

INVESTOR PRESENTATION

AXISCADES Technologies Limited

CIN NO : L72200KA1990PLC084435

Disclaimer

Certain statements in this communication may be considered as ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

AXISCADES Technologies Limited (ACTL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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AXISCADES Overview

AXISCADES is a **Technology Company** focusing on **Product Engineering Solutions**, serving **Global OEMs**

Aerospace



- Design & Analysis - Primary & Secondary Structures, Aircraft Interiors
- MSI and ESI, Electrical harness
- Manufacturing Engineering
- In-Service support - Repairs

Heavy Engg.

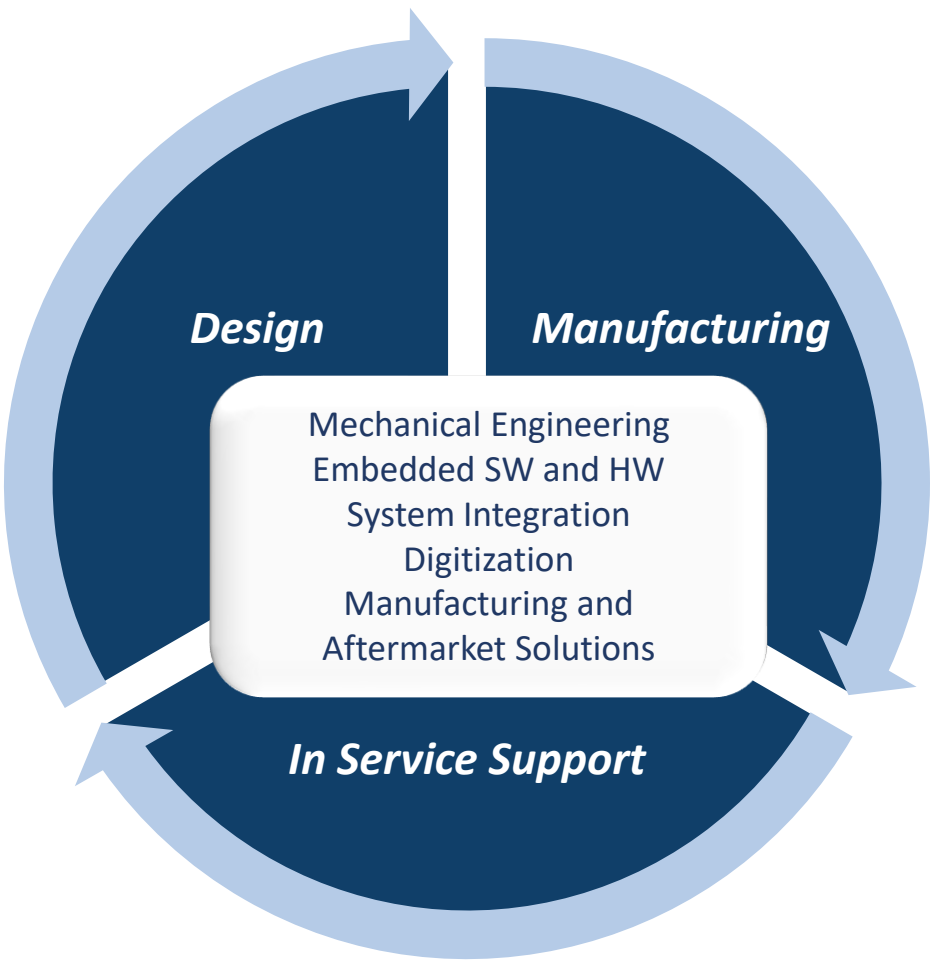


- Structures, Cabin Design
- Engine, Powertrain
- Electrical, Lube, Hydraulic systems Design
- Digital Manufacturing

Energy



- Design, Analysis - Tower, Generator, Hub, Spinner, Nacelle, Yaw, Blade
- Mechanical & Electrical Routing
- Wind Resource Analysis
- Advanced FE Simulations



Defence & Homeland Security

- Avionics, Radar/EW, C4I2
- Automated Test Solutions
- Simulators, UAVs
- GSE/GHE
- System Integration
- Offset Management



Automotive

- Design, Analysis
- BIW/CIW
- Interior & Exterior
- Engines, Powertrain
- Cost Optimization & Localization



Medical & Healthcare

- Health Monitoring Devices
- Infusion Pumps & Insulin Delivery
- Product Sustenance
- Regulatory Compliance



Strategic partner to global OEMs for **Innovative, Sustainable, Safer & Smarter Products**.

