

IKE Annual General Meeting.

CEO presentation, Glenn Milnes.

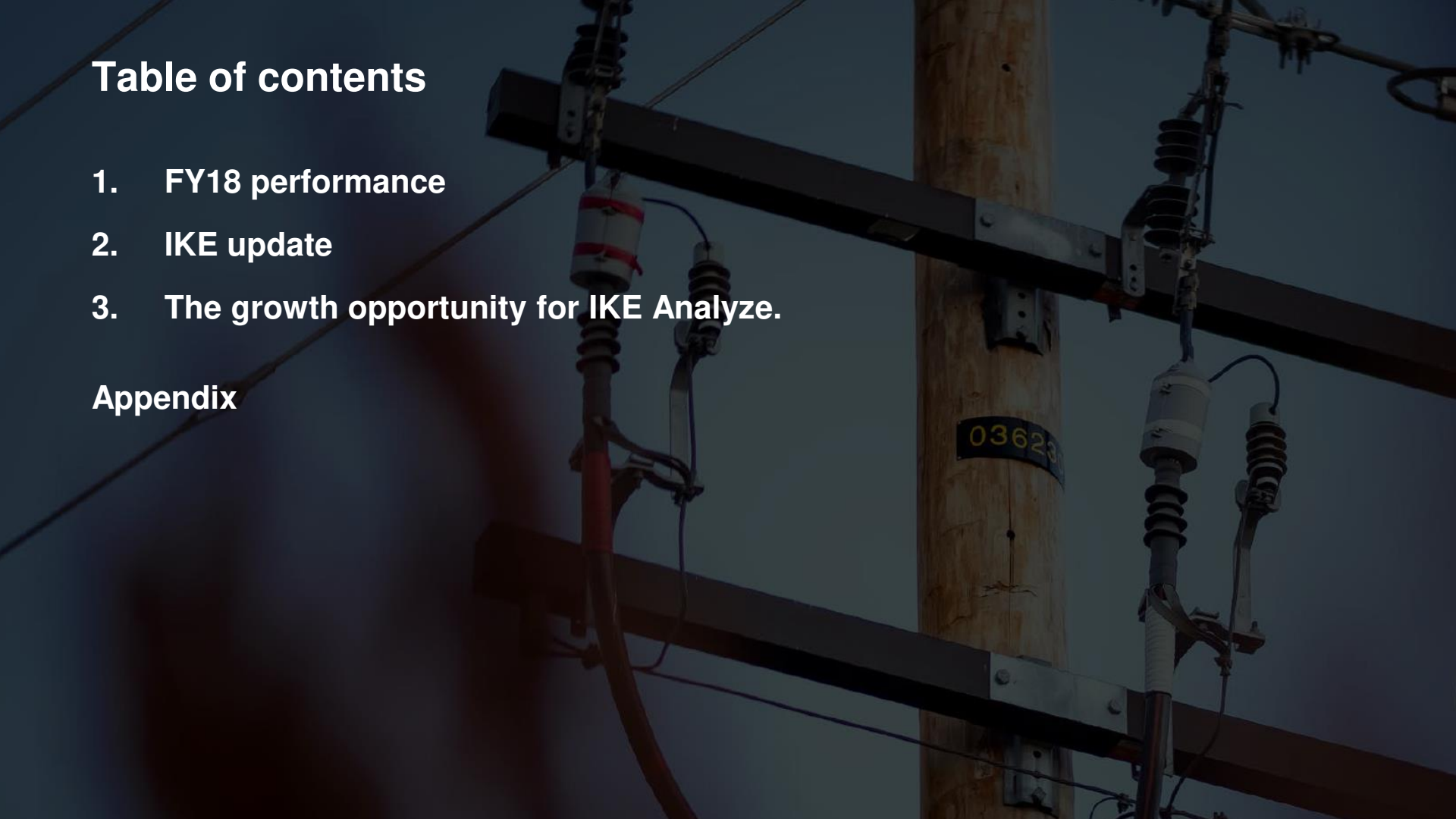
4 September 2018.



Table of contents

1. FY18 performance
2. IKE update
3. The growth opportunity for IKE Analyze.

Appendix



IMPORTANT NOTICE

Disclaimer

- This presentation has been prepared by ikeGPS Group Limited (Company number NZ 1292732, NZX & ASX: IKE) (the “Company”).
- This presentation has been prepared for IKE’s Annual General Meeting on September 4 2018.

Information

- This presentation contains summary information about the Company and its activities which is current as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a product disclosure statement under the Financial Markets Conduct Act 2013. The historical information in this presentation is, or is based upon, information that has been released to NZX Limited (“NZX”). This presentation should be read in conjunction with the Company’s Annual Report, market releases and other periodic and continuous disclosure announcements, which are available at www.nzx.com and www.asx.com.au or <https://ikegps.com/investors/>.

Quotation

- Shares are quoted on the NZX Main Board and on the Australian Securities Exchange. The NZX Main Board is a licensed market under the FMCA. The Australian Securities Exchange is a licensed market under the Corporations Act 2001 (Cth). Neither NZX nor ASX accepts any responsibility for any statement in this presentation.

