



INVESTOR PRESENTATION

January 2022



The Power of One

- Agile, diverse, global team of 2,450+ employees
- 13 Offices in 6 countries
- Investment in new CoEs (Centers of Excellence) to build capabilities & capacity for Digital, Cloud and Embedded/ Electronics Skills across

Digital play across all lines of business

- Mechanical Engineering
- Electronics and Embedded
- Digital Transformation
- Enterprise IT

2 Focused industry verticals

- Transportation & Mobility
- Industrial Equipment & Heavy Machinery
- Diversification and investment in 2 high-growth verticals: Healthcare & Medical Devices, Hi-Tech

Strong Financial Turnaround

- Net debt-free, sound balance sheet & cash reserves
- 5-year PAT CAGR at 18.16%
- 6-year track-record of consistent dividend payout

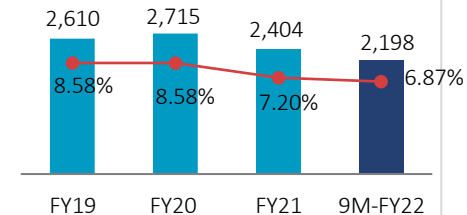
Global 2000 customers

- 6 of global top-10 automotive companies
- 5 of global top-8 heavy machinery companies
- Strong customer base and relationships to fuel double digit growth in top line

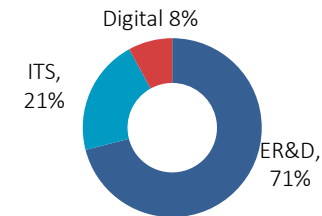
Geared for double-digit growth

- Young leadership team from tier-1 companies
- Focused on growing existing top-25 accounts
- Margin expansion through India advantage (talent pyramid, costs)

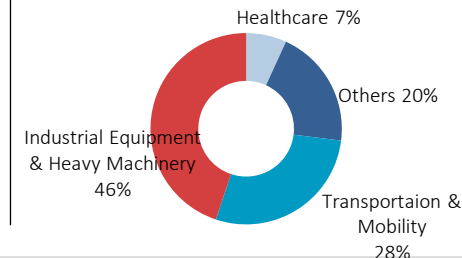
Revenue (INR Mn) & EBITDA Margin (%)



9M-FY22 Segmental Revenue

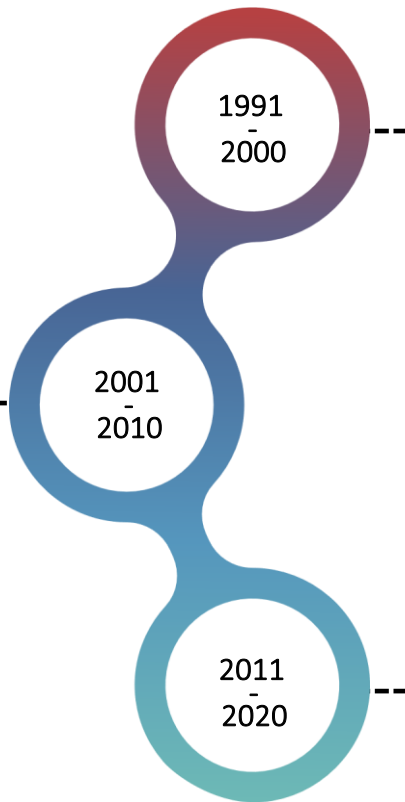


9M-FY22 Segmental Revenue



Who We Are – Some Key Milestones

- Pune city chosen for expanding operations
- Engineering Design Services became the mainstream focus of the company
- Built a dedicated ODC in Pune for one of the company's top 5 customers
- ISO 9001 and ISO 27001 certification for Pune Center
- Expansion in Europe by incorporating a wholly owned subsidiary in Germany & Branch office in UK



- Mr Harish Mehta founded Onward Technologies in 1991
- An independent 50:50 Joint Venture formed with Novell Inc (Onward Novell Pvt. Ltd).
- Listing on Stock Exchange in India in 1995
- Mr Harish Mehta awarded CEO of the year in 1996 by World HRD Congress in India
- Expanded footprint in North America by incorporating a wholly owned subsidiary in USA

- Mr Jigar Mehta appointed Managing Director in May 2016
- Set up multiple ODCs in Pune & Chennai for American & European clients
- Mr Harish Mehta awarded by Prime Minister Narendra Modi for his contributions to the IT Industry
- Investments made in Embedded & Electronics, and Digital capabilities
- Expansions planned in India (Bengaluru & NCR) as well as in North America & Europe

Board of Directors



Harish S. Mehta - Executive Chairman

Experience: 30 Years

Other Engagements: NASSCOM, Hinditron–Digital (DEC), Indus Entrepreneurs (TiE), Indian Angel Network (IAN), Small Industries Development Bank of India (SIDBI) , Gujarat Venture Funds Limited, Infinity Venture Fund

Education: BE, MS



Jigar H. Mehta - Managing Director

Experience: 19 Years

Education: Business Administration from Boston University, MA (USA)



Parish Meghani - Director

Experience: 15+ Years

Other Engagements: Bangalore Spokes Pvt. Ltd.

