

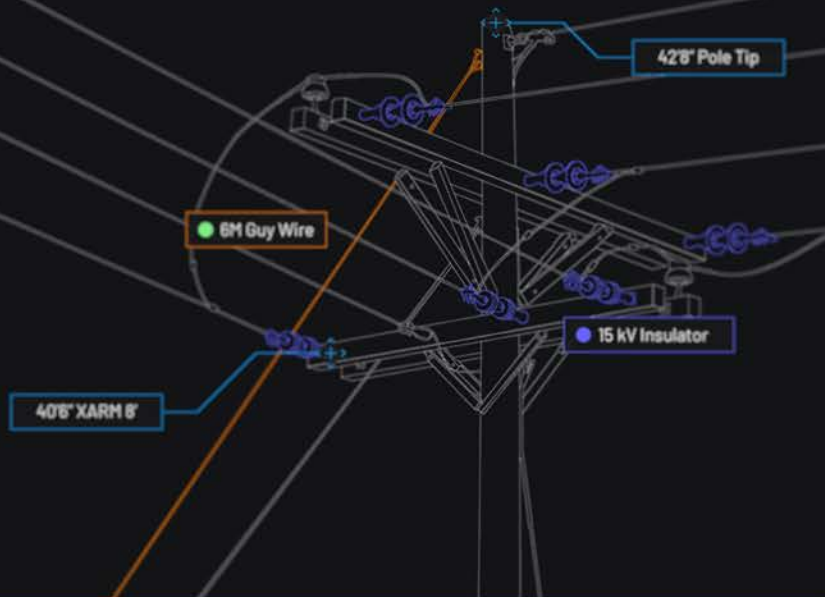
IKE FY21 Results and Q1 FY22 Update

The Pole OS™ Company

[Book a Demo](#)

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1 June 2021

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IKE, at a Glance



Collect & Measure

You collect pole data in the field then measure and manage in the cloud.



Analyze Pole Data

Analyze pole data using IKE Office Pro, IKE Analyze, IKE Structural and IKE Insight



Increase Efficiency & Revenue

Speed construction, make safer networks, and keep stakeholders happy.



Important Notice

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 IkeGPS Group Limited (IKE);

certain figures presented are from IKE's FY21 unaudited financial results;

should be read in conjunction with, and is subject to, IKE's FY21 financial results (unaudited), market releases, and information published on IKE's website (www.ikegps.com);

includes forward-looking statements about IKE and the environment in which IKE operates, which are subject to uncertainties and contingencies outside of IKE's control – IKE's actual results or performance may differ materially from these statements;

includes statements relating to past performance, which should not be regarded as a reliable indicator of future performance; and

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All currency amounts are in NZ dollars unless stated otherwise.

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Agenda and contents

The FY21 year in review

FY21 performance

Q4 FY21 summary, and Q1 FY22 update

Market overview

Customer & account expansion example

Product overview

Direct go-to-market, brand, and CX. Meet the team

Q&A



FY21 Year in Review. FY22 positioning. Introduction.

- + Far-reaching impacts of COVID-19 across North America in calendar 2020. A period of challenge and high uncertainty for our business and our customers.
- + IKE adopted a 'front foot' plan throughout the pandemic.
- + Important strategic objectives were executed by IKE through the 2020 calendar year.
- + Enabling IKE to now bounce forward as our market and our customers have come back strongly since January 2021.
- + Our view is that IKE has emerged in 2021 in the strongest position it has ever been – in terms talent, an extended product portfolio that allows more value to be delivered to customers across new pole market segments, balance sheet strength, sales performance run rates and sales pipeline.
- + We are excited about the growth potential for FY22.

