



2020 Interim Results

31 August 2020

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Executive Chairman

Forward Looking Statements

This presentation is given on behalf of BuildingIQ, Inc. (BIQ or Company).

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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.

Interim Results Snapshot (unaudited)


Revenue from ordinary activities

A\$2.91m

 1% from
\$2.89m 1H FY19


Customer Receipts

A\$3.27m

 18% from
\$3.99m 1H FY19


Annual Contracted Revenue

A\$8.04m

 21% from
\$10.12m 1H FY19

EBITDA loss

A\$1.66m

 Improved 28% from
\$2.29m loss 1H FY19

Operating Expenses

A\$2.68m

 Improved 28% from
\$3.72m in 1H FY19

Financial statements of BuildingIQ Inc. are currently being reviewed/audited. BuildingIQ Inc. is relying on the ASIC relief to extend the lodgement date for the audited/reviewed financial statements, and that it 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.

Interim Results Snapshot

Operating buildings

1,348



3% from 1,311
1H FY19

Net new buildings

7

All Greenfield building
contracts

Sq. Ft. under management

~139m

Customer contract renewal rate*

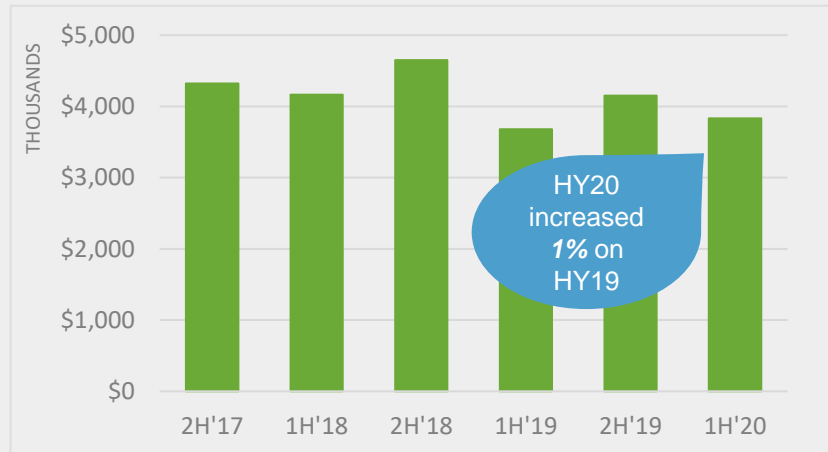
>97%

- ✓ Final Agreement signed with SNAPS Holding Company
- ✓ Ongoing Cost Management
- ✓ Introduced an industry unique COVID Re-entry Preparedness Solution

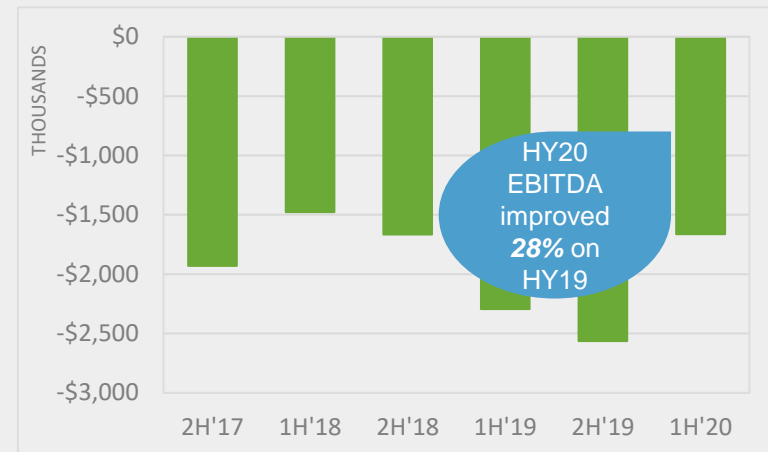
* Established buildings, individual contract value varies significantly

