



July 27, 2022

**Listing Department,  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001  
Scrip Code: 532633**

**Listing Department,  
National Stock Exchange of India Limited,  
"Exchange Plaza",  
Bandra-Kurla Complex, Bandra (East),  
Mumbai-400 051  
Symbol: ALLSEC**

Dear Sir/Madam,

**Sub: Submission of Investor's Presentation**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed Investor's Presentation on the financial performance of the Company for the quarter ended June 30, 2022.

Request you to take the same on record.

Yours faithfully,

**For Allsec Technologies Limited**

  
**Sripriyadarshini  
Company Secretary**



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**ALLSEC TECHNOLOGIES LTD.**

**Regd. Office :** 46-C, Velachery Main Road, Velachery, Chennai - 600 042  
**Tel :** +91.44.4299 7070 **web :** [www.allsectech.com](http://www.allsectech.com)  
**Corporate Identity Number :** L72300TN1998PLC041033, **Email :** [contactus@allsectech.com](mailto:contactus@allsectech.com)

# Building lasting relationships

Earnings Update

Q1 FY23



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## **Company Overview**

### **Q1 FY23 Key Business Highlights**

### **Financial Performance (Q1 FY23)**

### **Business segments update**

### **Annexures**

# Company Overview

# Global leader in outsourcing solutions

## Corporate



**Quess Corp** subsidiary,  
backed by Fairfax Holdings  
(Canada)



**20+ years** of Global BPO  
service Excellence



Listed at the **NSE & BSE**  
(NSE: ALLSEC)

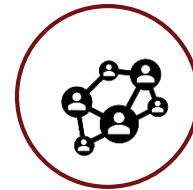
## HRO



**1M+** payslips processed per  
month

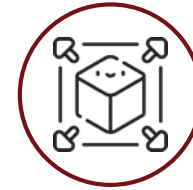


**400+ Client** engagements  
globally including Fortune  
100 companies



**330,000+** monthly employee  
self service portal log-ins

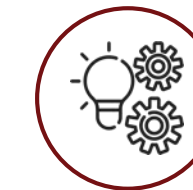
## DBS



Service Delivery bundled  
with **Digital  
Transformations**



~**3500** driven and dedicated  
employee workforce



**2 Decades** in Delivering  
Global Business Solutions

**HRO - Market Leader in HRO Services | DBS - Leading Global BPM Player**

# Global Delivery capabilities

- **Global Footprint** with proximity to Servicing Markets
- **~4500** employee workforce
- Multi-Industry, Multinational & Multi-Demographic **coverage**
- **5 Inter-Connected** Service Delivery Centers with site-to-site BCP, with ability to leverage Quess Corp group facilities at other major hubs in India for ramp ups
- Multi-Lingual hub offering **12+ International Languages** using native speakers



## **Chennai (HQ), Bangalore, Noida, INDIA**

- |             |            |
|-------------|------------|
| • Hindi     | • Marathi  |
| • English   | • Punjabi  |
| • Tamil     | • Gujarati |
| • Telugu    | • Bengali  |
| • Kannada   | • Odia     |
| • Malayalam |            |



## **Manila, PHILIPPINES**

- |            |                    |
|------------|--------------------|
| • Mandarin | • Arabic           |
| • Spanish  | • Portuguese       |
| • Japanese | • Malay            |
| • German   | • Bahasa-Indonesia |
| • Turkish  | • Italian          |
| • French   | • Polish           |
| • English  |                    |



## **Dallas, Texas USA**

# Leading and fast growing provider of end-to-end HRO services

40+ logos added in Q1 FY'23

1,100,000+ payslips p.m (19%↑ over Jun'21)

370,000+ Active users on HRMS (25%↑ over June'21)

