

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 7, 2025 (April 3, 2025)

CXApp Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-39642 (Commission File Number)	85-2104918 (I.R.S. Employer Identification No.)
Four Palo Alto Square, Suite 200 3000 El Camino Real Palo Alto, CA (Address of principal executive offices)	(650) 785-7171 (Registrant's telephone number, including area code)	94306 (Zip Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	CXAI	The Nasdaq Stock Market LLC
Warrants to purchase common stock	CXAIW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

INTRODUCTORY NOTE

References throughout this Form 8-K to “we,” “us,” the “Company” or “our company” are CXApp Inc., unless the context otherwise indicates.

Item 2.02 Results of Operations and Financial Condition.

Attached hereto as Exhibit 99.1 is a press release (the “Earnings Press Release”) issued by the Company on April 3, 2025, announcing its financial results for the fourth quarter ended December 31, 2024 and the fiscal year ended December 31, 2024. The Company held a webcast and conference call on Thursday, April 3, 2025 (the “Earnings Presentation”). The Earnings Presentation is attached hereto as Exhibit 99.2. The Earnings Press Release and Earnings Presentation are incorporated by reference into this Item 2.02, and the foregoing description of the Earnings Press Release and Earnings Presentation is qualified in its entirety by reference to this exhibit. The information furnished pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and will not be incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), unless specifically identified therein as being incorporated therein by reference.

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

During the preparation of its consolidated financial statements for the fiscal year ended December 31, 2024, the Company identified technical accounting deficiencies in its previously issued unaudited condensed consolidated financial statements for the quarters ended June 30, 2024 and September 30, 2024. The technical accounting deficiencies relate to the (i) accrual of legal expenses and (ii) identification of embedded derivatives in a convertible debt instrument. As such we are restating the financial statements of as of and for the periods ended June 30, 2024 and September 30, 2024 to align with Generally Accepted Accounting Principles. This restatement relates solely to non-operational, retrospective adjustments and does not reflect changes in business performance, revenue recognition, or operational execution. Our core financial results, product delivery, and strategic trajectory remain unchanged. This action underscores our proactive approach to ensuring the highest standards of financial transparency and regulatory alignment.

Accrual of Legal Expenses

During the quarter ended September 30, 2024, the Company recorded an accrual for legal expenses based on estimates available at the time. In the quarter ended December 31, 2024, upon receipt of the final invoice from legal counsel for services rendered throughout the year, management identified that the previously recorded accrual was understated and subsequently made an adjustment to reflect the actual amount due.

Accounting for Convertible Debt Instrument

The Company identified a deficiency in the accounting methodology for its convertible debt instrument. Specifically, the Company did not account for embedded derivatives in its convertible note in accordance with ASC 815, “Derivatives and Hedging.” The Company revised its accounting treatment at the inception of the convertible debt instrument by electing the fair value option under ASC 825, “Financial Instruments,” thereby accounting for the instrument at fair value.

Restatement of Unaudited Condensed Financial Statements

The Company’s management and the Audit Committee of the Company’s Board of Directors have concluded that the previously issued unaudited condensed consolidated financial statements as of and for the periods ended June 30, 2024 and September 30, 2024, as included in the Company’s Quarterly Reports on Form 10-Q for such periods should no longer be relied upon and that it is appropriate to restate such financial information. Accordingly, the Company has restated the unaudited condensed consolidated financial statements for the periods ended June 30, 2024 and September 30, 2024 (collectively, the “Restated Financial Statements”). The unaudited consolidated financial statements for the period from March 15, 2023 through December 31, 2023 and for the period from January 1, 2023 through March 14, 2023 were not affected by these adjustments. As such, the Company will incorporate the impact of the Restated Financial Statements into its Form 10-K for the fiscal year ended December 31, 2024 (the “Restatement Filing”).

The Company’s management and the Audit Committee have discussed the matters disclosed in this Current Report on Form 8-K pursuant to this Item 4.02 with WithumSmith+Brown, P.C., the Company’s independent registered public accounting firm.

Controls and Procedures

The Company’s management has concluded that a material weakness exists in the Company’s internal control over financial reporting and that the Company’s disclosure controls and procedures were not effective.

