

12 February 2018

ASX Announcement / Media Release

## **CIO PROTOTYPE UNITS APPROVED BY US BASED CYBER SECURITY COMPANY**

### **HIGHLIGHTS**

- **Connected IO receives confirmation that prototype trials have been successful and signed off by US based cyber security company.**
- **CIO confirms initial payment of \$235,000 has been received and parties now proceed to complete formal contract.**

The Board of Connected IO Limited ("CIO") is pleased to advise further to the Letter of Intent ("LOI") announcement (ASX : CIO 6/2/18) trials of the custom category 1 routers have been successful and approved by the US based cyber security company.

Under the terms of the LOI an upfront payment of \$235,000 has been received by CIO and the parties will move towards completing a definitive contract in coming weeks.

The cyber security company has advised CIO in writing that when the contract is executed it expects to purchase \$6.9M worth of units over a three year period representing the Company's largest contract to date.

The parties will continue to negotiate separately the ability of CIO to provide managed services software (SaaS) to the cyber security company. This could represent a further revenue stream recurring in nature with greater profit margins.

CIO CEO Yakov Temov said "It is pleasing to have formal sign off of the trials so quickly and move toward the contract phase of the LOI. Being a long term client, CIO are looking forward to developing the relationship into a significant and long standing association."

For personal use only

## **About US Cyber Security Company**

The LOI has been signed with a US based cyber security company (name precluded under confidentiality) that develops and offers cloud based “payment card industry data security standard” (“PCI DSS”) solutions to large franchise merchants in the United States and internationally. It offers a managed security suite that includes the hardware and software for network security, secured data access, and a framework for creating policies and procedures. Its products are used in grocery and convenience stores, restaurants, retail facilities, hotels, and kiosks. The company was established in the USA almost 30 years ago.

## **About Connected IO Ltd. (CIO)**

Connected IO Limited has its operations based in Silicon Valley, in the USA. Its business is a wireless technology innovator and manufacturer operating in the multi-trillion-dollar “IOT” (Internet of Things) sector. CIO specializes in machine to machine (“M2M”) connectivity, providing hardware and software solutions to some of the world’s largest companies – including Coca Cola, Verizon and AT&T. CIO’s software solutions also include a customised cloud management interface and a variety of support services. Cisco predicts there will be 50 billion connected devices by 2020.

For personal use only