

EARNINGS PRESENTATION

Q3FY25


firstsource



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 BPS market 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 client contracts, client concentration, our ability to manage ramp-ups and growth, our ability to manage our international operations, reduced demand in our key focus verticals, disruptions in telecom infrastructure and technology, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, performance of our subsidiaries, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital and acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Firstsource 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 statements that may be made from time to time by or on behalf of the company.

Established in **2001**
Public listing in 2007



Specialized BPS partner

Hyper-focused, domain-centric teams with cutting-edge tech, data, and analytics

200+ global clients# including
19 Fortune 500 companies and 3 FTSE 100 companies



34,144* Firstsourcers

Across US, UK, India, Philippines, South Africa, Australia, Mexico, Romania, Trinidad & Turkey

Part of RP-Sanjiv Goenka Group
Since 2012



Leaders in chosen verticals

Banking & Financial Services, Healthcare, Communications, Media & Technology, Retail and Utilities

Deep partnerships with clients
Average tenure of top 5 clients is over 20 years



Revenues of **INR 63.4 Billion**
(US\$765 Million) in FY2024

#For clients with trailing 12-months revenue over US\$0.25mn
*As on 31st December 2024

Part of RP-Sanjiv Goenka Group



Group turnover of
~US\$4.4 Bn*

EBITDA of
~US\$855 Mn*



Asset base of
>US\$7.3 Bn*

Over
1.1 Million Shareholders

One of India's **new-age and fastest growing** Conglomerates

Strong workforce of **50,000+** employees, belonging to different nationalities

Presence in **50+** countries

100+ offices worldwide



Committed to powering millions of Indian homes and businesses with reliable electricity through its **generation and distribution services**



A global player and a national leader with portfolio of **Carbon Black & Specialty Chemicals**



Global leader in specialized Business Process Services leveraging hyper-focused, domain-centric teams with **cutting-edge tech, data, and analytics** to deliver value for over 200 clients



Diversified and innovative media company, with music catalogue that spans the gamut from the **first recorded Indian songs to the latest hits** and a strong video play, spread across making Films, TV serials, OTT series and short video content catering to the youth



Nature's Basket is India's **finest gourmet retailer** with international food products
Spencer is an experience led **multi-format retailer** with varied assortments



Too Yumm is a **rapidly growing snack brand**, captivating consumers with its **flavorful and better-for-you snacking**
Playing in the **Personal care** category with brands like Naturali and Within Beauty



Inspiring communities, unite fans, set new benchmarks, foster championship culture, contribute to the **development & growth of sports culture globally**



Step into a world of unparalleled luxury. Quest, the first of its kind in Eastern India, curates **premium experiences that elevate your lifestyle**



India's **largest** producer of rubber & South India's second largest cultivator of tea



Global media organization dedicated to helping its readers succeed big in business through best-in-class storytelling

* All figures as on FY24



Banking & Financial Services

- Asset Finance
- Credit Cards
- Mortgages
- Retail & SME Banking
- FinTech



Healthcare

- Hospital Providers
- Physician Groups
- Health Plans
- Healthcare Services
- Medical Devices



Communications Media & Technology

- Streaming Services, Cable TV
- Broadband & Telephony
- Consumer Tech
- Ed Tech
- E-Commerce



Diversified Industries

- Utilities
- Government Entities
- Retail and e-commerce

4 of Top 15

Mortgage Servicers in the US

5 of Top 15

Mortgage Lenders in the US

6 of Top 10

Credit card issuers in the US

3 of Top 6

Retail Banks in the UK

1,000+

Hospitals in the US

11 of Top 15

Health insurance/managed care providers in the US

1 of Top 2

Broadcasting and media companies in the UK

2 of Top 5

Telecom and broadcasting companies in the US

4 of Top 5

Consumer-tech companies in the US

2 of Top 4

Utility companies in the UK

2 of Top 10

Retailers in the UK

Our Leadership Team



Ritesh Idnani
—
MD & CEO



Dinesh Jain
—
Chief Financial Officer



Sohith Brahmawar
—
Chief Operating Officer



Aftab Javed
—
Chief Human Resources
Officer



Aniket Maindarker
—
Chief Marketing Officer



Hasit Trivedi
—
Chief Digital & AI Officer



Vivek Sharma
—
Head – CMT, BFS
and Emerging Geos



Venkatgiri Vandali
—
Head – Healthcare &
Lifesciences



Rajiv Malhotra
—
Head – Europe, Middle
East & Africa



Arjun Mitra
—
Head – Collections



Ashish Chawla
—
Head – CX and Consulting



Sundara Sukavanam
—
Head – Enterprise
Transformation Office

Performance Highlights | Q3FY25



REVENUE

₹ 21,024 Million
(US\$ 249 Million)

YoY growth of 31.7%
YoY constant currency growth of 27.7%
QoQ constant currency growth of 7.6%



EBIT

₹ 2,333 Million
(Margin 11.1%)

YoY growth of 36.5%
YoY margin expansion of 40bps
QoQ margin expansion of 30bps



PROFIT AFTER TAX

₹ 1,603 Million*
(Margin 7.6%)

