



August 10, 2023

BSE Limited
Corporate Relation Dept.
P. J. Towers, Dalal Street
Mumbai 400 001.
Scrip Code : 532859

National Stock Exchange of India Ltd.
"Exchange Plaza"
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051.
Symbol : HGS

Dear Sir/Madam,

Sub: Q1FY24 Earnings Call presentation

This has reference to our communication dated August 7, 2023, on Q1 FY24 Earnings Call

We wish to attach herewith the presentation being briefed at the today's Conference Call. The same is also being made available on the Company's website <https://hgs.cx/investors/financial-reports/>

Kindly take note of the above.

For **Hinduja Global Solutions Limited**

Naren
dra
Singh

Digitally signed
by Narendra
Singh
Date:
2023.08.10
18:12:22
+05'30'

Narendra Singh
Company Secretary
F4853

Encl : As above

HINDUJA GLOBAL SOLUTIONS LIMITED.

Regd. Office: Hinduja House, No. 171, Dr. Annie Besant Road, Worli, Mumbai - 400 018. India. Telephone: 91-22-2496 0707 Fax: 91-22-2497 4208 Website: www.hgs.cx
Corporate Office: Gold Hill Square Software Park, No. 690, 1st Floor, Hosur Road, Bommanahalli, Bengaluru - 560 068. India. Telephone: 91-80-4643 1000 / 4643 1222
Corporate Identity Number.L92199MH1995PLC084610



HGS Earnings Call Presentation

Q1 FY2024

August 10, 2023

Safe Harbour

Certain statements in this release concerning HGS' future growth prospects may be seen as forward-looking statements, which are subject to a number of risks, and uncertainties as a result of which actuals could differ materially from such statements. HGS does not undertake to update any such statement that may have been made from time to time by HGS or on its behalf.



Overall Performance Update

Partha DeSarkar

Update on the Buyback plan

- Buyback part of overall value sharing programme created from the sale of the erstwhile healthcare business
- Buyback Programme opened on May 22, 2023 and completed on June 9, 2023
- 60 lakh equity shares bought back at a price of Rs. 1,700/ share
- Rs. 1,020 crore returned to the shareholders
- Buyback taxes of around Rs. 226 crore paid by the Company

TekLink acquisition

- HGS acquired analytics and planning services firm TekLink International in March 2023
- Acquisition in line with our vision to **become a technology-led CX company**, leveraging the 3As – Automation, Analytics and AI – in a Cloud-first model
- Will boost our shift from a services-led business into a **'solution accelerators and products-led' business**
- Strengthened our analytics team with the **addition of 275+ practitioners** with deep expertise in consulting
- **Added strong client relationships** with 50+ top brands across consumer, retail, confectionary, pharmaceuticals, manufacturing, etc.

- **Q1 FY2024 – Recorded US\$ 8.8 million with EBITDA margins of around 22.2%.**
- Signed multiple projects with 24 existing clients
- Already seeing **traction with cross-selling opportunities** – strong pipeline

HGS' CX hub in Barranquilla ramps up

- **Formal inauguration of our facility in Barranquilla in July 2023**
- The CX hub has around 150 employees; expected to double headcount by end of CY 2023
- Currently supports clients in logistics and consumer industries with English, Spanish and Portuguese CX requirements
- Will be a CoE for our expanding multilingual client base globally

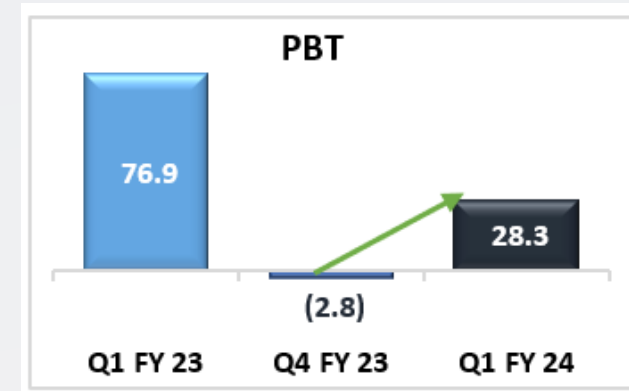
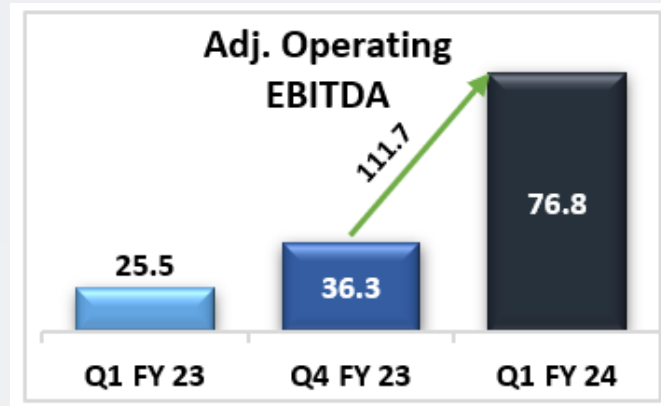
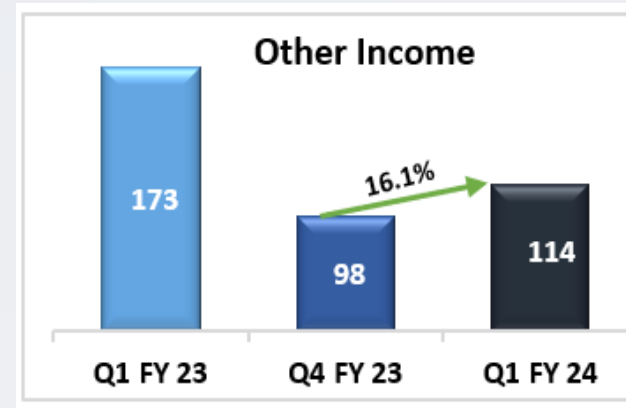
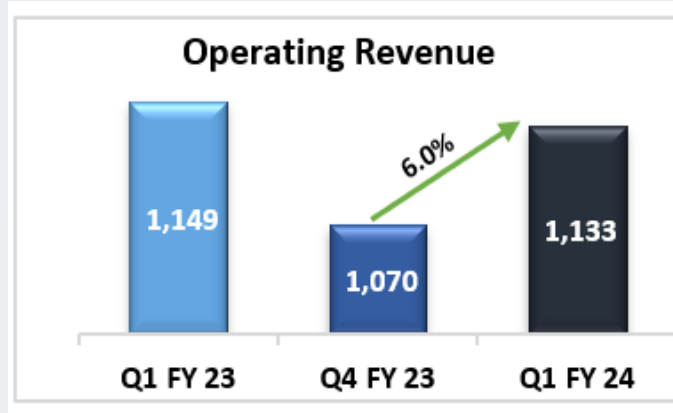
Spotlight on HGS' technology efforts

Significant investments in AI, cognitive intelligence, analytics and automation – both for clients and internal transformation. Here's a snapshot of what we are doing with AI-led innovation.

