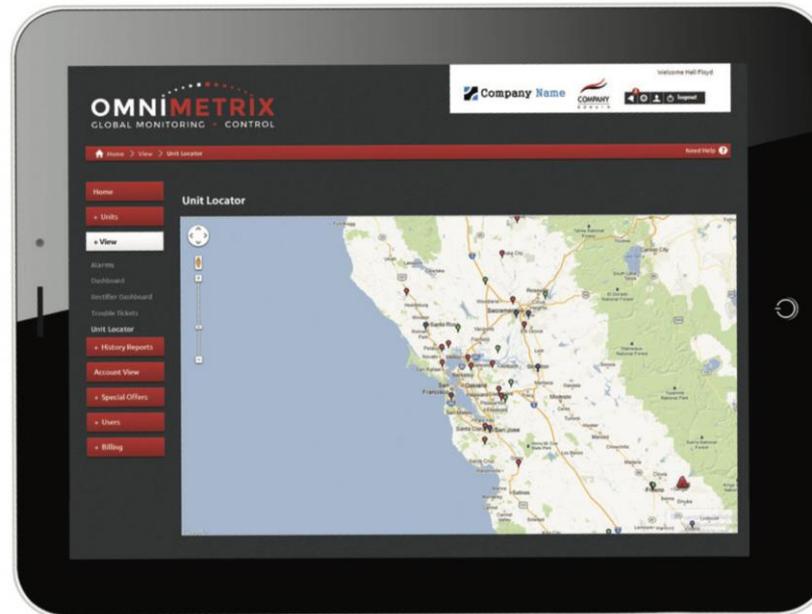


Acorn Energy, Inc. - OTCQB: ACFN

High Growth & High Margin, Recurring Revenue Model in Remote Monitoring & Control of Mission Critical Assets, incl. Generators, Pipelines, & Compressors



September 2021

www.acornenergy.com

Safe Harbor Statement

This presentation includes forward-looking statements, which are subject to risks and uncertainties. There is no assurance that the Company will be successful in growing its businesses; in reaching profitability; growing through acquisition; or in maximizing the value of OmniMetrix or any other of its assets. The Company has a history of operating losses and there is no assurance that it can attain and maintain profitability. This presentation includes projections regarding expected performance by OmniMetrix and the Company generally which are based on management's good faith estimates as to future performance and should not be taken as a guarantee of such performance. A complete discussion of the risks and uncertainties which may affect Acorn Energy and the businesses of its OmniMetrix subsidiary is included in "Item 1A. Risk Factors" in the Company's most recent Annual Report on Form 10-K as filed by the Company with the Securities and Exchange Commission.

Non-GAAP Financial Measures

This presentation includes both GAAP and Non-GAAP financial and performance measures. The Company uses Enterprise Value as a measure of the value of the Company's business; it is calculated as the total market capitalization of the Company (common stock trading price multiplied by the shares outstanding less Cash). The Company uses EBITDA as a measure of performance; it is calculated as Net Loss plus Interest, Taxes, Depreciation and Amortization.

The non-GAAP financial measure used herein should be evaluated in conjunction with, and are not a substitute for, the GAAP financial information included in the financial statements filed by the Company with the Securities and Exchange Commission.

Focus on Growth of Wireless Remote Monitoring (IoT)



- Acorn owns 99% of OmniMetrix:
- Insiders own ~28.5% of 40M shares
- OmniMetrix provides remote monitoring & control products & services for standby generators, gas pipelines, air compressors, etc.
- Growing high-margin, recurring monitoring service revenue + monitoring hardware sales
- Growth opportunity of 20% or more targeting markets with limited penetration of Internet of Things (IoT) clean-tech solutions
- Industry-leading brand, “agnostic” technology/service provides substantial ROI and value to customers
- Value of remote monitoring & control is even more evident when personnel & field activities are disrupted by travel restrictions, illness or other factors.

