

Independent Auditors' Review Report on Standalone Unaudited Quarterly Financial Results of HFCL Limited ('the Company') pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**To the Board of Directors of
HFCL Limited**

1. We have reviewed the accompanying Statement of the Unaudited Standalone Financial Results ('the Statement') of HFCL Limited ('the Company') for the quarter ended June 30, 2025, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. Our responsibility is to issue a report on the Statement based on our review of the Statement, which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.


2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian accounting standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter

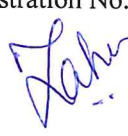
4. The Statement includes the results for the quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full previous financial year ended March 31, 2025 and the published unaudited year-to-date figures up to the third quarter of the previous financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S BHANDARI & CO LLP
Chartered Accountants
Firm Registration No. 000560C/C400334


(J.S.P. Bansal)
Partner
Membership No. 070980
UDIN: 25070980BMOMUM4780
Place: New Delhi
Date: July 25, 2025



For OSWAL SUNIL & COMPANY
Chartered Accountants
Firm Registration No. 016520N


(Nawin K Lahoty)
Partner
Membership No. 056931
UDIN: 25056931BMLDDS4334
Place: New Delhi
Date: July 25, 2025



Independent Auditors' Review Report on Consolidated Unaudited Quarterly Financial Results of HFCL Limited (the "Parent") pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**To the Board of Directors of
HFCL Limited**

1. We have reviewed the accompanying Statement of the Unaudited Consolidated Financial Results ("the Statement") of HFCL Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive profit of its jointly controlled entities, for the quarter ended June 30, 2025, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review of the Statement.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the results of following Subsidiaries and Jointly Controlled Entities:

i. Subsidiaries:

- a. HTL Limited;
- b. Polixel Security Systems Private Limited;
- c. Moneta Finance Private Limited;
- d. HFCL Advance Systems Private Limited;
- e. Raddef Private Limited;
- f. DragonWave HFCL India Private Limited;
- g. HFCL Technologies Private Limited;
- h. HFCL Inc. (United State of America); and
- i. HFCL B.V. (Netherlands) (As per consolidated financial results)

ii. Jointly Controlled Entities:

- a. Nimpaa Telecommunications Private Limited, and
- b. BigCat Wireless Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6, 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ("Ind AS") specified under section 133 of the Companies Act 2013 as amended, read with relevant rules



issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information / financial results of two subsidiaries included in the consolidated unaudited financial results, whose interim financial information / financial results reflect total revenues of Rs. Nil, total net profit after tax of Rs. 0.14 Crore and total comprehensive income of Rs. 0.14 Crore for the quarter ended June 30, 2025, as considered in the Statement. The Statement also includes the Group's share of net profit/ (loss) after tax of Rs. 0.19 Crore and total comprehensive Income/(loss) of Rs. 0.19 Crore, for the quarter ended on 30 June 2025, as considered in the Statement, in respect of two jointly controlled entities, whose interim financial results have not been reviewed by us. These interim financial information / financial results have been reviewed by other respective auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

7. The interim financial information / financial results of five subsidiaries included in the unaudited consolidated financial results, whose interim financial information / financial results reflect total revenues of Rs. 179.61 Crore, total net profit/(loss) after tax of Rs. 9.95 Crore and total comprehensive income of Rs. 9.70 Crore for the quarter ended June 30, 2025, as considered in the Statement, have been reviewed by one of the joint auditors of the Parent and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such joint auditor.

8. The interim financial information / financial results of two foreign subsidiaries (which includes consolidated financial results/ financial information of one of such foreign subsidiaries incorporating results of its step-down subsidiaries) which reflects total revenues of Rs. 87.55 Crore, total net profit/(loss) after tax of Rs. 3.76 Crore and total comprehensive income of Rs. 3.37 Crore for the quarter ended June 30, 2025, as considered in the Statement, have been reviewed by the independent auditors in accordance with the regulations of such foreign countries. Such reports have been furnished to us by the management. Financial information/ financial results of these subsidiaries have been converted by the holding company management as per accounting principal generally accepted in India which has been considered in the consolidated financial results solely based on such converted financial results.

