

Clear Blue Technologies International Inc.

The Smart Off-Grid™ Company

Q3 2020 Earnings Call



November 18, 2020



Forward looking statements

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 Q3
2020 RESULTS



FUTURE
OUTLOOK

Clear Blue Technologies Overview



Clear Blue Technologies - What We Do

We deliver clean managed wireless power – anywhere and anytime.



Energy as a Service Business Model

Brand Promises



Maximum uptime



Longest Life



Easy to install
and maintain

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

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

Differentiators



Energy forecasting
and management



Troubleshooting
and remediation

Telecom Applications and Customers



Remote 2G & Wifi

Rwanda



Remote Repeater

Peru



Remote 4G / 2G

Nigeria



Illumient Lighting Applications & Customers

- Streets
- Private or Public Parking lots
- Parks
- Sign lighting
- Security



Anywhere that trenching and cabling costs are prohibitive!



What Clear Blue Delivers

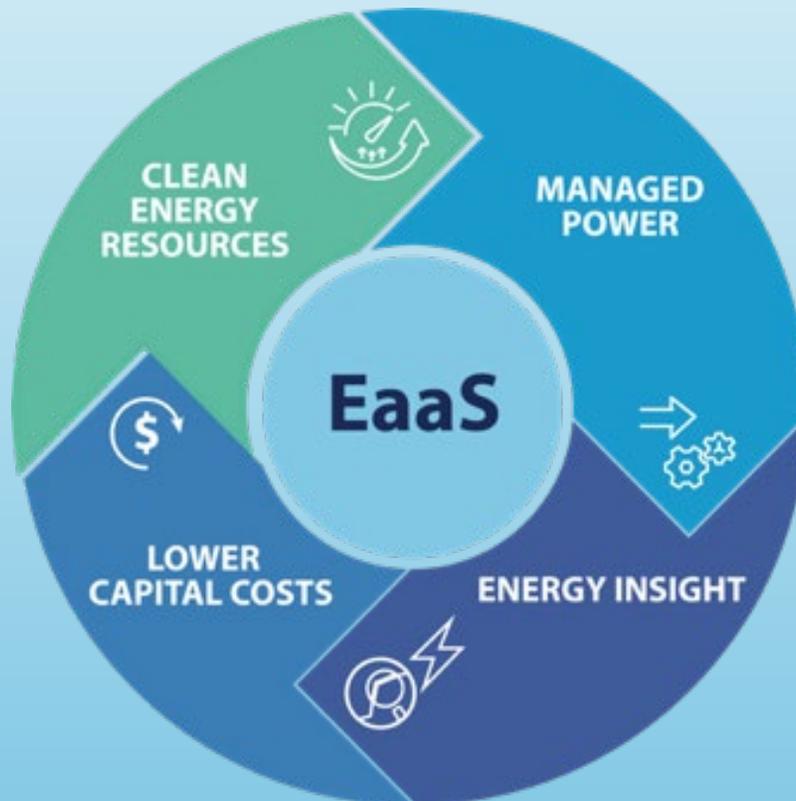


The integrated Smart Off-Grid power solution includes ongoing Remote Power Management Service. This allows mission critical devices to be installed anywhere, powered by clean energy, and monitored, managed and controlled over the Internet.