At a Glance

OTCQB

Recent Price

52-Week Range

Market Cap

- Cash (6/30/21)

= Enterprise Value (EV)

LTM Revenue

2022E Revenue*

EV / 2022E Rev.

ACFN

\$0.60

\$0.29 - \$0.70

\$23.8M

\$2.0M

\$21.8M

\$6.4M

\$8.6M

~2.5x**

* 2022 estimate based on ~20+% long-term growth opportunity and 2020 sales of \$6m.

** Industrial IoT M&A activity has been 3-5x Sales range. Median multiple of larger public comps is 4.3x (MSA, ST, ALRM, BMI, GNRC, ADT, LNN, ORBC, SCTY)

Wireless, real-time remote monitoring and control of industrial equipment

Standby Generator & Compressor Monitoring



Commercial/Industrial & Residential Monitors

- * Replaces manual inspection
- * Prevents fail to start events
- * Generator status available anywhere 24/7
- * Secure, web-based management
- * Can remotely start generator

Pipeline Cathodic Protection



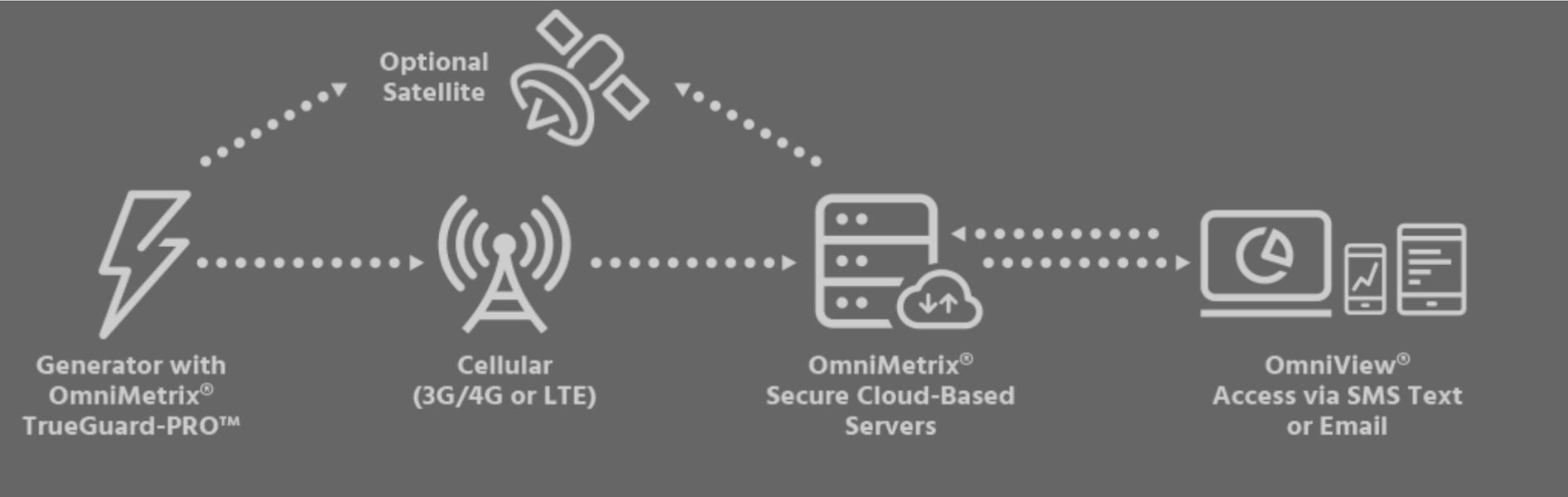
Rectifier & Test Station Monitors

- * 24/7 monitoring extends pipeline life
- * Instant email/text message alarm notifications
- * Eliminates remote manual data collection and inspection
- * Leverages cellular/satellite coverage

Remote Monitoring Value-Add

- Improves maintenance results and reduces downtime of critical assets.
- Generator monitoring prevents 95% of “fail to start” events’ by monitoring vitals, such as: **Battery - Voltage - Fuel - Coolant & Oil.**
- Less expensive & more effective than the labor & travel of physical monitoring – particularly with remote assets like pipelines.

