



May 29, 2023

BSE Limited
Corporate Relation Dept.
P.J. Towers, Dalal Street
Mumbai - 400001.
Scrip Code: 532859

National Stock Exchange of India Ltd.
"Exchange Plaza"
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051.
Symbol: HGS

Sub: Q4 & FY 2023 Earnings Call presentation

This has reference to our communication dated May 23, 2023, on Q4 & FY 2023 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.

Thanking you,

For **Hinduja Global Solutions Limited**

Narendra
ra
Singh

Digitally signed
by Narendra
Singh
Date: 2023.05.29
16:40:44 +05'30'

Narendra Singh
Company Secretary
F4853

Encl : As above

HINDUJA GLOBAL SOLUTIONS LIMITED

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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



HINDUJA GROUP



HGS Earnings Call Presentation

Q4 & Full-year FY2023

May 29, 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

Buyback plan – Quick Update

- Opened on May 22, 2023; Ends on June 2, 2023
- Final Buyback price @ Rs. 1,700 per equity share
- Aggregate consideration of Rs. 1,020 crores, excl. buyback tax
- Total number of shares to be bought back in the Buyback shall be up to 60 lakh equity shares

FY2023 – A year of continued change and adapting to an evolving industry

FOCUS ON GROWTH

Strong numbers on all financial parameters

DIGITAL-FIRST APPROACH

- Proactive solutioning (HGS Agent X)
- 100% stake acquisition in TekLink International
- Enhanced cross-selling of technology solutions
- Strategic merger with **NXTDIGITAL**

PROUD OF MY TEAM

- CSAT 2022 – scored an NPS of 65 - our highest ever!
- ESAT 2022 – excellent score of 62.5. Scored high on all four parameters of satisfaction, loyalty, advocacy and value as a professional
- HGS Canada is Great Place To Work® certified!

SETTING INTO NEW GEO FRONTIERS

Barranquilla, Colombia
Mysuru and Indore, India
Belfast, UK
New York and Warrenville, US

CONTINUING HYBRID WORKING MODEL

Focus on real estate consolidation - Exited seven centers in Canada and the US

HGS is now in the Big Apple

- New East Coast operations will be HGS' digital marketing and social engagement services hub
- Will focus on delivering social media, content production and digital marketing services to –
 - Corporate marketing teams
 - Agency-to-agency model
- New York City is home to over 1,200 advertising and marketing agencies... and the global headquarters for many of the world's largest agency networks and conglomerates

Barranquilla center in Colombia to support US clients



About Barranquilla:

- Population - ~**2.3M**
- Labor pool - **1M** available workers (Jan '23)
- Education - **11** major universities, **18** bilingual high schools, **12** language institutions
- Time zone – Aligned to US Eastern/ Central zones

About HGS in Barranquilla:

 Headcount as of March 31, 2023

121

 Languages supported

ENGLISH

SPANISH

PORTUGUESE

 Channels supported

VOICE

TRANSACTION PROCESSING

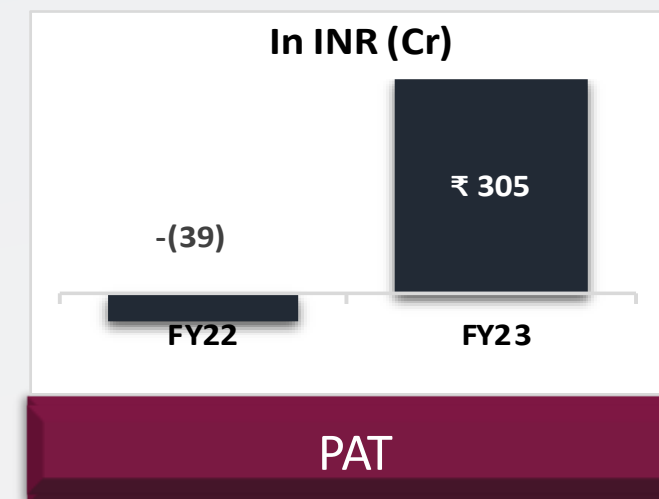
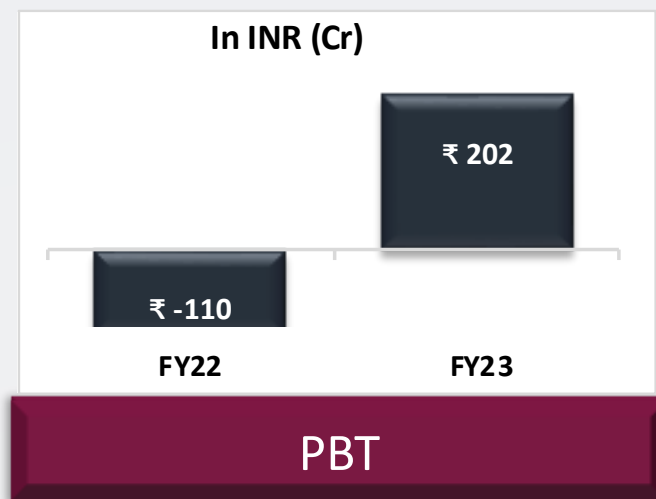
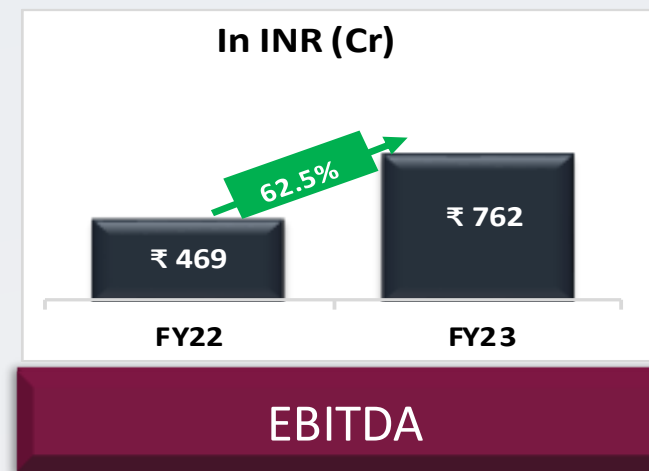
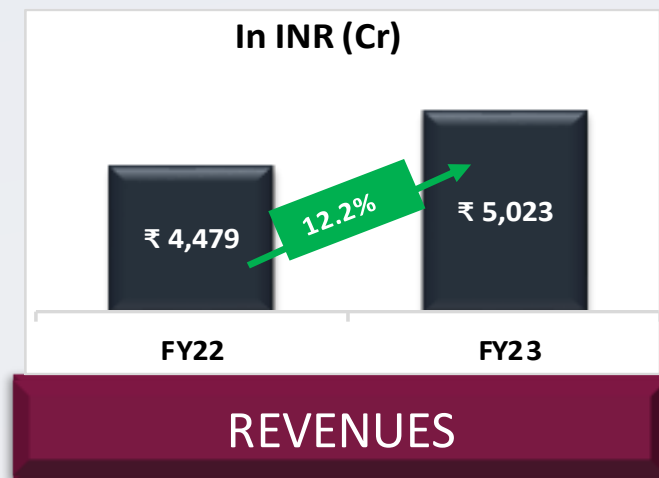
 Lines of business supported

