

May 16, 2023

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 543664
Dear Sir/Madam,

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code – KAYNES

SUB: Investors/ Earnings Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investors/ Earnings Presentation for the year ended March 31, 2023. The Company will use this presentation for any meeting scheduled with analysts or institutional investors up to June 30, 2023.

The above information will also be available on the website of the Company at www.kaynestechnology.co.in.

Request to kindly take this intimation on record.

Thanking You,
Yours faithfully,
For **Kaynes Technology India Limited**.

Ramachandran Kunnath
Company Secretary and Compliance Officer
Membership No. A57817



**Product Design
and Engineering**



ODM



OEM



IoT Solutions

Kaynes Technology India Limited

Earnings Presentation

May 2023



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This presentation contains statements that constitute forward looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. This presentation may contain certain currency exchange rates and the same have been provided only for the convenience of readers.



Financial Highlights

FY23 Results Snapshot

(Consolidated)



₹ 26,482 mn

Order Book

₹ 15,166 mn in FY22



₹ 11,261 mn

Revenue

59% YoY



₹ 1,683 mn

EBITDA

80% YoY



14.9%

EBITDA Margin

+ 168 bps YoY



₹ 349 mn

Finance Cost

37% YoY



₹ 952 mn

Profit After Tax

128% YoY



8.5 %

PAT Margin

+255 bps in YoY



₹ 473 mn

Net Debt

₹ 1,480 mn in FY22



24.2%

ROCE

24.4% in FY22



24.9%

ROE

24.5% in FY22



99 Days

Net WC Days

98 days in FY22



0.05x

Net Debt to Equity

0.7x in FY22

Q4FY23 Results Snapshot

(Consolidated)



₹ 3,646 mn

Revenue

53% YoY



₹ 594 mn

EBITDA

48% YoY



16.3%

EBITDA Margin

16.8% in Q4FY22



₹ 81 mn

Finance Cost

14% YoY



₹ 413 mn

Profit After Tax

108% YoY



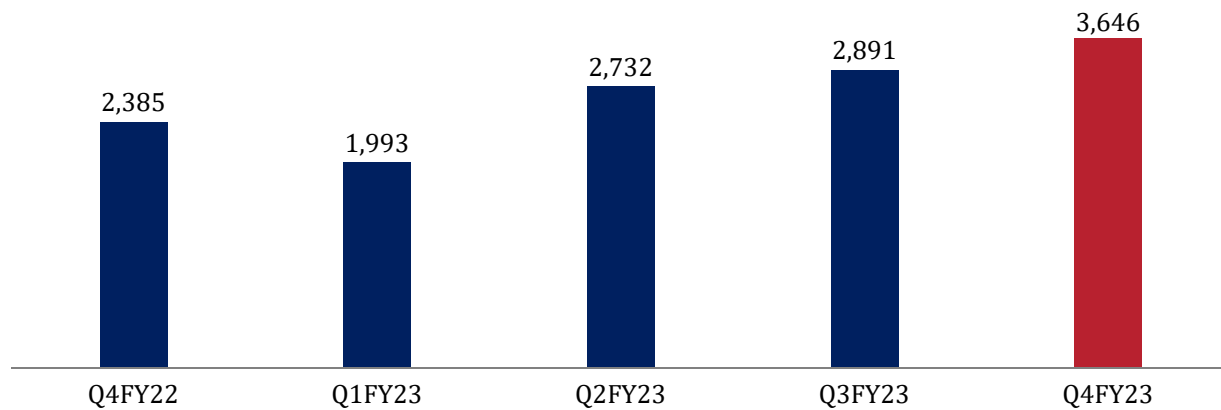
11.3%

PAT Margin

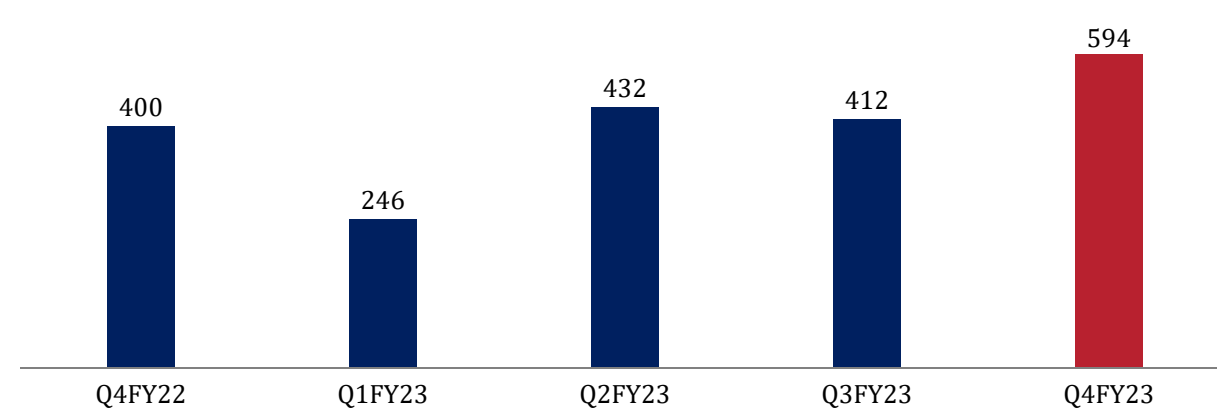
8.3% in Q4FY22

Proven record of consistent financial performance (1/5)

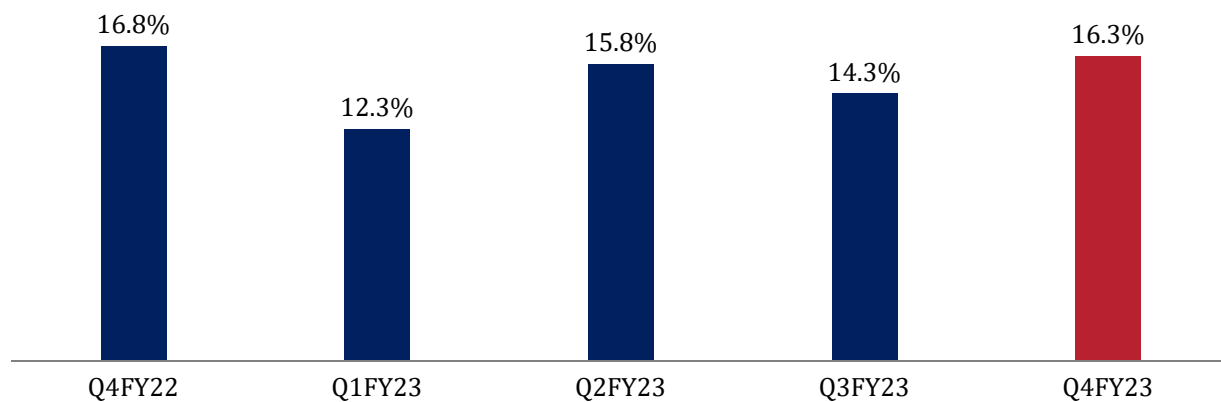
Revenue (₹ Mn)



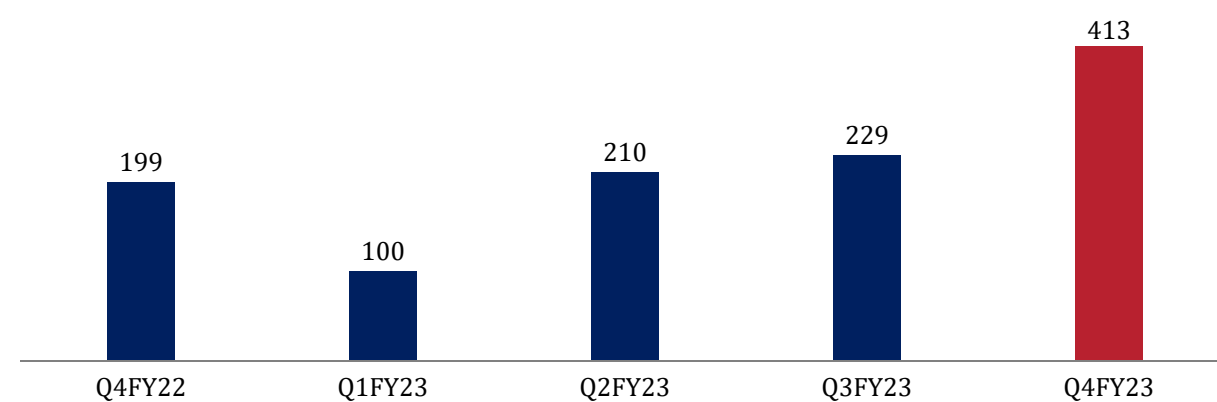
EBITDA (₹ Mn)



EBITDA Margins (%)

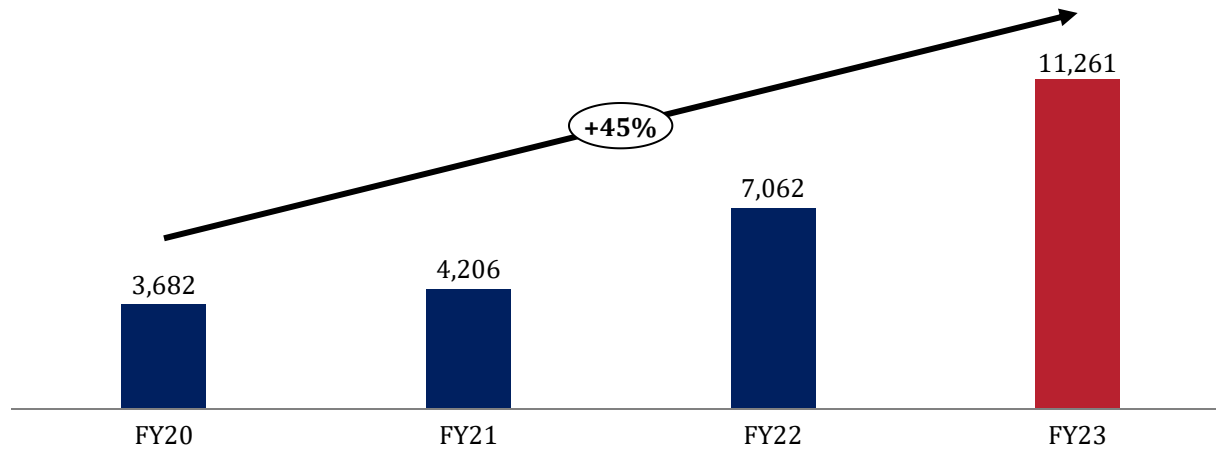


Profit After Tax (Restated) (₹ Mn)

