

Firstsource Solutions Reports Fourth Quarter Fiscal 2024 Results

Highest ever net new ACV win in a year; Adds 4,922 net headcount in FY24

Mumbai, May 3, 2024: Firstsource Solutions Limited (NSE: FSL, BSE:532809), a global provider of Business Process Management (BPM) services and an RP-Sanjiv Goenka Group company, reported its consolidated financial results for the quarter and fiscal year ended March 31, 2024, according to IndAS.

Financial highlights for Quarter ended March 31, 2024

- Revenues at ₹ 16,705 million (US\$ 201 million), up 7.3% YoY
- EBIT at ₹ 1,830 million or 11% of revenues, up 1.7% YoY
- Profit After Tax (PAT) at ₹ 1,335 million or 8% of revenue
- Diluted Earnings Per Share (EPS) of ₹ 1.90

Financial highlights for Fiscal Year ended March 31, 2024

- Revenues at ₹ 63,362 million (US\$ 765 million), up 5.2% YoY
- EBIT at ₹ 6,962 million or 11.0% of revenues, up 25.4%# YoY
- Profit After Tax (PAT) at ₹ 5,147 million or 8.1% of revenues, up 26.8%* YoY
- Diluted Earnings Per Share (EPS) of ₹ 7.34

#excluding one-time charges

*excluding other income on account of changes in the fair value of the liabilities for purchase of non-controlling interest and contingent considerations

Dr. Sanjiv Goenka, Chairman - RPSG Group and Firstsource Solutions, commented, “I’m delighted by the accelerated growth we’ve experienced in the latter part of FY24. We strategically addressed market needs by increasing our involvement in our clients’ process transformation and cost optimization initiatives. We have also actively pursued exclusive opportunities within the current and potential client base. Our commitment to delivering value to clients, combined with our efforts to expand into new sub-segments within our focus verticals, has contributed to broad-based revenue growth in Q4. The effectiveness of our approach is demonstrated by the significantly higher deal sizes and wins in FY24, as well as industry and analyst recognition.”

Key Business Highlights:

- Our deal wins in FY24 were the highest ever in ACV terms, with one large deal win recorded in each of the last three quarters including Q4. We also added 9 new logos during Q4, bringing the total count to 41 in FY24. Some of the notable wins we had in Q4 include:
 - Selected by a large cooperative financial institution in the UK for services in the areas of financial crime and compliance. This is a significant sized deal and a new logo for us
 - Additional business from a large retail bank, an existing client, to provide customer support and back-office services
 - Selected by a major player in the US healthcare delivery system to manage claims operations spanning their commercial, Medicare, and Medicaid divisions
 - Won new business for management of low dollar claims denials and follow-up of unpaid insurance claims from one of the top-ranked hospitals in the US
 - Added one of the oldest and largest education services company for their transformation initiatives

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- We added 1,993 new colleagues across geographies in Q4 FY24, bringing our total employee count to 27,940 as on March 31, 2024. Our total headcount addition was 4,922 in FY24. We continue to see a decline in attrition; our trailing 12-month attrition rates for the quarter stood at 30.8% offshore and 42.5% onshore.
- We bolstered our leadership team and advanced our AI agenda by appointing Hasit Trivedi as Chief Digital and AI Officer, marking a pivotal moment in our quest to leverage disruptive technology for transformative impact. Additionally, we welcomed a seasoned leader Aniket Maindarkar as our new Chief Marketing Officer, entrusted with amplifying our brand presence and fuelling pipeline growth; as well as Akash Pugalia as our global head to progress our Trust & Safety practice.
- Recognitions:
 - NelsonHall NEAT vendor assessment for CX Services Transformation 2024: 'Leader' in Cost Optimization and Revenue Generation Capability, and an 'Innovator' in CX Improvement Capability
 - Everest Group's Intelligent Process Automation (IPA) PEAK Matrix® Assessment 2024 – Major Contenders
 - HFS Horizons: Customer Experience Service Providers, 2024 - Horizon 2
 - Global CDP (Carbon Disclosure Project) submission: 'C' Rating
 - S&P Sustainability Yearbook 2024: Included as 'Member'
 - Microsoft: Among first movers in AI with FirstsenseAI platform
 - iVolunteer Awards 2023: 'Leader in Employee Volunteering'

About Firstsource:

Firstsource Solutions Limited, an RP-Sanjiv Goenka Group company (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL:IN), is a leading provider of transformational solutions and services spanning the customer lifecycle across Healthcare, Banking and Financial Services, Communications, Media and Technology, and other industries. The Company's 'Digital First, Digital Now' approach helps organizations reinvent operations and reimagine business models, enabling them to deliver moments that matter and build competitive advantage. With an established presence in the US, the UK, Mexico, India, and the Philippines, Firstsource acts as a trusted growth partner for over 150 leading global brands, including several Fortune 500 and FTSE 100 companies. (www.firstsource.com)

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