

August 08, 2021

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,

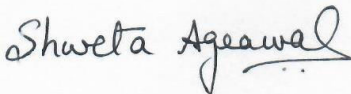
Sub: Press Release -Results Q1 FY22

With reference to the captioned subject, please find enclosed the Press Release with respect to Robust results driven by strong operating performance.

This is for your information and necessary records.

Yours faithfully,

For **AXISCADES Technologies Limited**



Shweta Agrawal
Company Secretary
Encl.: A/a

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



Robust results driven by strong operating performance Results Release

Key Highlights

- Revenue growth Y-o-Y at 7.9% in INR terms; INR 1,121Mn
- Revenue growth of 11% Y-o-Y in \$ terms; \$ 15Mn
- Aerospace vertical grew by 15.3% Q-o-Q; **highest growth in last 5 Quarters**
- 4 New customers added in Q1FY22 in Aerospace, Automotive and Heavy Engineering
- PAT for the quarter stands at INR 13.3Mn

Bengaluru, August 08, 2021

AXISCADES, a technology Company focusing on Product Engineering Solutions, serving Global OEMs announced its First Quarter ended 30th June 2021 financial results. The company posted revenues of INR 1,121Mn, growth of 7.9% Y-o-Y. During the quarter the company saw good traction across all verticals. Aerospace vertical grew by 15.3% Q-o-Q which is **the highest in the last 5 quarters**, Non-aerospace vertical (excluding Products and Solution) grew by 6.1% Q-o-Q. The Company's largest vertical Heavy Engineering (HEG) is expected to do well in H2; while on performance of aerospace sector we are cautiously optimistic.

I. Performance Highlights:

Q1 FY 22 vs Q4 FY 21

- Q1 FY22 **Total Income** is INR 1,148 Mn against INR 1,520 Mn in Q4 FY21
- **EBITDA Margins:** EBITDA stands at INR 131Mn, translating to an EBITDA margin of 11.4%
- **PAT** for Q1 FY22 stands at INR 13.3Mn, against reported loss INR 105Mn in Q4 FY21
- Total cash balance stands at INR 923Mn compared to INR 848Mn in Q4 FY21 owing to substantial cash generation from operations
- Strong order book of USD 53Mn as on 30th Jun-2021, growth of 13% Q-o-Q

II. Reduction in Debt

Debt in the company stands at INR 699Mn as on 30th Jun-2021 compared to INR 1,271Mn as on 30th Jun-2020 and INR 728Mn as on 31st Mar 2021, despite a challenging environment over last 4 quarters the company has reduced the debt in the company by 45%.

III. Business Updates

- Added 4 new customers in Aerospace, Automotive and Heavy Engineering vertical
- AXISCADES received Diamond Supplier of the year award from Bombardier Aerospace. This award shows company's commitment to delivering value to its business partners. This award is granted to the supplier who demonstrated outstanding operational performance and competitiveness and the recognition is assessed on a stringent assessment of key performance indicators measured over the entire year
- AXISCADES has been awarded the top prototype Engineering Services company 2021 by "Manufacturing Technology Insights" magazine in US.
- Our digital initiatives are being well received by our customers and being further enhanced. We are on track to achieve our goal for the year.

Commenting on the results and outlook, Mr. David Bradley, Chairman of AXISCADES said: "During the quarter in the engineering segment, the Company saw growth across verticals including aerospace sector. We are seeing traction in Automotive and Energy verticals as well. Our earlier investments in digital space have shown positive results and we will continue to invest in this space to expand our offerings. Outlook for the year looks healthy with good order book however further travel restrictions and lockdown may impact the growth for the year."

IV. Operations by Region Q1FY22 vs. Q4FY21

North America: Revenue share of North America stands at 56% in Q1FY22 compared to 44% in Q4FY21. Mainly on account of increased traction in HEG and Aerospace vertical.

Europe: Contributes 27% in Q1FY22 compared to 32% in Q4FY21. Decline of 500 bps, primarily due to seasonal decline in Products and solutions vertical

Asia-Pacific: Contributes 17% in Q1FY22 compared to 24% in Q4FY21 primarily due to seasonal decline in Mistral revenue during the quarter.

V. Operations By Business and growth outlook

Aerospace

Aerospace vertical saw growth of 15.3% Q-o-Q, which is highest in last 5 quarters. This is the second consecutive quarter where we saw strong growth in the vertical. We have started seeing the aerospace vertical picking up however it is still significantly less compared to pre-covid level. We expect aerospace to do well in the remaining fiscal. We are witnessing increased activity with our key customers. We have added one new logo in Europe region for working on Passenger-to-Freighter (P2F) conversion. We are also exploring the opportunity to offer digital services in the vertical to expand our offering to existing clients and add new clients.

While this segment has been severely impacted due to the pandemic, it is expected to gradually track improvement with FY22 being better compared to FY21 as risk of additional travel restrictions and lockdown across geographies diminishes.

HEG

HEG saw growth of 4.3% Q-o-Q. This is another vertical where we have seen good growth for second consecutive quarter. We are witnessing increased interaction with one of our key clients in the vertical. We have started offering our new services to existing clients to get the additional revenue from new areas and we will continue to hunt for new clients in USA and other geos. We are also discussing digital service offering with our customers. We expect HEG to witness growth in line with industry growth, based on interaction which we are having with our clients.

AIP & Energy

These are two verticals where we saw 20%+ growth Q-o-Q. AIP vertical revenue stands at INR 45.7Mn which is the highest in last 4 quarters. We are in discussion with key players in automotive industry which is in advanced stage and expect more client additions in coming quarters.

Energy Vertical witnessed revenue of INR 29.1Mn, growth of 21.4% Q-o-Q which is the highest in last 6 quarters. This was on account of increased revenue from one of key customer in energy vertical. We may see these two verticals to grow higher than company average in coming quarters.

Products and Solutions

We saw higher revenue in Q4 FY21 due to seasonality in product and solutions industry. Q1 FY22 revenue from product and solutions stands at INR 103.4Mn compared to INR 140.9Mn in Q1 FY21 de-growth of 26% Y-o-Y. The deliveries of Q1 FY22 have been impacted because of lockdown and the revenue which will be accounted going forward. We expect contribution of Product of solutions to be in line with earlier years.

About AXISCADES Technologies

AXISCADES is leading technology solutions company focussing on global ER&D sector and strategic technology markets. The Group is at the cutting edge of R&D to address the futuristic needs of its clients in the evolving world of digital, innovation and technology. Building on its 1,700+ engineers worldwide and deep industry-specific expertise, AXISCADES enables organizations to materialize their business ambitions through a range of innovative services from strategy to operations. Headquartered in Bengaluru, AXISCADES has 14 delivery centres worldwide including North America, Europe and Asia.

For further information, please contact:

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