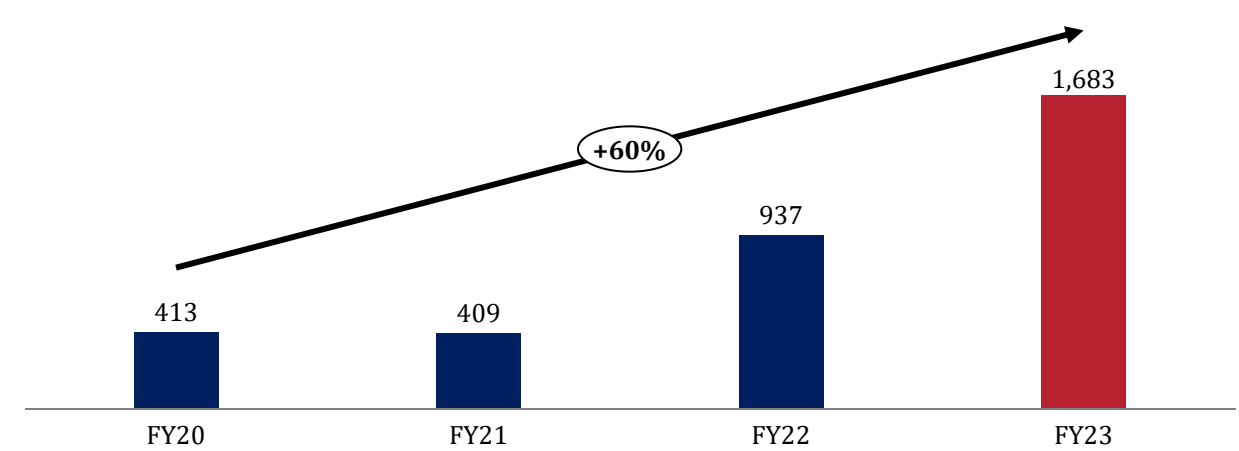


Proven record of consistent financial performance (2/5)

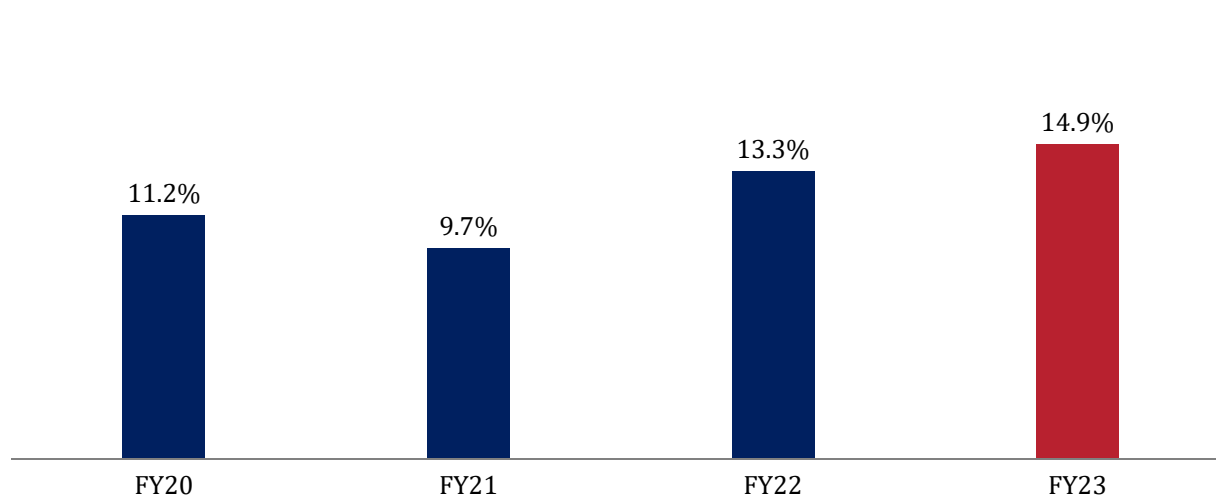
Revenue (₹ Mn)



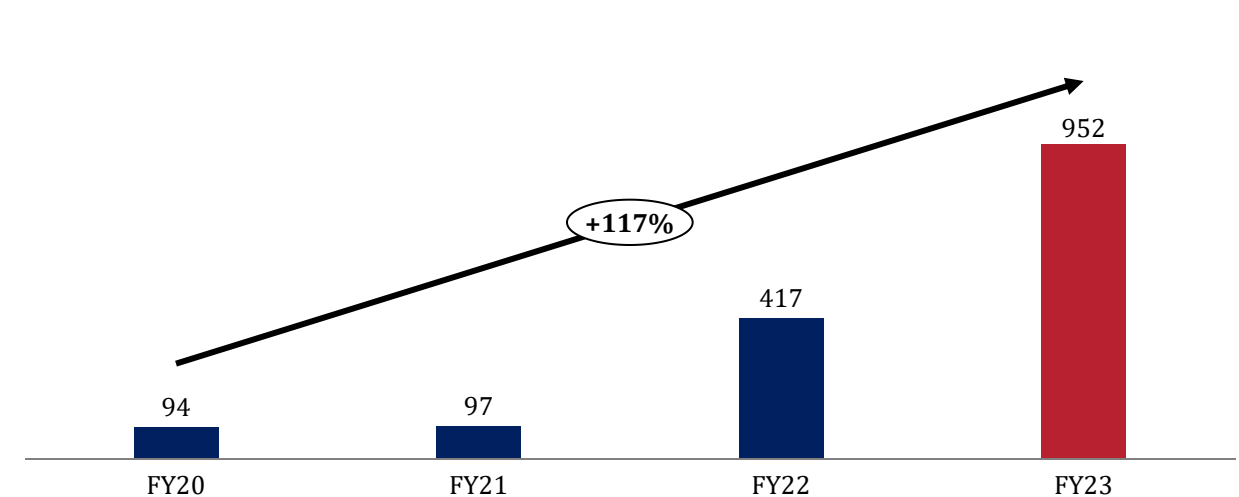
EBITDA (₹ Mn)



EBITDA Margins (%)

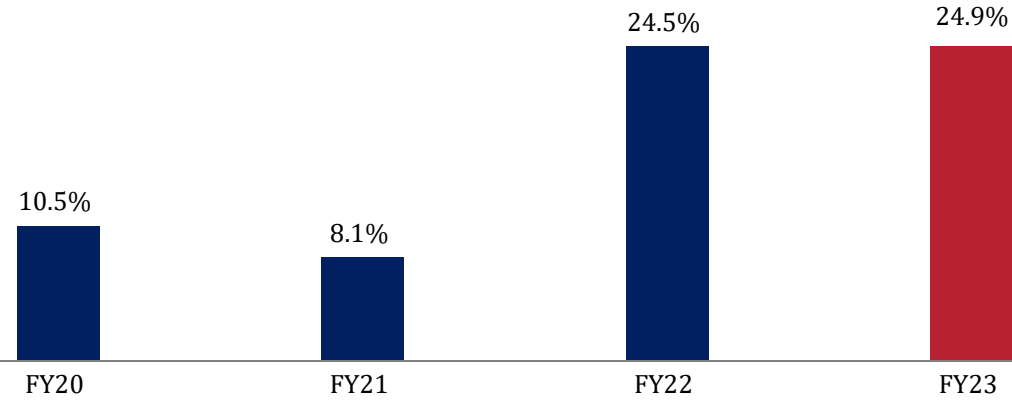


Profit After Tax (Restated) (₹ Mn)

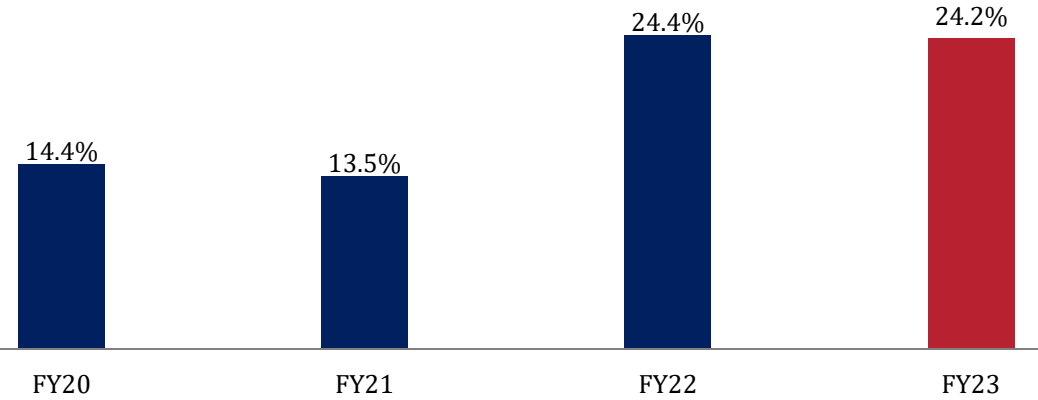


Proven record of consistent financial performance (3/5)

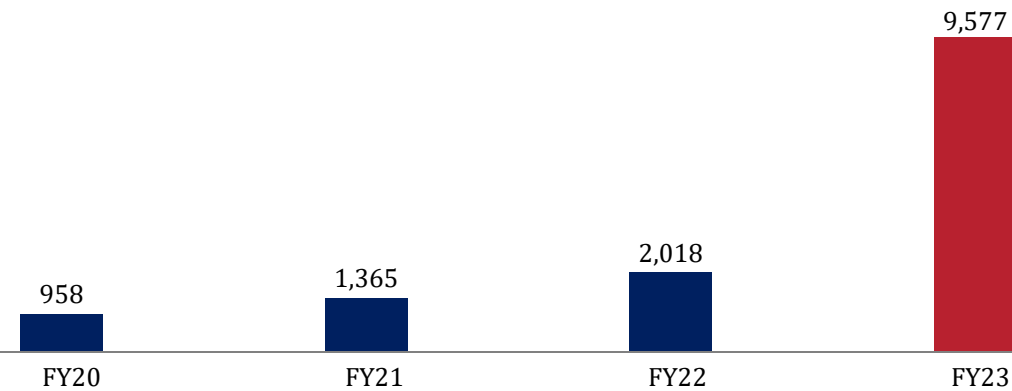
ROE (%)



