

October 31, 2023

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

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

Dear Sir/Madam,

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

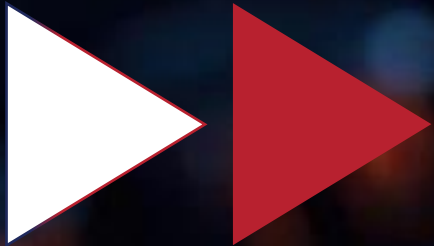
With reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investors/ Earnings Presentation for the Quarter ended September 30, 2023. The Company will use this presentation for any meeting scheduled with analysts or institutional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

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

Request to kindly take this intimation on record.

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

S M Adithya Jain
Company Secretary and Compliance Officer
Membership No. A49042



Kaynes Technology India Limited

Earnings Presentation | October 2023

Disclaimer

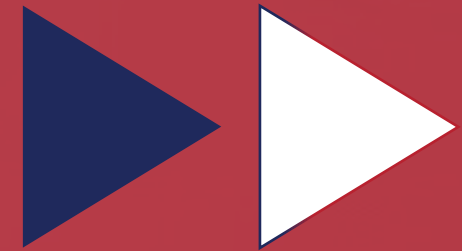


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Quarterly Financial Highlights



Q2FY24 Results Snapshot (Consolidated)



₹ 34,618 mn

Order Book

₹ 26,482 mn in FY23



₹ 3,608 mn

Revenue

32% YoY



₹ 488 mn

EBITDA

13% YoY



13.5%

EBITDA Margin

- 231 bps YoY



₹ 323 mn

Profit After Tax

54% YoY



9.0 %

PAT Margin

+127 bps YoY



₹ 10,141 mn

Networth

₹ 9,577 mn in FY23



₹ 1,224 mn

Net Debt

₹ 473 mn in FY23



22.0%

ROCE

24.2% in FY23



20.4%

ROE

24.9% in FY23



113 Days

Net WC Days

99 days in FY23



0.1x

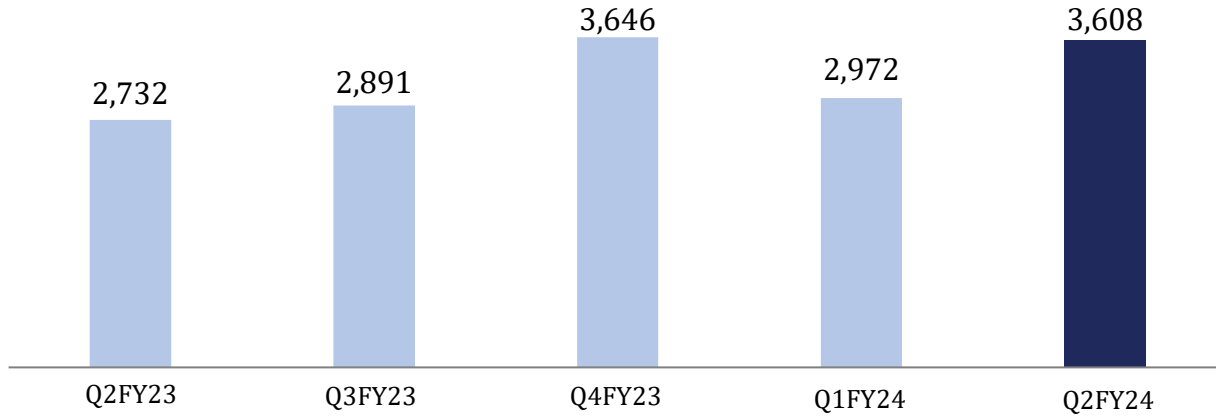
Net Debt to Equity

0.0x in FY23

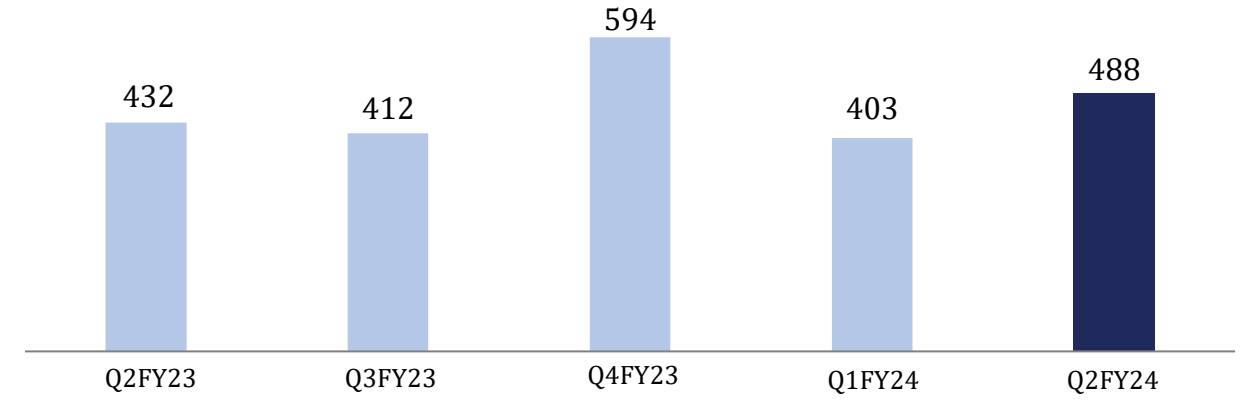
Consistent quarterly financial performance



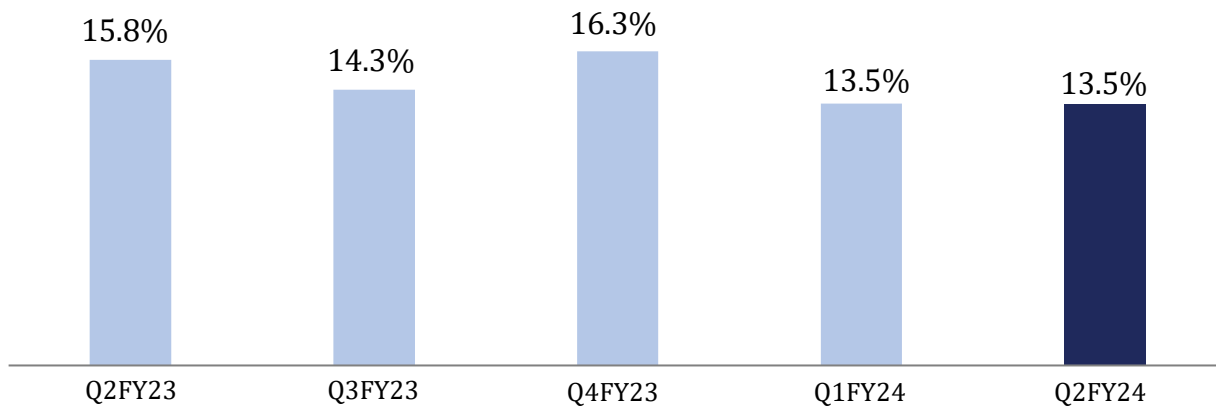
Revenue (₹ Mn)



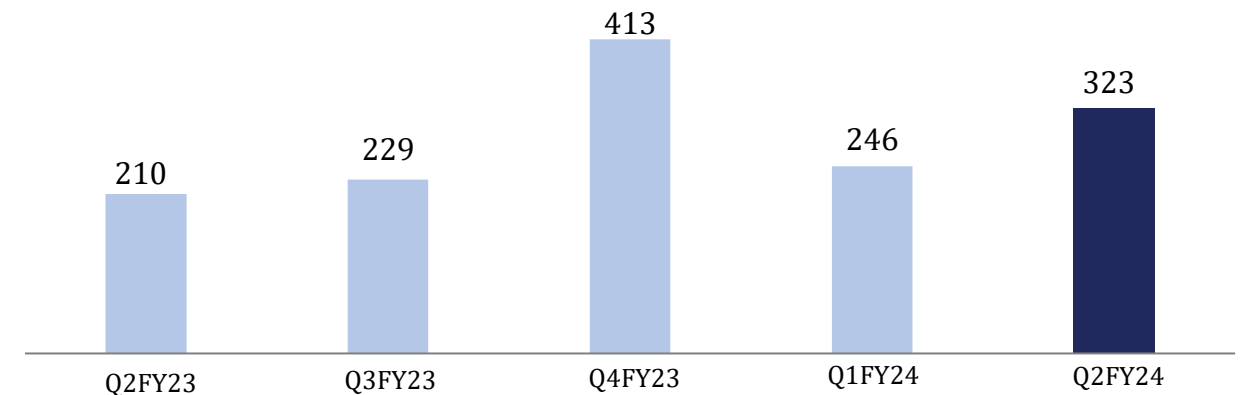
EBITDA (₹ Mn)



EBITDA Margins (%)



Profit After Tax (Restated) (₹ Mn)

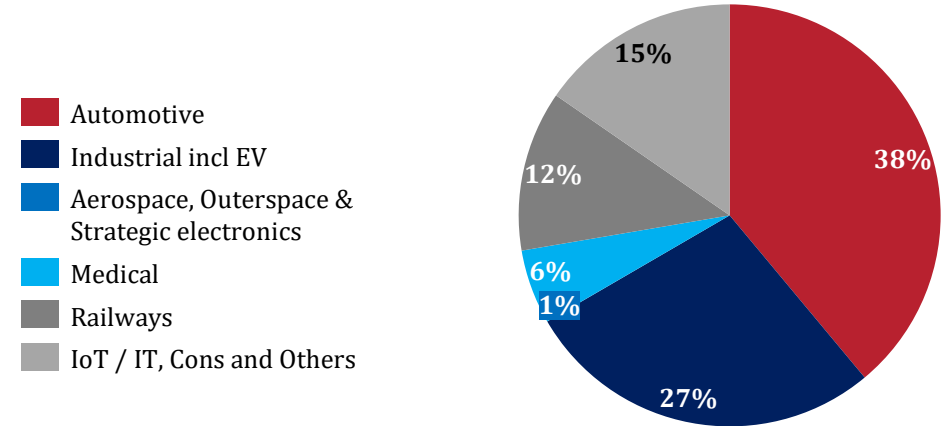
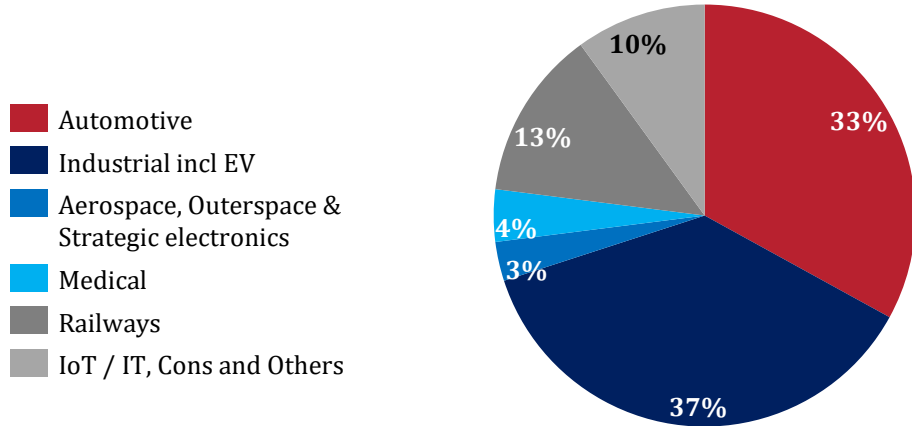


