

## Intellect revenue registers 19% YoY growth in Q1 FY 24; License revenue grew 46% YoY

### EBITDA grew 33% YoY and PAT grew 36%YoY

**Chennai (India), July 27, 2023:** Intellect Design Arena Ltd, a cloud-native, future-ready, multi-product Financial Technology company for the world's leading banking and insurance clients, announced its first-quarter results for FY24 today.

#### I. Financial Performance

##### Q1 FY 24 - Financial Highlights

###### Revenue:

- Total revenue for Q1 FY 24 stood at INR 644 Cr as against INR 540 Cr in Q1 FY23 - grew 19% YoY

###### Platform, License and AMC Revenue:

- Platform revenue for Q1 FY 24 is INR 141 Cr as against INR 116 Cr in Q1 FY23 - grew 21% YoY
- License revenue for Q1 FY 24 is INR 112 Cr as against INR 77 Cr in Q1 FY23 - grew 46% YoY
- AMC revenue for Q1 FY 24 is INR 106 Cr as against INR 87 Cr in Q1 FY23 - grew 22% YoY
- License linked revenue (License + Platform + AMC) is INR 359 Cr in Q1 FY 24 as against INR 280 Cr in Q1FY23 - grew 28 %YoY

###### EBITDA and PAT

- EBITDA is INR 155 Cr in Q1 FY 24 as against INR 116 Cr in Q1 FY23 - grew 33% YoY
- Profit after Tax is INR 93 Cr in Q1 FY 24 as against INR 69 Cr in Q1 FY23 - grew by 36% YoY

###### Collections

- Collections for Q1 FY 24 are INR 582 Cr

###### Deal Wins and Digital Transformations

- Deal Wins: eMACH.ai accelerates growth with 11 new customers choosing Intellect for their digital transformation journey
- Digital Transformations (Go-Lives): 10 global financial institutions have transformed their digital journey on Intellect platforms and products

##### LTM Q1 FY24 – Financial Highlights

###### Revenue:

- Total revenue for LTM Q1 FY 24 stood at INR 2350 Cr as against INR 1990 Cr in LTM Q1 FY23 - grew 18% YoY

###### Platform, License and AMC Revenue:

- Platform revenue of LTM Q1 FY 24 is INR 486 Cr as against INR 414 Cr in LTM Q1 FY23 - grew 17% YoY

- License Revenue of LTM Q1 FY24 is INR 366 Cr as against INR 352 Cr in LTM Q1 FY23 - grew 4% YoY
- AMC Revenue of LTM Q1 FY24 is INR 401 Cr as against INR 335 Cr in LTM Q1 FY23 - grew 20% YoY
- License linked revenue (License + Platform + AMC) is INR 1252 Cr in LTM Q1 FY24 as against INR 1101 Cr in LTM Q1 FY23 - grew 14% YoY
- Annual Recurring Revenue (ARR) is at INR 887 Cr in LTM Q1 FY24 as against 748 Cr in LTM Q1 FY23 - grew 18% YoY

#### EBITDA and PAT

- EBITDA is INR 489 Cr in LTM Q1 FY24 as against INR 468 Cr in LTM Q1 FY23 - grew 4% YoY
- Profit after Tax is INR 292 Cr in LTM Q1 FY24 as against INR 344 Cr in LTM Q1 FY23

## II. Management Commentary



**Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited**, said, "I wish to celebrate the power of the Research and Development teams at Intellect this quarter. 2 million person-hours of sustained investments annually and 16 million person-hours during the last 8 years in R&D have catapulted the company from Product to Technology company. eMACH.ai, with its 5 built-in technologies, drives holistic and agile transformation at double the speed and half the costs."

Turmeric Technology is first-of-its-kind Composable platform (No code), choreographing Events, Microservices, APIs, Business Rules, UX and Generative AI seamlessly to deliver high performance with inbuilt ease to use. Fabric Technology brings in enterprise decision-grade knowledge from Structured and Unstructured Data. Intellect's '**Platform First**' strategy in building technology is powering unparalleled efficiencies in Insurance, Wealth, Retail, Risk and Corporate. Extremely high point in building commercial IPs."

