



## ASX Announcement | 7 July 2022

### X2M Connect Limited (ASX:X2M)

#### X2M's strong start to FY23 boosted by new order from existing customer Bucheon City

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##### Investment Highlights

- 11 contracts secured across the group in FY22 to deliver revenue of \$6.1 million in FY23
- New repeat order secured from Bucheon City in South Korea valued at approximately A\$1.6 million
- Contract provides water monitoring and control to approximately 11,000 households to be completed by December 2022
- Order will take X2M's penetration of water monitoring in Bucheon City from 29% to 38%
- Follows on from a similar repeat order contracted to deliver 80% penetration in Okcheon (see ASX announcement 24 June 2022)
- Orders for revenue recognition in H1FY23 now exceed \$7.7 million

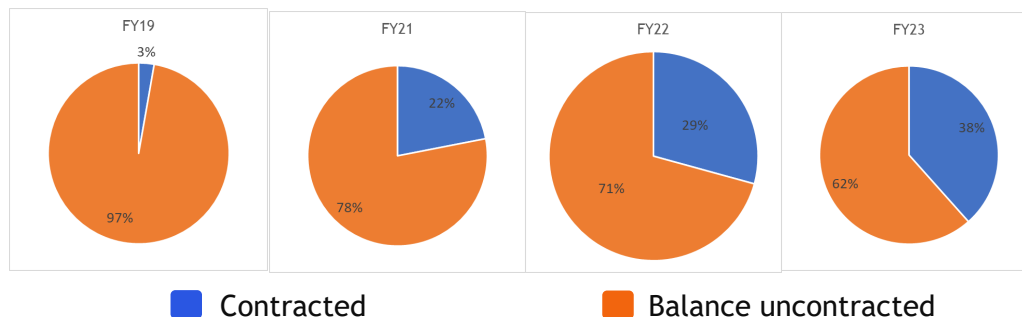
Australian Internet of Things (IoT) technology company **X2M Connect Limited (ASX:X2M)** ("X2M" or "the Company") is pleased to announce another significant contract for Bucheon City in South Korea.

##### X2M's penetration into existing South Korean customers continues

This latest contract is for approximately A\$1.6 million from the South Korean city of Bucheon to deliver water monitoring and control services to approximately 11,000 households. It demonstrates X2M's ability to build penetration into their existing customer base.

Bucheon City, with an addressable market of approximately 120,000 households, initially purchased remote monitoring and control for 3,300 households in December 2018. They purchased devices and services for an additional 23,000 households in April 2021, continuing with additional orders later in FY22. Bucheon City has published that it intends to add remote water meter monitoring and control devices to all of its households over several years. This contract will bring the percentage of Bucheon City's addressable market connected to X2M's IoT platform from 29% to 38%.

The following graphic shows the progression of remote monitoring contracted to connect to the X2M IoT platform by Bucheon City since FY19.



### X2M’s addressable market for South Korean existing customers is significant

The total addressable market for households with water meters in X2M’s existing South Korean customer base is approximately 3.5 million households, with a potential value of more than \$400 million in revenue if all those households were contracted to be fitted with remote water meter monitoring and control. This Bucheon City success follows closely on the heels of a similar story at Okcheon county where 80% of households have been contracted (see ASX announcement 24 June 2022).

### X2M poised for a strong start to FY23 boosted by Bucheon City

X2M secured 11 contracts across the group in FY22 that are expected to deliver revenue of approximately \$6.1 million in H1FY23 (see ASX announcement 4 July 2022). This new Bucheon order for approximately \$1.6 million takes the contracted revenue for H1FY23 to \$7.7 million compared to \$4.6 million reported for H1FY22 providing X2M with a strong start to FY23.

**X2M CEO Mohan Jesudason said:** “We are very pleased with the ongoing repeat business obtained from Bucheon City. This contract once again confirms our view that when a municipality has made the decision to digitize its water and places initial contracts, it is likely that additional contracts will follow to complete the digitization of all the municipality’s households. X2M is set for a strong start to FY23.”

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 245,000 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](#).