

Coforge

Investor Presentation

Q1FY24

July 20, 2023

Safe Harbor and Disclaimer

Forward Looking Statements Safe Harbor

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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 first quarter of fiscal year ended March 31, 2024 (“Q1 FY2024”) and the first quarter of fiscal year ended March 31, 2023 (“Q1 FY2023”). All references to “Q-on-Q” are comparison between the first quarter of the fiscal year ended March 31, 2024 (“Q1 FY2024”) and the fourth quarter of fiscal year ended March 31, 2023 (“Q4 FY2023”).

Signed a five-year \$ 300 Mn TCV deal in Banking space in Q1



Financial Highlights

- On consolidated basis, Q1FY24 revenues were up 2.7% QoQ and 18.4% YoY on a constant currency basis.
- Revenue for the quarter was INR 22,210 Mn & \$271.8 Mn
- Up 2.4% in INR terms and 2.8% in USD terms QoQ
- Up 21.4% in INR terms and 13.9% in USD terms YoY
- Adj. EBITDA Margin of 16.0%; up 17.7% YoY
- Consolidated PAT for the quarter at INR 1,653 Mn, up 43.9% QoQ and up 10.4% YoY

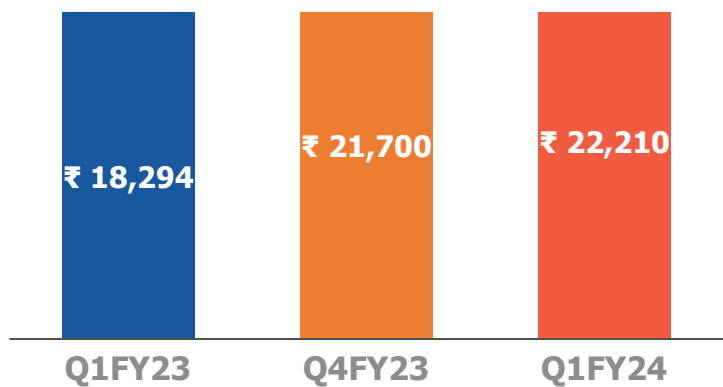


Business Highlights

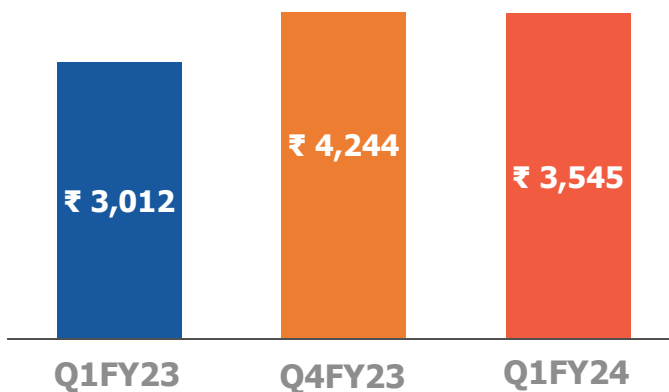
- Robust total order intake of \$531 Mn during the quarter
 - Signed largest ever deal of \$300 Mn TCV and another large deal of \$65 Mn TCV in the BFS space
 - Sixth consecutive quarter of \$300+ Mn order intake
- Order book executable over next 12 months stood at \$897 Mn at the end of the quarter, a 20.4% YoY growth
- 6 new logos opened during the quarter
- Attrition (LTM) stood at 13.3%. Continues to be amongst the lowest in the IT services industry
- Global headcount at 24,224 as of June 30, 2023.
 - Net addition of 1,000 people and up 4.3% sequentially

