

Investor Update

Q1 FY 2024-25





Birlasoft Q1FY25 Revenue up 5.1% Y-on-Y to ₹13,274 Mn

PAT up 9.2% Y-on-Y to ₹ 1,502 Mn

Cash & Cash Equivalents Up 46% YoY led by strong collections

Strong order-booking with Deals TCV up 10.1% YoY

New Delhi (India), July 31, 2024: Birlasoft, a leading IT services and solutions provider, today reported its unaudited consolidated financial results for the first quarter ended June 30, 2024. Birlasoft is part of the \$3 bn CK Birla Group, which has over 35,000 employees and operates 52 manufacturing facilities globally.

Mr. Angan Guha, Chief Executive Officer and Managing Director, Birlasoft, said, *"Our performance during the quarter under review reflects a challenging operating environment and tightened discretionary spends by customers. In that backdrop, I am pleased to note that our Infra and ROW businesses, both historically smaller contributors to our revenue, have done particularly well on the back of our efforts to enhance our capabilities and footprint there. Our deal wins during the quarter are also up 10% year on year at \$160 Mn. We continue to invest in our business across our verticals*

and service lines to strengthen our position as a domain and emerging tech capabilities-led player."

"Our revenue during the quarter under review grew 5.1% year on year to Rs 13,274 million. PAT for the quarter grew 9.2% year on year to Rs 1,502 Mn. Our quarterly collections continued to be strong, resulting in a 46% rise year on year in cash and cash equivalents to Rs 19,143 Mn. Our DSO improved sequentially to 52 days and on this key parameter we continue to be among the best in the industry. We have started the new financial year with a robust balance sheet and healthy cashflows that enable us to keep investing in capabilities for future growth even as we navigate through the current challenges in the macro-economic environment," said **Ms Kamini Shah, Chief Financial Officer,** Birlasoft.

Key Financial highlights for Q1 FY25

In INR ₹

- Revenue at ₹ 13,274 M, up 5.1% YoY
- EBITDA at ₹ 1,951 M; EBITDA margin at 14.7%
- PAT at ₹ 1,502 M, up 9.2% YoY translating to basic EPS (not annualized) of ₹5.41
- Cash and cash equivalents increase 45.9% YoY to ₹19,143 M

In USD \$

- Revenue at \$159.1 M, up 3.6% YoY
- In constant currency terms, revenue up 3.8% YoY
- EBITDA at \$ 23.4 M; EBITDA margin at 14.7%
- PAT at \$ 18.0 M, up 7.6% YoY



Other operating highlights

- Growth during Q1FY25 driven by BFSI and E&U among verticals, by Infra among service lines, and by ROW among geographies
 - **BFSI up 8.4% and E&U up 3.7% QoQ** while Manufacturing and Lifesciences & Services (LSS) registered a sequential decline among verticals
 - **Infra up 36.1% QoQ**
 - The number of **\$1Mn+ clients increased from 87 to 88** QoQ and the number of **\$10Mn+ clients remained stable QoQ**.
 - Revenue from Top 5, Top 10 and Top 20 clients grew YoY by **12.7%, 10.0%** and **5.5%** respectively
- Signed deals of TCV \$ 160 M during the quarter with new deal wins TCV of \$ 94 M and renewals of \$ 66 M.
- Active Client Count at 258 in Q1FY25 (compared to 259 in Q4FY24 and 285 in Q1FY24), reflecting rationalisation of the 'tail'.
- **Cash & Cash equivalents rise to \$229.7 M** by end of Q1FY25 versus \$209.2 M at end of Q4FY24. In rupee terms, cash and cash equivalents increased to ₹19,143 M at the end of Q1FY25 from ₹17,447 M at the end of the preceding quarter
- **DSO improved to 52 days**, led by continued strong collections.
- Workforce strength increased to 12,865 as on 30th June 2024 and **attrition improved further QoQ to 11.6%** during Q1FY25.
- During the quarter under review, Birlasoft attained **AWS Migration Consulting Competency**. This underscores Birlasoft's expertise in helping enterprise customers migrate applications and legacy infrastructure to AWS, evident through successful client solutions across diverse industries. As an AWS Advanced Tier Services Partner, Birlasoft has demonstrated extensive technical proficiency and professional services excellence in guiding businesses through every stage of migration on AWS, from initial discovery and planning to migration and ongoing operations.

