

23 July 2025

## CyanConnode Holdings plc

("CyanConnode", "the "Group" or the "Company")

### Final Results for the Year Ended 31 March 2025

CyanConnode Holdings plc (AIM: CYAN), a global provider of narrowband RF smart mesh networks for smart metering and IoT applications, announces its audited results for the year ended 31 March 2025.

#### John Cronin, Chief Executive of CyanConnode commented:

"While FY25 was a transformational year for the Company in India, its largest smart metering market, as announced in our trading statement on 28 April 2025, anticipated deployment momentum did not materialise at the expected pace, and as a result, revenues were 24% lower than the prior year. This was primarily due to election-related uncertainty amongst businesses and short-term consumer resistance to smart metering factors we do not expect to recur.

Importantly, no orders have been lost, only deferred, and the strength of our current pipeline positions us well for the periods ahead. We've entered FY26 with positive momentum, evidenced by a significant uplift in shipments of modules, as shown in the table in the Post-Period Highlights on the next page.

Despite these delays on the ground, we more than tripled our contracted outstanding order book, from £50 million to £180 million, demonstrating the strong underlying demand for our technology and the success of our commercial strategy. We are particularly encouraged by our recent success in securing a landmark c.£70 million contract with the Government of Goa, our first as an Advanced Metering Infrastructure Service Provider (AMISP). While deployment of this project has yet to commence, it represents a major step forward and is expected to be a key contributor to future revenues, underpinning management's confidence in returning to the strong revenue growth seen in the years prior to FY25.

In light of the inherent challenges in forecasting revenue timing in large infrastructure projects, the Board has adopted a more conservative approach to its forecasting. To enhance transparency and help stakeholders track operational progress, going forward CyanConnode intends to provide quarterly updates on business progress."

#### Financial highlights

- Revenue of £14.2m in FY25 (FY24<sup>[1]</sup>: £18.7m), largely as a result of delays in deployments outside of the Group's control
- Gross profit reduced to £4.9m in FY25 (FY24: £5.6m), as a result of the lower revenue
- Gross margin increased to 35% in FY25 (FY24: 30%), due to the release of newer, lower cost products (in particular, gateways) not using end-of-life components purchased at a premium. Targeting a gross margin of 30-37% in the first two years of each project, moving to 90% thereafter
- Operating costs remained stable at £9.1m in FY25 (FY24: £9.0m)
- Operating loss decreased to £3.8m in FY25 (FY24: £4.2m), despite the lower revenues, due to the improved gross margin %. FY24 had also included an impairment to intangible assets of £0.75m
- EBITDA loss also decreased to £3.5m in FY25 (FY24: £3.8m)
- Loss before tax decreased to £3.7m (FY24: £4.2m)

- Adjusted EBITDA<sup>[2]</sup> loss remained constant at £2.8m in FY25 (FY24: £2.8m loss), with the lower revenues being offset by higher gross margin % and no impairment to intangible assets
- Increase in cash and other financial assets to £5.8m in FY25 (FY24: £0.8m) following the receipt of a short-term loan for £5m received in March 2025 from significant shareholder, Axia Investments Limited ("Axia") and a capital raise of £5.4m (before expenses) in September 2024. The short-term loan from Axia was repaid in June. The cash figure of £5.8m provided in our Trading Statement on 28 April 2025 included £2.5 million which is held in a fixed deposit in the UK (refer to note 19 to the financial statements), against which an overdraft facility of the equivalent amount in India is secured. At 31 March 2025, £1.3m of the overdraft had been utilised (refer to note 25 to the financial statements)
- Cash collected from customers decreased to £14.2m in FY25 (FY24: £16.9m) as a result of the decrease in revenues

#### Key Operational Highlights

- Orders for 7.7m modules won in India during the period (FY24: 2.7m modules) taking the cumulative order book to 14m
- CyanConnode India's subsidiary, DigSmart Networks Private Ltd successfully empanelled as an Advanced Metering Infrastructure Service Provider ("AMISP") for both Radio Frequency ("RF") and cellular, making it eligible to bid for smart metering contracts under the Revamped Distribution Sector Scheme ("RDSS"). First tender was submitted as an AMISP in November 2024 for a project with the Goa Electricity Department for c. 750,000 meters
- Setup of subsidiary in United Arab Emirates to promote business in the Middle East and North Africa (MENA) region
- Follow-on order with a value in excess of 1 million won, for cellular gateways in the Middle East and North Africa ("MENA") region
- Appointment of Non-Executive Director, Lyndon Faulkner

#### Post-Period Highlights

##### Modules Shipped Q1 Comparison

Metric	Q1 FY26	Q1 FY25	Variance	FY 25
Modules	568,000	170,000	398,000	1,257,000

##### Commentary

CyanConnode shipped 568,000 Omnimesh modules in Q1 26, compared to 170,000 in Q1 25 - an increase of 398,000 modules, reflecting a significant acceleration in delivery momentum. It should be noted that not all of the Group's revenue is recognised from shipment of modules in India, but can include revenue from software and services in India, as well as shipments of orders in the rest of the world. In addition, as mentioned in the footnote on the previous page, the majority of the Group's revenues are received in rupees for India and US dollars for the rest of world, whilst accounts are reported in Pound Sterling. Foreign exchange volatility can have an impact, at times significant, on the reported figures.