Our conclusion on the Statement in respect of matters stated in paragraphs 6, 7 and 8 above is not modified.

Other Matter

9. The Statement includes the results for the quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full previous financial year ended March 31, 2025 and the published unaudited year-to-date figures up to the third quarter of the previous financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S BHANDARI & CO LLP
Chartered Accountants
Firm Registration No. 000560C/C400334


(J.S.P. Bansal)
Partner
Membership No. 070980
UDIN: 25070980BMOMUN9960

Place: New Delhi
Date: July 25, 2025

For OSWAL SUNIL & COMPANY
Chartered Accountants
Firm Registration No. 016520N


(Nawin K Lahoty)
Partner
Membership No. 056931
UDIN: 25056931BMLDDR7698

Place: New Delhi
Date: July 25, 2025

HFCL LIMITED

Regd. Office : 8, Electronics Complex, Chambaghat, Solan-173213 (Himachal Pradesh)

Tel. : (+911792) 230644 , Fax No(+911792) 231902, E-mail: secretarial@hfcl.com

Website: www.hfcl.com / Corporate Identity Number (CIN): L64200HP1987PLC007466

STATEMENT OF UN-AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 30TH JUNE, 2025

(Rs. in Crore unless otherwise stated)

| Sl. No. | Particulars | Standalone | | | | Consolidated | | | |
|---------|--|--------------------|------------------------------|---|-------------------------------|--------------------|------------------------------|---|-------------------------------|
| | | Three months ended | Preceding three months ended | Corresponding three months ended in the previous year | Previous Financial Year ended | Three months ended | Preceding three months ended | Corresponding three months ended in the previous year | Previous Financial Year ended |
| | | June 30, 2025 | March 31, 2025 | June 30, 2024 | March 31, 2025 | June 30, 2025 | March 31, 2025 | June 30, 2024 | March 31, 2025 |
| | | Un-Audited | Audited | Un-Audited | Audited | Un-Audited | Audited | Un-Audited | Audited |
| I | INCOME | | | | | | | | |
| | Revenue from Operations | 789.28 | 757.19 | 1,065.52 | 3,795.22 | 871.02 | 800.72 | 1,158.24 | 4,064.52 |
| | Other Income | 14.09 | 15.76 | 11.09 | 60.90 | 14.53 | 13.64 | 10.50 | 57.76 |
| | Total Income | 803.37 | 772.95 | 1,076.61 | 3,856.12 | 885.55 | 814.36 | 1,168.74 | 4,122.28 |
| II | EXPENSES | | | | | | | | |
| | Cost of materials/services consumed | 422.59 | 773.95 | 354.80 | 1,792.61 | 447.80 | 785.63 | 411.30 | 1,908.55 |
| | Purchases of stock-in-trade | 234.77 | 57.55 | 433.94 | 1,117.02 | 219.38 | 61.88 | 435.56 | 1,117.76 |
| | Change in inventories of finished goods, work-in progress and stock-in trade | (40.51) | (192.27) | (23.60) | (80.65) | (32.09) | (198.07) | (27.46) | (82.47) |
| | Employee benefits expense | 84.16 | 71.01 | 65.78 | 272.68 | 105.35 | 90.91 | 88.70 | 363.55 |
| | Finance costs | 47.74 | 42.52 | 33.75 | 149.46 | 55.62 | 51.06 | 42.31 | 185.01 |
