



Q2 FY25 EARNINGS UPDATE

28 October 2024

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Q2 FY25

Revenue	EBITDA	PAT
₹3,268.8 cr.	₹144.8 cr.	₹68.8 cr.
↑	↑	↓
6.4% Y-o-Y	0.2% Y-o-Y	-8.6% Y-o-Y



"SIS achieves its highest ever quarterly revenue in Q2-FY25. Margin improvement is on track. Cash conversion has improved with a 4-day reduction in DSO. SIS celebrates 50 years of excellence."

Rituraj Sinha
Group Managing Director

Growth momentum is back

SIS is forging ahead on its growth trajectory in FY25 and ended Q2-FY25 with a September run rate of ₹1,085 cr., the highest-ever consolidated monthly run rate. Security Solutions – India had a monthly run rate of ₹466.5 cr., the Facility Management Solutions segment had a run rate of ₹182.6 cr. while the Security Solutions – International segment had a September run rate of ₹452.2 cr.

EBITDA Margins gradually improve

EBITDA Margins at the consolidated level rose to 4.43% for Q2-FY25 up from 4.39% for Q1-FY25. The EBITDA Margin % for Security Solutions – India at 5.5% for Q2-FY25 almost back to pre-COVID levels. The EBITDA Margin % for the Facility Management Solutions segment was at 4.3%. The Security Solutions – International segment had an EBITDA Margin of 3.3% due to SXP, but the EBITDA Margin for SXP for September improved to 4%.

DSO down. Net Debt is down by ₹166.2 cr. OCF / EBITDA is at 166.1%.

The DSO for the group improved to 70 days at the end of Q2-FY25 from 74 days at the end of Q1-FY25 and 72 days at the end of Q2-FY24. DSOs across segments have improved for Q2-FY25 with DSOs for Security Solutions - India at 79 days (-5 days), for Security Solutions - International at 52 days (-4 days) and for the Facility Management segment at 90 days, (-3 days) an improvement over Q1-FY25.

Cash business momentum continues. Big 5 audit firm appointed as Statutory Auditor

The Cash JV has appointed Walker Chandio & Co LLP, a big 5 audit firm, as their auditor. The Cash Logistics Solutions segment crossed ₹175 cr. in quarterly revenue mark with a revenue of INR 176.8 cr. a growth of 13.0% y-o-y. The segment reported a robust EBITDA of INR 30.4, a growth of 20.6% y-o-y in Q2-FY25, achieving an EBITDA margin of 17.2%. Innovative solutions account for 9.3% of revenue in Q2 FY25.

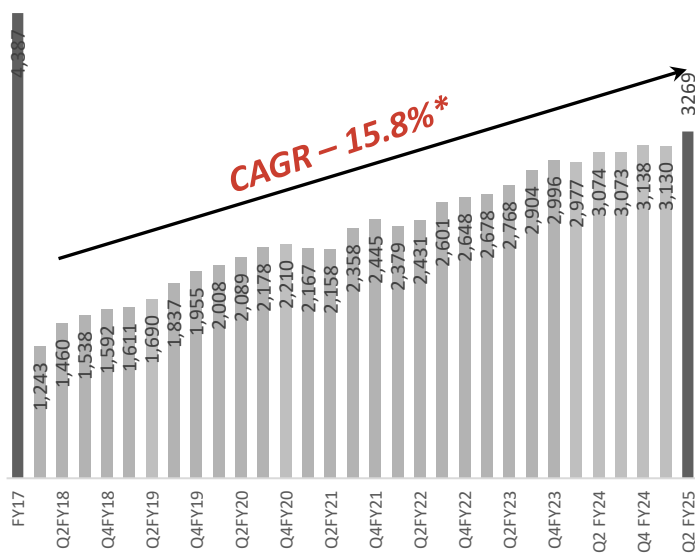
SIS celebrates 50 years. Vision 2030 planning is underway.

From a visionary idea in 1974 to the 50th Founder's Day in 2024, SIS Group's journey has been one of dedication, growth, and commitment to excellence. The first Graduate Trainee Officer (GTO) batch in 1986 laid the foundation for what has now become an APAC leader in Security, Facility Management, and Cash Logistics, reaching over a billion dollars in revenue. As part of our 5-year plans, we have now initiated the planning for the Vision 2030 plan.



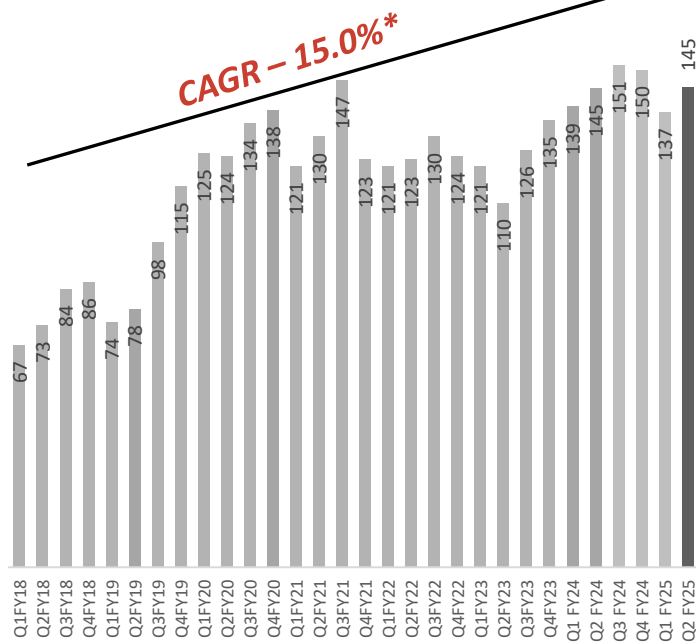
Quarterly Trend (₹ cr.)

