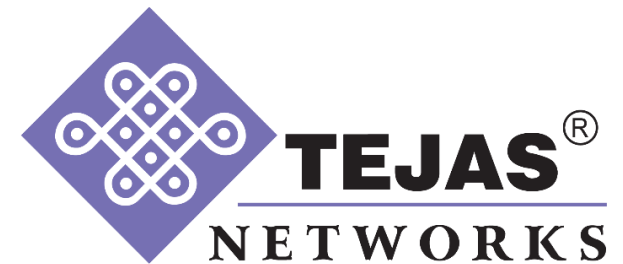




TEJAS NETWORKS LTD
EARNINGS CALL PRESENTATION
Q3FY22



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 Financial Update**

- Q3 Net Revenues: Rs. 107 Cr (YoY decrease of 17%)
- Q3 PAT Loss of Rs. 24.3 Cr (versus PAT of 9.2 Cr in Q3FY21)
- Cash and Cash Equivalents at: Rs 1,175 (no debt)

- **Sales Update**

- Q3 Bookings: Rs 311 Cr; Order book increased to Rs. 986 Cr (all-time high)
- Approved as “trusted source” for telecom products by Government of India
- Our 4G RAN (Radio Access Network) undergoing Proof-of-Concept for BSNL’s 4G network, via our SI partner

- **Supply Chain Update**

- Q3 revenue shortfall since we could not fulfill customer orders and ship complete systems, due to component shortage
- While we have placed advance purchase orders for securing components, the supply situation continues to be challenging in the wake of global semiconductor component shortage.

- **Appointment of 2 Nominee Directors from Panatone Finvest Private Ltd. (a subsidiary of Tata Sons)**

- Mr. N. Ganapathy Subramaniam, COO and Board member of Tata Consultancy Services Ltd.
- Mr. Amur S. Lakshminarayanan, CEO and MD of Tata Communication Ltd.

Q3 and 9M Financials

	<i>Amount in Rs. crore except EPS</i>			
	Q3-FY22	9M-FY22	LTM	FY 2021
Revenues (Net) ¹	107.1 (YoY -17.1%)	424.1 (YoY 35.4%)	625.6 (YoY 71.0%)	514.8
EBIT	-48.5 (YoY -3207.7%)	-47.2 (YoY -233.4%)	-31.7 (YoY 79.3%)	1.4
PBT	-32.9 (YoY -456.3%)	-21.2 (YoY -632.3%)	-2.7 (YoY 97.8%)	22.5
PAT	-24.3 (YoY -363.1%)	-13.1 (YoY -428.1%)	20.5 (YoY 116.7%)	37.5
EPS	-2.13 (YoY -314.3%)	-1.29 (YoY -398.5%)	2.05 (YoY 115.5%)	4.05

