

Investor Presentation

Q4FY23

April 27, 2023

The Coforge logo features the word "Coforge" in a bold, sans-serif font. The letter "C" is orange, and the remaining letters "oforge" are white. A thin orange curved line is positioned above the logo, starting from the bottom left and curving upwards towards the top right.

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Safe Harbor and Disclaimer

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Conventions Used Herein

Except as otherwise noted in this presentation, the following conventions have been used. All references to “Y-o-Y” are comparisons between the fourth quarter of fiscal year ended March 31, 2023 (“Q4 FY2023”) and the fourth quarter of fiscal year ended March 31, 2022 (“Q4 FY2022”), or the full fiscal year ended March 31, 2023 (“FY2023”) and the full fiscal year ended March 31, 2022 (“FY2022”). All references to “Q-on-Q” are comparison between the third quarter of the fiscal year ended March 31, 2023 (“Q3 FY2023”) and Q4 FY2023.

Coforge Crosses US\$ 1 Bn Revenue Milestone, Beats Growth guidance



FY23 – Financial Highlights

- On consolidated basis, FY23 revenues were up 22.4% YoY on a constant currency basis.
 - Revenue for the year was INR 80,146 Mn & US\$ 1,002 Mn
 - Up 24.6% in INR terms and 15.6% in US\$ terms YoY
- Adj. EBITDA at INR 14,649 Mn, up 21.5% YoY
 - Adj. EBITDA margin at 18.3%
- Consolidated PAT (excluding exceptional and one-time expenses) for the year at INR 8,117 Mn, up 22.7% YoY
- Exceptional and one-time expenses include
 - Provision of INR 523 Mn towards expenses incurred on ADR process
 - Amount of INR 803 Mn towards gift to all the employees to commemorate achievement of US\$ 1 bn revenue milestone.
- Reported PAT at INR 6,938 Mn for the year



FY23 – Business Highlights

- Robust total order intake of US\$ 1,265 Mn during the year
 - Eleven large deals signed during the year (including two US\$ 50M+ and five US\$ 30M+ TCV deals)
 - Fifth consecutive quarter of US\$ 300+ Mn order intake
- Order book executable over next 12 months stood at US\$ 869 Mn at the end of the year, a 20.7% YoY growth
- 44 new logos opened during the year
- Attrition declined by 362 bps YoY and stood at 14.1%. Continues to be amongst the lowest in the industry
- Global headcount at 23,224 as of Mar 31, 2023.

Q4FY23 Revenue up 5.6% QoQ in Reported and 4.7% in CC terms



Q4FY23 – Financial Highlights

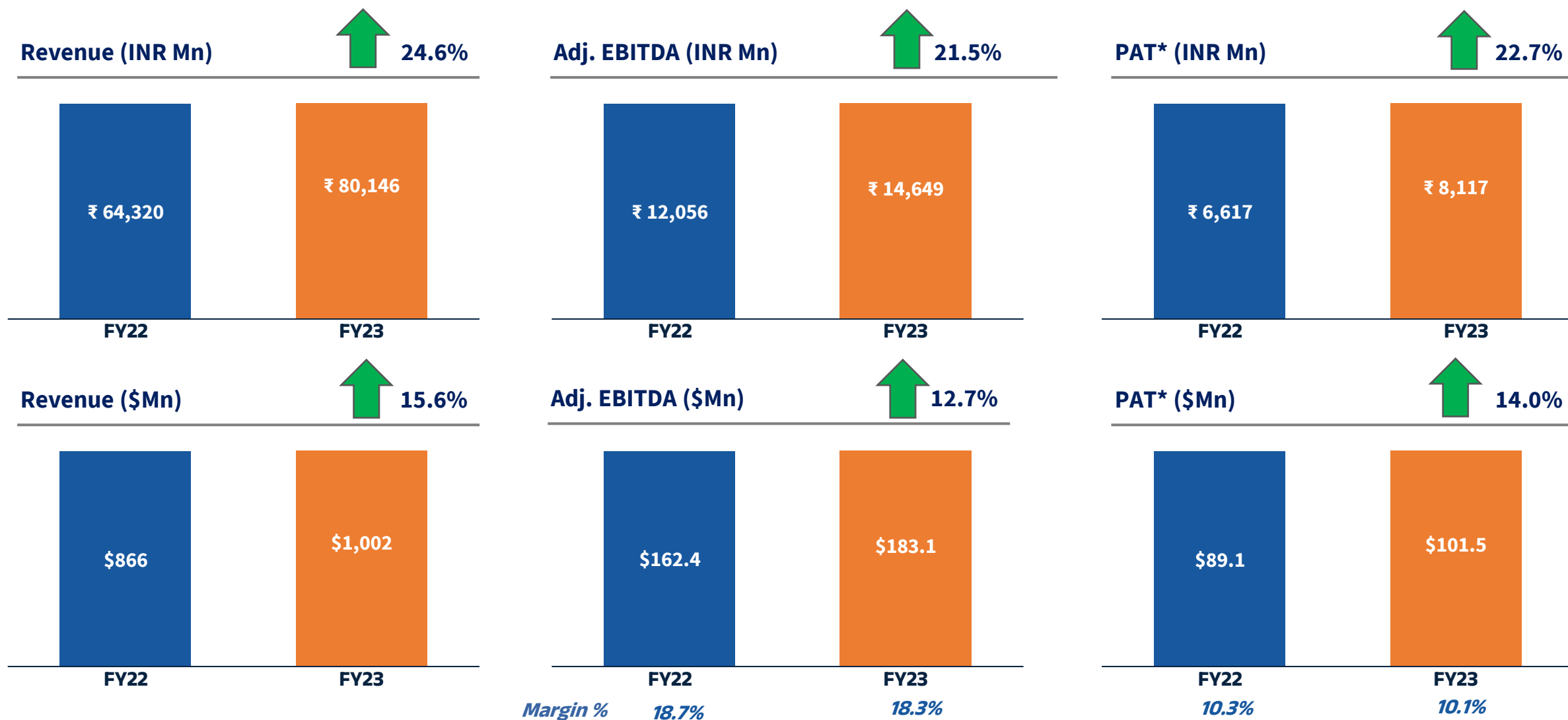
- On consolidated basis, Q4FY23 revenues were up 4.7% QoQ on a constant currency basis.
 - Revenue for the quarter was INR 21,700 Mn & US\$ 264.4 Mn
 - Up 5.6% in INR terms and 5.0% in US\$ terms QoQ
 - Up 24.5% in INR terms and 13.8% in US\$ terms YoY
- Adj. EBITDA Margin of 19.6% (up from 18.5% in Q3FY23)
- Consolidated PAT (excluding exceptional and one-time expenses) for the quarter increased 12.1% YoY to INR 2,327 Mn
- Reported PAT at INR 1,148 Mn for the quarter



Q4FY23 – Business Highlights

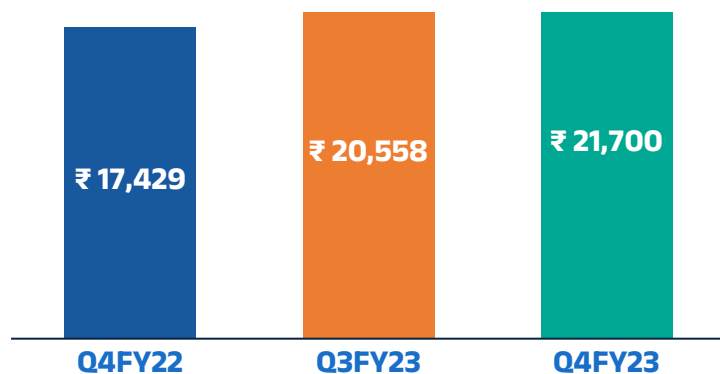
- Robust order intake of US\$ 301 Mn during the quarter
 - Two large deals signed during the quarter, one each in BFS and Travel verticals
- Order book executable over next 12 months stood at \$US 869 Mn at the end of the quarter, a 20.7% YoY growth
- 10 new logos opened during the quarter
- Attrition declined by 170 bps QoQ and stood at 14.1%. Continues to be amongst the lowest in the industry
- Global headcount at 23,224 as of Mar 31, 2023.
 - Addition of 719 people QoQ

