



FY2017 Interim Financial Results Presentation

25 August 2017

Michael Nark
President & CEO

Forward Looking Statements



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Information in this presentation is for general information purposes only and is not an offer or invitation for subscription, purchase, or recommendation of securities in BIQ.

Certain statements throughout this document regarding the Company's financial position, business strategy, and objectives of Company management for future operations are forward-looking statements rather than historical or current facts.

Such forward-looking statements are based on the beliefs of the Company's management as well as on assumptions made by and information currently available to the Company's management. Such statements are inherently uncertain and there can be no assurance that the underlying assumptions will prove to be valid.

All data presented in this document reflect the current views of the Company with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company.

Agenda

1. Financial Results
2. Business / Operational Update
3. Looking Ahead

Presenter – Michael Nark, President & CEO



2017 Focus

1H 2017 OPERATIONAL ACHIEVEMENTS

- Successful launch of new 5i Platform services.
- Cost base stabilisation.
- Monthly recurring revenue growth.
- Continued wins in Higher Education and Commercial Real Estate markets.
- R&D tax rebate approval through 2018.
- Double digit ACR growth.

2H 2017 FOCUS

- Conversion of the growing sales pipeline to build momentum for 2018 growth.
- Continued growth of monthly recurring revenue.
- 5i Platform services delivering operational value to complement energy savings.
- Continue to monitor working capital requirements
- Continue consideration of both organic and inorganic expansion opportunities via partnerships, new markets and acquisitions.

Strategic Growth Initiatives

STRENGTHEN POSITION IN CURRENT MARKETS

- New direct sales resources to pursue new customer relationships across key target segments.
- Leverage positive results with customers to drive 5i Platform across balance of their building portfolios.
- Expand channel partnerships, including utilities and government entities, to cost effectively access unique opportunity sets or new markets.

CONTINUE TO INVEST IN TECHNOLOGY R&D

- Continue to reduce time and cost of solution deployment.
- Integration of on-site generation assets, including solar, to expand capabilities towards comprehensive on premise energy management.

ADDITIONAL SERVICES TO EXISTING CUSTOMERS

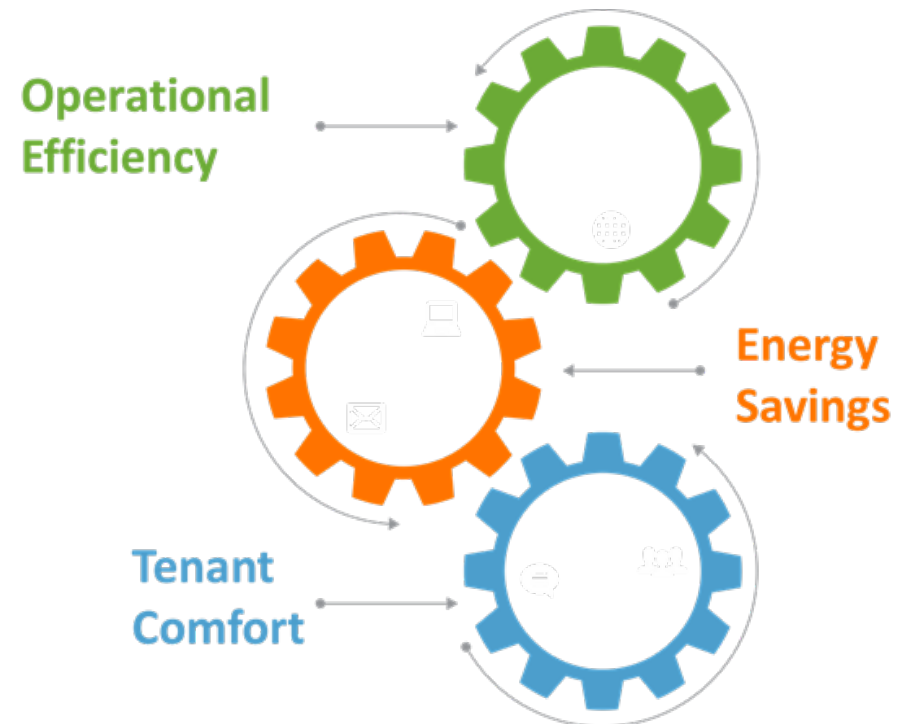
- Accelerate growth by offering additional services to customers from visualization to optimization.
- Increase value of each customer account by providing incremental managed services.
- Continue to create and expand our Platform service offerings to include automated demand response, analytics and measurement and verification.

