



# Cigniti Technologies Ltd.

## Investor Update

Q4 & FY23

World's Leading AI & IP-led Digital Assurance & Digital Engineering Services Company

# Q4 & FY23 Highlights

- » The Company's Consolidated Revenue from operations for the quarter Q4'FY23 stood at Rs 424.97 crore as against Rs 344.08 crore corresponding quarter Q4'FY22.
- » EBITDA margin for the March quarter was at 16.1% and EBITDA stood at 68.37 crores, up by 109.6% compared to Q4'FY22.
- » The Company during the quarter has won 12 new clients.
- » For the fiscal year FY22-23, Company has reported total revenue of Rs. 1,647.58 crore, a 32.7% increase over the previous fiscal year.
- » EBITDA and Net profit for the year was Rs. 237.70 crore and Rs. 168.32 crore, representing 83.9% and 83.5% increase over the previous year.
- » Growth has been achieved with change in strategy of the company to work around beyond testing and offering digital transformation services.
- » With more vigilant towards investments in sales & developments and even out cost with various optimization measures that has initiated last year, Company has achieved higher margin this year.

**424.97**  
Revenue (INR in Cr.)

**16.1%**  
EBITDA

**11.6%**  
PAT

**55 Days**  
DSO

**230+**  
Active Clients  
50+ Fortune 500 Clients

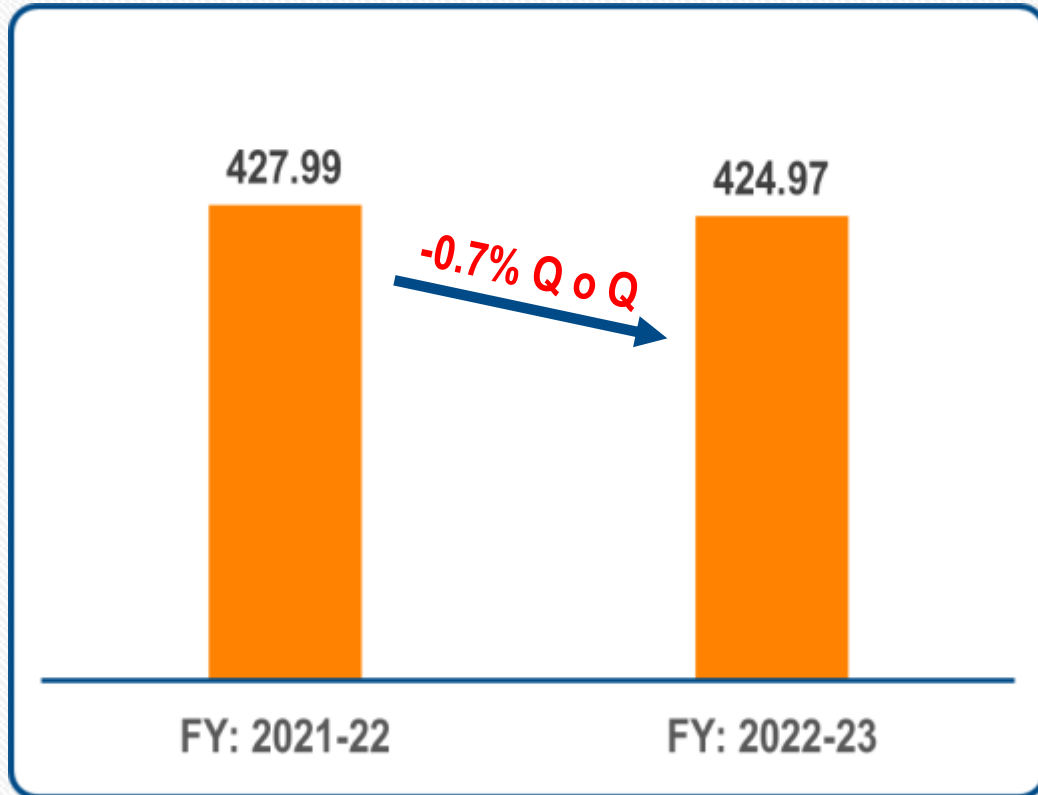
**10+**  
Delivery Locations

Offices in  
**9**  
Countries

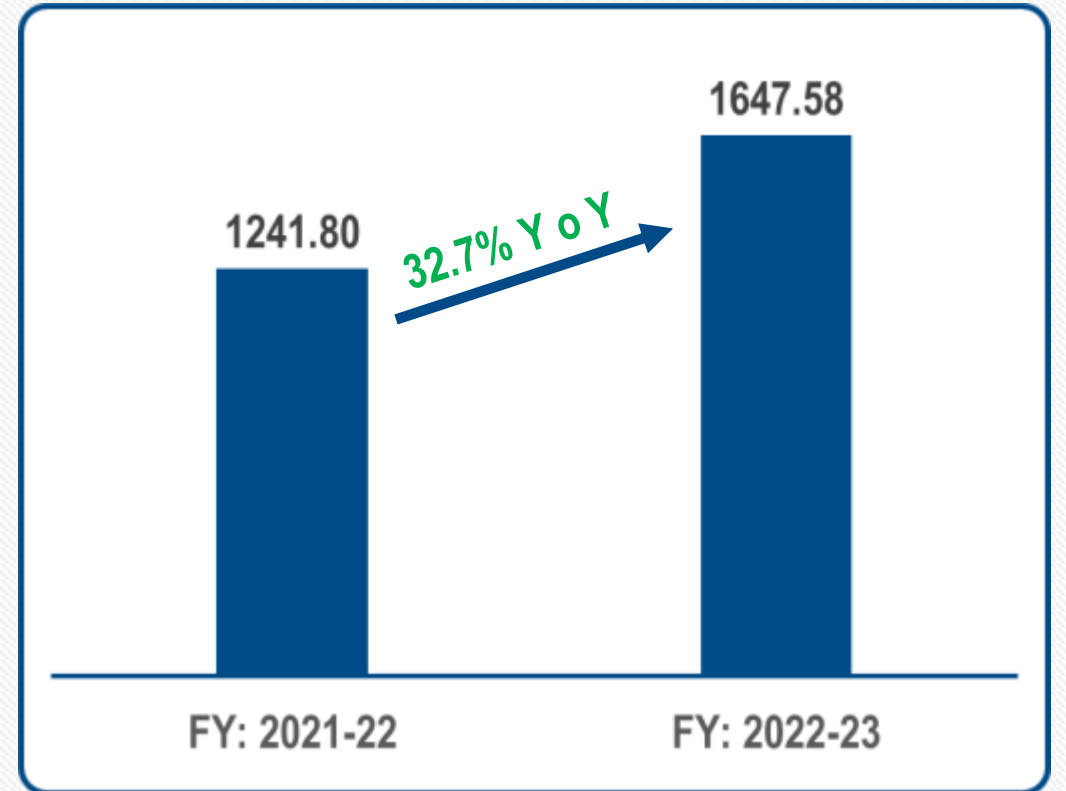
**4000+**  
Cignitians

# Q4FY23 Financials (INR in Cr.)

## Revenue Q o Q



## Revenue Y o Y



# Client Composition / Geography Mix of Revenue

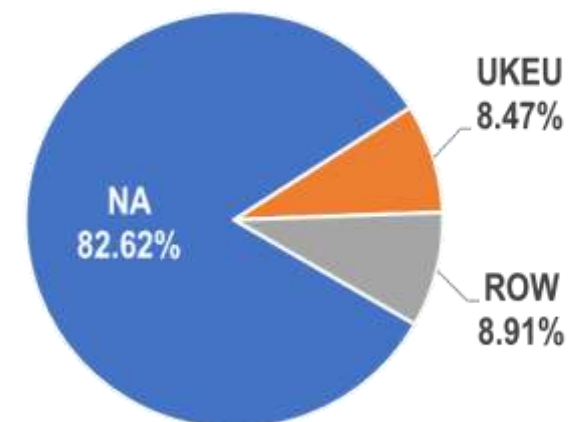
## CLIENT CONTRIBUTION TO REVENUE (%)



