

**Intellect/SEC/2022-23**

**October 28, 2022**

1. **The National Stock Exchange of India Ltd.,**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla  
Complex,  
Bandra (E), Mumbai – 400 051.

**Scrip Code :**  
INTELLECT

2. **The BSE Ltd.**  
1<sup>st</sup> Floor, New Trade Ring, Rotunda Building, PJ Towers,  
Dalal Street, Fort, Mumbai – 400 001.

**Scrip Code :**  
538835

Dear Sirs,

Sub: **Intimation under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30(6) and other relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the presentation being made on unaudited financial results of the Company for the quarter ended September 30, 2022 to the analysts and institutional investors meet to be held on October 28, 2022.

Kindly take the above information on record and confirm compliance.

Yours truly,  
for **Intellect Design Arena Limited**

V V Naresh  
**Company Secretary and Compliance Officer**

Encl: As above

**Intellect Design Arena Limited**

Registered Office: 244 Anna Salai, Chennai - 600 006, India | Ph: +91-44-6615 5100 | Fax: +91-44-6615 5123  
Corporate Headquarters: SIPCOT IT Park Siruseri, Chennai - 600 130, India | Ph: +91-44-6700 8000 | Fax: +91-44-6700 8874  
E-mail: [contact@intellectdesign.com](mailto:contact@intellectdesign.com) | [www.intellectdesign.com](http://www.intellectdesign.com)

# The World's only NextGen Open Finance, Composable and Contextual FinTech Platform

Q2 FY 23 Results  
Earnings Announcement



# Safe Harbor Statement

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT Products companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Intellect Design Arena has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry.

Intellect Design Arena may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



## Our Purpose

To provide **Large Enterprise Grade Composable and Contextual solutions** driving higher business growth, reducing cost and risk on sustainable basis.



# Intellect

## The world's only NextGen, Composable and Contextual FinTech Platform

**Ranked #1**  
globally by IBS in Six  
Categories

IBS Global Sales League Table 2022

**25+ Years**  
of Domain Expertise  
in FinTech

**57+**  
Countries Served

**8012 - The world's first**  
design center for FinTech

reflecting its commitment to  
continuous and impactful innovation

**10**  
Products

**7**  
Platforms

**4**  
Technologies

**270+**  
Global Banking Clients

# Board of Directors



**Arun Jain**

Chairman & Managing Direc



**Anil Kumar Verma**

Executive Director



**Arun Shekhar Aran**

Independent Director



**Andrew England**

Non-Executive Director



**Vijaya Sampath**

Independent Director



**Abhay Gupte**

Independent Director



**Ambrish P Jain**

Independent Director

# Strategic Advisory Board



**Andrew England**



**Dave Ravell**



**Prabal Basu Roy**



**Pradeep Kapur**



**Sanjeeb Chaudhuri**



**Swarup Choudhury**



**Theodore Roosevelt  
Malloch**



**Vikram Sud**

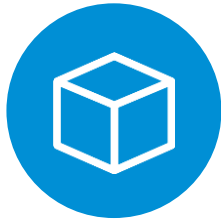
## Evolution from Technologies to Marketplace



