Generation

	Mainspring Linear Generators	Lean-burn engines	Rich-burn engines	Solid oxide fuel cells	Turbines
High efficiency					
Low NOx emissions					
Low O&M cost ($/MWh)					
Dispatchability (% load)					
Dynamic fuel switching					
Modular design					

Source: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://cdn.sanity.io/files/m8z36hin/production/15003edc82b70e9cdf32f4c3c1a2a6a16809d27a.pdf

Company Timeline Highlights (Per Hyliion Website)



Source: https://www.hyliion.com/company/

Key Management Team and Board Profiles

Name	Position	Description
Thomas Healy	Founder and Chief Executive Officer	Thomas Healy is the Founder and CEO of Hyliion and has led Hyliion since its inception, taking it public in 2020 and raising over $750 million. Healy holds dual engineering degrees from Carnegie Mellon University and has a passion for motorsports, which has fueled his entrepreneurial drive.
Dennis Williams	President	Before joining Hyliion, Dennis Williams held prominent leadership roles at companies such as General Electric and Honeywell. At General Electric, he led global operations and was responsible for driving strategic initiatives across multiple business units. During his tenure at Honeywell, Williams managed large-scale engineering projects and implemented advanced technologies to enhance operational efficiency. Williams earned his bachelor's degree in Electrical Engineering from the University of Illinois and his MBA from Harvard Business School.
Jay Craig	Chairman of the Board	Jay Craig served as Chief Executive Officer and President of Meritor, Inc. before joining Hyliion's board. He has held various leadership positions in the commercial vehicle industry, including at General Motors Acceptance Corp. (GMAC). Craig has been a member of the Meritor Board of Directors and brings extensive experience in the industry to his role at Hyliion.
Werner Volpp	Senior Vice President of Operations	Werner Volpp has previously held significant leadership roles at Daimler AG and Bosch. At Daimler AG, Volpp managed complex supply chain operations, ensuring seamless integration and efficiency across various departments. His tenure at Bosch involved overseeing manufacturing processes and implementing innovative strategies to enhance productivity and quality. Volpp earned his bachelor's degree in Mechanical Engineering from the University of Stuttgart and his MBA from INSEAD.
Robert Nickels	Chief Financial Officer	Before joining Hyliion, Robert Nickels held key financial leadership roles at Union Pacific Corporation, where he served as CFO from 2004 until his retirement in 2019. He also has experience as a director at Schneider National, Inc. and Carrix, Inc. Nickels earned his bachelor's degree in Business Administration from Kansas State University and his MBA from Southern Illinois University.
Greg Van de Perre	Vice President, Engineering	Before joining Hyliion, Greg Van de Perre held key engineering leadership roles at companies such as Cummins Inc. and Eaton Corporation. At Cummins, he led advanced engineering projects focused on powertrain innovations and emissions reduction technologies. During his tenure at Eaton, he managed the development of cutting-edge electrical systems for commercial vehicles. Van de Perre earned his bachelor's degree in Mechanical Engineering from the University of Michigan and his master's degree in Electrical Engineering from Purdue University.

Source: Gemini, Copilot

Top Questions / Topics for Analysts and Investors

Manufacturing

- Details around the forecasted decline in production cost over time for the KARNO generator.
- Ability to scale additive manufacturing efficiently and effectively.
- Capital required to scale manufacturing capacity and plans for sources of capital.
- Timeline limitations with specific manufacturing components and machinery.

Supply Chain

- Key suppliers that Hyliion relies on for input components.
- Impact from tariff announcements and any key suppliers located in China or Canada that have announced changes.

Commercial

- Potential for large-scale government and commercial contracts in Puerto Rico.
- Timeline for additional large-scale contract or partnership announcements.
- Key factors that partners are looking for when considering Hyliion versus competitors.

Corporate Actions

- Interest in exploring M&A discussions with operators in the data center market.
- Potential for JVs and historical discussions with potential JV counterparties.

IR Contact: HYLN@investorrelations.com>

Capitalization Table				Apr-25
$ in millions		xRevenue		Ratings
		FY 2024	FY 2025P	
Cash	(120.1)			
Share Price	$1.61			
# of Shares (millions)	175.2			
Equity Value	282.1			
Enterprise Value	**162.0**	**107.3x**	**10.8x**	
Revenue - FY 2023		$1.5		
Revenue - LTM			$15.0	

Liquidity	
Cash	120.1
Rev. - Comm.	-
Rev. - Drawn	-
Rev. - L/Cs	-
Liquidity	**120.1**