FY23 – A Year of achieving US\$ Billion-dollar Revenue Milestone

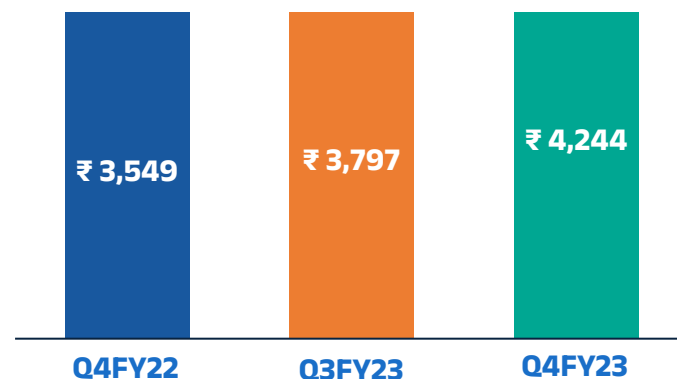


Revenue up 5.6% QoQ and 24.5% YoY in INR terms

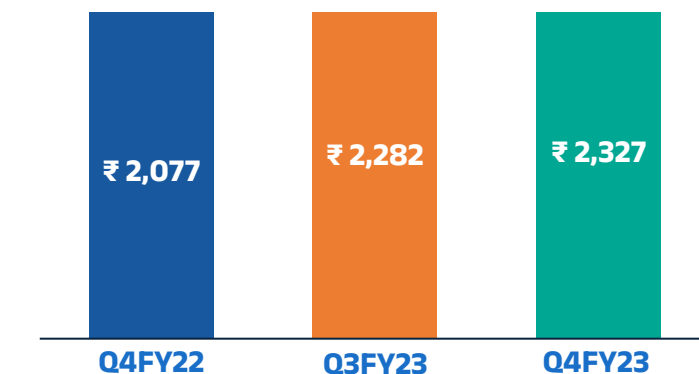
Revenue (INR Mn) 5.6% QoQ ↑ 24.5% YoY ↑



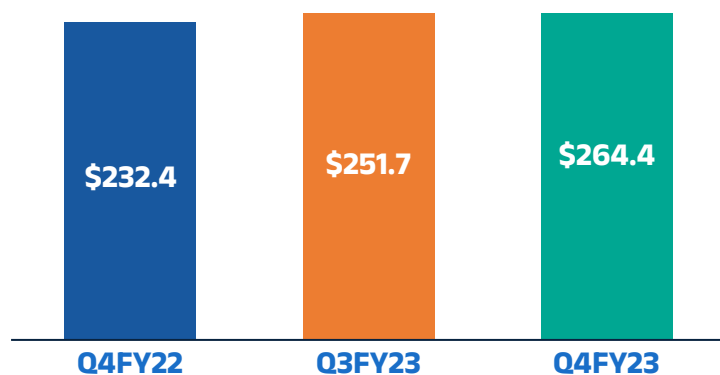
Adj. EBITDA (INR Mn) 19.6% YoY ↑



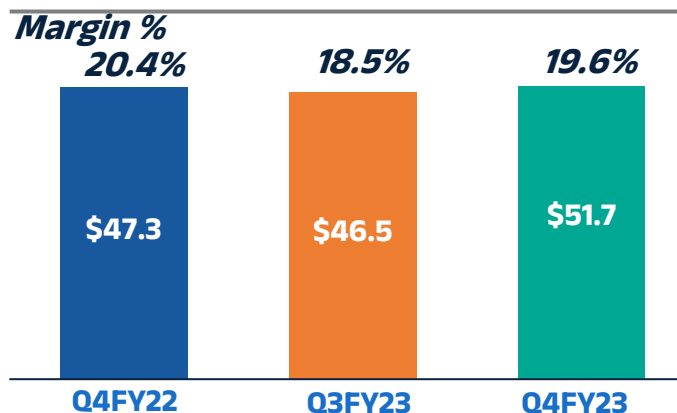
PAT* (INR Mn) 12.1% YoY ↑



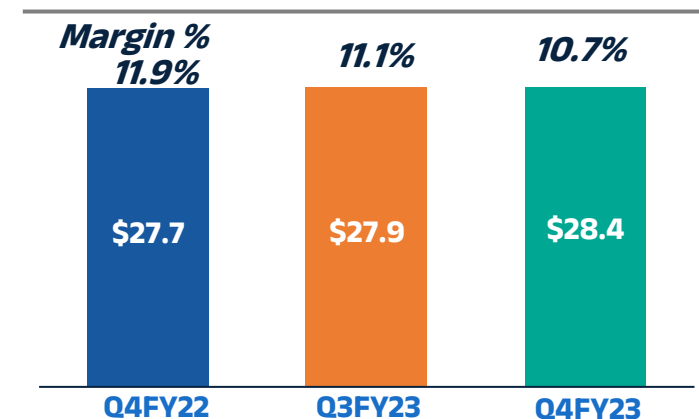
Revenue (\$Mn) 5.0% QoQ ↑ 13.8% YoY ↑



Adj. EBITDA (\$Mn) 9.3% YoY ↑

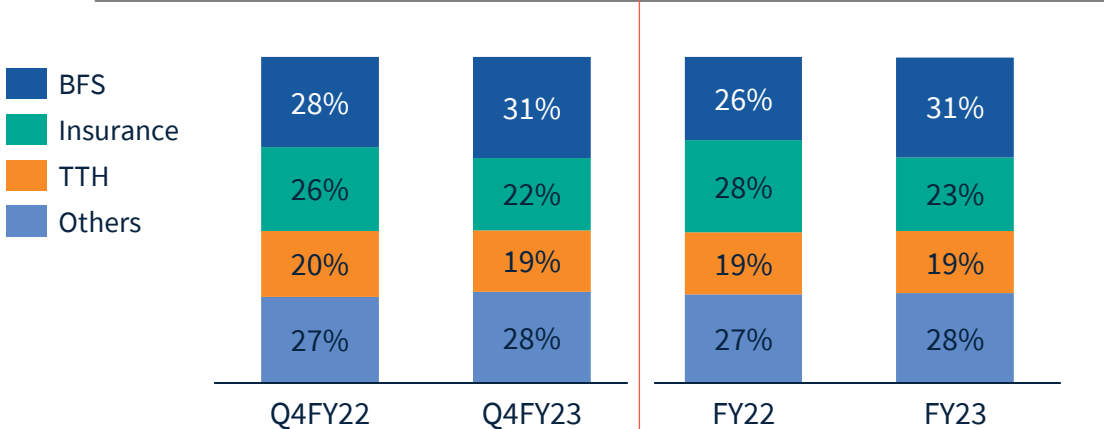


PAT* (\$Mn) 2.6% YoY ↑

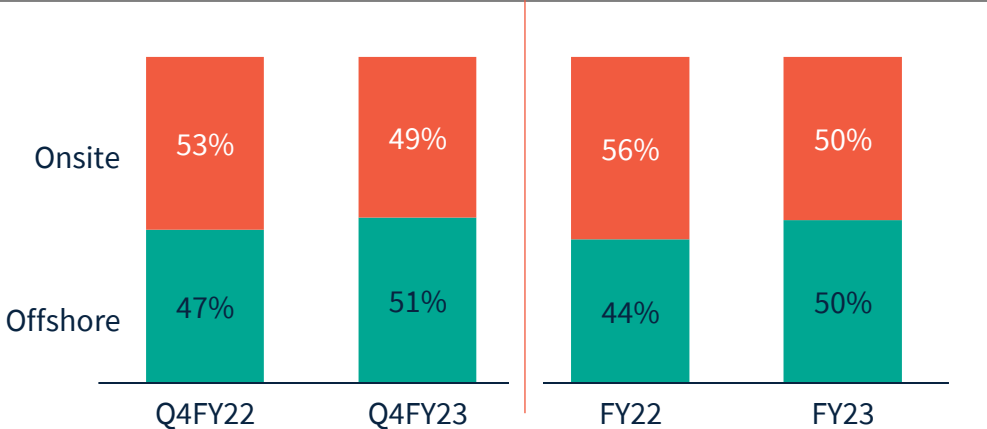


Well Diversified Business Portfolio with Increasing Offshoring Revenues

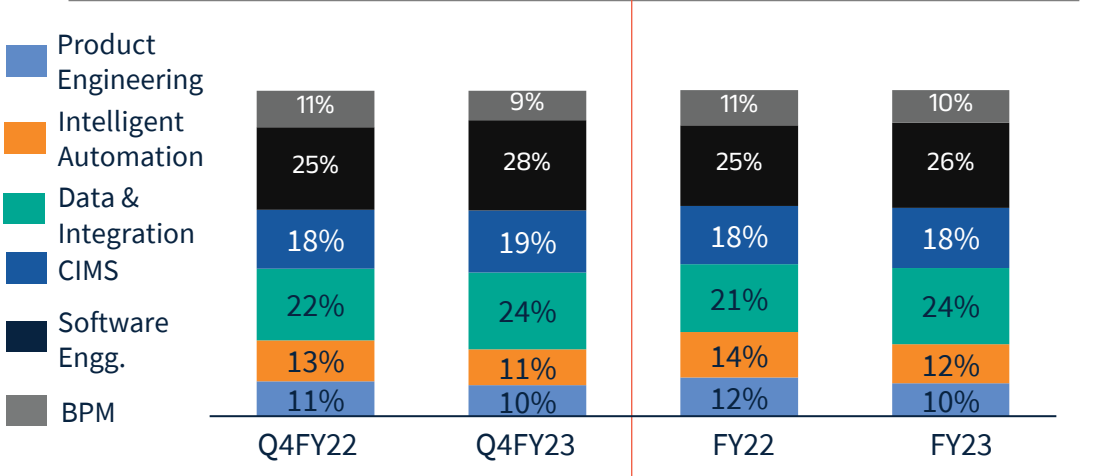
Vertical Mix



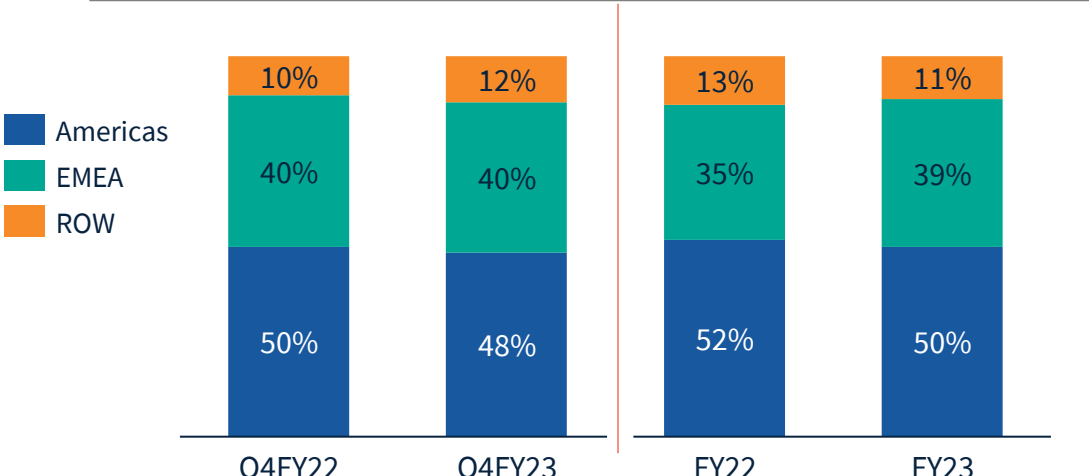
Location Mix (IT Revenues Only)



