



9th May 2023

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 Investors' Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed Investors' Presentation on the financial performance of the Company for the fourth quarter and financial year ended March 31, 2023.

Request you to take the same on record.

Yours faithfully,

For Allsec Technologies Limited

SRIPIRIYA
DARSHINI
Digitally signed by
SRIPIRIYADARSHINI
Date: 2023.05.09
13:33:35 +05'30'

Sripiriyadarshini
Company Secretary

ALLSEC TECHNOLOGIES LTD.

Regd. Office : 46-C, Velachery Main Road, Velachery, Chennai – 600 042.

Tel.: +91.44.4299 7070 web: www.allsectech.com

Corporate Identity Number : L72300TN1998PLC041033, Email : contactus@allsectech.com

Allsec Technologies

Earnings Update

Q4 & Full Year FY23



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Company Overview

Q4 & FY23 Key Business Highlights

Q4 & FY 23 Financial Performance updates

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



~580+ Client engagements
globally including Fortune
100 companies

HRO



1.2 M payslips processed per
month- clear market leadership

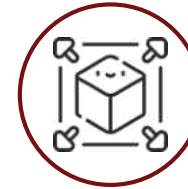


4,40,000+ monthly employee
self service portal log-ins



Continued investments in
Tech & Product upgrades.

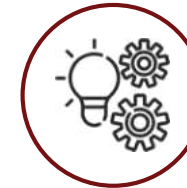
DBS



Continued strong service
delivery with topping of
partner league tables for
many customers



Journey from Operations
to business value adds
including Digital/ RPA
tools



2 decades of 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
- ~**5400** 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

DBS: Cutting edge Digital Business Services offerings

6 logos, ACV ~ ₹ 18.6 crore added in FY'23

| HC ~4200



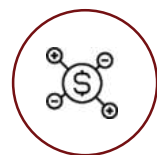
Customer Experience Management

- 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



Healthcare

- Verticalized capabilities

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

FY'23 : 121 logos, ACV ~ 26.7 Cr | ~ 1.2 Mn payslips p.m. (8 %  over Mar'22) | **4.4 lacs+** Active users on HRMS (33%  over Mar'22)

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

Key Business Highlights

Highlights- Q4'23



Financial

Balance Sheet:

- Cash at ₹ 90 Cr, increased by ₹8.7 Cr in YoY & ₹ 1.8 Cr QoQ.
- FY' 23 OCF ₹ 71 Cr vs FY'22 OCF of ₹ 64 Cr.
- Highest collection for the quarter & the month- ₹ 117.4 Cr for Q4'23 & ₹ 42.4 Cr in Mar'23.
- Q4'23 DSO at 52 days vs 51 days for Q3'23
- ₹ 5.7 Cr IAUD capex addition for – Smart Pay v4 & new HRMS.

Q4'23 P&L highlights

- Operational Revenue at ₹ 108 Cr, up by 26.5% YoY & 7.9% QoQ
- EBITDA at ₹ 23.7 Cr, up by 0.6% YoY, 13.1% QoQ
- EBITDA Margin 22.0%, down by 564 bps YoY, up by 102 bps QoQ
- PBT at ₹ 15.2 Cr, down by 16.4% YoY, up by 8.3% QoQ



HRO

HRO:

- Net Payslips added : 35K, 3% growth for Q4'23 & 87K, 8% growth for FY'23
- Network of payroll partners established in APAC & Europe working well & we continue to build & explore expanding our network across the globe.
- Smart Pay v4 initial timeline slipped marginally but picked up the momentum in FY'23 Running parallel run for couple of customers.
- The new HRMS tool too is under UAT Testing. Client migrations & parallel runs to follow from Q2' FY24.
- Added 121 logos, ACV ~ 26.5 Cr in FY'23, 19 in Q4'23, ACV ~ 4.0 Cr



DBS

DBS:

- Added 6 new logos with ACV of ₹ 18.6 Cr in FY23
- YoY revenue growth of 26% across existing & new clients.
- Added new sector – Healthcare to the portfolio
- DBS International business up by 24.6 % YoY & 6.3% QoQ.

