

ASX Announcement | 7 September 2023 X2M Connect Limited (ASX:X2M)

X2M secures major repeat order in South Korea

Investment Highlights

- X2M has secured a \$1.6 million contract for remote water monitoring in South Korea
- Contract is for 10,000 households in the city of Dangjin and is the fifth order from this city
- Contract shows continued success in generating repeat orders from existing customers and the success of the Company's land and expand strategy
- Contracts received to date with revenue to be recognised this financial year total more than A\$6.6 million just 9 weeks into the financial year

Australian Internet of Things (IoT) technology company **X2M Connect Limited (ASX:X2M)** ("X2M" or "the Company") is pleased to announce it has secured a \$1.6 million remote water metering contract in South Korea.

X2M continues converting TAM into revenue

This contract for remote water metering services to the city of Dangjin demonstrates the ongoing success of X2M's land and expand strategy whereby the Company secures the customer with an initial order and then progressively converts the customer's total addressable market (TAM) of households onto the X2M IoT platform through further follow on orders.

The contract is part of a comprehensive end to end solution and includes server hardware to upgrade the existing on-premises servers running the X2M platform, communication hardware installed in each household plus SaaS and maintenance services for 12 months. The SaaS and maintenance revenue is approximately \$0.07 million and the hardware/installation is \$1.55 million. The installation of the household devices is due for completion by February 2024.

The history of X2M engagement in Dangjin, as indicated in Chart 1, shows how a typical municipality can progress toward a total conversion of their residential water metering to X2M's digital solution. The TAM of households in Dangjin is 35,388 and the city has now contracted a total of approximately 19,000 of these or over 50% of their households.

Dangjin has been progressively connecting its TAM to the X2M IoT platform through contracts

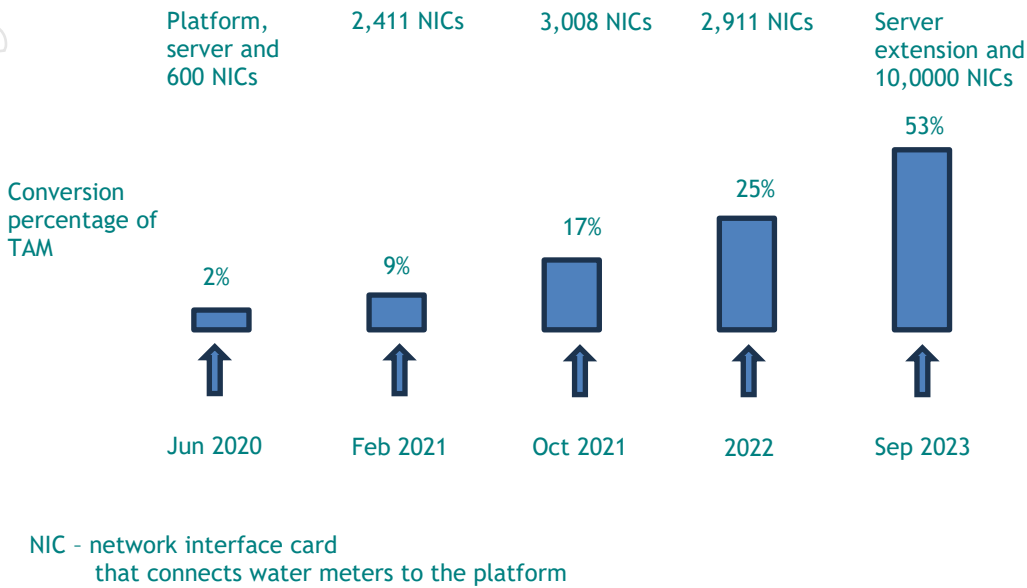


Chart 1 - progression of Dangjin contracts across its TAM

X2M has 33 South Korean municipalities operating the X2M IoT platform for remote water meter monitoring and control with three having their full suite of households monitored.

The new contract, together with recent contracts and revenues from contracts secured in the last financial year but being deployed in FY24, accounts for approximately \$6.6 million in revenues.

X2M CEO Mohan Jesudason said: “The extension of a comprehensive end to end solution puts X2M in a strong incumbency position, one the Company is replicating with other customers and the mandates received to date put X2M in a good position to deliver a strong result in FY24. In addition, the frequency of repeat orders being generated from existing customers is a strong validation of X2M’s overall performance in this market”

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 430,000 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 significant 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](#).

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