

Date : 13.08.2023

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. BSE Scrip Code: 543945	To, The National Stock Exchange of India Limited "Exchange Plaza", Bandra - Kurla Complex, Bandra (EAST), Mumbai - 400 051 NSE SYMBOL: NETWEB
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SUBJECT: INTIMATION OF PRESS RELEASE

Dear Sir/ Madam,

Please find enclosed herewith the Press Release on the Unaudited standalone financial results for the quarter ended June 30, 2023

Kindly take the same on record.

Thanking you,

For Netweb Technologies India Limited



Lohit Chhabra
Company Secretary & Compliance Officer
M.NO A36610



Netweb Technologies India Limited

[Formerly Known as Netweb Technologies India Private Limited]

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Press Release

Haryana, Faridabad, 13th August 2023: Netweb Technologies India Limited (Netweb), India's leading Indian origin, owned and controlled OEM in the space of High-End Computing Solutions (HCS), announced its Q1 FY24 results today. The Board of Directors of Netweb at its meeting held on 13th August 2023, took on record the Unaudited Financial Results for the first quarter of Financial Year 2023-24. Netweb offers a full stack of products and solutions to various end user industries such as IT, ITES, BFSI, National Data Centers and Govt. entities such as Defense, Education and R&D Institutions.

						₹ Millions
Financial Summary	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%	FY23
Total Income	602	694	(13.2%)	1,246	(51.7%)	4,457
Gross Profit	222	193	14.8%	325	(31.9%)	1,206
Gross Profit Margin	37.1%	27.9%	920 bps	26.4%	1070 bps	27.1%
EBITDA	90	95	(4.6%)	164	(44.8%)	707
EBITDA Margin	15.0%	13.7%	135 bps	13.2%	186 bps	15.9%
PAT	51	56	(9.2%)	105	(51.6%)	469
PAT Margin	8.5%	8.1%	38 bps	8.4%	1 bps	10.5%
EPS (₹) (Diluted)	0.99	1.10	(10.3%)	1.92	(48.7%)	9.07

Commenting on the results, Mr. Sanjay Lodha, Chairman and Managing Director, Netweb Technologies said:

“Total income in Q1 FY24 stood at ₹ 602 million, a decline of 13.2% against the corresponding quarter previous year. Gross profit margins increased by 920bps to 37.1% in Q1 FY24 as against 27.9% in the corresponding period of the previous year.

Due to reduced income, EBIDTA fell slightly to ₹ 90 million. Consequently, there was a marginal decrease in PAT from ₹ 56 million in Q1 FY23 to ₹ 51 million in Q1 FY24, while PAT margin increased by 38 basis points to 8.5%.

Despite the decline observed in the current quarter, we maintain our confidence in achieving robust growth in the current financial year. It is worth noting that evaluating our business solely on a quarter-to-quarter basis might not provide a comprehensive understanding. An assessment based on the overall annual performance would offer a more accurate reflection of our progress. The combination of our robust pipeline, ongoing capability enhancements, new strategic partnerships, and expansion of our operations and product portfolio positions us well for sustainable growth while upholding our technological leadership.

The recent notification from DGFT restricting import of Servers wef 1st November 2023 opens a window of opportunity for us, as it aligns with our “Make in India” driven growth potential. Growth of LLM models and massive adoption of AI across businesses augers well for our growth.

I deeply thank all the shareholders for the incredible response to our IPO. Their support and trust impose upon us a greater responsibility to deliver and meet their expectations. I want to assure that our entire team is committed to taking Netweb to new heights.”

Key Highlights in Q1 FY 24

- **Total Income:**
 - Total income of ₹ 602 million for Q1 FY 24, a decline of 13.2% over Q1 FY23
- **Gross Profit:**
 - Gross Profit of ₹ 222 million, up by 14.8% over Q1 FY 23, while Gross Margin improved by 920 bps to 37.1% in Q1 FY24
- **EBITDA:**
 - EBITDA stood at ₹ 90 million, registering a decline of 4.6% over Q1 FY23, while EBITDA margin improved by 135 bps to 15.0% in Q1 FY24
- **PAT:**
 - PAT stood at ₹ 51 million, registering a decline 9.2% over Q1 FY23, while PAT Margin improved by 38 bps to 8.5%, in Q1 FY24
- **Net Debt:**
 - Net Debt significantly improved to ₹ (109) million as compared to ₹ 194 million in Q1 FY23

About Netweb Technologies

Netweb is India’s leading high-end computing solutions (HCS) provider, with fully integrated design and manufacturing capabilities. Netweb’s HCS offering comprises HPC, Private cloud and HCI, AI systems and enterprise workstations, High performance storage (HPS) and Data Centre Servers. Founded in 1999, and headed by Mr. Sanjay Lodha, Chairman and Managing Director, Netweb has helped many companies globally by following a customer centric approach. Netweb has manufacturing facility in Faridabad, Haryana and 16 offices across India. Netweb got listed at NSE and BSE in July 2023.

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