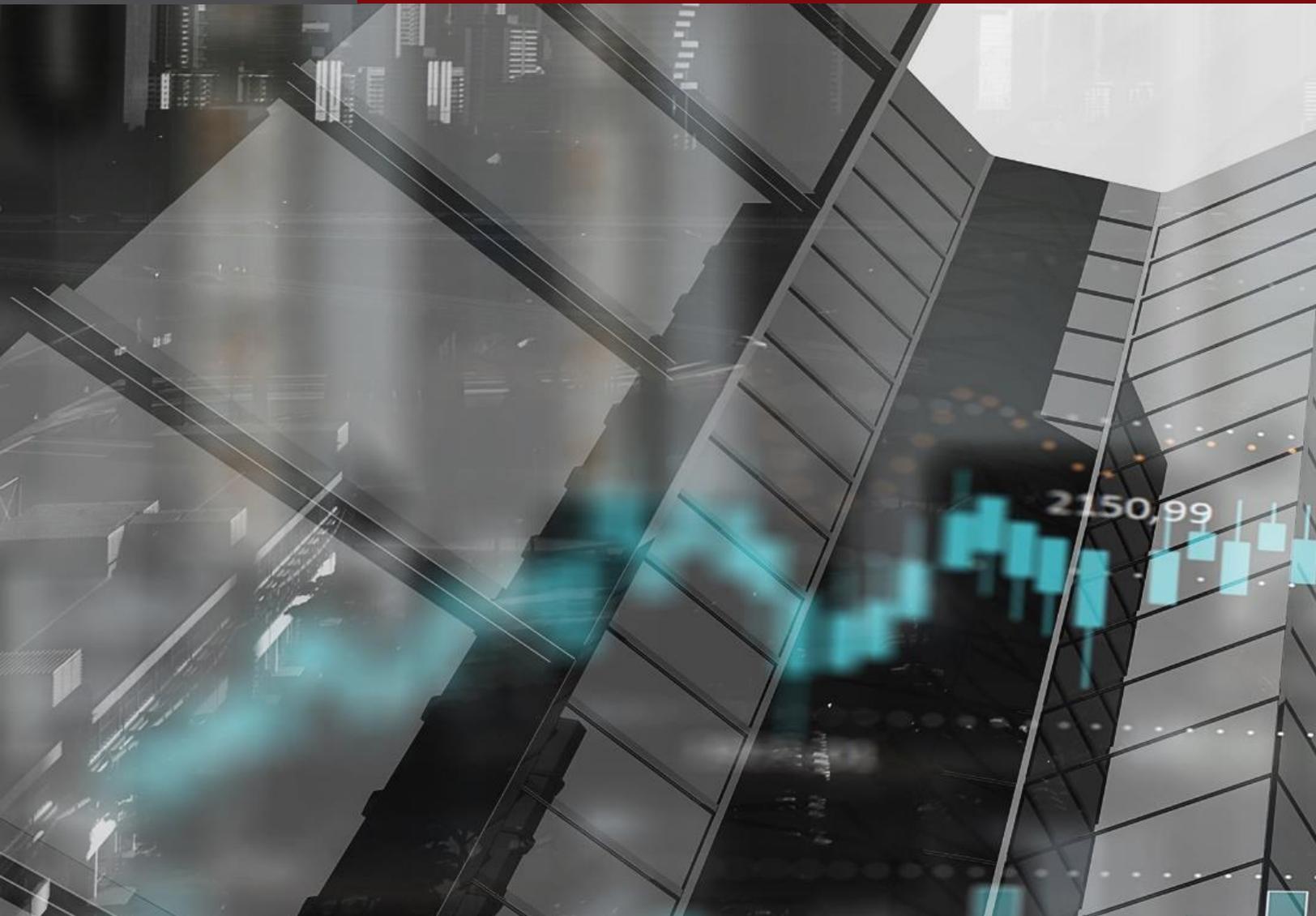




# Investor update

Q1 FY 2022-23



# Birlasoft's Q1 Revenue up 22% YoY

## Signs total TCV deal wins of \$ 185 M

**Pune, Noida (India), August 3, 2022:** Birlasoft [BSE: 532400, NSE: BSOF], a part of the USD 2.8 billion diversified **CK Birla Group**, reported its unaudited consolidated financial results for the first quarter ended June 30, 2022.

