



# IRIS Business Services Limited

30<sup>th</sup> May, 2019

To,  
**BSE Limited**  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

Scrip Code: 540735

**Sub: Investor Presentation**

Dear Sirs,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 and reference our intimation dated May 27, 2019, we herewith enclose a presentation in connection with the earnings call scheduled with investors today i.e. Thursday, May 30, 2019 at 4.00 p.m. (IST).

The above is for your information and records.

Thanking You,  
Yours faithfully,  
For **IRIS Business Services Limited**

A handwritten signature in black ink, appearing to read "Jay Mistry".

**Jay Mistry**  
Company Secretary & Compliance Officer



Encl: As Above



# IRIS

## Investor Presentation

30<sup>th</sup> May 2019

## Compliance, Data & Analytics

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# ABOUT US

01

IRIS is a software products firm in the area of compliance, data and analytics with offerings across the information supply chain and across data reporting standards such as XBRL, JSON and so on.

02

Clients include Enterprises, large and small; Business registries, Central Banks, Stock Exchanges, and the government. The company's products are available in some 24 countries across 4 continents.

03

The company is headquartered in Mumbai with subsidiaries in United States, Singapore and Italy.

04

The founders have a collective experience of six decades and have been together since 1994. The company has over 300 employees on its rolls including over 140 in technology.

05

Over the last 4 years, the company has made a successful shift from a services focused business to a product led model.



# WE ARE A GLOBAL SOFTWARE PRODUCTS FIRM

With offerings around Regtech & Suptech



## COLLECT

Software platform for regulators to collect pre-validated submissions from those that they regulate.



## CREATE

Offerings range from enterprise software to Cloud / SAAS to create documents ready to be filed with regulators.

