

// About Us

- Established in the Year **1991**
- One of the Pioneers in **Engineering Design Services** and **IT Consulting** from India

 **ISO 9001:2015**
ISO 27001:2013



Legacy

Founder of Onward Technologies, **Mr. Harish Mehta**, co-founded **NASSCOM**, the leading trade association of Indian IT and BPO Industry



Execution Capabilities

8,500+ Projects Delivered
50 Million Hours of engineering work



Employee Strength

+2,500 employees
~50% Mechanical engineers



Flexible Business Model

Engineering excellence centre
Customised solutions
Onsite consultancy



Client Pedigree

Fortune 1,000 companies



Key Financial Metrics

5 year Revenue CAGR: 9%
5 year PAT CAGR: 167%
FY19 ROE: 18.3%, ROCE: 20.8%



Mission

Onward delights the customers by relentlessly **driving technological advancements and innovation** that become essential to stay ahead of the competition at affordable cost. |



Vision

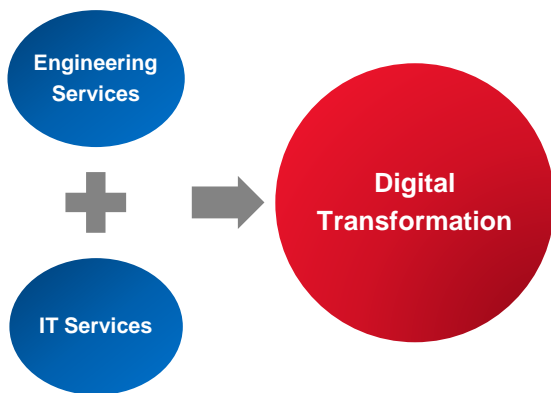
To achieve **sustained leadership position in providing superior engineering services to global manufacturing companies** cutting their time-to-market, with substantial cost savings. |



Core Values

Onward has 4 core values, **Trust, Confidentiality, Accountability, Integrity** that are embedded in its DNA, providing quality service to its customers or employees. |

What we do



Industries we serve



Automotive



Aerospace



Off - Highway



Industrial



Auto Electric



Heavy Engg.



Locomotive



Consumer &
Healthcare

Growth Opportunities



Product Lifecycle Management (PLM)



Internet of Things (IoT)



Analytics



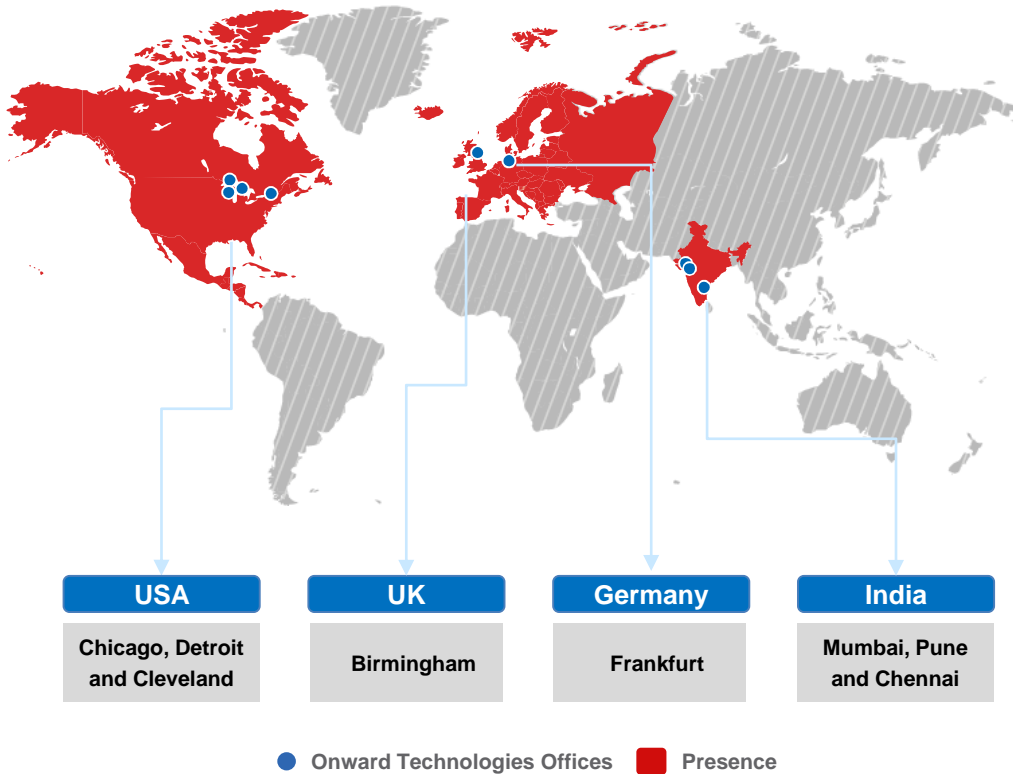
Artificial Intelligence (AI)



Robotic Process Automation (RPA)



Machine Learning



INFRASTRUCTURE

- Secure Environment
- Over 100,000+ sq. ft. of Design & Delivery Centers
- Business Continuity and Back-up Redundancy
- Strong Ecosystem for Scanning, Prototyping, Testing and Manufacturing Support
- Dedicated Line for Data Transfer
- Video Conferencing Facility



