

Date: 13.11.2024

To The Listing Manager Listing Department, The Bombay Stock Exchange Limited , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.	To The Listing Manager, Listing Department, Metropolitan Stock Exchange of India Limited , Building A, Unit 2054, 2nd Floor. piramal Agasrya Corporate park, L.B.S Road, Kurla West, Mumbai - 400070. India
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Sub: Investors Press Release on the financial results for the Second quarter and Half ended 30th September, 2024

Ref: Security code: 511658 ISIN: INE027D01019

Dear Sir/Madam,

Pursuant to Regulation 30(6) of the SEBI (LODR) Regulations 2015, please find the enclosed herewith the Press Release on the financial results for the Second quarter and Half year ended 30th September, 2024. The Investor Press Release may also be accessed on the website of the Company at www.nettlinx.com

This is for your kind information and records for the exchange.

Please acknowledge the receipt for the same.

Yours faithfully,

For Nettlinx Limited



Sai Ram Gandikota

Company Secretary & Compliance Officer

EARNINGS RELEASE

Q2 & H1 FY25 - NOVEMBER 13, 2024



INTEGRITY



INNOVATION



TRUST

Connecting You To The World !



ABOUT US:

- ❑ **Nettlinx provides a comprehensive suite of network solutions, including Internet services, Network Management, Data Center and Co-Location Services and Enterprise Mailing Solutions. Its primary revenue comes from business IT services, which encompass software development, consulting, and package implementation.**
- ❑ **Nettlinx Ltd provides B2B Dedicated Internet Leased Lines (1:1) through a network built on world class technology.**
- ❑ **Provides advanced Managed Network Services to enterprises in Telangana and Andhra Pradesh. Operates through a direct presence in over 93 locations.**
- ❑ **The company has 5 subsidiaries:**
 - **Nettlinx Reality Private Limited: (Wholly Owned Subsidiary)**
It invests in real estate in Nagpur and Hyderabad, developing IT parks and residential projects.
 - **Nettlinx Inc USA: (Wholly Owned Subsidiary)**
Nettlinx Inc. offers software consulting, cloud services, and is developing a micro ERP for small businesses, currently in production with pharmaceutical distributors.
 - **Nettlinx Technologies private limited: (Wholly Owned Subsidiary)**
Global IT services provider offering system administration, virtualization, datacenter management, and secure solutions for emerging technologies.
 - **Sailon SE: (95% Holding)**
Berlin-based asset management firm focusing on high-tech investments, leveraging low interest rates for future acquisitions in Germany.
 - **Sri Venkateswara Green Power Projects Limited: (57.78% Holding)**
Developing a 14-MW renewable energy power plant in Telangana, contributing to sustainable energy solutions in India.

COMPREHENSIVE NETWORK SOLUTIONS:

Offers a wide array of network solutions, including

Collaborates with national telecommunications companies to offer state-of-the-art products and solutions tailored to organizational network requirements.

Enterprise Mailing Solutions.

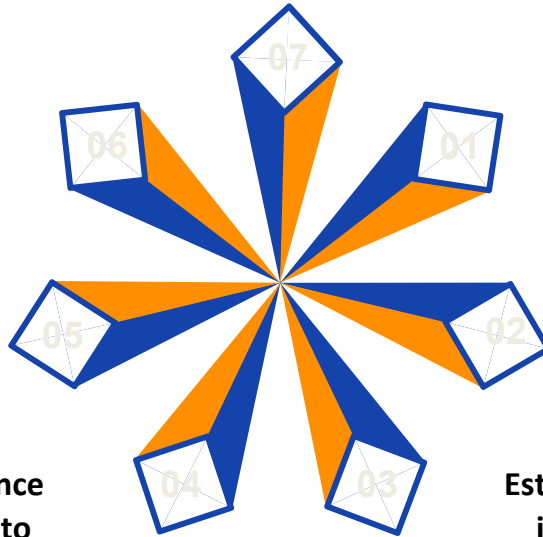
Internet Services.