## SmartHR

Create a better workplace  
with an end-to-end HR  
solution

## SmartPay

Manage and deliver powerful  
and accurate payroll,  
everytime

## SmartStat

Tackle complex labour  
law and payroll compliance,  
backed by technology



### HR Services

- On-boarding
- Employee Info Store
- Postings
- Exits



### Reimbursement System

- Travel Requisition with workflow
- Alerts to Travel Desk, Admin
- Travel Claims & Vouching
- Settlements



### Leave & Attendance

- Leave Mgt. with ESS & Workflow
- Time Management, Shifts, OT
- Attendance Processing



### LLC, CLRA & Factories Act

- 13,000+ establishments and factories managed
- Score Cards
- Consulting for inspections, Audits



### Payroll

Global, Configurable, Payroll  
Tax Engines  
Payroll Statutory & Control Reports



### Retiral

- PF Trust Accounting
- Loans
- Investments



# DBS: Cutting edge Digital Business Services offerings

2 logos, ACV ~ ₹ 4.4 cr added in Q1 FY'23

HC ~3500



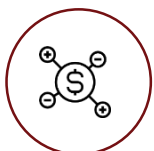
## Customer Experience Management

- Omni-channel, Chatbots & RPA
- Customer & Tech Support
- Customer Acquisition



## Credit Risk Management

- Debt Collections
- Fraud Detection & Risk Management



## Transaction Processing

- Accounts Receivable
- Accounts Payable
- Account Research
- Mortgage Services



## Compliance

- Anti-Money Laundering Investigations
- KYC / Customer Onboarding
- Legal Transcription
- Compliance Monitoring



## Insurance

- Insurance BPaaS

## **Q1FY23 Key Business Highlights**

# Q1FY23 Highlights



## Corporate

### ■ Announcement of Merger:

- On 22 June 2022, the Board of Directors of Allsec and its holding Company Qess Corp approved a Scheme of Amalgamation
- Swap ratio fixed at 74 Qess shares for every 100 Allsec Shares
- Merger subject to requisite approvals from regulators, creditors and share holders

### ■ Balance Sheet:

- **Cash and short term investments** increased by ₹19.0cr from Mar 2022 to ₹147.3cr
- **OCF** at ₹24.7cr in Q1 FY23 an increase of 115% over Q4 FY22
- Receivables DSO down at 54 days as compared to 60 in Q4 FY22

### ■ P&L statement:

- Revenue was at ₹88.2cr an increase of 3% QoQ and 23% YoY. DBS grew 24% and HRO 22% YoY.
- EBITDA was at ₹20.2cr a decrease of 14% QoQ and increase of 28% over Q1 FY22. The QoQ decrease primarily attributable to seasonal revenues in HRO
- PBT was at ₹16.7cr, a decrease of 8% QoQ and increase of 59% YoY.
- PAT was at ₹13.6cr a decrease of 22% QoQ



## HRO

### ■ HRO:

- Added net ~70,000 payslips during Q1 FY23 representing 2% growth over Q4 FY22 and 19% growth over Q1 FY22
- Smartpay (SP4) product modernization proceeding as per plan with marketing to start in Q3 FY23
- Added 42 new customers in Q1 FY23 with ACV of ~ ₹4.2cr



## DBS

### ■ DBS:

- Added 2 new logos with ACV of ₹4.4cr in Q1 FY23
- Commenced BPM services in Canada

# Financial performance

# Q1FY23 Financial Performance

## Revenue:

- Increased by 3% QoQ and 23% YoY.

