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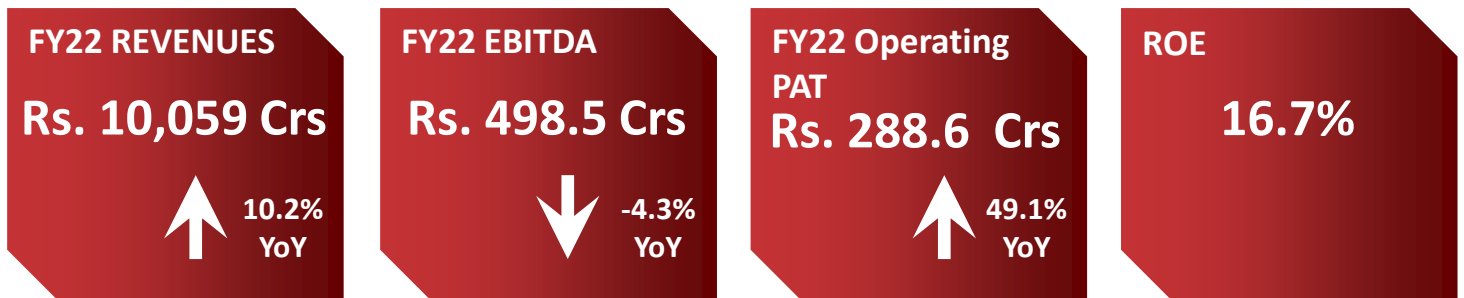
A Market Leader in
Security, Cash Logistics
& Facility Management



FY21-22

ANNUAL EARNINGS UPDATE

4th May, 2022



"FY22 has been a landmark year for SIS. We crossed the INR 10,000 crore annual revenue mark for the first time in our history. All business segments reported healthy growth despite impact of COVID second and third waves, resulting in 10.2% growth YoY. The COVID period has underlined the resilient nature of our business, amply demonstrated by our monthly revenue run rate, which was Rs. 942.4 crs for March, 2022 compared to Rs. 719.7 crs in March 2020 (pre-COVID) which is a growth of 31 %"

[Page 2 – Comments from MD](#)

[Page 4 – Consolidated Financial Results](#)

[Page 5 – Q3 FY22: Financial Commentary](#)

[Page 8 – Leverage and Financing](#)

[Page 10 – Security Solutions – India](#)

[Page 11 – Security Solutions – International](#)

[Page 12 – Facility Management Solutions](#)

[Page 13 – Cash Logistics Solutions](#)

Notes from the Group Managing Director

Highest ever quarterly revenue in Q4FY22 – Rs. 2,648 Crs despite COVID third wave impacting Q4.

We ended Q4FY22 at Rs. 2,648 Crs revenue, the highest ever quarterly revenue in our history. Our revenue was up by 8.3% YoY and 1.8% QoQ. All business segments continued their strong revenue growth with Security Solutions – India up by 15.0% YoY and 4.2% QoQ and Facility Management up by 30.4% YoY and 4.8% QoQ. During the quarter, while we kept our guard up on the health and safety of our employees in the face of COVID third wave, we did not lose sight of business and revenue growth and continued to build on the momentum of the previous quarters. This allowed us to cross the Rs. 10,000 crs annual revenue mark and reach an important milestone in the Group's history. Our monthly revenue run rate in March 2022 was Rs. 942.4 crs compared to Rs. 719.7 crs in March 2020 (pre-COVID) which is a growth of 30.9 %.

While SIS is ranked amongst the top 10 in our industry globally (by revenue), it continues to be the fastest growing amongst listed peers across global markets and the only platform with market leading positions across Security Services (#1), Facility Management (#2) and Cash Logistics (#2) in a major market like India. The FY22 performance underlines and reinforces the fundamentals that add long term predictability to our growth story, i.e., essential services demand remains resilient in both crisis and growth phases and SIS has built a unique natural hedge with its International Operations.

Strong cashflows

In spite of a revenue growth of 10.2% y-o-y, we continued our focus on cash accruals and OCF/EBITDA was 94.2% for the quarter and 46.9% for the full year FY22. On an overall basis, DSOs were almost flat on a y-o-y basis and improved by 3 days against the previous quarter. During the year, we used a portion of our excess cash to pay down some of our loans in order to

better manage the interest and finance costs.

Terminix - SIS JV to become a 100% SIS Group subsidiary

In 2011, SIS entered into a joint venture agreement with Terminix International Company LLP ("Terminix") to provide pest control and termite solutions in India and formed a joint venture company by the name of Terminix SIS India Private Limited with SIS and Terminix holding 50.01 % and 49.99 % of the equity capital respectively. Over the next three years, both partners invested a total of Rs. 22.50 cr as capital to build the business in India. In 2017 and 2018, with a view to further capitalise the business, and since Terminix group was in the process of their own transition, SIS invested a further Rs. 8 cr to ensure the business remained adequately funded in order to achieve its true potential resulting in SIS holding 63% of shareholding on a fully converted and diluted basis.

Over the years, the company built up a pan India service capability, with 16 branches catering to 250+ towns in India and over 30,000+ monthly services focusing primarily on Healthcare, Hospitality, Food processing, Manufacturing, Warehousing, Pharma, Property Management.

The business turned EBITDA positive in 2020 and has continued to improve its financial performance with Revenues of Rs. 31.1 cr and EBITDA margin of 11.1 % in FY22 and delivered a ROE of 33.5 % in FY22.

