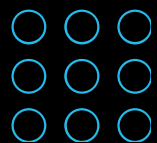




# Overview



ORION ENERGY SYSTEMS, INC.

*LED Lighting & Controls*

*Lighting Maintenance*

*EV Charging*

NASDAQ: OESX

FEBRUARY 2024

[orionlighting.com](http://orionlighting.com)

| 1.800.660.9340



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# SAFE HARBOR



Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may generally be identified as such because the context of such statements will include words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "would" or words of similar import. Similarly, statements that describe our future outlook, plans, expectations, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause results to differ materially from those expected, including, but not limited to, the following: (i) our ability to realize the anticipated benefits of the Voltrek acquisition; (ii) we may encounter substantial difficulties, costs and delays involved in integrating our operations with Voltrek's business; (iii) disruption of management's attention from ongoing business operations due to the Voltrek acquisition; (iv) our ability to manage general economic, business and geopolitical conditions, including the impacts of natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as the COVID-19 pandemic; (v) the deterioration of market conditions, including our dependence on customers' capital budgets for sales of products and services, and adverse impacts on costs and the demand for our products as a result of factors such as the COVID-19 pandemic and the implementation of tariffs; (vi) our ability to adapt and respond to supply chain challenges, especially related to shipping and logistics issues, component availability, rising input costs, and a tight labor market; (vii) our ability to recruit, hire and retain talented individuals in all disciplines of our company; (viii) our ability to successfully launch, manage and maintain our refocused business strategy to successfully bring to market new and innovative product and service offerings; (ix) potential asset impairment charges and/or increases on our deferred tax asset reserve; (x) our dependence on a limited number of key customers, and the potential consequences of the loss of one or more key customers or suppliers, including key contacts at such customers; (xi) our ability to identify and successfully complete transactions with suitable acquisition candidates in the future as part of our growth strategy; (xii) the availability of additional debt financing and/or equity capital to pursue our evolving strategy and sustain our growth initiatives; (xiii) our risk of potential loss related to single or focused exposure within the current customer base and product offerings; (xiv) our ability to achieve and sustain profitability and positive cash flows; (xv) our ability to differentiate our products in a highly competitive and converging market, expand our customer base and gain market share; (xvi) our ability to manage and mitigate downward pressure on the average selling prices of our products as a result of competitive pressures in the LED market; (xvii) our ability to manage our inventory and avoid inventory obsolescence in a rapidly evolving LED market; (xviii) our increasing reliance on third parties for the manufacture and development of products, product components, as well as the provision of certain services; (xix) our increasing emphasis on selling more of our products through third party distributors and sales agents, including our ability to attract and retain effective third party distributors and sales agents to execute our sales model; (xx) our ability to develop and participate in new product and technology offerings or applications in a cost effective and timely manner; (xxi) our ability to maintain safe and secure information technology systems; (xxii) our failure to comply with the covenants in our credit agreement; (xxiii) our ability to balance customer demand and production capacity; (xxiv) our ability to maintain an effective system of internal control over financial reporting; (xxv) price fluctuations (including as a result of tariffs), shortages or interruptions of component supplies and raw materials used to manufacture our products; (xxvi) our ability to defend our patent portfolio and license technology from third parties; (xxvii) a reduction in the price of electricity; (xxviii) the reduction or elimination of investments in, or incentives to adopt, LED lighting or the elimination of, or changes in, policies, incentives or rebates in certain states or countries that encourage the use of LEDs over some traditional lighting technologies; (xxix) the cost to comply with, and the effects of, any current and future industry and government regulations, laws and policies; (xxx) potential warranty claims in excess of our reserve estimates; and (xxxi) the other risks described in our filings with the Securities and Exchange Commission. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this press release and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. More detailed information about factors that may affect our performance may be found in our filings with the Securities and Exchange Commission, which are available at <http://www.sec.gov> or at <http://investor.orion.com> in the Investor Relations section of our Website.

An aerial photograph showing a large, modern industrial building with a dark roof and several large red doors. To the left of the building is a circular driveway with a landscaped center. In the foreground, a large white wind turbine is visible, with the word "ORION" printed on its nacelle. The background shows a parking lot with several cars and some trees.

# ORGANIZATIONAL MISSION

We help our customers achieve their sustainability, energy savings and carbon footprint reduction goals through innovative technology and exceptional service.