CUSTOMER CARE

SALES

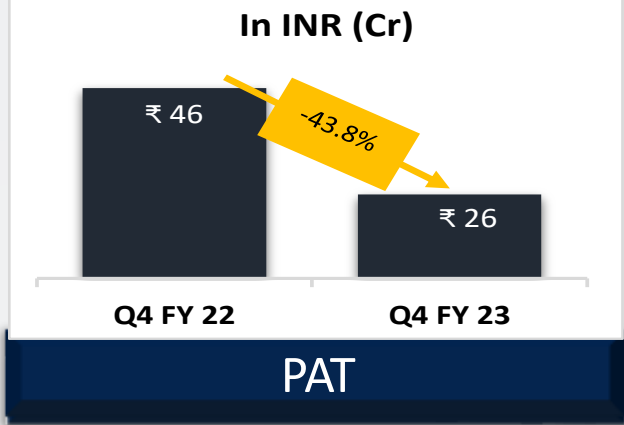
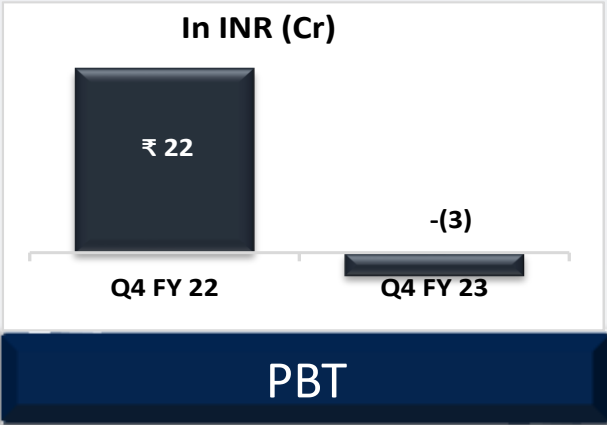
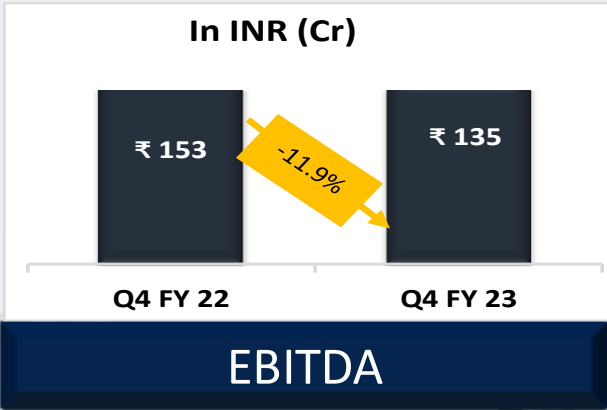
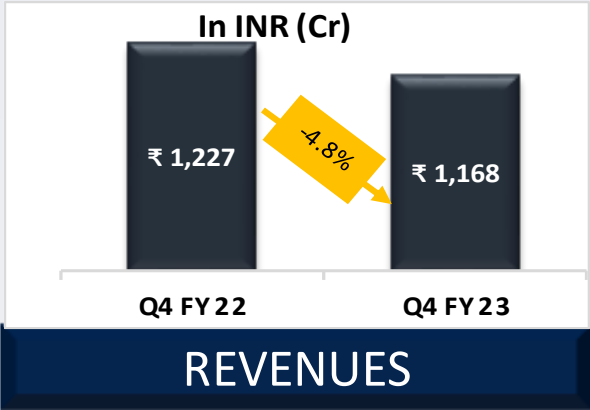
TECH SUPPORT

FY2023 - Strong year overall



* EBITDA includes Other Income

Q4 FY2023 Financials



* EBITDA includes Other Income

Overall good performance in technology-led CX business

- **Traditional CX business** showed steady growth, especially offshore and nearshore
- Offshore revenue has grown significantly by around 67%
- Significant expansion in existing client accounts and healthy pipeline
- UK has some headwinds; Our focus is on driving growth in private sector verticals as well as sustain public sector momentum

- **Technology Solutions business** continues to post robust growth
- Continue to focus on longer term deals in areas such as managed services and Cloud.
- TekLink acquisition closed in March 2023; already seeing traction with cross-selling opportunities to both our clients
 - March 2023 TekLink revenue of US\$2.9 million with EBITDA margins of 18.3%

Global Footprint – HGS Headcount

20k+ Total Headcount
35 centers globally



In summary



FY2023 performance has been strong. Will continue to focus on sustained growth



Made significant investments over the past 12 months to build a robust launchpad, and will continue to do so – acquiring companies, driving organic growth and hiring top-tier talent across levels



Embraced Digital & AI technologies to deliver on our Digital CX promise in alignment with what the markets want

Digital Media services: huge opportunity ahead, especially in areas such as convergence, broadband over satellite, education enablement services, etc



Taking forward our HGS 2.0 Strategy

HGS 2.0 Growth Plan

Our Approach

- Provide frictionless customer journeys, using the latest technologies of artificial intelligence, automation, analytics, generative AI and cloud telephony.
- Continue to transform as a Technology-led CX Company through a mix of organic growth and acquisitions, while investing significantly on technology and talent.
- Enhance our offerings beyond traditional CX and Digital Media solutions... to provide a range of inter-connected services to enable impactful change to clients' businesses.

