

February 18, 2021

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 Sirs,

Sub: Investor Conference - February 18, 2021

This has reference to our letter dated February 17, 2021. Attached is the presentation being made at Emkay Global Investor Conference. The same is available on the Company's website (<https://www.teamhgs.com/investors>).

Kindly take note of the above.

Thanking you,

Yours truly,

For **Hinduja Global Solutions Limited**



Narendra Singh
Company Secretary

EMKAY INVESTOR CONFERENCE

February 18th 2021



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 the BPM industry including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-timeframe contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hinduja Global Solutions (HGS) has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. HGS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.



Quick Overview

About the Company



HISTORY

- Part of the Hinduja Group, in the BPM business since 2000
- HGS is in the business of inbound Voice & Non Voice (Transaction processing+ Digital)
- Over 55% of revenues from Healthcare , balance from Telecom & Media, Consumer, BFS
- Miniscule exposure travel and hospitality.
- India Domestic CRM business sold off in Jan 2020

FINANCIAL SUMMARY

	FY'20	YTD Dec FY'21
Revenue	INR 52,354 Mn (\$ 737 Mn)	INR 40,253 Mn (\$ 541 Mn)
EBITDA	INR 7,165 Mn (\$ 101 Mn)	INR 5,392 Mn (\$ 72 Mn)
EBITDA Margin	13.7%	13.4%
Free Cash flow/EBITDA	60%	44%
Gross Debt increased ↑/Decreased ↓	INR 131 Mn ↑	INR 1,099 Mn ↓
Net Debt/ (Net Cash)	INR 734 Mn	INR (467) Mn
Dividend/Share	INR 20	INR 6 (Interim)

SNAPSHOT

- CAGR of 13.3 % in Revenue over FY 15-20.
- Digital revenues have grown 25% over FY 2019 and account for 8.3% of FY 20 revenues.

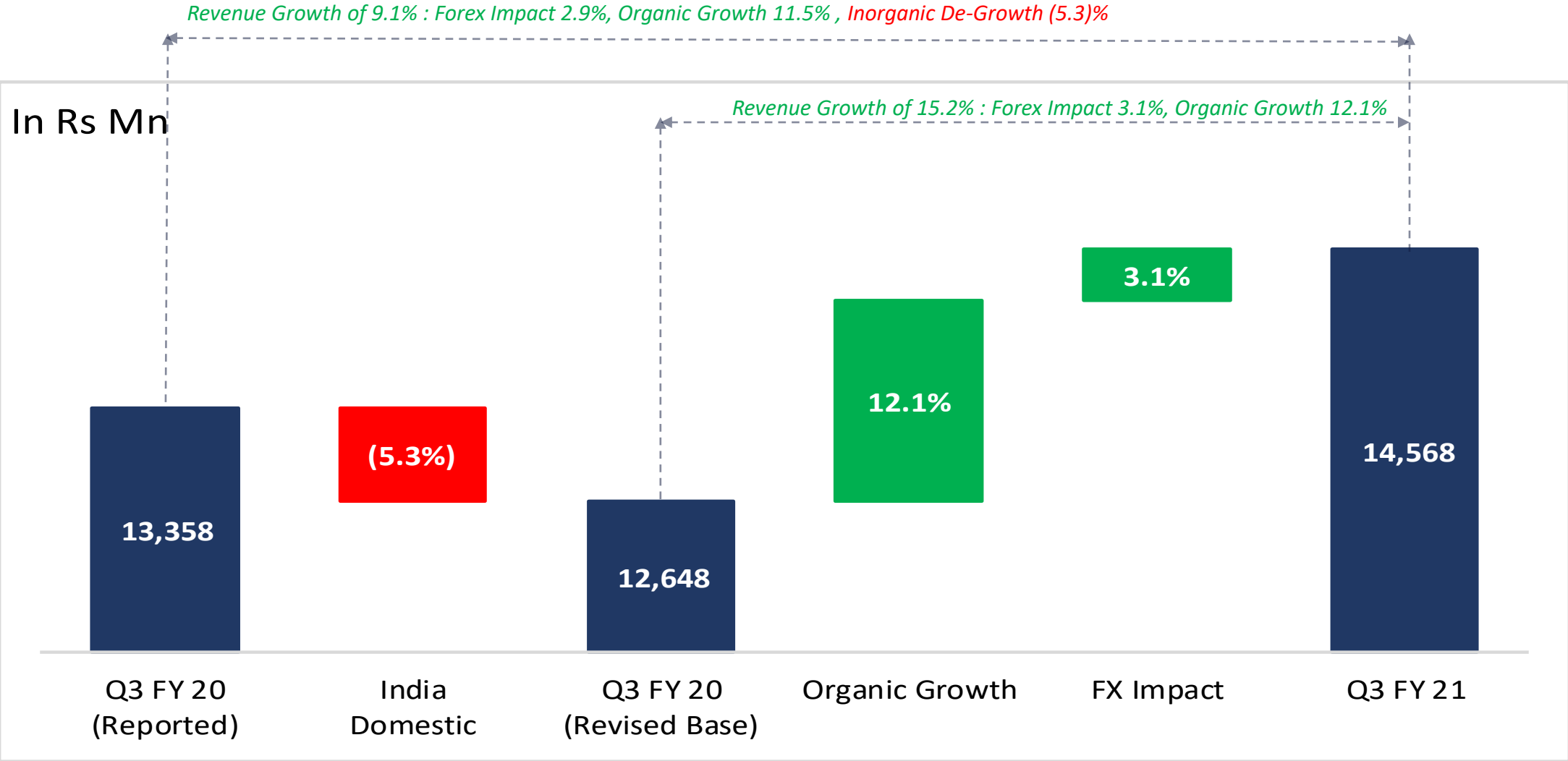
As on 30th December 2020:

- **59** Worldwide Centers
- **41,100 +** employees
- **244** active clients for the BPM business
(additionally over 704 clients for Payroll & HRO Business)

