

Press Release
For immediate Release

HFCL's momentum of healthy performances continues

Strategic highlights

- Rs.600 crores raised via QIP with overwhelming response from the investors
- Attained 'Trusted Source' qualification from the National Security Council Secretariat (NSCS)
- Received approval under PLI Scheme for manufacturing Telecom and Networking Products

Financial highlights

- Q3FY22 Consolidated Revenue stands at ₹ 1215.21 crs, as compared to ₹ 1122.05 crs in Q2FY22 and ₹1277.48 crs in Q3FY21
- Q3FY22 Consolidated EBIDTA stands at ₹ 174.56 crs as compared to ₹ 173.20 crs in Q2FY22 and ₹176.53 crs in Q3FY21; EBIDTA margin stands at 14.32% as compared to 15.42% in Q2FY22 and 13.78% in Q3FY21.
- Q3FY 22 Consolidated PAT stands at ₹ 81.10 crs as compared to ₹ 85.94 crs in Q2FY22 and ₹ 85.11 crs in Q3FY21, PAT margin stands at 6.67 % as compared to 7.66% in Q2FY22 and 6.66% in Q3FY21

New Delhi, 17th January, 2022: HFCL Limited, India's leading telecom equipment manufacturer and technology provider announced its unaudited financial results for the third quarter and nine months ended December 31, 2021.

Consolidated Financial Highlights

Particulars	Q3 FY22 ₹ in Crore	Q2 FY22 ₹ in Crore	Change Q-o-Q%	Q3 FY21 ₹ in Crore	Change Y-o-Y%
Revenue	1215.21	1122.05	8.29%	1277.48	-4.86%
EBIDTA	174.56	173.20	0.58%	176.53	-1.14%
EBIDTA Margin (%)	14.32%	15.42%	-110Bps	13.78%	54Bps
PAT	81.10	85.94	-5.81%	85.11	-4.71%
PAT Margin (%)	6.67%	7.66%	-99Bps	6.66%	1Bps

On standalone basis, for the third quarter ended 31st December, 2021, the Company reported a revenue of ₹ 1107.36 crs, EBIDTA of ₹ 139.34 crs, PBT of ₹ 94.79 crs and PAT of ₹70.12 crs as against revenue of ₹ 1188.89 crs, EBIDTA of ₹ 149.28 crs, PBT of ₹ 97.29 crs and PAT of ₹ 75.04 crs for third quarter ended 31st December, 2020.

For the nine months ended 31st December, 2021, the Company reported consolidated revenue of ₹3544.13 crs, EBIDTA of ₹539.30 crs, PBT of ₹ 348.76 crs and PAT of ₹ 257.73 crs as against revenue of ₹ 3031.56 crs, EBIDTA of ₹ 396.92 crs, PBT of ₹ 218.62 crs and PAT of ₹ 159.77 crs for nine months ended 31st December, 2020.

For the nine months ended 31st December, 2021, the Company reported standalone revenue of ₹3220.48 crs, EBIDTA of ₹ 443.36 crs , PBT of ₹ 298.67 crs and PAT of ₹ 220.84 crs as against revenue of ₹ 2828.93 crs, EBIDTA of ₹ 336.68 crs , PBT of ₹ 186.62 crs and PAT of ₹ 140.36 crs for nine months ended 31st December, 2020.

Commenting on the Company's performance, Mr. Mahendra Nahata, Managing Director, HFCL said, "Although the demand in the economy is coming back gradually, we had a strong quarter with growth in revenues. The margins during the quarter got slightly impacted followed by increased logistic costs and increase in fiber and semi-conductor prices. In order to expand capacities and build network solution capabilities to tap the upcoming opportunities in Telecom and Defence sectors, the Company has raised ₹600 crores via QIP and I am thankful to all the investors for their overwhelming support and faith posed in HFCL's long term growth strategy. We are also well on track to shift our revenue mix from more of EPC to more of products and looking for significant growth in coming years. The Company is also constantly working on expanding its global market access and appointed global leaders in US and Europe to boost its OFC and Telecommunication product sales."

He further added that *"The Board has considered and approved the Company's plan for expansion of Fiber manufacturing capacities from 10mn fkm p.a. to 22 mn fkm p.a. and consolidated OFC manufacturing capacities from 24.75 mn fkm p.a. to 34.75 mn fkm p.a. with an overall capital outlay of ~Rs.425 crores. We remain optimistic about the outlook of the sector. The Government's approval for our PLI scheme candidature will help us in improving our competitiveness, collaborate with new players and venture into new geographies."*

Mr. Nahata further added that, *"HFCL has secured approval from NSCS as a 'Trusted Source' and we are fully committed to continue serving our TSP partners. The development will lead to cement HFCL's position further in the Telecom sector thereby amplifying the growth opportunities for HFCL. Our inclusion in the select list as one of the trusted sources, is a distinguished achievement and reinforces our commitment to delivering Make in India world-class products/solutions and contribute to our Hon'ble PM's vision of an Atmanirbhar Bharat."*

About HFCL

HFCL Limited is a leading technology enterprise engaged in manufacturing of high-end Transmission and Access Equipment, Optical Fiber, Optical Fiber Cables (OFC) and is specialized in setting up modern communication network for Telecom Service Providers, Railways and Defence.

The Company has state-of-the-art Optical Fiber and Optical Fiber Cable manufacturing plants at Hyderabad, Optical Fiber Cable manufacturing plant in Goa and in its subsidiary i.e. HTL Limited at Chennai along with FRP and ARP Rod manufacturing plant in its subsidiary at Hosur.

The Company's in-house Centre for Excellence in Research located at Gurgaon & Bengaluru along with invested R&D Houses and other collaborators at different locations in India and abroad, innovate futuristic range of technology products and solutions. Some of the newly developed products through R&D are Wi-Fi Systems, Unlicensed Band Radios, Switches, Electronic Fuses, Electro optic devices, and Video Management Systems. There is a suite of products under development, which include Software Defined Radios, Routers, PON, 5G Transport and Radio products, Wi-Fi 6 access points, Point-to-multipoint Radios and Ground Surveillance Radars among others.

Visit www.hfcl.com for more information.



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Date: 17th January, 2022

Place: New Delhi