

November 12, 2024

The Manager  
Listing Department  
BSE Limited  
Phirozee Jeejeebhoy Tower,  
Dalal Street  
Mumbai 400 001  
BSE Scrip Code: 532395

The Manager  
Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, 5 Floor, Plot C/1, G Block  
Bandra – Kurla Complex, Bandra(E),  
Mumbai 400 051  
NSE Symbol: AXISCADES

Dear Sir/Madam,

**Sub: Q2 FY25 Result Presentation**

Please find attached the consolidated results presentation for the quarter and half-year ended September 30, 2024, of AXISCADES Technologies Limited (AXISCADES).

This presentation is the information for shareholders on the performance of the Company for the quarter and half-year ended September 30, 2024.

Kindly upload presentation to the terminals.

Yours faithfully,

For **AXISCADES Technologies Limited**

**Sonal Dudani**  
**Company Secretary & Compliance Officer**

Encl: A/a

**AXISCADES Technologies Limited**

(Formerly AXISCADES Engineering Technologies Limited)  
CIN No.: L72200KA1990PLC084435

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**AXISCADES TECHNOLOGIES LIMITED**

**Q2 FY25**

**EARNINGS PRESENTATION**



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# AXISCADES- Defence, Aerospace and Electronics: Overview



## Aerospace

- Design & Analysis - Primary & Secondary Structures, Aircraft Interiors
- MSI and ESI, Electrical harness
- Manufacturing Engineering
- In-Service support – Repairs
- Avionics and System



## Defence

- Avionics, Radar, EW, C4I2
- Drone & Anti-Drone Systems
- System Integration
- Automated Test Solutions
- Simulators
- Offset Management



## Automotive

- ADAS , Passive Safety Systems
- Automotive Electronics
- AUTOSAR, HMI
- Infotainment & Telematics
- Cybersecurity
- Software Defined Vehicles



## Energy

- Wind Analysis & Siting
- Mechanical & Electrical Engineering
- Maintenance Support & Management
- Upstream, Midstream & Downstream
- Flow Assurance
- Asset Integrity and Management



## Semiconductors

- Hardware Design
- Software Development
- IoT device programming
- FPGA Design Services
- Middleware & Application Dev.
- Branded chipsets



## Heavy Engineering

- Structures, Cabin Design, Engine, Powertrain
- Electrification
- AI enabled Manufacturing
- Industry 4.0



Unique positioning with deep domain capabilities ranging across competencies, with respect to - Electronics Products, Engineering Services and Defence



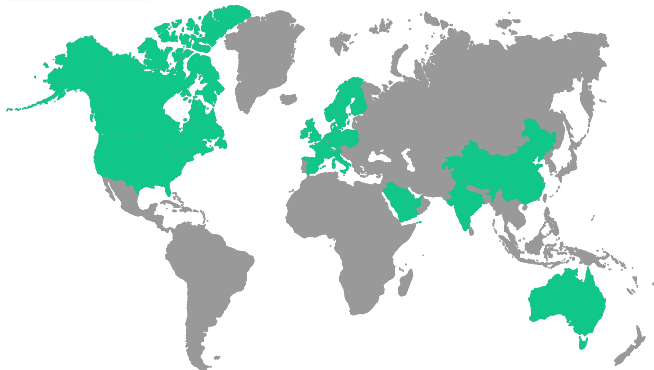
Growth driven by leveraging Digital ER&D and Defence



ER&D Services - A large and underpenetrated market with a Global TAM of ~\$1 Tn



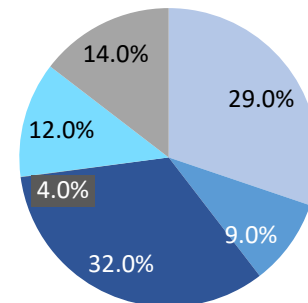
Strong Defence-Tech Play with leadership in Radar, Sonar and Electronic Warfare systems



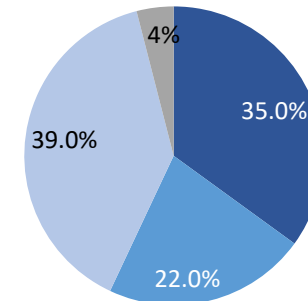
20 global locations



Over 3,100 professionals



- Aerospace
- Automotive
- Defence
- Energy
- Semicon.
- Heavy Eng.



