



Introducing X2M Connect Limited (ASX:X2M) Investor Presentation

July 2025

Executive Summary

Business update

- Total value of contracts X2M has secured in South Korea during the fourth quarter of FY25 and scheduled for delivery before December 2025 now exceeds \$5.5 million
- Important strategic partnership with Sirius Digitech has taken core business into AI and renewable solutions, currently applying in Taiwan
- Expansion in UAE through partnership with Dicode Smart Connect Electronics, with first revenues now recognised
- Recent addition of public safety vertical in South Korea, significantly expanding addressable markets
- Significant momentum entering FY26 with new contracts, reduced debt and strong balance sheet

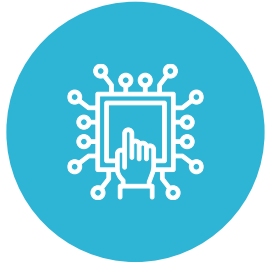
Placement and Entitlement Offer

- Placement raising ~A\$2.6 million at an issue price of A\$0.013, per new Share represents a 28% discount to the last closing share price as at 10 July 2025. Placement led by Cygnet Capital
- Entitlement Offer to existing shareholders on a 2 for 5 entitlement basis and on the same terms as the Placement, raising up to approximately \$2.3 million through the issue of up to approximately 174 million Shares
- Participants in the Placement and the Entitlement Offer will receive one free unlisted Option for every New Share subscribed for, with Options having an exercise price of \$0.016 and an expiration date of 31 December 2027. Options are free attaching such that they are being issued for nil additional cash consideration
- Funds raised from the Placement and Entitlement Offer will substantially strengthen X2M's balance sheet with majority of Company debt to be paid down
- Funds will drive stronger business momentum and growing addressable market opportunities for X2M across Australia and new markets in renewable energy and AI as well as numerous potential public safety applications

About X2M



X2M has developed a world leading technology platform for monitoring and control of connected devices and producing data for advanced AI and machine learning applications, harnessing vast data volumes to deliver predictive insights



Core Product

IoT platform that transforms traditional devices into intelligent, connected assets, enabling real-time data exchange and remote control



2 Global Markets

Utilities and Renewables



AI/ML

X2M has evolved from smart metering to meet growing global demand for data-driven solutions across industries



5 Primary Geographies

Australia, Japan, South Korea, Taiwan, UAE



Customers

Government, utility companies, renewable energy operators



40+ Patents

Proven, proprietary technology already commercialised

Why X2M?

Growth drivers for shareholder return



Leading Market Technology

- World-leading, patent-protected technology platform
- Unrivalled data collection capability
- Able to communicate across devices on multiple technologies
- Ability to scale the platform to other market segments



Growing number of customers

- Significant partnerships with new players that can transform company
- Increasing global appetite for smart meters as product more efficient and resilient than current legacy hardware
- Growing enterprise and government customer base
- Connected households expected to grow strongly



Strong Financials

- Revenue and EBITDA expected to grow strongly as global take up of smart devices and renewables accelerates
- Healthy cash flows expected to be generated as enterprise and government demand increases
- Recapitalised with minimal debt



Competitive Advantage

- First mover advantage
- Able to immediately service customer demand for data aggregation platform
- One of a handful of global companies with fully integrated IoT and AI stack specifically designed for utilities and renewable energy

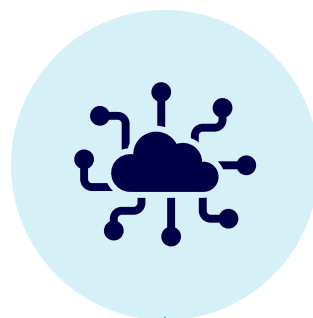
How does X2M make money?

