



# **Power Clouds Inc. Q2 Review**

**OTC: PWCL**

**August 31, 2017**

## Caution Concerning Forward Looking Statements

Some of the statements contained in this document, including information incorporated by reference, discuss future expectations, plans or prospects, or state other forward-looking information within the meaning of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Words such as “intends”, “believes”, “expects”, “anticipates”, “plans”, “estimates”, “should”, “likely” or similar expressions reflecting something other than historical fact are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Such statements include, but are not limited to, statements about the benefits to the value of the Company's stock.

Such forward looking statements are based upon the current beliefs and expectations of the Company's management and are inherently subject to significant business, economic, and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond the control of the company. Actual results may differ materially from the results anticipated in these forward looking statements. Factors, among others, that could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward looking statements include and are not limited to: General business and economic conditions; the performance of financial markets and interest rates; the ability to obtain government approvals; and possible delays in government approvals.

While we may elect to update these forward- looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our views change. Therefore, you should not rely on these forward-looking statements as representing our views as of any date subsequent to today. In addition, actual results or stockholder values may differ materially from those indicated by these forward- looking statements as a result of various important factors, including, but not limited to, our ability to raise the necessary financing required to acquire the targeted renewable energy power plants listed herein and in other documents, on suitable terms. At this time, we do not have any offer to finance these plants and there is no guarantee that such financing will be agreed on suitable terms, or at all. If the Company does not succeed in raising the required financing then the plans outlined herein will be significantly curtailed.



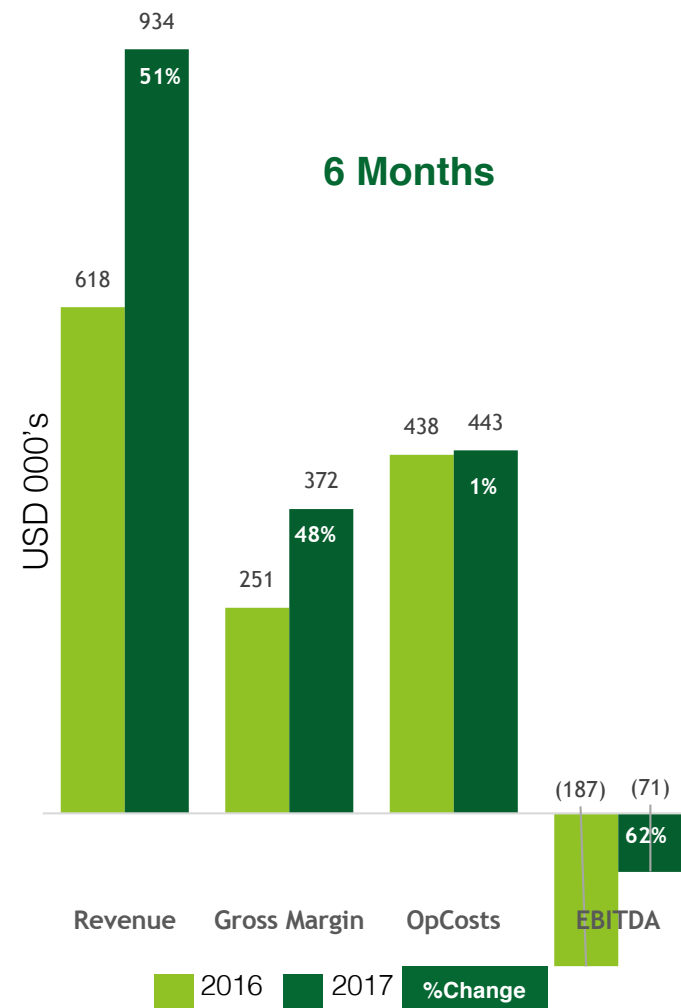
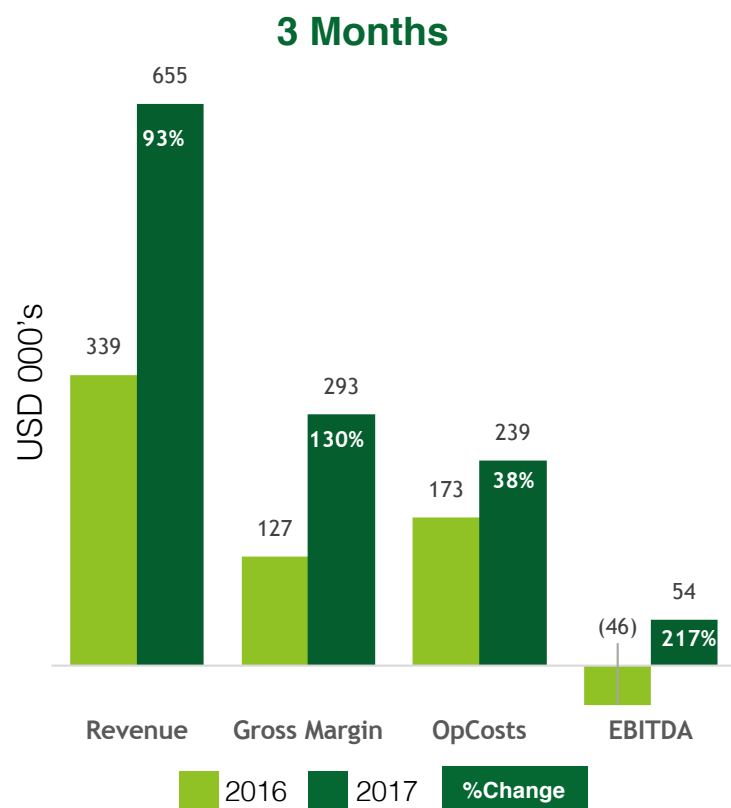
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# Group financial highlights (y/y)

