

Quarterly Investor Forum

4Q FY2025



Forward Looking Statements

This presentation may contain forward-looking statements for which there are risks, uncertainties, and assumptions. Forward-looking statements may include any statements regarding strategies or plans for future operations; any statements concerning new features, enhancements or upgrades to our existing applications or plans for future applications; any projections of revenues, gross margins, earnings, or other financial items; and any statements of expectation or belief. Forward-looking statements are based only on currently available information and our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements, and therefore you should not rely on any forward-looking statements that we may make.

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Customers who purchase hSenidBiz services should make their purchase decisions based upon services, features, and functions that are currently available.

hSenidBiz | PeoplesHR at a Glance



\$10 Bn+ TAM

Market Opportunity APAC and MEA

1700+ Customers

Operating across 40+ countries and 20+ industries

1 Mn+ Global Users

Churn maintained at a healthy rate of 5%

\$4.1 Mn Exit ARR

Exit Annualized Recurring Revenue as at end 4Q FY25

\$4.6 Mn CARR

Contracted ARR (CARR) includes exit ARR, subscription backlog and ARR of new deal closures as at end 4Q FY25

33% ARR Growth

Year-over-Year Growth compared to 4Q FY24

95% GRR

Gross Revenue Retention for FY25

101% NRR

Net Revenue Retention for FY25

~\$1.5 Mn in Cash

Includes Company's own cash reserves and ~LKR 130 Mn cash float of managed services business

298 FTEs

Across 5 Global Offices in South Asia, Southeast Asia, and Middle East and Africa

PeoplesHR is poised to be the Most Preferred HR Tech Solution in Emerging Markets

- ▶ Hire-to-retire HR Tech Platform which thrives in digitalizing complex business processes in Human Resource Management
- ▶ Robust CoreHR, Time & Attendance and Payroll Engine with strong focus on statutory compliance and localization
- ▶ Mature services offering to facilitate implementation and support functions leading to high ROI for Customers on their HR Tech investment
- ▶ In-Country talent hired for pre-sales, sales and post-sales functions



Quarter at a Glance

► Revenue of **LKR 500 Mn**

- ◆ YoY Growth of **15%** in LKR terms; **22%** in USD cc
- ◆ Revenue momentum was driven by steady Cloud revenue growth and Q4 improved new deals performance

► Total Exit ARR closed in on **USD 4.1 Mn**

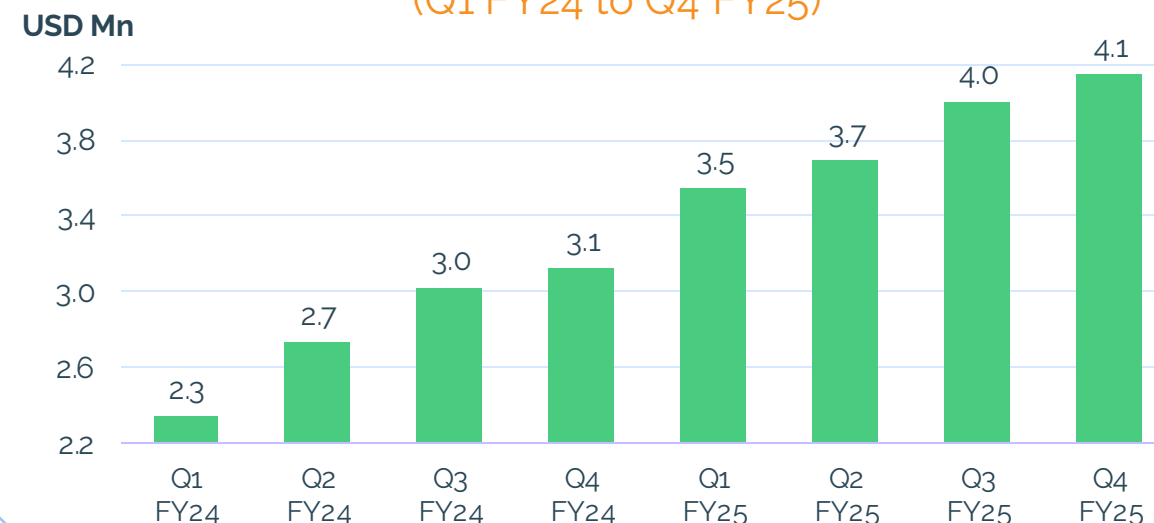
- ◆ Growth of **36%** YoY & **4%** QoQ

► Free Cash flow positive during the quarter

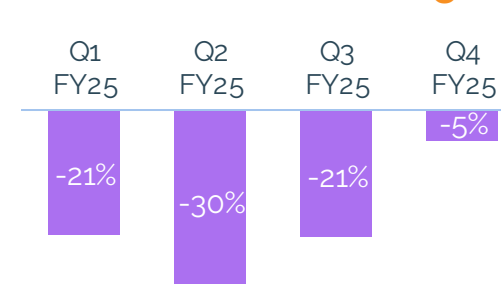
► EBITDA margin turned positive recording **7%**

- ◆ Both EBIT and EBITDA margins showcased significant improvement during the quarter

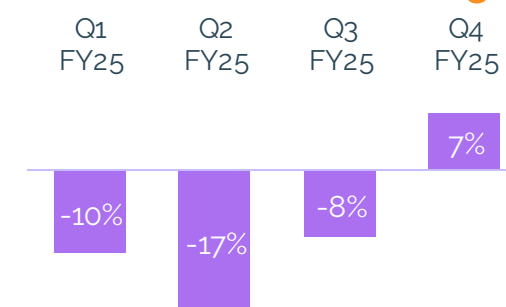
Core Exit ARR (Q1 FY24 to Q4 FY25)



Normalized EBIT Margin[†]



Normalized EBITDA Margin[†]



Key Business Updates

Product Development & Engineering

- ◆ Initiation of AI transformation project to introduce AI orchestration layer to PeoplesHR
- ◆ Critical updates and improvements to user experience
- ◆ Completion of the mobile app framework upgrade
- ◆ Release of high priority Payroll statutory features for Philippines and Indonesia

Talent Update

- ◆ Strengthened performance management to support year-end reviews and 2025/26 goal alignment
- ◆ Completed strategic workforce planning to ensure resource readiness for the next financial year
- ◆ Launched capability-building initiatives aligned with future skill needs and growth
- ◆ Advanced internal mobility and succession planning across key roles

Key Business Updates

Sales Update

- ◆ Inbound and outbound sales motions yielded positive results reflecting momentum from prior quarters' efforts
- ◆ Q3 Pipeline directly contributed to a majority of non-Sri Lanka new deal acquisitions in the quarter
- ◆ Sustained demand generation with a stable pipeline of qualified opportunities.