- **HGS Agent X** – a comprehensive, cloud-based cognitive engagement solution for enterprises. Helps shift to modern contact centers with automation, sentiment monitoring, unified dashboard, co-pilot, etc... gives cost savings of 50-55%
- Internally, we had 140 **internal applications** earlier; consolidated to 50 leveraging AI and Cloud
- **Generative AI is a new area of focus**
 - Built labs in Bengaluru and the US
 - Working on use cases on call transcription, invoice audit, etc. Speech AI based on LLM deployed in HGS Agent X
 - Using a hybrid model – third party Gen AI platforms, open-source AI and internal AI models

Summary Financial Performance

INR Cr



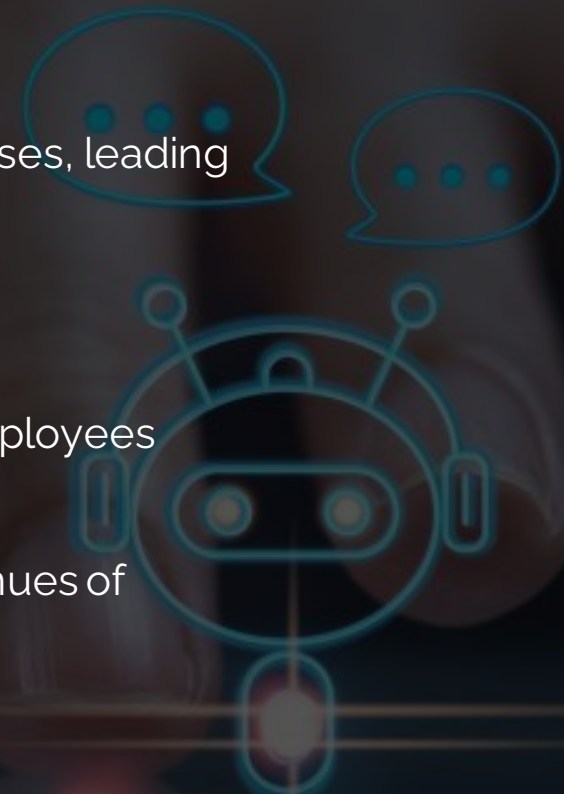
For Adjusted EBITDA, one time provision reversal of Rs. 25 Cr. in Q1 FY 23 has been excluded.

Refer note 4- Standalone Financial results for the quarter ending June 2022

Adjusted Operating EBITDA excludes Other Income

Overall good performance

- **CX business** showed steady growth
- Strong demand, especially in Canada and offshore/ nearshore businesses, leading to higher volumes
- Significant expansion in existing client accounts and healthy pipeline
- Focus on improving profitability by changing the Onshore-Offshore mix
- Mysuru center launched last fiscal; has completed a year with 600+ employees
- **Technology business** continues to post robust growth, recording revenues of U\$24.3 million in Q1 FY2024
- Continue to focus on longer term deals in areas like managed services
- Strong interest for our new CCT solution - HGS Agent X; signed a couple of engagements
- Exploring partner-led deals
- TekLink acquisition closed in March 2023; integration going well



In summary



Strong sequential growth, led by higher volumes and better EBITDA margins

Will continue to focus on sustained growth



Focus on integrated sales strategy toward signing more technology-led CX deals

Continued efforts to drive improved margins



Investing significantly in technology and talent within HGS

Sustained efforts to build a future ready workforce in a hybrid model





Digital Media Business – An Update

Vynsley Fernandes

NXTPLAY OTT Aggregator app

NXTPLAY OTT aggregator app was launched in end-June '23, giving subscribers over 300,000 hours of local and global OTT content

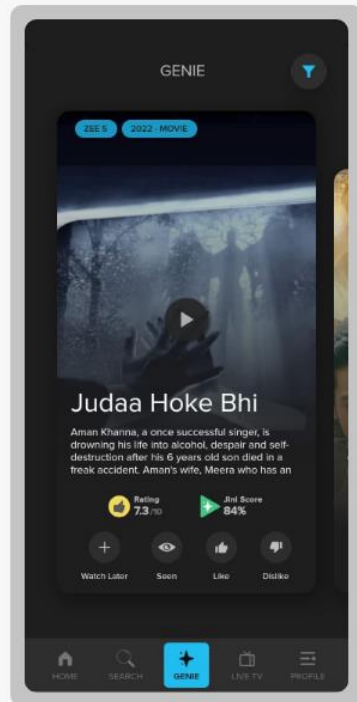


NXTPLAY gives subscribers access to 25+ OTT platforms through a single app – delivering content across multiple genres and local languages; for mobile and television.

The app enables a subscriber to discover what content to watch, where to find it, and assess reviews.

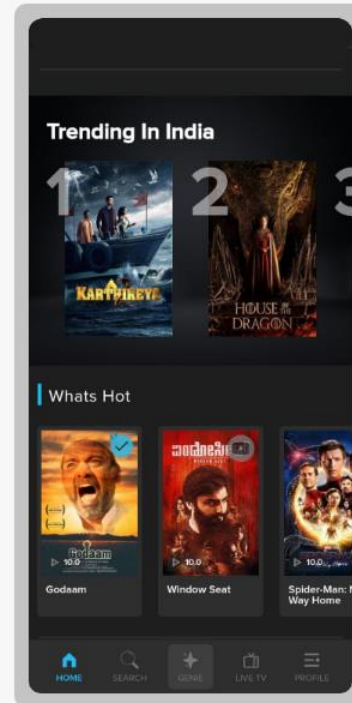
DISCOVER

Find out the best movies streaming online using our powerful filters.



