



May 20, 2020.

The BSE Limited

P. J. Towers, 25th Floor,
Dalal Street, MUMBAI – 400001.
Scrip Code: **532368**

The National Stock Exchange of India Ltd.

Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400051.
Symbol: **BCG**

Dear Madam/Sir,

Sub: Presentation on nine months financials for FY20

We are enclosing a copy of the presentation on the analysis of Company financials for nine months for the financial year 2019-20. And the same is proposed to be made available to the investor and analyst community.

This presentation is also uploaded on the website of the company at www.brightcomgroup.com under the investor's section.

We request you to take note of this and disseminate this presentation to the shareholder community.

Thanking you.

Yours faithfully,

for **BRIGHTCOM GROUP LIMITED**

M. SURESH KUMAR REDDY
CHAIRMAN & MANAGING DIRECTOR
DIN: 00140515





brightcom
group

FINANCIALS OF FY2020 (FIRST THREE QUARTERS)



Financial Market



Disclaimer

Certain Statements in this release reflecting our future growth prospects are forward – looking statements which involve a number of risks and uncertainties that could cause result to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include but are not limited to risks and uncertainties with respect to fluctuation in earnings, our ability to manage growth, intense competition in online advertising including these factors which may affect our cost advantage, cost of resources and introduction of regulations that might impact the prospects, our ability to successfully complete the planned projects, general economic conditions affecting our industry. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company.

Income Statement

(Amounts in Millions of USD)

Operating Information	Q1 FY2020	Q2 FY2020	Q3 FY2020	9 Months FY2020
Digital/Advertising Revenue	\$66.61	\$73.42	\$105.2	\$245.23
Software Revenue	\$16.05	\$16.08	\$15.47	\$47.6
Other Revenue	\$0.04	-\$0.35	-\$0.09	-\$0.41
Extra-ordinary Income/ Gains	\$0	\$0	\$1.71	\$1.71
Revenue	\$82.7	\$89.15	\$122.28	\$294.13
Growth Rate	2.36%	1.32%	3.5%	2.51%
Digital/ Advertising COGS	\$27.34	\$32.06	\$54.9	\$114.29
Gross Profit	\$55.36	\$57.09	\$67.38	\$179.84
Gross Margin % of Digital Revenue	58.96%	56.34%	47.81%	53.39%
SG&A	\$28.48	\$29.33	\$33.6	\$95.07
Extra-ordinary Expense / Write-down	\$3.66	\$0	\$0	\$3.66
Depreciation and Ammortization	\$5.14	\$6.7	\$7.11	\$18.95
EBIT	\$18.09	\$21.06	\$26.68	\$65.82
Ammortization	\$5.14	\$6.7	\$7.11	\$18.95
EBITA	\$23.22	\$27.76	\$33.79	\$84.77
Deprecitation	\$0	\$0	\$0	\$0
EBITDA	\$23.22	\$27.76	\$33.79	\$84.77
EBITDA Margin	28.08%	31.14%	27.63%	28.82%
EBITDA Growth	-5.41%	0.73%	6.14%	0.98%
Adjustments	\$0	\$0	\$0	\$0
Adjusted EBITDA	\$2.32	\$2.78	\$3.38	\$84.77
Adj. EBITDA Margin	28.08%	31.14%	27.63%	28.82%
Adj. EBITDA Growth	-5.41%	0.73%	6.14%	0.98%
Interest Expense	\$0.41	\$0.22	\$0.05	\$0.68
Other Expense/ (Income)	\$5.46	\$6.14	\$9.74	\$21.34
Pretax Income	\$17.66	\$20.82	\$26.62	\$65.11
Income Taxes	\$5.71	\$5.83	\$6.43	\$17.96
Tax Rate	32.31%	28.00%	24.14%	27.59%
Net Income	\$11.01	\$26.18	\$24.59	\$61.77
Net Income Margin	13.31%	29.36%	20.11%	21%

Balance Sheet

(Amounts in Thousands of USD)

ASSETS

	FY2020 Q2
Cash	\$15,242.59
Accounts Receivable	\$123,411.8
Short Term Loans & Advances	\$106,980.63
Other Current Assets	\$88,980.48
Total Current Assets	\$334,615.5
PP&E	\$3,586.86
Intangible Assets(Including Goodwill)	\$102,067.63
Capital Work-in-Progress	\$12,335.54
Intangible Assets Under Development	\$8,745.1
Non-Current Investements	\$33,312.97
Long Term Loans & Advances	\$26,073.02
Deferred Financing Fees	\$400.5
Other Non-Current Assets	\$4,108.78
Total Assets	\$525,245.9