Financial performance



Q4' FY23 Financial Updates



Revenue:

- ❖ **Up 26% YoY** driven by DBS (28%), HRO (23%)
- ❖ **Up 8% QoQ**- One timer -Tax vouching & S&E licenses renewal in HRO; DBS- New client acquisition

Profitability amount:

- ❖ EBITDA – YoY – flat. Growth in Revenue offset by One timer (TNEB), higher C2R & increased Facilities & Convenience costs.
- ❖ **YoY PAT down 25 %** - Manila tax reversal in last year.

Profitability % :

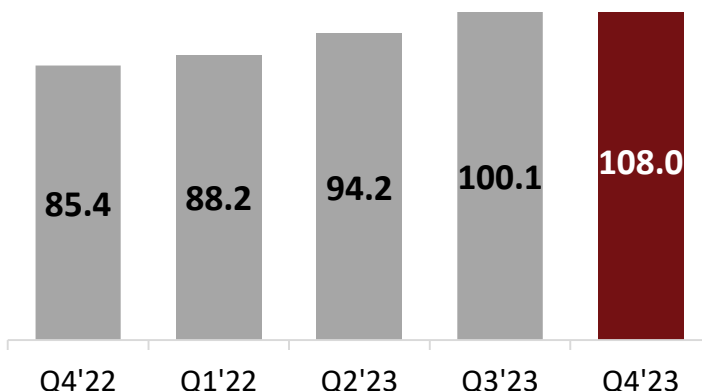
- ❖ **EBITDA %** - Impacted by one-time exp -TNEB & S&E license renewal. Also, there is increase in employee cost- advanced hiring coupled with delayed migrations
- ❖ **PAT %** : 6% EBITDA impact cascaded. Gap increased by 3% largely attributable to provision reversal of ₹ 1.98 Cr in Q4'22.

Cash Generation:

- ❖ Mar'23- Highest ever collection-₹ 42 Cr.
- ❖ Q4'23 lower OCF – Payment delayed by key customer over the quarter end & Tax vouching collection due after Form 16.
- ❖ Mar dues collected in April- ₹ 44 Cr. (75% x tot dues)
- ❖ DSO increased by one day to 52 days.
- ❖ Net Cash ₹ 90 Cr. on 31st Mar'23 vs ₹ 88 Cr. on 31st Dec'22 .

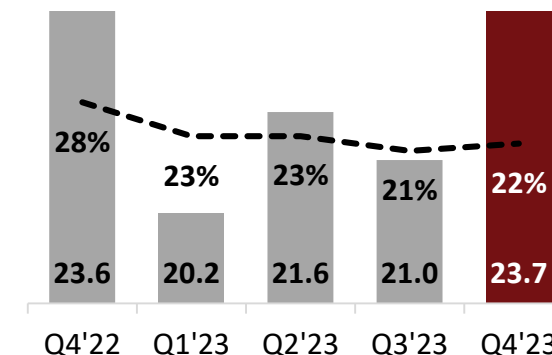
Revenue (in ₹ crore)

YoY ▲ 26.5%
QoQ ▲ 7.9%



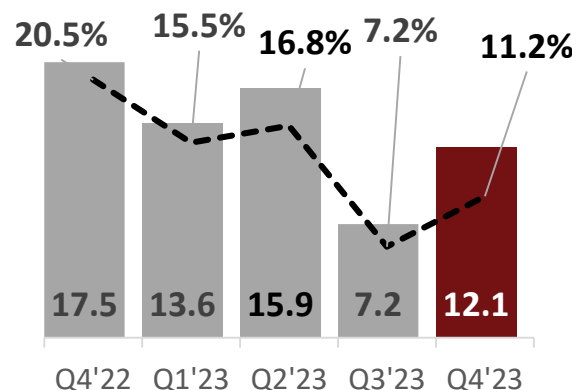
EBITDA (in ₹ crore) & Margin (%age)