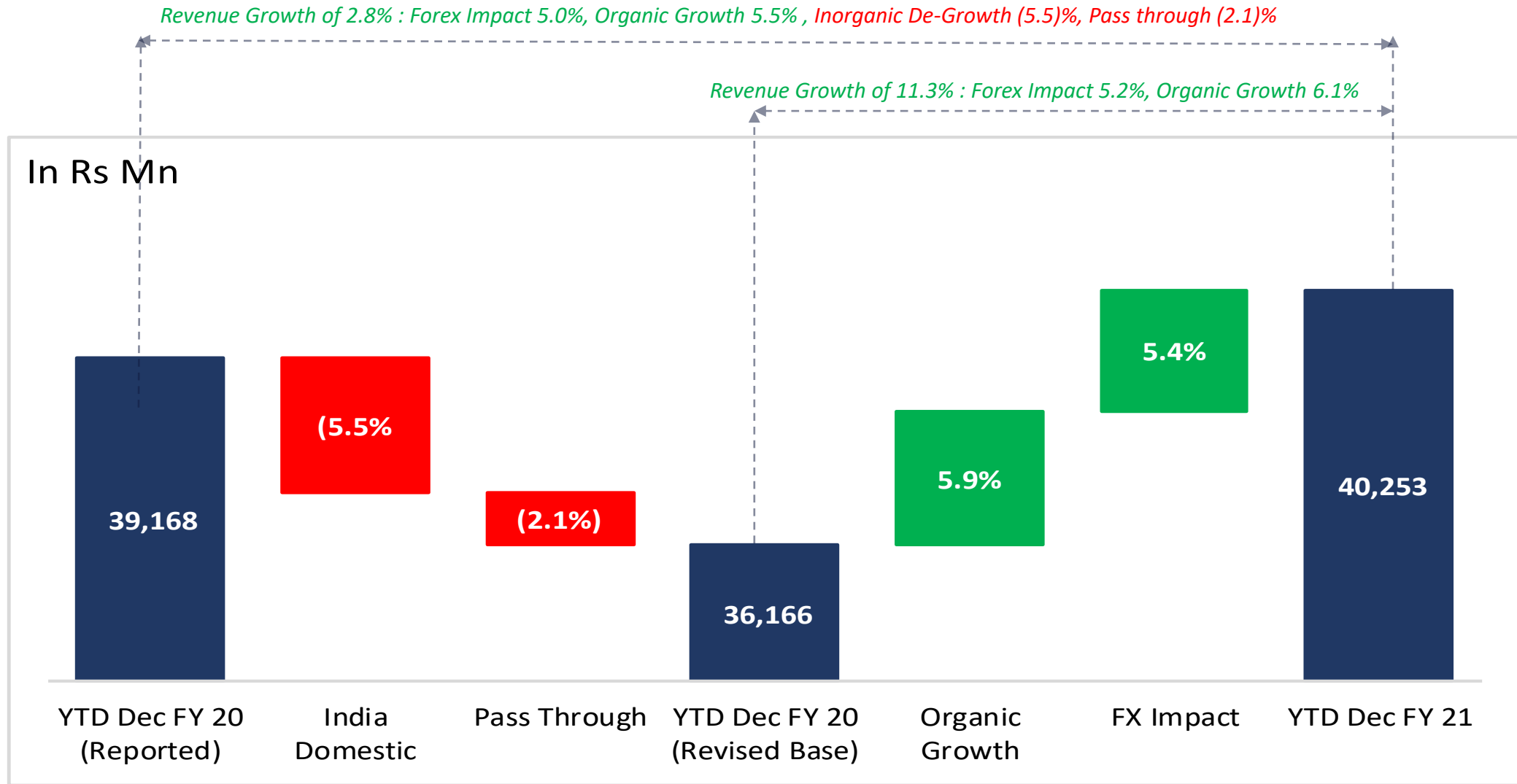


Financial Overview

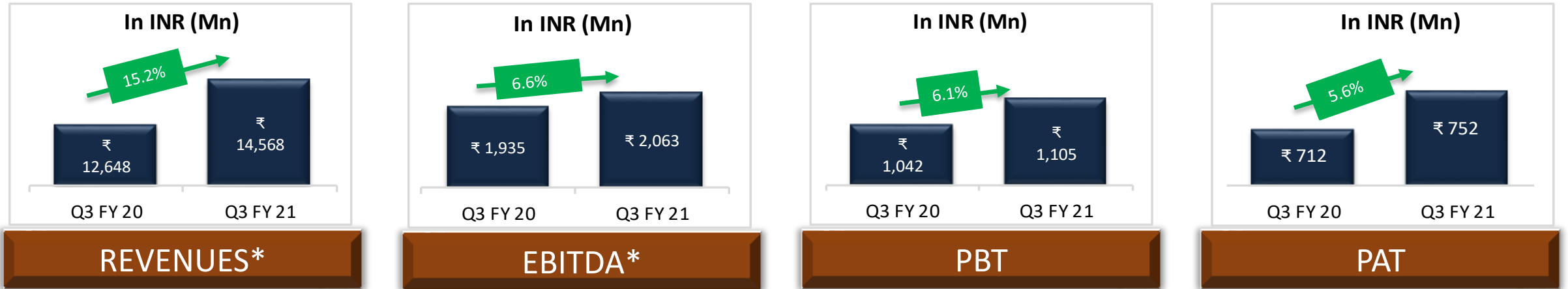
Q3 FY 21 Revenue Growth



YTD Dec FY 21 Revenue Growth

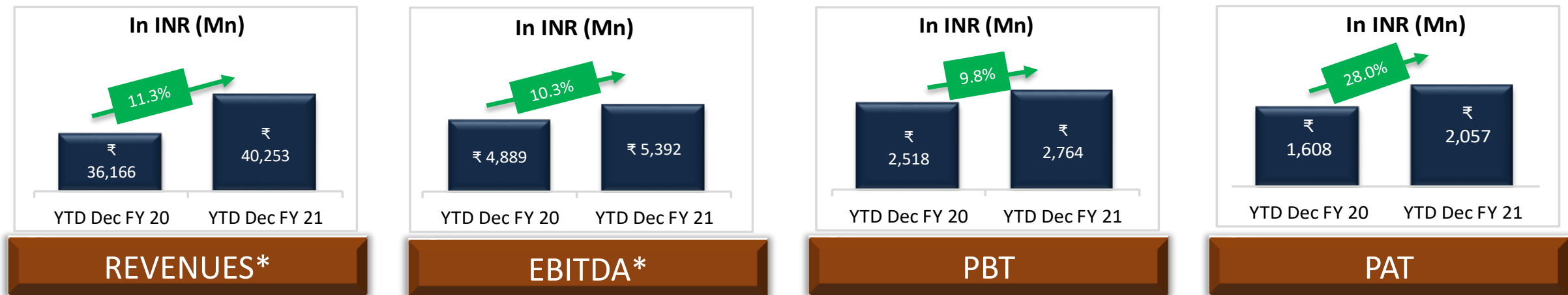


HGS Performance: Q3 FY 2020 vs Q3 FY 2021



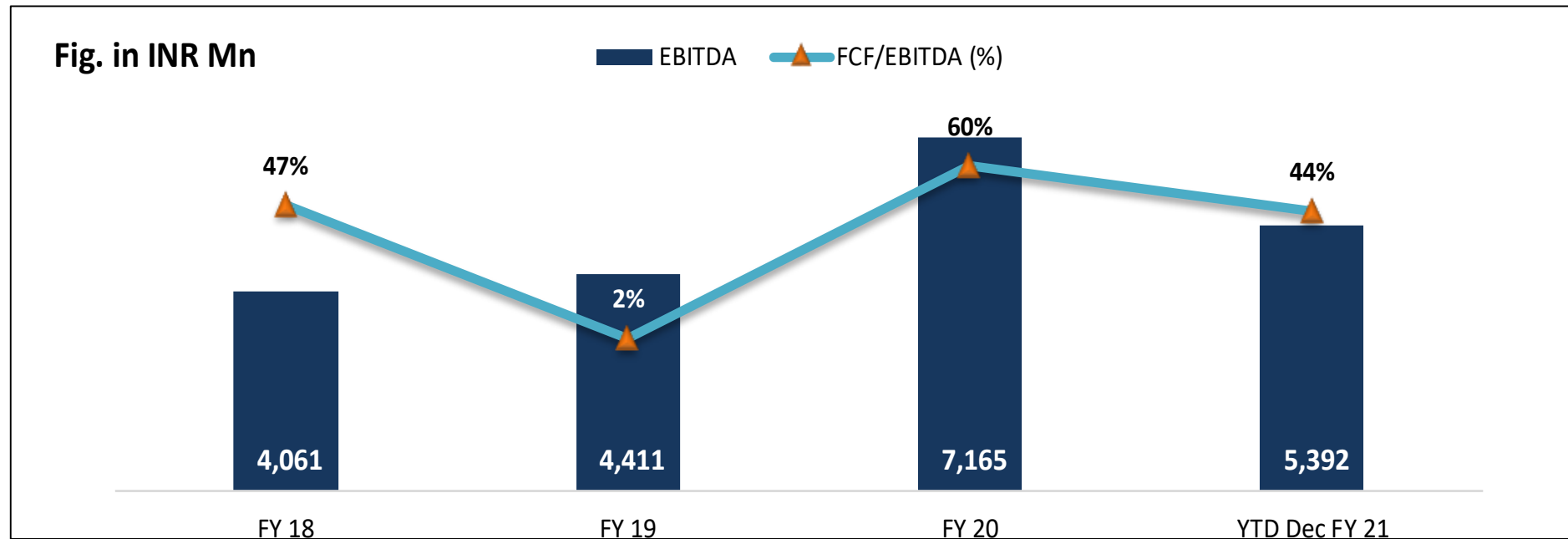
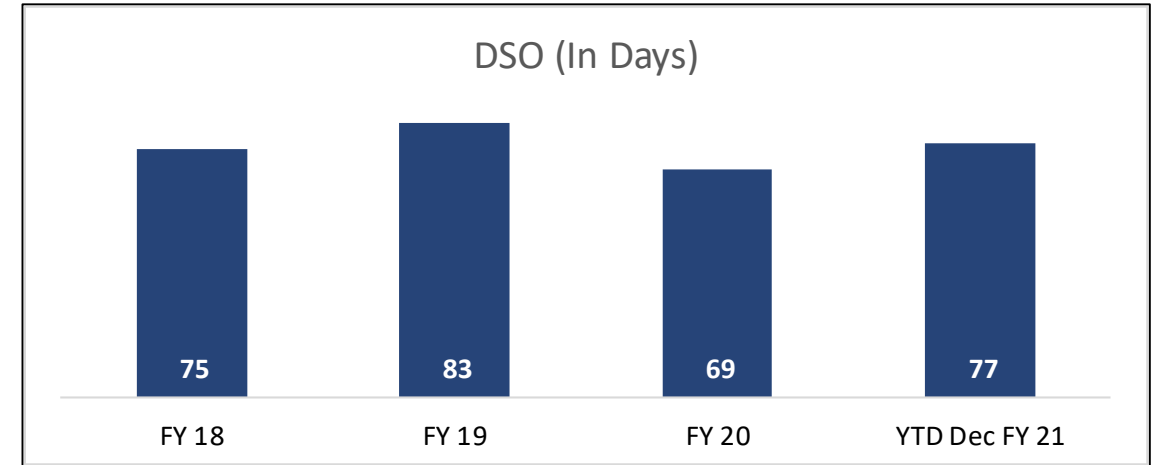
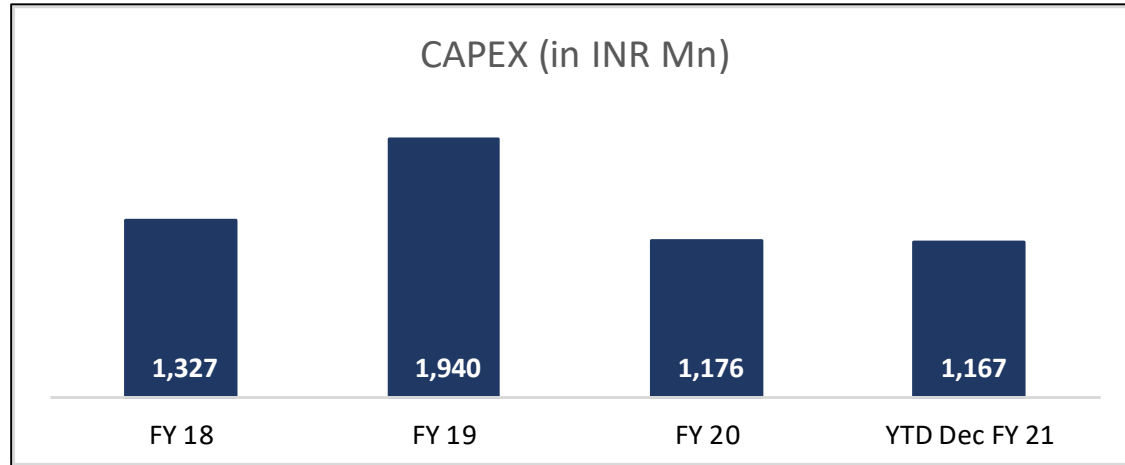
* Adj for India Domestic CRM Business

HGS Performance: YTD Dec FY 2020 vs YTD Dec FY 2021



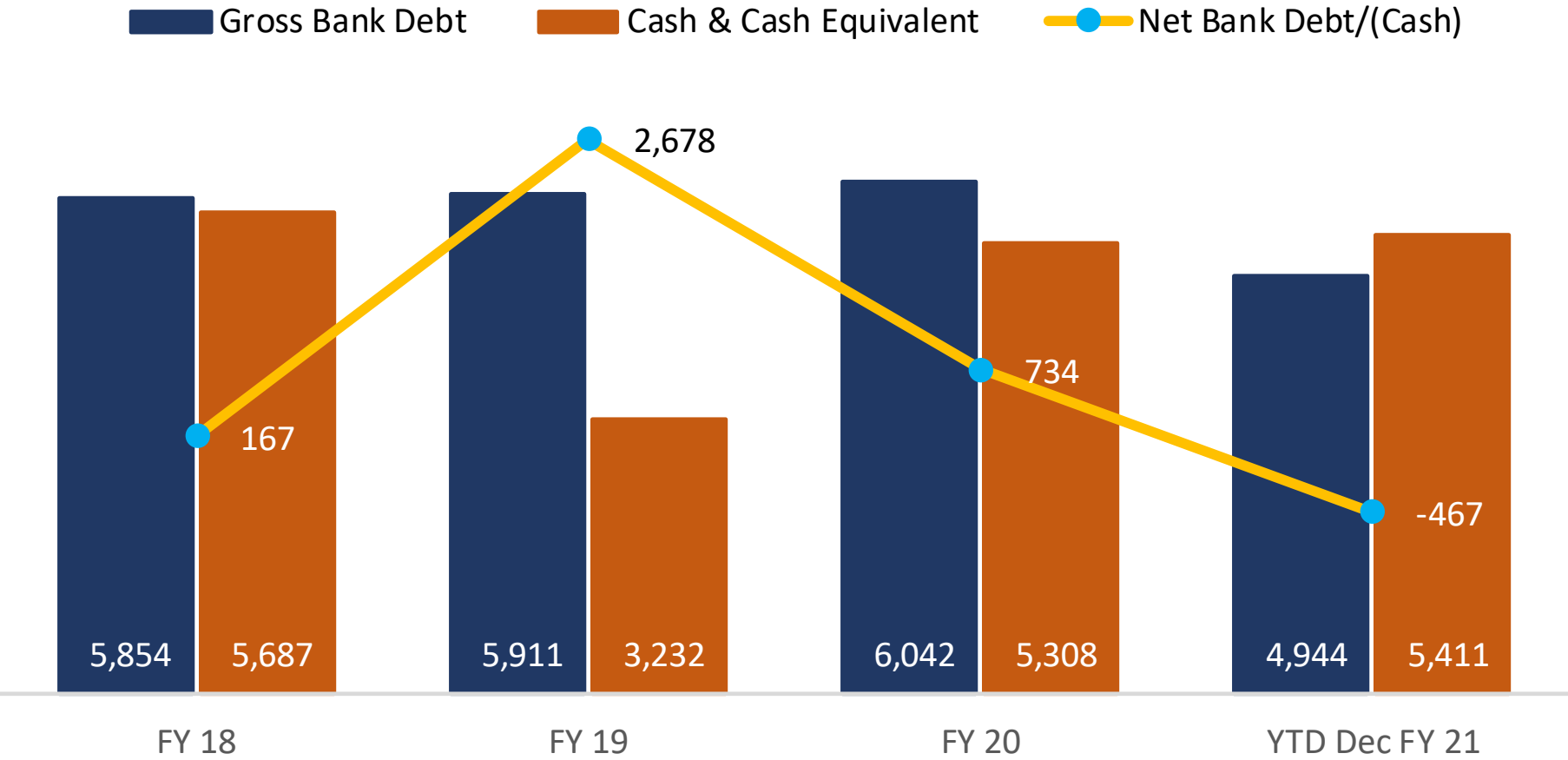
* Adj for India Domestic CRM Business

Free Cash Flow to EBITDA Conversion:



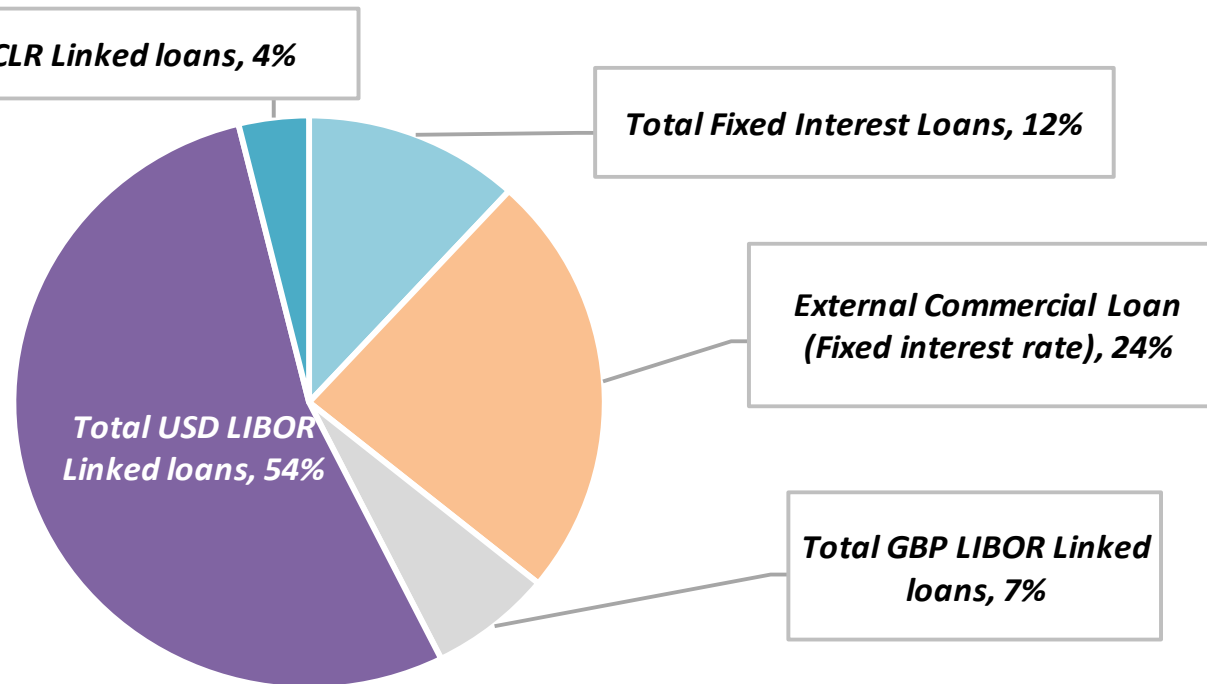
Debt & Cash Details

Fig in INR Mn

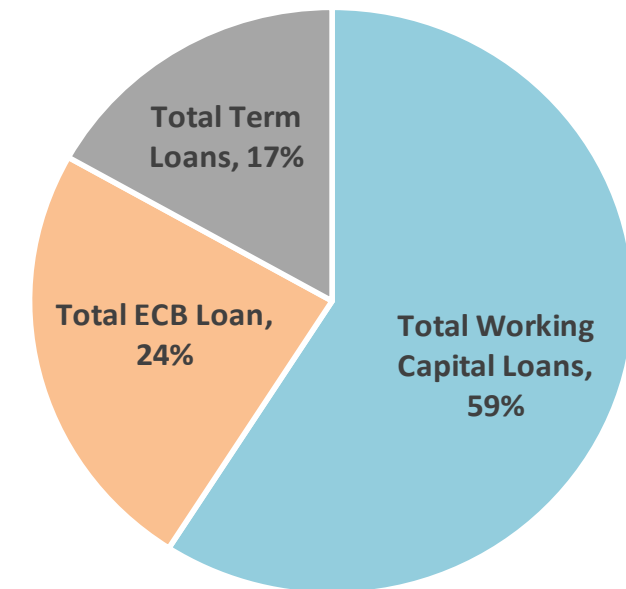


Debt of Rs 4,944 mn: 41 % are Term Loans

Consolidated Debt description by Type

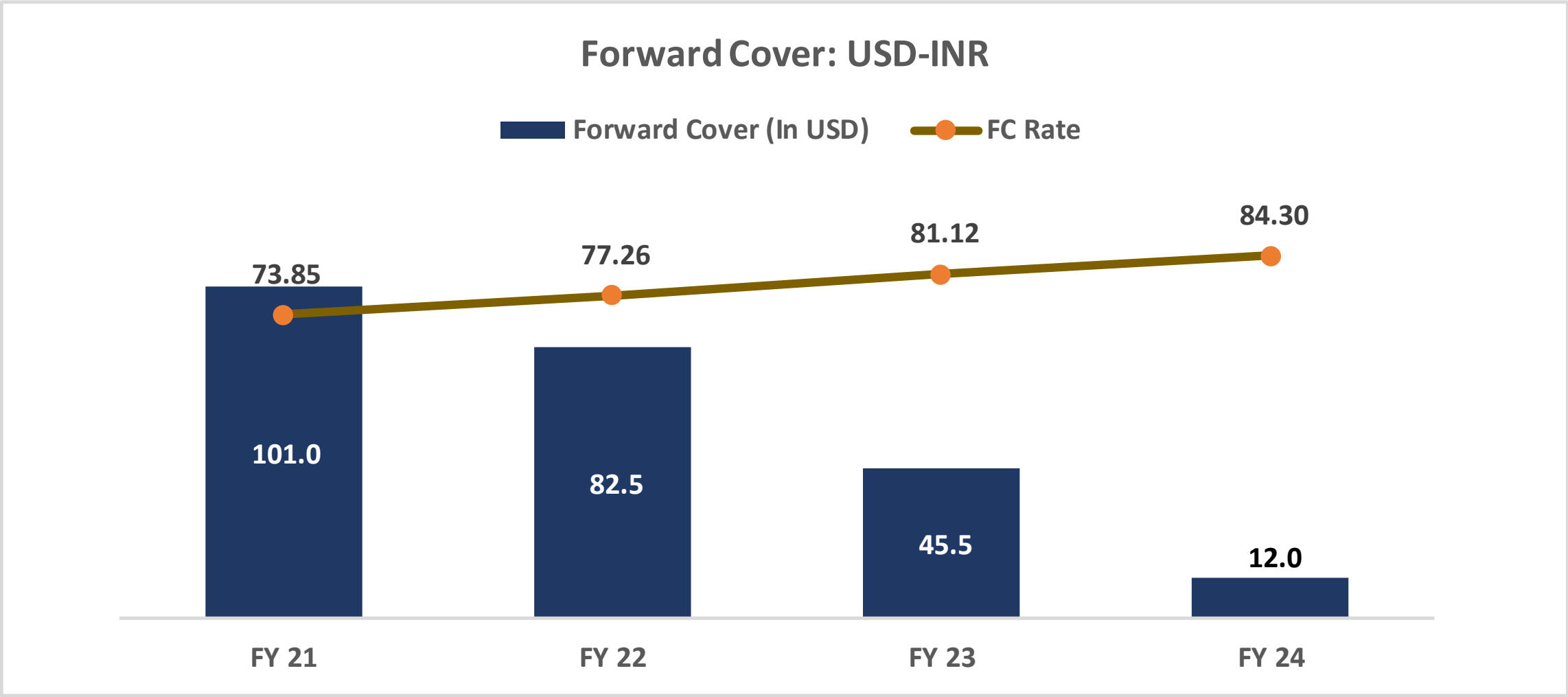


Consolidated Debt description by Categories



- Q3 FY 21 Quarter end, Total debt stood at Rs 4,944 Mn which is USD 67.7 Mn

Forward Cover



Summary Financial Profile – As at 31st December 2020

Particulars	HGSL	
	Rs.	USD
Net Worth <i>(in millions)</i>	19,978	273.6
Book value per share	957	13.1
Price per share	1,165.0	16.0
Dividend per share <small>(YTD Dec 2020)</small>	18.0	0.25
EPS (TTM)	120.0	1.6
P/E Ratio (TTM)	9.7	9.7
Gross Debt <i>(in millions)</i>	4,944	67.7
Total Cash* <i>(in millions)</i>	5,411	74.1
Net Debt (Net Cash)* <i>(in millions)</i>	(467)	(6.4)
Gross Debt / Equity	0.25x	0.25x









- *P/E calculated as per CMP of Rs 1,146 (17th Feb 2021)*
- *USD/INR exchange rate of 73.01*
- *Total Debt includes foreign currency debt taken at applicable exchange rates*

** excludes ICDs of INR 4,619 Mn*



Peer Analysis

Peer Analysis

	In USD Mn	Revenue			EBITDA			PAT		
		QE Dec 2019	QE Dec 2020	YoY Growth %	QE Dec 2019	QE Dec 2020	YoY Growth %	QE Dec 2019	QE Dec 2020	YoY Growth %
 		940.7	950.6	↑ 1.0%	123.3	153.5	↑ 24.5%	82.2	75.0	↓ -8.8%
 		239.2	238.4	↓ -0.3%	42.7	60.4	↑ 41.5%	30.9	31.0	↑ 0.4%
 		147.6	184.8	↑ 25.2%	23.4	28.5	↑ 22.0%	12.5	16.4	↑ 30.6%
  *		177.2	197.2	↑ 11.3%	27.1	27.9	↑ 3.0%	10.0	10.2	↑ 2.0%

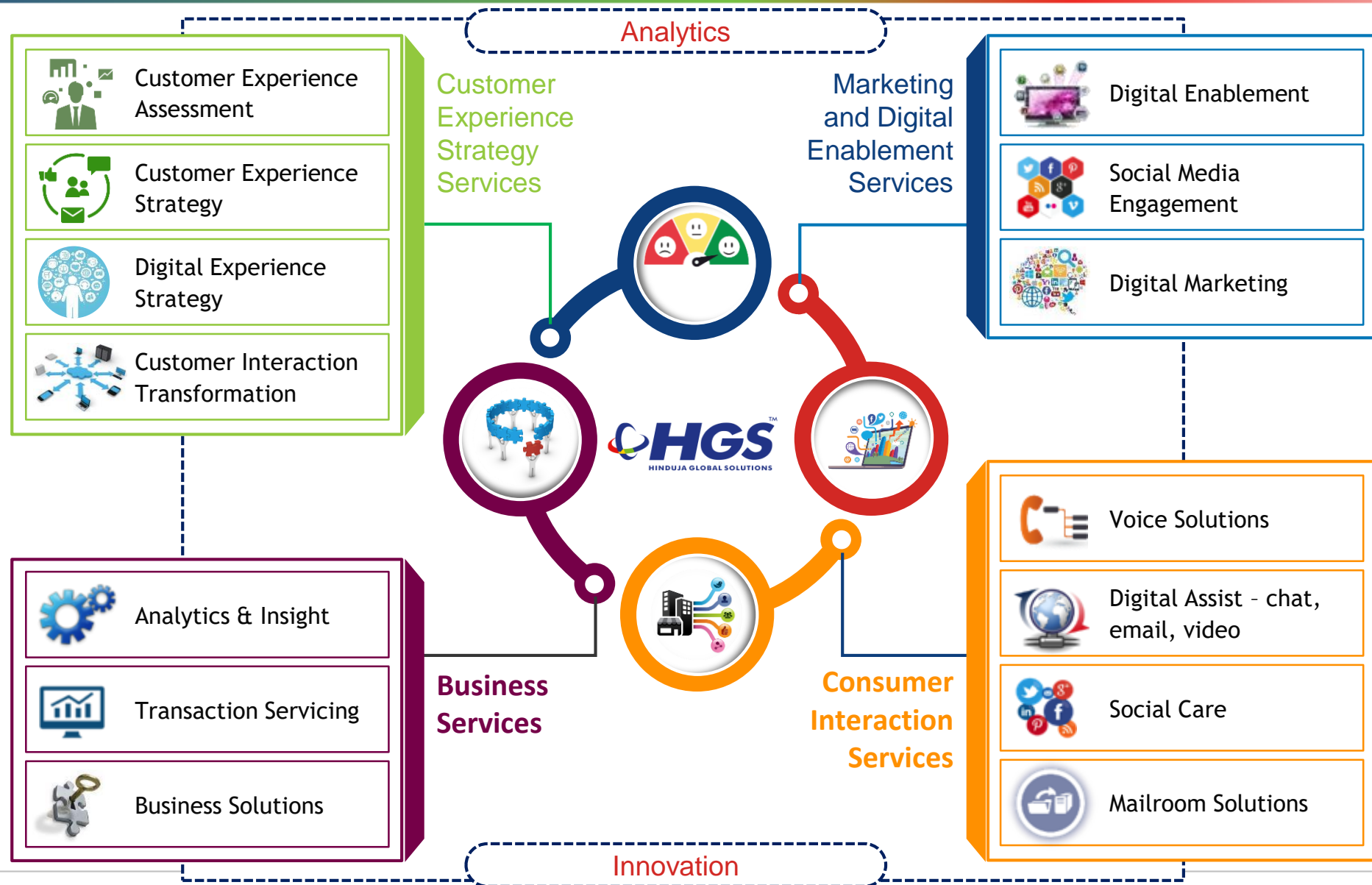
* HGS Limited: QE Dec 2019 Revenue & EBITDA is excluding India Domestic CRM Business, sold in Jan 2020

- Revenue, EBITDA & PAT based on latest data available
- USD/INR exchange rate used – QE Dec 2019: 71.36 &
QE Dec 2020: 73.86
- SYKES : Result will be after the U.S. financial markets close on, February 23, 2021
- EXL: Result will be on February 25, 2021 before the USA market open

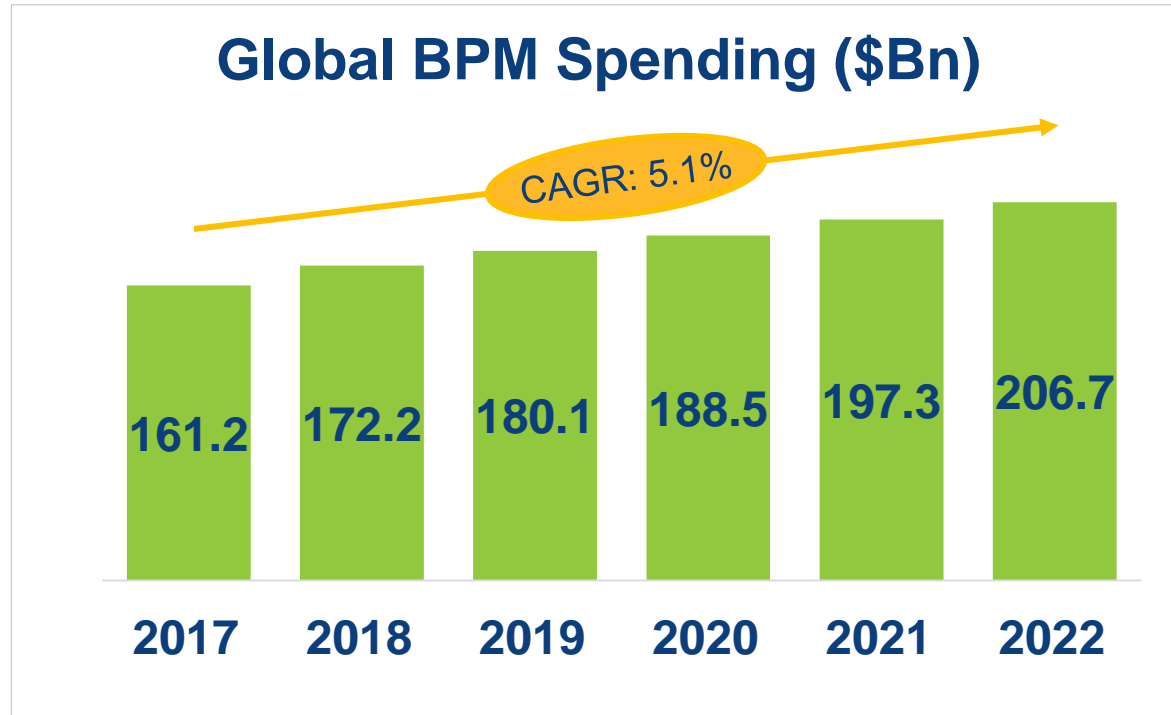


HGS Service Offerings

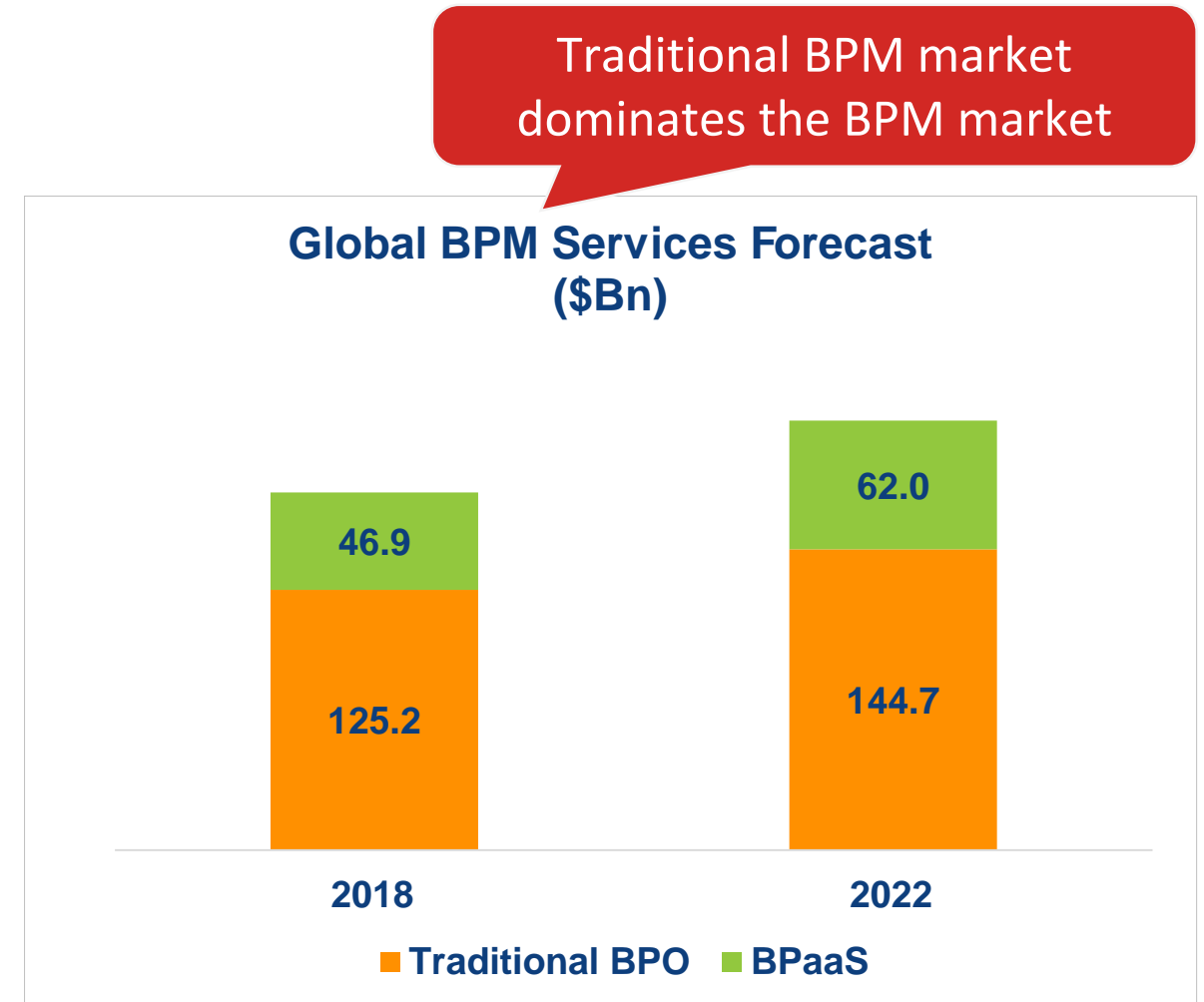
HGS Core Capabilities



The Global BPM Market...



