

Dear Analyst,

I am pleased to report on Sasken Group's business performance for Q1 Fiscal 2024, ended June 30th, 2023. As always, we must highlight that certain statements made here or subsequently in response to your queries concerning our future growth prospects are forward-looking statements. Please refer to Safe Harbor clause in the second slide of our presentation for full details.

Quarter-on -Quarter (Sequential)

Let me begin by walking you through our financials for Q1 FY24. The consolidated revenues for the Sasken Group went down by 4.3% over the previous quarter to ₹ 98.49 crores. Consolidated Earnings before Interest and Taxes were ₹ 7.43 crores, a decrease of 40.0% sequentially. Consolidated PAT was at ₹ 25.70 crores, up by 50.6% over the previous quarter. PAT margin was at 26.1%. Consolidated earnings per share was ₹ 17.08 for the quarter. Cash and cash equivalents were approximately ₹ 645 crores as of June 30, 2023.

Quarter-on -Quarter (Comparable quarter of the previous year)

In Q1 FY24, the consolidated revenues for the Sasken Group went down by 2.8% to ₹ 98.49 crores. Consolidated Earnings before Interest and Taxes were ₹ 7.43 crores, a decrease of 71.3%. Consolidated PAT was at ₹ 25.70 crores, up by 68.7%.

People

As of June 30, 2023, the Sasken Group had 1410 employees, with an LTM attrition rate of 21 %. Our endeavors to improve retention seem to have yielded a good outcome with a steady decrease in attrition over the past months. With a resolute drive in improving our people experience we have focused on initiatives to enhance employee engagement, upgrade skill development and learning avenues, provide competitive hikes, enriched total benefit, career development opportunities etc for our talent pool. The foundation of Sasken's people practices remains our value driven culture which emphasizes performance, meritocracy, customer centricity, innovation, continuous learning, respect for individual etc. With single minded focus we have driven culture transformation sessions ingraining our commitment to excellence at all levels and enabling our talent to deliver the best for our customers globally. As part of our ongoing commitment to growth and development, we are embarking on a journey of culture transformation which embodies adopting evolved values that lead to cultivating an environment of growth mindset where innovation, collaboration and inclusivity thrive.

Customers

We currently have 47 active customers.

Business Highlights

As I provide you with an update on Sasken's business highlights, I would also like to share our strategic investments and future plans. With a strong foundation in technology, we take pride in our ability to understand and solve complex engineering problems for our esteemed customers. In line with this, we have made significant investments in hardware, RF design, audio & acoustics, mechanics, and extensive product testing at our operations in Finland. These investments have been leveraged by industry leaders to develop cutting-edge products and services.

We are committed to remaining a differentiated enterprise in the face of continuous technological disruptions. While we are proud to be a trusted partner to our customers, we remain mindful of our modest size. The changing landscape driven by communications, computing, cloud, and cognition has reshaped businesses in all sectors. The exponential growth of data bandwidth in communication networks, driven by advancements in 5G networks and broadband capabilities in Low Earth Orbit (LEO) and Mid Earth Orbit (MEO) satellites, is enabling ubiquitous digital connectivity, which is now the backbone of commercial and social enterprises. This data explosion, known as the era of Chip-to-Cognition, has revolutionized decision-making processes, making it easier to develop capabilities that mimic human abilities.

In addition, we actively collaborate with our partners and customers to co-develop innovative solutions for the future. Our partnership with Semicon Engineering has been particularly successful, and we look forward to expanding our alliances with key strategic clients. These strong partnerships enable us to create groundbreaking products that meet evolving market needs. We recognize the value of these relationships and believe that working together is essential for delivering cutting-edge technology.

In the Communication & Devices segment, we are continuously attracting new customers who appreciate our extensive knowledge of wireless protocols. Our main goal is to not only expand our current business relationships but also generate excitement in the market through our exceptional network engineering services. With the increasing popularity of the Android platform, we see immense potential for market growth. However, we are mindful of the intensifying competition in this field. To maintain our competitive advantage, we are actively revamping our delivery capabilities to enhance cost competitiveness. Additionally, we are broadening our target market focus in order to expand our reach and retain our competitive edge.

In the satellite segment, we are foreseeing strong and sustained demand, although it is important to note that sales cycles in this industry can be extended. Despite these factors, we view the satellite market as strategically significant for our business.

We are actively investing in research and development to enhance our capabilities in satellite technology and services. By staying at the forefront of technological advancements, understanding the evolving needs of the satellite market and fostering strategic partnerships and collaborations with industry leaders and key stakeholders to strengthen our foothold in the satellite segment.

In the automotive domain, we are witnessing substantial momentum and recognition for the successful programs we have delivered in the past. This positive industry traction is motivating us to leverage our strengths and make strategic investments for the future. With our profound expertise in **semiconductor engineering**, we are actively forging partnerships within the ecosystem. These collaborations offer us exciting prospects to expand our reach and sell our solutions through strategic partners across various domains.

As we gear up for the future, our focus remains on solving customer challenges. By leveraging our extensive offerings in the automotive, wireless comms domains, underpinned by our capabilities on digital, cloud and quality engineering services, we are committed to addressing the unique needs and requirements of our customers. Through innovative solutions and cutting-edge technology, we aim to provide value-driven outcomes and establish ourselves as a trusted partner in the automotive industry.

In the digital space, we have been successfully expanding our range of services and attracting new opportunities. Our efforts have paid off, as we have recently secured partnerships with automotive and industrial clients, solidifying our position in these industries. With our extensive expertise in technologies such as AI, IoT, cloud computing, and data analytics, across industries, including automotive, industrial, healthcare, and telecommunications, Sasken is well poised to provide tailored solutions that drive growth, efficiency, and competitive advantage for its customers.

Overall, we are confident about Sasken's future growth prospects. We appreciate the trust reposed in us and are committed to driving value for all our stakeholders.

Sincerely,

ABHIJIT
GANGADHA
R KABRA
Abhijit Kabra
Chief Executive Officer
Sasken Technologies Limited

Digitally signed by
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Chairman and Managing Director
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