



A WORLD LEADER IN NARROWBAND RADIO FREQUENCY (RF) SMART MESH NETWORKS

# Disclaimer



The information contained in this confidential document ("Presentation") has been prepared by CyanConnode Holdings Plc (the "Company"). It has not been fully verified and is subject to material updating, revision and further amendment. This Presentation has not been approved by an authorised person in accordance with Section 21 of the Financial Services and Markets Act 2000 ("FSMA"). Any other person who receives this Presentation should not rely or act upon it. Any person who is in any doubt about this Presentation should consult a person duly authorised for the purposes of FSMA who specialises in the acquisition of shares and other securities.

This Presentation includes geographic and economic information, industry data and market share information obtained from independent industry publications, market research and analyst reports, surveys and other publicly available sources. Although the Company believes these sources to be generally reliable, geographic and economic information, industry data and market share information is subject to interpretation and cannot be verified with complete accuracy due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data is not guaranteed. The Company has not independently verified any of the data from third party sources referred to in this Presentation nor ascertained the underlying assumptions relied upon by such sources.

While the information contained herein has been prepared in good faith, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as "Information") and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

All statements of opinion and/or belief contained in this Presentation and all views expressed represent the directors' own current assessment and interpretation of information available to them as at the date of this Presentation. In addition, this Presentation contains certain forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, prospects, growth, forecasts, projections, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Therefore, actual results and future events could differ materially from those anticipated in such statements. Risks and uncertainties that could cause results of future events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to, factors associated with requirements of additional financing risk, risks of delays in construction, production, competitive pressures, changes in the regulatory framework and prevailing macroeconomic conditions and other risks. No representation is made or assurance given that such statements or views are correct or that the objectives of the Company will be achieved. The reader is cautioned not to place reliance on these statements or views and no responsibility is accepted by the Company or any of its directors, officers, employees or agents in respect thereof. The Company does not undertake to update any forward-looking statement or other information that is contained in this Presentation.

In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of the Company. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

This Presentation should not be considered as the giving of investment advice by the Company, brokers or any of their respective shareholders, directors, officers, agents, employees or advisers in relation to the acquisition of shares in the Company. In particular, this Presentation does not constitute an offer or invitation to subscribe for or purchase any securities and neither this Presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

Neither this Presentation nor any copy of it may be (a) taken or transmitted into Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or the United States of America (each a "Restricted Territory"), their territories or possessions; (b) distributed to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933 (as amended)) or (c) distributed to any individual outside a Restricted Territory who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe any securities or in the context where its distribution may be construed as such offer, solicitation or invitation, in any such case except in compliance with any applicable exemption. The distribution of this document in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

By accepting receipt or attending any delivery of, or electronically accessing, this Presentation, each recipient agrees to be bound by the above limitations and conditions and, in particular represents, warrants and undertakes to the Company that: (i) they will not forward the Presentation to any other person, or reproduce or publish this document, in whole or in part, for any purpose; and (iii) they agree to comply with the contents of this notice.

- Wireless Communications Narrowband Radio Mesh Tech designed by PhDs in Cambridge
- Sell through well know multi-billion dollar organisations such as System Integrators, Meter Manufacturers, EPCs
  - End 2 end solution
  - Wide applications, Elec, Gas, Water, EV, Smart Cities
- Market opportunity 250 million meters in India alone – government is after a quick roll out to enable economies of scale.
- Addressable market for Omnimesh is \$5 billion in India
- Win 20m to 30m smart meters over 5 years = revenue of \$400M to \$600M to CyanConnode
- India now tendering for >75M meters worth a potential > £1 billion to CyanConnode
- Strategy to deliver shareholder value (cost control, convert pipeline)
- USP
  - Standards based IPV6 6LoWpan
  - Success Data Rates SLAs of > 99.5% = high performance
  - Secure private network vs cellular which is not private or secure
  - Meter agnostic
  - Platform handle RF, Cellular, NBloT, PLC
  - Innovation
  - Proven deployments 2.7 million units & cost effective

- Revenue for the period of £1.3m with majority of the revenue for the year being delivered in H2, in line with Board's expectations
- Gross margin of 49%
- 5% increase in operating costs
- Increase in operating loss to a loss of £2.4m due to the weighting of revenue into the second half
- Cash of £1m. Purchase of long lead-time components to ensure we meet delivery schedules
- Orders for 1.3 million units won in India alone, and \$9 million in MENA region



