



DATA PATTERNS

Data Patterns (India) Limited

Investor Presentation

Q4FY24 - May 2024



Content



Data Patterns: 3 Decades of Expertise



- Fully integrated defense and aerospace electronics solution provider
- Focused on in-house design prototype testing and qualification, production and manufacturing of high reliability electronics systems
- Domain expertise in Radars, Electronics Warefares, Communication systems, Avionics, Satellite and Test Equipments. Servicing to the customers such as MOD, DRDO, DPSUs and Private sectors including international clients



Incorporated in **1998**



926 Engineers



32% Revenue and 34% EBITDA CAGR
(FY21-24)



68% Gross and 43% EBITDA Margins
(FY24)



15% ROE and 16% ROCE
(FY24)



Rs 10,831 mn Order Book at 31st March
1000+ Reusable Building Blocks



TAM- **USD 4.65 bn by 2030**
CAGR- 9%














From **Design** to **Delivery**



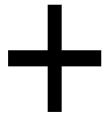
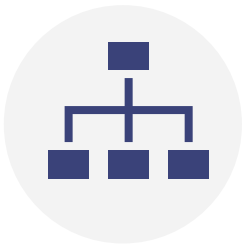
Senior personnel associated with Company for more than **2 decades**

Strong Outlook & Positioning Across the Portfolio



	Radars	Electronic Warfares	Communication Systems	Satellites
Existing Successful development	<ul style="list-style-type: none"> 9 Precision Approach Radars successfully completed and delivered to MOD for Army and Navy 	<ul style="list-style-type: none"> Delivered COMINT and ELINT systems and self protection suit for land, mobile and fighter Reconnaissance aircraft and aerostat 	<ul style="list-style-type: none"> Developed systems for land, air and satellite platforms 	<ul style="list-style-type: none"> Designed and built micro satellites
Demonstrated Capabilities	<ul style="list-style-type: none"> Designed building blocks to complete Radar systems in India Building Blocks in Signal Processing, Antenna, Transmit/Receive modules, etc 	<ul style="list-style-type: none"> Developed state of the art ESM Receivers from 1MHz to 40GHz Both COMINT and ELINT including DF can be used in <ul style="list-style-type: none"> Truck Mounted Systems / UAV Based ESM Systems POD based jammers / Comm Jammers / Stand Off Jammers 	<ul style="list-style-type: none"> Developed SDR Platform for <ul style="list-style-type: none"> Fighter Aircrafts Radio Relay for Airborne Platforms/UAVs Radio Relays 	<ul style="list-style-type: none"> Designed and launched compete satellite in India Capabilities to design payloads like ESM, Imaging (RF and ESM), other remote sensing, others
Potential Opportunities	<ul style="list-style-type: none"> Focus on Fire Control Radars, X-Band Radars and smaller Radars for UAVs Cost competitive with in-house IP Export Potential 	<ul style="list-style-type: none"> Requirement across Army, Air Force and Navy 	<ul style="list-style-type: none"> Military Radars, Radio Relays, etc. are being procured under emergency Fast Track procurement Requirement across Army, Navy and Air Force 	<ul style="list-style-type: none"> Large market for Defence and LEO satellites (Domestic as well as International)
Photos	<div>    </div> <div> Single Board Computer-Next Gen Wide Band Digital Receiver DTRM </div>	<div>    </div> <div> Radar Warning Receiver 5 Channel Search Receiver ELINT DF System </div>	<div>   </div> <div> Communication / Data Link Programmable Radio Hardware Platform Type I & II </div>	<div>    </div> <div> Nano Satellite Antenna Tower Satellite Internal View </div>

Strategic Priorities



Moving up the Value Chain through building Full Systems: Using reusable building blocks

- Setup the complete system from building blocks, designed in-house with IP
- Not dependent on any transfer of technology
- Developing future ready products

Concentration on building full products leveraging existing Domain expertise and availability of in-house building blocks

Leverage Existing Competencies and enables scalability: Creating Additional Product Categories

- Planning to spend around Rs 200 crs on new technology and product development
- Developing Micro satellites

Confident on growing its existing product profile and expects additional revenue generation by tapping the larger market opportunities from new developments

Expanding Geographies: Compete in areas where Foreign OEMs presence

- Delivered products to export markets in Europe and East Asia

Produced and delivered Radars and MPAR

Investments in products and Technology: Capex

- Rs 124cr invested on capital expenditures in last 5 years
- Planning for capex of more than Rs 150 crs over next two years

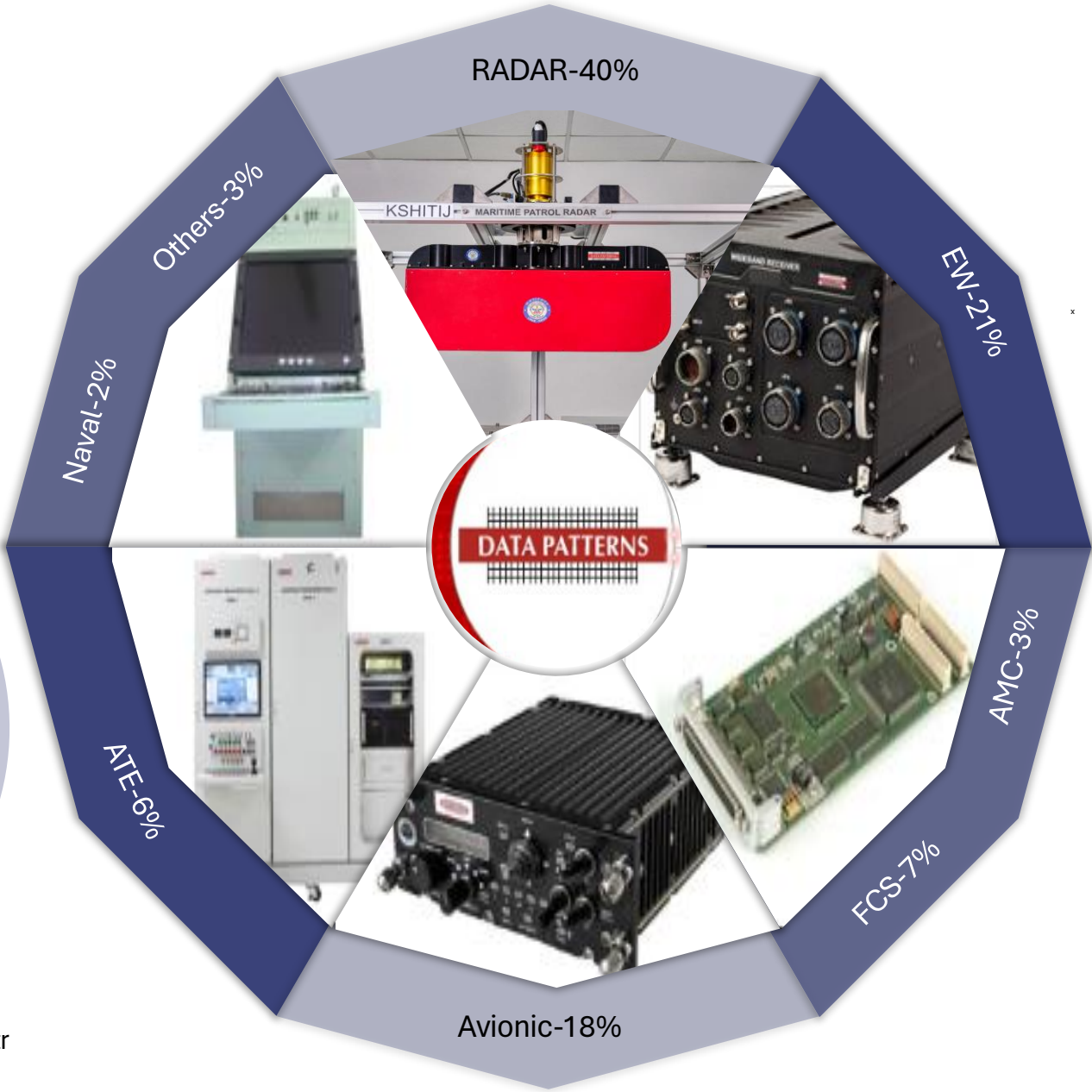
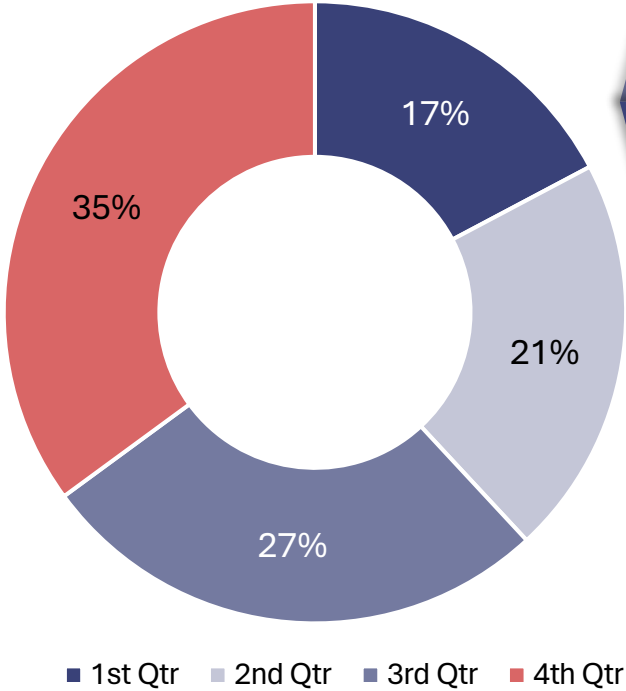
Developing in house technologies to built greater products

Maximising Stakeholder Value

Focused on delivering Profitable Growth and Strong Cash Generation

Revenue Split (%)

FY24 Overview



+25%

Revenue Growth over next two-
three years.

