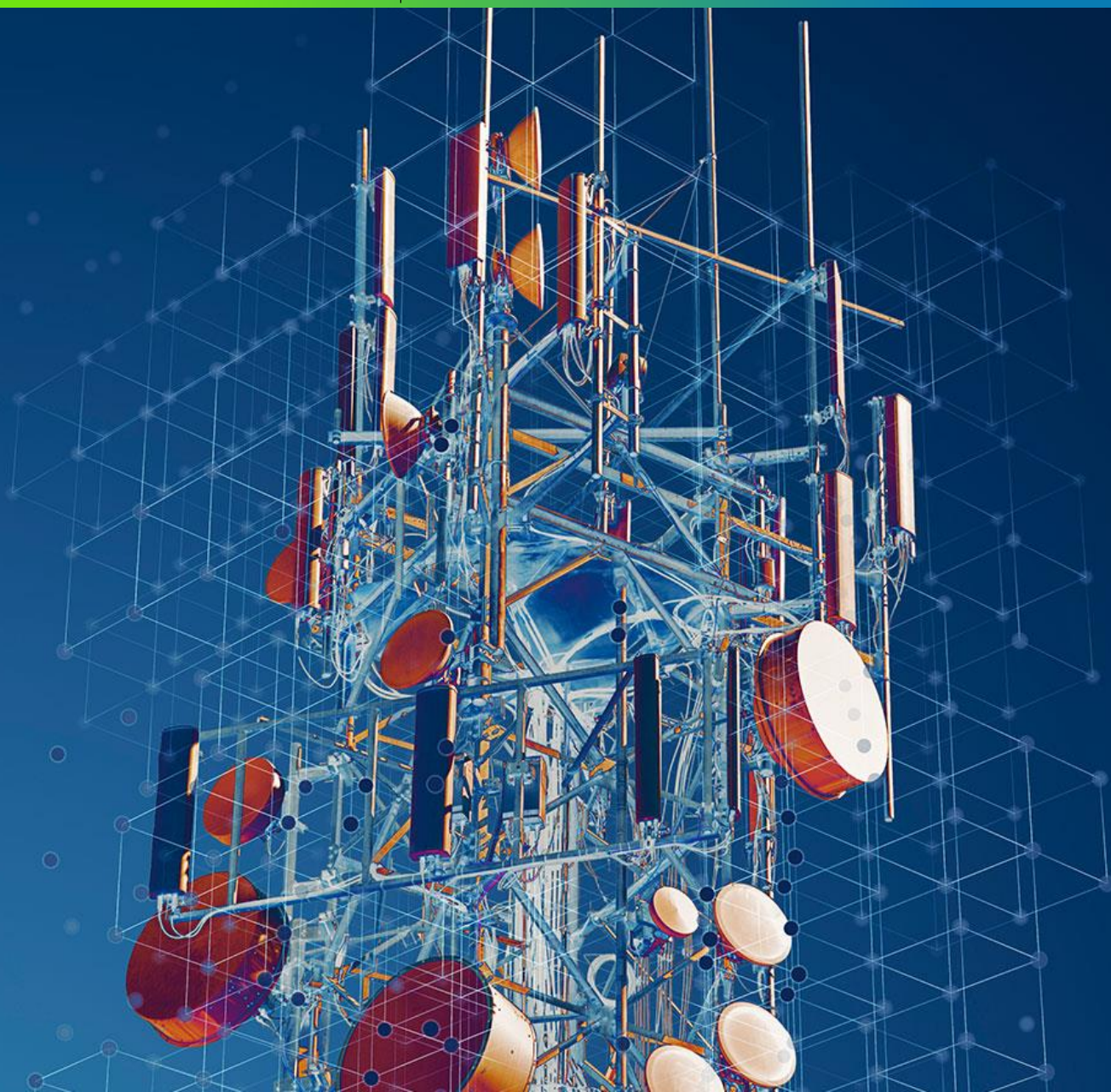




SHAREHOLDER'S LETTER AND EARNINGS RELEASE

Q2 & H1 FY25 | October 19, 2024



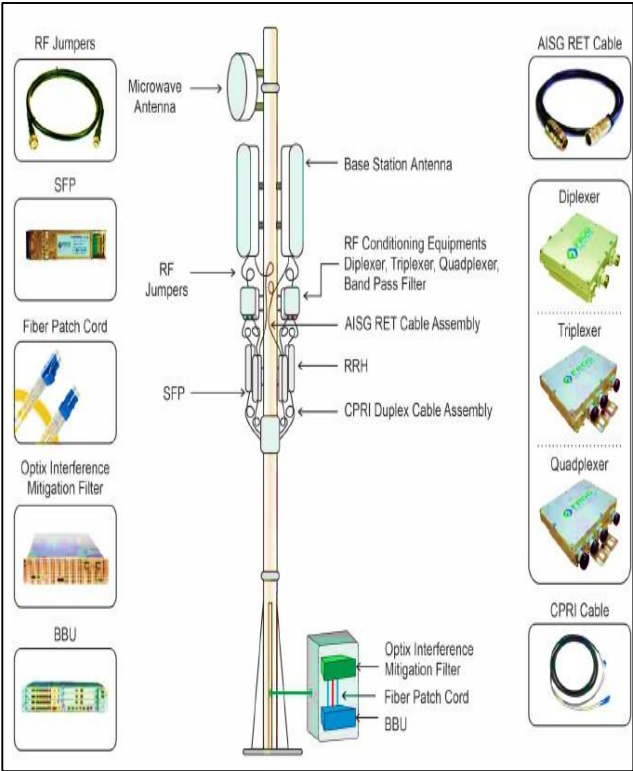
About Frog Cellsat Ltd:

- **Frog Cellsat Ltd. (FCL)**, established in **2004**, stands as a prominent technology innovator and manufacturer of Radio Frequency (RF) equipment tailored for the telecommunications industry. Our products are integral to **2G, 3G, 4G, and 5G** mobile networks, as well as public safety communications utilized by agencies such as police and fire services.
- FCL offer a comprehensive portfolio of over **27 advanced products** including RF repeaters, optical DAS systems, interference mitigation systems, base station antennas, and small cell antennas. Additionally, our network accessories encompass RF jumper, CPRI jumper, RET cables, SFPs, cavity filter, and various in-building solutions.
- We have a state-of-the-art manufacturing facility in Noida, spanning **1.6 lakh square feet** which is equipped with the latest technology, ensuring the highest quality standards in every process. With centralized operations, the facility enhances efficiency and streamlines production, allowing us to maintain superior quality control.
- FCL's end-to-end RF enhancement solutions are distinguished in the industry for their competitive **pricing, proven field performance, future readiness, and high reliability**.
- Our design, development, manufacturing, and quality control processes are certified under **ISO 9001:2015 and ISO 45001:2018** standards, under coring our commitment to excellence.

