

A hand is pointing at a laptop screen. On the screen, there is a 3D bar chart with orange bars and a blue line graph overlay. The background is a blurred office setting.

INVESTOR PRESENTATION

Annexure

Q4 FY23 and FY23

● 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 Q4 FY23 results, with the highest quarterly group revenue at \$213.0 Mn, growth of 6.6% QoQ, and 39.1% YoY in constant currency. The services revenue was \$176.2 Mn, growth of 3.2% QoQ and 38.4% YoY in constant currency, driven by growth across the Transportation, Mobility and Sustainability BU’s. The normalized group EBIT margins, at 14.2%, is higher by 136 bps QoQ and lower by 21 bps YoY due to the amortisation costs of acquisitions. The normalised Group EBIDTA margins, at 18.4%, is higher by 118 bps QoQ and 30 bps YoY”

We continue to witness strong momentum across the business, driven by key wins, robust Order Intake, and strong pipeline. We won 5 large deals in core services with a strong total contract potential of \$185.1 Mn this quarter. We also witnessed significant growth across key accounts, with revenue from the top 30 accounts growing at 16.0% YoY in constant currency terms. We have a strong Order Intake at \$212.7 Mn in Q4 FY23, which has contributed to the highest ever group order intake.

Our pipeline for the year has increased with large deals contributing significantly to a strong pipeline. This sets us out for a robust growth potential for the business. We continue to strengthen our technology offerings, focusing on building solutions across key megatrends, such as autonomous world, digital enterprise and decarbonization impacting industries like Automotive, utilities and mining, etc.

Our full year outlook for the year ahead continues to be strong, we expect 15-20% growth for the consolidated services driven by strong order intake, a large deals pipeline, and growth in key accounts.”

● Message from the Management



**AJAY
AGGARWAL**
CFO

Commenting on the results, Mr. Ajay Aggarwal, CFO, said, “Our performance is robust for Q4 and FY23 with many milestones and all-round performance on growth , profitability , cash and dividend payout.

I thank our stakeholders for their trust and support during all the last 12 years to me Cyient .I am proud to be the CFO of Cyient for the past 12 years. The Cyient team and I have always focused on building a strong team, incorporating feedback from our investors, and implementing best-in-class governance practices. We have also been committed to transparency and disclosure, ensuring that you have the information you need to make informed investment decisions. In the last twelve years we have generated excellent returns for investors, our market cap has gone up by 6x, while PAT and FCF have increased by 4x and 13x. We are leading our midcap peers in terms of dividend payout over the last 3-4 years. I am confident with Mr. Prabhakar Atla taking the reins as the new CFO, Cyient will continue to reach newer heights of success.”

● Glossary

- **Core Services:** Organic Services business of Cyient
- **Consolidated Services:** Core Services + FY23 acquisitions
- **Group:** Consolidated Services + DLM
- **Transportation:** Aerospace + Rail Transportation
- **Connectivity:** Communications
- **Sustainability:** Mining, Energy & Utilities
- **New Growth Areas:** Medical, Semiconductor, Hi-Tech and Automotive

Consolidated Operations Metrics

Account Receivables (in Days)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
DSO Total	78	76	78
- Billed	57	54	55
- Unbilled	21	22	23

Foreign Exchange Rate

\$/₹	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Average	82.23	82.15	75.38	80.61	74.55
Closing	82.10	82.82	75.84	82.10	75.84

Consolidated Employee Metrics

Employees

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
Total Headcount	15,864	15,355	13,428
Technical & Pool	14,832	14,318	12,380
Non-Technical	493	433	446
Support	539	604	602
Voluntary Attrition (LTM)*	25.0%	26.5%	26.2%

Note: Attrition is reported on LTM basis from Q1FY23. This is in line with the industry reporting practice. For Q4FY23, quarterly annualised attrition stood at 20.6%

Consolidated Other Financial Metrics

Cash Position (₹ Mn)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
Cash & Cash Equivalent including treasury investments	10,772	8,694	15,689
Cash & Bank balances	6,847	6,048	4,413
Investments in FDs	347	118	8,253
Investment in MFs	1,290	466	704
Treasury investments and Commercial Papers	2,288	2,062	2,319

Capex (₹ Mn)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Capital Expenditure	193	234	120	652	626