Revenue

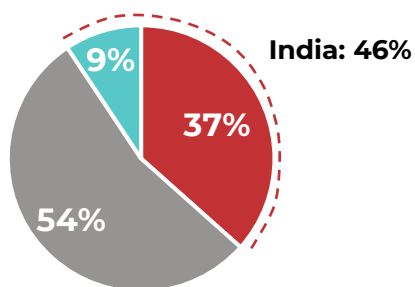


*FY17-24 CAGR%

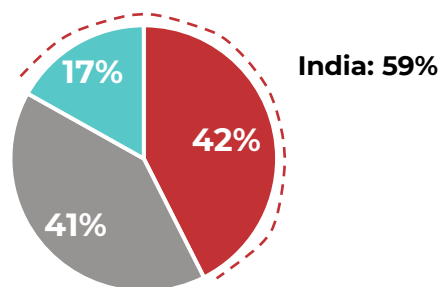
EBITDA



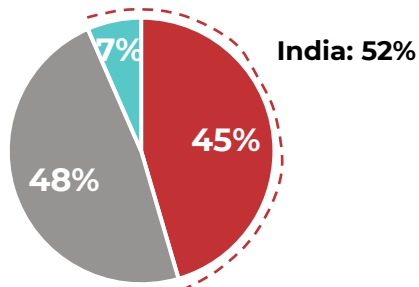
FY17 Revenue Contribution



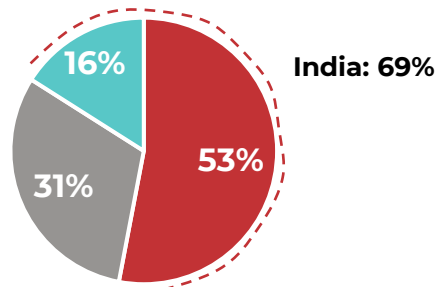
Q2 FY25 Revenue Contribution



FY17 EBITDA Contribution



Q2 FY25 EBITDA Contribution



■ Security Solutions - India

■ Security Solutions - International

■ Facility Management Solutions



Particulars (In ₹cr.)	Quarterly Numbers		Change %	6M Numbers		Change %
	Q2 FY25	Q2 FY24	Q2 FY25 vs Q2 FY24	H1 FY25	H1 FY24	H1 FY25 vs H4 FY24
Revenue	3,268.8	3,073.6	6.4%	6,398.7	6,050.4	5.8%
EBITDA	144.8	144.5	0.2%	282.1	283.5	-0.5%
EBITDA Margin%	4.4%	4.7%		4.4%	4.7%	
Depreciation	42.0	39.5	6.4%	84.4	74.4	13.4%
Finance Costs	40.4	34.7	16.3%	82.5	67.4	22.3%
Other income & share of profit/(loss) in associates	13.6	19.1	-28.6%	32.3	33.1	-2.3%
Earnings Before Taxes	76.0	89.3	-14.9%	147.5	174.7	-15.6%
Less: Acquisition-related costs / (income)						
– Depreciation & Amortization	0.0	0.9		0.3	1.7	
Earnings Before Taxes	76.0	88.4	-14.1%	147.2	173.0	-14.9%
EBT Margin%	2.3%	2.9%		2.3%	2.9%	
Tax Expenses	7.2	13.2		14.2	8.2	
Profit After Taxes (Reported)	68.8	75.3	-8.6%	133.0	164.8	-19.3%
Reported PAT Margin%	2.1%	2.4%		2.1%	2.7%	
EPS	4.8	5.2	-7.7%	9.2	11.3	-18.4%
OCF	240.5	3.4		198.1	-32.9	
OCF to EBITDA%	166.1%	2.3%		70.2%	-11.6%	
Net Debt	856.8	1,050.7		856.8	1,050.7	
Net Debt to EBITDA	1.47	1.93		1.47	1.93	

Revenue, EBITDA, and PAT Growth Development by Business Segment

Business Segments	Revenue Growth		EBITDA Growth		PAT Growth	
	Q2 FY25 v/s Q2 FY24	Q2 FY25 v/s Q1 FY25	Q2 FY25 v/s Q2 FY24	Q2 FY25 v/s Q1 FY25	Q2 FY25 v/s Q2 FY24	Q2 FY25 v/s Q1 FY25
Total Growth - %						
Security Solutions – India	6.3%	3.5%	4.1%	6.5%	5.9%	23.0%
Security Solutions – International (on a constant currency basis)	3.2%	3.5%	-14.0%	0.6%	-40.0%	-20.1%
Facility Management Solutions	4.8%	4.3%	13.6%	7.5%	0.0%	-1.4%
Total of SIS Group	6.4%	4.4%	0.2%	5.4%	-8.6%	7.1%



Revenue Development

Consolidated revenue for Q2 FY25 was INR 3,268.8 cr.; grew by 6.4% over Q2 FY24. Consolidated revenue for Q2 FY25 grew by 4.4% on a q-o-q basis.

Security Solutions – India reported a 6.3% growth y-o-y on the back of new wins of around INR 24 cr. of monthly revenue during the quarter with major contributions from the Transportation, Logistics, Energy, and Real Estate sectors.

Facility Management Solutions reported a 4.8% growth y-o-y on the back of new wins of around INR 13 cr. of monthly revenue during the quarter with major contributions from the BFSI, Health, Manufacturing, and Real Estate sectors.

Security Solutions – International reported a 7.0% growth y-o-y in revenues. On a constant currency basis, the International Security segment reported revenue growth of 3.2% on a y-o-y basis. This growth was primarily driven by new wins in the BFSI, Public sector, Energy and Retail sectors.

Business segment wise reported revenue growth for Q2 FY25 is as follows:

Particulars (in %)	Growth % Q2 FY25 vs. Q2 FY24	Growth % Q2 FY25 vs. Q1 FY25
Security Solutions – India	6.3%	3.5%
Security Solutions – International	7.0%	5.6%
Facility Management Solutions	4.8%	4.3%

Earnings Before Interest Tax Depreciation & Amortization (EBITDA)

Consolidated EBITDA for Q2 FY25 at INR 144.8 cr. was a 0.2% increase compared to Q2 FY24.

Security Solutions – India reported an EBITDA margin of 5.5% in Q2 FY25; EBITDA margin in Security Solutions - International decreased to 3.3% caused by loss of certain high margin contracts in the previous quarter; and the EBITDA margin in Facility Management Solutions increased to 4.3% driven by focused execution of margin improvement plans.

Business segment wise reported EBITDA movement for Q2 FY25 is as follows:

Particulars (in %)	Q2 FY25	Q2 FY24	YoY Change	Q1 FY25	QoQ Change
Security Solutions – India	5.5%	5.7%	(20) bps	5.4%	10 bps
Security Solutions – International	3.3%	4.0%	(70) bps	3.4%	(10) bps
Facility Management Solutions	4.3%	4.0%	30 bps	4.2%	10 bps

Earnings Before Taxes

The reported Earnings Before Taxes for the Group were at INR 76.0 cr. for Q2 FY25, compared to INR 88.4 cr. for Q2 FY24, a decline of 14.1%.