Business Snapshot

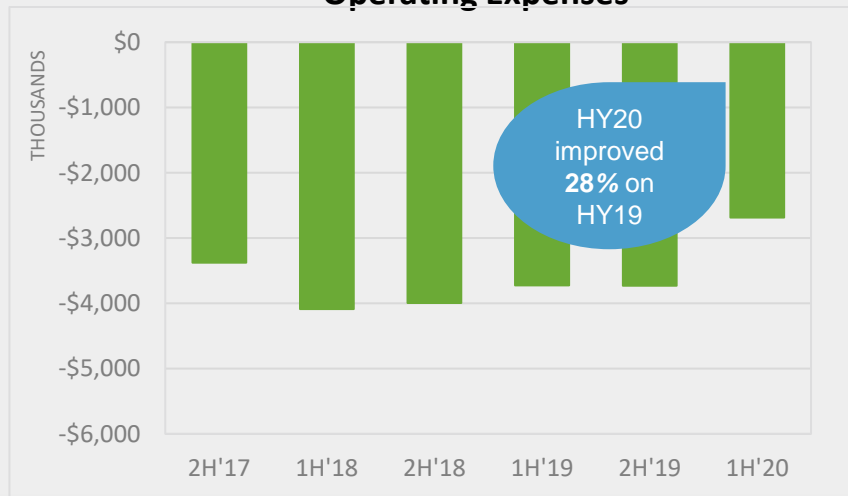
Revenue & Other Income



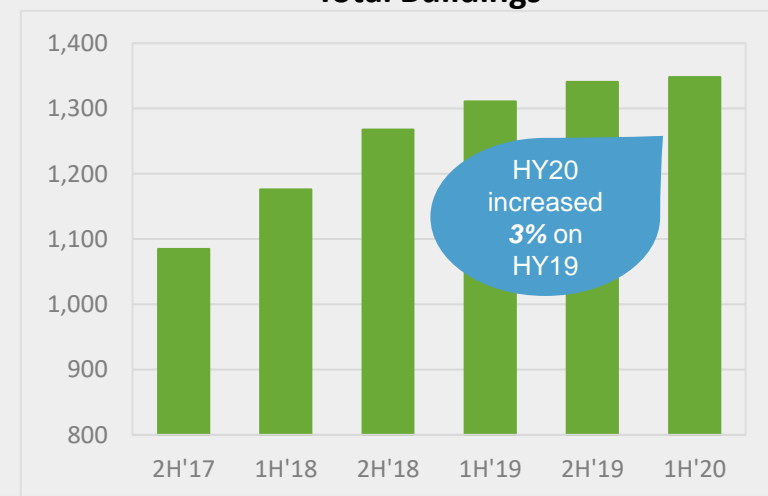
EBITDA at Reporting Date



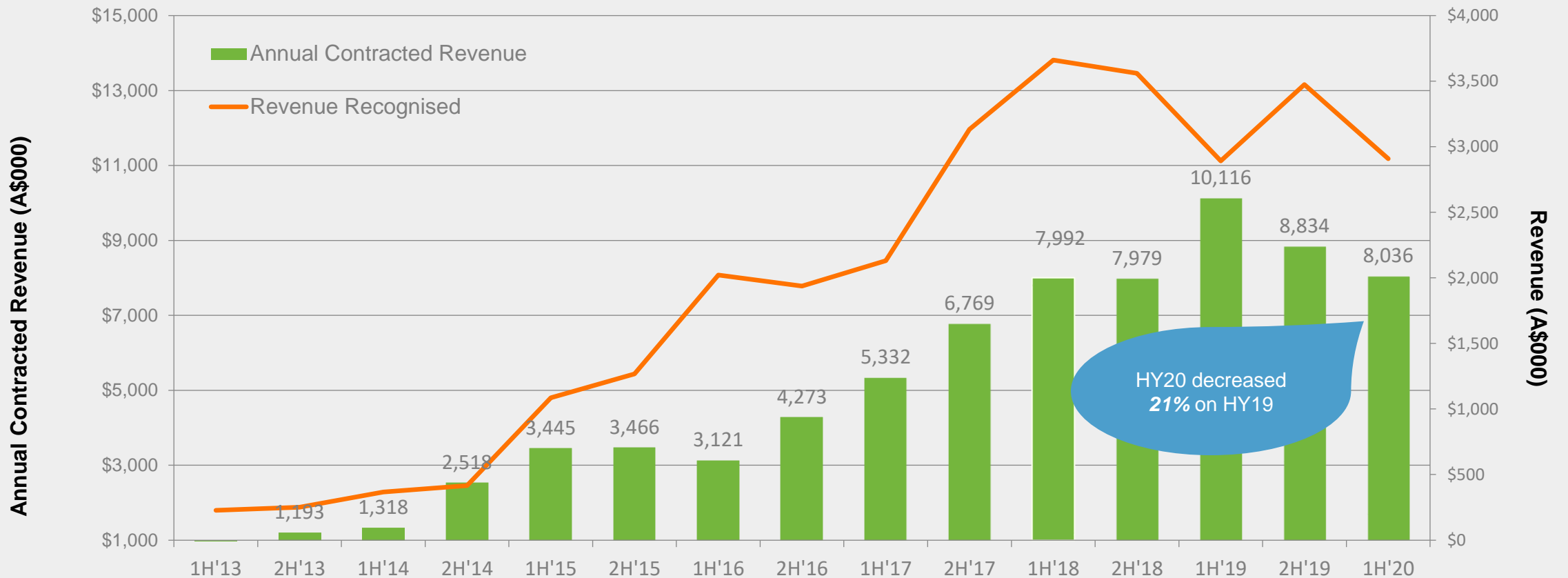
Operating Expenses



Total Buildings



Annual Contracted Revenue Impacted by COVID Uncertainty



- Annual Contracted Revenue is a measure of expected future revenue over the next 12-month period from existing contracts and assumes project commencement as scheduled at time of contract booking.
- In the unlikely event BuildingIQ makes no further sales in 2H FY20 and 1H FY21 we expect revenue of \$8.036m over the next 12 months - a 21% decrease on 1H FY19

Agenda

1. Business Strategy – Financially Astute Growth
2. Financial and Operational Results
3. 2020: Next 6 months

Business Strategy – Financially Astute Growth

Section 1

Agreement with SNAPS Holding Company Approved

- Investment Agreement - SNAPS invest up to A\$4,763,037 and acquire a total of 746,641,722 shares of common stock (approx. 66.26% of the total issued and outstanding shares)
- Management Agreement - SNAPS will guide, and in some cases assume control, of certain operations of BuildingIQ.
- Special Meeting held 25 August 2020 ratified the final agreement.
- Board changes - two new directors, Mr. Sanjay Patel and Mr. Daivesh Sanghvi, were appointed to the Board. Past directors, Mr. William Deane and Mr. Gerd Goette resigned from the board.

Business Strategy

Our focus remains on financially astute growth through:

1. Investing in Greenfield projects in Australia to deliver 5i services growth, long-term
2. Strengthening our position in current markets:
 - Established buildings growth across multiple regions
 - The new segment of brownfield (retrofit) buildings in North America
 - A combination of organic and inorganic growth
3. Continuing to drive more of our services to existing customers
 - Recognising different markets present different opportunities
4. Expanding into new geographies

Business Strategy (cont'd)

5. Emphasis on Remote Infrastructure Management Services (“Managed Services”)
6. New product launch (P3):
 - Upsell to the existing customers
 - Competitive positioning
7. Offering COVID-specific Compliance Services for Reentry Preparedness
8. Re-energising current partners with extended services and SNAPS credentials

