

ASX Announcement | 31 August 2022 X2M Connect Limited (ASX:X2M)

Outstanding year for X2M

X2M reports a strong FY22 result and success in delivering on strategy

Melbourne, Australia, 31 August 2022: Australian Internet of Things technology company X2M Connect Limited (ASX:X2M) ('X2M' or 'the Company') has lodged its Appendix 4E and preliminary financial report for the year ended 30 June 2022 (FY22) together with an investor presentation.

Key Highlights

- Revenues of \$10.4 million, up 82% on the prior corresponding period (pcp)
- South Korea demonstrates success in delivering strategy as repeat orders increased penetration into customers' addressable markets
- Connected devices, a driver of future SaaS revenues, at 30 June 2022 were 245,265, up 99% on pcp
- Enterprise and government customers increased to 46, up 35% on pcp
- Operating costs increased by 40%, due to growth initiatives, China market entry, product maintenance and first-time costs associated with being a listed entity
- X2M has 19 contracts on foot for approximately \$11 million in revenues in FY23 and already exceeding the FY22 revenue.

Supplementary information in relation to previously announced contracts and orders

In the period to June 2022 through to August 2022, X2M announced contracts in South Korea worth approximately \$5.3 million for remote water meter monitoring. These contracts include the X2M IoT platform, hardware devices and SaaS based software and device maintenance services for 12 months. The hardware related revenues account for \$5.1 million of this total and \$0.21 million is for 12 months of SaaS and maintenance services with ongoing subscription services to be negotiated during this period.

In June 2022, the Company also secured orders for the Qingyuan district in China and Incheon in South Korea valued at approximately \$2 million. Whilst both of these are hardware only contracts they represent strategically important customers and candidates for future software sales

X2M CEO Mohan Jesudason said "We are well-pleased with the strong 82% revenue growth X2M achieved in its 2022 financial year and we expect momentum to continue in FY23. With \$11 million revenue already contracted for FY23, we are set for continued strong performance.

The X2M team is focussed on the delivery of our two-pronged growth strategy. It will see the Company capitalise on its existing presence in key APAC economies and push into new markets, including Australian-based water sector and energy management categories."

Ends



The Board of X2M has approved this announcement.

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About X2M Connect Limited

X2M Connect Limited (ASX:X2M) is an Australian technology company that has developed and commercialised a patented proprietary Internet of Things (IoT) solution which delivers productivity improvements, cost savings and improved public safety to enterprise and government clients in the utilities sector.

X2M's technology connects devices such as water, gas and electricity meters and other utility sensors to the internet, enabling data exchange and the remote control of these devices. The Company generates revenue from the sale of hardware and monthly subscription fees under Software as a Service arrangements.

X2M now has more than 270,000 devices connected to its IoT platform and distributed intelligence solution, providing real-time information and control to a steadily increasing customer base operating over multiple radio technologies.

X2M's current focus is on servicing the utility sector in the Asia-Pacific region, where it has a number of government and enterprise customer relationships already in place. Going forward, X2M will look to continue its global expansion, with subsidiaries already operating in Japan, South Korea, Taiwan and, most recently, China.

To learn more about X2M click here: www.x2mconnect.com or follow us on [LinkedIn](#).