Other income & share of profit/(loss) in associates for the quarter is comprised of:

- The effects of unrealized currency translation amounting to INR (3.2) cr. in respect of the RDBs issued by the parent to its Australian subsidiary.
- Interest income; and the Group's share of the profit/(loss) in its associates and other gains and losses.



The Group's consolidated **Depreciation & Amortization** amounted to INR 42.0 cr. for Q2 FY25 which was higher than INR 40.4 cr. for the same quarter last year as a result of capital expenditure on installations in our VProtect business and amortization of capitalized cost in respect of new business application platforms.

Finance costs for the Group amounted to INR 40.4 cr. which was higher compared to the same quarter last year of INR 34.7 cr. driven by increase in the interest rate, caused by higher interest rates during the year and capital expenditure on installations in our VProtect business which were financed by bank borrowings.

Taxes & Profit after Tax (PAT)

The reported Profit after Tax for the Group were at INR 68.8 cr. for Q2 FY25, compared to INR 75.3 cr. for Q2 FY24.

Accounting for the benefits under Section 80JJAA of the Income Tax Act, 1961

The key qualifying criterion for availing the tax benefits under section 80JJAA is an increase in the number of employees during the year and eligible employees completing a period of employment of at least 240 days in the year either in the year of recruitment or in the immediately succeeding financial year.

We continue to receive, and account for, the tax benefits under section 80JJAA which have accrued to the Group during FY23 and FY24. In FY25, the Group is also eligible to claim benefits in respect of those eligible employees employed in FY24 and completing a period of employment of at least 240 days in FY25.

On a standalone basis, the Company's current tax rate continues to be close to NIL because of the benefits accruing under Section 80JJAA of the Income Tax Act, 1961.

The current tax rate reflects the amount of tax the Company is expected to pay when preparing and filing its tax returns. The real effective tax rate reflects the current tax plus the deferred tax effect on timing differences. The current tax rate and real effective tax rate, is computed below:

Particulars (in ₹cr.)	Q2 FY25	Q2 FY24	Q1 FY25
PBT	38.8	33.0	29.3
Current tax	0.0	0.0	0.0
Deferred tax effect on timing differences	-4.6	-5.7	-3.5
Total tax items	-4.6	-5.7	-3.5
Current tax rate	0.0%	0.0%	0.0%
Real Effective tax rate	-12.0%	-17.4%	-12.0%



Cash flows, Leverage (Net Debt) and Return Ratios

Net Debt / EBITDA was 1.47 as of end of Q2 FY25, which declined compared to 1.76 as at end of Q1 FY25. This was driven by repayment of certain long-term debts and improved working capital management during the quarter.

OCF/EBITDA on a consolidated basis was **166.1%** for the quarter due to better working capital management.

Return Ratios: Our Consolidated Return on Capital employed (ROCE) which is a reflection of the operating earnings as a percentage of operating capital is **11.7%**.

Q2 FY25 Cash Flow:

Particulars (in ₹cr.)	IND - SEC	INT - SEC	FM	Consolidated
PBT	40.3	20.4	11.3	76.0
Cash Profit	83.8	45.4	22.5	151.6
Changes in working capital	71.3	52.3	13.5	137.1
Taxes paid	-26.6	-13.5	-8.1	-48.3
Net Operating cash flows	128.5	84.1	28.0	240.5
Capex	-7.2	-14.1	-7.3	-28.6
Investments made/realised	-2.2	-2.5	0.0	-4.7
Other items	0.2	-0.5	0.0	-0.5
Net Investing cash flows	-9.2	-17.1	-7.3	-33.8
Borrowings, net	-19.3	3.7	-0.3	-15.9
Lease liability	-6.5	-6.6	-2.6	-15.6
Interest paid	-20.4	-5.0	-3.7	-28.8
Other items	0.0	-0.3	0.0	-0.12
Net financing cash flows	-46.1	-8.2	-6.7	-60.4
Net change in cash flows	73.1	58.9	13.9	146.3
EBITDA	76.7	44.4	23.8	144.8
OCF/EBITDA%	167.4%	189.6%	117.3%	166.1%

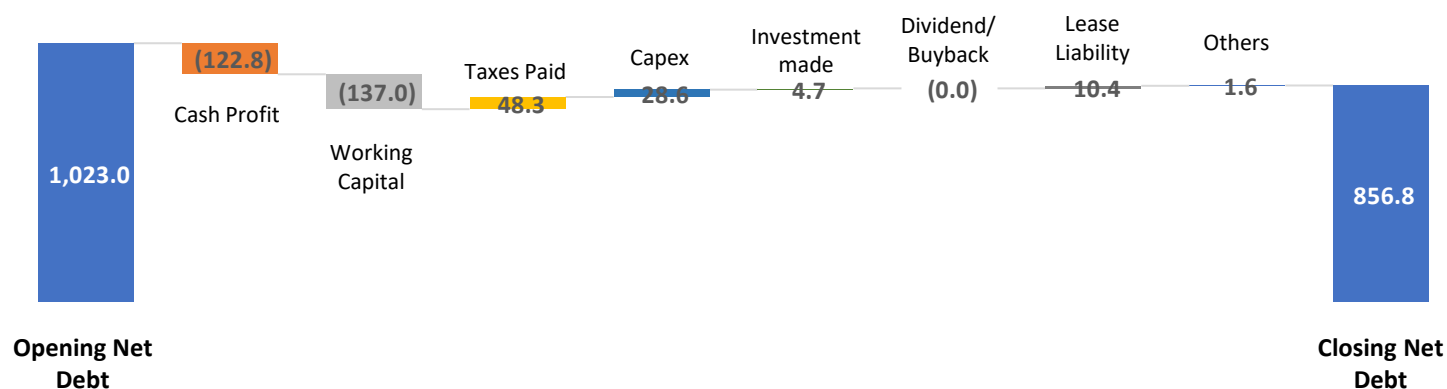


Leverage (Net Debt)

The movement in Net debt for Q2 FY25 is provided in the table and chart below:

Particulars (in ₹cr.)	September 2024			June 2024		
	India	Intl	Total	India	Intl	Total
Long-term borrowings	267	548	815	286	521	808
Working capital borrowings	714	1	715	775	1	776
Add: Lease liabilities	109	44	153	113	45	158
Gross Debt	1,090	594	1,684	1,175	567	1,742
Less: Cash and Cash Equivalents	368	459	827	341	378	719
Net Debt	722	135	857	834	189	1,023

Net Debt Bridge (in ₹cr.) – Q2 FY25 (June '24 – September '24) :





The Security Solutions - India business comprises of five entities.

