



eClerx

Financial Performance – Q1FY22

August 13th , 2021

Financial Summary

Metrics		FY22 Q1	Q-o-Q	Y-o-Y
Revenue	OPG revenue (USD mm)	64.7	1.4%	44.3%
	OPG revenue (INR mm)	4,863	2.8%	44.5%
	Total revenue (INR mm)	4,944	3.7%	42.0%
Profit	EBITDA (INR mm)	1,561	-1.7%	64.6%
	EBIT (INR mm)*	1,325	-1.9%	70.8%
	Net profit (INR mm)	913	-7.5%	76.4%
Margin	EBITDA (%)	31.6%	-1.8%	4.3%
	EBIT (%)	26.8%	-1.5%	4.5%
	Net profit (%)	18.5%	-2.3%	3.6%

* EBIT includes other income and excludes rental interest under IND AS116

- Q1 YoY Constant currency (CC) growth by 41.5% (organic 24.6%); QoQ CC growth of 1.2%
 - Top5 and Offshore revenues (including Personiv) grew faster this quarter
- Sequential reduction in margin due to:
 - Wage hikes and increased offshore bench
 - Personiv acquisition accounting related One off costs of ~INR 49mm
- Consolidation of Austin offices; INR 4mm savings expected from Q2
- Board announced maximum Buyback of INR 3,030 mm at a maximum price of INR 3,200 per share

Other Income

Figures in INR millions.

Other Income	FY22 Q1	FY21 Q4	FY21 Q3	FY21 Q2	FY21 Q1
Investment Income	28.8	24.6	47.3	59.6	107.9
Revaluation Income*	46.6	4.9	(20.2)	(64.5)	(6.1)
Others	6.1	7.9	5.8	1.2	13.6
Total	81.4	37.5	32.9	(3.7)	115.4

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

- Currency depreciation increased revaluation income
- **Revaluation and Realised Gain**
 - USD/INR FY'22 Q1 Exit: 74.33 vs. FY'21 Q4 Exit: 73.17
 - EUR/INR FY'22 Q1 Exit: 88.09 vs. FY'21 Q4 Exit: 85.92
 - GBP/INR FY'22 Q1 Exit: 102.62 vs. FY'21 Q4 Exit: 100.96

P&L Comparison

Figures in INR millions.

Operating P&L	FY22 Q1	OPR (%)	FY21 Q4	OPR (%)
Total Revenue \$	\$64.7		\$63.8	
Total Revenue	4,944		4,766	
Operating Revenue	4,863		4,728	
Cost of Revenues				
Delivery and Support Employees Cost	2,454	50.5%	2,261	47.8%
General and Administrative Expenses				
Facilities (Rent and Electricity)	90	1.8%	84	1.8%
Technological Services (Communications, AMC)	121	2.5%	98	2.1%
Administrative Services (Transport, HK, Security)	20	0.4%	41	0.9%
Legal and Professional Fees	90	1.9%	69	1.5%
Provision / Written off for Bad Debt	2	0.0%	0	0.0%
CSR & Donation	12	0.3%	14	0.3%
Others	111	2.3%	114	2.4%
Total G&A	446	9.2%	419	8.9%
Selling and Distribution	482	9.9%	497	10.5%
EBITDA	1,561	31.6%	1,589	33.3%
Depreciation and Amortization (Inc. rent as per IND AS116)	237	4.9%	239	5.0%
EBIT	1,325	26.8%	1,351	28.3%