Source: Gartner Service line Forecast 2018 Q1





Healthcare Practice Overview

HGS Healthcare Journey



35+
Clients



**Integrated
& Omnichannel**
Services

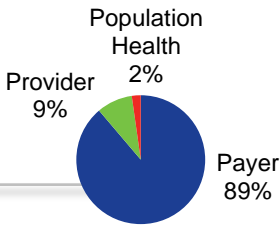


24,000+ Employees⁽³⁾
across **34** Locations⁽⁴⁾
in **5** countries



US
Focused⁽⁵⁾

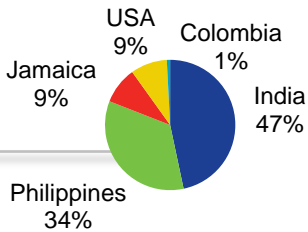
By Revenue⁽¹⁾



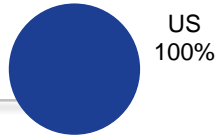
By Revenue⁽²⁾



By Headcount⁽³⁾



By Revenue



Note: Colombia through a partner site

Creating a Deep Impact in the Healthcare Ecosystem



HGS Healthcare is Helping its Clients to Change the Game with New Age Metrics



- **Transition in Sentiments**

Member Experience measured beyond the CSAT and NPS



- **Engagement Rate**

% of members engaged with the device-based Wellness/Fitness Services



- **Readmission Prevention Index**

% of Hospital Re-admissions prevented through Patient Monitoring



- **Analytics assisted RCM Collection**

% of Collection transactions in Revenue Cycle Management (RCM) that were assisted by Advanced Analytics



- **Robotics led Auto-Adjudication Rate**

% Auto Adjudication improvement with RPA

HGS Healthcare Recognized as a Leading Partner for Healthcare Solutions

- The prestigious NCQA Accreditation for Population Health and Disease Management Programs deployed for our Health Plan clients



- Ranked as **Top 10 performer** in 2019 in building **collaborative culture** between payer & provider
- HGS positioned in **Winner's Circle**, for **Healthcare Payer Ops** for last four years
- High Performer in **Population Health Management**



- HGS positioned as **Leader** across **Healthcare Payer, Provider** (2015, 2016, 2018)
- HGS is a **Leader** in Nelson Hall Digital Marketing Services NEAT 2018
- **Leader** in cost take out focus in 2019



- **Major Contender, Rising Star** in Healthcare Payer BPO **PEAK Matrix™** (2017, 2018)



- NCQA Accreditation for Case Management assures industry best practices implementation for clinical case management



- 2018 IAOP Global Outsourcing 100® for the 8th year in a row
- This year, **HGS was called out as a Super Star of the Global Outsourcing 100** for Sustained Excellence

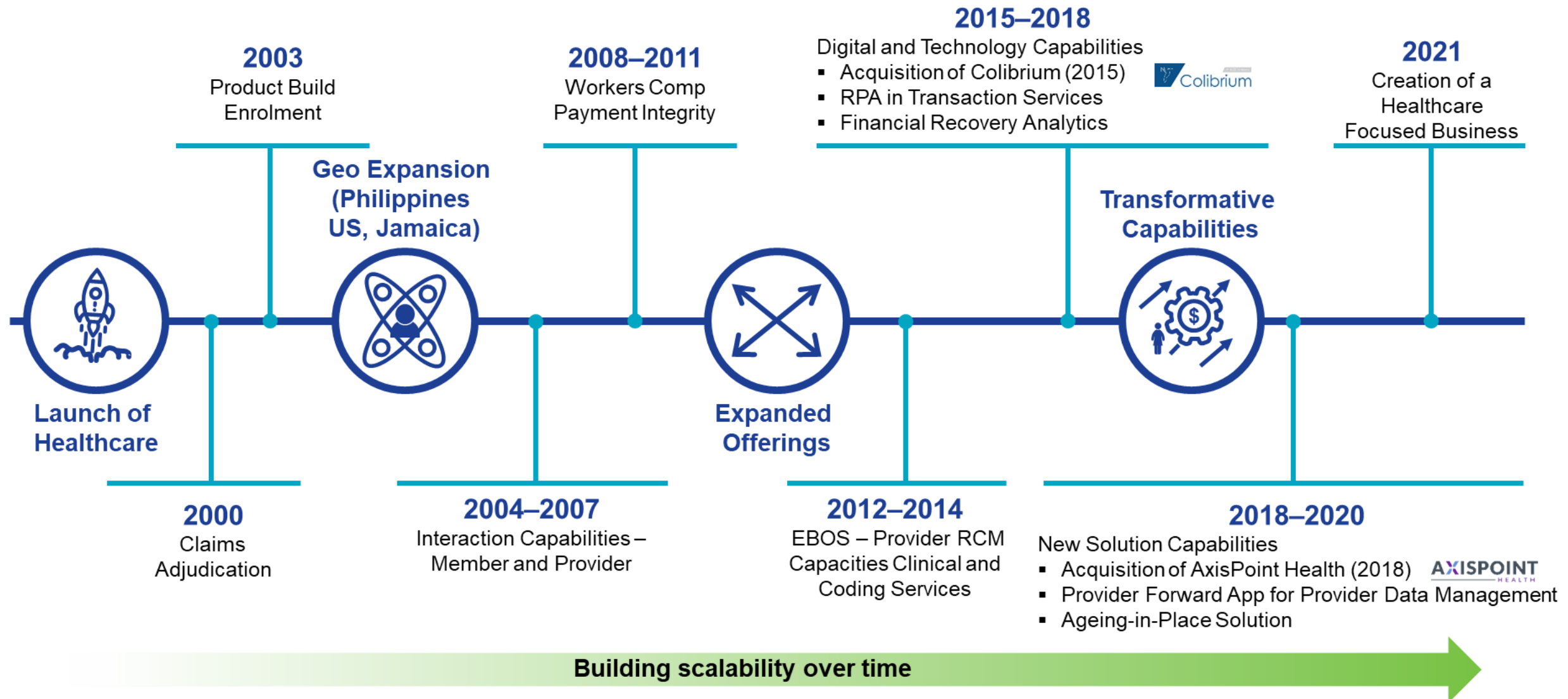


- Americas Top 15 status in the Breakthrough Sourcing standouts in ISG Outsourcing Index Global



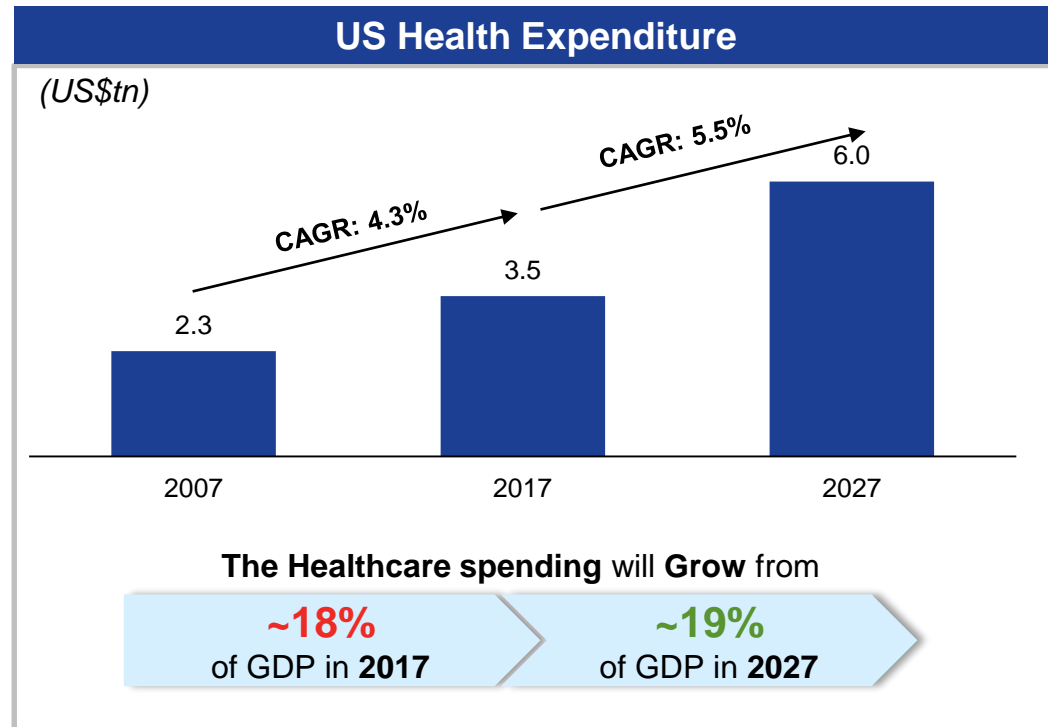
- HGS cited as a **Consulting Provider** in **Robotic Process Automation**

HGS Healthcare Journey



US Healthcare is a US\$3.5tn Market Expected to Grow at ~6%...

The US health spending is projected to grow c. 5.5% p.a. over the next few years



1

Ageing population with ~21% of population above 64 by 2035

2

Increase in the cases of chronic illnesses

3

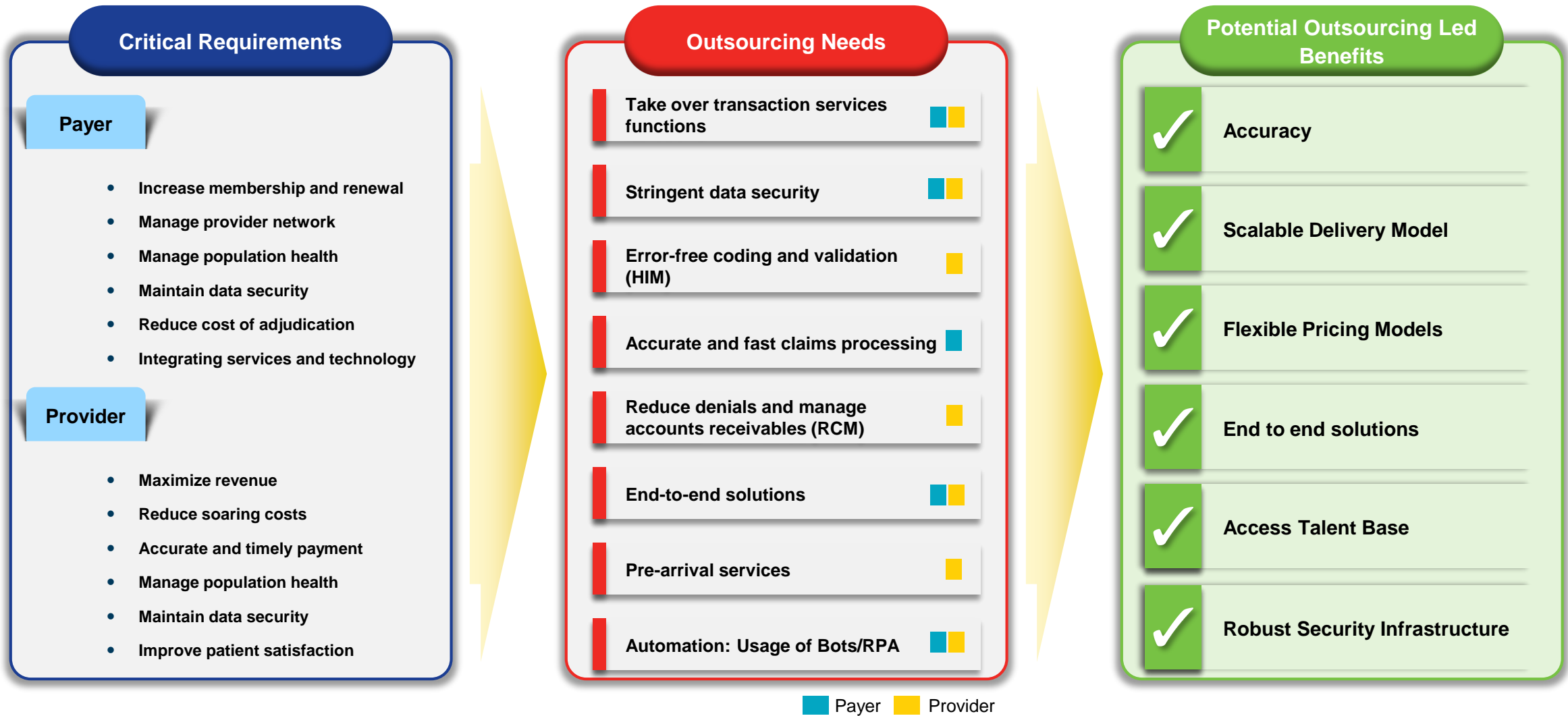
Expected increases in federal spending due to higher projected enrollments in Medicare and Medicaid programs

4

High fraction of these costs were spent on billing and insurance administration activities

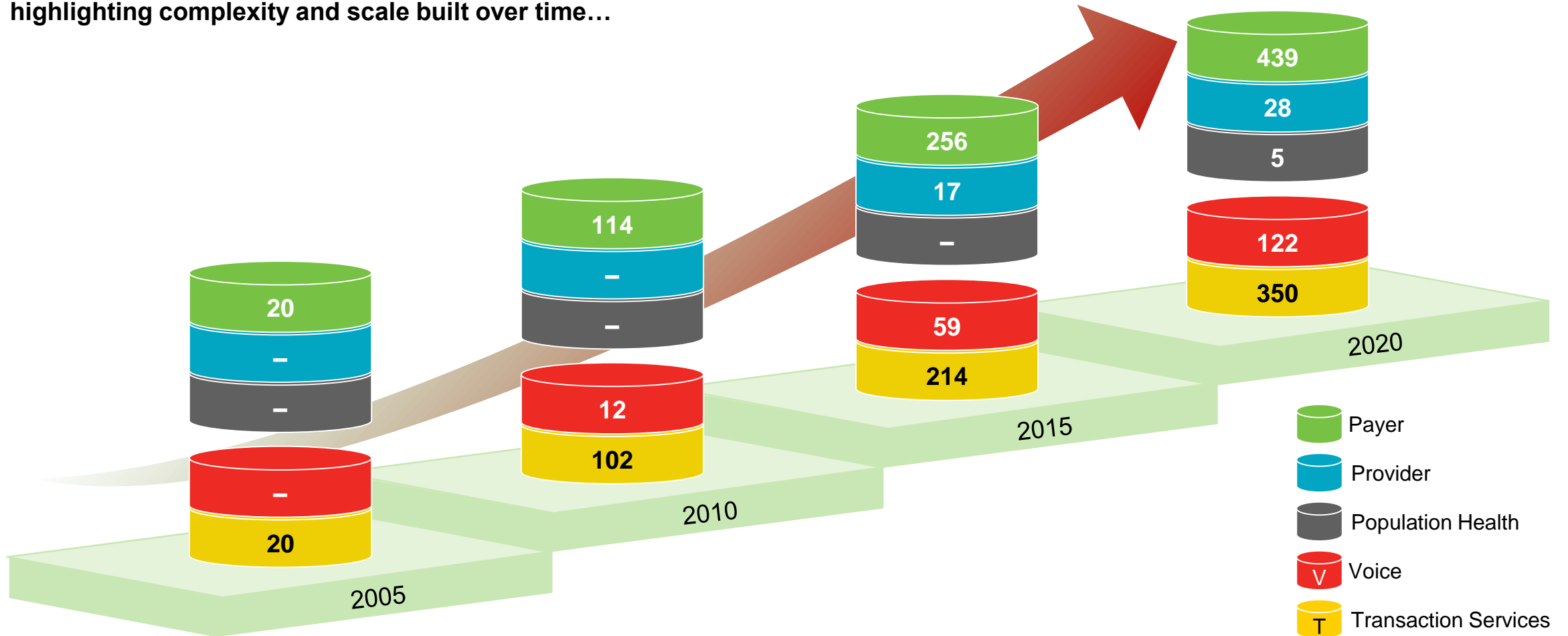
Outsourcing can help reduce expenditure while improving efficiencies given high costs

Healthcare Outsourcing Can Help Address Critical Requirements



HGS Healthcare – Services Portfolio Evolution...

