



Telephone: +91 22 6661 7272 | Email: info.india@blackbox.com

BBOX/SD/SE/2024/56

August 13, 2024

To,

**Corporate Relationship Department
Bombay Stock Exchange Limited**
P.J. Towers, Dalal Street,
Fort, Mumbai 400001

**Corporate Relationship Department
National Stock Exchange Limited**
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400051

Sub: Submission of Investor Presentation

Ref.: Scrip code: BSE: 500463/NSE: BBOX

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Investor Presentation. The same will also be available on the website of the Company at www.blackbox.com.

This is for your information, record and necessary dissemination to all the stakeholders.

Thanking You,

For **Black Box Limited**

ADITYA
GOSWAMI

Digitally signed by
ADITYA GOSWAMI
Date: 2024.08.14
00:35:19 +05'30'

Aditya Goswami
Company Secretary & Compliance Officer

Encl.: A/a.

BLACK BOX LIMITED

Registered Office: 501, 5th Floor, Building No. 9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai 400 708, India

BLACKBOX.COM | CIN: L32200MH1986PLC040652 | Tel: +91 22 6661 7272

Excellence in  **Digital
Infrastructure**

BLACK BOX 



Black Box Limited

Results Presentation

August 2024

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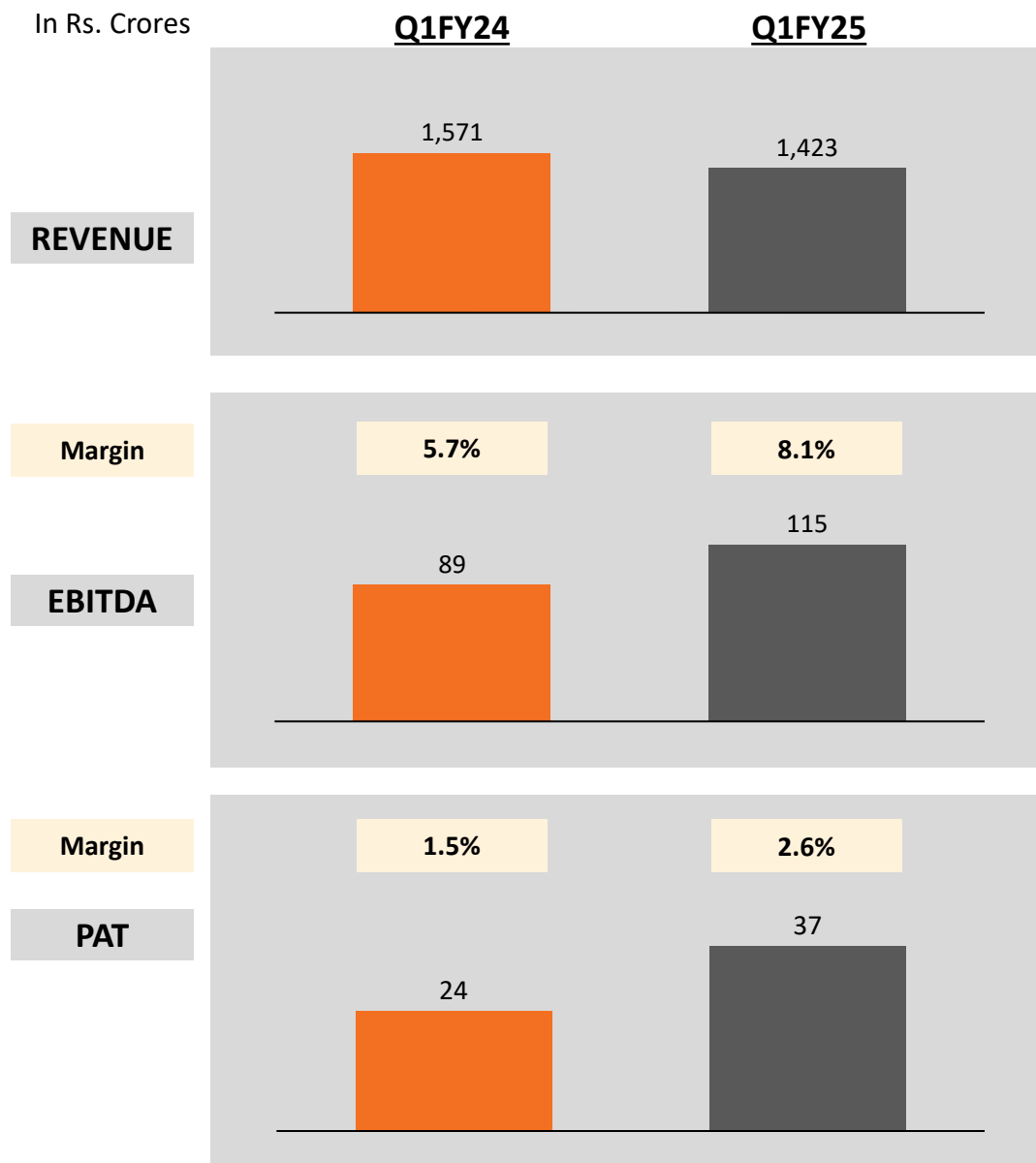
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Q1FY25 FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS



