

Date: October 28, 2023

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Through: NEAPS
Symbol/Security ID: ZENTEC

To
Dept. of Corp. Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Through: BSE Listing Centre
Security Code: 533339

Dear Sir/Madam,

Sub: Investor Presentation

Please find attached Investor Presentation on the on the Un-audited Financial Results of the Company for the quarter and half year ended September 30, 2023.

The above information is also available on the website of the Company:
<https://www.zentechnologies.com/calls-and-conferences>

Kindly take the same on record and acknowledge the receipt.

Thanking you.

Yours faithfully,

For Zen Technologies Limited



M. Raghavendra Prasad
Company Secretary and Compliance Officer
M.no.: A41798

Encl: as above

Investor Presentation

Q 2 F Y 2 4

NSE: ZENEC
BSE: ZENEC - 533339

BLOOMBERG: ZEN IN
REUTERS: ZETE.BO



Management Commentary

Mr Ashok Atluri

CHAIRMAN & MANAGING DIRECTOR

"I am pleased to provide an overview of our performance in the last quarter, with new wins totaling approximately ₹ 923 crores in Q2FY24. Moreover, the order book worth ₹ 1,487 crores amidst tough competition highlights Zen's IDDM capability.

In line with our earlier guidance, we expect to achieve a revenue target of ₹ 450 crores during the current financial year. It's important to highlight that out of the total order book of ₹ 1,487 Cr, equipment orders worth ₹ 1,208 crores are slated for execution by 31st March 2025. As expected, the H2 started on a good note with order for training simulators worth ₹ 84 Cr received.

We expect to secure more orders in the coming quarters and expect that the prevailing demand will continue to increase. Additionally, our export prospects remain favorable. Zen Technologies is well positioned to seize these opportunities, underpinned by a robust liquidity of approximately ₹ 264 crores and the asset-light business model that we've built over the years.

We are pleased to report that deliveries have started earlier than the timeline given in the contracts.

Additionally, CRISIL has upgraded our long-term rating by two notches from CRISIL BBB/ Positive to CRISIL A-/Stable, and our short-term rating has been upgraded by three notches from CRISIL A3+ to CRISIL A1.

In conclusion, the recent events have demonstrated that not being prepared with extremely trained and combat ready forces entails huge costs. When the world's most secure country can be taken by surprise, other countries have become acutely aware of the dangers of not remaining combat ready. We expect lots of enquiries and orders from friendly foreign countries in the coming quarters.

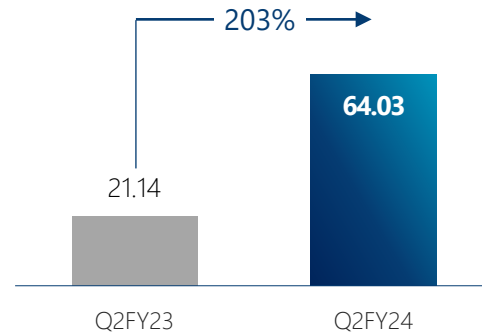
Defence remains a pivotal focus for the Indian Government, and we remain optimistic and anticipate this robust momentum to continue in the forthcoming years."



Quarterly Standalone Highlights

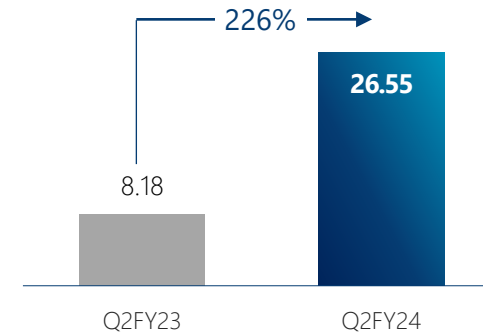
Revenue from Operations (YoY)

(All Values ₹ in Crore)



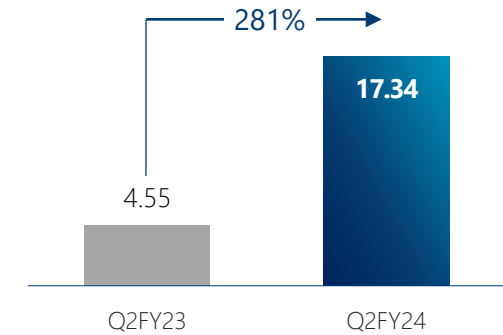
EBITDA (YoY)