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

Hedge Updates

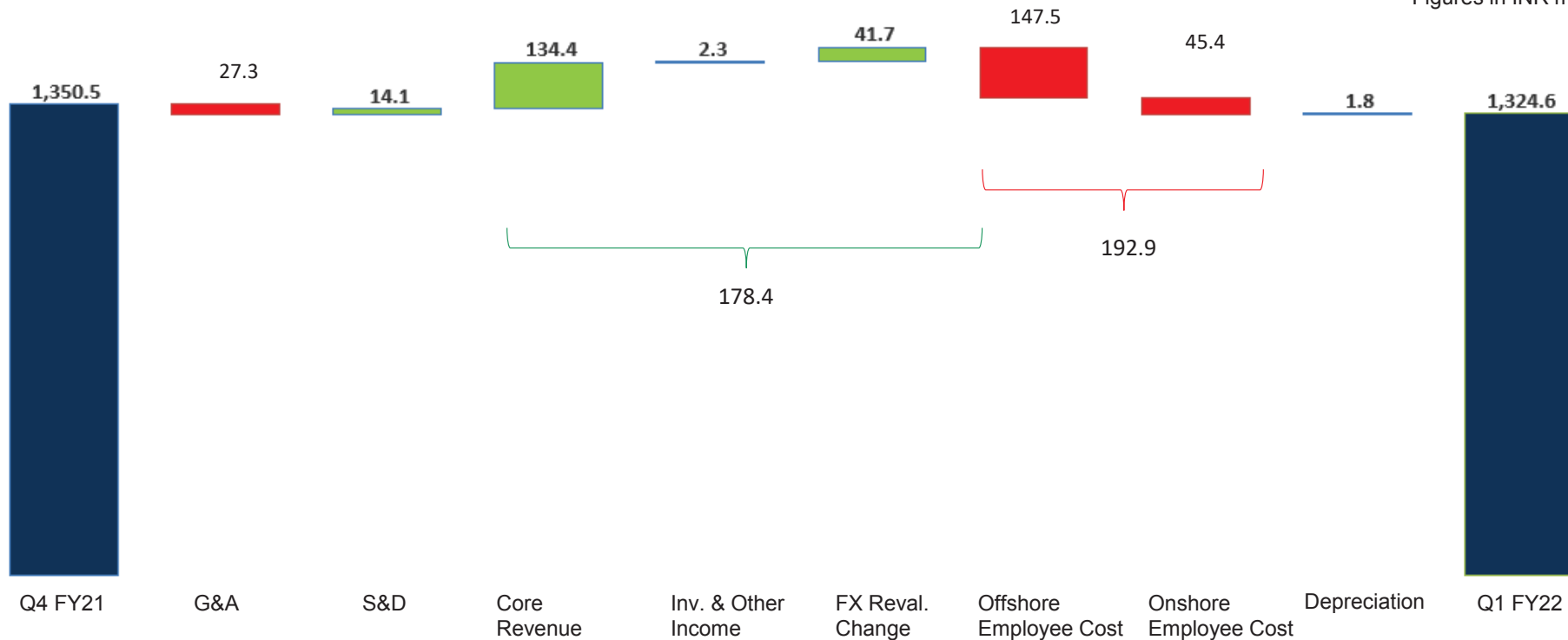
Current Hedge Status

- Total outstanding hedges now \$146.3 mm at average INR 78.02/\$; 100% forwards

Contract	Year	Currency	Amount (mm)	Avg. Rate (INR)
Matured Forwards	FY21 Q2		\$27.7	74.5
	FY21 Q3		\$21.7	74.7
	FY21 Q4		\$25.6	75.3
	Total FY21	USD	\$98.7	74.6
	FY22 Q1		\$28.8	76.7
Outstanding Forwards	FY22 Q2		\$29.6	76.9
	FY22 Q3		\$31.5	77.5
	FY22 Q4		\$24.0	78.0
	Total FY22	USD	\$85.1	77.4
	FY23 Q1		\$26.1	78.2
	FY23 Q2		\$16.8	78.8
	FY23 Q3		\$10.8	79.5
	FY23 Q4		\$5.1	80.2
	Total FY23	USD	\$58.8	78.8
	FY24 Q1		\$2.4	81.1
Total FY24	USD	\$2.4	81.1	
Total Outstanding		USD	\$146.3	78.0

QoQ EBIT Bridge

Figures in INR millions



- G&A – Higher Legal & Professional fee due to increase in recruitment
- S&D cost lower due moderation of bonus from high Q4 level
- Core Revenue higher due to higher offshore Revenue (including Personiv)
- Offshore and onshore Employee cost higher due to wage hike and increase in HC

Note:

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

Balance Sheet & Other Updates

- Total Cash and Cash Equivalents of INR 7,268 mm for Q1 FY'22 vs INR 6,572 mm for Q4 FY'21
 - Equivalent to INR 213.0 per share Q1 FY'22 vs INR 193.2 for Q4 FY'21
 - Net operating cash flow in Q1 FY'22 is INR 744 mm vs INR 1,224 mm in Q4 FY'21
 - EBITDA conversion at 47.6% for Q1 FY'22 vs 77.0% in Q4 FY'21
 - Capex during Q1 FY'22 is INR 171 mm vs INR 72 mm in Q4 FY'21
- EPS
 - Q1 Basic: 26.84 INR ; Diluted: 26.55 INR
- Current book value per share Q1 FY'22 INR 473.0 vs. INR 441.3 Q4 FY'21
- CSR Update
 - Spent INR 12.3 mm for existing and new projects in Q1FY'22 related to India
 - Areas covered: Health, Education, Skills development
 - Total lives touched / benefited ~ 10k

