



# Market Update

## FY 2022 a strong year for X2M



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June 2022

ASX Code: X2M



Forecast FY22 Revenue:  
\$10.1m, up 77% on pcp



10 contracted deployments in  
South Korea and 1 in China :  
approx. \$6.1 million in  
Revenue to be recognised in  
1HFY23



Connected devices at 31 May  
2021: 223,635, up 94% on pcp



Enterprise/government  
customers at 31 May 2022:  
45, up 32% on pcp



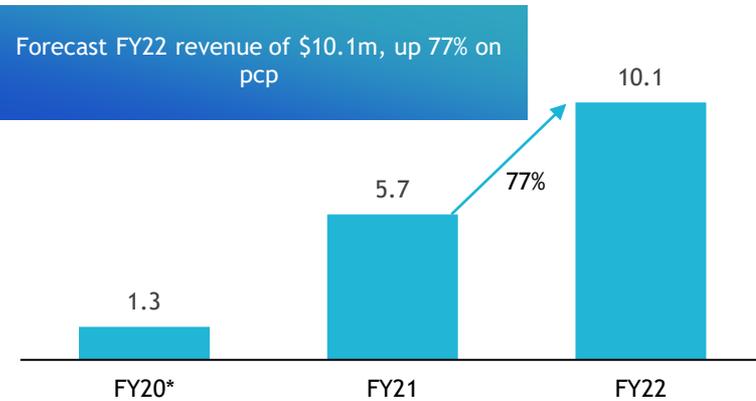
Customer churn: Zero



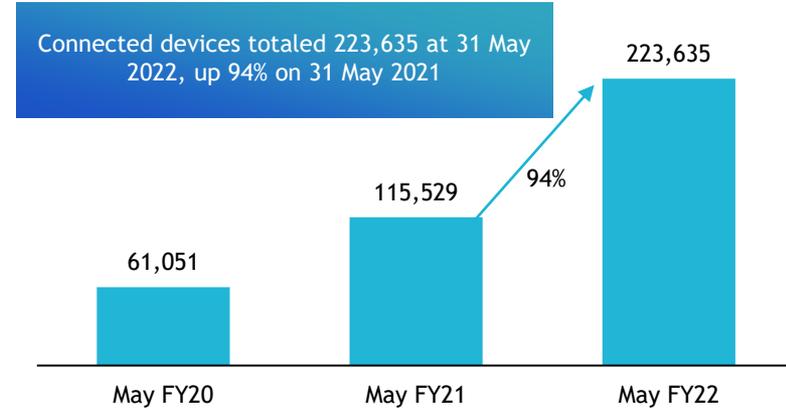
Australian Energy  
Management Market entry  
announced. 1<sup>st</sup> customer  
announced

# Key metrics deliver consistent growth

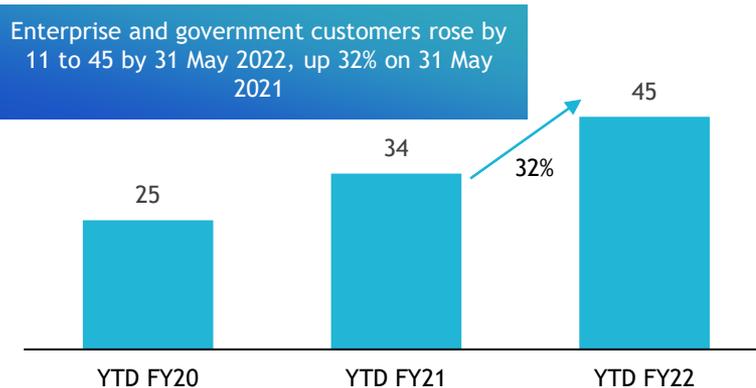
## Revenue (\$A millions)



