



May 14, 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**

Sub: Submission of Press Release and Investor’s Presentation

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed following documents:

1. Press Release dated May 14, 2022.
2. Investor’s Presentation on the financial performance of the Company.

Request you to take the same on record.

Thank you,

Yours faithfully,

For Allsec Technologies Limited

**Raghunath P
Chief Financial Officer**



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

14th May 2022

BSE: 532633 | NSE: ALLSEC | ISIN: INE835G01018 | CIN: L72300TN1998PLC041033 | WWW.ALLSECTECH.COM

Strong Finish to the year, PAT up 33% QoQ

Chennai, India – 14th May 2022: Allsec Technologies, a global leader in outsourcing solutions announced its financial results for the **Fourth quarter (Q4 FY22)** and **Year (FY22)** ended 31st March 2022.

Highlights include:

- Revenue increased 3% over Q3 FY22 at ₹85.4cr
- EBITDA increased 7% over Q3 FY22 at ₹23.5cr;
- PBT increased 10% over Q3 FY22 at ₹18.2cr
- PAT increased 33% over Q3 FY22 at ₹17.8cr

Key financial highlights

In ₹ Lakhs

| Particulars | Q4FY22 | Q3FY22 | QoQ | Q4FY21 | YoY (%) | FY22 | FY21 | YoY (%) |
|---------------------|--------|--------|---------|--------|----------|--------|--------|-----------|
| Revenue | 8,537 | 8,322 | 3% | 7,348 | 16% | 31,720 | 27,669 | 15% |
| EBITDA | 2,357 | 2,201 | 17% | 2,092 | 13% | 8,023 | 6,590 | 22% |
| EBITDA Margin % | 27.6% | 26.4% | 116 bps | 28.5% | (88 bps) | 25.3% | 23.8% | 148 bps |
| PBT | 1,819 | 1,648 | 10% | 1,502 | 21% | 6,115 | 4,371 | 40% |
| PAT | 1,750 | 1,316 | 33% | 1,378 | 27% | 3,564 | 3,512 | 1% |
| PAT Margin % | 20.5% | 15.8% | 469 bps | 18.8% | 175 bps | 11.2% | 12.7% | (146 bps) |
| Diluted EPS (in ₹) | 11.48 | 8.63 | 33% | 9.04 | 27% | 23.39 | 23.05 | 1% |

Business Update

➤ Human Resources Operations (HRO):

- Revenue higher by 11% QoQ at ₹31.6 Cr
- Domestic business revenues excluding Statutory Compliance higher by 15% QoQ at ₹18.1 Cr
- International business revenue higher by 3% QoQ at ₹6.6 Cr
- Statutory Compliance business revenue higher by 9% QoQ at ₹6.9 Cr
- 43 new customers were added during the quarter with ACV of ₹2.8 Cr
- Payslips processed grew 2% QoQ and 25% YoY to ~32.3 lakhs in Q4FY22
- Recognised as one of “Top 10 HR Technology Solutions Provider” by “CIOReview” India Magazine

➤ Digital Business Services (DBS):

- Revenue marginally lower by 2% QoQ at ₹53.7 Cr. YoY up 14%
- International business revenue higher by 2% QoQ, at ₹38.0 Cr,
- Domestic business revenue lower by 11% QoQ, at ₹15.7 Cr
- Headcount stood at 3,475 employees

Commenting on the performance, Mr. Ashish Johri, CEO said “Allsec has ended the year with strong growth momentum in both its business verticals. With the headwinds of COVID behind us, we believe that the Company is poised to reap the benefits of investments made in sales and technology in the coming years”

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 ~ 4,500 employees across India, Philippines and the US, Allsec processes more than 1 million 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>.

