



# **GATEKEEPER**

*PROTECTING PEOPLE IN TRANSIT*

**Video & Data Solutions Provider for Public Transit & Schools**

**Investor Presentation May 2024**  
TSX-V: GSI | OTC: GKPRF

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# VIDEO & DATA SOLUTIONS PROVIDER FOR SCHOOL BUSES & PUBLIC TRANSIT



1

## Growth inflection | Profitable

- \$33M TTM Revenue (at FQ2 Feb 29, 2024)
- \$5M TTM Net Income
- Strong sales backlog

## Compelling valuation

- ~\$70 M market cap
- \$17 M working capital
- No borrowed-money debt

3

## Platform-as-a-Service (PaaS) business model

- Onboard data platform for intelligent transportation in smart cities
- ~50,000 intelligent mobile data collector units installed
- ~3,500 customers

2

## AI, video analytics, data – key growth drivers

- “Black-box” for buses & trains to improve safety and aid accident investigations
- Video monitoring & enforcement are now a necessity

4

## Established, emerging data company

- Data devices & video surveillance on public transportation vehicles

*(Expressed in Canadian currency)*

# VIDEO ANALYTICS & DATA SOLUTION



## Video now dominates in passenger transportation

- 80% of transit buses have video
- Increasing reliance on video for enforcement / fraud prevention
- Hi-def IP cameras create enormous amounts of video data
- Difficult to wirelessly transmit, store, and monitor
- Video data is now too extensive to manage manually

1

### Gatekeeper cloud-based video analytics software

- Event-driven video capture (e.g. erratic driving behavior)
- Alarm notification when camera image is covered/compromised
- Video compression algorithms
- ‘System Health Check’ reports, for active system maintenance
- Snippet capture, facial blurring, allows video segments to be easily emailed

2

### Gatekeeper processes video data “at the edge”

- On-vehicle mobile data collectors & video processing

# PLATFORM-AS-A-SERVICE (PaaS) BUSINESS MODEL

Gatekeeper is the “computer on-board” school bus fleets, transit buses, trains, and municipal vehicle assets

- Over 50,000 intelligent Mobile Data Collectors installed



## Data platform for Smart Cities & Intelligent Transportation

- On-vehicle digital recording devices (DVRs), GPS enabled, multiple data points, video, alarms, analytics
- Wirelessly connected, bi-directional data to a moving vehicle
- Video analytics for illegal vehicle passing, license plate capture, ticket issuance
- Transit-lane violation enforcement, passenger counting, evidence management and infraction ticketing
- Remote monitoring & management of vehicle assets



## Adding new data layers

- Passenger counting, driver behavior, stop-arm violation evidence
- Mobile Wi-Fi system for school bus
- Bus lane infraction enforcement
  - Important since increases in Uber/taxi drop-offs in the bus lanes impedes public transit efficiency



# INTELLIGENT MOBILE DATA COLLECTORS (MDCs)

## ~50,000 data collectors installed

- On school buses, transit buses and trains
- Collecting vehicle data such as video, audio, GPS, time, door open/close

## Ruggedized, crashworthy DVRs

- 8 TB of video storage recording 24 high-def IP cameras
- Collecting vehicle data such as video, audio, GPS, time, door open/close,
- Serve as the "black box" to aid in transit accident investigations

## Wireless Connectivity

- Wi-Fi enabled, mobile connected, or mobile enabled , allowing public transport assets to become part of the intelligent transportation solution in a Smart City ecosystem



# HOSTED SERVICES: RECURRING REVENUE BUSINESS MODEL

- Real-time wireless connectivity to the whole fleet
- AI-assisted software helps screen enormous amounts of video for incident management and evidence
- Comprehensive video management software, cloud-based service offering



# SCHOOL BUS INDUSTRY: UNDERGOING A MAJOR TECHNOLOGY UPGRADE

Technology adoption on school buses has paled in comparison to technology adoption on automobiles over the past decade

## U.S. Department of Education Technology Spending

- \$122 Billion of spending announced to help schools reopen safely, March 17, 2021 ([ed.gov news](https://www.ed.gov/news/2021/03/17))
- In the US, ~484,000 yellow school buses transport ~21.4 million students daily, ~40,000 new school buses are manufactured annually