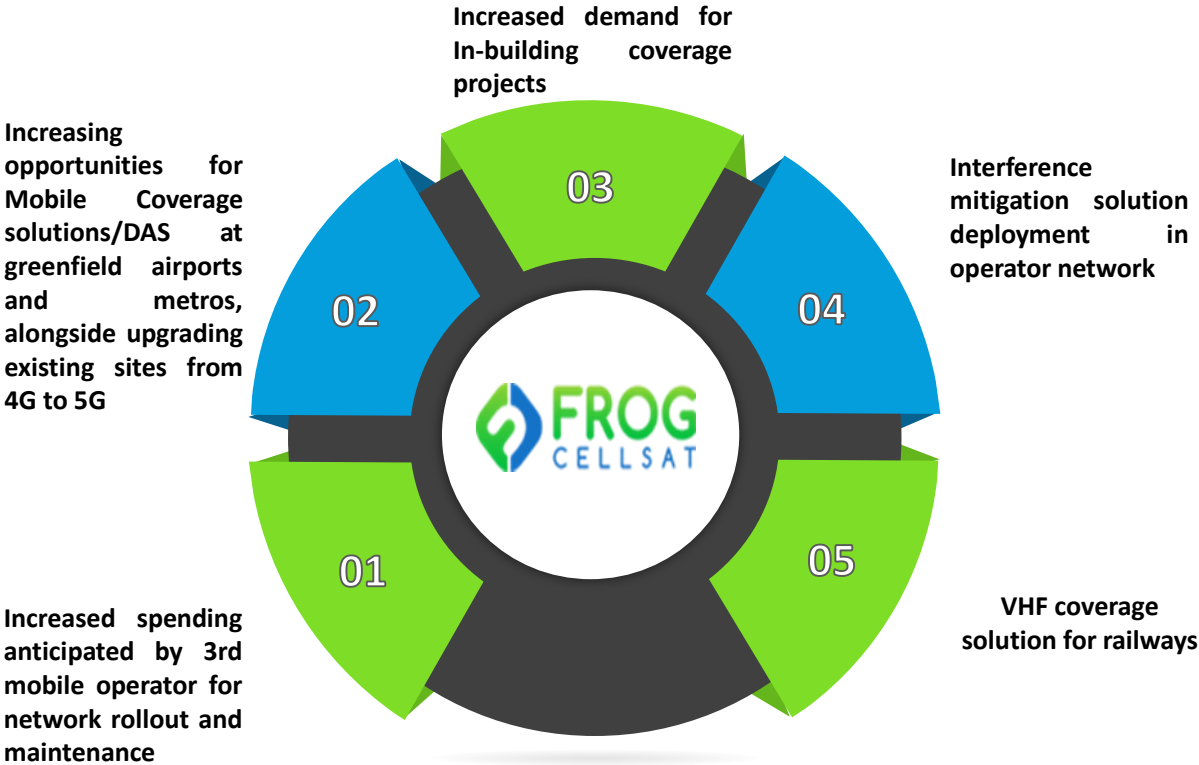
SPECTRUM OF SERVICES PROVIDED TO TELECOM COMPANIES:

In-Building	
<u>Installation and Roll-out Services includes</u> RF Survey, Active /Passive DAS Design through IBwave / Manual, Deployment & Integration Passive DAS, Active DAS, Small Cell, Lamp site, Radio DOT, Femto Cell. Acceptance Testing and Optimization. NMS setup and configuration Femto Deployment & Project Management.	<u>Network Maintenance Services includes:</u> Operation and Maintenance, Modification and expansion Planning and Deployment Troubleshooting & Rectification.
BTS, MW & Small Cell I&C	
<u>Installation and Roll-out Services includes:</u> RFI Survey, BTS Installation and Integration, BTS De-installation (End to End Scope) MW Installation and Commissioning, E1 Testing, Link NMS Visibility. Acceptance Installation & Commissioning. RET installation, Indoor, Outdoor Small Cell & ULS I&C.	<u>Network Maintenance Services includes:</u> Link Alignment BTS Indoor to Outdoor Installations, BTS Swaps Microwave Upgrades 4th Sector Addition Traffic Shifting & Optimization ODU Upgradation, Site Relocation, GSM Antenna / RRU Height adjustment.
RF Planning & Optimization	
<u>Installation and Roll-out Services includes:</u> RF Survey, LOS (MW) Survey, RF & TX Planning, Optimization (RF KPIs), Drive Test / SCFT, Network Benchmarking and Acceptance Testing, EMF Measurement and Reporting	<u>Network Maintenance Services:</u> Network Complaint Rectification

Our Application:
Our Products across the Telecom Tower and Inside Building / Large Venues



Growth Drivers:



Driven by the Government's "Make in India" initiative and "National Security" approved product requirements.