How we Deliver

Energy as a Service

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



Strong Global Traction

8 Canadian provinces

20 US states

37 countries

>5,000 Installs

>4 million days of operation



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



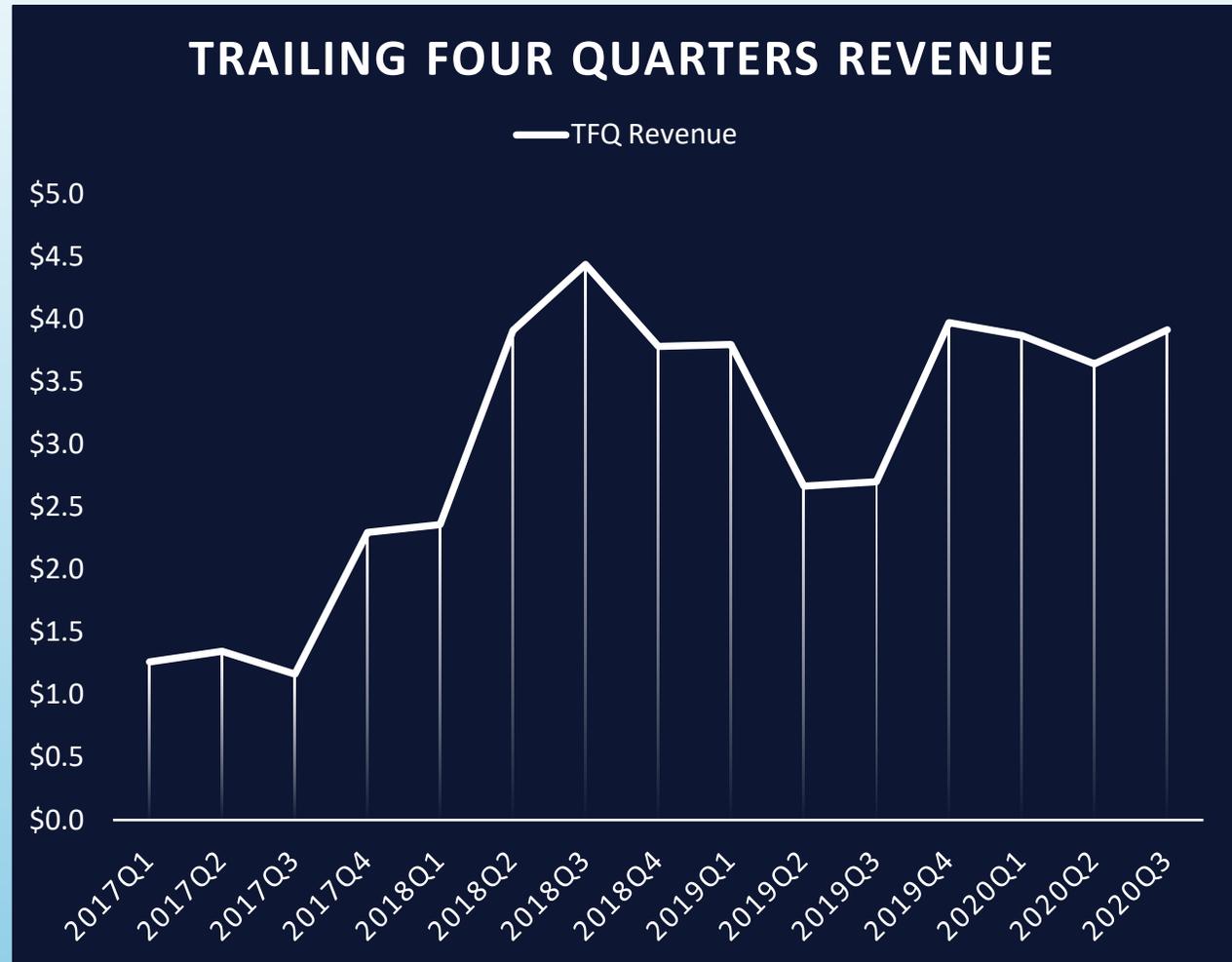
Energy as a Service to drive recurring revenue

Clear Blue Technologies Q3 2020 Results



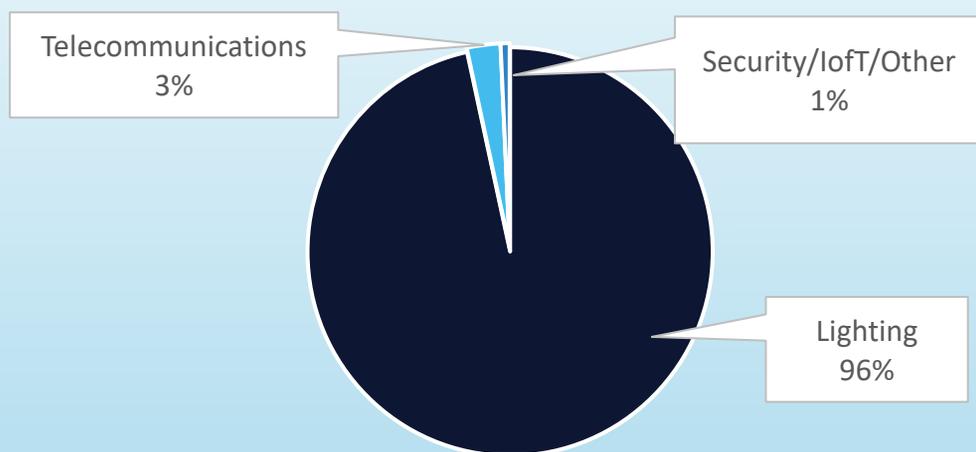
Revenues

- Revenue for the three months ended September 30, 2020 was **\$940,849** a **40%** increase from the same period ended September 30, 2019.
- TFQ revenue for the period ended September 30, 2020 was **\$3,912,204** a **45%** increase over the TFQ ended September 30, 2019.