We achieved 15% growth in FY24 revenues and able to grow our EBITDA margins at 43%. We were able to achieve the guided orders during the year

Looking forward, we remain steadfast in our commitment to maintain a revenue growth rate of 20-25% and maintain margins at around 40%

01

Working in collaboration with foreign OEMs to explore export potential

02

Working towards building Full Systems

03

Strong Order Book in Pipeline at Rs 20-30bn over next two years

04

Efficient execution to promote operating leverage

05

Continues product development to address larger TAM

06

Maintain Net debt free Status

Way Forward

“I am pleased to report that we had a successful FY 2023-24. Our EBITDA increased by 29% and PAT increased by 47% in FY 2023-24, marking significant growth compared to last year. Order inflows have aligned with our guidance, with deliveries scheduled for next quarter. Going forward, we remain committed to excellence and innovation in product development, leveraging opportunities in the Indian defence sector.”

Mr. Srinivasagopalan Rangarajan
Promoter, Chairman & Managing Director



Evolving as a product company with a strong lineage

Leveraging Existing Competencies

- Leveraging existing competencies across target product categories with significant lead and vendor credentials
- Building Blocks in place for reuse across products and to crunch timelines and costs

Alternative to Foreign OEMs Products

- Cost advantage compared to players who may have to collaborate with foreign OEMs
- Enhanced long term serviceability, reduces total cost of ownership

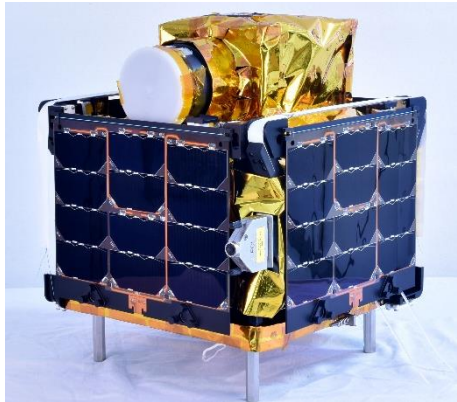
Faster Execution & Cost Effectiveness

- Building Blocks ensures faster product design and deployment
- Concentrate on building complete systems from the building blocks and sub-systems already developed, provides a higher value addition while distributing development costs



ADS-B receiver system for Airports Authority of India (AAI)

Nano Satellite for Hyper Spectral Imaging



Key Differentiators for Data Patterns

Progressing well towards Achieving FY26 Goals



Focused on in-house development with **end-to-end design capabilities**

- Developed **1,000+ building blocks** that can be used on multiple end systems
- Development of **complete systems / sub-systems** across platforms - **space, air, land and sea**



Leading to **development of multiple products in-house** over the years

- Developed a **Fire Control System** for Brahmos, **Glass Cockpit Displays / Avionics**,
- Developed Radar warning receivers, Electronic warfare suite for Aerostat and Others



Investment in **infrastructure and people** to scale up

- The new facility is fully operational from last 15 months



Various **product wins and healthy build up of order book**

- Breakthrough in **end to end radar integration** –
- **Tender wins** competing against large public as well as private Indian Defence and industrial conglomerates
- **L1** in Dornier Upgrade program in Radar and ESM
- Developing two full surveillance Radars



Product portfolio expansion leveraging existing building blocks

- Build on current product portfolio in areas such as
 - Radar
 - Avionics products for LCA/ALH
 - Electronics Surveillance and Monitoring (ESM)
 - Communication Systems
 - Satellites

Key Take Aways

Reusable building blocks

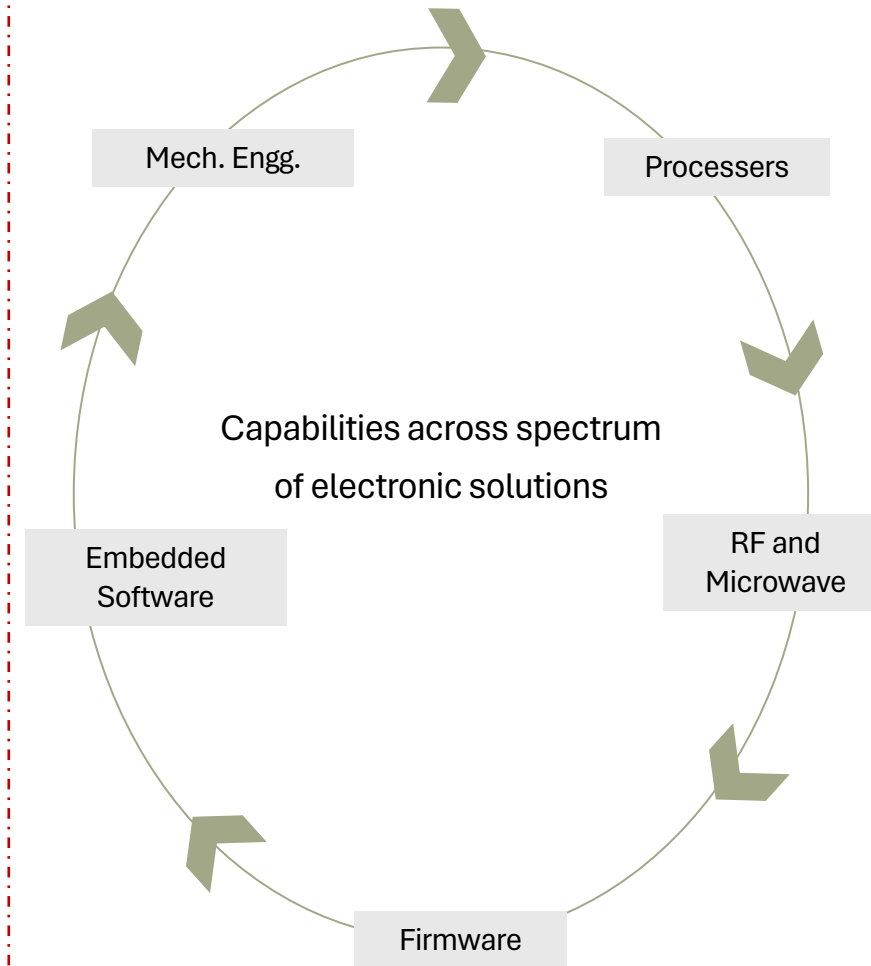
01 Building blocks have laid the foundation for products design

02 Setup the complete system from building blocks, designed in-house with IP

03 Spreading out the development costs over multiple programmes

04 COTS Components are fast becoming the building blocks of Defence equipment

End-to-end capabilities



Q4FY24 Financial Performance



Q4FY24 Result Highlights



Rs. 1,823 Mn
Revenue

Rs. 930 Mn
EBITDA
(EBITDA grew 27% YOY)

Strong Balance Sheet; Net Debt Free Company

Enhanced infrastructure, Make in India policies, QIP investment in complete products

QIP funds utilized for Product Development in Radar, EW, and Communication system R&D

72 %
Gross Margins

51%
EBITDA Margins

15 %
ROE
(FY24)

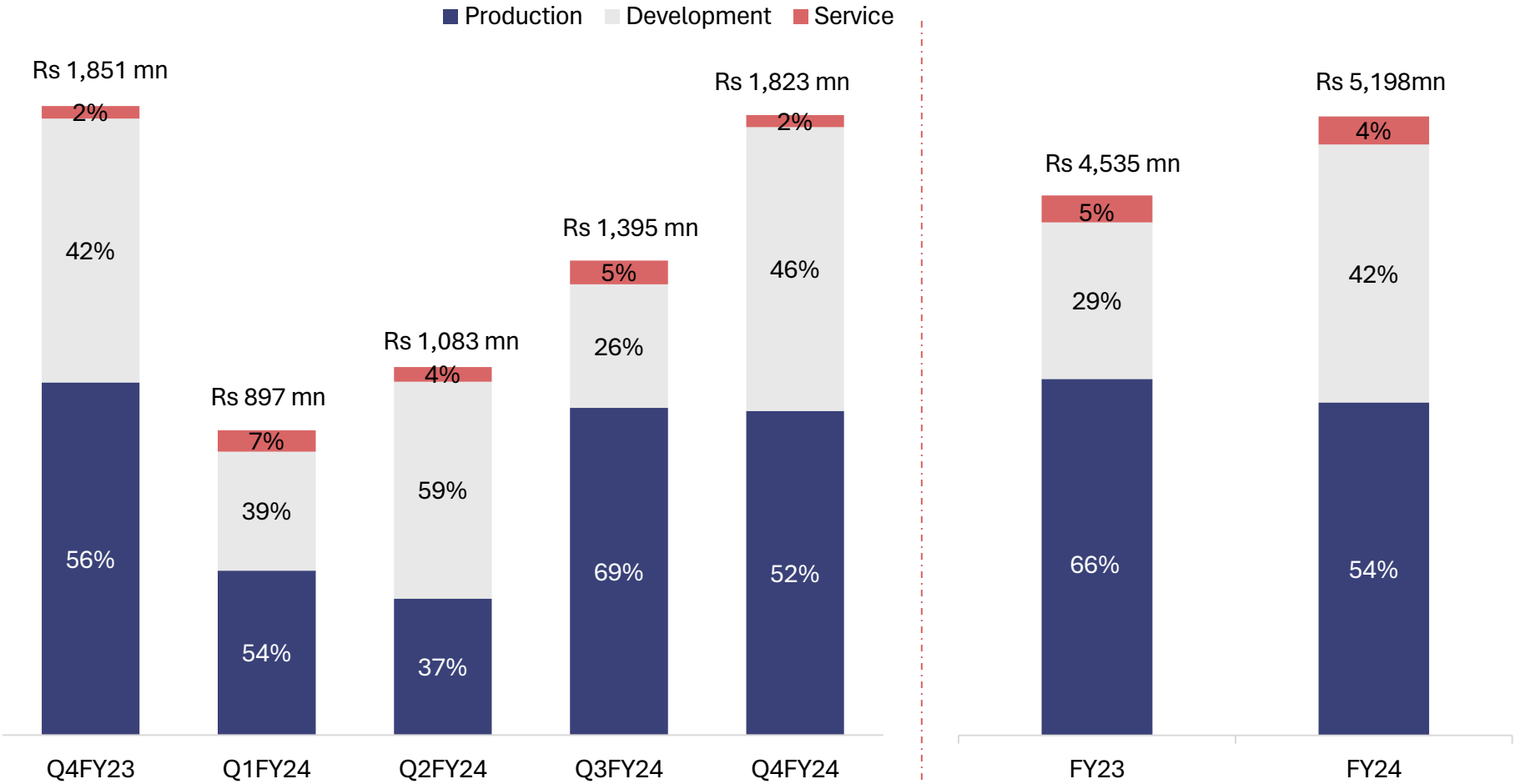
16 %
ROCE
(FY24)

