

February 02, 2024

BSE Limited

Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Security Code- 539978

National Stock Exchange of India Limited

"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East),
Mumbai-400051

NSE Symbol- QUESS

Dear Sir / Madam,

Sub: Investors Presentation

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Investor's presentation on the financial performance of Quess Corp Limited ("Company") for the third quarter and nine months ended December 31, 2023.

The above said presentation is also made available on the Company's website <https://www.quescorp.com/investor-other-information/>.

Kindly take the same on record.

Yours sincerely,
For Quess Corp Limited

Kundan K Lal
Company Secretary & Compliance Officer

Encl. a/a

Quess Corp Limited

Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru-560103, Karnataka, India
Tel: +91 80 6105 6001 | connect@quescorp.com | CIN No.L74140KA2007PLC043909

www.quescorp.com



Investor Presentation

Q3'FY24

02nd February 2024

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01

Key Corporate Highlights

Q3'FY24 – Financial Highlights

Figures In ₹ Cr

	Revenue	%YoY	QoQ%
WFM	3,430	▲ 12%	▲ 3%
GTS	588	▲ 5%	▲ 1%
OAM	695	▲ 1%	▼ 1%
PLB	129	▼ 13%	▼ 10%

	EBITDA	%YoY	QoQ%
WFM	90	▲ 4%	▲ 3%
GTS	108	▲ 19%	▲ 3%
OAM	36	▲ 16%	▲ 4%
PLB	(10)	▲ 63%	▲ 50%

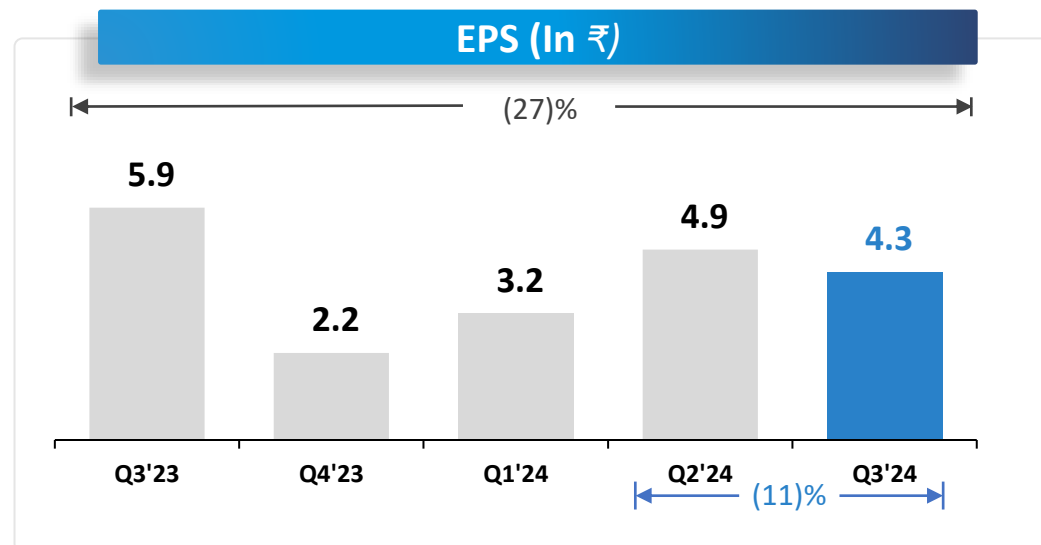
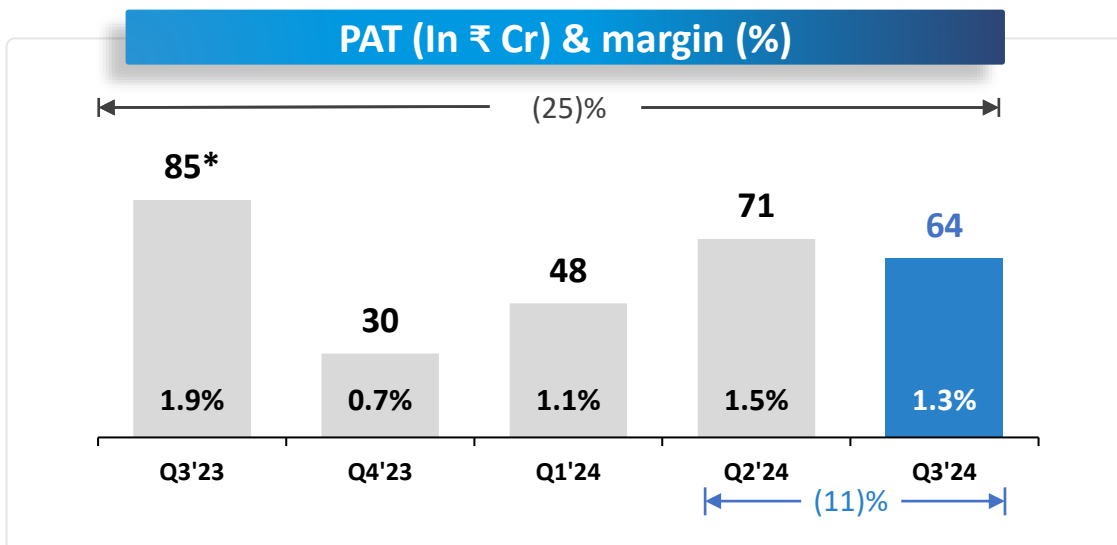
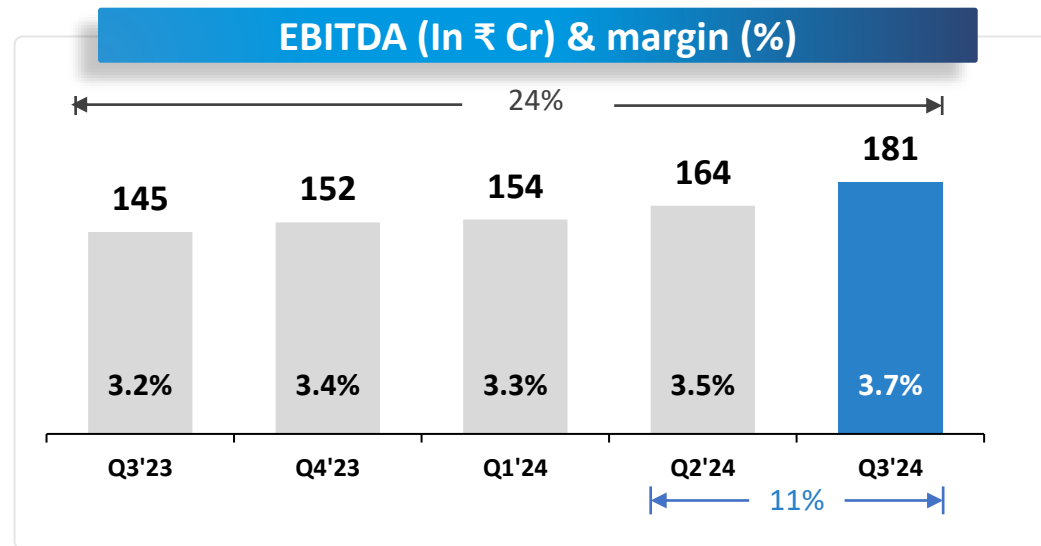
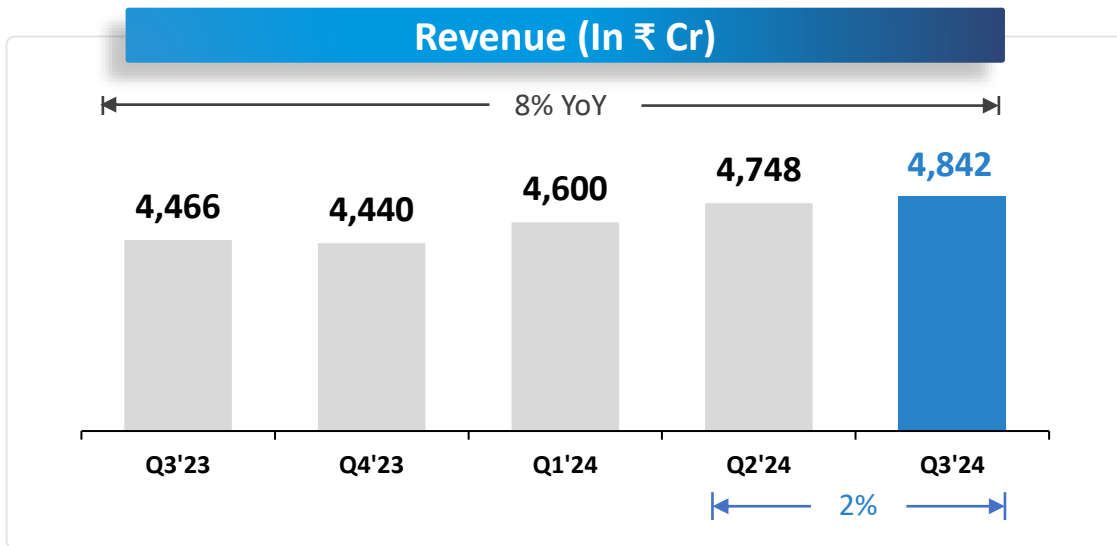
Consolidated

Revenue	4,842	▲ 8%	▲ 2%
PAT ¹	64	▼ 25%	▼ 10%
Adj. PAT ²	84	▲ 162%	▲ 15%
Headcount	557K	▲ 11%	▲ 2%

EBITDA	181	▲ 24%	▲ 11%
EPS in ₹	4.28	▼ 27%	▼ 12%
Adj. EPS ²	5.59	▲ 161%	▲ 15%
Cash/(Net Debt) ³	143	▲ 111%	▲ 4%

- 1. PAT / EPS decrease due to one-offs :
 - Q3 FY24 – Non-cash goodwill write off of INR (19 cr) and NCI Put option impact of INR (8cr) and tax benefit on merger of INR 14 cr
 - Q3 FY23 PAT include one-time exceptional gain of INR 53.5 crores due to divestment of Simpliance
- 2. Adjusted PAT/EPS is calculated by removing exceptional items
- 3. Net cash increased by 61 crore from March levels, Gross Debt reduced by 112 cr signifying robust working capital management

Q3'FY24 Financial Updates (Consolidated)



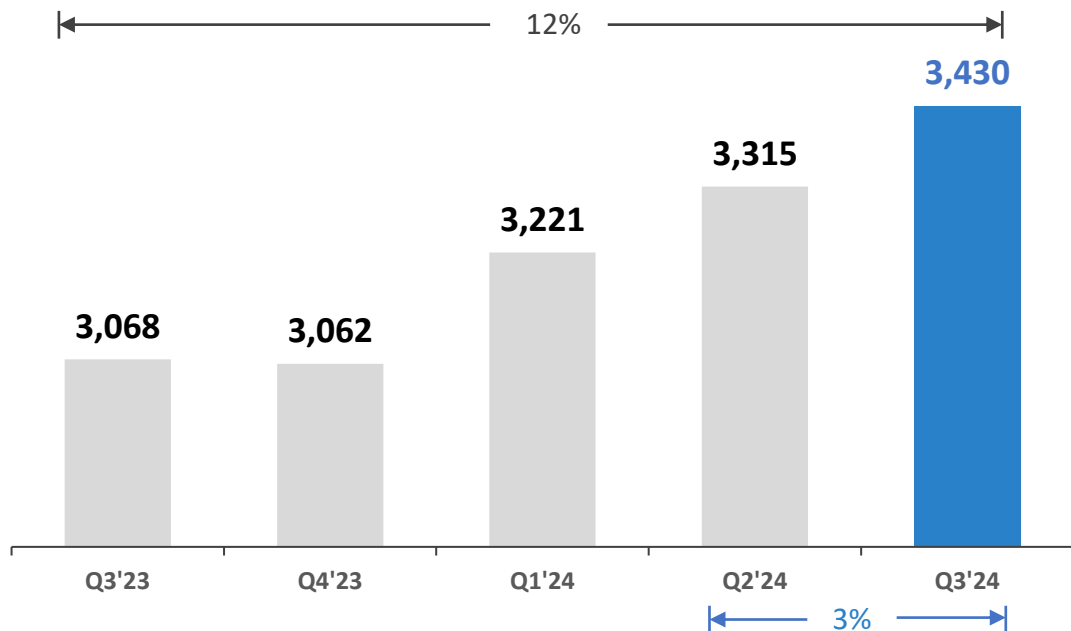
*Q3 FY23 PAT include one-time exceptional gain of INR 53.5 crores due to divestment of Simpliance

