

Date: April 19, 2023

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai-400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Company Symbol: SIS

Company Code: 540673

Dear Sir/Madam,

**Sub.: Presentation and audio recording – Cash Management Solutions session -
Confluence event 2023**

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

In continuation to our intimation letter dated March 17, 2023, we have enclosed the presentation made during the virtual session of Cash Management Solutions in confluence event 2023 held on April 18, 2023.

In addition, we have also uploaded an audio recording of the event and the presentation on the Company's website at <https://sisindia.com/investor-information/>.

Kindly take note of the same.

Thanking you.

For **SIS Limited**

Pushpalatha K
Company Secretary

SIS Limited



A Market Leader in
Security, Cash Logistics
& Facility Management

SIS PROSEGUR

LEADER IN CASH LOGISTICS >>

CASH MANAGEMENT SOLUTIONS

SIS Confluence 2023

18th April 2023



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Disclaimer

Today's Speaker



Oscar Esteban

**CEO,
SIS-Prosegur JV (Cash
Management Services)**

Mr. Oscar Esteban has over three decades of experience across industries in leadership positions. He has international experience across Europe, LATAM and Asia and within Asia, he has worked across China, Singapore, UAE, Saudi Arabia and India.

Oscar has been with Prosegur since 2002. While working with Prosegur, he has played a crucial role as an Operations Director for the cash management division of Spain (2002-2004), MD for the cash management business of Spain (2004-2008), Chief Risk Officer for all businesses in Europe (2008-2010), Business Director for the Asian region (2010 till date). Since 2015, Oscar has been the CEO of the joint venture between SIS Group and Prosegur for the cash management business in India.

He has key memberships across ESTA, ACMA, CLAI and CCA.

Before joining Prosegur, he worked with TICSA, Novotec Consultores and DHL Logistica.

Mr. Oscar has a Master's in Industrial Management, Master in Trade and International Economic Relations & an Executive Management Development Program. He is a Chemical Engineer. He is a Spanish national, married and has one son.

Highly reputed and fastest growing cash management company in India. Ranked #2, SIS Prosegur is a leader in implementing innovative global practices, by making cash payments more efficient

Company Overview

INDIAN
Market leader

#1
Security solutions

#2
Facility management

2.80 lakhs+
Employees

15,800+
Clients



SIS Group Enterprises
A Market Leader in Security, Cash Logistics & Facility Management

