

## **Chairperson's Speech on 32<sup>nd</sup> Annual General Meeting on August 23, 2024**

Dear Ladies and Gentlemen, Esteemed Shareholders, and Members of the Board,

I am honoured to address you today as the Chairman of this esteemed organization, at its 32<sup>nd</sup> Annual General Meeting (AGM). On behalf of the Board of Directors and the entire management team, I express my heartfelt gratitude for your presence here today.

### **Macro Outlook:**

Over the past two years the industry has seen significant headwinds which have resulted in the growth rate of the industry having come down drastically. An uncertain interest rate environment, persistent inflation in key geographies where we operate and a lowering of technology spend by clients to hedge against these uncertainties have driven this drawdown in industry growth. As we move further into future, with lower inflation and lower risk of recession forecast by the economists, we may see a slow turnaround on the demand front.

Interest in areas including GenerativeAI, Cybersecurity, Data Engineering and solution construction to improve resilience continues to pick up. With new emerging technologies in play, it is the time for IT sector to refocus on both innovation and growth.

### **Our Strategy:**

Your Company has focused on selected industries. A detailed understanding of the underlying processes of those industries, and partnerships with leading platforms including Microsoft, AWS, Salesforce, Pegasystems, ServiceNow, and Appian enable us to offer a distinct perspective.

The vision of “Engage with the Emerging” enable us to accelerate business change for clients and their customers, through the use of emerging technologies with our product engineering approach and leveraging Cognitive, Cloud, and Data technologies to transform client businesses into resilient, intelligent, high-growth enterprises.

Our mission is to “Transform at the Intersect,” helping our customers achieve their business objectives by combining our global expertise on both, technology and domain. We have applied this approach to provide business solutions within our chosen industry verticals: Banking & Financial Services, Insurance, Government, and Travel, Transport, and Hospitality.

### **Revenue Performance:**

Consolidated revenue for FY2023-24 grew by 14.5% over the previous year to Rs. 91,790 million. In constant currency terms, growth reached 13.3%, while in USD terms, revenue growth stood at 11.7%.

- The Banking and Financial Services vertical grew by 17.1% and contributed 32.2% of total revenue.
- The Travel vertical grew by 4.9% and contributed 18% of total revenue.
- The Insurance vertical grew by 9.6% and contributed 22.2% of total revenue.
- Other businesses, including Healthcare, Hi-tech and Retail collectively grew 12% year-on-year, and contributed 27.6% of total revenue.

### **Margins:**

The company rolled out wage hikes to its employees from 1st April despite the tough environment and continued its investment in front-end leadership and capability enhancements throughout the year. EBITDA, before ESOP costs, increased by 10.5% during the year and stood at INR 16,185 million, translating into a margin of 17.6% for the year.

**Profit After Tax:**

The net profit for the year increased by 16.5% and stood at 8,080 million, implying a net margin of 8.8% for FY2023-24

We have followed a balanced approach towards capital allocation, by consistently paying dividends to shareholders each quarter. For the full year FY24, we have paid a dividend of Rs. 76 per share.

On behalf of the Board of Directors of the company, I want to thank you for your unwavering trust, confidence, and support including Statutory/Regulatory Authorities including Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India and all other state Governments where the Company operates, NSE/BSE, where the Company's shares are listed, employees, customers, partners, vendors, and shareholders, for their unwavering trust and support. I stand here with great optimism and confidence, knowing that our collective efforts will propel Coforge to even greater heights.

**Thank you.**