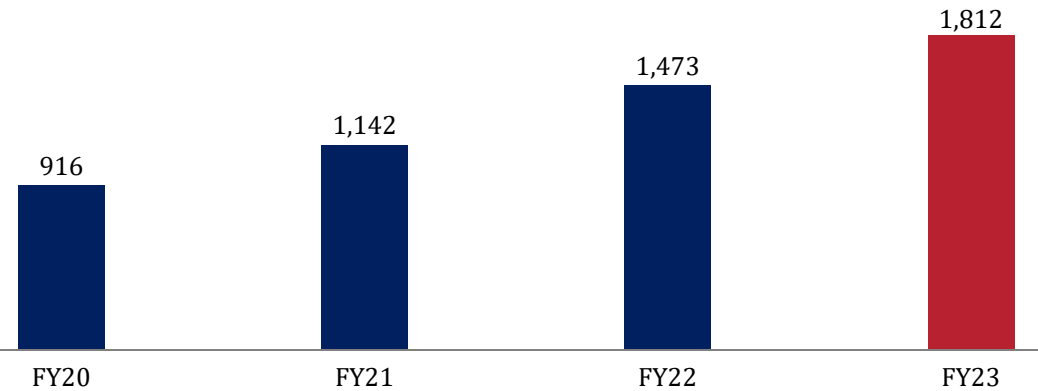
ROCE (%)



Net worth (Rs mn)



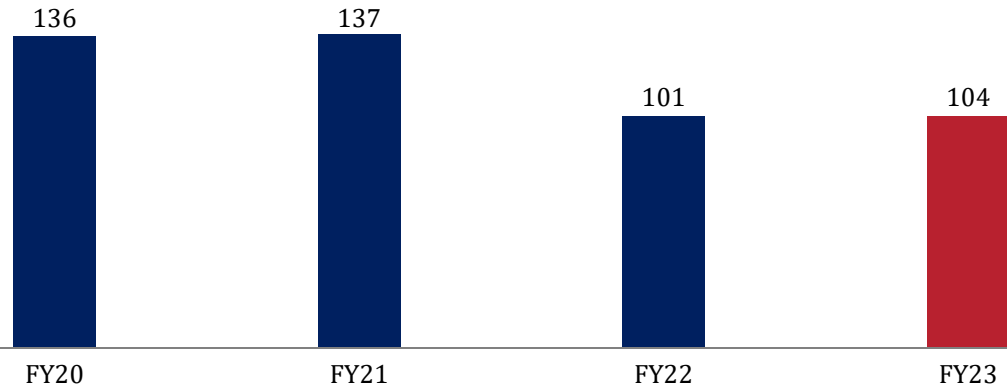
Gross Block (Rs mn)



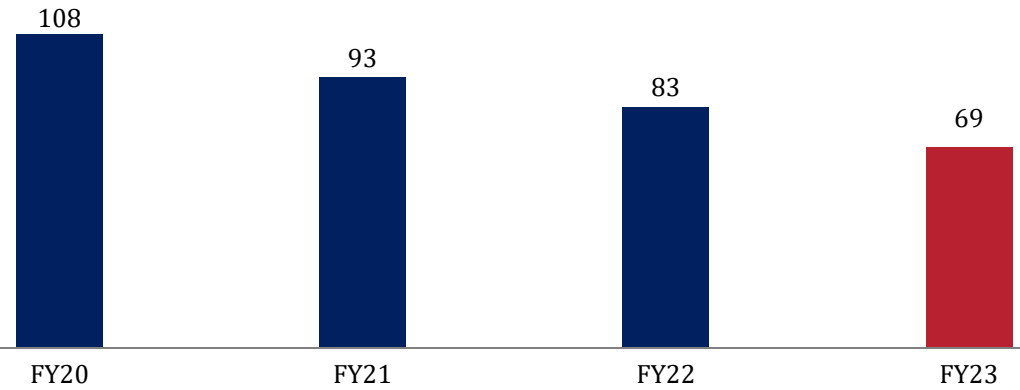
ROCE and ROE are adjusted for unutilized IPO proceeds

Proven record of consistent financial performance (4/5)

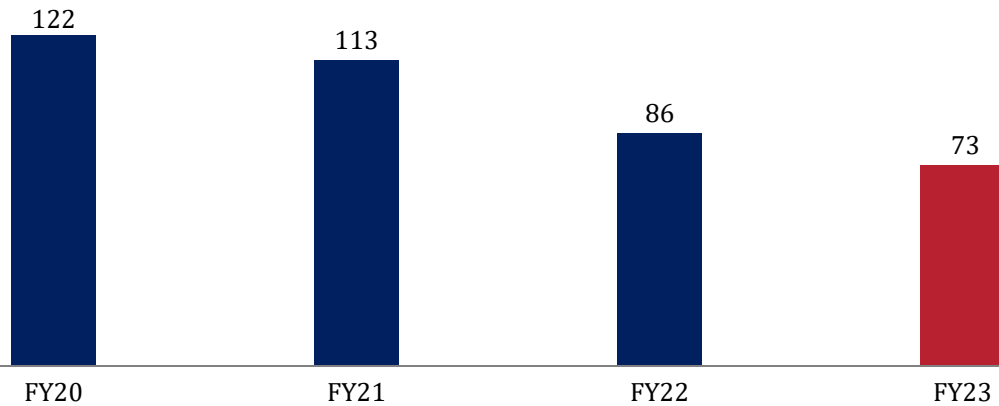
Inventory Days



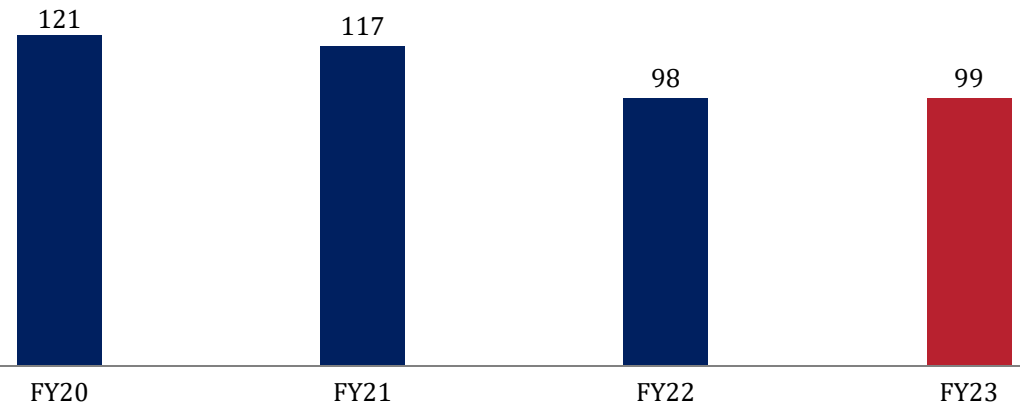
Receivable Days



Payable Days

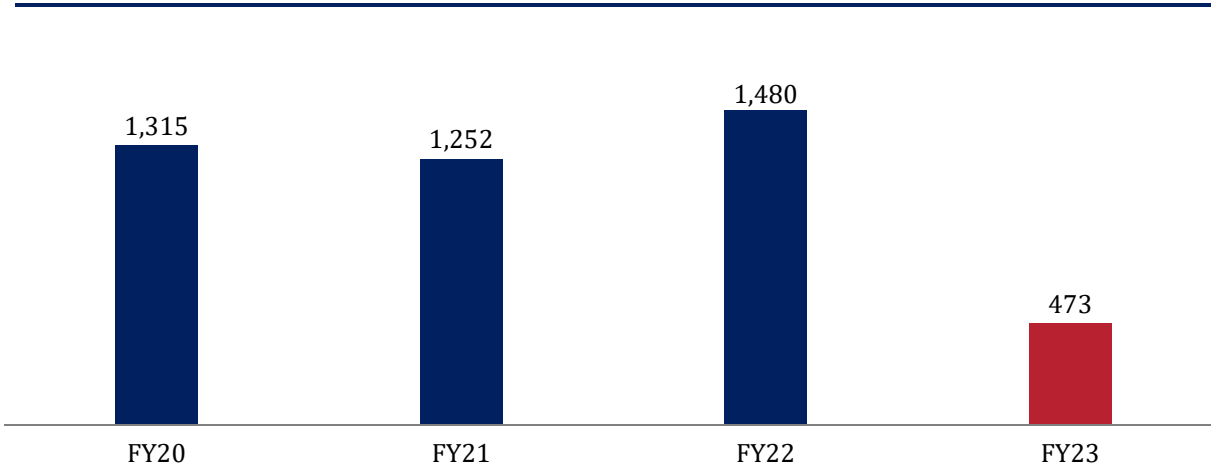


Net Working Capital Days

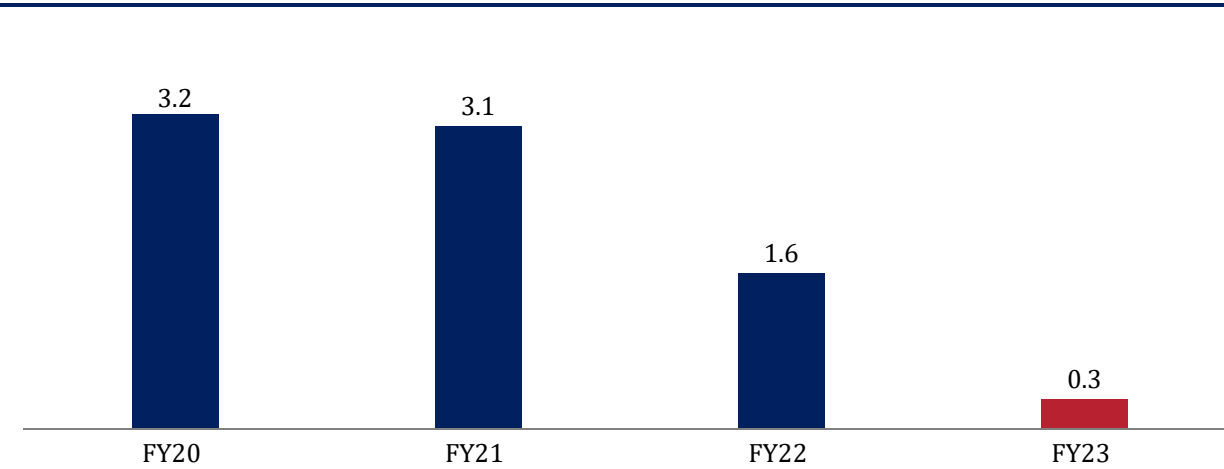


Proven record of consistent financial performance (5/5)

