



Ref: BCG/SE/2023/Aug-07

Date: August 14, 2023

To
BSE Limited
P. J. Towers, 25th Floor,
Dalal Street, Mumbai - 400001.
BSE Scrip Code: 532368

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.
NSE Symbol: BCG

Sub: Outcome of the Board Meeting held on August 14, 2023 of Brightcom Group Limited – Reg.30 & 22 of the SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

In just concluded Meeting of the Board Directors of the Company, the following matters have been considered and approved by the Board:

1. Approved the Unaudited (Standalone & Consolidated) financial results for the quarter ended June 30, 2023 – Annexure.
2. Noted the Statutory Auditors Limited Review Report forming part of the Unaudited (Standalone & Consolidated) financial results for the quarter ended June 30, 2023.

In this regard, please find enclosed copies of the;

- Unaudited (Standalone & Consolidated) Financial Results for the Quarter ended June 30, 2023;
- Auditors Limited Review Report on Financial Results (Standalone & Consolidated) for the Quarter ended June 30, 2023;
- Management Discussion and Analysis to this Outcome of the Board Meeting; and
- Management Clarification to Auditor Qualification.

The meeting was duly commenced at 21:00 Hrs and concluded at 23:45 Hrs.

This intimation is also uploaded in the Company website: www.brightcomgroup.com. We request you to take note of the above information on record and acknowledge the receipt of the same.

Thanking you,

Yours Truly,

For Brightcom Group Limited

Rajesh Vankadara
Company Secretary



Brightcom Group Limited (NSE&BSE - BCG)

Regd. Office: Floor: 5, Fairfield By Marriott,Road No: 2, Nanakramguda,Gachibowli, Hyderabad – 500032,India.

CIN:L64203TG1999PLC030996

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STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2023

All amounts in Indian Rupees Lakhs, except share data

Sl.No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30,	March 31,	June 30,	March 31,	June 30,	March 31,	June 30,	March 31,
		2023	2023	2022	2023	2023	2023	2022	2023
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	a) Revenue from operations	15,253.88	10,679.91	9,550.45	43,391.27	1,69,032.24	1,36,792.38	1,48,060.51	7,39,676.73
	b) Other Income	428.68	564.26	(318.45)	353.02	16.03	57.89	(314.46)	(646.19)
	b (i) Net gain/loss on foreign currency translation and transaction	16.24	54.91	(318.45)	(657.97)	16.03	57.89	(314.46)	(646.19)
	b (ii) Dividend from subsidiaries and Interest Income	412.44	509.35	-	1,010.99	-	-	-	-
	Total Income	15,682.56	11,244.17	9,232.00	43,744.29	1,69,048.27	1,36,850.27	1,47,746.05	7,39,030.54
2	Expenses								
	a) Cost of sales/services	11,225.33	8,641.43	7,179.86	33,655.07	96,120.63	76,639.51	84,144.95	4,34,479.73
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-	-		-	-	-
	c) Employee benefits expense	1,618.82	963.35	1,034.30	4,394.51	9,485.92	10,361.80	8,096.27	40,012.89
	d) Depreciation and amortization expense	2.55	2.18	1.64	6.78	7,226.63	6,923.47	6,586.05	26,554.87
	e) Finance costs	9.50	9.51	10.40	40.47	9.61	9.90	10.46	40.98
	f) Other expenses	1,361.60	1,002.86	920.84	4,227.46	11,623.00	10,653.99	10,243.32	47,930.10
	Total expenses	14,217.80	10,619.33	9,147.04	42,324.29	1,24,465.79	1,04,588.67	1,09,081.05	5,49,018.57
3	Profit/(loss) before exceptional items (1-2)	1,464.76	624.84	84.96	1,420.00	44,582.48	32,261.60	38,665.00	1,90,011.97
4	Exceptional items - Bad debts written off		-	-	-		-	-	-
5	Profit/(loss) before tax (3+4)	1,464.76	624.84	84.96	1,420.00	44,582.48	32,261.60	38,665.00	1,90,011.97
6	Tax Expenses								
	a)Current Tax	511.85	230.75	28.36	496.20	12,450.67	9,426.20	10,938.42	53,055.25
	b) Deferred tax	22.42	(30.52)	0.89	(10.10)	(15.96)	(79.52)	2.90	(142.64)
	Total Tax Expenses	534.27	200.23	29.25	486.10	12,434.71	9,346.68	10,941.32	52,912.61
7	Net profit /(loss) after tax (5-6)	930.49	424.61	55.71	933.90	32,147.77	22,914.92	27,723.68	1,37,099.36
8	Other comprehensive income/(loss) (net of tax)	(16.96)	(56.14)	248.23	537.07	(1,030.28)	(3,515.29)	18,450.55	39,550.59
9	Total comprehensive income for the period(7+8)	913.53	368.47	303.94	1,470.97	31,117.49	19,399.63	46,174.23	1,76,649.95
10	Paid-up equity share capital (Face Value of Rs.2/-each)	40,370.44	40,370.44	40,358.44	40,370.44	40,370.44	40,370.44	40,358.44	40,370.44
11	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				1,17,068.85				6,59,720.97
12	Earnings per share (Face value of Rs.2/-each) (not annualized)								
	a) Basic (in Rs.)	0.046	0.021	0.003	0.046	1.59	1.14	1.37	6.79
	b) Diluted (in Rs.)	0.046	0.021	0.003	0.046	1.59	1.14	1.37	6.79

