

PosiGen









Solar for All ... Especially Now

July 2020



Company Overview

PosiGen At-A-Glance

| | | |
|--|-----------------------|-------------------------------------|
|  | Established: | 2011 |
|  | Headquarters: | New Orleans, LA |
|  | Active State Markets: | Connecticut, Louisiana & New Jersey |
|  | Total Customers: | 16,000+ |
|  | LMI Customers: | 70+% |
|  | Installed Capacity: | 96+ MW _{DC} |
|  | Total Employees: | 200+ |
|  | LMI Employees | 60+% |

Source: findCRA "Ever Wondered What is Low-and Moderate-Income or LMI?"

What is Low- and Moderate-Income or LMI?

The federal Community Reinvestment Act or CRA encourages U.S. banks to support low- and moderate-income people and areas.



But what exactly does it mean to be low- and moderate-income or LMI in the United States?

\$57,617

U.S. 2017
Median Income

\$46,094

50% - 80% of
Median Income

\$28,809

50% or less of
Median Income

A low-income person is anyone whose annual income is 50% or less of the Area Median Income for the community where they live.

Low-Income

Moderate-Income

A moderate-income person is anyone whose annual income is between 51% and 80% of the Area Median Income for the community where they live.

LMI jobs are more common than you think.



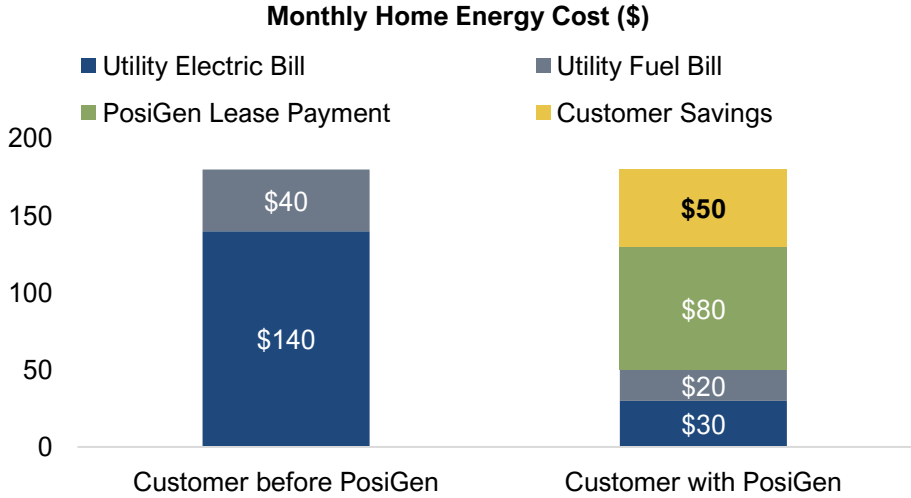
PosiGen's mission is to improve the lives of LMI customers by providing solar systems and energy efficiency upgrades, enhancing the communities PosiGen serves, creating jobs and saving the environment

Product Offering

Product Features

- ✓ Lease for solar system and energy efficiency upgrades
- ✓ No money down required for customers
- ✓ 20 year lease term
- ✓ Fixed payments with no escalators
- ✓ Underwritten to a minimum customer savings amount
- ✓ Target monthly savings of \$50; Minimum savings of \$20
- ✓ No FICO score cut-off
- ✓ First year savings guarantee (only for customers with energy efficiency upgrades)
- ✓ No long-term performance guarantee
- ✓ System monitoring and maintenance included
- ✓ Standardized kit model

