

eClerx  
**Investor  
Relations**



**Financial Performance – Q3FY22**

**February 2<sup>nd</sup> , 2022**

# Financial Summary

Metrics		FY22 Q3	Q-o-Q	YTD FY22	Y-o-Y
Revenue	OPG revenue (USD mm)	73.4	5.8%	207.4	41.5%
	OPG revenue (INR mm)	5,592	6.9%	15,687	43.7%
	Total revenue (INR mm)	5,636	7.4%	15,830	43.1%
Profit	EBITDA (INR mm)	1,823	9.4%	5,050	56.1%
	EBIT (INR mm)	1,559	10.2%	4,298	61.3%
	Net profit (INR mm)	1,066	5.8%	2,986	62.5%
Margin	EBITDA (%)	32.3%	0.6%	31.9%	2.6%
	EBIT (%)	27.7%	0.7%	27.1%	3.1%
	Net profit (%)	18.9%	(0.3%)	18.9%	2.2%

- Q3 YoY Constant currency (CC) growth by 40.4%; QoQ CC growth of 5.9%
- INR 49.5 mm additional cost (shown below EBIT) this qtr upon true up of first of the two annual earnouts for Personiv
- Australian presence established via our new step-down subsidiary eClerx Pty Ltd
- Srinivasan Nadadhur has been appointed new CFO w.e.f. 12<sup>th</sup> May 2022; Mr. Anish Ghoshal to be the new Chairperson of the Board.

# Other Income

Figures in INR millions.

Other Income	FY22 Q3	FY22 Q2	FY22 Q1	FY21 Q4	FY21 Q3
Investment Income	27.9	34.0	28.8	24.6	47.3
Revaluation Income*	8.2	(24.3)	46.6	4.9	(20.2)
Others	8.7	7.8	6.1	7.9	5.8
<b>Total</b>	<b>44.8</b>	<b>17.5</b>	<b>81.4</b>	<b>37.5</b>	<b>32.9</b>

\* Gain / Loss regrouped as other income/expenses based on profit or loss position in the press release financials

- Decrease in investment income due to reduction in investible base attributable to buyback done in Nov'21
- Increase in revaluation of FX assets
- **Revaluation and Realised Gain**
  - USD/INR FY'22 Q3 Exit: 74.50 vs. FY'22 Q2 Exit: 74.19
  - EUR/INR FY'22 Q3 Exit: 84.71 vs. FY'22 Q2 Exit: 85.89
  - GBP/INR FY'22 Q3 Exit: 100.91 vs. FY'22 Q2 Exit: 99.91

# P&L Comparison

Figures in INR millions.

Operating P&L	FY22 Q3	OPR (%)	FY22 Q2	OPR (%)
Operating Revenue \$	\$73.4		\$69.3	
<b>Total Revenue</b>	<b>5,636</b>		<b>5,250</b>	
Operating Revenue	5,592		5,233	
<b>Cost of Revenues</b>				
Delivery and Support Employees Cost	2,738	49.0%	2,601	49.7%
<b>General and Administrative Expenses</b>				
Facilities (Rent and Electricity)	95	1.7%	78	1.5%
Technological Services (Communications, AMC)	119	2.1%	129	2.5%
Administrative Services (Transport, HK, Security)	39	0.7%	27	0.5%
Legal and Professional Fees	121	2.2%	101	1.9%
Provision / Written off for Bad Debt	(1)	(0.0%)	1	0.0%
CSR & Donation	15	0.3%	13	0.2%
Others	122	2.2%	115	2.2%
<b>Total G&amp;A</b>	<b>511</b>	<b>9.1%</b>	<b>464</b>	<b>8.9%</b>
<b>Selling and Distribution</b>	<b>564</b>	<b>10.1%</b>	<b>519</b>	<b>9.9%</b>
<b>EBITDA</b>	<b>1,823</b>	<b>32.3%</b>	<b>1,666</b>	<b>31.7%</b>
<b>Depreciation and Amortization (Inc. rent as per IND AS116)</b>	<b>264</b>	<b>4.7%</b>	<b>252</b>	<b>4.8%</b>
<b>EBIT</b>	<b>1,559</b>	<b>27.7%</b>	<b>1,414</b>	<b>26.9%</b>

\* Gain / Loss regrouped as other income/expenses based on profit or loss position in the press release financials

