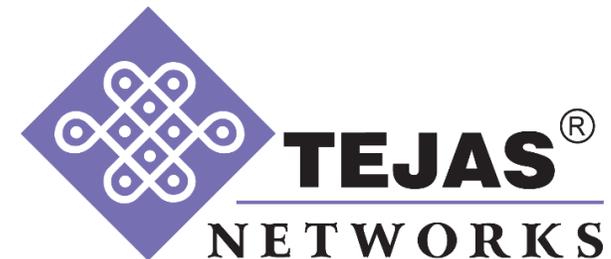




TEJAS NETWORKS LTD
EARNINGS CALL PRESENTATION
Q2FY22



Safe Harbor Statement

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the industry in which the Company operates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

Q2FY22: Key Updates

- **Financial Update**

- Q2 Net Revenues: Rs. 172.8 Cr (YoY increase of 62%)
- Q2 PBT: Rs. 3.3 Cr (versus PBT of 4.5 Cr in Q2FY21)
- Q2 Bookings: Rs 258 Cr; Order book increased to Rs. 783 Cr
- Received strategic investment of Rs. 837.5 Cr from Panatone Finvest Limited, towards preferential allotment of shares and warrants. Consequently, our cash and cash equivalents increased to Rs. 1,195 Cr
- Our PLI application for telecom manufacturing has been approved by Department of Telecom, Government of India.

- **Sales Update**

- **India Government**

- Participating in BSNL's Proof-of-Concept for 4G tender, via SI partner, who is using our RAN product
- Multiple tenders won in critical infra segment
- India-Govt was 13% of Q2 revenues

- **India Private**

- India private was 46% of Q2 revenues. YoY growth of 47% for H1 FY22
- Good business from telcos (for DWDM and GPON) and from System Integrators (for GPON and Switch products)