Pune Office

Key Clientele

A leading American
**Heavy Equipment
Manufacturer**

A leading
**German Auto
Carmaker**

A leading
**British
Equipment
Manufacturer**

A leading
**Global Pharma
Company**

A Global
**Digital Leader
and Supplier to
Heavy Industries**

A major Swiss
Manufacturer of
**Escalators and
Elevators**

A leading Manufacturer
of Engines and
Generators for
Automobile Sector

A leading
**British Luxury
Carmaker**

12 offices worldwide, 15+ excellence centres catering to Fortune 1000 companies

Board of Directors



HARISH MEHTA
EXECUTIVE CHAIRMAN



JIGAR MEHTA
MANAGING DIRECTOR



PRANAY VAKIL
DIRECTOR



NANDKUMAR PRADHAN
DIRECTOR



PRACHI MEHTA
DIRECTOR



RAHUL RATHI
DIRECTOR



PARISH MEGHANI
DIRECTOR

Management Team



Jigar Mehta

Experience: ~17 years
Education: B.B.A. (Boston University)

Managing Director



Vignesh Kumar

Experience: ~25 years
Education: B.E., M.B.A.

EVP and Head - EDS



Satish Ramanan

Experience: ~31 years
Education: M.Com., M.B.A.

SVP and Head – IT Services



Pratish Mehta

Experience: ~14 years
Education: B.E. (Electronics and Telecom.)

SVP – US Operations



CA Devanand Ramandasani

Experience: ~15 years
Education: Chartered Accountant

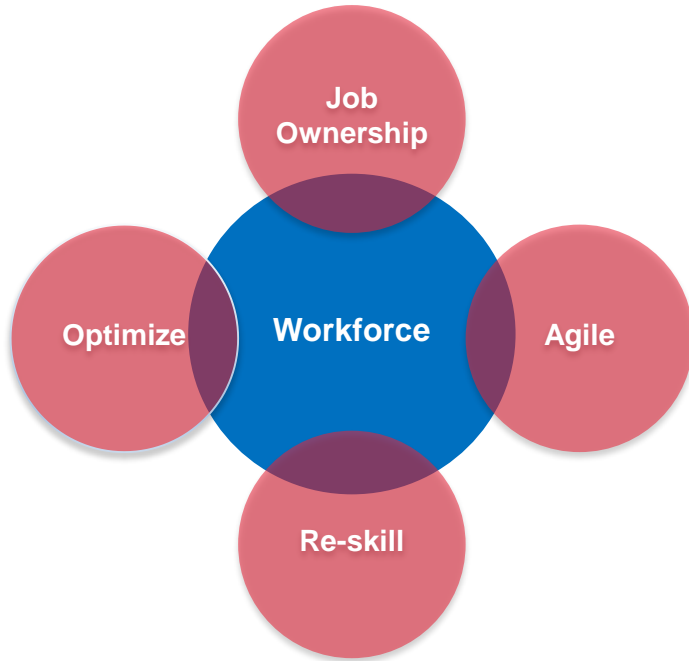
Chief Financial Officer



Sujata Singh

Experience: ~21 years
Education: M.B.A.

SVP and Global Head - HR

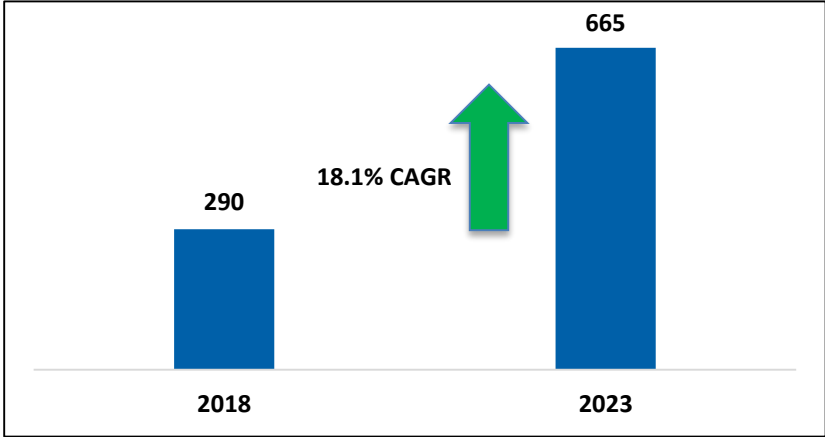


- ✓ Focus on bringing on board **top experts** with **diverse and rich experience across domains**
- ✓ **Business heads and team members to take ownership** of deliverables
- ✓ **Agile workforce** to meet dynamic needs of clients
- ✓ **Re-skill** to tap into **lucrative business** opportunities
- ✓ **Optimize teams** to build a lean and productive organization

// Industry Trends

Digital Transformation Market

Digital Transformation Market Size (USD Bn.)



