



Investor Presentation

May 2016

Forward Looking Statements

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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.

Investor Update

WELCOME

Investor Update

BUSINESS OVERVIEW

About BuildingIQ

BuildingIQ provides award winning, cloud-based SaaS energy management and optimisation software solutions for large commercial building portfolios

- BuildingIQ uses its proven technology and data analytics to address the **large global energy efficiency market and generate recurring revenue**
- Utilises **intelligent predictive analysis** to uncover energy savings and capture those savings by **optimizing** the current **automated control**
- Typically **reduces energy usage & cost by 10% to 25%** & up to 20% peak load reduction in Demand Response (DR) events
- **Broad array of clients** in commercial & government offices, healthcare, education, hospitality & retail
- Founded in Australia in 2009 with **patented technology** secured via exclusive license from **CSIRO**
- **International presence** with offices in US and Sydney

Evolution of BuildingIQ

2009

2010

2011

2012

2013

2014

2015



- Incorporation of BuildingIQ Pty Ltd in Sydney, Australia
- Exclusive worldwide license to core technology secured from CSIRO

- Secured initial investors to fund technology R&D
- Technology development and enhancements done in collaboration with CSIRO

- Launched BuildingIQ 1.0
- Secured initial customer pilot sites in Australia

- Launched in US market and reorganisation as BuildingIQ, Inc.
- Multi-year partnership with US Utility
- Secured US\$9 million from US and Australian financial and strategic investors

- Expansion of Utility Vertical Focus
- Expansion of PEO platform with launch of Game Plan, Measurement and Verification, and Portfolio Management

- Awarded US\$1.8M US DoE contract, partnering with Siemens and City of Washington, DC
- Launch of BuildingIQ version 4.0
- Secured second round of private financing of US\$7.5 million

- Awarded NYSEDA Grant, US\$500k incentive for deployment of technology in NYC
- OeH within NSW – approved M&V provider
- Public Offering on the ASX:BIQ secured AU\$20 million

The Need for BuildingIQ



Focus on Energy Costs

*Building owners and managers increasingly are focused on their **controllable operating costs***

Enabling Smart Grids and Smart Cities

*BuildingIQ platform enables buildings for **automated demand response** and enhances utility smart grid interaction*

Increasingly Complex Systems

*Buildings require **continuous commissioning** to address usage pattern changes, equipment replacements, and set-point alterations*

Customer Resource Constraints

*BuildingIQ automated control **reduces the strain on facilities' staff**, allowing focus on higher priority issues*

BuildingIQ Highlights



Proven Technology

- ***Contracted in more than 775 buildings in the US and Australia***
- Delivers energy savings and free cash flow to over 140 customers

Compelling Value Proposition

- ***BuildingIQ is software and service with low or no upfront cost, not capex***
- Provides savings and free cash flow to customers

Scalable Business Model

- Cloud-based SaaS solution with recurring subscription revenue model
- ***Contract terms are typically 12-36 months in duration, provides long-term revenue visibility***

Large, Global Market Opportunity

- ***Global building energy management sector to grow from US\$2.4B to US\$10.8B by 2024***
- Growing customer focus on cost, economic benefits plus regulatory momentum

Strategic Relationships

- Works with major BMS players, including Schneider Electric and Siemens
- Innovative partnerships with government and large electric utilities

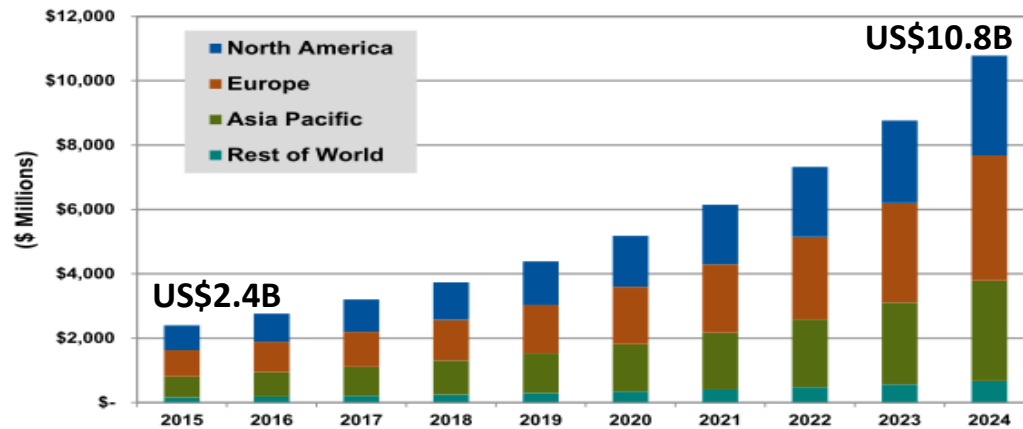
Seasoned Management Team & Board

- ***Combined 75 years of energy efficiency and commercial building sector experience***
- Board of Directors with valuable strategic and financial relationships

