

May 25, 2023

The Manager  
Listing Department  
BSE Limited  
Phirozee Jeejeebhoy Tower,  
Dalal Street  
Mumbai 400 001  
BSE Scrip Code: 532395

The Manager  
Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, 5 Floor, Plot C/1, G Block  
Bandra – Kurla Complex, Bandra(E),  
Mumbai 400 051  
NSE Symbol: AXISCADES

Dear Sir/Madam,

**Sub: Q4 FY23 & FY23 Result Presentation**

Please find attached the consolidated results presentation for quarter and year ended March 31, 2023 of AXISCADES Technologies Limited (AXISCADES).

This presentation is the information for shareholders on the performance of the Company for quarter and year ended March 31, 2023.

Kindly upload presentation to the terminals.

Yours faithfully,  
For **AXISCADES Technologies Limited**

**Sonal Dudani**  
**Company Secretary & Compliance Officer**

Encl: A/a

**AXISCADES Technologies Limited**

(Formerly AXISCADES Engineering Technologies Limited)  
CIN No.: L72200KA1990PLC084435

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## Q4 FY23 & FY23 INVESTORS PRESENTATION



**AXISCADES Technologies Limited**

CIN NO : L72200KA1990PLC084435

## Disclaimer

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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.

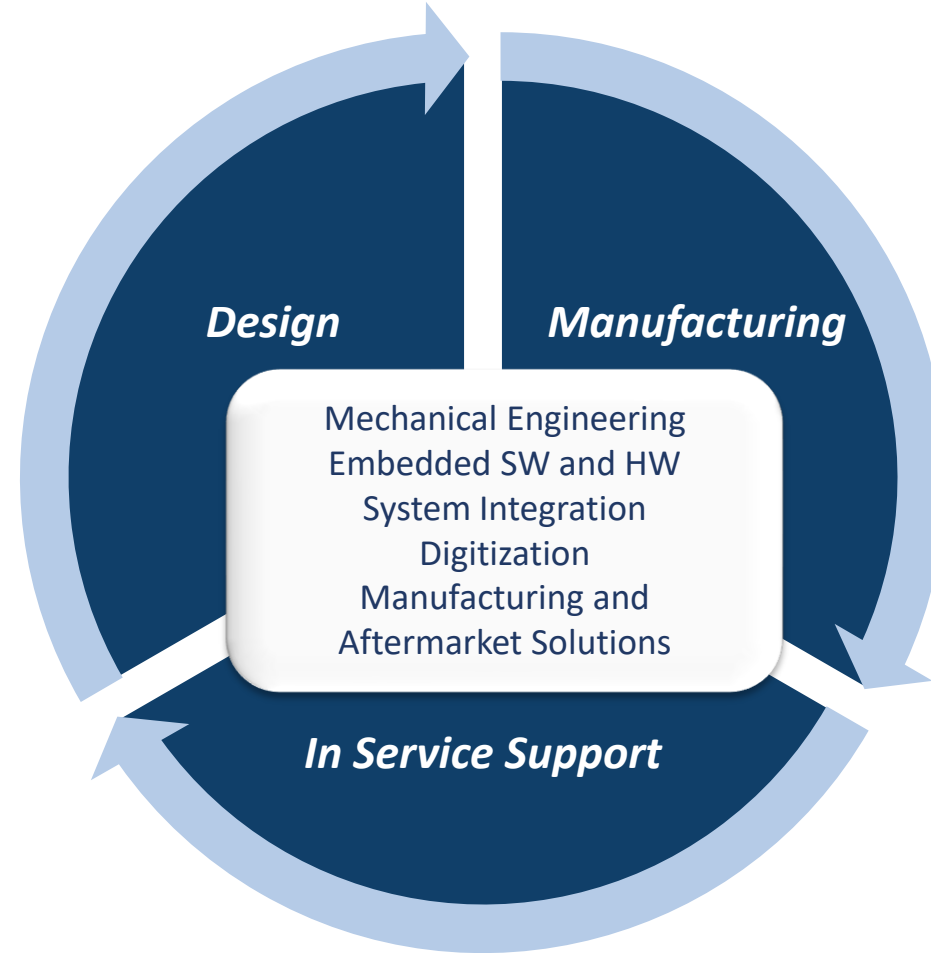


- Structures, Cabin Design
- Engine, Powertrain
- Electrical, Lube, Hydraulic systems Design
- Digital Manufacturing