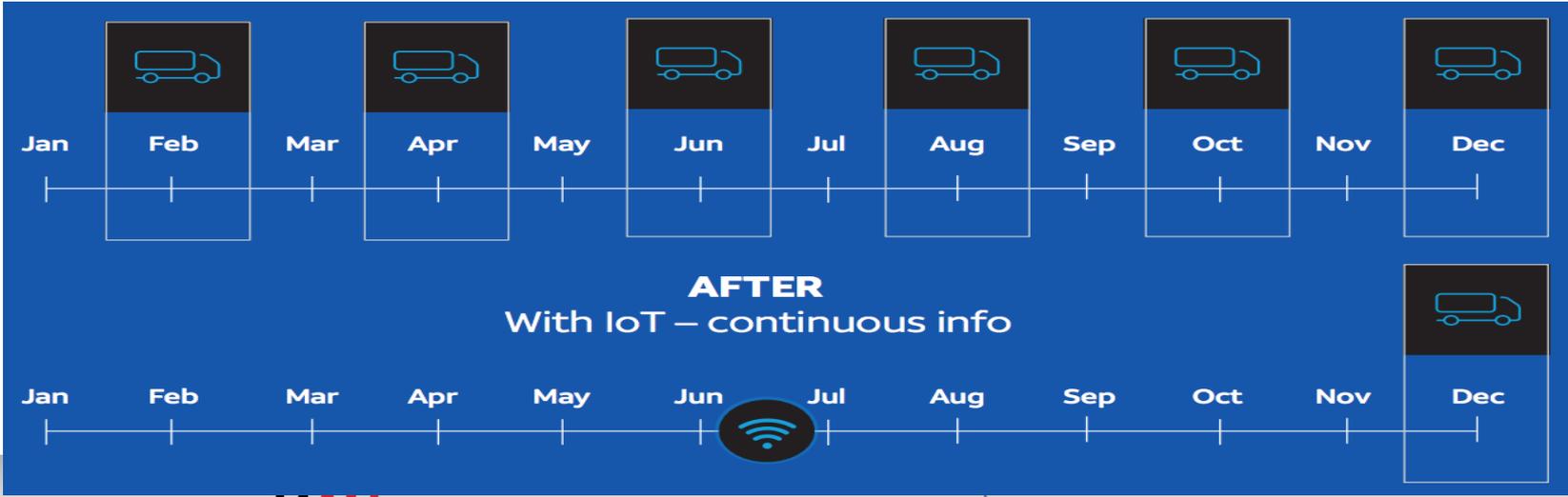
Illustration of Generator Monitoring



Remote Monitoring is Clean & Green

- **Sustainability Impact:** Remote monitoring of long-distance pipelines can help dramatically reduce travel-related costs, time, and emissions.
- Customers are motivated to reduce costs & their environmental impact. Our monitoring solutions give them the insights needed to tune operations & drive efficiency, helping their bottom line and the environment.
- Inspectors can travel long distances every 2 months along a pipeline to visually inspect equipment for damage & comply with regulations. With IoT, operators only need to dispatch physical inspectors 1x per year but receive continuous information.

Before IoT, Crews in Trucks Would Gather Info Every 2 Months



Markets / Customers Served

25 Fortune 500 companies across:

- Oil & gas, utility
- Grocery, retail,
- Aerospace & defense,
- Industrial, healthcare,
- Insurance, automotive,
- Telecommunications, financial institutions,
- Hospitality, chemicals

Other Clients:

- 100+ banks
- Transportation
- Real estate
- Federal, state, local government - US & Canada
 - Military
 - 20+ police departments
 - 15+ fire departments



at&t



FEMA



Growth Drivers

Management targets ~20% organic cash sales growth

- **Clear ROI from lower costs and improved asset monitoring & control**
- **Growing awareness of IoT benefits/investments (COVID-19)**
- **Regulatory compliance and reporting:**
 - US EPA, Air Quality Management Districts, National Fire Protection Assoc. & Calif. EPA Air Resources Board
 - Reporting: Maintenance, Location, Fuel Status, Usage & Emissions
- **Delayed infrastructure investments increase monitoring need**
 - Approx. 2.5M miles of U.S. gas pipeline; >50% is over 50 years old
 - Small % of these assets are being remotely monitored
- **Expanding customer base**
- **Product, technology & service enhancements**
- **Expanding market opportunities (e.g. air compressors, annunciators)**



Innovative Products in New Markets

Smart Annunciator Product Launch – November 2020

- Annunciator with built-in remote monitoring
- Interactive 5" touch-screen LCD display
- Brand agnostic

Entered Air Compressor Market late 2019 with AIRGuard Monitor

- Estimated to be similar size as stand-by generator market
- Initial sales mid-to-late 2019; significant growth opportunity



Stand-by Generator Market Opportunity

- > 10% industry penetration of industrial, commercial & residential generators *
- Climate change & COVID-19 driving both awareness and need:
 - 70% of power outages are caused by weather events
 - Stronger storms + higher frequency of floods, droughts, wildfires & other severe weather
 - More people are working remotely since COVID-19
- California wildfires are awakening a new market opportunity estimated as much of 50% of total generator replacement market, or \$1B over the next 10 years *
- OmniMetrix's user friendly, cloud-based monitoring solution is compatible with all generator brands
 - Dealers often prefer OmniMetrix to OEM monitors due to quality, ease of "one-stop" solution and preserving their customer relationships
 - Commercial & industrial businesses often use various generator brands.



* Company / Industry Estimates.

Competitive Barriers

- **Strong Patent Portfolio:**

- ✓ #8763107: Cross-connected, server-based, IP-connected, point-to-point connectivity
- ✓ **#8078861: Remote processor reprogramming (critical for software updates)**
- ✓ #6747368: Wireless control of power transfer switches for electrical load management
- ✓ #6571093: Methods for providing extended wireless data transport services
- ✓ #8224499: Remote annunciator
- ✓ Pending: Cathodic protection testing apparatus/methods utilizing relay & bypass circuitry

- **20+ Years of Industry Expertise:**

- ✓ engineering, software development, trade secrets, etc.

- **Next-Generation Solutions:**

- ✓ **Ongoing R&D** to enhance solutions, expand capabilities and target new markets

Balance Sheet Summary*

Cash & Equivalents	\$2.0M
Accounts Receivable	\$0.7M
Total Current Assets	\$3.9M
Total Assets	\$5.3M

Total Current Liabilities	
ex. \$3.2M in current deferred revenue.	\$0.6M
Total Liabilities ex. \$3.2M & \$1.5M in current & non-current deferred revenue.	\$1.1M (1)

Off Balance Sheet:

Federal operating loss carryforwards of ~ \$70M

(1) Current and non-current deferred revenue represent hardware sales and monitoring services to be recorded as revenue over the next 36 months and 12 months, respectively.

* As of June 30, 2021.

Leadership



Jan Loeb – Acorn President and CEO and Director; Acting CEO of OmniMetrix:

Jan has served as President and CEO of Acorn since Jan. 2016 and was appointed to the Board in August 2015. He was named acting CEO of OmniMetrix in Nov. 2019. Jan has 30+ years experience in investment banking, money management and public company management. He is President and Managing Member of Leap Tide Capital Management since 2007 and was President of Leap Tide's predecessor, AmTrust Capital Management 2005 to 2007. Prior, he was a Portfolio Manager at Chesapeake Partners; Managing Director at Jefferies & Company and Managing Director at Wasserstein Perella. Jan is a former Director of Keweenaw Land Association, Ltd., TAT Technologies and American Pacific Corporation.



