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Strong rebound in an unpredictable year – Q4 PAT up 55% QoQ

Chennai, India – 26th May 2021: Allsec Technologies, a global leader in outsourcing solutions announced its financial results for the **fourth quarter (Q4 FY21) and full year (FY21)** ended 31st March 2021.

Highlights include:

- Sterling operating performance with Q4 EBITDA margin expansion by 328 bps QoQ and 239 bps YoY
- Q4 PAT higher by 55% QoQ, PAT margin up 346 bps YoY
- Continuing robust cash generation with OCF / EBITDA at 120% in Q4, and 106% for FY21

Key financial highlights

In ₹ Lakhs

Particulars	Q4 FY21					Full year FY21		
	Q4FY21	Q3FY21	QoQ	Q4FY20	YoY	FY21	FY20	YoY
Revenue	7,348	7,169	2%	7,114	3%	27,669	29,444	(6%)
EBITDA before COVID-related expenses & MTM FX losses	2,076	1,994	4%	1,777	17%	7,546	7,626	(1%)
COVID-related expense	(73)	(117)	(38%)	-	-	(590)	-	-
MTM FX gain / (loss)	89	(71)	225%	78	14%	(366)	(99)	270%
EBITDA	2,092	1,806	16%	1,855	13%	6,590	7,527	(12%)
EBITDA Margin %	28.5%	25.2%	328 bps	26.1%	239 bps	23.8%	25.6%	(175)bps
PBT	1,502	1,248	20%	1,375	9%	4,371	5,720	(24%)
PAT	1,378	887	55%	1,088	27%	3,507	4,493	(22%)
PAT Margin %	18.8%	12.4%	638 bps	15.3%	346 bps	12.7%	15.3%	(257)bps
Diluted EPS (in ₹)	9.05	5.82	56%	7.14	27%	23.02	29.48	(22%)

The Company has built on the strong recovery in Q3, ending Q4 above pre-COVID levels in both revenue and profitability.

Q4 FY21 Financial Highlights:

- **Quarterly Revenue** was higher by **2% QoQ**.
 - The **Digital Business Services (DBS)** segment revenue flat QoQ at ₹47.0 cr.
 - The **Human Resource Operations (HRO)** segment higher 9% QoQ at ₹26.4 cr.
- **Quarterly EBITDA** higher 16% QoQ, at ₹ 20.9 cr.
- **Quarterly Profit after Tax (PAT)** higher 55% at ₹13.7 cr.
- **Diluted Earnings Per Share (EPS)** higher 55% at ₹9.05.
- **OCF conversion** at 120%.

Business Update

➤ **Digital Business Services (DBS):**

- International business revenue lower by 3% QoQ, at ₹28.7 Cr., largely due to lower volumes in the US collections business.
- Domestic business revenue flat QoQ, at ₹18.3 Cr., after two consecutive quarters with >30% growth.
- Headcount stood at 3,469 employees, up 56 employees compared to the previous quarter.

➤ **Human Resources Operations (HRO):**

- Domestic business excluding Statutory Compliance grew 17% QoQ to ₹15.2 Cr.
- Statutory Compliance business grew 3% QoQ to ₹5.7 Cr
- International business remained flat QoQ at ₹5.5 Cr.
- 27 new customers were added during the quarter, versus 21 in the same quarter a year ago.
- Payslips processed grew 3% QoQ and 16% YoY to ~26 lakhs in Q4FY21.
- SME-focused platform currently in beta testing

Commenting on the performance, Mr. Suraj Moraje, Non-Executive Director said, “The company has delivered a robust Q4, including driving year-on-year growth especially in our payroll services business. Management’s continued focus on accelerated customer acquisition, digitization, and platformisation should drive a strong trajectory in the times to come.”

About Allsec Technologies Limited:

Allsec Technologies Limited (BSE: 532633, NSE: [ALLSEC](#)), headquartered in Chennai has been a pioneer in the HRO and International DBS spaces, and is today the leading Payroll Services Provider in India. Founded in 1998, Allsec is today a global brand, offering high-end business process solutions across key industry verticals in 40 countries. With ~ 4,300 employees across India, Philippines and the US, Allsec processes more than 8,50,000 pay slips each month for over 400 clients around the world. Allsec’s leading *SmartHR* and *SmartPay* platforms are designed to address the complex challenges in today’s HR environment, integrating the latest in technology including Robotic Process Automation (RPA), Smart Analytics, Chatbots and Mobility for enhanced employee engagement.

For further details on Allsec Technologies Limited, please visit <http://www.allsectech.com>.

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