Horizontal Mix

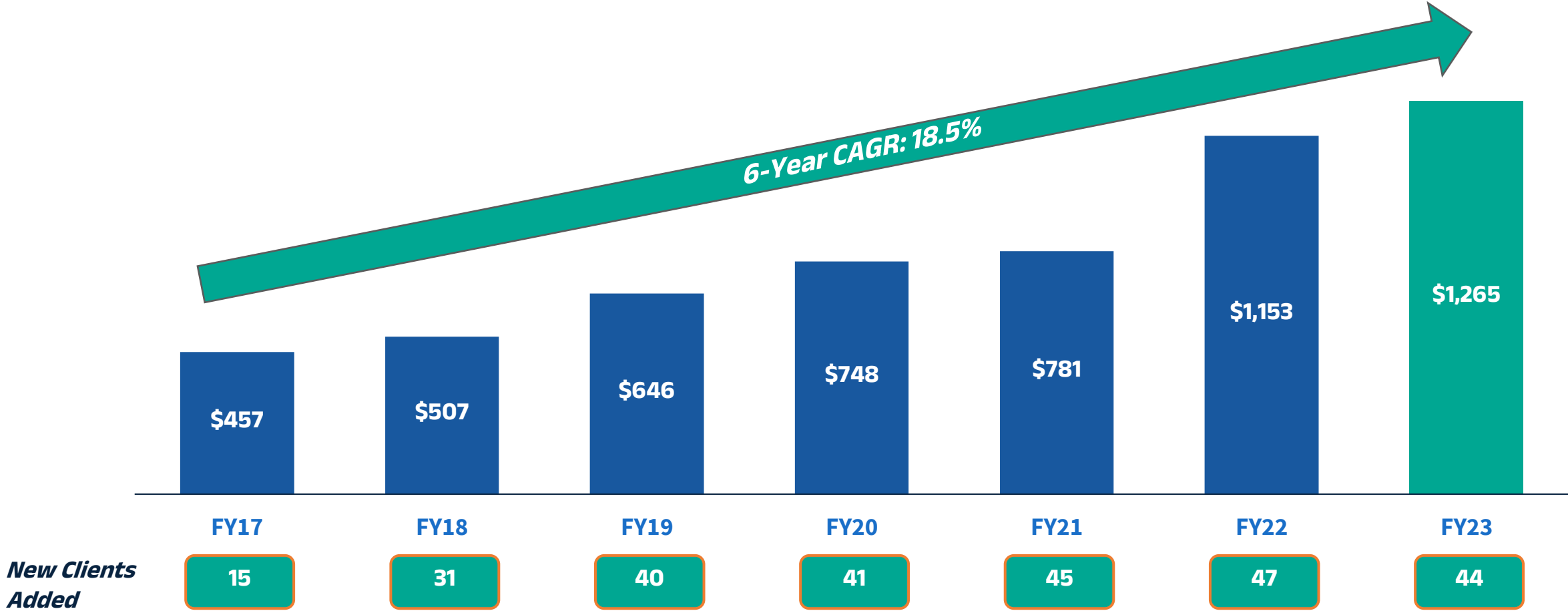


Geography Mix



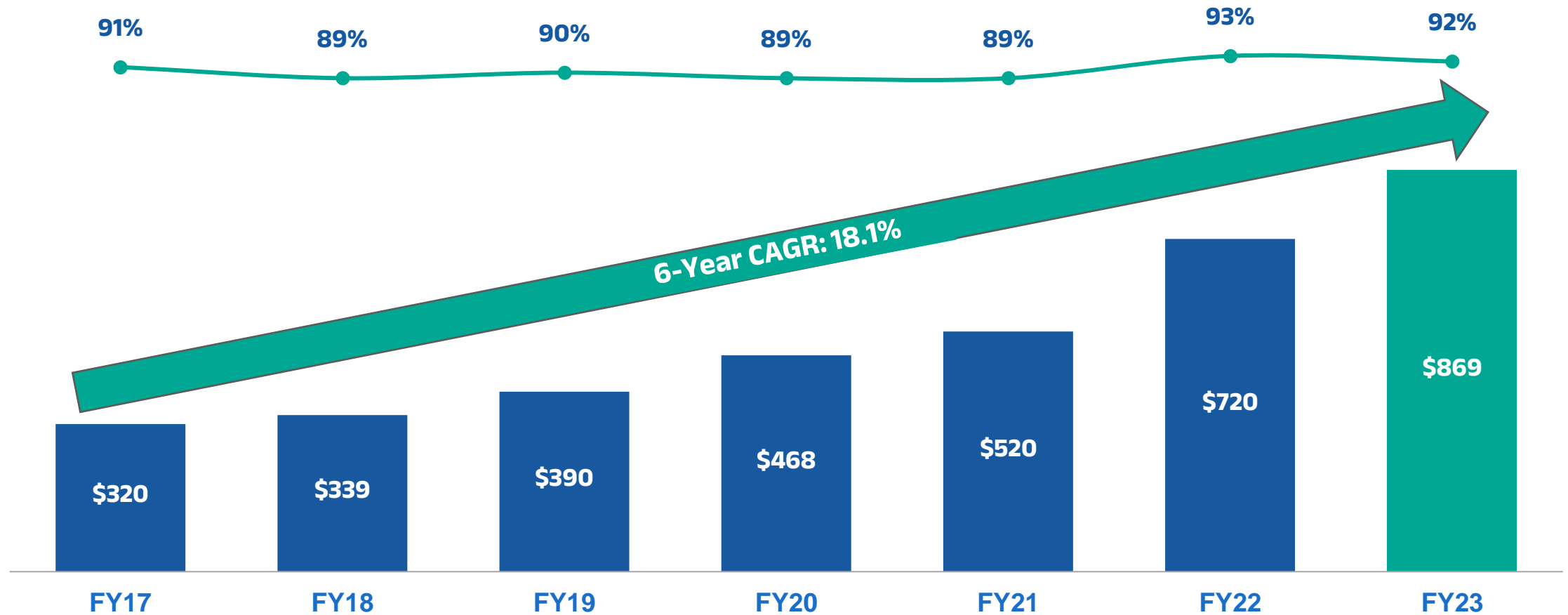
Very Significant Business Momentum Driving Robust Growth