Diversified Revenue Mix

Revenue across verticals

H1FY24

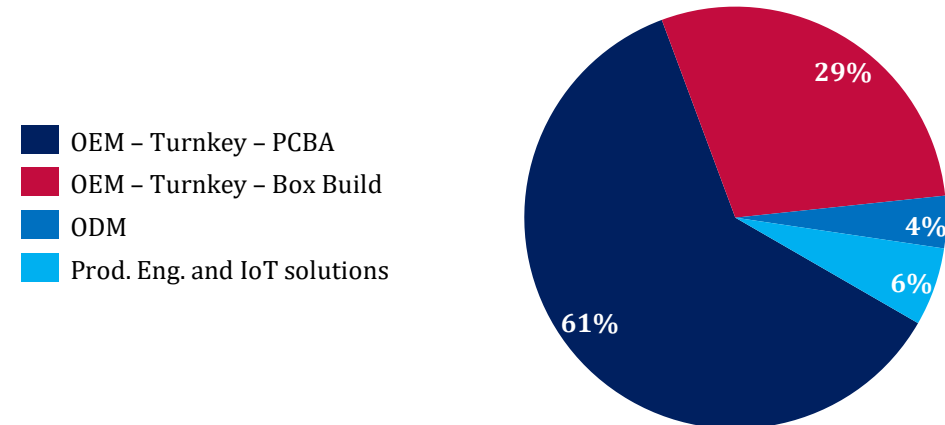
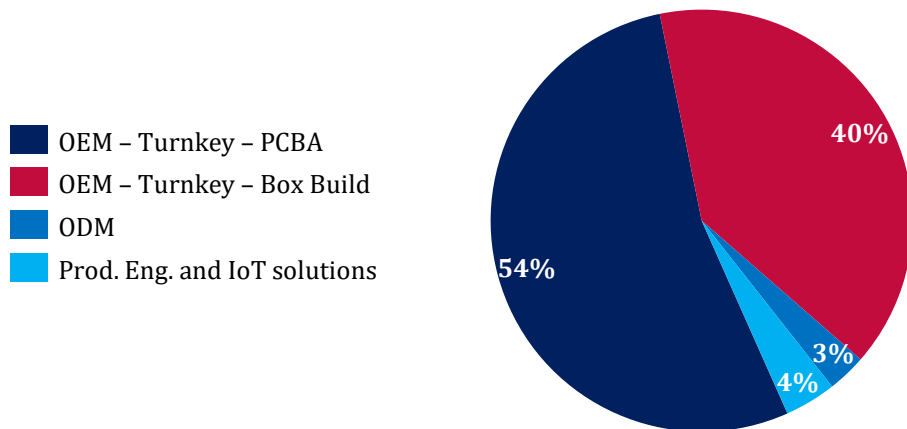
H1FY23



Revenue across segments

H1FY24

H1FY23



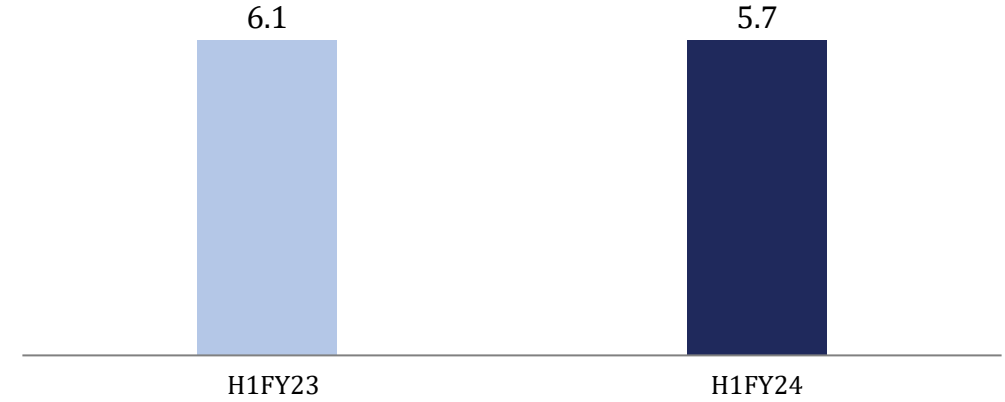
Consistent quarterly financial performance



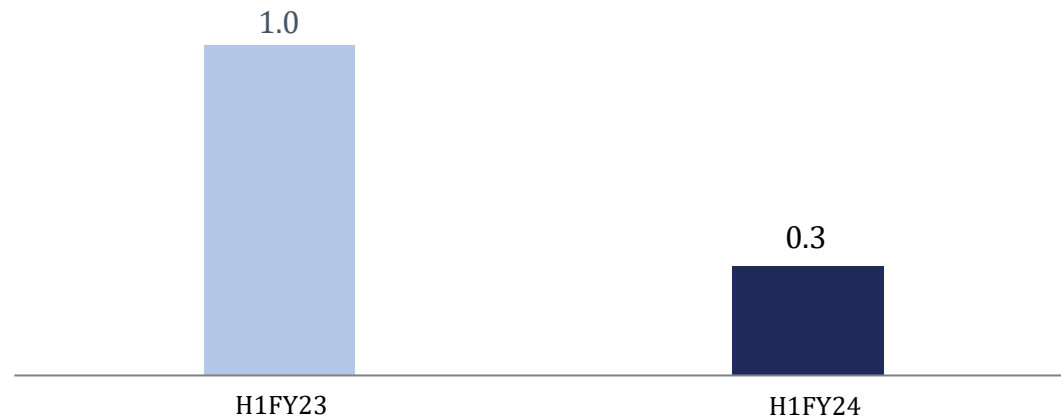
Gross Block (₹ Mn)



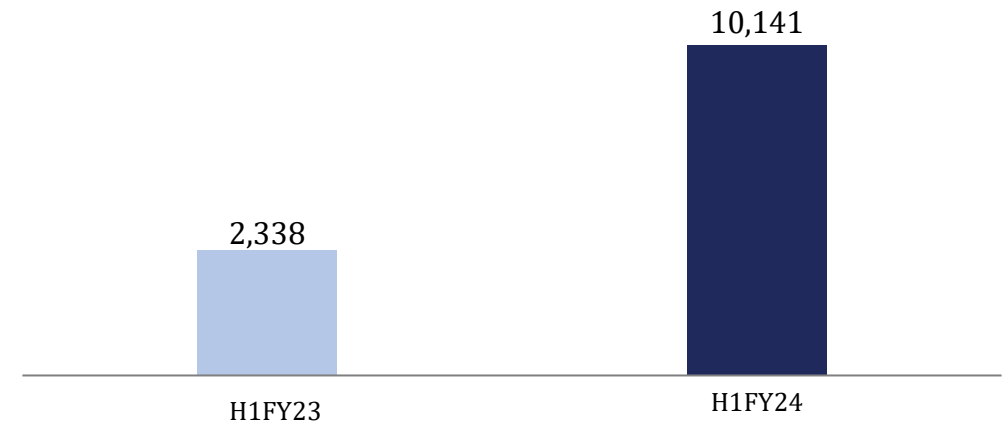
Asset Turnover ratio (x)¹



Debt/Equity (x)



Networth (₹ Mn)



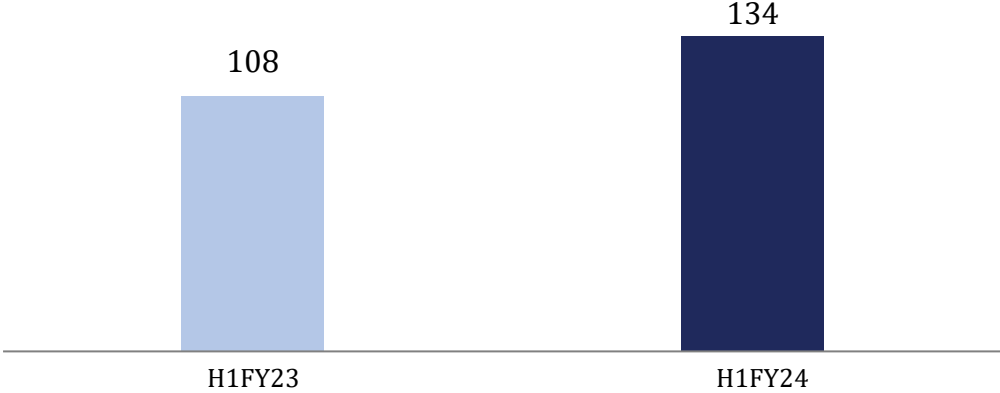
Consistent quarterly financial performance



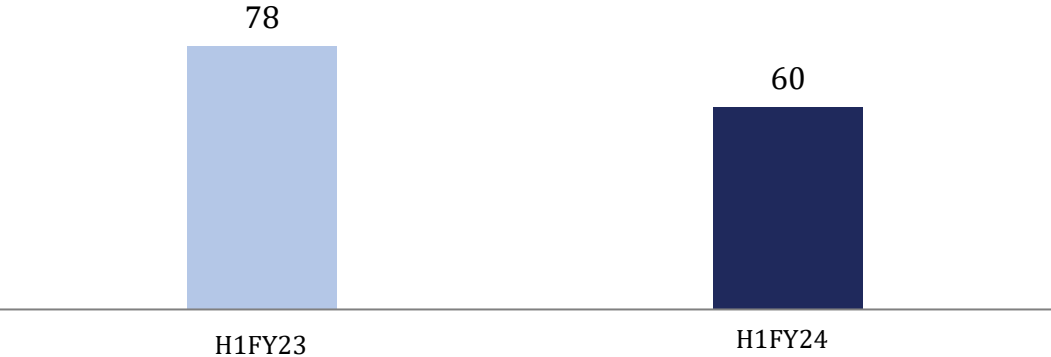
Net Working Capital Days



Inventory Days



Receivable Days



Payable Days



Net working capital is calculated as average inventory days plus average receivable days less average payable days
Above data is annualized

Profit & Loss Statement (Consolidated)



Particulars (₹ Mn)	Q2 FY24	Q2 FY23	YoY Chg	H1FY24	H1FY23	YoY Chg
Revenue from operations	3,608	2,732	32%	6,580	4,724	39%
Raw material cost	2,602	1,914	36%	4,659	3,319	40%
Employee expenses	223	179	24%	459	363	26%
Other expenses	295	207	43%	572	364	57%
EBITDA	488	432	13%	891	678	31%
EBITDA margin (%)	13.5%	15.8%	-231bps	13.5%	14.4%	-82bps
Depreciation and amortization expense	65	47	38%	118	93	27%
Other income	90	7	1171%	171	14	1107%
Finance cost	118	103	14%	231	176	31%
Profit before tax	394	289	36%	713	423	68%
Total tax expenses	71	79	-10%	143	113	27%
Net profit after tax	323	210	54%	570	310	83%
Net profit margin (%)	9.0%	7.7%	127bps	8.7%	6.6%	208bps

Balance Sheet (Consolidated)



