

FY22 Q3 Earnings Presentation

February 7, 2022



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Business Update

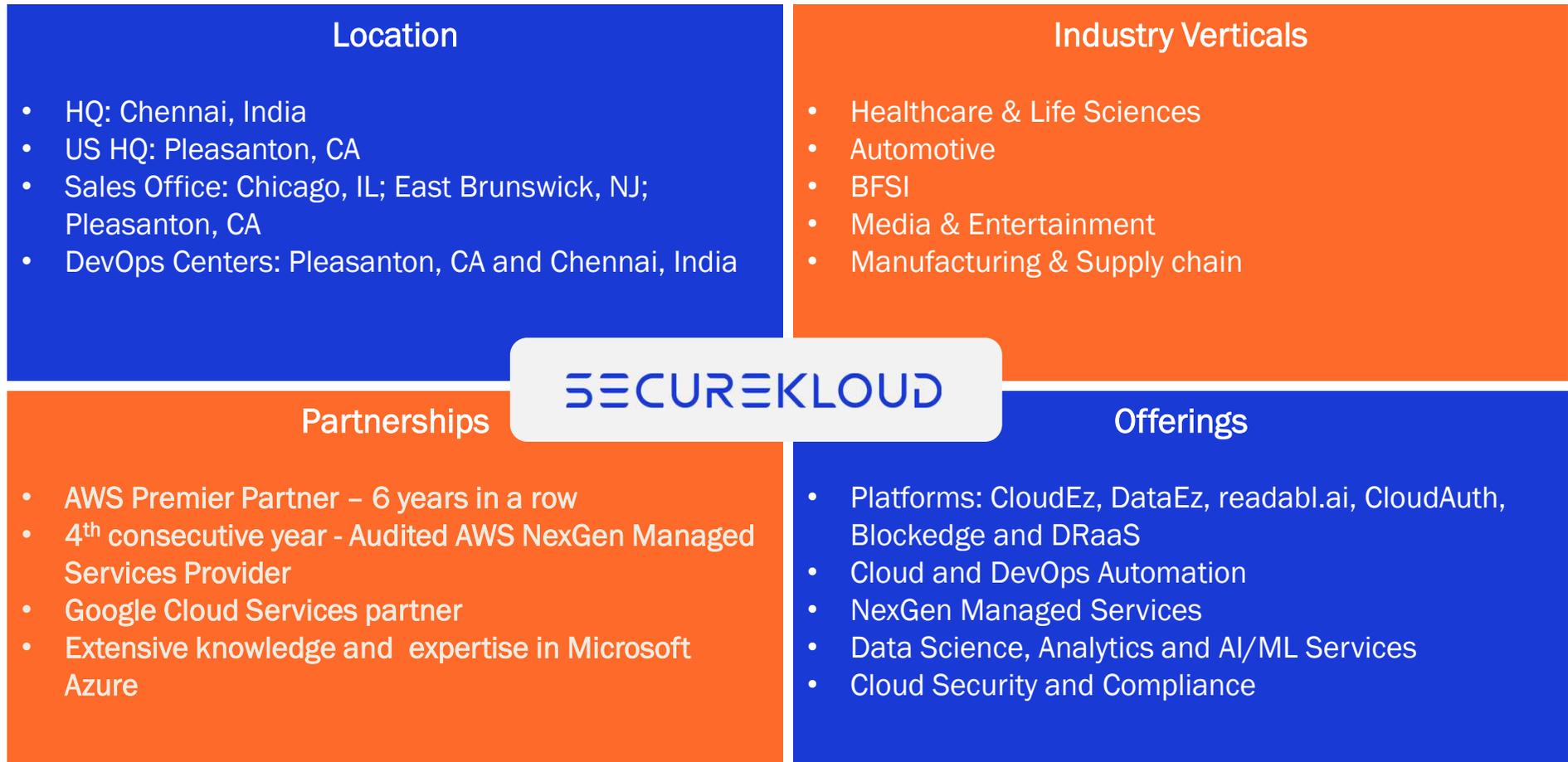
I am pleased to announce the acquisition of Devcool Inc, a leading EHR solution and Managed Services Company; this acquisition will strengthen our EPIC practice and extend our reach into cancer research hospitals and university medical centers. We will continue to grow aggressively on our M&A and Organic growth objectives which will help us gain significant market share.