FRESH ORDER INTAKE TCV (\$ MN)



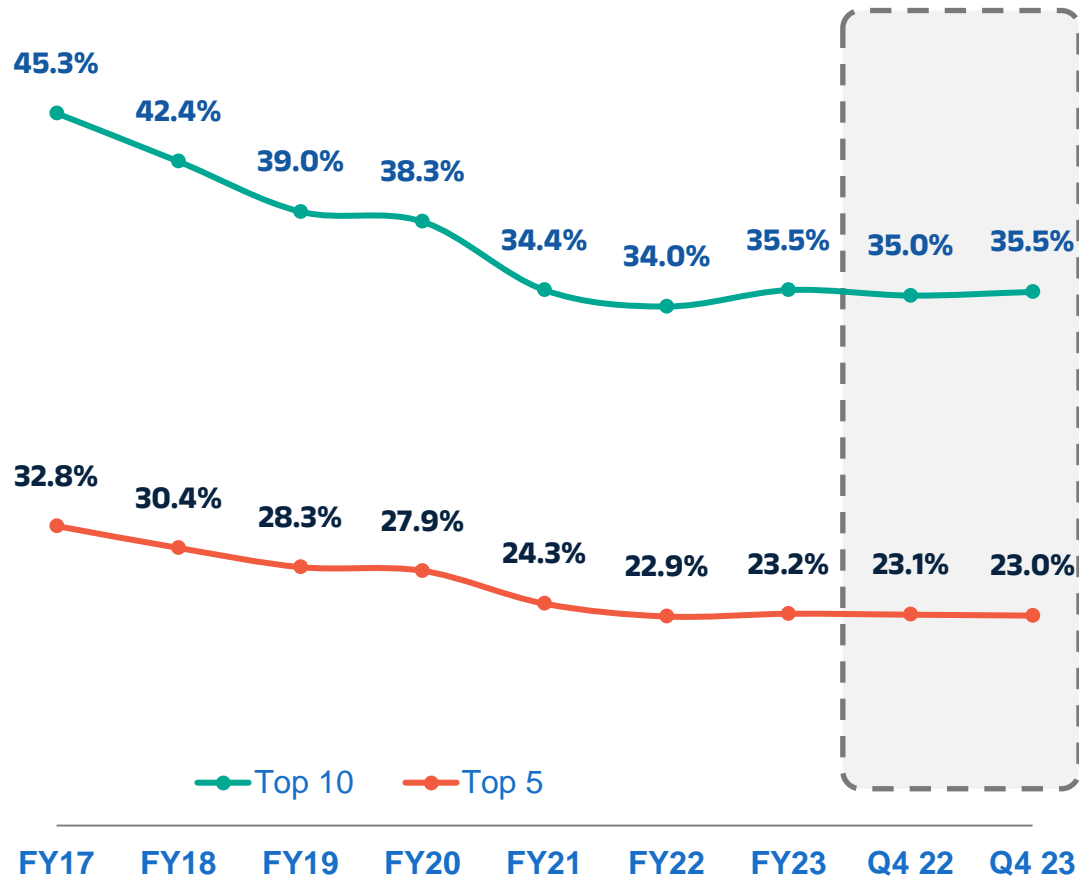
High Degree of Visibility Through Contracted Revenues and Repeat Business

ORDER BOOK EXECUTABLE OVER NEXT 12 MONTHS (\$MN)