GLOBAL
Market leader

160,000+
Employees

10,000+
Vehicles for cash movement

25
Countries in 5 continents



 **PROSEGUR**

10,000
ATMs

10,000+
Employees

3,000
Cash vans

22,000
Retail Points



SIS PROSEGUR
LEADER IN CASH LOGISTICS >>

JV since 2012

Pan India reach

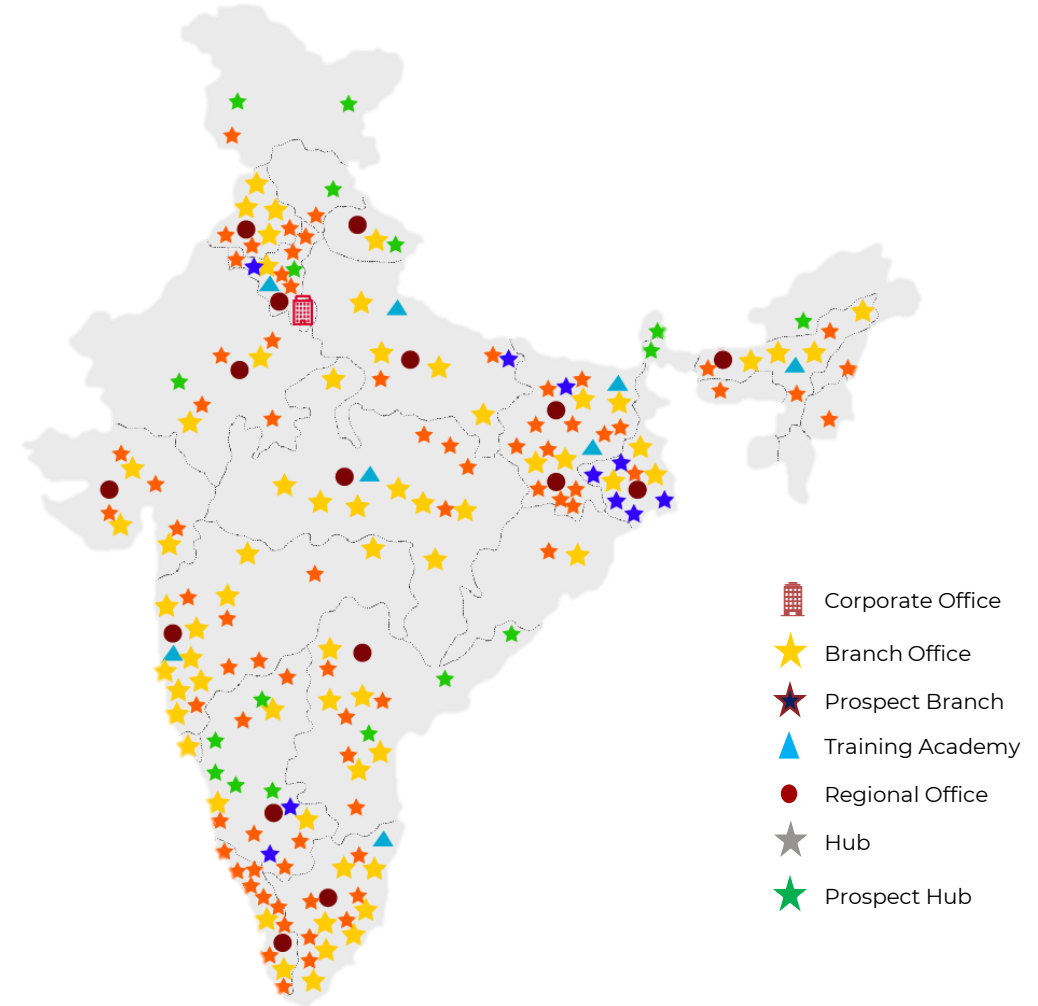
15
Regions



90+
Branches



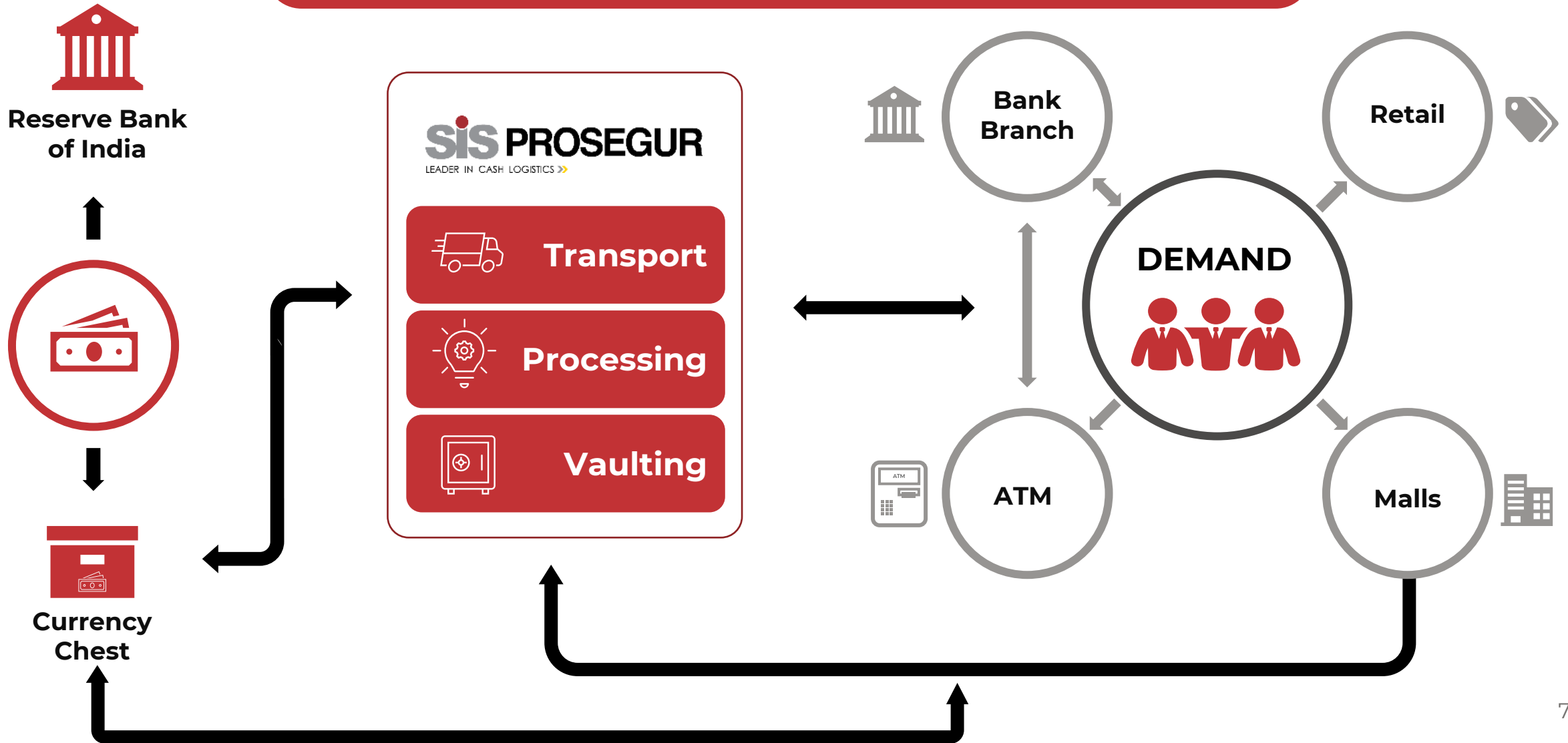
60+
Vaults



SIS-Prosegur is the 2nd largest cash logistics provider in India

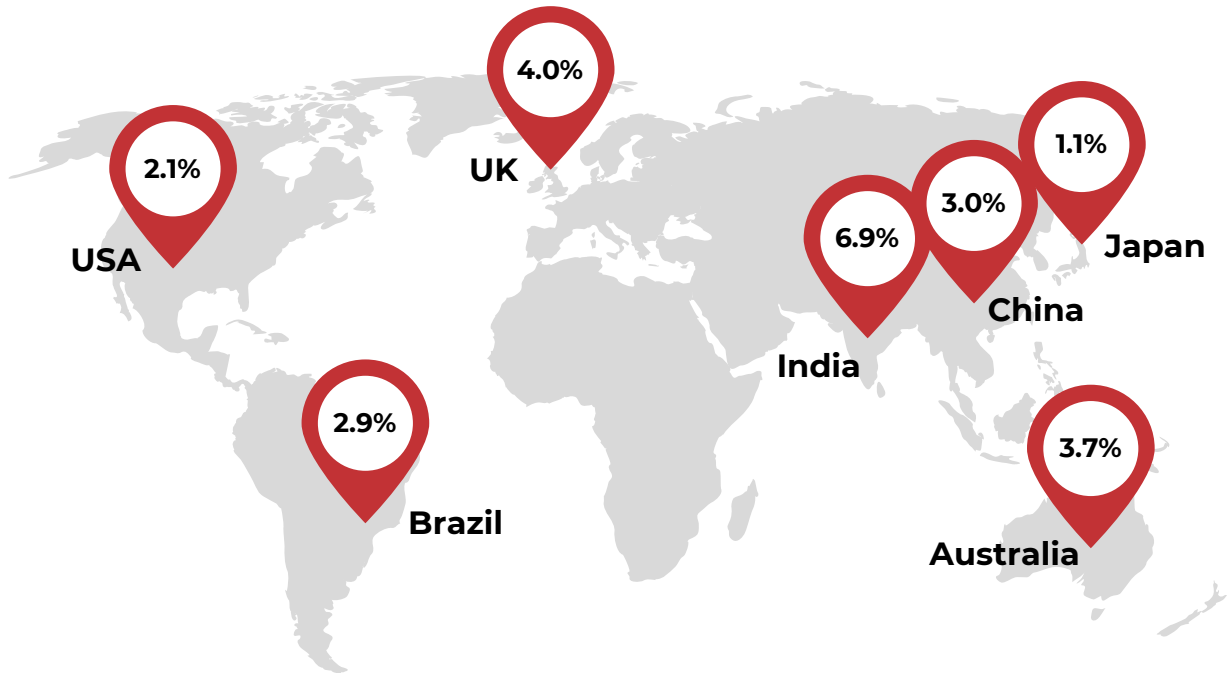