Technology

- Robotics
- IoT
- 3D Printing
- Advanced Human Machine Interface (HMI)
- Big Data and Analytics
- Machine Learning and AI

End User Industry

- Automotive
- Aerospace and Defence
- Pharmaceuticals
- Consumer
- Healthcare
- Electrical and Electronics

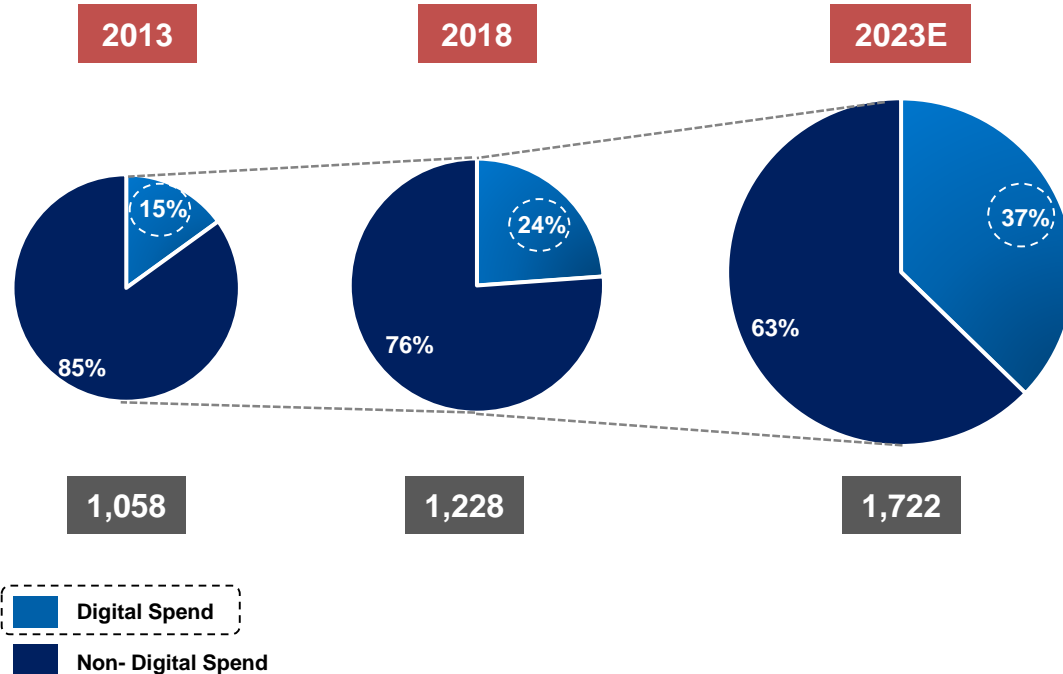


Digitalizing business operations >> Addressing evolving customer preferences >> Higher Operational Efficiency

Key Drivers >> Rise in Mobile devices and Apps, Higher IoT penetration, Cloud services, Need to improve operational performance to gain competitive benefits

Global Engineering R&D Spend Landscape

Global ER&D Spend (USD Bn.)



Digital Engineering spend drivers:

- Customer Experience led **Software Platform** deals
- **Digital Product Development** (Connected Asset Management/Predictive maintenance)
- **IoT Platform Engineering** and Integration
- **API Economy**
- **Legacy migration** and modernization
- Operations/Product Support (**Analytics, V&V**, etc.)

Digital Engineering Spend to account for ~37% of ER&D spend by 2023

// Business Overview

Engineering Services



New Product Development



Value Engineering



Manufacturing Engineering



CAE Simulation



Sustenance Engineering



Electrical and Electronics



Technical Publication



Product Lifecycle Management



Embedded Systems (ADAS, DIS, Autosar)



IT Services



Enterprise SW/Application Development and Maintenance



Embedded Products and Systems (HW, SW, Realtime)



Data Management & Analytics (DW/BI, Big Data, Open Source)



Data Science & Transformation Technologies (AI/ML, IoT, Cloud, RPA)



Enterprise Managed Services (Platforms, Infra, Apps, DB)

Objective >>> Leverage Core Engineering + Advanced IT Capabilities >>> Digital Transformation for Clients

1 Auto-embedded/ Electronics

- Navigation & Connectivity
- HMI, Head-Unit & Infotainment
- Lighting, Seat, Keyless entry
- EMS/BMS
- EV-Motor/Gen./ Trans. Control
- ABS, ESP, ESC, Suspension/ Steering, EPAS

2 Product Design

- Project Scoping
- Benchmarking
- Concept design engineering
- Design Feasibility
- Prototyping
- Manufacturing drawing

3 Manufacturing

- BIW Fixture design
- Weld Fixture design
- Line Automation
- SPM design
- Robotics Engineering
- Industrial Engineering
- Process Optimization

4 FEA/CFD

- Meshing
- Structural & Thermal FEA
- Durability & Fatigue
- Crash Analysis
- NVH Analysis
- CFD Analysis

5 Technical Publications

- Technical Authoring
- Illustrations
- Animation
- App development
- Translations

6 Should costing and VAVE

- Product Costing
- Part Redesign
- Weight Optimization
- Alternate Material
- Process Re-Engineering
- Reverse Engineering
- Standardization

1 App Development & Maintenance

- Developing New Applications
- Full Fledged ERP for the Primary
- Agricultural Society (PACS)
- ERP for Textile Industry
- Web Centric Application for Financial Services
- Point of Sales
- Production Management System
- Custom Software development