Customer Value Proposition

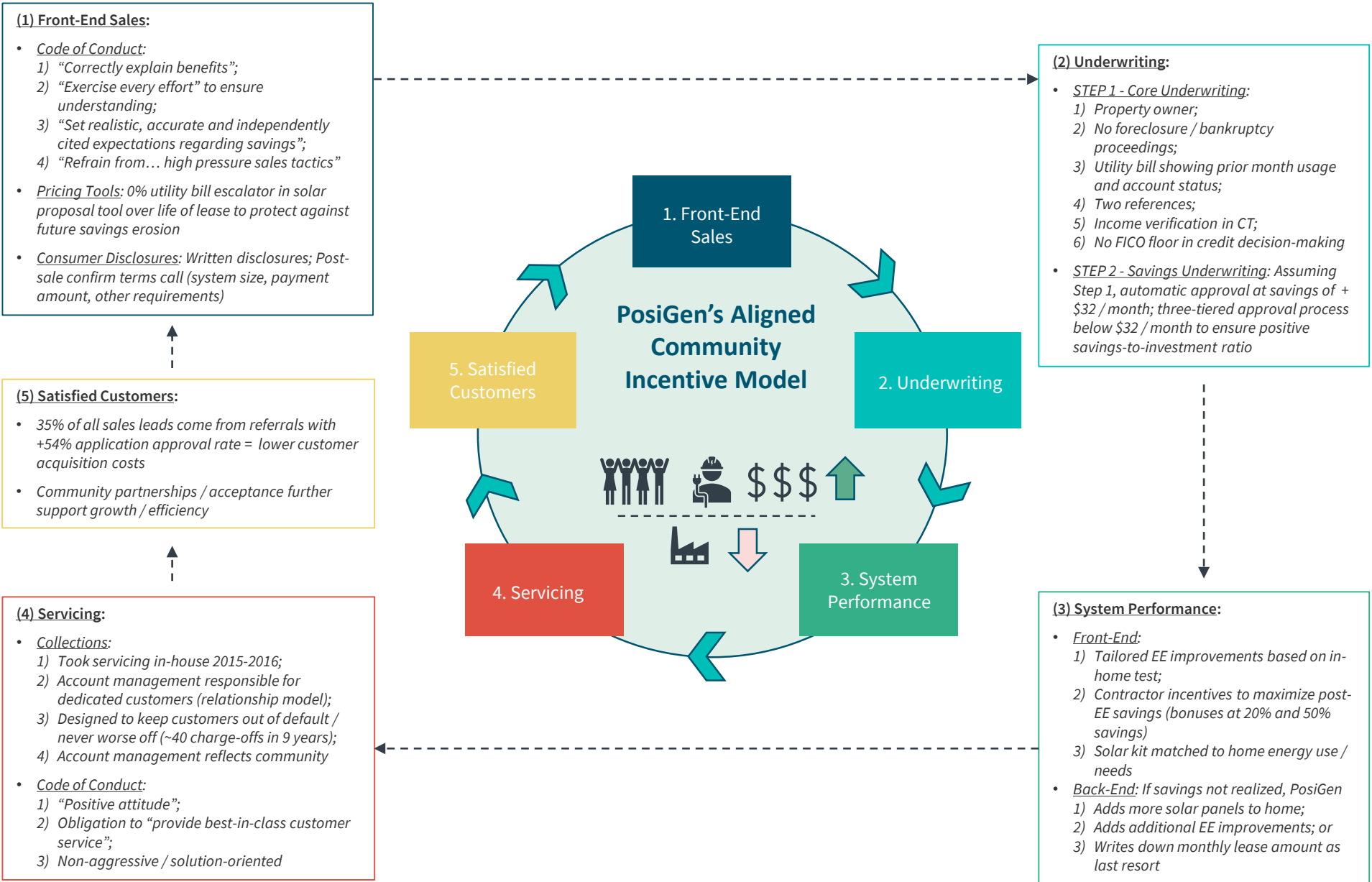


“The savings that I’m saving on my energy is my vacation money. My wife can go shopping a little bit more, we can go and do a little other things. I can do a little bit more things around the house, I can help my daughter out when she need to [sic]. It almost helps you get financial freedom. It also helps our city, our climate, everything that’s trying to go green in order to help our atmosphere, our planet.”

- Kevin Harris, PosiGen Customer

PosiGen’s core product offering is a lease for a solar system and energy efficiency upgrades for LMI customers

