

Earnings Presentation

Q4'FY24 and FY24

CMS: India's leading business services platform for BFSI and Retail

Logistics Solutions

- ATM Cash Management
- Retail Cash Management
- Cash-in-Transit

Managed Services and Tech Solutions

- Managed Services
- Software and AIoT
- Banking Automation
- ATM-as-a-Service
- Payment Cards

CMS Platform

 Technology  Network  People  Risk Management

FY24 Financial Summary



₹ 2,265 Cr

Revenue

(18% growth YoY)

28.3%

EBITDA margin

(16% EBITDA growth YoY)

16.5%

PAT margin

(23% PAT growth YoY)

69%

OCF/EBITDA conversion

(~68% avg. 3 yrs)

₹ 780 Cr+

Cash & Cash Equivalents

(Debt Free, AA+ rated)

25%

Dividend payout FY24²

(Recommended, as % of PAT)

1: EBITDA, PAT and RoCE adjusted for ESOP/Share based payment; 2: Based on recommended dividend for FY24, subject to shareholder approval

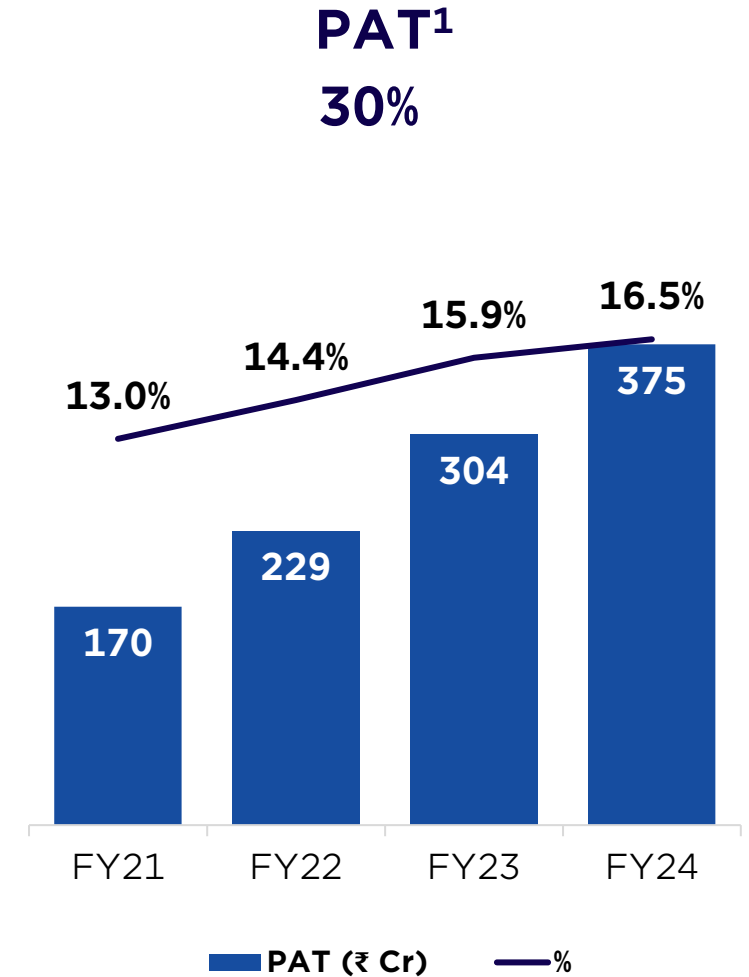
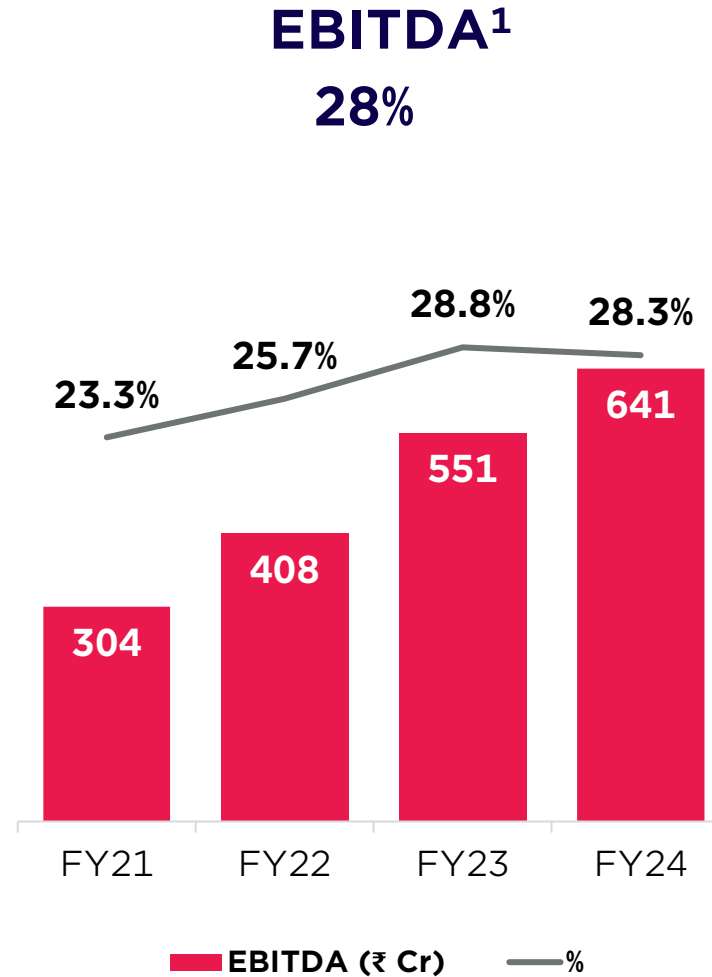
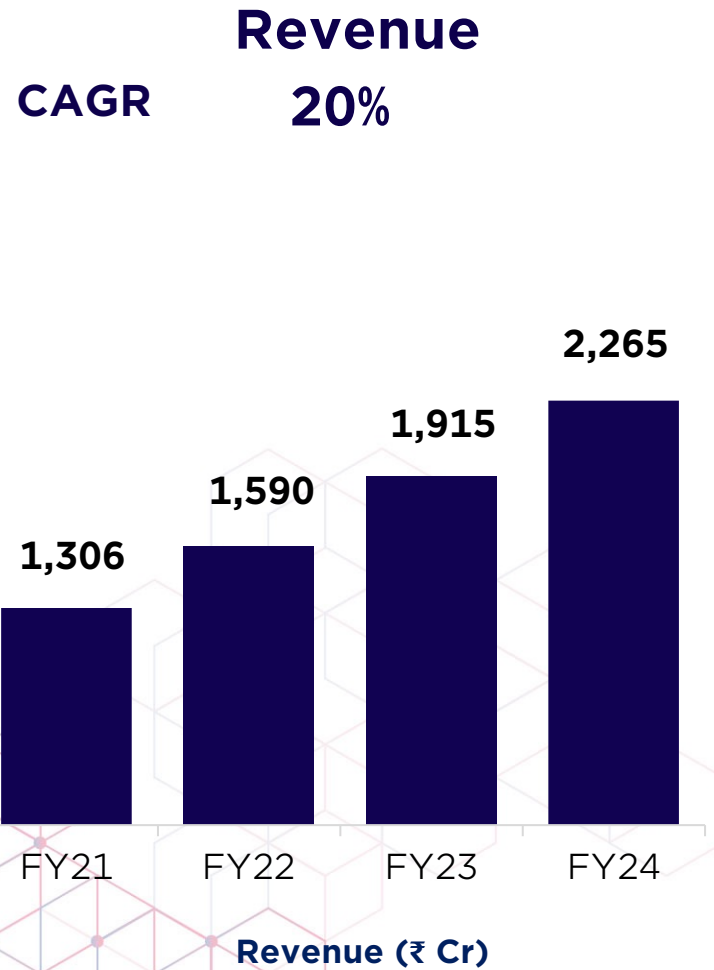
FY24 Highlights



- 1 5th consecutive year of 20%+ PAT growth**
16.5% PAT margin (+ 60 bps YoY); 27.4% ROCE (post tax)
- 2 100% public owned company**
One of 12 unique non-BFSI listed companies in India above ₹ 5k Cr market cap¹
- 3 ₹ 1,850 Cr new order wins**
Highest-ever; 95% growth YoY
- 4 39% revenue contribution from MS & Tech Solutions**
- 5 Investing for future growth**
Incubating two new businesses; Strengthened leadership talent

RoCE and PAT adjusted for ESOP/Share based payment; Based on March'24 publicly available data

Track record of delivering high revenue and earnings growth..

