

Intellect LTM Revenue Grew 19% YoY; LTM PAT Grew 25%

eMACH.ai-powered Digital stack accelerates growth with 14 Deal Wins

Chennai (India), January 25, 2024: Intellect Design Arena Ltd, a cloud-native, future-ready, multi-product FinTech company for the world's leading Banking and Insurance clients, announced its third-quarter results for FY24 today.

I. Financial Performance

Q3FY24 - Financial Highlights

Revenue:

- Total Revenue in Q3FY24 stood at INR 635 Cr as against INR 555 Cr in Q3FY23 - grew 14% YoY
- License linked revenue (License + Platform + AMC) is INR 347 Cr in Q3FY24 as against INR 282 Cr in Q3FY23 - grew 23% YoY

Gross Margin and EBITDA

- Gross Margin is INR 347 Cr in Q3FY24 as against INR 301 Cr in Q3FY23 - grew 15% YoY
- EBITDA is INR 132 Cr in Q3FY24 as against INR 105 Cr in Q3FY23 - grew 26% YoY
- EBITDA excluding ESOP cost is INR 143 Cr in Q3FY24 as against INR 114 Cr in Q3FY23 - grew 25% YoY

PAT

- Net Profit is INR 84 Cr in Q3FY24 as against INR 62 Cr in Q3FY23 - grew 36% YoY

Collections and Net DSO

- Collections for Q3FY24 are INR 591 Cr
- Total Days of Sales Outstanding (DSO) is 107 days - Global business excluding India stood at 103 days in Q3FY24 and India DSO stood at 117 days
- Cash and Cash Equivalent stood at INR 712 Cr at the end of Q3FY24

Deal Wins and Digital Transformations

- Deal Wins: eMACH.ai-powered Digital stack accelerates growth with 14 Deal Wins
- Digital Transformations (Go-Lives): 13 Global Financial institutions have transformed their Digital journey on Intellect Platforms and Product stacks

YTD Dec'23 - Financial Results

Revenue:

- Total Revenue YTD Dec'23 stood at INR 1901 Cr as against INR 1625 Cr in YTD Dec'22 - grew 17% YoY
- License linked revenue (License + Platform + AMC) is INR 1041 Cr in YTD Dec'23 as against INR 840 Cr in YTD Dec '22 - grew 24% YoY

Gross Margin and EBITDA

- Gross Margin is INR 1051 Cr in YTD Dec'23 as against INR 879 Cr in YTD Dec '22 - grew 20% YoY
- EBITDA is INR 412 Cr in YTD Dec'23 as against INR 307 Cr in YTD Dec '22 - grew 34% YoY

- EBITDA excluding ESOP cost is INR 448 Cr, i.e. 24% of the revenue in YTD Dec'23 as against INR 342 Cr in YTD Dec '22 - grew 31% YoY

PAT

- Net Profit is INR 248 Cr in YTD Dec'23 as against INR 177 Cr in YTD Dec '22 - grew 41% YoY

Collections

- Collections for YTD Dec'23 are INR 1760 Cr

LTM Q3FY24 - Financial Highlights

Revenue:

- Total Revenue LTM Q3FY24 stood at INR 2522 Cr as against INR 2125 Cr in LTM Q3FY23 - grew 19% YoY
- License linked revenue (License + Platform + AMC) is INR 1375 Cr in LTM Q3FY24 as against INR 1121 Cr in LTM Q3FY23 - grew 23% YoY

Gross Margin and EBITDA

- Gross Margin is INR 1400 Cr in LTM Q3FY24 as against INR 1161 Cr in LTM Q3 FY23 - grew 21% YoY
- EBITDA is INR 555 Cr in LTM Q3FY24 as against INR 419 Cr in LTM Q3FY23 - grew 33% YoY

PAT

- Net Profit is INR 339 Cr in LTM Q3FY24 as against INR 272 Cr in LTMQ3 FY23 - grew 25% YoY

II. Management Commentary



Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited, said, *“eMACH.ai has built a great traction in all the six spaces of financial technology modernisation i.e. Core Banking, Digital Transaction Banking, Lending, Wealth, Trade & Supply Chain Finance and Insurance Underwriting. 14 Platform wins during the quarter is a validation of our Next Gen Architecture and Technology.”*

III. Intellect's eMACH.ai accelerates growth with 14 Deal Wins

Deal Wins in Q3FY24

Intellect's composable and contextual products and platforms suite powered by eMACH.ai architecture has won 14 new deals in Q3FY24. Some of the significant deals are:

- **OTP Bank, one of the leading banking groups in Central and Eastern Europe chose Intellect Digital Core (IDC) and Lending by iGCB to power its banking experience in Bulgaria and Hungary.** IDC, and Lending built on eMACH.ai (Events-driven. Microservices-based, API-enabled, Cloud Native, Headless with underlying AI models) are the most comprehensive Open Finance enabled platforms globally. The offering will help OTP Bank to launch innovative products and features through the composable architecture-based platform, giving access to ready microservices, packaged business components, APIs and events