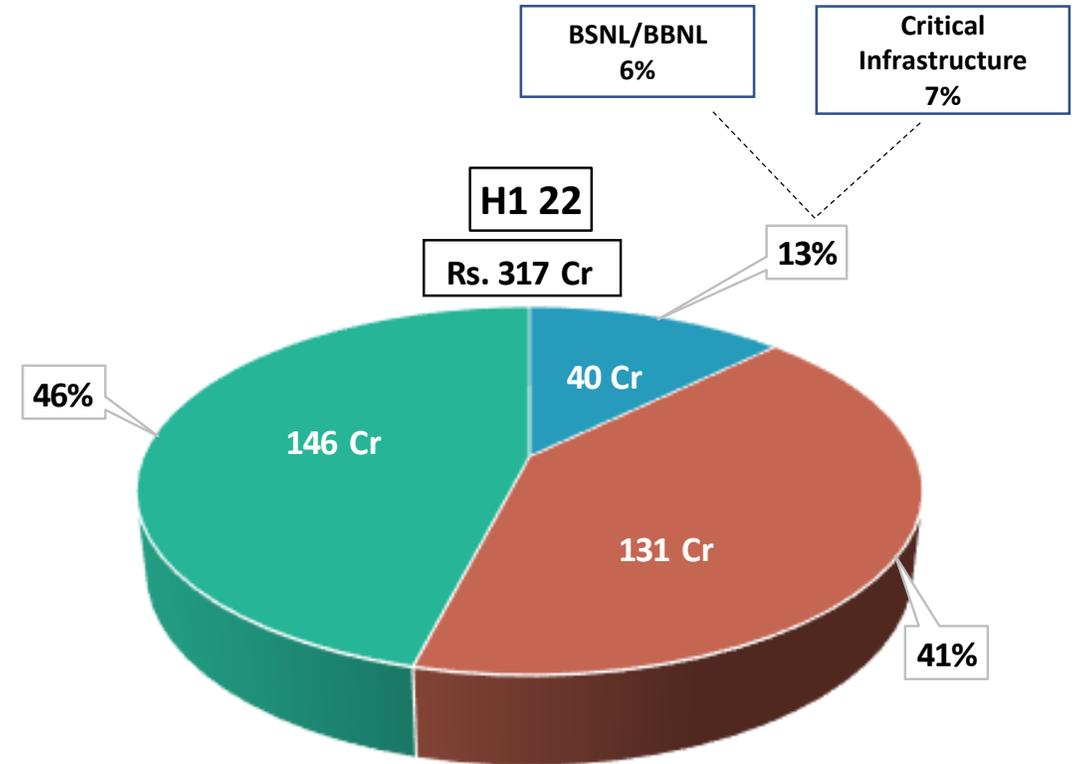
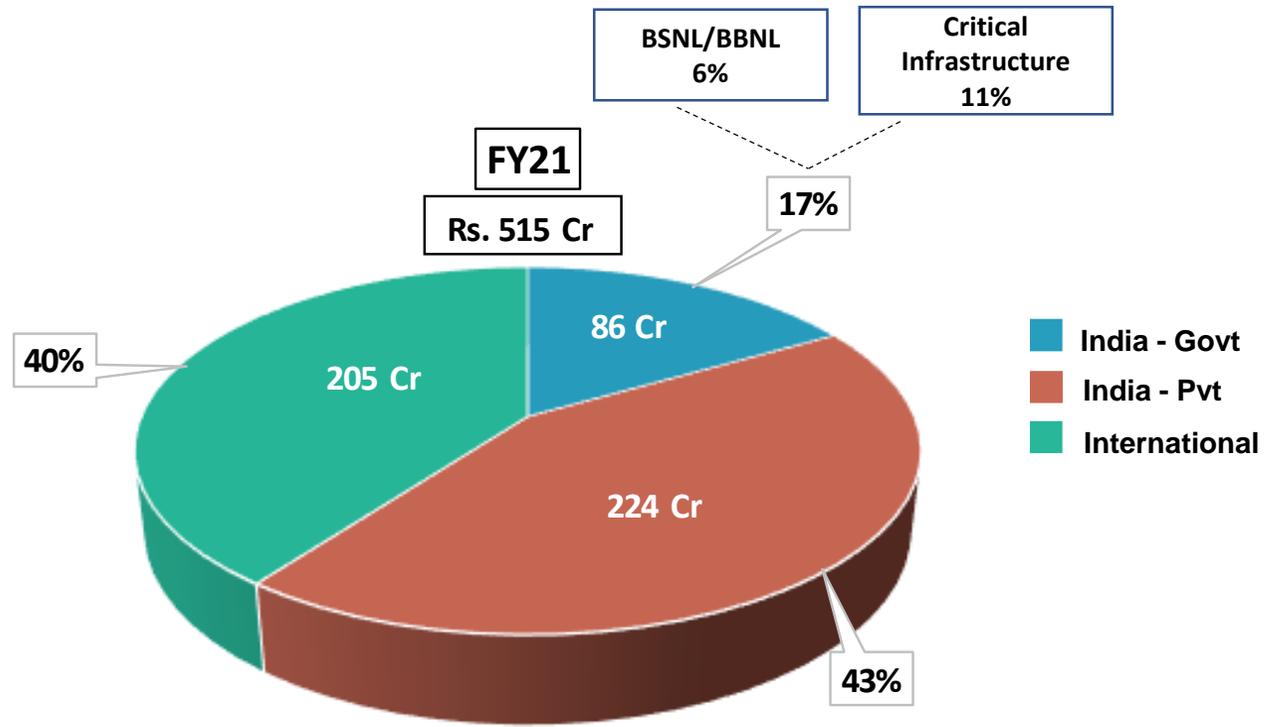
- **International**

- International was 41% of Q2 revenues. YoY growth of 89% for H1 FY22
- Signed a new global OEM customer, in addition to 5 new customer wins

- **Supply Chain Update**

- Global shortage of semiconductor components has resulted in increased lead times (upto 60 weeks) as well as increase in prices by certain suppliers
- While we have placed advance purchase orders for securing components, the supply situation continues to be challenging

H1-FY22: Revenue By Segments



- Run-rate business (India-Pvt + International) contributed to 87% of total in H1 FY22 (YoY growth of 67%)