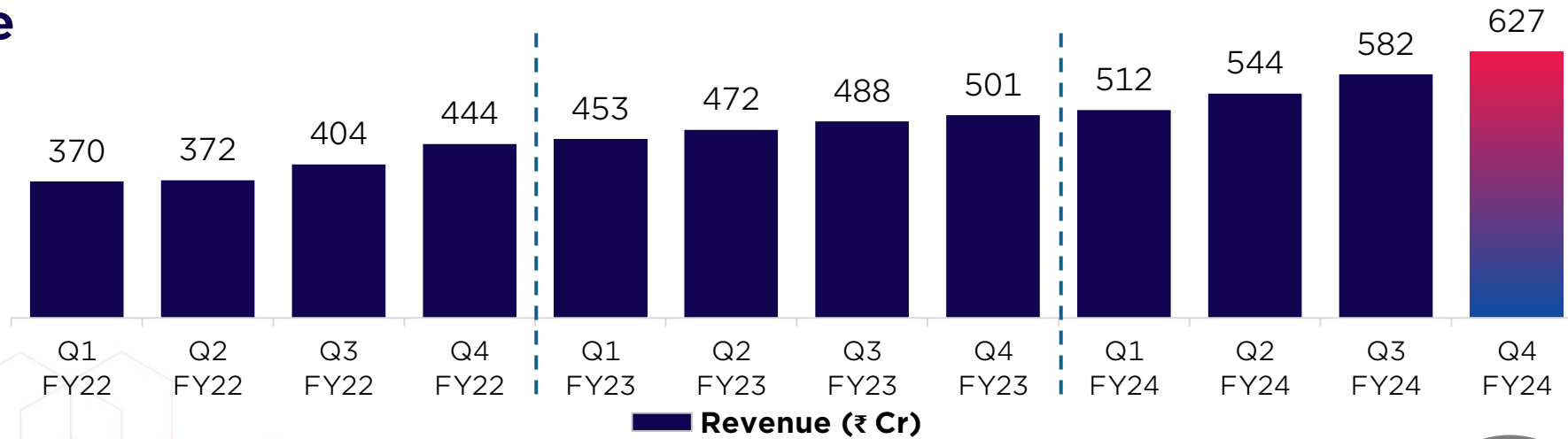


1: EBITDA and PAT adjusted for ESOP/Share based payment

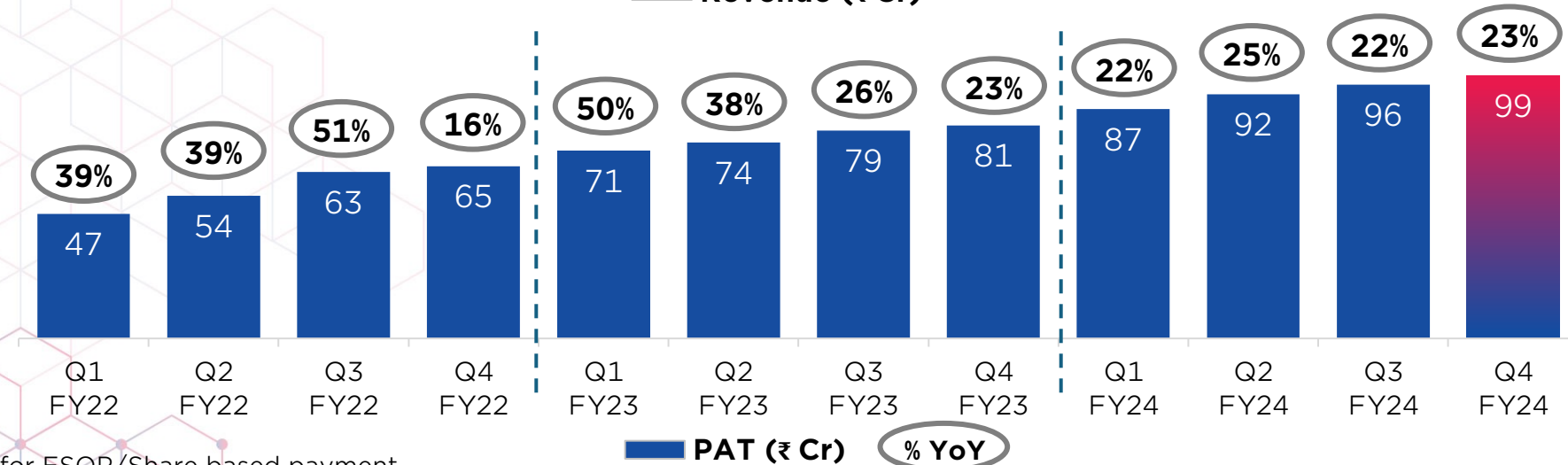
..due to strong annuity and recurring share of business



Revenue



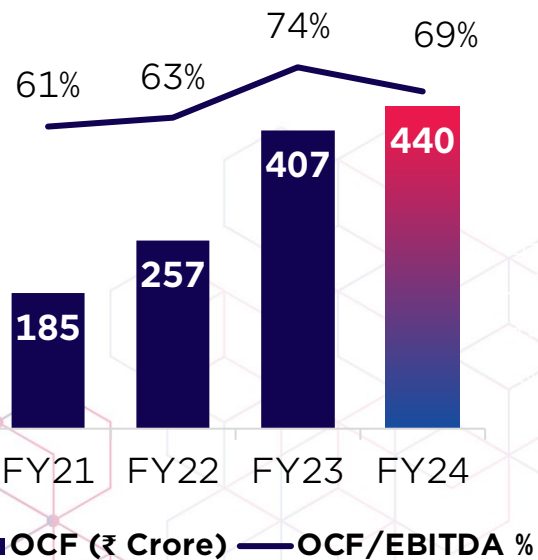
PAT¹



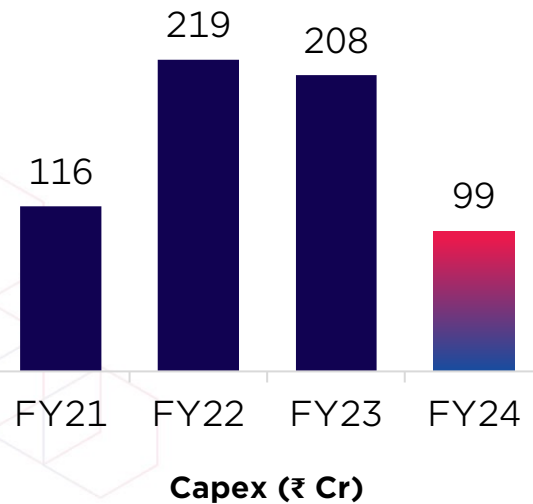
1: PAT adjusted for ESOP/Share based payment