SIS-Prosegur: Cornerstone of cash supply chain management

SIS-Prosegur is key in keeping India's economy moving

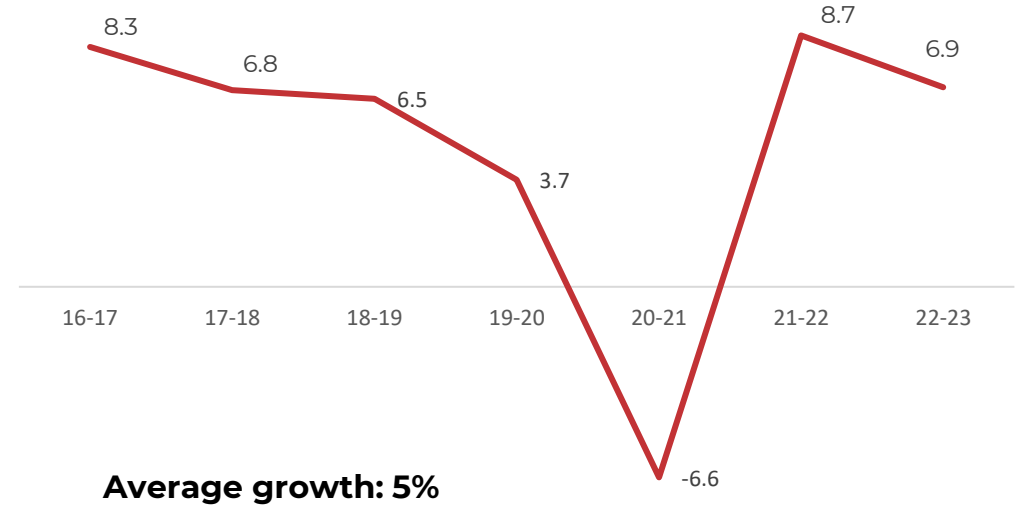


India's robust fundamentals to drive growth of the cash management industry..

GDP growth % (By country) in 2022



GDP Growth %



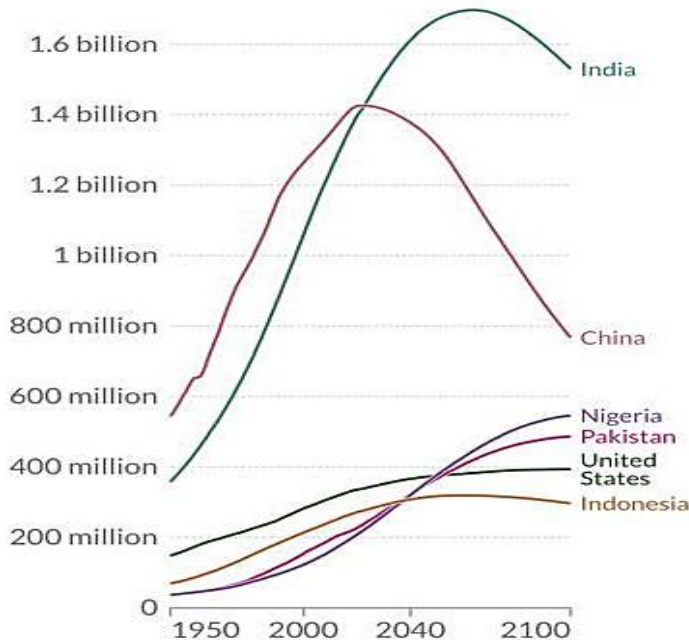
- With a CAGR of 15%, the middle class in the region is expanding and is projected to reach between 300 - 400 mn.
- Their disposable income enables discretionary purchases.