EXPAND INTO NEW GEOGRAPHIES

- BuildingIQ will undertake prudent expansion into new geographic markets.
- Leveraging of Singapore presence in FY17.
- Pursuing business development and partnerships in specific segments of the Asian and UK/European markets.

SECTION 1

Financial Results



1H FY17 Business Targets Exceeded



Financial Drivers

- A\$0.4m monthly recurring revenue run rate ✓ MRR of A\$0.42m achieved
- Total New Contract Bookings of A\$4.00m ✓ A\$4.02m added
- Exit 1H2017 with > A\$4.50m ACR¹ ✓ ACR of A\$4.78m

Business Model Drivers

- 50 New Buildings under Contract ✓ 68 net New Buildings under Contract
- Increase Average Booked Building SF by 5% ✓ Average increased 7%
- Surpass 75M sqft under Contract ✓ Approx.77m sqft

¹**Annual Contracted Revenue:** measure of future revenue, representing contracted recurring revenue and non-recurring revenue potentially earnable over a 12 month period. Contracts expiring within 12 months, renewal is assumed. If contracts > 12months, only revenue within period included. This new measure better reflects business performance as contracts can now vary between one (remaining) month up to 10 years. Historically, ACR figures represent 80% of actual revenue recognised within the 12 month period.

Strong Financial Management

Positive Results



Financials

	Change	Improvement		30 June 2017
	\$	%		\$
Revenues from ordinary activities	110,541	5%	to	2,135,524
Revenue and other income	113,733	4%	to	2,702,391
Profit/(loss) from ordinary activities after tax attributable to the members of BuildingIQ, Inc.	2,336,806	51%	to	(2,228,654)
Profit/(loss) for the year attributable to the members of BuildingIQ, Inc.	1,988,291	40%	to	(2,965,721)
Earnings before interest, tax & depreciation (EBITDA)	1,348,498	41%	to	(1,962,918)
Cash and cash equivalents	(5,454,265) *	(52%)	to	4,984,923
Receipts from customers (including GST)	249,696	20%	to	1,474,549

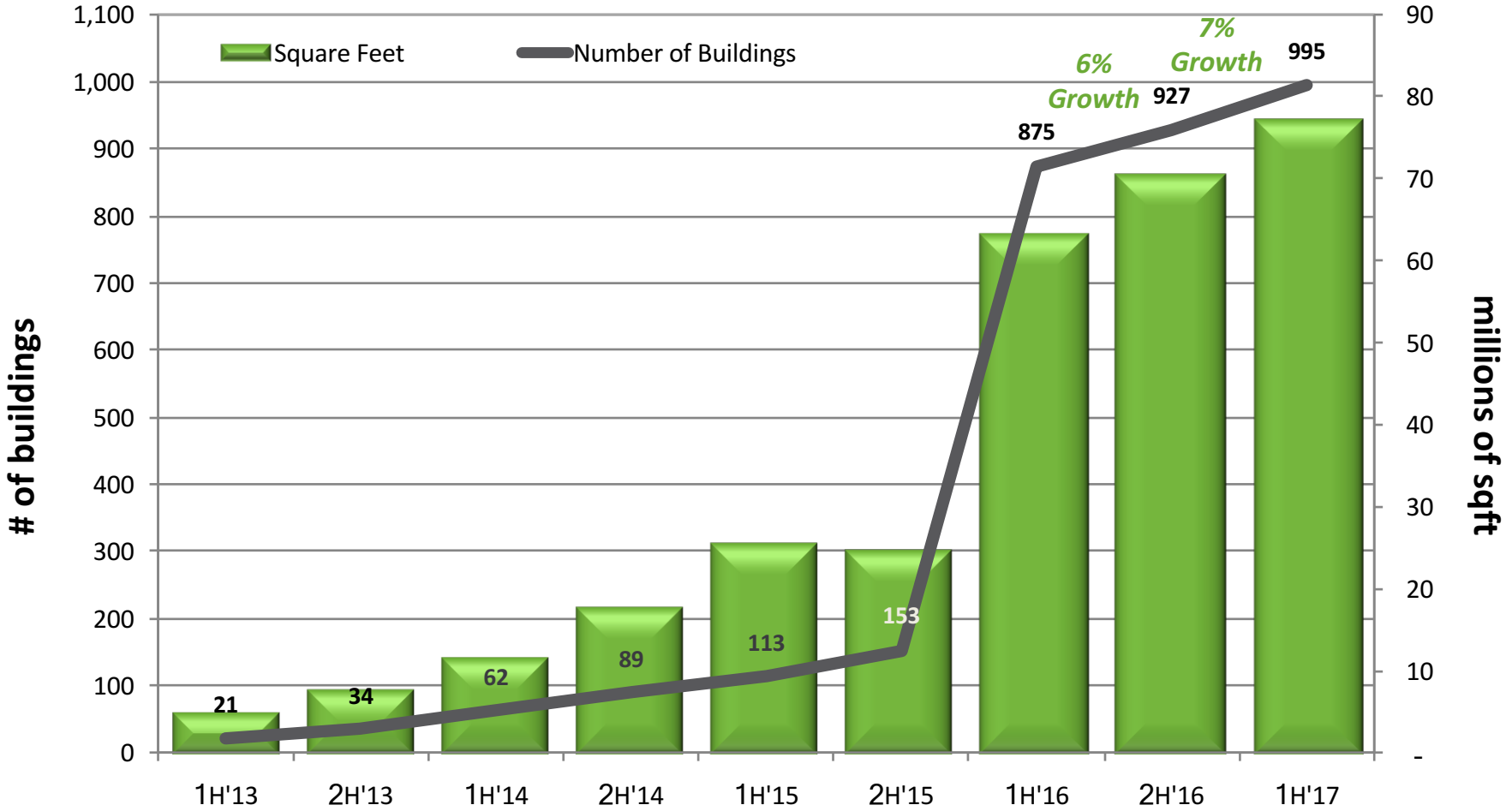
* Includes one time cash payments of \$1.62m for Northwrite acquisition