| | Depreciation, Impairment and Amortisation expenses | 28.14 | 23.08 | 19.73 | 84.90 | 32.20 | 30.44 | 24.07 | 105.51 |
| | Other expenses | 89.37 | 89.91 | 69.11 | 278.67 | 102.18 | 96.34 | 75.27 | 308.14 |
| | Total Expenses | 866.26 | 865.75 | 953.51 | 3,614.69 | 930.44 | 918.19 | 1,049.75 | 3,906.05 |
| III | Profit / (Loss) before exceptional items and tax (I-II) | (62.89) | (92.80) | 123.10 | 241.43 | (44.89) | (103.83) | 118.99 | 216.23 |
| IV | Share of net profits / (loss) of jointly controlled entities accounted for using equity method | - | - | - | - | 0.19 | (1.10) | (0.20) | 0.36 |
| V | Profit / (Loss) before exceptional items and tax (III+IV) | (62.89) | (92.80) | 123.10 | 241.43 | (44.70) | (104.93) | 118.79 | 216.59 |
| VI | Exceptional items | - | - | - | - | - | - | - | - |
| VII | Profit / (Loss) before tax (V-VI) | (62.89) | (92.80) | 123.10 | 241.43 | (44.70) | (104.93) | 118.79 | 216.59 |
| VIII | Tax expense | | | | | | | | |
| | Current Tax | - | (26.70) | 21.32 | 33.11 | 1.09 | (26.38) | 21.49 | 34.50 |
| | Deferred Tax / (Benefits) | (20.55) | 6.49 | (12.20) | 13.57 | (16.49) | 4.75 | (13.35) | 8.83 |
| IX | Profit / (Loss) after tax for the period / year from continuing operations (VII- VIII) | (42.34) | (72.59) | 113.98 | 194.75 | (29.30) | (83.30) | 110.65 | 173.26 |
| X | Other Comprehensive Income / (Loss) | | | | | | | | |
| | Items that will not be reclassified to profit or loss | 39.05 | (54.40) | 195.35 | (35.52) | 38.73 | (54.56) | 195.40 | (35.11) |
| | Income tax on above item | (0.33) | 0.11 | (0.15) | (0.30) | (0.27) | 0.13 | (0.18) | (0.34) |
| | Items that will be reclassified to profit or loss | 0.83 | (0.04) | (0.63) | (0.10) | 0.46 | (0.36) | (0.12) | (0.38) |
| | Other comprehensive income / (Loss) for the period / year after tax | 39.55 | (54.33) | 194.57 | (35.92) | 38.92 | (54.79) | 195.10 | (35.83) |
| XI | Total comprehensive income / (Loss) for the period / year (IX+X) | (2.79) | (126.92) | 308.55 | 158.83 | 9.62 | (138.09) | 305.75 | 137.43 |
| XII | Profit / (Loss) attributable to: | | | | | | | | |
| | Owners of the Parent | - | - | - | - | (32.24) | (81.43) | 111.30 | 177.41 |
| | Non-controlling interests | - | - | - | - | 2.95 | (1.86) | (0.66) | (4.14) |
| XIII | Total comprehensive income / (Loss) attributable to: | | | | | | | | |
| | Owners of the Parent | - | - | - | - | 6.74 | (136.20) | 306.40 | 141.55 |
| | Non-controlling interests | - | - | - | - | 2.90 | (1.88) | (0.66) | (4.11) |
| XIV | Paid-up Equity Share Capital (Face value of Re. 1/- each) | 144.21 | 144.21 | 144.18 | 144.21 | 144.21 | 144.21 | 144.18 | 144.21 |
| XV | Other Equity | - | - | - | 3,818.35 | - | - | - | 3,975.11 |
| XVI | Earnings / (Loss) per Share (face value of Re. 1/- each) - | | | | | | | | |
| | Basic (Re / Rs.) | (0.29) | (0.50) | 0.79 | 1.35 | (0.22) | (0.56) | 0.77 | 1.23 |
| | Diluted (Re / Rs.) | (0.29) | (0.50) | 0.79 | 1.35 | (0.22) | (0.56) | 0.77 | 1.23 |

Cont...