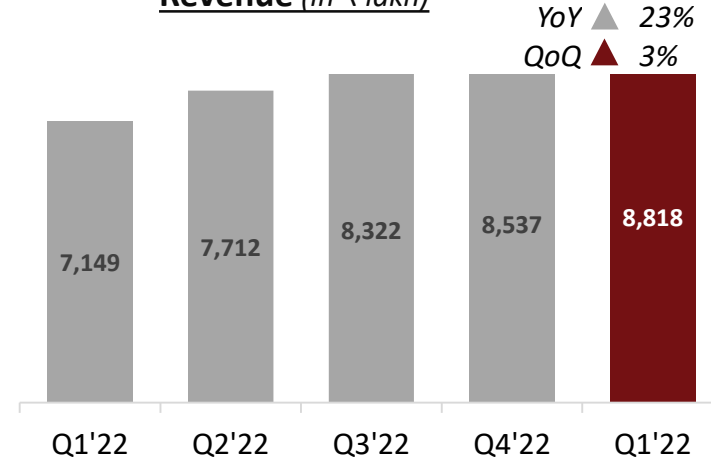
## Profitability:

- EBITDA decreased by 14% QoQ and increased by 28% YoY;
- PAT decreased by 22% QoQ :
  - Tax credit on account of opting for 80M benefit ₹ 1.98cr in Q4FY22
  - Year end tax revenues in Q4 FY22
  - Impact of annual increment in Q1 FY23

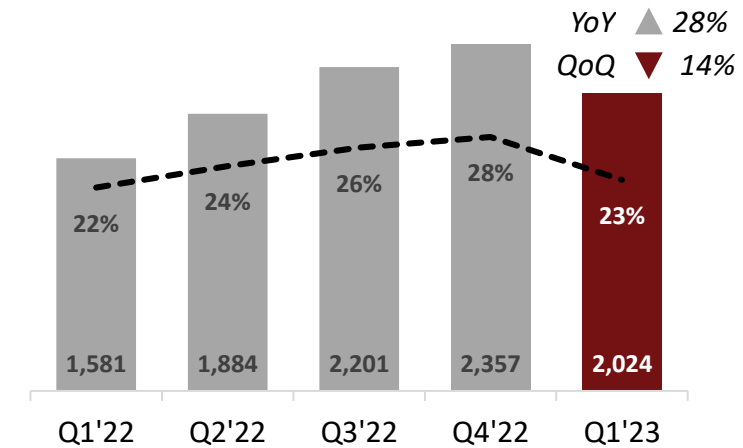
## Cash Generation :

- Cash and short term investments increased by ₹19.0cr to ₹147.3cr
- OCF was at ₹24.7cr an increase of 115% over Q4 FY22 largely due to reduced DSO and IT refund of ₹.5.7cr
- DSO lower at 54 days as compared to 60 in Q4 FY22 due to higher collections in current quarter

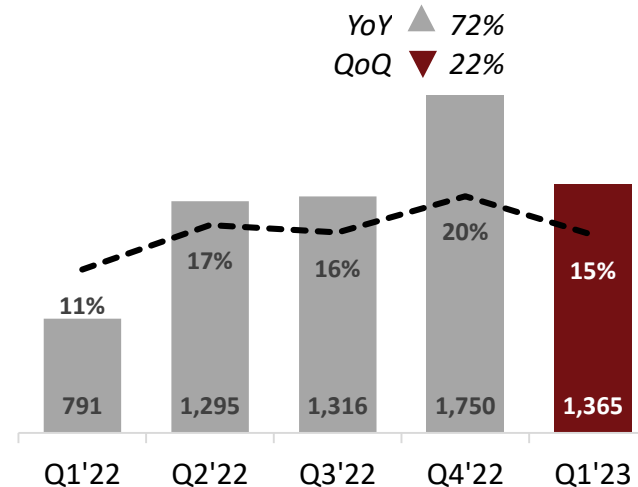
### Revenue (in ₹ lakh)