India's high GDP growth rate is expected to strengthen its leadership position

Demographics

Population, 1950 to 2100

Projections from 2022 onwards are based on the UN's medium-fertility scenario.



Economics

World's largest economies (measured in USD)

| Ranking | 1980 | 2000 | 2022 | 2050 | 2075 |
|---------|----------------|----------------|----------------|----------------|----------------|
| 1 | United States | United States | United States | China | China |
| 2 | Japan | Japan | China | United States | India |
| 3 | Germany | Germany | Japan | India | United States |
| 4 | France | United Kingdom | Germany | Indonesia | Indonesia |
| 5 | United Kingdom | France | India | Germany | Nigeria |
| 6 | Italy | China | United Kingdom | Japan | Pakistan |
| 7 | China | Italy | France | United Kingdom | Egypt |
| 8 | Canada | Canada | Canada | Brazil | Brazil |
| 9 | Argentina | Mexico | Russia | France | Germany |
| 10 | Spain | Brazil | Italy | Russia | United Kingdom |
| 11 | Mexico | Spain | Brazil | Mexico | Mexico |
| 12 | Netherlands | Korea | Korea | Egypt | Japan |
| 13 | India | India | Australia | Saudi Arabia | Russia |
| 14 | Saudi Arabia | Netherlands | Mexico | Canada | Philippines |
| 15 | Australia | Australia | Spain | Nigeria | France |

Cash continues to be the preferred mode of payment, growing at a CAGR of 11% (Oct. '16 – Oct.'22)

Cash is still king as digital divide between Bharat and India continues

Cash in circulation rose by ₹11,115 cr in the week-ended October 15

SURESH P IYENGAR

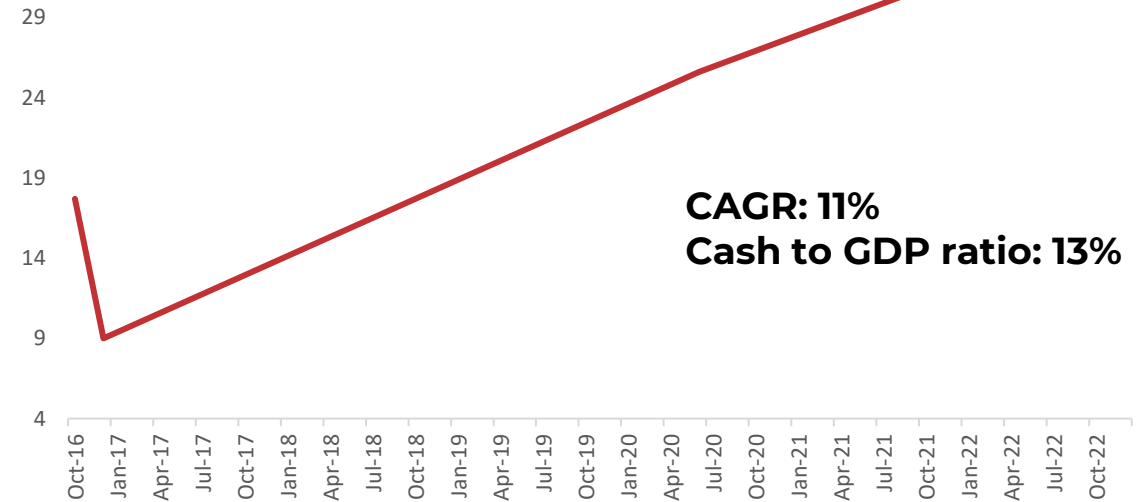
Mumbai, October 27

The demand for currency, which has seen a steady surge with the onset of festival season this month, has once again proved that cash is king as the digital divide between Bharat and India still remains startling.



Currency with the public has increased by ₹63,103 crore to ₹28,14,931 crore as of September 24

Cash in Circulation (₹ lakh cr.)

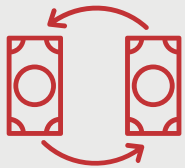


The implicit demand for cash highlights its dominant position in the economy

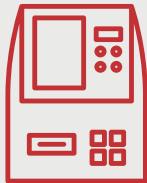
SIS-Prosegur offers a comprehensive range of classic Cash Management Solutions...