UN-AUDITED STANDALONE AND CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE FIRST QUARTER ENDED 30TH JUNE, 2025

(Rs. in Crore unless otherwise stated)

| Sl. No. | Particulars | Standalone | | | | Consolidated | | | |
|---------|--|--------------------|------------------------------|---|-------------------------------|--------------------|------------------------------|---|-------------------------------|
| | | Three months ended | Preceding three months ended | Corresponding three months ended in the previous year | Previous Financial Year ended | Three months ended | Preceding three months ended | Corresponding three months ended in the previous year | Previous Financial Year ended |
| | | June 30, 2025 | March 31, 2025 | June 30, 2024 | March 31, 2025 | June 30, 2025 | March 31, 2025 | June 30, 2024 | March 31, 2025 |
| | | Un-Audited | Audited | Un-Audited | Audited | Un-Audited | Audited | Un-Audited | Audited |
| 1 | Segment Revenue | | | | | | | | |
| | a. Telecom Products | 485.57 | 559.06 | 614.91 | 2,181.14 | 577.91 | 611.22 | 711.36 | 2,474.56 |
| | b. Turnkey Contracts and Services | 303.71 | 198.13 | 450.61 | 1,614.08 | 293.11 | 189.50 | 446.38 | 1,589.46 |
| | c. Others | - | - | - | - | - | - | 0.50 | 0.50 |
| | Revenue from Operations | 789.28 | 757.19 | 1,065.52 | 3,795.22 | 871.02 | 800.72 | 1,158.24 | 4,064.52 |
| 2 | Segment Results - Profit/(Loss) before tax and interest from each segment | | | | | | | | |
| | a. Telecom Products | 28.84 | 3.50 | 44.04 | 114.38 | 57.06 | 5.39 | 47.69 | 133.28 |
| | b. Turnkey Contracts and Services | (53.29) | (56.43) | 107.03 | 253.82 | (53.64) | (56.43) | 106.65 | 253.17 |
| | c. Others | - | - | - | - | (0.33) | (1.01) | 2.18 | (1.30) |
| | Total | (24.45) | (52.93) | 151.07 | 368.20 | 3.09 | (52.05) | 156.52 | 385.15 |
| | Less: i. Interest | 47.74 | 42.52 | 33.75 | 149.46 | 55.62 | 51.06 | 42.31 | 185.01 |
| | ii. Other un-allocable expenditure net off | 0.04 | 6.89 | 1.36 | 9.21 | 0.04 | 6.89 | 1.36 | 9.21 |
| | iii Un-allocable income | (9.33) | (9.54) | (7.14) | (31.91) | (7.87) | (5.07) | (5.94) | (25.65) |
| | Total Profit / (Loss) before Tax | (62.89) | (92.80) | 123.10 | 241.43 | (44.70) | (104.93) | 118.79 | 216.59 |
| 3 | Segment Assets | | | | | | | | |
| | a. Telecom Products | 2,899.19 | 2,837.14 | 2,419.11 | 2,837.14 | 3,389.86 | 3,199.38 | 2,848.52 | 3,199.38 |
| | b. Turnkey Contracts and Services | 3,503.66 | 3,502.13 | 3,554.71 | 3,502.13 | 3,503.05 | 3,501.82 | 3,552.36 | 3,501.82 |
| | c. Others | - | - | - | - | 5.96 | 5.41 | 10.63 | 5.41 |
| | d. Un-allocated | 781.21 | 839.68 | 969.57 | 839.68 | 781.21 | 839.68 | 969.56 | 839.68 |
| | Total | 7,184.06 | 7,178.95 | 6,943.39 | 7,178.95 | 7,680.08 | 7,546.29 | 7,381.07 | 7,546.29 |
| 4 | Segment Liabilities | | | | | | | | |
| | a. Telecom Products | 1,223.76 | 1,490.12 | 1,068.94 | 1,490.12 | 1,546.66 | 1,697.59 | 1,328.34 | 1,697.59 |
| | b. Turnkey Contracts and Services | 1,099.35 | 919.97 | 1,047.22 | 919.97 | 1,100.33 | 920.92 | 1,048.85 | 920.92 |
| | c. Others | - | - | - | - | 2.94 | 2.15 | 1.37 | 2.15 |
| | d. Un-allocated | 901.20 | 806.31 | 686.70 | 806.31 | 901.20 | 806.31 | 686.70 | 806.31 |
| | Total | 3,224.31 | 3,216.40 | 2,802.86 | 3,216.40 | 3,551.13 | 3,426.97 | 3,065.26 | 3,426.97 |

