

Changing the utility landscape with IoT



FY22 Results Announcement

31 August 2022

ASX Code: X2M

30 June 2022 results - strong and delivering solid foundations for continued growth in FY23



FY22 Revenue: \$10.4m¹,
up 82% on pcip



Connected devices: 245,265,
up 99% on pcip



Enterprise/government
customers: 46, up 35% on pcip



Increase in opex due to
growth initiatives, product
maintenance, and listed
entity expenses



19 contracts in place deliver
FY23 revenues already over
\$11m



Listed on ASX in September
2021

Record revenues, expanding customer base and strategy driving growth



FY22 revenue

- Group up 82%
- South Korea up 64%
- China up 202%



Building customer base as foundation for future SaaS revenue

- Customers up 35%
- SaaS¹/maintenance subscription revenues up 30%
- Group connected devices up 99%
 - South Korea up 86%
 - Japan up 133%



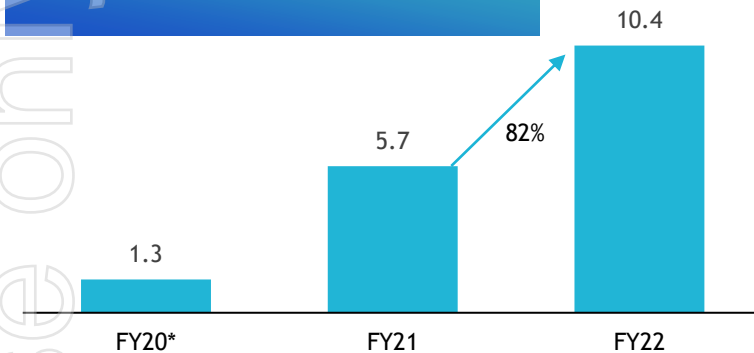
Growth momentum continues into FY23

- 19 contracted deployments totaling approx. \$11 million in FY23 revenue already secured
- YTD contracted revenue already more than FY22
- Australian market entry announced

Strong consistent growth since inception

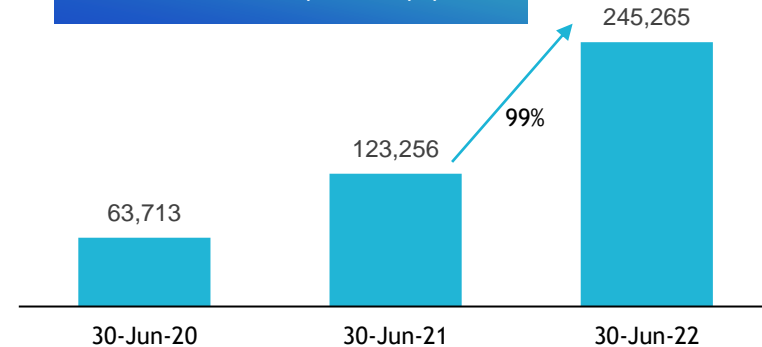
Revenue (\$A millions)