Driven by 3 Pillars

Generating significant growth

Achieving operational efficiency

Focus on successful M&As

What we are doing

Driven by 3 Pillars

Generating significant growth

- Focus on specific industry verticals with a Mid-Market strategy. Eg: Retail, Financial Services, Technology/ Media/ Telecom, Fast-growing Tech, Public Sector, etc
- Push technology solutions aggressively. Eg: HGS Agent X, data & analytics, Cloud, etc
- Integrated sales team

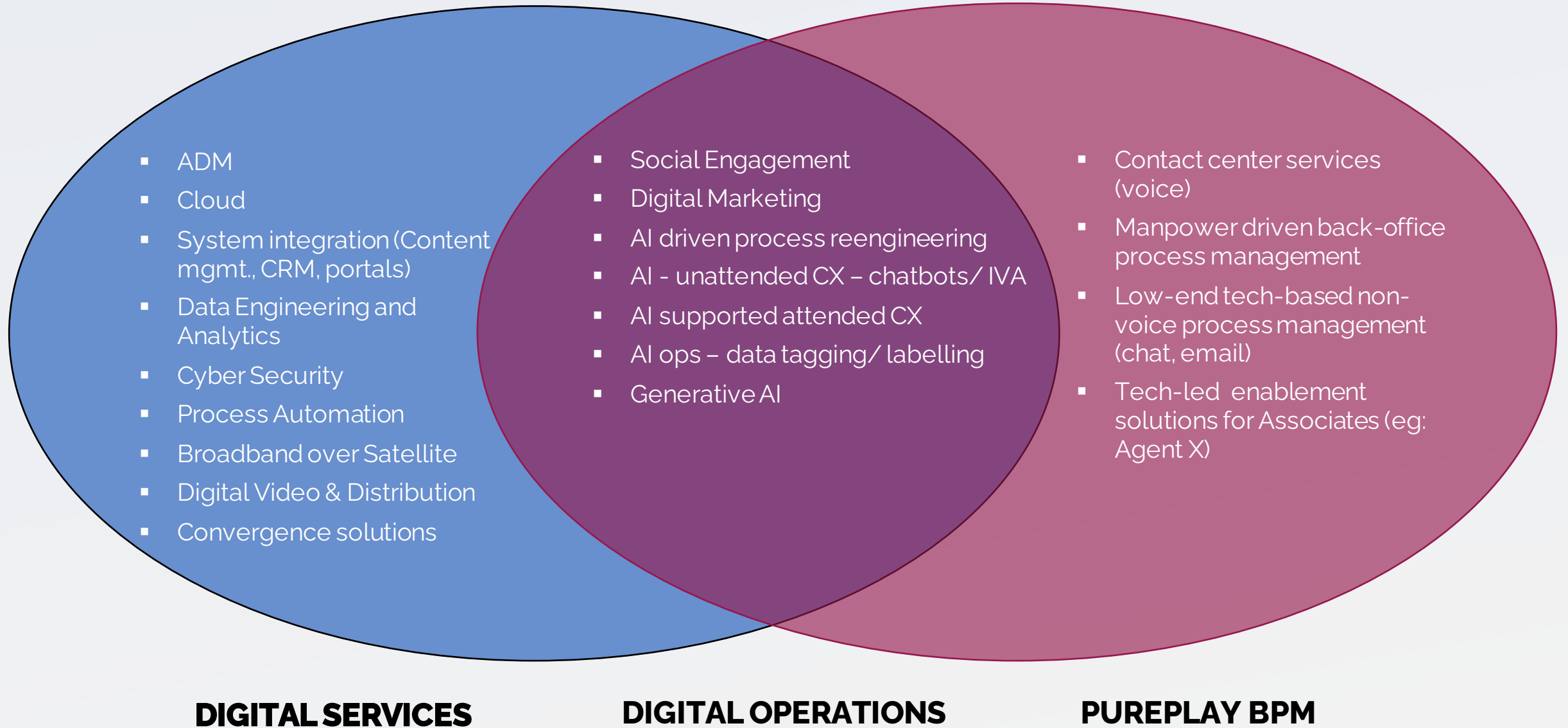
Achieving operational efficiency

- Drive profitable growth while focusing on higher topline
- Leverage more technology within the organization
- Optimize costs

Focus on successful M&As

- Make strategic/ tuck-in acquisitions to create a comprehensive digital capability and expand markets
- Integrate recent acquisitions

Our services portfolio is increasingly strengthened by technology





Digital Media Business – An Update

Vynsley Fernandes

Enterprise Business Unit

Q4 was a “Value proposition” validation phase for EBU to determine customer buy-in for our solutions.

The response was overwhelming across key industry segments, validating the solutions.