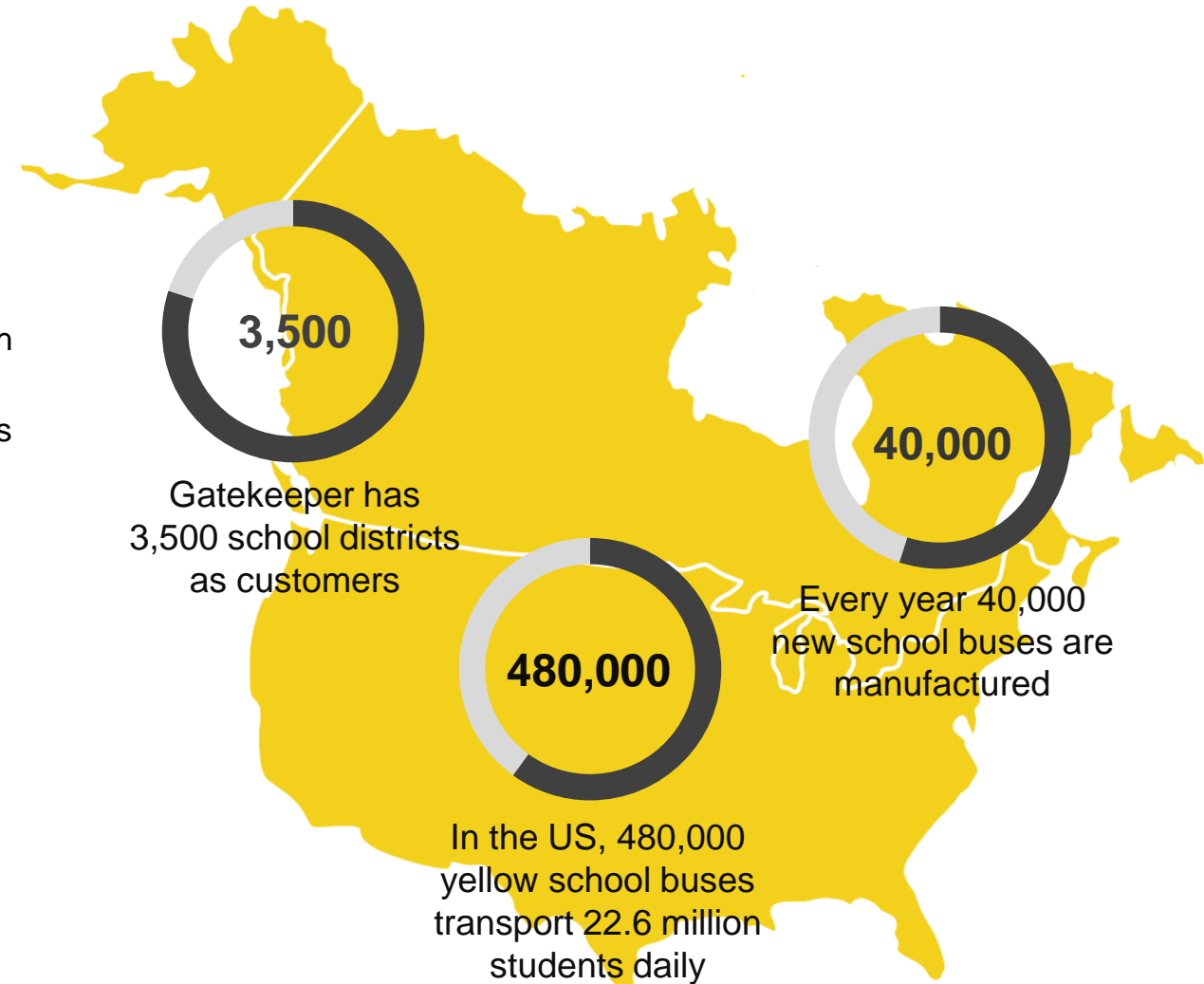
## Gatekeeper has over 3,500 school districts customers

- Customers in every state and province in North America
- Well established CRM system, contact data for all 13,000 school districts, 70,000 database customer contacts

## Gatekeeper has significant industry experience

- Over 50,000 intelligent Mobile Data Collectors installed on school buses
- Over 100,000 in-vehicle video devices installed on school buses

## Gatekeeper has a comprehensive suite of technology solutions for school buses





# SCHOOL BUS STUDENT PROTECTOR

## Capture every detail of a stop-arm infraction

NASDPTS estimates more than **43.5 million illegal school bus passings** per year in the US alone.