2 Enterprise Managed Services

- Microsoft
- Oracle
- AP
- Open Source
- Infosys - Finacle
- Customer Relationship Management (CRM)
- Management (CRM)
- Supply Chain Management (SCM)
- Data Warehousing
- Business Intelligence Services

3 Embedded Products and Systems

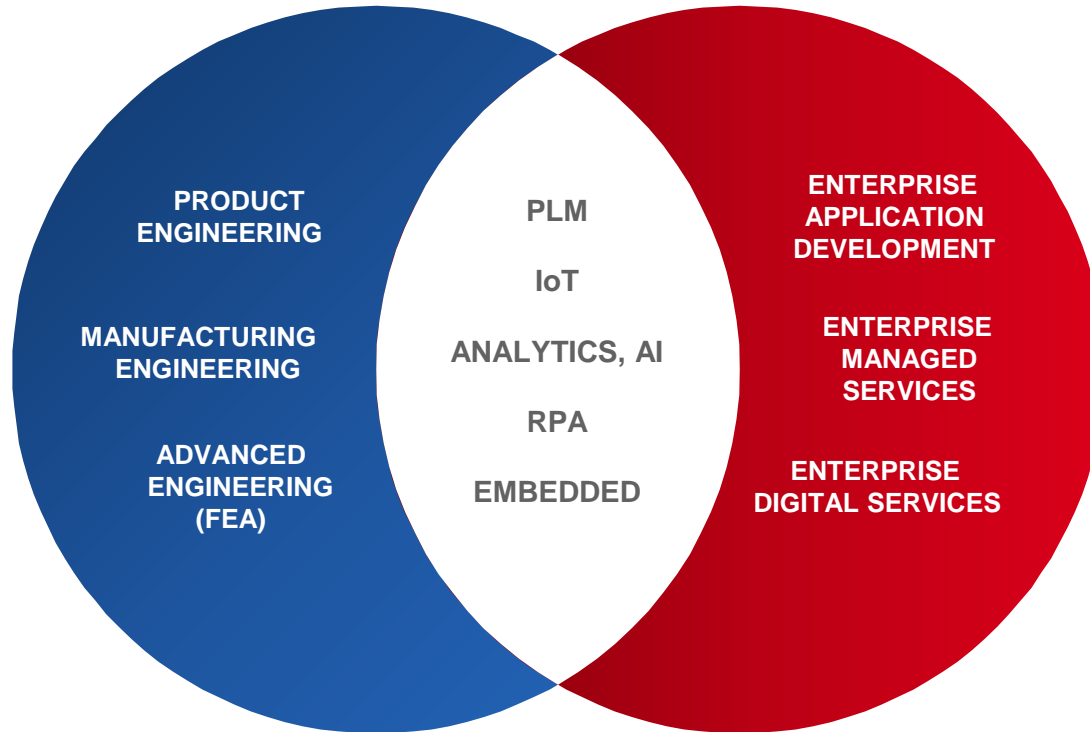
- Hardware Engineering
- Firmware & S/W Engineering
- New Product Development
- Obsolescence Management
- Engineering
- S/W - Health Monitoring System

4 Social Mobility Analytics Cloud (SMAC)

- Infrastructure Management Services
- Consulting
- Cloud
- Software Development /
- Mobile Apps Development
- Software Testing
- Big Data Analytics

5 Digital Transformation (Internet of Things)

- Connected Products
- Connected Healthcare
- Digital Manufacturing
- Remote Monitoring
- Smart Cities



Convergence of Engineering and IT Capabilities >> Transformational Digital Solutions across the spectrum

// Strategy and Outlook



New Capabilities

- Focus on newly established capabilities in **Digital Transformation, Industrial IoT, and Industry 4.0**
- Build capabilities in **sector agnostic** practices



Higher Revenues

- **Increase wallet share of existing clients**
- **70%** revenues from **Top 20** clients. Balance from new deals
- Technical **collaborations & partnerships**
- M&A – **capability acquisition strategy**



Margin Expansion

- **Higher margin paying practices** in EDS and Digital ER&D suite
- Strict focus on further **improvement of bottom line**



International Business

- **Increase share of overseas business** from well established US, UK, and Germany offices
- **Robust pipeline** for new deals with **Global 1000 companies**

Right size organization
to provide

Stability



as well as

responsiveness

with executive attention



Exclusive focus on
design thinking, **digital
transformation** and
product engineering

