

July 31, 2024

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
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Dear Sir/Ma'am,

Sub: TeamLease Services Limited (TeamLease/the Company) - Press Release pertaining to the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2024

With reference to the captioned subject, please find enclosed Press Release of TeamLease Services Limited pertaining to the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2024.

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-Q1FY25

Bengaluru, India, July 31, 2024- TeamLease Services Limited (**NSE: TEAMLEASE, BSE: 539658**), one of India's largest staffing companies, today announced its results for the first quarter (**Q1FY25**) of the financial year ending March 31, 2025.

Summary of Consolidated Financial Results

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

Particulars	Q1FY25	Q4FY24	QoQ	Q1FY24	YoY
Total Revenue	2,594	2,441	6%	2,186	19%
Operating Revenue	2,580	2,432	6%	2,172	19%
EBITDA	22	37	-40%	26	-16%
EBITDA margin	0.9%	1.5%		1.2%	
PBT	20	30	-32%	26	-22%
PBT margin	0.8%	1.2%		1.2%	
Profit after Tax	19	28	-31%	26	-25%
PAT margin	0.7%	1.2%		1.2%	
EPS - Rs.	12	16		16	

BU	Q1FY25	Q4FY24	QoQ	Q1FY24	YoY
General Staffing	2,82,450	2,67,000	6%	2,36,900	19%
Degree Apprenticeship	42,350	44,800	-5%	42,600	-1%
Specialized Staffing	6,900	7,230	-5%	8,320	-17%
Associate Headcount	3,31,700	3,19,030	3%	2,87,820	15%

Highlights of Q1FY25:

- At the group level, we added ~12,700 headcount during the quarter including the loss of ~6000 NEEM trainees. Revenue grew by 6% QoQ and 19% YoY.
- EBITDA decline is because of the seasonality and delayed university billing in EdTech business and annual appraisal of core employees.
- 187 new logos were added during the quarter.
- We have received an Income Tax refund for AY 2023-24, amounting to Rs. 115cr including interest of Rs. 6.5cr in Q1FY25.
- Net cash stands at Rs.439cr, including free cash of Rs.320cr.
- **General Staffing:**
 - Added net ~15,500 headcount in Q1FY25 taking the total billable headcount to ~2.82 lakhs.
 - Staffing revenue grew by 8% on QoQ backed by headcount growth across sectors.
- **Degree Apprenticeship (DA):**
 - Net growth in trainee headcount, excluding the attrition of last lot of NEEM trainee loss of ~6,000 in Q1FY25. Growth is driven by NAPS (National Apprenticeship Promotion Scheme) and WILP (Work Integrated Learning Program).
- **Specialized Staffing:**
 - Headwinds in the IT industry continue to impact on the growth in specialized staffing. While there has been consistent growth in GCC clients, net headcount loss with IT services clients was noted in Q1FY25.

Press Release-Q1FY25

➤ **HR Services:**

Revenue for the quarter declined by 51% because of the seasonality and student admission cycle in the Edtech business. As per the guidelines issued by UGC, all Universities have to align their frameworks to the New Education Policy which led to a delay in the admission cycle for a few months.

Management Comment

Mr. Ashok Reddy, Managing Director, TeamLease Services Limited commenting on the quarterly results said, *“The recent union budget with the proposed initiatives around employment and employability is a welcome enabler for our long-term objective of Putting India to Work. Coupled with the implementation of Labour Codes, we believe these initiatives will drive up formalisation and productivity of the workforce in the coming years.*

On the business front, Staffing has been maintaining a healthy volume growth consistently across quarters and across diversified portfolio of clients. With NEEM impact fully addressed, DA will become a contributor on profit growth and margin expansion. While the billing cycle in EdTech business has impacted the Q1 profitability, with the current signup of universities and students, we are confident of posting as substantial growth in both revenues and profitability of EdTech business this year.”

Press Release-Q1FY25

About TeamLease Services Limited

TeamLease Services is a leading HR services company offering a range of solutions to 3900+ employers for their hiring, productivity, and scale challenges. A company listed on the NSE & BSE, TeamLease has hired 23 lakhs+ people over the last 23 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 2.9 lakh employees), Employability (over 5.6 lakh students/apprentice), and E-workforce (over 1000 employer).

Investor contact

Ramani Dathi Chief Financial Officer Tel: +91 80 6824 3330 Fax: +91 80 6824 3001 E-mail: ramani.dathi@teamlease.com	Aishwarya J Badan Associate Account Director – Value 360 Tel: 9538362445 E-mail: aishwarya.jayaraman@value360india.com
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Disclaimer: This document contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions, which the Company believes to be reasonable in light of its operating experience in recent years. 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, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements.