



# IKE 3Q FY25 Performance Update

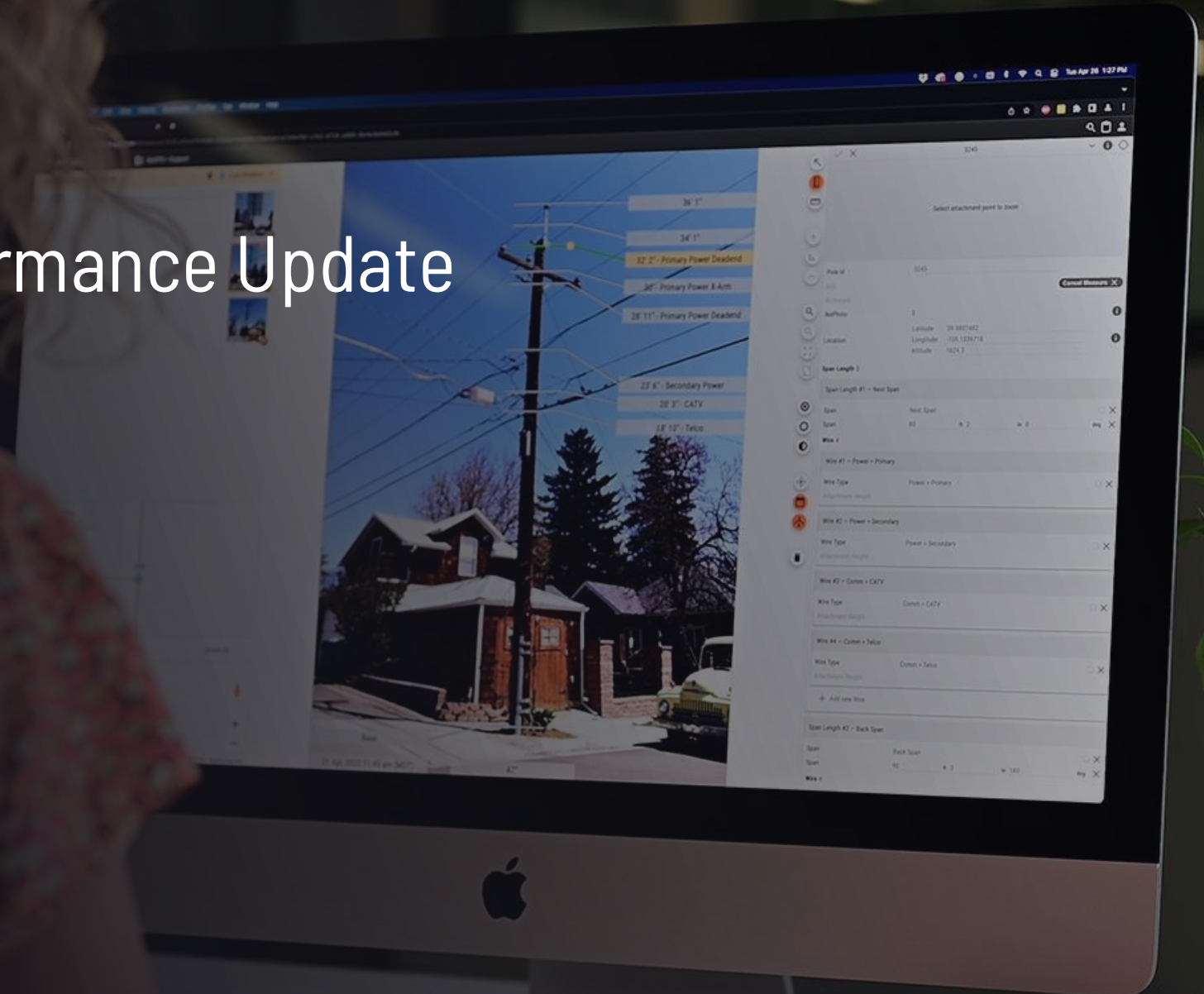
We're IKE, the Pole OS™ Company

Glenn Milnes, CEO

[glenn.milnes@ikegps.com](mailto:glenn.milnes@ikegps.com)

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# Agenda

3Q Performance Headlines

Outlook

Addressable market and IKE's value proposition

Q&A

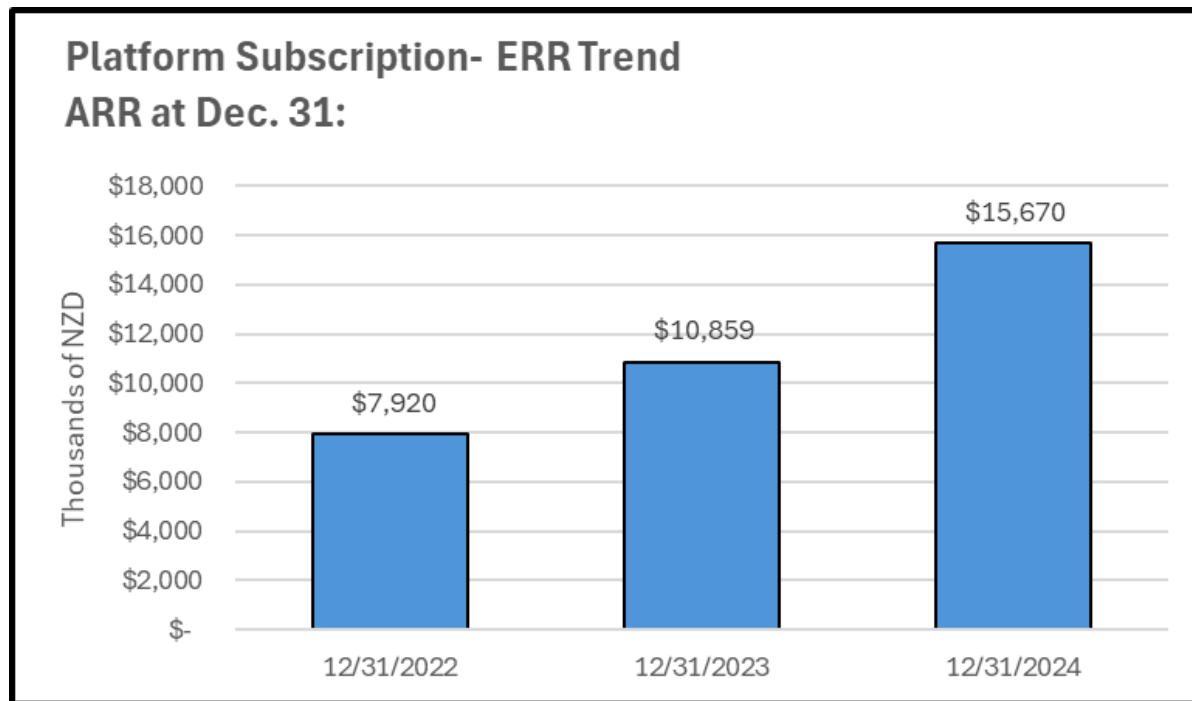


## 3Q FY25 performance takeaways

- Exit run rate of annual platform subscription revenue grew to NZ\$15.7m (+43% vs pcp).
- Record ~NZ\$44m in contracts closed in the nine-month period
- Total recognized revenue in the period of NZ\$18.5m (+21% vs pcp), with recognized revenue in 3Q of NZ\$6.3m.
  - Subscription revenue of NZ\$10.2m (+29% vs pcp).
  - Transaction revenue of NZ\$5.8m (+14% vs pcp).
  - Hardware and other services revenue of NZ\$2.5m (+9% vs pcp).
- Gross margin of NZ\$12.6m (+42% vs pcp), with gross margin in 3Q of \$4.5m.
  - Gross margin percentage of 68% (up from pcp of 58%), driven by revenue mix continuing to shift to high margin subscription products.
- Total cash and net receivables grew +NZ\$4m in the quarter to NZ\$13.6m.
  - Comprising NZ\$9.2m in cash and NZ\$4.4m in net receivables (NZ\$5.9m receivables, with payables of NZ\$1.5m) and no debt. This is a result of continued overall growth, from winning numerous large subscription contracts in the prior quarters and associated collection timing, and ongoing operating cost control.
  - The 31 December 2024 cash position is +NZ\$1.2m vs same time in the year prior.



# Exit Run Rate (ERR) of annual platform subscription has grown to NZ\$15.7m at 31 December 2024 (+43% vs pcp)



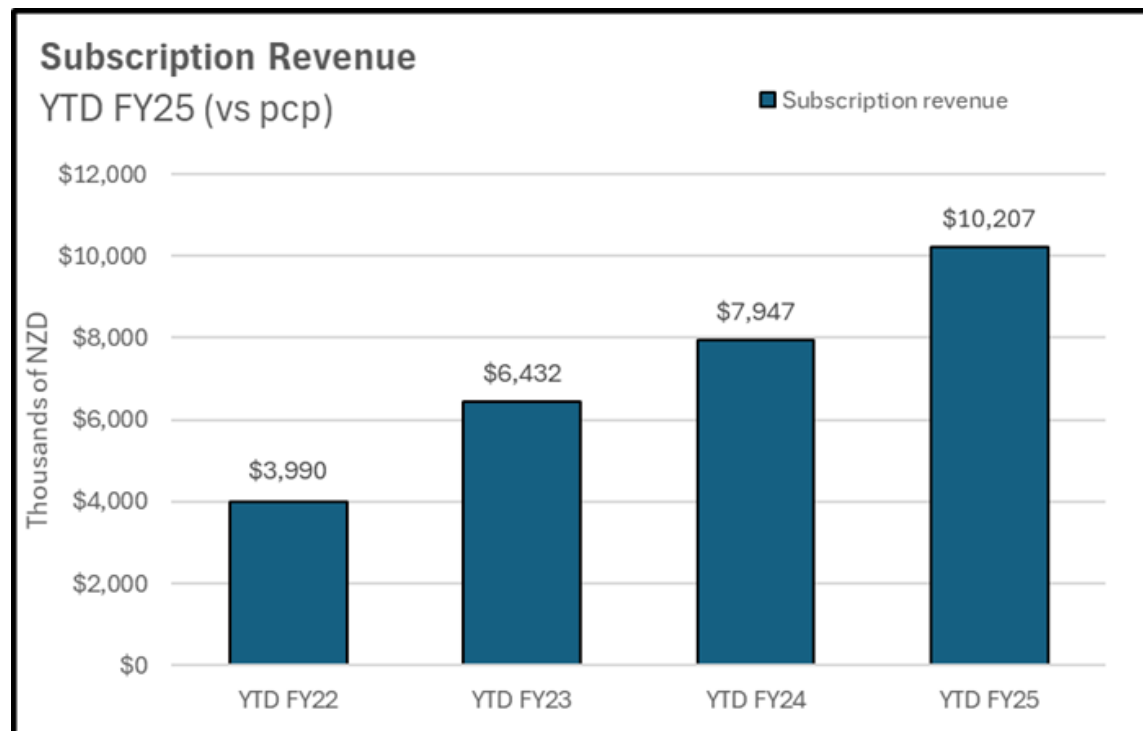
## Takeaways:

- +43% YoY growth in the exit run rate (ERR) of annual platform subscription revenue.
- As stated, during the full FY25 period this metric is expected to continue to grow materially (by ~+40% or greater vs pcp) driven by continued growth of IKE Office Pro subscription sales and successful sell-through of IKE's next-generation IKE PoleForeman subscription product, with TCV of NZ\$16.5m already closed.



