

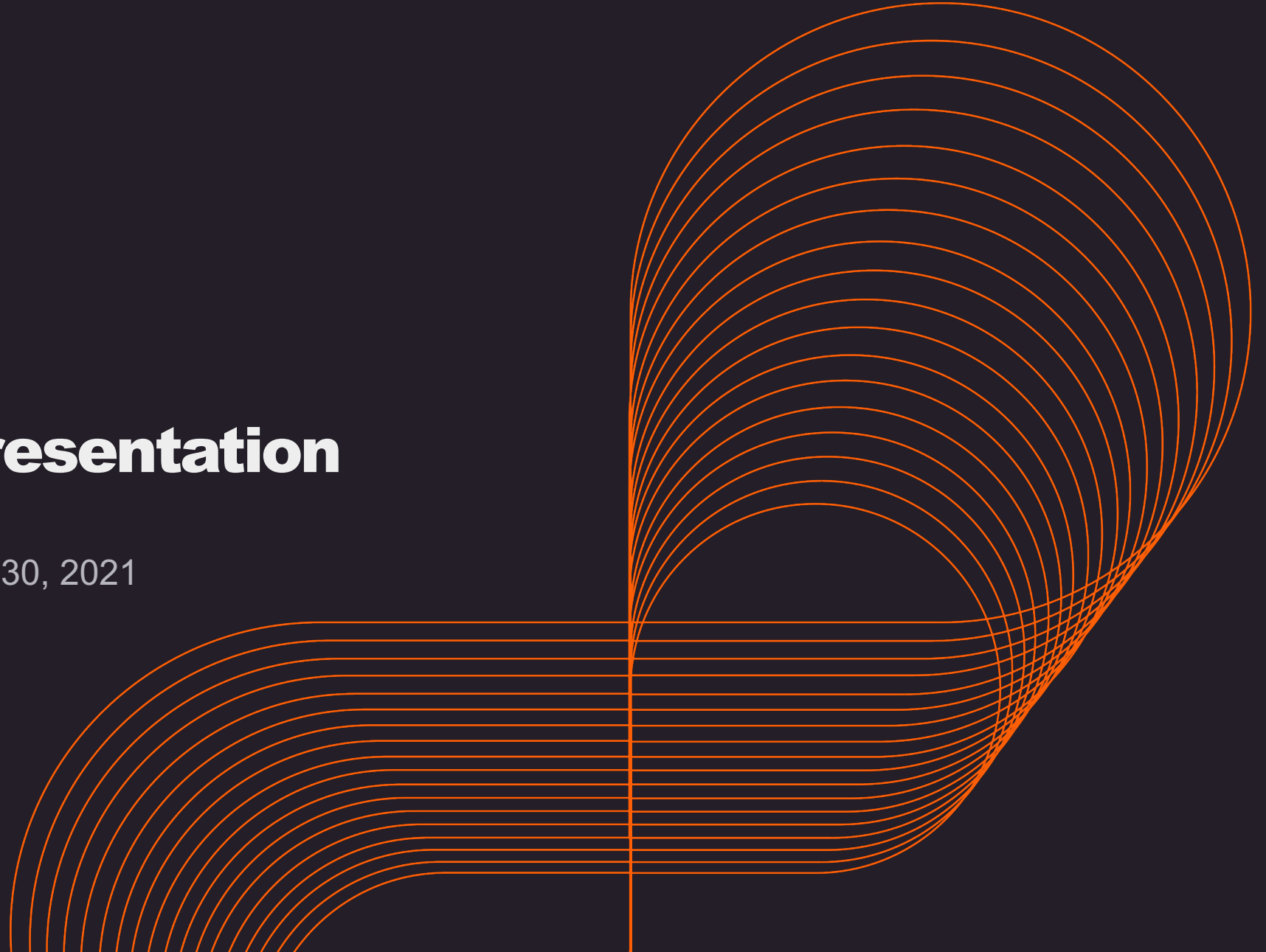


Persistent

Analyst Presentation

Quarter ended June 30, 2021

July 22, 2021



Forward-looking and Cautionary Statements

Certain statements in this Presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results 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 regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city,

withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders.

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.

We are Persistent.

A trusted Digital Engineering and Enterprise Modernization partner.

\$601.9M

TTM Revenue

\$3.0B*

Market cap

14,904

Employees

₹5.1B

TTM PAT

₹20.0B

Net Cash

+17.3%

Y-o-Y

+362.1%

Y-o-Y

+37.6%

Y-o-Y

+47.2%

Y-o-Y

+33.4%

Y-o-Y

Our core strengths in Digital Engineering fuel the next wave of transformation for our clients

