

For immediate release - ASX announcement

31 January 2019

BuildingIQ (ASX: BIQ) – Q4 FY2018 Market Update

Financial Summary

- Cash receipts from customers increased by 71% to A\$1.56 million (A\$0.91m in the prior corresponding period (pcp))
- Net cash used in operations improved by A\$2.6 million to A\$0.74 million (A\$1.87m pcp),
- Unaudited revenue in Q4 FY2018 grew by 5% to A\$1.88 million (A\$1.79m pcp)
- Operating expenses improved 25% to A\$1.74 million (A\$2.31m pcp)
- Cash and cash equivalents at quarter end of A\$2.67 million

Operational Summary

- Over the quarter 56 buildings were added, including one contract for 9 greenfield buildings. More than 1,265 buildings, approx. 125M SF, are now active on the 5i Platform (compared with 57 additional buildings and total of 1,085 buildings pcp)
- 57 new sites using BuildingIQ's Facility Worksite Service. Over 45,900 work order requests / transactions were processed in the quarter for 491 plus users
- Customer renewal rates held firm at greater than 97%
- BuildingIQ signed two reseller partnership agreements in the United Arab Emirates

Note: BuildingIQ is incorporated in Delaware and has a 31 December financial year end.

BuildingIQ Inc. (ASX: BIQ), a tech-enabled services business, today released its Market Update for the final quarter of FY2018, ending 31 December 2018.

In commenting on the quarter, BuildingIQ's President & CEO, Michael Nark, indicated the Company had continued to improve its financial performance and expand its global operations. "BuildingIQ's financial results again reflect a mix of increased sales, in all markets, albeit in what is typically a softer quarter, and our persistence in managing cash collections and expenses."

"Operationally, our new orders remain strong. As mentioned in previous Market Updates, due to the opportunities in the greenfield buildings segment in the Asia Pacific region, our revenue growth in this region continues to outpace North America. Illustrative of these opportunities was the contract signed during the quarter by Buildingsense for a multi-site (9 buildings) development in New South Wales. Whilst comparatively lower growth, revenue in North America continues to grow at 15-20% per annum.

"Pleasingly, our global reach is expanding through new partnership agreements in new markets. This past quarter, BuildingIQ established relationships in the United Arab Emirates. Like Australia, the UAE market exhibits a strong level of greenfield projects. Agreements with two firms - PBOtech and DOTS Tech Systems – were finalised. Both firms will offer the full suite of 5i Platform services to commercial office buildings."

Financial Information

Total unaudited revenue for Q4 FY2018 was A\$1.88 million, a 5% increase on the Company's audited revenue of A\$1.79 million in the pcp.

Cash receipts from customers of A\$1.56 million were 71% higher than the comparable period in FY2017 and in line with the prior quarter, again reflecting the benefits of the Buildingsense acquisition in Q3 FY18 and improvements in the cash collection cycle.