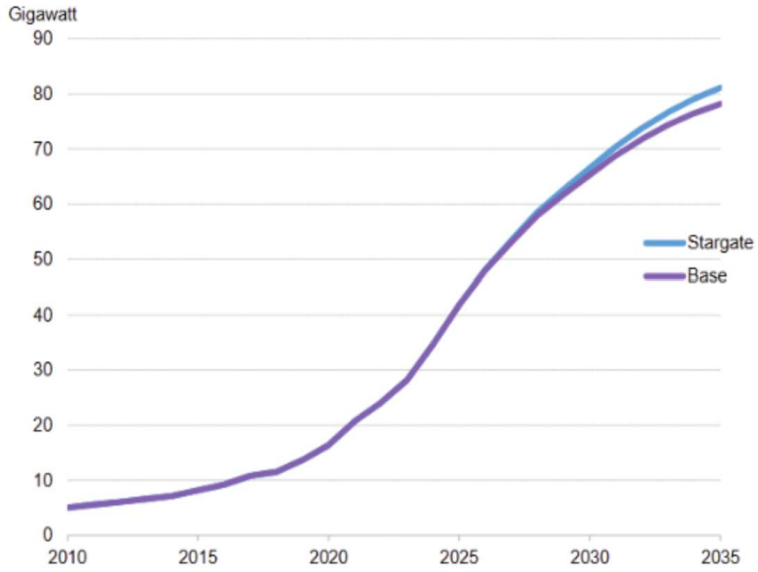
Historical Financials	Historical - Annual					Street Forecast - Annual			Historical - Quarterly																
$ in millions	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Income Statement																									
Revenue	**-**	**$0.2**	**$2.1**	**$0.7**	**$1.5**	**$12.5**	**$35.5**	**$69.6**	**-**	**-**	**-**	**$0.2**	**$0.3**	**$0.2**	**$0.5**	**$1.1**	**$0.3**	**$0.3**	**$0.1**	**-**	**-**	**-**	**-**	**$1.5**
% Growth YoY	*N/A*	*N/A*	*953.0%*	*(68.1%)*	*124.6%*	*728.4%*	*184.0%*	*96.1%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*447.5%*	*(8.8%)*	*54.7%*	*(80.8%)*	*(100.0%)*	*(100.0%)*	*(100.0%)*	*(100.0%)*	*N/A*
% Growth QoQ	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*				*N/A*	*N/A*	*N/A*	*N/A*	*70.0%*	*(49.4%)*	*190.1%*	*119.4%*	*(71.7%)*	*(14.2%)*	*(63.9%)*	*(100.0%)*	*N/A*	*N/A*	*N/A*	*N/A*
COGS	-	$2.7	$8.8	$1.7	$1.4	$10.1	$35.4	$53.7	-	-	-	$2.7	$2.1	$2.1	$2.9	$1.6	$0.7	$0.3	$0.7	$0.0	-	-	-	$1.4
Gross Profit	**-**	**($2.5)**	**($6.7)**	**($1.0)**	**$0.1**	**$2.4**	**$0.1**	**$15.8**	**-**	**-**	**-**	**($2.5)**	**($1.8)**	**($2.0)**	**($2.4)**	**($0.5)**	**($0.4)**	**($0.0)**	**($0.6)**	**($0.0)**	**-**	**-**	**-**	**$0.1**
% Gross Margin	*N/A*	*(1,268.5%)*	*(316.8%)*	*(155.4%)*	*6.2%*	*19.0%*	*0.4%*	*22.8%*	*N/A*	*N/A*	*N/A*	*(1,268.5%)*	*(517.4%)*	*(1,147.1%)*	*(484.4%)*	*(47.8%)*	*(122.9%)*	*(15.4%)*	*(605.2%)*	*N/A*	*N/A*	*N/A*	*N/A*	*6.2%*
SG&A	$9.6	$35.3	$42.0	$42.6	$24.4				$7.4	$10.1	$8.7	$9.2	$9.8	$12.2	$10.3	$9.7	$11.0	$11.1	$8.2	$12.3	$6.6	$6.3	$5.6	$5.9
R&D	12.6	58.3	110.4	82.2	37.0				9.3	13.4	18.2	17.4	15.8	20.1	52.7	21.8	20.9	27.4	25.1	8.8	8.0	8.3	9.5	11.3
Other Operating Expenses	-	-	-	11.5	3.0				-	-	-	-	-	-	-	-	-	-	0.0	11.5	4.4	-	-	0.1
Other Operating Income	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Plug)	-	(5.1)	(13.3)	(2.1)	0.2				-	-	-	(5.1)	(3.5)	(3.9)	(4.8)	(1.0)	(0.8)	(0.1)	(1.2)	(0.1)	-	-	-	0.2