02

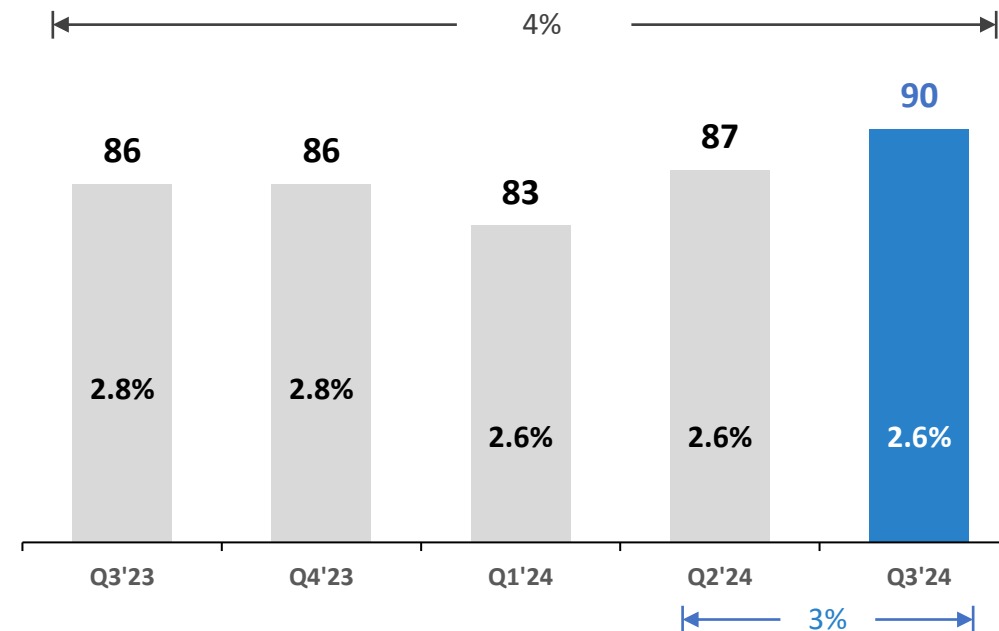
Platform wise Updates

Financial metrics

Revenue (In ₹ Cr)



EBITDA from operations (In ₹ Cr)



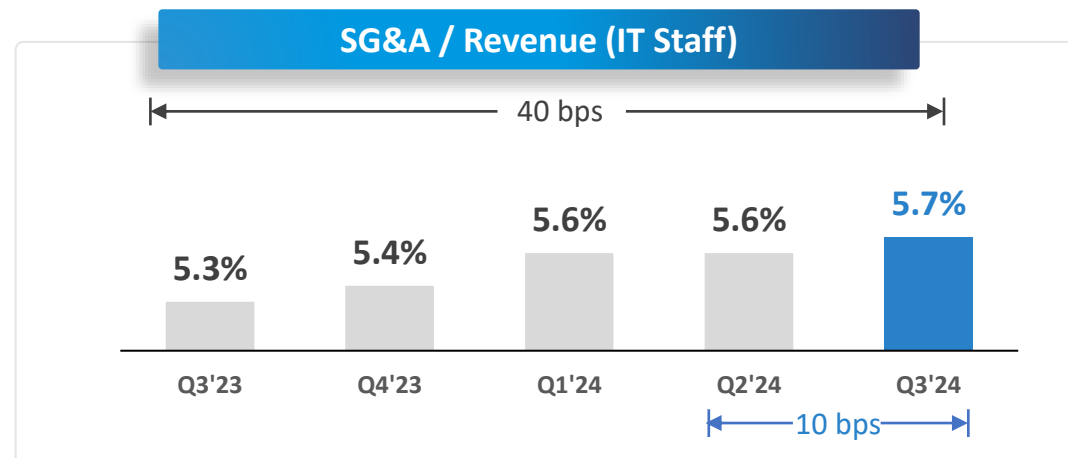
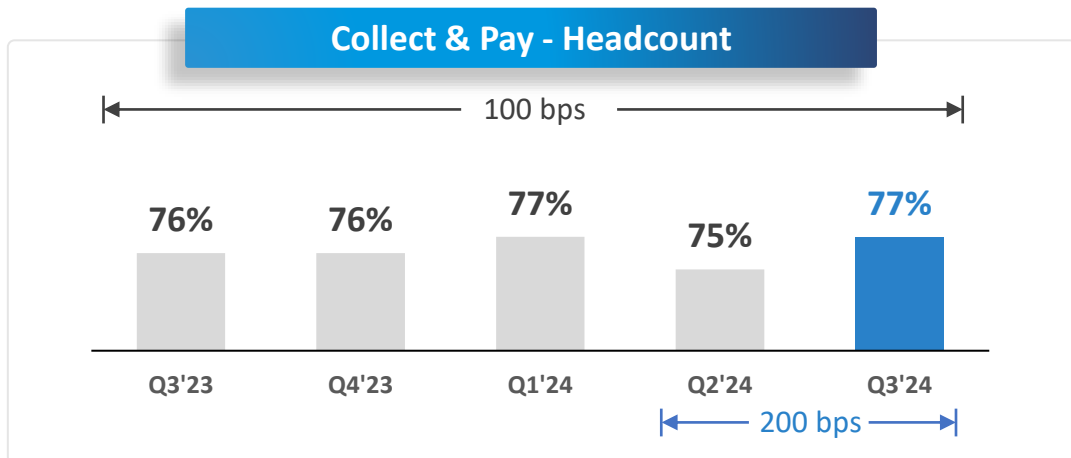
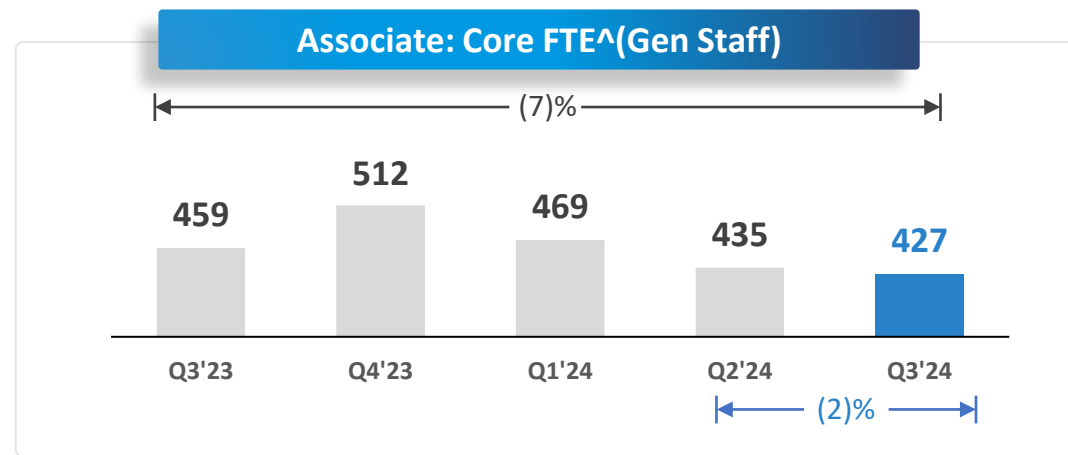
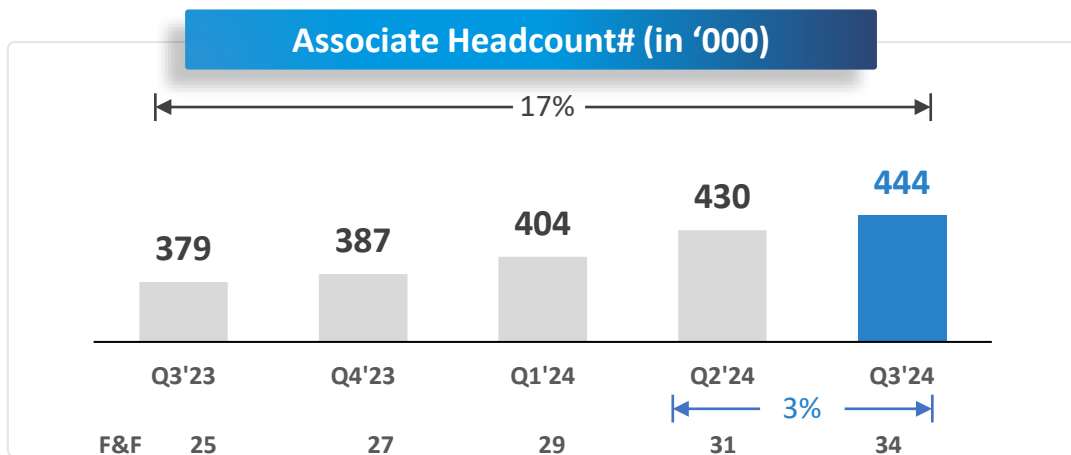
Key developments

- Annuity based business model
- Revenue growth has a contribution of wage increases and sales growth with 70:30 mix
- Formalization will contribute to sales growth while margin pressure can increase

- 87 new contracts added during the Qtr with ACV of 292 crs, in 9M GS has added ~47k Headcount
- Key Sectors : Manufacturing, BFSI & Retail

- Investment in technology and leadership to enhance sourcing capabilities
- Robust working capital improvement with DSO steady at 25 days (GS biz.)

Workforce Management – Operational Performance



Key developments

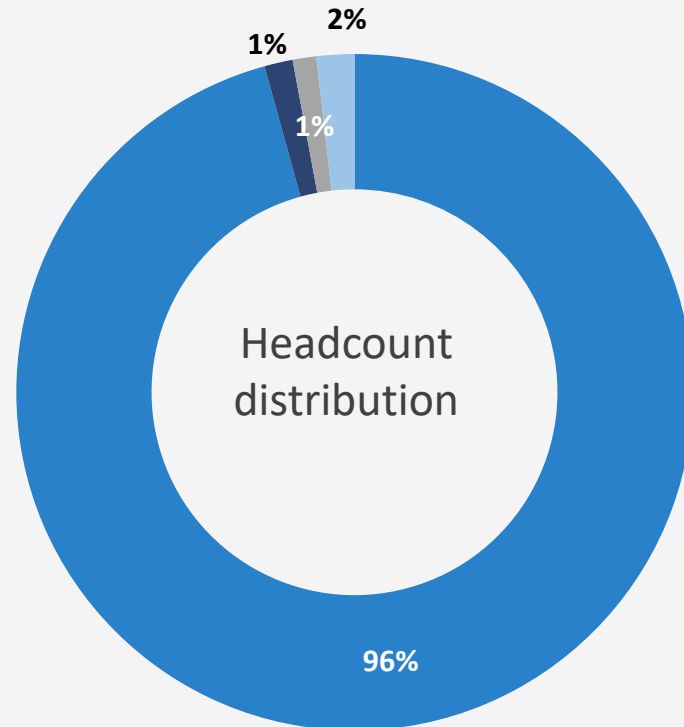
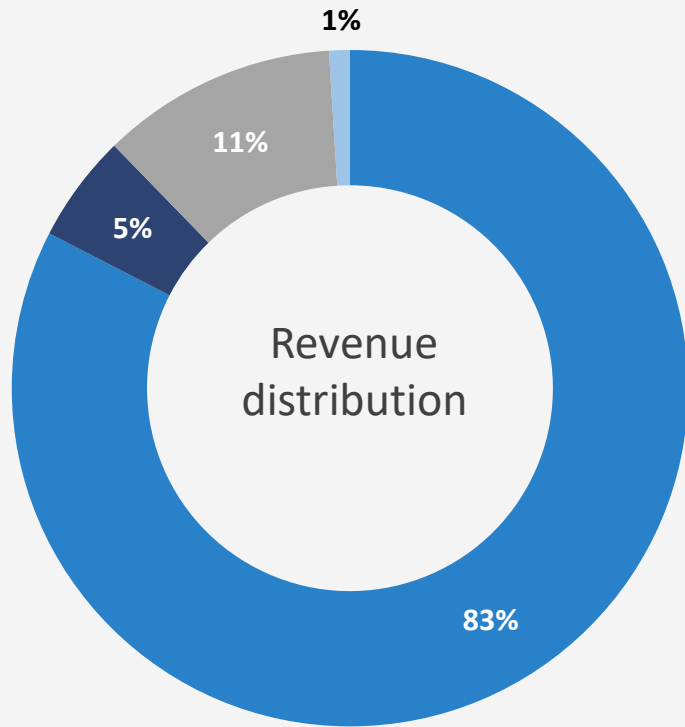
Headcount grew by 17% YoY, key driver sectors being BFSI, Retail & Manufacturing

