



EARNINGS PRESS RELEASE JUNE 30, 2025

# Where AI Meets Human Experience

Your Strategic Partner in Digital Product Engineering

R Systems International Limited



## **R Systems Announces Results for Q2 2025 QoQ Revenue Growth 5.6% in US\$ Terms**

Greater Noida, India – August 13, 2025: R Systems International Limited (BSE- 532735; NSE-RSYSTEMS), a leading digital product engineering company that designs and builds next-gen products, platforms, and digital experiences, empowering clients across various industries to achieve revenue growth and operational efficiency.

### **Highlights**

#### **Consolidated results for the quarter ended June 30, 2025**

- Revenue Rs. 4,620 mn (US\$ 54.0 mn); QoQ growth of 4.4% in INR terms and 5.6% in US\$ terms
- Adj. EBITDA Rs. 797 mn (US\$ 9.3 mn) i.e. 17.3% against 16.5% in Q2 2024 and 17.4% in Q1 2025; YoY Growth of 11.7%
- Adj. Net profit after taxes ^ Rs. 464 mn (US\$ 5.4 mn); YoY growth of 53.4%.
- 6 key wins during the quarter

#### **Consolidated results for the half year ended June 30, 2025**

- Revenue Rs. 9,045 mn (US\$ 105.1 mn); YoY Growth of 6.6% in INR terms and 3.1% in US\$ term
- Adj. EBITDA Rs. 1,565 mn (US\$ 18.2 mn) i.e. 17.3% as against 15.5% for H1 2024; YoY Growth of 19.2%
- Adj. Net profit after taxes ^ Rs. 898 mn (US\$ 10.4 mn); YoY growth of 44.6%

**Nitesh Bansal, Managing Director, and CEO** stated “We are pleased to report quarterly revenue of Rs 4,620 million (US\$ 54.0 million), marking a QoQ growth of 5.6% in US\$ terms while H1 2025 revenue stood at Rs 9,045 million (US\$ 105.1 million), up 3.1% YoY in US\$. These results reflect our continued focus on delivering digital and product engineering services across global markets. Our focus on Data, AI, cloud, mobility, intelligent automation along with customer centric and platform-driven delivery continues to position us as a trusted partner for digital transformation.”

He added, “We continue to strengthen our market position through partnerships that accelerate AI adoption and deepen our cloud-native capabilities. Our collaboration with Mavvrik enables proactive cost control in AI and hybrid environments, while our advanced specialization in Kubernetes and five Microsoft Solutions Partner designations reinforce our leadership in modern cloud architectures.”

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<sup>^</sup> Net profit after taxes is before considering share-based payment expense relating to restricted stock units (“RSUs”) granted to the employees and non-recurring items



**Nand Sardana, CFO** said “R Systems has delivered a good financial performance in Q2 and H1 2025, on the back of discipline in execution and large deals helping in maintaining Adjusted EBITDA margins.”

He added, “We continued to have a strong balance sheet with Cash balance of Rs 2,033 million along with equity attributable to shareholders of Rs 6,925 million.”

### **Key Deal Wins**

A brief for few key wins is as follows:

A leading AI-driven work management platform partnered with R Systems to strengthen its digital ecosystem by leveraging our capabilities in digital product engineering and data analytics.

A leading Europe-based technology company, specializing in secure data collaboration within automotive ecosystems, engaged R Systems to drive its digital transformation journey. The engagement involved leveraging Azure infrastructure to develop a simplified platform based on Catena-X standards and integrating AI capabilities into the existing system.

A US-based provider of data-driven educational solutions in healthcare partnered with R Systems to extend its development capabilities to accelerate product innovation and speed to market.

One of the world’s leading financial institutions has partnered with R Systems to modernize its reporting infrastructure using GenAI, aiming to streamline client migrations and accelerate platform adoption.

A globally renowned beauty and skincare brand has engaged R Systems to implement Microsoft Dynamics Business Central and LS Retail to optimize and digitalize its end-to-end business processes yielding financial visibility and operational excellence across the enterprise.

### **Liquidity and Shareholder Funds**

Cash and bank balances, net of short-term borrowing as of June 30, 2025, were Rs. 2,033 mn compared to Rs. 1,961 mn as of December 31, 2024. Total equity attributable to shareholders as of June 30, 2025, was Rs. 6,925 mn compared to Rs. 6,241 mn as of December 31, 2024.

