

FOR IMMEDIATE RELEASE

Hexaware Delivers Solid Q2CY25 Revenue of USD 382.1 Mn, Up 8.6% YoY
Q2CY25 EBITDA Expansion of 156 bps YoY
Q2CY25 EPS at INR 6.25 Increase of 37.7% YoY

Mumbai, July 24, 2025 – Hexaware Technologies (NSE: HEXT), a leading global provider of IT solutions and services, today announced financial results for the second quarter of calendar year 2025 ended June 30, 2025.

Financial Summary and Highlights

	USD Mn			INR Mn		
	Q2CY25	QoQ (%)	YoY (%)	Q2CY25	QoQ (%)	YoY (%)
Revenue	382.1	2.8%	8.6%	32,607	1.6%	11.1%
EBITDA	65.9	6.1%	19.4%	5,644	6.1%	22.5%
PAT	44.3	15.6%	35.0%	3,797	16.1%	38.3%

Constant Currency Growth	Q2CY25	
	QoQ %	YoY %
Revenue	1.3%	7.5%

Revenue:

- Q2CY25: USD 382.1 Mn | INR 32,607 Mn
 - **USD:** +2.8% QoQ and +8.6% YoY | **INR:** +1.6% QoQ and +11.1% YoY
 - **Constant Currency:** +1.3% QoQ and +7.5% YoY

Profitability:

- **Reported EBITDA⁽¹⁾:**
 - **Q2CY25:** 17.2% | +53 bps QoQ & +156 bps YoY in % terms
 - +6.1% QoQ & +19.4% YoY in absolute terms
- **Basic EPS:**
 - **Q2CY25:** INR 6.25 | +16.2% QoQ & +37.7% YoY

Key Client Metrics:

- Hexaware Ranked #1 in Service Delivery in the 2025 Whitelane Research IT Sourcing Study for UK & Ireland
- Scaled 1 more customer to USD 50 Mn+ category taking the total count to 4 on Q2'25 LTM basis

Key People Metrics:

- Closing Headcount: 32,410, LTM net headcount addition of 540
- Voluntary Attrition for IT⁽²⁾: 11.1%
- Q2CY25 Utilization Rate for IT⁽³⁾: 83.7%

Other Key Metrics:

- DSO (Billed + Unbilled) at 73 in Q2CY25, of which Billed is 40
- LTM Q2CY25 Adjusted Cash Conversion % at 75.5%⁽⁴⁾
- Strong Cash and Cash Equivalents position as of 30th June 2025⁽⁵⁾ INR 19,248 Mn

Leadership Speak

"In a difficult global macro environment, we had a solid quarter of execution on revenue, profitability and booking. More importantly, we continue to invest to make a rapid pivot to lead our customers into an AI-powered future."

R. Srikrishna, CEO

"This quarter reflects our continued momentum, marked by healthy YoY revenue growth, solid margin execution, and outstanding cash flow conversion. Our effective tax rate remains among the best in the industry."

Vikash Jain, CFO

Notes: (1) EBITDA in USD terms (2) Voluntary attrition rate for the IT service line is calculated as the total number of IT business professionals and support function professionals who left the company voluntarily during a period, divided by the average number of IT business professionals and support function professionals during the period, computed on a trailing twelve-month basis. (3) Utilization rate for IT is calculated as the total hours IT business professionals spend on customer-billed assignments, divided by the total available base hours. IT business professionals designated as Mavericks (campus hires) are included in the utilization computation after the completion of an initial training period of up to four months. (4) LTM OCF / Reported EBITDA - 79.4% (5) Includes restricted cash balance.

Financial Performance

Revenue Performance by Vertical

In USD Million	Q2CY25 QoQ	Q2CY25 YoY
Financial Services	1.1%	15.7%
Healthcare and Insurance	2.1%	6.6%
Manufacturing and Consumer	-0.6%	-11.5%
High Tech and Professional Services	2.9%	14.1%
Banking	13.5%	7.1%
Travel and Transportation	7.2%	23.4%
Total Revenue	2.8%	8.6%

Revenue Performance by Geography

In USD Million	Q2CY25 QoQ	Q2CY25 YoY
Americas	1.7%	10.3%
Europe	7.9%	7.9%
Asia Pacific	2.2%	-8.3%
Total Revenue	2.8%	8.6%