Financial and Operational Results

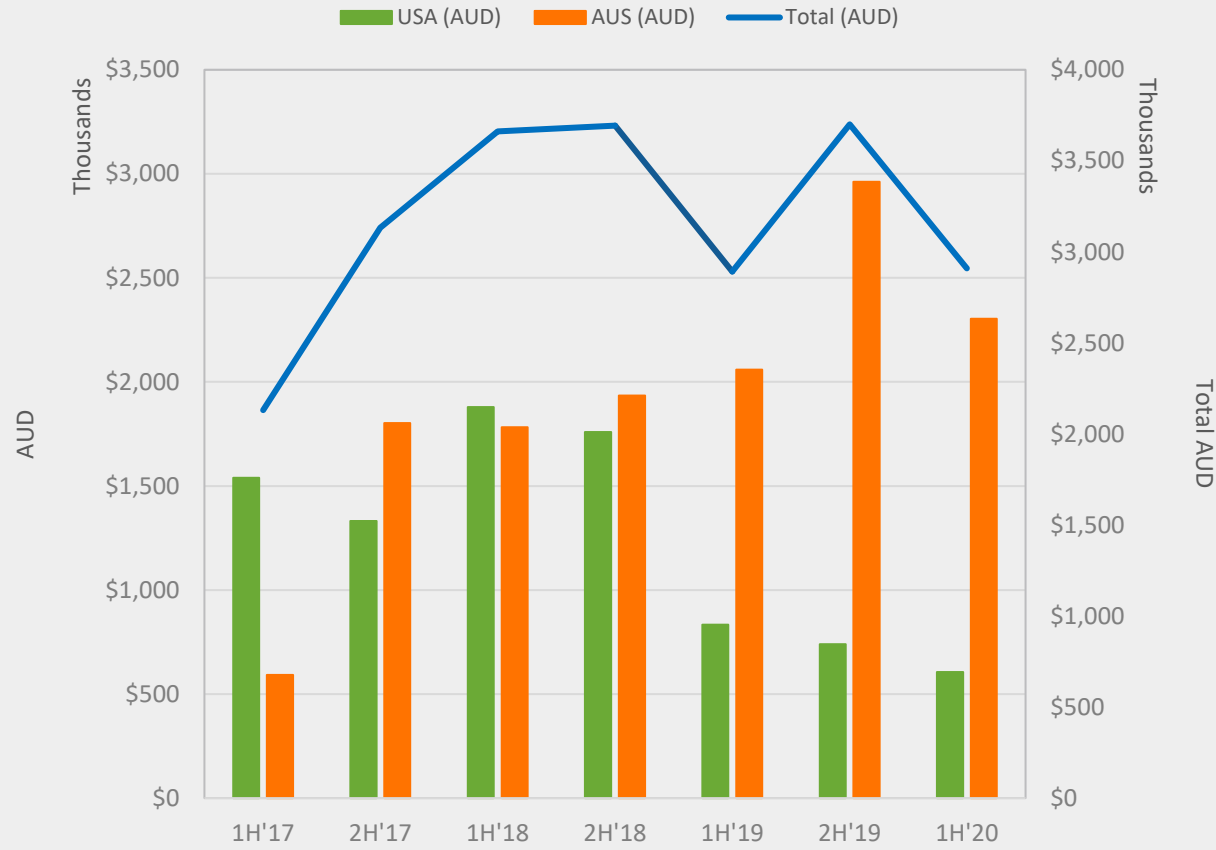
Section 2

Financial Summary (unaudited)

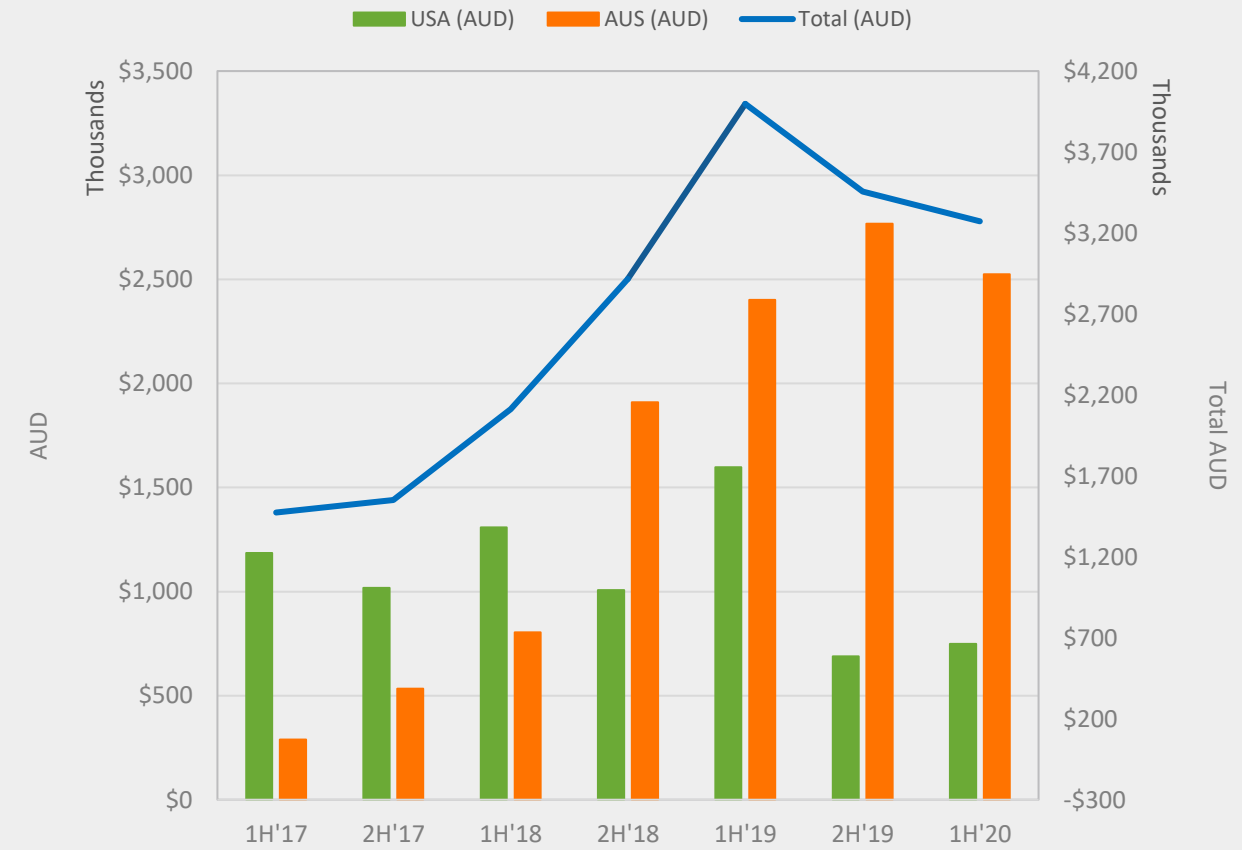
	1H FY20 \$	1H FY19 \$	Change on pcp	Comments
Revenue from ordinary activities	2,908,961	2,892,138	1%	
Revenue and other income	3,831,340	3,681,852	4%	
Operating expenses	(2,684,050)	(3,726,205)	28%	Driven by reduction in sales and marketing and administrative expenses
Earnings before interest, tax & depreciation (EBITDA)	(1,662,967)	(2,294,861)	28%	Driven by decrease in operating expenses
Net (loss) after tax (NPAT) from ordinary activities	(2,843,691)	(3,725,868)	24%	Driven by decrease in operating expenses, partially offset by higher cost of sales
Cash and cash equivalents	37,529	532,488	(93%)	