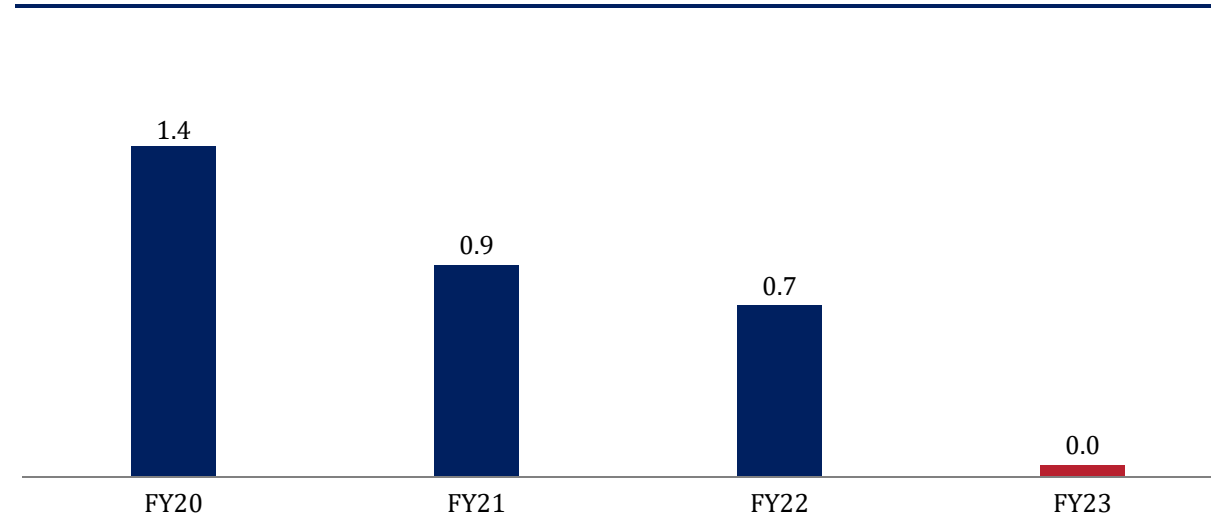
Net Debt (₹ Mn)



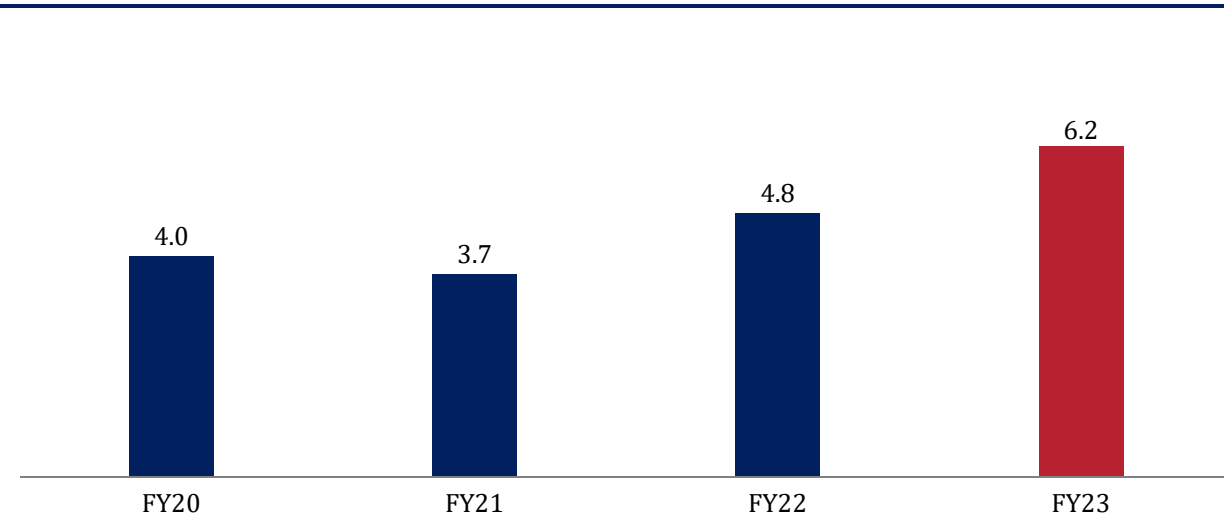
Net Debt/EBITDA (x)



Net Debt/Equity (x)



Asset Turnover ratio (x)



Net debt is adjusted for unutilized IPO proceeds

Profit & Loss Statement (Consolidated)

Particulars (Rs mn)	Q4FY23	Q4FY22	YoY Chg	FY23	FY22	YoY Chg
Revenue from operations	3,646	2,385	53%	11,261	7,062	59%
Raw material cost	2453	1,627	51%	7,801	4,894	59%
Employee expenses	217	150	45%	771	602	28%
Other expenses	382	207	84%	1,006	629	60%
EBITDA	594	400	48%	1,683	937	80%
EBITDA margin	16.3%	16.8%	- 50 bps	14.9%	13.3%	+ 168 bps
Depreciation and amortization expense	48	37	30%	187	132	42%
Other income	74	0	NM	114	41	178%
Finance cost	81	71	14%	349	256	36%
Profit before tax	537	291	85%	1,260	590	114%
Total tax expenses	124	92	35%	308	174	77%
Net profit after tax	413	199	108%	952	417	128%
Net profit margin	11.3%	8.3%	+ 300 bps	8.5%	5.9%	+ 255 bps

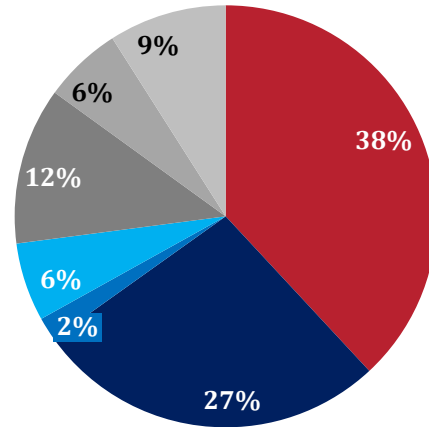
Revenue Mix – FY23 vs FY22

Revenue across verticals

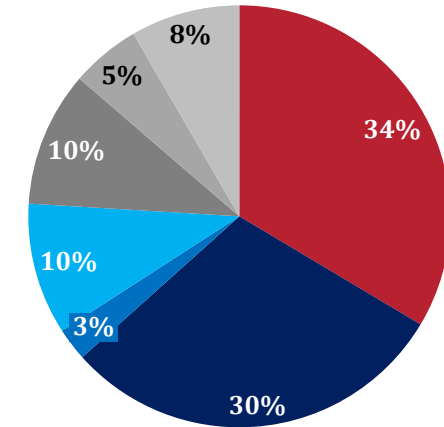
FY23

FY22

- Automotive
- Industrial
- Aerospace, Defence & other
- Medical
- Railways
- IoT/IT
- Consumer



- Automotive
- Industrial
- Aerospace, Defence & other
- Medical
- Railways
- IoT/IT
- Consumer

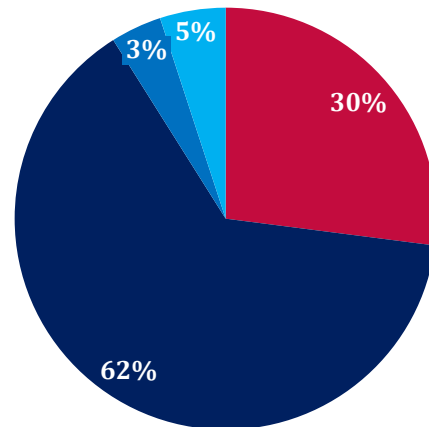


Revenue across segments

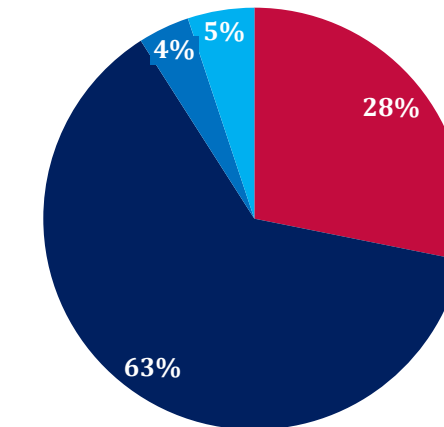
FY23

FY22

- OEM- Box Build
- OEM- PCBA
- ODM
- Product Engineering and IoT solutions



- OEM- Box Build
- OEM- PCBA
- ODM
- Product Engineering and IoT solutions



Balance Sheet (Consolidated)

Particulars (Rs mn)	FY20	FY21	FY22	FY23
Gross Block (tangible assets)	850	979	1,112	1,451
Accumulated Depreciation	348	408	473	549
Net Block (tangible assets)	502	571	640	902
Intangible assets	138	267	352	426
Other non-current assets	236	165	369	552
Total non-current assets	877	1,002	1,361	1,880
Inventories	1,511	1,639	2,264	4,132
Trade receivables	936	1,217	1,977	2,271
Cash and cash equivalents	123	143	216	4,860
Other current assets	334	193	410	1,045
Total current assets	2,905	3,192	4,864	12,308
Total Assets	3,781	4,194	6,224	14,187
Borrowings	98	171	293	150
Other non-current liabilities	196	148	273	282
Total non-current liabilities	294	320	566	432
Short-term borrowings	1,340	1,224	1,403	1,209
Trade payables	921	954	1,641	2,229
Other current liabilities	194	300	578	714
Total Current Liabilities	2,454	2,478	3,621	4,152
Total Equity & Reserves	1,032	1,396	2,037	9,604
Total Equity and Liabilities	3,781	4,194	6,224	14,187

Cash Flow Statement (Consolidated)

Particulars (Rs mn)	FY20	FY21	FY22	FY23
Cash flow from operating activities				
Profit before tax	113	109	590	1260
Adjustment for non-operating items	314	333	386	452
Operating profit before working capital changes	427	442	976	1713
(Increase)/ decrease in inventories	-293	-128	-625	-1868
(Increase)/decrease in trade receivables	293	-281	-760	-293
(Increase)/decrease in payables & other adjustments	44	271	642	532
Cash generated from operations	471	305	233	83
Less: direct taxes paid	-19	-28	-22	-503
Net cash from operating activities	452	277	211	-419
Cash flow from investing activities	-99	-241	-445	-4933
Cash flow from financing activities	-354	-13	272	5543
Net increase/ (decrease) in cash & cash equivalent	-1	23	38	191
Add: Cash and cash equivalents as at 1st April	8	7	31	69
Add: Net effect of exchange gain on cash and cash equivalents	0	0	0	0
Cash and cash equivalents as at 31st march	7	31	69	259

Manesar (Haryana)

120k built up space taken
Planned operationalization
by Q1FY24

Chamrajanagar (Karnataka)

