

The background of the slide is a dark, blurred image 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 screen. The chart consists of several vertical bars of varying heights, colored in shades of orange and yellow, with a thin blue line connecting the tops of the bars. The overall lighting is dim, with a blueish tint, suggesting a professional and technological environment.

INVESTOR PRESENTATION

Annexure

Q1 FY23



● Message from the Management



**KRISHNA
BODANAPU**

Managing Director
& CEO

Commenting on the results, Mr. Krishna Bodanapu, Managing Director and Chief Executive Officer, said “Cyient recorded a revenue of \$161.6 Mn for Q1 FY 23, a growth of 4.4% QoQ and 15.8% YoY in constant currency, the growth in the business was driven by Mining, Medical Technology, and Communication businesses. We continue to witness strong momentum across the business driven by key wins, robust order intake, and pipeline. We won six large deals with a total contract potential of \$424 Mn. We also witnessed significant growth across key accounts, with revenue from the top 30 accounts growing at 4.7% QoQ. This quarter we also added ten new logos across our key growth industries. These wins are a testament that our strategy is playing out well and clients continue to show confidence in our offerings. We will continue to focus on our 5-pillar strategy to strengthen our offerings across Digital, Embedded, VLSI, Geospatial, and Networks. In line with our strategy, we also acquired three companies, Citec, Grit, and Celfinet. While Citec will help us strengthen our plant engineering capabilities and presence in Europe, the Celfinet acquisition will reinforce our Wireless Engineering practice to support Communication Service Providers (CSPs) and Enterprises. The Grit Consulting acquisition will help strengthen our offerings across Consulting business.

Continuing our focus on innovative solutions, Cyient launched an AI-Powered Framework for Automated System and Software Testing (CyFAST) to provide a comprehensive environment for managing testing projects. We also partnered with IIT Hyderabad (IITH) and WiSig Network to enable volume production of India's first architected and designed chip - the Koala NB-IoT SoC (Narrowband-IoT System-on-Chip). We will continue to invest in strengthening our technology platforms, focusing on building technology offerings across areas such as Intelligent Connected Products, Next Generation Connectivity, Automation & EDGE AI, Sustainable Energy, and Data AI & Platformization.

Our outlook for the year continues to be strong. We expect double-digit growth at the group level driven by strong OI and a pipeline in the services business. Design-led Manufacturing business will continue to witness some supply chain challenges.”

● Message from the Management



**AJAY
AGGARWAL**
Executive Director
& CFO

Commenting on the results, Mr. Ajay Aggarwal, Executive Director & CFO, said, “I am pleased to share that our strategy on accelerating earnings growth through investments and better capital allocation is playing out well with critical strategic investments in Q1FY23. This spurred our topline growth with Group revenue at \$161.6 Mn (growth of 12.6% YoY, 3.1% QoQ). Group EBIT margin stood at 11.5% (down by 164 bps YoY and 298 bps QoQ) and PAT at ₹1,161 Mn (growth of 0.9% YoY and de-growth of 24.7% QoQ) mainly due to impact of employee cost and lower utilization. Free Cash Flow generation for the quarter at ₹596 Mn, a conversion of 27.1% on EBITDA while lower this quarter, we are confident of recovery and returning to original levels.

Our focus is on allocating capital efficiently to yield earnings through strategic investments. The recent acquisitions and new investments are expected to give good results in coming quarters and years with continued momentum in earnings growth. We continue our efforts and drive to improve efficiency and improve various operating budgets levers improve margin. We are committed to deliver on growth, margin and cash generation and thus maximizing the value for our shareholders.”

Consolidated Financial Metrics

₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22	Growth %	
				QoQ	YoY
Revenue	12,501	11,812	10,582	5.8%	18.1%
EBIT	1,435	1,708	1,388	-16.0%	3.4%
EBIT margin	11.5%	14.5%	13.1%	-298 bps	-164 bps
PAT	1,161	1,542	1,150	-24.7%	0.9%

Foreign Exchange Rate

\$/₹	Q1 FY23	Q4 FY22	Q1 FY22	FY22	FY21
Average	77.37	75.38	73.74	74.55	74.21
Closing	78.92	75.84	74.28	75.84	73.44

Consolidated Revenue Segmentation

By Geography (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Americas	51.3%	53.5%	47.9%
Europe, Middle East, Africa	22.7%	24.6%	28.4%
Asia Pacific (includes India)	26.0%	22.0%	23.7%

