

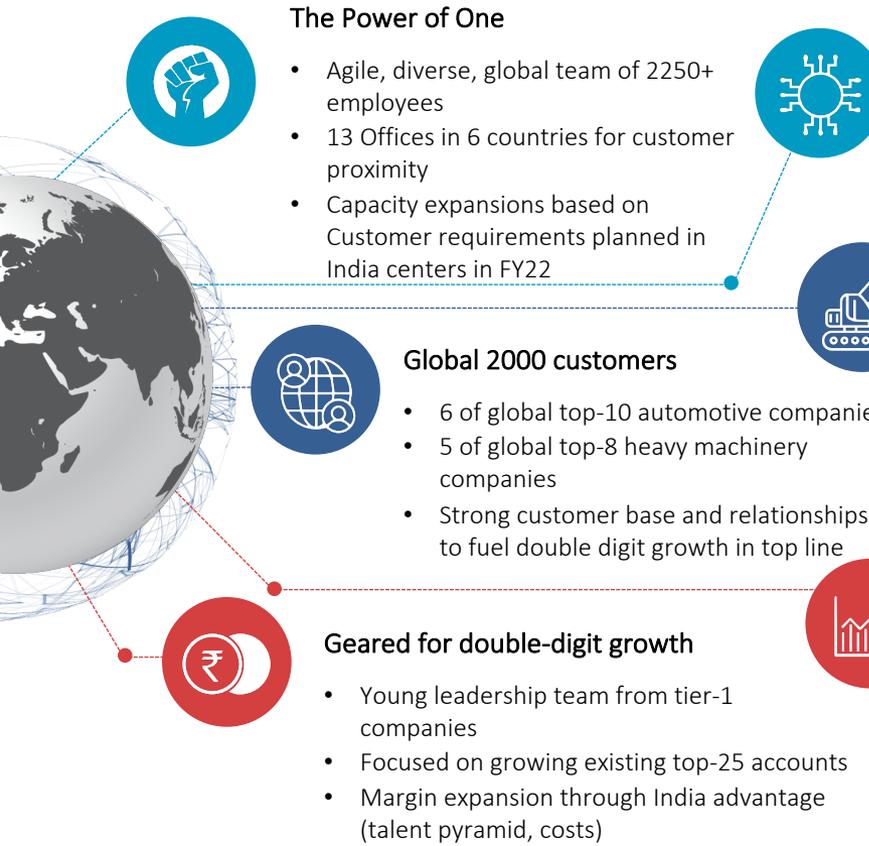


9M / Q3-FY22 EARNINGS PRESENTATION

Jan 2022



Value Proposition of Onward Tech



The Power of One

- Agile, diverse, global team of 2250+ employees
- 13 Offices in 6 countries for customer proximity
- Capacity expansions based on Customer requirements planned in India centers in FY22

Digital play across all lines of business

- Mechanical Engineering
- Electronics and Embedded
- Digital Transformation
- Enterprise IT

Global 2000 customers

- 6 of global top-10 automotive companies
- 5 of global top-8 heavy machinery companies
- Strong customer base and relationships to fuel double digit growth in top line

2 Focused industry verticals

- Transportation & Mobility
- Industrial Equipment & Heavy Machinery
- Diversification and investment in 2 high-growth verticals: Healthcare & Medical Devices, Hi-Tech

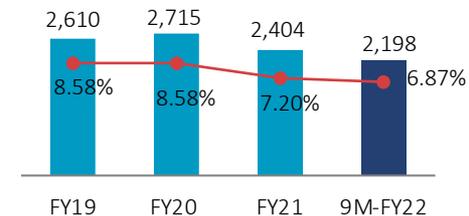
Geared for double-digit growth

- Young leadership team from tier-1 companies
- Focused on growing existing top-25 accounts
- Margin expansion through India advantage (talent pyramid, costs)

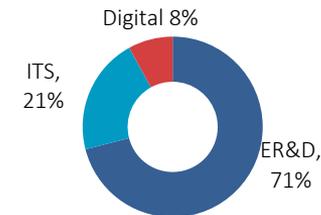
Strong Financial Turnaround

- Net debt-free, sound balance sheet & cash reserves
- 5-year PAT CAGR at 18.16%
- 6-year track-record of consistent dividend payout

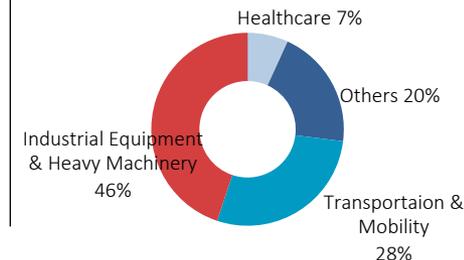
Revenue (INR Mn) & EBITDA Margin (%)



