

CUI GLOBAL

CUI Global, Inc.

Nasdaq: CUI

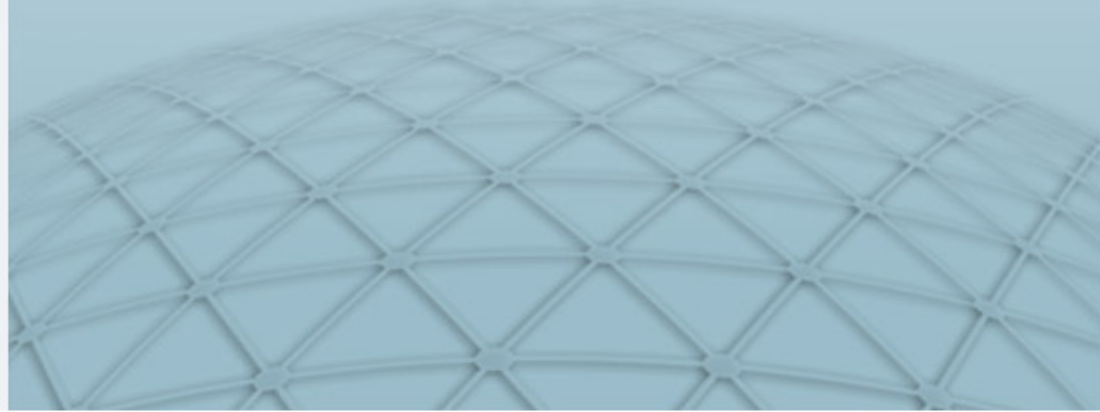
2018 Annual Meeting of  
Stockholders

December 3, 2018

**Presented by**

William J. Clough

President & Chief Executive Officer



## Forward-Looking Statements

*This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are subject to risks and uncertainties that could cause actual results to vary materially from those projected in the forward-looking statements.*

*The company may experience significant fluctuations in future operating results due to a number of economic, competitive, and other factors, including, among others, our reliance on third-party manufacturers and suppliers, government agency budgetary and political constraints, new or increased competition, changes in market demand, and the performance or reliability of our products.*

*These factors and others could cause operating results to vary significantly from those in prior periods, and those projected in forward-looking statements. Additional information with respect to these and other factors, which could materially affect the company and its operations, are included in certain forms the company has filed with the Securities and Exchange Commission.*

# Company Highlights

## Innovative Products

- Power & Electro-Mechanical Division is profitable and growing providing steady operating cash flow and underlying valuation support
- Energy Division is poised for growth as global players accelerate large scale deployments
- Together our two segments are addressing multi-billion dollar TAMs with disruptive products

## Significant Near Term Catalysts

- **\$41.6M (vs. \$32.8M)** backlog supports growth trajectory
- Resumption of Snam Rete contract brings Energy Division to meaningful profitability and adds \$10.0 million in annual revenue at 45+% operating margin
- GasPT analyzer expanding into new multi-billion markets like gas turbines and transmission analytics
- UK biomethane terminals

## Proven Value Proposition

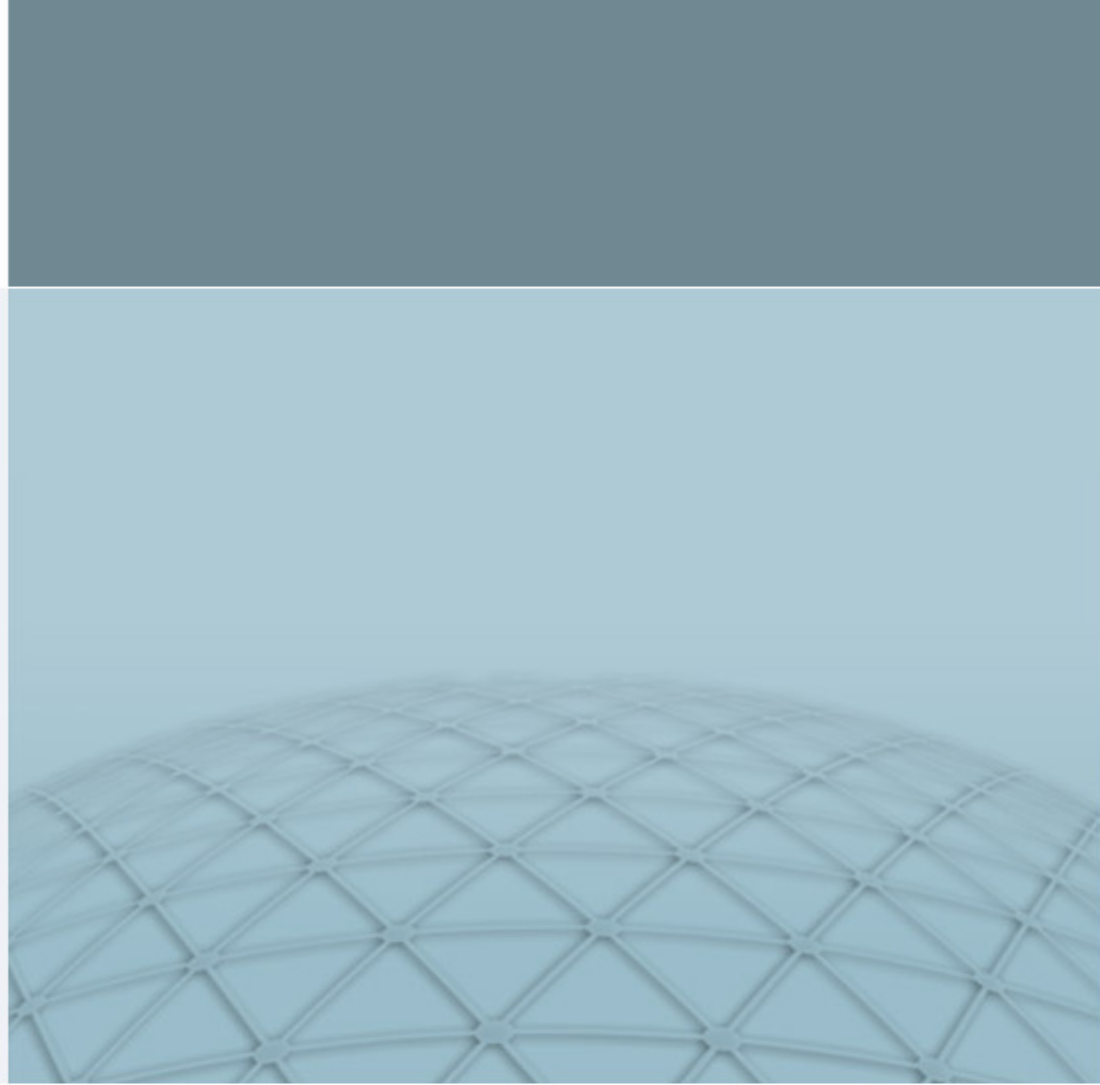
- Proven ability to partner with global leaders like Snam Rete, National Grid, DNV GL, GE, Samson AG, Philips, Arrow, Digi-Key and others
- Snam Rete and National Grid are reference accounts for wins with PetroChina, ENGIE, North American pipelines
- 50 GasPT analyzers installed from the Snam Rete contract leading to an average of 15% increase in recognized revenue compared to traditional measurement systems

