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BrainChip – Annual General Meeting CEO and Chairman's Address

Sydney, 6 May 2025: BrainChip Holdings Ltd (ASX:BRN), appends the addresses of the Chairman and Chief Executive Officer to the 2025 Annual General Meeting, in accordance with ASX Listing Rule 3.13.3.

This announcement is authorised for release by the BRN Board of Directors.

About BrainChip Holdings Ltd (ASX:BRN)

BrainChip is the worldwide leader in edge AI on-chip processing and learning. The company's first-to-market neuromorphic processor, Akida™, mimics the human brain to analyse only essential sensor inputs at the point of acquisition, processing data with unparalleled efficiency, precision, and economy of energy. Keeping machine learning local to the chip, independent of the cloud, also dramatically reduces latency while improving privacy and data security. In enabling effective edge compute to be universally deployable across real world applications such as connected cars, consumer electronics, and industrial IoT, BrainChip is proving that on-chip AI, close to the sensor, is the future, for its customers' products, as well as the planet. Explore the benefits of Essential AI at www.brainchip.com.
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Chairman's Address

Before I hand over to Sean, I would like to express my thanks to Dr Tapson for his product roadmap presentation before the AGM today. For those of you who missed Dr Tapson's presentation, don't worry, the full presentation will be up on our website shortly. I really hope everyone here listened to it and absorbed it. Our expectation with the presentation was for the share base to understand that in our history, Brainchip has never had a roadmap and product offering as robust and targeted as we do now.

The presentation captured and summarized where Brainchip is at and illustrates much of what we have been doing for the past 2-3 years in terms of overhauling our product offering.

To much ridicule, I love to, in many of my talks, refer to Wayne Gretzky who is the greatest ice hockey player ever. Not the greatest professional sports player ever, that is reserved for Cristiano Ronaldo. Hey, I am Portuguese and I know, odd for a Portuguese guy to follow ice hockey, but give me some slack and stay with me, Gretzky, upon reflection of his career, would commonly say that he always focused on where he anticipated the puck would be, rather than focusing too hard on where it is. This is profound in tech, just like in sport.

Brainchip finally has a roadmap that not only positions well today but is designed to meet where the market is going….and has the built-in flexibility to adapt and intercept quickly. This last comment is the most important. Brainchip had been saddled with a product offering that, while solid and with a strong technological foundation, it lacked the flexibility needed to evolve and adapt quickly to changing market conditions. The good news? No, the great news, is that we now have the offering we need, and the market needs, again, now. Previously, our "inflexibility" made market penetration difficult. It has indeed taken some time, more than we anticipated, to unwind our offering and to get where we are now.

In AGM's past, we have avoided using the "pivot" word. Sometimes that word carries the wrong connotation. So, being conservative, we avoided using it. But there is a reality to accept – it was quite clear when I first got here, let alone Sean, that an overhaul was needed. When I arrived, Brainchip had solid fundamental technology, but, via some bad decisions, non-ideal leadership, tough luck and bad timing, whatever, the product roadmap and product robustness just wasn't there. The Company tried with all its might to push and position what we had, but we just didn't have the complete set needed for success. Today, I can firmly say, the Company is in its best position ever. The Company has closed more engagements in the past 5 months, than it ever has. Our confidence is such that you are seeing us make strong commitments with respect to bookings expectations. And yes, you are seeing us make noise about possible redomiciling. Our bullishness is starting to show. The Company must now look forward and drive forward, we can't and shouldn't look backwards in any form.

On redomiciling, let me take a moment and stress that we have not made any decisions regarding redomiciling. The Company has received many inquiries asking detailed questions to which we have no answers. Our announcement was only to let the market know we are investigating the matter. In our investigation and discussions with bankers, advisors, legal and other companies our fear of a leak predicated us to disclose our intention to conduct an investigation to the market. Rest assured, today nothing is in play. And when something develops, if it even does, we will certainly share all options and evaluate properly what is in the best interests of the Company and our shareholders. And ultimately, the shareholders will decide.

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Chief Executive Officer Address

Hello and let me first extend my personal welcome to today's session.   I have really been looking forward to this AGM for quite some time as we have been working very hard on many fronts to make fundamental changes, and we are now at the point where the changes are starting to pay off.

When Antonio and I arrived a few years back it was clear to us that a large amount of change was required in order for us to succeed and thrive.

Would I have liked to see progress happen more quickly? Absolutely. But the changes I directed were made, and we are now seeing the start of the results.

Let me outline how we will use our time. I will start this session by giving you a high-level overview of the state of our business, before delving into the market landscape, our achievements over the past year, and close with our ambitious plans for 2025.

Before we continue, I hope you had the opportunity to attend Dr Tapson's roadmap presentation earlier today. For those who did, you witnessed firsthand the extraordinary efforts our team has undertaken to expand and strengthen our product portfolio. It was clear to me that this extensive product development was not optional, but essential for us to establish first a foothold and then achieve scalable growth in the Edge AI market. The transformation from the initial Akida offering to the robust suite of products we now deliver represents a giant leap forward, fuelled by vision, innovation, and determination.