Notes:

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 14th August'2023
2. These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the companies Act 2013 and other recognized accounting practices and policies to the extent applicable.
3. The figures for the previous period/year have been regrouped/reclassified, wherever necessary.
4. The Company operates in two segments i.e, Digital Marketing and Software Development.
5. During the Quarter under review, the parent company M/s. Brightcom Group Ltd has received an amount of Rs. 4,12,44,077/- as Dividend from its Subsidiaries as shown below

Name of the Subsidiary	DA-S.A, Argentina	DA-S.A, Chile	DA-S.A, PANAMA	Dyomo Corporation	Frontier Data Management Inc	International Expressions Inc	Online Media Solutions Ltd	Total Amount
Amount in INR	4,88,548	1,85,764	6,15,300	69,73,400	1,23,37,257	49,68,424	1,56,75,383	4,12,44,077

For BRIGHTCOM GROUP LIMITED

Place : HYDERABAD

Date : 14.08.2023

M. SURESH KUMAR REDDY
Chairman and Managing Director
DIN: 00140515

Brightcom Group Limited (NSE&BSE - BCG)

Regd. Office: Floor: 5, Fairfield By Marriott, Road No: 2, Nanakramguda, Gachibowli, Hyderabad – 500032, India.

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REPORTING OF SEGMENT WISE REVENUE, RESULTS AND SEGMENT ASSETS AND SEGMENT LIABILITIES

All amounts in Indian Rupees Lakhs

Sl.No.	Particulars	Consolidated			
		Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2023	2023	2022	2023
	Unaudited	Audited	Unaudited	Audited	
1	Segment Revenue				
	(a) Digital Marketing Segment	1,59,349.09	1,26,222.62	1,38,630.06	6,96,756.69
	(b) Software Development Segment	9,683.15	10,569.76	9,430.45	42,920.04
	Total Sales/ Income from Operations	1,69,032.24	1,36,792.38	1,48,060.51	7,39,676.73
	Less: Inter Segment Revenue		-	-	-
	Net Sales/ Income from Operations	1,69,032.24	1,36,792.38	1,48,060.51	7,39,676.73
2	Segment Results - Profit (+) / Loss (-) before tax and interest				
	(a) Digital Marketing Segment	44,549.25	32,263.16	38,580.10	1,89,721.16
	(b) Software Development Segment	42.84	8.34	95.36	331.79
	Total	44,592.09	32,271.50	38,675.46	1,90,052.95
	Less: Finance Cost	9.61	9.90	10.46	40.98
	Total Profit (+) / Loss (-) before tax	44,582.48	32,261.60	38,665.00	1,90,011.97
3	Segment Assets				
	(a) Digital Marketing Segment	8,02,084.81	7,57,359.61	6,31,810.76	7,57,359.61
	(b) Software Development Segment	32,411.06	32,266.30	30,523.64	32,266.30
	Total segment assets	8,34,495.87	7,89,625.91	6,62,334.40	7,89,625.91
	Segment liabilities				
	(a) Digital Marketing Segment	90,878.75	77,330.60	76,366.60	77,330.60
	(b) Software Development Segment	12,408.22	12,203.90	10,344.54	12,203.90
	Total segment liabilities	1,03,286.97	89,534.50	86,711.14	89,534.50

Note:

Standalone revenue consists of the Software division, amounting to Rs. 96.83 Crs, and the Digital division, amounting to Rs. 55.71 Crs, including the Audio Ads business.

For BRIGHTCOM GROUP LIMITED

Place : HYDERABAD

Date : 14.08.2023

M.SURESH KUMAR REDDY
Chairman and Managing Director
DIN: 00140515



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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of directors
BRIGHTCOM GROUP LIMITED

1. We have reviewed the accompanying statement of unaudited consolidated financial results of BRIGHTCOM GROUP LIMITED (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting, ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.