Education: MBA, Product Engineering



Jay Sonawala - Director

Experience: 22 Years

Other Engagements: HDFC Bank

Education: MMS- Finance, B.Com



Rahul Rathi - Director

Experience: 16 Years

Other Engagements: Purnartha Investment Advisors Pvt. Ltd, Plastiblends India Limited

Education: MBA, Polymer Engineering



Prachi Mehta- Director

Experience: 15 Years

Other Engagements: Founder of The Next Level an organisation that promotes Chess at School and state levels in Maharashtra and associated with Indian Angel Network

Education: MBA



Subrata Kumar Mitra - Director

Experience: 44 Years

Other Engagements: Bank of India, Standard Chartered Bank, American Express Bank, GIC Mutual Fund, Aditya Birla Group and Independent Director and Committee member in the board of reputed organizations like Asia Asset Management & Governing Council Member of Association of Corporate Independent Directors

Education: M Sc, MBA











Harsha Raghavan - Director

Experience: 25 Years

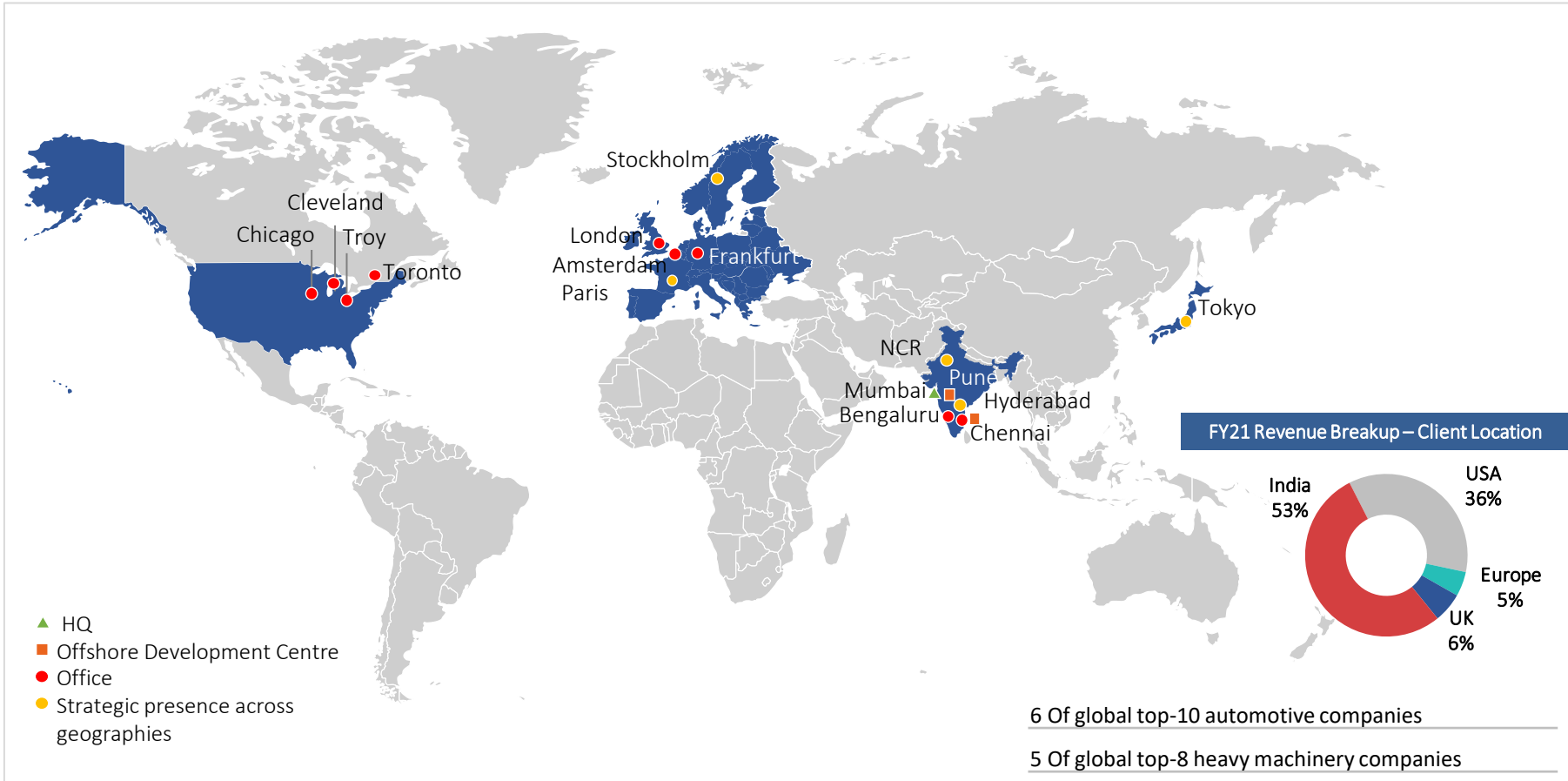
Other Engagements: Fairbridge Capital Private Limited (a Fairfax Company), Candover Investments, Goldman Sachs Principal Investment Area, Indocean Chase Capital

Education: MBA, MS

Leadership Team

	<p>Vignesh Kumar - EVP - Sales (International Business) Experience: ~28 years Previous stint: Siemens, TCS Education: BE / MBA</p>		<p>CA Devanand Ramandasani - Chief Financial Officer Experience: ~15 years Previous Stint: Datamatics, Infosys Education: CA</p>
	<p>Pratish Mehta - EVP - USA Operations & Global Marketing Head Experience: ~15 years Education: BE / MBA</p>		<p>Nirmala Bhat – SVP – Client Engagements Experience: ~21 years Previous Stint: Altran, Safran Education: BSc / Masters in HRM</p>
	<p>Pramod Patil - EVP – Sales (India Business) Experience: ~32 years Previous Stint: JCB, John Deere Education: BE / MBA / Executive MBA</p>		<p>Rajesh Nikam – SVP – Delivery Experience: ~30 years Previous Stint: LTTTS, Tata Elxsi Education: BE</p>
	<p>Satish Ramanan - SVP and Global Head – Digital Transformation Experience: ~32 years Previous Stint: Teradata, Siemens Education: MCom / MBA</p>		<p>Sujata Singh - SVP and Global Head - HR Experience: ~21 years Previous Stint: Aker Powergas, WNS Education: MBA</p>