Rs.10,831 Mn
Strong Order Book
(FY24)

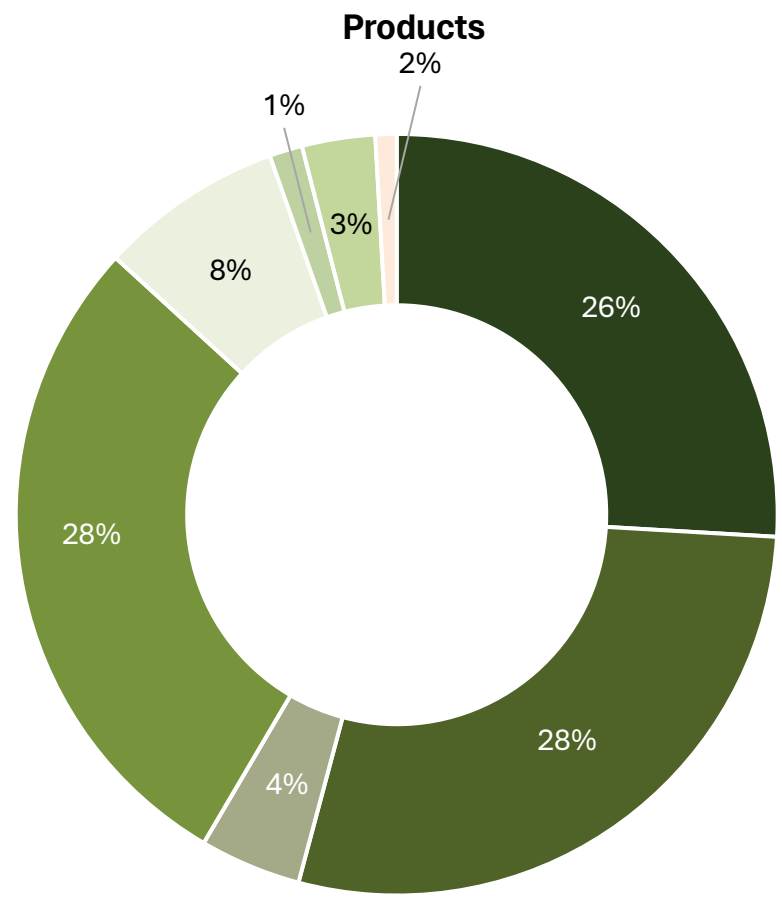
Rs 3,927 Mn
Cash & Bank
(FY24)

Diversified Revenue Profile

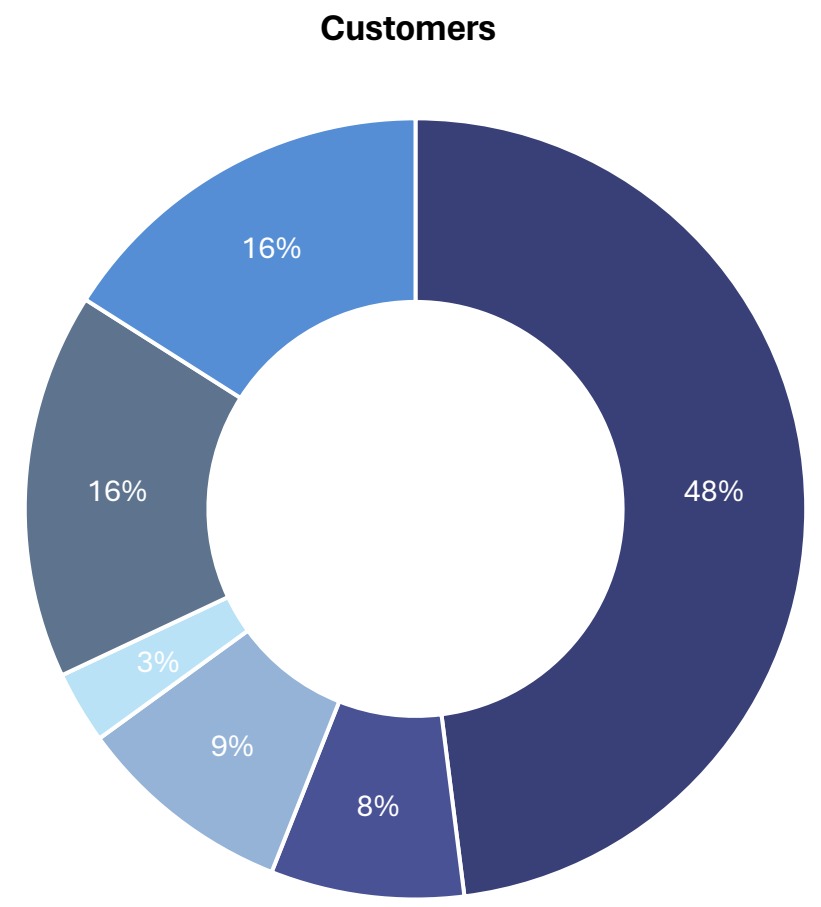
Revenue Growth across all Categories



Q4FY24 Revenue Breakup



- EW
- ATE
- Avionics
- AMC
- Services and Others
- Radar
- Communication
- FCS
- Naval Systems