# Subscription revenue growth has continued to be consistently strong

In period to 3Q, a total of ~\$44M of contracts closed

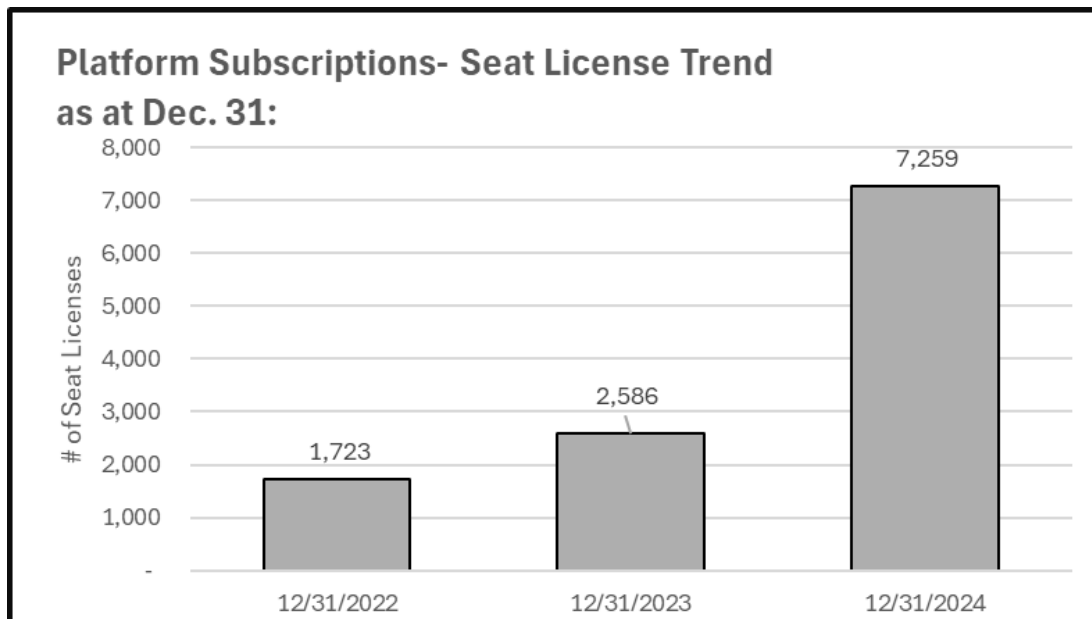


## Takeaways:

- Significant growth in underlying subscription revenue.
- Three-year subscription revenue CAGR of +37%.
- During FY25, this is expected to increase materially by ~+40% or greater vs pcp.



181% YoY increase in subscription seat licenses, evidencing the impact of new product introductions with very sticky customers

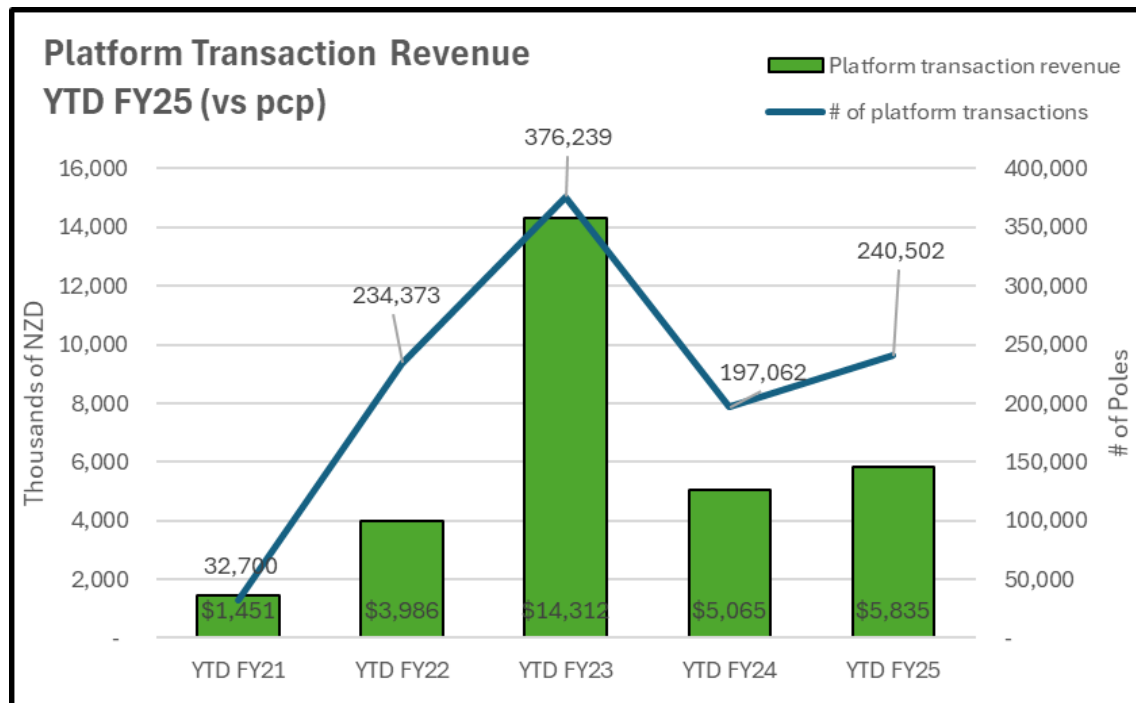


### Takeaways:

- Subscription seat license growth of +181% over the past year.
- Seat count growth has accelerated at a fast pace due to customer additions and upsells, as well as selling customers onto a new per-seat subscription model when adopting the new IKE PoleForman product (released late FY24).



# Three-year transaction revenue CAGR of 14%, and improved margin profile



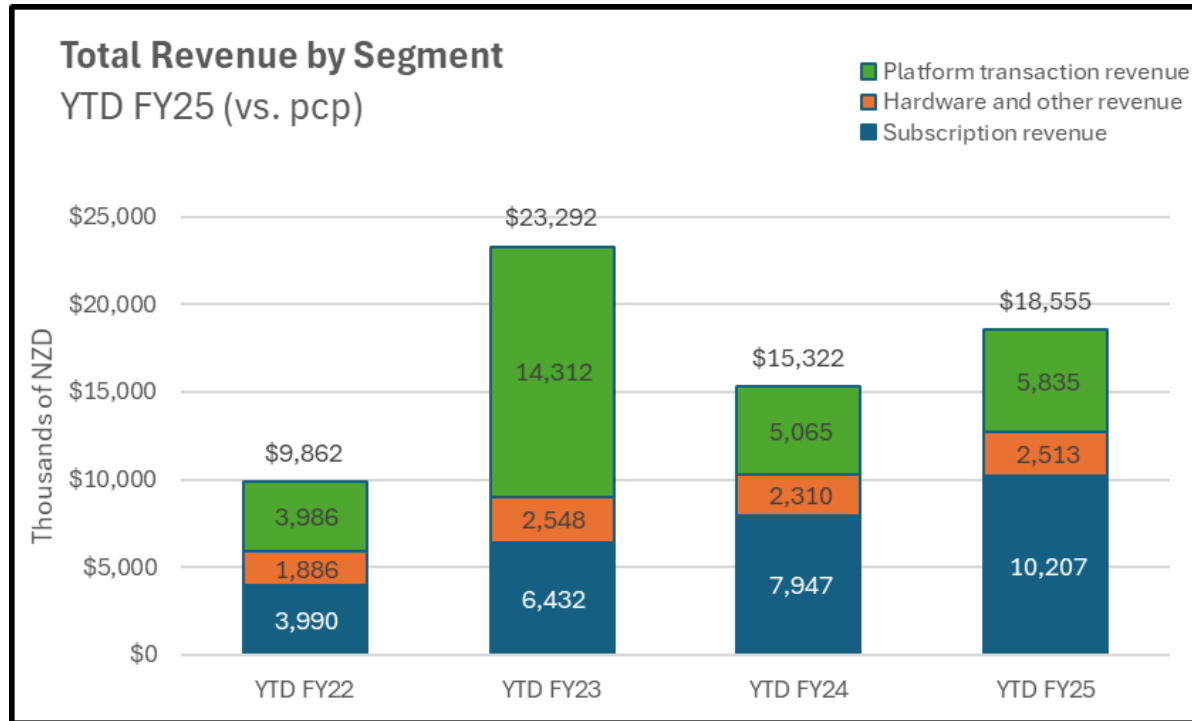
## Takeaways:

- Three-year transaction revenue CAGR of +14%, noting that gross margin increased to 35% vs 14% pcp.
- Based on contracts in place, IKE expects transaction volumes and associated revenue to continue to build through the end of FY25.





# Total revenue by segment summary



## Takeaways:

- Recurring subscription and reoccurring transaction revenues (shown in the green and blue segments in this chart) dominate IKE's revenue mix, at 86% for YTD FY25.
- An expectation for healthy revenue growth in the full FY25 period, including ~+40% or greater growth in recognized subscription ARR.



