Capstone Green Energy

November 2022

Management Presentation

Darren Jamison
President & Chief Executive Officer

Smarter Energy for a Cleaner Future

Safe Harbor

This presentation contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding the financial outlook, business strategy and plans and market trends, opportunities and positioning of Capstone Green Energy Corporation (the “Company,” “Capstone,” “we,” “our” or “us”). These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall” and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the ongoing effects of the COVID-19 pandemic; the availability of credit and compliance with the agreements governing the Company's indebtedness; the Company's ability to develop new products and enhance existing products; product quality issues, including the adequacy of reserves therefor and warranty cost exposure; intense competition; financial performance of the oil and natural gas industry and other general business, industry and economic conditions; the Company's ability to adequately protect its intellectual property rights; and the impact of pending or threatened litigation. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events, or for any other reason.

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Capstone Overview

Capstone provides high efficiency, low emission power generation products and services that enable our customers to:

- ***Lower their energy costs***
- ***Increase their power resilience***
- ***Reduce their carbon emissions***

1 $11.7B Addressable Market

- Diverse customer base across multiple end markets: Commercial CHP, Renewable Energy, Critical Power Infrastructure, Oil & Gas, and most recently Bitcoin and Cannabis
- Our suite of products and services addresses the growing ESG pressures on our customers

2 Positioned for Continued and Accelerating Growth

- Two years of cost realignment has enabled CGRN to invest in direct sales, sophisticated digital marketing, and improved geographic distribution partners
- New products and services – RNG, Hydrogen, and Energy as a Service (“EaaS”) rental fleet
- Growing portfolio of green energy technology partnerships

3 Compelling High Margin Recurring Business Model

- 50% recurring revenues with high expense absorption rate
- Rapidly expanding EaaS rental fleet with goal of 50MW by March 2023
- Improving revenue visibility and margins hitting 25%
- Strengthened balance sheet with recent $8M underwritten public equity offering
- Positive Adjusted EBITDA in the most recent quarter

"Improving the Global Climate Through Sustainable Energy as a Service Solutions"

Aligning With Customers & Stakeholders

Financial and Environmental Savings

To date, Capstone has shipped over 10,000 units to 83 countries and estimates that in FY22, it saved customers over $213 million in annual energy costs and approximately 388,000 tons of carbon.

Total savings over the last four years are estimated at:

$911M
IN FINANCIAL SAVINGS

1.5M Tons
OF CARBON SAVINGS

10,000
MICROTURBINES SHIPPED

DID YOU KNOW?

1.5 MILLION TONS OF CARBON IS COMPARABLE TO THE ANNUAL CO_2 OUTPUT OF ABOUT 291,862 U.S. HOMES RUNNING ON ELECTRICITY

ACCORDING TO A CGS 2019 STUDY

2/3
of respondents (across all ages and genders) consider sustainability when making purchasing decisions

1/2
are willing to pay more for sustainable products

70%
said sustainability is at least somewhat important to them when making a purchase

Capstone Market Trends

Capstone Expanded Product Line-up Addresses On-site Resiliency Concerns from Changing Grid Generation Mix & Customer Sustainability Demands

- Global energy demand continues to rise with the electrification of vehicles and buildings
- Rising share of renewables introduces the need for grid balancing and resiliency
- On-site distributed energy resources and natural gas/low-carbon fuels can support these needs
- Battery energy storage is seen as the technology of choice for balancing and arbitrage with a huge market growth forecast
- Combined heat and power (CHP) is a clean technology and reduces emissions vs the grid even out to 2050, especially with greater availability and affordability of renewable/low carbon fuels
- Oil and Gas sector increasingly looking to valorize waste gases vs flaring/venting as gas prices rise and investors/shareholders demand sustainability in the oil field
- Customers want to hear how solutions can adapt to low carbon/zero emission requirements and deliver results for 25+ years

Capstone Technology Markets

Energy Efficiency

Generate on-site power and capture thermal energy from the exhaust in CHP and CCHP applications for **Hotels**, **Large Residential Complexes**, **Retail Buildings** and **Office Buildings**.

Microgrids

Provide reliable, resilient on-site power through a dual-mode microturbine or in conjunction with other distributed energy resources that can operate independently of the utility grid to balance loads and generation.

EV Charging

Use renewable energy to power the EV charging infrastructure and eliminate strain on the grid and the environment, especially when paired with smart EV charging solutions.

