

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 office environment.

INVESTOR PRESENTATION

Annexure

Q1 FY24



● Message from the Management



**KRISHNA
BODANAPU**

Executive Vice
Chairman &
Managing Director

Commenting on the results, Mr. Krishna Bodanapu, Executive Vice Chairman and Managing Director, said “Cyient witnessed positive Q1 FY24 results, with quarterly group revenue at \$205.3 Mn, growth of 28.6% YoY in constant currency. Cyient Digital, Engineering & Technology (DET) business includes the erstwhile Services business (core services and acquisitions) and a small portion of Engineering Parts business which was earlier classified under DLM. DET revenue at \$177.1 Mn, growth of 0.3% QoQ and 30.6% YoY in constant currency, driven by growth across the Transportation, Sustainability and Automotive BU’s. The normalized Group EBIT margins, at 14.7%, is higher by 322 bps YoY.

We won 6 large deals in DET with a total contract potential of \$48.8 Mn in this quarter. The order intake stood at \$193.2 Mn, up 32.5% YoY. Our pipeline for the year looks robust. We continue to strengthen our technology offerings and remain focused on building solutions across key megatrends. Our full year outlook ahead continues to be strong, we expect 15-20% growth for DET driven by strong order intake, large deals pipeline, and growth in key accounts.”

● Message from the Management



**PRABHAKAR
ATLA**
President & CFO

Commenting on the results, Mr. Prabhakar Atla, President and Chief Financial Officer, said, “Q1 FY24 witnessed a well-balanced performance in line with our expectations.

DET revenue grew by 0.3% sequentially in cc terms and 30.6% YoY. DET EBIT margins, at 16.1%, were highest in last 9 years, up by 93 bps QoQ driven by improvements in SG&A costs resulting from optimization initiatives. We remain confident of our margin trajectory and have upgraded the full year guidance range (+150 to 250 bps YoY). DET FCF for the quarter, at ₹1,761 Mn, grew by 150.5% YoY with a strong conversion of 108.9% on reported PAT.

We witnessed robust performance in key verticals including Aerospace (+2.3% cc QoQ), Sustainability (+4.5% cc QoQ) and Automotive (+3.1% cc QoQ). We will continue to build on this foundation in Q2 FY24 while remaining vigilant to deal with macro uncertainty.”

● Glossary

- **Cyient Group Business Segments:**
 - **Cyient DET:** Digital, Engineering & Technology
 - **Cyient DLM**
 - **Cyient Others[^]**
- **Cyient DET:** Consolidated Services + Engineering Parts business*
 - **Transportation:** Aerospace + Rail Transportation
 - **Connectivity:** Communications
 - **Sustainability:** Mining, Energy & Utilities
 - **New Growth Areas:** Medical, Semiconductor, Hi-Tech and Automotive

**Engineering Parts business was included in Cyient DLM segment earlier*

[^]Cyient Others: Aerospace Tooling business (Included in DLM segment earlier)

Note: Prior period numbers do not include Engineering Parts business



DET Metrics

● DET Income Statement

Income Statement ₹ Mn	Q1 FY24	Q4 FY23	Q1 FY23
Operating Revenue (\$ Mn)	177.1	176.2	137.1
Operating Revenue (₹ Mn)	14,546	14,489	10,604
Cost of Revenue	8,759	8,381	6,204
Gross profit	5,787	6,108	4,400
Gross margin %	39.8%	42.2%	41.5%
Sales and Marketing	498	506	418
General and Administration	2,333	2,746	2,184
EBITDA (Normalised)	2,956	2,857	1,798
EBITDA margin %	20.3%	19.7%	17.0%
Depreciation and Amortization	620	666	442
EBIT (Normalised)	2,335	2,191	1,356
EBIT margin %	16.1%	15.1%	12.8%
Financial expenses	215	188	130
Other income	93	22	273
Profit before tax (PBT) (Normalised)	2,213	2,024	1,499
Tax	511	419	410
Profit After Tax (Normalised)	1,702	1,606	1,089
Basic EPS (₹) (Normalised)	15.5	14.7	10.0
One off/ Exceptional item (Post tax)	85	127	0
Profit After Tax (Reported)	1,617	1,478	1,089
Basic EPS (₹) (Reported)	14.8	13.5	10.0

