



## ASX Announcement | 31 March 2022 X2M Connect Limited (ASX:X2M)

### The growth potential of X2M's business continues to be realised

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**X2M's growth momentum in FY22 maintained, as it announces another two tender wins in South Korea**

#### Investment Highlights

- X2M Connect has secured another two tender wins in South Korea, with a combined value of approximately A\$0.85 million
- The tenders, with two new customers, sees X2M Connect's enterprise and government client base rise to 44
- They result in another 5,360 households being signed up for remote water monitoring and control
- The tenders could potentially lead to a deeper relationship with these new customers, who together have approximately 70,000 households on their books
- If all these households were to be signed up, X2M Connect estimates it could deliver a revenue boost of greater than A\$7 million

Australian Internet of Things (IoT) technology company **X2M Connect Limited (ASX:X2M)** ("X2M" or "the Company") is pleased to announce the signing of two new customer contracts in South Korea for remote water monitoring and control.

#### **X2M's working relationship with K Water and Public Procurement confirmed**

X2M has secured two additional contract wins in South Korea. Together valued at around A\$0.85 million, they will see X2M providing remote water monitoring and control services, including the X2M IoT platform, devices and 12 months of remote meter monitoring fees, to two new clients. Prior to the end of the abovementioned 12-month fee period, a new monthly SaaS charge will be agreed for an extended monitoring period.

In the first tender, X2M was the nominated successful bidder for the 4,810-household monitoring contract issued by the Yaecheon branch of K Water Resources Corporation (K Water). This tender was for more than a quarter of the approximately 16,000 households in the Yaecheon municipality. X2M will now follow a prescribed process to finalise and execute the contract, as prescribed in the tender documents. Deployment of the solution will be finished within 180 days. X2M has now won four tenders through K Water, the principal Government agency for water management in South Korea, over the past six months.

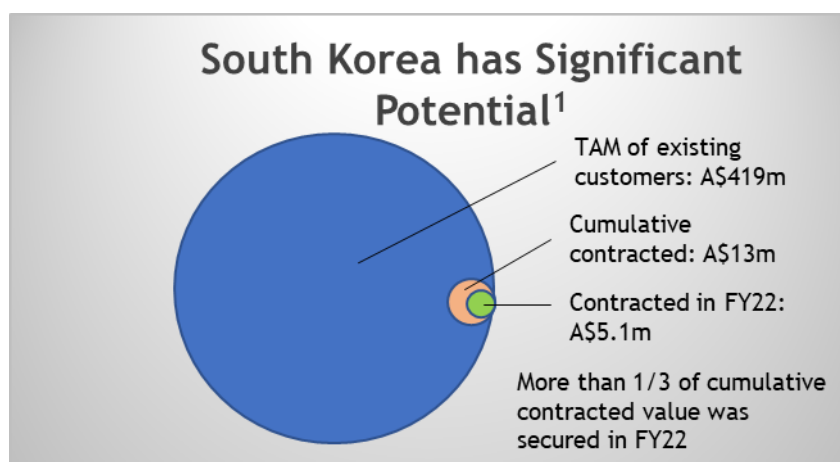
In the second tender win announced today, X2M received a direct order through the South Korean public procurement system for remote water monitoring for 550 households in the municipality of Kyungju. Deployment of the solution will be finished within 180 days. This municipality has approximately 54,000 households, meaning it has significant future revenue potential.

### **X2M’s growth strategy is getting results and has significant upside potential**

X2M’s strategy for water in South Korea is to secure deployments across many of the South Korean municipalities and then leverage these initial deployments to penetrate the balance of each municipality’s households.

The Total Addressable Market for the two new customers onboarded by these two additional tenders is approximately 70,000 households. Were X2M to secure contracts to connect all households located in the Yaecheon and Kyungju municipalities, the Company’s revenue base could rise by greater than A\$7 million. X2M’s strong position in the South Korean market together with the incumbency this mandate delivers, positions it well to secure future opportunities.

Securing these two tenders takes the total number of Enterprise and Government customers across the X2M group to 44. The following figure highlights X2M’s growth potential in the South Korean market.



1. Total addressable market (TAM) and contracted values are based on a nominal per device charge of A\$120.

**X2M CEO Mohan Jesudason said:** “We are well-pleased with the growth of our South Korean business. The fact it continues to regularly win tenders with K Water is indicative of our standing in this market. This respect, earned over time, is a key component of our long-term strategy to secure customers with large numbers of households that will drive future subscription revenues. These tender wins provide further evidence that X2M continues to win new utility customers both adding revenue directly and significantly increasing X2M’s overall addressable market. As we build bridgeheads with more and more municipalities in this key Asian market, our confidence grows that ample opportunities will present for X2M to realise the potential inherent in this growing addressable market by securing additional South Korean households in existing customers over the next two to three years.”

**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](http://www.x2mconnect.com) or follow us on [LinkedIn](#).