Demand Growing for Advanced Energy Management Solutions



BEMS Revenue by Region, World Markets: 2015-2024



(Source: Navigant Research)

- BuildingIQ competes in the building energy management solutions (BEMS) sector, a fast growing market globally, from US\$2.4 billion in 2015 to US\$10.8 billion in 2024 (18.2% CAGR)
- Within building energy efficiency value chain, the market's focus and customer demand is transitioning from data and reports to predictive analytics and automated control

increasing value and complexity

Physical Asset Layer

- HVAC
- Boiler
- Chiller
- Lighting
- Pumps
- Motors

Data Layer

- Smart meters
- Sub-meters
- Sensors
- Smart plugs

Visualisation Layer

- Dashboards
- Reports
- Historical trends
- Engagement
- Behavior change

Analytics Layer

- Diagnosis
- Identify patterns
- Anomaly detection
- Fault detection
- Prediction

Control Layer

- Learning algorithms
- User-defined rules
- Forecast-based analytics
- DR alerts
- Recommend action

Automation Layer

- Machine learning
- M2M
- Automated control
- No human intervention

The BuildingIQ solution leverages all stages of the value chain starting from data collection, visualisation, analytics, to automated control and savings, with virtually no direct competition in the automation layer.

Large Addressable Markets

USA

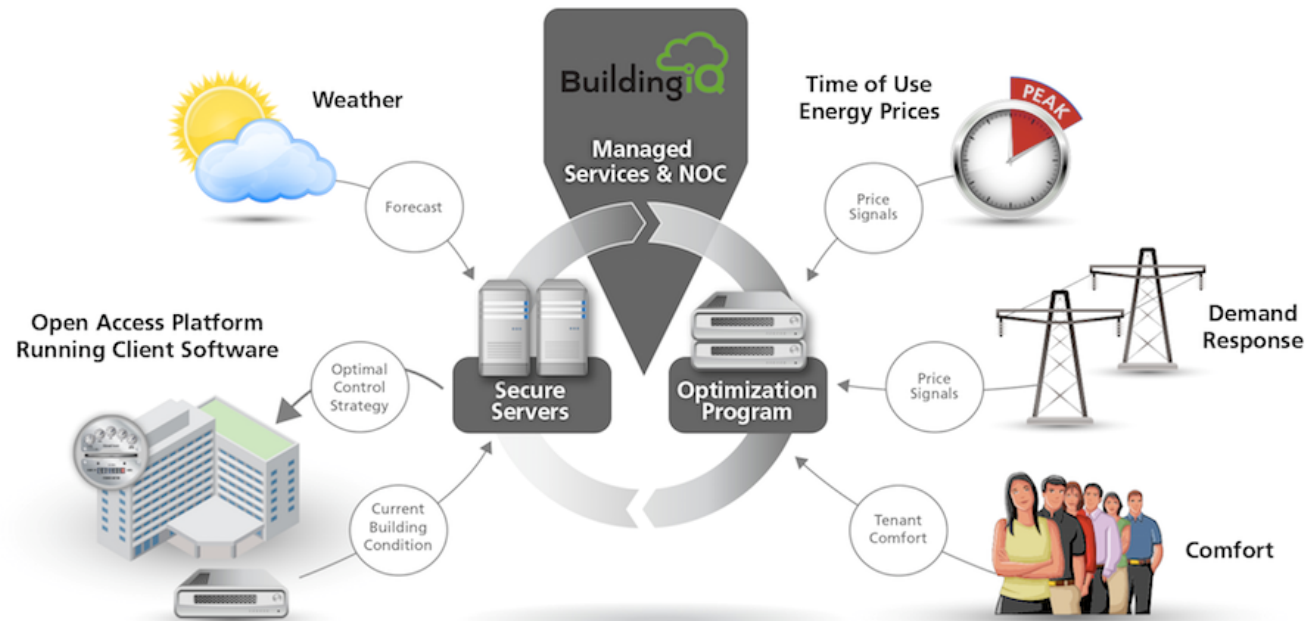
- Commercial and industrial buildings account for 40%+ of energy use and carbon emissions
- Efficiency has potential to meet 20% of commercial and industrial energy needs by 2020, saving US\$40 billion annually
- BuildingIQ US addressable market is 10.5 billion sq ft (1.0 billion sqm)
- ***Addressable market size of US\$932 million to US\$1.4 billion per year***