Particulars (₹ Mn)	Sept-23	Mar-23
Gross Block (tangible assets)	1,895	1,451
Accumulated Depreciation	607	549
Net Block (tangible assets)	1,288	902
Intangible assets	435	426
Other non-current assets	947	552
Total non-current assets	2,670	1,880
Inventories	5,512	4,132
Trade receivables	2,062	2,271
Cash and cash equivalents	4,542	4,860
Other current assets	1,567	1,045
Total current assets	13,684	12,308
Total Assets	16,353	14,187
Borrowings	144	150
Other non-current liabilities	275	282
Total non-current liabilities	419	432
Short-term borrowings	2,448	1,209
Trade payables	2,644	2,229
Other current liabilities	669	714
Total Current Liabilities	5,761	4,152
Total Equity & Reserves	10,173	9,604
Total Equity and Liabilities	16,353	14,187

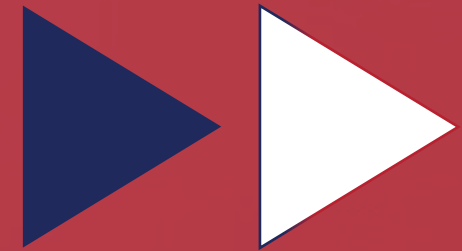
Cash Flow Statement (Consolidated)



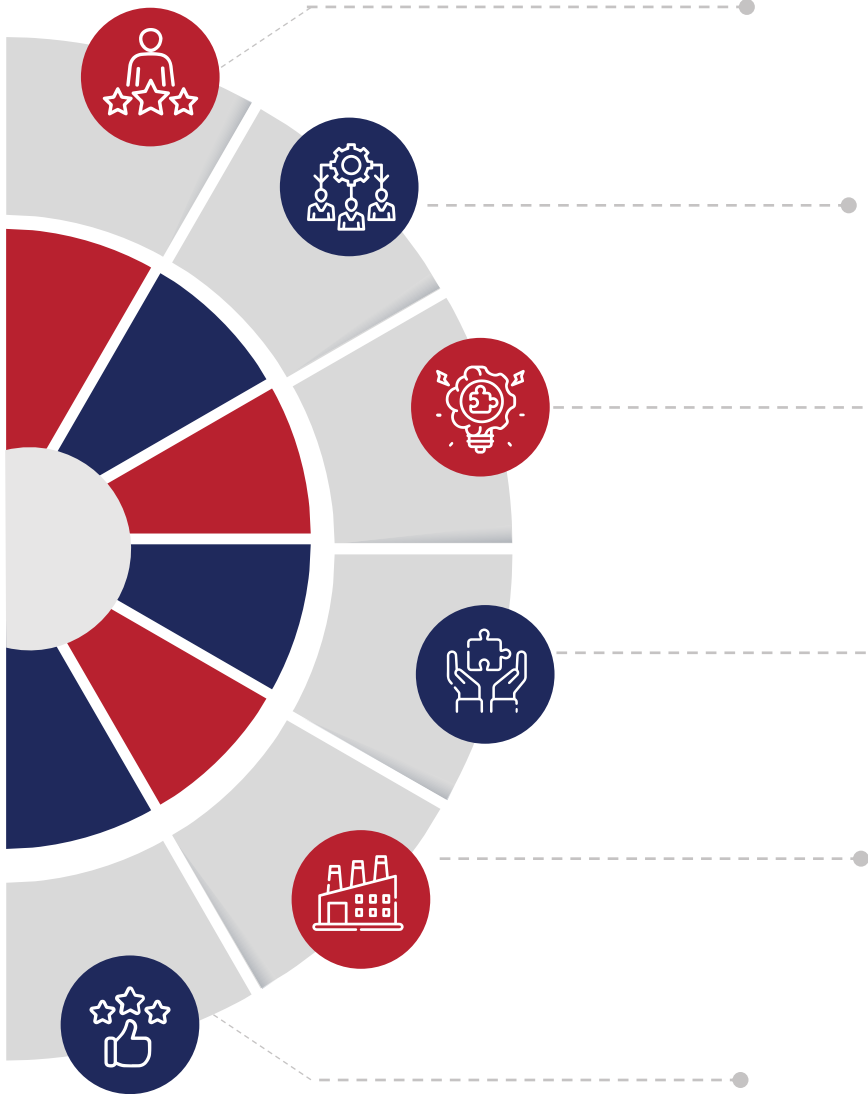
Particulars (₹ Mn)	Sept-23	Sept-22
Cash flow from operating activities		
Profit before tax	713	423
Adjustment for non-operating items	270	260
Operating profit before working capital changes	983	683
(Increase)/ decrease in inventories	-1,381	-1,050
(Increase)/decrease in trade receivables	209	-48
(Increase)/decrease in payables & other adjustments	151	98
Cash generated from operations	-38	-317
Less: direct taxes paid	-197	-31
Net cash from operating activities	-235	-349
Cash flow from investing activities	-472	-191
Cash flow from financing activities	573	489
Net increase/ (decrease) in cash & cash equivalent	-133	-51
Add: Cash and cash equivalents as at 1st April	259	69
Add: Net effect of exchange gain on cash and cash equivalents	-	-
Cash and cash equivalents for period ending	126	18



Company Overview



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

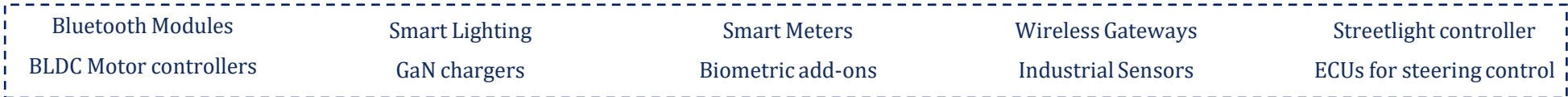
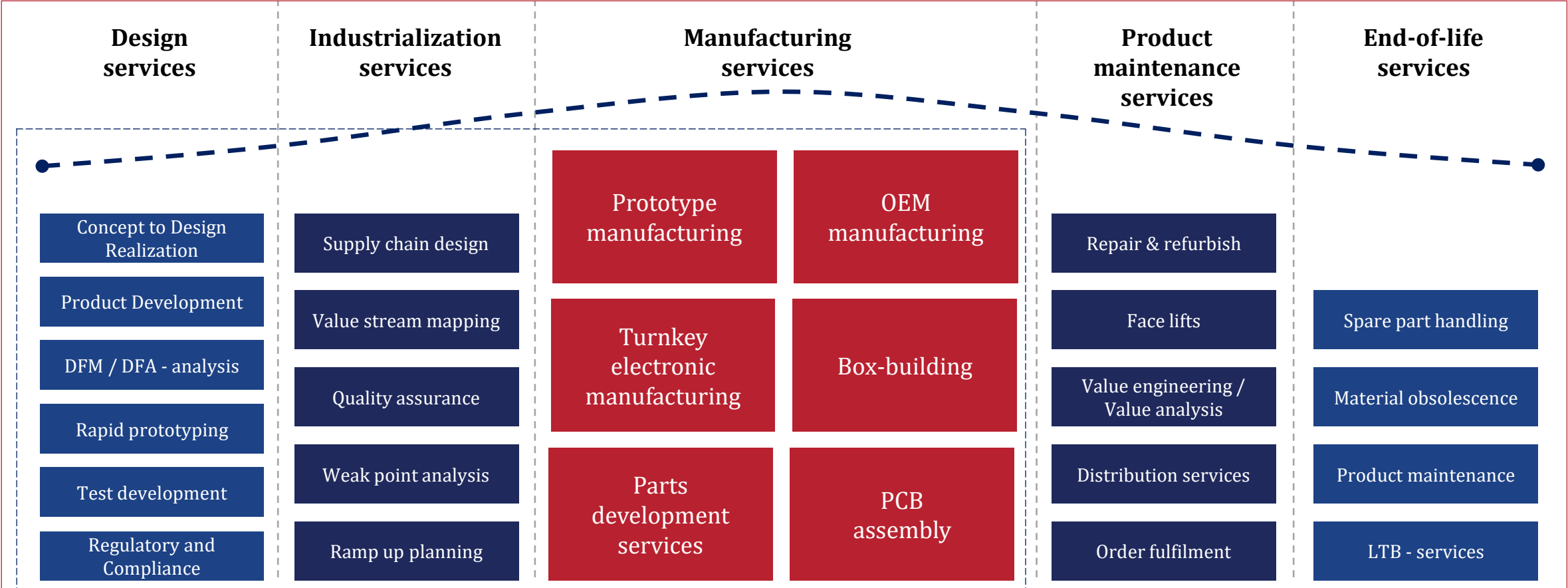
Design led manufacturer - ODM solutions in the fields of smart devices, IoT solutions, brushless drive technology and Gallium Nitride technology

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

Strong Financials – Revenue/EBITDA of **Rs11,261 mn/Rs 1,683 mn** in FY23 and Order Inflow per month of Rs2,741mn during Q2FY24

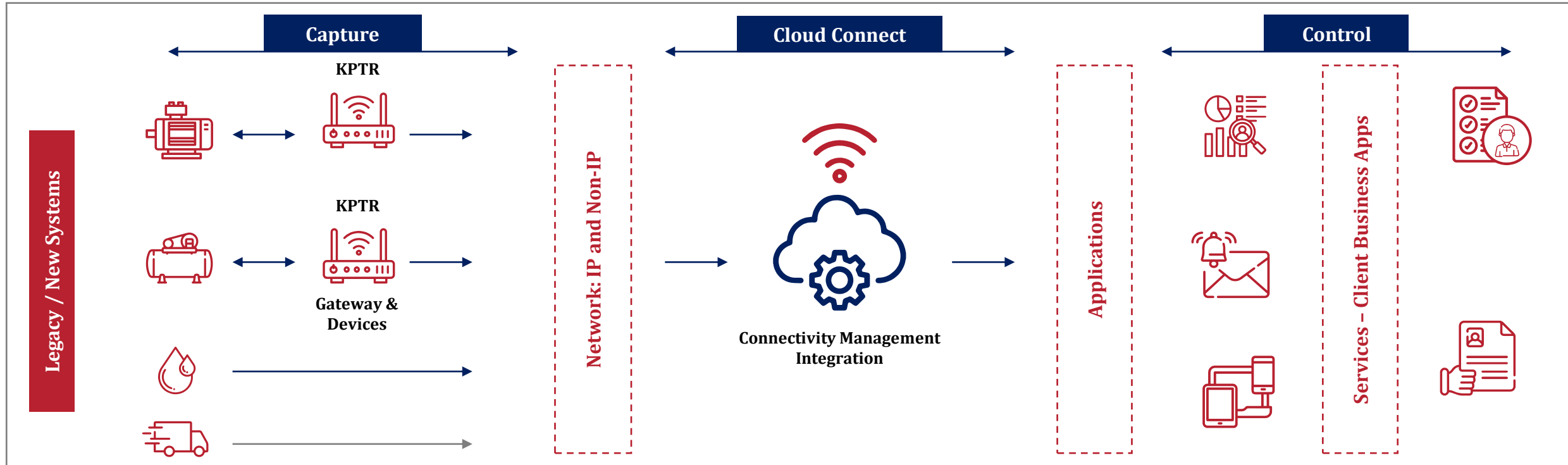


Service offering across entire customer value chain





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

Power Equipment Rental Solution



Automotive

Cluster PCBA



Head/Tail/Fog/DRL PCBA



Switches PCBA



BCU Master / Slave



Industrial & EV

Smart Energy Meter



Street light controller



BMS, BMU, VCU and TGU



Precision Bridge and Strain



Railways

AFTC & Interlocking



Westrace High Level Assy



SDTC cubicle



SDMI



Medical

Ventilator, Endoscopy cart & Data Logger



Glucose Meter



Controller - Dental Chair



Protein & chemical analyzers



Aerospace, Outerspace & Strategic electronics

Air Data Sensor



Mission Critical Products



Thermal Imaging Systems



Communication Electronics



IoT / IT and others

HPC Servers



PLC & IIOT gateway



Sensors



Industrial Reader, HMI & Tablet



Capacity for Manufacturing at Scale Augmented by Technical Capabilities



- 1 Parwanoo
- 2 Manesar
- 3 Navi Mumbai
- 4 Bengaluru Unit I
- 5 Bengaluru Unit II
- 6 Bengaluru Design Facility
- 7 Mysuru Unit I
- 8 Mysuru Unit II
- 9 Mysuru Packing facility
- 10 Chennai
- 11 Chamarajanagar
- 12 Kochi

- 13 SMT Lines + 7 new SMT Lines in FY24
- 70 THD Lines
- 26 Cable Harness Lines
- 15 plastic moulding machines
- 10K class clean room
- Most manufacturing at low cost locations
- Dedicated humidity controlled stores
- Fungible infrastructure
- 2 exclusive RoHS compliant lines for green manufacturing



Research and Development

Focused on development of new products and improvement existing products

Dedicated research facility at Mysore, Bangaluru & Ahmedabad with a 75 member R&D Team¹

Operations complying with global standards with 12 global accreditations –most for an ESDM company in India^{1,3}

Facilities approved by global certifications Agencies
E.g. Underwriters Laboratories, CSA2, TUV Rhineland



Certifications



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

Well Diversified Business Profile...