Collect & Pay continues to be at healthy ratio of 77%+ helping working capital management

Continued to invest for Manufacturing & Industrial segment while the festival season has ended

SG&A remain flat for the quarter

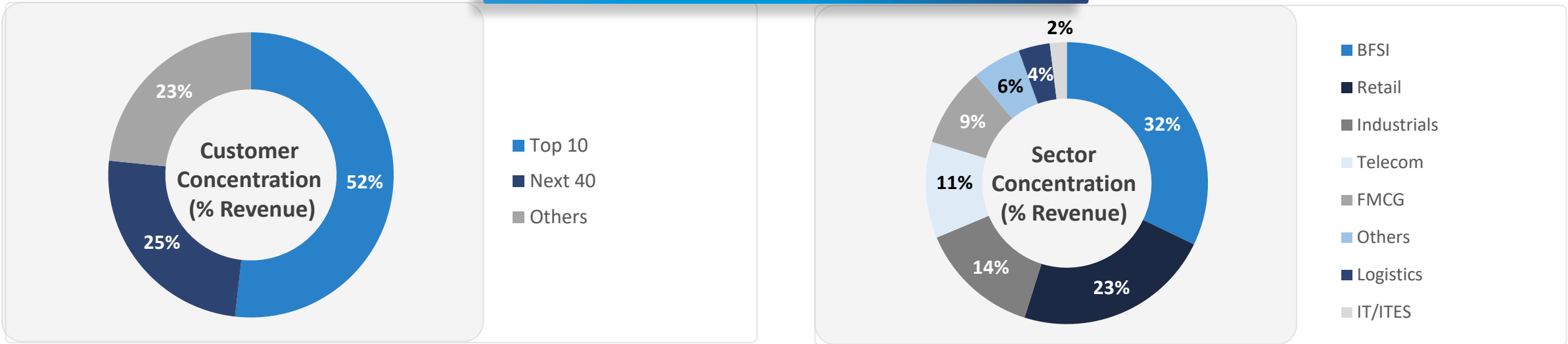
Segment-wise distribution



■ General Staffing ■ IT Staffing India ■ Overseas Staffing ■ Others

■ General Staffing ■ IT Staffing India ■ Overseas Staffing ■ Others

Customer Insights (Gen. Staffing)

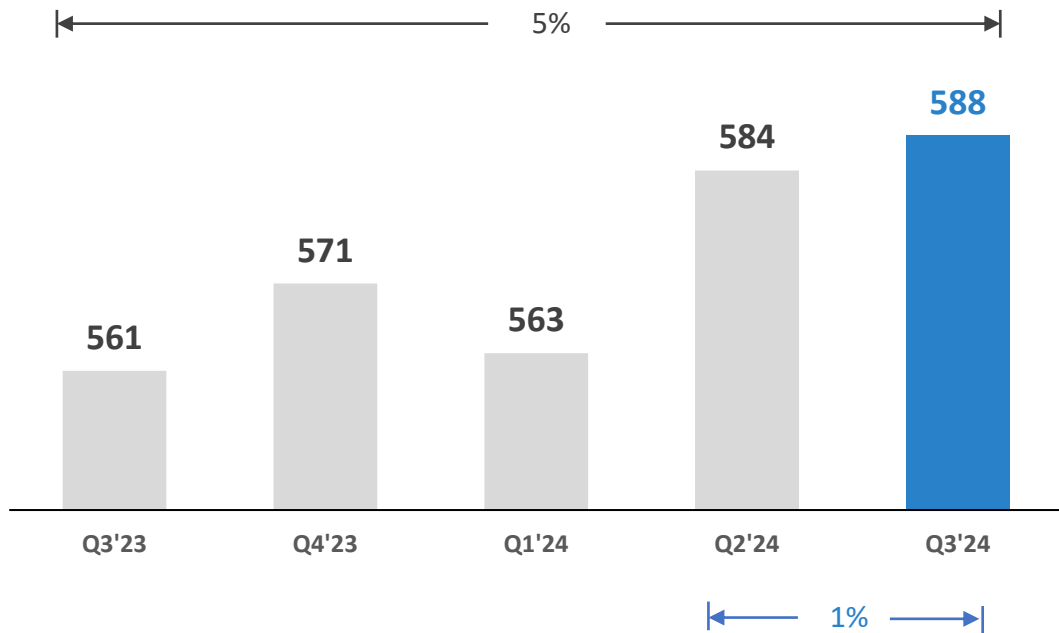


Customer Insights (QITS)

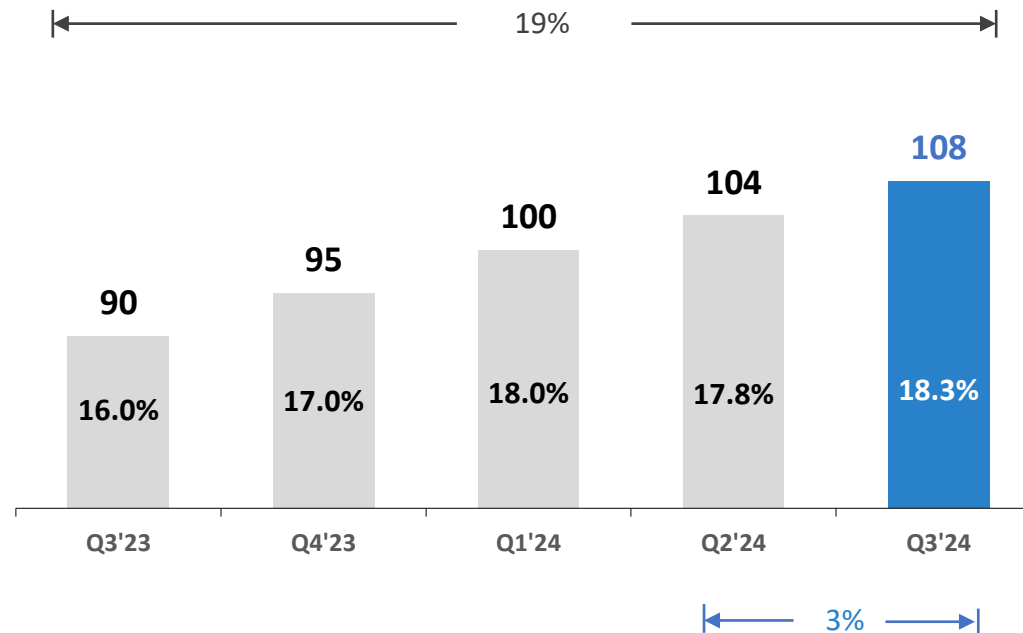


Financial metrics

Revenue (In ₹ Cr)



EBITDA from operations (In ₹ Cr)



Key developments

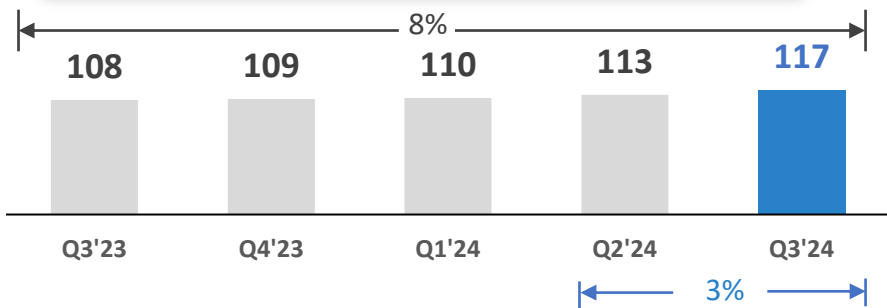
- Non linear Profitability growth due to productivity and efficiency
- Business continues to focus on profitability

- Digital IT Services: Booked 21 Crs ACV
- Non voice BPM grew significantly driven by collection business growing by 25% YoY
- 51 new contracts added during the Qtr with ACV of INR 46 crores

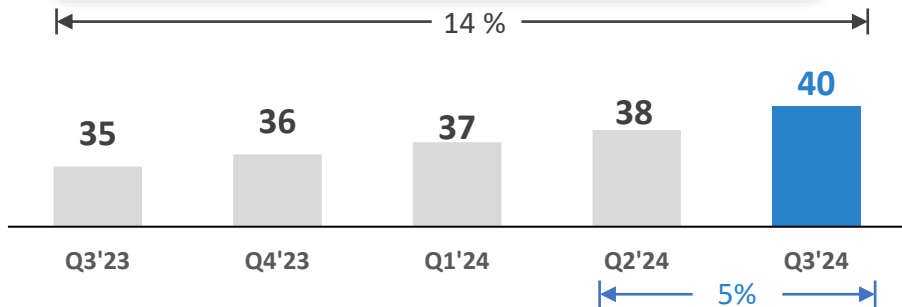
- HRO business in Allsec continue to strengthen its market leadership with 4 Mn pay slips processed with QoQ growth of 4%
- Employee experience management's international new sales mix rises 5% QoQ to 55%

Operating Metrics

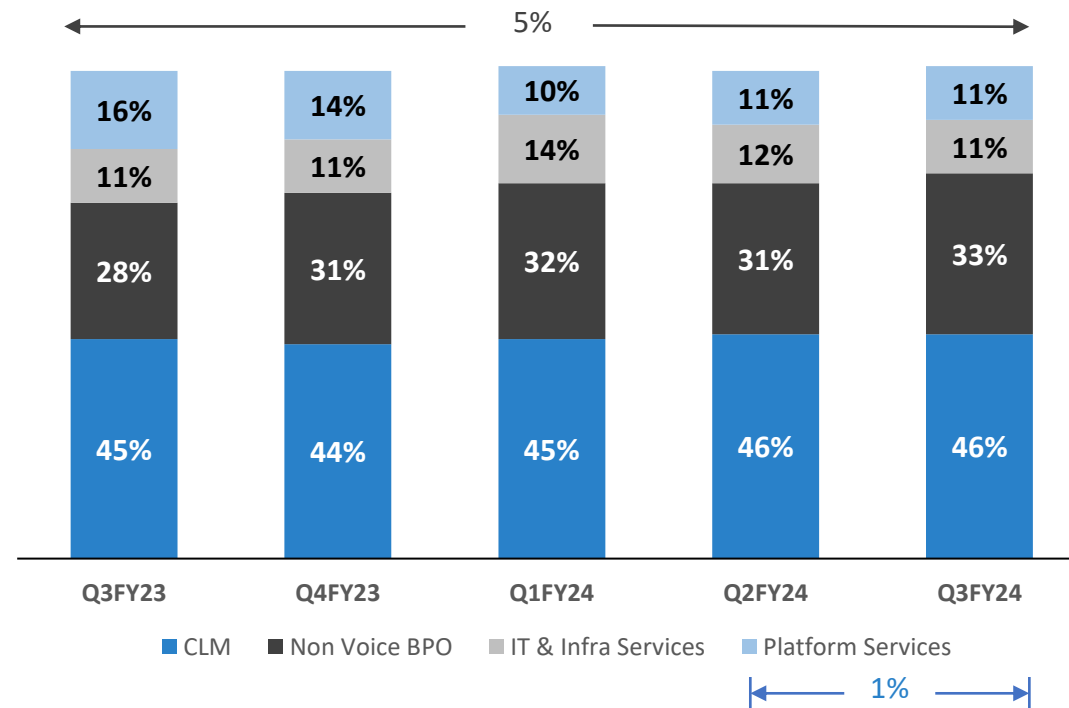
Revenue / Employee (In 000's)