Australia / Asia

- ***Asia Pacific region represents 40% of the global building stock***
- Energy efficient building technology and services to grow to US\$91.6 billion per year by 2022
- In Australia, energy efficiency is estimated to generate \$38 billion in annual savings by 2050

Locations that have a high density of large commercial buildings and above-average electricity costs are the most desirable markets for BuildingIQ

How Does Predictive Energy Optimisation (PEO) Work?



Machine learning technology automatically learns and models a building's thermal characteristics and usage patterns

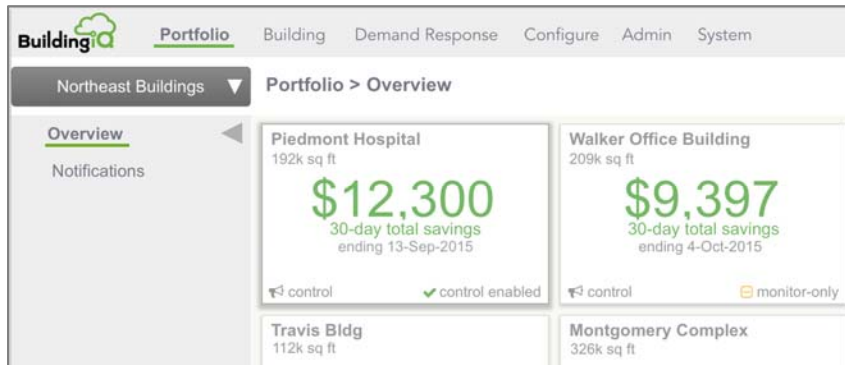
Continuously obtains data on weather forecasts, real-time electricity prices, and DR signals

Runs thousands of simulations to arrive at the most efficient HVAC operating strategy for the next 24 hours

Automatically operates the BMS to ensure desired occupant comfort is achieved while minimising HVAC energy usage and cost

Focus is on Value Delivered

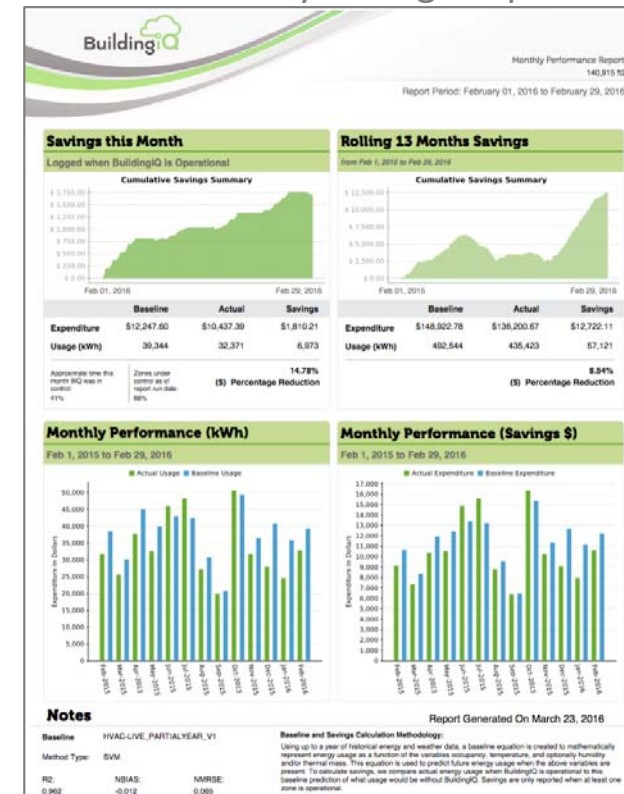
Portfolio Dashboard



Building Dashboard



Monthly Savings Report



A Differentiated Solution

Cloud-based software

- No proprietary hardware
- Common interface, data across portfolio
- Secure anyone/anywhere access



Opex, Not Capex

- Low cost, subscription based investment
- Delivers nearly immediate positive cash flow
- Unlocks budget dollars for other projects



Savings, not reports

- Tangible, verifiable savings
- Enables new revenue by making a building DR-ready
- Improves long-term property income and asset value

Fast, easy deployment

- Operational in weeks with no tenant disruption
- Reduced operating burden
- Remotely monitored and supported

These benefits and strong value proposition significantly differentiate BuildingIQ from competitors in the building energy optimisation market.