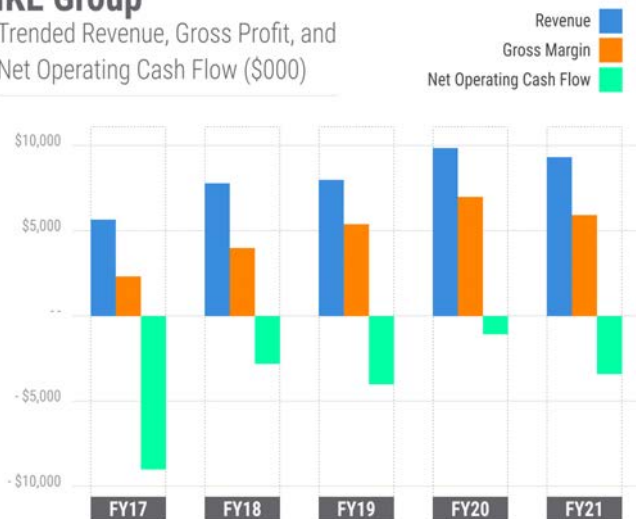




Overall financial momentum

IKE Group

Trended Revenue, Gross Profit, and
Net Operating Cash Flow (\$'000)

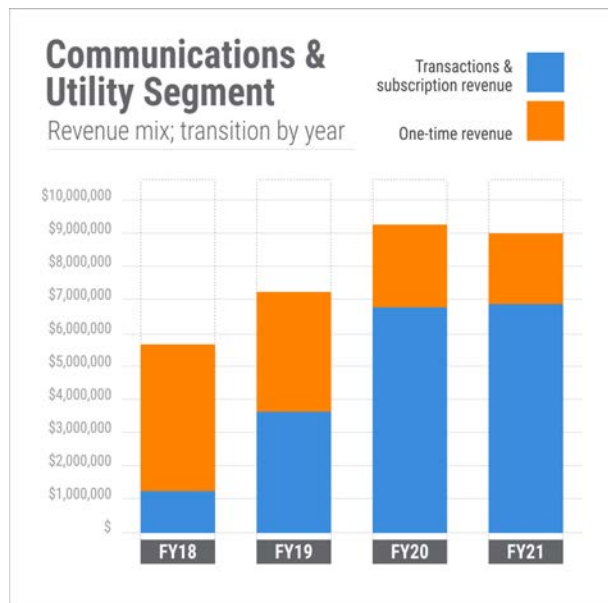


Takeaways:

- Total revenue -5% on PCP, relatively flat revenue year despite COVID-19 impacts.
- Total Cash & Receivables 31 March 2021 approximately \$14m.
- Line of sight to strong growth potential FY22.



A continued positive shift in revenue composition.



Takeaways:

IKE's revenue mix from its core Communications & Utility segment has continued to transition positively.

Approximately 75% (pcp of 70%) of FY21 revenue was from transaction & subscription sources (shown by the blue bar in the chart).

This is an important transition in terms of increasing revenue quality and predictability to underpin growth.



FY21 Results Highlights (unaudited)

- + Total recognized revenue in the year of approximately \$9.3m (pcp of \$9.8m).
 - + Approximately flat revenue from the core Communications & Electric Utility segment at approximately \$9.0m.
 - + Total revenue was as pre-announced and at market expectations, reflecting a solid outcome in the context of Q1 and Q3 periods being disrupted by COVID-19 impacts on customers and associated pole projects across North America .
- + Gross margin of approximately \$5.9m (PCP of \$6.9) with a gross margin percentage of approximately 64% (PCP of 71%).
- + Net cash flow from operating activites of approximately (\$3.3m) against PCP of (\$1.1m).
- + Operating loss after tax for the year of approximately (\$7.4m) against PCP operating loss of (\$6.1m).
- + Cash and receivables of approximately \$14m, and no debt.
- + Key metrics within Operating Revenue of \$9.3m;
 - * \$4.6m of subscription revenue
 - * 284 enterprise subscription customers
 - * \$2.3m of transaction revenue
 - * 53,000 billed pole transactions



FY21 Results Highlights cont.

- + Transition to the Platform Subscription plus Transaction business model was continued in FY21.
 - + Approximately 75% of FY21 revenue was generated from recurring subscription or transaction sources.
- + IKE's focus remains on two large markets, specifically speeding the assessment and construction process in the Communications and Electric Utilities segment in North America.
 - + Market timing is optimal.
- + Multiple new customer proof points.
 - + With account acceleration opportunities.
- + Strong operating momentum since January through May 2021.
 - + New contract wins of approximately \$8.8m. Momentum across sales pipeline, brand, customer experience, and process efficiencies.
 - + The right people.
 - + Leadership, pole expertise, and governance in place to lead our niche.