# Key metrics table

	YTD FY25	YTD FY24	% Change
<b>Total Revenue</b>	\$18.5m	\$15.3m	+21%
<b>Platform Subscriptions</b>			
Total # of Subscription Customers	420	368	+14%
Total Number of Seat Licenses	7,259	2,586	+181%
Platform Subscription Revenue	\$10.2m	\$7.9m	+29%
Gross Margin	\$9.0m	\$6.9m	+30%
Gross Margin %	88%	87%	
<b>Platform Transactions</b>			
# of Billable Transactions	241k	197k	+22%
Platform Transaction Revenue	\$5.8m	\$5.1m	+14%
Gross Margin	\$2.0m	\$0.7m	+186%
Gross Margin %	35%	14%	
<b>Hardware &amp; Other</b>			
Hardware & Services Revenue	\$2.5m	\$2.3m	9%
Gross Margin	\$1.6m	\$1.3m	23%
Gross Margin %	63%	55%	

### Customer Number Reconciliation:

Since 31 December 2023, IKE has changed its reporting of customer numbers from 'All Enterprise Customers' to 'Subscription Customers', reflecting only customers with recurring subscription revenue. The reconciliation between these two metrics will be reported until 31 December 2024. Reconciliation is as follows:

Customer Recon	YTD FY25	YTD FY24	
Total # of Enterprise Customers	443	392	+13%
Less: Non-Subscription Customers	(23)	(24)	-4%
Total # of Subscription Customers	420	368	+14%

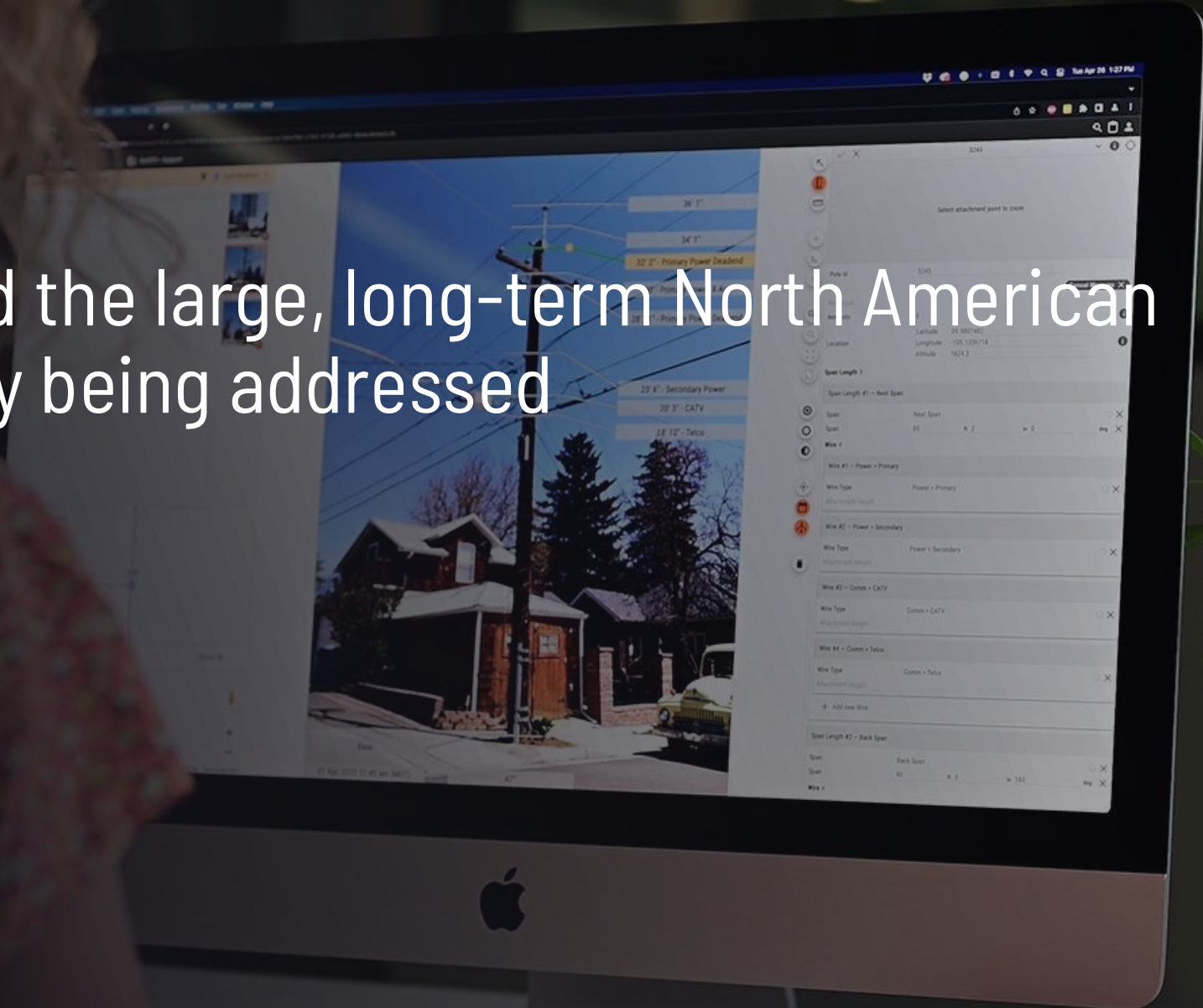
## Other Takeaways:

- The cash and net receivables position **increased NZ\$4m** in the quarter.
- This is a result of continued overall growth, from winning numerous large subscription contracts in the prior quarters and the associated collection timing, and ongoing operating cost control. Our **current cash position of NZ\$9.2m exceeds the level reported at the same time last year.**
- This has been achieved while investing significantly into building five new products and while we have continued our expansion in the market with **new customer wins running at around one per week.**
- The investment into product and market development is yielding returns. For example, since the launch of the IKE PoleForeman product 13 months ago, **Total Contract Value (TCV) has surpassed NZ\$16m**, driven by adoption among tier-1 electric utilities in the U.S. market. This has significantly contributed to ARR growth. The highly sticky nature of these customers ensures substantial lifetime contract value.
- To date, **109 customers have subscribed to the platform, including 59 existing customers and 50 new ones.**



# What IKE does, and the large, long-term North American market opportunity being addressed

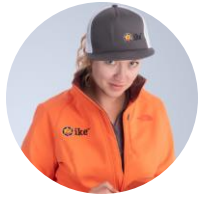
Customer and Market re-cap





# Selling and Delivering Directly from Colorado, USA HQ

Meet some of the IKE people representing the next generation CX of our industry



**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.



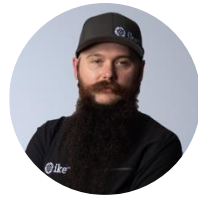
**Blake Collins**

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.



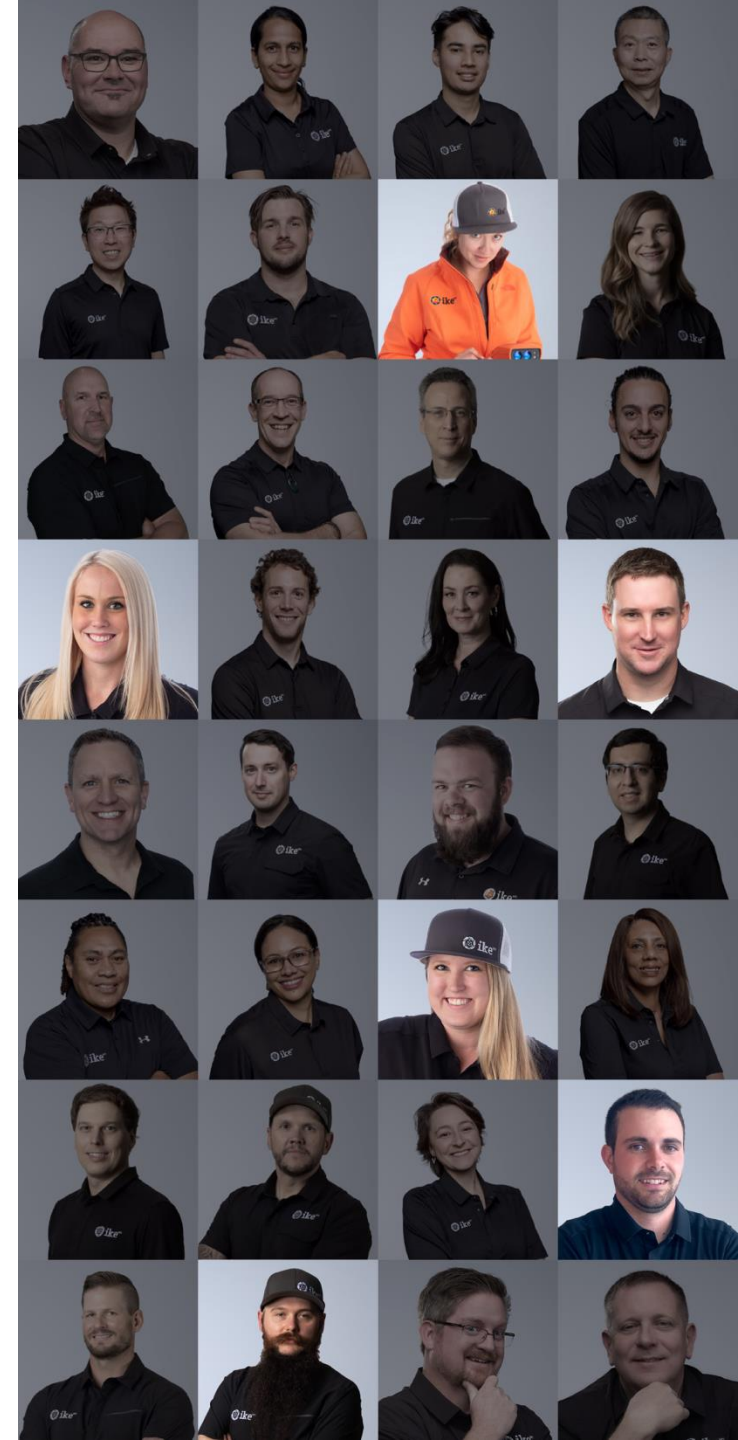
**Dan Allan**

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.





# IKE has developed Software Products to Engineer a Network through its Lifecycle

<Network Planning> <Assessment & Digitization> <Network Design> <Network Maintenance & Resilience>



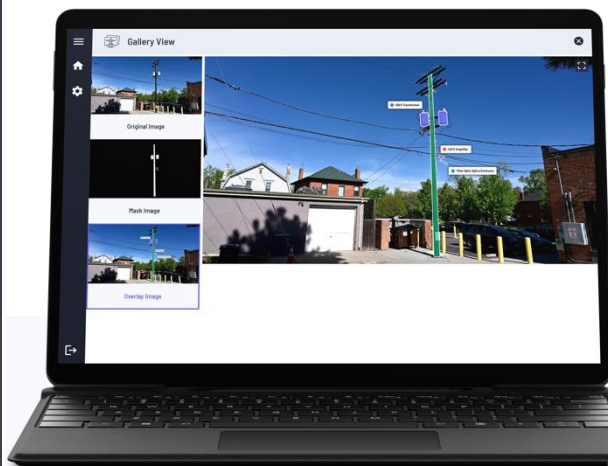
IKE Insight



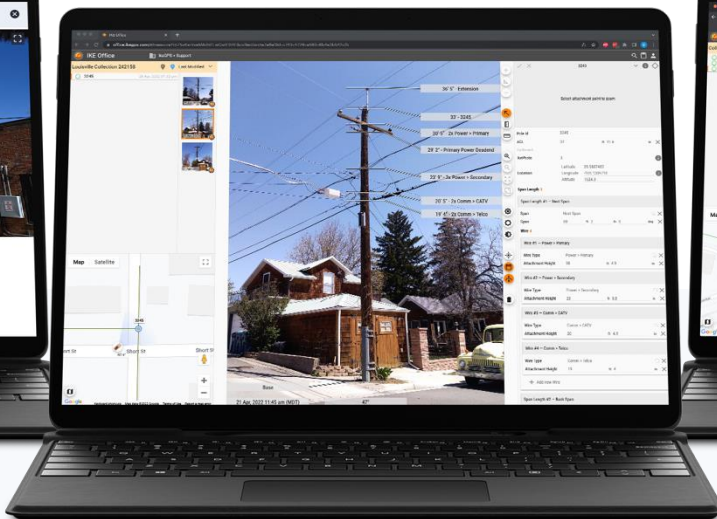
IKE Office Pro



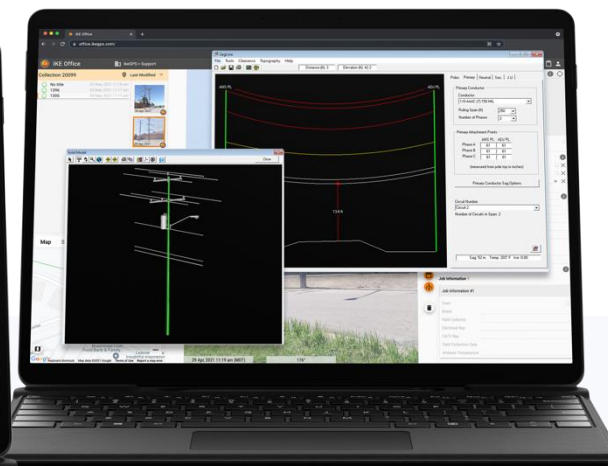
IKE Structural



AI for whole-of-network distribution **Planning**



Digitizing network **Assessment**



Pole loading analysis and structural **Design, Maintenance & Resilience**

## Business model upshot

- A recurring Subscription to access any IKE Solution
- Additive, reoccurring revenue based on usage (license seats or transactions)
- Optional value-added products , such as IKE Analyze (driving further transaction revenue) and training & education service via IKE University



