

# M-Cycle Value Proposition:

Better Performance for Less

10X Less Energy; 10X Less Cost; 10X Less Carbon Footprint!



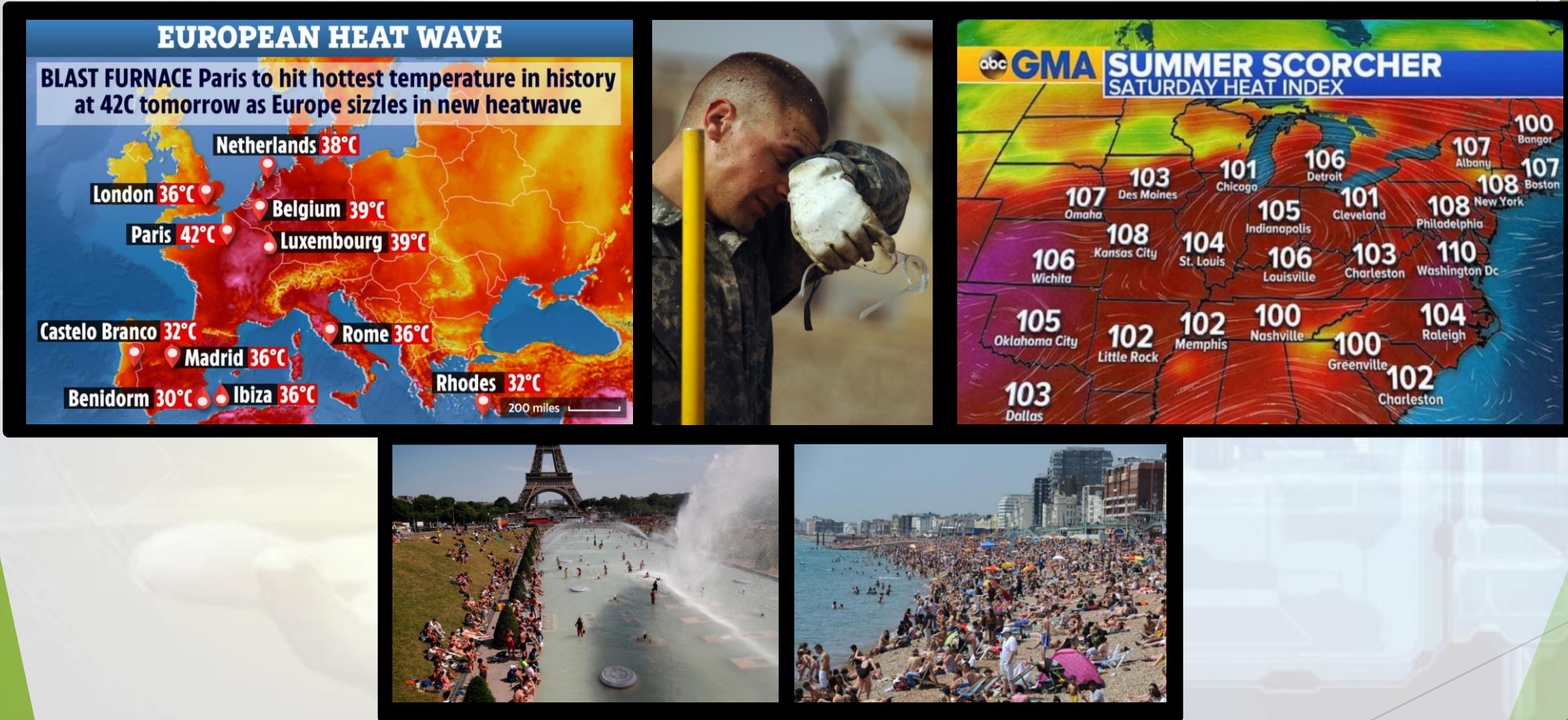
***“We are big fans of  
the Maisotsenko  
Cycle...”***

Dr. Forrest Meggers  
Princeton University

M-Cycle Industries, Inc.