YoY growth of 24.5%
YoY margin contraction of 50bps
QoQ margin expansion of 40bps
(*Include one-time gain of ₹ 88mn)



EARNINGS PER SHARE

(Diluted)

₹ 2.27
per share

Q2FY25 at ₹ 1.96 per share
Q3FY24 at ₹ 1.84 per share



REVENUE

₹ 58,189 Million
(US\$ 694 Million)

YoY growth of 24.7%
YoY constant currency growth of 21.8%



EBIT

₹ 6,384 Million
(Margin 11.0%)

YoY growth of 24.4%
YoY margin flat



PROFIT AFTER TAX

₹ 4,338 Million*
(Margin 7.5%)

YoY growth of 13.8%
YoY margin contraction of 70bps
(*Include one-time gain of ₹ 88mn)



EARNINGS PER SHARE (Diluted)

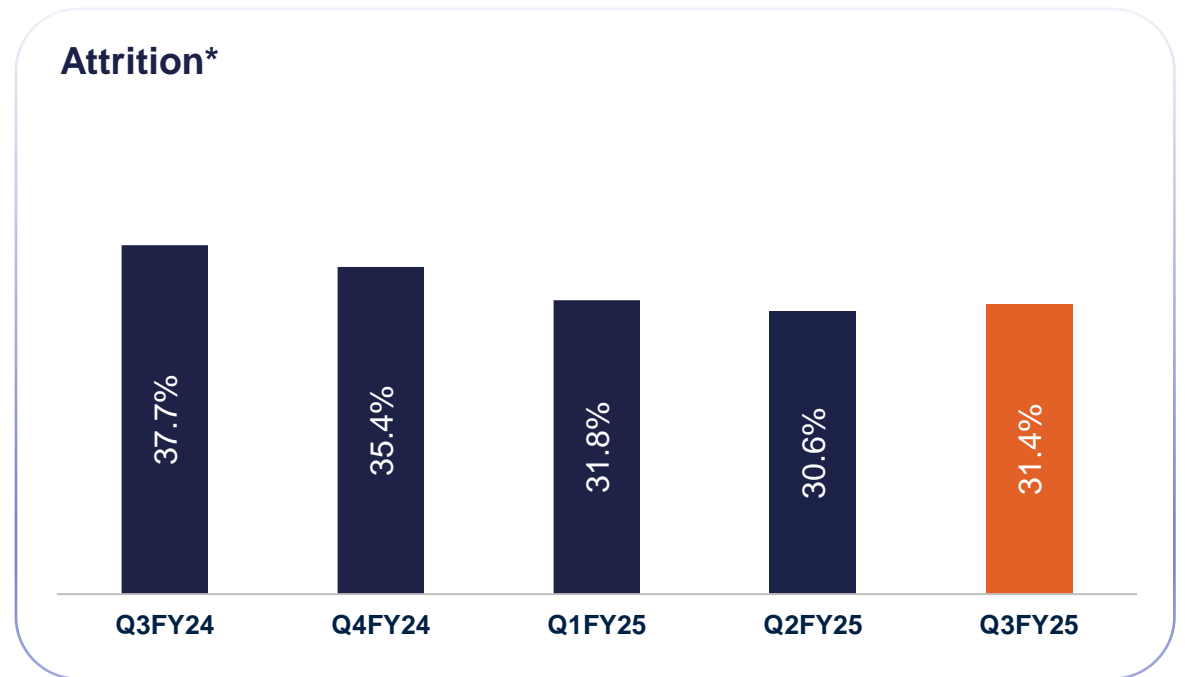
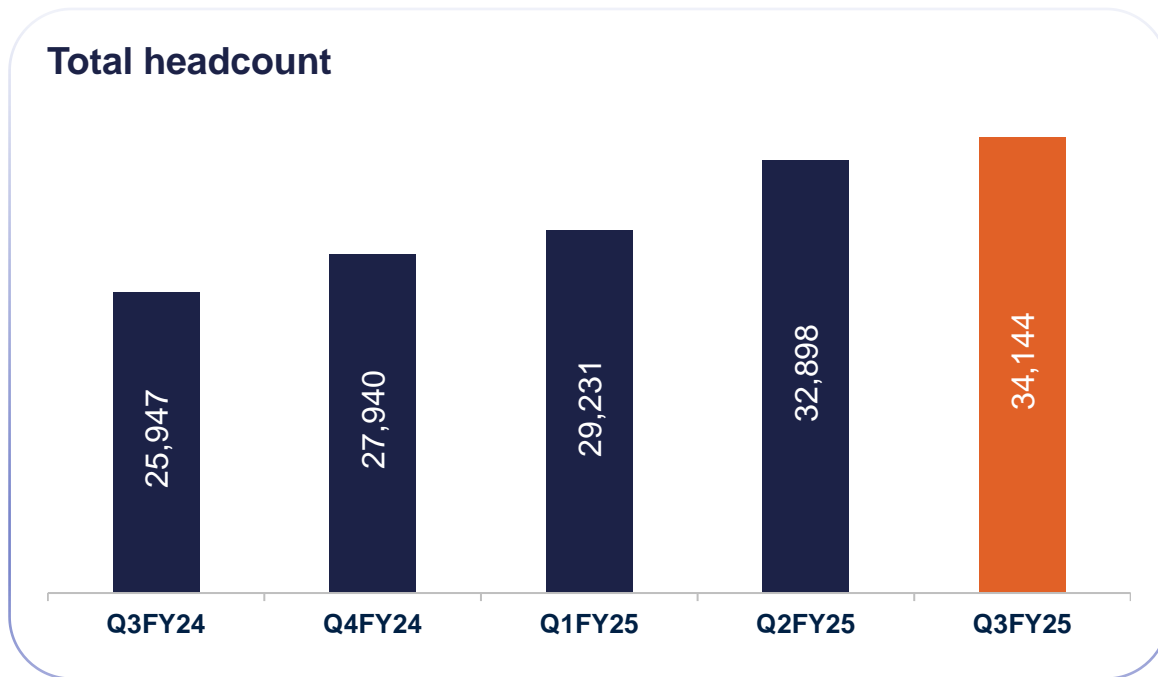
₹ 6.15
per share