Revenues:

- Hold up in decision making, leading to delayed project execution, thereby impacting revenue
- Pipeline continues to swell, order book increased to US\$ 475 million as at June 30, 2024
- Continue to exit low value and non-accretive customers

EBITDA & EBITDA Margins:

- Emphasis on margin and enhanced productivity continues to generate positive outcomes
- EBITDA increased by 28% YoY to Rs. 115 Crs. and EBITDA margins improved by 240 bps YoY to 8.1%
- Marching towards FY25 exit at 9% EBITDA margin

Profit After Tax:

- Operating performance has resulted in better profitability despite of continued higher interest cost environment
- Exceptional items increased to Rs. 15 crores due to high severance costs during the quarter
- PAT increased by 55% YoY to Rs. 37 Crs. with PAT margins at 2.6%, a growth of 110 bps YoY

Commenting on the results and performance **Mr. Sanjeev Verma, Whole-time Director, Black Box** said,



“Our strategic exit from low-value, non-accretive customers had a short-term impact on revenue. However, our relentless focus on productivity and margins allowed us to meet EBITDA targets and nearly achieve PAT guidance. Core operations demonstrated robust strength, with substantial growth in key areas, highlighting the resilience of our business model. We have made significant strides, investing heavily in our Go-To-Market strategy, and hiring seasoned sales and solution architects with industry-specific expertise. As we move into FY25, our focus will remain on capitalizing on our strong pipeline and robust order book. With each business segment gaining momentum, we are confident in our ability to deliver enhanced performance and meet our revenue and profitability guidance.”



Mr. Deepak Kumar Bansal, Executive Director and Global Chief Financial Officer of Black Box, said,

“The growth in topline was affected due to delays in decision-making, leading to delayed project execution coupled with muted demand for our product business from some federal partners during the quarter. However, we continue to deliver on EBITDA and profitability over the last few quarters with strong focus on productivity and deal margins, as evidenced by a 28% YoY growth in EBITDA and 55% YoY increase in our profit after tax. We are optimistic that this trend will continue, enhancing both margins and overall profitability. Further, we secured Rs. 410 crores in funding to propel growth across key focus areas and to drive expansion in the digital infrastructure sector.”

Secures Rs. 410 Crores in funding to drive growth and expansion in digital infrastructure sector



(Rs in Cr)

The Board of Directors approved the issuance in one or more tranches, 98,32,123 fully convertible warrants, at a price of Rs. 417/- per warrant, aggregating to Rs. 410 crores and each Warrants is convertible into 1 equity share of face value of Rs. 2/- each fully paid-up of the Company at a premium of Rs. 415/- at the option of Proposed Allottee, in one or more tranches, at any time within 18 (Eighteen) months from the date of allotment of the Warrants in accordance with relevant provisions of SEBI ICDR Regulations.