**Software, Hi-Tech
and Emerging
Industries**



**Banking,
Financial Services
& Insurance**



**Healthcare &
Life Sciences**



Product & Platform Engineering



CX & Design-Led Transformation



Data & Artificial Intelligence



Cloud-enabled Enterprise Modernization

Outcomes

Accelerate

Time to Market

Enable

Business Agility

Unlock

Growth

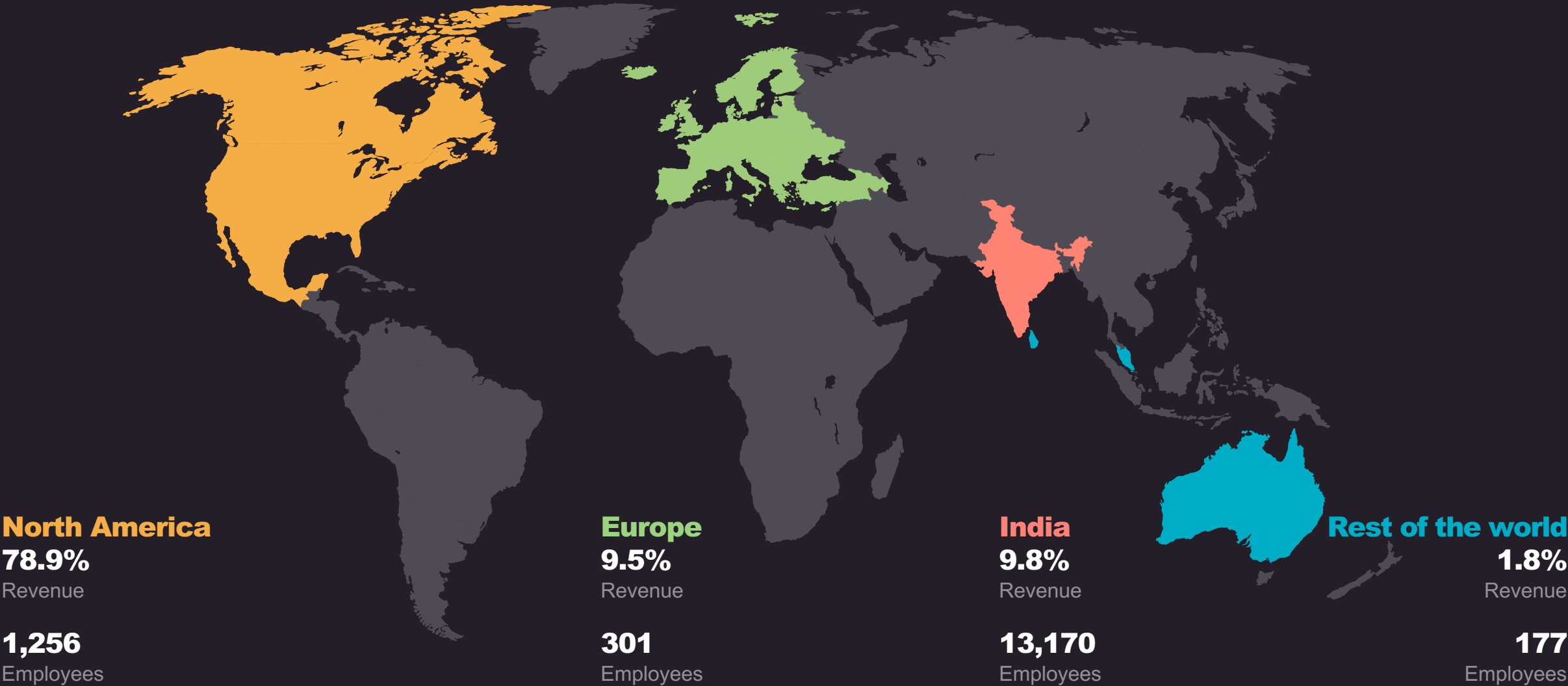
Maximize

Value Creation

Drive

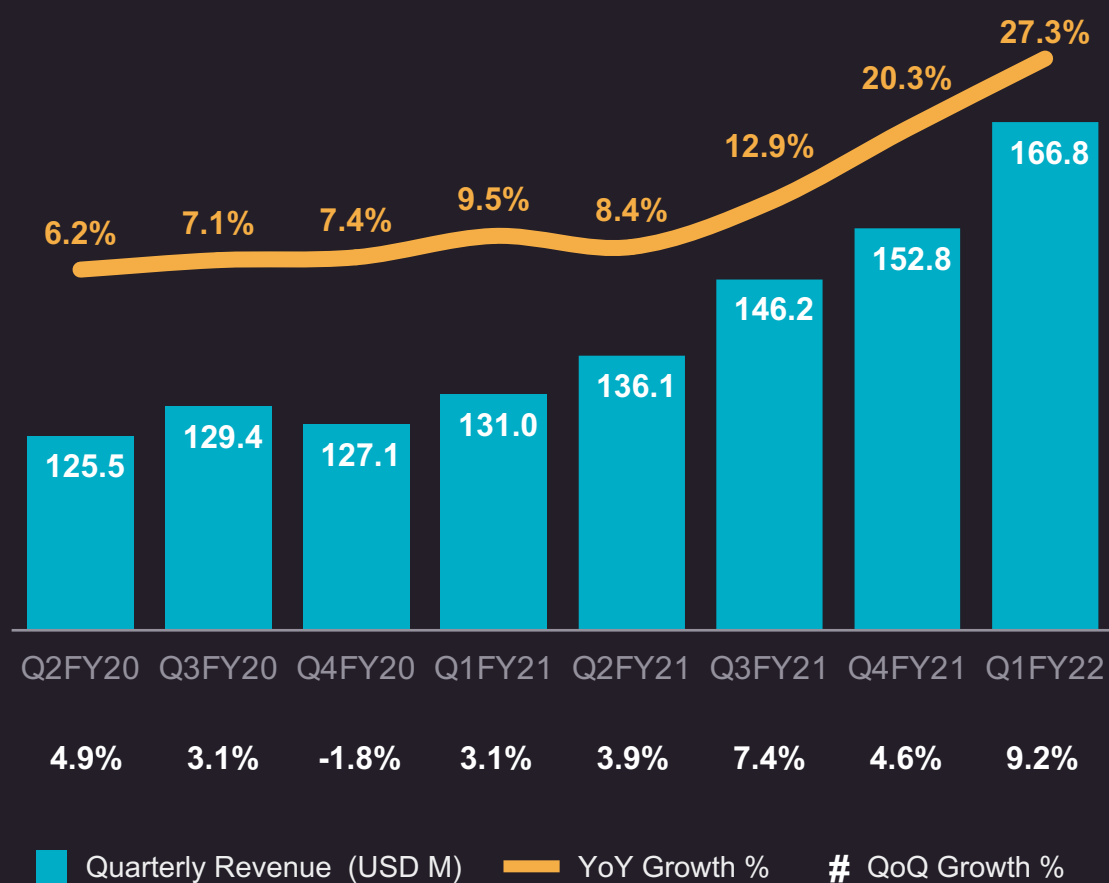
Enterprise Simplification

Global revenue base with presence across key geographies

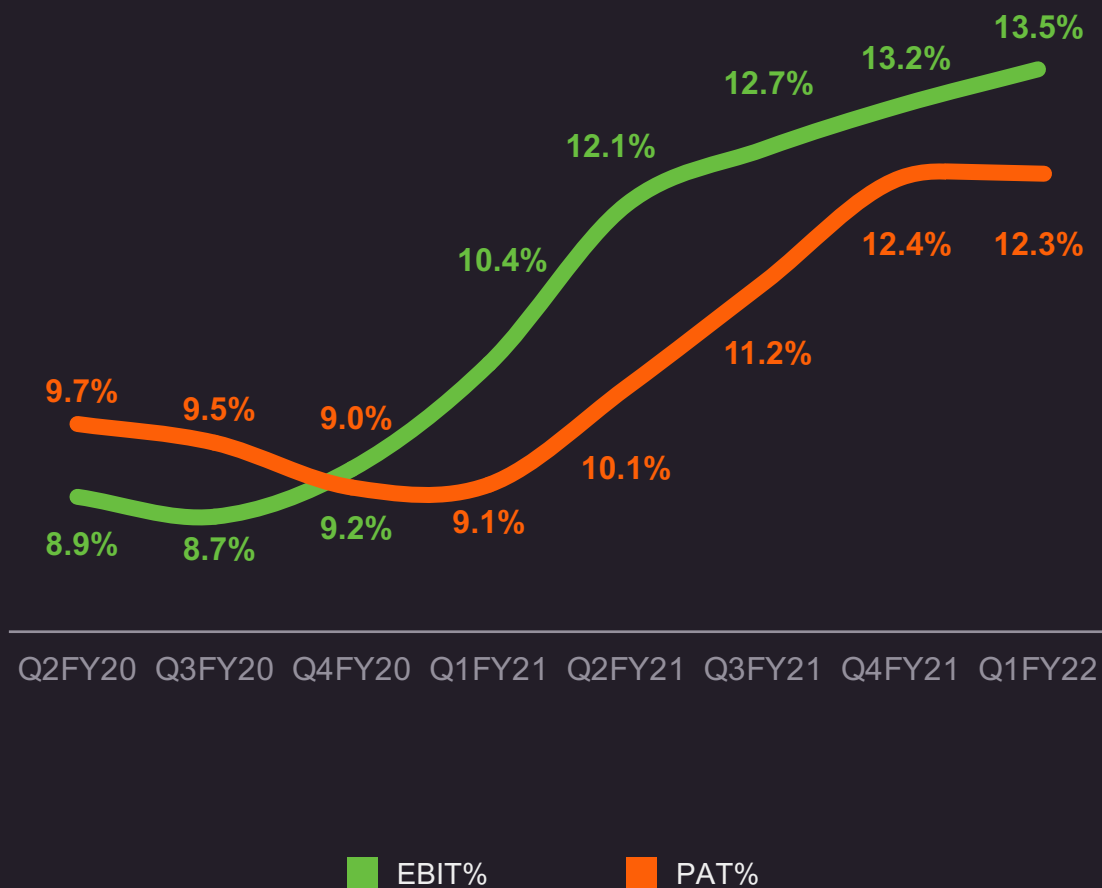


Delivering consistent growth in revenue and margins

