



Q4 FY23 Earnings Presentation

12th May 2023



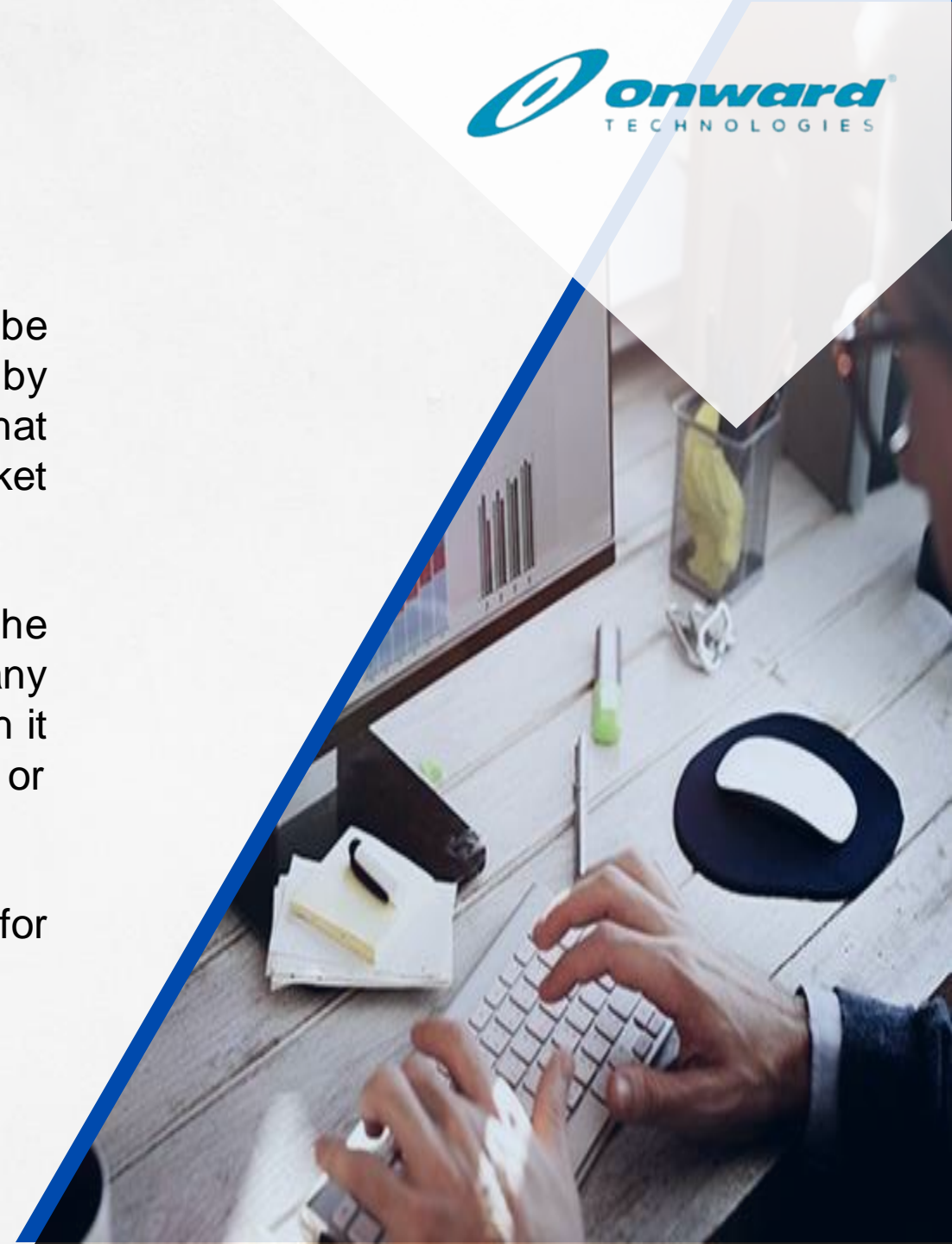
Disclaimer



This release may contain certain future prospects which may be a forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations.

These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

Note: All numbers have been rounded to the nearest digit for convenience of representation.



