POWER CLOUDS INC.

A Nevada Corporation Listed on the OTC Pink Market
Current Trading Symbol: PWCL.PK

CUSIP Number: 739213 106

Annual Report

For the Twelve Months Ended December 31, 2015 and 2014
(Unaudited)

Including Financial Statements and Disclosures
Prescribed by OTC Pink Market for
Alternative Reporting Standards.

Filed on April 25, 2016

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Power Clouds Inc. (April 24, 2015 – present)
World Assurance Group, Inc. (09/12/2008 – April 23, 2015)

2) Address of the issuer's principal executive offices

Company Headquarters:
Address 1: 600 Brickell Ave., Suite 1775
Miami, FL 33131
Phone:
Email: info@powercloudsinc.com
Website(s): www.powercloudsinc.com

3) Security Information

Trading Symbol: Pinksheets: PWCL

Exact title and class of securities outstanding:

Common Stock:

CUSIP: 739213 106			
Par or Stated Value:	$0.001		
Total shares authorized:	100,000,000	as of:	December 31, 2015
Total shares outstanding:	84,727,098*	as of:	December 31, 2015

* Includes 300,000 shares authorized to be issued but not yet physically issued at 31 December, 2015. These shares are recorded as Stock Issuable in the attached financial statements.

Preferred Stock:

Par or Stated Value:	$0.001		
Total shares authorized:	50,000,000	as of:	December 31, 2015
Total shares outstanding: Series A	0	as of:	December 31, 2015
Total shares outstanding: Series B	0	as of:	December 31, 2015
Total shares outstanding: Series C	0	as of:	December 31, 2015

Transfer Agent
Name: **ClearTrust, LLC**
Address 1: 16540 Pointe Village Dr., # 206
Address 2: Lutz, Fl 33558
Address 3:
Phone: 813-235-4490
Web: www.cleartrustonline.com

Is the Transfer Agent registered under the Exchange Act?* **Yes**

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

NONE.

Describe any trading suspension orders issued by the SEC in the past 12 months.

NONE.

4) Issuance History

Listed below are any events that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period.

During the year ended December 31, 2015, the Company issued a total of 12,487,005 new common shares, consisting of 2,050,000 shares of restricted common stock in exchange for consulting services rendered, 6,500,000 shares of restricted common stock for the acquisition of certain subsidiaries of Power Clouds Pte. Ltd. (See Financial Footnote 10 for more detail), 3,937,005 shares of restricted common stock to Anch Holdings Ltd. as part of the consideration paid on behalf of one of the Company's subsidiaries to purchase an equity interest in another company, and 800,000 shares of restricted common stock to three third party independent contractors as partial consideration for certain consulting services provided.

During the year ended December 31, 2014, the Company issued a total of 67,789,353 shares of common stock. Of this amount, 36,987,273 shares of restricted common stock were issued to World Payment Solutions, Ltd., an entity under common control with our CEO, in exchange for the conversion of 3,172,750 shares of Series A Convertible Preferred Stock and 320,000 shares of Series C Convertible Preferred Stock, 29,802,080 shares of restricted common stock were issued to World Payment Solutions, Ltd. in exchange for the conversion of 80 shares of Series B Convertible Preferred Stock, and 1,000,000 new shares of restricted common stock were issued for the acquisition of World Global Assets Pte. Ltd, an entity under common control with our CEO, (See Financial Footnote 6: Completion of Acquisition of World Global Assets Pte. Ltd. for more detail). 2,000,000 shares of restricted common stock were returned to the Company pursuant to a settlement agreement with Andrew Austin.

Also, on June 16, 2014 the Company affected a 1-for-50 reverse stock split of the Company's issued, outstanding and total authorized common stock.

Each of the above securities offerings or transactions was made by officers and directors of the issuer and was not a registered offering. The offerings relied upon an exemption under Regulation S or Rule 4(2) of the Securities Act of 1933, as amended. The shares in these offerings or transactions were restricted (i.e., not freely tradable), where indicated above; and the certificates evidencing such shares contained a legend (1) stating that the shares have not been registered under the Securities Act of 1933, as amended, and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act of 1933, as amended.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

A. Balance sheet;
B. Statement of income;
C. Statement of cash flows;
D. Financial notes; and
E. Audit letter, if audited

The Company's financial statements were prepared by our Chief Financial Officer for its twelve months ended December 31, 2015, and are attached hereto and incorporated herein as part of the Company's Annual Report, and filed herewith at the end of this Report.

The financial statements requested pursuant to this item were prepared in accordance with US GAAP by persons with sufficient financial skills.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

Power Clouds Inc. develops, owns and operates Utility Scale Solar projects internationally that provide clean energy to national power grids under long term, government supported, fixed price contracts. The Company has operational plants in Romania, a project under construction in Japan and and has completed letters-of-intent to acquire additional operating plants in Italy, which are subject to suitable financing being obtained. The company plans to expand to other worldwide locations in the future. Power Clouds has a core team of experts operating at the international level, with specific expertise in photovoltaic solar parks, and a proven ability to deliver the highest technical and cutting-edge solutions across multiple locations.

The Company currently has four operating subsidiaries: Solar Parc Moldoveni SRL and F.R.A.N. Energy Investment SRL (FRAN), both based in Romania, and Power Clouds (Japan) Ltd. and Green Light GK, both based in Japan.

B. Date and State (or Jurisdiction) of Incorporation:

World Assurance Group, Inc. (WDAS) was originally incorporated on January 1, 2000 in the State of Colorado.

WDAS was reorganized and incorporated on November 8, 2006 in the State of Nevada.

Cellad, Inc. was originally incorporated under the laws of the State of Delaware on December 11, 2012.

Effective February 1, 2013, WDAS acquired substantially all of the assets and liabilities of Cellad in exchange for a total of 80 shares of WDAS's Series B preferred stock pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among WDAS, WDAS's wholly owned subsidiary, World Acq, Inc. (which subsequently changed its name to Cellad, Inc.), and Cellad (the "Contribution Agreement"). Although WDAS is the legal acquirer, for accounting purposes Cellad is the accounting acquirer and the transaction was accounted for as a reverse merger.

Effective March 5, 2014, World Payment Solutions, Ltd. ("WPS") acquired a controlling interest in WDAS through the purchase of 80 shares of Series B Convertible Preferred Stock from Cellad pursuant to a Stock Purchase Agreement. On April 23, 2014, these shares were converted into common stock and on July 14, 2014 WPS also converted its Series A and Series C Convertible Preferred Stock, which represented 90% of the total issued and outstanding common stock of WDAS on the date of conversion. WPS was the controlling shareholder of WDAS, and both WPS and WDAS are controlled by Fabio Galdi, WDAS's CEO and Chairman. Subsequently, on January 30, 2015, WPS assigned all of its WDAS shares to Mr. Fabio Galdi, our Chairman and controlling shareholder.

C. the issuer's primary and secondary SIC Codes;

4911; 3674

D. the issuer's fiscal year end date;

December 31st

E. principal products or services, and their markets;

Power Clouds Inc. develops, owns and operates Utilty Scale Solar projects internationally that provide clean energy to national power grids under long term, government supported, fixed price contracts. Two plants are operational in Romania and one is currently under construction in Japan.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company subleases office space for its operations from World Global Network Corp. (formerly named World Global Group, Inc.) on a month-to-month basis; its office is located at 600 Brickell Ave., Suite 1775, Maimi, Florida 33131.

The Company's subsidiaries, Power Clouds Japan GK, and Green Light GK lease office space for its operations on a month-to-month basis; its office is located at 6-16-50 Roppongi, Minato-ku, Japan 106-0032.

The Company's two Romanian subsidiaries, Park Solar Moldoveni and F.R.A.N. Energy Investment SRL, are together under a three year lease that continues until October 31, 2017; the office is located at Romania, Bucharest Sector 1, Floreasca Street Nr. 60, Floor 4.