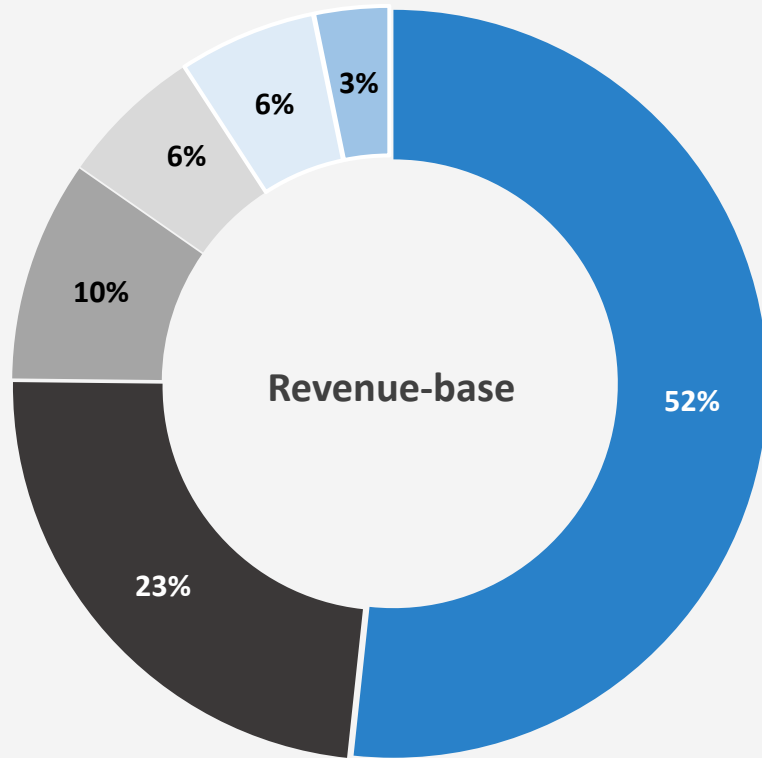
HRO Records Processed (Allsec: In ₹ lacs)



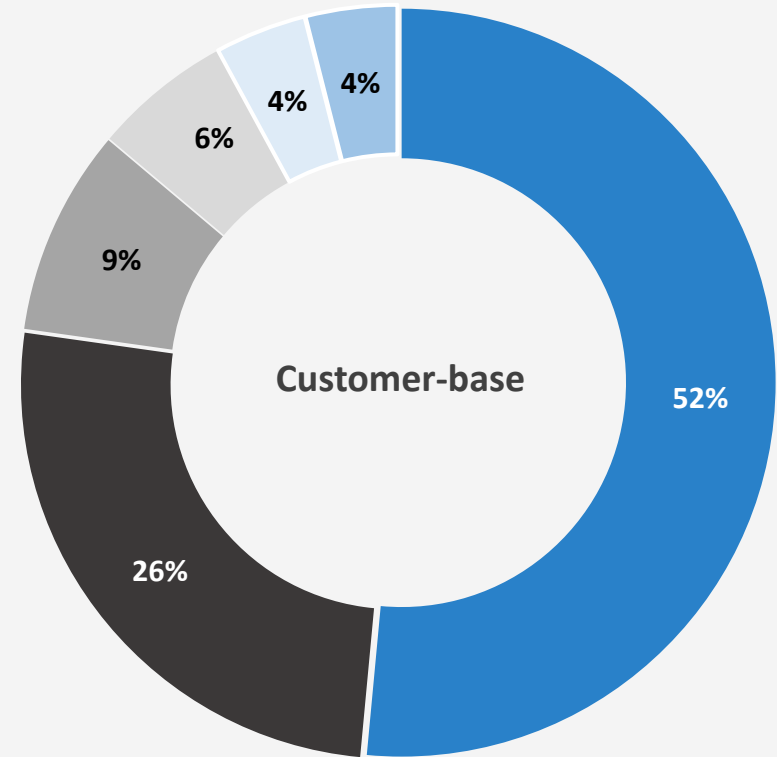
Revenue Distribution



Diversified Across Sectors

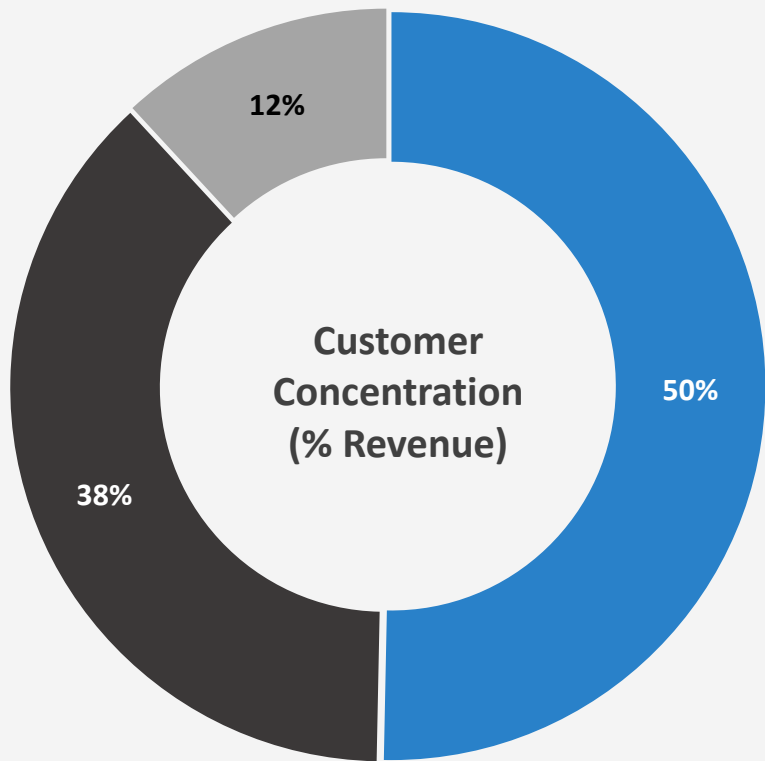


■ BFSI ■ IT/ITES ■ Retail ■ Industrial ■ Telecom ■ Others

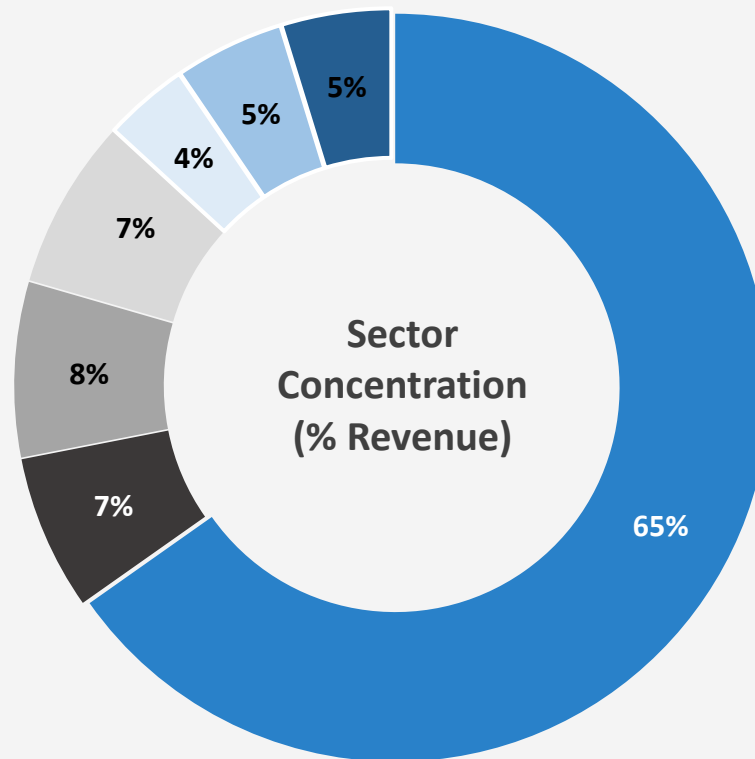


■ BFSI ■ IT/ITES ■ Retail ■ Industrials ■ Telecom ■ Others

Customer Insights (CLM and Non-voice BPO)

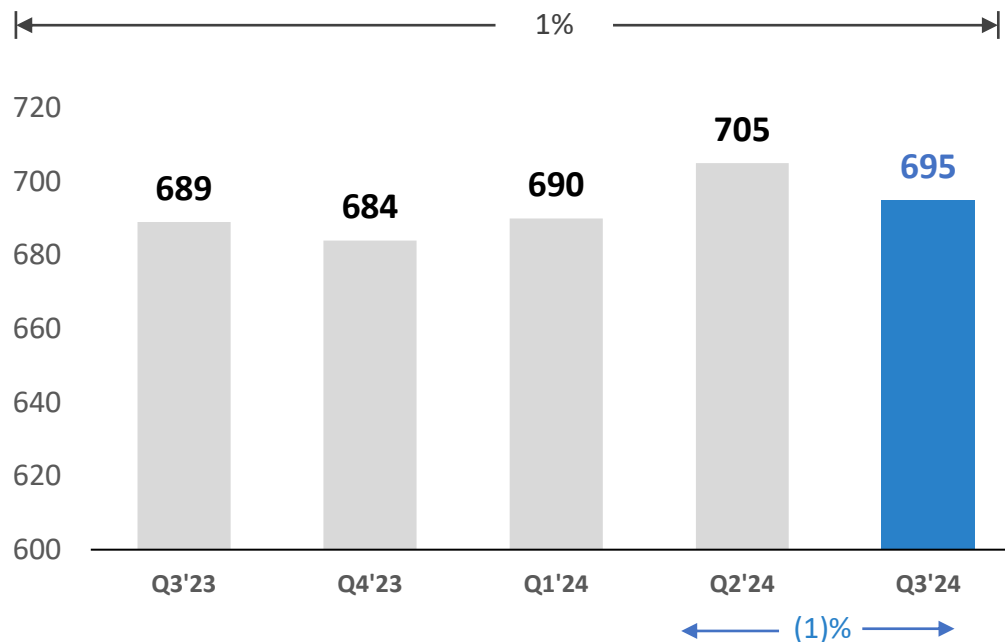


■ Top 10 ■ Next 40 ■ Others

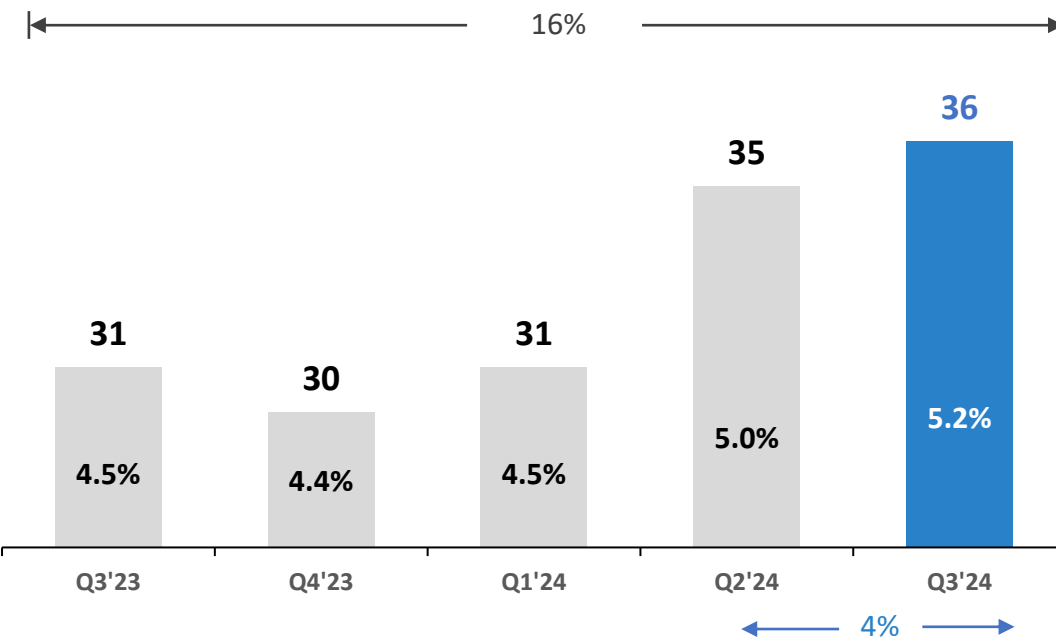


■ BFSI ■ Ecommerce ■ Telecom/Media ■ Manufacturing ■ Retail/FMCG ■ IT/ITES ■ Others

