

GO-TO-MARKET STRATEGY
CUSTOMER PIPELINE
PARTNERSHIPS



HyWatts

Customer Profile: ZEV Charging Market

Our initial target customers are power-intensive industries such as ZEV charging stations and data centers. These markets were chosen based on extensive customer discovery and the alignment of incentives and subsidies, ensuring a strategic and scalable approach to market entry and growth.

As the first phase of the market penetration, we are focusing on ZEV charging stations. The market for Heavy-Duty Battery & Hydrogen Fuel Cell Electric Vehicle Charging Infrastructure is projected to grow significantly, especially in areas with limited or no grid infrastructure. This includes both new construction as well as retrofitting of existing depots & truck stops. Another potential avenue will be buses and other heavy duty zero-emission vehicles outside of trucking, especially in public sector fleets. This infrastructure will also be critical in driving passenger vehicle adoption as it addresses the lack of infrastructure in between urban areas. The needs of this initial market are well suited for the smaller Power-Plant-in-a-Box™ 300 that we will first commercial product.

Customer Profile:

- **Fleet Charge Point Operators** (TerraWatt, Greenlane, RedWolf, EINRide, etc.)
- **Muni/Corp/Gov Fleets** (FedEx, UPS, Amazon, US Govt) + **Airports**
- **Trucking-as-a-Service Providers** (Transfix, Fleet Advantage, Omnitracs, Trimble Transportation, etc)
- **ZEV Heavy Duty Truck OEMs** ([Volvo Group](#), Nikola, [Mercedes-Benz Group](#), Hyundai-Kia, etc)

Customer Pipeline: ZEV Charging Market



Customer Profile: Data Centers

We are looking towards moving into data centers in order to address the lack of grid capacity for their sizeable power needs. With larger data centers our initial entry point is likely as backup power to replace diesel generators. However, a significant and growing proportion of data center loads are handled by smaller edge data center facilities that are a fit for the Power-Plant-in-a-Box™ to accelerate their deployment and ensure low-cost reliable clean energy.

Customer Profile:

- **Edge Data Center Operators** (CENTRA, LiquidStar, Schneider Electric, Digital Realty, etc)

Customer Pipeline: Data Centers



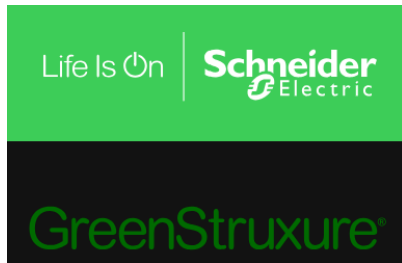
Customer Profile: Microgrid Operators/Providers

A further focus will be in companies that are deploying and operation microgrids across a number of use cases including industrial, manufacturing, residential, commercial, and other applications to reduce energy costs; increase operational resilience; as well as support the electrification/decarbonization of operations, deployment of EV charging, and other drivers of increased energy usage. There is a particular need for these on islands and at remote locations that face significant infrastructure limitations. These also benefit from the ability to produce low-cost green hydrogen as a byproduct for fuel, heating, and other needs. This includes both new construction and retrofits.

Customer Profile:

- **Microgrid Operators/Providers** ([GreenStruxure](#)/Schneider Electric, [StarEnergy Systems](#), [Amped Solutions](#), Energy Vault, Utilities, etc)

Customer Pipeline: Microgrid Operators/Providers



Customer Profile: Agriculture/Oil&Gas/Mining/Crypto

A new opportunity that has recently been brought to us by a potential customer is in agriculture (especially large scale livestock), oil & gas, & mining. These operations are already generating energy on-site from methane (either released from drilling or via biodigestion) - or simply releasing it into the atmosphere - and also have stringent water purification regulations given the high contamination with organic waste and chemicals. This provides an opportunity to utilize our technology to store the excess energy produced from the methane while also cleaning the wastewater in order to discharge it back into waterways. These systems will likely be smaller in size and may be mobile in nature.

Customer Profile:

- **Agriculture** (2 Dot Consulting, Smithfield Foods, Tyson Foods, Cargill, etc)
- **Oil & Gas** (Chevron, Occidental Petroleum, ExxonMobil, Galp, etc)
- **Mining** (BHP, Rio Tinto, Glencore, Alcoa, etc)
- **Crypto Mining** (Standard Bitcoin, Cathedra Bitcoin, Crusoe, Giga Energy, etc.)