## III. Board Announcement

The Board of Directors, pursuant to the recommendations of the Nomination & Remuneration Committee and Audit Committee, have considered and approved the appointment of Ms. Vasudha Subramaniam, Senior Vice President and Financial Controller of our company, as the Chief Financial Officer of the Company with effect from September 1, 2023.

Mr. Venkateswarlu Saranu, the incumbent Chief Financial Officer of the company, shall move on to a new role effective that date.

## IV. Deal Wins and Digital Transformations

eMACH.ai, the most comprehensive, contextual and composable open finance platform enabling banks to move from product and process to design and experience has been chosen by 11 customers worldwide in Q1 FY24.

The significant deals are:

- [OTP Bank, the largest bank in Hungary has chosen Intellect's award-winning Intellect Digital Core \(IDC\) Banking platform](#) to provide a contextual banking experience for their customers with highly personalised and bespoke solutions subject to the successful conclusion of contracts.

- One of the Philippines' leading universal banks has partnered with Intellect for a one-of-its-kind and largest bank-wide transformation program in APAC, cutting across all lines of their businesses - Corporate, MSME & Retail Banking. The bank has chosen CBOS and iKredit360 Loan Origination System, both powered by eMACH.ai technology, to enhance customer engagement, streamline processes, and make data-driven decisions.
- The largest bank in Canada, which is also a top 5 bank in North America, has chosen the world's #1 corporate treasury platform ranked by Aite-Novarica - iGTB's Corporate Treasury eXchange (CTX) - for its US region to facilitate real-time cash control of its corporate clients.
- With over 30 years of experience in the industry and a market capitalisation of over \$2 billion, a specialised Canadian Bank has extended its partnership with iGTB. Intellect today offers cloud-based Payments Service Hub. Now the bank has decided to move its commercial digital banking experience platform over to Intellect technology capabilities that include Contextual Banking Experience (CBX), Payments & Account Services.
- A France-headquartered corporate and investment bank has chosen iGTB's Corporate Treasury eXchange (CTX) for effective liquidity management with real-time liquidity funds control. Choosing to implement an on-premise Cash Pooling Solution, built on API-first microservices architecture will enable the bank to deliver superior customer experiences while achieving optimal financial outcomes.
- A public shareholding company incorporated in Umm Al Qaiwain has chosen iGCB's Digital Engagement Platform, a cloud-native, Microservices based composable Digital Banking Platform which addresses all the lifestyle needs of a customer through a single platform, for its retail, SME and corporate clients.
- India's third largest private sector bank by market capitalisation has chosen Capital Cube for end-to-end CSGL solution including custody services, Repo/Reverse repo workflows, reporting, CROMS and collateral-related requirements.
- Aspen Insurance Holdings Limited ("Aspen"), a global speciality insurance and reinsurance carrier, signed on to use Magic Submission, IntellectAI's AI and Data powered Intake and Routing platform, to reduce the turnaround time of submission between ingestion and rating
- A leading bank in the Kingdom of Saudi Arabia has embraced iGTB's Digital Transaction Banking solution (DTB) powered by eMACH.ai architecture to automate and elevate its transaction banking offering to empower corporate & SME clients in Saudi Arabia
- One of the top banks in UAE and the first national bank in Dubai offering a range of banking services that meet the needs of both personal and corporate clients has chosen iGTB's eMACH.ai powered Digital Transaction Banking platform for powering their transaction banking operations front-to-back
- A fintech company based and operating in the UK in the small and medium-sized enterprise (SME) market through its trading companies has chosen IntellectAI's Magic Invoice for end-to-end accounts payable processing automation.

### Customer Trust growing with OTIF Deliveries: Digital Transformations in Q1 FY24

In this Quarter, 10 Global Financial institutions have successfully transformed their Digital journey by leveraging the Intellect stack. Some of the significant implementations are:

- France's 3rd largest bank by total assets and the 6th largest bank in Europe went live with iGTB's Corporate Treasury eXchange (CTX) for domestic cash concentration. This will allow the bank to optimize working capital liquidity and get real-time cash flow visibility.