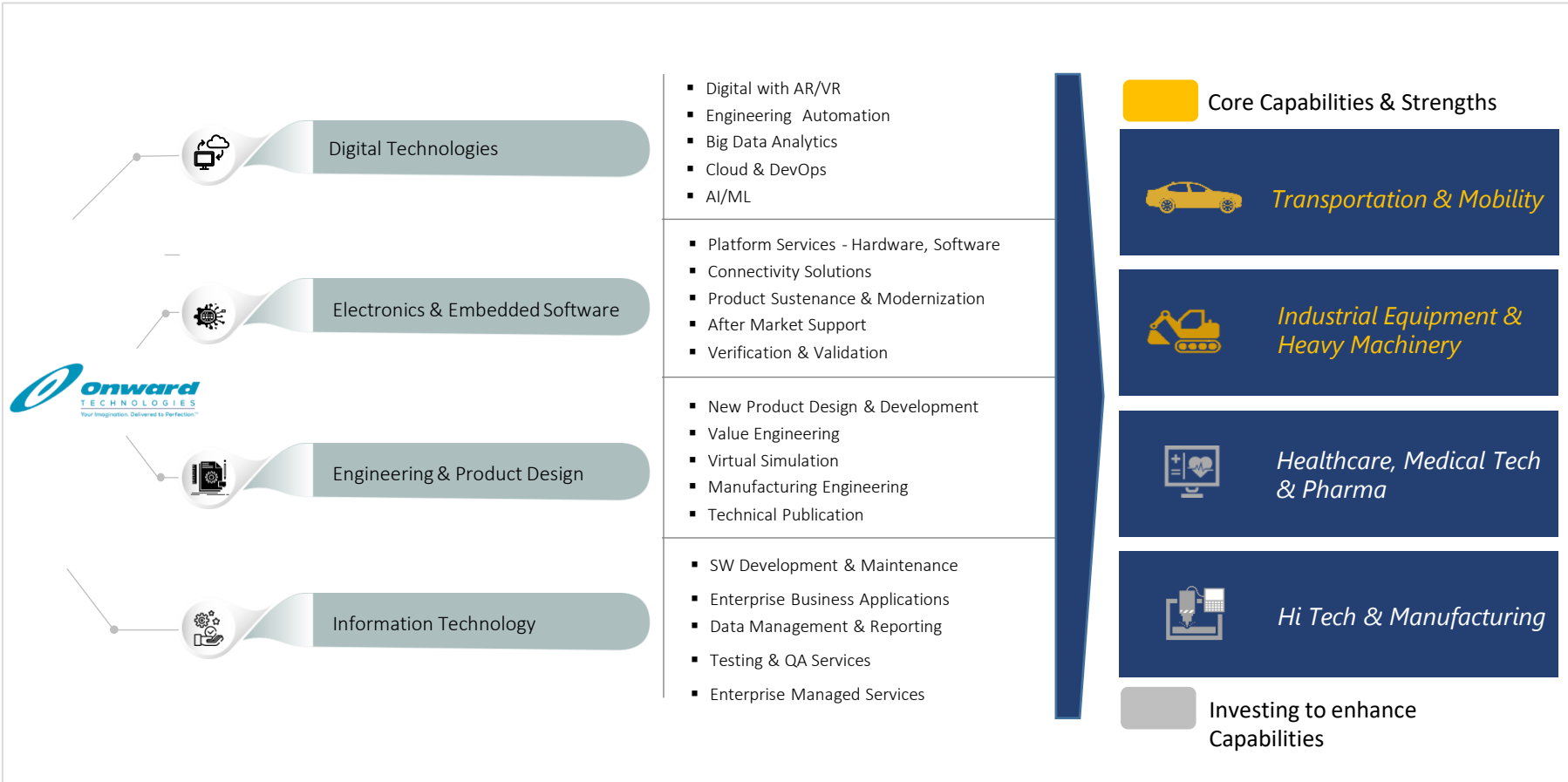
Strategic Presence Across Geographies



BUSINESS OVERVIEW

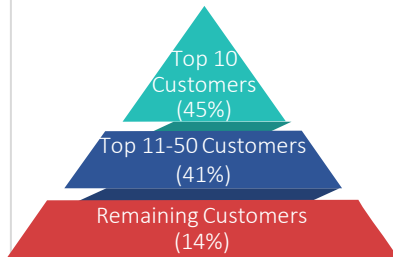


Technology Services for Focus Industry Groups



Growth Strategy Enablers

FY 2021



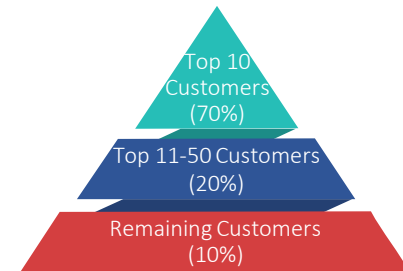
Pivot to digital engineering services

- Invested in the digital maturity curve of our customers
- See a clear roadmap of growth in digital budgets
- Witnessing a shift from POC to adoption at scale
- Core areas include Industry 4.0, AI/ML, ADAS, cloud and DevOps

Focused verticals and structured LOBs

- Leadership team with a strong experience across verticals
- Focus on Transportation & Mobility, Industrial Equipment & Heavy Machinery
- Hi-Tech, Healthcare & Medical Devices unlock new, high-growth areas
- Digital play across all lines of business

TARGET FY2025

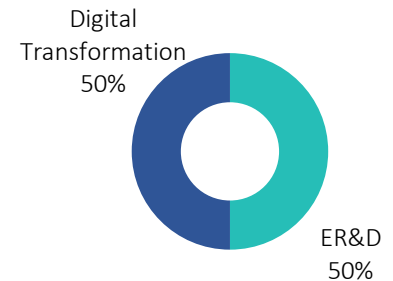
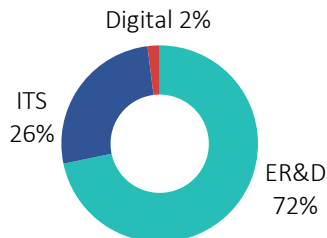


Growth in top-accounts

- Suitably positioned to scale up TCV from top-25 clients
- These accounts are part of Global 2000, projecting large R&D allocations
- Growth/technology-partner status is several accounts
- Focused on long-duration contracts, recurring revenues, consistent billing growth

People, policies, and performance

- Continue to upskill, hire the finest talent in digital engineering
- Agile operations with steadily increasing offshore leverage driving margin expansion
- HR policies, growth opportunities tuned to enhance career path
- Benefits aligned with industry standards



