Cash Flow and Financial Health:

1. Can you provide more details on your cash flow management strategy, given the significant increase in cash received from customers of £16.9m during FY 2024?

   We monitor costs closely and make use of invoice discounting where possible to ensure quicker receipt from customers. Work closely with customers to ensure prompt payment. Generally payment terms for modules, which is the largest revenue stream in the initial phase of each rollout require payment from customers within 30-60 days from the date that we ship the modules to the customer. Payment terms for items shipped to many of the Rest of World customers generally require either 40 or 50% of order value to be paid at the time of placing the manufacturing order and the balance up to 30 days after shipping. We're also looking at working capital facilities in India where the biggest growth is.

2. How do you plan to address the operating loss reported in H1 FY 2024?

   Many operating costs are fixed and therefore spread fairly evenly over the 12 months of the year. Revenue however is typically skewed to the second half (and even more so to the final quarter) of each year, which means that any loss is likely to be reduced (or would not grow at the same rate) over the second half of the year.

3. With cash and cash equivalents at £0.9m at the end of H1 FY2024, how are you planning to manage liquidity and ensure financial stability?

   We completed a fundraise in November 2023 for £2.7m before expenses, along with warrants with potential to raise a further ~£4m. We continue to work to bring in cash from customers. We're also looking at working capital facilities in India where the biggest growth is.

4. Can you take us through the working capital cycle of the business?

Working Capital Cycle – typical India order
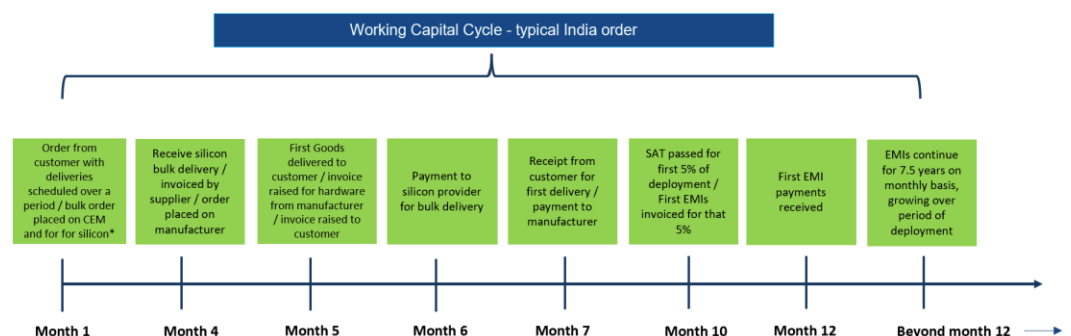
- Bulk order placed on silicon provider will be to cover multiple customer orders phased over a few months

- While this is a simplification of a typical contract we generally see some variations per contract

- Hardware approx. 60% of contract value
- Software and services approx. 20% of contract value
- Support and maintenance approx. 20% of contract value

Payments in capex (60% of order) and opex (40% of order)
- Capex paid against delivery of hardware
- Opex paid monthly over 7.5 years

5. Can you elaborate on the main drivers behind the significant increase in gross profit from £0.7m to £1.8m in H1 FY2024?

   This has been mainly driven by the increased revenue in the first half of the year.

6. What measures are in place to ensure consistent revenue growth, especially considering the rapid growth in the Indian market?

   We have a larger order backlog than previously in our history which will be delivered in the next few years. There is significant momentum in the smart metering market in India with the rollout of 250m smart prepaid meters due to be delivered in the next few years. If CyanConnode maintains its market share this will lead to significant revenue growth in the coming years. We have recently been empaneled as an AMISP with the aim of winning further revenue through this vehicle. The way we expect to win more business using DigiSmart Networks is covered in more details later in these questions.

7. Can you provide insights into the strategic importance of your recent market share achievements and how you plan to sustain and grow this share?

   By capturing the market share we already have we have been able to prove our technology and develop crucial partnerships. We expect to be able to maintain and grow this share largely through our relationships, proven technology and via DigiSmart Networks in ways to be covered later in these questions and in the slide deck.

8. What are your current debt facilities and when are they up for renewal?

   We have no debt

9. What is the long-term EBITDA margin target for the business?

   This will vary according to revenue, product mix and markets. Since operating costs are not expected to grow in proportion to revenues, EBITDA margin will increase as revenues increase

Technology and Competitive Differentiation:
1. How does CyanConnode ensure the security and privacy of data transmitted over its networks?
   - Swiss Cheese Model of Security:
   CyanConnode employs a multi-layered security approach, known as the Swiss Cheese Model, which visualizes security as layers of defense with potential vulnerabilities being mitigated by multiple overlapping protections.