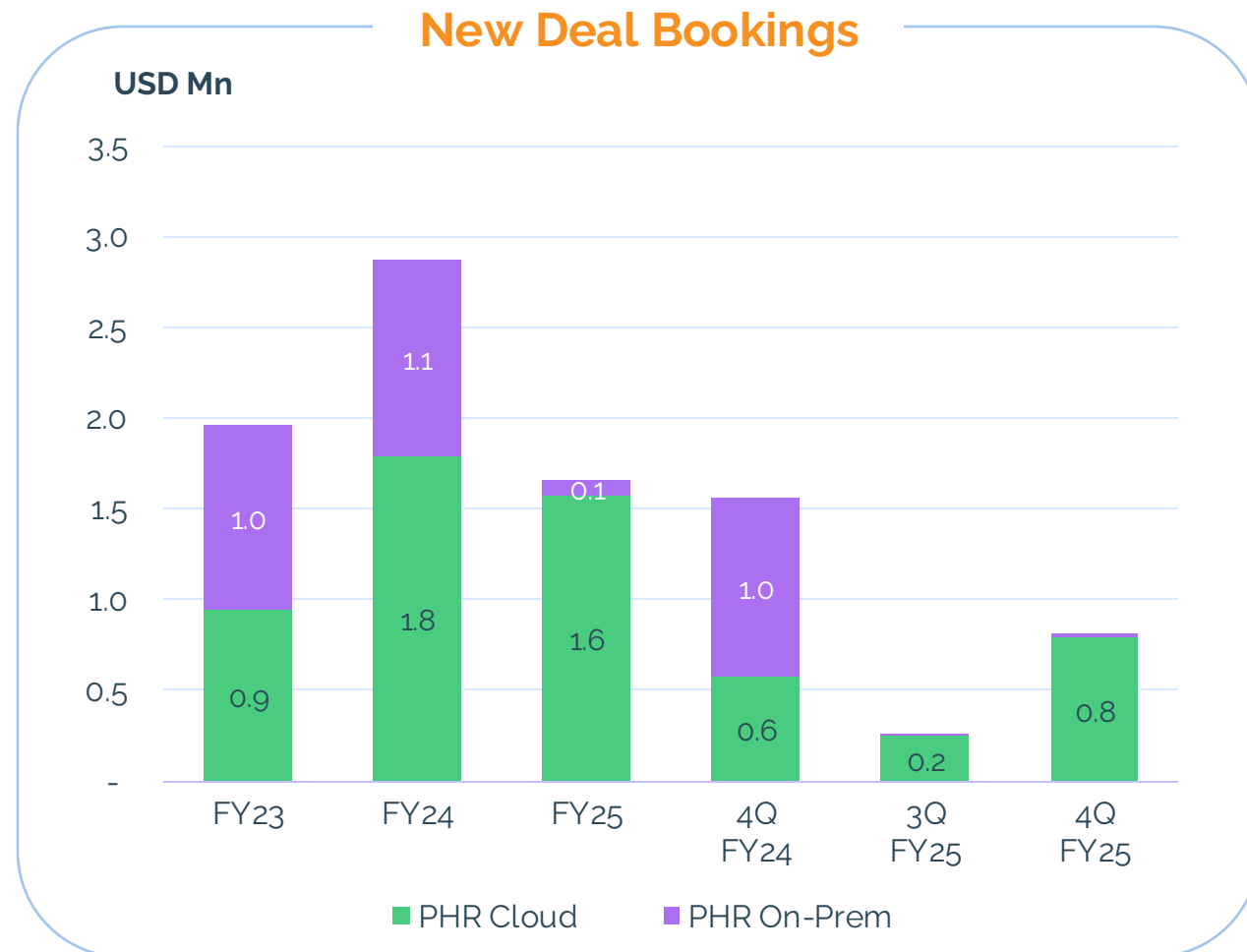
Market Update

- ◆ Sharpened focus and efforts in high-potential markets and ICP-aligned industries
- ◆ Pursuing industry aligned events and channel partnerships to maximise visibility for PeoplesHR brand



New Deal Bookings

- ▶ **USD 820,737** new deal closures in Q4
 - ◆ ~**3x** of deal closure value in 3Q FY25
 - ◆ Exceeded the sum of cloud deal closures recorded during first 3 quarters of the year
- ▶ On-prem to Cloud migrations in Sri Lanka contributed to the boost in new deal acquisitions momentum in Q4
 - ◆ **76%** originated from South Asia while **16%** originated from SEA
- ▶ **PHR Cloud** accounted for ~**96%** of new deals during 4Q FY25



Summarized Income Statements

In LKR millions	FY23	FY24	FY25	4Q FY24	3Q FY25	4Q FY25
Revenue	1,464	1,645	1,818	433	431	500
Gross profit	644	665	825	181	201	242
<i>Gross profit margin</i>	44%	40%	45%	42%	47%	48%
Normalized EBITDA	138	(148)	(120)	(33)	(35)	33
<i>Normalized EBITDA margin</i>	9%	-9%	-7%	-8%	-8%	7%
FX gain/(loss)	71	(65)	(11)	(57)	(13)	11
Net interest income	188	139	41	25	6	8
Profit before tax (PBT)	189	(291)	(321)	(132)	(100)	(33)
<i>PBT margin</i>	13%	-18%	-18%	-30%	-23%	-7%
Net profit	188	(293)	(287)	(124)	(100)	3
<i>Net profit margin</i>	13%	-18%	-16%	-29%	-23%	1%
EPS (LKR)	0.68	(1.06)	(1.03)	(0.45)	(0.36)	0.01
FCFF Margin[†]	-8%	-29%	-20%	-8%	-27%	1%