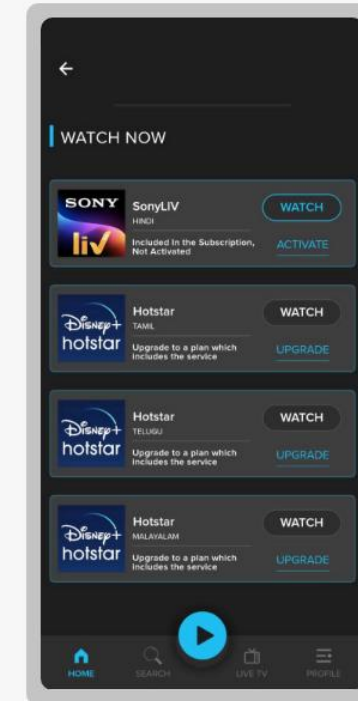
WHAT TO WATCH

Based on your preference decide which series or movie to watch



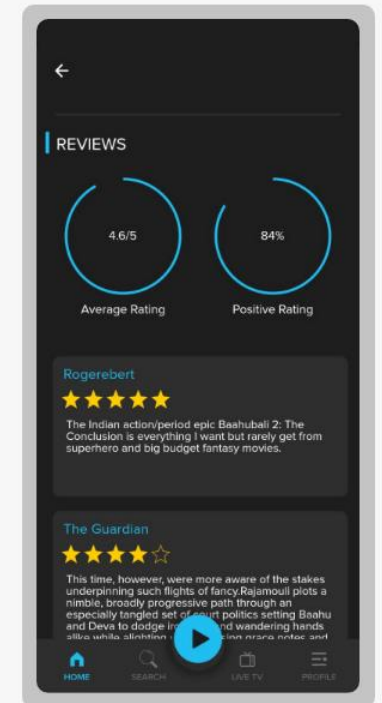
WHERE TO WATCH

Discover on which streaming platforms to stream your favorite content.



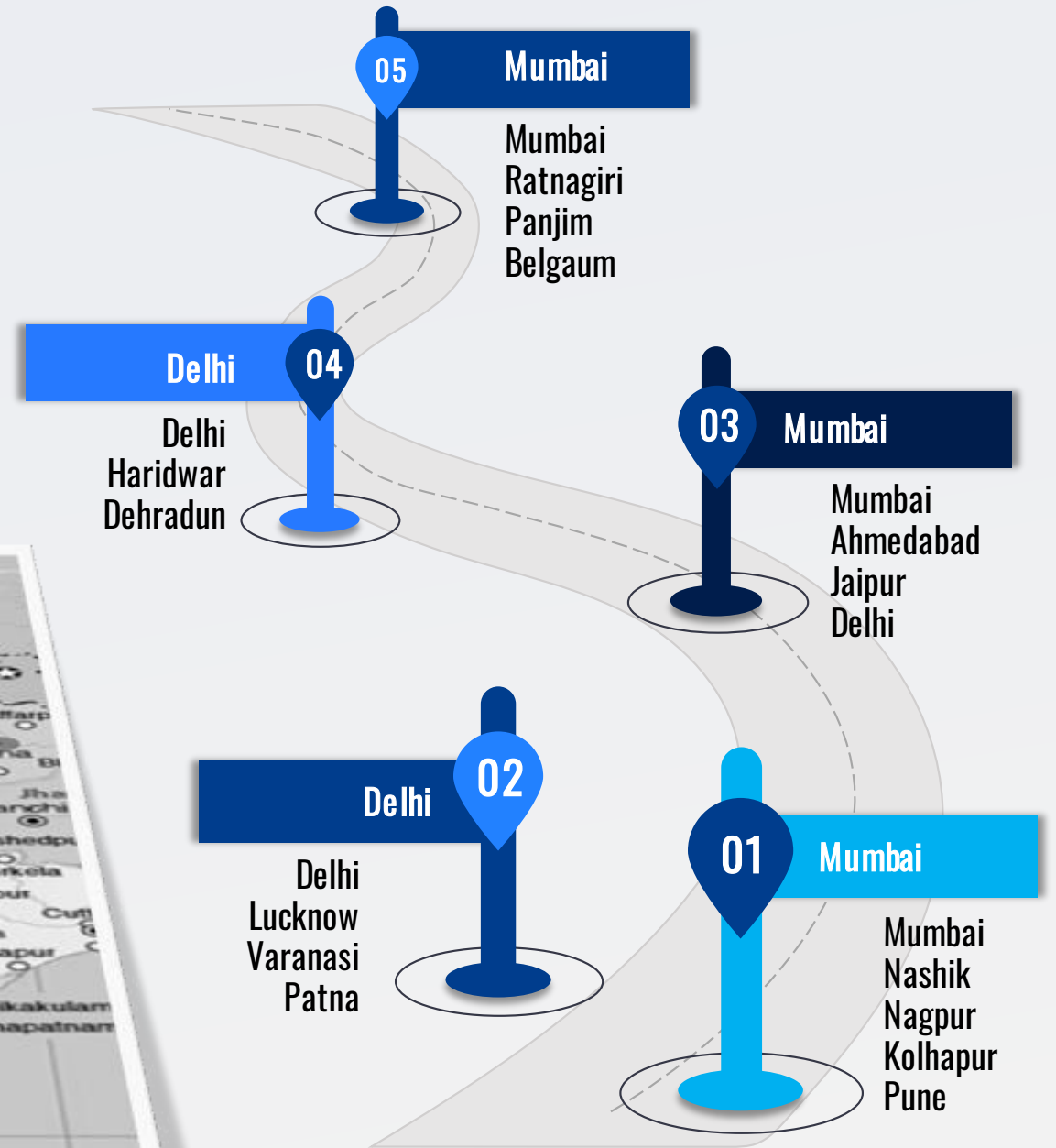
WHY TO WATCH

Decide if the content is watch-worthy based on the metadata.



