



**INVESTOR
PRESENTATION**

Q1 FY24



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● Leadership Team



KRISHNA BODANAPU
Executive Vice-Chairman &
Managing Director



KARTHIK NATARAJAN
Executive Director & CEO



PRABHAKAR ATLA
President & CFO



Business Highlights

- Business Highlights for the Group



Financial Highlights

- DET (Digital, Engineering & Technology)
- Group



DET Business Update

- BU performance
- Business Outlook
- Innovative Technology Solutions and Programs

Annexures



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● Business Highlights for the Quarter

Cyient DLM IPO

- Received overwhelming response to the IPO – Subscribed 71x times
- Successfully listed on the NSE & BSE on 10th July
- Marquee shareholder base
- Will enable Cyient DLM to chart its own growth trajectory in a sunrise industry

US DoJ Case - Update

- Case against a Cyient executive on grounds of alleged violation of Sherman Act has been dismissed in April 2023
- The associated civil class action lawsuit naming Cyient Inc. as a co-defendant continues
- We strongly deny all allegations and are taking all necessary steps for our defense
- Matter will have no materially adverse effect on the Company's operations, finances, or liquidity

ESG Update

- Dow Jones Sustainability Index (DJSI) - Benchmark for sustainable business practices that generate long-term shareholder value
- Cyient's DJSI ESG score stood at 66 in 2022 - surpassed industry average in all categories



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● 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)

● Financial Highlights for the Quarter – DET

177.1M\$

Revenue (\$)

+0.3%* cc QoQ | +30.6% cc YoY

1,455 CR₹

Revenue (₹)

+0.4% QoQ | +37.2% YoY

16.1%

EBIT[^]

+93 bps QoQ | +327 bps YoY

170 CR₹

PAT[^]

+6.0% QoQ | +56.3% YoY

15.5 ₹

EPS[^]

+6.0% QoQ | +55.9% YoY

176 CR₹

(108.9% conversion on PAT)

FCF

-4.7% QoQ | +150.5% YoY

**Revenue includes Engineering Parts business. Like-to-like growth rate excluding Engineering Parts is -0.2% cc QoQ*

[^]EBIT, PAT and EPS are excluding the impact of exceptional item. Refer slide 15 of annexures for details

● Financial Highlights for the Quarter - Group

205.3M\$

Revenue (\$)

+28.6% cc YoY

1,687 CR₹

Revenue (₹)

+34.9% YoY

14.7%

EBIT[^]

+322 bps YoY

177 CR₹

PAT[^]

+52.2% YoY

16.1 ₹

EPS[^]

+51.9% YoY

95 CR₹

(56.7% conversion on PAT)

FCF

+59.9% YoY

[^]EBIT, PAT and EPS are excluding the impact of exceptional item. Refer slide 15 of annexures for details



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● BU Performance for the Quarter

Revenue US\$ Mn	Q1 FY24	QoQ (cc)	QoQ (\$)	YoY (cc)	YoY (\$)
Transportation*	53.8	3.2%	3.5%	19.0%	17.7%
Connectivity	45.4	-2.4%	-2.3%	13.3%	10.9%
Sustainability	47.4	4.5%	4.4%	112.3%	109.0%
New Growth Areas	30.5	-6.5%	-5.9%	10.8%	9.9%
DET	177.1	0.3%	0.5%	30.6%	29.2%

Order Intake (US\$ Mn)

Particulars	Q1 FY24	QoQ	YoY
DET	193.2	-12.2%	32.5%

Note: 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

- DET Offshore revenue mix for Q1 FY24 at **44.4%**^ (Q4 FY23 – 44.4%)
- **Won 6 large deals in DET business with total contract potential of \$48.8 Mn in Q1 FY24**

**Transportation Q1FY24 revenue includes Engineering Parts business. Like-to-like growth rate excluding Engineering Parts is 1.6% cc QoQ*

^ Q1 FY24 Offshore revenue mix includes Engineering Parts business. Like-to-like offshore revenue mix excluding Engineering Parts is 44.6%



**BUSINESS
PERFORMANCE
& OUTLOOK**

● Business Performance & Outlook

Increasing economic activity in emerging markets, investments around Green Transportation/Energy Transition/Defense & Security/Digital Health/Automotive, faster paced technology adoption and focus on decarbonization will facilitate the engineering services market growth, despite the markets continuing to be influenced by macroeconomic challenges, geopolitical changes, soaring wage inflation, higher interest rates, talent shortage and economic slowdown. The focus will be more on the growth prospects in the fast-growing segments, while maintaining & sustaining the position in the slow-growing segments. Engineering companies continue their innovation spree with top focus on time to market, adoption of technology and enabling sustainability.

Transportation: Aerospace outlook is optimistic with stronger aircraft demand and investments in modular designs, variants & upgrades of existing platforms and sustainability requirements. Increased Defense spending, Safe/Efficient advanced air-mobility solutions will drive growth. For Rail, the growth opportunities will increase as the focus continues to be on green transportation, enhancing safety in Signaling and Autonomous operations. Hybrid-electric, Hydrogen propulsion for Rail and Sustainable Aviation Fuel for Aerospace propulsion will also bring in additional business opportunities.

Connectivity: Investments in Fibre supported by Government spending around RDOF & BEAD programs continue to be the drivers of growth. services. Continuous demand for development and deployment of private, public and enterprise networks and as well as enhanced usage of digital applications to improve costs and customer experience, will bring growth in this sector. Network Management / Testing and Network Operation & Optimization, digitalization and pervasive use of data driven applications will drive more demand.

