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XTI Aircraft Company Receives Expanded Patent from China

Expanded Patent Provides Stronger Intellectual Property Protection in China for TriFan 600

XTI and Inpixon Continue to Advance Planned Merger and Expect to Close in Q1 2024

ENGLEWOOD, Colo., Feb. 12, 2024 /PRNewswire/ -- XTI Aircraft Company ("XTI" or "Company"), announced today that the China National Intellectual Property Administration (CNIPA) has issued a new utility patent for the Company related to the TriFan 600, an innovative, fixed-wing, vertical takeoff and landing (VTOL) aircraft currently in development. Generally, the patent covers certain aspects of the TriFan's pivoting ducted fans that rotate between vertical lift and horizontal thrust, which, in turn, are designed to enable the TriFan 600 to transition from vertical takeoff to forward cruise. China is one of the fastest-growing aerospace markets ([source](#)), and Boeing estimates China will become the biggest domestic aviation market in the world in the next two decades ([source](#)).



"The new patent represents an expansion of the scope of the patent that China originally granted to XTI in September 2019," said Scott Pomeroy, chief financial officer of XTI and future chief executive officer of the combined company which will result from the XTI and Inpixon [merger](#). "After we received the patent in 2019, we filed a further application that has now been granted. As a result of this issuance, the scope of our Chinese patent matches the patent protection that we have for the TriFan 600 in the U.S., Europe, and other countries. We believe our significant patent portfolio serves as a strategic, tangible asset which

demonstrates our innovative capabilities and potential for future revenue streams. In addition to helping guard against unauthorized use of our intellectual property, we plan to leverage our portfolio to differentiate ourselves in the market, deter competition, and facilitate strategic growth and expansion."

About XTI Aircraft Company

XTI Aircraft Company is an aviation business based near Denver, Colorado. Members of XTI's experienced leadership team have collectively played a role in taking over 40 aircraft configurations through FAA certification.

On July 24, 2023, XTI entered into a definitive merger agreement with Inpixon® (Nasdaq: INPX), a leading provider of real-time location systems ("RTLS"). The merger is expected to close in Q1 2024, subject to applicable closing conditions and receipt of Nasdaq approval for the listing of the post combination company's common stock. For information and updates about XTI Aircraft Company and the TriFan 600, visit XTIAircraft.com.

For information on reserving a priority position for the TriFan 600 under the Company's pre-sales program, contact Mr. Saleem Zaheer at +1-720-900-6928 or szaheer@xtiaircraft.com.

About Inpixon

Inpixon is the innovator of Indoor Intelligence®, delivering actionable insights for people, places and things. Combining the power of mapping, positioning and analytics, Inpixon helps to create smarter, safer, and more secure environments. Inpixon's Indoor Intelligence and industrial RTLS technology are leveraged by a multitude of industries to optimize operations, increase productivity, and enhance safety. Inpixon customers can take advantage of industry leading location awareness, analytics, sensor fusion, IIoT and the IoT to create exceptional experiences and to do good with indoor data. For the latest insights, follow Inpixon on [LinkedIn](#), and [X](#), and visit inpixon.com.

Important Information About the Proposed Transaction and Where to Find It

Inpixon filed a registration statement on Form S-4 (the "Form S-4") in connection with the proposed merger with XTI, as amended by Amendment No. 1 and Amendment No. 2, which was declared effective with the U.S. Securities and Exchange Commission (the "SEC") on November 13, 2023. The Form S-4 includes a description of the proposed merger with XTI. A proxy statement/prospectus has been delivered to Inpixon stockholders as of the applicable record date established for voting on the transaction and to the stockholders of XTI. Inpixon also will file other documents regarding the proposed merger with the SEC. Investors and security holders are urged to read the Form S-4, the proxy statement/prospectus, and all other relevant documents filed or that will be filed with the SEC in connection with the proposed merger because they contain important information about Inpixon, XTI and the proposed merger. A copy of the Form S-4 and all other relevant documents that Inpixon has filed with the SEC are available (i) through the website maintained by the SEC at www.sec.gov, (ii) free of charge at Inpixon's website at www.inpixon.com or (iii) upon written request to: Inpixon, 2479 E. Bayshore Road, Suite 195, Palo Alto, CA 94303.

NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AGENCY HAS APPROVED OR DISAPPROVED THE TRANSACTIONS DESCRIBED IN THIS

COMMUNICATION, PASSED UPON THE MERITS OR FAIRNESS OF THE TRANSACTION OR RELATED TRANSACTIONS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURE IN THIS COMMUNICATION. ANY REPRESENTATION TO THE CONTRARY CONSTITUTES A CRIMINAL OFFENSE.