Market expectation  
for revenue to grow  
to £12.5M in FY23

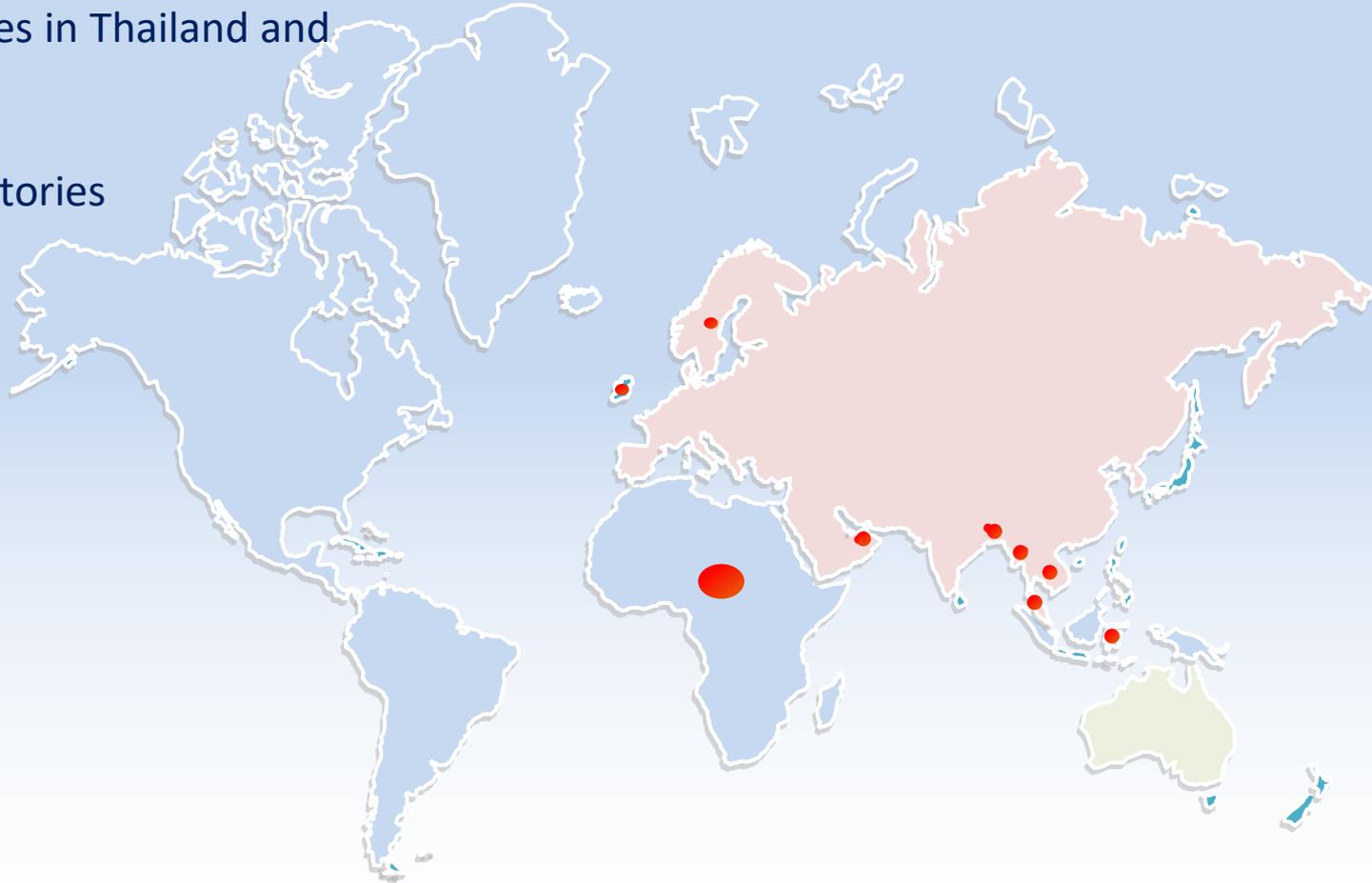
- £4.6m debtors showing on balance sheet – reduction from £7m at end March 22. Part of the £4.6m not yet due as based on achievement of milestones
- £4.5 million cash received from customers during the period, majority of which relates to FY22. A further £2.3 million received since period end
- Improved payment terms with customers for current orders
- Inventory of £1m including long lead time components
- Improved costing of components and supply chain
- Additional manufacturing capacity

- £0.5 million raised by way of subscription
- Substantial increase in revenue – 3 times higher in Q3 than in H1
- Further £2.3 million cash received from customers taking total year to date to £6.8 million
- Cash constant at £1 million
- Current tenders in India for >75 million following launch of RDSS, worth > £1 billion to CyanConnode
- Further investment in component stock to meet current orders

