



Q3FY25 - Investor Presentation

January 23, 2025



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.

Key Updates: Q3-FY25

Financials

- Q3FY 25 Net Revenue: INR 2,642 Cr (4.7x YoY)
- Q3FY 25 Profit After Tax: INR 166 Cr
- Order book at end of Q3: INR 2,681 Cr

Wireless Business

- Completed RAN supplies for 27K+ sites, leading to a total 86K+ sites delivered till date in BSNL's 4G/5G network
- Ongoing POCs with domestic operators for 4G and 5G
- Engagements with multiple international operators for country-specific band customization of 5G Radios

Wireline Business

- Signed a three-year contract with Vodafone Idea for supplying equipment for their pan-India 4G and 5G mobile backhaul network
- Selected as the broadband equipment supplier for a state-led BharatNet Last Mile Connectivity (LMC) project in Tamil Nadu
- Successfully completed PoC and received initial purchase orders for a network modernization win in US
- Received orders from operator in Asia for expansion of their mobile backhaul network

Key Updates: Q3-FY25

Corporate Updates

- Sanjay Malik, former India Country Head of Nokia, has joined as EVP - Chief Strategy and Business Officer
- Arnob Roy, COO and ED, has been elected as the Chairman of Telecom Export Promotion Council (TEPC) for the period 2025-2027
- Won the Global Connectivity Award for “Best Hardware Innovation” at Capacity Europe, London
- Expanded office and manufacturing facilities in Bangalore – in line with our business and headcount expansion.
- Set up Center of Excellence for Wireless Communications in Bengaluru for advanced research in frontier technologies, standards and architectures for next-generation mobile networks.

Q3-FY25: Financial Update

INR Cr	FY24			FY25				Comments
	Q3	9M	Full Year	Q1	Q2	Q3	9M	
Revenue from Sales & Service	560	1,144	2,314	1,496	2,655	2,497	6,649	▪ Q3 Revenue is 4.5x of Q3FY24
Other Operating Revenue ⁽¹⁾	-	0	157	67	156	145	368	▪ Primarily consists of PLI incentive (see note 1 below)
Total Revenue from Operations	560	1,144	2,471	1,563	2,811	2,642	7,016	▪ Q3 Revenue is 4.7x of Q3FY24
EBIT ⁽²⁾	-56	-165	93	167	459	260	886	
PBT	-49	-132	100	122	411	211	743	
PAT	-45	-84	63	77	275	166	518	

¹ Pursuant to the approval received from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme, the Company has recognised PLI incentive of Rs. 32.66 crore and Rs. 123.70 crore pertaining to the financial year ended March 31, 2023 and March 31, 2024 respectively under "other operating revenue" in the financial results for the year ended March 31, 2024. Based on the aforesaid approval the Company has recognised PLI incentive of Rs. 144.94 crore for the quarter ended December 31, 2024 and Rs. 367.74 crore for the nine months period ended December 31, 2024 considering there is reasonable assurance that the Company will comply with the conditions attached to the PLI scheme and that the grant will be received.

²EBIT = PBT – Other Income + Finance Cost including Net forex loss

Q3-FY25: Select Financial Indicators

Amount in INR Cr	Q2FY25	Q3FY25
Inventory	3,411	3,127
Trade receivables	3,758	4,730
Payables	1,784	2,115
Net Working Capital ⁽¹⁾	4,408	4,738
Cash and Cash Equivalents ⁽²⁾	583	643
Borrowings	2,768	3,157

- **Inventory of INR 3,127 Cr during Q3FY25 (vs 3,411 Cr in Q2FY25)**
 - Will be converted to finished goods and shipped in upcoming months
- **Trade Receivables at INR 4,730 Cr - increase mainly due to higher shipments in Q3**
 - Collected ~INR 2,000 Cr during the quarter
- **Working capital increased in Q3 by INR 330 Cr**
- **Cash Position at end of Q3 was INR 643 Cr**
- **Borrowings of INR 3,157 Cr at end of Q3** mainly for working capital purposes

⁽¹⁾ Net working capital taken as Current Assets (excluding Cash & Cash Equivalents) net of Current Liabilities (excluding Borrowings and lease liabilities)

⁽²⁾ Cash and cash equivalents includes investment in liquid mutual funds, deposits, other Bank balances

9M-FY25: Business Update

Revenue Mix ⁽¹⁾

- India-Government:
 - 3% (YoY decline of 40%)
- India Private:
 - 94% (10 x YoY)
 - Dominated by BSNL 4G related shipments to TCS
- International:
 - 3% (YoY increase of 13%)
 - Key Shipments to US, Africa and South Asia

⁽¹⁾ Excludes other operating revenue

Closing Backlog: INR 2,681 Cr

- India: INR 2,541 Cr
- International: INR 140 Cr

Key opportunities being targeted

Wireless

- Expansion of BSNL's 4G network and 5G upgrade
- BSNL's 5G SA network buildout
- Indian Railways - Kavach (Collision Avoidance System)
- Private 5G application for large enterprise in India
- Band customization for 5G radio for tier-1 international operators

Wireline

- Bharatnet Phase 3
- Expansion of DWDM backbone networks in the utilities segment
- FTTH and Network Modernization deals with multiple operators in EMEA and Americas
- Metro network expansion for private operators in India for mobile backhaul and enterprise services

Business Drivers - Continued Investments in Fixed and Mobile Networking Technologies Worldwide

Cloud and enterprise digital transformation



AI Data Center connectivity



4G/5G RAN and xHaul

Multi-Terabit Packet & Optical

GPON XGS-PON

Long runway of 4G and 5G deployment globally



Digitalization of cities and economies



Massive investments in broadband connectivity for bridging digital divide



Modernization of utility networks demands transition from TDM to IP Networks



Tejas Initiatives

Wireless

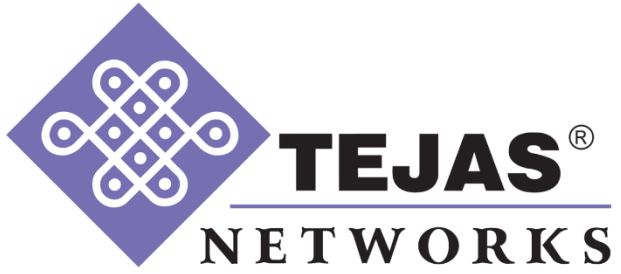
- State-of-the art, 5G radio units supporting diverse bands, including massive MIMO
- FWA solutions for n78 and mmWave bands
- Support for both 3GPP(5G NR) and O-RAN standards
- Advanced non-terrestrial (NTN) capabilities in 5G RAN

Wireline

- High-capacity (1.2 Tbps/channel) coherent WDM transmission with C+L band support
- Evolving FTTx to 10G-PON and 50G-PON standards
- xPON for Enterprise and Mobile backhaul applications
- 5G FWA and XGS-PON upgrades for Ultra-converged broadband access (UCBA) product

Business Development and Sales

- Hired Sanjay Malik to drive Strategy and Business Development
- Expanded sales teams in North America and LATAM regions
- Expanded partner networks in Europe, Asia and ANZ



Thank you!

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