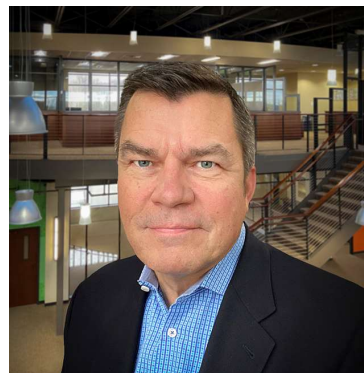




## LEADERSHIP



**Mike Jenkins**  
CEO



**Per Brodin**  
CFO



**Scott Green**  
President  
Orion Services Group



## OVERVIEW

### SEGMENTS

Lighting (Retrofit)

EV Charging

Maintenance

### VERTICAL MARKETS – ALL C&I

Industrial

Logistics

Commercial

Healthcare

Retail

Agriculture

Automotive

Public Sector

### PATHS TO MARKET

Turnkey

ESCOs

Distribution

### REVENUE STREAMS

Product

Turnkey Services

Maintenance

EV Charging

## LIGHTING PRODUCT CATEGORIES

HIGH BAY

TROFFER

LINEAR

ENCLOSED

EXTERIOR

IOT CONTROLS

CUSTOM SOLUTIONS



Industrial  
Delta Faucet



Exterior  
Lexus of Sacramento



Healthcare  
Jacksonville Surgery Center



Agriculture  
Kinnard Dairy



Education  
Spencer School District

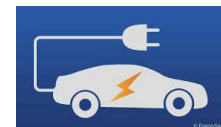
## MACRO ENVIRONMENT



Energy Prices



Climate / ESG



EV Revolution



COMPLIANCE

Regulatory



Federal Funding



LED Penetration



BAA / BABA

## BUSINESS UNITS

### **Lighting:**

- Over 25,000 projects completed
- Strong focus on commercial & industrial retrofit business
- Interior and exterior applications
- Deep control options including IoT
- Multiple go-to-market models including turnkey
- Repeat clients

### **Maintenance:**

- Lighting and light electrical maintenance services
- Preventative and reactive
- Special projects
- 3 Year contracts...recurring revenue

### **EV Charging Systems:**

- Turnkey installation
- Leading equipment suppliers: ChargePoint & ABB
- Level 2 and DC Fast Charge Level 3 (Fleet)
- National execution capabilities
- Networking and maintenance...recurring revenue

*Unleashing additional value through Cross Selling!*



## HOW WE ACHIEVE OUR MISSION

### ORION ENERGY LIGHTING SYSTEMS PROVIDES:





















- One source solutions for large national LED projects and customers
- Substantial reduction in energy costs; average payback 1 - 4 years
- Advanced product design and portfolio; *highest Lumen per Watt performance in industry*
- U.S.-based manufacturing (266,000 ft<sup>2</sup> facility) with industry-leading lead times
- Expanded portfolio of Exterior products and new TritonPro contractor line.
- Multiple go-to-market models, including Orion turnkey project management, to match customer's needs
- Lighting maintenance services

*Pictured: Orion's 266,000 s.f. Wisconsin manufacturing facility*





## LIGHTING – CLIENT EXAMPLES

 40+ Manufacturing Facilities	 400+ Bottling & Sales Facilities	 3,000+ Distribution & Retail Facilities	 20+ Distribution Facilities	 180+ Bottling & Sales Facilities	 14 Manufacturing Facilities and 700+ Dealerships	 22 Military Facilities
 2,000+ Retail Facilities	 400+ Retail Facilities	 400+ Retail Facilities	 3 Distribution Ctrs	 100+ Bottling & Distribution Facilities	 30+ Facilities	 5 Healthcare Facilities
 140+ Distribution Facilities	 100+ Manufacturing & Distribution Facilities	 12+ Manufacturing Facilities	 50+ Facilities	 500+ Retail Facilities	 5,000+ Retail Facilities	 40 Government Facilities

### Goal

- Improve in-store shopping experience and reduce energy consumption tied to ESG goals

### Project

- 2,000 stores completed in 2 years...up to 30 sites per week
- Orion designed custom retrofit system for existing fluorescent strips to convert to LED
- Implemented “future proof” control system allowing individual fixture management plus data gathering capabilities
- 1 million lighting sensors / controls commissioned