9MFY24 at ₹ 5.43 per share
TTM at ₹ 8.05 per share

- **One of the Top10 healthcare payer in North America**, an existing client, selected us for claims processing services
- Awarded a deal by **a leading dental benefits administrator in the US** for improving claims and customer experience
- Selected by **a leading insurance provider**, a new logo, in Australia for customer experience services
- **One of the Top3 consumer tech companies in North America** selected us for providing GenAI services
- Expanded relationship with **one of the largest utilities companies in the UK**, an existing client, with additional business for CX services
- Secured a new deal with **a leading verification services provider** for the US mortgage industry for customer support services
- Won deal from **a large AI lending platform in the US**, a new logo, for collection services

Employee Base | Q3FY25

- Total headcount of **34,144** employees
- QoQ net headcount addition of **1,246**
- TTM employee attrition at **31.4%**
- **46.3%** of employees are women



*For employees in employment for more than 180 days

Firstsource ranked in the top 99th percentile on the Dow Jones Sustainability Index 2024



S&P Global Sustainable1 ESG and CSA Score of 81 each

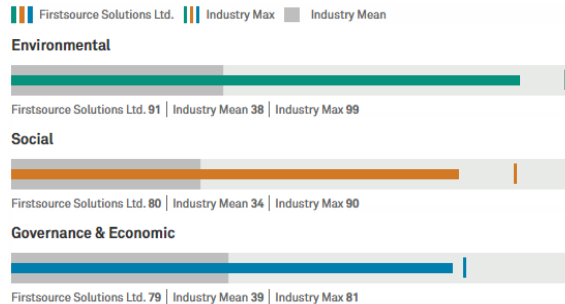
Industry leading score on:

- Privacy Protection
- Risk & Crisis Management
- Business Ethics
- Cybersecurity & System Availability/Information Security

Scored high on:

- Human Capital Management
- Climate Strategy

Score Breakdown



[Read our FY24 ESG report](#)

Firstsource Named a Leader in Mortgage Business Process Transformation



Driving transformation and innovation in mortgage services

Firstsource was recognized in Avasant's 2024 RadarView™ **one of the top 5 leaders from 15 top-tier** providers offering mortgage business process transformation services



Times Now, a part of India's renowned Times Group, recognized Ritesh Idnani, MD & CEO, Firstsource, as **India's Impactful CEOs for 2024**

21.8-22.3%
constant currency
revenue growth
(Earlier: 19.5-20.5%)



11-11.5%
EBIT margin
(Earlier: 11-11.5%)

Factsheet

Cons. IndAS financials | Profit & Loss Statement

In ₹ million	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	QoQ	YoY
Income from services	15,417	15,948	16,693	63,325	17,839	19,326	20,879	8.0%	30.9%
Other operating income	(17)	18	12	37	72	(72)	145	-	-
Revenue from operations	15,400	15,966	16,705	63,362	17,911	19,254	21,024	9.2%	31.7%
Revenue from operations (USD Mn)	\$ 186	\$ 192	\$ 201	\$ 765	\$ 215	\$ 230	\$ 249	8.4%	29.9%
QoQ Growth % - constant currency	(0.1%)	3.4%	4.2%	-	6.5%	6.9%	7.6%	-	-
YoY Growth % - constant currency	(1.9%)	2.8%	4.5%	1.1%	14.8%	22.7%	27.7%	-	-
Manpower expenses	9,402	9,895	10,558	39,093	11,268	12,104	13,070	8.0%	32.1%
Operating expenses	3,710	3,700	3,643	14,705	3,944	4,277*	4,777	11.7%	29.1%
EBITDA	2,288	2,371	2,503	9,564	2,699	2,873	3,177	10.6%	34.0%
EBITDA margin	14.9%	14.9%	15.0%	15.1%	15.1%	14.9%	15.1%	20bp	20bp
Depreciation & amortization	654	663	673	2,602	729	792	844	6.6%	27.4%
EBIT	1,634*	1,709	1,830	6,962	1,970	2,081*	2,333	12.1%	36.5%
EBIT margin	10.6%	10.7%	11.0%	11.0%	11.0%	10.8%	11.1%	30bp	40bp
Other income / (expense)	153 [#]	134 [#]	3	296	(11)	(40)	(39)	-	-
Interest expense, net	(244)	(235)	(240)	(962)	(287)	(330)	(375)	13.6%	59.6%
Exceptional items	-	-	-	-	-	-	88	-	-
Profit before taxes	1,543	1,608	1,593	6,296	1,673	1,710	2,007	17.3%	24.8%
Taxes and minority interest	278	321	258	1,150	320	328	404	23.0%	25.9%
Profit after tax	1,265	1,287	1,335	5,147	1,353	1,382	1,603	16.0%	24.5%
Net margin	8.2%	8.1%	8.0%	8.1%	7.6%	7.2%	7.6%	40bp	-50bp
Diluted EPS (₹/share)	1.80	1.84	1.90	7.34	1.92	1.96	2.27	15.8%	23.4%

