



ASX Announcement | 25 January 2022 X2M Connect Limited (ASX:X2M)

Gochang Contract Renewed

X2M continues its South Korean success, winning a renewal contract for the supply of remote monitoring services to Gochang County

Investment Highlights

- X2M has secured two new SaaS and maintenance contracts for the South Korean municipalities of Gochang and Jeju.
- The contract for Gochang County is for three years of remote water monitoring across 25,500 households and is worth approximately A\$1.03 million over the contract term.
- The County is expected to add 300 new residences onto the platform each year which is expected to deliver additional revenues of approximately A\$150,000 over the three-year period.
- The Gochang contract is a replacement of the previous five-year remote metering contract covering the initial 24,100 households.
- The self-governing province of Jeju has entered into a twelve-month contract for a similar service to Gochang which is valued at approximately A\$60,000 and will need to be renewed annually.

Australian Internet of Things (IoT) technology company **X2M Connect Limited (ASX:X2M)** (“X2M” or “the Company”) is pleased to announce that it has secured two new Software as a Service (SaaS) and maintenance contracts in South Korea.

The contracts are for the provision of remote monitoring services with Gochang County and the self-governing province of Jeju.

The Gochang County contract is for three years of remote water monitoring across 25,500 households and is worth approximately A\$1.03 million over the contract term. This contract is a replacement of the previous five-year remote metering contract covering the initial 24,100 households. The County is expected to add 300 new residences onto the platform each year which is expected to deliver additional revenues of approximately A\$150,000 over the three-year period.



X2M has deployed into approximately 8,000 households with remote water meter monitoring in the self-governing province of Jeju in South Korea. Following on from the initial deployment contracts, Jeju has now signed an annual platform SaaS and maintenance contract for the continued provision of remote monitoring services. The first year service contract for these 8,000 households is approximately A\$60k.

Gochang renewal contract demonstrates the stickiness of the X2M offering

The addition of an extra three years to the Gochang remote water monitoring contract demonstrates that once the customer has established its operation of the X2M solution, there is a clear case for continuing with the X2M services as the customer has these services embedded within their processes. The total period of eight years links up with the lifecycle of the water meters.

The contracts also build upon the Company's success in South Korea in recent quarters. X2M won three major tenders with Korea Water Resources Corporation in the December quarter, the combined value of which is approximately A\$4.1m.

X2M CEO Mohan Jesudason said: "This contract is important from two aspects, first that our customer at Gochang is satisfied with our services and what they contribute to the County's offer to its citizens, and secondly that once installed, our solution is very sticky and difficult to replace as the services become embedded in the customer processes. In the quarters ahead, we are strongly focused on growth and will be executing a number of strategies through which we will be able to expand within existing markets and enter new ones".

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 180,000 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](#).