FY21 Profit & Loss (unaudited)

Continuing operations	\$'000's	\$'000's
Operating revenue	9,324	9,838
Cost of sales	(3,403)	(2,878)
Gross profit	5,921	6,960
Other income	915	1
Foreign exchange (losses)/gains	(468)	5
Fair value movements	(178)	-
Total other income, gains and losses	269	6
Support costs	(428)	(541)
Sales and marketing expenses	(5,556)	(4,697)
Research and engineering expenses	(2,445)	(3,383)
Corporate costs	(5,124)	(4,447)
Expenses	4	(13,553)
Operating loss	(7,363)	(6,102)
Net finance (expense)/income	(54)	(22)
Net loss before income tax	(7,417)	(6,124)
Income tax (expense)/credit	-	(17)
Loss attributable to owners of IkeGPS Group	(7,417)	(6,141)

Key metrics within Operating Revenue of \$9.3m;

- * \$4.6m of subscription revenue
- * 284 enterprise subscription customers
- * \$2.3m of transaction revenue
- * 53,000 billed pole transactions

Record quarter for new contracts closed Q4 FY21. Continued momentum Q1 FY22 to date.

- + IKE's customers and markets have bounced forward strongly since January 2021.
- + The final quarter of FY21 to March saw record new contracts closed as customers emerged from COVID-19 restrictions and project deferrals through calendar 2020 were eased.
- + Approximately \$5.4m of contracts were closed in Q4 FY21 to March. A majority of the associated revenue will be delivered and recognized through IKE's FY22 period to March 2022, laying a platform for FY22 growth. New contracts won are supporting network projects for some important underlying customers including
 - + AT&T Inc. (the world's largest communications company),
 - + Crown Castle International Inc. (the largest shared communication infrastructure company operating in the U.S.),
 - + Corning Optical Communications Inc. (the world's largest fiber optics manufacturer),
 - + ALLO Communications (operating across the states of Nebraska and Colorado), and
 - + An important Fortune 100 electric utility group.
- + Momentum has continued in the initial eight weeks of Q1 FY22 to 31 May. Approximately \$3.4m of contracts have closed in the quarter to date.

Meeting Market Demand

Leaning into the Digital Divide

Why in 2020 would a professional copywriter living in a rural community need to park at a Taco Bell to access broadband?

Communications Market Macro

Addressing a large market opportunity across the U.S. Communications segment

- >\$300B expected investment into fiber network development in the U.S over next 5+ years.
- >\$50B expected investment into 5G network development in the U.S. over the next 5+ years
- >\$50B expected investment into rural broadband development
- >200 Communications companies competing to build a networks and win underlying customers
- >1,000 engineering service providers supporting network development

IKE dramatically speeds up aspects of the network deployment process.

Confidential



Meeting Market Demand

Supporting those who give us power

Electric utilities play a pivotal role in supporting homes, businesses and public safety. We help them to help those who need safe and reliable power.



Electric Utility Market macro

Addressing a large market opportunity across the U.S. electric utilities segment

> 3,200 electric utilities across the U.S. facing common challenges.