Cash in Transit



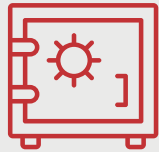
Cash Pickup & Delivery



ATM Replenishment



Cash Assistant – Cash Processor



Vaulting



...as well as new innovative solutions



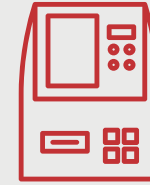
Bullion Management



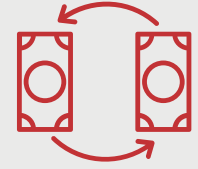
Value Cargo



PEGE



CashToday



Cash Processing Outsourcing



Becoming a trusted partner for clients

Banks



76%

MSP



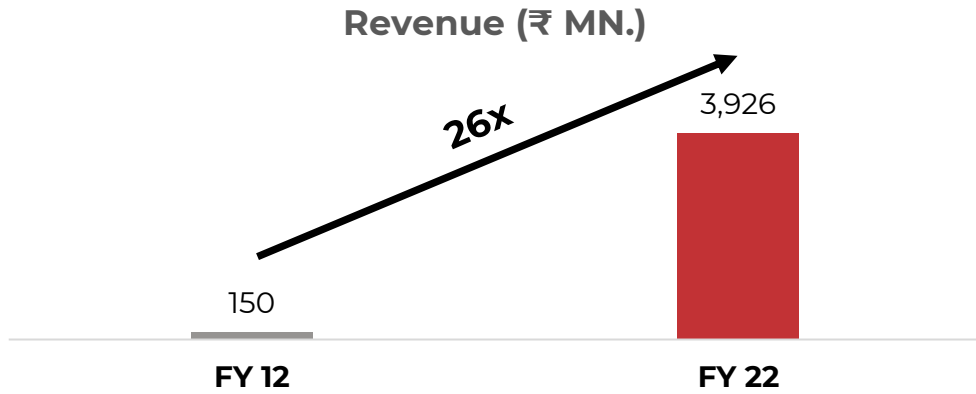
21%

Retail & Govt. Organization



3%

Our journey



Complete restructuring of: Customers, branches, organisation, business lines

SIS & Prosegur form a JV

FY12

FY16 – FY18

FY13 – FY15

FY19 – FY21

FY22..

- Rating: A Stable (LT). A1 (ST)
- 15% increase in revenue, with 22% growth in run-rate
- 65% growth in new services
- 57% growth in EBITDA

- Focused on compliance. Introduction of 4 new business lines.
- Strong growth even through COVID

Strong organic and inorganic growth: Focused on ATM services

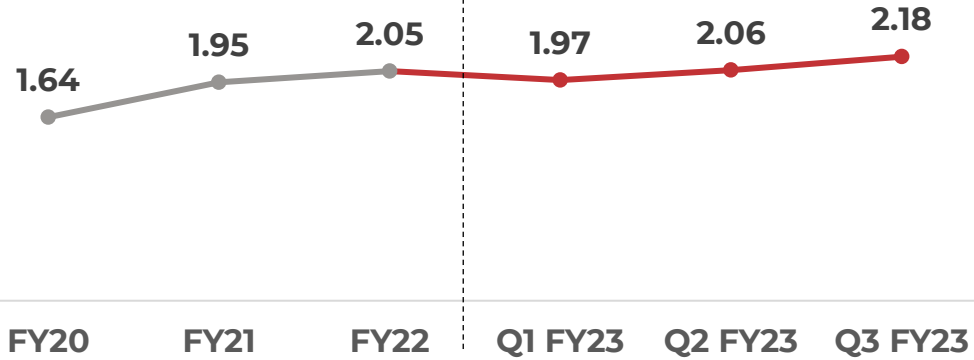
Initiatives that improved profitability



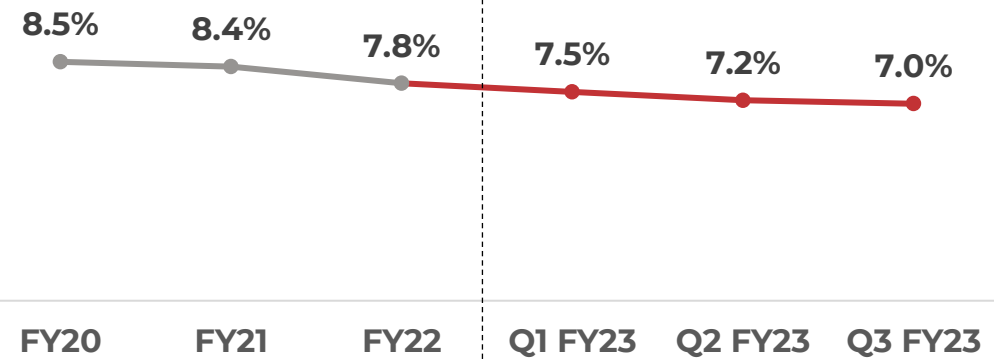
Multiple factors and initiatives have contributed towards SIS Prosegur's journey to become a profitable business provider

Operational Highlights

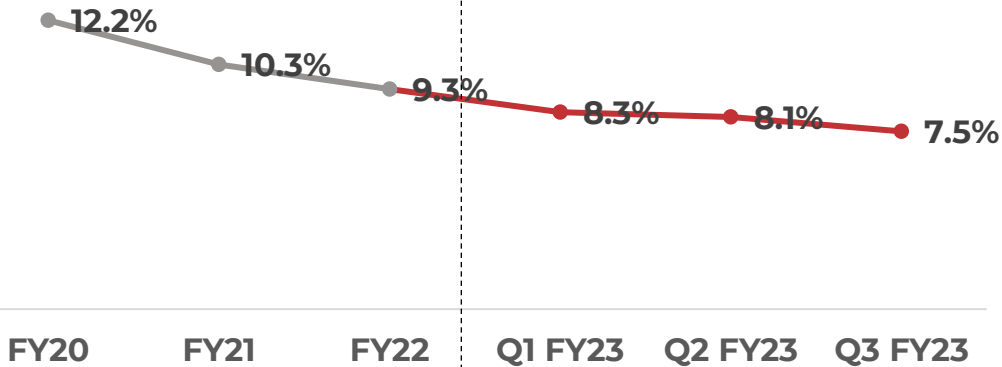
Productivity (Revenue/Total employees cost)