   - End-to-End Encryption:
   Data is secured using Datagram Transport Layer Security (DTLS) and Public Key Infrastructure (PKI) for key management and authentication. This ensures that data transmitted over the network is encrypted end-to-end.

   - Device and Network Layer Security:
   At the device level, CyanConnode uses AES-128 CCM MIC-32 for securing data packets. Network layer security is further strengthened by DLMS high-level security (HLS) and DLMS low-level security (LLS) protocols.

   - WAN Security:

For Wide Area Network (WAN) security, CyanConnode employs cellular encryption, private networks, and dedicated physical lines to ensure robust protection of data as it is transmitted across larger distances.

- Infrastructure Security:

The infrastructure is protected using firewalls, intrusion detection systems (IDS), and intrusion prevention systems (IPS). These measures help in monitoring and preventing unauthorized access or attacks on the network.

- Identity and Access Management:

Identity security involves the use of PKI with SHA-256 RSA-2048 X.509 certificates for web/API connectivity and PKI with ECDSA-SHA-256 EC P-256 X.509 certificates for device connectivity. Role-based access control (RBAC) and access audit logging further enhance security by ensuring that only authorized personnel can access sensitive data.

- Compliance with International Standards:

All security measures conform to international and national standards such as ISO 27001, ITU, ETSI, ANSI, BIS, and ICNIRP. These standards ensure that the security protocols CyanConnode follows are recognized and reliable globally.

- Data Centers and Backhaul Security:

Data transmission through backhaul occurs via MEITY-empanelled data centers, which adhere to stringent security guidelines laid out by MEITY. This ensures that data is protected not just in transit but also at rest within the data centers.

- Continuous Monitoring and Updates:

CyanConnode conducts regular security audits and has a comprehensive incident response plan to swiftly address any breaches or vulnerabilities. Continuous updates and monitoring ensure that the security measures remain effective against evolving threats.

2. Of your tech product portfolio, which product is most vital and leads compared to competitors?

Omnimesh RF Smart Mesh Networks

- The Omnimesh RF Smart Mesh Network is CyanConnode's flagship product. Omnimesh networks are designed for rapid deployment, exceptional performance, and competitive total cost of ownership (TCO). The RF technology ensures ultra-reliable communication infrastructure with over 99% Service Level Agreements (SLAs), making it highly dependable in diverse environments including urban, semi-urban, and rural areas.

- Long-Range Coverage: The recent advancement with the "long-range" RF module extends coverage up to 10 kilometers per link, even in challenging terrains like hilly or agricultural areas. This feature is crucial for deployments in remote and difficult-to-

reach areas, giving CyanConnode a competitive edge over other solutions that may struggle in such environments

- Scalability and Flexibility: The Omnimesh platform supports easy scalability and adaptability, making it suitable for expanding smart metering projects. Its ability to integrate with various IoT applications, such as gas and water metering, street lighting, and EV charging infrastructure, showcases its versatility and future readiness.

- Enhanced Security: The solution incorporates advanced security protocols, including end-to-end encryption, robust device and network layer security, and compliance with international security standards. This ensures the privacy and integrity of data transmitted over the network, a critical aspect for any smart metering infrastructure.

- Global Recognition and Deployment: CyanConnode's Omnimesh technology has been successfully deployed in multiple countries, demonstrating its effectiveness and reliability on a global scale. This widespread acceptance underscores its leading position in the market and the trust it has garnered among utilities worldwide.

3. Can you explain the technical and operational benefits that customers gain from using Omnimesh modules in their smart metering infrastructure compared to other available solutions?

Technical Benefits:

High Performance and Reliability:

- Exceptional SLAs: Omnimesh modules deliver over 99% Service Level Agreements (SLAs) for data transmission, ensuring highly reliable and accurate meter readings. This level of reliability is crucial for utilities to effectively manage energy distribution and billing.
- Long-Range Coverage: The long-range RF modules can cover up to 10 kilometers per link, making them ideal for deployment in challenging terrains such as hilly, rural, and semi-urban areas where other technologies may struggle.

Advanced Security Protocols:

- End-to-End Encryption: Data security is maintained through advanced encryption techniques such as Datagram Transport Layer Security (DTLS) and Public Key Infrastructure (PKI), ensuring the integrity and privacy of transmitted data.
- Multi-Layered Security: The Swiss Cheese Model of security provides multiple layers of protection, including device-level security, network security, and infrastructure security, safeguarding the entire smart metering system.

Scalability and Flexibility:

- Scalable Network: Omnimesh networks are designed to be highly scalable, allowing utilities to expand their smart metering infrastructure seamlessly as demand grows. This flexibility supports long-term growth without significant additional investments.