### Outcome

- \$250M capital project
- *Client Payback <1.5 years*
- Improved store experience for customers and employees
- Orion providing ongoing maintenance support

## BAA & BABA COMPLIANT PRODUCTS

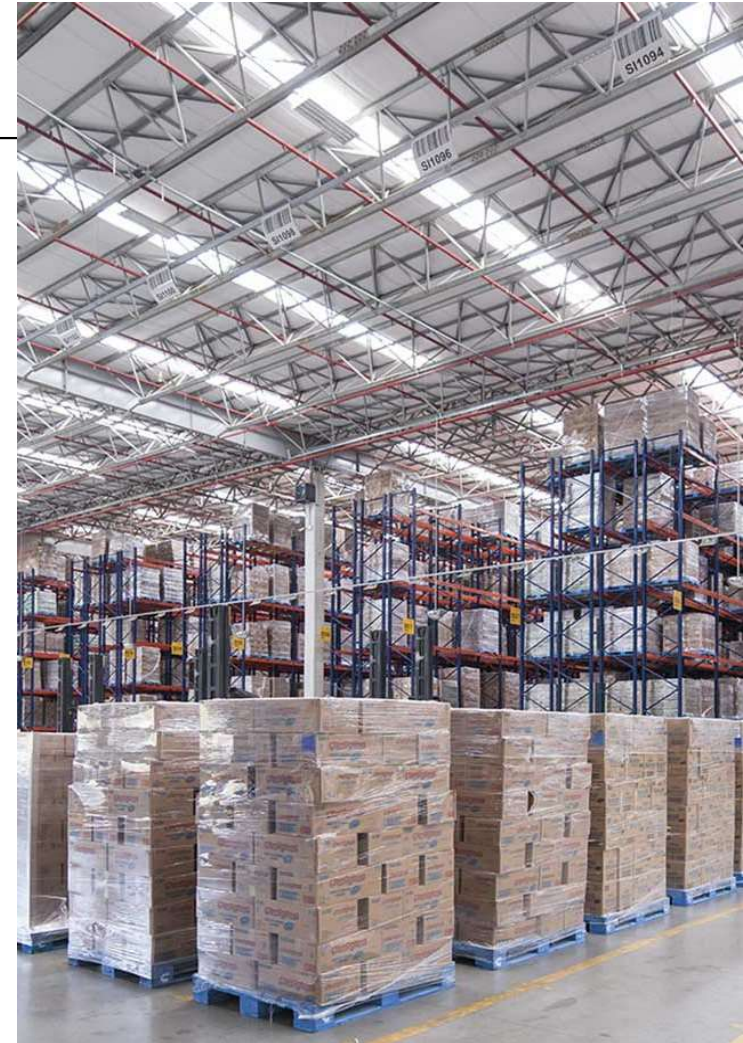
- Domestic materials
- American labor
- Product manufactured and assembled in Manitowoc, WI facility
- BAA – Federal projects
- BABA – State, Municipal, School projects with Federal funding
- Quality and lead time benefits





## LIGHTING – INDUSTRY LEADING LEAD-TIMES

- Average lead time is 10 - 15 business days
- Flexible manufacturing approach can accommodate expedited requests
- Maintain significant component, material and finished good inventories
- Custom manufacturing capability for specific national accounts and rollouts