In 2021, Rentokil announced the acquisition of Terminix, USA. As a result of this acquisition, Terminix has decided to exit the joint venture in India and offered all its shares to SIS and the offer was accepted and agreements have been executed to:

- Transfer of the entire shareholding from Terminix to SIS for a consideration of USD 100,000
- Allow the JV company to retain the use of the Terminix Brand for a period of 3 years at a nominal royalty fee

This conversion to a 100% subsidiary in the SIS Group will allow SIS to focus on continuing to build the business in India and we will utilise the three year period to create and establish SIS brand in the segment

Investment in Staqu, a AI driven video analytics startup

SIS has had a successful history of long-term planning under the five-year Vision plans. Each of our prior five-years plans had set in place growth strategies considering market trends, internal capabilities and resources, and regulatory changes. We have successfully created and established new business lines, raised funds from private equity and public markets, expanded into adjacencies and significantly ramped up technology spends. As part of the Vision 2025, the two primary goals are:

- Market Leadership to **Market Share**
- Services to **Solutions**

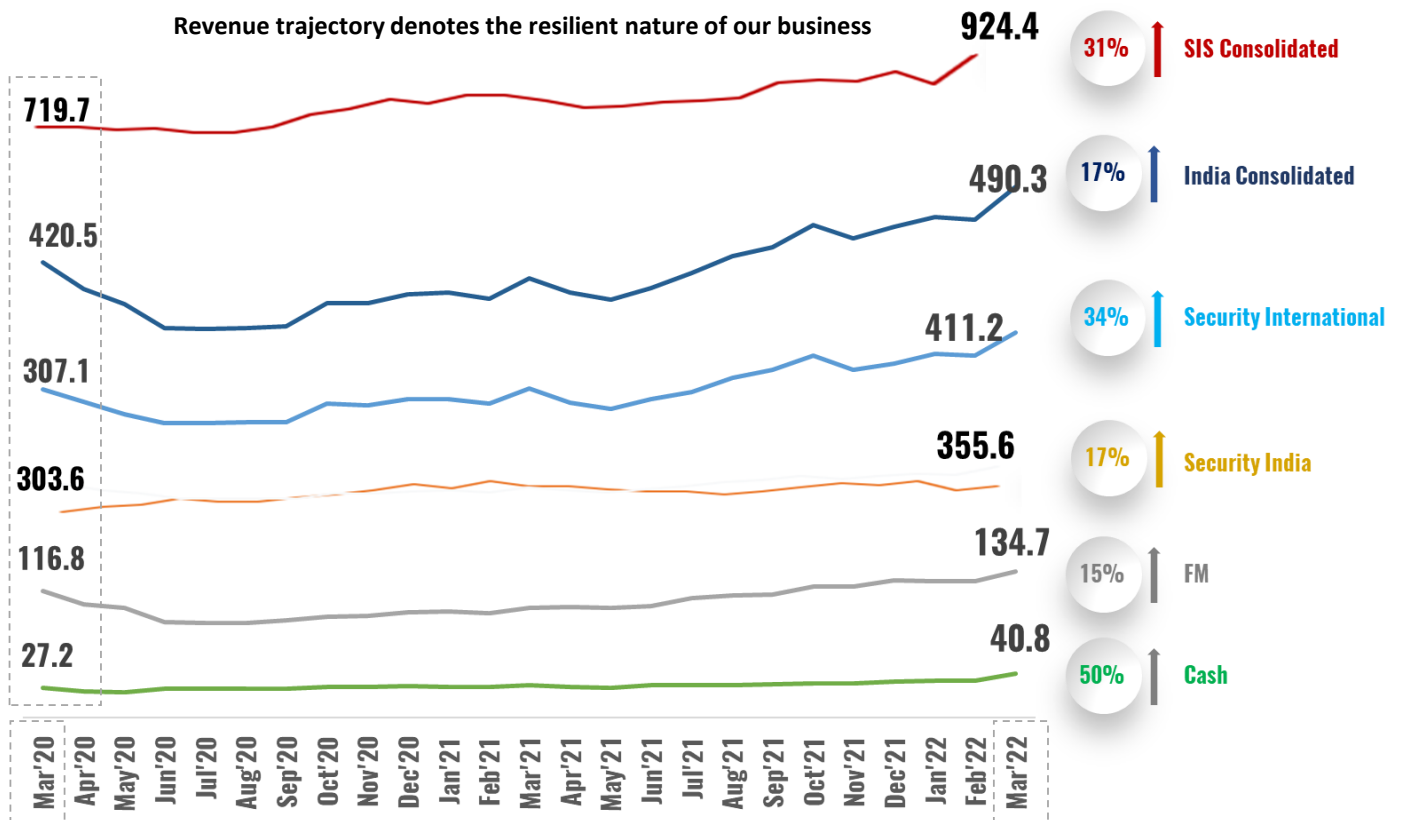
An essential element of transforming the SIS Group to a Solutions company from a Services company is technology. We believe that Technology is all pervading today and there are numerous startups which have emerged in all our business segments working on a myriad of technologies, products and solutions with a view to solve customer problems and meet customer needs as they see it. Since

it is neither possible nor practically or financially feasible to attempt to develop these solutions by ourself or even manage such development inhouse, SIS believes that the best course, therefore, is to identify, and invest in, those startups which have developed products which will both solve the unique requirements of SIS Group's clients while adding value to them.

SIS believes that the investment route in such startups is, therefore, a win-win for us whereby we gain access to the technology and the solution, deploy them at customer sites and also create a differentiation for SIS vis-à-vis the competition and increase customer contract longevity. This route also enables us to diversify our financial risk by backing multiple relevant solutions and ideas over a period of time.

In order, therefore, to implement the Vision 2025 and the goal of moving from Services to Solutions, SIS group is targeting to invest a sum of Rs. 75 cr to act as a Seed fund incubator for next generation ideas in SIS' addressable & adjacent markets.

In this direction, SIS has recently invested in Staqu, an video analytics company, founded in 2015 with headquarters at Delhi. Video analytics based security solutions are expected to transform the security industry worldwide and SIS, to keep pace with this transformative trend, has decided to invest in such strategic capabilities. We see potential synergies with our VProtect business as well.