Sustainability: As governments across the globe take initiatives to boost sustainability, enterprises will continue to increase their sustainability initiatives and efforts. Increased demand for energy minerals like Li, Ni, zinc, cobalt, copper etc. and investment in decarbonization related-mining, will emphasize the need for Intelligent, Safe, Autonomous and Sustainable Mine Operations. For Energy and Utilities Company, transition to a lower carbon integrated energy systems and the increase in distributed generation would mean transition of Distribution Network Operators (DNOs) to become Distribution System Operators (DSOs). Renewables will dominate the growth of global electricity supply and increased spend to enhance reliability, grid stability, security and renewable integration will become the drivers for new business generation. Hydrogen & Ammonia based green energy and Carbon Capture Utilization and Storage are also becoming the drivers for new business opportunities.

New Growth Areas: The growing amount of developmental activity and the technology revolution in the auto sector due to emerging technologies such as safe/autonomous vehicles and electrification, powered by cognitive and machine learning, is expected to drive the demand for engineering services. Investments will be pumped to the growth of the software-defined vehicle, with emphasis to connected vehicles, autonomous drive capabilities, EVs and other alternate energy vehicles. For Healthcare sector, we see continuous investments and opportunities in Predictive, Proactive and Personalized patient care, Connected devices, Digital platforms, shift to value-based care and need for accelerated testing. Semiconductors will experience increased demand from HPC, AI and Auto segments.

● Innovative Technology Solutions and Programs (1/2)

Trends	Technology Solutions / Programs
Autonomous Systems & Processes	Semi-autonomous drive, collision & obstacle avoidance for industrial construction equipment using its perception system.
	Development and execution of automated test scripts to ensure quality and security of cutting-edge Cyber Security projects .
	Integration of Robotic arm mounted on mobile cart with movement control, for a healthcare OEM
	Passive ADAS features development and integration for a US customer for EV Truck
Intelligent & Connected Products	Accelerated Smart and Connected Device Dev using CyMedge: Flexible, scalable and re-usable pre-validated SW/HW platform/framework based on Cyient's Middleware SW & off-the-shelf HW.
	Software Defined / Virtual ECU: Core embedded engineering, vehicle application software, tool development and verification & validation work.
Nextgen Connectivity	Network Analytics & Automation: Cloud enabled AI driven analytical tool to detect & predict the anomalies within the network and resolve using zero-touch automation concepts .
	Enhancing NOC experience by predicting & detecting the anomalies within the network, identifying the root causes within the network and providing digital twin solution.
	Enhancing the customer & field management experience through technical analysis from knowledge management solutions and process enhancements for copper & fiber network .
Sustainability	Hydrogen, carbon capture & energy storage , in collaboration with a leading automation & digitization company, to develop ideas for HTL technology (wastewater sewage to run, gas turbines towards sustainable operations).
	Enhanced Grid Analytics to integrate AMI data into ESRI footprint with a Detroit-based diversified energy company
	Alternative fuels: Working on various engineering projects for delivering gas power plants , for a multi-fuel powered data center with battery storage.
	Renewable fuels: Executing Engineering projects for a heat pump plant to a natural gas and electrical energy producer and for an electrolyte facility targeted for manufacturing battery storages for renewable energy sources. ● ● ●

Innovative Technology Solutions and Programs (2/2)

Trends	Technology Solutions / Programs
Generative AI	CyChat: Implementing conversational AI systems for distributing the contextual content to various stakeholders in human like natural language
	CyVision: Video intelligence platform that enables to identify the objects such as vehicles and persons from live videos using deep learning models.
	CyData: A Data platform that enables customers to stream real time and onboard batch data from multiple sources to provide insights and predictions.
Digital Platforms & Customer Experience	PLM : Developing an Integrated Product Development Solution for Med Device Manufacturer on Team Center Platform
	Regulatory Compliance Offering using CyARC: Cyient's regulatory compliance platform provides regulatory workflow management, Regulatory Compliance – Augmented Gap analysis.
	Platform and Application Engineering for Digital Health using Platform X: Cyient's Framework for platform-based industry solutions; as an ensemble of modular and re-usable building blocks.
	AI powered Software Testing CyFAST: Cyient's Framework for Automated System and Software Testing (CyFAST) is an AI-powered end-to-end test integration and automation platform
	Digitalization of Nuclear Power Plants: Working on digitalization for creating a “ single source data digital twin platform ” for accelerating the nuclear industry's standardization & modernizing engineering collaboration.
	Industrial Data Fabric: IDF is an ecosystem of partner technologies and AWS services that enable realization of Industry 4.0 Use cases at scale.
	Smart Hub: Development of field map solution using ESRI framework in order to automate field data collection and Implementation of Field Service Management solution and integrating SAP – PMS, GIS & other applications
Enhanced Operational Grid Analytics using IDMS 2.0 : IDMS 2.0 is data governance & smart grid analytics solution that accelerates data readiness of multiple systems for ADMS integration , Digital Twin Planning and DER integration	

● Outlook

- In FY24, we expect DET revenue growth to be in the range of **15 – 20%** YoY in constant currency terms
- We expect FY24 DET normalized* EBIT margins to improve by **150 – 250 bps** YoY

● 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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