We continue our leadership position as the largest security solutions company in India.

The business currently operates across 177 branches and has 191,038 employees.

Highest ever quarterly revenues

The segment has reported the highest ever quarterly revenues of INR 1,384 Cr. for Q2 FY25 a 6.3% growth y-o-y, continuing the growth momentum.

New order wins during the quarter were around INR 24 cr. of monthly revenue. Major wins during the quarter came from the Transportation, Logistics, Energy, and Real Estate sectors.

Strong growth momentum in EBITDA

The segment has reported a quarterly EBITDA of INR 76.7 Cr. in Q2 FY25 a 4.1% increase y-o-y. EBITDA margin for Q2 FY25 was 5.5%. The EBITDA margin improved q-o-q despite the full quarter impact of the annual salary revisions effective June 2024 of back-office employees, driven by the focused execution of margin management initiatives.

Staying ahead on the technological curve

In the ever-evolving technology landscape, the demand for advanced technology-based security solutions continues to rise with the advancement of technology and complex customer requirements.

We introduced the latest cloud recording technology in our Alarm monitoring and response business and reducing the dependency on NVR/DVR and hard disks at sites. Our VProtect business continues to grow and now services over 24,000 customer connections.

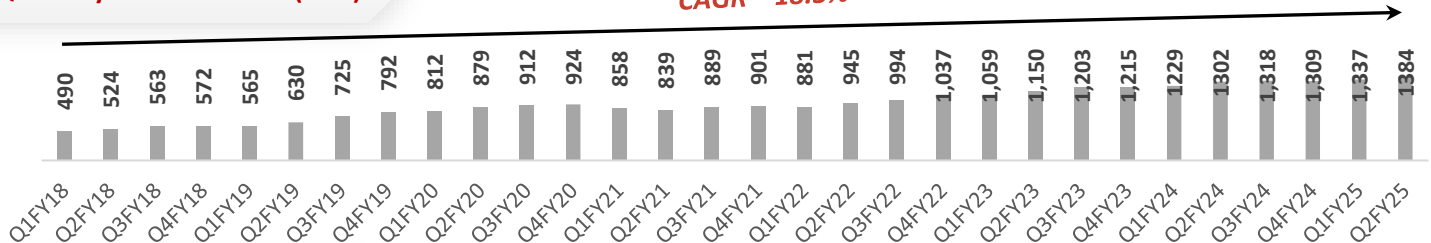
Strong Collections and Cashflows

DSOs reduced by 5 days at 79 days at the end of September 2024 compared to June 2024. The business reported a very strong OCF/EBITDA of 167.4% during the quarter driven by efficient working capital management.

Particulars (in ₹cr.)	Q2 FY25	Q2 FY24	Y-o-Y Change %	Q1 FY25	QoQ Change %
Revenue	1,384.3	1,302.0	6.3%	1,337.5	3.5%
EBITDA	76.7	73.7	4.1%	72.0	6.5%
EBITDA%	5.5%	5.7%		5.4%	
Share of group Revenue%	42.3%	42.4%		42.7%	
Share of group EBITDA%	53.0%	51.0%		52.4%	

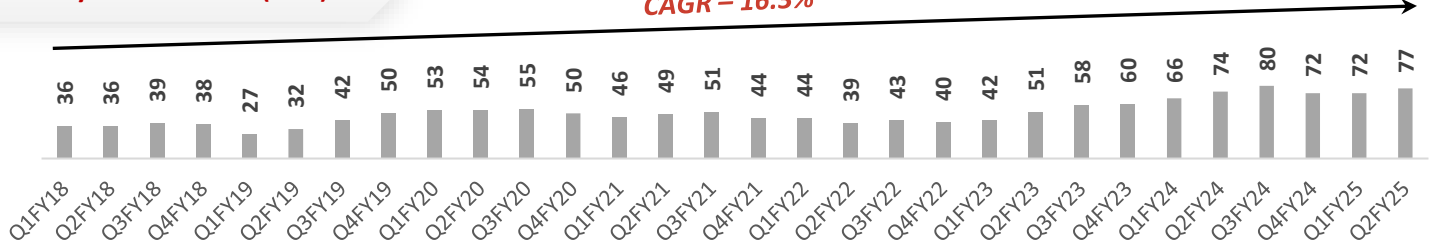
Quarterly Revenue Trend (₹ cr.)

CAGR – 18.3%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 16.3%*



*FY17-24 CAGR%





The Security Solutions - International business comprises four entities.

We continue to be the market leader in Australia and a top 3 player in New Zealand.

The International Security business currently has 9,593 employees.

Highest ever quarterly revenues

The segment has reported the highest ever quarterly revenues of INR 1,347 Cr. for Q2 FY25 which was a 7.0% growth over Q2 FY24 and continuing the growth momentum. Major wins during the quarter came from the BFSI, Public sector, Energy and Retail sectors.

Stable Margins with upside potential

The EBITDA margin for Q2 FY25 was 3.3% compared to 3.4% in Q1 FY25. EBITDA for the Q2 FY25 was INR 44.4 Cr., a 2.6% growth q-o-q. EBITDA margin was marginally impacted by the 3.75% minimum wage revision by Fair Works, Australia effective 1st July.

While we are required to implement these increases effective 1st July, some of our client contracts stipulate commensurate price increases on the anniversary of such contracts. Generally, all price increases are implemented by Q3 with the full quarter effect being visible in Q4. Margin improvement continues to be the key focus of management.

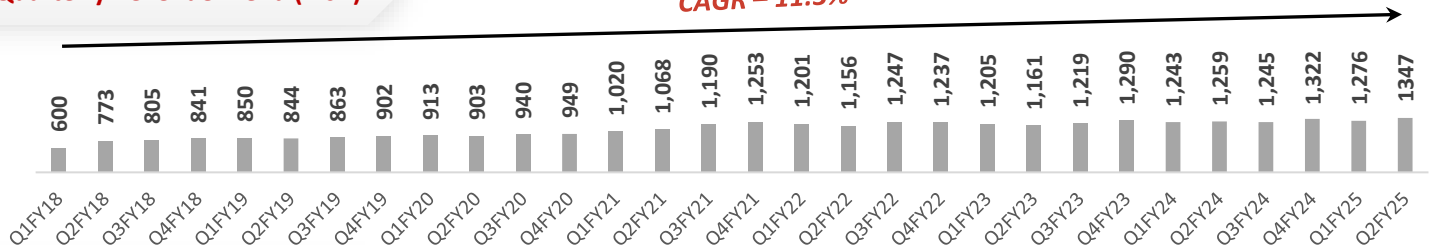
Strong Cashflows

DSOs reduced by 4 days at 52 days at the end of September 2024 compared to June 2024. The business reported a very strong OCF/EBITDA of 189.6% during the quarter driven by efficient working capital management.