Not financial product advice

- This presentation is for information purposes only and is not financial or investment advice or a recommendation to acquire the Company’s securities, and has been prepared without taking into account the objectives, financial situation or needs of prospective investors. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and consult an NZX Participant, or solicitor, accountant or other professional adviser if necessary.

Past performance

- Any past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. No representations or warranties are made as to the accuracy or completeness of such information.

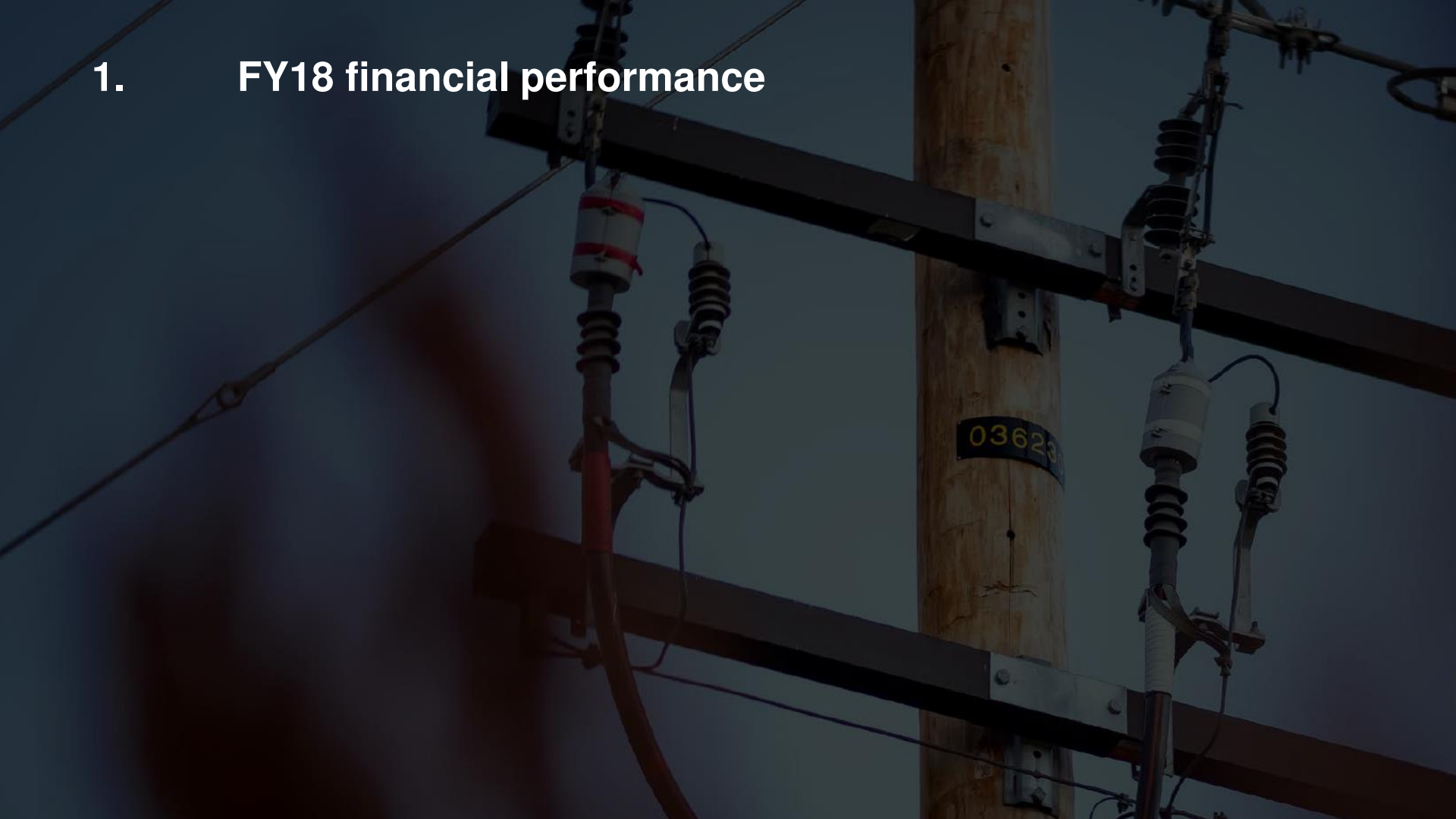
Future performance

- This presentation includes certain “forward-looking statements” about the Company and the environment in which the Company operates, such as indications of, and guidance on, future earnings and financial position and performance. Forward-looking information is inherently uncertain and subject to contingencies outside of the Company’s control, and no assurance can be given that actual outcomes or performance will not materially differ from the forward-looking statements.

