



IRIS Business Services Limited

27th May, 2019

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

Scrip Code: 540735

Sub: Intimation under Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed herewith copy of Press Release issued by the company titled “**IRIS TURNS EBITDA POSITIVE**”.

This will also be made available on the Company’s website at www.irisbusiness.com.

The above is for your information and records.

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

Jay Mistry
Company Secretary & Compliance Officer



Encl: As above

FOR IMMEDIATE RELEASE
MUMBAI, MAY 27, 2019

IRIS TURNS EBITDA POSITIVE

Global fintech major, IRIS Business Services Limited turned EBITDA positive in the second half of the financial year 2018/19 indicating a significant improvement in company fundamentals.

The company reported an adjusted EBITDA (before capitalisation and non cash expenditure) of Rs 250 lakh for the second half of the financial year just ended, against a negative Rs 40 lakhs in the first six months of the financial year 2018/19.

Revenue growth during the year has been a modest 15 %, going up from Rs 3558.99 lakhs in FY 2017-18 to Rs 4096.46 lakhs in FY 2018-19, even as costs increased by 17% from Rs 3468.84 lakhs to Rs 4063.41 lakhs over the corresponding period. The company reported an adjusted EBITDA of Rs 210 lakhs for the full financial year 2018/19.

“The good news about our performance is in the details,” company CFO, K Balachandran said in a statement released here today.

Pointing to evidence of improved margin performance, he said that software capitalisation was lower at Rs 39 lakhs against Rs 278.82 lakhs in the previous year. He further pointed out that since the company continued to post losses, it could not set off withholding taxes of the order of Rs 171.71 lakhs, this amount had more than doubled from Rs 84.45 lakh in the year preceding.

Not only have revenues increased, it is also significant that recurring revenue stood at about 70% of the FY19 revenue as compared to 54% in FY 18. “That is a great base to start with,” says Balachandran who revealed that the order book for FY 2019-20 stood at a healthy Rs 58 crore already. He pointed out the company had an order book of Rs 46 cr at the beginning of FY 2019. “If we maintain this, the current year should be good for the company,” he added.

Providing details of the performance of the 3 different business division of the company, he pointed with satisfaction to the increase in the contribution of the “Create” segment. Through this division, IRIS provides enterprise software offerings, mostly SAAS, that help users generate submissions ready to file with the regulator. Revenues in this segment grew 56 % over last year and accounted for 41% of the total revenues, a sharp increase from its share of 31% of the total revenues in the previous year. In this, the Regtech division of the company, more than 90% of the revenues are recurring.

The “Collect” segment, the “Suptech division of the firm,” through which IRIS offers digital filing platform to regulators, bagged 3 new clients during the year. These include stock exchanges in Qatar and Kuwait and the Qatar Ministry of Commerce and Industry which houses the business registry of Qatar. The company is in active discussion with several other regulators from around the world, expressing satisfaction with the progress.

The ‘Consume” segment registered a revenue growth of just 11% over the preceding year. With revenues going up from Rs 223 lakhs to Rs 248 lakhs. Company CEO S Swaminathan expressed satisfaction that the products of this segment had managed to acquire significant mindshare, which placed the company in a good position to monetize the offerings of this division. He pointed to the countrywide acceptance of its free to download mobile app, IRIS PERIDOT, which is used by citizens and companies alike to verify the GST compliance status of counterparties before conducting

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business. "Our Data as a Service (DAAS) offerings are finding traction in the Digital lending industry with as many as seven lenders having tied up with us already," he added.