Global off-highway equipment manufacturer



AWS Cloud Toolchest Platform

Business Issue

Multiple Web based applications for all platform services, most of them are microservices

Challenge/s

No single unified platform for multiple tools

Not able to focus on core activities

Services & Benefits

Created web-based platform bridging applications & engineers
Role based access control, single sign on, detailed log
Predictions for future investments
New tools development did not require rebuild of platform capabilities

World's largest construction equipment manufacturer



Engineering Automation framework

Business Issue:

Effort intensive and manual review of 2D & 3D drawings

Challenge/s:

Errors due to absence of intuitive & automated tools

Services & Benefits:

Designed and developed container-based architecture on the cloud
ML model that could learn test cell output and feedback to NPI programs
Image processing and Image-based search
Productivity doubled to 55% with 92% accuracy

Leading healthcare major



Product Re-design

Business Issue

A major healthcare facility was looking to revamp and re-design their hospital beds

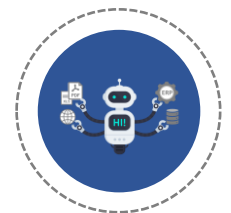
Challenge/s

Old Hospital beds were uncomfortable and posing risks to patients

Services & Benefits

Design specialists reverse engineered the entire hospital bed basis only photographs and w/o any CAD models/drawings
Embedded new electronic parts to automate the bed for enhanced patient safety and comfort
Compatible 3D printing designs developed for cost-effective production.

Global transportation and locomotive company



Value Engineering

Business Issue:

Steadily increasing costs to build a locomotive engine

Challenge/s

Too many parts and suppliers across the globe

Services & Benefits

Consulting led by domain experts in the manufacturing and design process
Cost engineered the client's entire diesel locomotive engine
Also supported the client in finding low-cost vendors
>\$4 mn in overall cost savings

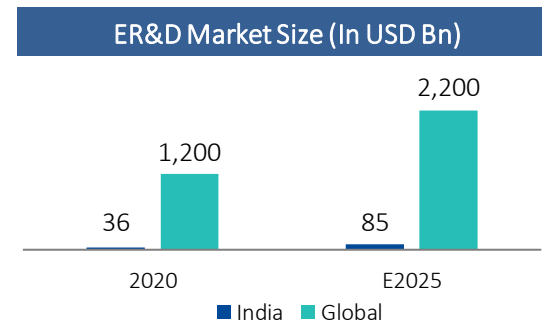
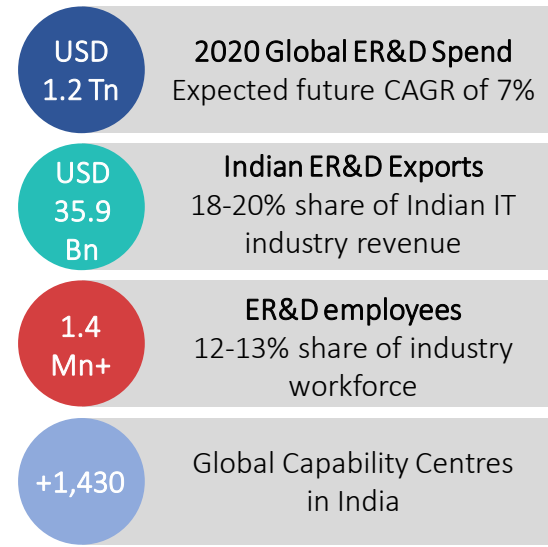
INDUSTRY OVERVIEW



Engineering R&D Service Industry

- In 2020, the global Engineering R&D spend was USD 1.2 Tn, with corporate Engineering R&D spend being USD 772 Bn.
- In 2021, Indian firms clocked USD 35.9 Billion in ER&D service exports, according to NASSCOM.
- As the largest exporter of ER&D services, this has huge implications for India, and the opportunity could be as large as USD 100 Billion.
- India is rapidly emerging as the destination for innovation and technology by tapping into its robust and thriving start-up ecosystem. Additionally, proactive and supportive policies are also an attractive advantage.
- Recent investments and government initiatives such as Make in India, Skill India, Digital India, and Start-up India have significantly contributed to establishing the country as an attractive destination for ER&D and innovation.
- India surpassed China in attracting funds for engineering R&D, clearly marking India as the next destination for high-end ER&D. Of the overall USD 100 Billion spent globally on outsourced ER&D, India accounted for about USD 31 to USD 32 Billion. Global companies across Asia are increasing investment in India to leverage the country's advantages in talent, cost, and policy support.
- India, today, is home to more than 1,430+ Global Capability Centers (GCCs) that conduct offshore product development and provide product engineering services for their headquarters. These GCCs represent some of the largest Fortune 500 companies that have their largest or second-largest R&D centers located here, including GE, Samsung, Cisco, Intel, Daimler Benz, Airbus, Boeing, and Bosch.
- Currently, there are approximately 1.4 Mn+ engineers involved in ER&D in the country. To service a USD 85 Billion market, we will need to add another one million engineers in the next five years.
- Over the last 5 years, this industry has witnessed a 75% growth in employee-base and a 11% CAGR in revenues, while significantly supporting their global organizations digital transformation journey.