The Restated Financial Statements did not have any impact on the Company’s liquidity, cash flows, costs of operations in the period included in Item 8, Financial Statements and Supplementary Data in the Restatement Filing. The Restated Financial Statements do not impact the amounts previously reported for the Company’s cash, operating expenses or total cash flows from operations for the affected period.

We will provide further specifics on the deficiencies in our internal control over financial reporting and our disclosure controls and procedures, and our plan for remediation, in the Restatement Filing.

Item 7.01 Regulation FD Disclosure.

Item 2.02 above is incorporated herein by reference.

A copy of the Earnings Press Release and the Earnings Presentation is attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K. The information in this Item 7.01 of this Current Report on Form 8-K, including the Earnings Press Release and the Earnings Presentation attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, is being furnished pursuant to Item 7.01 and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act, except as expressly set forth in such filing.

Forward-Looking Statements

This report contains forward-looking statements within the meaning of the federal securities laws, including, without limitation, statements regarding the Company’s expectations and preliminary estimates of the impact of the restatement on the Company’s prior financial statements; the scope of the restatement and the controls and procedures deficiencies; the belief that the restatement will not affect any other GAAP or non-GAAP measure other than as specified in this Current Report on Form 8-K; the timing of the completion of the restatement and the filing of the Restatement Filing; plans to remediate the deficiencies, including the material weakness, with respect to the Company’s internal control over financial reporting and disclosure controls and procedures; the impact of these matters on the Company’s performance and outlook; expectations concerning the Company’s performance and financial outlook; and any statements or assumptions underlying any of the foregoing. You can identify forward looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “if,” “anticipate,” “estimate,” “expect,” “project,” “plan,” “intend,” “believe,” “may,” “will,” “should,” “likely” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future events. We cannot assure you that future developments affecting us will be those that we have anticipated. Important risks and uncertainties that could cause actual results to differ materially from our expectations include, among others, risks related to the timely and correct completion of the restatement and related filings; identification of errors in our financial reporting in the future that require us to restate previously issued financial statements, which may subject us to unanticipated costs or regulatory penalties and could cause investors to lose confidence in the accuracy and completeness of our financial statements; the risk that additional information may become known prior to the expected filing with the SEC of the periodic reports described herein or that other subsequent events may occur that would require the Company to make additional adjustments to its financial statements or delay the filing of the corrected or future periodic reports with the SEC; risks related to changes in the effects of the restatement on the prior financial statements or financial results; risks related to higher than expected charges after completing the restatement process; risks related to delays in the filing of the prior financial statements; risks related to our ability to implement and maintain effective internal control over financial reporting in the future, which may adversely affect the accuracy and timeliness of our financial reporting; risks related to changes to accounting rules or regulations; risks related to fluctuations in our tax obligations and effective tax rate and realization of our deferred tax assets, including net operating loss carryforwards, which may result in volatility of our results of operations; risks related to the Company’s plans to remediate any control and procedures deficiencies; risks related to the timing and results of the Company’s review of the effectiveness of internal control over financial reporting and related disclosure controls and procedures; risks related to whether a restatement of financial results will be required for other accounting issues; risks related to the application of accounting or tax principles in an unanticipated manner; risks related to our dependence on key personnel and any changes in our ability to retain key personnel; as well as those risks and uncertainties disclosed under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s most recent Form S-1, Form 10-K and Form 10-Q filed with the Securities and Exchange Commission, and similar disclosures in subsequent reports filed with the SEC, which are available on our investor relations website at ir.cxapp.com and on the SEC website at www.sec.gov. Any forward-looking statement made by us in this release speaks only as of the date on which we make it. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Earnings Press Release, dated April 3, 2025
99.2	Earnings Presentation, dated April 3, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CXApp Inc.

Date: April 7, 2025

By: /s/ Khurram P. Sheikh

Name: Khurram P. Sheikh

Title: Chairman and Chief Executive Officer



CXApp Inc.

CXApp Inc. (Nasdaq: CXAI) Reports Record Business Performance for 2024 and Momentum of Agentic AI based CXAI Platform

**Transformation to an AI-centric Subscription Application Business
Successful deployment of New Products CXAI Kiosk and CXAI VU**

PALO ALTO, CA / ACCESSnewswire / April 3, 2025 / CXApp Inc. (Nasdaq: CXAI), the global technology leader in employee workplace experiences announced its Q4 2024 and Annual 2024 financial results and update on its state-of-the-art technology platform **CXAI** (“Sky”).