“Mesh Network” play

Traction with customers as “the” integrated single-window service provider for Fiber and Satellite-based Broadband

Managed SDWAN traction

Traction with customers on our “Solution focused” approach to SDWAN at economical pricing

Unique solutions

Traction with Work-From-Home solutions to enable the hybrid economy

NXTSKYFi demand

Our Broadband-over-satellite solution gained traction versus traditional VSAT play

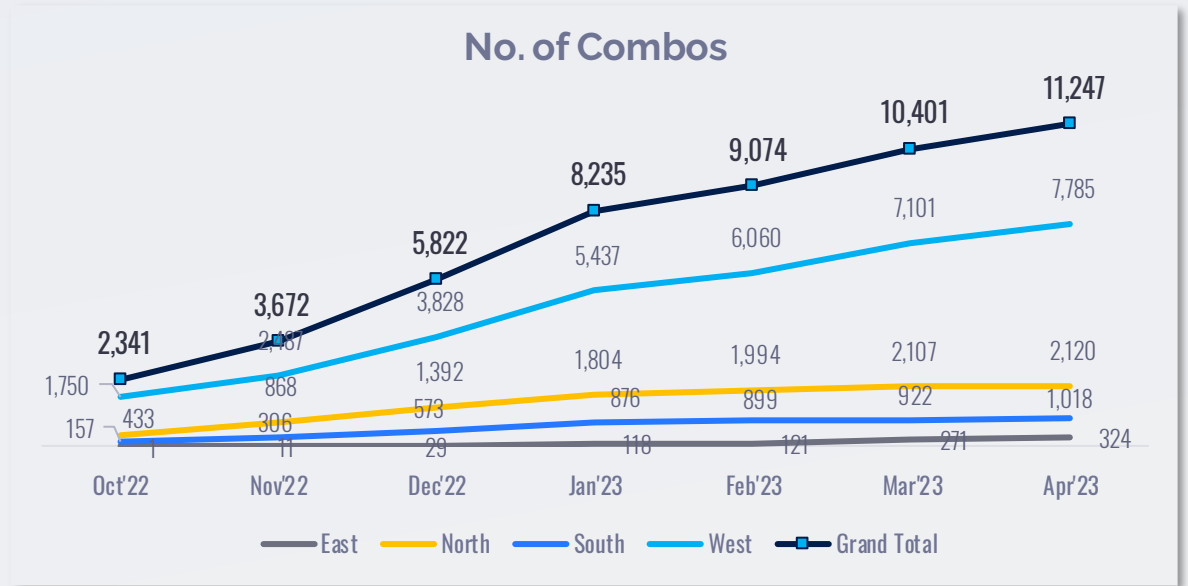
ONEDigital : Integrated Product Performance

Combo Performance Q4 FY2023

- **ONEDigital** - India's **first integrated and convergent “combo” product**; offering customers broadband up to 1,000 Mbps speeds, 650 digital television channels, international and regional OTT, VoIP/Intercom, CCTV & community/building WiFi
- ONEDigital has seen continuous growth since launch in September. Q4FY23 combo numbers **grew by 134%** over the previous quarter.

NXT Sangram Progress

- NXT Media Group has continued accelerating it's **“digital upskilling”** program for franchisees.
- **Uttar Pradesh, Andhra Pradesh & Telangana - focus markets for growth** – for new and emerging digital solutions.
- Regions have developed on-the-spot “digital product” offers for non-NXT franchisees attending the training.



Description	April 2023	Aug '22 – April '23
Workshops	6	58
Total participants	184	1,572
NXT Franchisees (+ franchisees' team members)	140(+12)	714 (+117)
Subscriber base addressed	29,702	2,31,278
Non NXT Digital franchisees	32	286

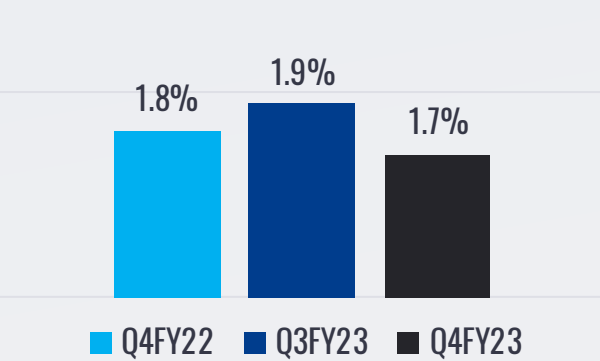
KPIs for Q4 FY2023

The overall Indian M&E industry, specifically the distribution sector continued to face challenges to growth in Q4. NXT remained focused on “retention”, performing above the industry-wide trend on key parameters.

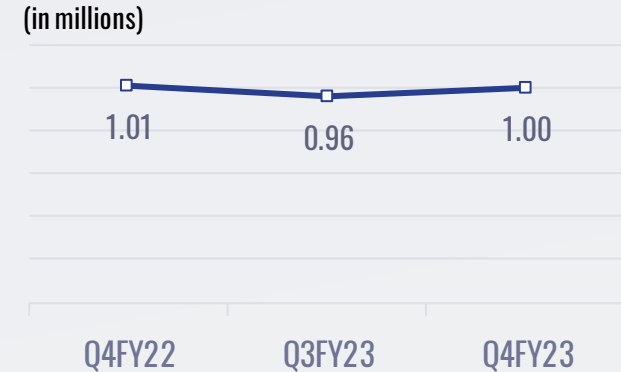
DTV Subscriber Base (Digital Video)