- The fifth-largest bank in Canada by market capitalisation, with a market value of over \$70 billion went live with iGTB's emach.ai powered PayCash-CX to continue providing efficient payment capabilities and opportunities to meet the evolving needs of customers rapidly.
- iGTB's iColumbus.ai Supply Chain Finance has implemented a technical go-live at the Indonesian site of one of Singapore's largest Banks. This is the continuation of iGTB's long-standing partnership in implementing Asia's largest Trade & Supply Chain Finance Digital Transformation.
- A top 10 National Bank of United States operating in 13 regions went live with iGTB's PayCash-CX for cash management with cash concentration.
- Faisal Islamic Bank of Egypt went live with iGCB's CBX Retail (CBX-R) platform to power its digital banking. The bank which is on a high growth trajectory will offer contextual experience to more than a million retail and business customers across Egypt.
- One of the largest banks in Africa playing a pivotal role in various initiatives in Africa went live with eMACH.ai-enabled Intellect Digital Core, Lending and Contextual Banking Experience (CBX) to power its banking operations.
- A leading Islamic Bank in Malaysia went live with iGTB's Digital Transaction Banking (DTB) platform. This is a continuation of the Bank's vision to be a top progressive Islamic bank by digitizing and streamlining its cash and trade transaction banking with Intellect technology.
- The primary financial institution for promoting, developing and financing the MSME sector in India went live with iGCB's real-time, cross-asset, front-mid-back office treasury management system, Capital Cube. Capital Cube is automating and transforming the client's Treasury processes to maximize efficiencies and optimise capital leverage.
- The Central Bank of Mongolia went live with Intellect Quantum Central Banking Solution. Built on cutting-edge API first, cloud-native, microservices architecture, Intellect Quantum will empower the central bank with real-time informed decision-making & risk management, unmatched configurability for speed and ease of change along with comprehensive security.

## V. Leadership Position Endorsed by Market Leading Analyst

eMACH.ai has been acknowledged as a transformative Open Finance Platform by the industry. Some of the significant accolades include:

- IntellectAI's implementation at Foresight is featured under Selected Case Studies: Midsize P/C Insurer Initiatives in Datos Insights' (erstwhile Aite-Novarica Group's) 'Insurance Technology Impact Awards Case Study Compendium 2023: Data Initiatives'
- iGCB's Intellect Digital Core (IDC) won an XCelent award for 'Advanced Technology' and rated highly amongst Core Banking Platforms targeted for NA Mid to Large Banks in Celent's Report titled 'Retail Banking Core Banking Systems: North American Mid-Large Bank Edition
- iGTB featured amongst the Leading Vendors in Datos Insights' (formerly Aite-Novarica) report titled 'Virtual Account Management Platforms: Market Overview' and positioned as Leader in IDC MarketScape: Worldwide Trade Finance Systems 2023 Vendor Assessment
- iGTB's Cash Management Solution is rated "Leading Contender" in Aite Matrix Report on U.S. Cash Management Technology Providers
- Intellect positioned as Leader in Chartis Collateral Management for Capital Markets Buy-Side and Sell-Side 2023 Quadrant Market and Vendor Landscape Report"

## Financial Results for the First Quarter Ended – June 30, 2023

Additional Information on function-wise classification of the statement of Profit and Loss of the Group

