

Clear Blue Technologies International Inc. The Smart Off-Grid™ Company

Q1 2021 Earnings Call



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Forward Looking Statements

This presentation contains forward-looking statements, which can be identified by the use of forward-looking terminology, such as but not limited to: “may”, “intend”, “expect”, “anticipate”, “estimate”, “seek”, or “continue”, or the negative thereof or other variations thereon or comparable terminology. In particular, any statements, express or implied, concerning trends, future operating results, growth, performance, business prospects and opportunities or the ability to generate revenues, income or cash flow are forward-looking statements. These statements reflect management’s current beliefs, including beliefs as to future financial and operating results, and they are based on information currently available to management.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to known and unknown risks and uncertainties. Such risks include but are not limited to: the impact of general economic conditions, market volatility, fluctuations in costs, and changes to the competitive environments, as well as other risks disclosed in the public filings of Clear Blue and its publicly filed press releases.

Certain forward looking information should also be considered future-oriented financial information (“FOFI”) as that term is defined in National Instrument 51-102. The purpose of disclosing FOFI is to provide a general overview of management’s expectations regarding anticipated results or market conditions. Readers are cautioned that FOFI may not be appropriate for other purposes.

These factors should be considered carefully and undue reliance should not be placed on forward-looking statements. Although the forward-looking statements are based upon what management believes to be reasonable estimates and assumptions, Clear Blue cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements.

Unless specifically required by law, Clear Blue does not assume any obligations to update or revise these forward-looking statements to reflect new events or circumstances. Clear Blue seeks safe harbor.

Agenda



Quick Overview of Clear Blue



Discussion of 2021 Q1 Results



Future Outlook

Overview



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What We Do

We deliver clean managed wireless power – anywhere and anytime



Highly reliable power source from solar or hybrid solar power with built-in communications.

Off-Grid Power



Delivered in preconfigured, prewired Power Packs simplifying upgrades for local installers.

Mission Critical Devices



Designed for uptime availability with the ability to remotely monitor, control, and proactively manage.



Lowest TCO possible to allow for modularity, parallelization, and sizing, efficiencies.

Clear Blue's Business Model



Reliability Designed In

- A highly reliable power source
- Solar or hybrid solar power with built-in communications
- The ability to remotely monitor, control, and proactively manage
- Designed for uptime availability
- Delivered in preconfigured, prewired Power Packs simplifying upgrades for local installers

BRAND PROMISES



Maximum uptime



Longest life



Easy to install and maintain

DIFFERENTIATORS



Energy forecasting and management



Troubleshooting and remediation

The lowest TCO possible to allow for modularity, parallelization, and sizing, efficiencies.

Smart Off-Grid in Telecom – Moving from Analog to Digital



Everyone Else



Clear Blue

Telecom Applications and Customers



Uganda

Remote 2G & Wifi



Mayu Facebook

Microwave 2G/4G



Nigeria

Remote 4G / 2G



Global Communications Extension Services



Illumient Applications & Customers



Anywhere that trenching/cabling costs are prohibitive, the grid is unreliable or maximum uptime is needed!



Rural Intersections



Eco-friendly Cities



Reduce Grid Reliance



Safety Lighting with No-Grid



Illuminate Critical Safety Infrastructure



Light Major Roadways



Reduce Construction Disruption



What Clear Blue Delivers

Clear Blue's Smart Off-Grid power provides the complete off-grid power solution with increased power reliability through ongoing remote power management service.

Mission critical devices can be **easily installed** anywhere, powered by clean energy, **remotely monitored, & managed**, for greater **uptime**, improved reliability & **lower cost**.