Quarterly Revenue, QoQ and YoY Growth



EBIT and PAT Margin %

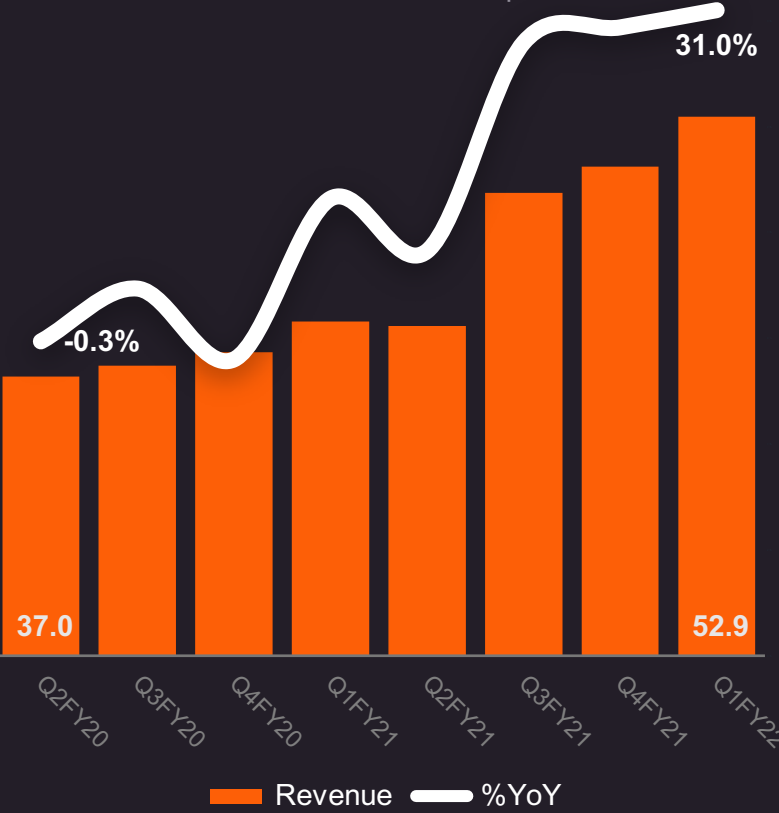


On account of broad-based growth across all industry segments

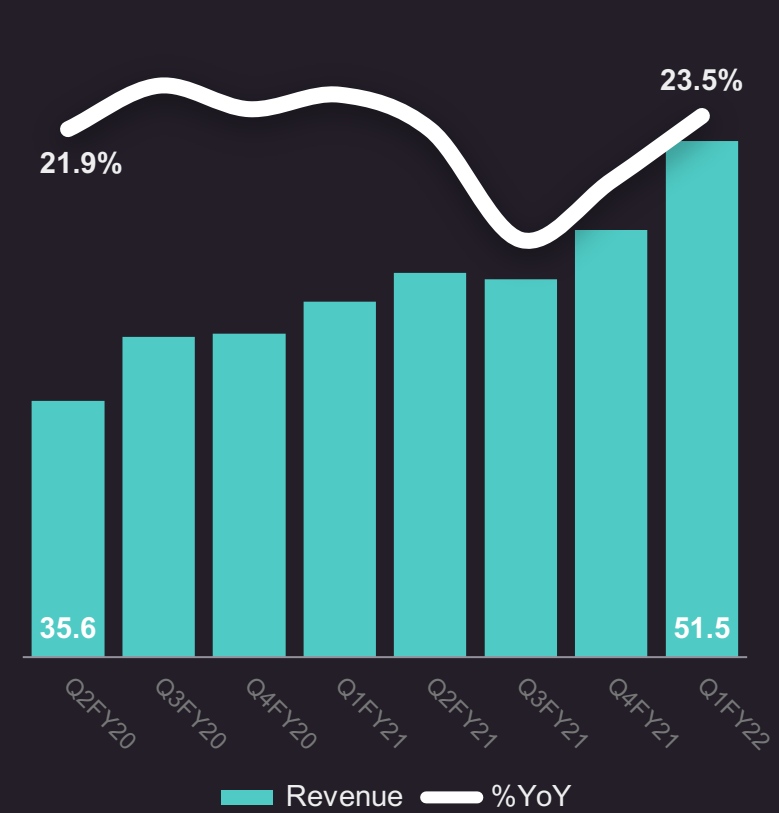
Quarterly Revenue (USD M), % YoY Growth

Software, Hi-Tech and Emerging Industries*

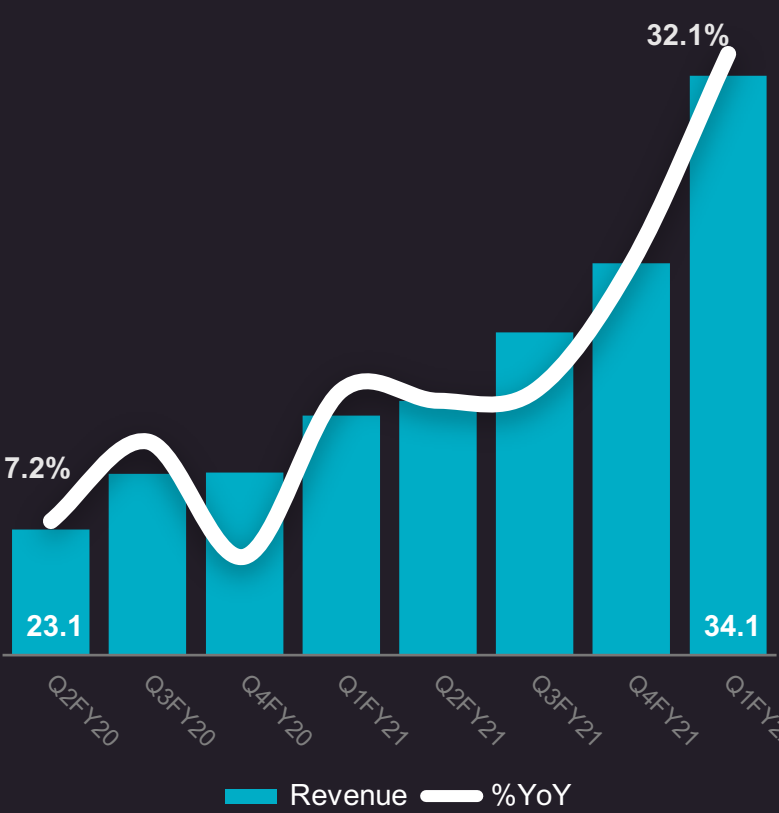
*This chart excludes revenue from the top customer



Banking, Financial Services & Insurance



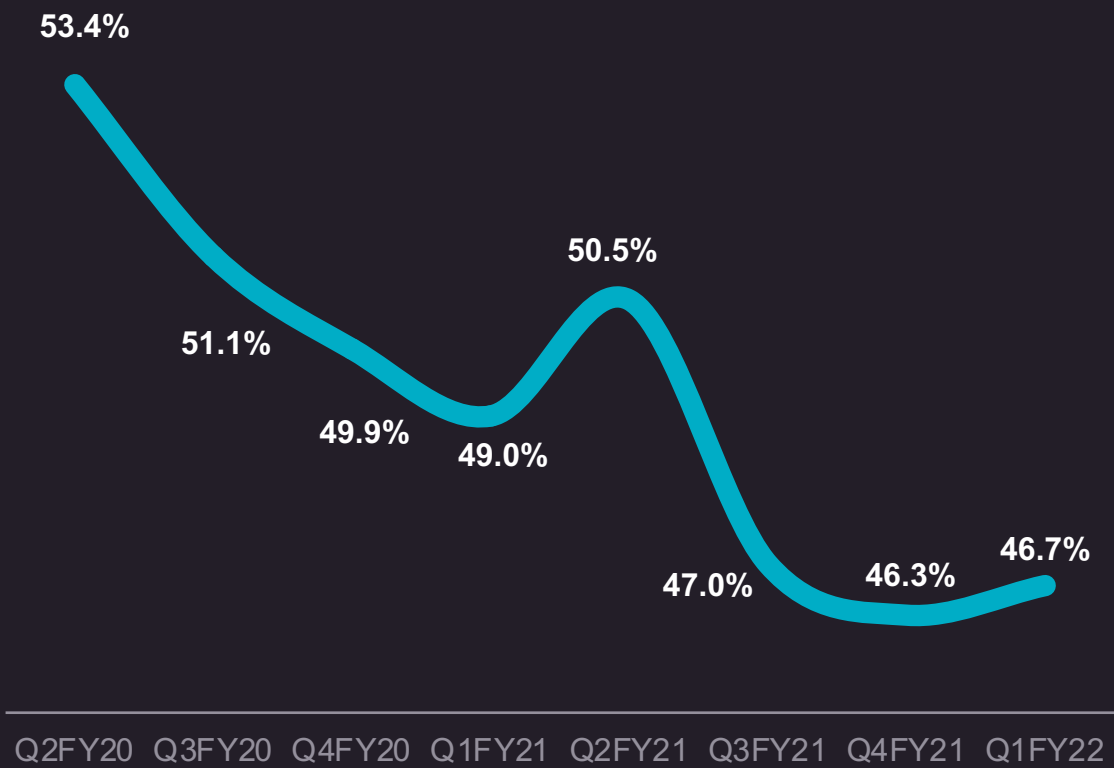
Healthcare & Life Sciences



Leading to lower client concentration and greater predictability from other large accounts