**Dharmender Kapoor, Managing Director and Chief Executive Officer**, Birlasoft, said, "New fiscal year has begun well for us with a 22.1% YoY ₹ revenue growth, coupled with robust deal momentum, our new deal signing was up by 19% YoY. Our strong revenue growth has been led by top customers which continue to grow at a healthy pace. Our expertise in driving digital transformation for clients is driving good growth for Business and Technology Transformation services, which recorded a growth of 20.7% YoY. Going forward we will strive to help clients navigate through new age technologies to derive maximum benefits of digital transformation."

### Key Financial highlights for Q1 FY23

in US \$	in INR (₹)
<ul style="list-style-type: none"> <li>Revenue at \$ 148.6 M, up 15.8% YoY &amp; 1.5% QoQ               <ul style="list-style-type: none"> <li>In Constant Currency (CC) terms revenue was up 17.7% YoY and 2.3% QoQ</li> </ul> </li> <li>EBITDA at \$ 21.9 M, up 6.6% YoY &amp; down 5.8% QoQ               <ul style="list-style-type: none"> <li>Margin at 14.7%, down 114 bps QoQ</li> </ul> </li> <li>PAT at \$ 15.5 M, up 0.7% YoY &amp; down 12.0% QoQ</li> </ul>	<ul style="list-style-type: none"> <li>Revenue at ₹ 11,544 million (M), up 22.1% YoY and 4.8% QoQ</li> <li>EBITDA at ₹ 1,698 M, up 12.4% YoY &amp; down 2.7% QoQ</li> <li>PAT at ₹ 1,207 M up 6.2% YoY &amp; down 9.2% QoQ</li> </ul>

### Other highlights

- Signed deals of TCV \$ 185 M during the quarter
  - TCV new deal wins of \$ 112 M and renewals of \$ 73 M for Q1 FY23
- Active Client Count at 300 in Q1
  - > \$ 1 M customers at 82, up by 5 YoY
  - > \$ 5 M customers at 25, up by 3 YoY
  - Top client led growth - Revenue from Top 5, Top 10 and Top 20 clients grew YoY by 16.5%, 22.7% and 21.0% respectively.
- Cash & Cash equivalents of \$ 152.5 M in Q1 FY23 versus \$ 154.0 M in Q1 FY22
  - In ₹ terms, cash and cash equivalents at ₹ 12,041 M vs ₹ 11,446 M; up ₹ 594 M YoY
- DSO stable at 58 days and flat QoQ.
- Manpower strength of 12,565 as at 30<sup>th</sup> June 2022 versus 11,508 a year ago
  - Net addition of 1,057 professionals YoY and 361 sequentially

### Share Buyback Update

- The Board of Directors at its meeting held on May 23, 2022, approved a proposal to buy-back upto 7,800,000 fully paid equity shares of ₹ 2/- each of the Company for an aggregate amount not exceeding ₹ 3,900 million being 2.79% of the total paid up equity share capital at ₹ 500/- per equity share, on a proportionate basis through the tender offer route using the Stock Exchange mechanism ('Buyback'). Subsequently, the members of the Company approved the Buyback through postal ballot by e-voting on June 30, 2022. Securities and Exchange Board of India has issued its observations on the Draft Letter of Offer. Accordingly, the Company is in the process of dispatching the Letter of Offer to eligible members holding shares as on the record date i.e. July 15, 2022. The tendering period for the Buyback will commence on August 11, 2022 and conclude on August 26, 2022.

### Deal wins for the quarter

- Selected by a leading US Medical Technology Company for providing Testing as a services (TaaS).
- Chosen by a leading US technology services provider to global energy, to enhance customer experience by implementations of data analytics and Business Intelligence services.
- Selected by a leading automotive and energy storage company for Application Managed Services (AMS).
- Chosen by a US Retailer for end-to-end public cloud adoption capabilities and managed services.
- Awarded by a leading US technology services provider to global energy, for roll outs and support of the J D Edwards Enterprise software stack.
- Awarded by a leading engine and power generation major, for streamlining and support of its Oracle based business-critical application managed services.

### Business Highlights & Recognition

- Birlasoft **Partners with Google Cloud** to Enable Enterprises Accelerate their Digital Transformation Journey. Birlasoft and Google Cloud have partnered **to accelerate cloud-enabled digital transformation strategy for Bestseller India** bringing end-to-end cloud adoption capabilities complemented by Google Cloud's engineering capabilities and domain expertise.
- Birlasoft named a **Top 15 Sourcing Standout** by ISG. Birlasoft was among the leading providers in the Booming 15 category globally, as well as for the Americas region based on Annual Contract Value (ACV) won over the last 12 months, according to the 2Q 2022 Global ISG Index™. This is the **ninth consecutive time** that Birlasoft has been featured across named categories by ISG.
- Birlasoft **Adopts RISE With SAP** to Migrate their Digital Core to Cloud.