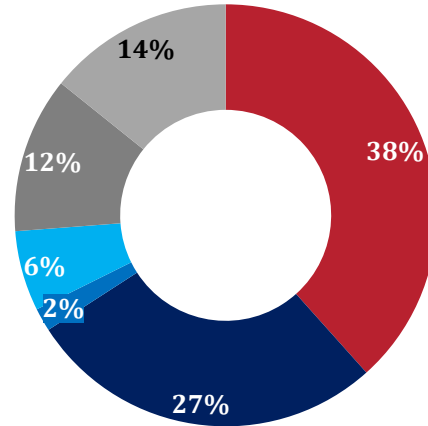


Revenue across verticals

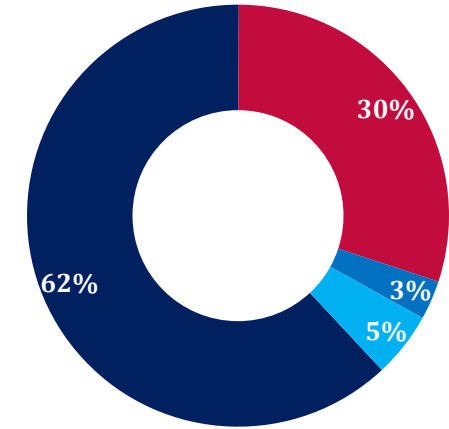
FY23

Revenue across segments

- Automotive
- Industrial incl EV
- Aerospace, Outer-space & Strategic electronics
- Medical
- Railways
- IoT / IT, Cons and Others

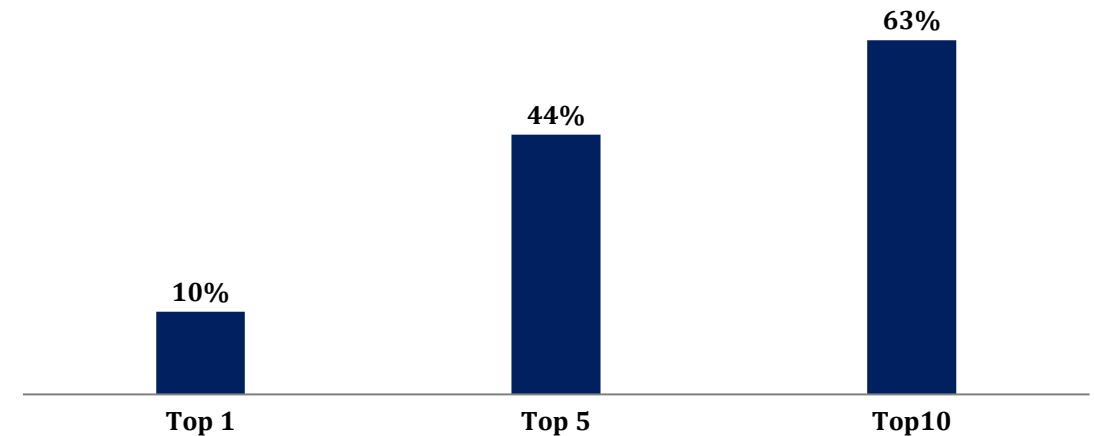
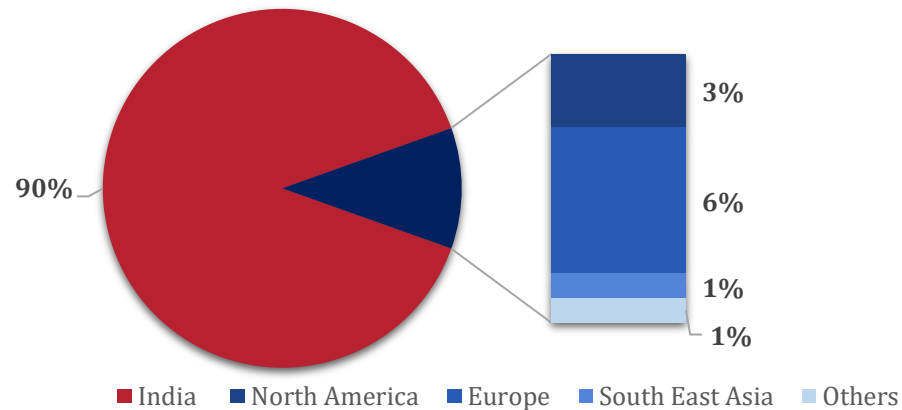


- OEM-Turnkey-PCBA
- OEM- Turnkey- Box Build
- ODM
- Prod. Eng. & IoT Solutions



Revenue across geographies¹

Low customer concentration¹



¹-as of H1FY24 and have billed 250+ clients

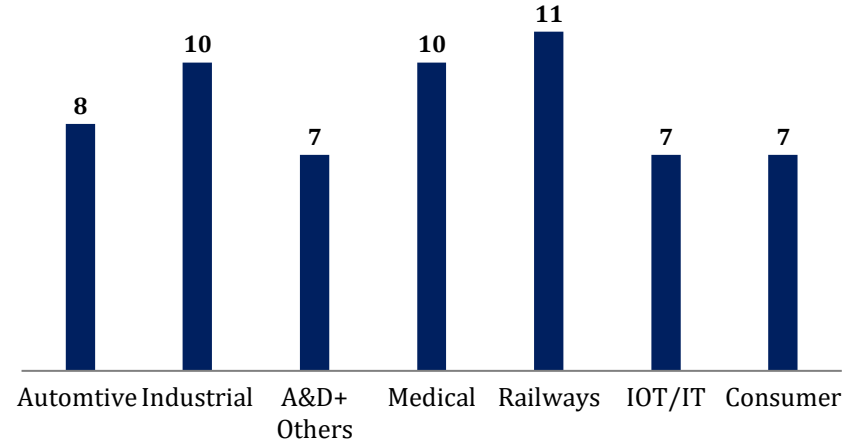
Marquee customer base



Industry	Key Customers
Industrial	Leading global mfg of electronic instruments and electromechanical devices
Railways	
Automotive	
Medical	
Aerospace+ Others ¹	
IoT / IT and others	