- Europe
- Americas
- APAC
- Canada



## Message from CEO & Managing Director

### **Commenting on the results and outlook, Mr. Arun Krishnamurthi, CEO & MD of AXISCADES said,**

“ For Q2 FY25, the company achieved resilient performance, with sales revenue of ₹264 crore, recording 18% sequential growth. This was complemented by an EBITDA of ₹33 crore and a PAT of ₹12 crore, reflecting strong operational efficiency, despite macroeconomic challenges in certain verticals. This performance underscores our ability to navigate a dynamic market environment, while delivering value to our stakeholders.

The revenue growth was driven both by Digital Engineering Services and Defence. In engineering services, Aerospace segment demonstrated a robust 19% YoY growth. Defence revenues grew by a healthy 73% QoQ, with Defence production revenues surging by 84% QoQ, bolstered by a significant order backlog set for execution in fiscal years 2025 & 2026. With a healthy pipeline and focused approach, over the next 12-18 months, we aim the defence revenue to reach around 60% of the overall company's revenue.

However, automotive vertical continues to face macro challenges, which adversely impacted revenue and margins in the second quarter. With second largest outsourced ER&D spend in automotive, we are bullish on this vertical returning to growth in early FY26.

We remain committed and confident of addressing these challenges and will continue to focus on strengthening the business to achieve sustainable growth & profitability.

”

## Business Highlights

- ❖ Aerospace revenue **↑ 19% YoY**; Expanding scope with European OEM, new customer acquisitions.
- ❖ Defence revenues **↑ 73% QoQ**. Further ramp up at higher margins expected in H2.
- ❖ Semiconductor revenues **↑ 36% QoQ**.
- ❖ Energy – New deal win from energy majors in UK & Middle East.
- ❖ Automotive order wins – Cybersecurity and ADAS.
- ❖ Headwinds in major OEM in Germany impacts automotive performance.

## Financial Highlights

- ❖ Revenue **₹264 crores; ↑ 18.4% QoQ**
- ❖ Total order book at **\$89 Mn ↑ 17% QoQ**
- ❖ EBITDA at **₹33 crores; ↑ 74% QoQ** on adjusted EBITDA
- ❖ EBITDA Margins at **12.4%; ↑ 400bps QoQ** on adjusted EBITDA
- ❖ PAT at **₹12 crores; ↑ 20% QoQ** on adjusted PAT
- ❖ Q2 Defence order intake **₹121 crores**.
- ❖ Net Debt at **₹55 crores**
- ❖ Cash, bank and liquid investments at **₹125 crores**

# Key Financial Performance

All numbers in INR crores

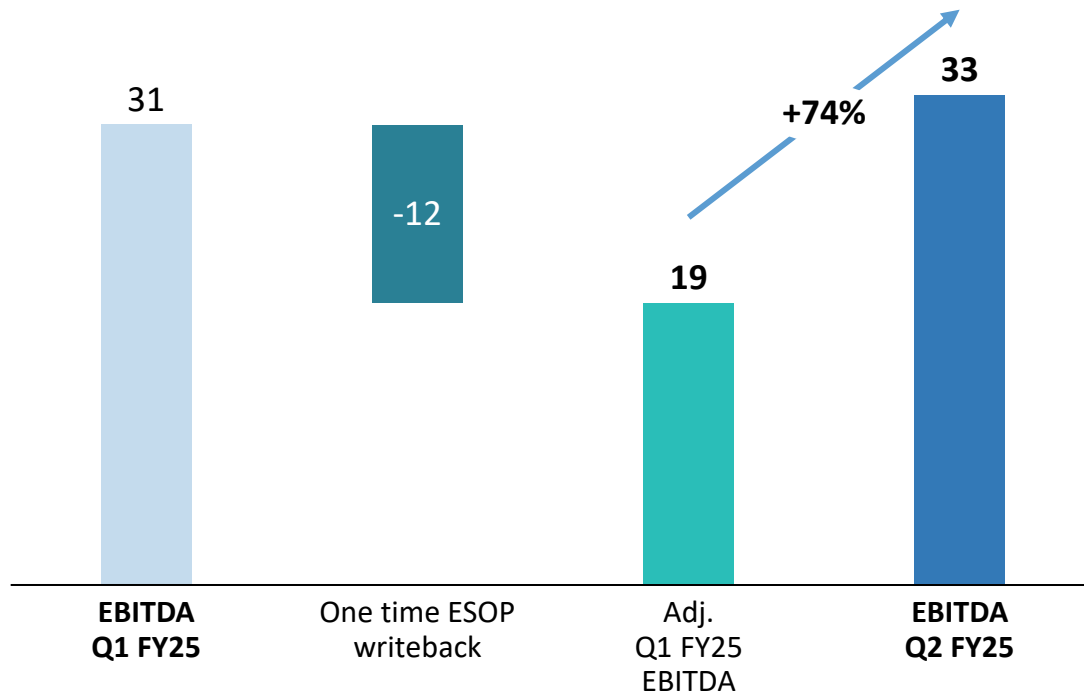
	Q1 FY25 Reported	Q1 FY25 Adjusted	Q2 FY25	H1FY25
Revenue	223	223	264 + 18.4% QoQ	488 +4.8% YoY
EBITDA	31 13.9%	19 8.4%	33 12.4% +400bps	64 13.1%
PAT	17	10	12 +20.0% QoQ	29 +72.0% YoY