Through its Romanian subsidiaries, the Company owns and operates two solar parks with a combined power output of 6.1 MW constructed at Scornicesti and Nucet in Romania that generate an average of 6,500 MWh/yr, which is enough power for a small town of about 7,000 inhabitants. The parks occupy approximately 6 hectares of land that is leased on a 25 year term at $16,000 per annum.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Chief Executive Officer, President and Chairman: **Roberto Forlani**
Chief Financial Officer, Secretary and Director: **Vincent Browne**

Control Persons: **Power Clouds Holdings Pte. Ltd. (controlled by Fabio Galdi)**
Roberto Forlani

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4.The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Fabio Galdi
Ownership: Includes: 54,789,355 shares of restricted common stock held indirectly through Power Clouds Holdings. Ltd., a Singapore company, of which Mr. Galdi holds dispositive voting and investment control over, and 1,000,000 shares of restricted common stock indirectly held though World Global Cash Ltd., a Singapore company owned and controlled by Mr. Galdi, which makes Mr. Galdi a 66.28% Beneficial Shareholder.
Address: 600 Brickell Ave., Suite 1775, Miami, Florida 33131

Roberto Forlani
Ownership: Includes 18,500,000 shares of restricted common stock held directly by Mr. Roberto Forlani, our CEO, which makes Mr. Forlani a 22.0% Beneficial Shareholder.
Address: 600 Brickell Ave., Suite 1775, Miami, Florida 33131

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Accountant or Auditor
Name:
Firm:
Address 1:
Address 2:
Phone:
Email:

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.
Name: Tali Durant
Firm: DART Business Services, LLC
Address 1: 16192 Coastal Highway
Address 2: Lewes, DE 19958
Email: tali@dart-services.com

10) I, Vincent Browne, certify that:

1. I have reviewed this Annual Report of Power Clouds Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 25, 2016

/s/ Vincent Browne
Vincent Browne
Chief Financial Officer

I, Roberto Forlani, certify that:

1. I have reviewed this Annual Report of Power Clouds Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 25, 2016

/s/ Roberto Forlani
Roberto Forlani
Chief Executive Officer and Chairman of the Board

POWER CLOUDS INC.
AND SUBSIDIARIES

FINANCIAL STATEMENTS

AS OF AND FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015 AND 2014 (Unaudited)

POWER CLOUDS INC.
AND SUBSIDIARIES

Index to Financial Statements

POWER CLOUDS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Prepared by Management
(Unaudited)

	December 31, 2015	December 31, 2014 (as restated)
ASSETS		
Current Assets		
Total cash and cash equivalents	$ 56,679	$ 3,088,186
Accounts receivable	267,372	-
Energy incentives earned not invoiced	215,595	-
Deposits paid to vendors and for development projects	-	340,226
Taxes recoverable	73,165	-
Prepaid expenses	19,747	196,433
Total Current Assets	632,557	3,624,845
Fixed Assets		
Furniture and fittings	-	150,000
Plant and machinery - net	6,388,291	-
Plants under construction - cost	2,812,952	-
	9,201,243	150,000
Market value of shares held in WRMT	99,927	-
Total Assets	**$9,933,727**	**$3,774,845**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	1,007,560	1,192,295
Provision for corporation tax payable	-	607,479
Loans related parties	1,282,056	-
Total Current Liabilities	2,289,616	1,799,774
Total Liabilities	**2,289,616**	**1,799,774**
Stockholders' Equity		
Net Common stock, $0.001 par value; 100,000,000 shares authorized, 84,427,098 and 72,240,093 shares issued and outstanding as of December 31, 2015 and December 31, 2014 respectively.	84,427	72,241
Common stock issuable	300	-
Other comprehensive loss	(278,771)	-
Additional paid in capital	12,284,301	1,349,922
Accumulated (deficit) surplus	(4,445,720)	552,908
Total Power Cloud Inc, stockholders equity	7,644,537	1,975,071
Non-controlling interests	(426)	-
Total Shareholders' Equity	7,644,111	1,975,071
Total Liabilities and Stockholders' Equity	**$9,933,727**	**$3,774,845**

See accompanying notes to the financial statements

POWER CLOUDS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
Prepared by Management
(unaudited)

	For the Year ended December 31, 2015	December 31, 2014
Revenues	$ 878,030	$ -
Cost of revenues	(99,912)	-
Gross profit (loss)	778,118	-
Operating expenses		
Sales and general administrative	600,229	81,139
Plant operating costs	71,918	-
Stock compensation expense	146,750	76,824
Earnings before interest, tax, depreciation and amortization (EBITDA) - continuing operations	(40,780)	(157,963)
Depreciation and amortization	(426,361)	-
Gain (loss) on foreign exchange	50,920	-
Operating Loss from continuing operations	(416,221)	(157,963)
Discontinued operations:		
(Loss) Income from discontinued operations	(4,554,570)	4,300,100
Net income (loss) before tax	$(4,970,791)	$4,142,137
Corporation tax paid	(27,837)	-
Net income (loss) after tax	**$(4,998,628)**	**$4,142,137**
Attributable to non-controlling interests - continuing	-	-
Net income (loss) attributable to common stockholders	**$(4,998,628)**	**$4,142,137**
Weighted average shares outstanding:		
Basic	81,018,462	27,199,925
Fully Diluted	81,018,462	53,696,171
Earnings (loss) per share - fully diluted attributable to common stockholders		
From continuing operations	$(0.01)	$(0.00)
From discontinued operations	$(0.06)	$0.08
Net Loss per share	$(0.06)	$0.08

See accompanying notes to the financial statements

POWER CLOUDS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
Prepared by Management
(Unaudited)

	Common stock issued		**Common stock issuable**		**Additional paid-in Capital**	**Comprehe-ns ive Income / (Loss)**	**Acummu-lated surplus / (deficit)**	**Non Controllin g Interests**	
	Shares	Amount	Shares	Amo unt					**Total**
Balance at December 31, 2013	**6,450,520**	**$ 6,452**	**-**	**$ -**	**$(2,515,522)**	**$ -**	**$(1,271,360)**	**$ -**	**$ (287,600)**
Acquisition of World Global Assets Pte. Ltd	1,000,000	1,000			62,500				63,500
Cancellation of common stock from A. Austin - Stock value March 05, 2014	(2,000,000)	(2,000)			2,000				-
Cancellation of debt by related parties					287,600				287,600
Conversion of Series B Preferred Stock to common stock	29,802,080	29,802			(29,722)				-
Purchase of shares as part of the approved share purchase program					(30,235)				(30,235)
Conversion of Series C Preferred Stock to common stock	727,273	727			319,273				-
Conversion of Series A Preferred Stock to common stock	36,260,000	36,260			3,136,490				-
Effect of reverse stock split	220	0			(0)				-
Stock compensation costs					76,824				76,824
Acquisition of WRMT					40,714				40,714
Dividends declared and paid							(1,710,390)		(1,710,390)
Net Income for the period							3,534,658		3,534,658
Balance at December 31, 2014	**72,240,093**	**$72,240**	**-**	**$-**	**$1,349,922**	**$ -**	**$552,908**	**$ -**	**$1,975,071**
Shares issued for equity method investments	3,937,005	3,937			744,093				748,030
Acquisition of Power Clouds operating companies	6,500,000	6,500			8,043,987			(426)	8,050,060
Shares issued to consultants for services	1,750,000	1,750	300,000	300	236,700				238,750
Spinout of WRMT as dividend to shareholders					1,415,111				1,415,111
Contribution from sales of subsidiary					494,488				494,488
Mark-to-market of publicly quoted securities - WRMT						0			-
Exchange translation of foreign held assets						(278,771)			(278,771)
Net loss for the period							(4,998,628)	0	(4,998,628)
Balance at December 31, 2015	**84,427,098**	**$84,427**	**300,000**	**$300**	**$12,284,300**	**$(278,771)**	**$(4,445,720)**	**$(426)**	**$7,644,112**

See accompanying notes to the financial statements

POWER CLOUDS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Prepared by Management
(Unaudited)

	For the year months ended	
	December 31, 2015 (Unaudited)	**December 31, 2014 (Unaudited)**
Cash Flows from Operating Activities:		
Net (loss) income for the period attributable to shareholders	$ (4,998,628)	$ -
Loss (income) from discontinued operations	4,554,570	8,129,845
Adjustments to reconcile net loss to net cash used in operations		
Shares issued to consultants	238,750	-
Depreciation	449,172	-
Loss on conversion of Series C preferred shares to common		1,814
Changes in assets and liabilities, net of acquisition and disposals:		
Accounts receivable and other short term receivables	(73,765)	-
Accounts payable & accrued liabilities	169,595	-
Energy incentives earned not yet invoiced	(215,595)	-
Prepaid expenses	(22,972)	-
Taxes Payable	-	-
Net cash generated in operating activities - continuing operations	101,127	1,814
Net cash (used) generated in operating activities - discontinued operations	(5,337,517)	5,812,570
Net cash used in operating activities	**(5,236,390)**	**5,814,384**
Cash Flows from Investing Activities:		
Cash from acquisition of Power Clouds	176,063	-
Upgrades of existing plant	(62,513)	-
Plant under construction	(2,812,952)	-
Net cash used in investing activities - continuing operations	(2,699,402)	-
Net cash used in investing activities - discontinued operations	-	(151,500)
Net cash used in operating activities	**(2,699,402)**	**(151,500)**
Cash Flows From Financing Activities:		
Proceeds from loans from officers and directors	2,183,056	-
Cash from sale of shares in subsidiary	3,000,000	-
Purchase of common shares under approved share purchase scheme	-	(30,235)
Dividends paid	-	(1,761,390)
Net cash used in financing activities - continuing operations	182,056	(1,791,625)
Net cash used in financing activities - discontinued operations	5,001,000	-
Net cash provided by financing activities	**5,183,056**	**(1,791,625)**
Cash Flows From Foreign Currency Activities:		
Exchange gain (loss)on translation of foreign assets	(278,771)	-
Net cash provided by (used in) foreign currency activities	**(278,771)**	**-**
Net increase (decrease) in cash and cash equivalents	(3,031,507)	3,871,259
Cash and cash equivalents, beginning of the period	3,088,186	-
Cash and cash equivalents, end of the period	**$56,679**	**$3,871,259**