Over 450+ Lines of Businesses (LoB) carried out in 2020 for HGS Healthcare clients across payer and provider value chain highlighting complexity and scale built over time...



The Healthcare Outsourcing Space is Ready for Digital Disruption



Key Disruption Drivers

Market Drivers



**Cost
Alpha**



**Shift to
Value**



**Customer
Experience**



**Growth in
Government
Programs**

Technology Drivers



Automation



**Analytics
AI/ML**



**Wearables
and Remote
Monitoring**



Blockchain

Regulatory Drivers



**Vertical Integration –
Payer – Provider –
PBM**



**Payer – Provider
Interoperability**



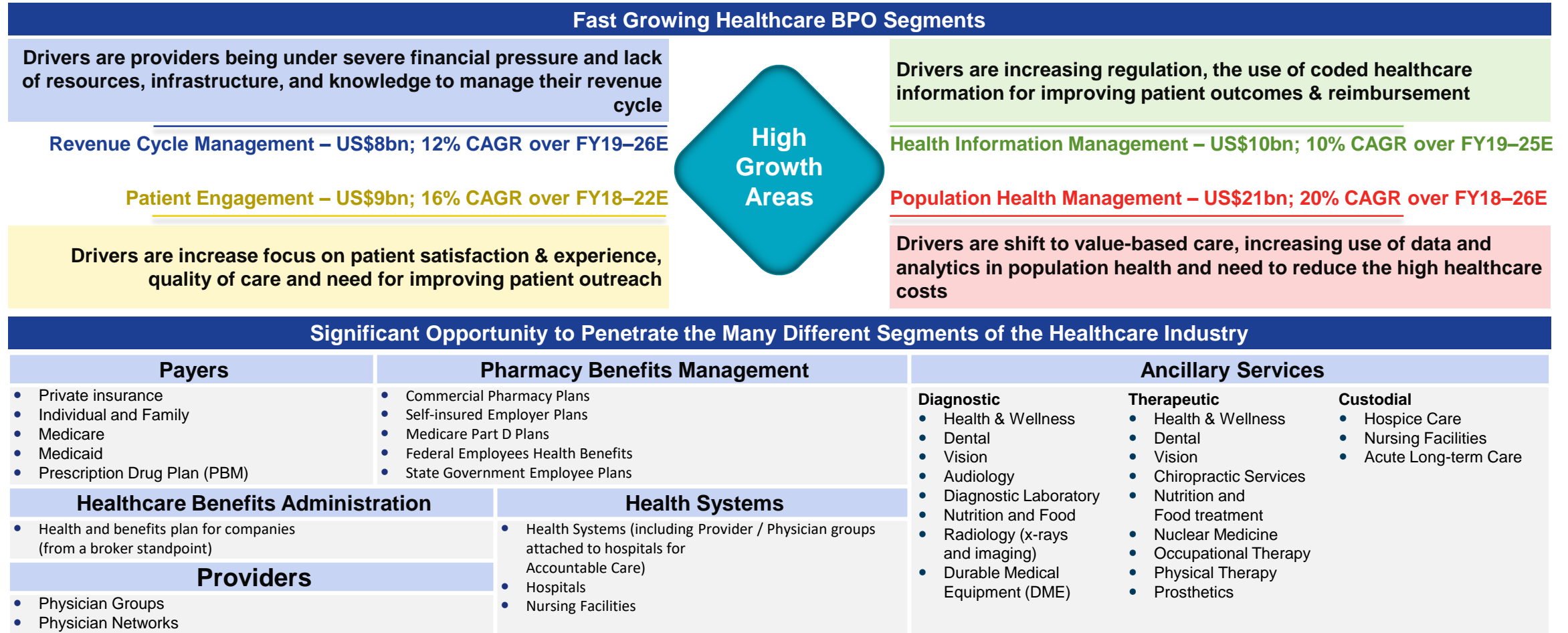
**Pricing Transparency,
CMS/State Mandates**



**Cyber threats and
Privacy Concerns**

US Healthcare – the Fastest Growing BPO Sector

Healthcare provides a large opportunity supported by attractive tailwinds

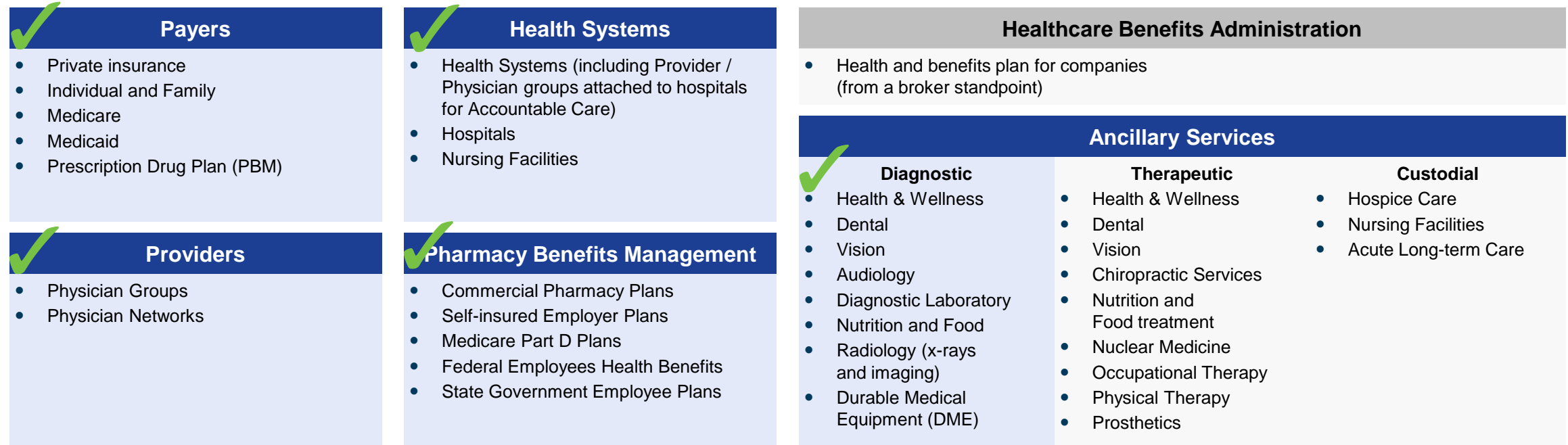


HGS Healthcare is Present across the US Healthcare Ecosystem

Scaled presence across Payers, Providers, Health Systems, Pharmacy Benefits Management amongst others



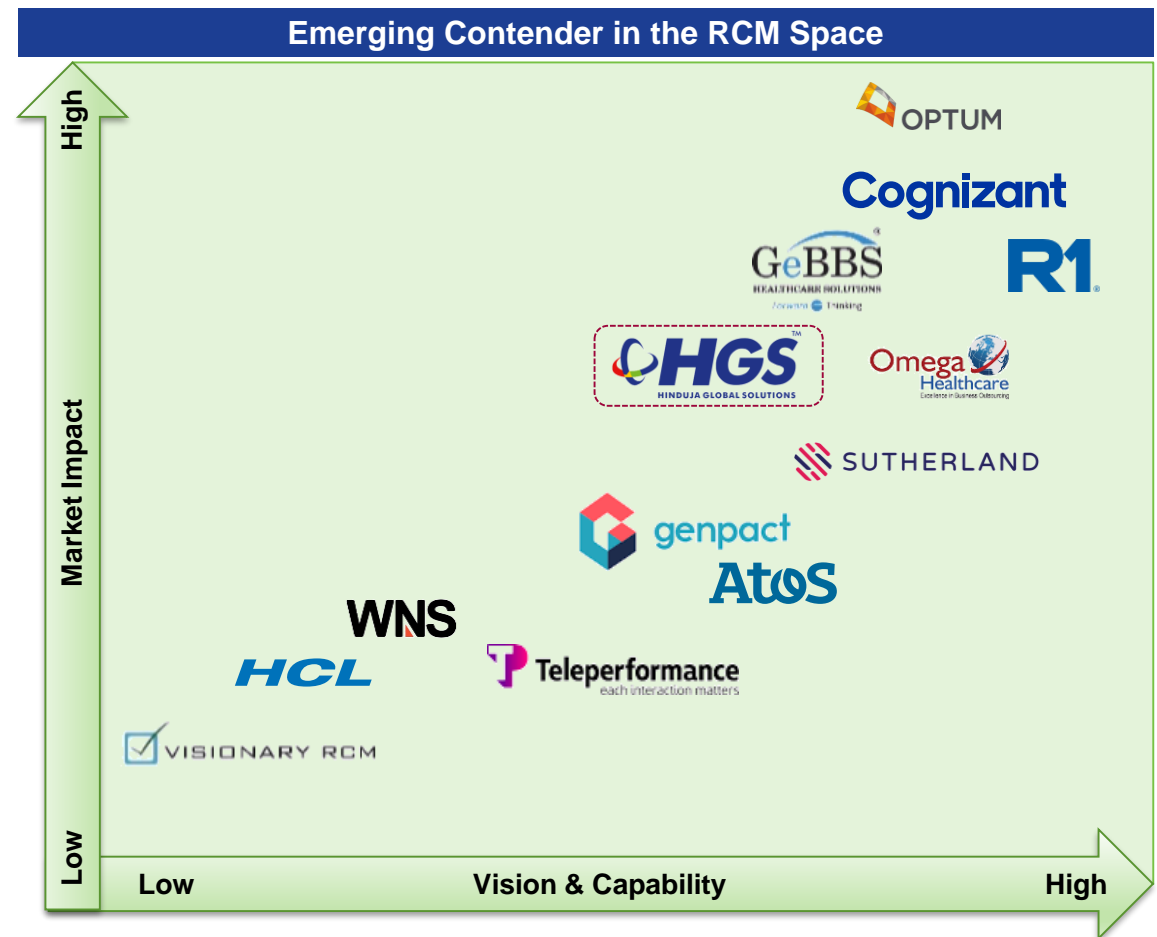
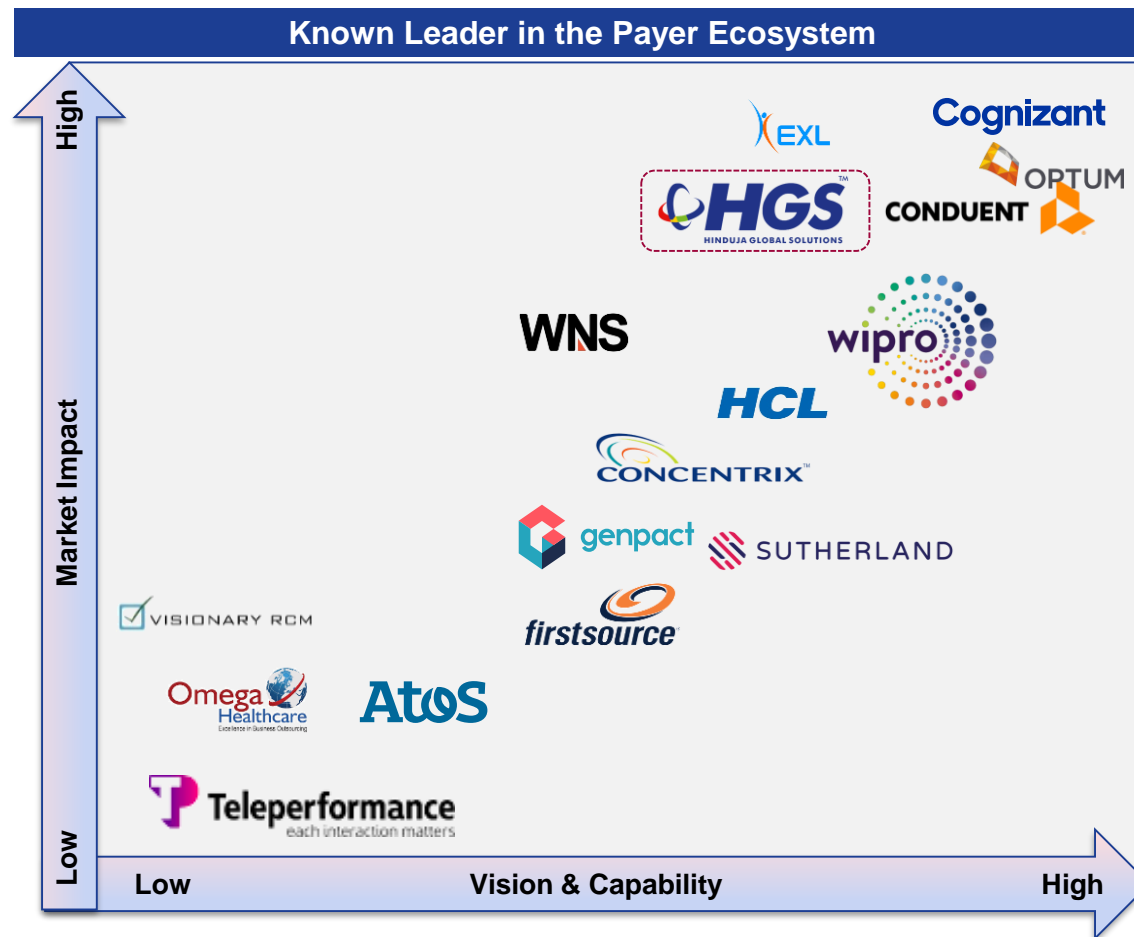
US Healthcare Ecosystem



 HGS Presence

HGS Healthcare – Recognized Healthcare Services Leader

HGS Healthcare has created a Global Healthcare Practice, an Innovation Hub and bundles of capabilities that combine technology, domain expertise and business transformation