[#]including other income on account of changes in the fair value of the liabilities for purchase of non-controlling interest and contingent considerations

*include one-time charges

Cons. IndAS financials | Balance Sheet

In ₹ million	As on 31-Mar-24	As on 31-Dec-24
Assets		
Non-current assets		
Fixed assets	2,461	4,013
Right-of-use assets	6,355	7,325
Goodwill on consolidation	29,885	36,749
Investment in associates	0	0
Financial assets		
Investments	115	115
Other financial assets	825	1,129
Deferred tax assets	2,921	2,773
Income tax assets (net)	809	859
Other non-current assets	2,086	2,129
Total non-current assets	45,457	55,093
Current assets		
Financial assets		
Current investments	300	774
Trade receivables	11,608	15,476
Cash and cash equivalents	1,748	1,710
Other balances with bank	137	71
Other financial assets	94	81
Other current assets	1,486	2,521
Total current assets	15,374	20,633
Total assets	60,830	75,726

In ₹ million	As on 31-Mar-24	As on 31-Dec-24
Equity and liabilities		
Shareholder's Funds		
Equity share capital	6,970	6,970
Reserve and surplus	30,034	35,358
Non-controlling interest	4	4
Total Equity	37,008	42,332
Non-current liabilities		
Financial liabilities		
Long-term borrowings	42	3,485
Lease liabilities	5,714	6,439
Other financial liabilities	-	570
Provisions	188	275
Deferred tax liabilities	1,470	1,599
Total non-current liabilities	7,414	12,368
Current liabilities		
Financial Liabilities		
Short-term and other borrowings	8,081	9,217
Trade payables	3,056	3,619
Lease liabilities	1,496	2,099
Other financial liabilities	2,047	3,823
Other current liabilities	1,057	1,313
Provisions	467	614
Provision for tax (net)	205	340
Total current liabilities	16,409	21,026
Total liabilities	60,830	75,726

Cons. IndAS financials | Cash Flow Statement

In ₹ million	9 Month ended Dec 31, 2023	9 Month ended Dec 31, 2024
Cash flow from operating activities		
Net profit before taxation and non controlling interest	4,704	5,389
Depreciation and amortization	1,929	2,364
Finance costs (for borrowing & lease liabilities)	769	1,053
Adjustment: Non-cash expense / (other income)	(441)	494
Add: Working capital changes	(1,853)	(3,475)
Less: Income taxes paid	(495)	(889)
Net cash generated from / (used in) operating activities (A)	4,612	4,936
Cash flow from investing activities		
Capital expenditure, net	(571)	(1,572)
Interest income received	2	11
(Increase)/decrease in current investments	116	(338)
Acquisition of business	-	(5,018)
Earmarked balances with banks	7	69
Net cash generated from / (used in) investing activities (B)	(446)	(6,849)
Cash Flow from financing activities		
Net change in borrowings	(1,316)	4,579
Net interest paid	(799)	(1,173)
Payment of lease liabilities	(1,029)	(1,175)
Purchase of treasury shares, net	65	(150)
Purchase of non controlling interest in subsidiary	(583)	(225)
Net cash generated from / (used in) financing activities (C)	(3,661)	1,857
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	505	(56)
Cash and cash equivalents at the beginning of the period	1,515	1,748
Foreign exchange (loss) / gain on translating cash and cash equivalents	12	18
Closing cash and cash equivalents	2,032	1,710
Current investments	491	774
Short term fixed deposits	33	36
Cash and cash equivalents including investments	2,556	2,520

