



CEO and Managing Director Presentation

Annual General Meeting, 30 September 2022

We're IKE, the Pole OS™ Company

Glenn Milnes, CEO & Managing Director
glenn.milnes@ikegps.com
September 2022



Introduction to today's speaker



Glenn Milnes

[Chief Executive Officer & Managing Director](#)



Imperial College
London



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- 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);
- Should be read in conjunction with, and is subject to, IKE's FY22 financial results (audited), recent 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;
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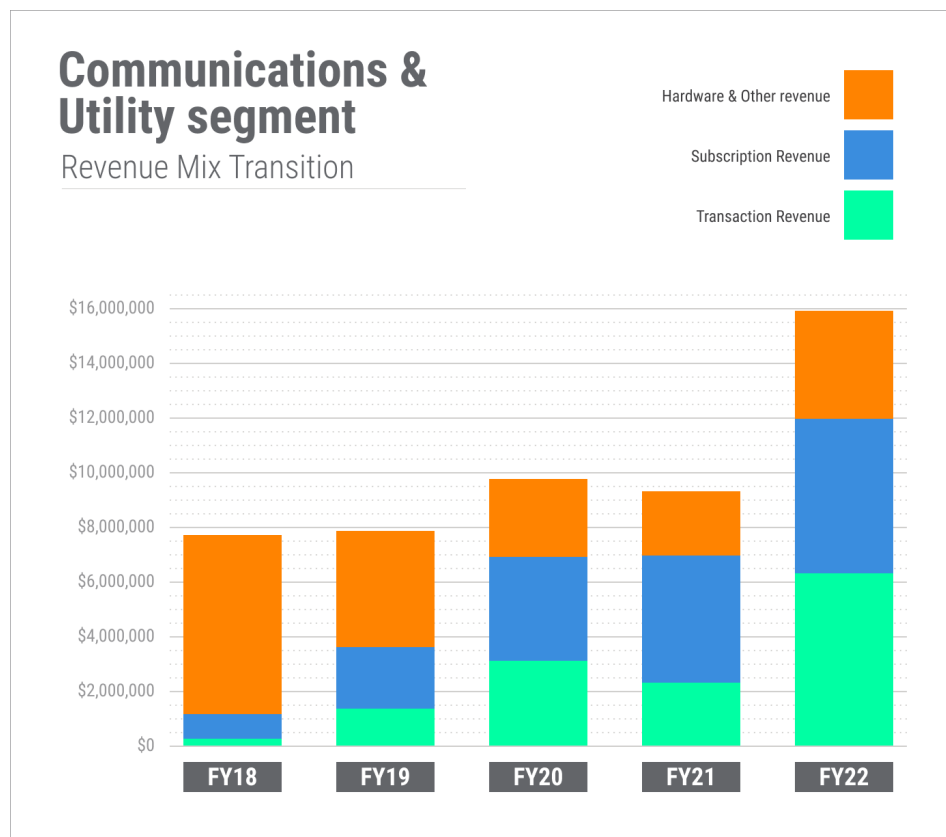
Agenda and Contents

- FY22 performance highlights and 1H FY23 forecast performance
- Market tailwinds
- Technology and solutions
- Team and talent acceleration
- Growth potential
- Q&A

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Revenue in FY22 (to March) of ~\$16m.
+71% pcp.

46% CAGR of recurring subscription and re-occurring transaction revenue.
Continued positive shift in revenue composition.

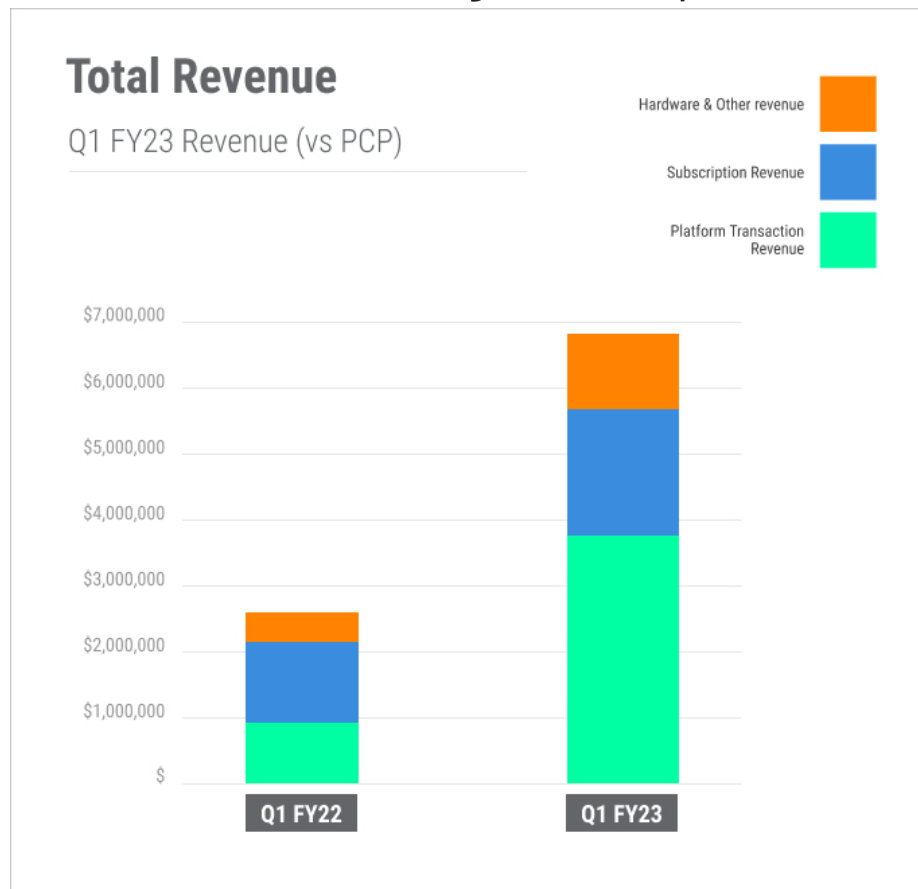


Takeaways:

- IKE's revenue mix has continued to shift positively over the past four years.
- 46% CAGR of recurring subscription and reoccurring transaction revenues over past three years (shown by the Green and Blue segments in the chart).
- This is an important trend in terms of increased revenue quality and predictability as IKE continues to execute on its solution and Pole OS™ strategy.

Revenue in Q1 FY23 (to June) of \$6.8m.
+162% vs pcp.

Within this, recurring Subscription and reoccurring Transaction revenue was ~\$5.7m (+167% vs pcp)



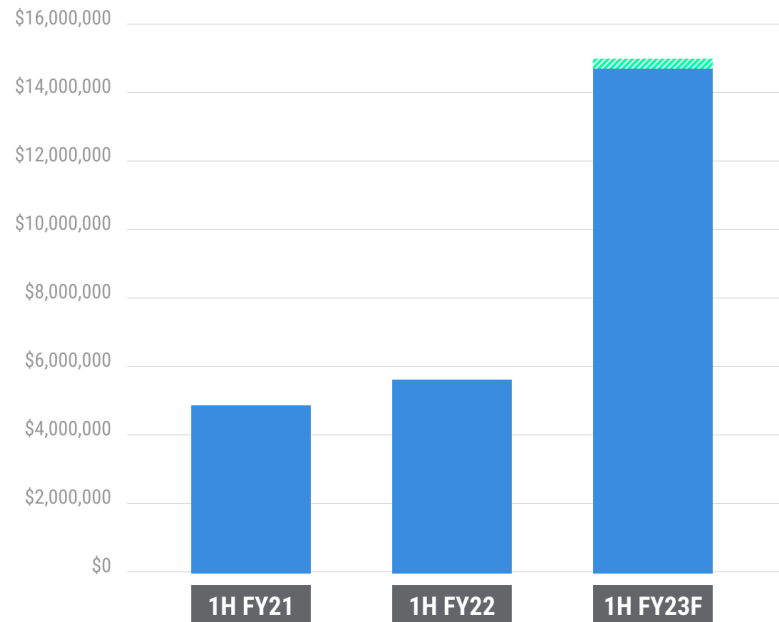
Takeaways:

- Recurring subscription and reoccurring transaction revenues (shown by the Green and Blue segments in this chart) dominate IKE's revenue mix.
- Continued growth following strong FY22

Revenue 1H FY23 (six months to September) is forecast at \$14.7-\$15.0m.
~ +160% vs pcp.

Forecast Revenue 1H FY23

Total Company Revenue vs PCP



Performance Update Takeaways:

- Q2 FY23 revenue to September forecast to be \$8m+
- Signed contract backlog supports potential for strong Q3 FY23
- Balance sheet remains 'fortress'
- Functional efficiencies and Revenue per Employee metrics trending to top quartile

FY22 P&L

71% revenue growth. Focused investment into sales & product development.