Operational Benefits:

Cost-Effectiveness:

- Lower Total Cost of Ownership (TCO): The TCO for RF-based systems like Omnimesh is lower compared to cellular-based systems, especially over the project's lifespan. This includes lower implementation and maintenance costs, contributing to overall cost savings for utilities.
- No Technology Sunset: Unlike cellular technologies that require frequent upgrades (e.g., from 3G to 4G), RF-based systems like Omnimesh do not have a sunset of technology, ensuring long-term sustainability without the need for costly upgrades.

Enhanced Operational Efficiency:

- Self-Forming and Self-Healing Networks: Omnimesh networks automatically form and heal themselves, ensuring continuous operation even in the event of individual node failures. This reduces the need for manual interventions and enhances the reliability of the network.
- Reduced O&M Costs: The operational and maintenance costs for Omnimesh systems are significantly lower. For instance, non-communicating meters can often be resolved through gateways without the need for site visits, reducing the manpower and costs involved.

Improved Data Management:

- Real-Time Data Transmission: Omnimesh modules provide real-time data transmission, enabling utilities to perform timely and accurate billing, load forecasting, and demand-side management. This capability enhances overall operational efficiency and customer satisfaction.
- Integration with MDM Systems: The seamless integration with Meter Data Management (MDM) systems allows for efficient data analytics and operational insights, facilitating better decision-making and resource management.

Support for Smart City Initiatives:

Versatile Applications: Beyond smart metering, the Omnimesh network can support various smart city applications such as street lighting automation and EV charging infrastructure. This versatility helps municipalities and utilities optimize their infrastructure investments and improve urban services.

4. With the current market share of approximately 25% in India's installed smart metering base, what strategies are you employing to increase this market share? SLIDES on AMISP

Geographic Expansion:

Increasing Footprint: CyanConnode is actively expanding its presence across more states in India. By participating in new tenders and deploying smart meters in additional regions, we aim to enhance our market coverage and reach. This includes leveraging the recent

empanelment of our subsidiary as an Advanced Metering Infrastructure Service Provider (AMISP), which allows us to bid directly on significant projects under the Revamped Distribution Sector Scheme (RDSS).

Ensuring Seamless Supply Chain: Establishing strategic partnerships with key CEMs is critical to ensuring a reliable and seamless supply chain. These tie-ups help in maintaining a steady flow of high-quality components necessary for our smart metering solutions.

Optimized Production and Delivery: These strategic alliances enable us to streamline production and delivery processes, ensuring timely deployment of smart meters and supporting infrastructure. This operational efficiency is vital for meeting the growing demands of the market and sustaining our competitive edge.

Empanelment as an AMISP:

Direct Bidding on Tenders: With the empanelment of our subsidiary, Digismart Networks Private Limited, as an AMISP, CyanConnode can now directly bid on upcoming smart metering tenders. This certification allows us to participate in large-scale projects, enhancing our ability to secure substantial orders and expand our market share.

Comprehensive Project Execution: As an AMISP, we are responsible for the end-to-end execution of smart metering projects, from meter supply to Meter Data Management (MDM). This end-to-end responsibility ensures better control and integration of our advanced RF technology into India's energy infrastructure, reinforcing our market position.

While our primary focus remains on electricity smart meters, we are also poised to extend our proven technology to other utilities such as gas and water metering, as well as smart city applications like street lighting and EV charging infrastructure. This diversification will allow us to leverage our existing technology and infrastructure, contributing to our long-term growth and leadership in the smart metering and IoT solutions market

5. How does the Omnimesh solution ensure secure and reliable communication across large-scale IoT deployments?

End-to-End Encryption:

Omnimesh employs Datagram Transport Layer Security (DTLS) and Public Key Infrastructure (PKI) for key management and authentication, ensuring that data is encrypted from the source to the destination. This prevents unauthorized access and tampering.

Swiss Cheese Model: The security framework follows a multi-layered approach known as the Swiss Cheese Model, providing several overlapping layers of security to mitigate potential vulnerabilities. This includes device-level security, network security, and infrastructure security.

Device Security: Implements DLMS high-level security (HLS) and DLMS low-level security (LLS) protocols. The mesh radio MAC layer security uses AES-128 CCM MIC-32 to secure data packets.

Infrastructure Security: Utilizes firewalls, intrusion detection systems (IDS), and intrusion prevention systems (IPS) to protect against external threats. This comprehensive security ensures the integrity and privacy of the communication network.
Compliance with International Standards:

Global Standards: All security measures comply with international standards such as ISO 27001, ITU, ETSI, ANSI, BIS, and ICNIRP. These standards ensure that the security protocols CyanConnode follows are recognized and reliable globally

6. What are the primary challenges faced in deploying smart metering solutions in urban versus rural areas, and how does CyanConnode address these challenges?