● DET Cash Generation for the Quarter

Cash Flow Summary (₹ Mn)

DET	Q1 FY24	Q4 FY23	Q1 FY23
Profit before tax	2,102	1,797	1,496
(+/-) Non-cash & non-operating items	890	795	553
Operating profit before WC changes	2,992	2,592	2,049
(+/-) DSO Movement (Receivables)	91	-781	-1,323
(+/-) Other WC changes	-773	407	-80
Operating CF after WC changes	2,310	2,218	646
(+/-) Taxes	-522	-233	190
(+/-) Capex	-27	-138	-133
FCF	1,761	1,847	703
FCF to EBITDA Conversion[^]	60.9%	70.1%	35.3%
FCF to PAT Conversion	108.9%	124.9%	64.6%

[^]EBITDA used for FCF conversion includes other income part of cash flow from operations

Cash Position (₹ Mn)

DET	Q1 FY24	Q4 FY23	Q1 FY23
Cash & Cash Equivalent including treasury investments	9,238	9,133	12,737
Cash & Bank balances	6,076	5,208	3,202
Investments in FDs	141	347	6,574
Investment in MFs and Commercial Papers	1,051	1,290	861
Other treasury investments	1,970	2,288	2,100

Note: Above cash position includes pending dividend disbursement of ₹1,792 Mn. This was disbursed in July'23

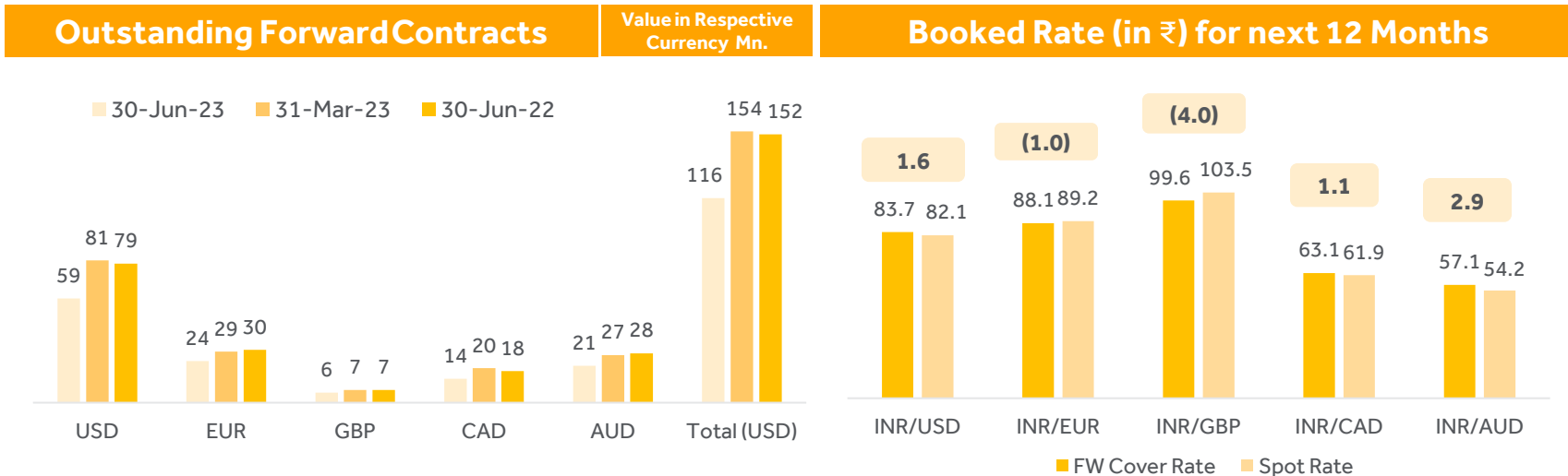
● DET Other Income

DET (₹ Mn)	Q1FY24	Q4FY23	Q1FY23
Income from Investments	75	53	95
Realised gains/(losses) on Fwd Contracts	-38	-47	144
Unrealised Fx gains/(losses)	119	-89	-25
Others	-63	105	59
Other Income	93	22	273