Operating Income	**($22.2)**	**($96.1)**	**($159.0)**	**($137.4)**	**($64.3)**	**($61.4)**	**($59.1)**	**($45.8)**	**($16.7)**	**($23.4)**	**($26.8)**	**($29.1)**	**($27.4)**	**($34.2)**	**($65.4)**	**($32.1)**	**($32.3)**	**($38.6)**	**($33.9)**	**($32.6)**	**($19.0)**	**($14.6)**	**($15.1)**	**($17.1)**
% Margin	*N/A*	*(48,048.5%)*	*(7,551.3%)*	*(20,441.8%)*	*(4,261.0%)*	*(491.2%)*	*(166.5%)*	*(65.8%)*	*N/A*	*N/A*	*N/A*	*(14,557.5%)*	*(8,056.2%)*	*(19,882.0%)*	*(13,098.0%)*	*(2,930.0%)*	*(10,412.9%)*	*(14,503.0%)*	*(35,294.8%)*	*N/A*	*N/A*	*N/A*	*N/A*	*(1,133.9%)*
Interest Expense, Net	$5.5	($0.8)	($5.7)	($13.8)	($12.2)	$9.1	$5.9	$2.9	—	($0.2)	($0.2)	($0.2)	($0.3)	—	—	($2.7)	($3.5)	($3.3)	($3.5)	($3.5)	($3.4)	—	($3.0)	($2.7)
Foreign Exch. (Gain) Loss	-	-	-	-	-				-	—	—	-	-	-	—	—	—	—	—	—	—	—	—	—
(Income) Loss from Affiliates	—	—	-	-	-				—	—	—	—	—	—	—	-	—	—	—	—	—	—	—	—
Other Non-Op (Income) Loss	(361.9)	-	0.0	(0.1)	2.8	-	-	-	—	-	-	-	(0.0)	-	-	0.0	0.0	(0.0)	(0.0)	(0.0)	(4.4)	0.5	-	-
Abnormal Losses (Gains)	10.2	0.7	0.0	(0.0)	(2.9)				-	-	-	0.7	0.0	0.1	(0.0)	(0.1)	(0.0)	0.0	(0.0)	-	4.4	(1.1)	(0.9)	-
Income Tax Expense (Benefit)	2.1	0.2	0.0	(0.0)	(0.6)				—	-	-	0.2	0.0	0.0	(0.0)	(0.0)	(0.0)	0.0	(0.0)	-	0.9	(0.2)	(0.2)	-
Net Extraordinary Losses (Gains)	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minority Interest	-	-	-	-	-				—	-	-	-	—	-	-	-	-	-	-	-	-	-	-	-
Preferred Dividends	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income to Common	**$332.2**	**($95.5)**	**($153.3)**	**($123.5)**	**($54.3)**	**($52.3)**	**($53.2)**	**($42.9)**	**($16.6)**	**($23.2)**	**($26.6)**	**($29.1)**	**($27.1)**	**($33.4)**	**($63.4)**	**($29.4)**	**($28.8)**	**($35.2)**	**($30.3)**	**($29.1)**	**($12.1)**	**($11.7)**	**($11.9)**	**($14.4)**
Weighted Avg. Shares Out.	104.3	172.2	175.4	181.4	174.9	174.0	174.4	174.8	170.2	172.3	173.0	173.3	173.6	173.9	174.3	179.7	180.1	181.0	181.6	182.9	178.5	173.8	173.6	173.8
EPS (Basic)	$ 3.18	$ (0.55)	$ (0.87)	$ (0.68)	$ (0.31)	$ (0.30)	$ (0.30)	$ (0.25)	$ (0.10)	$ (0.13)	$ (0.15)	$ (0.17)	$ (0.16)	$ (0.19)	$ (0.36)	$ (0.16)	$ (0.16)	$ (0.19)	$ (0.17)	$ (0.16)	$ (0.07)	$ (0.07)	$ (0.07)	$ (0.08)

