

Message from CEO

DEAR SHAREHOLDERS,

In 2009, when we started our journey we had an aspiration to make CMSINFO a public institution. We achieved this in February 2024, when our promoters Sion Investment Holdings Pte. Limited (a holding company of leading global private equity firm, EQT) exited their eight year old investment. Today we are amongst a handful of listed firms in India with a 90%+ public shareholding, professionally run and board governed. We embark on our next phase of building this institution with the same team, principles and values which have guided our journey thus far.

I also completed 15 years at CMSINFO, a milestone which I share with more than 1,500 colleagues, almost 10% of our entire team. This long-term approach and commitment is testimony to what makes our work special and relevant to our customers.

In my last letter, I had shared two of our core values: to 'Do more with less' and to 'Stay focused on the long-term'. This year I want to enumerate the unique strengths of our platform, highlight achievements in the last year and share our plans for FY25 and beyond.

WHAT MAKES THE CMSINFO PLATFORM UNIQUE

Our customers respect us for our track record of solving large and complex problems at scale to deliver value for them. We have demonstrated this several times by integrating our in-house full-stack technology capabilities with a deep physical network in India. Gaining customers respect and trust by offering high-quality solutions is our north star. One such high-impact solution is the ALGO MVS (Multi-vendor

Software) solution developed and running live at India's largest bank for the past 5 years. The bank sought a transformative solution to manage one of the world's largest and complex ATM networks. We were tasked with building a unified customer interface and to create the ability to rapidly roll out software changes, security updates and to ensure the network runs securely at high availability. This is a perfect example of how we help customers with our technology capabilities and physical network to offer a better consumer experience and enhance their brand value.

FY24: ANOTHER YEAR OF STRONG PERFORMANCE

We continued to deliver robust revenue growth, maintain a high margin profile and generate strong cash flows. Our overall revenues grew 18% and adjusted PAT at 23%. This is our fifth consecutive year of 20%+ earnings growth. We remain very disciplined and judicious about capital allocation and investments. Our ROCE expanded to 27.4% and we had cash reserves of ₹784 Crores, ensuring we maintain a robust balance sheet and have the ability to invest in the right projects and opportunities. The Board has recommended a dividend of 25% of our FY24 PAT, our fifth year of growing dividend payouts.

Our Cash Logistics business grew by 11% and gained market share in all segments, while our Managed Services & Tech Solutions business grew by 35%. The rapid growth in this segment has increased its revenue contribution to 39%, a year ahead of our forecast. Our technology solutions are also helping us deepen enterprise relationships in BFSI, leading to ₹1,850 Crores of

new order wins in FY24, growing almost double of FY23 wins. The AIoT Remote Monitoring business has also scaled and crossed ₹100 Crore of revenue in less than 3 years of incubation. We expect the revenue contribution of our Technology Solution businesses to increase from 6% in FY24 to 8-10% in FY25.

As we scale our 7 solutions and service lines, our customers have significantly benefited from our platform approach and the integrated service delivery model. To enhance our capabilities, we have expanded our leadership team by hiring Puneet Bhirani as President - Operations. He joins us with over 27 years of experience across Mphasis, OLA and BYJU's in UK, US and India. His expertise in technology-led operations transformation will help scale CMSINFO through innovation, customer centricity and cost optimization.

FY25 AND BEYOND

Our longer-term growth will be fuelled by three key trends: i) Formalization of the Indian economy, ii) Growth in consumption and iii) Higher end-to-end outsourcing of services by banks.

We are witnessing Indian banks invest significantly in expanding their branch infrastructure, with a view to increase penetration and drive growth. ATMs will be a key automation and customer access channel for this expansion. Further, in urban India, we will have bank branches with more than one ATM. A long-due ATM interchange hike could accelerate this growth.

Similar to the banking sector, the retail sector is also a large long-term growth opportunity. Today, less than one-third of potential retail outlets outsource their cash

management to companies like us. We are innovating through our technology offerings as well as delivery models to provide a compelling value proposition to grow this market.

In addition to our organic growth efforts, we are focused on creating new business lines through partnerships and M&A. Each year, we invest a part of our profits for such incubation efforts. The areas we are currently focused on include, end-to-end loan collection solutions, specialized logistics, B2B fintech solutions and banking software. Our strong customer relationships, pan-India physical network, technology capabilities and successful track record of scaling businesses should help us succeed in our goals.

CONCLUDING THOUGHTS

We run a complex business with solid execution capabilities to solve tough customer problems at scale. In fact we are the only company globally which has expanded successfully from cash logistics into technology adjacencies with a healthy revenue mix of 60:40 across the two businesses. BFSI and retail sectors present us with multiple avenues for growth in the coming years. For FY25, we are confident of achieving our target guidance of doubling our revenue from FY21. We expect FY25 revenue to be in the ₹2,600-2,700 Crores range, a 15-19% revenue growth over FY24. I would like to take this opportunity to thank our outgoing board members, Ms. Manju Agarwal and Mr. Ashish Agrawal, for

their unwavering support and guidance. Their contributions have been significant in shaping our company's strategy and maintaining a robust governance framework.

I am grateful to our 1.6 lakh+ shareholders, our customers and the entire CMSINFO team for the confidence and trust reposed in us. We are excited by the opportunities ahead and look forward to setting new milestones in our journey of transformation, growth and compounding shareholder value.

Thank you,

RAJIV KAUL

Executive Vice Chairman, Whole-time Director and CEO

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