PARTICULARS	QUARTER ENDED		LTM YEAR ENDED		YEAR ENDED	
	June 30,2023 (Q1 FY 24)	June 30, 2022 (Q1 FY 23)	June 30, 2023 (LTM Q1 FY 24)	June 30,2022 (LTM Q1 FY 23)	March 31, 2023 (FY 23)	March 31, 2022(FY 22)
<b>TOTAL INCOME</b>	<b>644.38</b>	<b>540.46</b>	<b>2,349.89</b>	<b>1,990.49</b>	<b>2,245.97</b>	<b>1,856.47</b>
<b>EXPENDITURE</b>						
Software development expenses	278.14	240.31	1055.83	859.12	1,018.00	797.60
<b>Gross Margin</b>	<b>366.24</b>	<b>300.15</b>	<b>1294.06</b>	<b>1,131.37</b>	<b>1,227.97</b>	<b>1,058.87</b>
SG & A expenses	161.97	144.17	623.26	528.81	605.45	489.78
R & E expenses	49.20	39.83	181.77	134.37	172.40	118.74
<b>TOTAL EXPENDITURE</b>	<b>489.31</b>	<b>424.30</b>	<b>1,860.86</b>	<b>1,522.30</b>	<b>1,795.85</b>	<b>1,406.12</b>
<b>EBITDA</b>	<b>155.07</b>	<b>116.16</b>	<b>489.03</b>	<b>468.19</b>	<b>450.12</b>	<b>450.36</b>
<b>EBITDA %</b>	<b>24.1%</b>	<b>21.5%</b>	<b>20.8%</b>	<b>23.5%</b>	<b>20%</b>	<b>24.3%</b>
Depreciation & Amortisation	(33.97)	(28.08)	(127.40)	(102.95)	(121.51)	(97.56)
Hedge Impact	(5.00)	0.84	(20.56)	20.64	(14.72)	21.71
Fx Reins. (loss)/gain	(2.43)	2.73	7.75	1.30	12.91	3.16
Other Income / Expense	12.70	1.33	46.55	29.89	35.18	34.15
<b>Profit / (Loss) before tax</b>	<b>126.37</b>	<b>92.98</b>	<b>395.37</b>	<b>417.07</b>	<b>361.98</b>	<b>411.82</b>
Provision for taxation	(32.90)	(24.21)	(103.45)	(72.94)	(94.75)	(62.74)
<b>PROFIT / (LOSS) AFTER TAX</b>	<b>93.47</b>	<b>68.77</b>	<b>291.93</b>	<b>344.13</b>	<b>267.23</b>	<b>349.08</b>

Note: Hedge Impact is shown below EBITDA in the P&L above

## Investor Conference Call

The Board of Directors of Intellect Design Arena Limited met on **27 July 2023**, to record the financial results of the company for Q1 FY 24, which ended on June 30, 2023. Intellect will host an Investors Conference Call on the next day i.e. Friday, the 28th July 2023 at 4.00 pm IST, where the Senior Management of the Company will comment on the Company's performance during the First Quarter of FY 24 and respond to questions from participants.

**Conference Name** : Q1 FY 24 - Investor Earnings call

**Date** : July 28, 2023

**Time** : 4 PM - 5 PM IST

Please register through the link below to take part in this call.

**Registration link:**

[https://us06web.zoom.us/webinar/register/WN\\_eDWYHm6xRPyKZ9OpZBlBdQ](https://us06web.zoom.us/webinar/register/WN_eDWYHm6xRPyKZ9OpZBlBdQ)

After registering, you will receive a confirmation email containing information (including the link) about joining the webinar.

**Please Note:**

- 1) Join the ZOOM Link by 3.55 PM IST on 28 July 2023
- 2) Log in with your name and company name
- 3) Investors can click the "Raise Hand" button at the bottom of the window during the Q&A Session to ask questions

## About Intellect Design Arena Limited

Intellect Design Arena Ltd. has the world's largest cloud-native, API-led microservices-based multi-product platform for Global leaders in Banking, Insurance, and Capital Markets. With over three decades of deep domain expertise, Intellect is the brand that progressive financial institutions rely on for digital transformation initiatives. It offers a full spectrum of banking and insurance technology products through its three lines of businesses – Intellect Global Consumer Banking (iGCB), Intellect Global Transaction Banking (iGTB), and Intellect AI.

Intellect pioneered Design Thinking to create cutting-edge products and solutions for banking and insurance, with design being the company's key differentiator in enabling digital transformation. FinTech 8012, the world's first design center for financial technology, reflects Intellect's commitment to continuous and impactful innovation, addressing the growing need for digital transformation. Intellect serves over 270 customers across 57 countries and with a diverse workforce of solution architects, and domain and technology experts in major global financial hubs around the world. For further information on the organisation and its solutions, please visit [www.intellectdesign.com](http://www.intellectdesign.com)

<p><b>For Media related info, please contact:</b></p> <p>Nachu Nagappan</p> <p>Intellect Design Arena Ltd</p> <p>Mob: +91 89396 19676</p> <p>Email: <a href="mailto:nachu.nagappan@intellectdesign.com">nachu.nagappan@intellectdesign.com</a></p>	<p><b>For Investor related info, please contact:</b></p> <p>Praveen Malik</p> <p>Intellect Design Arena Limited</p> <p>Mob: +91 89397 82837</p> <p>Email: <a href="mailto:praveen.malik@intellectdesign.com">praveen.malik@intellectdesign.com</a></p>
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