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



HARDWARE

- ✓ One-off fee per smart device
- ✓ Hardware sales being progressively phased out in many markets*



SOFTWARE

- ✓ One-off connection fee per new device
- ✓ Recurring monthly fee



PLATFORMS

- ✓ One-off installation and customisation fees
- ✓ Recurring annual fees per platform
- ✓ Ad-hoc maintenance and support fees

**X2M is phasing out hardware device sales to concentrate on higher-margin SaaS. This in turn will result in stronger financials and accelerate EBITDA growth*

One platform. 40 patents. 14 countries. Multiple applications

'Vision by X2M'

Digitising utilities

- Enabling 'smart' meters and sensors with communications capability
- Delivering rich data from and to devices
- 'Human-free' control of meters and sensors
- Automating of manual processes
- Deep customer insights
- Compelling use cases and public safety applications

'Hive.AI by X2M'

Bringing AI to renewables

- Gathering data into a large "data lake"
- Holding information from internal and external sources
- Delivering a range of AI (Artificial Intelligence) and ML (Machine Learning) applications from one platform
- Use cases built on revenue increase, operational cost optimisation and asset utilisation

YTD 3Q FY25 Result Highlights

\$4.8m

Revenue

47%

Gross margin

(\$2.5m)

EBITDA¹

\$1.1m

ARR

529,178

Connected devices

82

Enterprise
customers



Revenue of \$4.8m down 57% on previous corresponding period (pcp), reflecting a targeted strategy to exit low-margin hardware only sales and soft market conditions



Annualised recurring SaaS and maintenance revenue of \$1.1m



Gross margin 47%, up 12 percentage points on pcp reflecting reduced low-margin hardware sales and product cost



Adjusted EBITDA¹ loss of \$2.5m, flat on pcp



82 enterprise customers up 11% on pcp

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

Fresh capital to accelerate growth

897m
Shares

683m
Options

\$0.7m
Debt

- X2M has just completed a recapitalisation and debt reduction exercise with the indicated anticipated Capital Structure¹ following recapitalization
- Poised for substantial growth through existing and developing markets

1. The anticipated capital structure assuming all announced capital raising completed and significant debt settled

X2M Strategy

X2M is entering the third horizon of its strategy

Horizon 1 Build & commercialise

Horizon 2 Land & Expand

- ✓ Platform built & proven
- ✓ Large customer base & addressable market
- ✓ Recurring revenues growing
- ✓ Cash burn reducing
- ✓ Costs reducing

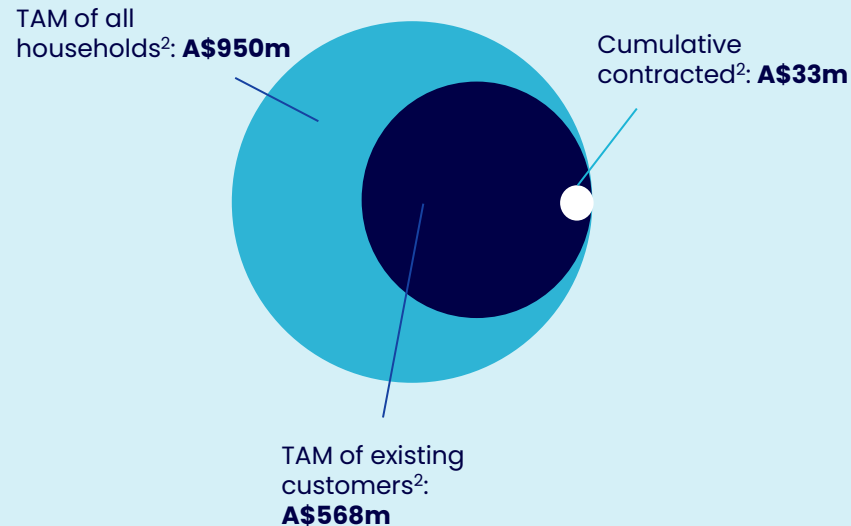
Horizon 3 Capitalise on AI & data explosion