Particulars (in ₹cr.)	Q2 FY25	Q2 FY24	Y-o-Y Change %	Q1 FY25	QoQ Change %
Revenue	1,347.3	1,259.1	7.0%	1,276.0	5.6%
EBITDA	44.4	49.8	-10.9%	43.2	2.6%
EBITDA%	3.3%	4.0%		3.4%	
Share of group Revenue%	41.2%	41.0%		40.8%	
Share of group EBITDA%	30.7%	34.5%		31.5%	

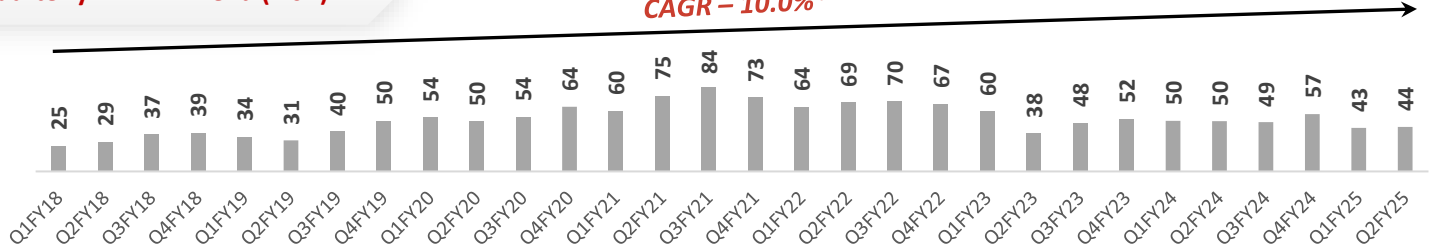
Quarterly Revenue Trend (₹ cr.)

CAGR – 11.3%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 10.0%*



*FY17-24 CAGR%





The facility management business comprises of five entities.

The Group operates the largest FM business in India.

The FM business currently operates across 93 branches and has 81,995 employees.

Highest ever quarterly revenues

The segment has reported the highest ever quarterly revenues of INR 553 Cr. for Q2 FY25 which was a 4.8% growth y-o-y, continuing the growth momentum.

Our new order wins during the quarter were over INR 13 cr. of monthly revenue. Major wins came from the BFSI, Health, Manufacturing, and Real Estate sectors. Commercial and Offices spaces continue to be the top revenue contributors, followed by the Manufacturing and IT/ITES sectors.

Highest ever quarterly EBITDA

The segment has reported the highest ever quarterly EBITDA of INR 23.8 Cr. for Q2 FY25, a 13.6% growth y-o-y. The EBITDA margin for Q2 FY25 was 4.3% compared to 4.0% in Q2 FY24. The EBITDA margin improved despite the full quarter impact of annual salary revisions effective June 2024 of back-office employees, driven by focused execution of margin management initiatives.

Driving Innovation and Sustainability

Our SMC business has released its sustainability report (ESG 24) and curated two solutions that have been proven to reduce carbon footprints, reinforcing our commitment to sustainable solutions. Furthermore, SMC is now a partner with the Indian Green Building Council (IGBC), highlighting its dedication to green building practices.

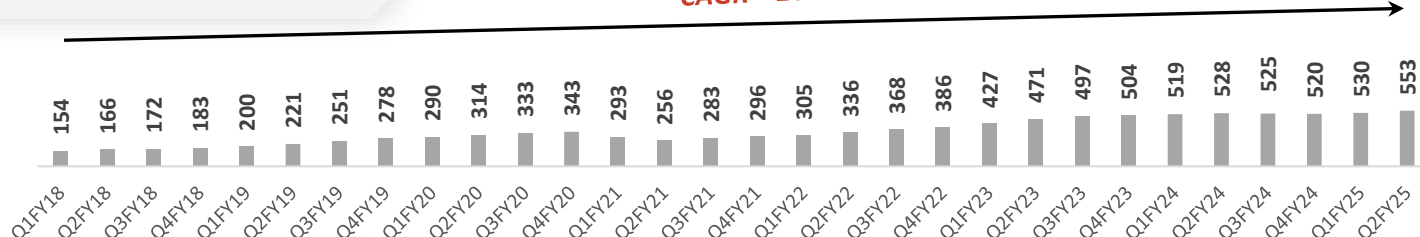
Strong Cashflows

DSOs reduced by 4 days at 70 days at the end of September 2024 compared to June 2024. The business reported a very strong OCF/EBITDA of 117.3% during the quarter driven by efficient working capital management.

Particulars (in ₹cr.)	Q2 FY25	Q2 FY24	Y-o-Y Change %	Q1 FY25	QoQ Change %
Revenue	553.4	527.9	4.8%	530.3	4.3%
EBITDA	23.8	21.0	13.6%	22.2	7.5%
EBITDA%	4.3%	4.0%		4.2%	
Share of group Revenue%	16.9%	17.2%		16.9%	
Share of group EBITDA%	16.5%	14.5%		16.1%	

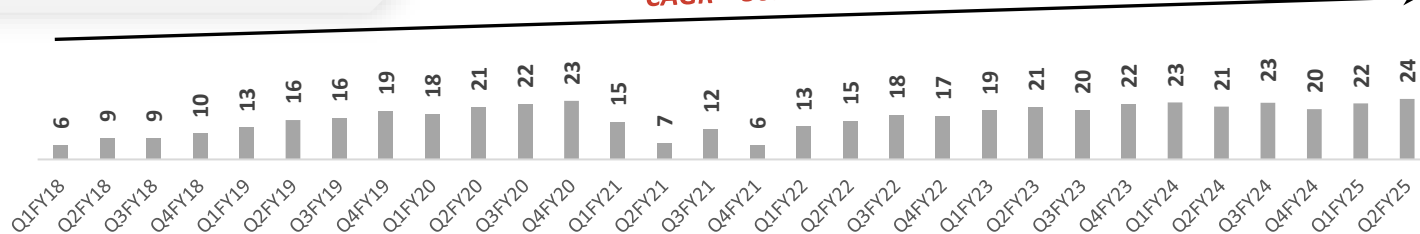
Quarterly Revenue Trend (₹ cr.)