Key deal wins for the quarter

- Awarded a key contract from one of the top global Insurance companies to migrate their SharePoint from On-Prem to Cloud
- Initiated engagement with one of the top 3 US banks on GenAI based Data Center Optimization
- Secured an order from a Fortune 500 automotive component manufacturer in North America for carve out/integration support across the infrastructure and security stack.
- Signed a new key customer (an S&P 500 company) in the P&C Insurance space.
- Won and executed a vendor consolidation exercise in one of the top custodian banks, enabling seamless technology integration for multiple wealth management products.
- Won a Cloud FinOps consulting services deal from a large agro-industrial customer in the Americas geo.

Awards & Recognitions...

- Birlasoft recognized as an Innovator in Avasant's SAP Successfactors Services 2024 Radarview™ report
- Birlasoft recognized as a Disruptor in Avasant's Manufacturing Digital Services 2024 Radarview™ report
- Birlasoft recognized as a Disruptor in Avasant's Internet of Things Services 2024 Radarview™ report
- Birlasoft recognized as a Disruptor in Avasant's Multisourcing Service Integration 2023–2024 Radarview™ report
- Birlasoft recognized as a Major Contender in Everest's SAP Business Application Services for Mid-market Enterprises Peak Matrix Assessment 2024 report
- Birlasoft recognized as a Product Challenger in ISG's Life Sciences Digital Services report
- Birlasoft recognized as a Challenger in Avasant's Banking Digital Services 2024 Radarview™ report
- Birlasoft recognized as a Major Contender in Everest's Capital Markets IT Services Peak Matrix Assessment 2024



...Awards & Recognitions (contd. from previous page)

- Birlasoft is among the TOP 100 Great Places to Work
- Birlasoft certified as DEI Crusader at the ET Now Diversity and Inclusion Summit 2024
- Birlasoft recognized amongst the Top Leadership Factories in India for creating leaders at scale by The Great Manager Institute
- Birlasoft CFO Kamini Shah recognized as the Visionary Leader of 2024 at the FE Finance Leadership Dialogue 2024
- Birlasoft CFO Kamini Shah presented the CFO of the Year award at the Future of Finance Summit and Awards 2024
- Birlasoft's Chief Information Security & Data Protection Officer Cdr. Sanjeev Singh (Retd) awarded as an Outstanding Digital Transformation Leader at the APAC CXO Connect Digital Leadership Award 2024
- Birlasoft won Gold for Excellence in Energy Management and Silver for Workplace Digitization at the INFHRA Workplace Excellence Conference and Awards 2023-24
- Birlasoft received two awards at the INFHRA Corporate Excellence Conference and Awards 2024-25 - Gold for Excellence in Healthiest Workplace and Silver for Excellence in Biophilic Design and Nature Integration (Corporate category)
- Birlasoft's weekly radio show - Birlasoft on Air won Gold in the Education-podcast category at the 13th ACEF Global Customer Engagement Awards



About Birlasoft

Bold Agile Ambitious

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. Birlasoft, with its 12,500+ professionals, is committed to driving digital transformation through innovative, cutting-edge technology solutions to build sustainable communities.

For further information, visit www.birlasoft.com.

About The CK Birla Group

The CK Birla Group, with a revenue of USD 3 billion, is an Indian multinational conglomerate. With over 35,000 employees, the group operates 52 manufacturing facilities across India and internationally, with a presence in diverse sectors, including technology, automotive, home and building and healthcare.

The companies share a common ambition of serving customers, partners and communities to create long term value through trust-based relationships and philanthropy. The Trusts and Foundations established by the family over the last seven decades actively support social development and healthcare advancements, through the promotion of science, technology, education, art and culture.

The CK Birla Group companies include Birlasoft Limited, GMMCO Limited, HIL Limited, National Engineering Industries Limited (manufacturer of NBC Bearings), Orient Cement Limited, Orient Electric Limited, Orient Paper & Industries Limited, AVTEC Limited, and CK Birla Healthcare Private Limited which operates CK Birla Hospitals and Birla Fertility & IVF Centres.