Greenfield Projects Drive BuildingIQ Revenue

Revenue by geographic region



Cash receipts by geographic region



Modified Income Statement* (unaudited)

Income Statement (A\$,000)	PRIOR June 2019	CURRENT June 2020	% CHANGE
Revenue	2,892	2,909	1%
Other income	790	922	17%
Total revenue & other income	\$3,682	\$3,831	4%
COGs	(2,251)	(2,810)	(25%)
Gross Margin	\$1,431	\$1,021	(29%)
Sales & marketing	(954)	(466)	51%
Research costs	(467)	(407)	13%
Administrative costs	(2,305)	(1,812)	21%
OPEX	(\$3,726)	(\$2,684)	28%
EBITDA loss	(\$2,294)	(\$1,663)	28%
Depreciation & amortisation	(1,011)	(800)	21%
Interest expense	(379)	(512)	(35%)
Income tax expense	-	-	
Net (loss) after tax	(\$3,685)	(\$2,975)	19%

Receipt of Government grants in Australia.

Driven by decrease in administrative, sales & marketing and research costs.

Due to increased borrowing to support greenfield business growth

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Balance Sheet (unaudited)

Balance Sheet (A\$,000)		PRIOR June 2019	CURRENT June 2020
Current Assets	Cash and cash equivalents	532	38
	Trade and other receivables	4,342	2,932
	R&D grant receivable	1,469	1,066
	Other current assets	451	274
	Total current assets	\$6,794	\$4,310
Non-current Assets	Property and equipment	802	47
	Goodwill	4,860	932
	Intangible assets	3,849	3,899
	Total assets	\$16,305	\$9,188
Current Liabilities	Trade and other payables	1,366	2,154
	Provisions & other liabilities	3,382	3,832
	Deferred purchase consideration	120	182
	Total current liabilities	\$4,868	\$6,168
	Employee benefits (LSL)	42	78
	Lease liabilities	288	-
	Total liabilities	\$5,198	\$6,246
	Net assets	\$11,107	\$2,942
Equity	Issued capital	52,127	54,468
	Accumulated losses & reserves	(41,020)	(51,526)
	Total equity	\$11,107	\$2,942

Trade debtors \$2.9m, accrued income \$1.1m.

Includes lease assets of \$0.7m under AASB 16 Lease accounting as of June 2019

June 2019 included goodwill of \$3.9m, which was impaired in Dec 2019

Non-current lease liabilities under AASB 16 Lease accounting as of June 2019

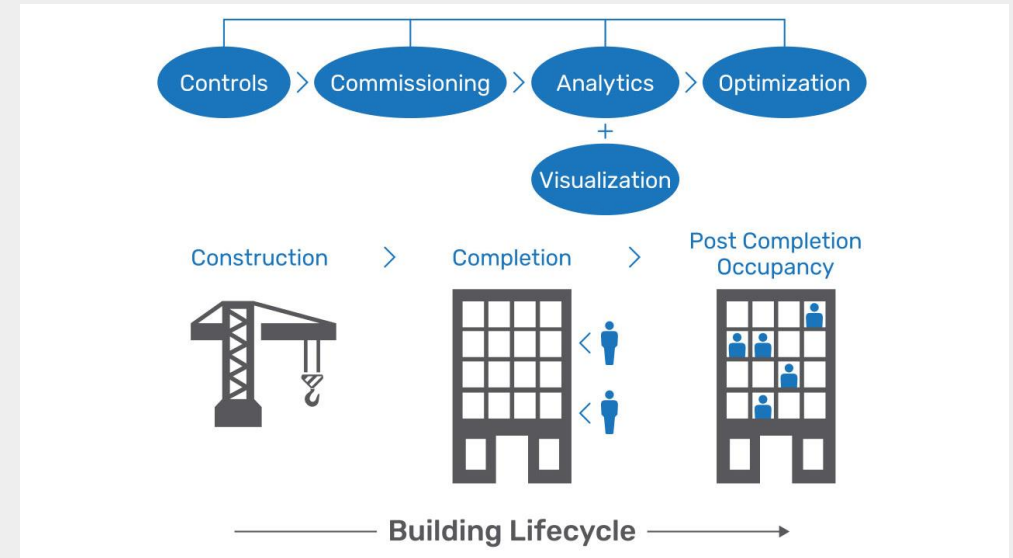
Operational Summary

- Sales activities were constrained due to the impacts of COVID-19, although BuildingIQ's ability to remotely manage buildings helped existing customers
- 7 net new buildings added in 1H FY20, all greenfield building contracts
- Now operating in 1,348 buildings
- New product announcement (P3)
- Focus on Remote Infrastructure Services (“Managed Services”)
- Customer contract renewal rate* held at greater than 97%. Contracts vary significantly in value and duration

* Established buildings, individual contract value varies significantly

Greenfield projects converting to Established services

- Greenfield projects adding recurring, established building services post-completion
- Complements controls and commissioning services delivered during construction phase
- Completion includes 12 months of defect, liability period (DLP) prior to occupancy



- Sales activities started to pick-up towards the end of the half and, after the slippage due to COVID restrictions, work has commenced to rectify project timelines
- Projects completed in 1HFY20 added 7 net new buildings
- In 2H FY20 - 7 projects expected to complete in across Australia with new Greenfield project opportunities across a range of sectors incl. Aged Care, Transport, Office and Infrastructure
- Forrestfield Airport Link - Buildingsense work to ramp up over next 14-16 months now work has commenced on stations & platforms

Greenfield projects – our views on current market trends

Positives:

- Still upside for Government projects, particularly in NSW
- Schools, while slower due to COVID restrictions in 1HFY20, expected to ramp-up over next 12 months
- Noticeable shift in applications from purely office to mixed use developments
- Decentralisation of office space increasing number of developments for co-working hubs in suburban areas

Negatives:

- ‘Uncertainty’ within the market leading to slow decision making, even if DA approved
- ‘Uncertainty’ regarding tenancy spaces and utilisation of office driving a level of cautiousness
- Price competitiveness is increasingly a factor in securing contracts, however BuildingIQ’s ability to remotely manage properties and deliver cyber security is regarded as a competitive advantage