Agenda

- 1 Overview
- 2 Growth Strategy
- 3 Financial Performance



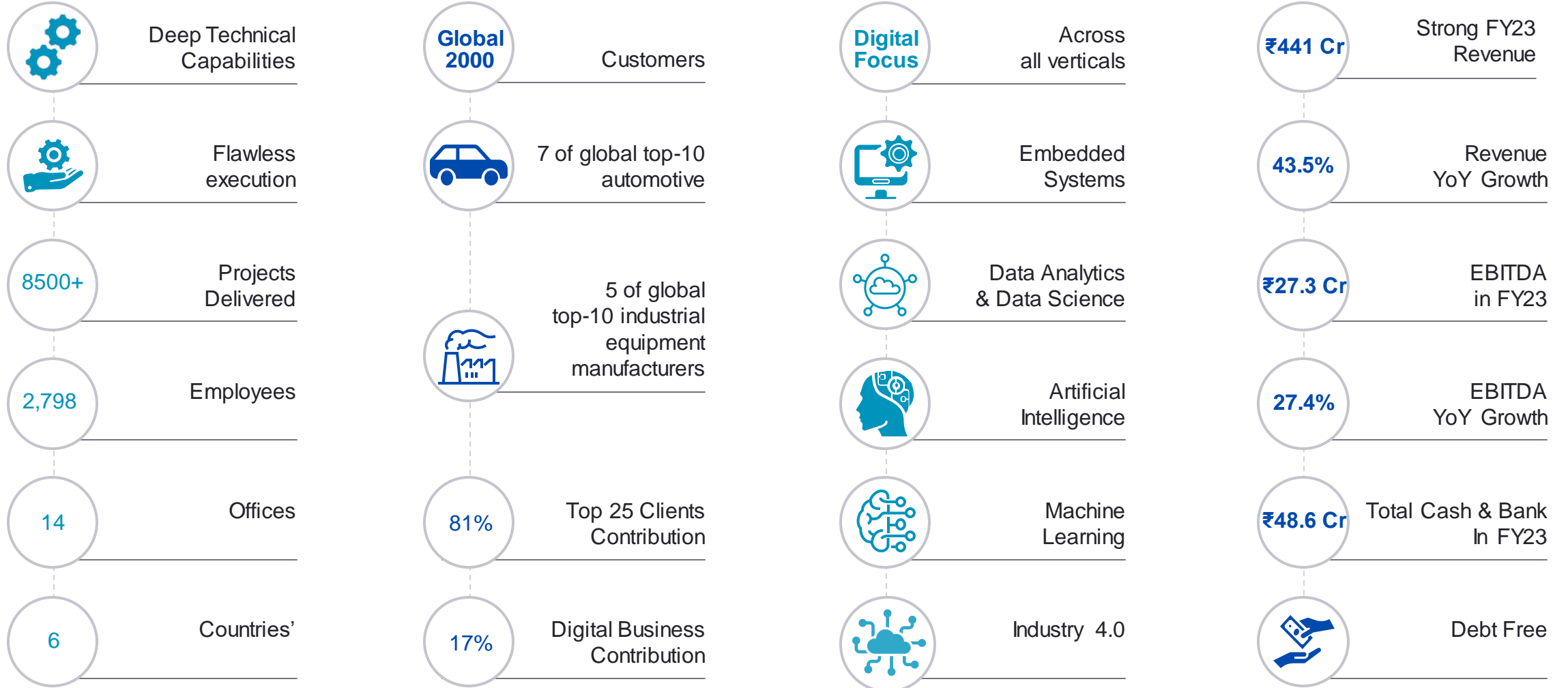


“FY23 was a remarkable year with several corporate milestones for Onward Technologies. As it continues to address the robust demand for software services, the team has once again demonstrated its commitment to profitable growth. On year-on-year basis, North America grew at 70% while Europe and India closed the year with 33% and 30% growth respectively. Additionally, our focus on verticals and strategic clients, all supported by a network of offshore capability centers has contributed meaningfully to both the top line and the bottom line.”