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Fact Sheet

Q1 FY 2024-25

INR Revenue up 5.1% YoY

DSO at 52 days

\$ 160 M TCV Deal Wins

Key Financial Metrics

Key Financial Metrics - Q1 FY25				Growth (%)	
				QoQ	YoY
Constant Currency (CC) Revenue growth during Q1 FY25				-2.7%	3.8%
Financials \$ M	Q1 FY24	Q4 FY24	Q1 FY25	Growth (%)	
				QoQ	YoY
Revenue \$ M	153.6	163.9	159.1	-2.9%	3.6%
EBITDA Margin %	15.3%	16.3%	14.7%		
EBIT Margin %	13.6%	14.7%	13.1%		
Effective Tax Rate %	24.3%	25.7%	26.7%		
PAT \$ M	16.7	21.7	18.0		
PAT - Net Profit Margin %	10.9%	13.2%	11.3%		
EPS - Earnings Per Share (In ₹)					
Basic ₹	4.97	6.48	5.41		
Diluted ₹	4.92	6.39	5.32		
Days Sales Outstanding - Billed	53	55	52		

Key Operating Metrics



Revenue by Geography	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Americas	84.0%	86.5%	84.0%
Rest of the World	16.0%	13.5%	16.0%
Total	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Manufacturing	40.7%	41.9%	39.2%
BFSI	20.7%	21.2%	23.6%
Energy & Utilities	14.3%	14.8%	15.8%
Lifesciences & Services	24.4%	22.1%	21.4%
Total	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Digital and Data	54.2%	53.5%	52.7%
ERP	36.9%	37.7%	34.9%
Infra	8.9%	8.8%	12.4%
Total	100.0%	100.0%	100.0%

Key Operating Metrics



Revenue by Service Offerings	Quarter Ended				
	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
Digital and Data	54.2%	55.5%	55.4%	53.5%	52.7%
ERP	36.9%	36.1%	36.1%	37.7%	34.9%
Infra	8.9%	8.4%	8.5%	8.8%	12.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Service Offerings (for past 5 quarters reflecting realignment)

Revenue by Contract Type	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Time & Material	38.5%	38.4%	37.3%
Fixed Price, Fixed Monthly	61.5%	61.6%	62.7%
Total	100.0%	100.0%	100.0%

Revenue Mix	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Onsite	49.0%	47.8%	43.5%
Offshore	51.0%	52.2%	56.5%
Total	100.0%	100.0%	100.0%

Deal Wins - New	Q1 FY24	Q4 FY24	Q1 FY25
Total Contract Value (TCV) - in \$ M	80	107	94

Key Operating Metrics



Exchange Rate (₹/US \$)	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Period Average	82.20	83.12	83.41
Period End	82.04	83.40	83.34

Client Data	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
No of Active Clients	285	259	258
Clients added - QoQ	(3)	(13)	(1)
No of million \$ clients (LTM)			
US\$ 1mn+ Clients	86	87	88
US\$ 5mn+ Clients	27	26	23
US\$ 10mn+ Clients	13	12	12
Client Contribution to Revenue (LTM)			
Top 5	33.3%	35.4%	36.2%
Top 10	49.6%	52.1%	52.6%
Top 20	63.9%	64.8%	65.1%

Key Operating Metrics



Headcount Metrics	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
Total Headcount	12,235	12,595	12,865
Technical	11,061	11,433	11,597
Sales & Support	1,174	1,162	1,268
Women Employees	2,863	2,968	3,048
Attrition* (LTM)	18.8%	12.4%	11.6%
Utilization	84.9%	86.3%	81.7%

* adjusted for < 6 months exits

Hedge Book	Quarter Ended		
	Q1 FY24	Q4 FY24	Q1 FY25
USD Mn	115.0	95.7	140.0
Average rate in ₹	83.3	84.1	84.3
GBP Mn	9.4	7.4	6.4
Average rate in ₹	100.9	105.9	106.4
Euro Mn	6.4	6.4	5.9
Average rate in ₹	89.3	92.5	92.4