\*Excludes outstanding balance on line of credit paid down subsequent to FQ3'17

\*\* Includes ~7.4 million shares issued in October 18 public offering

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# Recent Developments



# Key Developments – Snam Rete Gas

## GasPT: For Fiscal Monitoring

- 3,300 GasPT contract awarded on February 11, 2016
- 400 GasPT units delivered in 2016
- 50 GasPT units installed
- Deployment delayed due to Italian regulatory matter
- July €310.0 million EIB loan reaffirmed commitment to project
- August 2017 tariff resolutions published
- CUI has received confirmation that orders will resume
- At 100 units a month Energy division is profitable
- Ultimate Deployment = 7,000 units (€130.0 million)



SRG: €15.0 Billion Mkt Cap  
Italy's leading company in the transport and  
dispatching of natural gas.

*“San Donato Milanese, July 26, 2017 - Snam signed a loan agreement of EUR 310 million with the European Investment Bank (EIB) for funding some projects aimed at boosting the Italian gas system, making the network even safer . . . .The loan is intended for investments for an estimated total cost of over €600 million and mainly concern: . . . the updating of measurement systems located at the network's redeployment points through the acquisition of natural gas measurement plants by final customers . . . .”*

*“San Donato Milanese, 4 August 2017 - The Regulatory Authority for Electricity Gas and Water (AEEGSI) has published the Resolution n. 575/2017/R/gas which sets out the tariff criteria for the gas transmission activity during the Transitory Period 2018-2019.”*

# Key Developments – DNV GL

## GasPT: For Fiscal Monitoring

### Future Billing Project U.K.:

- Initial Network deployment has been very positive
- Project Study (2015) = £1.5 million
- 8 GasPTs used in £2.1 million project extension
- Ofgem approval, phase 2 field trial announced on October 4<sup>th</sup> (see page 71 of Stage Gate Report)
- [Stage Gate Report](#)
  - Deployment of as many as 45,000 GasPT units
  - Initial bid of £500,000,000 over 15 years
- Future Billing Project France (ENGIE):
  - Initial deployment of as many as 100,000 units
- Future Billing Project Western Europe:
  - DNV GL predicts value €6.0 to €7.0 billion



DNV GL: 23.3 B NOK Revenue  
Leading advisor to the global oil and gas industry with 13,500 employees and 350 offices in more than 100 countries.



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# Power & Electronics Segment – Upside Opportunity

## ICE TECHNOLOGY

### ICE Switch

- Power monitoring and switching system
- Complimentary to ICE Block
  - **UL certifications received** - UL/cUL and TUV 60950-1
  - **Production release announced** on August 9, 2017
  - **First order for 950 units announced** on October 17, 2017



### ICE Block

- Currently in beta and sample testing
- Feedback to date in-line or better than expected
- Currently seeking product certifications



## TAM ANALYSIS

### SAP COIL LAB

- 45 Worldwide Data Sites

### Small data center

- \$750,000 opportunity

### Average data center

- \$2,000,000 - \$3,000,000 opportunity

### Large data center

- \$30,000,000 opportunity

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