



**STRICTLY CONFIDENTIAL**

September 5, 2022

**For Private Distribution to BuildingIQ Shareholders**

With our deepest regret, as a Director and Chairman of BuildingIQ, Inc (“Company”), I would like to share with you that Australian Stock Exchange (“ASX”) has selected to delist the Company.

As you might recollect, the current Directors and the leadership team, inherited the Company in June 2020 which had been under financial, technological, sales and marketing, legal, and operational duress. . As soon as the current management took over the reins, many far-reaching and ultimately devastating challenges were inflicted to the Company including but not limited to:

- a) debilitating receivership in Dec 2020 (within six months of its leadership), resulting in loss of greater than half its revenues, operating markets, customers and employees
- b) multiple lethal lawsuits (Johnson Controls, mCloud, employees, threatening the Company and its management’s efforts to scale its operations,
- c) unfinished efforts of fortifying Company’s current technological infrastructure and to make it relevant and competitive in the marketplace using the modern cloud technologies
- d) unfinished technological undisclosed enhancements and upgrades resulting into expensive and expedited efforts for completely revamping of the current platform,
- e) streamlining of the previous operations of the Company through right sizing, and through smart process reengineering,
- f) adopting stringent cost cutting measures to bring the expenses in line with the revenues of the company to cut the losses and improve its bottom-line (See attached Appendix 4D)
- g) repositioning the company’s market image through redevelopment and re-strategizing the new business models to meet paradigm shift in the marketplace due to COVID-19,
- h) readjusting Company’s market focus to meet significant market changes due to the impact of COVID-19 pandemic.

The above challenges were unsurmountable and historic in nature for a new management who had barely taken the leadership position since only six months at the time when receivership was imposed upon the Company’s subsidiary. Amid all challenges, such as above, and more, as can be seen through various submissions to the ASX, the current management continued to strive to:

- i) increasing the efficiencies of the company’s operations,
- ii) establishing strict financial disciplines,
- iii) fighting legal battles relentlessly with giants like Johnsons Control, which was resolved successfully involving significant and expensive efforts, fully financed by the management’s own resources

- iv) reinventing Company's offerings to meet the paradigm shift in the market demands owing to COVID-19 pandemic
- v) working through the obligations of the submission of ASX and ensuring its continued compliance to the best of its abilities, as evident from its latest payment for the listing fees for year 2022-2023 and the latest set of submissions prior to August 31<sup>st</sup>, 2022.

The above summarized efforts took a serious toll on the Company, its finances, its resources, and its management, and its management's own resources - all this after continued pouring of current management's resources, efforts, and dedication.

Management worked diligently, and successfully to lodge all reports per the ASX guidelines. However, its purported Half Year report for June 2021 was not accepted by the ASX due to technicality which resulted in ASX's decision to delist.

Upon receiving the decision from the ASX personnel, the management immediately pursued with ASX profusely to reconsider its decision. Management held an immediate conference call with the senior ASX personnel to plead and explore every opportunity of finding a solution to reverse their delisting decision and explained in detail Company's vision and commitment to its shareholders. However, unfortunately, the management was informed that the decision was irreversible. Management remains greatly appreciative of the support extended by the ASX team during its entire tenure.

With that said, we were left behind to reconcile with this devastating decision and ponder upon the Company's business and its operations, its shareholders, and its customers. In coming days, management will revise and formalize its future plans for the Company's growth.

In the interim, management would like to take this opportunity to express its sincere gratitude to each and every shareholder. Though it has been only a very short time, it has been an arduous and challenging journey for us as a new management inheriting all challenges named herein. By the same token, we will continue to do our best to take on such challenges while leading the Company to its better days ahead.

We certainly have and had an excellent business plan and vision for the Company. However, with this unfortunate outcome, we are striving to internalize the realities and are considering various options to determine how to serve everyone involved in the best manner possible. With due humility and respect for your contributions to the Company, we are thankful to you and look forward to working together through this phase.

Sincerely,  
Sanjay Patel  
Director and Executive Chairman

**BuildingIQ, Inc.**  
**Appendix 4D**  
**30 June 2021**

**1. Company details**

Name of entity:	BuildingIQ, Inc.
ARBN:	605 422 160
Reporting period:	Half year ended 30 June 2021 (current period)
Previous period:	Half year ended 30 June 2020 (prior period)

**2. Unaudited results for announcement to the market**

					Half year ended 30 June 2021 \$
Revenues from ordinary activities	<b>down</b>	2,462,859	85%	to	446,102
Revenue and other income	<b>down</b>	3,200,607	84%	to	630,733
Net Loss for the period	<b>down</b>	2,562,339	76%	to	(820,846)
EBITDA	<b>up</b>	1,293,459	62%	to	(777,462)
Cash & cash equivalents	<b>down</b>	37,288	99%	to	241

*Dividends*  
Nil

*Comments*

The loss for the entity after providing for income tax and non-controlling interest amounted to \$820,846 (30 June 2020: \$3,383,185 loss).

EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ("AAS") and represents the profit under AAS adjusted for specific non-cash and significant items. The directors consider EBITDA to reflect the underlying earnings of the consolidated entity. The following table summarises reconciling items between statutory profit after tax attributable to shareholders of BuildingIQ, Inc. and EBITDA:

	<b>Consolidated</b>	
	<b>Half-year ended 30 June 2021</b>	<b>Half-year ended 30 June 2020</b>
	<b>\$</b>	<b>\$</b>
<b>EBITDA</b>	(777,462)	(2,070,921)
Interest income	0	1,230
Interest expense	(43,384)	(513,808)
Depreciation & amortisation	0	(799,686)
<b>Net loss before income tax</b>	<b>(820,846)</b>	<b>(3,383,185)</b>
Income tax	-	-

Net loss after income tax

(820,846)

(3,383,185)

### 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	1.0c	1.0c

### 4. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

Financial statements of BuildingIQ Inc. are currently being reviewed/audited. BuildingIQ Inc. will immediately make a further announcement to the market if there is a material difference between its unaudited financial statements and the audited financial statements.

### 5. Attachments

*Details of attachments (if any):*

The reviewed Interim Financial Statements of BuildingIQ, Inc. for the six months period ended 30 June 2021 are attached.

### 6. Signed

Signed  \_\_\_\_\_

Date: 30 August 2022

Sanjay Patel  
Executive Chairman  
Sydney, Australia  
Fargo, USA