Data Centre and Co-location Services.

Network Management Services.

Leverages extensive experience in Internet-related services to ensure high customer satisfaction.

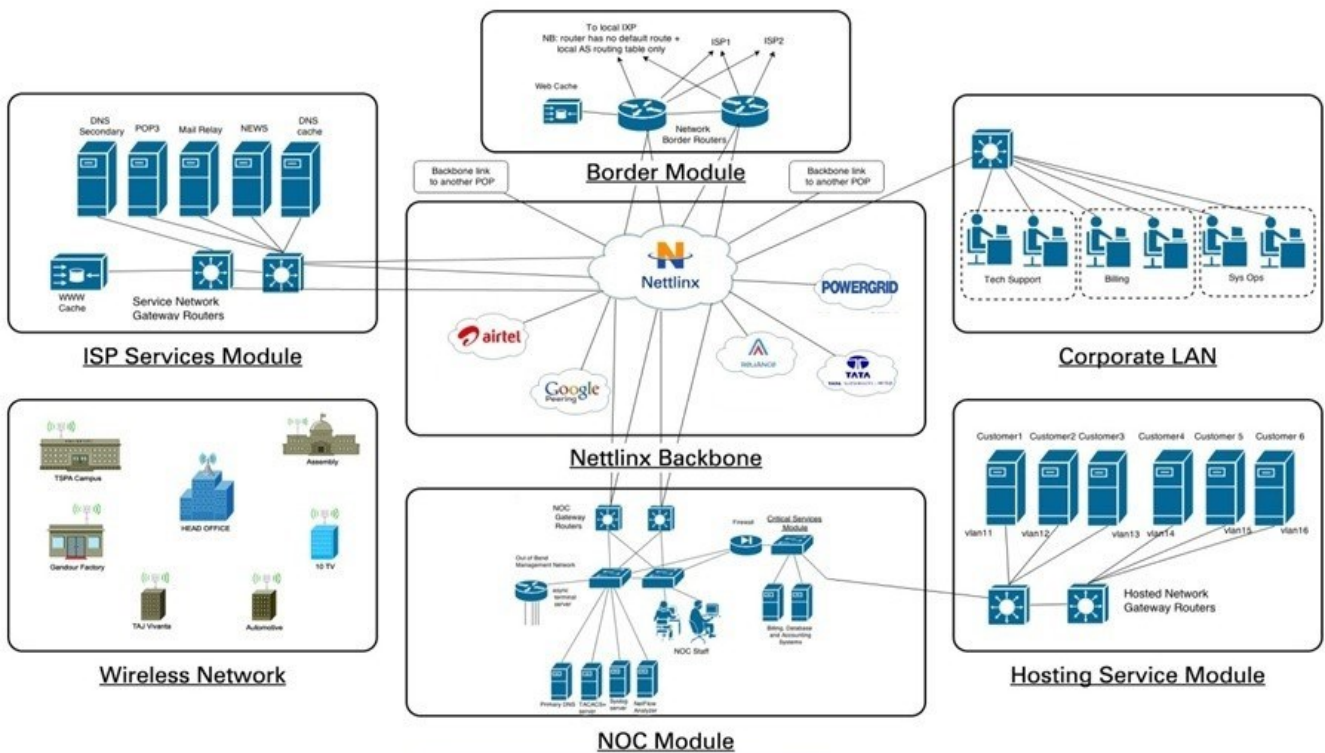
Established a reliable network infrastructure, trusted for robust connectivity solutions and application support.