† Adjusted for the cash flow impact from Payroll Outsourcing operations

Revenue Drill Down

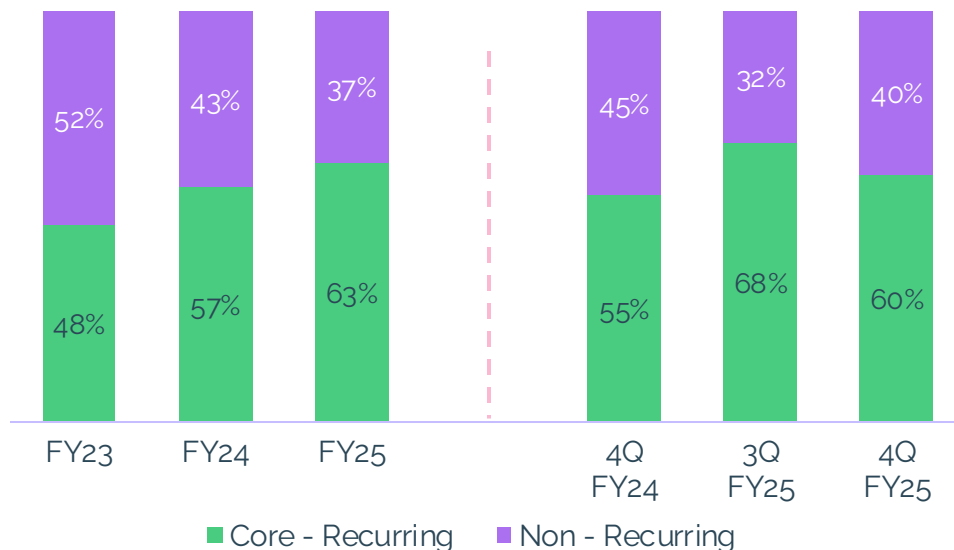
All in LKR millions	FY23	FY24	FY25	3Yr CAGR (in LKR / USDcc)	4Q FY24	3Q FY25	4Q FY25	YoY growth (in LKR / USD cc)
PHR Cloud	678	893	1,075		250	258	306	
Subscription Revenue (Recurring)	502	670	887	+43% / +30%	189	214	233	+22% / +32%
Professional Services	176	222	187		58	44	74	
PHR On-premise	362	388	361		102	92	80	
Annual Maintenance Fee (Recurring)	110	135	144	-4% / -12%	26	42	30	-22% / -18%
Professional Services [†]	252	253	216		76	50	50	
Tracking Solutions	139	145	180		47	36	59	
Annual Maintenance Fee (Recurring)	14	7	10	+22% / +26%	6	3	3	+25% / +26%
Sale of Devices	125	137	170		41	34	56	
PHR Outsourcing	77	77	100	+29% / +21%	19	25	25	+28% / +32%
Core Revenue	1,259	1,504	1,716	+23% / +14%	418	411	471	+12% / +19%
Others [‡]	204	141	101	-15% / -22%	15	20	29	+91% / +103%
Total Revenue	1,462	1,645	1,817	+19% / +9%	433	431	500	+15% / +22%

[†] Includes Licensing Fees

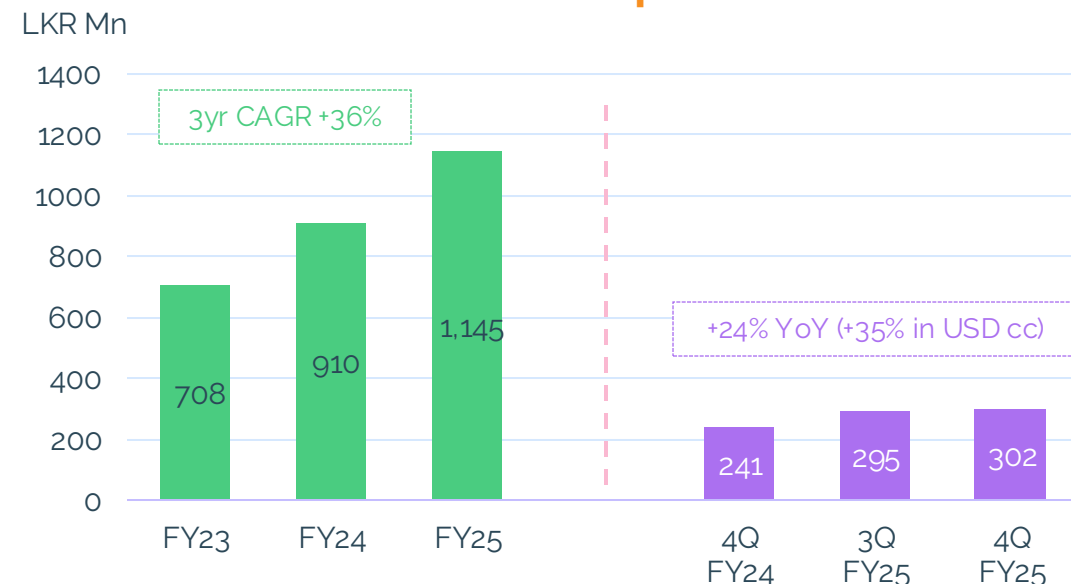
[‡] Includes non-core revenues of PHR Marketplace, Mobile Software and Staffing Solutions

Core Recurring Revenue

Core Recurring Revenue Composition



Annual Core Recurring Revenue Composition



► PHR Cloud (SaaS) Exit ARR recorded USD 3.3 Mn, accounting for 80% of total recurring revenue

◆ USD 4.1 Mn in Core Exit ARR^{††} as at 4Q FY25

◆ NRR^{†††} of 101%

◆ GRR^{†††} of 95%

NRR: Net Revenue Retention; GRR: Gross Revenue Retention

† for 4Q FY2025; Includes subscription, support and HRO (excludes staffing revenue)

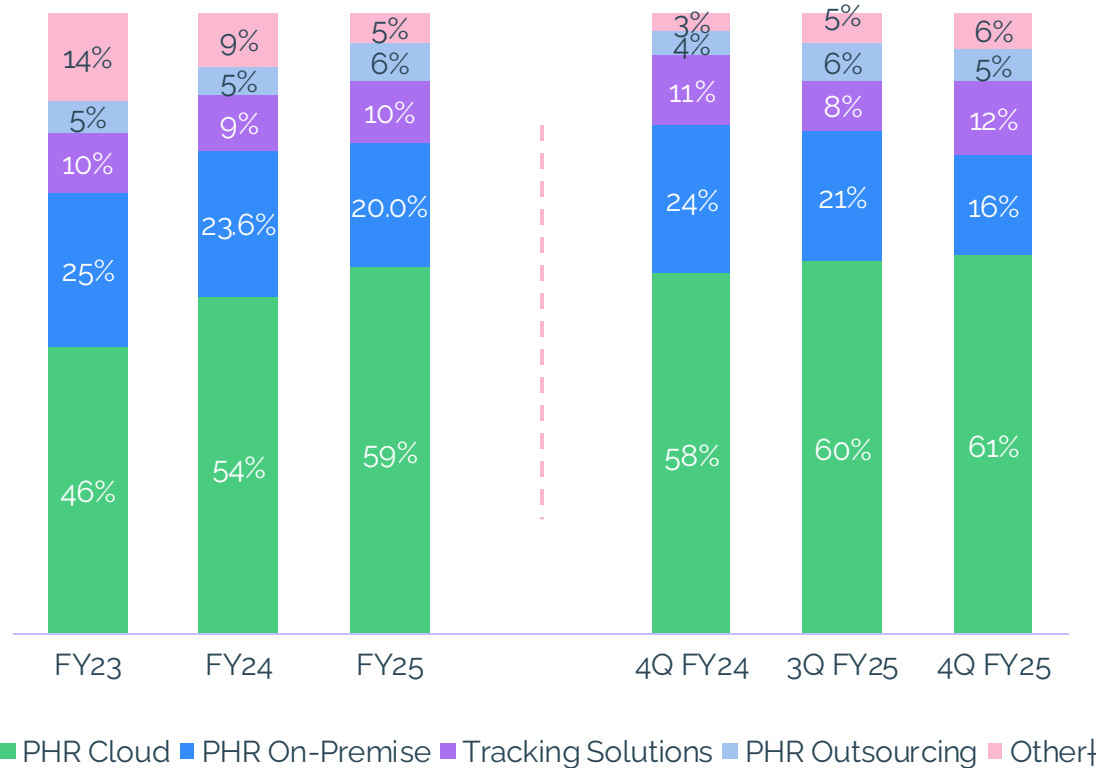
†† 4Q FY25 QRR x 4 | ††† Calculations are done for the SaaS recurring revenue basis for the Last Twelve Months