MANAGE



CONTROL



SERVICE

BRAND PROMISES



Maximum uptime



Longest life



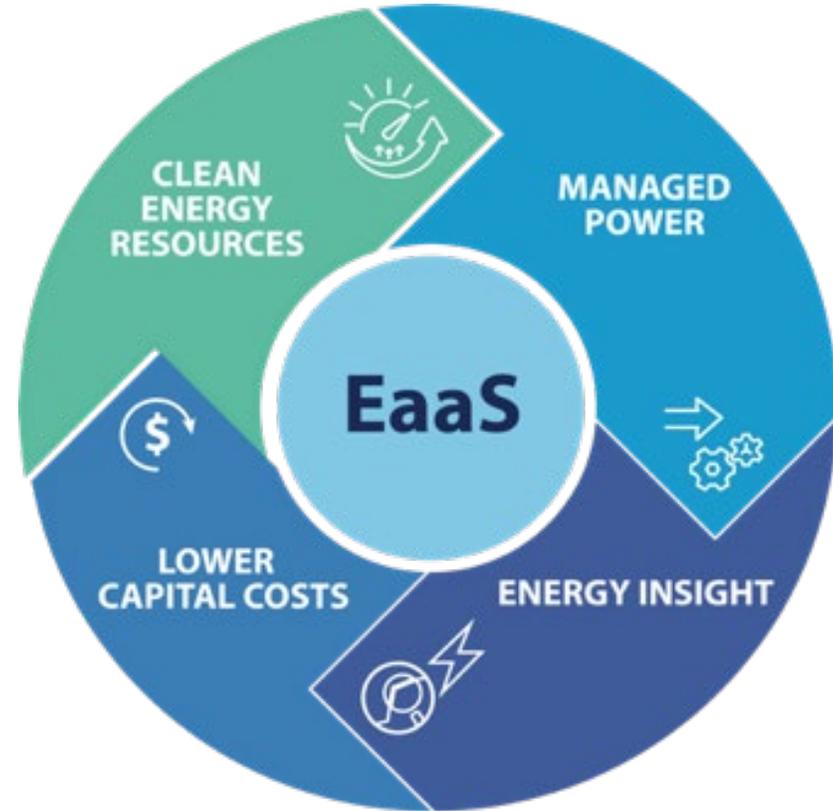
Easy to install
and maintain

How We Deliver



Energy as a Service

We manage and operate the power service and systems for our customer on an ongoing basis.



2021 Q1 Results



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Revenues

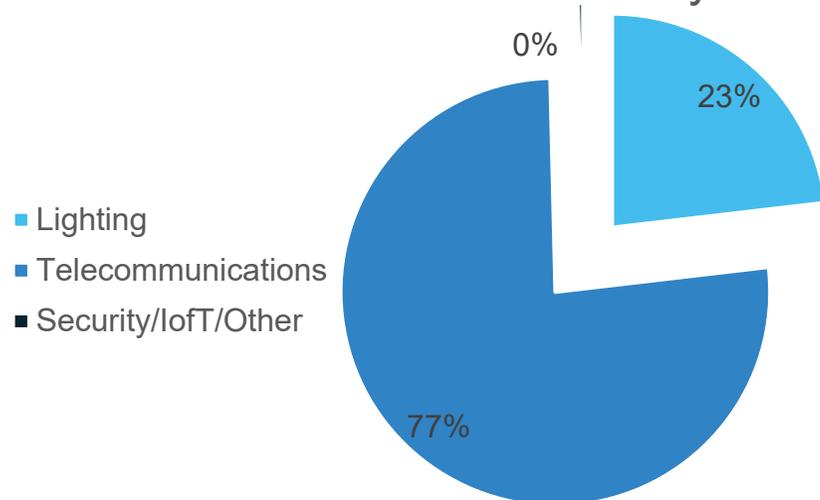
- Revenue for the three months ended March 31, 2021 was **\$3,459,007**.
 - **1,352% increase** from the same period ended March 31, 2020.
- TFQ revenue for the period ended March 31, 2021 was **\$7,244,647**.
 - **87% increase** over the TFQ ended March 31, 2020.



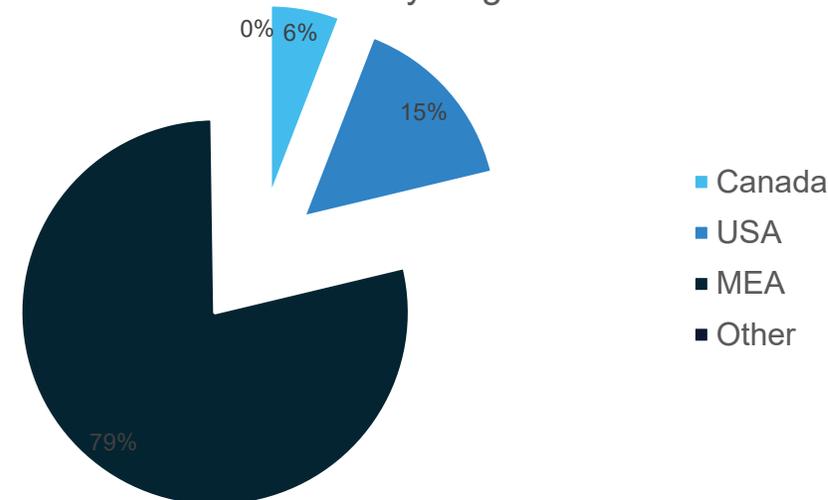
2020 Annual Sector & Regional Results



TFQ 2021 Revenue by Vertical



TFQ 2021 Revenue by Region



Revenue by Vertical	TFQ ended March 31		%
	2021	2020	
Lighting	1,676,569	2,848,458	-41%
Telecom	5,540,954	1,077,672	414%
Security/IoT	27,124	(56,924)	52%
Total	7,244,647	3,869,206	87%