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended June 30, 2025

(As per Ind AS)

(Rs. in mn, except per share data)

Sr. No.	Particulars	Quarter Ended		
		June 30, 2025	March 31, 2025	June 30, 2024
<b>1</b>	<b>Income</b>			
(a)	Revenue from operations	4,620.15	4,424.65	4,320.43
(b)	Other income ^	469.67	22.79	42.61
	<b>Total income</b>	<b>5,089.82</b>	<b>4,447.44</b>	<b>4,363.04</b>
<b>2</b>	<b>Expenses</b>			
(a)	Employee benefits expense @	3,049.24	2,985.48	2,973.19
(b)	Finance costs	21.41	14.90	20.03
(c)	Depreciation and amortisation expense	158.43	146.01	167.41
(d)	Other expenses	868.91	733.77	734.20
	<b>Total expenses</b>	<b>4,097.99</b>	<b>3,880.16</b>	<b>3,894.83</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>991.83</b>	<b>567.28</b>	<b>468.21</b>
<b>4</b>	<b>Tax expense</b>			
(a)	Current tax	251.99	156.70	252.40
(b)	Deferred tax charge / (credit)	(18.70)	24.65	(33.02)
	<b>Total tax expense</b>	<b>233.29</b>	<b>181.35</b>	<b>219.38</b>
<b>5</b>	<b>Net profit for the period (3-4)</b>	<b>758.54</b>	<b>385.93</b>	<b>248.83</b>
<b>6</b>	<b>Earnings per share (not annualized) (Equity share of par value of Re. 1/- each)</b>			
(a)	Basic *	6.41	3.26	2.10
(b)	Diluted *	6.12	3.12	2.10

^ includes Rs. 435.95 mn in Q2 2025 on account of profit on sale of land, building and certain other assets located at Company's NOIDA office.

@ including share-based payment expense of Rs. 48.72 mn in Q2 2025, Rs. 62.48 mn in Q1 2025 & Rs. 79.72 mn in Q2 2024 w.r.t. RSUs.

\*Adj. Basic Earnings per share excluding RSUs expense and non-recurring items net of tax is Rs. 3.92 in Q2 2025, Rs. 3.66 in Q1 2025 & Rs. 2.56 in Q4 2024.

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Six Months Ended June 30, 2025

(As per Ind AS)

(Rs. in mn, except per share data)

Sr. No.	Particulars	Six Months Ended	
		June 30, 2025	June 30, 2024
<b>1</b>	<b>Income</b>		
(a)	Revenue from operations	9,044.80	8,486.84
(b)	Other income ^	492.46	62.09
	<b>Total income</b>	<b>9,537.26</b>	<b>8,548.93</b>
<b>2</b>	<b>Expenses</b>		
(a)	Employee benefits expense @	6,034.72	5,922.53
(b)	Finance costs	36.31	48.45
(c)	Depreciation and amortisation expense	304.44	333.02
(d)	Other expenses	1,602.68	1,412.87
	<b>Total expenses</b>	<b>7,978.15</b>	<b>7,716.87</b>
<b>3</b>	<b>Profit before tax (1+2)</b>	<b>1,559.11</b>	<b>832.06</b>
<b>4</b>	<b>Tax expense</b>		
(a)	Current tax ^	408.69	383.95
(b)	Deferred tax charge / (credit)	5.95	(75.59)
	<b>Total tax expense</b>	<b>414.64</b>	<b>308.36</b>
<b>5</b>	<b>Net profit for the period (3-4)</b>	<b>1,144.47</b>	<b>523.70</b>
<b>6</b>	<b>Earnings per share (not annualized) (Equity share of par value of Re. 1/- each)</b>		
	Basic	9.67	4.43
	Diluted	9.23	4.42

^ includes Rs. 435.95 mn during six months ended June 30, 2025, on account of profit on sale of land, building and certain other assets located at Company's NOIDA office.

@ including share-based payment expense of Rs. 111.20 mn during six months ended June 30, 2025 & 144.37 mn during the same period last year w.r.t. RSUs.

