



Accelerating Business

AGC Networks Limited
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AGC/SD/SE/2020/112

November 11, 2020

To,

Corporate Relationship Department Bombay Stock Exchange Limited P.J. Tower, Dalal Street, Fort, Mumbai 400001	Corporate Relationship Department The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400051
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Sub: Press Release for Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter/half-year ended September 30, 2020

Ref: AGC Networks Limited—Script Code: 5000463 NSE Symbol: AGCNET

Dear Sir/Madam,

Please find attached herewith the Press release on the Unaudited Financial Results of the Company (Standalone and Consolidated) for the quarter/half-year ended September 30, 2020.

This is for your information, record and necessary action.

Thanking you.

Yours Faithfully,
For **AGC Networks Limited**

Aditya Goswami
Company Secretary & Compliance Officer
Encl.: A./a.

AGC Networks Announces Q2 FY21 Financial Results

Mumbai, India: 11 November 2020: AGC Networks Limited, (BSE: 500463 and NSE: AGCNET), a Global Solutions Integrator today announced financial results for quarter ended 30 September, 2020.

Consolidated Financial Highlights for the Quarter & half year ended 30th September 2020

Particulars	Rs/Crores				
	Q2 (FY 20-21)	Q1 (FY 20-21)	Q2 (FY 19-20)	H1 (FY 20-21)	H1 (FY 19-20)
Revenue	1,218	994	1,259	2,212	2,487
EBIDTA (Before Exceptional items & before impact of Ind AS 116)	84	37	64	121	116
EBIDTA (Before Exceptional items & after impact of Ind AS 116)	104	58	87	162	160
Profit before Tax (PBT)	43	7	38	50	53
Profit after Tax (PAT)	41	4	36	46	49
Adjusted PAT (Before Exceptional items)	54	10	49	64	67

Financial Highlights

- Revenues are higher in Q2 FY21 at Rs. 1,218 crores, an increase of 23% as compared with Q1 FY21 primarily at the back of customer sites opening up, our focus on cloud business and impact of tuck-in acquisitions.
- Significant improvement in EBITDA before exceptional items & before impact of Ind AS 116 (accounting for leases) at Rs. 84 crores for Q2 FY21 due to higher revenues and continued efficiencies.
- Substantial improvement in Adjusted PAT before exceptional items at Rs. 54 crores for Q2 FY21 as compared to Q1 FY21, which is 5.4x.
- Board has approved to issue convertible warrants on preferential basis at a price of Rs. 675/- per warrant with a right to the warrant holders to apply for and be allotted one equity share of the face value Rs. 10/- each with a premium of Rs. 665/- per share for each warrant within a period of 18 months from the date of allotment of the warrants aggregating to Rs. 225 crores to existing promoter entities. An amount equivalent to 25% of the warrant price shall be payable at the time of subscription and allotment of each warrant and the balance 75% of the warrant price shall be payable by the warrant holder within a period of 18 months. The pricing of Rs. 675/- per warrant is 8.21% above the SEBI mandated minimum price of Rs. 621/- per warrant and 8% above the closing share price of Rs. 625 as on the date of the Board Meeting.

Strategic Highlights

- Investing and operationalizing the setting up of a 24*7 Global Center of Excellence in Bangalore, India to support customers across the globe, operating on follow-the-sun model.
- The Company has responded to the on-going unprecedented COVID-19 situation swiftly and has been able to maintain business operations with the support of customers, vendors and employees apart from other stakeholders. The Company has activated business continuity plans focusing primarily on employee safety, continuing services to customers, mitigation of operational and financial impact and sustain normal operations. The Company continues to monitor opening of various countries as per local guidelines and relevant changes in evolving economic situation across the geographies it operates.

Speaking on the announcement of the financial results, **Sanjeev Verma, Whole-time Director, AGC Networks** said “Our results reflect sharp focus on improving gross margins and profitability. We continue to sustain, transform and invest in areas of growth primarily in our managed services and cloud business. We have started seeing uptick in demand from our customers as businesses start to return to normalcy.”

Deepak Kumar Bansal, Executive Director and CFO of AGC Networks, commented, “In what continues to be a dynamic environment, we delivered strong financial performance and remain committed to balancing operational discipline with continued investments to drive future growth.”

About AGC Networks:

AGC Networks (AGC) is a Global Solution Integrator representing the world’s best brands in Unified Communications, Data Center & Edge IT, Cyber Security (CYBER-i), Digital Transformation & Applications including SimpleEdge and Technology Product Solutions (TPS) to evolve the customer’s digital landscape. AGC’s ability to tailor solutions across quadrants is strengthened through delivery of seamless Customer Support Services. By providing best in class customized solutions across the globe, AGC Black Box is the customer’s trusted go-to technology solution integrator to architect, deploy, manage and secure their IT environment to accelerate their business. With dominance in India in the Enterprise Communication space, the combined entity is a strong player in the U.S and Europe markets and has a 4,000 strong team base serving clients worldwide through an expanded offerings portfolio and an extended geographical reach across 30+ countries including North America, Latin America, Europe, Asia Pacific & SAARC countries.

AGC and Black Box’s uniqueness in being an orchestrator of technology solutions for customers across verticals is further augmented through a pool of certified and highly skilled engineers – both offsite & remotely and a team of project architects who understand and recommend technology solutions tailored to the customer organization. In collaboration with global technology leaders like Avaya, Commscope, McAfee, Palo Alto, Cisco, HPE, Prysm, Trend Micro, Juniper, Fortinet, Nutanix, Verint, UiPath, Poly, Genesys and Mitel among others, AGC delivers domain-focused, flexible and customized technology solutions and seamless services that accelerate customers’ business and ensures Return on Technology Investments (ROTI). AGC Networks is an Essar Enterprise. For more information log on to www.agcnetworks.com

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#AGCNetworks #AGCDigital #AGCServicedelivery #AGCSolutionIntegrator #technology #enhancedcustomerexperience #BlackBox #BBox



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