

Dated: 12th February, 2019

The General Manager
Department of Corporate Services
BSE Limited
Phiroze Jee jeebhoy Towers
Dalal street,
Mumbai-01

Dear Sir/Madam

Sub: Press Release-Reg

Ref: Scrip Code# 532372

With reference to the above subject, please find enclosed herewith the press release in respect of Unaudited Financial Results for the Q3 and Nine Months ended on 31st December, 2018.

The press release will also be hosted on the company's website at www.virinchi.com

This is for your information and records.

Thanking you

Yours Truly

For Virinchi Ltd



K. Ravindranath Tagore
Company Secretary
M.No. A18894

Virinchi Limited announces Q3 & 9M FY19 Results

- ✓ 9MFY19 Consolidated Revenue at Rs. 307 Crs a growth of 20%
- ✓ 9MFY19 Consolidated PAT at Rs. 42 Crs a growth of 75%
- ✓ Healthcare revenues grew by 41% on a YTD basis
- ✓ Capacity utilization at the flagship hospital recorded at 32%

Virinchi Limited (BSE Scrip ID –532372) announced its un-audited consolidated results for the quarter and nine months ended 31st December 2018.

| | Particulars (Rs Crs) | Q3FY19 | Q3FY18 | Change | 9MFY19 | 9MFY18 | Change |
|-------------|----------------------|--------------|--------------|----------------|--------------|--------------|----------------|
| IT Products | Revenue | 47 | 34 | 39.2% | 132 | 95 | 38.8% |
| | EBIT | 12 | 7 | 78.3% | 33 | 19 | 77.5% |
| | EBIT Margin | 26.2% | 20.5% | +576bps | 25.1% | 19.6% | +546bps |

| | Particulars (Rs Crs) | Q3FY19 | Q3FY18 | Change | 9MFY19 | 9MFY18 | Change |
|-------------|----------------------|--------------|--------------|----------------|--------------|--------------|----------------|
| IT Services | Revenue | 22 | 26 | -18.6% | 70 | 86 | -18.5% |
| | EBIT | 6 | 6 | -2.8% | 19 | 19 | 2.4% |
| | EBIT Margin | 28.5% | 23.9% | +463bps | 27.4% | 21.9% | +559bps |

| | Particulars (Rs Crs) | Q3FY19 | Q3FY18 | Change | 9MFY19 | 9MFY18 | Change |
|------------|----------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Healthcare | Revenue | 37 | 25 | 46.2% | 102 | 73 | 40.6% |
| | EBIT | 5 | 3 | 45.6% | 12 | 8 | 50.2% |
| | EBIT Margin | 12.2% | 12.3% | -5bps | 11.6% | 10.9% | +75bps |

| | Particulars (Rs Crs) | Q3FY19 | Q3FY18 | Change | 9MFY19 | 9MFY18 | Change |
|--------------|----------------------|--------------|--------------|----------------|--------------|--------------|----------------|
| Consolidated | Revenue | 107 | 86 | 24.3% | 307 | 255 | 20.5% |
| | EBITDA | 34 | 25 | 36.5% | 92 | 71 | 30.7% |
| | EBITDA Margin | 32.0% | 29.2% | +285bps | 30.0% | 27.7% | +234bps |
| | PAT | 15 | 9 | 71.3% | 42 | 24 | 75.2% |
| | PAT Margin | 14.3% | 10.3% | +392bps | 13.7% | 9.4% | +427bps |

Financial & Business Highlights:

IT Products:

- ✓ Revenue stood at Rs. 47 Crs for Q3FY19 versus Rs. 34 Crs for the same period last year
- ✓ The EBIT in this vertical stood at Rs. 12 Crs for Q3FY19, vis-a-vis Rs. 7 Crs for Q3FY18.
- ✓ The EBIT margin for Q3FY19 stood at 26%, compared to 20% in the corresponding period last year
- ✓ For 9MFY19, revenues stood at Rs. 132 Crores as against Rs. 95 Crores for 9MFY18 with EBIT of Rs. 33 Crores and Rs. 19 Crores and margins of 25% and 20% for 9MFY19 and 9MFY18 respectively
- ✓ 9MFY19 saw revenues from Advance America and going ahead we are attractively placed to capitalize on the opportunities