2017 Scorecard - Summary

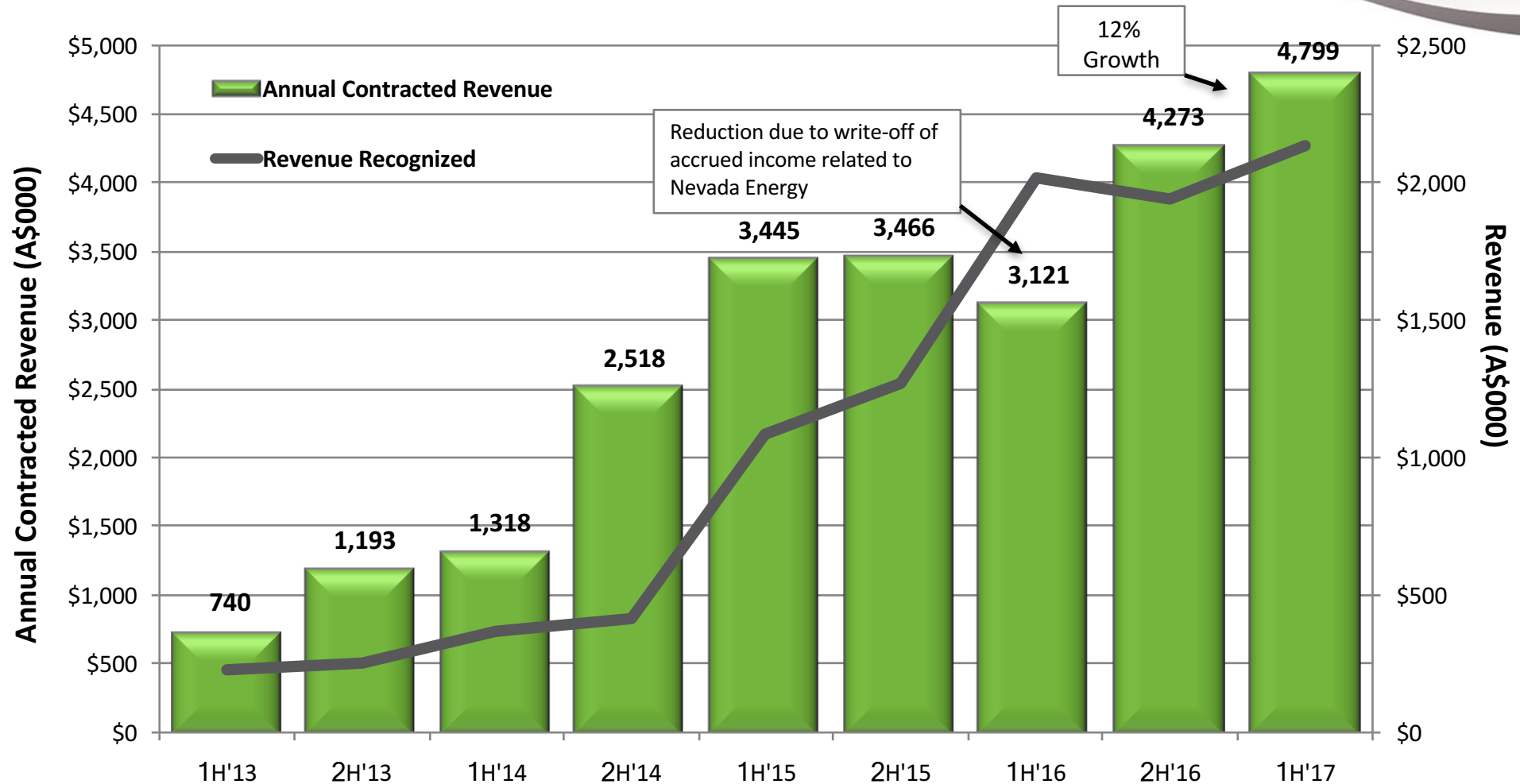
- 68 net new buildings added, total of 995 buildings (approx.77m sqft) active on the 5i Platform.
- Geographically, North American revenues still dominate, however significant growth in Australia driven by 5i Platform services:
 - North America A\$1.5 million (2016: A\$1.9 million)
 - Australia A\$0.6 million (2016: A\$0.1 million)
- 1st half focus on costs resulted in:
 - 11% reduction in net cash payments
 - 31% reduction in operating expenses compared to 1H2016
- R&D tax credit receipt A\$1.32m, additional A\$0.80m expected in 2H FY17.
- Underlying EBITDA loss A\$1.96m (A\$3.30m in 1H2016).