HGS Healthcare – Strategic Imperatives



Further Solution Offerings on Back of Acquisitions Led Capabilities

Practice led Solutions Leveraging HGS Acquisitions

Care Management Service

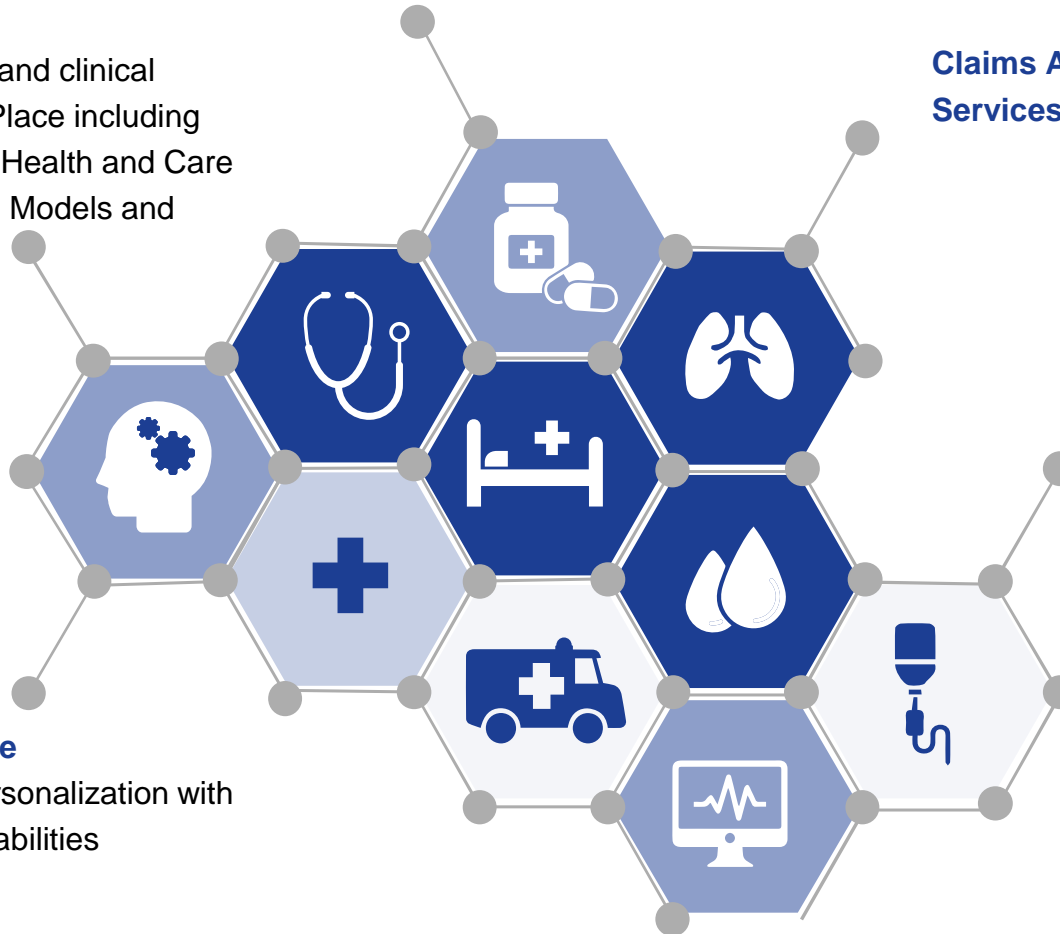
Powered by analytical models and clinical competencies e.g., Ageing in Place including remote monitoring, Population Health and Care Coordination (AxisPoint Health Models and Clinical Capabilities)

Provider Revenue Cycle management 3.0

Powered by AI, Analytics and Automation

Healthcare Concierge Service



Stratification, targeting and personalization with omnichannel engagement capabilities



Claims Adjudication and Payment Integrity Services with Automation, Analytics, and AI

Provider Data Management Accelerator

Colibrium Provider Forward as the base solution with a node on evolving Blockchain Initiatives

Acquisitions		
Company / Business	Year	Description
EBOS	2012	Clinical and Coding Service
 Colibrium	2015	Sales and Enrollment Platform
 AXISPOINT HEALTH	2018	Population Health Solutions

Appreciative HGS Healthcare Customers....

Leading Healthcare Company

HGS has done a nice job growing with us, by moving quickly and looking for additional areas to support us and our clients. The team understands our industry well, has strong client management skills while being agile and flexible to our changing needs and growth.

*Senior Vice President
Technology Enabled
Services
Delivery*

US Fortune 100 Healthcare Insurance Company

HGS is an excellent business partner and extremely great at collaboration. Any time we create a new product, change something or need anything, the team is willing to step in with its support.

*Associate Director
Delivery*

Fortune 100 Healthcare Payer

Thank you for your ongoing efforts to serve our members and providers during the global pandemic. Even during a time when our resources were stretched thin and there is uncertainty about what's coming next, the team has shown up for our customers in incredible ways. It has not been easy to navigate the "new normal" personally or professionally. As cities have closed, and we have quickly transitioned to working from home, you could have lost focus and passion, but instead you have worked even hard to get our customers the answers and information they need.

*Senior Vice President
Delivery*

Top Healthcare Provider

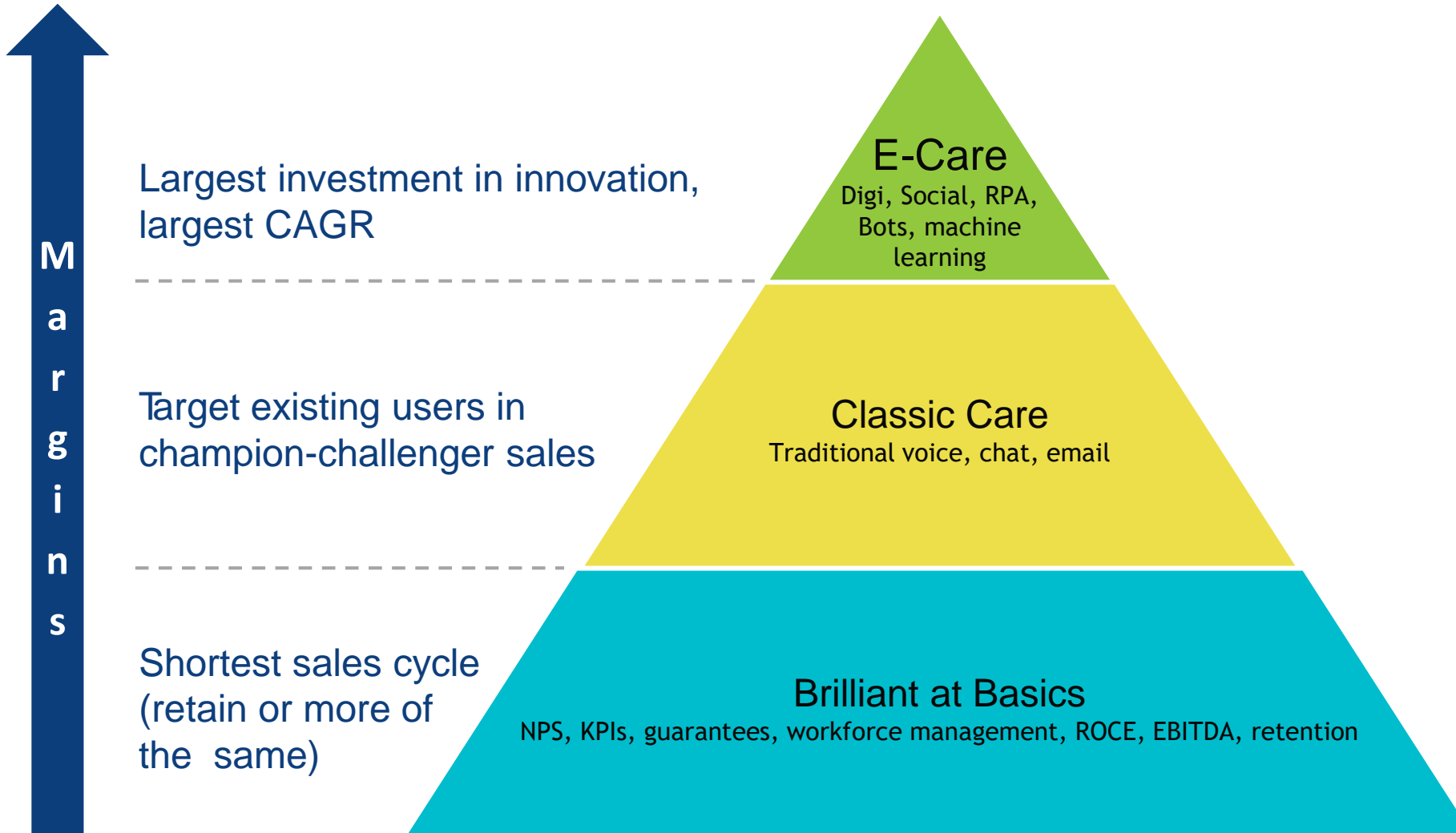
There are truly challenging times, and we appreciate the partnership and all the efforts of the team to get us through it. We rely on you to provide a fair and accurate account of status and what is possible, so we can communicate efficiently to our clients.

*Director
Delivery*

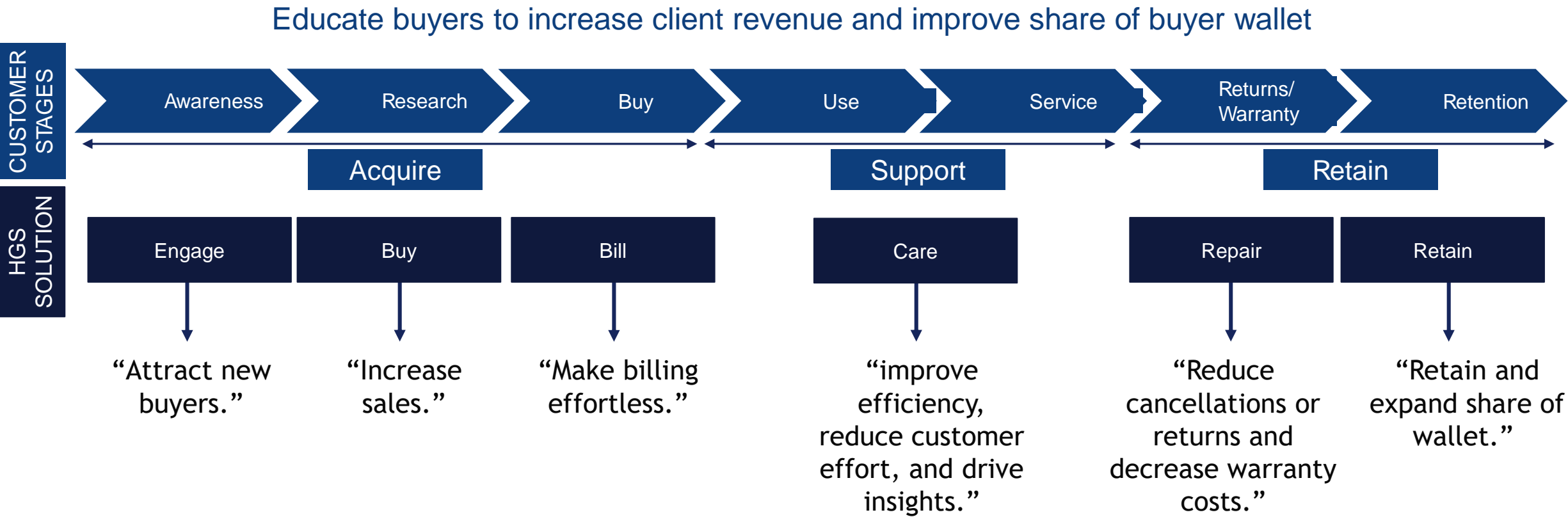


CES - Innovating in Core Customer Service

Offerings



HGS Consumer Journey Framework Solves Client Problems



Differentiating Thought Leadership in Social Care



“HGS has developed an industry-leading social media and employee recruitment model. The company has built a world-class talent profile for hiring the agents best suited for social media work. The profile and recruitment model are both clear competitive differentiators.”

Michael DeSalles, Principal Analyst



Gartner named HGS as a
Leader in Customer Service and BPO
 2021 Magic Quadrant



HGS DIGITAL
Cognitive Contact
Center



HGS PULSE
Customer Analytics
Platform



**VOICE OF
CUSTOMER**
Expression of
Dissatisfaction

Gartner[®]

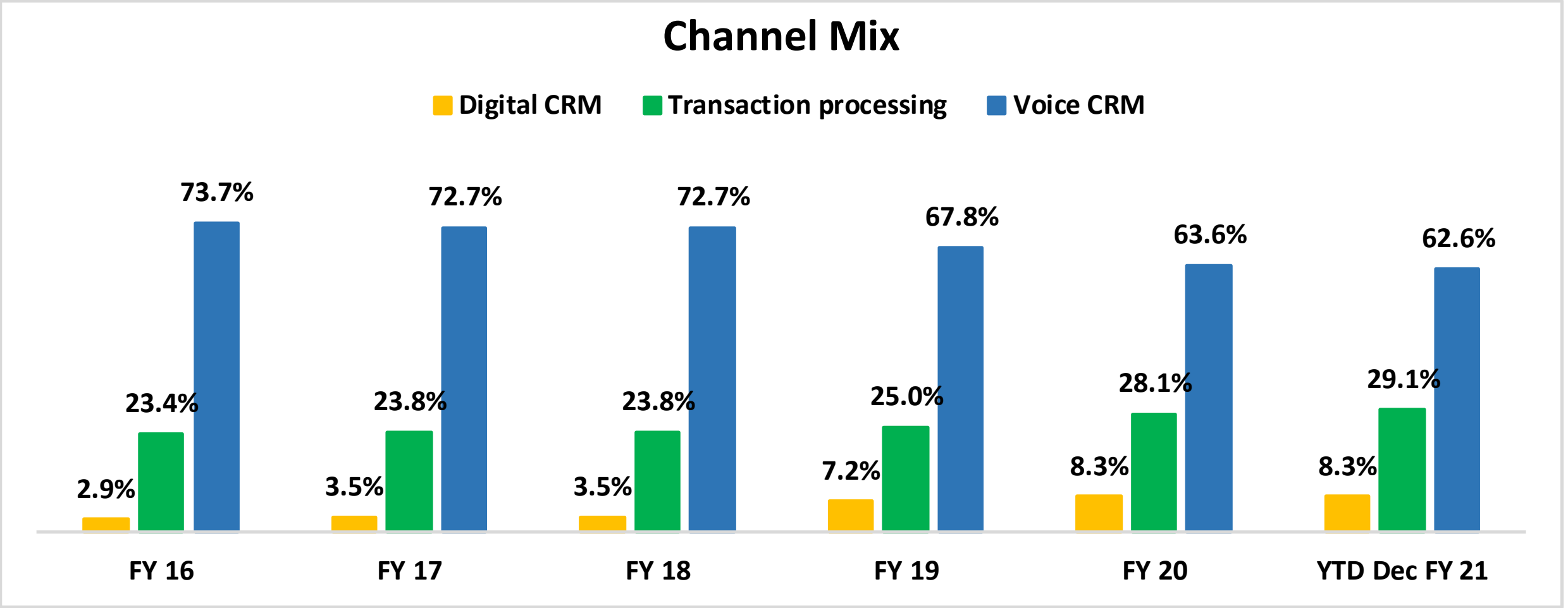


Source: Gartner (February 2021)



