

**Onward Technologies Limited records 15% QoQ growth in Q4 FY21 with Revenues of INR 663 Mn**

**May 14, 2021:** Onward Technologies Limited (BSE: 517536 & NSE: ONWARDTEC), a niche Digital & Engineering Services company announces its results for the fourth quarter and financial year ended 2020-21.

**Q4-FY21 Consolidated Financial Performance:**

Revenue	EBITDA	EBITDA Margin	PAT	EPS (Diluted)
Q4 FY21: INR 663 Mn	Q4 FY21: INR 38 Mn	Q4 FY21: 5.73%	Q4 FY21: INR 21 Mn	Q4 FY21: INR 1.27
FY21: INR 2,404 Mn	FY21: INR 173 Mn	FY21: 7.20%	FY21: INR 74 Mn	FY21: INR 4.35

**Q4-FY21 Standalone:**

- Standalone Revenues witnessed healthy double digit growth on both QoQ and YoY basis due to increase the wallet share from existing growth clients.
- Standalone EBITDA Margins have declined due to increase in employee costs for strengthening delivery and sales team.

**Q4-FY21 Consolidated:**

- Q4-FY21 revenue increased by 15% QoQ due to an increase in demand from existing growth clients, while the low growth YoY is primarily due to exiting of low margin work in the international markets.
- During the quarter the Company added 5 new customers.
- During the quarter and year, the Company has received INR 40 Mn and INR 143 Mn respectively, as refunds from Income Tax Department.

**FY21 Consolidated:**

- During the year the company received funds under the Paycheck Protection Program ("PPP") in the USA to the tune of \$ 2mn (INR 14.6 Cr). After receipt of the approval for forgiveness of Loan from the regulatory authorities, this amount and interest thereon will be represented as Income in the statement of profit & loss account in the corresponding quarter. **It is important to note that if the waiver had come through in the current financial year, the actual consolidated EBITDA margin would have been reported at 13.3% and not 7.2%.**

The Board of Directors has recommended a final dividend of INR 3/- per share for the financial year 2020-21, subject to shareholders approval.

**Future Growth Outlook:**

- The future growth outlook continues to remain positive due to increasing demand from Top 20 customers.
- An increase in orders from the healthcare industry has been witnessed during the quarter, and the company is positive that healthcare segment will be a significant contributor to revenues in coming years.
- The Company is also seeing significant opportunity in Embedded and Digital line of services and plans to increase focus to meet client demands.
- During the quarter, the Company has also set up new offices in Amsterdam, Netherlands and plans to setup another office in Toronto, Canada to increase the global geographical footprint and garner new potential customers from these geographies.

- The newly inducted sales team for USA have been completely aligned with offshore delivery team, which will result in increasing the offshore revenue & boost margins as well.
- Onward Technologies has added various global marquee companies as customers during the year, which are expected to become million dollar account in the future.

### **Management Comments:**

Commenting on the performance of the Company, **Jigar Mehta – Managing Director** said “The financial year 2021 started off on a bad note due to the Covid-19 induced lockdown, but I’m proud to inform that through the tremendous hard work of our team, we were able to bounce back and cover up in the remaining nine months of the financial year and close the year with double digit growth in Topline in Q4-FY21 and also approximately 20% increase in the Bottomline for FY21. The pandemic has highlighted to the world how important it is to go digital and this will eventually help the company to win more clients. We were able to remain focused on our long term strategy of entrenching deeper with our top 10 clients and onboarding various new clients. We have also heavily invested in our infrastructure in labs and new delivery centers in India and globally and also on automation and digitization, the fruits of these investments will be borne in the coming years. We are strengthening our international sales team as we wish to get more offshore revenue which will eventually lead to higher margins. Our next three years strategic growth plan is very clear – to transform into a 100% Digital Engineering Services company.”

### **About Onward Technologies Limited**

Onward Technologies is a niche Digital & Engineering Services company that translates customer vision into reality with strong capabilities and flawless execution of services across the Digital Transformation suite, Embedded Systems, Engineering Technology, Data Analytics, Artificial Intelligence (AI), and Machine Learning (ML). Onward Technologies with its headquarters at Worli, Mumbai, supports leading global corporations from its Sales offices in Chicago, Detroit, Cleveland, London & Frankfurt & state of the art development & design centers from offshore in Mumbai, Pune & Chennai. We provide a wide spectrum of services from Mechanical Engineering, Electronics & Embedded Systems Development, Data Analytics & Digital Transformation, Robotic Business Process Automation & Enterprise Business Application Support. Our Engineers and Technology Consultants working across multiple Industry domains and our strategic alliances with large enterprise software OEMs help in providing a comprehensive range of end-to-end solutions and services in the Digital & Engineering space.

#### **Investor Relations Contact Details:**

Mr. Anuj Sonpal  
Valorem Advisors  
Tel: +91-22-4903 9500  
Email: [onward@valoremadvisors.com](mailto:onward@valoremadvisors.com)

Follow Onward Technologies on LinkedIn: <https://www.linkedin.com/company/onward-technologies/>  
Address: 2nd floor, Sterling Centre, Dr. A.B. Road, Worli, Mumbai – 400018. CIN: L28920MH1991PLC062542  
Email: [investors@onwardgroup.com](mailto:investors@onwardgroup.com) | Tel: +91-22 2492 6570 | [www.onwardgroup.com](http://www.onwardgroup.com)