Asia Pacific – Greenfield Buildings Completed



Top to Bottom, L-R completed projects:

- Mudgee Hospital
- MyVista Aged Care
- Somerset Hospital
- EZone Building UWA

North America – Focused on Operational Benefits

- BuildingIQ introduced an industry unique COVID Re-entry Preparedness Solution providing customers with deeper insight into the health of buildings and to meet new guidelines



Astellas Covid Response Plan

2020: Next 6 months

Section 3

2020: Next 6 months

- Owing to COVID and the unrest in North America, our focus shall be on customising BuildingIQ's products and services for compliance to industry guidelines (CDC, ASHRAE, BOMA, etc.)
- Services packaged for COVID Re-entry Preparedness Solution
- Key focus will be to promote Remote Infrastructure Management ("Managed Services") instead of simply offering products and licenses
- Our efforts will be dedicated to revitalising current partners to promote the new focus areas and solution services noted above
- Through the new product launch (P3), which will facilitate competitive positioning, BuildingIQ will strive to upsell and revise the current pricing models and price points with existing customers
- In Australia, we are continuing to pursue new Greenfield project opportunities across a range of sectors incl. Aged Care, Transport, Office and Infrastructure

Investor Communications

Financial Calendar

Dates*	Details
October 30, 2020	Appendix 4C, Q3 FY2020 Market Update
January 29, 2021	Appendix 4C, Q4 FY2020 Market Update
February 26, 2021	FY20 Annual Results Investor Update

*NOTE: Dates may be subject to change

Appendices

5i Platform: Technology Powered Service Categories



Visualizing energy data to understand usage across portfolios

Visualization



AI and data science decode insights in energy data for fault detection and operational benefits

Analytics



Buildings can be intelligently and continually controlled with cloud based solutions

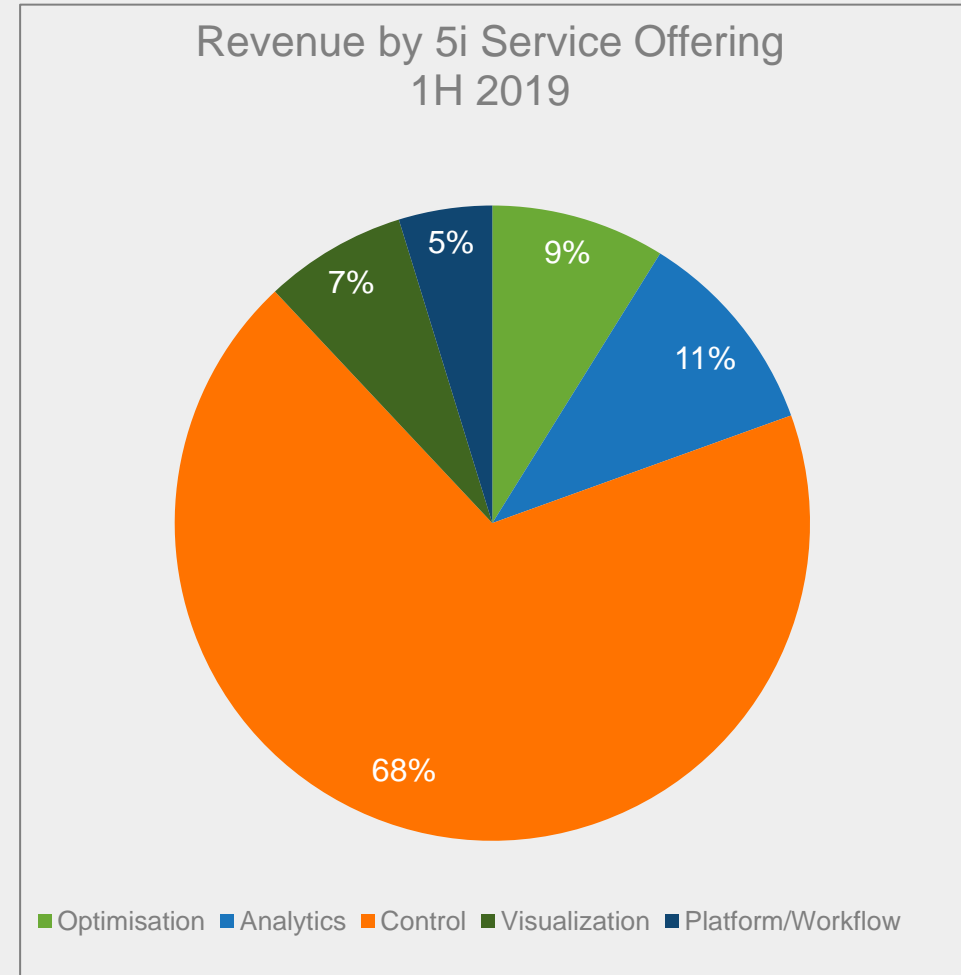
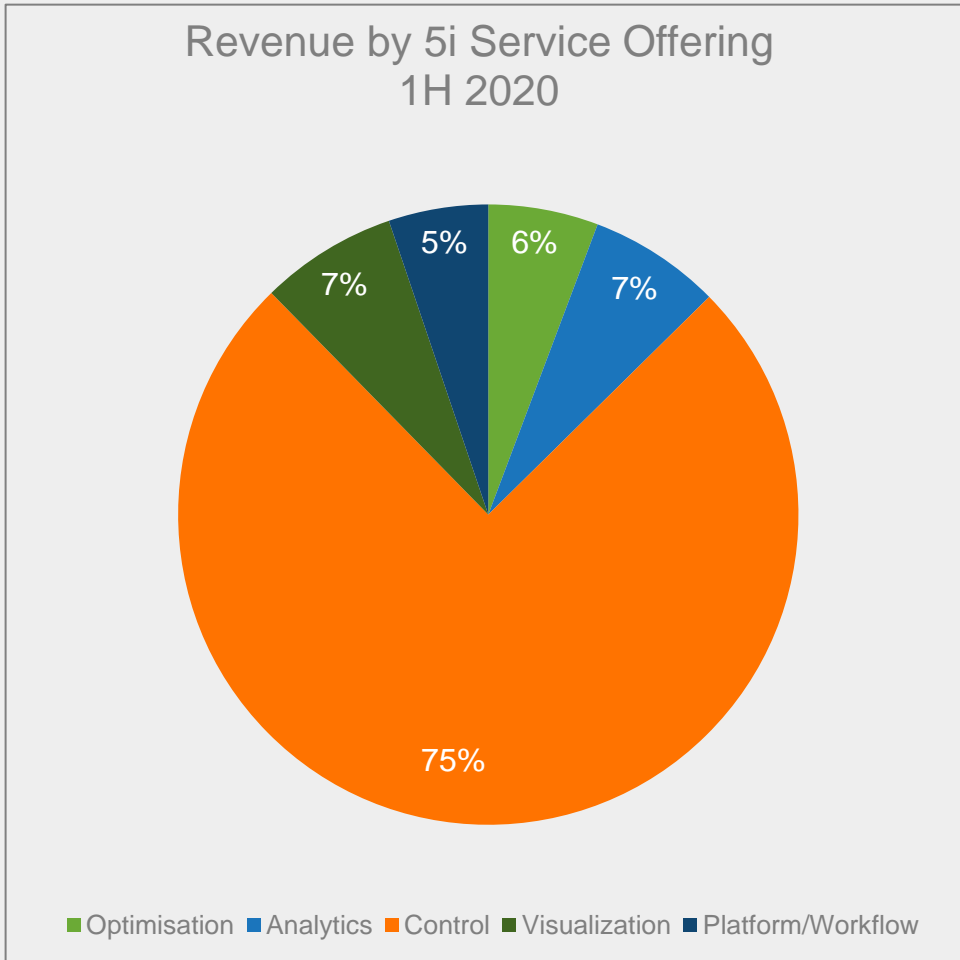
Control