- **Indian Bank, one of the leading public sector banks in India serving over 100 million customers chose Intellect's eMACH.ai-powered Cash Management System** with Payments and Collections to bolster its Corporate Banking Modernisation. As a part of the project 'INDLEAP', Indian Bank has taken on the objective of digital transformation by leveraging technology wherever possible, with transaction banking and supply chain management being the key growth engines
- **One of the Kuwait's largest bank and the country's first locally-owned bank chose iGTB's Digital Transaction Banking (DTB) powered by eMACH.ai architecture** to automate and elevate its transaction banking offering for cash management, trade and liquidity. The bank chose DTB Solution to build new digital capabilities for account services, payments, liquidity management, collections and receivables with Trade and virtual accounts front-end. With this, 9 out of the top 10 Banks in ME are the customers of the DTB Platform
- **One of the largest private sector superannuation funds in the Pacific Region, which provides retirement savings and benefits in the region, chose the eMACH.ai-powered Digital Core Banking Platform (IDC)** to empower members with cutting-edge solutions for comprehensive financial growth and stability

IV. Leadership Position Endorsed by Market Leading Analysts and Research Firms

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

- IntellectAI's ESG Edge recognised in ESGFinTech100: A Catalyst for Cognitive Enterprise Transformation in ESG Risk Analysis
- IntellectAI's WealthForce.AI secured the prestigious win in the "Innovative Use of Artificial Intelligence" Category at WealthBriefing MENA 2023, signifying its empowering role in advancing cognitive enterprises
- IntellectAI selected for the 2023 PropertyCasualty360 Insurance Luminaries Awards
- iGTB's Supply Chain Finance identified as LEADER in IBSi Supply Chain Finance Platforms, Q4 2023
- iGTB's Receivables Management Solution was identified as a 'Technology Standout 2023' in Celent's report titled 'Corporate Receivables Management Platform Review'
- Intellect featured among the leading Wealth Management vendors in Forrester's Report on 'The Digital Wealth Management Platforms Landscape, Q4 2023
- Intellect was featured among the leading vendors in Gartner's Report on 'Market Guide for Commercial Loan Origination Solutions
- iGCB's Capital Cube was identified as a Key Reconciliation Solution in Celent's report titled 'Revisiting Reconciliations in the Capital Markets'
- iGTB's Cash Flow Forecasting (CFF) was identified as a Breakthrough Innovation and a Tech Provider Frontrunner in the area of data analytics and tools in the Cash Management space that are paving the path to 2030, in Celent's report titled 'Breakthrough AI-innovation in Cash Management: Prediction to Prescription'

Financial Results for the Third Quarter Ended – December 31, 2023

Additional Information on function-wise classification of the statement of Profit and Loss of the Group (Consolidated Unaudited)

INR Crs.

PARTICULARS	QUARTER ENDED		YTD ENDED		LAST TWELVE MONTHS (LTM)	
	Dec 31, 2023 (Q3 FY 24)	Dec 31, 2022 (Q3 FY 23)	Dec 31, 2023 (YTD FY 24)	Dec 31, 2022 (YTD FY 23)	Dec 31, 2023 (LTM Q3 FY 24)	Dec 31, 2022 (LTM Q3 FY 23)
TOTAL INCOME	635.20	555.16	1,900.99	1,625.43	2,521.53	2,125.54
EXPENDITURE						
Software development expenses	288.47	254.41	850.33	746.36	1,121.97	964.59
Gross Margin	346.73	300.75	1,050.66	879.07	1,399.57	1,160.95
SG & A expenses	165.22	152.36	491.26	445.95	650.76	581.29
R & E expenses	49.73	43.47	147.45	125.80	194.05	161.02
TOTAL EXPENDITURE	503.42	450.24	1,489.03	1,318.11	1,966.77	1,706.89
EBITDA	131.79	104.93	411.95	307.32	554.76	418.65
EBITDA %	20.7%	18.9%	21.7%	18.9%	22%	19.7%
Depreciation & Amortisation	(34.25)	(31.05)	(101.96)	(88.58)	(134.89)	(115.08)
Hedge Impact	(0.86)	(8.25)	(8.21)	(9.67)	(13.26)	(0.38)
Fx Reins. (loss)/gain	2.47	10.75	(0.84)	13.76	(1.70)	16.92
Other Income / Expense	15.99	7.45	36.69	15.91	55.95	38.03
Profit / (Loss) before tax	115.13	83.84	337.63	238.74	460.87	358.14
Provision for taxation	(30.82)	(21.80)	(89.41)	(62.17)	(121.99)	(86.31)
PROFIT / (LOSS) AFTER TAX	84.31	62.03	248.22	176.57	338.88	271.83

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 **25th January 2024**, to take on record the financial results of the company for Q3 FY 24, which ended on December 31, 2023.

Intellect Design Arena Ltd. will host an Investors Conference Call on **January 25, 2024**, where the Senior Management of Intellect will comment on the company's performance during Q3 FY24 and respond to questions from participants. **The conference call will take place at 6 PM IST on Thursday, January 25, 2024**

Conference Name : Investors Earning Call post our Q3 FY 24 results

Date : January 25, 2024

Time : 06:00 P.M. - 07:00 P.M. IST

Please register through the link below to take part in this call. **Registration link:**
https://us06web.zoom.us/webinar/register/WN_zKsJYrF5SduArIVXh4E3MA

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 25th January 2024
- 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 FinTech platform for global leaders in Banking, Insurance and Capital Markets. It offers a full spectrum of banking and insurance technology products through its four lines of businesses - Global Consumer Banking, Global Transaction Banking (iGTB), Risk, Treasury and Markets, and Insurance. With over 25 years of deep domain expertise, Intellect is the brand that progressive financial institutions rely on for their digital transformation initiatives.

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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