Chairman and CEO Khurram Sheikh commented, “Agentic AI is transformational to employee experiences and 2024 has been a transformational year for the Company on both the business and product side. The CXAI platform anchored on customer experience (CX) and artificial intelligence (AI) is the most advanced technology solution solving the biggest problems in our industry post the pandemic – the Return to Office (RTO) and Employee Engagement. Our team has completed the product transformation to a single code base and streamlined our cost structure resulting in a profitable CXAI 1.0 application business and now we are investing in Agentic AI for the massive opportunity to reshape the whole market for employee experiences”.

The annual financial metrics for the Company in 2024 demonstrated significant progress for the year driven by a major transformation of the business metrics towards a true subscription platform business:

- **ARR (Annual Recurring Revenue) Growth: Double Digit** Growth in recurring revenue from 2023
- **Subscription to One time Revenue split: 87%** in 2024 from 78% in 2023 - leading to more recurring revenue
- **Net Revenue Retention (NRR): 101%** from 73%- higher recurring revenue retention
- **Gross Margin (GM): 82%** from 78%- more profitable revenue
- **Opex and EBITDA: 20%** Reduction in Expenses and **30%** increase in EBITDA

“Overall, the company has seen a major improvement in financial metrics year-over-year. Our strong performance demonstrates the effectiveness of our shift toward a subscription-based model and our focus on creating value through scalable, recurring revenue,” said Joy Mbanugo, Chief Financial Officer of CXApp “With 87% of revenue now derived from subscriptions this year and an NRR>100% with healthy gross margins, we’re positioning CXApp for consistent, sustainable growth that aligns with the evolving needs of our clients. Moreover, we are coming into 2025 with a strong balance sheet with access to capital that provides us financial stability as well as capability to fund our growth initiatives”.

The Company made amazing progress on customer adoption and employee engagement with large enterprise clients in 2024, some key highlights:

- We successfully enabled a single code-base solution to all existing customers, now called **CXAI 1.0** – this resulted in acceleration of feature upgrades as well as massive optimization of cost structures
- One of our largest customers increased their ARR by **>100%** YoY and have significant plans to scale up their offering to all campuses globally
- We completed the first deployment of the brand new **CXAI 2.0** platform at a leading financial services customer last quarter. This includes the trifecta CXAI platform offering of CXAI App, **CXAI BTS** (rule engine and content management system) and **CXAI VU** (analytics engine)

- We completed the deployment of our brand new product **CXAI Kiosk** at the headquarters of a technology leader in Silicon Valley that is critical to their RTO
- We are deploying an AI-based localization capability in partnership with Google Cloud to a major client in the entertainment industry that will be rolled out for all major customers in 2025
- Our partnership with Google Cloud is at the strategic partner level that is allowing us early access to AI models and tools that are powering our rapid development and deployment of new products like CXAI VU delivered in 2024 as well as our aggressive roadmap of Agentic AI offerings in 2025

Khurram Sheikh, Founder, Chairman and CEO of CXApp, Inc. expressed confidence on the Company's performance, "We are excited to have achieved significant milestones in product delivery to meet our customers' expectations that has resulted in continued growth over the past year leading to our best financials to date. The amazing innovations from our team with our analytics platform CXAI VU and the unique CXAI Kiosk position us well for 2025 to exceed our customer's expectations to provide the best employee experience solution in the market."

Khurram Sheikh concluded, "RTO is a multi-billion problem and with our CXAI platform we are leading the industry with a disruptive offering. We're leveraging cutting-edge AI technology to enhance productivity, engagement, and efficiency in the enterprise. Our new generative AI capabilities allow us to automate complex workflows and offer our customers intelligent solutions that drive measurable outcomes solving real world problems. Some of the largest brands in the world in the Fortune 500 are our clients and we are working with as partners to solve their problems and their commitment to renew and expand with us establishes us as the leader in this emerging market.

"We believe 2025 will be a banner year for the Company as we see significant expansion demand from existing customers for scaling our products in their footprint as well as new enterprise clients in our target markets. With our Silicon Valley based technology team and Global customer success teams delivering amazing products and experiences today, we are well-prepared to deliver on our commitments to shareholders, clients, and the broader market as the era of Agentic AI for employee experiences is realized."