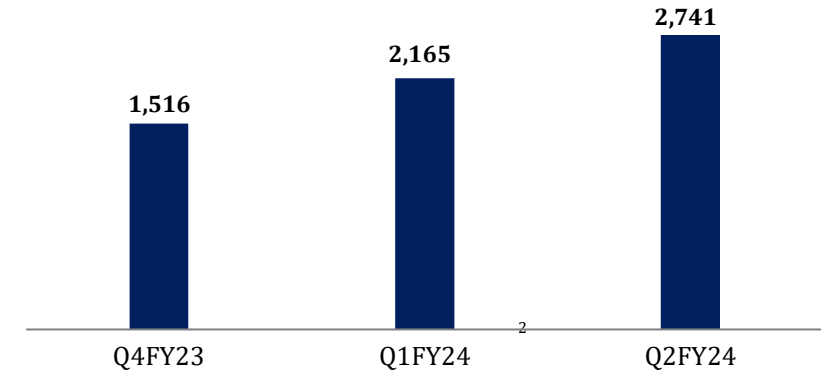
Long standing relationship with clients

Average business period relationship of top 10 customers in each vertical³



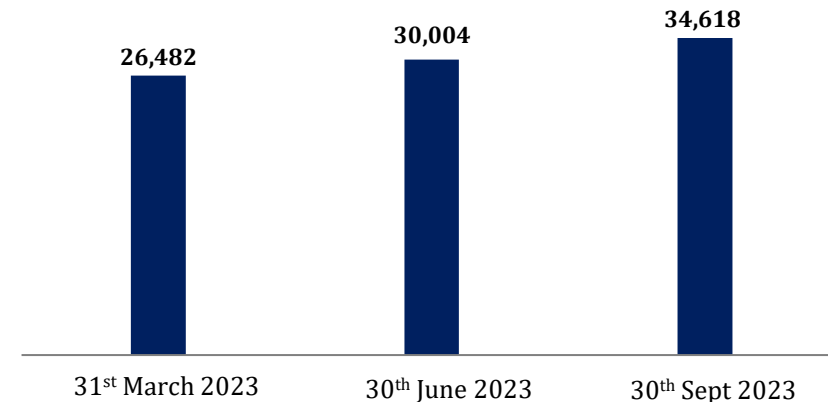
Average order inflow per month

INR Mn



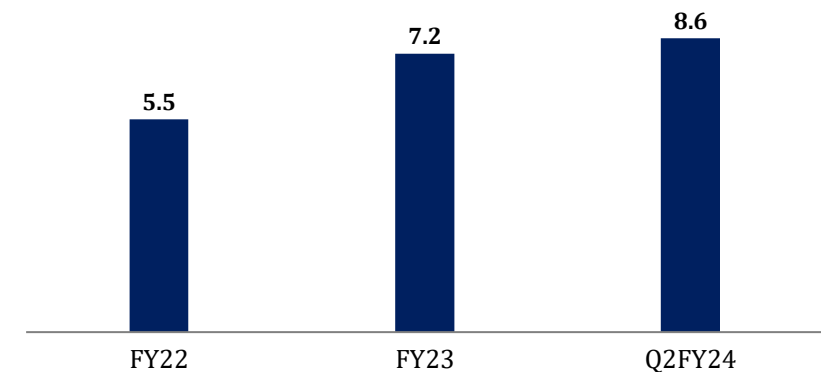
Strong order book

INR Mn



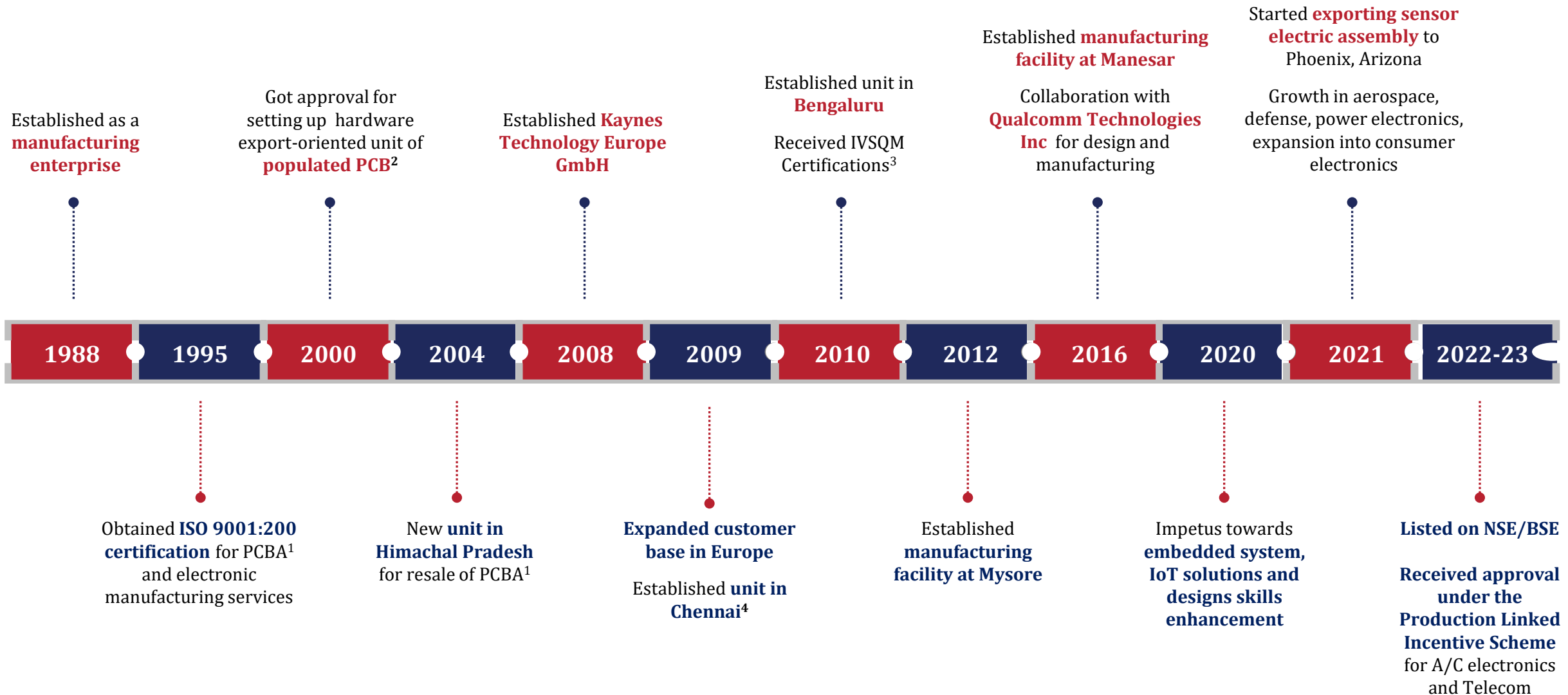
Increase in average order value

INR Mn



1 – Aerospace, Outer space and strategic electronics; 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;

The Kaynes Advantage - Key Strengths



End to end design and engineering capabilities enabled with IoT solutions

1

Internationally recognized and certified manufacturing facilities supported by a strong supply chain

2

Well diversified business profile across industry verticals :
Address the Low Volume, High Value segment

3

Longstanding relationships with top global & domestic customers

4

Strong R&D capabilities with a state-of-the-art manufacturing facilities to support client across the value chain

5

Successful track record of technology transfers among MNC & domestic client

6

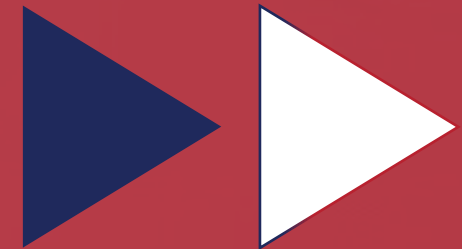
Well positioned to capitalize on strong industry tailwinds

7

Demonstrated ability to handle different projects with various levels of complexity

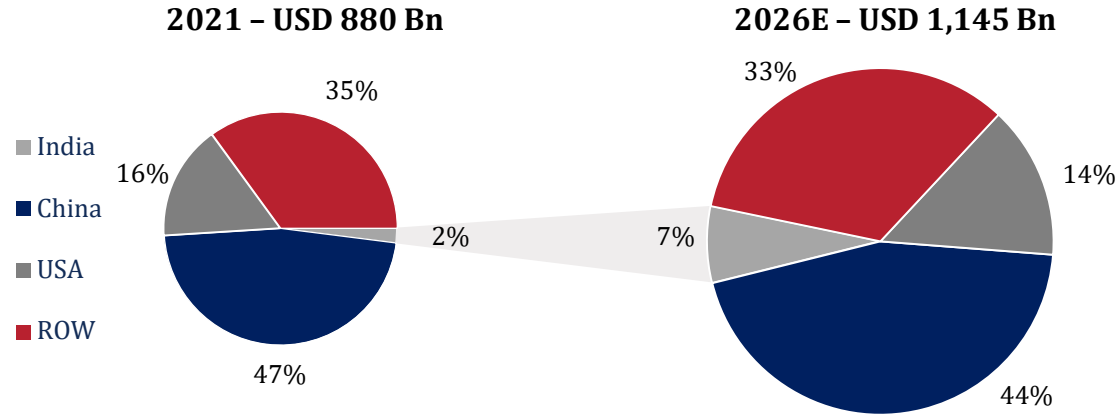
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Business Strategy

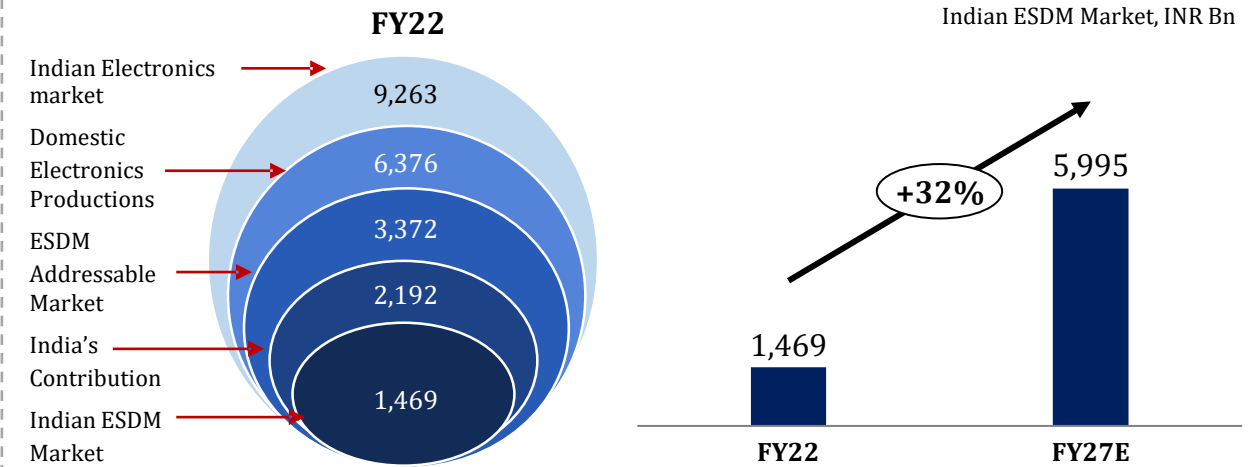


Well Positioned To Capitalize On Strong Industry Tailwinds...

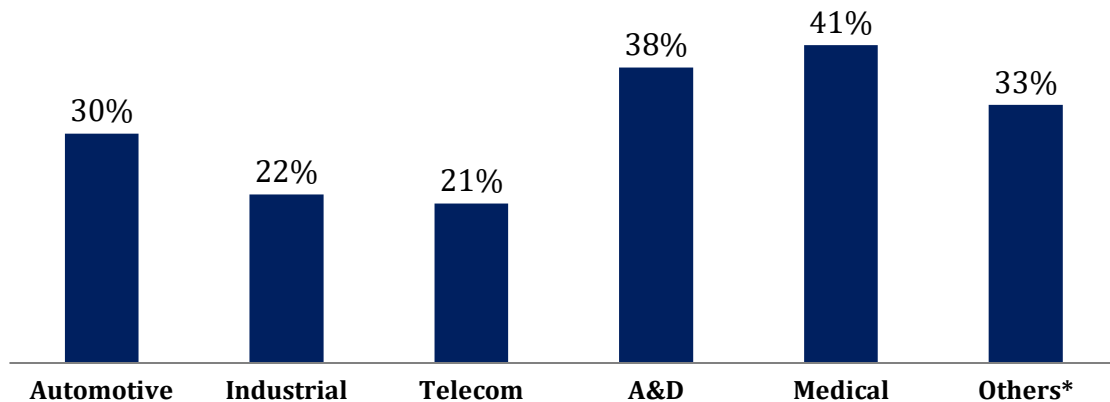
Global ESDM – A trillion dollar industry



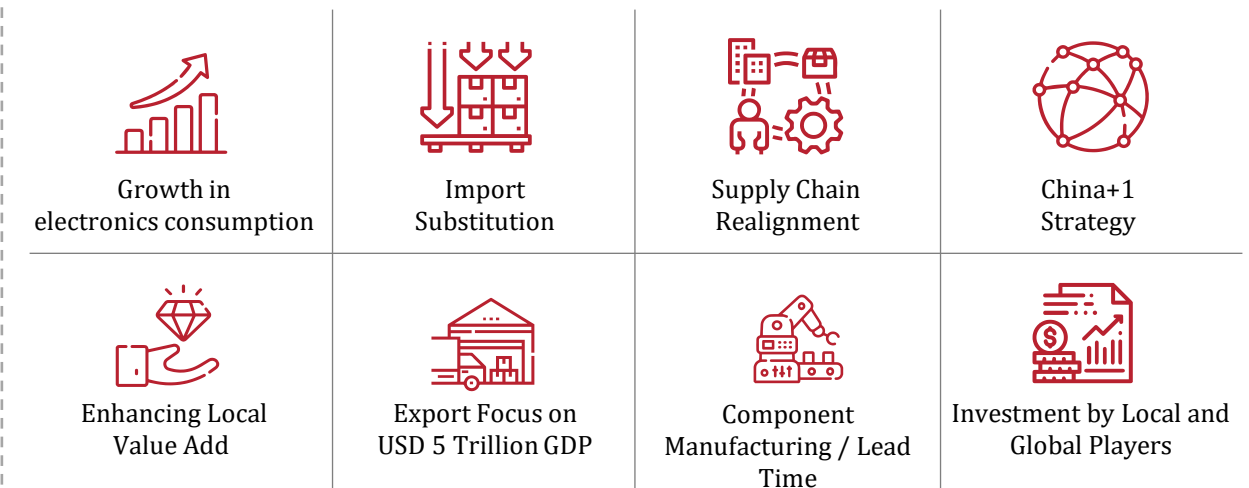
India all set to be a large ESDM Market



Vertical wise CAGR (FY22-FY27)



