5 July 2018

Connected IO revenue grows with accelerated outlook for 2018

HIGHLIGHTS

- **Connected IO cash receipts increase on previous quarter.**

- **Accrued revenues building to total $460,000 for June quarter.**

- **Purchase orders as at 30 June equate to $650,000, anticipated to be converted to cash receipts before the end of the calendar year.**

- **Inventory grows 50% to approximately $1,200,000 in anticipation of invoicing and shipment.**
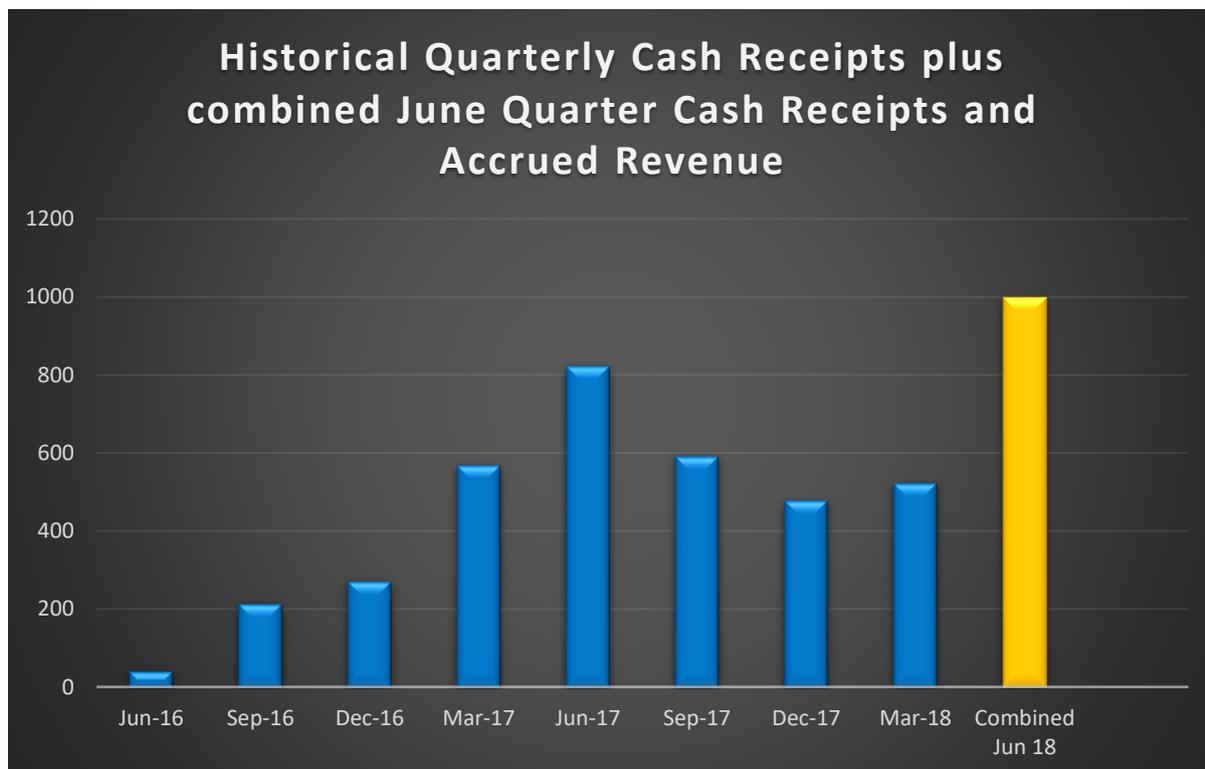
The Board of Connected IO Limited ("CIO" or "Company") is pleased to advise that the Company has generated improved results for the 30 June 2018 quarter compared to those reported to the market in the March quarter and 6 June 2018.

CIO generated $998,000 in combined cash receipts and accrued revenues being a combination of cash received, shipped and invoiced product for the quarter, up 51% on the results announced to the market on 6 June 2018.

The activity is made up of cash receipts of $537,000 (up 30.97% on 6/6/18 announcement) which have been generated through purchase orders received in previous quarters, as well as accrued revenues of $460,000 (up 84% on 6/6/18 announcement) via shipped and invoiced product of which majority is receivable in the September quarter.

In addition, purchase orders received this quarter now total $650,000 mostly from large customers making recurring orders. It is expected these purchase orders will be converted to cash receipts before the end of the calendar year.

For the quarter to 30 June 2018, incorporating each of the above cash receipts, accrued revenue and purchase orders received, CIO is pleased to confirm total activity of $1.6m (up 22.1% on 6/6/18 announcement).

Connected IO CEO Yakov Temov said "The increase in combined cash receipts and accrued revenue is as a result of a significant sales drive as the company strives to achieve its first million-dollar cash receipt quarter. These results are reflective of the growth of strategic relationships with major US customers, and are anticipated to strengthen and scale up in the second half of 2018."

About Connected IO Ltd. (CIO)

Based in Silicon Valley, Connected IO (CIO) develops wireless products for machine-to-machine (M2M) communications and Internet of Things (IoT) connectivity. The CIO family of programmable modems and routers are innovative, operator-certified, secure, and affordable, making them the preferred choice of enterprises around the globe for a wide array of applications and industries, including digital signage, POS, vending machines, security, monitoring and control, and failover.

The IoT market is growing exponentially and cellular technology and wireless connectivity are advancing rapidly—from LTE to Narrowband IoT (NB-IoT). To keep pace, reduce development costs, and shorten time to market, companies are choosing CIO hardware. Ready to go right out of the box, CIO products can be easily configured, deployed, monitored, and managed with our cloud-based management portal.