Our pipeline shows a healthy mix of medium and large deals as well as expansion of our product portfolios.

Suresh Venkatachari, Chairman & CEO

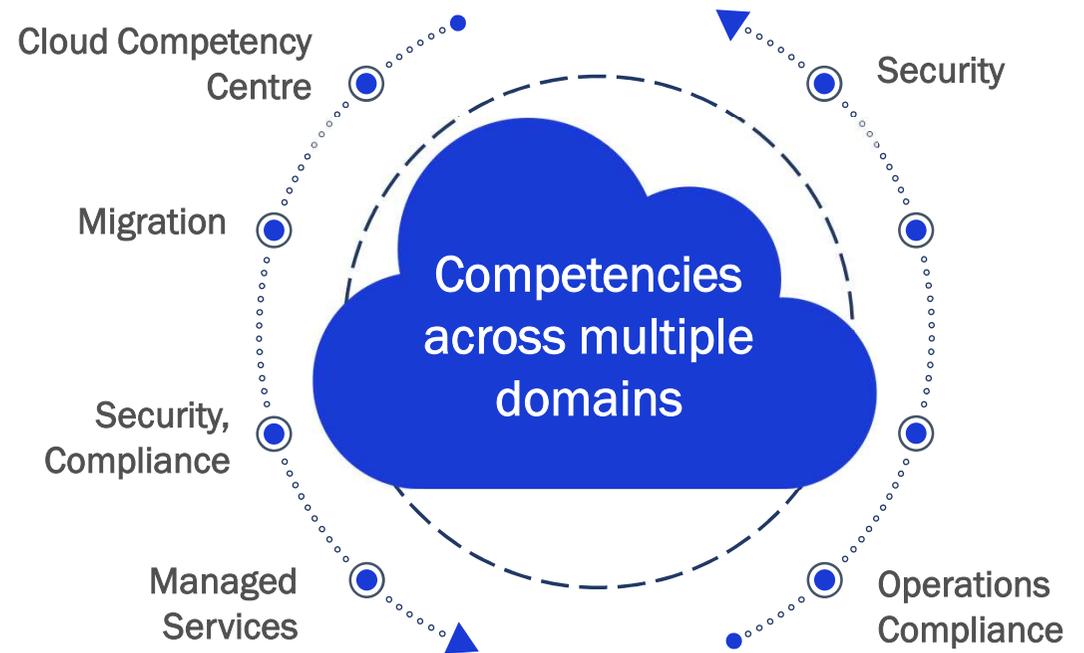
Company Overview

SecureKloud, a market leader in **Enterprise Cloud Transformation** for 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/ML 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
- ISO 27001:2013 recertification achieved

Business Highlights



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Business Highlights

Healthcare and Life Sciences

- Acquired DevCool Inc., USA - Electronic Health Record (EHR) focused Healthcare IT and Managed Services Company
- Signed a multi-year platform deal for [readable.ai](#) to digitalise medical records and provide managed support for 5 years
- Successful implementation of MEDITECH-as-a Service (MaaS) for a Arizona based health care centre
- Renewed an opportunity to implement a secure and fully managed enterprise cloud platform for a [Fortune 100](#) pharmaceutical giant

Other Verticals

- Executed a speech translation service for a [Fortune 100](#) technology company
- Signed a multi-year contract with a leading Logistics company to provide cloud managed services

Partnerships

- AWS Premier Partnership Renewed for 2022
- Co-presenting [readabl.ai](#) solution (built on and available in the Google Cloud Marketplace) at this year's ViVE Conference in Miami in March 2022

Financial Highlights



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Consolidated Financial Highlights (₹ in lakhs)

Key Indicators	Q3 FY22	Q2 FY22	QoQ
Revenue			
Revenue from operations	9,549	8,714	9.6%
Expenses			
Employee benefit expenses	9,079	8,626	5.3%
Other operating expenses*	4,235	2,033	108.3%
Total expenses	13,314	10,659	24.9%
EBITDA	(3,765)	(1,945)	
EBITDA margin	(39.4)%	(22.3)%	
Other income	23	14	61.7%
Depreciation and amortisation	181	162	11.5%
Finance cost	251	310	(19.3)%
PBT	(4,174)	(2,403)	
Tax	4	(4)	
PAT	(4,178)	(2,399)	