Revenue up 21.4% Y-o-Y; PAT* up 10.4% Y-o-Y in INR terms

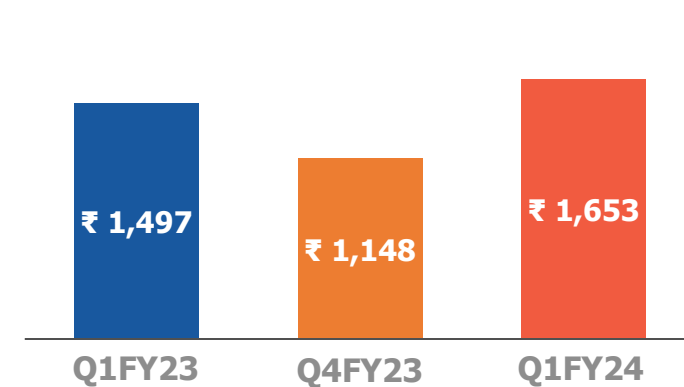
Revenue (INR Mn) 2.4% QoQ ↑ 21.4% YoY ↑



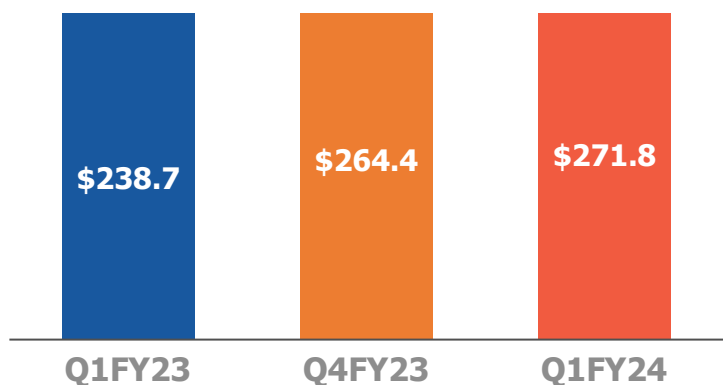
Adj. EBITDA (INR Mn) 17.7% YoY ↑



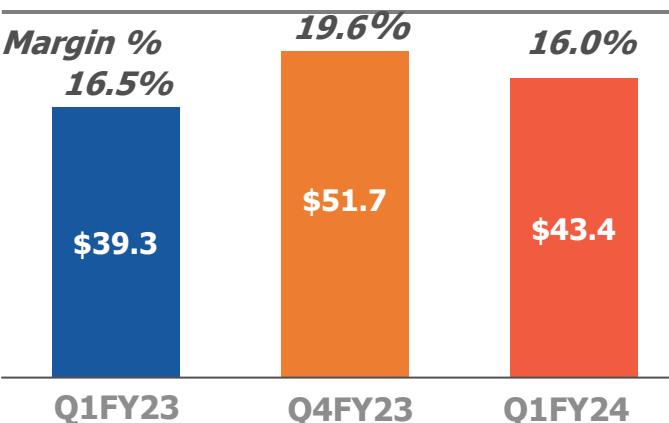
PAT* (INR Mn) 43.9% QoQ ↑ 10.4% YoY ↑



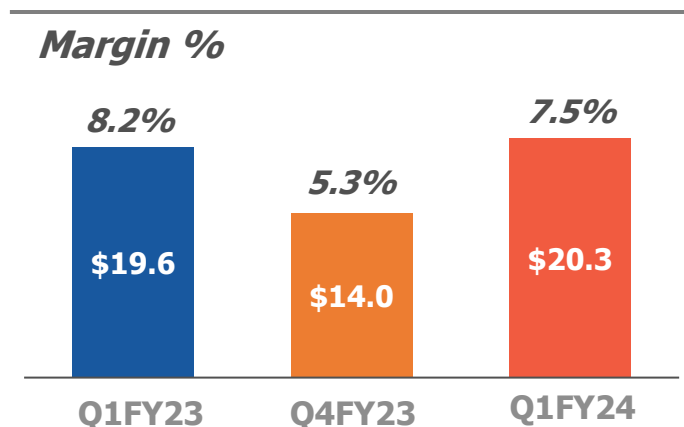
Revenue (\$Mn) 2.8% QoQ ↑ 13.9% YoY ↑



Adj. EBITDA (\$Mn) 10.4% YoY ↑



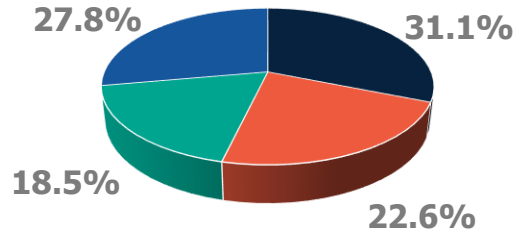
PAT* (\$Mn) 45.3% QoQ ↑ 14.0% YoY ↑



Well Diversified Business Portfolio with Increasing Offshoring Revenues

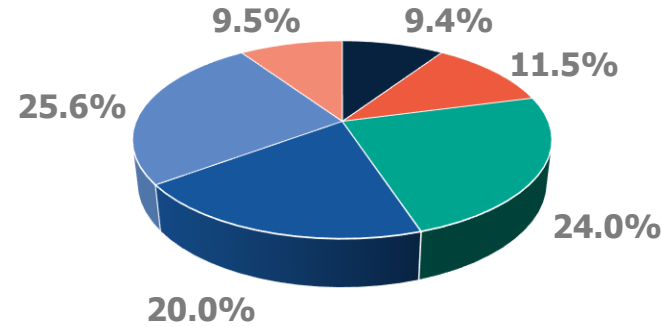
Q1 FY24 Revenues Mix

By Vertical



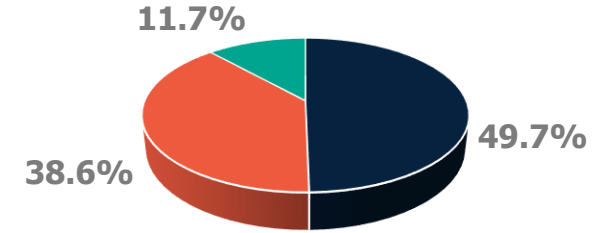
- Banking & Financial Services (BFS)
- Insurance
- Travel, Transportation & Hospitality (TTH)
- Others