[www.mcyclecooling.com](http://www.mcyclecooling.com)

# The Truth



*Being HOT is miserable...*

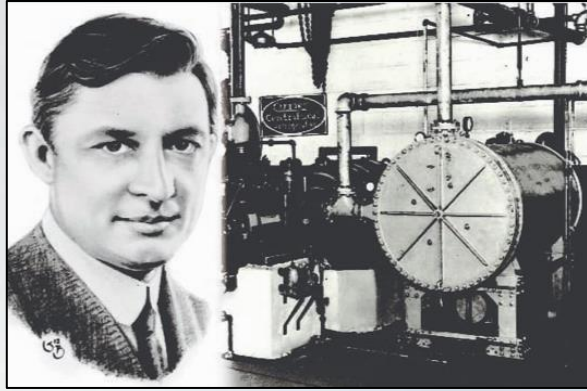
ANALYSIS





# The Problem

with central air conditioning



OLD  
technology

"A new Carrier AC could cost anywhere from **\$4,715** to **\$8,335** in total installation costs."

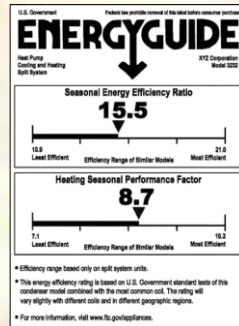


HVAC Buying Guide

- ✦ Installation Costs
- ✦ Air Conditioners
- ✦ Heat Pumps
- ✦ Furnaces
- ✦ Warranty Review