IT Services:

- ✓ Q3FY19 reported net revenue of Rs. 22 Crs versus Rs. 26 Crs for Q3FY18
- ✓ The EBIT in this vertical stood at Rs. 6 Crs for Q3FY19, vis-a-vis Rs. 6 Crs for Q3FY18
- ✓ The EBIT margin for Q3FY19 stood at 29%, compared to 24% in the corresponding period last year.
- ✓ For 9MFY19, revenues stood at Rs. 70 Crores as against Rs. 86 Crores for 9MFY18 with EBIT reported at Rs. 19 Crores and Rs. 19 Crores and margins at 27% and 22% for 9MFY19 and 9MFY18 respectively

Healthcare:

- ✓ The Company's three state-of-the-art multispecialty hospitals reported net revenue of Rs. 37 Crs for Q3FY19 from Rs. 25 Crs for Q3FY18
- ✓ The EBIT achieved in this vertical stood at Rs. 5 Crs for Q3FY19 while Q3FY18 reported Rs. 3 Crs. The EBIT margin for Q3FY19 stood at 12%, vis-a-vis 12% for the corresponding period last year
- ✓ For the first Nine months of fiscal 2019, revenues stood at Rs. 102 Crores as against Rs. 73 Crores for 9MFY18
- ✓ EBIT for the Nine months stood at Rs. 12 Crores versus Rs. 8 Crs for the same period last year with EBIT margins at 12% and 11% respectively.
- ✓ The capacity utilization at the flagship Virinchi hospital at Banjara Hills is around 32% reporting a month-on-month improvement in utilizations. The two other hospitals under the Bristlecone Hospitals brand are running with average capacity utilization of 55%.

✓ We expect utilizations to increase by leveraging sophisticated IT and mobility-based systems.

Commenting on the financial results, Group President, Mr. MVS Rao said, *“The evolution of the fintech industry over the last few years with features like remote customer discovery & service provisioning, big data based Customer behavior analytics, tailor made personalized solutioning, mobility based engagement, provides a fascinating blueprint for the trajectory of several other major industries. Of these, healthcare is perhaps most deserving of a customer-focused makeover that provides more convenient services, increased affordability, and better long-term outcomes. In many ways, fintech offers a peek into tomorrow’s more advanced, client-focused healthcare industry*

Virinchi – a combination of Fintech (QFund™) and Healthcare through 3 hospitals is a **classic example of a robust data sciences platform that can deliver twin engines, one in fintech and other in healthcare** that holds the power to change the traditional fintech and healthcare ecosystems and emerge as a game changer in the delivery of these services

Historically, the number of customer data points was smaller in fintech– and lenders used to categorize customers and lend intuitively. Now with the deluge of data – we believe, proactive data science through pattern recognition, machine learning algorithm and sophisticated cohort definition will predict accurate customer credit behaviors– assisting lenders with relevant and timely inputs.

Similarly, ,even in health care the number of patient data points were smaller – and doctors used to diagnose and treat patients intuitively. Now with the deluge of data – we believe, proactive data science through pattern recognition, machine learning algorithm and sophisticated cohort definition will redefine evidence-based treatment – assisting doctors with relevant and timely diagnoses and protocol based clinical treatments.”

About Virinchi Limited:

Virinchi Limited (VL), is focused on Financial Technologies & Health Care and offers horizontal Information Technology solutions.

About Virinchi Hospital:

Virinchi Hospitals (www.virinchihospitals.com) is a 350-bed tertiary healthcare provider, established by 25-year-old Virinchi Group. The hospital offers world class healthcare in an immaculate

infrastructure with state-of-the-art equipment and best of the doctors working full time across 40 disciplines. For more information about please visit www.virinchi.com

Safe harbor statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further details please contact:

| Virinchi Ltd. CIN: L72200TG1990PLC011104 | Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285 |
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