

The background of the slide is a dark, moody photograph of a laptop. A hand is visible on the right side, with the index finger pointing towards a 3D bar chart that appears to be floating above the laptop's keyboard. The chart consists of approximately 15 vertical bars of varying heights, colored in a gradient from light grey to bright orange. A thin blue line with small circular markers connects the tops of the bars, suggesting a data trend. The overall lighting is low, with the laptop's keyboard and the hand providing some illumination.

INVESTOR PRESENTATION

Annexure

Q1 FY22

● Message from the Management



**KRISHNA
BODANAPU**

Managing Director
& CEO

Commenting on the results, Mr. Krishna Bodanapu, Managing Director and Chief Executive Officer, said

"Our Q1 FY22 results are in line with our expectations considering this has been a significantly challenging quarter with Covid Wave 2 impact. We recorded a revenue of \$143.5 Mn a decline of 4.2% QoQ and a growth of 9.9% YoY. Services business recorded a revenue of \$119.3 Mn a decline of 0.3% QoQ and a growth of 6.3% YoY. The non-Aerospace services business is growing 14.4% YoY with Communications and Utilities BU, Energy, Industrial and Plant Engineering and Medtech driving the growth. We expect the growth momentum in the Aerospace services business to pick up through the year. The DLM business recorded a revenue of \$24.2M a decline of 20% QoQ and a growth of 31.7% YoY. The EBIT margin at 13.1% was higher by 48 bps QoQ and 797 bps YoY, due to better operational efficiency. The EBIT margin recorded was the highest ever in last six years.

We continue to focus on improving operational efficiency and executing actions to bring growth back in the business. We won a number of large deals, which sets us up for a stronger performance through the year. Our Order Intake (OI) grew by 20% YoY with aerospace showing significant improvement in OI. This quarter we launched CyientIQ, an innovation platform to strengthen our technology solutions offering across industries through innovation and collaboration with customers & ecosystem. To drive co-innovation with its partner ecosystem, Cyient has also collaborated with leading minds in academia, like IIT Hyderabad, on NB-IoT SoC (Narrowband Internet-of-Things System-on-Chip) design. We launched a gender-neutral parental leave policy as a part of our initiative to find unique and substantive ways to attract and engage our people. Along with this, I am proud of the landmark progress we have made towards being more environmentally sustainable and culturally inclusive enterprise.

We launched our first sustainability report and committed to be carbon and water neutral by 2025. Our holistic sustainability framework will focus on strengthening the ESG value chain. It will empower us to be most sustainable engineering and manufacturing organization.

We also won the NASSCOM Engineering & Innovation Excellence awards across four categories of Social Impact, Engineered in India & Service Delivery Excellence. This is a testimony to our focus and execution on S3 strategy and we will continue to make investments to drive strategy execution including an increased focus on digital technologies and offerings.

Outlook for Q2 and the rest of the year remains strong due to the order intake and backlog in various verticals. We continue to hold our outlook for FY22 and expect double-digit growth in services business for the year. The DLM business will also grow ~20%. We are confident of having strong growth from Q2 onwards. Profitability will continue to increase quarter on quarter through the year along with free cash generated. The new digital business unit continues to demonstrate rapid growth. Q1 was a good start to what promises to be a strong year.

● Message from the Management



**AJAY
AGGARWAL**
Executive Director
& CFO

Commenting on the results, Mr. Ajay Aggarwal, President & CFO, said, We delivered good results in Q1FY22 across operating margin and free cash flow despite a challenging quarter with subdued revenue growth. Our effort to rationalise cost and improve operational efficiency over the last few quarters yielded results with highest EBIT margin of 13.1% recorded in the last six years. We had a FCF generation of ₹848 Mn, a conversion of 43.6% on EBITDA with a healthy cash balance of ₹15,262 Mn. We are confident that our sustainable initiatives on collections, working capital cycles, payables, and discretionary cost control will provide a solid platform for robust performance and operational excellence in the coming quarters.

As an organization, we have been resilient in navigating through the headwinds arising from the second wave of Covid. Our priority has been to ensure the safety and wellness of our employees and their families as well as upholding our commitments to the customers. We continue to focus on strategic acquisitions to augment our growth trajectory. We are assertive on margin expansion through improvement in operating efficiencies. We remain strongly focused on growth, margin and cash generation and thus maximizing the value for our shareholders.