- Q2 is generally a soft quarter, due to plant shutdowns in Europe
- Production revenues in defence, at higher margins to ramp up in H2

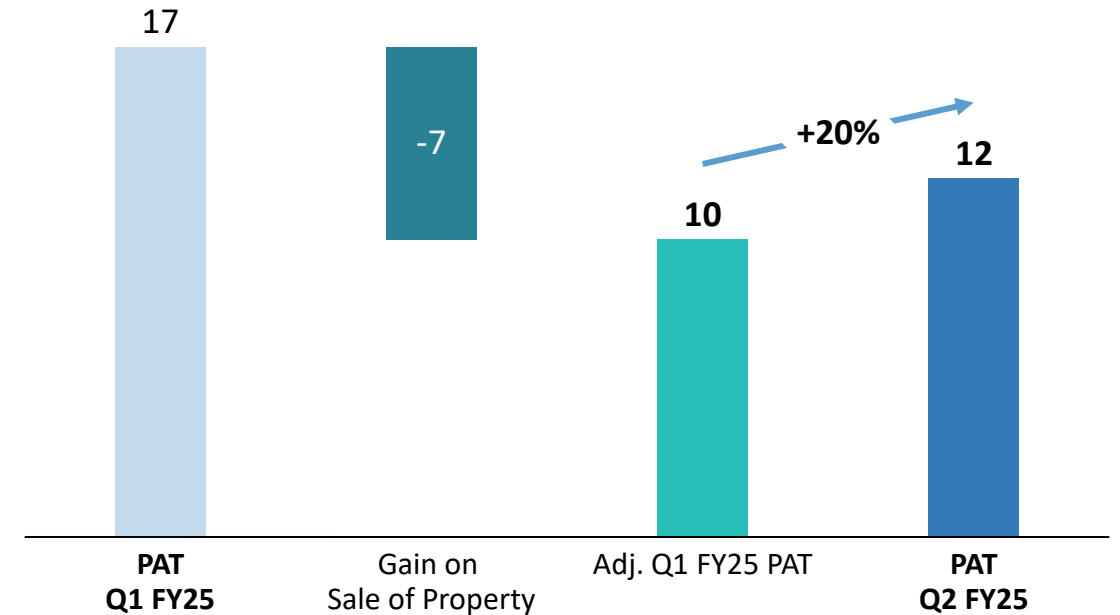
# Adjusted for one offs' the operational performance remains healthy



Strong operational EBITDA growth; after adjusting for one time impact in Q1FY25



PAT growth 20% QoQ; adjusting for one time impact of other income in Q1FY25





# Consolidated Profit and Loss Statement



Particulars (in ₹ Cr.)	Q2 FY24	Q1 FY25	Q2 FY25	YoY %	QoQ %
Revenue (\$ Mn)	\$ 30.6	\$ 26.9	\$ 31.6	3.3%	17.6%
Revenue	251	223	264	5.1%	18.4%
Other Income	2	11	5		
<b>Total Income</b>	<b>254</b>	<b>234</b>	<b>269</b>	<b>6.2%</b>	<b>15.2%</b>
<b>EBITDA</b>	<b>36</b>	<b>31</b>	<b>33</b>	<b>-8.6%</b>	<b>5.4%</b>
<b>EBITDA Margin (%)</b>	<b>14.2%</b>	<b>13.9%</b>	<b>12.4%</b>		
EBIT	27	22	23		
Profit before Tax	18	24	19		
Tax	6	7	6		
<b>Profit after Tax</b>	<b>11</b>	<b>17</b>	<b>12</b>	<b>9.7%</b>	<b>-27.0%</b>

