



CLEARBLUE
TECHNOLOGIES

Fiscal 2022 Earnings Call



CLEARBLUE
TECHNOLOGIES

TSX-V: CBLU. OTCQB: CBUTF. FRA: OYA

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



Overview of Clear Blue



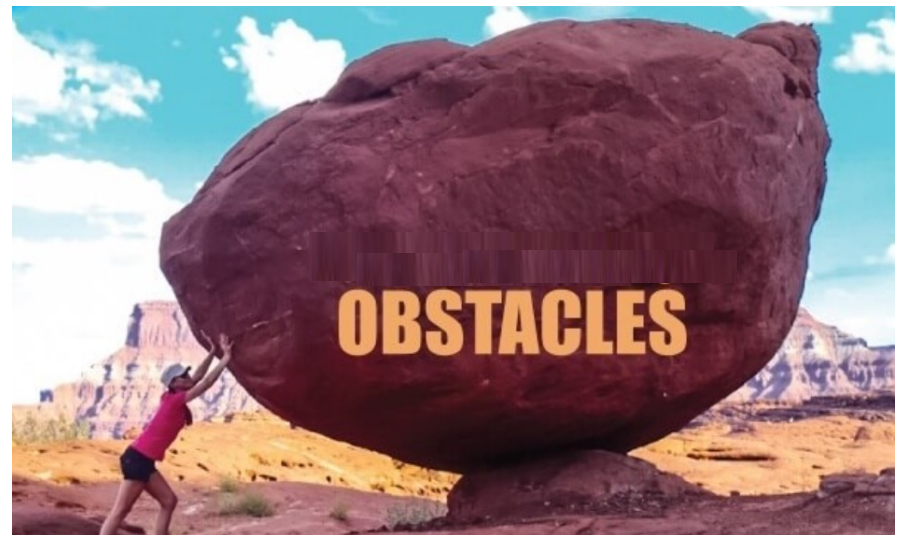
Discussion of Fiscal 2022 Results



Future Outlook

2022 – A year of Obstacles but also a Launchpad

- Obstacles abounded for Clear Blue in 2022
 - Macro-Economic challenges
 - Working Capital
 - Market Vagaries impacting our customers
- 2022 becomes the Launchpad for large and resilient growth



"In the middle of every difficulty lies opportunity." - Albert Einstein

Clear Blue 2023 – A new era for Clear Blue



- Raised >\$10 million in non-dilutive capital (\$6M in grants)
- Acquired eSite Power Systems
- Broadening Product Offering
 - January 1, 2022 – 2 Products
 - July 1, 2023 – 5 Products
- Expanded Customer Base
 - 35 large and strategic new telecom customer accounts in 25 countries
- Moving into the 'core network' & core infrastructure
 - Retrofit larger scale hybrid power up to 30Kw for telecom sites
 - Mission critical infrastructure
 - Airport runway extension project
 - Interstate Highway interchange