Consolidated Financial Metrics

Key Financial Metrics

₹ Mn	Q1 FY22	Q4 FY21	Q1 FY21	Growth %	
				QoQ	YoY
Revenue	10,582	10,932	9,917	-3.2%	6.7%
Reported EBIT	1,388	1,073	511	29.4%	171.7%
Normalised EBIT	1,388	1,382	511	0.5%	171.7%
Normalised EBIT margin	13.1%	12.6%	5.2%	48 bps	797 bps
Reported PAT	1,150	1,031	814	11.6%	41.3%
Normalised PAT	1,150	1,107	814	3.9%	41.3%

Foreign Exchange Rate

\$/₹	Q1 FY22	Q4 FY21	Q1 FY21
Quarter Average	73.74	72.95	75.93
Quarter Closing	74.28	73.44	75.60

● Consolidated Revenue Segmentation

By Geography (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Americas	47.9%	47.5%	52.3%
Europe, Middle East, Africa	28.4%	24.6%	24.0%
Asia Pacific (includes India)	23.7%	27.9%	23.7%

By Business Unit (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Transportation total	43.6%	45.0%	46.8%
Aerospace	32.1%	34.1%	36.5%
Rail transportation	11.5%	11.0%	10.3%
C&U total	30.2%	28.3%	28.4%
Communications	24.8%	23.3%	23.0%
Utilities	5.4%	5.0%	5.4%
Portfolio total	26.2%	26.7%	24.8%

Consolidated Operations Metrics

Account Receivables (in Days)

	Q1 FY22	Q4 FY21	Q1 FY21
DSO Total	90	84	100
- Billed	67	66	67
- Unbilled	23	18	33

Order Intake (\$ Mn)^

Particulars	Q1 FY22	Q4 FY21	Q1 FY21
Cyient Services	120	166	99
DLM	20	72	18
Group OI Total	140	238	117

*^The Order Intake reported is the total value of all orders received during the period.
Some of these orders are multi year and can be executed over more than 12 months*

Consolidated Client Metrics

Top Clients: Revenue Contribution (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Top 5	31.9%	33.5%	30.2%
Top 10	43.3%	44.1%	40.1%

No. of Million \$ Clients

	Q1 FY22	Q4 FY21	Q1 FY21
20 Mn+	3	3	3
10 Mn+	10	8	9
5 Mn+	30	30	30
1 Mn+	89	90	97
New Clients Added	10	6	25

Consolidated Employee Metrics

Employee

	Q1 FY22	Q4 FY21	Q1 FY21
Total Headcount	12,433	12,032	12,820
Technical & Pool	11,495	11,098	11,846
Non- Technical	350	333	320
Support	588	601	654
Voluntary Attrition	23.5%	21.2%	13.6%

● Consolidated Other Financial Metrics

Cash Position (₹ Mn)

	Q1 FY22	Q4 FY21	Q1 FY21
Cash & Cash Equivalent	15,262	14,650	11,098
Cash & Bank balances	6,726	4,017	4,733
Investments in FDs	8,536	10,633	6,365
Investment in MFs	0	0	0

Capex (₹ Mn)

	Q1 FY22	Q4 FY21	Q1 FY21
Capital Expenditure	214	77	563

● Consolidated Income Statement

Income Statement ₹ Mn	Q1 FY22	Q4 FY21	Q1 FY21
Operating Revenue	10,582	10,932	9,917
Cost of Revenue	6,783	6,995	6,891
Direct Salary and related costs	4,264	4,031	4,441
Direct Travel	79	85	69
Delivery Management	222	200	255
Material cost	1,234	1,565	1,090
Other costs incl Subcontract costs	983	1,114	1,036
Gross profit	3,799	3,936	3,026
Sales and Marketing	424	434	448
General and Administration	1,497	1,629	1,583
Depreciation and Amortization	490	491	484
EBIT	1,388	1,382	511
Financial expenses	110	129	109
Other income	257	170	684
One off/ Exceptional item	0	76	0
Profit before tax (PBT)	1,535	1,347	1,086
Tax	385	315	272
Associate & Minority Profit	0.3	-0.4	0.2
Profit After Tax (Reported)	1,150	1,031	814
Profit After Tax (Normalized)	1,150	1,107	814
Basic EPS (₹) (Reported)	10.5	9.4	7.4
Basic EPS (₹) (Normalized)	10.5	10.1	7.4



