



hSenid Business Solutions

4Q FY22 Earnings Presentation

May 2022

hBS AT A GLANCE

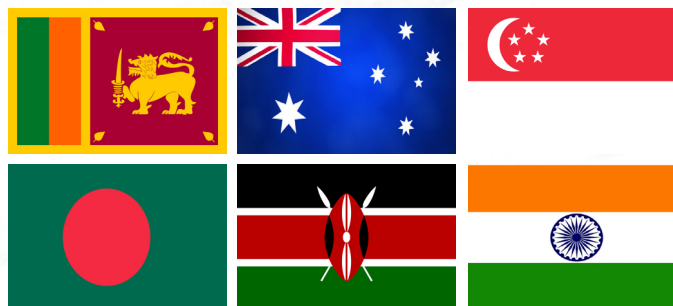
Over **25 years** of experience

Over
1,000,000
users

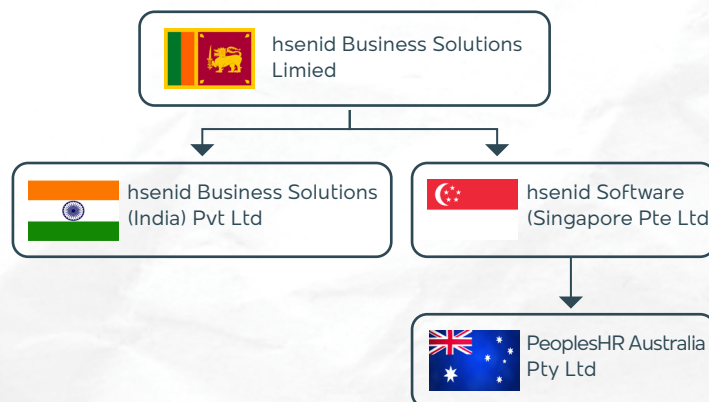
Serves over
1,300 client
organizations

Across
20+ industries in
40+ countries

Operating from
6 countries...



...through
3 subsidiaries



Offering a comprehensive range of **HR solutions**

PeoplesHR
simple.fast.green

PeoplesHR | On Premise
simple.fast.green

PeoplesHR
TURBO

hSenid
TRACKING
Solutions

PeoplesHR | Outsourcing
simple.fast.green

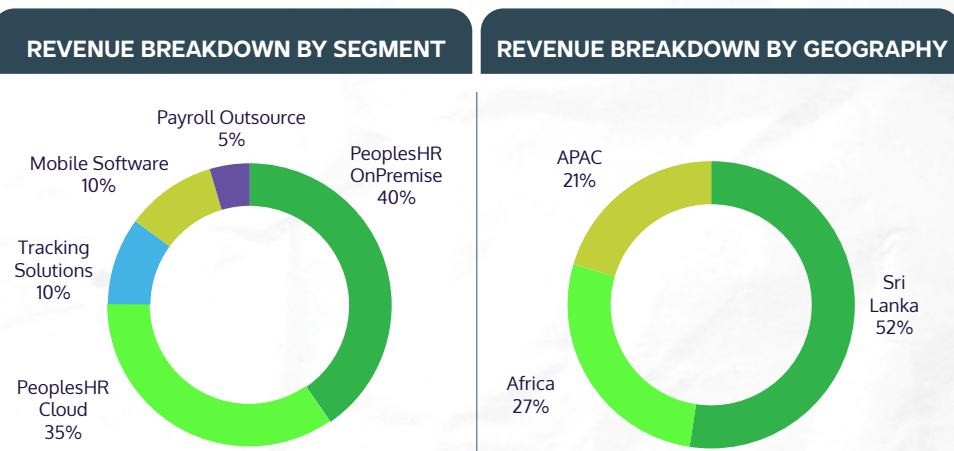
JURAA

FINANCIAL HIGHLIGHTS

4Q FY22

LKR mn	4Q FY21	4Q FY22	YoY growth
Revenue	409	357	(12.6%)
EBIT	188	330	+75.9%
EBIT margin	45.9%	92.4%	+4.6pp
Net profit	175	344	+96.8%
Net profit margin	42.7%	96.2%	+5.3pp
EPS	0.81	1.46	+80.2% *