Product Line

New



**Grid/Genset/Solar
3-30Kw**

Esite-Micro



**Solar & Solar/Grid
20W-3Kw**

Nano-Grid



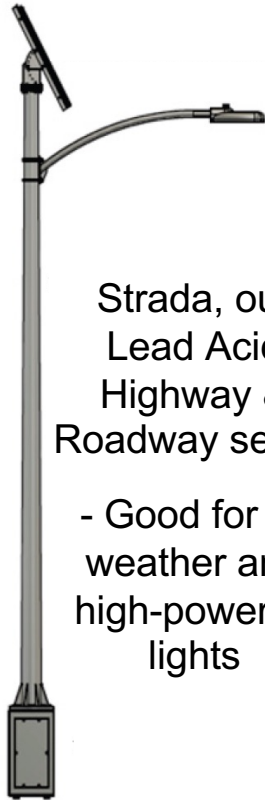
Wi-Fi/IoT 0-20W

Pico-Grid



New

ILLUMINENT OPTIONS



Strada, our
Lead Acid
Highway &
Roadway series

- Good for all
weather and
high-powered
lights

STRADA Series



Cammi, our
Lithium
Highway &
Roadway series

- Good for
warmer weather
and high-
powered lights

CAMMI Series

New



Introducing Senti

SENTI Series

Patent Pending



2023 - New Products Begin shipping



Powering IoT
Devices
around the
Globe



Pico-Grid



Ground-breaking
All-In-One
Solar Light

Illumient Senti

eSite Becomes Esite-Micro

- eSite Power Systems
 - Strong Industry brand recognition and respect
 - First product specifically engineered for harsh NON-air conditioned environments which is critical for the movement to GREEN
 - Swedish hardware engineering & quality

Add Clear Blue and it Becomes

- Esite-Micro
 - Industry leading Smart Power management thru Illumience platform
 - Full system solution
 - Industry leading service model with recurring revenue support for our customers

And now on the Road to Zero Diesel



Clear Blue's Core Technology



BRAND PROMISES



Maximum uptime



Longest life



Easy to install and maintain

DIFFERENTIATORS



Energy forecasting and management



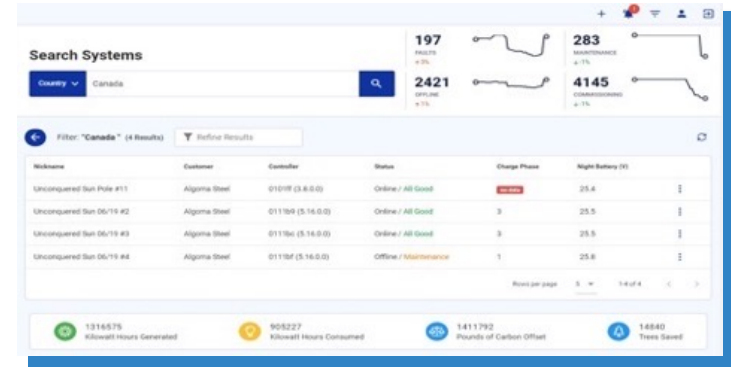
Troubleshooting and remediation

Customer Benefits From Intelligent Energy Management

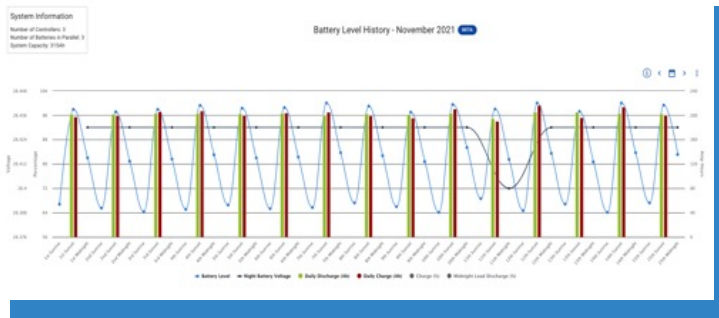
Energy & Weather Forecasting



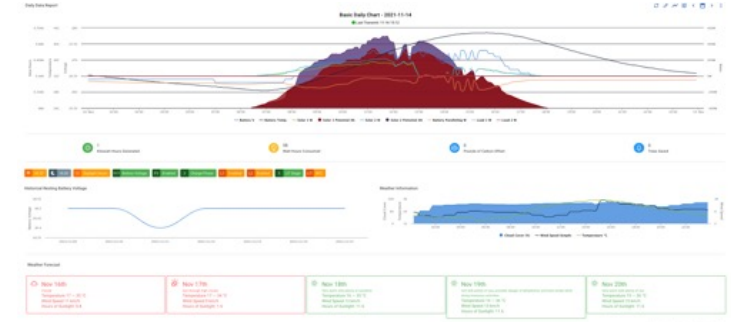
Maintenance, Troubleshooting & Remediation