SUPPLEMENTAL CASH FLOW DISCLOSURE:

Cash paid for interest	$ -	$ -
Cash paid for taxes	$ 27,837	$ -

SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:

Common stock issued for services	$ 238,750	$ 25,000
Common stock issued in settlement of debt	$ -	$ 49,000
Debt forgiven by officers	$ -	$ 267,539
Conversion of Series A Preferred shares in to common stock	$ -	$ 3,172,750
Conversion of Series B Preferred shares in to common stock	$ -	$ 80
Conversion of Series C Preferred shares in to common stock	$ -	$ 320,000
Cancellation of officer stock under settlement agreements	$ -	$ 2,000

See accompanying notes to the financial statements

POWER CLOUDS INC. AND SUBSIDIARIES
Notes to Financial Statements
(Unaudited)

1. Organization and Formation

Power Clouds Inc. (formerly World Assurance Group, Inc.) ("We", "PWCL" or the "Company") was incorporated in the State of Colorado on January 1, 2000, then reorganized as a Nevada corporation on November 8, 2006. On September 11, 2008 the corporation changed its name from Asset Realization, Inc. to World Assurance Group, Inc. On November 16, 2006, A Alpha Bail Bonds LLC, a limited liability company organized in the State of Colorado on August 11, 2005, was acquired by World Assurance Group, Inc. in a transaction classified as a reverse acquisition. On October 1, 2009, ANAV Holdings Company acquired World Assurance Group, Inc. in exchange for 40,000 shares of the combination of World Assurance Group, Inc. and ANAV Holdings Company. The assets and liabilities of the bail bonds company were then purchased by management of the bail bonds company, the principal selling shareholders of PWCL, and spun out as a privately held company.

On April 24, 2015, the Company changed its name from World Assurance Group, Inc. to Power Clouds Inc.

Acquisition of Cellad Inc.
Effective February 1, 2013, PWCL acquired, through its wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc., a Delaware corporation, in exchange for a total of 80 shares of PWCL's Series B Convertible Preferred Stock pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among PWCL, World Acq. Inc. and Cellad Inc. Although PWCL was the legal acquirer, for accounting purposes Cellad is the accounting acquirer and the transaction was accounted for as a reverse merger. See Footnote 4 for more details.
Subsequently, World Acq. Inc., the wholly owned subsidiary of PWCL incorporated in Nevada that acquired the Cellad Delaware assets, changed its name to Cellad, Inc.

On September 30, 2015 PWCL sold Cellad, Inc. to Fabio Galdi. See Footnotes 4 & 8 for more details.

Change of control of PWCL
Effective March 5, 2014, World Payment Solutions, Ltd. ("WPS") acquired a controlling interest in PWCL through the purchase of 80 shares of Series B Convertible Preferred Stock from Cellad pursuant to a Stock Purchase Agreement. These 80 shares of Series B Convertible Preferred Stock represents an 80% beneficial ownership interest in PWCL and 80% of the total issued and outstanding common shares on a fully diluted, as-converted basis. As a result of this acquisition, WPS became the majority shareholder of the PWCL. WPS is owned and controlled by Fabio Galdi. On January 30, 2015, WPS assigned all of its PWCL shares to Mr. Fabio Galdi, our controlling shareholder. See Footnote 5 & 6 for more details.

Sale of ANAV Holdings Company
Commensurate with the change of control of PWCL, the Company sold all of its shares in ANAV Holdings Company to Andrew S. Austin, a former director, as part of a Settlement Agreement with him. See Footnote 14 for more details.

Incorporation of World Global Group Inc.
On March 11, 2014, PWCL incorporated World Global Group, Inc. ("WGG") in Florida. WGG develops and acquires innovative technologies that are disruptive to existing processes. WGG was sold in December of 2014 to World Capital Holdings (FZC). See Footnote 10 for more details.

Acquisition of World Global Assets Pte. Ltd
Effective March 27, 2014, PWCL acquired World Global Assets Pte. Ltd. ("WGA"), a Singapore private limited company, through a stock purchase agreement by and among PWCL, WGA and World Global Cash Pte. Ltd. ("WGC), a Singapore company and the sole stockholder of WGA. WGA was sold on September 30, 2015 to Fabio Galdi. See Footnote 7 & 8 for more details.

Reverse Merger of PWCL's Space Technology Business into World Media and Technology Corp. ("WRMT") (formerly Halton Universal Brands Inc.) and WRMT Share Distribution
Effective October 29, 2014:
1) PWCL acquired 7,095,000 shares of World Media & Technology Corp. (formerly Halton Universal Brands Inc.) ("WRMT"), representing 98% of WRMT's issued and outstanding share capital, for cash consideration of $378,000,
2) WRMT discontinued its previously existing brokerage and brand consultancy business, and
3) WRMT acquired the SPACE technology business and related assets from PWCL for consideration of $557,898 funded by way of debt from PWCL (collectively "the October 29, 2014 transactions").

In May of 2015 PWCL's Board approved a share dividend consisting of 13,812,850 of the 15,095,000 common shares PWCL held in WRMT. Shareholders of PWCL received one (1) share of WRMT common stock for every six (6) PWCL shares of common stock held as of the record date, which was October 1, 2015. PWCL maintains a 4.5% ownership position in WRMT following the share dividend distribution. For more information, please see WRMT's SEC Form S-1/A filed on September 2, 2015 and the Company's Prospectus, Form 424B3, filed on October 7, 2015.

See Footnote 8 for more details.

Acquisition of certain subsidiaries from Power Clouds Pte Ltd.
On March 25, 2015 (the "Closing Date"), PWCL acquired a controlling interest in three companies: Power Clouds Japan GK (PCGK), Solar Parc Moldoveni SRL ("SPM") and F.R.A.N. Energy Investment SRL ("FRAN"), each a subsidiary of Power Clouds Pte. Ltd., a Singapore company, pursuant to an Equity Acquisition and Contribution Agreement, as amended, whereby PWCL contributed 5700 RON to SPM, which represents 95% of the share capital of SPM, and 7600 RON to FRAN, which represents 95% of the share capital of FRAN, and Power Clouds Pte. Ltd. transferred 100% of its capital in PCGK to PWCL. In further consideration for the acquisition of the controlling interest in the three companies, (i) PWCL issued a $100,000 promissory note to Mr. Forlani, Power Clouds Pte. Ltd.'s CEO and shareholder, accruing no interest and payable in full on March 25, 2016, (ii) Mr. Galdi, PWCL's Chairman and controlling shareholder, transferred 6,500,000 shares of PWCL common stock owned by Mr. Galdi individually to Mr. Forlani, and (iii) PWCL issued 6,500,000 shares of PWCL common stock to Power Clouds Pte. Ltd. See Footnote 10 for more details. In addition, all intercompany payables were set off against each other with any surplus due after such setoff written off, and Mr. Forlani forgave all debt owed to him by each of the three target companies.
On April 24, 2015, the Company changed its name from World Assurance Group, Inc. to Power Clouds Inc.

Acquisition of Entity Under Common Control:
In July of 2015, PWCL acquired a 95% membership interest in Green Light GK, a Japanese company owned by Power Clouds Pte. Ltd.

Summary:
Power Clouds Inc. (PWCL) is a holding company that currently operates through four subsidiaries:
- Solar Parc Moldoveni SRL, a Romanian company (Acquired March 31, 2015).
- FRAN Energy Investment SRL (FRAN), a Romanian company (Acquired March 31, 2015),
- Power Clouds Japan GK, a Japanese company (Acquired March 31, 2015).
- Green Light GK, a majority owned subsidiary and a Japanese company

The Company has elected a calendar accounting period beginning on January 1 and ending on December 31 of each year. On June 16, 2014 the Company effected a 1-for-50 reverse stock split of the Company's issued, outstanding and total authorized common stock. All share numbers reflect this reverse stock split.