EXPENSIVE  
equipment



POOR  
efficiency



HIGH  
energy use



LARGE  
carbon footprint



# The Problem cont.

with central air conditioning



average  
commercial building



Average HVAC  
leak rate

35%

OR



526,312kg of  
carbon



Equivalent tanks of  
refrigerant

19

OR

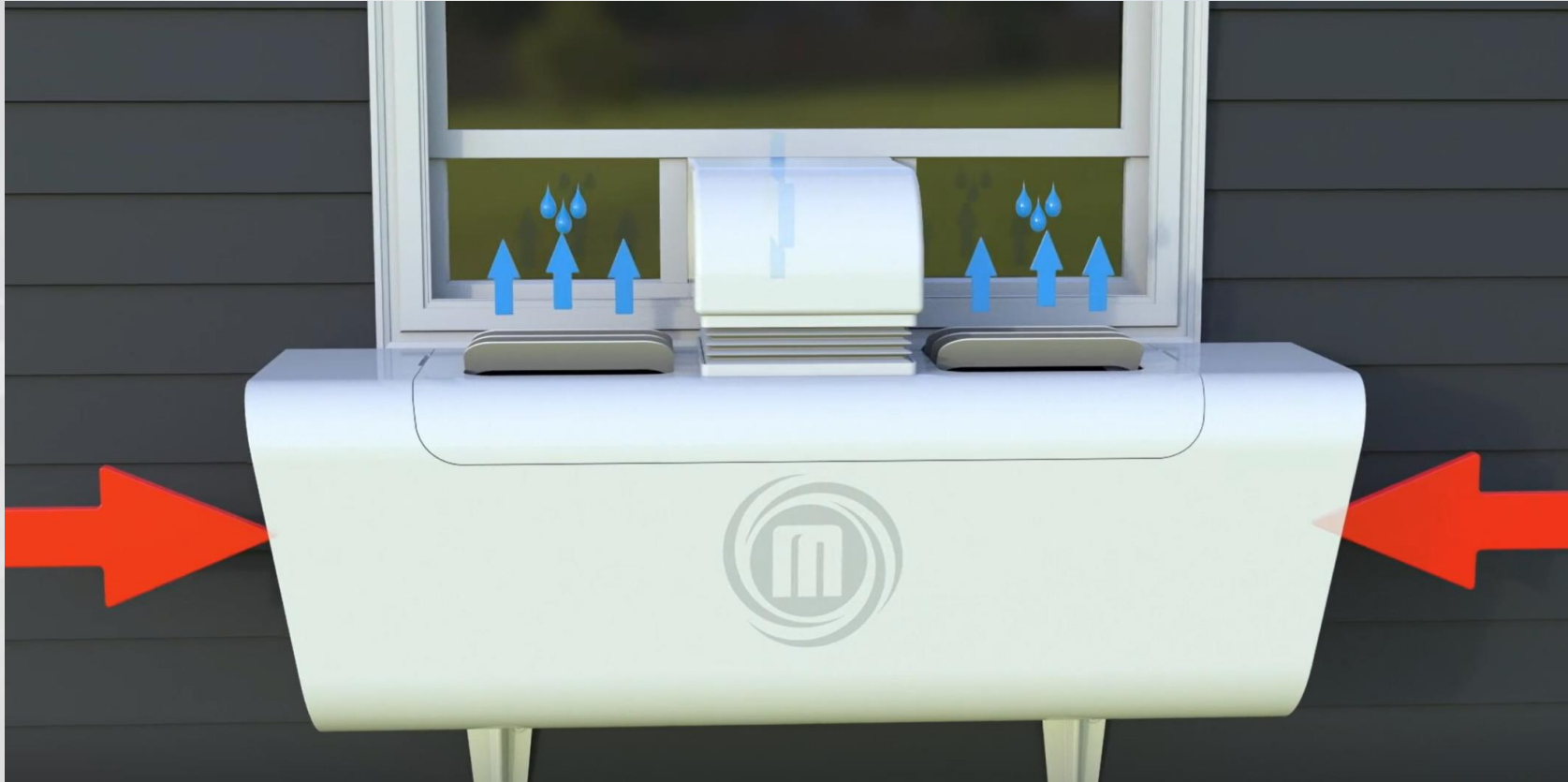


129 cars/year



## ■ The Solution

# M-Cycle Gen3 Cooling Solution



*A/C performance at 'swamp cooler' prices*





# The Advantages



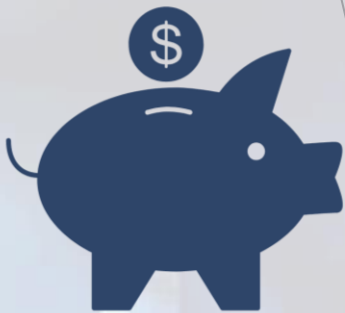
NO  
refrigerants



NEW  
*Gen3* patents

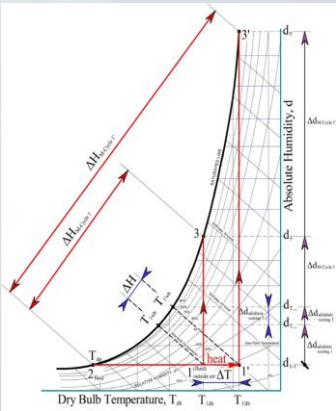


DRAMATIC  
EER 60+



OPERATING  
cost savings

LOW  
equipment cost  
(~\$200 unit!!)



UNLIMITED  
cooling capacity



# The Verticals & M-Cycle Customers

## HOW DID WE GET HERE? (COLLABORATION OF PASSIONATE PEOPLE BEHIND BEST-OF-BREED TECH).

M-CYCLE GEN1 (1970s).

RECOGNITION OF M-CYCLE BY  
US DEPT OF ENERGY (2007)

FIRST CERTIFIED WINNER OF  
WESTERN COOLING CHALLENGE

GEN3 CONCEPT &  
DEVELOPMENT (2017-).



