

Ref No.: OTL/Secretarial/SE/2024-25/76

Date: January 21, 2025

To,

<b>BSE Limited</b> <b>Phiroz Jeejeebhoy Towers,</b> <b>Dalal Street, Mumbai – 400023</b>	<b>National Stock Exchange of India Ltd.,</b> <b>Plot No. C/1 'G' Block</b> <b>Bandra – Kurla Complex</b> <b>Bandra East, Mumbai 400051</b>
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Ref: Scrip Code - BSE: 517536 | NSE: ONWARDTEC

**Sub.: Submission of Earnings Presentation on Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Nine Months Ended December 31, 2024.**

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Earnings Presentation on Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2024.

Kindly acknowledge the receipt of the same.

**For Onward Technologies Limited**

**Vinav Agarwal**  
**Company Secretary & Compliance Officer**  
**Membership No : A40751**



***onward***

TECHNOLOGIES

Your Imagination. Delivered to Perfection.™

# EARNINGS PRESENTATION

**Q3 FY25**

**21<sup>st</sup> January 2025**

# Disclaimer

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This release may contain certain future prospects, which may be forward-looking statements.

Forward-looking statements, by their nature, involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations.

These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

Note: All numbers have been rounded to the nearest digit for convenience of representation.



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# **Onward Technologies At Glance**

# Company at a glance

We are a global software outsourcing company specialized in advanced digital and ER&D services.



## CORPORATE HIGHLIGHTS



**1991**  
Established



**12 Global offices**



**2500+**  
Engineers



## FOCUSED VERTICALS



**IEHM**  
Industrial Equipment & Heavy Machinery




**T&M**  
Transportation & Mobility



**HCLS**  
Healthcare & Life Sciences




## ROBUST FINANCIALS



**24% CAGR**  
Revenue  
(FY22 – FY24)



**9-Years**  
Consistent dividend payouts



**₹ 100 Cr**  
Cash and Bank Reserves



**₹ 123 Cr**  
Revenue



**9.1%**  
EBITDA Margin



**4.9%**  
PAT Margin

\*All above Financials are for Q3 FY25



# Key Highlights – Q3/9M FY25

- 9M FY25 revenue growth of 2.8% YoY to ₹ 364.0 crore with EBITDA margin of 8.5% and PAT at ₹ 16.7 crore.
- Q3 FY25 revenue growth of 8.2% YoY to ₹ 123.4 crore with EBITDA margin of 9.1%.
- Continued to maintain momentum in its focused verticals in 9M FY25:
  - Industrial Equipment & Heavy Machinery (IE&HM) contributed 56% of consolidated revenues.
  - Transportation & Mobility (T&M) accounted for 38% of consolidated revenues.
  - Healthcare & Life Sciences (HCLS) contributed 5% of consolidated revenues.
- 14 clients now deliver more than \$1 Million in revenues on annualized basis.
- Top 25 clients contribute 84% of total revenues.
- Total headcount stood at 2,579 employees.



## Digital

- Cloud & DevOps
- Application Development & Re-engineering
- Data Engineering & Analytics, NLP, LLM
- RPA in SCM, Mfg.
- Smart Factory Enablement
- Cybersecurity
- Testing Services
- Business Application



## Mechanical

- New Product Design & Sustenance
- Value Engineering including Zero based costing
- Virtual Simulations
- Manufacturing Engineering – Traditional & Digital
- Digital Content Management
- Supply Chain Management



## Embedded

- Platform Services - Hardware, Software
- Connectivity Solutions
- Electrical & Control Systems
- Product Sustenance & Modernization including Obsolescence
- After Market Support
- Verification & Validation

## BUSINESS LINES OF GROWTH & FOCUSED VERTICALS

Global software development, testing and integration for industries of the future.