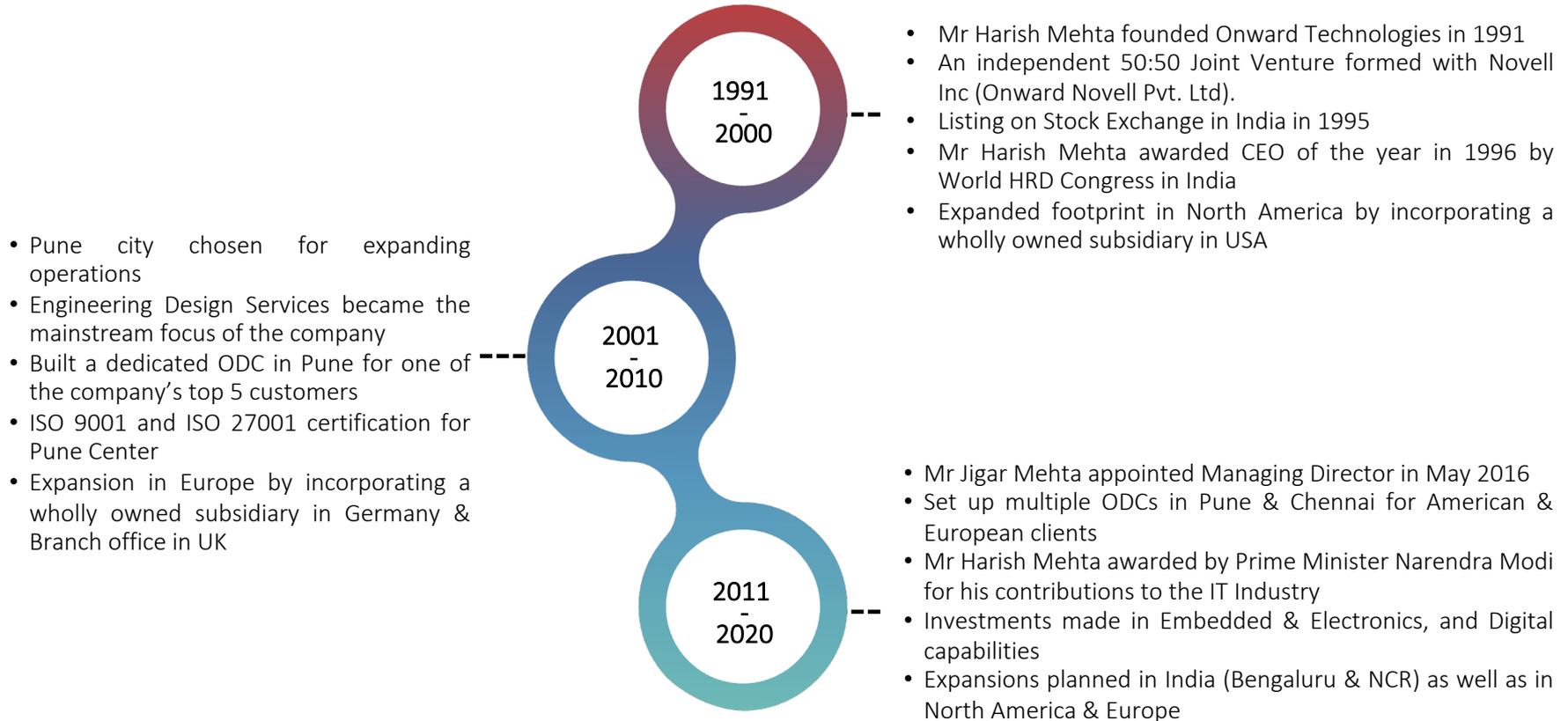
9M-FY22 Segmental



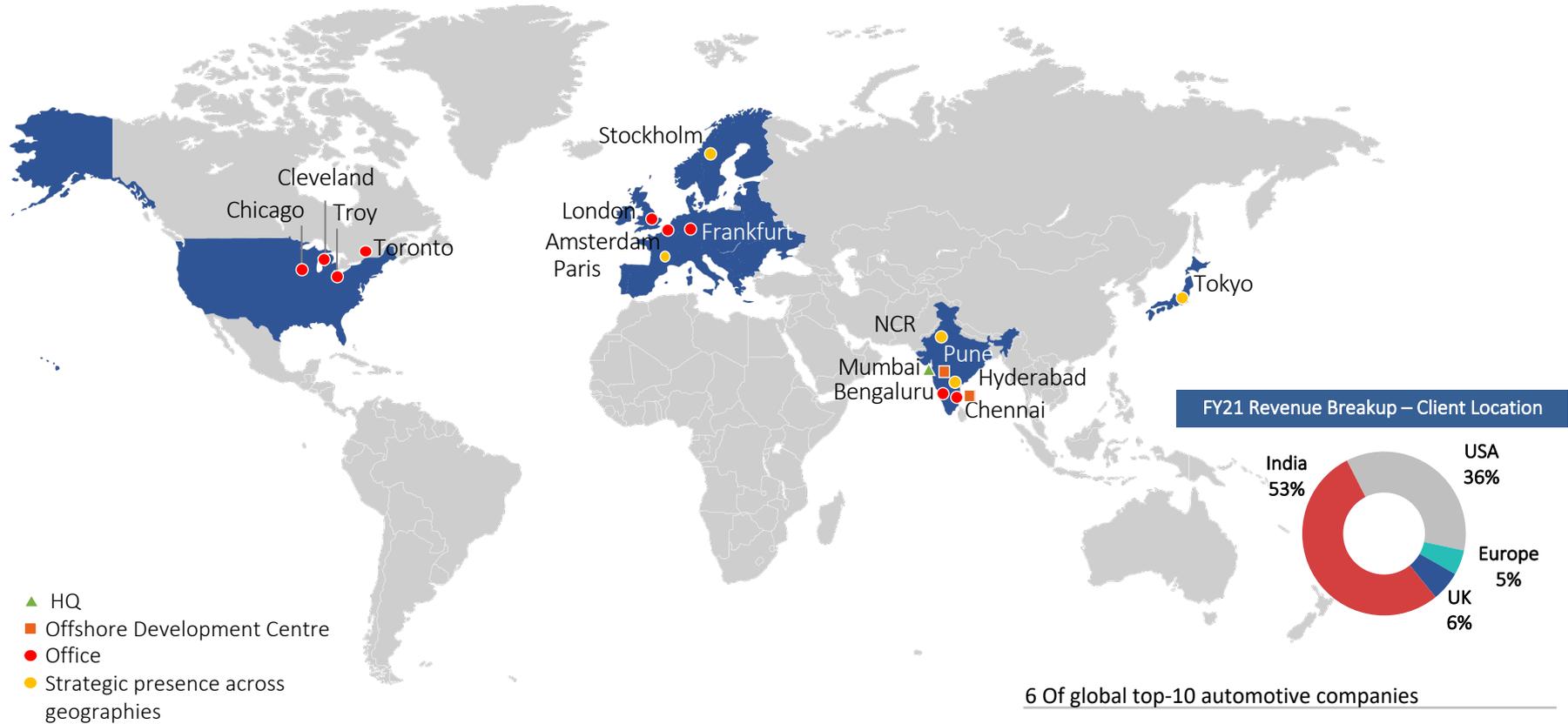
9M-FY22 Segmental Revenue



Who We Are – Some Key Milestones



Strategic Presence Across Geographies



6 Of global top-10 automotive companies

5 Of global top-8 heavy machinery companies

Growth Strategy Enablers

FY 2021



Pivot to digital engineering services

- Invested in the digital maturity curve of our customers
- See a clear roadmap of growth in digital budgets
- Witnessing a shift from POC to adoption at scale
- Core areas include Industry 4.0, AI/ML, ADAS, cloud and DevOps

Focused verticals and structured LOBs

- Leadership team with a strong experience across verticals
- Focus on Transportation & Mobility, Industrial Equipment & Heavy Machinery
- Hi-Tech, Healthcare & Medical Devices unlock new, high-growth areas
- Digital play across all lines of business

TARGET FY2025