Key Wins

- Legacy modernization leveraging RapidX™ for a major airline and a large financial institution
- App modernization using Amaze® for an international healthcare company based in Australia
- Strengthened sales execution of the global wealth business of a large private equity firm, leveraging Salesforce
- App modernization using Amaze® for a top 5 global bank
- AI-driven services for Enterprise Product Development, Assurance Services, and Cloud Ops for a large US-based fintech firm
- Cloud consolidation for a global supply chain management and logistics services company in the US
- Multiple AI and ERP deals with a large property management company in the US
- Azure migration for a leading insurance provider in Belgium

Condensed Consolidated Statements of Financial Position

Consolidated Statement of Profit and Loss – Quarterly

In INR million unless stated otherwise	Change				
	Q2CY25	Q1CY25	Q2CY24	QoQ (%)	YoY (%)
Revenue (USD Mn)	382.1	371.5	351.8	2.8%	8.6%
Revenue – Constant Currency				1.3%	7.5%
Revenue (INR Mn)	32,607	32,079	29,355	1.6%	11.1%
Other Income ⁽¹⁾	1,600	44	296	3,536.4%	440.5%
Total Income	34,207	32,123	29,651	6.5%	15.4%
(-) Employee Benefits Expense ⁽²⁾	19,078	18,622	17,247	2.4%	10.6%
(-) Other Expenses ⁽³⁾	9,485	8,179	7,797	16.0%	21.6%
EBITDA	5,644	5,322	4,607	6.1%	22.5%
<i>EBITDA Margin (%)</i>	17.3%	16.6%	15.7%	72 bps	162 bps
(-) I + Adjustments	259	129	869	100.8%	(70.2%)
Adjusted EBITDA	5,903	5,451	5,476	8.3%	7.8%
<i>Adjusted EBITDA Margin (%)</i>	18.1%	17.0%	18.7%	111 bps	-55 bps
(-) D&A	752	735	687	2.3%	9.5%
EBIT	4,892	4,587	3,920	6.6%	24.8%
<i>EBIT Margin (%)</i>	15.0%	14.3%	13.4%	70 bps	165 bps
(-) Finance Costs	209	224	124	(6.7%)	68.5%
Profit before Tax	4,683	4,363	3,796	7.3%	23.4%
Total Tax Expense	886	1,092	1,050	(18.9%)	(15.6%)
Reported Profit	3,797	3,271	2,746	16.1%	38.3%
<i>Reported Profit Margin (%)</i>	11.6%	10.2%	9.4%	145 bps	229 bps
Adjusted Profit	3,863	3,587	3,576	7.7%	8.0%
<i>Adjusted Profit Margin (%)</i>	11.8%	11.2%	12.2%	67 bps	-33 bps
Basic EPS (INR)	6.25	5.38	4.54	16.2%	37.7%
Adjusted EPS (INR)	6.36	5.90	5.90	7.8%	7.8%

(1) Other Income includes write-back of earnout payable towards an earlier acquisition amounting INR 1,587 Mn for Q2CY25 (2) Employee Benefit Expenses includes non-recurring employee benefit and severance cost amounting INR 328 Mn for Q2CY25 (Q2CY24: INR 424 Mn) (3) Other Expenses includes acquisition-related cost, specific provisions for customer, and impairment of customer contract associated with an earlier acquisition amounting INR 128 Mn, INR 782 Mn, and INR 394 Mn, respectively for Q2CY25. For comparative purposes, Other Expenses for Q2CY24 includes acquisition-related cost and provision for onerous vendor contracts related to lease agreement amounting to INR 300 Mn and INR 96 Mn, respectively.

Consolidated Balance Sheet Statement

In INR million	As of period ending	
	Jun'25	Dec'24
Assets		
Property, plant and equipment and intangible assets	7,479	8,128
Right-of-use assets	5,515	5,596
Goodwill	23,910	23,871
Capital work-in-progress	1,592	1,308
Deferred tax assets (net)	2,767	2,682
Other non-current assets and other investments	2,418	2,338
Trade receivables and unbilled revenue	26,445	22,531
Other current assets	3,607	3,568
Cash and cash equivalents (inc. restricted)	19,248	19,923
Total Assets	92,981	89,945
Equity and Liabilities		
Equity	608	608
Other equity and reserves	57,436	52,961
Non-controlling Interests	(25)	(23)
Total Equity	58,019	53,546
Non-current liabilities	211	228
Deferred tax liabilities (net)	11	0
Lease liabilities	5,819	5,742
Trade payables	8,304	9,140
Other current liabilities	14,824	13,981
Deferred consideration	2,068	4,140
Provisions	3,725	3,168
Total Liabilities	34,962	36,399
Total Equity and Liabilities	92,981	89,945