- DRDO
- BrahMos
- Exports
- BEL
- HAL
- Others

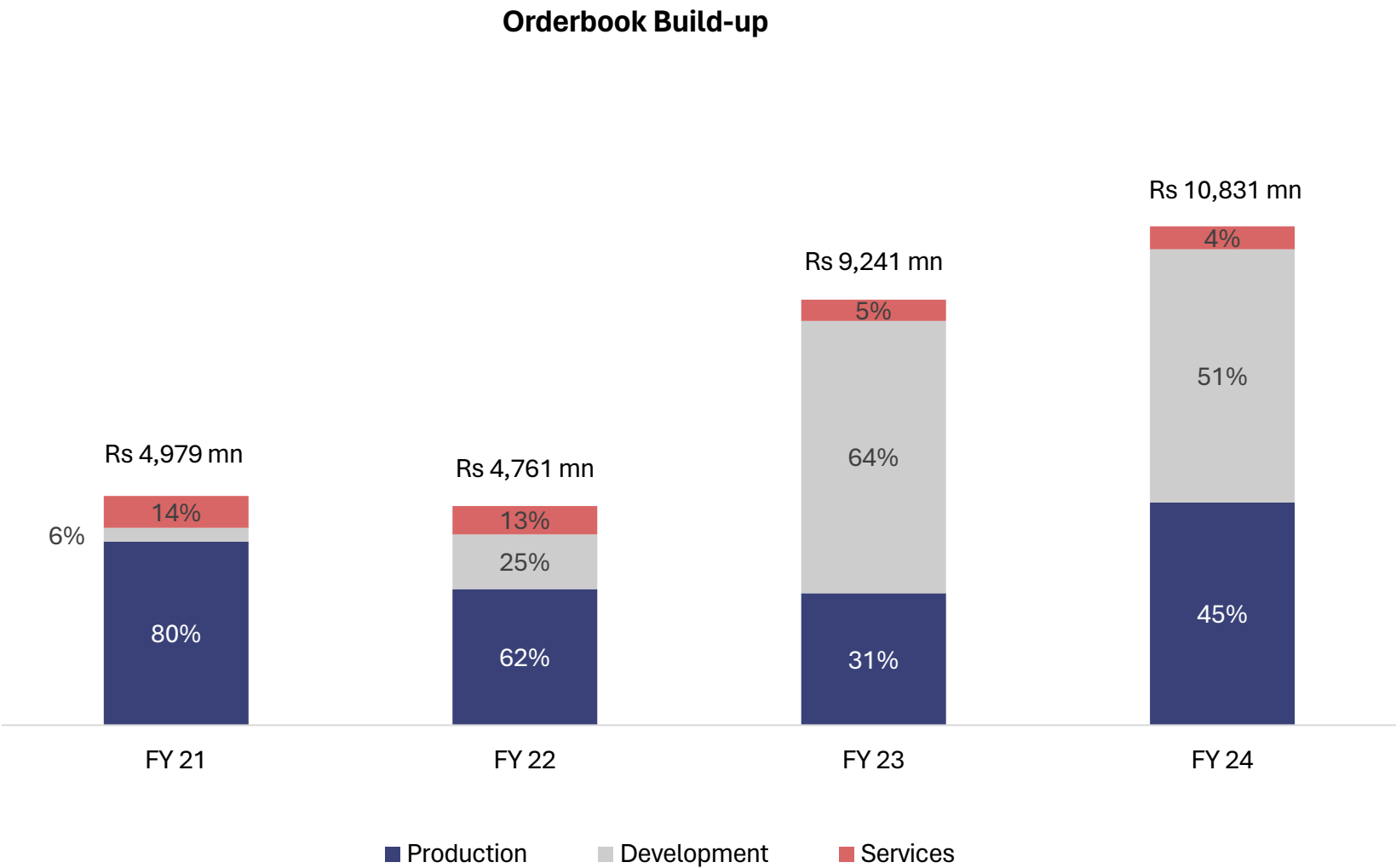
Q4FY24: Financial Performance

Particulars (Rs mn)	Q4FY24	Q4FY23	YoY(%)	Q3FY24	QoQ(%)	FY24	FY23	YoY (%)
Net Revenue	1,823	1,851	-1.5	1,395	30.7	5,198	4,535	14.6
Cost of materials consumed	507	739	-31.3	415	22.2	1,808	1,941	-6.9
Changes in Inventories,WIP & SIP	5	43		36		-157	-232	
Total Raw Material Cost	512	781	-34.5	451	13.5	1,651	1,709	-3.4
Gross Profits	1,311	1,070	22.6	944	38.8	3,547	2,825	25.5
Employee Benefit Exp	265	239	10.8	262	1.1	990	790	25.2
Other Expenses	116	97	19.7	82	41.7	341	317	7.5
EBITDA	930	734	26.8	600	54.9	2,216	1,718	29.0
Depreciation	70	22	213.1	33	110.6	161	85	90.9
EBIT	861	711	21.0	567	51.7	2,055	1,634	25.8
Other Income	123	38	222.3	113	8.7	460	92	399.2
Interest	30	28	7.8	23	30.6	93	77	20.5
PBT	953	721	32.1	657	45.0	2,422	1,648	46.9
Tax	242	168	44.3	148	64.2	605	408	48.1
Net Profit	711	554	28.4	510	39.5	1,817	1,240	46.5
Reported EPS (Rs)	12.7	10.5		9.1		32.5	23.8	

Operating Cost as a % of Sales	Q4FY24	Q4FY23	YoY(%)	Q3FY24	QoQ(%)	FY24	FY23	YoY (%)
Raw Material Cost	28.1	42.2	-1414	32.3	-424	31.8	37.7	-592
Staff Cost	14.5	12.9	162	18.8	-425	19.0	17.4	161
Other Expenses	6.4	5.2	113	5.9	49	6.6	7.0	-43

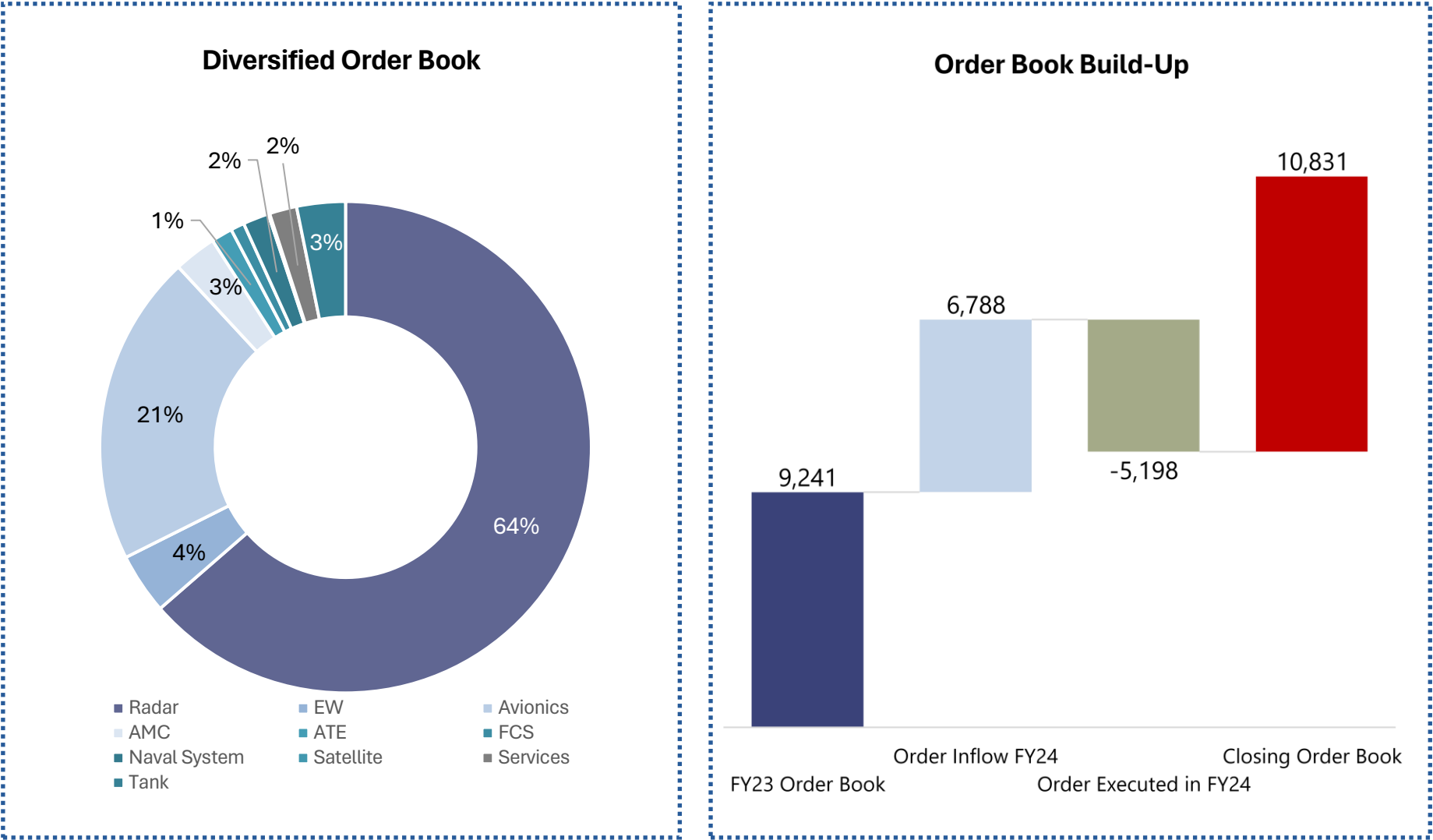
Margins (%)	Q4FY24	Q4FY23	YoY(bps)	Q3FY24	QoQ(bps)	FY24	FY23	YoY (bps)
Gross Margin	71.9	57.8	1414	67.7	424	68.2	62.3	592
EBITDA	51.0	39.6	1140	43.0	799	42.6	37.9	475
EBIT	47.2	38.4	878	40.7	655	39.5	36.0	351
PBT	52.3	39.0	1332	47.1	518	46.6	36.4	1024
NPM	39.0	29.9	910	36.5	247	35.0	27.3	761

Strong Order Book Across Verticals



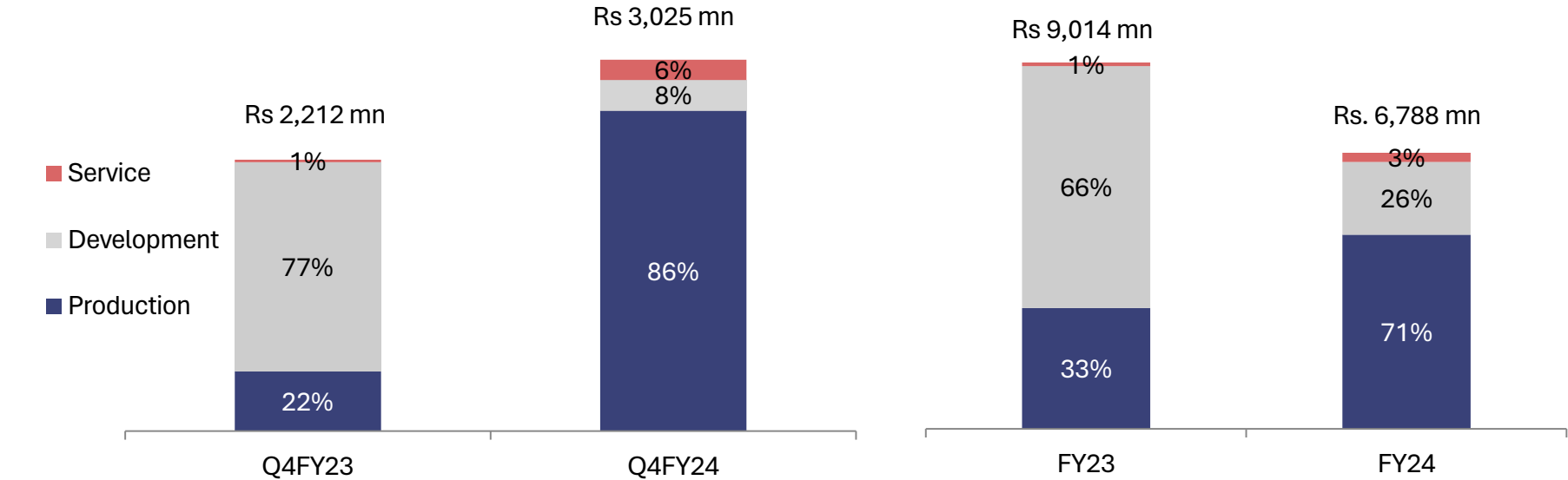
Developmental contracts/order book translates to strong production revenues