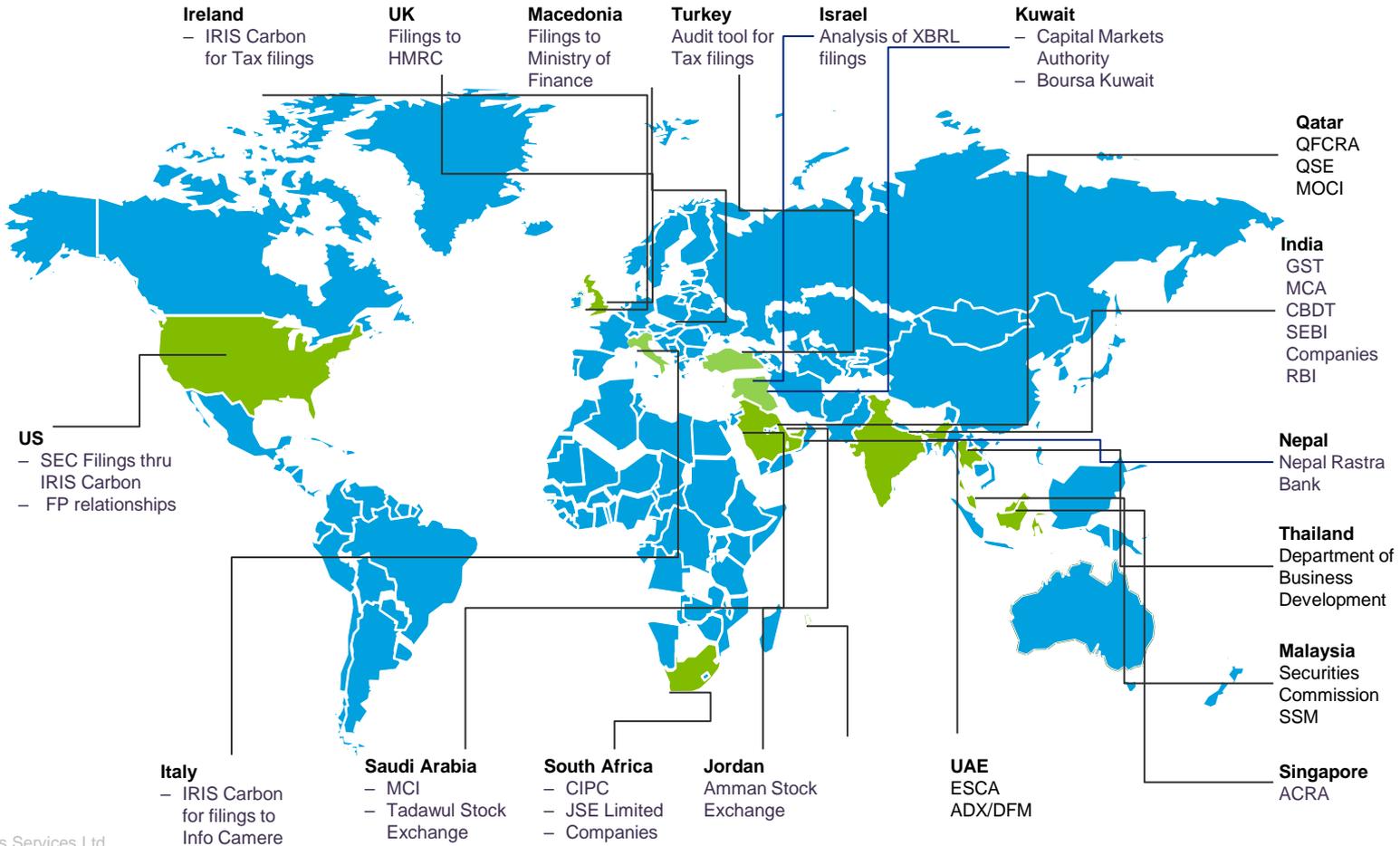


## CONSUME

Software tools for data analysis. Plus, a global repository of normalised financial data culled from filings, if available publicly.



# IRIS @ Global Markets





# Financial Performance

Overview – FY 2018-19

# INCOME STATEMENT - STANDALONE

INR in Lakhs

Particulars	FY19-H2	FY19-H1	FY18-H2	FY19	FY18
Total Revenue*	2,243.68	1,841.08	2,283.35	4,084.75	3,533.03
Total Expenses	2,033.58	1,951.21	1,937.42	3,984.79	3,411.78
Employee benefit expenses	1,182.27	1,141.73	996.76	2,324.00	1,889.10
Other Expenses	851.31	809.48	940.66	1,660.79	1,522.68
EBITDA	210.10	(110.13)	345.93	99.97	121.25
EBITDA Margin (%)	9.36%	-5.98%	15.15%	2.45%	3.43%
Finance Cost	77.58	81.70	97.65	159.28	199.10
Depreciation	174.19	234.29	228.78	408.48	448.78
PBT	(41.67)	(426.12)	14.10	(467.79)	(532.03)
Tax Expense	54.02	20.50	(46.20)	74.52	(42.74)
PAT	(95.69)	(446.62)	60.30	(542.31)	(489.30)

\*Total Revenue includes Other Income

# BALANCE SHEET - STANDALONE

INR in Lakhs

Particulars	FY19	FY18	Particulars	FY19	FY18
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
1. Shareholders' funds			1. Non-Current Assets		
(A) Share capital	1,887.92	1,887.92	(A) Property, Plant and Equipment		
			(i) Tangible assets	983.57	1,012.55
(b) Reserves and surplus	736.22	1,262.07	(ii) Intangible assets	2,273.21	867.78
Total Net-worth	2,624.14	3,149.99	(iv) Intangible assets under development	-	1,732.93
2. Non-current liabilities			(B) Deferred tax assets (net)	-	-
(A) Long-term borrowings	459.96	687.82	(C) Non-current investments	177.46	116.74
(B) Deferred tax liabilities (Net)	54.02	6.76	(D) Long-term loans and advances	4.74	4.74
(C) Long-term provisions	195.63	142.82	(E) Other non-current assets	9.87	67.77
3. Current liabilities			2. Current Assets		
(A) Short-term borrowings	594.35	676.05	(A) Trade receivables	1,186.86	1,334.72
(B) Trade payables	367.83	419.44	(B) Cash and cash equivalents	578.01	825.76
(C) Other current liabilities	1,010.66	970.19	(C) Short-term loans and advances	87.65	69.65
(D) Short-term provisions	1,241.06	1,442.73	(D) Other current assets	1,246.28	1,463.15
<b>Total</b>	<b>6,547.64</b>	<b>7,495.79</b>	<b>Total</b>	<b>6,547.64</b>	<b>7,495.79</b>