# Consolidated Balance Sheet Statement

Particulars (in ₹ Cr.)	Mar-24	Sept-24
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	69	80
Capital Work-in-progress	-	0.4
Right-of-use Assets	152	146
Goodwill and Other Intangibles	193	185
Other Non-Current Assets	62	82
<b>Total Non-Current Assets</b>	<b>476</b>	<b>494</b>
<b>Current Assets</b>		
Inventories	69	73
Investments	29	36
Trade Receivables	234	253
Cash and Cash equivalents	56	35
Bank bal. other than Cash & Cash equl.	97	54
Other Current Assets	178	169
<b>Total Current Assets</b>	<b>663</b>	<b>621</b>
<b>Total Assets</b>	<b>1,139</b>	<b>1,115</b>

Particulars (in ₹ Cr.)	Mar-24	Sept-24
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity Share Capital	21	21
Other Equity	564	586
Non -Controlling Interest	6	7
<b>Total Equity</b>	<b>592</b>	<b>614</b>
<b>Non-Current Liabilities</b>		
Borrowings	106	54
Lease Liabilities	64	59
Other Non-Current Liabilities	32	24
<b>Total Non-Current Liabilities</b>	<b>203</b>	<b>137</b>
<b>Current Liabilities</b>		
Borrowings	133	126
Trade Payables	64	77
Lease Liabilities	16	16
Other Current Liabilities	132	145
<b>Total Current Liabilities</b>	<b>345</b>	<b>364</b>
<b>Total Equity and Liabilities</b>	<b>1,139</b>	<b>1,115</b>

## Highlights

### Aerospace

- 19% growth YoY driven by increase in wallet share with European OEM.
- Ramp up in new geography – notably North America and India. Increased areas of service - manufacturing support and final assembly lines.
- Plant shutdowns with OEM resulted in slowdown during Q2 resulting in flat QoQ.

### Defence

- ₹121 crores added to orderbook in Q2'25.
- Production revenues increased 84% QoQ indicating execution of design wins from the past and orderbook expansion.
- ₹78Cr production revenues booked in H1'25.

### Semiconductor

- 36% growth QoQ driven by design revenues and return of traditional revenue lines from manufacturer.
- Significant use case development and testing with customers in the vertical.

## Outlook

- The company has won a critical work package on aero structures (TCV - \$15m) thereby solidifying our presence in the vertical.
- We will focus on digital in aerospace by broadening our presence in Europe enabling better interaction and proximity to customer.

- Production revenues will ramp up in H2 FY25 at higher margins.
- The company will continue to focus on large deals in defence space and has revamped leadership to align to its future aspirations.
- We will also include our ER&D capabilities in our defence GTM strategy.

- The company will position our Product Engineering Services group capabilities as a horizontal thereby diversifying our customer base and use cases both within and outside semiconductor space.
- Growth in production revenues expected to ramp up in H2 FY25.

## Highlights



### Energy

- 100% YOY growth driven by EPCOGEN enabled accounts as well as organic growth in inhouse engagements.
- QoQ growth of 7% on a consol basis and 25% on organic accounts.
- Selected as the exclusive engineering partner on 2 new projects in UK with renewable energy solution provider (TCV - \$3m).



### Heavy Engineering

- Increased our engagement with global off highway OEM on both plant and vehicle manufacturing.
- Marginal QoQ growth 3% indicating turnaround in business engagement and alignment to customer strategy.