For more information, please contact:

Investor / Analyst contact:

Raghunath Parthasarathy

Chief Financial Officer

✉ raghunath.p@allsectech.com

☎ +91 44 4299 7070

Disclaimer: This document contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions, which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Building lasting relationships

Earnings Update

Q4 FY 22 and FY22



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Company Overview

Q4 FY22 Key Business Highlights

Financial Performance (Q4 and FY22)

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)

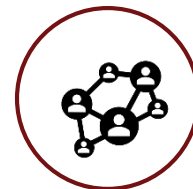
HRO



1M+ payslips processed per
month

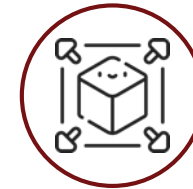


400+ Client engagements
globally including Fortune
100 companies



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

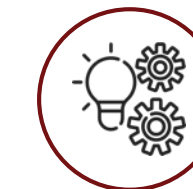
DBS



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 Qess 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
- English
- Tamil
- Telugu
- Kannada
- Malayalam
- Marathi
- Punjabi
- Gujarati
- Bengali
- Odia



Manila, PHILIPPINES

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



Dallas, Texas USA

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

120+ logos added in FY22 |

1,000,000+ payslips p.m (25% ↑ over Mar'21) |

330,000+ Active users on HRMS (25% ↑ over Mar'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



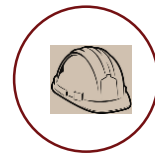
Reimbursement System

- 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

14 logos, ACV ~ ₹ 40 cr added in FY22

HC ~3500



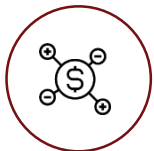
Customer Experience Management

- 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

Q4FY22 Key Business Highlights

Q4FY22 Highlights



Financial

Balance Sheet:

- Cash and short term investments increased by ₹5.6cr from Dec 2021 to ₹128.3cr
- OCF at ₹11.5cr in Q4 FY22
- Receivables DSO up at 60 days as compared to 48 in Q3 FY22 largely due to higher revenue in March 2022 due to year end activities in HRO

P&L statement:

- Revenue was at ₹85.4cr an increase of 3% QoQ with HRO increasing by 11%
- EBITDA was at ₹23.6cr, an increase of 7% QoQ and increase of 13% over Q4 FY21
- EBITDA margin % improved 116 bps to 27.6% driven by growth in HRO revenue
- PBT was at ₹18.2cr, an increase of 10% QoQ and increase of 21% YoY.
- During the quarter ended 31 March 2022, the Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income of Rs. 9,252 lakhs received from its wholly owned subsidiary, Allsectech Manila Inc., Philippines in Q1FY22. This has resulted in a reversal of ₹1.98cr to Tax expense in Q4FY22.



HRO

HRO:

- Added net ~60,000 payslips during Q4 FY22 representing 2% growth over Q3 FY22 and 25% growth over Q4 FY21
- Network of payroll partners established in APAC & Europe
- Smartpay (SP4) product modernization proceeding as per plan and we aim to onboard customers in FY23
- Added 43 new customers in Q4 FY22 with ACV of ~ ₹2.8cr during the quarter. FY added 130+ customers and ACV of ₹13.5cr
- Recognised as one of “Top 10 most Promising HR Technology Solutions Providers -2022” by CIO Review India Magazine



DBS

DBS:

- Added 3 new logos with ACV of ₹1.3cr in Q4
- Record 14 logos and ₹40.6cr added during the year in DBS business which represents a 22% incremental business over FY21 base
- Notable wins in US Compliance services and BOT Monitoring Command Centre during the year
- Significant pipeline built in AML-KYC in BFSI segment and HR back office offering in the North American market

Financial performance

Q4FY22 Financial Performance

Revenue:

- Increased 3% QoQ and increased 16% YoY with strong growth from HRO while DBS remained flat