Revenue Model Overview

Revenue Recognition:

- BuildingIQ generates revenue from three primary components present in each customer contract:
 - (a) recurring subscription fee revenue
 - (b) initial services revenue, and
 - (c) make-ready revenue
- Revenue recognition is $1/n^{\text{th}}$ per month, depending on contract term (three (3) year contract would be $1/36^{\text{th}}$ per month)
- Government and utility programs may be recognized differently based on specific 3rd party contract rebate / performance incentives

Contract Terms:

- Contracts are typically annual or multi-year (12-36 months) with auto renewal, provides long-term revenue visibility
- Subscription fees for the platform and services vary by customer and geography, among other factors
- In 2014 and 2015 contract renewal rates were > 95%

Cash Flow Model Overview

- Typical contracts with individual buildings, customers are billed in advance on a monthly, quarterly or annual basis
- Utility and government programs are large programs and are billed as follows:
 - Often there is an up-front prepayment for a portion of the contracted service period
 - The balance of the service period is billed once performance has been independently validated
 - A further prepayment is then received for multi-year programs
 - Underlying customer contracts are then billed (as above) beyond the program duration
 - The timing of these cash flows varies significantly on a quarterly basis
- BuildingIQ receives an R&D tax rebate from the Australian Tax Office, typically middle of the year.
- Cash flow will vary quarter to quarter based on cash received from the above programs and R&D rebates which are significant to company cash flow.

Investor Update

FINANCIAL OVERVIEW

2015 Performance

■ Financial Drivers:



- Achieved A\$300K dollar monthly recurring revenue run rate



- Achieved new contract Bookings of A\$8.2M during 2015



- Exited 2015 with Future Contracted Revenue Value of > A\$11.5M

■ Business Model Drivers:



- 64 New Buildings under Contract



- Increased Avg. new contract Bookings Price / SF by 15%



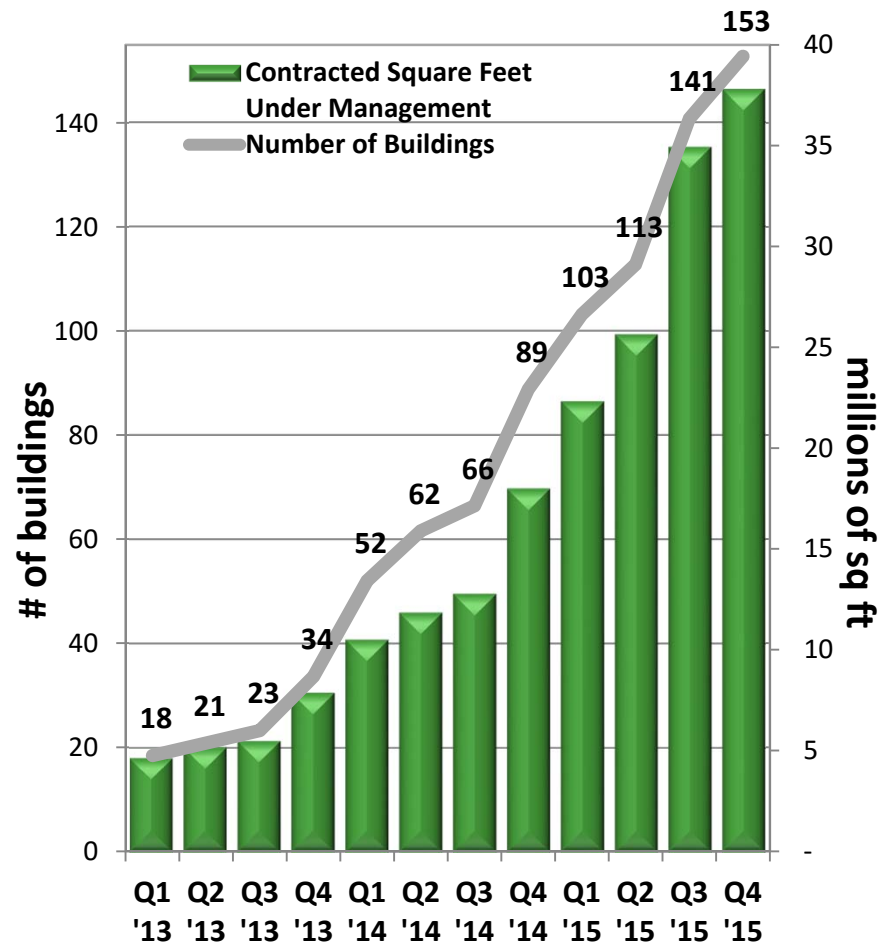
- Surpassed 35M SF under Contract

2015 Performance

Buildings & Contracted Available Revenue

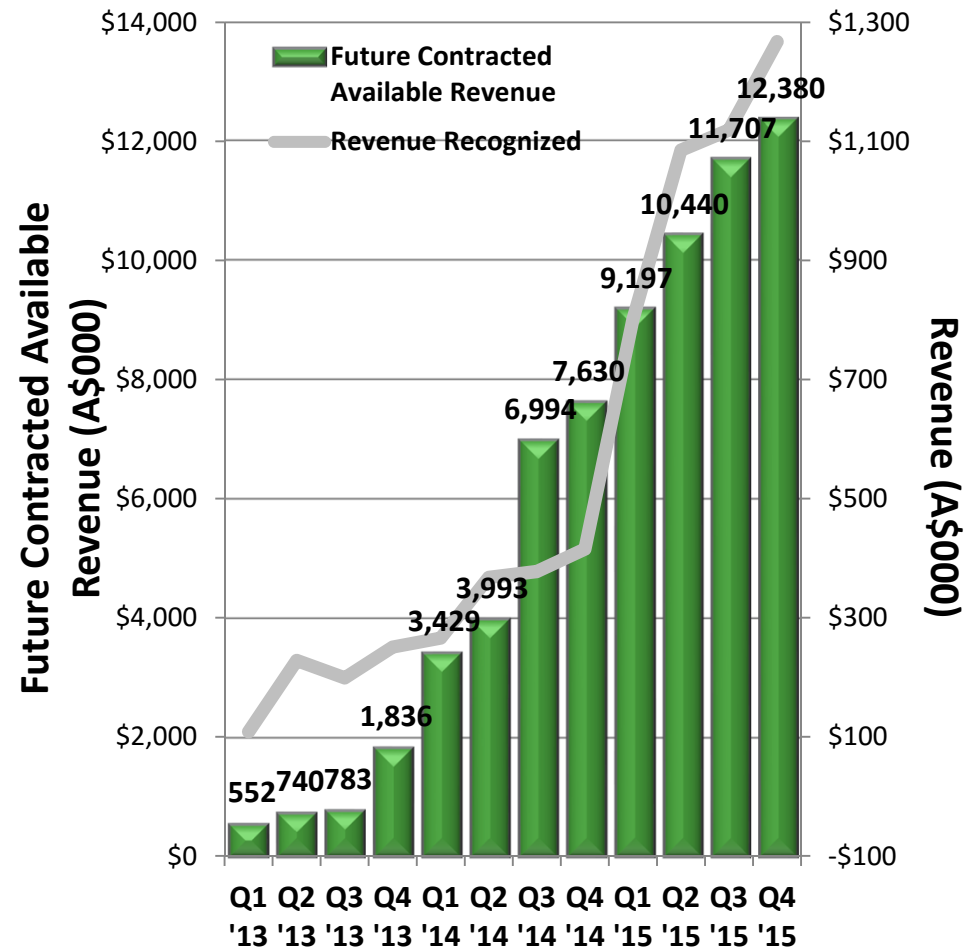


Growth continued throughout the Year



CAGR: 104%

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CAGR: 182%

Financials

Summary financial information for the 2013, 2014 and 2015 fiscal years ending 31 December is set out below:

Key Financial Data (A\$ in thousands)	2013 Actual	2014 Actual	2015 Forecast	2015 Actual (ex IPO)	2015 Actual
Revenue & other income	\$1,591	\$1,978	\$4,853	\$5,166	\$5,166
Gross Profit	940	1,018	3,457	3,646	3,646
Gross Profit %	59%	52%	71%	71%	71%
Operating Expenses	(5,394)	(6,131)	(6,882)	(8,015)	(8,015)
Finance costs	-	(232)	(795)	(89)	(89)
Capital Raising Costs ₁			(Note ₁)		(821)
EBITDA	(4,454)	(5,125)	(3,424)	(3,688)	(4,509)
Net Loss After Tax	(4,448)	(5,345)	(4,219)	(4,453)	(5,274)

Notes: All references to '\$' are Australian currency. EBITDA is a non-IFRS metric which means earnings before interest, taxes, depreciation, and amortisation.

¹Capital raising costs were forecast at \$436k per the prospectus but excluded from the prospectus forecast

- Revenue & other income exceeded the prospectus forecast due to favourable FX impacts and additional income from R&D grants
- Operating expenses exclude finance costs but are inclusive of depreciation & amortisation. A favourable variance on finance costs was offset by amortisation of intangibles assets. The net effect has a negligible impact on EBITDA and the net loss after tax.
- Capital raising costs varied to forecast due to US complexities increasing legal fees and a variation in the portion of costs capitalised against equity.
- Whilst FX had a favourable impact on revenue it contributed to a significant adverse impact on operating costs. Together with some unforeseen non-cash expenses this resulted in an unfavourable variance on EBITDA and the net loss (relative to the prospectus forecast)

Financials – Balance Sheet

Balance Sheet (A\$ in thousands)		Actual 31 December 2015
Current Assets	Cash and cash equivalents	\$20,983
	Trade and other receivables	3,264
	Other current assets	255
	Total current assets	24,502
Non-current Assets	Property and equipment	92
	Intangibles and other non-current assets	887
	Total non-current assets	93
	Total assets	\$25,576
Current Liabilities	Trade and other payables	589
	Provisions and other current liabilities	1,001
	Total current liabilities	1,590
Non-current Liabilities	Provisions	---
	Total non-current liabilities	---
	Total liabilities	\$1,590
	Net assets	\$23,985
Equity	Issue capital	41,289
	Accumulated losses & reserves	(17,303)
	Total equity	\$23,985

Investor Update

OUTLOOK

Strategic Growth Initiatives

Strengthen Position in Current Markets

- New direct sales resources to pursue new customer relationships across key target segments
- ***Leverage positive results in initial deployments with customers to drive “land and expand” strategy 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***

Expand into New Geographies

- ***BuildingIQ will undertake prudent expansion into new geographic markets***
- ***Opening of a new Singapore office in 2H 2016***
- Pursuing business development and partnerships in the European and Asian market

Additional Services to Existing Customers

- ***Accelerate growth by offering additional services to customers***
- ***Increase value of each customer account by providing managed services for general energy optimisation***
- Create separate offering for automated demand response, currently represented by DRIQ portion of the platform