		Year ended 31 March	
		Group	
	Note	2022	2021
		NZ\$'000	NZ\$'000
Continuing operations			
Operating revenue	5	15,965	9,324
Cost of revenue		(6,077)	(3,403)
Gross profit		9,888	5,921
Other income	5	65	915
Foreign exchange gains/(losses)		446	(553)
Movement of fair value assets and liabilities		1,269	(178)
Total other income, gains, and losses		1,780	184
Support costs		(452)	(428)
Sales and marketing expenses		(6,467)	(5,556)
Research and engineering expenses		(5,825)	(2,394)
Corporate costs		(6,712)	(5,165)
Expenses	6	(19,456)	(13,543)
Operating loss		(7,788)	(7,438)
Net finance (expense)/income		(69)	(55)
Net loss before income tax		(7,857)	(7,493)
Income tax (expense)/credit	7	-	-
Loss attributable to owners of ikeGPS Group Limited		(7,857)	(7,493)
Other comprehensive loss			
Exchange differences on translation of foreign operations		(49)	(972)
Comprehensive loss		(7,906)	(8,465)
Basic and diluted loss per share	19	\$ (0.05)	\$ (0.06)

Takeaways:

- 2H FY22 revenue of ~\$10.3m (+108% vs pcp)
- FY22 Subscription and Transaction revenue of ~\$12.m (+73% vs pcp)
- Comprehensive loss of \$7.9m based on investment into growth to fuel FY23 onwards



FY22 Balance Sheet: Strong, sustainable position

Cash and receivables of \$29.5m (\$24.5m cash & \$5m receivables)

		As at 31 March Group	
	Note	2022 NZ\$'000	2021 NZ\$'000
ASSETS			
Current assets			
Cash and cash equivalents	8	24,354	11,342
Trade and other receivables	9	4,959	2,630
Prepayments		1,284	254
Contract costs		191	-
Financial instruments		33	-
Inventory	10	1,003	798
Total current assets		31,824	15,024
Non-current assets			
Property, plant, and equipment	11	1,803	1,053
Intangible assets	12	14,135	13,845
Inventory	10	269	352
Lease assets	13	210	434
Total non-current assets		16,417	15,684
Total assets		48,241	30,708
LIABILITIES			
Current liabilities			
Trade and other payables	14	1,756	960
Employee entitlements		676	303
Provision	24	40	711
Other liabilities	15	2,651	3,894
Lease liabilities	13	232	339
Deferred income	5	3,575	2,449
Total current liabilities		8,930	8,656
Non-current liabilities			
Other liabilities	15	-	148
Lease liabilities	13	-	174
Deferred income	5	106	28
Total non-current liabilities		106	350
Total liabilities		9,036	9,006
Total net assets		39,205	21,702
EQUITY			
Share capital	18	104,751	80,932
Share-based payment reserve	21	2,768	1,178
Accumulated losses		(67,674)	(59,817)
Foreign currency translation reserve		(640)	(591)
Total equity		39,205	21,702

Takeaways:

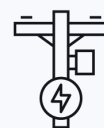
- Maintaining a fortress balance sheet is a key principle of IKE's operation.
- No debt.

Market tailwinds

Current Market Dynamics Lead to Strong Tailwinds for IKE



Requirement for harder and higher capacity distribution power networks across all of North America



>3,200

Electric Utilities in North America with long-term, recurring distribution network hardening, joint use, and capacity needs for electrical distribution

7+ year macro-market tailwind of fiber deployment, much of it engineered on distribution power poles



>\$350B

Investment forecast in fiber in the US by 2025, representing >30M attachments; communications infrastructure providers seeking partners to manage new fiber attachments for every pole

Small Cell Deployments across North America, much of it engineered on distribution power poles



800,000+

Small cell site expansions are expected by 2025 as communications infrastructure providers look to speed up 5G rollout while reducing cost and time of deployment

Infrastructure development via Engineering Service Providers



>1,000

Engineering Service Providers in the US subcontracted by communications and utilities providers to assist in infrastructure development and deployment

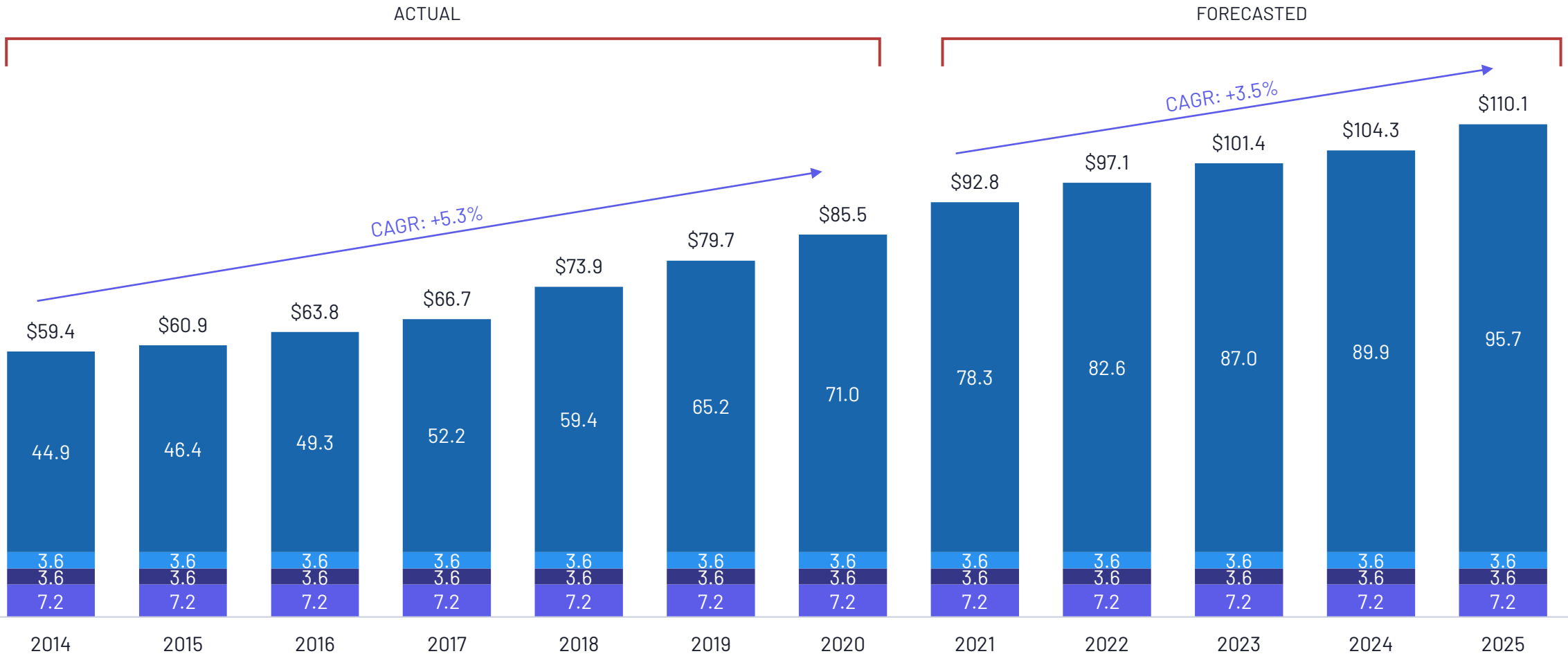


Growing Network Investment across Electric Utilities; Support Needed for Productivity Solutions such as IKE over the Coming Decades

U.S. AND CANADIAN ELECTRIC DISTRIBUTION CAPITAL EXPENDITURES

\$NZD in B

Canadian Muni Co-ops US IOU





Electric Utility Market macro tail winds

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

Every electric utility across the U.S. is 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

> 2,000 Engineering Service Providers

IKE improves the engineering design and maintenance process of poles

IKE is Meeting Market Demand

Leaning into the Digital Divide

Why in 2021 would a professional copywriter living in a rural US community need to park at a Taco Bell to access broadband?



Communications Market Macro market tail winds

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
- An additional >\$60B expected investment into rural broadband development as part of the Biden administrations new Infrastructure bill
- >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.

Technology and solutions



Innovation and Growth Timeline

\$NZD
Fiscal Year Ending Mar-31

2000's IKE Founded

Launched as a pure hardware company by a New Zealand Engineer who had experience surveying radio network sites in Europe and Africa.

First customer was the US Department of Defense



2014 Public Listing

HQ moved to Colorado, USA, which serves as the center of gravity today; IKE lists on the NZX raising \$22.8M via IPO.

