

ASX Announcement | 18 June 2025

X2M strengthens balance sheet with capital raise and debt reduction

Australian Internet of Things (IoT) technology company **X2M Connect Limited** (ASX:X2M) (“X2M” or “the Company”) has secured a Placement of \$1.95 million through the issue of approximately 122.33 million Shares at a price of \$0.016 per Share with certain elements subject to shareholder approval. The Placement comprises new equity funding of \$0.9 million largely from Singapore and Hong Kong investors and in parallel, existing convertible note holders to the value of approximately \$1.05 million will direct their Company held debt to purchase equity on the same terms, further strengthening the Company’s balance sheet.

The proceeds from the capital raise will be used for business expansion, product enhancements and working capital.

X2M CEO Mohan Jesudason said, “As we accelerate our expansion into AI and data aggregation ahead of FY26, we’re pleased to see investors reaffirm their confidence in our long-term vision by converting debt to equity, strengthening our capital structure and momentum”.

Free Attaching Options

Subject to shareholder approval, Investors will receive a free attaching unlisted Option for each issued Share (“Unlisted Option”). Unlisted Options have an exercise price of \$0.016 and an expiry date 12 months from date of issue. In addition, Investors will receive a “piggyback” free attaching unlisted Option for each Unlisted Option that is validly exercised before expiry (“Piggyback Option”). Piggyback Options will have an exercise price of \$0.03 and an expiry date of 31 July 2027.

June 2025 Settlement

Settlement of \$0.75 million of the new equity part of the Placement is expected on 25 June 2025 with 46,875,000 Shares to be issued from the Company’s placement capacity under Listing Rule 7.1 and 7.1A (10,708,931 and 36,166,069 respectively). Capital raising commission fees of \$0.045 million in total will be paid to lead managers Spark Plus and GBA Capital. A total of 9,375,000 Unlisted Options and 9,375,000 Piggyback Options will be issued to the lead managers as broker options.

Shareholder Approval

The balance of approximately 75.456 million Shares, all Unlisted Options and Piggyback Options are subject to shareholder approval at a meeting to be held on or about 31 July 2025. A Notice of Meeting will be issued in the next few weeks.

Strengthening of the balance sheet remains a priority for the Company.

The Board of X2M has approved this announcement.

Ends



For further information contact:

X2M Connect Limited

Mohan Jesudason

Chief Executive Officer

investor.relations@x2mconnect.com

T: 1 800 926 926 (1 800 X2M X2M)

Investor Enquiries

Howard Marks

Automic Markets

howard.marks@automicgroup.com.au

T: +61 402 438 019

Media Enquiries

Rama Razy

Automic Markets

rama.razy@automicgroup.com.au

T: +61 498 440 142

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. The strategy is to stay focused on the utility sector where X2M has proven performance and tap the growing artificial intelligence, renewable energy generation and battery storage markets' demand for data collection, analytics and device control.

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 collection of large volumes of data from meters or sensors and our ability to go back and control devices also provides the basis for artificial intelligence or machine learning applications to build upon our platform. The Company generates revenue from the sale of hardware and monthly subscription fees under Software as a Service arrangements.

X2M now has circa half a million 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 communications technologies.

X2M's current focus is on servicing the utility sector in the Asia-Pacific region, where it has a significant number of government and enterprise customer relationships already in place. The addressable market across the region is large and importantly, the addressable market within X2M's existing customer base is also large with penetration growing. Going forward, X2M will look to continue its global expansion, with subsidiaries already operating in Japan, South Korea, Taiwan and China.

X2M has recently extended its focus into the Middle East by licensing its platform to Dicode Smart Connect Electronics LLC, a Dubai based business.

To learn more about X2M click here: www.x2mconnect.com or follow us on [LinkedIn](#).