

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): May 9, 2024



TECOGEN INC. (OTCQX: TGEN)
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36103
(Commission File Number)

04-3536131
(IRS Employer Identification No.)

76 Treble Cove Road
North Billerica, Massachusetts 01862
(Address of Principal Executive Offices and Zip Code)

45 First Avenue
Waltham, MA 02451
(Former Address of Principal Executive Offices and Zip Code)

(781) 466-6400
(Registrant's telephone number, including area code)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol	Name of exchange on which registered

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On May 8, 2024, the registrant issued a press release with earnings commentary and supplemental information for the three months ended March 31, 2024. The press release is furnished as Exhibit 99.01 to this Current Report on Form 8-K.

The information in this Item 2.02 and Exhibit 99.01 to this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

On May 9, 2024, the registrant will present the attached slides online in connection with an earnings conference call. The slides are being furnished as Exhibit 99.02 to this Current Report on Form 8-K.

The information in this Item 7.01 and Exhibit 99.02 to this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits relating to Items 2.02 and 7.01 shall be deemed to be furnished, and not filed:

<u>Exhibit</u>	<u>Description</u>
99.01	Earnings Release dated May 8, 2024 for the three months ended March 31, 2024
99.02	Tecogen Earnings Call Presentation dated May 9, 2024

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, hereunto

TECOGEN INC.

By: /s/ Abinand Rangesh

Abinand Rangesh, Chief Executive Officer

duly authorized.

May 9, 2024



Tecogen Announces First Quarter 2024 Results

Revenues of \$6.2 million - 15% QoQ increase

NORTH BILLERICA, Mass., May 8, 2024 - Tecogen Inc. (OTCQX:TGEN), a leading manufacturer of clean energy products, reported revenues of \$6.2 million and net loss of \$1.1 million for the quarter ended March 31, 2024 compared to revenues of \$5.4 million, and a net loss of \$1.5 million in 2023. We generated \$0.2 million in cash from operations during the quarter and ended the quarter with a cash balance of \$1.5 million.

"In Q1 2024 had record service revenue of \$4m, a 28% increase from the same period last year. We also had positive cash flow from operations. Our total revenue was also up 15% QoQ. Our cash position at the end of Q1 was \$1.5m and we haven't drawn further into our line of credit. During the call I will update investors on our factory move, the service agreements we acquired in Q1 and our new marketing efforts," commented Abinand Rangesh, Tecogen's Chief Executive Officer.

Key Takeaways

Net Loss and Earnings Per Share

- Net loss in Q1 2024 was \$1.1 million compared to a net loss of \$1.5 million in Q1 2023, a decrease of \$0.4 million, due to increased revenue and gross profit for our Products and Services segments, partially offset by increased operating expenses.
- EPS was \$(0.04)/share and \$(0.06)/share in Q1 2024 and Q1 2023, respectively.

Loss from Operations

- Loss from operations for the three months ended March 31, 2024 was \$1.0 million compared to a loss from operations of \$1.4 million for the same period in 2023, a decrease of \$0.4 million, primarily due to increased revenue and gross profit for our Products and Services segments, partially offset by increased operating expenses.

Revenues

- Revenues for the quarter ended March 31, 2024 were \$6.2 million compared to \$5.4 million for the same period in 2023, a 15.0% increase.
 - Product revenue was \$1.5 million in Q1 2024 compared to \$1.7 million in the same period in 2023, a decrease of 12.8%, due to decreased sales of chiller units.
 - Services revenue was \$4.0 million in Q1 2024 compared to \$3.1 million in the same period in 2023, an increase of 28.0%, primarily due to the addition of \$0.8 million in revenue from the acquired Aegis maintenance contracts.
-

- Energy Production revenue was \$680 thousand in Q1 2024 compared to \$534 thousand in the same period in 2023, an increase of 27.5% due to increased run hours.

Gross Profit

- Gross profit for the first quarter of 2024 was \$2.6 million compared to \$2.1 million in the first quarter of 2023. Gross margin increased to 41.6% in the first quarter compared to 38.9% for the same period in 2023. The increase in gross profit margin was driven by increased service contract revenues.