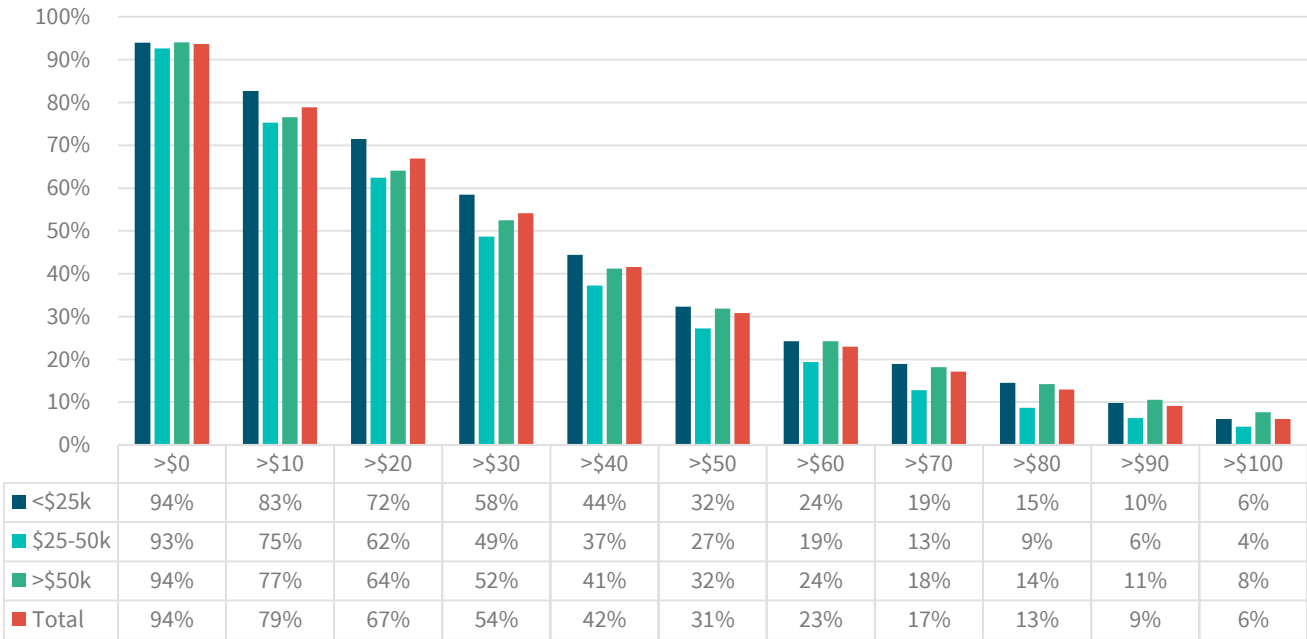
The Virtuous Cycle



Over 50 Percent of Customers Save \$30+ / Month...

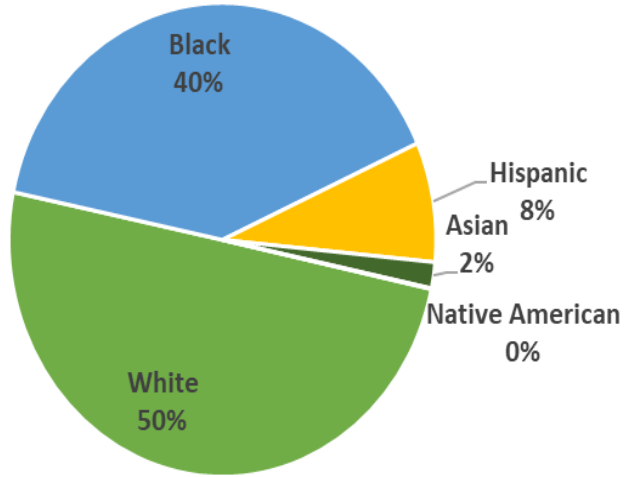
- Historically, 54% of customers experience at least \$30 in monthly net savings after lease payment, and as of 2018, no customers are approved for new leases without experiencing positive net savings
- Customers in Connecticut experience higher net savings, with 52% experiencing at least \$60 in monthly savings
- Savings experience holds regardless of household income level

Monthly Savings Histogram - All PosiGen Customers
(bands are annual household income, self-reported)