## 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**.

## Message from Chairman



**Commenting on the results and outlook, Mr. David Bradley, Chairman of AXISCADES said:**  
*“We are proud of closing an eventful year on a high note. AXISCADES scaled new heights with several operational and financial performance milestones achieved in FY23. I am proud of the team’s efforts that contributed towards these achievements. We have seen a significant ramp up in revenues from our core segments and our foray in newer segments is scaling up fast. Our focus remains on maintaining domain expertise and providing best in class services to our global clients. The renewal of long-term contracts this year is a testimony to our team’s client centric endeavours. The acquisition of Mistral Solutions will go a long way in enhancing our offerings further. As the company progresses on an ambitious path, we are increasingly confident that we can unlock the potential inside our organisation and generate incremental value for stakeholders.”*

## Message from MD & CEO



**Commenting on the results and outlook, Mr. Arun Krishnamurthi, CEO & MD of AXISCADES said** *“I am delighted to report that our three-pronged strategy of ‘vertical diversification, customer diversification and digital first’ is showing results. The quarter & year under review marks a significant achievement, with AXISCADES clocking its highest ever quarterly & full year revenue in the history of the company along with significant improvement in profitability. Our integration with Mistral business is progressing as per plan and we continue to synergize our offerings to our current and potential customer base, across the group. We are constantly raising the bar with our digital first strategy and engaging deeply with our clients. Our robust order book and long-term contracts with global majors in aerospace, heavy engineering, aerospace & defence sectors will enable us to grow holistically. In FY24 our focus will be to further consolidate our business, to make it sustainable and profitable.”*”

## Key Highlights for Q4 FY23 & FY23

- FY23 Revenue at \$101.8 Mn, **Highest ever revenue**; growth of 24.3% Y-o-Y
- FY23 Revenue at **INR 8,136 Mn, Highest ever revenue, growth of 33.7% Y-o-Y**
- FY23 EBITDA at INR 1,375 Mn with EBITDA margin at 16.9%, Improved by 561 BPS Y-o-Y
- FY23 Adjusted PAT at INR 632 Mn, growth of 159.5% Y-o-Y
- Q4 FY23 USD revenue at \$27.7 Mn growth of 7.9% Y-o-Y
- Q4 FY23 Revenue at INR 2,232 Mn, growth of 16.3% Y-o-Y
- Q4 FY23 EBITDA at INR 440 Mn with EBITDA Margin at 19.7% compared to 14.6% in Q4 FY22; **Improved by 508 BPS**
- Q4 FY23 PAT at INR 160 Mn, growth of 50.7% Y-o-Y
- Signed a strategic partnership with Mangal Industries Limited, a part of the Amara Raja Group. This strategic collaboration with Mangal Industries will leverages AXISCADES' proven capabilities in engineering services and take it to the next level, with cutting edge product design, manufacturing engineering and Industry 4.0 solutions for our combined clientele
- Awarded by Bosch as “ The Rising Star” in the Embedded Electronics Category during the their very first Enrico Partner day, an exclusive event held for Bosch' strategic partner



## Consolidated Financial Performance – Q4 FY23 & FY23

Particulars (INR Mn)	Q4 FY22	Q3 FY23	Q4 FY23	FY22	FY23
Revenue	1,919	2,134	2,232	6,084	8,136
Other Operating Income	8	22	28	19	80
Other Income	28	18	11	91	60
<b>Total Revenue</b>	<b>1,956</b>	<b>2,175</b>	<b>2,271</b>	<b>6,194</b>	<b>8,276</b>
Cost of Material consumed	515	505	521	1,167	1,792
Employee Benefit Exp	825	978	854	3,121	3,609
Other Expenses	298	355	417	1,109	1,360
<b>EBITDA</b>	<b>281</b>	<b>296</b>	<b>440</b>	<b>687</b>	<b>1,375</b>
<b>EBITDA Margin</b>	<b>14.6%</b>	<b>13.9%</b>	<b>19.7%</b>	<b>11.3%</b>	<b>16.9%</b>
Depreciation and Amortization	72	63	67	251	265
<b>EBIT</b>	<b>209</b>	<b>233</b>	<b>373</b>	<b>437</b>	<b>1,110</b>
<b>EBIT Margin</b>	<b>10.9%</b>	<b>10.9%</b>	<b>16.7%</b>	<b>7.2%</b>	<b>13.6%</b>
Finance cost	41	115	141	158	359
<b>Profit before non-controlling interest / share in net profit of associate / Exceptional items</b>	<b>204</b>	<b>158</b>	<b>270</b>	<b>389</b>	<b>891</b>
Share in net Profit/(Loss) of associate	-4	-	-	-5	-0
Exceptional Items	-17	-236	-	-17	-680
Tax	78	25	109	141	258
PAT	106	-102	160	227	-48
PAT Adjusted*	123	134	160	244	632
PAT Margin	5.4%	-4.7%	7.1%	3.7%	-0.6%
PAT Margin (Adjusted)*	6.3%	6.1%	7.1%	3.9%	7.6%
<b>EPS</b>	<b>2.78</b>	<b>-2.72</b>	<b>4.17</b>	<b>5.86</b>	<b>-1.37</b>
<b>EPS Adjusted*</b>	<b>3.22</b>	<b>3.51</b>	<b>4.17</b>	<b>6.30</b>	<b>16.56</b>