HGS Revenue Profile: FY 16 to YTD Dec FY 21

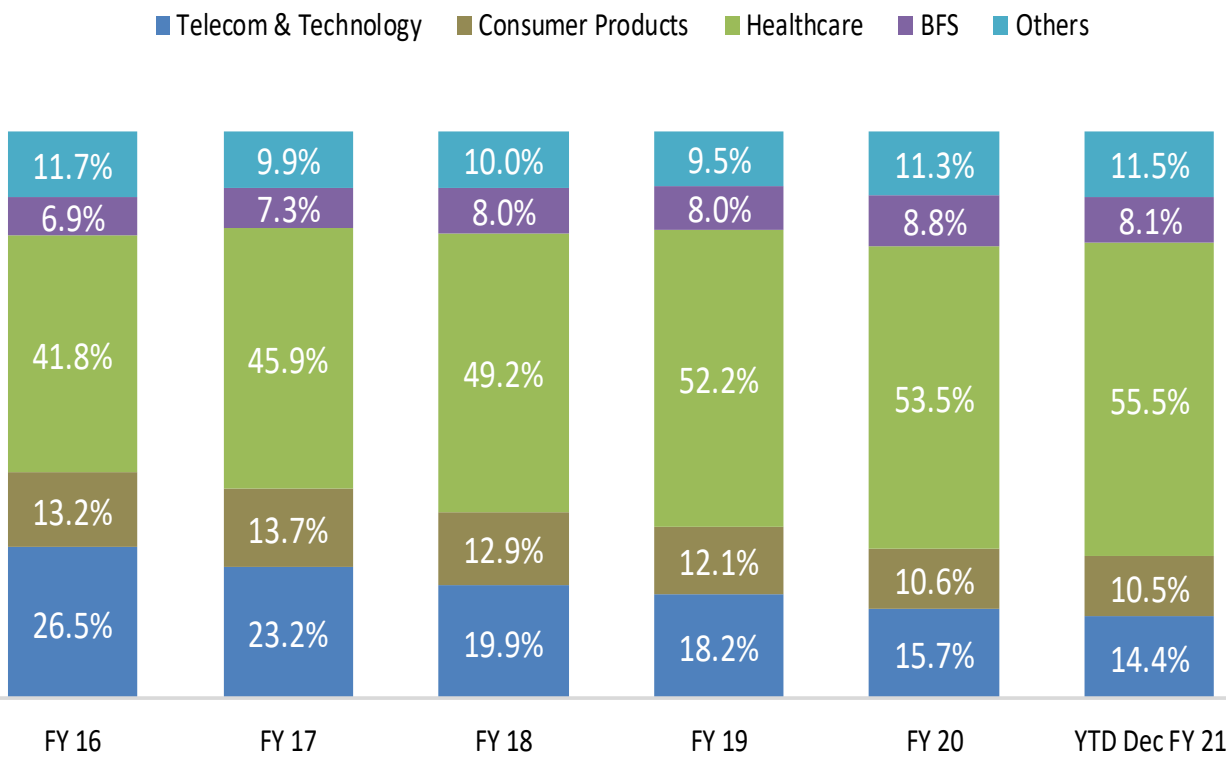
Non voice revenues are growing , account of 37.4% of Total Revenues



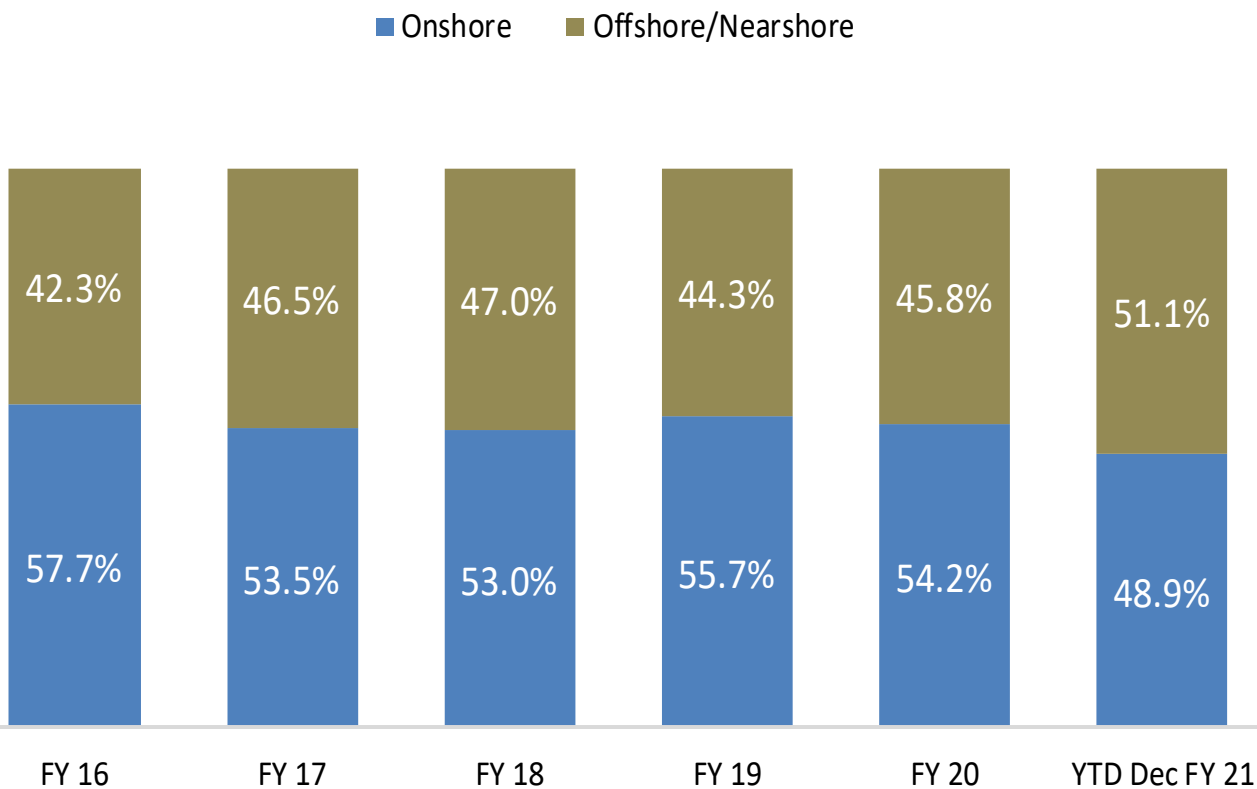
HGS Non-voice revenues have grown significantly for HGS in the last 5 years... 37.4% of our revenues are non-voice today

Revenue Composition

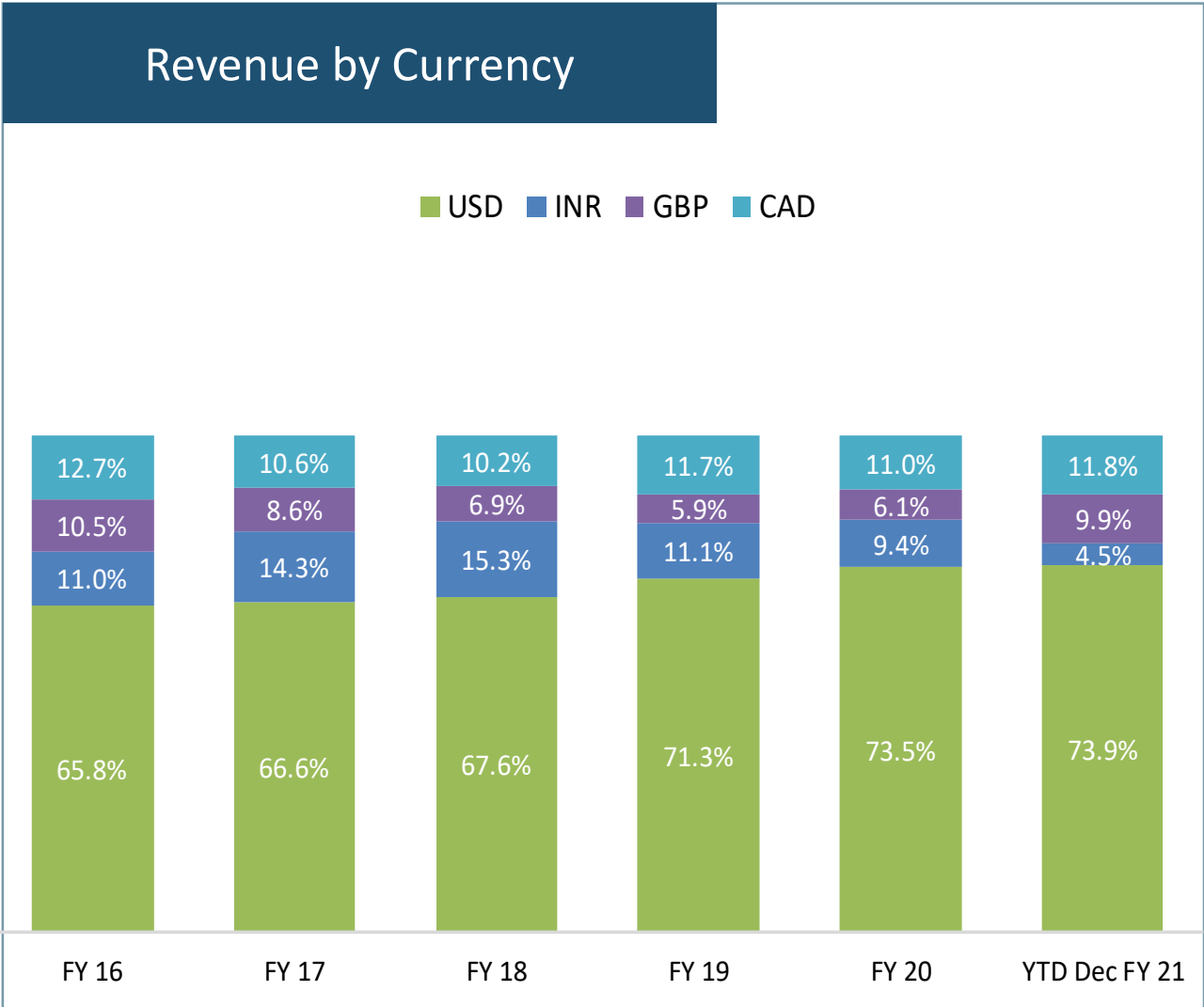
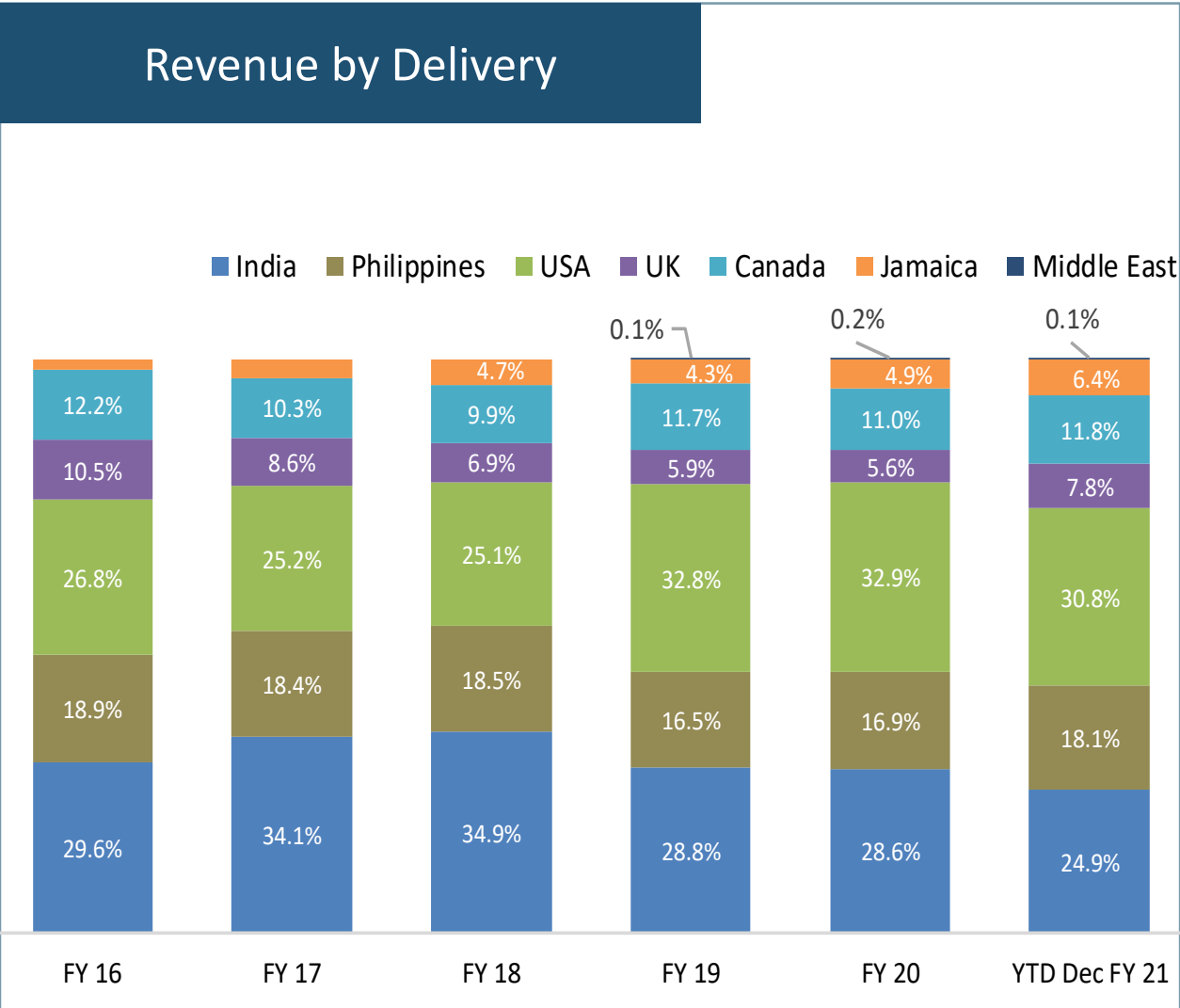
Revenue by Verticals