##### Other Post-Period Highlights

- Award of contract for a project for circa 750,000 meters in Goa which is now fully funded and resourced without any further capital required from the Group
- Successful issue of convertible loan notes for 15 million in aggregate, enabling the repayment of the £5m short-term loan from Axia, with the balance being used to support the Company's broader working capital and business development activities
- Appointment of Björn Lindblom as Non-Executive Chairman, with John Cronin moving to role of Group CEO, strengthening corporate governance
- Win ratio of >20% in terms of volumes for RDSS tenders in India

*The information contained within this announcement is deemed to constitute inside information for the purposes of Article 7 of EU Regulation 596/2014 (Market Abuse Regulations) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon publication of this announcement, this inside information is now considered to be in the public domain.*

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#### **Group CEO's Report**

I am pleased to report on the Company's trading performance for the 12 months ended 31 March 2025. Over the period, the business has made significant progress and firmly established its position as a leading player in the smart metering sector-most notably in India, but also in other key international markets. With the contracted, outstanding order book increasing to £180 million, the Company now has strong visibility over future revenues and is well positioned to deliver sustained growth.

#### **Key Highlights for CyanConnode India from FY25 are as below:**

- **New Orders** - CyanConnode secured new orders totalling approximately 7.7 million modules during FY25, reinforcing its leadership position in India's ambitious smart metering rollout.
- **Strategic Expansion:** Our wholly owned subsidiary, DigiSmart Networks Pvt.Ltd. ("DigiSmart"), was officially certified as an AMISP under RDSS. This certification positions DigiSmart to independently execute end-to-end smart metering projects.
- **AMISP Win in Goa:** In December 2024, DigiSmart was declared L1 (preferred bidder) for its first AMISP contract to deploy c.750,000 smart meters in Goa under the RDSS scheme. This landmark win marks a transformative moment for CyanConnode, as it takes full responsibility for end-to-end project execution. The contract was signed in May 2025; however, the Letter of Intent was received from Goa in April 2025.
- **Contributions to Policy Standardisation:** CyanConnode served as an active member of the expert committee on standardization and interoperability of AMI layers. The Ministry of Power, based on the committee's recommendations, released the Guidelines for Standardization and Interoperability in AMI Systems in January 2025, covering end-to-end communication between Smart Meters, HES, and MDMS.
- **Industry Engagement and Thought Leadership:** During the year, CyanConnode participated in prominent industry forums, including Metering India, Elecrama 2025 (IEEMA), and India Smart Utility Week 2025 (ISGF). The company showcased its hybrid IoT communication solutions and shared insights on emerging technologies shaping the future of smart energy systems.
- **Engagement with Policymakers:** CyanConnode engaged directly with the Chief Ministers of Rajasthan and Madhya Pradesh, fostering strategic dialogues to accelerate smart metering initiatives and strengthen public-private collaboration.
- **Open Agreement with IntelliSmart:** CyanConnode has entered into an open agreement with IntelliSmart Infrastructure Private Limited ("IntelliSmart") to deploy smart meters on a pan-India basis. Under this agreement, CyanConnode will provide Consumer Indexing, Meter Installation, and Operations & Maintenance services for IntelliSmart's ongoing and upcoming smart metering projects across India. This agreement marks a significant step in strengthening CyanConnode's role in the execution and long-term management of Advanced Metering Infrastructure deployments under RDSS.
- **Technology Innovation and Product Leadership:** CyanConnode continues to develop solutions tailored to the evolving needs of utilities and next-generation energy infrastructure:
  - **In-Meter Gateway:** CyanConnode has developed an advanced In-Meter Gateway solution that integrates communication capabilities directly within smart meters. This innovation enables meters to operate within an RF mesh network, dynamically and seamlessly switch to cellular connectivity when required, based on real-time network conditions.

The In-Meter Gateway significantly reduces deployment time and simplifies field operations by eliminating the need for external communication modules, making it faster and easier to deploy at scale. Its compact architecture and embedded intelligence support edge computing, enabling localized processing, faster response times, and optimized transmission of small data packets to the Head-End System (HES).

This design not only improves operational efficiency but also enhances network resilience and uptime, supporting utilities in achieving higher SLAs. The gateway's robust connectivity helps address common consumer concerns around meter reliability and billing accuracy, thereby reducing resistance to adoption and facilitating smoother rollout across varied terrains.

- **Unified Head-End System (UHES):** The UHES platform enables seamless integration and centralized management of both RF and cellular communication technologies. With a unified interface for data visibility, control, and diagnostics, it

simplifies utility operations, enhances real-time monitoring, and supports large-scale rollouts across diverse geographies.

## **India Market**

### **Overview of FY25**

India's smart electricity metering landscape entered a decisive phase in FY25, marked by strong policy backing and growing private sector participation. With over 13 million smart meters installed during the year, the country still has some way to go toward achieving its ambitious target of 250 million meters (which we understand is likely to increase to 330 million). As the government considers extending the RDSS deadline to FY27-28, the focus is now shifting to full-scale execution - integrating data systems, enhancing consumer engagement, and delivering measurable gains in billing efficiency and loss reduction. While challenges around scale and coordination remain, India's power sector is firmly advancing toward a smarter, more resilient grid.

### **Key Highlights in the market:**

- **Current Progress:** As at the end of March 2025, roughly 23.9 million smart meters were installed across India, which is slightly less than 10% of the original 250 million target. Despite lower than expected deployments and therefore revenue during the year, momentum picked up towards the end of FY25, with 13.4 million meters installed in the full financial year. We have seen a significant increase in our shipments of modules in the first three months of FY26.

The programme has not yet taken off in several states. Not a single consumer smart meter has been installed in Karnataka, while Kerala has installed only 805 to date. Bihar and Assam have led in deployments. Uttar Pradesh, Madhya Pradesh, Punjab, Chhattisgarh, and Andhra Pradesh are among the better-performing states. Haryana, Maharashtra, and Gujarat have seen moderate progress.