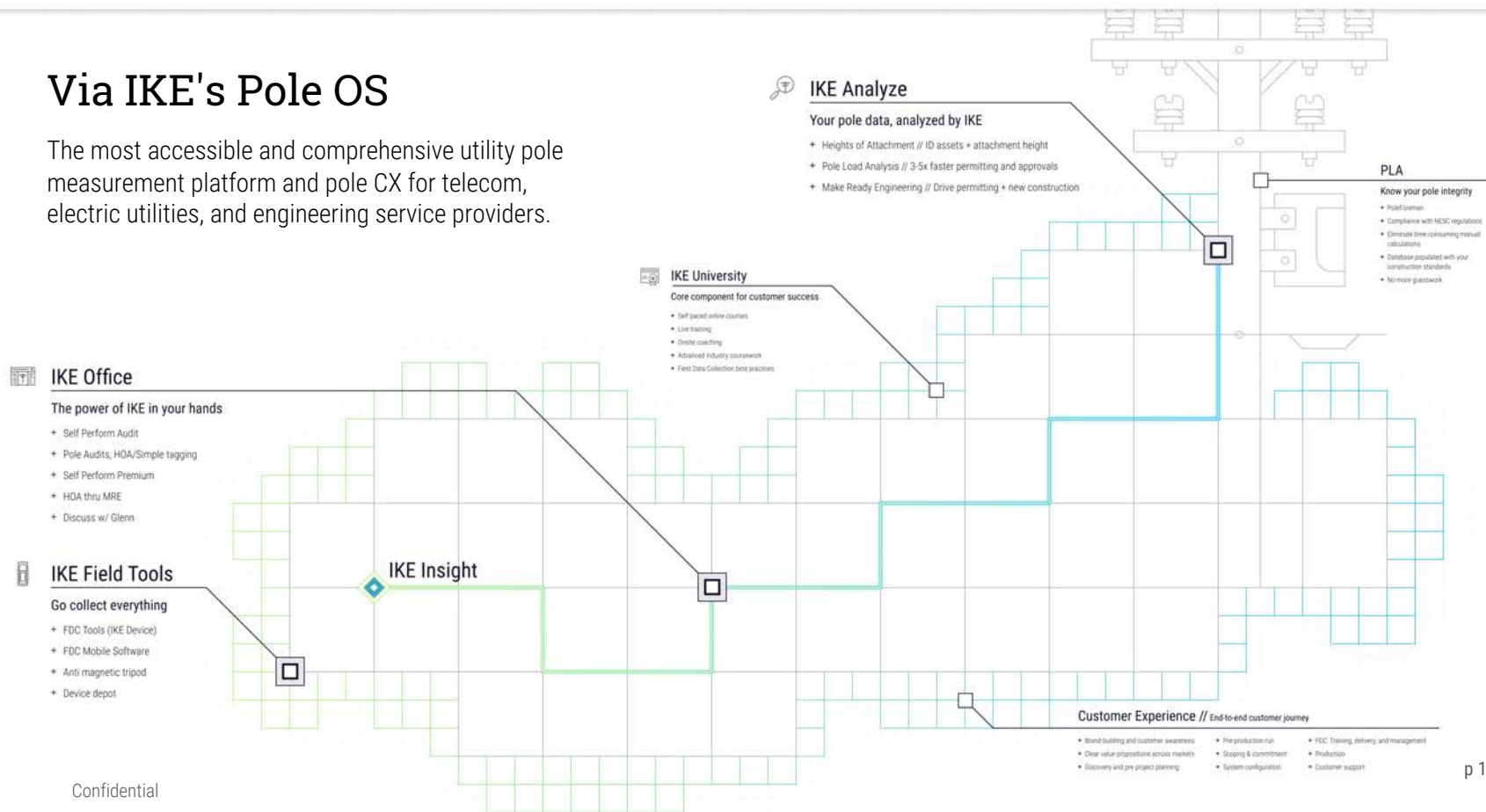
- Outages
- Aging infrastructure
- Potential catastrophic consequences
- Increased O&M costs
- Environmental clean-up costs
- Significant legal liability
- Regulatory and Engineering code compliance

