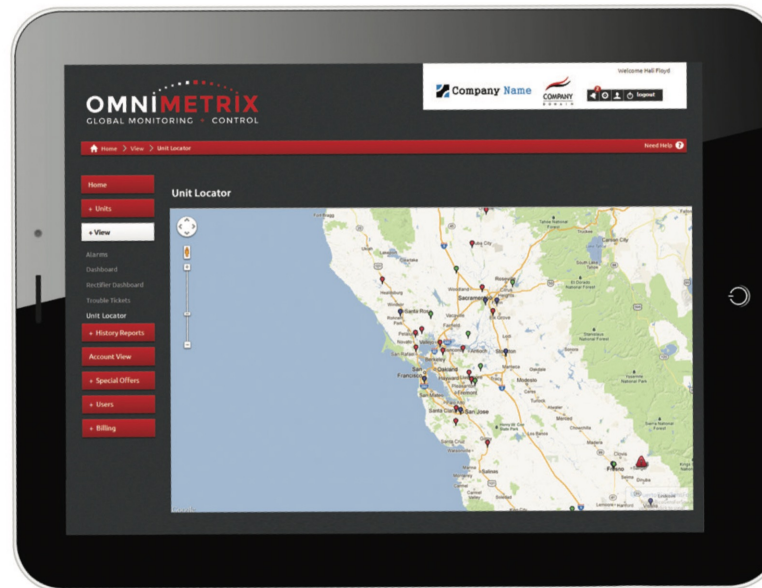


Acorn Energy, Inc. - OTCQB: ACFN

Growing, Recurring Revenues with High Margins from Remote Monitoring & Control of Power Generators and Critical Equipment

Enabling New “Demand Response” Networks for Generators to Support Peak Electric Grid Power Requirements



November 2024

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.

Wireless Remote Monitoring & Control



- Acorn owns 99% of OmniMetrix which provides remote monitoring & control products & services for generators, gas pipelines, air compressors, etc.
- Recurring Internet of Things (IoT) monitoring revenue with high margins + hardware sales
- Targeting 20% growth rate in large underpenetrated markets
- Industry-leading “agnostic” technology & brand delivers substantial value/ROI to customers
- Remote monitoring & control delivers even greater value in inflationary environment as personnel and travel costs rise.
- Enabling ‘Demand Response’ electric Grid Relief from generators could double profitability on new monitoring contracts.

At a Glance

OTCQB

Recent Price

52-Week Range

Market Cap

- Cash (9/30/24)

= Enterprise Value (EV)

LTM Revenue

2025 Target Revenue (+20% annually)

EV / Target Revenue

Industrial IoT M&A Valuations (1)

ACFN

\$ 14.89

\$ 5.76 - \$17.88

\$37.0M

\$ 2.2M

\$34.8M

\$ 9.7M

\$ 12.2M

~2.8x

3-5x Sales

- 1) Public comps (ADT, ALRM, BMI, DGII, GNRC, OSSIF, & ST) with less ARR and lower gross margins trade at an average EV / LTM revenue multiple of 4.25x with a range of 2-8x. On an EBITDA basis, the public comps trade at an average EV / EBITDA of 22x.
- 2) Insider Ownership ~35% of 2.49M shares.

New 2-Year \$5M Contract with Major Telecom

- OmniMetrix will provide monitoring devices and remote monitoring & control services for 5-10k backup generators for cell towers in the U.S.
- The company expects revenue of \$5M over 2-years, starting in Q3'24 from units and first-year monitoring services.
- Puts Company well on way to achieving 20% annual growth target in both 2024 and 2025.
- The largest contract in OmniMetrix history, confirms the strength and value of our industry-leading monitoring solutions.
- Having been selected through a rigorous competitive process by a top tier telecom provider, we believe OmniMetrix is well-positioned for other large-scale deployments for this customer, among others.



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
- * Enables Grid Demand Response