CAGR – 26.8%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 30.4%*



*FY17-24 CAGR%



Cash Logistics Solutions Segment Update

Q2 FY25

Revenue
₹176.8 cr.



13.1% Y-o-Y

EBITDA
₹30.4 cr.



20.6% Y-o-Y

PAT*
₹12.2 cr.



-8.1% Y-o-Y



In the journey of unlocking shareholder value, our business has transformed itself from a mere provider of cash logistics to a Bank Outsourcing Solutions (BOS) provider. SIS Prosegur achieved the highest-ever quarterly revenues of ₹176.8 cr. and an EBITDA of ₹30.4 cr. with a 17.2% EBITDA margin, up by 107 bps from Q2 FY24.

Rituraj Sinha

Chairman, SIS-Prosegur

Unlocking shareholder value

With the decision to unlock the value of Cash JV for SIS shareholders, all our advisors including merchant bankers and counsels have been appointed.

Walker Chandiok & Co LLP has been appointed as the auditor for the Cash JV

Walker Chandiok & Co LLP, a top 5 audit firm, has been appointed as the auditor for SIS Prosegur.

Credit rating upgrade by CRISIL

The credit ratings for Cash entities were upgraded for long-term bank facilities from A/Positive to A+/Stable. The rating for short-term credit facilities remains unchanged i.e., A1 (reaffirmed)

Cash remains King in India

Cash in circulation (CIC) far outpaced the ATM growth, growing at a 15.0% CAGR from FY17 to FY24. On the other hand, the number of ATMs grew at a CAGR of a mere ~0.7% over the same period. CIC to GDP ratio was ~13% and CIC has grown 2x post demonetization to ₹35.2 Tn in FY24. This is driven by India's robust GDP growth, and future growth estimates, among the highest globally.

From a leader in cash logistics to BOS leader. #2 in the industry

Since 2017 our business has transformed itself into a Bank Outsourcing Solutions (BOS) provider, rather than merely a cash logistics provider. 75%+ revenue comes from direct relationships with banks, leading to improved margins and profitability. The business has increased and widened the depth of its engagement with customers, offering more and new innovative technology solutions.

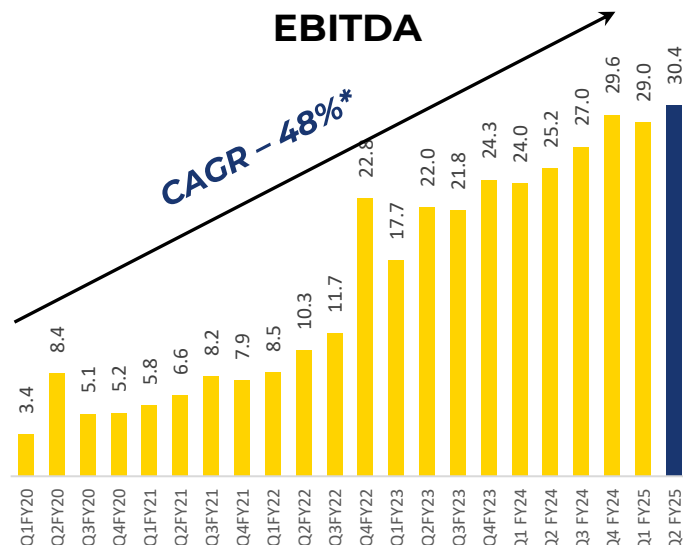
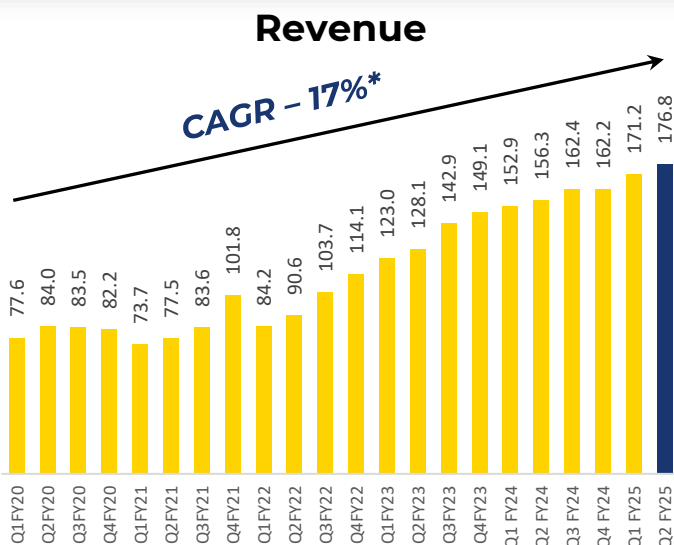
The fastest growing player in the industry

We are the #2 Cash Management player in India with a 17% overall market share. The JV is the #1 Cash in Transit (CIT) player with 42% market share. We achieved 24%+ revenue CAGR from FY21 to FY24. The JV grew the fastest as compared to its peers, with a CAGR of over 2x the peer group average.

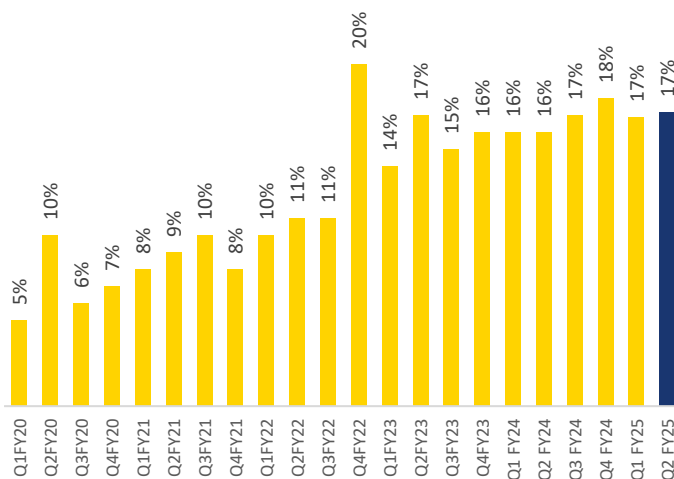
* Q2-FY24 PAT was higher compared to Q2-FY25 due to the benefit of carryforward losses. Q2-FY25 PAT was also impacted by a lower 80JJAA benefit