(Source: [www.nasdpts.org/stop-arm-violations](http://www.nasdpts.org/stop-arm-violations))

1

### Automatically capture every violation

- High-speed, multi-lane license plate reader to capture stop-arm violators, in any conditions, day or night

2

### Create citations easily

- Video analytics software allows districts to issue tickets automatically
- Web-based citation management system provides full control of a citation from its creation to its payment.



# SCHOOL BUS MOBILE Wi-Fi SYSTEM

## Wi-Fi Solutions

- Turn school buses into mobile Wi-Fi hotspots with Gatekeeper Mobile Wi-Fi System (MWS)
- Internet access is available on school buses to the vehicle is in motion or parked
- MWS enabled school buses can be parked and provide internet in underserved communities
- Gatekeeper MWS is routed through the school's firewall and content filter, providing a safe internet experience for students



## Wi-Fi Benefits

- MWS enabled buses help to close the digital divide so all students have access to the tools they need to succeed
- Leverage the average of 180 hours spent on the school bus each year by allowing students to access research material to complete assignments
- School buses with MWS can also be configured to provide remote access to video cameras, DVR storage, and GPS location

## Cellular Connectivity

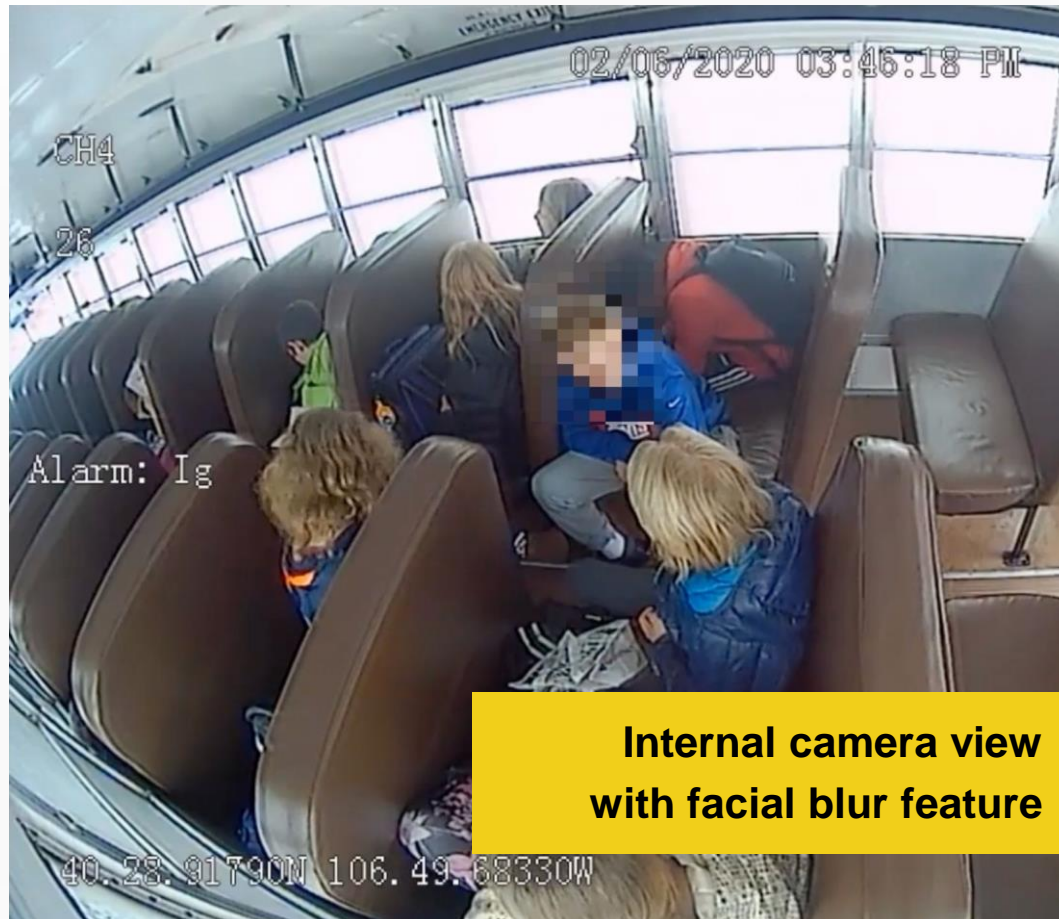
Gatekeeper's all in one mobile modem provides Wi-Fi and Cellular connectivity