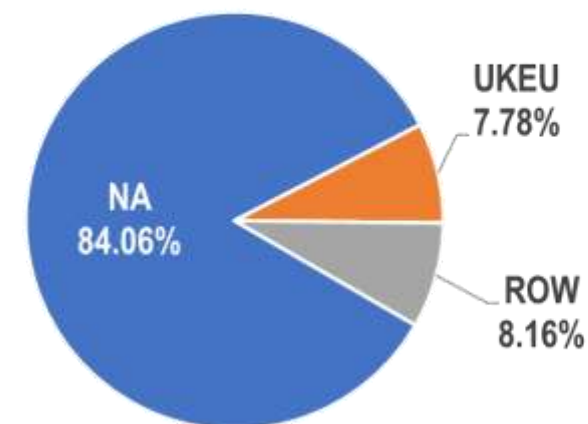
## ACTIVE CLIENTS AND NEW CLIENTS

Clients	Q1	Q2	Q3	Q4	FY 2023
Number of Clients	235	246	244	230	301
New Clients Added	13	9	13	12	47

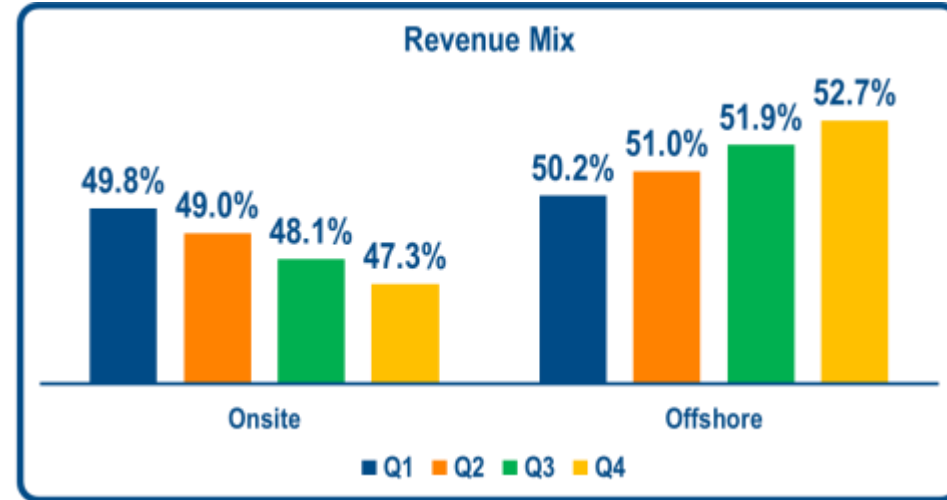
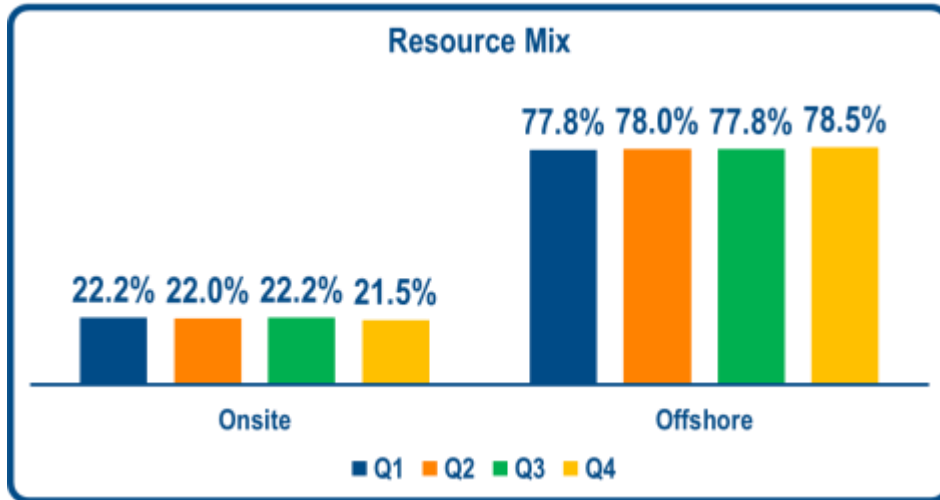
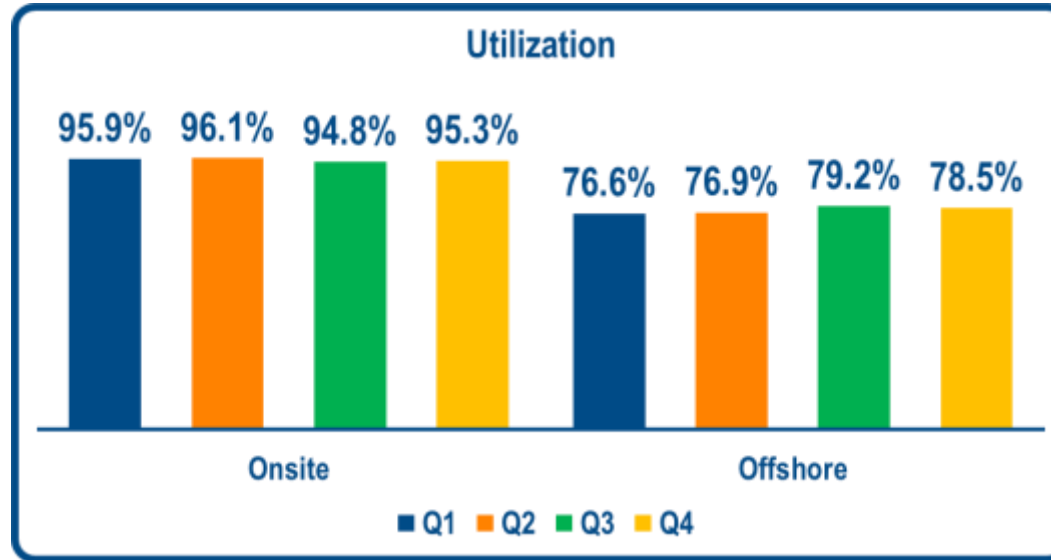
Q4' FY23