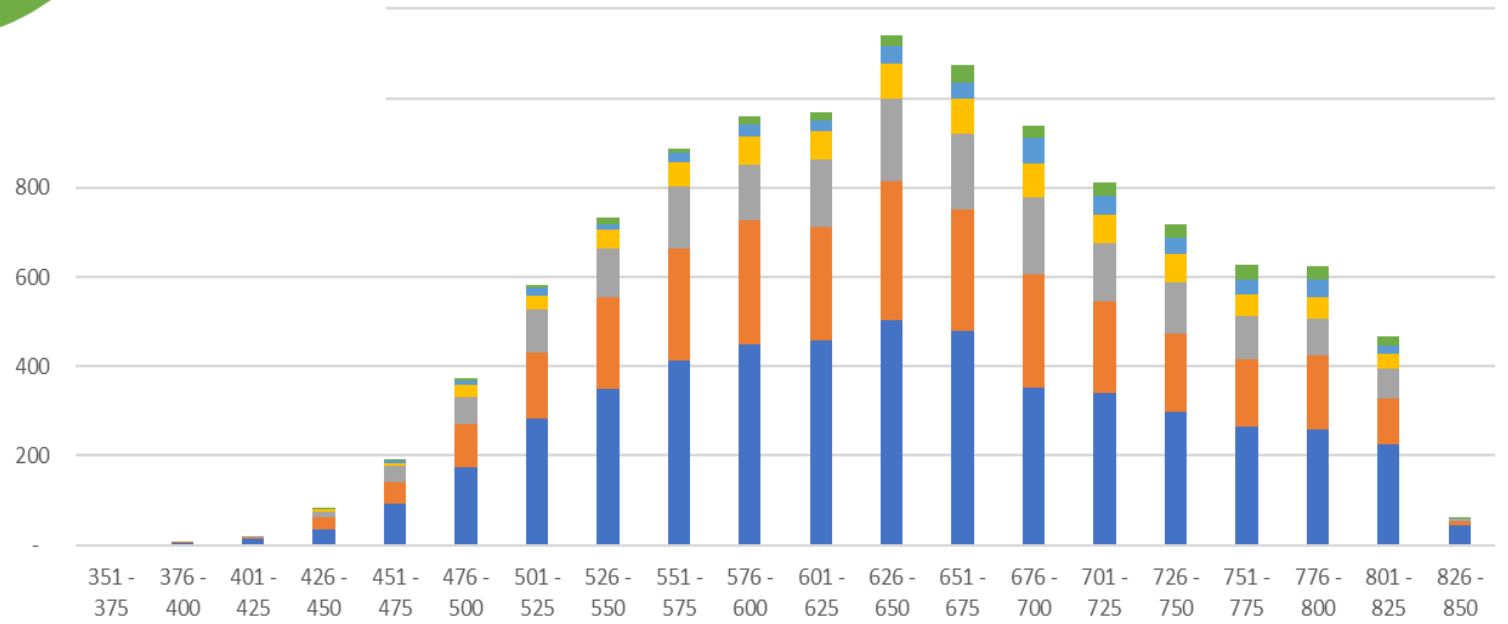


Slide credit: Purpose Venture Advisors

... Generating a Very Different Customer Profile



FICO & Income Bands



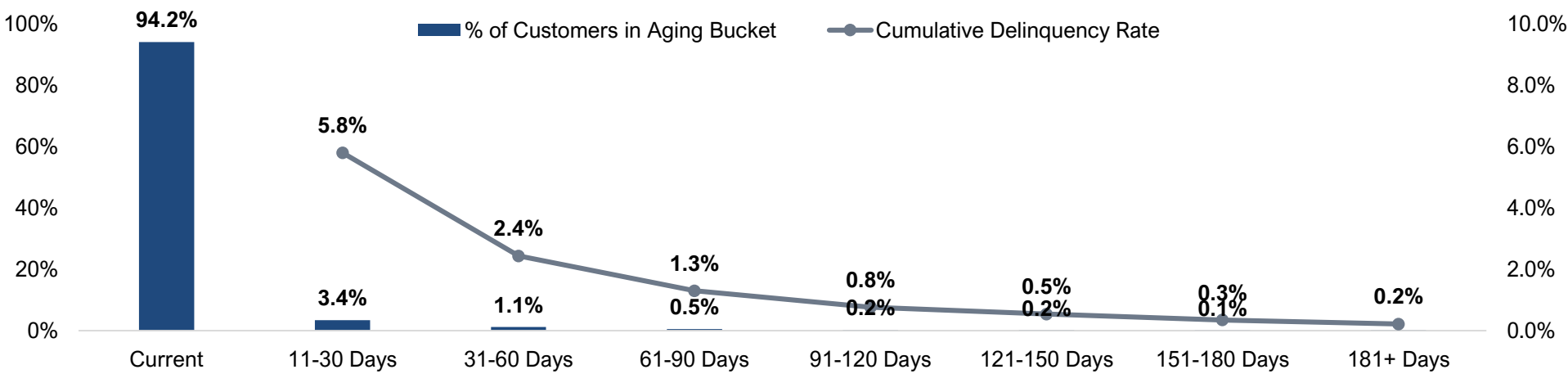
Income Band ▾

- <25000
- 25000 - 50000
- 50000 - 75000
- 75000 - 100000
- 100000 - 125000
- >125000

