

China Update - New contract wins

Highlights:

- Sales momentum building with two new contracts in China
- Deploys applications built on CT1's MeridianCT platform
- Strong Sales pipeline
- First applications for water treatment plants

3 September 2020 - Constellation Technologies Limited (ASX:CT1) (the 'Company') is pleased to advise that its wholly-owned China subsidiary has signed two new customer contracts with Beijing BHZQ Environmental Engineering Technology Co. Ltd. (BHZQ) for water treatment plants in Hejian City and Yahong Bridge, both in the Hebei Province.

This second and third contracts totalling RMB 1.345mil (approx. A\$280,000) with BHZQ provide additional sales of CT1's proprietary IoT solutions as part of a SCADA system build and deployment.

CT1 has now secured \$760,000 in new contracts in the last three months as it continues to build a strong sales pipeline of opportunities in China. On 17 June 2020, CT1 announced its first China contract of \$480,000 that remains on schedule with staged payments having been receipted.

CT1 has successfully built an IoT platform "MeridianCT" that allows it to quickly and cost effectively deploy specialised IoT solutions across multiple use cases. CT1 is using this platform to deploy innovative solutions for BHZQ for the new contracts over a 6-month term that may be retained under an ongoing agreement providing further licence revenues to CT1. The projects are being led by CT1's lead IT engineer in Beijing supported by the Company's technical and project teams across Australia and India.

Both projects also include a smart video surveillance system enabled by CT1's MeridianCT platform. This component can also be offered as a standalone application for plant management and brings CT1 into the smart monitoring industry.

CT1 has successfully expanded its technology platform and capability to service industrial IoT and smart city projects. The Board is encouraged by the strong pipeline of opportunities in China. As previously outlined, the current pipeline of the Chinese subsidiary, excluding other group revenues, exceeds an estimated RMB41.7m (AUD\$8.5m) of revenues over the next 12 months.

In accordance with ASX Guidance Note 8 the Company confirms that there are no other material conditions or information relevant to assessing the impact of the contracts on the Company's securities.

ENDS

Authorised for release by the Board of Constellation Technologies Limited

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