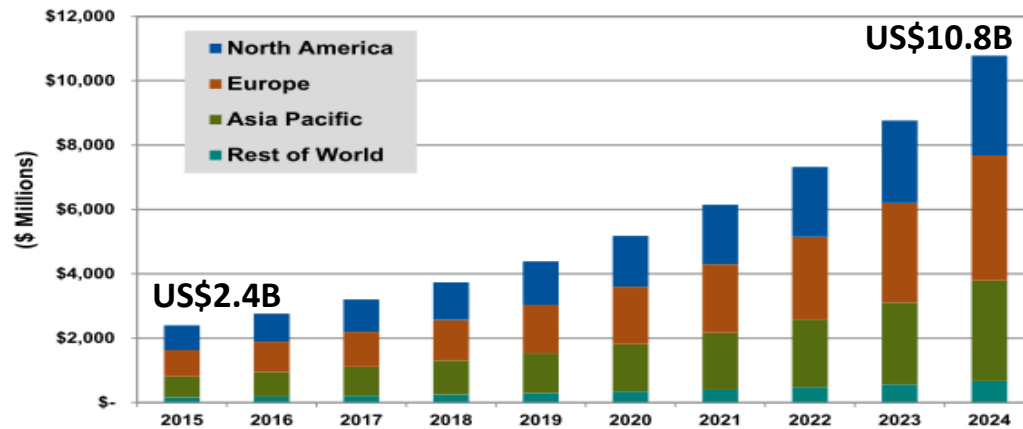
Acquisition Overview

- BuildingIQ has acquired the Energy WorkSite and Facility WorkSite software applications from NorthWrite Inc
- Accelerates BuildingIQ product expansion across the energy efficiency value chain by adding **Visualization** and further enhancing current **Analytics** capability
- Increases customer base by > 600 buildings for Energy WorkSite
- Backlog addition of AUD\$1.3(US\$1M) – annual auto renew contracts
- Immediately accretive - expect to generate AUD\$1.4M (USD\$1M) p.a. of recurring revenue and a positive contribution to EBITDA

Demand Growing for Advanced Energy Management Solutions

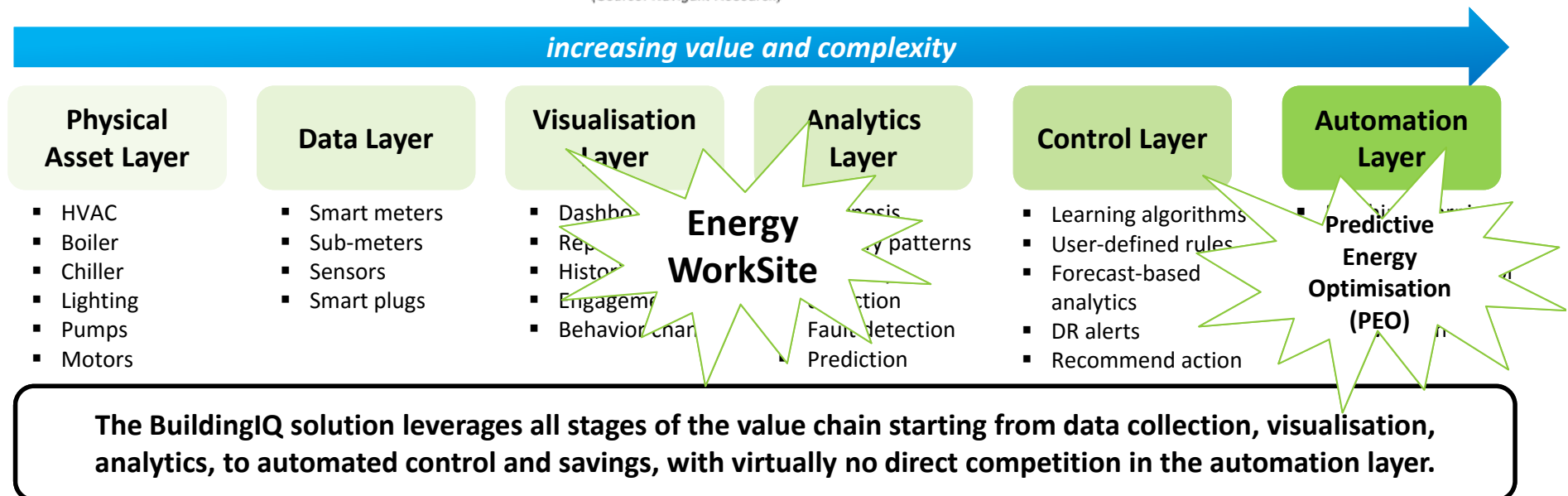


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1H 2016 Scorecard

- **Target Financial Drivers:**

- A\$400K dollar average monthly recurring revenue run rate
- New contract Bookings of A\$7.5M*
- Exit 1H2016 with Future Contracted Revenue Value of > A\$15M*

- **Target Business Model Drivers:**

- 45 New Buildings under Contract
- Increase Avg. new contracts Booked Building SF by 20%
- Surpass 45M SF under Contract

- **Generally on track to achieve this scorecard**

- Although new contract bookings run rate currently below target

Highlights

- Executive Team Buildout – CFO, VP of Product, VP of Service Operations & Executive Director Marketing
- Singapore expansion commenced
- Energy WorkSite and Facility WorkSite Acquisition
- AMP Technologies (USA) Partnership
- CSIRO License Buyout Initiated
- Controls and Integration Services Expansion
- Utilities Market Segment Expansion – 3 New Utility Programs Added in 1H 16
- Partner Program Expansion

Investor Update

Q&A



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Thank you!