(All Values ₹ in Crore)



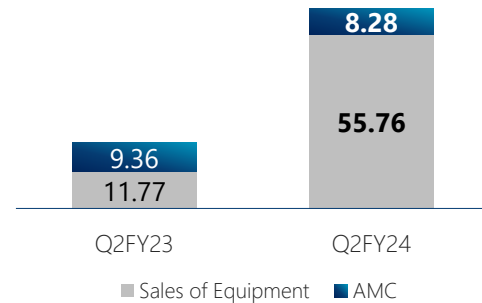
Profit After Tax (YoY)

(All Values ₹ in Crore)



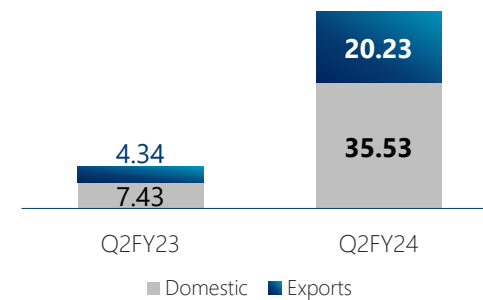
Revenue Segmentation (Sale of Equipment vs AMC)

(All Values ₹ in Crore)



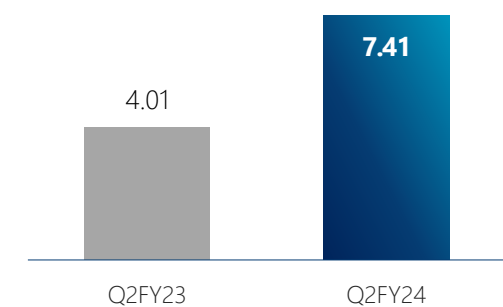
Revenue Segmentation (Domestic vs Exports)

(All Values ₹ in Crore)



R&D Expenses

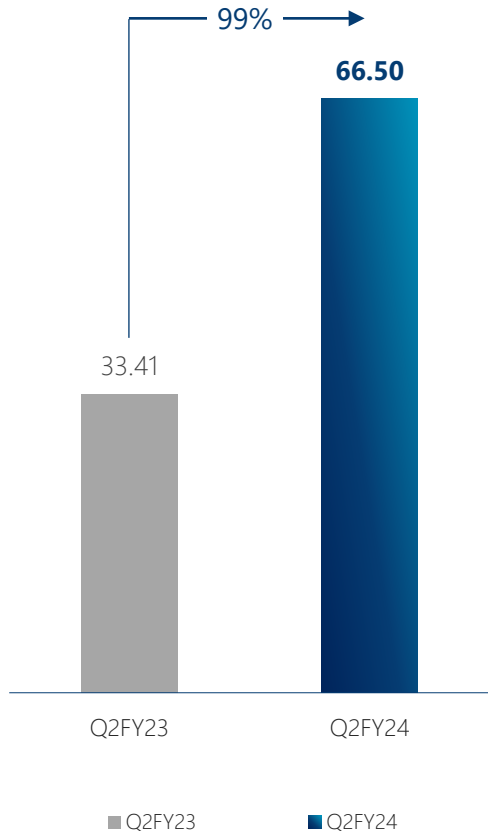
(All Values ₹ in Crore)



Quarterly Consolidated Highlights

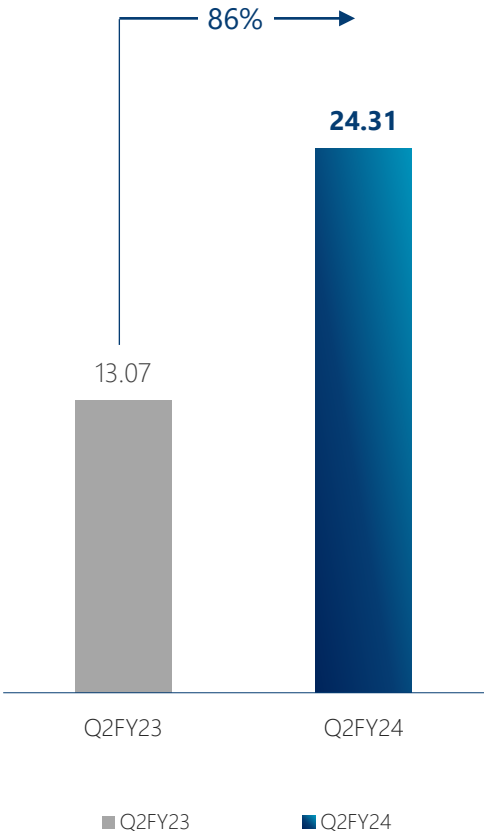
Revenue from Operations (YoY)

