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FY24 Results Presentation

August 2024



About Us



X2M has commercialised a unique patented software platform for machine connectivity



We are digitising utilities in Asia. Our target countries represent >20% of the world's population



Our platform is a core enabler of data collection, for automation, Artificial Intelligence and human free control of machines, meters and sensors



We are capitalising on a global trend of digitisation, data capture and AI in the utility sector



Our existing enterprise and government customers represent a very large addressable market and our new markets takes this to a higher level

FY24 highlights



Revenue of \$13.4 million, down 17% (FY23: \$16.2 million), reflecting the Company's targeted and previously announced strategy to exit low margin hardware-only sales



Recurring SaaS and maintenance revenue of \$1.7 million, up 50% (FY23: \$1.15 million)



Gross profit \$4.9 million up 29% (FY23: \$3.8 million), reflecting profitable conditions in Japan and South Korea



Adjusted EBITDA¹ loss of \$3.2 million, improved 31% (FY23: \$4.6 million)



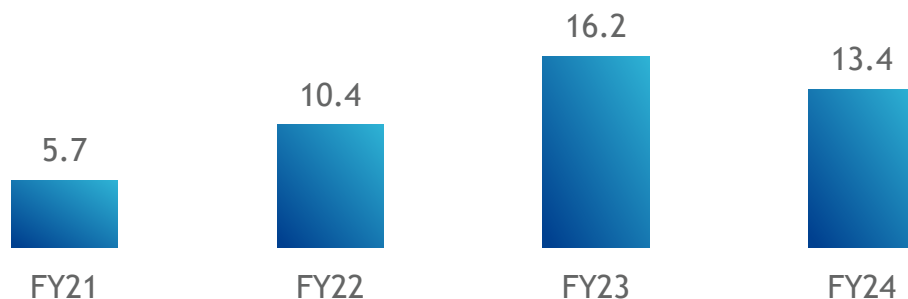
Connected devices as at 30 June 2024 were 537,706, up 25% (FY23: 428,801)
Enterprise/government customers increased to 75, up 15%, (FY23: 64)

¹. Adjusted EBITDA is a non IFRS measure and excludes Share based payments and one-off costs

We are driving towards positive cashflow

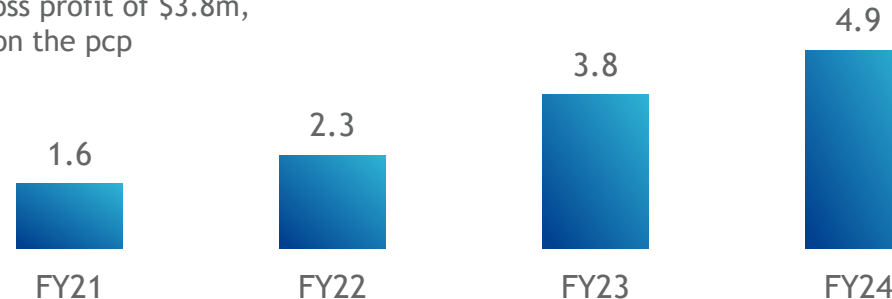
Growth in gross profit, recurring SaaS and maintenance revenue and flat Opex has the company on path to positive cashflow and earnings. Drop in FY24 revenue driven by discontinuation of low-margin hardware sales and focus on margin generation

Revenue (\$M)

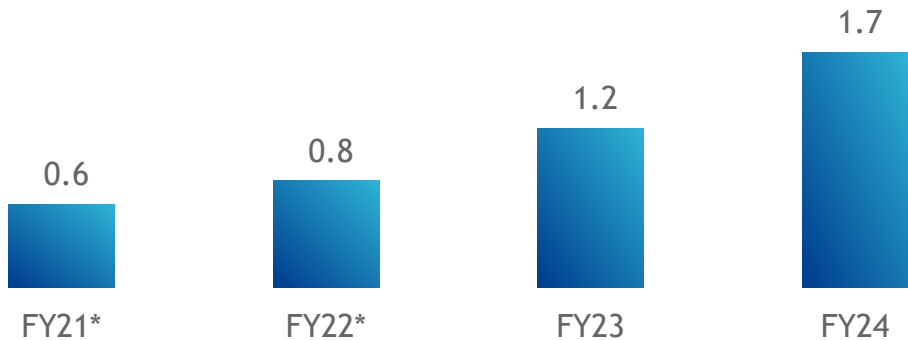


Gross profit (\$M)