Revenue (in ₹ Cr)



EBITDA from operations (in ₹ Cr)



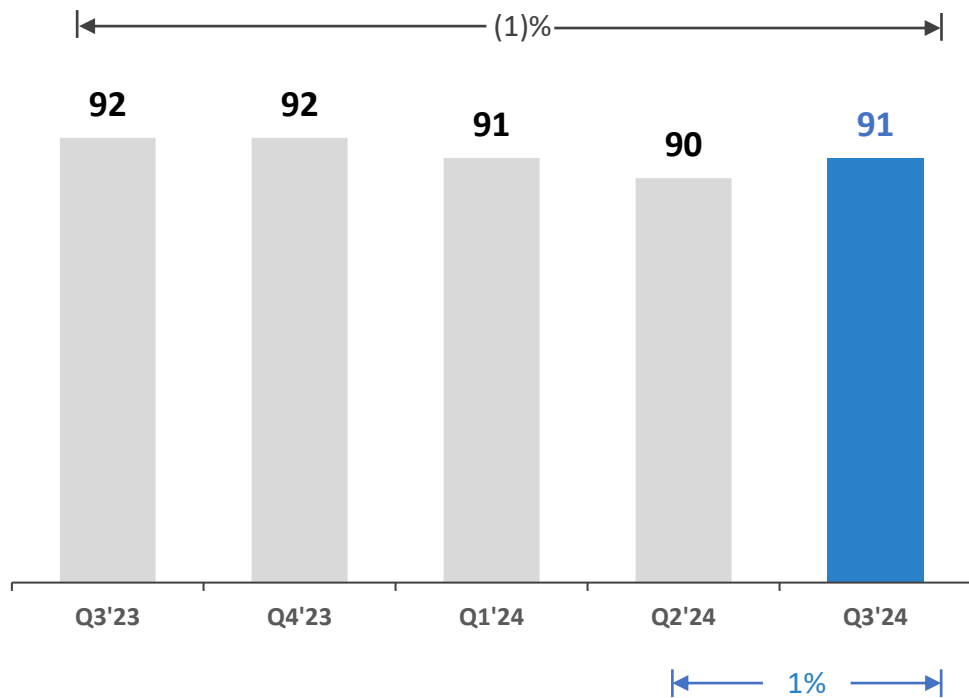
Key developments

- Won 32 new contracts with ACV of 82cr. Key wins were in Infra, Industrials and Healthcare
- Rationalization of low margin contracts led to flat revenue growth during the quarter

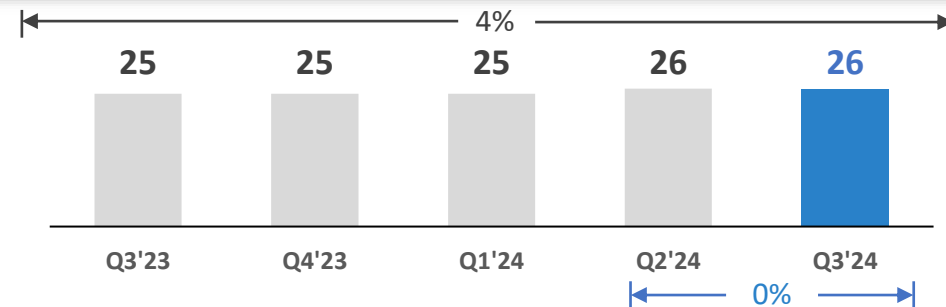
- Margin improvement of 20+ bps driven by:
 - Business mix change, led by Food services & Telecom biz.
 - Consistent focus on Cost to serve

- Telecom Active Infra business delivered best ever 'Q3' on the back of 5G rollout
- Focus on improving the working capital, DSO saw a reduction of 10+ days QOQ

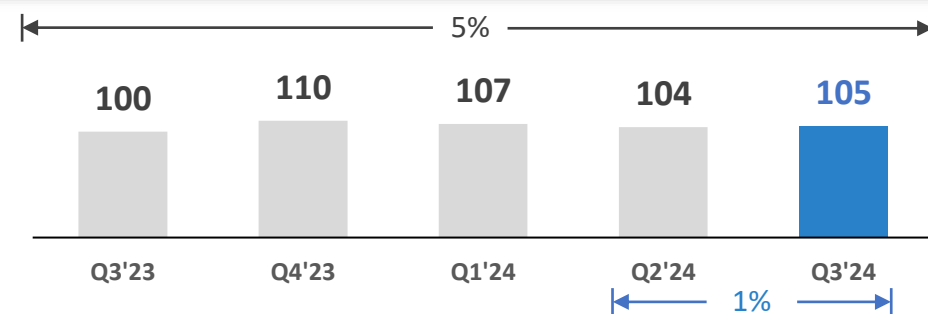
Associate Headcount# (in '000)



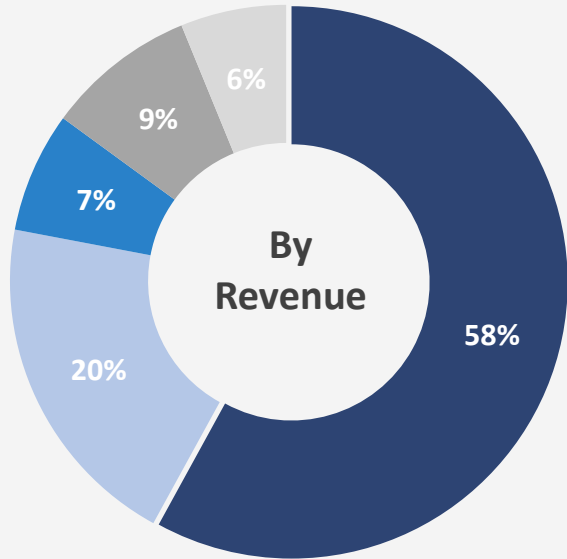
Revenue/Headcount/Month (₹ '000)



Associate to Core ratio

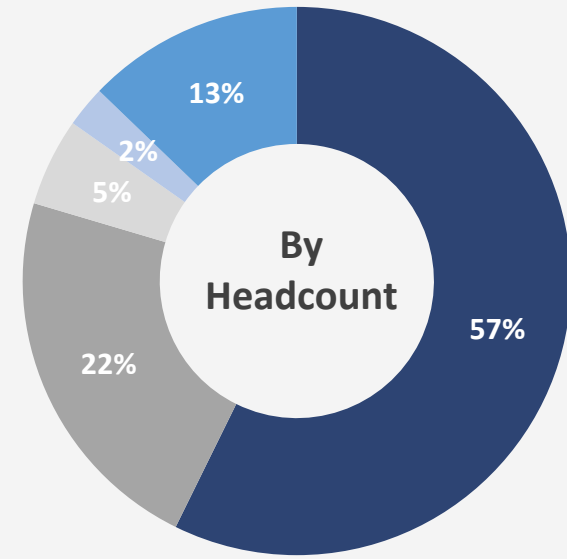


Distribution



- IFMS
- Industrial Services
- Others
- Security Services
- Telecom Network Services

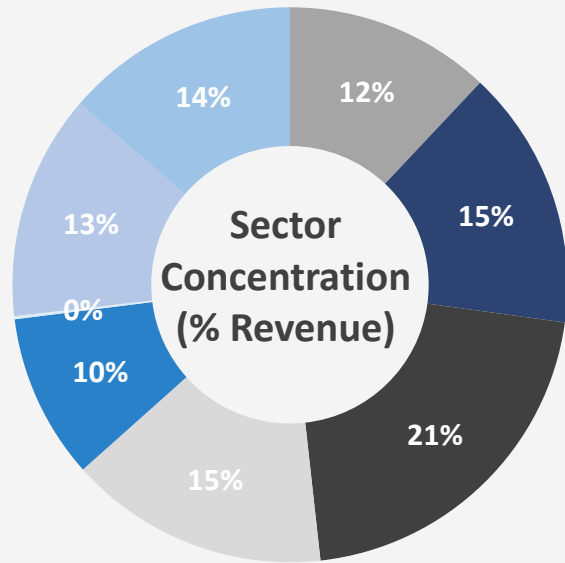
FMS is the largest business segment



- IFMS
- Industrial Services
- Others
- Security Services
- Telecom Network Services

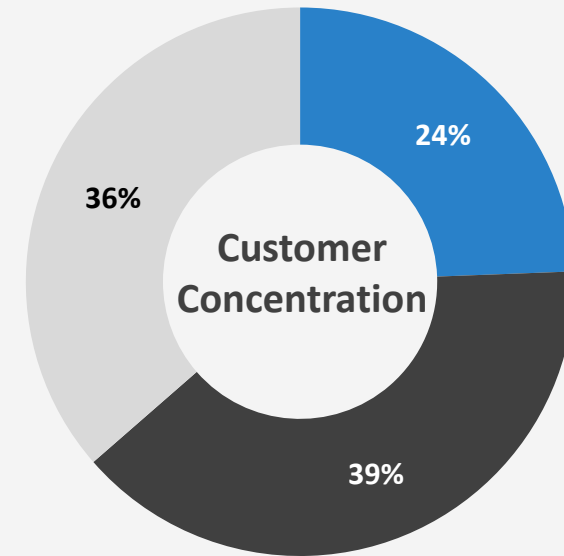
Revenue-base diversified across sectors

Customer Insights (IFM + Security)



- IT/ITES
- Education
- Industrials
- BFSI
- Real Estate
- Telecom
- Healthcare & Hospitality
- Others

Diversified Customer Exposure:
Healthy distribution of contracts across customers