### Industrial Equipment & Heavy Machinery



### Transportation & Mobility



### Healthcare & Life Sciences





# Future Roadmap

02

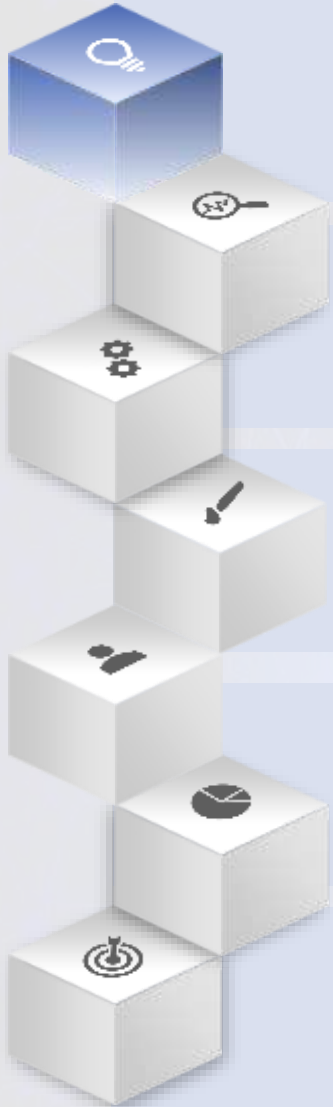
## Our Transformation Journey (2020 – 2024)

- Established as a specialized Digital and Engineering R&D services entity.
- Streamlined operations into three primary verticals and horizontals (3 by 3)
  1. Industry Verticals
    - Industrial Equipment & Heavy Machinery (IE&HM)
    - Transportation & Mobility (T&M)
    - Healthcare & Life Sciences (HCLS)
  2. Horizontals (LOBs)
    - Mechanical Engineering Services
    - Embedded and Electronic Engineering
    - Digital Engineering Services
- Successfully transitioned from legacy to new, higher-margin business.
- Upgraded global infrastructure to bolster offshore revenue streams.
- Achieved record revenue of ₹ 472.4 crore with a robust EBITDA margin of 11.1% in FY24.
- Maintained a strong liquidity position with cash & bank reserves at a peak of ₹ 93.6 crore as of March 31st, 2024.
- Demonstrated a commitment to shareholder returns with consistent dividend growth over nine years.

## Strategic Growth Plan (2024 and Beyond)

- **Solid Foundation & Leadership:** Leveraging our strong foundation and experienced leadership team to foster strategic partnerships and ensure balanced growth.
- **Customer-Centric Approach:** Dedicated focus on serving USA and European headquartered companies, ensuring alignment with their strategic goals.
- **Enhanced Customer Engagement:** With over 75 live customers, we aim to double or triple our growth by building specialized teams and refining our execution model to deepen customer relationships.
- **Revenue Growth Targets:** Achieving significant revenue milestones with either 10 customers contributing \$10 million each annually or 20 customers contributing \$5 million each annually, through a blend of offshore and onsite services.
- **Investment in Expertise:** Committing to strategic investments in hiring Subject Matter Experts (SMEs) with deep domain knowledge across our three core horizontals: Mechanical, Embedded, and Digital.

# Our Distinctive Strengths



## **Design Thinking and Digital Transformation**

Committed to an exclusive focus on design thinking, digital transformation, and product engineering to drive innovation and success.

## **Robust Processes and Specialized Tools**

Highlighting the use of field-tested processes and specialized tools for improved operations, continuous improvement, and value addition.

## **Global Talent Pool and Collaborative Culture**

Emphasizing a global talent pool and a collaborative work environment, empowered by a culture of performance, core values, and investments in learning and organizational development.

## **Agile Delivery**

Our responsive agility, with a delivery model that rapidly mobilizes technical talent through our innovative talent acceleration programs, ensures our services are perfectly aligned with customer needs.

## **Value-Driven Cost Structure**

Our competitive billing rates offer approximately 20% savings on the total cost of engagement, combined with productivity enhancements that consistently exceed client expectations.