During Q4FY23, the Company received INR 211 Mn from US Government as payroll subsidy for Covid in our US entity. The Company also took an additional charge of INR 56.5 Mn in consolidated financial results, on account of share warrants to be issued by Mistral Solutions and INR 21.2 Mn as additional ESOP charge, resulting in a net onetime benefit of INR 133 Mn, which forms part of EBITDA. The impact is INR 133 Mn for Q4FY23 & FY23. Excluding the net onetime benefit, the EBITDA for Q4FY23 stands at INR 307 Mn (13.7%) and FY23 INR 1,242 Mn (15.3%).

\*In Q3 and FY23, consolidated P&L statement recognizes an 'exceptional item', with net negative impact of INR (236) Mn and INR (680) Mn respectively on account of additional consideration and interest cost with respect to Mistral acquisition, which was not part of original purchase consideration

### Key highlights FY23 Y-o-Y

- Strong Revenue growth of 33.7% driven by double digit growth in the across the verticals except HEG
- EBITDA stands at INR 1,375 Mn; 16.9%, improved by 561 bps from 11.3% in FY22, driven by growth in key accounts and operating leverage
- FY23 PAT adjusted for exceptional item has grown by 160%

### Key highlights Q4 FY23 Y-o-Y

- Revenue growth of 16.3% driven by double digit growth in Aerospace, Automotive and Product & Solutions Vertical
- EBITDA stands at INR 440 Mn; 19.7%, improved by 508 bps.
- Finance cost has increased mainly due to increase in borrowing for Mistral acquisition which is expected to come down in FY24.

## Revenue Details Q4 FY23 & FY23

Revenue	Q4 FY22	Q3 FY23	Q4 FY23	QoQ	YoY
US\$ Mn	\$ 25.7	\$ 26.2	\$ 27.7	5.7%	7.9%
INR Million	1,919	2,134	2,232	4.6%	16.3%

Revenue by Vertical	Q4 FY22	Q3 FY23	Q4 FY23	QoQ	YoY
Engineering Design Services	60.2%	70.8%	67.2%	-0.5%	30.9%
Strategic Technology Solutions	39.8%	29.2%	32.8%	17.6%	-3.4%

Revenue by Industry	Q4 FY22	Q3 FY23	Q4 FY23	QoQ	YoY
Aerospace	22.4%	28.2%	28.0%	3.8%	45.1%
HEG & Others	21.4%	19.7%	18.1%	-3.7%	-1.7%
Product Engineering Services	11.8%	15.9%	12.9%	-14.8%	27.0%
AIP	2.7%	4.5%	5.5%	26.4%	138.8%
Energy	1.8%	2.3%	2.2%	2.0%	46.5%
Products and Solutions	39.9%	29.5%	33.2%	17.6%	-3.2%

Revenue By Geography	Q4 FY22	Q3 FY23	Q4 FY23	QoQ	YoY
Europe	29.2%	34.2%	28.3%	-13.4%	12.8%
USA	28.0%	32.7%	28.1%	-10.3%	16.5%
APAC	38.5%	28.7%	38.5%	40.2%	16.2%
Canada	4.2%	4.4%	5.0%	19.0%	38.2%

Revenue by Location	Q4 FY22	Q3 FY23	Q4 FY23	FY22	FY23
Offshore	75.7%	76.1%	76.3%	70.8%	75.7%
Onsite	24.3%	23.9%	23.7%	29.2%	24.3%

Revenue by Project	Q4 FY22	Q3 FY23	Q4 FY23	FY22	FY23
Fixed Price	61.6%	60.9%	65.8%	54.4%	61.6%
Time & Material	38.4%	39.1%	34.2%	45.6%	38.4%

