

**Expleo Solutions Limited**

CIN No:L64202TN1998PLC066604

Registered & Corporate office : 6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4,

Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai-600 096, INDIA.

Website: www.investors.expleo.com; Tel:+91 44 4392 3200

Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2023**(Rs. In Millions)**

S. No.	Particulars	Quarter ended			Year ended	
		31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
		(Audited)	(Unaudited) Refer Note 4	(Audited) Refer Note 4	(Audited)	(Audited) Refer Note 4
1	Revenue from Operations	2,310.75	2,402.10	1,955.39	9,032.95	7,425.35
2	Other Income	38.63	134.15	58.20	161.09	60.35
3	Total Income (1+2)	2,349.38	2,536.25	2,013.59	9,194.04	7,485.70
4	EXPENSES					
	a) Employee benefits expense	1,325.23	1,124.85	1,129.67	4,798.88	3,840.36
	b) Cost of material consumed and other direct costs	8.98	23.40	3.13	73.19	81.14
	c) Finance Cost	4.83	12.29	7.71	22.56	12.12
	d) Depreciation and amortisation expense	72.12	70.25	47.45	278.84	187.64
	e) Other expenses	545.20	532.61	522.66	2,159.51	2,263.37
	Total Expenses (4)	1,956.36	1,763.40	1,710.62	7,332.98	6,384.63
5	Profit/(loss) before exceptional items and tax (3-4)	393.02	772.85	302.97	1,861.06	1,101.07
6	Exceptional Items	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	393.02	772.85	302.97	1,861.06	1,101.07
8	Tax expense					
	a) Current Tax	63.69	216.27	32.36	482.98	272.69
	b) Deferred Tax Charge/ (Credit)	38.70	2.96	53.18	39.20	151.60
9	Profit/(loss) for the period (7-8)	290.63	553.62	217.43	1,338.88	676.78
10	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss					
	Remeasurement of the defined benefit obligation	(1.51)	5.67	(19.15)	22.95	(4.77)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.40	(1.35)	4.81	(5.29)	1.64
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10) (Comprising Profit/(Loss) for the period and Other Comprehensive Income)	289.52	557.94	203.09	1,356.54	673.65
	Attributable to:					
	Owners of the parent	289.52	557.94	203.09	1,356.54	673.65
	Non-controlling interests	-	-	-	-	-
12	Of the Total Comprehensive Income above, Profits for the year attributable to:					
	Owners of the parent	290.63	553.62	217.43	1,338.88	676.78
	Non-controlling interests	-	-	-	-	-
13	Of the Total Comprehensive Income above, Other comprehensive income attributable to:					
	Owners of the parent	(1.11)	4.32	(14.34)	17.66	(3.13)
	Non-controlling interests	-	-	-	-	-
14	Paid Up Equity Share Capital (Face value of Rs.10/- each, fully paid up)	155.20	155.20	155.20	155.20	155.20
15	Other Equity	-	-	-	5,147.12	3,790.58
16	Earnings per Equity Share (Face value of Rs.10/- each) (for continuing operations) (Refer Note 5)					
	- Basic (Rs.)	18.73	35.67	14.01	86.27	43.61
	- Diluted (Rs.)	18.73	35.67	14.01	86.27	43.61

See accompanying notes to the Audited Consolidated Financial Results.

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Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2023**Consolidated Balance Sheet as at March 31, 2023****(Rs. In Millions)**

Particulars	31-Mar-23	31-Mar-22
	(Audited)	(Audited) Refer Note 4
ASSETS		
A. NON CURRENT ASSETS		
(a) Property, Plant and Equipment	1,152.66	1,057.84
(b) Intangible Assets	267.36	25.24
(c) Capital work-in-progress	60.62	60.62
(d) Financial Assets		
(i) Other Non-Current Financial Assets	41.55	28.39
(e) Deferred Tax Asset	-	38.32
(f) Income Tax Asset (Net)	93.58	74.64
(g) Other Non Current Assets	158.65	169.92
TOTAL NON CURRENT ASSETS	1,774.42	1,454.97
B. CURRENT ASSETS		
(a) Inventories	-	22.70
(b) Financial Assets		
(i) Trade Receivables	2,394.10	1,737.13
(ii) Cash and Cash Equivalents	1,525.31	1,730.80
(iii) Bank balances other than (ii) above	31.78	64.94
(iv) Loans	466.11	192.68
(v) Other Current Financial Assets	426.04	180.05
(c) Other Current Assets	684.52	556.99
TOTAL CURRENT ASSETS	5,527.86	4,485.29
TOTAL ASSETS	7,302.28	5,940.26
EQUITY AND LIABILITIES		
A. EQUITY		
(a) Equity Share Capital	155.20	155.20
(b) Other Equity	5,147.12	3,790.58
TOTAL EQUITY	5,302.32	3,945.78
B. LIABILITIES		
NON CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	3.93	4.57
(ii) Lease liabilities	218.76	105.62
(b) Deferred Tax Liabilities	6.17	-
(c) Provisions	93.75	138.38
TOTAL NON CURRENT LIABILITIES	322.61	248.57
CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	0.78	0.78
(ii) Lease liabilities	39.11	36.12
(iii) Trade Payables		
(a) Total outstanding dues of Micro enterprises and small enterprises	1.09	4.01
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	637.30	724.38
(iv) Other Current Financial Liabilities	687.93	588.60
(b) Other Current Liabilities	133.97	262.57
(c) Provisions	30.23	40.32
(d) Current Tax Liabilities (Net)	146.94	89.13
TOTAL CURRENT LIABILITIES	1,677.35	1,745.91
TOTAL EQUITY AND LIABILITIES	7,302.28	5,940.26