Given India's ambitious smart metering goals, which include reaching remote and challenging terrains, the significance of CyanConnode's Omnimesh platform is more pronounced than ever. Our platform's innovative Long-Range RF solution is tailor-made for these scenarios, capable of overcoming geographical barriers and ensuring reliable connectivity across varied landscapes, from urban centers to the most secluded rural and semi-urban areas. Our successful deployment in Shimla, and the recent testing of our long-range RF solution, which complies with smart communication standards, underscore our commitment to addressing the unique challenges of India's diverse terrain.

Deploying smart metering solutions in urban areas poses challenges such as high-density buildings and population, which can interfere with wireless signal propagation. CyanConnode's Omnimesh RF technology addresses these issues by forming self-healing and self-forming mesh networks that ensure robust connectivity in dense environments. In rural areas, challenges include wide geographical spread, remote locations, limited infrastructure, and higher installation costs. Omnimesh's long-range RF modules cover up to 10 kilometers per link, ensuring reliable connectivity in sparsely populated areas.

The company's scalable and flexible networks facilitate efficient deployment in both urban and rural settings, while strategic partnerships with local utilities and comprehensive support and training help address region-specific challenges effectively

7. How do CyanConnode's technologies facilitate the integration of various smart city applications, such as street lighting and environmental sensors?

- Versatile IoT Support: Beyond smart metering, CyanConnode's RF canopy can support a variety of IoT applications essential for smart cities. This includes smart street lighting, environmental monitoring, traffic management, and EV charging infrastructure. The ability to support multiple applications on a single network reduces the need for separate infrastructures, leading to cost savings and operational efficiencies.
- Interoperability with Open Standards: The Omnimesh solution complies with the Wireless Smart Ubiquitous Network (Wi-SUN) standards, ensuring enhanced security and interoperability. This compliance allows for seamless integration with diverse smart city applications, such as street lighting systems and environmental sensors, which may use different technologies and protocols.
- Modular Architecture: The modular architecture of the Omnimesh platform supports easy scalability, enabling the addition of new smart city applications without

significant changes to the existing infrastructure. This flexibility is crucial for integrating applications like street lighting control and environmental monitoring

Market Opportunities and Expansion:

1. Can you provide more details on your market expansion plans, especially in regions outside India, such as the MENA region?

   CyanConnode is strategically expanding its market presence with a strong focus on the Middle East and North Africa (MENA) region. Currently, we collaborate with multiple utilities in the MENA region, deploying IoT-based smart metering projects for electricity, water, and gas. Our solutions involve supplying a variety of IoT gateways designed to meet the diverse needs of these utilities. These gateways feature universal network compatibility, supporting 5G, 4G, 3G, 2G, NB-IoT, LoRa, and LoRaWAN. They also offer wide protocol support, including DLMS, MBus, Wireless MBus, and Modbus, ensuring seamless integration with different metering systems. Additionally, the gateways are capable of over-the-air (OTA) updates and are built to industrial-grade specifications, ensuring reliable and uninterrupted operation even in harsh conditions.

   Our market expansion plans in the MENA region involve several key strategies. Firstly, we are targeting key markets such as the UAE and Saudi Arabia, which are at the forefront of adopting smart city technologies and modernizing their utilities. We are forming strategic partnerships with local system integrators and technology providers to facilitate smoother deployment and integration of our solutions, tailored to meet regional needs and regulatory requirements

2. To what extent does the empanelment of the India subsidiary increase the market opportunity within the Indian market?
   The empanelment of CyanConnode's wholly-owned subsidiary, Digismart Networks Private Limited (Digismart), as an AMISP opens significant new opportunities for the company in India. This empanelment allows Digismart to bid directly on upcoming smart metering tenders under the Revamped Distribution Sector Scheme (RDSS) on a Design, Build, Finance, Own, Operate, and Transfer (DBFOOT) basis. Here are the key aspects and additional scope enabled by this empanelment:

   - Increased Order Fulfillment and Tender Participation: Digismart is now qualified to participate in tenders with an overall scope of 70-80 million smart meters (yet to be tendered). We can also participate as an SI and get a pie of the 110 million smart meter order that have been awarded but are yet to be executed. This substantial pipeline significantly enhances CyanConnode's business prospects in India.
   - Direct Engagement in Smart Metering Projects: The certification enables Digismart to be directly involved in significant projects, covering the entire lifecycle of smart metering solutions from meter supply to Meter Data Management (MDM). This end-to-end responsibility ensures greater control and integration of CyanConnode's advanced RF technology into India's energy infrastructure and also will result in higher revenues.
   - The upcoming new government budget announcement and the expected extension of the RDSS may provide further growth opportunities. These developments are likely

to bring additional funding and policy support for smart metering initiatives, which CyanConnode, through Digismart, is well-positioned to leverage.