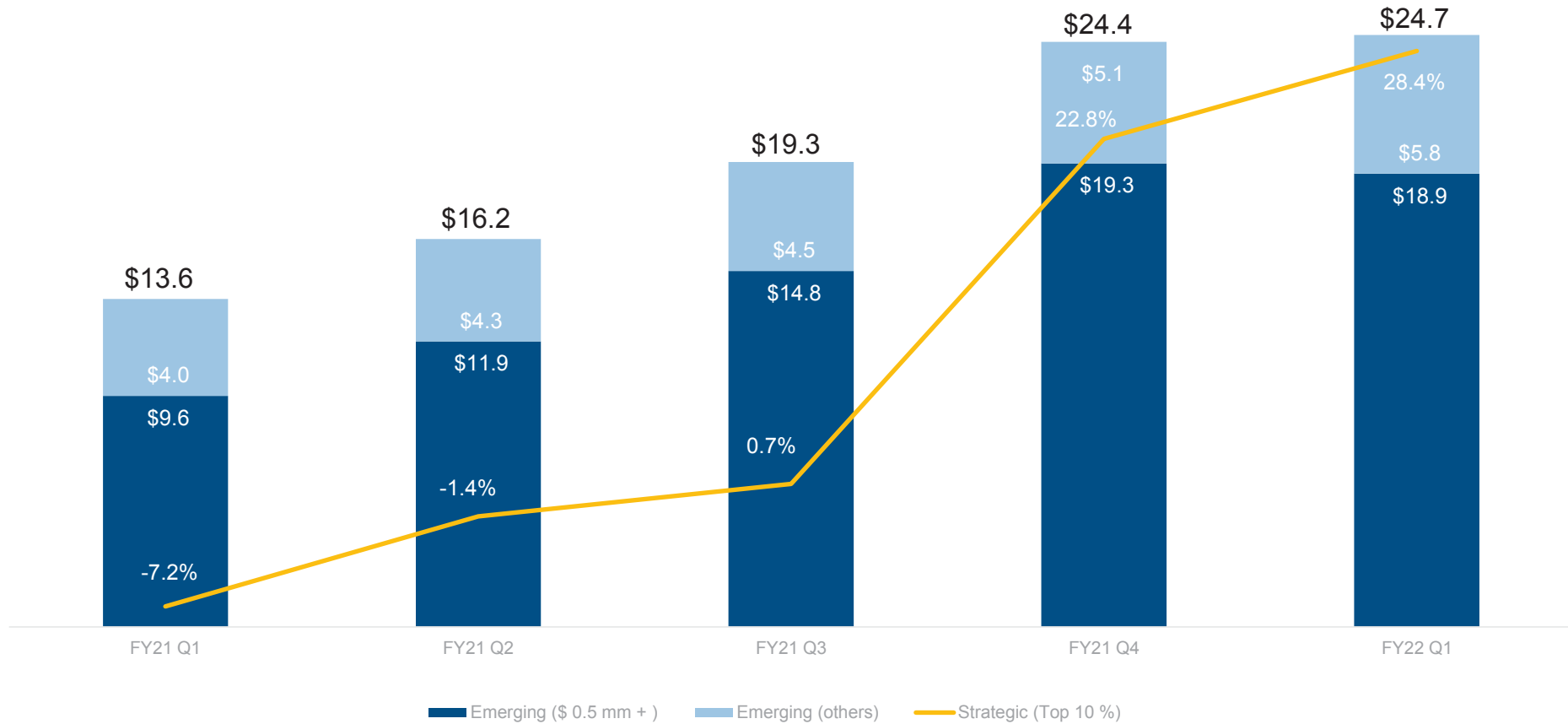
Key Business Metrics

Metrics		FY22 Q1	FY21 Q4	FY21 Q3	FY21 Q2	FY21 Q1	FY20 Q4	FY20 Q3
Currency Contribution (%) *	USD	80%	79%	81%	81%	85%	82%	80%
	EURO	12%	12%	13%	13%	9%	12%	12%
	GBP	4%	4%	4%	5%	4%	5%	6%
	Others	4%	5%	2%	1%	2%	1%	2%
Geographic Concentration *	North America	70%	70%	66%	66%	71%	68%	66%
	Europe	23%	23%	28%	28%	23%	26%	28%
	ROW	7%	7%	6%	6%	6%	6%	6%
Debtors (including unbilled)^	DSO (days)	73	72	78	74	83	88	78
Client Concentration	Top 10 contribution	62%	62%	64%	67%	70%	67%	65%
Billing Mix	Managed Services	25%	27%	30%	31%	24%	28%	31%
	Onshore Revenue	20%	21%	23%	23%	21%	23%	25%
Staff Utilization (Delivery)		81.0%	83.8%	81.2%	79.1%	72.9%	75.1%	77.2%
Client Contribution (based on TTM revenue)*	US\$ 500k-1mm Clients	21	19	17	16	18	21	21
	US\$ 1mm-3mm Clients	20	20	16	19	16	17	18
	US\$ 3mm ++ Clients	15	13	12	10	11	11	10
India Seat Count		11,039	11,273	11,273	9,183	9,601	9,601	9,601