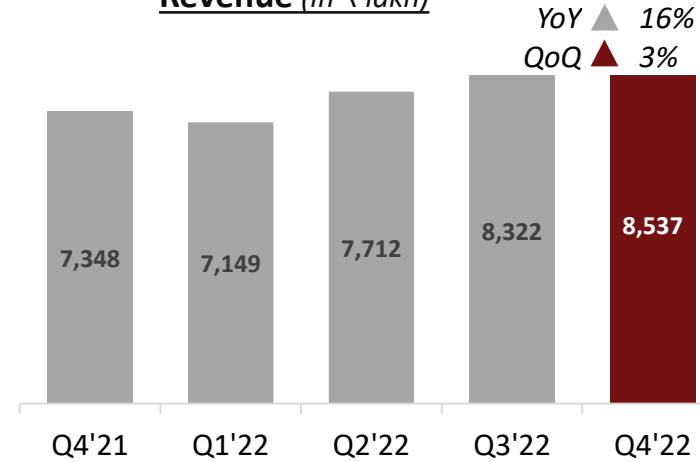
Profitability:

- EBITDA increased by 7% QoQ and 13% YoY;
- PAT increased by 33% QoQ and 27% YoY:
 - Tax credit on account of opting for 80M benefit Rs.1.98cr
 - Excluding that PAT higher by 20% QoQ due to higher EBITDA and favourable fx movement

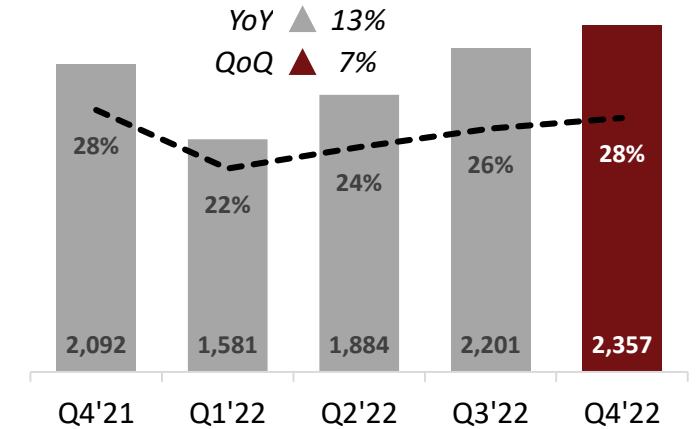
Cash Generation :

- Cash and short term investments increased by ₹5.6cr to ₹128.3cr
- OCF was at ₹11.5cr a decrease of 47% over Q3 FY22 largely due to increased DSO
- DSO higher at 60 days as compared to 48 in Q3 FY22 due to lower collections in March 2022 which also impacted OCF for the quarter

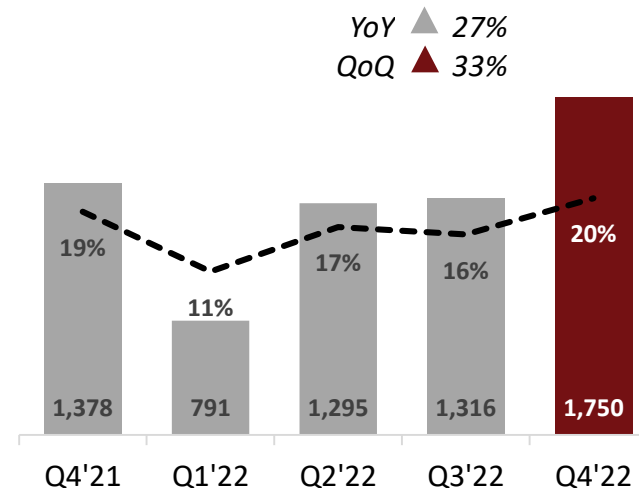
Revenue (in ₹ lakh)