High cash flow generation with strong capital allocation discipline

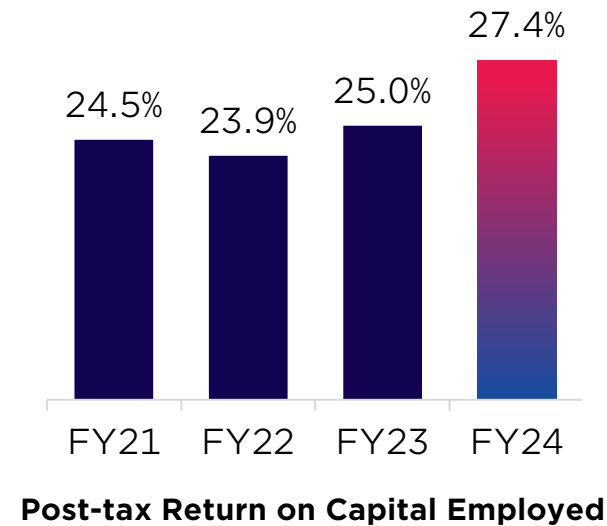
Strong cash flow generation...



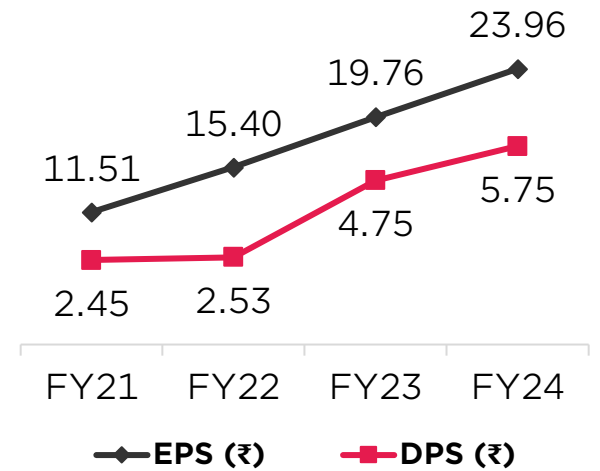
...reinvesting for growth...



...delivering high RoCEs...



...increasing dividends



EBITDA, PAT and EPS adjusted for ESOP/Share based payment; FY24 DPS based on recommended dividend for FY24, subject to shareholder approval



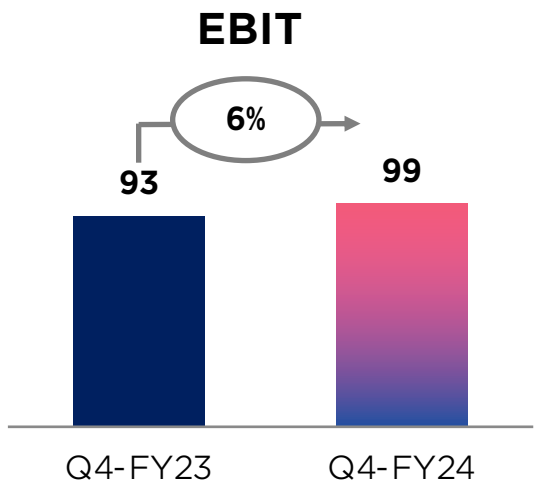
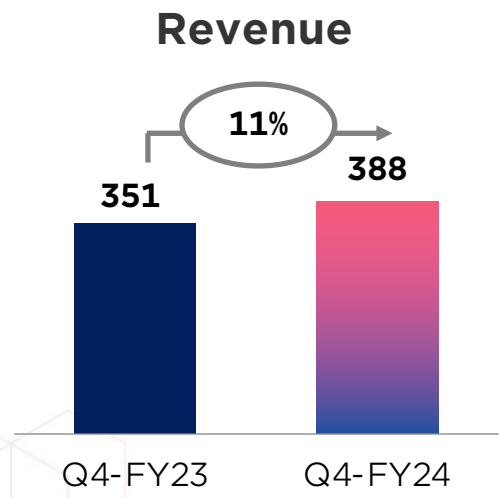
Business Highlights

FY24 Cash Logistics: 11% revenue and 15% EBIT margin growth

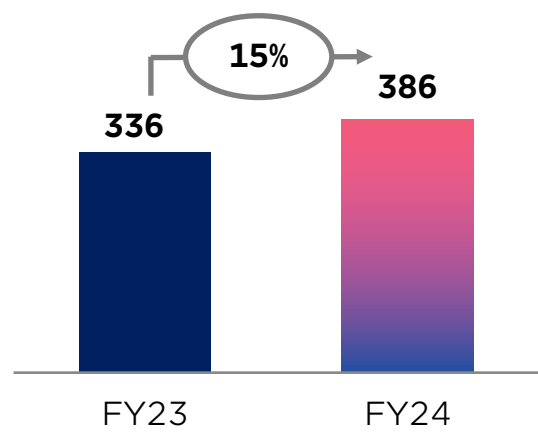
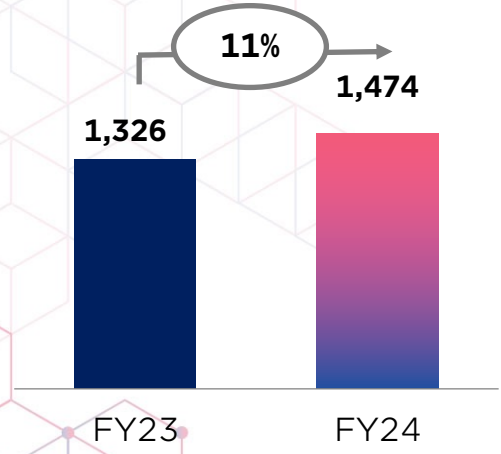


INR Crore

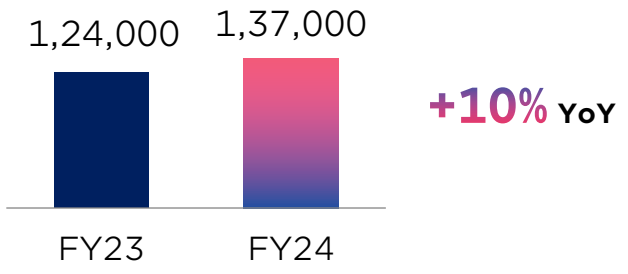
Q4-FY24



FY24



of business points



- FY21 to FY23 growth driven by ATM growth, market share & compliance
- FY24 focus:
 - Regain CIT volume
 - Improving ATM Pricing and Yield
 - Expanding Retail market and increasing share

Fast-growing & underpenetrated organised retail opportunity



Organised Retail	FS and Insurance
77k	75k
Healthcare Services	Govt. and Utilities
45k	40k
e-com Logistics	Food & Hospitality
30k	20k
Fuel Stations	Automotive Sector
90k	40k
Other Sectors	
150k	

- **550k+** out of 3 mn retail touchpoints organized
- Growing at **8-10%** (FY21-FY24)
- **<1/3rd outsourced** for Cash Logistics