Financial Update

<i>Amount in Rs. crore except EPS</i>				
	Q2-FY22	H1-FY22	LTM	FY 2021
Revenues (Net) ¹	172.8 (YoY 61.8%)	317.0 (YoY 72.1%)	647.7 (YoY 101.0%)	514.8
EBIT	0.1 (YoY 102.3%)	1.3 (YoY 108.1%)	18.4 (YoY 110.5%)	1.4
PBT	3.3 (YoY -26.5%)	11.7 (YoY 323.1%)	39.4 (YoY 126.9%)	22.5
PAT	3.7 (YoY -19.2%)	11.2 (YoY 314.3%)	54.0 (YoY 122.1%)	37.5
EPS	0.37 (YoY -24.1%)	1.17 (YoY 305.8%)	5.72 (YoY 121.6%)	4.05

Notes:

1. The Revenues (Net) are net of taxes (excise duty/GST)

Key Financial Indicators

Particulars	Amount in Rs. Cr	
	Q1-FY22	Q2-FY22
Cash flow from Operations	(32)	67
Net Worth	1,146	1,656
Inventory	201	226
Trade receivables	447	414
Net working capital	505	481
Cash and Cash Equivalent ¹	312	1,195

1. Cash and cash equivalents, investment in liquid mutual funds, Other Bank balances in current assets

- **Inventory increased to Rs. 226 Cr**
 - Due to global semiconductor shortage we are taking action on long-lead components
- **Trade Receivables reduced to 414 Cr**
 - Collected Rs 221 Cr during Q2
 - Payments from BSNL continue to be challenging and are coming at a slow pace
- **Working capital reduced by Rs. 24 Cr**
 - Improved cash flow from operations
 - Expected to normalize over the next few quarters.
- **Cash Position increased to Rs. 1,195 Cr**
 - This includes investment of Rs 837.5 Cr from Panatone Finvest Ltd.
 - We continue to be a debt free company

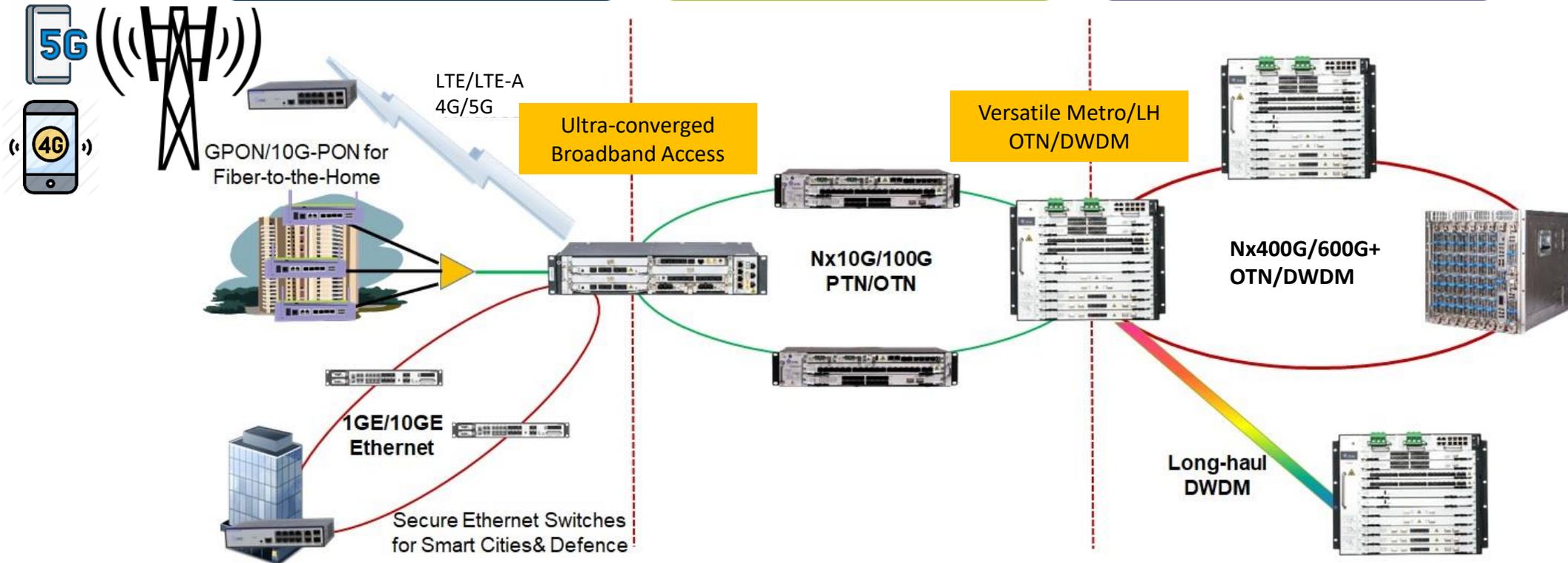
Expanding Product Portfolio: Wireline + *Wireless*