## INDOOR – MARKET-LEADING EFFICACY (ENERGY EFFICIENCY = Lumens/Watt)



ISON™ PUREMOTION™  
UV-C, Gen1 | IPMU1

—  
Air Turns Hour 5.25  
Covid-19 99%



ISON™ LINEAR LED  
High Bay Fixture, Gen1 | LMAF1

—  
Up to 172LPW



HARRIS Star Line Freezer High Bay  
| HSLF1

—  
Up to 172LPW



HARRIS LED High Bay UFO, Gen3 |  
HHUF3

—  
Up to 157LPW



HARRIS LED LDR Troffer Retrofit,  
Gen2 | LDRE2

—  
Up to 161LPW



## OUTDOOR/WET LOCATION – MARKET-LEADING EFFICACY



APOLLO® LED Vapor Tight  
Wide Body | VTOD1



APOLLO® LED Vapor Tight  
Narrow Body, Gen1 | VTON1



ISON™ LED Area Light High  
Performance | IAHP1










HARRIS Lumen Select Wall  
Pack Semi-Cutoff, Gen1 |  
LSWs1



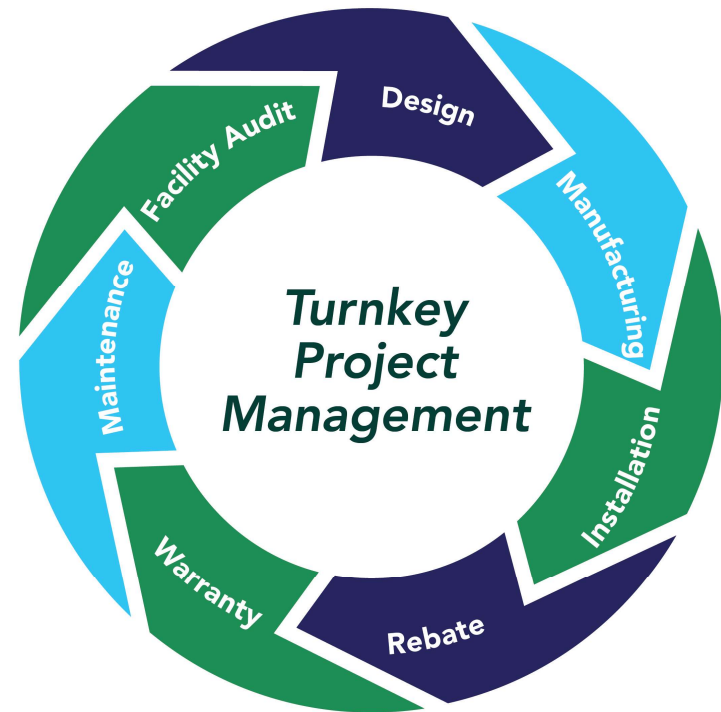
HARRIS Lumen Select Wall  
Pack Full Cutoff, Gen1  
| LSWf1



## LIGHTING CONTROL SYSTEMS – CHOOSING THE RIGHT SOLUTION

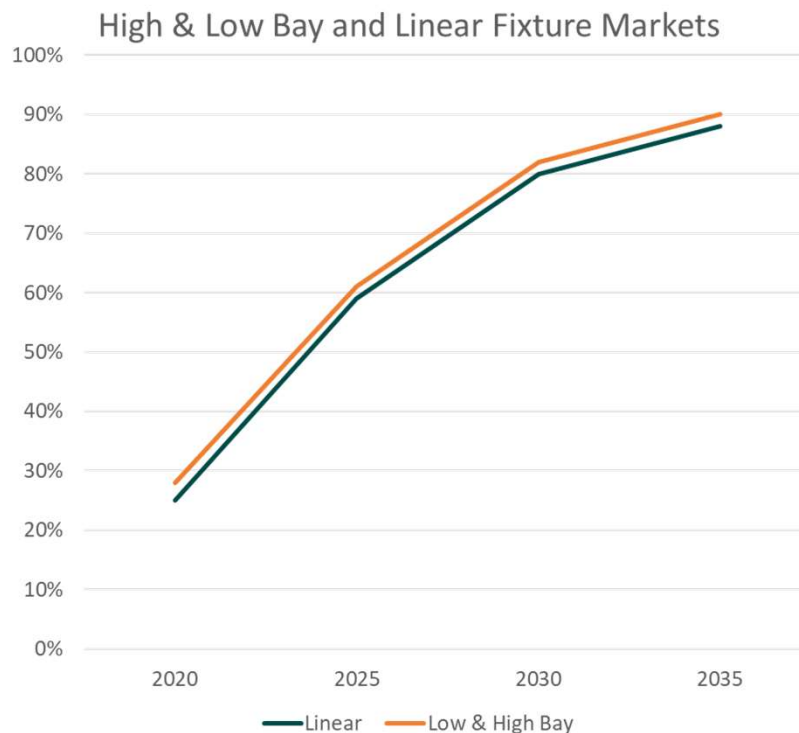
Type of Sensor and Controls						 Data and Reporting		
	Enhanced Energy Reduction	Facility Mgt. & Safety	Rebate Eligibility*	Optimized/Adjustable Lighting	Flexible and Future-Proof	On-Site Fixture and Data Mgmt.	Web-based Fixture and Data Mgmt.	Facility Utilization
Manual Settings	✓	✓✓	✓	✓	✓			
Remote Settings	✓	✓✓✓	✓	✓	✓✓			
Remote Settings with Zones	✓✓	✓✓✓	✓✓	✓✓	✓✓			
On-Site Network Controls	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓		
Cloud-based IoT Controls	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓

From installation and commissioning to controls systems and ongoing system maintenance, we are your one-stop lighting project management experts.