Pipeline Cathodic Protection



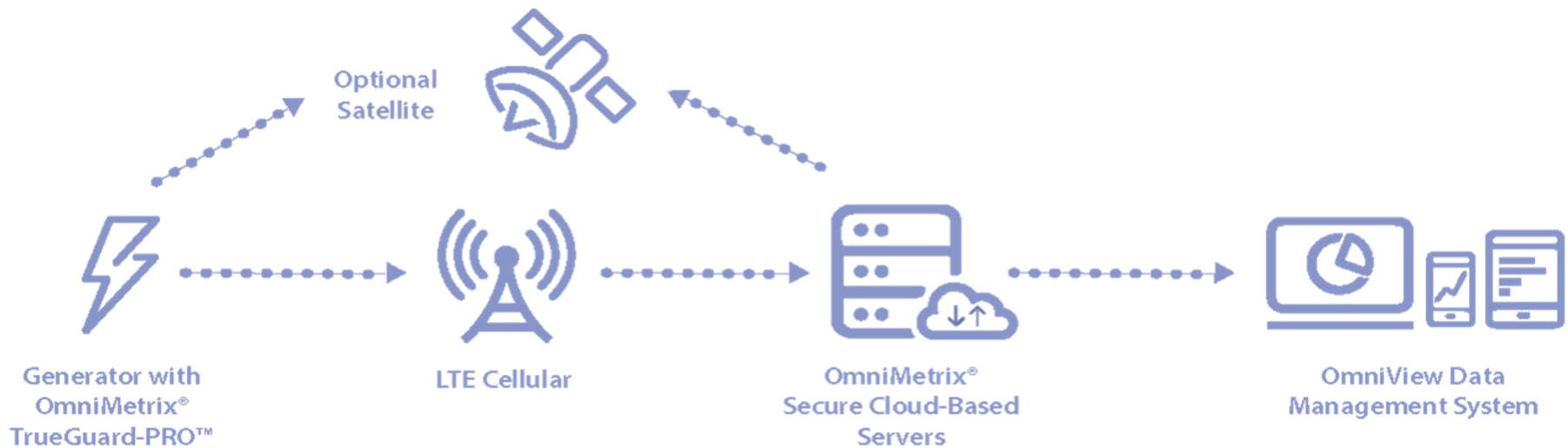
Rectifier & Test Station Monitors

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

Remote Monitoring Value-Add

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

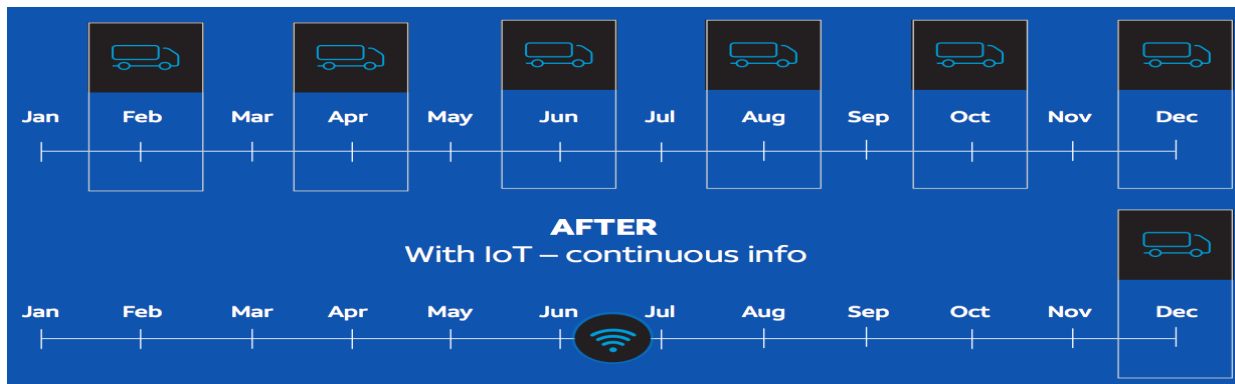
Generator Monitoring Illustration



Remote Monitoring is Clean & Green

Sustainability Impact

- Reduces travel-related costs, time, and emissions.
 - Pipeline inspectors travel long distances every 2 months to visually inspect pipeline & equipment for damage & comply with regulations.
 - With IoT, operators receive continuous information with one annual physical inspection.



- Average on-site generator inspection costs \$250-\$400 and finds 10% of generators in need of service.
- Provides insights to fine tune operations, drive efficiency and safety.

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 governments - US & Canada
 - Military
 - 20+ police departments
 - 15+ fire departments



FEMA



Growth Drivers

Management targets 20% average annual organic cash sales growth

- **Clear ROI from lower costs and improved asset monitoring & control**
- **Growing awareness of IoT benefits/investments amidst rising costs**
 - With 4.2M generators and 10% in need of service, remote monitoring creates maintenance revenue for generator dealers
- **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%) are over 50 years old;
 - Small % of these assets are monitored remotely
- **Expanding customer & partner base**
- **Product, technology & service enhancements**
- **Electric Grid Demand Response** (turning on generators to meet peak power)
- **New market opportunities** (e.g. monitoring other industrial assets)