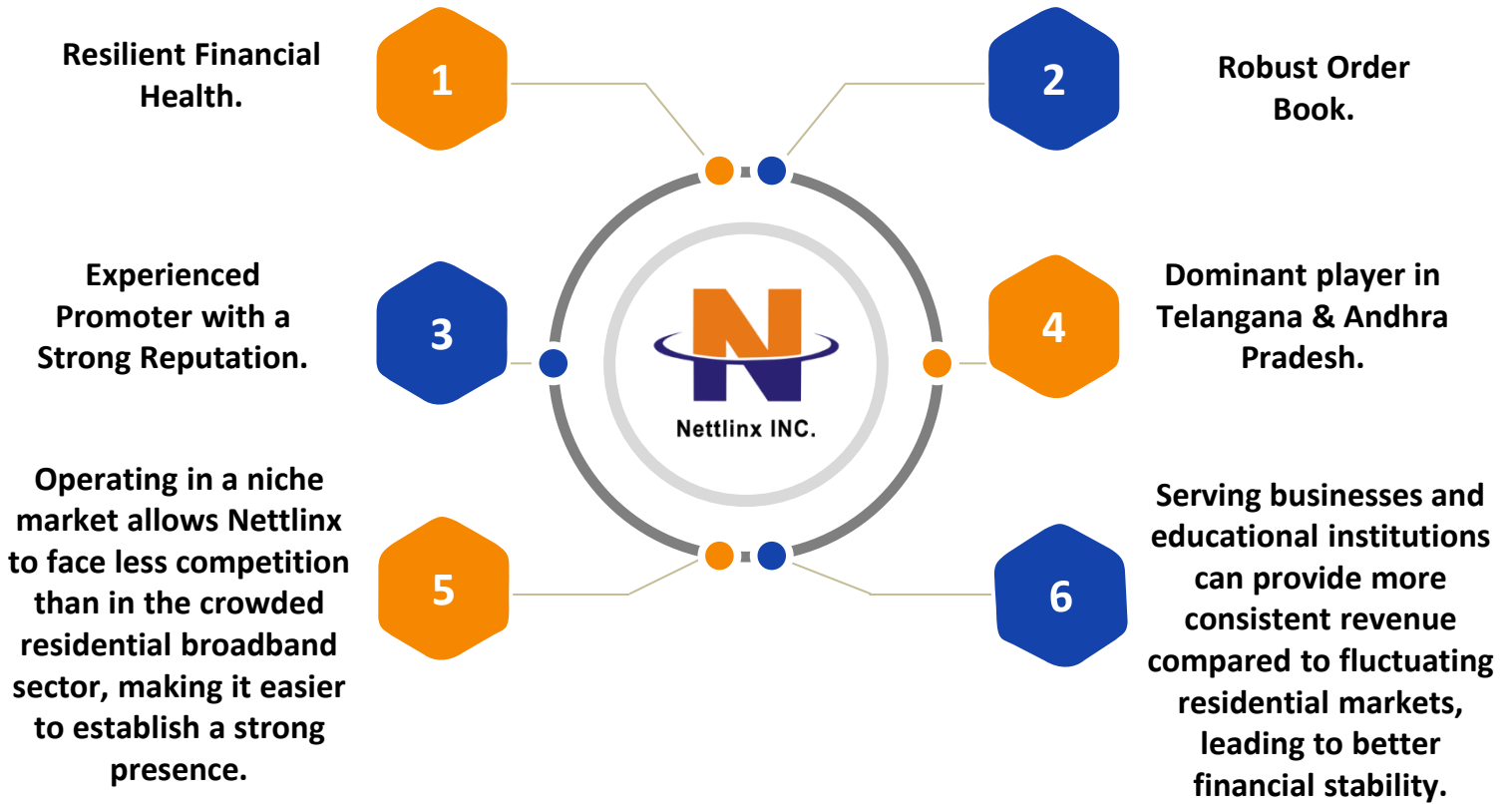
NETWORK DIAGRAM:



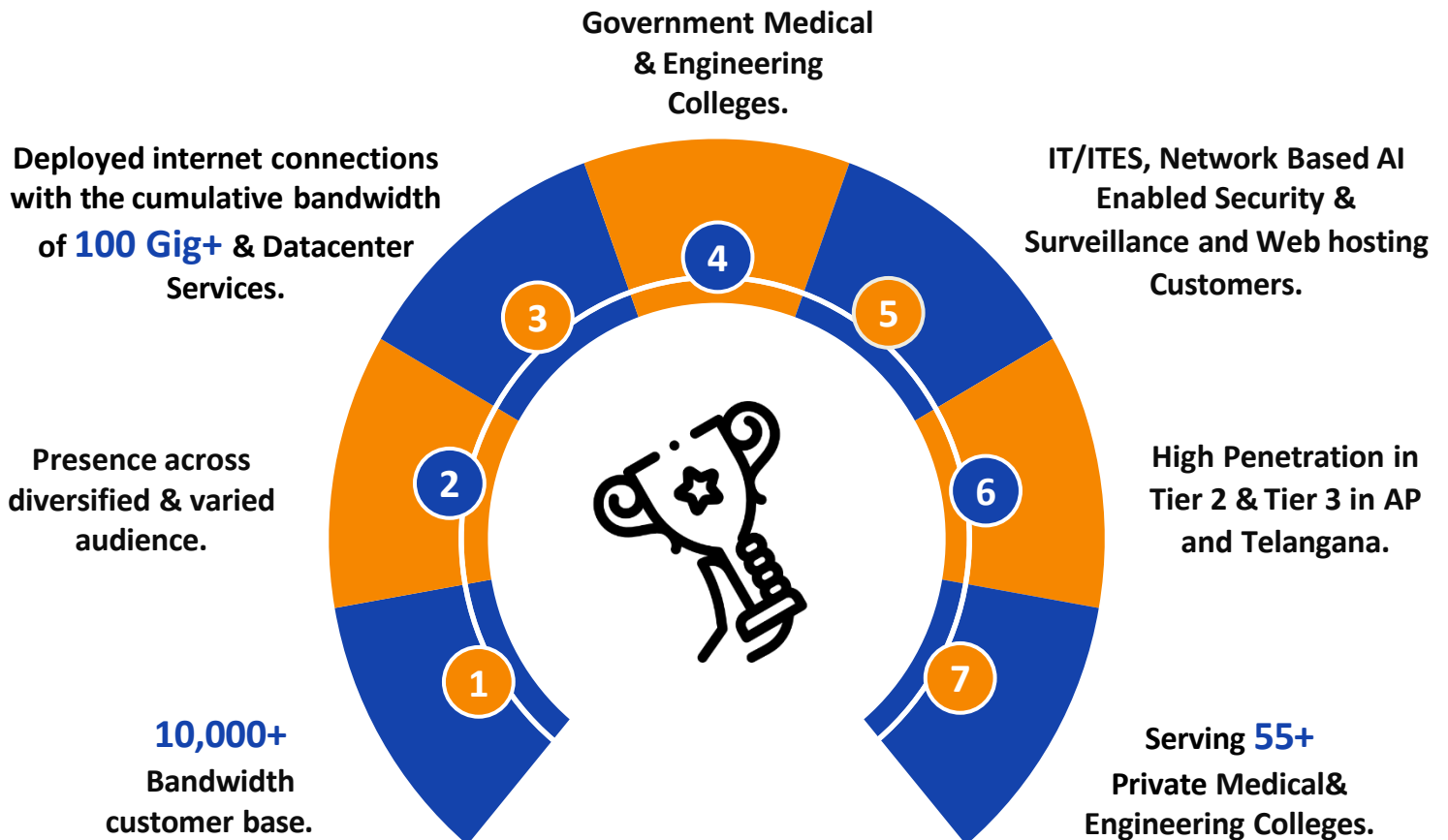
NETTLINX NETWORK DIAGRAM



KEY DIFFERENTIATORS:

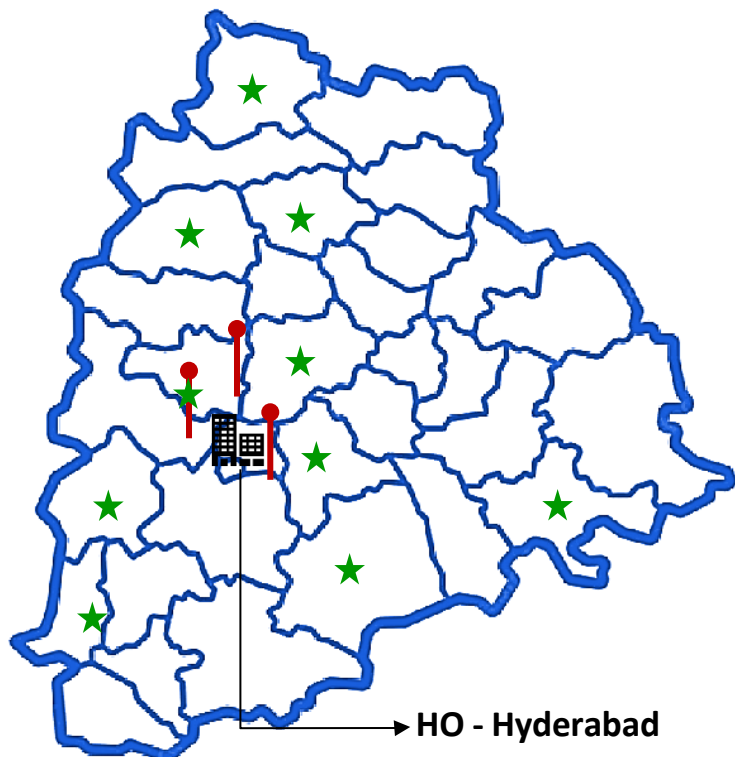





KEY ACHIEVEMENTS:



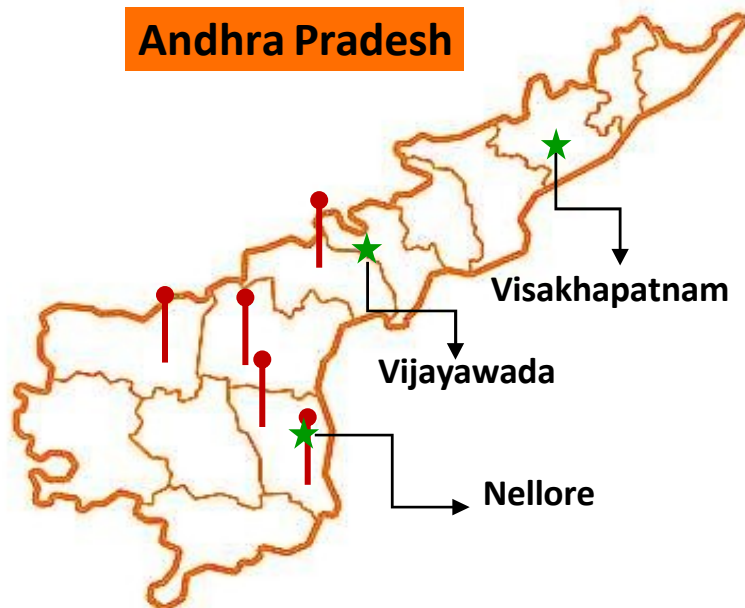
EXTENSIVE PRESENCE IN ANDHRA PRADESH & TELANGANA:

Telangana



	Head Office
	Branch Office Business
	Associates

Andhra Pradesh



- ❑ Nettlinx has six core POPs in major towns across Telangana and Andhra Pradesh, along with a widespread distribution network covering all districts in both states.
- ❑ High-capacity backbone links, minimum of 1 Gig+ each, extend to various locations in Telangana and Andhra Pradesh.

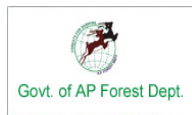
PRESENCE ACROSS DIVERSIFIED SEGMENT & INDUSTRIES:

Our Esteemed Clients

Electronic Digital Media Clients



Government Clients



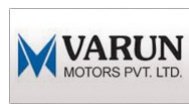
Health Care Clients



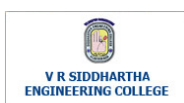
Hospitality Industry Clients



Software & Manufacturing Units Clients



Educational Institutes Clients



And many more...