Continued Growth in Buildings

5i Platform Connected Buildings



Annual Contracted Revenue Growth

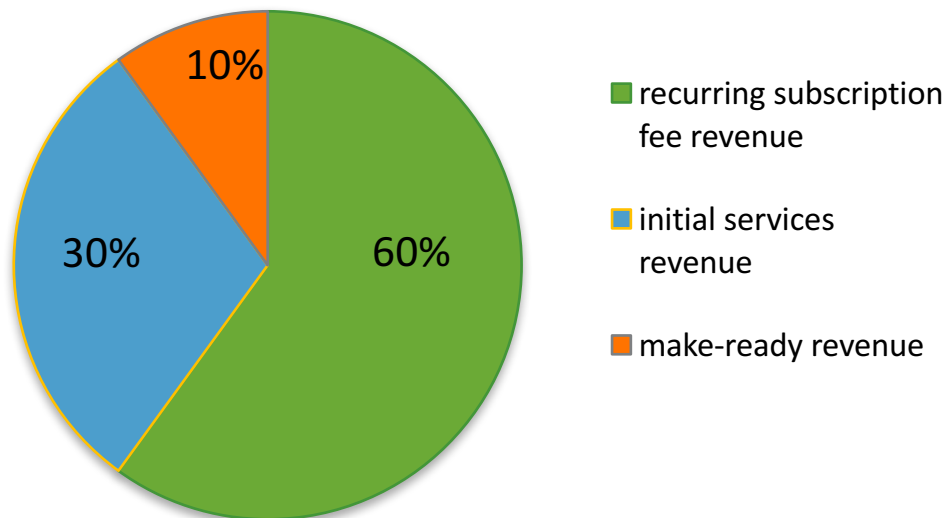


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Our Revenue Model

BuildingIQ generates 5i Services revenue from three primary components present in each customer contract.

