

Oracle Financial Services Software Limited

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Unaudited consolidated financial results for the three and nine month period ended December 31, 2023

PART I

(₹ in million, except per share data)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 INCOME						
(a) Revenue from operations	18,236.22	14,444.84	14,492.96	47,305.25	42,277.85	56,983.09
(b) Other income, net	939.43	651.37	408.00	2,596.61	1,305.76	1,918.43
Total income	19,175.65	15,096.21	14,900.96	49,901.86	43,583.61	58,901.52
2 EXPENSES						
(a) Employee benefit expenses	7,603.69	7,480.24	7,238.06	22,252.81	20,677.38	27,741.72
(b) Travel related expenses	305.56	313.70	245.83	903.91	654.66	923.58
(c) Professional fees	1,088.24	512.87	524.84	2,033.09	1,607.12	2,089.39
(d) Finance cost	93.67	80.43	65.91	142.47	49.84	126.55
(e) Other operating expenses	552.98	556.86	422.12	1,633.67	1,133.54	1,514.62
(f) Depreciation and amortization	190.05	190.11	206.06	565.00	619.69	806.62
Total Expenses	9,834.19	9,134.21	8,702.82	27,530.95	24,742.23	33,202.48
3 Profit before tax	9,341.46	5,962.00	6,198.14	22,370.91	18,841.38	25,699.04
4 Tax expense						
(a) Current tax	2,097.44	1,727.50	1,797.73	5,950.38	5,295.55	7,386.77
(b) Deferred tax	(164.10)	60.04	27.11	(171.87)	277.44	250.86
Total tax expense	1,933.34	1,787.54	1,824.84	5,778.51	5,572.99	7,637.63
5 Net profit for the period	7,408.12	4,174.46	4,373.30	16,592.40	13,268.39	18,061.41
6 Other Comprehensive Income						
(a) Items that will not be reclassified subsequently to profit or loss						
(i) Actuarial gain on gratuity	34.10	52.25	48.27	78.83	22.75	23.06
(ii) Deferred tax	(8.58)	(13.15)	(11.56)	(19.84)	(5.69)	(5.85)
(b) Items that will be reclassified subsequently to profit and loss						
(i) Exchange differences on translation of foreign operations	141.99	85.74	624.76	137.03	1,110.48	1,086.99
Total other comprehensive income for the period, net of tax	167.51	124.84	661.47	196.02	1,127.54	1,104.20
7 Total comprehensive income for the period	7,575.63	4,299.30	5,034.77	16,788.42	14,395.93	19,165.61
8 Net profit attributable to:						
Equity holders of the Company	7,408.12	4,174.46	4,373.30	16,592.40	13,268.39	18,061.41
Non-controlling interests	-	-	-	-	-	-
9 Total comprehensive income attributable to:						
Equity holders of the Company	7,575.63	4,299.30	5,034.77	16,788.42	14,395.93	19,165.61
Non-controlling interests	-	-	-	-	-	-
10 Paid up equity share capital (face value ₹ 5 each, fully paid)	433.18	433.01	431.92	433.18	431.92	431.99
11 Reserve excluding Revaluation Reserves as per balance sheet						74,157.08
12 Earnings per equity share (face value ₹ 5 each, fully paid)						
(a) Basic (in ₹)	85.53	48.25	50.63	191.75	153.66	209.14
(b) Diluted (in ₹)	85.13	48.01	50.44	190.71	153.06	208.25

See accompanying note to the financial results

Notes to financial results :

- 1 The unaudited consolidated financial results for the three and nine month period ended December 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 17, 2024. The statutory auditors have expressed an unmodified review conclusion on these results.
- 2 These financials results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 - Interim Financial Reporting as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the other accounting principles generally accepted in India.
- 3 During the three and nine month period ended December 31, 2023, the Company allotted 32,648 and 238,304 equity shares respectively, of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing Employee Stock Option Plan ('ESOP') schemes of the Company.
- 4 The Code on Social Security, 2020 ("Code") relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on September 29, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which these changes are applicable is yet to be notified. The OFSS group will assess and record the impact, if any, when the rules are notified and the code becomes effective.
- 5 **Particulars of Other income, net**