Historical Financials	Historical - Annual					Street Forecast - Annual			Historical - Quarterly															
$ in millions	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Cash Flow Statement																								
Net Income	324.1	(96.0)	(153.4)	(123.5)	(52.0)	(52.3)	(53.2)	(42.9)	(16.6)	(23.2)	(26.6)	(29.6)	(27.1)	(33.5)	(63.4)	(29.4)	(28.8)	(35.2)	(30.3)	(29.1)	(15.6)	(10.9)	(11.2)	(14.4)
Depreciation & Amortization	0.9	0.9	1.2	3.5	3.1	(2.0)	(2.0)	(2.0)	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.4	0.5	0.6	0.7	1.7	0.6	0.7	0.9	1.0
Non-Cash Items	(346.2)	9.9	42.7	4.2	5.9				1.6	3.0	1.1	4.3	3.6	4.5	33.0	1.6	2.0	1.1	1.0	0.0	5.4	(0.5)	(0.2)	1.3
Stock-Based Compensatic	*0.3*	*4.9*	*7.0*	*6.2*	*4.6*				*1.5*	*1.9*	*0.5*	*1.0*	*1.6*	*1.9*	*1.8*	*1.7*	*2.0*	*1.7*	*1.4*	*1.0*	*1.3*	*1.1*	*1.1*	*1.1*
Other Non-Cash Adj	*(346.5)*	*5.0*	*35.7*	*(2.0)*	*1.3*				*0.0*	*1.1*	*0.6*	*3.3*	*2.0*	*2.6*	*31.2*	*(0.1)*	*(0.0)*	*(0.6)*	*(0.4)*	*(1.0)*	*4.1*	*(1.6)*	*(1.3)*	*0.2*
Chg in Non-Cash Work Cap	(1.8)	4.7	(7.4)	(1.2)	(13.8)				4.1	6.6	(0.4)	(5.6)	(6.0)	2.4	2.2	(6.1)	(7.0)	3.2	(0.2)	2.8	(13.1)	(0.0)	0.7	(1.3)
(Inc) Dec in Accts Receiv	*0.1*	*0.0*	*(1.2)*	*1.1*	*(1.9)*	*(3.4)*	*(1.5)*	*(4.9)*	*0.0*	*(0.0)*	*(0.3)*	*0.3*	*(0.7)*	*0.7*	*(0.8)*	*(0.4)*	*0.3*	*0.0*	*0.7*	*0.1*	*(0.1)*	*(0.3)*	*(0.2)*	*(1.3)*
(Inc) Dec in Inventories	—	*(2.3)*	*(5.6)*	*(1.1)*	-	*(5.4)*	*(4.2)*	*(1.0)*	—	—	—	—		*(1.4)*	*(2.0)*	*(2.3)*	*0.1*	*(1.0)*	*(0.0)*	*(0.0)*	*(0.0)*	-	-	-
Inc (Dec) in Accts Payable	*0.7*	*5.3*	*(4.7)*	*1.4*	*(2.9)*	*0.7*	*(2.3)*	*2.4*	*0.1*	*5.8*	*(0.3)*	*(0.3)*	*(4.2)*	*(0.5)*	*(0.4)*	*0.5*	*0.2*	*(0.9)*	*1.3*	*0.8*	*(2.6)*	*(0.7)*	*0.6*	*(0.2)*
Inc (Dec) in Other	*(2.5)*	*1.7*	*4.0*	*(2.6)*	*(9.0)*	*8.1*	*7.9*	*3.5*	*3.9*	*0.8*	*0.2*	*(5.6)*	*0.3*	*4.3*	*5.7*	*(6.3)*	*(6.5)*	*4.1*	*(2.2)*	*1.9*	*(10.4)*	*0.9*	*0.3*	*0.2*
Net Cash From Disc Ops	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Plug)	-	-	-	-	-	4.5	7.4	13.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Operations	**(22.9)**	**(80.5)**	**(116.9)**	**(117.0)**	**(56.7)**	**(49.8)**	**(47.8)**	**(31.5)**	**(10.8)**	**(13.4)**	**(25.7)**	**(30.7)**	**(29.3)**	**(26.3)**	**(27.9)**	**(33.4)**	**(33.2)**	**(30.4)**	**(28.8)**	**(24.5)**	**(22.7)**	**(10.7)**	**(9.9)**	**(13.4)**
Change in Fixed & Intang	(0.3)	(2.3)	(2.7)	(7.4)	(11.1)	(25.0)	(25.0)	(25.0)	(0.4)	(0.6)	(1.2)	(0.2)	(0.2)	(0.4)	(2.0)	(0.1)	(3.0)	(1.0)	(2.8)	(0.6)	(2.2)	(2.3)	(1.9)	(4.7)
Disp in Fixed & Intang	*0.0*	*0.0*	*0.2*	*0.0*	*5.4*	-	-	-	-	-	-	-	-	-	*0.0*	*0.1*	*0.0*	-	-	-	*0.6*	*2.9*	*0.6*	*1.3*
Acq of Fixed & Intang	*(0.3)*	*(2.4)*	*(2.9)*	*(7.4)*	*(16.5)*	*(25.0)*	*(25.0)*	*(25.0)*	*(0.4)*	*(0.6)*	*(1.2)*	*(0.2)*	*(0.2)*	*(0.4)*	*(2.1)*	*(0.3)*	*(3.0)*	*(1.0)*	*(2.8)*	*(0.6)*	*(2.8)*	*(5.2)*	*(2.5)*	*(6.0)*