Consolidated Financial Results

Q4/FY22

(In INR Crs)	Quarterly Numbers		Change %	12M Numbers		Change %
Particulars	Q4 FY22	Q4 FY21	Y-o-Y	FY22	FY21	FY22 v/s FY21
Revenue	2,648.0	2,445.2	8.3%	10,059.1	9,127.3	10.2%
EBITDA	124.4	123.3	0.9%	498.5	520.8	-4.3%
%	4.7%	5.0%		5.0%	5.7%	
Depreciation	26.7	25.5	5.0%	99.4	98.6	0.9%
Finance Costs	24.6	24.7	-0.4%	98.4	107.1	-8.1%
Other income & share of profit/(loss) in associates –	9.2	74.7	-87.7%	29.6	160.1	-81.5%
Earnings Before Taxes (Incl. Grants)	82.2	147.8	-44.4%	330.3	475.2	-30.5%
Less: Acquisition related costs / (income)						
- Depreciation & Amortization	3.1	3.1		12.1	14.5	
- Finance costs	0.0	3.4		0.0	20.2	
- Goodwill Impairment	0.0	276.2		0.0	276.2	
- Gains arising out of adjustment of future tranche of acquired entities	0.0	-275.8		-25.7	-318.2	
Earnings Before Taxes (Reported)	79.1	140.9	-43.8%	343.9	482.6	-28.7%
%	3.0%	5.8%		3.4%	5.3%	
Tax Expenses	-18.3	38.7		17.9	115.4	
Profit After Taxes (Reported)	97.4	102.2	-4.7%	325.9	367.2	-11.2%
%	3.7%	4.2%		3.2%	4.0%	
Profit After Taxes (Operating)	97.7	35.9	172.3%	288.6	193.5	49.1%
%	3.7%	1.5%		2.9%	2.1%	
EPS	6.6	6.9	-4.4%	22.1	24.8	-11.1%
OCF	117.2	109.2	7.3%	233.6	639.5	-63.5%
OCF to EBITDA	94.2%	88.5%		46.9%	122.8%	
Net Debt	686.8	375.6		686.8	375.6	
Net Debt to EBITDA	1.4	0.7		1.4	0.7	

****For an explanation of Proforma EBITDA and the special items affecting the EBITDA, EBIT and PAT, please refer the sections titled “Proforma EBITDA” and “Special items”**

Revenue, EBITDA, and PAT Growth Development by Business Segment

Business Segments	Revenue Growth		EBITDA Growth		PAT Growth		Operating PAT Growth	
Total Growth - %age	Q4 FY22 v/s Q4 FY21	Q4 FY22 v/s Q3 FY22	Q4FY22 v/s Q4 FY21	Q4 FY22 v/s Q3 FY22	Q4 FY22 v/s Q4 FY21	Q4 FY22 v/s Q3 FY22	Q4 FY22 v/s Q4 FY21	Q4 FY22 v/s Q3 FY22
Security Solutions - India	15.0%	4.2%	-9.9%	-6.5%	182.2%	26.6%	182.2%	26.6%
Security Solutions – International								
(on a constant currency basis)	1.9%	-0.6%	-5.9%	-3.6%	-61.2%	-40.7%	32.4%	-0.1%
Facilities Management	30.4%	4.8%	205.5%	-0.8%	873.4%	97.2%	873.4%	97.2%
Total of SIS Group	8.3%	1.8%	0.9%	-4.1%	-4.7%	-3.2%	172.3%	28.0%

Revenue Development

Consolidated revenue for Q4 FY22 was INR 2,648.0 Crs; grew by 8.3% over Q4 FY21. Consolidated revenue for Q4 FY22 had a q-o-q change of 1.8%

All businesses continued to report revenue growth during the quarter signifying the continuation of the business recovery in all segments where the Group operates except for International which slightly declined due to seasonality in Q3 and winding down of the special COVID related quarantine contracts.

Security Solutions – India posted a strong quarter with 4.2% growth q-o-q on the back of new wins of more than INR 21 Crs of monthly revenue during the quarter

Facility Management segment revenues continued its strong comeback during the quarter with a revenue increase of 30.4%, compared to the same quarter in the previous year. This growth was primarily driven by new wins of more than INR 6 Crs of monthly revenue during the quarter in Manufacturing, Healthcare, BFSI and E-commerce / Logistics

Security Solutions – International reported a slight decline in revenues from Q3 FY22 due to the holiday season related seasonal contracts in Q3 ceased and continued reduction of the COVID related quarantine contracts partially offset by the start of the gradual buildup in aviation, healthcare and universities which have commenced returning to normal operations in the later part of the quarter. On a constant currency basis, the International Security segment reported revenue growth of 1.9% and (0.6) % on a y-o-y and q-o-q basis respectively.

Despite the effects of the third wave of COVID during the quarter, our Q4FY22 results continue to establish the resilient nature of the SIS business. These results continue to reflect that SIS business operations are tracking ahead of the revival of the economy and that SIS is best positioned to take advantage of the “return to normal” mode.

Business segment wise revenue growth for Q4 FY22 are as follows:

- Security Solutions – India, had a q-o-q increase over Q3 FY22 of 4.2% and a y-o-y increase by 15.0% over Q4 FY21
- Security Solutions – International, had a q-o-q decrease over Q3 FY22 of 0.8% and a y-o-y decline of 1.3% over Q4 FY21 ((0.6) % and 1.9% growth respectively on a constant currency basis); and
- Facility Management, had a q-o-q increase over Q3 FY22 of 4.8% and a y-o-y increase by 30.4% over Q4 FY21

Earnings Before Interest Tax Depreciation & Amortization (EBITDA)

Consolidated EBITDA for Q4 FY22 at INR 124.4 Crs was 4.1% lower than Q3 FY22.

Consolidated EBITDA for FY22 at INR 498.5 Crs was 4.3% lower than FY21.

In FY21, certain cost savings were realised during the periods of lockdown and restrictions on movement, like rentals on premises, travel, people training and development, third party professional fees, etc.. These amounted to Rs. 49.5 crores for FY21. The EBITDA margins in Security Solutions – International in FY21 was also significantly positively impacted by the ad-hoc quarantine related business which came in at higher than usual margins coupled with reduction of spends on travel due to the lockdowns and restrictions.

