

(expleo)

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: <https://investors.expleo.com> ; Tel:+91 44 4392 3200

Statement of Unaudited Consolidated Financial Results for the Quarter and Six months ended September 30, 2024

(Rs. In Millions)

| S. No. | Particulars | Quarter ended | | | Six months ended | | Year ended |
|-----------|--|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|
| | | 30-Sep-24 | 30-Jun-24 | 30-Sep-23 | 30-Sep-24 | 30-Sep-23 | 31-Mar-24 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Revenue from Operations | 2,592.58 | 2,521.65 | 2,341.14 | 5,114.23 | 4,592.33 | 9,648.70 |
| 2 | Other Income | 126.79 | 21.96 | 16.21 | 139.35 | 33.02 | 75.13 |
| 3 | Total Income (1+2) | 2,719.37 | 2,543.61 | 2,357.35 | 5,253.58 | 4,625.35 | 9,723.83 |
| 4 | EXPENSES | | | | | | |
| | a) Employee benefits expense | 1,523.65 | 1,479.51 | 1,386.30 | 3,003.16 | 2,726.43 | 5,748.37 |
| | b) Cost of material consumed and other direct costs | 32.23 | - | 3.69 | 32.23 | 22.07 | 49.84 |
| | c) Finance Cost | 9.68 | 6.82 | 6.00 | 16.50 | 12.25 | 26.09 |
| | d) Depreciation and amortisation expense | 95.23 | 93.63 | 80.84 | 188.86 | 161.44 | 336.66 |
| | e) Other expenses | 613.89 | 654.14 | 612.10 | 1,258.63 | 1,176.15 | 2,367.13 |
| | Total Expenses (4) | 2,274.68 | 2,234.10 | 2,088.93 | 4,499.38 | 4,098.34 | 8,528.09 |
| 5 | Profit before exceptional items and tax (3-4) | 444.69 | 309.51 | 268.42 | 754.20 | 527.01 | 1,195.74 |
| 6 | Exceptional Items | - | - | - | - | - | - |
| 7 | Profit before tax (5-6) | 444.69 | 309.51 | 268.42 | 754.20 | 527.01 | 1,195.74 |
| 8 | Tax expense | | | | | | |
| | a) Current Tax | 120.54 | 85.98 | 74.47 | 206.52 | 141.89 | 331.83 |
| | b) Deferred Tax (Net) | (30.70) | (15.49) | (11.21) | (46.19) | (21.94) | (40.48) |
| 9 | Profit after tax for the period (7-8) | 354.85 | 239.02 | 205.16 | 593.87 | 407.06 | 904.39 |
| 10 | Other Comprehensive Income | | | | | | |
| | A (i) Items that will not be reclassified to profit or loss | | | | | | |
| | Remeasurement of the defined benefit obligation | 2.59 | (1.75) | (5.43) | 0.84 | (6.87) | (22.76) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (0.43) | (0.04) | 0.68 | (0.47) | 1.14 | 5.16 |
| | B (ii) Items that will be reclassified to profit or loss | - | - | - | - | - | - |
| | (iii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| 11 | Total Comprehensive Income for the period (9+10) (Comprising Profit for the period and Other Comprehensive Income) | 357.01 | 237.23 | 200.41 | 594.24 | 401.33 | 886.79 |
| | Attributable to: | | | | | | |
| | Owners of the parent | 357.01 | 237.23 | 200.41 | 594.24 | 401.33 | 886.79 |
| | Non-controlling interests | - | - | - | - | - | - |
| 12 | Of the Total Comprehensive Income above, Profits for the year attributable to: | | | | | | |
| | Owners of the parent | 354.85 | 239.02 | 205.16 | 593.87 | 407.06 | 904.39 |
| | Non-controlling interests | - | - | - | - | - | - |
| 13 | Of the Total Comprehensive Income above, Other comprehensive income attributable to: | | | | | | |
| | Owners of the parent | 2.16 | (1.79) | (4.75) | 0.37 | (5.73) | (17.60) |
| | 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 | 155.20 |
| 15 | Other Equity | - | - | - | - | - | 5,956.31 |
| 16 | Earnings per Equity Share (Face value of Rs.10/- each) (Refer Note 7) | | | | | | |
| | - Basic (Rs.) | 22.86 | 15.40 | 13.22 | 38.26 | 26.23 | 58.27 |
| | - Diluted (Rs.) | 22.86 | 15.40 | 13.22 | 38.26 | 26.23 | 58.27 |
| | See accompanying notes to the Unaudited Consolidated Financial Results. | | | | | | |