Net Change in LT Invest.	-	-	-	-	-				—	—	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash From Acq & Div	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Divestitures	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash for Acq of Subs	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash for JVs	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Investing Activities	(237.9)	(63.7)	(19.3)	25.7	70.6	-	-	-	(59.5)	(3.3)	(0.7)	(0.2)	(1.7)	(0.6)	(15.9)	(1.1)	2.1	(5.7)	11.9	17.4	30.2	20.5	20.7	(0.7)
Net Cash From Disc Ops	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Plug)	-	-	-	-	-	65.0	70.0	60.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Investing	**(238.1)**	**(66.0)**	**(22.0)**	**18.3**	**59.5**	**40.0**	**45.0**	**35.0**	**(59.8)**	**(3.9)**	**(1.9)**	**(0.4)**	**(1.9)**	**(0.9)**	**(17.9)**	**(1.3)**	**(0.8)**	**(6.7)**	**9.1**	**16.7**	**27.9**	**18.1**	**18.8**	**(5.4)**
Dividends Paid	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash From (Repay) Debt	3.9	(0.0)	-	-	-				(0.0)	(0.9)	-	0.9	-	-	-	-	-	-	-	-	-	-	-	-
Cash (Repurch) of Equity	124.7	16.8	(0.1)	(0.0)	(14.3)	9.9			16.5	0.2	0.1	0.0	(0.1)	0.0	(0.0)	0.0	(0.2)	0.0	0.1	(0.0)	(11.3)	(3.0)	(0.0)	(0.0)
Other Financing Activities	516.0	(0.9)	-	-	-				(0.9)	0.9	-	(0.9)	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash From Disc Ops	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Plug)	-	-	-	-	-	(0.1)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Financing	**644.5**	**15.9**	**(0.1)**	**(0.0)**	**(14.3)**	**9.8**	**(0.1)**	**(0.1)**	**15.6**	**0.3**	**0.1**	**(0.0)**	**(0.1)**	**0.0**	**(0.0)**	**0.0**	**(0.2)**	**0.0**	**0.1**	**(0.0)**	**(11.3)**	**(3.0)**	**(0.0)**	**(0.0)**
Effect of Foreign Exchange	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Cash	**383.4**	**(130.6)**	**(139.0)**	**(98.7)**	**(11.6)**				**(55.0)**	**(17.0)**	**(27.5)**	**(31.1)**	**(31.3)**	**(27.2)**	**(45.8)**	**(34.7)**	**(34.3)**	**(37.0)**	**(19.6)**	**(7.8)**	**(6.1)**	**4.4**	**8.9**	**(18.8)**
Cash - BoP	208.2	591.6	377.2	313.2	163.2	120.1	-	-	534.5	479.5	462.5	435.0	403.9	372.6	345.4	299.7	265.0	230.7	193.7	174.1	166.3	160.2	164.6	173.6
Change in Cash	383.4	(214.4)	(64.0)	(150.0)	(43.0)				(55.0)	(17.0)	(27.5)	(31.1)	(31.3)	(27.2)	(45.8)	(34.7)	(34.3)	(37.0)	(19.6)	(7.8)	(6.1)	4.4	8.9	(18.8)
Cash - EoP	**591.6**	**377.2**	**313.2**	**163.2**	**120.1**				**479.5**	**462.5**	**435.0**	**403.9**	**372.6**	**345.4**	**299.7**	**265.0**	**230.7**	**193.7**	**174.1**	**166.3**	**160.2**	**164.6**	**173.6**	**154.7**
Cash Paid For Taxes	-	-	—		-	-			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Cash Paid For Interest	0.1	0.0	—		-	-			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