Revenue Composition

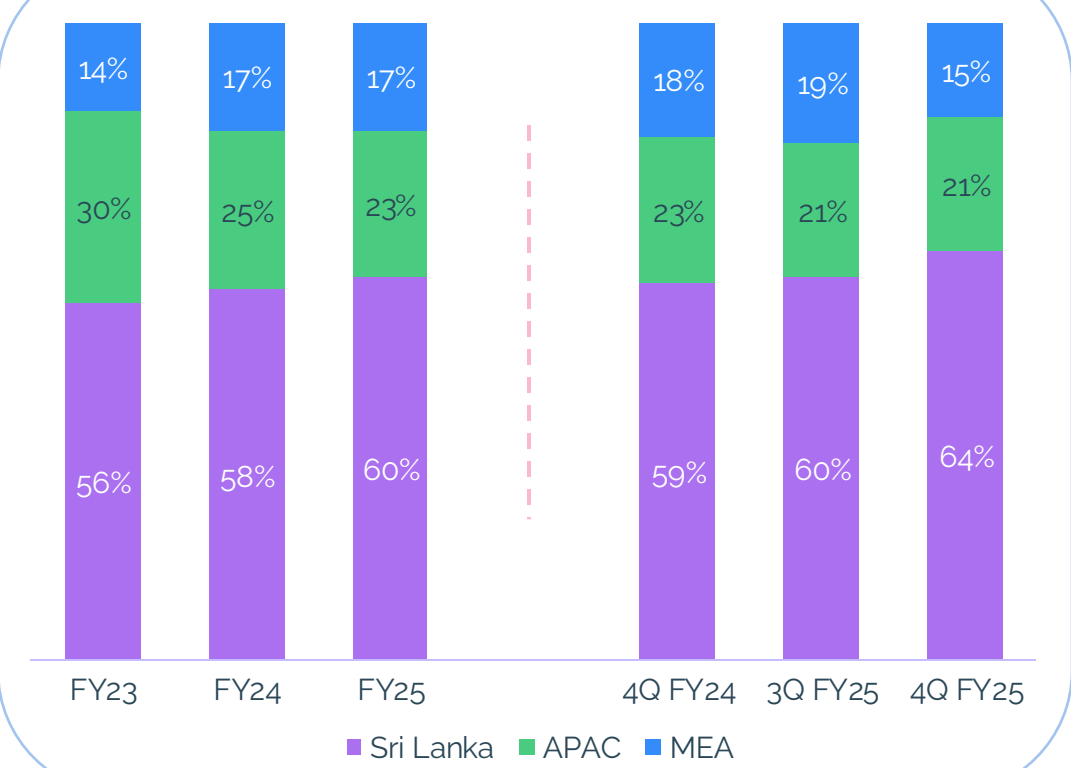
► PHR Cloud remained the leading revenue contributor, with steady growth over time

► Boost in new sales in the region led to increased revenue contribution from Sri Lanka