# INCOME STATEMENT - CONSOLIDATED

INR in Lakhs

Particulars	FY19-H2	FY19-H1	FY18-H2	FY19	FY18
<b>Total Revenue*</b>	2,255.39	1,841.08	2,295.94	4,096.46	3,558.99
<b>Total Expenses</b>	2,129.24	1,934.17	1,987.80	4,063.41	3,468.84
<b>Employee benefit expenses</b>	1,291.41	1,243.63	1,091.01	2,535.04	2,068.59
<b>Other Expenses</b>	837.83	690.54	896.79	1,528.36	1,400.25
<b>EBITDA</b>	126.15	(93.09)	308.14	33.06	90.14
<b>EBITDA Margin (%)</b>	5.59%	-5.06%	13.42%	0.81%	2.53%
<b>Finance Cost</b>	78.02	82.30	98.72	160.32	200.20
<b>Depreciation</b>	174.24	234.37	228.63	408.60	448.87
<b>PBT</b>	(126.11)	(409.76)	(19.21)	(535.87)	(558.92)
<b>Tax Expense</b>	54.02	20.50	(46.20)	74.52	(42.74)
<b>PAT</b>	(180.13)	(430.26)	26.99	(610.39)	(516.18)

\*Total Revenue includes Other Income

# BALANCE SHEET - CONSOLIDATED

INR in Lakhs

Particulars	FY19	FY18	Particulars	FY19	FY18
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
1. Shareholders' funds			1. Non-Current Assets		
(A) Share capital	1,887.92	1,887.92	(A) Property, Plant and Equipment		
			(i) Tangible assets	983.57	1,012.68
(b) Reserves and surplus	528.34	1,122.95	(ii) Intangible assets	2,273.21	867.78
Total Net-worth	<b>2,416.26</b>	<b>3,010.86</b>	(iv) Intangible assets under development	-	1,732.93
2. Non-current liabilities			(B) Deferred tax assets (net)	-	-
(A) Long-term borrowings	459.96	687.82	(C) Non-current investments	-	-
(B) Deferred tax liabilities (Net)	54.02	6.76	(D) Long-term loans and advances	4.74	4.74
(c) Long-term provisions	195.63	142.82	(E) Other non-current assets	9.87	67.77
3. Current liabilities			2. Current Assets		
(A) Short-term borrowings	594.35	676.05	(A) Trade receivables	1,186.86	1,334.72
(B) Trade payables	297.61	380.17	(B) Cash and cash equivalents	587.31	835.07
(C) Other current liabilities	1,076.93	1,021.69	(C) Short-term loans and advances	87.95	69.93
(D) Short-term provisions	1,241.06	1,420.79	(D) Other current assets	1,202.30	1,421.35
<b>Total</b>	<b>6,335.81</b>	<b>7,346.97</b>	<b>Total</b>	<b>6,335.81</b>	<b>7,346.97</b>