Accurate prediction and optimization with automatic actions to achieve maximum energy efficiency

Optimization

Control Services Dominant Source of Revenue



5i Services Optimize Every Part of the Journey

Visualization



Energy Worksite



AM&V

Analytics



Outcome-based Fault Detection



HVAC Continuous Commissioning

Controls



Systems Enablement



BMS Commissioning



Retro-commissioning HVAC Controls

Optimization



Demand Response



PEO



Facility Worksite

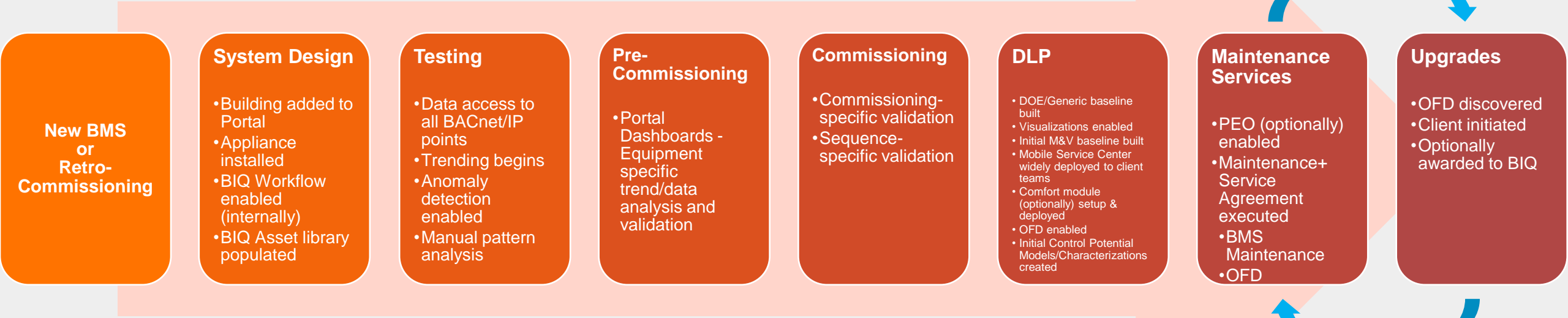
Integrated Ticketing | Notifications | Audit | Work Order and Asset Management
Preventive Maintenance | Escalations | Order Triage | Notifications