Proven expertise in delivering
Engineering Services and
IT Solutions to

Global 1000

companies

A capable leadership to



**guide | mentor
provide maturity**

and ensure success

Ability to



ramp-up on-demand
across the globe
on a short notice

Flexible business and
engagement model to
provide

agility and

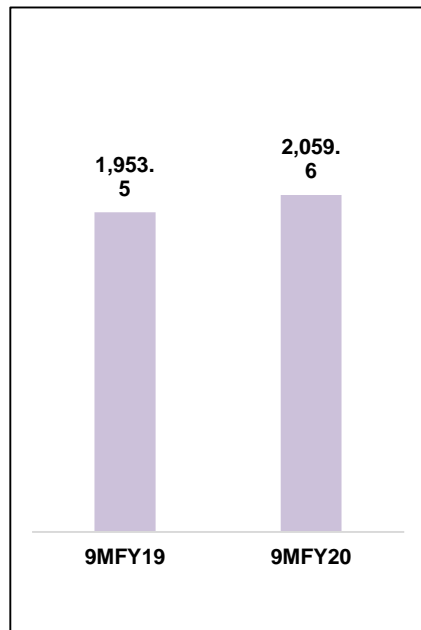


cost effectiveness

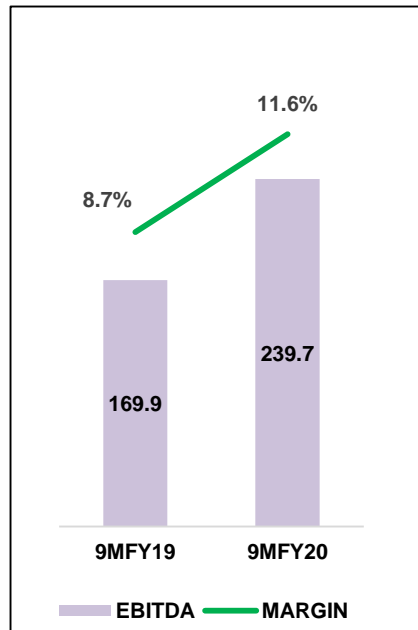
// Quarterly Highlights

Consolidated Financial Summary – 9M FY20

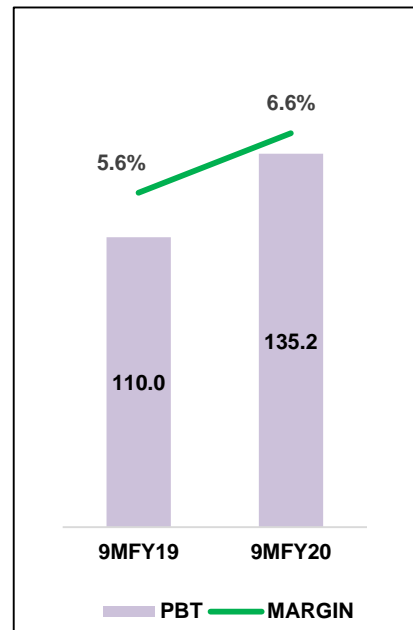
Operating Revenue



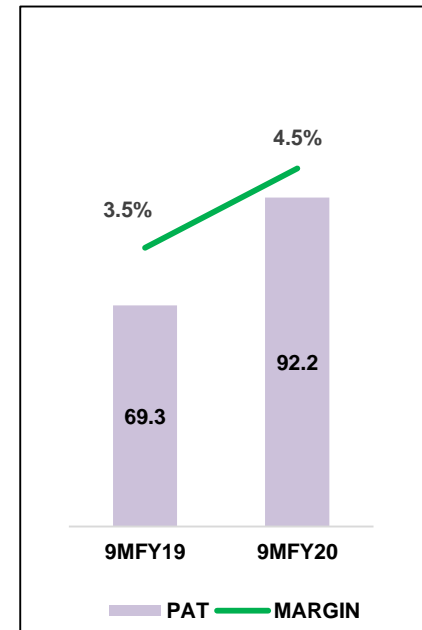
EBITDA*



PBT



PAT



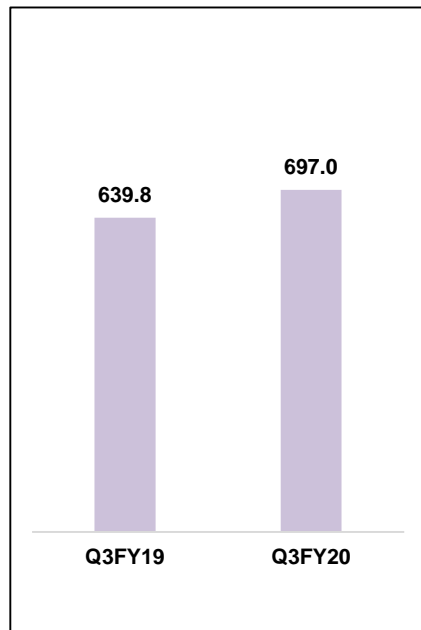
In Rs. Million

Focus on Improving Operating Profitability >>> EBITDA up ~41% in 9M FY20

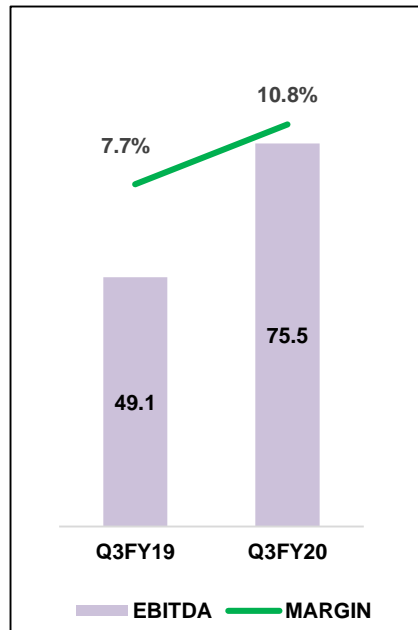
*EBITDA = PBT + Interest + Depreciation – Other Income

