



## Zensar reports 0.6% sequential QoQ revenue growth, PAT growth of 130 basis points for Q2FY24

Pune, India, October 17, 2023: [Zensar Technologies](#), a leading experience engineering and technology solutions company, announced its consolidated financial results for its second quarter, ending September 30, 2023, of the fiscal year 2023-2024.

### Financial Highlights:

- In Q2FY24, the company reported revenue of \$150.2M, a sequential QoQ growth of 0.6% in reported currency and 0.2% in constant currency
- In Q2FY24, EBITDA was at 18.6% and PAT stood at 14.0% of revenues
- The company reported net cash of \$227.1M at the end of Q2FY24, a quarterly YoY growth of 40.1%
- Europe region reported sequential QoQ growth of 11.3% and a quarterly YoY growth of 12.8% in constant currency
- South Africa reported sequential QoQ growth of 9.1% and a quarterly YoY growth of 18.8% in constant currency
- US region reported a sequential QoQ decline of 4.3% and a quarterly YoY decline of 10.7% in constant currency
- Banking and Financial Services reported a sequential QoQ revenue growth of 3.1% and a quarterly YoY growth of 7.8% in constant currency
- Manufacturing and Consumer Services reported a sequential QoQ growth of 6.7% and a quarterly YoY decline of 0.7% in constant currency
- Hitech reported a sequential QoQ decline of 8.0% and a quarterly YoY decline of 16.9% in constant currency
- Healthcare and Life Sciences reported a sequential QoQ decline of 1.5% and a quarterly YoY decline of 4.7% in constant currency

**Manish Tandon, CEO and Managing Director, Zensar**, said, “Our “Experience-Engineering-Engagement” proposition continues to deliver value to the customers. While we saw some slowdown in certain areas of the business, we also experienced good momentum in a few of our geographies and verticals. This demonstrates the resilience of our business model and the strength of our customer relationships.

Our core service lines are resonating well and are helping clients to achieve competitive differentiation. We are accelerating our Talent Transformation journey to enhance the skills of our employees and strengthening our diverse talent pool.”

**Sachin Zute, CFO, Zensar, commenting on the Q2FY24 performance**, said, “Our Profit After Tax (PAT) stood at 14.0% for the quarter, increased by a healthy 130 basis points QoQ and 940 basis points YoY. We have given annual wage hikes across the company effective 1st July, while also maintaining the margin in the mid-teens because of multiple margin improvement levers and disciplined budgetary control across the organization. The company reported net cash of \$227.1M at the end of the quarter, with YoY growth of 40.1%. As we step into the second half of this fiscal year, we have a healthy order book. We continue to stay focused on execution, innovation, and cost optimization to further maintain Zensar's financial performance achieved in the last few quarters.

**Significant Wins in Q2FY24:**

- Application transformation, development, and support, including RPA, data analytics, AI, and ML, for a US-based multinational digital communications technology conglomerate
- Leveraging multi-tenant technology with Advanced Engineering Services for a US-based company that provides insurance brokerage, risk management, management consulting, and more
- Digital workplace and infrastructure development with Foundations Services and Data Engineering & Analytics for a US-based multinational that specializes in pharmaceutical products, business solutions, and value-driving services.
- Advanced Engineering Services enabling cloud architect design solution for a leading investment and holding company in South Africa
- Application development, RPA, and quality engineering for an international auction house based in the UK

**Awards and Recognitions in Q2FY24:**

- Zensar consecutively won two awards at the 2023 Brandon Hall Group HCM Excellence Awards

**About Zensar ([www.zensar.com](http://www.zensar.com))**

We conceptualize, build, and manage digital products through experience design, data engineering, and advanced analytics for 145+ global clients. Our solutions leverage industry-leading platforms and help clients be competitive, agile, and disruptive as they navigate transformational changes with velocity. With headquarters in Pune, India, our 10,500+ employees work across 30+ locations, including San Jose, Seattle, Princeton, Cape Town, London, Singapore, and Mexico City.

**Follow Zensar via:**

Zensar Blog: <http://www.zensar.com/blogs>

Twitter: <https://twitter.com/Zensar>

LinkedIn: <https://www.linkedin.com/company/zensar-technologies>

Facebook: <https://www.facebook.com/ZensarTech/>

Catch our refreshed new website at: [www.zensar.com](http://www.zensar.com)

**About RPG Enterprises ([www.rpggroup.com](http://www.rpggroup.com))**

RPG Enterprises, established in 1979, is one of India's fastest-growing business groups, with a turnover of US\$ 4.7 billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation-led technology businesses.

**For any queries, please feel free to reach out:**

<b>Media Contact</b>
<b>Sunanda Jayaseelan</b> Public Relations Zensar Technologies <a href="mailto:sunanda.jayaseelan@zensar.com">sunanda.jayaseelan@zensar.com</a>

**Safe Harbor**

Certain statements in this release concerning our future prospects are forward-looking statements that involve a number of underlying identified/non-identified risks and uncertainties that could cause actual results to differ materially. This release and other statements—written and oral—that we periodically make contain forward-

looking statements that set out anticipated results based on the management's plans and assumptions. However, the same are subject to risks and uncertainties, including, but not limited to, our ability to manage growth; fluctuations in earnings/exchange rates; intense competition in IT services, including factors affecting cost advantage; wage increases; ability to attract and retain highly skilled professionals; time and cost overruns on fixed price, fixed-time frame, or other contracts; client concentration; restrictions on immigration; our ability to manage international operations; reduced demand for technology in our service offerings; disruptions in telecommunication networks; our ability to successfully complete and integrate acquisitions; liability for damages on our service contracts; government measures in India and countries where our customers operate; withdrawal of governmental fiscal incentives; economic downturn in India and/or around the world; political instability; legal restrictions on raising capital or acquiring companies; and unauthorized use of intellectual property and general economic conditions affecting the industry.

In addition to the foregoing, global pandemics like COVID-19 may pose an unforeseen, unprecedented, unascertainable, and constantly evolving risk(s), inter-alia, to us, our customers, delivery models, vendors, partners, employees, and general global operations and may also impact the success of companies in which we have made strategic investments, demand for the Company's offerings, and the onshore-offshore-nearshore delivery model.

The results of these assumptions made relying on available internal and external information are the basis for determining the carrying values of certain assets and liabilities. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs, or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.