Order Book Build Up in FY24



Order Inflow
Continues to be
Strong

Order Inflows – Q4FY24 and FY24



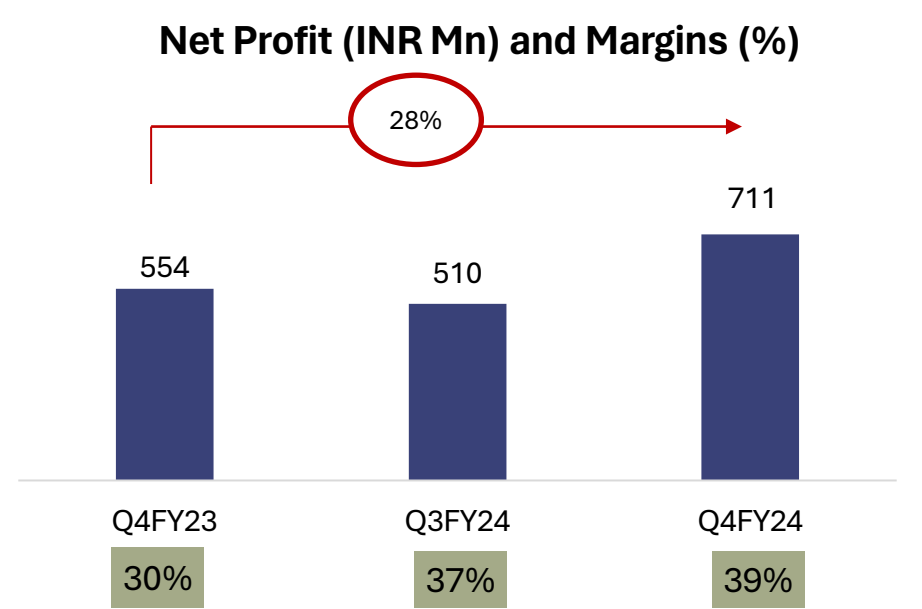
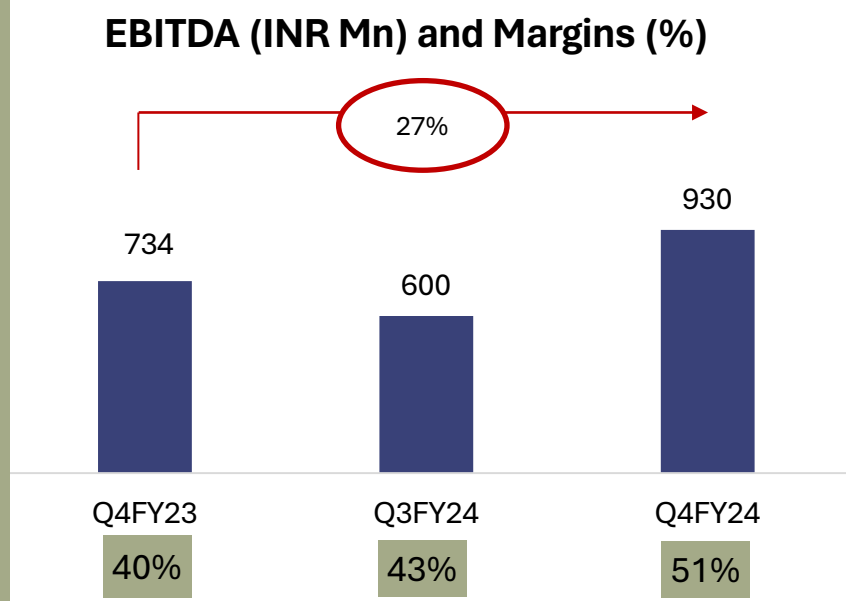
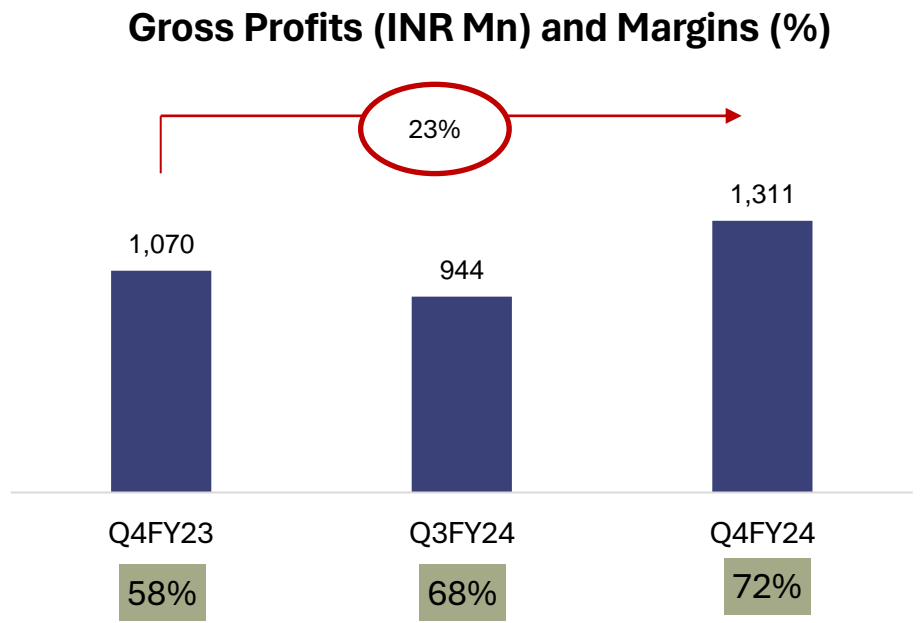
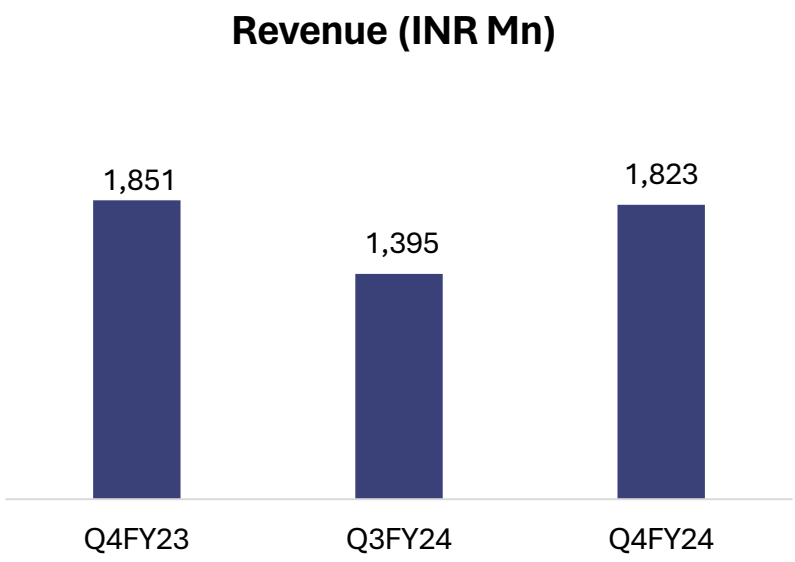
Major order received in Q4FY24

Product	Customer	Order Type	Value (Rs mn)
Radar	BEL	Production	1,827.8
Avionics	Export	Production	517.6
EW	DRDO	Development	177.4
Naval	BEL	Production	114.3
AMC	IMD	Service	106.6
FCS	BrahMos	Development	73.3
Avionics	ADA	Production	67.7
EW	DRDO	Production	23.6

Major order received in FY24

Product	Customer	Order Type	Value (Rs mn)
Radar	BEL	Production	1827.8
Avionics	Export	Production	517.6
Avionics	HAL	Production	446.9
Avionics	DRDO	Development	439.1
EW	DRDO	Development	362.0
Radar	Export	Production	326.9
Radar	BEL	Production	321.3
Radar	Export	Development	235.0

Robust
Performance in Q4



Corporate Overview



Over Last Three Decades

Incorporated in 1998

- Developed a **Fire Control System** for Brahmos
- Designed & developed the **launch pad countdown system**

2001

- Developed **Glass Cockpit Displays / Avionics**

- Upgradation of **Tracking Radars**
- Developed **RF and Microwave capabilities** allow entry to building complete systems

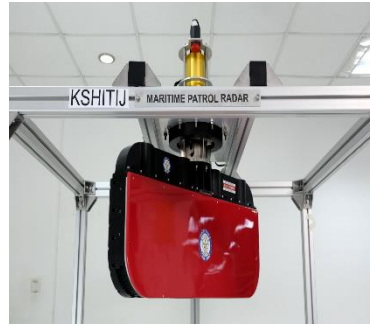
- Designed and developed complete Radar Capability

- Data Patterns has a long history of association with India Space Organizations. Data Patterns built a Nano Satellite which was deployed in 2017.
- Developed **EW receivers, Satellite and Ground Station**

- Designed wide open **RWR and ELINT** for airborne platforms

- Successful IPO Launch
- Initiated expansion of manufacturing facility with **doubling of available floor area**
- Started building of capacity to handle **large and heavy equipment and integration** of large radars and mobile EW systems, satellite integration facility
- Enhanced product line with **Radar receiver** for other aircrafts
- Designed radio relays, Engine control Units, HF Bands Products
- Developed Software defined Radios for Land and Air
- Maritime Patrol Radar
- Developed Satellites and Satellites Subsystems
- Delivered components for **SONARS Servo and Actuator Control System**
- Tropo Modems ADSB and host of other products