Consolidated Balance Sheet

Balance Sheet ₹ Mn	Q1 FY22	Q4 FY21	Q1FY21
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	548	550	550
- Reserves and surplus	27,930	28,991	25,889
Total - Shareholders' funds	28,478	29,541	26,439
Non-current liabilities			
- Long-term borrowings and liabilities	2,469	2,827	2,949
- Long-term provisions	1,326	1,288	1,199
- Deferred tax liabilities (net)	253	182	313
Total - Non-current liabilities	4,048	4,297	4,461
Current liabilities			
- Short-term borrowings	2,813	2,302	2,695
- Trade payables	4,404	4,532	3,530
- Other current liabilities	5,166	3,576	4,478
- Short-term provisions	845	680	863
Total - Current liabilities	13,228	11,090	11,566
TOTAL - EQUITY AND LIABILITIES	45,754	44,928	42,466
ASSETS			
Non-current assets			
- Property, plant and equipment	8,324	8,655	9,176
- Goodwill	5,923	5,830	5,371
- Non-current investments	348	344	415
- Deferred tax assets (net)	347	319	403
- Other non-current assets	1,200	1,262	1,820
Total - Non-current assets	16,142	16,410	17,185
Current assets			
- Inventories	1,724	1,586	1,719
- Current investments	-	-	-
- Trade receivables	7,498	8,026	7,340
- Cash and cash equivalents	15,262	14,650	11,098
- Other current assets	5,128	4,256	5,124
Total - Current assets	29,612	28,518	25,281
TOTAL ASSETS	45,754	44,928	42,466



Consolidated Cash Flow Movement

₹ Mn	Q1 FY22	Q4 FY21	Q1 FY21
Free cash flow from operations	848	1,897	2,163
Investment in non current investments	0	18	0
Settlement of deferred consideration pertaining to prior year acquisitions	(45)	0	(99)
Interest received	97	69	21
Finance costs paid	(41)	(57)	(58)
Proceeds/(Repayment) of borrowings, net	383	(1,273)	(268)
Repayment of lease liabilities	(238)	(244)	(243)
Proceeds from issue of equity shares	36	37	0
Dividend paid	(1)	0	(9)
Purchase of equity shares by ASOP trust	(462)	0	0
Others	36	(109)	73
Net change in cash	612	337	1,580
Opening cash position	14,650	14,313	9,518
Closing cash position	15,262	14,650	11,098

Other Income

All Figures in ₹ Mn	Q1 FY22	Q4 FY21	Q1 FY21
Income from Treasury			
Interest on Invesmtents/Deposits	133	124	91
Subtotal (A)	133	124	91
Realised gains/(losses) on Fwd Contracts (B)	42	(18)	(52)
Unrealised Fx gains/(losses) (C)	24	34	70
Others			
Reversal of Old provisions	0	5	26
Rents received	2	2	5
Tax incentives on export of merchandise	0	0	519
Others	56	22	26
Others (D)	58	29	576
Grand total (A+B+C+D)	257	170	684

Currency Movement	Q1 FY22		Q4 FY21		Q1 FY21	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	78.5	73.8	76.4	72.7	72.6	75.9
EUR	89.6	88.9	85.4	86.8	83.9	84.0
GBP	98.7	103.5	97.8	100.3	95.4	93.9
AUD	53.6	56.8	49.2	56.0	51.1	50.8
CAD	57.6	60.2	55.8	57.7	54.6	55.3

Forward and spot rates represent average of monthly rates

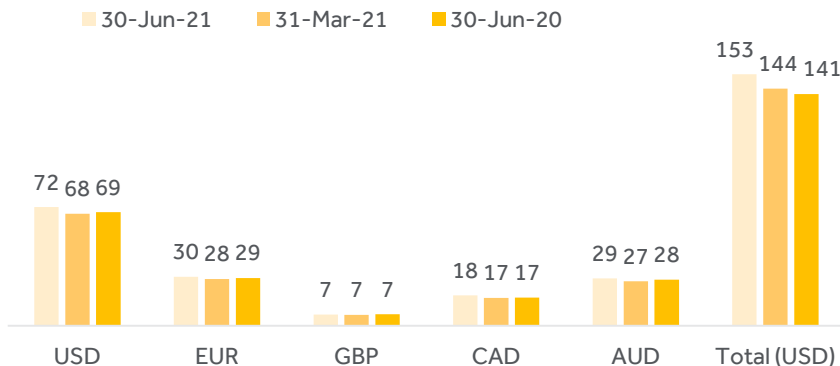
For the quarter

- Other income is higher by ₹86 Mn (up by 50.7% QoQ)
- Forward contract gain is ₹42 Mn, favorable QoQ movement of INR 60 Mn
- Unrealized Fx Gain lower QoQ by INR 11 Mn, mainly from restatement impact in India due to weakening of INR against USD, EUR and GBP

