

Dear Analyst,

I am pleased to report on Sasken Group's business performance for Q3 Fiscal 2024, ended December 31<sup>st</sup>, 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 Q3 Fiscal 2024. In Q3 FY 2023-24, the consolidated revenues for the Sasken Group went down by 5.9% over the previous quarter to ₹ 96.44 crores. Consolidated Earnings before Interest and Taxes for Q3 fiscal '24 were ₹ 2.99 crores, a decrease of 76.5% sequentially. Consolidated PAT for Q3 fiscal '24 was at ₹ 17.75 crores, down by 1.8% over the previous quarter. PAT margin for Q3 fiscal '24 was at 18.4%. Consolidated earnings per share were ₹ 11.79 for the quarter. Cash and cash equivalents were approximately ₹ 645 crores as of December 31, 2023.

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

The consolidated revenues for the Sasken Group went down by 21.4% QoQ to ₹ 96.44 crores. Consolidated Earnings before Interest and Taxes for Q3 fiscal '24 were ₹ 2.99 crores, a decrease of 89.1% QoQ. Consolidated PAT for Q3 fiscal '24 was at ₹ 17.75 crores, down by 43.2% QoQ.

During Q3 Fiscal, our topline has not grown, while we have been recognized for delivering complex, best-in-class services and solutions, our growth has been steady. Now, we are taking bolds step to ensure sustained growth. We have an enviable distinction of having marquee customers and we are focussing on growing each of these account to USD 3 to USD 5 million revenues in the next 2-3 years. We are empowering our teams, focusing on our 60-70 accounts, making necessary investments and ensuring each of them achieves this growth.

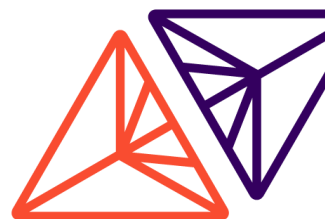
### **New Deals & Order Book**

In Q3 FY 2023-24, we won orders worth USD 29.2 million comprising new orders of USD 18.0 million and renewals of USD 11.2. This implies a book to bill ratio of 2.52.

Some of the noteworthy wins includes strategic multiyear & multimillion engagement in navigation domain for a European automotive customer and a strategic program to develop automated test tool to measure Android Device performance for a leading global mobile technology giant.

### **Key Investments and Partnerships:**

- Our cutting-edge camera solution lab and strategic partnership with Qualcomm IoT accelerator programs are garnering lot of interest amongst our customers from various industries.
- We have made substantial investments the areas of artificial intelligence, specifically targeting the Qualcomm Gen-4 platform to develop automotive cockpit leveraging Large Language Model (LLM)





- As security remains a top priority in today's digital landscape, we are forging strategic alliances in the realm of security tools and technologies as well as setting up a state-of-the-art Security Center of Excellence
- Recognizing the immense potential of artificial intelligence, we have made a significant investment in assembling an exclusive AI team tasked with spearheading research and development.

## **People**

As of December 31, 2023, the Sasken Group had 1388 employees and a 14% LTM attrition rate. Our efforts to promote retention have improved, resulting in a steady drop in attrition. Over the past months, we have been committed to improving our employees' experience with initiatives to boost employee engagement and pride of association. Some of the initiatives include technical competency building, Behavioral and role based learning initiatives, providing competitive hikes, enriched total benefits like Insurance and improved variable pay programs, benchmarking policies, long tenure felicitation and improved client location connects, as part of continuous process improvement, introduced a global platform for rewards and recognition that brought in various recognition programs on to a single platform.

The bi-annual promotion cycle provided employees an opportunity to enhance their role and contribute to the growth story of Sasken. With focus on individual performance, growth and development, half yearly performance reviews were conducted globally, emphasizing meritocracy, and encouraging feedback. Using single minded focus, we have also driven culture transformation programs to instill excellence at all levels and enabled our talent to deliver the best for our customers globally.