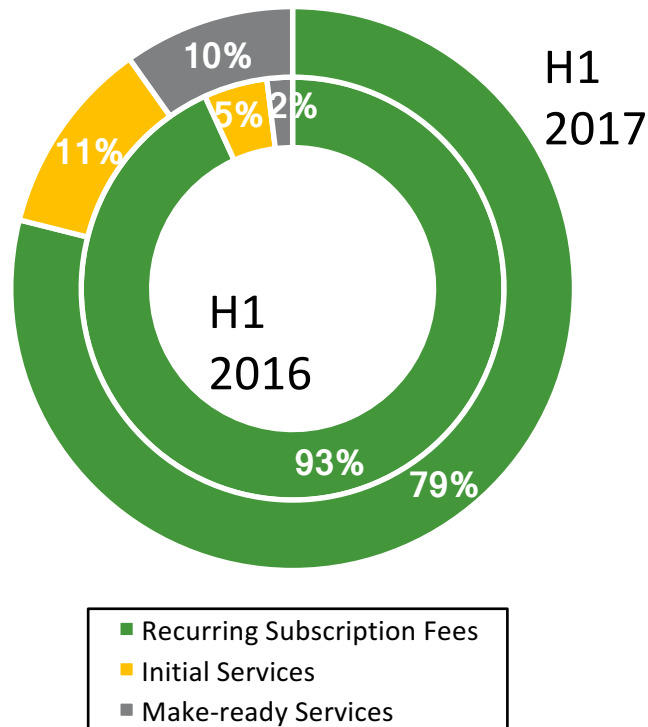
Typical Contract Revenue Split



- Contracts are typically multi-year (36 months).
- Subscription fees include managed services and support provided by BuildingIQ's operations team.
- Subscription fees vary by customer and geography.
- Pricing for current contracts from US\$0.03-\$0.13 / sqft (A\$0.40-A\$1.76 / sqm), depending on services provided.
- Figures represent current period financials only, due to rollout of 5i Platform.

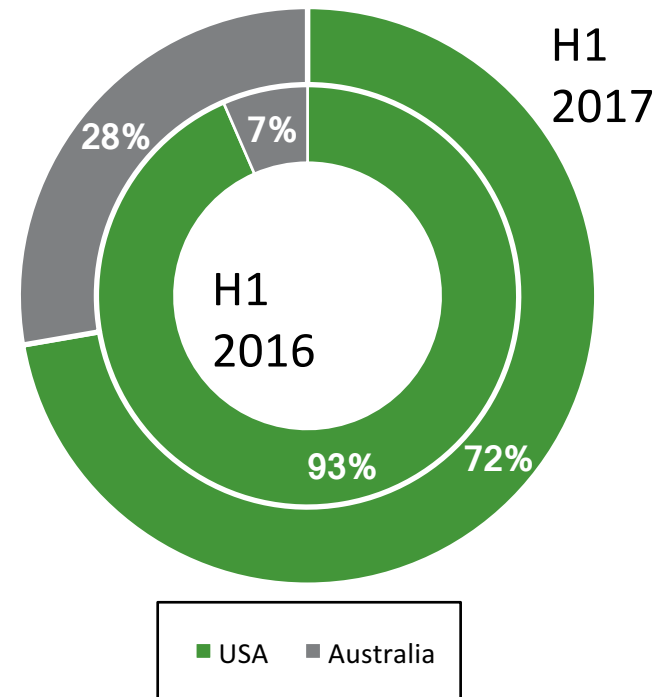
Revenue & Sales Mix Changing As Business Expands

5i Services Revenue Breakdown



- Revenue mix impacted by additional 5i Platform services uptake in areas of analytics and control
- New building construction and retrofit market opportunities being captured

Sales to Customers by Region



- Western Australia growth impact visible
- Deal sizes increase with addition of Control and Analytics services
- Continued growth expected as we expand service delivery across Australia and future applicable markets

Income Statement

Income Statement (6 months) (A\$,000)	PRIOR 30 June 2016	CURRENT 30 June 2017
Revenue	2,025	2,136
Other income	564	567
Total revenue & other income	\$2,589	\$2,702
COGs	1,146	807
Gross Margin	\$1,443	\$1,896
Sales & marketing	2,019	1,364
Research costs	933	873
Administrative and other operating costs	1,793	1,621
Total underlying OPEX	\$4,745	\$3,858
Underlying adjusted EBITDA (loss)	\$3,311	\$1,962
Depreciation & amortisation	342	364
Finance costs (net of interest income)	9	1
Employee options expense	81	(98)
Transaction advisory costs	121	-
Write-off of accrued revenue	719	-
Net loss before tax	\$4,565	\$2,229
Income tax expense	-	-
Net loss after tax	\$4,565	\$2,229

Revenue increased by 5% on 1H FY2016, in line with FY17 plan.

Costs savings in line with strategy undertaken in 2016.

Mark-to-Market adjustments for 6 months ended June 2017.