Mobile App

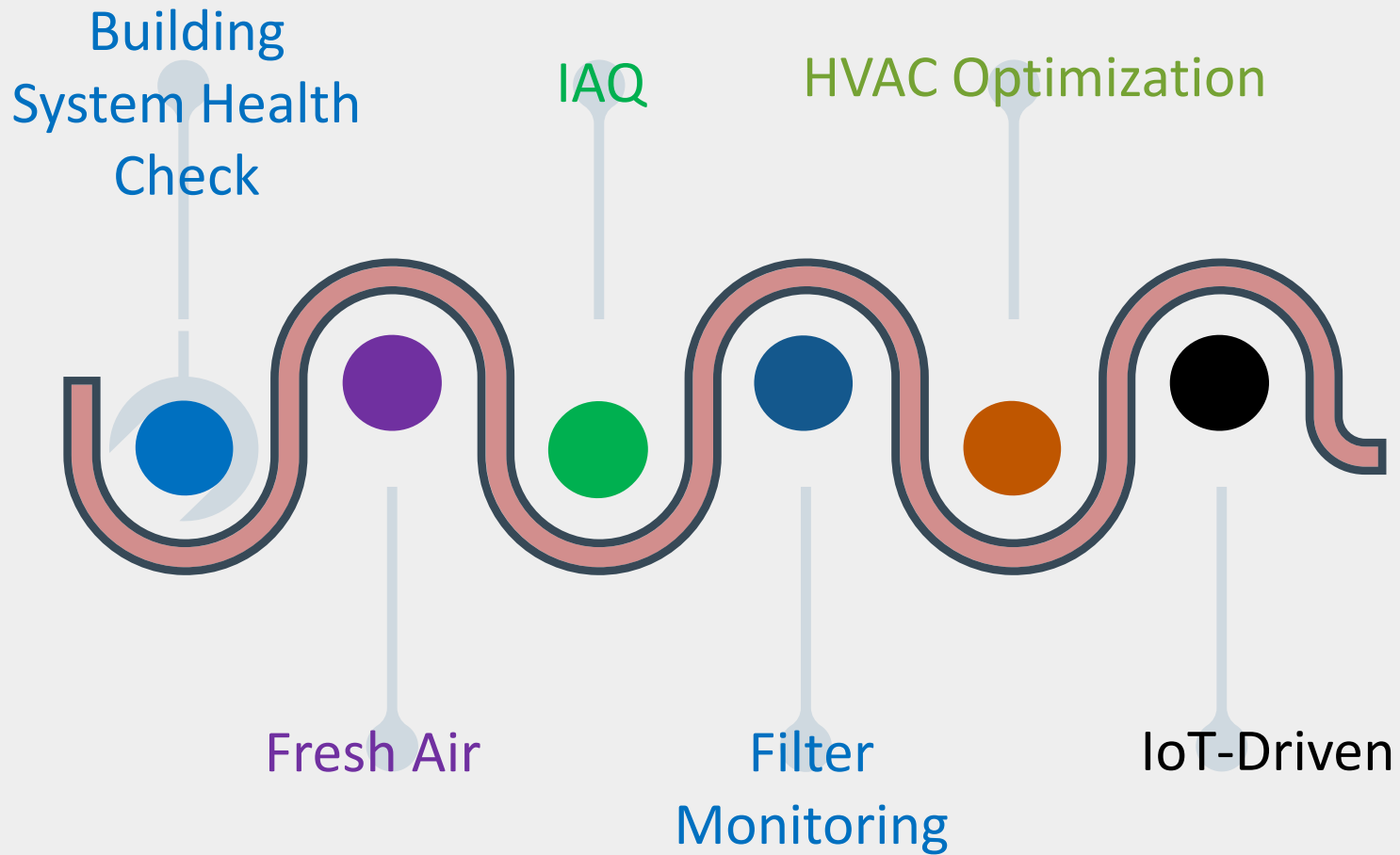
BuildingIQ 5i Platform

Greenfield Contract Stage & 5i Platform Service Deployment



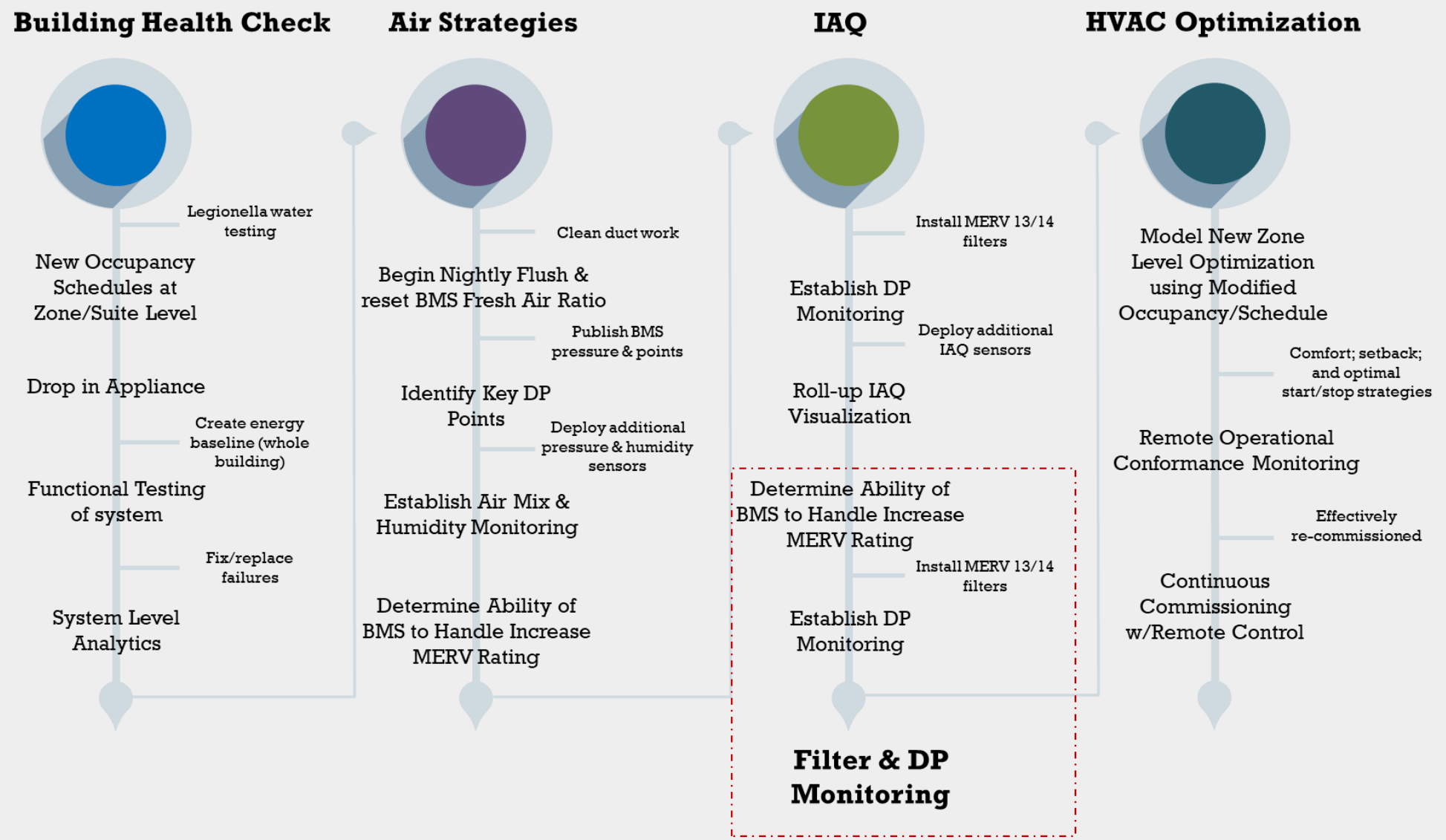
Facility Worksite	Energy Worksite	HVAC Continuous Commissioning	Mobile App	Outcome-based Fault Detection	PEO