However, with the economic activity picking up in FY22 and growth and revenue back to pre-COVID levels, we commenced restoring all critical activities back to normal mode, especially the customer interactions and customer facing activities which has resulted in an increase in the related costs of travel, people training and development, third party professional fees compared to FY21 wherein all of these were almost completely eliminated. This restoration of activities and normal business spending has resulted in almost all of the cost savings of FY21 being reduced and coming back into the business and impacting the earnings. At the same time, with the special COVID related quarantine contracts starting to wind down, the EBITDA margins in Security Solutions – International are trending back down to pre-COVID levels.

During FY22, we also announced a salary revision, one-time discretionary incentive payouts, and incurred additional expenses towards health, medical assistance and vaccination of our employees. These have resulted in an increase in SG&A costs of INR 19.9 cr (including one-off costs of Rs. 8.2 cr) which has impacted the EBITDA for the year.

In spite of these items of reduction of cost savings, reduction of adhoc COVID related business and additional expenses including the one-off costs mentioned above with their resultant impact on the EBITDA, the EBITDA for FY22 was lower by only 4.3% on a y-o-y basis.

Business segment wise reported EBITDA movement for Q4 FY22 on y-o-y basis are as follows:

- Security Solutions – India had a q-o-q decrease over Q3 FY22 of 6.5% and a y-o-y change by (-9.9%) over Q4 FY21
- Security Solutions – International had a q-o-q decrease over Q3 FY22 of 3.6% and a y-o-y change of (-8.5%) over Q4 FY21 (however had a change by (0.6%) and 1.9% respectively on a constant currency basis); and
- Facility Management Solutions had a q-o-q decrease over Q3 FY22 of 0.8% and a y-o-y increase of 205.5% over Q4 FY21

Earnings Before Taxes (Reported)

The reported Earnings Before Taxes for the Group were at INR 79.1 Crs for Q4 FY22, compared to INR 140.9 Crs for Q4 FY21, thus showing a decrease of 43.8%.

However, the normalised Earnings Before Taxes for the Group were at INR 87.0 Crs for Q4 FY22, compared to INR 85.5 Crs for Q4 FY21, thus showing an increase of 1.8%.

Other income & share of profit/(loss) in associates for the quarter is comprised of:

- a) The effects of unrealised currency translation amounting to INR (4.5) Crs in respect of the RDBs issued by the parent to its Australian subsidiary.
- b) Recognition of income from grants, amounting to Rs 4.2 Crs, received from the Singapore government (*see section titled "Special items"*)
- c) Interest income from bank deposits; and the Group's share of the profit/(loss) in its associates and other gains and losses which is driven by a continued improvement in the Cash Logistics business

Other income & share of profit/(loss) in associates for the year is comprised of:

- a) The effects of unrealised currency translation amounting to INR (2.7) Crs in respect of the RDBs issued by the parent to its Australian subsidiary.
- b) Recognition of income from grants, amounting to Rs 13.4 Crs, received from certain governments in our International business (*see section titled "Special items"*)
- c) A gain of INR 25.7 Crs as a result of a write down of the liability created for the acquisition of the balance 49% shares of Platform4Group Ltd as the final price paid for those shares was less than the estimated liability created for those shares in 2019 (*see section titled "Special items"*)
- d) Interest income from bank deposits; and the Group's share of the profit/(loss) in its associates and other gains and losses which is driven by a continued improvement in the Cash Logistics business

Thus, the normalised Earnings Before Taxes for the Group were at INR 336.8 Crs for FY22, compared to INR 337.2 Crs for FY21, which is almost flat.

The Group's consolidated **Depreciation & Amortization** amounted to INR 29.8 Crs for Q4 FY22 which was marginally higher than INR 28.5 Crs for the same quarter last year

Finance costs for the Group amounted to INR 24.6 Crs, representing a decrease of 12.5% over the same quarter in the year FY21. This is driven by:

- a) Continuous review and re-negotiation of our facilities leading to a reduction in the rate of interest of our existing working capital facilities by 120 bps in our India business (the effective rate of interest during the quarter was 4.2%); and
- b) Completion of acquisitions of remaining shareholding in all businesses acquired in FY19 and FY20 resulting in a reduction in the fair value true-ups of the liability for such acquisitions

Special items

During the quarter and year, the following special items were accounted for in the statement of profit and loss:

- a) Recognition of income from grants, amounting to Rs. 4.2 Crs and Rs.13.4 Crs during the quarter and the year respectively, received from certain governments in our International business
- b) During the year, in Q3FY22, the Group's subsidiary in Australia completed the acquisition of the balance 49% shares in Platform4 Group Ltd (P4G) pursuant to share purchase and option agreements entered into in 2019. At that time, in 2019, under the relevant accounting policies and standards, the Group also estimated and accounted for a liability to reflect the price which it expected to pay for the remaining 49% shares held by the erstwhile shareholders. Under the terms of these agreements, and based on the formula contained in those agreements, a purchase price for these 49% shares was computed and final payments were made to the shareholders during the quarter. As a result of this computation and final payment to the shareholders, a gain of INR 25.7 Crs has been recorded and accounted under "Other gains/losses" as a result of a write down of the liability created in 2019 for the acquisition of the balance 49% shares of P4G.

Taxes & Profit after Tax

Operating PAT

The Operating Profit after Tax has been computed after adjusting for these amounts to explain the real/sustainable PAT:

Particulars (in INR Crs)		Q4FY22	Q4FY21	Q3FY22	FY22	FY21
Reported PAT		97.2	102.2	100.6	325.8	367.2
Less: the effect of special items explained above		(0.3)	66.3	24.3	37.4	173.7
Operating PAT		97.7	35.9	76.4	288.6	193.5
Growth	y-o-y	172.3%				
	q-o-q	28%				

Accounting for the benefits under Section 80JJAA of the Income Tax Act, 1961

The key qualifying criterion for availing the tax benefits under section 80JJAA are an increase in the number of employees during the year and eligible employees completing a period of employment of at least 240 days in the year either in the year of recruitment or in the immediately succeeding financial year.