## About Birlasoft

### Enterprise to the Power of Digital™

Birlasoft combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multibillion dollar diversified The **CK Birla Group**, Birlasoft, with its 12,500+ professionals, is committed to continuing its 160-year heritage of building sustainable communities. For further information, visit [www.Birlasoft.com](http://www.Birlasoft.com).

#### For further information please contact:

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# FACT SHEET

Q1 FY 2022-23

**US\$ Revenue up  
15.8% YoY**

**Top Client's led  
growth**

**\$ 185 M  
TCV Deal wins**

## Key Metrics

### Revenues by

Client Geography	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Americas	80.7%	82.2%	82.9%	82.2%	84.9%
Europe	11.8%	10.5%	10.7%	11.2%	9.2%
Rest of the World	7.5%	7.3%	6.4%	6.6%	5.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Manufacturing	44.2%	43.4%	45.2%	46.1%	46.7%
BFSI	17.5%	18.1%	17.7%	17.2%	17.8%
Energy & Utilities	14.9%	14.3%	14.8%	15.1%	14.3%
Lifesciences	23.4%	24.2%	22.3%	21.6%	21.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Business & Technology Transformation	37.1%	36.9%	36.7%	36.5%	38.6%
Enterprise Solutions	43.1%	41.0%	41.6%	40.9%	40.2%
Cloud & Base Services	19.8%	22.1%	21.7%	22.6%	21.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues by Contract Type	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Time & Material	41.6%	43.0%	41.8%	39.3%	40.8%
Fixed Price, Fixed Monthly	58.4%	57.0%	58.2%	60.7%	59.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues Mix	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Onsite	51.4%	50.8%	50.5%	50.1%	51.1%
Offshore	48.6%	49.2%	49.5%	49.9%	48.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Deal Wins - New	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Total Contract Value (TCV) - in \$ M	94	104	121	125	112

Currency Mix of Revenue	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
USD	81.0%	83.4%	85.2%	84.5%	86.2%
GBP	1.6%	1.4%	1.5%	1.5%	1.5%
EUR	6.9%	5.4%	4.6%	5.2%	3.7%
Others	10.5%	9.8%	8.7%	8.7%	8.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Exchange Rate (₹/US \$)	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Period Average	73.65	73.87	74.73	75.22	77.67
Period End	74.33	74.23	74.33	75.79	78.97

Client Data	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
No of Active Clients	291	280	285	296	300
Clients added - QoQ	-	(11)	5	11	4
No of million \$ clients (LTM)					
US\$ 1mn+ Clients	77	76	77	80	82
US\$ 5mn+ Clients	22	20	21	25	25
US\$ 10mn+ Clients	10	12	12	13	13
Client Contribution to Revenue (LTM)					
Top 5	30.5%	29.7%	29.3%	29.9%	30.7%
Top 10	44.4%	45.2%	45.5%	45.7%	47.0%
Top 20	60.4%	61.2%	61.1%	61.3%	63.1%

LTM - last twelve months

DSO	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Days Sales Outstanding - Billed	54	54	55	58	58

Headcount Metrics	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Total Headcount	11,508	12,065	11,945	12,204	12,565
Technical	10,445	10,945	10,841	11,033	11,351
Sales & Support	1,063	1,120	1,104	1,171	1,214
Women Employees	2,556	2,749	2,743	2,775	2,897
Attrition* (LTM)	14.9%	21.5%	27.3%	29.4%	27.9%
* adjusted for < 6 months exits					
Utilization	85.0%	85.8%	85.4%	85.2%	82.5%

Hedge Book	Quarter Ended				
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
USD Mn	95.4	96.9	95.5	93.9	104.5
Average rate in ₹	76.0	76.3	77.0	77.5	78.6
GBP Mn	2.2	1.8	5.0	5.0	5.6
Average rate in ₹	104.8	106.1	104.8	105.0	98.6
Euro Mn	10.7	8.7	2.8	2.8	4.3
Average rate in ₹	92.0	92.6	91.5	90.6	85.8