Revenue by Region	TFQ ended March 31		%
	2021	2020	
Canada	424,828	231,099	84%
USA	1,114,283	1,326,438	-16%
MEA	5,688,916	1,689,510	237%
Other	16,620	622,159	-97%
Total	7,244,647	3,869,206	87%

Bookings



Bookings as of March 31, 2021	Revenue		
	Total	Year 1	Year 2 and Beyond
Illumience / EaaS Deferred Revenue	938,597	414,275	524,322
Purchase Orders	1,402,472	804,418	598,054
Total Bookings	2,341,069	1,218,693	1,122,376

Recurring Revenue

- Clear Blue's managed services is a key differentiator that is a foundation of our market leadership position
- Key for mission critical applications
- Our base Illumience and our enhanced Energy as a Service offerings build customer loyalty and provide critical learnings to allow us to maintain our market leadership



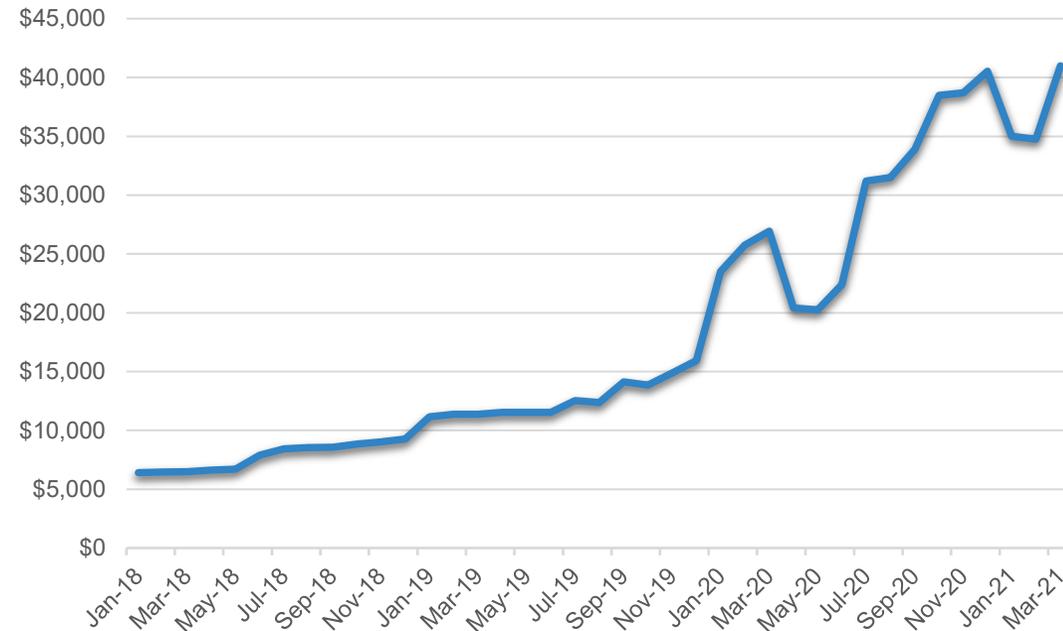
Bookings

- Bookings will be delivered over the next three years in the case of Illumience/EaaS and typically in the next 1-4 months in the case of production orders
- As of March 31, 2021, Clear Blue's bookings are **\$2,341,069**, a **44%** decrease over Q4 2020, resulting from realization of production orders in the Quarter.

Recurring Revenue

- Monthly Recurring revenue, from Illumience & EaaS, has increased by **45%** in Q1 2021 as compared to Q1 2020.
- Since the company's founding, every system sold includes ongoing Illumience management and monitoring.

