

ASX Announcement | 12 February 2024 X2M Connect Limited (ASX:X2M)

The year of the Dragon roars for X2M with South Korean contracts

Investment Highlights

- X2M wins six South Korea contracts worth approximately \$A1.1 million
- 3 expansion and 3 SaaS/maintenance contracts from existing customers
- Annual SaaS/maintenance contracts make up 16% of the contract value
- Contracts show continued success in the land and expand strategy

Australian Internet of Things (IoT) technology company **X2M Connect Limited** (ASX:X2M) (“X2M” or “the Company”) is pleased to announce the signing of six new contracts in South Korea.

X2M continues securing expansion and SaaS/maintenance orders

During what is normally a quiet time for business, in the lead up to many Asian countries celebrating the Lunar New Year with the start of the year of the Dragon, X2M has secured six contracts. These latest contract wins represent another step towards the delivery of X2M’s clearly enunciated strategy. This involves the Company successfully adding customers through initial orders and then following up these sales with repeat orders that progressively convert each customer’s remaining addressable market into revenue.

The major contract secured is for the municipality of Hoengseong County where the contract value is approximately \$A0.6 million for remote water reading services for 3,742 households. The county is an existing customer and has an addressable market of approximately 18,000 households of which 12,709 are already connected to the X2M platform.

X2M also secured a remote water metering contract worth \$A0.25 million for 1,200 underground water metering points for the self governing province of Jeju Island. There are already 8,295 households connected to the X2M platform in Jeju Island. Gochang County also ordered an additional 500 devices worth \$A0.06 million for connection to their existing X2M solution that already covers 100% of their household water meters.

SaaS/maintenance contracts totaling \$A0.18 million were secured for 2024 services to three municipalities. SaaS/maintenance contracts are usually renewed on an annual basis and cover ongoing services not included in initial contracts.

Approximately 90% of the revenue from the above contracts is expected to be recognised by June 2024.

X2M CEO Mohan Jesudason said: “It is pleasing to see these South Korean contracts land in the quiet period leading up to the Lunar New Year celebrations. Our customers continue to expand their deployments of our solution as they push to secure the benefits for more and more of their households.”

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 530,000 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 China.

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