# Hedge Updates

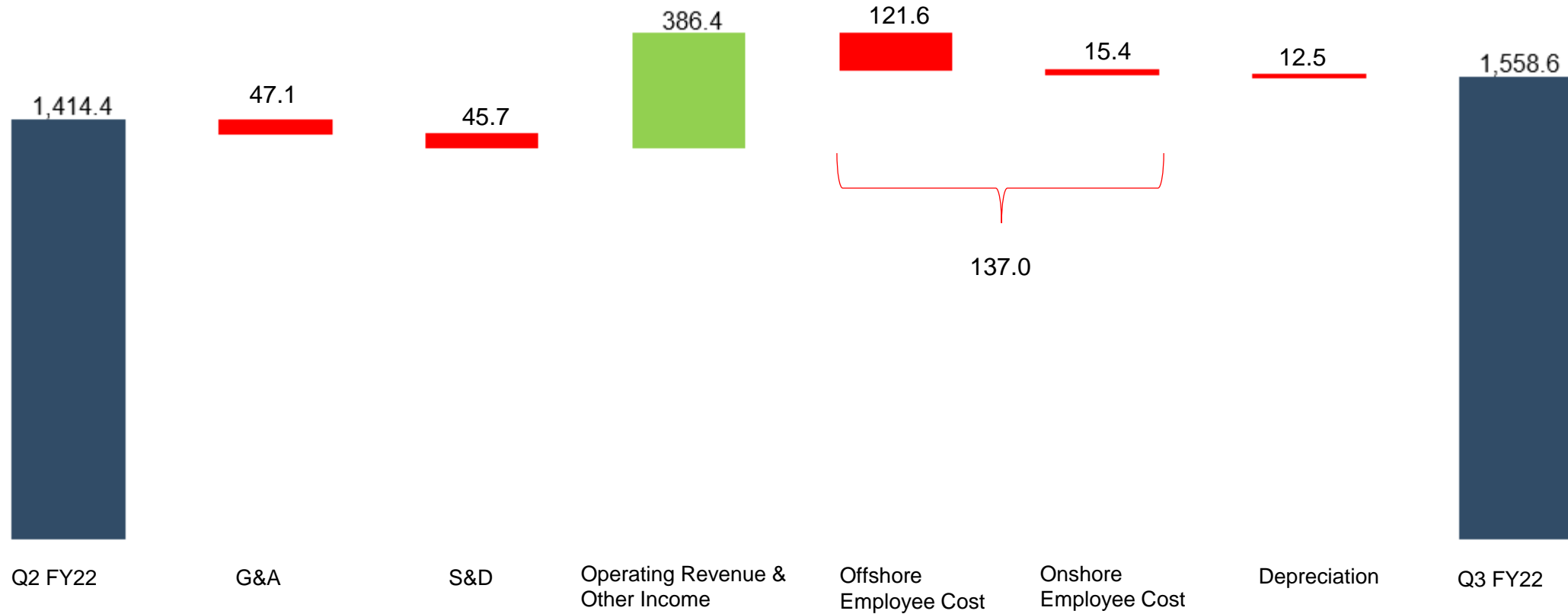
## Current Hedge Status

- Total outstanding hedges now \$158.8 mm at average INR 78.44/\$; 100% forwards

Contract	Year	Currency	Amount (mm)	Avg. Rate (INR)
<b>Matured Forwards</b>	FY21 Q4		\$27.3	75.2
	<b>Total FY21</b>	<b>USD</b>	<b>100.3</b>	<b>74.6</b>
	FY22 Q1		\$28.8	76.7
	FY22 Q2		\$35.1	76.6
	FY22 Q3		\$49.2	76.5
<b>Outstanding Forwards</b>	FY22 Q4		\$37.8	77.2
	<b>Total FY22</b>	<b>USD</b>	<b>\$37.8</b>	<b>77.2</b>
	FY23 Q1		\$31.7	77.9
	FY23 Q2		\$25.4	78.3
	FY23 Q3		\$28.8	78.7
	FY23 Q4		\$16.8	79.5
	<b>Total FY23</b>	<b>USD</b>	<b>\$102.7</b>	<b>78.5</b>
	FY24Q1		\$10.8	80.3
	FY24Q2		\$5.1	80.9
	FY24Q3		\$2.4	81.6
	<b>Total FY24</b>	<b>USD</b>	<b>\$18.3</b>	<b>80.6</b>
<b>Total Outstanding</b>		<b>USD</b>	<b>\$158.8</b>	<b>78.4</b>