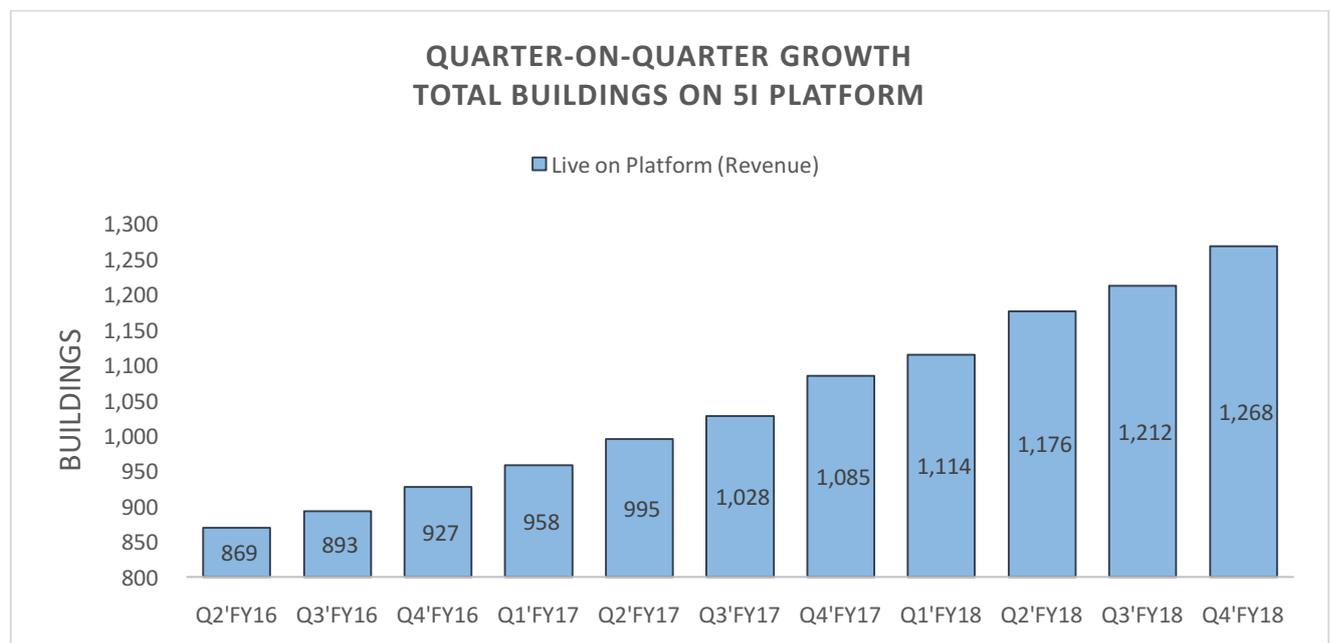
Net cash used in operations for Q4 FY2018 was A\$ 0.66 million, a 65.1% decrease compared to \$A1.87m in Q4 FY2017.

BuildingIQ is now utilising a financing facility to better manage R&D cash receipts. During the quarter, a portion, approximately 80% (A\$2.03m) of the 2018 R&D Tax Credit was received. The remaining amount (A\$0.5m) will be collected in Q1 FY2019.

Cash and cash equivalents at the end of the quarter were \$2.67 million.

Operational Information

BuildingIQ continued to increase the number of buildings active on the 5i Platform, a trend that has been evident since June 2016. During the past quarter, 56 buildings were added, with services now provided to more than 1,265 buildings (approximately 125M SF under contract).



BuildingIQ services continued to deliver documented operational and energy savings for customers. Cumulative savings for Q4 FY2018 was \$2.56 million and for FY2018 was \$9.79 million.

Future updates

The Company will hold an investor conference call at 11am (AEDT) on 31 January, 2019 to discuss this announcement. Please refer below for the dial-in details and use the computer login details if you wish to submit typed questions via the “chat” functionality.

Quarterly investor call details:

Time: 11 am (AEDT)

Date: Thursday 31 January, 2019

Phone: +61 2 9087 3604 (AU) or +1 (312) 757-3126 (US)

Access code: 983-247-749

Please note: For investors wanting to ask questions, please use the computer login below.

Computer login: <https://global.gotomeeting.com/join/983247749>



Financial Calendar

Future Dates*	Details
February 28, 2019	FY2018 Annual Results
March 28, 2019	Annual General Meeting
April 30, 2019	Appendix 4C & Q1 FY2019 Market Update
July 31, 2019	Appendix 4C & Q2 FY2019 Market Update
August 31, 2019	1H FY2019 Results

**NOTE: Dates may be subject to change*

Ends.

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About BuildingIQ

BuildingIQ (ASX: BIQ) helps building owners and operators worldwide lower energy use, increase building operations efficiency and enhance tenant comfort. The Company's 5i cloud-based platform and Managed Services deliver on the promise of Internet of Things (IoT) for buildings. Approx. 125M square feet of building space is currently under management with BuildingIQ. www.buildingiq.com

Foreign Ownership Restrictions

BuildingIQ's CHES Depositary Interests (CDIs) rely on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers or sales which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. The holders of BuildingIQ's CDIs are unable to sell the CDIs into the US or to a US person unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the ASX.

This designation restricts any CDIs from being sold on ASX to US persons. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.