## Helping Students

28m households in the U.S. do not have high speed internet at home

# SCHOOL BUS INTERIOR CAMERAS



## Capture Every Moment

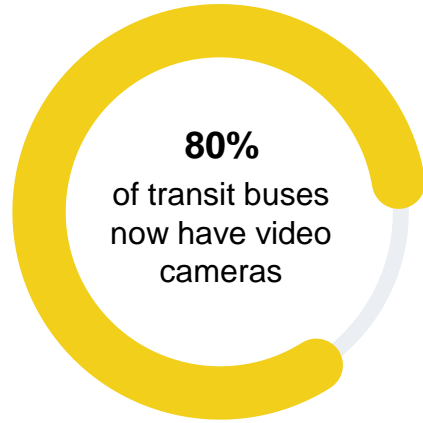
- Record HD video and audio
- Use Gatekeeper's Wide Angle Cameras to capture every angle



## Keeping Children Safe

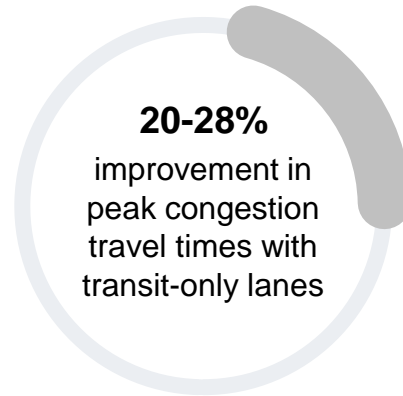
- Prevent incidence of bullying and vandalism
- Safeguard children's privacy with facial blurring technology

# TRANSIT MARKET: SIGNIFICANT GROWTH DRIVER



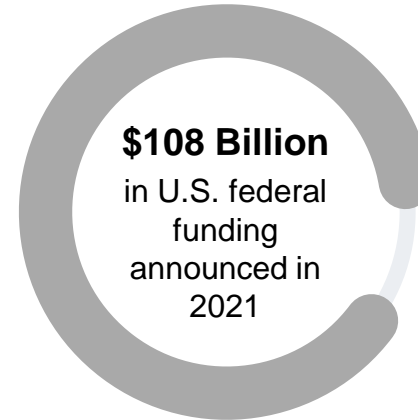
## Video-based evidence for transit, bus & rail

- Public Transit Authorities embracing video surveillance solutions to reduce fraudulent claims and improve passenger safety
- 183,000 transit vehicles in US
- 19,000 transit vehicles in Canada



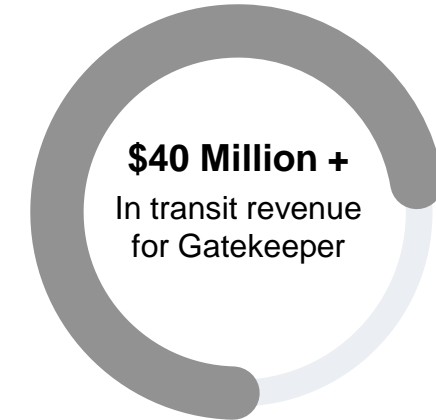
## Transit authorities embracing emerging technologies