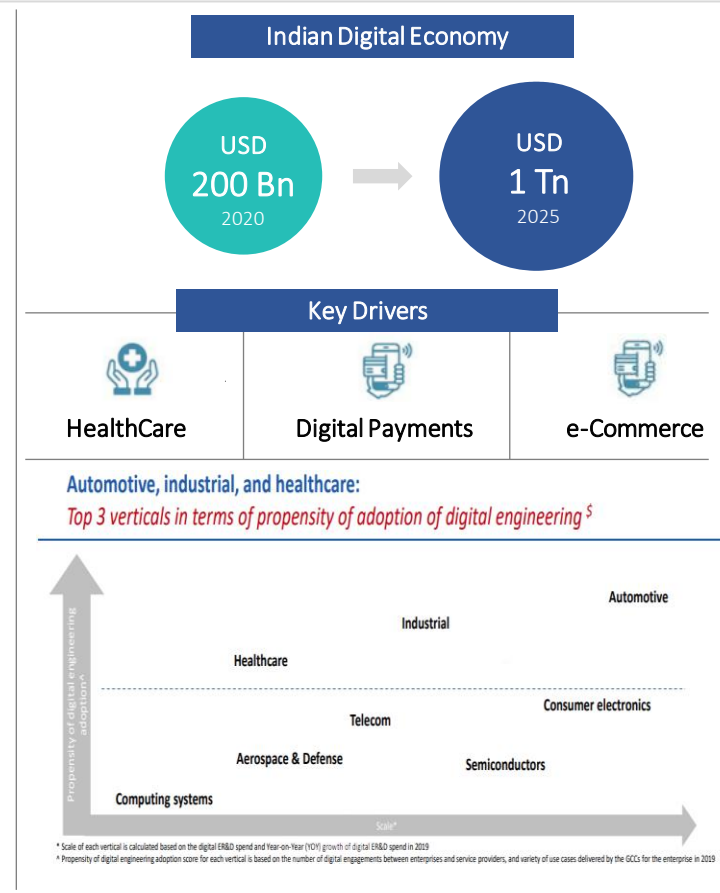
Source: Nasscom, Zinnov, FutureFactor360



Digital Transformation

- The covid-19 pandemic has accelerated the demand for hi-tech by shrivelling human activity into a world of apps. The explosion in online activity has galvanized massive cloud-led adoption, digital adoption, and transformation of the core. Global digital penetration has been reset at lower levels in light of emerging realities, thereby resetting the high-growth phase for technology from up to FY24 to up to FY27 in the least.
- Software & Internet vertical is the largest contributor to ER&D Spend, with USD 196 Billion and also contributes ~40% to the overall Digital Engineering spend, driven by investments in Digital Engineering Stack and new-age technologies such as AI/ML, AR/VR, Big Data Analytics, and Blockchain.
- Digital Engineering is accelerating across industries and is led by Software & Internet, which accounts for USD 160 Billion and is expected to grow at a 22% CAGR to reach USD 527 Billion by 2025.
- Enterprises are making significant investments in Digital Engineering initiatives to continue to stay relevant. Services-led verticals such as BFSI, Media & Technology, Retail, Healthcare Payers & Providers, and Travel & Hospitality are rushing to build new products and services to drive differentiation, thereby creating ER&D opportunities for providers.
- Indian software industry body Nasscom forecasts 15-20% CAGR growth in digital transformation spend globally. Enterprise digital transformation spend globally is currently at USD 1.04 Trillion.
- It also forecasts Indian digital economy would catapult to a USD 1 Trillion industry by 2025 from USD 200 Billion in 2020.
- According to a report by EY, Of the 500 corporates surveyed, for the largest share of their investment over the past two years, the top four were cloud (60%), data and advanced analytics (52%), the Internet of Things (IoT) (50%) and AI (47%).

Source: Zinnov, Nasscom, Edelweiss Research, EY



FINANCIAL OVERVIEW



Historical Consolidated Profit & Loss

Particulars (INR Mn)	FY19	FY20*	FY21*	9M-FY22
Operational Income	2,610	2,715	2,404	2,198
Total Expenses	2,386	2,482	2,231	2,047
EBITDA	224	233	173	151
EBITDA Margins (%)	8.58%	8.58%	7.20%	6.87%
Other Income	12	11	53	199
Depreciation	57	113	104	74
Finance Costs	27	35	23	7
PBT	152	96	99	269
Tax	51	34	25	64
Profit After tax	101	62	74	205
PAT Margins (%)	3.87%	2.28%	3.08%	9.33%
Other Comprehensive Income	8	19	(3)	-
Total Comprehensive Income	109	81	71	205
Diluted EPS (INR)	6.17	3.76	4.35	11.13

* FY20 and FY21 numbers have been restated after inclusion of Onward eServices Ltd, a wholly owned subsidiary, which has been merged with Onward Technologies Ltd as on March 25, 2021.

Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22	Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
ASSETS					EQUITY AND LIABILITIES				
Non-Current Assets					Equity				
Property, Plant & Equipment	98	80	171	174	Share Capital	158	160	163	176
Intangible assets	57	41	39	33	Other Equity	452	520	581	950
Intangible assets under development	2	-	1		Total Equity	610	680	744	1,126
Right of use asset	-	159	88	86	Non Current Liabilities				
Financial Assets					(i) Borrowings	6	-	6	6
(i) Loans	29	30	31	31	(ii) Lease liabilities	-	109	55	55
Deferred tax assets	17	28	33	36	Provisions	34	25	48	48
Income tax assets (net)	158	193	111	147	Deferred tax liabilities	5	7	-	27
Other non-current assets	6	2	-	-	Sub Total Non Current Liabilities	45	141	109	136
Sub Total Non Current Assets	367	533	474	507	Current Liabilities				
Current Assets					(i) Borrowings	155	181	146	1
Financial Assets					(ii) Trade Payables	61	76	72	89
(i) Investment			1	143	(iii) Other Financial Liabilities	141	133	151	172
(ii) Trade Receivables	489	498	408	454	(iv) Lease Liabilities	-	57	43	41
(iii) Cash & cash equivalents	43	178	285	362	Provisions	10	21	14	20
(iv) Bank balance other than above	8	44	9	9	Income tax liabilities	-	5	-	
(v) Contract assets	86	42	134	153	Contract liabilities	1	5	30	34
(vi) Other financial assets	11	1	1	4	Other current liabilities	44	62	67	74
Income tax assets (net)	19	-	-	-	Sub Total Current Liabilities	412	540	523	431
Other Current Assets	44	65	64	61	Sub Total Liabilities	457	681	632	567
Sub Total Current Assets	700	828	902	1,186	TOTAL EQUITY AND LIABILITIES	1,067	1,361	1,376	1,693
TOTAL ASSETS	1,067	1,361	1,376	1,693					