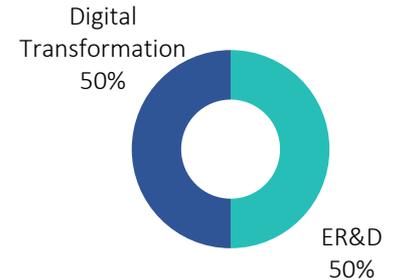
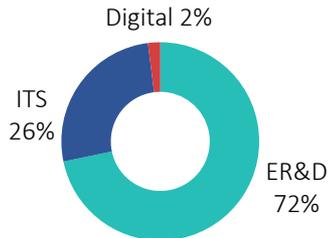


Growth in top-accounts

- Suitably positioned to scale up TCV from top-25 clients
- These accounts are part of Global 2000, projecting large R&D allocations
- Growth/technology-partner status is several accounts
- Focused on long-duration contracts, recurring revenues, consistent billing growth

People, policies, and performance

- Continue to upskill, hire the finest talent in digital engineering
- Agile operations with steadily increasing offshore leverage driving margin expansion
- HR policies, growth opportunities tuned to enhance career path
- Benefits aligned with industry standards



FINANCIAL OVERVIEW



9M/Q3-FY22 Key Financial Highlights

Q3-FY22 Consolidated Financial Performance

INR 773 Mn Revenue from Operations	INR 97 Mn EBITDA	12.55% EBITDA Margins
INR 50 Mn PAT	6.47% PAT Margins	INR 2.52 /Share Diluted EPS

