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Hexaware

FOR IMMEDIATE RELEASE

Hexaware Reports Q1CY26 Revenue at USD 388.5 Mn, Up 4.6% YoY Q1CY26 EPS at INR 5.77, Increase of 7.2% YoY

Mumbai, May 06, 2026 – Hexaware Technologies (NSE: HEXT), a global provider of IT solutions and services, today announced financial results for the first quarter of calendar year 2026 ended March 31, 2026.

Financial Summary and Highlights

	USD Mn			INR Mn		
	Q1CY26	QoQ (%)	YoY (%)	Q1CY26	QoQ (%)	YoY (%)
Revenue	388.5	(0.1%)	4.6%	36,130	3.9%	12.6%
EBIT	50.4	78.0%	(5.1%)	4,801	88.9%	5.7%
PAT	36.9	13.5%	(3.7%)	3,516	20.6%	7.5%

Constant Currency Growth	Q1CY26	
	QoQ %	YoY %
Revenue	(0.3%)	3.2%

Revenue:

- Q1CY26: USD 388.5 Mn | INR 36,130 Mn
 - **USD:** (0.1%) QoQ and +4.6% YoY | **INR:** +3.9% QoQ and +12.6% YoY
 - **Constant Currency:** (0.3%) QoQ and +3.2% YoY

Profitability:

- **EBIT⁽¹⁾:**
 - **Q1CY26:** 13.0% | (6 bps) QoQ and (133 bps) YoY in % terms
 - (0.6%) QoQ and (5.1%) YoY in absolute terms
- **Basic EPS:**
 - **Q1CY26:** INR 5.77 | 20.5% QoQ and +7.2% YoY

Key Client Metrics

- Added two more customers in the USD 10Mn+ category (LTM basis), increasing the total to 34 from 32 in the previous quarter
- Top 10 customer revenue concentration at 35.9% in Q1CY26 (LTM basis)

Key People Metrics

- Closing Headcount: 33,798, QoQ net reduction of 46 with 124 net addition in IT
- Voluntary Attrition for IT⁽²⁾: 11.1%
- Q1CY26 Utilization Rate for IT⁽³⁾: 82.6%

Other Key Metrics

- DSO (Billed + Unbilled) at 75 in Q1CY26, of which Billed is 44
- LTM Q1CY26 Operating Cash Flow (OCF) to Reported Profit % at 125.1%
- Cash and Cash Equivalents Position as of Mar 31, 2026, is USD 220 Mn^{(4) (5)}

Leadership Speak

"The most defensible moat in the AI world is trust in relationships with customers. Our customers trust us to be their AI transformation partner to bring the power of AI to all facets of their IT and business. This represents a significant growth opportunity, and we are well poised to accelerate growth through 2026."

R. Srikrishna, CEO

"Q1 continued to reflect the strength and discipline of our financial engine. We had yet another quarter of strong cash generation, with industry leading LTM OCF to PAT conversion of 125%+. This healthy balance sheet and consistent cash flows enabled us to declare the first interim dividend of ₹8.5 per share, reinforcing our commitment to disciplined capital allocation and shareholder returns"

Vikash Jain, CFO

Notes: (1) EBIT in USD terms, QoQ and YoY growth is calculated against adjusted EBIT. (2) Voluntary attrition rate for the IT service line is calculated as the total number of IT business professionals and support function professionals who left the company voluntarily during the period, divided by the average number of IT business professionals and support function professionals during the period, computed on a trailing twelve-month basis. (3) Utilization rate for IT is calculated as the total hours IT business professionals spent on customer-billed assignments, divided by the total available base hours. IT business professionals designated as Mavericks (campus hires) are included in the utilization computation after the completion of an initial training period of up to four months. (4) This includes restricted cash balance and MF investments (5) Exchange rate used is 94.84.