NLD Roll-Out

- 8,000 kms across 10 states
- Covers 150+ cities and towns enroute using OPGW & Underground connectivity
- Will deliver 1 Tbps capacity with DWDM/IPoDWDM



KPIs - Q1 FY2024

NXT remained focused on retention & improving quality of earnings. The increased cost of content based on NTO 3.0 across digital distribution platforms (CATV, HITS & DTH) created significant challenges to growth.

Digital Television (DTV) Subscriber Base

(in millions)



Broadband Subscriber Base

(in millions)



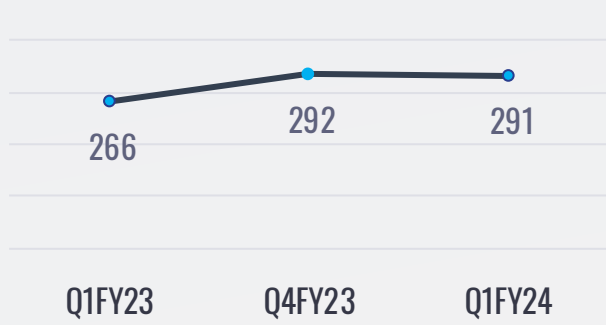
DTV ARPUs (Average Revenue Per User)

(Exit ARPU in ₹)



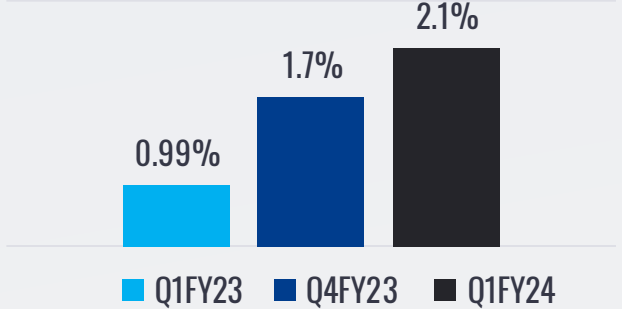
Broadband ARPUs (Average Revenue Per User)

(Exit ARPU in ₹)



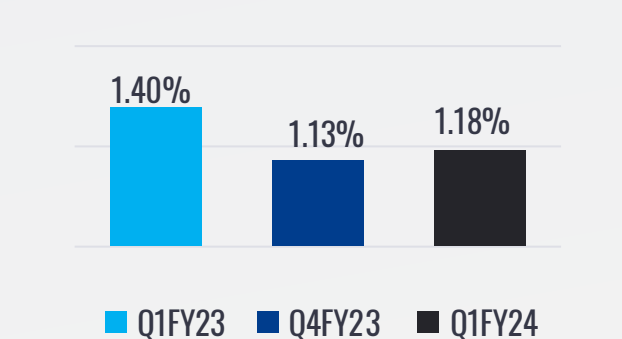
DTV 90-days Net Churn

(Figs. As Qtr exit in %)



Broadband 90-days Churn - Direct Points

(Figs. As Qtr exit in %)

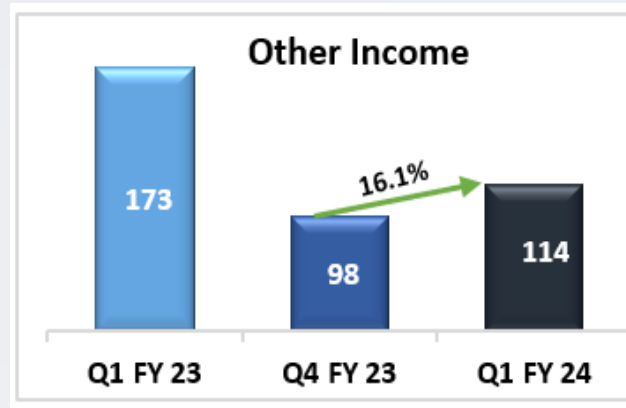
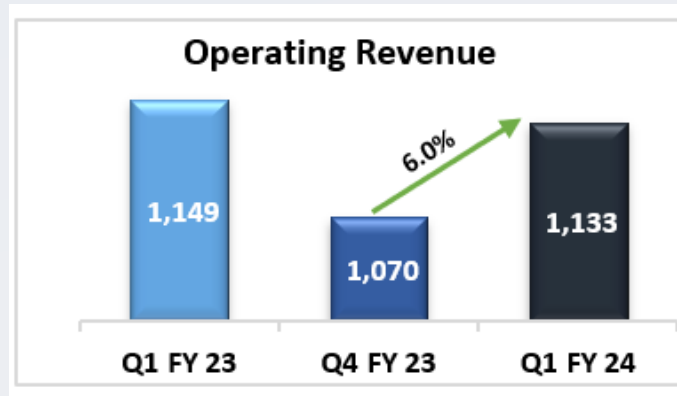