Consolidated Balance Sheet as at September 30, 2024

(Rs. In Millions)

| Particulars | 30-Sep-24 | 31-Mar-24 |
|--|-----------------|-----------------|
| | (Unaudited) | (Audited) |
| ASSETS | | |
| A. NON CURRENT ASSETS | | |
| (a) Property, Plant and Equipment | 1,139.78 | 1,063.24 |
| (b) Capital work-in-progress | - | 45.44 |
| (c) Goodwill | 19.00 | 19.00 |
| (d) Other Intangible Assets | 179.83 | 232.00 |
| (e) Financial Assets | | |
| (i) Other Financial Assets | 79.88 | 38.19 |
| (f) Deferred Tax Asset | 85.30 | 39.55 |
| (g) Income Tax Asset (Net) | 176.15 | 159.92 |
| (h) Other Non Current Assets | 120.49 | 73.23 |
| TOTAL NON CURRENT ASSETS | 1,800.43 | 1,670.57 |
| B. CURRENT ASSETS | | |
| (a) Financial Assets | | |
| (i) Investments | - | 150.28 |
| (ii) Trade Receivables | 2,601.50 | 2,493.56 |
| (iii) Cash and Cash Equivalents | 2,736.93 | 1,761.38 |
| (iv) Bank balances other than (iii) above | 24.99 | 79.26 |
| (v) Loans | 490.84 | 471.96 |
| (vi) Other Financial Assets | 635.55 | 402.64 |
| (b) Other Current Assets | 465.12 | 617.90 |
| TOTAL CURRENT ASSETS | 6,954.93 | 5,976.98 |
| TOTAL ASSETS | 8,755.36 | 7,647.55 |
| EQUITY AND LIABILITIES | | |
| A. EQUITY | | |
| (a) Equity Share Capital | 155.20 | 155.20 |
| (b) Other Equity | 6,550.55 | 5,956.31 |
| TOTAL EQUITY | 6,705.75 | 6,111.51 |
| B. LIABILITIES | | |
| NON CURRENT LIABILITIES | | |
| (a) Financial Liabilities | | |
| (i) Lease liabilities | 258.42 | 209.82 |
| (ii) Other Financial Liability | 217.50 | 185.71 |
| (b) Deferred Tax Liabilities | - | - |
| (c) Provisions | 114.11 | 104.26 |
| TOTAL NON CURRENT LIABILITIES | 590.03 | 499.79 |
| CURRENT LIABILITIES | | |
| (a) Financial Liabilities | | |
| (i) Lease liabilities | 70.15 | 50.74 |
| (ii) Trade Payables | | |
| (a) Total outstanding dues of Micro enterprises and small enterprises | 4.86 | 4.71 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 713.89 | 272.10 |
| (iii) Other Financial Liabilities | 347.93 | 463.90 |
| (b) Provisions | 88.19 | 71.16 |
| (c) Current Tax Liabilities (Net) | 85.23 | 58.60 |
| (d) Other Current Liabilities | 149.33 | 115.04 |
| TOTAL CURRENT LIABILITIES | 1,459.58 | 1,036.25 |
| TOTAL EQUITY AND LIABILITIES | 8,755.36 | 7,647.55 |

Consolidated Statement of Cash Flows for the period ended September 30, 2024

(Rs. In Millions)

