



Orion Energy Systems, Inc. | [orionlighting.com](http://orionlighting.com)

Orion Energy Systems  
Acquisition of Voltrek

October 5, 2022



# Safe Harbor and Disclaimer Statements

Certain matters discussed in this presentation, 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 plans, objectives or goals, including business relationships with government customers, 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 risks described in our filings with the Securities and Exchange Commission.

Shareholders, potential investors and other readers are urged to consider risks and uncertainties carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. More detailed information about factors that may affect our performance, or the performance of the combined companies, may be found in our [press release](#) issued October 6, 2022, and 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. Except as required by applicable law, we assume no obligation to update any forward-looking statements publicly or to update the reasons why actual results could differ materially from those anticipated in any forward-looking statements, even if new information becomes available in the future.

# Transaction Overview

## Acquisition Terms

### CONSIDERATION:

- Orion Energy Systems acquired Voltrek for a purchase price of \$6 million - \$5M cash and \$1M OESX stock subject to customary adjustments.
- Earn out payments of up to \$3M, \$3.5M and \$4M for fiscal years '23, '24 and '25, respectively, based on Voltrek achieving or exceeding established EBITDA targets. In addition, if Voltrek cumulatively realizes more than 100% of the aggregated EBITDA targets, an additional earnout payment up to \$3.15M will be paid.

## Financial Highlights

### STRONG GROWTH AND PROFITABILITY:

- Voltrek FY2021 revenue totaled \$4.8 million.
- Bloomberg estimates global market for sales of electric vehicles to increase 400% by 2025.
- Voltrek is uniquely positioned to facilitate the conversion to electric mobility.

## Integration

### ONGOING BUSINESS INTEGRATION:

- Kathleen Connors, former owner, to become business unit President
- Voltrek employees to remain with organization.
- Voltrek to remain a separate, independent brand.

# EV Market Highlights

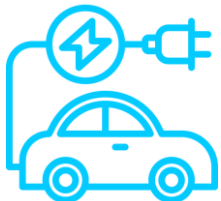
## Electric Vehicle Market Data



Global Passenger EV sales are set to continue rising sharply in the years ahead as policy pressure continues to increase, more models hit the market, and consumer interest takes off. Plug-in vehicle sales will rise from **6.6 million** units in 2021 to **20.6 million** units in 2025.



It is estimated that by 2025, plug-in vehicles will represent **23%** of new passenger vehicle sales globally, up from just under 10% in 2021.



As of mid-2022, there are just under **20 million** passenger EVs on the road (including plug-in hybrids), representing **1.5%** of the global fleet.

"EV charging infrastructure is a **trillion-dollar market opportunity** over the next 20 years, but the pace of installations needs to accelerate rapidly."