# QoQ EBIT Bridge

Figures in INR millions



- G&A – Higher L&P due to increase in recruitment, training, annual lease related true up charges
- S&D cost higher due to changes in composition of BD team & travel
- Core Revenue higher due to higher offshore and Tech revenue
- Offshore Employee cost higher due to increase in Headcount

**Note:**

- S&D Exp. includes employee cost of onsite business development (BD) team

# Balance Sheet & Other Updates

- Total Cash and Cash Equivalents of INR 6,248 mm for Q3 FY'22 (post-Buyback) vs INR 8,052 mm for Q2 FY'22
  - Equivalent to INR 188.7 per share Q3 FY'22 vs INR 235.5 for Q2 FY'22
  - Net operating cash flow in Q3 FY'22 is INR 1,485 mm vs INR 1,404 mm in Q2 FY'22
    - EBITDA conversion at 82.1% for Q3 FY'22 vs 84.3% in Q2 FY'22
  - Capex during Q3 FY'22 is INR 282 mm vs INR 90 mm in Q2 FY'22
- EPS
  - Q3 Basic: 31.73 INR ; Diluted: 31.14 INR
- Current book value per share Q3 FY'22 INR 439.4 vs. INR 501.6 Q2 FY'22
- CSR Update
  - Spent INR 14.6 mm for existing and new projects in Q3FY'22 related to India
  - Areas covered: Health, Education, Skills development
  - Total lives touched / benefited ~ 22k