Operating Expenses

- Operating expenses increased by 2.4% to \$3.6 million for the first quarter of 2024 compared to \$3.5 million in the same period in 2023, due primarily to duplicate rent costs, during the transition to our new facility in Q1 2024.

Adjusted EBITDA⁽¹⁾ was negative \$0.9 million for the first quarter of 2024 compared to negative \$1.3 million for the first quarter of 2023. (Adjusted EBITDA is defined as net income or loss attributable to Tecogen, adjusted for interest, income taxes, depreciation and amortization, stock-based compensation expense, unrealized gain or loss on investment securities, goodwill impairment charges and other non-cash non-recurring charges or gains including abandonment of intangible assets and the extinguishment of debt. See the table following the Condensed Consolidated Statements of Operations for a reconciliation from net income (loss) to Adjusted EBITDA, as well as important disclosures about the company's use of Adjusted EBITDA).

Conference Call Scheduled for May 9, 2024, at 9:30 am ET

Tecogen will host a conference call on May 9, 2024 to discuss the first quarter results beginning at 9:30 am eastern time. To listen to the call please dial **(888) 428-7458 within the U.S. and Canada, or (862) 298-0702 from other international locations**. Participants should ask to be joined to the Tecogen First Quarter 2024 earnings call. Please begin dialing 10 minutes before the scheduled starting time. The earnings press release will be available on the Company website at www.Tecogen.com in the "News and Events" section under "About Us." The earnings conference call will be webcast live. To view the associated slides, register for and listen to the webcast, go to <https://ir.tecogen.com/ir-calendar>. Following the call, the recording will be archived for 14 days.

The earnings conference call will be recorded and available for playback one hour after the end of the call. To listen to the playback, dial **(877) 660-6853 within the U.S. and Canada, or (201) 612-7415 from other international locations and use Conference Call ID#: 13672659**.

About Tecogen

[Tecogen Inc.](#) designs, manufactures, sells, installs, and maintains high efficiency, ultra-clean, cogeneration products including engine-driven combined heat and power, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company provides cost effective, environmentally friendly and reliable products for energy production that nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

In business for over 35 years, Tecogen has shipped more than 3,200 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com or contact us for a free [Site Assessment](#).

Tecogen, InVerde e+, Tecochill, Tecopower, Tecofrost, Tecopack, and Ultera are registered trademarks of Tecogen Inc.

Forward Looking Statements

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

In addition to those factors described in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and on our Form 8-K, under "Risk Factors", among the factors that could cause actual results to differ materially from past and projected future results are the following: fluctuations in demand for our products and services, competing technological developments, issues relating to research and development, the availability of incentives, rebates, and tax benefits relating to our products and services, changes in the regulatory environment relating to our products and services, integration of acquired business operations, and the ability to obtain financing on favorable terms to fund existing operations and anticipated growth.

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

Tecogen Media & Investor Relations Contact Information:

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TECOGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	March 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,510,435	\$ 1,351,270
Accounts receivable, net	6,533,130	6,781,484
Unbilled revenue	1,258,532	1,258,532
Inventories, net	10,021,002	10,553,419
Prepaid and other current assets	409,573	360,639
Total current assets	19,732,672	20,305,344
Long-term assets:		
Property, plant and equipment, net	1,147,069	1,162,577
Right of use assets	2,176,264	943,283
Intangible assets, net	2,533,112	2,436,230
Goodwill	2,646,194	2,743,424
Other assets	223,232	201,771
TOTAL ASSETS	\$ 28,458,543	\$ 27,792,629
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Related party notes	\$ 511,905	\$ 505,505
Accounts payable	4,013,899	4,514,415
Accrued expenses	2,682,656	2,504,629
Deferred revenue, current	2,462,570	1,647,206
Lease obligations, current	469,762	289,473
Acquisition liabilities, current	929,411	845,363
Unfavorable contract liability, current	162,822	176,207
Total current liabilities	11,233,025	10,482,798
Long-term liabilities:		
Deferred revenue, net of current portion	345,427	369,611
Lease obligations, net of current portion	1,725,276	683,307
Acquisition liabilities, net of current portion	1,156,835	1,181,779
Unfavorable contract liability, net of current portion	388,766	422,839
Total liabilities	14,849,329	13,140,334
Stockholders' equity:		
Tecogen Inc. shareholders' equity:		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 24,850,261 issued and outstanding at March 31, 2024 and December 31, 2023	24,850	24,850
Additional paid-in capital	57,645,937	57,601,402
Accumulated deficit	(43,984,623)	(42,879,656)
Total Tecogen Inc. stockholders' equity	13,686,164	14,746,596
Non-controlling interest	(76,950)	(94,301)
Total stockholders' equity	13,609,214	14,652,295
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 28,458,543	\$ 27,792,629

TECOGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended	
	March 31, 2024	March 31, 2023
Revenues		
Products	\$ 1,491,398	\$ 1,710,136
Services	4,014,310	3,136,173
Energy production	680,389	533,509
Total revenues	6,186,097	5,379,818
Cost of sales		
Products	1,049,543	1,212,568
Services	2,092,257	1,737,602
Energy production	468,640	337,739
Total cost of sales	3,610,440	3,287,909
Gross profit	2,575,657	2,091,909
Operating expenses		
General and administrative	2,848,568	2,792,483
Selling	529,669	520,070
Research and development	254,696	229,102
Gain on disposition of assets	(7,391)	—
Total operating expenses	3,625,542	3,541,655
Loss from operations	(1,049,885)	(1,449,746)
Other income (expense)		
Other income (expense), net	(15,747)	830
Interest expense	(18,670)	(415)
Unrealized gain on investment securities	18,749	—
Total other income (expense), net	(15,668)	415
Loss before income taxes	(1,065,553)	(1,449,331)
Provision for state income taxes	22,063	22,638
Consolidated net loss	(1,087,616)	(1,471,969)
Income attributable to the non-controlling interest	(17,351)	(18,060)
Net loss attributable to Tecogen Inc.	\$ (1,104,967)	\$ (1,490,029)
Net loss per share - basic	\$ (0.04)	\$ (0.06)
Weighted average shares outstanding - basic	24,850,261	24,850,261
Net loss per share - diluted	\$ (0.04)	\$ (0.06)
Weighted average shares outstanding - diluted	24,850,261	24,850,261

	Three Months Ended	
	March 31, 2024	March 31, 2023
Non-GAAP financial disclosure (1)		
Net loss attributable to Tecogen Inc.	\$ (1,104,967)	\$ (1,490,029)
Interest expense, net	18,670	828
Income taxes	22,063	22,638
Depreciation & amortization, net	140,137	105,920
EBITDA	(924,097)	(1,360,643)
Stock based compensation	44,535	77,348
Unrealized gain on investment securities	(18,749)	—
Adjusted EBITDA	<u>\$ (898,311)</u>	<u>\$ (1,283,295)</u>

⁽¹⁾ **Non-GAAP Financial Measures**

In addition to reporting net income, a U.S. generally accepted accounting principle (“GAAP”) measure, this news release contains information about Adjusted EBITDA (net income (loss) attributable to Tecogen Inc adjusted for interest, income taxes, depreciation and amortization, stock-based compensation expense, unrealized gain or loss on investment securities, goodwill impairment charges and other non-cash non-recurring charges including abandonment of certain intangible assets and extinguishment of debt), which is a non-GAAP measure. The Company believes Adjusted EBITDA allows investors to view its performance in a manner similar to the methods used by management and provides additional insight into its operating results. Adjusted EBITDA is not calculated through the application of GAAP. Accordingly, it should not be considered as a substitute for the GAAP measure of net income and, therefore, should not be used in isolation of, but in conjunction with, the GAAP measure. The use of any non-GAAP measure may produce results that vary from the GAAP measure and may not be comparable to a similarly defined non-GAAP measure used by other companies.

TECOGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three Months Ended	
	March 31, 2024	March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	\$ (1,087,616)	(1,471,969)
<i>Adjustments to reconcile net loss to net cash provided by (used in) operating activities:</i>		
Depreciation and amortization	140,137	105,920
Provision for credit losses	14,258	—
Stock-based compensation	44,535	77,348
Unrealized gain on investment securities	(18,749)	—
Gain on disposition of assets	(7,391)	—
Non-cash interest expense	6,400	—
<i>Changes in operating assets and liabilities</i>		
<i>(Increase) decrease in:</i>		
Accounts receivable	234,095	(44,238)
Employee retention credit	—	667,121
Inventory	532,418	(1,380,052)
Prepaid assets and other current assets	(48,933)	136,170
Other assets	194,283	161,931
<i>Increase (decrease) in:</i>		
Accounts payable	(500,516)	905,509
Accrued expenses and other current liabilities	167,789	(143,923)
Deferred revenue	791,181	852,600
Other liabilities	(213,675)	(167,711)
Net cash provided by (used in) operating activities	248,216	(284,866)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(104,952)	—
Proceeds from disposition of assets	33,013	—
Net cash used in investing activities	(71,939)	—
CASH FLOWS FROM FINANCING ACTIVITIES:		
Finance lease principal payments	(17,112)	—
Net cash provided by financing activities	(17,112)	(17,112)
Net increase in cash and cash equivalents	159,165	(284,866)
Cash and cash equivalents, beginning of the period	\$ 1,351,270	1,913,969
Cash and cash equivalents, end of the period	\$ 1,510,435	\$ 1,629,103
Supplemental disclosures of cash flows information:		
Cash paid for interest	\$ 11,855	\$ —
Cash paid for taxes	\$ 425	\$ 22,638
Non-cash investing activities		
Aegis Contract and Related Asset Acquisition:		
Contingent consideration	\$ 92,409	\$ —



OTCQX: TGEN

EARNINGS CALL MAY 9, 2024

Q1 2024

MANAGEMENT



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



SAFE HARBOR STATEMENT



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

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

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

AGENDA



- 🌱 Key Takeaways Q1 2024
 - Factory Move
 - Service Agreement Acquisitions
 - Marketing
- 🌱 1Q 2024 Results
- 🌱 Summary
- 🌱 Q&A



FACTORY MOVE



- 🔄 Offices
 - 🔄 Moved into 76 Treble Cove Road
- 🔄 Manufacturing
 - 🔄 All material is moved in
 - 🔄 Factory floor fit out in progress
 - 🔄 Test cells to be completed in Q2
 - 🔄 Significant cost savings using our own labor
- 🔄 Disruption
 - 🔄 Limited production in Q2
 - 🔄 Back to full production Q3

SERVICE AGREEMENT ACQUISITIONS



- 🔄 83 agreements acquired in 2024
 - 🔄 16 agreements in Feb with 36 coming online later this year
 - 🔄 31 agreements on May 1
- 🔄 Revenue Impact
 - 🔄 Expect \$700k additional impact in 2024
 - 🔄 Expect >\$1m additional impact in 2025
- 🔄 Expect further 50 units under agreement in next 3 months

MARKETING



Savings

Spend \$100,000 or more on energy? Slash your bills in half!



A Generator That Saves \$250k a Year

On October, 2012, by 2pm everyone who could leave had already left New York City. The remaining residents hunkered down, hoping Superstorm Sandy would veer off into the Atlantic. By early evening the full force of the storm hit. A gigantic wall of water crashed into an electrical substation and 250,000



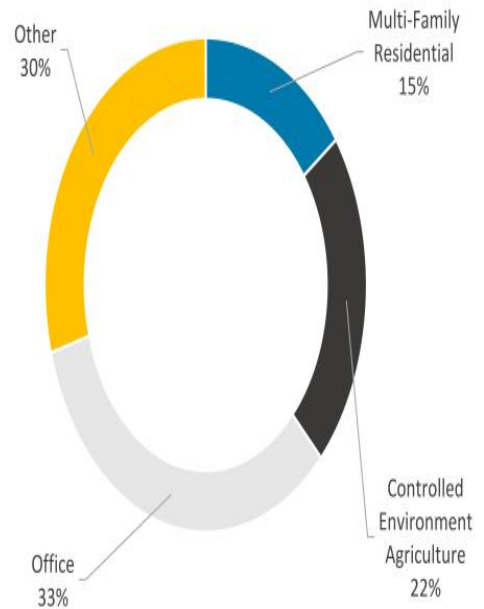
- Google and LinkedIn Ads
- Streamlined website with case studies and applications
 - Tecogen.com/applications/generator
 - Tecogen.com/markets/brewery-glycol-chiller
- Online Marketing is now generating qualified leads at the similar cost per lead as trade shows