California Environmental Protection Agency
Air Resources Board

Stand-by Generator Market Opportunity

- ~4.2M generators in North America (growing by 300k+ per year);
- Climate change drives awareness and need:
 - 70% of power outages are caused by weather events
 - Stronger storms + higher frequency of floods, droughts, wildfires and other severe weather
 - Growth in remote work expands need for reliable power.
- California Wildfires and energy grid issues are awakening a new market opportunity estimated as much of 50% of total generator replacement market, or \$1B over 10 years*
- OmniMetrix solutions are compatible with ALL generator brands
 - Dealers often prefer OmniMetrix due to features, quality, service, and ease of “one-stop” solution that protects their long-term service relationship.
 - Commercial & industrial businesses appreciate platform that supports all of their generator brands



Demand Response Opportunity

- Partnership with CPower Energy Management enabling standby generator owners to provide electric grid relief via “**Demand Response**” (DR) programs.
 - CPower manages ~6.7 GW of demand response capacity at 27,000+ sites across the U.S.
- DR compensates users who agree to reduce their electricity usage “on demand” by automatically switching to their standby generators when energy demand and prices peak.
 - Annual payments to generator owners for program participation + variable compensation based on annual energy production.
 - **OmniMetrix could potentially double its profit per customer for each new enrolled DR customer.**
 - OmniMetrix's wireless remote monitoring & control solutions activate and monitor generator activity in partnership with CPower's national network of energy provider relationships.
- DR compensation incentivizes deployments of next-generation, energy efficient standby generator equipment required for DR participation.
 - DR revenue streams benefit dealers, customers, energy providers and DR program providers.

Competitive Barriers

Strong Patent Portfolio:

- ✓ #11101580: Cathodic protection testing apparatus/methods utilizing relay & bypass circuitry (RAD)
- ✓ #8763107: Cross-connected, server-based, IP-connected, point-to-point connectivity
- ✓ #8224499: Remote annunciator
- ✓ #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

25 Years of Industry Technology Leadership and Expertise:

- ✓ Engineering, software development, trade secrets, industry reputation, etc.

Next-Generation Solutions:

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

Partnerships:

- ✓ CPower Demand Response Programs
- ✓ PowerNow Exclusive on Briggs & Stratton Generator Deployments in Texas

Historical Financial Performance

(\$ in thousands)	LTM Sep 2024	2023	2022	2021	2020
Total revenue *	\$9,707	\$ 8,059	\$ 7,000	\$ 6,776	\$ 5,922
Gross profit	\$7,091	\$ 6,004	\$ 5,071	\$ 4,899	\$ 4,131
Gross margin	73.1%	74.5%	72.4%	72.3%	69.8%

GAAP Basis

* All of Acorn's revenue is derived from its 99%-owned operating subsidiary, OmniMetrix.

Summary Balance Sheet – 9/30/24

Cash & Equivalents	\$2.2M
Accounts Receivable	\$0.9M
Total Current Assets	\$4.5M
Total Assets	\$5.4M

Total Current Liabilities	
excluding \$3.6M in current deferred revenue (1)	\$0.7M
Total Liabilities excluding \$3.6M & \$1.0M in current & non-current deferred revenue (1)	\$0.7M

Off Balance Sheet Asset:

Federal operating loss carryforwards	>\$65M
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- (1) Current and non-current deferred revenue represent hardware sales and monitoring services, which were recorded as revenue over 36-month life and a 12-month term, respectively. New hardware sales are no longer deferred, since they are now sold separately from monitoring services, which are still deferred over 12-months.

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 40+ 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 2.8x Target 2025 Revenue vs. average IIoT comps with lower gross margins) that currently trade at 4.25x LTM Revenue. ACFN trades at a discount despite OmniMetrix/Acorn's:
 - Growing, recurring, high margin revenue model (>50% ARR) and large market opportunity
 - Demand Response offering will stimulate next-generation generator sales, while potentially doubling OmniMetrix's profit per new generator connection
 - **Acorn recently signed a 2-year \$5M contract with a major U.S. cellular provider**
 - **An estimated 50% of incremental revenue falls to the EBITDA line.**
- Technology, product & service leadership and differentiation
 - Solid track record of innovation and product launches in new markets
- Large customer base including >25 Fortune 500 companies
- Zero debt and \$2.2M cash position that supports growth initiatives
- >\$65m NOL could generate \$14m in future tax savings @ 21% tax rate (or more at higher rates)
- Disciplined management (35% ownership) with strong track record of value creation via growth & M&A