**Technology  
Stack**



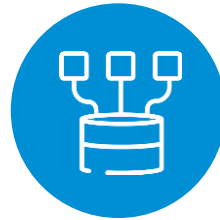
**Data  
Model**



**Products**



**Cloud**



**Platforms**



**3rd Party  
Participants  
+ FinTech**



**Marketplace -  
FinTech Ecosystem**





# Performance Overview

## Financial Highlights



# LTM Q2 FY23 - Financial Highlights

## TOTAL REVENUE (INR)

**↑**  
**27%**

Q2 FY23	2087 Cr
Q2 FY22	1640 Cr

YoY Growth

## GROSS MARGIN (INR)

**↑**  
**25%**

Q2 FY23	1166 Cr
Q2 FY22	931 Cr

YoY Growth

## EBITDA (INR)

**↑**  
**9%**

Q2 FY23	455 Cr
Q2 FY22	417 Cr

YoY Growth

## PAT (INR)

**↓**  
**-1%**

Q2 FY23	311 Cr
Q2 FY22	314 Cr

YoY Growth

## GROSS MARGIN %

Q2 FY23 : 56%  
Q2 FY22 : 57%

## EBITDA %

Q2 FY23 : 22%  
Q2 FY22 : 25%

## COLLECTIONS (INR)

Q2 FY23 : 1905 Cr  
Q2 FY 22 : 1383 Cr

## DSO – By GEO

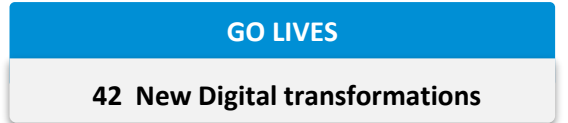
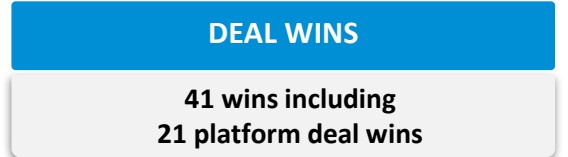
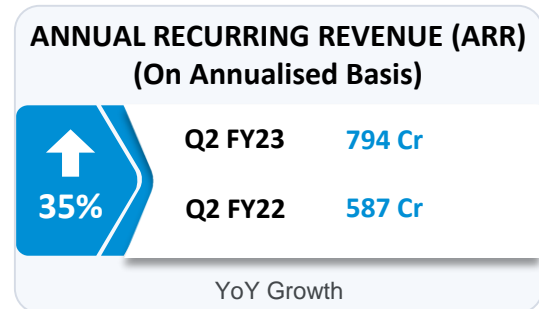
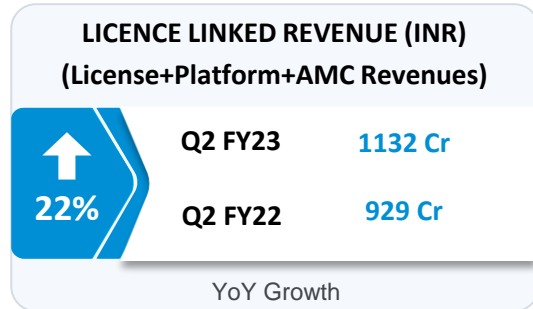
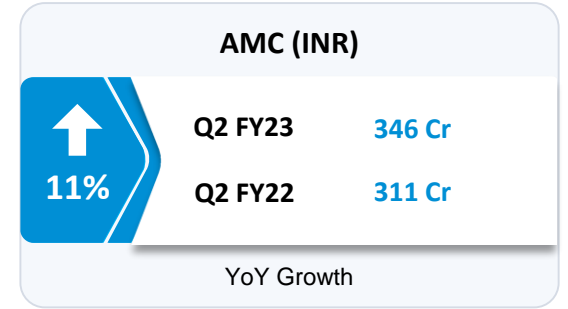
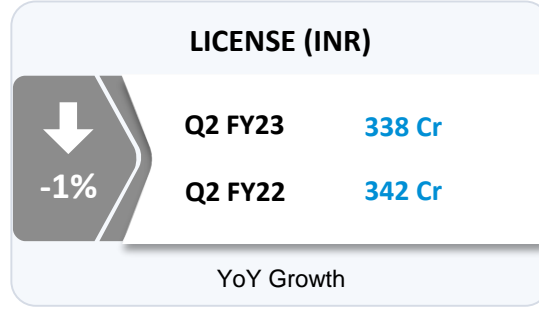
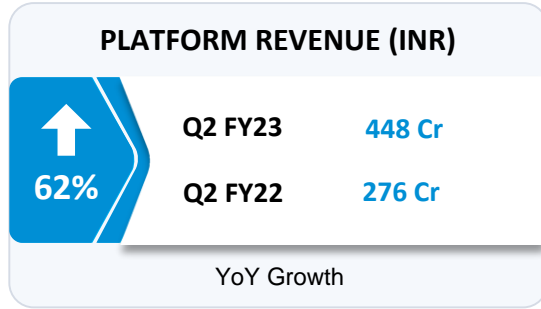
Global. Excl India  
115