Oil, Gas and Other Natural Resources

Produce on-site power for all phases of O&G production in both onshore & offshore applications for **Drilling Operations**, **Flare Gas Reduction**, **Gas Compression**, **Mining** & **Water Conversion**.

Renewable Energy

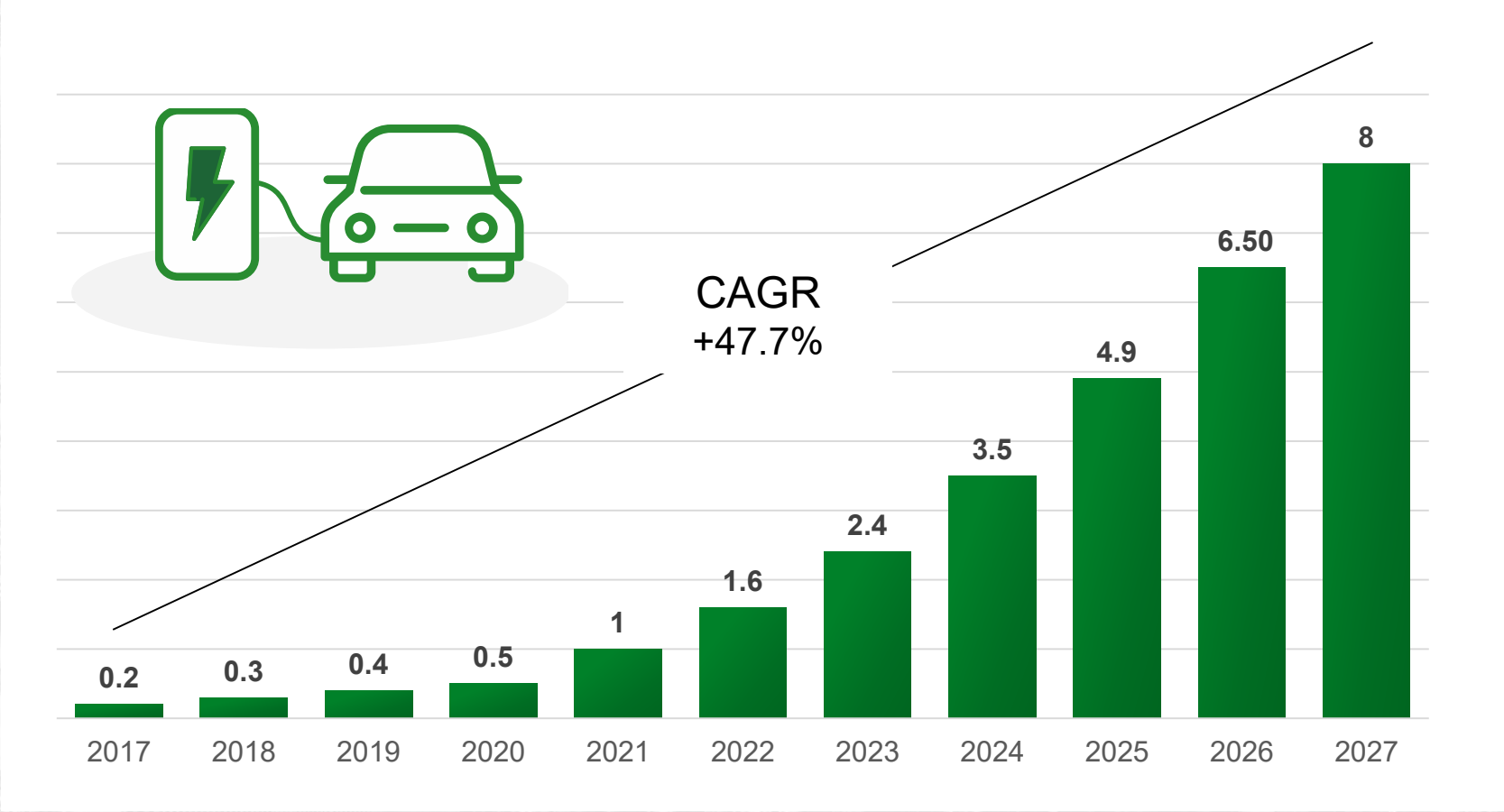
Cleanly and efficiently generate on-site power from biogas and other waste products to create high-efficiency renewable power and heat for Farm Digesters, Landfills, Food Waste and Solid Waste Management.

Critical Power Supply

Mission-critical businesses have an uninterruptible power source with the world's only microturbine-powered UPS solution for **Data Centers**, **Hospitals**, **Telecom** and **Power Rentals**.