Q3-FY22 Standalone Financial Performance

INR 596 Mn Revenue from Operations	INR 56 Mn EBITDA	9.40% EBITDA Margins
INR 29 Mn PAT	4.87% PAT Margins	INR 1.48 /Share Diluted EPS

9M-FY22 Consolidated Financial Performance

INR 2,198 Mn Revenue from Operations	INR 151 Mn EBITDA	6.87% EBITDA Margins
INR 205 Mn PAT	9.33% PAT Margins	INR 11.13 /Share Diluted EPS

9M-FY22 Standalone Financial Performance

INR 1,679 Mn Revenue from Operations	INR 109 Mn EBITDA	6.49% EBITDA Margins
INR 54 Mn PAT	3.22% PAT Margins	INR 2.95 /Share Diluted EPS

- Growth in Revenues for the quarter has been driven mainly by increased outsourcing by all our top clients.
- Added 3 new strategic customers during the quarter, including become a preferred supplier to a larger European Automotive major.
- Net headcount addition of 210 employees during the quarter taking total headcount to 2481.
- Successful launch of our first Embedded & Electronics – Center of Excellence (COE) in Pune with a team of 50 engineers in Q3, which will start generating revenues after a 9 month investment period.
- Concluded transaction for acquisition of NV Pune Technology Park Pvt Ltd for buying the offshore delivery Centre in Pune. The office & cafeteria will be fully upgraded as per the new normal hybrid work environment.
- The company was awarded by Dun & Bradstreet under SME Category.

Commenting on the performance of the Company, Jigar Mehta – Managing Director said:

“The Q3 financial performance is a testament of our hard work and commitment to perform and deliver for all our stakeholders. As we continue to witness strong demand with existing and new clients, we are rapidly expanding capabilities across geographies. In 2022, we plan to ramp up our teams across our existing design centers in India. We will also be starting our new Centers of Excellence (COEs) with additional capacity of 500 engineers in Mumbai, Pune, Chennai, Bangalore & Hyderabad. These new COEs will be focusing on expanding our Embedded & Electronic capabilities in the areas of Automotive Electronics, V&V (Verification and Validation) & ADAS-autonomous domains & and on building capabilities in Digital across Cloud, DevOps, data science, visualization skills.”

Consolidated Quarterly Financial Performance



Particulars (INR Mn)	Q3-FY22	Q3-FY21	Y-O-Y	Q2-FY22	Q-O-Q
Operational Income	773	578	33.74%	729	6.04%
Total Expenses	676	539	25.42%	657	2.89%
EBITDA	97	39	NA	72	34.72%
EBITDA Margins (%)	12.55%	6.75%	580 bps	9.88%	267 bps
Other Income	3	22	(86.36)%	41	(92.68)%
Depreciation	25	24	4.17%	25	NA
Finance Costs	2	6	(66.67)%	2	NA
PBT	73	31	NA	86	(15.12)%
Tax	23	8	NA	30	(23.33)%
Profit After tax	50	23	NA	56	(10.71)%
PAT Margins (%)	6.47%	3.98%	249 bps	7.68%	(121) Bps
Other Comprehensive Income	-	(2)	NA	(1)	NA
Total Comprehensive Income	50	21	NA	55	(9.09)%
Diluted EPS (INR)	2.52	1.39	81.29%	2.84	(11.27)%

Consolidated YTD Financial Performance

Particulars (INR Mn)	9M-FY22	9M-FY21	Y-O-Y
Operational Income	2,198	1,740	26.32%
Total Expenses	2,047	1,606	27.46%
EBITDA	151	134	12.69%
EBITDA Margins (%)	6.87%	7.70%	(83) Bps
Other Income	199	33	NA
Depreciation	74	79	(6.33)%
Finance Costs	7	19	(63.16)%
PBT	269	69	NA
Tax	64	17	NA
Profit After tax	205	52	NA
PAT Margins (%)	9.33%	2.99%	634 bps
Other Comprehensive Income	-	(6)	NA
Total Comprehensive Income	205	46	NA
Diluted EPS (INR)	11.13	3.08	NA

Standalone Quarterly Performance

Particulars (INR Mn)	Q3-FY22	Q3-FY21	Y-O-Y	Q2-FY22	Q-O-Q
Operational Income	596	423	40.90%	567	5.11%
Total Expenses	540	370	45.95%	520	3.85%
EBITDA	56	53	5.66%	47	19.15%
EBITDA Margins (%)	9.40%	12.53%	(313) Bps	8.29%	111 bps
Other Income	8	24	(66.67)%	19	(57.89)%
Depreciation	22	21	4.76%	22	NA
Finance Costs	3	6	(50.00)%	2	50.00%
PBT	39	50	(22.00)%	42	(7.14)%
Tax	10	13	(23.08)%	11	(9.09)%
Profit After tax	29	37	(21.62)%	31	(6.45)%
PAT Margins (%)	4.87%	8.75%	(388) Bps	5.47%	(60) Bps
Other Comprehensive Income	-	(1)	NA	(1)	NA
Total Comprehensive Income	29	36	(19.44)%	30	(3.33)%
Diluted EPS (INR)	1.48	2.21	(33.03)%	1.57	(5.73)%