Advantage India –favorable growth drivers





Focus on full product / box build capabilities

Catering to OEMs with in-house test fixtures for reliability, faster turn-around, complex prototypes, zero defects, and upgrading facilities to expand consumer portfolio and provide full box build services to secure a larger revenue share



Continue to diversify product portfolio and expand across verticals

Leverage our in-house design and R&D team, continuously invest in infrastructure, and employ tailored strategies for each vertical to capitalize on industry opportunities



Continue expanding customer base to focus on large customers

Expand geographical footprint with additional sales and BD representatives, generate brand awareness through content-based marketing, grow exports through S&M teams in the US, Japan, and Europe, and enhance manufacturing facilities to better serve customers



Expand and set up manufacturing facilities

Establish a new manufacturing facility in Chamarajnagar, Karnataka, and expand our existing facilities in Mysore and Manesar

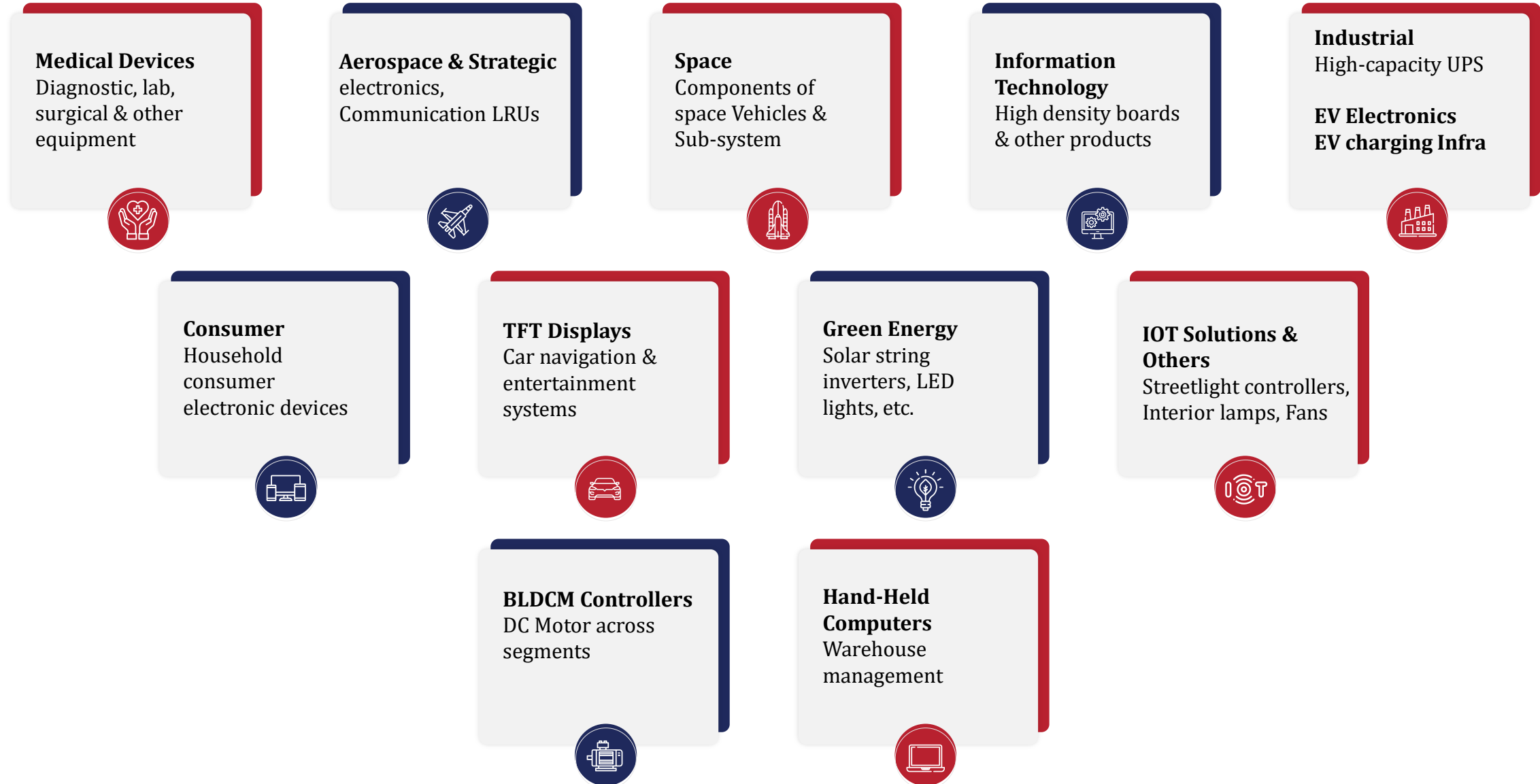


Improve operational efficiency through backward integration and pursue inorganic growth

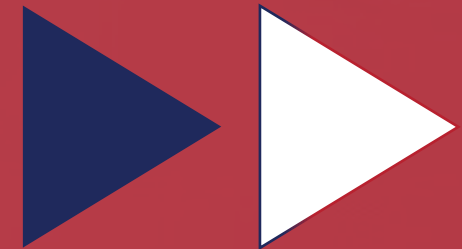
Enhance operational efficiency through backward integration through manufacturing in-house components like bare printed circuit boards and in design of integrated circuits, chip sets and system on chips to leverage complete backward integration for supporting component development.

We also intend to pursue inorganic growth through strategic acquisitions, investments, and alliances to expand capabilities and enter new geographies

Application Specific Product Roadmap



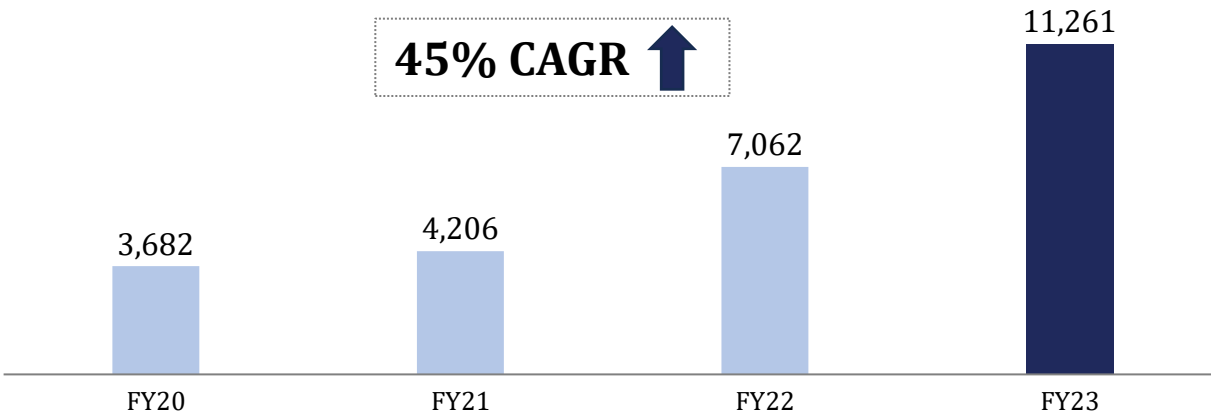
Financial Highlights



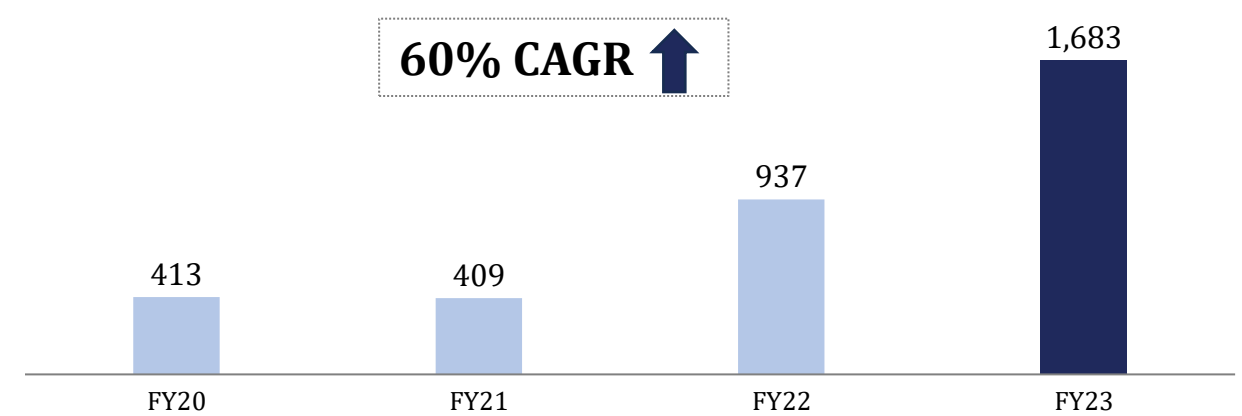
Proven record of consistent financial performance (1/4)



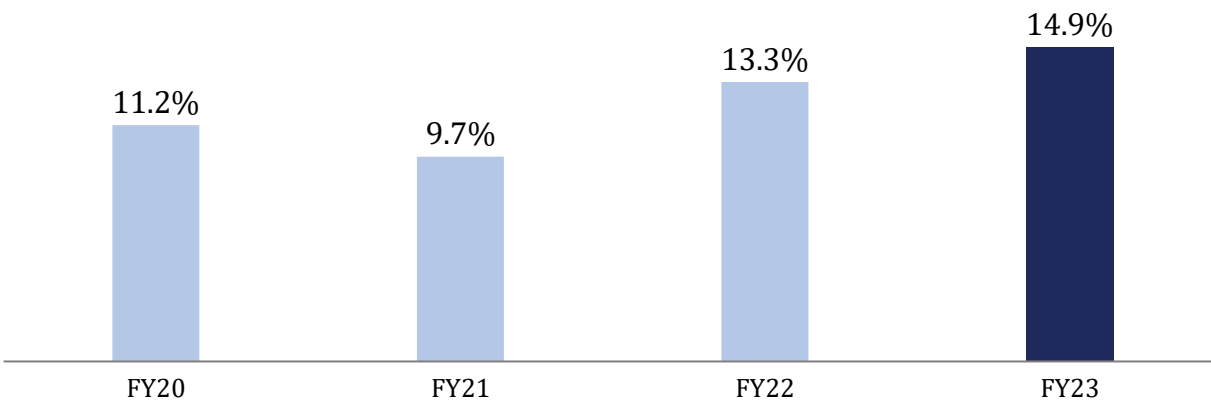
Revenue (₹ Mn)



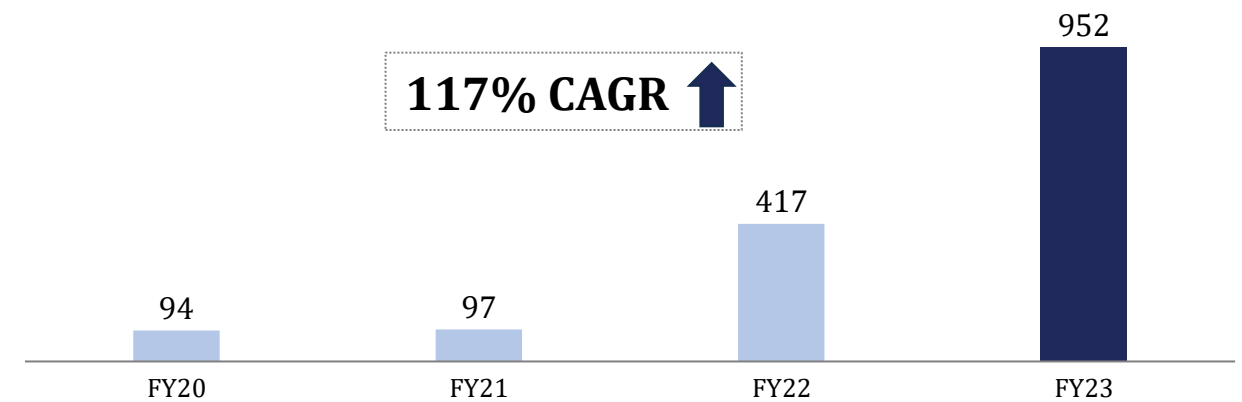
EBITDA (₹ Mn)



