

Intellect Q2 FY24 Revenue Registers 17% YoY Growth

License Linked Revenue Register 21% YoY Growth

Chennai (India), October 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 second-quarter results for FY24 today.

I. Calibrated Predictable and Sustainable Growth

Q2 FY 24 - Financial Highlights

Revenue:

- Total revenue for Q2 FY24 stood at INR 621 Cr as against INR 530 Cr in Q2 FY23 - grew 17% YoY

Platform, License and AMC Revenue:

- Platform revenue for Q2 FY24 is INR 147 Cr as against INR 120 Cr in Q2 FY23 - grew 23% YoY
- License revenue for Q2 FY24 is INR 76 Cr as against INR 68 Cr in Q2 FY23 - grew 11% YoY
- AMC revenue for Q2 FY24 is INR 112 Cr as against INR 90 Cr in Q2 FY23 - grew 25% YoY
- License linked revenue (License + Platform + AMC) is INR 335 Cr in Q2 FY24 as against INR 278 Cr in Q2 FY23 - grew 21%YoY

EBITDA and PAT

- EBITDA is INR 125 Cr in Q2 FY24 as against INR 86 Cr in Q2 FY23 - grew 45% YoY
- Profit After Tax is INR 70 Cr in Q2 FY24 as against INR 46 Cr in Q2 FY23 - grew by 54% YoY

Collections and Cash position

- Collections for Q2 FY24 are INR 587 Cr
- Cash and Cash Equivalent is INR 613 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): 13 global financial institutions have transformed their digital journey on Intellect platforms and products

H1 FY24 – Financial Highlights

Revenue:

- Total revenue for H1 FY24 stood at INR 1266 Cr as against INR 1070 Cr in H1 FY23 - grew 18% YoY

Platform, License and AMC Revenue:

- Platform revenue for H1 FY24 is INR 288 Cr as against INR 236 Cr in H1 FY23 - grew 22% YoY
- License revenue for H1 FY24 is INR 188 Cr as against INR 145 Cr in H1 FY 23 - grew 30% YoY
- AMC revenue for H1 FY24 is INR 219 Cr as against INR 177 Cr in H1 FY 23 - grew 23% YoY
- License linked revenue (License + Platform + AMC) is INR 695 Cr in H1 FY24 as against INR 558 Cr in H1FY23 - grew 24% YoY

EBITDA and PAT

- EBITDA is INR 280 Cr at 22% of revenue in H1 FY24 as against INR 202 Cr at 19% of revenue in H1 FY23 - grew 38% YoY
- PAT is INR 164 Cr in H1 FY 24 as against INR 114 Cr in H1 FY23 - grew 43% YoY

LTM Q2 FY24 – Financial Highlights

Revenue:

- Total revenue for LTM Q2FY24 stood at INR 2441 Cr as against INR 2072 Cr in LTM Q2FY23 - grew 18% YoY

Platform, License and AMC Revenue:

- Platform revenue of LTM Q2 FY24 is INR 513 Cr as against INR 445 Cr in LTM Q2 FY23 - grew 15% YoY
- License revenue of LTM Q2 FY24 is INR 373 Cr as against INR 335 Cr in LTM Q2 FY23 - grew 11% YoY
- AMC revenue of LTM Q2 FY24 is INR 423 Cr as against INR 344 Cr in LTM Q2 FY23 - grew 23% YoY
- License linked revenue (License + Platform + AMC) is INR 1310 Cr in LTM Q2 FY24 as against INR 1124 Cr in LTM Q2 FY23 - grew 17% YoY

EBITDA and PAT

- EBITDA is INR 528 Cr in LTM Q2 FY24 as against INR 440 Cr in LTM Q2 FY23 - grew 20% YoY
- PAT is INR 317 Cr in LTM Q2 FY24 as against INR 311 Cr in LTM Q2 FY23 - grew 2% YoY

II. Management Commentary



Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited, said, “Intellect Composable and Contextual eMACH.ai Platform is the right platform at the right time when Financial institutions are looking for Cutting edge technologies at lower complexity and costs at accelerated speed. eMACH.ai is helping to build Partnership network with Global SI and Cloud Players. Intellect AI platform is helping banks to drive towards Autonomous operations. Overall, we are very excited about the future opportunities that we are experiencing month on month.”

III. 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 Q2 FY24.

Intellect bagged two Large Destiny Deal Wins in the Pacific region for eMACH.ai powered Digital Core Platform. The banks have chosen iGCB's eMACH.ai enabled Intellect Digital Core (IDC) to power their banking operations. The platform delivers a contextual experience to end customers throughout their journey.

- A wholly-owned subsidiary of a leading development bank in the Pacific region, which is licensed to provide inclusive financial services to the indigenous-owned SME's and low-income households to enable them to create wealth and actively participate in the socio-economic and rural development of the region chose iGCB's Digital Core Platform
- A leading finance, property and investment group, which is listed on the Port Moresby Stock Exchange, which has assets valued at more than K1 billion and operates throughout the Pacific with offices, chose iGCB's Intellect Digital Core Platform

Other significant deal wins of the quarter are:

- A Top 15 US bank extended its trust with iGTB's Corporate Treasury Exchange solution
- India's first dedicated education loan company with a specialised focus and in-depth understanding of the requirements of students who wish to pursue higher education, chose Capital Cube, iGCB's Treasury Management System
- An Indian public sector bank headquartered in New Delhi with 1553 branches widely spread across the country chose iGCB's eMACH.ai enabled Capital Cube to power its banking operations
- A leading bank in the UAE and the fourth largest Islamic bank globally by assets chose iGCB's Digital Engagement Platform to enhance its full spectrum of SME banking offerings. The bank has also extended its engagement in Corporate Banking by selecting iGTB for a DTB Mobility Upgrade and Virtual Accounts Platform to grow its Transaction Banking technology platform with Intellect
- A London headquartered company having worldwide presence and is into improving the sustainability of global textile supply chains chose Magic Invoice to automate the Accounts Payable process. Magic Invoice would help them to efficiently automate the end-to-end process, manage cash-flows and increase supplier satisfaction

Customer Trust growing with OTIF Deliveries: Digital Transformations in Q2 FY24

In this Quarter, 13 Global financial institutions have successfully transformed their digital journey by leveraging the Intellect stack. Some of the significant implementations are:

- One of the largest Top 20 banking institutions in the world went live with iGTB's Escrow solution on cloud for its American subsidiary
- A Canadian multinational banking and financial services corporation with over 1100 banking locations and 3,400 ATMs serving millions of clients every day went live with iGTB's PAYCASH-CX for their payment tracking system
- A leading Islamic bank headquartered in Kuala Lumpur, Malaysia offering its customers a broad range of services, meeting the needs of both individuals and institutions, went live with eMACH.ai enabled Digital Transaction Banking platform for enabling bulk payments, Mobility, & LMS & PDRs [CBX, Payments]
- Resurs Bank, a leading retail bank in the Nordic region, with market leadership in Sales Finance business in Sweden, Norway, Denmark and Finland went live with eMACH.ai enabled Intellect Digital Core, a fully integrated digital core banking solution ranked #1 in the world for its future-proof architecture and comprehensive functionality
- A commercial bank headquartered in Nairobi, Kenya and licensed by the Central Bank of Kenya went live with eMACH.ai enabled Digital Transaction Banking platform for cloud-native implementation

IV. Leadership Position Endorsed by Market Leading Analysts

Intellect's eMACH.ai powered Platform and Products has been acknowledged as a transformative Open Finance Platform by the industry. Some of the significant accolades include:

- Intellect cited as a sample vendor in Gartner's Hype Cycle for Digital Life and P&C Insurance, 2023 for Digitally Engineered Underwriting
- WealthBriefingAsia award - WealthForce.AI was named a winner in the Artificial Intelligence Application category for its exceptional usage of AI as part of its offering to the Asian wealth management market.
- WealthTech 100 - IntellectAI was named as one of the top 100 most innovative technology companies transforming the global investment, banking, and wealth management industries

Financial Results for the Second Quarter Ended – September 30, 2023

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

INR Crs

Particulars	Quarter Ended		Half Year Ended		Last Twelve Months (LTM)	
	Sep 30, 2023 (Q2 FY 24)	Sep 30, 2022 (Q2 FY 23)	Sep 30, 2023 (H1 FY 24)	Sep 30, 2022 (H1 FY 23)	Sep 30, 2023 (LTM Q2 FY 24)	Sep 30, 2022 (LTM Q2 FY 23)
Total Income	621.41	529.81	1,265.79	1,070.27	2,441.49	2,072.32
Expenditure						
Software Development Expenses	283.72	251.64	561.86	491.95	1,087.91	920.44
Gross Margin	337.69	278.17	703.93	578.32	1,353.58	1,151.88
SG & A Expenses	164.07	149.43	326.04	293.60	637.90	562.94
R & E Expenses	48.52	42.50	97.72	82.33	187.79	148.55
Total Expenditure	496.30	443.57	985.62	867.87	1,913.59	1,631.92
EBITDA	125.10	86.24	280.17	202.39	527.90	440.39
EBITDA %	20.1%	16.3%	22.1%	18.9%	21.6%	21.3%
Depreciation & Amortisation	(33.74)	(29.45)	(67.71)	(57.53)	(131.69)	(108.71)
Hedge Impact	(2.36)	(2.27)	(7.36)	(1.43)	(20.65)	14.22
Fx Reins. (Loss)/Gain	(0.88)	0.28	(3.31)	3.01	6.59	7.38
Other Income / Expense	7.99	7.13	20.70	8.46	47.42	35.64
Profit / (Loss) Before Tax	96.12	61.92	222.49	154.91	429.57	388.92
Provision For Taxation	(25.68)	(16.16)	(58.59)	(40.37)	(112.97)	(78.27)
Profit / (Loss) After Tax	70.44	45.77	163.91	114.54	316.60	310.65

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 October 2023**, to record the financial results of the company for Q2 FY 24, which ended on September 30, 2023. Intellect will host an Investors Conference Call on Friday, the 27th of October 2023, at 6:00 PM IST, where the Senior Management of the Company will comment on the Company's performance during the Second Quarter of FY 24 and respond to questions from participants.

Conference Name : Investor Earning Call post our Q2 FY 24 results
Date : October 27, 2023
Time : 06:00 P.M. - 7.00 P.M. IST

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

Registration link: https://us06web.zoom.us/webinar/register/WN_CnKb69hVSe-wg-Z0P0pOYQ#/registration

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 5:55 PM IST on 27 October 2023
- 2) Request you log in with your Name and Company name while joining the call
- 3) At the bottom of the window in your Computer/tablet, click the button labelled "Raise Hand" to speak
- 4) We shall enable you to discuss with the Management
- 5) Once your mic has been enabled, unmute yourself and speak

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 i.e. 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 through offices in 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

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