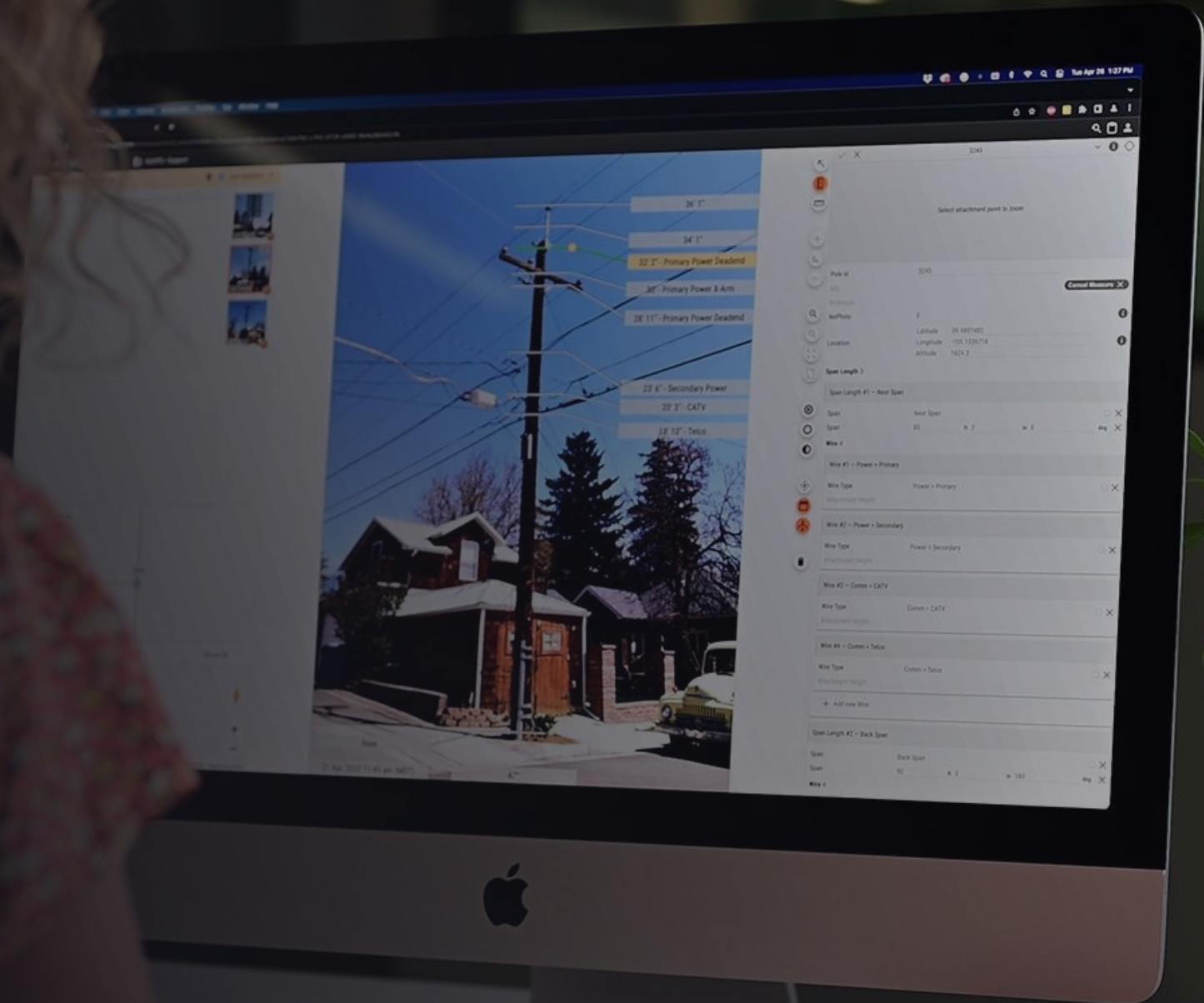
IKE Analyze

Technology & automation capability to accelerate customers engineering processes





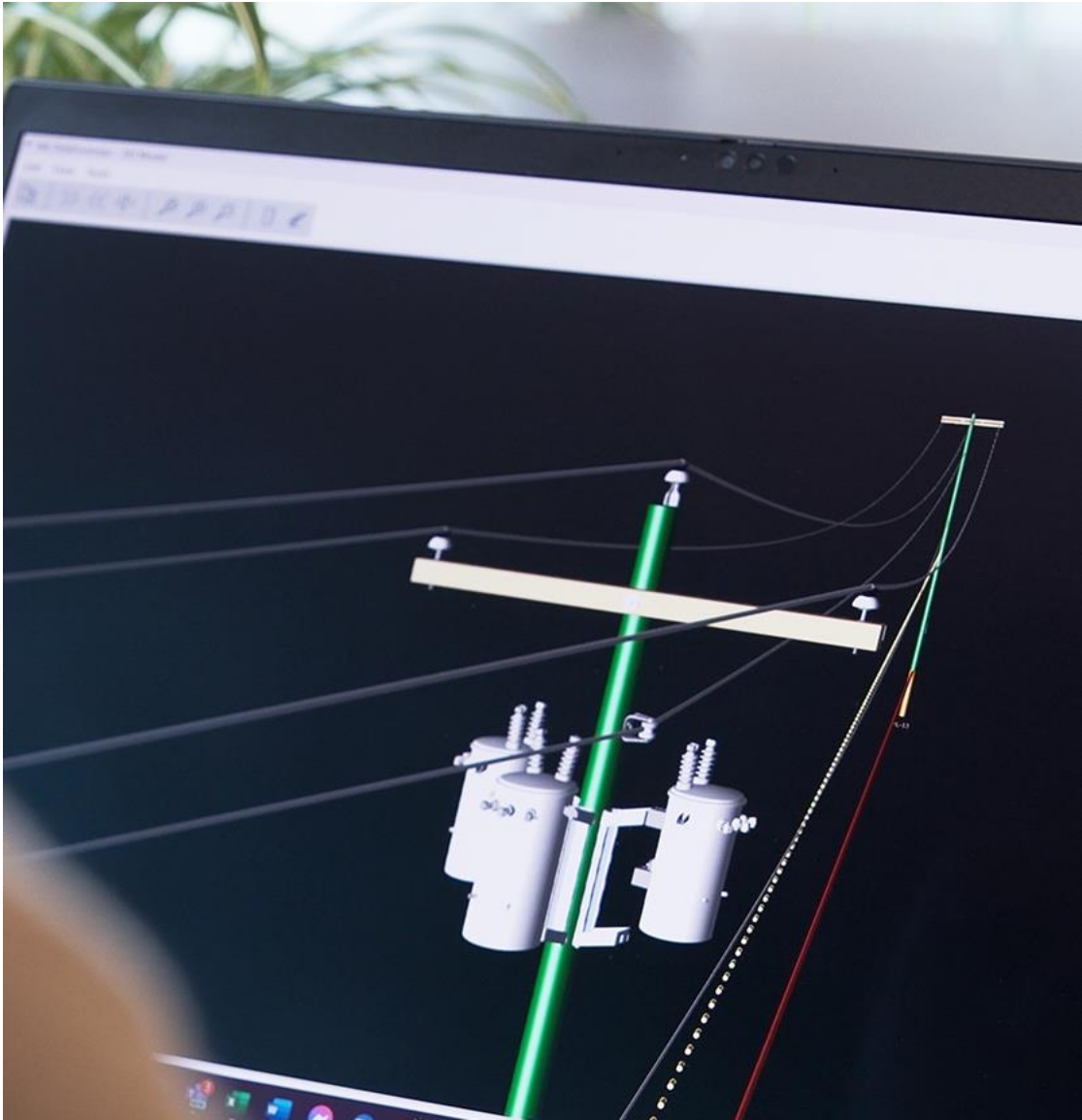
# Product Update



Pole ID	
Pole ID	3245
Cancel Measure X	
Select attachment point to zoom	
Location	
Latitude	38.9827482
Longitude	-109.1226718
Altitude	1624.2
Span Length 1	
Span Length #1 - Next Span	
Span	Next Span
Span	61 4 2 100
Wire 1	
Wire #1 - Power - Primary	
Wire Type	Power - Primary
Attachment Height	
Wire #2 - Power - Secondary	
Wire Type	Power - Secondary
Attachment Height	
Wire #3 - Comm - CATV	
Wire Type	Comm - CATV
Attachment Height	
Wire #4 - Comm - Telco	
Wire Type	Comm - Telco
Attachment Height	
+ Add New Wire	
Span Length #2 - Back Span	
Span	
Span	Back Span
Span	61 4 2 100
Wire 2	

# IKE PoleForeman as the Standard for Distribution Network Design.

New SaaS Product to Market <https://ikegps.com/ike-poleforeman/>



## Takeaways:

- The new IKE PoleForeman product has been in-market for ~12 months and to date has generated ~\$16.5m in Total Contract Value.
- In total, ~109 customers have initially subscribed to this new platform, of which ~59 were existing customers and ~50 are new customers. Far exceeding our adoption rate expectations.
- We expect further major customers to close in 4Q FY25 that IKE PoleForeman will ultimately be the Standard for structural analysis in eight-of-the-ten largest electric utilities in North America.



