



Date: April 17, 2019

**Listing Department,
Bombay Stock Exchange 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**

Ref.: Submission of information pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Sub.: Press Release

Dear Sirs,

We are enclosing herewith the Press Release dated April 17, 2019 titled:

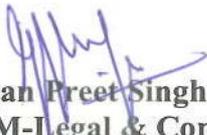
**Quess expands its CLM Platform with acquisition of Allsec Technologies
Allsec gears up for next phase of growth with Quess Corp**

This will also be hosted on the Company’s website.

This is for your information and record.

Thanking you,

Yours truly,
For Allsec Technologies Limited


**Gagan Preet Singh
DGM-Legal & Company Secretary**

ALLSEC TECHNOLOGIES LTD.

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Quess expands its CLM Platform with acquisition of Allsec Technologies

Allsec gears up for next phase of growth with Quess Corp

Bengaluru, India – 17th April 2019: Quess Corp, India's leading Business Services provider, today announced that its subsidiary Conneqt Business Solutions Ltd. (Conneqt) has signed definitive agreements to acquire a majority stake in Allsec Technologies Limited (Allsec). The transaction involves Conneqt purchasing 35.35% from the promoters, 26% from First Carlyle Ventures Mauritius thereby acquiring a majority control of 61.35%. In accordance with SEBI Regulations, Conneqt will make an open offer to the public shareholders of Allsec to purchase up to 26% of shareholding. The transaction is conditional to the fulfillment of customary closing conditions and required statutory approvals.

Allsec Technologies Limited is a global company with considerable expertise in providing business process solutions across various industry verticals. The Company started operations in 2001 and is listed on the National Stock Exchange of India (NSE) and BSE Limited. The Company operates across two segments globally viz., (a) **Human Resources Operation (HRO)** covering HRMS, Statutory Compliances, Payroll Services, Time and Attendance management; (b) **Customer Lifecycle Management (CLM)** which encompasses lead generation, customer retention and relationship management comprising both voice and non-voice processes.

The key strategic rationale for the transaction are as follows:

- 1) **Strengthen Non-Voice services exposure:** Allsec's CLM operations has an equal share of voice and non-voice revenue. Given that Conneqt has significant voice share, the combined entity will have a diversified revenue stream with increased contribution from high margin non-voice business
- 2) **Diversification of Revenue Stream through an established HRO practice:** Conneqt will get a strong established HRO practice with long tenured client contracts ensuring customer stickiness while providing recurring income stream with significant upside potential
- 3) **International CLM exposure:** The acquisition provides Conneqt with a sizeable international presence which would increase to ~20% from the existing ~5% while servicing reputed clients roster in the IT and Retail sector
- 4) **Delivery centres in Philippines and US:** The existing delivery centre in Philippines will help acquire more voice contracts from the US. Also, US operations and sales presence will help accelerate International revenue for Conneqt
- 5) **Value Accretion:** Acquired entity will be accretive in terms of EBITDA Margins of ~19%, EBITDA to OCF conversions of ~87% and ROCE of ~32% based on FY18 figures

Mr. Ajit Isaac, Chairman & Managing Director of Quess Corp, said, *“This acquisition underlines Quess’ ability to quickly build scaled global business platforms. Through this transaction, we now have the opportunity to leverage Allsec’s global presence as well as their deep domain expertise in the HRO business to further deepen client relationships to drive growth and profitability for both Conneqt and Allsec. Apart from the business synergies, the transaction will be accretive to both Conneqt and Quess from Margins, Cash flow conversion as well as RoCE perspective thereby creating long term value for our shareholders.”*

Mr. Adi Saravanan, Founder & President of Allsec Technologies, said, *“Allsec is excited to be a part of a revolutionary journey that has come at a time when we are seeing tremendous potential in the industry. The need of the hour is advanced, digital technology that can deliver true business value by adapting to ever changing customer needs. Our experience in the contact centre business for over 18 years, and across diverse geographies, has culminated in this momentous relationship with Quess. We are confident that now is the right time to expand to larger international markets, particularly in the US, and become a frontrunner in driving business value at a time of rapid transformation. With Allsec’s long-standing experience, and Quess’ presence across global markets, we believe that there is immense synergy between the two teams to set a new standard in Client Lifecycle Management delivery. We are excited about this relationship, and it is a great start to the year.”*

Mr. Jagadish Ramamoorthi, Co-founder and CEO of Allsec Technologies, further added, *“In the last 18 years, Allsec has grown to become one of the country’s most reputed business process outsourcing providers. Conneqt and the Quess group with their industry leading capabilities in the business process outsourcing will bring the needed synergy that resonates well with our global vision. We are confident that this transaction will enable Allsec to nurture its core capabilities and deliver significant value to its customers, employees and shareholders in newer markets. The existing businesses are growing with a strong momentum and we believe this new engagement will keep the company and its shareholders in good stead.”*

Advisor

Axis Capital acted as a financial advisor to Quess Corp Limited.

About Quess Corp

Quess Corp Limited (BSE: 539978, NSE: QUESS), is India’s leading business services provider. At Quess, we excel in helping large and emerging companies manage their non-core activities by leveraging our integrated service offerings across industries and geographies which provides significant operational efficiencies to our clients. Quess has a team of over 300,000 employees across India, North America, and Middle East & SE Asia. Quess serves over 1,900+ clients worldwide across three platforms – Workforce Management, Asset Management and Technology Solutions. Established in 2007, Quess is headquartered in Bengaluru, India and has a market cap of ~ USD 1.6 Bn as on March 31, 2019.

For further details on Quess Corp Ltd., please visit: www.quesscorp.com.

About Conneqt:

Conneqt Business Solutions Ltd. (CBSL) (formerly known as Tata Business Support Services) is a subsidiary of Qess Corp Limited engaged in the business of Business Process Outsourcing services including contact Center Services. It also provides Back office solutions for application processing, operations and banking, collection, legal remedial, and finance and accounting services. CBSL has over 110 clients across Telecom & Media, Retail, Manufacturing and BFSI industries across India, North America & Europe. The company provides 36 multilingual services in 24 Indian and 12 global languages with 29 Delivery centers across over 400 locations and has over 30,000 associates.

For further details, please visit: [Conneqt](#)

About Allsec Technologies Limited:

Allsec Technologies Limited (BSE: 532633, NSE: [ALLSEC](#)), headquartered in Chennai has been a pioneer in the HRO space and is today the second largest Payroll Service Provider in India. Founded in 1998, Allsec has emerged as a global brand, offering high-end business process solutions across key industry verticals in 40 countries. With ~ 3,500 employees across India, UK, Philippines and the US, Allsec processes about 6 lakh pay slips each month for over 180 legal entities around the world. Over the years, the company has built lasting relations with customers in the areas of Human Resource Management System (HRMS), Business Expenses Management, and HR Compliance. Allsec's unique *SmartHR* and *SmartPay* platforms are designed to address the complex challenges in today's HR environment, and the company has integrated the latest in tech – Robotic Process Automation (RPA), Smart Analytics, Chatbots and Mobility for enhanced employee engagement.

For further details, please visit: [ALLSEC](#)

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