Consolidated Income Statement for the quarter ended June 30, 2024



Particulars	In \$ M			QoQ	YoY	
	Quarter ended	30-Jun-23	31-Mar-24			30-Jun-24
		Unaudited	Audited			Unaudited
Revenue from operations		153.6	163.9	159.1	-2.9%	3.6%
Expenses						
Employee benefits expense		90.4	92.4	91.1		
Other expenses		39.8	44.9	44.6		
EBITDA		23.5	26.7	23.4	-12.3%	-0.4%
<i>EBITDA Margin %</i>		<i>15.3%</i>	<i>16.3%</i>	<i>14.7%</i>	<i>-157 bps</i>	<i>-60 bps</i>
Depreciation & amortization		2.6	2.5	2.5		
EBIT		20.9	24.1	20.9	-13.3%	0.1%
<i>EBIT Margin %</i>		<i>13.6%</i>	<i>14.7%</i>	<i>13.1%</i>	<i>-157 bps</i>	<i>-45 bps</i>
Other income (net)		1.7	5.5	4.1		
Finance costs		0.5	0.5	0.5		
Profit before tax (PBT)		22.1	29.1	24.6	-15.7%	11.2%
Total tax expense		5.4	7.5	6.6		
Profit for the period (PAT)		16.7	21.7	18.0	-16.9%	7.6%
<i>PAT Margin %</i>		<i>10.9%</i>	<i>13.2%</i>	<i>11.3%</i>	<i>-190 bps</i>	<i>42 bps</i>

Average \$/₹ rate of ₹82.2 for Q1 FY24, ₹83.1 for Q4 FY24 and ₹83.4 for Q1 FY25

Consolidated Income Statement for the quarter ended June 30, 2024



Particulars	In ₹ M			QoQ	YoY	
	Quarter ended	30-Jun-23	31-Mar-24			30-Jun-24
		Unaudited	Audited			Unaudited
Revenue from operations		12,628	13,625	13,274	-2.6%	5.1%
Expenses						
Employee benefits expense		7,428	7,679	7,602		
Other expenses		3,268	3,729	3,722		
EBITDA		1,931	2,217	1,951	-12.0%	1.0%
<i>EBITDA Margin %</i>		<i>15.3%</i>	<i>16.3%</i>	<i>14.7%</i>	<i>-157 bps</i>	<i>-60 bps</i>
Depreciation & amortization		214	211	206		
EBIT		1,717	2,006	1,745	-13.0%	1.6%
<i>EBIT Margin %</i>		<i>13.6%</i>	<i>14.7%</i>	<i>13.1%</i>	<i>-157 bps</i>	<i>-45 bps</i>
Other income (net)		141	457	345		
Finance costs		42	41	42		
Profit before tax (PBT)		1,816	2,422	2,049	-15.4%	12.8%
Total tax expense		440	621	547		
Profit for the period (PAT)		1,375	1,801	1,502	-16.6%	9.2%
<i>PAT Margin %</i>		<i>10.9%</i>	<i>13.2%</i>	<i>11.3%</i>	<i>-190 bps</i>	<i>42 bps</i>