- **Impact on Losses and Efficiency:** Smart metering is a core strategy to cut India's high distribution losses. National aggregate technical and commercial ("AT&C") losses have already improved from about 22% in FY21 to ~16% in FY24. Smart meters enable accurate billing, real-time consumption tracking, and prepaid functionality, which are expected to further reduce losses and improve collection efficiency. Early results are promising, for instance, about 44% of consumers in Assam saw monthly savings (~50 units) due to better usage awareness and accurate billing with smart meters, and the state's utilities have begun reducing losses as a result. Overall, experts anticipate that the full-scale rollout of smart meters will greatly strengthen distribution companies' financial health over the next couple of years.
- **Consumer Tariff Reforms:** Time-of-Day ("ToD") tariffs were introduced to incentivise consumers to shift usage to off-peak hours. From April 2024 ToD pricing applies to commercial and industrial consumers with >10 kW load, and it will extend to all other consumer categories (except agriculture) this year. This policy change directly ties into smart meters; ToD tariffs require smart meters to measure and bill electricity consumption in different time blocks. The government also streamlined the Electricity (Rights of Consumers) Rules in mid-2023 to simplify smart metering provisions, making remote connection/disconnection and prepaid recharge rules more consumer-friendly, thus encouraging smoother adoption of smart meters.
- **Financial Incentives in Budget:** The Union Budget 2025-26 (announced February 2025) included measures to support smart metering. Notably, it reduced the basic customs duty on smart meters from 25% to 20% to make meters more affordable. The budget also continued a policy of allowing states additional borrowing space, up to 0.5% of Gross State Domestic Product, if they undertake power sector reforms, which include the timely installation of smart meters and loss reduction measures.

With stronger policy alignment, increasing private sector participation, and growing momentum in field-level execution in FY25, the stage has been set for India's transition to a digitally enabled power distribution system. While challenges persist around scale, state-level disparities, and consumer onboarding, the foundational progress achieved this year offers a clear pathway forward. As installations continue to ramp up and supportive reforms take hold, smart metering is poised to play a transformative role in strengthening the operational and financial health of India's power sector.

### **APAC and Middle East North Africa Markets**

The smart metering market in the Asia Pacific ("APAC") and MENA regions across electricity and water continues to expand, with emerging opportunities in gas utilities, as more utilities start to adopt smart metering initiatives.

#### **MENA**

During the period CyanConnode continued to deploy its contracts for the MENA region and additionally completed incorporation of its subsidiary, CyanConnode Communications LLC, in Dubai. In October 2024, the Company was pleased to announce a follow-on order for this region, and shipments for this order are expected to complete during this financial year. Further orders for the region are expected to be won in the near term.

#### **Thailand**

CyanConnode, in collaboration with partners JS Technical Service Co Ltd. ("JST") and Forth Corporation Public Company Limited (Forth), continues to advance the Smart Metro Grid (SMG) project for the Metropolitan Electricity Authority (MEA), which has now reached Go-Live stage.

#### **Malaysia and Indonesia**

As part of its APAC expansion, CyanConnode is actively collaborating with utilities in Malaysia and Indonesia.

### **Fundraising**

In September 2024 the Company completed an oversubscribed placing and subscription, raising £5.4 million before expenses. The new shares were issued at a price of 9 pence per share, reflecting a 17% premium to the closing mid-market price the day before the announcement of the fundraising.

The net proceeds from this fundraising are being used to strengthen the Company's balance sheet and to increase working capital. Cash is closely monitored to ensure alignment with its growth opportunities.

In March 2025 the Group secured a short-term loan for £5 million from Axia, a significant shareholder, to assist with short-term working capital requirements. This loan was repaid in June 2025 in accordance with the terms of the loan.

### **Board changes**

In November 2024, the Company was pleased to announce the appointment of Lyndon Faulkner as Non-Executive Director, bringing over thirty years of visionary leadership as a senior business executive. Lyndon has held key positions at major international organisation such as Chairman and CEO of Pelican Products and General Manager of Microsoft Corporation.

### **Post period end and outlook**

Momentum picked up from April 2025, when our subsidiary, DigiSmart, which is an empanelled AMISP, received the Letter of Intent from the Electricity Department of Goa, for a project for circa 750,000 smart electricity meters. Since then, the full contract has been signed with the utility, and we have set up a Special Purpose Vehicle ("SPV") called GreenMeter Goa Private Limited ("GreenMeter Goa"), which will be responsible for the deployment of the contract. In July 2025, the Company announced that DigiSmart and GreenMeter Goa have completed a successful tender process under a competitive procurement process. The project funding is secured internally. This funding is being used to support the deployment of the contract. In July 2025, the Company announced that DigiSmart and GreenMeter Goa have completed a successful tender process under a competitive procurement process. The project funding is secured internally. This funding is being used to support the deployment of the contract.

appointed a specialist subcontractor under an innovative arrangement whereby all project funding is sourced externally. This forward-looking structure enables CyanConnode to accelerate execution, preserve its balance sheet, and retain strategic control over project delivery.

In May and July 2025, we announced two unsecured convertible loan notes for 15 million in aggregate, which will support the Company's broader working capital and business development activities as it targets additional large-scale opportunities across India's national smart metering programme. The first loan note, for 7.5 million, was mainly used to repay the short-term loan for £5 million from our large shareholder.

Additionally, in May 2025, changes were made to the Board of Directors to improve its corporate governance whereby we appointed Björn Lindblom, a Non-Executive Director, as Non-Executive Chairman of the Company. At the same time, I moved from the role of Executive Chairman to that of Group CEO.

We've seen a marked increase in the number of modules shipped in the first quarter of FY26 compared to FY25 with 568,000 being shipped since the year end compared to 170,000 shipped for the same period of last financial year.