YoY ▲ 0.6%
QoQ ▲ 13.1%



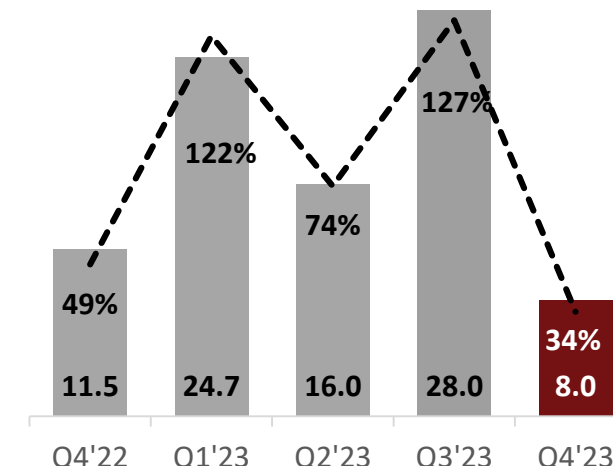
PAT (in ₹ crore) & margin (%age)

YoY ▼ -24.6%
QoQ ▲ 82.8%



OCF (in ₹ crore) & %age

YoY ▼ -30.7%
QoQ ▼ -71.5%





FY23 Financial Updates

Revenue:

- ❖ **Up 23% YoY** driven by DBS (26%), HRO (18%)
- ❖ Growth driven by addition of new logos and volume increase for existing clients.

Profitability Amount:

- ❖ **EBITDA up by 10% in YoY**, revenue growth across DBS & HRO.
- ❖ **PAT amount** is up by 37%- Increased EBITDA impact this year & higher Manila dividend tax in last year.

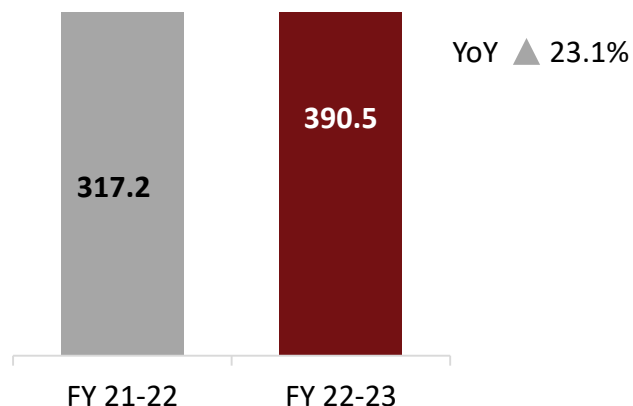
Profitability %:

- ❖ **EBITDA % lower by 2.6 %** because of increased C2R ratio for HRO business, subdued travel & facility cost last year (Covid impact) & impact of one-offs.
- ❖ **PAT % up** primarily on account of higher Manila dividend tax in last year offsetting the decline in EBITDA %

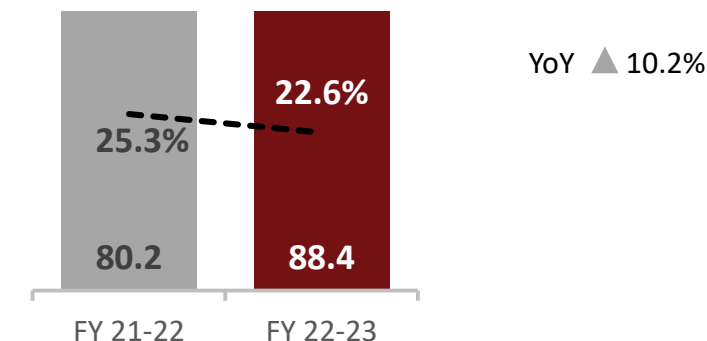
Cash Generation:

- ❖ **Up 11% YoY** due to lower Manila dividend tax & improved working capital.
- ❖ DSO lower by 6 days YoY to 52 days
- ❖ Net Cash ₹ 90 Cr. on 31st Mar'23 vs ₹ 81 Cr. on 31st Mar'22 .

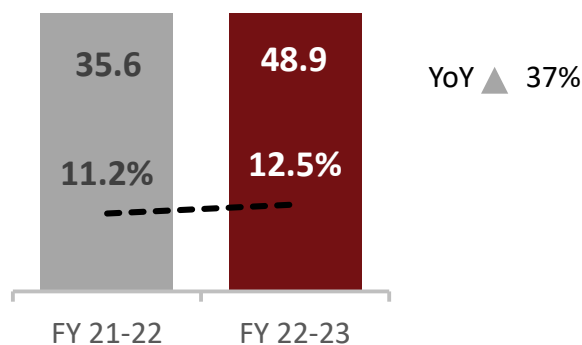
Revenue (in ₹ crore)