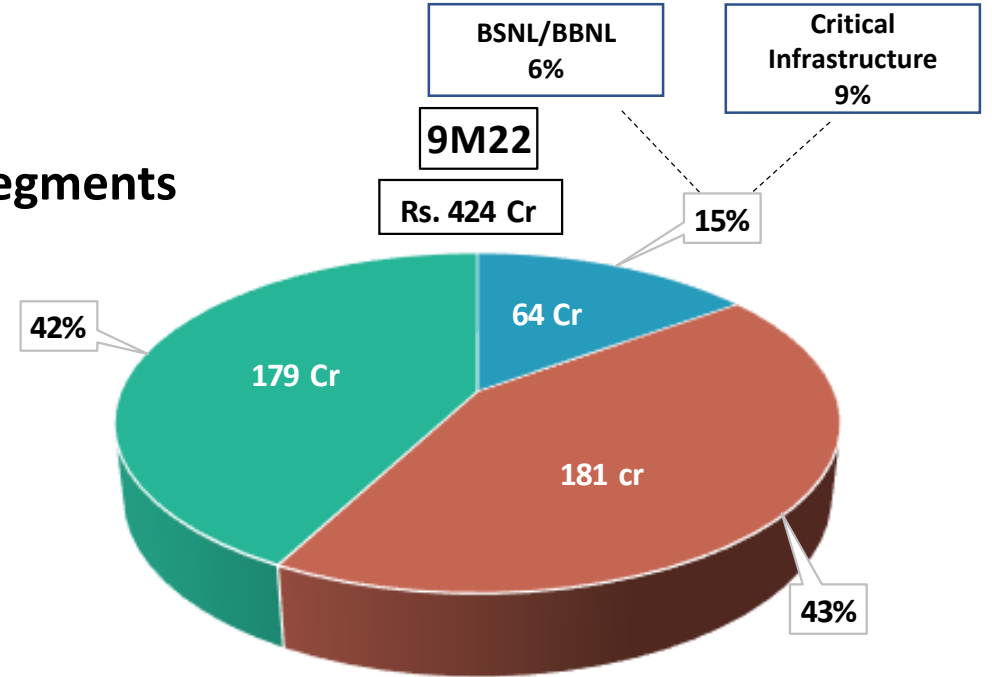
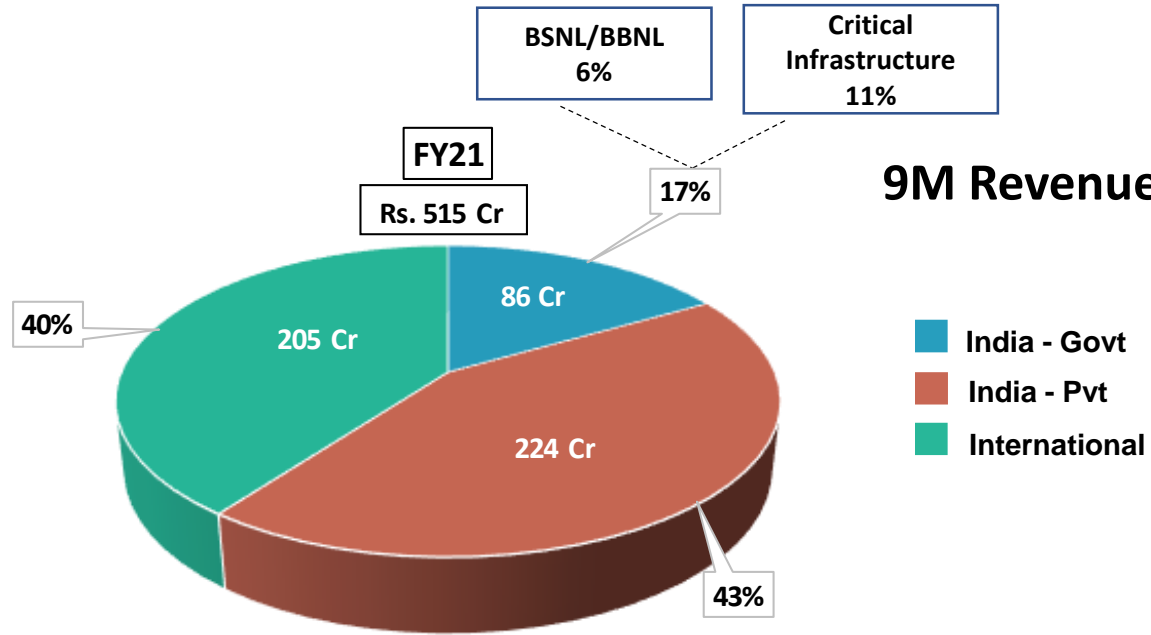
Key Financial Indicators

Particulars	Amount in Rs. Cr	
	Q2-FY22	Q3-FY22
Cash flow from Operations	67	(4)
Net Worth	1,656	1,636
Inventory	226	271
Trade receivables	414	358
Net working capital	481	474
Cash and Cash Equivalent ¹	1,195	1,175

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

- **Inventory increased to Rs. 271 Cr**
 - Inventory in Q3 increased since we couldn't ship complete/balanced systems to fulfill customers orders due to critical component shortage
- **Trade Receivables reduced to 358 Cr**
 - Collected Rs 182 Cr during Q2
 - Payments from BSNL continue to come, but at slow pace
- **Working capital reduced by Rs. 7 Cr**
 - Improved cash flow from operations due to reduction in trade receivables
- **Cash Position reduced to Rs. 1,175 Cr**
 - We continue to be a debt free company

9M-FY22: Sales update



- **Run-rate business (India-Pvt + International) contributed to 85% of total in 9M FY22 (YoY growth of 32.7%)**
- **India Government**
 - India-Govt was 22% of Q3 revenues. YoY growth of 52.8% for 9M FY22
 - Multiple orders won in critical infra segment; healthy pipeline of new business
- **India Private**
 - India private was 47%% of Q3 revenues. YoY growth of 18.2% for 9M FY22
 - Strong order inflow from telco customers
- **International**
 - International was 31% of Q3 revenues. YoY growth of 51.5% for 9M FY22
 - Won 5 new customers

