

Investor Presentation



X2M launches '*Hive.AI by X2M*'

March 2025

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About X2M



X2M is positioned to be a major player in the fast-growing sectors of Artificial Intelligence and Enterprise Automation.



The Company has built proven, proprietary technology that is already commercialised.



X2M has a large addressable market that is being monetised with substantial upside.



New strategic partnerships with AI providers and Dicode Smart Connect Electronics have the potential to transform X2M into a globally scaled software provider.



The exit of low-margin hardware sales has materially driven down costs, improved margins and has set a new base line for growth.

What makes the X2M platform different



DATA

More efficient collection of data, better data, cheaper and faster



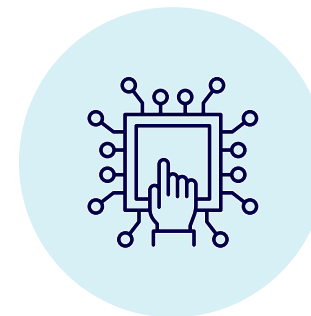
COMMUNICATIONS

Two-way communications from and to machines allowing human-free control



FLEXIBILITY

Unparalleled flexibility, fast speed to market, low capital requirements, point-of-sale differentiation



AI/ML

Large amounts of data for AI and machine learning automation applications



UNMET MARKET NEEDS

Compelling use cases across growing markets

X2M is in the third horizon of its strategy

Horizon 1 Build & commercialise

- ✓ Platform built & proven
- ✓ Extensive patent portfolio
- ✓ Multiple geographies
- ✓ Capability in place

Horizon 2 Land & Expand

- ✓ Large customer base & addressable market
- ✓ Repeat orders become material
- ✓ Connected devices growing
- ✓ Recurring revenues growing
- ✓ Cash burn reducing
- ✓ Costs reducing

Horizon 3 Capitalise on AI & data explosion

- ✓ Turn profitable
- ✓ Harvest current markets
- ✓ Whole of utility data aggregation
- ✓ Introduction of AI into utility and renewable energy sectors
- ✓ Expand in Australia
- ✓ Enter Middle East
- ✓ Enter India
- ✓ Exploring USA entry

X2M launches 'Hive.AI by X2M'

Entry into the renewable energy market in APAC region valued at US\$491 billion¹



World leading AI solution



Latest product 'Hive.AI by X2M' to launch a world leading AI solution for renewable energy companies leveraging partner AI/ML capabilities



Strategic partnership secured with Sirius Digitech siriusdigitech.ai



Proven technology



'Hive.AI by X2M' platform built to scale across geographies, making it the ideal solution for multinational energy giants



Product enables AI-driven insights that significantly improve operational efficiencies and energy revenue of renewable energy companies



Untapped revenue opportunity



Significant advantage in X2M's established market in the APAC region



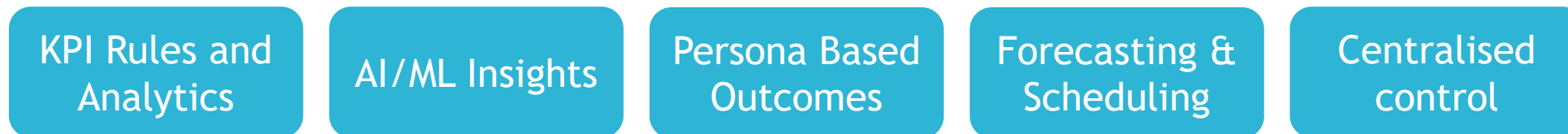
Build's X2M's recurring and SaaS revenues as its revenue stream adds application-based revenue to X2M's existing device-based revenues

¹. <https://www.marketresearchfuture.com/reports/apac-renewable-energy-market-21625>

'Hive.AI by X2M'

Our unique IoT platform creates data in a deep data lake and our AI/ML partners will leverage this to derive forecasts and insights critical to enhance performance and reduce risk and uncertainty associated with renewable energy assets

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X2M and Partner Applications



X2M Delivers Data

First commercial contract in Middle East

High-margin contract will generate first revenues in the region



Strategic partnership



Ten-year contract executed with Dicode Smart Connect Electronics (DSCE)