Promoters

200

FII & HNI

200

Key Management Personnel

10

Total Fund Raise

410

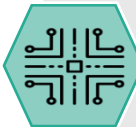
The fund raise capital is a growth capital for the Company and will be invested across several key areas:

Expansion of Data Center Build Capabilities



- Data center capacity is expected to grow exponentially over the next 3-5 years fuelled by adoption of Cloud and AI
- Black Box is well-established in this segment and plans to invest further to become a leading provider of services to Hyperscalers, Multi-Tenant Data center operators, and Large Enterprise Data Centers

Advancement in Network Infrastructure



- Black Box will deploy capital to expand its Solutions portfolio for its enterprise customers and Data center operators including Hyperscalers in the areas of Connectivity Infrastructure and Networking that will be critical to support increasing data traffic and demands of better user experience at the edge

Innovation and Delivery



- A portion of the funds will be allocated to innovation and development efforts aimed at pioneering new digital infrastructure solutions, including advancements in cloud computing infrastructure, cybersecurity, artificial intelligence and IoT

Go To Market Expansion

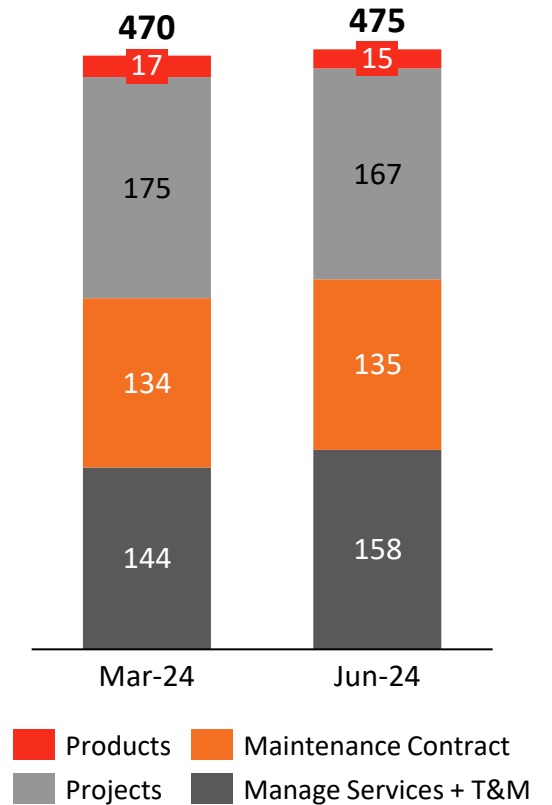


- The investment will support the company's strategic expansion and growth initiatives into key Industry Verticals with relevant technology solutions with key leadership hiring and expanding its sales and business development efforts significantly both in north America and emerging markets

LARGE DEAL WINS IN Q1FY25

Transaction Value	Clients
\$9.3 Mn	Data Center build for an American multinational corporation and technology company
\$5.0 Mn	Digital Workplace, Connected Building, CX, and Networking Solutions for one of the largest cruise lines
\$3.1 Mn	Connected Building solutions for an American airport
\$3.1 Mn	Connected Building, Digital Workplace, On Demand solutions and Managed Services for the largest hospital chain in the US
\$2.6 Mn	KVM solutions for a European Defence Organization
\$1.5 Mn	Data Center and In-Building 5G solutions for an American social media giant
\$1.3 Mn	Digital Workplace solutions for an American county government
\$1.1 Mn	KVM solutions for an Italian multinational company specializing in aerospace, defense, and security

Total Order Book (US \$ mn)