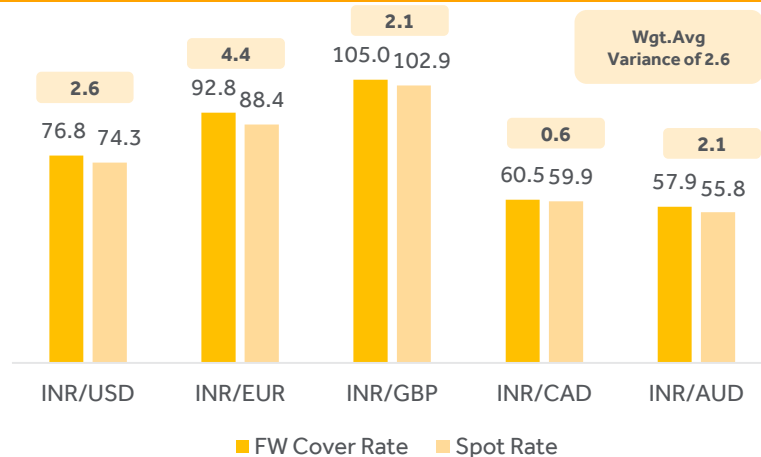
Hedge Book

Outstanding Forward Contracts*

Value in Respective Currency Mn.



Booked Rate (in ₹) for next 12 Months



- Due to volatility in major currencies (USD, GBP, EUR, CAD and AUD), the company follows the policy to hedge up to 80% of net inflows for the rolling 12 months.
- On the current forward contracts, the company has following position for the next 12 months at current spot rates:
 - Outstanding Forward Contract as on 30th Jun'21 ~ **\$ 153 Mn**
 - If the spot rate remains at same level (as at 30th Jun'21), forex gain on current forward contracts could be ~**\$5.4 Mn**



Cyient Metrics (Excluding Design Led Manufacturing)

Cyient Metrics (Excluding Design Led Manufacturing) (1/3)

By Geography (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Americas	52.0%	52.4%	56.8%
Europe, Middle East, Africa	27.6%	28.3%	26.0%
Asia Pacific (including India)	20.5%	19.2%	17.1%

By Business Unit (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Transportation total	39.1%	38.8%	43.1%
Aerospace	25.9%	25.4%	31.2%
Rail transportation	13.2%	13.5%	12.0%
C&U total	36.3%	35.3%	33.0%
Communications	29.8%	29.1%	26.8%
Utilities	6.5%	6.2%	6.3%
Portfolio total	24.6%	25.8%	23.8%

Onsite/offshore Split (%)^

	Q1 FY22	Q4 FY21	Q1 FY21
Onsite	52.7%	53.9%	56.5%
Offshore	47.3%	46.1%	43.5%

^There was an error in the Q1 FY21 onshore/offshore mix in the Q1 FY21 presentation which has been corrected now

● Cyient Metrics (Excluding Design Led Manufacturing) (2/3)

Currency Mix (%)

	Q1 FY22	Q4 FY21	Q1 FY21
USD	50.1%	49.5%	47.4%
EURO	13.5%	14.8%	8.7%
GBP	9.2%	10.5%	10.2%
AUD	14.6%	13.5%	12.4%
Others	12.7%	11.7%	21.4%

Utilization (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Utilization	83.1%	83.7%	74.2%

Account Receivables (in Days)

	Q1 FY22	Q4 FY21	Q1 FY21
DSO Total	83	81	107
- Billed	55	58	69
- Unbilled	28	23	38

Cyient Metrics (Excluding Design Led Manufacturing) (3/3)

Top Clients: Revenue Contribution (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Top 5	36.9%	35.3%	35.2%
Top 10	49.2%	47.1%	46.6%

No. of Million \$ Clients

	Q1 FY22	Q4 FY21	Q1 FY21
20 Mn+	3	3	3
10 Mn+	10	8	9
5 Mn+	23	23	26
1 Mn+	74	75	82
New Clients Added	10	6	25