Retail 360 Solution



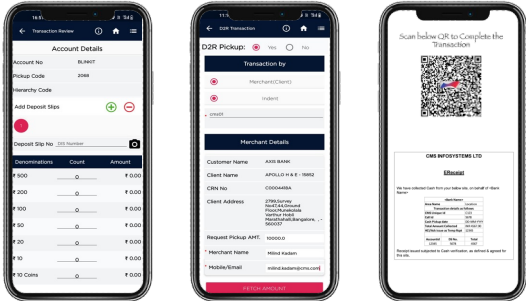
Payment Automation

- Secure Automation
- Data & Analytics
- Payment Reconciliation Management



In-Store Solutions

- Cash Logistics
- AIoT Remote Monitoring



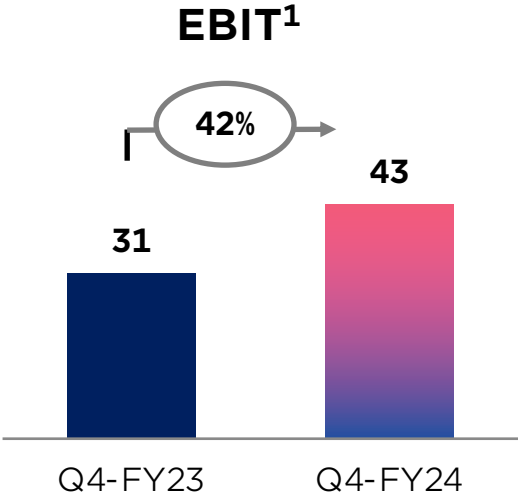
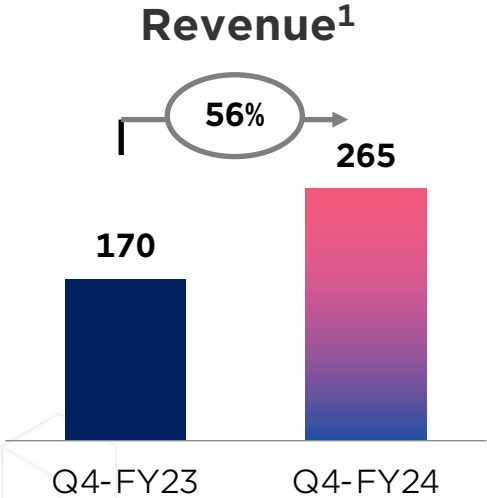
Data as of FY24, Frost and Sullivan, Industry and CMS estimates

FY24 Managed Services and Tech Solutions: 35% revenue and 27% EBIT margin growth

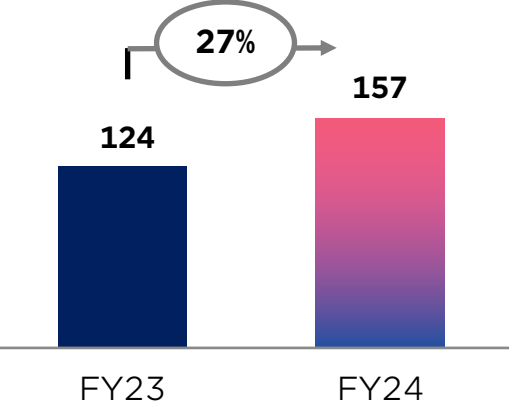
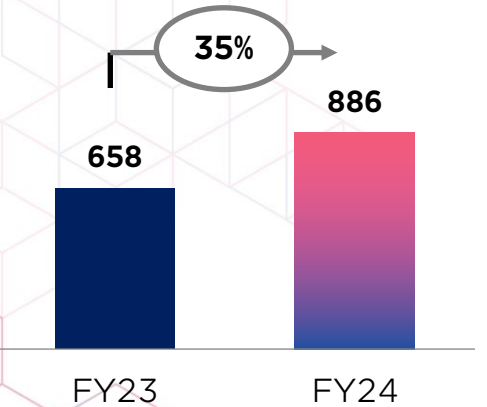


INR Crore

Q4-FY24



FY24



- ₹ 600 Cr new wins in the quarter
- 25,000+ AIoT sites. Developing **end-to-end platform**
- ₹ 746 Cr recurring services revenue, **3x in 3 years**

1: Also comprises Card Services as per segment reporting

Integrated solutions approach resulting in highest new order wins



Industry trends

- Banking ATM refresh and branch expansion cycle (FY23 - FY25)
- Several orders placed after extensive delays in RFP processes; Roll-outs have started
- **50k ATMs:** 40k refresh + 10k new additions
- **50:50 ratio** Bank owned vs. fully outsourced



CMS Strategy & Outcome

- Our integrated capabilities and strong operations led to robust **CMS order wins (INR Cr)**
-
- | Fiscal Year | Order Wins (INR Cr) |
|-------------|---------------------|
| FY21* | 1,100 |
| FY22* | 1,100 |
| FY23 | 950 |
| FY24 | 1,850 |
- Remain selective on bidding for transaction-linked BLA contracts

*Average for FY21 and FY22; cumulative order wins of INR 2,200 Cr

CMS platform approach leading to deeper and wider penetration

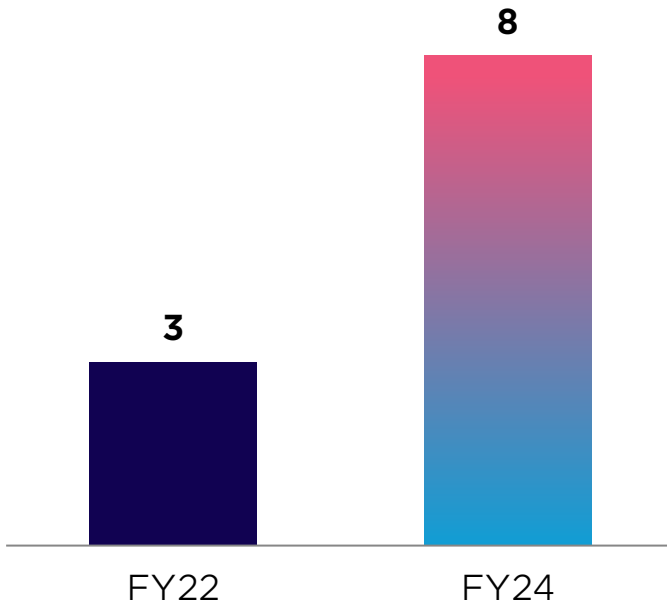


Deepening enterprise engagement

Bank		Cash Logistics	Managed Services & Tech Solutions				
			Banking Automation	ATM-as-a-Service	ALGO Software	ALGO AIoT	Payment Cards
Top-5 PSU Banks	#1	✓	✓	✓	✓	✓	
	#2	✓	✓	✓	✓	✓	✓
	#3	✓	✓				
	#4	✓	✓		✓		
	#5	✓	✓			✓	
Top-3 Pvt. Banks	#1	✓		✓		✓	✓
	#2	✓	✓	✓		✓	✓
	#3	✓				✓	✓

Gaining wallet share

Number of Large BFSI Accounts (₹ 100 Cr+ Annual Revenue)



FY25 Outlook

Mid-term growth drivers: Formalization, Consumption, Increased Outsourcing and new solutions



Cash Logistics

- 100,000 ATMs yet to be outsourced for Cash Mgmt.
- Growth in organised retail
- Currency chest outsourcing

Managed Services

- Branch expansion: 20,000+ new ATMs
- Total outsourcing deals: ~100,000 ATMs will shift from bank capex to BLA

AIoT Remote Monitoring

- >60% of ATMs & bank branches not on AIoT solutions
- Expansion into NBFC, Insurance, Public sector
- Legacy base upgrade cycle

