

A night cityscape with digital data lines overlaid on the buildings. The lines are in various colors (blue, purple, red) and connect different points across the city, suggesting a network or data flow. The city lights are visible in the background.

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

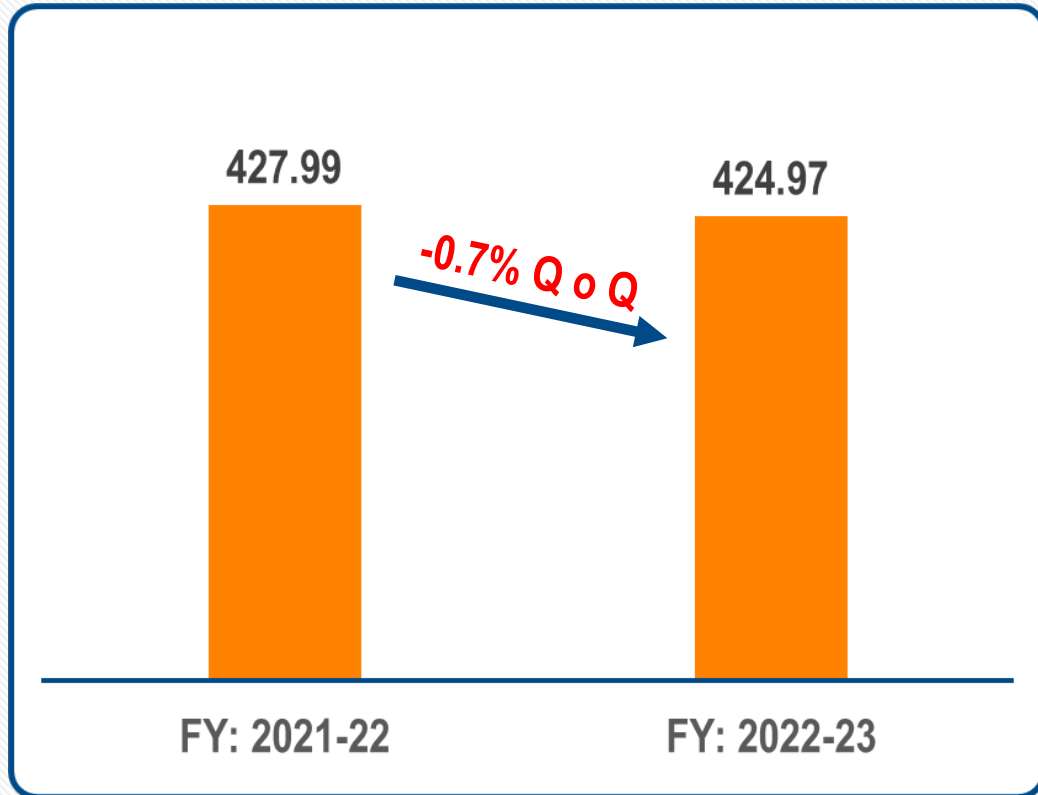
10+
Delivery Locations

Offices in
9
Countries

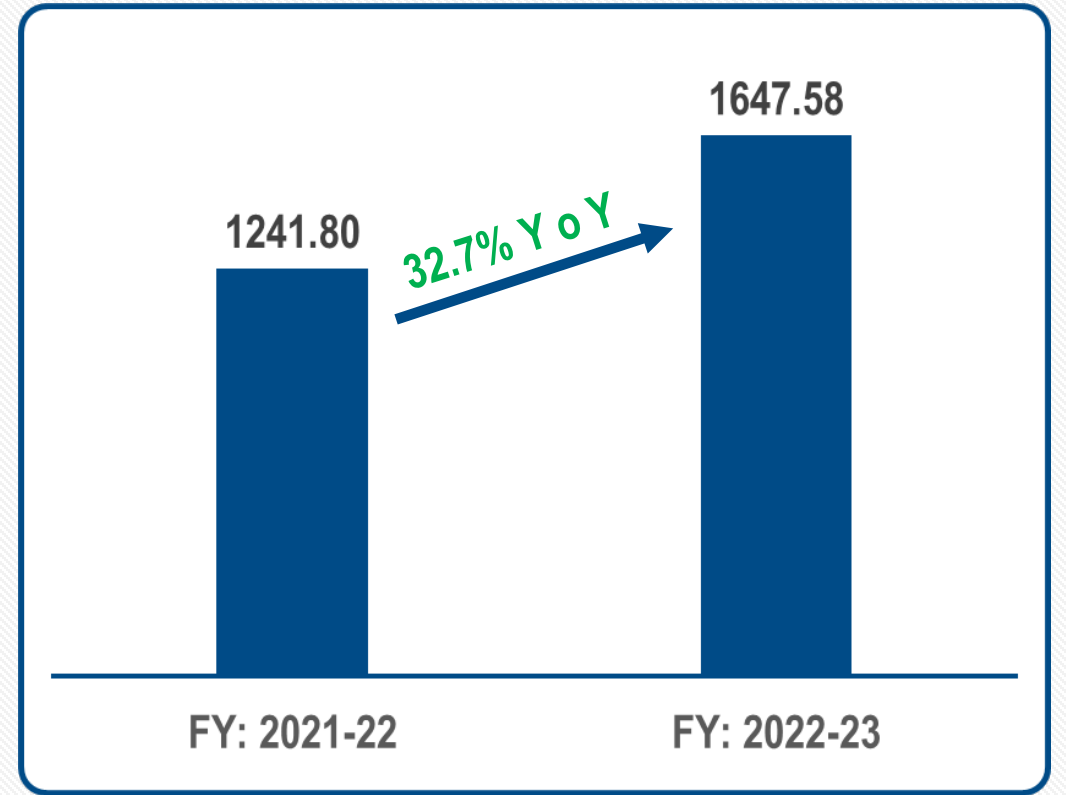
4000+
Cignitians

Q4FY23 Financials (INR in Cr.)