# AI-based automation products in-market.

## Double-Wood Detective AI Product



### Detect

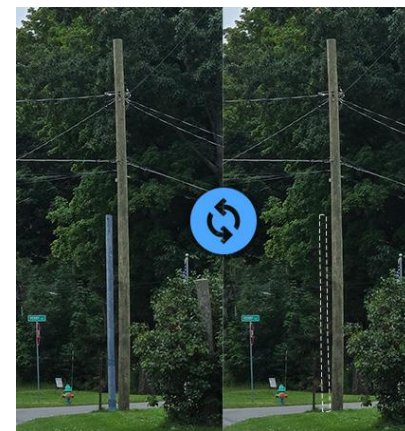
Locate undetected instances of double wood



### Validate

Confirm instances of double wood from existing records.

Broomfield	BR001	82	Confirmed
Broomfield	BR002	102	Confirmed
Broomfield	BR003	24	N/A
Broomfield	BR004	10	N/A
Broomfield	BR005	45	Confirmed
Boulder	BO001	181	Confirmed
Boulder	BO002	5	N/A
Boulder	BO003	12	No
Boulder	BO004	40	N/A
Boulder	BO005	85	No
Boulder	BO006	38	Confirmed
Arvada	AR001	71	N/A
Arvada	AR002	42	N/A
Arvada	AR003	5	N/A
Arvada	AR004	10	N/A



### Change detection

Capture changes to double wood records, such as pole removal status.

FT Collins	BR001	82	Yes
FT Collins	BR002	102	Yes
FT Collins	BR003	24	N/A
FT Collins	BR004	10	N/A
FT Collins	BR005	45	Yes
FT Collins	BO001	181	Yes
FT Collins	BO002	5	N/A
Lowland	BO003	12	Removed
Lowland	BO004	40	N/A
Lowland	BO005	85	No
Lowland	BO006	38	Yes
Lowland	AR001	71	N/A
Lowland	AR002	42	N/A
Lowland	AR003	5	N/A
Lowland	AR004	10	N/A





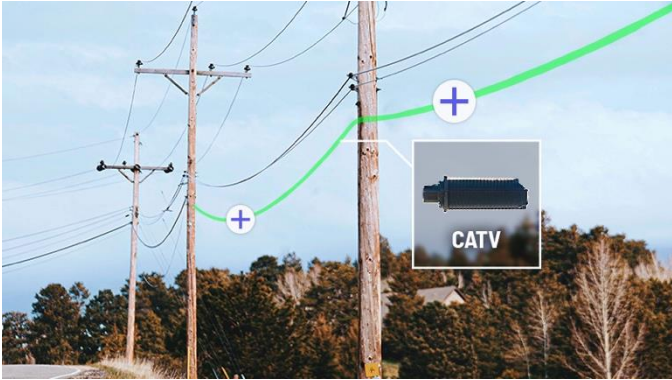
# AI-based automation products in-market.

## Joint-Use Ticket Automation AI Product



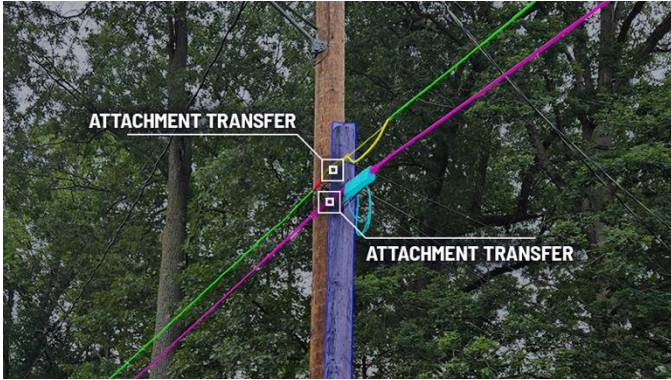
### Violation reporting

Address common issues that arise during inspections and audits, such as NESC infractions and double wood.



### Make-ready construction

Prep poles for new attachments while maintaining safety and compliance with standards.

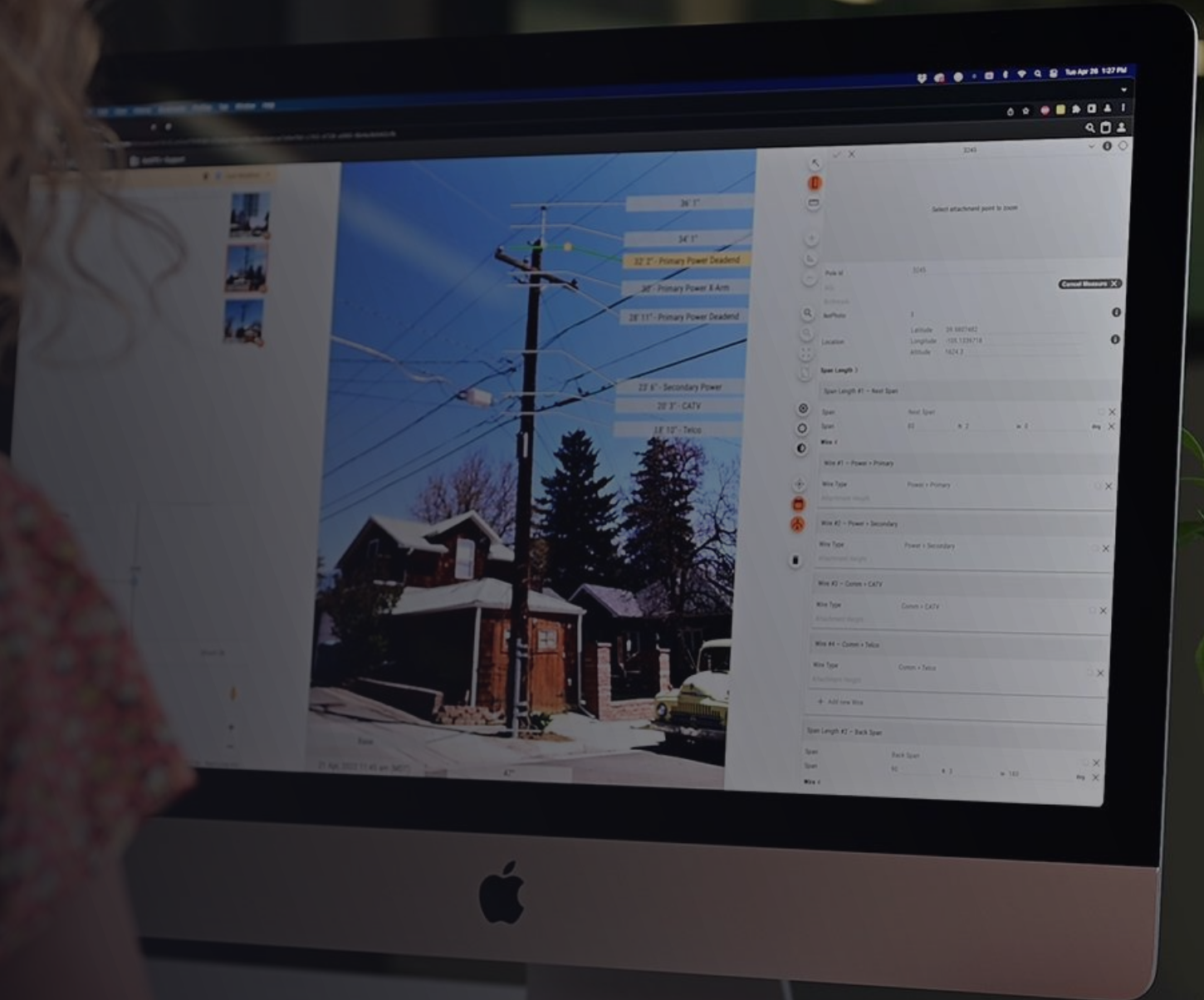


### Pole transfers

Transfer attachments from an existing pole to a newly installed one.



# Market Overview





# More than 3,000 electric utilities and 200M distribution assets across the U.S. **Investing in decades-long grid resiliency and grid capacity programs**

## Facing common challenges

- Grid resiliency requirements
- Grid capacity requirements
- Significant legal liability risks
- Regulatory and Engineering code compliance
- An ageing workforce, requiring tech vs more people

**IKE products dramatically improve the engineering design & maintenance process**

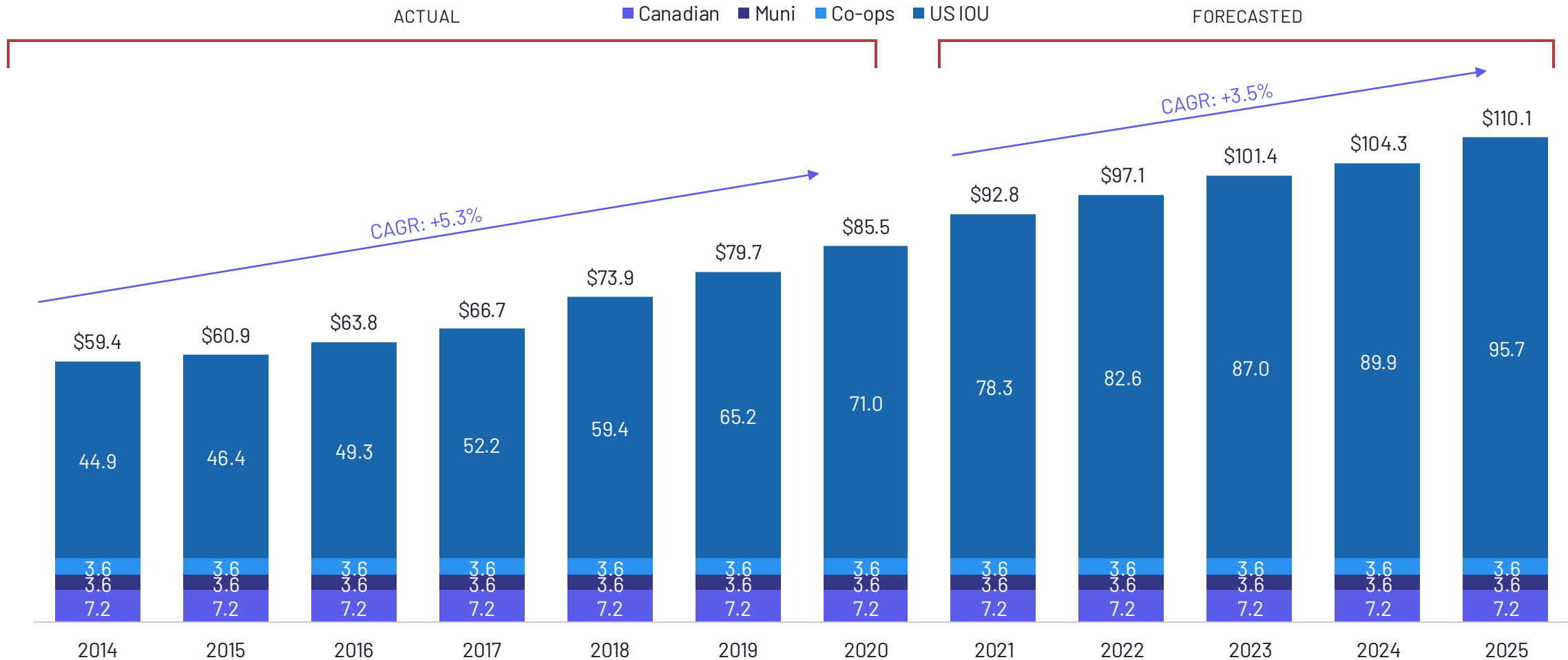


# 25-year Macro-Market Tail Wind for Grid Resiliency & Expansion (\$B's)

An Electric Utility Industry, Spending 100's of Billions, in Need for Productivity Solutions, such as IKE