As Dr Tapson conveyed, our commitment to product development is ongoing and unyielding, because the pace of technological advancement demands nothing less from industry leaders.

Our efforts are already yielding meaningful results. The strategic wins of 2024—such as partnerships with the Air Force Research Laboratory, Frontgrade Gaisler, and our collaborative efforts with companies such as Onsor and Chelpis are just the beginning.

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These victories showcase BrainChip's increasing momentum and provide a strong platform for our future growth.

When I look at the enhanced breadth of our product portfolio, our well-defined and ambitious roadmap ahead, the calibre of our commercial successes, and the depth of our industry collaborations, my confidence in BrainChip's trajectory has never been stronger. I firmly believe these elements position us to achieve sustainable revenue growth and establish ourselves as a dominant force in Edge AI for years to come. While our journey has not been without challenges or delays, and has taken longer than I expected, I am resolute in my conviction that the decisions we have made, and the actions we continue to take, are paving the way for BrainChip to thrive as a long-term market leader.

As we step into 2025, our focus will be laser-sharp on four critical objectives:

- Drive focused and agile innovation throughout the product development process to enhance our product portfolio;

- Expand our marketing efforts to project a clear image of our innovation, capabilities and strengths;

- Improve our Investor Relations to give stakeholders clear, transparent, and top-tier communication that reflects our commitment to shareholder engagement; and

- Secure larger and more commercial wins to cement our market leadership in the Edge AI segment.

Before diving into the specifics of how we will achieve these goals, I want to take a moment to reflect on the market we serve. Understanding its dynamic nature and opportunities is essential to appreciating the progress we have made and the strategic direction we are taking.

The Edge AI Market: A Catalyst for Innovation
At last year's AGM, I highlighted the emergence of Generative AI and its gradual transition from the data centre to the Edge. Over the past year, this shift has accelerated at an unprecedented rate, fuelled by the demand for greater business value, reduced latency, and cost efficiencies offered by Edge devices. Large Language Models (LLMs), the cornerstone of Generative AI, are increasingly being optimised for Edge deployment. Innovative companies are frequently announcing breakthroughs in Edge-compatible LLMs, addressing market needs with agility and foresight. BrainChip is at the forefront of this innovation.

Advanced model training techniques, such as distillation, have emerged as game-changers in this landscape. Pioneered by organisations such as DeepSeek, these techniques enable the transformation of large, data-centre-based LLMs into

streamlined, Edge-ready models. This evolution is reshaping possibilities, enabling businesses to capitalise on the power of AI while overcoming constraints.

In parallel, awareness and recognition of State-Space Models (SSMs), a core strength of BrainChip's with our TENNs technology, have significantly grown. Industry leaders such as NVIDIA and Tencent have demonstrated their commitment to SSMs with notable advancements. Examples are NVIDIA's endorsement of SSMs and Tencent's release of Hunyuan-11, an enterprise scale LLM. These developments validate the compelling advantages of SSMs over traditional Transformer models, particularly for Generative AI on the Edge. We are confident that SSMs will become the preferred model type in this dynamic domain.

Establishing leadership in SSMs for Edge applications is fundamental to BrainChip's vision. By harnessing this transformative technology, we are poised to redefine possibilities and cement our position as trailblazers in Edge AI innovation.

The Year in Review
This past year has been a transformative one for BrainChip, marked by remarkable progress and groundbreaking technological advancements. As Dr Tapson emphasised in the earlier session today, we have made great strides in our Akida design work. With a steadfast commitment to innovation, we elevated the Akida 2.0 platform to enrich its functionality through strong partnerships and collaborative dialogues.

In response to the rapid evolution of the Artificial Intelligence industry, our product and engineering teams took decisive action, ensuring swift, impactful releases. Our Akida Generation 2 platform stands as a game-changing enhancement to its predecessor, delivering unparalleled power and performance while supporting a larger range of industry models. This leap forward positions us as an industry leader, ready to meet the accelerating pace at which new AI models are developed.
The innovations embedded in Akida Generation 2—such as long-range skip connections and programmable activation functions—have unlocked the potential to address an ever-widening spectrum of use cases. We have adapted to meet the shifting demands of the market, guided by invaluable insights from customer interactions. To that end, I initiated a focused effort to supercharge our MetaTF framework, simplifying and expediting the characterisation of customer models and migrating them to the Akida design. Our software team has embraced the ambitious goal of delivering a seamless, intuitive, and pleasant experience for our customers— a hallmark of excellence we strive for.

The Future is TENNs, our advanced State Space Model.
Last year, we introduced you to Temporal Event-based Neural Networks (TENNs), our proprietary State Space Model (SSM), and its revolutionary potential. Over the past year, BrainChip has taken bold steps to commercialise and solidify the TENNs algorithm and models, securing a competitive edge for the company.

Our achievements in this area speak volumes:

- We secured four new patents, filed 16 additional patents (8 derivatives and 12 new topics).

- We began the development and started to release the first wave of 12 TENNs models with more on the horizon.