Revenue Q o Q

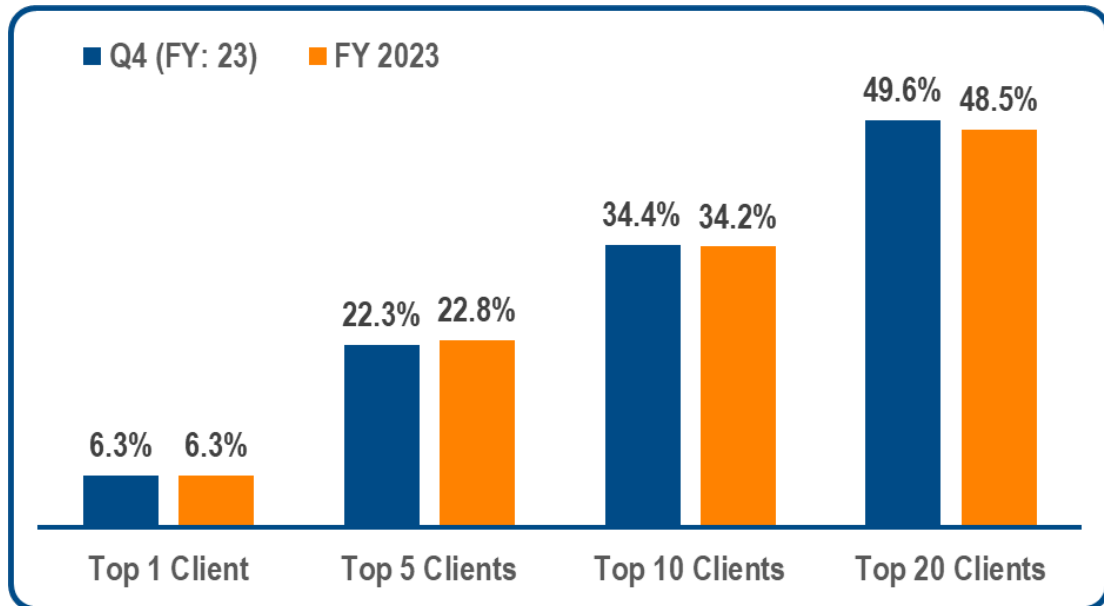


Revenue Y o Y



Client Composition / Geography Mix of Revenue

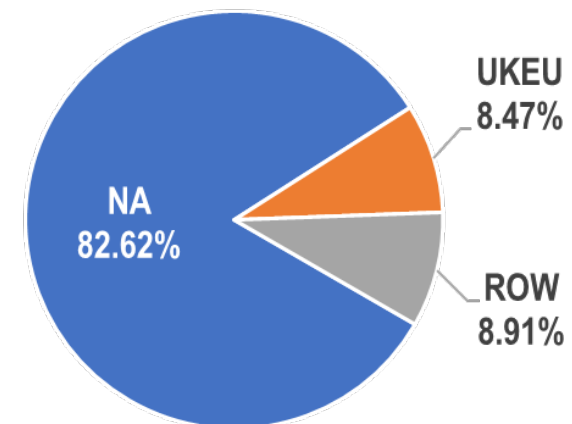
CLIENT CONTRIBUTION TO REVENUE (%)