\$NZD in B

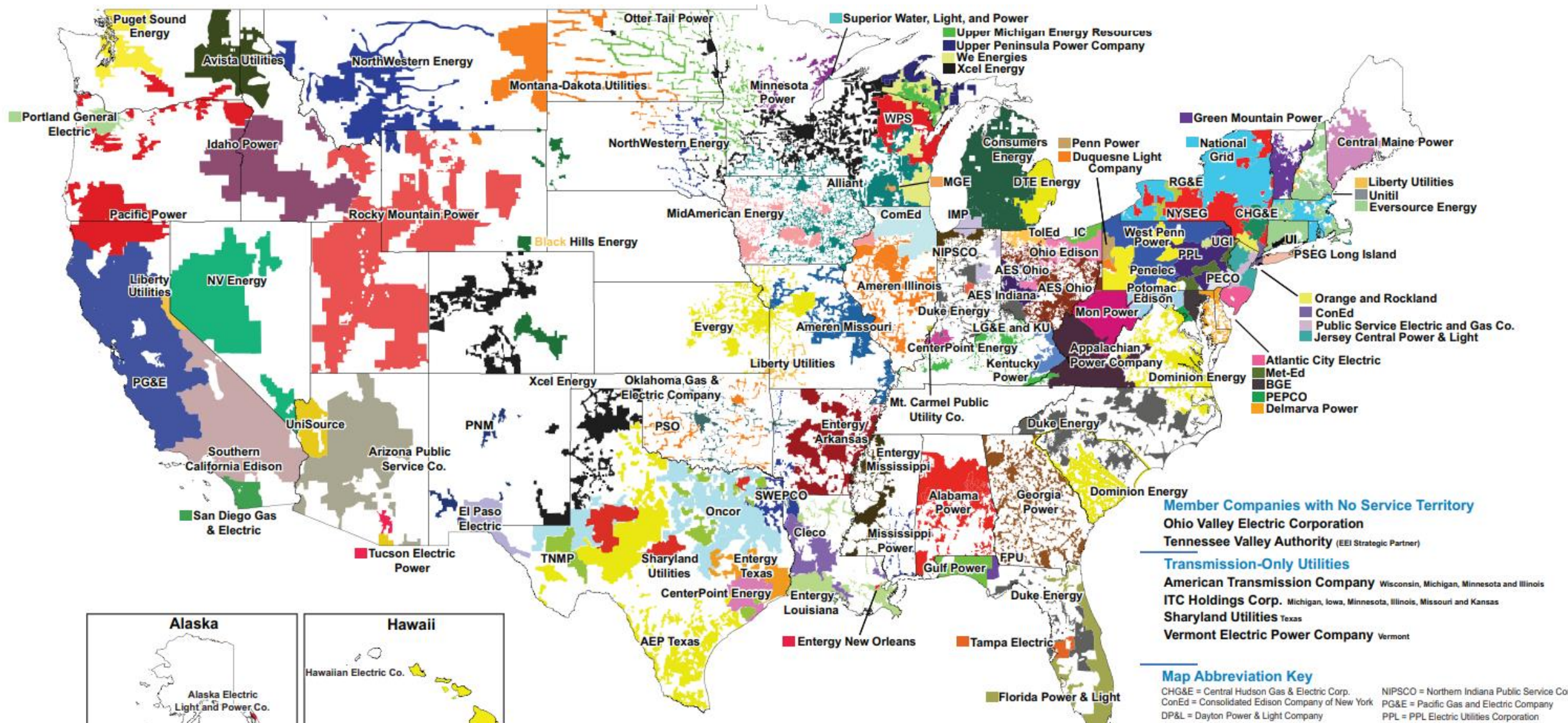
## U.S. AND CANADIAN ELECTRIC DISTRIBUTION CAPITAL EXPENDITURES





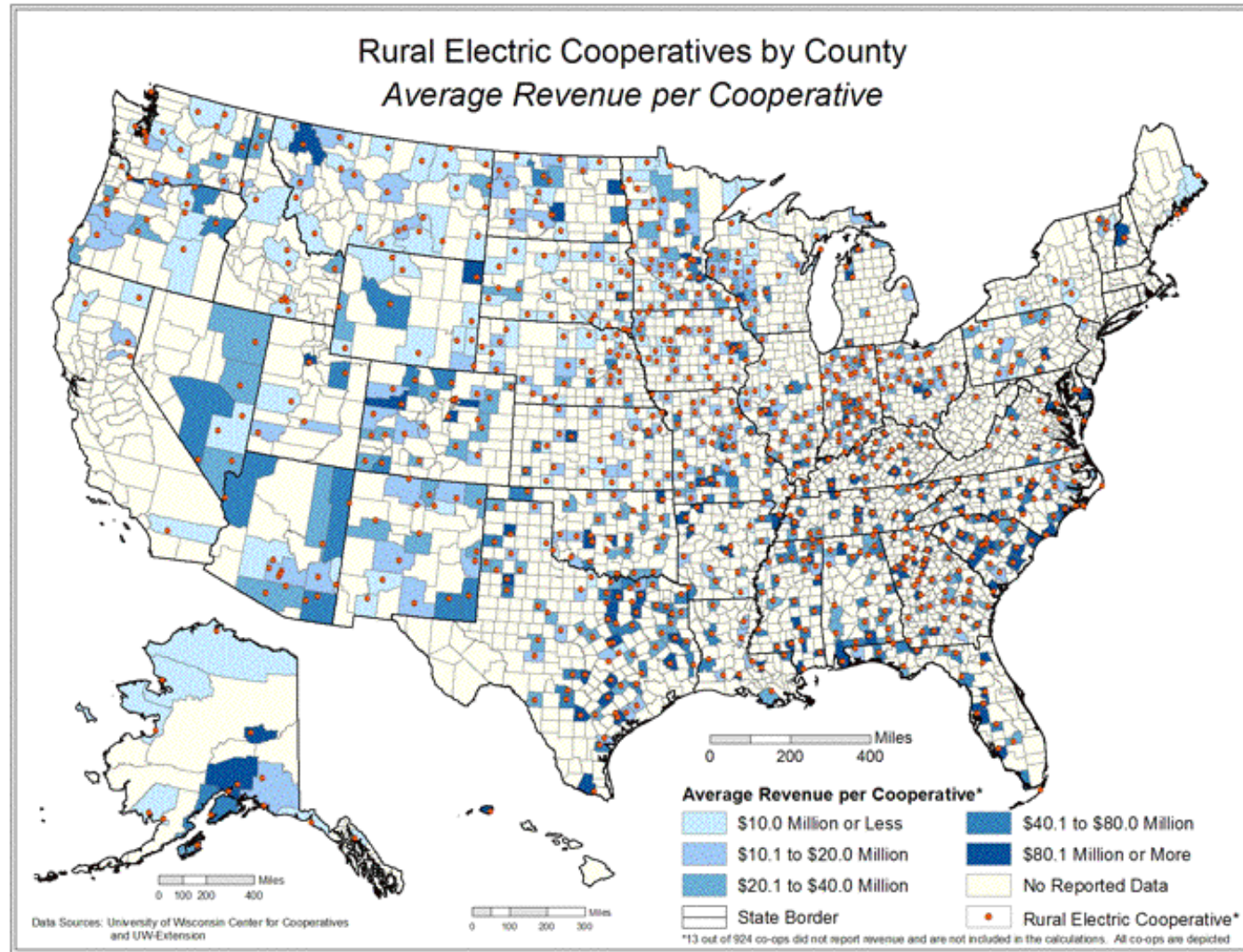
# Where IKE sells: U.S. Market-Map of Investor-Owned Utilities (multi- $\$$ B companies)

A huge expansion opportunity.....



# Plus >2,800 Municipalities and Co-Operatives

All of which represent sales opportunities for IKE products



## Takeaways

- Market timing is everything
- IKE is in the right place, at the right time, and with the right technology, team and execution capability
- Today, IKE has a presence in approximately 6% of addressable customers, but is estimated to be only 20% penetrated. So an opportunity to:
  - Develop an additional 80% revenue per annum from the existing customer footprint as 'White Space' via cross-sell and up-sell, **plus to**
  - Sell to the other 94% of the market via 'Green Field' new logo opportunities

# 8 of the 10 largest Investor-Owned Utilities have standardized on IKE

## IKE Lands-then-Expands

### Communications



### Electric Utilities



### Engineering & Project Management



### Takeaways

- 8 of the 10 largest Investor-Owned Utilities (“IOUs”) in North America, all multi-billion dollar businesses
- >400 customers in North America, with 59 new logos added in FY24 or approx. 1 per week in FY24 YTD
- **>5,000 enterprise target accounts to pursue overall**

### Opportunities to:

- Grow, upsell and cross-sell IKE products into existing customer base
- Win new logos in the North American market
- Expand into international markets



# IKE solutions make fiber and 5G network deployments faster

- >\$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
- >2,000 engineering service providers supporting network development