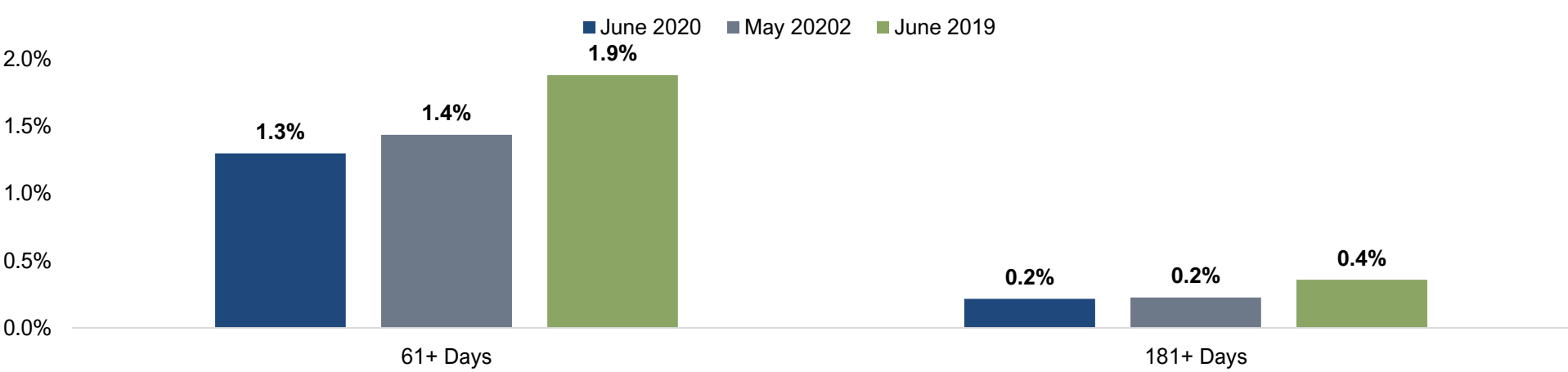
FICO Range ▾

Delinquencies

Cumulative % of Customers by Aging Bucket in June 2020



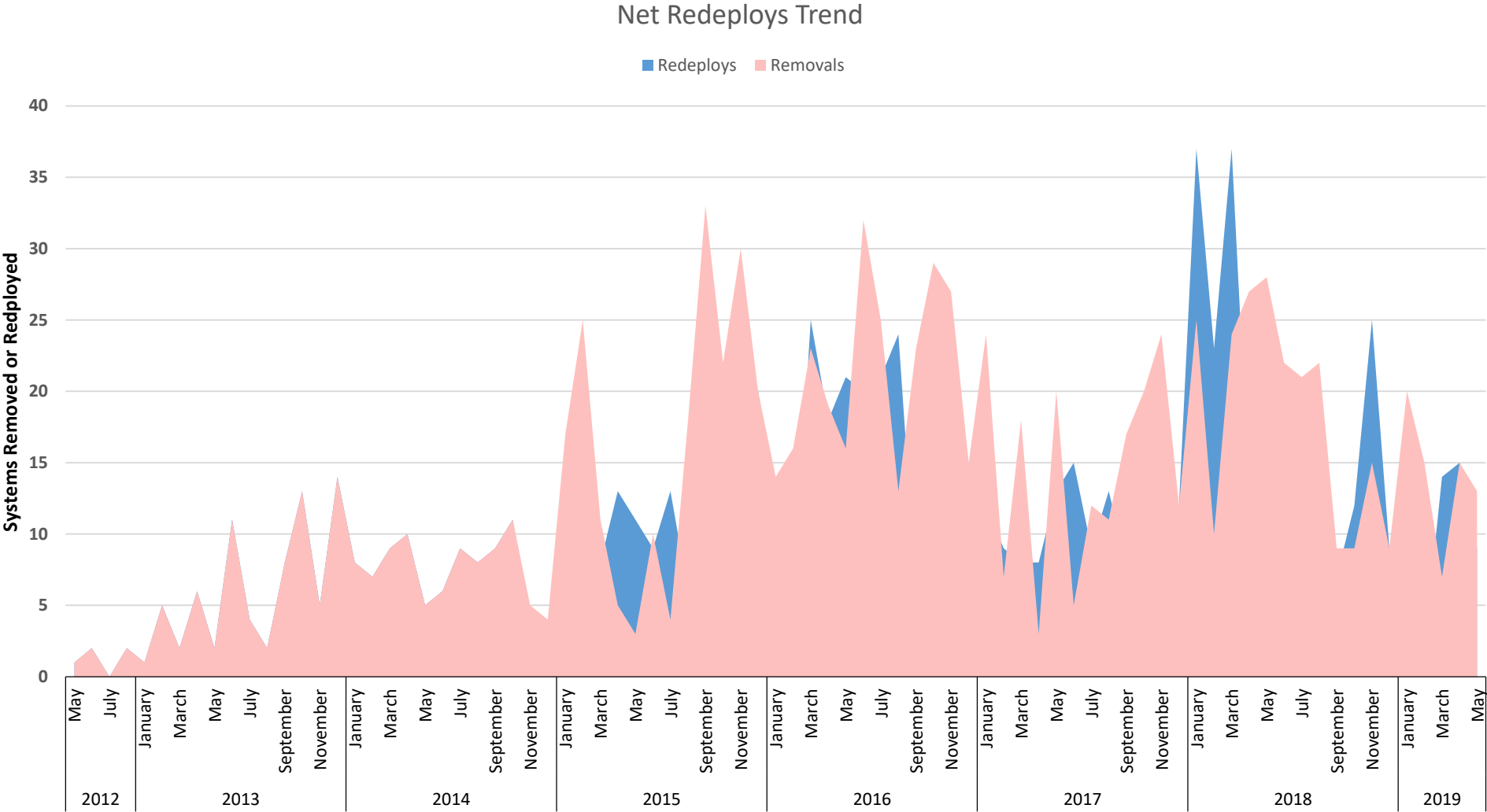
Cumulative % of Customers by Aging Bucket Comparison