Contract will rollout of X2M's data aggregation platform, 'Vision by X2M' for gas operations in the United Arab Emirates



Exponential revenue and earnings



High-margin with revenues expected to exceed A\$250,000 during the first 12 months; first revenues expected to occur in the current financial year



X2M anticipates around A\$0.4 million EBITDA per annum for every 100,000 smart devices installed



First entry point into growing Middle East and Indian markets



Parties intend to expand this offering beyond the UAE into the broader Middle East region



DSCE been awarded its first commercial 'Metering-as-a-Service' contract by Dubai-based gas company, Ocean Gas with 8 other gas companies deployed or in progress

Addressable markets to expand materially with new market entries



Current geographies

- 250m people
- 104m households



Existing customers

- >10m households
- >\$500m revenue potential¹
- \$40m/annum annual recurring revenue²



New geographies

- 1.5B people
- 311m households
- \$625m/annum annual recurring revenue potential³

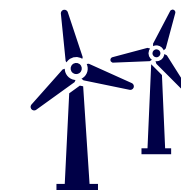
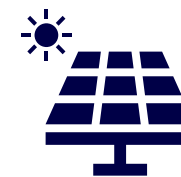
1. Assumes customer installs X2M current bundled services to all its households
 2. Assumes customer installs X2M SaaS services to all its households at various annual rates
 3. Assumes all households have X2M SaaS services installed at various annual rates

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New markets X2M is targeting: Renewable energy

APAC – RENEWABLE ENERGY

- 'Hive.AI by X2M' renewables management and energy management platform
- US\$491 billion market across APAC renewables
- Large scale solar market (estimated current) Taiwan 14 GW, South Korea 23 GW, Australia 11GW
- Large scale battery energy storage market (estimated 2030) Taiwan 5GW, South Korea 36GW, Australia 45GW
- New revenues in FY26
- Immediate opportunities in Taiwan
- Currently partnering with GreenRock and Sirius Digitech siriusdigitech.ai



New markets X2M is targeting: Gas & Electricity



UNITED ARAB EMIRATES – GAS

- X2M connected digital gas meters
- 2m households
- \$8m pa recurring revenue¹
- New revenue in FY25
- Recently launched with Dicode Smart Connect Electronics
- Expansion opportunities to Saudi Arabia and Oman
- UAE Government has mandated piped gas for new buildings



INDIA – GAS & ELECTRICITY

- X2M connected digital gas and electricity meters
- 250m households in Government program
- \$500m pa recurring revenue²
- New Revenue in FY26
- Immediate opportunity in electricity and likely opportunity in gas as the Indian government drives digitization
- X2M currently performing integration of platform with a large entity in India

1. Assumes installation of X2M SaaS services to all households at \$4 per meter per annum
 2. Assumes all households have X2M SaaS services installed at various annual rates

New markets X2M is targeting: Smart cities & USA



AUSTRALIA – SMART CITIES

- X2M connected digital gas meters
- 2.5m households
- \$25m pa recurring revenue¹
- New revenue in FY25
- Two smart estates in Victoria: 1,000 in Echuca, 800 homes Yarrowonga
- Large opportunity to increase sustainability in new and legacy communities



USA – WATER METERS

- X2M connected digital water meters
- 7.5m households (NY State only)
- 900m hardware upfront²
- \$30m pa recurring³ revenue
- New Revenue in FY26
- In early proof of concept trials with partner in NYC

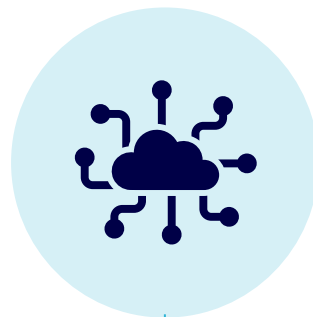
1. Assumes installation of X2M SaaS services to all households at \$10 per household per annum
 2. Assumes installation of X2M bundled hardware to all households at \$120 per household
 3. Assumes installation of X2M SaaS services to all households at \$4 per household per annum

X2M's solutions monetise each state of a customer's digitisation



HARDWARE

- ✓ Replacing dumb devices with smart devices.
- ✓ One-off fee per smart device



SOFTWARE

- ✓ Reading device data and enabling communication and control within the network.
- ✓ One-off connection fee per new device
- ✓ Recurring monthly fee