Tracy Clifford – Acorn CFO and COO of OmniMetrix:

Tracy Clifford was named Chief Financial Officer of Acorn in June 2018 and was named COO of OmniMetrix in Nov. 2019. Tracy previously served as CFO, Principal Accounting Officer, Corporate Controller and Secretary for a publicly-traded pharmaceutical company and a publicly-traded REIT from 1999 to 2015. Through her consulting practice launched in June 2015, Tracy served as a contract CFO and/or COO for several clients, participated on advisory boards and worked on numerous engagements. Prior experience included accounting leadership positions at United Healthcare (Atlanta) and the North Broward Hospital District (Fort Lauderdale) and work on the audit team of Deloitte & Touche (Miami).

Investment Summary

- ACFN trades for ~2.5x 2022E Revenue vs. IIoT comps of 3-5x and higher
- Growing, high margin recurring business with large market opportunity
- Technology, product & service differentiation
- Large customer base including 25 Fortune 500 companies
- >\$2.0M in cash provides execution runway
- >\$70m NOL could generate up to \$15m in future tax savings (or more w/ higher tax rate)
- Disciplined management with strong track record & 28.5% ownership; committed to value creation via growth & M&A opportunities

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APPENDIX

June 2019 Rights Offering & Repurchase of 19% of OmniMetrix

- Shareholder Rights Offering raised gross proceeds of approx. \$2.4 million from the sale of 9,975,553 new Acorn common shares.
- Each Right entitled stockholders and certain warrant holders to purchase 0.312 shares of Acorn Common Stock at a subscription price of \$0.24 per whole share.
- Rights Offering was backstopped by agreement with management and certain board members to acquire unsubscribed shares.
- Proceeds used to reacquire a 19% interest in OMX Holdings, Inc. which owns 100% of OmniMetrix, LLC for \$1,273,000, including \$323,000 of accrued dividends.
- Purchase price based on terms established in 2015 investment by former board member, plus unpaid preferred dividends.
- Acorn now owns a 99% interest in OmniMetrix; former CEO of OmniMetrix owns 1%.
- Remaining proceeds provide additional sales and marketing resources for expansion into additional geographic markets, new product applications, and to support next-generation product development.

Other Recent History

New Leadership - Jan Loeb appointed CEO Early 2016

- Addressed urgent balance sheet / cash flow challenges; pursued ACFN turnaround with goal of creating viable operating company with realistic prospects for growth & profitability.

Turnaround Initiatives

- Partnered DSIT sub. w/ major defense co., selling nearly half of stake for gross proceeds of \$4.9M, which provided working capital and repaid debt
- Closed GridSense subsidiary to end cash drain; Liquidated assets for proceeds of \$1M
- GridSense accounted for over 40% of Acorn's operating losses in 2015 & 2014
- Initiated cost cuts / personnel changes, reducing overhead by \$2.5M per year
- Secured \$1.9M in director loan commitments in 2017 to provide bridge funding
- Sold remaining DSIT stake in Feb. 2018 for gross proceeds of \$5.8M; paid expenses & debt, leaving \$1.8M in cash for operations/growth
- Acorn to receive \$0.5M if DSIT secures fiber optic pipeline monitoring contract
- Secured Right of first negotiation to become U.S. distributor of DSIT fiber optic tech

Other Growth & Value Creation Initiatives

- Focused OmniMetrix on its high margin, recurring revenue model and organic growth potential of ~20% per year on average
- Implementing continued product design and sales & marketing enhancements
- Pursuing M&A opportunities
- Seeking to leverage ~\$70M in Tax Loss Carryforwards

Acorn's Financial Improvement

	June 2021	Dec. 2015	Improvement
Cash & Cash Equivalents	\$2.0M	\$0.2M	+\$1.8M
Long-term Debt	\$0.0M	\$4.0M	+\$4.0M
LTM Revenue (OmniMetrix)	\$6.4M	\$3.0M	+\$3.4M
LTM EBITDA*	\$0.8M	(\$8.6M)	+\$9.4M
LTM Net Income (Loss)	\$0.5M	(\$10.8M)	+\$11.3M

* LTM= Latest-twelve-months. EBITDA= Earnings before interest, taxes depreciation and amortization.