"The [M-Cycle]  
technology can help  
federal agencies,  
reach energy-use  
reduction goals...  
and ease the burden  
on the utility grid"  
Department of Energy



M-CYCLE GEN2  
PROTOTYPE



M-CYCLE GEN2  
TO MARKET (2005)

INDUSTRIAL & MFG



DATA CENTERS



HEALTH CARE



RESTAURANTS



MILITARY



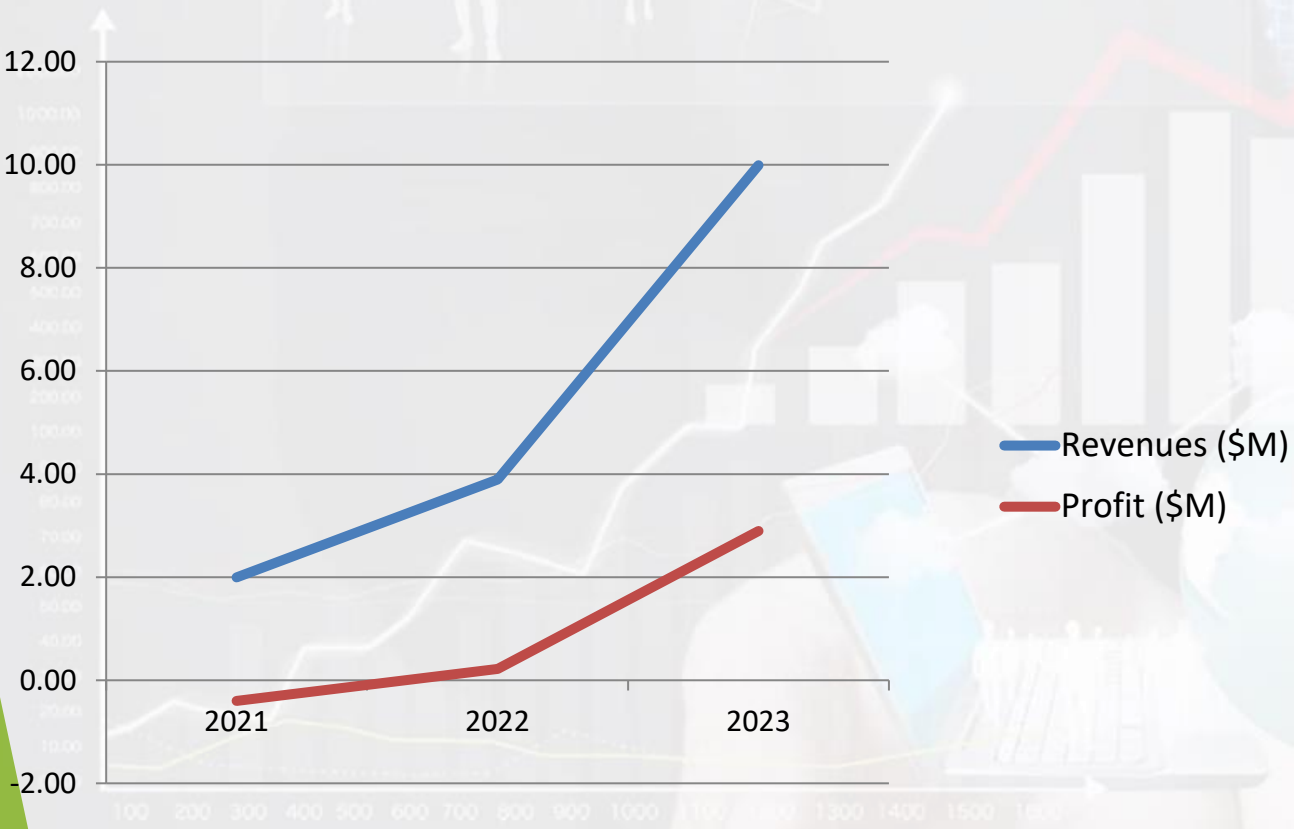
COMMERCIAL



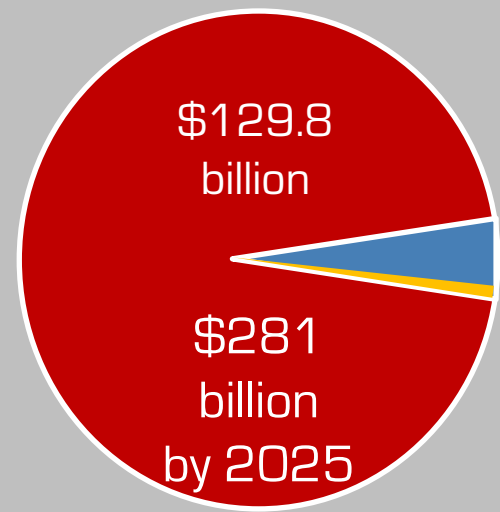
2010

2015 M-Cycle Gen3 2020

# The Market, Traction & Forecast



Three Year Financial Projections



- Traditional A/C market share (96%)
- Evaporative cooling market share (4%)
- Gen1 & Gen2 market share (0.07%)





# The Ask

## Convertible Note

Amount Requesting:	\$1.75 million
Conversion Price Discount:	20%
Interest:	7 %
Term:	24 months
Minimum investment:	\$300,000

## Use of Funds

Operations/LRIP-	60%
R&D -	17%
Machinery -	8%
Sales/Marketing -	5%
G&A -	10%

## Equity Raise

Amount Requesting:	\$1.75 million
Equity offered:	25% — 10%



# Exit Strategy

- 5 years investor buy-out plan
- Prior acquisition by the industry legacy brands
- Licensing
- Private Equity/IPO