Historical Standalone Profit & Loss

Particulars (INR Mn)	FY19	FY20*	FY21*	9M-FY22
Operational Income	1,182	1,806	1,727	1,679
Total Expenses	1,032	1,660	1,531	1,570
EBITDA	150	145	196	109
EBITDA Margins (%)	12.69%	8.03%	11.35%	6.49%
Other Income	50	65	85	37
Depreciation	48	102	93	66
Finance Costs	21	33	21	7
PBT	131	75	167	73
Tax	37	21	40	19
Profit After tax	94	54	127	54
PAT Margins (%)	7.95%	2.99%	7.35%	3.22%
Other Comprehensive Income	(4)	3	1	(1)
Total Comprehensive Income	90	57	128	53
Diluted EPS (INR)	5.70	3.26	7.50	2.95

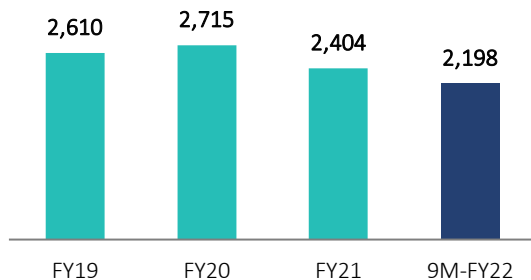
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Historical Standalone Balance Sheet

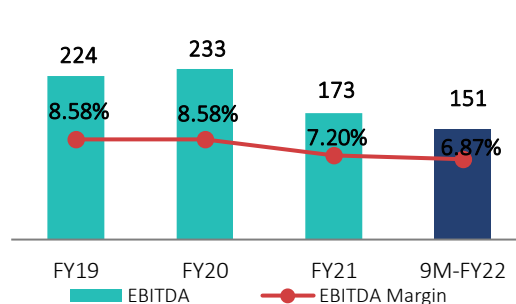
Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22	Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
ASSETS					EQUITY AND LIABILITIES				
Non-Current Assets					Equity				
Property, Plant & Equipment	75	70	164	166	Share Capital	158	160	163	176
Intangible assets	56	41	39	33	Other Equity	454	455	573	810
Intangible assets under development	2	-	1		Total Equity	612	615	736	986
Right of use asset	-	146	83	72	Non Current Liabilities				
Financial Assets					(i) Borrowings	1	-	6	5
(i) Investments	388	121	121	136	(ii) Lease liabilities	-	104	55	47
(ii) Loans	20	29	-	-	Employee benefit obligations	21	25	46	54
(iii) Other Financial Assets			28	29	Sub Total Non Current Liabilities	22	129	107	106
Deferred tax assets	5	27	23	32	Current Liabilities				
Income tax assets (net)	101	193	111	146	(i) Borrowings	161	68	-	1
Other non-current assets	4	1	-	-	(ii) Trade Payables	46	96	78	88
Sub Total Non Current Assets	651	628	570	615	(iii) Other Financial Liabilities	79	92	126	131
Current Assets					(iv) Lease Liabilities	-	48	38	35
Financial Assets					Provisions	9	20	11	10
(i) Investments			1	143	Contract liabilities	24	58	28	82
(ii) Trade Receivables	215	339	283	322	Other current liabilities	27	52	48	41
(iii) Cash & cash equivalents	21	75	119	158	Sub Total Current Liabilities	346	434	329	388
(iv) Bank balance other than above	3	42	10	9	Sub Total Liabilities	368	563	436	494
(v) Contract assets	36	32	127	167	TOTAL EQUITY and LIABILITIES	980	1,178	1,172	1,480
(vi) Other financial assets	21	3	2	7					
Other Current Assets	33	58	61	59					
Sub Total Current Assets	329	549	602	865					
TOTAL ASSETS	980	1,178	1,172	1,480					

Consolidated Financial Highlights

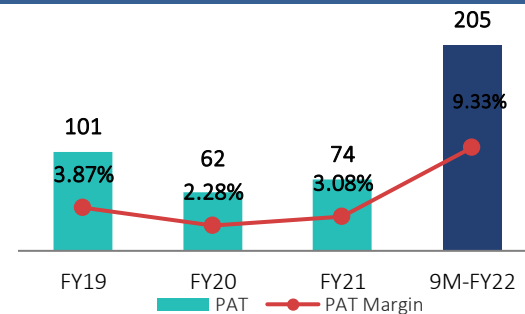
Revenue (INR Mn)



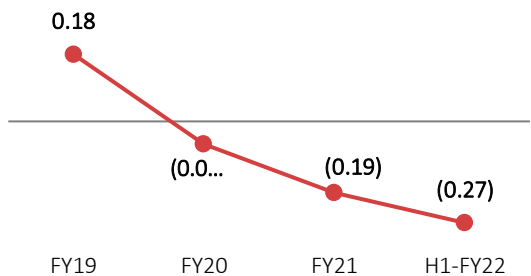
EBITDA (INR Mn)



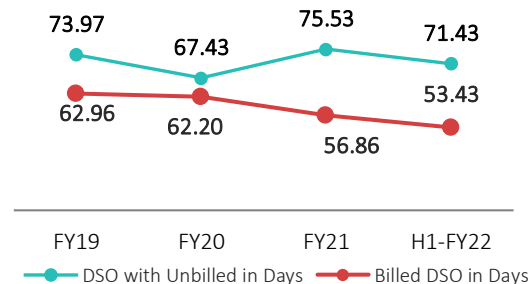
PAT (INR Mn)



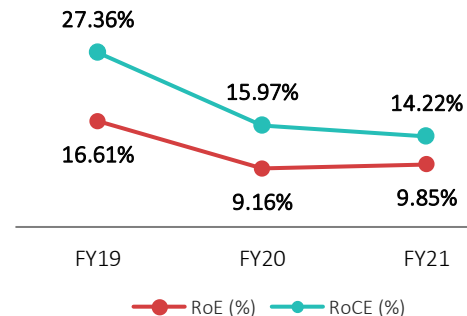
Net D/E(x)