LIABILITIES

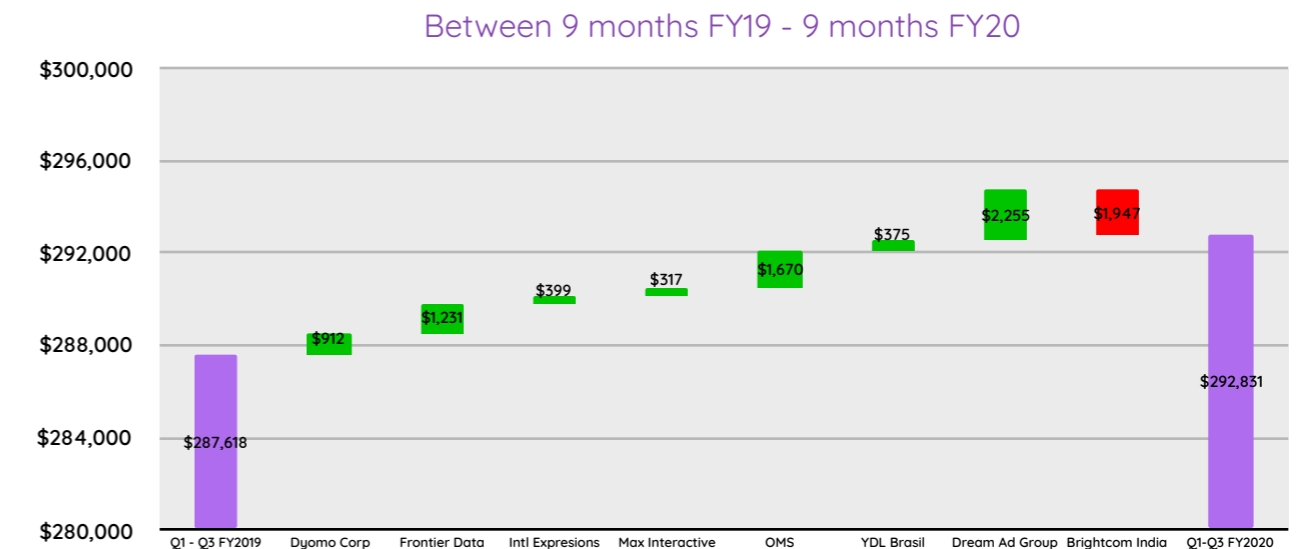
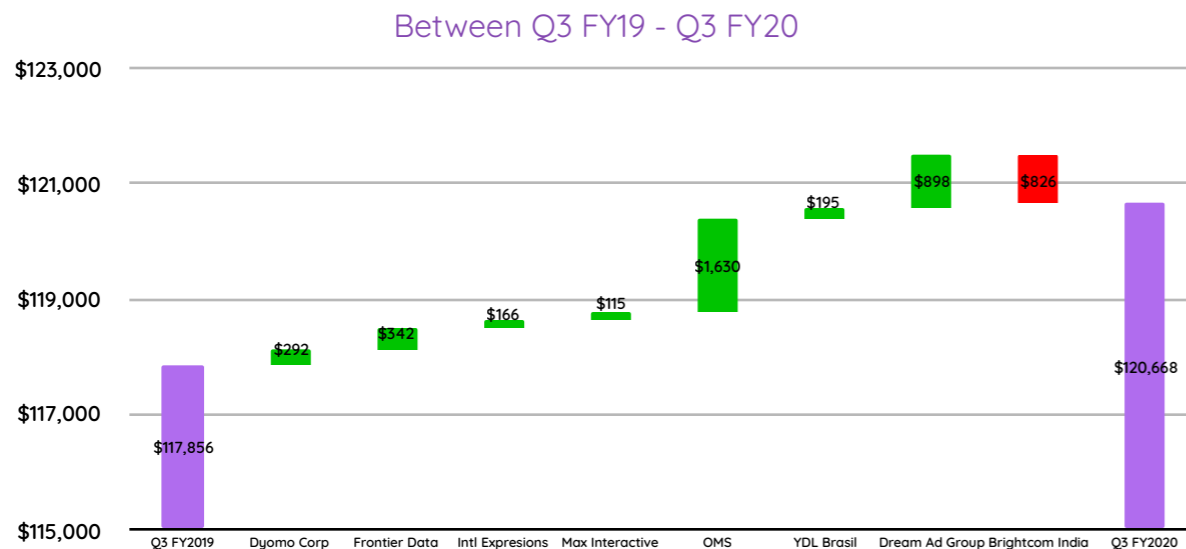
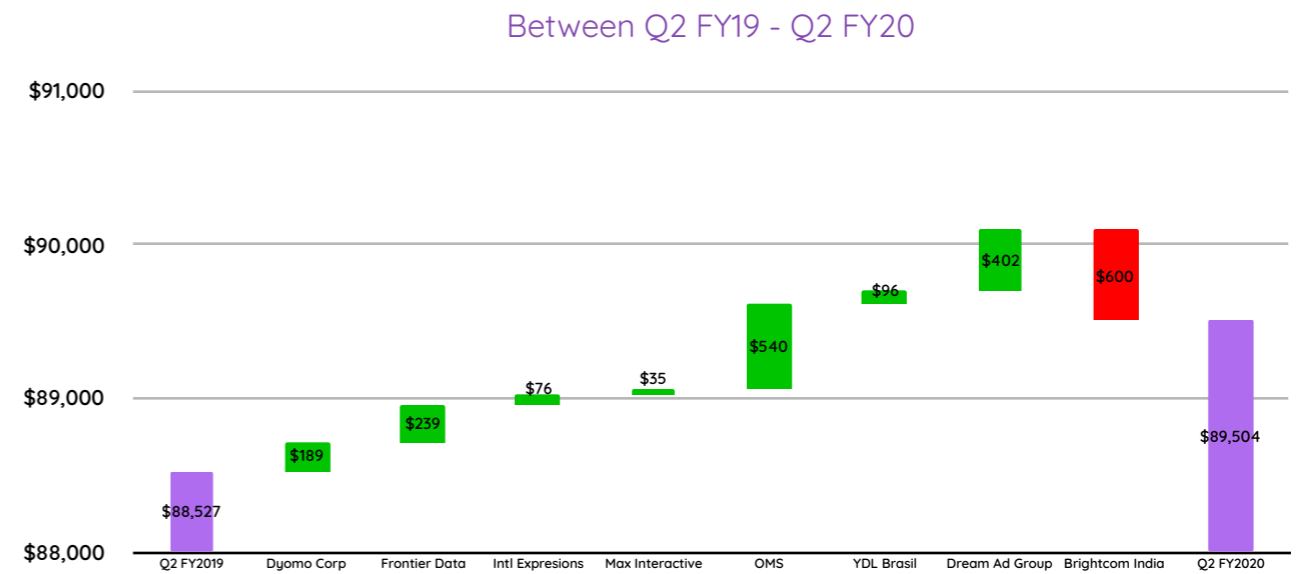
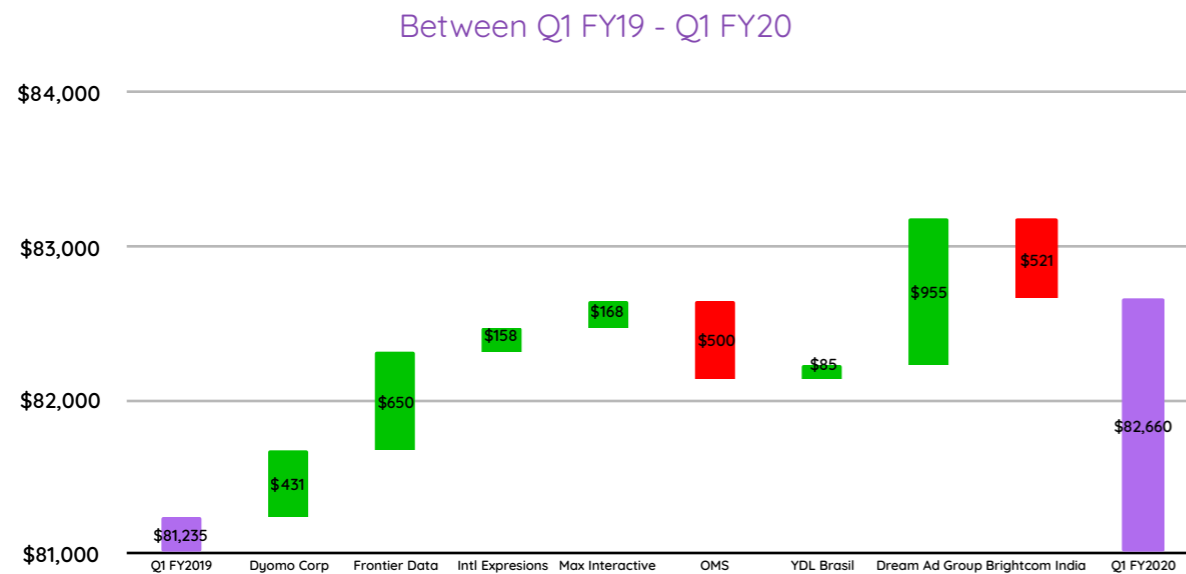
Accounts Payable	\$12,143.49
Short Term Provisions	\$11,050.05
Other Current Liabilities	\$14,410.91
Total Current Liabilities	\$37,604.44
New RLOC	
Existing Borrowings	\$5,095.56
Lycos Acquisition Payable	\$16,000
Total Long-Term Debt	\$21,095.56
Long Term Provisions	\$454.93
Deferred Tax Liabilities	\$1,303.51
Other Long Term Liabilities	\$2,990.32
Total Liabilities	\$4,748.76
Stockholders Equity	\$461,797.13
Total Liabilities and Stockholders Equity	\$525,245.9

Revenue Growth Analysis

The revenue growth from each quarter is compared between FY19 to FY20 by subsidiary. The top two growth contributors have been Dream Ad group and OMS. OMS had a de-growth in quarter one but quickly made it up in quarter three to come out in top two.