Electric Vehicle Infrastructure

Forecast global electric vehicle infrastructure revenues (in billions U.S. dollars)



Source: Statista Mobility Market Outlook

Solutions For a Low Carbon World

Multiple Decarbonization Solutions For a Cleaner Future

Microgrids For Primary Power

- Capstone Microturbines
- Global RAIS - Solar PV
- KORE Power Batteries

Hydrogen Systems

- Capstone Microturbines
- Baker Hughes Turbines
- PowerTap Hydrogen

Plant Efficiency and Resiliency

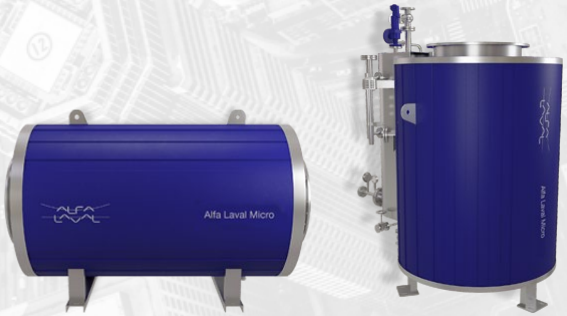
- Capstone Microturbines
- Baker Hughes Turbines
- Alpha Laval

Capstone Green Energy Product Offerings

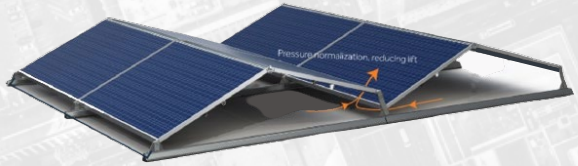
MICROTURBINE SYSTEMS FROM 65KW – 5MW

BAKER HUGHES TURBINES FROM 5MW-16MW

KORE POWER BATTERY STORAGE SYSTEMS



ALFA LAVAL HEAT RECOVERY CHP SYSTEMS

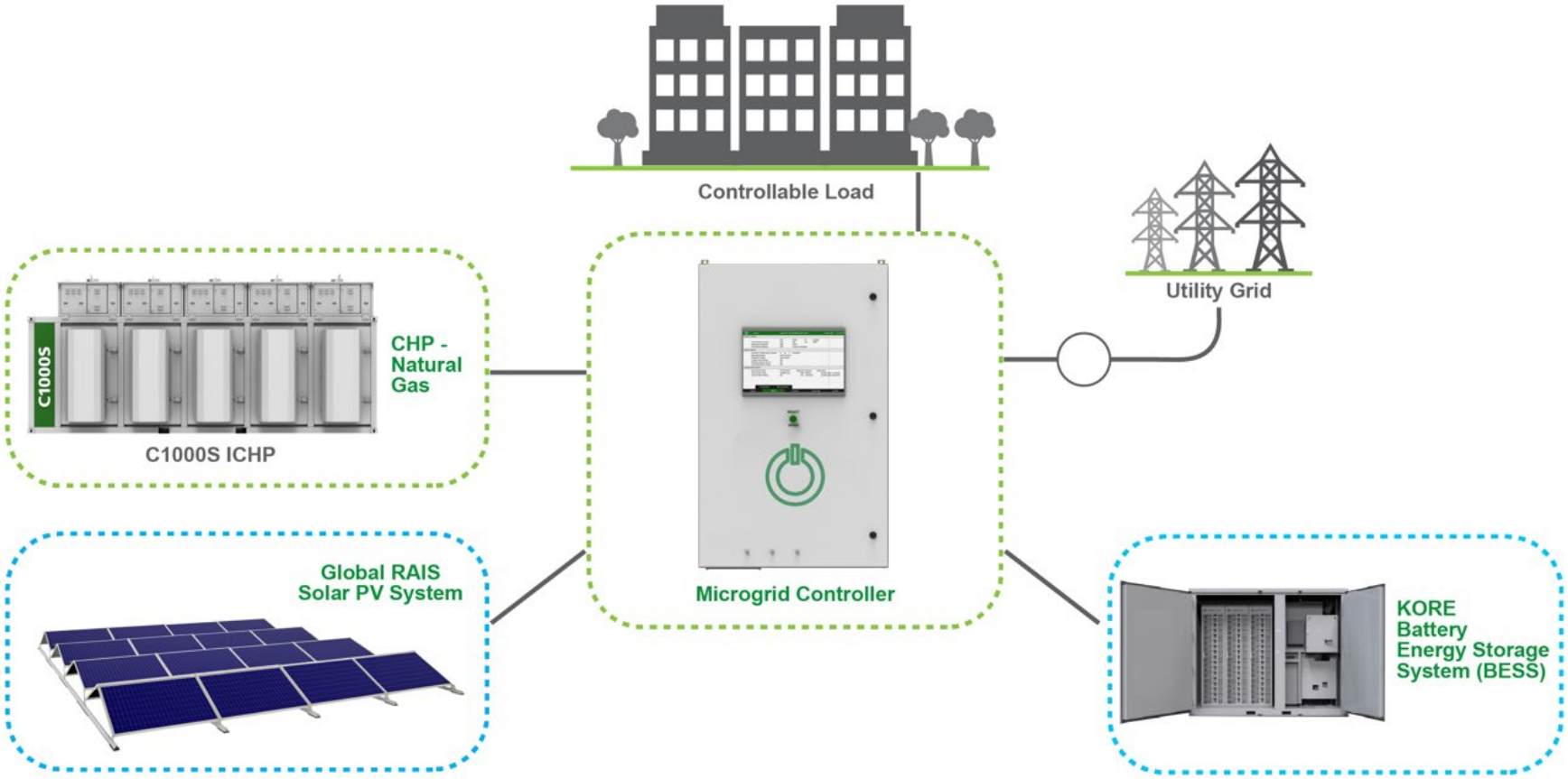


SOLAR PV SOLUTIONS

POWERTAP HYDROGEN GENERATION & FUELING SYSTEMS

Smart Microgrid Overview

Pre-Engineered Capstone Microgrid Solution for On or Off the Grid



Recent U.S. Policy Changes

DARREN JAMISON
Chief Executive Officer

New Inflation Reduction Act 2022

The New Package if Passed, is Expected to Raise $739 Billion, of Which $369 Billion Would Be Dedicated to Climate and Energy Programs.

The biggest impact for Capstone Green Energy is related to Tax Credits – Section 45 (Production Tax Credit) and 48 (Investment Tax Credit).

- Section on 45d – The Biomass/Biogas Tax Credit, which expired Jan 1, 2022. **The new legislation would amend it to expire for projects that start construction on/after Jan 1, 2025.**
- Bonus for Domestic Content: **10% for qualified facilities manufacturing products that is a component of the facility was produced in the United States**.
- **ITC will increase from 10% to 30% through 1/1/25 and up to 30-40% through 2035** (if meeting zero-emission, labor requirements, and domestic content) for CHP and biogas projects. Labor requirements waived for projects <1MW.
- Energy storage, qualified Biogas property, and Microgrid Controllers are added in as eligible technologies eligibility through 2034 with a 6% ITC.
- Energy storage includes hydrogen storage and thermal energy storage.