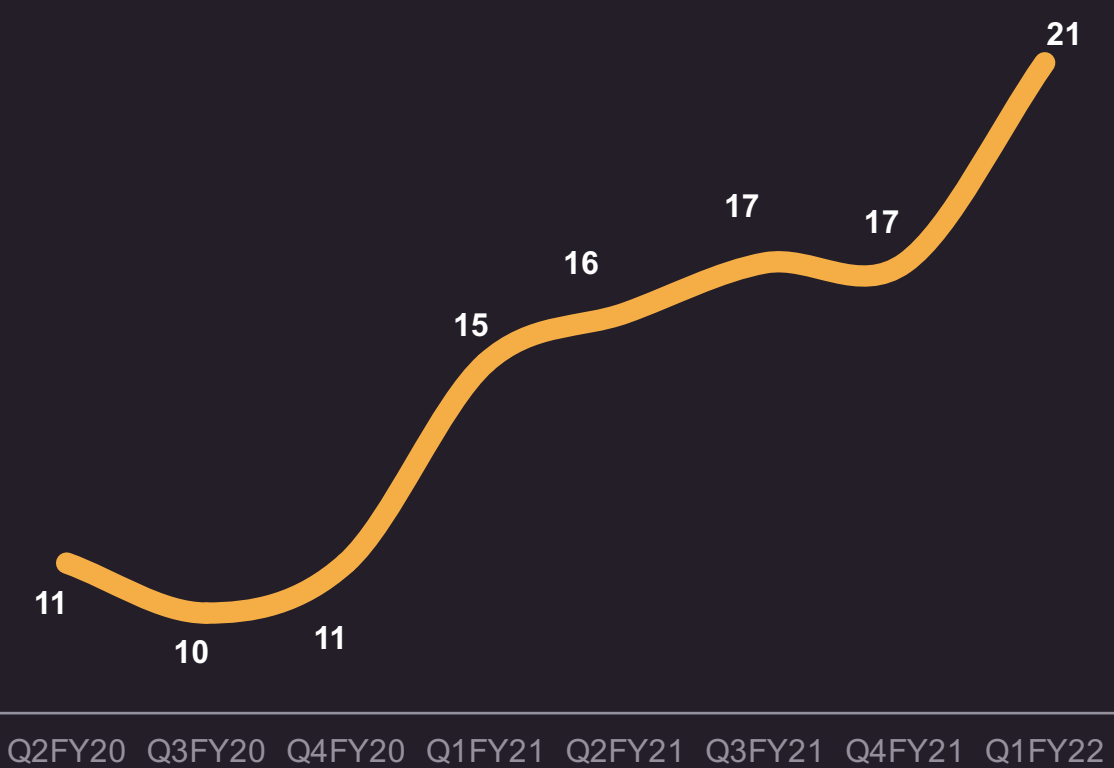
Client Concentration

Top 10 clients as % of total revenue



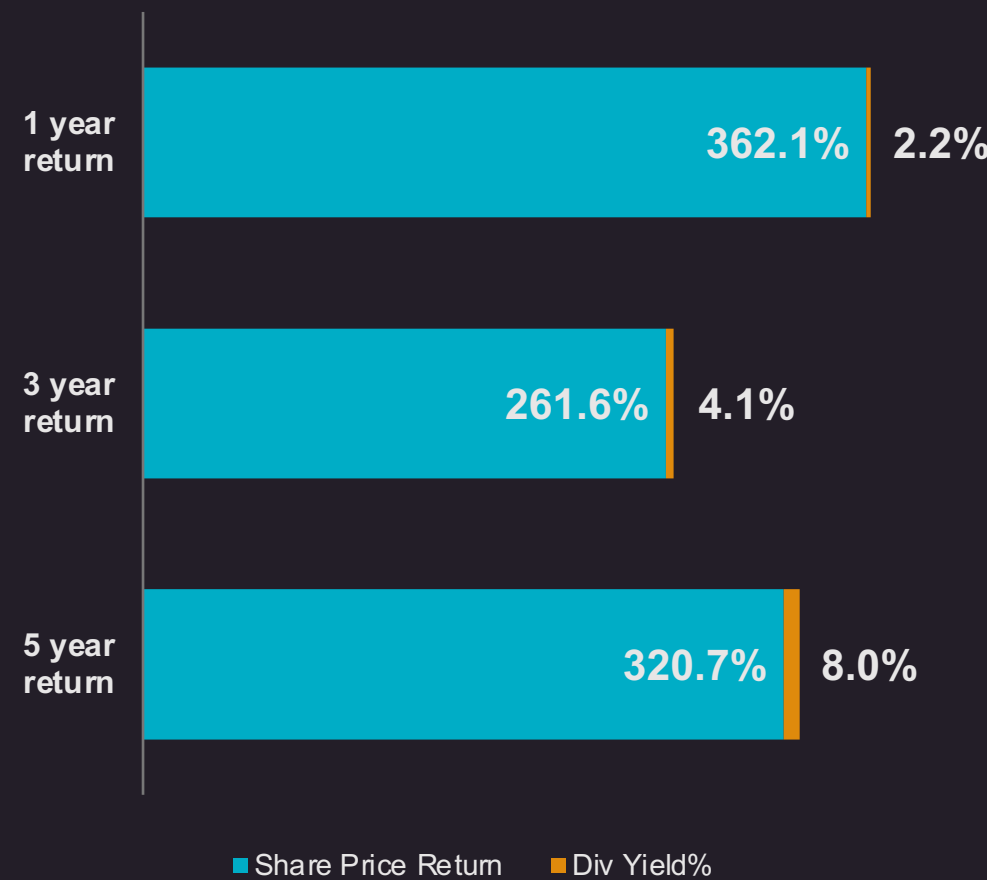
Large Client Count

>\$5M Annual Revenue



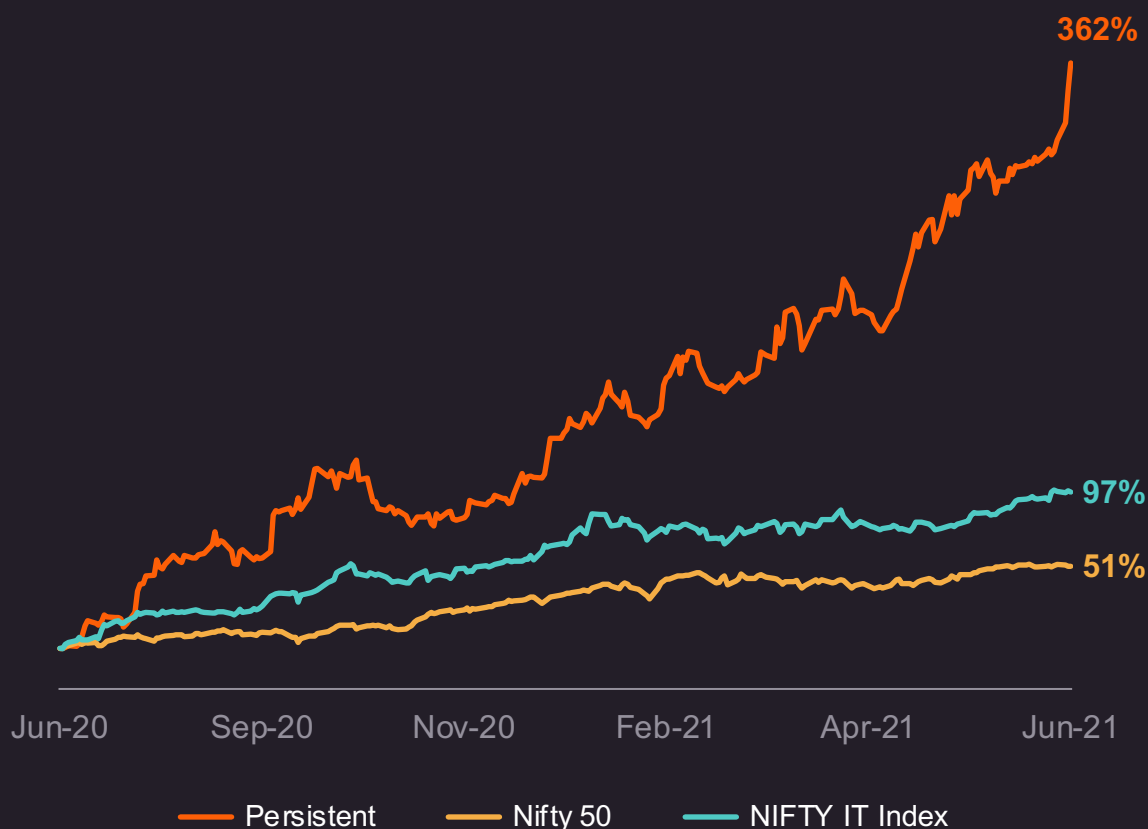
And significant shareholder value creation...

Persistent's Total Shareholder Return



Persistent's 1-Year Stock Performance

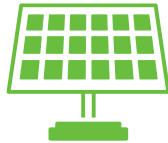
v/s NIFTY 50 & NIFTY IT Index



ESG remains at the center of Company's strategy

Environment

Conserving our climate



2 windmills of 2.1 MW each, 1.2 MW solar rooftop campus, reducing ~6K tons of CO₂ per year

Adopted **ISO 14064** (GHG Emission Monitoring and Reduction/Neutralization)

27% reduction in carbon footprint over last 5 years vs. set target of 15%

Plantation of 50,000 trees started in India through Persistent Foundation — a big step towards carbon Neutrality.

Social

Nurturing our people, diversity & inclusion



45 nationalities, 32% women

Flagship social impact programs, **hackathons** to drive innovation, **trainings** to nurture talent

Giving back to our community



\$3.3M in COVID-19 contributions globally

10,000+ employees & families vaccinated

Governance

Leading with integrity



Excellence in Corporate Governance

Holding the bar high



Strong Code of Conduct, tight adherence



60% independent directors on board

10,000+ employees and their families vaccinated, as India fights the second COVID-19 wave