The Group's cash position has been significantly strengthened by the 15 million raised through two convertible loan facilities. A portion of the proceeds has been used to fully repay the £5 million Axia loan, with the remaining funds allocated to working capital. This places the Company in a strong position to support the execution of current projects. However, should growth exceed current expectations, additional funding may be required to capitalise on emerging opportunities.

I want to express my sincere gratitude to all our employees for their exceptional dedication and contributions over the past year. My thanks also go to our valued partners and other stakeholders, with whom we look forward to further collaborations on the market opportunity, particularly as we evolve as an AMISP. Additionally, I extend appreciation to all shareholders for their continued support.

We are confident that momentum will continue to progress throughout this financial year, and we eagerly look forward to updating you on our progress throughout the year.

**John Cronin**

**Group CEO**

22 July 2025

## Financial Review

Despite a large increase to the Group's contracted order book during Financial Year 2025, slower than expected deployments on the ground resulted in lower than expected revenue, due largely to the impact of local and national elections in India, which temporarily delayed decision-making processes. Additionally, there was some consumer resistance to the transition to prepaid smart metering models, which, although addressed by regulatory frameworks, caused operational delays on the ground.

It is important to stress that underlying customer orders remain intact, and there is no change in the Government of India's strong policy commitment to the nationwide transition to smart metering. We understand the Government of India has also expanded its ambition, increasing the target deployment of smart meters from 250 million to 330 million, further reinforcing the scale of the opportunities for CyanConnode.

Consumer resistance is being actively overcome, supported by regulatory frameworks which require customers to accept the installation of smart meters once proper notification and procedures are followed. Distribution companies (DISCOMs) have the statutory authority to enforce the rollout, and this is providing greater certainty over future deployment schedules.

A summary of the key financial and non-financial Key Performance Indicators ("KPIs") for the year and details relating to its financing position at the year end are set out in the table below and discussed in this section.

	Year Mar 2025 £000	Year Mar 2024 £000	Year Mar 2023 £000	Year Mar 2022 £000	Year Mar 2021 £000
Revenue	14,177	18,730	11,732	9,562	6,437
Gross Margin %	35%	30%	36%	52%	48%
R&D expenditure (including staff costs)	2,267	3,573	2,247	1,755	1,791
Operating costs	9,053	9,817	7,561	6,025	5,788
Operating loss	(3,847)	(4,204)	(3,347)	(1,017)	(2,685)
Depreciation and amortisation	396	398	489	616	627
EBITDA	(3,451)	(3,806)	(2,858)	(401)	(2,058)
Stock impairment	17	20	102	62	108
Impairment of intangible assets	-	791	968	-	-
Share based compensation	220	51	224	363	80
Foreign exchange losses / (gains)	393	194	8	34	(15)
Adjusted EBITDA <sup>[3]</sup>	(2,821)	(2,750)	(1,556)	58	(1,885)
Cash and cash equivalents	3,332	783	4,070	2,355	1,489
Average monthly operating cash outflow	(463)	(242)	(185)	(261)	(81)

	Mar 2025 FTE <sup>[4]</sup>	Mar 2024 FTE	Mar 2023 FTE	Mar 2022 FTE	Mar 2021 FTE

Average	113	117	64	59	47
Year end	115	120	70	60	54

Gross Margin is higher than FY24 because of the launch of a new gateway at the start of FY25, which meant that significant one-off costs linked to the difficulty of sourcing an end-of-life component for the version of gateways being shipped in FY24 were not incurred in FY25. There is expected to be some variation in gross margins over the life of the projects in India as margins in the first two years consist of mainly lower margin hardware, increasing to greater than 90% after year two when the main revenue transitions to higher margin support and services.

Included within the table on the previous page are two alternative performance measures ("APMs" - see note 1), EBITDA and adjusted EBITDA. These are additional measures which are not required under UK adopted International Accounting Standards. These measures are consistent with those used internally and are considered important to understanding the financial performance and the financial health of the Group.

EBITDA (Loss) before Interest, Tax, Depreciation and Amortisation is a measure of cash generated by operations before changes in working capital. Adjusted EBITDA is a measure of cash generated by operations before stock impairment, impairment of investments, share-based compensation, impairment of intangible assets and foreign exchange losses. It is used to achieve consistency and comparability between reporting periods.

Financial items of note during the year:

- Cash received from customers during FY25 was £14.2 million (2024: £16.9 million)
- Trade and other receivables increased by £3.7 million during the year to £17.2 million (including retentions) largely as a result of increased contract assets
- R&D cash tax credit of £0.4 million for FY25 (FY24: £0.7 million) as a result of legislative changes regarding R&D Tax Credit Claims reducing the amounts to be claimed
- Short-term working capital facility entered into by CyanConnode Private Limited with ICICI Bank Limited for INR500 million. A deposit account held in CyanConnode Holdings plc has been set up with ICICI Bank in the UK and this has been used to secure this facility, via a Standby Letter of Credit (SBLC), therefore restricting the use of the deposit limited to the amount of the short-term working capital facility. As at 31 March 2025 £ 1.3 million had been drawn down against the SBLC of £2.5 million.
- Working capital continued to be a challenge through FY25
  - Under the business model which drives revenue recognition, contract assets with financing components increased during the year, but the cash for these contractual obligations won't be recovered for multiple years
  - Trade and other payables increased from £8.5 million in FY24 to £9.9 million in FY25 due to increased demand for future deliverables on new contracts
  - Creditor days increased to 276 in FY25 from 124 in FY24
  - The cash inflow from the equity raise in September 2024 (£5.4 million before expenses) and the £5 million short-term loan provided by a large shareholder in March 2025 contributed to ensuring that working capital during the year for the continued growth of the Group

During the year an advance of £400,000 against the FY24 R&D tax credit was received and was repaid out of the FY24 R&D tax credit funds received from HMRC during FY25. Two loans for the value of £200,000 each have been secured from two directors against the FY25 R&D tax credit since the year end and will be repaid out of the FY25 R&D tax credit funds received from HMRC.