During the quarter and year, the number of employees in all businesses increased as compared to the previous year. As a result, we have accounted for the tax benefits under Section 80JJAA of the Income Tax Act for the year in line with past practice.

We continue to receive, and account for, the tax benefits under section 80JJAA which have accrued to the Group during FY20 and which the eligible entities of the Group have claimed in FY22. In FY22, the Group is also eligible to claim benefits in respect of those eligible employees employed in FY21 and completing a period of employment of at least 240 days in FY22.

On a standalone basis, the Company's current tax rate is close to NIL because of the benefits accruing under Section 80JJAA of the Income Tax Act, 1961 except for dividend income from foreign subsidiaries which is subject to special rates of tax.

The current tax rate reflects the amount of tax the Company is expected to pay when preparing and filing its tax returns. The real effective tax rate reflects the current tax plus the deferred tax effect on timing differences. The current tax rate and real effective tax rate, is computed below:

INR Crs	FY22
PBT	65.6
Dividend (at special tax rates)	50.0
Current tax	0.0
Current tax on dividend	3.2
Deferred tax effect on timing differences	-11.3
Total tax items	-11.3
Current tax rate	0.0%
Real Effective tax rate	-11.7%

Leverage and Financing

Cash flows, Leverage (Net Debt) and Return Ratios

- **Net Debt/ EBITDA** was **1.38** as of March 2022, which is lower than 1.44 in December 2021. This decrease in Net Debt / EBITDA was a result of decrease in DSO during the quarter.
- **OCF/EBITDA** on a consolidated basis was **46.9%** for the year which is result of the business growth and strong working capital management. We continue to enjoy significant head room in our current Working capital facilities. DSO for the quarter reduced by 3 days.
- **Return Ratios** Our consolidated Return on Capital employed (ROCE) which is a reflection of the operating earnings as a percentage of operating capital is **15.6%** and our adjusted Return on Equity is **16.7%**. This is mainly driven by an increase in the Capital employed as result of net profits during the year.

In INR Cr	INDIA SECURITY	INTERNATIONAL SECURITY	FACILITY MANAGEMENT	Consolidated
PBT	122.4	238.4	42.5	343.9
Cash Profit	189.5	269.1	70.9	529.3
Changes in working capital	7.8	-40.1	-57.1	-89.8
Taxes paid	-59.8	-122.5	-23.6	-205.9
Net Operating cash flows	137.4	106.6	-9.8	233.6
Capex	-60.1	-24.3	-18.0	-102.1
Investments made/realised	-51.2	-161.7	0.0	-212.6
Other items	50.5	0.2	0.0	0.2
Net Investing cash flows	-60.8	-185.7	-18.0	-314.4
Borrowings, net	-147.3	43.2	7.0	-97.2
Lease liability	-15.5	-17.2	-3.3	-36.1
Interest paid	-62.8	5.5	-8.3	-65.5
Other items	-123.9	-52.1	0.0	-124.5
Net financing cash flows	-349.5	-20.7	-4.7	-323.2
Net change in cash flows	-272.9	-99.8	-32.5	-404.0
EBITDA	165.8	269.4	63.6	498.5
OCF/EBITDA	82.9%	39.6%	-15.4%	46.9%

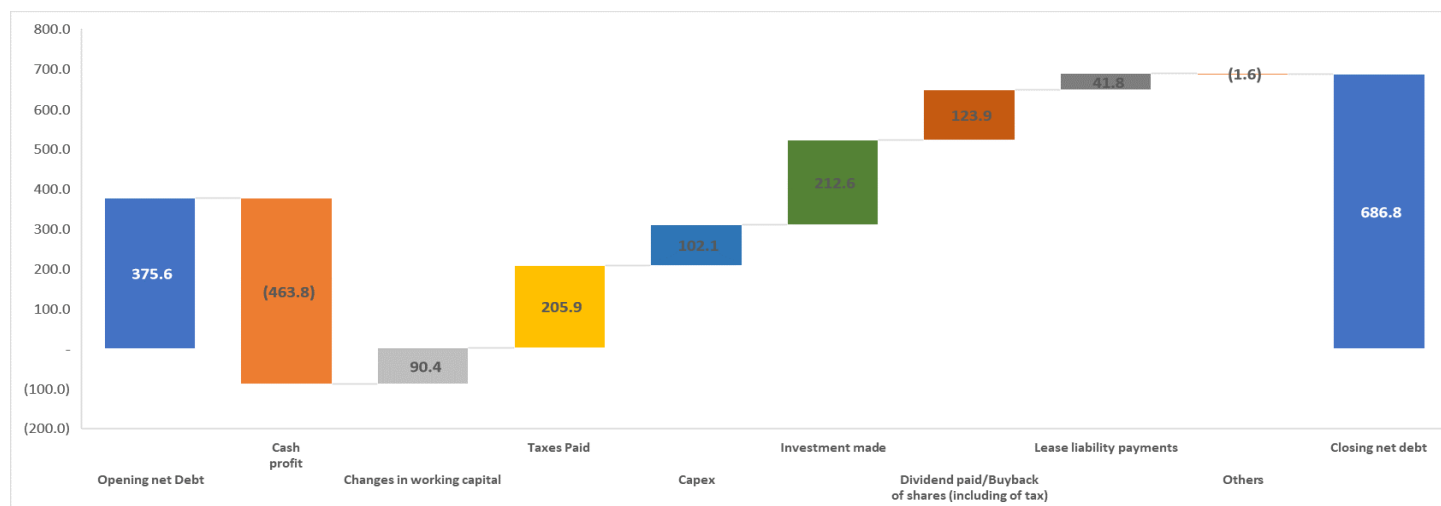
Leverage and Financing

Leverage (Net Debt)

The movement in Net debt for FY22 is provided in the table and chart below:

In INR Cr	March 2022			March 2021		
Particulars	India	Intl	Total	India	Intl	Total
Long-term borrowings	37	567	607	223	519	742
Short-term borrowings	709	12	721	592	21	613
Add: Lease liabilities	64	59	123	59	58	117
Gross Debt	810	641	1,451	874	598	1,472
Less: Cash and Cash Equivalents	288	476	764	520	576	1,096
Net Debt	522	165	687	353	22	376

Net Debt Bridge (in INR Crs) – March'21 to March'22



Security Solutions – India

The India Security Solutions business comprises five entities – our flagship SIS security business, SLV, UniQ, Tech SIS and Vprotect. We continue our leadership position as the largest security solutions company in India.