2021-24



Radars

- Surveillance Radars
- Weather Radars
- Coastal Surveillance Radars



Electronic Warfare

- Surveillance and intelligence gathering ("SIGINT")
- Further divided into COMINT and ELINT



Commercial off the Shelves

COTS modules designed in context of reusable building blocks for building Military Electronics systems with a quick turnaround Time



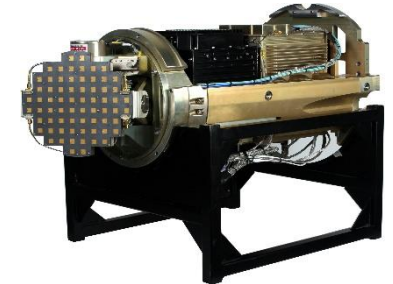
Avionics

- Light Combat Aircraft ("LCA"),
- Intermediate Jet Trainers
- Light Utility Helicopters ("LUH")



Communication ATE and Satellites

- Underwater electronics / Communications / Other Systems
- Automated Test Equipment (ATE)
- Small and Nano Satellites

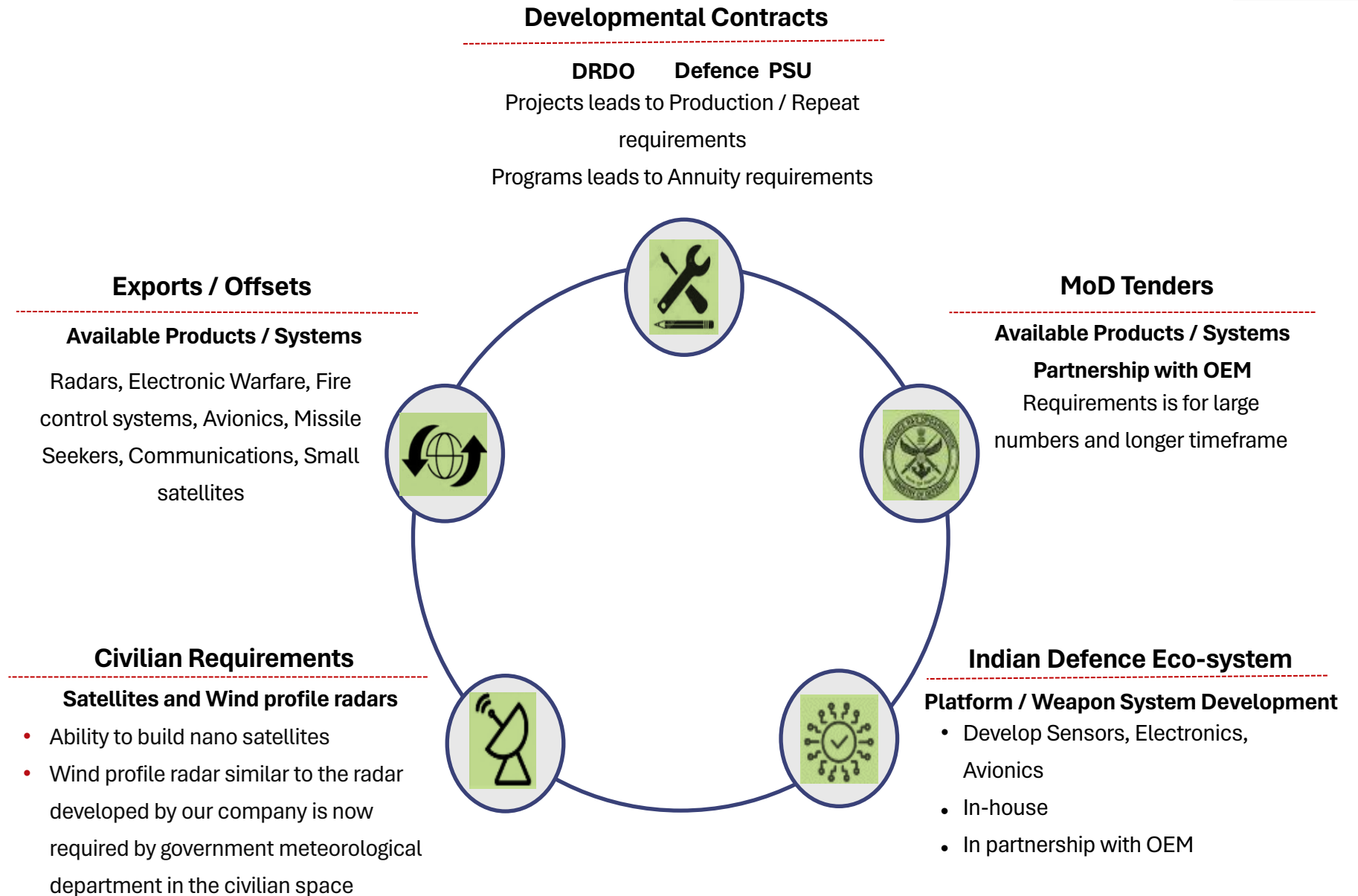


BrahMos Missile Programme

- Fire control systems
- Mobile autonomous launcher
- Airborne launcher and Other electronic systems

Operating in High Growth Categories

Diverse Market Catered



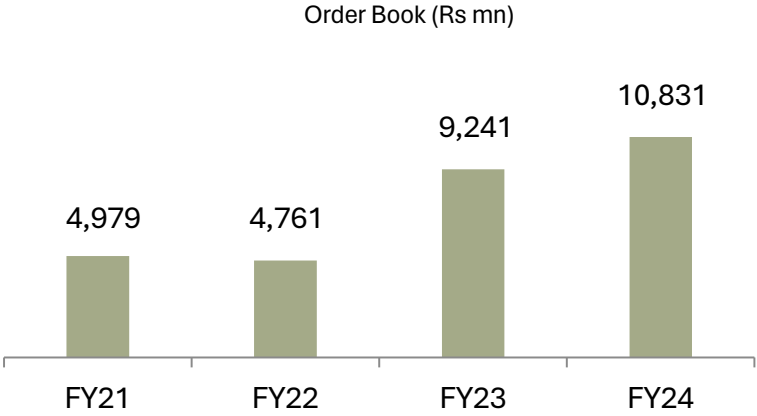
Scalable Business Model



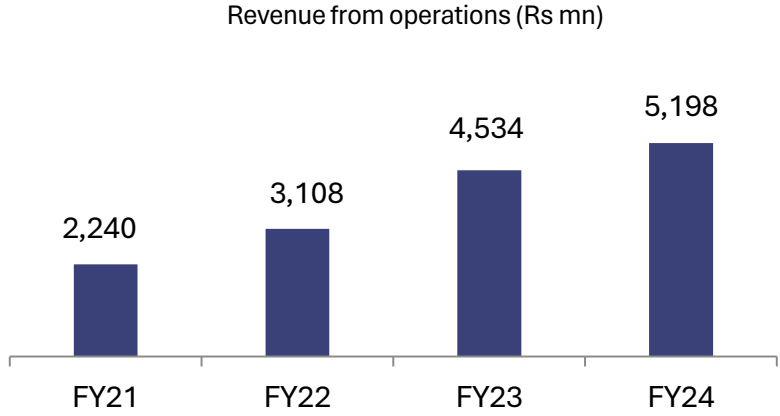
We design and build various reusable building blocks and sub-systems aligned to our product strategy of offering integrated solutions.