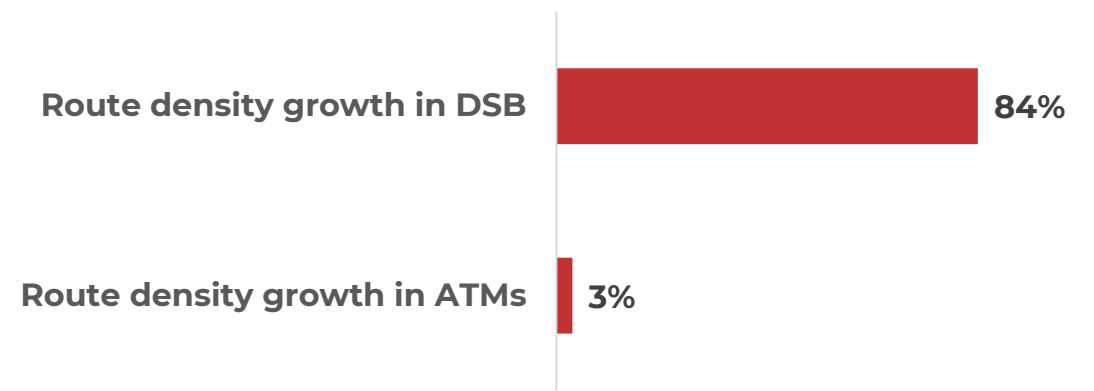
Indirect manpower per Direct manpower, in heads (%)



SG&A as % of Revenue

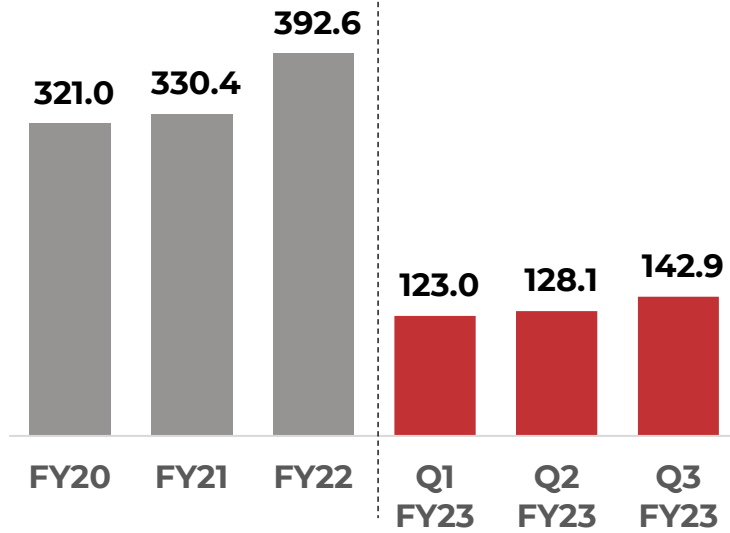


Mar-18 vs Mar-22

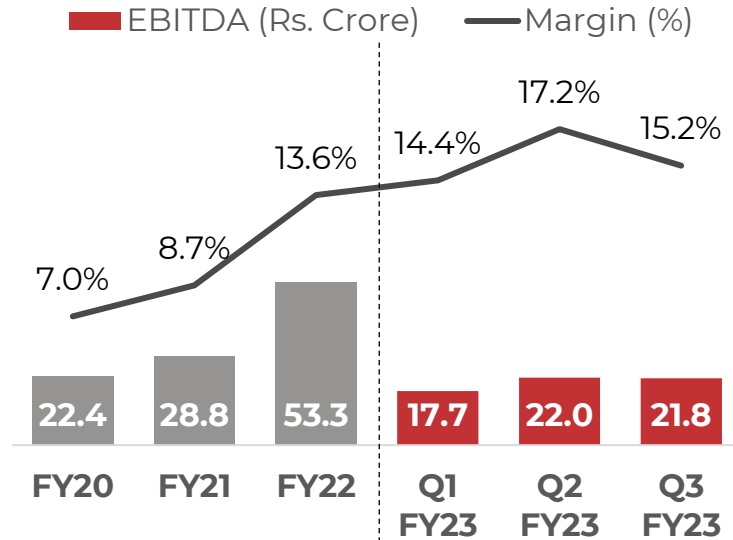


Financial Highlights (1/2)

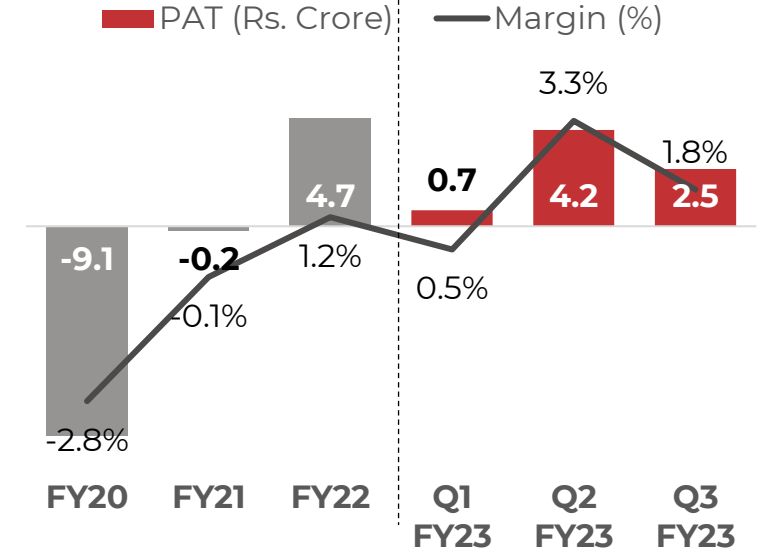
Revenue (₹ cr.)



