

Press Release

Zetwerk Manufacturing records nearly three times growth in revenue to ₹949 cr

Highlights for 2020-21 (Year ended 31 March, 2021)

- Despite Covid-19 impact, total revenue nearly tripled to ₹949 crore from ₹360 crore in the year ago period.
- Zetwerk has order book of ₹4500 crore as of today and it continues to grow
- Net cash used from operations came down from Rs115 crore in the year ended 31 Mar 2020 to Rs80 crore in the year 31 March, 2021, while the business recorded a 3x growth in turnover
- Working capital intensity of the business has significantly reduced from 35% of turnover to 10% of the total turnover during the period
- The company moved a step closer to becoming profitable as its losses narrowed to 2% of the revenue as against 8% in the year ago period.
- The company has forayed into new manufacturing categories such as consumer goods, apparel, defence, space and aerospace

Bengaluru, 7 July: Capital and consumer goods maker Zetwerk Manufacturing Businesses Pvt Ltd today reported its financial performance for the financial year 2020-21.

The company's Revenue from Operations for the year stood at ₹949 Crore, as compared to ₹360 Crore during the year ended 31 March 2021, registering a nearly threefold increase despite the disruption in business caused by the Covid 19 pandemic.

After the easing of Covid-19 restrictions last year, the company accelerated deliveries before the onset of the 2nd wave of the pandemic, as customers preferred virtual monitoring and social distancing in project management. Zetwerk's proprietary technologies significantly reduced the need for physical factory visits and provided clarity and transparency in business

through an in-house platform, making it an attractive proposition for customers to do business with us.

The company's losses narrowed to 2% of the revenue as against 8% in the year ago period.

Amrit Acharya, chief executive officer, Zetwerk Manufacturing Businesses said that the company is comfortably poised to leverage growth opportunities that emerge across markets as economic activities resume around the world. The company is hopeful of an even better growth in FY22 driven by increase in public and private spend across infrastructure, consumer durables, electronics, aerospace and renewable energy.

"Our business performance during 2020-21 is testament to the resilience and strength of Zetwerk's core value proposition, which is to help global companies bring their products to market faster, cheaper and with the highest quality. In a challenging year, not only have we grown incredibly well, more importantly, we have done it in a very capital efficient manner, reducing the working capital requirements of the company by 75%. Moving forward, we will continue to deepen our focus on precision manufacturing, capital goods and consumer products and continue delighting our customers who are finding Zetwerk as their preferred conduit for solving manufacturing pain points," **Acharya** said.

Zetwerk's future growth is supported by an ever-increasing order book of ₹4500 crore thus bringing predictability in business for the rest of the year, **said Srinath Ramakrushnan**, chief operating officer, Zetwerk Manufacturing.

"Our order book is a testimony to Zetwerk's very well-diversified industrial and consumer segments. In the consumer segment, Zetwerk is rapidly expanding its footprint across consumer electronics and apparel segments through aggressive customer acquisitions across e-commerce, modern retail, and D2C consumer brands. Today more than 500 enterprise customers and several Fortune 500 organisations trust Zetwerk with their contract manufacturing requirements. Over 80% of Zetwerk's invoicing revenues today come from repeat and regular customers as we provide strong on-time delivery, competitive pricing, wide-range of manufacturing capacities and capabilities. We will continue to pursue a world-class manufacturing eco-system that creates reliability for all the stakeholders," **Ramakrushnan** said.

About Zetwerk:

Zetwerk is a global manufacturing network that helps take digital designs into physical manifestations, from simple items like pipes to complex products like aircraft engine parts. With a virtually unlimited range of production capacities and capabilities, Zetwerk makes anything possible: any specification, scale, category or geography. Zetwerk ensures the right match for specifications at competitive costs and lead times. It offers quality monitoring through indigenously developed technology that provides end-to-end transparency from purchase orders to delivery, eliminating uncertainties around quality, visibility, reliability, and under-utilized capacities. Since May, 2018, Zetwerk has forged deep strategic partnerships across three key manufacturing categories: Precision Parts, Capital Goods and Consumer Goods. These cover a broad spectrum of manufacturing from bridges and oil rigs, electric vehicles, custom-made aerospace components, defence equipment, televisions, luxury apparel, etc. It works with more than 2000 suppliers and has made on-time execution and delivery of more than 1000 projects in over 15 countries.

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