Notes :

- The above Un-audited Standalone & Consolidated Financial Results of the Company for the first quarter ended 30th June, 2025 have been reviewed and recommended by the Audit Committee and were approved by the Board of Directors of the Company at their respective meetings held on 25th July, 2025.
- The above Results are in compliance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2021 (as amended).
- During the Financial year 2023-24, the Company had issued 5,10,14,491, equity shares of face value of Re. 1 each at an issue price of Rs.69/- per equity share (including premium of Rs.68/- per equity share), aggregating to ~Rs. 352.00 Crore (including securities premium of Rs.346.90 Crore). The issue was made through eligible Qualified Institutions Placement ("QIP") in terms of chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, Section 42 & 62 and other relevant provisions of the Companies Act, 2013. Out of the proceeds from QIP issue, the Company had utilized Rs. 293.80 Crore (including share issue expenses) towards purposes/objects specified in the placement document. The balance amount of QIP proceeds amounting to Rs.58.20 Crore remains invested in fixed deposits with scheduled commercial banks as interim use of funds. Further, the balance unutilized amount of ₹58.20 crores, originally earmarked for capital expenditure in accordance with the Placement Document dated August 31, 2023, was to be utilized by July 31, 2025. The Board, at its meeting held today, i.e., July 25, 2025, has approved an extension of the timeline for utilization of the said amount up to March 31, 2026.
- The Consolidated financial results for the first quarter ended 30th June, 2025 includes the results of the following entities:
 - HFCL Limited (HFCL) (Holding Company)
 - HTL Limited (Subsidiary)
 - Raddef Private Limited (Subsidiary)
 - Moneta Finance Private Limited (Wholly owned Subsidiary)
 - Polixel Security Systems Private Limited (Wholly owned Subsidiary)
 - HFCL Advance Systems Private Limited (Wholly owned Subsidiary)
 - DragonWave HFCL India Private Limited (Wholly owned Subsidiary)
 - HFCL Technologies Private Limited (Wholly owned Subsidiary)
 - HFCL Inc. United States of America, (Wholly owned Subsidiary)
 - HFCL B.V. Netherlands, (Wholly owned Subsidiary)
 - Nimpaa Telecommunications Private Limited (Jointly Controlled Entity)
 - BigCat Wireless Private Limited (Jointly Controlled Entity)
 - HFCL Canada Inc. Canada, (Wholly owned Subsidiary of HFCL B.V.- Netherlands)
 - HFCL Poland Sp. z.o.o. (Formerly Blue Diwali Sp. z.o.o.), Poland, (Wholly owned Subsidiary of HFCL B.V.- Netherlands)
 - HFCL UK Limited, United Kingdom, (Wholly owned Subsidiary of HFCL B.V.- Netherlands)
 - HFCL Pty Limited, Australia, (Wholly owned Subsidiary of HFCL B.V.- Netherlands)
- Earning per share is not annualised for the Quarter ended 30th June 2025, 31st March, 2025 and 30th June 2024.
- The Figures of the quarter ended March 31, 2025 were balancing figures between audited figures in respect of the full financial year ended 31st March 2025 and the published year to date figures upto the third quarter of the respective financial year, which were subject to limited review by the Auditors.
- The figures of the previous periods have been re-grouped/ re-arranged wherever considered necessary.



(Mahendra Nahata)
Managing Director
DIN 00052898

Place : New Delhi
Date : 25th July, 2025