We invite stakeholders, potential clients, and the media to join us on this exciting journey into the future of work. We are planning our annual Investor Day in May 2025 where we provide further details on our new product offerings as well as customer case studies on how CXAI is shaping our clients employee experiences and will keep investors updated on the final date and location. Sign up for our email list to stay updated on CXAI announcements and discover how our partnerships are setting new standards for employee experience innovation. For more information on how to engage with CXAI, including upcoming events, webinars, or demonstrations, please visit our website www.cxapp.com

The release is for informational purposes only and is neither an offer to purchase, nor a solicitation of an offer to sell, subscribe for or buy, any securities, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.

About CXApp Inc.

CXApp Inc., is the global technology leader in employee workplace experiences. The Company is headquartered in the SF Bay Area and operates the CXAI SaaS platform that is anchored on the intersection of customer experience (CX) and artificial intelligence (AI) providing digital transformation for the workplace for enhanced experiences across people, places and things.

CXApp's customers include major Fortune 1000 Global Companies in the technology, financial services, consumer, healthcare, and media entertainment verticals.

www.cxapp.com

CXApp Inc.: marketing@cxapp.com

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the Company may differ from its actual results and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," or the negative or other variations thereof and similar expressions are intended to identify such forward looking statements. These forward-looking statements include, without limitation, expectations with respect to future performance of the Company, including projected financial information (which is not audited or reviewed by the Company's auditors), and the future plans, operations and opportunities for the Company and other statements that are not historical facts. These statements are based on the current expectations of the Company's management and are not predictions of actual performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Factors that may cause such differences include, but are not limited to: the impact of the COVID-19 pandemic on our business, operations, results of operations and financial condition, including liquidity for the foreseeable future; the demand for the Company's services together with the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors or changes in the business environment in which the Company operates; changes in consumer preferences or the market for the Company's services; changes in applicable laws or regulations; the availability or competition for opportunities for expansion of the Company's business; difficulties of managing growth profitably; the loss of one or more members of the Company's management team; loss of a major customer and other risks and uncertainties included from time to time in the Company's reports (including all amendments to those reports) filed with the SEC. The Company cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this communication.

SOURCE: CXApp Inc.

Topic: Earnings

CXAI

FY24 & Q4 Earnings Call

Employee Experiences

April 3rd, 2025



Pronounced SKY





Disclaimer

General

This presentation has been prepared by CXApp Inc. ("CXApp") and is made for informational purposes only and does not constitute an offer to sell or a solicitation to offer to buy securities, nor shall there be any sale of any securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any state of jurisdiction.

Safe Harbor Statement under the Private Securities Litigation Act

All statements in this presentation that are not based on historical fact are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. While management has based any forward-looking statements included in this presentation on its current expectations, the information on which such expectations were based may change. Statements containing words such as "expect", "believe", "should", "anticipate", "intend", "plan", "may", "will", or similar expressions constitute forward-looking expressions. These forward-looking statements are not guarantees of future performance rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of the control of CXApp and its subsidiaries, which could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, statements about our proposed and completed acquisitions, the impact of COVID-19 on CXApp's results of operations, our anticipated cash flow balances, our product development plans and marketing initiatives, our ability to compete successfully in our industry, projected operating expenses, projected operating efficiencies, revenues, and capital requirements, and our projected cash position, the fluctuation of economic conditions, competition, the performance of management and employees, our ability to maintain compliance with Nasdaq's minimum bid price requirement and other continued listing requirements. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in CXApp's Annual Report on Form 10-K, as amended, for the year ended December 31, 2022, as originally filed with the Securities and Exchange Commission (the "SEC") on March 21, 2023 and periodic reports and current reports filed with the SEC on or after the date thereof.

All of CXApp's forward-looking statements are expressly qualified by all such risk factors and other cautionary statements. Such statements and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements. KINS and CXApp undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Statements in this presentation, including factors that we believe may impact our results, are not intended to be exclusive.



Financial Information; Non-GAAP Financial Measures

Certain financial information and data contained in this presentation is unaudited and does not conform to Regulation S-X. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in, CXApp's periodic reports. This presentation contains certain financial information and data that was not prepared in accordance with United States generally accepted accounting principles ("GAAP"), including non-GAAP cost of revenues, non-GAAP research and development expense, non-GAAP selling, general and administrative expense, non-GAAP loss from operations, non-GAAP net loss, and non-GAAP adjusted EBITDA. These non-GAAP measures, and other measures that are calculated using such non-GAAP measures, are an addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to any performance measures derived in accordance with GAAP.