## Connected devices



## Enterprise and government customers



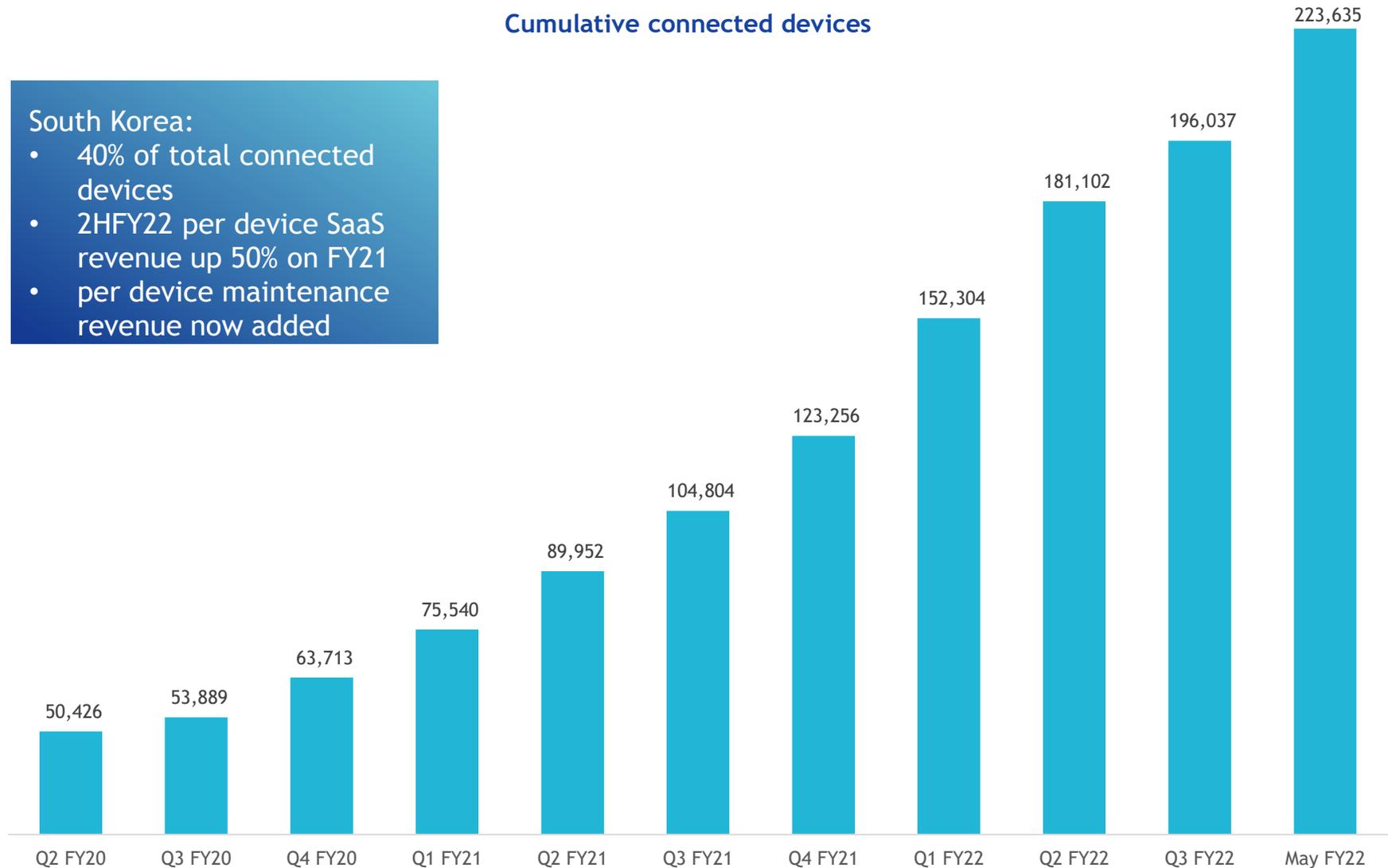
*X2M has delivered strong YTD May FY22 growth in connected devices, and enterprise and government customers and forecasts strong FY22 growth in revenue*

# Connected Devices to underpin future SaaS Revenues

Cumulative connected devices

South Korea:

- 40% of total connected devices
- 2HFY22 per device SaaS revenue up 50% on FY21
- per device maintenance revenue now added