PLATFORMS

- ✓ Seamlessly manages flow of data and provides AI/ML based insights
- ✓ One-off installation and customisation fees
- ✓ Recurring annual fees per platform
- ✓ Ad-hoc maintenance and support fees

Markets and targeted revenue mix*

KOREA

- ✓ Hardware 85%
- ✓ Software 15%
- ✓ Platforms 0%

TAIWAN

- ✓ Hardware 40%
- ✓ Software 10%
- ✓ Platforms 50%

JAPAN

- ✓ Hardware 0%
- ✓ Software 100%
- ✓ Platforms 0%

UAE

- ✓ Hardware 0%
- ✓ Software 65%
- ✓ Platforms 35%

INDIA

- ✓ Hardware 0%
- ✓ Software 65%
- ✓ Platforms 35%

AUSTRALIA

- ✓ Hardware 80%
- ✓ Software 20%
- ✓ Platforms 0%

*Breakdown of revenue mix within each country being targeted over the next few years

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1H FY25 highlights

\$3.4m

Revenue

47%

Gross margin



Revenue of \$3.4m down 55% on previous corresponding period (pcp), reflecting a targeted strategy to exit low-margin hardware only sales and slower Korea market



Recurring SaaS and maintenance revenue of \$0.81m



Gross margin 47%, up 10 percentage points on pcp reflecting reduced low-margin hardware sales and product cost



Adjusted EBITDA¹ loss of \$1.5m, improved 15% on pcp



544,910 connected devices up 5% on pcp; 80 enterprise customers up 10% on pcp

(\$1.5m)