FY22 revenue of \$10.4m, up 82% on pcp



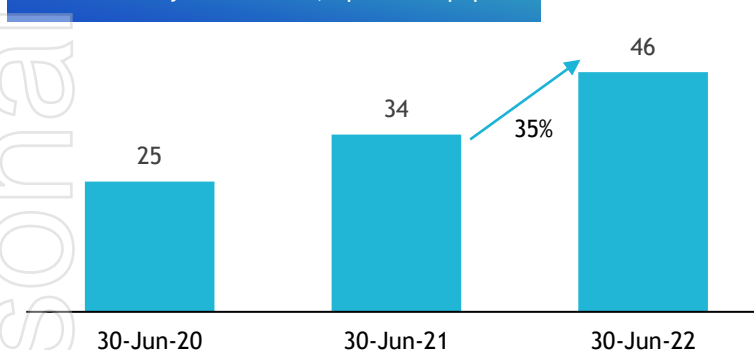
Connected devices

Connected devices totaled 245,265 at 30 June 2022, up 99% on pcp



Enterprise and government customers

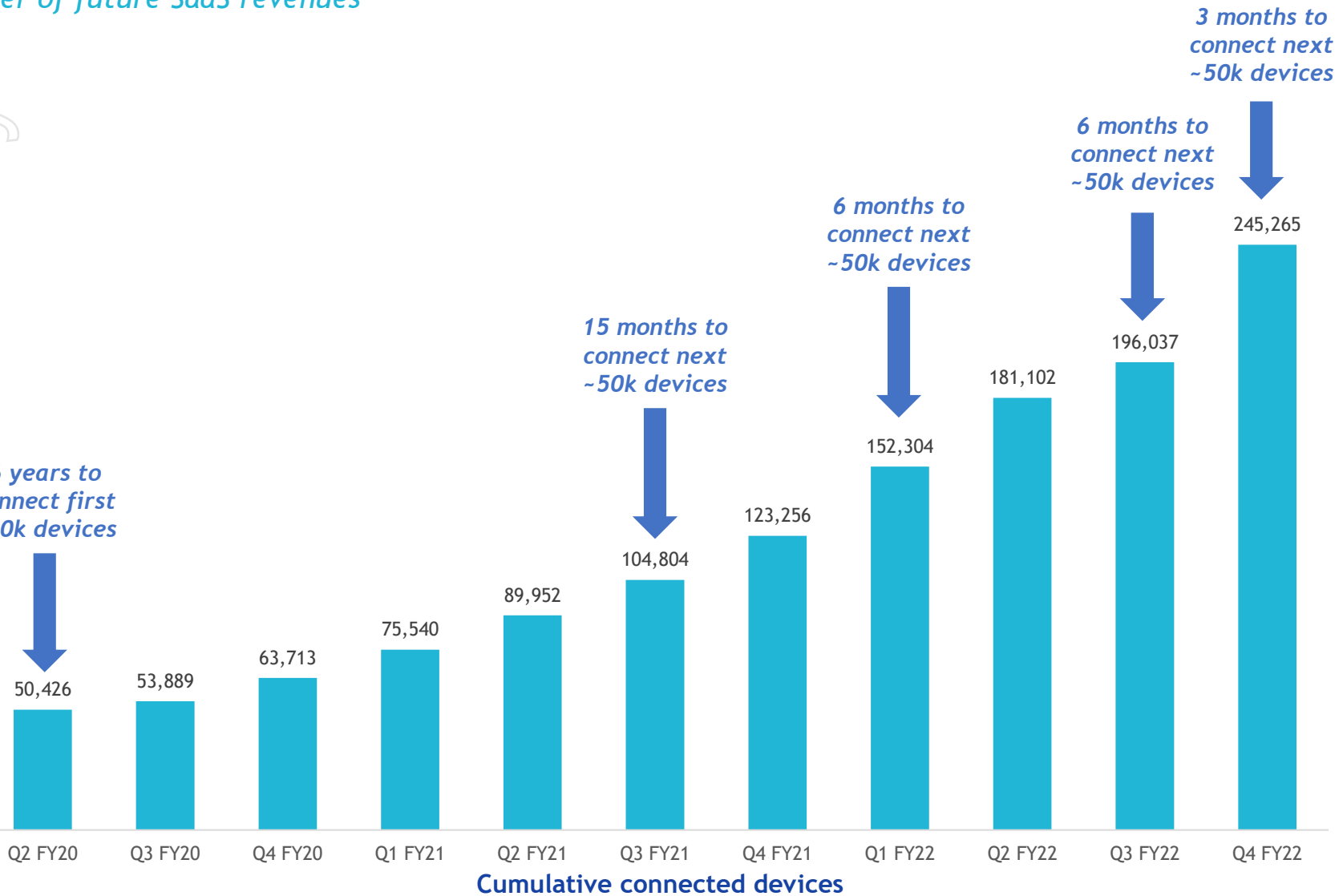
Enterprise and government customers rose by 12 to 46 by 30 Jun 2022, up 35% on pcp



Retained all customers

Connected devices accelerating

Driver of future SaaS revenues



1. Q2 FY20 data is from periods when X2M subsidiaries were operated by a prior owner



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FY22 Financials

Strategy driving revenue growth more than cost growth

(\$'m)	FY22	FY21	Change
Revenue	10.4	5.7	82%
Cost of Sales	(8.1)	(4.1)	98%
Gross Profit	2.3	1.6	44%
Overheads ¹	(8.4)	(6.0)	40%
Adjusted EBITDA ¹	(6.1)	(4.4)	39%
Depreciation and Amortisation	(0.9)	(1.2)	-25%
Other	(0.1)	0.1	-200%
Share-based Payments	(2.2)	(2.1)	5%
IPO Expenses	(0.9)	(0.7)	29%
Loss after Income Tax	(10.2)	(8.3)	23%

The company strategy is securing customers and pursuing a land grab to drive revenue growth now and into the future