Currency

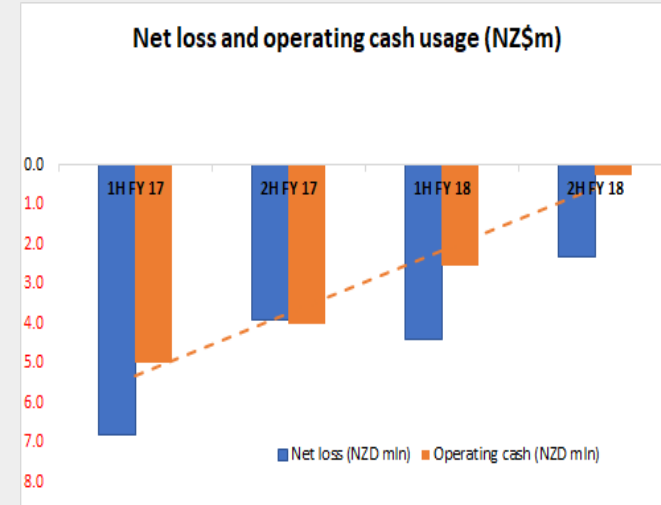
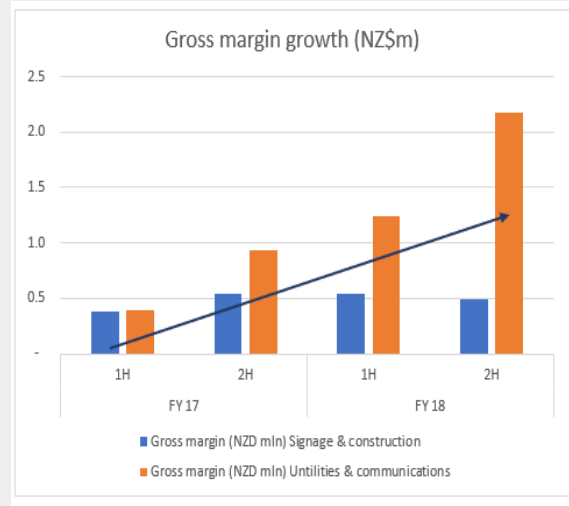
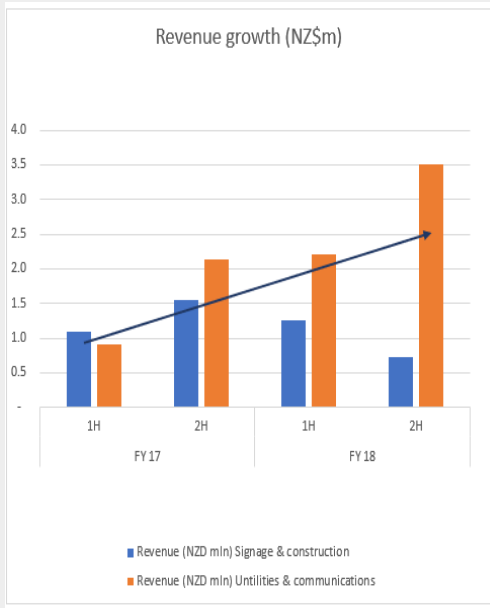
- All currency amounts in this presentation are in NZ dollars unless stated otherwise.
- Disclaimer: To the maximum extent permitted by law, we will not be liable (whether in tort (including negligence) or otherwise) to you or any other person in relation to this presentation.

1. FY18 financial performance



FY18 delivered positive revenue & gross margin momentum.

And a significantly improved operating cash profile.



Positive operating results in FY18

	Year ended 31 March Group	
	2018	2017
	\$'000's	\$'000's
Continuing operations		
Operating revenue	7,732	5,655
Cost of sales	(3,754)	(3,397)
Gross profit	3,978	2,258
Other income	125	185
Operations cost	(477)	(860)
Sales and marketing expenses	(3,231)	(3,229)
Research and engineering expenses	(3,019)	(4,867)
Corporate costs	(4,011)	(4,139)
Foreign exchange (losses)/gains	(71)	(135)
Expenses	(10,809)	(13,230)
Operating loss	(6,706)	(10,787)
Net finance income	(20)	69
Net loss before income tax	(6,726)	(10,718)
Income tax (expense)/credit	(6)	(9)
Loss attributable to owners of ikeGPS Group	(6,732)	(10,727)
Other comprehensive loss		
Items that may subsequently be recognised through profit or loss		
Exchange differences on translation of foreign operations	(31)	98
Comprehensive loss	(6,763)	(10,629)

37% growth against PCP

Gross Profit improvement 51% versus PCP 40%; increased IKE-branded products and services

