

ASX Announcement | 29 January 2024 X2M Connect Limited (ASX:X2M)

X2M signs strategic agreement with GreenRock

Australian Internet of Things (IoT) technology company **X2M Connect Limited (ASX:X2M)** (“X2M” or “the Company”) is pleased to announce it has signed agreements with GreenRock Energy Co., Ltd (GreenRock) creating an important strategic alliance.

GreenRock is a leading renewable energy generation, battery management and energy trading company based in Taiwan. GreenRock is planning to expand its operations beyond Taiwan and has immediate interest in our home market here in Australia and in Japan where X2M has an established footprint.

The alliance with GreenRock links two innovative organisations in strategically significant industries with global ambitions. The strategic alliance has five components which are as follows:

- **GreenRock to take a strategic stake in X2M:**
X2M and GreenRock have entered into a binding agreement where GreenRock will take a strategic stake in X2M through an investment of \$1.3 million at a price of \$0.0403 per share, to be completed by 31 January 2024. Assuming the recently completed Entitlement Offer is fully subscribed, GreenRock will own approximately 11% of X2M ordinary shares following completion of both share issues. Subject to meeting statutory requirements and ASX listing rules, GreenRock will have the right to appoint one director to the Board of X2M provided it maintains at least 10% of the ordinary shares of X2M. This will bring valuable energy related expertise and international insights onto the Board of X2M.
- **X2M to acquire shares in GreenRock:**
In parallel, X2M has entered into a binding agreement to acquire \$0.52 million of GreenRock shares at a price of NTD100 (approximately A\$4.80) per GreenRock share, which was the price of GreenRock’s last capital raise. X2M’s holding will represent less than 1% of GreenRock’s issued capital.
- **GreenRock to own batteries for X2M’s Australian Smart Community projects:**
X2M has secured two important mandates to rollout Smart Communities in Echuca and Yarrowonga with deployments up to 1,000 and 800 households respectively. GreenRock will be the priority battery owner for these projects that at full capacity will provide a total of up to 4MW and 8MWh of energy. This is subject to agreeing acceptable commercial terms between the parties. It is intended that once these two projects are sufficiently advanced X2M will scale up its Smart Community programme in Australia.
- **X2M to be the software provider for GreenRock’s renewables management:**
The parties have entered into an agreement where X2M (subject to agreeing specification and commercial terms) will be the priority energy management platform provider to GreenRock for the monitoring, control and optimisation of their renewable energy and battery storage operations; and



- GreenRock to partner with X2M to develop their energy management business globally: The two parties will team up to develop renewable energy generation and Virtual Power Plant operations in Taiwan, Australia, South Korea and Japan. These are markets where X2M has established operations and distribution capability.

This announcement follows on from the non-binding MOU announced 6 December 2023.

It is the Company's intention to take X2M's capability deeper into data rich and SaaS based opportunities in the Utility sector, in turn driving margins and recurring revenues. This is an important milestone in that journey and in an industry that has a strong growth orientation. X2M's capabilities contribute to the more effective use of renewables, a reduction in carbon footprint and participation in the energy eco system.

In addition to the investment from GreenRock, an additional placement of \$400,000 has been completed through other investors whereby approximately 9,925,559 Shares will be issued at \$0.0403 per Share. The funds raised from GreenRock and from the placement settle on or before 31 January 2024 and will be used for platform enhancements for renewable energy, smart communities and ongoing operations.

X2M CEO Mohan Jesudason said: "This agreement with GreenRock is an important one for X2M as it forms the basis for a strategic alliance to drive delivery of energy management system solutions in the large and growing energy storage space in Taiwan, Australia and Japan."

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. The strategy is to stay focused on the utility sector where X2M has proven performance and tap the growing artificial intelligence, renewable energy generation and battery storage markets' demand for data collection, analytics and device control.

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 collection of large volumes of data from meters or sensors and our ability to go back and control devices also provides the basis for artificial intelligence or machine learning applications to build upon our platform. The Company generates revenue from the sale of hardware and monthly subscription fees under Software as a Service arrangements.

X2M now has more than 510,000 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 communications 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. The addressable market across the region is large and importantly, the addressable market within X2M's existing customer base is also large with penetration growing. 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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