# Business Outlook: FY25

**₹ 490-510 Crore**

**FY25 revenue  
projection**

9M FY25 revenue: ₹364 Crore



**9%-11%**

**FY25 EBITDA  
margin projection**

9M FY25 EBITDA margin: 8.5%



# Financial Performance

03

# Consolidated Financial Summary – Q3/9M FY25

Particulars (in ₹ Crore)	Q3 FY25	Q2 FY25	QoQ Growth	Q3 FY24	YoY Growth	9M FY25	9M FY24	YoY Growth
Revenue from Operations	123.4	123.0	0.3%	114.1	8.2%	364.0	353.9	2.8%
Other Income	1.1	1.6	(29.4%)	2.8	(59.4%)	4.5	4.5	-
<b>Total Revenue</b>	<b>124.5</b>	<b>124.6</b>	<b>(0.1%)</b>	<b>116.9</b>	<b>6.5%</b>	<b>368.5</b>	<b>358.4</b>	<b>2.8%</b>
EBITDA	11.2	7.9	41.9%	10.7	5.1%	30.9	42.5	(27.5%)
EBITDA Margin (%)	9.1%	6.4%	266 bps	9.3%	(26 bps)	8.5%	12.0%	(354 bps)
EBIT	7.9	4.6	72.0%	7.4	7.5%	20.9	32.7	(36.1%)
EBIT Margin (%)	6.4%	3.7%	267 bps	6.4%	(4 bps)	5.7%	9.2%	(349 bps)
PBT	8.5	5.6	50.9%	9.8	(14.0%)	23.7	36.2	(34.4%)
PBT Margin (%)	6.8%	4.6%	230 bps	8.6%	(177 bps)	6.5%	10.2%	(370 bps)
PAT	6.0	3.6	67.5%	6.8	(11.1%)	16.7	27.2	(38.8%)
PAT Margin (%)	4.9%	2.9%	196 bps	5.9%	(106 bps)	4.6%	7.7%	(312 bps)
EPS (₹) - Diluted	2.6	1.5	75.3%	3.0	(11.1%)	7.3	11.9	(39.0%)

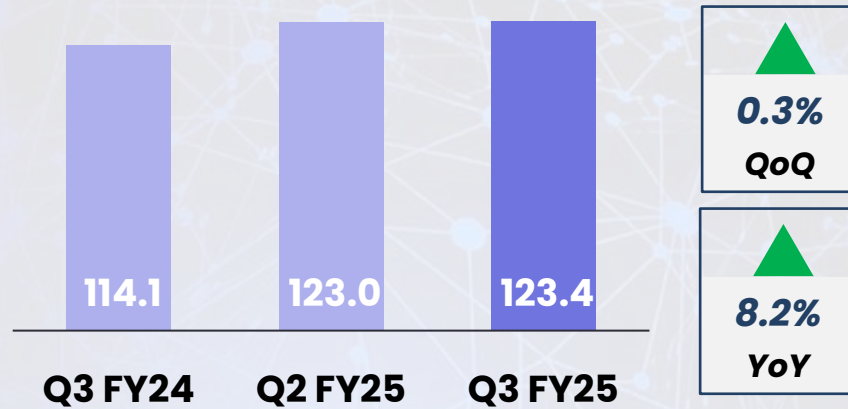
Note: In FY24, the Company had changed its accounting policy w.r.t. government grants, which were earlier included under 'Other Income', however from the current year such government grants are presented under 'net of employee benefit expenses' to showcase appropriate representation of financial statements. Accordingly, this change is applied retroactively to the previous year, does not affect the profit, earnings per share, or opening retained earnings as of April 1, 2023.