* EPS based on weighted average shares as of end of each quarter



- Quarterly topline decline was driven by a drop in revenues from business operations in Singapore and Africa
- New deal bookings for the quarter came in at LKR 197.7 million
- Secured a considerable number of overseas deals from Bangladesh, Philippines and Africa. A number of these new deals came via the partner network
- hBS began revenue recognition from the recently launched digital version of PeoplesHR Turbo in India
- Average recurring revenues were 42%, mainly supported by PeoplesHR Cloud. Churn rate for the quarter remained below 5%
- Net profit growth supported by favourable currency translations, offsetting the impact from lower revenues and an increase in operational expenses

FINANCIAL HIGHLIGHTS

FY22

LKR mn	FY18	FY19	FY20	FY21	FY22
Revenue	750	826	955	961	1,091
YoY growth	23.4%	10.2%	15.6%	0.7%	13.4%
Gross profit	409	446	491	513	617
Gross margin	54.6%	54.0%	51.4%	53.4%	56.6%
EBIT	92	141	178	219	441
EBIT margin	12.3%	17.1%	18.7%	22.8%	40.4%
Profit-before tax	87	140	182	223	467
PBT margin	11.6%	17.0%	19.0%	23.2%	42.8%
Net profit	76	137	168	209	455
YoY growth	(37.3%)	80.8%	22.8%	24.8%	117.7%
Net profit margin	10.1%	16.5%	17.6%	21.8%	41.7%
EPS	nm	nm	nm	0.96	1.93

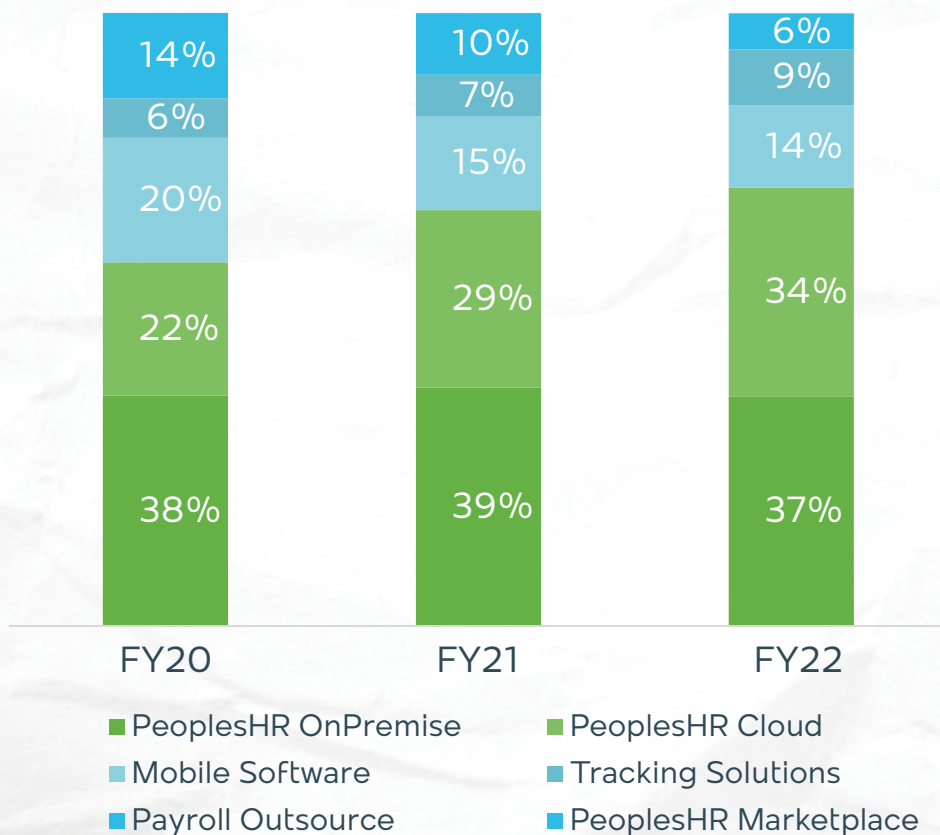
- Topline growth was led mainly by PeoplesHR Cloud while Tracking Solutions also showed strong growth during the year
- New deal bookings for the year came in at LKR 478 million
- Contribution from the African region picked up during the year
- hBS completed phase one of the Ugandan Government project during the year
- Average recurring revenues were 43% for the year, driven by PeoplesHR Cloud. Churn rates remained below 5%
- FY22 saw the successful completion of the Initial Public Offering (IPO), raising LKR 692 million in equity funds
- To-date, hBS has utilized approximately LKR 12.3 million (~6.0% of IPO funds), focused on product and market development initiatives
- For the full year, hBS invested LKR 119 million in product development initiatives. This includes LKR 11.3 million from the IPO proceeds, with the remainder invested prior to the IPO