QUARTERLY REVENUE BRIDGE (FY19 - FY20)

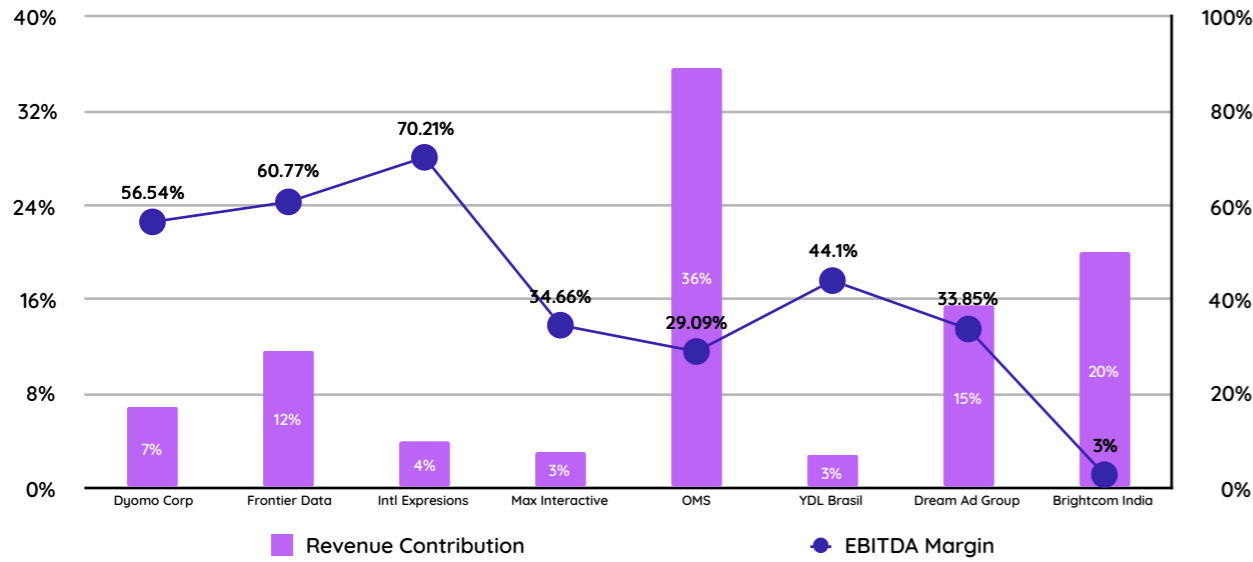
(Amounts in Thousands of USD)