2. Summary of Significant Accounting Policies

Basis of presentation
The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of consolidation
The consolidated financial statements for the twelve months ended December 31, 2015 and 2014 include 100% of the assets, liabilities, revenues, expenses and cash flows of Power Clouds Inc. The Company also consolidated the financial statements of its operating subsidiaries: Cellad, Inc, World Global Assets Pte Ltd, Solar Parc Moldoveni SRL, FRAN Energy Investment SRL, Power Clouds Japan GK and Green Light GK. All intercompany accounts and transactions have been eliminated in consolidation. The results of subsidiaries acquired or disposed of during the respective periods

are included in the consolidated statements of operations from the effective date of acquisition or up to the effective date of disposal, as appropriate.
The table below shows the results for each operating area (Power Cloud companies and corporate are grouped under Solar):

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are adjusted to reflect actual experience when necessary. Significant estimates and assumptions affect many items in the financial statements. These include estimates of fair value of common stock and related impact to stock-based compensation. Actual results may differ from those estimates and assumptions, and such results may affect income, financial position or cash flows.

Cash and cash equivalents
The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments.

The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification .

Risks and Uncertainties
The Company's operations are subject to significant risk and uncertainties including financial, operational, technological, and regulatory risks including the potential risk of business failure. Also see Footnote 3 regarding going concern matters.

Fair Value of Financial Instruments
The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements.
To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date
Level 2 Pricing inputs other than quoted prices in active markets included in Level 1 that are either directly or indirectly observable as of the reporting date.
Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses, accounts payable and accrued expenses, approximate their fair value because of the short maturity of those instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated. It is not however practical to determine the fair value of advances from stockholders, if any, due to their related party nature.

Related parties
The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the Related parties include: (a). affiliates of the Company; (b). entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; (c). trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (d). principal owners of the Company; (e). management of the Company; (f). other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (g). other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of financial statements is not required in those statements. The disclosures shall include: (a). the nature of the relationship(s) involved; (b). a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; (c). the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and (d). amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Commitments and contingencies
The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or un-asserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company’s financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time that these matters will have a material adverse effect on the Company’s financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company’s business, financial position, and results of operations or cash flows.

Investment in partnerships, unincorporated joint ventures or limited liability companies
The Company follows subtopic 323-30 of the FASB Accounting Standards Codification for investments in partnerships, unincorporated joint ventures or limited liability companies, as amended by the International Accounting Standard (IAS) 28.

The Company uses the equity method of accounting for investments in associate companies. An associate is an entity over which the investor has significant influence by owning over 20% of the common stock but less than 50%. A subsidiary is not an associate and an interest in a joint venture is not an associate.

The investment is initially recognized at cost. After the acquisition date, a change in the Company's share of the associate's net assets adjusts the carrying amount of investment. A change in the Company's share of the associates profit or loss is recognized in the Company's profit or loss while any change in the Company's share of the associate's other comprehensive income is recognized in the Company's other comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

Intellectual Property

Our success and ability to compete effectively are dependent in part upon our proprietary technology. We rely on a combination of copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual restrictions, to establish and protect our proprietary rights. Employees are required to execute confidentiality and non-use agreements that transfer any rights they may have in copyrightable works or patentable technologies to us. In addition, prior to entering into discussions with potential business partners or customers regarding our business and technologies, we generally require that such parties enter into nondisclosure agreements with us. If these discussions result in a license or other business relationships, we also generally require that the agreement setting forth the parties' respective rights and obligations include provisions for the protection of our intellectual property rights. The steps taken by us may not, however, be adequate to prevent the misappropriation of our proprietary rights or technology.

To date, we do not have any federally registered trademarks.

We do not currently have any patents or patent applications in process. Any future patent applications with respect to our technology may not be granted, and, if granted, patents may be challenged or invalidated. In addition, issued patents may not provide us with any competitive advantages and may be challenged by third parties. Our practice is to affix copyright notices on our product literature in order to assert copyright protection for these works.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to duplicate aspects of our products or to obtain and use information that we regard as proprietary. Our steps to protect our proprietary technology may not be adequate to prevent misappropriation of such technology, and may not preclude competitors from independently developing products with functionality or features similar to our products. If we fail to protect our proprietary technology, our business, financial condition and results of operations could be harmed significantly.

Consumer technology markets have been characterized by substantial litigation regarding patent and other intellectual property rights. Litigation, which could result in substantial cost to and diversion of our efforts, may be necessary to enforce trademarks issued to us or to determine the enforceability, scope and validity of the proprietary rights of others. Adverse determinations in any litigation or interference proceeding could subject us to costs related to changing names and a loss of established brand recognition.

Income Tax Provision

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns.

Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date.

The Company adopted the provisions of paragraph 740-10-25-13 of the FASB Accounting Standards Codification. Paragraph 740-10-25-13 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under paragraph 740-10-25-13, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Paragraph 740-10-25-13 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying balance sheets, as well as tax credit carry-backs and carry- forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its balance sheets and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

Uncertain Tax Positions
The Company did not take any uncertain tax positions and had no unrecognized tax liabilities or benefits in accordance with the provisions of Section 740-10-25 at December 31, 2015 and 2014.

Revenue Recognition
The Company applies paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

The Company derives its revenues from the following generation of green energy from its power plants in Romania and other geographies to the local power grid on long term contracts.

Persuasive evidence of an arrangement is demonstrated via invoice; service is considered provided when the invoice is raised in line with the customer agreements and delivery of the products or service has taken place.

Stock-Based Compensation
The Company accounts for stock-based compensation in accordance with ASC 718. Under the fair value recognition provisions of this statement, stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense on a straight-line basis over the requisite service period, which is the vesting period. The Company elected the modified-prospective method, under which prior periods are not revised for comparative purposes. The valuation provisions of ASC 718 apply to new grants and to grants that were outstanding as of the effective date and subsequently modified. During the twelve months ended December 31, 2015 and 2014, there were no stock options granted or outstanding.

During the twelve months ended December 31, 2015, warrants to purchase up to a total of 1,800,000 shares of restricted common stock were issued with an exercise price of Twenty Cents ($0.20) per share, vesting over 3 years and having a 3 year term. As the exercise price was greater than the market price as of December 31, 2015, no beneficial conversion feature cost was recorded against these warrants in the current period.

Net income (loss) per common share
Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through contingent shares issuance arrangement, stock options or warrants.

There were no potentially dilutive shares issued or outstanding during the twelve months ended December 31, 2014.
During the twelve months ended December 31, 2015, warrants to purchase up to a total of 1,800,000 shares of restricted common stock were issued with an exercise price of Twenty Cents ($0.20) per share, vesting over 3 years and having a 3 year term. As the exercise price was greater than the market price as of December 31, 2015, no potential dilution calculation is required.

Cash flows reporting
The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments.

The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent Events
The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company considers its financial statements issued when they are widely distributed to users, such as through filing them with OTC Markets.

Reclassification
Certain amounts from prior periods may have been reclassified to conform to the current period presentation. There is no effect on net loss, cash flows or stockholders' deficit as a result of these reclassifications.

Recently issued accounting pronouncements
The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

3. Going Concern

The financial statements for the twelve months ended December 31, 2015 and 2014 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of our business. As reflected in the accompanying financial statements, we had a net loss of $4,970,79 and a net income of $4,182,851 for the years ended December 31, 2015 and 2014, respectively; accumulated stockholder's surplus of $ 7,644,111 and $1,975,071 for the year ended December 31, 2015 and 2014, respectively, and a working capital deficit of $1,657,059 and a surplus of $1,825,071 as of December 31, 2015 and 2014, respectively. Also, as of December 31, 2015 we had $56,679 of cash on hand.

Given the current level of cash resources, receivables and positive cash generation from continuing operations, management is confident that current operations will continue indefinitely. The Board of Directors of PWCL feel that the Company has the ability to continue as a going concern in the foreseeable future.

As a result, the accompanying financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the company be unable to continue as a going concern.

The Company plans to seek additional funds to finance construction and acquisition of additional renewable energy plants and its long-term operations and business plan through debt and/or equity financing. The successful outcome of future financing activities cannot be determined at this time and there is no assurance that if achieved, the Company will have sufficient funds to execute its intended business plan. There is no guarantee that sufficient or any new finding will be achieved on terms suitable to the business, or at all.

4. Reverse Merger with Cellad, Inc.

Effective February 1, 2013, PWCL acquired, through its wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc., a Delaware registered company, in exchange for a total of 80 shares of PWCL's

Series B Convertible Preferred Stock (the "Shares") pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among PWCL, World Acq. Inc. and Cellad, Inc. (the "Contribution Agreement"). Although PWCL is the legal acquirer, Cellad, Inc. is considered the accounting acquirer.

World Acq. Inc., the wholly owned subsidiary of PWCL incorporated in Nevada that acquired the Cellad Delaware assets, changed its name to Cellad, Inc.

Cellad is a mobile digital media company formed in Ireland in 2011 and operating in the global 'mobile advertising' industry. Cellad has developed, along with its partners, a revolutionary new cloud based advertising platform that allows advertisers and brands to deliver high definition, full screen adverts, coupons and click-through offers to our subscribers every time the subscriber receives an inbound call or text message on their android smartphone. Advertisers can directly manage content, and campaigns to chosen demographic and geographic audiences using advances in location based technologies and smartphone applications. Cellad, Inc. pays a fee – in cash or points – directly to subscribers for every advert displayed on their smartphone once they have registered and downloaded the subscriber application.