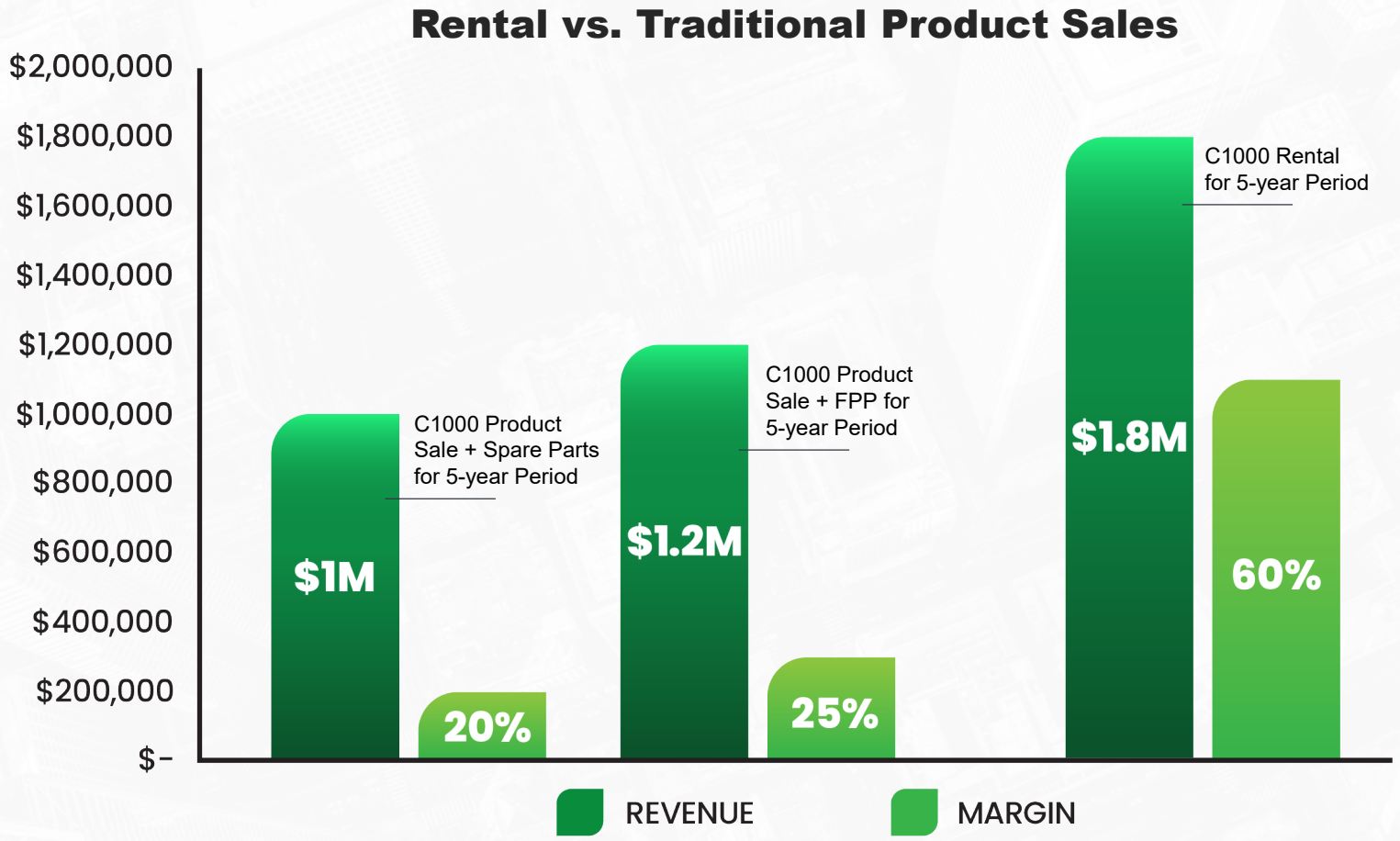
Note: Energy storage specifically excludes CHP but hydrogen storage and thermal storage are included.

Energy as a Service (EaaS) Business

DARREN JAMISON
Chief Executive Officer

EaaS Rental Fleet Business Case

Hypothetical Example for Capstone Owned Rental Units



Note: the above rental data is approximately equal to the average of our current rental fleet financial performance

EaaS Long-Term Rental Fleet Growth

14MW of Current Contracts Using Re-rented Equipment

- Includes re-rented equipment with lower capital costs but lower margin rates
- Most re-rent contracts have a future purchase option

Business Summary

DARREN JAMISON
Chief Executive Officer

Capstone Business Catalyst Summary

- New US Policy driving improved project economics.
- Strategic business plan is creating a larger TAM.
- Continuing the expansion of the higher margin EaaS from 39MW to 50MW by March 31, 2023.
- Rentals are expected to improve cash flow and margin rates.
- Revenue growth strategy in place.
- Direct Sales Solution team focused on top-line revenue growth – Larger customers with larger rollouts.
- $8M CMPO strengthens the balance sheet and reduces customers' perception of adoption risk and EaaS risk.
- Leveraging Network Partners to drive revenue growth.

Wood Mackenzie

"Energy storage is seeing a rapid increase because of lower battery cost and will be a $7.6B annual market in 2025."

Navigant Research

"Total microgrid capacity is expected to grow multi-fold over the next decade – reaching 20 GW by 2028 from 3.5 GW in 2019."

APPENDIX

Microturbine Product Suite

Capstone Green Energy's Core Technology

C65 ICHP | C200 ICHP | C600 ICHP | C800 ICHP | C1000 ICHP

Patented Air Bearing Technology
No lubricants or coolants needed

Inverter Based w/ One Moving Part
Factory guaranteed low operating costs

High Power Density
Compact footprint with small modular design

Stand Alone Or Grid Connect
Supports aging utility infrastructure w/on-site resiliency

Fuel Availability
Natural gas, biogas, liquid fuels & a hydrogen blend

Free Clean Waste Heat
Thermal energy for cogeneration or trigeneration

Remote Monitoring
View performance and diagnostics 24/7/365

Scalable To Match Demand
Multiple applications and industries

Global Rais Solar PV Systems

APEX DUO - Complete Solar Energy System

GLOBAL RAIS®
Energy & Storage Solutions

APEX DUO Wave Rack

Highest Energy Density

- Shade tolerant design allows more PV modules to be packed into a limited space at a higher tilt.