DSO

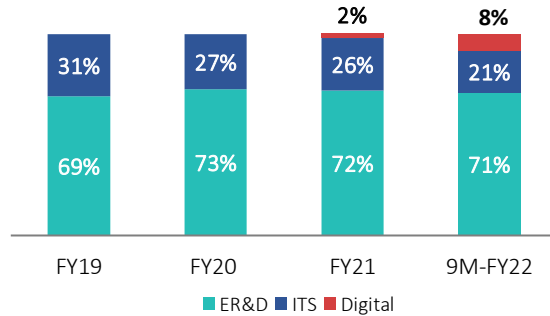


ROE and ROCE (%)

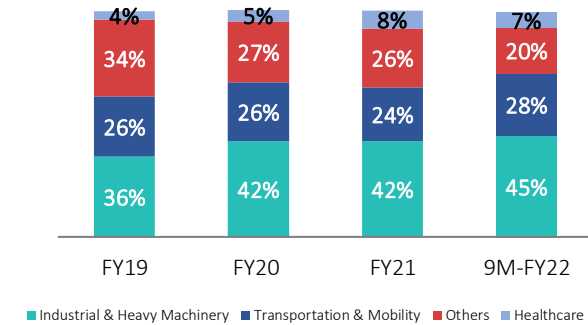


Revenue Metrics (Consolidated)

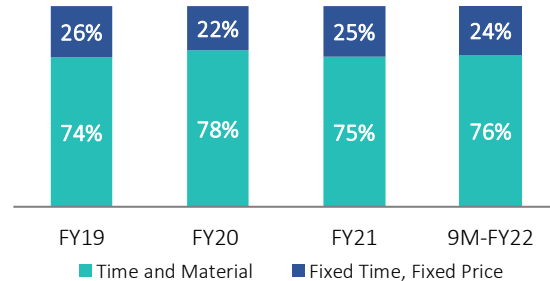
Revenue by Business



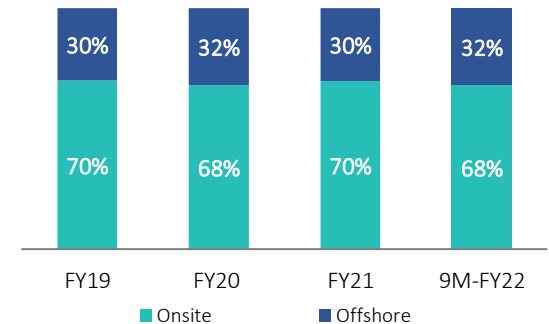
Revenue by Industry



Revenue by Contract Type

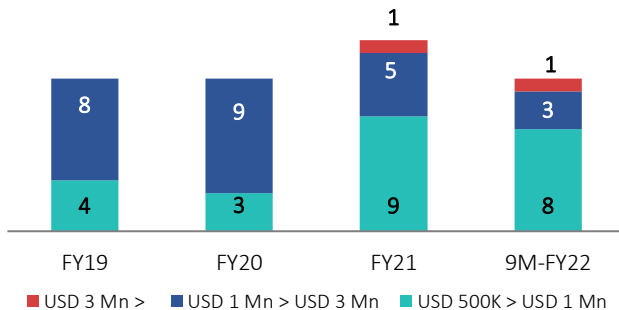


Revenue by Engagement Model

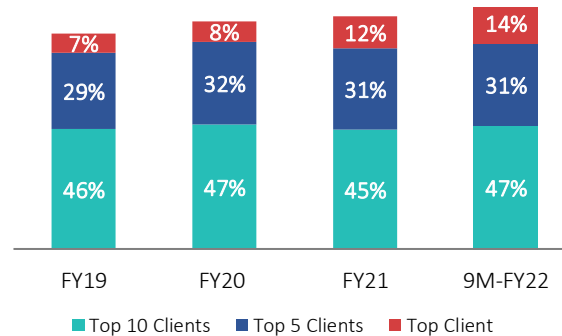


Customer Metrics (Consolidated)

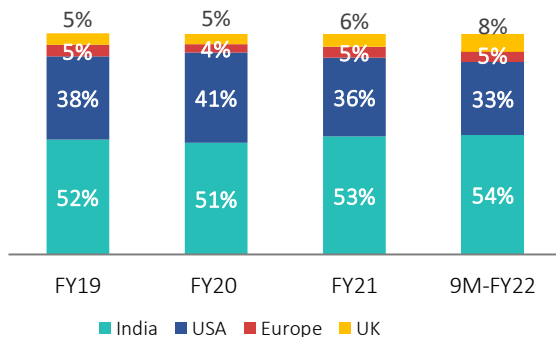
Client Deal Size Breakup



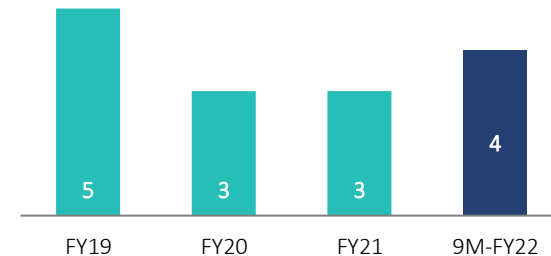
Revenue of Major Clients



Revenue by Client location

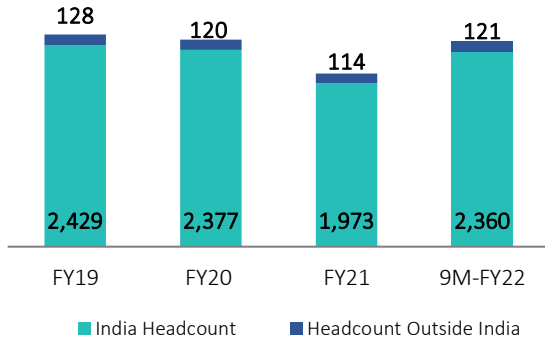


Strategic Global Customers Added

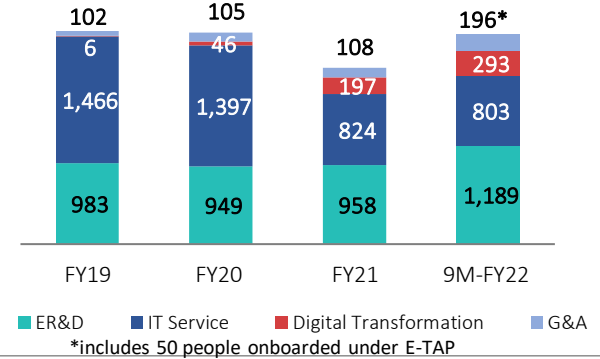


Employee Metrics (Consolidated)