## LED ADOPTION IN COMMERCIAL & INDUSTRIAL MARKETS



PROJECTED MARKET OPPORTUNITY				
	2020	2025	2030	2035
COMMERCIAL & INDUSTRIAL MARKET				
Units (in millions)	583	1,020	1,306	1,454
Estimated Market Size* (in billions)	\$45.6	\$80.7	\$103.6	\$115.3
HIGH & LOW BAY AND LINEAR SUBMARKET				
Units (in millions)	268	644	901	1,020
Estimated Market Size* (in billions)	\$21.8	\$52.3	\$73.0	\$82.5

Data Source: U.S. Department of Energy: Energy Savings Forecast of Solid-State Lighting in General Illumination Applications; December 2019

\*Based on average commercial/linear unit price of \$75 and average industrial/high & low bay unit price of \$150

- ✓ Acquired Stay-Lite Lighting January 2022...50 years experience.
- ✓ Headquartered in Pewaukee, WI. Additional office in Jacksonville, FL.
- ✓ Preventative and reactive lighting and electrical services at 8000+ customer locations throughout the US and Caribbean.
- ✓ Nationwide team of skilled and certified lighting and electrical professionals located throughout the US.
- ✓ Dedicated 24-hour response for any emergency or non-emergency lighting and electrical issues.
- ✓ Memberships include NALMCO – National Association of Lighting Management Companies, ENERGY STAR PARTNER, PLASMA – Professional Lighting and Sign Management Companies of America, AEE – Association Of Energy Engineers, and PFMA – Plant & Facilities Maintenance Association.







Orion acquired Voltrek in October 2022

Founded in 2010 to support electric mobility by Kathleen Connors...**EV Pioneer**

Premier reseller of leading EV charging stations

Turnkey, full-service provider

Contractor preferred equipment supplier  
(ChargePoint, ABB + others)

4000+ charging ports under management

Utilities Make-Ready Programs Partner

MA State OSD vendor contract VEH 102

National coverage

Site Host: Hilton, Watertown, NY

Installation by Voltrek





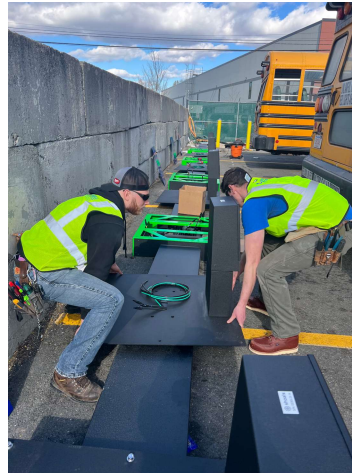


- Goldman Sachs Research:
  - US EV sales as % of total: 50% by 2030 and 80% by 2040.
- National Electric Vehicle Infrastructure Act (NEVI) - \$5 billion in federal funding to complete public charging network in rural and urban (underserved areas). Increase charging stations from <100,000 to over 500,000 by 2030.
- State / Utility – Example: Massachusetts Make-Ready National Grid and Eversource \$300-400 million.
- Fleet electrification is strong trend with significant infrastructure requirements, typically DC Fast Charge Level 3.