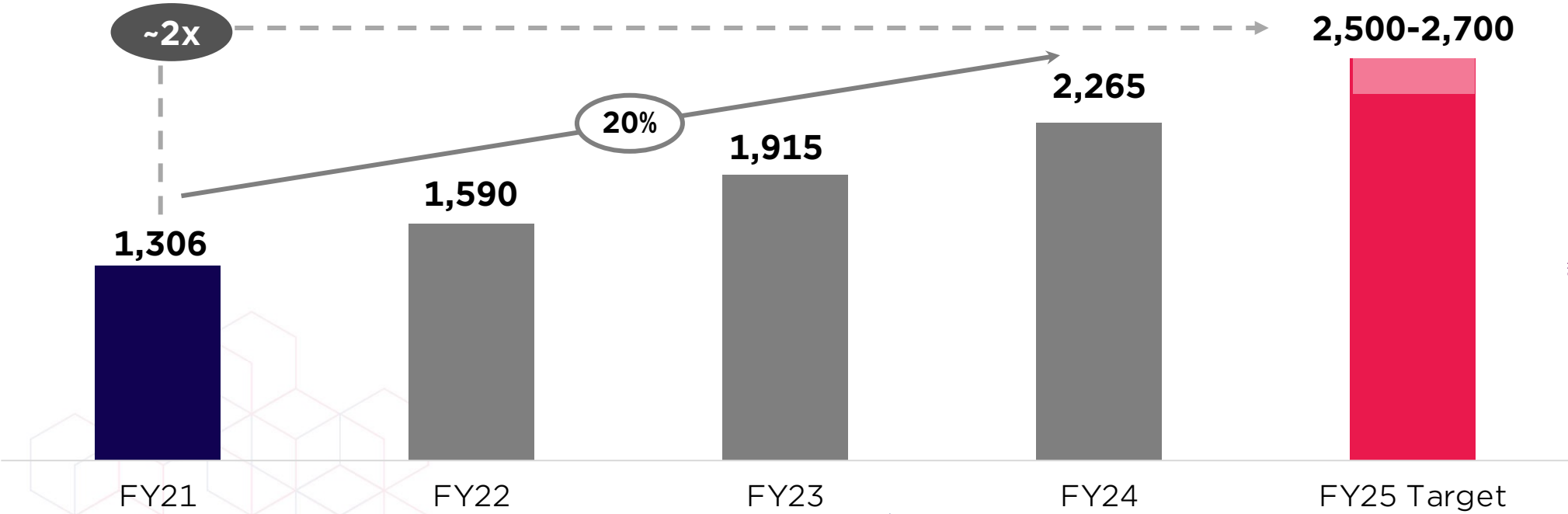
M&A and Partnerships

- Strong track-record of value-creating programmatic M&A
- M&A focus: Debt Collection Solutions, Fintech, Specialized Logistics & Software

FY25 revenue outlook to be in the upper-end of the 2x target range



Revenue (₹ Cr)



FY27 TAM of ₹ 22,000+ Cr¹

FY21-FY24

FY24-FY27

High growth drivers

- ATM Cash Logistics
- Compliance roll-out
- ATM-as-a-Service
- AIoT Remote Monitoring entry

- Retail Solutions
- AIoT scale-up
- Integrated MS Solutions
- New Business lines