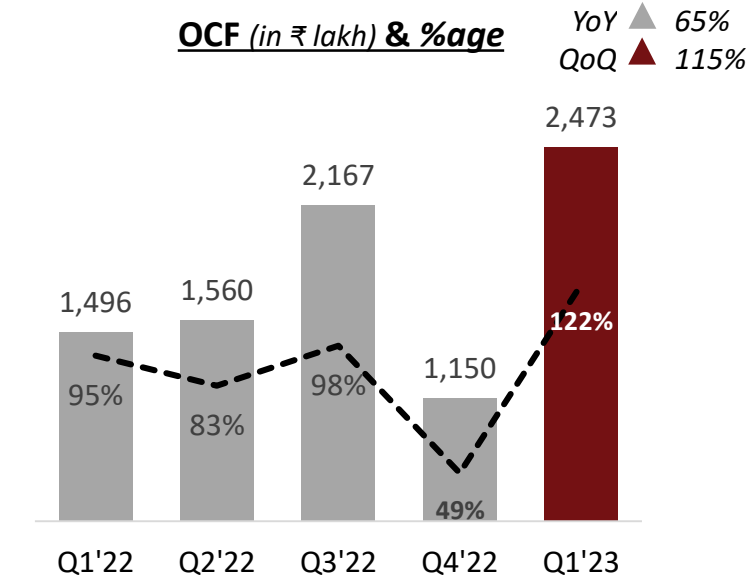
### EBITDA (in ₹ lakh) & margin (%age)