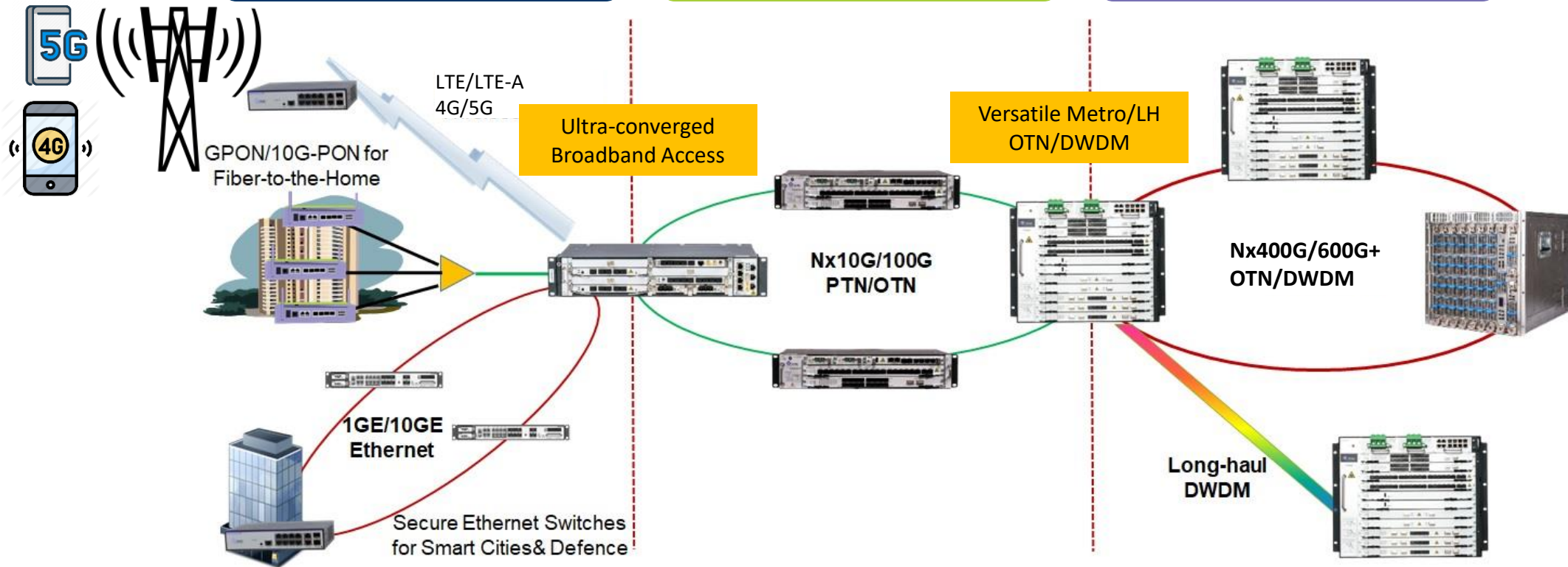
Expanding Product Portfolio: Wireline + *Wireless*

Universal, SDN-ready Network Management System (NMS)

Broadband Access (xPON, LTE, Ethernet)

Optical Transmission (PTN & OTN)

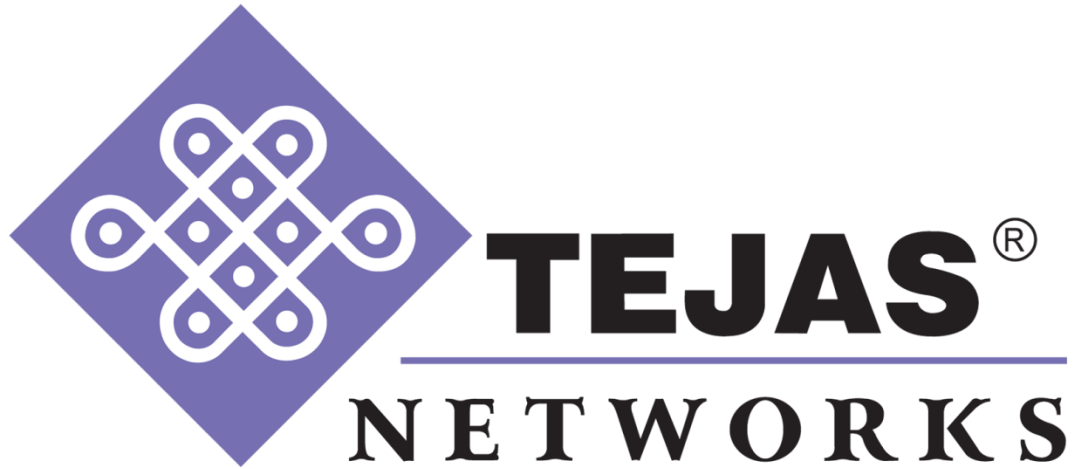
Metro Core & Long-haul (DWDM & OTN)



- **Wireline:** Optical Transmission, Broadband Access, Secured Ethernet Switches
- **Wireless products:** 4G-LTE RAN (Radio Access Network) for Fixed as well as Mobile broadband

Key Takeaways

- Q3 revenue was weak since we could not fulfill customer orders due to component shortages
- Our business momentum continues to be strong; order book increased to Rs. 986 Cr
- We continue to take actions to address the challenges due to global semiconductor shortage
- Our Board has been strengthened with appointment of Mr. N.G Subramaniam (COO, Tata Consultancy Services) and Mr. A.S. Lakshminarayanan (MD & CEO, Tata Communications)
- Our cash position is strong and we are working on plans to invest for long-term growth



Thank you!

Contact Us:

ir@tejasnetworks.com

Contact - +91(80)41794600