Electric Vehicle Outlook 2022 Report, BloombergNEF

# Car Manufacturer EV Commitments

Vehicle	Date for PHEVs-BEVs Only / Date for BEVs Only	Date for Carbon Neutrality	Planned spending on EVs	Milestones
Bentley	By 2026 / By 2030	By 2030	N/A	First battery EV in 2025
<u>BMW</u>	N/A / N/A	100% renewable energy by 2050	\$6.5 billion (2019 figure)	2 million fully electric vehicles by the end of 2025
<u>Ford</u>	N/A / N/A	By 2050	\$22 billion through 2025	76% carbon emissions reduction by 2035
<u>Cadillac</u>	N/A / By 2030	N/A	N/A	No new models with gas engines now
General Motors	N/A / By 2035	By 2040	\$35 billion through 2025	Electric Hummers and Silverado coming
<u>Honda</u>	N/A / 2022 (Europe), 2040 (North America)	By 2050	N/A	2 new EVs in 2024 to be built by GM
<u>Hyundai-Kia</u>	N/A / N/A	Undated pledge	\$7.4 billion in the U.S. by 2025	23 types of EVs and hydrogen cars by 2025
<u>Jaguar Land Rover</u>	100% with some electrification by 2030 / By 2030	By 2039	\$3.5 billion annually	6 electric Land Rovers over the next 5 years
Mazda	N/A / N/A	By 2050	N/A	First battery EV is the MX-30 in the fall
<u>Mercedes-Benz</u>	All new platforms EV-only in 2025 / 2030 with caveats in some markets	By 2039	\$47 billion between 2022 and 2030	EQS luxury sedan on sale this fall
<u>Mitsubishi</u>	N/A / N/A	25% carbon reduction by 2030	N/A	A plug-in hybrid focus. The Airtrek EV shown for the Chinese market.
<u>Nissan</u>	N/A / N/A	By 2050	\$1.3 billion on EV hub in England	8 EVs on the road by the end of 2023
Rolls-Royce	EVs will be available in 90% of segments / N/A	By 2030	N/A	Silent Shadow is in development, using BMW technology
Stellantis	70% of European sales, 40% of North American sales electrified in 4 years / N/A	N/A	\$35.5 billion in EV spending through 2025	55 electrified cars and trucks for sale in the U.S. and Europe by 2025
Toyota	8 million electrified vehicles by 2030 / N/A	By 2050	N/A	70 electrified models by 2025, 15 of them battery EVs
<u>Volkswagen Group</u>	50% fully electric sales in U.S. by 2030 / Last new combustion platform in 2026	By 2050	\$86 billion through 2025	The VW Group has 70 new electrified models in the pipeline
Volvo	By 2025, half of global sales fully electric / By 2030	By 2040	\$1 billion annually on electrification and autonomy	All fully electric models will be available online only

Table shows dates automakers say their lineups will comprise only plug-in hybrid electric vehicles (PHEVs) and battery-electric vehicles (BEVs), then only BEVs. Automakers have answered these questions in different ways, such as describing when the last gas or diesel (combustion) platform comes to market instead of when the maker will be 100% BEV. Hybrids do not count as electrified vehicles here. Source: Automakers

# Acquisition Rationale

High growth EV market is highly complimentary to Orion's existing business

- US Infrastructure requirements to support exponentially growing EV market are massive.
- Federal and state funding to increasingly flow into the industry...accelerating infrastructure build.
- Orion's current and prospective customers are actively engaged in EV infrastructure discussions and strategies.
- Orion has been contacted by customers asking for assistance in this market.
- Voltrek has similar business model as Orion (technical expertise, turnkey capabilities and exceptional service).
- Leverages Orion's strength in project management and maintenance to accelerate growth.
- Voltrek's Owner is a pioneer and industry expert with a passion to continue to grow the business as part of a larger platform.
- Significant cross-selling opportunities to offer EV installation to Orion customers.
- Opportunity to leverage Orion's growing maintenance business / infrastructure.
- Alignment with two premier technology providers: ChargePoint and ABB.

# Voltrek – Powering Your Journey

Voltrek offers leading EV charging expertise and provides turnkey solutions with ongoing support to all commercial verticals. As a value-added resale partner to leading Electric Vehicle Supply Equipment (EVSE) and Electric Vehicle Service Provider (EVSP) companies, Voltrek's offerings are diverse. Voltrek's inhouse team services stations for owners and manufacturers.

## The Northeast EV Charging Leader

- Founded in 2010 to support electric mobility
- Based in Lawrence, Massachusetts
- Preferred reseller of leading hardware and EVSP companies
- Full service, turnkey provider



# Voltrek – Powering Your Journey

## Solutions for Commercial Applications



**WORKPLACE**

- Private & Public Entity Employee Parking



**PUBLIC**

- Public Parking Facilities
- Commercial
- Business Lots
- C-Stores
- Service Plazas