The new merged Research and Development Expenditure Credit (RDEC) scheme came into effect and applies for accounting periods beginning on or after 1 April 2024. The RDEC is given as a taxable credit on the amount of qualifying R&D expenditure payable as cash or as an offset against the company's corporation tax liabilities. The RDEC is classified as other income under the new scheme rules. See note 9 to the financial statements.

Letters of credit, invoice discounting and advance payments have been negotiated on recently won contracts to help with working capital requirements. Subcontracting arrangements have been finalised whereby the Group has appointed a specialist subcontractor under an innovative arrangement, where all project funding is sourced externally, resulting in no project funding requirement from CyanConnode.

### Key Performance Indicators (KPIs)

The financial and non-financial KPIs for the Group are as set out in the table above and described below.

- **Revenues** for FY25 were 24.3% down on FY24 revenues, largely as a result of delays to deployments caused by state and local elections.
- **Gross margin** for the year increased from 30% to 35%, largely due to the release of our new gateway which no longer required an end-of-life component. During FY24 we were required to purchase this component at a significant premium due to its scarcity. Gross margin will however vary from year to year depending on the stage of deployment of each contract. Hardware, for which revenue is recognised typically during the first two years of a contract, is at a lower gross margin than software and services for which revenue can be recognised later in the deployment.
- **Operating costs** for the year reduced by 8% compared to FY24, largely because FY24 operating costs included an impairment of intangible assets for £0.8 million.
- **Adjusted EBITDA** loss remained constant at a loss of £2.8 million in FY25 despite lower revenues as a result of improved gross

- margin.
- **Cash and other financial assets** at the end of FY25 were £5.8 million compared to £0.8 million at the end of FY24 following the receipt of a short-term loan for £5 million and share placing of £5.4 million in September (before related expenses). The cash figure of £5.8m provided in our Trading Statement on 28 April 2025 included £2.5 million (refer to note 19 to the financial statements) which is held in a fixed deposit in the UK, against which an overdraft facility of the equivalent amount in India is secured. At 31 March 2025, £1.3m of the overdraft had been utilised (refer to note 25 to the financial statements).
- **Average headcount** decreased to 113 (FY24: 117), and FTEs at year end decreased from 120 in FY24 to 115 in FY25.

Non-financial KPIs included the number of modules shipped which decreased from 1,371,000 in FY24 to 1,257,000 in FY25. Furthermore, 14,000 NBIot gateways (FY24: 55,000) and 7,000 Omnimesh gateways (FY24: 6,000) were delivered during the year collectively across MENA and India regions.

The Group's long-term strategy is to deliver shareholder returns by generating revenue and moving into profitability. It seeks to do this by focusing its resources on emerging but fast-growing markets where it believes it can reach a market leading position with its technology. Management uses KPIs to track business performance, to understand general trends and to consider whether the Group is meeting its strategic objectives. As it grows it intends to review these KPIs and adapt them as appropriate, in response to how the business and strategy evolves.

The Group's key focus for the financial year ending March 2025 was winning its first project as an AMISP and following the submission of the tender for the contract for the Goa Electricity Department in November 2024, focus has been to secure project funding for this project. In July 2025, the Group announced that It has appointed a specialist subcontractor under an innovative arrangement whereby all project funding is sourced externally, preserving the Group's balance sheet, while retaining control of project execution.

It has also continued to streamline and improve its processes from order to delivery and working to close further orders. A further focus of the Group was ensuring collection of cash from customers as Group revenues continued to grow.

### Going concern

To assess the ability of CyanConnode Holdings plc (the "Group") and company to continue as a going concern, the directors have prepared a business plan and cash flow forecast for the period to 31 March 2027 which, together, represent the directors' best estimate of the future development of the Group. The forecast contains certain assumptions, the most significant of which are the level and timing of sales, the timing of customer payments and the level of working capital requirements.

The detailed cash flow scenarios include:

- invoice Letters of Credit which have been secured from customers against certain contracts
- The cash flow scenario also includes the assumption that no cash is required for the Goa contract recently won due to an innovative subcontracting arrangement in place for the deployment of the contract

At 31 March 2025 the Group had cash and other financial assets of £5.8 million (FY24: £0.8 million) and based on detailed cash flows provided to the Board within the FY26/27 budget, there is sufficient cash to see the Group through to profitability based on its standard operating model. In the first quarter of FY26, £2.8 million has been received from customers. At the end of June 2025, the Group had cash and other financial assets of £5 million which included £4.5 million held in a fixed deposit in the UK against which an overdraft facility of the equivalent amount in India is secured. At 30 June 2025, £3.8 million of the overdraft had been utilised.

This followed the receipt of the first convertible loan note for 7.5 million, which was used to repay the £5 million short-term loan received in March 2025. The cash from the second 7.5 million loan was only received in mid-July. Interest will be charged at 7% per annum. Repayment of the first 7.5 million is due at the earliest of April 2028 and no later than April 2030, after which the Lender is entitled to convert the loan notes into equity if the loan is not repaid. The second repayment of 7.5 million is due to be repaid at the earliest date of July 2028 and no later than July 2030 after which the Lender is entitled to convert the loan into equity if not repaid.