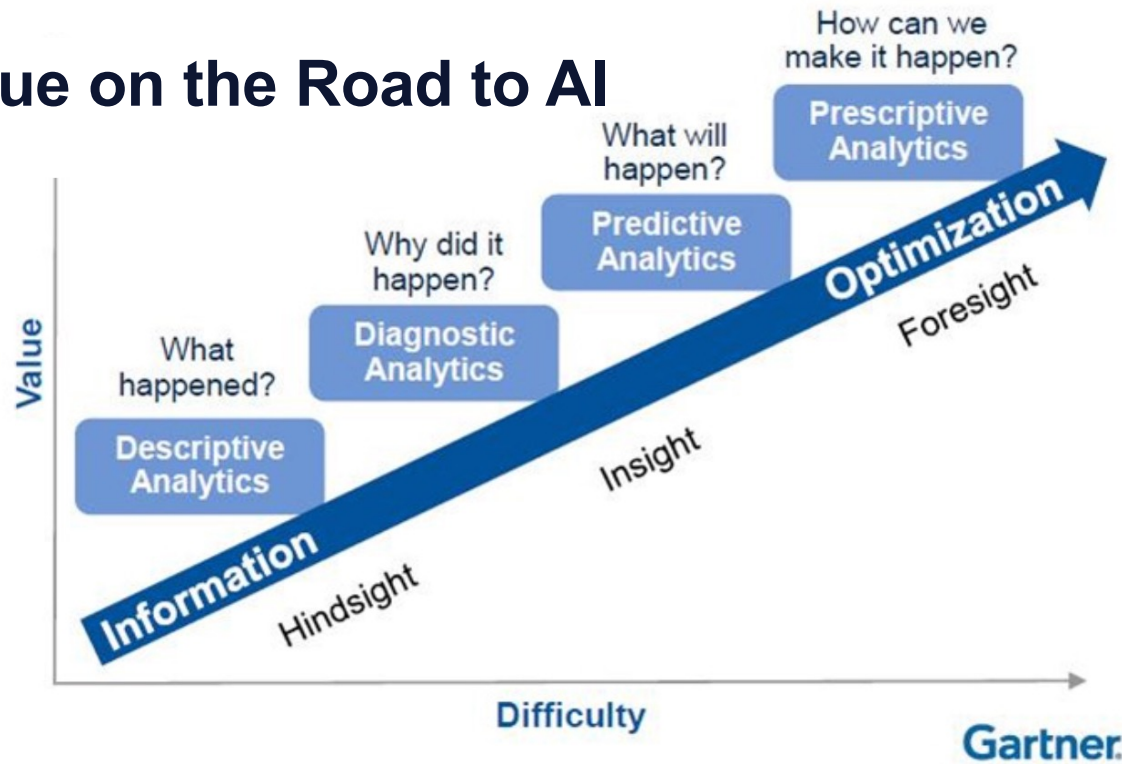
Battery Life Cycle Management



Potential Energy Analysis



Clear Blue on the Road to AI



Data



Big Data



Analytics



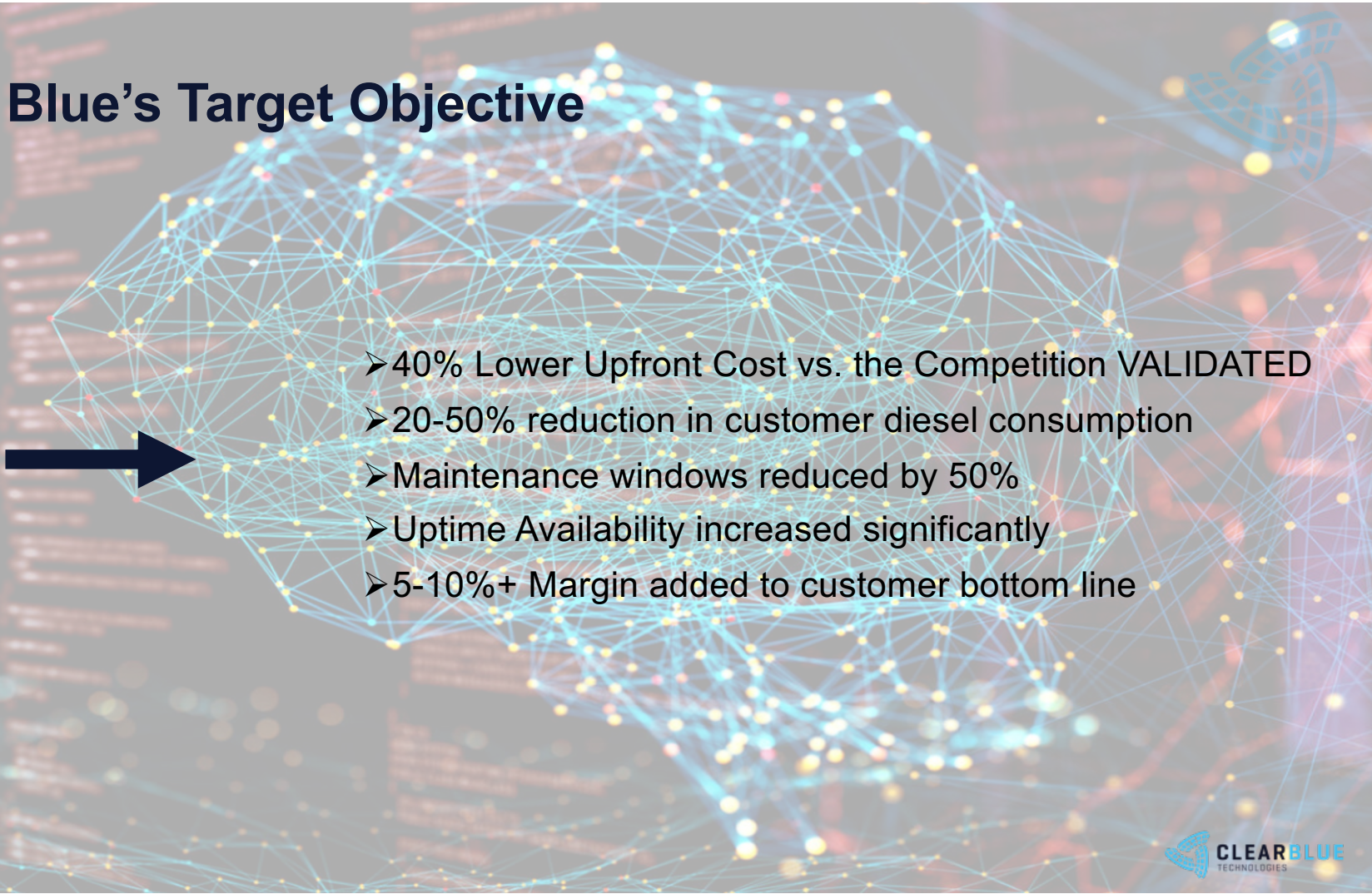
Predictive
Analytics



Machine
Learning
AI



Clear Blue's Target Objective

- 
- 40% Lower Upfront Cost vs. the Competition **VALIDATED**
 - 20-50% reduction in customer diesel consumption
 - Maintenance windows reduced by 50%
 - Uptime Availability increased significantly
 - 5-10%+ Margin added to customer bottom line