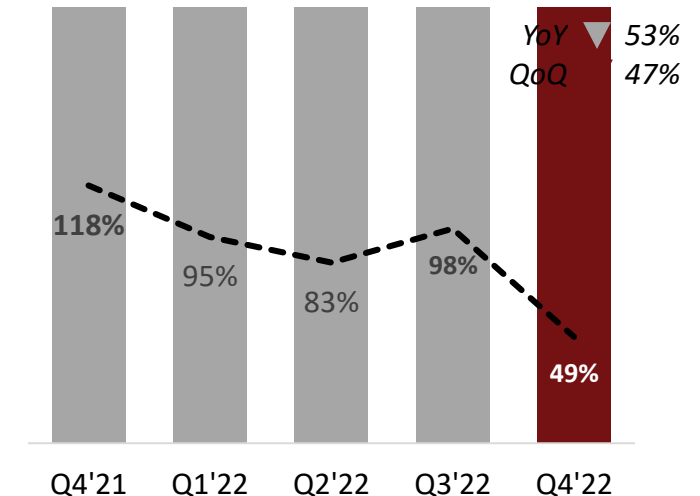
EBITDA (in ₹ lakh) & margin (%age)



PAT* (in ₹ lakh) & margin (%age)



OCF (in ₹ lakh) & %age



FY22 Financial Performance

Revenue :

- 15% higher YoY at ₹317.2cr
 - DBS up 14% at ₹202.5cr
 - HRO up 17% at ₹114.6cr

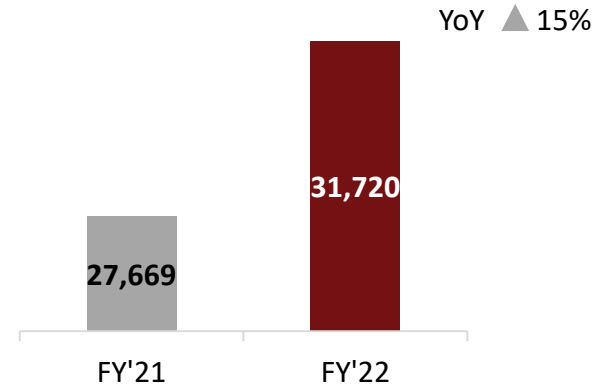
Profitability :

- EBITDA up 22% on account of higher revenue
- PBT up 40% due to higher EBITDA, favourable fx movement in current year
- PAT flat due to impact of Tax on dividend income in subsidiary of ₹13.9cr. Excluding that PAT higher at 41% YoY

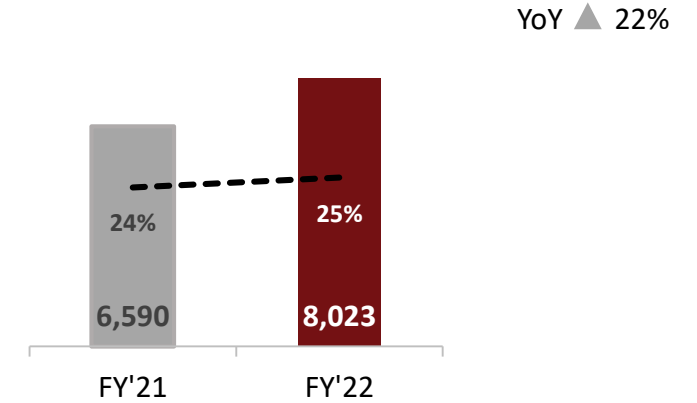
Cash Generation :

- Cash and short term investments reduced by ₹70.0cr to ₹128.3cr from ₹198.3cr in March 2021. The reduction is due to
 - Dividend paid in Q1 FY22 ₹22.9cr
 - Dividend paid in Q3 FY22 ₹68.6cr
 - Tax on dividend paid by subsidiary ₹13.9cr
- OCF was at ₹63.7cr a decrease of 9%. The decrease is mainly on account of lower tax payment in FY21 as the Company was under MAT and higher debtors at end of FY22
- DSO was at 66 days as compared to 55 in FY21