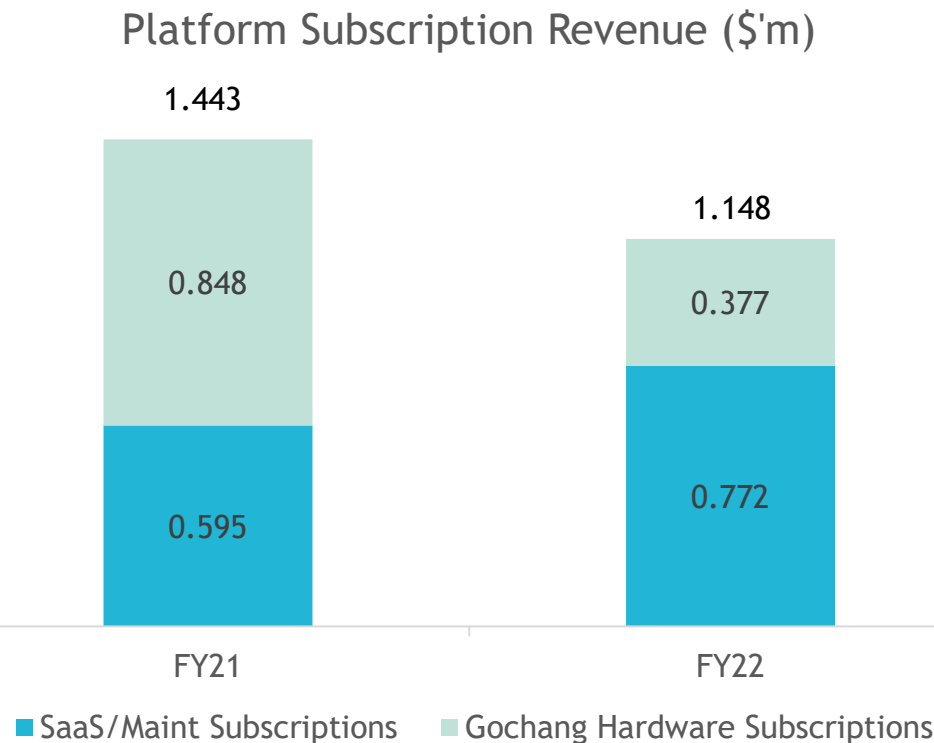
- Revenue up 82%
- Overheads up 40%
- Gross profit up 44%

Gross profit percentage of revenue down due to low margin sales in China entry

1. The balances are adjusted for non cash amounts and IPO expenses not expected to occur in the future

SaaS/maintenance fees are increasing with device count

The SaaS¹/maintenance subscription fees have grown by 30% on the pcip



The Gochang 5 year contract completed 31 December 2021

This contract had annual hardware fees of \$0.85m and SaaS/maintenance fees of \$0.32m

The Gochang SaaS/maintenance fees continue going forward under a new contract

The FY21 (\$1.443m) and FY22 (\$1.148m) platform subscription revenue includes all hardware and SaaS/maintenance subscriptions



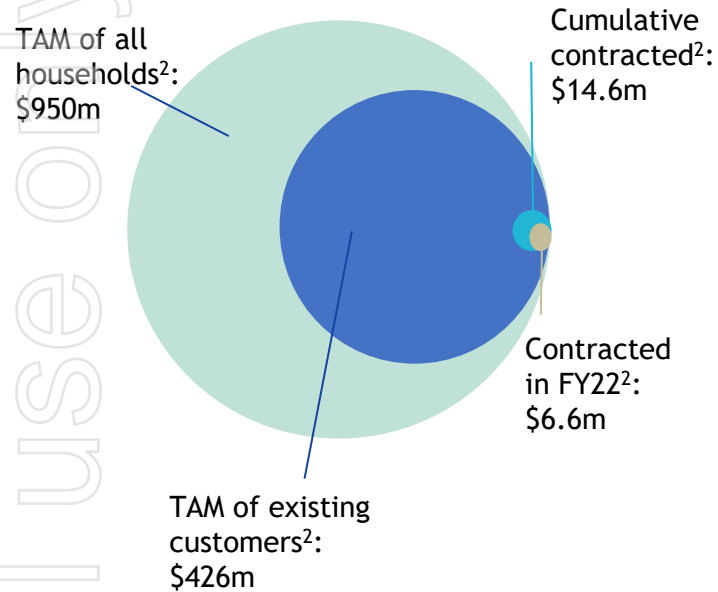
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X2M strategy is working

X2M business has significant market potential

Total addressable market is huge. The X2M existing customer base represents a substantial opportunity