By Service Offering



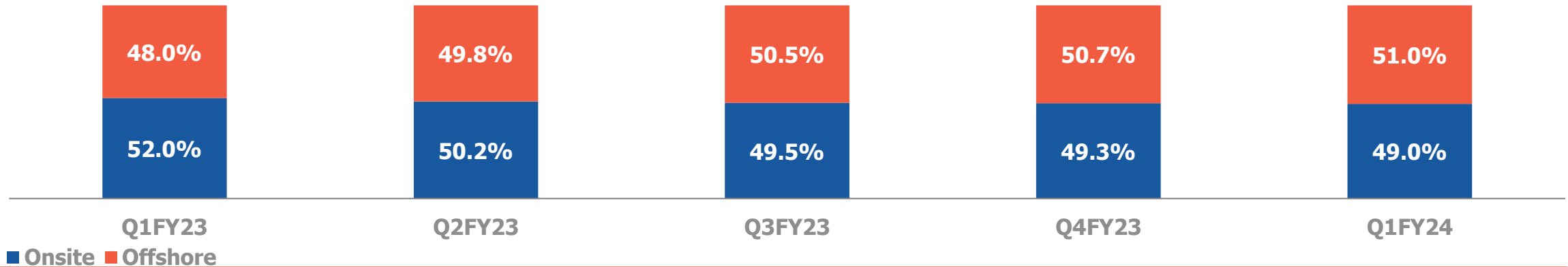
- Product Engineering
- Intelligent Automation
- Data and Integration

