



Q3FY20 Revenue up by 10.1% Q-o-Q to Rs 725 million

Chennai, 30th January, 2020: Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (BSE: 533121) (NSE: EXPLEOSOL), announced its **Third quarter and Nine Months** results ended on 31st December, 2019. 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, <http://www.sqs-bfsi.com>

PERFORMANCE HIGHLIGHTS

Consolidated Q3FY20 Q-o-Q Review

- The operating revenue was Rs 682 million in Q3FY20 as compared to Rs 657 million during the previous quarter; an increase of 3.8%.
- Total income was Rs 725 million in Q3FY20 as compared to Rs 658 million during the previous quarter; an increase of 10.1%.
- EBITDA stood at Rs 117 million with the margin at 17.2% in Q3FY20 as compared to Rs 144 million with the margin at 22.0% during the previous quarter; down by 480 bps.
- Profit after tax stood at Rs 105 million during the quarter under review as compared to Rs 84 million during the previous quarter.
- Basic EPS stood at Rs 9.96 as compared to Rs 8.55 for Q2FY20.
- The Company's net cash position stood at Rs 900 million during the quarter under review as compared to Rs 763 million for Q2FY20.

Consolidated 9MFY20 Y-o-Y Review

- The operating revenue was Rs 1,937 million during the nine months period under review as compared to Rs 2,172 million during the corresponding period of previous year. Operating revenue for 9MFY20 includes zero revenue towards sale of SEIS Scrips as compared to Rs 22 million in 9MFY19
- Total income was Rs 1,991 million during the nine months period under review as compared to Rs 2,217 million in the corresponding period of previous year.
- EBITDA stood at Rs 366 million with the margin at 18.9% in 9MFY20 as compared to Rs 419 million with the margin at 19.3% in 9MFY19
- Profit after tax stood at Rs 256 million in 9MFY20 as compared to Rs 267 million in corresponding period of previous year.
- Basic EPS stood at Rs 24.94 in 9MFY20 as against Rs 25.08 in 9MFY19.
- The Company's net cash position stood at Rs 900 million during the nine months period under review as compared to Rs 879 million in December 31, 2018.

Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited (Formerly known as SQS India BFSI Limited), said "The last quarter saw quite a few positives with our direct markets continuing to grow significantly and also some of the Key European clients showing increased business activities. However the Key markets of UK/Europe is still showing significant headwinds in terms of growth. The QND quarter considering the lesser number of working days in UK/Europe has fared reasonably well. Top 10 client revenues still continues to be less than 60% of Total revenue. Cost Management and investing in Key areas helped in maintaining lower costs and ability to maintain the margin levels despite changing regional business mix.

We saw strong demand for Digital and new age services such as RPA, API Banking, Automation and Dev Ops and continue to increase our service foot print and offerings in these during this quarter and the coming quarters look promising as well. We have added new clients and have extended our wallet share with some of our Key clients during this



quarter. We continue to invest in Upskilling and right skilling apart from signing a couple of exploring strategic partnership with Technology and Platform providers.

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 Eximbills, FinnOne™, Kondor+, Siebel, Newton, Kastle, Genius, Premia, MIDAS, ClarityQ and Finacle.

For more information, see www.sqs-bfsi.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 www.sqs.com

For further information, please contact:

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