> 1,000 Engineering Service Providers

IKE improves the engineering design and maintenance of poles

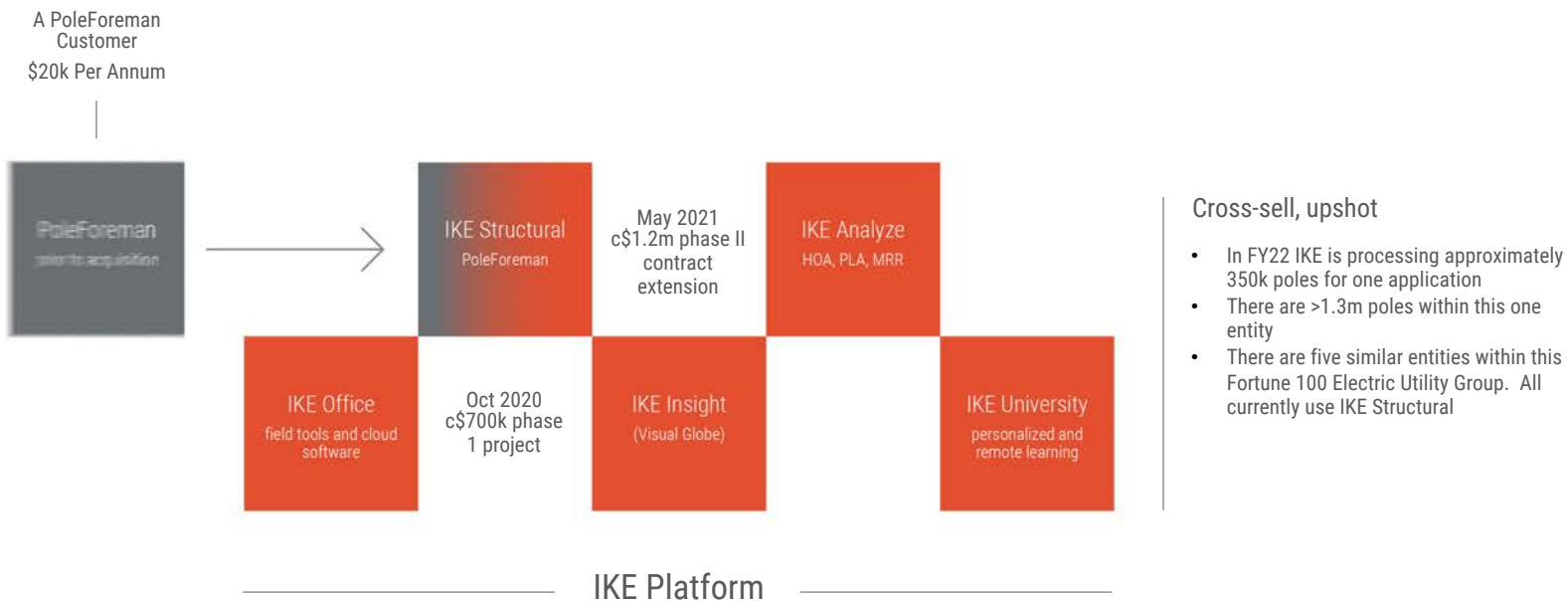
Via IKE's Pole OS

The most accessible and comprehensive utility pole measurement platform and pole CX for telecom, electric utilities, and engineering service providers.





Fortune 100 Electric Utility Group – Example transition and upsell across the IKE Platform Ecosystem





You're in good company

With 284 enterprise subscription customers, and counting



CYIENT



verizon✓



COX



Bell

CORNING



We're IKE, The Pole OS™ Company

Search

ike at a Glance

- Collect & Measure**
- Analyze Pole Data**
- Increase Efficiency & Revenue**

Our Solutions

Pole Specific Field Tools and Cloud Software

The IKE Office solution combines the IKE Device and IKE Office Pro cloud software to let you standardize data and create accurate pole records fast.

3X Faster data collection
60% Reduced field time

5 Years of experience in the field
5 Years of experience in the office

Industry Standard Pole Load Analysis

IKE Structure gives you access to Poleforman, the industry leading pole load analysis software used by the largest electric utilities in North America.

Bulk Data and Image Processing Using Artificial Intelligence for any utility asset.

IKE Insight is a technology that combines AI, machine learning, conditional learning, and predictive analytics to create actionable insights from any data or image source.

30% Faster data collection
20k Images per hour

Value-Added Products

IKE helps you get work done

You can manage your IKE Data Substation yourself, but IKE can also manage your IKE Data Substation for you. IKE can also manage your IKE Data Substation for you. IKE can also manage your IKE Data Substation for you.

Back end data analysis of your collected data

You collect data using the IKE Device. IKE performs the back end analysis for you. You get all the benefits of using IKE, but we do all the hard work.

Self paced online learning from data your team collects

Get IKE Certified using self paced online learning, and then receive with IKE Training to get work done faster. Then empower your team with industry deep dives from IKE Experts.