Persistent set up **COVID-19 vaccination drives across our campuses** in partnership with local hospitals to improve availability and provide a hassle-free experience to all our employees and families. We are very proud of our team for doing their part to **#BreakTheChain**

[Watch Video](#)



Performance Highlights

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The 9.2% sequential growth and 27.3% year-on-year growth that we delivered this quarter was amongst the highest ever. I'm especially proud of our team for this achievement during these challenging times.

We won several large digital engineering and enterprise modernization deals. These deals reinforce the differentiated value we deliver to both technology companies and enterprise clients. Our commitment to client success remains central. Our focus on deepening client relationships, disciplined execution, and operational excellence are foundational to achieving consistent, profitable growth. During this quarter, we also acquired Sureline Systems, to bolster our cloud capabilities.

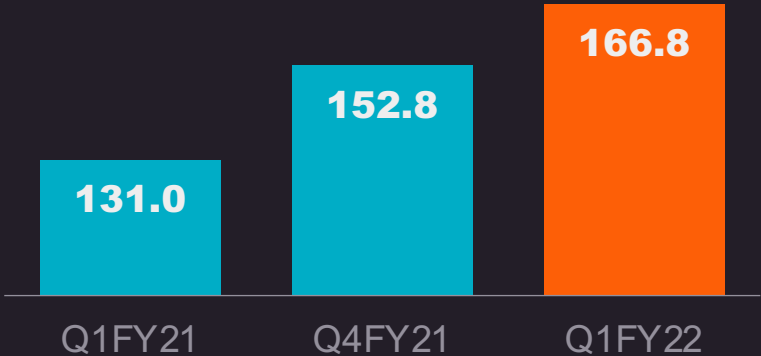
Sandeep Kalra

Chief Executive Officer and Executive Director

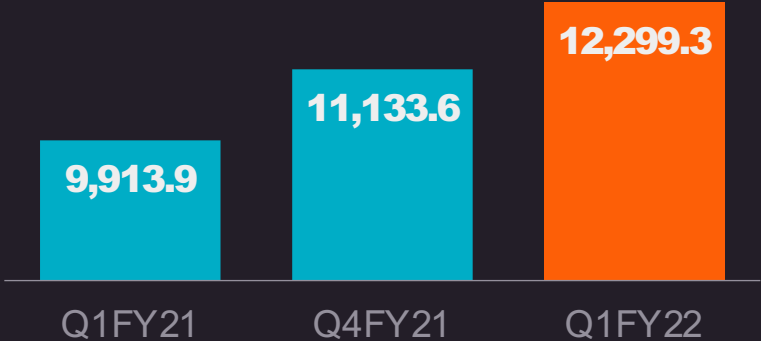


Financial highlights for Q1 FY22

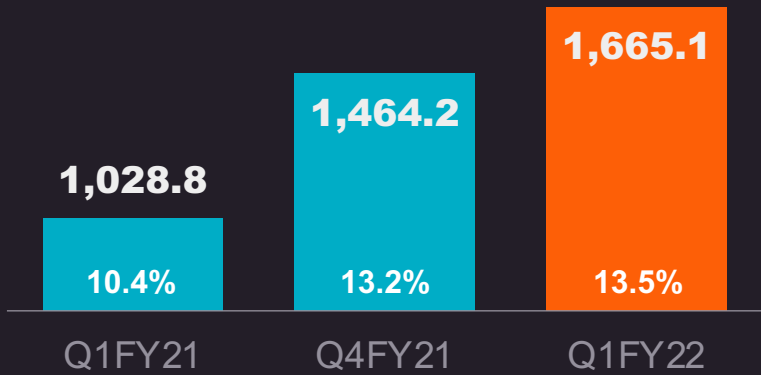
Revenue (\$ million) ↑ 9.2% Q-o-Q ↑ 27.3% Y-o-Y



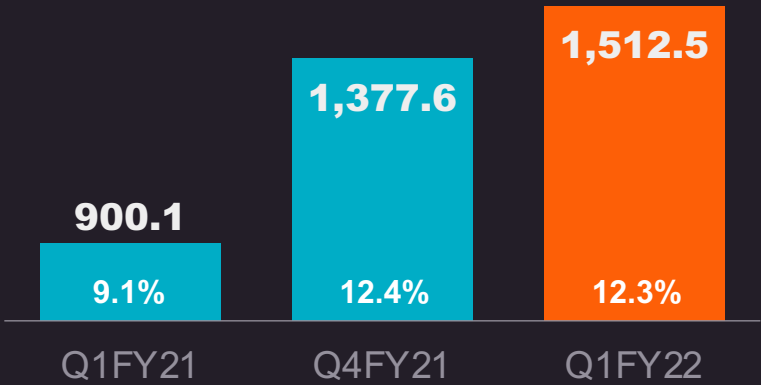
Revenue (₹ million) ↑ 10.5% Q-o-Q ↑ 24.1% Y-o-Y