Turnkey Level 2 and 3 charger installations

Project Example: **Boston Public Schools EV Bus Pilot**

- Supported pilot of 20 out of 100 buses to electrification
- Voltrek turnkey installation in Boston
- Level 3 DC Fast Charge equipment
- \$1.5 million project





- **Environmental**

- Superior lighting solutions that reduce energy consumption, thereby reducing our customers' carbon footprints
- Over 20% of energy from renewable sources including 12% site produced (wind & solar)

- **Social**

- 44% female workforce
- 34% female and diverse management
- 60% female outside BOD

- **Governance**

- Strong governance discipline for highest levels of transparency, fairness and alignment with our core values

- **FY23 customer impact:**

- 177,161 tons Carbon Dioxide reduction
- 1,318 tons Sulfur Dioxide reduction
- 1,763 tons Nitrogen Oxide reduction
- 10,551 pounds Mercury reduction

- **Customer carbon savings over 5 years:**

- = 401,568 Acres of trees planted
- = 360,492 Cars removed from the road
- = 184,267,185 Gallons of gasoline saved

- Recycled 89% of the materials used in our manufacturing process in 2022

## ORION SENIOR MANAGEMENT

### **Mike Jenkins**

*Chief Executive Officer*



Mike Jenkins joined Orion as Chief Operating Officer in November 2021 and was named Chief Executive Officer in November 2022. Mike served as General Manager/Regional Business Director for Bostik Inc. from 2013 to 2021. From 2011 to 2013, he was Regional Director Americas managing sales and marketing for Diversey, a private equity company that was sold to Sealed Air. Mike spent nine years at Kohler Co., from 2001 to 2010 in a variety of senior positions including Vice President of Sales and Installation for Kohler's Canac cabinetry company where he managed their turnkey installation business model.

### **Per Brodin**

*Chief Financial Officer*



Per Brodin joined Orion as Executive Vice President in October 2020 and was named Chief Financial Officer in November 2020. He has over 30 years experience as a finance executive spanning public accounting and corporate roles, including more than ten years as CFO of publicly registered companies. Most recently, Per served as Interim CFO for Fleet Farm, a KKR retailer with 48 stores in five Midwest states and previously at Claire's Stores, Shopko Stores and ATI Physical Therapy.

### **Scott Green**

*President,  
Orion Services Group*



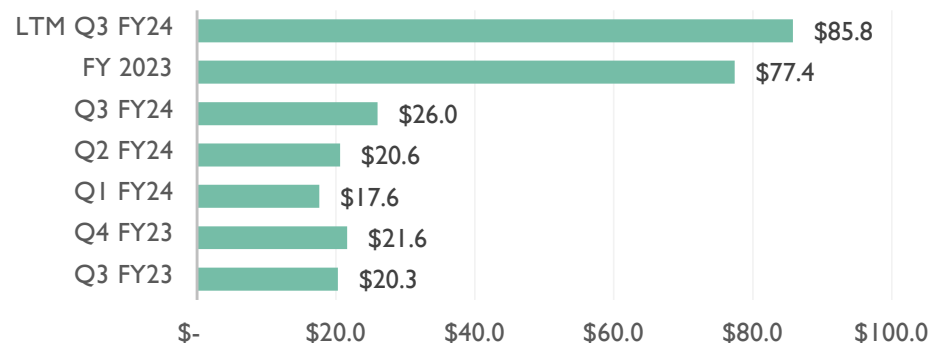
Scott Green joined Orion upon the 2013 acquisition of Harris Lighting. Prior to being named President of Orion Services Group in November 2021, he served as Chief Operating Officer and Executive Vice President. Before being named Chief Operating Officer, Scott served as President of Orion Innovation, Project Engineering, Construction Management and Orion Engineered Systems. At Harris Lighting, he served as Executive VP and CEO. Prior to Harris Lighting, Scott served as CEO of Green Enterprises, Inc., a real estate development and multi-location restaurant owner and operator.



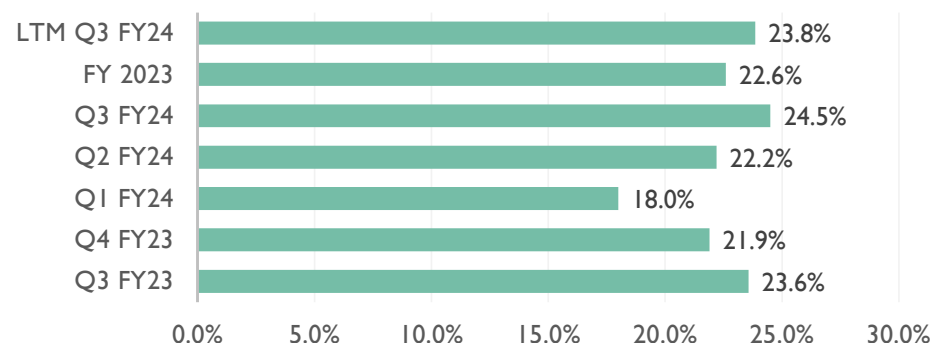
## QUARTERLY REVENUE, MARGIN, EBITDA & LIQUIDITY DATA