Still very early stage and <\$1M revenue

2019 Access to Standards Groups within Utilities

IKE acquires the assets of PoleForman, a structural analysis software platform, from PowerLine Technology



2022 Growth

FY22 revenue of ~\$16M, representing 71% YoY growth, driven by an increase in subscription and transaction revenue.

FY23 Q1 Revenue of \$6.8M, tracking towards

2013 IKE Software

IKE begins to develop electric utility-specific software following requests from utility customers in the US market



2017 Standardized

IKE becomes the standard for pole records and make-ready-engineering projects for US companies including AT&T and others



2021 Pole Engineering Automation, Driven by AI

IKE acquires the assets of Visual Globe to integrate automation capability via AI and Machine Learning throughout its platform, while creating the IKE Insight product offering



Today, a Full Stack of Pole and OSP Products & Solutions



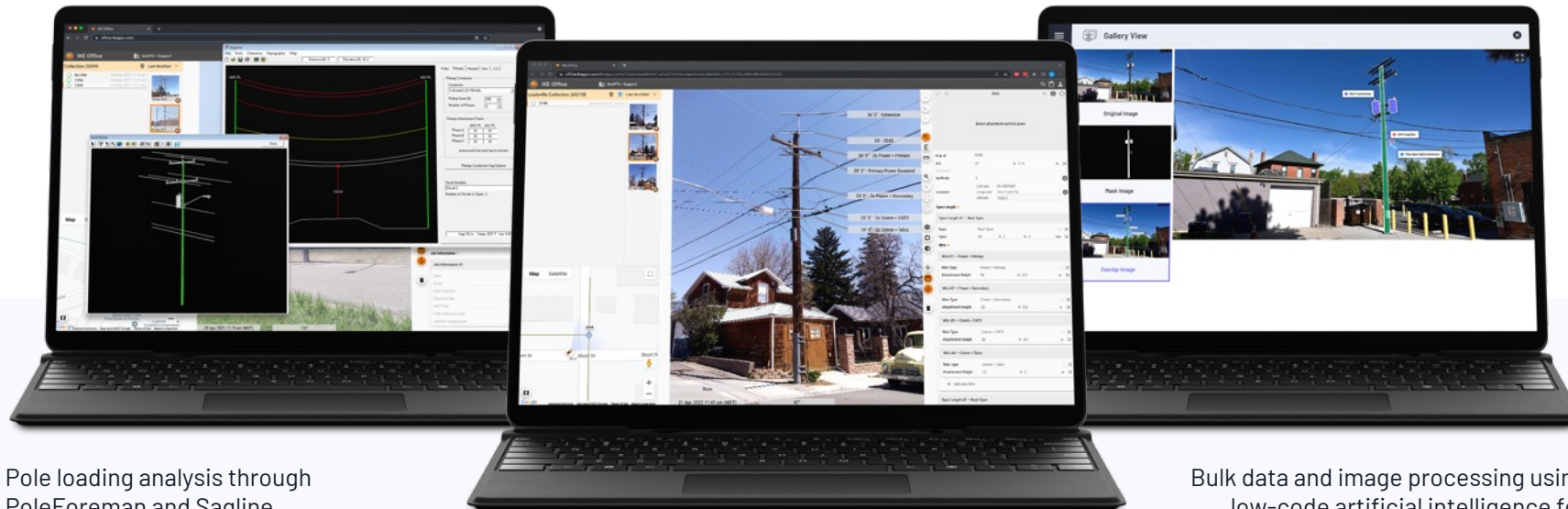
IKE Structural



IKE Office Pro



IKE Insight



Pole loading analysis through PoleForeman and Sagline

Standardized digitization and field data collection methods, with dashboard reporting

Bulk data and image processing using low-code artificial intelligence for distribution utility assets



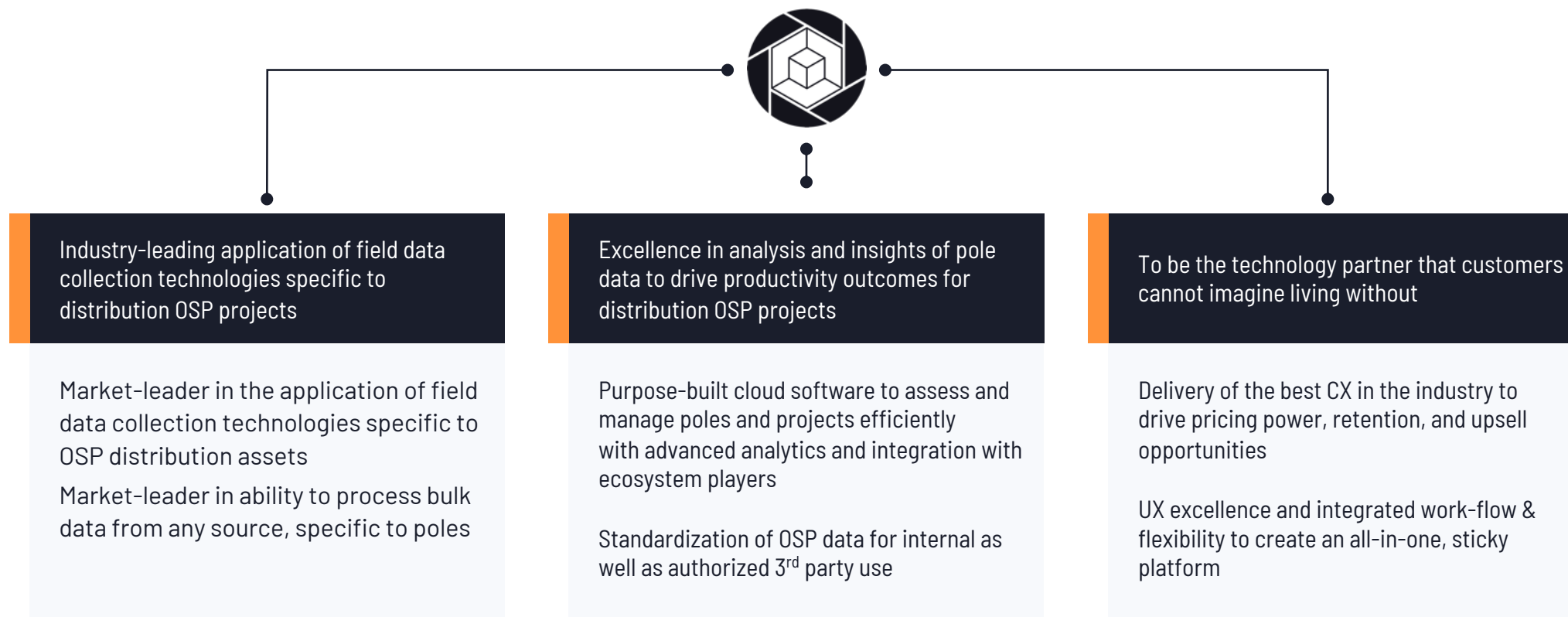
IKE Analyze

Technology & automation driven service providing pre-packaged data to accelerate engineering



Building the PoleOS™ Company

IKE is executing a rolling 12-quarter plan against three strategic swim lanes, to create long term differentiation





IKE Office Pro

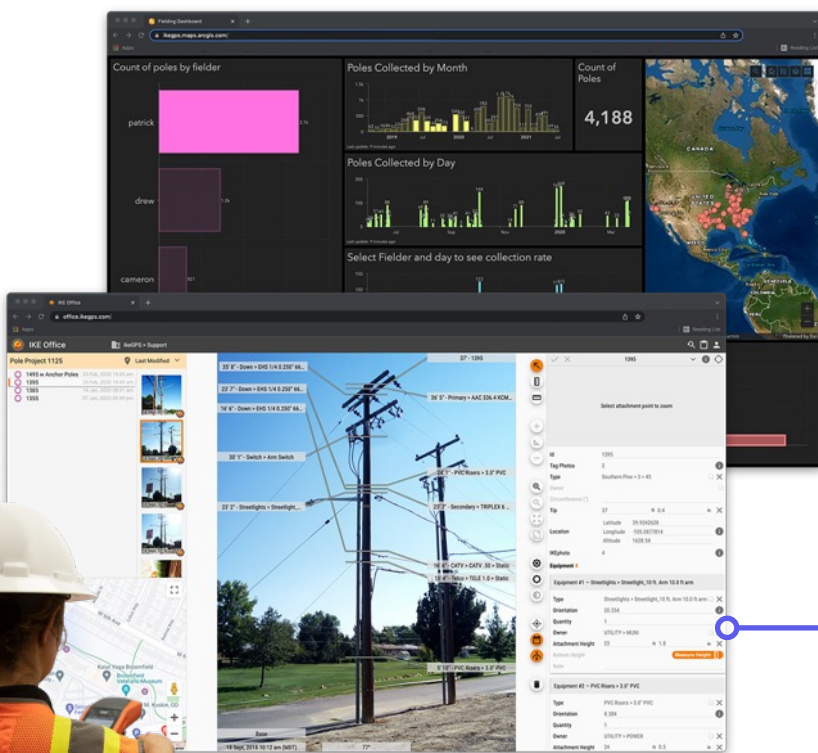
Standardized Field Data Collection with
Back Office Cloud Analysis and Project
Dashboards





IKE Office Pro

Standardized Field Data Collection



With your data in the cloud your options are limitless



Data export to 100s of file types supporting Self Performance or ESP-led Engineering Services

The IKE Office solution enables customers to standardize workflows and create accurate, digitized pole records fast

- Field data collection workflow platform
- Back-office analysis software
- Real-time productivity dashboards

Delivering dramatic productivity improvements: data quality, speed, reduced re-work, and team safety



IKE Analyze

A service providing pre-packaged data to accelerate engineering services

- IKE Reports
- PLA Reports
- MRA Improvements
- Pass/Fail Maps
- IKE Office Cloud Database
- IKE Photo Records
- Permitting
- Audit with GPS or Image
- Etc.