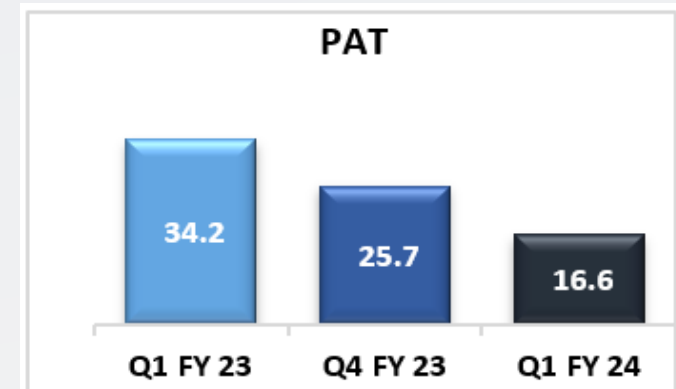
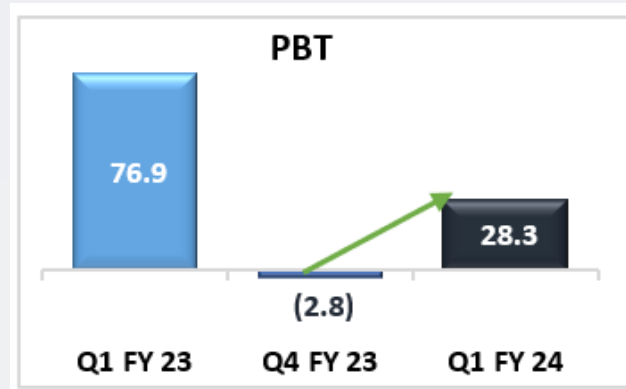
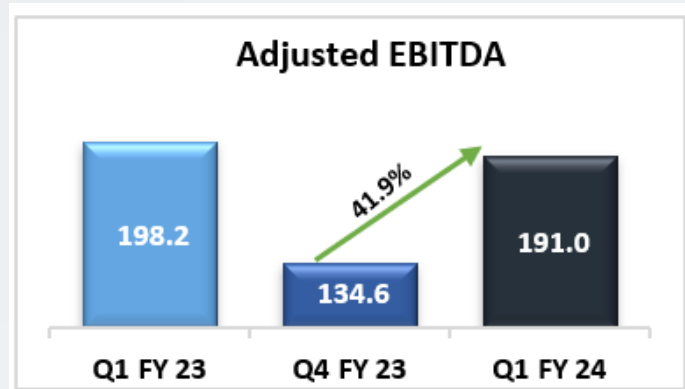
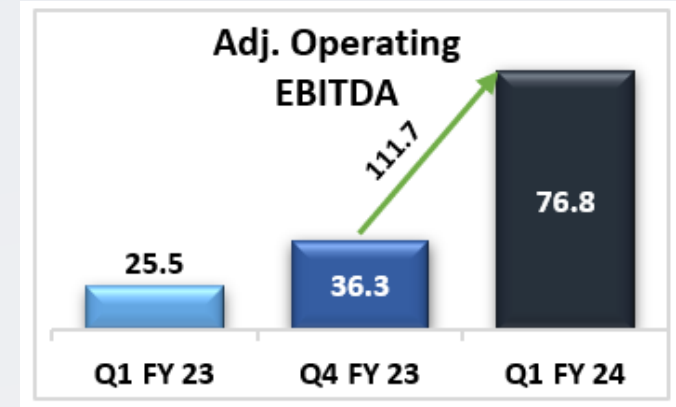
Financial Update

Srinivas Palakodeti

Summary Financial Performance



INR Cr



For Adjusted EBITDA, one time provision reversal of Rs. 25 Cr. in Q1 FY 23 has been excluded.

Refer note 4- Standalone Financial results for the quarter ending June 2022

Adjusted Operating EBITDA excludes Other Income

Adjusted EBITDA includes Other Income

Q1 FY2024 Performance

	Actual QE Jun-23	Actual QE Mar-23	QoQ Growth %	Actual QE Jun-22
Revenue from Operations	1,133.5	1,069.8	↑ 6.0%	1,148.7
Other Income	114.1	98.3	↑ 16.1%	172.6
Total Revenue	1,247.6	1,168.1	↑ 6.8%	1,321.3
Adjusted EBITDA	191.0	134.6	↑ 41.9%	198.2
Adjusted EBITDA %	15.3%	11.5%		15.0%
Reversal of excess provision*				25.0
Reported EBITDA	191.0	134.6	↑ 41.9%	223.2
EBITDA %	15.3%	11.5%		16.9%
Depreciation	123.8	113.6	↓ 9.0%	106.2
Interest Expense	38.8	23.8	↓ 63.0%	40.0
PBT	28.3	(2.8)		76.9
PBT %	2.3%	-0.2%		5.8%
Tax	11.7	(28.5)		42.2
PAT from continuing Operations	16.6	25.7	↓ -35.2%	34.7
PAT (incl discontinued Operations)	16.6	25.7		34.2

*For Adjusted EBITDA, one time provision reversal of Rs. 25 Crs in Q1 FY 23 has been excluded.