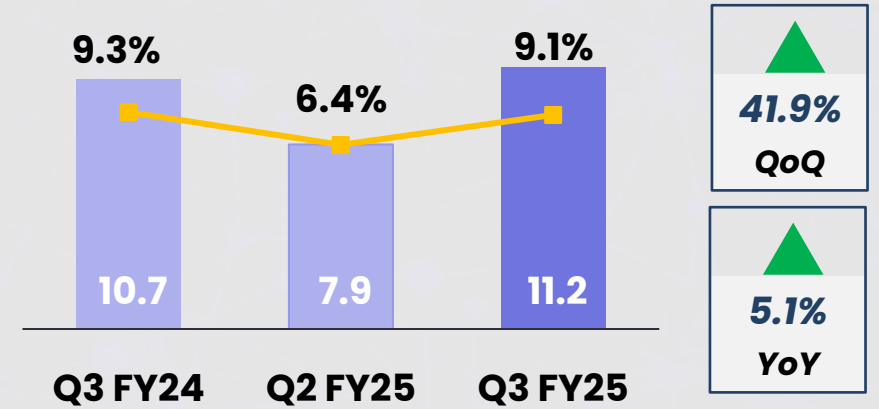
# Consolidated Financial Summary – Q3 FY25

(ALL FIGURES IN ₹ CRORE)