Universal, SDN-ready Network Management System (NMS)

Broadband Access (xPON, LTE, Ethernet)

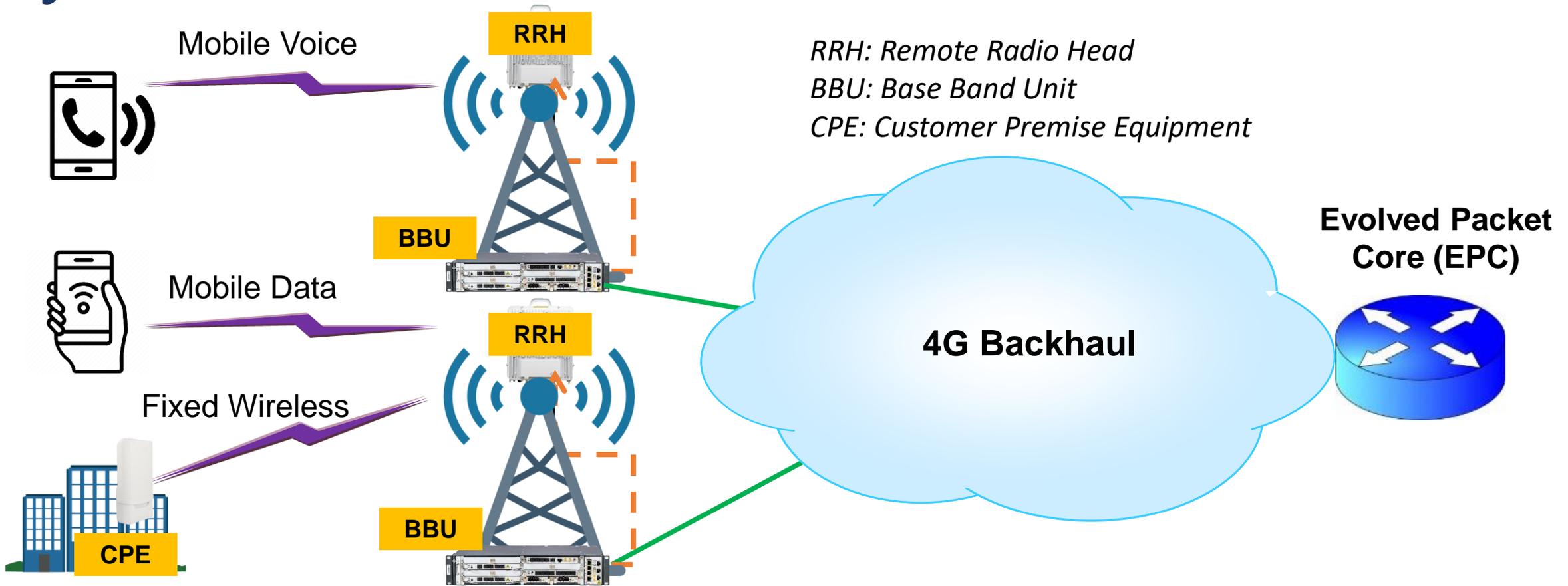
Optical Transmission (PTN & OTN)

Metro Core & Long-haul (DWDM & OTN)



- **Wireline:** Optical Transmission, Broadband Access, Secured Ethernet Switches
- **Wireless products:** 4G-LTE RAN (Radio Access Network) for Fixed as well as Mobile broadband
- We have a platform approach for all our products: 14xx platform (access); 16xx platform (core)