Monthly Recurring Revenue

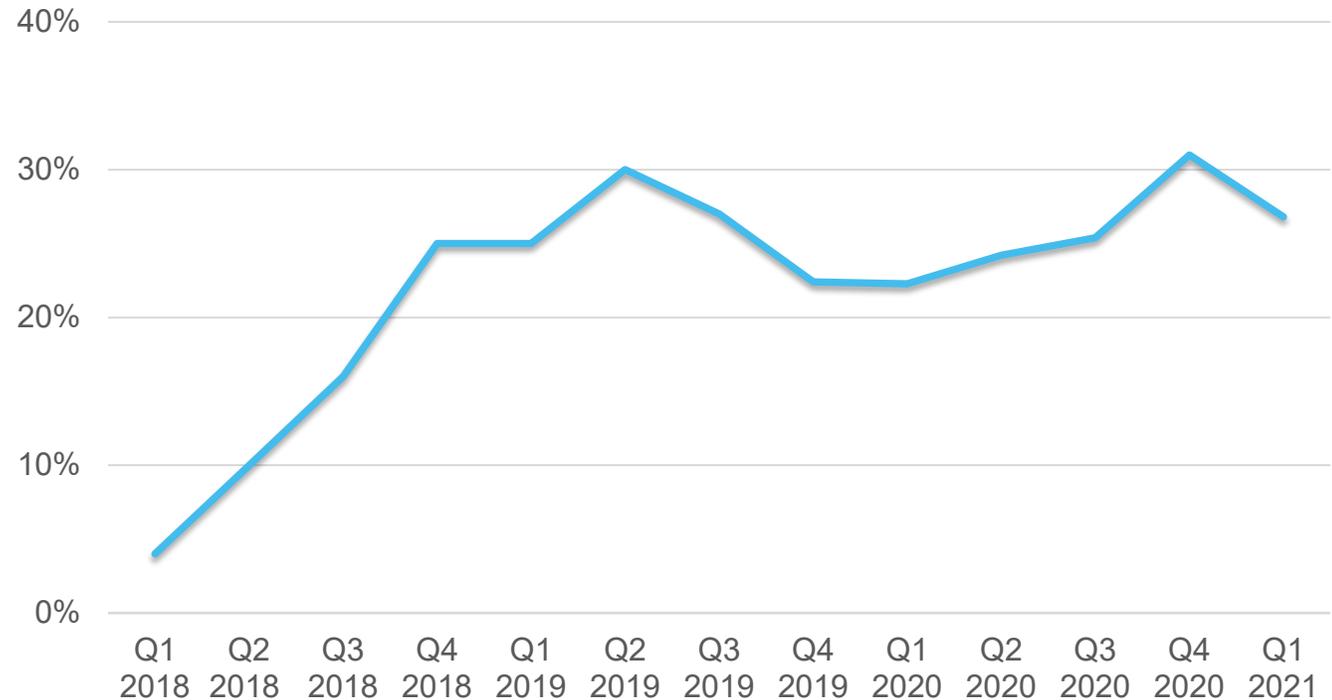


	March 31, 2021	March 31, 2020	Change
Deferred Revenue	\$938,597	\$468,686	100%

Gross Profit

- Gross profit for Q1 was **\$751,163** or **22%***.
- Gross Profit for TFQ was **\$1,941,028** or **27%**, up from the TFQ of the previous period's gross profit of \$862,030 or 22%.
- Improved Gross Margins resulted from significant R&D efforts as well as supply chain management.

TFQ Gross Margin by Percentage of Revenues



* Gross margin was 22% of sales for the quarter, down from a Gross Margin of 32% in the same period in 2020, mainly resulting from a strategic one-time deal to support a major customer in their first roll-out in Africa. Excluding this one-time deal, the Gross Margins % of the company actually remained relatively consistent at 30% for the quarter

Operating Expenses

- Operating expenses for the quarter ended March 31, 2021 were **\$1,024,864** a decrease of **\$239,473** for the same period in 2020.
- Operating expenses for the TFQ ended March 31, 2021 were **\$4,389,751**, a decrease of **\$1,026,854** or **19%** compared to the same period in 2020
- This is mainly due to government Covid-19 funding support of \$995,816 and lower bad debts written off by \$146,044 for the TFQ ended March 31, 2021.

Operating Expenses	Quarter Ending March 31	
	2021	2020
Salaries, wages and benefits	333,973	262,255
Research and development	120,868	326,159
General and administrative	247,000	172,799
Stock-based compensation	72,842	100,989
Travel	4,468	82,409
Business development and marketing	155,870	160,194
Rent	20,346	39,150
Professional fees	34,244	87,053
Depreciation of property & equipment	35,253	33,329
Total Operating Expenses	1,024,864	1,264,337

*Core Operating expenses = Salaries, R&D, G&A, Travel, Bus Dev, Rent, & Prof Fees

Adjusted EBITDA (\$ CAD)



Result of Operations	Three months ended			TFQ ended		
	March 31, 2021	March 31, 2020	Change	March 31, 2021	March 31, 2020	Change
Revenue	3,459,007	238,171	1,352%	7,244,647	3,869,206	87%
Cost of sales	(2,707,844)	(161,037)	1,582%	(5,303,619)	(3,007,176)	76%
Gross profit	751,163	77,134	874%	1,941,028	862,030	125%
Gross margin %	22%	32%		27%	22%	
Non-IFRS Operating expenses	(1,168,132)	(980,558)	19%	(5,044,858)	(4,535,410)	11%
Non-IFRS Adjusted EBITDA*	(416,969)	(903,424)	54%	(3,103,830)	(3,673,380)	16%