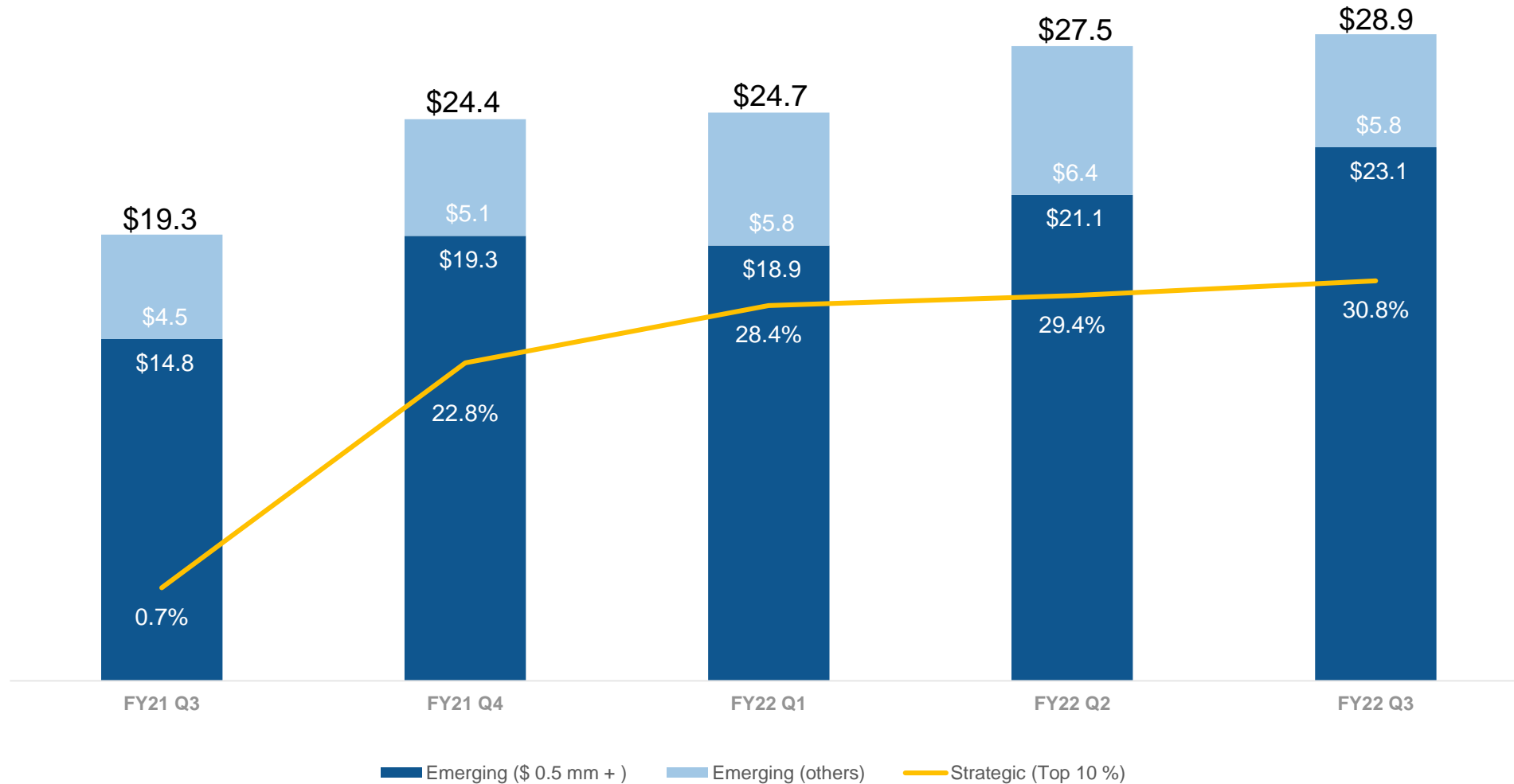
# Key Business Metrics

Metrics		FY22 Q3	FY22 Q2	FY22 Q1	FY21 Q4	FY21 Q3	FY21 Q2	FY21 Q1	FY20 Q4
Currency Contribution (%) *	USD	80%	80%	80%	79%	81%	81%	85%	82%
	EURO	11%	10%	12%	12%	13%	13%	9%	12%
	GBP	4%	5%	4%	4%	4%	5%	4%	5%
	Others	5%	5%	4%	5%	2%	1%	2%	1%
Geographic Concentration *	North America	70%	69%	70%	70%	66%	66%	71%	68%
	Europe	23%	24%	23%	23%	28%	28%	23%	26%
	ROW	7%	7%	7%	7%	6%	6%	6%	6%
Debtors (including unbilled)	DSO (days)	66	65	73	75	78	74	83	88
Client Concentration	Top 10 contribution	61%	60%	62%	62%	64%	67%	70%	67%
Billing Mix	Managed Services	26%	24%	25%	27%	30%	31%	24%	28%
	Onshore Revenue	19%	20%	20%	21%	23%	23%	21%	23%
Staff Utilization (Delivery)		82.6%	81.8%	81.0%	83.8%	81.2%	79.1%	72.9%	75.1%
Client Contribution (based on TTM revenue)	US\$ 500k-1mm Clients	18	23	21	19	17	16	18	21
	US\$ 1mm-3mm Clients	25	20	20	20	16	19	16	17
	US\$ 3mm ++ Clients	16	16	15	13	12	10	11	11
India Seat Count		11,039	11,039	11,039	11,273	11,273	9,183	9,601	9,601

\*Other smaller currencies, geographies and client contribution not shown



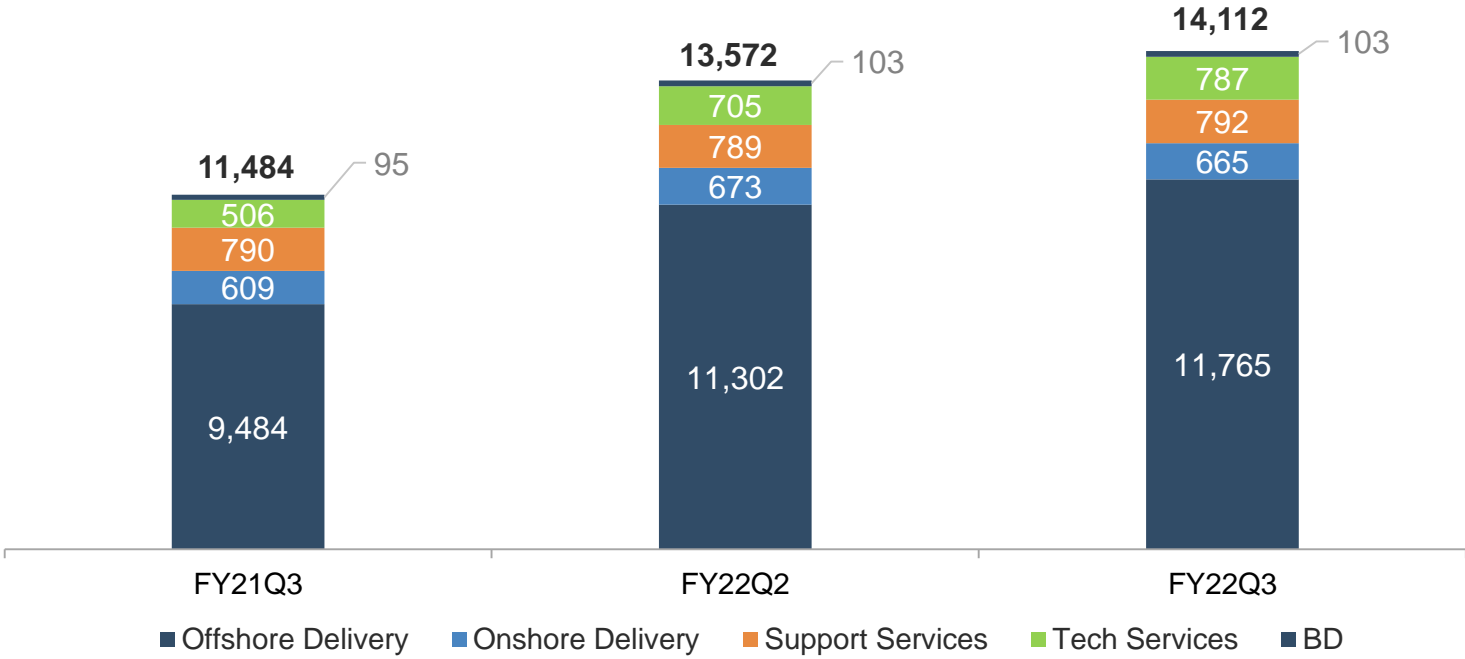
# Revenue Mix Trends (\$mm)