On September 30, 2015 PWCL sold Cellad, Inc. to Fabio Galdi as part of the spin out of WRMT; See Footnote 8 for more details.

5. Controlling Series B Stock Purchase by World Payment Solutions Ltd.

Effective March 5, 2014, Cellad, Inc., a Delaware corporation and the majority shareholder of World Assurance Group, Inc. ("PWCL" or the "Issuer"), sold 80 shares of PWCL Series B Convertible Preferred Stock to World Payment Solutions Ltd., a corporation incorporated in St. Vincent and the Grenadines ("WPS") in exchange for $265,000 in cash.

On March 5, 2014, a change of control of the Issuer was made when WPS acquired 80 shares of PWCL Series B Convertible Preferred Stock from Cellad Inc., which represents an 80% beneficial ownership interest in PWCL and 80% of the total issued and outstanding common shares on a fully diluted, as-converted basis. As a result of this acquisition, WPS became the majority shareholder of the PWCL. Fabio Galdi holds the dispositive voting and investment control of WPS.

On April 23, 2014, WPS converted the 80 shares of PWCL Series B Convertible Preferred Stock into a total of 29,802,080 shares of restricted common stock, which represented 80% of the fully diluted common stock of PWCL on the date of conversion.

Subsequently, on January 30, 2015, WPS assigned all of its PWCL shares to Mr. Fabio Galdi, our controlling shareholder.

6. Series A Stock Purchase by World Payment Solutions Ltd.

Effective March 5, 2014, WPS entered into four Stock Purchase Agreements with PWCL's Series A Holders, whereby the Series A Preferred Stock was sold to WPS or its assigns in exchange for varied cash payments over a period of 36 months to be paid to the current Series A shareholders, and the conversion price of the Series A Preferred Stock was amended to a fixed conversion price of $0.0875 per share, representing the minimum conversion price in the existing designation. As the price of the common stock on March 5, 2014 was lower than the fixed conversion price in the Series A preferred designation, no loss was created on the modification of the Series A shares.

Subsequently, on July 14, 2014, WPS converted all of the PWCL Series A Preferred Stock into 32,260,000 restricted common stock that represented 49% of the fully diluted common stock of PWCL on the date of conversion. This brought WPS's total ownership of PWCL to 90%. The conversion was completed within the terms of the Series A designation and no loss on conversion was recorded as a result.

Subsequently, on January 30, 2015, WPS assigned all of its PWCL shares to Mr. Fabio Galdi, our controlling shareholder

7. Acquisition and Disposition of Entity Under Common Control: World Global Assets Pte. Ltd.

Effective March 27, 2014, PWCL consolidated through the acquisition of World Global Assets Pte. Ltd. ("WGA"), a Singapore private limited company. The transaction was completed through a stock purchase agreement by and among PWCL, WGA and World Global Cash Pte. Ltd. ("WGC), a Singapore company and the sole stockholder of WGA. Fabio

Galdi, the Issuer's CEO at the time and majority shareholder, also holds 100% of the voting and investment control of WGC.

WGA was sold to PWCL by WGC in exchange for 1,000,000 shares of restricted common stock of PWCL.

Effective March 27, 2014, WGA, a Singapore company, became a wholly owned subsidiary of PWCL. WGA owns various brands, trademarks, technology and intellectual property, including Power Clouds and AdKoin.
On September 30, 2015, in line with our refocusing exclusively as a Renewable Energy provider and in conjunction with the spin out of WRMT, PWCL sold WGA and Cellad Inc. to Fabio Galdi, our majority shareholder. As part of that sale, PWCL retained certain intellectual property consisting of the Power Clouds logo, domain name and trademark, through an intellectual property assignment by WGA to PWCL.
In addition, all intercompany payables were set off against each other with any surplus due to each party after such setoff written off, and WGA forgave all debt owed to them, with the exception of a convertible loan note for $1,000,000 issued to WGA, which has a three year term, accrues no interest, and is convertible at a fixed price of $0.20 per share, subject to certain triggers and restrictions. The Company can repay the note at any time with no penalty.
As a result of this transaction, and as the companies are entities under common control, we booked a contribution to Additional Paid in Capital of $494,488 to reflect the gain on the disposition of the business.

8. Reverse Merger of PWCL's Space Technology Business into World Media & Technology Corp. (formerly Halton Universal Brands, Inc.) and Subsequent Spin Out.

Effective October 29, 2014:

1) PWCL acquired 7,095,000 shares of World Media & Technology Corp. (formerly Halton Universal Brands Inc.) ("WRMT"), representing 98% of WRMT's issued and outstanding share capital, for cash consideration of $378,000,

2) WRMT discontinued its previously existing brokerage and brand consultancy business, and

3) WRMT acquired the SPACE technology business and related assets from PWCL for consideration of $557,898 funded by way of debt from PWCL (collectively "the October 29, 2014 transactions").

We have accounted for the October 29, 2014 transactions as a reverse merger of PWCL's SPACE technology business and related assets into WRMT. This reverse merger has been accounted for as a reverse capitalization with PWCL's SPACE technology business, the legally acquired business, being treated as the acquirer of WRMT for accounting and financial reporting purposes.

PWCL's SPACE technology business were originally formed in May 2014 ("Inception") as a business division of PWCL to undertake the design, manufacturing and marketing of wearable technology products and services and the provision of Mobile Virtual Network Operator ("MVNO") wireless services.

In March of 2015, Fabio Galdi, the Company's Chairman and majority stockholder, purchased 12,000,000 shares of WRMT for $3,000,000 cash. As of March 31, 2015, PWCL owns 52.8% of WRMT and Fabio Galdi individually owns 42% of WRMT.

Share Dividend: Spin Out
In May of 2015, the Board approved a share dividend consisting of 13,812,850 of the 15,095,000 common shares it currently holds in WRMT. Shareholders of PWCL received one (1) share of WRMT common stock for every six (6) PWCL shares of common stock that they hold as of the record date, which was October 1, 2015. PWCL maintains a 4.5% ownership position in WRMT following the share dividend distribution. For more information, please see WRMT's SEC Form S-1/A filed on September 2, 2015 and the Company's Prospectus, Form 424B3, filed on October 7, 2015.
The Company booked a contribution to Additional Paid in Capital of $722,818 to reflect the gain on the spinout of the WRMT business.

9. Sale of Entity Under Common Control: World Global Group, Inc.

On December 11, 2014, WDAS sold 100% of the capital stock of World Global Group, Inc. (WGG) to World Capital Holdings (FZC), a company owned by Fabio Galdi, our majority shareholder, former CEO and current Chairman, for $10.00 cash. WGG had no assets or liabilities or operations at the time of sale.

Subsequently, on February 3, 2015, World Global Group, Inc. changed its name to World Global Network Corp. The office space sublease between WGG and WRMT remains in place.

10. Acquisition of certain subsidiaries from Power Clouds Pte Ltd.

On March 25, 2015 (the "Closing Date"), PWCL acquired a controlling interest in three companies: Power Clouds Japan GK (PCGK), Solar Parc Moldoveni SRL ("SPM") and F.R.A.N. Energy Investment SRL ("FRAN"), each a subsidiary of Power Clouds Pte. Ltd., a Singapore company, pursuant to an Equity Acquisition and Contribution Agreement, as amended, whereby PWCL contributed 5700 RON to SPM, which represents 95% of the share capital of SPM, and 7600 RON to FRAN, which represents 95% of the share capital of FRAN, and Power Clouds Pte. Ltd. transferred 100% of its capital in PCGK to PWCL. In further consideration for the acquisition of the controlling interest in the three companies, (i) PWCL issued a $100,000 promissory note to Mr. Forlani, Power Clouds Pte. Ltd.'s CEO and shareholder, accruing no interest and payable in full on March 25, 2016, (ii) Mr. Galdi, PWCL's Chairman and controlling shareholder, transferred 6,500,000 shares of PWCL common stock owned by Mr. Galdi individually to Mr. Forlani, and (iii) PWCL issued 6,500,000 shares of PWCL common stock to Power Clouds Pte. Ltd. In addition, all intercompany payables were set off against each other with any surplus due to any party after such setoff written off, and Mr. Forlani forgave all debt owed to him by each of the three target companies.

The issuance of PWCL Common Stock was made pursuant to the exemption from the registration requirements of the Securities Act of 1933, as amended (the " Securities Act "), provided by Section 4(2) of the Securities Act. The foregoing description is a summary of certain of the terms of the Equity Acquisition and Contribution Agreement, the First Addendum and the Promissory Note. This summary does not purport to be complete and is qualified in its entirety by the complete text of the Agreement, the Addendum and the Note, which are filed as Exhibits to the Supplemental Information Statement filed on March 31, 2015.