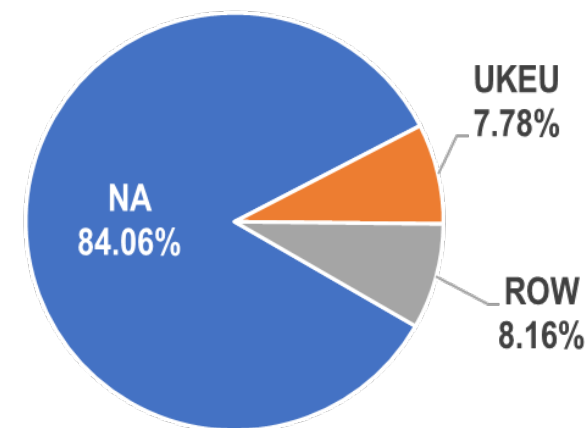
ACTIVE CLIENTS AND NEW CLIENTS

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

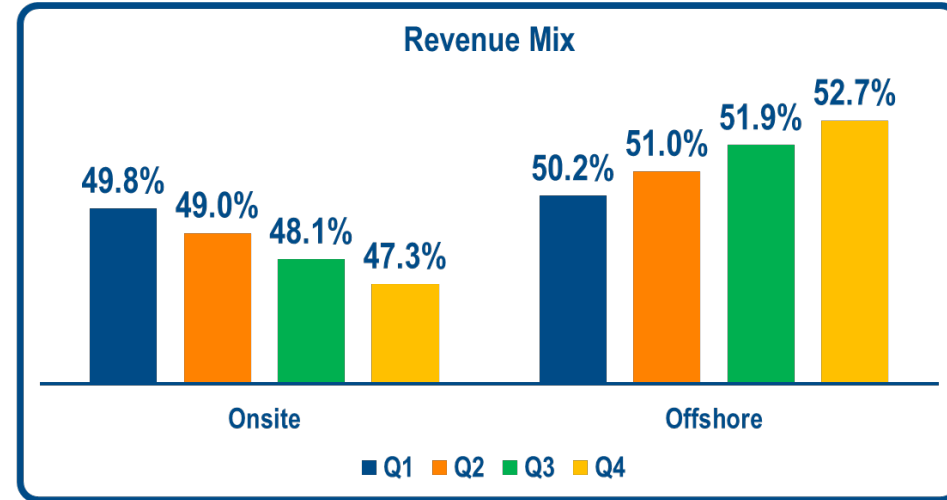
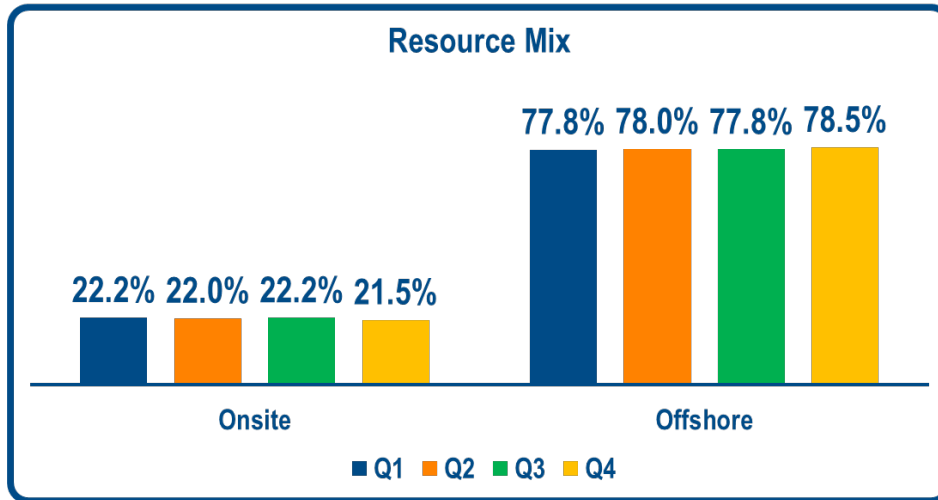
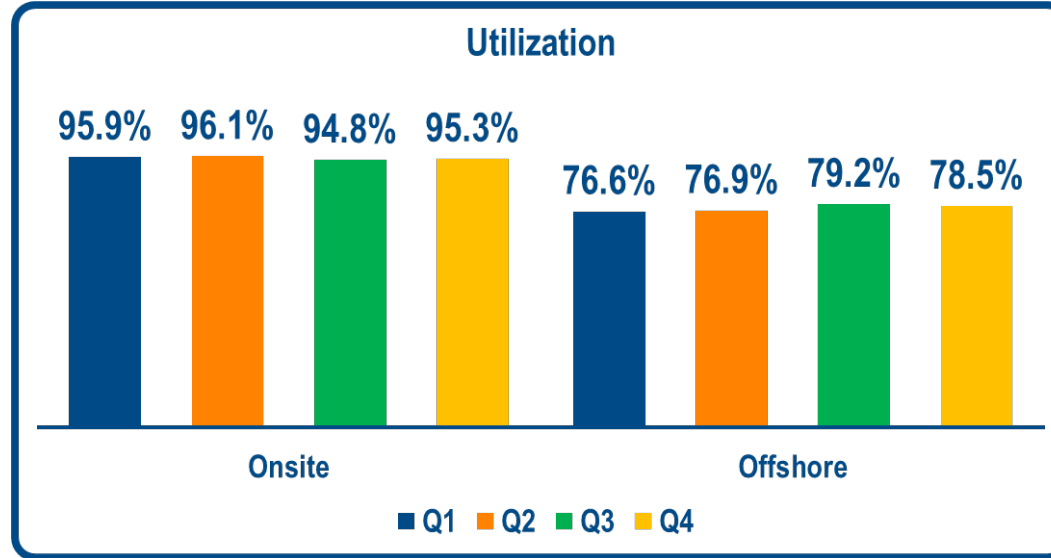
Q4' FY23