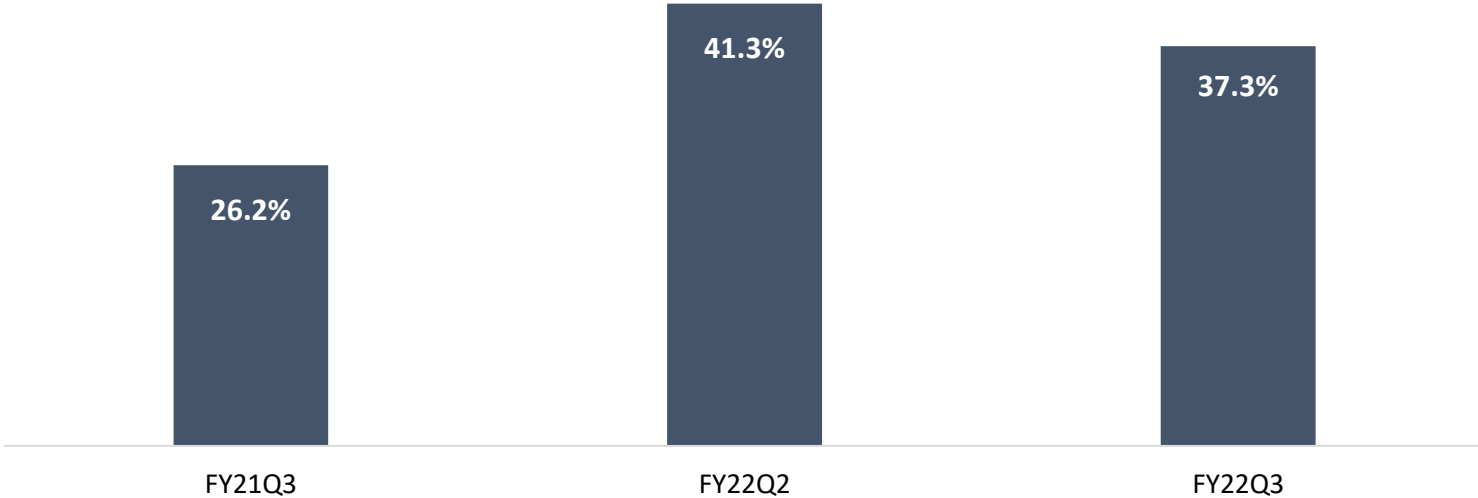
Strategic client (Top 10) growth is measured at quarterly YoY level

# Human Resources Update

## Headcount



## Offshore Voluntary Attrition^



^Attrition includes PH & Thailand (in addition to India) from Q2

# Thank You

This presentation may contain forward-looking statements, which involves a various risks and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements.

The conditions caused by the COVID-19 pandemic could decrease customer's technology spending, affecting demand for our services, delaying prospective customers' purchasing decisions, and impacting our ability to provide services; all of which could adversely affect our future revenue, margin and overall financial performance. Our operations may also be negatively affected by a range of external factors related to the COVID-19 pandemic that are not within our control. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf. Further this presentation may also contain references to findings of various reports available in public domain. We make no representation as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.