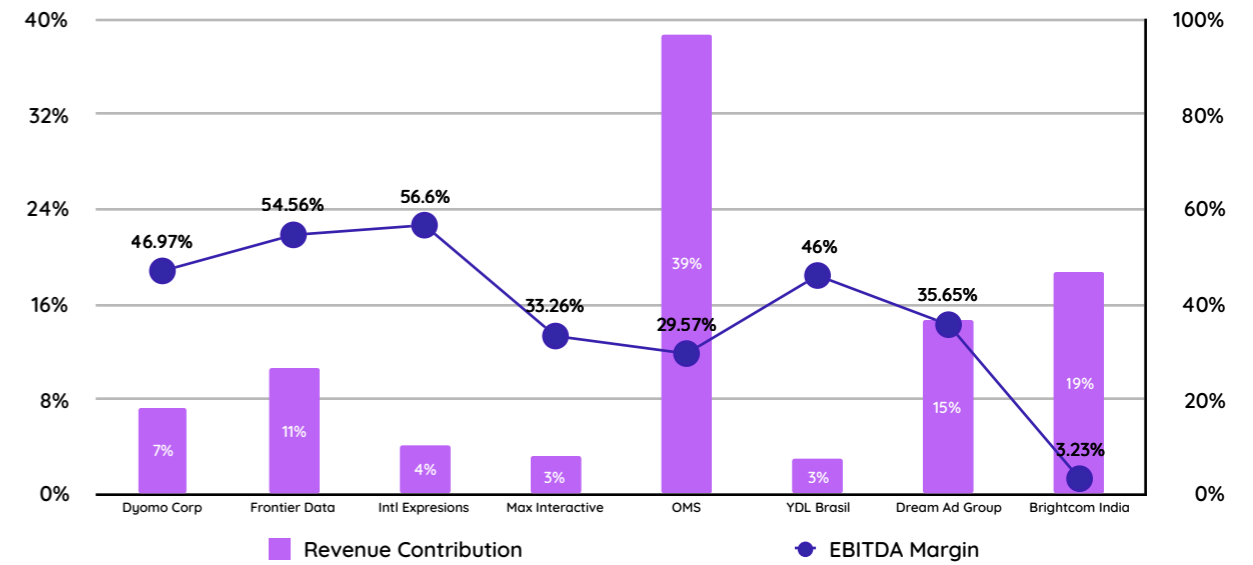
Revenue Contribution Analysis

The largest contributor, thus far, to the consolidated revenue during FY20 is OMS. The contribution varies between 36-42%. At the nine month level it's at 39%.

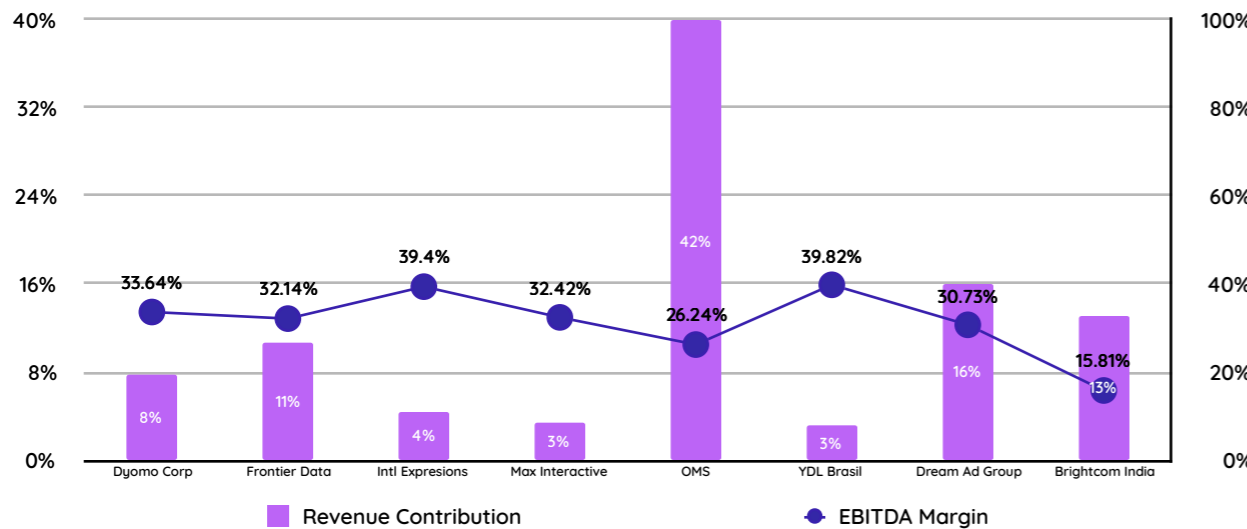
Revenue Contribution by Subsidiary (Q1 FY20)



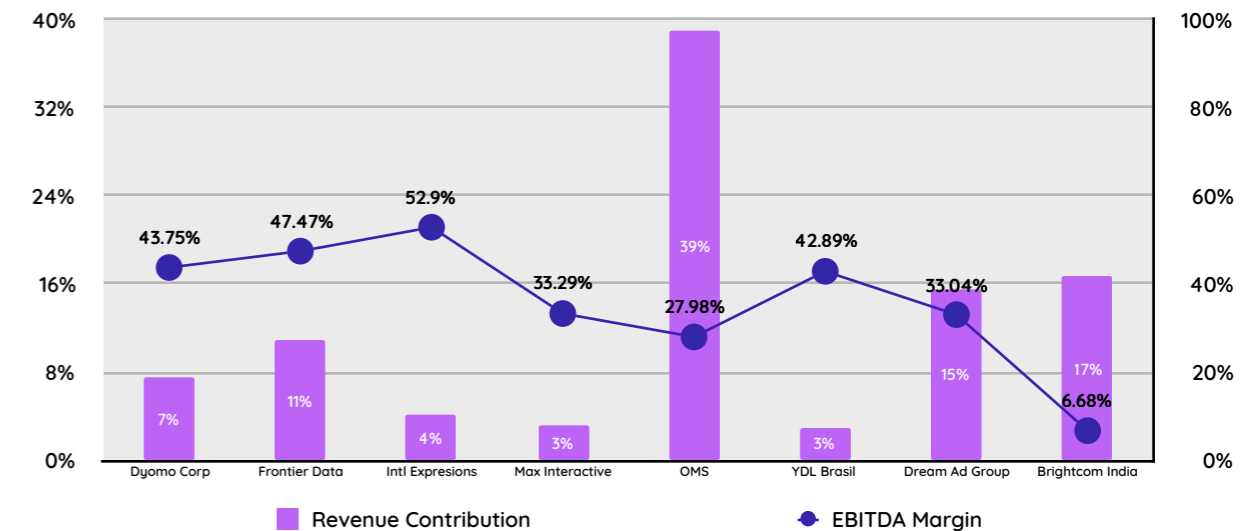
Revenue Contribution by Subsidiary (Q2 FY20)



