

Q4 2023 INVESTOR REPORT

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Thank you for your continued support of Ennigunity Power Systems. The Company wanted to take a minute to update you on the latest developments with the Company in Q4 2023, and a glimpse of what is planned for 2024.

2023 Q4 highlights:

1. Consolidated Quarterly Sales and Expenses:

- Q4 Sales: \$2.78M, driven primarily by DoD contract revenues and Katech products and services sales;
- Q4 Expenses: \$5.33 M, driven primarily by the E|8 KW family development;

2. Team Update:

- In 2023, Ennigunity hired three senior executives to strengthen the team:
 - ✓ John Morris, a senior VP of Commercialization, with expertise in bringing new power equipment products to market; and
 - ✓ Kelly Rosenberger, as EVP of Government Business, with 32 years' experience with the Army and the National Guard; and
 - ✓ Paul Benedetto, a fractional CFO from AmperEisner with a track report of supporting start-ups.

3. Company Update:

- Negotiated and finalized a strategic MOU in Q4 2023 with a blue-chip international group, Kiturami, to develop and distribute Ennigunity-labeled 100kw and 200kW combined heat and power products in the US and Canada, which is on track to be certified in July 2024;
 - ✓ Planned several tradeshows, and we are venturing into new markets (Greenhouses, Distilleries, and Dairy Farms) that show much interest in these 100 kW and 200 kW units.
- Made substantial progress on our E|8 kW program, but had to delay launch to 2025:
 - ✓ Changed the 8 kW product name name from E|ONE to E|8 kW due to a trademark challenge;
 - ✓ Started and completed the design for manufacturing (DFM) process for our 500cc engine (V5) that powers the E|8 kW unit;
 - ✓ Sourced & received in Q4 the first four V5 DFM pre-production engines;
 - ✓ Completed approximately 80% of the E|8kW DFM initiated in Q2.

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- ✓ Extended the E|8 kW launch schedule to 2025, due to extended testing & implementation of improvements on the v5 500 cc engine and E|8 kW demo units, and revised specifications for two major components to ensure adherence to our quality, cost and average selling price (ASP) targets.
- ✓ Began taking non-binding orders & reservations for the E|8 kW unit, and plan to take firm orders once the supply chain is fully in place and a firm shipping date established.
- Considerable progress was made on our DoD contract work to develop a portable hybrid generator unit and
 - ✓ Delivered first hybrid generator prototypes to the DoD in June 2023, as part of the FY21 contract obligations.
 - ✓ Built two new compression ignition engines to support the FY22 DoD contract, for a new portable hybrid generator due in Q2 2024.
 - ✓ Launched the FY23 6.4 and 6.5 prototype work to have a working portable hybrid generator by the end of 2025.
- Enginuity ran a Series B round of fund raising in 2023, and through Q4 has raised \$13M and plans to complete this \$25+M round in early 2024; a
- In 2023, our wholly owned subsidiary Katech Engineering achieved approximately \$9M in revenue and \$1M in profits, and launched its first new, engine platform in ten years. Katech has a goal to exceed \$11M in revenue in 2024, based on this new engine platform and new parts offerings.

You can find more information on the Company on our [website](#), and the following links:

LinkedIn: <https://www.linkedin.com/company/enginuity-power-systems>

Instagram: <https://www.instagram.com/enginuitypowersystems/>

Facebook: <https://www.facebook.com/EnginuityPowerSystems>

Twitter: <https://twitter.com/EnginuityPower>

YouTube: <https://www.youtube.com/channel/UCzXqgh7Rzc0j84VSrHsG85g>

TikTok: <https://www.tiktok.com/@enginuity.power.systems>

Vimeo: <https://vimeo.com/enginuitypowersystems>

Please feel free to communicate with us through these social media channels.