- Operational Excellence and Market Expansion: The certification underscores Digismart's adherence to stringent specifications and its capability to deliver reliable AMI solutions. This recognition is expected to instill greater confidence among stakeholders and pave the way for expanded market reach and operational excellence.

The empanelment of Digismart as an AMISP significantly expands CyanConnode's scope in the Indian market, enabling the company to participate in large-scale tenders, fulfill substantial orders, and further integrate its Omnimesh RF technology into energy projects across India. This strategic boost not only enhances CyanConnode's market presence but also positions it to play a pivotal role in the modernization of India's energy management systems

3. What are the key growth opportunities you see in the global smart metering market over the next 3-5 years?

The global smart metering market is poised for significant growth over the next 3-5 years, driven by several key opportunities:

Supportive Policies: Governments worldwide are implementing supportive policies and regulations to modernize their energy infrastructure and enhance energy efficiency. Programs like the European Union's Green Deal, the U.S. Smart Grid Investment Grant (SGIG), and India's Revamped Distribution Sector Scheme (RDSS) are accelerating the deployment of smart meters. These initiatives aim to reduce energy losses, improve billing accuracy, and integrate renewable energy sources.

Integration with IoT and AI: The integration of smart meters with Internet of Things (IoT) and Artificial Intelligence (AI) technologies is creating new opportunities for real-time data analytics, predictive maintenance, and enhanced grid management. Advanced metering infrastructure (AMI) systems are becoming more sophisticated, enabling utilities to optimize energy distribution and consumption patterns.

Interoperability and Standards: The development of interoperable standards, such as Wi-SUN, ensures that smart metering systems can seamlessly integrate with various smart city applications, expanding their utility and appeal.

Growing Demand in Developing Regions: Emerging markets in Asia-Pacific, Latin America, and Africa present significant growth opportunities due to the increasing demand for reliable energy supply and efficient energy management. Countries like India, China, Brazil, and South Africa are investing heavily in smart grid technologies to address their growing energy needs and reduce losses.

Renewable Energy Integration: The shift towards renewable energy sources is driving the need for smart meters that can handle variable energy inputs and support grid stability. Smart meters play a crucial role in integrating solar, wind, and other renewable energies into the grid, ensuring efficient energy distribution and consumption.

Carbon Emission Reduction: Smart metering technology contributes to carbon emission reduction by enabling demand response programs and energy-efficient practices, aligning with global sustainability goals and climate action plans

4. How do you plan to maintain and grow your market share given the competitive landscape of smart metering and IoT communications?

Geographic Expansion

India: CyanConnode continues to expand its market presence in India through strategic initiatives and ongoing projects. Our recent empanelment as an Advanced Metering Infrastructure Service Provider (AMISP) via our subsidiary, Digismart Networks Private Limited, allows us to directly bid on and execute large-scale smart metering projects under the Revamped Distribution Sector Scheme (RDSS). This certification enhances our ability to secure substantial orders and reinforces our market position in India.

International Markets:

Emerging Markets: We are targeting emerging markets such as Asia-Pacific, Latin America, and Africa, where there is a growing demand for smart metering solutions. Countries like Thailand, Azerbaijan, and those in the MENA region (Middle East and North Africa) present significant growth opportunities. By leveraging our successful deployments and forming strategic partnerships with local entities, we aim to establish a strong foothold in these new markets.

Product Diversification

Future Applications: Gas and Water Metering: Our existing RF canopy technology is versatile and can be adapted for gas and water metering. This allows us to expand our product offerings without significant additional capital outlay, providing comprehensive solutions for utility management.

Smart City Components: Beyond metering, our technology can support various smart city applications such as smart street lighting, traffic management, and EV charging infrastructure. These integrations enhance the value of our solutions and open new revenue streams by utilizing the same infrastructure.

Continuous Innovation: Investing in R&D: We are committed to continuous innovation through substantial investment in research and development. This focus ensures that our Omnimesh platform and other technologies remain at the cutting edge of smart metering and IoT communications.

5. What are your projections for the win ratio in future tenders in India, given your current 40%-win ratio in terms of tenders and 25% in volumes? How do you plan to capitalize on this growing demand?

Empanelment and Market Capture

The empanelment of CyanConnode's Indian subsidiary, Digismart Networks Private Limited, as an AMISP significantly boosts our potential to capture a larger share of the Indian smart metering market. This certification allows Digismart to directly bid on and execute large-scale smart metering projects under the RDSS, which is pivotal to India's smart metering goals. This certification enables us to secure high-value projects, directly enhancing our market penetration and volume capture.