Product Breakdown



Geographical Breakdown

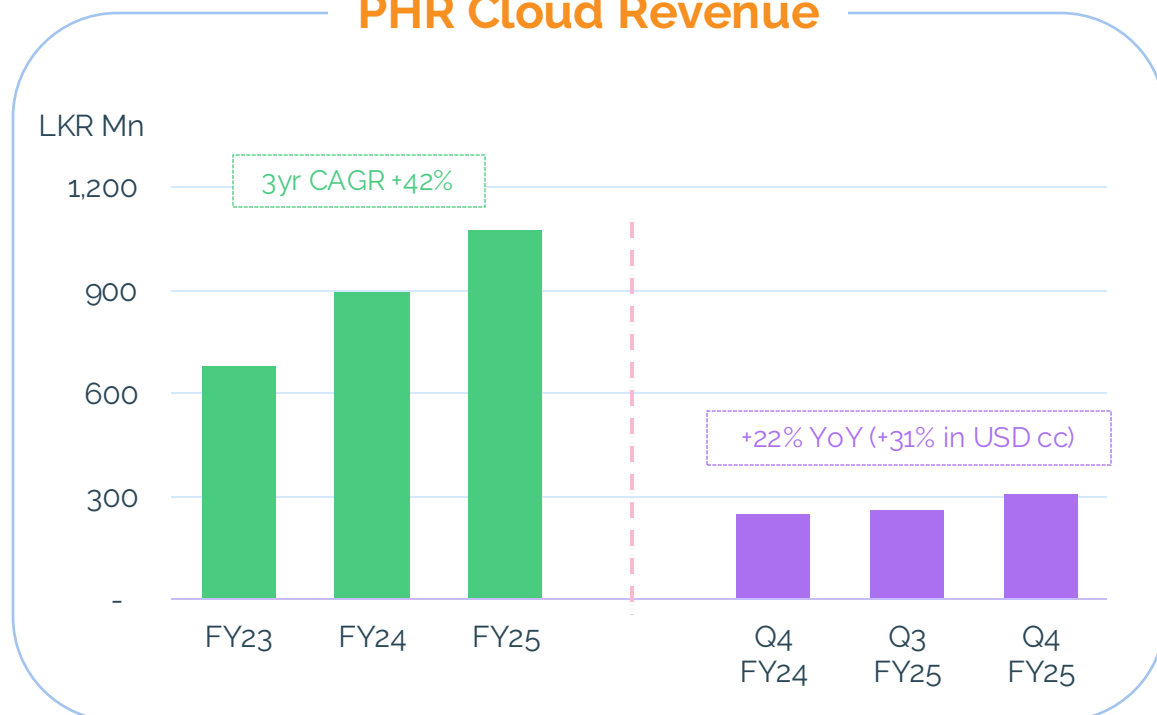


† Includes non-core revenues of Mobile Software and Staffing Solutions

Business Segments

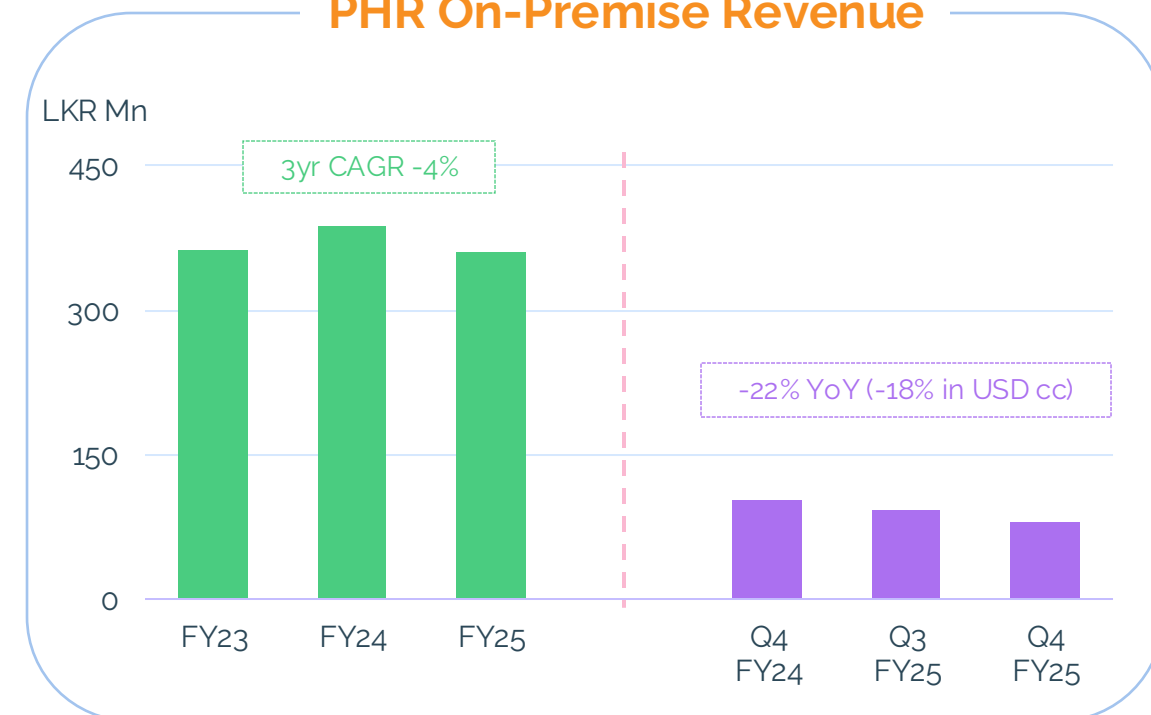
PHR Cloud and On-Premise

PHR Cloud Revenue



- ▶ PHR Cloud sustained its growth with recurring revenue forming 82% of Cloud revenue in FY25

PHR On-Premise Revenue

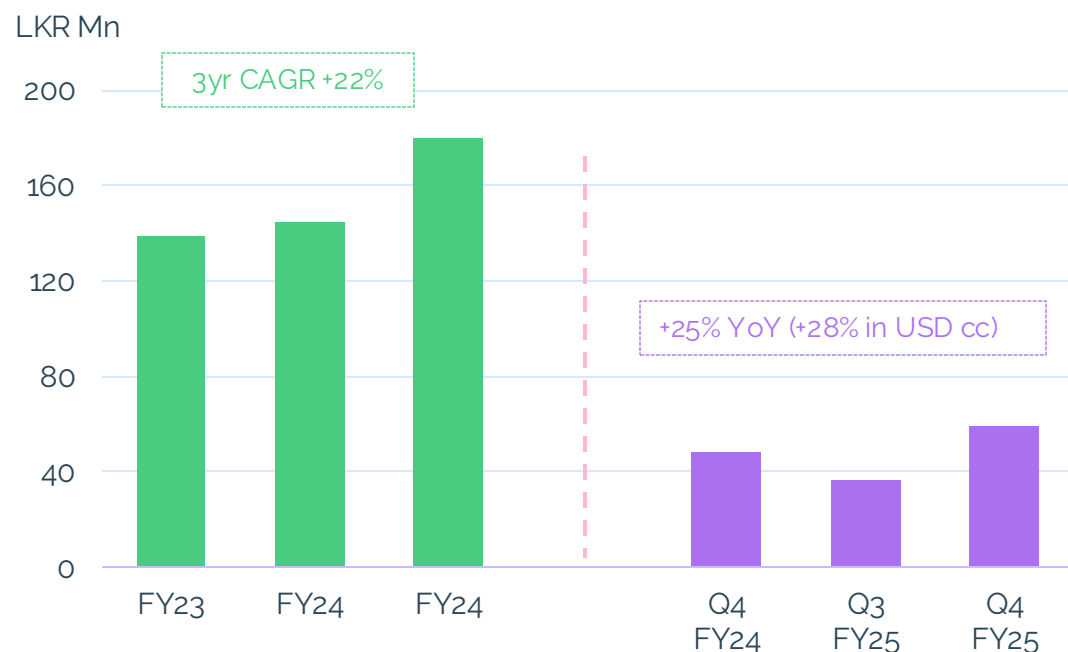


- ▶ Downward trend in PHR OnPrem revenue continued, due to increased Cloud migrations in Sri Lanka