EBIT (₹ million) ↑ 13.7% Q-o-Q ↑ 61.9% Y-o-Y



PAT (₹ million) ↑ 9.8% Q-o-Q ↑ 68.0% Y-o-Y



Margin %

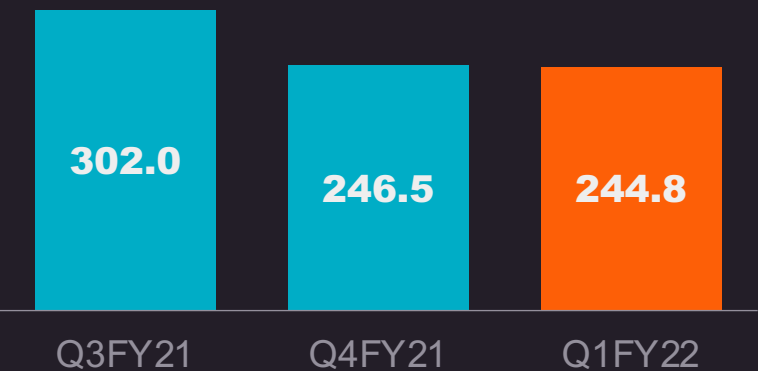


Margin %

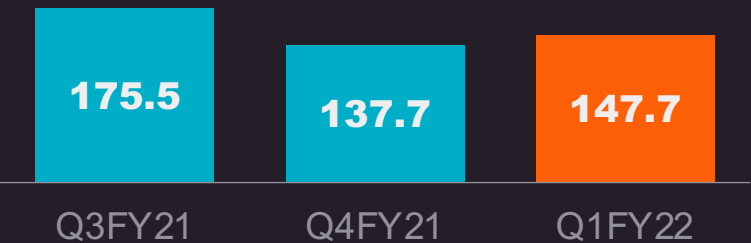


TCV and ACV for Q1 FY22

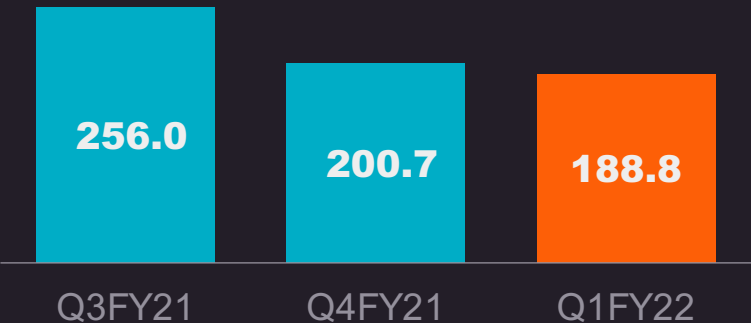
Total Contract Value* (\$ million)



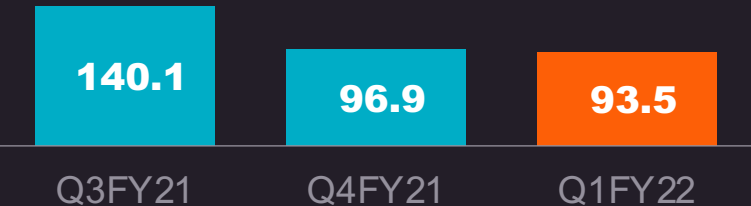
Total Contract Value (New, \$ million)



Annual Contract Value* (\$ million)



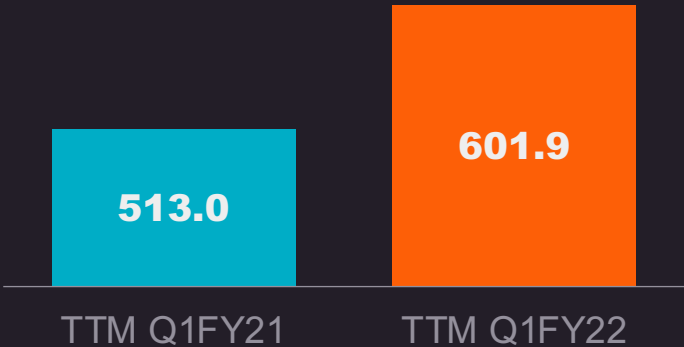
Annual Contract Value (New, \$ million)



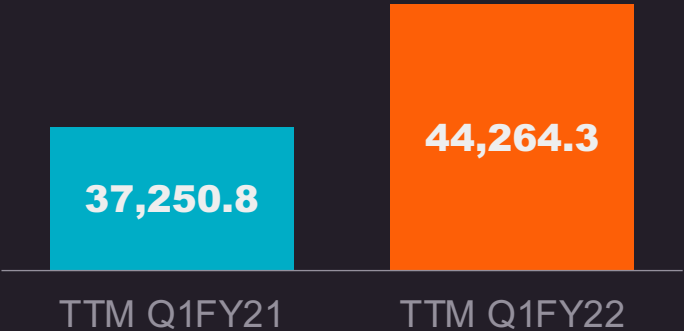
*Includes renewal and new bookings

TTM performance

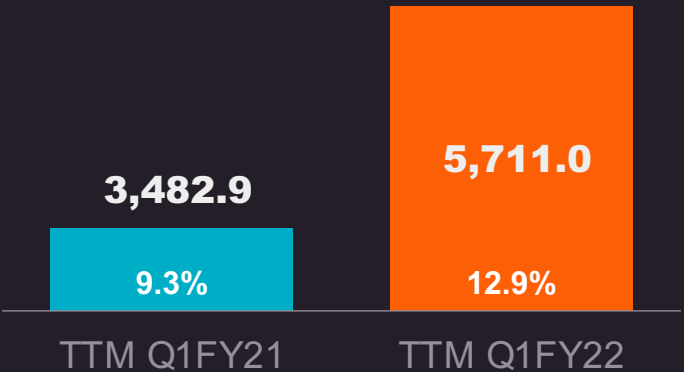
Revenue (\$ million) ↑ 17.3%



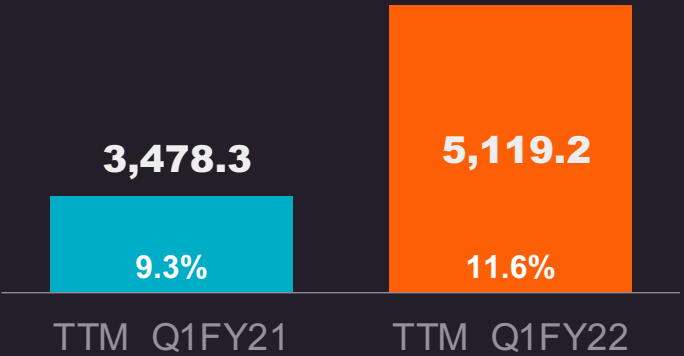
Revenue (₹ million) ↑ 18.8%



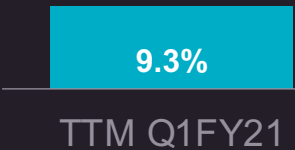
EBIT (₹ million) ↑ 64.0%



PAT (₹ million) ↑ 47.2%



Margin %



Margin %



Notable News and Achievements

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Key wins for the quarter

Software, Hi-Tech & Emerging Industries



Accelerating the development of an intelligent virtual agent solution for a leading IT provider.