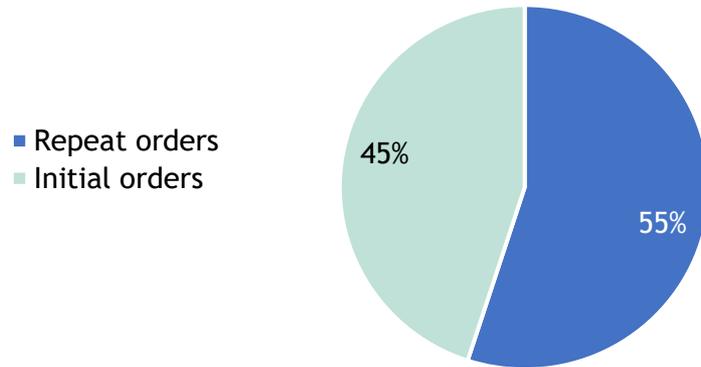


1. Q2 FY20 data is from periods when X2M subsidiaries were operated by a prior owner

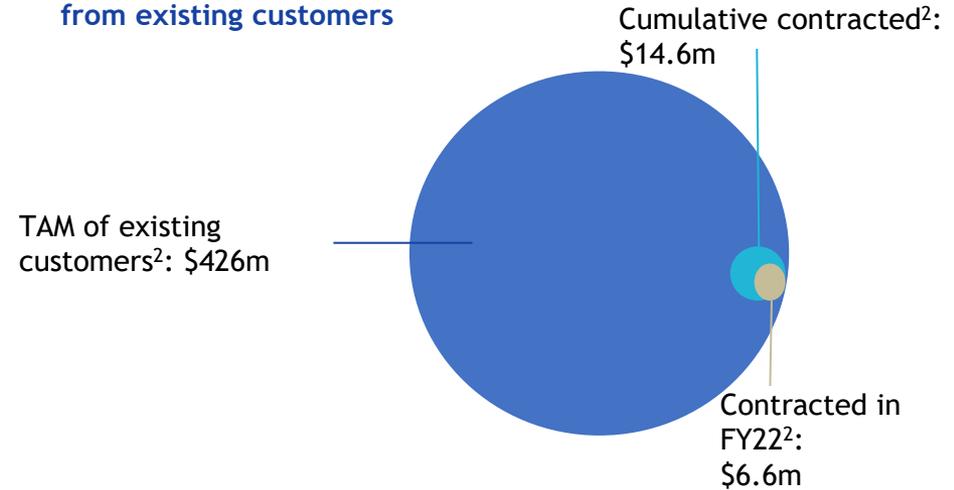
# X2M Business model yields significant potential

*Customer base presenting a large and growing addressable market. Existing customers giving repeat orders with zero churn validates the X2M strategy and sets the basis for future growth*

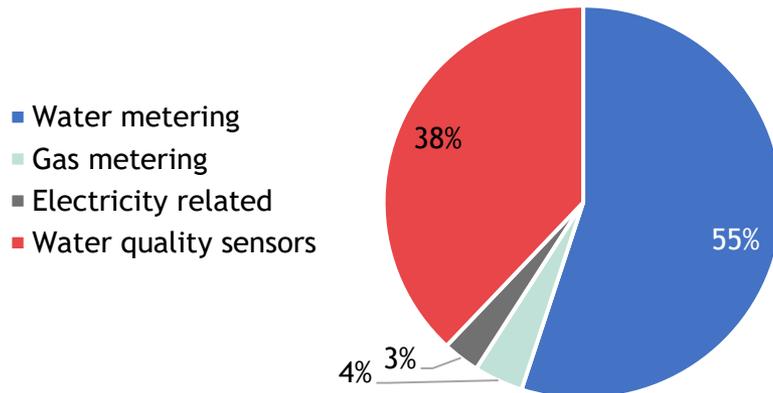
## Customer mix



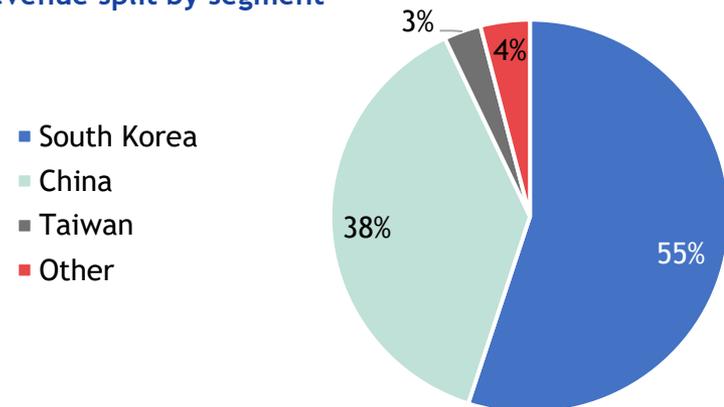
## South Korea potential from existing customers