	FY22	FY23	YoY
\$	81.9	\$ 101.8	24.3%
	6,084	8,136	33.7%

	FY22	FY23	YoY
	74.2%	71.0%	28.8%
	25.8%	29.0%	51.3%

	FY22	FY23	YoY
	25.6%	27.6%	44.3%
	27.3%	20.9%	2.2%
	15.7%	15.7%	33.5%
	3.5%	4.3%	65.2%
	2.0%	2.3%	51.1%
	25.9%	29.3%	51.3%

	FY22	FY23	YoY
	32.1%	34.3%	43.2%
	37.4%	32.8%	17.1%
	24.3%	28.3%	55.9%
	6.2%	4.6%	-1.0%

### Key Takeaways

- Overall revenue growth 24.3% Y-o-Y, in \$ terms majorly driven by increased traction mainly in our newer vertical Automotive and Energy and existing vertical Aerospace, PES and Product and Solutions (Defence)
- Engineering Design has grown by 28.8% Y-o-Y mainly due to growing contribution from existing customers in Aerospace, Product Engineering Services and recently added clients in AIP and Energy verticals
- Strategic Technology Solutions has delivered a strong growth of 51.3% Y-o-Y on account of strong recovery in sub-segments
- Aerospace continues to grow and is up by 44.3% Y-o-Y. The growth is attributable to increase business from existing clients
- Muted performance in the HEG segment attributable to delayed revival of major industrial capex
- AIP grew by 65.2% Y-o-Y driven by ramp up in recently added clients in the areas of Embedded, mechanical and Hardware
- Products and Solutions vertical has delivered strong growth of 51.3% Y-o-Y; driven by the traction in recently won contract for the supply of Anti-drone systems to Indian defence
- All geography except Canada has shown double digit growth.

# Business performance and Outlook

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## Aerospace

The Aerospace vertical grew by 44.3% Y-o-Y. This vertical is growing since last 9 quarters. New client wins, and newer area of business has enabled the increase of wallet share from existing clients. We have now begun to execute on our enhanced long-term contract with Airbus, and have recently established a new delivery centre in Broughton in United Kingdom. We are working towards gaining more wallet share from our existing and new clients in Aerospace, by leveraging our competencies from Mistral.

## Heavy Engineering (HEG)

Heavy Engineering Business remained flat during the year, due to macro-economic factors, we are hopeful that FY24 will be a growth year for the Company in this vertical, with the new initiatives we have launched in this segment.

## AIP & Energy

Automotive vertical witnessed growth of 65.2% Y-o-Y. This growth was driven by recent addition of Automotive clients in the areas of Embedded, Mechanical and Hardware during the year. The ramp up is as per our expectation.

The Energy Vertical registered a 51.1% growth Y-o-Y. We are investing in this vertical to acquire new talents with requisite skills to cater future growth opportunity.

Going forward, both these segments will grow significantly and will form significant portion of our revenue.

## Product Engineering Services

Product & Engineering services business, under Mistral, grew by 33.5% Y-o-Y and we are focused on maintaining this growth trajectory, with the opportunities available in this sector and cross leveraging competencies across the group and deploying them with combined customer base of group companies.

## Product & Solutions

Revenue from Product and Solutions has grown 51.3% Y-o-Y and we are bullish on the opportunities and order pipeline we have built in this segment.

# About AXISCADES Technologies Ltd.

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AXISCADES is a leading, end to end technology and engineering solutions provider aiding creation of innovative, sustainable and safer products worldwide. Headquartered in Bangalore with subsidiaries in USA, UK, Canada, Germany, India and China; and offices in Germany, France, Denmark, USA and Canada.

AXISCADES has a diverse team of over 2,700 professionals working across 17 locations across North America, Europe, UK and Asia-Pacific, striving to reduce the program risk and time to market. The company offers Product Engineering Solutions across Embedded Software and Hardware, Digitisation and Automation, Mechanical Engineering, System Integration, Test Solutions, Manufacturing Engineering, Technical Publications, and Aftermarket Solutions.

The solutions comprehensive portfolio covers the complete product development lifecycle from concept evaluation to manufacturing support and certification for Fortune 500 Companies in the Aerospace, Defense, Heavy Engineering, Automotive, Medical Devices & Industrial Product industries. The company is known for its robust system of certifications and best practices that address customer requirements and domain expertise

*For further information, please contact:*

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