Implementing Salesforce platform to drive business growth, improve CX and unify business processes for an education travel organization.

Re-architecting, re-engineering and **modernizing** gaming systems for a leader in gaming and lottery products and services.

Banking, Financial Services & Insurance



Co-engineering a microservices platform and managing legacy products for a leading government solution provider.

Transforming wholesale and commercial lending operations through consolidation of multiple legacy systems of record for a major US bank.

Delivering **faster time to market** for best-in-class employee management solution with cost-effective, rapid scale-up for a US HR and payroll service provider.

Healthcare & Life Sciences



Developing enterprise integration platform, RPA CoE and Azure data lake for clinical trial reporting for a leading biopharmaceutical company.

Managing Salesforce roadmap and providing managed services of inventory management platform for large US-based pharmaceutical firm.

Modernizing cloud security utilizing Azure to improve business safety and resilience for European arm of global retail pharmacy company.

Continued accolades from leading market analysts



Leader in ISG Provider Lens™:
Next-Gen Private/Hybrid Cloud-
Data Center Services & Solutions
U.S. 2021



Two clients recognized in the
2021 ISG Digital Case Study
Awards™ for best-in-class digital
transformation work



Recognized in ISG Booming 15
category for **5 consecutive**
quarters



Ranked **#28** in Engineering Services Top 50 2021 (compared to #41 in 2020)

Major Contender in Everest PEAK Matrix: Application & Digital Services in Banking

Other highlights

Bloomberg | *Quint*

Think Of Us As Disruptors, Says Persistent CEO Sandeep Kalra

[Learn More](#)

IBM  **Red Hat**

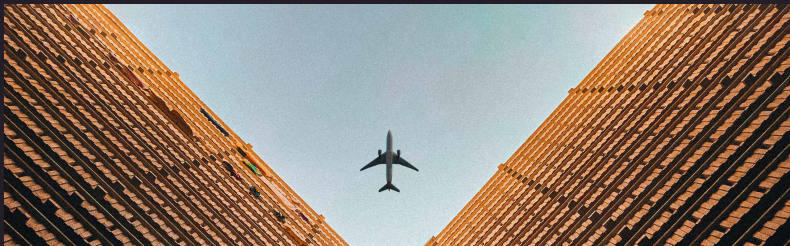
Deepen Collaboration to Accelerate Hybrid Cloud Adoption in the Enterprise

[Learn More](#)

Forbes

Healthcare was already going digital pre-pandemic. Here's what the latest data indicates is next for patients and providers.

[Learn More](#)



Persistent Bolsters Cloud Migration Capabilities with Sureline Systems

[Learn More](#)

Suresh Prabhu joins Persistent as Chief Delivery Officer for Industry Verticals



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Caring for Employees & Society — Persistent Unites to See Beyond, Rise Above

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Financial Details

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Sequential Q1FY22 vs Q4FY21

Particulars	Q1FY22	Q4FY21	Change QoQ	Expenses / Sales % Q1FY22	Expenses / Sales % Q4FY21
Revenue (\$ M)					
Services	144.93	129.99	11.5%		
IP Led	21.89	22.83	-4.1%		
Revenue (\$ M)	166.82	152.82	9.2%		
Avg. Exchange Rate ₹ /US\$	73.73	72.85	1.2%		
Revenue (₹ M)	12,299.26	11,133.58	10.5%		
Cost of Revenue	Rs. M	₹ M			
Employee Related Expenses	7,920.82	7,173.48	10.4%	64.4%	64.4%
Purchase / Royalty	144.35	150.52	-4.1%	1.2%	1.4%
Project related Travel Expenses	107.91	39.04	176.4%	0.9%	0.4%
Total Direct costs	8,173.08	7,363.04	11.0%	66.5%	66.1%
Gross Profit	4,126.18	3,770.54	9.4%	33.5%	33.9%
Sales & Marketing Exps	1,101.31	990.98	11.1%	9.0%	8.9%
Admin. & Other Exps	* 995.36	889.65	11.9%	8.1%	8.0%
Doubtful Debt Provision	(20.69)	4.73	-537.4%	-0.2%	0.0%
CSR Activities	35.00	1.89	1751.9%	0.3%	0.0%
Total SGA	2,110.98	1,887.25	11.9%	17.2%	17.0%
EBITDA	2,015.20	1,883.29	7.0%	16.4%	16.9%
Depreciation	133.40	124.68	7.0%	1.1%	1.1%
Amortization	216.69	294.37	-26.4%	1.8%	2.6%
EBIT	1,665.11	1,464.24	13.7%	13.5%	13.2%
Other Income / (Loss)	256.38	210.77	21.6%	2.1%	1.9%
Exchange Gain/(Loss)	109.03	173.77	-37.3%	0.9%	1.6%
PBT	2,030.52	1,848.78	9.8%	16.5%	16.6%
Tax	518.04	471.19	9.9%	4.2%	4.2%
PAT	1,512.48	1,377.59	9.8%	12.3%	12.4%