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	63.8%	64.8%	68.4%
Aerospace	30.5%	31.9%	31.9%
Rail transportation	7.9%	9.0%	11.7%
Communications	25.4%	23.9%	24.7%
MEU total	14.3%	13.1%	11.1%
Mining	2.3%	1.9%	1.4%
Energy	5.5%	3.1%	3.3%
Utilities	5.0%	6.2%	5.4%
Consulting	1.5%	2.0%	1.0%
New Growth Areas total	18.7%	22.1%	20.6%
Grit	2.3%	0.0%	0.0%
Strategic Buyout	0.9%	0.0%	0.0%

By Business Unit (%) (Old Structure)

	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	38.5%	40.9%	43.6%
Aerospace	30.5%	31.9%	32.1%
Rail transportation	7.9%	9.0%	11.5%
C&U total	30.4%	30.1%	30.2%
Communications	25.4%	23.9%	24.8%
Utilities	5.0%	6.2%	5.4%
Portfolio total	28.0%	29.0%	26.2%
Grit	2.3%	0.0%	0.0%
Strategic Buyout	0.9%	0.0%	0.0%

Consolidated Operations Metrics

Account Receivables (in Days)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
DSO Total	88	78	90
- Billed	59	55	67
- Unbilled	29	23	23

Order Intake (\$ Mn)^

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Cyient Services	141	188	120
DLM	24	22	20
Group OI Total	165	210	140

*^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 (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Top 5	27.7%	26.5%	31.9%
Top 10	39.3%	39.1%	43.3%

Note: There was an error in Q4FY22 top 10 customer contribution % which is rectified now

No. of Million \$ Clients

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
20 Mn+	4	3	3
10 Mn+	11	11	10
5 Mn+	32	34	30
1 Mn+	94	93	89
New Clients Added	8	16	10

Consolidated Employee Metrics

Employee

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Total Headcount	14,147	13,428	12,433
Technical & Pool	13,165	12,380	11,495
Non-Technical	473	446	350
Support	509	602	588
Voluntary Attrition (LTM)*	27.9%	26.2%	16.7%

** Attrition is reported on LTM basis from Q1FY23. This is in line with the industry reporting practice. For Q1FY23, quarterly annualised attrition stood at 30.4%*

Consolidated Other Financial Metrics

Cash Position (₹ Mn)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Cash & Cash Equivalent including treasury investments	13,749	15,689	15,262
Cash & Bank balances	4,211	4,413	6,726
Investments in FDs	6,574	8,253	8,536
Investment in MFs	864	704	0
Treasury investments	2,100	2,319	0

Capex (₹ Mn)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Capital Expenditure	134	120	214

Consolidated Income Statement

Income Statement ₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Operating Revenue	12,501	11,812	10,582
Cost of Revenue	7,901	7,293	6,783
Direct Salary and related costs	4,989	4,558	4,264
Direct Travel	136	95	79
Delivery Management	257	249	222
Material cost	1,459	1,359	1,234
Other costs incl Subcontract costs	1,059	1,032	983
Gross profit	4,600	4,520	3,799
Sales and Marketing	402	465	424
General and Administration	2,252	1,918	1,497
Depreciation and Amortization	511	429	490
EBIT	1,435	1,708	1,388
Financial expenses	177	117	110
Other income	337	494	257
One off/ Exceptional item	0	0	0
Profit before tax (PBT)	1,595	2,085	1,535
Tax	435	543	385
Profit After Tax (Reported)	1,161	1,542	1,150
Basic EPS (₹) (Reported)	10.6	14.1	10.5



Extract of Consolidated Balance Sheet

Balance Sheet ₹ Mn	Q1FY23	Q4FY22	Q1 FY22
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	552	552	548
- Reserves and surplus	30,318	30,582	27,930
Total - Shareholders' funds	30,870	31,134	28,478
Non-current liabilities			
- Long-term borrowings and liabilities	3,943	2,424	2,469
- Long-term provisions	1,295	1,347	1,326
- Deferred tax liabilities (net)	673	345	253
Total - Non-current liabilities	5,911	4,116	4,048
Current liabilities			
- Short-term borrowings	6,527	3,241	2,813
- Trade payables	5,798	5,259	4,404
- Other current liabilities	5,410	3,359	5,166
- Short-term provisions	931	764	845
Total - Current liabilities	18,666	12,623	13,228
TOTAL - EQUITY AND LIABILITIES	55,447	47,873	45,754
ASSETS			
Non-current assets			
- Property, plant and equipment	10,495	7,398	8,324
- Goodwill	9,819	6,185	5,923
- Non-current investments	3,430	3,582	348
- Deferred tax assets (net)	305	248	347
- Other non-current assets	1,024	1,488	1,200
Total - Non-current assets	25,073	18,901	16,142
Current assets			
- Inventories	3,329	2,790	1,724
- Current investments	1,023	866	-
- Trade receivables	8,288	7,333	7,498
- Cash and cash equivalents	10,785	12,666	15,262
- Other current assets	6,949	5,317	5,128
Total - Current assets	30,374	28,972	29,612
TOTAL ASSETS	55,447	47,873	45,754