Revenue Contribution by Subsidiary (Q3 FY20)

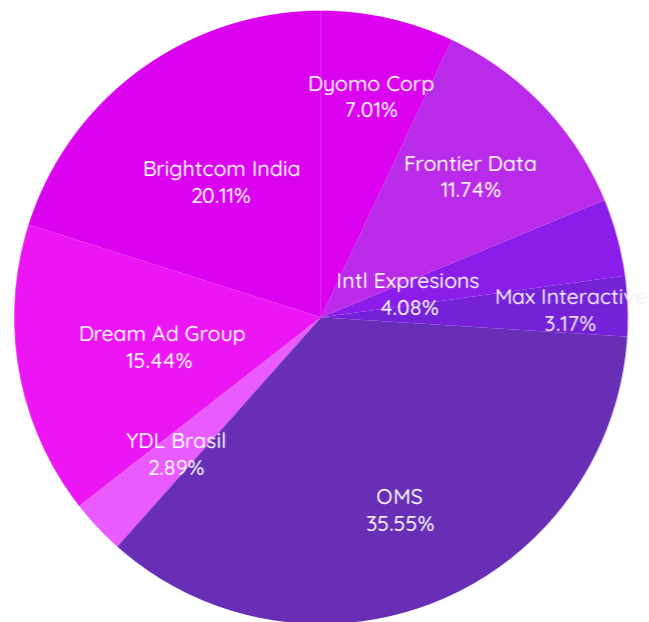


Revenue Contribution by Subsidiary (Q1-Q3 FY20)

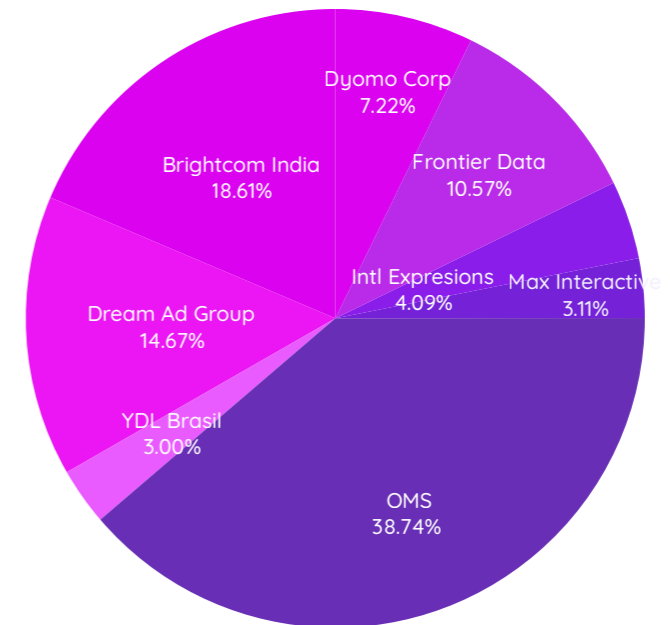


REVENUE CONTRIBUTION BY SUBSIDIARY

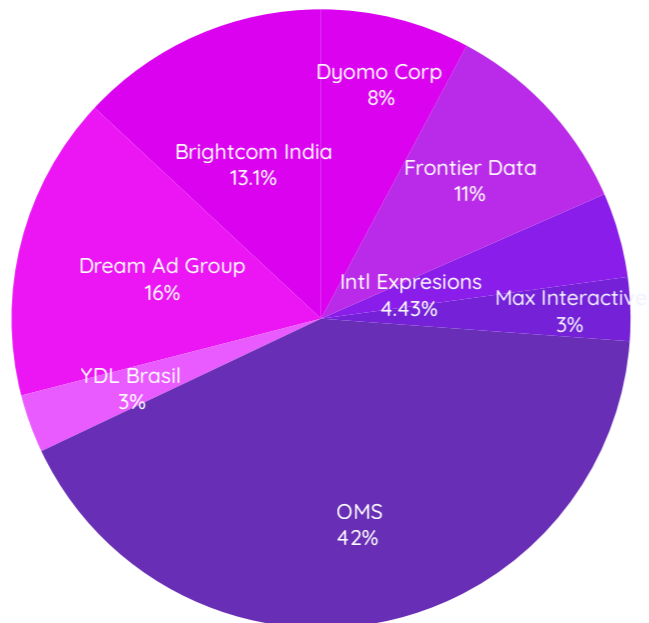
Revenue Breakdown by Subsidiary (Q1 FY 2020):