- We published results, released practical techniques for development, and gave impactful speeches about TENNs in places such as:

  o The International Conference of Learning Representations (ICLR), one of the most prestigious ML conferences in the world, where we presented TENNs State Space Modelling with Optimal Tensor Contractions.

  o Interspeech, where we presented real-time speech enhancements on raw signals with Deep State Space Modelling.

  o IEEE/Conference on computer vision and pattern recognition, showcasing cutting-edge advancements in computer vision.

  o Embedded Vision Summit, Edge AI Foundation summits, and the annual AI Hardware and Edge Summit where we unveiled our latest TENNs demos featuring an appliance LLM.

These milestones reaffirm our leadership in the AI and machine learning space, showcasing the practical power of TENNs through published results, and presented groundbreaking techniques in Edge AI.

Breaking New Ground in Sales and Marketing
On the sales and marketing front, the seeds we have planted are beginning to bear fruit. Notable milestones include a pivotal win at the Air Force Research Labs, which underscores the robustness of our TENNs algorithm, and the Frontgrade-Geisler GRAIN SOC integration of Akida IP for space applications, set to begin sampling silicon later this year.

Strategic collaborations, such as our partnership with Onsor to enable seizure prediction glasses that use Akida, and proof-of-concept projects with industry leaders like Bascom Hunter, EDGX, Airbus, and Chelpis, hold the promise of blossoming into high-value engagements. Additionally, our intensified efforts in winning U.S. government business, with several proposals submitted monthly, position us for greater success.

Expanding Our Patent Portfolio
Innovation and intellectual property remain at the heart of our strategy. Over the past year, we filed 16 additional patent applications, bringing our total portfolio to an impressive 54 patents—all while reducing filing costs by 30%. This achievement reflects

our unwavering dedication to pushing boundaries and safeguarding our leadership position.

These accomplishments are a testament to our vision, resilience, and drive to lead the industry. Together, we are building a future defined by innovation, excellence, and limitless possibilities. We move forward with pride, knowing that we are shaping the world of tomorrow.

Our Focus Until the Next AGM: Driving Success and Achieving Excellence
As we look ahead, my foremost priority is clear: to significantly increase both the rate and value of contract closures compared to 2024, with a broader product range and an increased marketing effort. With a rapidly growing pipeline of opportunities, we are positioned to achieve higher revenue goals in 2025 and 2026. These opportunities, which include use cases for LLMs, end-to-end audio, and object detection, hold great promise. With our enhanced Akida designs, strengthened software stack, and an expanded range of supported models, we are more prepared than ever to deliver on these ambitions.

At the heart of this strategy is a customer-centric culture that we have embraced across the company. Every department is now aligned with the principle that nothing is more important than addressing the needs of our potential customers, ensuring that we respond swiftly, effectively, and with purpose.

Before our next AGM, our technical teams will achieve a groundbreaking milestone: the launch of the industry's first AI hardware accelerator for State-Space Models (SSMs), coupled with a suite of TENNs models tailored to the most common use cases. A lot of work has already been done in this area, and a prototype has been demonstrated to potential customers. The prototype has shown unmatched performance, and further innovation will cement BrainChip's differentiated leadership position in this market.

Additionally, we are developing our Next Generation Akida IP architecture- Akida 3, designed with flexibility and programmability at its core. This forward-looking approach ensures that we are future-proofing our technology for as yet unknown model types and challenges to come.

You will also see a heightened commitment to marketing and outreach. We are amplifying our efforts to engage with the developer community and industry stakeholders. Shortly after the AGM, we will unveil a dynamic new version of the brainchip.com website, building on the success of our current site. This will be followed by the launch of a dedicated, developer-focused companion site later this year. We will expand our presence at events, increase interviews and demand-generation campaigns, and strengthen our thought-leadership in publications and online platforms, aimed at forging more meaningful engagements and relationships.

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Closing Remarks:
In the rapidly evolving Edge AI market, the transformation over the past few years has been extraordinary. What began as a space with simple solutions implemented by a few players has become a dynamic industry demanding complex, high-performance solutions across numerous sectors.

As Dr Tapson and I have outlined, we have taken deliberate and decisive steps to position BrainChip as a leader in this evolving environment. The work we have done, and continue to do, is strengthening the foundation for us to thrive amid these industry changes.

Make no mistake: 2025 is the most pivotal year in our company's history. The entire BrainChip team is operating with a sense of urgency, keenly aware of the importance of securing more, and higher value, wins this year.

We are beginning to see the fruits of our labour with critical commercial successes, key collaborations, and a promising pipeline. Our progress is a testament to the soundness of our strategy and our unwavering commitment to generating sustainable, meaningful revenue streams.

Lastly, as we look to the future, I firmly believe the industry will consolidate to a handful of leading-Edge AI providers, including BrainChip. Each commercial win, and each product innovation strengthens our position and brings us closer to this vision.

We are resolutely focused on achieving this vision. Thank you for your continued support and trust in our mission. Now, let me turn the meeting back to the Chairman.

- **END** -