(All Values ₹ in Crore)



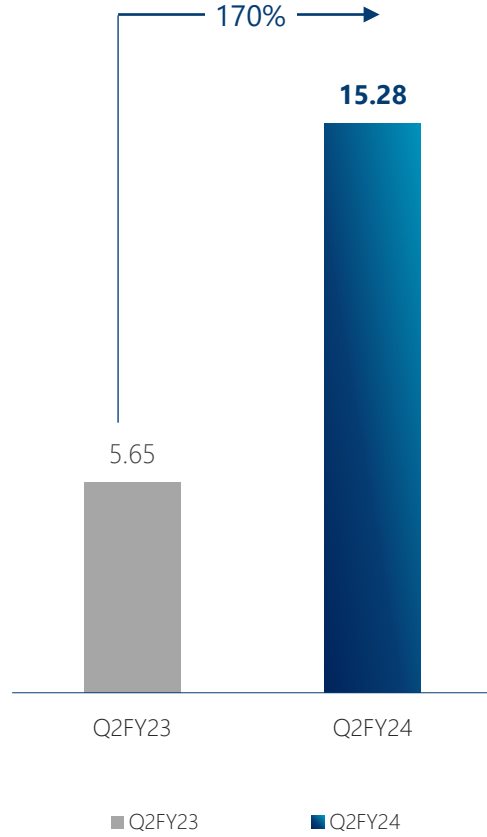
EBITDA (YoY)

(All Values ₹ in Crore)



Profit After Tax (YoY)

(All Values ₹ in Crore)

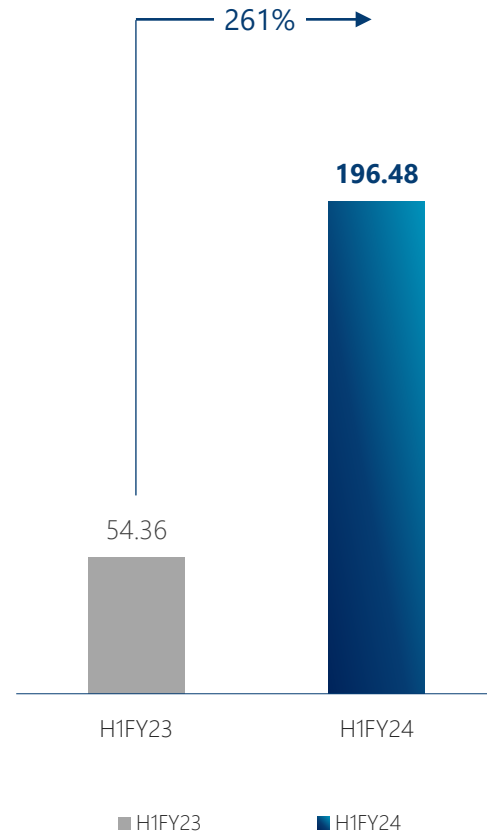


*PAT Adjusted for Non-Controlling Interests

H1 Standalone Highlights

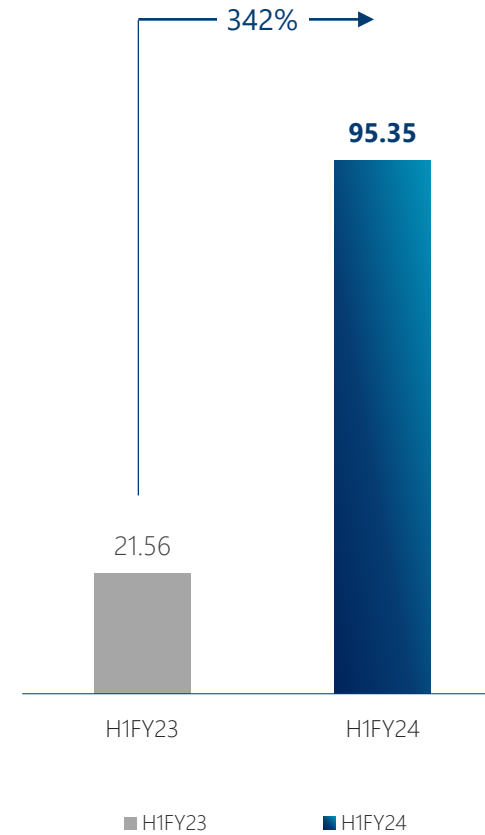
Revenue from Operations (YoY)