The business currently operates across 180 branches and has 167,011 employees (an increase of 4,774 over Q3FY22)

Strong revenue growth continues

The segmental revenues for Q4 were Rs 1,037 Crs which was a 4.2% quarterly growth over Q3 FY22, thus continuing the growth momentum. This is also a 15.0% YoY increase over the same quarter in the previous year. The quarterly revenues for India security crossed Rs. 1,000 Crs for the first time in its history and is a major milestone for the segment.

Our new order wins during the quarter were more than Rs 21 Crs of monthly revenue. Major wins during the quarter came from Coal, Oil and Gas, Power, Hospitality, Manufacturing, BFSI, Logistics and Transportation segments. The biggest contract came from Mahanadi Coalfields where SIS will deliver Security Solutions at 18 sites through deployment of more than 3,000 security personnel in different categories. The contract is valued at approximately Rs. 226 crores. This is our first large value order in the Coal industries segment which is a testament to our strong capabilities, backed by our extensive experience in curating and providing customised and specific security solutions to the meet the unique needs of our customers. Retail and Healthcare segments continued to show strong growth, however IT/ITeS, Hospitality & Education segments are only now gradually resuming normal operations and we expect that their operations will normalize over the next two quarters.

Gross margin intact

We continue to maintain our gross margins by focus on robust management of our operations and contracts. During the quarter, we incurred certain expenses for the protection and safety of our employees to mitigate the impact of the third wave of Covid and also incurred expenses towards certain CSR initiatives of the group.

Increasing demand for technological solutions

In the evolving security landscape especially, post pandemic, a

paradigm shift has been observed in the industry which is clearly and seriously exploring, and moving towards, MANTECH solutions wherein, security guards are coupled with, and supported by, technological solutions to provide a superior and more efficient outcome for the clients. We continue converting large MANTECH solution orders and we have a strong and robust pipeline for such proposals.

Our technology and electronic security solutions businesses continue innovating and introducing new products and solutions to our clients. VProtect, our alarm monitoring and response business which provides custom solutions to clients looking for technology as the primary component for their security needs, continue to win new orders and added clients from BFSI and logistics segments, with an order value exceeding Rs. 100 cr, to offer AI based solutions and full technology stack of comprehensive security. including intrusion detection, access control, monitoring and response services. These orders strengthen our credentials in these segments. During the quarter we completed the installation and commissioning of more than 4,000 sites.

Tech SIS, our electronic security solutions business, successfully sold a control room solution (ICCC) to our existing clients and also successfully renewed contracts for providing AMC services to existing customers thus setting up a stream of recurring revenue for the business. During the quarter, we completed the installation and commissioning of a major security surveillance project for a large PSU Oil company.

Looking to the future

Video analytics based security solutions are expected to transform the security industry worldwide and SIS, to keep pace with this transformative trend, has decided to invest in such strategic capabilities. We see potential synergies with our VProtect business as well. SIS' recent investment in Staqu is a step in that direction and we intend to invest in several such new age and technology-based capabilities to complement and strengthen our security solution offerings for our customers.

Cash flows

Our DSO decreased from 75 days at the end of December 2021 to 68 days and the OCF/EBITDA was at 83% for FY22

Particulars (in Rs Crs)	Q4 FY22	Q4 FY21	Change YoY	Q3 FY22	Change QoQ
Revenues	1,036.6	901.3	15.0%	994.5	4.2%
EBITDA	39.8	44.2	-9.9%	42.5	-6.5%
EBITDA%	3.8%	4.9%		4.3%	
Share of group Revenues	39.1%	36.9%		38.2%	
Share of group EBITDA	32.0%	35.8%		32.8%	

Security Solutions – International

The International security business comprises four entities – MSS and SXP in Australia, Platform4Group (P4G) in New Zealand and Henderson in Singapore. We continue to be the market leader in Australia and a top 3 player in New Zealand. The International security business currently has 8,260 employees.

Strong growth in Australia

Revenues in connection with securing quarantine centers started tapering down during the quarter. The reduction in revenue from these contracts were compensated by increase in revenues from existing customers and segments that were hit by the pandemic and its restrictions.

We won new business of AUD 25M of annualized value during the quarter. All businesses in the segment won new contracts and these wins came from primarily from Universities, Government, Real Estate and Retail customer segments. These wins give us a good momentum going into the next financial year. We also won a special event

contract for providing security to selected locations for the ICC Women's Cricket World Cup held in New Zealand recently and successfully executed a long standing contract for the Australian Open Tennis tournament during the quarter.

Margins returning to pre-Covid normal as Covid temporary contracts decline

EBITDA for the quarter is 5.4% compared to 5.6% in the previous quarter Q3FY22 as the high value and high margin quarantine centre contracts start winding down and compensated by normal margin contracts which are starting to gain traction.

DSOs remaining stable

The DSOs in the international business inched up marginally by 2 days from the previous quarter (42 days of Q3FY22) due to new contracts being deployed during the quarter and special event contracts. Our OCF/EBITDA conversion in the segment was 40% for FY22

Particulars (in Rs Crs)	Q4 FY22	Q4 FY21	Change YoY	Q3 FY22	Change QoQ
Revenues	1,236.6	1,253.0	-1.3%	1,246.9	-0.8%
EBITDA	67.1	73.3	-8.5%	69.6	-3.6%
EBITDA%	5.4%	5.8%		5.6%	
Share of group Revenues	46.7%	51.2%		47.9%	
Share of group EBITDA	53.9%	59.4%		53.6%	

Facility Management Solutions

The facility management business comprises DTSS, SMC, RARE Hospitality and TerminixSIS. We are the second largest FM business in India. The FM business currently operates across 95 branches and has 66,712 employees, an increase of 1,743 over the previous quarter.

