



SEC/SE/036/20-21

Chennai, August 20, 2020

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
P J Towers, Dalal Street,  
Mumbai – 400 001  
Scrip Code: 533121

**National Stock Exchange of India Limited,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051  
Scrip Code: EXPLEOSOL

**Sub: Intimation of proposed press release for Financial Results – Q1 FY 2020-21 of  
Expleo Solutions Limited (Formerly known as SQS India BFSI Limited).**

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Dear Sir/Madam,

Please find attached a press release proposed to be issued on the Financial Results for the quarter ended June 30, 2020.

You are requested to take the above on record and oblige.

Thanking you,

Yours faithfully,  
For Expleo Solutions Limited  
(Formerly known as SQS India BFSI Limited)

S. Sampath Kumar  
Company Secretary and Compliance Officer  
Membership No. FCS 3838

Encl : As above.



## Q1FY21 Revenue grew by 25% Y-o-Y to Rs 774 million

**Chennai, 20<sup>th</sup> August, 2020:** Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (BSE: 533121) (NSE: EXPLEOSOL), announced its **First quarter** results ended on 30th June, 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 Q1FY21 Q-o-Q Review

- The operating revenue was Rs 758 million in Q1FY21 as compared to Rs 755 million during the previous quarter; marginal growth of 0.4%.
- Total income was Rs 774 million in Q1FY21 as compared to Rs 789 million during the previous quarter; a drop by 1.8%.
- EBITDA stood at Rs 194 million with the margin at 25.5% in Q1FY21 as compared to Rs 157 million with the margin at 20.8% during the previous quarter; a growth of 23.5%.
- Profit after tax stood at Rs 141 million in Q1FY21 as compared to Rs 139 million during the previous quarter; a growth of 1.6%.
- Basic EPS stood at Rs 13.91 as compared to Rs 13.48 for Q4FY20; a growth of 3.2%.
- The Company's net cash position stood at Rs 1,002 million in Q1FY21 as compared to Rs 872 million during the previous quarter.

### Consolidated Q1FY21 Y-o-Y Review

- The operating revenue was Rs 758 million in Q1FY21 as compared to Rs 609 million in Q1FY20; a growth of 24.6%.



- Total income was Rs 774 million in Q1FY21 as compared to Rs 620 million in Q1FY20; a growth of 24.9%. Total income for the quarter includes Rs Nil towards sale of SEIS Scrips as compared to Rs 9.75 million in Q1FY20.
- EBITDA stood at Rs 194 million with the margin at 25.5% in Q1FY21 as compared to Rs 114 million with the margin at 18.7% in Q1FY20, a growth of 70.1%.
- Profit after tax stood at Rs 141 million in Q1FY21 as compared to Rs 67 million in Q1FY20, a growth of 112%.
- Basic EPS stood at Rs 13.91 as compared to Rs 6.20 for Q1FY20; a growth of 124.5%.
- The Company's net cash position stood at Rs 1,002 million during the quarter under review as compared to Rs 747 million in Q1FY20.

***Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited (Formerly known as SQS India BFSI Limited), said***

*"We have shown resilience during the last 5 months post the pandemic outbreak. With close to 98% of our workforce able to work remotely, with nearly no impact to clients; the response to the situation has delivered well thus far. After the initial few weeks of responding to the situation the business activity and the demand has shown reasonable recovery. The impact of the initial few weeks and the resultant Global economic slump posed quite a few unique challenges and are being addressed.*

*After the initial period of sluggishness, last few weeks have been promising. We expect the demand to increase in the coming quarters, the Digital journey and the offering by our clients and the market opportunities are seeing an uptick and this should augur well. The last quarter has seen our key offshore markets (Europe, UK and US) getting stabilised and showing marginal growth after the first 2-3 months of slow down. Markets closer to home (Middle East, Asia and India) are showing green shoots. While we expect some headwinds in the Middle East market for the next couple of quarters, overall the recovery is expected in the next 2-3 quarters.*

*With our focus and investments in Specialised Testing Services and New Services offerings (Digital and Automation led); we expect to meet the market demands when it picks up. We continue to grow in our Digital revenues and in our New Age Testing Services. The partnerships and skills that we have*



*acquired is helping us in this journey. We are continually focused on the investments on partnerships, tools and Digital Assets which will see additional impetus in the coming months. During the last 5 months while keeping an eye on recovery, cost optimisation and profitability was addressed through increased offshoring, reduction in travel expenses and partially by forex. There are demands of temporary discounts, partial ramp downs, resource mix, temporary work suspensions. The overall impact due to COVID related slowdown is expected to be ~5-7% in revenue and a marginal impact in margins for the Full year of 2020-21.*

*We signed 4 new clients this quarter and won back a past client. The top 10 client contribution for Q1 was at 54% as compared to the 55% of last quarter."*

### **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 <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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