

EUROPEAN ENERGY VENTURE FAIR 2003

VECTRIX

ADVANCED TRANSPORTATION SOLUTIONS

The European Energy Venture Fair 2003

October 28 2003
Zurich, Switzerland



An Innovative Product Offering

- First generation vehicle is a large, fast, long-range electric motor-scooter
 - Power of a 400cc, torque of an 800cc motorbike
 - 0-50/km in 3.7 secs
 - 110km range at 40/kmh
 - Zero emissions, low noise
- At \$6,599 Vectrix is 21% cheaper to own than a 400cc scooter
- Product complete and tested, European homologation underway
- 5 US patents awarded, 111 claims, 6th patent pending
- 2nd generation vehicle, DMFC/Battery Hybrid underway
 - Co-development with Parker Hannifin & Giner
 - Demo bike at FC Symposium South Beach, FL 11/5/03
 - Consumer launch expected 4/1/06

A Valuable Market to Capture

- Global Market: 30 million Powered Two Wheelers annually
- 5% annual unit growth
- Competitors: Honda (Japan), Harley Davidson (USA) Bajaj (India), Piaggio (Europe)
- Urban sales strategy 23 Target cities in Europe & USA
 - Consumer sales
 - Company/Franchise stores
 - Independent dealers
 - Fleet sales
 - Rental fleets
 - Government
 - Commercial fleets
- Strong early unsolicited interest from dealers in Europe, UK, USA and Japan



Our Business and Revenue Model

- We are a technology, design and brand management firm focused on 2&3 wheel ZEV for urban commuters
- Manufacturing is done at supplier level, assembly is outsourced, styling is outsourced
- Summary Financial Forecast:

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Total Units	1,910	9,050	16,450	25,475	35,650
Total Sales (USD)	\$12.1	\$59.3	\$108.7	\$167.8	\$236.9
EBITD	(\$5.1)	\$4.4	\$16.1	\$32.1	\$55.6
NCF before Financing	-7.7	-5.3	1.2	3.2	14.6

- Break even cash flow expected end of 2005
- Require \$13 million to fund marketing expenses and working capital
- Most important factor for this business is consumer adoption

A Team of Excellence

- Team has a history of success in the motorcycle, aerospace and alternative energy industries
 - Andrew MacGowan/Chairman & President
 - SVP of Quadrax Corporation, subcontractor to Lockheed Martin's F-22 Raptor; Founder of Newport Offshore Ltd; Assistant to Olin Stephens of Sparkman & Stevens
 - Carlo Di Biagio/CEO-Europe
 - Former CEO/CFO of Ducati Motorcycle; CEO of Cesare Fiorucci; 17 years at Procter & Gamble
 - Christopher Moe/CFO
 - MD GH Venture Partners; President of St. Louis Ship; VP Wasserstein, Perella; VP Citibank
 - Peter Hughes/CTO
 - Advanced Energy Systems Division of Westinghouse Electric Corporation, Executive Vice President for Atlantic Orient Corporation
- 13 employees; need VP Marketing, CIO, Country Heads
- 7-man Board of directors

Summary of fundraising offering

- Past Rounds
 - Raised \$16 million to date
 - 100 shareholders
 - 36% owned by institutions
- Current Round
 - Raising \$15-20 million
 - Close round by year end
 - One lead, several co-investors
- Use of Funds: tooling, advertising and working capital
- Exit possibilities:
 - IPO within 3 years
 - sale to strategic buyer within 3 years