Consolidated Financial Summary – Q3 FY20

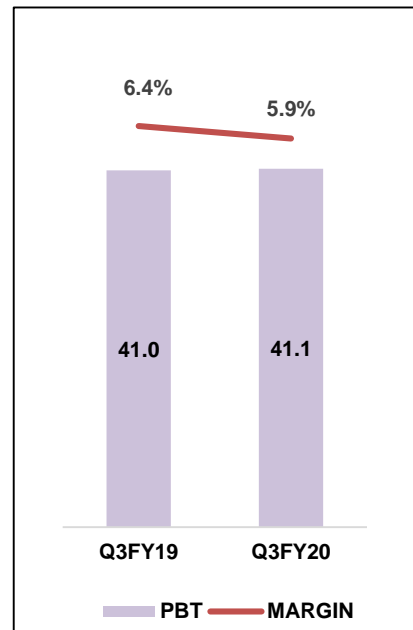
Operating Revenue



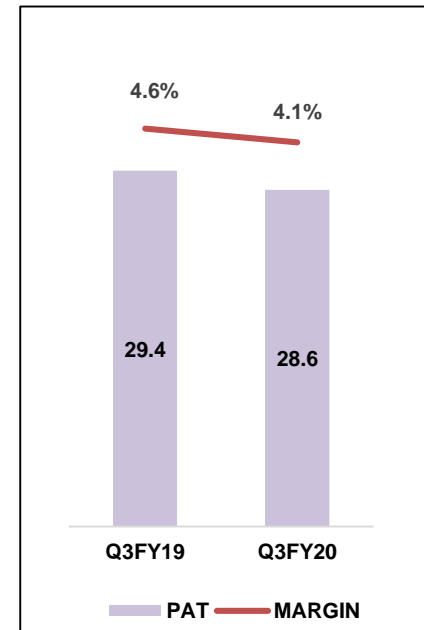
EBITDA*



PBT



PAT



In Rs. Million

Focus on Improving Operating Profitability >>> EBITDA up ~54% in Q3 FY20

*EBITDA = PBT + Interest + Depreciation – Other Income

Note: Post transition to INDAS 116, PBT and PAT are impacted due to higher Finance Cost, which also includes items not attributed to borrowings. Details on slide number 25,24

Consolidated Profit and Loss Statement

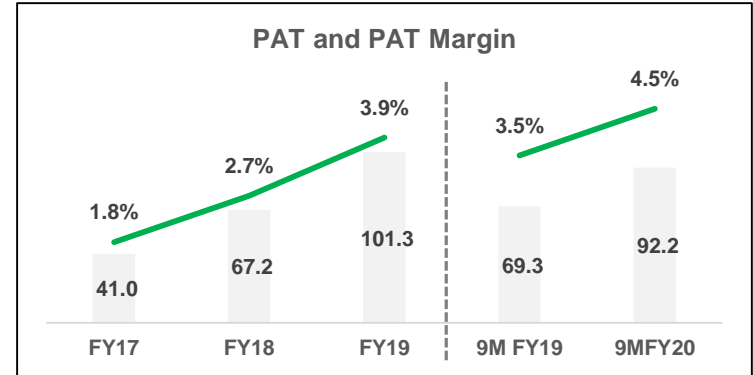
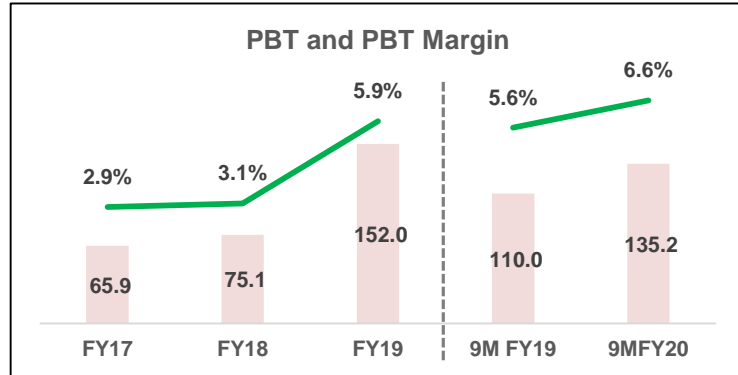
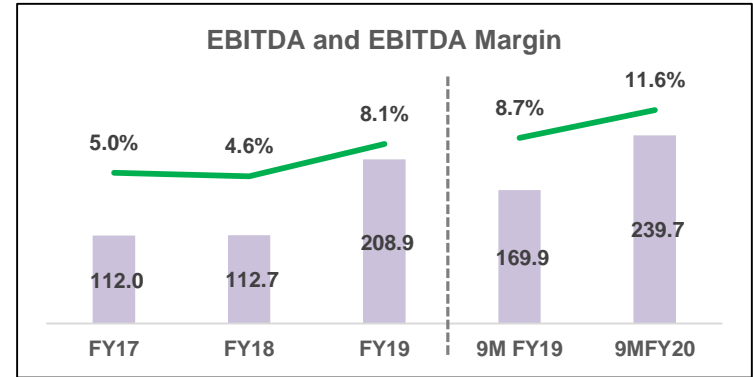
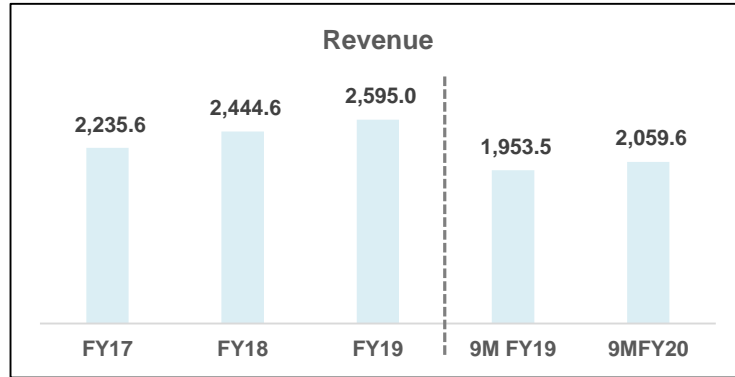
Details (Rs. Mn.)	Q3 FY20	Q3 FY19	YoY (%)	9M FY20	9M FY19	YoY (%)
Income from operations	697.0	639.8	8.9%	2,059.6	1,953.5	5.4%
Cost of Income from Operations	533.7	482.8		1,554.2	1,445.6	
Cost of Income from Operations (%)	76.6%	75.5%	111 bps	75.5%	74.0%	146 bps
Other Expenses	87.8	107.9		265.6	338.0	
EBITDA	75.5	49.1	53.6%	239.7	169.9	41.1%
EBITDA Margin (%)	10.8%	7.7%	315 bps	11.6%	8.7%	294 bps
Depreciation and Amortisation	28.6	14.7		86.2	43.5	
EBIT	46.9	34.4	36.2%	153.5	126.4	21.4%
EBIT Margin (%)	6.7%	5.4%	134 bps	7.5%	6.5%	98 bps
Finance Costs	8.3	6.4		26.7	19.6	
Other Income	2.5	13.0		8.4	3.2	
Profit Before Tax	41.1	41.0	0.3%	135.2	110.0	22.9%
PBT Margin (%)	5.9%	6.4%	(51) bps	6.6%	5.6%	93 bps
Tax Expenses	12.5	11.6		43.0	40.7	
Effective Tax Rate (%)	30.5%	28.4%		31.8%	37.0%	
Net Profit	28.6	29.4	(2.6)%	92.2	69.3	33.0%
Net Profit Margin (%)	4.1%	4.6%	(49) bps	4.5%	3.5%	93 bps
Basic EPS (Rs.)	1.8	1.9	(4.3)%	5.8	4.4	30.8%