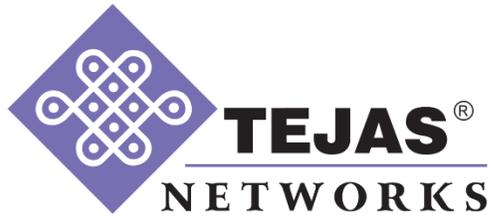
Tejas LTE-based RAN for Mobile and Fixed Broadband Access



- **Tejas 4G RAN Solution includes both BBU (Baseband Unit) and Remote Radio Head (RRH)**
 - Designed to deliver high-capacity LTE-based fixed and mobile voice and broadband data services
 - High capacity 4G-BBU (macrocell) is upgradable to 5G
 - Multiple TDD and FDD bands are supported on radios with option for 10/20/40 Watt power
 - Interoperable with 3GPP standards-based 4G Core (EPC) today; Designed for interop with 5G Core (5GC) in the future
- **TJ1400 LTE product is a part of our Ultra Converged Broadband (UCB) access family**
 - Same chassis also supports xPON OLT, CE2.0 and PTN/IP technologies



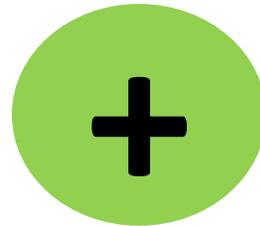
Strategic Partnership with Tata Group



India's leading
Innovation & R&D
driven Telecom Product
Company

Rich Ownership of Software
& Silicon IPR;
Globally competitive
Products

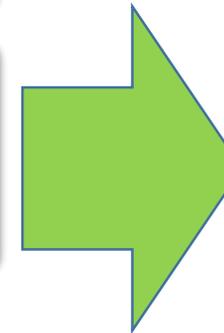
Proven Track Record,
Global customer Success,
500k+ unit deployments
75+ countries



Global Branding, Trust &
deep sales relationships
with Tier-1 customers

Balance Sheet Strength to
invest in R&D to expand
product portfolio

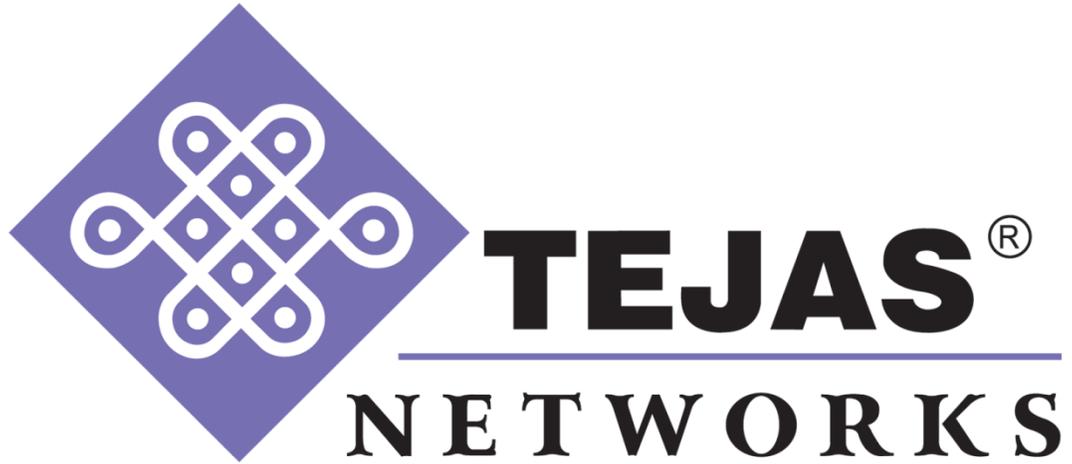
Ability to execute large deals;
Focus on the entire
electronics value-chain



Opportunity to
Build a Global,
Top-tier Telecom
Equipment OEM

Key Takeaways

- Strong new order inflows; order book increased to Rs. 783 Cr
- Good revenue growth from run-rate customers (India Pvt + International)
- Global semiconductor supply chain challenges continue to impact our revenues and margins
- We see promising outlook for our wireless RAN product; increases our addressable market
- With strategic investment from Panatone Finvest (Tata sons), we are well positioned to invest and accelerate our growth



Thank you!

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