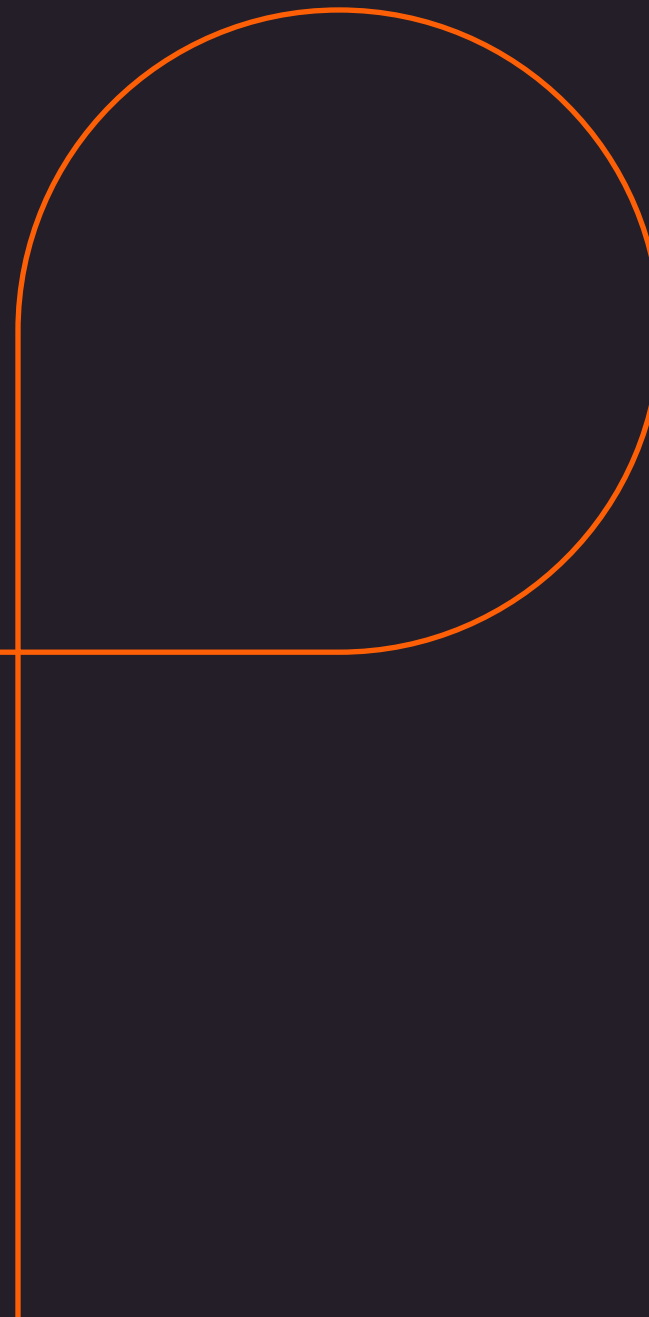
YoY Comparison Q1FY22 vs Q1FY21

Particulars	Q1FY22	Q1FY21	Change YoY	Expenses / Sales % Q1FY22	Expenses / Sales % Q1FY21
Revenue (\$ M)					
Services	144.93	108.24	33.9%		
IP Led	21.89	22.78	-3.9%		
Revenue (\$ M)	166.82	131.02	27.3%		
Avg. Exchange Rate ₹ /US\$	73.73	75.67	-2.6%		
Revenue (₹ M)	12,299.26	9,913.85	24.1%		
Cost of Revenue	Rs. M	Rs. M			
Employee Related Expenses	7,920.82	6,179.40	28.2%	64.4%	62.3%
Purchase / Royalty	144.35	392.34	-63.2%	1.2%	4.0%
Project related Travel Expenses	107.91	74.63	44.6%	0.9%	0.8%
Total Direct costs	8,173.08	6,646.37	23.0%	66.5%	67.0%
Gross Profit	4,126.18	3,267.48	26.3%	33.5%	33.0%
Sales & Marketing Exps	1,101.31	861.80	27.8%	9.0%	8.7%
Admin. & Other Exps	* 995.36	792.79	25.6%	8.1%	8.0%
Doubtful Debt Provision	(20.69)	53.10	-139.0%	-0.2%	0.5%
CSR Activities	35.00	95.43	-63.3%	0.3%	1.0%
Total SGA	2,110.98	1,803.12	17.1%	17.2%	18.2%
EBITDA	2,015.20	1,464.36	37.6%	16.4%	14.8%
Depreciation	133.40	109.80	21.5%	1.1%	1.1%
Amortization	216.69	325.81	-33.5%	1.8%	3.3%
EBIT	1,665.11	1,028.75	61.9%	13.5%	10.4%
Other Income / (Loss)	256.38	279.32	-8.2%	2.1%	2.8%
Exchange Gain/(Loss)	109.03	(87.63)	-224.4%	0.9%	-0.9%
PBT	2,030.52	1,220.44	66.4%	16.5%	12.3%
Tax	518.04	320.36	61.7%	4.2%	3.2%
PAT	1,512.48	900.08	68.0%	12.3%	9.1%

Balance Sheet

Particulars	As on June 30, 2021	As on March 31, 2021	As on June 30, 2020
Assets			
PPE and Intangible assets	5,043.05	4,691.23	4,653.62
Non-Current Assets	1,869.23	1,613.85	1,551.54
Cash and Investments	19,954.87	19,830.98	14,938.96
Other Current Assets	11,301.55	10,519.18	11,032.22
Total	38,168.70	36,655.24	32,176.34
Equity and Liabilities			
Equity	29,612.60	27,956.66	25,050.86
Non-Current Liabilities	1,336.09	1,001.38	735.06
Current Liabilities	7,220.01	7,697.20	6,390.42
Total	38,168.70	36,655.24	32,176.34

Fact Sheet



Fact Sheet

Revenue	Nos. / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Revenue from Operations, USD M	166.8	152.8	146.1	136.0	131.0	566.0	501.6
	% Q-o-Q growth	9.2%	4.6%	7.4%	3.9%	3.1%		
	% Y-o-Y growth	27.3%	20.3%	12.9%	8.4%	9.5%	12.9%	4.3%
	Revenue from Operations, INR M	12,299	11,134	10,754	10,077	9,914	41,879	35,658
	% Q-o-Q growth	10.5%	3.5%	6.7%	1.7%	7.0%		
	% Y-o-Y growth	24.1%	20.2%	16.5%	13.9%	19.1%	17.4%	5.9%
Business Offerings Revenue Mix	Description / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Services	86.9%	85.1%	81.9%	83.8%	82.6%	83.4%	79.6%
	IP Led	13.1%	14.9%	18.1%	16.2%	17.4%	16.6%	20.4%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Segment Revenue Mix	Description / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	BFSI	30.8%	30.1%	29.5%	31.9%	31.8%	30.8%	29.5%
	Healthcare & Life Sciences	20.5%	19.3%	19.1%	19.3%	19.7%	19.3%	18.9%
	Software, Hi-Tech & Emerging Industries	48.7%	50.6%	51.4%	48.8%	48.5%	49.9%	51.7%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Fact Sheet

Geography Revenue Mix	Description / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	North America	78.9%	79.2%	81.1%	82.9%	80.4%	80.8%	81.0%
	Europe	9.5%	10.0%	8.8%	7.6%	10.2%	9.2%	9.5%
	India	9.8%	8.9%	8.6%	8.1%	7.9%	8.4%	7.5%
	ROW	1.8%	1.9%	1.5%	1.4%	1.5%	1.6%	2.1%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue Concentration	Description / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Top 1	17.0%	17.9%	18.5%	19.4%	17.7%	18.4%	22.0%
	Top 5	36.5%	36.4%	37.8%	41.6%	40.8%	38.7%	43.2%
	Top 10	46.7%	46.3%	47.0%	50.5%	49.0%	47.7%	51.7%

Revenue by Delivery Centers	Description / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Global Development Centers	31.4%	30.4%	30.5%	33.1%	33.7%	31.8%	31.5%
	India	55.5%	54.7%	51.4%	50.7%	48.9%	51.6%	48.1%
	IP Led	13.1%	14.9%	18.1%	16.2%	17.4%	16.6%	20.4%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Fact Sheet

Client Billed	Nos.	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Services	568	558	530	487	508	722	653
	IP Led	132	140	142	135	140	239	257

Includes one-time clients with overlap across business offerings.

Client Engagement Size	Nos.	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Large > USD 5M	21	17	17	16	15	17	11
	Medium > USD 1M, < USD 5M	76	66	65	63	63	66	61

Re-categorized large clients to more than \$5M and medium clients from \$1M to \$5M. Prior period numbers are aligned accordingly.

People Numbers	Nos.	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Technical	13,833	12,706	11,533	10,001	10,027	12,706	9,835
	Sales and Business Development	308	273	277	268	274	273	263
	Others	763	701	628	551	528	701	534
	Total	14,904	13,680	12,438	10,820	10,829	13,680	10,632

Fact Sheet

Linear Revenue Per Billed PM*	USD / Per Person Month	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Global Delivery Centers	17,004	16,603	16,790	16,993	17,036	16,851	16,987
	India	4,286	4,203	4,204	4,304	4,308	4,250	4,428

Attrition Rate	%	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	TTM Basis	16.6%	11.7%	10.3%	10.6%	12.7%	11.7%	14.3%

IP Led	Nos.	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	IP Led Person Months	3,918	3,546	3,606	3,893	4,031	15,076	17,954

DSO	Nos.	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Days	54	55	57	63	69	55	65

Fact Sheet

Efforts and Utilization Mix — Linear	Description / Nos. / %	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY21	FY21	FY20
	Billable Person Months	30,807	28,670	25,342	23,006	22,246	99,264	81,287
	Global Delivery Centers	3,480	3,345	3,104	3,086	3,060	12,595	11,202
	India	27,327	25,325	22,238	19,920	19,186	86,669	70,085
	Billed Person Months	24,676	22,686	20,530	18,680	17,461	79,357	63,820
	Global Delivery Centers	3,080	2,794	2,651	2,647	2,595	10,687	9,305
	India	21,596	19,892	17,879	16,033	14,866	68,670	54,516
	Linear Utilization							
	Blended	80.1%	79.1%	81.0%	81.2%	78.5%	79.9%	78.5%
	Global Delivery Centers	88.5%	83.5%	85.4%	85.8%	84.8%	84.8%	83.1%
	India	79.0%	78.5%	80.4%	80.5%	77.5%	79.2%	77.8%



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