- Bus lane infraction cameras
- License plate capture of vehicles illegally passing buses/street cars while passengers are loading/unloading
- Passenger counting
- Intelligent routing



## Increased transit funding within \$1.2 trillion Bipartisan Infrastructure Deal

- Over 10,000 transit vehicles to be upgraded



## Gatekeeper entered the transit market in 2018

- Resulting in over \$40 million in revenue from the transit industry vertical

# STRATEGIC TRANSIT CUSTOMER: SEPTA

## Southeastern Pennsylvania Transportation Authority

- 6th largest transit authority in the US
- Ridership of over 300 million passenger rides annually
- 3,600 vehicles including approximately 970 trains

1

### SEPTA - a leading transit authority in use of video

- Actively using vehicle video surveillance to evaluate and defend claims, monitor system safety and security, and protect against fraud
- US\$22M/yr. savings in false liability claims by using video evidence
- Sophisticated video-evidence installation
- Over 27,000 video cameras installed on vehicles & stations

2

### SEPTA chose Gatekeeper for its software, video analytics, specialized DVRs

- ~\$40M in new-business revenue contribution since 2018
- Recurring services contract \$2.4M/yr.



1 MILLION DAILY PASSENGER TRIPS



# AUTOMATED LANE ENFORCEMENT (ALE)

## AI and Video Analytics

- Captures vehicle license plate of lane violations



## Reduce transit lane violations

- Custom-designed for transit applications
- Launched July 2021

## Large market opportunity

- Traffic congestion in cities is a concern, post-pandemic due to user preference toward ride-hailing vehicles vs. transit
- Currently conducting live transit trials

## Includes specialized applications

- Vehicles partially obstructing the bus lane
- Vehicles in the bus lane that signal a legal right-hand turn, but illegally continue to drive straight
- Vehicles passing streetcars when passengers are boarding or deboarding

# VIDEO & DATA RECORDERS FOR PASSENGER TRAINS

**The Federal Railroad Administration has announced a final rule requiring the installation of inward- and outward-facing image recording devices**

- On all passenger train lead locomotives providing scheduled intercity rail passenger or commuter service
- FRA press release October 12, 2023, [here](#). Compliance deadline is October 12, 2027.

**National Transportation Safety Board wants all rail transit vehicles equipped with inward and outward facing cameras**

- NTSB press release [here](#)

**Gatekeeper is a well-established technology provider**

- Offers NTBSP-compliant, crash-worthy digital video recorders designed to meet EN50155 international standards for electronics on passenger trains
- Has already equipped hundreds of passenger trains for SEPTA. For example, Gatekeeper announced completion of a \$6.3 million contract for video recorders on trains in October 2020.

**Represents significant business opportunity for Gatekeeper**



# EXTERIOR VIDEO SOLUTIONS

## Safer transportation for passengers and drivers

- Protect drivers against lawsuits, false liability claims, violence, vandalism, road rage, and theft
- Eliminate blind spots with 360° surround vision
- Help in training new drivers, monitoring driver behavior, and coaching the driving habits of company drivers
- Driver performance monitoring (speed, swerving, braking)
- Cameras built to withstand extreme weather conditions

## Allows fleet managers to:

- View live-streaming video to assess emergency situations,
- View historical data
- Systems are equipped with driver alert button which automatically uploads corresponding video & alarm to monitoring center
- Video is synchronized with GPS location, improving incident response times





# ENABLING SMART CITIES: AI & ANALYTICS

## Intelligent transit planning

- Analytics is becoming increasingly important
- Collecting and analyzing data is essential for maximizing resources and improving services

## Interconnecting passenger-transport vehicles

- Wirelessly connected on-board data collectors
  - Intelligent routing
  - Surveillance
- Improving traffic flow
- Efficient public transit



## Protecting passengers

- Temperature checking, contact tracing
- Video evidence, flagging abnormal passenger behavior
- People counting, facial recognition

## Safer, smarter communities

- Transportation solutions for public transit and schools is complex, and each community has their own needs and challenges
- Gatekeeper's AI & video analytics solutions helps communities plan and improve services with data-driven decisions specific to their needs