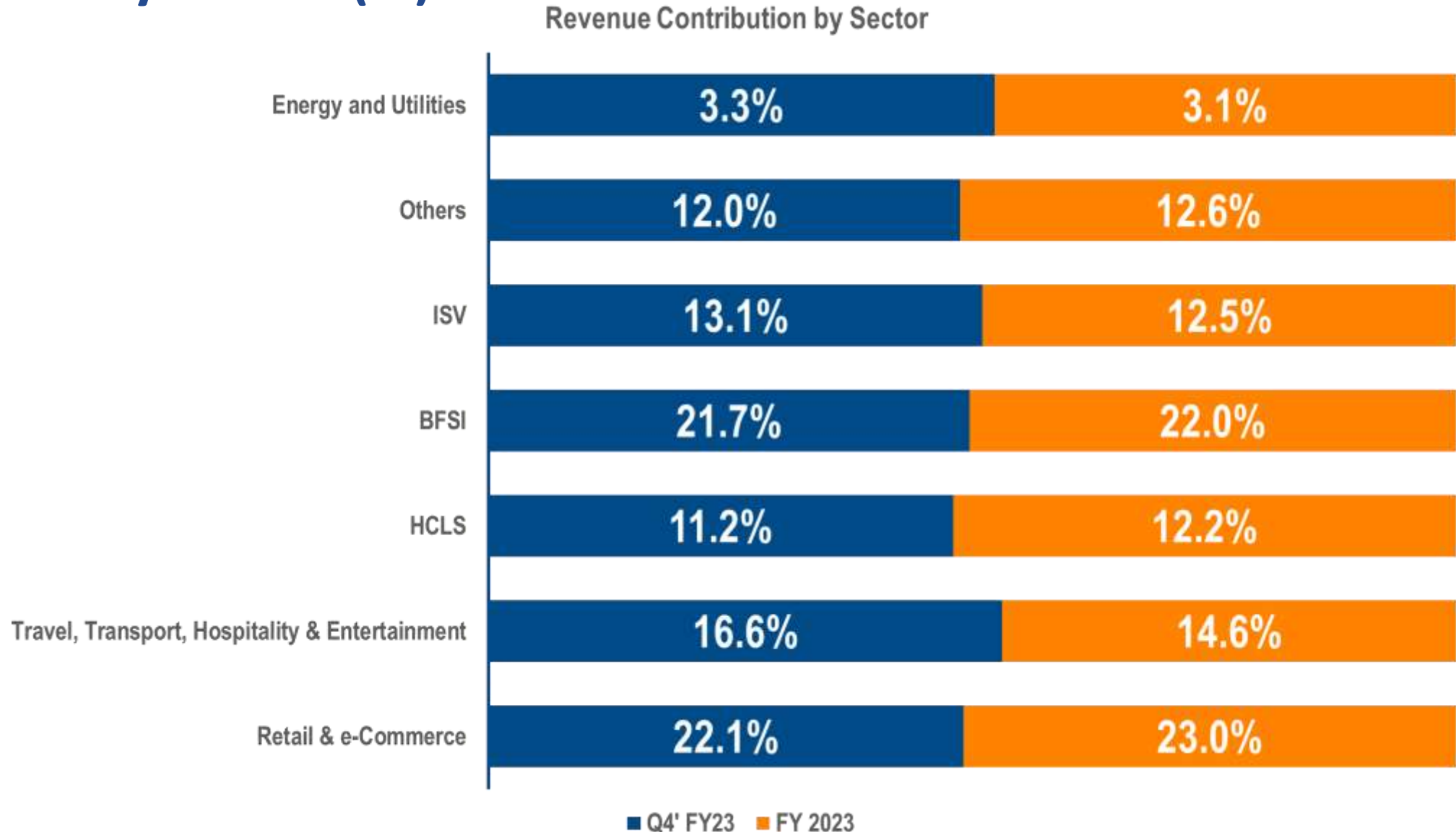
FY 2023



# Billing Utilization FY 2023



# Revenue By Sector (%)



# Cigniti – Assure | Engineer | Transform – Digital. Done. Right.™



**Digital Assurance Services**



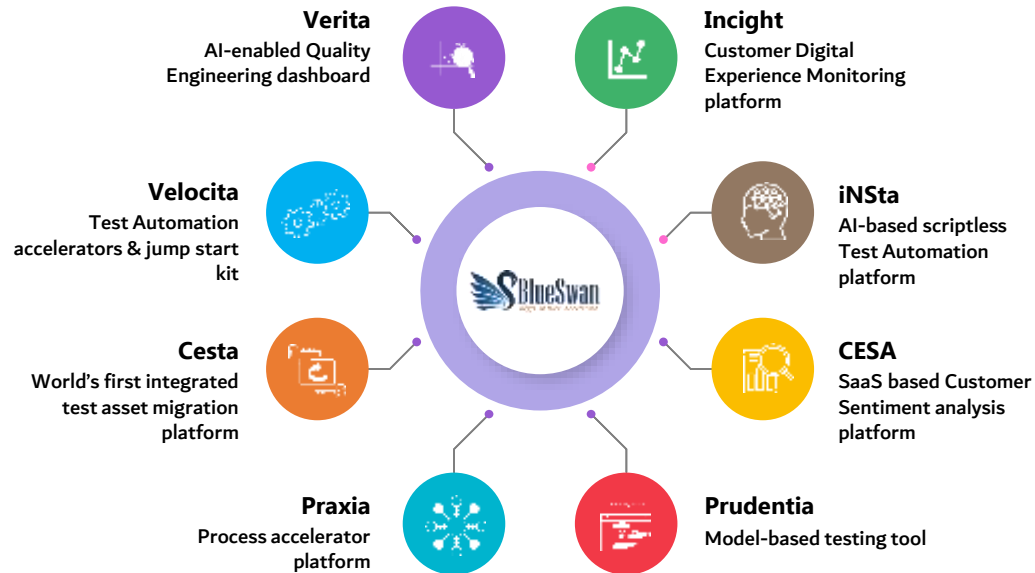
**Digital Engineering Services**

**Strategic Digital Transformation Partner**

# Accelerating Digital Transformation - an IP & Platform-led Approach

## BlueSwan™

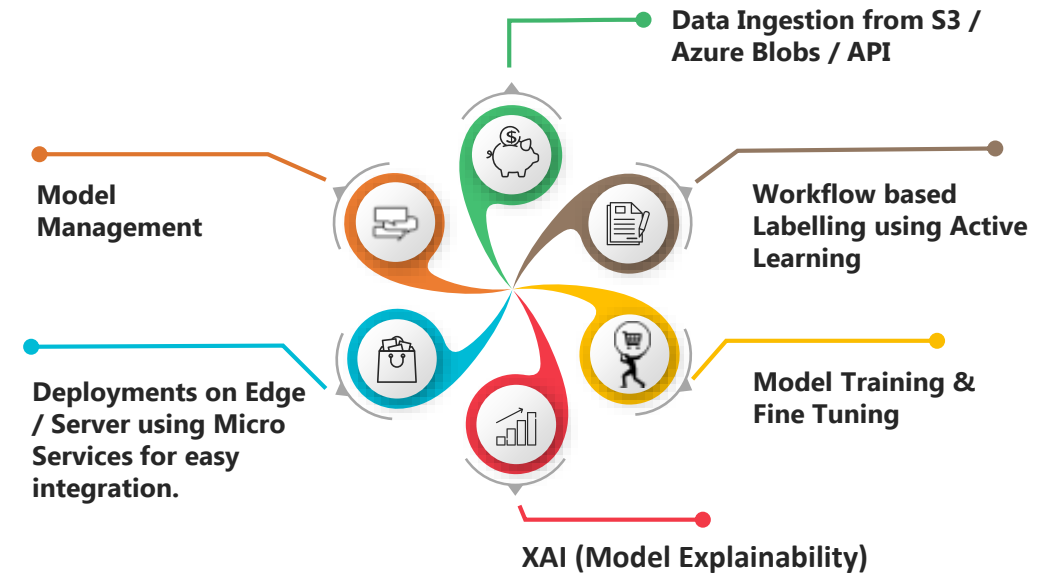
AI-led & next-gen proprietary Digital Assurance platform



Accelerating Digital Assurance

## Zastra™

Enterprise-grade annotation & collaboration platform for computer vision projects



Accelerating Digital Engineering



# Our Key Service Offerings

## Quality Engineering



- Automated Functional Testing
- Non-functional Testing
- Monitoring & Analysis
- Performance Engineering
- TEM & TDM
- Service Virtualization
- End to End Automation
- Continuous Testing

## Digital Assurance



- Mobility
- Analytics
- Omni Channel Testing
- Robotic Process Automation
- Lifecycle Automation
- Customer Experience
- Cloud Native Application Testing
- Cloud Transformation & Legacy Modernization Assurance
- AI / ML & IOT Assurance

## Advisory & Transformation



- Agile DevOps Advisory
- Test Tooling Advisory
- Maturity Advisory
- Test Benchmarking
- Automation Advisory
- QA Transformation
- Agile DevOps Transformation
- DevOps Consulting Services
- Data & Cloud Migration Strategy
- AI Strategy
- Data Architecture Advisory

## Digital Engineering



- Mobile Application Development
- Web/Portal/Content Management
- Cloud Native Application Development
- Compliance & Risk Assessment
- Data Science
- Enterprise Application Integration
- DevOps Implementation Services
- Data Analytics & Insights
- Business Intelligence
- Blockchain
- AI & ML