CXApp presents these non-GAAP amounts because management believes they provide useful information to management and investors regarding certain financial and business trends relating to CXApp's financial condition and results of operations, and they assist management and investors in comparing CXApp's performance across reporting periods on a consistent basis. CXApp's management uses these non-GAAP measures for trend analyses, for purposes of determining management incentive compensation and for budgeting and planning purposes. CXApp believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating operating results and trends in and in comparing CXApp's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. CXApp's management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP.

However, there are several limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore CXApp's non-GAAP measures may not be directly comparable to similarly-titled measures of other companies.

Industry and Market Data

This presentation includes market data and other statistical information from third-party sources. Although CXApp believes these third-party sources are reliable as of their respective dates, none of CXApp or its subsidiaries or affiliates has independently verified the accuracy or completeness of this information. Some data are also based on CXApp's good faith estimates, which are derived from both internal sources and the third-party sources described above. None of CXApp, its affiliates, or any of their respective subsidiaries, directors, officers, employees, members, partners, stockholders or agents make any representation or warranty with respect to the accuracy of such information.

Trademarks

This presentation contains trademarks and tradenames of CXApp and of other parties and are the property of their respective owners. Third-party logos included herein may represent past customers, present customers or may be provided simply for illustrative purposes only. Inclusion of such logos does not necessarily imply affiliation with or endorsement by such firms or businesses. There is no guarantee that either KINS or CXApp will work, or continue to work, with any of the firms or businesses whose logos are included herein in the future.



NASDAQ: **CXAI**
Market: **AI-First
Enterprise
Software**
Segment: **Employee
Experiences**
HQ: **SF Bay Area**
Customers: **Global F1000**
Patents: **37 Filed
17 Granted**
Team: **75 (>66%
R&D)**

Company Snapshot



Why Fortune 1000 Leaders Choose CXAI?

Engaging UX/UI

Intuitive user experience
Seamless Integrations
Immersive Content

Turns Complexity into Productivity

Automated Workflows
Enterprise-grade Security
Trusted Advisor

Delivers Amazing Insights

Spatial Intelligence
AI-powered Actions
Predictable Outcomes

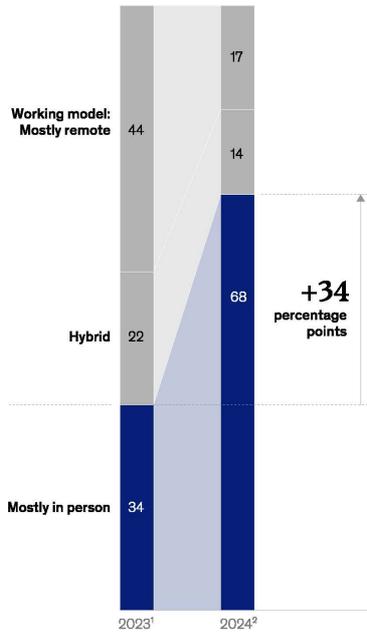


The Market

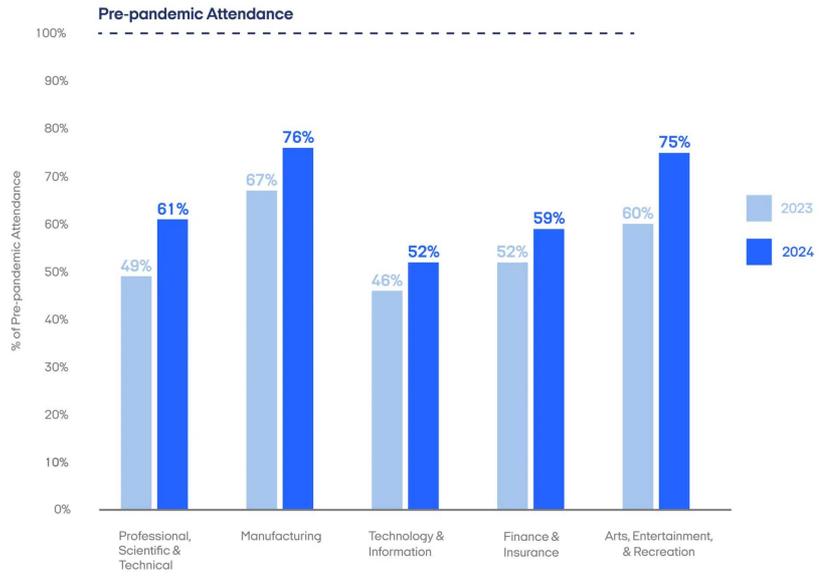


RTO (Return to the Office)...