However, should the Group require additional cash to cover working capital, as a result of the targeted rapid growth, there could be a requirement for additional funding for this. The Group is discussing working capital funding solutions with banks, particularly in India, and it is believed that since the Indian entity was profitable for FY24 and FY25, a suitable additional facility could be secured.

A loan previously granted from one director of £400,000 to assist with working capital was repaid during the year. The Group also received an advance of £400,000 from two of its directors, secured against the Company's R&D tax credit after 31 March 2025. The advance against the R&D tax credit will be repaid out of the HMRC receipt which is expected to be received by October 2025.

Notwithstanding the material uncertainties described above, which may cast significant doubt on the ability of the Group and company to continue as a going concern, on the basis of sensitivities applied to the cash flow forecast, the directors have a reasonable expectation that the company can continue to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of this report.

### Financial Risk Management Objectives and Policies

Details of the Group's financial risk management objectives and policies are disclosed in note 36 to the financial statements.

### Dividends

The directors do not recommend the payment of a dividend (2024: £nil). The Group has no plans to adopt a dividend policy in the immediate future and all funds generated by the Group will be invested in the further development of the business, as is normal for its industry sector and stage of its development.

**Heather Peacock**  
Chief Financial Officer

22 July 2025

**CyanConnode Holdings plc**  
**Consolidated income statement**  
**For the year ended 31 March 2025**

	Note	Year 31 March 2025 £000	Year 31 March 2024 £000
<b>Continuing operations</b>			
Revenue	4	14,177	18,730

Cost of sales		(9,239)	(13,117)
<b>Gross profit</b>		<b>4,938</b>	5,613
Exceptional item: impairment of intangible assets	14	-	(791)
Other operating costs	6	(9,053)	(9,026)
Other operating income	9	268	-
<b>Operating loss</b>		<b>(3,847)</b>	(4,204)
Amortisation and depreciation		396	398
Share based payments	35	220	51
Stock impairment	21	17	20
Impairment of intangible assets	14	-	791
Foreign exchange losses		393	194
<b>Adjusted EBITDA</b>		<b>(2,821)</b>	(2,750)
Finance income	10	216	92
Financing expense	11	(106)	(113)
<b>Loss before tax</b>		<b>(3,737)</b>	(4,225)
Tax (charge) / credit	12	(88)	395
<b>Loss for the year</b>		<b>(3,825)</b>	(3,830)
Loss per share (pence)			
Basic	13	(1.17)	(1.41)
Diluted	13	(1.17)	(1.41)

#### Consolidated statement of comprehensive income

Derived from continuing operations and attributable to the equity owners of the Company.

For the year ended 31 March 2025	<b>Year 31 March 2025 £000</b>	<b>Year 31 March 2024 £000</b>
Loss for the year	(3,825)	(3,830)
Exchange differences on translation of foreign operations	(234)	(112)
<b>Total comprehensive income for the year</b>	<b>(4,059)</b>	(3,942)

#### CyanConnode Holdings plc

#### Consolidated statement of financial position

As at 31 March 2025

	Note	<b>31 March 2025 £000</b>	<b>31 March 2024 £000</b>
<b>Non-current assets</b>			
Intangible assets	14	4,529	3,759
Goodwill	15	1,930	1,930
Property, plant and equipment	16	188	196
Right of use asset	17	363	474
Other financial assets	19	443	51
Trade and other receivables	20	5,500	3,085
<b>Total non-current assets</b>		<b>12,953</b>	9,495
<b>Current assets</b>			
Other financial assets	19	2,500	-
Inventories	21	2,290	1,686
Trade and other receivables	22	11,745	10,491
R&D tax credit receivables		367	665
Cash and cash equivalents	23	3,332	783
<b>Total current assets</b>		<b>20,234</b>	13,625
<b>Total assets</b>		<b>33,187</b>	23,120
<b>Current liabilities</b>			
Trade and other payables	24	(9,902)	(8,450)
Borrowings	25	(6,731)	-
Corporation tax liability		(956)	(508)



Lease liabilities	17	(118)	(110)
<b>Total current liabilities</b>		<b>(17,707)</b>	<b>(9,068)</b>
<b>Net current assets</b>		<b>2,527</b>	<b>4,557</b>
<b>Non-current liabilities</b>			
Lease liabilities	17	(245)	(364)
Deferred tax liability	26	(11)	(170)
Other payables	27	(135)	(87)
<b>Total non-current liabilities</b>		<b>(391)</b>	<b>(621)</b>
<b>Total liabilities</b>		<b>(18,098)</b>	<b>(9,689)</b>
<b>Net assets</b>		<b>15,089</b>	<b>13,431</b>
<b>Equity</b>			
Share capital	28	7,178	5,982
Share premium account	29	84,411	80,196
Own shares held	30	(3,525)	(3,611)
Share option reserve	31	1,632	1,412
Translation reserve	32	(294)	(60)
Accumulated losses	33	(74,313)	(70,488)
<b>Total equity being equity attributable to owners of the Company</b>		<b>15,089</b>	<b>13,431</b>