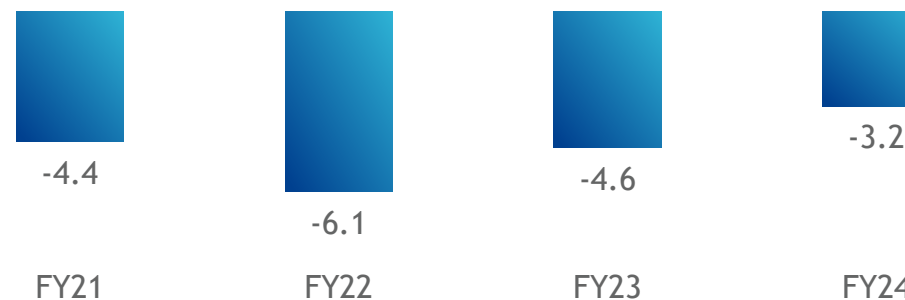
FY23 gross profit of \$3.8m, up 64% on the pcp



SaaS and maintenance revenue*



Adjusted EBITDA¹ (\$M)

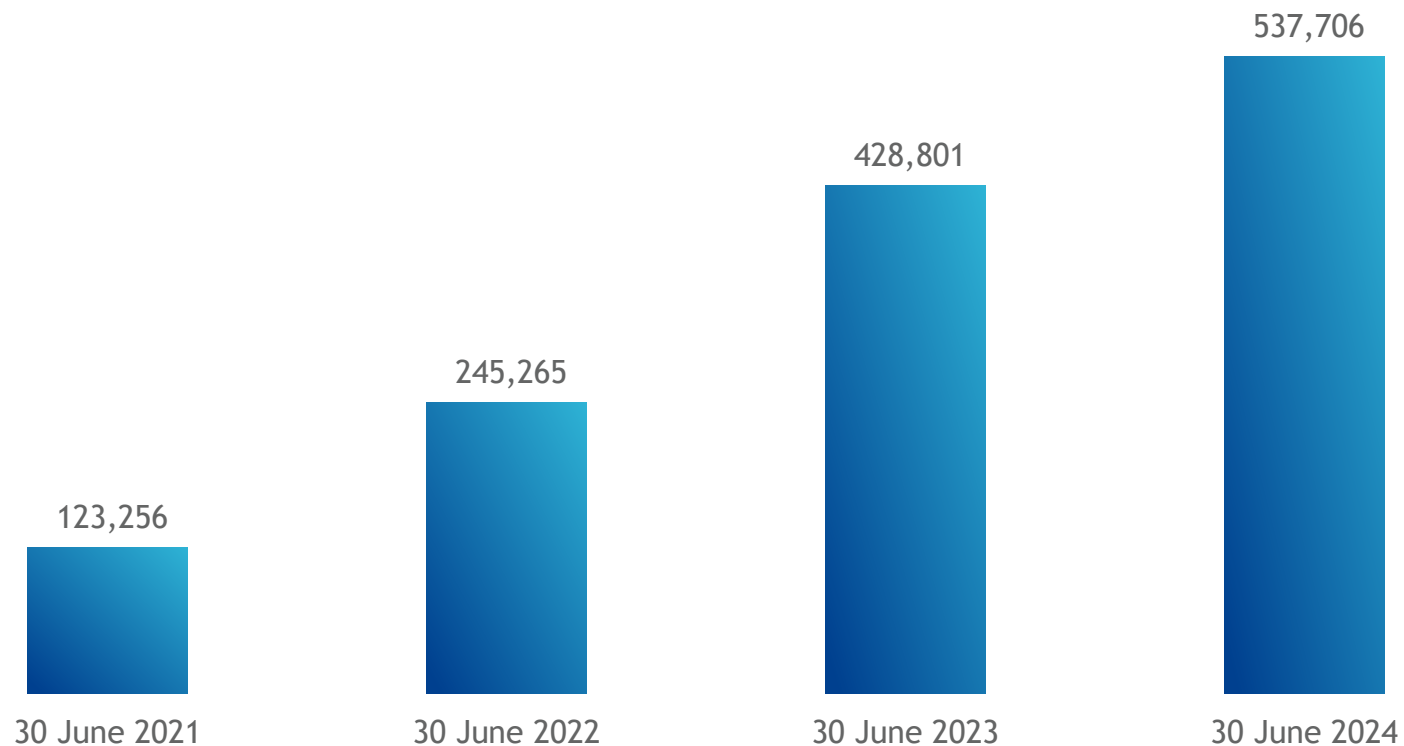


* FY21 and FY22 SaaS and maintenance revenue excludes Gochang hardware subscriptions