Forward-Looking Statements

This press release contains certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact contained in this press release, including statements related to the products under development by XTI and the markets in which it plans to operate, the advantages of XTI's technology, XTI's competitive landscape and positioning, XTI's growth plans and strategies, the patent's ability to help XTI protect the TriFan 600 from infringement, the benefits of XTI's patent portfolio and the anticipated timing of the pending merger with Inpixon, are forward-looking statements. Some of these forward-looking statements can be identified by the use of forward-looking words, including "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "plan," "targets," "projects," "could," "would," "continue," "forecast" or the negatives of these terms or variations of them or similar expressions. All forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements are based upon estimates, forecasts and assumptions that, while considered reasonable by XTI and its management, as the case may be, are inherently uncertain and many factors may cause the actual results to differ materially from current expectations, which include, but are not limited to:

- the risk that the proposed merger may not be completed in a timely manner or at all, which may adversely affect the price of Inpixon's securities;
- the failure to satisfy the conditions to the consummation of the proposed merger;
- the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement;
- the adjustments permitted under the merger agreement to the exchange ratio that could result in XTI shareholders or Inpixon shareholders owning less of the post-combination company than expected;
- the effect of the announcement or pendency of the proposed merger on Inpixon's and XTI's business relationships, performance, and business generally;
- the risks that the proposed merger disrupts current plans of Inpixon and XTI and potential difficulties in Inpixon's and XTI's employee retention because of the proposed merger;
- the outcome of any legal proceedings instituted against XTI or against Inpixon related to the merger agreement or the proposed merger;
- failure to realize the anticipated benefits of the proposed merger;
- the inability to meet and maintain the listing of Inpixon's securities (or the securities of the post-combination company) on Nasdaq;
- the risk that the price of Inpixon's securities (or the securities of the post-combination company) may be volatile due to a variety of factors, including changes in the highly competitive industries in which Inpixon and XTI operate;
- the inability to implement business plans, forecasts, and other expectations after the

- completion of the proposed merger, and identify and realize additional opportunities;
- variations in performance across competitors, changes in laws, regulations, technologies that may impose additional costs and compliance burdens on Inpixon and XTI's operations, global supply chain disruptions and shortages;
 - national security tensions, and macro-economic and social environments affecting Inpixon and XTI's business and changes in the combined capital structure;
 - the risk that XTI has a limited operating history, has not yet manufactured any non-prototype aircraft or delivered any aircraft to a customer, and XTI and its current and future collaborators may be unable to successfully develop and market XTI's aircraft or solutions, or may experience significant delays in doing so;
 - the risk that XTI is subject to the uncertainties associated with the regulatory approvals of its aircraft including the certification by the Federal Aviation Administration, which is a lengthy and costly process;
 - the risk that the post-combination company may never achieve or sustain profitability;
 - the risk that XTI, Inpixon and the post-combination company may be unable to raise additional capital on acceptable terms to finance its operations and remain a going concern;
 - the risk that the post-combination company experiences difficulties in managing its growth and expanding operations;
 - the risk that XTI's conditional pre-orders (which include conditional aircraft purchase agreements, non-binding reservations, and options) are canceled, modified, delayed or not placed and that XTI must return the refundable deposits;
 - the risks relating to long development and sales cycles, XTI's ability to satisfy the conditions and deliver on the orders and reservations, its ability to maintain quality control of its aircraft, and XTI's dependence on third parties for supplying components and potentially manufacturing the aircraft;
 - the risk that other aircraft manufacturers develop competitive VTOL aircraft or other competitive aircraft that adversely affect XTI's market position;
 - the risk that XTI's future patent applications may not be approved or may take longer than expected, and XTI may incur substantial costs in enforcing and protecting, or may not have adequate resources to effectively enforce and protect, its intellectual property;
 - the risk that the scope of XTI's patents are not broad enough to deter competition;
 - the risk that XTI's estimates of market demand may be inaccurate;
 - the risk that XTI's ability to sell its aircraft may be limited by circumstances beyond its control, such as a shortage of pilots and mechanics who meet the training standards, high maintenance frequencies and costs for the sold aircraft, and any accidents or incidents involving VTOL aircraft that may harm customer confidence; and
 - other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in Inpixon's Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on April 17, 2023 (the "2022 Form 10-K"), the Quarterly Reports on Form 10-Q for the quarterly periods filed thereafter, and the Current Report on Form 8-K filed on July 25, 2023, and in the section entitled "Risk Factors" in XTI's periodic reports filed pursuant to Regulation A of the Securities Act including XTI's Annual Report on Form 1-K for the year ended December 31, 2022, which was filed with the SEC on July 13, 2023 (the "2022 Form 1-K"), as such factors may be updated from time to time in Inpixon's and XTI's filings with the SEC, the Form S-4 and the prospectus contained therein. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-

looking statements.

Nothing in this press release should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. XTI does not give any assurance that it will achieve its expected results. XTI does not undertake any duty to update these forward-looking statements, except as otherwise required by law.

No Offer or Solicitation

This press release is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed transaction and is not intended to and does not constitute an offer to sell or the solicitation of an offer to buy, sell or solicit any securities or any proxy, vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be deemed to be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

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