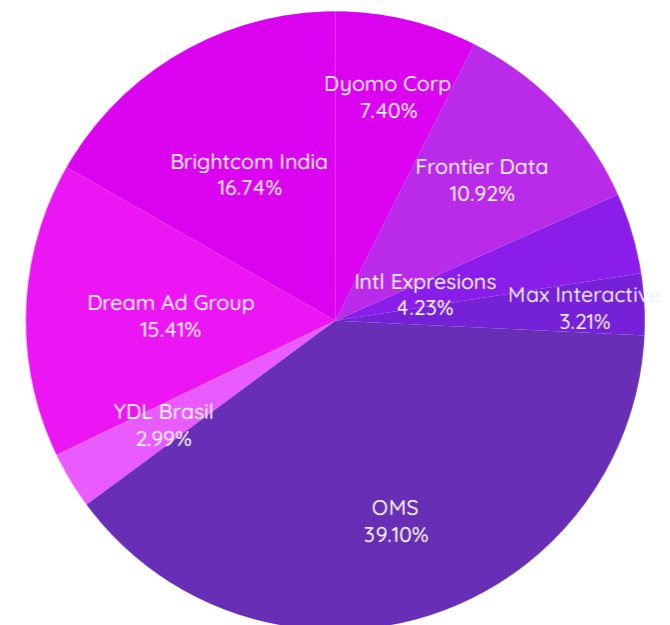
Revenue Breakdown by Subsidiary (Q2 FY 2020):



Revenue Breakdown by Subsidiary (Q3 FY 2020):



Revenue Breakdown by Subsidiary (Nine-month FY 2020):

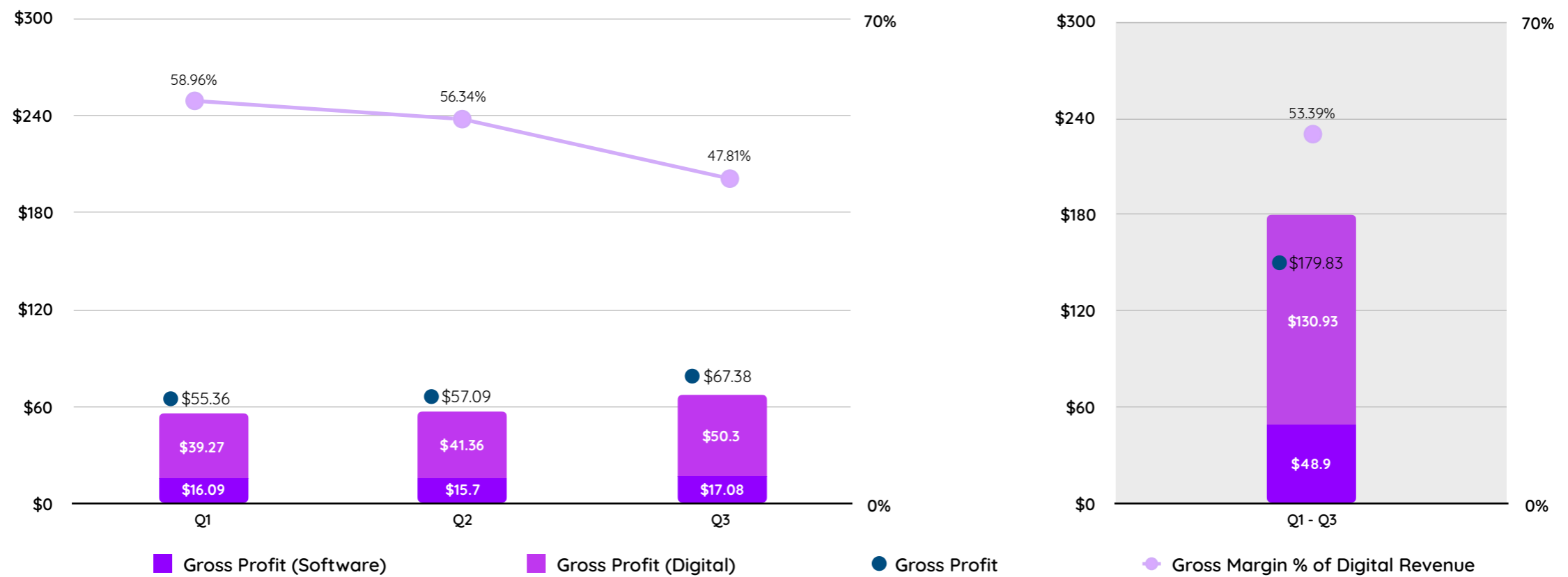


Gross Margin Analysis

We did see a dip in the gross profit margin of digital revenues in the 3rd quarter. We can attribute that to higher demand and lower supply of media due to the holiday season. However, the overall GP margin at the nine-month level is about 53.39%, which is in line with historic numbers.