Change in working model, 2023–24, %



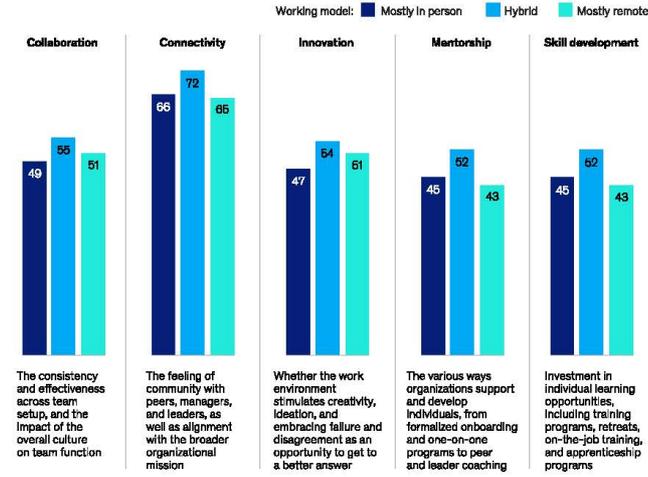
Office Attendance by Industry



Employee Experiences...

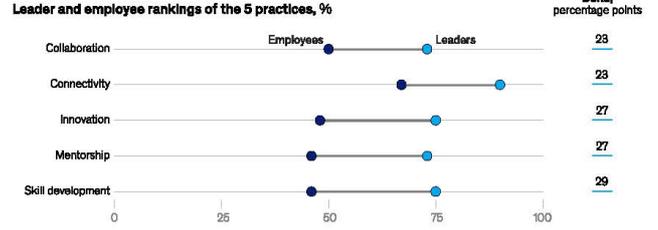
When it comes to how well organizations support key working practices, the working model doesn't matter.

Employees' ratings of their organizations' maturity in 5 practices, by working model, %



Source: McKinsey Talent Trends analysis of companies in the US, Oct 2024. Employee-only sample sizes for hybrid, n = 1,263; mostly in person, n = 5,748; and mostly remote, n = 1,465

Leaders are much more optimistic about the effectiveness of their organizations' working practices than employees are.



Source: McKinsey Talent Trends analysis of companies in the US, Oct 2024. Sample sizes for executives, n = 5,831; for employees, n = 8,426

McKinsey & Company

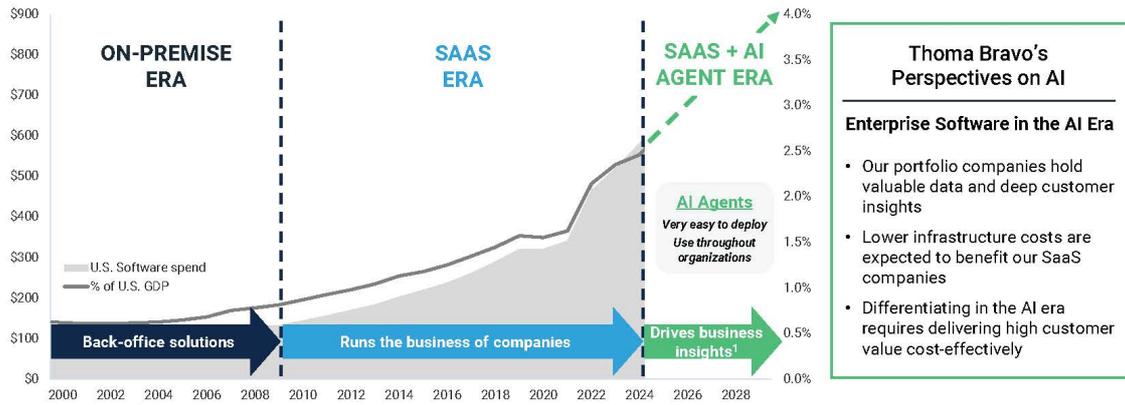
The Future of Partnership Between Digital Workers and Intelligent Application

Agentic AI is
Transformational



Gartner.