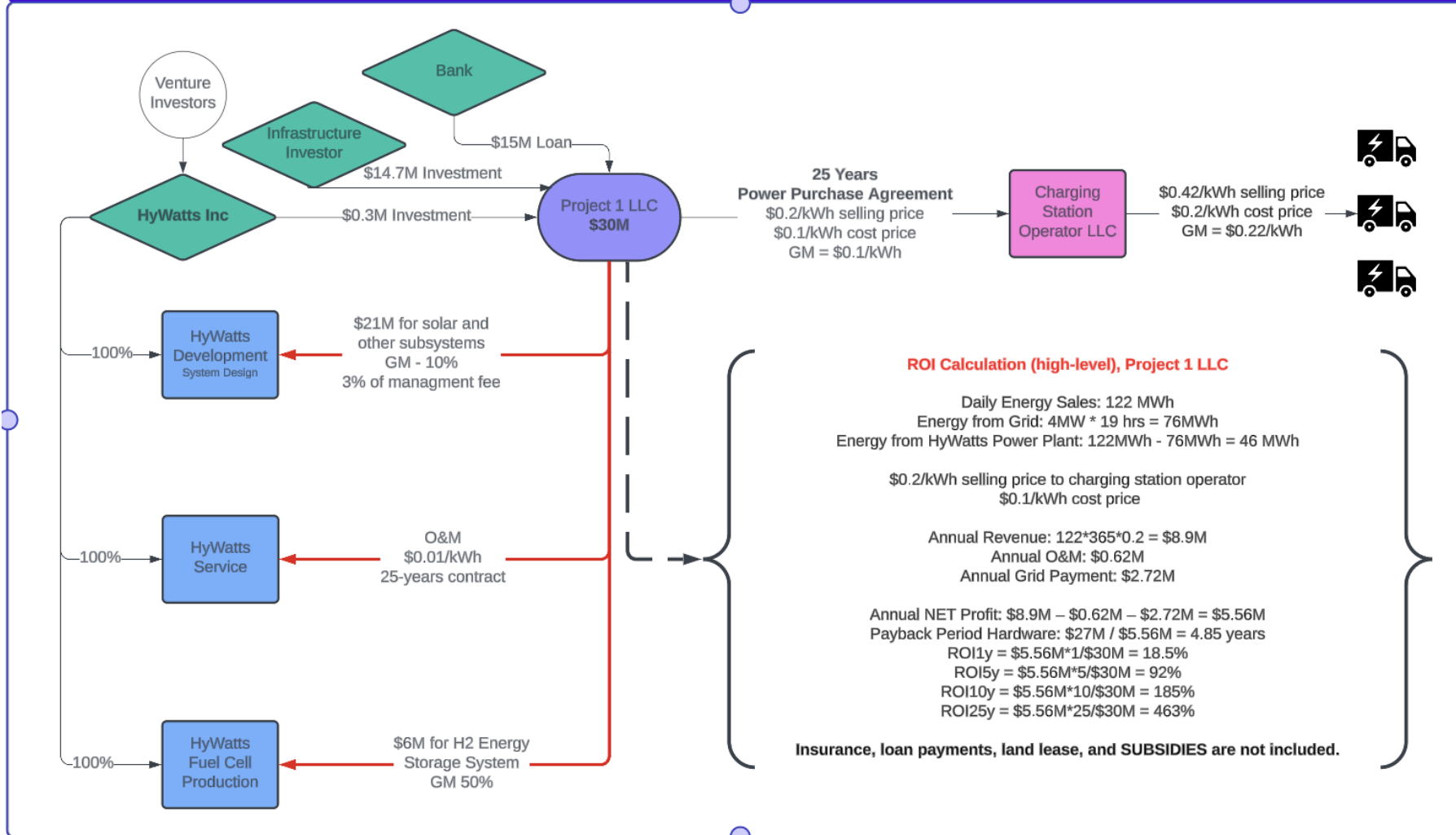
Customer Pipeline: Ag/Oil&Gas/Mining/Crypto