Volume Growth

Given the growing demand for smart metering solutions in India, we aim to significantly increase our market share by leveraging our enhanced capabilities. Currently, CyanConnode has an order book of 6.6 million units, with 3 million already dispatched. The empanelment allows us to participate in more tenders, thus increasing our order pipeline and overall market share. Our objective is to grow our volume market share from 25%

6. How does CyanConnode's business model support scalability and long-term customer relationships?

CyanConnode's business model is strategically designed to support scalability and foster long-term customer relationships through key initiatives that align with market demands and customer needs.

India and Global Reach: CyanConnode is strategically expanding its footprint in India through the current business model and as well as through new initiatives such as the empanelment of its subsidiary Digismart Networks as an AMISP. This certification allows direct participation in large-scale smart metering projects, significantly increasing market capture. Internationally, the company is targeting emerging markets such as MENA, Thailand, and Azerbaijan, leveraging successful deployments to establish a strong presence.

Potential diversification: The company's existing technology infrastructure is versatile, and can support applications beyond electricity metering. This includes gas and water metering, as well as smart city components like street lighting, traffic management, and EV charging infrastructure. This capability allows customers to expand their usage without additional capital outlay, ensuring scalability and flexibility in meeting diverse utility needs.

End-to-End Solutions: CyanConnode offers comprehensive solutions from initial deployment to ongoing management, providing a seamless experience for customers. This integrated approach ensures that customers have a reliable partner for all stages of their smart metering and IoT projects, fostering long-term trust and collaboration.

High Service Levels: The company's commitment to delivering over 99% reliability in service levels builds confidence among utilities/ AMISPs, encouraging repeat business. This reliability is crucial for utilities managing critical infrastructure and operations.

Responsive Support and Feedback Loop: CyanConnode prioritizes client feedback and continuously improves its products and services based on this input. Dedicated support teams work closely with clients to resolve issues promptly and effectively, ensuring high levels of customer satisfaction and loyalty.

Product Development and Innovation:
1. Can you discuss the key R&D initiatives currently underway and their expected impact on your product portfolio?

CyanConnode, a leader in the smart metering market, is soon currently working on Unified Head-end System (UHS) for unmatched flexibility and vendor independence. This solution supports various connectivity technologies, including our proprietary RF, cellular, NB-IoT, and

PLC, providing utilities with a versatile and future-proof platform. Additionally, we have already introduced long-range RF technology capable of communication over distances of up to 10 kilometers on a single link with a clear line of sight. This technology has been proven in field tests in Shimla, Himachal Pradesh, achieving nearly 9.5 kilometers reach without issues, demonstrating its potential for deployment in remote and challenging terrains.

We have also developed the Gateway 200 dual SIM version, available globally, which ensures robust and reliable communication by supporting dual network connectivity. Moreover, our CNIC modules, also developed and available globally, provide advanced connectivity options, enhancing the flexibility and efficiency of smart metering networks. The CNIC modules give us the flexibility to work with cellular meters and expand our reach into new market segments, ensuring that our solutions remain adaptable to various utility requirements

These innovations highlight our commitment to offering flexible, cost-efficient, and reliable solutions, positioning CyanConnode at the forefront of the industry. Our technologies are designed to meet both the current and future demands of the energy sector, enhancing utility operations. By focusing on interoperability, scalability, and cutting-edge communication technologies, we ensure that our solutions can adapt to the evolving needs of utilities worldwide, providing them with the tools to optimize their operations and improve service delivery

2. What new products or enhancements can we expect soon that align with market trends and customer needs?
   CyanConnode is continuously innovating to align its products with market trends and customer needs. One of the key upcoming products is the Unified Head-End System (UHS), which will offer unmatched flexibility and vendor independence, supporting various connectivity technologies including our proprietary RF, cellular, NB-IoT, and PLC. This system addresses the growing demand for versatile and interoperable solutions in the smart metering market, enabling utilities to manage diverse networks seamlessly. Additionally, we are introducing long-range RF technology capable of communication over distances of up to 10 kilometers on a single link with a clear line of sight. This technology has proven effective in field tests in Shimla, Himachal Pradesh, and meets the need for reliable connectivity in remote and challenging terrains.

   We have also developed the updated Gateway 200 version, available globally, which ensures robust and reliable communication by supporting dual network connectivity. This product caters to the need for redundancy and reliability in communication networks, critical for uninterrupted service in smart metering systems. Furthermore, our CNIC modules provide advanced connectivity options and the flexibility to work with cellular meters, expanding our reach into new market segments.