Refer note 4- Standalone Financial results for the quarter ending June 2022

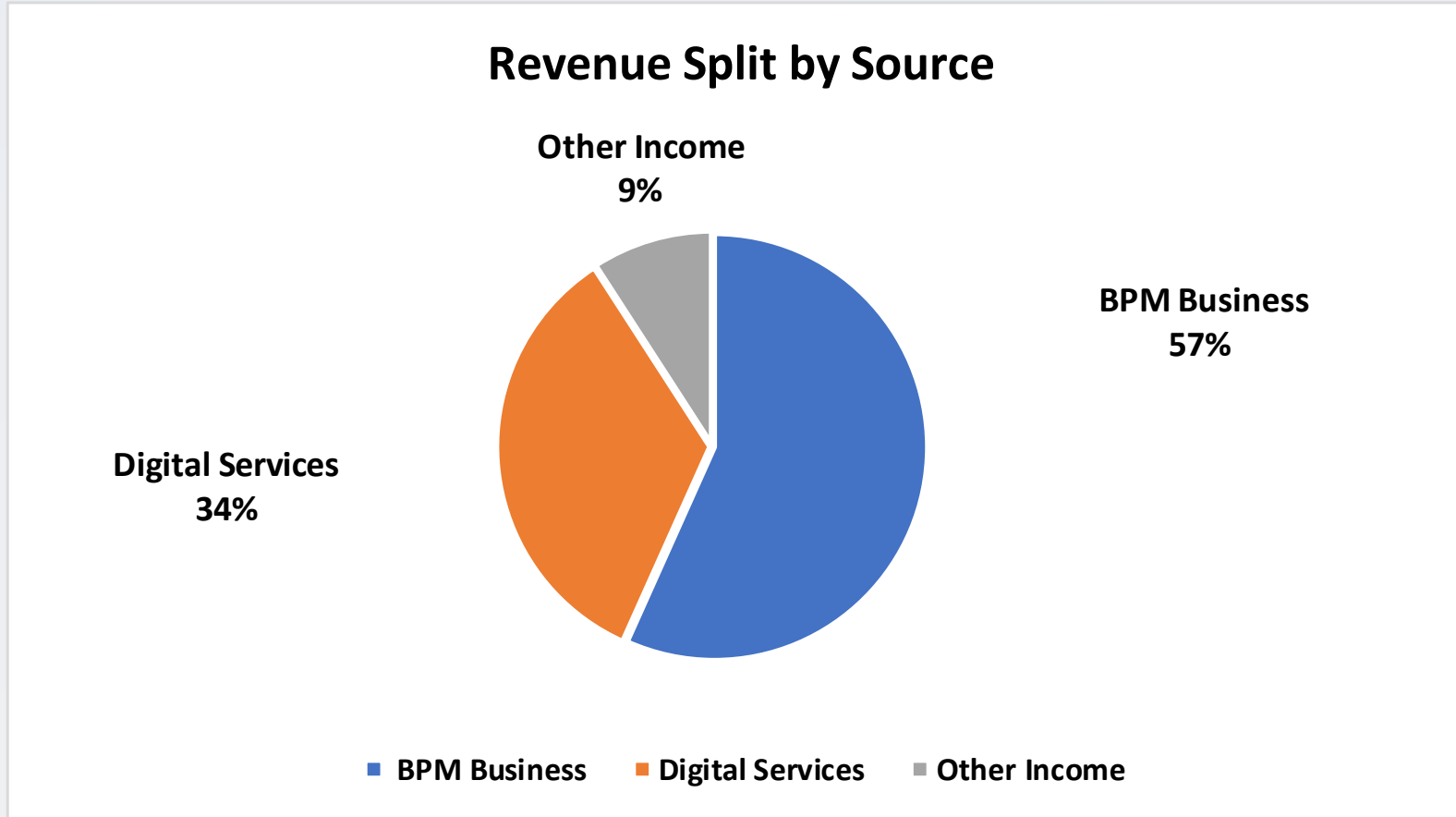
Summary Financial Profile

Particulars	HGSL	
	<i>in INR Cr (Except per share data)</i>	<i>in USD Mn (Except per share data)</i>
Shareholder's Fund	7,479.5	910.3
Book value per share	1,462.7	17.8
Price per share	1,047.3	12.7
EPS (TTM)	62.0	0.8
P/E Ratio (TTM)	16.9	16.9
Gross Debt	1,030.8	125.5
Net Cash & Treasury Surplus	4,962.0	603.9

Net Cash & Treasury Surplus	INR Cr
As at 30 June 2023	4,962
As at 31 March 2023	6,370
Movement	-1,408

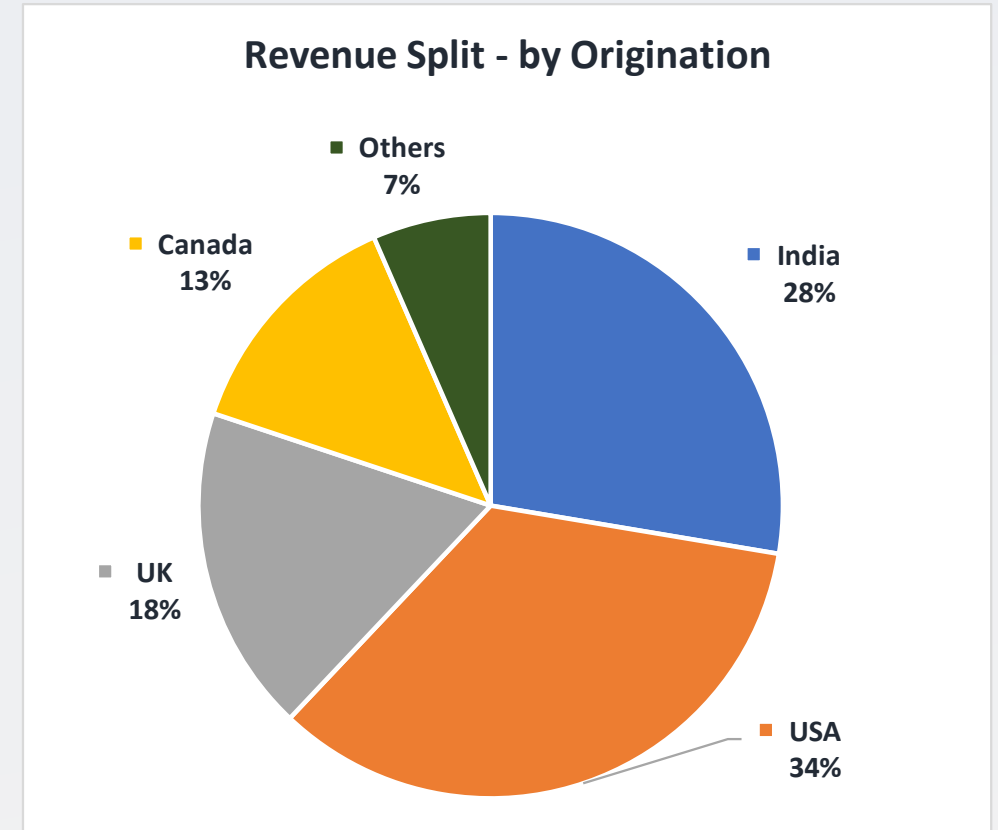
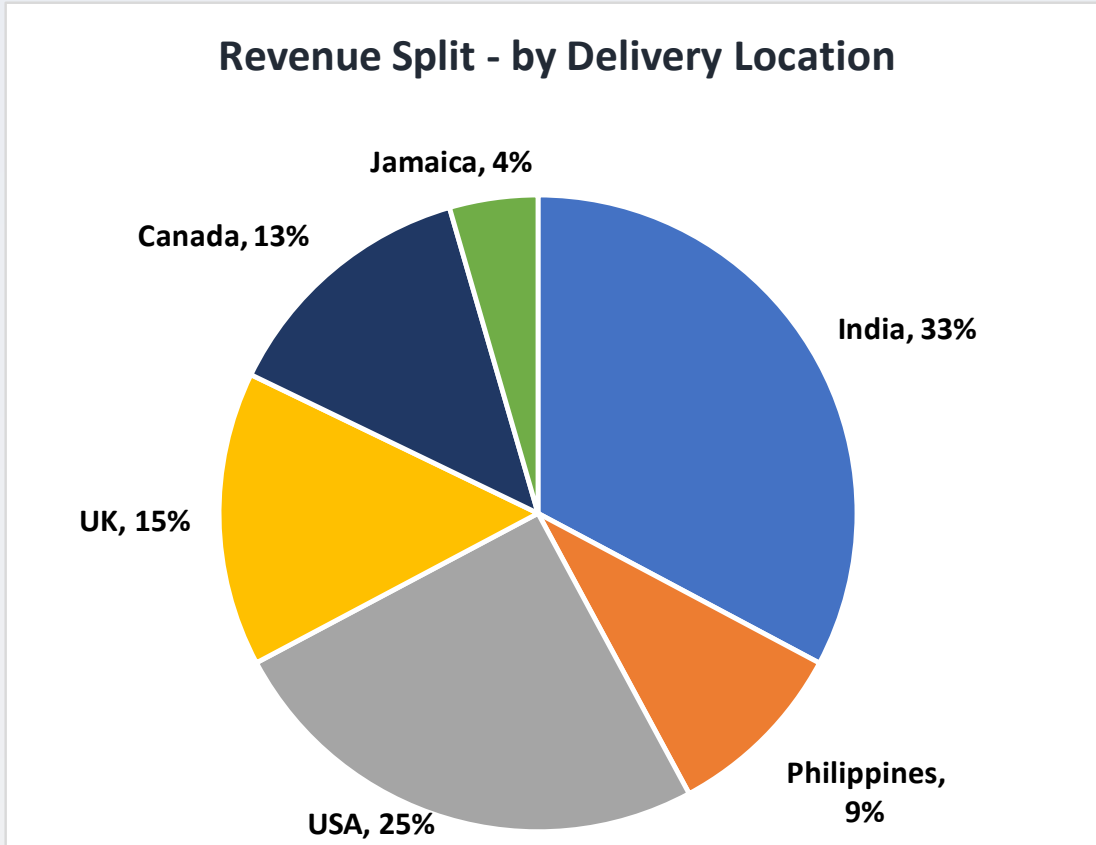
Rs. 1,252 Cr. is utilized for Buyback , Buyback taxes and transaction costs