**FLEET**

- Transit
- Delivery
- Ride Share
- Class 3-8
- School Buses



**MDUs**

- Multi Dwelling Units
- Apartments
- Non-Deeded Parking

# Voltrek – Powering Your Journey

A Trusted Partner

CLIENTS WE SERVE – Trusted by Large Institutions



# Voltrek – Powering Your Journey

Voltrek travels with the client on their whole EV charging journey

## SERVICE OFFERING/PROJECT MANAGEMENT



### PLANNING

- Site Assessment for Feasibility & Design
- Product Recommendations
- Operational Cost Modeling & Load Management Strategies



### INSTALLATION

- Engineering, Procurement & Construction Services
- Commissioning, Programming & Testing
- Customer Onboarding & Training



### MAINTENANCE & MANAGEMENT

- 24/7 Monitoring & Usage Reporting
- Preventative Maintenance
- On-Call Servicing

# Voltrek – Powering Your Journey

Voltrek travels with the client on their whole EV charging journey

## CORE CHARGEPOINT PRODUCT OFFERING



Level 2 Commercial EV Chargers  
CT4000 Family



CPF50 Family



DC Commercial EV Chargers  
62.5kW Output Station



DC Commercial EV Chargers  
EXPRESS PLUS 400KW Output Station



# Voltrek – A Chargepoint Preferred Reseller

- L2 EV charging network market leader in North America
- Industry leader - 53% of Fortune 500 Use ChargePoint
- Advanced technology integrations: EV drivers rely on top-rated, free app to find access to chargers.
- Voltrek is ranked as a top-tier ChargePoint reseller nationally; Voltrek's model held as example to other value-added resellers (VARs).

View all activity and cost (for both at home and public charging) in one place

Location	Distance	Time	Cost
240 E Hacienda Ave, Campbell	49 mi	4 h 50 m	\$1.62
Home Charger, San Francisco	56 mi	8 h 0 m	\$1.56
240 E Hacienda Ave, Campbell	51 mi	7 h 6 m	\$1.70
Home Charger, San Francisco	64 mi	8 h 0 m	\$1.79
240 E Hacienda Ave, Campbell	21 mi	1 h 6 m	\$0.71
Home Charger, San Francisco	52 mi	8 h 0 m	\$1.51
240 E Hacienda Ave, Campbell	35 mi	1 h 45 m	\$0.92

 **ChargePoint®**  
EV Charging Made Easy  
★★★★☆ 4.5

# Voltrek – Powering Your Journey

Voltrek travels with the client on their whole EV charging journey

## CORE ABB PRODUCT OFFERING



ACL2 Charging, ~6-19 kW AC  
DC Wallbox, 24 kW DC



Terra 54, 50 kW



Terra 94/124/184, 90-180 kW



High Power, 175-350 kW



HVC Fleet Bus, 50-600 kW



# Voltrek – Powering Your Journey

## Primary Revenue Streams



### INITIAL SALES

#### EQUIPMENT ONLY

- Hardware
- Software
- Manufacturer Warranties

#### PROJECTS

- Full Turnkey
- Bolt Down



### 3,500+ PLUGS UNDER MANAGEMENT RECURRING REVENUE

#### SERVICE

- Maintenance Contracts
- General Service Calls
- Assure

#### RENEWALS

- Software
- Warranties
- Unique Contracts with Providers Granting Direct Renewal Rights

#### GROWTH STRATEGIES:

- Expand in-house team
- Leverage strategic partnerships
- Broaden geographic coverage
- Specialize account teams (fleet, workplace, etc.)
- Explore additional offerings

#### RECURRING REVENUE STRATEGIES:

- Expand ports under management
- Generate service contracts and expand O&M partner territory
- Monetize annual tax credits



An aerial photograph of a modern, multi-story office building with large glass windows and a dark facade. The building is surrounded by a parking lot filled with cars. In the background, there are industrial buildings and a large wind turbine. The sky is overcast with grey clouds. The Orion logo is overlaid on the image.

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Questions?