



X2M Connect Limited  
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4 May 2023

Dear Shareholder,

The purpose of this letter is to draw your attention to the extension in the closing date of the X2M Share Purchase Plan (SPP) which was announced on the 17 April 2023. The timetable for the SPP is now as follows:

Event	Date
Record Date	14 April 2023
Announcement of SPP	17 April 2023
Despatch of SPP Offer Booklet	18 April 2023
SPP Opens	18 April 2023
SPP Closes (Closing Date)	5.00 pm (AEST) on 16 May 2023
Last day for X2M Connect to announce results of SPP, issue securities and lodge ASX Appendix 2A	Before Midday (AEST) 23 May 2023

In addition, the Company wishes to update shareholders on the business since the SPP announcement and to reinforce a number of points on the SPP:

- On 3 May 2023, X2M announced it had secured four further contracts in South Korea to a total value of A\$1.3m. These contracts came from a combination of new and existing customers and is an additional proof point on the effectiveness of X2M's business development strategies.
- On 28 April 2023, X2M released its quarterly activity report for the quarter ended 31 March 2023. Key highlights from this report are:
  - YTD total revenues of \$13.1 million<sup>1</sup>, up 114% on the previous comparable period (pcp)
  - Connected devices at 31 March 2023 were 390,626, up 99% on the pcp
  - Enterprise/government customers increased to 61, up 39% on the pcp
- The Offer Price is a 14.7% discount to the Last Close Price of \$0.078 on 3 May 2023.
- The funds raised will be used to fund enhancements of the Company's platform to accommodate growth expected to be driven by a range of government initiatives in Japan, Taiwan and Australia all of which are expected to deliver good tail winds over the coming 12 to 18 months.

All other terms of the SPP as set out in the Offer Booklet sent to Eligible Shareholders on 18 April 2023 remain unchanged.

In conclusion, the directors believe the X2M's business strategies are delivering with credible performances across the key metrics of connected devices, revenues and reducing cashburn. With the current footprint of growing enterprise and government customers and the large addressable market they represent, X2M is well positioned for continued growth. The SPP gives you the opportunity to participate in the Company at a 14.7% discount to the Last Close price on 3 May 2023, with no brokerage or other fees.

Yours sincerely

Mohan Jesudason  
Managing Director and Chief Executive Officer

<sup>1</sup> Unaudited