Redundant Solar

- No single point failure – unlike conventional solar PV, every element of the systems have multiple connections making the entire system highly resilient.

Storage Ready Now

- Modules can charge batteries directly for true DC-DC storage.

Extremely Maintainable

- Smart low voltage design, maintaining a device is safe and easy by trained staff, eliminating the need for costly specialists.

Global RAIS® solutions allow customers to have more power generation over the life of their systems in the same square footage as a conventional solar system.

—

64% More Energy

THAN A CONVENTIONAL SOLAR SYSTEM

2,900+

INSTALLATIONS WORLDWIDE SINCE 2010

Battery Energy Storage Systems

Vertically Integrated Energy Storage System (ESS)

Power Quality Management

- Frequency Regulation & Voltage Reduction

Demand Charge Reduction

- Utility scale monthly and annual capacity & transmission reduction
- Commercial application for removing large start-up loads and associated demand charges

Islanding // Microgrid

- Allows system to operate as a stand-alone power disconnected from the grid.

Peak Shaving // Peak Shifting

- Eliminates “ratchet charges” for commercial customers
- Moves PV energy from the daytime generation peak to the late afternoon and evening consumption peak.

Distributed energy storage has followed the same path as distributed generation, moving the storage systems closer to the end user either on the distribution network or behind-the-meter.

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110.7 kwh

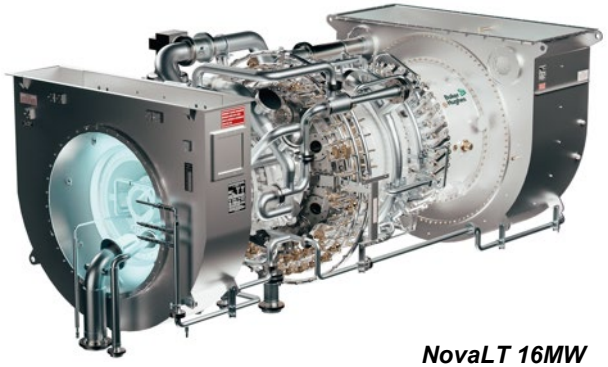
ENERGY

Baker Hughes Industrial Gas Turbines

NovaLT Family – 5MW, 12MW or 16MW

Baker Hughes

NovaLT 5MW



NovaLT 16MW

Low maintenance cost with 99% availability

- 3-4 years continuous run without maintenance stops
- NovaLT5-1 ... 30 hours engine swap
- NovaLT12, LT16 ... 24 hours engine swap

New modular design platform

- Leading to competitive cost and reduced activities at site for installation.
- Forward thinking, design flexibility, uniform speed & quality.

Increased Partial Load Performance

- Significantly higher than competition, while being slightly better at full load.

Capstone Green Energy in partnership with **Baker Hughes** provides commercial and industrial customers with large scale its line of NovaLT gas turbines.

35,000 hrs
OF CONTINUOUS RUN W/NO PLANNED INSPECTIONS

UP TO
100% Hydrogen
PROVEN & AVAILABLE TODAY

Alfa Laval Heat Recover Systems

Alfa Laval Micro 606 and 718

Product Features

- Designed for heating hot water, TEG, TFO, or generating steam
- As standard, equipped with regulation damper and electrical actuator for easy regulation of capacity
- Horizontal and vertical versions for in and outdoor installation
- Dry run possible, requiring no external exhaust bypass
- Finned spiral tube coil in corten or stainless steel (media side), fitted in a large isolated chamber (gas side).

Alfa Laval heat recovery comparison vs Cain for Hot Water CHP

Alfa LAVAL

$49,350 COST TO DISTRUTOR W/ 2.49 MMBTU

VS

CAIN

$90,700 COST TO DISTRUTOR W/ 2.43 MMBTU

Capstone Green Energy

Time to take the power in your hands.

www.capstonegreenenergy.com

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Clients come to us looking to meet a new environmental, social and governance standard, or maybe they simply want to attain a LEED green building certification. At Capstone Green Energy, we provide thoughtful custom solutions to improve their cost of on-site energy and reduce their carbon footprint, while also providing critical energy resiliency. Businesses shouldn't wait for the government to make them innovate or let the competition innovate first. Businesses need to take control of their energy future now because with Capstone Green Energy, the power is in their hands.

DARREN R. JAMISON
President & CEO

NASDAQ: CGRN