¹. Adjusted EBITDA is a non IFRS measure and excludes Share based payments and one-off costs

Strongly growing connected devices

A key focus for X2M is continued growth in the number of connected devices which provide the base for future recurring SaaS revenues under long-term contracts. The rise in connected devices is driven by the Company's core enterprise and government customers. Total connected devices at 30 June 2024 reached 537,706 an increase of 25% on the 30 June 2023 figure.



X2M is now in the third horizon of its strategy

Horizon 1

Build and commercialise



Platform built & proven

Extensive patent portfolio

Multiple geographies

Capability in place

Horizon 2

Land and expand



Large customer base & addressable market

Connected devices growing

Recurring revenues growing

Cash burn reducing

Costs reducing

Horizon 3

Transform - position for data explosion & AI - Now Entering

Harvest current markets

Tap renewable energy & battery storage

Expand in Australia

Enter Middle East

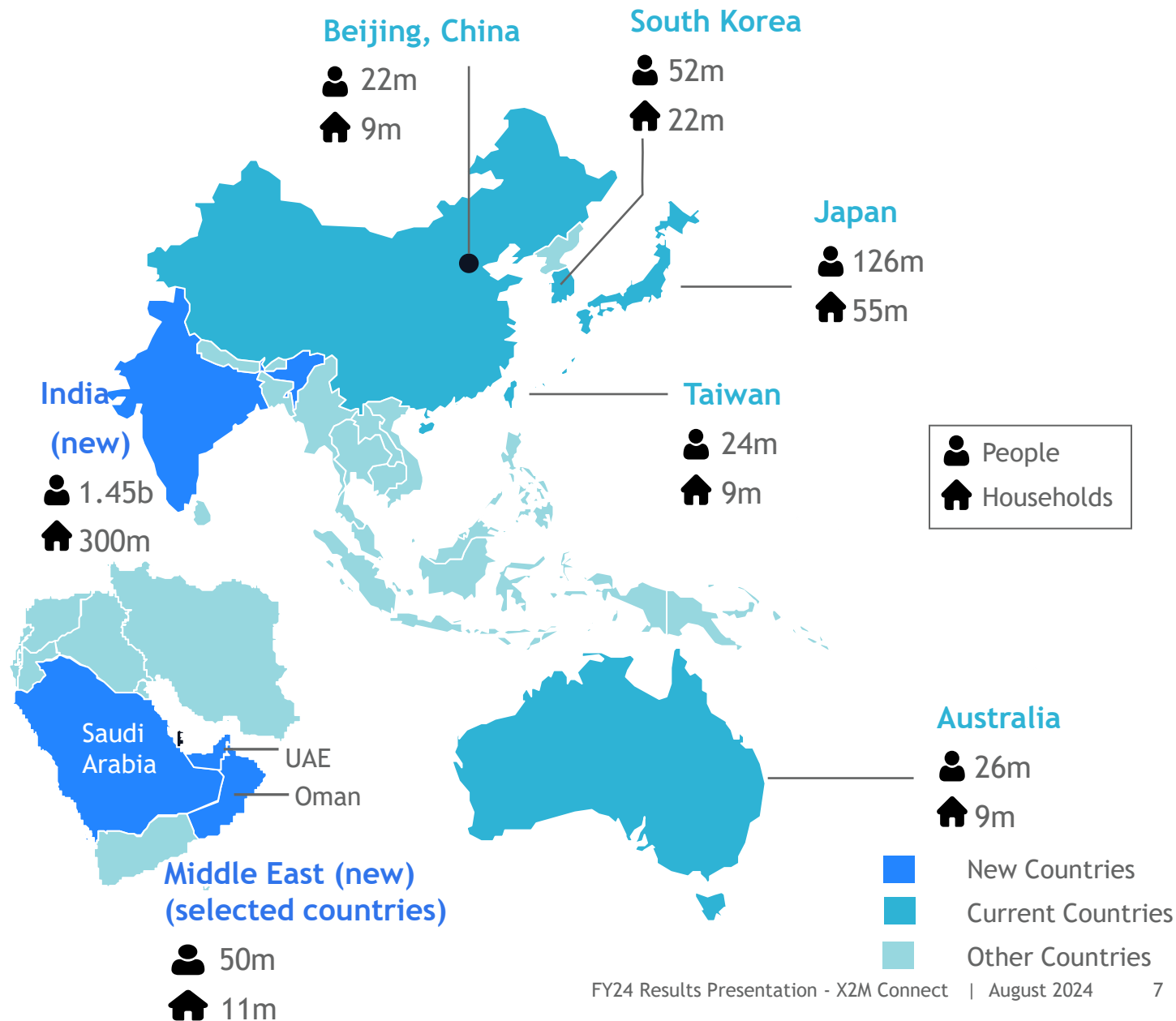
Enter India

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Addressable markets to potentially expand materially in Horizon 3

- Addressable market in current geographies: 250 million people, 104m households
- Addressable market across existing customers: >10m households¹
Revenue potential >\$500m
- Annual recurring revenue potential across existing customers²:
Approximately \$40m per annum
- Addressable Market in new geographies: 1.5 billion people, 311 million households
- Annual recurring revenue potential across new geographies²:
Approximately \$625m per annum

¹. Assumes customer installs X2M current bundled services to all its households