# FINANCIAL INFORMATION (\$CAD)

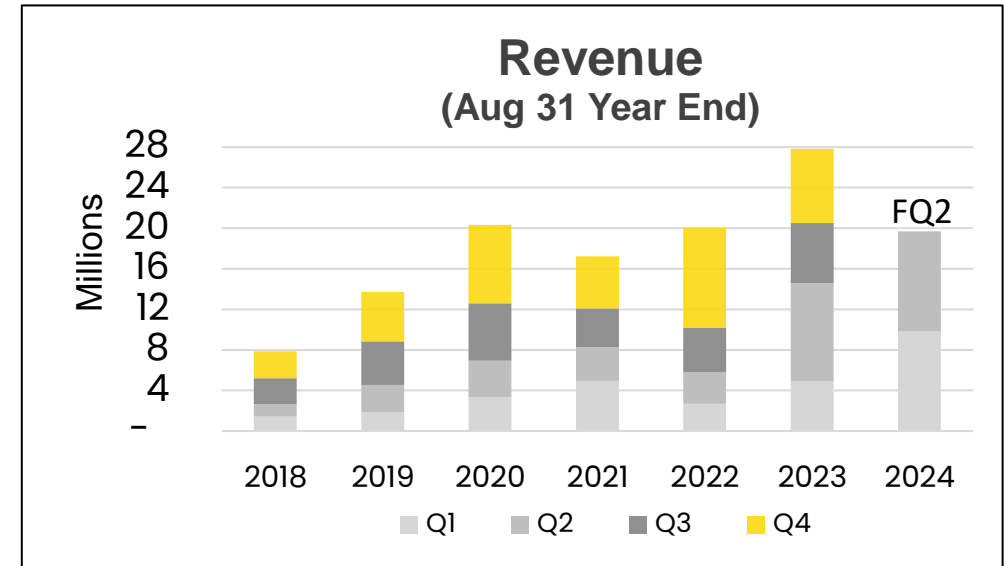
Shares Outstanding	92.3 M
Stock Options	7.3 M
Fully Diluted Shares	99.6 M
Market Cap (@ \$0.75/sh.)	~\$70 M

	<u>Fiscal Year</u> <u>Aug 31, 2023</u>	<u>Fiscal Q2</u> <u>Feb 29, 2024</u>
Revenue	\$27.8M	\$9.9M
Gross Profit	\$ 12.5 M 45%	\$ 5.1M 52%
Total Comprehensive Income	\$ 2.9 M \$0.03/sh.	\$ 1.6 M \$0.02/sh.
Working Capital		\$ 16.7 M

**Notes:**

- \$8 M working capital credit facilities in place with TD Bank, unused at Feb 29, 2024.
- Insider ownership ~ 14%



1 Year stock chart (GSI:TSX-V)

# BOARD OF DIRECTORS

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**Doug Dymant**  
DIRECTOR & CHAIRMAN

- Founded Gatekeeper Systems in 1997 and took the company public 2013
- Former VP Marketing and Director at Silent Witness; founded Security Products Division



**Charlie Bruce**  
DIRECTOR

- Former COO First Group America and National Express
- Founded Transportation Advisory Group (TAG) in 2015, President and CEO of TAG, providing advisory services to the student transportation industry
- Former Board Member for the National School Transportation Association and New York School Bus Contractors Association



**David Stumpo**  
DIRECTOR

- Founder & CEO of the American Public Transit Exams Institute (APTREX)
- Former CEO Coast Mountain Bus (Formerly BC Transit) and San Francisco Municipal Railway (MUNI)
- Executive Director for the Southern California Regional Transit Training Consortium (SCRTTC). 40 years' experience within the public transit industry

# SENIOR MANAGEMENT

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**Doug Dymant**  
President & CEO



**Kelsey Chin**  
CFO



**Jeff Gruban**  
VP Sales – Transit



**Doug Fraser**  
VP Programs &  
Products



**Valarie Higgins**  
VP Sales – Schools



**Jason Harris**  
VP Student  
Protector Programs

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**TSX Venture: GSI**

**OTC Markets: GKPRF**