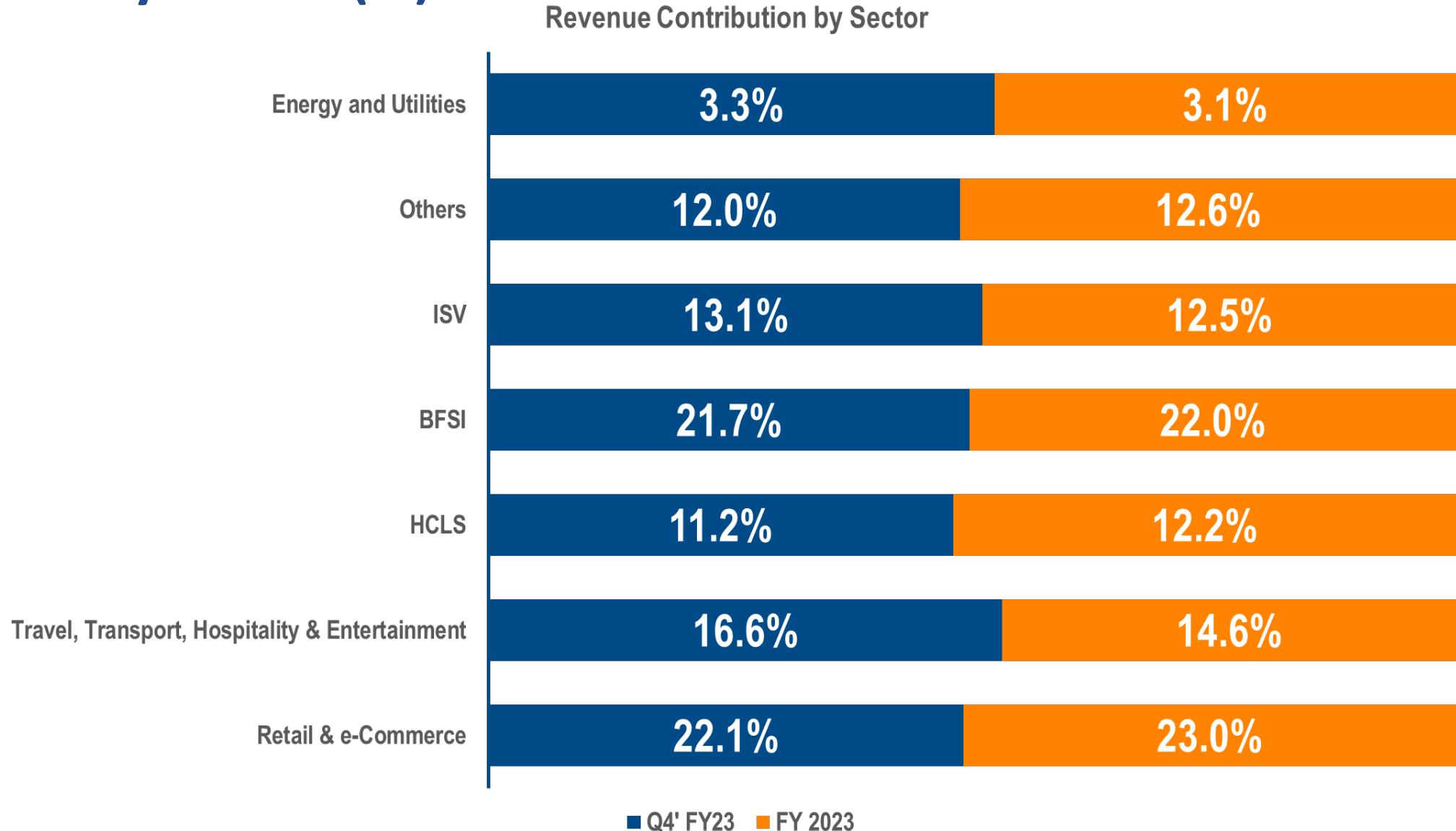
FY 2023



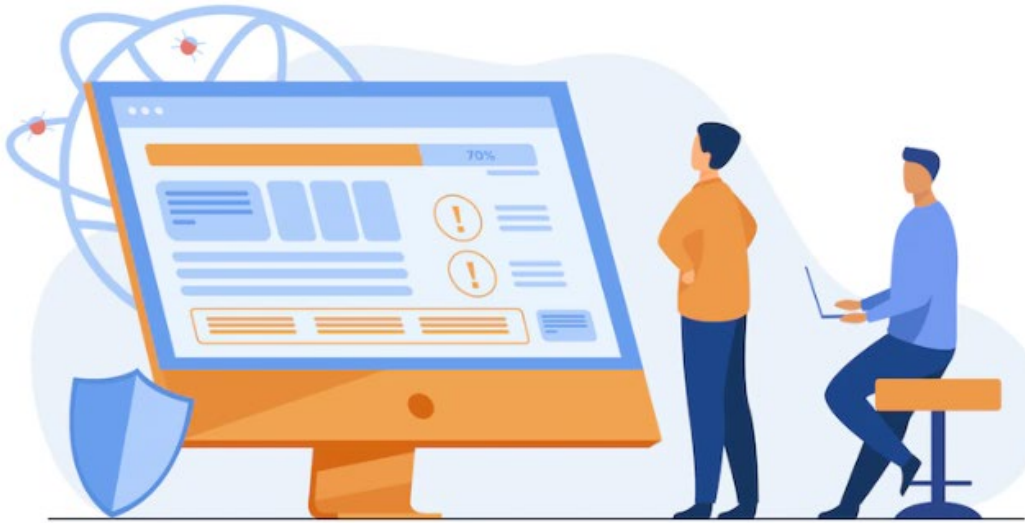
Billing Utilization FY 2023



Revenue By Sector (%)



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