Financial Performance

Revenue Performance by Vertical

In USD Million	Q1CY26 QoQ	Q1CY26 YoY
Financial Services	(1.8%)	1.4%
Healthcare and Insurance	9.8%	13.5%
Manufacturing and Consumer	(1.6%)	13.2%
Professional Services	1.3%	(6.3%)
Banking	(7.8%)	21.1%
Travel and Transportation	(8.9%)	(7.5%)
Technology, Products & Platforms	(0.4%)	(23.5%)
Total Revenue	(0.1%)	4.6%

Revenue Performance by Geography

In USD Million	Q1CY26 QoQ	Q1CY26 YoY
Americas	0.2%	2.5%
Europe	0.9%	11.6%
Asia Pacific	(6.6%)	9.8%
Total Revenue	(0.1%)	4.6%

Key Wins

- Won a digital ITO and cloud migration deal with a premier American audio equipment manufacturer
- Secured the second phase of a consolidation deal with a large global bank
- Won a consolidation deal with a large European bank
- Secured a consolidation deal with a global professional services firm
- Selected by a US-based data storage company for AI-led fab optimization
- Selected by a leading digital workspace platform for Agentic Application Maintenance and Support (AMS)
- Selected by a top-tier American data center company for identity-led cybersecurity
- Secured an opportunity to scale GCC with a leading provider of wealth management and technology solutions

Condensed Consolidated Statements of Financial Position

Consolidated Statement of Profit and Loss- Quarterly

In INR million (unless stated otherwise)	Change				
	Q1CY26	Q4CY25	Q1CY25	QoQ (%)	YoY (%)
Revenue (USD Mn)	388.5	389.0	371.5	(0.1%)	4.6%
Revenue - Constant Currency				(0.3%)	3.2%
Revenue (INR Mn)	36,130	34,782	32,079	3.9%	12.6%
(-) Employee Benefits Expense	21,457	20,403	18,622	5.2%	15.2%
(-) Other Expenses	8,965	10,600	8,179	(15.4%)	9.6%
(-) D&A	907	1,237	735	(26.7%)	23.4%
Reported EBIT	4,801	2,542	4,543	88.9%	5.7%
<i>Reported EBIT Margin (%)</i>	<i>13.3%</i>	<i>7.3%</i>	<i>14.2%</i>	598 bps	-87 bps
(+) Other Income	-47	-97	44	(51.5%)	(206.8%)
(+) Change in FV of Cont. Consideration	264	2,233	-	(88.2%)	-
(-) Finance Costs	290	312	224	(7.1%)	29.5%
Profit Before Exceptional Items and Tax	4,728	4,366	4,363	8.3%	8.4%
Impact of New Labour Codes	-	1,111	-	-	-
Profit Before Tax	4,728	3,255	4,363	45.3%	8.4%
Total Tax Expense	1,212	339	1,092	257.5%	11.0%
Reported Profit	3,516	2,916	3,271	20.6%	7.5%
<i>Reported Profit Margin (%)</i>	<i>9.7%</i>	<i>8.4%</i>	<i>10.2%</i>	135 bps	-47 bps
Basic EPS (INR)	5.77	4.79	5.38	20.5%	7.2%

Consolidated Balance Sheet Statement

In INR million	As of period ending	
	Mar'26	Dec'25
Assets		
Property, plant and equipment, and intangible assets	9,706	9,415
Right-of-use assets	6,359	6,116
Goodwill	37,778	35,768
Capital work-in-progress	497	505
Deferred tax assets (net)	4,496	4,043
Other non-current assets & investments in Equity Shares	1,826	1,789
Trade receivables and unbilled revenue	30,678	25,431
Other current assets	4,905	4,655
Cash and cash equivalents (inc. restricted and Mutual Fund Investments)	20,891	21,324
Total Assets	1,17,136	1,09,046
Equity and Liabilities		
Equity	609	609
Other equity and reserves	67,214	62,549
Non-controlling interests	(33)	(32)
Total Equity	67,790	63,126
Non-current liabilities	1,267	535
Deferred tax liabilities (net)	20	23
Lease liabilities	7,132	6,807
Trade payables	8,972	10,069
Other current liabilities	20,538	17,458
Contingent consideration	6,297	6,354
Provisions	5,120	4,674
Total Liabilities	49,346	45,920
Total Equity and Liabilities	1,17,136	1,09,046