## Consolidated Income Statement for the quarter ended June 30, 2022

Particulars	In \$ M			QoQ	YoY	
	Quarter ended	30-Jun-21	31-Mar-22			30-Jun-22
		Unaudited	Audited			Unaudited
<b>Revenue from operations</b>		<b>128.4</b>	<b>146.4</b>	<b>148.6</b>	<b>1.5%</b>	<b>15.8%</b>
<b>Expenses</b>						
Employee benefits expense		75.5	83.7	84.7		
Other expenses		32.3	39.5	42.1		
<b>EBITDA</b>		<b>20.5</b>	<b>23.2</b>	<b>21.9</b>	<b>-5.8%</b>	<b>6.6%</b>
<i>EBITDA Margin %</i>		<i>16.0%</i>	<i>15.8%</i>	<i>14.7%</i>	<i>-114 bps</i>	<i>-127 bps</i>
Depreciation & amortization		2.5	2.7	2.5		
<b>EBIT</b>		<b>18.0</b>	<b>20.5</b>	<b>19.3</b>	<b>-5.9%</b>	<b>7.4%</b>
<i>EBIT Margin %</i>		<i>14.0%</i>	<i>14.0%</i>	<i>13.0%</i>	<i>-103 bps</i>	<i>-102 bps</i>
Other income (net)		2.9	3.0	2.0		
Finance costs		0.4	0.5	0.4		
<b>Profit before tax (PBT)</b>		<b>20.5</b>	<b>23.1</b>	<b>20.9</b>	<b>-9.4%</b>	<b>1.8%</b>
Total tax expense		5.1	5.4	5.4		
<b>Profit for the period (PAT)</b>		<b>15.4</b>	<b>17.7</b>	<b>15.5</b>	<b>-12.0%</b>	<b>0.7%</b>
<i>PAT Margin %</i>		<i>12.0%</i>	<i>12.1%</i>	<i>10.5%</i>	<i>-161 bps</i>	<i>-156 bps</i>

Particulars	In ₹ M			QoQ	YoY	
	Quarter ended	30-Jun-21	31-Mar-22			30-Jun-22
		Unaudited	Audited			Unaudited
<b>Revenue from operations</b>		<b>9,453</b>	<b>11,014</b>	<b>11,544</b>	<b>4.8%</b>	<b>22.1%</b>
<b>Expenses</b>						
Employee benefits expense		5,562	6,297	6,579		
Other expenses		2,381	2,972	3,268		
<b>EBITDA</b>		<b>1,511</b>	<b>1,745</b>	<b>1,698</b>	<b>-2.7%</b>	<b>12.4%</b>
<i>EBITDA Margin %</i>		<i>16.0%</i>	<i>15.8%</i>	<i>14.7%</i>	<i>-114 bps</i>	<i>-127 bps</i>
Depreciation & amortization		184	200	196		
<b>EBIT</b>		<b>1,326</b>	<b>1,546</b>	<b>1,502</b>	<b>-2.9%</b>	<b>13.2%</b>
<i>EBIT Margin %</i>		<i>14.0%</i>	<i>14.0%</i>	<i>13.0%</i>	<i>-103 bps</i>	<i>-102 bps</i>
Other income (net)		215	226	155		
Finance costs		28	36	33		
<b>Profit before tax (PBT)</b>		<b>1,512</b>	<b>1,736</b>	<b>1,624</b>	<b>-6.5%</b>	<b>7.4%</b>
Total tax expense		376	407	417		
<b>Profit for the period (PAT)</b>		<b>1,136</b>	<b>1,329</b>	<b>1,207</b>	<b>-9.2%</b>	<b>6.2%</b>
<i>PAT Margin %</i>		<i>12.0%</i>	<i>12.1%</i>	<i>10.5%</i>	<i>-161 bps</i>	<i>-156 bps</i>

## Consolidated Balance Sheet Statement

Particulars as at	\$ M			₹ M		
	30-Jun-21 (Unaudited)	31-Mar-22 (Audited)	30-Jun-22 (Unaudited)	30-Jun-21 (Unaudited)	31-Mar-22 (Audited)	30-Jun-22 (Unaudited)
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	17.2	19.4	17.8	1,275	1,468	1,405
Right-of-use assets	14.8	14.7	13.2	1,100	1,116	1,044
Capital work-in-progress	-	0.2	1.6	-	17	126
Goodwill	61.3	60.3	59.4	4,553	4,568	4,688
Other intangible assets	1.3	1.2	1.1	94	94	85
Intangible assets under development	-	0.2	0.3	-	11	27
<b>Financial assets</b>						
Investments	4.0	7.1	8.1	300	541	641
Other financial assets	7.1	2.1	1.7	526	162	132
Income tax assets (net)	4.7	6.2	5.1	347	471	404
Deferred tax assets (net)	12.4	12.1	12.1	919	920	953
Other non-current assets	2.1	1.8	2.1	158	133	162
<b>Current assets</b>						
<b>Financial assets</b>						
Investments	20.1	103.7	87.0	1,496	7,861	6,866
<b>Trade receivables</b>						
Billed	73.6	89.9	97.2	5,470	6,812	7,674
Unbilled	19.7	22.1	26.1	1,467	1,676	2,063
Cash and cash equivalents	48.8	38.3	45.7	3,630	2,906	3,605
Other balances with banks & deposits	76.0	12.2	11.7	5,647	922	928
Other financial assets	6.2	2.7	2.1	458	203	163
Other current assets	48.7	52.2	45.9	3,616	3,954	3,622
<b>TOTAL ASSETS</b>	<b>417.9</b>	<b>446.4</b>	<b>438.0</b>	<b>31,057</b>	<b>33,833</b>	<b>34,590</b>