Standalone YTD Financial Performance

Particulars (INR Mn)	9M-FY22	9M-FY21	Y-O-Y
Operational Income	1,679	1,228	36.73%
Total Expenses	1,570	1,073	46.32%
EBITDA	109	155	(29.67)%
EBITDA Margins (%)	6.49%	12.62%	(613) Bps
Other Income	37	60	(38.33)%
Depreciation	66	71	(7.04)%
Finance Costs	7	17	(58.82)%
PBT	73	127	(42.50)%
Tax	19	30	(36.67)%
Profit After tax	54	97	(44.30)%
PAT Margins (%)	3.22%	7.90%	(468) Bps
Other Comprehensive Income	(1)	-	NA
Total Comprehensive Income	53	97	(45.40)%
Diluted EPS (INR)	2.95	5.77	(48.90)%



HISTORICAL FINANCIAL OVERVIEW



Historical Consolidated Profit & Loss

Particulars (INR Mn)	FY19	FY20*	FY21*	9M-FY22
Operational Income	2,610	2,715	2,404	2,198
Total Expenses	2,386	2,482	2,231	2,047
EBITDA	224	233	173	151
EBITDA Margins (%)	8.58%	8.58%	7.20%	6.87%
Other Income	12	11	53	199
Depreciation	57	113	104	74
Finance Costs	27	35	23	7
PBT	152	96	99	269
Tax	51	34	25	64
Profit After tax		62	74	205
PAT Margins (%)	3.87%	2.28%	3.08%	9.33%
Other Comprehensive Income	8	19	(3)	-
Total Comprehensive Income	109	81	71	205
Diluted EPS (INR)	6.17	3.76	4.35	11.13

* FY20 and FY21 numbers have been restated after inclusion of Onward eServices Ltd, a wholly owned subsidiary, which has been merged with Onward Technologies Ltd as on March 25, 2021.

Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	98	80	171	174
Intangible assets	57	41	39	33
Intangible assets under development	2	-	1	
Right of use asset	-	159	88	86
Financial Assets				
(i) Loans	29	30	31	31
Deferred tax assets	17	28	33	36
Income tax assets (net)	158	193	111	147
Other non-current assets	6	2	-	-
Sub Total Non Current Assets	367	533	474	507
Current Assets				
Financial Assets				
(i) Investment			1	143
(ii) Trade Receivables	489	498	408	454
(iii) Cash & cash equivalents	43	178	285	362
(iv) Bank balance other than above	8	44	9	9
(v) Contract assets	86	42	134	153
(vi) Other financial assets	11	1	1	4
Income tax assets (net)	19	-	-	-
Other Current Assets	44	65	64	61
Sub Total Current Assets	700	828	902	1,186
TOTAL ASSETS	1,067	1,361	1,376	1,693

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
EQUITY AND LIABILITIES				
Equity				
Share Capital	158	160	163	176
Other Equity	452	520	581	950
Total Equity	610	680	744	1,126
Non Current Liabilities				
(i) Borrowings	6	-	6	6
(ii) Lease liabilities	-	109	55	55
Provisions	34	25	48	48
Deferred tax liabilities	5	7	-	27
Sub Total Non Current Liabilities	45	141	109	136
Current Liabilities				
(i) Borrowings	155	181	146	1
(ii) Trade Payables	61	76	72	89
(iii) Other Financial Liabilities	141	133	151	172
(iv) Lease Liabilities	-	57	43	41
Provisions	10	21	14	20
Income tax liabilities	-	5	-	
Contract liabilities	1	5	30	34
Other current liabilities	44	62	67	74
Sub Total Current Liabilities	412	540	523	431
Sub Total Liabilities	457	681	632	567
TOTAL EQUITY AND LIABILITIES	1,067	1,361	1,376	1,693

Historical Standalone Profit & Loss

Particulars (INR Mn)	FY19	FY20*	FY21*	9M-FY22
Operational Income	1,182	1,806	1,727	1,679
Total Expenses	1,032	1,660	1,531	1,570
EBITDA	150	145	196	109
EBITDA Margins (%)	12.69%	8.03%	11.35%	6.49%
Other Income	50	65	85	37
Depreciation	48	102	93	66
Finance Costs	21	33	21	7
PBT	131	75	167	73
Tax	37	21	40	19
Profit After tax	94	54	127	54
PAT Margins (%)	7.95%	2.99%	7.35%	3.22%
Other Comprehensive Income	(4)	3	1	(1)
Total Comprehensive Income	90	57	128	53
Diluted EPS (INR)	5.70	3.26	7.50	2.95

* FY20 and FY21 numbers have been restated after inclusion of Onward eServices Ltd, a wholly owned subsidiary, which has been merged with Onward Technologies Ltd as on March 25, 2021.