# Our Driving Force

## Management



**C V Subramanyam,**  
*Chairman and MD*



**Srikanth Chakkilam,**  
*CEO & Non-executive Director*



**Krishnan Venkatachary**  
*CFO*



**Vinay Rawat**  
*CRO*



**Raghu Krovvidy**  
*CDO*



**Sairam Vedam**  
*CMO*



**Nanda Padmaraju**  
*President – ROW*



**Jagdish Kumar**  
*SVP – ICT*



**Veera Reddy**  
*VP & Global Head  
of HR & TD*



**Kiran Kumar**  
*President & Head of DES*

## Advisory Council



**Ramnik Kamo**  
*EVP, CIO, & Chief People Officer,  
Mavenir*



**Dr. Aiman Abdel-Malek**  
*Executive Chairman, Advisory  
Board, Thirdwayv Inc.*



**Paul Trotter**  
*Digital Delivery Director at  
Cynergy bank*



**Partha Srinivasa Raghavan**  
*Chief Data & Information Officer,  
Verisk Analytics*

## Board



**RK Agarwal,** Independent  
Director



**Phaneesh Murthy,**  
Independent Director



**Srinath Batni,**  
Independent Director



**Nooraine Fazal,**  
Independent Director



**K CH Subbarao,**  
Non-Executive Director

# Awards & Recognitions

## Awards & Recognitions

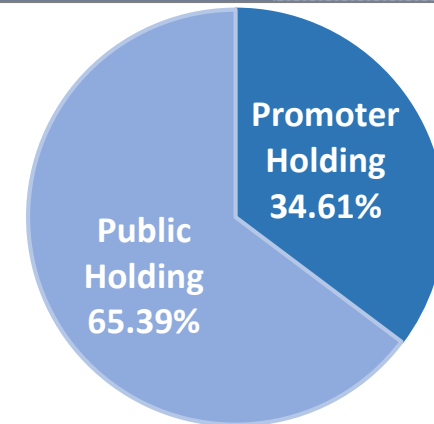
- » ISG recognized as a Contenders in Client Development, Manufacturing Supply Chain Digital Transformation, MedTech Digital Transformation, & Pharmacovigilance & Regulatory Affairs quadrants in the Life Sciences Digital Services Study 2022. Zinnov positioned Cigniti in the Execution Zone for Intelligent Automation Services Mid-Tier Service Providers, RPA Mid-Tier Service Providers, Intelligent Automation Services: BFS, Intelligent Automation Services: Retail, Intelligent Automation Services: Manufacturing and in the Breakout Zone for Intelligent Automation Services: Insurance and Intelligent Automation Services: Healthcare
- » Positioned in Gartner’s Magic Quadrant for Application Testing Services, Worldwide for 6 years in a row and as a ‘Star Performer’. Gartner® Hype Cycle™ for Managed IT Services and API Testing Services 2022 mention Cigniti as a sample vendor.
- » Appraised at CMMI-SVC v1.3, Maturity Level 5, and ISO 9001:2015 & ISO 27001:2013 certified



## Our Partners Include



## Share Holding Pattern (Mar'23)



# Financial Highlights Q4FY23- Consolidated

All values are in INR Million

Particulars	Q4FY23	Q4FY22	Y-o-Y %	Q3FY23	Q-o-Q %
<u>Income</u>					
Revenue from operations	4,250	3,441	23.5%	4,280	-0.7%
Revenue from operations (\$M)	\$52.08	\$46.30		52.59	
<u>Expenses</u>					
Employee benefit expense	2,448	2,001	22.3%	2,493	-1.8%
Hired Contractors Cost	746	709	5.2%	777	-4.1%
Other expenses	372	404	-8.1%	369	0.7%
<b>EBITDA</b>	<b>684</b>	<b>327</b>	<b>109.6%</b>	<b>640</b>	<b>6.8%</b>
<b>% EBITDA</b>	<b>16.1%</b>	<b>9.5%</b>		<b>15.0%</b>	
Depreciation & Amortization	71	49	43.0%	72	-1.9%
<b>EBIT</b>	<b>613</b>	<b>278</b>	<b>121.5%</b>	<b>568</b>	<b>7.9%</b>
Other Income(Expense)	2	20	-90.7%	52	-96.4%
Finance Income	35	33	6.4%	26	36.0%
Finance Costs	11	15	-24.9%	11	-2.3%
<b>PBT</b>	<b>639</b>	<b>316</b>	<b>102.9%</b>	<b>635</b>	<b>0.7%</b>
Tax	147	90	64.9%	169	-13.4%
<b>PAT</b>	<b>492</b>	<b>226</b>	<b>117.9%</b>	<b>466</b>	<b>5.8%</b>
<b>EPS (Basic)</b>	<b>18.07</b>	<b>8.06</b>		<b>17.08</b>	

# Financial Highlights 12MFY23- Consolidated

All values are in INR Million

Particulars	12MFY23	12MFY22	Y-o-Y
<u>Income</u>			
Revenue from operations	16,475	12,418	32.7%
Revenue from operations (\$M)	\$206	\$164	
<u>Expenses</u>			
Employee benefit expense	9,644	7,393	30.5%
Hired Contractors Cost	3,075	2,394	28.5%
Other expenses	1,379	1,339	3.0%
<b>EBITDA</b>	<b>2,377</b>	<b>1,292</b>	<b>83.9%</b>
<b>% EBITDA</b>	<b>14.4%</b>	<b>10.4%</b>	
Depreciation & Amortization	264	162	63.3%
<b>EBIT</b>	<b>2,113</b>	<b>1,130</b>	<b>86.8%</b>
Other Income(Expense)	49	1	NM
Finance Income	98	134	-26.4%
Finance Costs	44	50	-12.9%
<b>PBT</b>	<b>2,216</b>	<b>1,215</b>	<b>82.4%</b>
Tax	533	298	79.1%
<b>PAT</b>	<b>1,683</b>	<b>917</b>	<b>83.5%</b>
<b>EPS (Basic)</b>	<b>61.32</b>	<b>32.72</b>	