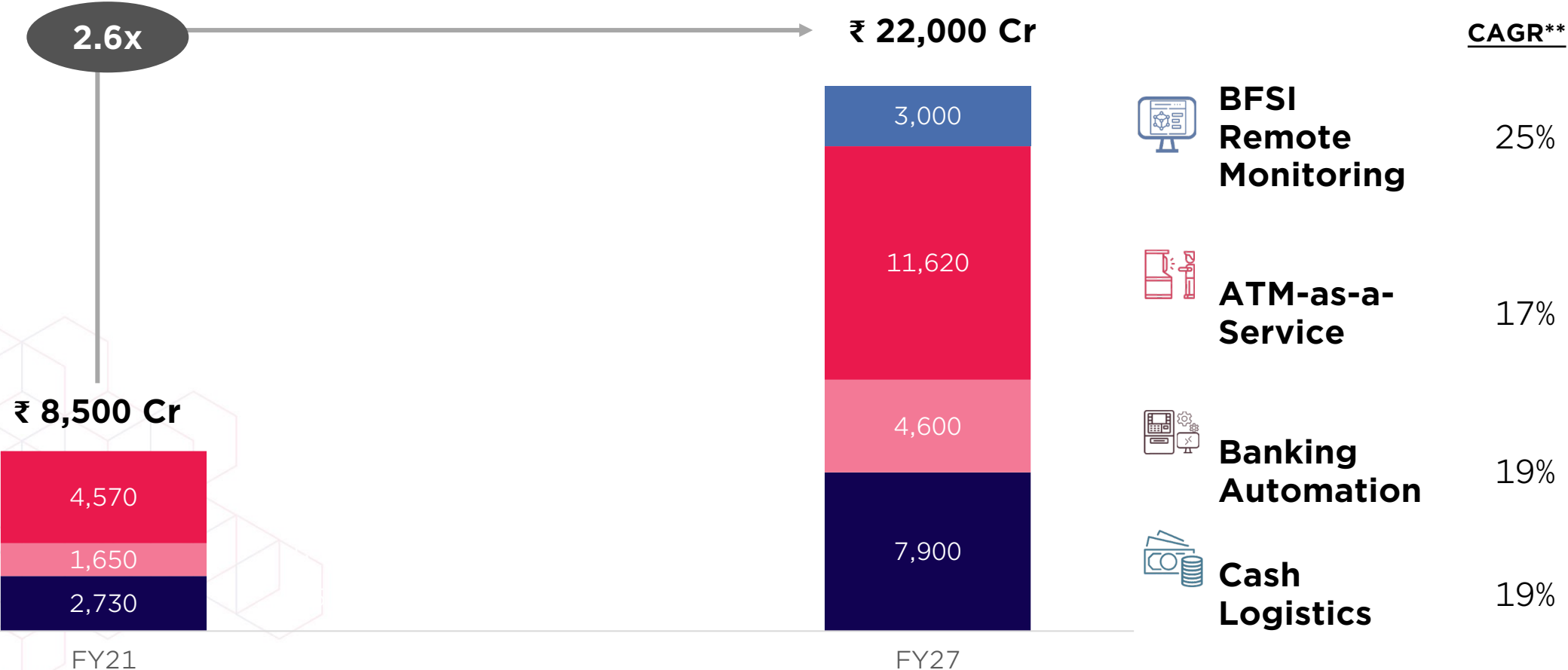
1: Refer Annexure page for details

Q&A

Annexures

Market growth: Higher outsourcing creates a large TAM opportunity

INR Crore

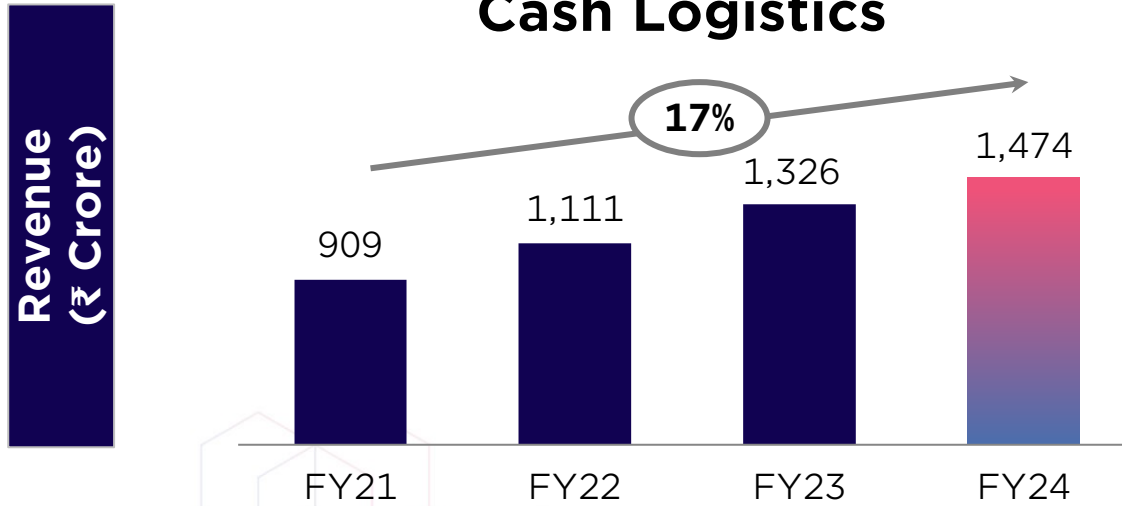


Total TAM is lower than gross sum because of some overlap between Cash Management and BLA

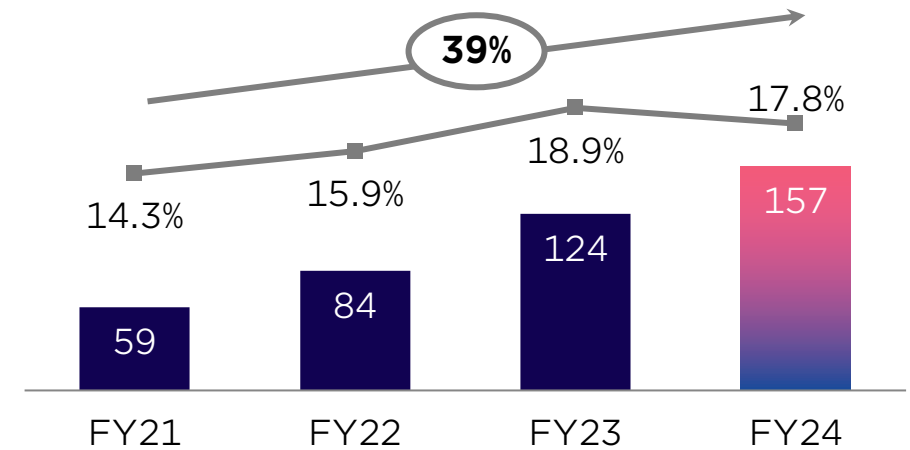
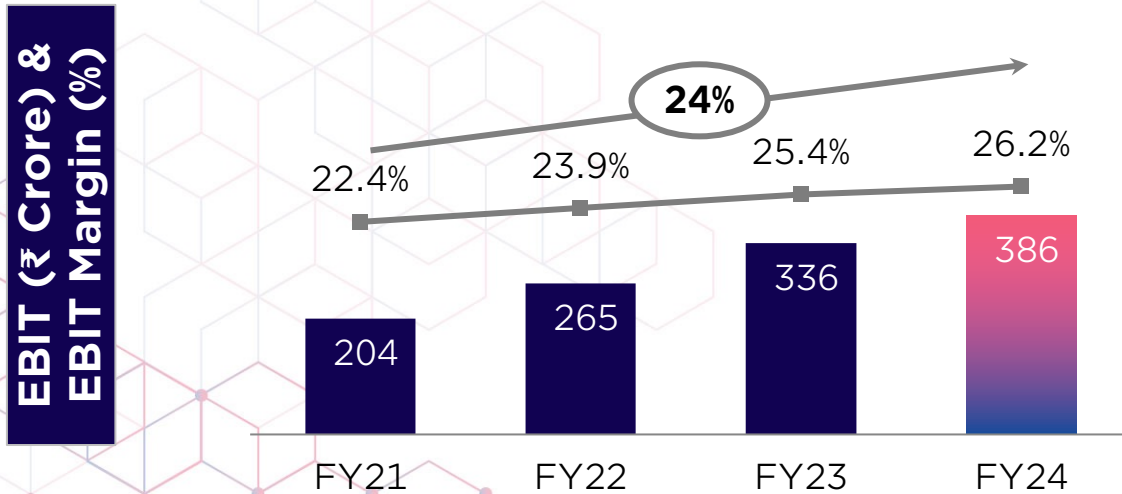
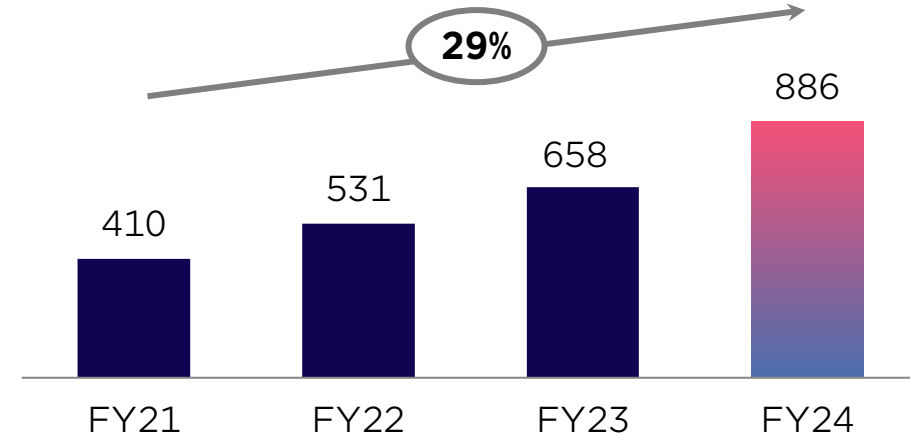
**CAGR between FY21 and FY27

3-year track-record: Delivered strong growth and margin expansion across businesses