Average \$/₹ rate of ₹82.2 for Q1 FY24, ₹83.1 for Q4 FY24 and ₹83.4 for Q1 FY25

Consolidated Balance Sheet



Particulars as at	\$ M			₹ M		
	30-Jun-23	31-Mar-24	30-Jun-24	30-Jun-23	31-Mar-24	30-Jun-24
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
ASSETS						
Non-current assets						
Property, plant and equipment	16.2	12.6	12.0	1,331	1,047	999
Right-of-use assets	10.2	10.5	9.9	837	872	822
Capital work-in-progress	1.1	1.4	1.2	93	116	99
Goodwill	59.7	59.4	59.4	4,894	4,957	4,947
Other intangible assets	1.5	1.1	1.0	124	95	86
Intangible assets under development	-	-	0.4	-	-	33
Financial assets						
Investments	2.9	34.3	38.4	240	2,860	3,199
Finance Lease Receivable	-	-	4.0	-	-	329
Other financial assets	1.7	2.0	2.1	139	163	173
Income tax assets (net)	6.2	2.9	4.1	505	239	343
Deferred tax assets (net)	14.2	12.5	12.9	1,161	1,044	1,079
Other non-current assets	1.0	2.3	3.7	84	189	310
Current assets						
Financial assets						
Investments	80.6	123.9	134.8	6,613	10,336	11,237
Trade receivables						
Billed	87.3	92.1	100.3	7,160	7,677	8,360
Unbilled	27.0	32.2	27.3	2,214	2,688	2,275
Cash and cash equivalents	63.6	47.1	53.5	5,222	3,926	4,457
Other balances with banks & deposits	12.8	3.9	3.0	1,047	324	249
Finance Lease Receivable	-	-	0.2	-	-	21
Other financial assets	2.1	0.3	0.9	171	29	76
Other current assets	26.0	32.3	28.0	2,135	2,695	2,330
TOTAL ASSETS	414.0	470.7	497.0	33,967	39,256	41,422

\$/₹ rate of ₹82.0 for Jun 23, ₹83.4 for Mar 24 and ₹83.3 for Jun 24

Consolidated Balance Sheet



Particulars as at	\$ M			₹ M		
	30-Jun-23	31-Mar-24	30-Jun-24	30-Jun-23	31-Mar-24	30-Jun-24
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
EQUITY AND LIABILITIES						
Equity share capital	6.7	6.6	6.6	550	552	552
Other equity	311.7	358.4	378.2	25,569	29,889	31,520
Liabilities - Non-current						
Financial liabilities						
Borrowings	-	-	0.9	-	-	74
Lease liabilities	7.2	6.9	6.2	592	578	520
Other financial liabilities	-	0.8	0.9	-	67	75
Provisions	5.9	8.5	8.8	488	712	736
Current liabilities						
Financials Liabilities						
Borrowings	-	-	0.3	-	-	24
Trade payables	34.3	33.6	45.6	2,810	2,805	3,804
Lease liabilities	4.3	4.2	4.3	354	354	361
Other financial liabilities	15.9	24.6	13.8	1,303	2,049	1,152
Other current liabilities	12.5	16.5	17.5	1,029	1,377	1,460
Provisions	8.3	7.6	8.0	684	631	668
Income tax liabilities (net)	7.2	2.9	5.7	588	241	476
TOTAL EQUITY AND LIABILITIES	414.0	470.7	497.0	33,967	39,256	41,422

\$/₹ rate of ₹82.0 for Jun 23, ₹83.4 for Mar 24 and ₹83.3 for Jun 24

Consolidated Cash Flow Statement for Q1 FY25



Particulars	30-Jun-24	
	₹ M	\$ M
Profit before tax	2,049	24.6
Items to reconcile profit before tax to net cash flows		
Add: non cash items		
Depreciation of property, plant and equipment & amortization of intangible assets	206	2.5
Allowance for doubtful debts-trade receivables (net of recoveries)	(21)	(0.2)
Creditors written back	45	0.5
Share based compensation expenses	144	1.7
Unrealized foreign exchange loss/ (gain)	(66)	(0.8)
Interest on lease liabilities	18	0.2
Less: interest & other items		
Interest income	(160)	(1.9)
Others	(119)	(1.4)
Operational cash profit	2,096	25.1
Movements in working capital	(152)	(1.8)
Cash generated from operations	1,944	23.3
Income tax (paid) / received	(463)	(5.5)
Net cash flow (used in)/from investing activities	(1,078)	(12.9)
Net cash flow (used in) financing activities	52	0.6
Balance cash Flow	456	5.5
Total increase/(decrease) in cash balance	456	5.5
Opening cash balance	4,249	51.0
Total cash balance	4,705	56.5
Cash & cash equivalents	19,143	229.7

Average \$/₹ rate of ₹83.4 for Q1 FY25

Q1FY25 Earnings Conference Call on 31st July 2024 at 5.00 pm IST



Dial in Information

India 17:00 hours IST; Hong Kong / Singapore 19:30 hours; London 12:30 hours; New York 07:30 hours

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	South Korea	00180014243444
	Sweden	0080014243444
Thailand	00180014243444	
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USA	18667462133	
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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.