Agenda

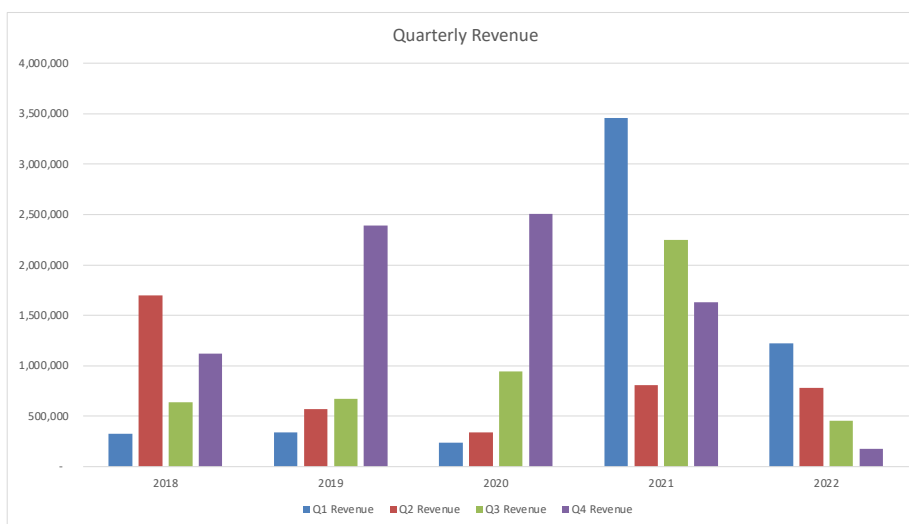


Discussion of Fiscal 2022 Results



Revenue: 2022 Was An Anomaly

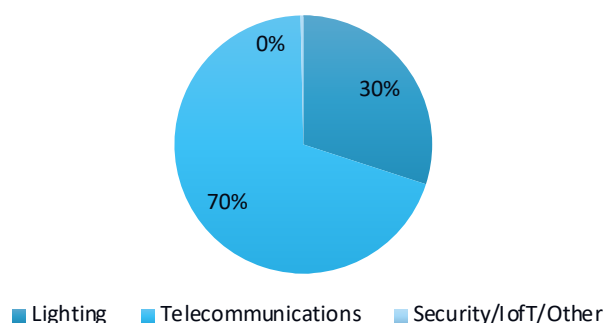
- Cumulative impacts of the last 3 years of global economy drove customers to pause capex spend;
- Clear Blue projects were part of larger capex projects;
- Specifically, Q4 was impacted by two Customers whose supply chain and finance issues impacted the quarter by \$2.1M in revenue, part of which was a reversal of Q1 revenue;
- Revenue for the FY ended December 31, 2022, was **\$2,636,972**, 68% decrease over the previous FY
- Revenue for the three months ended December 31, 2022, was **\$178,344**.