Business Segments

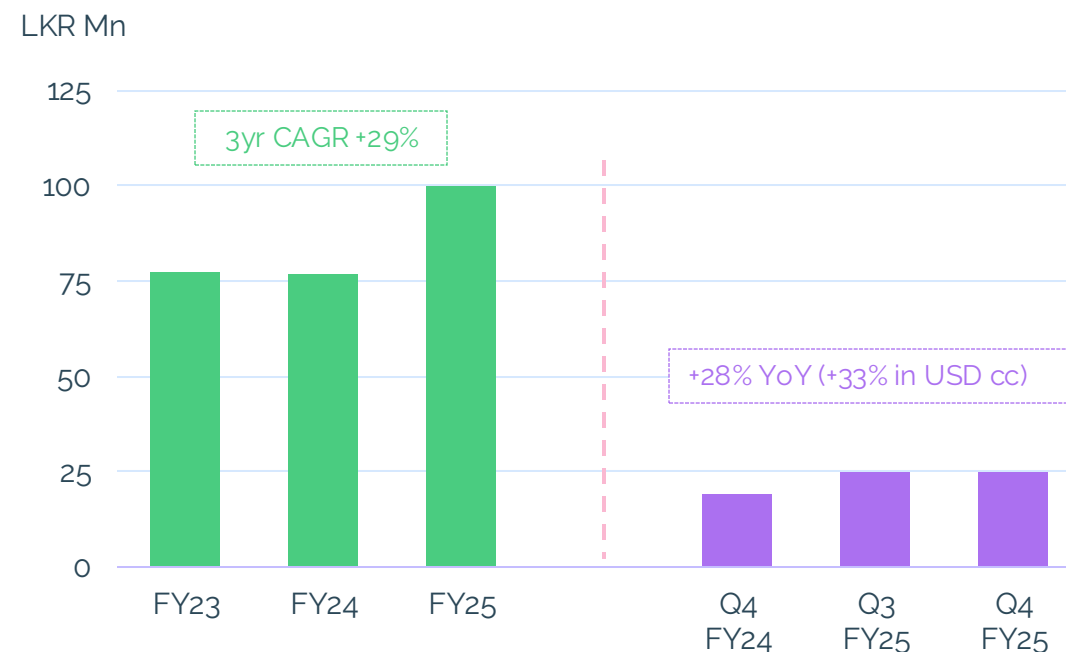
PHR Tracking Solutions and Outsourcing

PHR Tracking Solutions Revenue



- ▶ PHR Tracking revenue improved quarterly supported by increased device sales

PHR Outsourcing Revenue



- ▶ PHR Outsourcing revenue remained stable in the quarter, with notable YoY growth

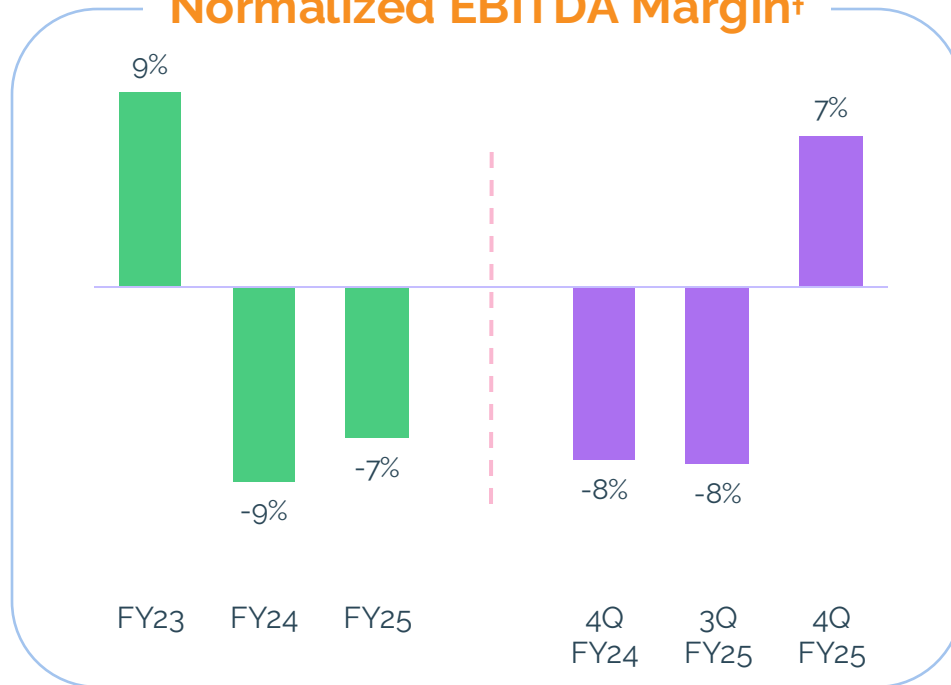
Cost of Sales Drill Down

All in LKR millions	FY23	FY24	FY25	3Yr CAGR	4Q FY24	3Q FY25	4Q FY25	YoY growth
On-site and third-party implementation costs [†]	94	150	109	+23%	30	23	35	+17%
Infrastructure costs ^{††}	170	162	164	+46%	43	40	46	+7%
Cost of devices sold	64	49	69	+9%	16	15	23	+43%
Mobile solutions related costs	122	61	31	-25%	6	8	2	-63%
Staff related costs	369	556	620	+38%	157	145	152	-3%
Total Cost of Sales	820	979	993	+28%	252	230	258	+2%

[†] Includes costs related to on-site implementations by hBS staff and channel partners | ^{††} PHR Cloud hosting costs