Notes:

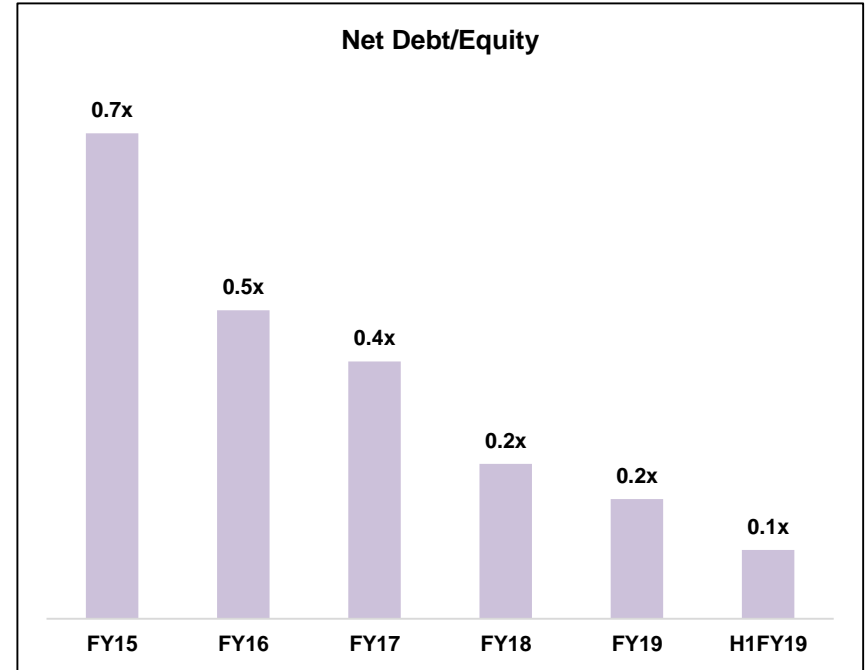
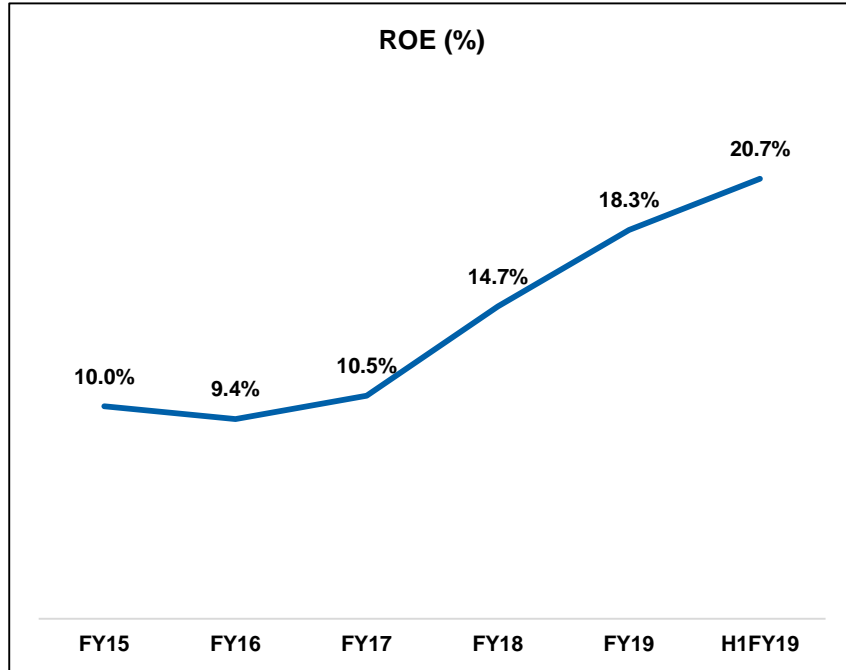
- During the quarter and Nine months ended December 31, 2019, the Company has issued 45,100 and 218,200 equity shares following the exercise of stock options by certain employees (including employees of subsidiary company) under the ESOP scheme, 2009.
- **Onward eServices Limited is debt free.** Due to transition to INDAS 116 the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right to use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed.
- Impact of adopting IND AS 116 has resulted in increase in finance costs by Rs 135.74 lakhs, increase in depreciation and amortisation expenses by Rs 461.46 lakhs and decrease in Other expenses by Rs 453.65 lakhs for the nine months ended December 31, 2019.*