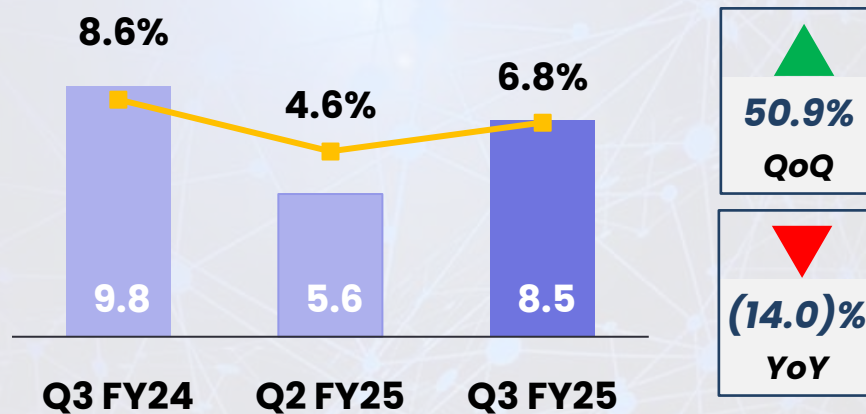
## Revenue from Operations



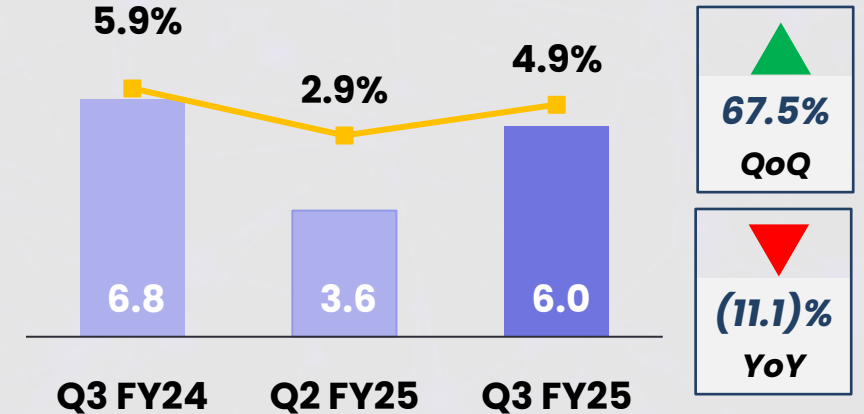
## EBITDA & EBITDA Margin %



## PBT & PBT Margin %



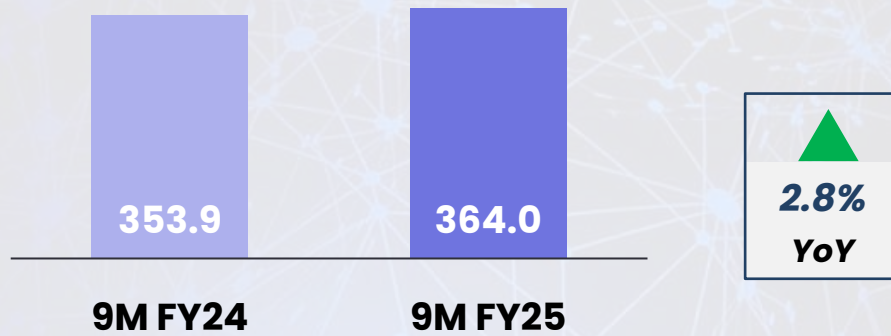
## PAT & PAT Margin %



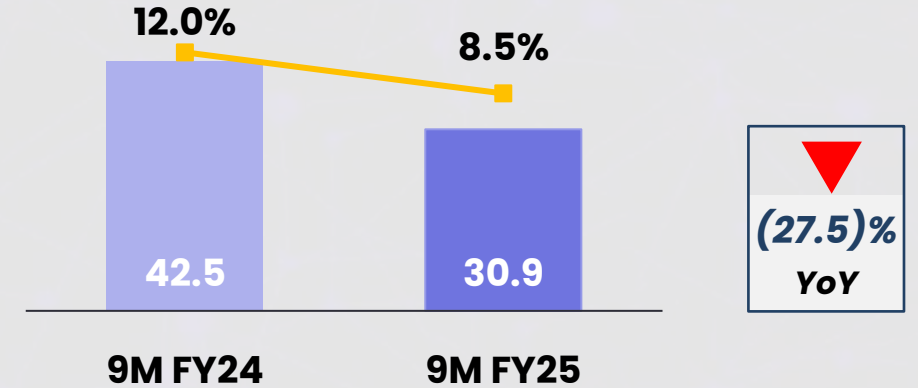
# Consolidated Financial Summary – 9M FY25

(ALL FIGURES IN ₹ CRORE)