EBITDA¹

\$0.81m

Recurring SaaS

544,910

Connected devices

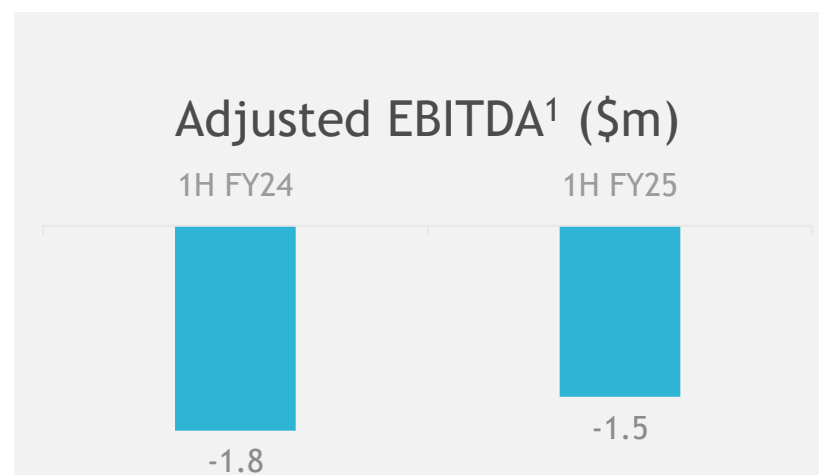
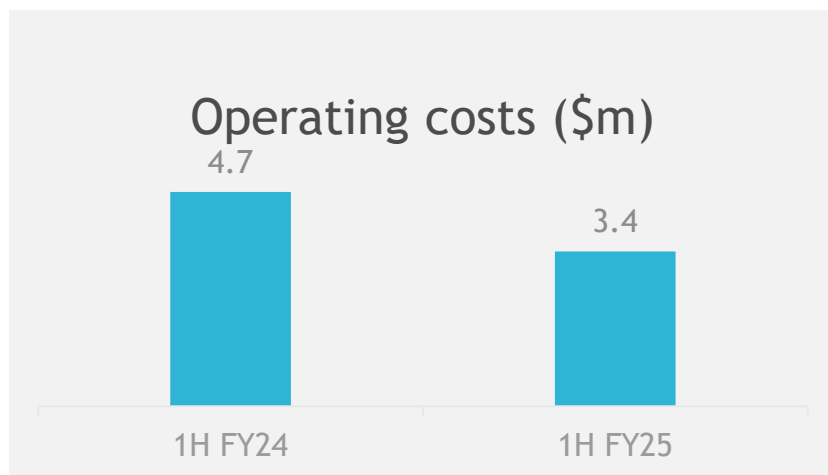
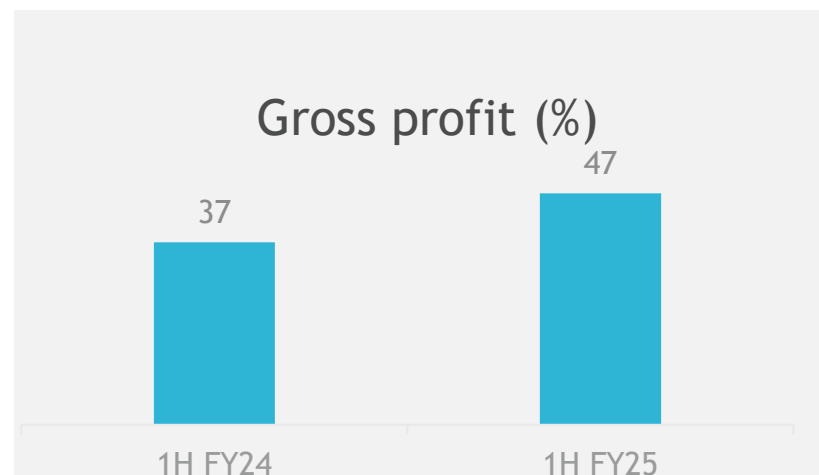
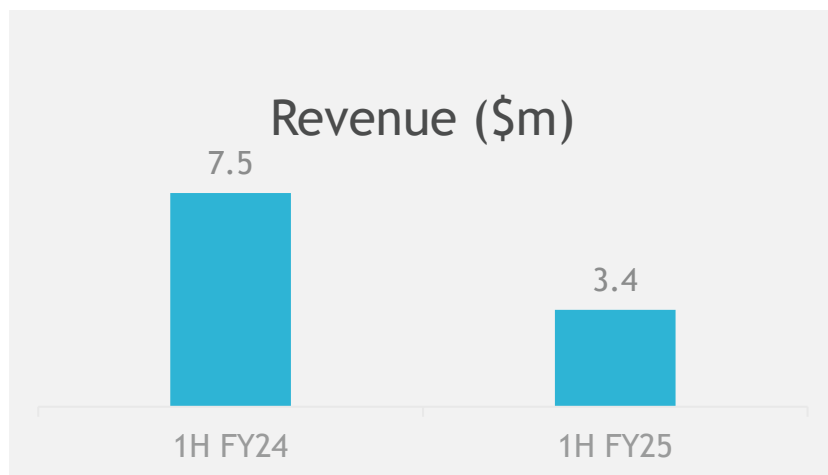
80

Enterprise customers

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

1H FY25 continues strategy to positive cashflow

Lower operating costs and improved margins have X2M on path to positive cashflow and earnings