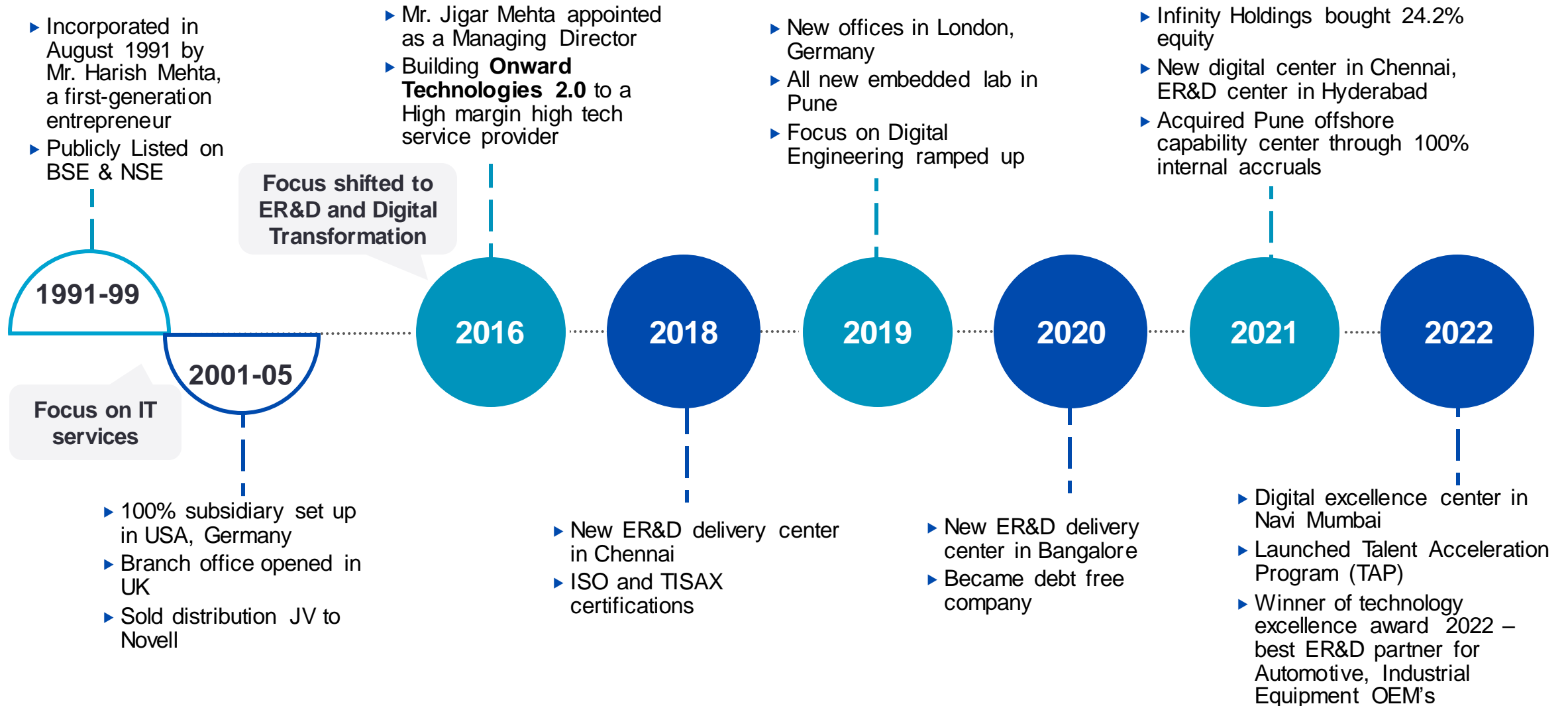
Managing Director
Mr. Jigar Mehta

Company at a Glance



Onward Technologies is a Software Outsourcing Company Specializing in Digital and ER&D Services