(All Values ₹ in Crore)



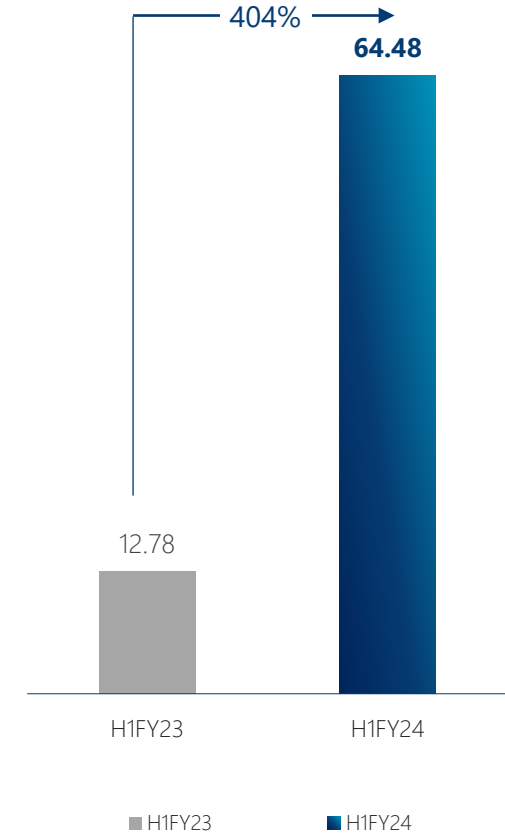
EBITDA (YoY)

(All Values ₹ in Crore)



Profit After Tax (YoY)

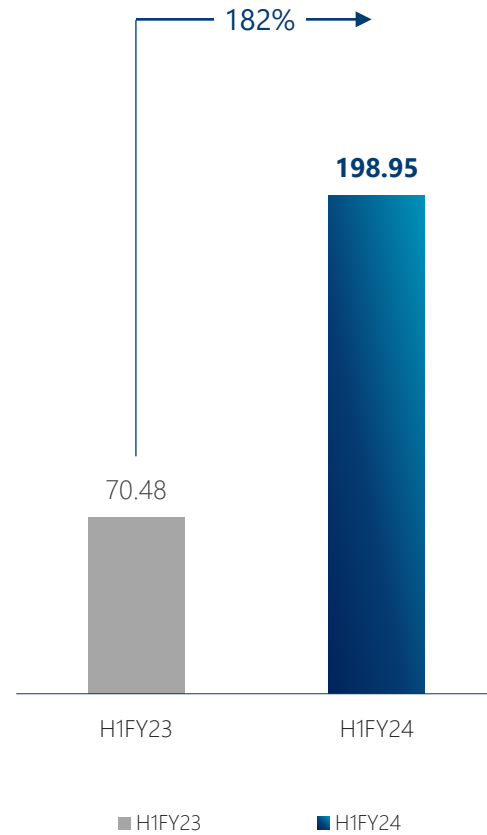
(All Values ₹ in Crore)



H1 Consolidated Highlights

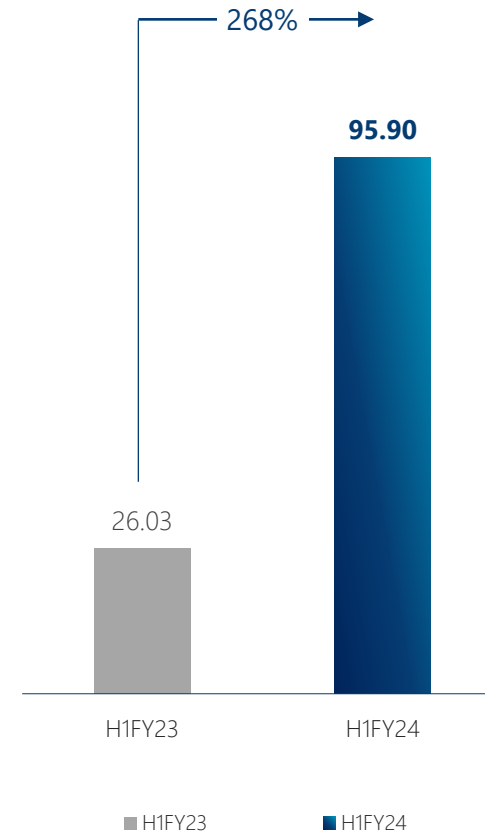
Revenue from Operations (YoY)