². Assumes customer installs X2M SaaS services to all its households at various rates



Our solution – the results we deliver to our customers



**Increased
operational
efficiency**

Platform streamlines utility management and reduces manual interventions.



**Cost
reductions**

Automated monitoring and accurate, real-time data eliminates the need for manual meter readings, reduces errors, and optimises resource allocation.



**Enhanced
public safety**

Real-time alerts and automated responses to hazards, reduces risk and enhance public safety. Our platform can locally initiate a building gas emergency shut down in the case of a major natural disaster such as an earthquake or tsunami.



**Improved
data flow and
analysis**

Data collected can be used by a wide range of automation and Artificial Intelligence applications and to trigger individual or group actions with or without human intervention.

Revenue model

Upfront revenue



Platform installation fee per instance plus platform customisation fees



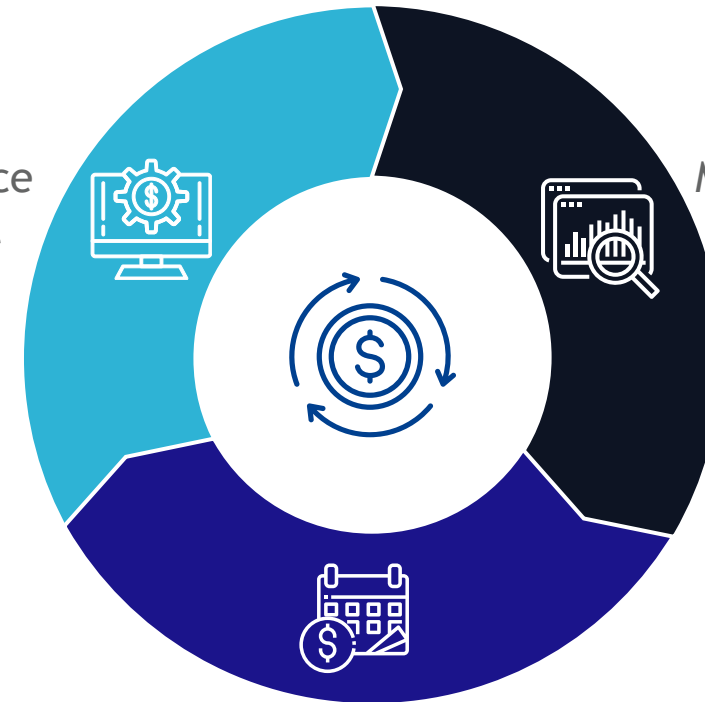
Per new device connection fee or per new device fee for X2M hardware

Recurring revenue

Monthly maintenance fee for support



Monthly SaaS fee for data delivered



Annual licensing fee per platform instance



X2M summary



Unique, world-leading, future-proofed IoT solution enabling smart cities and AI



Early mover advantage with significant barriers to entry and majority of customers with repeat orders



Addressable market is large and growing, with significant global potential



Clear path to profitability; recurring revenues growing strongly



Strong team leading the Company to the next horizon

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