By Geography



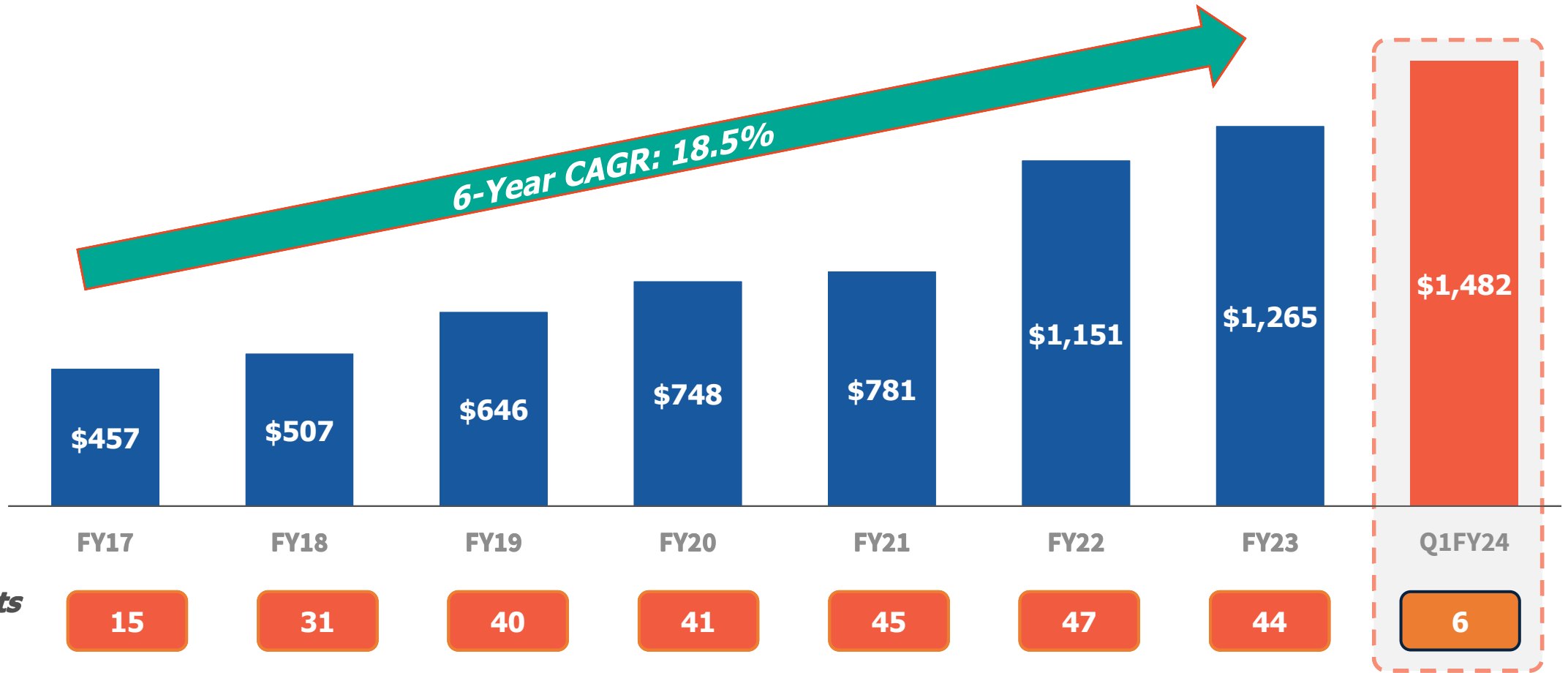
- Americas
- EMEA
- Rest of World

Location Mix (IT Revenues Only)



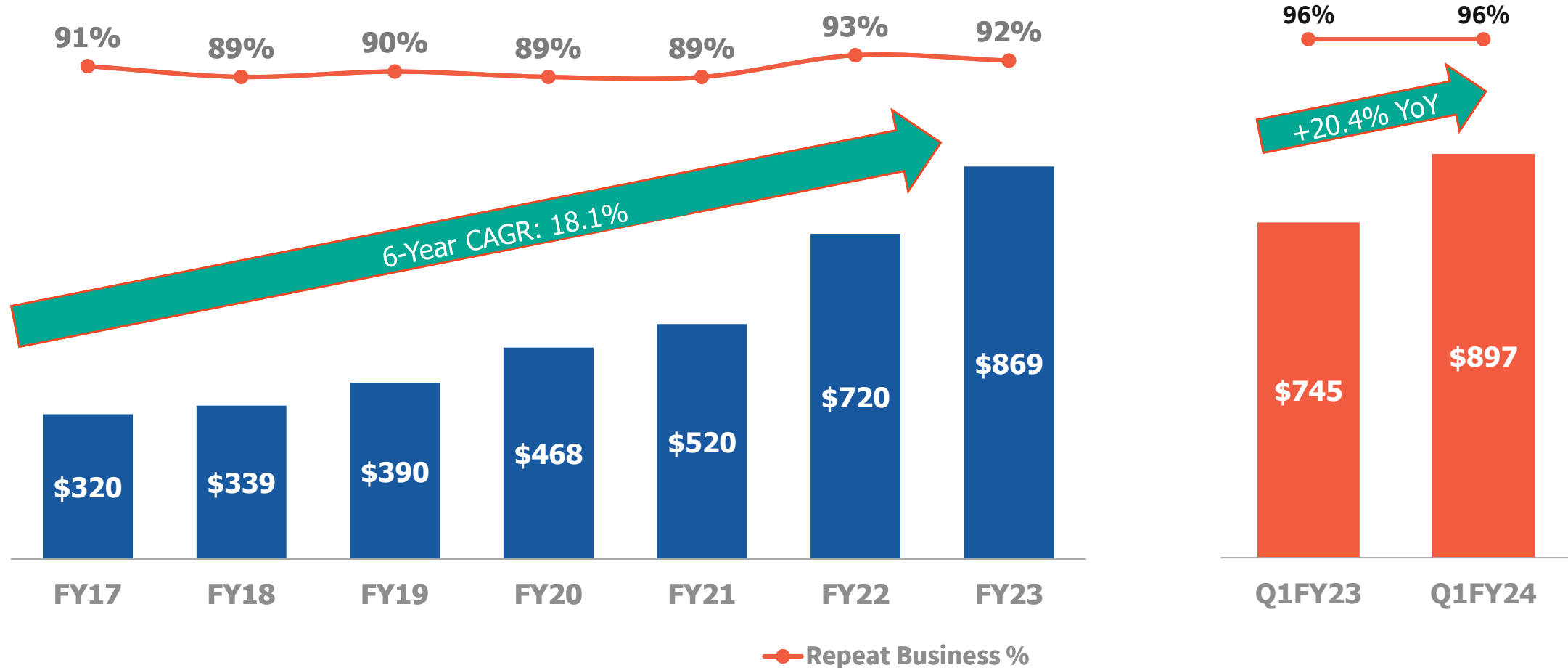
Very Significant Business Momentum Driving Robust Growth

FRESH ORDER INTAKE TCV (\$ MN)