### Automotive

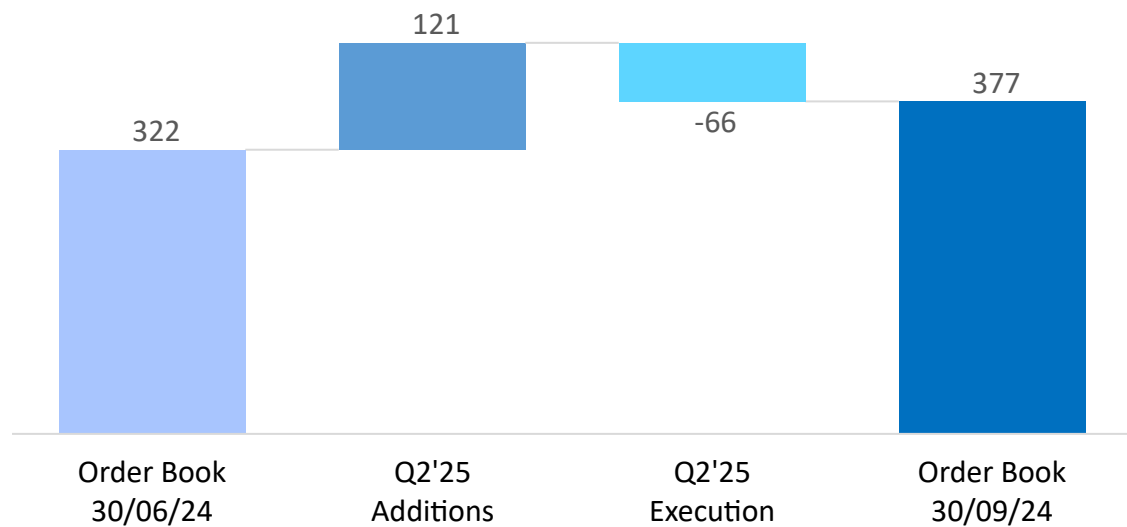
- QoQ and YoY decline due to macro challenges on global scale and with European OEMs due to sluggishness in EV space.
- Change in quality of engagement with UK OEM focused on cybersecurity and system testing.
- Pivoting from mechanical to digital and embedded solutions.

## Outlook

- Commencing office-based operations in Middle East starting Q3'24.
- Focused acquisition of new logos and projects.
- Business development with channel partners enabling acquisition of new revenues in outer quarters.

- We have revamped our cost structure and optimized operations which will improve our margins from this vertical in upcoming quarters.
- We are working on several large use cases in AR VR space leveraging Mistral capabilities and our in-house digital talent targeting niche solutions with the customer.

- Engaging a global strategy leader in ER&D space to drive growth forward in automotive vertical. As part of this engagement, the player will enable the company with drawing up of long-term strategy, customer introductions etc.
- Evaluating opportunities outside continental Europe; customer diversification & derisk our topline.



Approved Design Wins Awaiting Production: **₹800 – 1,000 crores**

Design Wins Under Development: **₹2,500 – 3,000 crores**

## Defence Programs

**Radar**

- MPR Arudhra
- Akash
- Ashwini
- QRSAM

**Airborne**

- Tejas
- Aew&c
- Dornier

**Naval**

- Samudrika
- Indigo
- USHUS
- Abhay

**Upcoming Programs**

- Lca Mk li
- Aew&c Mk li
- Su 30 Upgrade
- Rustom II

## Highlights

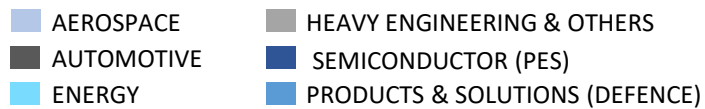
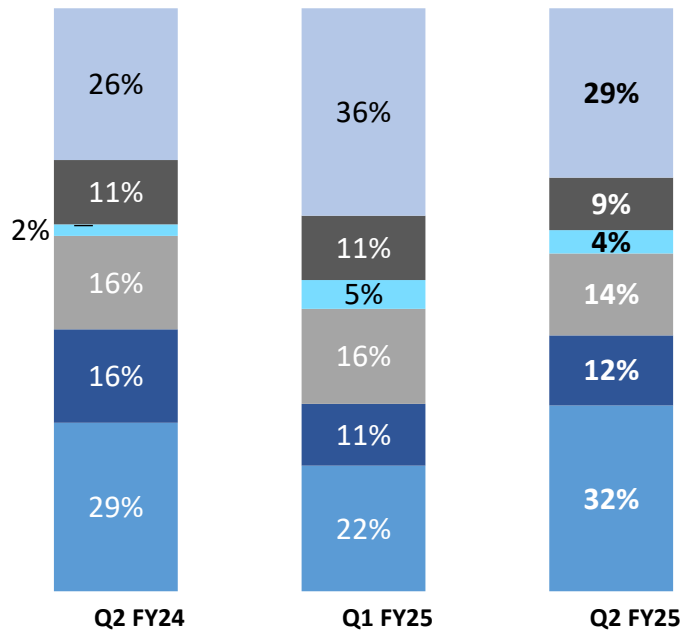
- Executions in Q2 were focused on Radar (Arudhra)
- New drone Kit based on Qualcomm QCS8550 continues to be under development - Release to market expected in Q3
- Defence exports stood at 4 CR