India  
164

Total  
128

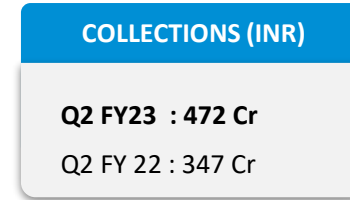
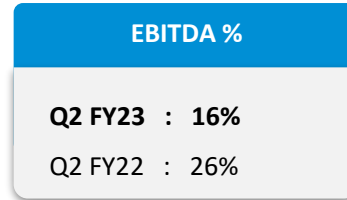
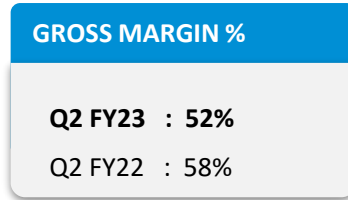
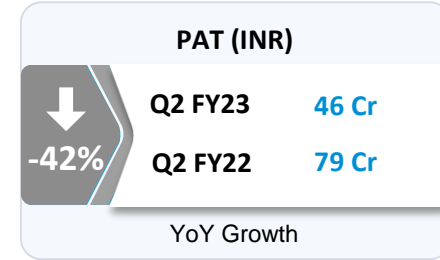
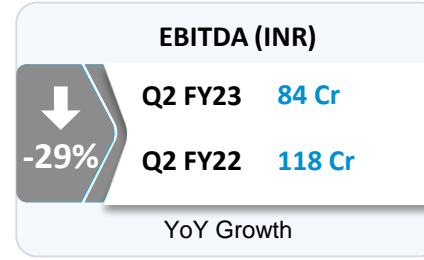
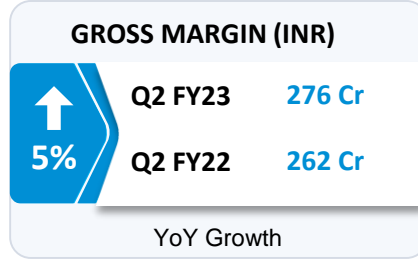
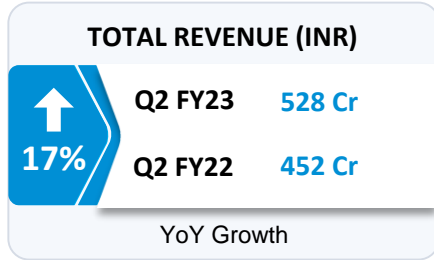


# LTM Q2 FY23 - Financial Highlights





## Q2 FY23 - Financial Highlights



DSO – By GEO		
Global. Excl India	India	Total
115	164	128



## Q2 FY23 - Financial Highlights

### PLATFORM REVENUE (INR)

↑  
33%

Q2 FY23	119 Cr
Q2 FY22	90 Cr

YoY Growth

### LICENSE (INR)

↓  
-22%

Q2 FY23	68 Cr
Q2 FY22	86 Cr

YoY Growth

### AMC (INR)

↑  
10%

Q2 FY23	90 Cr
Q2 FY22	81 Cr

YoY Growth

### LICENCE LINKED REVENUE (INR) (License+Platform+AMC Revenues)

↑  
7%

Q2 FY23	277 Cr
Q2 FY22	257 Cr

YoY Growth

### ANNUAL RECURRING REVENUE (ARR) (On Annualised Basis)

↑  
22%

Q2 FY23	836 Cr
Q2 FY22	684 Cr

YoY Growth

### DEAL WINS

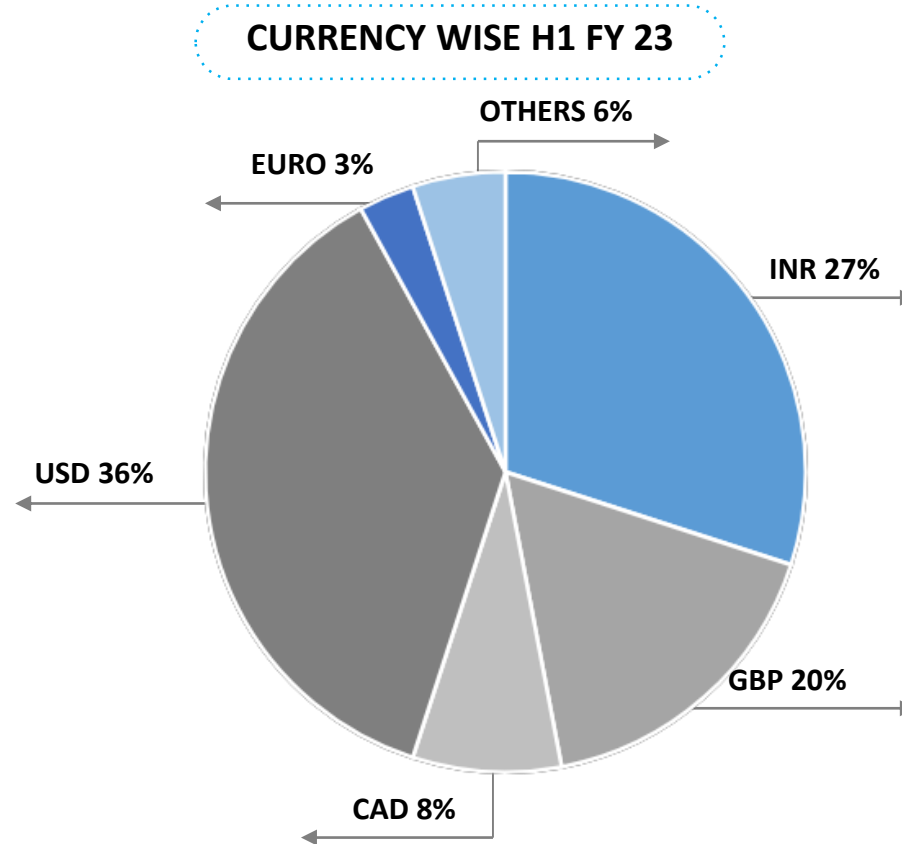
14 wins including  
9 platform deal wins