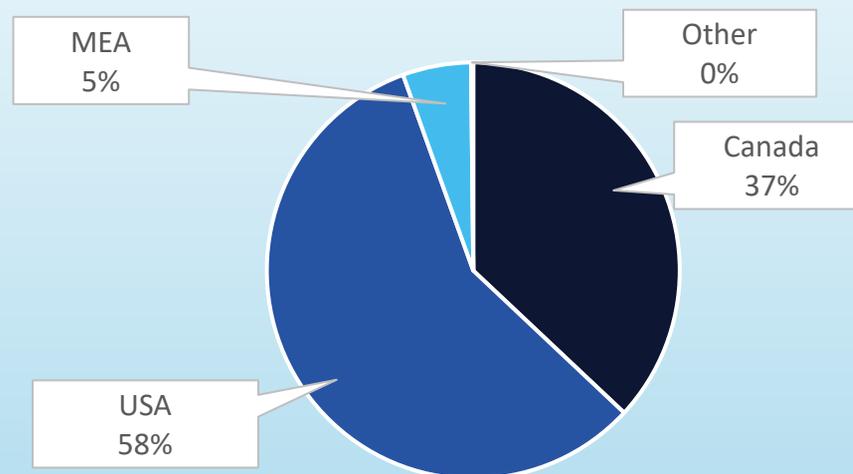
Q3 2020 Sector & Regional Results

Q3 2020 Revenue by Sector



■ Lighting ■ Telecommunications ■ Security/IoT/Other

Q3 2020 Revenue by Region



■ Canada ■ USA ■ MEA ■ Other

Revenue by Vertical	Three months ended Sept 30		%
	2020	2019	
Lighting	908,790	132,206	587%
Telecom	25,247	537,953	-95%
Security/IoT	6,812	-	n/a
Total	940,849	670,159	40%

Regional Results	Three months ended Sept 30		%
	2020	2019	
Canada	347,754	73,279	375%
USA	541,092	55,421	876%
MEA	50,394	2,274	2116%
Other	1,609	539,186	-100%
Total	940,849	670,159	40%

Bookings

While we are unable to provide traditional guidance, our recurring revenue model provides visibility on Bookings, which we define as:

All future Illumience and EaaS deferred revenue that has been pre-purchased by customers;

Projects where we have begun production and have purchase orders and/or deposits; and which are not included in Revenues.



Recurring Revenue

- As Clear Blue's recurring revenue begins to grow, more of its sales is in the form of prepaid ongoing service revenue;
- Approximately 40% of each Illumient N.A. sale is now prepaid deferred revenue;