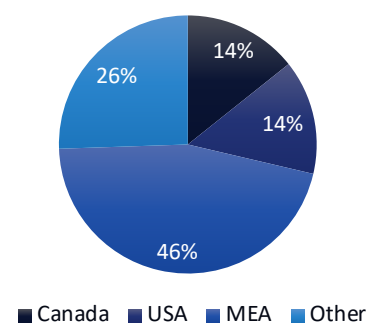


FY 2022 Revenue - Sector & Regional Results

FY 2022 Revenue by Vertical



FY 2022 Revenue by Region



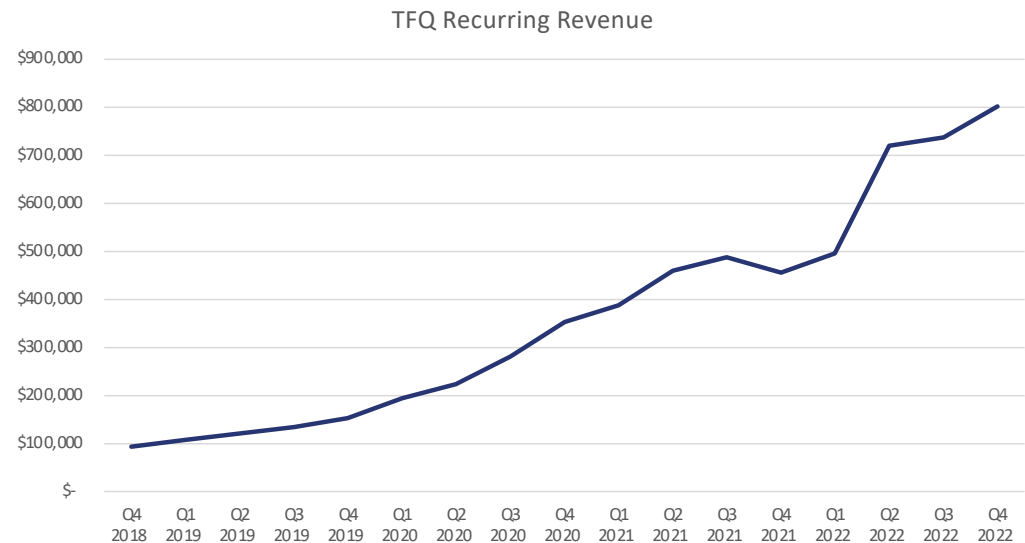
Revenue by Vertical	FY ended Dec 31		%
	2022	2021	
Lighting	790,653	1,260,191	-37%
Telecom	1,837,132	6,880,217	-73%
Security / IoT	9,187	8,251	-11%
Total	2,636,972	8,148,659	-68%

Revenue by Region	FY ended Dec 31		%
	2022	2021	
Canada	376,949	368,983	2%
USA	378,782	816,901	-54%
MEA	1,208,054	6,952,934	-83%
Other	673,187	9,841	6740%
Total	2,636,972	8,148,659	-68%



Recurring Revenue

- Recurring Revenue for FY 2022 was **\$819,054**, a 83% increase from \$446,670 in the previous FY 2021.
- Recurring Revenue for the quarter was **\$166,889** which was a 112% increase over the same period in 2021.





Bookings are up 30%

Bookings as of December 31, 2022	Revenue		
	Total	Year 1	Year 2 and Beyond
Illumience / EaaS Deferred Revenue	707,458	429,899	277,259
Purchase Orders	<u>1,283,817</u>	<u>1,010,523</u>	<u>273,294</u>
Total Bookings	1,991,275	1,440,422	550,853