Consistent Track Record of Profitable Growth

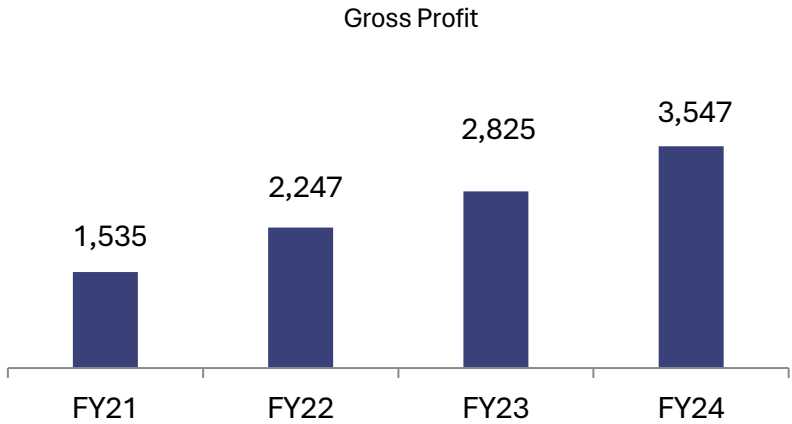
30%+~ % growth CAGR FY21-FY24



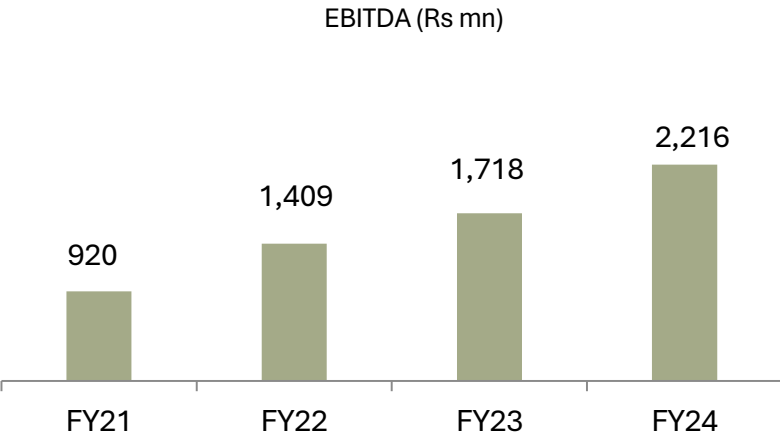
~ 32% Revenue CAGR from FY21-FY24



High Profitability

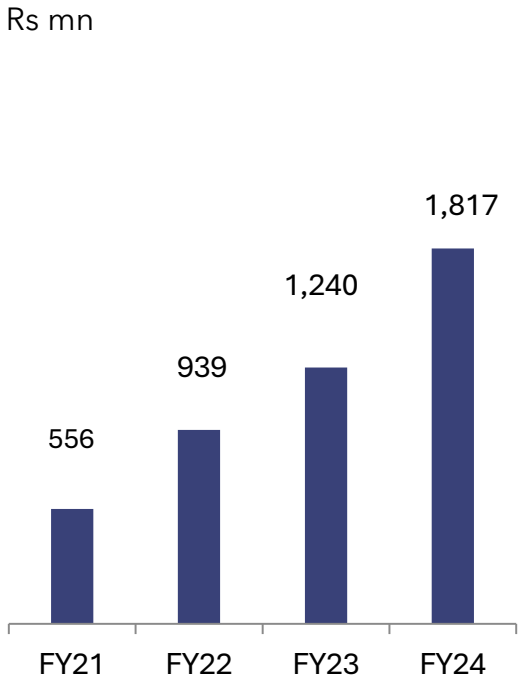


~ 34% EBITDA CAGR from FY21-FY24

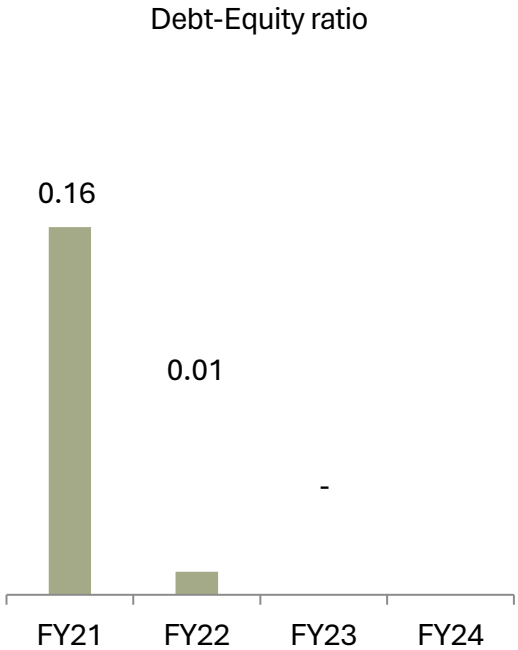


Growing Profitability

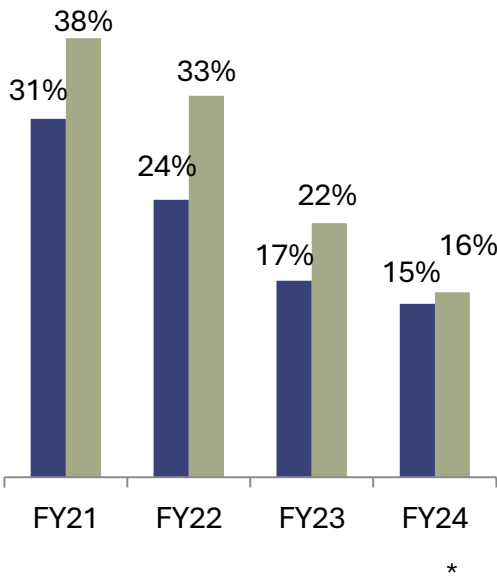
Improving PAT



Lower debt levels/ leverage

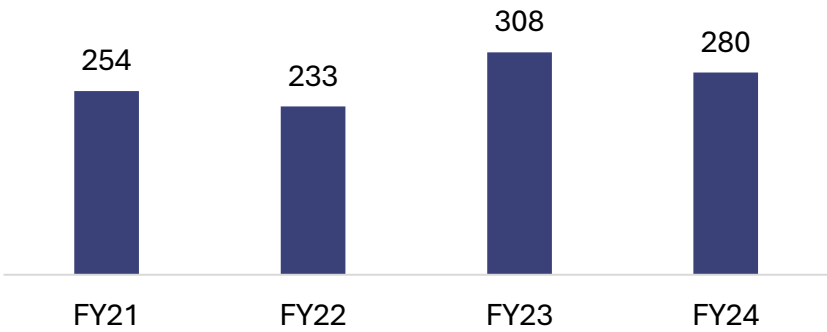


Improving ROE and ROCE

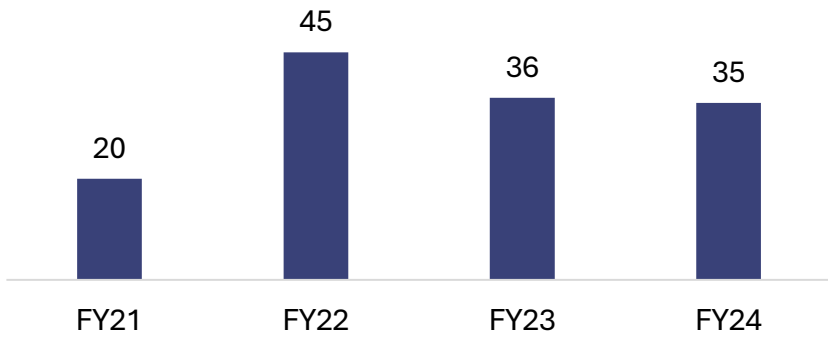


Well Managed Working Capital

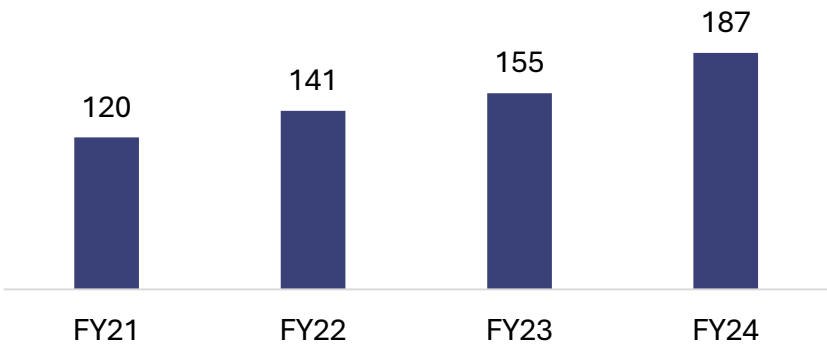
Debtor Day



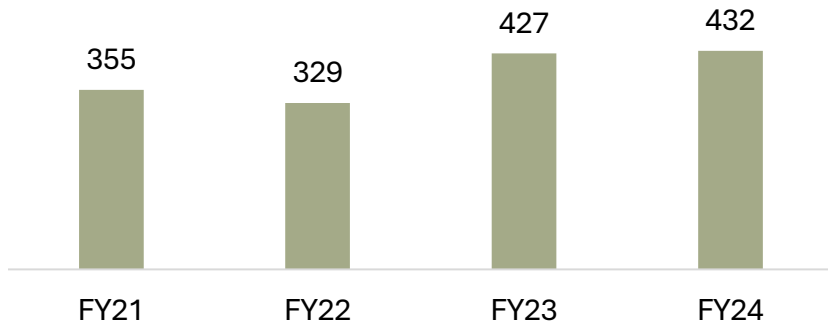
Creditor Days



Inventory Days



Cash Conversion Cycle (Days)



Excellent Cultural Fit & Alignment

A mission- driven workforce with a culture of innovation

- 10.28 Acres of land in Chennai, SIPCOT ~200,000 sq.ft- Aggregate of built-up area of manufacturing facilities
- 20 Dedicated Mechanical assembly stations to assemble small and large systems and various others
- Dedicated 70 work stations for testing modules and small systems
- 100,000 class clean room
- Capability to handle complex boards with 22 layer, 6k components and 21k solder points
- EMS assembly capacity of 600 boards per day

State-of-the-art & well-resourced facilities



- Large Systems Integration Hangar
- Augmented Environmental Test Infrastructure



- Additional EMS Line



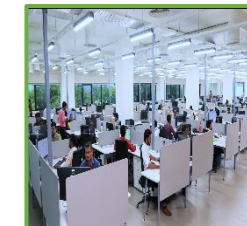
- Complete Radar Integration



- Clean Room for Satellite Integration



- Electronic Warfare Vehicle Integration



- Additional Space For Design and Development Resources

Fully operational integrated manufacturing and test facilities

Sustainability
Goals through
CSR Activities

Key activities done in FY24 with many more others...