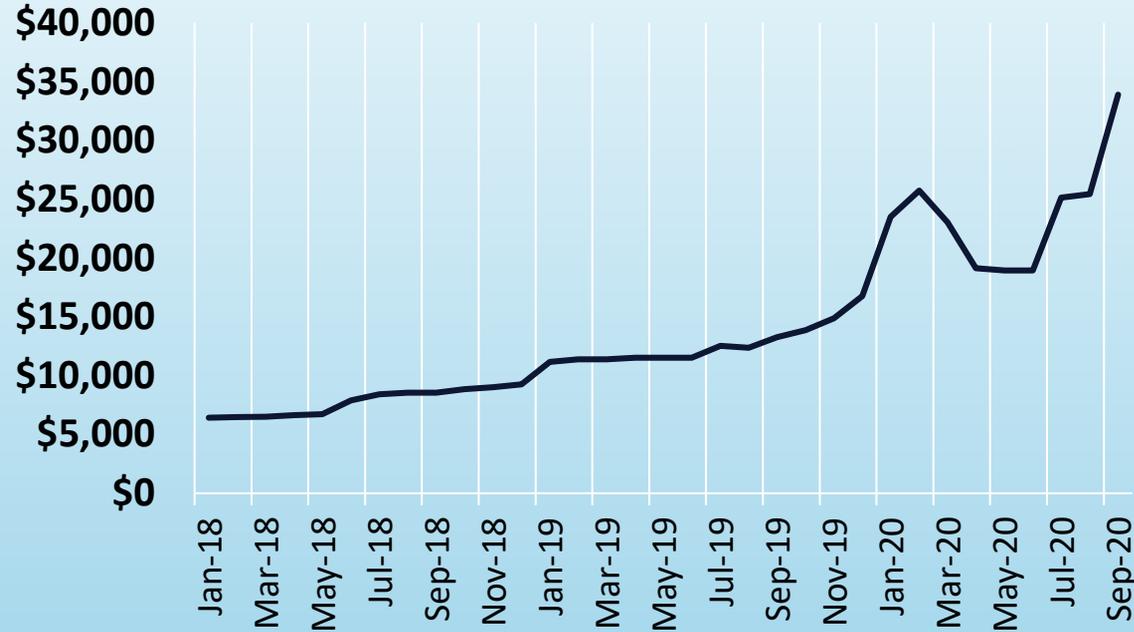
Bookings

- As of September 30, 2020, Clear Blues Bookings are \$1,378,722 which 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.

Recurring Revenue

- Our Monthly Recurring revenue is growing quite nicely, increased by 121% in Q3 2020 as compared to Q3 2019.
- Impact of the EaaS service, which launched at the end of Q2 2019 resulting in accelerated growth of MRR.
- 2020 Sales for the EaaS service has been very strong and will yield significant increases in recurring revenue this year.

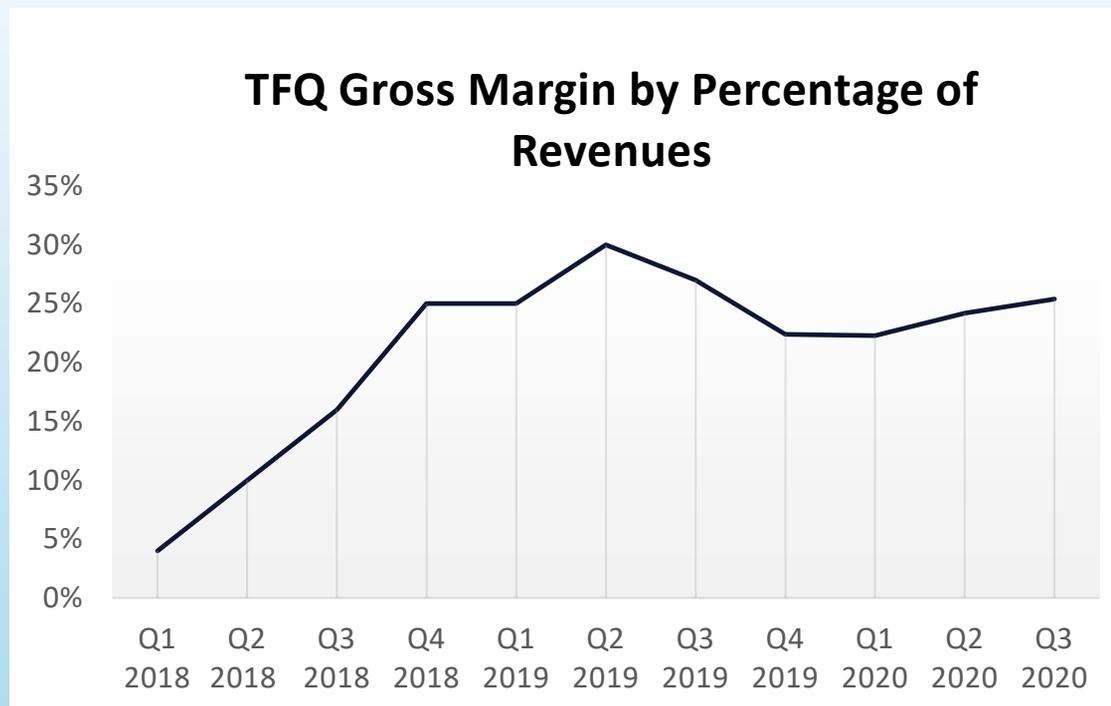
Monthly Recurring Revenue



	September 30, 2020	December 31, 2019	Change
Deferred Revenue	\$1,026,188	\$514,608	199%