## Outlook

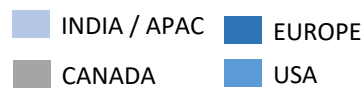
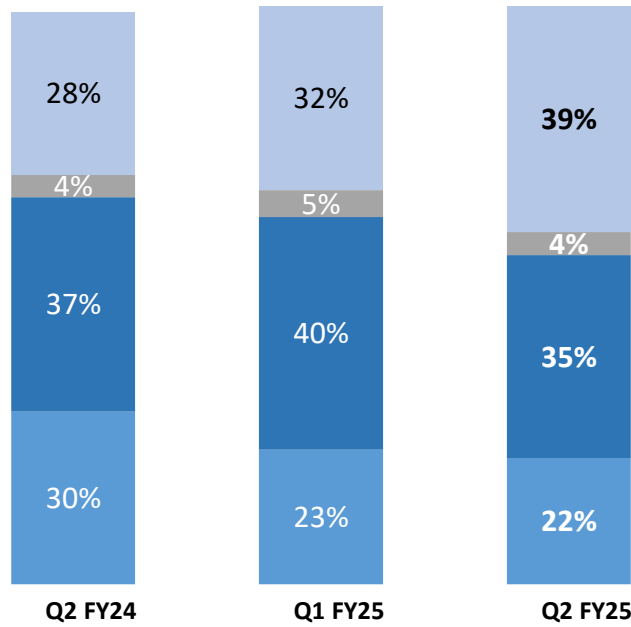
- Naval program execution of 9 CR is nearing completion
- Samudrika – delivery expected in Q3 for 18 CR
- On track to deliver Phase 1 of Arudhra & HiSAR Radars production orders in Q3 – 30 CR
- Strong orderbook and significant uptick in production revenues in H2 at higher margins.



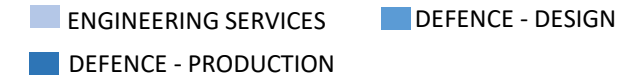
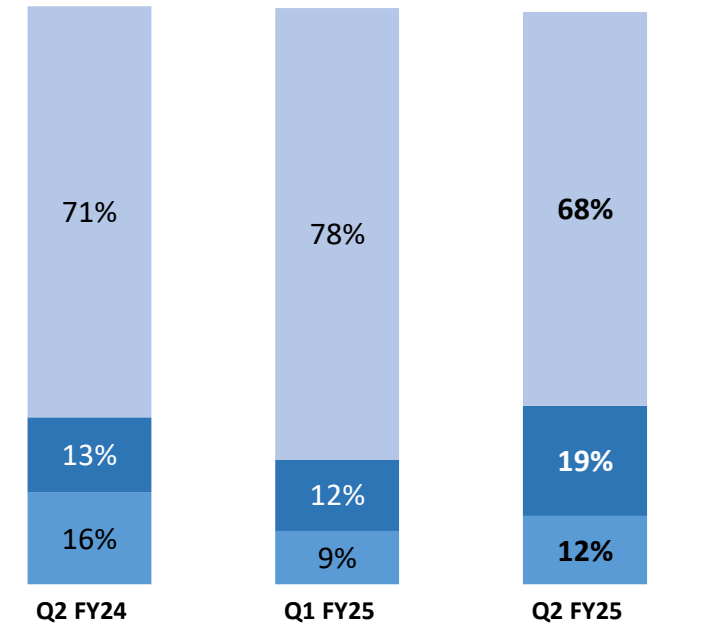
## Revenue by Vertical