Energy Worksite and Facility Worksite acquisition costs in 2016.

Write-off of accrued revenue from utility program.

Balance Sheet

Balance Sheet (A\$,000)		PRIOR 31 Dec 2016	CURRENT 30 June 2017
Current Assets	Cash and cash equivalents	10,440	4,985
	Trade and other receivables	1,509	2,169
	R&D grant receivable	1,806	1,456
	Other current assets	510	808
	Total current assets	\$14,265	\$9,418
Non-current Assets	Property and equipment	158	170
	Goodwill & intangibles	3,830	3,592
	Other non-current assets	2,010	2,035
	Total assets	\$20,263	\$15,215
Current Liabilities	Trade and other payables	567	652
	Provisions & other liabilities	1,011	788
	Deferred purchase consideration	2,953	1,106
	Total current liabilities	\$4,531	\$2,546
	Total liabilities	\$4,531	\$2,546
	Net assets	\$15,732	\$12,669
Equity	Issued capital	44,079	44,079
	Accumulated losses & reserves	(28,347)	(31,410)
	Total equity	\$15,732	\$12,669

Trade debtors \$1.0m, accrued income \$1.1m.

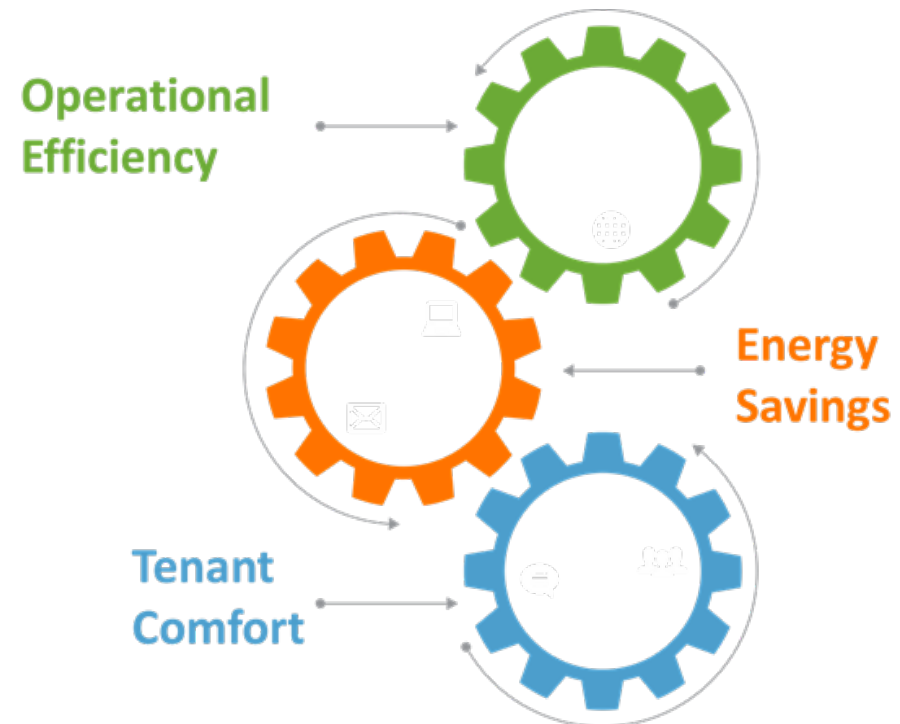
Total accrued to date. Total for FY17 est. \$2.2m. In line with increases in R&D costs since 2015.

Goodwill from NorthWrite acquisition \$4.1m, less \$0.3m Customer Contracts & Relationships recognised as - Other non-current assets. Amortised, and subject to foreign exchange fluctuations.

Relates to acquisition of Energy Worksite and Facility Worksite. Final settlement due in Q4 FY2017.