Historical Financials	Historical - Annual					Street Forecast - Annual			Historical - Quarterly															
$ in millions	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Balance Sheet																								
Cash, Cash Equivalents & STI	591.6	377.2	313.2	163.2	120.1	55.9	13.0	16.4	479.5	457.7	434.0	377.2	361.3	388.8	387.1	313.2	282.0	231.6	231.6	163.2	141.4	155.2	151.0	120.1
Accounts & Notes Receiv	0.1	0.1	1.1	0.0	1.9	5.4	6.8	11.8	0.1	0.1	0.4	0.1	0.8	0.1	0.9	1.1	0.8	0.8	0.8	0.0	0.1	0.4	1.3	1.9
Inventories	0.1	0.1	0.1	-	-	5.4	9.6	10.6	—	-	-	0.1	0.2	0.2	0.1	0.1	0.9	0.9	0.9	-	—	-	-	-
Other ST Assets	20.6	9.1	9.8	18.5	9.0				3.6	3.8	5.5	9.1	8.9	8.4	5.9	9.8	15.3	15.9	15.9	18.5	12.5	9.0	9.1	9.0
Other (Plug)																								
Current Assets	0.1	0.1	1.1	0.0	1.9	75.6	38.3	47.7	0.1	0.1	0.4	0.1	0.8	0.1	0.9	1.1	0.8	0.8	0.8	0.0	0.1	0.4	1.3	1.9
Property, Plant & Equip, Net	6.2	10.0	12.1	17.1	31.4				6.2	10.7	11.3	10.0	9.9	9.3	12.6	12.1	14.5	16.9	16.9	17.1	19.7	22.0	23.2	31.4
LT Investments & Receivables	36.0	180.2	108.6	128.2	99.6	99.6	69.6	9.6	152.5	159.7	155.0	180.2	166.0	111.3	68.4	108.6	103.4	122.7	122.7	128.2	122.5	93.5	86.5	99.6
Other LT Assets	0.5	1.8	1.9	1.4	1.1				0.5	0.5	1.2	1.8	1.9	1.9	1.9	1.9	1.9	2.2	2.2	1.4	1.4	1.3	1.2	1.1
Total Intangible Assets	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Derivative & Hedging Asse	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Investments in Affiliates	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	—	—	—	—	—
Misc LT Assets	*0.2*	*1.5*	*1.7*	*1.4*	*1.1*				*0.2*	*0.3*	*0.9*	*1.5*	*1.7*	*1.7*	*1.7*	*1.7*	*1.7*	*1.9*	*1.9*	*1.4*	*1.4*	*1.3*	*1.2*	*1.1*
Other (Plug)																								
Long-Term Assets	42.7	192.0	122.5	146.7	132.0				159.2	170.9	167.5	192.0	177.7	122.5	82.9	122.5	119.8	141.7	141.7	146.7	143.6	116.7	110.9	132.0
Total Assets	**655.1**	**578.4**	**446.7**	**328.4**	**263.0**	**224.3**	**171.2**	**140.5**	**642.4**	**632.5**	**607.3**	**578.4**	**548.8**	**520.0**	**476.9**	**446.7**	**418.8**	**390.9**	**390.9**	**328.4**	**297.7**	**281.4**	**272.3**	**263.0**
Payables & Accruals	8.0	15.2	14.3	14.3	11.9	15.0	12.8	15.2	7.1	14.2	15.2	15.2	11.1	13.9	16.4	14.3	13.6	17.7	17.7	14.3	9.1	6.5	7.6	11.9
ST Debt	0.8	0.0	0.3	0.8	2.4				0.8	0.7	0.8	0.0	0.2	0.3	0.3	0.3	0.5	0.8	0.8	0.8	1.4	1.0	1.5	2.4
Other ST Liabilities	-	-	-	-	-	9.0	9.0	9.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-				-	—	-	-	-	-	—	-	—	—	—	-	—	—	—	-
Derivatives & Hedging	-	-	-	-	-				-	—	—	-	-	-	—	-	—	—	—	-	—	—	—	-
Misc ST Liabilities	-	-	-	-	-	*9.0*	*9.0*	*9.0*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Plug)																								
Current Liabilities	8.8	15.2	14.7	15.1	14.3	15.0	12.8	15.2	7.9	15.0	16.0	15.2	11.3	14.2	16.8	14.7	14.0	18.4	18.4	15.1	10.5	7.5	9.2	14.3
LT Borrowings	0.9	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LT Lease Liabilities	—	—	-	-	-				—	—	—	—	—	—	—	-	—	—	—	-	—	—	—	-
Other LT Liabilities	0.2	0.7	1.5	0.2	-	-	-	-	-	-	-	0.7	1.0	1.3	1.5	1.5	1.6	1.4	1.4	0.2	0.5	0.4	0.4	-
Accrued Liabilities	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Pension Liabilities	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Deferred Revenue	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Derivatives & Hedging	-	-	-	-	-				—	—	—	-	—	—	—	-	—	—	—	-	—	—	—	-
Misc LT Liabilities	*0.2*	*0.7*	*1.5*	*0.2*	-	-	-	-	-	-	-	*0.7*	*1.0*	*1.3*	*1.5*	*1.5*	*1.6*	*1.4*	*1.4*	*0.2*	*0.5*	*0.4*	*0.4*	-
Other (Plug)																								
Long-Term Liabilities	6.2	9.3	8.5	7.0	4.4	2.7	1.0	6.2	4.8	9.0	8.7	9.3	9.2	9.1	8.9	8.5	8.1	9.3	9.3	7.0	6.7	6.0	5.4	4.4
Equity Before Minority Inter.	640.2	553.9	423.6	306.3	244.4	208.5	157.7	119.2	629.7	608.6	582.6	553.9	528.3	496.7	451.2	423.6	396.6	363.1	363.1	306.3	280.4	267.8	257.7	244.4
Minority / Non-Cont. Inter.	-	-	-	-	-				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Owner's Equity	640.2	553.9	423.6	306.3	244.4	208.5	157.7	119.2	629.7	608.6	582.6	553.9	528.3	496.7	451.2	423.6	396.6	363.1	363.1	306.3	280.4	267.8	257.7	244.4
Total Liabilities + OE	**655.1**	**578.4**	**446.7**	**328.4**	**263.0**	**226.2**	**171.4**	**140.6**	**642.4**	**632.5**	**607.3**	**578.4**	**548.8**	**520.0**	**476.9**	**446.7**	**418.8**	**390.9**	**390.9**	**328.4**	**297.7**	**281.4**	**272.3**	**263.0**