Consolidated Cash Flow Movement

₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Free cash flow from operations	596	1,225	848
Investment in non current investments	191	142	0
Settlement of purchase/deferred consideration pertaining to new/prior year acquisitions	(4,063)	(0)	(45)
Interest received	100	75	97
Finance costs paid	(63)	(47)	(42)
Proceeds/(Repayment) of borrowings, net	3,299	(174)	385
Repayment of lease liabilities	(270)	(282)	(238)
Proceeds from issue of equity shares	17	20	40
Dividend paid	(1,528)	0	(0)
Purchase of equity shares by ASOP trust	0	0	(462)
Others	0	78	29
Net change in cash	(1,722)	1,038	613
Opening cash position	13,370	12,333	14,650
Closing cash position*	11,649	13,370	15,263

*There was an error in Q4FY22 closing cash position which is rectified now

Other Income

All Figures in ₹ Mn	Q1FY23	Q4 FY22	Q1 FY22
Income from Treasury			
Interest on Investments/Deposits	91	134	133
Dividend on Mutual Funds	4	4	0
Subtotal (A)	95	138	133
Realised gains/(losses) on Fwd Contracts (B)	144	153	42
Unrealised Fx gains/(losses) (C)	31	56	24
Others			
Interest on IT Refunds	53	0	0
Reversal of Old provisions	0	10	0
Rents received	3	5	2
Tax incentives on export of merchandise	0	42	0
Others	10	90	56
Subtotal (D)	66	147	58
Grand total (A+B+C+D)	337	494	257

Currency Movement	Q1 FY23		Q4 FY22		Q1 FY22	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	77.1	77.6	76.4	75.5	78.5	73.8
EUR	94.0	82.4	92.5	84.1	89.6	88.9
GBP	108.9	96.9	106.2	100.3	98.7	103.5
AUD	59.4	54.8	59.5	54.5	53.6	56.8
CAD	63.2	60.6	60.6	59.7	57.6	60.2

Forward and spot rates represent average of monthly rates

For the quarter

- Treasury income is lower due to decrease in average invested cash on account of acquisition funding and dividend payout
- Forward contract gain is ₹144 Mn, unfavorable QoQ movement of ₹9 Mn, mainly from lower gains in USD and AUD partially offset by higher gains in EUR and GBP contracts
- Unrealized Fx Gain in Q1 is lower mainly from unfavorable restatement impact in UK and India



Cyient Metrics (Services)

Cyient Metrics (Services) (1/3)

By Geography (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Americas	53.0%	55.5%	52.0%
Europe, Middle East, Africa	21.8%	25.9%	27.6%
Asia Pacific (including India)	25.2%	18.5%	20.5%

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	63.2%	64.8%	68.9%
Aerospace	24.3%	25.5%	25.7%
Rail transportation	9.1%	10.6%	13.5%
Communications	29.9%	28.7%	29.8%
MEU total	13.8%	15.7%	13.3%
Mining	2.8%	2.3%	1.6%
Energy	3.4%	3.7%	3.9%
Utilities	5.9%	7.4%	6.5%
Consulting	1.8%	2.4%	1.2%
New Growth Areas total	19.2%	19.5%	17.9%
Grit	2.7%	0.0%	0.0%
Strategic Buyout	1.0%	0.0%	0.0%

Onsite/offshore Split (%)*

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Onsite	50.0%	48.4%	52.7%
Offshore	50.0%	51.6%	47.3%

*The above split excludes acquisition impact

By Business Unit (%) (Old Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	33.4%	36.1%	39.1%
Aerospace	24.3%	25.5%	25.7%
Rail transportation	9.1%	10.6%	13.5%
C&U total	35.7%	36.1%	36.3%
Communications	29.9%	28.7%	29.8%
Utilities	5.9%	7.4%	6.5%
Portfolio total	27.1%	27.8%	24.6%
Grit	2.7%	0.0%	0.0%
Strategic Buyout	1.0%	0.0%	0.0%