Operating Metrics | Q3FY25

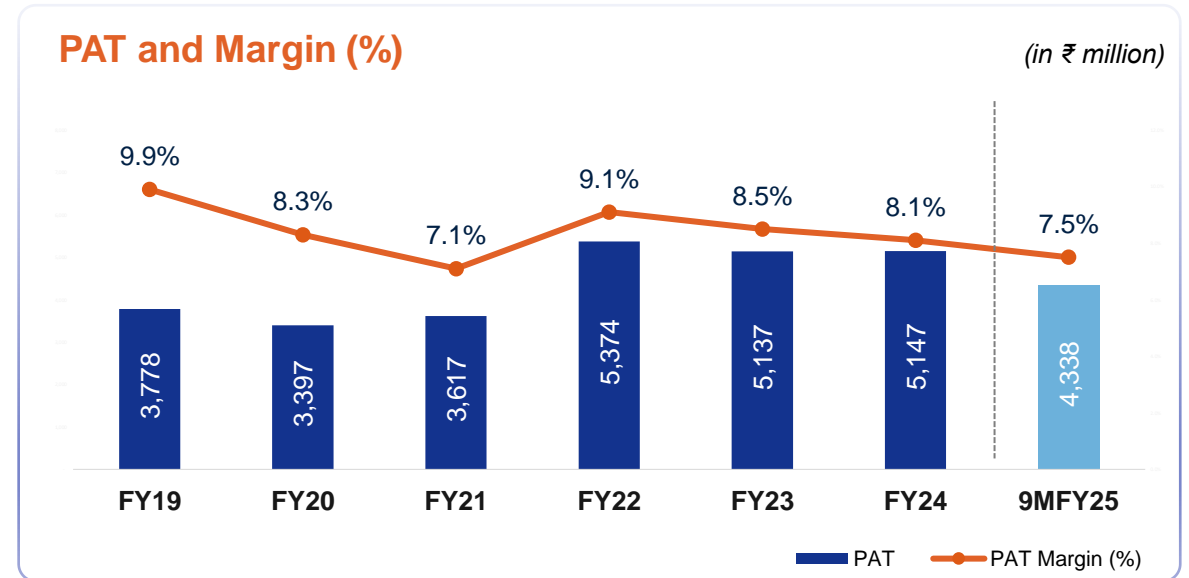
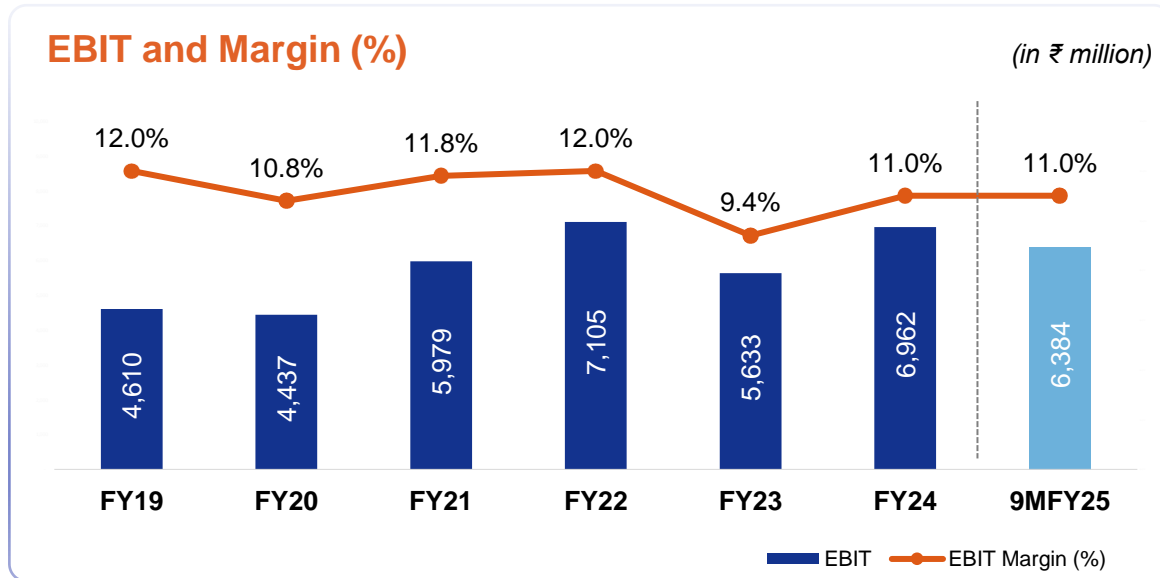
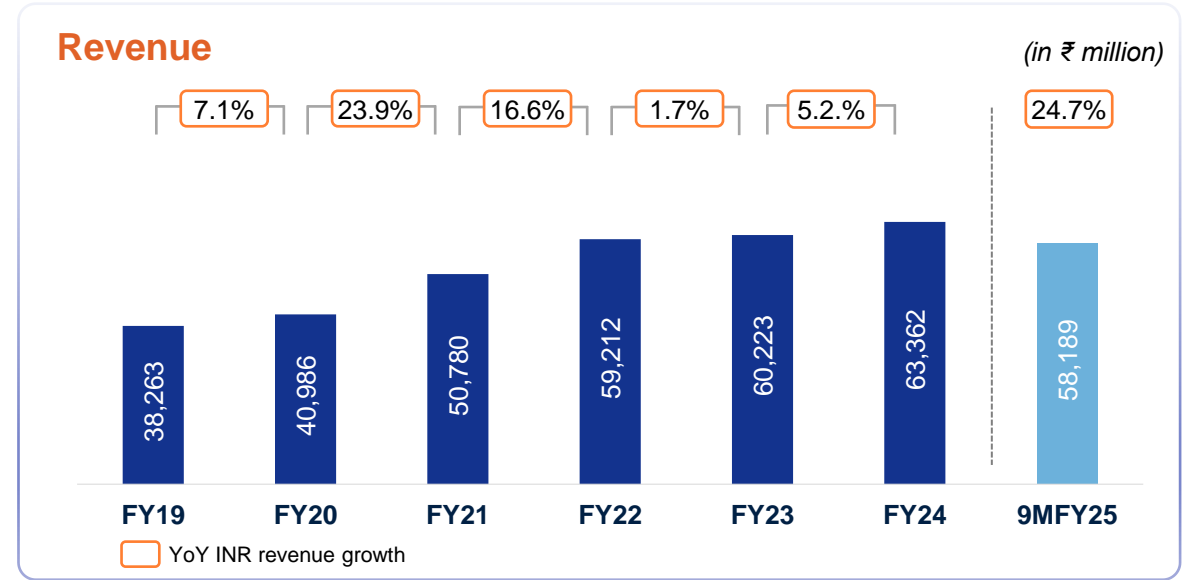
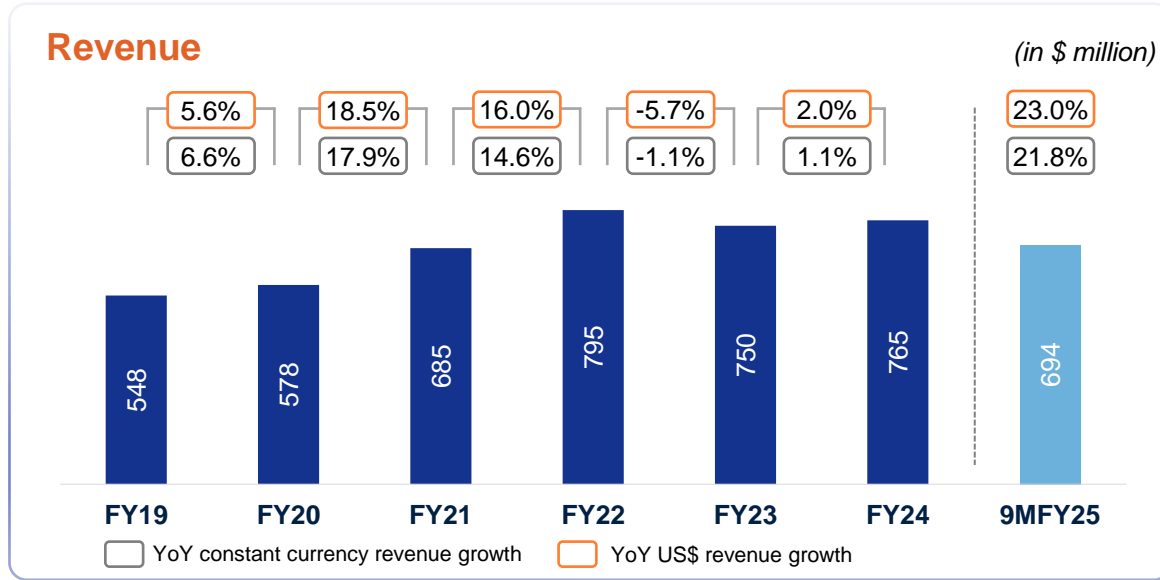


		Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Revenue by Vertical	Banking & Financial Services	41.8%	40.3%	40.8%	40.8%	38.3%	37.3%	36.4%	34.4%	32.4%
	Healthcare	34.2%	33.2%	32.6%	32.7%	33.5%	32.9%	35.7%	36.3%	34.0%
	Communications, Media & Tech	21.6%	22.3%	21.8%	21.2%	22.5%	23.6%	22.3%	21.3%	20.3%
	Diverse Industries	2.4%	4.2%	4.8%	5.3%	5.7%	6.2%	5.6%	8.0%	13.3%
Revenue by Geography	North America	64.9%	63.3%	63.5%	65.1%	65.4%	65.0%	68.2%	68.5%	66.3%
	Europe, Middle East, and Africa	34.1%	36.3%	36.4%	34.8%	34.5%	34.9%	31.8%	31.4%	33.6%
	Rest of World	1.0%	0.4%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%
Revenue by Delivery	Offshore & Nearshore	25.1%	24.6%	25.6%	26.7%	30.3%	31.4%	35.0%	35.8%	40.1%
	Onshore	74.9%	75.4%	74.4%	73.3%	69.7%	68.6%	65.0%	64.2%	59.9%
New Logos[#]	New logos added (during the quarter)	12	9	10	12	10	9	10	13	13
Client Concentration	Top 5 clients (share of total revenues)	38.5%	37.4%	37.2%	35.0%	35.8%	36.7%	34.6%	32.5%	29.2%
	Top 10 clients (share of total revenues)	53.6%	53.6%	52.7%	51.3%	52.0%	52.6%	51.5%	48.6%	43.5%
Client Distribution[#]	US\$ 1m+ clients (nos.)	100	99	98	101	104	103	100	105	107
	US\$ 5m+ clients (nos.)	29	28	24	24	25	25	25	26	28
	US\$ 10m+ clients (nos.)	15	11	14	13	13	13	13	13	14
	US\$ 20m+ clients (nos.)	7	7	9	8	8	8	9	11	10
	US\$ 50m+ clients (nos.)	1	2	2	2	2	2	2	2	2
Revenue by Currency	USD	63.3%	62.2%	63.2%	65.0%	64.9%	64.8%	67.9%	68.2%	64.9%
	GBP	35.5%	37.0%	36.3%	34.3%	34.4%	34.4%	31.4%	30.9%	34.2%
	Others	1.1%	0.9%	0.5%	0.7%	0.7%	0.8%	0.7%	0.9%	0.9%
Employee Metrics	Total employees (period-end)	23,627	23,018	22,384	23,953	25,947	27,940	29,231	32,898	34,144
	Net addition	(305)	(609)	(634)	1,569	1,994	1,993	1,291	3,667	1,246
	Attrition* (TTM)	45.8%	43.5%	41.7%	39.8%	37.7%	35.4%	31.8%	30.6%	31.4%