\$2.4m improvement against PCP

37% improvement against PCP

Focused Opex and Working Capital management

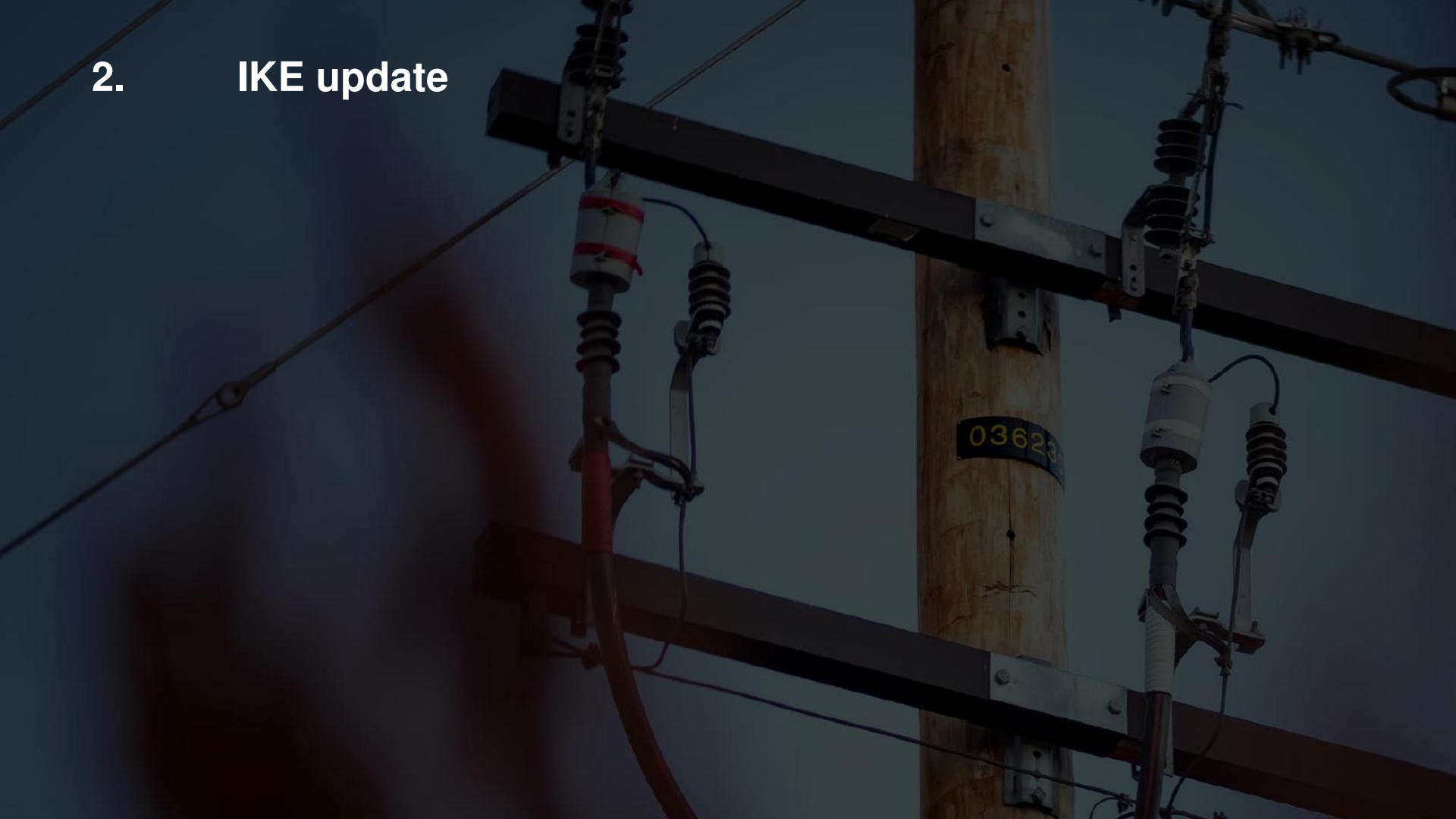
	Year ended 31 March Group	
	2018 \$'000's	2017 \$'000's
Cash flows from operating activities		
Cash receipts from customers	8,458	6,846
Cash paid to suppliers and employees	(11,241)	(15,851)
Interest paid	(26)	(16)
Net cash generated from operating activities	(2,809)	(9,021)
Cash flows from investing activities		
Purchases of property, plant and equipment	(26)	(271)
Additions to intangible assets	(1,224)	(1,035)
Interest received	6	85
Net cash used in investing activities	(1,244)	(1,221)
Cash flows from financing activities		
Proceeds from issuance of shares on listing	4,011	7,758
Net cash from financing activities	4,011	7,758
Net (decrease)/increase in cash and cash equivalents	(42)	(2,484)
Cash and cash equivalents at 1 April	2,730	5,292
Effect of exchange rate fluctuations on cash held	(102)	(78)
Cash and cash equivalents	2,586	2,730

Increased volume of
IKE-branded products
and services

OPEX reduction
combined with Supply
Chain efficiencies

Continuing to invest in
development

2. IKE update



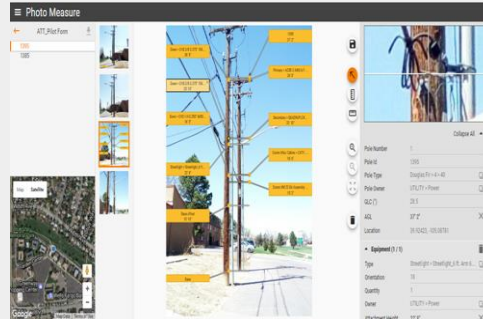
IKE is a pole solutions company.

Analyzing assets & managing distribution pole projects so that its customers can deploy networks faster.

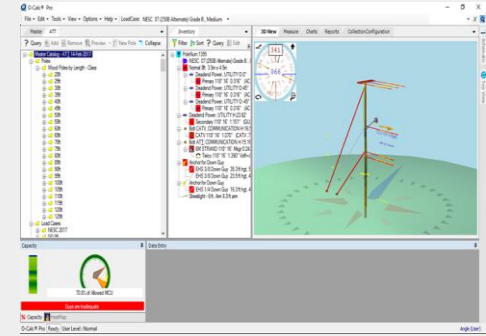
Specialist pole field tools and mobile workflow software.



Cloud-based analysis and pole project management software.



Integration and analysis software.





Delivering BIG on Value.

Serving some of the biggest communications and utility businesses in the U.S. market, saving them money and improving network engineering and deployment times at each and every distribution asset.

