

HGS REPORTS Q4 FY2022 RESULTS, ANNOUNCES FINAL DIVIDEND OF RS. 25/ SHARE (ON 1:1 POST BONUS SHARE CAPITAL)

- Q4 FY2022 revenues (Retained Business) stood at Rs. 8,654.6 million, a growth of 13.6 % YoY.
- Reduction in gross debt of Rs. 2,045 million in Q4 FY2022; As on March 31, 2022, Net Cash stood at Rs. 35,175 million
- Announces Final Dividend of Rs. 25 /share. (on post 1:1 Bonus Share Capital)
- Total Dividend of effectively Rs. 245/share (on pre 1:1 Bonus Share Capital)
- Total Dividend Outgo of around Rs 5,120 million for FY2022
- Size of Buyback would be around Rs 975 crores. Detailed buyback process shall be announced later.

Mumbai, India, May 29, 2022: Hinduja Global Solutions (HGS) (listed in BSE & NSE) today announced its audited fourth quarter and full-year results for FY2022.

Speaking on the results, **Partha DeSarkar, Executive Director and Group CEO of HGS** said: *"HGS had an eventful FY2022 – from posting strong revenue growth in all four quarters in an uncertain socio-economic environment, registering our highest-ever quarterly PAT, to divesting the healthcare services business for an almost 3x valuation and enhancing shareholder value.*

Our strategy was to continue leveraging the hybrid working model, sustain client win momentum and sell more digital-led services. This focus has helped us achieve significant growth across all business parameters during the year. HGS signed a couple of our biggest deals ever, increased our digital services footprint across clients, ramped up headcount in the UK and launched new solutions such as Cloud Accelerator and HGS Agent X. We also expanded into Australia & New Zealand through the acquisition of Diversify Australia, thus opening up an attractive, high-potential client market.

In Q4, our continuing operations reported robust double-digit revenue growth, led by ramps and new logo wins in the UK and digital businesses. We expect the trend to continue in the coming quarters.

HGS completed the acquisition of Diversify Australia in February, and we are pleased with how the integration is shaping up. Since the acquisition, the Diversify team has won 6 new clients while the sales pipeline for FY2023 is looking healthy. We expect good traction in this business.

Looking ahead, we will continue to invest in building HGS 2.0 through proactive customer experience solutioning and acquiring digital capabilities across automation, analytics & AI and cloud even as we explore geographic expansion."

Q4 FY2022 EARNINGS PRESS RELEASE



Financial Highlights for full-year FY2022

- Overall revenues (Retained Business) increased to Rs. 32,636.9 million, a growth of 25.44% YoY.
- EBITDA (Retained Business) stood at Rs. 1,134 million, a growth of 46.1% YoY.
- Total dividend for FY2022, including interim dividends of Rs. 195 /share stood at Rs. 245/ share (on pre 1:1 Bonus Share Capital)
- Total Dividend Outgo of around Rs 5,120 million for FY2022.

Financial Highlights for Full-year FY2022, including the divested healthcare services business

- Overall HGS revenues (including the divested healthcare operations) increased to Rs. 57,959.2 million.
- EBITDA (including the divested healthcare operations) stood at Rs. 7,376 million.
- Net profit (including the divested healthcare operations) stood at Rs. 61,036 million.

Update on Mergers & Acquisitions

- HGS completed the sale of its healthcare services business to wholly-owned subsidiaries of Betaine BV ('Buyer'), funds affiliated with Baring Private Equity Asia (BPEA) on January 6, 2022.
- HGS completed the acquisition of Diversify Offshore, Australia on February 25, 2022. As part of the transaction, around 1,245 BPM professionals have joined HGS in the Philippines. Integration is in progress.
- HGS' Board of Directors in February 2022 approved the acquisition of the digital business of NXTDIGITAL Limited ('NDL'), a related party, through issuance of shares. Share exchange ratio fixed, whereby shareholders of NXTDIGITAL will receive 20 Shares of HGS for every 63 NXT Digital shares held. Approvals from Securities Exchange Board of India (SEBI) and other regulatory bodies awaited.

Business Highlights for Q4 FY2022

- **New positioning:** In December 2021, HGS unveiled a new brand identity for its ongoing evolution into a digital-led, people-driven organization that is transforming customer experiences (CX), including renewing its vision and mission and launching a new, future-forward logo.
- **Client wins:**
 - Added 3 new logos across verticals for core BPM services and 7 for HRO/ Payroll Processing
 - The HGS UK subsidiary signed a mega deal in the quarter, being selected by the UK Health Security Agency (UKHSA) to provide critical customer support to UK citizens for an initial period of two years, with an option to extend further. The contract could be worth up to £211 million (Rs. 2,100 crore) across the term of the contract, employing over 2,000 Work@Home positions across the UK.
 - Signed 16 engagements with new and existing clients for HGS Digital services (RPA, digital, analytics and Social Care services, etc.)
 - Addition of 56 BPM clients through Diversify acquisition



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- **Clientele:** Overall, HGS had 207 active BPM clients across its consumer engagement solutions and digital businesses, and 736 HRO/Payroll processing clients.
- **Employee Headcount:** 21,608 as of March 31, 2022, a net addition of 2,501 in the quarter (post divestment)
- **Delivery Centers:** HGS had 38 global delivery centers across 6 countries as of March 31, 2022. This includes an addition of 4 centers in the Philippines through the Diversify acquisition.
- **Awards & Recognition in Q3 FY2022:**
 - “Leader” in the 2022 Gartner® Magic Quadrant™ for Customer Service BPO for 2nd consecutive year
 - Ranked in IAOP® 2022 Global Outsourcing 100® list and received “All Star” distinction for 12th straight year
 - “High Achiever” in NelsonHall Customer Experience Operations Transformation 2022
 - Named in ISG's Booming 15 - Service & Technology Provider Standouts for the Americas and APAC regions

About Hinduja Global Solutions (HGS):

A global leader in optimizing the customer experience lifecycle, digital transformation, and business process management, HGS is helping its clients become more competitive every day. HGS combines automation, analytics, and artificial intelligence with deep domain expertise focusing on digital customer experiences, back-office processing, contact centers, and HRO solutions. Part of the multi-billion-dollar conglomerate Hinduja Group, HGS takes a “globally local” approach. HGS has over 21,600 employees across 38 delivery centers in six countries, making a difference to some of the world’s leading brands across verticals. For the year ended March 31, 2022, HGS had revenues of Rs. 32,636.9 million (US\$ 440 million).

Visit <https://hgs.cx> to learn how HGS transforms customer experiences and builds businesses for the future.

Safe Harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

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