### PAT\* (in ₹ lakh) & margin (%age)



### OCF (in ₹ lakh) & %age

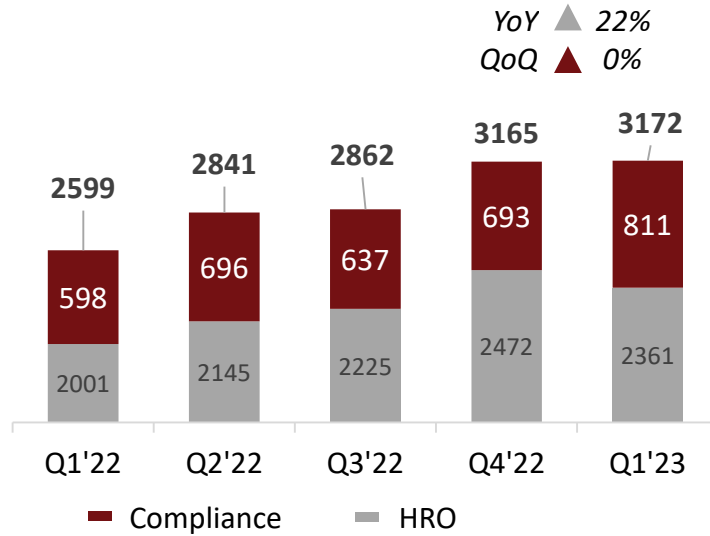


\*Q1'22 PAT excludes tax on dividend income ₹ 1588 lakhs

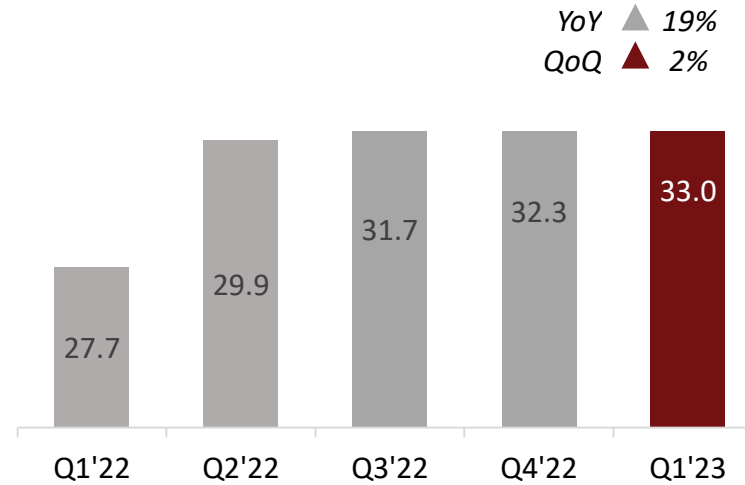
## **Business segment updates**

# Human Resources Operation (HRO) – Performance Snapshot

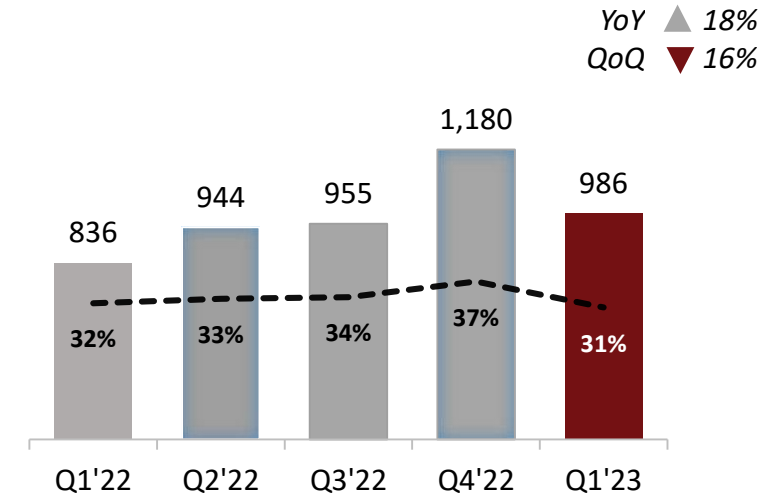
Revenue (in ₹ lakh)



Payslips processed (in Nos Lakhs);

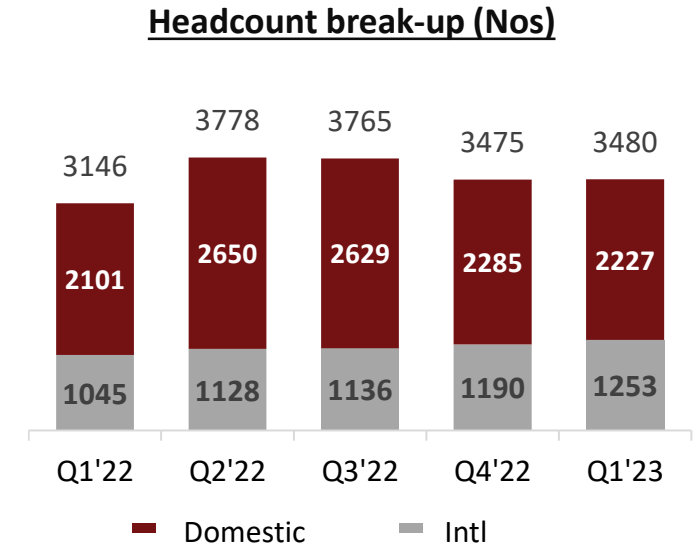
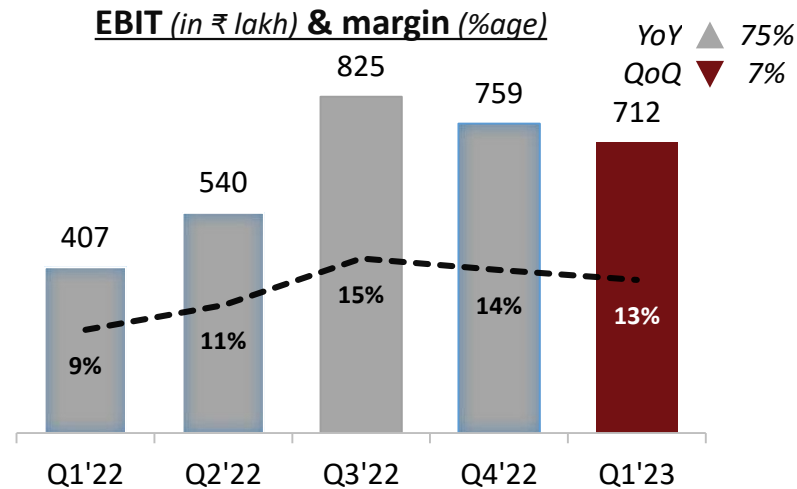
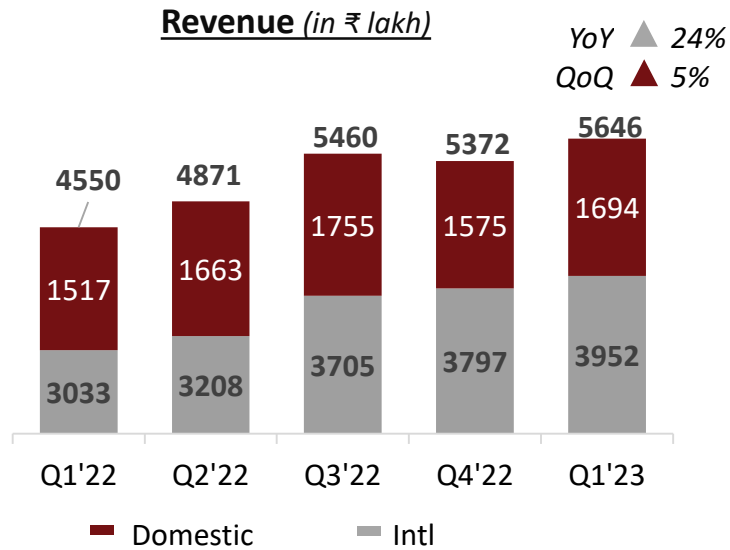