Q1FY25 – CONSOLIDATED P&L

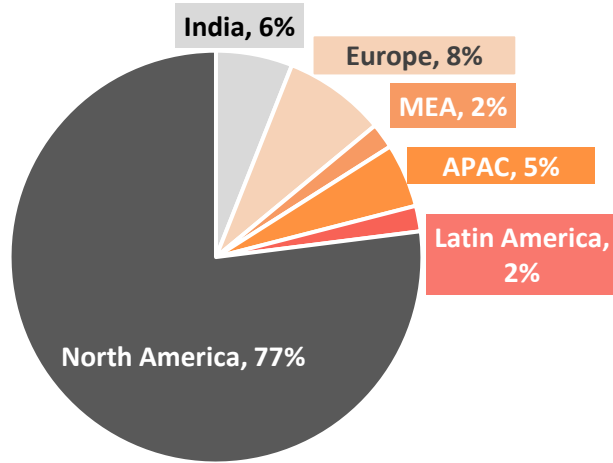
Particulars (Rs in Cr)	Q1FY25	Q1FY24	YoY	Q4FY24	QoQ	FY24
Revenue from Operations	1,423	1,571	-9%	1,480	-3.8%	6,282
Gross Profit	439	417	5%	434	1%	1,714
Gross Profit Margin	30.8%	26.5%		29.3%		27.3%
Gain on foreign currency transaction (net)	-4	2		-4		2
Total Other Expenses	320	330		309		1,288
EBITDA	115	89	28%	122	-6%	428
EBITDA Margin	8.1%	5.7%		8.2%		6.8%
Other Income	1	1		1		19
Gain/(Loss) on cashflow hedges	0	2		3		3
Depreciation (as per IND AS 116)	26	28		29		114
Depreciation (as per business)^	15	11		16		56
EBIT	89	65		96		336
EBIT Margin	6.3%	4.1%		6.5%		5.3%
Finance Cost (as per IND AS 116)	34	33		40		141
Finance Cost (as per business)^	28	28		34		119
Share of net profit / (loss) of associate accounted for using the equity method	0	-0		0		2
Exceptional Item Gain/(Loss)	-15	-7		-9		-40
Profit before Tax	40	24	65%	47	-14%	156
PBT Margin	2.8%	1.6%		3.2%		2.5%
Tax	3	0		6		19
PAT	37	24	55%	41	-9%	138
PAT Margin %	2.6%	1.5%		2.8%		2.2%
Basic EPS	2.21*	1.43*		2.44*		8.20

*Not annualised

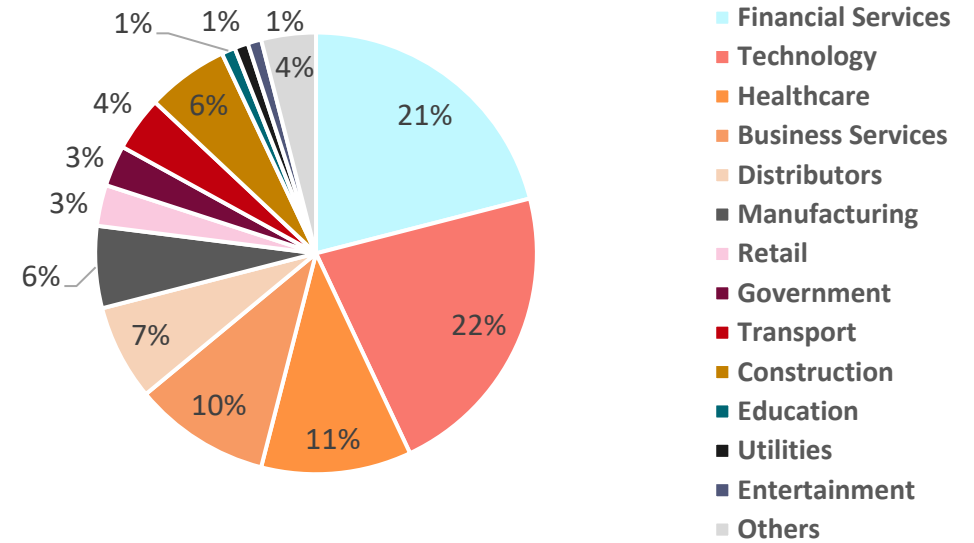
^Not part of the calculation as it already forms part of the Depreciation and Finance Cost (as per IND AS 116) line