* For employees in employment for more than 180 days | # Excludes Ascensos

Annexure

Financial performance snapshot | 9MFY25

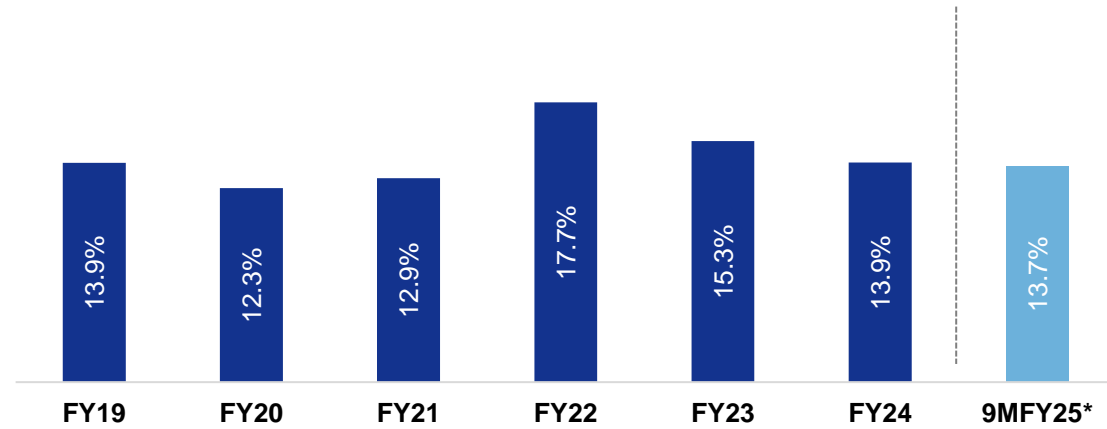


Note: 9MFY25 EBIT margin was 11.1%, adjusted for one-time charges related to acquisitions in Q2FY25

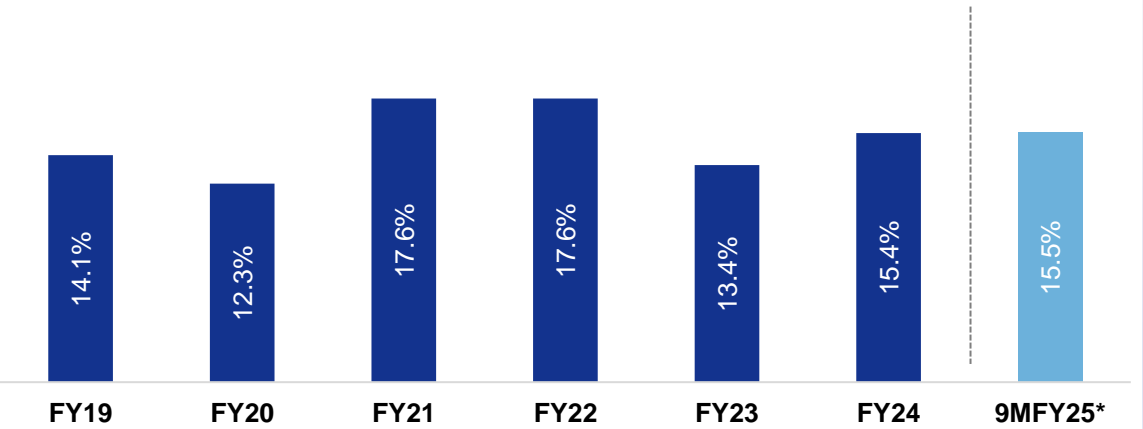
Note: 9MFY25 PAT includes one-time gain of ₹ 88mn in Q3FY25

Key performance indicators | 9MFY25

Return on Equity (%)