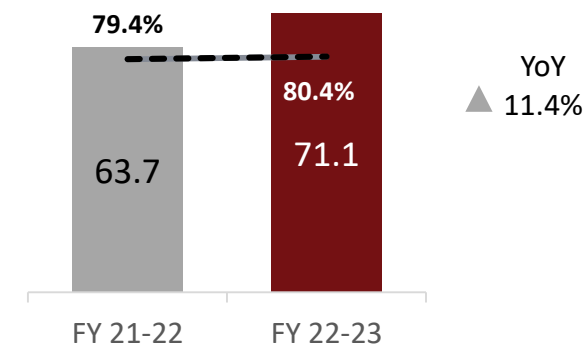
EBITDA (in ₹ crore) & Margin (%age)



PAT (in ₹ crore) & margin (%age)



OCF (in ₹ crore) & %age



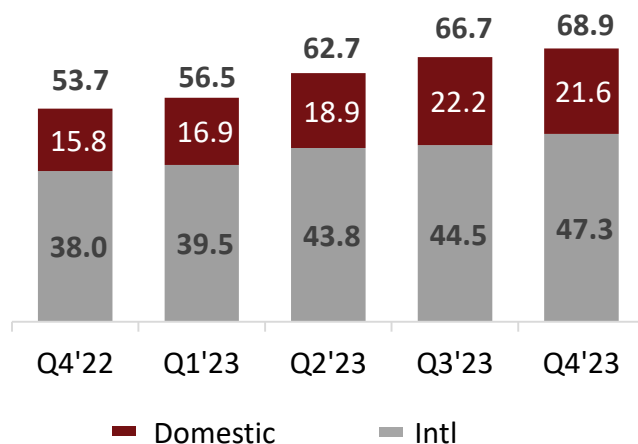
Business segment updates

Digital Business Services (DBS) – Performance Snapshot

Revenue (in ₹ crore)

YoY FY 23/22 up-by 26% (255/203)

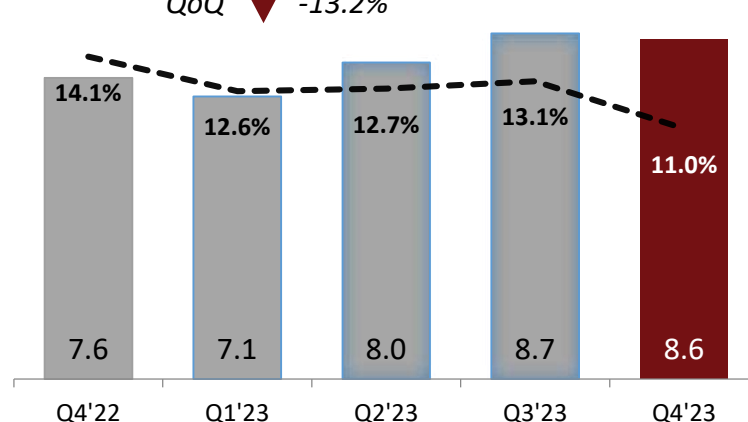
YoY ▲ 28.2%
QoQ ▲ 3.2%



EBIT (in ₹ crore) & margin (%)

YoY FY 23/22 up-by 24% (31/25)

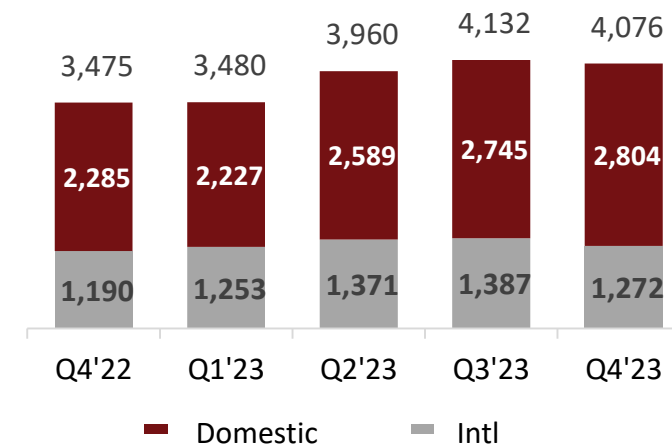
YoY ▼ -0.4%
QoQ ▼ -13.2%



Headcount break-up

(Avg Nos)