\* Adj. Basic Earnings per share excluding RSUs expense and non-recurring items net of tax is Rs. 7.59 during six months ended June 30, 2025, as against Rs. 5.25 during the same period last year.

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended June 30, 2025 (Contribution Analysis Format – Non-GAAP)

(FIGURES IN MN)

Particulars	Q2 2025		Q1 2025		Q2 2024	
	INR	US\$	INR	US\$	INR	US\$
<b>Revenues</b>	<b>4,620.15</b>	<b>53.98</b>	<b>4,424.65</b>	<b>51.11</b>	<b>4,320.43</b>	<b>51.80</b>
Cost of revenues	2,956.70	34.54	2,800.49	32.35	2,786.31	33.40
<b>Gross margin</b>	<b>1,663.45</b>	<b>19.44</b>	<b>1,624.16</b>	<b>18.76</b>	<b>1,534.12</b>	<b>18.40</b>
	36.00%		36.71%		35.51%	
SG & A Expenses	866.02	10.12	856.07	9.89	820.26	9.84
	18.74%		19.35%		18.99%	
<b>Adj. EBITDA</b>	<b>797.43</b>	<b>9.32</b>	<b>768.09</b>	<b>8.87</b>	<b>713.86</b>	<b>8.56</b>
	17.26%		17.36%		16.52%	
Cost of RSUs	48.72	0.57	62.48	0.72	79.72	0.95
<b>EBITDA</b>	<b>748.71</b>	<b>8.75</b>	<b>705.61</b>	<b>8.15</b>	<b>634.14</b>	<b>7.61</b>
	16.21%		15.95%		14.68%	
Depreciation and amortisation	158.43	1.85	146.01	1.69	167.41	2.01
<b>EBIT before non-recurring cost</b>	<b>590.28</b>	<b>6.90</b>	<b>559.60</b>	<b>6.46</b>	<b>466.73</b>	<b>5.60</b>
Non-recurring Income / (expense) #	<b>409.36</b>	<b>4.75</b>	-	-	-	-
<b>EBIT</b>	<b>999.64</b>	<b>11.65</b>	<b>559.60</b>	<b>6.46</b>	<b>466.73</b>	<b>5.60</b>
Interest expense	(21.41)	(0.25)	(14.90)	(0.17)	(20.03)	(0.24)
Other income (net)	13.60	0.16	22.58	0.26	21.52	0.26
<b>Income before income tax</b>	<b>991.83</b>	<b>11.56</b>	<b>567.28</b>	<b>6.55</b>	<b>468.21</b>	<b>5.62</b>
Tax expense	233.29	2.72	181.35	2.09	219.38	2.64
<b>Net profit<sup>^</sup></b>	<b>758.54</b>	<b>8.84</b>	<b>385.93</b>	<b>4.46</b>	<b>248.83</b>	<b>2.98</b>

# Q2 2025 consists of profit on sale of land, building and certain other assets located at Company's NOIDA office as offset by finding fees paid for Chief Sales Officer.

<sup>^</sup> Adjusted Net Profit after tax amounting to Rs. 464.38 mn (US\$ 5.42 mn) for Q2 2025, Rs. 433.72 mn (US\$ 5.01 mn) for Q1 2025 and Rs. 302.65 mn (US\$ 3.63 mn) for Q2 2024

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Six Months Ended June 30, 2025 (Contribution Analysis Format – Non-GAAP)

(FIGURES IN MN)

