

FY22 Q2 Earnings Presentation

November 13, 2021



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Business Update

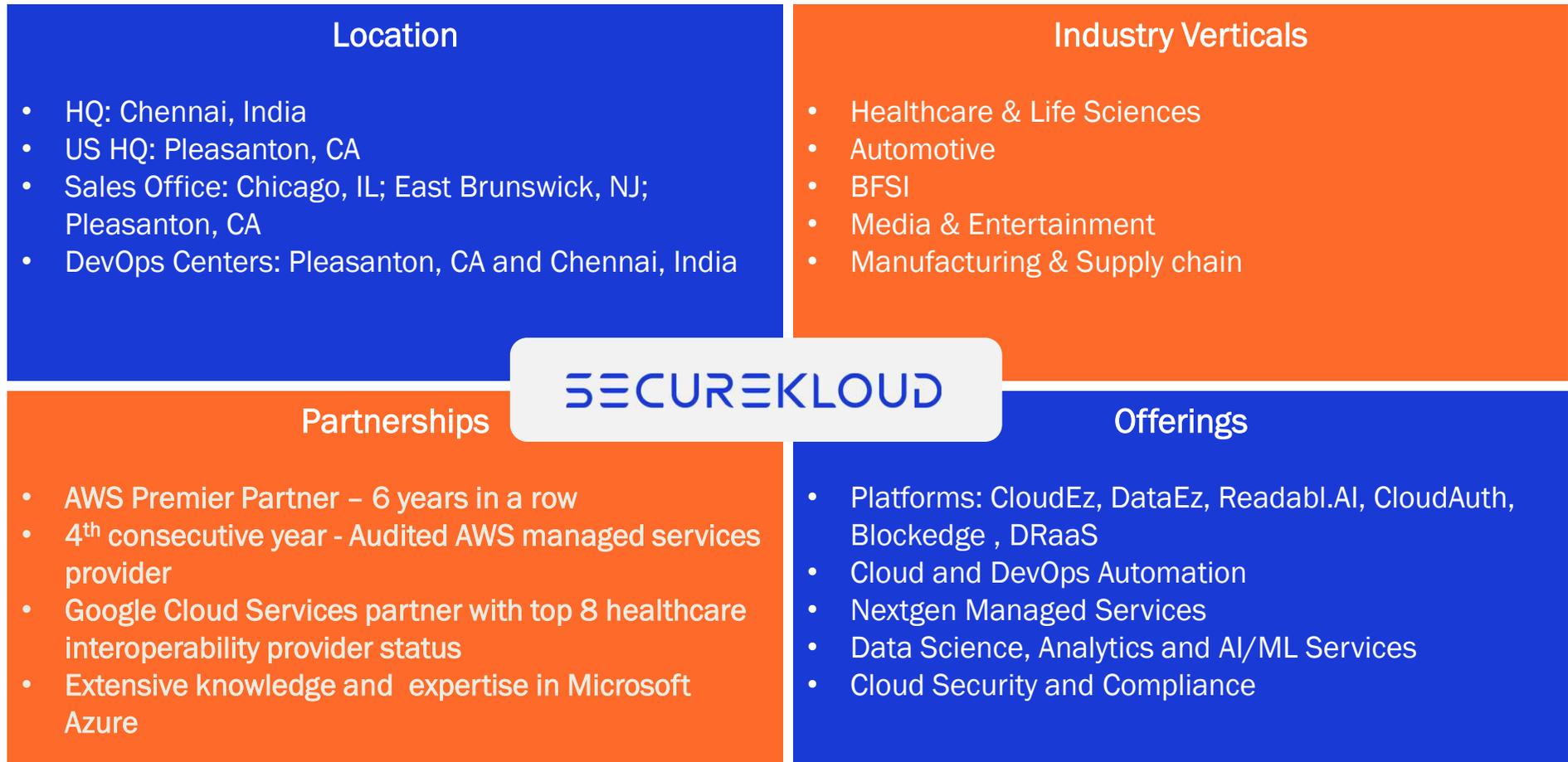
"I am very pleased to announce that our step-down subsidiary Healthcare Triangle Inc, HCTI is listed on NASDAQ. This is a path-breaking moment in our corporate journey; we are one among the 5-6 Technology Companies to list in the US Markets and a testimony to the stringent corporate governance that we have put in place through diligence, dedication and commitment of our employees, management and the unwavering support of the Board of HCTI, SecureKloud and our investors."