SECTION 2

Business / Operational Update



BuildingIQ 5i Journey

Core Services



Energy Worksite

Energy Visualization
ECM
Measurement Benchmarking
Portfolio Management
Deep Metering
Sub-Metering
Point Tracking



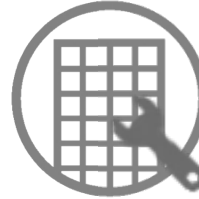
Smart Tune

Data-driven RCx
Level 2 Energy Audit (HVAC)
Project Management
Project Services



Predictive Intelligence

Data-driven CCx
24/7 Monitoring
24/7 Oversight
BMS Management
Analysis & Diagnosis



HVAC Solution

Project Management
Contractor & Mechanical Systems
Procurement
Data-based BMS
Commissioning



Outcome-based Fault Detection

Autonomous Fault Detection
Monitored Fault Discovery
Work
Prioritization
Ticketing & Escalation
Triage
Work Validation
24/7 Oversight



Demand Response

Standalone or Integrated with EE
WinterDR
SummerDR
Custom Override
Automatic
Unique to Building Portfolio
Dashboard
Integrated M&V



Predictive Energy Optimization

Closed Loop Control
Continual Optimization
Machine Learning
AI Energy Visualization
Baselining
24/7 Oversight w/Fault Discovery



Facility Worksite

Integrated Ticketing | Mobile App | Audit | Work Order and Asset Management
Preventative Maintenance | Escalations | Order Triage | Notifications | Measure | Verify