*Other smaller currencies, geographies and client contribution not shown

^ DSO including Personiv from Q4 FY21

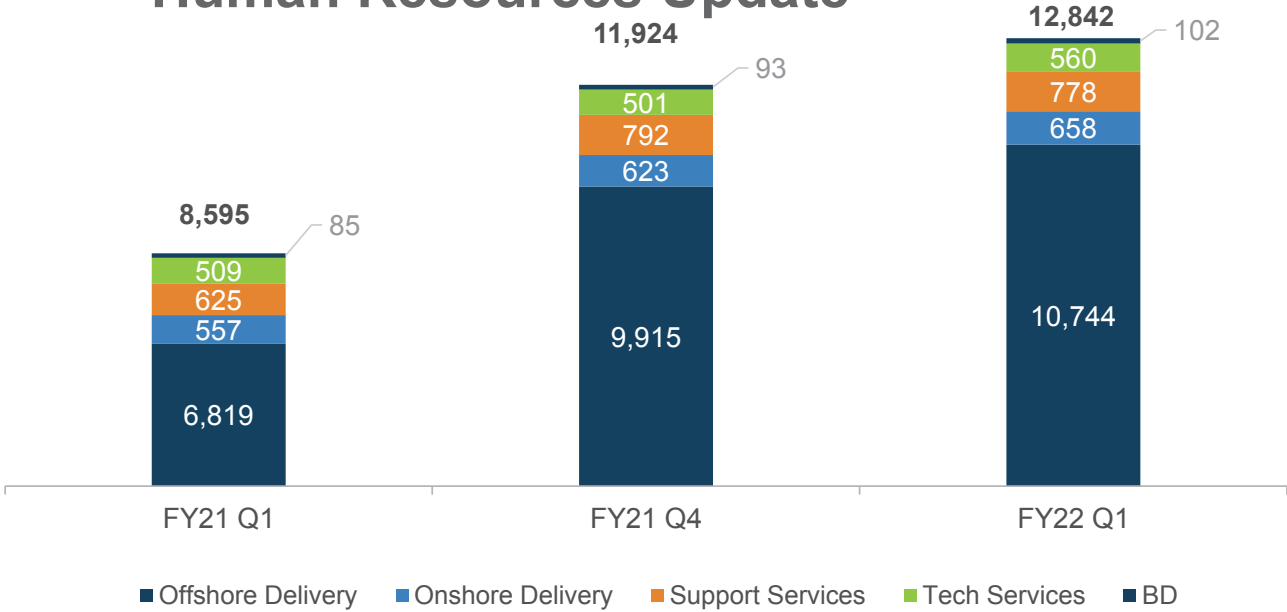
Revenue Mix Trends (\$mm)



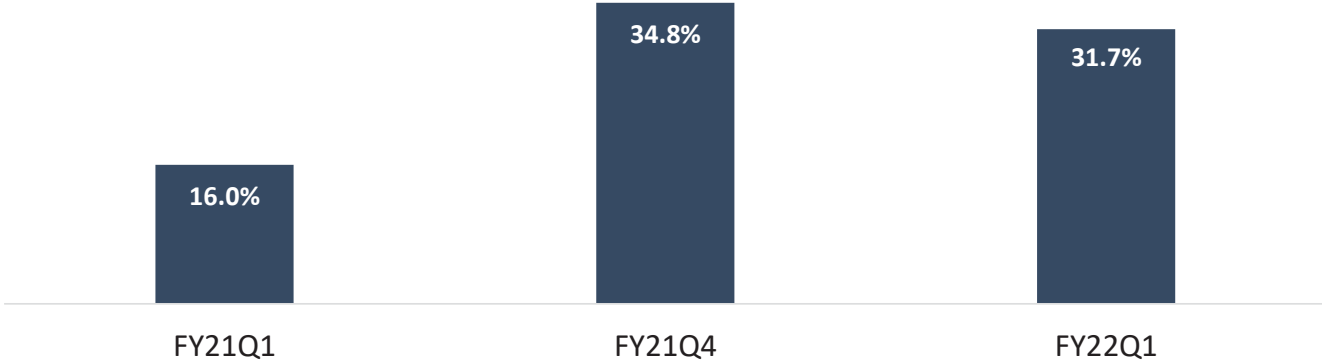
Strategic growth is measured at quarterly YoY level

Human Resources Update

Headcount



Offshore Voluntary Attrition*



*Personiv included from FY21Q4

Thank You

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