Gross Profit

- Gross profit for Q3 was **\$375,595** or **40%**
- Gross Profit for TFQ was **\$992,485*** or **25.4%** down slightly from the TFQ of the previous period's gross profit of **\$704,548** or **26.1%**



*This was largely the result of a reallocation from operating expenses to COGS beginning in Q4 2019. Without this, Gross Profit or the previous TFQ would have increased to \$1,122,616 or 29%;

Operating Expenses

Operating expenses	Quarter Ending September 30	
	2020	2019
Salaries, wages and benefits	421,805	283,267
Research and development	406,024	(298,848)
General and administrative	74,898	123,190
Government Subsidy	(301,876)	-
Bad debt expense(recovery)	-	(151,096)
Stock-based compensation	95,664	104,142
Travel	3,975	32,649
Business development and marketing	142,264	53,144
Rent	41,762	58,482
Professional fees	57,967	(1,648)
Depreciation of property and equipment	32,987	37,125
Total operating expenses	975,470	239,498

- Operating expenses for the quarter ended September 30, 2020 were **\$945,470** an increase of **\$735,972** for the same period in 2019. This is caused by one-time cost reduction booking of **\$609,675** in Q3 2019 for government tax credit and bad debt recovery.
- Operating expenses for the TFQ ended September 30, 2020 were **\$4,933,506**, a decrease of **\$223,375** or **4%** compared to the same period in 2019;

Adjusted EBITDA

Result of Operations	Three months ended			TFQ ended		
	September 30, 2020	September 30, 2019	Change	September 30, 2020	September 30, 2019	Change
Revenue	940,849	670,159	40%	3,912,204	2,699,182	45%
Cost of sales	565,254	405,825	39%	2,919,719	1,994,634	46%
Gross profit	375,595	264,334	42%	992,485	704,548	41%
Gross margin %	40%	39%		25%	26%	
Non-IFRS Operating expenses	1,171,888	92,214	1171%	4,803,718	4,853,034	-1%
Non-IFRS Adjusted EBITDA*	(796,293)	172,120	-563%	(3,811,233)	(4,148,486)	-8%

- 8% improvement in TFQ adjusted EBITDA; Government Covid Subsidies are BELOW EBITDA in our reporting

Clear Blue Technologies Outlook



North American Streetlight

- Energy as a Service – launched in Q2 2019 – has had a material impact on the value and growth of this business line

TFQ	Ending Q3 2020	Ending Q3 2019	Growth
Bookings (One time plus prepaid deferred)	2,687,645.35	1,074,900.11	150%
Ongoing Service Revenue	823,114.19	69,757.34	1080%

- TFQ Sales have increased by 150%
- Portion of the sale that is now an ongoing service, as a result of EaaS, has grown recurring revenue significantly, up 10x
- Solar Off-Grid is gaining mainstream adoption. More roadways and large installs, less parks and demo ‘green’ systems. Paris accord, U.S. election and accelerated adoption of Cleantech is having a strong impact on our N.A. business

Telecom Outlook

- A global initiative is underway to Connect the Unconnected, globally 3.8 billion are still Unconnected
- This is a multi-company, multi continent, multi-country initiative
- Everyone is moving
- Clear Blue has announced 3 large rollouts and we are active in additional POC/First Installs which could have subsequent Large Rollouts
- Our activity is diverse across multiple channels, partners, customers and all have multi-year scaling roll outs planned



Summary

- Two years investment
 - Market development
 - Validation of our Value Proposition and capabilities
 - Technology Development
 - We are now winning deals away from Huawei and our partners are pushing business to us because they know they need us
- Covid was time well spent to position us for the next phase
- 2021 will be a transformative year for Clear Blue

Have Questions?

Sales:

sales@clearbluetechnologies.com

Media Contact:

Becky Nye

Director

Montieth & Company

155 E 44th St., New York, NY 10017

bnye@montiethco.com

+1 646.864.3517

Investor Relations:

Miriam Tuerk

Co-Founder and CEO

+416-433-3952

(Please use email if at all possible)

miriam@clearbluetechnologies.com

investors@clearbluetechnologies.com

<http://www.clearbluetechnologies.com/en/investors>