| Particulars | Six months ended | |
|--|------------------|-----------------|
| | 30-Sep-24 | 30-Sep-23 |
| A. Cash flow from operating activities | | |
| Profit before tax | 754.20 | 527.01 |
| Adjustment for: | | |
| Depreciation and Amortization Expense | 188.86 | 161.45 |
| Profit on sale of Property, Plant and Equipment | (0.18) | (0.05) |
| Unrealized forex exchange (gain) / loss | (69.45) | 56.75 |
| Interest income | (29.30) | (31.90) |
| Net gain on disposal / fair valuation of investments | (20.00) | - |
| Finance Cost | 16.50 | 12.25 |
| Allowance for credit loss | 27.21 | 0.30 |
| Unwinding of discount on security deposits | (3.02) | (1.07) |
| Operating profit before working capital changes | 864.82 | 724.74 |
| Adjustment for working capital changes - (Increase) / Decrease : | | |
| Trade Receivables | (122.74) | (501.46) |
| Non-Current Financial Assets | 12.19 | 9.08 |
| Other Current Financial Assets | (164.71) | 129.16 |
| Other Current Assets | 147.69 | (3.67) |
| Non-Current Assets | (46.85) | 16.29 |
| Adjustment for working capital changes - Increase / (Decrease) : | | |
| Other Non-Current Financial Liabilities | 31.79 | - |
| Trade Payables | 439.67 | (278.02) |
| Other Current Financial Liabilities | (123.82) | (97.89) |
| Other Current Liabilities | 33.73 | 48.02 |
| Provisions | 26.87 | 38.97 |
| Cash generated from operations | 1,098.64 | 85.22 |
| Direct taxes paid (net of refunds) | (195.31) | (187.08) |
| Net cash flow from/(used in) operating activities (A) | 903.33 | (101.86) |
| B. Cash flow from investing activities | | |
| Proceeds from maturity of Fixed Deposits | 2,282.59 | - |
| Investment in bank deposits | (2,325.67) | (67.67) |
| Payments for purchase of Property, Plant and Equipment and Intangible Assets | (62.75) | (62.25) |
| Proceeds from sale of Property, Plant and Equipment | 0.21 | 0.06 |
| Interest received on deposit with banks | 8.19 | 12.12 |
| Interest received on loan given to a related party | 31.44 | 19.78 |
| Purchase of investments | (1,450.00) | - |
| Proceeds from redemption of investments | 1,620.28 | - |
| Net cash flow from/(used in) investing activities (B) | 104.29 | (97.96) |
| C. Cash Flow from financing activities | | |
| Lease liability paid | (29.56) | (16.08) |
| Interest on Lease liability | (16.51) | (12.25) |
| Repayment of Borrowings | - | (0.61) |
| Interest on Borrowings | - | (0.20) |
| Dividends paid | - | (77.60) |
| Net cash (used in) financing activities (C) | (46.07) | (106.74) |
| Net Increase/(Decrease) in cash & cash equivalents (A+B+C) | 961.55 | (306.56) |
| Effect of changes in exchange rate on cash and cash equivalents | 14.00 | (24.03) |
| Cash & cash equivalents at the beginning of the year | 1,761.38 | 1,525.31 |
| Cash and cash equivalents at the end of the period | 2,736.93 | 1,194.72 |

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Statement of Unaudited Consolidated Financial Results for the Quarter and Six months ended September 30, 2024

Notes to the Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2024:-

- 1 The above Consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2024. The unaudited consolidated interim financial information has been prepared in accordance with the recognition and measurement principles of the applicable Ind AS standards 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 of the Company have performed a limited review of the unaudited financial results for the quarter and six months ended September 30, 2024.
- 2 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 2024-25 and Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended March 31, 2025.
- 3 The Chief Operating Decision Maker (CODM) evaluates the performance of the Group based on revenue and operating income in one segment i.e. Software Validation, Verification, Development and engineering/consultancy & other services. Accordingly, as per Ind AS-108, "Operating Segments" the Company has only one business segment and hence segment information has not been separately disclosed.
- 4 Other Income (Sl. No. 2) and Other Expenditure (Sl. No. 4 e) above includes Net Foreign Exchange Gain and Loss respectively for each reporting period as under:

(Rs. in Millions)

| Particulars | Quarter ended | | | Six Months | | Year Ended |
|--------------------------|---------------|-------------|-------------|-------------|-------------|------------|
| | 30-Sep-24 | 30-Jun-24 | 30-Sep-23 | 30-Sep-24 | 30-Sep-23 | |
| Net Exchange Gain / Loss | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Other Income | 96.07 | - | - | 86.67 | - | 5.43 |
| Other Expenses | - | 9.40 | 15.35 | - | 32.32 | - |

| Particulars | (Rs. in Millions) | | | | | |
|------------------------------------|-------------------|-----------|-----------|------------|-----------|------------|
| | Quarter ended | | | Six Months | | Year Ended |
| | 30-Sep-24 | 30-Jun-24 | 30-Sep-23 | 30-Sep-24 | 30-Sep-23 | |
| Net Sales / Income from Operations | 2,592.58 | 2,521.65 | 2,341.14 | 5,114.23 | 4,592.33 | 9,648.70 |
| Profit/ (Loss) before tax | 374.08 | 266.14 | 246.54 | 640.22 | 482.45 | 1,078.68 |
| Net Profit/ (Loss) after tax | 293.04 | 204.26 | 188.51 | 497.30 | 372.94 | 811.00 |

- 6 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, Expleo Solutions UK Limited, UK and Expleo Solutions LLC, Dubai.
- 7 The earnings per share (basic and diluted) for the interim periods have not been annualised.
- 8 The Board at its meeting held on Thursday, November 14, 2024, considered and approved the proposal, to incorporate a Wholly Owned Subsidiary ("WOS") in Saudi Arabia.
- 9 Previous period figures have been reclassified to align with current period presentation, where required.

By order of the Board
For Expleo Solutions Limited

Place: Chennai

Date: November 14, 2024

Phani Tangirala
Managing Director & CEO