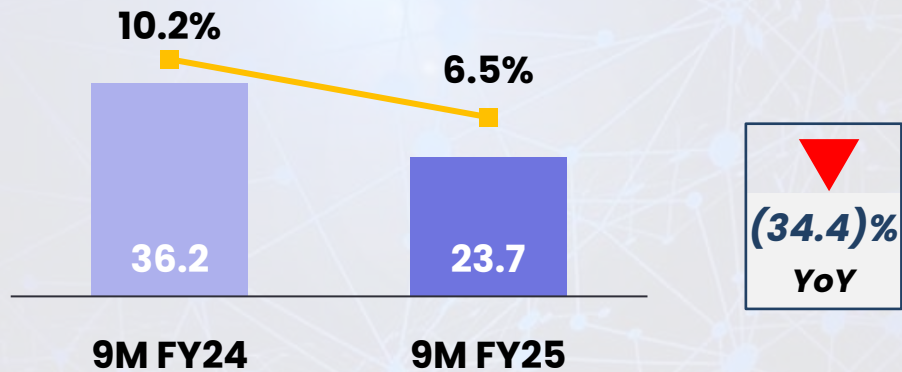
## Revenue from Operations



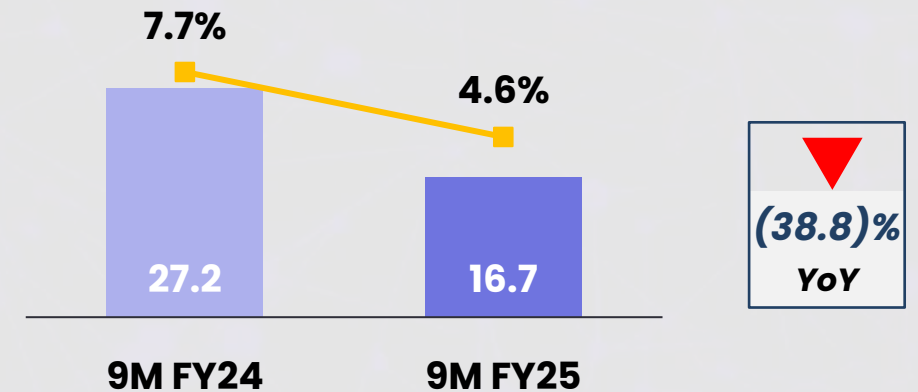
## EBITDA & EBITDA Margin %



## PBT & PBT Margin %



## PAT & PAT Margin %



# Revenue Metrics

Particulars		Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Revenue by Business (%)	ER&D	71%	78%	57%	77%	58%
	Digital	29%	22%	41%	23%	40%
	ITS	-	-	2%	-	2%
Revenue by Industry (%)	Industrial Equipment & Heavy Machinery (IE&HM)	57%	55%	51%	56%	52%
	Transportation & Mobility (T&M)	39%	39%	38%	38%	37%
	Healthcare & Life Sciences (HCLS)	3%	5%	8%	5%	9%
	Others	1%	1%	3%	1%	2%
Revenue By Geography (%)	USA	32%	35%	37%	34%	38%
	Europe	15%	14%	14%	14%	13%
	India	53%	51%	49%	52%	49%
Revenue By Contract Type (%)	Time & Material	85%	84%	86%	85%	89%
	Fixed Time, Fixed Price	15%	16%	14%	15%	11%
Revenue By Engagement Model (%)	Onsite#	28%	28%	30%	28%	-
	Offshore#	72%	72%	70%	72%	-

# Updated Classification of Onsite: Offshore Revenue mix as per industry definition, and applicable from Q2 FY24



# Operating Metrics

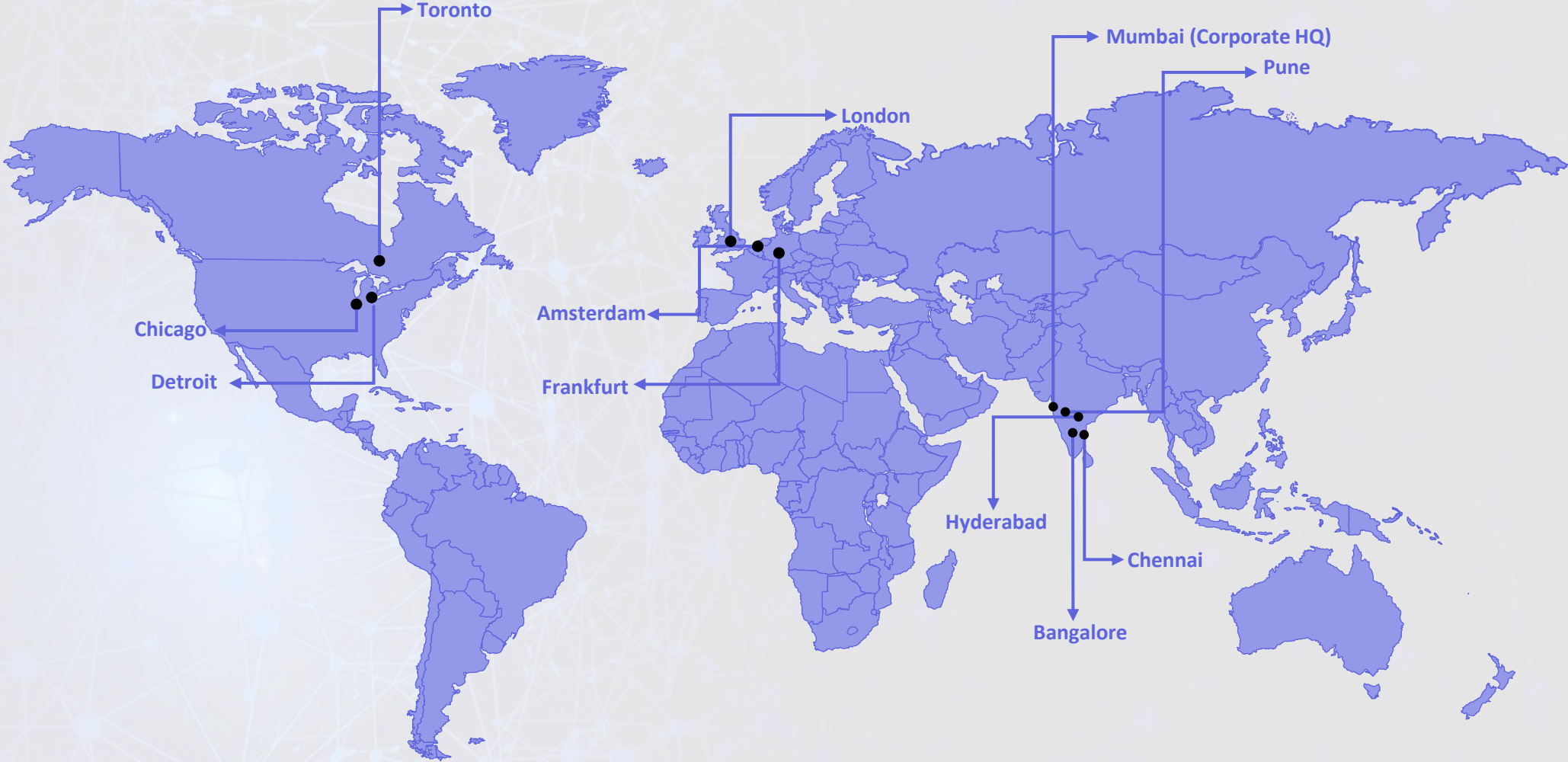
Particulars		Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Client Base	Active Clients	80	82	88	80	88
	Top 5	51%	51%	49%	51%	49%
	Top 10	66%	68%	66%	67%	66%
	Top 25	85%	84%	85%	84%	84%
	Clients with Annual Billing > USD 1mn	14	11	13	14	13
Employee Metrics	Total Employees	2,579	2,626	2,604	2,579	2,604
DSO	Days	75	80	72	75	72