Addressable Market in North America:

- >3,200 electric utility and communications companies
- >1,000 engineering service providers
- >200 million distribution assets managed across networks

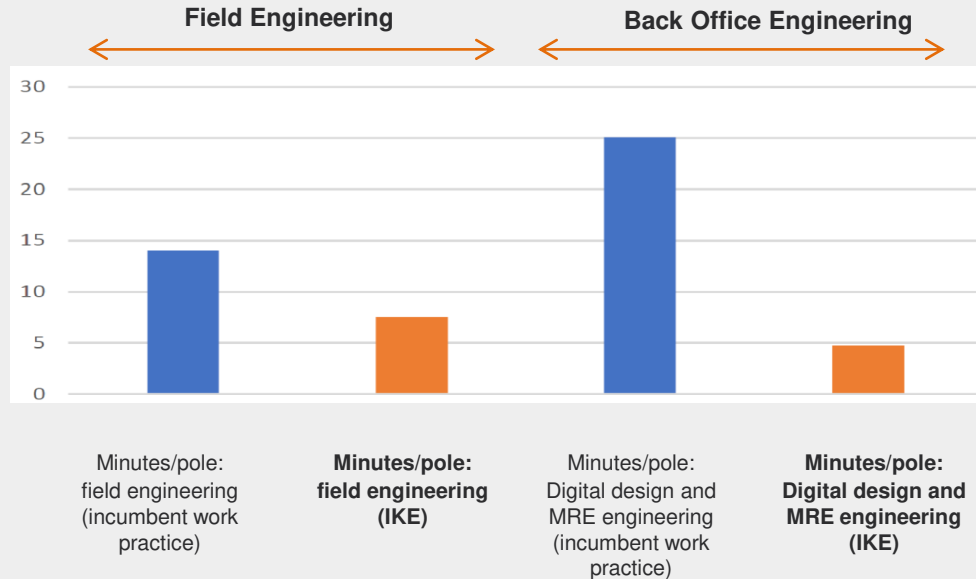
CYIENT



Productivity gains by customers validate solution efficacy.

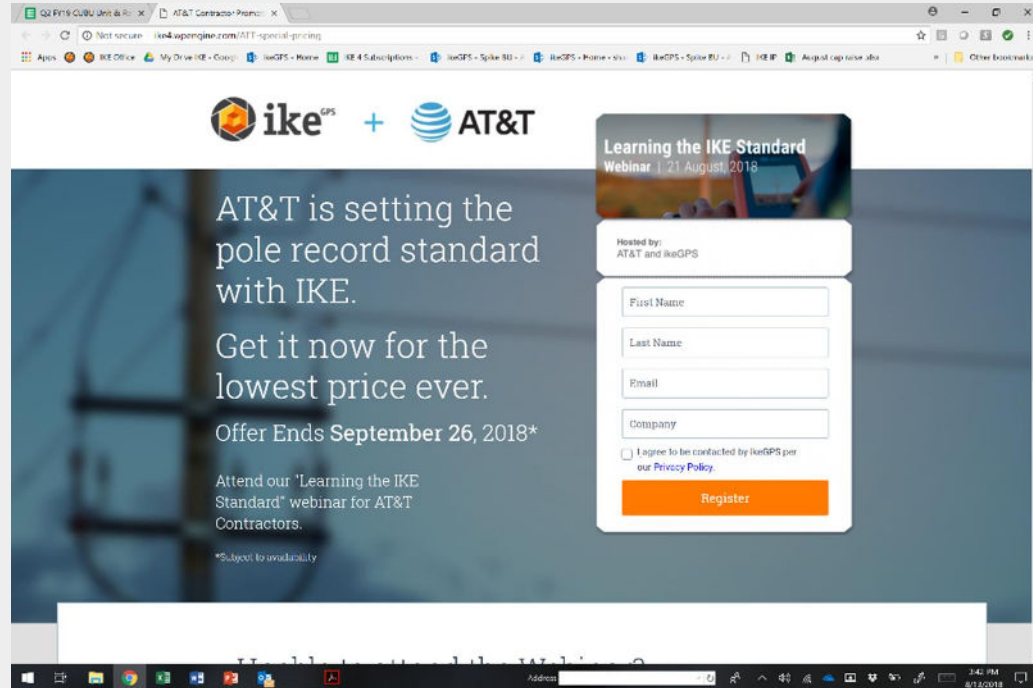
2x faster field engineering and 5x faster back office make-ready-engineering processes.

Actual customer productivity data from IKE4 program at one of the world's largest communications companies.



Continued progress towards the goal to be the pole record standard.

With AT&T now specifying the IKE standard for aerial Make-Ready-Engineering (MRE) work.



The screenshot shows a web browser window with the URL endupengine.com/AT-special-pricing. The page features the ikeGPS and AT&T logos at the top. The main text reads: "AT&T is setting the pole record standard with IKE. Get it now for the lowest price ever. Offer Ends September 26, 2018*". Below this, it says "Attend our 'Learning the IKE Standard' webinar for AT&T Contractors." and "Attend our 'Learning the IKE Standard' webinar for AT&T Contractors." with a footnote "*Subject to availability". On the right side, there is a registration form titled "Learning the IKE Standard Webinar | 21 August 2018". The form includes fields for "First Name", "Last Name", "Email", and "Company". Below these fields is a checkbox labeled "I agree to be contacted by ikeGPS per our [Privacy Policy](#)". At the bottom of the form is an orange "Register" button. The browser's address bar shows the URL, and the Windows taskbar is visible at the bottom.