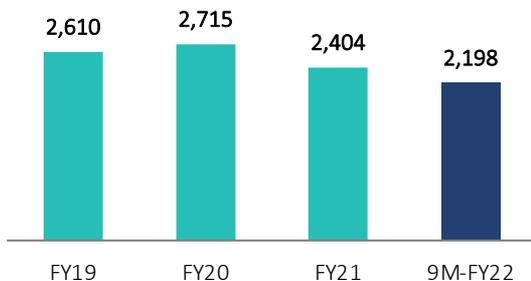
Historical Standalone Balance Sheet

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	75	70	164	166
Intangible assets	56	41	39	33
Intangible assets under development	2	-	1	
Right of use asset	-	146	83	72
Financial Assets				
(i) Investments	388	121	121	136
(ii) Loans	20	29	-	-
(iii) Other Financial Assets			28	29
Deferred tax assets	5	27	23	32
Income tax assets (net)	101	193	111	146
Other non-current assets	4	1	-	-
Sub Total Non Current Assets	651	628	570	615
Current Assets				
Financial Assets				
(i) Investments			1	143
(ii) Trade Receivables	215	339	283	322
(iii) Cash & cash equivalents	21	75	119	158
(iv) Bank balance other than above	3	42	10	9
(v) Contract assets	36	32	127	167
(vi) Other financial assets	21	3	2	7
Other Current Assets	33	58	61	59
Sub Total Current Assets	329	549	602	865
TOTAL ASSETS	980	1,178	1,172	1,480

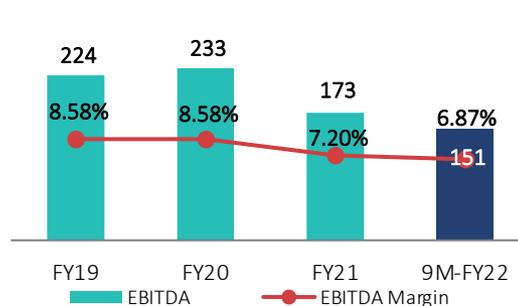
Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
EQUITY AND LIABILITIES				
Equity				
Share Capital	158	160	163	176
Other Equity	454	455	573	810
Total Equity	612	615	736	986
Non Current Liabilities				
(i) Borrowings	1	-	6	5
(ii) Lease liabilities	-	104	55	47
Employee benefit obligations	21	25	46	54
Sub Total Non Current Liabilities	22	129	107	106
Current Liabilities				
(i) Borrowings	161	68	-	1
(ii) Trade Payables	46	96	78	88
(iii) Other Financial Liabilities	79	92	126	131
(iv) Lease Liabilities	-	48	38	35
Provisions	9	20	11	10
Contract liabilities	24	58	28	82
Other current liabilities	27	52	48	41
Sub Total Current Liabilities	346	434	329	388
Sub Total Liabilities	368	563	436	494
TOTAL EQUITY and LIABILITIES	980	1,178	1,172	1,480

Consolidated Financial Highlights

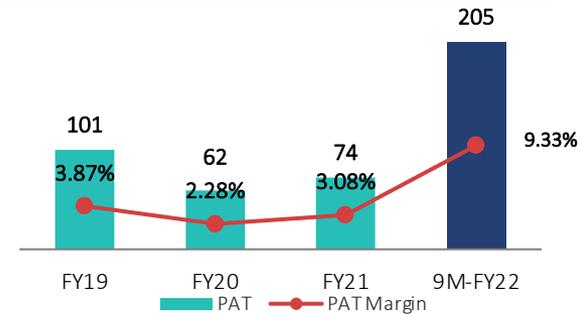
Revenue (INR Mn)



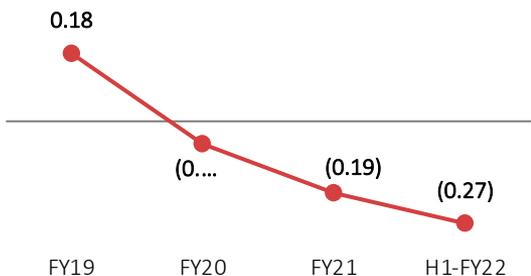
EBITDA (INR Mn)