YoY ▲ 17.3%
QoQ ▼ -1.4%



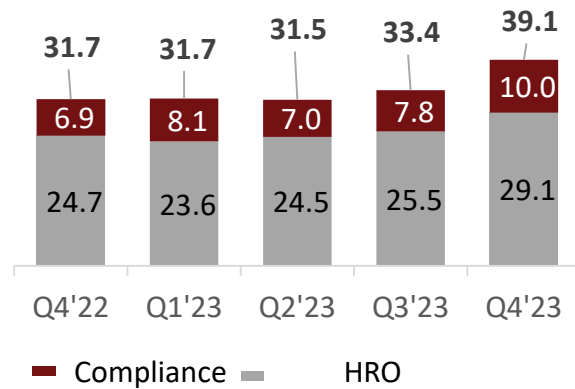
- ❖ Revenue up by 3.2 % QoQ , 28.2% YoY for the quarter and 26% FY (YoY)
- ❖ Headcount up by 17.3% in YoY basis & de-growth of 1.4% in QoQ basis.
- ❖ Revenue growth is from both new clients onboarding & volume growth for existing customers.
- ❖ EBIT margins % impacted primarily due to one timer & higher travel & conveyance cost in Q4'23.

Human Resources Operation (HRO) – Performance Snapshot

Revenue (in ₹ crore)

YoY FY 23/22 up-by 18% (136/115)

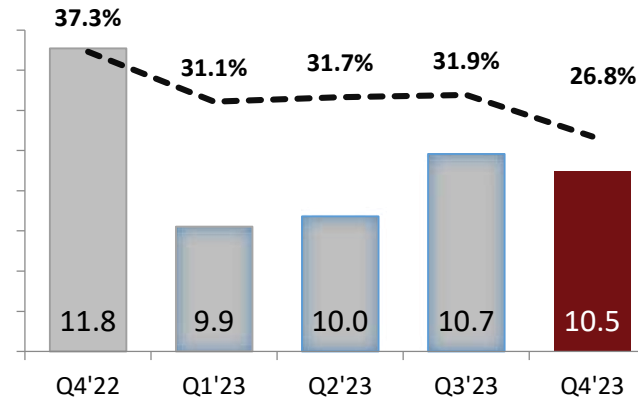
YoY ▲ 23.5%
QoQ ▲ 17.2%



EBIT (in ₹ crore) & margin (%age)

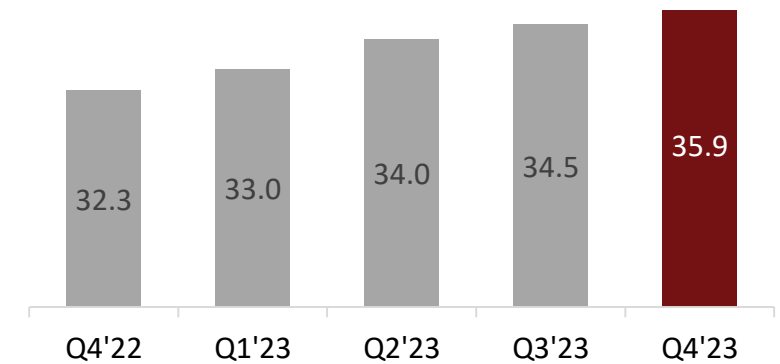
YoY FY 23/22 up-by 5% (41/39)

YoY ▲ -1.7%
QoQ ▲ -11.3%



Payslips processed (in Nos Lakhs);

YoY ▲ 11.4%
QoQ ▲ 4.0%



- ❖ Revenue up by 17.2 % (QoQ) , 23.5% (YoY) for quarter and 18% FY (YoY)
- ❖ Payslips up by 4.0% (QoQ) & 11.4% (YoY).
- ❖ Revenue growth led by new client acquisitions & one time revenue linked to customer acquisitions & S&E payment for a customer in Q4'23..
- ❖ Margin & margin % are lower than last year on account of advanced hiring, migration delays, S&E renewal cost passthrough to client & increase in travel cost.