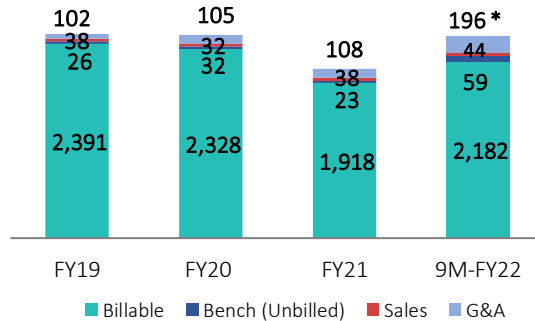
Headcount by Location



Headcount by Business



Headcount by Function

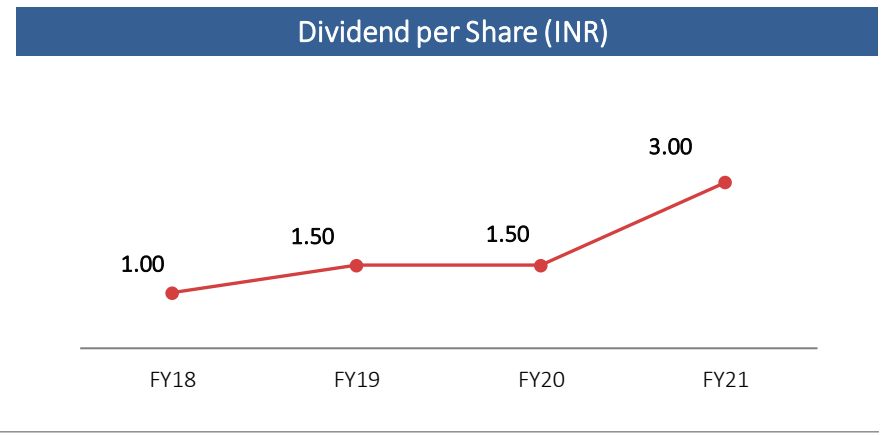
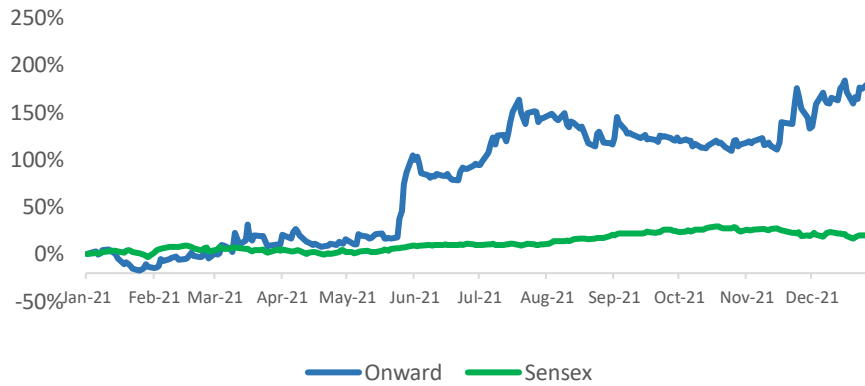


Hedging & Other Metrics

Other Ratios	FY19	FY20	FY21	Q3-FY22
Carpet Area	70,873	71,948	65,285	65,285
Number of seats	889	906	847	847
PBT to Revenue%	5.82%	3.55%	4.08%	9.38%
Number of active clients	199	210	184	159

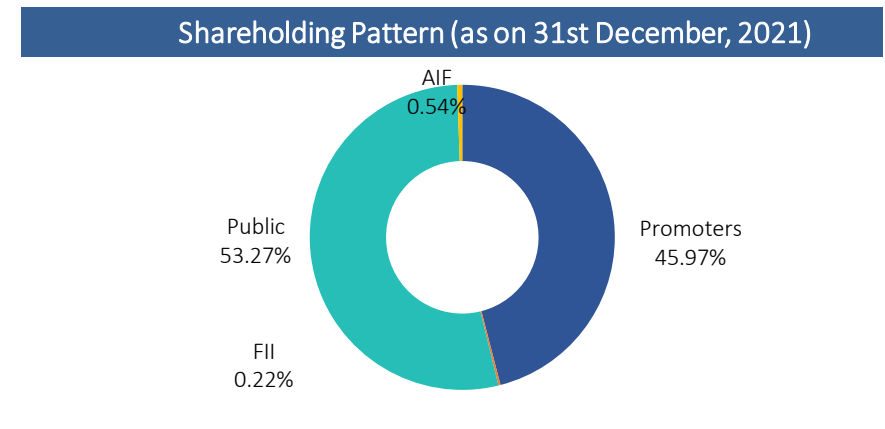
Hedging Details for Q3-FY22*	Hedge Rate	Hedge Amount (Mn)	Actual Rate Achieved	Gain Over 50% Hedge rate (INR, Lakh)
USD	75.27	0.48	75.36	0.89
EUR	88.54	0.11	88.45	(0.18)
GBP	102.22	0.14	102.63	1.75

*The performance is benchmarked against a 50% hedge rate - average of Day 1 forward rate and spot on maturity/current MTM for outstanding exposure.



Price Data (As of 31st December 2021)*

Face Value	10.0
Market Price	294.5
52 Week H/L	319.2/82.1
Market Cap (INR Mn)	6,458.7
Equity Shares Outstanding (Mn)	21.9
1 Year Avg. Trading Volume ('000)	130.6
1 Year Avg. Net Turnover (Mn)	21.4



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THANK YOU