- The Government of India plans to rollout 250 million smart prepaid meters and tenders for large volumes, which currently total 75 million smart prepaid meters, have now been issued.
- In August 2022, the Government of India approved the RDSS\* to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to strengthen supply infrastructure.
- The ‘Collection Efficiency’ of not less than 98%, as set out in the RDSS and which CyanConnode achieves, favours the Group’s technology for network communication and management. The RDSS has an outlay of Rs 3,03,758 Crore (circa £30 billion) over 5 years. RDSS mandates compulsory installation of smart meters across the country.
- REC has commenced empanelment process with 31 companies now empanelled.
- CyanConnode’s Omnimesh networks reliably meet stringent SLAs in dense terrain, as well as semi-rural, rural and mountainous regions. Long-range testing completed during the period, achieving a distance of ~9.5 kms in Shimla, Himachal Pradesh

\* Revamped Distribution Sector Scheme

- Further opportunities in Thailand and Sweden
- New and other territories
  - Africa
  - UAE
  - Cambodia
  - Bangladesh
  - Malaysia
  - Indonesia
  - UK
- Water metering
- Advance payments



- In 2021 CyanConnode was awarded the London Stock Exchange Green Economy Mark
- This award recognises companies and investment funds listed on all segments of London Stock Exchange's Main Market and AIM that are driving the global green economy
- To qualify for the Green Economy Mark, companies and funds must generate 50% or more of their total annual revenues from products and services that contribute to the global green economy
- The Mark supports the Company in communicating our green credentials to investors and other stakeholders, highlighting our efforts to support the transition to a low or net zero economy





# impact due to reduction of Manual reads

CyanConnode RF Nodes installed and communicating in India

**1,110,000**

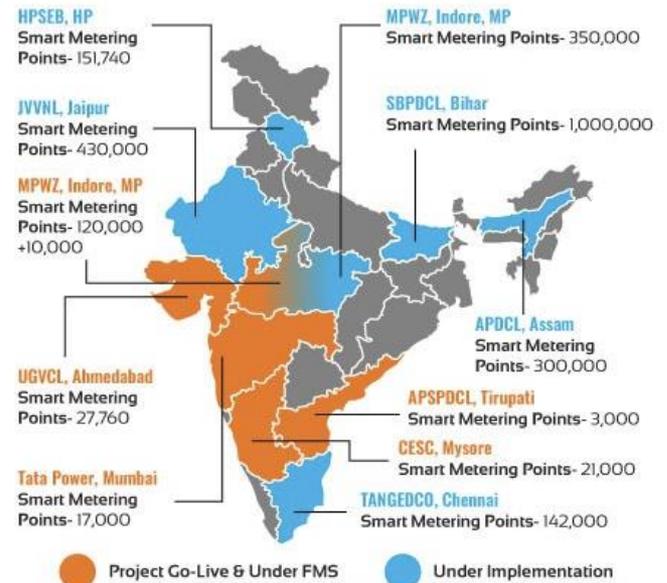
Annual fuel saved  
**33,300** ltrs

Annual Monetary savings to utilities  
**INR 199,800,000**

Annual CO<sub>2</sub> emission avoided  
**76,590** KG

Indian homes that can be lit for an entire year **61**

Trees required to sequester this CO<sub>2</sub> annually **3,064**



**Orderbook of 2.6 million RF nodes**

Please Note: The savings will be much higher if we take associated Smart Meter benefits such as load forecasting, peak load management, adoption of energy efficient lifestyle due to Smart Meters, Demand Side Measures, AT&C loss reduction, etc.

- Tenders for >75 million meters are currently being floated or will be floated shortly. Given the Government's ambition these numbers are only going to increase exponentially in near future.
- Partners of CyanConnode have been named as L1 status on tenders for > 25 million meters worth a potential > £360 million revenue to CyanConnode.
- CyanConnode's installed base is currently c. 25% of the market
- CyanConnode's success rate since April 22 in terms of volume is 27% which equates to a potential > £100 million revenue to CyanConnode
- All the points above suggest a bright future with continued growth
- Contracts in other areas such as the MENA region are rolling out

- What is it that differentiates the CyanConnode proposition vs a competing solution when you are tendering? Why are you 'better' than the competition?
- As someone who doesn't know the company well, or the industry, would you explain to me why it is that the solution you provide is needed?
- What could supersede your solution as an alternative? Could we become obsolete as technology moves on?
- How much operating leverage does the company have? It would appear that there should be significant profit upside given the fixed costs don't move when we win new business?
- How fundamental is your solution to the modernisation of some cities?

Thank you