EBITDA

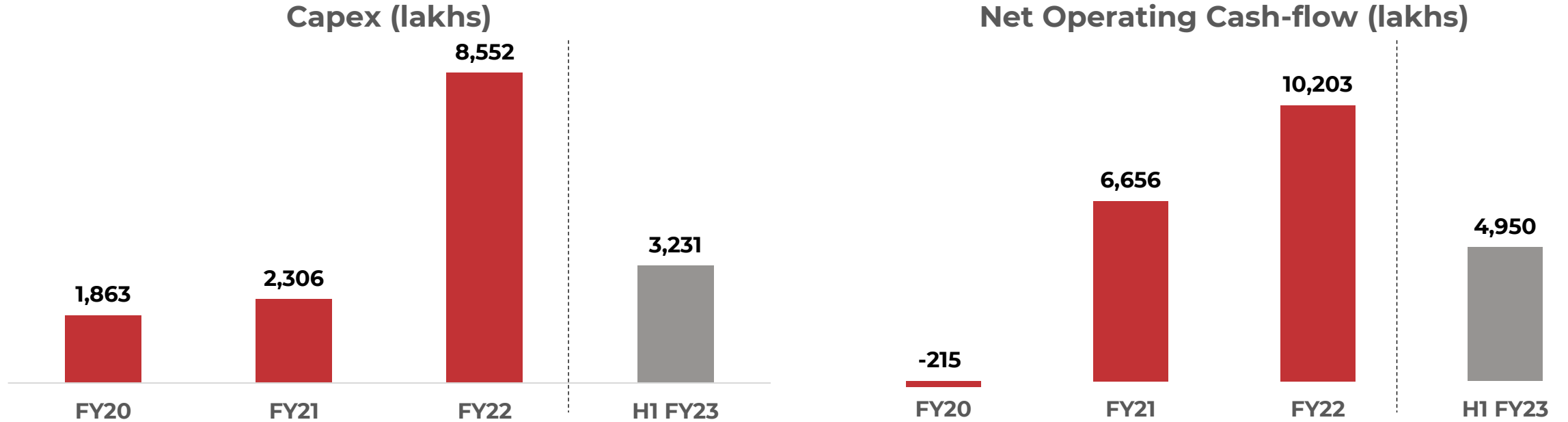


PAT



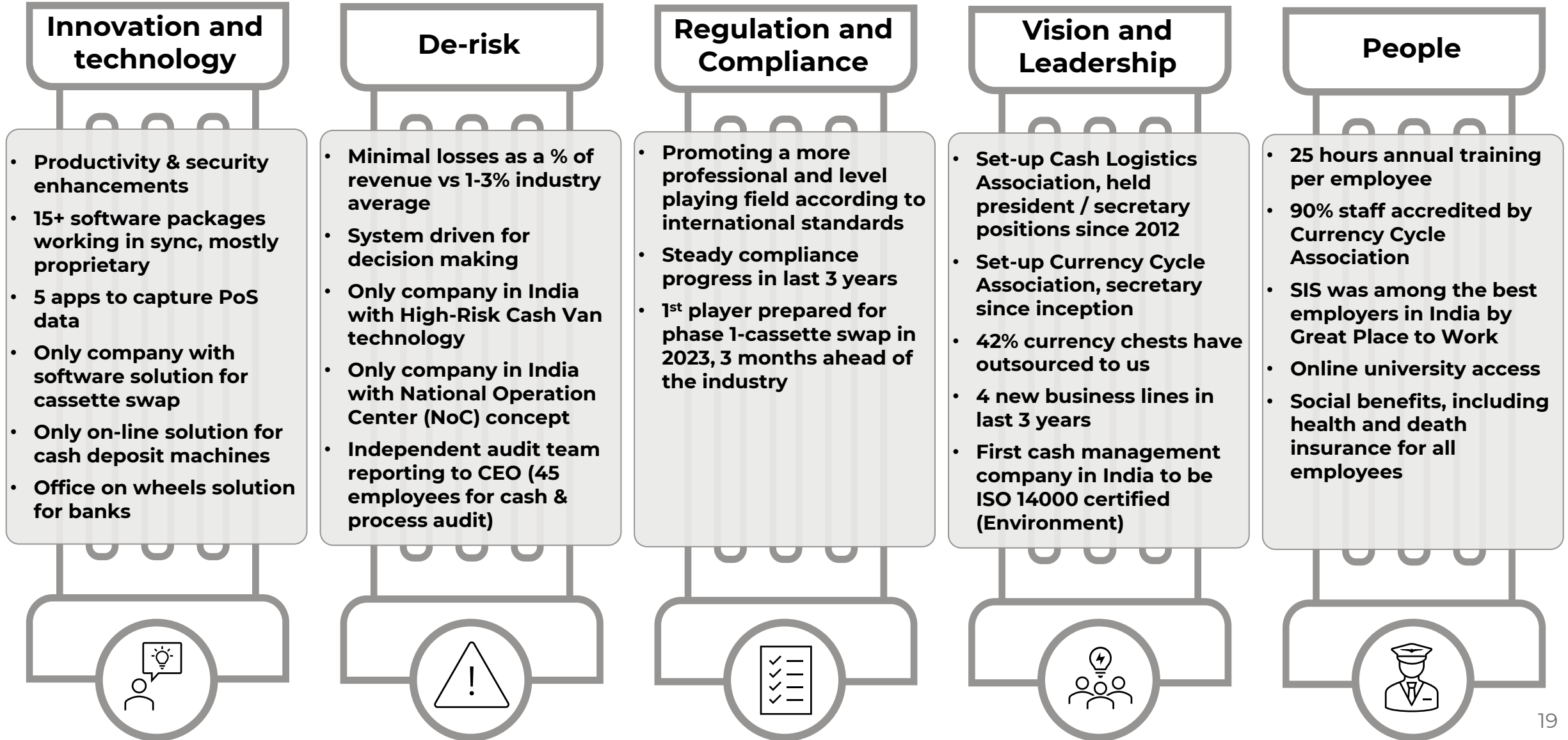
- Steady positive growth in key operational and financial metrics
- Revenue has grown 26x since the JV was established
- Superior performance even through COVID-19
- Recorded the highest growth in the industry
- Demonstrated higher growth in profitability vs. revenue growth