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

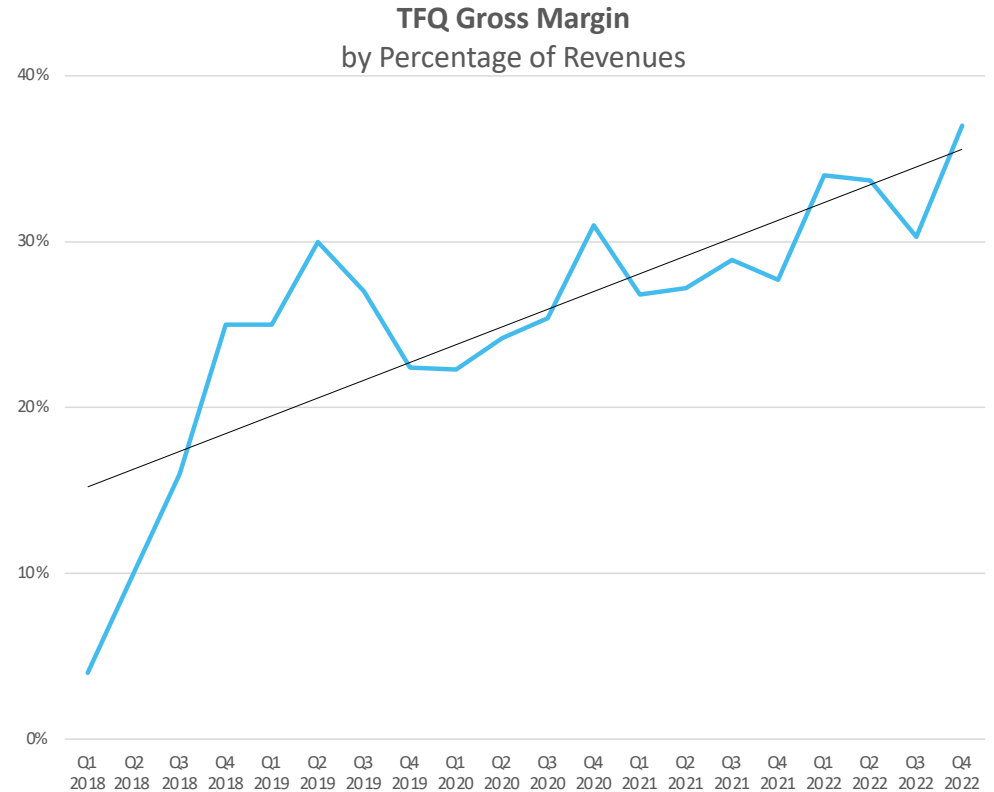


Bookings

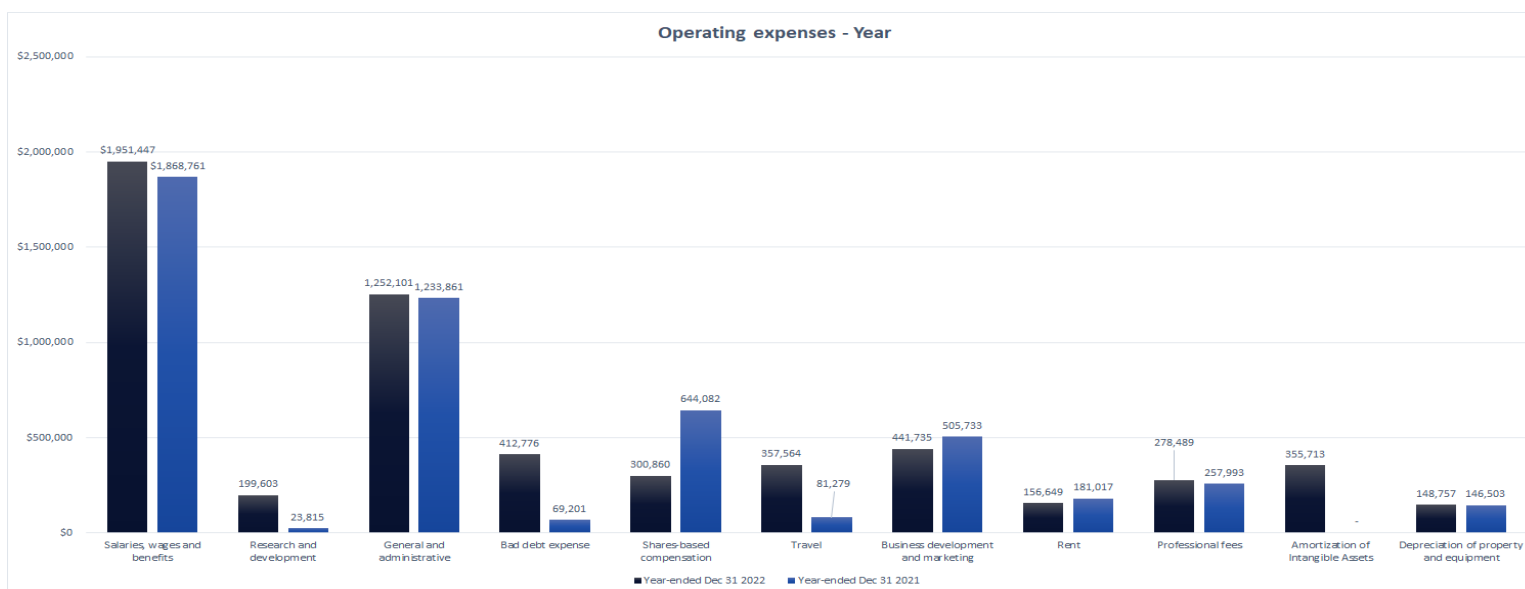
- Bookings will be delivered over the next three years in the case of Illumience/EaaS and typically in the next 4-6 months in the case of production orders
- As of December 31, 2022, Clear Blue's bookings **increased by 30% to \$1,991,275** versus \$1,536,118 as of December 31, 2021, with delivery anticipated in the next 12 months with the remaining beyond next year.