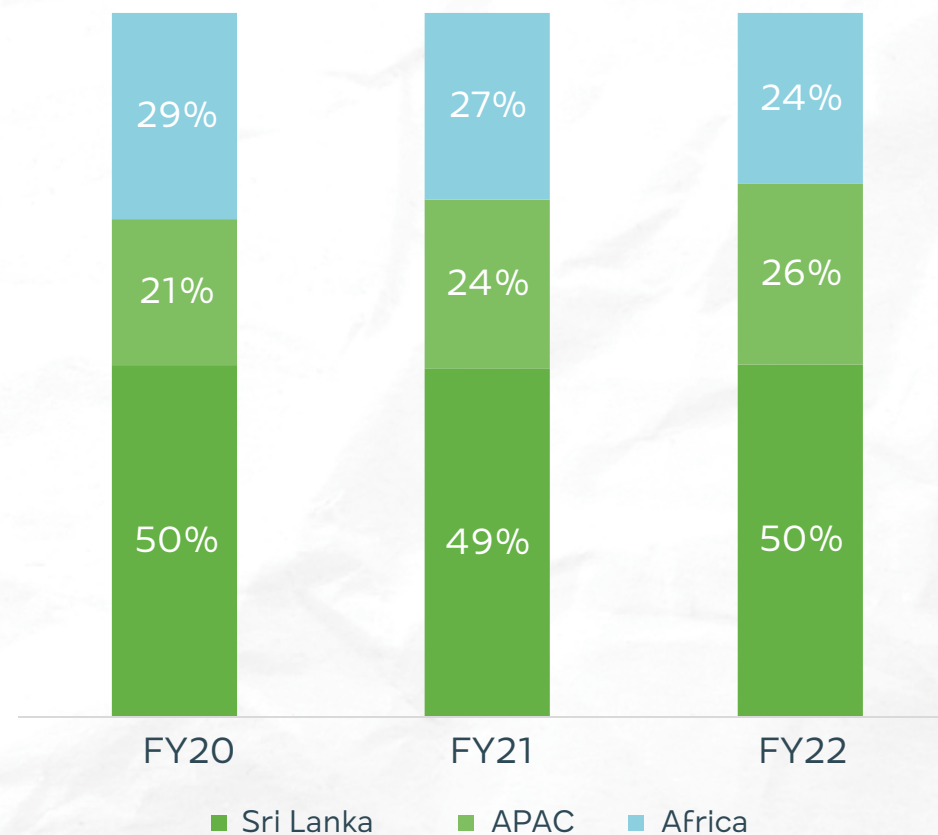
Segment Performance

SEGMENT BREAKDOWN

REVENUE BREAKDOWN BY SEGMENT



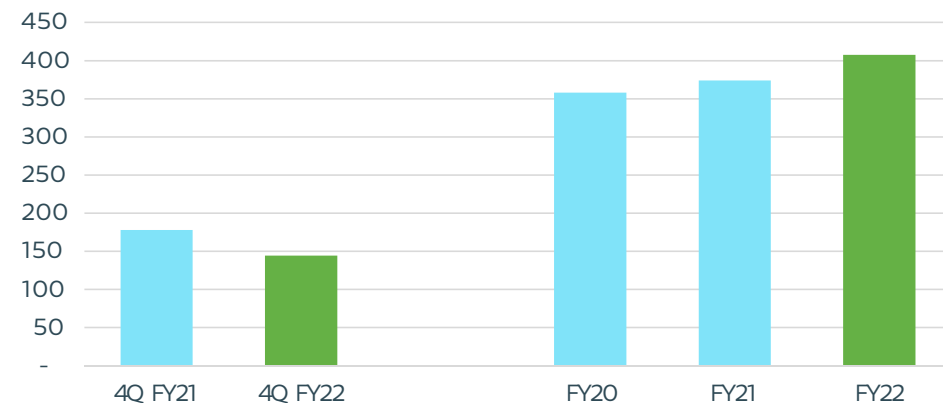
REVENUE BREAKDOWN BY GEOGRAPHY



OVER 70% TOPLINE DERIVED BY PEOPLESHR SEGMENT

PEOPLESHR ON-PREMISE

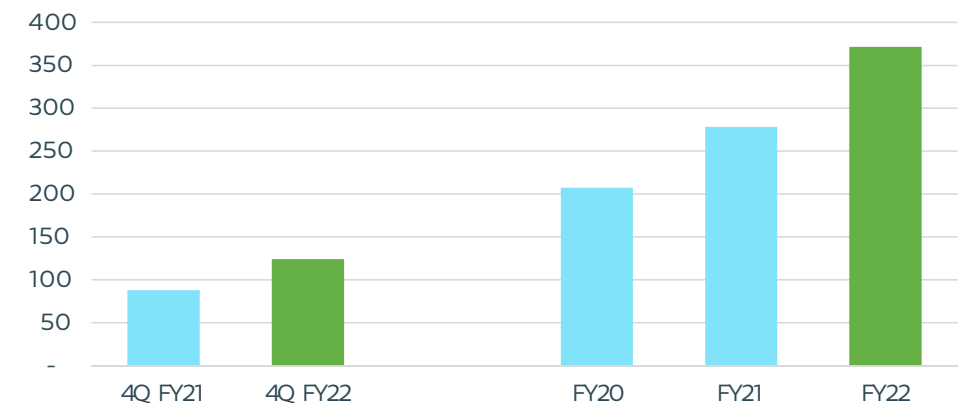
Revenue (LKR mn)



- PeoplesHR OnPremise recorded a 19% year-over-year decline in topline during the fourth quarter, mainly due to a notable revenue recognition from phase one of the Ugandan Government project in 4Q FY21
- For the full year, revenues improved by 9% year-over-year
- Secured a number of overseas deals from Bangladesh, Philippines and Africa. A number of these new deals came via the partner network

PEOPLESHR CLOUD