GROSS PROFIT, MARGIN, AND COGS BREAKDOWN (FY20 Q1-FY20 Q3)

(Amounts in Millions of USD)

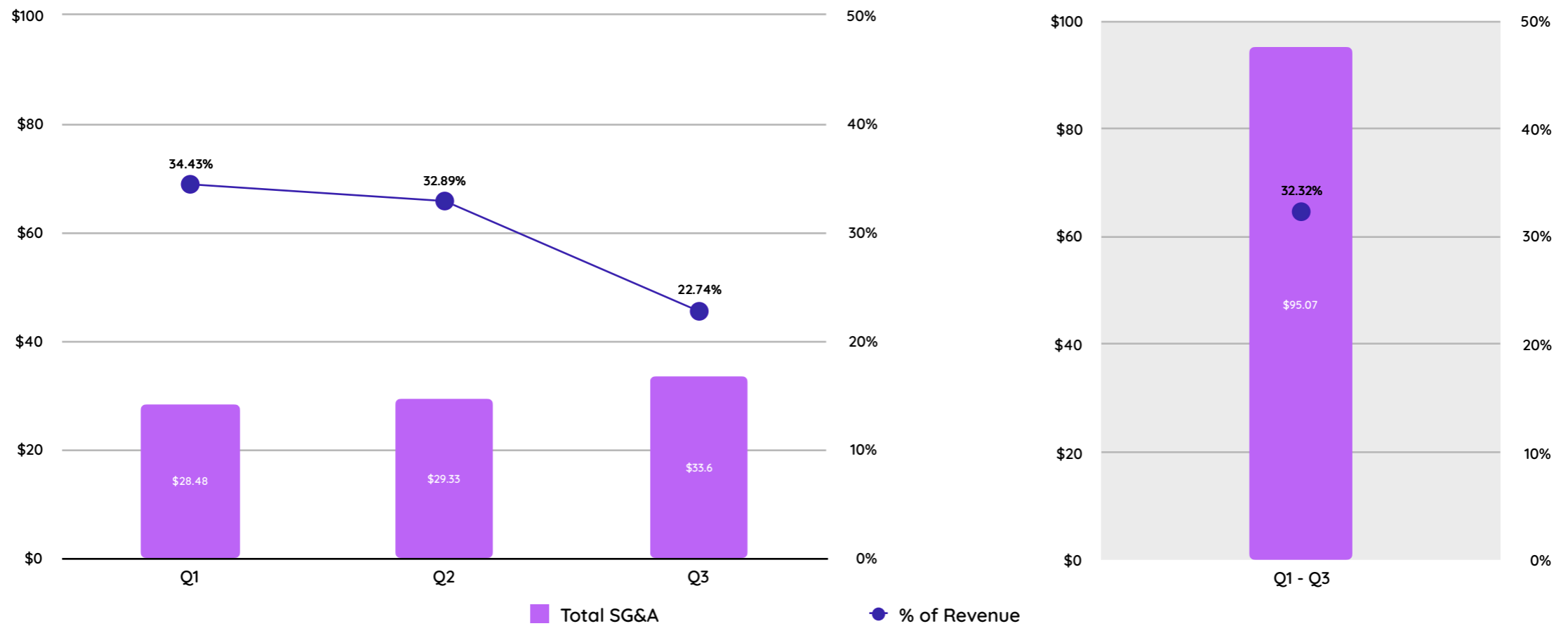


SG&A Analysis

SG&A costs tend to grow at slower rate than the revenue growth after a certain threshold. You can witness that in the Q3FY20 at 22.74%. The nine-month percentage at 32.32% lines up with the historic expectations.

SG&A COSTS & % OF REVENUE, (FY20 Q1-FY20 Q3)

(Amounts in Millions of USD)



EBITDA Bridge

EBITDA bridge between FY19 and FY20 levels is measured by Revenue growth, media costs, SG&A costs and extraordinary expense. One can see a slight increase in the consolidated nine-month EBITDA from FY19 to FY20, from \$83.95 million to \$84.77 million.

QUARTERLY EBITDA BRIDGE (FY19 – FY20)

(Amounts in Millions of USD)