Simplify field data collection with the Android IKE Device and send the data right into IKE Office Pro





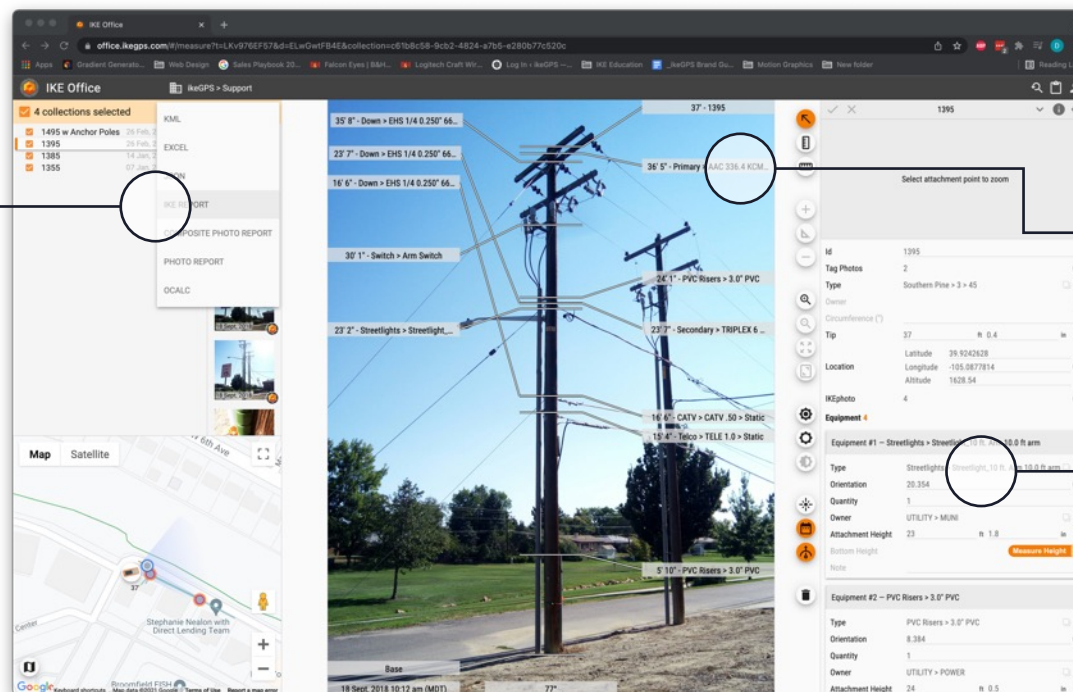
Digitization of Assets and Digital Twins via IKE Office Pro Software

Export data through various methods and various workflows

Supporting Customer Workflows

- ☐ IKE Report
- ☐ Permitting
- ☐ Pole Loading Analysis
- ☐ Joint Use

Export

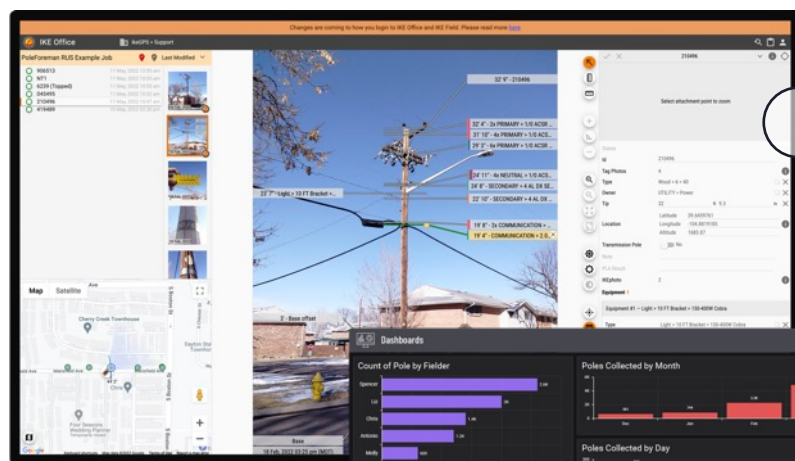


Measure poles, spans, equipment, and location

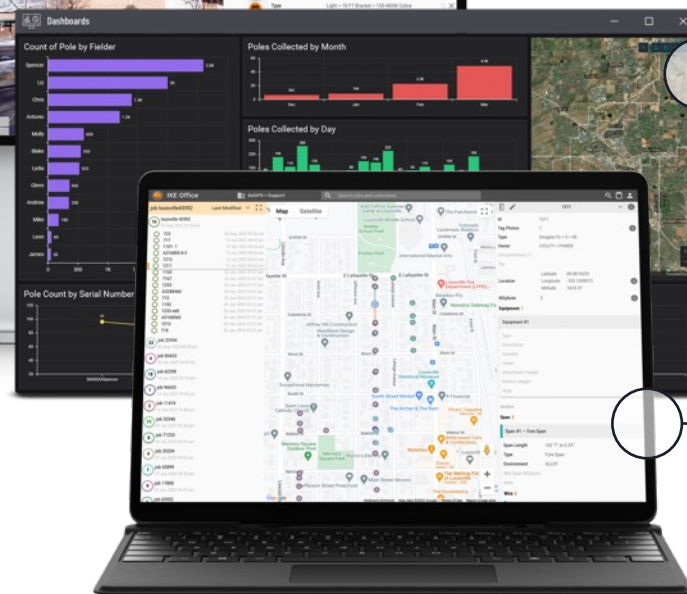
Full integration to automate pole load analysis



Automation and Integration with Cloud Capabilities



Drag and drop form builder to make custom forms and standardize team workflows



Standardize engineering team workflows across infrastructure owners

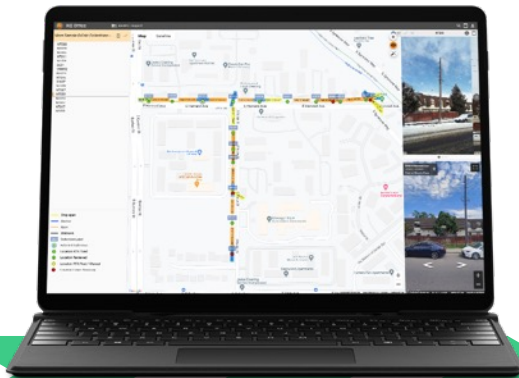
Pole loading analysis integration



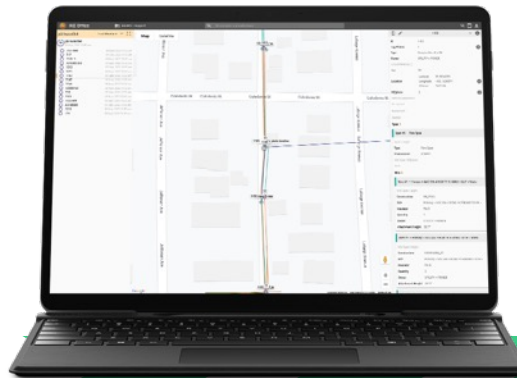
IKE Office Pro

Dramatic Productivity Benefits for Customers

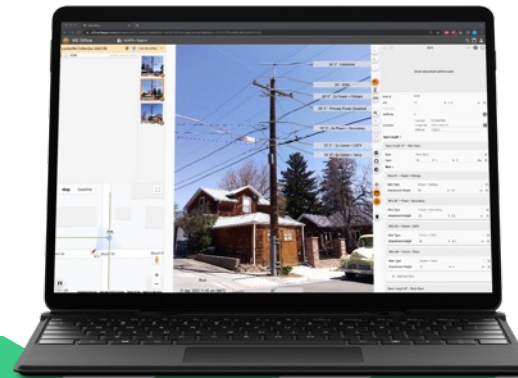
Standardize the quality of field work



Whole-of-network project view



Detailed digitization of assets via digital twins



Real time, customized dashboards to optimize project management





IKE Structural

PoleForeman is one of the four standards for Pole Loading Analysis in North America