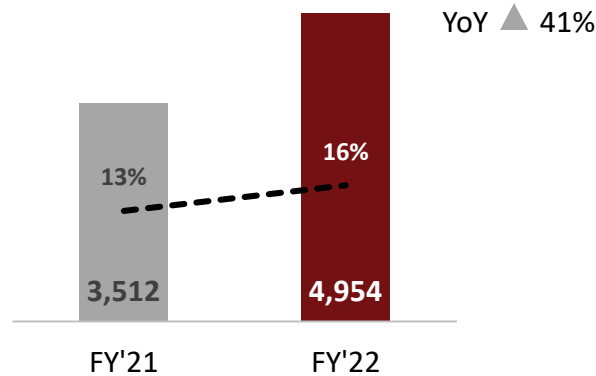
Revenue (in ₹ lakh)



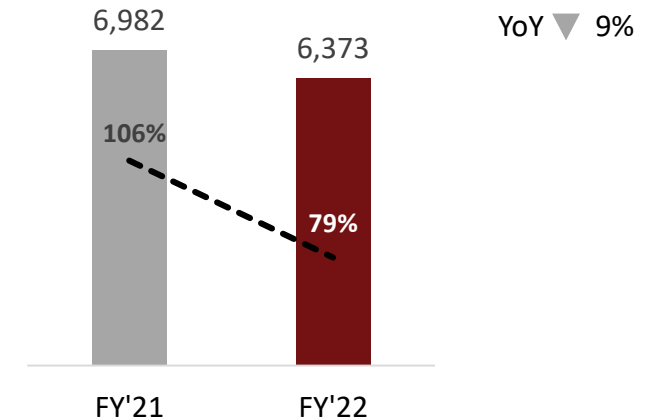
EBITDA (in ₹ lakh) & margin (%age)