(₹ in million)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Finance income	1,017.95	595.03	461.12	2,569.64	1,055.48	1,672.84
Exchange (loss) gain, net	(89.34)	44.40	(65.49)	(3.50)	211.46	180.10
Miscellaneous income, net	10.82	11.94	12.37	30.47	38.82	65.49
Total	939.43	651.37	408.00	2,596.61	1,305.76	1,918.43

6 Reporting segment wise revenue, results, assets and liabilities

Segment revenue and expense:

Revenue is generated through licensing of software products, maintenance fees as well as by providing software solutions to the customers including consulting services. The income and expenses which are not directly attributable to a business segment are shown as unallocable income and expenses.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables net of allowances, unbilled receivable net of allowances, deposits for premises, property, plant and equipment and right-of-use asset. Segment liabilities primarily includes trade payables, deferred revenues, advance from customer, employee benefit obligations, lease liability and other liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by both the segments is allocated to each of the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

(₹ in million)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Segment revenue						
Product licenses and related activities	16,795.53	12,979.69	13,026.96	42,952.67	37,943.64	51,309.00
IT solutions and consulting services	1,440.69	1,465.15	1,466.00	4,352.58	4,334.21	5,674.09
	18,236.22	14,444.84	14,492.96	47,305.25	42,277.85	56,983.09
(b) Segment results						
Product licenses and related activities	8,666.65	5,526.69	6,157.95	20,298.08	18,127.37	24,470.95
IT solutions and consulting services	371.99	330.52	290.04	1,170.25	1,004.19	1,304.01
	9,038.64	5,857.21	6,447.99	21,468.33	19,131.56	25,774.96
Finance income	1,017.95	595.03	461.12	2,569.64	1,055.48	1,672.84
Other un-allocable (expenses), net	(715.13)	(490.24)	(710.97)	(1,667.06)	(1,345.66)	(1,748.76)
Profit before tax	9,341.46	5,962.00	6,198.14	22,370.91	18,841.38	25,699.04

Reporting segment wise revenue, results, assets and liabilities (continued)

(₹ in million)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(c) Segment assets						
Product licenses and related activities	30,116.95	24,649.81	23,918.81	30,116.95	23,918.81	24,027.81
IT solutions and consulting services	1,198.86	1,158.27	1,128.61	1,198.86	1,128.61	1,021.72
Unallocable	60,832.40	57,107.81	62,815.88	60,832.40	62,815.88	67,705.87
	92,148.21	82,915.89	87,863.30	92,148.21	87,863.30	92,755.40
(d) Segment liabilities						
Product licenses and related activities	10,879.86	10,400.32	10,931.04	10,879.86	10,931.04	10,884.67
IT solutions and consulting services	1,354.13	996.46	1,255.52	1,354.13	1,255.52	1,162.29
Unallocable	7,158.68	6,555.52	6,087.64	7,158.68	6,087.64	6,119.37
	19,392.67	17,952.30	18,274.20	19,392.67	18,274.20	18,166.33

7 Unaudited standalone results for the three and nine month period ended December 31, 2023

(₹ in million, except per share data)

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	13,748.38	10,800.92	10,831.09	35,719.44	31,432.80	42,555.81
Net profit for the period	7,000.64	3,936.61	4,304.39	15,486.77	12,294.52	17,725.08
Earnings per equity share (face value ₹ 5 each, fully paid)						
Basic (in ₹)	80.83	45.50	49.83	178.97	142.38	205.25
Diluted (in ₹)	80.45	45.27	49.64	178.00	141.83	204.37

8 The Board of Directors of the Company in its meeting held on December 4, 2023, approved the appointment of Mr. Mrugank Paranjape as an Additional Director in the capacity of Non-Executive, Independent Director.

9 The above financial results are also available on the Company's website: <https://investor.ofss.oracle.com>

For and on behalf of the Board of Directors
Oracle Financial Services Software Limited

Mumbai, India
January 17, 2024

Makarand Padalkar
Managing Director & Chief Executive Officer
DIN: 02115514