Consolidated Statement of Cash Flows

In INR million unless stated otherwise	H1CY25	H1CY24
Profit before tax	9,046	7,374
D&A, ESOP cost, Finance cost & other items	1,774	1,412
Changes in working capital	(4,811)	(4,285)
Taxes	(1,444)	(1,234)
Net cash (used in) / generated from operating activities (OCF)	4,565	3,267
Capex	(869)	(635)
Investment in MFs and Interest on Fixed Deposits	364	2,754
Payment towards acquisition of business	(556)	(8,184)
Net cash used in investing activities	(1,061)	(6,065)
Proceeds from issue of shares	0	0
Borrowings and lease payments	(918)	(687)
Dividend paid	(3,494)	(2,580)
Net cash used in financing activities	(4,412)	(3,267)
Net cash flow	(908)	(6,065)

Conference Call Information

Hexaware Technologies will host its Q2 financial earnings conference call for CY 2025 on July 25, 2025, at 7:30 AM (IST) for investors and analysts following the announcement of the results to the stock exchanges.

Please find below the options to join the conference call.

Option 1 – Webcast

Participants who would like to join the **video webcast** can use the below link for registration:

<https://hexaware-q2-earnings.open-exchange.net/>

The session will include a live Q&A opportunity, and a recording will be available on the Company's website a few hours after the call concludes.

Option 2 – Dial In (Listen Only)

Please join the call 5–10 minutes early to ensure that you are connected to the call on time.

To join the listen-only line, kindly use the dial-in ID and passcode provided below:

Webinar ID: 974 8239 6952

Password: 498905

Location	Phone Number
India	<ul style="list-style-type: none">+91 806 480 2722,+91 80 71 279 440 Toll Free: <ul style="list-style-type: none">000 800 001 4002
Singapore	<ul style="list-style-type: none">+65 3165 1065 Toll Free: <ul style="list-style-type: none">800 101 3814
Hong Kong	<ul style="list-style-type: none">+852 5803 3731 Toll Free: <ul style="list-style-type: none">800 931 189
United Arab Emirates	Toll Free: <ul style="list-style-type: none">800 035 704 555
United Kingdom	<ul style="list-style-type: none">+44 208 080 6592 Toll Free: <ul style="list-style-type: none">0 800 260 5801
United States	<ul style="list-style-type: none">+1 301 715 8592 Toll Free: <ul style="list-style-type: none">877 853 5247

More international numbers available: <https://openexc.zoom.us/j/ahWAunEKG>

Additionally, the investor presentation and call transcript will be made available on the Company's website at www.hexaware.com.

About Hexaware

We are a global digital and technology services company with artificial intelligence (“AI”) at its core. We leverage technology to deliver innovative solutions that help our customers in their digital transformation journey and subsequent operations. We embed AI into every aspect of our solutions and have created a suite of platforms and tools that allow our customers to adapt, innovate, and optimize in this AI-first era. We serve a diverse range of customers, including 31 Fortune 500 organizations. With a team of 32,410 employees in 28 countries, our presence is spread across major countries, nationalities, languages, time zones, and regulatory zones. For more information, please visit <https://hexaware.com/>

Forward-looking Statements

Certain statements in this press release 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 IT services 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 fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hexaware has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward statements. We do not undertake to update any forward statements that may be made from time to time by us or on our behalf unless required under the law.

Disclaimer

Use of Non-GAAP Financials

Hexaware has included certain non-GAAP financial measures in this presentation to supplement Hexaware's consolidated financial statements presented on a GAAP basis. These non-GAAP financial measures may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of Hexaware's results as reported under GAAP.

The non-GAAP financial information that we provide also may differ from the non-GAAP information provided by other companies. We compensate for the limitations on our use of these non-GAAP financial measures by relying primarily on our GAAP financial statements and using non-GAAP financial measures only supplementally. We have provided reconciliation of non-GAAP earnings to the most directly comparable GAAP earnings, and we encourage investors to review those reconciliations carefully.

We believe that providing these non-GAAP financial measures in addition to the related GAAP measures provides investors with greater transparency. We further believe that providing this information better enables investors to understand Hexaware's operating performance and financial condition.

Rounding off

Certain amounts and percentage figures included in this presentation have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

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