PAT (in ₹ lakh) & margin (%age)**



OCF (in ₹ lakh) & %age

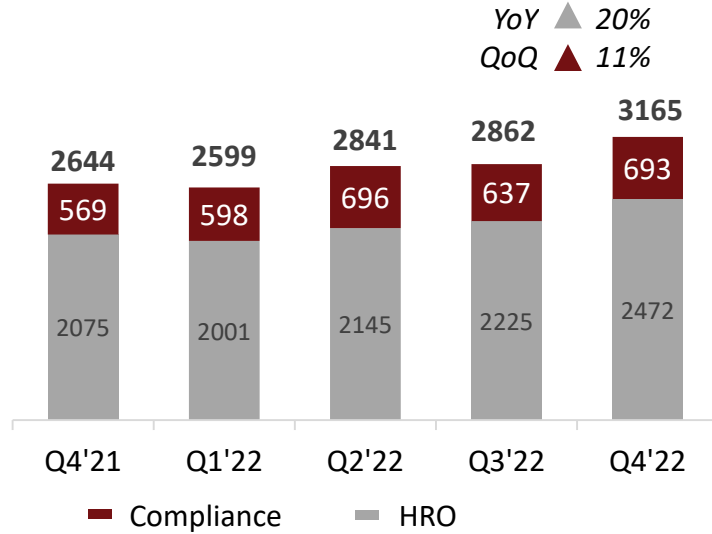


* FY22 PAT excludes tax on dividend income ₹13.9 lakhs

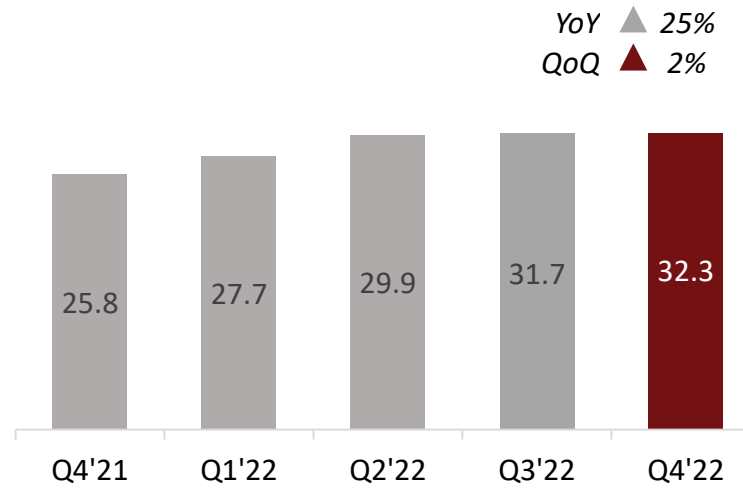
Business segment updates

Human Resources Operation (HRO) – Performance Snapshot

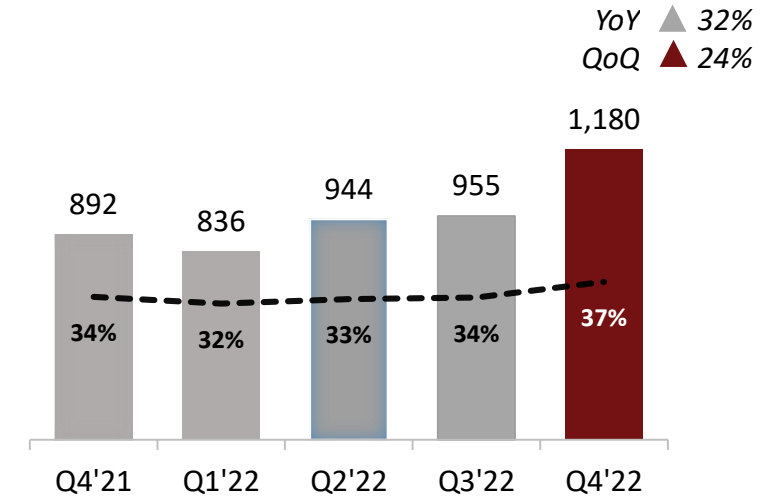
Revenue (in ₹ lakh)



Payslips processed (in Nos Lakhs);

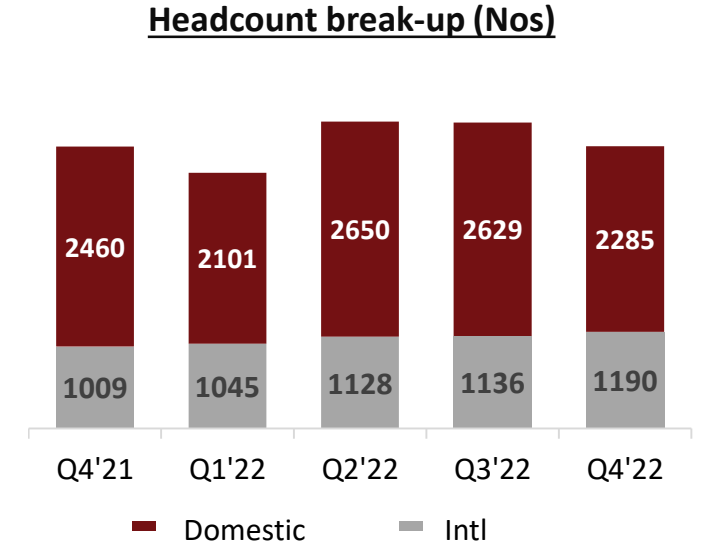
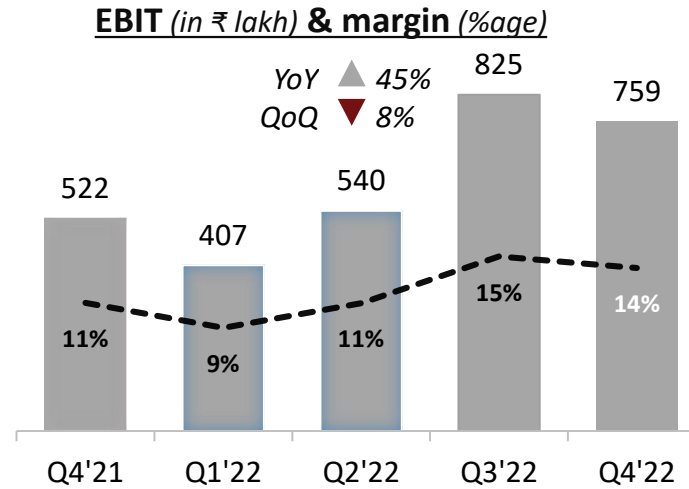
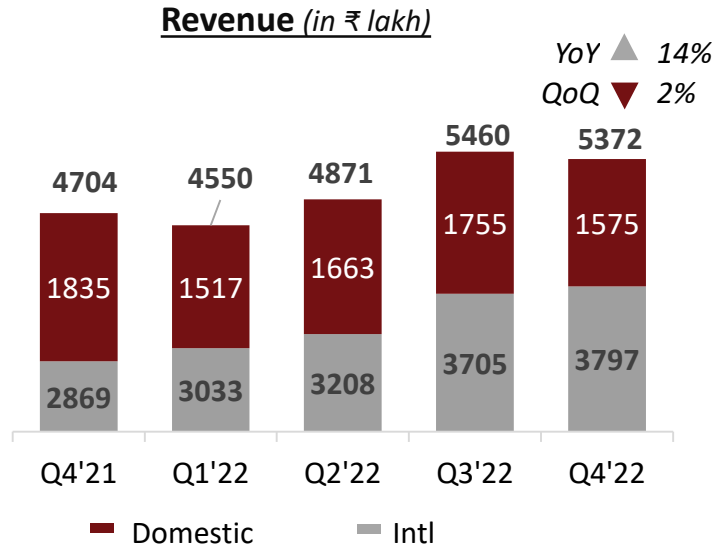