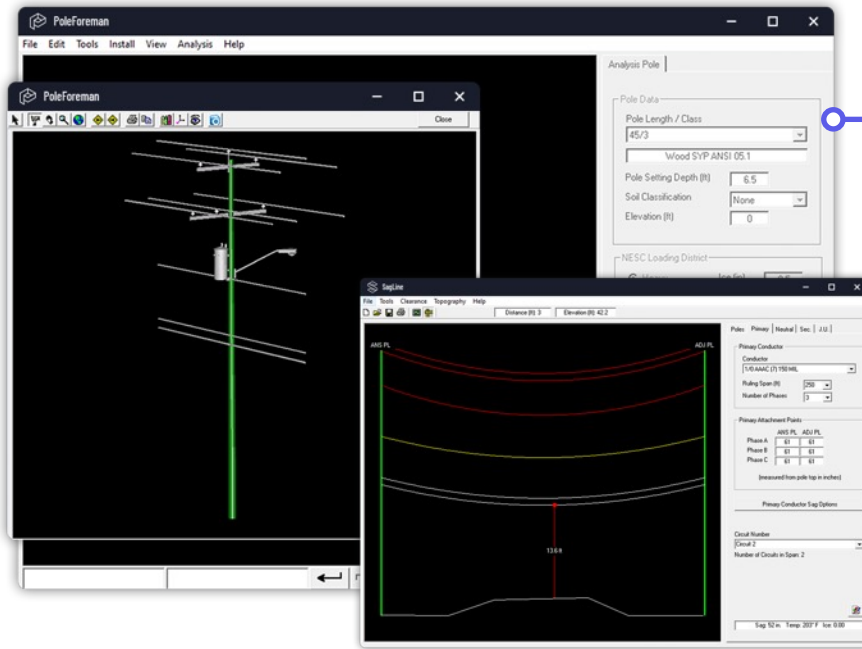


IKE Structural

Embedded in five of the ten largest electric utilities in the U.S.



Integrates with existing client's pre-built databases, custom database requests, or RUS (Rural Utilities Service) databases



PoleForeman

&



SagLine

Pole Loading Analysis

Pole Loading Percentage

Pole Size: 40/3 Grade C (Crossing)

Horizontal Loading: 37% 2508

Vertical Loading: 16% 2508

Design Limits:

PASS

Guy Strand Data

Anchor Number	Strand Size	Strand Tension	Strand Strength	Attach Point	Lead Length	Guy Direction	Strand Loading	NESC Rule
1	1/2"	10M	9,902	11,250	15"	130°	88%	40%

Anchor Data

Anchor Number	Rod Tension	Rod Strength	Rod Size	Anchor Strength	Soil Class	Anchor Type
1	13,455	0	None	0	None	None

Arm / Bracket Data

Arm/Bracket	Attach	Vert Loading	Horz Loading
8" Double X-arm (3-5/8x4-5/8)	9"	2%	78%
8" Double X-arm (3-5/8x4-5/8)	15"	2%	78%
Spool Rack	121"		

Insulator Data

Insulator	Attach	Loading	Angle
15KV Dead End	4"	20%	11°

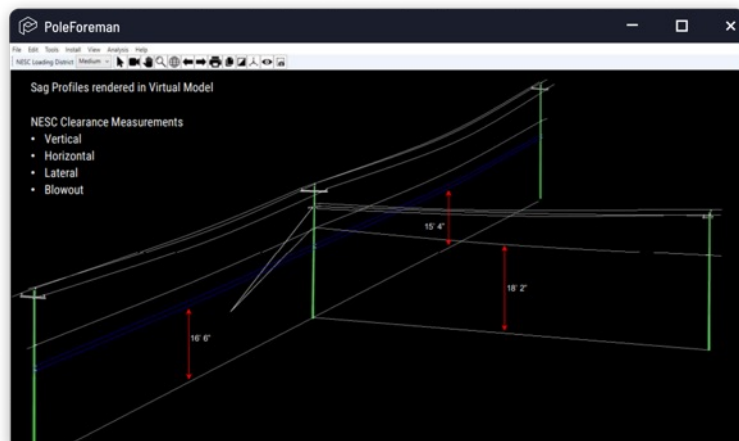
Print PDF Report Graphs Close

Find out quickly whether your poles pass or fail and easily export the results via the Pole Loading Analysis summary screen

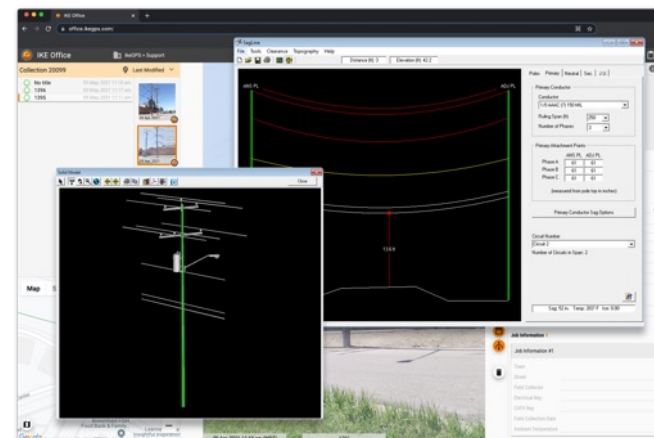


IKE Structural

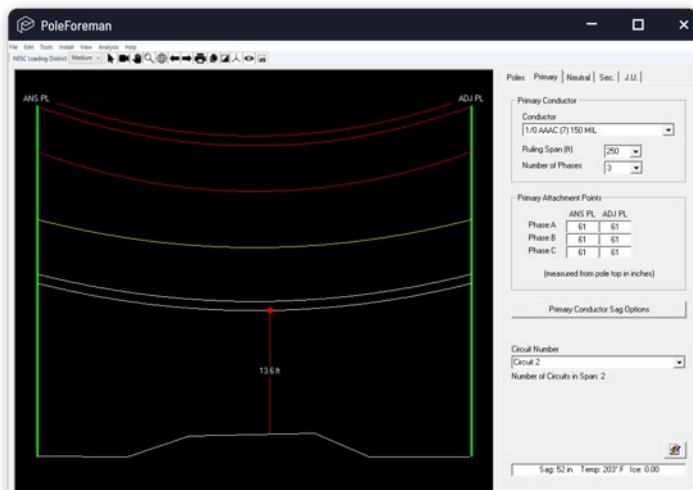
Capability....