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Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2023

Notes to the Audited Consolidated Financial Results:-

- The above Consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 25, 2023. The Consolidated financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the relevant Amendment Rules issued thereafter.
- The Statutory auditors, Kalyaniwalla & Mistry LLP have issued their report with unmodified opinion on the consolidated financial results. Amounts for the year ended March 31, 2022 included in the Statement are based on the previously issued financial statements of the Transferor Companies, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('previous GAAP'), which were audited by the predecessor auditors of those Transferor companies, whose reports expressed an unmodified opinion on the audited financial statements. The Management has adjusted these results of the Transferor companies for the differences in accounting principles under the previous GAAP and Indian Accounting Standards ('Ind AS') which have been approved by the Company's Board of Directors and audited by the Statutory auditors.
- Pursuant to Regulation 33(3)(c) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has decided to submit to the stock exchanges the Unaudited Financial Results (Standalone and Consolidated) for the first three quarters of the current financial year 2022-23 and Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended March 31, 2023.
- Approval to the scheme of amalgamation ("the Scheme") involving, Expleo India Infosystems Private Limited (EIPL) (Transferor Company 1), Expleo Technologies India Private Limited (Transferor Company 2), Expleo Engineering India Private Limited (Transferor Company 3), and Silver Software Development Centre Private Limited (Transferor Company 4), all entities under common control, with Expleo Solutions Limited (ESL) (Transferee Company), and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 was accorded by the NCLT Chennai Bench vide its Order pronounced on February 15, 2023, by the NCLT Mumbai Bench vide its Order pronounced on February 17, 2023 and by the NCLT Bengaluru Bench vide its Order pronounced on February 28, 2023. The Scheme has come into operation from April 1, 2023, which shall be deemed to be the Effective Date, with the Appointed Date of April 1, 2022. Considering that the Transferor Companies are entities under common control, as defined in Ind AS 103 - Business Combinations, the Company has accounted for the said business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 - Business Combinations. In accordance with the requirements of Appendix C of Ind AS 103 - Business Combinations, the audited Consolidated financial results of the Company in respect of prior periods have been restated from the effective date. Increase / decrease in previous period published numbers are as given below:

Impact on Statement of Profit & Loss

(Rs. in Millions)

Particulars	Quarter Ended		Quarter Ended		Year Ended	
	31-Dec-22		31-Mar-22		31-Mar-22	
	Published	Restated	Published	Restated	Published	Restated
Revenue from Operations	1,351.19	2,402.10	1,135.52	1,955.39	4,045.10	7,425.35
Profit before Tax	388.69	772.85	248.10	302.97	721.45	1,101.07
Profit after Tax	289.36	553.62	186.38	217.43	539.04	676.78

Impact on Balance Sheet

(Rs. in Millions)

Particulars	Year Ended	
	31-Mar-22	
	Published	Restated
Net Worth	2,551.98	3,945.78
Total Assets	3,443.76	5,940.26

- Pursuant to the Scheme of Amalgamation as detailed in Note 4 above, the Company has issued 5,267,254 equity shares to the Shareholder of the merging entities on May 9, 2023. These new shares have been considered for the purpose of computation of the earnings per share as per the requirements of Ind AS 33 for the year ended March 31, 2023, and for each of the comparative periods. The earnings per share (basic and diluted) for the interim periods have not been annualized.
- The figures for the quarters ended March 31 as reported in these results are the balancing figures between audited figures in respect of the years ended March 31 and the published year to date figures upto the end of the third quarter of the relevant financial years (herein restated on account of the Scheme of Amalgamation). Also the figures upto the end of the third quarter (herein restated on account of the Scheme of Amalgamation) had only been reviewed and not subjected to audit.
- The Chief Operating Decision Maker (CODM) evaluates the performance of the Company based on revenue and operating income in one segment i.e "Software Validation and Verification Services, Software Development and Engineering consultancy services" related to BFSI, Aerospace, Automotive, Defence and Rail Industry . Accordingly, as per Ind AS-108, "Operating Segments" the Company has only one business segment and hence segment information has not been separately disclosed.
- Other Income (Sl. No. 2) and Other Expenditure (Sl. No. 4 d) above includes Net Foreign Exchange Gain and Loss respectively for each reporting period as under:

(Rs. in Millions)

Particulars	Quarter ended			Year ended	
	31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
Net Exchange Gain / Loss	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Other Income	12.93	127.93	50.40	107.17	22.18
Other Expenses	-	-	-	-	-

Financial Results of Expleo Solutions Limited (Standalone information):

(Rs. in Millions)

Particulars	Quarter ended			Year ended	
	31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Net Sales / Income from Operations	2,310.75	2,402.10	1,955.39	9,032.95	7,425.35
Profit/ (Loss) from ordinary activities before tax	374.08	719.43	297.10	1,735.38	1,052.23
Net Profit/ (Loss) from ordinary activities after tax	275.09	504.75	213.18	1,232.60	636.02

- The Consolidated Financial Results include the results of 100% Wholly owned Subsidiaries, i.e. Expleo Solutions Inc., USA, Expleo Solutions Pte. Ltd., Singapore, Expleo Solutions FZE, UAE and Expleo Solutions UK Limited, UK.
- Revenue and Profit for the Oct'22 to Dec'22 quarter includes a one time payment resolution to the tune of Rs. 282 million received from a customer.
- The Board of Directors of the Company have recommended a Final Dividend of Rs.5/- per equity share of Rs. 10 each. (50%)

By order of the Board
For Expleo Solutions Limited

Place: Chennai
Date: May 25, 2023

Balaji Viswanathan
Managing Director & CEO

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Audited Consolidated Statement of Cash Flows for the Year ended March 31, 2023

Particulars	(Rs. In Millions)	
	Year ended	
	31-Mar-23	31-Mar-22
	(Audited)	(Audited)
A. Cash flow from operating activities		
Profit before tax	1,861.06	1,101.07
Adjustment for:		
Investment knock off pursuant to scheme of Merger	-	(1,336.11)
Depreciation and Amortization Expense	278.84	187.64
Profit on sale of Property, Plant and Equipment	(8.47)	(0.80)
Unrealized forex exchange loss/(gain) (Net)	17.01	(5.58)
Interest income	(39.53)	(23.93)
Finance Cost	22.56	12.12
Allowance for credit loss	11.18	0.29
Unwinding of discount on security deposits	(0.92)	(0.80)
Operating profit before working capital changes	2,141.73	(66.10)
Adjustment for:		
(Increase)/ Decrease in Trade Receivables	(703.19)	412.39
Decrease in Non Current Financial Assets	(12.24)	4.11
Decrease/ (Increase) in Other Current Financial Assets	(242.19)	105.33
(Increase)/Decrease in Inventory	22.70	(22.70)
(Increase) in Other Current Assets	(120.29)	(409.36)
(Increase)/ Decrease in Other Non-Current Assets	11.27	13.30
Increase/ (Decrease) in Trade Payables	(74.40)	505.90
(Increase)/ Decrease in Loans	(273.43)	2.98
Increase in Other Current Financial Liabilities	124.07	(13.35)
(Decrease)/ Increase in Other Current Liabilities	(128.29)	(40.49)
Increase in Provisions	(54.72)	23.51
Cash generated from operations	691.02	515.52
Direct taxes paid (net of refunds)	(460.21)	(273.17)
Net cash flow from operating activities (A)	230.81	242.35
B. Cash flow from investing activities		
Proceeds from maturity of Fixed Deposits	1,919.09	668.07
Investment in bank deposits having maturity greater than 3 months	(1,885.93)	(399.52)
Payments for purchase of Property, Plant and Equipment and Intangible Assets	(441.95)	(254.28)
Proceeds from sale of Property, Plant and Equipment	9.38	3.47
Interest received on deposit with banks/ loan to a related party	39.53	23.93
Net cash flow used in investing activities (B)	(359.88)	41.67
C. Cash Flow from financing activities		
Lease liability paid	(51.46)	(94.34)
Proceeds from Borrowings	-	4.57
Repayment of Borrowings	(0.64)	(5.24)
Interest on borrowing paid	(1.27)	(8.15)
Interest paid on Lease liability	(12.34)	(0.48)
Net cash from/(used in) financing activities (C)	(65.71)	(103.64)
Net Increase in cash & cash equivalents (A+B+C)	(194.78)	180.38
Effect of changes in exchange rate on cash and cash equivalents	(10.71)	(8.01)
Cash & cash equivalents at the beginning of the year	1,730.80	1,558.43
Cash and cash equivalents at the end of the year	1,525.31	1,730.80