Highest Annual and Quarterly Revenues in the History

The segmental revenues for Q4 were Rs 386 Crs which was a 4.8% quarterly growth over Q3 FY22, thus continuing the growth momentum. This is also a 30.4% YoY increase over the same quarter in the previous year. The total revenue for the year was Rs. 1,395 Crs which was a 23.7% growth over FY21 and the exit annualised run rate is in excess of Rs. 1,600 Crs.

New orders/wins were more than Rs. 6 Crs of monthly revenue during the quarter. Major wins came from Manufacturing, Healthcare, BFSI and E-commerce / Logistics segments.

We intend to work more closely with customers to convert contracts to SLA based contracts, which is expected to result in better resource utilisation. We also intend to develop and deploy technology based solutions in order to improve productivity through better monitoring of performance.

Customers looking to work with organized and integrated players

While Health & Hygiene continue to be defining factors for the business, the last two years have fast tracked the shift from un-

organized to organized sector players especially for larger clients who are now seeking financially strong, ability to scale up, quality conscious and statutory compliant service providers.

The trend of large clients moving towards consolidation of service providers is visible, as they try to reduce the number of suppliers and consolidate their purchases with larger and more compliant service providers. We have the capabilities to offer end-to end business service solutions comprising security, facility management, pest control, etc. and we believe that this is a big competitive advantage for us as customers look to reduce their number of vendor relationships. During the quarter, OneSIS (Our integrated Facility management offering) signed on some of the marquee names in the BFSI / Corporate and Real Estate domains as clients with contracts worth Rs. 10 Crs of annual revenue. One SIS is going to be an important part of our Vision 2025 goal to move from services to solutions.

TerminixSIS set to be 100% subsidiary

The conversion of Terminix SIS to a 100% subsidiary of the SIS Group is a major event and we intend to continue investing and growing this business.

Strong Collection Trends continue

Our DSOs continue to improve and is down by 3 days for the quarter as against 83 in Q3FY22.

Particulars (in Rs Crs)	Q4 FY22	Q4 FY21	Change YoY	Q3 FY22	Change QoQ
Revenues	385.5	295.7	30.4%	367.8	4.8%
EBITDA	17.4	5.7	205.5%	17.6	-0.8%
EBITDA%	4.5%	1.9%		4.8%	
Share of group Revenues	14.6%	12.1%		14.1%	
Share of group EBITDA	14.0%	4.6%		13.6%	

Cash Logistics Solutions

The cash management business is a JV with Prosegur of Spain, a world leader in cash solutions. We have a 49% holding in the JV which is the second largest cash logistics business in India. We operate over 3,000 cash vans and 60 vaults covering over 300 cities across India.

Highest ever quarterly revenue in Q4FY22, with focus on more business exposure to non-ATM business

The business continues its strong growth and reported revenues of Rs. 114 Crs during the quarter which is a 10% growth over Q3FY22 and an 14% increase over y-o-y basis.

With the cash in circulation going up to a record level of Rs. 30 lakh Crs, we are focussing on growing our business in Door step banking and Cash Processing as we believe these business lines have the highest growth potential in the near term. As a result of this focus, we have aggressively expanded our retail business significantly to over 18,000 points currently, which represents a 13% growth on y-o-y basis. Similarly, our cash processing business has also seen a very encouraging growth of more than 5x on a y-o-y basis.

Focus on new Sales in newer segments and solution selling

The innovative tech enabled solutions and new product lines contribution was almost 5% of overall revenue. We successfully deployed our first CDM in the retail segment during the quarter.

New business wins during the quarter were Rs. 10 Crs of annualized revenue across all business lines.

Highest ever EBITDA margin, despite steep fuel costs increase

Inspite of a steep increase in the fuel cost driven by the conflict in the Europe, the business managed to maintain its gross margin by continued focus on dynamic management of on-ground routes, proactive cost control and productivity improvement measures.

During Q4, almost 10% of ATMs serviced by us were functional on Cassette swap operations. RBI has extended the deadline for compliance with its notified regulations for the industry to March 2023. However, we continue to engage with customers to transition the operations to an RBI regulation compliant state and at the same time successfully negotiating corresponding price increases with them, since these compliances are resulting in an additional cost to the business.

Strong Cashflows

Steady decrease in DSOs continues during this quarter by 7 days thus resulting in a 14 days reduction during FY22 compared to FY21. Strong working capital management coupled with revenue growth and improved profit metrics have resulted in OCF/EBITDA of 192%. This has allowed the business to build up its cash reserves which it intends to use to leverage for the next stage of growth and opportunities available.

Particulars (in Rs Crs)	Q4 FY22	Q4 FY21	Change YoY	Q3 FY22	Change QoQ
Revenues	114.1	99.8	14.4%	103.7	10.0%
EBITDA	22.8	7.9	190.2%	11.7	94.5%
EBITDA%	20.0%	7.9%		11.3%	

Date: May 4, 2022

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

Company Symbol: SIS

Company Code: 540673

Dear Sir/Madam,

Sub: Declaration pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Devesh Desai, Chief Financial Officer of SIS Limited ("the Company"), hereby declare that the statutory auditors of the Company, Saxena and Saxena, Chartered Accountants (Firm registration No. 006103N) have issued an Audit Report with unmodified opinion on the annual audited financial results (standalone and consolidated) of the Company for the financial year ended March 31, 2022. This declaration is submitted in compliance with Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Request you to take the same on record.

Thanking you.