## Revenue split by vertical



## Revenue split by segment

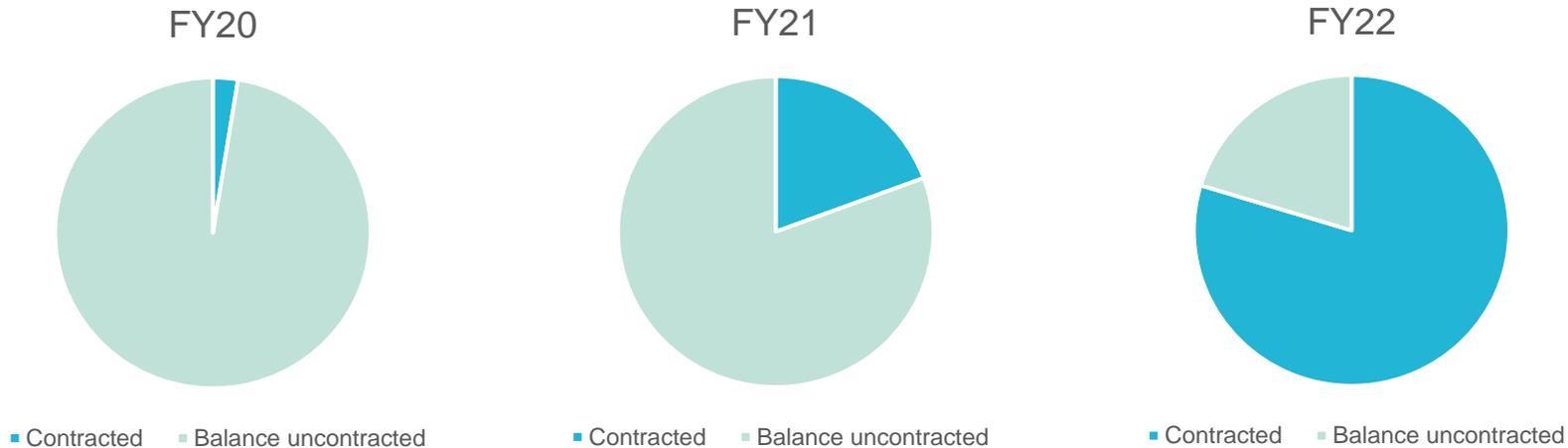


1. All charts as at 31 May 2022.  
 2. Total addressable market (TAM) and contracted values are based on a nominal per device charge of A\$120.

# Customer strategy - acquire aggressively & grow penetration



*Example - Okcheon Municipality first secured in FY20 with addressable market of approximately 14,000 households and now 80% penetrated*



*This demonstrates that the X2M strategy of securing customers and pursuing conversion of the customer's available market is working and reflects the stickiness of the X2M business model*

-  Announced entry into the energy management arena in Australia
-  Focus on reducing energy consumption and emissions as part of 'Net-zero' initiative
-  First mandate received from Resi Ventures
  - 1,000 home estate at McMahon's Place in Echuca
-  Further opportunities being pursued

# A solution for Smart Communities - "Powered by X2M"

Smart community with large number of smart homes plus community resources all working cohesively

Consumer enjoys a sustainable, eco-friendly, environment and community



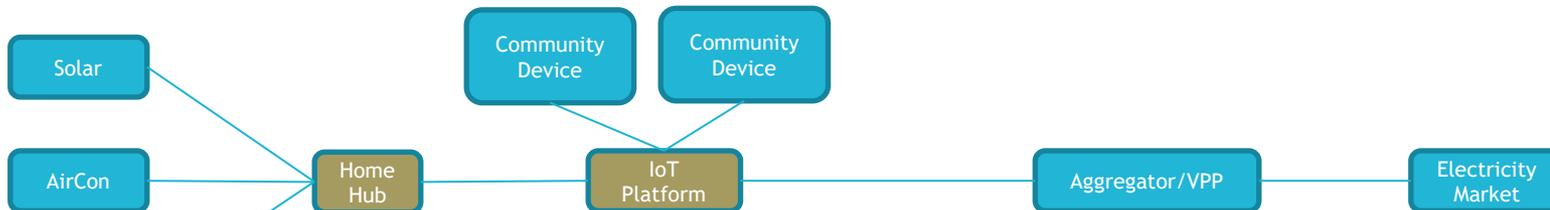
Significantly reduced energy consumption



Significantly increased use of renewables



Significantly reduced emissions

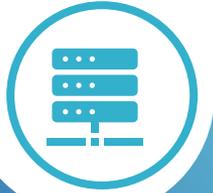


Monitor and control distributed energy resources (DER) devices from Hub. Homeowner has a mobile and desktop user interface

Control multiple Home Hubs and community resources from the central platform and interface to aggregator and Virtual Power Plant (VPP) partners

Partners operate the whole community network, Virtual Power Plant and trade energy with the market

*The revenue mix is increasingly subscription based SaaS model*



## Hardware Sales

- Sale of hardware such as home or commercial hubs
- Sale of batteries, inverters, PV panels in Taiwan



## Connection fees

- Upfront connection fee for X2M Hub device connected to the X2M IoT platform



## SaaS fees

- Monthly subscription fee for every device connection to Vision (web platform) and PRISM (mobile application)
- Connection contracts are long-dated, targeting 5-10 years with large deployments

- ✔ Well placed for momentum to continue into FY23 with contracted FY23 revenues already at approximately 60% of FY22 full year forecast
- ✔ 10 contracted deployments are in progress in South Korea and will continue roll out post June 2022 with revenue recognition of approximately \$4.7 million in 1HFY23
- ✔ Hebei contract secured in China for \$1.4 million deployment in H1FY23
- ✔ 3 contracted deployments are in progress in Taiwan and will continue rollout post June 2022 with revenue recognition of approximately \$0.4 million
- ✔ Resi Ventures Echuca energy management estate planned to roll out in FY23
- ✔ Capital management a priority



X2M CONNECT

# GET IN TOUCH



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