EBITDA Margins (%)



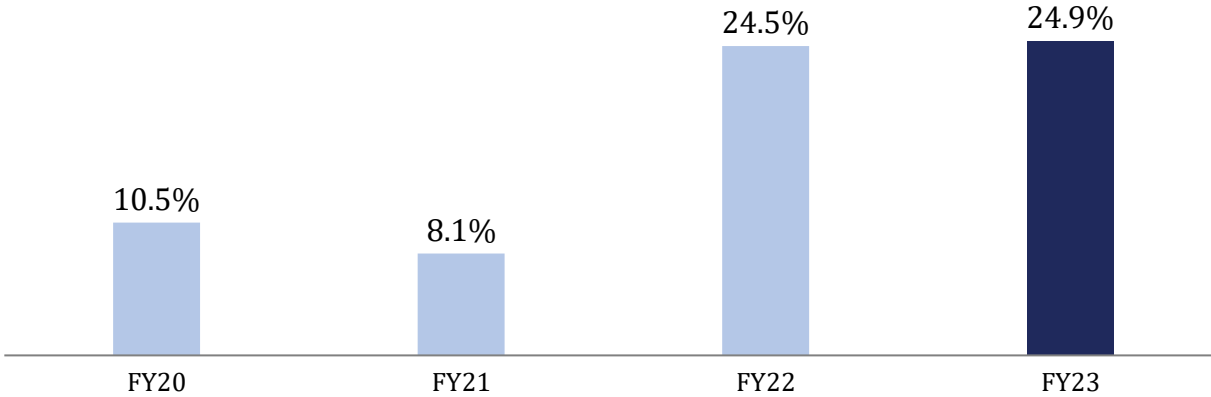
Profit After Tax (Restated) (₹ Mn)



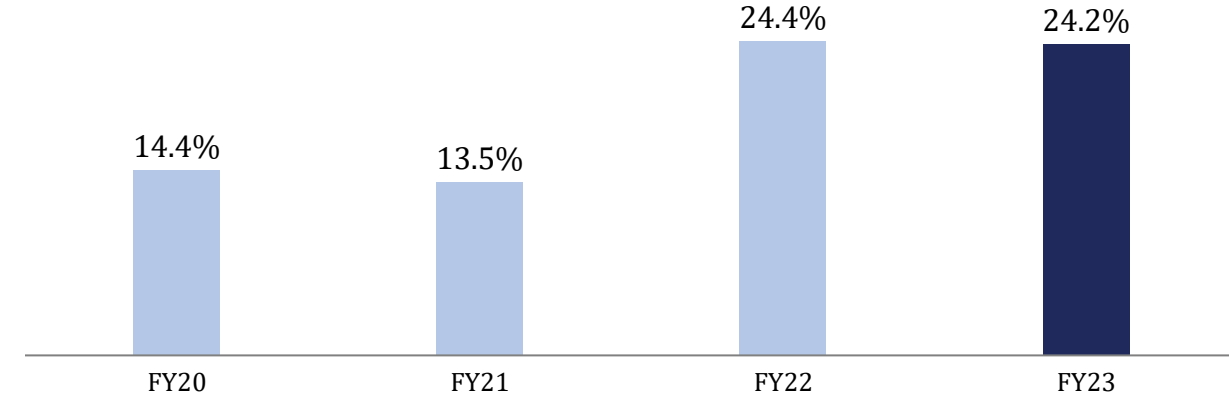
Proven record of consistent financial performance (2/4)



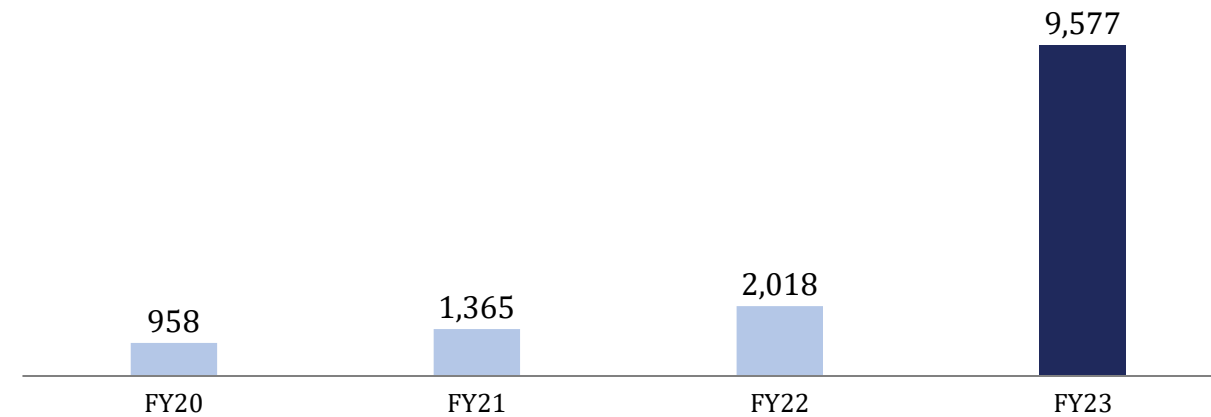
ROE (%)



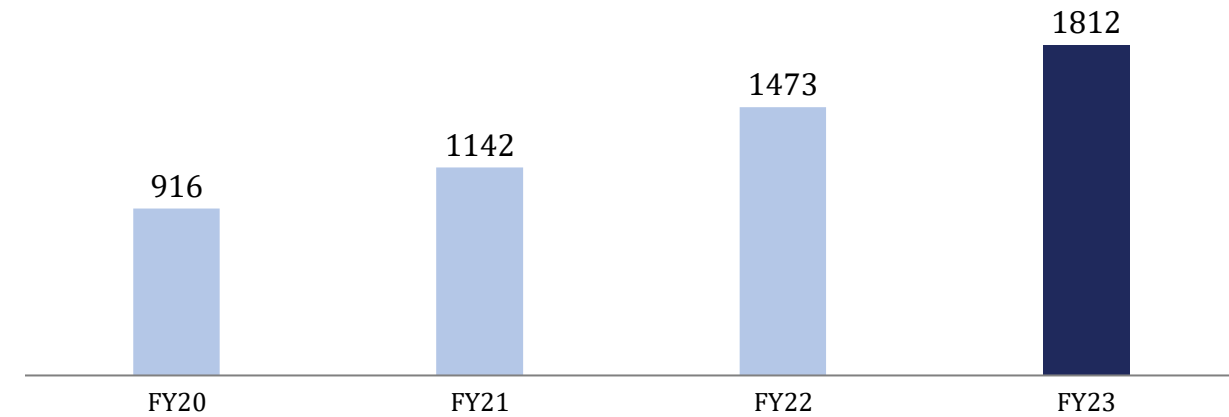
ROCE (%)



Net Worth (Rs Mn)



Gross Block (Rs Mn)

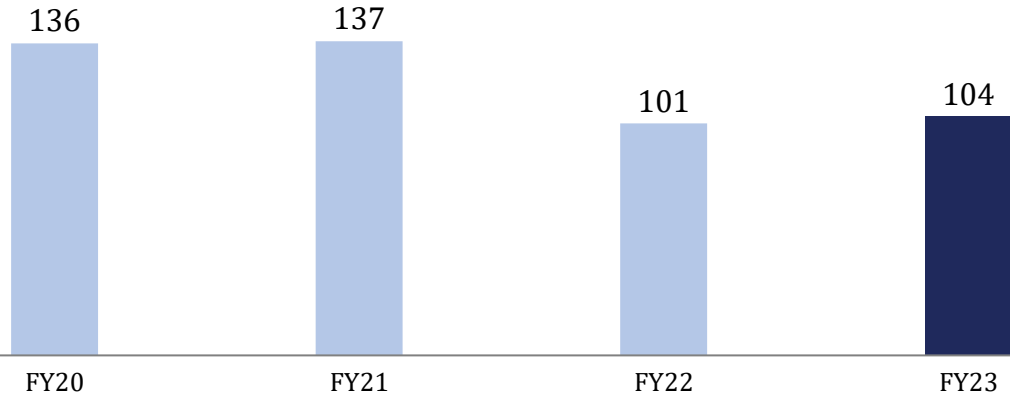


ROCE and ROE are adjusted for unutilized IPO proceeds

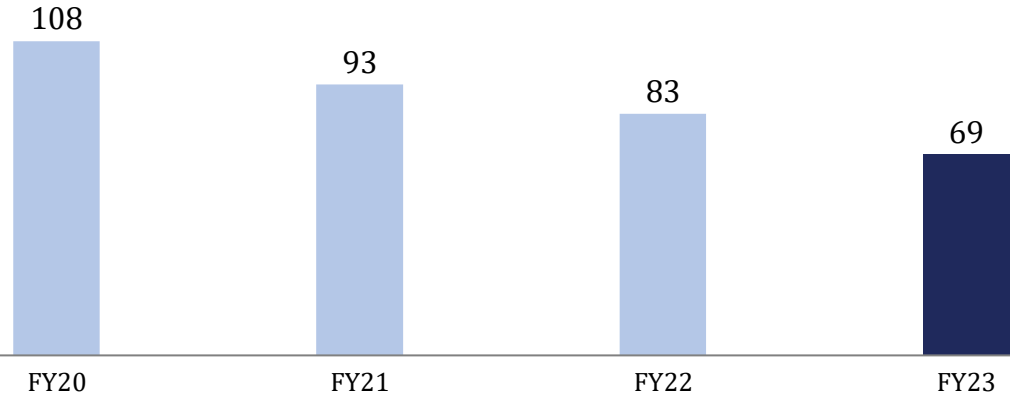
Proven record of consistent financial performance (3/4)