EBIT (in ₹ lakh) & margin (%age)



- Revenue remained flat QoQ. Core HRO revenue down by ₹1.1cr.
  - Excluding the YE tax revenues, Core HRO revenue up 4% QoQ
  - Compliance higher due to seasonal one time revenue
- Payslips remained flat QoQ and grew by 19% YoY;
- EBIT lower due to annual increments, EBIT % lower due to change in mix of HRO Compliance and Core HRO
- Added 42 customers with ACV of ₹4.2cr during the quarter

# Digital Business Services (DBS) – Performance Snapshot



- Revenue increased QoQ by 5% with DBS international higher by 4% and domestic higher by 7%
- EBIT lower due to annual increment impact
- Total headcount remained flat at 3,480
- DBS added 2 new logos adding to a total ACV of ₹4.4cr.



# Annexures

# Income Statement

In ₹ Lakhs

Consolidated	Quarterly			Var %	
Particulars	Q1 FY23	Q4 FY22	Q1 FY22	QoQ%	YoY %
<b>Revenue from Operations</b>	<b>8,818</b>	<b>8,537</b>	<b>7,149</b>	3%	23%
Less:					
Employee benefit expenses	(4,929)	(4,407)	(4,141)	12%	19%
Other expenses	(1,865)	(1,773)	(1,427)	5%	31%
<b>Total expenses</b>	<b>(6,794)</b>	<b>(6,180)</b>	<b>(5,568)</b>	<b>10%</b>	<b>22%</b>
<b>EBITDA</b>	<b>2,024</b>	<b>2,357</b>	<b>1,581</b>	<b>(14%)</b>	<b>28%</b>
Other income	382	189	71	102%	438%
Finance cost	(93)	(89)	(43)	4%	116%
Depreciation & amortisation	(638)	(638)	(557)	0%	15%
<b>Earnings before tax</b>	<b>1,675</b>	<b>1,819</b>	<b>1,052</b>	<b>(8%)</b>	<b>59%</b>
Normal Tax	(310)	(69)	(1,849)	349%	(83%)
<b>Profit after tax</b>	<b>1,365</b>	<b>1,750</b>	<b>(797)</b>	<b>(22%)</b>	<b>271%</b>
EBITDA Margin	23.0%	27.6%	22.1%	(466 bps)	84 bps
PAT margin	15.5%	20.5%	(11.1%)	(502 bps)	2,663 bps
Basic & Diluted EPS (in ₹)	8.96	11.48	(5.23)	(22%)	271%

**Thank you**