### GO LIVES

14 New Digital transformations



# Revenue Mix



# Financial Results for the Second Quarter Ended – September 30, 2022

INR Crs

Additional Information on function wise classification of the statement of Profit and Loss of the Group (Consolidated Audited)

PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		LTM ENDED		YEAR ENDED	
	Sept 30, 2022 (Q2 FY 23)	Sept 30, 2021 (Q2 FY 22)	Sept 30, 2022 (H1 FY 23)	Sept 30, 2021 (H1 FY 22)	Sept 30, 2022 (LTM Q2FY23)	Sept 30, 2021 (LTM Q2FY22)	March 31, 2022 (FY 22)	March 31, 2021 (FY 21)
<b>TOTAL INCOME</b>	<b>527.54</b>	<b>452.14</b>	<b>1,068.84</b>	<b>860.49</b>	<b>2086.54</b>	<b>1,640.25</b>	<b>1,878.19</b>	<b>1497.46</b>
<b>EXPENDITURE</b>								
Software development expenses	251.64	190.32	491.95	369.11	920.44	708.95	797.60	664.59
<b>Gross Margin</b>	<b>275.9</b>	<b>261.82</b>	<b>576.89</b>	<b>491.39</b>	<b>1166.09</b>	<b>931.30</b>	<b>1,080.59</b>	<b>832.87</b>
<b>Gross Margin %</b>	<b>52%</b>	<b>58%</b>	<b>54%</b>	<b>57%</b>	<b>56%</b>	<b>57%</b>	<b>58%</b>	<b>56%</b>
SG & A expenses	149.43	115.31	293.60	220.24	562.94	414.62	489.78	383.61
R & E expenses	42.50	28.32	82.33	52.52	148.55	99.41	118.74	93.32
<b>TOTAL EXPENDITURE</b>	<b>443.57</b>	<b>333.95</b>	<b>867.87</b>	<b>642.07</b>	<b>1,631.92</b>	<b>1,222.98</b>	<b>1,406.12</b>	<b>1,141.51</b>
<b>EBITDA</b>	<b>83.97</b>	<b>118.19</b>	<b>200.97</b>	<b>218.42</b>	<b>454.61</b>	<b>417.27</b>	<b>472.06</b>	<b>355.95</b>
Depreciation & Amortisation	(29.45)	(23.69)	(57.53)	(46.38)	(108.71)	(84.85)	(97.56)	(76.71)
Finance Charges	(0.80)	(1.19)	(2.07)	(2.35)	(3.99)	(5.04)	(4.27)	(9.17)
Fx Reins. (loss)/gain	0.28	(5.80)	3.01	(1.21)	7.38	(0.45)	3.16	2.81
Other Income / Expense	7.93	2.57	10.53	9.33	39.63	25.80	38.42	15.35
<b>Profit / (Loss) before tax</b>	<b>61.92</b>	<b>90.08</b>	<b>154.91</b>	<b>177.81</b>	<b>388.92</b>	<b>352.73</b>	<b>411.82</b>	<b>288.22</b>
Provision for taxation	(16.16)	(10.83)	(40.37)	(24.84)	(78.27)	(38.78)	(62.74)	(25.45)
<b>PROFIT / (LOSS) AFTER TAX</b>	<b>45.77</b>	<b>79.24</b>	<b>114.54</b>	<b>152.97</b>	<b>310.65</b>	<b>313.95</b>	<b>349.08</b>	<b>262.77</b>