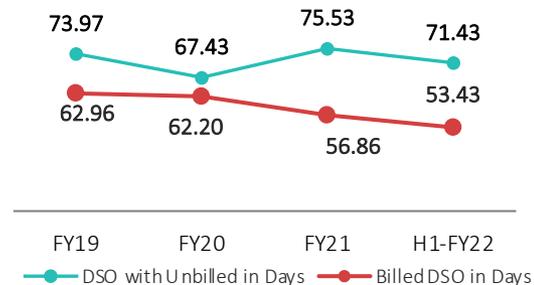
PAT (INR Mn)



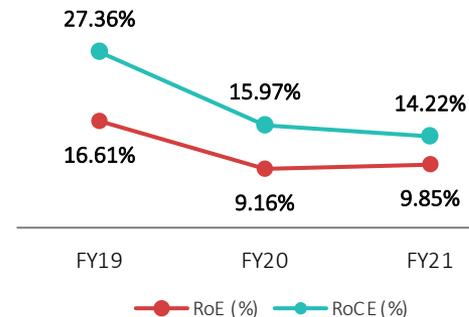
Net D/E (x)



DSO

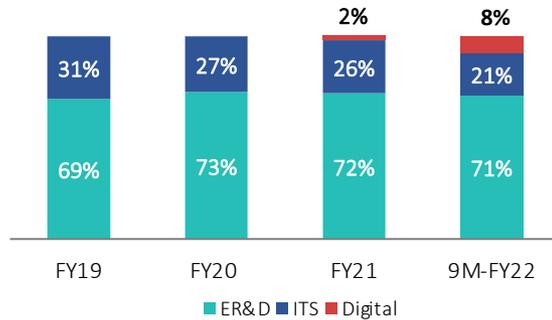


ROE and ROCE (%)

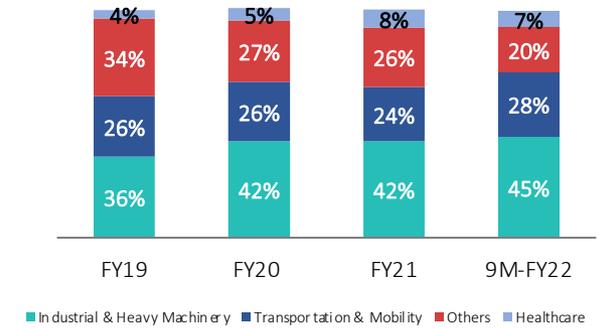


Revenue Metrics (Consolidated)

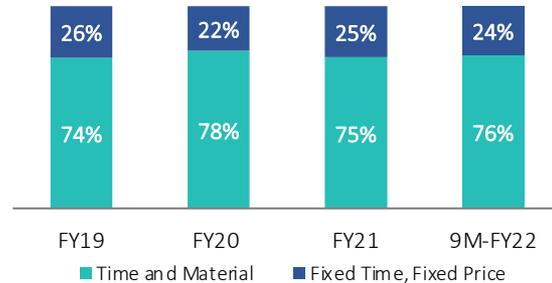
Revenue by Business



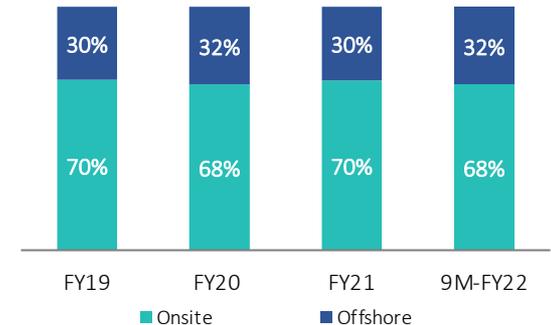
Revenue by Industry



Revenue by Contract Type

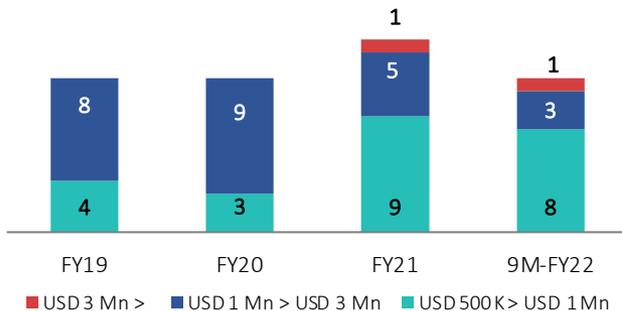


Revenue by Engagement Model

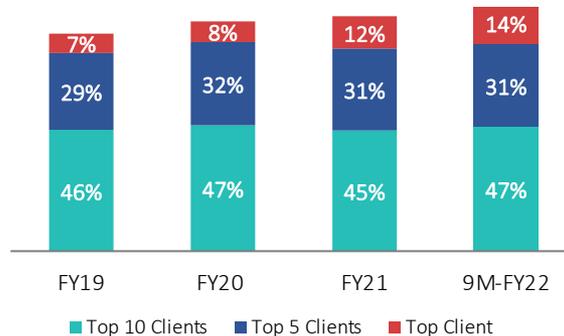


Customer Metrics (Consolidated)