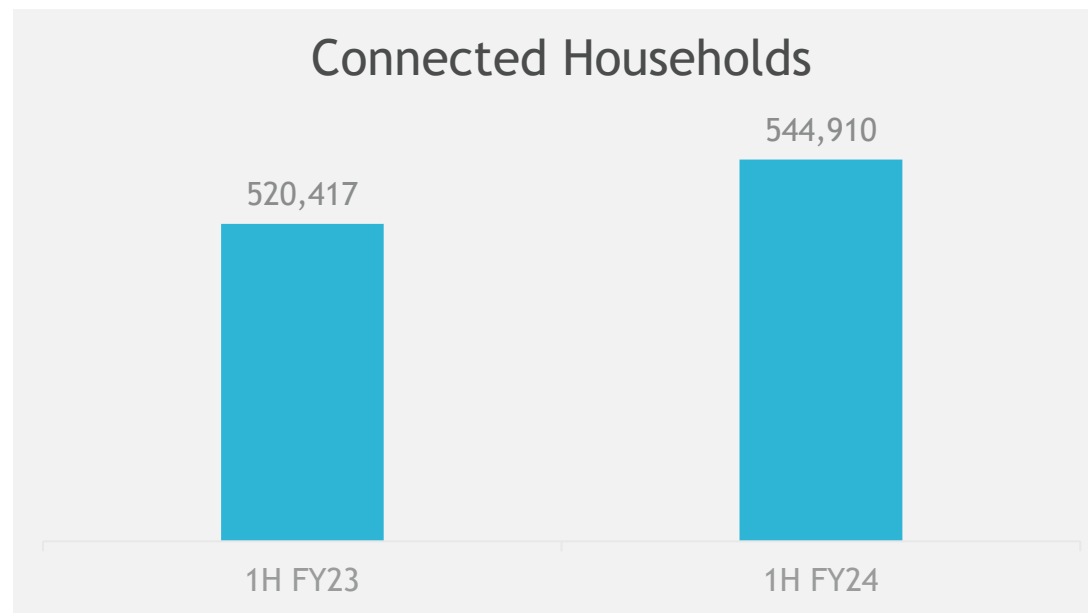
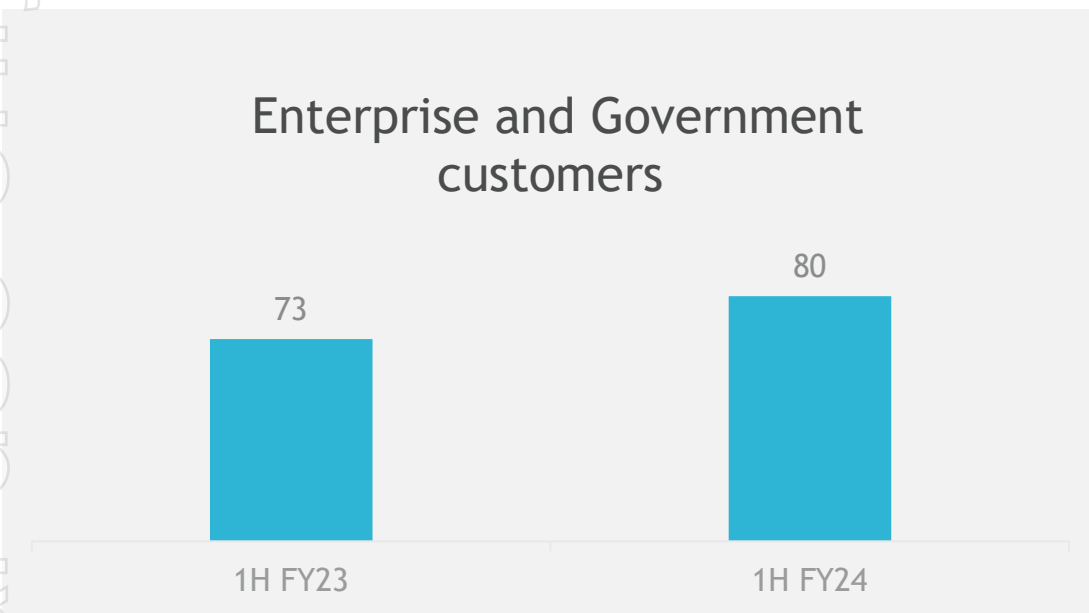


1. Adjusted EBITDA is a non IFRS measure and excludes Share based payments and one-off costs

Customer acquisition continues growth

Enterprise and government customers drive connected households which drive recurring revenues

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As X2M adds renewables and AI-based platform elements to the business, SaaS and maintenance revenues will begin to transition away from a dependence solely on connected device numbers.

Priorities over next 12 months



Revenue Growth

A return to revenue growth as we cycle corresponding periods without low-margin hardware sales



Balance Sheet

Progress towards positive cashflow and a strengthening of our balance sheet



New markets

Consolidating revenues from new markets in UAE and beyond

Why invest in X2M



Positioned to be a major player in the fast-growing sectors of AI and Enterprise Automation



Proven, proprietary technology that is already commercialised



Large addressable market that is being monetised with substantial upside



Potential transformation into globally scaled software provider with new strategic partnerships



Enhanced performance with exit of low-margin hardware sales setting a new base line for growth

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Appendix

X2M in the field. Our initial market – water in South Korea

Currently servicing 40 municipalities for water monitoring and control in South Korea

Capturing new government municipalities and repeat orders from existing customers through provision of improved:

- Billing and process automation
- Data analytics and customer profiling
- Leak detection and waste reduction
- Water quality management and public safety
- Improved service provision
- Infrastructure management



Water meters in underground pits with added communication capability

More than
240,000
households monitored and controlled

Total addressable market
\$950m hardware upfront¹
\$46m pa recurring²

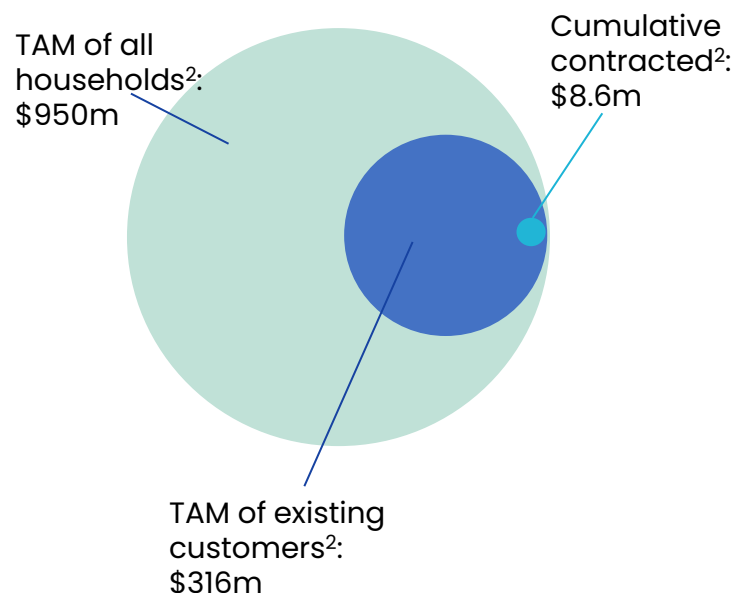
TAM of contracted customers
522m hardware upfront¹
25m pa recurring²

1. Assumes customer installs X2M current bundled services to all its households and based on \$120 per unit
2. Assumes customer installs X2M SaaS services to all its households at \$6 per household per annum

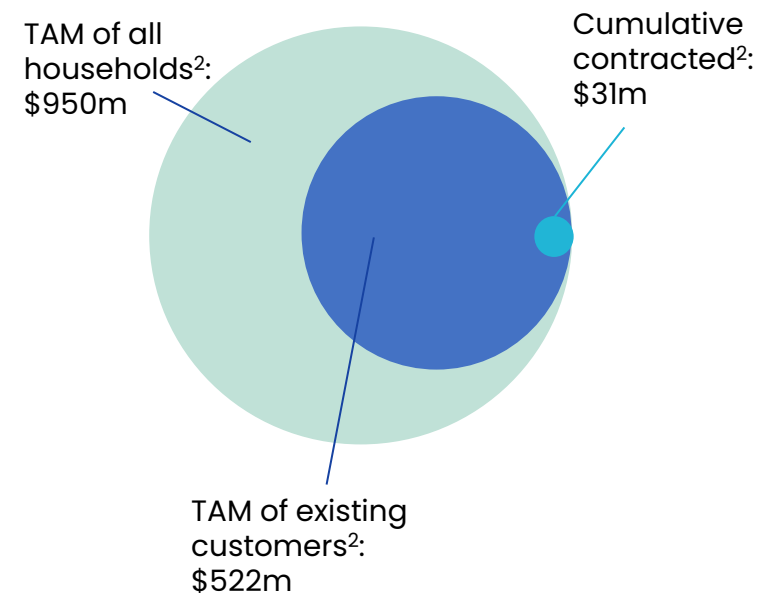
X2M is harvesting existing customer base

