



Zensar reports 2.4% QoQ revenue growth and PAT growth of 7.6% for Q4FY24

Pune, India, April 25, 2024: [Zensar Technologies](#), a leading experience engineering and technology solutions company, announced its consolidated financial results for its fourth quarter, ending March 31, 2024, of the fiscal year 2023-2024.

Financial Highlights:

- In Q4FY24, the company reported revenue of \$148.1M, sequential QoQ growth of 2.4% in reported currency and 2.0% in constant currency.
- For the full year FY24, the company reported services revenue of \$591.3M, yearly YoY growth of 1.0% in reported currency and 1.3% in constant currency.
- In Q4FY24, EBITDA was at 16.5%, quarterly YoY increase of 200 bps and sequential QoQ decline of 70 bps
- In Q4FY24, PAT stood at 14.1%, a quarterly YoY increase of 430 bps and sequential QoQ increase of 70 bps
- The company reported net cash of \$261.7M at the end of Q4FY24, QoQ growth of 5.4%
- US region reported a sequential QoQ services revenue growth of 4.3% in reported currency and 4.2% in constant currency.
- Europe region reported a sequential QoQ services revenue decline of 1.2% in reported currency and 3.1% in constant currency.
- South Africa reported a sequential QoQ services revenue decline of 2.3% in reported currency and 2.0% in constant currency.
- Banking and Financial Services reported a sequential QoQ services revenue growth of 2.5% in reported currency and 2.0% in constant currency.
- Manufacturing and Consumer Services reported a sequential QoQ service revenue growth of 3.0% in reported currency and 2.3% in constant currency.
- Hitech reported a sequential QoQ services revenue growth of 0.8% in reported currency and 0.7% in constant currency.
- Healthcare and Life Sciences reported a sequential QoQ services revenue growth of 3.6% in reported currency and 3.5% in constant currency.

Manish Tandon, CEO and Managing Director, Zensar, said, “Sequential growth across all our verticals is a testimony of our robust strategy and our bias towards execution excellence. Our expertise in managing digital products, experiences, and engagement for our clients makes us a preferred partner of choice. We moved strength to strength in our client centricity journey by achieving our best customer experience score ever in FY24.

We expanded our market reach with the help of our diversified service offerings. We continue to focus on client and employee satisfaction as our primary pillars of success. Our results give us the confidence to continue strategic investments in our service lines and enhance our capabilities in new age technologies such as Gen AI to foster innovation and deliver growth.”

Sachin Zute, CFO, Zensar, commenting on the FY24 performance, said, “We have achieved strong financial results for FY’24 owing to our focused efforts towards operational excellence & margin improvement tracks which helped us improve our EBITDA by 640 bps to 17.8% and PAT by 690 bps to 13.6% on YoY basis. Our cash stood at \$261.7M and we further improved our DSO to 73 days at the end of FY’24. We continue to have strong momentum in our order book which grew by 22% YOY and stood at \$698M for the year.

For Q4FY24, our reported revenue is \$148.1M growth of 2.4% sequentially and 2.0% in constant currency. EBITDA margin for Q4 stood at 16.5% which is above our guided range.”

Significant Wins in Q4FY24:

- Providing Data Engineering and Security solution for one of the largest digital communication conglomerate
- Modernizing Mainframe through our Digital Foundation Services for one of the largest retailers in South Africa
- Enterprise Application Consultant for Multinational banking and financial services provider



- Implementing Enterprise Service Application Platform for injectable development and manufacturing company
- Building a global partner marketing SME centre of excellence via harnessing our Customer Experience for a Multinational Technology Company

Awards and Recognitions in Q4FY24:

- Zensar's commitment to employee training was recognized with a 2024 Training APEX Award, highlighting its excellence in development practices.
- Zensar is a Top Employer 2024 in South Africa, recognized for its top-notch employee experience and regional leadership.
- Zensar's experience-led engineering and engagement services have propelled them to become a Top 15 Sourcing Standout according to ISG, showcasing its impressive global growth.

About Zensar (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 10,300+ employees work across 30+ locations, including San Jose, Seattle, Princeton, Cape Town, London, Singapore, and Mexico City.

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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.