CONSOLIDATED INCOME STATEMENT:

Particulars (Rs. In Mn)	Q2FY25	Q2FY24	YoY (%)	Q1FY25	H1FY25	H1FY24	YoY (%)
Revenue from operations	72.6	74.4	-2.4%	72.1	144.7	145.0	-0.2%
Other income	0.5	0.2		0.0	0.5	0.4	
Total Revenue	73.1	74.6		72.2	145.3	145.4	
Total Operating Expenses	56.8	45.6		50.5	107.3	87.2	
EBITDA (ex. OI)	15.8	28.8	-45.3%	21.6	37.4	57.8	-35.2%
EBITDA Margin % (ex. OI)	21.7%	38.8%		30.0%	25.8%	39.8%	
Depreciation & Amortization	2.6	2.5		2.4	5.0	4.9	
Finance Cost	2.9	2.6		3.0	5.9	4.7	
PBT	10.8	23.9	-54.8%	16.3	27.1	48.5	-44.1%
Tax Expense	5.1	7.1		5.1	10.2	13.5	
PAT	5.7	16.8	-65.9%	11.2	16.9	35.0	-51.7%
PAT Margin %	7.9%	22.6%		15.5%	11.7%	24.1%	
Diluted EPS	0.2	0.7		0.5	0.7	1.5	

CONSOLIDATED BALANCE SHEET:

Particulars (Rs. In Mn)	As On 30th Sept 24	As on 31st Mar 24
Assets		
PP&E	103.3	99.3
Goodwill on Consolidation	0.0	0.0
Other Intangible Assets	0.3	0.3
Right to use Assets	0.9	1.8
Capital Work in Progress	187.0	187.0
Investments	151.4	151.4
Others financial assets	9.3	4.9
Other non-current assets	23.1	23.1
Deferred Tax Assets (Net)	12.6	12.7
Non-Current Assets	487.8	480.6
Inventories	27.8	31.0
Trade receivables	193.4	169.9
Cash and cash equivalents	12.6	18.3
Bank balances	5.9	1.2
Loans	0.0	0.0
Other financial assets	51.4	45.4
Current Tax Assets	0.0	0.0
Other current assets	71.2	60.9
Current Assets	362.4	326.7
Total Assets	850.3	807.3

Particulars (Rs. In Mn)	As On 30th Sept 24	As on 31st Mar 24
Equity and Liabilities		
Equity Share Capital	241.8	241.8
Other Equity	271.4	262.6
Non Controlling interest	83.1	83.1
Shareholders Fund	596.2	587.4
Borrowings	7.8	6.1
Other financial Liability	0.9	1.7
Provisions	1.8	1.8
Deferred Tax Liabilities	0.0	0.0
Non-Current Liabilities	10.4	9.6
Borrowings	176.2	138.2
Advances	0.0	0.0
Trade Payables	24.4	20.6
Other financial liabilities	11.8	9.4
Other Current liabilities	22.8	26.4
Provisions	0.2	0.2
Current Tax Liabilities	8.2	15.4
Current Liabilities	243.6	210.2
Total Equity and Liabilities	850.3	807.3

CONSOLIDATED CASHFLOW STATEMENT:

Particulars (Rs. In Mn.)	H1 FY25	H1 FY24
Cashflow from Operations Activities	-13.4	0.8
Cashflow from Investing Activities	-10.9	(45.8)
Cashflow from Financing Activities	23.3	37.4
Cash and Cash Equivalents at the End of the year	18.5	(7.6)

Quarterly Performance (Q2 FY25):

- Revenue for Q2 FY25 stood at **Rs. 72.6 million**, compared to **Rs. 74.4 million** in Q2 FY24, reflecting a **2.4% YoY decline**.
- EBITDA for the quarter was **Rs. 15.8 million**, down from **Rs. 28.8 million** in Q2 FY24, a decrease of **45.3% YoY**. EBITDA margin contracted by **171 bps**.
- Profit After Tax (PAT) for Q2 FY25 was **Rs. 5.7 million**, compared to **Rs. 16.8 million** in the same quarter last year, marking a **65.9% YoY decline**. PAT margin decreased by **147 bps**.

