

MEDIA RELEASE

DRC Systems India Limited Announces Unaudited Financial Results for the Second Quarter (Q2) of the Fiscal Year 2022-23

Consolidated Profit before tax up 443%, Y-o-Y to INR 123 Lacs.

Consolidated Profit after tax up 503%, Y-o-Y to INR 88 Lacs.

Consolidated EBITDA up 170%, Y-o-Y to INR 173 Lacs.

Gandhinagar, India, 14th October, 2022: Information Technology and Software Consultancy Services provider, DRC Systems India Limited “**DRC Systems**” “the Company”, today announced its standalone unaudited financial results for the Second Quarter (Q2), ended September 30, 2022, for the fiscal year 2022 23.

Acquisition of stake in Nextenders (India) Private Limited

The Board of Directors at its meeting held today has considered and approved to acquire 23.34% stake in Nextenders (India) Private Limited (“Nextenders”). Post-acquisition, Nextenders would become an Associate Company. The Target Company is engaged in the business of Electronic Procurement Software Systems, Solutions & Related Services. The target company has strong presence in India, Africa, Philippines and Mauritius in public sector. Till date, the company has processed over 625,000 worth over 15 Billion USD. The company has patented its systems in countries including India, UK and USA. DRC is seeing business opportunity through these presences to package product and software services.

Consolidated Performance Review for Q2 FY22-23:

- Operating Revenue stood at Rs. 574.0 Lacs up 7.3% Y-o-Y, up 28.4% Q-o-Q.
- EBITDA for the quarter is Rs. 173.4 Lacs up 170.1% Y-o-Y, up 12.3% Q-o-Q.
- EBITDA Margins stood at 30.2% for the quarter vs 12.0% in Q2 FY 2021-22
- Profit After Tax (PAT) is at Rs. 87.5 Lacs up 503.5 % Y-o-Y, up 25.0% Q-o-Q.

Consolidated Financial Highlights – Quarter Ended September 30, 2022

Particulars	Q2 FY23	Q2 FY22	% change Y-o-Y	Q1 FY23	% change Q-o-Q
Revenue	574.0	534.8	7.3%	447.2	28.4%
EBITDA	173.4	64.2	170.1%	154.4	12.3%
Profit Before Tax	122.6	22.6	442.5%	102.1	20.1%
Profit After Tax	87.5	14.5	503.5%	70.0	25.0%

Figures in INR Lacs

Managing Director Mr. Hiten Barchha said, “Worldwide the internet penetration is exponentially increasing at almost every single businesses & governments, which has become a major driving factor in the growing demand for IT & software services market. There has been excellent demand recovery across verticals and geographies, as demand for our products/services has substantially gained in domestic and international markets. While on the one hand, our business deal pipeline has continued to improve, on the other hand, there has been an uptick in our margins, thanks to better utilization and lowering operating costs. We expect this performance to continue in coming years/quarters as well, as the post-pandemic world keeps moving towards digitalization, hunting for more digital solutions to replace and improvise its old business work model and adapt new way of doing the business through digital means.”

About DRC Systems India Limited

DRC Systems is an IT services and Consultancy Company in India focused on providing viable and lasting solutions to businesses. We are focused on innovation and creativity to lead the change, since its advent in 2012. With competent teams of developers, project managers, and strategists, we help our customers overcome their business challenges with customized software development. Our services and solutions help businesses scale the market. Over the years, we have diversified our service offerings through a mix of organic growth and strategic transactions. We believe the wide range of services that we offer enables us to build stronger relationships with our clients and cross sell our services. Our customer base is spread across geographies and majorly to Europe, USA, Middle East and Asia.

Contact:

Hiten Barchha
+91 98790 70927