Onward Technologies: A Journey of Transformation



Onward Technologies

Digital



Engineering Automation



Big Data Analytics



Cloud & DevOps



AI/ML



Digital with AR/VR

Embedded



Platform Services
- Hardware,
Software



Connectivity Solutions



Product Sustainance & Modernization



After Market Support



Verification & Validation

Mechanical



New Product Design & Development



Value Engineering



Virtual Simulation



Manufacturing Engineering



Technical Publication

IT



SW Development & Maintenance



Enterprise Business Applications



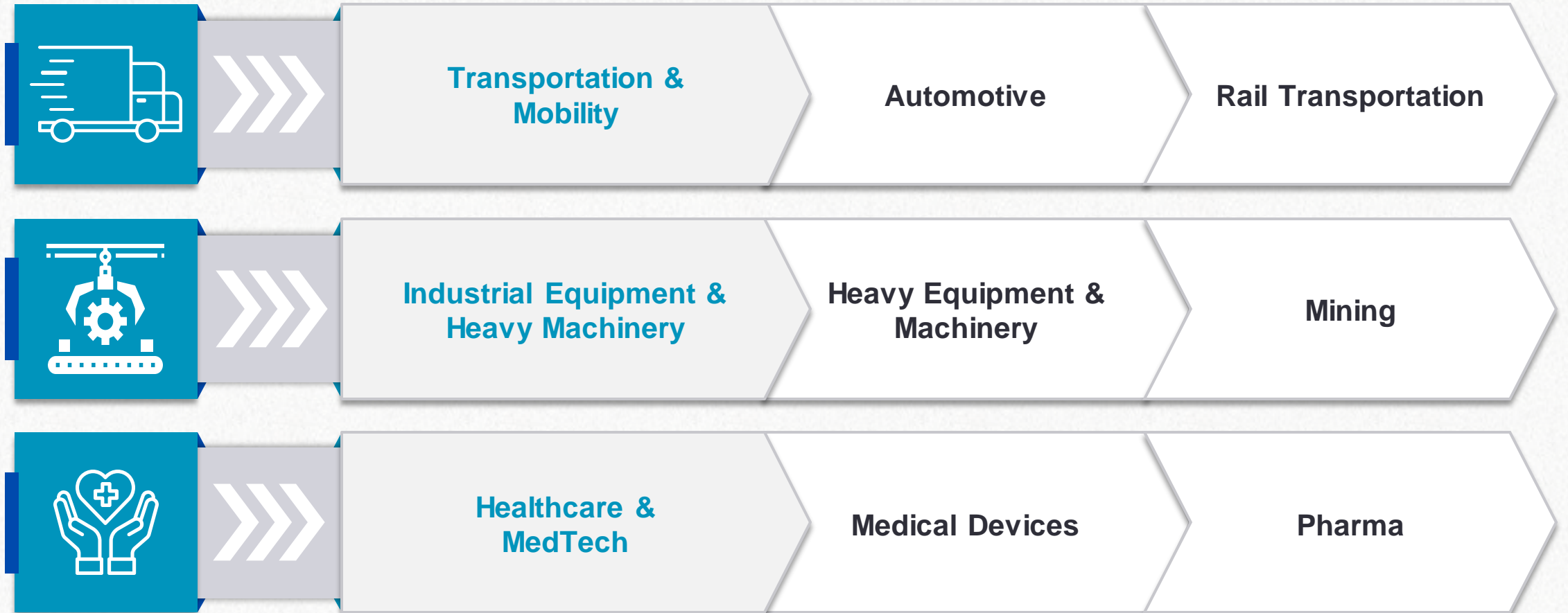
Data Management & Reporting



Testing & QA Services



Enterprise Managed Services



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Growth Strategy



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Q4 & FY23 Financial Highlights

- Reported Highest-ever Revenue of ₹ 440.9 crore in FY23, reflecting a growth of 43.5% YoY
- Broad-based growth driven by an increase in revenues from strategic clients in Industrial Equipment & Heavy Machinery and Transportation & Mobility verticals
- Onward Technologies continued to experience substantial growth in its focused verticals in FY23
 - Industrial Equipment & Heavy Machinery contributed 55% of consolidated revenues
 - Transportation & Mobility contributed 30% of consolidated revenues
 - Healthcare contributed 8% of consolidated revenues
- Digital Services Line of Business (LOB) continued traction and contributed 17% of FY23 consolidated revenue
- Top 25 clients contributed 81% of total revenues
- 15 clients now deliver \$1+ million in revenues on annualized basis
- The total global headcount has reached 2,798 employees
 - This is post exit of non-strategic ITS projects in the domestic Indian market



Consolidated Financial Summary – Q4FY23



Particulars (in ₹ Crore)	Q4FY23	Q3FY23	QoQ Growth	Q4FY22	YoY Growth
Revenue from Operations	121.4	115.8	4.8%	87.5	38.8%
Other Income	1.7	1.1	55.8%	1.6	8.7%
Total Revenue	123.1	116.9	5.3%	89.1	38.2%
EBITDA	14.1	6.6	114.6%	6.3	122.0%
EBITDA Margin (%)	11.6%	5.7%	593bps	7.2%	435bps
EBIT	10.8	3.2	242.2%	3.6	197.6%
EBIT Margin (%)	8.9%	2.7%	618bps	4.2%	476bps
PBT	12.2	3.8	215.9%	5.0	145.7%
PBT Margin (%)	10.0%	3.3%	670bps	5.7%	436bps
PAT	7.2	2.5	194.4%	3.2	124.5%
PAT Margin (%)	6.0%	2.1%	384bps	3.7%	228bps
EPS (₹) - Diluted	3.19	1.08	194.3%	1.42	124.6%