Illustrative Data Center Demand					
	2026	2027	2028	2029	2030
Data Center GW Additions	3.8	3.8	3.8	3.8	3.8
Market Share - Low	0.10%	0.10%	0.10%	0.10%	0.10%
KARNO Units Sold	19	19	19	19	19
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - Low ($mm)	**$ 7.6**	**$ 7.6**	**$ 7.6**	**$ 7.6**	**$ 7.6**
Data Center kW Additions	3.8	3.8	3.8	3.8	3.8
Market Share - High	0.25%	0.50%	0.75%	1.00%	1.25%
KARNO Units Sold	47.5	95	142.5	190	237.5
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - High ($mm)	**$ 19.0**	**$ 38.0**	**$ 57.0**	**$ 76.0**	**$ 95.0**

	2025	2026	2027	2028	2029	2030
Data Center Power Load	37.5	41.3	45.1	48.9	52.7	56.5
Change in Power Load (GW)		3.8	3.8	3.8	3.8	3.8



Illustrative Puerto Rico Demand					
	2026	2027	2028	2029	2030
Oil & Nat Gas Power in PR (GW)	5.5	5.5	5.5	5.5	5.5
Market Share - Low	0.00%	0.10%	0.20%	0.30%	0.40%
KARNO Units Sold	0	27.5	27.5	27.5	27.5
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - Low ($mm)	**$ -**	**$ 11.0**	**$ 11.0**	**$ 11.0**	**$ 11.0**
Oil & Nat Gas Power in PR (GW)	5.5	5.5	5.5	5.5	5.5
Market Share - Low	0.00%	0.25%	0.50%	0.75%	1.00%
KARNO Units Sold	0	68.75	68.75	68.75	68.75
Price per KARNO Generator	$400,000	$400,000	$400,000	$400,000	$400,000
Illustrative Rev - High ($mm)	**$ -**	**$ 27.5**	**$ 27.5**	**$ 27.5**	**$ 27.5**

Holder Name	Shares Owned	Value ($mm)	% Outst.
Thomas Healy	35,408,305	$ 57.01	20.2%
Blackrock	9,927,950	$ 15.98	5.7%
Victoria Grace	9,548,288	$ 15.37	5.4%
The Vanguard Group	725,439	$ 1.17	0.4%
General Electric Co	5,500,000	$ 8.86	3.1%
Howard Jenkins	5,213,435	$ 8.39	3.0%
Millennium Management	4,939,809	$ 7.95	2.8%
Geode Capital Management	3,051,907	$ 4.91	1.7%
State Street Corp	3,001,107	$ 4.83	1.7%
DE Shaw & Co LP	2,949,691	$ 4.75	1.7%
Invesco	1,864,908	$ 3.00	1.1%
Renaissance Technologies	1,290,566	$ 2.08	0.7%
Northern Trust Corp	1,143,762	$ 1.84	0.7%
UBS AG	1,107,794	$ 1.78	0.6%
Charles Schwab	1,065,720	$ 1.72	0.6%
Vincent T Cubbage	1,031,887	$ 1.66	0.6%
Jon T Panzer	891,636	$ 1.44	0.5%
HITE Hedge Asset Management	887,304	$ 1.43	0.5%
Morgan Stanley	826,197	$ 1.33	0.5%
Jose M Oxholm	822,881	$ 1.32	0.5%
Total (Top 20)	**91,198,586**	**$ 146.83**	**52.1%**