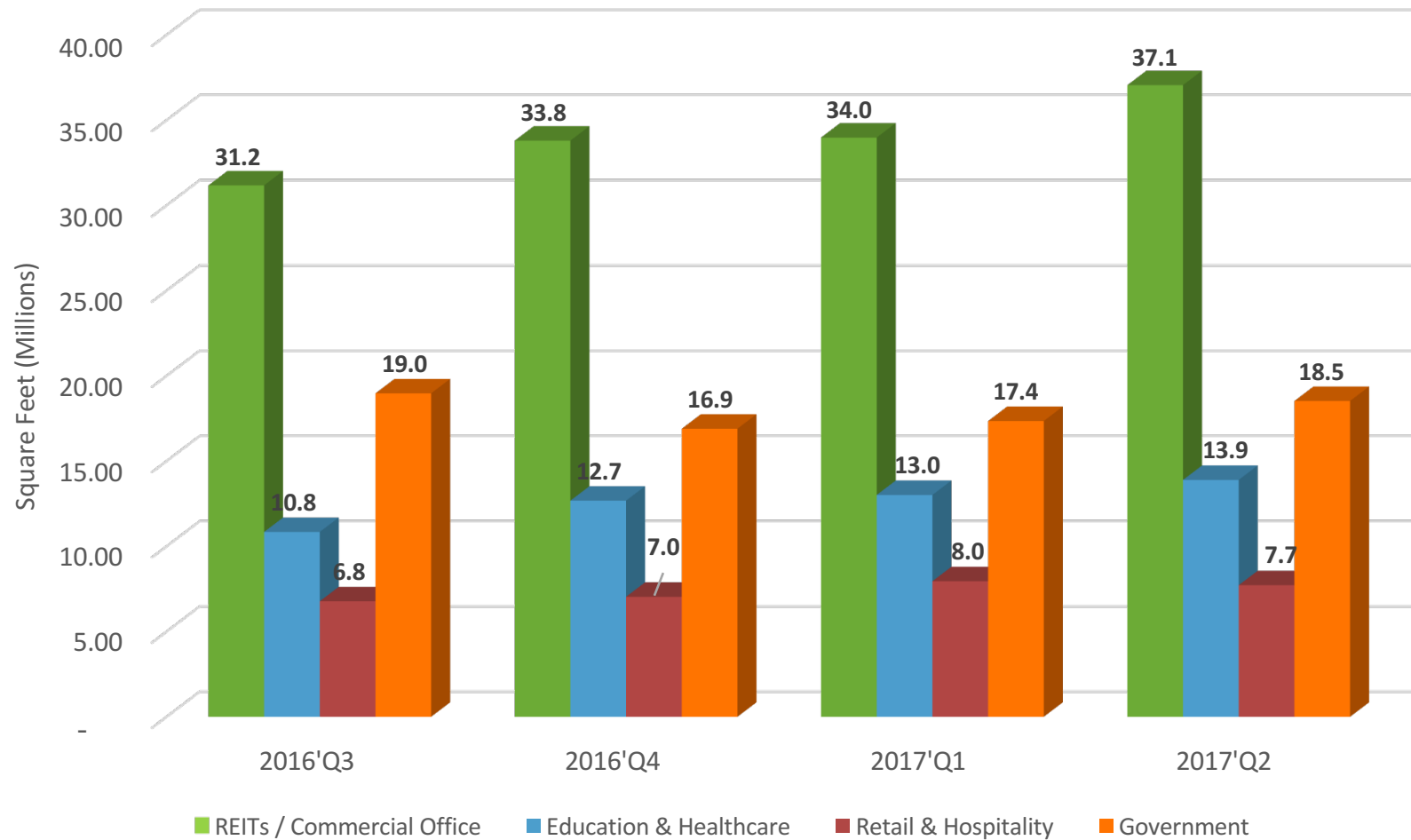
Automated M & V



BuildingIQ 5i Platform

Market Segmentation

Approximate Square Feet per Market Quarterly



Client Results - Consistent Value

Operational Efficiency | Energy | Comfort



Large Commercial Portfolio

- NYSERDA ETAC program commercial/industrial
- \$26K USD operational & energy savings
- National Grid utility



Retail

- Up front commissioning/back-end PEO
- “Black box” efficient BMS setup for optimization services post commissioning



Education/Portfolio

- Energy and operational energy visualization
- Three high schools added



Small Commercial Building

- Oversight for service scoping operational insights and energy savings
- Identify and define best practices for services to hundreds of sites

BuildingIQ Sustained Value

PEO

Operational oversight

HVAC solution

Design & commissioning

Energy visualization

Sub- and deep- metering

Energy visualization

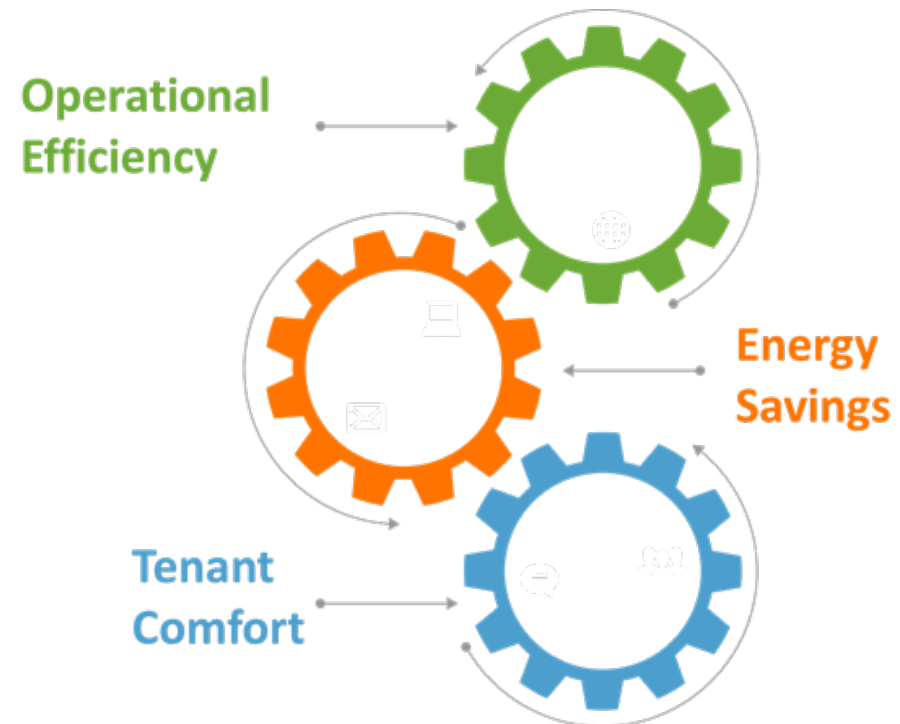
PEO evaluation

Predictive intelligence/monitoring

Energy visualization

SECTION 3

Looking Ahead



Strategic Growth Initiatives

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2H17 Business Targets

Financial Drivers

- A\$0.63m monthly revenue run rate
- Bookings of A\$4.0m (Contracted Revenue)
- Exit 2H2017 with (¹Annual Contracted Revenue) > A\$6.0m

Business Model Drivers

- 65 New Buildings under Contract
- Increase Annualised Revenue per Building 5%
- Surpass 100m sqft under Contract

¹**Annual Contracted Revenue:** As previously defined. Historically, ACR figures represent 80% of actual revenue recognised.

Investor Communications

Financial Calendar

2017/18 Dates*	Details
October 27, 2017	Appendix 4C, Q3 FY2017 Market Update
January 29, 2018	Appendix 4C, Q4 FY2017 Market Update
February 23, 2018	FY2017 Full Year Results

*NOTE: Dates may be subject to change

Business Updates

Quarterly operational overview of client results



Thank you!

www.buildingIQ.com