- ✓ Turn profitable
- ✓ Harvest current markets
- ✓ Multiple sector aggregation
- ✓ Introduce AI into utility and renewable sectors
- ✓ Expand in Australia
- ✓ Enter Middle East
- ✓ Enter India
- ✓ Explore USA entry

Value in converting existing customer TAM

TAM of existing customers in South Korea: A\$568M market² with A\$28M recurring revenue p.a³

SOUTH KOREA MARKET – MARCH 2025



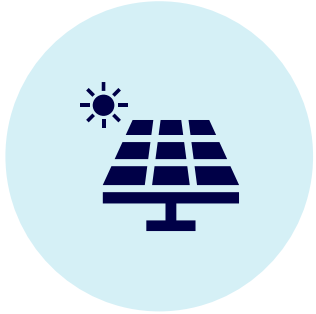
- The TAM of X2M's existing customers has increased to A\$568 million from A\$316 million in 40 months or to 60% of the total South Korean market.
- Contracting of the customers' TAM, on average, has increased to 5.8% from 2.7%.
- Despite strong growth, overall penetration of customers TAM is low and augurs well for future growth as customers secure ongoing funding for further repeat orders.

1. Data as at 31 March 2025

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

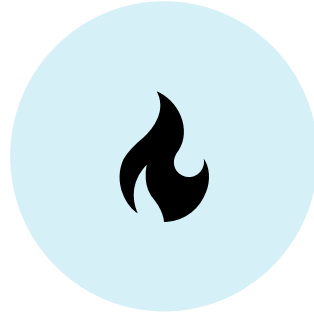
3. Assumes customer installs X2M SaaS services to all its households at various annual rates

New markets X2M is targeting



APAC \$US491 billion APAC market for renewable energy³

- 'Hive.AI by X2M' renewables & energy management platform
- Renewable energy has numerous distinct segments, each with growing TAMs
- Immediate opportunity in Taiwan



UAE US\$8 million recurring revenue¹ p/a across UAE gas

- Digital gas meters
- **2m** households
- Expansion opportunities to Saudi Arabia & Oman
- Government mandated piped gas for new buildings to be fitted with smart meters
- Potential for other verticals



INDIA \$US500 million recurring revenue¹ p/a across Indian gas & electricity

- Digital gas and electricity meters
- **250m** households
- Strong government support for digitisation
- X2M currently performing integration of platform with a very large entity in India



AUSTRALIA \$A25 million recurring revenue¹ p/a for Australian smart cities

- Digital gas and water meters, smart communities
- 2.5m households
- Two smart estates in Victoria: 1,000 in Echuca, 800 homes Yarrawonga
- Opportunity to increase sustainability in new and legacy communities








NY STATE \$A30 million recurring revenue¹ p/a across NYS water

- Digital water meters
- **7.5m** households NY State
- **A\$900m** hardware upfront²
- **A\$30m** pa recurring revenue¹
- In early proof of concept trials with partner in NYC

1. Assumes all households have X2M SaaS services installed at various annual rates
2. Assumes installation of X2M bundled hardware to all households at \$120 per household
3. <https://www.marketresearchfuture.com/reports/apac-renewable-energy-market-21625>

Enduring and meaningful partnerships

Partner	Region	Market	Services	Opportunity
	APAC	Renewable energy	Launching world leading platform, 'Hive.AI by X2M', for renewable energy optimisation and management	Taking AI into the renewable energy market in APAC region valued at US\$491B ¹ . Builds recurring revenue adding application-based revenue to X2M's existing device-based revenues
	UAE & the Middle East	Gas	Licensing of a platform and software for large gas companies in the Middle East. 10-year contract	High-margin with revenues expected to exceed A\$250,000 during the first 12 months – first revenues occurred in FY25 . X2M anticipates around A\$0.4 million EBITDA per annum for every 100,000 smart devices installed
Major Indian conglomerate	India	Utilities	A software and platform to support the Indian government's smart metering deployment	More than 250 million households need to have digitised metering installed for electricity and potentially gas
	Taiwan	Energy	Energy management platform for battery storage systems	A large number of solar and battery farms are looking for energy management system solutions aggregated into one central control system
	Australia	Smart communities	Energy management system including battery owner for smart communities	Large number of greenfields estates provide many opportunities for smart communities
Government and private	Korea	Utilities	Monitoring and control for water	Large TAM available from existing customers for digitisation
	Japan	Gas	Monitoring and logistics management	Large TAM available in LPG management