In July of 2015, the Company acquired a 95% membership interest in Green Light GK, a Japanese company owned by Power Clouds Pte. Ltd., which is owned and controlled by Roberto Forlani, our CEO.

11. Fixed Assets / Real Property

As of December 31, 2015, the Company had $6,388,291 of Plant and Machinery assets representing the net book value of operational solar farms in Romania. The assets have been valued based on actual cost of construction. We currently depreciate the plants with a useful life of between 16 and 20 years.

As of December 31, 2015 the Company recorded $2,812,952 representing the actual construction costs incurred to date for the Green Light GK solar project in Otaru, Japan. The project requires an estimated additional $2.5 million to complete during H1 2016. Based on this and future committed spending to complete the project, the carrying value was deemed fair and no provisions are required.

As of December 31, 2014 the Company had $150,000 of Furniture and Fittings that were purchased throughout the year. These were disposed of as part of the sale of WGA (see footnote 7).

12. Accounts Payable and Accrued Liabilities

Accounts payable at December 31, 2015 were $1,007,560. 1 vendor accounted for 83% of the payables at September 30, 2015 relating to the construction of the soalr plant in Japan.

Accounts payable at December 31, 2014 were $1,192,295. Of this amount Power Clouds Pte Ltd accounted for $1,191,000 that was subsequently set off against the share consideration paid for the acquisition by the Company of the three Power Cloud operating companies on March 25, 2015.

13. Convertible Promissory Notes

On November 12, 2015, the Company issued to Mr. Forlani a $75,000 convertible promissory note, accruing 10% interest, convertible into shares of restricted common stock at $0.20 per share and having a 1 year term (unless the

Professional Consulting Agreement, as described in the Related Parties Footnote #17 below, is terminated, in which case the note is due on such termination date).

Also on November 12, 2015 the Company entered into a First Amendment to a $100,000 Promissory Note issued to Mr. Forlani, our CEO, on March 25, 2015, whereby the maturity date of the Note was extended to December 31, 2016 or the termination date of the Professional Consulting Agreement with Mr. Forlani, as described above; the Note shall accrue 10% interest annually commencing January 1, 2016, and the Note is now convertible at any time at the option of Mr. Forlani at $0.20 per share.

On September 30, 2015, the Company issued a convertible loan note for $1,000,000 to WGA as part of the disposition of the space technology business to Fabio Galdi, our majority shareholder. (See footnote 7 for details). The note has a three-year term, accrues no interest, and is convertible at a fixed price of $0.20 per share, subject to certain triggers and restrictions. The Company can repay the note at any time with no penalty. As the conversion price is above the market price at the time of issuance, no beneficial conversion costs are recorded.

Debt Schedule:
As of December 31, 2015 and 2014, we had $1,275,000 and $0, respectively, principal owed under convertible promissory notes. All of the $1,275,000 amount owing at December 31, 2015 is to related parties, of which $1,000,000 is owed to World Global Assets Pte Ltd ("WGA"), which is controlled by Fabio Galdi. This note carries no interest and is repayable on demand. $275,000 is owed to our CEO, Roberto Forlani, on loan notes that carry 10% interest payable quarterly, have a one year term, and are convertible into common stock at any time at the option of Mr. Forlani at $0.20 per share (see Footnote 17, Related Party Transactions).

14. Commitments and Contingencies

Litigation
The Company is not currently involved in any litigation that it believes could have a material adverse effect on its financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of the Company or any of its subsidiaries, threatened against or affecting the Company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

In the ordinary course of business, we are from time to time involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon our financial condition and/or results of operations. However, in the opinion of our management, other than as set forth herein, matters currently pending or threatened against us are not expected to have a material adverse effect on our financial position or results of operations.

Leases
Our Romanian companies lease the land for the solar parks at a combined annual cost of $18,000. The leases commenced in 2013 and run for 25 years.

15. Shareholder's Equity

Common Stock:
On June 16, 2014 the Company effected a 1-for-50 reverse stock split of the Company's issued, outstanding and total authorized common stock. All share numbers reflect this reverse stock split.

As of December 31, 2015 and 2014, 100,000,000 and 5,000,000,000, respectively, total shares of common stock, par value $0.001 per share, were authorized; 84,727,098 and 72,239,873 shares, respectively, were issued and outstanding. There are no special voting or economic rights or privileges. Dividends may be paid on the outstanding shares as declared by our board of directors. Each share of common stock is entitled to one vote.

During the year ended December 31, 2015, the Company issued a total of 12,487,005 new common shares, consisting of 1,250,000 shares of restricted common stock to Debrun Capital Inc. in exchange for consulting services rendered, 6,500,000 shares of restricted common stock for the acquisition of certain subsidiaries of Power Clouds Pte. Ltd. (See Financial Footnote 10 for more detail), 3,937,005 shares of restricted common stock to Anch Holdings Ltd. as part of the consideration paid on behalf of one of the Company's subsidiaries to purchase an equity interest in another company, and 800,000 shares of restricted common stock to three third party independent contractors as partial consideration for certain consulting services provided.

During the year ended December 31, 2014, the Company issued a total of 67,789,353 shares of common stock. Of this amount, 36,987,273 shares of restricted common stock were issued to World Payment Solutions, Ltd., an entity under common control with our CEO, in exchange for the conversion of 3,172,750 shares of Series A Convertible Preferred Stock and 320,000 shares of Series C Convertible Preferred Stock, 29,802,080 shares of restricted common stock were issued to World Payment Solutions, Ltd. in exchange for the conversion of 80 shares of Series B Convertible Preferred Stock, and 1,000,000 new shares of restricted common stock were issued for the acquisition of World Global Assets Pte. Ltd, an entity under common control with our CEO, (See Financial Footnote 6: Completion of Acquisition of World Global Assets Pte. Ltd. for more detail). 2,000,000 shares of restricted common stock were returned to the Company pursuant to a settlement agreement with Andrew Austin.

Share Buyback:
During the twelve months ended December 31, 2014, PWCL repurchased a total of 25,020 shares at an average price of $1.09 per share. These repurchased shares are currently being held by PWCL in treasury.

On April 28, 2014, the Corporation's Board approved a stock repurchase program, whereby the Company may repurchase up to 2,000,000 shares of the Corporation's outstanding common stock commencing on April 29, 2014, through April 28, 2015. The purchases may be made from time to time in the open market, or in privately negotiated transactions, subject to availability. Any repurchased shares will have the status of treasury shares and may be used, when needed, for general corporate purposes (the "Stock Repurchase Plan").

The repurchase program expired on April 28, 2015 and the Company made no further purchases under the scheme than those outlined above.

Reverse Stock Split:
On June 16, 2014 the Company affected a 1-for-50 reverse stock split of the Company's issued, outstanding and total authorized common stock. Shareholders holding less than 50 shares of common stock immediately prior to the reverse split will not receive fractional shares in the reverse stock split, but will instead have their shares converted into the right to receive one whole common share in exchange for the fractional share interests resulting from the reverse stock split. Concurrently with the reverse stock split, the Company's Articles of Incorporation were amended to reduce the total authorized common stock from 5,000,000,000 to 100,000,000.

Preferred Stock:
As of December 31, 2015 and 2014, 50,000,000 total shares of preferred stock, par value $0.001, were authorized, and zero shares were issued and outstanding.

Series A Convertible Preferred Stock ("Series A Preferred"):
In July of 2010, the Company authorized and issued 3,500,000 shares of Series A Preferred. On February 1, 2013 the Series A Preferred were amended and restated. The Series A Preferred, as amended as restated, have a $0.001 par value per share and are not entitled to any dividends. The Series A Preferred are not redeemable. A portion of the Series A Preferred, equal to three percent (3%) of the Company's issued and outstanding common stock at the time of conversion, shall automatically convert into Common Stock commencing February 15, 2013, and automatic conversions shall continue once every 30 days thereafter at the Conversion Price of forty percent (40%) of the VWAP of the common stock over the previous four trading days or $0.175 per share of Common Stock, whichever is the lower. Notwithstanding the above, the Conversion Price shall never be below $0.0875 per share of Common Stock. Notwithstanding the above, the Series A Preferred may not be converted into more than, and the Series A Preferred holders may never beneficially hold more than, 9.99% of the total issued and outstanding common stock at any one point in time.

On July 14, 2014, all 3,172,750 remaining outstanding shares of Series A Preferred were converted by World Payment Solutions, Ltd. into 36,260,000 shares of common stock, leaving zero shares of Series A Preferred issued and outstanding. (See Footnote 7 for more details).

As the conversion was made within the terms of the designation of the Series A, no loss on conversion was recorded.