Impacting:

- Internal AT&T engineering resources performing aerial MRE.
- Future external aerial MRE contracts that are awarded to external engineering businesses.

On track with FY19 targets.

With significant potential upside now from the new IKE Analyze offering.

FY19 Guidance

- >30% revenue growth on FY18.
- FY19 operating cash flow breakeven.
- EBITDA breakeven by Q4 FY19.

Progress YTD

- ✓ Q1 revenue of approximately \$1.9m (48% growth against PCP).
- ✓ AT&T specifies the use of IKE4 for aerial Make-Ready-Engineering.
- ✓ Operating costs continue to be tightly managed.
- ✓ Cash position 30 June 2018: \$1.2m.
- ✓ 86% subscription renewal rate for IKE4 customers.
- ✓ Spike sales efforts focused on the development of enterprise geospatial accounts alongside Esri Inc.

New development via IKE Analyze opportunity

- IKE can now lead with an end-to-end Solution offering for targeted key accounts.
- Called IKE Analyze; simplistically this means the IKE solution extends to delivering data collection, pole analysis and project management.
- IKE Analyze pilot contracts have been won, including with a tier-1 electric utility.
- The revenue from pilot contracts is approximately \$600k, being delivered over approximately 6 weeks, with the potential to grow significantly.

3. The growth opportunity for IKE Analyze.



Several macro-market factors driving sales approach.

And providing a tailwind for demand for the end-to-end IKE Analyze offering.

Communications

A **US\$200b fibre investment super-cycle** in the U.S., expected to run for 10+ years.

Urgency to deploy networks and capture customers.

Network deployment requires aerial make-ready-engineering.

IKE dramatically speeds the assessment and design process.

Utilities

Network hardening requirements, for storm readiness on the east coast and fire mitigation on the west coast.

A requirement to improve asset records via digitization.

Improved asset management to underpin continuity of power supply.

IKE dramatically speeds the assessment and design process.

Regulatory

Joint-use mandate at federal level, meaning pole owners are required to provide access.

FCC mandate One-Touch-Make-Ready, supporting faster deployment of fibre by communications companies and a field workflow that aligns to the IKE system.

Specific regulations in certain States, such as **GO-95 in California**, placing stringent pole record requirements on asset owners.

Participation in the value chain.

And how the IKE Analyze solution enables IKE to capture a far larger share of the value it creates.

Field assessment of poles and aerial assets.

Compilation of network and project data.

Measurement of assets.

Analysis of assets, networks and project delivery .

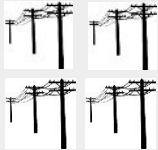
Old way



Physical measurement of poles by Hasting's stick

Written records of data manually inputted

IKE4
(system sale)



IKE Cloud



External engineering company resources analyze data

IKE
Analyze
end-to-end

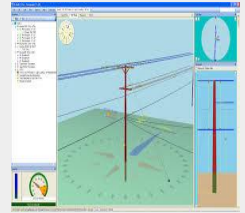


IKE Cloud



IKE Analyze Cloud

Broader network management systems.



Make Ready Engineering or Pole Loading Analysis report



= customer resource

An IKE Analyze example.

Assuming a hypothetical customer needs to perform pole loading analysis on 50k poles over 12 months.

IKE4 sale



10x IKE4 systems sold



10x IKE4 Cloud subscriptions sold

- 10x IKE4 systems are sold, for ~\$150k with cash received upfront.
- Ongoing subscription revenue, or ~\$30k per annum.

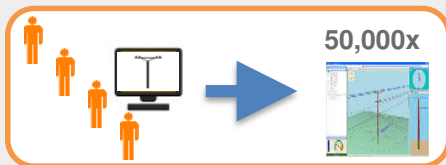
Purchaser of IKE undertakes the analysis of the data.

IKE Analyze contract



10x IKE4 systems are provided to the asset owners or external contractors to measure the poles.

IKE manages field planning & execution.



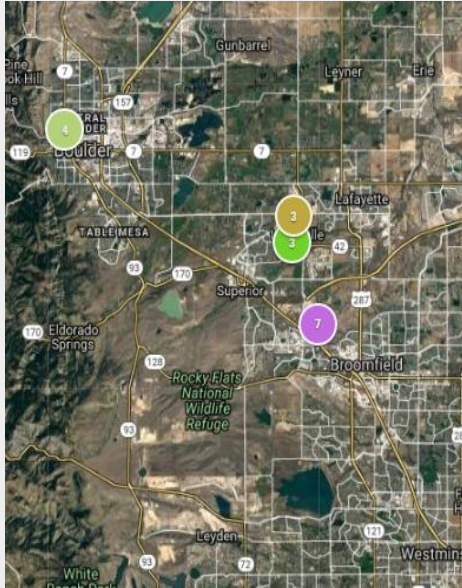
4x IKE analysts analyze the field data collected.

IKE manages project delivery & success.

- Total revenue of 50k poles analyzed generating ~\$2m,
- Receipt of revenue over ~12 months.
- Initial cost of building and supplying the IKE4 systems, and incremental working capital requirement over the initial 2-3 months. Then self funding.