Day Care centre for
Dementia Patients



New Building with area of
5600 sq ft for school for
special kids



Repaired existing
government run school
building

Plans for FY25



To create a sustainable and
affordable service for the
paediatric wing



Holistic Care to
children through
change for childhood
cancer



Run homes for destitute
senior citizens, free school
tuitions for neighbourhood
children and medical
centres etc



Skill Training for
adults with
disabilities



Mr. Srinivasagopalan Rangarajan

Promoter, Chairman & Managing Director



Ms. Rekha Murthy Rangarajan

Promoter, Whole Time Director



Mr. Vijay Ananth K

Whole Time Director, COO & Chief Information Security Officer



Mr. Desinguraja Parthasarathy

Chief Technology Officer



Mr. Thomas Mathuram Susikaran

SVP – Business Development

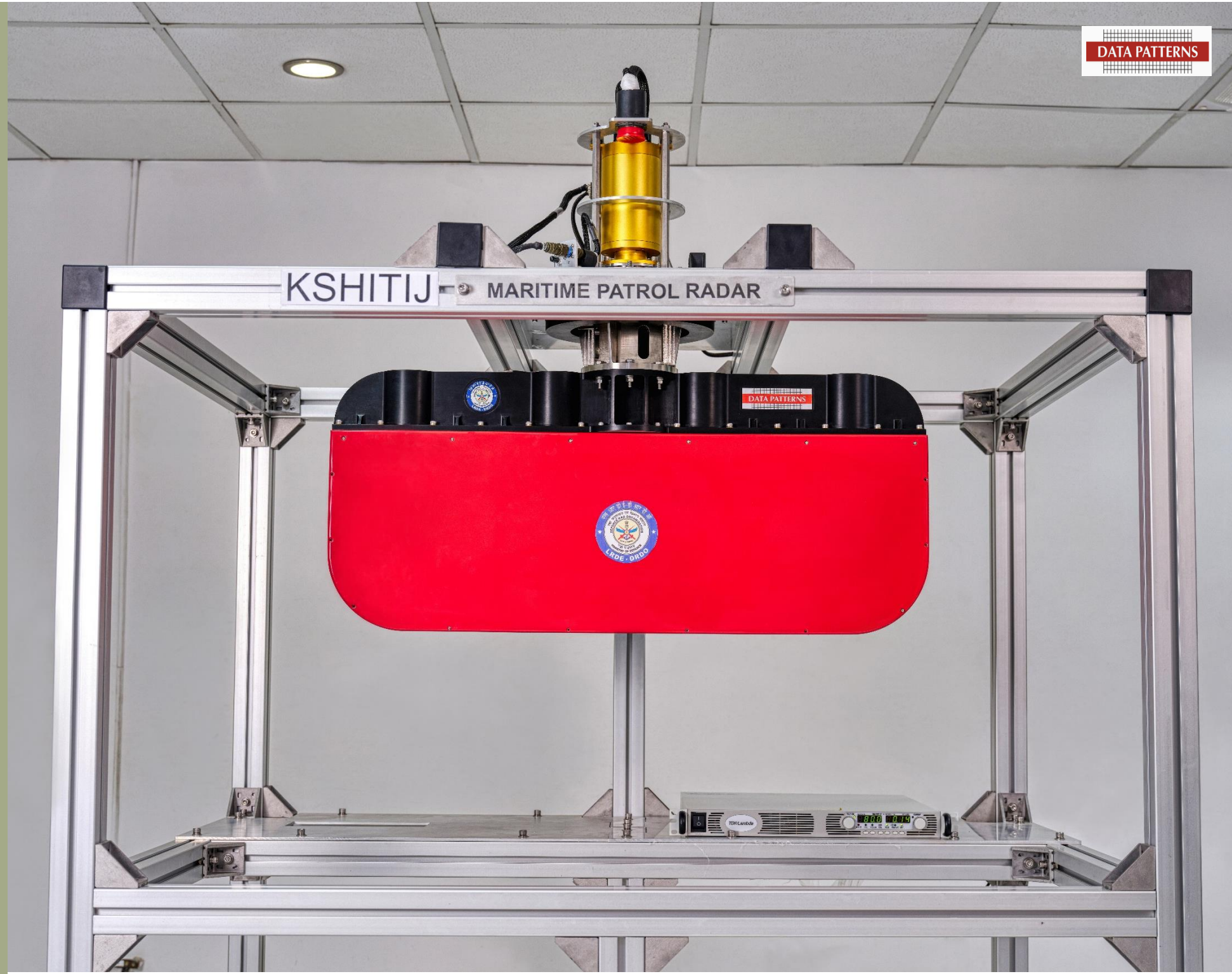


Mr. Venkata Subramanian Venkatachalam

Chief Financial Officer

Highly Reputed &
Experienced
Management
Team

Annexure



Historical Statement of Profit and Loss

Particulars (Rs. Mn)	FY21	FY22	FY 23	FY24
Revenue from Contract with Customers	2,240	3,109	4,535	5,198
Other Income	26	40	92	460
Total Revenue	2,266	3,148	4,627	5,658
Expenses:				
a) Cost of materials consumed	630	916	1,941	1,808
b) Changes in inventories of FG, WIP and SIT	74	-55	-232	-157
c) Employee benefits expenses	484	624	790	990
d) Finance cost	145	110	77	93
e) Depreciation / Amortization	56	66	85	161
f) Other expenses	131	214	317	340
Total Expenses	1,520	1,874	2,978	3,236
Profit before tax	745	1,274	1,648	2,422
Tax expense	190	334	409	605
Profit(Loss)for the period	556	939.7	1,240	1,817
Other Comprehensive Income	-10	-12	-10	-6
Total Comprehensive Income for the year	546	928	1,230	1,811
PAT Margin %	24.8%	30.2%	27.3%	35.0%
EBITDA	920	1,409	1,719	2,216
EBITDA margin%	41.1%	45.3%	37.9%	42.6%
Return on Net Worth	30.70%	24.01%	14.24%	15.0%
Total Debt	332.21	67.7	7	0
Debt to Equity	0.1	-0.3	-0.5	0.0

Historical Balance Sheet

Particulars (Rs. Mn)	Mar-21	Mar-22	Mar-23	Mar-24	Particulars (Rs. Mn)	Mar-21	Mar-22	Mar-23	Mar-24
ASSETS					EQUITY AND LIABILITIES				
Non-current assets					Equity				
(a) Property, Plant and Equipment	292	442	913	1,205	(a) Share capital	17	104	112	112
(b) Capital Work in Progress	-	173	14	72	(b) Other Equity	2,062	5,641	11,559	13,130
(c) Intangible Assets	6	14	20	427	Total equity and liabilities	2,079	5,745	11,671	13,242
(d) Right of Use Assets	34	20	188	278	Liabilities				
(e) Other Financial Assets	341	1,220.4	900	926	Non-current liabilities				
Total non-current assets	673	1,868	2,034	2,909	(a) Financial Liabilities				
Current assets					(i) Borrowings	98	7	3	-
(a) Inventories	738	1,198	1,930	2,668	(ii) Lease Liabilities/ others	24	11	4	29
(b) Financial Assets					(b) Provisions	85	111.6	102	101
(i) Investment	-	-	557	2,622	(c) Deferred Tax Liability (Net)	9	-	-	23
(ii) Trade receivables	1,559	1,983	3,825	3,988	(d) Other Non Current liabilities	274	157	1,307	21
(iii) Cash and cash equivalents	88	1,771	2,152	881	Total non-current liabilities	490	287	1,416	174
(iv) Other Bank Balances	-	-	3,326	3,046	Current liabilities				
(iv) Other Financial Assets	51	88.6	142	21	(a) Financial Liabilities				
(c) Other current assets	177	158.3	383	783	(i) Borrowings	235	60	5	-
Total current assets	2,613	5,199	12,315	14,009	(ii) Trade payables	120	382	446	501
TOTAL ASSETS	3,286	7,067	14,349	16,918	(iii) Other Financial Liabilities	40	221	103	58
					(iv) Lease Liabilities	15	13	13	7
					(b) Other current liabilities	246	227	664	2,891
					(c) Provisions	10	7	31	45
					(d) Current tax Liabilities	51	125	-	-
					Total current liabilities	717	1,035	1,262	3,502
					TOTAL EQUITY AND LIABILITIES	3,286	7,067	14,349	16,918

Historical Cash Flow Statement

Particulars (Rs. Mn)	FY21	FY22	FY23	FY24
Net Profit before tax	745	1,274	1,648	2,422
Adjustments for :				
Add : Depreciation	56	66	85	161
Add : Interest And Finance Charges	145	110	77	93
Add : Liquidated Damages (LD) Written Off	-	13	45	9
Add : Unrealized Forex Gain/Loss	-	3.9	11	-.4
Less: Profit on sale of assets	-1	-	0	
Less: Profit/Loss on sale of Mutual Funds	-	-	-8	-55
Less: Interest Income	-22	-40	-84	-296
Others				-98
Operating Profit Before Working Capital Changes	922	1,427	1,774	2,238
Adjustments For Working Capital Movements :	-298	-621.5	-1,412	-213
Cash Generated From Operations	624	806	362	2,025
Direct Taxes (Paid) /adjusted	-190	-284	-534	-631
Net Cash flow From Operating Activities (A)	434	522	-172.4	1,394
Cash Flow From Investing Activities (B)	-87	-1,198	-3,828	-2,239
Cash Flow From Financing Activities (C)	-449	2,359	4,381	-425
Net Increase in Cash & Cash Equivalents (A+B+C)	73	1,683	381	-1,270
Cash & Cash Equivalent At The Beginning Of The Year	15	88	1,771	2,152
Cash & Cash Equivalent At The End Of The Year	88	1,771	2,152	881
Net Increase/ (Decrease) in Cash & Cash Equivalent	73	1683	377	-1,270

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Questions?

A photograph of a modern industrial building. The building features a large section with a grid of dark-framed glass windows that reflect the sky and surrounding trees. To the left of this glass section is a taller part of the building with a facade of vertical corrugated metal panels. A large, closed roller door is visible at the base of this section. The building is white and has several long, horizontal windows on its right side. The foreground shows a paved area, some young trees, and a curved concrete curb. The sky is clear and blue.

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