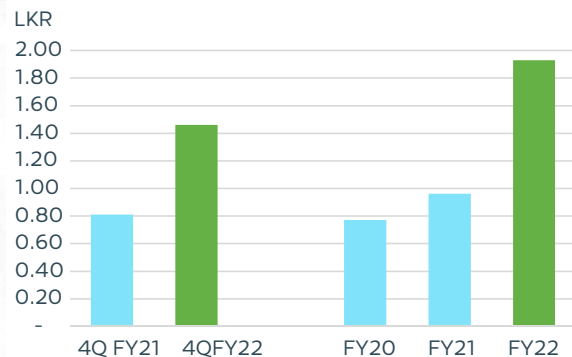
Revenue (LKR mn)



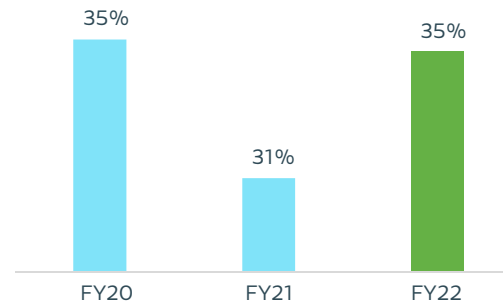
- PeoplesHR Cloud recorded a 41% year-over-year topline growth during the fourth quarter, while recording a 34% year-over-year growth for the full year
- A strong growth in new bookings, including securing large ticket accounts during the year, contributed to topline growth
- With increased demand for cloud HRIS solutions, hBS expects contribution from PeoplesHR Cloud to continue to improve. The segment also records above-average recurring revenues
- Growth will be further supported by launch of PeoplesHR Turbo India in 3Q FY22, which is a simplified solution catering to low-headcount and low-income SME clients