*14% improvement in TFQ adjusted EBITDA; Government Covid Subsidies are BELOW EBITDA in our reporting

Summary: 2021 started with success

- Delivered the company's best quarter ever with topline revenue TFQ now greater than \$7 million;
- 3 Large Rollout projects shipped in the quarter;
- Strong growth in recurring revenues
- A top performer on the TSX-V over 2020 and recently named one of the top 50 performers on the TSX Venture exchange;
- Began trading on the OTC-QB;
- Continued strong margins, focus on managing operating expenses

Outlook – We are the Market Leader



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Strong Global Traction



OUR GROWTH STRATEGY



Enhanced penetration of North American, African Lighting, and Smart City Markets



Telecom sector first installs and key partnerships transitioning now to large-scale rollouts



Energy as a Service to drive recurring revenue

>400
Customers

25/9
States & provinces

37
Countries

>7,000
Units deployed

>5.4 million
Days of operation

>10 Billion
Cloud Transactions

Illumient Streetlight Business



- Spending on clean infrastructure is top of mind with many governments, including both U.S. and Canada. Because of this, we expect continued strong growth in this market;
- Announcements included Contrail, New Jersey and our HyVee partnership across the Midwest;
- EaaS has been well received by the market, and has had a material impact on the value and growth of this business;
- Clear Blue's GTM strategy for Illumient is to build a strong network of agents and distributors who are a key part of the planning process for local governments and businesses.



Telecom – A complex ecosystem of many players

- **Verticals** – targeting various partner types for telecom related industries

Mobile Network Operators



MTN, Vodafone, 9 mobile, orange™

Tower Companies



IHS Towers of strength, VANU, GCS, nu RAN WIRELESS

RAN Providers



nu RAN WIRELESS, VANU, Parallel WIRELESS

Backhaul Operators



INTELSAT, Aviat NETWORKS

- **Markets** – targeting Africa & South America with new sales teams and Africa based support team



Why has Clear Blue been the winner in this new wave?

- The Answer is Clear Blue's Smart Off-Grid
- But what does that mean?
 - Lowest Capex solution in the market
 - Lowest Opex solution in the market
 - Lights Out operations – no site maintenance, no diesel generator, no gasoline servicing
 - A reliable solar only solution
 - Predictive analytics for energy and weather forecasting
 - Smart digital power
 - Example: Short Circuit multi-try
 - Service and management
- And of course the sales and partners to get us to the table



Clear Blue market leadership



TECHNOLOGY

Technology Leadership

Clear Blue has substantial & unique technology that has enabled it to deliver key value to its customers. In telecom, it has made the impossible possible and doable.

Continued R&D for new applications and verticals as well as ever improving leadership in our current markets is our plan.

TRACTION

3.8 Billion + Unconnected

Facebook, Google, and major telecom providers are investing heavily to connect the 1B+ people who remain unconnected to the internet.

Clear Blue is well positioned to power this multi-billion dollar next gen telecom opportunity.

TEAM

Market Leadership position established

The most reliable off-grid power with the most advanced off-grid remote management and control system and service.

Clear Blue is the leader in providing EaaS to the next wave of connectivity: 5G, Emerging Market Universal Internet Access, Satellite /Wi-Fi Global Deployment.

TIMING

Key Wins for Large Telecom Rollouts with more pilots underway

Clear Blue has large contracts to deploy power for MTN and Orange, the two largest telcos in Africa, with sites in 7 countries and growing

Outlook for 2021



R&D

As Clear Blue goes wide and deep in Rural rollouts, expanding our market to both smaller and larger systems will enable greater growth and larger addressable market. Building more Smarts into our technology will deliver better ROI for our customers and increased margins for Clear Blue.

Traction

Ensure Success of these first large Rollouts.
Expand our presence with new partners and in new geographies.
Develop the next two pillars of telecom growth

-
- Satellite/Wi-Fi
- 5G

Leadership

Today Clear Blue-powered systems are in 37 countries, and our installed base and revenue are growing fast.

Clear Blue is a 2021 TSX-V 50 member.

We are the first to market with Smart Off-Grid AND recurring revenue service model.

Summary

Management believes the Company is positioned for significant growth in 2021

- Our sales funnel and backlog is quite strong and building;
- Our partner network is growing and solidifying;
- Our technology is proving out its strong leadership in the market;
- Our service model is a huge asset and differentiator
- And our team – they are the ones that have made it happen!



Have Questions?

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