South Korea example

SOUTH KOREA MARKET – SEP 2021



SOUTH KOREA MARKET – JUN 2024



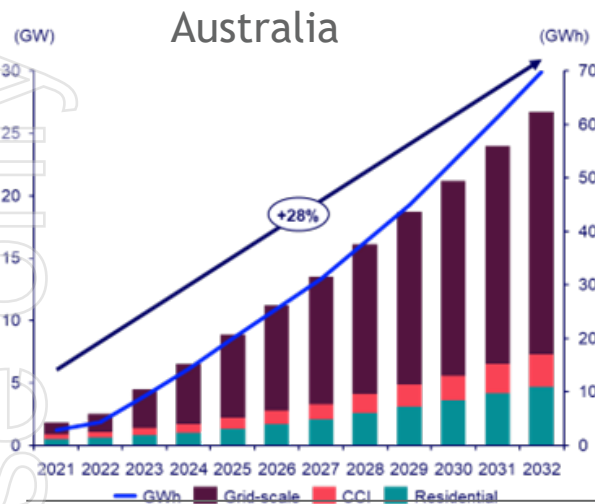
The TAM of X2M's existing customers has increased from \$A316 million to \$A522 million in thirty three months. An increase from 33% to 55% of the total South Korean market. Contracting of the customers' TAM, on average, has increased from 2.7% to 5.9%. Despite strong growth, overall penetration of customers TAM is low and augers well for future growth

1. Data as at 30 June 2024.
 2. South Korea total addressable market (TAM) and contracted values are based on Year 1 bundled revenues of A\$120 per device.

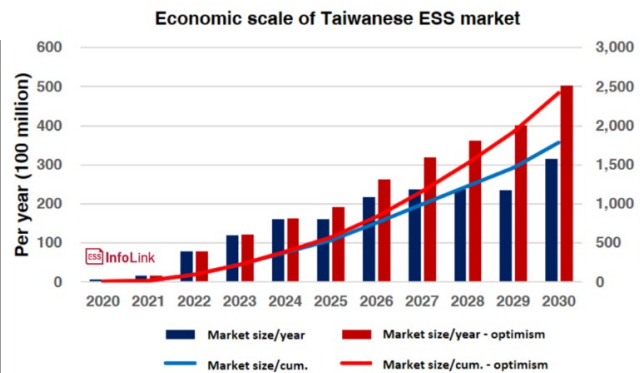
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Battery storage forecasts – underpin expansion of renewable energy strategy

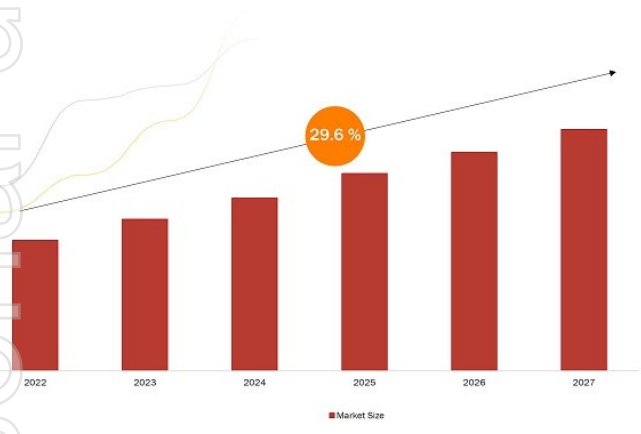
All forecasts show significant growth in the near future



“We expect a 28% increase in the country’s battery storage capacity from now until 2032,” said Kashish Shah, senior research analyst at Wood Mackenzie¹



Taiwan BESS Total Addressable Market²
 2023: NT\$10b (A\$500m)
 2026: NT\$20b (A\$1b)
 2030: NT\$ 200b (A\$10b)
 EMS software represents 2-3% of total spending equating to A\$15m in 2023, A\$30m in 2026, \$300m in 2030

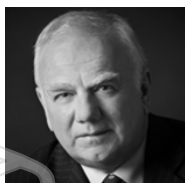


CAGR 29.6% expected in South Korea energy storage system market³

Japan has actively promoted the use of renewable energy sources and has set lofty targets for energy storage deployment. It has set a target of 3 to 4 gigawatts of battery storage capacity by 2030, demonstrating the government's commitment to the renewable energy sector.⁴

1. <https://www.woodmac.com/press-releases/australia-leads-global-market-for-battery-energy-storage-systems/>
 2. <https://www.infolink-group.com/energy-article/Taiwan-could-hit-20-GWh-energy-storage-and-200-bn-economic-scaleby-2030>
 3. <https://www.marketsandmarkets.com/PressReleases/south-korea-battery-energy-storage-system.asp>
 4. <https://www.sphericalinsights.com/reports/japan-battery-energy-storage-market#>