# Destiny Deals and Pipeline

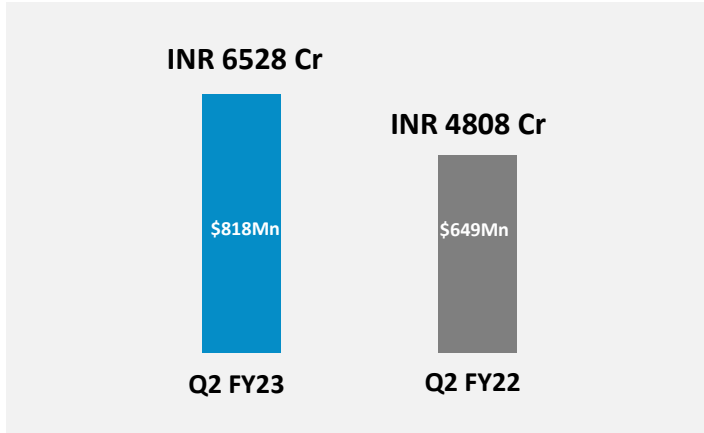
**Deal wins and Digital Transformations**





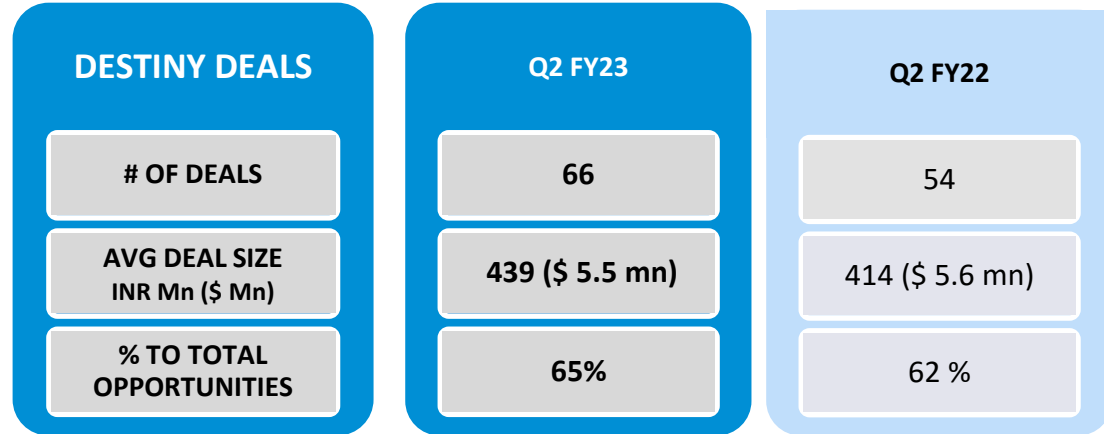
# 36% increase in Pipeline – Inline with the Revenue Growth

The current funnel of Intellect



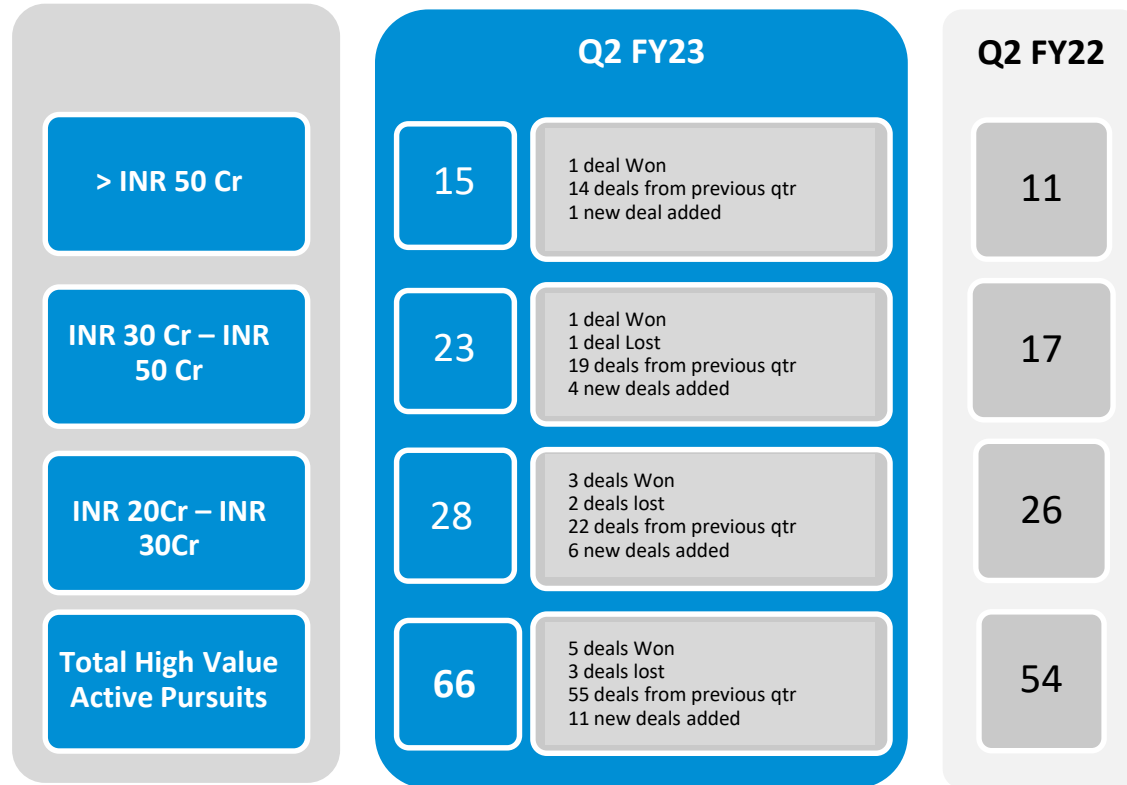
**Q2 FY23**  
Out of \$ 849 Mn funnel value, \$ 634 Mn is accounted by 166 Opportunities