Cyient Metrics (Services) (2/3)

Currency Mix (%)

	Q1 FY23	Q4 FY22	Q1 FY22
USD	52.9%	52.2%	50.1%
EURO	10.3%	11.1%	13.5%
GBP	8.0%	9.6%	9.2%
AUD	12.9%	11.2%	14.6%
Others	16.0%	15.9%	12.7%

Utilization (%)

	Q1 FY23	Q4 FY22	Q1 FY22
Utilization	80.9%	86.1%	83.1%

Account Receivables (in Days)

	Q1 FY23	Q4 FY22	Q1 FY22
DSO Total	89	80	83
- Billed	55	53	55
- Unbilled	34	27	28

Cyient Metrics (Services) (3/3)

Top Clients: Revenue Contribution (%)


	Q1 FY23	Q4 FY22	Q1 FY22
Top 5	32.1%	30.6%	36.9%
Top 10	43.6%	42.6%	49.2%

No. of Million \$ Clients

	Q1 FY23	Q4 FY22	Q1 FY22
20 Mn+	4	3	3
10 Mn+	11	11	10
5 Mn+	25	25	23
1 Mn+	81	78	74
New Clients Added	8	16	10

Employee

	Q1 FY23	Q4 FY22	Q1 FY22
Total Headcount	13,581	12,834	11,826
Technical & Pool	12,599	11,832	10,938
Non- Technical	473	444	341
Support	509	558	547



Cyient Metrics (Design Led Manufacturing)

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

Income Statement - Abridged (In ₹ Mn)

	Q1 FY23	Q4 FY22	Q1 FY22
Net Revenue	1,897	1,977	1,786
Direct Salaries & other costs	238	260	285
Material Cost	1,459	1,355	1,234
Gross Profit	200	362	267
SG&A	52	108	94
Depreciation & amortisation	69	60	66
EBIT	80	194	107
Others	16	24	-17
Profit Before Tax	95	218	90

By Geography (%)

	Q1 FY23	Q4 FY22	Q1 FY22
Americas	41.5%	43.0%	28.1%
Europe, Middle East, Africa	27.7%	17.9%	32.4%
Asia Pacific (including India)	30.8%	39.1%	39.5%

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

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	67.1%	64.9%	65.7%
Aerospace	65.5%	64.0%	62.6%
Rail transportation	1.5%	0.9%	3.2%
Communications	0.2%	0.0%	0.0%
MEU total	17.2%	0.0%	0.4%
Mining	0.0%	0.0%	0.4%
Energy	17.2%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%
Consulting	0.0%	0.0%	0.0%
New Growth Areas total	15.7%	35.1%	33.9%

Currency Mix (%)

	Q1 FY23	Q4 FY22	Q1 FY22
USD	89.9%	85.1%	62.3%
EURO	3.2%	2.8%	3.4%
AUD	0.0%	0.0%	0.0%
Others	6.9%	12.1%	34.2%

By Business Unit (%) (Old Structure)

	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	66.9%	64.9%	65.6%
Aerospace	65.5%	64.0%	62.4%
Rail transportation	1.5%	0.9%	3.2%
C&U total	0.2%	0.0%	0.4%
Communications	0.2%	0.0%	0.4%
Utilities	0.0%	0.0%	0.0%
Portfolio total	32.9%	35.1%	34.1%

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

No. of Million \$ Clients

	Q1 FY23	Q4 FY22	Q1 FY22
5 Mn+	7	9	7
2 Mn+	11	11	11
1 Mn+	13	15	15
New Clients Added	0	0	0

Key Operational Metrics

	Q1 FY23	Q4 FY22	Q1 FY22
Headcount	567	594	607
DSO (in Days)	85	73	112
DPO (in Days)	65	68	91
Customer Advance (in Days)	82	65	53
Inventory (in Days)	189	183	107
Total Cash (₹ Million)	950	1219	310

● 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

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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; IG Partners South Africa (Pty) Ltd; Workforce Delta Pty. Ltd.; Grit Consulting Pte. Ltd.; Celfinet - Consultoria EM Telecomunicacoes S.A.; Metemesonip, Unipessoal Lda; Celfinet UK Telecommunications Consulting Services Ltd.; Celfinet Espanã Consultoria en Telecomunicaciones; Celfinet (Brasil) - Consultoria em Telecomunições, Ltda, Celfinet Mozambique, Lda

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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