*Includes the following one time costs in 'Other Operating expense' amounting to Rs 2,081 lakhs:

- IPO and acquisition related expense of Rs. 1,792 lakhs
- Cloud hosting expenses of Rs. 289 lakhs

Normalized Financial Highlights – Q3 FY 22 (₹ in lakhs)

Increase in recurring revenue

- QoQ revenue growth of 9.6%
- Recurring revenue continues to grow consistently, increased to 40.5% from 39% QoQ

R&D costs are lower by Rs 6 crores

Invested in Sales and Branding in Blockchain platform

Key Indicators	Q3 FY22	Q2 FY22
Revenue	9,549	8,714
Recurring Revenue	40.5%	39.0%
Gross Profit	2,536	2,292
Gross Profit Margin %	26.6%	26.3%
R&D Expenses	1,266	1,871
R&D to Revenue %	13.3%	21.5%
SG&A Expenses	2,955	2,365
SG&A to Revenue %	30.9%	27.1%
Operating Expenses	11,234	10,659
EBITDA	(1,685)	(1,945)
EBITDA %	(17.6)%	(22.3)%

Q3 Snapshot (₹ in lakhs)



Revenue

9,549



Gross Profits

2,536 (26.6%)



R&D

1,266 (13.3%)

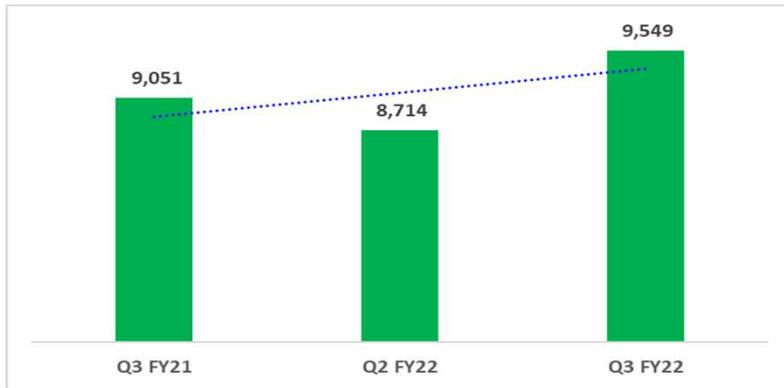


Recurring Revenue

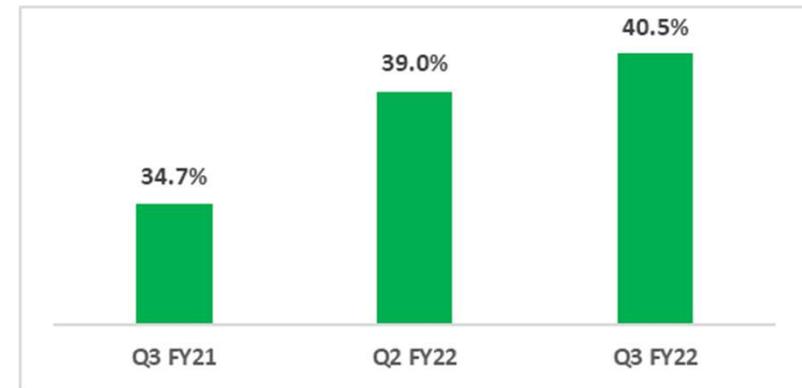
40.5%

Quarterly KPIs (₹ in lakhs)