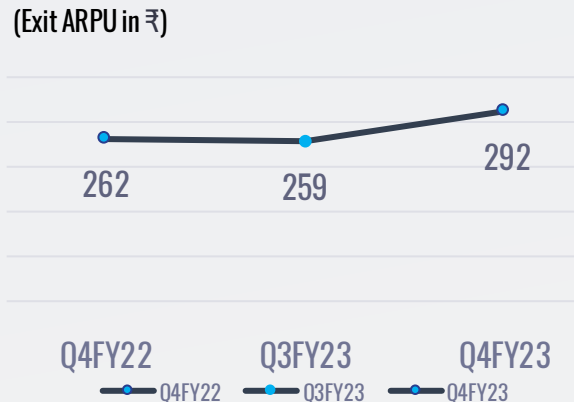
DTV 90-day Net Churn



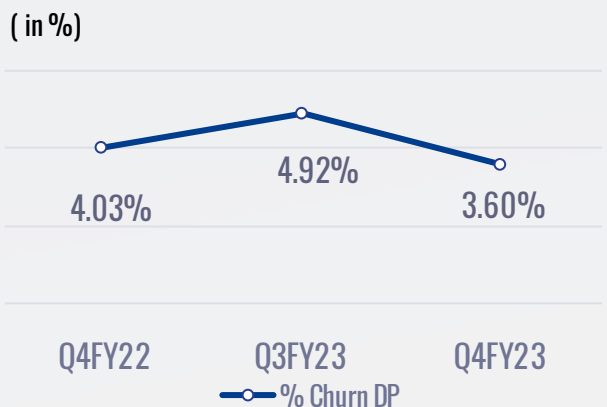
BB Subscriber Base



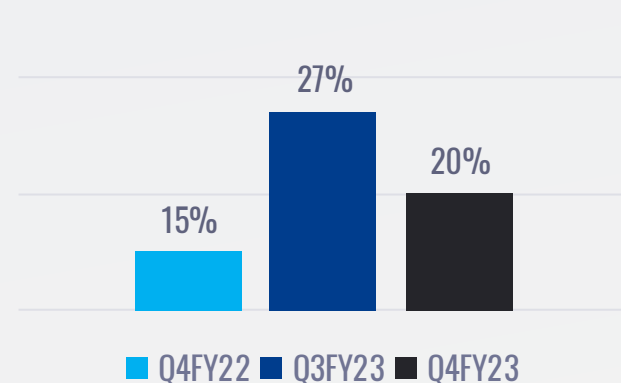
BB ARPUs (Average Revenue Per User)



BB Churn Direct Points



BB Bandwidth Cost as % of Revenue – Retail BU





Financial Update

Srinivas Palakodeti

FY2023 Performance

Figures in INR Cr unless otherwise indicated

	Actual FY 23	Actual FY 22	Variance %
Revenue from Operations	4,505.2	4,273.4	↑ 5.4%
Other Income	518.0	205.5	↑ 152.0%
Total Revenue	5,023.2	4,478.9	↑ 12.2%
EBITDA	762.1	468.9	↑ 62.5%
EBITDA %	15.2%	10.5%	
Depreciation	455.4	344.6	
Interest Expense	137.3	156.8	
Exceptional Items (Income)/Expense	32.9	(77.3)	
PBT	202.4	(109.9)	
PBT %	4.0%	-2.5%	
Tax	(102.2)	(70.9)	
PAT from continuing operations	304.6	(39.0)	
PAT from discontinued operations	46.2	6,100.4	
Total PAT for the Period	350.8	6,061.4	
Exchange Rate	80.56	74.41	

Q4 FY2023 Performance

Figures in INR Cr unless otherwise indicated

	Actual QE Mar 23	Actual QE Dec 22	QoQ Growth %	Actual QE Mar 22	YoY Growth %
Revenue from Operations	1,069.8	1,119.1	↓ -4.4%	1,110.0	↓ -3.6%
Other Income	98.4	45.5	↑ 116.2%	116.7	↓ -15.7%
Total Revenue	1,168.2	1,164.6	↑ 0.3%	1,226.7	↓ -4.8%
EBITDA	134.7	127.8	↑ 5.4%	152.9	↓ -11.9%
EBITDA %	11.5%	11.0%		12.5%	
Depreciation	113.6	117.9		92.2	
Interest Expense	23.8	38.0		37.0	
Exceptional Items (Income)/Expense	0.0	32.9		(1.7)	
PBT	(2.7)	4.7		22.0	
PBT %	-0.2%	0.4%		1.8%	
Tax	(28.5)	(47.1)		(23.8)	
PAT from continuing operations	25.8	51.8		45.9	
PAT from discontinued operations	0.0	0.0		5,687.2	
Total PAT for the Period	25.8	51.8		5,733.1	
Exchange Rate	82.15	82.31		75.33	