EBIT (in ₹ lakh) & margin (%age)



- Revenue increased 11% QoQ
 - One time implementation revenues from customers going live in April 22
 - Year end tax related activities
- Payslips remained flat QoQ and grew 25% YoY;
- Added 43 customers with ACV of ₹280 Lakhs during the quarter; full year added 130 customers and ₹1,343 lakhs

Digital Business Services (DBS) – Performance Snapshot



- Revenue marginally decreased QoQ by 2% with DBS international higher by 2% with revenues coming from new customers on boarded towards end of Q2 and DBS domestic lower by 11% with reduced volumes from existing customers
- Total headcount remained flat at 3,475 flat YoY
- DBS – International added 3 new logos adding to a total ACV of ₹1.2cr. This takes the YTD ACV added in this business to ~₹40.6cr

Annexures

Income Statement

In ₹ Lakhs

| Consolidated Particulars | Quarterly | | | Var % | | Year ended | | |
|--------------------------------|----------------|----------------|----------------|------------|------------|-----------------|-----------------|------------|
| | Q4 FY22 | Q3 FY22 | Q4 FY21 | QoQ% | YoY % | 31-Mar-22 | 31-Mar-21 | YoY % |
| Revenue from Operations | 8,537 | 8,322 | 7,348 | 3% | 16% | 31,720 | 27,669 | 15% |
| Less: | | | | | | | | |
| Employee benefit expenses | (4,407) | (4,465) | (3,963) | (1%) | 11% | (17,246) | (15,351) | 12% |
| Other expenses | (1,773) | (1,656) | (1,293) | 7% | 37% | (6,451) | (5,728) | 13% |
| Total expenses | (6,180) | (6,121) | (5,256) | 1% | 18% | (23,697) | (21,079) | 12% |
| EBITDA | 2,357 | 2,201 | 2,092 | 7% | 13% | 8,023 | 6,590 | 22% |
| Other income | 189 | 58 | 151 | 226% | 25% | 645 | 364 | 77% |
| Finance cost | (89) | (34) | (89) | 162% | 0% | (208) | (244) | (15%) |
| Depreciation & amortisation | (638) | (577) | (652) | 11% | (2%) | (2,345) | (2,339) | 0% |
| Earnings before tax | 1,819 | 1,648 | 1,502 | 10% | 21% | 6,115 | 4,371 | 40% |
| Normal Tax | (69) | (332) | (124) | (79%) | (44%) | (2,551) | (859) | 197% |
| Profit after tax | 1,750 | 1,316 | 1,378 | 33% | 27% | 3,564 | 3,512 | 1% |
| EBITDA Margin | 27.6% | 26.4% | 28.5% | 116 bps | (86 bps) | 25.3% | 23.8% | 148 bps |
| PAT margin | 20.5% | 15.8% | 18.8% | 469 bps | 175 bps | 11.2% | 12.7% | (146 bps) |
| Basic & Diluted EPS (in ₹) | 11.48 | 8.63 | 9.04 | 33% | 27% | 23.39 | 23.05 | 1% |