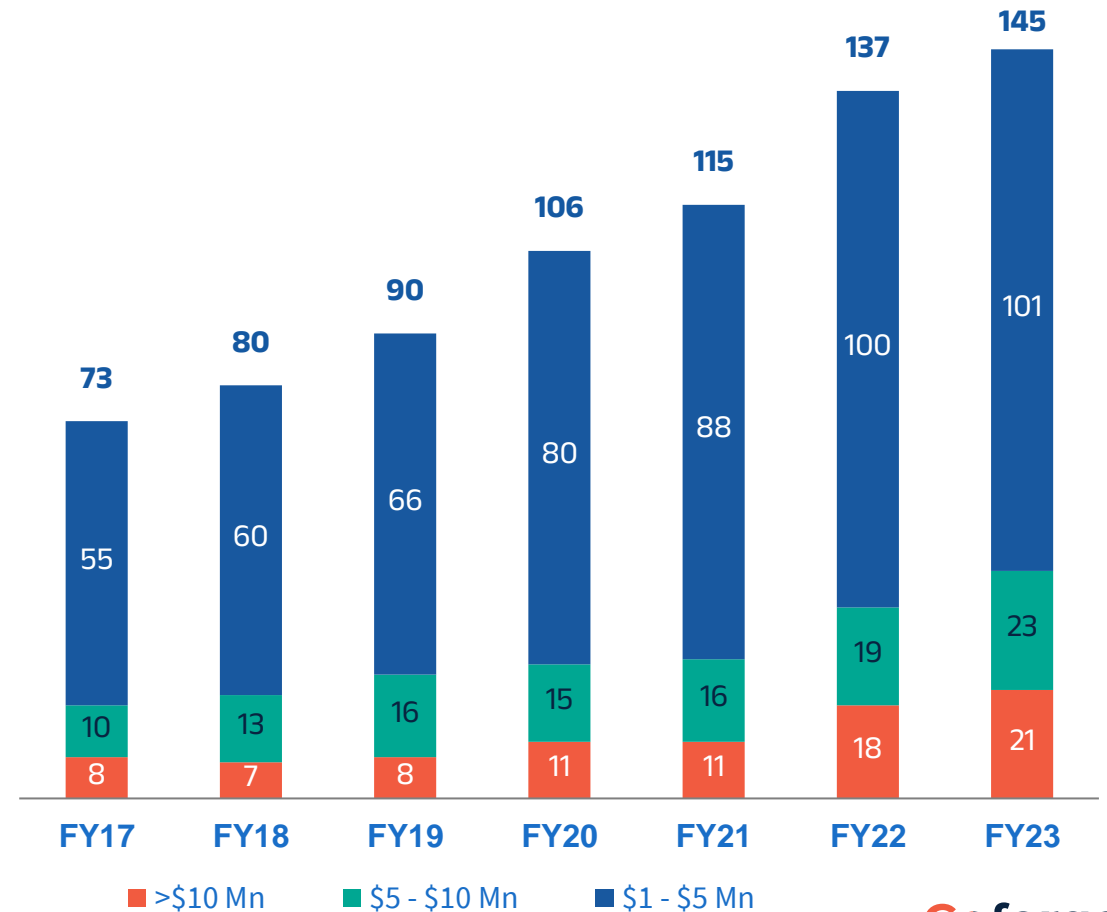


De-Risked Operating Profile with Declining Client Concentration While Increasing Large Account Relationships