WELL DIVERSIFIED GLOBAL BUSINESS MODEL – Q1FY25

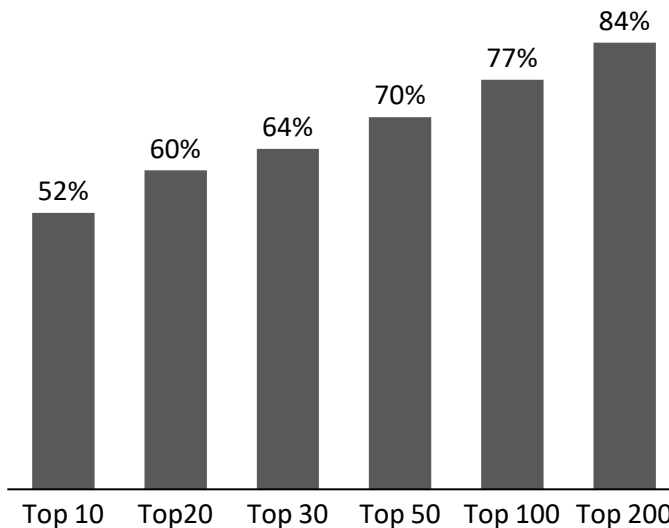
Revenue by Geography



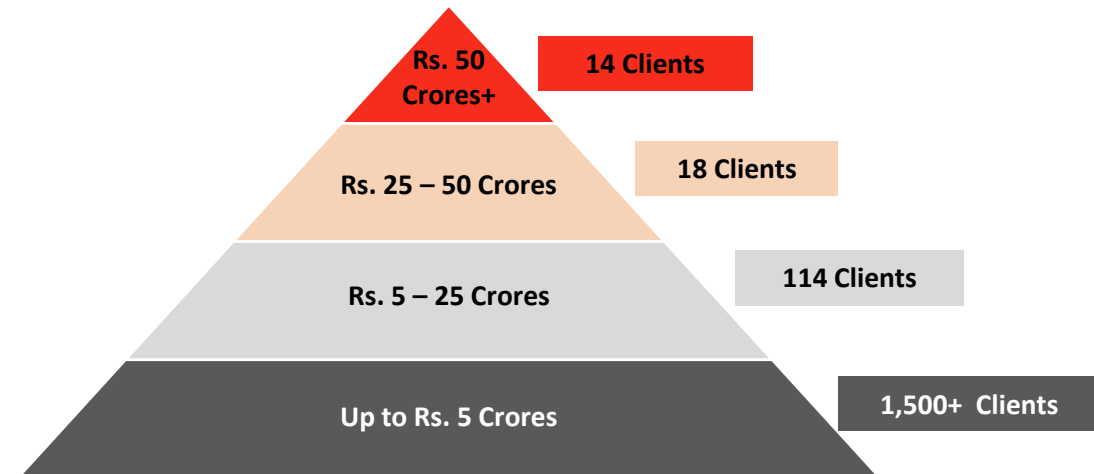
Revenue by Industry



Client Concentration - Revenue



Client-wise Contracts – FY24 Revenue





MEDIUM TERM TARGETS

ONE

NAME
BRAND
LANGUAGE

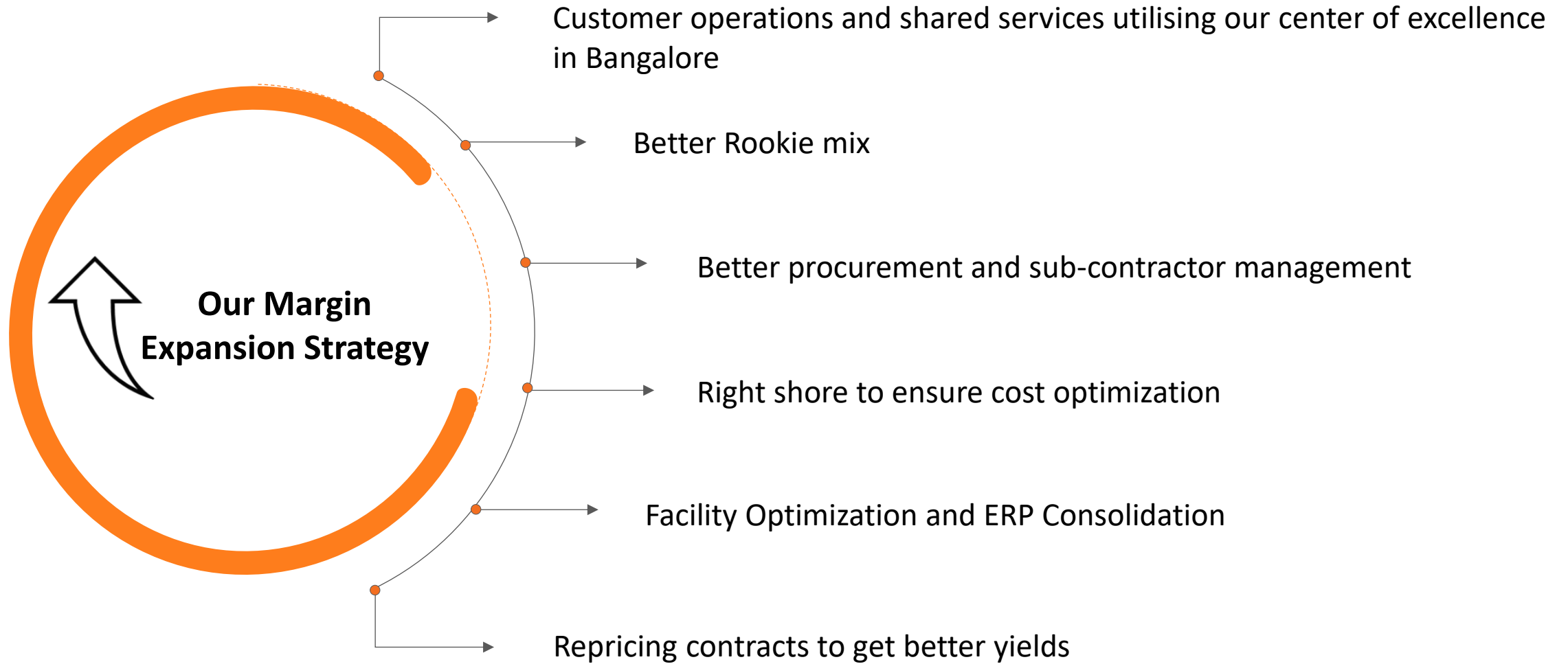
MEDIUM-TERM TARGETS

All figures in Rs.
Crores

	<u>Guidance</u>	<u>Achievement</u>	<u>Remarks</u>	
	FY24E	FY24A		FY25E
REVENUE	7,000 to 7,500	6,282	Hold up in decision making, exiting low value long tail customers	6,600 to 6,900 (up by 5 to 10%)
Normalised EBITDA	400 to 450	428	Focus on resulting productivity in achieving EBITDA guidance	525 to 560 (up by 23 to 31%)
PAT	140 to 175	138	Higher than anticipated finance costs resulting in missing PAT guidance by small margin	220 to 250 (up by 59 to 81%)

Growth Drivers

- ✓ Focus on top 250 customers and share of wallet expansion
- ✓ Addition of large new clients
- ✓ Inorganic growth opportunities
- ✓ Focus operational efficiencies
- ✓ Optimizing operating costs





HISTORICAL FINANCIAL HIGHLIGHTS

CONSOLIDATED PROFIT AND LOSS STATEMENT

Particulars (Rs in Cr)	FY19	FY20*	FY21	FY22	FY23	FY24
Revenue from Operations	1,853	4,994	4,674	5,370	6,288	6,282