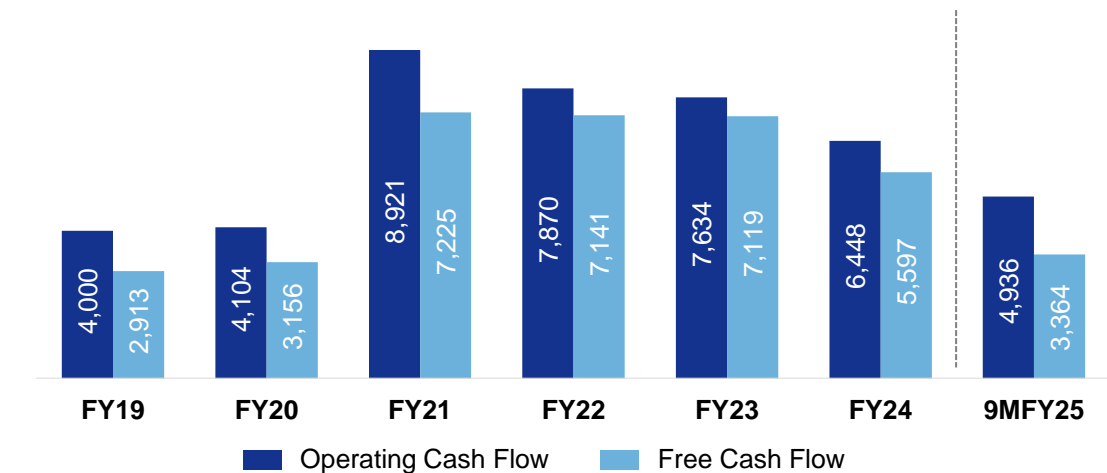


Return on Capital Employed (%)



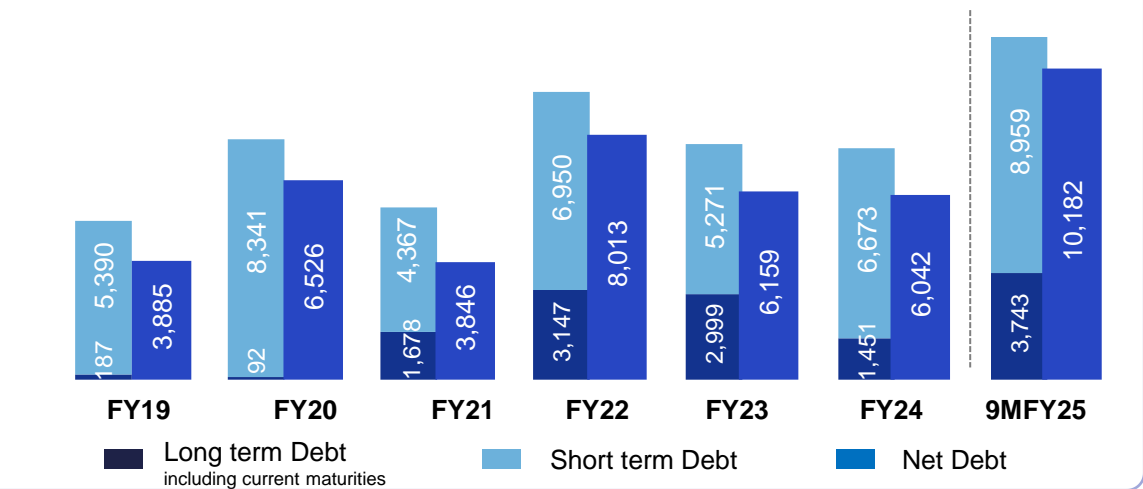
Cash Flow

(in ₹ million)



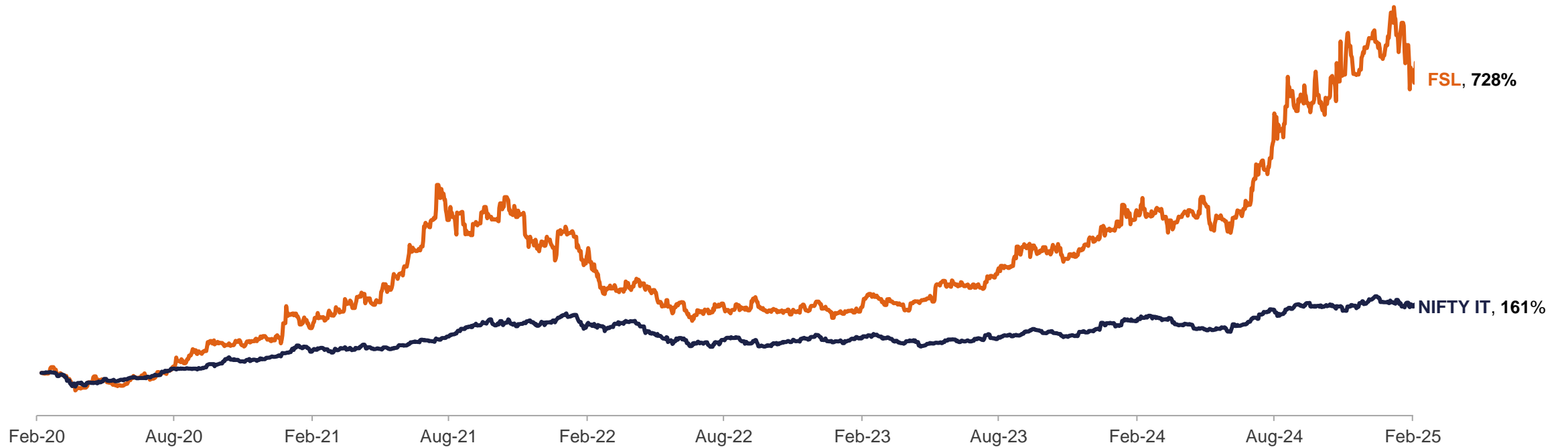
Debt Position

(in ₹ million)



*Annualised

Total Shareholder Return | Trailing 5 years



Total Shareholders Return (including dividends) of ~8x in past 5 years

Based on closing prices as of 6th February 2025

THANK YOU

[Investor relations](#)