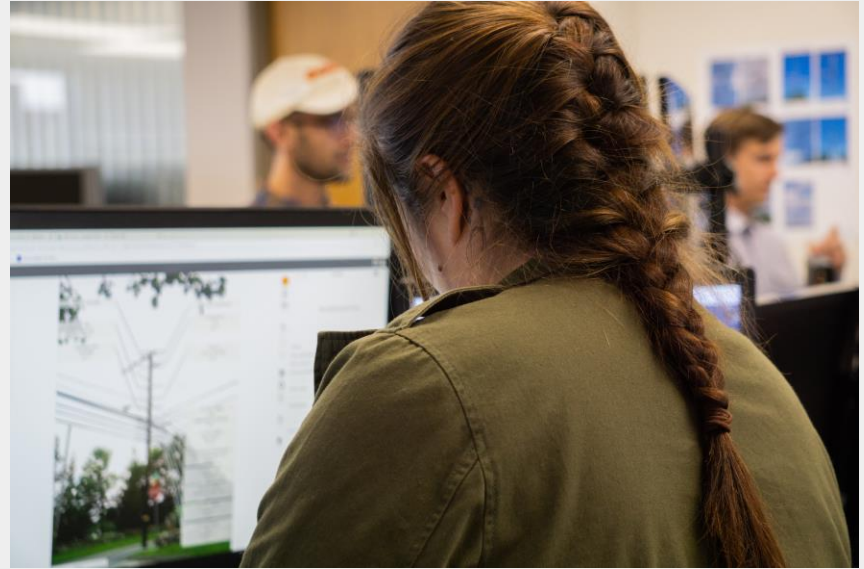
IKE Analyze, in pictures.

Route planning, project management and field data collection.



IKE Analyze, in pictures.

Back office analysis and reporting.



Thanks

IKE4 & IKE Analyze;
For communications
companies, electric utilities and
engineering service providers.

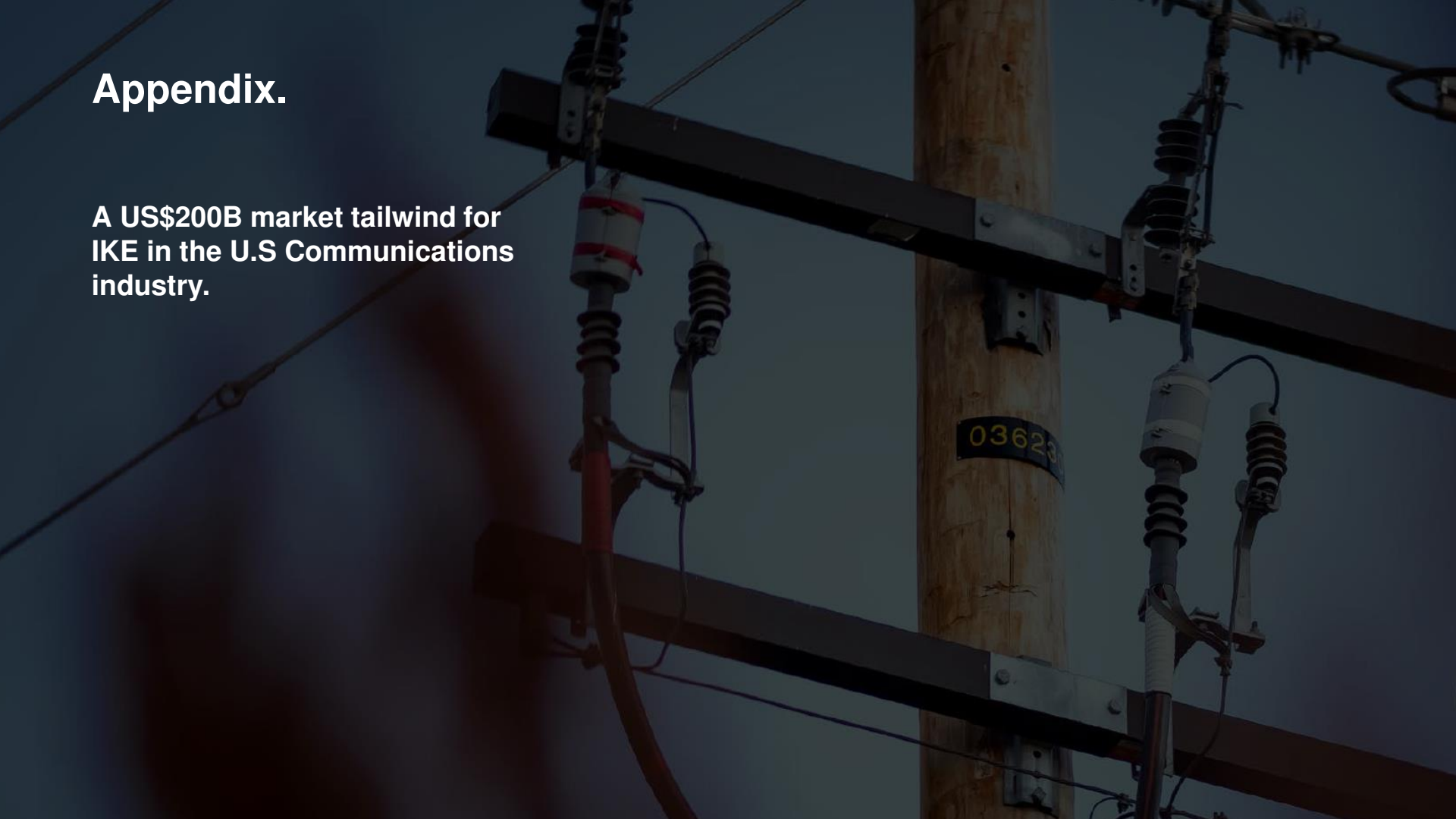
Whose operating concerns are:

- Increasing velocity of deployment.
- Improving network and data quality.
- Keeping crews out of harm's way.
- Meeting the demands of regulators.