Delinquency rates continued to decline in June 2020 month-over-month and remain at historically low levels at 1.3% for 61+ days and 0.2% for 181+ days

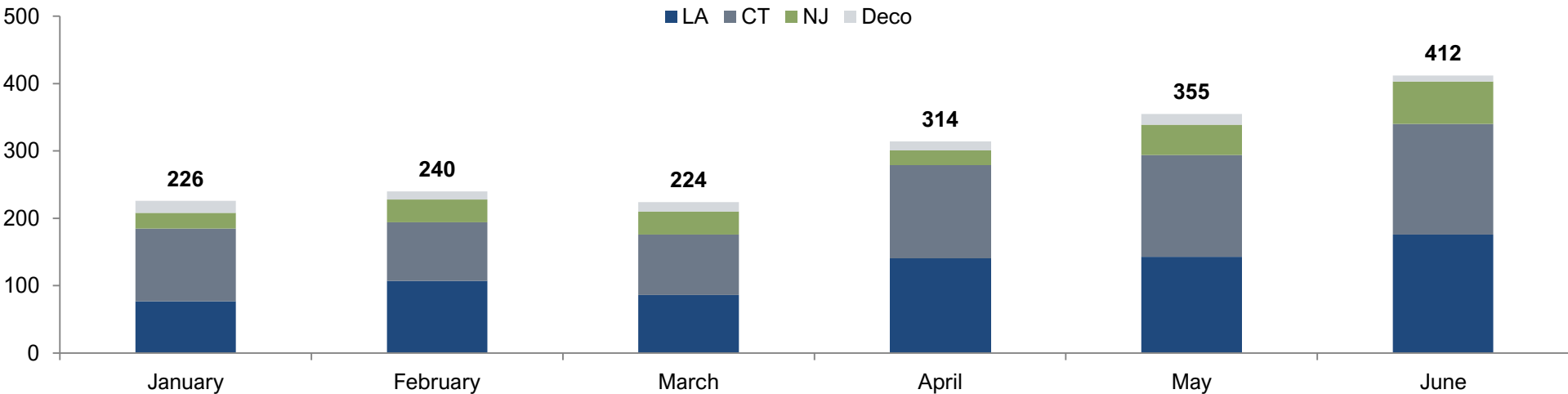
Cumulative Removal and Redeployment Data

PosiGen redeploys a significant portion of the systems it removes. As of May 2019, PosiGen has removed 1,055 systems and redeployed 860 or approximately 81.5% of those systems.



Sales

PosiGen Sales by State Market⁽¹⁾



| Month | Period | LA | CT | NJ | Deco | Total |
|----------|-------------|-----|-----|----|------|-------|
| January | Final | 77 | 108 | 23 | 18 | 226 |
| February | Final | 107 | 87 | 34 | 12 | 240 |
| March | Final | 86 | 90 | 34 | 14 | 224 |
| April | Final | 141 | 138 | 22 | 13 | 314 |
| May | Final | 143 | 151 | 45 | 16 | 355 |
| June | Preliminary | 176 | 164 | 63 | 9 | 412 |