Balance Sheet

In ₹ Lakhs

| Particulars | 31-Mar-22 | 31-Mar-21 | Var % |
|--------------------------------------------|---------------|---------------|--------------|
| Non-Current Assets | | | |
| Property Plant & Equipment | 931 | 730 | 28% |
| Right of Use Assets | 4,265 | 2,011 | 112% |
| Other Intangible Assets | 1,179 | 600 | 97% |
| Other Non Current Assets | 2,417 | 2,475 | (2%) |
| | 8,792 | 5,816 | 51% |
| Current Assets | | | |
| Current Investments | 4,694 | 4,971 | (6%) |
| Cash & Cash equivalents | 8,140 | 14,862 | (45%) |
| Trade receivables | 5,720 | 4,203 | 36% |
| Unbilled revenues | 1,444 | 1,515 | (5%) |
| Other current assets | 633 | 577 | 10% |
| | 20,631 | 26,128 | (21%) |
| Total Assets | 29,423 | 31,944 | (8%) |
| | | | |
| Equity & Reserves | 20,944 | 26,512 | (21%) |
| Non-Current Liabilities | | | |
| Lease liability | 2,710 | 647 | 319% |
| Other non-current Liability | 726 | 622 | 17% |
| | 3,436 | 1,269 | 171% |
| Current Liabilities | | | |
| Lease liability | 1,588 | 1,517 | 5% |
| Trade Payables & Other current liabilities | 3,455 | 2,646 | 31% |
| | 5,043 | 4,163 | 21% |
| Total Equity & Liabilities | 29,423 | 31,944 | (8%) |

Cash Flow

In ₹ Lakhs

| Particulars | FY22 | FY21 |
|--------------------------------------------------------|-----------------|----------------|
| PBT | 6,115 | 4,371 |
| Add: Non cash Expenses/(Income) | 2,103 | 2,872 |
| Operating profit before working capital changes | 8,218 | 7,243 |
| Changes in working capital & Tax paid | (1,845) | (261) |
| Net cash generated from operating activities | 6,373 | 6,982 |
| Capex | (1,348) | (719) |
| Tax expenses on Manila dividend | (1,390) | - |
| Current investments* | 661 | (1,440) |
| Interest received | 5 | 16 |
| Cash flow from Investing activities | (2,072) | (2,143) |
| Repayment of borrowings | (16) | (24) |
| Interest paid | (208) | (242) |
| Payment of lease liabilities | (1,878) | (1,666) |
| Dividend paid | (9,132) | - |
| Cash flow from financing activities | (11,234) | (1,932) |
| Net change in cash and cash equivalents | (6,933) | 2,907 |
| Opening cash & cash equivalents | 14,862 | 12,420 |
| Exchange rate fluctuations | 211 | (465) |
| Closing cash & equivalents | 8,140 | 14,862 |
| Mutual fund investments | 4,694 | 4,971 |
| Closing cash and current investments | 12,834 | 19,833 |

Thank you