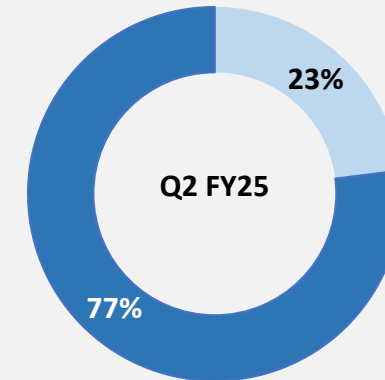
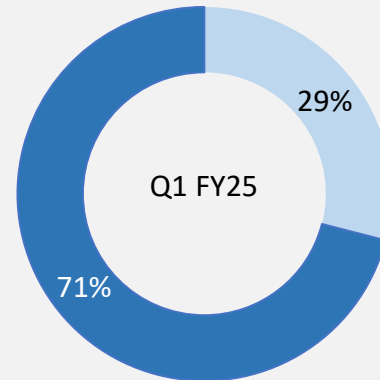
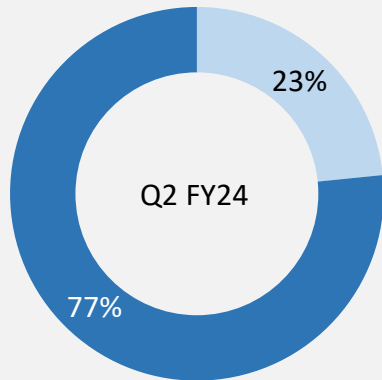
## Revenue by Geography



## Revenue by Segment

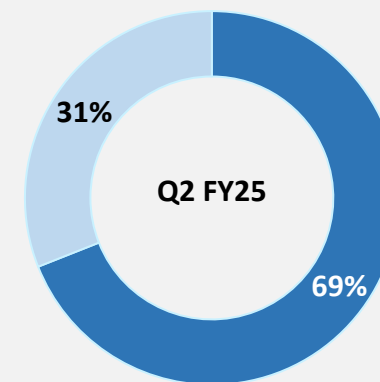
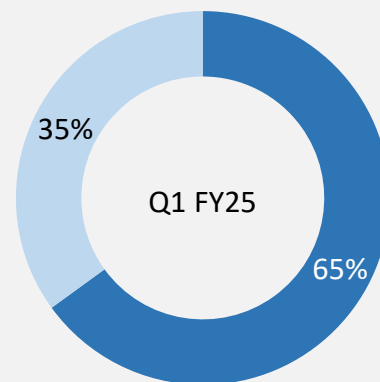
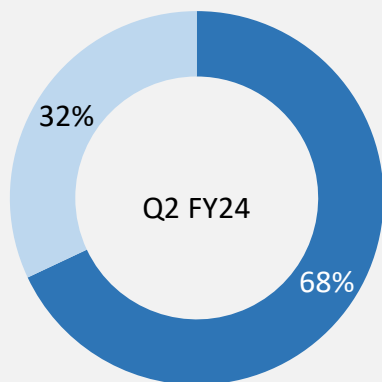