Three and Six months ended June 30, 2017

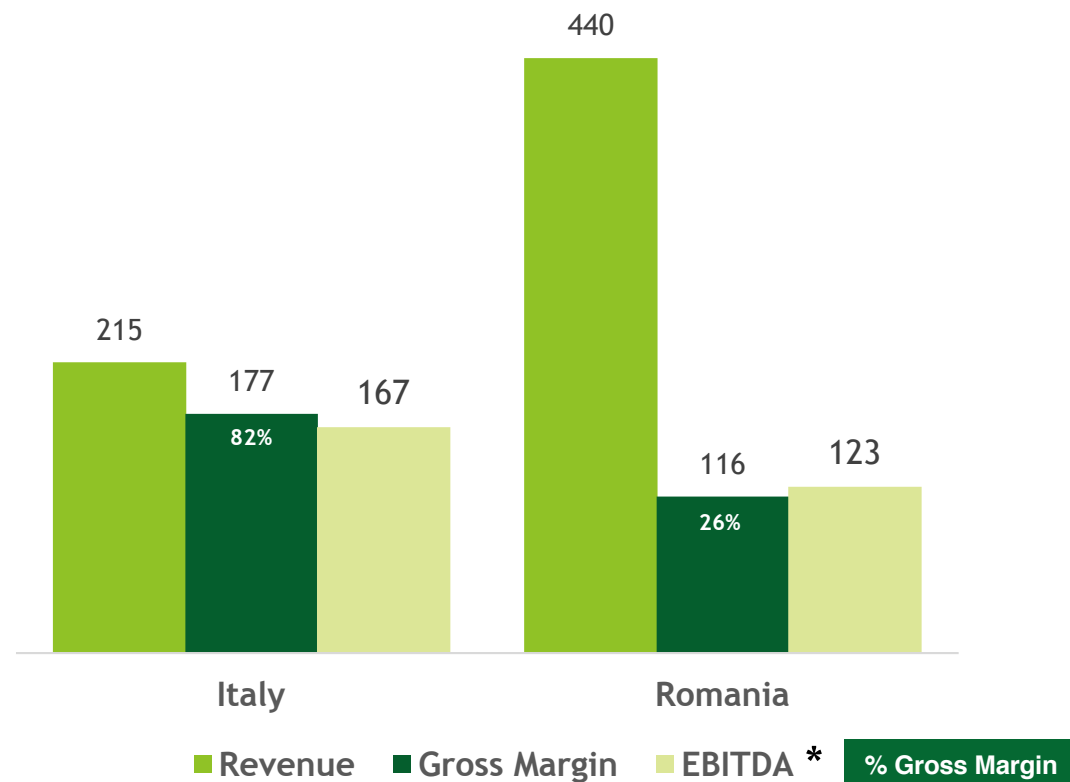
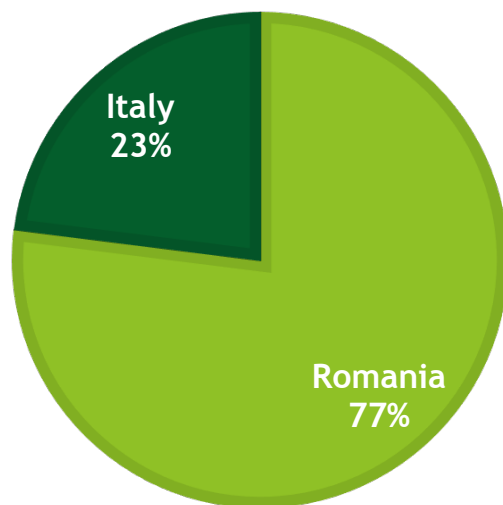