Currency Movement	Q1 FY24		Q4 FY23		Q1 FY23	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	80.4	82.2	78.6	82.2	77.1	77.6
EUR	87.4	89.8	89.9	88.9	94.0	82.4
GBP	100.9	103.2	105.9	100.5	108.9	96.9
AUD	56.8	54.6	56.7	56.3	59.4	54.8
CAD	62.5	61.0	61.8	60.7	63.2	60.6

Forward and spot rates represent average of monthly rates

DET Hedge Book



- Considering the current economic conditions & volatility in the currencies, we have aligned to hedge only USD / INR pair upto 40% of H1 FY25 net inflows. We will continue to monitor the fx movements every month end & update our hedge position accordingly for all the currency pairs (USD, GBP, EUR, AUD, CAD). 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 June '23 is **\$116 Mn** (\$116 Mn in constant currency considering 31st Mar 2023 rates)

● DET Other Metrics (1/2)

Revenue by Geography (%)

DET	Q1 FY24	Q4 FY23	Q1 FY23
Americas	43.2%	46.0%	53.0%
Europe, Middle East, Africa	34.4%	34.4%	21.8%
Asia Pacific (including India)	22.4%	19.6%	25.2%

Onsite/offshore Revenue Split (%)

DET	Q1 FY24	Q4 FY23	Q1 FY23
Onsite	55.6%	55.6%	50.0%
Offshore	44.4%	44.4%	50.0%

Note: Q4 FY23 offshore revenue % was incorrect. It has been rectified now

Revenue by Currency (%)

DET	Q1 FY24	Q4 FY23	Q1 FY23
USD	43.7%	44.9%	53.6%
EURO	18.2%	19.5%	9.9%
GBP	7.8%	8.3%	7.7%
AUD	12.3%	10.0%	12.4%
Others	18.0%	17.4%	16.4%

Note: Revenue currency mix for previous period have been restated including acquisitions

● DET Other Metrics (2/2)

Employees

DET	Q1 FY24	Q4 FY23	Q1 FY23
Total Headcount	15,306	15,172	13,581
Technical & Pool	14,386	14,263	12,599
Non-Technical	380	372	473
Support	540	537	509
Voluntary Attrition (LTM)	23.0%	25.7%	28.6%

Top Clients: Revenue Contribution (%)

DET	Q1 FY24	Q4 FY23	Q1 FY23
Top 5	29.6%	27.8%	32.1%
Top 10	39.2%	39.2%	43.7%

Note: Above metrics include the clients of entities acquired in FY23. We have restated the previous period metrics accordingly

No. of Million \$ Clients

DET	Q1 FY24	Q4 FY23	Q1 FY23
20 Mn+	7	7	4
10 Mn+	13	13	11
5 Mn+	31	31	25
1 Mn+	90	84	81
New Clients Added	20	13	8



Group Balance Sheet & Income Statement

Extract of Group Balance Sheet

Balance Sheet ₹ Mn	Q1FY24	Q4FY23	Q1FY23
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	553	553	552
- Other equity and Non-controlling interest	38,076	34,082	30,318
Total - Shareholders' funds	38,629	34,635	30,870
Non-current liabilities			
- Long-term borrowings and liabilities	6,484	8,169	3,943
- Long-term provisions	1,656	1,616	1,295
- Deferred tax liabilities (net)	785	830	673
Total - Non-current liabilities	8,925	10,615	5,911
Current liabilities			
- Short-term borrowings	4,189	4,397	6,527
- Trade payables	6,756	7,142	5,798
- Other current liabilities	9,848	6,985	5,410
- Short-term provisions	1,831	1,707	931
Total - Current liabilities	22,624	20,231	18,666
TOTAL - EQUITY AND LIABILITIES	70,178	65,481	55,447
ASSETS			
Non-current assets			
- PPE, ROU assets and Other intangible assets	12,131	12,328	10,495
- Goodwill	16,477	16,363	9,819
- Non-current investments	3,405	3,463	3,430
- Deferred tax assets (net)	548	482	305
- Other non-current assets	851	932	1,024
Total - Non-current assets	33,412	33,568	25,073
Current assets			
- Inventories	4,538	4,358	3,329
- Current investments	1,283	1,718	1,023
- Trade receivables	11,270	11,271	8,288
- Cash and cash equivalents	11,303	7,194	10,785
- Other current assets	8,372	7,372	6,949
Total - Current assets	36,766	31,913	30,374
TOTAL ASSETS	70,178	65,481	55,447