Gross Profit	496	1,521	1,497	1,549	1,640	1,714
Gross Profit Margin	26.8%	30.4%	32.0%	28.9%	26.1%	27.3%
Gain on foreign currency transaction (net)	0	0	0	3	-4	2
Total Other Expenses	450	1,192	1,145	1,292	1,367	1,288
EBITDA	47	328	352	260	269	428
EBITDA Margin	2.5%	6.6%	7.5%	4.8%	4.3%	6.8%
Other Income	6	7	11	6	22	19
Gain/(Loss) on cashflow hedges	0	0	0	0	20	3
Depreciation (as per IND AS 116)	15	92	96	99	107	114
Depreciation (as per business)^	15	41	33	49	44	56
EBIT	38	244	267	168	204	336
EBIT Margin	2.1%	4.9%	5.7%	3.1%	3.2%	5.3%
Finance Cost (as per IND AS 116)	45	132	98	74	111	141
Finance Cost (as per business)^	45	123	86	56	90	119
Loss / (gain) on fair value of financial liability	0	-37	-42	0	0	0
Gain on settlement of financial liability	0	-23	0	14	0	0
Loss on fair valuation of deferred purchase consideration	0	0	0	0	-11	0
Share of net profit / (loss) of associate accounted for using the equity method	0	0	0	0	0	2
Exceptional Item Gain/(Loss)	-73	-125	-32	-22	-52	-40
Profit before Tax	-79	-73	96	86	29	156
PBT Margin	-4.3%	-1.5%	2.1%	1.6%	0.5%	2.5%
Tax	-1	7	18	13	6	19
PAT	-79	-80	78	73	24	138
PAT Margin %	-4.3%	-1.6%	1.7%	1.4%	0.4%	2.2%
Basic EPS	-5.39	-5.38	5.21	4.45	1.42	8.20