Revenue Composition of Rs. 1,247.6 Cr



Q1 FY2024

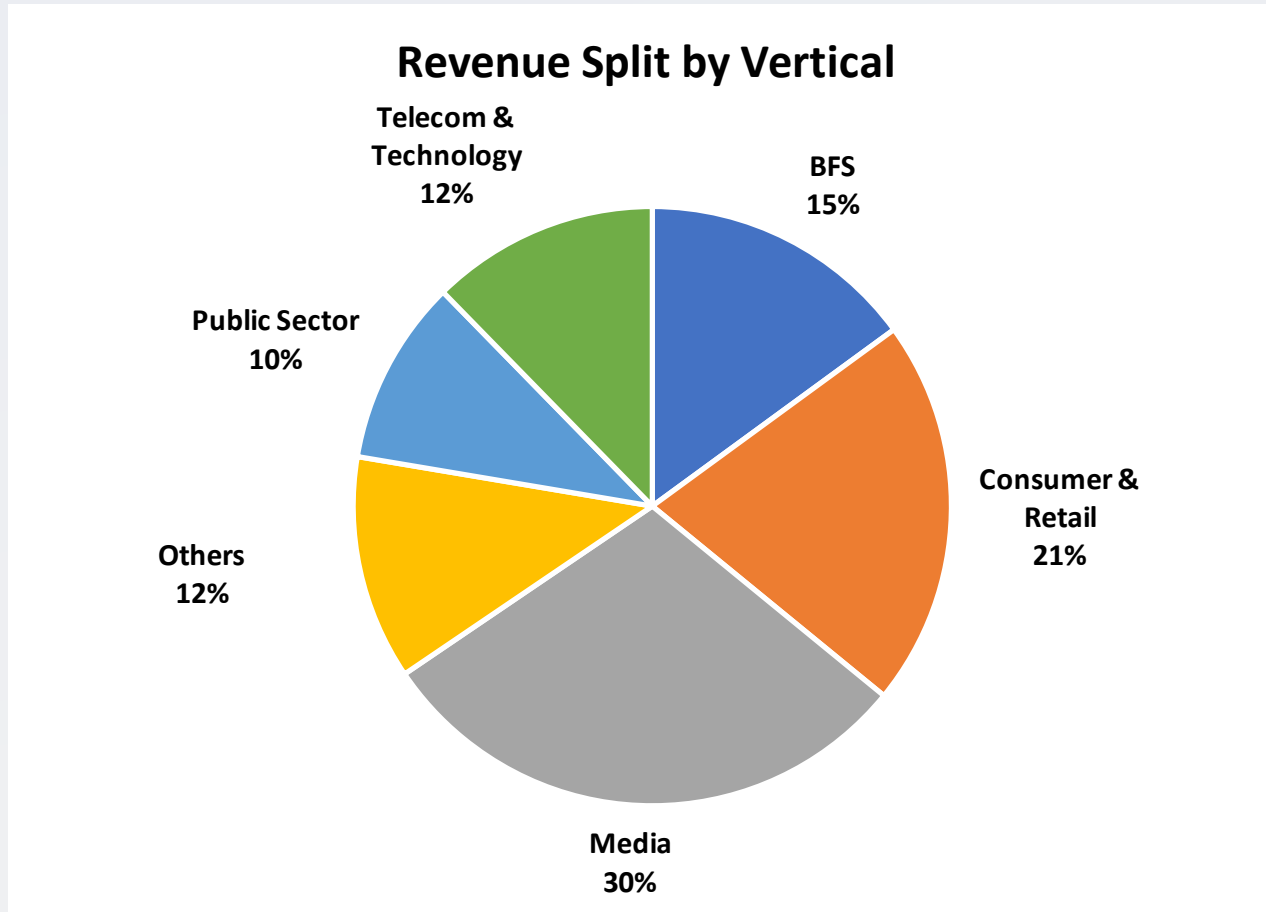
Operating Revenue Composition of Rs. 1,133.5 Cr