(\$s in Millions)

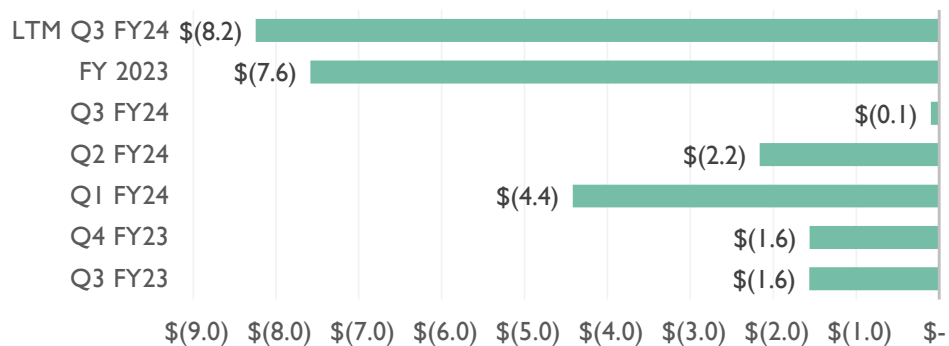
### Revenue



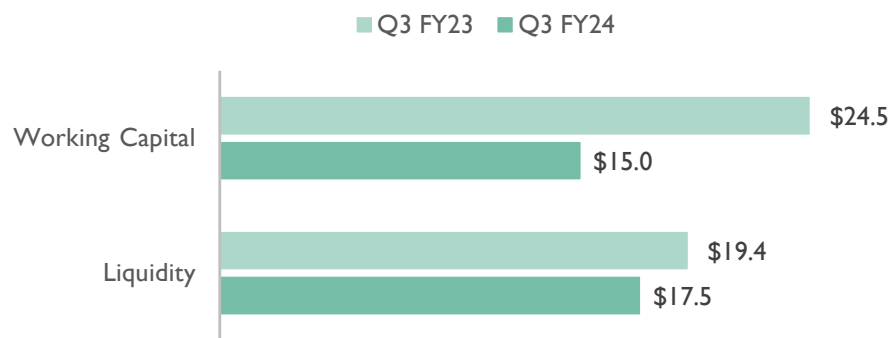
### Gross Margin %



### Adjusted EBITDA\*



### Liquidity



\*See EBITDA reconciliation to GAAP net income



## NON-GAAP RECONCILIATION

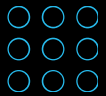
### Net Income to EBITDA and Adjusted EBITDA

(Amount in thousands)

	FY'24 Q3	FY'24 Q2	FY'24 Q1	FY2023	FY'23 Q4	FY'23 Q3
<b>Net Loss</b>	<b>\$ (2,256)</b>	<b>\$ (4,388)</b>	<b>\$ (6,637)</b>	<b>\$ (34,341)</b>	<b>\$ (5,116)</b>	<b>\$ (24,059)</b>
Interest	193	192	174	305	208	64
Taxes	1	15	42	17,978	45	19,391
Depreciation	360	361	346	1,369	395	311
Amortization of intangible assets	273	274	266	653	280	269
Amortization of debt issue costs	25	25	24	73	26	16
<b>EBITDA</b>	<b>\$ (1,404)</b>	<b>\$ (3,521)</b>	<b>\$ (5,785)</b>	<b>\$ (13,963)</b>	<b>\$ (4,162)</b>	<b>\$ (4,008)</b>
Stock-based compensation	266	227	188	1,612	177	448
Acquisition expenses	-	3	53	765	(75)	493
Voltrek earnout expenses	1,050	1,125	1,125	4,000	2,500	1,500
<b>ADJUSTED EBITDA</b>	<b>\$ (88)</b>	<b>\$ (2,166)</b>	<b>\$ (4,419)</b>	<b>\$ (7,586)</b>	<b>\$ (1,560)</b>	<b>\$ (1,567)</b>



# THANK YOU!



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