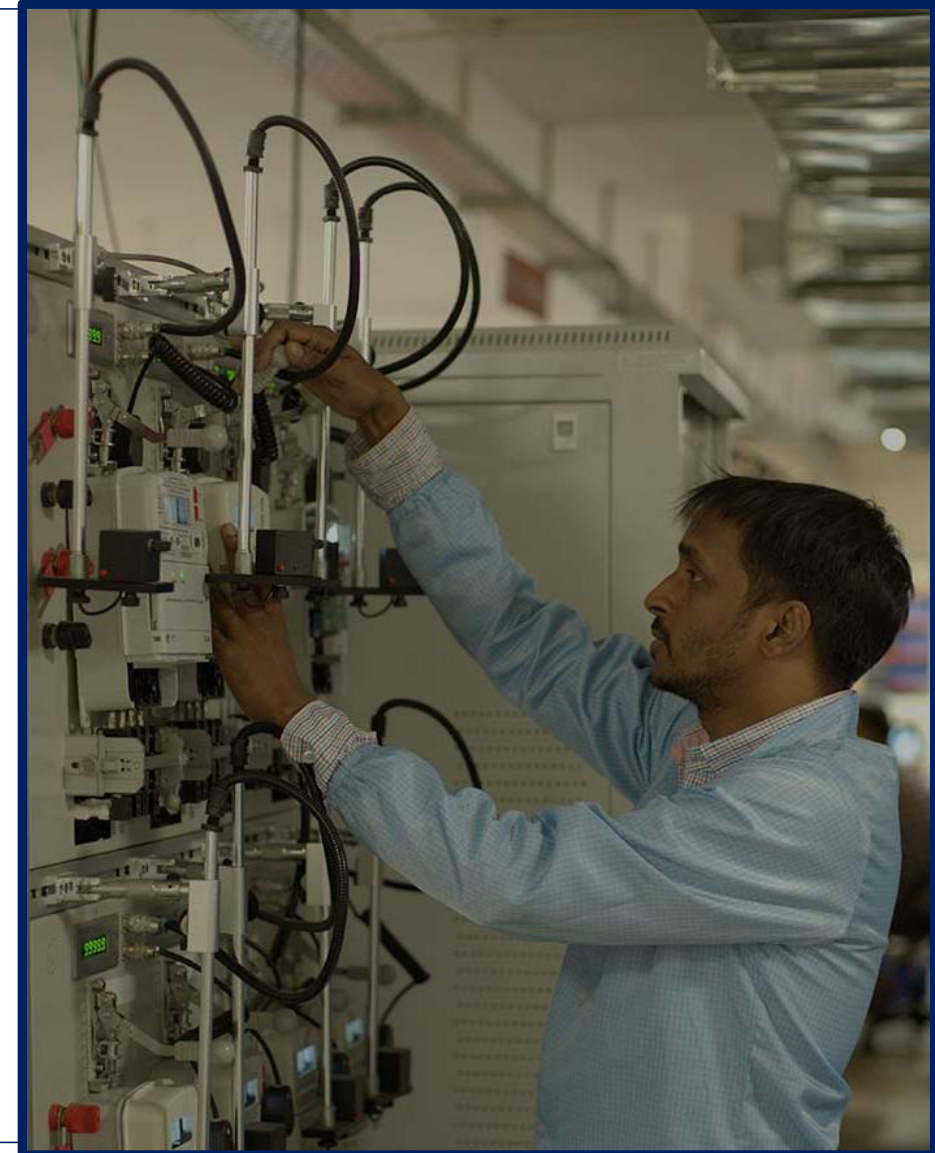
Work going on at full swing
Phase 1 to be
operationalize by Q2FY24

Pune (Maharashtra)

Leased place
To be operationalized by
Q2'FY24

Upgradation existing facilities

Mysore Unit 1 & 2,
Manesar
Banglore
Chennai



Utilization of IPO fund (Rs mn)

Objects of the Issue as per Prospectus	Amount to be Utilized as per Prospectus (₹ Mn)	Utilization up to 31 st March 2023 (₹ Mn)	Utilization up to 31 st March 2023 (%)
Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	1,300	1,300	100%
Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana	989	-	0%
Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka	1,493	-	0%
Funding working capital requirements of our Company	1,147	873	76%
General Corporate Purpose	1,327	110	0%
Total	6,257	2,283	36%



Company Overview



Over 3 decades of experience in providing conceptual design, process engineering, integrated manufacturing and life-cycle support to OEMs



Leading integrated and IoT enabled solutions provider, having capabilities across the entire spectrum of ESDM^{1,2}



Caters to multiple industry verticals - automotive, aerospace and defense, industrial, railways, medical and IT / IoT



Design led manufacturer - ODM solutions in the fields of smart devices, IoT solutions, brushless drive technology and Gallium Nitride technology



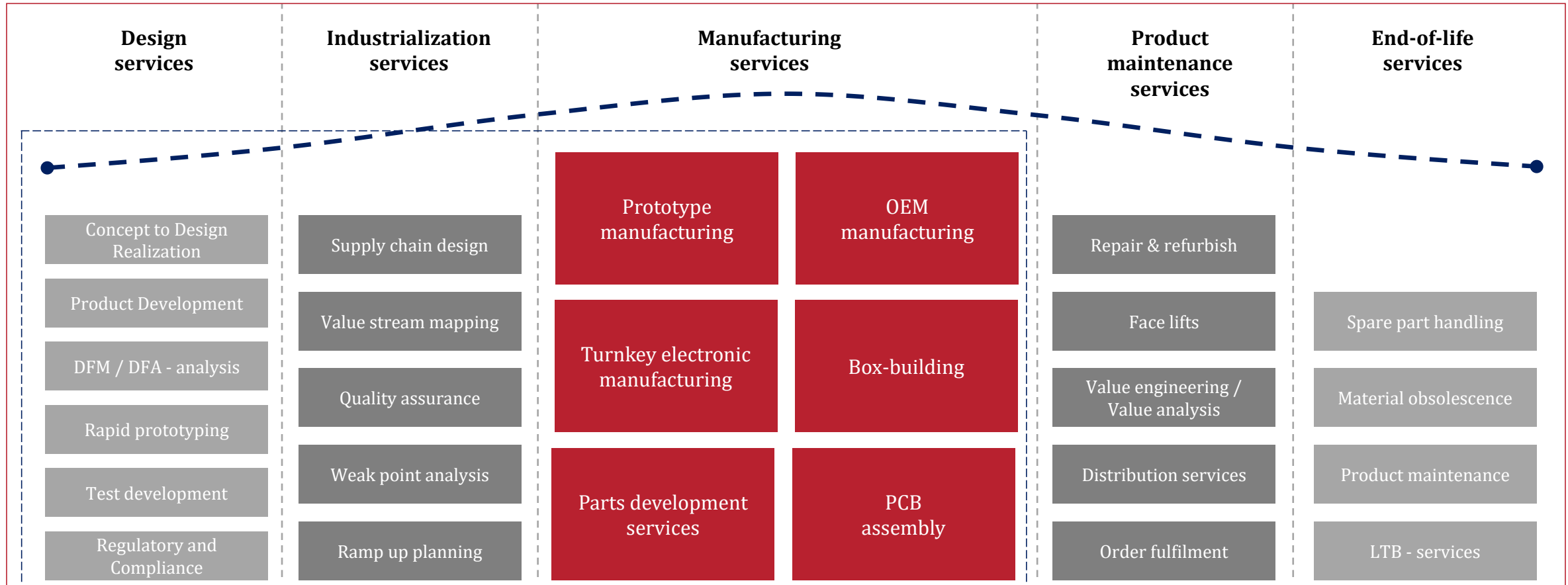
8 Advanced manufacturing facilities to undertake high mix and high value products with variable or flexible volumes



Has served **350+ customers** in **26 countries** including marquee MNCs³

Leading ESDM player with end-to-end Design & Engineering capabilities...

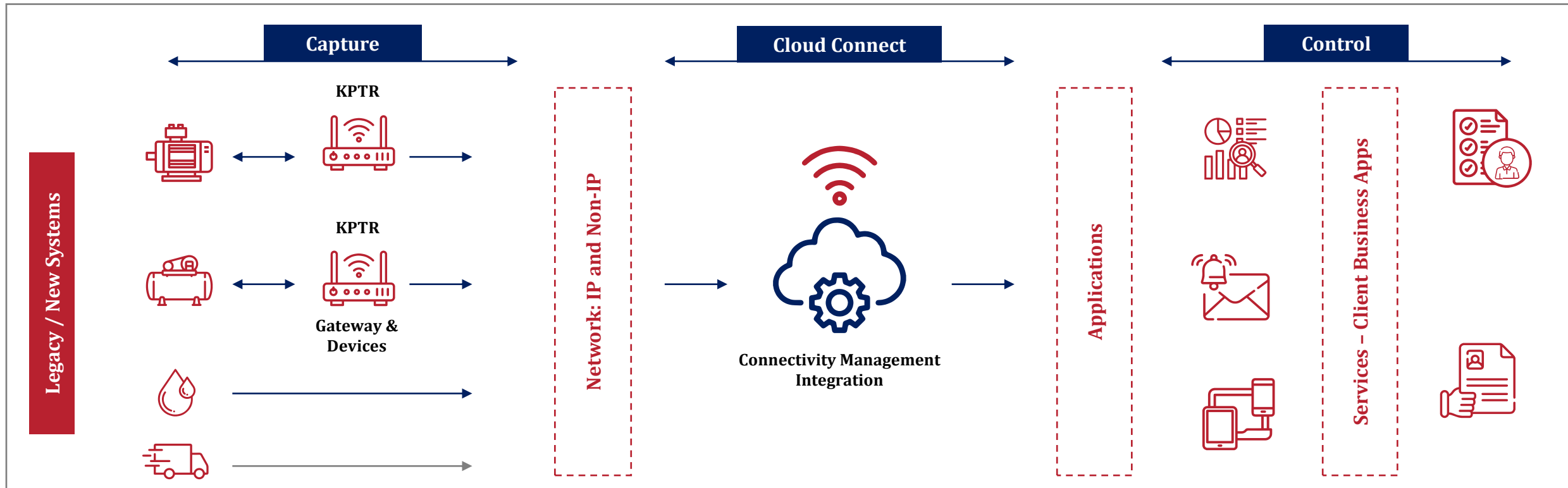
Service offering across entire customer value chain



Bluetooth Modules BLDC Motor controllers	Smart Lighting GaN chargers	Smart Meters Biometric add-ons	Wireless Gateways Industrial Sensors	Streetlight controller ECUs for steering control
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... Enabled with IoT solutions

End-to-end connected asset platform, including business applications, managed cloud service, and ODM Device solution



Kemsys Platform Product: Snapshots

Transformer - Large Asset Monitoring

Industrial Compressor Condition Monitoring

Cooling Tower - Predictive Maintenance

Asset ID	Asset Name	Status	Alerts
107	Asset 107	Warning	1
193	Asset 193	Warning	1

Power Equipment Rental Solution

Diversified Product Portfolio

Automotive

Industrial

**Aerospace, Defense,
Outerspace & Nuclear**

Medical

Railways

**IoT / IT
and others**

Cluster PCBA



Smart Energy Meter



Air Data Sensor



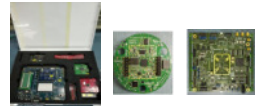
Ventilator, Endoscopy cart
& Data Logger