"Our client acquisitions were strong across all revenue segments in this quarter with a clear shift from one-time to recurring revenue model. We expect our revenue growth acceleration and profit margin expansion in the coming 2 to 3 quarters"

Suresh Venkatachari, Chairman & CEO

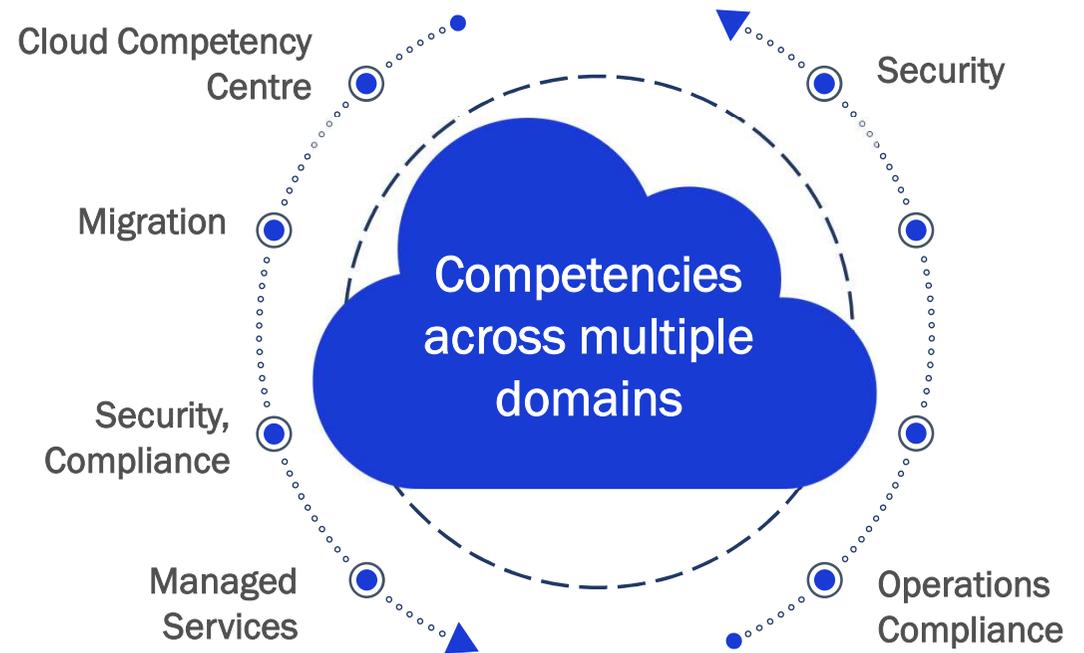
Company Overview

SecureKloud, a market leader in **Enterprise Cloud Transformation** for highly regulated industries that have stringent Cloud Security & Compliance requirements.



Our Cloud Expertise

- Multi cloud automation expertise – AWS, Azure & GCP
- First to market SaaS based CloudEz, DataEz, DRaaS and Readabl.AI platforms for industry verticals
- Enterprise-wide business transformation services
- Industry recognized innovative Cloud and AI solutions





Security & Regulatory Compliance

- Regulatory Compliance Experts
✓ HIPAA, GxP, FIPS, PCI-DSS, etc.
- Battle Tested at Highly Regulated Industries
- Chaired & contributed to SAML 2.0 Specification
- HITRUST Certification – self assessed, pending 3rd party certification
- ISO 27001:2013 recertification achieved

Business Highlights



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Business Highlights

Healthcare and Life Sciences

- Added 2 new customer logos and 4 returning logos
- Signed a multi-year deal for Readable.AI and DRaaS (Disaster Recovery as a Service)/MEDITECH
- Acquired new logo for DRaaS (Disaster Recovery as a Service)
- Hired VP Client Success and VP Delivery

Other Verticals

- Signed a multi-year contract with a leading Logistics company to explore the new Azure IaaS Service/Resource Components for additional infrastructure enhancement and security.
- Renewed all our enterprise customers contracts
- Secured multiyear Managed Services contract with our key customer
- Supported various divisions of our long-term client in the PaaS (Product-as-a-Service) segment in Cloud architecting and implementation.