Employee

	Q1 FY22	Q4 FY21	Q1 FY21
Total Headcount	11,826	11,367	12,182
Technical & Pool	10,938	10,486	11,265
Non-Technical	341	311	308
Support	547	570	609



Cyient Metrics (Design Led Manufacturing)

Cyient Metrics (Design Led Manufacturing) (1/3)

Income Statement - Abridged (In ₹ Mn)

	Q1 FY22	Q4 FY21	Q1 FY21
Net Revenue	1,786	2,210	1,396
Direct Salaries & other costs	285	280	221
Material Cost	1,234	1,565	1,089
Gross Profit	267	365	86
SG&A	95	98	99
Depreciation & amortisation	66	73	51
EBIT	106	195	(64)
Others	-17	-14	19
Profit Before Tax	89	180	(45)

By Geography (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Americas	28.1%	27.7%	25.1%
Europe, Middle East, Africa	32.4%	10.0%	11.2%
Asia Pacific (including India)	39.5%	62.3%	63.7%

Cyient Metrics (Design Led Manufacturing) (2/3)

By Business Unit (%)

	Q1 FY22	Q4 FY21	Q1 FY21
Transportation total	65.6%	69.5%	69.4%
Aerospace	62.4%	68.4%	68.9%
Rail transportation	3.2%	1.1%	0.5%
C&U total	0.4%	0.6%	0.1%
Communications	0.4%	0.6%	0.1%
Utilities	0.0%	0.0%	0.0%
Portfolio total	34.1%	30.0%	30.5%

Currency Mix (%)

	Q1 FY22	Q4 FY21	Q1 FY21
USD	62.3%	37.2%	80.0%
EURO	3.4%	3.3%	2.8%
AUD	0.0%	0.0%	0.5%
Others	34.2%	59.5%	16.5%

Cyient Metrics (Design Led Manufacturing) (3/3)

No. of Million \$ Clients

	Q1 FY22	Q4 FY21	Q1 FY21
5 Mn+	7	7	4
2 Mn+	11	13	15
1 Mn+	15	15	15
New Clients Added	0	0	0

Key Operational Metrics

	Q1 FY22	Q4 FY21	Q1 FY21
Headcount	607	665	638
DSO (in Days)	112	97	53
DPO (in Days)	69	89	89
Customer Advance (in Days)	53	54	82
Inventory (in Days)	107	125	126
Total Cash (₹ Million)	310	347	838

● About Cyient

Cyient (Estd: 1991, NSE: CYIENT) is a global engineering and technology solutions company. As a Design, Build, and Maintain partner for leading organizations worldwide, Cyient takes solution ownership across the value chain to help customers focus on their core, innovate, and stay ahead of the curve. The company leverages digital technologies, advanced analytics capabilities, domain knowledge, and technical expertise to solve complex business problems.

Cyient partners with customers to operate as part of their extended team in ways that best suit their organization's culture and requirements. Cyient's industry focus includes aerospace and defense, healthcare, telecommunications, rail transportation, semiconductor, geospatial, industrial, and energy.

For more information, please visit www.cyient.com. Follow news about the company at @Cyient

Contact Details:

Investor Relations

Mayur Maniyar

M: +91 9224126705

E: mayur.maniyar@cyient.com

Media Relations

Devina Wallang

M: + 91 7829673285

E: devina.wallang@cyient.com

● Disclaimer

All the references to Cyient's financial results in this update pertain to the company's consolidated operations comprising:

Wholly-owned and step down subsidiaries: Cyient Europe Limited; Cyient Inc.; Cyient GmbH; Cyient Australia Pty Ltd; Cyient Singapore Private Limited; Cyient KK; Cyient Israel India Limited; Cyient Insights Private Limited, Cyient DLM Private Limited, Cyient Canada Inc.; Cyient Defense Services Inc; Cyient Benelux BV; Cyient Schweiz GmbH; Cyient SRO; AnSem NV; AnSem B.V.; Cyient AB; Integrated Global Partners Pty Limited; Integrated Global Partners Pte. Limited; Integrated Global Partners SpA and IG Partners South Africa (Pty) Ltd

Partly owned subsidiary: Cyient Solutions and Systems Private Limited.

Joint venture: Infotech HAL Ltd

The income statement and cash flow provided is in the internal MIS format. MIS format is different from the income statement and cash flow published as part of the financial results, which is as per the statutory requirement.



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