Historical Financial Trends

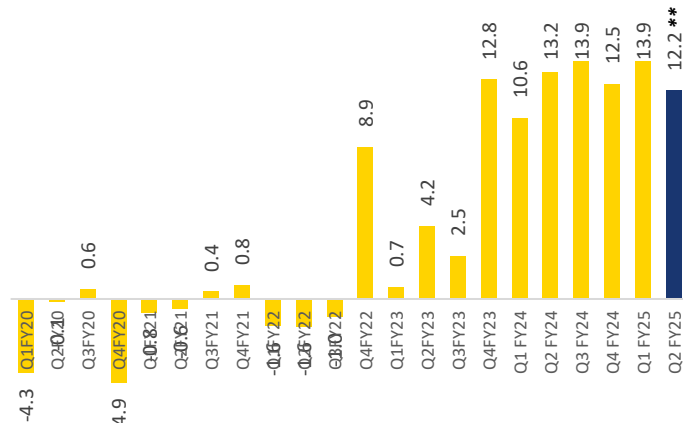
Quarterly Trend (₹ cr.)



EBITDA Margin



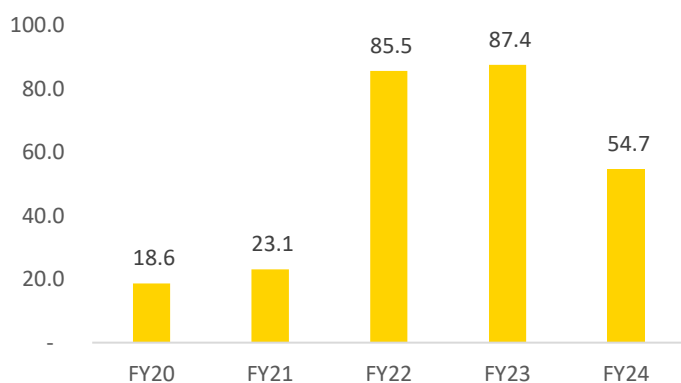
PAT



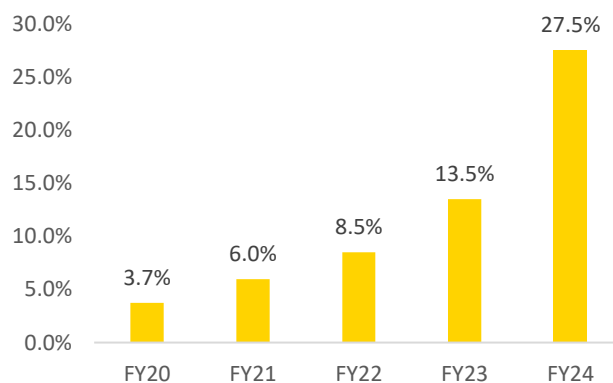
*CAGR computed from FY20 to FY24

** Q2-FY24 PAT was higher compared to Q2-FY25 due to the benefit of carryforward losses. Q2-FY25 PAT was also impacted by a lower 80JJA benefit

Capex^ (₹ cr.)



RoCE# (%)



^ Capex spent incl. capital work-in-progress (CWIP) and additions to capex;
ROCE incl. lease liability as a part of the capital employed

CEO's Commentary on Business Performance for the quarter



Oscar Esteban
CEO, SIS-Prosegur JV

Non - ATM Services

- **Cash in Transit (CIT):** Revenue grew 20.7% y-o-y in Q2 FY25, driven by new contracts won and tariff increases. The revenue growth was fueled by the increasing revenue contribution of public banks to more than 50%. We successfully deployed 107 commercial vehicles (CVs) in Q2 FY25 with a monthly revenue of ₹163 lakhs.
- **Door-Step Banking (DSB):** Revenue grew by 2.2% y-o-y in Q2 FY25 driven by new order wins. Deeper penetration and direct contracts with retail customers were the key growth drivers.
- **Innovative solutions** continued its growth momentum with 98.4% y-o-y growth in Q2 FY25 (incl. one-off revenue of ₹1.1 cr. of HDFC office on wheels. Excluding the one-off revenue, growth of innovative solutions is 84.6%). Innovative solutions now account for 9.3% of the total revenue in Q2-FY25 up from 5.3% in Q2-FY24. Major achievements:
 - **Cash Process Outsourcing (CPO):** SIS-Prosegur continues to be the market leader in CPO, as the only service provider in more than 20% of the bank outsourced currency chests in India, through this unique value proposition. In Q2 FY25, we successfully deployed 11 CPO solutions for PSUs with a monthly revenue of ₹17+ lakhs.
 - **Bullion:** Over 14.5x growth in monthly run-rate (Sep-24 vs Sep-23) through jewelry delivery. We successfully deployed 3 CVs for bullion movement with a monthly revenue of ₹4 lakhs+.
 - **PEGE:** Our end-to-end cash management solution, PEGE, delivered 108.3% y-o-y growth in Q2 FY25.
 - **CashToday:** Revenue grew 36.3% y-o-y in Q2 FY25.

ATM Services

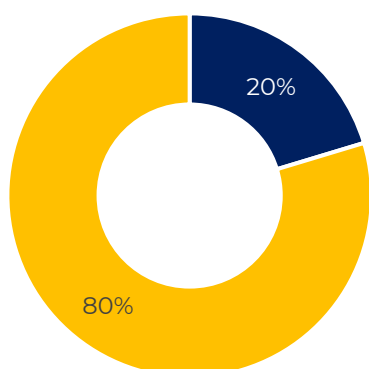
- **ATM:** Revenue declined by 5.5% y-o-y in Q2 FY25 due to the company's focused approach on quality rather than quantity and as we were selective about banks and customers. During Q2-FY25 we had one of the lowest level of deductions. Our market leadership on conversion to RBI/MHA regulation and to the cassette swap operational mode, continued, with conversions exceeding 93% and 29%, respectively, of all ATMs under service as of Sep-24. The average rate per ATM in Sep-24 was ₹12,000+ per serviced ATM.