LIQUIDITY AND RETURN TO SHAREHOLDERS

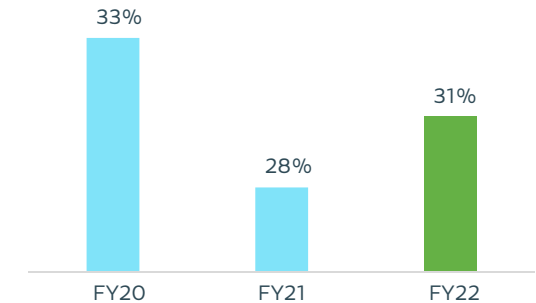
EARNINGS PER SHARE



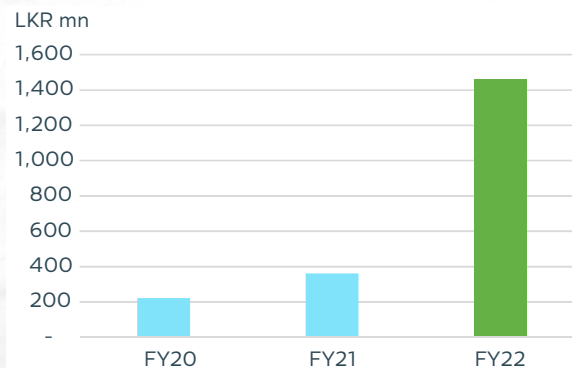
RETURN ON EQUITY



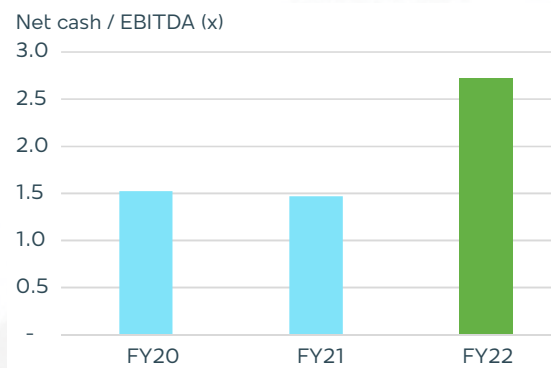
RETURN ON CAPITAL EMPLOYED



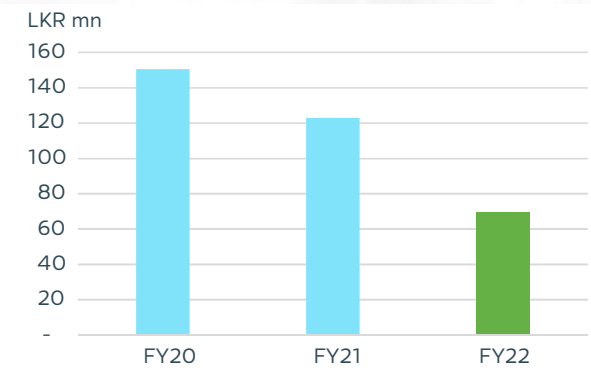
NET CASH *



NET CASH / EBITDA



FREE CASH FLOW **



* FY22 includes IPO proceeds

** FY22 includes higher capex on product development

OUTLOOK

Strategic priorities for FY23E

- Implementation of phase two of Ugandan Government project
- Expansion into Bangladesh
- Expansion of PeoplesHR Turbo in India, catering to low-headcount and low-income SME clients
- Product development initiatives focused on PeoplesHR Marketplace, AI driven products and recruitment of talent
- Evaluation of potential strategic partnerships and acquisitions in APAC and East African regions

Medium-term outlook

- Revenue expectations for FY23 to be in-line with estimates provided in prospectus
- Increased contribution from PeoplesHR Cloud
- Geographical mix to continue to shift towards APAC and Africa, supported by strategic partnerships and acquisitions

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Thank You!