   To ensure data security, we are continuously enhancing the security protocols of our smart metering systems, incorporating advanced encryption methods and multi-layered security frameworks. This is crucial as utilities prioritize the protection of sensitive data and compliance with stringent regulatory standards

3. How does your collaboration with various stakeholders, including utility executives and government officials, influence your product development strategy?

CyanConnode's collaboration with various stakeholders, including utility, AMISPs and government officials, significantly shapes our product development strategy, ensuring our solutions are innovative, compliant, and aligned with market needs.

Stakeholder Engagement for Market Insights:
Our extensive experience in partnering with Advanced Metering Infrastructure Service Providers (AMISPs) and both government and private utilities has enriched our understanding of diverse customer needs. Each entity, whether public or private, presents unique demands and problem-solving approaches. By engaging closely with utility executives, we gain valuable insights into their operational challenges and requirements, which guide the development of customize products and solutions. This customer-centric approach ensures our products address practical needs, enhancing operational efficiency and reliability.

Regulatory Alignment and Compliance:
Collaborating with government officials and regulatory bodies allows us to stay updated on evolving regulations and ensure our products comply with current and future standards. Active participation in industry forums helps us adapt our technologies to meet compliance requirements, reducing the risk of non-compliance for our customers and ensuring the longevity and relevance of our products. This proactive approach is critical in the rapidly changing landscape of smart metering and IoT communications.

Influence on Technological Innovation:
Feedback from stakeholders drives our technological innovation, identifying emerging trends and areas for improvement. For instance, the demand for interoperability and integration with other smart city applications has led us to develop our Unified Head-End System (UHES). Additionally, the need for secure and reliable communication in challenging terrains has spurred the development of our long-range RF technology, proven effective in remote areas like Shimla, Himachal Pradesh. This iterative process of learning and adapting ensures that we meet the specific requirements of each customer, reflecting our flexibility and dedication to serving the evolving needs of the energy sector.

In summary, CyanConnode's collaboration with key stakeholders significantly influences our product development strategy. These interactions ensure our solutions are innovative, compliant, and aligned with market needs, supporting our goal of providing state-of-the-art smart metering and IoT communication technologies

4. Can you provide examples of how your solutions have helped customers enhance service delivery, improve business efficiency, and save energy?

CyanConnode's solutions have consistently demonstrated their ability to enhance service delivery, improve business efficiency, and save energy across various deployments globally. In the Indore smart metering project, which utilizes CyanConnode's RF communication system, multiple benefits have been realized for both DISCOMs and consumers. This project has helped identify theft cases and reduce Aggregate Technical and Commercial (AT&C) losses due to improved billing and collection efficiency. The system also enables the timely determination of defective meters, which was previously not possible with manual reading. Perhaps the most

significant impact has been a near 95% reduction in cases of bill correction, demonstrating the efficacy of smart meters.

Similarly, in Shimla, Himachal Pradesh, our long-range RF technology successfully demonstrated communication over nearly 9.5 kilometers, maintaining reliable connectivity in challenging terrains and ensuring consistent service delivery to remote areas. This capability is crucial for enhancing service coverage and reliability in difficult-to-reach locations.

Our IP67 compliant gateways are designed to withstand extreme temperatures, making them ideal for deployment in harsh environments like those in India. These gateways ensure robust and reliable communication, improving operational efficiency and reducing maintenance needs.

Smart metering helps utilities address concerns about revenue leakage and energy waste. For instance, impact data published by organizations like EESL shows that DISCOMs are making significant additional revenue per month per meter across states. In Bihar, the implementation of smart pre-paid meters allows DISCOMs to earn revenue upfront, resulting in better cash flows. These systems enable utilities to track defaulting consumers, theft cases, and erroneous usage, further enhancing efficiency

5. What role does environmental sustainability play in CyanConnode's product development and deployment strategies?

Environmental sustainability is a core component of CyanConnode's product development and deployment strategies. The company is dedicated to creating solutions that not only meet the needs of utilities and consumers but also contribute to broader environmental goals.

CyanConnode's current order book has the potential to avoid 452,985 KG of CO_2 emissions annually, primarily by reducing the need for manual meter readings. This significant reduction in emissions is achieved through the adoption of smart meters, which enhance energy efficiency and operational effectiveness. The environmental benefits extend further when considering the associated advantages of smart meters, such as improved load forecasting, peak load management, adoption of energy-efficient lifestyles, demand-side measures, and reduction in Aggregate Technical and Commercial (AT&C) losses. These measures collectively contribute to a more sustainable and efficient energy management system.

CyanConnode is recognized as a Green Mark company, reflecting its commitment to sustainability and environmental responsibility. Being a Green Mark company underscores our dedication to integrating sustainable practices into our business strategy and product development. This recognition further supports our efforts to promote energy efficiency, reduce emissions, and contribute to a greener future

Operational and Strategic Insights:

1. Can you discuss the implications of the Indian government's RDSS scheme on your long-term strategy and market penetration in India?

