



IRIS Business Services Limited

27th May, 2022

To,

BSE Limited

Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: 540735

Symbol: IRIS

Dear Sir / Madam,

Sub: Disclosure of Material Event / Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Results Press Release - Quarter and Year ended 31st March 2022.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Press Release with respect to Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2022 is enclosed and the said Press Release has also been uploaded on the Company's Website www.irisbusiness.com.

We hereby request you to take the above information on your record.

Thanking You,
Yours faithfully,

For **IRIS Business Services Limited**

Santoshkumar Sharma

Company Secretary & Compliance Officer
(ICSI Membership No. ACS 35139)



Encl.: a/a.



Navi Mumbai
May 27, 2022

IRIS net SaaS revenues up 18%, Covid takes toll on growth and profitability

A near 3 fold YoY growth in SaaS revenues from the US and a near doubling YOY of EU SaaS revenues, helped global Regtech IRIS Business Services Limited fight off Covid headwinds in FY 22.

The company grew its Net Annual Recurring Revenues (ARR) 17%. ARR went up to Rs 47 cr in FY 22 from Rs 40.23 cr in the year preceding. Gross ARR was higher at Rs 50.5 cr.

However, Covid took its toll on the overall revenue growth which registered a modest YoY revenue growth of 8%. "Covid hurt us badly," says company Founder & CEO, S Swaminathan. Explaining how, he points to three factors. The Collect Division has shrunk yet again for the second year running in the absence of any new regulatory mandates due to Covid. "But we are finally seeing evidence of things picking up now," Swaminathan said.

The pressure on the Create Division came from two sources. In countries like South Africa, companies have been given extra time to file their annual returns. This means that our revenues will be deferred, not lost, Swaminathan explains. On the other hand, in the UK, the number of clients served by the company has fallen sharply. "We are working with a partner who has chosen to manage more of their clients' compliance filings inhouse, and have therefore reduced the number of clients they were passing on to us," Swaminathan said. Because of the developments in South Africa and the UK, the total number of enterprises served by IRIS dropped to a little under 6000 from a little over 7000 in the year preceding.

Elaborating on the financial performance, company Founder & CFO K Balachandran points out that the erosion in the profitability is because of the 18% jump in expenses. This is attributable to the sharp increase in the wage bill. "Even though we offered generous increments, many people left, with attrition hitting an all time high of 21%," he says.

"On the revenue side the wins in the USA and Europe gives us a solid foundation to build on," says Company Director and Founder, Deepta Rangarajan. "This was the first time we were putting in efforts to acquire customers in both markets and the results are very satisfying, given how small our sales team is and how little marketing resources we deployed to back them up," she added.

Balachandran says that the highlight of the year lies in the subtext. "You will see that our cash flow from operations is negative. That is because we used it to clear employee dues completely, leaving the company stronger than we have been in a long long time" he says with satisfaction. "I had declared that I will not take a salary until employee dues are cleared. Now, that that has happened, I am finally able to take a salary," company CEO, Swaminathan chipped in.

For more information please contact	
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