COVID Focus Areas

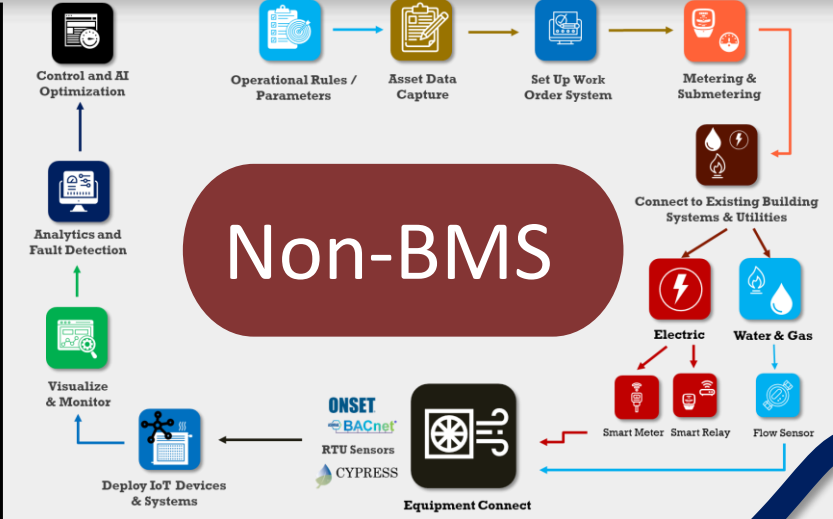
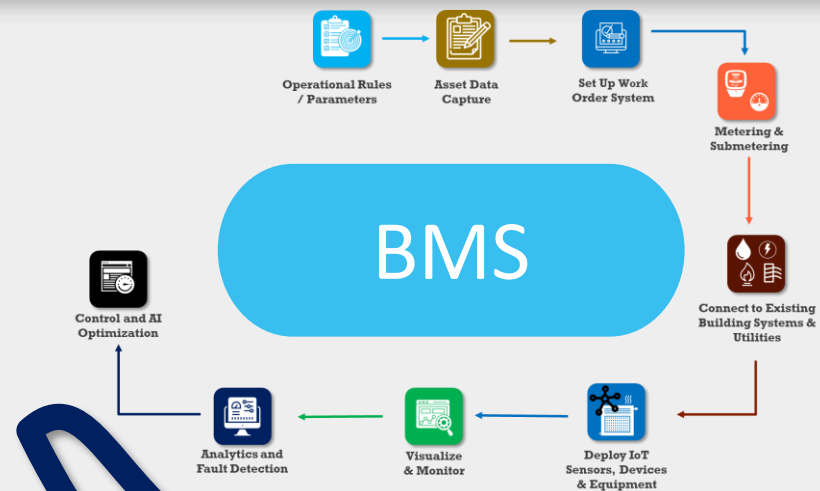


Detailed Workflow Schematic

Reopening BMS Equipped Buildings



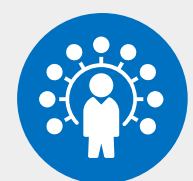
COVID-19 Preparedness “Managed Services”



24/7 Command Center



Monitoring And Reporting

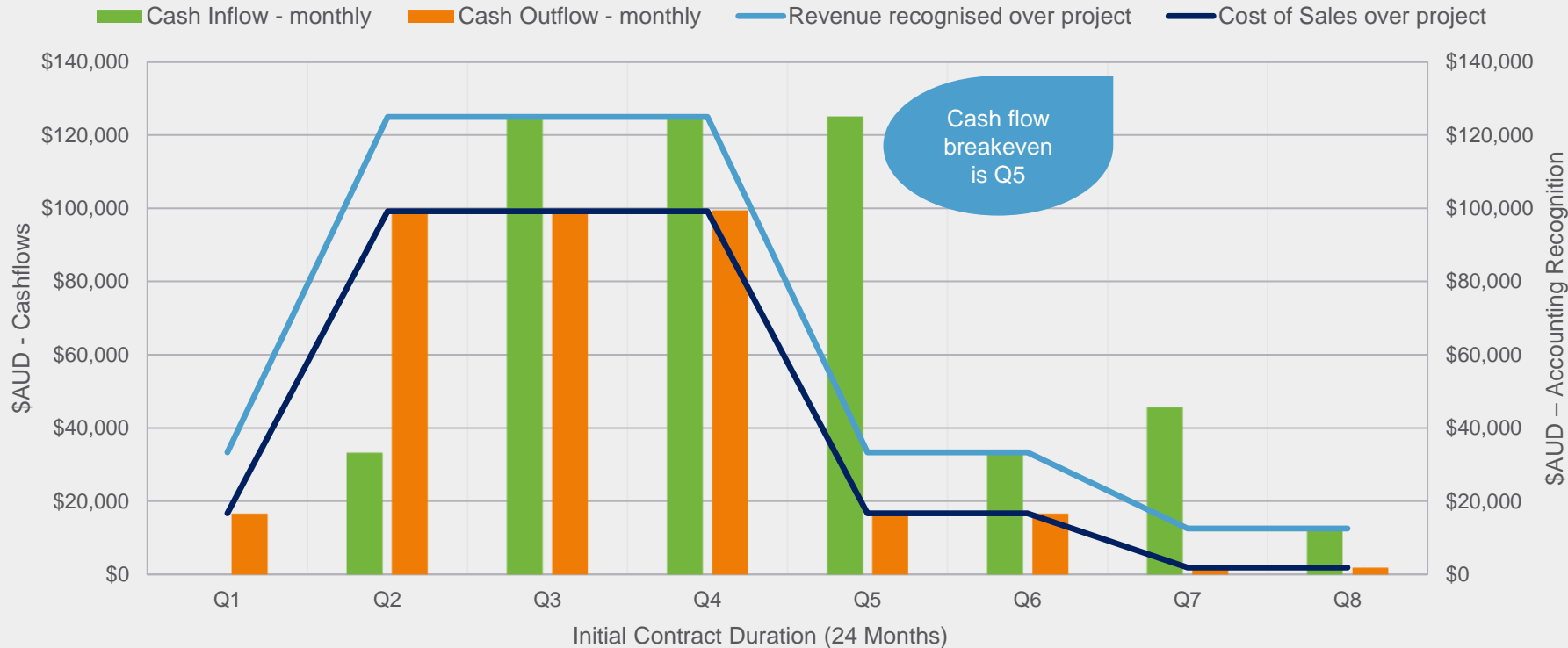


Subject Matter Expertise



Revenue recognition through a Greenfield project

Representative Contract – Simple Cash Flow by Quarter*
 Total Contract Value of \$500,000
 24 Month Duration



- Installation component (typically 3 quarters) of contract now recognised based on % completion
- Straight line revenue recognition over contract term (24 months) no longer possible
- Costs are recognised based on % completion, no longer amortised over contract term
- Cash flow breakeven is Q5

* Post- full adoption of AASB15 changes to revenue recognition

Thank you
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