Digital Assurance Services



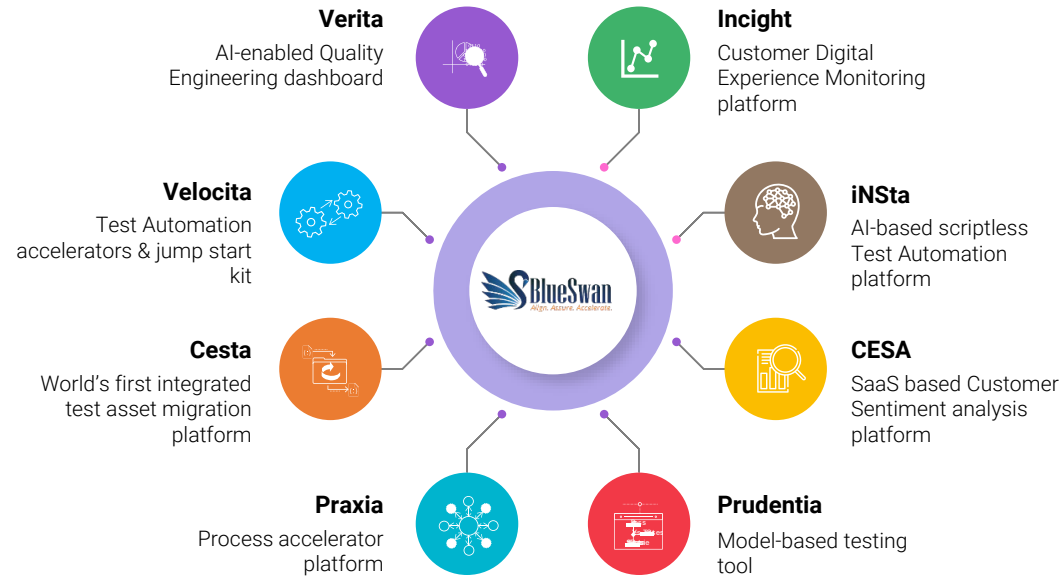
Digital Engineering Services

Strategic Digital Transformation Partner