## **Business Highlights**

At Sasken, our commitment to being a distinctive enterprise in the face of technological disruptions remains unwavering. Proudly serving as a trusted partner to our customers and known for delivering best in class engineering services, we embrace our modest size with a vision that transcends limitations. The ever-evolving landscape, driven by communications, computing, cloud, and cognition, has reshaped businesses across sectors.

The exponential growth in data bandwidth, backed by the widespread adoption of 5G and advancements in Non-GSO Satellite constellations, is propelling us into the era of Chip-to-Cognition. This revolution in decision-making processes leverages our expertise in wireless protocols, including Non-Terrestrial Networks (NTN), making satellite communication an integral part of the mainstream.

We take great pride in being the force behind the world's first LTE-technology-based satellite product - the Mobile Satellite Equipment (MSE). This innovative solution enables mission-critical communications during natural disasters such as tsunamis, as well as normal operations. It provides a wide spectrum of services, including emergency calls, voice, fax, messaging, data, and additional functionalities.



**In the satellite segment**, the rise of Non-Terrestrial Networks (NTN) promises continued growth, with NTN New Radio (NR) enabling broadband support. We anticipate sustained demand across multi-orbit connectivity, acknowledging the extended sales cycles typical in this industry. Despite these challenges, the satellite market remains strategically significant for us.

Actively investing in R&D, we enhance our satellite technology capabilities, serving Satcom ecosystem players and adjacency domains like Automotive & Public safety. Staying at the forefront of technological advancements, understanding market needs, and fostering strategic partnerships solidify our presence in the satellite segment.

**In the Communication & Devices segment**, we are continuously attracting new customers who appreciate our extensive experience and the knowledge of wireless protocols including Non-Terrestrial Networks (NTN) features that is driving satellite communication into mainstream communication. Our focus extends beyond expanding current relationships; we aim to generate market excitement through exceptional product engineering services across devices and access networks. We are also in the process of investing in a Private 5G startup towards our growth in communications space.

**Our mature offerings in Android**, particularly in Software Refresh and Security Patch Management, continue to thrive in the Consumer, Industrial, and Automotive domains. Embracing the surge in Android and Open-Source Software adoption, we've expanded our offering to support multi-function printer Security Patch Management and have promising opportunities in NPIs, Software refresh, and Security Patch Management.

**In the automotive domain**, our confidence and strengths shine through as we secured significant deals with existing and new customers. Recognized for engineering excellence, we cater to market demands in telematics, connectivity, Software Defined Vehicle, and distributed connected vehicle applications. Collaborating with semiconductor giants, we are expanding our expertise and forging new partnerships within the ecosystem.

**In the Digital space**, our services are expanding, and new opportunities are growing. Recent partnerships with automotive and industrial clients, along with collaboration with Databricks, positions us strongly. With expertise in AI & ML, IoT, Cloud computing, DevOps, App Development, and Data Analytics, Sasken provides tailored digital solutions driving growth and efficiency across industries. We're poised for a future of innovation, collaboration, and continued success.

With every product getting connected and with a digital persona, vulnerabilities are on the rise across industry segments. **Secure-by-design** is at core of Sasken's product engineering services. We have further beefed up our product development offerings with partnerships in security tools and technologies and invested in a security centre of excellence.

With advancement in LLMs, AI is now ubiquitous across industries. We are augmenting AI capabilities towards this, and we have invested in enabling industry-specific use cases around LLMs running on the edge for inferencing.



Sasken received the Board approval for a strategic investment in the areas of AI/5G/Power driven IP licensing, custom ASIC design and foundry service business. The transaction is expected to close in Q4 of FY 2023-24. It is also setting up a Japanese subsidiary to service Japanese customer requirement better.

As we close this quarter with gratitude for our stakeholders' trust and excitement for what lies ahead. Our journey continues, fueled by innovation, commitment, and a relentless pursuit of excellence. Together, we shape tomorrow's possibilities and reaffirm our promise to be your preferred partner in progress.

Sincerely,

**Abhijit Kabra**  
Chief Executive Officer

**Rajiv C Mody**  
Chairperson and Managing Director