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

Placement and Entitlement Offer details

Structure	<ul style="list-style-type: none">• X2M launched a Placement and Entitlement Offer to raise up to \$4.9 million• The Placement for approximately 200 million Shares will raise approximately \$2.6 million and is led by Cygnet Capital• The Entitlement Offer expected to raise up to approximately \$2.3 million through the issue of approximately 174 million shares with Cygnet Capital the lead manager
Offer price	<ul style="list-style-type: none">• Placement issue price of \$0.013 per new share, representing a 28% discount to the last closing share price as at 10 July 2025• Entitlement Offer to existing shareholders on a 2 for 5 entitlement basis is on the same terms as the Placement. Cygnet Capital has the right to place any Entitlement Shares not taken up• Participants in the Placement and Entitlement Offer will receive one free unlisted Option for every New Share subscribed for, with Options having an exercise price of \$0.016 and an expiration date of 31 December 2027• The Options are free attaching – being issued for nil additional cash consideration
Use of proceeds	<ul style="list-style-type: none">• Balanced sheet will be strengthened substantially through the Placement and Entitlement Offer• Majority of Company debt will be paid down from the proceeds and other sources• Proceeds will also be used to driver stronger business momentum and growing addressable market opportunities
Timetable	<ul style="list-style-type: none">• Record date for the Entitlement Offer – 18 July 2025• Closing date of the Entitlement Offer – 1 August 2025• Announcement of results of Entitlement Offer – 8 August 2025• Quotation of Shares issued under the Offer and New Options issued under the Entitlement Offer – 11 August 2025

Use of funds

Category	Amount (\$ m)
Repayment of Debt	2.0
Platform enhancements for AI	1.0
Australian Market Development	0.5
New Market Development	0.6
Expenses of the Offer ²	0.3
Working Capital	0.5
Total	4.9

1. Indicative only. Numbers may not add due to rounding.

Timetable

Key events	Indicative dates (subject to change)
<ul style="list-style-type: none"> • Announcement of Placement and Offer • Lodgement of Appendix 3B with ASX • Lodgement of Prospectus with ASIC and ASX 	15 July 2025
<ul style="list-style-type: none"> • Ex date 	17 July 2025
<ul style="list-style-type: none"> • Record Date for the Offer 	18 July 2025 (5:00pm AEST)
<ul style="list-style-type: none"> • Entity sends Prospectus to eligible shareholders • Company announces the despatch has completed • Opening Date for Offer 	23 July 2025
<ul style="list-style-type: none"> • Last day to extend Offer closing date 	Before 12:00pm (AEST) 29 July 2025
<ul style="list-style-type: none"> • Closing Date of the Offer 	1 August 2025 (5:00pm AEST)
<ul style="list-style-type: none"> • Securities quoted on a deferred settlement basis 	4 August 2025
<ul style="list-style-type: none"> • Announcement of results of Offer 	Before 12:00pm (AEST) 8 August 2025
<ul style="list-style-type: none"> • Lodge Appendix 2A for Securities issued 	8 August 2025 (no later than 12:00pm AEST)
<ul style="list-style-type: none"> • Quotation of Shares issued under the Offer and New Options issued under the Offer 	11 August 2025

Summary



First mover advantage in data aggregation, automation and AI space



World-leading, patent protected platform meeting growing market appetite for smart technology



Large addressable market that is being monetised with strong strategic partnerships



Able to immediately service customer demand for data aggregation platform and scale to other markets



Growing enterprise and government customer base

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