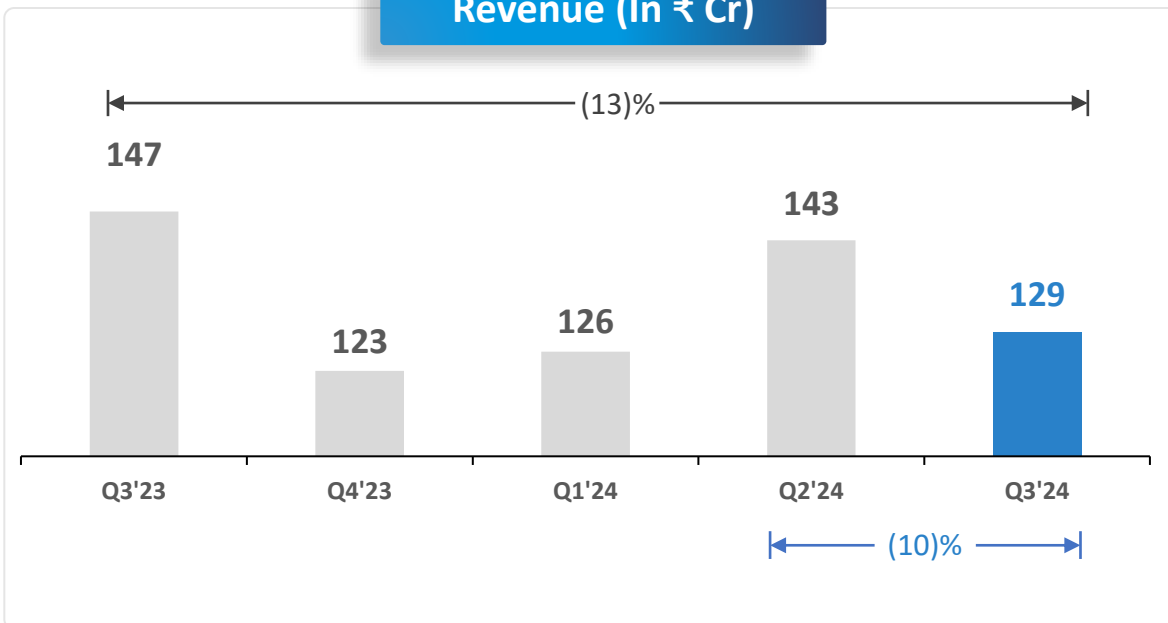


- Top 10
- Next 40
- Others

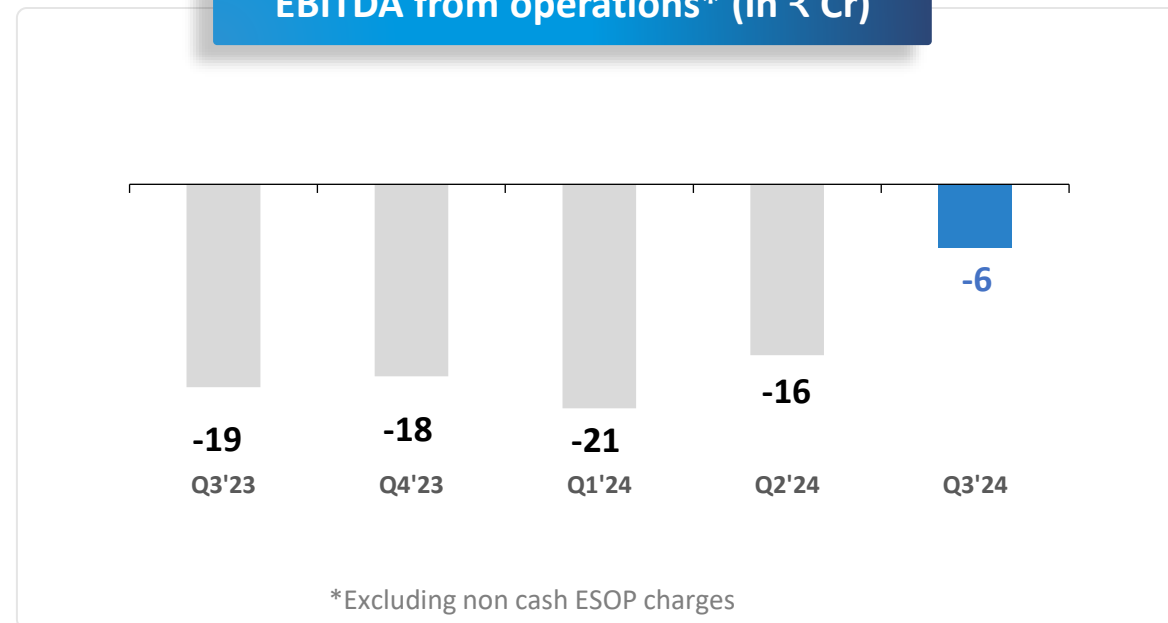
No Customer concentration risk
Top 10 customers account for 24% of revenue

Financial metrics

Revenue (In ₹ Cr)



EBITDA from operations* (In ₹ Cr)



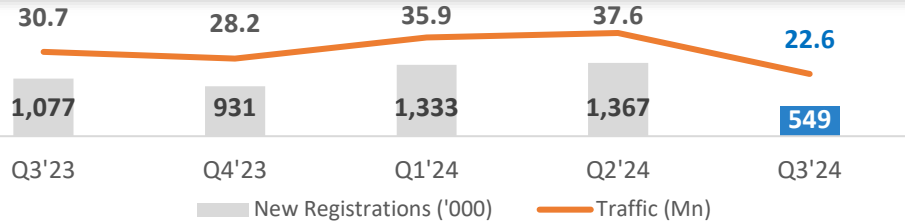
Key developments

- Sales growth seen in Foundit: 9% YOY, 5% QoQ
- Successfully launched Foundit 2.0 for limited customers
- Strategic shift from paid marketing led candidate acquisition and engagement to data-driven acquisition and engagement

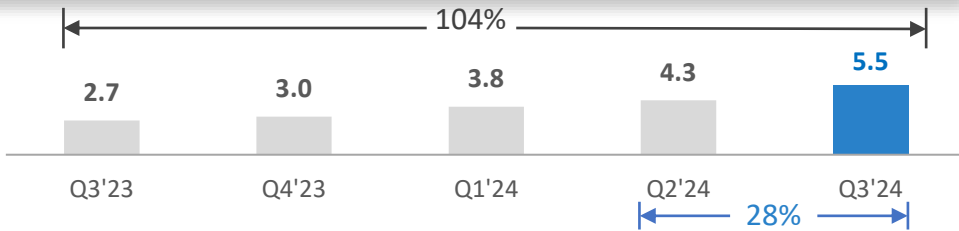
- Product launch and customer meets widely appreciated by Clients
- Consumption is expected to improve in Q4 with the momentum and pipeline we have generated with the launch of 2.0
- Improvements in user engagement metrics such as profile updates, active users

Product Led Business – foundit Snapshot

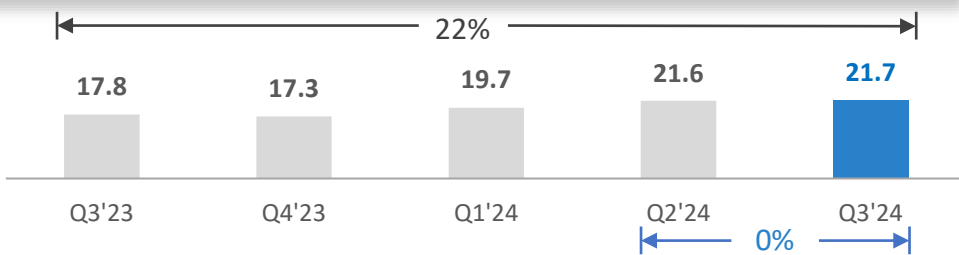
New Registration & Traffic



Profile Updates (Mn)

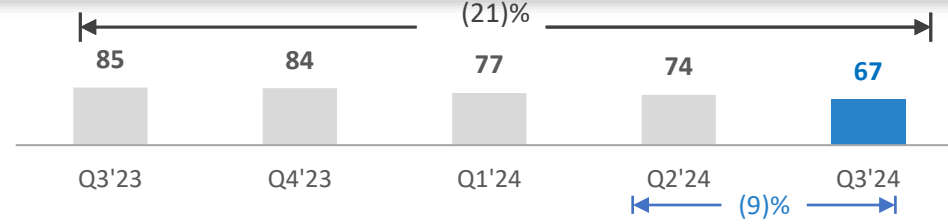


6 Month Active Users (Mn)

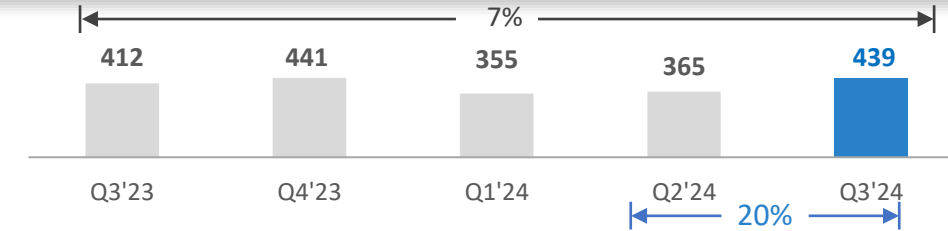


Candidate Metrics

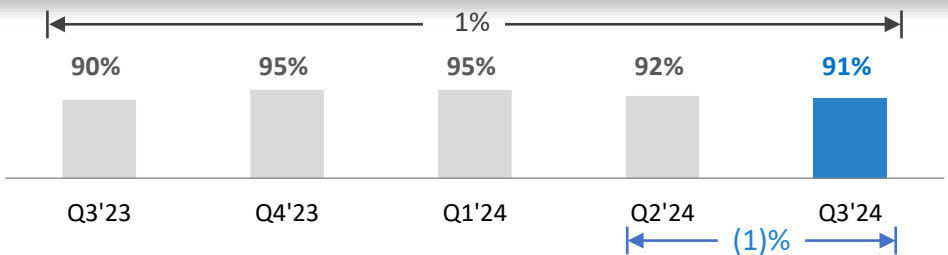
Consumption (Mn)



Job Posting ('000s)



CSAT



Recruiter Metrics

Key developments

Successful launch of foundit 2.0 – AI-powered next gen recruitment solution

Enhancement of candidate database to 90M profiles with sourced profiles

Largest ever enterprise domestic deal with Capgemini

03

Financials

Income Statement

Particulars (in ₹ Cr)	Q3 FY24	Q3 FY23	YoY	Q2 FY24	QoQ
Total Revenue	4,842	4,466	8%	4,748	2%
Reported EBITDA	181	145	24%	164	11%
Reported EBITDA %	3.7%	3.3%	48bps	3.4%	29bps
Depreciation & amortisation	72	70	3%	70	3%
Interest	35	29	22%	28	26%
Other Income	5	7	(23)%	15	(65)%
Profit before Tax	59	107	(45)%	79	(25)%
PBT Margin %	1.2%	2.4%	(118)Bps	1.7%	(45)Bps
PAT	64	85	(25)%	71	(10)%
PAT Margin %	1.3%	1.9%	(60)Bps	1.5%	(18)Bps
Diluted EPS – Rs.	4.28	5.88	(27)%	4.81	(11)%
Adjusted PAT*	84	32	162%	72	15%
Adjusted EPS* – Rs.	5.59	2.14	161%	4.85	15%

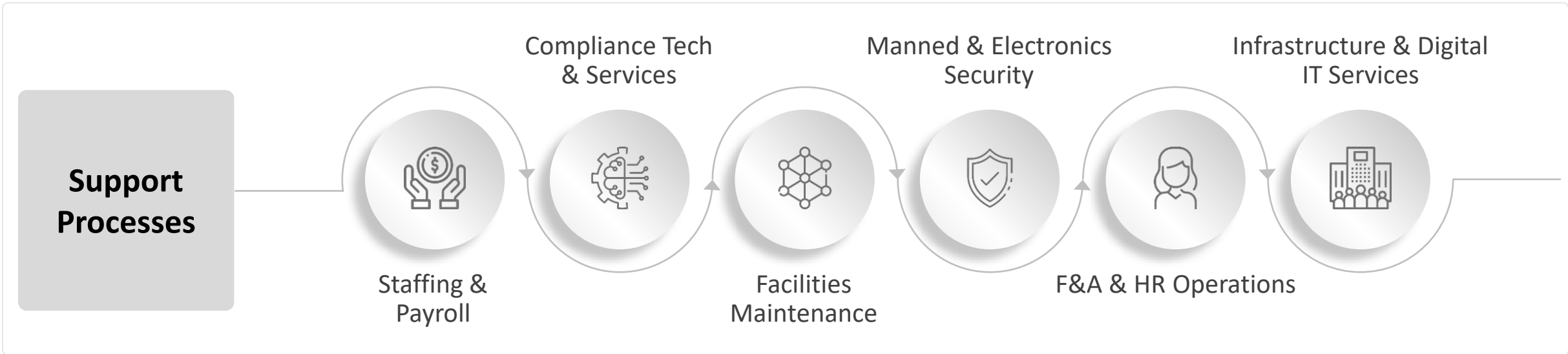
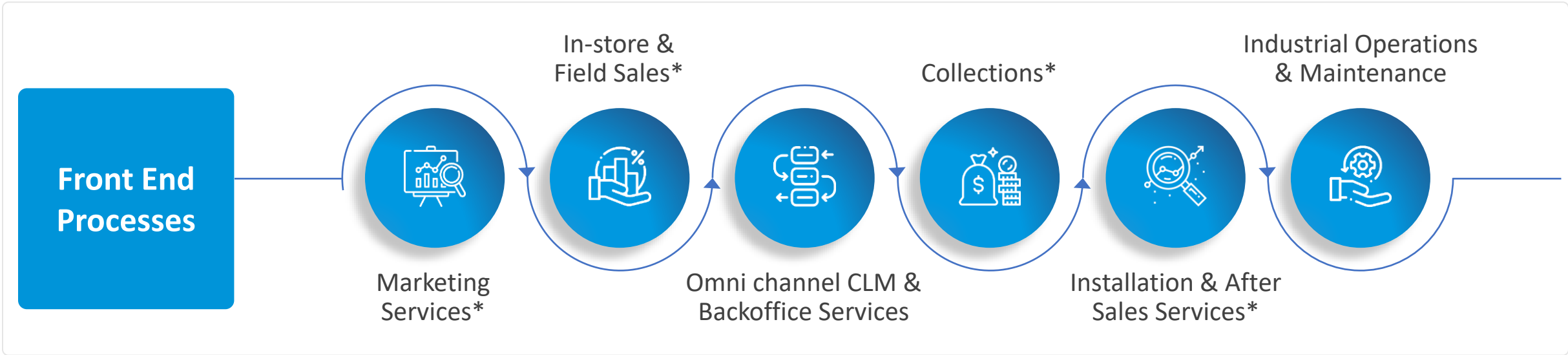
*Adjusted PAT/EPS is calculated by removing exceptional items