The Indian government's Revamped Distribution Sector Scheme (RDSS) has catalyzed a smart meter revolution in the country, with over 222 million meters sanctioned and about 116 million already awarded. This large-scale deployment of smart meters presents significant

opportunities for CyanConnode to enhance its market penetration and align its long-term strategy with the scheme's objectives. RDSS aims to improve the operational efficiencies and financial sustainability of distribution companies (DISCOMs) by reducing aggregate technical and commercial (AT&C) losses and enhancing the quality and reliability of power supply. This push towards widespread smart metering creates a substantial demand for advanced metering infrastructure (AMI), positioning CyanConnode's solutions as integral to the modernization efforts of DISCOMs.

Our core business, centered around RF communication solutions, is perfectly aligned with the opportunities presented by RDSS. The scheme's emphasis on smart metering aligns with our expertise in providing robust and reliable RF communication networks that enhance the efficiency and effectiveness of energy distribution. CyanConnode's solutions, known for their flexibility and scalability, can seamlessly integrate with various smart metering systems, thereby supporting the government's vision of a digitally empowered and energy-efficient India.

Furthermore, the empanelment of our subsidiary, Digismart Networks Private Limited, as an Advanced Metering Infrastructure Service Provider (AMISP) significantly enhances our capability to capitalize on these opportunities. This certification allows us to bid directly on the remaining tenders, ensuring that we can secure substantial orders from the remaining meters yet to be awarded

2. How do you plan to address potential challenges associated with scaling operations to meet the demand from recent large orders and tenders?

CyanConnode is implementing communication infrastructure for some large smart metering orders, anticipating several challenges based on the unique conditions of each location. To address these challenges, we have developed a comprehensive strategy that focuses on demographic and geographic variability, environmental considerations, public resistance, infrastructure challenges, meter positioning and clustering, and the robustness of our supply chain.

Demographic and Geographic Variability:
Each state presents distinct demographic and geographic features that influence installation logistics. For instance, rural areas might require different deployment strategies compared to urban settings due to differences in infrastructure and housing density. We tailor our approach to each location, ensuring that the specific needs and conditions of the area are addressed efficiently.

Environmental Considerations:
Local weather patterns are accounted for during the project timeline to minimize disruptions and ensure a smooth workflow throughout the installation phase. This proactive approach helps us mitigate potential delays and maintain project timelines.

Public Resistance:
Introducing new technologies often requires building trust and understanding within communities. Effective communication and community engagement are crucial to overcoming these hurdles. By working closely with DISCOMs, local management, and Advanced Metering

Infrastructure Service Providers (AMISPs), we ensure that the community is informed and supportive of the new technology, facilitating smoother implementation.

Infrastructure Challenges:
The existing electrical infrastructure, whether overhead or underground, affects the ease of installation and the technical approach needed. Overhead cabling, while more accessible, is more susceptible to environmental damage, whereas underground cabling can be more challenging and costly to install. We assess the existing infrastructure in each location and adapt our technical approach to ensure efficient and effective installation.

Meter Positioning and Clustering:
The physical placement of meters, whether isolated or in clusters, influences the efficiency of installation and data communication. Clustering meters can facilitate easier maintenance and data collection but may require more complex network management. We strategically plan meter positioning to optimize both installation and operational efficiency.

Robust Supply Chain:
To ensure a robust supply chain, we have tied up with two Contract Electronics Manufacturers (CEMs), both listed on the Indian stock exchange, with very high manufacturing capacity. These partnerships allow us to scale up production rapidly and meet large-scale order requirements without compromising on quality or timelines. By diversifying our supplier base, we reduce dependency on single suppliers and mitigate risks related to supply chain disruptions. Maintaining buffer stocks of critical components helps safeguard against supply chain uncertainties, ensuring continuous production. Real-time inventory tracking systems monitor stock levels, predict shortages, and manage reordering processes efficiently.

Addressing these challenges requires meticulous planning and adaptation to the local context. CyanConnode leverages its extensive experience and adapts its strategies accordingly, focusing on tailored solutions that address the specific needs and conditions of each project area. This approach ensures that despite the anticipated challenges, projects remain on track for successful implementation and operation. By investing in these strategies and maintaining a flexible, responsive approach, we are confident in our ability to scale operations effectively and meet the growing demand from recent large orders and tenders

Investor and Market Relations:
1. Given the current momentum in the Indian smart metering market, how do you communicate these opportunities and your growth strategy to potential investors?

   Via a combination of more investor presentations and events, direct investor meetings, social media, and where appropriate and required RNS releases.