**Q2 FY22**  
Out of \$628 Mn funnel value, \$ 560 Mn is accounted by 156 Opportunities





# Destiny Deals - good growth in big ticket deals





# Accelerated Digital Transformations

Q2 FY 23

## Deal Wins

14 new Customers have chosen Intellect's Digital stack for their Digital transformation including 9 Customers who have chosen Intellect platforms

## Digital Transformations (Go-Lives)

14 Global Financial institutions have transformed their Digital journey on Intellect Product stack.

Intellect could achieve this transformation in complex applications 40% faster than other players in the market because of its 300+ fine-grained Packaged Business Components (PBCs) 900+ APIs and low code, accelerated and predictable implementation technology - iTurmeric that replaces coding with configuration.



# Deal Wins - Nine Platform Deal wins

## *Some of the Significant Platform deals are:*

- ***Foresight—the tech-enabled Workers Compensation MGU*** that sees a future where workplace injuries are a thing of the past—recently signed to use Intellect’s AI-powered, full suite of underwriting platform. The use of the IntellectAI products (Magic Submission, Risk Analyst and Xponent) will enable Foresight to automate the quote intake process intelligently, and leverage data for submission prioritisation and risk selection.
- A top 4 bank in Saudi Arabia signed up Cash Power Cloud, continuing to extend their trust with #1 ranked transaction banking FinTech player (by IBSI), Intellect. This is the 2nd major CashCloud Digital Transformation deal in the KSA region.
- The first Egyptian Islamic and commercial bank set to revolutionise Egypt’s digital banking experience with Intellect Global Consumer Banking’s Digital banking marketplace with lifestyle banking.



## Deal Wins - Nine Platform Deal wins (Contd)

### *Some of the Significant Platform deals are:*

- iESG, a global ESG platform from Intellect AI designed for financial institutions, has been chosen by one of the worlds largest sovereign wealth funds and a top-tier UK wealth manager - collectively overseeing over \$1.2tn in assets under management.
- A leading North America insurance technology company helping commercial insurance brokers and carriers accelerate workflows through its open data platform selects Intellect's Magic Submission to turn broker submissions into fully structured carrier opportunities.
- A FinTech company licensed by the Saudi Central Bank as the first company to provide micro-financing services to consumers across the Kingdom has chosen Intellect Debt Management platform (IDM), iTurmeric and ARX.



## Deal Wins - Five Product Deal Wins

- A top 3 UK Bank signed up for Payments to enable their customers for Real-time local Payments Solutions.
- A top 10 Canadian bank signed up for Payments to enable their customers for Payment Tracking & Real Time Rail and PSH-C Release 3.0 Web Logic & Non-Intrusive Ops Release.
- A top 3 bank in UAE signed up for Mobility Upgrade for better UX continuing to extend their trust with #1 ranked transaction banking FinTech player (by IBSI), Intellect.
- Intellect Global Consumer Banking has signed a boutique bank in Africa to deliver standard core, treasury, lending, AML, FAMS and IBMB using Intellect Digital core.
- One of the fastest-growing private wealth management firms in India has chosen Intellect's digital wealth platform to accelerate business expansion and improve operational efficiencies through STP.