Particulars (In ₹ Cr)	Quarter Ended				
	Dec-22	Mar-23	Jun-23	Sept-23	Dec-23
Workforce Management					
Revenue	3,068	3,062	3,221	3,315	3,430
EBITDA	86	86	83	87	90
EBITDA %	2.80%	2.81%	2.58%	2.63%	2.61%
Global Technology Services					
Revenue	561	571	563	584	588
EBITDA	90	95	100	104	108
EBITDA %	16.10%	16.68%	17.78%	17.82%	18.30%
Operating Asset Management					
Revenue	689	684	690	705	695
EBITDA	31	30	31	35	36
EBITDA %	4.55%	4.39%	4.47%	4.98%	5.24%
Product Led Business					
Revenue	147	123	126	143	129
EBITDA	(27)	(20)	(26)	(20)	(10)
EBITDA %	(18.20)%	(16.43)%	(20.26)%	(14.10)%	(7.80)%

4

Company Overview

India's largest business services platform, driving productivity for customers



*Including gig-based workforce

Digital Hire-to-Retire

Sourcing

Digital sourcing via [Qjobs](#) and [foundit](#)

Recruiting

End-to-end ATS [ReQruit](#) platform for candidate tagging and offer generation

Onboarding

Paperless on-boarding of candidates via [POP](#) (Paperless On-boarding Platform)

Payrolling

Flow-through payroll processing and pay-slip generation via [QPay](#) and [SmartPay](#)

Technology-led Frontline Productivity

Digital workflow management

[WorQ WorkTech](#) platform to remotely assign & monitor tasks

Digitally skilling

[WorQ](#) digital skilling modules to **train & update** employees

Processes and tooling

Superior tooling and SOPs to drive productivity and improve dignity of labour

Flexibility and higher productivity

[Taskmo](#), to manage seasonal demand through gig-workers

From HR Services to a **digitally-enabled Services Platform**

	HR Services	Business Services	Platforms
Phases	 2007 - 2013	 2014 - 2020	 2020 - present
# HC	61,000	384,000	556,699
Services	<ul style="list-style-type: none"> Staffing Skilling Recruitment Facility Management 	<ul style="list-style-type: none"> Staffing Skilling Recruitment Facility Management 	<ul style="list-style-type: none"> Security Services Industrials BPO/CLM + HRO Tech services Job Portal Break-fix services

Our operations are spread across synergistic platforms



We are the largest business services provider in India



Scale

~**556,699*** associates and employees deployed over **600+** cities

International operations in **Southeast Asia, North America & the Middle East**

3,000+ clients, 63 offices in **34 Indian cities**



Agility

An entrepreneurial 15 year old startup

Widest repertoire of services, including up-skilling platform

We deliver tailor made solutions per **customer needs,** consistently

Unrivalled capabilities to **Source, Screen and Select talent** (75mn+ database, tech-led hiring via foundit and QJobs)



Technology

Significant **frontline productivity capabilities** (e.g., WorQ, Qjobs, Taskmo)

Digitized **hire-to-retire platform**

Leading **front-line productivity tools**

* As on 31st Dec 2023

Customers

Build Scale - Single operating platforms for all organic business

Measure digital revenues separately

Annual CSAT across all business



Investors

Achieve and sustain **20% RoE**

Deliver 20% CAGR on OCF

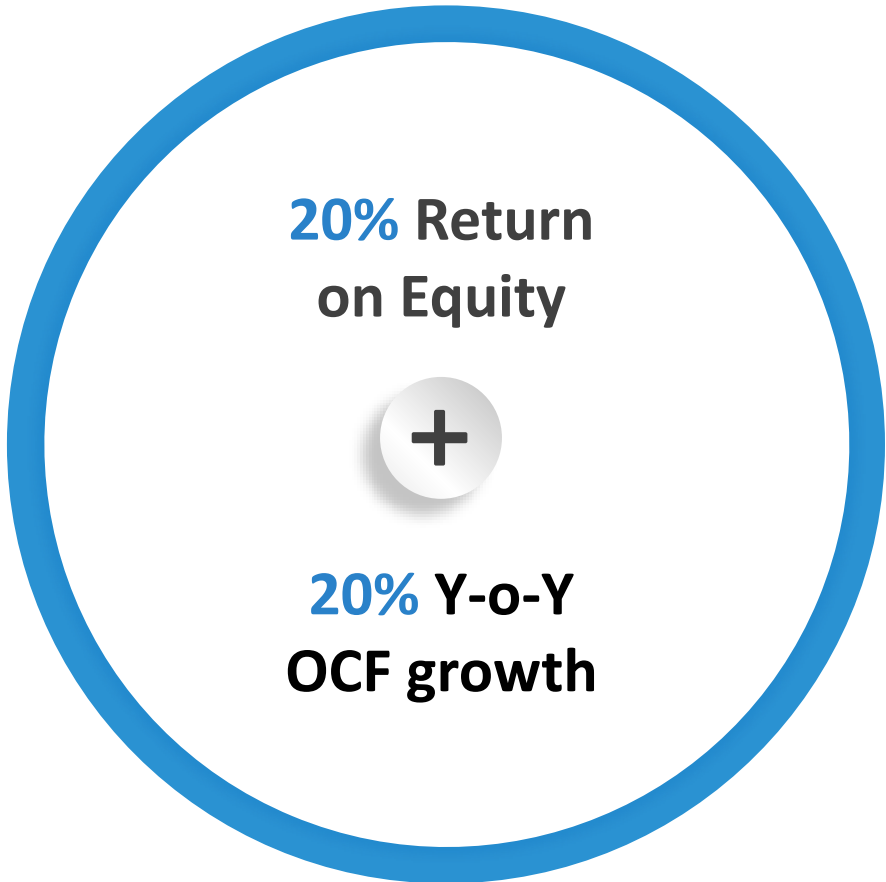
Aspirational EBITDA of **6%**

People

Become India's **Top 50 Great Place To Work**

Women to constitute **50%** of core workforce

Benefits coverage for Associates to cover **>70%** of Associates



Sustained Growth

20% EBITDA CAGR through sales efficiency, technology and cross-sell capability

Portfolio readjustments

Higher EBITDA To PAT Conversion

Operating leverage through scale and technology

Optimal debt leverage

Prudent Capital Allocation

Strategically aligned to 20% Return on Equity

~33% of FCF to be returned to shareholders

Growing Labour Market

India to remain one of the fastest growing major economy in 2023-24[@]

~ **563 million labour force**, experiencing a tectonic shift in composition and focus

**IT Services experience a surge in employment due to high volumes, driven by increased demand in BFSI, Fintech, IT Infra, Cloud, Cybersecurity, and Data analytics

Staffing Industry**

Flexi Staffing Industry registered **14%** YOY growth in 2022-23 and **1.36 lakhs** new employment **in last 4 quarters**

General Staffing registered **15.3%** YoY growth in 2022-23 and added **1.41 lakhs** new employment **in last 4 quarters**

IT Staffing industry starts to show positive recovery from previous three quarters and looks promising for the upcoming quarters

Increased Formalisation

Formalisation[^] to increase from **20.8%** currently to **30.3%** by 2025

~**72*** million new PF subscribers and ~**95 million new** ESIC subscribers in India since Sept 2017

