



H1FY21 Revenue up by 19.0% Y-o-Y to Rs 1,521 million

Chennai, 05th November, 2020: Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (BSE: 533121) (NSE: EXPLEOSOL), announced its **Second quarter and half years** results ended on 30th September, 2020. Expleo Solutions is a specialist in providing quality assurance services for Banking, Financial and Insurance (BFSI) Software, and an independent quality assurance service provider listed in India. The results are available on the company's website, <https://expleosolutions.com>

PERFORMANCE HIGHLIGHTS

Consolidated Q2FY21 Q-o-Q Review

- The operating revenue was Rs 736 million in Q2FY21 as compared to Rs 758 million during the previous quarter.
- Total income was Rs 747 million in Q2FY21 as compared to Rs 774 million during the previous quarter.
- EBITDA stood at Rs 177 million with the margin at 24.0% in Q2FY21 as compared to Rs 194 million with the margin at 25.5% during the previous quarter.
- Profit after tax stood at Rs 128 million in Q2FY21 as compared to Rs 141 million during the previous quarter.
- Basic EPS stood at Rs 12.27 as compared to Rs 13.91 for Q1FY21.
- The Company's net cash position stood at Rs 1,079 million in Q2FY21 as compared to Rs 1,002 million during the previous quarter.

Consolidated Q2FY21 Y-o-Y Review

- The operating revenue was Rs 736 million in Q2FY21 as compared to Rs 657 million in Q2FY20; a growth of 12.1%.
- Total income was Rs 747 million in Q2FY21 as compared to Rs 658 million in Q2FY20; a growth of 13.5%.
- EBITDA stood at Rs 177 million with the margin at 24.0% in Q2FY21 as compared to Rs 144 million with the margin at 22.0% in Q2FY20, a growth of 22.2%.
- Profit after tax stood at Rs 128 million in Q2FY21 as compared to Rs 84 million in Q2FY20, a growth of 52.9%.



- Basic EPS stood at Rs 12.27 as compared to Rs 8.55 for Q2FY20.

Consolidated H1FY21 Y-o-Y Review

- The operating revenue was Rs 1,494 million as compared to Rs 1,265 million in H1FY20, reflecting a growth of 18.1%. Operating revenue for H1FY21 includes Rs NIL towards sale of SEIS Scrips as compared to Rs 9.8 million in H1FY20
- Total income was Rs 1,521 million as compared to Rs 1,278 million in H1FY20, reflecting a growth of 19.0%.
- EBITDA stood at Rs 370 million with the margin at 24.8% in H1FY21 as compared to Rs 247 million with the margin at 19.5% in H1FY20
- Profit after tax stood at Rs 270 million as compared to Rs 151 million in H1FY20, reflecting a growth of 79.1%.
- Basic EPS stood at Rs 26.18 as compared to Rs 14.87 in H1FY20.
- The Company's net cash position stood at Rs 1,079 million during the half year under review as compared to Rs 763 million in Sep 30, 2019.

Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited (Formerly known as SQS India BFSI Limited), said "The quarter gone by has shown positive trends and prospects, and in line with the expectations of recovery over the next 2-3 quarters. The marginal decline in revenue this quarter is driven by temporary pause, deferment, and discounts due to COVID. The demand is showing green shoots and while customers are taking cautious steps the demand is increase and could be signs of sustained recovery. Digital services across legacy modernisation, customer experience, cloud migration, security and automation are areas that we see client and partner interest.

The challenges related to pandemic is showing signs of easing but we are not out of the woods yet. We had some of the projects getting postponed and scaling down continued with some of our large clients. We have made some initial strides in our plan in the US with a couple of wins during this quarter despite the travel restrictions, albeit small. We have been making investments, both ourselves and from



the Group in upskilling, Digital technology partnerships and on tools. The investments are expected to continue as we build our capabilities on the latest technologies and a high skilled team(s).

We signed 6 new clients during this quarter, while our Top 5 and Top 10 clients are remaining almost the same in terms of quantum, however the share is now close to 54 % (from 59% in 2019). New clients and our focus on specialised testing services, New gen testing platforms, digital services segment are growing faster thus enabling us to broaden our service portfolio and in positioning ourselves better with our clients and partners.

In line with our past quarters, we continue to manage our costs tightly, the temporary measures that we had implemented to contain costs are being reviewed and reversed. We will be going ahead with our annual increases in January 2021 (after a 6 month delay) and are building a pay for performance culture especially for the Managers. We will continue to invest in 2021 on people, technology and partnerships to build a sustainable growth model."

About Expleo Solutions Limited

Expleo Solutions Limited (formerly known as SQS India BFSI Limited) is part of Expleo Group, a trusted partner for end-to-end and integrated engineering, quality and management consulting services for digital transformation. Our combined group offers access to sector-specific expertise and best practices across consultancy and business agility, product design, production and inservice support, as well as continuous quality.

Expleo Solutions Limited is the leading Business Assurance and Testing Specialist focusing exclusively on the Financial Sector. With a successful track record of over 20 years, we help our clients to roll out their products and services on schedule, whilst mitigating quality risks. Our end-to-end expertise spans business agility, continuous quality and management consulting. Providing best-shoring solutions, our clients benefit from secure, controlled and customercentric delivery centres, combined with Expleo's global delivery model and capabilities. The company has served 150 plus customers in APAC, USA, UK and Middle East.

It is a public company listed in both BSE and NSE with its registered office in Chennai. The company is ISO 9001:2015 and ISO 27001:2013 certified, both its Chennai Test Centres are SSAE 16/ISAE 3402 and PCI: DSS compliant.

Its financial software testing services have helped system integrators and product development companies to achieve near defect-free rollouts of software products such as TS



PRIME, TS2®, First Vision®, Oracle FLEXCUBE®, T24, Equation, B@ncs24, CS Eximills, FinnOne™, Kondor+, Siebel, Newton, Kastle, Genius, Premia, MIDAS, ClarityQ and Finacle.

For more information, see <https://expleosolutions.com/>

About Expleo Technology Germany GmbH

Expleo Technology is the leading global provider of quality assurance services for digital business. This position stems from over 30 years of successful consultancy operations. Our local heritage dates back 40 years, with a proud history in engineering and quality assurance. Expleo Technology consultants provide solutions for all aspects of quality throughout the whole software product lifecycle driven by a standardized methodology, industrialized automation processes and deep domain knowledge in various industries.

Headquartered in Cologne, Germany, our 2,500 strong team, based in all major German cities, brings global delivery capabilities for engineering services, quality services and management consulting, reinforcing our position as a partner of trust with our industry-leading clients.

For more information, see <https://expleogroup.com/>

For further information, please contact:

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