**CyanConnode Holdings plc**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 31 March 2025**

	Share Capital £000	Share Premium Account £000	Own Shares Held £000	Share Option Reserve £000	Translation Reserve £000	Retained Losses £000	Total Equity £000
<b>Balance at 31 March 2023</b>	<b>5,438</b>	<b>78,671</b>	<b>(3,611)</b>	<b>804</b>	<b>52</b>	<b>(66,584)</b>	<b>14,770</b>
Loss for the year	-	-	-	-	-	(3,830)	(3,830)
Other comprehensive income for the year	-	-	-	-	(112)	-	(112)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(112)</b>	<b>(3,830)</b>	<b>(3,942)</b>
Issue of share capital (net of expenses)	544	1,525	-	-	-	-	2,069
Issue of share warrants	-	-	-	483	-	-	483
Credit to equity for share options	-	-	-	51	-	-	51
Transfer on exercise of share options	-	-	-	74	-	(74)	-
<b>Total transactions with owners</b>	<b>544</b>	<b>1,525</b>	<b>-</b>	<b>608</b>	<b>-</b>	<b>(74)</b>	<b>2,603</b>
<b>Balance at 31 March 2024</b>	<b>5,982</b>	<b>80,196</b>	<b>(3,611)</b>	<b>1,412</b>	<b>(60)</b>	<b>(70,488)</b>	<b>13,431</b>
Loss for the year	-	-	-	-	-	(3,825)	(3,825)
Other comprehensive income for the year	-	-	-	-	(234)	-	(234)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(234)</b>	<b>(3,825)</b>	<b>(4,059)</b>
Issue of share capital (net of expenses)	1,196	3,948	-	-	-	-	5,144
Issue of share warrants	-	-	-	-	-	-	-
Disposal of shares	-	267	86	-	-	-	353
Credit to equity for share options	-	-	-	220	-	-	220
Transfer on exercise of share options	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	<b>1,196</b>	<b>4,215</b>	<b>86</b>	<b>220</b>	<b>-</b>	<b>-</b>	<b>5,717</b>
<b>Balance at 31 March 2025</b>	<b>7,178</b>	<b>84,411</b>	<b>(3,525)</b>	<b>1,632</b>	<b>(294)</b>	<b>(74,313)</b>	<b>15,089</b>

**CyanConnode Holdings plc**  
**Consolidated cash flow statement**

For the year ended 31 March 2025

	Note	Year 31 March 2025 £000	Year 31 March 2024 £000
<b>Net cash outflow from operating activities</b>	34	<b>(5,540)</b>	<b>(2,860)</b>
<b>Investing activities</b>			
Interest received		16	15
Purchases of property, plant and equipment	16	(121)	(224)
Disposal of property, plant and equipment	16	15	-
Purchases of intangible assets	14	(927)	(1,384)
<b>Net cash outflow from investing activities</b>		<b>(1,017)</b>	<b>(1,593)</b>
<b>Financing activities</b>			
Interest paid on borrowings		(81)	(93)
Proceeds on sale of shares		353	-
Money released from deposit as security	19	-	11
Money put on deposit as security	19	(2,943)	-
Cash inflow from borrowings	25	5,000	-
Cash inflow from director's loans	25	1,060	-
Cash outflow from director's loans	25	(660)	(300)
Cash net outflow from debt factoring	25	-	(426)
Loan repayment	25	-	(500)
Capital repayments of lease liabilities	17	(111)	(74)
Interest paid on lease liabilities	17	(25)	(19)
Proceeds on issue of shares	28	5,383	2,719
Share issue costs		(239)	(167)
<b>Net cash inflow from financing activities</b>		<b>7,737</b>	<b>1,151</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,180</b>	<b>(3,302)</b>
Effects of exchange rate changes on cash and cash equivalents		38	15
Cash and cash equivalents at beginning of the year		783	4,070
<b>Cash and cash equivalents at end of the year</b>		<b>2,001</b>	<b>783</b>

Analysis of changes in net cash / (debt)

	At 1 April 2024 £000	Cash flow £000	Other non-cash movements £000	Net foreign exchange difference £000	At 31 March 2025 £000
For the year ended 31 March 2025					
Cash	783	2,511	-	38	3,332
Bank overdraft	-	(1,331)	-	-	(1,331)
Cash and cash equivalents	783	1,180	-	38	2,001
Short-term borrowings	-	(5,400)	-	-	(5,400)
Lease liabilities	(474)	136	(25)	-	(363)
	(474)	(5,264)	(25)	-	(5,763)
<b>Net cash at end of year</b>	<b>309</b>	<b>(4,084)</b>	<b>(25)</b>	<b>38</b>	<b>(3,762)</b>

	At 1 April 2023 £000	Cash flow £000	Other non-cash movements £000	Net foreign exchange difference £000	At 31 March 2024 £000
For the year ended 31 March 2024					
Cash and cash equivalents	4,070	(3,302)	-	15	783
Short-term borrowings	(1,226)	1,226	-	-	-
Lease liabilities	(123)	93	(444)	-	(474)
	(1,349)	1,319	(444)	-	(474)
<b>Net cash at end of year</b>	<b>2,721</b>	<b>(1,983)</b>	<b>(444)</b>	<b>15</b>	<b>309</b>

Notes to the Financial Information

For the year ended 31 March 2025

1. General information

CyanComode Holdings plc, (Company Registered No. 04554942), is a company limited by shares, incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Suite 2, Ground Floor, The Jeffreys Building Cowley Road, Cambridge CB4 0DS.

The final results announcement is based on the financial statements which have been prepared in accordance with UK-adopted International Accounting Standards. The financial information has been prepared in accordance with the accounting policies used in the statutory financial statements for the year ended 31 March 2025.

The financial information set out in the announcement does not constitute the company's statutory accounts for the years ended 31 March 2024 or 31 March 2025 within the meaning of Section 434 of the Companies Act 2006 but is derived from those

31 March 2024 or 31 March 2025 within the meaning of section 434 of the Companies Act 2006 but is derived from those audited financial statements. The auditor's report on the consolidated financial statements for the years ended 31 March 2024 and the year ended 31 March 2025 is unqualified, does not contain statements under s498(2) or (3) of the Companies Act 2006 but referred to a material uncertainty regarding the Group's ability to continue as a going concern.