## Digital Transformations in Q2 FY23

- A Top 3 Bank in USA went live with Liquidity - Continuing with the 'trusted partner' relationship for over a decade, a top 3 US Bank went live with liquidity enhancements.
- The Largest Commercial Bank in Saudi went live with Cash Power.
- One of Europe's Leading E-Commerce Entities went live with Intellect's Digital Lending solution for the complete digitization of their credit Business.
- One of the largest banks in the Gulf region with over \$118 billion in assets and presence in 12 countries has gone live with Intellect Debt Management to optimize their collection process while enhancing customer experience.
- A Top 6 Malaysian Islamic bank went live with Account Services.
- A Top 6 Bank in Jordan went live with Account Services & Payments.



## Digital Transformations in Q2 FY23 (contd)

- A Top 3 bank in Qatar went live with Cash Power. Live now in 13 Countries.
- Fastest go-live at a central bank in Oceania, replacing their legacy system with a fully functional and function-rich treasury system, Capital Cube, in just 11 months.
- A leading bank in UAE transformed its core banking and digital experience by leveraging IDC. The bank has been partnering with Intellect Global Consumer Banking consistently for various banking solutions.
- The leading ASEAN universal bank went live with Intellect's Regional Wealth Management System.





# Qualitative Commentary



# Qualitative Commentary

Last year's story of moving from Product to Platform is exciting. In just 12 months Intellect Launched 6 platforms. Platforms have added to enhanced ARR alongwith licensed based revenues as articulated during Technology Day II session held in December 2021

1. Early investments in DATA platforms resulted in launching 3 platforms
  - **Magic Submission**, a cognitive information extraction, validation and enrichment platform, using AI technologies including pipelines of computer vision, NLP, machine/deep learning and OCR.
    - Signed 5 customer in last 6 months in AWS. Competing against Ground Speed.
  - **Magic Invoice**, the world's first NO TOUCH invoice processing solution today. The solution is powered by AI, NLP & ML.
    - Very large TAM competing against ABBY and Rossum. Signed 3 large customers in last 4 months of launching
  - **iESG**, the latest addition to its line of AI powered solutions for institutional investors, asset managers, corporate banks, and insurance carriers.
    - Intellect won the order from The largest Fund in Europe against all AI/ML data providers.



# Qualitative Commentary

2. iGTB launched new Platform under the larger theme of Consumerisation of Commercial Banking (COCB) - BANKING-AS-A-SERVICE. This enables GTB to expand its business space from Liquidity, Payments, Trade and Supply chain finance to very hot space of enabling US, Canadian and European banks. The platform launched in SIBOS 22 received very high response generating more than 25 leads. With the interest rates rising, Liquidity product is working with larger funnel for coming quarters.
3. iGCB differentiated MACH architecture of Core banking IDC 22 is gaining momentum in Europe market where clients are looking at Core banking migrations to cloud based migrations. Intellect is now able to establish its leadership with Thought Machine - A newly highly invested company and Temenos on other side. During last 6 months intellect Core Banking with Digital banking suite is Participating in more than 5 large deals in Europe and Canada. The existing platform Quantum, Credit card and iKredit 360 are leading in their segments.
4. The Technologies for Wealth space are growing. After signing SBI and customers in Malaysia, Indonesia, Thailand, Intellect WealthQube has signed one of the fastest growing private wealth management firms in India as new logo thisquarter.



# Management Observations

**Key observations from Arun Jain, CMD and Venkat Saranu, CFO**

# Management Observations



**Arun Jain**, *Chairman and Managing Director*

“In spite of the current market uncertainty driven by high inflation rates and currency volatility, we have delivered a 27% YoY revenue growth for LTMQ2FY23. We also have a visibility of an annual growth of 20% for FY23. We continue to be excited about our journey on cloud-based platforms as we launch new ones and mature the existing ones. This new business in conjunction with our product businesses provides us an opportunity to continue to grow our company. We view each of these platforms as an equivalent of a fintech with a large TAM and an extreme focus on delivering value for its customers by leveraging our superior market leading MACH technologies.”



**Venkateswarlu Saranu**, *Chief Financial Officer*

“Our platform revenue on LTM basis has grown 62% over last year, while during the same period, our ARR on LTM basis has grown over 35%. Both of these are very important metrics in our business model demonstrating growth on an annualized and sustained basis. During the last couple of quarters, we as an Industry have seen an increase in talent costs and invested in expanding platform business as well, which has impacted our profits. We are seeing some early trends in stabilization of these talent costs. We continue to be excited about the market opportunity and are positioning our company for growth on a sustained basis.”