**IKE dramatically speeds up the network deployment process.**

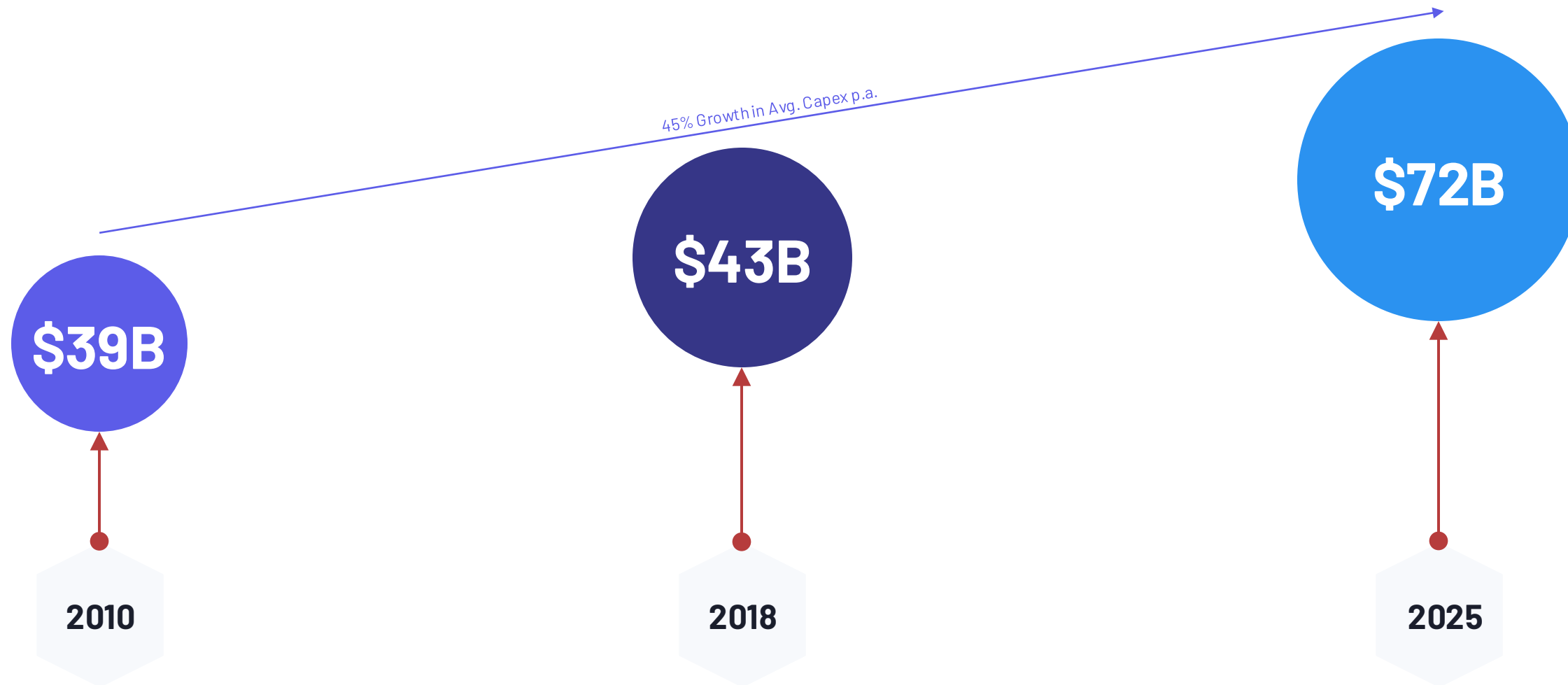




# Fiber and 5G Investment Super-Cycle in North America Still In Its Early Stages

PROJECTED INVESTMENTS INTO 5G & FIBER OPTIC INFRASTRUCTURE

\$NZD



Source: Bell Potter Initiation of Coverage Report, GSMA, American Tower  
Note: Labeled Capex Figures reflect Houlihan Lokey Estimates

# Some of the largest U.S. Communication groups have Standardized on IKE

And a growing footprint of tier-2 fiber businesses

## Communications



## Electric Utilities



## Engineering & Project Management



## Takeaways

- Several of the largest comms group in North America: AT&T (\$107B), Crown Castle (\$39B), Bell Canada (\$47B)
- A growing footprint of the tier-2 fiber companies

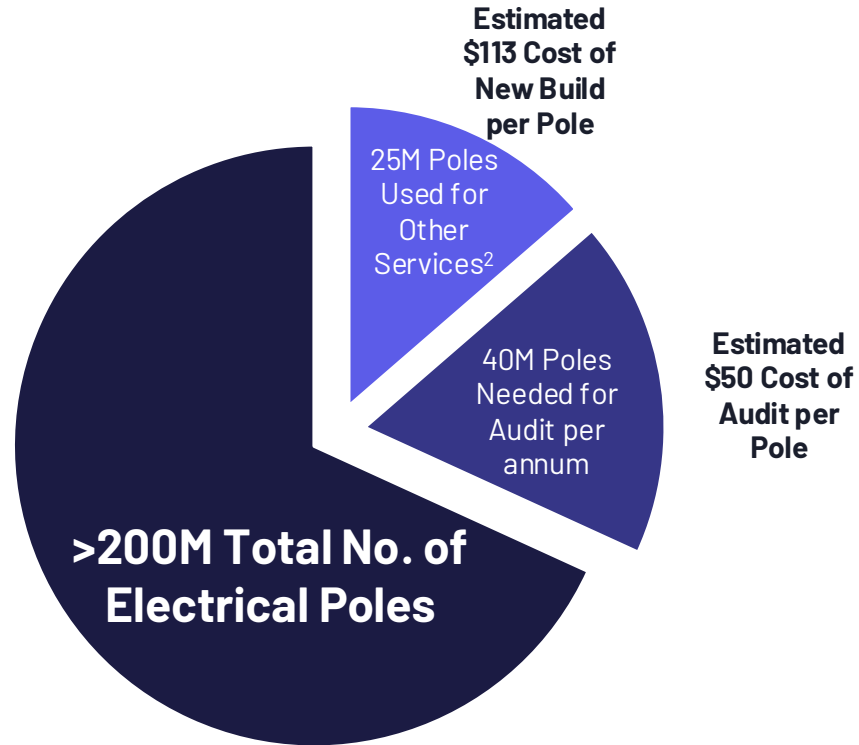
## Opportunities to:

- Grow, upsell and cross-sell IKE products into existing customer base
- Win new logos in the North American market
- Expand into international markets over time

# Overall.. a Large Addressable Market Opportunity That is Expected to Grow

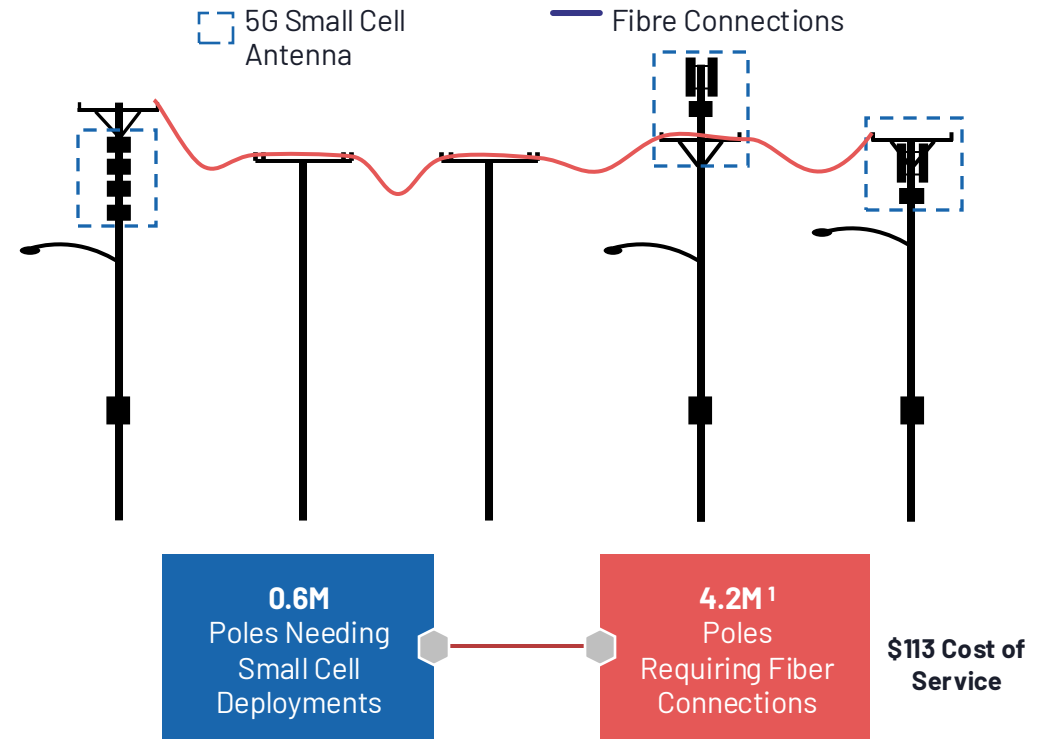
## Utilities

\$NZD



## 5G and Fibre

\$NZD



**\$4.8B Electric Utilities Opportunity**

**\$5.4B TAM**

**\$550M Fiber / 5G Market Opportunity**

(1) Assumed 80% discount rate on range of fibre deployments

(2) Other services include design planning, grid hardening/resiliency programs, NESC violations, joint use attachment audit, billing audits, etc.

Source: Management Estimates, Bell Potter Initiation of Coverage Report, Houlihan Lokey Estimates

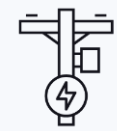
Note: Market analysis does not include opportunity that will arise from growth of pole infrastructure



# Market Tailwinds Over the Coming Decades



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 telecom and utilities providers to assist in infrastructure development and deployment

Massive engineering requirements for an evolving distribution network supporting an increase in global consumption of electricity

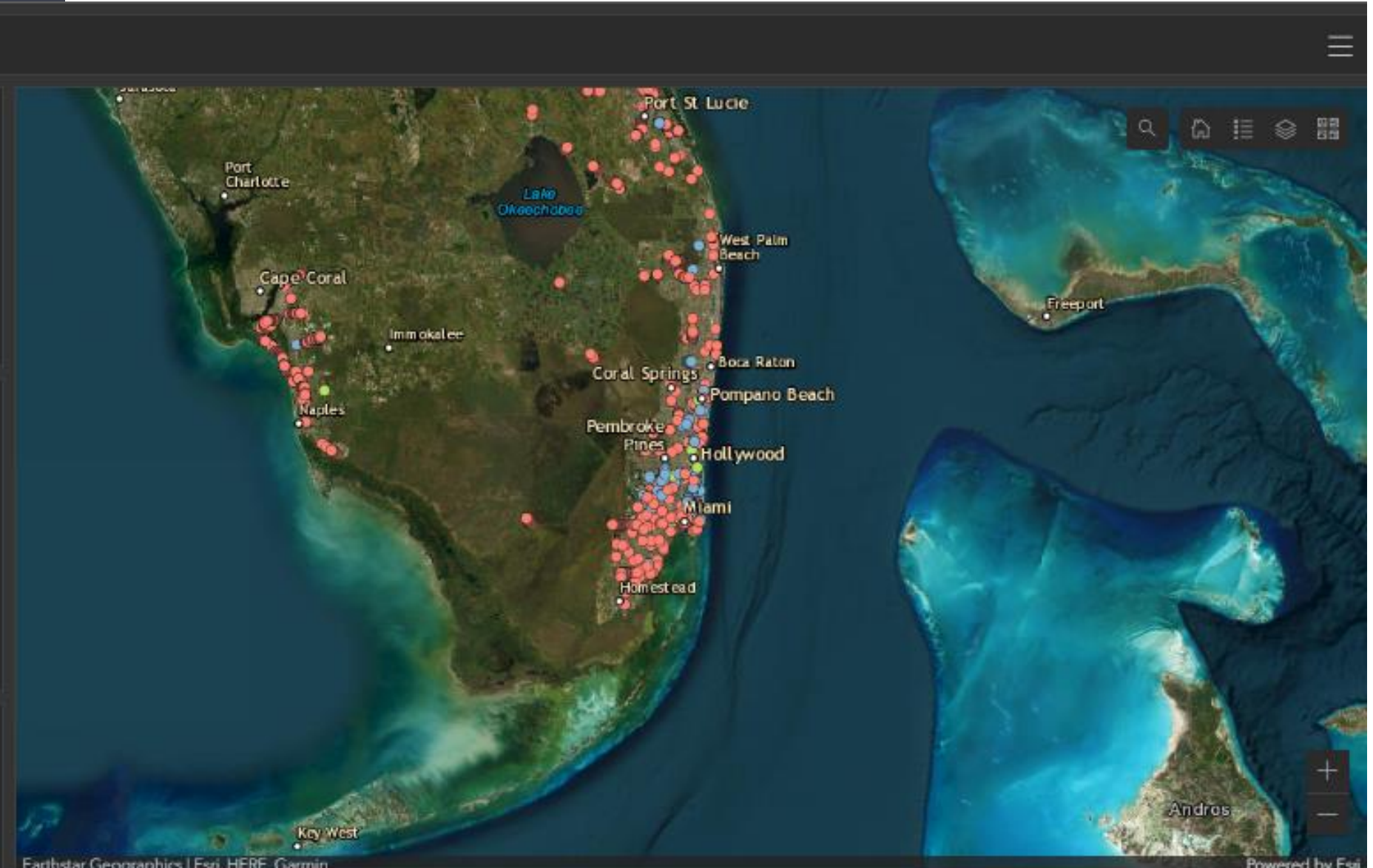


**50%+**

Of US energy consumption will be comprised of electricity on the distribution grid by 2050 to attain carbon net zero targets, and power the new EV market, compared to current levels of just 20%, this equals an engineering requirements to build capacity on the network.