Please refer to the quarterly report filed with OTC Markets for full details - <http://www.otcmarkets.com/financialReportViewer?symbol=PWCL&id=178130>



## Geographic Performance - Q217

REVENUE SPLIT



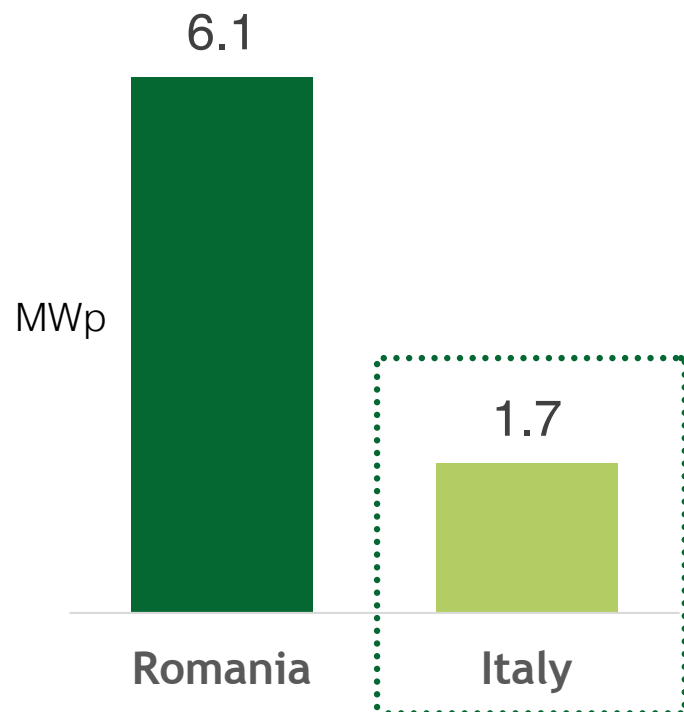
\* Not including corporate costs

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## Installed Power grew by 27% in Q217

Revenues and cash flow outlook bolstered by Payments under government contracts for 15+ Years