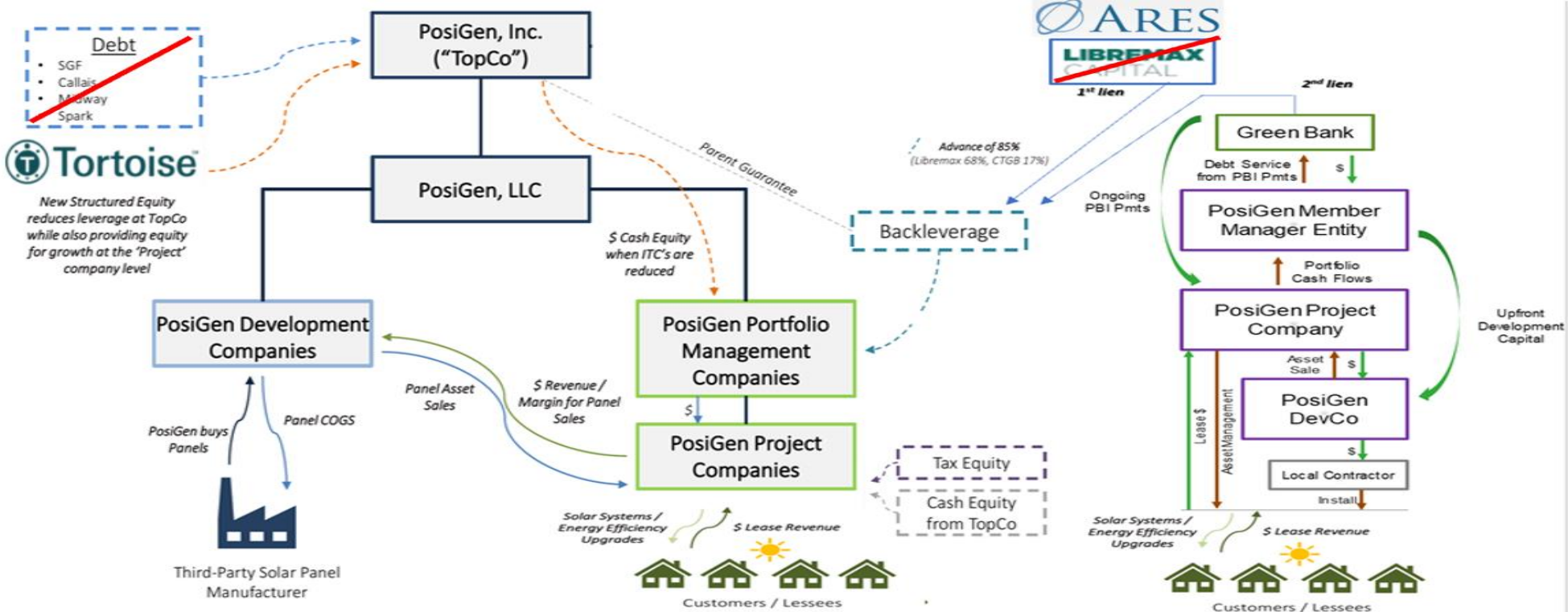
(1) Includes new system sales and redeploys

PosiGen sold 412 systems in June, an increase of 16% month-over-month and 30% year-over-year

The Catalytic CT Green Bank Partnership ... and the Growth Equity Challenge

| FACILITY | Facility Size: | Allocations: | Interest Rate: |
|--|----------------|----------------------------|---|
| CT Green Bank / LibreMax Back Leverage Facility | \$82,611,139 | | |
| LibreMax (68% Borrowing Base) First Lien CT Green Bank (17% Borrowing Base) Second Lien | | \$70,000,000 | L + 8.25%, (min 9.25% - max 12.25%) 7.50% |
| CT Green Bank / New Island Back Leverage Facility | \$6,722,403 | | |
| New Island First Lien CT Green Bank Second Lien | | \$5,377,923 \$1,344,480 | L + 8.25%, (min 9.25% - max 12.25%) 7.50% |
| CT Green Bank / IPC PBI Funding Facility | \$5,000,000 | | 7.50% |
| IPC First Lien CT Green Bank Second Lien | | \$3,624,618 \$1,044,381 | 6.75% 7.50%+skim |
| TOTAL CT GREEN BANK | | \$15,000,000 | |

| | Facility Size: | Allocations: | Interest Rate: | CT Green Bank Change | Others Change |
|--|--------------------|----------------------------|---|----------------------|---------------|
| | \$87,611,139 | | | | |
| Ares (72%) Borrowing Base) CT Green Bank (17%) Borrowing Base) | | \$75,000,000 | L + 6.75%, (min 7.75% - max 10.25%) | | \$5,000,000 |
| | | \$12,611,139 | | 0 | |
| | \$6,722,403 | | | | |
| New Island CT Green Bank | | \$5,377,923 \$1,344,480 | L + 8.25%, (min 9.25% - max 12.25%) 7.50% | 0 | |
| | \$8,000,000 | | | | |
| IPC CT Green Bank | | \$2,624,618 \$5,000,000 | 6.75% 7.50%+skim | \$3,955,619 | (\$1,000,000) |
| | | \$18,955,619 | | \$3,955,619 | \$4,000,000 |