AFTC & Interlocking



Eval Kits



Head/Tail/Fog/DRL PCBA



Street light controller



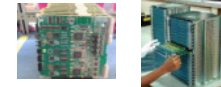
Mission Critical Products



Glucose Meter



Westrace High Level Assy



PLC & IIOT gateway



Switches PCBA



HVAC Thermostat



Thermal Imaging Systems



Controller - Dental Chair



SDTC cubicle



Sensors



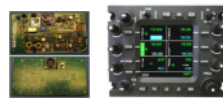
BCU Master / Slave



Precision Bridge and Strain



Communication Electronics



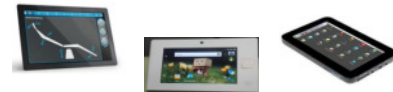
Protein & chemical
analyzers



SDMI



Industrial Reader, HMI &
Tablet



Internationally certified manufacturing facilities backed by a strong supply chain

R&D and Certifications

- Focused on development of new products and improvement existing products
- Dedicated research facility at Mysore with a 19 member R&D Team¹**
- Facilities approved by global certifications Agencies Eg. Underwriters Laboratories, CSA2, TUV Rhineland
- Operations complying with global standards with 10 global accreditations –most for an ESDM company in India^{1,3}



Supply chain

- Long term relationship with suppliers leading to better credit terms
- Top 10 suppliers - avg relationship of 12 years¹**
- 1,500 + suppliers with multiple sources for a single **component with specialized dealers for niche verticals¹**

Capacity for manufacturing at scale augmented by technical capabilities

- **11** SMT Lines
- **57** THD Lines
- **11** Cable Harness Lines
- **15** plastic moulding machines
- 1 class **10,000** clean room
- Most manufacturing at low cost locations
- Dedicated humidity controlled stores
- Flexible infrastructure
- **2** exclusive RoHS compliant lines for green manufacturing
- **FDA approved**



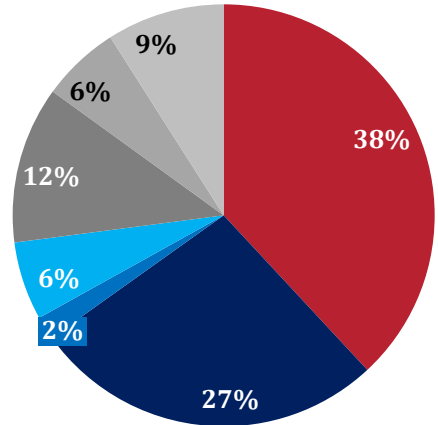
1-as of FY23 | 2-Canadian Standards Association | 3- As per F&S report

Well diversified business profile

Revenue across verticals

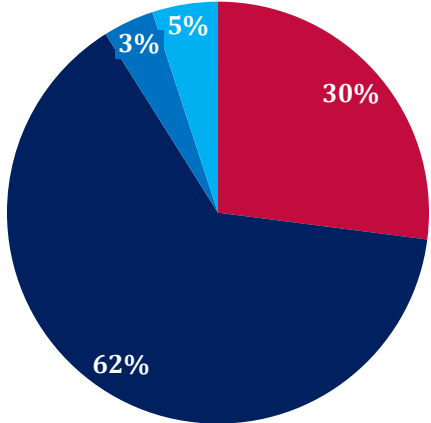
FY23 FY23

- Automotive
- Industrial
- Aerospace, Defence & other
- Medical
- Railways
- IoT/IT
- Consumer



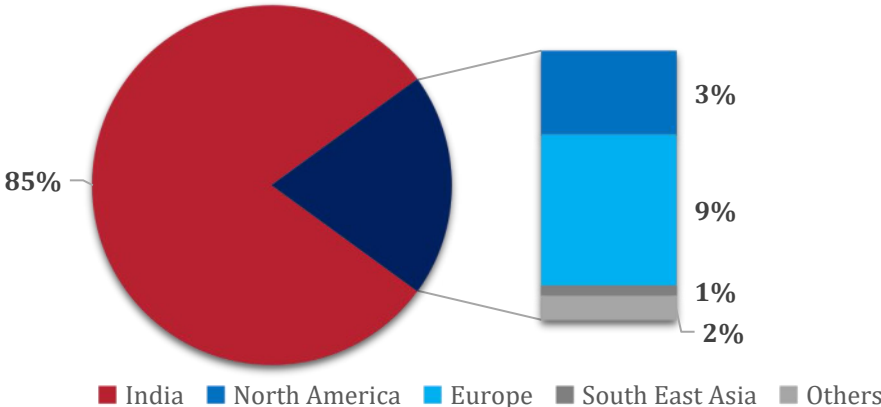
Revenue across segments

- OEM- Box Build
- OEM- PCBA
- ODM
- Product Engineering and IoT solutions



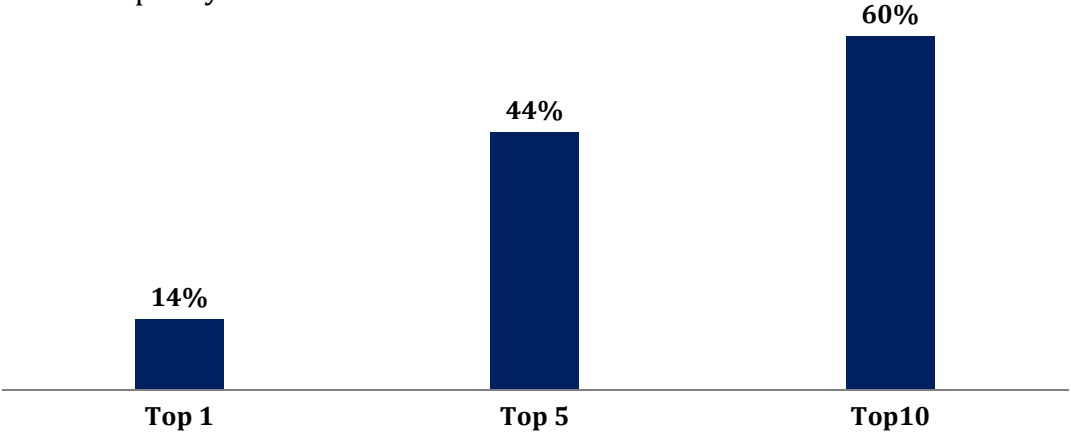
Revenue across geographies

FY23 FY23



Low customer concentration

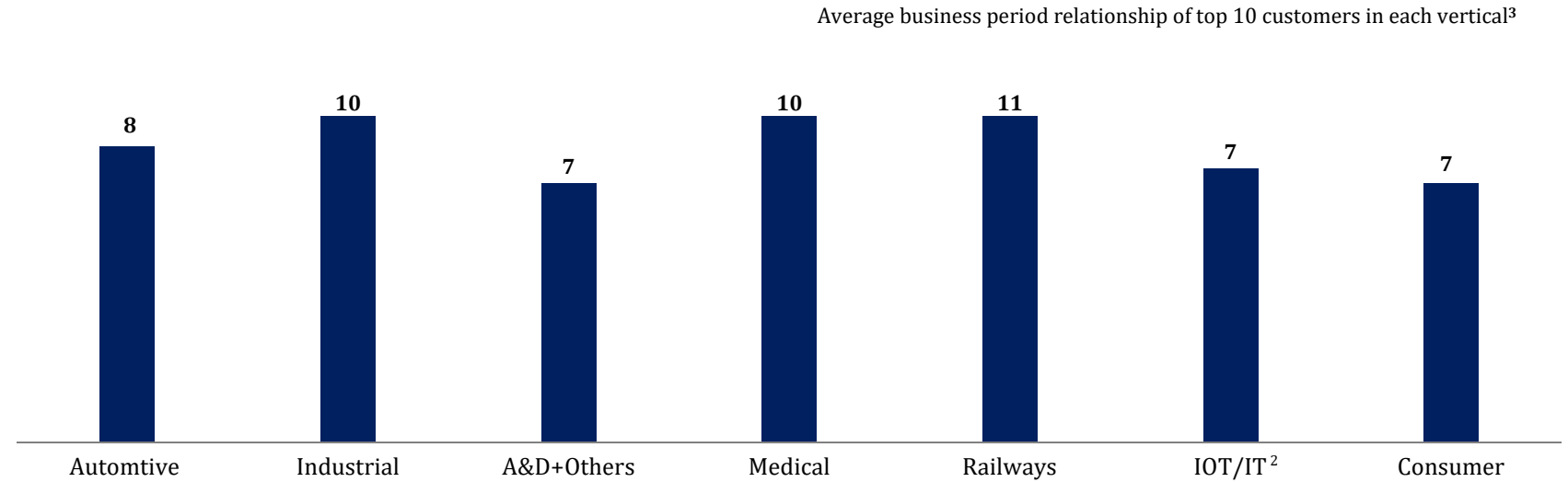
Customer split by revenue



Marquee customer base

Industry	Key Customers
Industrial	Leading global mfg of electronic instruments and electromechanical devices
Railways	
Automotive	
Medical	
A&D+ Others ¹	
IoT / IT and others	
Consumer	Leading players in BLDC Fans, Consumer Appliances
Non - Auto	Leading provider of global digital infrastructure