HOA (Hours of Analysis)
MRR (Monthly Recurring Revenue)
PLA (Pole Load Analysis)

1 The IKE Device
60 Years of experience with IKE Device
7 Years of experience with IKE Device

You're in good company

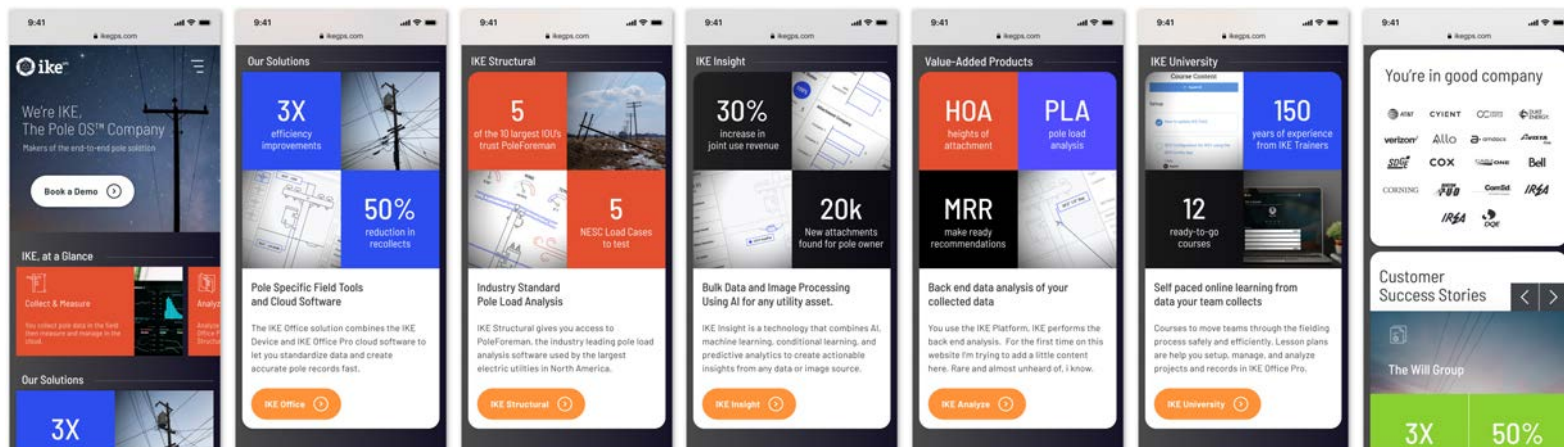
AT&T, CYIENT, OC, DTE, verizon, comcast, Allo, Jaxsta, SOGE, COX, CABLE ONE, Bell, CORNING, 3G, ComEd, I&A, DGE

Business Model, upshot

- A Platform Subscription backbone to access any IKE Solution
- Additive Transaction Fees based on usage of the IKE Platform, billed on a per pole basis
- Optional value-added products (such as IKE Analyze and IKE university)



Compelling productivity improvements to drive long term customer relationships





IKE University

Example Courses

Field Trainer PLA + Audit (2 courses)