Cash Logistics

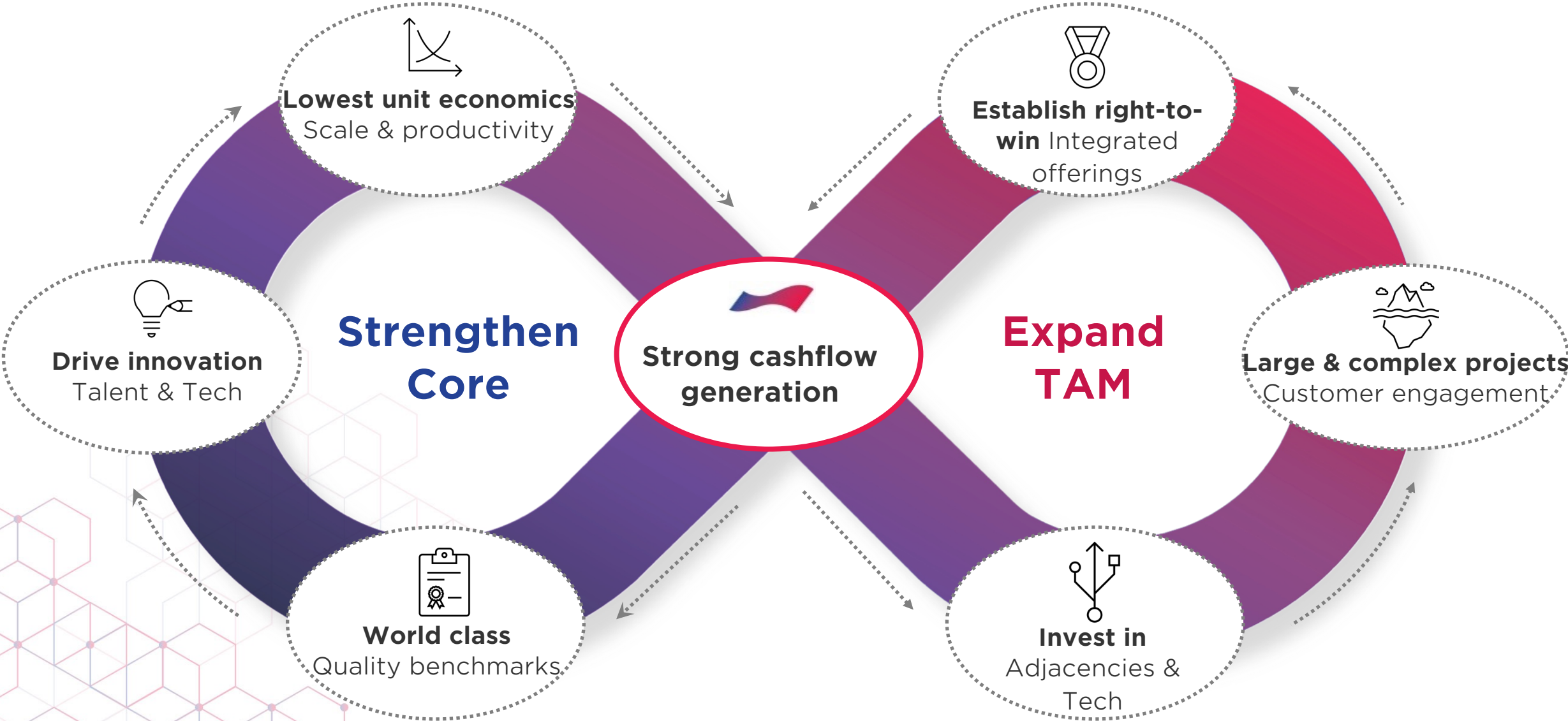


Managed Services & Technology Solutions¹



1: Also comprises Card Services as per segment reporting

Our Playbook: Accelerating growth & market expansion



Diverse board; Seasoned leadership



Experienced Directors



Shyamala Gopinath

Former Deputy Governor, RBI



Tapan Ray

MD & Group CEO of Gift City



Krzysztof Jamroz

Executive Chairman at Roadrunner



Sayali Karanjkar

Non-Executive Independent Director, Co-founder of Paysense



Jimmy Mahtani

Partner at BPEA EQT



Rajiv Kaul

Executive Vice Chairman, Whole Time Director & CEO

30+ years of industry experience



Strong Management With Deep Industry Know-How



Pankaj Khandelwal

President & CFO

27+ years of industry experience



Anush Raghavan

President - Cash Management

15+ years of industry experience



Manjunath Rao

President - Managed Services

35+ years of industry experience



Puneet Bhirani

President of Operations

26+ years of industry experience



Sanjay Singh

Chief Human Resources Officer (CHRO)

30+ years



Rajeev Bhatia

Chief Information Officer (CIO)

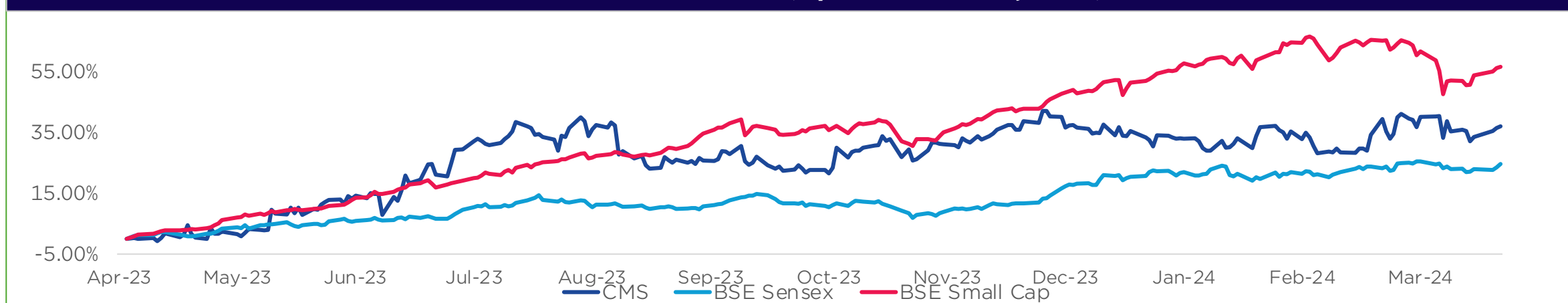
20+ years of industry



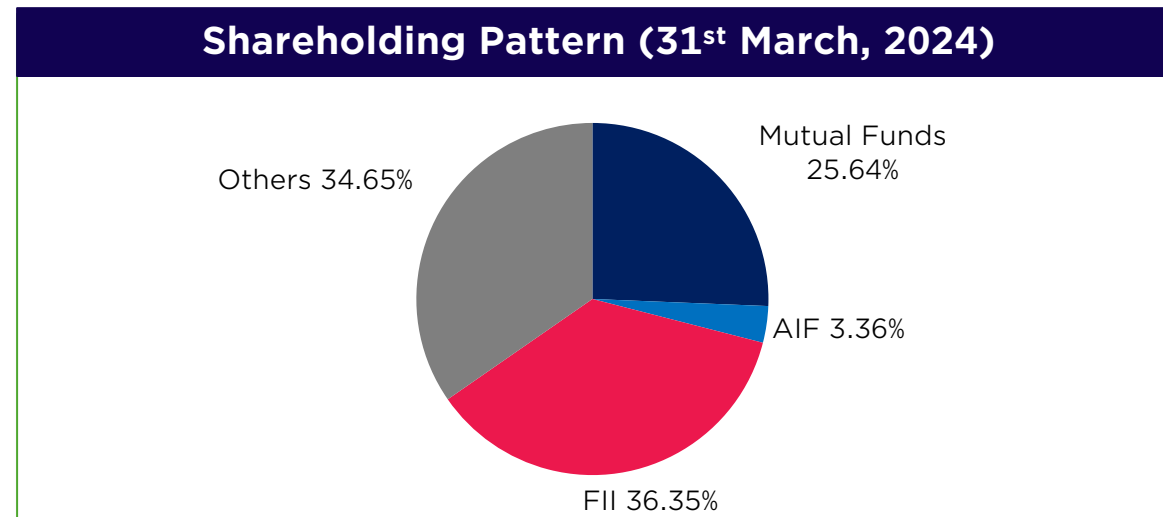
Capital Market Information (BSE: CMSINFO | 543441, NSE: CMSINFO)



Share Price Movement (Up to 31st March, 2024)



Share Price Data (As on 31 st March, 2024)	
Face value (INR)	10.0
Market Price (INR)	390.45
52 Week H/L (INR)	421.05/276.05
Market Cap (INR Mn)	63,550.54
Equity Shares Outstanding (Mn)	162.76
Avg. trading volume ('000)	1,456.63