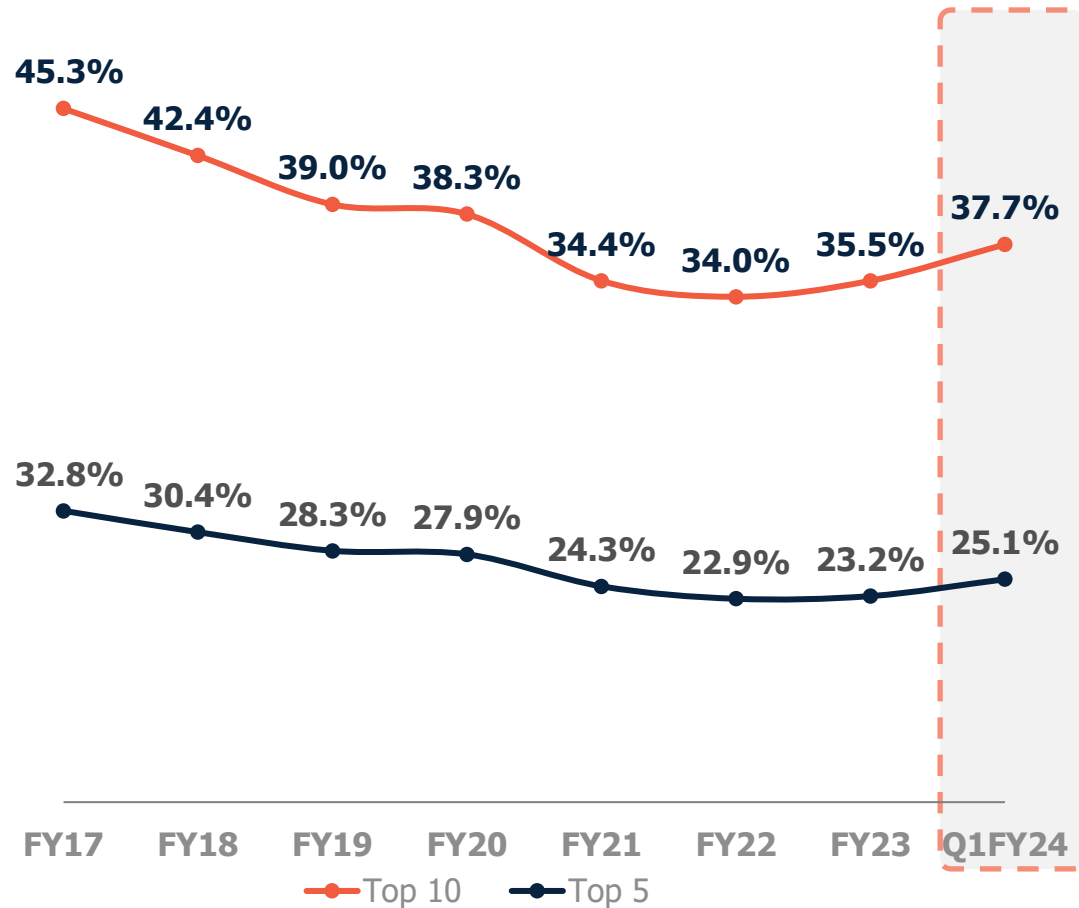
High Degree of Visibility Through Contracted Revenues and Repeat Business