(All Values ₹ in Crore)



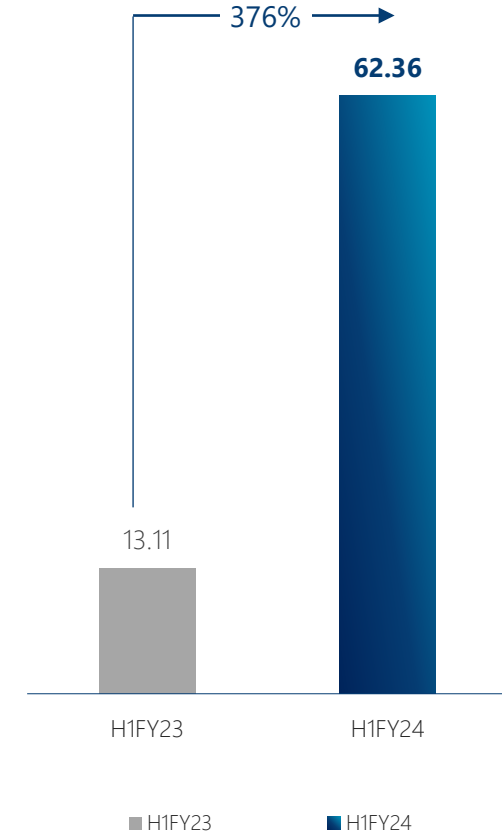
EBITDA (YoY)

(All Values ₹ in Crore)



Profit After Tax (YoY)

(All Values ₹ in Crore)



*PAT Adjusted for Non-Controlling Interests

Order Book Status as of 30th September 2023



Note - In October 2023, we secured orders worth ~₹ 84 crores

Key Order Book Updates – Q2FY24

- Secured new orders worth ~₹ 923 crores during the quarter.
- Some of significant orders received in quarter.

Month	Description	Product Value	AMC Value	Total
July-23	Supply of Anti Drone System to MoD	160	-	160
July-23	Significant order win in the Export Market (includes both Training Equipment and ADS)	340	-	340
Aug-23	Supply of Training Equipment to MoD	36	19	55
Aug-23	Supply of Training Equipment to MoD	56	16	72
Sept-23	Supply of Training Equipment to MoD	80	24	104
Sept-23	Supply of Anti Drone System to MoD	155	37	192
		827	96	923

- Still anticipating new orders.
- Export market prospects are also bright.