# FINANCIAL PERFORMANCE – HIGHLIGHTS



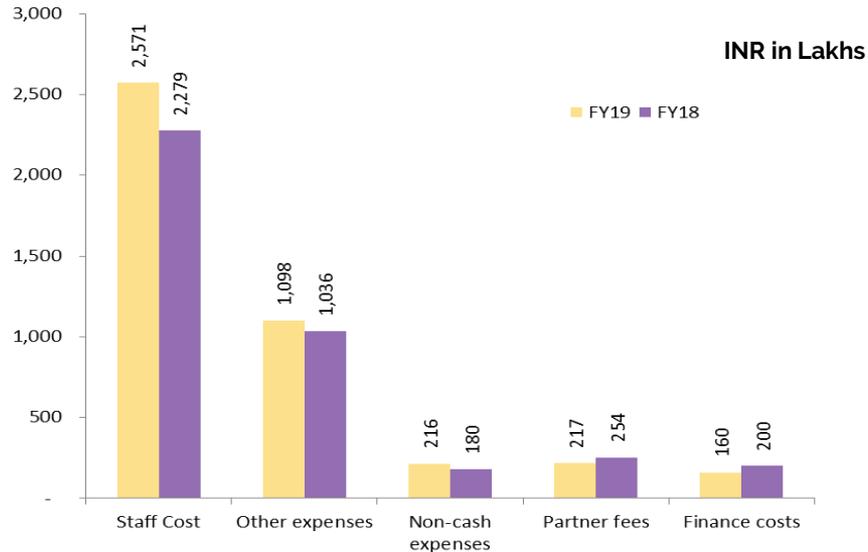
## Income Statement Highlights

- ✓ Total Consolidated revenue grew 15% YoY from 3559 lakhs in FY 18 to INR 4096 lakhs in FY 19, led by a good pick up in the 'Create' segment which grew at 56% YoY.
- ✓ Recurring revenue stood at about 70% of the FY19 revenue as compared to 54% in FY 18
- ✓ Mix of 66% export revenues and 34% of domestic revenues in FY19 as compared to 67% export revenues and 37% of domestic revenues in FY18.
- ✓ EBITDA at the consolidated level stood at INR 33 Lakhs in FY 19 as compared to INR 90 Lakhs in FY 18 .
- ✓ Adjusted EBITDA before non-cash expenses stood at INR 249 lakhs in FY 19 as compared to INR 270 lakhs in FY 18

## Balance Sheet Highlights

- ✓ Total debt declined to INR 1,282 lakhs in FY 19 as compared to INR 1,592 lakhs in FY 18, down 19%
- ✓ Receivables days improved to 109 days in FY 19 as against 139 days in FY 18
- ✓ Total Cash and Cash equivalents stood at INR 587 lakhs in FY 19 as compared to INR 835 lakhs in FY 18.
- ✓ Net cash inflow from operating activities in FY 19 was at INR 82 lakhs as compared to Net cash outflow from operating activities in FY 18 of INR 348 lakhs
- ✓ IPO proceeds balance to be utilized as on 31st March 2019 stood at ~ 500 lakhs

# EXPENSE TRENDS (before capitalization)



## Income Statement Highlights

- ✓ Expenses for the year grew at modest 8% with staff cost increasing by about 13%
- ✓ Other expenses including partner fees increased marginally by 2% in FY 19 as compared to FY 18.
- ✓ Non-cash expenses consist of withholding tax written-off and provision for doubtful debts. The same stood at INR 216 lakhs as compared to INR 180 lakhs in FY18.
- ✓ Have been able to pare interest cost with reduced drawings from CC limit. Interest cost for FY19 stood at 160 lakhs, a reduction of 20% YoY.
- ✓ Expenses capitalized were INR 39 lakhs in FY 19 as compared INR 278 lakhs in FY 18.

# CONSOLIDATED SEGMENT WISE REVENUE, RESULTS

INR in Lakhs

Particulars	FY19-H2	FY19-H1	FY18-H2	FY19	FY18
1. Segment Revenue					
(a) Segment – Collect	1,147	911	1,428	2,058	2,191
(b) Segment – Create	967	717	702	1,684	1,081
(c) Segment – Consume	130	118	116	248	223
Less: Inter Segment Revenue	-	-	-	-	-
<b>Net sales/Income From Operations</b>	<b>2,243</b>	<b>1,746</b>	<b>2,247</b>	<b>3,989</b>	<b>3,495</b>
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)					
(a) Segment – Collect	122	64	332	186	373
(b) Segment – Create	15	(230)	(55)	(215)	(321)
(c) Segment – Consume	(23)	(23)	(25)	(46)	(32)
(d) Unallocated	12	95	62	107	69
<b>Total</b>	<b>126</b>	<b>(94)</b>	<b>314</b>	<b>32</b>	<b>89</b>

Turns  
positive

# REVENUE MIX BY SEGMENT –

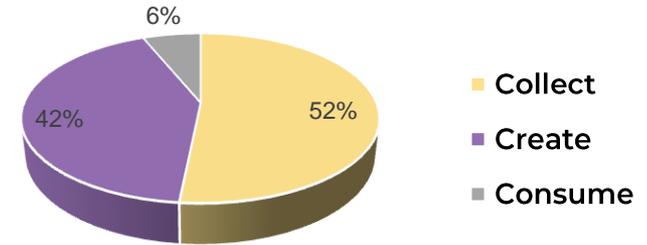
## ‘Create’ proportion in the pie rises

- ✓ Revenues of ‘Collect’ Segment contracted by 6% YoY to INR 2,058 lakhs in FY 19 compared to INR 2,191 Lakhs FY 18
- ✓ 51% of revenue is recurring in nature
- ✓ Added 3 new clients - Qatar Stock Exchange, MoCI Qatar and Boursa Kuwait.
- ✓ Completed Implementation for SSM Malaysia and CIPC South Africa regulatory platforms