Financial Summary for the quarter and six months ended September 30, 2024

Consolidated Income Statement:

Amounts In ₹ Million

Particulars	Q2FY25	Q2FY24	Q1FY25	H1FY25	H1FY24
Revenue from Operations	438.1	351.5	359.4	797.6	685.5
Other Income	25.2	0.6	2.2	27.4	7.1
Total Income	463.4	352.1	361.6	825.0	692.7
Total Expenses excl. D&A, Finance Cost & ESPS Cost	386.6	305.5	331.1	717.8	603.1
Adj. EBITDA (excl. Other Income and ESPS Cost)	51.5	46.1	28.3	79.8	82.4
Adj. EBITDA Margin (%)	11.8%	13.1%	7.9%	10.0%	12.0%
ESPS Expenses	15.3	-	-	15.3	-
EBITDA (excl. Other Income)	36.2	46.1	28.3	64.5	82.4
EBITDA Margin (%)	8.3%	13.1%	7.9%	8.1%	12.0%
Depreciation & Amortization	11.9	6.2	11.6	23.5	12.5
Finance Cost	0.7	0.2	0.6	1.3	0.2
PBT	48.8	40.2	18.4	67.2	76.8
Extraordinary Items	-	-	(0.3)	(0.3)	0.0
PBT	48.8	40.2	18.7	67.5	76.8
Tax	7.5	14.5	6.9	14.4	24.1
PAT	41.3	25.8	11.7	53.1	52.7
PAT Margin (%)	9.4%	7.3%	3.3%	6.7%	7.7%
Diluted EPS	2.67	1.68	0.76	3.43	3.43

Consolidated Balance Sheet:

Particulars	As on 30 th Sept 2024	As on 31 st Mar 2024	Particulars	As on 30 th Sept 2024	As on 31 st Mar 2024
Assets			Equity & Liabilities		
PP&E	782.7	786.8	Equity Share Capital	154.8	154.4
Other Intangible Assets	41.9	29.5	Reserves and Surplus	1,241.7	1,173.3
Capital WIP	0.0	0.0	Capital Reserve on Consolidation (net)	4.1	4.1
Other non-current assets	15.9	15.0	Shareholder Fund	1,400.6	1,331.8
Long-term loans & Advances	33.0	6.3	Borrowings	0.1	0.1
Deferred tax assets (Net)	11.4	22.2	Provisions	25.5	20.7
Non-Current Assets	884.9	859.8	Non-Current Liabilities	25.6	20.9
Current Investments	0.5	0.5	Borrowings	-	46.9
Inventories	403.9	262.2	Trade Payables	422.5	110.4
Trade receivables	307.2	308.2	Other Current liabilities	99.1	68.3
Cash and cash equivalents	106.6	14.3	Provisions	0.6	3.3
Short Term Loans & Advances	124.9	82.8	Current Liabilities	522.3	228.9
Other current assets	120.5	53.7	Total Equity and Liabilities	1,948.5	1,581.5
Current Assets	1,063.5	721.7			
Total Assets	1,948.5	1,581.5			

Business Updates:

- FCL has secured a **₹31 crore** order from Metrotel Teleworks to enhance mobile coverage at Mumbai International Airport, improving 4G and 5G services. The project is expected to be completed by December 2024.
- FCL has secured a significant **₹ 16 crore+** contract for deploying its OneDAS system at Navi Mumbai International Airport, marking its third major airport project. The company has also completed the deployment of OneDAS at Chaudhary Charan Singh Airport, Lucknow.