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

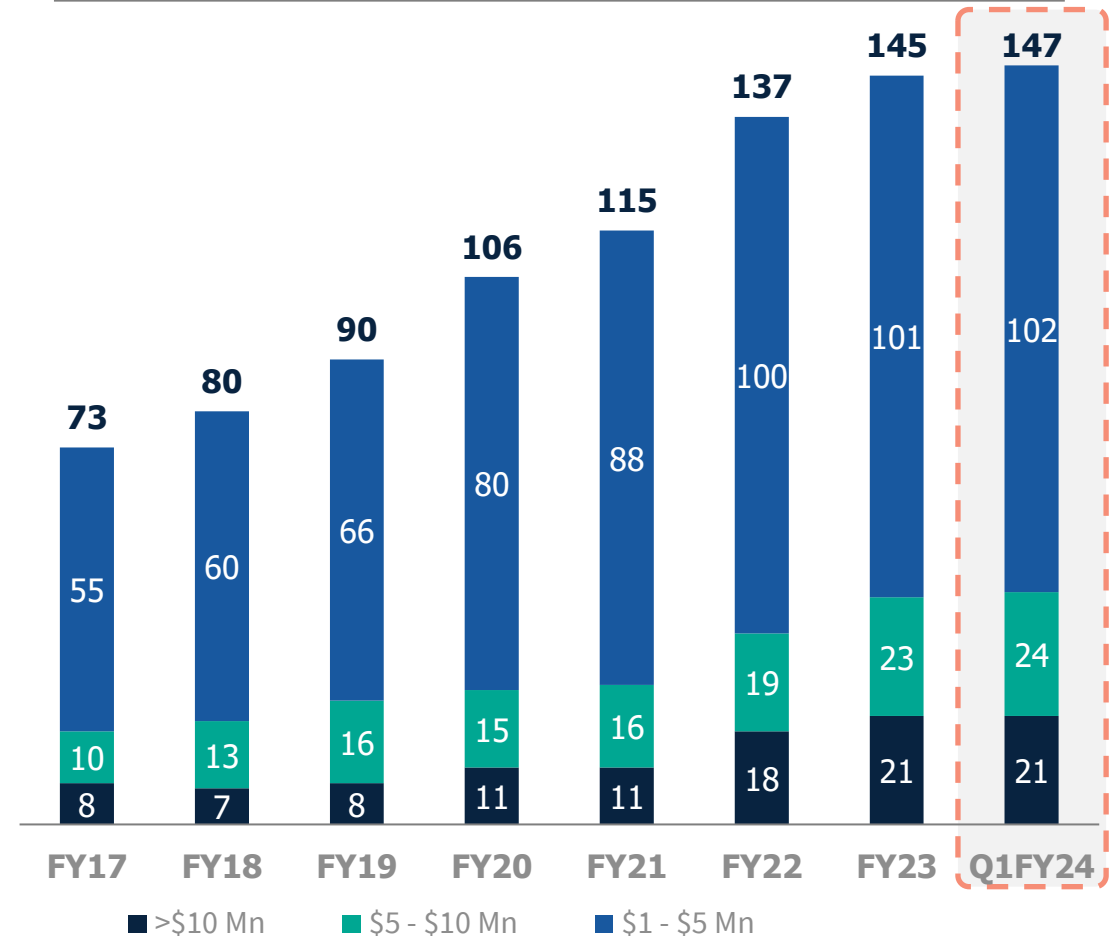


De-Risked Operating Profile with Declining Client Concentration While Increasing Large Account Relationships

