

## **Zellis Mid-Year Statement FY22**

Zellis Group (“Zellis”), the market leader in enterprise payroll and HR solutions for the UK and Ireland here announces its highlights for the six months ending 31st October 2021.

### **Overall financial performance**

Zellis’ positive mid-year financial position reflects the resilience of its business model and the critical nature of the solutions it offers, especially during the current period of uncertainty. The group has maintained the year-on-year increases in Revenue and EBITDA, reported in full year 2021 results. In the year to October 2021, Zellis Group revenues further grew by £8m to £84m for H1 Year to Date versus the same period last year (an organic growth rate of 5% after excluding the Capita Benefits trade and assets acquisition in late 2020), driven by continued growth in its Moorepay and Benefex divisions, and increasing uptake, including new customer sales of Zellis HCM Cloud. Half year EBITDA of £26.4m is ahead of the budget and £4.5m ahead of the prior year.

### **Acquisition of Wrkit**

Benefex (a Zellis company) announced the acquisition of Wrkit, the employee engagement platform. As part of the deal, Wrkit’s full staff and entire product set, which includes employee discounts, wellbeing, recognition and communication tools, become a part of the Zellis group, and will enhance our Benefex customer offering.

The acquisition reinforces the group’s commitment to investment in products and innovations that help customers solve their largest people challenges. One of the most significant challenges of the past few years has been the need to introduce effective support for the mental, physical and financial health and well-being of our customers’ employees.

### **Zellis HCM Cloud enhanced with new features**

In September 2021, Zellis announced a significant update for its cloud-based human capital management (HCM) solution, Zellis HCM Cloud, which combines core HR, payroll, recognition and benefits applications. Zellis has sold the service to 85 customers onto the platform, including over 20 new customers.

The Zellis HCM Cloud 3.0 update delivered on the company’s promise to introduce new features and capabilities to its HCM and Payroll products, which included leveraging the platform’s modern and flexible design with new and enhanced integrations with strategic technology partners.

With the release, Zellis demonstrated further advances to payroll processing automation and 'Zellis Agile Payroll' functionality, including real-time reporting exceptions, alerts, and insights which can be delivered in a new, intuitive format to deliver efficiencies and improve accuracy.

### **Moorepay customers gain route to the cloud**

In November, Zellis launched a cloud-based version of Moorepay's payroll & HR platform with new functionality including Faster Payments, and enhanced analytics and benefits modules. This upgrade reflects the overall Group's direction of travel to leadership in cloud solutions and is aligned to increasing demands for cloud-based infrastructure.

### **Zellis brings new expertise into its board**

In July 2021, Zellis announced the appointment of Jacqui Summons to its board as its first non-executive director

Jacqui Summons serves as Chief People Officer at EMIS Health and was the first addition to Zellis' board since the company launched with its new brand in January 2019. Jacqui brought an extensive range of HR and technology expertise which closely aligns with Zellis' customer-focused strategy. Having held leadership positions in companies as both the recipient and supplier of Human Capital Management (HCM) solutions, she is contributing over three decades of specialist knowledge of the challenges businesses face every day, from Diversity, Equity and Inclusion (DEI) to wellbeing, talent management and digital employee experiences.

### **Further industry accolades for software and services**

In October, Zellis announced it had again won two prestigious awards from the leading industry body, the Chartered Institute of Payroll Professionals. For the second year running, Zellis' flagship platform, Zellis HCM Cloud, was recognised as Software product of the year. The judging panel providing comments noting Zellis' clear focus on innovation and commitment to further development. Zellis and Moorepay were shortlisted for several other CIPP awards, including Payroll Service Provider of the year and Best Coronavirus (Covid-19) Crisis Response.

In addition, the efforts of Zellis Managed Services team were recognised by the CIPP, which declared that Mandy Haslam, Payroll Advisory & Operational Enablement Director had earned its prestigious Spotlight Award. The award reflected the success of the entire company's managed services and consulting teams, which continue to deliver complicated payroll support with accuracy and care during and unprecedented period of disruption and legislative change brought about by the ongoing Covid-19 pandemic.

Award success continued in December, as Zellis won Payroll and HR Software Product of the year award at the Rewards, the annual awards presented by Reward Strategy.

## **Return of the annual customer conference, Zellis Connect**

2021 saw the return of the company's annual customer conference, a chance for customers and prospects to network and attend exclusive presentations and panel discussions with senior executives and special guests.

Nearly 500 customers and prospects attended the two-day, digital conference, the first of its kind since 2019. Zellis used the opportunity to provide an updated technology roadmap and host expert sessions on the challenges of migrating HR to the cloud and improving engagement in the onboarding process.

The event was also chosen for the launch of Zellis' most ambitious thought leadership project to date.

## **Delving into diversity data collection with Economist Impact**

Reflecting the company's own commitment to best practice and leadership for ESG and DEI, Zellis commissioned experts at Economist Impact, the specialist research arm of the Economist Group, to conduct new research into the attitudes in the Republic of Ireland and United Kingdom towards DEI data collection.

Zellis published a report highlighting the reasons individuals are reluctant to share critical data about their identities alongside recommendations for how organisations could improve their approach and culture. The research represented a shift into new areas for Zellis where it could link best-practice with data-led evidence to help its customers in new ways.

## **Response to COVID-19**

As the second year of Covid-19 pandemic went on, Zellis continued to pursue a strategy that ensured the safety of its international workforce while extending customer support initiatives for its customers.

Zellis has operations across the UK, Ireland and Kochi, India. All three companies experienced continuing pressure due to the virus, and Zellis continued to support colleagues' homeworking where possible, improved office facilities to facilitate socially distanced working, providing personal protective equipment, distributing additional hardware and devices where fixed line connections could not be achieved.

For our Indian colleagues Zellis recognised that additional support would have a big impact for colleagues who might have less access to vaccination. We took the extra step of organising a vaccination programme which we extended to our colleagues, and their families, free of cost. The effort was an incredible success, which resulted in over a thousand shots being given over the course of two campaigns.



Zellis has continued to be well-positioned to address the challenges presented by Covid-19 among its customers, ensuring that business-critical payroll and HR services are maintained, and updated to reflect changes to legislation and to support teams depleted by illness and isolation.

**John Petter, CEO, Zellis, commented:**

"I'm pleased to report that our business is emerging from the global pandemic stronger than ever. 2021 has been another year without precedent and a year of innovation and growth for Zellis. We have brought exciting new features and services to market faster than ever before, targeting the most important challenges our customers face today and tomorrow. We have enhanced our customer-focused approach through board appointments and with research to provide unique and valuable insight. We are entering 2022 brimming with energy, ideas and a spirit of collaboration."