Management Commentary:

Commenting on FCL's performance, Mr. Konark Trivedi, Founder & MD said:

"I am pleased to report our financial and business performance for Q2 & H1 FY25:

Financial Highlights for quarter ended 30th September 2024 :

- *Revenue from operations has reached this quarter to **₹438.1 Mn from ₹359.4**, reflecting an increase of **21.9% Q-o-Q** and **24.6% Y-o-Y**. This growth was driven by strong revenue realization, accelerated deployment of 5G services by operators, and a rising demand for network coverage solutions.*
- *EBITDA was reported at **₹36.2 Mn**, representing an increase of **27.9% Q-o-Q**. The EBITDA margin for the quarter stood at **8.3%**. It's important to note that our manpower expenses were elevated in Q2 as a strategic investment in expanding our workforce, preparing for upcoming project deliveries in Q3. This proactive approach positions us well for future growth. Additionally, the issuance of Employee Stock Rewards in Q2 reflects our commitment to recognizing and retaining talent, further enhancing our capabilities. While these investments have impacted margins in the short term, they are essential for driving growth across both our manufacturing and service setups in the future.*
- *PAT was reported at **₹41.3 Mn**, representing an increase of **252.0% Q-o-Q** and **60.4% Y-o-Y** and the PAT margin for this quarter stood at **9.4%***

Half Yearly results are as follows:

- *Revenue from Operations increased by **16.3%** in H1FY25, reaching **₹797.6 Mn** compared **₹685.5 Mn** in H1FY24*
- *EBITDA stood at **₹64.5 Mn** compared **₹82.4 Mn** in H1FY24 while EBITDA Margin stood at **8.1%** in H1FY25 as compared to **12.0%** in H1FY24*
- *PAT was reported at **₹53.1 Mn** for H1FY25 while PAT for H1FY24 was **₹52.7 Mn**.*
- *The PAT margin for the half year (FY25) stood at **6.7%***

*In Q2 FY25, our order book strengthened significantly, reaching **₹1,100 Mn**, a testament to the trust our clients place in our telecom infrastructure solutions. This strong order flow not only showcases our market leadership but also underscores the demand for innovative systems. As we execute on our diverse project pipeline, we are well-positioned to drive consistent revenue growth, further enhancing our market presence and operational scale in the quarters ahead.*

We anticipate a robust performance in the upcoming quarter, as most of our projects are set to be billed during this period. Notable successes include the Active DAS projects for Noida International Airport and Chhatrapati Shivaji Maharaj Mumbai International Airport, along with our newly announced Project WIN for Navi Mumbai Airport. These projects will enhance our presence in the Active DAS segment and contribute to our overall business growth.

Recently we have participated in **India Mobile Congress exhibition** where we have launched several new products, including :

1. **The Active DAS Solution for 5G**
2. **The VHF Repeater for Railways**
3. **Smart Mini Booster for IoT**
4. **The Noise Shield Solution**

These products are designed to meet the evolving needs of our customers and will support our growth moving forward.

Our Active DAS Solution supports eight frequency bands and accommodates multiple telecom operators, showcasing our commitment to versatile and robust network performance. The VHF Repeater is designed for extended coverage, ensuring reliable communication even in challenging environments. Notably, our ground-breaking Noise Shield Solution achieved an impressive **40 DB** noise reduction and a **400%** increase in data traffic during trials, significantly enhancing cell coverage and voice quality.

We are witnessing substantial capital expenditures from leading mobile operators like Airtel and Vodafone Idea as they invest in upgrading their 4G and 5G networks. This ongoing investment trend presents a significant opportunity for us to capture a share of this expanding market. By aligning our offerings with the evolving needs of these operators, we anticipate bolstering our revenue potential and positioning ourselves as a key player in the telecommunications landscape.

In conclusion, Frog Cellsat is positioned for growth as we leverage our order book and innovative solutions to capitalize on opportunities within the telecommunications sector. We appreciate your ongoing support.

Management Guidance:

- Revenue is expected to grow by **30.0% in FY 2025**
- EBITDA margins are expected to be in the corridor of **12.0% to 13.0% for FY 2025**

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. Frog Cellsat 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

Contact Details:

Rajat Sharma

Frog Cellsat limited

Contact: 120-4859650

Email: cs@frogcellsat.com

Krunal Shah/ Vinayak Shiroadkar

Captive IR Strategic Advisors Pvt. Ltd.

Contact: +919372467194

Email: Krunal@cap-ir.com/vinayak@cap-ir.com