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5. In our opinion and to the best of our information and according to the explanations given to us, the statement:

Includes the results of the following entities:

- a. Ybrant Media Acquisition Inc
- b. Online Media Solutions Limited
- c. International Expressions Inc
- d. Dream AD SA Panama
- e. Ybrant Digital Servicos De Publicidade Ltd
- f. LGS Global FZE
- g. Ybrant Digital (Brasil) Limited
- h. Frontier Data Management Inc
- i. Dream AD SA Argentina
- j. Dyomo Corporation
- k. Get Media Mexico Socidadanonima De Capital Variable, Mexico
- l. Dream AD SA Chile
- m. Dream AD SA Uruguay
- n. Max Interactive Pty Ltd
- o. LIL Projects Private Limited
- p. YReach Media Private Limited

Does not include the results of Associate company, M/s Vuchi Media Private Limited

6. In the case of the "Holding Company", matters as reported in the Standalone Limited review report, are reproduced below:

- i. "The company" has not made any provision for impairment of investments of Rs.16,886.81 lakhs made in M/s Vuchi Media Private Limited despite the fact that the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. And also 1,40,70,000 equity shares allotted to M/s Vuchi Media Private Limited are pending for cancellation subject to the legal process completion.
- ii. Considering the SEBI's Interim order cum show-cause notice dated 13th April 2023 we have made the following observations:
 - a. The balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor.





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- b. As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22.
- c. SEBI vide its letter dated 13th April 2023, has issued interim order cum show cause notice to the company seeking clarifications with respect to certain issues. The final outcome of the investigation is yet to come by the time of our Report.
- d. In view of the SEBI's observations/directions, the opening balances as on 1st April, 2023 and consequent effect on the closing balances as on 30th June, 2023 thereof are subject to the verification and confirmation by the peer review auditor.

7. In the case of subsidiaries or Associates:

- i. Considering the SEBI's Interim order cum show cause notice dated 13th April 2023 we have made the following observations:

(a). As referred in Point No. 140[a] and 177(b), the order states that the company has wrongly capitalized expenditure incurred during the research phase and research-cum-development phase of the creation of intangible assets and has suggested that the expenditures may either get capitalized directly or get recognized as current assets initially and then get reclassified as Intangible assets under development or intangible asset and also SEBI has directed the company to undertake examination of its consolidated financial statements for the period 2014-15 to 2021-22 by a peer-reviewed Chartered Accountant, to ensure that the same are in compliance with all the applicable accounting standards and submit the statement of impact of all the non-compliances within three months from the date of the order. The last date to ensure compliance with this was 12th July, 2023. However, Company vide its letter dated 12th July, 2023 conveyed to us that they have sought an additional time of 45 days from SEBI to meet with the said directions. As of the date of signing of this report, the company is yet to comply with the directions of SEBI, as such the current year's opening balances and consequent effect on the closing balances as on 30th June, 2023 thereof are subject to the verification and confirmation by the peer review auditor. In view of the same we are unable to comment upon the true and fair view of the consolidated financial statements of the group.





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(b). As referred in Point No. 177(f), the company has to ensure that, for the purposes of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively, is subjected to audit or in case of unaudited results, subjected to limited review. The reviewed financial statements of subsidiaries are not furnished to us as of the date of signing of this report. In view of the same we are unable to comment upon the true and fair view of the consolidated financial statements of the group.

ii. In the process of acquiring M/s Vuchi Media Private Limited BCG has paid consideration to the tune of 29.83% by allotting 1,40,70,000 equity shares at a price of Rs.120.02/- But later on, the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. In view of the above cancellation of deal, the company has not considered M/s Vuchi Media Private Limited as an associate company in the consolidated financial statements.

8. Emphasis of Matter Paragraph with respect to consolidation:

In the case of subsidiary company Ybrant Media Acquisition Inc;

M/s. Ybrant Media Acquisition Inc has acquired M/s. Lycos Inc., and

M/s. Ybrant Media Acquisition Inc has dispute in respect of consideration of USD 16 Million for acquisition of M/s. Lycos Inc., to Daum Global Holdings Corporation and the district court of New York has given judgment to handover back 56 % equity in M/s. Lycos Inc to M/s. Daum Global Holdings Corporation and the concern matter is pending as on date.

9. The Consolidated Financial Results includes 14 foreign subsidiaries financial statements which are not reviewed by us, whose Financial Statements reflect Group's share of total revenue of Rs. 1,53,724.21 Lakhs before the eliminations and Group's share of total net profit after tax of Rs. 31,632.14 Lakhs for the quarter ended 30th June, 2023, as considered in the consolidated Financial Results. The reviewed financial statements of subsidiaries are not furnished to us as of the date of signing of this report. These financial statements/ financial information/ financial results are furnished to us by the management of the Holding company after converting the financial information into reporting currency & consolidating as per Ind AS and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such financial statements/financial information/financial results.