FUJITSU



Munters



TRANE®



# The Team



Dr. Prof. Valeriy Maisotsenko  
Chief Scientist, Founder

***“The mother of all unfair  
advantages”***



Stan May  
President, Founder



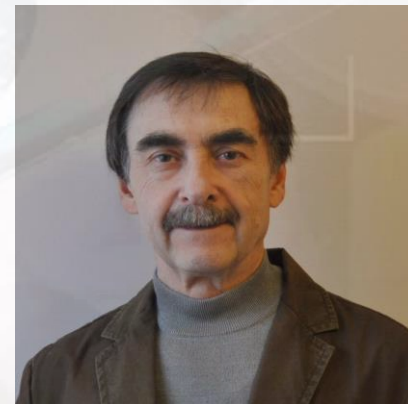
Yev Muchnik, Esq  
Chief Counsel



Bob Goodman  
Advisor



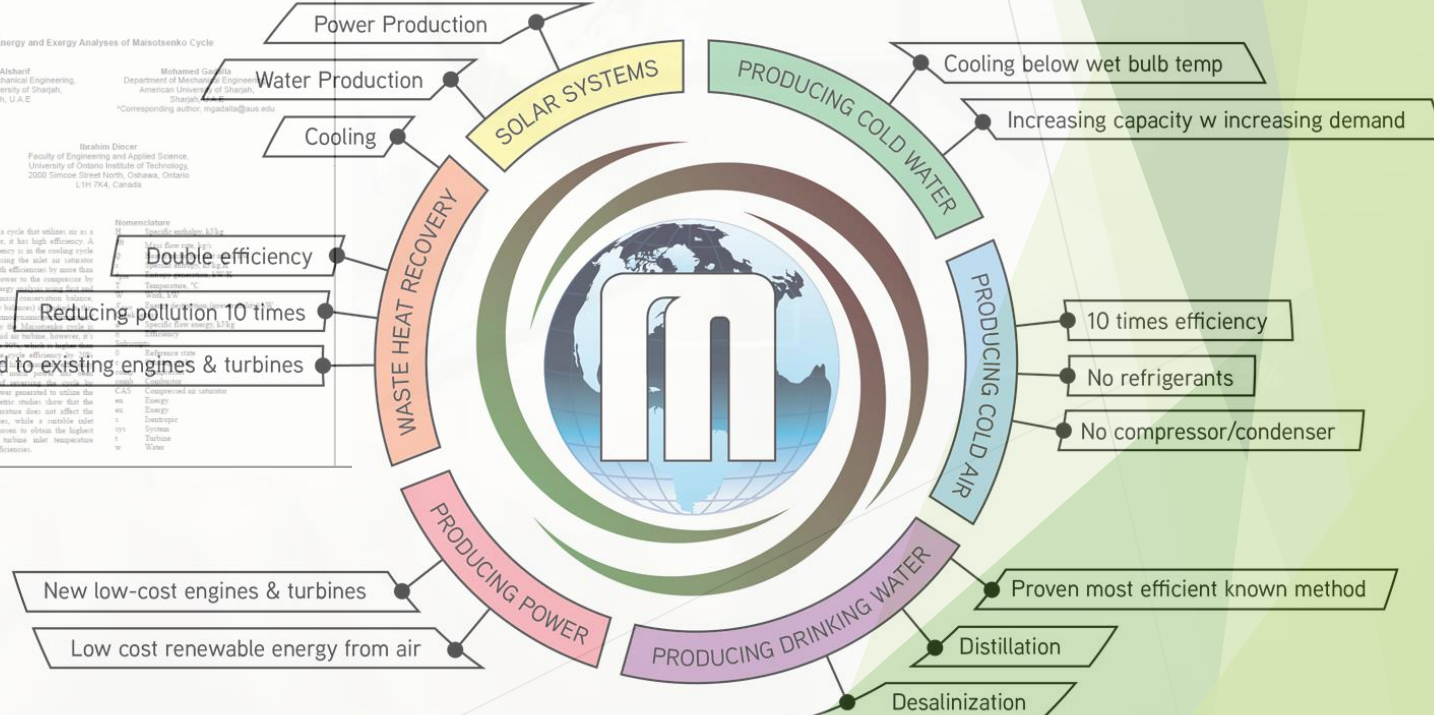
Alexey Polyakov  
International Business  
Development



Dr. Anatoliy Vorobyev Ph.D.  
Director of Laser  
Technologies





[illegible]