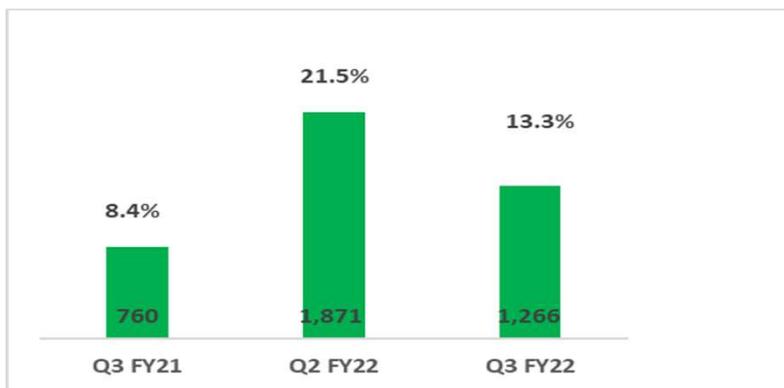
Revenue



Recurring revenue



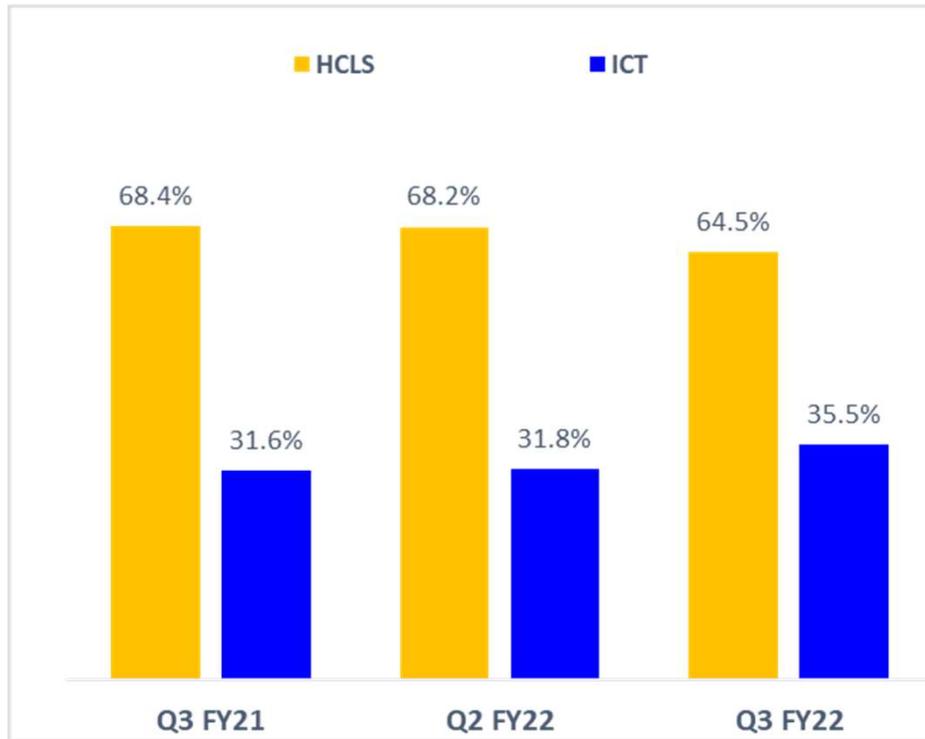
R & D Expenses and % to revenue



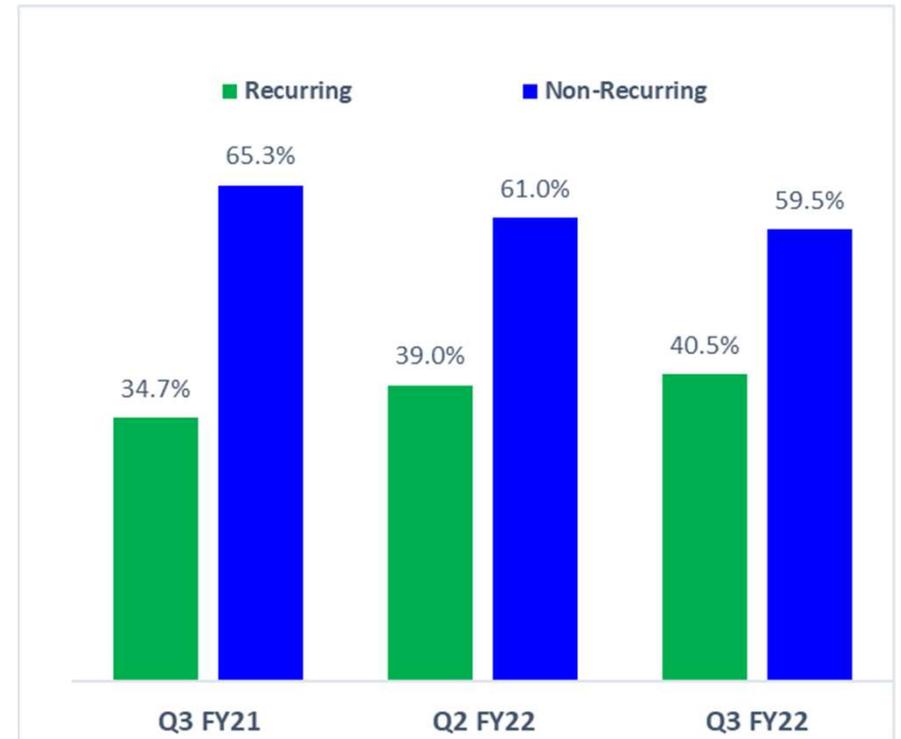
- Recurring revenue continues to grow
- Witnessing customers adopting managed support services in Healthcare