Top Clients Revenue Contribution

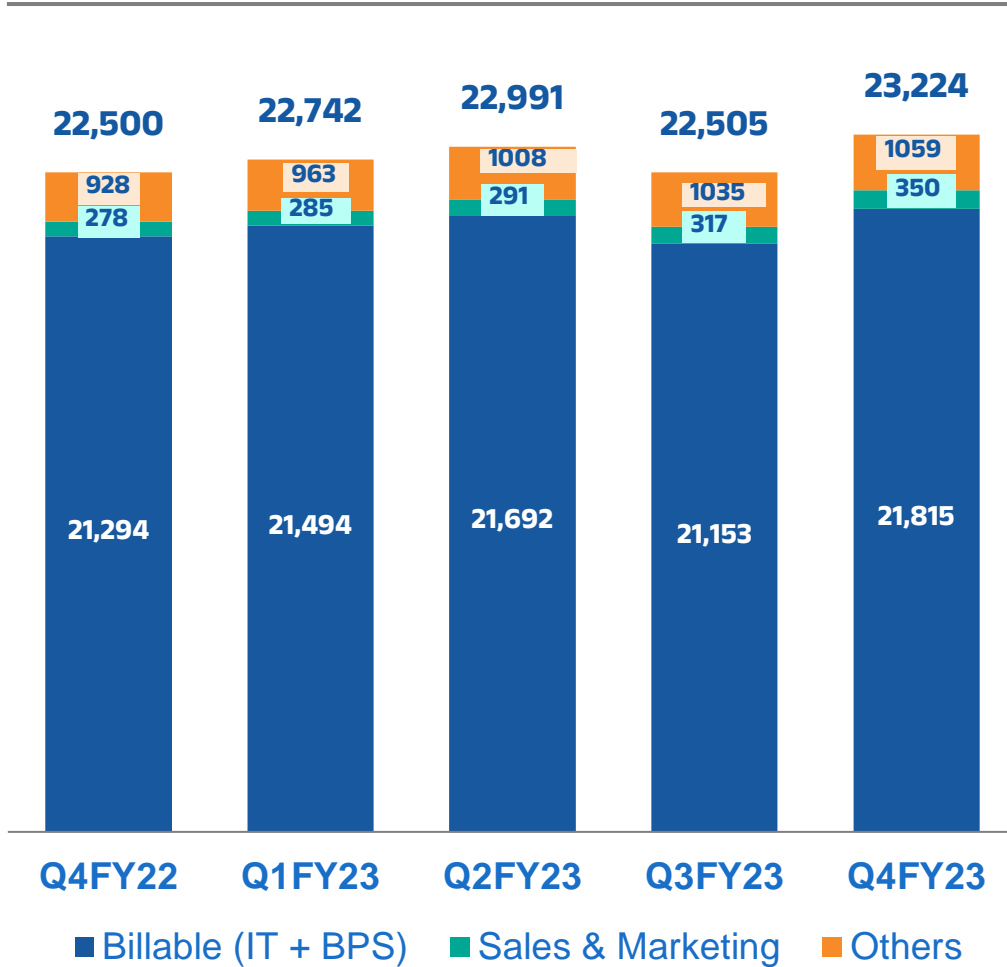


Clients by Size

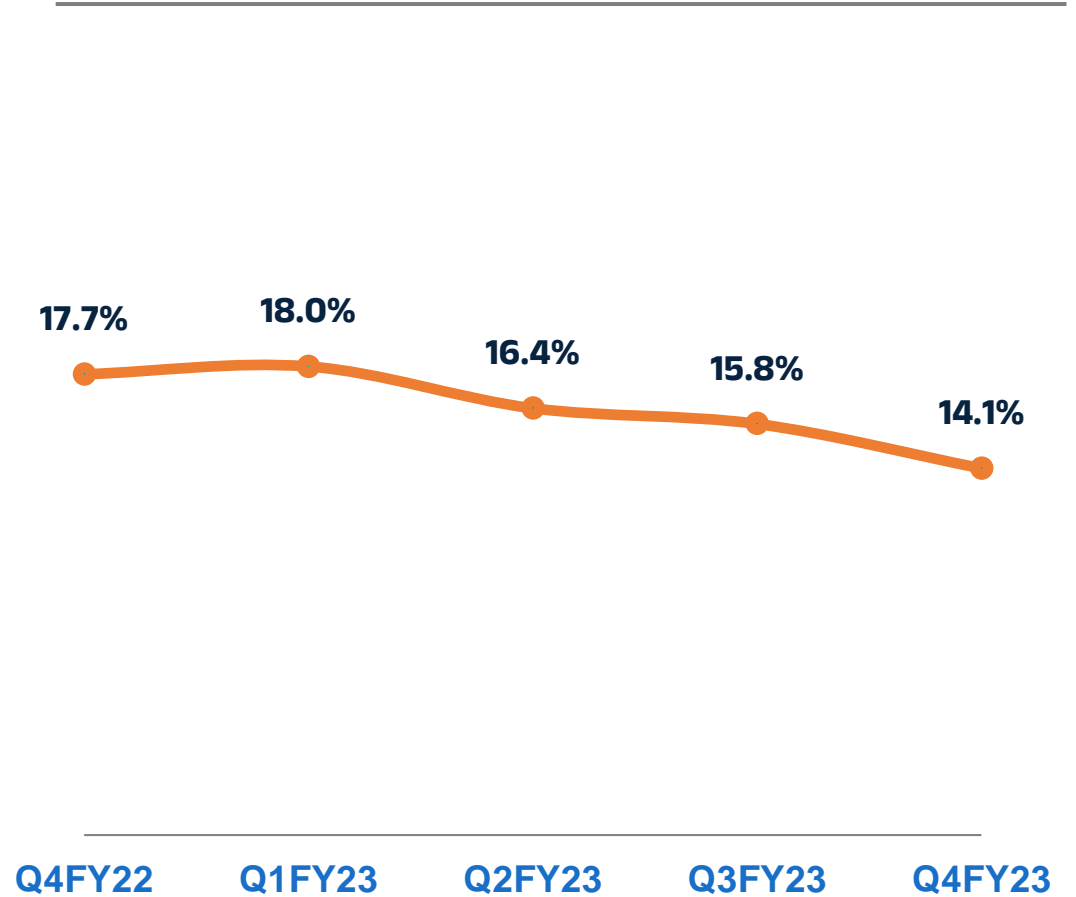


Best-in-Industry Attrition Levels Testament to Coforge Culture

Total Global Headcount



LTM Attrition % (Excl. BPS)



Select Other Achievements During the Quarter

- *Received an award for the 'Best Use of (AI) Artificial Intelligence in the BFSI sector' at the Financial Express-FUTECH Awards 2022. Recognized for the application of AI in credit risk scoring. In addition, we won the award from MuleSoft for the 'Breakthrough Partner of the Year, our 8th consecutive award from MuleSoft in the recent few years.*
- *Coforge was named in the Top 15 Service and Technology Providers standout globally by ISG and It was among the Leading Providers in the Booming 15 Category based on the Annual Contract Value won over the last 12 months according to the Fourth Quarter 2023 Global ISG IndexTM.*
- *Recognized for the first time in the Everest Peak Matrix for Application & Digital services for both P&C and L&A insurance segments. Was classified as a star performer in the major contender segment.*
- *Awarded the Leaders Award for 'Best Learning Outcome 2022' by Skillsoft, a global leader in corporate digital learning.*
- *Coforge was certified a new ISO 23001 model for BCMS, Business Continuity Management System. This new standard provides an international best practices framework for security, resilience, and business continuity in an organization.*
- *The CMMI Institute assessed Coforge Delivery Services at CMMI Maturity Level Five. This is the Seventh Consecutive Time Coforge has achieved CMMI Maturity Level 5, since its very first assessment in 2004.*
- *Coforge was proudly recognized as one of India's Best Workplaces for Women. Coforge has won this recognition second year in a row, and this adds to the testament to its people-centric approach, and employee-friendly policies comes after having been certified as a Great Place to Work® in the last quarter.*

Key Tenets of Coforge Growth Strategy

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Robust

- FY23 total revenue growth of 24.6% and CC revenue growth of 22.4%
- Q4FY23 \$ revenue growth of 5.0% QoQ and 4.7% QoQ in constant currency (CC)

Profitable

- FY23 Adj. EBITDA margin at of 18.3%
- Q4FY23 Adj. EBITDA at INR 4,244 Mn, Margin at 19.6%, up 109 bps QoQ

Predictable

- Strong executable order book for next 12 months (US\$ 869 Mn on Mar 31, 2023)
- High degree of repeat business (92% in Q4FY23)

Sustainable

- FY23 order intake of \$1.27 billion, including 11 large deals
- 61+ Forbes Global 1000 clients

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Appendix

Consolidated Income Statement – Q4FY23 (INR Mn)

Particulars	Q4FY23	Q4FY23	Q3FY23	QoQ%	Q4FY22	YoY%
	Excl One-Off	Reported	Reported	Excl One-Off	Reported	Excl One-Off
Gross Revenues	21,700	21,700	20,558	5.6%	17,429	24.5%
Direct Costs	14,306	14,306	13,698	4.4%	11,620	23.1%
Gross Profit	7,394	7,394	6,860	7.8%	5,809	27.3%
GM%	34.1%	34.1%	33.4%	71 Bps	33.3%	75 Bps
Selling / General And Administration	3,150	3,150	3,063	2.9%	2,260	39.4%
SG&A to Revenue %	14.5%	14.5%	14.9%	-38 Bps	13.0%	155 Bps
Adj. EBITDA	4,244	4,244	3,797	11.8%	3,549	19.6%
Adj. EBITDA%	19.6%	19.6%	18.5%	109 Bps	20.4%	-80 Bps
Cost of ESOPS	168	168	182	-7.9%	210	-20.3%
EBITDA	4,076	4,076	3,615	12.8%	3,293	23.8%
EBITDA%	18.8%	18.8%	17.6%	120 Bps	18.9%	-11 Bps
Depreciation and Amortization	717	717	624	14.9%	584	22.8%
Other Income (net)	-487	-487	83	-686.7%	-119	309.2%
Profit Before Tax (Before exceptional items)	2,872	2,872	3,074	-6.6%	2,590	10.9%
PBT % (Before exceptional items)	13.2%	13.2%	15.0%	-172 Bps	14.9%	-162 Bps
Exceptional items*	0	523	0	NA	0	NA
\$1 Bn Milestone celebration cost	0	803	0	NA	0	NA
Profit Before Tax	2,872	1,546	3,074	-6.6%	2,590	10.9%
PBT %	13.2%	7.1%	15.0%	-172 Bps	14.9%	-162 Bps
Provision for Tax	526	379	715	-26.4%	342	53.8%
Minority Interest	19	19	77	-75.3%	171	-88.9%
Profit After Tax (after Minority Int.)	2,327	1,148	2,282	2.0%	2,077	12.1%
PAT%	10.7%	5.3%	11.1%	-38 Bps	11.9%	-119 Bps
EPS - INR						
Basic EPS (INR)	38.1	18.8	37.4	1.8%	34.1	11.8%

* Exceptional item includes provision on account of expenses incurred on ADR listing

Consolidated Income Statement – Q4FY23 (USD Mn)