Series B Convertible Preferred Stock ("Series B Preferred"):
On February 1, 2013 the Company authorized and issued 80 shares of Series B Preferred with $0.001 par value. The Series B Preferred convert into a total of 80% of the total common shares on a fully diluted basis at the time of conversion. The Series B Preferred vote on an as-converted basis with the common stock. The Series B are not

redeemable and have a face value of $10.00 per share. The Company recorded a loss on issuance of $7,254,936 being the fair value of the common shares on the day of the issuance. This was subsequently included as additional paid in capital as an effect of the reverse merger with Cellad Inc.

On April 23, 2014, all of the Series B Preferred were converted into 29,802,080 shares of restricted common stock. (See Footnote 6 for more details).

As the conversion was made within the terms of the designation of the Series B, no loss on conversion was recorded.

Series C Convertible Preferred Stock ("Series C Preferred"):
In August of 2013, the Company authorized and issued 320,000 shares of Series C Convertible Preferred Stock. The Series C shares carry no voting rights and may be converted into shares of common stock at any time after two years from the Original Issue Date, into that number of fully paid and non-assessable shares of Common Stock as is determined by the Conversion Price in effect at the time of conversion, determined as hereinafter provided. The Conversion Price shall be Forty Percent (40%) of the VWAP of the four trading days prior to the date of conversion as set forth in Section 5(b) or 5(d) below, as applicable (the "Conversion Price"). Notwithstanding the above, the Conversion Price shall never be below $0.0875 per share of Common Stock. Additionally, no Series C Holder may beneficially own greater than 4.99% at any one point in time. The Series C Shares are not redeemable and have a face value of $1.00 per share. These shares were issued on settlement of an $112,000 loan note. The Company recorded a loss of $130,743 to reflect the difference in the fair value of the common shares issuable with the Series C preferred. Given that the fair value of the common shares was less than the $208,000 difference in the face value of the Series C preferred shares and the loan note principal, the Company set the difference of $77,257 against additional paid in capital.

During the twelve months ended December 31, 2014, specifically on July 14, 2014, all 320,000 outstanding shares of Series C Preferred were converted by World Payment Solutions, Ltd. into 727,273 shares of common stock, leaving zero shares of Series C Preferred issued and outstanding.

As the conversion was made within the terms of the designation of the Series C, no loss on conversion was recorded.

Warrants:
As at December 31, 2014, the Company had no outstanding warrants allowing employees or other individuals or groups to purchase common shares.

During the twelve months ended December 31, 2015, warrants to purchase up to a total of 1,800,000 shares of restricted common stock were issued with an exercise price of Twenty Cents ($0.20) per share, vesting over 3 years and having a 3 year term. As the exercise price of the warrants is above the market price at September 30, 2014, no charge was recorded for beneficial conversion features.

2014 Stock Incentive Plan:
The Board of Directors of Power Clouds Inc. (the "Company") believes that the attraction and retention of high quality personnel are essential to the Company's continued growth and success and that a stock plan such as the 2014 Stock Incentive Plan (the "Plan") is necessary for the Company to be competitive in its compensation practices. Therefore, on April 3, 2014, the Company's Board of Directors and the shareholders, through the written consent of the holders of a majority of our issued and outstanding voting securities, voted in favor of the Plan. A total of three million (3,000,000) shares of the Company's common stock has been initially reserved for issuance under the 2014 Stock Incentive Plan, subject to adjustment in the event of a stock split, stock or other extraordinary dividend, or other similar change in the common stock or capital structure of the Company.

Also on April 3, 2014, the Board approved the grant and issuance of a total of 2,073,294 restricted stock units under this 2014 Stock Incentive Plan to 7,114 consultants. As of December 31, 2015 and 2014, no shares have yet been issued under this plan.

The Company recorded a charge of $0 and $76,824 in stock compensation costs to reflect the fair market value of the vested portion of the Stock Plan as at December 31, 2015 and 2014, respectively.

16. Dividend

The Company paid a dividend of Five Cents ($0.05) per share on all shares of common stock issued and outstanding to those shareholders that were shareholders of record on June 30, 2014. As at June 30, 2014, there were 35,227,800 shares eligible for dividend and the Company subsequently paid total dividends of $1,761.390 on August 20, 2014. The

Company recorded the dividend as a deduction against retained earnings in the financial statements. The Company's Board of Directors will evaluate on a quarterly basis the amount and timing of future dividends based on the Company's operating results, financial condition, capital requirements and general business conditions. The amount and timing of dividends may vary, and the payment of any dividend does not assure that the Company will be able to pay or will declare dividends in the future. The Board has decided not to declare a dividend for any quarters since the quarter ended June 30, 2014.

In May of 2015, the Board approved a share dividend consisting of 13,812,850 of the 15,095,000 common shares it currently holds in WRMT. Shareholders of PWCL received one (1) share of WRMT common stock for every six (6) PWCL shares of common stock that they hold as of the record date, which was October 1, 2015. PWCL maintains a 3.7% ownership position in WRMT following the share dividend distribution. (See Footnote 8 of this report for more details). For more information, please see WRMT's SEC Form S-1/A filed on September 2, 2015 and the Company's Prospectus, Form 424B3, filed on October 7, 2015.

17. Related Party Transactions

On November 12, 2015, the Company entered into a Settlement Agreement with Roberto Forlani, our CEO, for past compensation due to Mr. Forlani, whereby the Company agreed to issue to Mr. Forlani a $75,000 convertible promissory note, accruing 10% interest, convertible into shares of restricted common stock at $0.20 per share and having a 1 year term (unless the Professional Consulting Agreement as described below is terminated, in which case the note is due on such termination date).

Also as of November 12, 2015, the Company entered into a Professional Consulting Agreement with Mr. Forlani, to be effective as of January 1, 2016, having an initial term of 3 years with automatic renewal for additional 3 year terms thereafter, pursuant to which Mr. Forlani will continue to be the Company's Chief Executive Officer, as well as Chairman of the Company's Board of Directors. As consideration for such services, commencing January 1, 2016 the Company agreed to pay a quarterly base fee of $45,000 to Mr. Forlani, a potential cash bonus of 2% of adjusted annual earnings, to be applied at December 31, 2016 and each year thereafter, and warrants to purchase up to a total of 3,000,000 shares of restricted common stock, vesting over 3 years, exercisable at $0.20 per share and having a 5 year term. Additionally, Mr. Forlani will be entitled to receive warrants to purchase up to 2,000,000 additional shares of common stock, at an exercise price equal to the market price of the common stock at time of each issuance, based on the successful acquisition by the Company, of Solar projects over and above those built by the Company; warrants to purchase up to 400,000 shares of common stock shall be issued for every 50 Mw acquired by the Company.

Also on November 12, 2015 the Company entered into a First Amendment to a $100,000 Promissory Note issued to Mr. Forlani, our CEO, on March 25, 2015, whereby the maturity date of the Note was extended to December 31, 2016 or the termination date of the Professional Consulting Agreement with Mr. Forlani, as described above, the Note shall accrue 10% interest annually commencing January 1, 2016, and the Note is now convertible at any time at the option of Mr. Forlani at $0.20 per share.

On September 30, 2015, PWCL sold two of its wholly owned subsidiaries, WGA and Cellad, to Fabio Galdi, our former executive officer and director and a current majority shareholder of PWCL. The Company issued a convertible loan note for $1,000,000 to WGA as part of the disposition of the space technology business to Fabio Galdi. (See Footnotes 4, 7 and 8 for details).

As of July 24, 2015 PWCL and VestCo Corp., a company owned and controlled by Mr. Browne, executed a Professional Consulting Agreement, pursuant to which Mr. Vincent Browne was named the Company's Chief Financial Officer, as well as appointed as a Member of the Company's Board of Directors. As consideration for such services, upon execution of the Agreement, the Company agreed to pay a monthly base fee of $12,000, a potential cash bonus of 2% of adjusted annual income, and warrants to purchase up to a total of 1,800,000 shares of restricted common stock, vesting over 3 years, exercisable at $0.20 per share and having a 3 year term. The monthly fees may increase up to $20,000 and additional warrants to purchase up to 3,000,000 shares of restricted common stock may be issued, based upon certain individual and corporate performance targets being achieved.

PWCL subleases facilities from WGG. In December of 2014, WGG was sold by PWCL to World Capital Holding (FZC), a company beneficially owned and controlled by Fabio Galdi, the Company's majority shareholder. The terms and conditions of the sublease from WGG to the Company remain in full force and effect.

In March of 2015, the Company acquired a controlling interest in three companies: Power Clouds Japan GK (PCGK), Solar Parc Moldoveni SRL ("SPM") and F.R.A.N. Energy Investment SRL ("FRAN"), each a subsidiary of Power

Clouds Pte. Ltd., a Singapore company owned and controlled by Roberto Forlani, our CEO at the time. In July of 2015, the Company acquired a 95% interest in another subsidiary of Power Clouds Pte. Ltd. (See Footnote 10 for more details.)