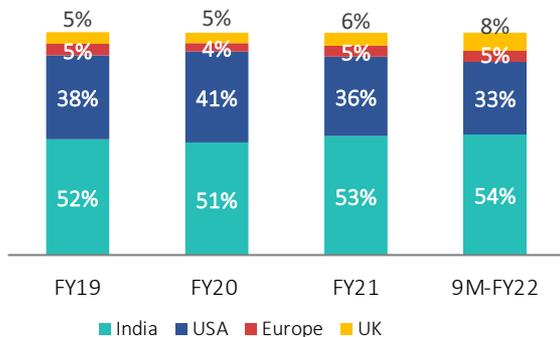
Client Deal Size Breakup



Revenue of Major Clients



Revenue by Client location

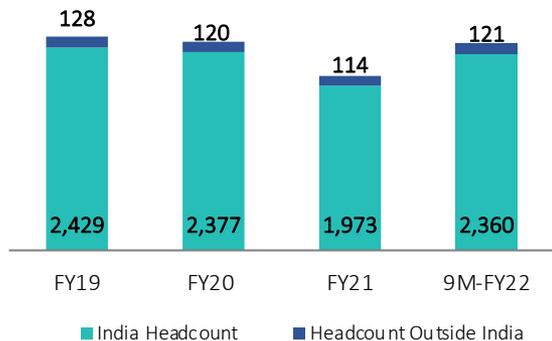


Strategic Global Customers Added

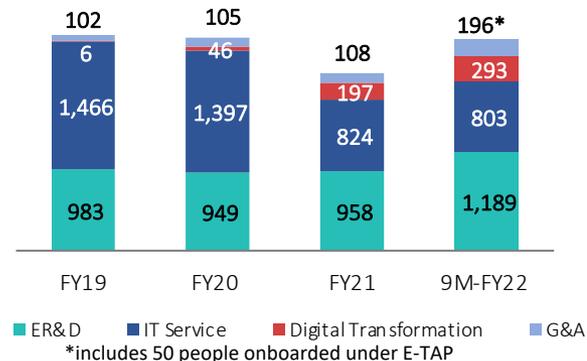


Employee Metrics (Consolidated)

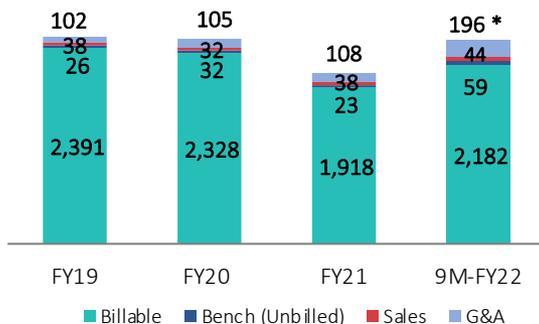
Headcount by Location



Headcount by Business



Headcount by Function



Hedging & Other Metrics

Other Ratios	FY19	FY20	FY21	Q3-FY22
Carpet Area	70,873	71,948	65,285	65,285
Number of seats	889	906	847	847
PBT to Revenue%	5.82%	3.55%	4.08%	9.38%
Number of active clients	199	210	184	159

Hedging Details for Q3-FY22*	Hedge Rate	Hedge Amount (Mn)	Actual Rate Achieved	Gain Over 50% Hedge rate (INR, Lakh)
USD	75.27	0.48	75.36	0.89
EUR	88.54	0.11	88.45	(0.18)
GBP	102.22	0.14	102.63	1.75

*The performance is benchmarked against a 50% hedge rate - average of Day 1 forward rate and spot on maturity/current MTM for outstanding exposure.



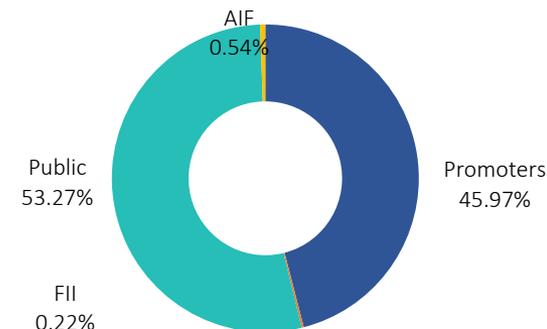
Dividend per Share (INR)



Price Data (As of 31st December 2021)*

Face Value	10.0
Market Price	294.5
52 Week H/L	319.2/82.1
Market Cap (INR Mn)	6,458.7
Equity Shares Outstanding (Mn)	21.9
1 Year Avg. Trading Volume ('000)	130.6
1 Year Avg. Net Turnover (Mn)	21.4

Shareholding Pattern (as on 31st December, 2021)



Onward Technologies Limited

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THANK YOU