Pilot Projects	\$66.4M	HyWatts Commercial Pipeline						
Future Expansion	\$2.5B							
Market Segment	Customer	Pilot Project Development & Customization Cost Included				Future Expansion – 7 Year Timeline Commercial Scale Price		
		Amount	System Description	Use Case	Current Status	Amount	Projects	Comments
Charging Stations	Manston Airport, UK	\$10M	4MW power, 1 MW RFC, 63MWh capacity	Trucks, Cars	Signed LOI	\$1Bn	100 Airports, 100 stations at \$10M	Based on expected market opportunity
Charging Stations	CCIP	\$30M	12MW power, 4MW RFC, 150MWh capacity	Trucks	LOI & Commercial Feasibility Study Agreements Signed	\$600M	20 stations at \$30M	Based on projected expansion within market
Charging Stations	L-Charge	\$1M	1MW power, 63MWh capacity	Wal-Mart Trucks	LOI & Commercial Feasibility Study Agreements Signed	\$300M	50 stations at \$6M	Based on projected expansion within market
Charging Stations	Optima Energy EV	\$12M	2MW power, 150MWh capacity	Trucks, Cars	Signed LOI, Drafting Feasibility Study Agreement	\$360M	30 stations at \$12M	Based on expected market opportunity
Charging Stations	Galp + BMW/MINI	\$400k	50kW power, 1 MWh capacity	Cars	Agreement under discussion	\$14M	10 stations at \$1.4M, 300kW power level	Based on expected market opportunity
Charging Stations	RedWolf Truck Parks	TBD	1MW power, 63MWh capacity	Trucks	Initiating LOI Discussion	\$60M	10 truck parks at \$6M	Based on expected market opportunity
Charging Stations	Charger Logistics	TBD	300kW power, 5MWh capacity	Trucks	Initiating LOI Discussion	\$42M	30 stations at \$1.4M, 300kW power level	Based on expected market opportunity
Charging Stations (H2)	Piasecki Corp	\$10M	System to be designed	Helicopters	MOA Drafted	\$40M	20 stations at \$2M	Based on expected market opportunity
Utility Scale Microgrids	Energy Vault	\$1M	Calistoga Project Upgrade – 300kW power	Microgrid	LOI Drafted & Under Review	\$50M	Various Sizes & Costs	Based on expected market opportunity
Community Microgrids	Mighty Buildings + Energy Security	\$2M	500kW power, 11MWh capacity	Microgrid	Signed LOI	\$100M	100 Communities at \$1M	Based on expected growth in market

GTM Strategy

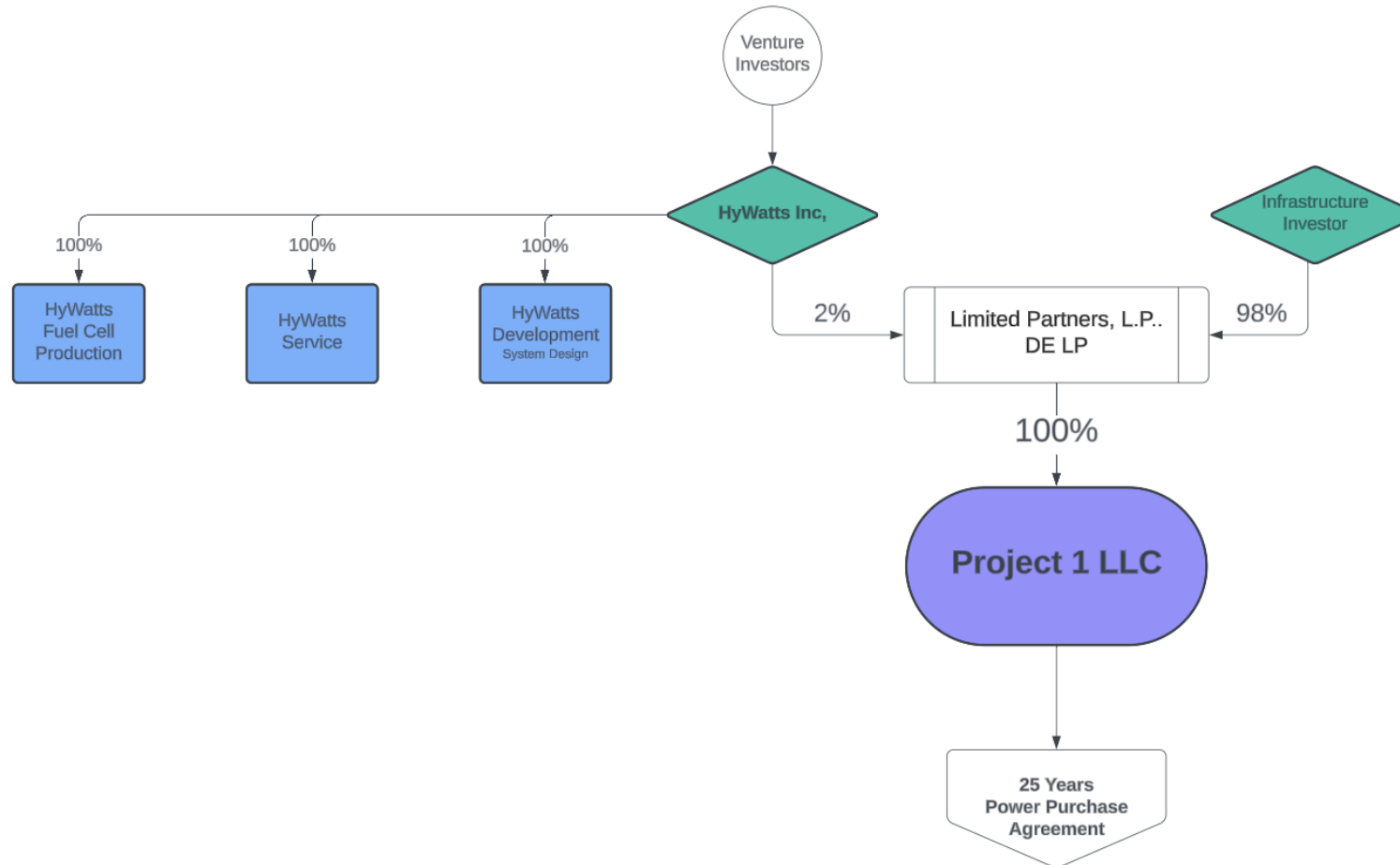
Energy As A Service for Charging Station Operator Cash Flow Chart