Summary Financial Profile

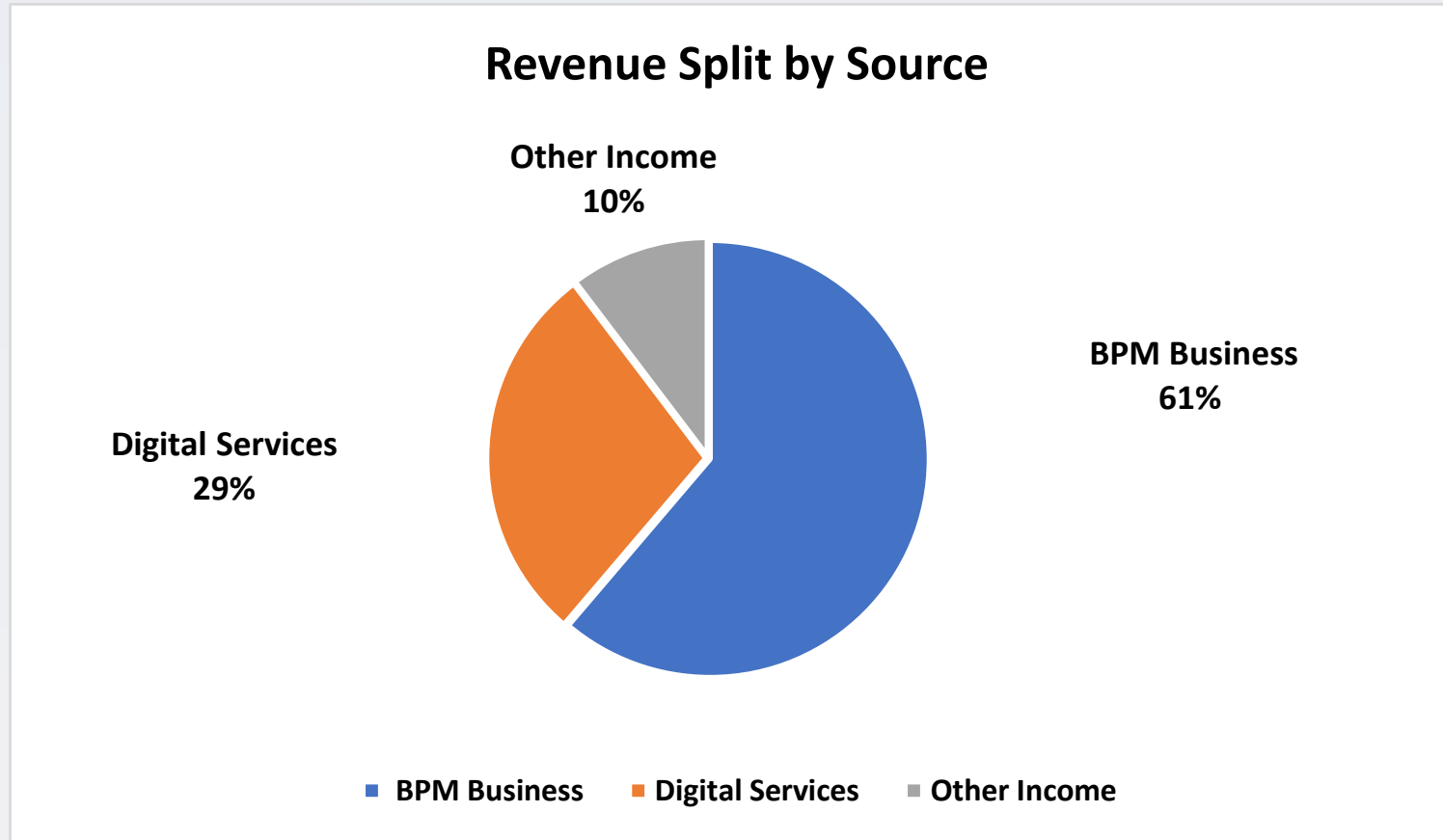
Particulars	HGSL	
	<i>in INR Cr (Except per share data)</i>	<i>in USD Mn (Except per share data)</i>
Shareholder's Fund	8,719.1	1,082.3
Book value per share	1,661.3	20.6
Price per share	1,156.8	14.4
Dividend per share	15.0	0.19
EPS (TTM)*	58.0	0.7
P/E Ratio (TTM)	19.9	19.9
Gross Debt	321.0	39.8
Cash & Bank Balance	1,143.4	141.9
Net Cash	822.4	102.1

- *This is Basic EPS for continued operations
- The price per share is as of 26th May 2023
- Dividend is the total of interim and final dividend announced for FY 23

Debt & Treasury Snapshot

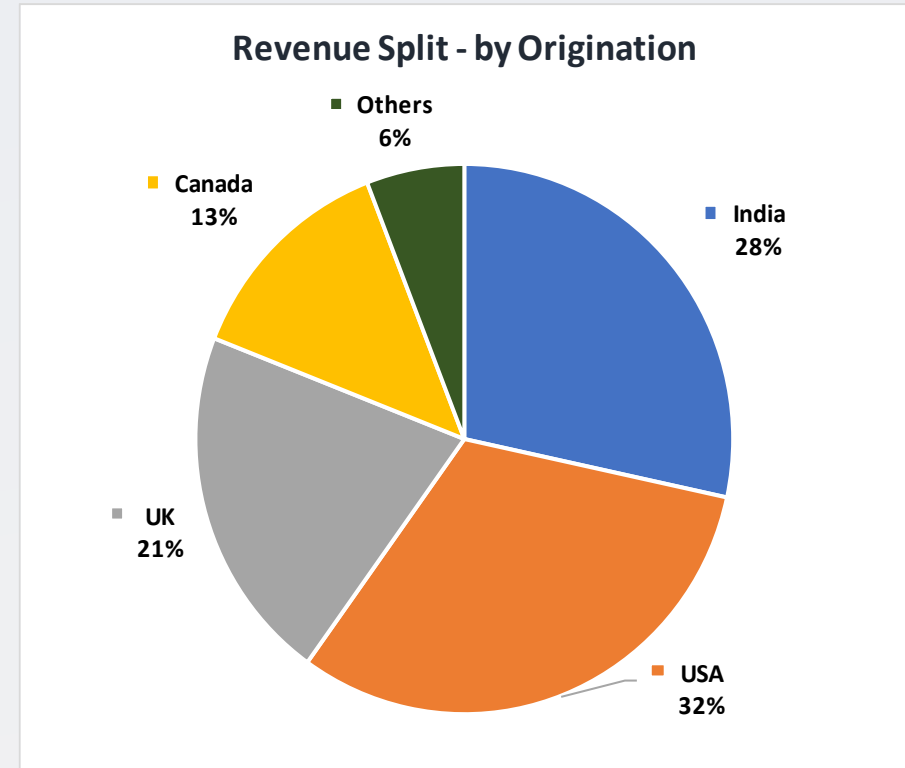
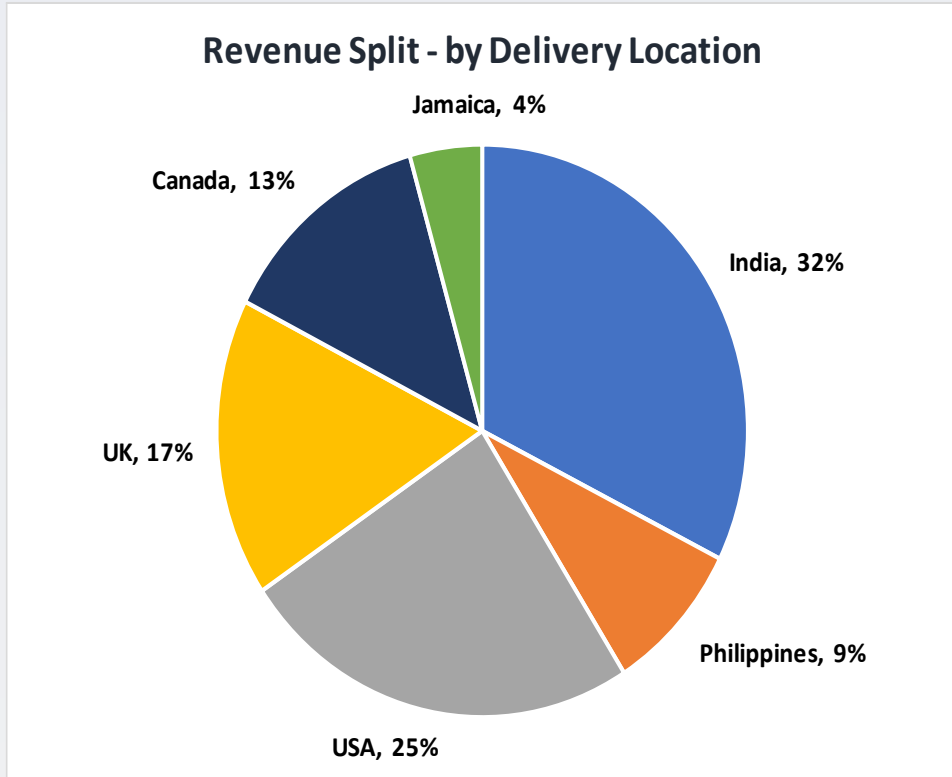
As on 31 st March 2023 (In INR Cr)	
Cash and Treasury Surplus:	
Short Term Loans given	2,814
Cash & Bank Deposits	1,143
Debt Investments	2,734
Total Cash & Treasury Surplus	6,691
Less: Borrowings	321
Net Cash & Surplus Position	6,370