Particulars	Jan to Jun 2025		Jan to Jun 2024	
	INR	US\$	INR	US\$
<b>Revenues</b>	<b>9,044.80</b>	<b>105.09</b>	<b>8,486.84</b>	<b>101.97</b>
Cost of revenues	5,757.19	66.89	5,548.06	66.66
<b>Gross margin</b>	<b>3,287.61</b>	<b>38.20</b>	<b>2,938.78</b>	<b>35.31</b>
	36.35%		34.63%	
SG & A Expenses	1,722.09	20.01	1,625.17	19.53
	19.04%		19.15%	
<b>Adj. EBITDA</b>	<b>1,565.52</b>	<b>18.19</b>	<b>1,313.61</b>	<b>15.78</b>
	17.31%		15.48%	
Cost of RSUs	111.20	1.29	144.37	1.73
<b>EBITDA</b>	<b>1,454.32</b>	<b>16.90</b>	<b>1,169.24</b>	<b>14.05</b>
	16.08%		13.78%	
Depreciation and amortisation	304.44	3.54	333.02	4.00
<b>EBIT before non-recurring cost</b>	<b>1,149.88</b>	<b>13.36</b>	<b>836.22</b>	<b>10.05</b>
Non-recurring Income / (expense) #	<b>409.36</b>	<b>4.75</b>	-	-
<b>EBIT</b>	<b>1,559.24</b>	<b>18.11</b>	<b>836.22</b>	<b>10.05</b>
Interest expense	(36.31)	(0.42)	(48.45)	(0.58)
Other income (net)	36.18	0.42	44.29	0.53
<b>Income before income tax</b>	<b>1,559.11</b>	<b>18.11</b>	<b>832.06</b>	<b>10.00</b>
Tax expense	414.64	4.81	308.36	3.71
<b>Net profit<sup>^</sup></b>	<b>1,144.47</b>	<b>13.30</b>	<b>523.70</b>	<b>6.29</b>

# Six months ended Jun 30, 2025 consists of profit on sale of land, building and certain other assets located at Company's NOIDA office as offset by finding fees paid for Chief Sales Officer.

<sup>^</sup> Adjusted Net Profit after tax for six months ended June 30, 2025, amounting to Rs. 898.10 mn (US\$ 10.43 mn) as against Rs. 621.18 mn (US\$ 7.46 mn) for the same period last year.

## Financial Performance

### Consolidated Balance Sheet as at June 30, 2025 (As per Ind AS)

(Rs. in mn)

	Particulars	As at	
		June 30, 2025	December 31, 2024
		Unaudited	Audited
	<b>ASSETS</b>		
<b>A.</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	480.70	436.83
	(b) Capital work in progress	23.18	-
	(c) Investment property	13.73	14.47
	(d) Right-to-use assets	614.02	495.85
	(e) Goodwill	2,844.28	2,836.24
	(f) Other Intangible assets	1,861.95	1,923.55
	(g) Intangible assets under development	-	40.53
	(h) Financial assets		
	(i) Investment	0.03	0.03
	(ii) Other financial assets	69.64	58.21
	(i) Deferred tax assets (net)	394.34	392.01
	(j) Non-current tax assets (net)	22.14	45.59
	(k) Other non-current assets	41.67	37.91
	<b>B. Total non-current assets (A)</b>	<b>6,365.68</b>	<b>6,281.22</b>
	<b>Current assets</b>		
	(a) Financial assets		
	(i) Trade receivables	3,193.13	2,573.09
	(ii) Cash and cash equivalents	2,451.90	1,900.89
	(iii) Bank balances other than cash and cash equivalents	12.33	36.57
	(iv) Other financial assets	871.41	797.66
	(b) Other current assets	758.90	502.36
	<b>Total current assets (B)</b>	<b>7,287.67</b>	<b>5,810.57</b>
	<b>C. Assets held for sale</b>	-	64.00
	<b>Total assets (A+B+C)</b>	<b>13,653.35</b>	<b>12,155.79</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>A.</b>	<b>Equity</b>		
	(a) Equity share capital	118.38	118.31
	(b) Other equity	6,806.39	6,122.19
	(c) Non controlling interest	2,407.00	2,407.00
	<b>Total equity (A)</b>	<b>9,331.77</b>	<b>8,647.50</b>
	<b>Liabilities</b>		
<b>B.</b>	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	19.57	13.01
	(ii) Lease liabilities	643.03	561.28
	(iii) Other financial liabilities	15.42	12.18
	(b) Provisions	372.45	327.63
	<b>Total non-current liabilities (B)</b>	<b>1,050.47</b>	<b>914.10</b>
<b>C.</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	524.99	64.32
	(ii) Lease liabilities	116.46	90.21
	(iii) Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	0.64	3.30
	- total outstanding dues of creditors other than micro enterprises and small enterprises	524.55	402.93
	(iv) Other financial liabilities	607.73	908.42
	(b) Other current liabilities	775.72	556.99
	(c) Provisions	455.71	383.21
	(d) Current tax liability (net)	265.31	184.81
	<b>Total current liabilities (C)</b>	<b>3,271.11</b>	<b>2,594.19</b>
	<b>Total liabilities (B+C)</b>	<b>4,321.58</b>	<b>3,508.29</b>
	<b>Total equity and liabilities (A+B+C)</b>	<b>13,653.35</b>	<b>12,155.79</b>



## Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	Jun 30, 2025	Mar 31, 2025	Jun 30, 2024
Revenues	100.00	100.00	100.00
Gross margin	36.00	36.71	35.51
SG & A	18.74	19.35	18.99
Adj. EBITDA #	17.26	17.36	16.52
EBITDA #	16.21	15.95	14.68
EBIT #	12.78	12.65	10.80
Adj. PAT ^	10.05	9.80	7.01

# Before non-recurring item

^ Before RSU's expense and non-recurring items net of tax

Revenue from Top 10 Clients	Quarter ended		
	Jun 30, 2025	Mar 31, 2025	Jun 30, 2024
Top 10 Clients	24.62%	24.80%	21.86%
Top 5 Clients	17.26%	17.69%	14.11%
Top 3 Clients	13.13%	13.01%	10.50%
Largest Client	6.09%	6.15%	5.16%

Revenues by Geographies	Quarter ended		
	Jun 30, 2025	Mar 31, 2025	Jun 30, 2024
North America	74.86%	74.78%	75.13%
Europe	8.83%	8.89%	8.27%
Southeast Asia	12.90%	12.72%	12.87%
India	2.28%	2.43%	2.36%
Others	1.13%	1.18%	1.37%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Utilization (including trainees)	Quarter ended		
	Jun 30, 2025	Mar 31, 2025	Jun 30, 2024
Onsite	96.59%	96.37%	97.28%
Offshore	80.70%	81.96%	80.13%
Blended	82.64%	83.86%	82.80%

## Consolidated Operational Data (Un-audited)

Human resources	As at		
	Jun 30, 2025	Mar 31, 2025	Jun 30, 2024
<b>Technical</b>	<b>4,040</b>	<b>3,844</b>	<b>3,705</b>
<b>Software services</b>			
Onsite	494	501	570
Offshore	2,620	2,481	2,365
<b>KS</b>			
Offshore	902	845	756
Trainees	24	17	14
<b>Support</b>	<b>521</b>	<b>525</b>	<b>534</b>
<b>Total count</b>	<b>4,561</b>	<b>4,369</b>	<b>4,239</b>

(Rs. in mn, except DSO)

Key Balance Sheet Data	As at	
	Jun 30, 2025	Dec 31, 2024
Receivable including unbilled	4,279	3,396
Receivable in days (“DSO”) including unbilled	68	61
Cash and bank balance #	2,033	1,961
Total equity attributable to shareholders	6,925	6,241

# net of short-term borrowing

### Notes:

1. US\$ equivalent figures are derived by converting the Rupee figures using average rates for profit & loss items and closing rate for balance sheet items.
2. Previous period's figures have been regrouped wherever applicable, to the extent possible, to conform to the current period presentation.



## About R Systems

R Systems is a leading digital product engineering company that designs and builds next-gen products, platforms, and digital experiences, empowering clients across various industries to overcome digital barriers, put their customers first, and achieve higher revenues and operational efficiency. Further, our knowledge service offerings cover revenue cycle management, back-office service, technical support, and customer care using multi-lingual capabilities and global delivery platform.

We constantly innovate and bring fresh perspectives to harness the power of the latest technologies like cloud, automation, AI, ML, analytics, Mixed Reality, etc. Our 4,500+ technology expeditioners across seventeen (17) development and service centres are driven to explore new digital paths, leaving no stone unturned in our quest to deliver services and solutions that drive meaningful impact.

Our product mindset and engineering capabilities allow us to partner with the key players in the Tech industry, including ISVs (independent software vendors), SaaS companies, and product companies in Telecom, Media, Fintech, Insurtech, and Healthtech verticals.

### Safe Harbor:

Investors are cautioned that this presentation contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation publicly to update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performance, or achievements could differ from those expressed or implied in such forward-looking statements.

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