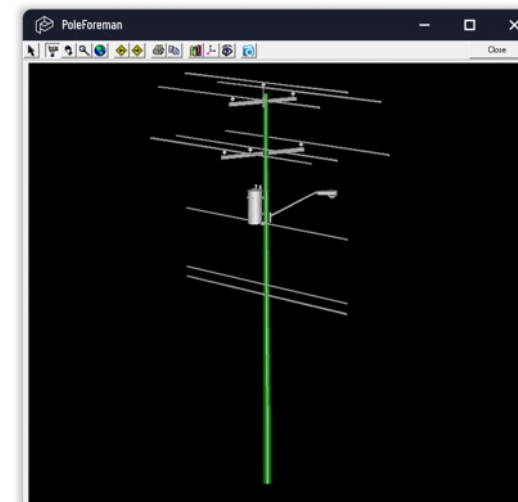
Structural analysis
and 3D modelling



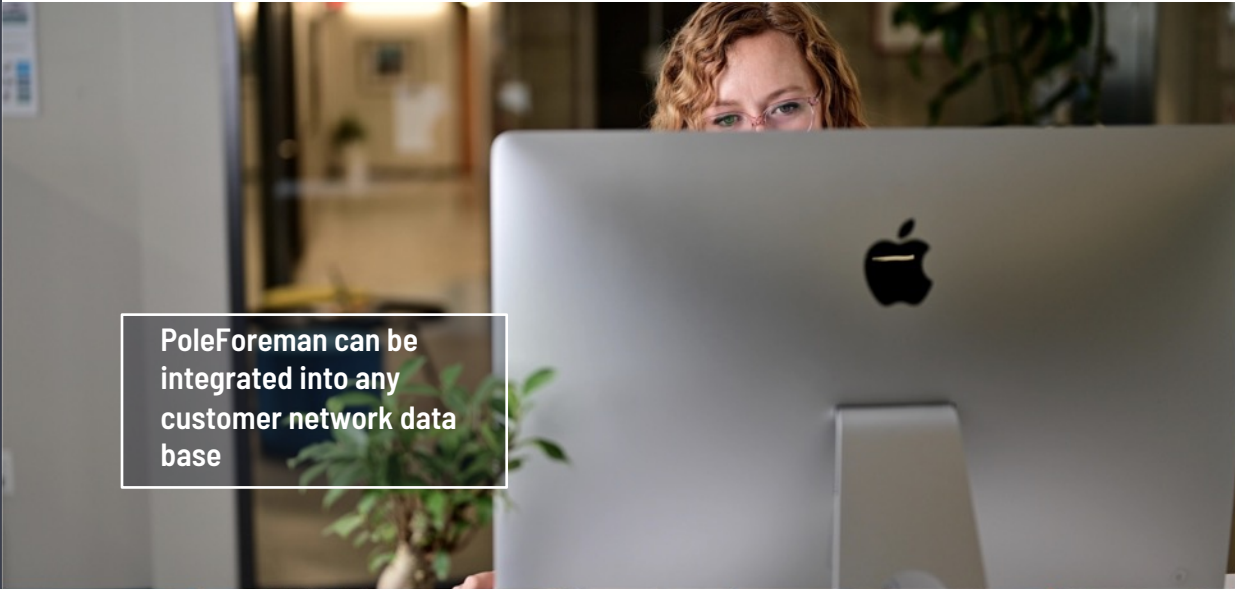
Measure clearances



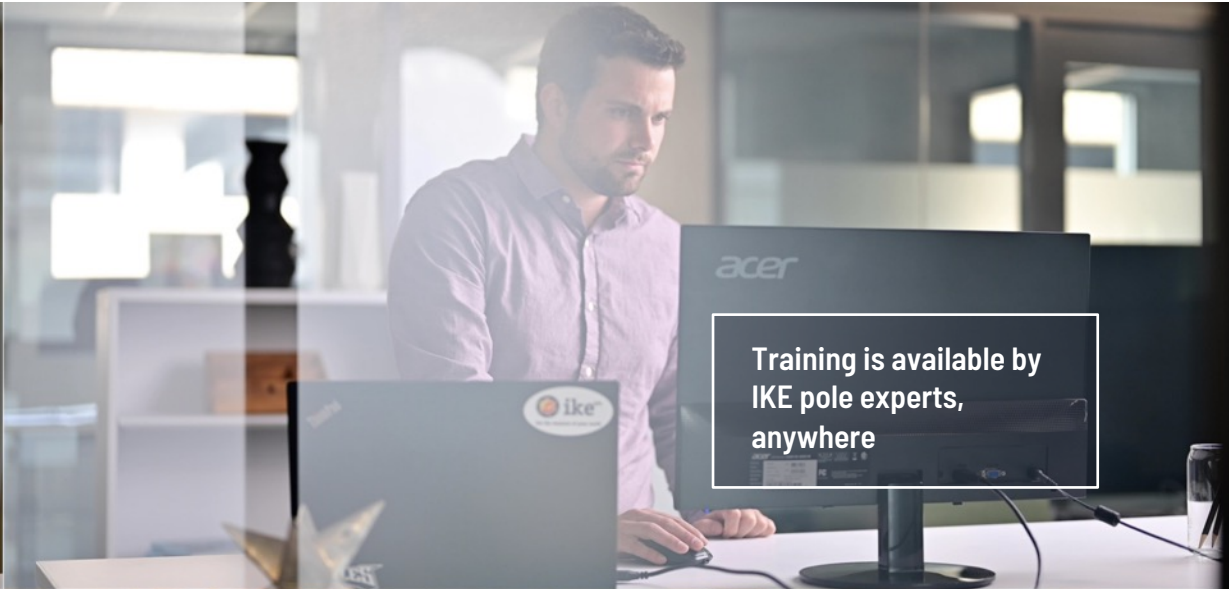
Ensure structural
Integrity and NESC
compliance



Scaled 3D renderings



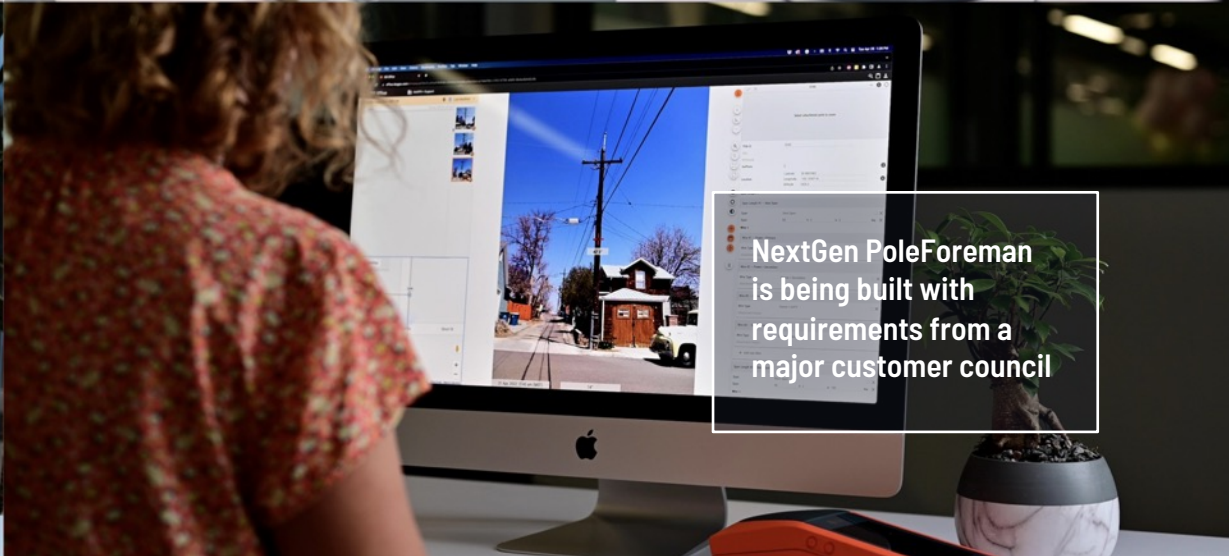
PoleForeman can be integrated into any customer network data base



Training is available by IKE pole experts, anywhere



Deployed at the largest IOU's and Electric Co-ops in the U.S.



NextGen PoleForeman is being built with requirements from a major customer council



IKE Insight

Bulk data and image processing





IKE Insight

Bulk data and image processing using low-code artificial intelligence for distribution utility assets

IKE Insight allows access to pole imagery from anywhere and for any reason

Industry Use Cases

- Utility pole audits
- Pole inspections
- Line degradation and vulnerabilities
- New insights from legacy audits
- Quality assurance
- Pole ownership
- Location validation

Field Data Collection Agnostic



Existing Data Images



Drones



Thermal Imagery



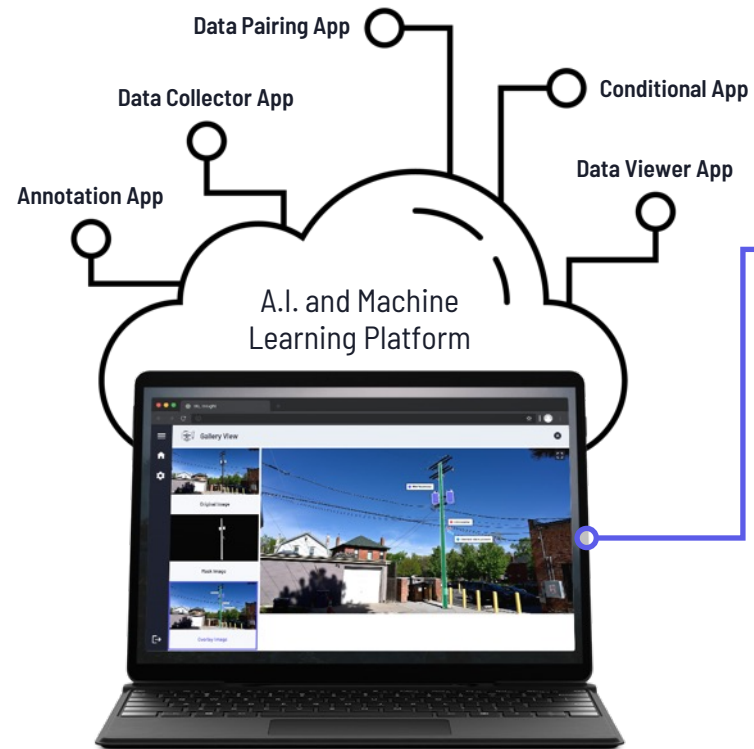
Field Devices



Lidar



Satellite



IKE takes pole images and imports them into IKE Insight A.I. and Machine Learning apps to conduct analysis