Revenue Composition of Rs. 5023.2 Cr



FY2023

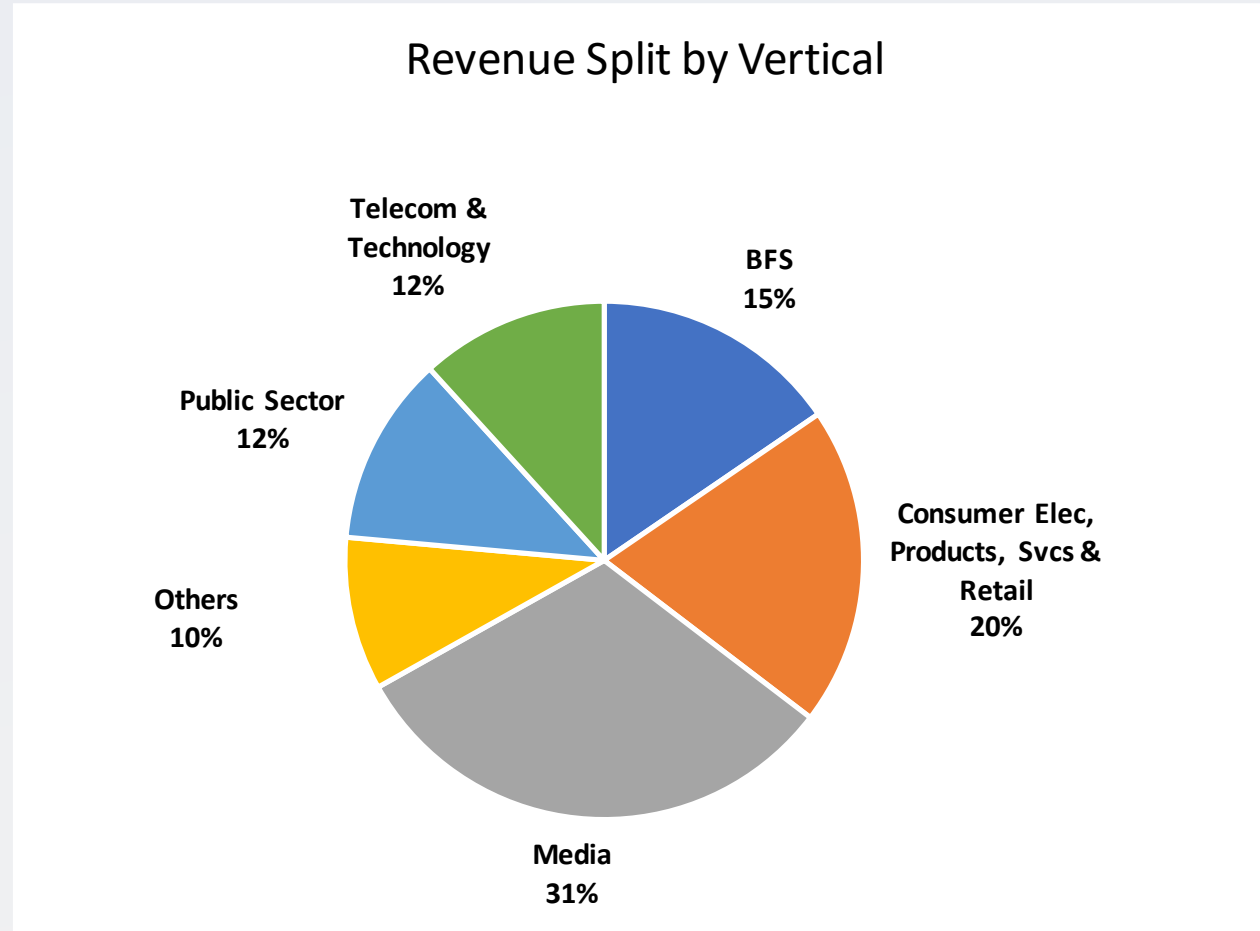
Operating Revenue Composition of Rs. 4505.2 Cr