Long standing relationship with clients

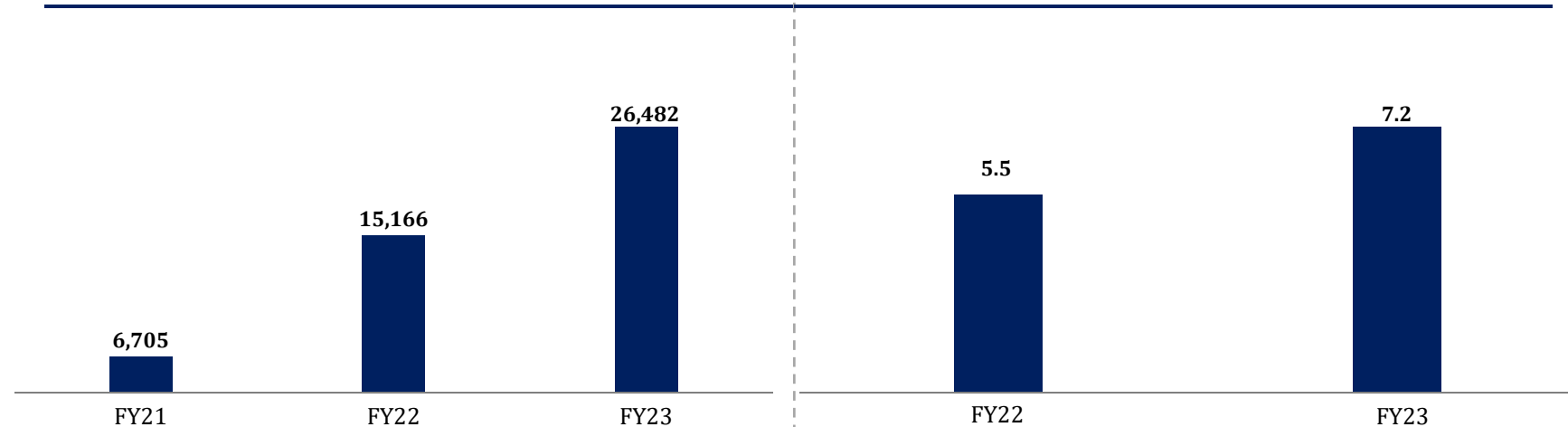


Strong order book

INR Mn

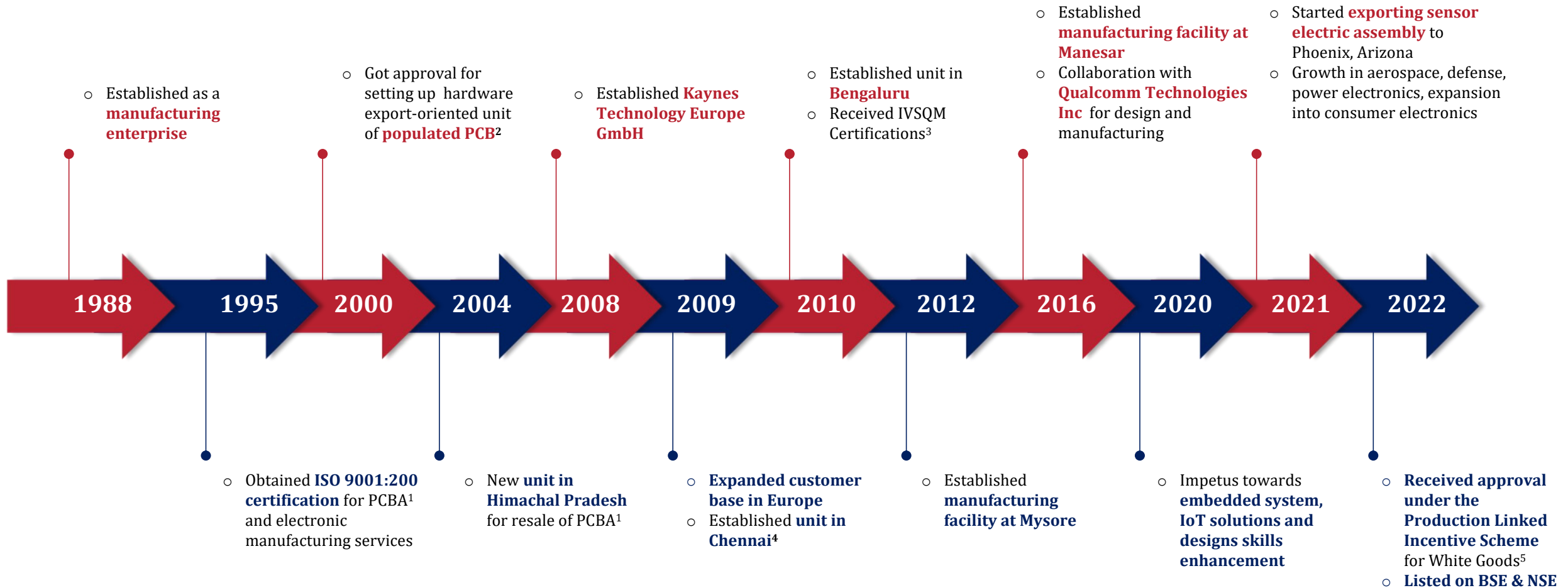
Increase in average order value

INR Mn



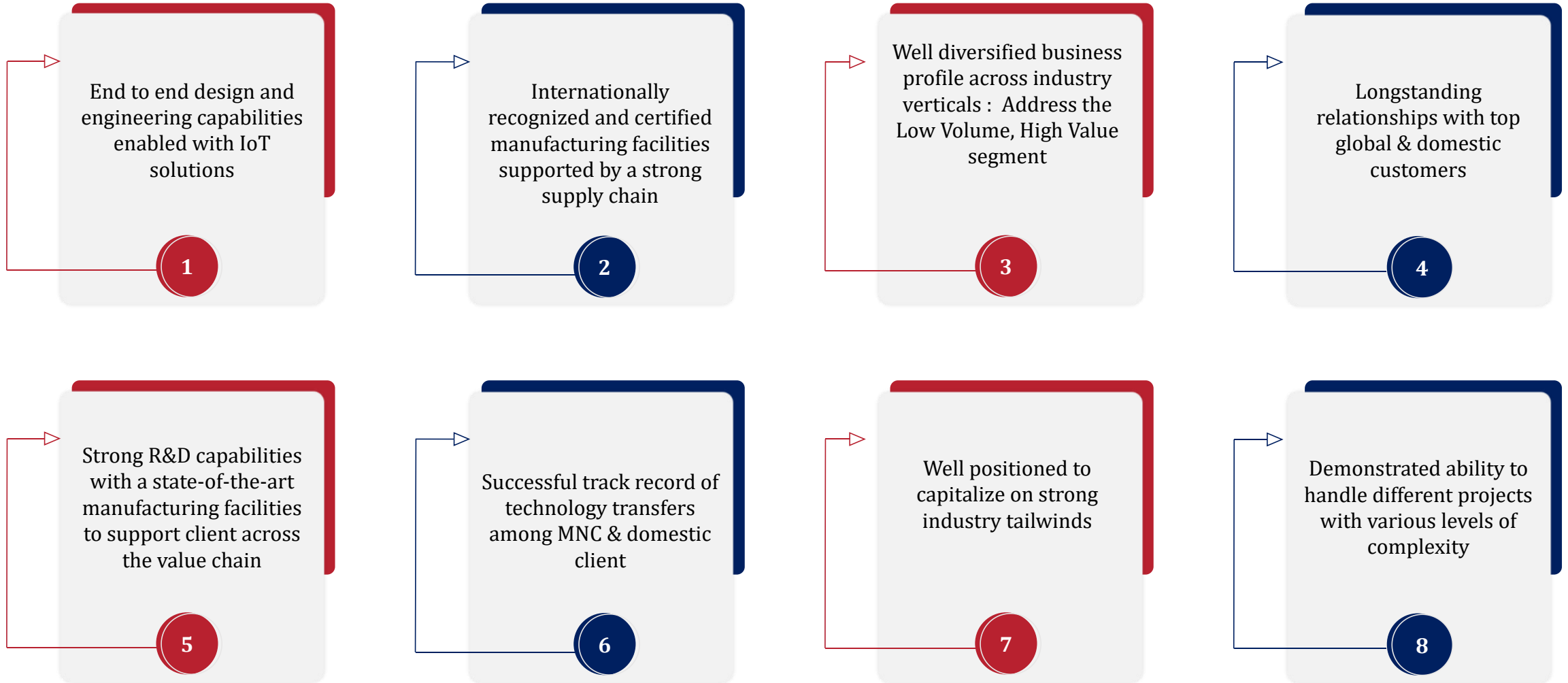
1 - Aerospace, defense, Outer space and nuclear; 2 - IoT/IT and Others, 3 - Average period of business relationship is determined based on the length of relationship of top 10 customers in each vertical.

Business Evolution and Key Milestones



1 – Printed Circuit Board Assemblies; 2 – Printed Circuit Boards; 3 - Industry Vertical Specific Quality Management System for manufacturing PCB, electromechanical assemblies, cable harness for aerospace application
 4 – Chennai Unit for undertaking services related to solenoids, electromagnetic relays, inductors, transformers and electro mechanical parts; 5 – Air Conditioner & LED Lights