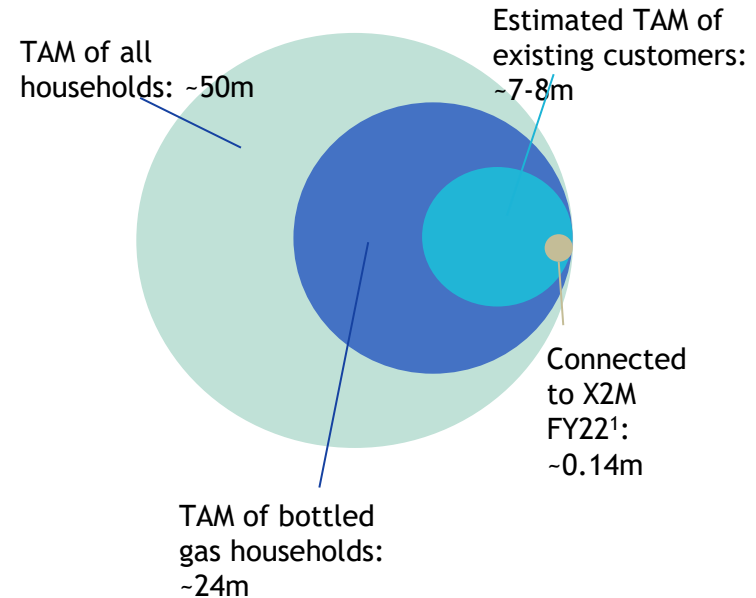
South Korea market



Existing customers provide a substantial potential market that is being progressively penetrated

- Total addressable market (TAM) 7.9m households, \$950m in potential value²
- Existing customer TAM - 3.5m households, \$426m in potential value²

Japan



Connected devices in Japan have grown ~130% during FY22

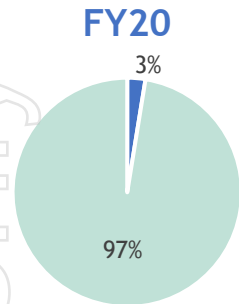
- Approximately 50% of households in Japan use bottled gas
- There is significant potential to grow through existing customers

1. Japan data as at 30 June 2022.

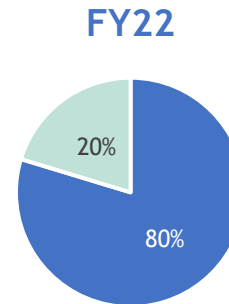
2. South Korea total addressable market (TAM) and contracted values are based on a nominal per device charge of A\$120. South Korea data as at 31 May 2022.

Validated strategic business model - increasing share of TAM

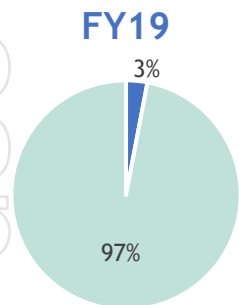
The X2M strategy of securing customers and pursuing conversion of each customer's available market is working and reflects the stickiness of the X2M business model



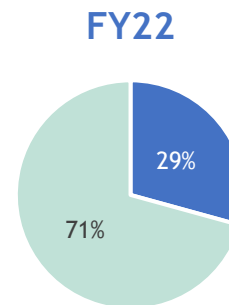
Okcheon



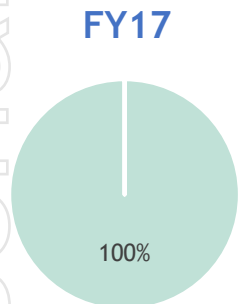
TAM ~14,000 households



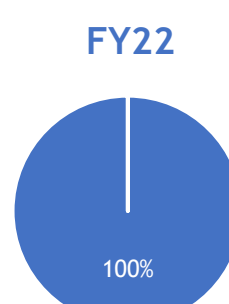
Bucheon



TAM ~120,000 households



Gochang



TAM ~25,000 households

■ Balance uncontracted ■ Contracted

FY23 outlook - momentum expected to continue



Revenue momentum to continue with \$11m already contracted for deployment in FY23 which is ahead of FY22 full year revenues of \$10.4m and additional contracts are expected in FY23



Connected devices from contracted deployments already set to exceed 300k, driving acceleration in recurring SaaS and maintenance revenues



Repeat orders from existing customers to feature strongly further penetrating existing customers' addressable markets



Investment in growth initiatives to continue



First energy management deployment with Resi Ventures expected to commence in Australia



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Shareholder Enquiries

Automatic Pty Ltd

✉ hello@automatic.com.au

☎ +61 (2) 9698 5414

Media and Investor Enquiries

Mohan Jesudason, CEO

✉ investor.relations@x2mconnect.com

☎ 1 800 926 926 (1 800 X2M X2M)