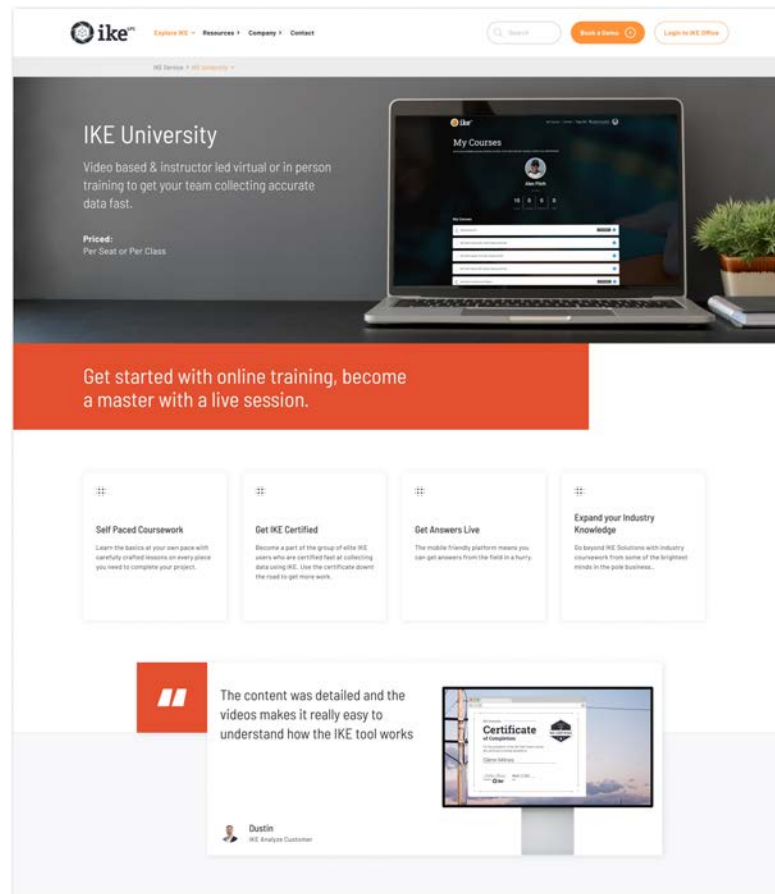
- GPS Config Setup
- Create a Job
- Download a Job
- IKE Photo
- Midspan Height
- Spans
- Collecting Anchors
- Equipment Orientation
- Full Collection

Accurate Locations and Spans

- Intro to Locations and Spans
- Starting In IKE Office
- Layout
- Pole Locations
- Spans
- Ruling Spans
- Anchors
- Fixing KML and Saving

Work from home like a pro

- Video
- Light
- Sound
- Technique





A Board with deep industry experience

Board of Directors

Rick Christie / (MSc (Hons) Chemistry)

Chairman and Independent Director

Rick Christie is the former Chairman of Ebos Group, where he was Chair through much of its growth to become a >\$3B business today. He has experience on a number of other major boards, including TVNZ. Rick was previously CEO of investment company Rangatira Ltd and had 20 years' executive management experience in the international oil & gas industry.

Eileen Healy (BS Electrical Engineering)

Independent Director

Serial entrepreneur of two high-tech startups addressing the U.S. communications market including Healy & Co, the provides outsourced engineering to the U.S. utility market. Customers include AT&T Mobility, T-Mobile, Vodafone, Verizon Wireless, Frontier Communications, and FirstNet.

Mark Ratcliffe

Independent Director

Mark joined IKE most recently from Chorus, where he was its CEO leading the deployment of New Zealand's national fiber network. Prior to Chorus Mark was CIO and COO of Spark (formerly Telecom NZ). His other governance roles include as non-executive director of 2Degrees Mobile and as Chairman of First Gas.

Glenn Milnes (MBA (Dist.), BSc (Hons), BPhed)

CEO & Managing Director

Glenn Milnes is the CEO and managing director at ikeGPS, where he is accountable for the company's overall strategy, performance, and growth. Prior to leading ikeGPS, Glenn previously held senior executive, strategy and corporate development positions in the Communications industry with Cable & Wireless International, and with No. 8 Ventures.

Alex Knowles

Director

Alex has investing and operating experience with international companies in the information technology and transportation industries. Based in Los Angeles, He was formerly Chief Operating Officer of the largest international freight forwarder and small parcel consolidator in the U.S.

Fred Lax / (MSEE and BSEE)

Independent Director

Fred Lax is an executive leader with extensive global experience in the telecommunications industry and related technologies. Based in California, he is a former director of NASDAQ listed Ikanos Communications Inc. (acquired by Qualcomm Atheros), and former Chief Executive Officer and President of NASDAQ listed Tekelec Inc.



Direct sales, brand, and delivery model

Meet some of the IKEA Team





Thanks...

Dedicated to Serving Communications Companies, Electric Utilities, and Engineering Service Providers.

Who are focused on:

- Faster network deployments.
- Improving network and data quality.
- Keeping crews out of harm's way.
- Meeting the demands of regulators.