# **Leadership Position Endorsed by Market Leading Analysts**

Gartner®

\*ISG

IDC  
ANALYZE THE FUTURE

FORRESTER®

# Q2FY23: Intellect benchmarked and rated on top repeatedly



FORRESTER®

Gartner®

\*ISG

\*ISG

IDC  
ANALYZE THE FUTURE

Gartner®

Intellect Design globally rated as a "LEADER" in Forrester Wave Digital Banking Processing Platforms for Retail Banking and Corporate Banking

Intellect Design - Digital Core listed as "Top 5 Club" for MEA and Mature Asia/Pacific Markets in Gartner Report: Core Banking Selection Criteria That Matter

Intellect Wealth Platform has been identified as "Contender" in ISG Provider Lens™ Quadrant study on "Digital Banking Technology and Platforms - 2022"

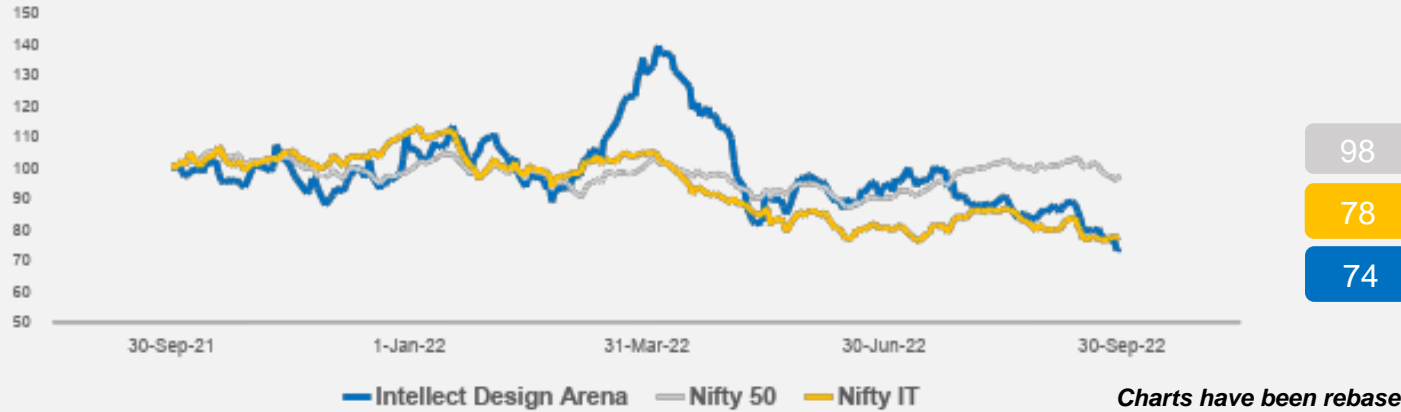
Intellect Digital Payment Processing Platform has been identified as "Product Challenger" in ISG Provider Lens™ Quadrant study on "Digital Banking Technology and Platforms - 2022"

Intellect is mentioned as "Market Share Leaders" in Loan Origination, Loan Servicing, Loan Collections-Recovery, Lending Market Categories -- Home Mortgage, Equity, Personal Loans, Auto Loans, BNPL White Label for Banks, Small Business Working Capital & Business Asset Financing; Accts-Rec; Equipment Loans

Intellect Underwriting Solution cited as sample vendors in Gartner's Hype Cycle for Digital Life and P&C Insurance, 2022 for Digitally Engineered Underwriting

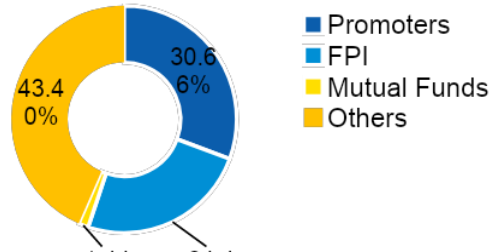


## Relative Stock Performance (1<sup>st</sup> October, 2021 to 30<sup>th</sup> September, 2022)



Charts have been rebased to 100

### Shareholding Pattern (As on 30<sup>th</sup> September)



### Stock Data (As on 30<sup>th</sup> September)

👛 Market Cap	7.007 Cr.
📈 Stock Price	₹ 517.4
📊 52 Week (High / Low)	₹ 986/493
🌐 NSE / BSE - Symbol	INTELLECT / 538835
📄 No. of Shares Outstanding	13,54,23,875
📊 Average Daily Volume (3 Months) – NSE	4,69,937



# Contacts



## Venkateswarlu Saranu

Chief Financial Officer  
venkat.saranu@intellectdesign.com

## Praveen Malik

Vice President – Investor Relations  
+91 8939782837  
praveen.malik@intellectdesign.com

## Nachu Nagappan

AVP – Corporate Communication  
+91 8939619676  
nachu.nagappan@intellectdesign.com