Revenue Metrics

Overall recurring revenue has gone up to 40.5% in Q3 FY22 from 39% in Q2 FY22

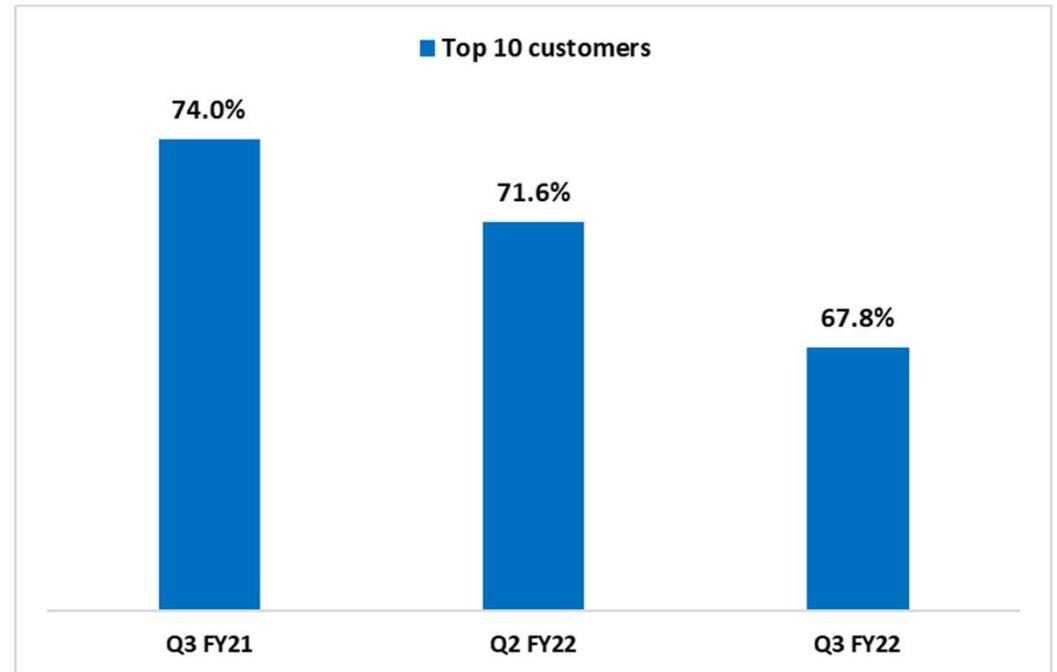


Segmental Revenue



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 December 31, 2021
Term loans and working capital loan	5,600	5,584	5,542
Promoters	5,239	5,239	4,512
Convertible - Note	3,109	3,189	-
Gross Debt	13,948	14,012	10,054
Cash in Hand	3,448	1,094	1,653
Net Debt	10,500	12,918	8,401

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

Head count metrics

Head Count (Incl Contractors)	Q3 FY21	Q2 FY22	Q3 FY22
Software Professional	432	495	605
S&M	39	65	70
G&A	49	60	64
Total	520	620	739

Women employees represent 22% of total headcount

Thank You



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