# Key Performing Indicators

Particulars (In ₹ Crore)	FY22	FY23	FY24	Reasons
Revenue from Operations	307.3	440.9	472.4	Revenue growth from USA and Europe
Other Income	21.5	3.4	7.3	Interest income earned on fixed deposits (FD)
<b>Total Income</b>	<b>328.8</b>	<b>444.3</b>	<b>479.7</b>	
Employee Benefit	238.8	351.3	357.7	Investment in experienced talent pool to scale client engagement
Other expenses	47.0	60.6	62.6	
EBITDA	21.4	29.3	52.2	
EBITDA Margin (%)	7.1%	6.6%	11.1%	Growth/ Operational efficiencies
Depreciation and amortisation	10.1	13.0	13.0	
PBT	31.8	18.0	45.2	
PBT Margin (%)	10.4%	4.1%	9.6%	
PAT	23.7	11.5	33.9	
PAT Margin (%)	7.7%	2.6%	7.2%	
EPS (₹) – Diluted	12.2	5.1	14.8	

Note: In FY24, the Company had changed its accounting policy w.r.t. government grants, which were earlier included under 'Other Income', however from the current year such government grants are presented under 'net of employee benefit expenses' to showcase appropriate representation of financial statements. Accordingly, this change is applied retroactively to the previous year, does not affect the profit, earnings per share, or opening retained earnings as of April 1, 2023.

# Global offices





# Thank You

The software expert to transform your business at speed and scale.

Onward Technologies (BSE: 517536) (NSE: ONWARDTEC) is a leading digital and ER&D outsourcing firm headquartered in Mumbai. We empower global OEMs with rapid innovation and market readiness, optimizing their R&D returns. A responsible corporate force with 2,500+ professionals across 6 countries, we specialize in Automotive, Industrial Products & Heavy Machinery, and Healthcare & Med Tech verticals. For more information, please visit [www.onwardgroup.com](http://www.onwardgroup.com)

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