BACKLOG AND CASH



- Backlog is presently \$4.8m
- Additional \$7m of projects expected to close in 1 to 3 months**
- Cash position \$1.5m at quarter end and \$1.3m presently
- Cashflow positive in Q1
- \$500k drawn under credit line and have \$1m available

Backlog by Customer Type



REVENUE SEGMENTS



PRODUCT SALES

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

CLEAN, GREEN
POWER, COOLING
AND HEAT

SERVICES

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

ENERGY SALES

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

1Q 2024 RESULTS



Key Points

- Revenue = \$6.18 million up 15%
- Net loss of \$0.04/share
- Net loss \$1.1m
- Opex \$3.62m (2.5% increase)
 - Includes double rent
 - Includes one off testing costs for air-cooled chiller
- Gross Margin up 2%
- Cash and equivalents balance of \$1.5 million

<i>\$ in thousands</i>	1Q'24	1Q'23	QoQ Change	%
Revenue				
Products	\$ 1,491	\$ 1,710	\$ (219)	
Services	4,014	3,136	878	
Energy Production	680	534	147	
Total Revenue	6,186	5,380	806	15.0%
Gross Profit				
Products	1,050	498	552	
Services	2,092	1,399	694	
Energy Production	469	196	273	
Total Gross Profit	2,576	2,092	484	23.1%
Gross Margin: %				
Products	30%	29%	1%	
Services	48%	45%	3%	
Energy Production	31%	37%	-6%	
Total Gross Margin	42%	39%	3%	
Operating Expenses				
General & administrative	2,849	2,792	56	
Selling	530	520	10	
Research and development	255	229	26	
Gain on disposition of assets	(7)	-	(7)	
Total operating expenses	3,626	3,542	84	2.4%
Operating loss	(1,050)	(1,450)	400	
Net loss	\$ (1,105)	\$ (1,490)	\$ 385	

1Q 2024 ADJUSTED EBITDA RECONCILIATION



EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortization

- EBITDA and adjusted EBITDA loss was \$924k and \$898k respectively

EBITDA Non-cash adjustments

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

Non-GAAP financial disclosure (in thousands)	Quarter Ended, March 31	
	2024	2023
Net loss attributable to Tecogen Inc.	\$ (1,105)	\$ (1,490)
Interest expense, net	19	-
Income tax expense	22	23
Depreciation & amortization, net	140	106
EBITDA	(924)	(1,361)
Stock based compensation	45	77
Unrealized gain on marketable securities	(19)	-
Adjusted EBITDA*	\$ (898)	\$ (1,284)

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

1Q 24 PERFORMANCE BY SEGMENT



- 🔄 Product revenue decreased 13% QoQ
 - Gross margin flat
 - Product mix meant lower gross margin
- 🔄 Service revenue increased 28% QoQ
 - Still working through product improvements to increase margin
 - Price increases for some products
- 🔄 Energy Production revenue increased 28% QoQ
- 🔄 Gross Margin 42%

1Q Revenues (\$ thousands)	2024	2023	QoQ Change %
Revenues			
Cogeneration	\$ 774	\$ 544	42%
Chiller	657	1,069	-39%
Engineered accessories	60	97	-38%
Total Product Revenues	1,491	1,710	-13%
Services Revenues	4,014	3,136	28%
Energy Production	680	534	27%
Total Revenues	6,186	5,380	15%
Cost of Sales			
Products	1,050	1,212	-13%
Services	2,092	1,738	20%
Energy Production	469	338	39%
Total Cost of Sales	3,610	3,288	10%
Gross Profit	\$ 2,576	\$ 2,092	23%

Gross Margin		
Products	30%	29%
Services	48%	45%
Energy Production	31%	37%
Overall	42%	39%

QTD Gross Margin	2024	2023	Target
Overall	42%	39%	>40%

SUMMARY AND Q&A



- 🕒 Factory Move
 - 🕒 Finish fit out and get production back by Q3

- 🕒 Service – Foundation of the business
 - 🕒 Keep expanding the service fleet
 - 🕒 Expect 20% growth YoY

- 🕒 Marketing
 - 🕒 Get the current projects in development closed
 - 🕒 Double the number and size of leads YoY

Company Information

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