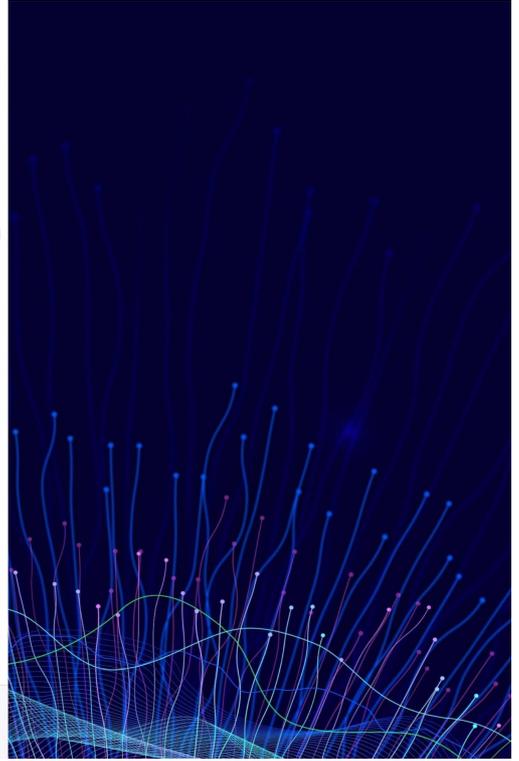
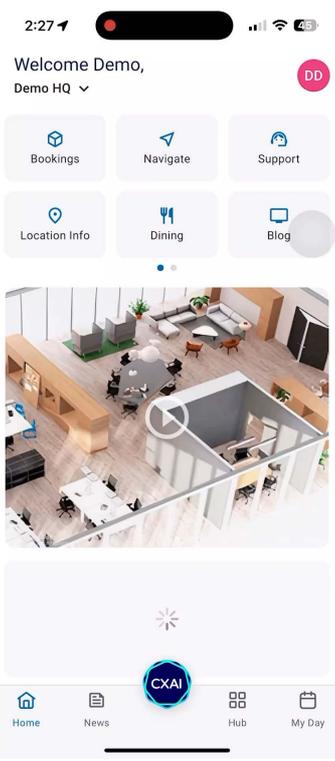
The Evolution of Software Over Time



We believe every company needs to be an intelligent software company

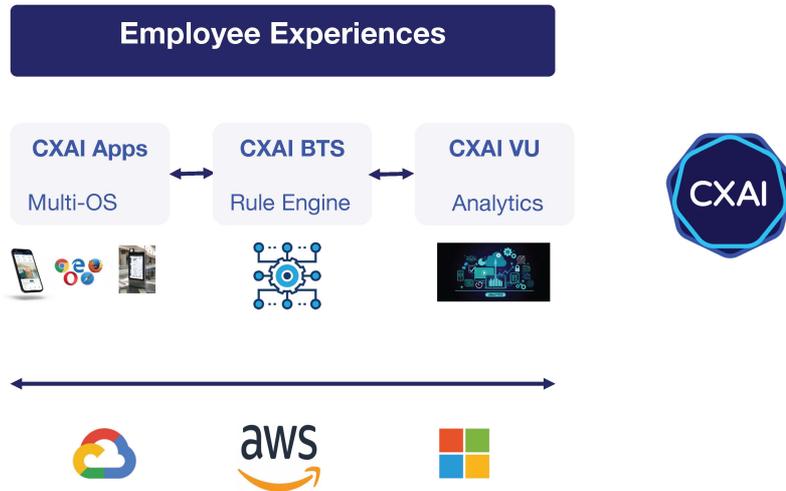
Figures post-2024 on the above graph are illustrative. There is no assurance that they will occur. Source: IDC Worldwide Black Book Live Edition - Forecast 2024, Federal Reserve Bank of St. Louis. Forecast U.S. GDP spend as % of GDP assumes no change in trailing 10-year annual compound growth.
¹ Illustrative potential growth. There is no assurance that actual trends will match this approximation.