Particulars	Q4FY23	Q4FY23	Q3FY23	QoQ%	Q4FY22	YoY%
	Excl One-Off	Reported	Reported	Excl One-Off	Reported	Excl One-Off
Gross Revenues	264.4	264.4	251.7	5.0%	232.4	13.8%
Direct Costs	174.3	174.3	167.7	3.9%	154.9	12.5%
Gross Profit	90.1	90.1	84.0	7.3%	77.5	16.3%
GM%	34.1%	34.1%	33.4%	71 Bps	33.3%	75 Bps
Selling / General And Administration	38.4	38.4	37.5	2.4%	30.1	27.3%
SG&A to Revenue %	14.5%	14.5%	14.9%	-38 Bps	13.0%	155 Bps
Adj EBITDA	51.7	51.7	46.5	11.2%	47.3	9.3%
Adj EBITDA%	19.6%	19.6%	18.5%	109 Bps	20.4%	-80 Bps
Cost of ESOPS	2.0	2.0	2.2	-8.3%	2.8	-27.3%
EBITDA	49.7	49.7	44.3	12.2%	43.9	13.2%
EBITDA%	18.8%	18.8%	17.6%	120 Bps	18.9%	-10 Bps
Depreciation and Amortization	8.7	8.7	7.6	14.4%	7.8	12.0%
Other Income (net)	-5.9	-5.9	1.0	-683.9%	-1.6	273.3%
PBT (Before exceptional items)	35.0	35.0	37.6	-7.0%	34.5	1.4%
PBT % (Before exceptional items)	13.2%	13.2%	15.0%	-172 Bps	14.8%	-161 Bps
Exceptional items*	0.0	6.4	0.0	NA	0.0	NA
\$1 Bn Milestone celebration cost	0.0	9.8	0.0	NA	0.0	NA
Profit Before Tax	35.0	18.8	37.6	-7.0%	34.5	1.4%
PBT %	13.2%	7.1%	15.0%	-172 Bps	14.8%	-161 Bps
Provision for Tax	6.4	4.6	8.8	-26.8%	4.6	40.3%
Minority Interest	0.2	0.2	0.9	-75.4%	2.3	-89.9%
Profit After Tax (after Minority Int.)	28.4	14.0	27.9	1.5%	27.7	2.6%
PAT%	10.7%	5.3%	11.1%	-38 Bps	11.9%	-117 Bps
Basic EPS (INR)	38.1	18.8	37.4	1.8%	34.1	11.8%

* Exceptional item includes provision on account of expenses incurred on ADR listing

Consolidated Income Statement – FY23 (INR Mn)

Particulars	FY2023	FY2023	FY2022	YoY%
	Excl One-Off	Reported	Reported	Excl One-Off
Gross Revenues	80,146	80,146	64,320	24.6%
GM%	32.5%	32.5%	32.0%	55 Bps
Adj. EBITDA	14,649	14,649	12,056	21.5%
Adj. EBITDA%	18.3%	18.3%	18.7%	-47 Bps
Acquisition related expenses	0	0	269	NA
Cost of ESOPS	596	596	634	-6.0%
EBITDA	14,053	14,053	11,154	26.0%
EBITDA%	17.5%	17.5%	17.3%	19 Bps
Depreciation and Amortization	2,585	2,585	2,272	13.8%
Other Income (net)	-630	-630	-267	136.4%
Profit Before Tax (Before exceptional items)	10,838	10,838	8,615	25.8%
PBT % (Before exceptional items)	13.5%	13.5%	13.4%	13 Bps
Exceptional items*	0	523	0	NA
\$1 Bn Milestone celebration cost	0	803	0	NA
Profit Before Tax	10,838	9,512	8,615	25.8%
PBT %	13.5%	11.9%	13.4%	13 Bps
Provision for Tax	2,208	2,061	1,468	50.4%
Minority Interest	513	513	530	-3.2%
Profit After Tax (after Minority Int.)	8,117	6,938	6,617	22.7%
PAT%	10.1%	8.7%	10.3%	-16 Bps
EPS - INR				
Basic EPS (INR)	133.1	113.8	109.0	22.1%

* Exceptional item includes provision on account of expenses incurred on ADR listing

Consolidated Income Statement – FY23 (USD Mn)

Particulars	FY2023	FY2023	FY2022	YoY%
	Excl One-Off	Reported	Reported	Excl One-Off
Gross Revenues	1,002	1,002	866	15.6%
Direct Costs	676	676	589	14.7%
Gross Profit	326	326	277	17.6%
GM%	32.5%	32.5%	32.0%	55 Bps
Selling / General And Administration	143	143	115	24.4%
SG&A to Revenue %	14.3%	14.3%	13.3%	101 Bps
Adj EBITDA	183.1	183.1	162.4	12.7%
Adj EBITDA%	18.3%	18.3%	18.7%	-47 Bps
Acquisition related expenses	0	0	4	NA
Cost of ESOPS	7	7	9	-13.9%
EBITDA	175.7	175.7	150.2	16.9%
EBITDA%	17.5%	17.5%	17.3%	20 Bps
Depreciation and Amortization	32	32	31	5.6%
Other Income (net)	-8	-8	-4	117.1%
PBT (Before exceptional items)	136	136	116	16.8%
PBT % (Before exceptional items)	13.5%	13.5%	13.4%	14 Bps
Exceptional items*	0	6	0	NA
\$1 Bn Milestone celebration cost	0	10	0	NA
Profit Before Tax	135.6	119.4	116.0	16.8%
PBT %	13.5%	11.9%	13.4%	14 Bps
Provision for Tax	28	26	20	39.5%
Minority Interest	6	7	7	-10.3%
Profit After Tax (after Minority Int.)	101.5	87.1	89.1	14.0%
PAT%	10.1%	8.7%	10.3%	-14 Bps
Basic EPS (INR)	133.1	113.8	109.0	22.1%

* Exceptional item includes provision on account of expenses incurred on ADR listing

Other Key Metrics

DSO	Q4FY23	Q3FY23	Q4FY22
	61	73	63

Rupee Dollar Rate		Q4FY23	Q2FY23	Q4FY22
	Period Closing Rate	82.11	82.73	75.90
	Period Average Rate	82.35	81.86	74.87

Hedge Position (in Million)		Q4FY23	Q3FY23	Q4FY22
	USD	214.94	159.30	129.60
	GBP	83.80	44.23	22.24
	EUR	7.56	4.40	4.22

Average Rates Outstanding Hedges		Q4FY23	Q3FY23	Q4FY22
	USD	82.76	81.41	77.43
	GBP	100.47	98.56	105.47
	EUR	88.42	85.74	90.73

Thank You

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