

January 25, 2022

| | |
|---|--|
| To Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 539658 | To Listing Department National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai - 400 051 Scrip Code: TEAMLEASE |
|---|--|

Dear Sir/Madam,

Sub: Press Release of TeamLease Services Limited (TeamLease/the Company) pertaining to the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended December 31, 2021

With reference to the captioned subject, please find enclosed Press Release of TeamLease Services Limited pertaining to the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended December 31, 2021.

Kindly take the above said information on record as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You.

Yours faithfully,

For **TeamLease Services Limited**




Alaka Chanda

Company Secretary and Compliance Officer

Encl: As above

Press Release- Q3FY22

Organic growth of 22k headcount addition in Q3FY22

Bengaluru, India, January 25, 2022- TeamLease Services Limited (NSE: TEAMLEASE, BSE: 539658), one of India's largest staffing companies, today announced its results for the third quarter (Q3FY22) of the financial year ending March 31, 2022.

Summary of Consolidated financial results:

(all numbers in Rupees' Crores except headcount & margins)

| Particulars | Q3FY22 | Q2FY22 | QoQ Growth % | Q3FY21 | YoY Growth % | 9MFY22 | 9MFY21 | YoY Growth % |
|-----------------------------------|-------------|--------------|--------------|-------------|--------------|-------------|-------------|--------------|
| Headcount | 2,73,500 | 2,51,200 | 9% | 2,11,940 | 29% | 2,73,500 | 2,11,940 | 29% |
| Total Revenue | 1,767 | 1,529 | 16% | 1,285 | 37% | 4,677 | 3,566 | 31% |
| Operating Revenue | 1,762 | 1,524 | 16% | 1,275 | 38% | 4,662 | 3,541 | 32% |
| EBITDA (Before exceptional) | 38 | 34 | 10% | 24 | 54% | 101 | 71 | 42% |
| EBITDA margin | 2.1% | 2.2% | | 1.9% | | 2.2% | 2.0% | |
| PBT* (Before exceptional) | 31.9 | 27.0 | 18% | 24.6 | 30% | 83.0 | 63.2 | 31% |
| PBT margin | 1.8% | 1.8% | | 1.9% | | 1.8% | 1.8% | |
| Net Profit (After exceptional) | 30.2 | (49.3) | | 23.1 | 31% | 7.8 | 58.8 | |
| PAT margin | 1.7% | -3.2% | | 1.8% | | 0.2% | 1.6% | |
| EPS - Rs. | 17.7 | -28.9 | | 13.5 | | 4.6 | 34.4 | |

*Q2FY22 includes exceptional provision of Rs.75cr towards stressed investments in PF Trust (Refer Note 3 of the LODR results).

Highlights of Q3FY22 performance:

- General Staffing:** headcount up by 24% on YoY basis and 9% on QoQ basis with highest ever quarterly net addition of 15K+ associates. Revenue up 38% YoY and 17% on QoQ basis. PAPM has gone up from Rs. 712 in Q2FY22 to Rs. 726 in Q3FY22. Core to Associate ratio improved to 387.
- IT Staffing:** headcount up by 28% on YoY basis and 5% on QoQ basis. Revenue up 34% YoY with a net addition of 400 associates in Q3FY22. Seasonal impact in Q3FY22 on account of mandatory furlough.
- Degree Apprenticeship (NETAP):** headcount up by 44% on YoY basis and 9% on QoQ basis.
- QoQ PBT has improved both in terms of absolute value and margin.
- Operating cash flow conversion to EBITDA is 85% for 9MFY22. We continue to remain debt free with staffing funding exposure at 14%.

Press Release- Q3FY22

6. In line with our plan to build adjacencies in HRTech space, we've made key leadership onboardings in the quarter:
- (a) Sundar PD, with over two decades of experience primarily in consumer digital businesses, has joined us to head the HireTech business (FW.com & TL.com). Sundar holds B.Tech from IIT Kharagpur & PGDM from IIM, Ahmedabad. He has worked with Quikr, Hindu group of publications, Citibank and Sulekha in the past.
 - (b) Sumit Sabharwal has joined us to head Digital Workforce Solutions, a new business unit we are carving out under HR services. Sumit is a B. Tech and an MBA in Marketing from MDI, Gurgaon. He was the Managing Director & CEO of Excelity Global (AON Hewitt) and has led large Business Units for corporates like Godrej Group, HDFC Bank, Essar Aegis, OCS Group and Equifax Global.

Management Comment

Mr. Ashok Reddy, Managing Director, TeamLease Services Limited commenting on the quarterly results said, *"Our industry focused approach in sales and hiring helped us deliver volume growth and drive margin expansion at an overall portfolio level. We continue to make organic investments in talent, technology, and brand over the next few quarters to strengthen our strategy for volume, price, and productivity. We will drive on creating adjacencies through incubation and by exploring M&A opportunities."*

About TeamLease Services Limited

TeamLease Services is a leading HR services company offering a range of solutions to 3500+ employers for their hiring, productivity, and scale challenges. A Fortune India 500 company listed on the NSE & BSE, TeamLease has hired 18 lakhs+ people over the last 20 years. One of India's fastest growing employers, TeamLease also operates India's first Vocational University and India's fastest growing PPP National Employability through Apprenticeship Program (NETAP). The Company offers solutions to large, medium, and small clients across the 3Es of employment (over 2.0 lakhs employees), employability (over 2.6 lakhs students) and Ease-of-doing Business (over 1000 employers).

Investor contact

| | |
|---|---|
| <p>Ramani Dathi Chief Financial Officer</p> <p>Tel: +91 80 6824 3330 Fax: +91 80 6824 3001 E-mail: ramani.dathi@teamlease.com</p> | <p>Renu Praveen Adfactors</p> <p>Tel: +91 9742279654 Fax: +91 80 6824 3001 E-mail: renu.praveen@adfactorspr.com</p> |
|---|---|