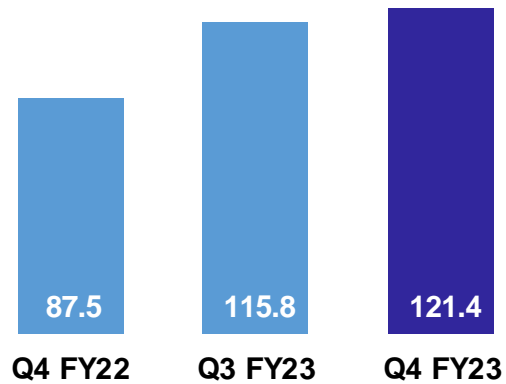
FY23	FY22	YoY Growth
440.9	307.3	43.5%
5.4	21.5	(74.9%)
446.3	328.8	35.7%
27.3	21.4	27.4%
6.2%	7.0%	(78 bps)
14.3	11.3	26.4%
3.2%	3.7%	(44bps)
18.0	31.8	(43.3%)
4.1%	10.4%	(627bps)
11.5	23.7	(51.5%)
2.6%	7.7%	(510bps)
5.05	12.17	(58.5%)

Consolidated Financial Summary – Q4FY23

(Figures in ₹ Crore)



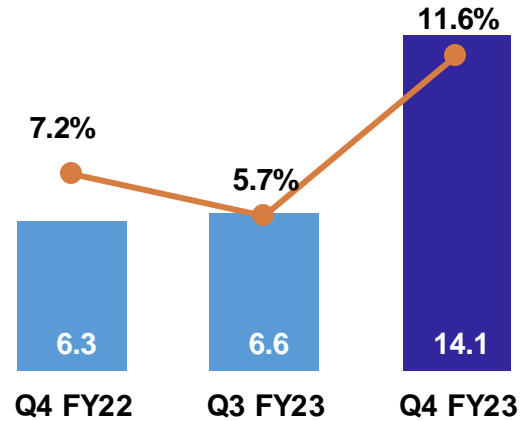
Revenue from Operations



▲ 4.8% QoQ

▲ 38.8% YoY

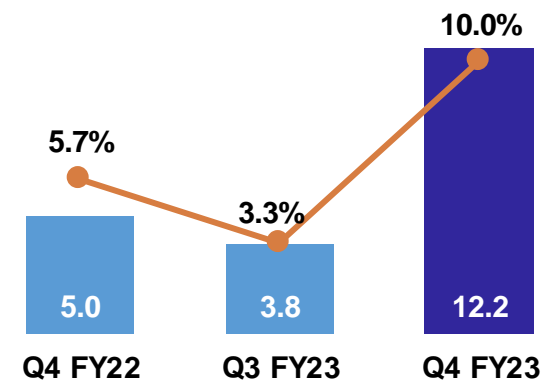
EBITDA & EBITDA %



▲ 114.6% QoQ

▲ 122.0% YoY

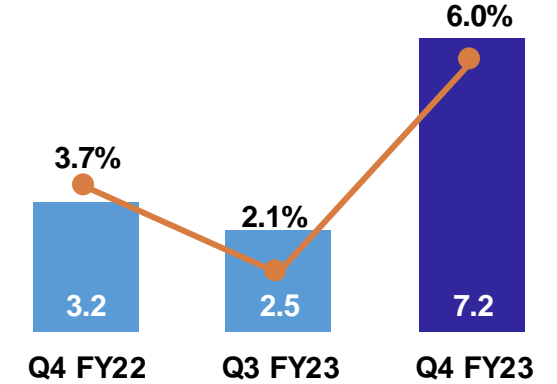
PBT & PBT %



▲ 215.9% QoQ

▲ 145.7% YoY

PAT & PAT %



▲ 194.4% QoQ

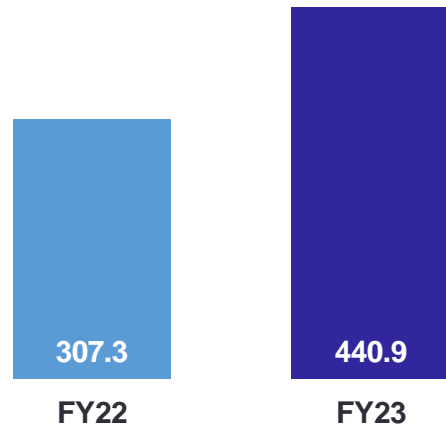
▲ 124.5% YoY

Consolidated Financial Summary – FY23

(Figures in ₹ Crore)