FY2023

- *Others Include revenues originated from Philippines, Jamaica & Diversify*

Operating Revenue (Rs.4505.2 Cr) Split by Vertical



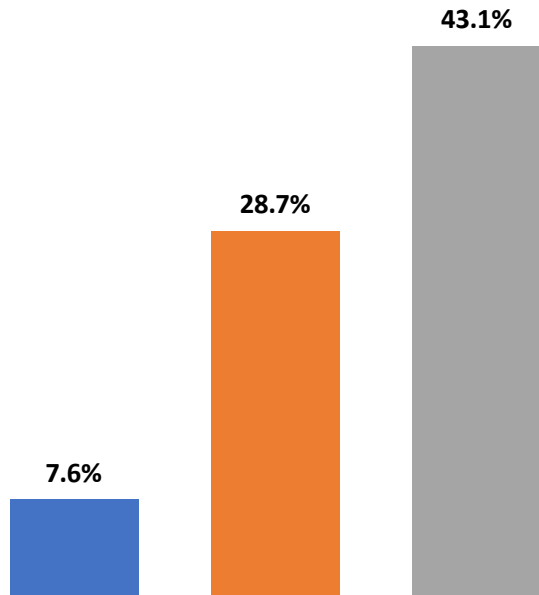
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Revenue Profile



Client Concentration

■ Top Customer ■ Top 5 Customers ■ Top 10 Customers

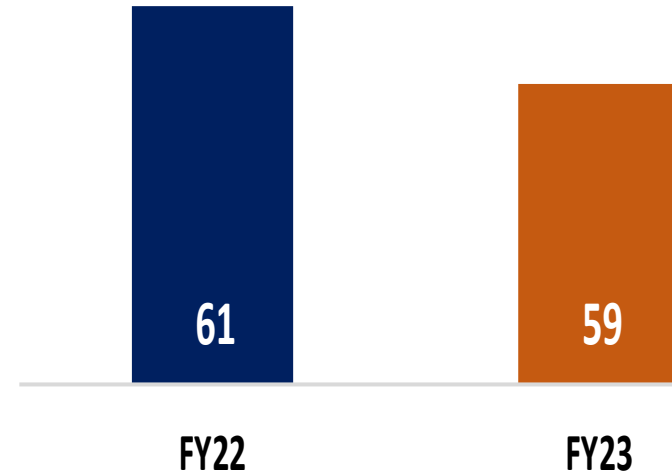


Revenues of Rs 4505.2 Cr



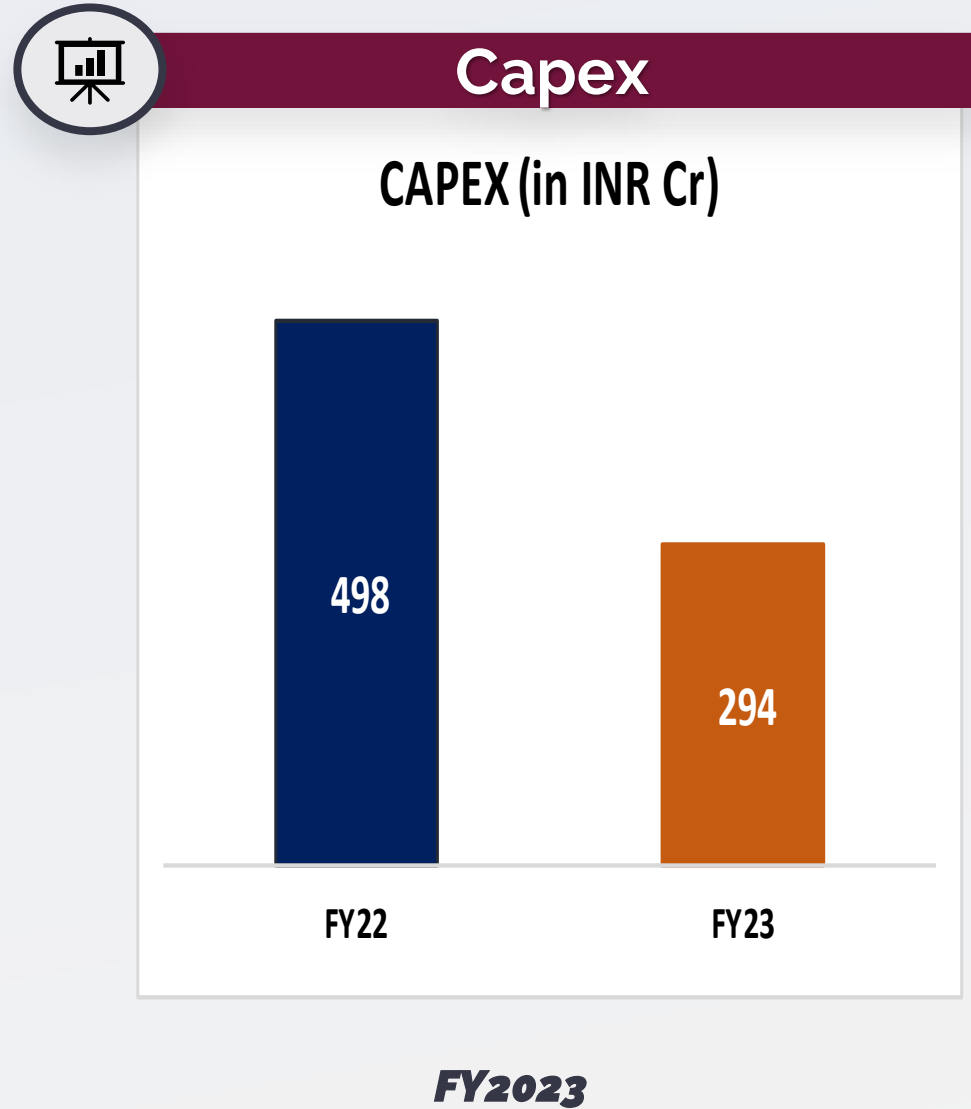
DSO

DSO (In Days)



FY2023

Capex



HGS Share : Performance vs CNXIT and NIFTY 50





Thank You

investor.relations@teamhgs.com