



FY21 Revenue up by 10.2% Y-o-Y to Rs 3,063 million

Chennai, 20th May, 2021: Expleo Solutions Limited (BSE: 533121) (NSE: EXPLEOSOL), announced its **Fourth quarter and Full Year** results ended on 31st March, 2021. 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 Full Year FY21 Y-o-Y Review

- The operating revenue was Rs 3,009 million as compared to Rs 2,702 million in FY20, reflecting a growth of 11.4%.
- Total income was Rs 3,063 million as compared to Rs 2,780 million in FY20, reflecting a growth of 10.2%.
- EBITDA stood at Rs 698 million with the margin at 23.2% in FY21 as compared to Rs 532 million with the margin at 19.7% in FY20, reflecting a growth of 31.3%.
- Profit after tax stood at Rs 497 million as compared to Rs 395 million in FY20, reflecting a growth of 25.8%.
- Basic EPS stood at Rs 49.20 as compared to Rs 38.51 in FY20, reflecting a growth of 27.8%.
- The Company's net cash position stood at Rs 1,311 million as on March 31, 2021 as compared to Rs 872 million as on March 31, 2020.

Consolidated Q4FY21 Q-o-Q Review

- The operating revenue was Rs 793 million in Q4FY21 as compared to Rs 721 million during the previous quarter, reflecting a growth of 10.0%.
- Total income was Rs 800 million in Q4FY21 as compared to Rs 768 million during the previous quarter, reflecting a growth of 4.2%.



- EBITDA stood at Rs 191 million with the margin at 24.1% in Q4FY21 as compared to Rs 137 million with the margin at 19.0% during the previous quarter.
- Profit after tax stood at Rs 102 million in Q4FY21 as compared to Rs 125 million during the previous quarter.
- Basic EPS stood at Rs 10.72 as compared to Rs 12.30 for Q3FY21.
- The Company's net cash position stood at Rs 1,311 million in Q4FY21 as compared to Rs 1,415 million during the previous quarter.

Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited, said "The business performance has gained good traction and we are seeing a healthy pipeline of opportunities in our traditional services and in the Digital Services. The projects deferred and on hold are showing signs of revival and ease in the next couple of quarters. The impact of the second wave of COVID is slowing down some of this traction in select markets, the rate of infection among our colleagues is significantly higher than in the first wave. We are closely monitoring and extending all possible support to the teams and their families.

The business results of this quarter and the last 3 quarters indicates the continuing growth trend in our digital and emerging services. Digital Services is now 26% of our total business compared to 15% of the total business as of March 2020. We continue to add new clients (3 new clients added in Q4FY21) and have been addressing our concentration risk.

The Delivery model has also seen a shift with a significant portion of the business being delivered from offshore, on the back of Work from home/anywhere emerging as a strong trend. Our offshore business contributed over 58% of the revenue compared to 45% in Q4FY20. The hunt for talent is quite evident with increased levels of hiring across industry particularly at the junior to mid level analysts and programmers. We have hired over 250 resources (including some on contract) in the last 2 quarters and looking to hire a similar number in the next two quarters on the back of increased offshore demand and also due to the increased levels of attrition. We continue to invest in our talent transformation and upskilling program both internally and through external partner work.



The pandemic has been quite devastating however was also an opportunity for us to learn, as we continue to invest in our remote working model, cyber security, continuous monitoring and more importantly on the team engagement activities. We had an excellent ESAT (from 62% in 2019 to 72% in 2020) and CSAT ratings both from our team members and clients.

We have been actively building our digital presence and in the research to assisting the eco-system to understand the Digital and Outsourcing market trends in the Asia and North American markets. Amplifying our services & solutions through virtual sessions with our key clients. We have worked on the medium to long term impact and have guidelines and policies to adapt to this new model of client engagement and lead generation, as we evolve and emerge out of the pandemic. Expleo bagged two award titles of Best HR leader & Best HR Policies from Federation of Indian Chambers of Commerce and Industry (FICCI).

In line with our past quarters, we continue to manage our costs and have been focusing on the right investments in technology, technical talent and partnership(s). We did our annual salary increases w.e.f January 2021 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 sustainable growth.”

About Expleo Solutions Limited

Expleo Solutions 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 endto-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 <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/>



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