Gross Profit

- Gross Profit for FY 2022, was **\$988,524** or 37%, compared to FY 2021 gross profit of \$2,255,460 or 28%.



Operating Expenses



- Operating expenses for the FY ended Dec 31, 2022, were **\$5,855,694** an increase of **\$843,449** or approximately **17%** compared to the same period in 2021.
 - Operating expenses for the quarter ended Dec 31, 2022 were **\$1,485,297** representing a decrease of **\$65,685** or **4%** over the same period in 2021.
- * Core Operating expenses = Salaries, R&D, G&A, Travel, Bus Dev, Rent, & Prof Fees



Adjusted EBITDA (\$ CAD)

	Three months ended Dec 31			FY ended Dec 31		
Result of Operations	2022	2021	Change	2022	2021	Change
Revenue	178,344	1,631,389	-89%	2,636,972	8,148,659	-68%
Cost of sales	110,190	1,313,514	-92%	1,648,448	5,893,199	-72%
Gross profit	68,154	317,875	-79%	988,524	2,255,460	-56%
Gross margin %	38%	19%		37%	28%	
Operating expenses	1,485,297	1,550,982	-4%	5,855,694	5,012,245	17%
Non-IFRS Adjusted EBITDA	(944,895)	(976,587)	-3%	(3,760,719)	(2,563,334)	47%

2022 is now behind us



- Disappointing Revenue results impacted by Macro environment
- Good margins grew to 37% up from 28%
- Good growth in recurring revenue up 83%
- Good growth in product portfolio, to 5 products from 2
- Acquisition of Esite-Micro product and customer base
- More than \$10 million non-dilutive funding, including \$6m in grants, injecting cash over the next 3 years

Agenda



Future Outlook

Key Sales Activities in 2023



- Illumient North America sales momentum
- Esite-Micro powers the GREENing of existing retrofit and large Telecom systems
- Nano-Grid rollouts expand, include with e-Learning Avanti Partnership
- Launch of Senti in North America
- Launch of Pico-Grid small rollouts, readying for large volume deployments in 2024

Catalysts For Value Creation In 2023 And Beyond



For 2023

- North American sales growth
 - Driven by all three new products
- Esite-Micro sales in retrofit market
- Conversion of \$350mm pipeline to revenues
- Demonstrated cash flow breakeven at \$2 million quarterly revenue
- Return to 50%+ growth rate

Beyond 2023

- Additional M&A to turbocharge growth
- Consistent strong organic growth of top line
- Established track record of consistent EBITDA growth

Outlook for 2023



- 2023 Target Plan to achieve positive EBITDA and net-zero cash burn
- Q1 revenue will be soft, as always
 - Q1 revenue is traditionally very low revenue
 - Q1 revenue really comes out of Q4 orders, which were still impacted by 2022 Macro economics
- Q1 Bookings – sales activity has started off strong and across multiple business
 - More than \$3.5M in orders of which \$3.2M is expected to ship in 2023 Q2/Q3
 - Equally split across Illumient, Nano-Grid and Esite-Micro
- YTD performance indicative that we can meet our target; however, this momentum needs to continue thru the year

Have Questions?

Sales: sales@clearbluetechnologies.com

Investor Relations:

Miriam Tuerk, Co-Founder and CEO
miriam@clearbluetechnologies.com

investors@clearbluetechnologies.com
www.clearbluetechnologies.com/en/investors

Media Contact:

Nikhil Thadani,
Sophic Capital

+1 437 836 9669

Nik@SophicCapital.com



CLEARBLUE
TECHNOLOGIES