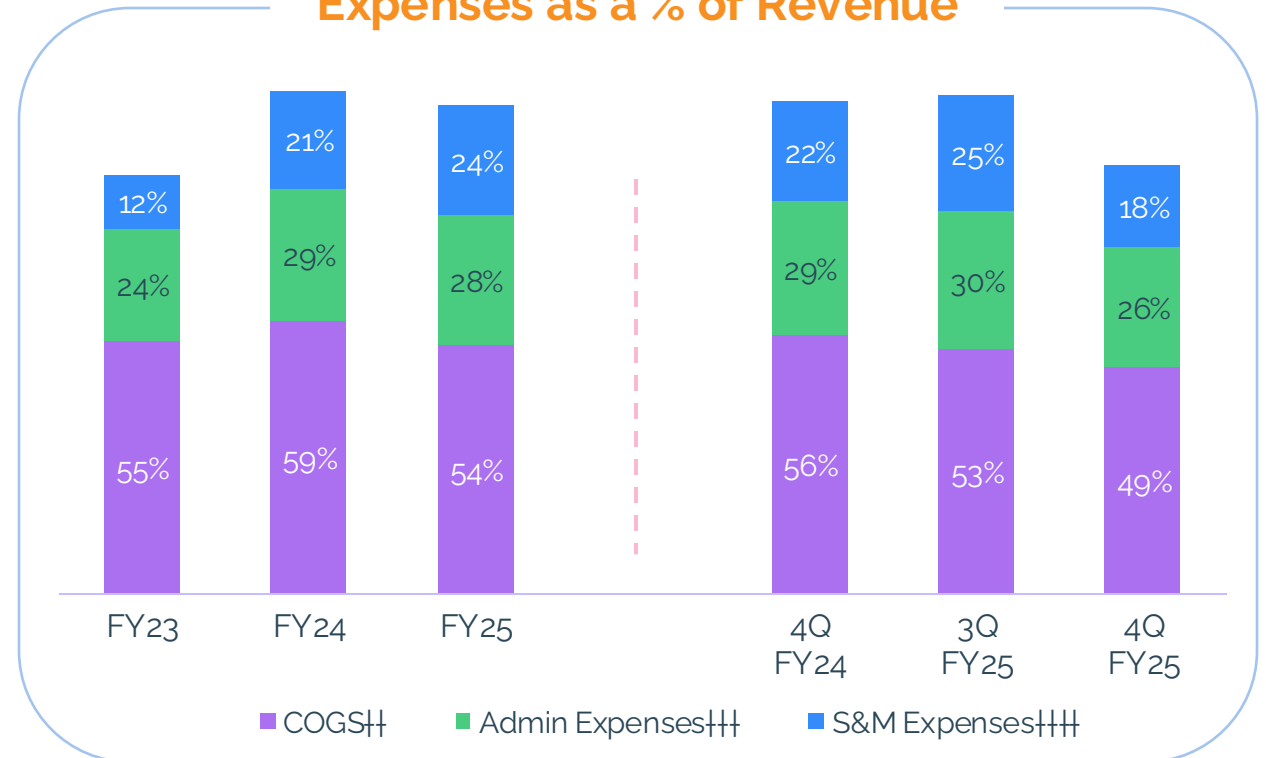
Analysis of Normalized EBITDA Margin

Normalized EBITDA Margin†



- ▶ Improved margins marking top line growth and effective cost management in the quarter

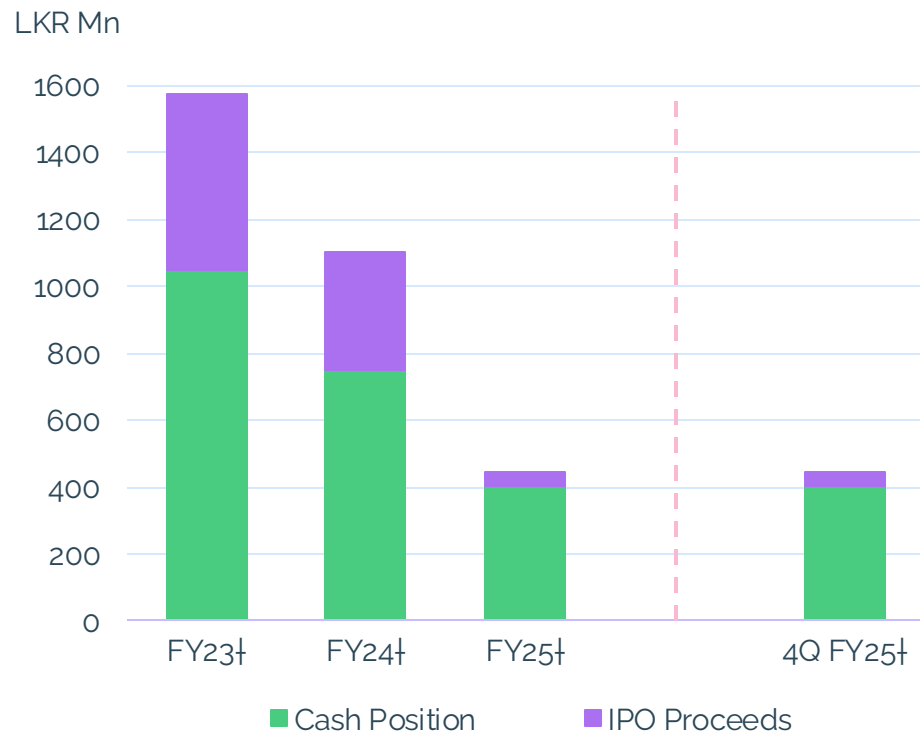
Expenses as a % of Revenue



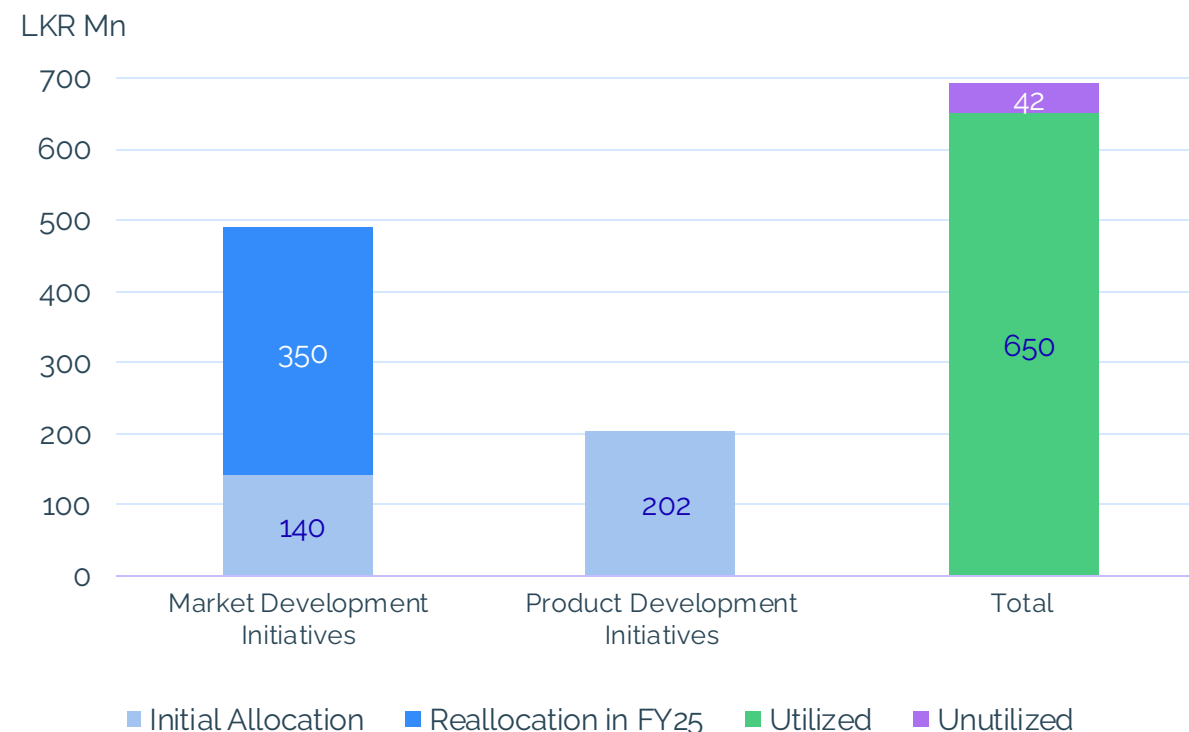
- ▶ Steady decline in COGS and OPEX as a % of revenue reflected sustained cost discipline