Financial Highlights (2/2)

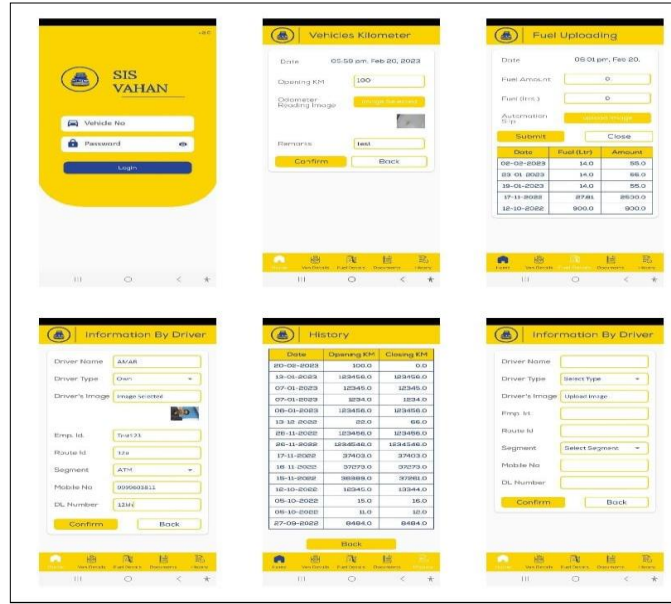
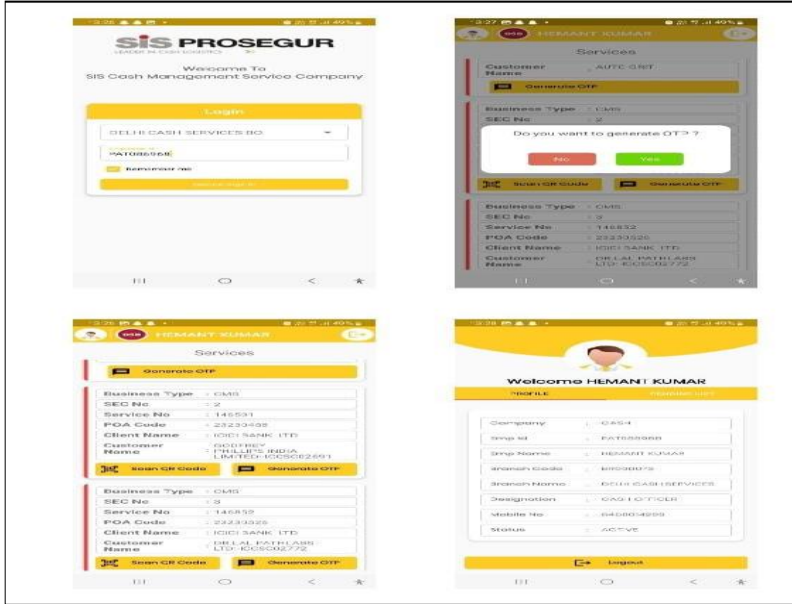


- **Sustained investments in capex to drive business growth:** Growth initiatives and the implementation of RBI-MHA regulations, primarily the procurement of new vehicles, have led to the rise in Capex
- **Operating cash flows have been driven by focused working capital management:** Despite the increase in CAPEX, the company’s robust performance has led to positive net operating cash flow
- Average net cashflow of ₹91.6 cr. in last 3 years

Key Differentiators



World class technology and innovation to enhance efficiency



Applications for seamlessly capturing service data from PoS to billing



Bank on wheels: Fully equipped mobile bank branch



NoC international: For risk mitigation

Cash Today: New business line as a back-office solution for retail; software to connect online

Industry Potential

Mostly cash logistics business (90%), with 25% ops still in-house by Banks

- Cash industry's worldwide ratio in mature markets is at 60:40 (logistics: processing)

Organized retail as a new customer

- Growth in the penetration of organized retail and higher compliance costs have led to a new customer segment for the cash management industry: Organized retail



Regulation

- Increase in barriers to entry
- High capex requirements

7% of the cash management industry is with non-compliant players

- Enhanced focus on compliance and professionalism since 2018

Key highlights



No. 2 in the industry



Pan-India presence



Leadership in global practices, new solutions and innovation



Reputation: Best in class service and low losses



Balanced services portfolio



First mover on compliance

Q&A



Thank You

Bharat Bakhshi (President - M&A, IR and Ventures)

Shweta Jain (Associate Vice President – M&A & IR)

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Annexure

Organisation Chart