Appendix.

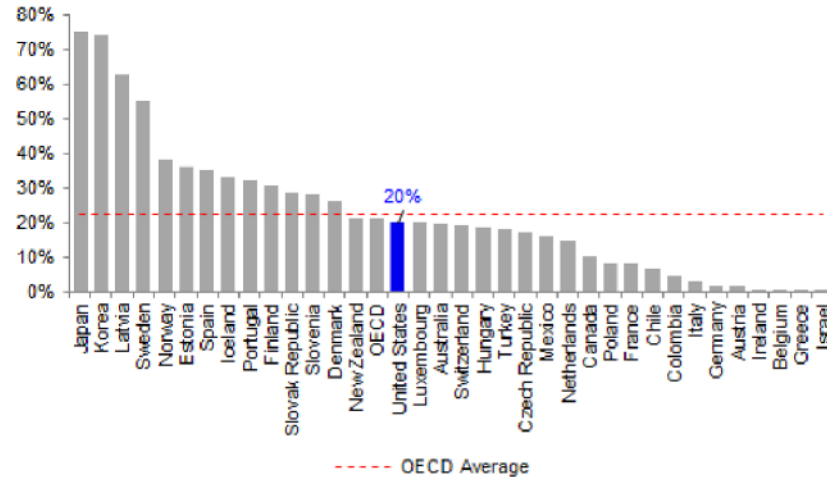
A US\$200B market tailwind for
IKE in the U.S Communications
industry.



A US\$200B market tailwind, being invested into fiber networks.

The majority of this deployment to be on overhead infrastructure.

Figure 3: US Fiber Penetration Is Below the OECD Average



Source: Deutsche Bank, OECD

A pole management system that's growing fast.

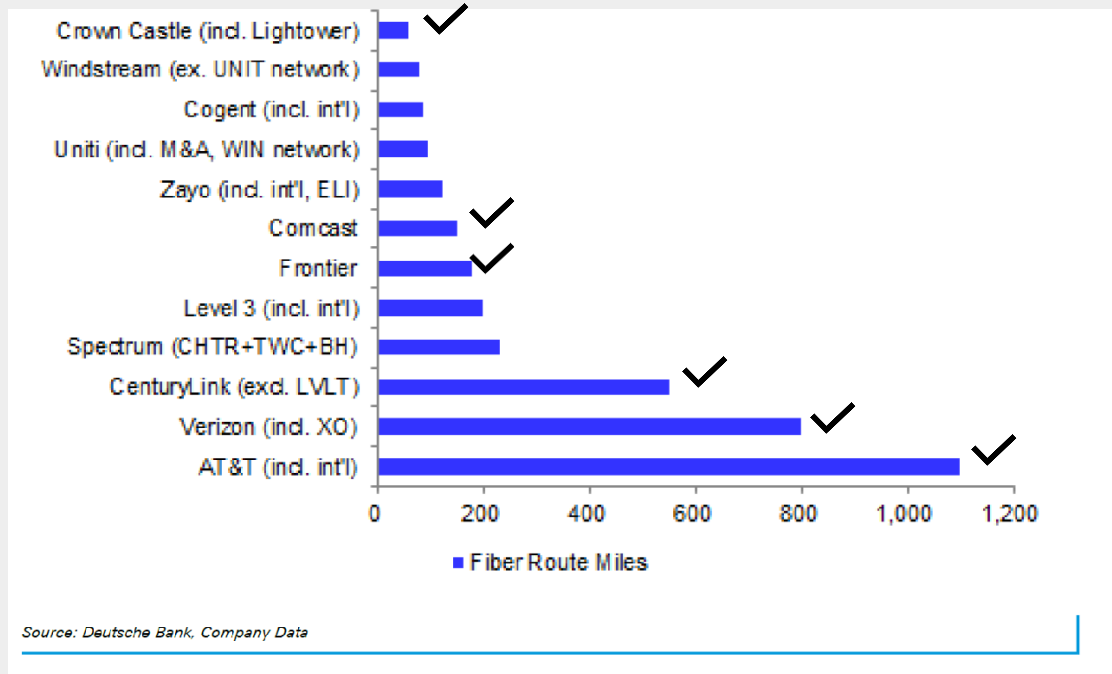
Close to 5m pole captures have been processed to date in the IKE Cloud.....



And with up to 18,000 additional captures added into the system each day.

Positioned in front of the major players.

With line-of-sight to the growth of existing accounts and the path to winning new ones.....



✓ IKE4 customer FY18