Consolidated Income Statement

Income Statement ₹ Mn	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Operating Revenue	17,514	16,182	11,812	60,159	45,344
Cost of Revenue	10,856	10,063	7,293	37,415	28,455
Direct Salary and related costs	6,598	6,361	4,558	23,580	17,713
Direct Travel	167	139	95	607	370
Delivery Management	362	309	249	1,205	915
Material cost	2,211	1,741	1,359	6,695	5,503
Other costs incl Subcontract costs	1,519	1,513	1,032	5,329	3,955
Gross profit	6,657	6,119	4,520	22,743	16,892
Sales and Marketing	555	512	465	1,921	1,726
General and Administration	2,881	2,822	1,918	10,579	6,945
EBITDA (Normalised)	3,220	2,785	2,137	10,244	8,219
Depreciation and Amortization	726	699	429	2,566	1,922
EBIT (Normalised)	2,494	2,086	1,708	7,677	6,297
Financial expenses	262	215	117	1,000	434
Other income	5	275	494	814	1,121
Profit before tax (PBT) (Normalised)	2,237	2,146	2,085	7,490	6,984
Tax	477	518	543	1,839	1,761
Profit After Tax (Normalised)	1,760	1,628	1,542	5,651	5,223
Basic EPS (₹) (Normalised)	16.1	14.9	14.1	51.7	47.8
One off/ Exceptional item (Post tax)	127	67	0	507	0
Profit After Tax (Reported)	1,632	1,560	1,542	5,144	5,223
Basic EPS (₹) (Reported)	14.9	14.3	14.1	47.0	47.8



Extract of Consolidated Balance Sheet

Balance Sheet ₹ Mn	Q4FY23	Q3FY23	Q4FY22
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	553	544	552
- Reserves and surplus	34,082	31,973	30,582
Total - Shareholders' funds	34,635	32,517	31,134
Non-current liabilities			
- Long-term borrowings and liabilities	8,169	4,613	2,424
- Long-term provisions	1,616	2,132	1,347
- Deferred tax liabilities (net)	830	894	345
Total - Non-current liabilities	10,615	7,639	4,116
Current liabilities			
- Short-term borrowings	4,397	7,863	3,241
- Trade payables	7,142	6,940	5,259
- Other current liabilities	6,985	6,134	3,359
- Short-term provisions	1,707	1,041	764
Total - Current liabilities	20,231	21,978	12,623
TOTAL - EQUITY AND LIABILITIES	65,481	62,134	47,873
ASSETS			
Non-current assets			
- Property, plant and equipment	12,328	12,739	7,398
- Goodwill	16,363	15,988	6,185
- Non-current investments	3,463	3,168	3,582
- Deferred tax assets (net)	482	522	248
- Other non-current assets	932	1,006	1,488
Total - Non-current assets	33,568	33,423	18,901
Current assets			
- Inventories	4,358	4,517	2,790
- Current investments	1,718	888	866
- Trade receivables	11,271	10,261	7,333
- Cash and cash equivalents	7,194	6,166	12,666
- Other current assets	7,372	6,879	5,317
Total - Current assets	31,913	28,711	28,972
TOTAL ASSETS	65,481	62,134	47,873

Consolidated Cash Flow Movement

₹ Mn	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Free cash flow from operations (Normalised)	2,452	1,157	1,225	4,887	5,719
Investment in non current investments	(263)	564	142	(134)	(2,557)
Settlement of purchase/deferred consideration consideration pertaining to new/prior year acquisitions	(121)	(137)	(0)	(8,989)	(225)
Interest received	182	58	75	472	545
Finance costs paid	(207)	(235)	(47)	(658)	(166)
Proceeds/(Repayment) of borrowings, net	19	(4,993)	(174)	3,185	75
Repayment of lease liabilities	(436)	(368)	(282)	(1,395)	(953)
Proceeds from issue of equity shares	21	25	20	79	123
Dividend paid	3	(1,105)	0	(2,630)	(2,952)
Purchase of equity shares by ASOP trust	(4)	(8)	0	0	(950)
Others	205	295	78	296	62
Net change in cash	1,852	(4,747)	1,038	(4,886)	(1,280)
Opening cash position (excl. treasury investments)	6,632	11,379	12,333	13,370	14,650
Closing cash position (excl. treasury investments)	8,484	6,632	13,370	8,484	13,370