// Financial Overview

P&L Performance Trend

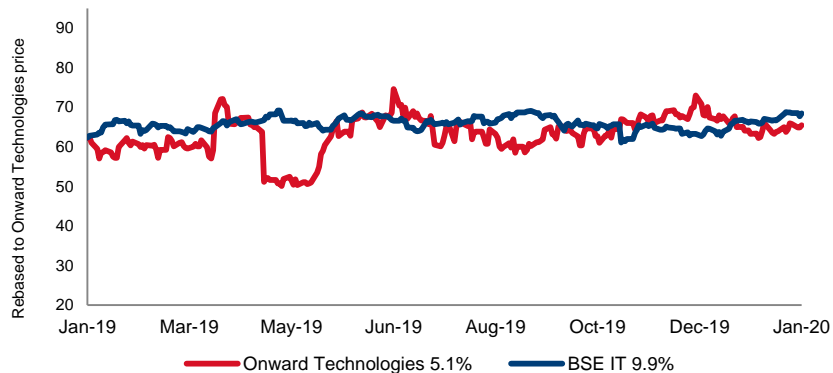


Key Metrics Trend

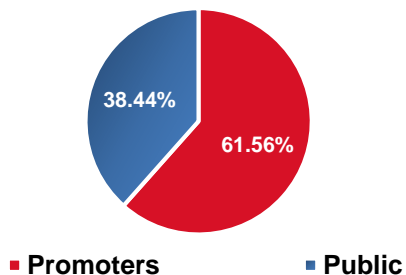


Investor Snapshot

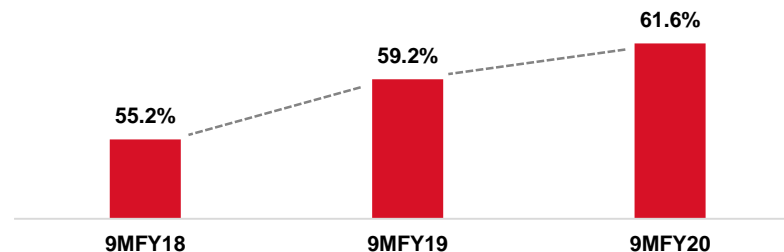
Last One Year Share Price Performance



Shareholding Pattern (%)



Promoter Shareholding Trend (%)



Market Data	As on 23.01.2020 (BSE)
Market Capitalisation	Rs. 1,066.8 mn
Market Capitalisation Free Float (~35%)	Rs. 373.4 mn
Price	Rs. 66.5
No. of shares outstanding	16.02 mn
52 week High – Low (Current Price % of high)	Rs. 79.0 - 45.6 (~84%)
FY19 P/E Multiple (x)	10.6x
Promoter Pledge	Nil

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Onward Technologies future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Onward Technologies undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.



// THANK YOU

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Onward Technologies Limited is a global player in Mechanical engineering design and IT consulting services. Onward offers a range of engineering design services including product design, engineering analysis, engineering documentation and maintenance, and manufacturing solutions, and training for automotive, off highway, aerospace, industrial equipment and consumer goods. The Company has its footprints with operations in India, North America, Germany & UK. Its global design & delivery centers are present in Pune, Chennai, Mumbai & Bangalore. OTL has grown to 2000+ employees globally servicing Fortune 1000 companies.

www.onwardgroup.com