Particulars as at	\$ M			₹ M		
	30-Jun-21 (Unaudited)	31-Mar-22 (Audited)	30-Jun-22 (Unaudited)	30-Jun-21 (Unaudited)	31-Mar-22 (Audited)	30-Jun-22 (Unaudited)
<b>EQUITY AND LIABILITIES</b>						
Equity share capital	7.5	7.4	7.1	555	559	560
Other equity	303.0	333.5	340.0	22,523	25,272	26,851
<b>Liabilities - Non-current</b>						
<b>Financial liabilities</b>						
Lease liabilities	12.7	12.0	10.6	940	912	835
Provisions	11.8	6.5	7.6	875	492	599
<b>Current liabilities</b>						
<b>Financials Liabilities</b>						
Trade payables	22.8	27.6	25.9	1,695	2,095	2,045
Lease liabilities	3.6	4.2	4.1	269	317	321
Other financial liabilities	20.2	22.8	13.7	1,498	1,725	1,083
Other current liabilities	24.8	22.7	18.3	1,840	1,723	1,447
Provisions	3.1	5.2	5.0	233	396	396
Income tax liabilities (net)	8.5	4.5	5.7	629	342	451
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>417.9</b>	<b>446.4</b>	<b>438.0</b>	<b>31,057</b>	<b>33,833</b>	<b>34,590</b>

## Consolidated Cash Flow Statement for Q1 FY23

Particulars	30-Jun-22	
	₹ M	\$ M
<b>Profit before tax</b>	<b>1,624</b>	<b>20.9</b>
<b>Items to reconcile profit before tax to net cash flows</b>		
<b>Add: non cash items</b>		
Depreciation of property, plant and equipment & amortization of intangible assets	196	2.5
Allowance for doubtful debts-trade receivables (net of recoveries)	4	0.0
Share based compensation expenses	51	0.7
Unrealized foreign exchange loss/ (gain)	342	4.4
Interest on lease liabilities	22	0.3
<b>Less: interest &amp; other items</b>		-
Interest income	(102)	(1.3)
Others	(11)	(0.1)
<b>Operational cash profit</b>	<b>2,126</b>	<b>27.4</b>
Movements in working capital	(1,925)	(24.4)
<b>Cash generated from operations</b>	<b>201</b>	<b>3.0</b>
Income tax (paid) / received	(219)	(2.8)
Net cash flow (used in)/from investing activities	793	10.0
Net cash flow (used in) financing activities	(70)	(0.9)
<b>Balance cash Flow</b>	<b>705</b>	<b>9.4</b>
<b>Total increase/(decrease) in cash balance</b>	<b>705</b>	<b>9.4</b>
<b>Opening cash balance</b>	<b>3,828</b>	<b>48.5</b>
Foreign exchange fluctuation	-	(0.4)
<b>Total cash balance</b>	<b>4,533</b>	<b>57.4</b>

Q1 FY23 Earnings Conference Call on 3<sup>rd</sup> August 2022 at 6:30 p.m. (IST).Dial in Information

India 18:30 IST. Hong Kong / Singapore - 21:00; London 14:00; New York 9:00

<b>Universal Dial In</b>	India	+91 22 6280 1179
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	Singapore	8001012045
	UK	08081011573
	USA	18667462133
<b>International Toll</b>	Hong Kong	85230186877
	Singapore	6531575746
	UK	442034785524
	USA	13233868721
<b>Playback Start Date:</b> 3 <sup>rd</sup> August 2022	<b>Playback Code:</b>	44001
<b>Playback End Date:</b> 6 <sup>th</sup> August 2022	<b>Dial-in Number:</b>	India (+91 22 66635757) India (+91 22 71945757)

**Disclaimer.**

*Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections and statements concerning our plans, strategies, intentions, and beliefs relating to our business and the markets in which we operate. These statements are based on available information, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to the industry.*