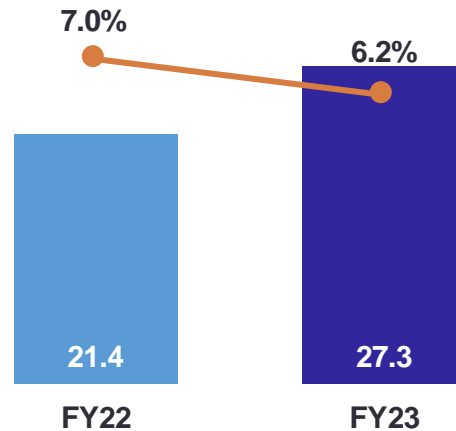


Revenue from Operations



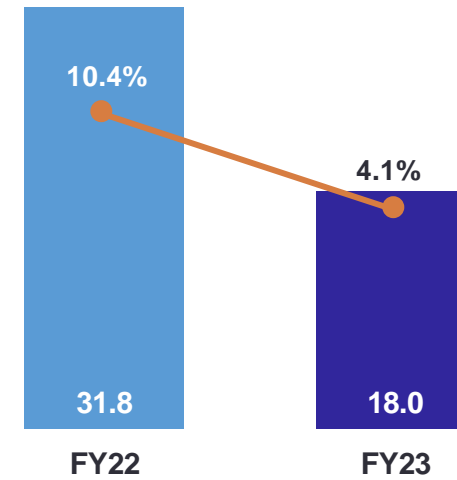
▲ 43.5% YoY

EBITDA & EBITDA %



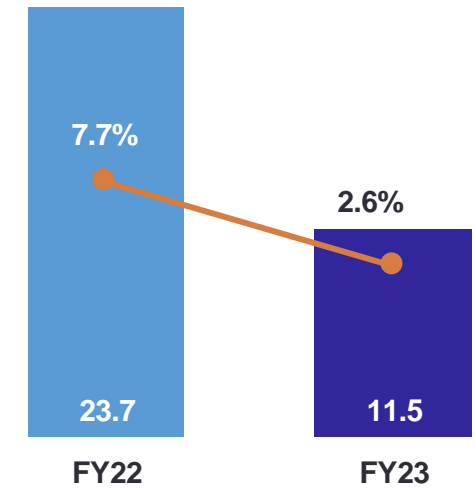
▲ 27.4% YoY

PBT & PBT %



▼ 43.3% YoY

PAT & PAT %



▼ 51.5% YoY

- PBT & PAT declined primarily due to an increase in employee cost in FY23

Operating Metrics (1/2)



Particulars		Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
Revenue by Business (%)	ER&D	72%	64%	72%	70%	71%
	Digital	20%	23%	6%	17%	8%
	ITS	8%	13%	21%	13%	21%
Revenue by Industry (%)	Industrial Equipment & Heavy Machinery	56%	58%	41%	55%	44%
	Transportation & Mobility	31%	30%	38%	30%	30%
	Healthcare	9%	9%	8%	8%	7%
	Others	4%	3%	14%	6%	19%
Revenue By Geography (%)	USA	40%	40%	33%	39%	33%
	Europe	11%	12%	13%	12%	13%
	India	49%	49%	53%	49%	54%
Revenue By Contract Type (%)	Time & Material	91%	88%	71%	88%	74%
	Fixed Time, Fixed Price	9%	12%	29%	12%	26%
Revenue By Engagement Model (%)	Onsite	74%	73%	76%	72%	70%
	Offshore	26%	27%	24%	28%	30%

Operating Metrics (2/2)



Particulars		FY23	FY22
Client Base	Active Clients	98	145
	Top 5	43%	31%
	Top 10	58%	44%
	Top 25	81%	62%
	Clients with Annual Billing > USD 1mn	15	11
Employee Base	Total Employees	2,798	2,641
DSO	Days	86	87



Balance Sheet – FY23



Particulars	FY23	FY22
Assets		
Total non-current assets	76.3	81.3
Total current assets	165.9	148.1
Total Assets	242.3	229.4
Equity & Liabilities		
Total equity	173.9	163.2
Total Liabilities	68.4	66.2
Total Equity & Liabilities	242.3	229.4

Thank You

For Further Information, Please Contact:



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