Others : Philippines, Jamaica & Australia

Q1 FY2024

Operating Revenue (Rs. 1,133.5 Cr) Split by Vertical



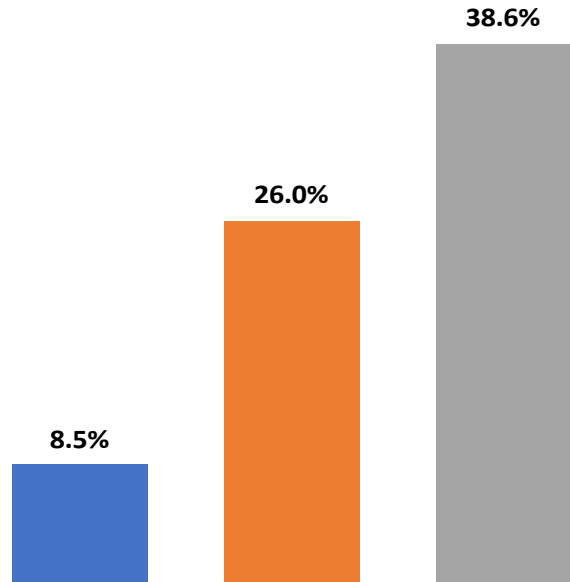
Q1 FY2024

Revenue Profile



Client Concentration

■ Top Customer ■ Top 5 Customers ■ Top 10 Customers

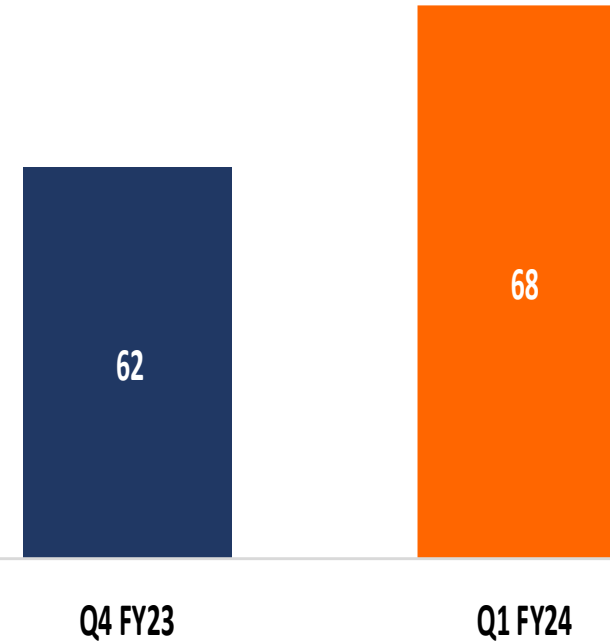


Revenues of Rs 1133.5 Cr



DSO

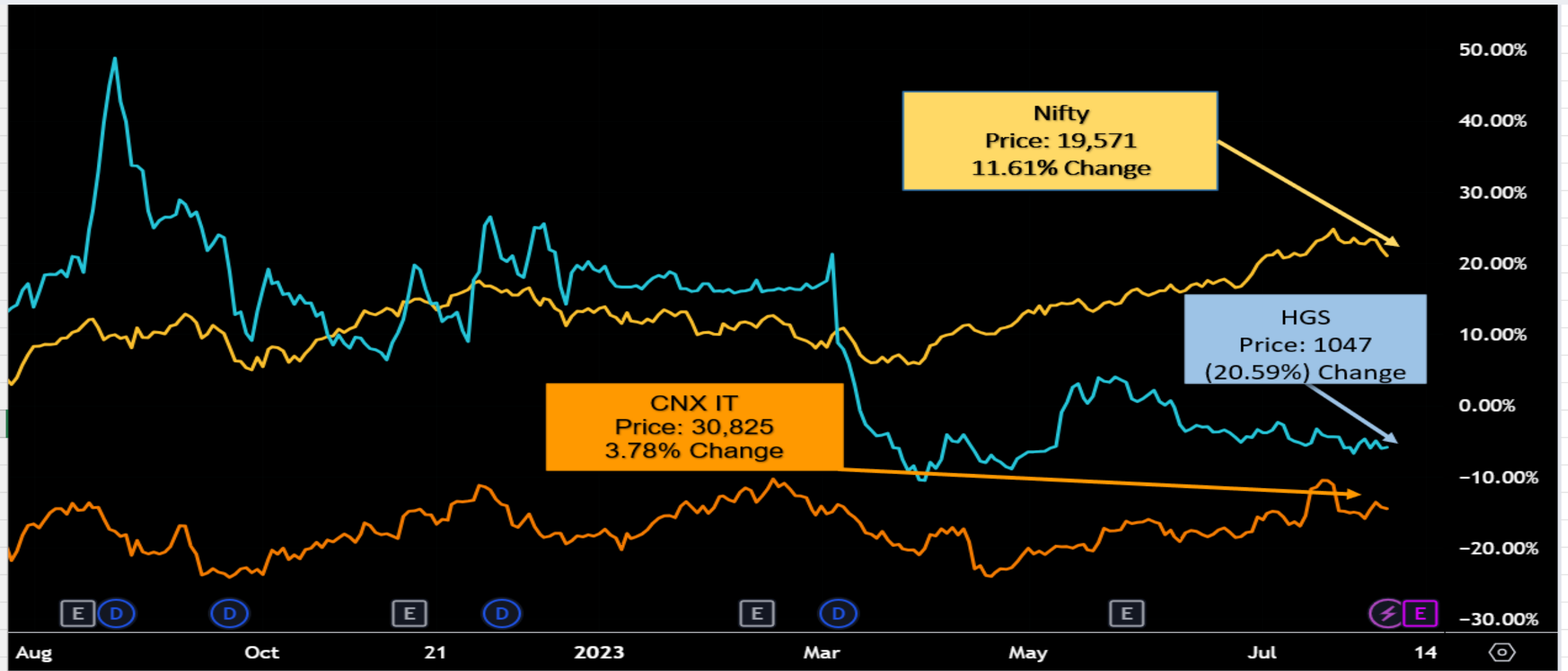
DSO (In Days)



DSO – Overall includes BPM and Digital Media businesses

Q1 FY2024

HGS Share : Performance vs CNXIT and NIFTY 50





Thank You

investor.relations@teamhgs.com