Financial Highlights for FY22

- Revenue at **INR 6,084 Mn** compared to INR 5,174 Mn in FY21, **grew by 17.6% Y-o-Y**
- USD revenue at \$81.9 Mn growth of 17.5% Y-o-Y
- EBITDA at INR 797 Mn at 12.9%; grew by 22.8%* Y-o-Y
- PAT at INR 227 Mn compared to loss of INR (212) Mn in FY21
- Strong revenue addition in Aerospace Y-o-Y; **grew by 32.6% Y-o-Y**
- Heavy Engineering & Others grew by 28.2% Y-o-Y and AIP grew by 46.3% Y-o-Y
- Order book of \$70.0 Mn as on 31st Mar-2022; growth of 49.4% Y-o-Y

** Increase in EBITDA by 22.8% is after excluding Covid grants and Covid cost rationalization*

Financial Highlights for Q4FY22

- Revenue at **INR 1,919 Mn; Highest in last 8 Quarters, growth of 13.3% Q-o-Q and 31.3% Y-o-Y**
- USD revenue at \$25.7 Mn growth of 13.0% Q-o-Q and 29.2% Y-o-Y
- Q-o-Q Consistent growth recorded from Q1 FY22
- EBITDA at INR 317 Mn at 16.2% compared to 11.8% in Q3 FY22; **Improved by 440 BPS**
- PAT at INR 106 Mn; **grew by 34.3% Q-o-Q**
- Aerospace revenue for the quarter stands at INR 430 Mn; **highest in last 8 quarters**
- Total debt in the company stands at INR 488 Mn compared to INR 728Mn as on 31st Mar-2021

Business and Operational Highlights: Q4 FY22

- Established an Offshore Development Center (ODC) at Hyderabad for an Energy client
- Set up a new office in Montoir de Bretagne, France to further increase market presence and facilitate continued expansion
- Commenced an engagement with one of the largest Aerospace companies globally
- Added 5 new customers; 1 in Aero, 2 in Automotive and 2 in Heavy engineering
- Strong pipeline in Strategic Technology Solutions vertical

Consolidated Financial Performance – Q4 FY22 & FY22

Particulars (INR Mn)	Q4 FY21	Q3 FY22	Q4 FY22	FY21	FY22
Revenue	1,461	1,693	1,919	5,174	6,084
Other Operating Income	28	6	8	65	19
Other Income	31	3	28	145	91
Total Revenue	1,520	1,702	1,956	5,383	6,194
Cost of Material consumed	323	398	515	985	1,167
Employee Benefit Exp	701	813	825	2,666	3,121
Other Expenses	265	290	298	947	1,109
EBITDA	231	201	317	785	797
EBITDA Margin	15.2%	11.8%	16.2%	14.6%	12.9%
Depreciation and Amortization	61	61	72	260	251
EBIT	170	140	245	525	547
EBIT Margin	11.2%	6.3%	12.5%	9.7%	8.8%
Finance cost	47	36	41	225	158
Profit before non-controlling interest / share in net profit of associate / Exceptional items	123	104	204	300	389
Share in net Profit/(Loss) of associate	0	-1	-4	4	-5
Exceptional Items	-198	-	-17	-408	-17
Tax	30	23	78	108	141
PAT	-105	79	106	-212	227
PAT Margin	-6.9%	4.7%	5.4%	-3.9%	3.7%
EPS	-2.81	2.07	2.78	-5.74	5.86

Key highlights Q-o-Q

- Revenue growth of 13.3% driven by growth in HEG and Product & Solutions vertical
- EBITDA stands at INR 317 Mn; 16.2%, compared to 11.8% in Q3 FY22, improved by 440 bps mainly due to improvement in operating performance
- PAT at INR 106 Mn, compared to INR 79 Mn in Q3 FY22

Key highlights Y-o-Y

- Revenue growth of 17.6% driven by increased activity in the Aerospace & HEG spaces
- EBITDA stands at INR 797 Mn; 12.9%, compared to 14.6% in FY21. Adjusted EBITDA margin* stands at 12.5% in FY22 compared to 11.7% in FY21.
- PAT at INR 227 Mn, compared to loss of INR (212 Mn) in FY21

* Increase in EBITDA Margin by 80 BPS is after excluding Covid grants and Covid cost rationalization

Revenue Details Q4FY22 & FY22

Revenue	Q4 FY21	Q3 FY22	Q4 FY22	QoQ	YoY
US\$ Mn	\$ 19.9	\$ 22.7	\$ 25.7	13.0%	29.2%
INR Million	1,461	1,693	1,919	13.3%	31.3%

Revenue by Vertical	Q4 FY21	Q3 FY22	Q4 FY22	QoQ	YoY
Engineering Design Services	64.6%	83.9%	71.3%	-4.3%	20.0%
Strategic Technology Solutions	35.4%	16.1%	28.7%	57.4%	46.8%

Revenue by Industry	Q4 FY21	Q3 FY22	Q4 FY22	QoQ	YoY
Aerospace	20.2%	25.0%	22.4%	1.7%	46.2%
HEG & Others	39.7%	41.1%	44.0%	21.4%	45.8%
AIP	2.6%	3.4%	2.6%	-12.5%	36.2%
Energy	1.6%	1.8%	1.7%	10.7%	39.0%
Products and Solutions	35.9%	28.8%	29.3%	15.6%	7.8%