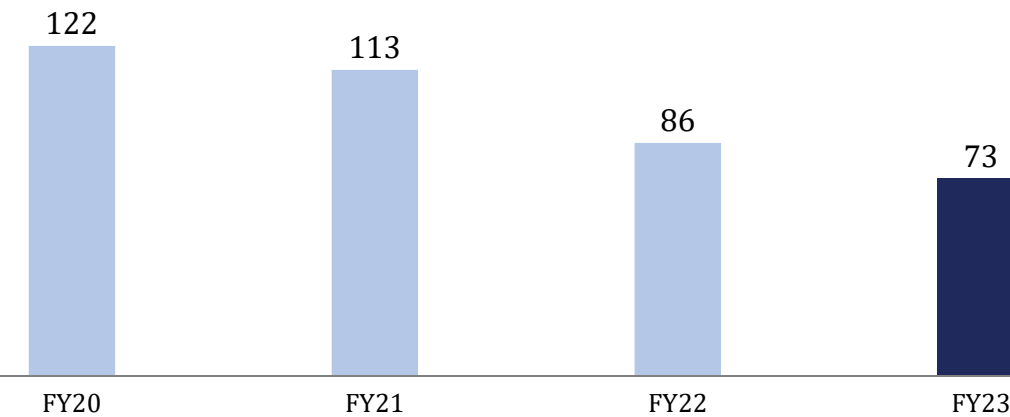
Inventory Days



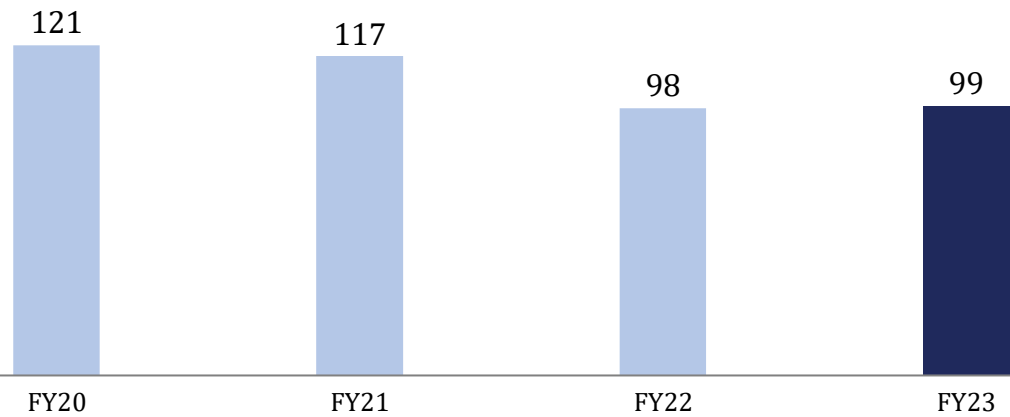
Receivable Days



Payable Days



Net Working Capital Days

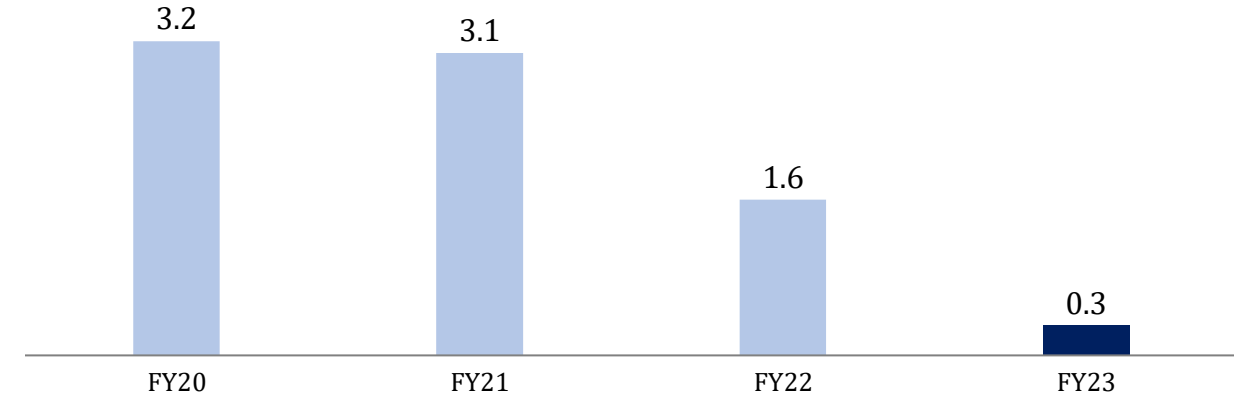
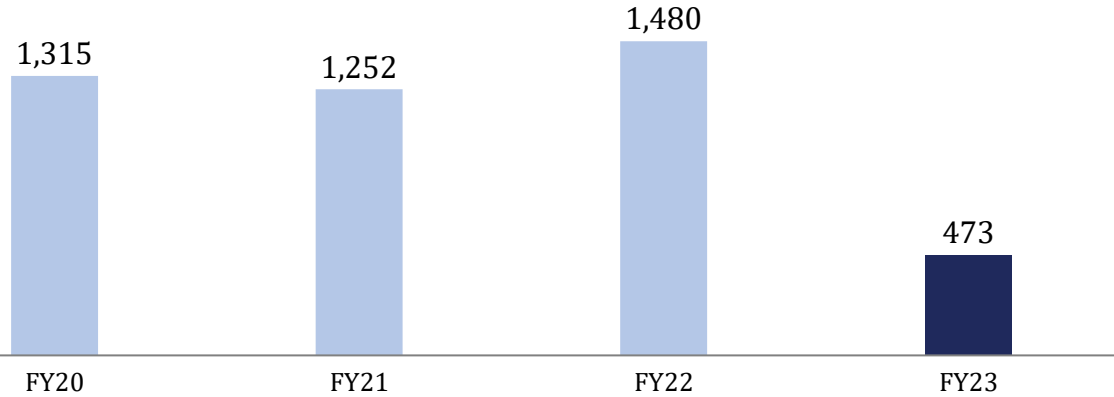


Proven record of consistent financial performance (4/4)



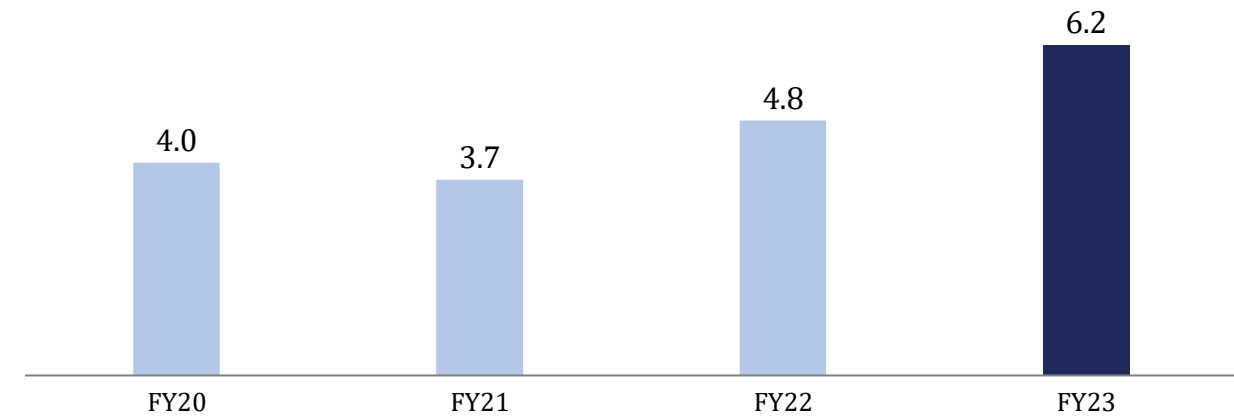
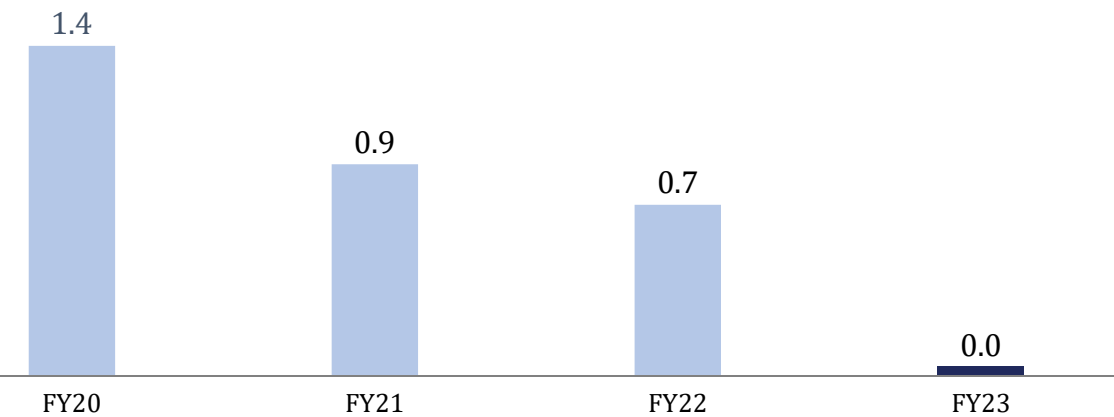
Net Debt (₹ Mn)

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 (₹ Mn)	FY20	FY21	FY22	FY23
Revenue from operations	3,682	4,206	7,062	11,261
Raw material cost	2,417	2,861	4,894	7,801
Employee expenses	424	459	602	771
Other expenses	428	477	629	1,006
EBITDA	413	409	937	1,683
EBITDA margin (%)	11.2	9.7	13.3	14.9
Depreciation and amortization expense	84	101	132	187
Other income	19	40	41	114
Finance cost	236	240	256	349
Profit before tax	113	109	590	1,260
Total tax expenses	19	11	174	308
Net profit after tax	94	97	417	952
Net profit margin (%)	2.5	2.3	5.9	8.5

Balance Sheet (Consolidated)



Particulars (₹ 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 (₹ Mn)	FY20	FY21	FY22	FY23
Cash flow from operating activities				
Profit before tax	113	109	590	1,260
Adjustment for non-operating items	314	333	386	452
Operating profit before working capital changes	427	442	976	1,713
(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	535
Cash generated from operations	471	305	233	87
Less: direct taxes paid	-19	-28	-22	-503
Net cash from operating activities	452	277	211	-416
Cash flow from investing activities	-99	-241	-445	-4,937
Cash flow from financing activities	-354	-13	272	5,543
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

Expansion Update



Manesar (Haryana)

120k built up space taken
Planned operationalization
under progress

Chamrajanagar (Karnataka)

Work going on at full swing
Phase wise
operationalization
starting Q2FY24

Pune (Maharashtra)

Due Diligence
To be operationalized by
H2'FY24

Upgradation existing facilities






Mysore Unit 1 & 2
Manesar
Banglore
Chennai



Chamrajanagar Facilities pictures

Utilization of IPO fund



	Amount to be Utilized as per Prospectus (₹ Mn)	Utilization up to 30 th Sept 2023 (₹ Mn)	Utilization up to 30 Sept 2023 (%)
 Repayment/ prepayment of Borrowings	1,300	1,300	100%
 Expansion of existing manufacturing capacity	989	102	10%
 Setting up a new facility at Chamarajanagar, Karnataka	1,493	318	21%
 Working capital requirements	1,147	1,147	100%
 General Corporate Purpose	1,327	216	16%

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



Sajan Anandaraman

Head of commercial and corporate affairs

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

Awards and Recognition



Thank You

COMPANY

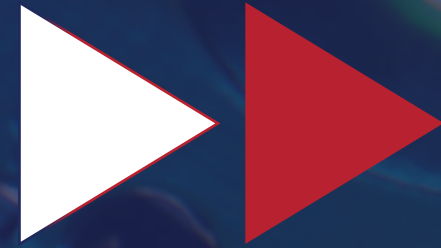


Kaynes Technology India Limited

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

Neeraj Vinayak
Head Investor Relations
Email: neeraj.vinayak@kaynestechnology.net

CIN: L29128KA2008PLC045825
Website: www.kaynestechnology.co.in



INVESTOR RELATION ADVISORS

Orient Capital
(A division of Link Intime India Pvt Ltd)

Payal Dave
Phone Nos.: +91 98199 16314
Email: payal.dave@linkintime.co.in