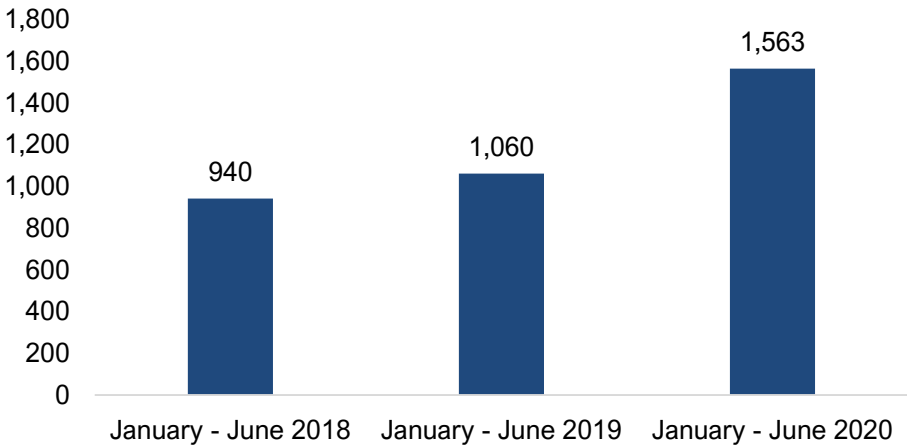
Operating in the World of COVID-19

Message from PosiGen's CEO

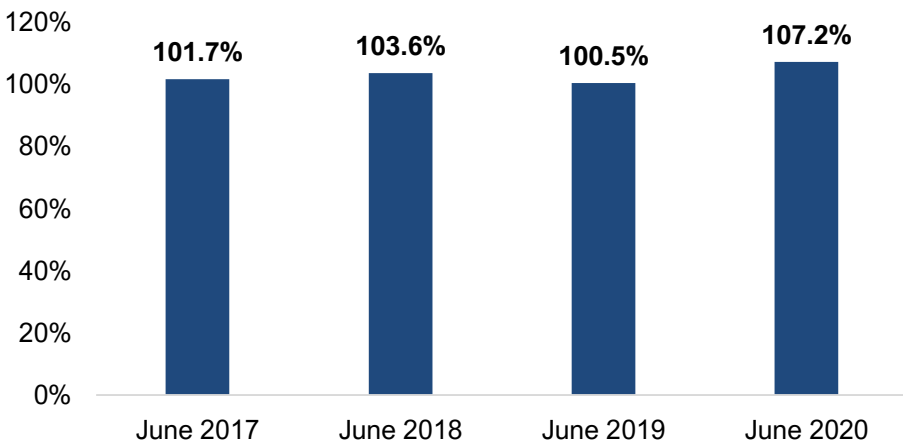
“PosiGen has continuously proved its resiliency over the last nine years, overcoming the entire industry’s disbelief in providing solar and energy efficiency leases to low-to-moderate income families, getting tax equity investors and lenders to buy into our thesis, and emerging from every challenge we have faced stronger and more resolute in our determination to help those families that need it the most. Despite the challenges created by the coronavirus, our sales team is still selling new systems every day and our operations team is still installing new systems every day. I believe investors should be looking at our ability to both sell and install when everyone else sits idle, and recognize that PosiGen is the long-term, no-incentive-needed answer to providing solar for the masses in the U.S.”

- Tom Neyhart, PosiGen Founder & CEO

▪ YTD Installs (# of Systems)



▪ Collections (% of Invoiced Amounts)



- PosiGen continues to track towards a record year with 412 sales and 239 installs in June 2020, both near historic records
- Creditworthiness of LMI customers demonstrated by PosiGen collecting 100+% of invoiced amounts for the lease portfolio




I am going solar with PosiGen
to lower my utility bills.

 PosiGen
Solar Energy and Energy Efficiency

#solarforall

I chose PosiGen to
make my home energy efficient.

 PosiGen
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