Use the analysis to get the actionable insights

NESC Violation Extraction

Measurement between 2 static objects

Measurement between dynamic objects

As-builts for future change detection

ROW Management

Pole Segmentation



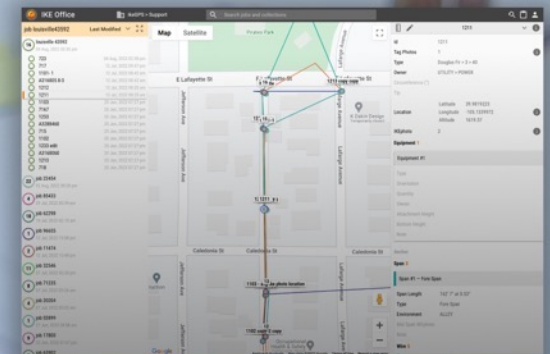
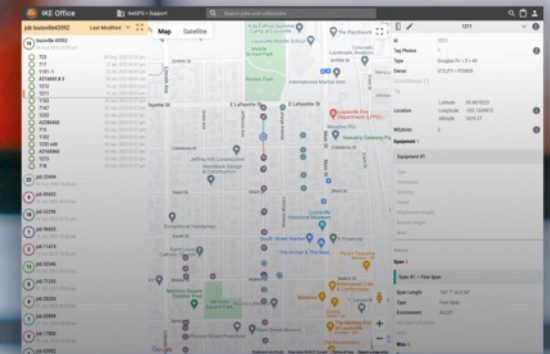
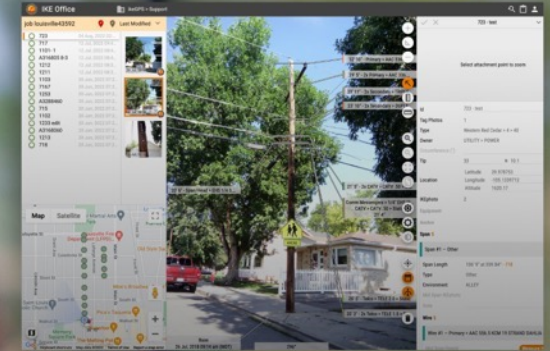


IKE Analyze

Pole Engineering Analysis



ikeGPS



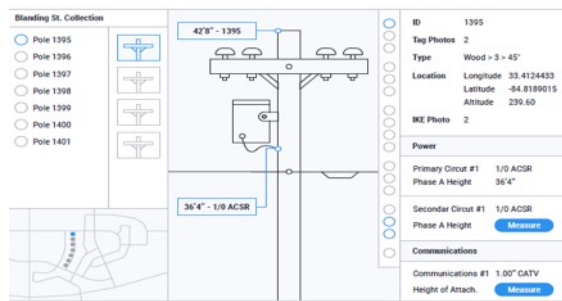


IKE Analyze

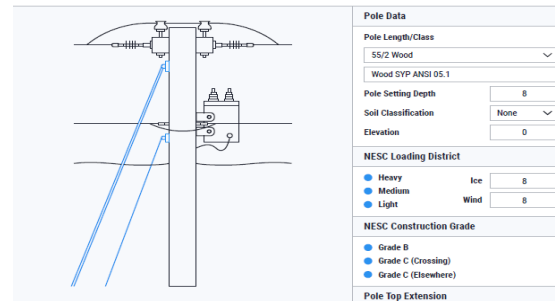
Customers collect the distribution network data. IKE performs the engineering analysis via software, automation and experts.

For customers: Faster engineering, dramatic scale, profitability, and efficiency benefits

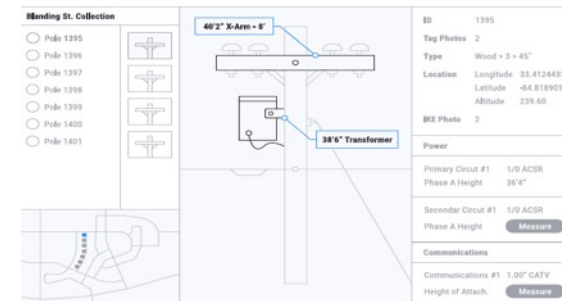
Example Deliverables:



Height of Attachments (HOA)
engineering deliverable example



Pole Load Analysis (PLA) engineering
deliverable example



Make Ready Recommendations (MRR)
engineering deliverable example





IKE Analyze

For Customers, IKE Analyze Improves Resource Optimization, Drives Scale, Reduces Costs and Increases Profit





Business model upshot

- A recurring Subscription to access IKE Solutions
- Additive, reoccurring Transaction Fees based on usage
- Optional value-added products , such as IKE Analyze and IKE University

IKE, at a glance

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

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.

IKE Office



Industry Standard Pole Load Analysis

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

IKE Structural

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.

IKE Insight



A Sticky Customer Base with Opportunities to Expand

Telecom



- 5 of the 10 largest Investor-Owned Utilities (“IOUs”) in North America
- >350 customers in North America, with >65 logos added in the past 12 months

Electric Utilities



Opportunities to:

- Materially grow, upsell and cross-sell IKE products into existing customer base
- Win new logos in the North American market, with >6,000 entities participating in this space

Engineering & Project Management



Team depth.
Talent acceleration.

Leadership depth

A Direct Sales, Brand & Delivery Model Across North America



Glenn Milnes
Chief Executive Officer

Joined IKE in 2013



Lydia Siloka
Head of People

Joined IKE in 2020



Stephen Fairbrother
Chief Financial Officer

Joined IKE in 2018



Jareth Rossking
Chief Information Officer and
Head of Engineering

Joined IKE in 2021



Malcolm Young
SVP Structural Analysis & Head
of IKE Structural

Joined IKE in 2019



Chris Ronan
Chief Marketing & Brand Officer

Joined IKE in 2020



Leon Toorenburg
Chief Technical Officer

Founded IKE in 2003



Chris DeJohn
SVP of Sales & Business
Development

Joined IKE in 2020



Jonathan Brigham
Director of Operations

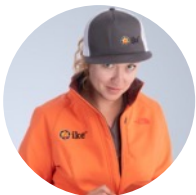
Joined IKE in 2021



Accelerating at IKE

Talent Accelerator Objective

IKE’s people come for the job and the reputation of working at the company. They stay for the accelerated development of their careers. A few of the company’s young, emerging superstars are showcased below.....



Liz Etzel

Product Manager: Knows virtually every customer and is persnickety about exemplary customer experience.



Jessica Walker

IKE Analyze Manager: Delivers every customer project on time and on scope. Started at IKE as an analyst.



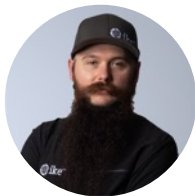
Blake Collins

Solutions Engineering Manager: From the field to the office, Blake speaks and geeks on the complexities of utility pole dynamics.



Sara Deere

Systems Engineer: Current holder of the world-record for running customer field teams with the least recollects.