Summary Financials		Historical - Annual			
$ in millions	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23E
Income Statement					
Revenue	**$19.5**	**$19.5**	**$32.3**	**$54.6**	**$93.8**
% Growth YoY	*N/A*	*-*	*66.1%*	*69.0%*	*71.8%*
COGS	$20.1	$20.1	$24.7	$39.2	$64.0
Gross Profit	**($0.6)**	**($0.6)**	**$7.6**	**$15.4**	**$29.8**
% Gross Margin	*(3.2%)*	*(3.2%)*	*23.5%*	*28.2%*	*31.8%*
SG&A	$44.1	$44.1	$262.6	$165.3	
R&D	—	—	-	-	
Other Operating Expenses	0.1	0.1	2.0	2.9	
Other Operating Income	-	-	-	-	
Other (Plug)	(7.7)	(7.7)	4.1	11.5	(106.6)
Operating Income	**($51.3)**	**($51.3)**	**($268.2)**	**($172.1)**	**($136.4)**
% Margin	*(263.6%)*	*(263.6%)*	*(830.1%)*	*(315.2%)*	*(145.4%)*
Interest Expense, Net	$18.3	$18.3	$6.4	$5.5	
Other Non-Op (Income) Loss	1.0	1.0	2.0	(23.0)	
Income Tax Expense (Benefit)	0.0	0.0	0.0	0.0	
Net Income to Common	**($70.6)**	**($70.6)**	**($276.6)**	**($154.6)**	**($143.8)**

			Revenue		EBITDA		EBITDA Margin		TEV / Revenue		TEV / EBITDA	
	TEV	**Equity Value**	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026
Distributed Generation												
Bloom Energy	$5,115.6	$4,363.5	$1,732.9	$2,081.4	$211.4	$330.2	12.2%	15.9%	3.0x	2.5x	24.2x	15.5x
Enphase	$5,912.2	$6,144.4	$1,476.3	$1,653.8	$394.8	$504.5	26.7%	30.5%	4.0x	3.6x	15.0x	11.7x
FuelCell	$98.6	$80.8	$150.6	$173.5	($67.9)	($49.4)	-45.1%	-28.5%	0.7x	0.6x	(1.5x)	(2.0x)
Generac	$7,844.4	$6,729.8	$4,515.2	$4,837.6	$824.6	$913.6	18.3%	18.9%	1.7x	1.6x	9.5x	8.6x
SolarEdge	$71,231.8	$69,819.8	$21,055.8	$25,089.0	$3,023.1	$4,253.9	14.4%	17.0%	3.4x	2.8x	23.6x	16.7x
Average	**18,040.5**	**17,427.7**	**5,786.2**	**6,767.1**	**877.2**	**1,190.5**	**5.3%**	**10.7%**	**2.5x**	**2.2x**	**14.2x**	**10.1x**
Median	**5,912.2**	**6,144.4**	**1,732.9**	**2,081.4**	**394.8**	**504.5**	**14.4%**	**17.0%**	**3.0x**	**2.5x**	**15.0x**	**11.7x**
Utility-Scale Products and Solutions												
Array Technol.	$1,594.9	$765.6	$1,093.3	$1,221.7	$187.1	$229.5	17.1%	18.8%	1.5x	1.3x	8.5x	7.0x
Canadian Solar	$4,563.2	$720.9	$7,276.9	$8,474.0	$549.4	$949.5	7.5%	11.2%	0.6x	0.5x	8.3x	4.8x
Fluence	$668.3	$543.6	$3,158.7	$3,879.3	$30.7	$80.8	1.0%	2.1%	0.2x	0.2x	21.8x	8.3x
First Solar	$14,139.0	$15,213.1	$5,436.2	$6,524.3	$2,525.0	$3,527.0	46.4%	54.1%	2.6x	2.2x	5.6x	4.0x
GE Vernova	$94,604.4	$101,646.3	$36,897.6	$40,210.8	$3,200.9	$4,745.5	8.7%	11.8%	2.6x	2.4x	29.6x	19.9x
Itron	$5,574.8	$5,031.4	$2,468.2	$2,605.1	$338.5	$383.8	13.7%	14.7%	2.3x	2.1x	16.5x	14.5x
Nextracker	$5,808.1	$6,273.0	$2,869.2	$3,178.6	$729.5	$753.0	25.4%	23.7%	2.0x	1.8x	8.0x	7.7x
Shoals Technol.	$726.7	$608.5	$426.8	$476.6	$102.8	$122.3	24.1%	25.7%	1.7x	1.5x	7.1x	5.9x
TPI Composites	$588.0	$42.2	$1,422.3	$1,551.8	$39.6	$92.9	2.8%	6.0%	0.4x	0.4x	14.9x	6.3x
Average	**14,251.9**	**14,538.3**	**6,783.3**	**7,569.1**	**855.9**	**1,209.4**	**16.3%**	**18.7%**	**1.5x**	**1.4x**	**13.3x**	**8.7x**
Median	**4,563.2**	**765.6**	**2,869.2**	**3,178.6**	**338.5**	**383.8**	**13.7%**	**14.7%**	**1.7x**	**1.5x**	**8.5x**	**7.0x**
Hyliion	$168.8	$282.1	$12.5	$35.5	($56.3)	($45.2)	-450.4%	-127.3%	13.5x	4.8x	(3.0x)	(3.7x)