### ***Going concern***

To assess the ability of CyanConnode Holdings plc (the "Group") and company to continue as a going concern, the directors have prepared a business plan and cash flow forecast for the period to 31 March 2027 which, together, represent the directors' best estimate of the future development of the Group. The forecast contains certain assumptions, the most significant of which are the level and timing of sales, the timing of customer payments and the level of working capital requirements. The detailed cash flow scenarios include invoice Letters of Credit which have been secured from customers against certain contracts recently won. The cash flow scenario also includes the assumption that no cash is required for the Goa contract recently won due to an innovative subcontracting arrangement in place for the deployment of the contract.

At 31 March 2025 the Group had cash and other financial assets of £5.8 million (FY24: £0.8 million) and based on detailed cash flows provided to the Board within the FY26/27 budget, there is sufficient cash to see the Group through to profitability based on its standard operating model. In the first quarter of FY26, £2.8 million has been received from customers. At the end of June 2025, the Group had cash and other financial assets of £5 million which included £4.5 million held in a fixed deposit in the UK against which an overdraft facility of the equivalent amount in India is secured. At 30 June 2025, £3.8 million of the overdraft had been utilised.

This followed the receipt of the first convertible loan note for 7.5 million, which was used to repay the £5 million short-term loan received in March 2025. The cash from the second 7.5 million loan was only received in mid-July. Interest will be charged at 7% per annum. Repayment of the first 7.5 million is due at the earliest of April 2028 and no later than April 2030, after which the Lender is entitled to convert the loan notes into equity if the loan is not repaid. The second repayment of 7.5 million is due to be repaid at the earliest date of July 2028 and no later than July 2030 after which the Lender is entitled to convert the loan into equity if not repaid.

However, should the Group require additional cash to cover working capital, as a result of the targeted rapid growth, there could be a requirement for additional funding for this. The Group is discussing working capital funding solutions with banks, particularly in India, and it is believed that since the Indian entity was profitable for FY24 and FY25, a suitable facility could be secured.

A loan previously granted from one director of £400,000 to assist with working capital was repaid during the year. The Group also received an advance of £400,000 from two of its directors, secured against the Company's R&D tax credit after 31 March 2025. The advance against the R&D tax credit will be repaid out of the HMRC receipt which is expected to be received by October 2025.

Notwithstanding the material uncertainties described above, which may cast significant doubt on the ability of the Group and company to continue as a going concern, on the basis of sensitivities applied to the cash flow forecast, the directors have a reasonable expectation that the company can continue to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of this report.

### ***Alternative Performance Measures***

The Group presents Alternative Performance Measures ("APMs") in addition to the statutory results of the Group. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ("ESMA").

## **2. Loss per share**

The calculation of the basic and diluted loss per share is based on the following data:

	2025	2024
Loss for the purposes of basic loss per share being net loss attributable to equity holders of the parent (£000)	(3,825)	(3,830)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share (excluding own shares held)	326,247,246	271,910,382
Loss per share (pence)	(1.17)	(1.41)

The weighted average number of shares and the loss for the year for the purposes of calculating diluted loss per share are the same as for the basic loss per share calculation. This is because the outstanding share options would have the effect of reducing the loss per share and would not, therefore, be dilutive under the terms of IAS 33.

## **3. Share capital**

<b>Issued and fully paid, ordinary shares of 2.0 pence each</b>	<b>No</b>	<b>£000</b>
As at 31 March 2023	271,887,364	5,438
Issue of new shares	27,188,500	544
As at 31 March 2024	299,075,864	5,982
Issue of new shares	59,815,172	1,196
<b>As at 31 March 2025</b>	<b>358,891,036</b>	<b>7,178</b>

In September 2024 the Company successfully raised funding of £5.38m before expenses through a placing of 59,815,172 ordinary shares.

During the year, 333,333 shares were issued to directors as part payment for their remuneration. £30,000 was raised this way during the year (2024: £50,000).

During the year no shares were issued as a result of the exercise of share options (2024: nil shares). The Company has one class of ordinary share which carries no right to fixed income.

#### 4. Reconciliation of operating loss to net cash outflow from operating activities

Group	2025 £000	2024 £000
Operating loss for the year	(3,847)	(4,204)
Adjustments for:		
Depreciation of property, plant and equipment	128	58
Amortisation of Intangible assets	157	267
Depreciation on right of use assets	111	73
Impairment of intangible assets	-	791
Share based payments	220	51
Operating cash flows before movements in working capital	(3,231)	(2,964)
Increase in inventories	(621)	(913)
Increase in receivables	(3,688)	(4,348)
Increase in payables	1,500	4,662
Cash outflow from operating activities	(6,040)	(3,563)
Net income taxes received	500	703
Net cash outflow from operating activities	(5,540)	(2,860)

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with maturity of three months or less.

#### 5. Annual Report and Accounts and Notice of Annual General Meeting

The Notice of AGM and Proxy Form and full colour Annual Report and Accounts will be sent to shareholders by 28 July 2025 and made available on the Company's website shortly thereafter.

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[1] The majority of the Group's revenues are received in rupees for India and US dollars for the rest of world, whilst accounts are reported in Pound Sterling. Foreign exchange volatility can have an impact, at times significant, on the reported figures.

[2] Where Adjusted EBITDA is operating loss before amortisation, depreciation, stock impairment, impairment of intangible assets, share-based compensation and foreign exchange losses.

[3] Where Adjusted EBITDA is Operating loss before amortisation, depreciation, stock impairment, impairment of intangible assets, share-based compensation and foreign exchange losses.

[4] Where FTE is the equivalent number of full-time employees

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