Source: BSE, NSE



Historical Financials

Quarterly Consolidated Financial Performance



<i>Particulars (All figures in INR Mn)</i>	Q4-FY24	Q3-FY24	Q-o-Q	Q4-FY23	Y-o-Y
Operating Income	6,271	5,823	7.7%	5,014	25.1%
Expenses	4,716	4,315	9.3%	3,573	32.0%
Operating EBITDA	1,554	1,508	3.1%	1,441	7.9%
Adj. EBITDA	1,686	1,634	3.1%	1,451	16.2%
EBITDA Margins (%)	24.79%	25.90%	(111) Bps	28.74%	(395) bps
Adj. EBITDA Margins (%)	26.88%	28.06%	(119) bps	28.93%	(205) bps
Finance costs	40	39	2.4%	56	(27.8)%
Depreciation and amortisation expense	397	377	5.3%	355	12.0%
Other Income	112	78	42.6%	47	139.6%
Profit before tax	1,229	1,170	5.0%	1,078	14.0%
Tax	314	299	5.1%	278	13.0%
Profit After Tax	914	871	5.0%	799	14.4%
Adj. Profit After Tax	994	960	3.5%	806	23.3%
PAT Margins (%)	14.58%	14.95%	(37) bps	15.94%	(136) bps
Adj. PAT Margins (%)	15.85%	16.49%	(63) bps	16.08%	(23) bps
Other Comprehensive income for the year	(13)	(1)	NA	2	NA
Total Comprehensive Income for the year	901	870	3.7%	801	12.5%
Earning per equity share (nominal value of share Rs 10) - Diluted	5.64	5.37	5.0%	5.01	12.5%

EBITDA and PAT adjusted for ESOP/Share based payment

Historical Consolidated Income Statement



<i>Particulars (All figures in INR Mn)</i>	FY21	FY22	FY23	FY24
Operating Income	13,061	15,897	19,147	22,647
Expenses	10,125	11,900	13,770	16,652
Operating EBITDA	2,936	3,997	5,377	5,995
Adj. EBITDA	3,040	4,080	5,506	6,408
EBITDA Margins (%)	22.48%	25.14%	28.08%	
Adj. EBITDA Margins (%)	23.27%	25.66%	28.75%	28.29%
Finance costs	82	144	196	162
Depreciation and amortisation expense	635	918	1,318	1,502
Other Income	158	79	147	340
Profit before tax	2,378	3,014	4,010	4,671
Tax	692	774	1,038	1,199
Profit After Tax	1,685	2,240	2,972	3,471
Adj. Profit After Tax	1,700	2,290	3,042	3,745
PAT Margins (%)	12.89%	14.09%	15.52%	15.33%
Adj. PAT Margins (%)	13.02%	14.41%	15.89%	16.54%
Other Comprehensive income for the year	(1)	4	4	(13)
Total Comprehensive Income for the year	1,684	2,244	2,976	3,459
Earning per equity share (nominal value of share Rs 10) - Diluted	11.09	14.33	18.67	21.39

EBITDA and PAT adjusted for ESOP/Share based payment

Historical Consolidated Balance Sheet



<i>(All figures in INR Mn)</i>	FY22	FY23	FY24
Assets			
Non-current assets			
Property, plant and equipment	3,470	4,697	4,677
Capital work-in-progress	436	203	147
Right-of-use assets	1,800	1,826	1,558
Goodwill	2,061	2,061	2,061
Other Intangible assets	173	109	64
Intangible assets under development	1	0	34
Financial assets			
Investments	0	338	600
Other financial assets	331	319	481
Deferred tax assets (net)	304	369	390
Income tax assets (net)	226	196	206
Other non-current assets	210	112	187
Total of Non-current assets	9,012	10,230	10,404
Current assets			
Inventories	635	742	1,269
Financial assets			
Investments	1,235	2,455	4,251
Trade receivables	4,993	5,260	7,197
Cash and cash equivalents	643	963	1,590
Bank balances other than above	774	599	1,080
Other financial assets	276	30	99
Other current assets	989	733	696
Total of Current assets	9,545	10,782	16,181
Total Assets	18,557	21,012	26,585

<i>(All figures in INR Mn)</i>	FY22	FY23	FY24
Equity share capital	1,531	1,544	1,628
Other equity	11,030	14,081	17,840
Total equity attributable to equity holders	12,561	15,625	19,468
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	1,468	1,528	1,281
Provisions	201	211	239
Other Liabilities	9	6	82
Total of Non-current liabilities	1,678	1,745	1,602
Current liabilities			
Financial liabilities			
Lease liabilities	461	505	527
Trade Payables			
Dues of micro enterprises and small enterprises	80	52	65
Dues of creditors other than micro enterprises and small enterprises	2,379	2,200	3,965
Other financial liabilities	1,066	597	597
Provisions	36	32	35
Other current liabilities	296	255	326
Total of Current liabilities	4,318	3,642	5,516
Total Liabilities	5,996	5,388	7,118
Total Equity & Liabilities	18,557	21,012	26,585

Historical Consolidated Cash Flow Statement



<i>(All figures in INR Mn)</i>	FY22	FY23	FY24
Cash flow from operating activities:			
Profit before tax	3,014	4,010	4,671
<i>Adjustments to reconcile profit before tax to net cash flow:</i>			
Depreciation and amortisation on Property, plant and equipment and Intangible asset	581	899	1,070
Depreciation on Right-of-use assets	338	419	474
Unrealised foreign exchange (gain) / loss	(1)	(1)	0
Lease rent concession	(2)	(3)	(10)
Bad and doubtful debts and bad debts written off	799	985	907
Debit balance written off	21	-	-
(Profit) on disposal of property, plant and equipment (net)	(5)	(11)	(12)
Sundry balances written back	(8)	(20)	(10)
Impairment for doubtful claims receivables	8	4	0
Bad debts written back	-	-	(12)
Insurance claims receivables written off	14	12	17
Finance income	(33)	(70)	(137)
Profit on sale of current investments	(20)	(30)	(92)
Net change in fair value of current investments measured at FVTPL	(4)	(12)	(64)
Employee stock option compensation cost	61	93	366
Finance costs	144	196	162
Operating profit before working capital changes	4,907	6,471	7,329
Movement in working capital			
Increase / (Decrease) in trade payables and other liabilities	(421)	(824)	1,949
Increase / (Decrease) in provisions	21	12	15
(Increase) in inventories	265	(107)	(527)
(Increase) in trade receivables	(724)	(1,252)	(2,844)
(Increase) / Decrease in other assets and prepayments	(507)	853	(296)
Cash flow generated from operations	3,541	5,153	5,626
Direct taxes paid (net of refunds)	(976)	(1,085)	(1,228)
Net cash flow from operating activities	2,565	4,068	4,399

<i>(All figures in INR Mn)</i>	FY22	FY23	FY24
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment	7	20	23
Purchase of property, plant and equipment, Intangible assets (including CWIP and capital advances)	(2,840)	(1,933)	(1,084)
Investment in mutual funds	(8,304)	(11,578)	(15,408)
Proceeds from redemption of mutual funds	8,217	10,400	13,506
Loan given to Others	(144)	-	-
Investment in deposits with banks	(844)	(1,071)	(1,568)
Proceeds from maturity of deposits with banks (including interest)	646	937	1,281
Net cash flow (used in) / from investing activities	(3,262)	(3,226)	(3,251)
Cash flows from financing activities			
Proceeds from Issue of Equity Shares	637	157	1,154
Dividend paid	(226)	(154)	(1,135)
Finance costs on lease liability	(144)	(184)	(162)
Payment of principal portion of lease liabilities	(262)	(341)	(378)
Net cash flow (used in) financing activities	5	(522)	(521)
Net (decrease) / increase in cash and cash equivalents	(692)	320	627
Cash and cash equivalents at the beginning of the year	1,335	643	963
Cash and cash equivalents at the end of the year	643	963	1,590

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