Business Highlights

Blockedge.io

- Launched plug & play Blockchain-as-a-Service (BaaS) platform for automotive and supply chain segments in the US, UK, Europe, and India markets
- Partnered with global automobile consortium MOBI, to advance blockchain adoption for the Automotive industry
- Forayed into Healthcare and Life science verticals by partnering with Healthcare Triangle Inc

Partnerships

- AWS
 - Signed Premier Partnership for 2021-22
- GCP
 - Achieved Global Premier Partner Status
- Healthcare Triangle presented two webinars in conjunction with NEHIMSS, one on AI/ML/NLP and the other on Data and Data Management

Financial Highlights



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Financial Highlights - Q2 FY 22

Marginal drop in revenue

- As we shift customers from one-time to recurring revenue
- Recurring revenue continues to grow consistently, increased to 39% from 36.9% QoQ
- Gross profit margin at 26.3%, improved from 25.9% in Q1 FY 22

R&D peaked in the quarter at Rs 18.7 crores from Rs 9.3 Crores in Q1 FY 22

- As we made our platform SaaS based and listed in AWS / Google market-place
- R&D spends projected to go down to 9-10% of revenues in the next 2 quarters

Additional Sales and Marketing expenses of Rs 1.5 Crores for building Sales pipeline

- Revenue growth acceleration expected in 2 to 3 quarters
- Sales pipeline continued to grow across all segments
- Continued to invest in Sales and Marketing

One time expenses of Rs 5 Crores

Stock based compensation, ESOP and Pre-IPO in step-down subsidiary

Consolidated Financial Highlights (₹ in lakhs)

Key Indicators	Q2 FY22	Q1 FY22	Q2 FY21	QoQ	YoY
Revenue					
Revenue from Operations	8,714	9,026	8,904	(3.5)%	(2.1)%
Expenses					
Employee Benefit Expenses	6,492	6,072	5,218	6.9%	24.4%
Other Operating Expenses	4,167	3,440	2,423	21.1%	72.0%
Total Expenditure	10,659	9,512	7,641	12.1%	39.5%
EBITDA	(1,945)	(486)	1,263		
EBITDA margin	(22.3)%	(5.4)%	14.2%		
Other Income	14	36	(87)	60.6%	(116.4)%
Depreciation and Amortisation	162	208	537	(21.9)%	(69.8)%
Finance Cost	310	405	314	(23.3)%	(1.3)%
PBT	(2,403)	(1,063)	325		
Tax	(4)	(737)	(65)		
PAT	(2,399)	(327)	390		

Q2 Snapshot (₹ in lakhs)



Revenue

8,714



Gross Profits

2,292 (26.3%)



R&D

1,871 (21.5%)

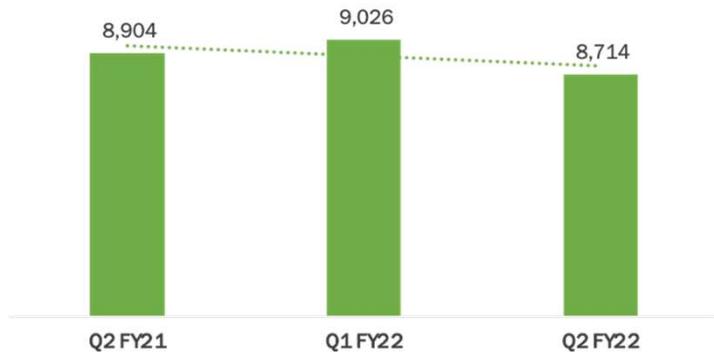


Recurring Revenue

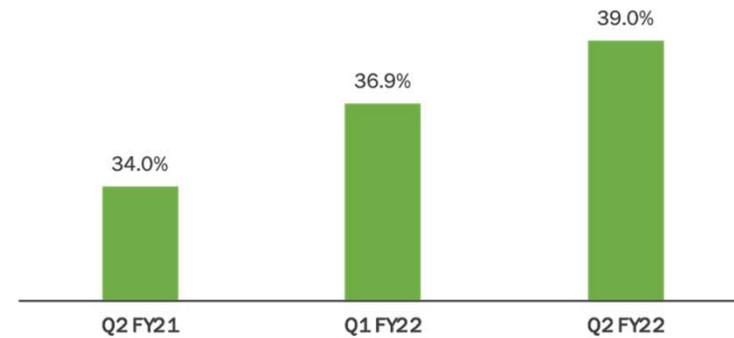
39%

Quarterly KPIs (₹ in lakhs)