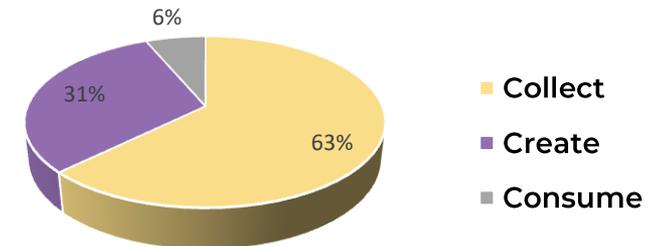
- ✓ Revenues from ‘Create’ Segment grew at 56% YoY to INR 1,684 lakhs in FY 19 compared to INR 1,081 Lakhs in FY 18.
- ✓ Contribution from ‘Create’ Segment is increasing in the overall revenue mix. 90% of revenues from Create segment is recurring in nature.
- ✓ Commenced billing in South Africa to enterprises using the IRIS Carbon Platform.

- ✓ Revenues of ‘Consume’ Segment grew at 11% YoY at INR 248 lakhs in FY 19 compared to INR 223 Lakhs FY 18
- ✓ 89% of the revenue is recurring in nature
- ✓ Credit information and analytics platform ‘IRIS Credixo’ launched on a pilot basis

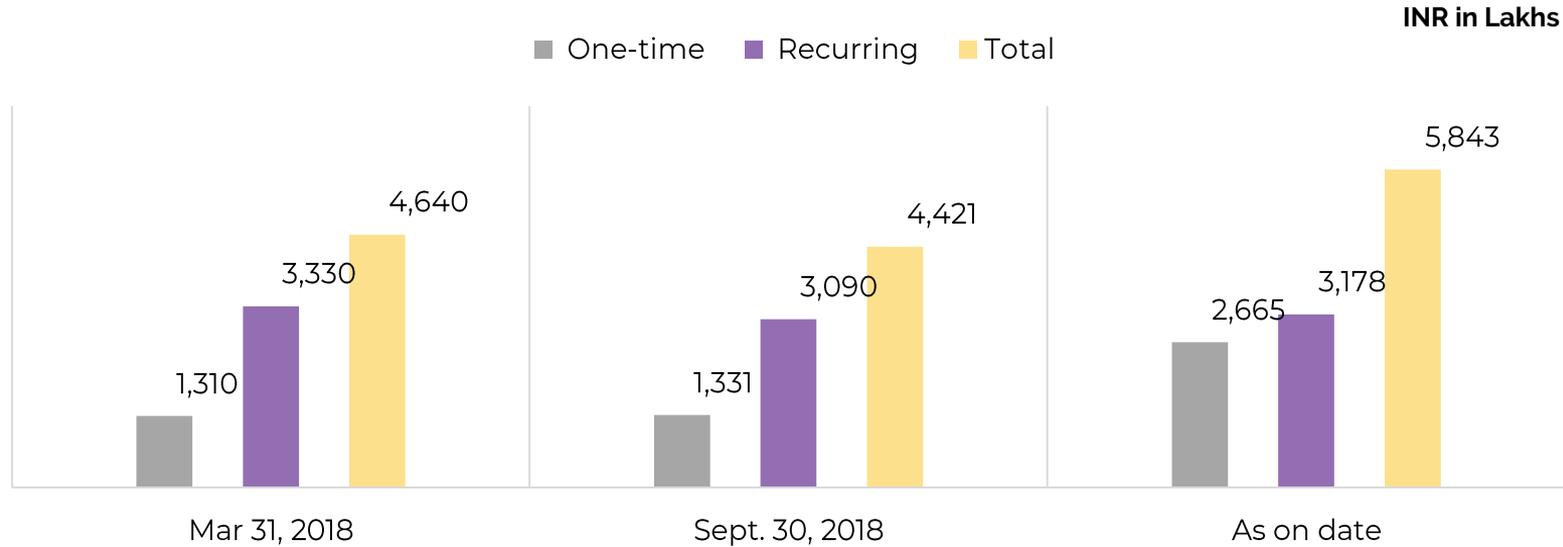
Revenue Mix - Segment FY19



Revenue Mix - Segment FY18



# ORDER BOOK



- ✓ Order book stands at 5,843 lakhs as on date
- ✓ Out of 5,843 Lakhs as on date, INR 4,100 lakhs is from 'Collect' segment, INR 1,581 Lakhs from 'Create' segment and INR 162 Lakhs from the 'Consume' Segment
- ✓ Approx. 54% of the Order book is recurring in nature.



**THANK YOU**