Explanation of
the model on the
following slide

GTM Strategy

Owership Chart Project 1 LLC



Explanation of
the model on the
following slide

EaaS Model – Project Development Approach

We anticipate using, at this stage, an EaaS model – fixed price per kWh over a 25-year contract.

EaaS Model – Project Development Approach:

1. Example cost of the Power Plant in a box system is \$27M (HyWatts Inc cost, margin is included) - \$21M is for solar and \$6M is for H2 energy storage.
2. Each project is incorporated into the LLC (e.g., Project 1 LLC).

Project 1 LLC finds a private investor/project financier (a real estate investor, not venture) who takes 98% ownership of Project 1 LLC, and HyWatts Inc. has 2%. Private investment gives \$15M (50% of 30M = 27M for hardware + 3M for working capital). The other \$15M is a loan from a bank (7-10 years, depending on the market conditions). HyWatts Inc. puts in \$300k for 2% of Project 1 LLC. Project 1 LLC owns the system and puts it on the balance sheet.

EaaS Model – Project Development Approach

1. HyWatts Fuel Cell Production LLC – equipment manufacturer only. Project 1 LLC pays directly (or HyWatts Inc) for the equipment (the energy storage component – Reversible Fuel Cell system + tanks + control module) – \$6M, 50% margin
2. HyWatts Development LLC – puts the whole project together & receives 3-5% development fees for the project from Project 1 LLC. HyWatts Development LLC gets the rest of the funds ($\$27\text{M} - \$6\text{M} = \$21\text{M}$) and supplies the rest of the hardware (solar, buffer battery) to Project 1 LLC. Additionally, earns a 10% distribution fee from the hardware.
3. HyWatts Service LLC – provides service for Project 1 LLC, including M&O for \$0.01/kWh (25-years contract)

All HyWatts LLCs belong to HyWatts, Inc.

EaaS Model – Project Development Approach

ROI Calculation (high-level), from Project 1 LLC standpoint

Daily Energy Sales - 122 MWh

Energy from Grid - 4MW * 19 hrs = 76MWh

Energy from Power Plant - (122MWh - 76MWh) = 46 MWh

\$0.20/kWh selling price to Charging Station Operator

\$0.10/kWh cost price

Annual Revenue: $122 * 365 * 0.20 = \$8.9\text{M}$

Annual O&M: \$0.62M

Annual Grid Payment: \$2.72M

Annual NET Profit: $\$8.9\text{M} - \$0.62\text{M} - \$2.72\text{M} = \5.56M

Payback Period Hardware: $\$27\text{M} / \$5.56\text{M} = 4.85 \text{ years}$

$\text{ROI}_{1y} = \$5.56\text{M} * 1 / \$30\text{M} = 18.5\%$

$\text{ROI}_{5y} = \$5.56\text{M} * 5 / \$30\text{M} = 92\% - \text{BREAKEVEN}$

$\text{ROI}_{10y} = \$5.56\text{M} * 10 / \$30\text{M} = 185\%$

$\text{ROI}_{25y} = \$5.56\text{M} * 25 / \$30\text{M} = 463\%$

Insurance and loan payments are not included.

Subsidies are not included.

Product Modeling - [LINK](#)

Critical Partnerships

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PLUGANDPLAY

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