Top Clients Revenue Contribution

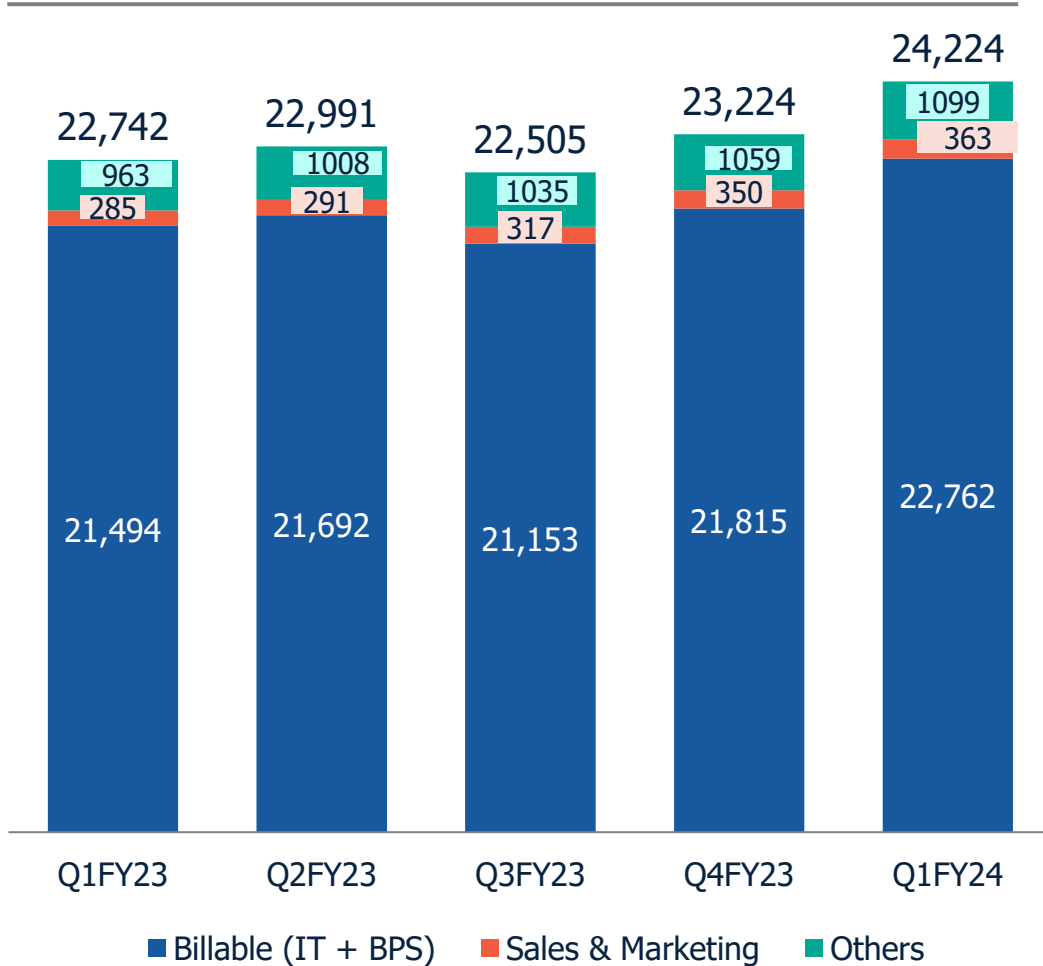


Clients by Size

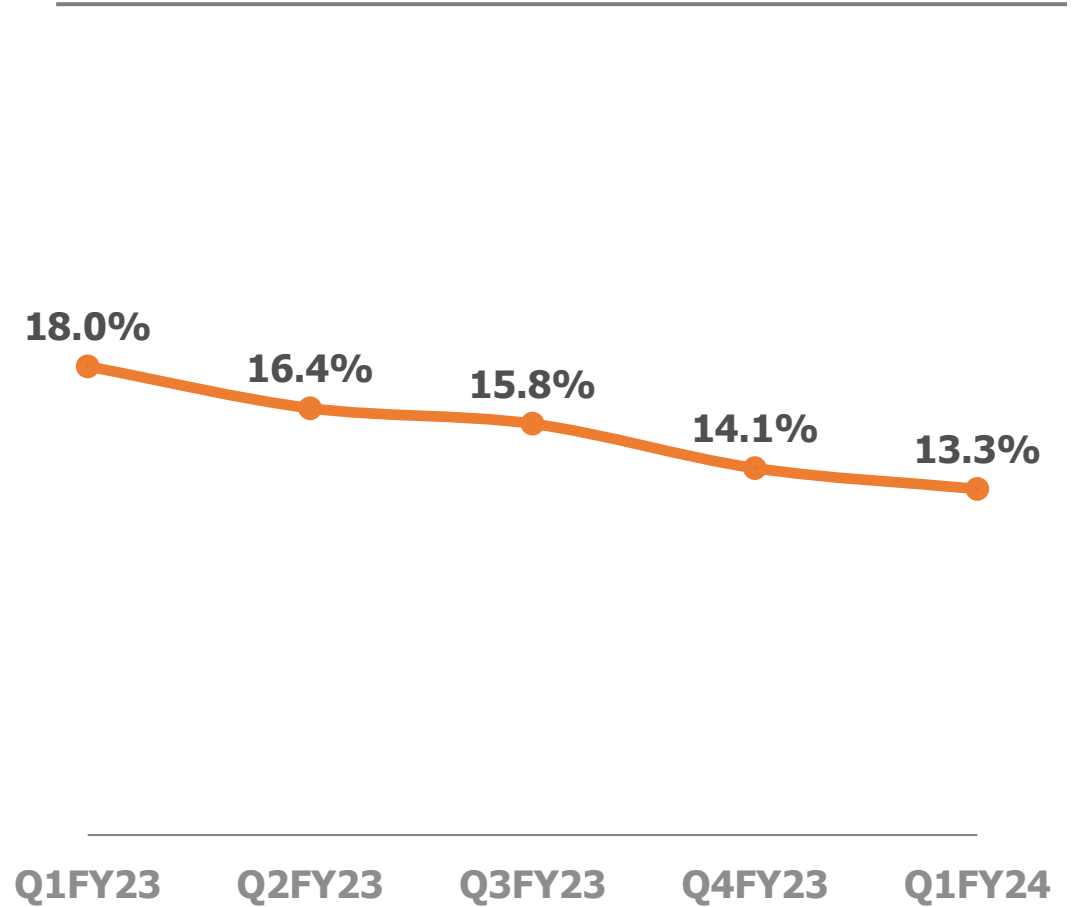


Best-in-Industry Attrition Levels Testament to Coforge Culture

Total Global Headcount



LTM Attrition % (Excl. BPS)



Key Tenets of Coforge Growth Strategy

Coforge

Robust

- FY23 total revenue at \$ 1002 million, grew 22% YoY in CC terms
- Q1FY24 revenue growth of 2.7% QoQ and 18.4% YoY in constant currency (CC)

Profitable

- FY23 Adj. EBITDA margin of 18.3%
- Q1FY24 Adj. EBITDA margin of 16.0%

Predictable

- Strong executable order book for next 12 months (\$897 Mn as of Jun 30, 2023)
- High degree of repeat business (96% in Q1FY24)