Offshore/Near-shore to Onshore

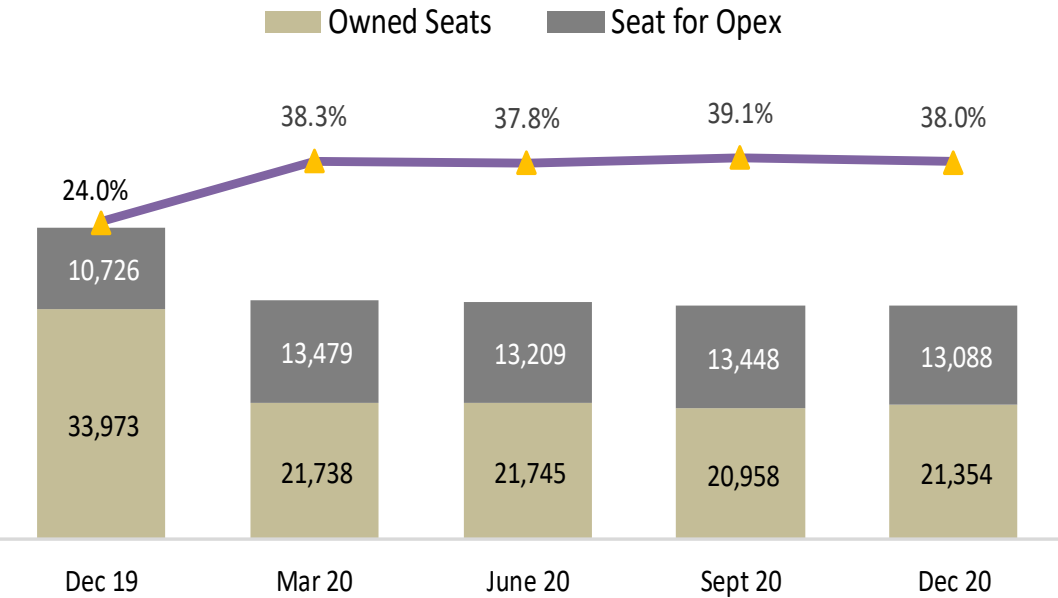


Revenue Composition

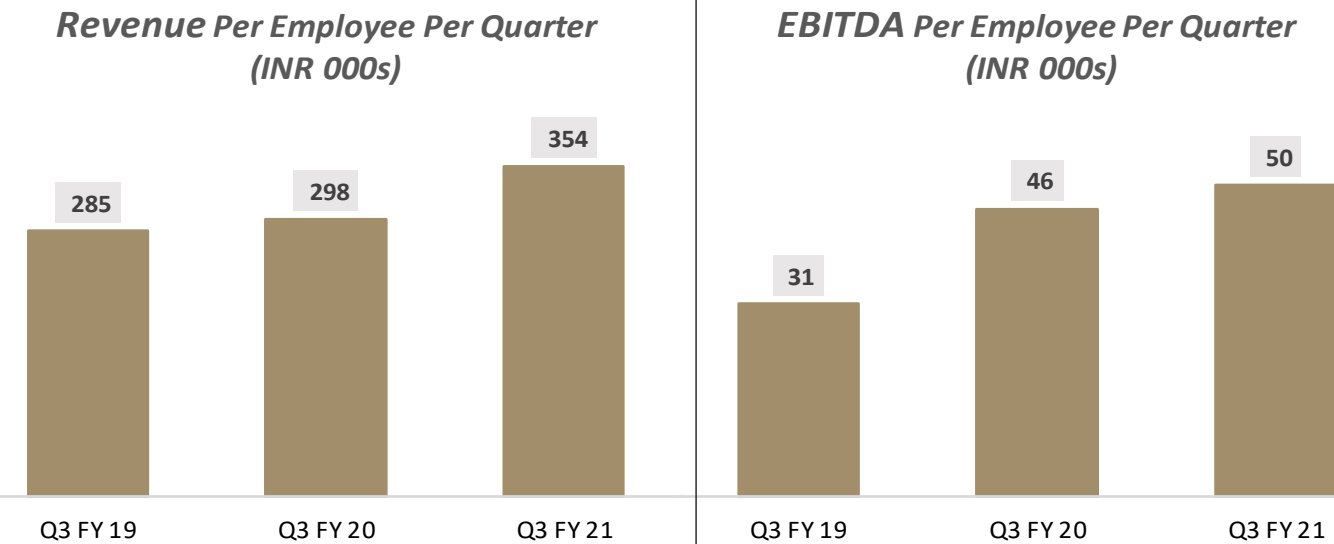


Other Key Metrics

OPEX seats & Owned Seats



Revenue & EBITDA Per Employee





Work@Home(TM) Solution Overview

HGS Work@ Home : Coping with Covid Crisis

1. IT Assets Deployment

- Over 30,000 IT assets transported to employee homes in 3 weeks
- Assets hired where required
- Dongles, Hotspots procured, transported and activated on emergency basis

2. Approvals

- Client consents received
- Force Majeure conditions negotiated
- Approvals from regulatory authorities

3. IT enablement

- IT Help Desk Scaled up
- IT tool kits provided to employees
- Licensing of collaboration tools
- VPN connectivity

4. Employees

- Employee safety ensured
- Additional facilities for employees who could not work from home
- Cross Training to cope with enhance work load for Technology team

5 Overall

- Clients extremely happy with HGS
- Better than peers and captive sites
- High level of Employee satisfaction
- Has helped win new business



HGS Work@ Home Journey

1. Launched in 2016

- 1,200+ agents in North America and 200+ Shared service employees in India prior to COVID-19 gave HGS a strong foundation during the pandemic.

3. COVID Key Milestones

- Almost all employees are working from home
- 5771 agents hired globally during (Apr-Aug 2020)
- 500 support staff trained to hire, train and do QA virtually
- 1600 frontline supervisors trained to manage remote work force

5. Evolving long term Strategy

- ~50% of HGS workforce to Move to Work@Home, subject to Regulatory & Client approvals
- Blend of Hub and Spoke Model & Virtual Work@Home model
- De-clustering of sites
- Maintaining data security & compliance norms

2. Global COE

- CoE goal is to design scalable processes, benchmark best practices and develop new-age tech solutions
- CoE is focused on mitigating numerous challenges and improve Work@Home efficacy

4. Mid term Strategy

- Virtual Hiring & Training practices
- Increase penetration of e-learning and self paced training content
- Scaled up Tech Infra & Connectivity
- Setup global Logistic Hub for equipment distribution and recovery



Key Tenets to enable Work @ Home



Type of Work

- Extent of process Standardization
- Automation Assessment
- Nature of work assessment
- Information Access



Technology

- Digital tool penetration for coaching and engaging associates
- AI driven IT and enterprise service management platform to maintain Data security and compliances
- Cloud Adoption
- HGS-provided equipment to be setup at Work@Home. Decision of provisioning Internet connectivity based on geographical nuances



Talent

- Evaluate Workforce maturity and Best fit for Work@Home
- Adoption of agile methods of working
- Extend benefits and incentives to all employees
- Collaboration strategy with adoption of newer platforms e.g. MS Teams and Zoom



Real Estate

Managing current Infra (Specially in offshore location)

- Operate @ less than 50% of capacity
- SOP for quick management of sites in case of COVID events
- Office Space design to accommodate social distancing

Evolving long Term options

- Set up Hub & Spoke model or alternative models in diversified smaller cities
- Option to work out of Co-work space, internet cafes, business center and other alternatives in offshore geos

Recruiting : Challenges and HGS Solutions

Challenges

1

Connect with talent as Lockdown restricts resource movement

2

Ghost/fraudulent Candidates

3

Communication challenge/call drops

HGS Solutions

- **Programmatic Job advertising:**
 - Partner with pioneer platform providers to source talent faster and primarily target the passive applicant with right competency using predictive algorithms and Artificial Intelligence.
- **Online proctored assessments & synchronous interviews:**
 - Blend the **power of AI and science of psychometric** to optimize our skill assessment and interview process. Platform is live across all geographies.
- **Recruitment chatbot:** HGS is developing a platform to deliver **conversational experiences** to prospective candidates with the help of a chatbot. This will include online application, pre-screening, home internet bandwidth test and scheduling interviews.

Training : Challenges and HGS Solutions

Challenges

1 Similar Training Engagement level as in Brick & Mortar environment

2 Non availability of face-to-face interaction

3 Delivering training through right learning blend - Self paced vs. virtual instructor led

HGS Solutions

▪ Playbook for Work@Home training:

- Macro level standard practices like tailored trainer profile, their selection and certification, content design, training ratios, etc. for virtual training
- Nesting and OJT practices which prescribed SME support ratios, utilizing monitoring console, virtual Y jacking to monitor agent while he is taking live calls and use of break-out rooms for evaluation and feedbacks.

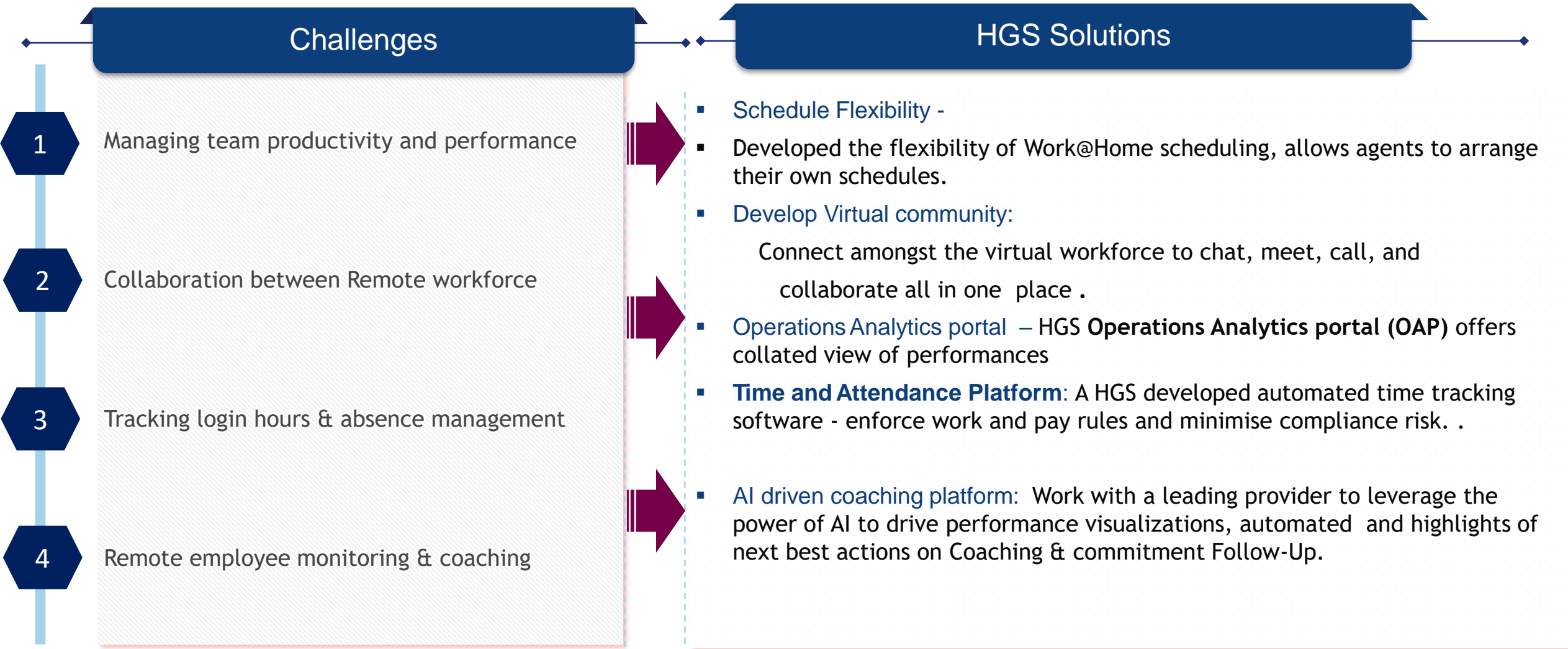
▪ Virtual Product and Process training:

- Train the Work@Home employees through **MS team and Zoom** as collaboration platforms and utilizing features like break-out rooms, live audio/video chats etc.

▪ Learning technology solutions:

- Utilize **HGS proprietary LMS platform** to ensure greater accessibility to virtualized and interactive training content.
- Rapid virtualization of existing content
- Deployment of assessment engines
- Migrating to advanced learning platform to leverage mobile learning, gamification, localization, micro learning, rapid authoring, simulations etc.

Operations : Challenges and HGS Solutions



IT Infrastructure & Data Security : Challenges & HGS Solutions

Challenges

HGS Solutions

1

Securing Work@Home devices from cybersecurity threats



▪ Lockdown End point:

- Use VDI environment to Secure data connection with 2FA implemented. Encrypted data security and restricted access to official device outside office Hours are the key features.

2

Managing IT downtime and resolving user queries



▪ Service Desk: HGS Global service desk located in Manila and India.

- Testing a **conversational AI** solution to recognize-the problem and fire an automated resolution orchestration for repetitive issues

3

Handling of customer sensitive information



- **360 Virtual inspection:** Conduct random inspection using webcams . Employee asked to give a real time 360 view of their work area, to ensure adherence to work area policy e.g. clean desk, device in-area etc.

4

Data security

- **Maintain Data security:** Partnering with Vendors on solutions that empower desktop monitoring, camera detection, masking of sensitive data and generate data breach alerts.

Employee Enablement: Challenges & HGS Solutions

Challenges

1

Work@Home power & connectivity

2

Work@Home Health & Wellness

3

Work@Home Employee engagement

HGS Solutions

▪ Enabling guidelines and Policies:

- Ergonomics
- InfoSec
- Connectivity tools - dongles, hotspots ...
- Tech Assets repair

▪ **Employee Assistance Program:** HGS provides an Employee Assistance Program (EAP), a professional counseling and referral service for all HGS employees across the geographies.

▪ **Employee Engagement:** Fun Events, Reward & Recognitions, CSR volunteering continue in the virtual world



Thank You