The Kaynes Advantage - Key Strengths

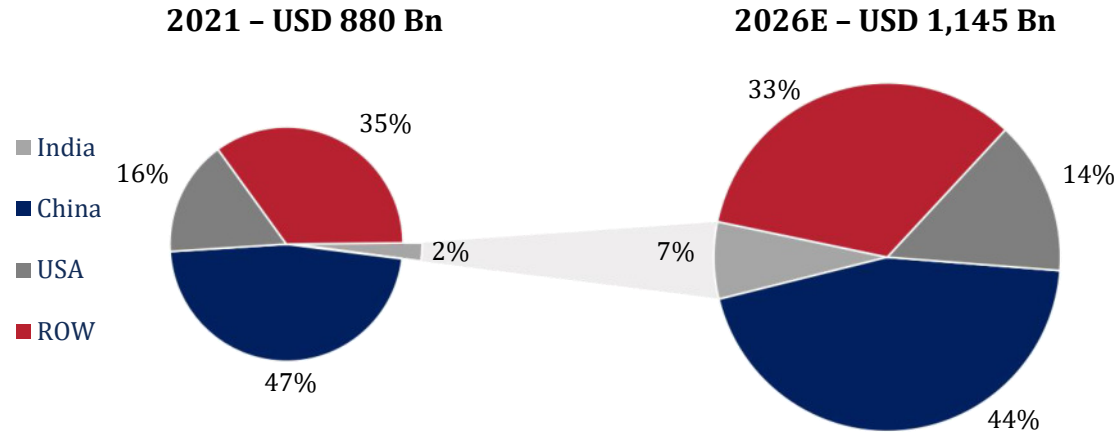




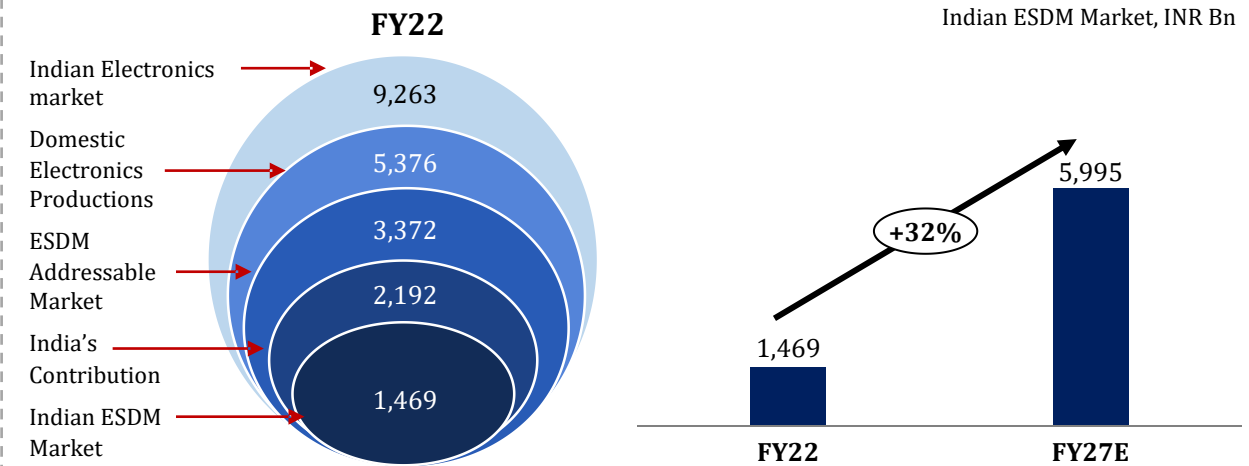
Strategy

Well positioned to capitalize on strong industry tailwinds

ESDM –a global trillion dollar industry by '25

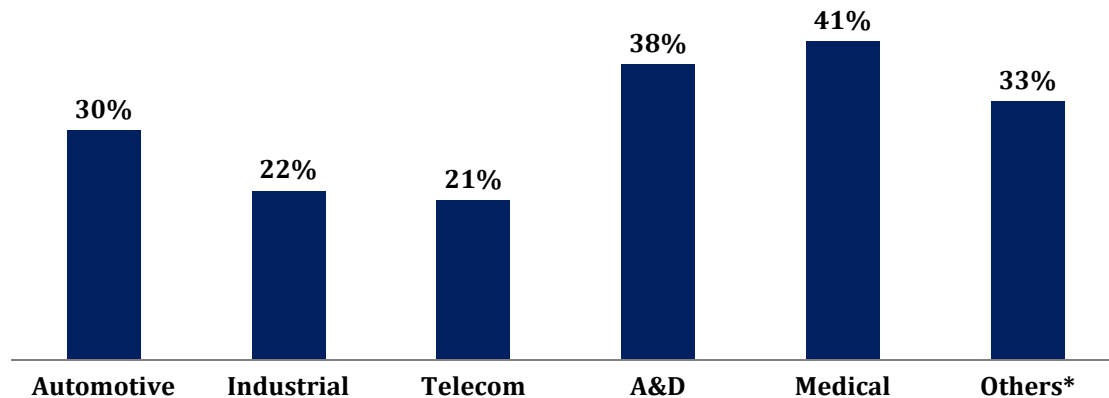


India all set to be a large ESDM Market

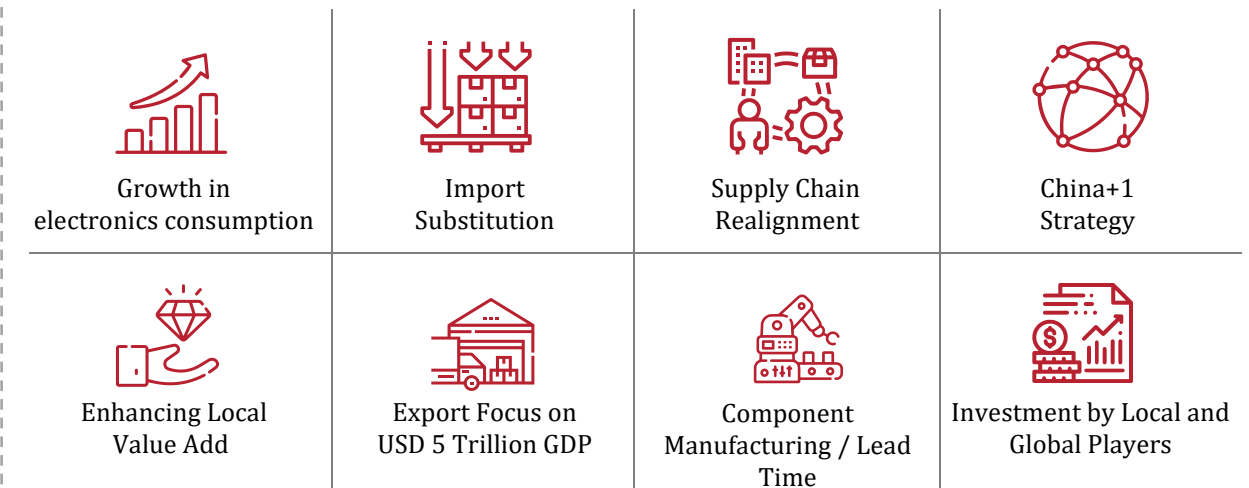


Vertical wise CAGR (FY22-FY27)

Customer split by revenue



Advantage India –favorable growth drivers





Focus on full product / box build capabilities

- Cater to OEMs through in-house build of test fixtures, provide product reliability, **faster turn-around time**, delivering complex prototypes, set-up product or box build manufacturing with **zero defects will ensure** customers with larger revenue share.
- Intend to deploy funds from net proceeds to upgrade and **add manufacturing facilities** to build high value added consumer portfolio and expand our business with customers for full box build



Continue to diversify product portfolio and expand across verticals

- **Leverage on our experience and capabilities of our in-house design and R&D team** to further our ODM capabilities
- Continual process of up **skilling and adding infrastructure by investing in** newer licenses, testing equipment and application software
- Use different strategies for each vertical to capitalize of industry opportunity



Continue expanding customer base to focus on large customers

- **4 pronged customer acquisition strategy** –
 - Additional sales and BD representatives to expand geographical footprint
 - Utilize content-based marketing through content articles to generate brand awareness
 - S&M teams across US, Japan and Europe to grow exports
 - Enhance and expand manufacturing facilities to better serve customers



Expand and set up manufacturing facilities

- Support the growth strategy across India, Kaynes intend to set up an additional **manufacturing facility at Chamarajnagar, Karnataka** and undertake significant **expansion at our current facility at Mysore** and near our existing facility at Manesar.



Improve operational efficiency and pursue inorganic growth

- **Improve operational efficacy through backwards integration** measures to reduce dependence on third parties, lead times for faster utilization
- Inorganic growth through **selective strategic acquisitions investments and strategic alliances within the sector** to aid in foray to newer geographies and expand capabilities

Application specific product roadmap

Medical Devices



Diagnostic, lab, surgical & other equipment

Aerospace & Defense



Avionics, Communication LRUs

Space



Components of space Vehicles & Sub-system

Information Technology



High density boards & other products

Industrial



High-capacity UPS

Consumer



Household consumer electronic devices

TFT Displays



Car navigation & entertainment systems

Green Energy



Solar string inverters, LED lights, etc.

IOT Solutions & Others



Streetlight controllers, Interior lamps, Fans

BLDCM Controllers



DC Motor across segments

Hand-Held Computers



Warehouse management

Experienced Board of Directors and Leadership Team

Board of Directors



Ramesh Kunhikannan

Managing Director & Promoter

33 years of experience in the EMS industry
Associated with the company since inception
B.Tech from National Institute of Engineering, Mysore



Savitha Ramesh

Chairperson, Promoter & Whole time director

25 years of experience in the EMS industry
Associated with the company since inception
B.Com from University of Madras



Jairam Paravastu Sampath

Whole time director and CFO

35 years of experience across various roles
Associated with company since 2011
B.Tech from IIT Madras, PGDM from IIM Ahmedabad



Poornima Ranganath

Independent Director

Current Managing Partner of Law Assist
Graduate of National Law School of India University, Bangalore



Anup Kumar Bhat

Independent Director

Several years of experience
Ex. VP Ashok Leyland (subsidiary support)
B.Tech from Banaras Hindu University



Vivekanandah Ramasamy

Independent Director

30 years of experience
Ex. Titan Engineering and Automation Limited
B.Tech from University of Madras



Koshy Alexander

Independent Director

34 years of experience in finance
Ex. Director Bharat Electronics Limited
B.Com from Bangalore University
Member of ICAI



Murali S G

Independent Director

34 years of experience in finance
Ex. Group CFO TVS Group
B.Com from Bangalore University, Member of ICAI

KMPs



Rajesh Sharma

CEO

27+ years of experience in
accounting, finance & management
B.Com from Bangalore University,
Member of ICAI



Ramchandran Kunnath

CSO, CS & CO

29+ years of experience
Fellow member of ICAI & Cost accountant
of India

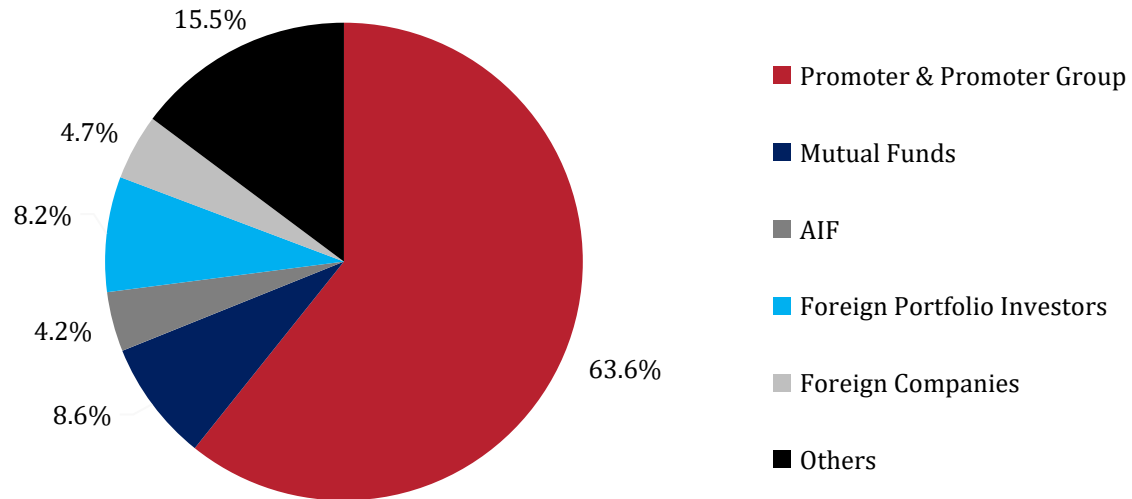


Sajan Anandaraman

Head of commercial and corporate affairs

20+ years of experience in Kaynes across verticals
B.Tech in E&E, University of Calicut

Shareholding Pattern



Key Institutional Investors

% Holding

NSE Ticker	KAYNES
BSE Ticker	KAYNES 543664
IPO Listing Date	22 nd November 2022
Share Price (₹)*	750.95
Market Cap (₹ Mn)*	55,980
Shares outstanding*	5,81,42,496
Industry	Industrial Products

Thank You

COMPANY

Kaynes Technology India Limited

Jairam P Sampath,
Whole-time Director & Chief Financial Officer
Email: ir@kaynestechology.net

Neeraj Vinayak
AVP Investor Relations
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