Consolidated Financial Results & Commentary

Particulars (In ₹cr.)	Q2 FY25	Q2 FY24	Y-o-Y Change %	H1 FY25	H1 FY24	Y-o-Y Change %
Revenue	176.8	156.3	13.1%	348.0	309.2	12.5%
EBITDA	30.4	25.2	20.6%	59.4	49.2	20.9%
EBITDA Margin%	17.2%	16.1%		17.1%	15.9%	
Depreciation	8.3	8.2	1.7%	16.8	15.5	8.9%
Finance Costs	6.3	6.0	4.8%	11.8	12.1	-2.4%
Other income	3.2	3.7	-14.2%	5.0	5.1	-1.2%
Earnings Before Taxes	18.9	14.7	28.8%	35.8	26.7	34.3%
EBT Margin%	10.7%	9.4%		10.3%	8.6%	
Tax Expenses	6.8	1.5		9.7	2.9	
Profit After Taxes	12.2	13.2	-8.1%	26.1	23.8	9.7%
PAT Margin%	6.9%	8.5%		7.5%	7.7%	
OCF	38.2	44.9		66.5	63.8	
OCF to EBITDA%	125.7%	177.9%		111.8%	129.8%	
Net Debt	93.1	138.7		93.1	138.7	
Net Debt to EBITDA	0.80	1.46		0.80	1.46	

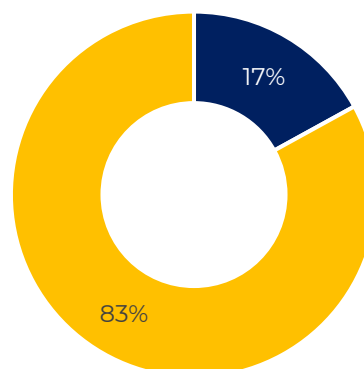
Revenue Mix

Q2 FY24



■ ATM ■ Non-ATM

Q2 FY25



■ ATM ■ Non-ATM

Leverage and Financing

Cash flows, Leverage (Net Debt) and Return Ratios

Net Debt / EBITDA was 0.80 as at end of Q2 FY25, improved compared to 0.94 as at end of Q1 FY25 due to repayment of loans during the quarter.

OCF/EBITDA on a consolidated basis was a healthy 125.7% for the quarter.

Return Ratios: Our Consolidated Return on Capital employed (ROCE) which is a reflection of the operating earnings as a percentage of operating capital is **30.5%** and Return on Equity (RoE) is **34.2%**.

Q2 FY25 Cash Flow:

Particulars (in ₹cr.) Consolidated	September 2024
PBT	18.9
Cash Profit	33.3
Changes in working capital	8.7
Taxes paid	-3.8
Net Operating cash flows	38.2
Capex	-15.1
Investments made/realised	0.0
Other items	0.0
Net Investing cash flows	-15.1
Borrowings, net	-1.0
Lease liability	-2.9
Interest paid	-0.8
Other items	0.0
Net financing cash flows	-4.8
Net change in cash flows	18.3
EBITDA	30.4
OCF/EBITDA%	125.7%

Net Debt

The movement in Net debt for Q2 FY25 is provided in the table and chart below:

Particulars (in ₹cr.)	September 2024	June 2024
Borrowings	196.5	197.6
Add: Lease liabilities	46.4	37.9
Gross Debt	242.9	235.5
Less: Cash and Cash Equivalents	149.8	131.5
Net Debt	93.1	104.0

Company Overview



PROSEGUR

GLOBAL

Market leader

170,000+

Employees

10,000+

Vehicles for
cash
movement

34

Countries

SIS PROSEGUR
LEADER IN CASH LOGISTICS

JV since 2012

~9,000

ATMs

11,500+

Employees

3,200+

Cash vans

25,000+

Retail Points



15

Regions



90+

Branches

SIS-Prosegur is the 2nd largest cash management solutions provider in India

Services Overview

SIS-Prosegur offers a Comprehensive Range of Traditional Cash Management Solutions...



Cash in Transit (CIT)



Cash Pickup & Delivery (DSB)



ATM Cash Replenishment and FLM



Cash Assistant – Cash Processor

...along with New, Innovative Solutions



Bullion Management



Value Cargo



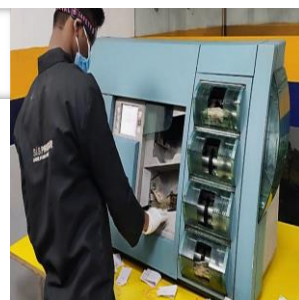
PEGE



CashToday



Cash Processing Outsourcing



World class technology and innovation to enhance efficiency



Bank on Wheels:

Description: Fully equipped mobile bank branch.

Tech Aspect: Leveraging mobile technology to bring banking services to underserved areas, ensuring financial inclusion and convenience.



World-class NoC:

Description: Control Center for risk mitigation.

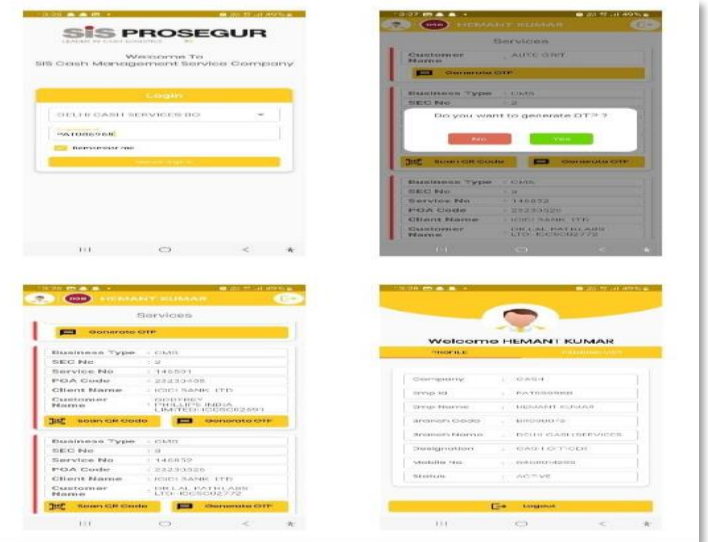
Tech Aspect: Utilizing advanced technologies for real-time operations risk tracking, enhancing security and operational efficiency.



Cash Today:

Description: Holistic back-office end to end solution for retail cash.

Tech Aspect: On-line solution with cash loss risk covered by SIS-Prosegur, which makes retail owners forgetting about cash management, connecting physical and online operations seamlessly.



Applications for Service Data:

Description: : Seamlessly capturing service data from PoS to billing.

Tech Aspect: Integrating cutting-edge applications to streamline data capture and processing, ensuring accuracy and efficiency from point-of-sale to billing, bringing visibility to operations.

Harnessing robust technology to drive efficiency, security, and innovation across our services