Foreign Exchange Rate

\$/₹	Q1 FY24	Q4 FY23	Q1 FY23
Average	82.15	82.23	77.37
Closing	82.07	82.10	78.92

Group Income Statement

Income Statement ₹ Mn	Q1 FY24	Q4 FY23	Q1 FY23
Operating Revenue (\$ Mn)	205.3	213.0	161.6
Operating Revenue (₹ Mn)	16,865	17,514	12,501
Cost of Revenue	10,695	10,856	7,901
Gross profit	6,170	6,657	4,600
Gross margin %	36.6%	38.0%	36.8%
Sales and Marketing	529	555	402
General and Administration	2,485	2,881	2,252
EBITDA (Normalised)	3,156	3,220	1,946
EBITDA margin %	18.7%	18.4%	15.6%
Depreciation and Amortization	676	726	511
EBIT (Normalised)	2,480	2,494	1,435
EBIT margin %	14.7%	14.2%	11.5%
Financial expenses	278	262	177
Other income	102	5	337
Profit before tax (PBT) (Normalised)	2,304	2,237	1,595
Tax	527	477	435
Profit After Tax (Normalised)	1,767	1,760	1,161
Basic EPS (₹) (Normalised)	16.1	16.1	10.6
One off/ Exceptional item (Post tax)	85	127	0
Profit After Tax (Reported)	1,681	1,632	1,161
Basic EPS (₹) (Reported)	15.4	14.9	10.6

● EBIT and PAT Walk Q1 FY24 – Reported to Normalized

EBIT Walk ₹ Mn	Q1 FY24	Q4 FY23	Q1 FY23
Reported EBIT (Group)	2,369	2,332	1,435
Reported EBIT (DET)	2,225	2,028	1,356
Add: Exceptional Items			
Legal expenses	111 <i>(0.8%)</i>	162 <i>(1.1%)</i>	-
Normalised EBIT (Group)	2,480	2,494	1,435
Normalised EBIT (DET)	2,335	2,190	1,356

(Impact on DET EBIT)

PAT Walk ₹ Mn	Q1 FY24	Q4 FY23	Q1 FY23
Reported PAT (Group)	1,681	1,632	1,161
Reported PAT (DET)	1,617	1,478	1,089
Add: Exceptional Items			
Legal expenses	85	127	-
Normalised PAT (Group)	1,767	1,760	1,161
Normalised PAT (DET)	1,702	1,605	1,089

● About Cyient

Cyient (Estd: 1991, NSE: CYIENT) is a global Digital, Engineering and Technology solutions company. We collaborate with our customers to design digital enterprises, build intelligent products and platforms and solve sustainability challenges. We are committed to designing tomorrow together with our stakeholders and being a culturally inclusive, socially responsible, and environmentally sustainable organization.

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 Canada Inc.; Cyient Defense Services Inc; Cyient Benelux BV; Cyient Schweiz GmbH; Cyient SRO; Cyient NV; 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 Telecomunicações, Ltda, Celfinet Mozambique, Lda; Celfinet Mexico - Consultoria de Telecomunicaciones AS; Sentiec Oyj; Citec Group Oy Ab; Citec Oy Ab; Citec Engineering France Sarl; Citec AB; Citec Information & Engineering GmbH; Citec Group France SAS; Akilea Overseas Ltd.; Citec Norway AS; Citec Engineering India Limited; Cyient Urban Microskill Centre Foundation

Partly owned subsidiary: Cyient Solutions and Systems Private Limited, Cyient DLM Limited

Joint venture: Infotech HAL Ltd

The income statement and cash flow provided is in the internal MIS format. MIS format could be 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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