Cash Position and IPO Fund Utilization

Cash Position



IPO Fund Utilization



▶ **Cash position at ~LKR 445 Mn**

▶ **IPO fund utilization at 94%**

Free Cash Flow Generation





► Free Cash Flow to the Firm turned positive indicating improved cash efficiency

† FCFF = Net operating cash flow – Capital expenditure – Lease payments – Cash flow impact from Payroll Outsourcing operations

Peer SaaS company benchmarking

(For the last reported quarter)

	 	Private SaaS	Public SaaS
ARR Growth	36%	27%	15%
GTM Efficiency Ratio	139%	180%	160%
NRR (Net Revenue Retention)	101%	101%	107%
Revenue Churn Rate	5%	12%	5%

Notes:

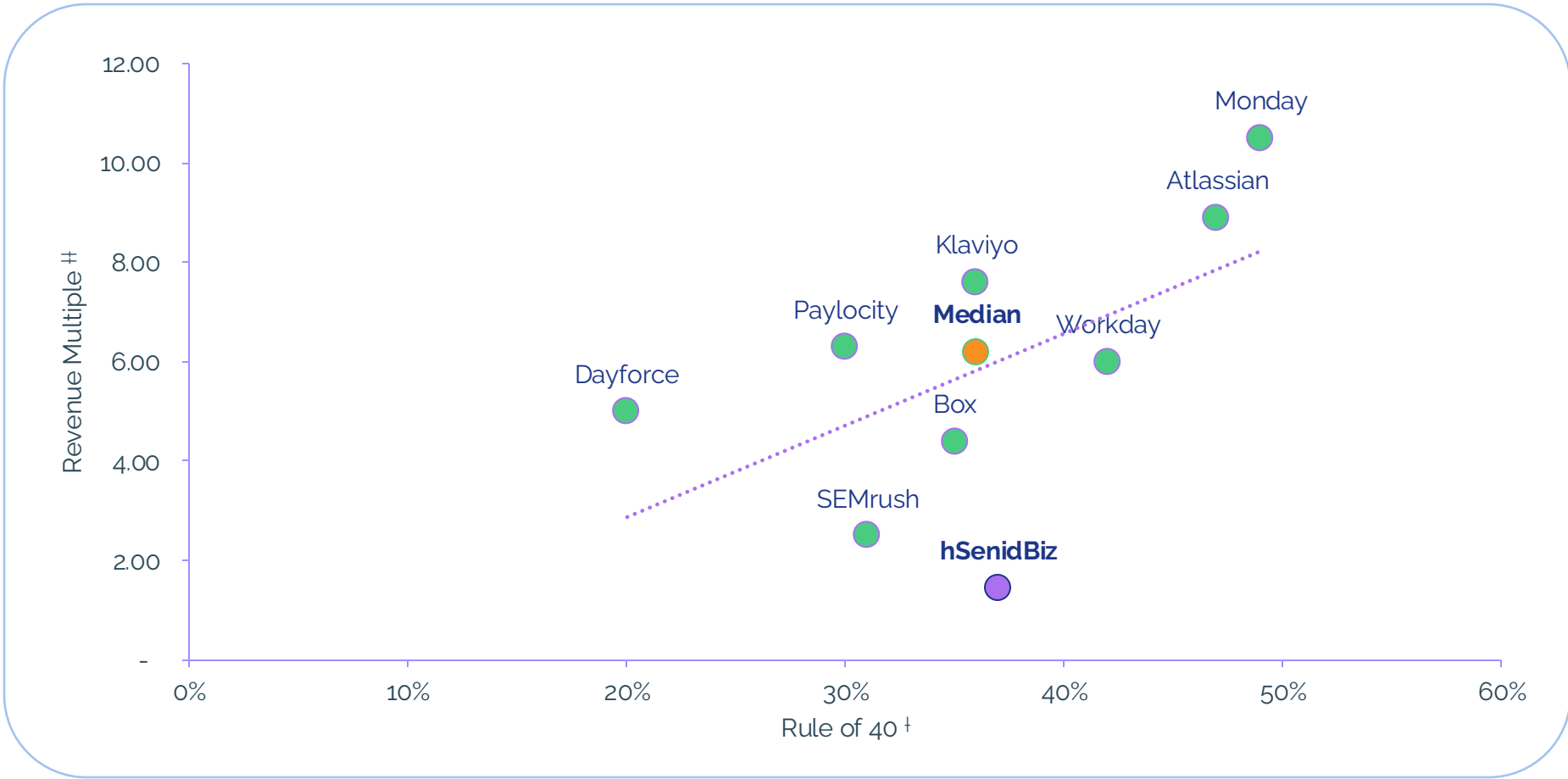
PeoplesHR : ARR Growth is reported for Year-over-Year | GTM Efficiency is reported for the year ending March 2025 | NRR and Churn Rates represents only the PHR Cloud Business for the Last Twelve Months

Private SaaS : Values reflect metrics for the Calendar Year 2024 for Privately held SaaS entities falling under the criteria of ARR \$5-20 Mn

Public SaaS : Values reflect metrics for the Last Twelve Months for Publicly listed SaaS entities falling under the criteria of ARR \$100-500 Mn

The GTM Efficiency ratio is the ratio of Sales and Marketing spend to net new ARR; NRR (Net revenue retention) = 1 – Churned revenue + Upsell & cross sell revenue + account expansion – account contraction

Upside Potential based on Rule of 40 metric



† Rule of 40 = NTM Revenue YoY Growth % + NTM FCF Margin %
†† Revenue Multiple = EV / NTM Revenue

hSenidBiz : EV is calculated based on Market Cap | Rule of 40 is calculated on an LTM basis considering ARR YoY Growth & 4Q FCF Margin

Investor Forum



Join us for the **Investor Forum Q&A Session**
for **Q4 FY2025**

12th of June 2025
3.00 pm IST

You can use the Q&A functionality in zoom to send in your questions; **or alternatively** Click on the "Raise your hand" button to be given an opportunity to unmute your microphone and pose your questions.

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