Consolidated Statement of Cash Flows

In INR million (unless stated otherwise)	Q1CY26	Q1CY25
Profit before tax	4,728	4,363
D&A, ESOP cost, Finance cost & other items	1,075	1,241
Changes in working capital	(5,235)	(5,162)
Taxes	(644)	(549)
Net cash used in operating activities (OCF)	(76)	(107)
Capex	(410)	(440)
Investment in MFs and Interest on Fixed Deposits	517	279
Payment toward acquisition of business	(215)	-
Net cash used in investing activities	(108)	(161)
Proceeds from issue of shares	51	-
Borrowing and lease payments	(591)	(463)
Net cash used in financing activities	(540)	(463)
Net cash outflow	(724)	(731)

Conference Call Information

Hexaware Technologies will host its Q1 financial earnings conference call for CY 2026 on May 07, 2026, at 8:00 AM (IST), for investors and analysts following the announcement of the results to the stock exchanges.

Please find below the options to join the conference call.

Option 1 – Webcast

Participants who would like to join the **video webcast** can use the below link for registration:

<https://hexaware-q1cy26-earnings-call-may-2026.open-exchange.net/>

The session will include a live Q&A opportunity, and a recording will be available on the Company's website a few hours after the call concludes.

Option 2 – Dial In (Listen Only)

Please join the call 5–10 minutes early to ensure that you are connected to the call on time.

To join the listen-only line, kindly use the dial-in ID and passcode provided below:

Webinar ID: 929 7554 5508

Password: 266701

Location	Phone Number
India	<ul style="list-style-type: none">+91 22 71 279 525+91 226 480 2722 Toll Free: <ul style="list-style-type: none">000 800 050 2340
Singapore	<ul style="list-style-type: none">+65 3165 1065 Toll Free: <ul style="list-style-type: none">800 852 6054
Hong Kong	<ul style="list-style-type: none">+852 5803 3731 Toll Free: <ul style="list-style-type: none">800 931 645
United Arab Emirates	Toll Free: <ul style="list-style-type: none">800 035 704 555
United Kingdom	<ul style="list-style-type: none">+44 203 481 5240 Toll Free: <ul style="list-style-type: none">0 800 358 2817
United States	<ul style="list-style-type: none">+1 646 876 9923 Toll Free: <ul style="list-style-type: none">833 548 0276

More international numbers available here: <https://openexc.zoom.us/j/acYBFboRAZ>

Additionally, the Investor presentation and call transcript will be made available on the Company's website at www.hexaware.com.

About Hexaware

We are a global digital and technology services company with artificial intelligence (“AI”) at our core. We leverage technology to deliver innovative solutions that help our customers in their digital transformation journey and subsequent operations. We embed AI into every aspect of our solutions and have created a suite of platforms and tools that allow our customers to adapt, innovate, and optimize in this AI-first era. We serve a diverse range of customers, including 30+ Fortune 500 organizations. With a team of 33,798 employees in 30+ countries, our presence is spread across major countries, nationalities, languages, time zones, and regulatory zones. For more information, please visit <https://hexaware.com/>.

Forward-looking Statements

Certain statements in this press release concerning our future growth prospects, litigations are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. 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, intense competition in IT services including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on work visa ,immigration, our ability to manage our international operations, the effect of current and any future tariffs, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, technological disruptions and innovations such as Generative AI ,our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies' products and platforms in which Hexaware has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies, the outcome of pending litigation and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward statements. We do not undertake to update any forward statements that may be made from time to time by us or on our behalf unless required under the law.

Disclaimer

Use of Non-GAAP Financials

Hexaware has included certain non-GAAP financial measures in this Press release to supplement Hexaware's consolidated financial statements presented on a GAAP basis. These non-GAAP financial measures may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of Hexaware's results as reported under GAAP. The non-GAAP financial information that we provide also may differ from the non-GAAP information provided by other companies. We compensate for the limitations on our use of these non-GAAP financial measures by relying primarily on our GAAP financial statements and using non-GAAP financial measures only supplementally. We believe that providing these non-GAAP financial measures in addition to the related GAAP measures provides investors with greater transparency. We further believe that providing this information better enables investors to understand Hexaware's operating performance and financial condition

Rounding Off

Certain amounts and percentage figures included in this Press Release have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them

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