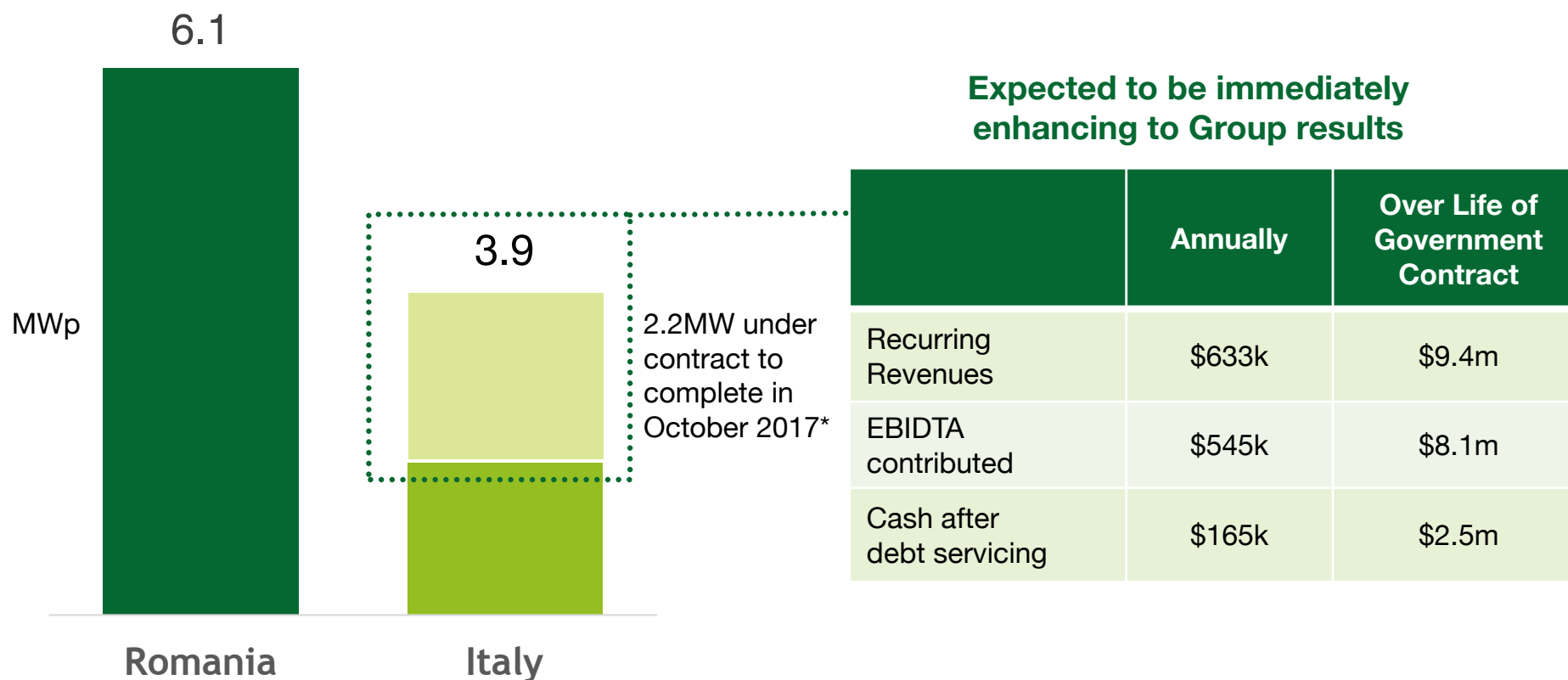


### Additional Installed power delivers immediate financial benefits to Group

	Annually	Over Life of Government Contract
Recurring Revenues	\$785k	\$11.5m
EBIDTA contributed	\$655k	\$9.3m
Cash after debt servicing	\$200k	\$4.1m



# Installed Power set to increase by additional 28% in Q417 on completion\* of Liquid Sun acquisition

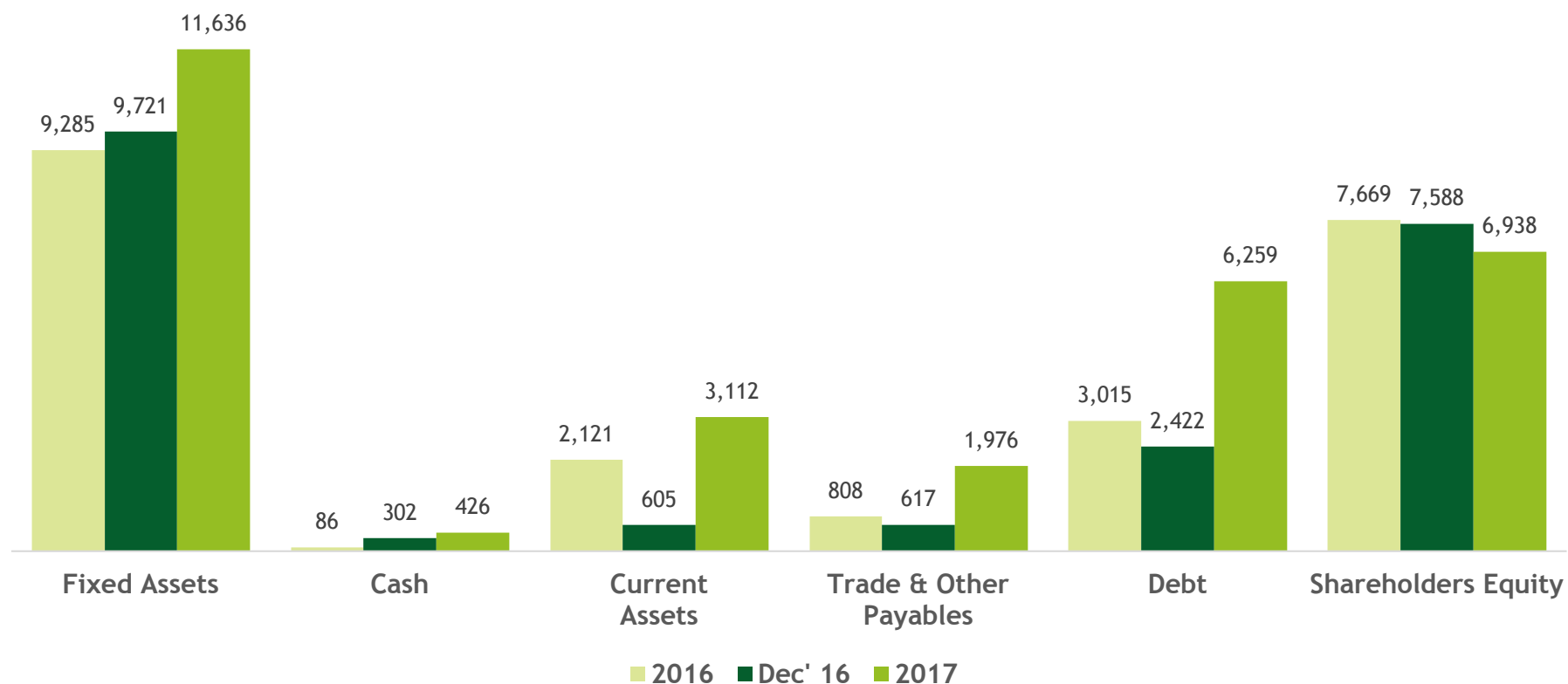


\* Subject to completion of acquisition which is subject to successful completion of due diligence and PWCL receiving additional funding on suitable terms. Therefore the acquisition cannot be guaranteed to complete in October, or at all.



## Group Balance Sheet Highlights (y/y)

### Six months ended June 30, 2017



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# Balance Sheet Summary

## As at June 30, 2017

USD 000's	June 30, 2017
Cash	\$426
Receivables and other operating assets	\$935
Receivable due on sale of asset	<u>\$1,751</u>
<b>Total Current Assets</b>	<b>\$3,112</b>
Fixed Assets (net)	\$7,323
Intangible assets (net)	<u>\$4,739</u>
<b>Total Assets</b>	<b>\$15,174</b>
Current Liabilities and short term debt	\$4,589
Long term debt	<u>\$3,647</u>
<b>Total Liabilities</b>	<b>\$8,236</b>
Shareholders equity	<u>\$6,938</u>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$15,174</b>

### Capital Structure

<i>Issued</i>	(m's)
Convertible Preferred Shares	30
Common Shares	72

### Common Share Beneficial Ownership

	(m's)
Vincent Browne (Various holdings)	29
Roberto Forlani	22
GAIA Energy	10
Anch Holdings	<u>4</u>
Total Control persons	65
Non-affiliates	<u>7</u>
Total Issued and Outstanding	72

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## Income Statement Summary

Three and Six months ended June 30, 2017

USD 000's	3 Months	6 Months
<b>Revenues</b>	<b>\$655</b>	<b>\$934</b>
Cost of revenues	<u>\$(362)</u>	<u>\$(562)</u>
<b>Gross Margins</b>	<b>\$293</b>	<b>\$372</b>
Selling, General & Administration	\$264	\$427
Costs related to financing	\$5	\$6
Stock compensation expenses	<u>\$(30)</u>	<u>\$10</u>
<b>Earnings before Interest, Depreciation &amp; Amortization (EBITDA)</b>	<b>\$5</b>	<b>\$(71)</b>
Interest costs	\$(69)	\$(102)
Depreciation and Amortization	\$(235)	\$(329)
Loss on disposal of fixed assets & provision for loss on sale of subsidiary	\$(159)	\$(316)
Other income (including foreign exchange)	<u>\$5</u>	<u>\$67</u>
<b>Net Loss for period</b>	<b>\$(404)</b>	<b>\$(751)</b>

### Fully Diluted Earnings per Share:

Three Months	\$(0.00)
Six Months	\$(0.00)

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## Summary of Cash Flows

### Six months ended June 30, 2017

USD 000's	
<b>Net Loss</b>	<b>\$(751)</b>
Non-cash adjustments	\$656
Change in net working capital	\$(170)
<b>Net cash used in operating activities</b>	<b>\$(265)</b>
Net cash generated from investing activities	\$701
Net cash provided from financing activities	\$(245)
Net cash used in foreign currency activities	\$(67)
<b>Net increase in cash and cash equivalents</b>	<b>\$124</b>
Opening cash	\$302
<b>Cash held as at June 30, 2017</b>	<b>\$426</b>

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## Contact Details

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