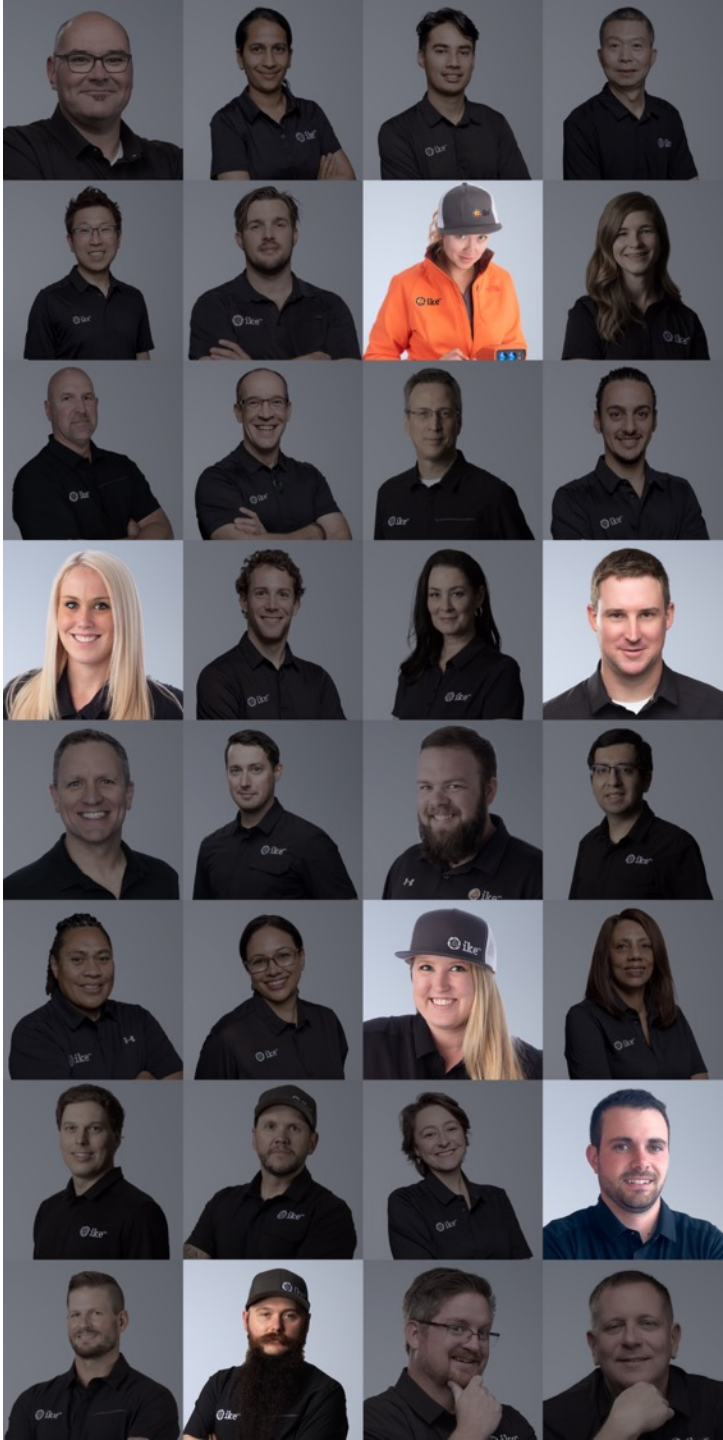
Dan Allan

Design Director: Loves CX, and lives its importance when delivery brand and CX specific to poles.



Spencer Hankin

Senior GIS Manager: The brightest data analyst in the Pole GIS universe, and customers like Crown Castle know it.





A Board with deep industry experience

Board of Directors

Alex Knowles

Chairman and 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.

Eileen Healy / BS Electrical Engineering

Independent Director

Serial entrepreneur of two high-tech startups addressing the U.S. communications market including Healy & Co, that 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 was the founding CEO of Chorus New Zealand from 2007 to 2017 where he led the deployment of New Zealand's national fiber network. Prior to Chorus Mark was CIO and COO of Spark (formerly Telecom NZ). Prior governance roles include Director of 2 Degrees from 2017 to 2020. The majority of his current portfolio is in the Infrastructure Sector and he is currently the Chair of First Gas, Tuatahi Fast Fibre, and a number of other private and public sector boards

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.

Rick Christie / (MSc (Hons) Chemistry)

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.

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.

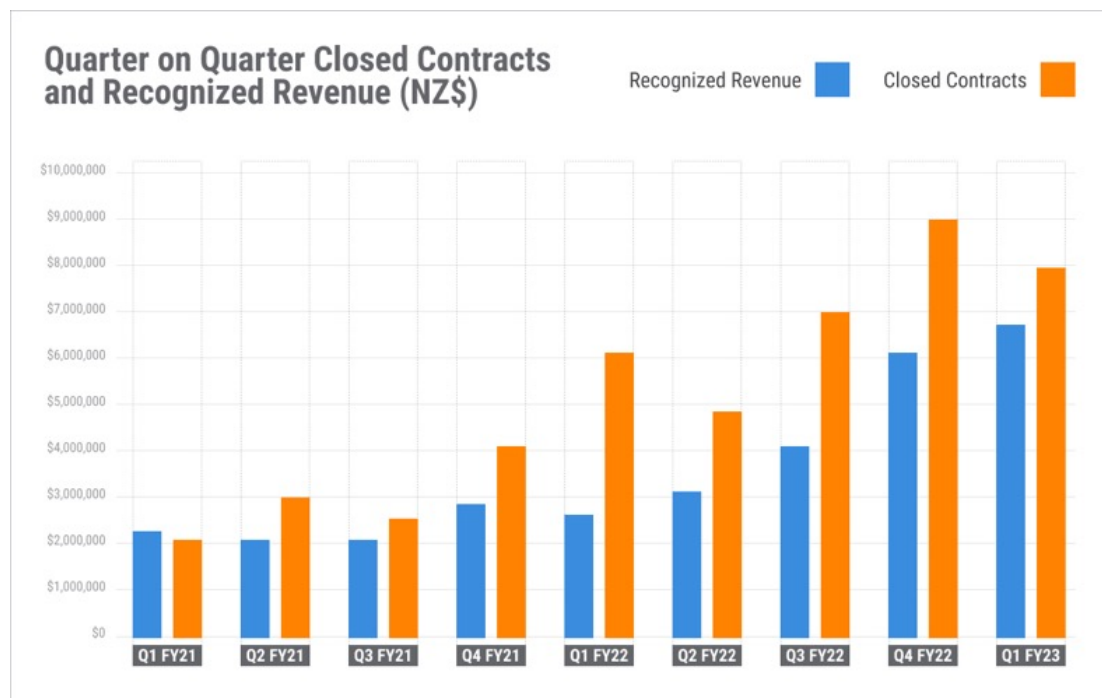
Growth potential



Multiple Avenues Supporting Future Growth Potential



Q1 FY23 Signed contracts of ~\$8m (+31% vs pcg).



Takeaways:

- Chart shows the approximate nine-month correlation between the timing of signed contracts and subsequent timing to recognized revenue.
- This timing lag reflects that subscription and transaction contracts are delivered over time (normally 12 months), based on usage rates of IKE products by customers.



q&a

IKE's Purpose is Manaakitanga,
'We Rise by Lifting Others'.





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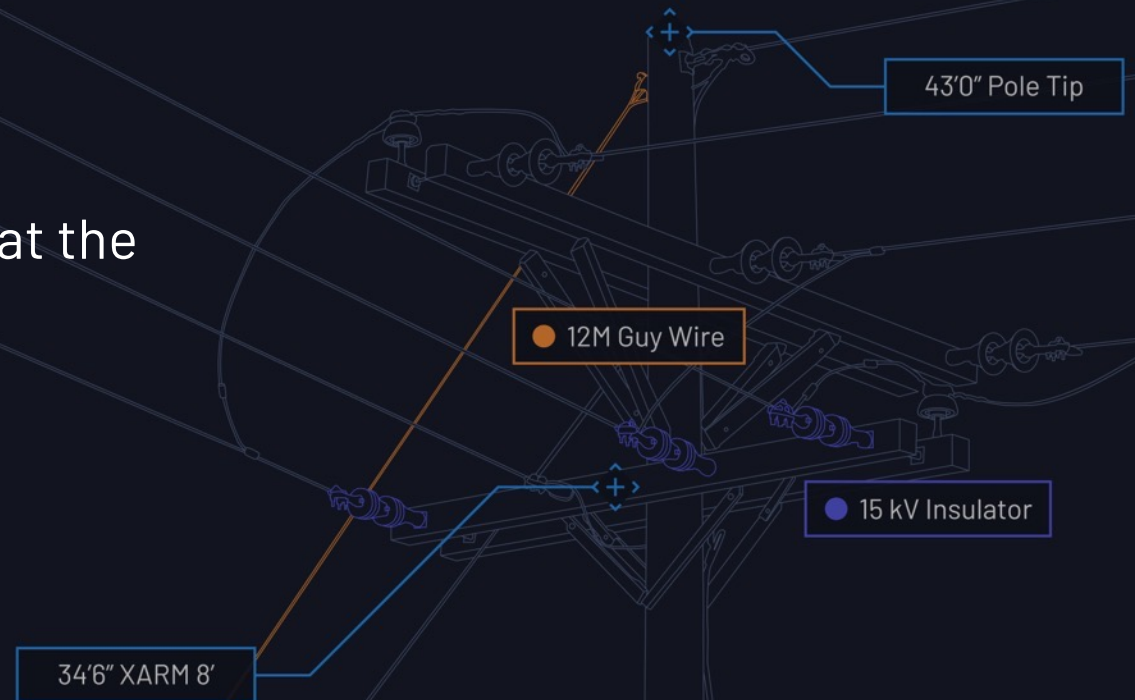
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- Notice of meeting
- Annual report
- Previous questions

Resolution 1

Auditor appointment and remuneration: That the directors are authorised to fix the auditor's remuneration.



Resolution 2

Re-election of Glenn Milnes: That Mr Glenn Milnes be re-elected as a director of the Company.



Resolution 3

Non-executive Director Fee Pool: That:

- the maximum aggregate amount per annum payable by the Company to its non-executive directors be increased by \$230,000, from \$320,000 to \$550,000, with effect from 1 October 2022; and
- remuneration payable to non-executive directors may, at the Board's discretion, in whole or in part, be paid through an issue of fully paid ordinary shares in the Company, provided that any issue occurs in compliance with NZX Listing Rule 4.7.



PASS

Pole Load Analysis



Thanks

We're IKE, the Pole OS™ Company