CXAI Agentic Booking

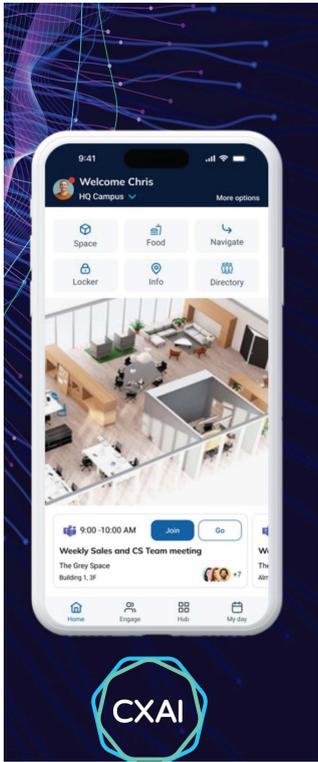


CXAI Platform Products

AI-Native, Mobile & Cloud-First Technology Platform



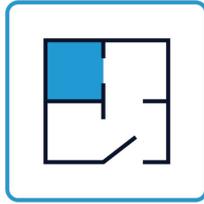
Employee Experiences Solutions



Unified Employee Experience

CXAI integrates 100+ enterprise tools & services into a one application platform, offering a seamless employee experience

Deployed with Global Customers



Spatial Intelligence

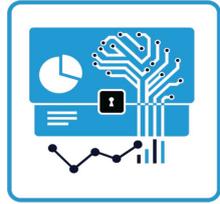
2D & 3D mapping, technologies enhanced by AI, enable intelligent interactions with spaces and things



Experiential Analytics

Insights about people, places and things lead to measured business outcomes for engagement and productivity

Deployed in 2024



Agentic AI

Simplify any work interaction using natural language commands powered by trustful domain-specific AI

In Trials

Annual 2024 Product & Customer Highlights

**Single Code
Base CXAI 1.0**

Available to all
existing
customers

**Largest
Expansion
Customer**

>100% ARR
increase for
largest financial
services client

**New CXAI
Platform 1.5**

Successful
Deployment
with CXAI Vu
and CXAI BTS

CXAI Kiosk

First paid
deployment in
Silicon Valley

**CXAI
Localization**

Deploying at
entertainment
client with
Google
Partnership



2024 Results



2024 Financial Highlights

DOUBLE DIGIT
ARR GROWTH



6 Logo
Renewals in Q4

SUBSCRIPTION
REVENUE SPLIT

87%

78% 2023

GROSS
MARGIN

82%

78% 2023

NET
RETENTION
RATE (NRR)

101%

73% 2023

EBITDA
Improvement

30%

20% Opex
Reduction



QoQ- Q4 24 to Q4 23 Comparison of Financial Results

Statement of Operations (in thousands)

	Q4 2024	Q4 2023
Revenues	1,661	1,719
Cost of Revenues	233	343
Gross Profit	1,428	1,376
Operating Expenses		
Research and development	1,498	1,862
Sales and marketing	572	823
General and administrative	1,853	1,197
Amortization of intangibles	683	697
Total Operating Expenses	4,606	4,579
Loss from Operations	\$ (3,178)	\$ (3,203)



YoY- Comparison of Financial Results

Statement of Operations (in thousands)

	FY 2024	FY 2023
Revenues	\$	\$
Revenues	7,142	7,366
Subscription Revenue	6,202	5,764
Cost of Revenues	1,285	1,751
Gross Profit	5,857	5,615
Operating Expenses		
Research and development	6,380	6,764
Sales and marketing	3,249	4,206
General and administrative	7,237	7,667
Acquisition related costs		543
Impairment of goodwill		36,056
Amortization of intangibles	2,732	2,968
Total Operating Expenses	19,598	58,204
Loss from Operations	(13,741)	(52,589)



Why CXAI ?



- Transformational Solution anchored on AI
- Patented, Leading-Edge Enterprise AI SaaS platform
- YoY/QoQ continued revenue growth on path to profitability
- Great customer base of Fortune 1000 logos across five large verticals
- Diversified deployments globally in 50+ countries and 200+ cities
- Innovation Driven, Experienced Board & Management Team
- Partnerships with Leading Innovators in Silicon Valley
- Defining New Software Category: **Employee Experiences**