# Cigniti's Consolidated Balance Sheet

Particulars	FY23	FY22	Particulars	FY23	FY22
Property Plant & equipment	302	326	<b>Equity &amp; Liabilities</b>		
Right-to-use asset	188	255	Equity share capital	273	281
Goodwill	740	549	Other equity	5,621	4,318
Capital WIP	-	-	<b>Sub total</b>	<b>5,894</b>	<b>4,599</b>
Other intangible assets	123	-	<b>Non-current liabilities</b>		
<i>Financial assets</i>			<i>Financial liabilities</i>		
Investment	16	-	Lease Obligation	139	233
Loans	-	-	Borrowings	-	-
Other non-financial assets	257	226	Other financial liabilities	52	-
Deferred tax assets net	59	58	Long term provisions	219	177
Other non current assets	-	-	Deferred tax liability	-	-
<b>Sub total</b>	<b>1,685</b>	<b>1,414</b>	<b>Sub total</b>	<b>410</b>	<b>410</b>
<b>Current assets</b>			<b>Current liabilities</b>		
<i>Financial assets</i>			<i>Financial liabilities</i>		
Investment	1,756	1201	Short term borrowings	304	469
Trade receivables	2,551	2,268	Trade payables	1,154	938
Cash and cash equivalent	438	245	Lease Obligation	114	98
Other Bank balances	630	909	Other current financial liabilities	81	37
Other current financial assets	1,165	693	Short term provisions	88	57
Current tax assets net	17	12	Current tax liability, net	192	182
Other current assets	218	235	Other current liabilities	223	187
<b>Sub total</b>	<b>6,775</b>	<b>5,563</b>	<b>Subtotal</b>	<b>2,156</b>	<b>1,968</b>
<b>Total</b>	<b>8,460</b>	<b>6,977</b>	<b>Total</b>	<b>8,460</b>	<b>6,977</b>

# Cashflow Generation

All Figures in INR Mn.	FY 2023	FY 2022
<b>Profit before tax</b>	<b>2,216</b>	<b>1,215</b>
(+/-) Non-cash & non operating Items	<b>270</b>	<b>196</b>
<b>Operating Profit before WC Changes</b>	<b>2,486</b>	<b>1,411</b>
(+/-) DSO Movement (Receivables)	<b>(263)</b>	<b>(713)</b>
(+/-) Other charges	<b>(76)</b>	<b>(26)</b>
<b>Operating CF after WC changes</b>	<b>2,146</b>	<b>672</b>
Less: Taxes	<b>(574)</b>	<b>(290)</b>
Less: Capex	<b>(132)</b>	<b>(206)</b>
<b>Free cash flow generated</b>	<b>1,440</b>	<b>176</b>
<b>EBITDA</b>	<b>2,377</b>	<b>1,293</b>
<b>FCF to EBITDA Conversion</b>	<b>61%</b>	<b>14%</b>

## Cash Generation

- ❖ Cash and cash equivalents (including fixed deposits) at a healthy levels of 1,192 Mn.
- ❖ Company has invested in Mutual Funds, NCDs and Bonds to the tune of 1,352 Mn.
- ❖ FCF generated during FY 2023 is exceeding the FCF generated in the FY 2022 mainly driven by efficiency in collections, reduction in G&A and capex optimization despite non recurrence of export incentives
- ❖ The company is optimistic that the investments made in the last year will result growth in the coming years.

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# Cigniti

## India

### Hyderabad

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6th Floor, ORION Block, "The V" (Ascendas)  
Plot #17 Software Units Layout  
Madhapur, Hyderabad-500081

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## US

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## Australia

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## Canada

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## Singapore

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## UAE

Cigniti Technologies Ltd.  
Premises No. 6WB 643, Building  
Name 6WB, Dubai Airport Freezone  
Dubai, UAE

## Czech Republic

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V parku 2316/12,  
Chodov,  
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