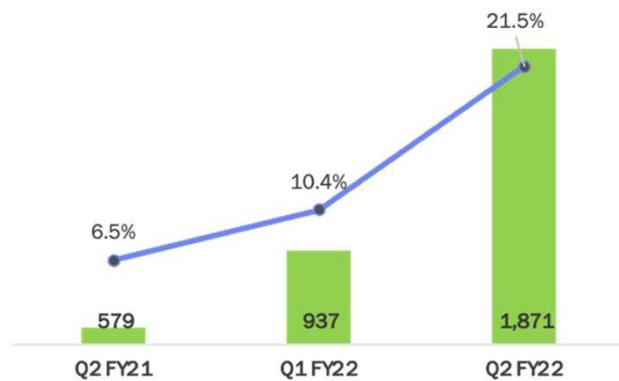
Revenue



Recurring revenue



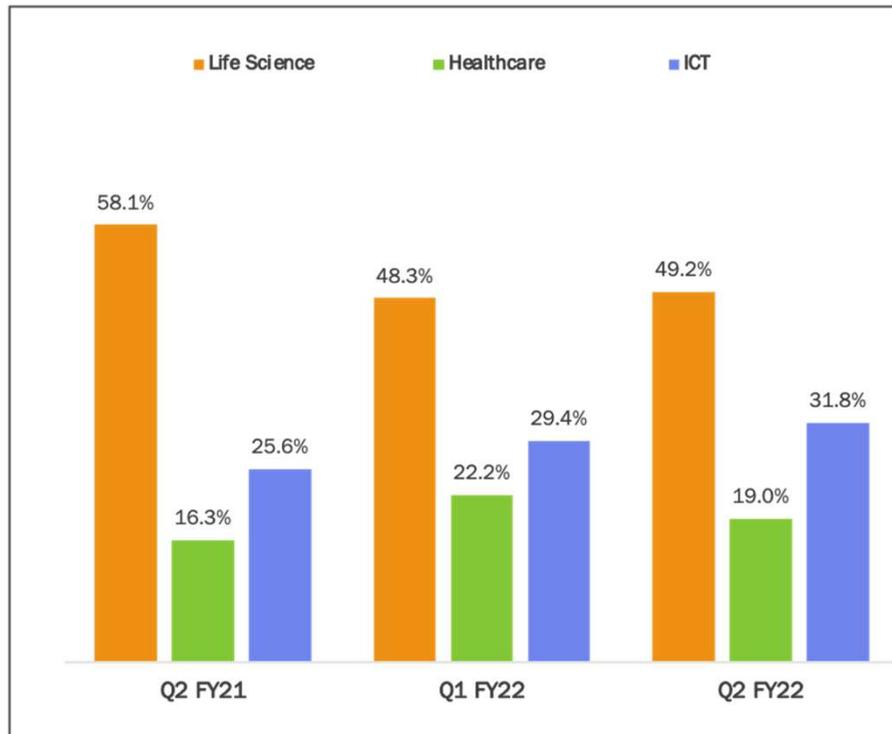
R & D Expenses and % to revenue



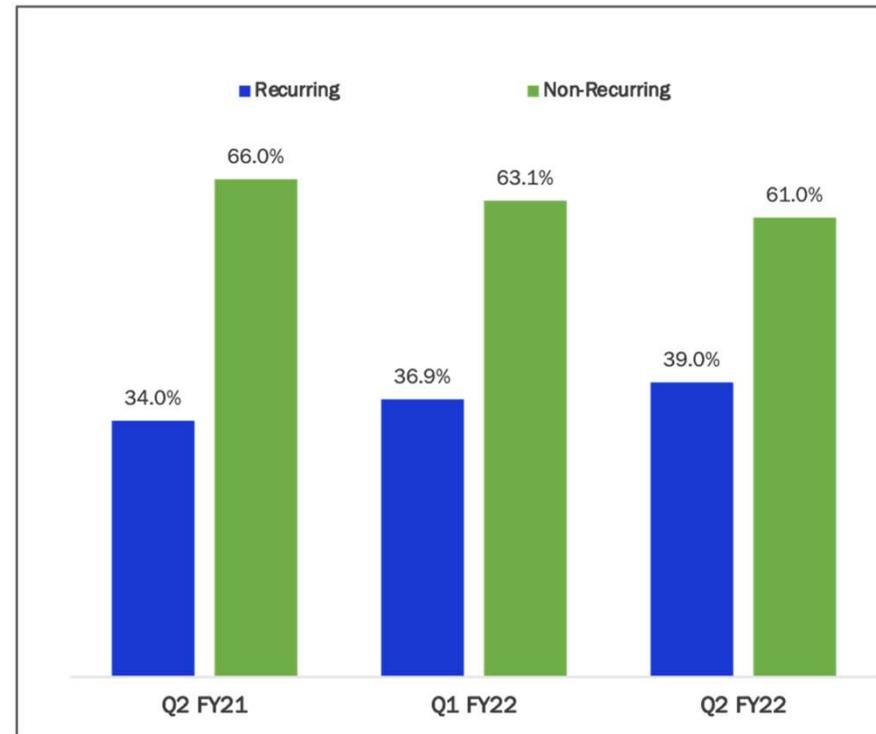
- Shift in customers moving from one-time to recurring revenue
- Recurring revenue continues to grow, in line with our focus on building annuity and multi-year contracts
- Doubled our investments in R&D on our platform

Revenue Metrics

Overall recurring revenue has gone up to 39% in Q2 FY22 from 36.9% in Q1 FY22

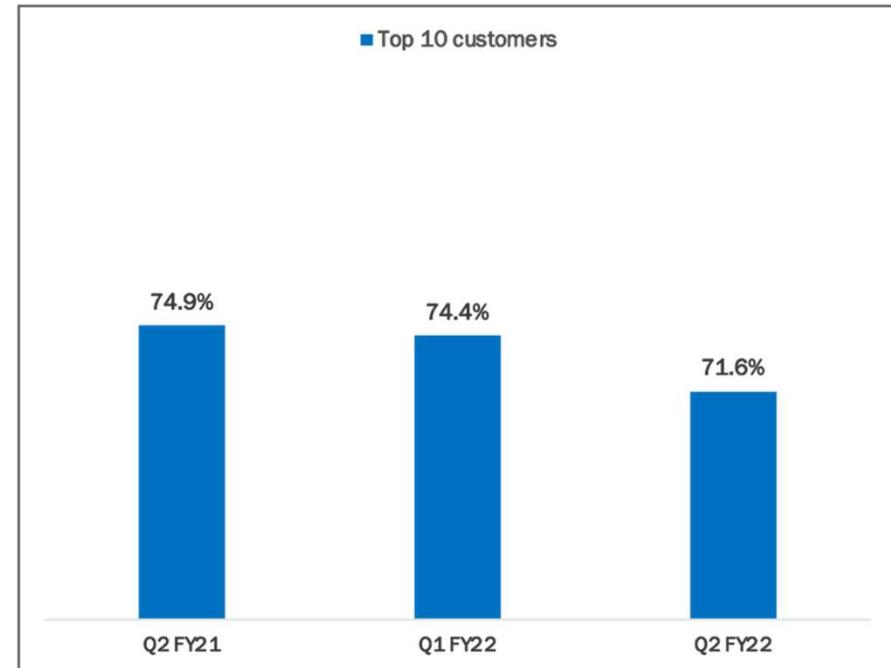


Segmental Revenue



Recurring / Non-Recurring Revenue

Client Composition and Relationship



- Continued to grow revenue outside of top 10 customers

Debt status (Rs Lacs)

Particulars	As at March 31, 2021	As at September 30, 2021	As at October 31, 2021
Loan from Banks	5,600	5,584	5,360
Promoters	5,239	5,239	4,650
Convertible - Note	3,109	3,189	-
Gross Debt	13,947	14,012	10,010
Cash in Hand	3,448	1,094	6,949
Net Debt	10,500	12,918	3,061

Gross Debt reduction due to repayment of promoter loans and conversion of Note to Equity in HCTI.

Net Debt reduced by Rs 100 Crores, due to the HCTI IPO

Head count metrics

Head Count (Incl Contractors)	Q2 FY21	Q1 FY22	Q2 FY22
Software Professional	425	474	495
S&M	39	60	65
G&A	50	56	60
Total	514	590	620

Women employees represent 22% of total headcount

Thank You



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