Financial Statement Summary

Summary of Standalone Profit & Loss Statement

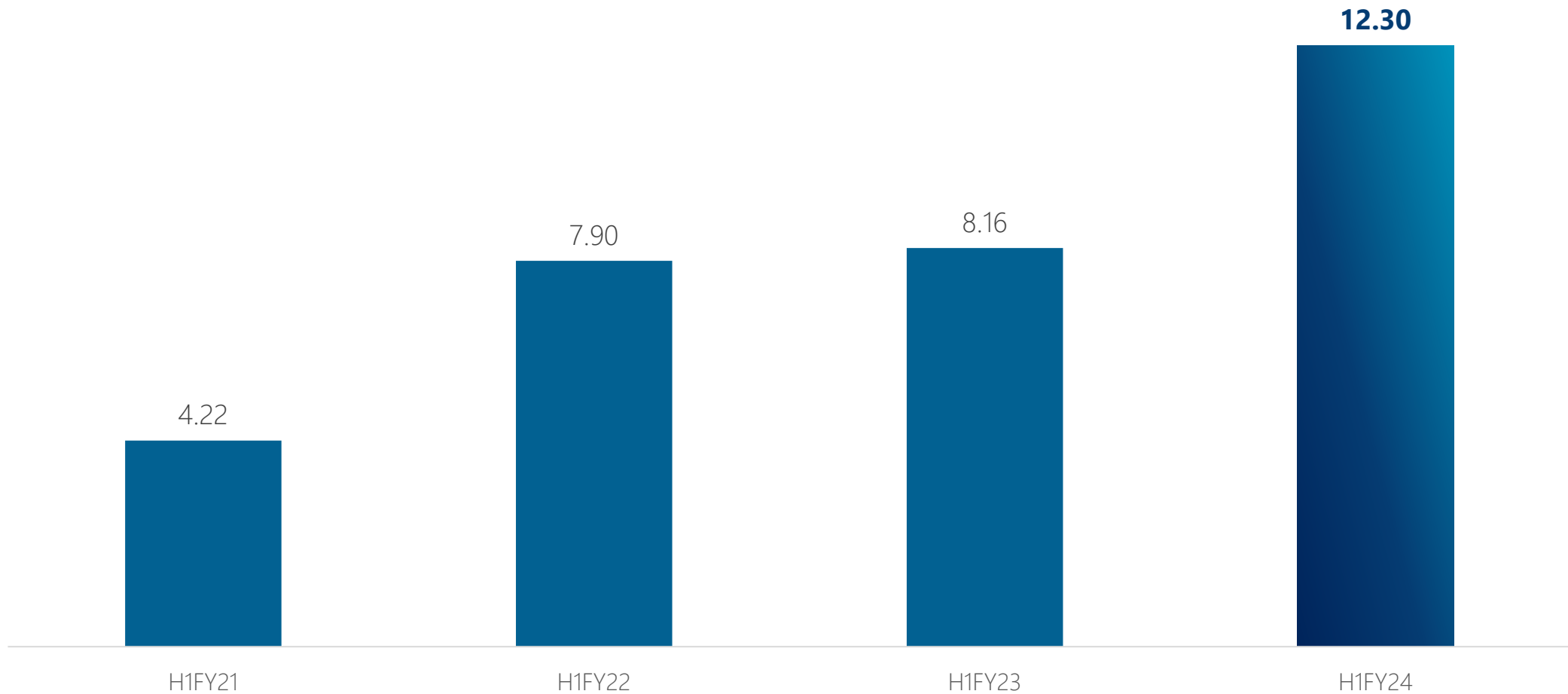
Particulars (₹ in Crore)	Q2FY24 (Unaudited)	Q2FY23 (Unaudited)	Q1FY24 (Unaudited)
KEY PERFORMANCE INDICATORS			
Sales	64.03	21.12	132.45
Other Operating Revenue	4.79	2.80	2.63
Total Revenue	68.83	23.93	135.08
Total Operating Expenses	42	16	66
EBITDA	26.55	8.18	68.79
EBITDA Margins	38.57%	34.18%	50.93%
Interest Cost	0.45	0.65	0.35
Depreciation	1.77	0.96	1.46
Profit Before Tax	24.34	6.58	66.98
Profit After Tax	17.34	4.58	47.13

Financial Statement Summary

Summary of Consolidated Profit & Loss Statement

Particulars (₹ in Crore)	Q2FY24 (Unaudited)	Q2FY23 (Unaudited)	Q1FY24 (Unaudited)
KEY PERFORMANCE INDICATORS			
Sales	66.50	33.41	132.45
Other Operating Revenue	5.34	3.15	2.68
Total Revenue	71.84	36.56	135.13
Total Operating Expenses	48	23	64
EBITDA	24.31	13.07	71.59
EBITDA Margins	33.83%	35.74%	52.98%
Interest Cost	0.53	0.70	0.42
Depreciation	2.20	1.37	1.91
Profit Before Tax	21.57	11.01	69.26
Profit After Tax (Adjusted for Non-Controlling Interests)	15.28	5.65	47.09

R&D Spends over the Years (In crores)



Strategic Priorities



Continue to grow the sales of Equipment and expand the product portfolio with strong focus on emerging space Anti-Drone systems.



Scale the AMC business, where the contributions from AMC can take care of the fixed operating expenses.



Streamlining operational efficiencies and focusing on cost optimisation and enhancing financial performance.



Look for inorganic acquisition which fit in with company's vision and positioning.



Enhance technical capabilities by increasing our investments R&D and getting into high value-added complex systems.



Evaluating tie ups with OEMs.

The business model of the company has been strategically positioned to reduce lumpiness and enhance the profitability in the coming years.

Thank You

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