GST registered firms increased from 7.5mn in 2017 to ~14.1mn currently

Changing Employment Landscape

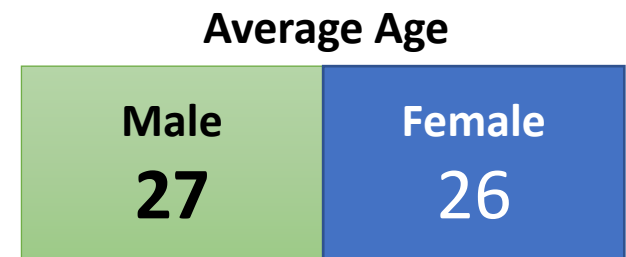
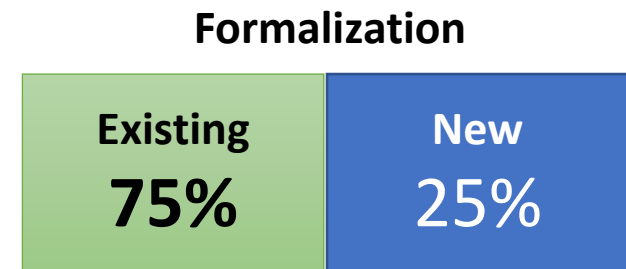
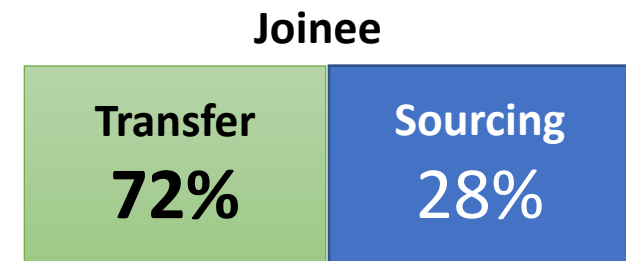
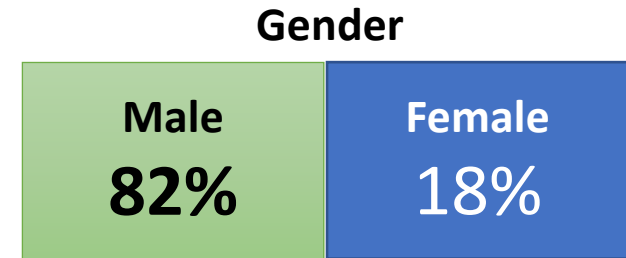
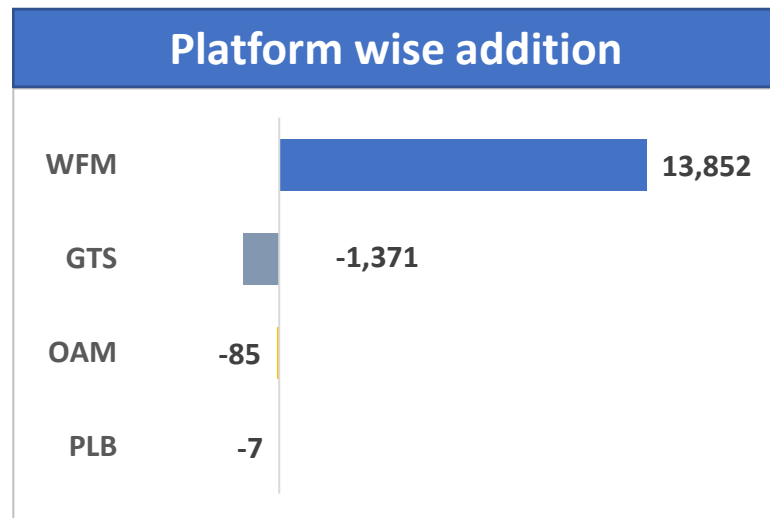
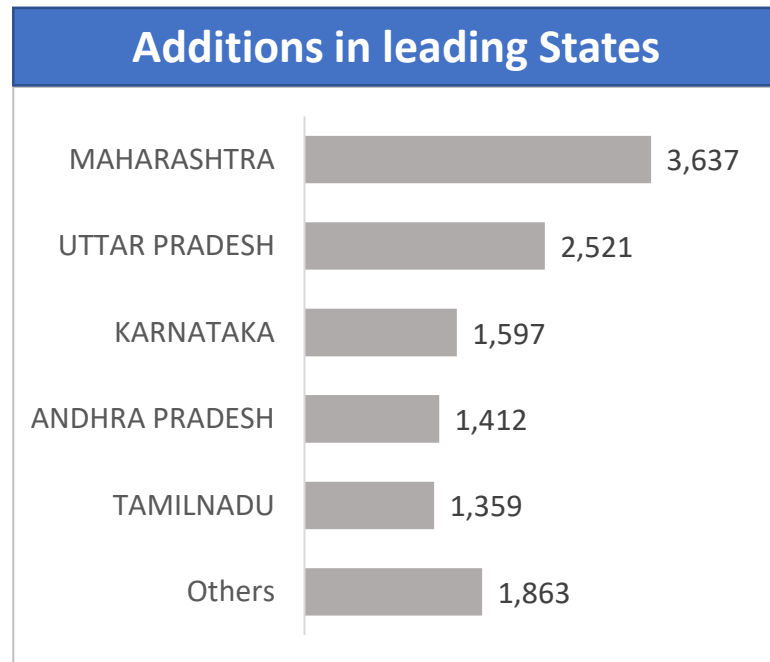
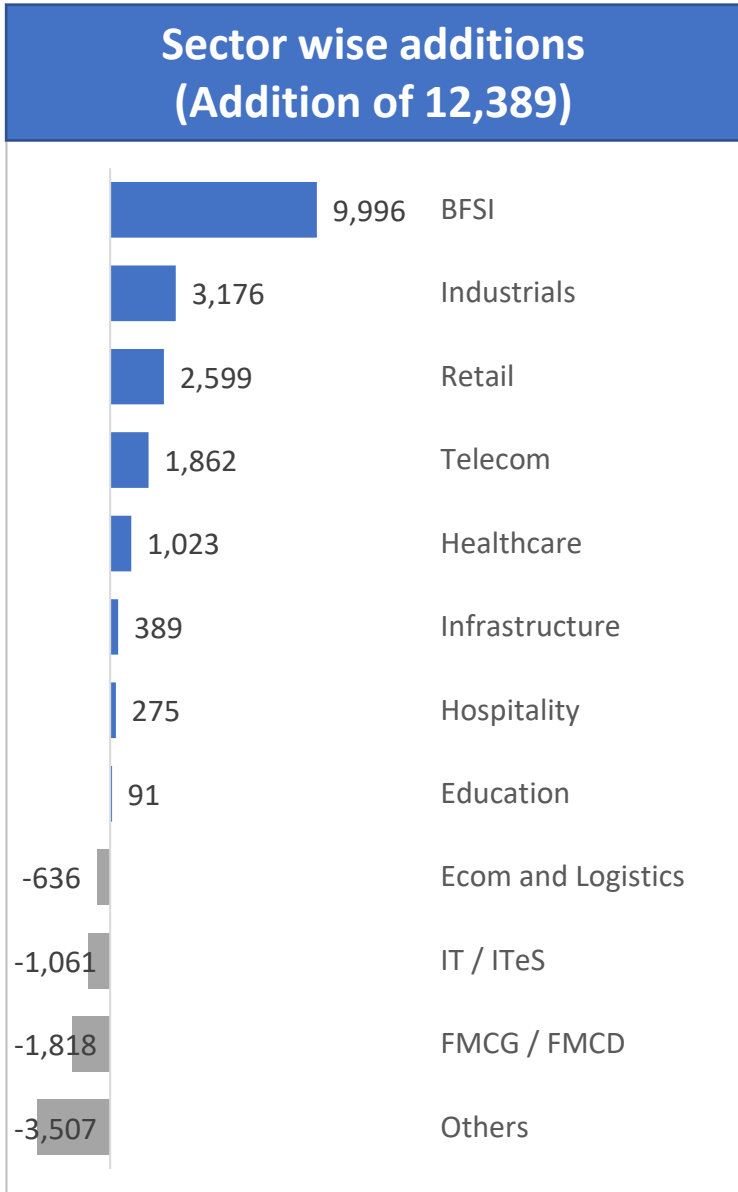
Proposed new labour codes to accelerate formalization, compliance and outsourcing

Huge potential to improve labour productivity through increased usage of technology

Gig workforce expected to expand to **23.5# million workers** by 2029-30; a **3.5x increase**

[@] Source: IMF [^] Source: Goldman Sachs, 2021 * Source: NSO - Payroll Reporting in India

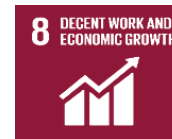
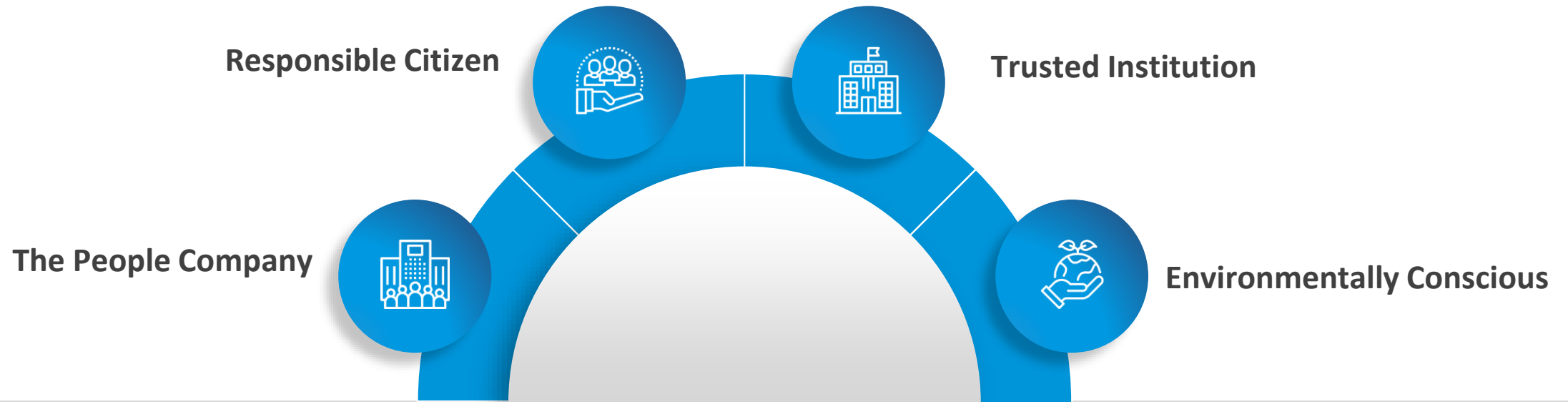
~ Source: ESIC & EPFO ** Source: Indian Staffing Federation Report 2023



5

ESG Updates

What's good for society is good for Quest



What's good for society is good for Quess

Diverse Workforce

99K+ employees are women
(29% of Core & 18% of Associates)*as of Nov'2023

Promoting Inclusivity

Over 7.1K+ active PWD employees On Boarded as on 31st Dec'23

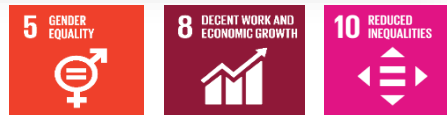
Nurturing Work Environment

Great place to work[®] re-certified for 2024-25

Digitizing Job Discovery

Monthly Avg. of 8K+ job openings in Q3 FY24 with over 99% jobs fulfilled
Over 325K candidates registered in Qjobs Q3 FY24

The People Company



What’s good for society is good for Quess

School Upgradation

Adopted 75 Government School focused on providing basic facilities benefits 15K+ students

Academic Support

- Education Kit : Provided 14K+ School Bags & 8K+ Notebooks Given.
- 12K+ undergone Life Skill Education.
- 6K+ Students Trained on Computer Skills .
- 71 Students Given Scholarship

Health & Wellbeing

- 12K+ Students screened under Annual health Screening program.
- 5K+ Treated for Dental Problems
- 759 Spectacled Given
- 300+ Students Benefited for Socio Emotional problems.

Responsible Citizen



What's good for society is good for Quess

Environmentally Positive

Over 300K+ devices repaired /refurbished by Digicare in Q3 FY24
~60 lakh pages saved due to digital On Boarding of Associate (POP) in FY23

Responsible Waste Management

7.3K+ Kgs of e-waste and over 7.5K+ Kgs of paper waste responsibly disposed in FY23

Green Spaces

9.9 Million + sq. ft of green space maintained in FY23



What's good for society is good for Quess

Quality and Information security

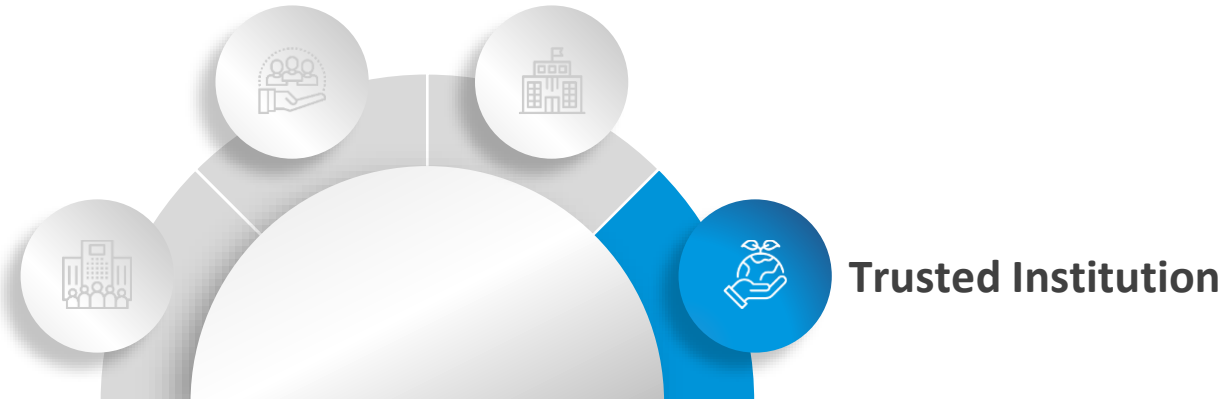
Quess Corp is ISO 37001: 2016, ISO 27001: 2013, and ISO 9001: 2015 certified

Data Privacy and Cyber Security

Cyber Security Council with C-suite level oversight
SIEM Tool & VAPT done for over 20 applications to strengthen our security posture

Safety Incident Management

WorQ & UHD
(Unified Help Desk)
for associates



Winning Together





Qess House, Qess Corp Limited, 3/3/2, Bellandur Gate,
Sarjapur Road, Bengaluru - 560 103

About Qess Corp

Qess Corp Limited (Qess) is India's leading business services provider, leveraging our extensive domain knowledge and future-ready digital platforms to drive client productivity through outsourced solutions.

We provide a host of technology enabled staffing and managed outsourcing services across processes such as sales & marketing, customer care, after sales service, back office operations, manufacturing operations, facilities and security management, HR & F&A operations, IT & mobility services, etc.

Our passion for delivering exceptional services, augmented by proprietary digital platforms, has strongly established our credentials as India's largest employer in the private sector and the biggest integrated business services provider in the country. We are proud to achieve this success as a 13- year old start-up.

A core value driving our business is constantly making the workforce more productive. Our business strategy is aligned to this, including training and skill development for better employability, helping job seekers easily find employment opportunities, digitising workflows, and providing social security benefits to a wider employable population.

Established in 2007 and headquartered in Bengaluru, Qess today has unmatched geographic presence and scale with more than 644 locations across India, South East Asia & North America, backed by technology-intensity and domain specialization to create unmatched service experiences.

Learn more about us at

www.qesscorp.com



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