Yours Faithfully,

For SIS Limited


Devesh Desai

Chief Financial Officer



SIS Limited

(Formerly Security and Intelligence Services (India) Limited)

SIS Limited

(Formerly Security and Intelligence Services (India) Limited)

Address for correspondence: #106, 1st Floor, Ramanashree Arcade, 18 MG Road, Bangalore-560 001, Karnataka

Registered Office: Annapoorna Bhawan, Patliputra Telephone Exchange Road, Kurji, Patna 800 010 Bihar

Email: compliance1@sisindia.com, Website: www.sisindia.com, Tel: +91 80 2559 0801

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CIN: L75230BR1985PLC002083

Independent Auditors' Review Report on the Consolidated Quarterly and year ended Financial Results of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited') pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review report to
The Board of Directors of
SIS Limited

We have reviewed the accompanying statement of audited consolidated financial results ("Statement") of **SIS Limited** ("the Company" or "the Parent"), its subsidiaries (collectively referred to as "the Group"), its associates and joint ventures, as listed in the annexure to this report, for the quarter and year ended March 31, 2022 attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. includes the financial results of the entities listed in the annexure to this report
- b. is presented in accordance with the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended; and
- c. gives a true and fair view in conformity with the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit of the Consolidated Financial Results in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.

Management's Responsibility for the Consolidated Financial Results

The Results included in the Statement, which are the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind-AS consolidated financial statements and reviewed quarterly financial results upto the third quarter which have been prepared by the Management in accordance with the Indian Accounting Standards specified under section 133 of the Companies Act 2013 (the Act), read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its Associates and Joint Ventures are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the management of the Parent, as aforesaid.

In preparing the consolidated financial results, the respective management and Board of Directors of the companies included in the Group and of its Associates and Joint Ventures are responsible for assessing the ability of the Group and of its Associates and Joint Ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Associates and Joint Ventures are also responsible for overseeing the financial reporting process of the Group and of its Associates and Joint Ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associates and Joint Ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates and Joint Ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the consolidated financial results of which we are the independent auditor. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- a. We did not audit the financial results and financial information in respect of 30 subsidiaries whose financial results reflect total assets of INR 31,420.69 Mn as at March 31, 2022, total revenue from operations of INR 62,902.33 Mn, total net profit after tax of INR 2,255.50 Mn and total comprehensive income of INR 2,265.19 Mn for the year ended March 31, 2022, and net cash outflow of INR 1,296.85 million for the year ended March 31, 2022, as considered in the consolidated financial results. The financial results and other financial information of these subsidiaries have been audited by other auditors and the financial results, other financial information and audit reports have been furnished to us by the Parent's management. The consolidated financial results also include the Group's share of net profit / (loss) of INR 26.01 Mn for the year ended March 31, 2022, in respect of 4 associates/jointly controlled entities, whose financial results and other financial information have been audited by other auditors, whose report has been furnished to us by the Parent's management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and associates/jointly controlled entities is based solely on reports of other auditors and the procedures performed by us as stated in paragraph above. Our report is not modified in respect of this matter.
- b. The financial statements of 2 subsidiaries, whose financial statements/ financial information reflect total assets of INR 455.95 Mn as at March 31, 2022, total revenues of INR Nil, total net profit after tax of INR 949.66 Mn and total comprehensive income of INR 949.66 Mn for the year ended on that date, as considered in the Consolidated Results included in the Statements, have not been audited and have been prepared by the subsidiary's management and furnished to us by the Management.

Saxena & Saxena
Chartered Accountants

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603-604, New Delhi House

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New Delhi-110 001

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- c. The comparative financial information for the year ended March 31, 2021, in respect of 33 subsidiaries and 4 associates/ jointly controlled entities, included in the Consolidated Results and included in the Statements, prepared in accordance with Ind AS have been audited by other auditors and have been relied upon by us.
- d. Certain of these subsidiaries and associates/ jointly controlled entities are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries and associates/ jointly controlled entities from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates/ jointly controlled entities is based on the report of other auditors and the conversion adjustments prepared by the Parent's management and audited by us.
- e. The Statement include the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the current financial year which were subject to limited review by us.

For **Saxena & Saxena**
Chartered Accountants
(Firm Regn. No.006103N)



CA. Dilip Kumar
(Partner)
M. No. 082118

UDIN: 22082118AIKIWH1704

Place: - New Delhi

Date: May 4, 2022

Annexure to Auditor's Review Report

List of Subsidiaries:

1. Service Master Clean Limited
2. Tech SIS Limited
3. Terminix SIS India Private Limited
4. SIS Business Support Services and Solutions Private Limited
5. Dusters Total Solutions Services Private Limited
6. SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)
7. SLV Security Services Private Limited
8. Rare Hospitality and Services Private Limited
9. Uniq Security Solutions Private Limited (formerly known as Uniq Detective and Security Services Private Limited)
10. Uniq Detective and Security Services (Tamilnadu) Private Limited
11. Uniq Detective and Security Services (AP) Private Limited
12. Uniq Facility Services Private Limited
13. SIS Alarm Monitoring and Response Services Private Limited
14. ADIS Enterprises Private Limited
15. ONE SIS Solutions Private Limited
16. SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited)
17. SIS Security Asia Pacific Holdings Pte. Ltd. (formerly known as SIS Asia Pacific Holdings Limited)
18. SIS Australia Holdings Pty Ltd
19. SIS Australia Group Pty Ltd
20. SIS Group International Holdings Pty Ltd
21. MSS Strategic Medical and Rescue Pty Ltd
22. SIS MSS Security Holdings Pty Ltd
23. MSS Security Pty Ltd
24. Australian Security Connections Pty Ltd
25. Southern Cross Protection Pty Ltd
26. Askara Pty Ltd
27. Charter Security Protective Services Pty Ltd
28. MSS AJG Pty Ltd
29. Platform 4 Group Ltd
30. SIS Henderson Holdings Pte Ltd
31. Henderson Security Services Pte Ltd
32. Henderson Technologies Pte Ltd
33. Triton Security Services Ltd
34. The Alarm Centre Limited

List of associates/Jointly controlled entities

1. SIS Cash Services Private Limited
2. SIS Prosegur Holdings Private Limited
3. SIS Prosegur Cash Logistics Private Limited
4. Habitat Security Pty Ltd.