On January 30, 2015, World Payment Solutions Ltd., a Singapore company and the controlling shareholder of PWCL at the time, assigned all of its PWCL stock to Fabio Galdi, PWCL's CEO at the time and controlling shareholder. Both WPS and PWCL are majority owned and controlled by Mr. Fabio Galdi.

PWCL and Mr. Austin, one of our former board members, entered into a settlement agreement effective February 1, 2013 whereby, in exchange for $25,000 of total accrued but unpaid fees, PWCL agreed to issue to Mr. Austin 2,000,000 shares of PWCL's restricted common stock and Mr. Austin agreed to continue serving as a member of PWCL's Board of Directors for a period of at least one year or until the election of his successor and upon acceptance of election by such successor, for a total salary of $1.00 (One Dollar) per year. In February of 2014, PWCL and Mr. Austin entered into another settlement agreement effective March 5, 2014 whereby, Mr. Austin returned 2,000,000 shares of PWCL's common stock and resigned as director of PWCL in exchange for a cash payment of $10,000 and ownership of ANAV Holdings Corp. of real estate located in Colorado owned by PWCL.

Effective March 27, 2014, PWCL acquired World Global Assets Pte. Ltd. ("WGA"), a Singapore private limited company, through a stock purchase agreement by and among PWCL, WGA and World Global Cash Pte. Ltd. ("WGC), a Singapore company and the sole stockholder of WGA. Fabio Galdi, our majority shareholder, also owns WGC (See Footnote 7 for more details.)

On April 23, 2014, World Payment Solutions, Ltd. (WPS) converted 80 shares of PWCL Series B Convertible Preferred Stock into a total of 29,802,080 shares of restricted common stock, which represented 80% of the fully diluted common stock of PWCL on the date of conversion. WPS is controlled by Fabio Galdi, PWCL's controlling shareholder. (See Footnote 5 for more details).

On July 14, 2014, WPS converted all of the PWCL Series A Convertible Preferred Stock (3,172,750 preferred shares) and all (320,000) Series C Convertible Preferred Shares into a total of 36,987,273 shares of restricted common stock, which represented 90% of the total issued and outstanding common stock of PWCL on the date of conversion. WPS was the controlling shareholder of PWCL, and both WPS and PWCL are controlled by Fabio Galdi. Subsequently, on January 30, 2015, WPS assigned all of its PWCL shares to Mr. Fabio Galdi, our controlling shareholder.

On December 11, 2014, the Company sold 100% of the capital stock of one of its subsidiaries, World Global Group, Inc. (now named World Global Network Corp.) (WGN) to World Capital Holdings (FZC), an affiliate company also owned and controlled by Mr. Fabio Galdi, our controlling shareholder. WGG had no assets or operations at the time of the sale.

18. Management and Board of Directors Changes

Twelve Months Ended September 30, 2015:

As of October 6, 2015, Roberto Forlani, our CEO, resigned as Corporate Secretary, and Vincent Browne, our CFO, was appointed as Corporate Secretary.

As of October 12, 2015, Fabio Galdi, Alfonso Galdi and Alessandro Senatore resigned from our Board of Directors. None of the resignations were as a result of any disagreements with the Company. Also as of October 12, 2015, Roberto Forlani, our CEO and a member of the Board of Directors, was appointed as Chairman of the Board of Power Clouds Inc.

As of July 24, 2015, Roberto Forlani resigned as the Company's Chief Financial Officer. However, Mr. Forlani remains as Chief Executive Officer, Corporate Secretary and as a Member of the Company's Board of Directors. As of July 24, 2015 and simultaneously with Mr. Forlani's resignation, Power Clouds, Inc. (the "Company") and VestCo Corp. executed a Professional Consulting Agreement, pursuant to which Mr. Vincent Browne was named the Company's Chief Financial Officer, as well as appointed as a Member of the Company's Board of Directors. As consideration for such services, upon execution of the Agreement, the Company agreed to pay a monthly base fee of $12,000, a potential cash bonus of 2% of adjusted annual income, and warrants to purchase up to a total of 1,800,000 shares of restricted common stock, vesting over 3 years, exercisable at $0.20 per share and having a 3 year term. The monthly fees may increase up to $20,000 and additional warrants to purchase up to 3,000,000 shares of restricted common stock may be issued, based upon certain individual and corporate performance targets being achieved.

As of June 1, 2015, Alfonso Galdi resigned as the Registrant's Chief Financial Officer and Alessandro Senatore resigned as the Registrant's Chief Operating Officer. However, both Mr. Alfonso Galdi and Mr. Alessandro Senatore remain as Members of the Registrant's Board of Directors. Neither resignation was as a result of any disagreements with the Registrant.

As of June 1, 2015 and simultaneously with Mr. Alfonso Galdi's resignation, Mr. Roberto Forlani was named the Registrant's interim Chief Financial Officer, as well as remaining the Registrant's Chief Executive Officer, President and Corporate Secretary, and a Member of the Board of Directors.

On April 1, 2015, Fabio Galdi resigned as the Registrant's President, Chief Executive Officer and Corporate Secretary, but remains as Chairman of the Registrant's Board of Directors. His resignation was not as a result of any disagreements with the Registrant. As of April 1, 2015 and simultaneously with Mr. Galdi's resignation, Mr. Roberto Forlani was named the Registrant's Chief Executive Officer, President and Corporate Secretary, and appointed as a Member of the Board of Directors.

Vincent Browne, *Chief Financial Officer, Secretary and Member of the Board of Directors, age 48.*

Mr. Browne oversees Power Clouds' global finance, accounting, structured finance, investor relations organizations. He also leads the group's merger & acquisition activities. He has an extensive background in finance and operations, including experience in merger & acquisitions, project finance and capital market transactions for both public and private companies. Since 2008, he has worked predominantly the US public markets as CEO/CFO of OTC listed companies and has served as a consultant to others. Mr. Browne was Chief Financial Officer and a Director of the Company from March 2013 until March of 2014 and consulted with the business since then, until he was re-appointed as CFO and a Board Member in July of 2015 and Corporate Secretary in October of 2015. He currently also serves as CEO and Chairman of the Board of Axiologix, Inc. (AXLX). Prior to this he was Chairman and CEO of Flint Telecom Group, Inc. (FLTT), operating in the IP telecom and international remittance markets. From 2000 to 2005 he founded a number of technology startups. Prior to this, Mr. Browne was Head of Procurement with Esat Telecom Group, Ireland's premier competitive telecom operator, quoted on NASDAQ. His formative career was with Siemens Nixdorf in Ireland managing the Products Business Segment with annual revenues in excess of $50 million and 8 years of profitability. He holds a Bachelor of Commerce (Accounting) degree from University College Dublin and is a regular contributor in commercialization of research and technology projects with the Technology and Enterprise Campus at Trinity College Dublin.

Roberto Forlani: *President and Chief Executive Officer, Chairman of the Board of Directors, age 43*

Mr. Forlani is the founder of and currently the Chairman and CEO of Power Clouds, Inc. Mr. Forlani is also currently a minority shareholder of Power Clouds Pte. Ltd. a Singapore company. Mr. Forlani is a veteran of the Solar power industry with over 15 years experience operating at various levels across many international solar projects. During this time his roles covered all aspects of the build and production cycle including engineering, operations, service delivery and business management. In September of 2000, he founded and was CEO of E-Tech S.r.l. an Italian company specialising in electricity and air-conditioning plant construction. He was one of the early pioneers in the Italian solar industry, where he completed his first solar plant in 2002 generating enough power to run a small factory. Mr. Forlani was then part of the team that upgraded the world's largest solar plant at the time. In 2005, Mr Forlani joined Santerno spa, a world leader in solar inverters, a critical component of a solar power plant, as lead consultant in plant build and production. In February of 2008 Mr. Forlani founded Telenergia s.r.l. to serve the growing European market for solar power and succeeded in becoming the first world-wide service partner of Santerno spa. During his time at Telenergia, Mr. Forlani supported the setup and servicing of solar power plants, delivering a total of 350MW. In January 2013, he founded Power Clouds Pte. Ltd., to design, build and operate solar farms around the world employing a unique business model of individual participation in funding of solar power plant construction. Power Clouds has enabled over 60,000 participants to own a piece of a solar plant "in the Cloud". Mr Forlani is a graduate in Electronic Engineering with speciatization in power electronics and automation from University of Salerno in Italy. He subsequently won a scholorship in electromagnetic interaction at the same college. He also began his career as an electromagnetic interference entrepreneur in September 1999 to persue his passion for the automization of power plant controls.

20. Subsequent Events

In accordance with ASC 855, Subsequent Events, we have evaluated subsequent events through April 20, 2016, the date of available issuance of these audited financial statements. During this period, we had no materially recognizable subsequent events.