# M-Cycle Investment Case

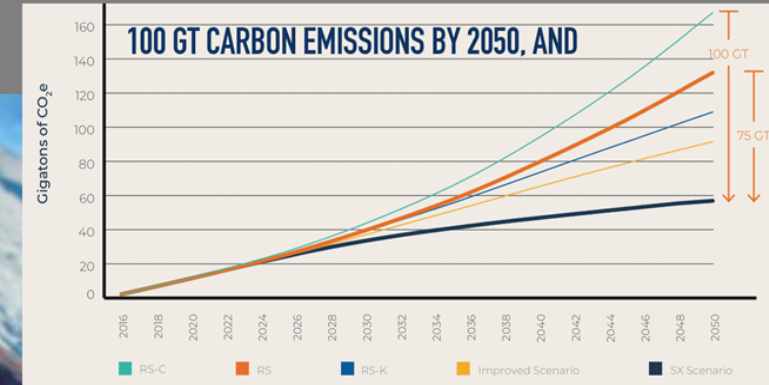
## Because Cooling Matters ....

**MORE THAN** SOLAR FARMS (37 GT), ROOFTOP SOLAR (17 GT),  
LED LIGHTING (13 GT) & ELECTRIC VEHICLES (11 GT) **COMBINED.**

### 4 Reasons to Invest:

- **New Performance Leading Technology**
- **Price Competitive Solutions**
- **Significant Market Opportunity**
- **Global Impact**

**5X GREENER\*** AIR CONDITIONING COULD PREVENT UP TO



**0.5°C**  
**OF GLOBAL**  
**WARMING**  
**BY 2100**