Annexures

Income Statement- ₹ lacs

Consolidated	Quarterly					FY		
	Mar-23	Dec-22	QoQ	Mar-22	YoY	Mar-23	Mar-22	YoY
Particulars	Q4 FY23	Q3 FY23	Growth	Q4 FY22	Growth			Growth
Revenue from Operations	10,798	10,009	7.9%	8,537	26%	39,045	31,720	23%
Less:								
Employee benefit expenses	(5,944)	(5,771)	3.0%	(4,407)	34.9%	(22,170)	(17,246)	29%
Other expenses	(2,482)	(2,141)	15.9%	(1,773)	40.0%	(8,032)	(6,451)	25%
Total expenses	(8,426)	(7,912)	6.5%	(6,180)	36.3%	(30,202)	(23,697)	27%
EBITDA	2,372	2,097	13.1%	2,357	0.6%	8,843	8,023	10%
EBITDA Margin	22.0%	21.0%	102 bps	27.6%	(564 bps)	22.6%	25.3%	(264 bps)
Other income	88	84	4.8%	189	(53.4%)	803	645	24%
Finance cost	(88)	(93)	(5.4%)	(89)	(1.1%)	(367)	(208)	76%
Depreciation & amortisation	(851)	(683)	24.6%	(638)	33.4%	(2,825)	(2,345)	20%
Profit before tax	1,521	1,405	8.3%	1,819	(16.4%)	6,454	6,115	6%
PBT Margin	14.1%	14.0%	5 bps	21.3%	(722 bps)	16.5%	19.3%	(244 bps)
Normal Tax	(309)	(683)	(54.8%)	(69)	347.8%	(1,568)	(2,551)	(39%)
Profit after tax	1,212	722	67.8%	1,750	(30.7%)	4,886	3,564	37%
PAT Margin	11.2%	7.2%	401 bps	20.5%	(928 bps)	12.5%	11.2%	(129 bps)
Basic & Diluted EPS (in ₹)	7.96	4.74	68%	11.49	(31%)	32.07	23.39	27%

Balance Sheet- ₹ Lacs

Particulars	FY 23	FY 22	Var
Non-Current Assets			
Property Plant & Equipment	1,220	931	289
Right of Use Assets	4,241	4,265	-24
Other Intangible Assets	512	395	117
Other Non Current Assets	3,916	3,201	715
	9,889	8,792	1,097
Current Assets			
Current Investments	4,678	4,694	-16
Cash & Cash equivalents	9,012	8,140	872
Trade receivables	5,924	5,720	204
Unbilled revenues	2,813	1,441	1,372
Other current assets	1,041	636	405
	23,468	20,631	2,837
Total Assets	33,357	29,423	3,934
Equity & Reserves	22,968	20,944	2,024
Non-Current Liabilities			0
Lease liability	2,507	2,710	-203
Other non-current Liability	772	726	46
	3,279	3,436	-157
Current Liabilities			
Lease liability	1,887	1,588	299
Trade Payables & Other current liabilities	5,223	3,455	1,768
	7,110	5,043	2,067
Total Equity & Liabilities	33,357	29,423	3,934

Cash Flow- ₹ Lacs

Particulars	FY23	FY22
PBT	6,454	6,115
Add: Non cash Expenses/(Income)	2,445	2,103
Operating profit before working capital changes	8,899	8,218
Changes in working capital & Tax paid	(1,771)	(1,845)
Net cash generated from operating activities	7,128	6,373
Capex	(1,545)	(1,348)
Tax expenses on Manila dividend	(435)	(1,390)
Forex Loss on realisation of Dividend Income from Sub	(30)	-
Current investments	264	661
Interest received	2	5
Cash flow from Investing activities	(1,744)	(2,072)
Repayment of borrowings	-	(16)
Interest paid	(367)	(208)
Payment of lease liabilities	(1,742)	(1,878)
Dividend paid	(3,048)	(9,132)
Cash flow from financing activities	(5,157)	(11,234)
Net change in cash and cash equivalents	227	(6,933)
Opening cash & cash equivalents	8,140	8,829
Exchange rate fluctuations	645	211
Closing cash & equivalents	9,012	2,107
Mutual fund investments	4,678	4,694
Closing cash and current investments	13,690	6,801

Thank you