Revenue By Geography	Q4 FY21	Q3 FY22	Q4 FY22	QoQ	YoY
Europe	32.1%	40.9%	29.2%	-19.0%	20.2%
USA	37.0%	35.3%	39.5%	27.0%	40.8%
APAC	24.1%	18.8%	27.1%	63.3%	48.4%
Canada	6.9%	5.0%	4.2%	-4.0%	-19.1%

Revenue by Location	Q4 FY21	Q3 FY22	Q4 FY22	FY21	FY22
Offshore	73.1%	73.0%	75.7%	68.3%	70.8%
Onsite	26.9%	27.0%	24.3%	31.7%	29.2%

Revenue by Project	Q4 FY21	Q3 FY22	Q4 FY22	FY21	FY22
Fixed Price	58.9%	58.7%	61.6%	55.3%	54.0%
Time & Material	41.1%	41.3%	38.4%	44.7%	46.0%

FY 21	FY22	YoY
\$ 69.7	\$ 81.9	17.5%
5,174	6,084	17.6%

FY 21	FY22	YoY
70.1%	74.2%	23.2%
29.9%	25.8%	0.7%

FY 21	FY22	YoY
22.6%	25.6%	32.6%
42.6%	46.4%	28.2%
2.9%	3.4%	46.3%
2.1%	2.0%	11.6%
29.8%	22.5%	-11.2%

FY 21	FY22	YoY
33.4%	32.1%	12.8%
38.6%	41.0%	24.9%
21.1%	20.7%	15.5%
6.9%	6.2%	5.6%

Key Takeaways

- Engineering vertical grew by 23.2% Y-o-Y driven mainly by increased business across the vertical
- Strategic Technology Solutions remained flat Y-o-Y mainly due to supply chain issues
- Aerospace grew by 32.6% Y-o-Y; mainly due to Increased traction from key client across the Geographies
- HEG grew by 28.2% Y-o-Y driven both by new client additions and expanding relationships with continuing clients
- AIP vertical has grown by 46.3% Y-o-Y mainly due to increased business from recently added clients
- Products and Solutions vertical has decreased by 11.2% Y-o-Y mainly due to supply chain issues
- USA has grown by 24.9% Y-o-Y mainly on the back of increased business from key clients
- Europe has grown by 12.8% Y-o-Y, on account of increased traction in Aerospace clients

Business performance and Outlook

Aerospace

The Aerospace vertical revenue stands at INR 1,574 Mn reflected in a growth of 32.6% Y-o-Y. During the year we also secured a multi-year contract renewal from Airbus and have been recognized as a preferred supplier to Airbus EMES3. In the quarter under review we have also started an engagement with one of the largest Aerospace companies globally. This vertical is witnessing an encouraging recovery and we expect the momentum to continue in the coming quarters. We expect this vertical to do well in FY23.

Heavy Engineering (HEG)

The HEG vertical has delivered strong growth during the quarter and year under review on the back of expansion of work with continuing clients and addition of 9 new clients. In FY2022 HEG grew 28.2% over the previous year. While the outlook for this sector continues to be positive, the business may face some challenges due to inflationary pressure and a slowdown in capex investments.

AIP & Energy

The Automotive vertical witnessed growth of 46.3% Y-o-Y. . Our focus on Automotive is getting good response, due to a relationship we are starting with a Tier-1 Automotive company in the areas of embedded, mechanical and hardware. We are hopeful of addition of more Fortune 500 clients in this space.

The Energy Vertical is growing Q-o-Q since the last 4 quarters. Our earlier investment to add new skills in digital area in this vertical has begun showing results. We expect contribution from this vertical to grow in the coming quarters.

Product & Solutions

FY22 revenue from Product and Solutions has declined mainly due to supply chain issues which we expect to resolve in the coming quarters. Work on the recent deal win for the supply of Anti-drone systems to Indian defence in a partnership has been started and showing good traction. The current order pipeline is strong for FY23 and we are hopeful of additional orders during the year. However, any further impact of Covid-19 may result in a drop in revenue.

About AXISCADES Technologies Ltd.

AXISCADES is a Technology Company focusing on Product Engineering Solutions, serving Global OEMs. Its proven technology products and services, coupled with industry best practices, enable global OEMs to create innovative, sustainable, safer and smarter products.

The company has more than 2,000+ engineers worldwide, offers solutions in mechanical engineering, embedded software and hardware, system integration, manufacturing and aftermarket solutions across domains addressing every stage of product lifecycle development. Headquartered in Bengaluru, AXISCADES has 17 engineering centers worldwide including North America, Europe and Asia.

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