X2M Team and Corporate Snapshot



Hon. Alan Stockdale AO | Non-Executive Chair

- Currently Emeritus Counsel of Medical Research Commercialisation Fund and Chairman Knosys Limited
- Previously Treasurer of Victoria, as well as Investment banking at Macquarie



Mohan Jesudason | CEO and Managing Director

- 11 years leading the X2M business
- Previously Managing Director Gaming at TABCORP, led Telecom NZ mobiles business and grew AXA/AMP to leading positions in the market



Damien Johnston | Non-Executive Director

- Formerly CFO of Tabcorp
- Held several senior finance roles at BHP
- Fellow of CPA Australia and a Member of the Australian Institute of Company Directors



John Stewart | Non-Executive Director

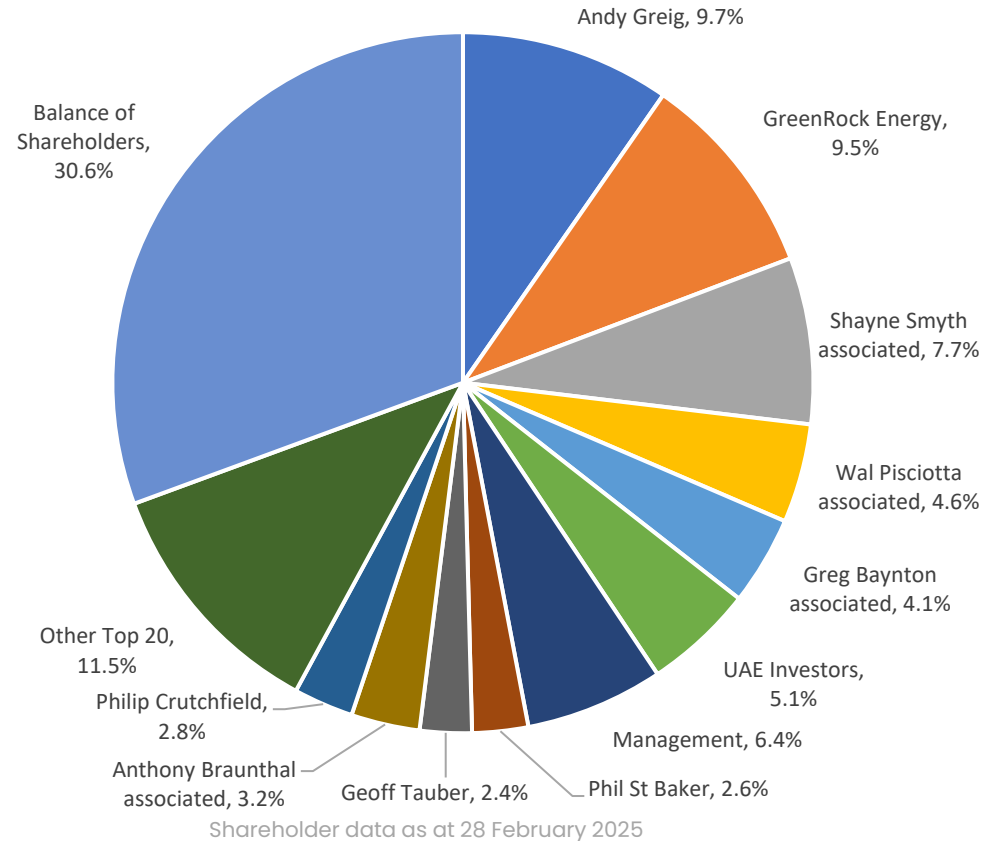
- Extensive Investment banking experience at Gresham, Lazard & JP Morgan
- Founder and Managing director at Health&
- Bachelor of Laws (Honors), Bachelor of Commerce from the University of Melbourne



Keith Jelley | COO

- 10 years in the X2M business
- 40 years of development and operations experience across 9 countries in military, telecommunications and embedded systems industries

INFLUENTIAL SHAREHOLDERS



Shares on issue: 361 million

Market Cap: \$7.57 million

Cash at 30 Dec 2024: \$0.7 million

Debt at 30 Dec 2024: \$4.6 million

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