Half-Yearly Performance (H1 FY25):

- Operational Revenue for H1 FY25 stood at **Rs. 144.7 million**, a slight decrease of **0.2%** from **Rs. 145.0 million** in H1 FY24.
- EBITDA for the half year was **Rs. 37.4 million**, down from **Rs. 57.8 million** in H1 FY24, representing a **35.2% YoY decline**. EBITDA margin decreased by **140 bps**.
- Profit After Tax (PAT) for H1 FY25 stood at **Rs. 16.9 million**, compared to **Rs. 35.0 million** in the same period of the previous year, marking a **51.7% YoY decline**. PAT margin decreased by **124 bps**.

MANAGEMENT COMMENTARY:

In Q2 FY25, our consolidated revenue was **Rs. 72.6 million**, with an EBITDA of **Rs. 15.8 million** and a PAT of **Rs. 5.7 million**. For the first half of FY25 (H1), the company reported a total revenue of **Rs. 144.7 million**, with an EBITDA of **Rs. 37.4 million** and a PAT of **Rs. 16.9 million**.

While there was a marginal slowdown in revenue, primarily due to certain challenges, we are actively addressing these issues and are focused on mitigating their impact moving forward.

In alignment with our growth strategy, Netlinx has expand its footprint into Tier 2 and Tier 3 towns in Telangana and Andhra Pradesh, targeting underserved markets in FY25.

This initiative demonstrates our commitment to broadening our presence beyond major urban centers. By doing so, we aim to establish Netlinx as a significant player in these emerging regions.

Our steadfast dedication to delivering high-quality service and fostering innovation will drive us as we navigate these challenges and work towards improved profitability in the upcoming quarters.

We are developing an Integrated Communication System—a comprehensive suite of tools designed to centralize and manage multiple communication channels from a single platform. This system provides extensive support for Analog Telephony, VoIP, Chat, Video Conferencing, Webinars, Sessions, Scheduling, Digital Signage, and AI-driven features. Key AI capabilities include generating brief and detailed meeting summaries in English, Telugu, and Hindi, with transcripts available in additional Indian languages.

Additionally, our Software Development Kit (SDK) equips developers with essential tools and libraries to seamlessly integrate Zoom’s video conferencing and collaboration features into their applications. This solution empowers organizations to streamline communication, enhance collaboration, and elevate user engagement.

After carefully evaluating various communication software and licensing providers, we selected Zoom’s technology as the optimal fit for our vision. As a result, we are partnering with Zoom Technologies India to bring this initiative to life.

AI-based security solutions encompass a range of technologies and applications designed to enhance safety, surveillance, and emergency response in public and private environments. Here are some key components and features.

Enabling us to provide intriguing value proposition by providing AI solutions



- Video Surveillance
- Predictive Analytics
- Integrated Command Centre
- Environmental Monitoring
- Privacy Protection
- Anomaly Detection
- Smart Traffic Management
- Public Safety Apps
- Cybersecurity

Serving elite clientele



- Government
- Corporate
- Industries
- Smart City Projects
- Medical College
- Engineering College

Aspire to serve private clients like Independent Private residential units and complexes

Leading to a positive financial impact



- Healthy Revenue Growth
- Will enhance our Margin Profile

MANAGEMENT GUIDANCE:

- ❑ *We anticipate a revenue growth of 1.5x to 2x in FY25, primarily driven by a significant increase in Internet leased services, which is expected to positively impact our bottom line.*
- ❑ *Additionally, we plan to extend our services to Tier 2 and Tier 3 towns across Telangana and Andhra Pradesh, aiming to foster exponential growth and expand our market reach.*
- ❑ *Aims to expand customer base to 100,000 by FY25.*
- ❑ *We plan to expand coverage within campuses through WiFi / WiMax services.*

DISCLAIMER:

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Nettlinx Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance.

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