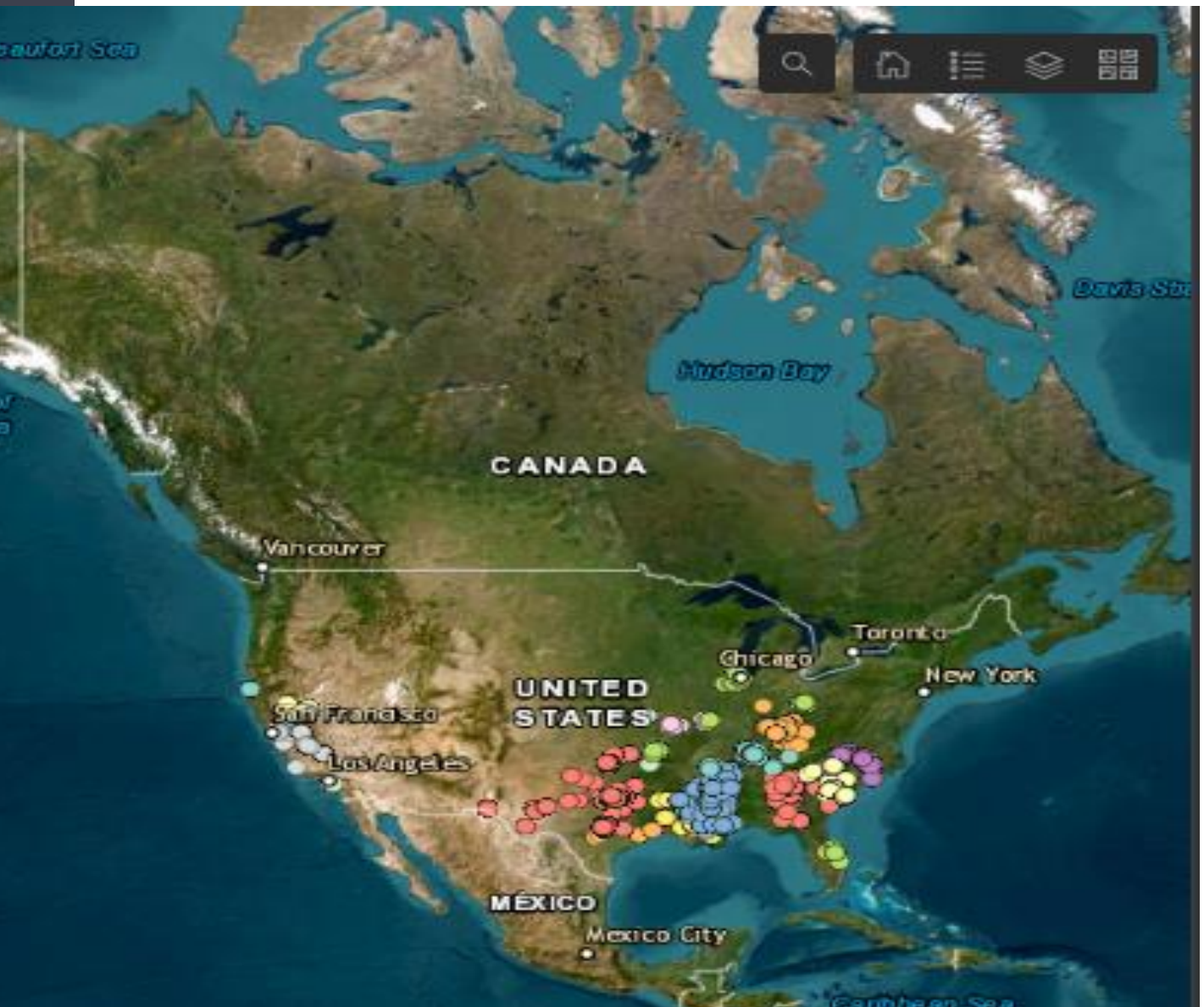


# A Map-View of Usage, and how IKE customers deploy our software Crown Castle in Florida





# A map-view of Usage, and how IKE customers deploy our software AT&T in 7 example States





# A strengthened team of North American industry experts

Key directors and senior leaders appointed through this past year

## **Roz Buick**

### **Non-executive Director**

Roz brings more than 25 years' experience from executive leadership positions across global utility, engineering, construction, real estate and agriculture markets with companies including Oracle Inc. and Trimble Inc. Roz is an industry leader who has led businesses through new growth strategies that are market differentiating and innovative, both with product and go to market strategies

## **Ani Adzhemyan**

### **Chief Marketing Officer**

Ani brings 19 years of experience in marketing, focusing on the industrial and energy sectors. Prior to IKE, Ani held a range of marketing roles with technology leaders like IBM, GE, ABB, and Hitachi Energy .

## **Brett Willet**

### **SVP Product**

Brett has over 25 years in grid asset management. Before IKE, he served as a Senior Director at Bentley Systems Inc., following its acquisition of SPIDA Software in 2021, where he was President. Brett's utility industry experience includes roles such as Product Engineering Manager at Osmose Utilities Services, Inc., and Joint Use Program Manager at FirstEnergy Corp.

## **Brian Musfeldt**

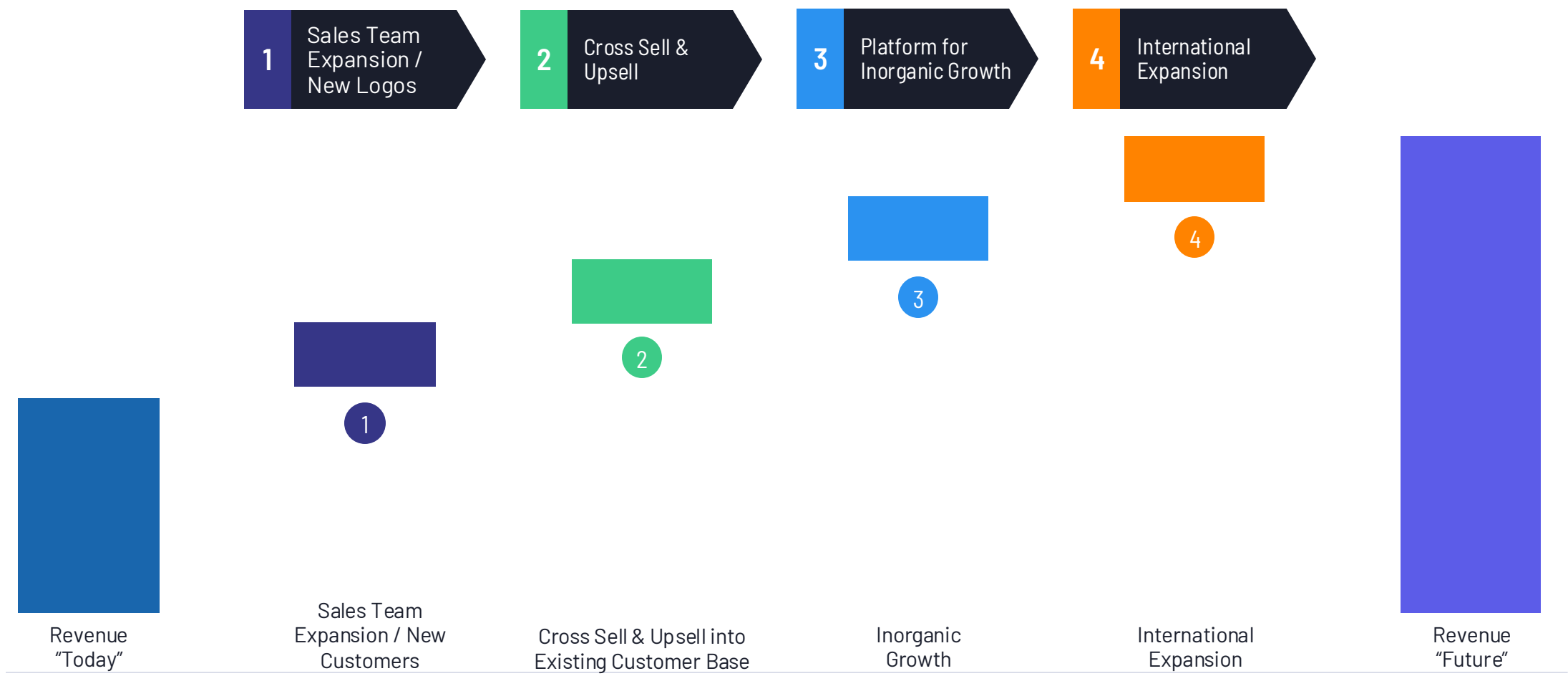
### **CFO**

Brian brings over 25 years of experiences relevant to IKE's industry and growth trajectory. Most recently he was CFO of Also Energy Inc. Prior to this, Brian has held CFO roles with companies including Zayo Bandwidth Inc, MST Global Inc, and Intermap Technologies Inc. Brian began his career as a Certified Public Accountant with six years at KPMG / Arthur Anderson as an audit manager focused on the high-tech & manufacturing sectors.





# Multiple Avenues Supporting Future Growth Potential







Thanks

Manaakitanga: We Rise By Lifting Others





## Q&A

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### We're IKE, The PoleOS™ Company

IKE seeks to be the standard for collecting, analyzing and managing pole and outside plant (“OSP”) information for electric utilities, communications companies, and their engineering service providers

The IKE platform allows its customers to increase speed, improve quality, and deliver safety in the assessment, construction, and maintenance of distribution poles and other OSP assets

IKE's purpose is Manaakitanga, which means “to rise by lifting others”