## Revenue Mix



Onsite  
Offshore

## Revenue by Project Type

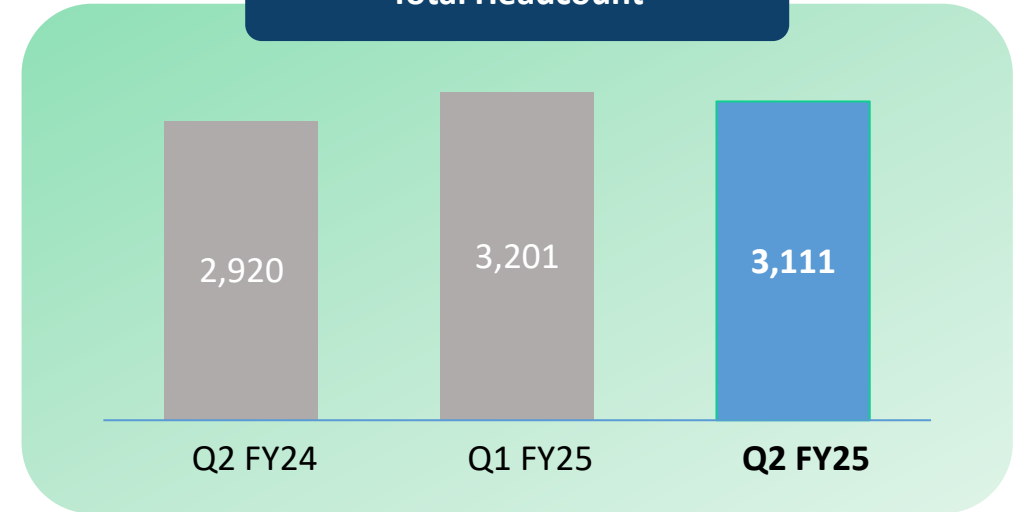


Fixed Price  
Time and Material

## Key Takeaways

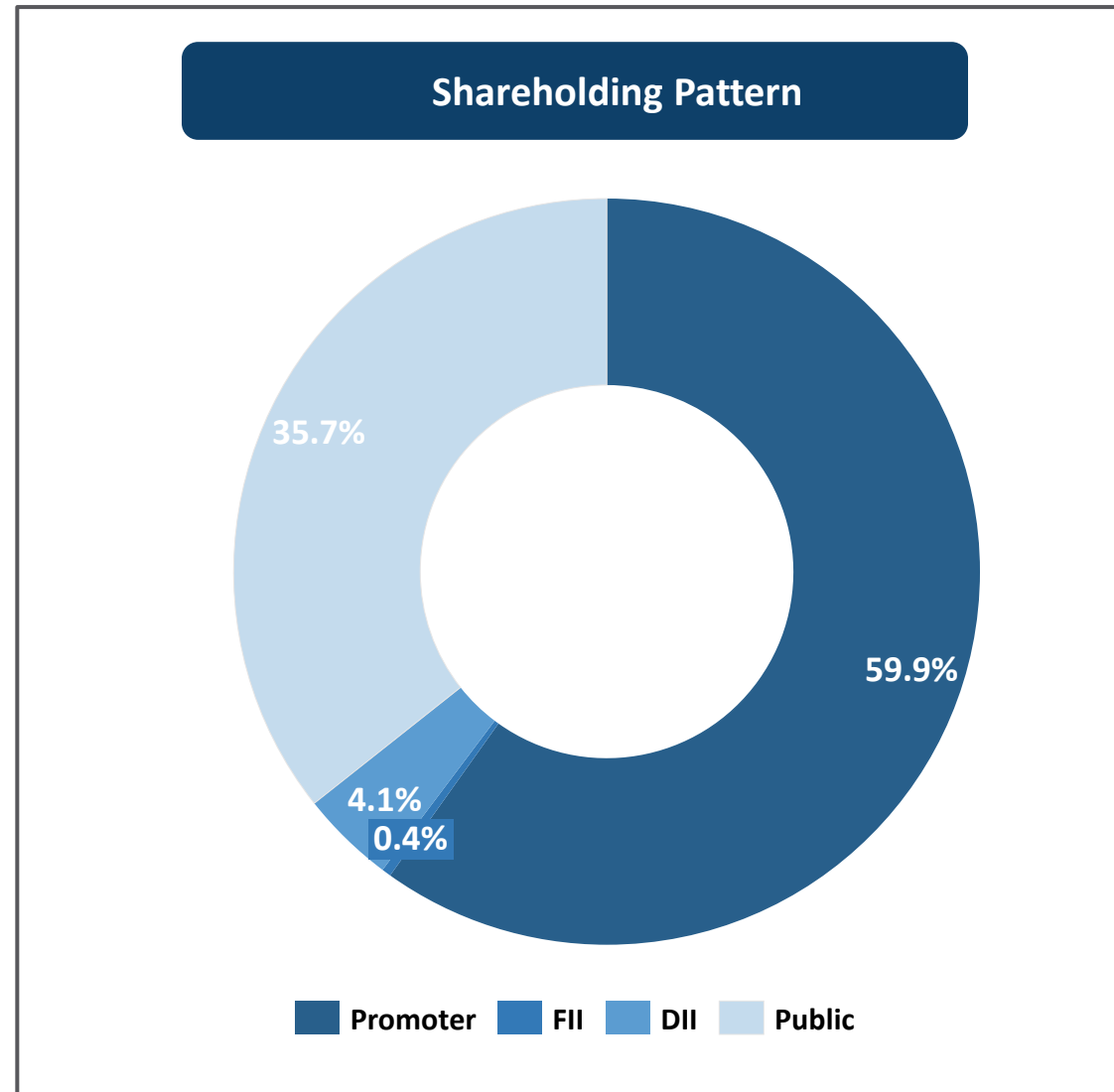
- ❖ QoQ decline in headcount resultant of operational optimization
- ❖ Company to focus on digital and embedded hires in upcoming quarters

## Total Headcount



## Employee Metrics

	Q2 FY24	Q1 FY25	Q2 FY25
DIGITAL & EMBEDDED	573	586	<b>578</b>
MECHANICAL	2,108	2,368	<b>2,288</b>
SUPPORT	239	247	<b>245</b>
ATTRITION RATE (%)	15%	14%	<b>17%</b>



# THANK YOU

**COMPANY:**



**AXISCADES Technologies Limited**  
**CIN : L72200KA1990PLC084435**

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