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10. We have resigned as statutory auditors for Standalone and Consolidated Financial Statements for FYs 2023-24 to 2026-27 and submitted our resignation letter dated 27th July, 2023 to the company and filed Form No. ADT-3 with Registrar of companies. In order to comply with SEBI Circular *CIR/CFD/CMD1/114/2019 dated 18th October, 2019*, we have issued this limited review report for the quarter ended 30th June, 2023.

For P Murali & Co.,
Chartered Accountants
Firm Regn No. 007257S


A Krishna Rao
Partner
Membership No. 020085



UDIN: 23020085BGQXTF5774

Place: Hyderabad
Date: 14-08-2023



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Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
BRIGHTCOM GROUP LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **BRIGHTCOM GROUP LIMITED** (the "Company") for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
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3. We conducted our review of "the Statement" in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether "the Statement" is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





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5. Considering the SEBI's Interim order cum show-cause notice dated 13th April 2023 we have made the following observations:
 - a. The balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor.
 - b. As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22.
 - c. SEBI vide its letter dated 13th April 2023, has issued interim order cum show cause notice to the company seeking clarifications with respect to certain issues. The final outcome of the investigation is yet to come by the time of our Report.
 - d. In view of the SEBI's observations/directions, the opening balances as on 1st April, 2023 and consequent effect on the closing balances as on 30th June, 2023 thereof are subject to the verification and confirmation by the peer review auditor.
6. In respect of statutory dues of Income Tax, the company has certain appeals pending with the authorities, the outcome of which is not ascertained as on the date of this report.





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7. We have resigned as statutory auditors for Standalone and Consolidated Financial Statements for FYs 2023-24 to 2026-27 and submitted our resignation letter dated 27th July, 2023 to the company and filed Form No. ADT-3 with Registrar of companies. In order to comply with SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019, we have issued this limited review report for the quarter ended 30th June, 2023.

For P Murali & Co.,
Chartered Accountants
FRN: 007257S


A Krishna Rao
Partner
M No. 020085
UDIN: 23020085BGQXTE7346



Place: Hyderabad
Date: 14-08-2023

Management Discussion and Analysis (Q1 FY2023-24)

1. The company reported a strong quarter ended June 30, 2023 with consolidated revenues of Rs. 1690.32 crores and PAT of Rs. 321.47 crores for Q1 FY23-24.
2. Consolidated revenues for Q1 rising 14.16% Y-o-Y and PAT for Q1 rising 15.96% Y-o-Y. Notably, EBITDA for Q1 also rose by 14.49% Y-o-Y.
3. The EPS is 1.59 for Q1 2023-24 compared to 1.37 in Q1 2022-23, about 16% increase.
4. The company's Return on Equity (ROE), calculated on an annualised basis, is approximately around 17.6%.
5. The company's consolidated tax rate across all geographies in this quarter was 27.89%.
6. We have achieved operating cash flow of approximately Rs. 148.48 crores in the last quarter.
7. The main drivers of revenue and growth were:
 - A. Continuing to build Client Reach across Geographies.
 - B. The introduction of new products such as 'Audio Ads'.
 - C. On the demand side, this quarter, the company added: -
 - 3 New Ad agencies, 12 new direct advertisers, 4 new newspaper relationships: for 'Blocal' exchange – our news platform.
 - D. Adapting to new trends and embracing the ongoing changes in mix of Performance vs CPM Ads.
 - E. The company announced the successful partnership with 'LoopMe' (<https://loopme.com/>), putting Brightcom Group in a position to increase its reach and expertise in the field of digital advertising and once again fortify its position in the industry.
 - F. In order to accelerate business growth synergistically and drive APAC as an epicentre of future business growth, we have begun efforts to establish a significant office presence in key Asia Pacific hubs, such as

Kuala Lumpur or Hong Kong, and to look for strategic partnerships with compatible associates in the region.

Updates:

1. Etai Eitany and Roni Gelman to attend DMEXCO 2023 (<https://dmexco.com/>) in Cologne in September.
2. We are attending the DIGIDAY Publishing Summit (<https://digiday.com/digiday-publishing-summit-september-2023-inevent/>) in Miami this September with Ezequiel Moschovich, VP Business Development and Assaf Sassoon, Head of Sales.
3. Introducing our newest senior additions, David Ben-Dov and Inbar Levy in Ad Operations in Israel.
4. Ms. Neha Pamnani, a practising company secretary, was appointed as the Secretarial Auditor of the Company for the financial year 2022–23.
5. Introduction of the planning process of SLRP (strategic long-range planning) at intervals of 6 or 12 months. Peshwa Acharya, President - Group Strategy and Narayana Raju, CFO to set this process in motion.

Management Clarification to Auditor Qualification:

With respect to Point # 4 of Limited Review Report of the Auditor for Standalone and Point # 6(i) of Consolidated financials, please find below the Management's clarification:

This is NOT expected to have any impact on the company's net worth and Profitability of the Company.