Sustainable

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

Appendix

Consolidated Income Statement – Q1FY24 (USD Mn)

Particulars	Q1FY24	Q4FY23	QoQ%	Q1FY23	YoY%
Gross Revenues	271.8	264.4	2.8%	238.7	13.9%
GM%	30.7%	34.1%	-342 Bps	30.4%	30 Bps
Selling / General And Administration SG&A to Revenue %	39.9 14.7%	38.4 14.5%	4.1% 18 Bps	33.2 13.9%	20.4% 80 Bps
Adj EBITDA	43.4	51.7	-16.1%	39.3	10.4%
Adj EBITDA%	16.0%	19.6%	-360 Bps	16.5%	-50 Bps
Cost of ESOPS	2.6	2.0	29.0%	1.2	119.6%
EBITDA	40.6	49.7	-18.3%	38.1	6.6%
EBITDA%	14.9%	18.8%	-385 Bps	16.0%	-102 Bps
Depreciation and Amortization	9.2	8.7	5.6%	8.2	12.5%
Other Income (net)	-1.9	-5.9	-68.8%	-1.0	85.2%
PBT (Before exceptional items)	29.5	35.0	-15.7%	28.9	2.2%
PBT % (Before exceptional items)	10.9%	13.2%	-238 Bps	12.1%	-124 Bps
Exceptional items*	0.0	6.4	-100.0%	0.0	NA
\$1 Bn Milestone celebration cost	2.0	9.8	-79.5%	0.0	NA
Profit Before Tax	27.5	18.8	46.0%	28.9	-4.8%
PBT %	10.1%	7.1%	299 Bps	12.1%	-198 Bps
Provision for Tax	5.9	4.6	28.0%	6.4	-7.7%
Minority Interest	1.3	0.2	447.4%	2.9	-56.3%
Profit After Tax (after Minority Int.)	20.3	14.0	45.3%	19.6	3.7%
PAT%	7.5%	5.3%	219 Bps	8.2%	-73 Bps
Basic EPS (INR)	27.0	18.8	43.9%	24.6	10.0%

Consolidated Income Statement – Q1FY24 (INR Mn)

Particulars	Q1FY24	Q4FY23	QoQ%	Q1FY23	YoY%
Gross Revenues	22,210	21,700	2.4%	18,294	21.4%
GM%	30.7%	34.1%	-342 Bps	30.4%	29 Bps
Selling / General And Administration SG&A to Revenue %	3,264 14.7%	3,150 14.5%	3.6% 18 Bps	2,543 13.9%	28.3% 79 Bps
Adj EBITDA	3,545	4,244	-16.5%	3,012	17.7%
Adj EBITDA%	16.0%	19.6%	-360 Bps	16.5%	-50 Bps
Cost of ESOPS	216	168	29.0%	90	140.3%
EBITDA	3,316	4,076	-18.7%	2,918	13.6%
EBITDA%	14.9%	18.8%	-386 Bps	15.9%	-102 Bps
Depreciation and Amortization	757	717	5.6%	630	20.2%
Other Income (net)	-152	-487	-68.8%	-76	100.0%
PBT (Before exceptional items)	2,407	2,872	-16.2%	2,212	8.8%
PBT % (Before exceptional items)	10.8%	13.2%	-240 Bps	12.1%	-125 Bps
Exceptional items*	0	523	-100.0%	0	NA
\$1 Bn Milestone celebration cost	165	803	-79.5%	0	NA
Profit Before Tax	2,242	1,546	45.0%	2,212	1.3%
PBT %	10.1%	7.1%	297 Bps	12.1%	-200 Bps
Provision for Tax	485	379	28.0%	493	-1.6%
Minority Interest	104	19	447.4%	222	-53.2%
Profit After Tax (after Minority Int.)	1,653	1,148	43.9%	1,497	10.4%
PAT%	7.4%	5.3%	215 Bps	8.2%	-74 Bps
Basic EPS (INR)	27.0	18.8	43.9%	24.6	10.1%

Other Key Metrics

DSO	Q1FY24	Q4FY23	Q1FY23
	61	61	72

Rupee Dollar Rate		Q1FY24	Q4FY23	Q1FY23
	Period Closing Rate		82.10	82.11
Period Average Rate		82.15	82.35	76.48

Hedge Position (in Million)		Q1FY24	Q4FY23	Q1FY23
	USD		218.34	214.94
GBP		89.03	83.80	39.79
EUR		8.50	7.56	3.93

Average Rates Outstanding Hedges		Q1FY24	Q4FY23	Q1FY23
	USD		83.31	82.76
GBP		101.80	100.47	102.17
EUR		89.79	88.42	90.73

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Let's engage!