Accelerating Digital Transformation - an IP & Platform-led Approach

BlueSwan™

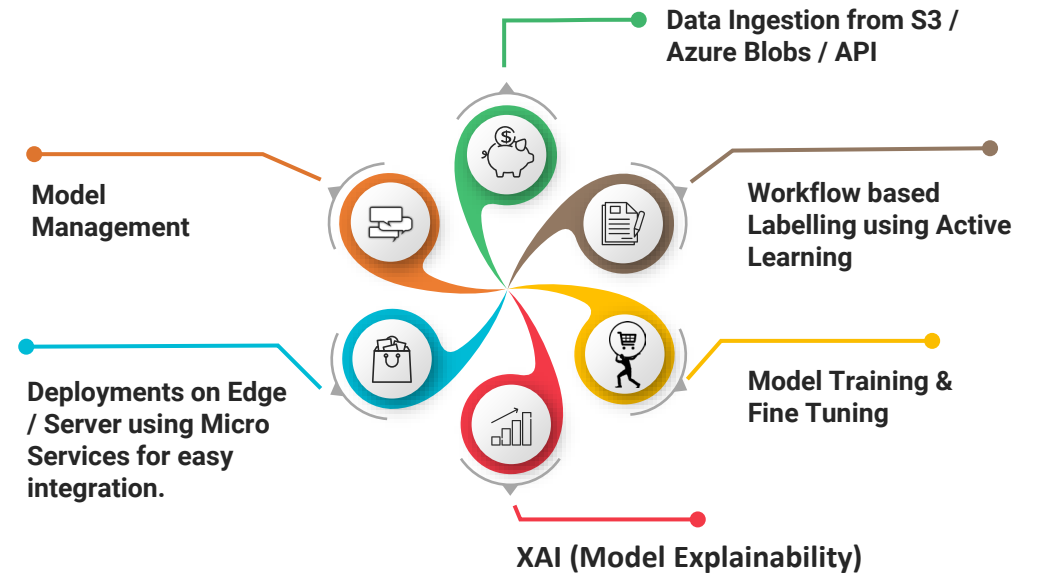
AI-led & next-gen proprietary Digital Assurance platform