*Restated

^Not part of the calculation as it already forms part of the Depreciation and Finance Cost (as per IND AS 116) line

CONSOLIDATED BALANCE SHEET

Particulars (Rs in Cr)	Mar-19	Mar-20*	Mar-21	Mar-22	Mar-23	Mar-24
Non-Current Assets						
Property, Plant And Equipment	156	164	164	190	161	120
Right Of Use Asset	-	116	146	194	259	291
Goodwill	205	234	269	300	316	334
Other Intangible Assets	38	43	43	47	61	63
Investment accounted for using the equity method	-	-	-	-	30	32
Financial Assets	11	25	28	24	18	35
Tax Assets (net)	95	93	67	63	60	40
Other Non-Current Assets	29	84	31	26	14	48
Total Non-Current Assets	535	759	749	845	918	964
Current Assets						
Inventories	151	137	149	226	362	246
Trade Receivables	862	361	240	374	417	386
Cash And Cash Equivalents	263	369	410	311	210	223
Financial Assets	99	405	533	560	683	508
Contract assets	-	-	-	44	114	246
Other Current Assets	522	275	223	291	299	204
Sub-Total - Current Assets	1,897	1,547	1,554	1,807	2,084	1,813
Total - Assets	2,432	2,306	2,303	2,652	3,002	2,777

Particulars (Rs in Cr)	Mar-19	Mar-20*	Mar-21	Mar-22	Mar-23	Mar-24
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	30	30	33	33	34	34
Other Equity	(11)	(206)	174	228	262	447
Total Equity	19	(176)	207	260	296	481
Non-Current Liabilities						
Borrowing	587	15	119	229	305	362
Lease Liabilities	2	65	94	116	222	267
Other Financial Liabilities	2	157	87	10	7	7
Contract liabilities	-	-	-	51	55	54
Other Non Current Liabilities	47	63	25	0	0	0
Provisions	117	197	78	70	74	54
Sub-Total - Non-Current Liabilities	755	499	403	477	663	743
Current Liabilities						
Borrowing	207	242	57	45	47	35
Trade Payables	551	548	516	1,009	1,158	699
Lease Liabilities	2	68	58	90	54	48
Other Financial Liabilities	275	569	373	176	90	162
Contract liabilities	-	-	-	472	505	501
Other Current Liabilities	490	472	564	50	121	32
Provisions	133	85	127	72	69	75
Sub-Total - Current Liabilities	1,658	1,983	1,694	1,915	2,044	1,553
Total - Equity And Liabilities	2,432	2,306	2,303	2,652	3,002	2,777

*Restated

SUMMARY OF CONSOLIDATED CASH FLOWS

Particulars (Rs in Cr)	FY19	FY20*	FY21	FY22	FY23	FY24
Operating profit before working capital changes	(33)	346	407	224	296	424
Changes in working capital	(13)	817	(156)	(108)	(278)	(313)
Cash generated from operations	(46)	1,163	251	117	18	111
Direct taxes paid (net of refund)	(26)	(26)	52	(21)	(0)	24
Net Cash from Operating Activities (A)	(72)	1,137	303	95	18	134
Net Cash from Investing Activities (B)	(357)	(328)	(32)	(71)	19	(1)
Net Cash from Financing Activities (C)	629	(645)	(277)	(43)	(63)	(155)
Net Change in cash and cash equivalents (A+B+C)	201	164	(6)	(18)	(26)	(21)
Cash and cash equivalents at the beginning of the year**	9	206	316	357	302	200
Unrealised loss on foreign currency cash and cash equivalents	(4)	(54)	48	(37)	(76)	30
Cash and cash equivalents transferred pursuant to acquisition of subsidiary	-	-	-	-	-	6
Cash and cash equivalents at the end of the period**	206	316	357	302	200	214

**Excludes restricted cash

*Restated

Company :

Investor Relations Advisors :



Black Box Limited

CIN: L32200MH1986PLC040652

Deepak Kumar Bansal

deepak.bansal@blackbox.com

www.blackbox.com



Strategic Growth Advisors Private Limited

CIN: U74140MH2010PTC204285

Rahul Agarwal / Karan Thakker

rahul.agarwal@sgapl.net / karan.Thakker@sgapl.net

+91 982143 8864 / +91 81699 62562

www.sgapl.net