Other Income

All Figures in ₹ Mn	Q4FY23	Q3FY23	Q4 FY22	FY23	FY22
Income from Treasury					
Interest on Investments/Deposits	39	44	134	271	473
Dividend on Mutual Funds	13	6	4	29	12
Subtotal (A)	53	50	138	300	485
Realised gains/(losses) on Fwd Contracts (B)	(47)	18	153	172	388
Unrealised Fx gains/(losses) (C)	(117)	161	56	48	27
Others					
Interest on IT Refunds	0	0	0	53	0
Reversal of Old provisions	1	0	10	1	10
Rents received	3	4	5	15	11
Tax incentives on export of merchandise	0	0	42	0	42
Others	112	43	90	225	157
Subtotal (D)	116	46	147	295	220
Grand total (A+B+C+D)	5	275	494	814	1,121

Currency Movement	Q4 FY23		Q3 FY23		Q4 FY22	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	78.6	82.2	78.5	82.3	76.4	75.5
EUR	89.9	88.9	90.7	84.8	92.5	84.1
GBP	105.9	100.5	105.4	97.5	106.2	100.3
AUD	56.7	56.3	57.0	54.4	59.5	54.5
CAD	61.8	60.7	62.1	60.3	60.6	59.7

Forward and spot rates represent average of monthly rates

For the quarter

- Forward contract loss is ₹47 Mn, unfavorable QoQ movement of ₹65 Mn, mainly due to loss in USD; lower gains in GBP, EUR and AUD contracts
- Unrealized Fx loss is ₹117 Mn, unfavorable QoQ movement of ₹278 Mn, due to lower restatement gain in India and losses in all the geographies
- Others, higher by ₹70 Mn, mainly due to gain on termination of leases and gain on fair valuation of non-current investments

For the year

- Treasury income is lower due to utilization of cash for acquisitions
- Forward contract gain is ₹172 Mn, unfavorable YoY movement of ₹217 Mn, due to loss in USD partially offset by higher gains in other currencies
- Others, higher by ₹74 Mn, mainly due to interest on IT refund of ₹53 Mn



Cyient Metrics (Services)

Cyient Metrics (Services) (1/3)

By Geography (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Americas	46.0%	48.1%	55.5%	49.2%	53.7%
Europe, Middle East, Africa	34.4%	32.8%	25.9%	29.7%	27.3%
Asia Pacific (including India)	19.6%	19.0%	18.5%	21.1%	19.1%

By Business Unit (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Transportation	29.5%	27.3%	36.1%	29.9%	37.6%
Connectivity	26.4%	28.0%	28.7%	28.7%	28.3%
Sustainability	25.7%	25.5%	15.7%	22.1%	15.4%
New Growth Areas	18.4%	19.2%	19.5%	19.4%	18.7%
Total with Acquisitions	100.0%	100.0%	100.0%	100.0%	100.0%

Onsite/offshore Revenue Split (Consolidated Services) (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Onsite	56.1%	53.9%	48.4%	53.9%	50.4%
Offshore	43.9%	46.2%	51.6%	46.1%	49.6%

Onsite/offshore Revenue Split (Core Services) (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Onsite	46.6%	46.4%	48.4%	47.5%	50.4%
Offshore	53.4%	53.6%	51.6%	52.5%	49.6%

Cyient Metrics (Services) (2/3)

Currency Mix (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
USD	54.7%	56.9%	52.2%	54.8%	51.8%
EURO	8.0%	9.2%	11.1%	7.9%	12.4%
GBP	8.3%	7.8%	9.6%	9.1%	9.4%
AUD	11.0%	10.1%	11.2%	11.6%	12.4%
Others	17.9%	16.0%	15.9%	16.6%	14.0%

Note: Above currency excludes the impact acquisitions made in FY23

Utilization (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Utilization	86.6%	90.9%	86.1%	85.8%	85.2%

Above utilisation % excludes the impact of acquisitions

Account Receivables (in Days)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
DSO Total	84	81	80
- Billed	59	55	53
- Unbilled	25	26	27

Cyient Metrics (Services) (3/3)

Top Clients: Revenue Contribution (%)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Top 5	26.8%	25.9%	30.6%	28.2%	32.9%
Top 10	36.1%	35.8%	42.6%	38.2%	45.2%

No. of Million \$ Clients

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
20 Mn+	7	6	3
10 Mn+	14	12	11
5 Mn+	31	31	25
1 Mn+	84	84	78
New Clients Added	13	18	16

Employee

Particulars	Q4 FY23	Q3 FY23	Q4 FY22
Total Headcount	15,172	14,693	12,834
Technical & Pool	14,263	13,813	11,832
Non-Technical	372	360	444
Support	537	520	558

● 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 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.

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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