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
Non-Executive Chairman



Srikanth Chakkilam
CEO & Non-executive Director



Krishnan Venkatachary
CFO



Vinay Rawat
CRO



Raghu Krovvidy
CDO



Sairam Vedam
CMO



Nanda Padmaraju
President – ROW



Jagdish Kumar
CIO



Veera Reddy
VP & Global Head of HR & TD



Kiran Kuchimanchi
President & Head of DES

Advisory Council



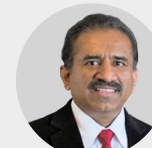
Ramnik Kamo
EVP, CIO, & Chief People Officer, Mavenir



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

Awards & Recognitions

Awards & Recognitions

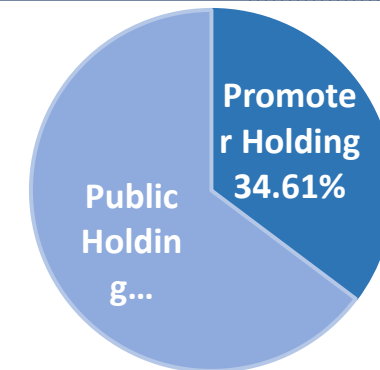
- » ISG recognized as a Contenders in Client Development, Manufacturing Supply Chain Digital Transformation, MedTech Digital Transformation, & Pharmacovigilance & Regulatory Affairs quadrants in the Life Sciences Digital Services Study 2022. Zinnov positioned Cigniti in the Execution Zone for Intelligent 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
- » Cigniti is recognized as a Pure-play Digital Engineering & Operational Technology service provider in the IDC Market Glance 2022
- » 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%
EBITDA	684	327	109.6%	640	6.8%
% EBITDA	16.1%	9.5%		15.0%	
Depreciation & Amortization	71	49	43.0%	72	-1.9%
EBIT	613	278	121.5%	568	7.9%
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%
PBT	639	316	102.9%	635	0.7%
Tax	147	90	64.9%	169	-13.4%
PAT	492	226	117.9%	466	5.8%
EPS (Basic)	18.07	8.06		17.08	

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%
EBITDA	2,377	1,292	83.9%
% EBITDA	14.4%	10.4%	
Depreciation & Amortization	264	162	63.3%
EBIT	2,113	1,130	86.8%
Other Income(Expense)	49	1	NM
Finance Income	98	134	-26.4%
Finance Costs	44	50	-12.9%
PBT	2,216	1,215	82.4%
Tax	533	298	79.1%
PAT	1,683	917	83.5%
EPS (Basic)	61.32	32.72	

Cigniti's Consolidated Balance Sheet

Particulars	FY23	FY22	Particulars	FY23	FY22
Property Plant & equipment	302	326	Equity & Liabilities		
Right-to-use asset	188	255	Equity share capital	273	281
Goodwill	740	549	Other equity	5,621	4,318
Capital WIP	-	-	Sub total	5,894	4,599
Other intangible assets	123	-	Non-current liabilities		
<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	-	-
Sub total	1,685	1,414	Sub total	410	410
Current assets			Current liabilities		
<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
Sub total	6,775	5,563	Subtotal	2,156	1,968
Total	8,460	6,977	Total	8,460	6,977

Cashflow Generation

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

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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