

**SECUREKLOUD**

Delivering Cloud Excellence With Trust

# FY23 Q2 Earnings Presentation

*Pioneering the Digital  
Transformation Journey with  
Platform-based Offerings*

**November 10, 2022**



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SecureCloud Technologies is an industry-recognized global leader in the Cloud services arena. Our experience in cloud consulting and servicing for highly regulated industries extends more than a decade.

### Our Locations

- ✓ HQ: Chennai, India
- ✓ US HQ: Pleasanton, CA
- ✓ Sales Office: Chicago, IL; New Jersey; Pleasanton, CA
- ✓ DevOps Centers: Pleasanton, CA and Chennai, India

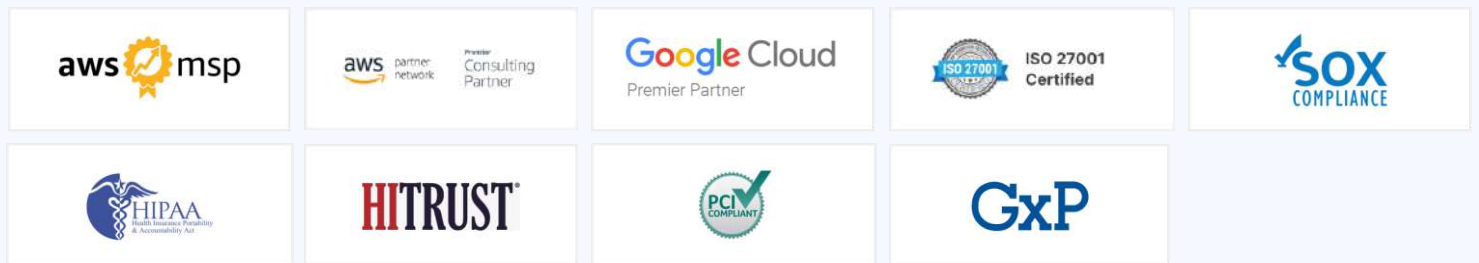
### Client Network

- ✓ USA
- ✓ Canada
- ✓ Europe
- ✓ Singapore
- ✓ India

### Industry Verticals

- ✓ Healthcare & Life Sciences
- ✓ Automotive
- ✓ BFSI
- ✓ Media & Entertainment
- ✓ Manufacturing & Supply chain

### Our Cloud Partnerships & Top-notch Industry Certifications





# Platform-led Growth

Spearheading  
Platform-centric,  
Recurring Revenue Model



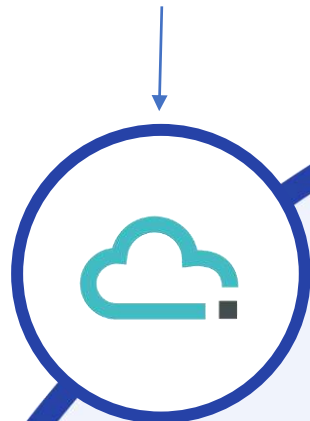
**Now Data Collaboration is made easy:**  
Powering seamless data sharing and collaboration while maintaining full control of privacy in a multi-tenant environment

**Highly Automated AI powered & Data Analytics Platform:** Transforming data into actionable insights while enabling faster insight-driven decision-making

**Powering Enterprise Blockchain Transformation:**  
Plug and play blockchains effortlessly while focused on providing better prospects for data security and governance

**No more paper documents:** Empowering businesses with easy data extraction and digitization. AI/ML based self-learning product purpose-built to unlock siloed data across multiple documents

**Cloud Foundation Platform:**  
Highly automated, fully secure, and compliant cloud platform-as-a-service  
Enabling 10x faster cloud deployment.



## The Arc of Transformation



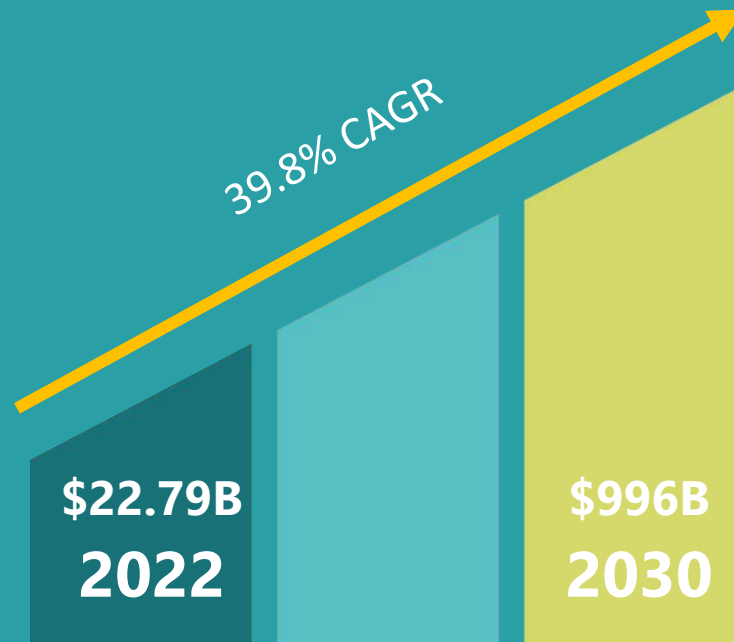
# New Solutions to Accelerate Innovation - **Metaverse**

We challenge ourselves every day, to deliver excellence for our customers across all industries



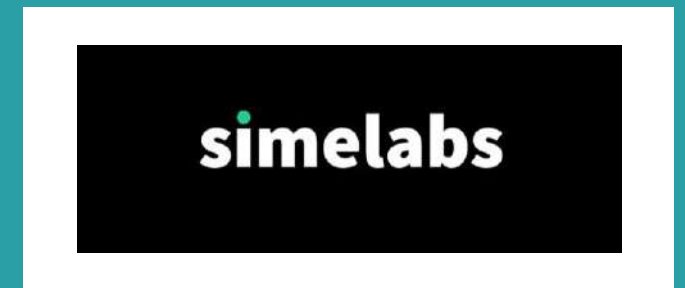
**\$996B**

TAM for Global Metaverse



Source: GlobalData

## *Strategic Partnerships*



## Q2 Key Updates

Healthcare Triangle Inc., raised approximately INR 5,152 lakhs (USD 6.5 million) through private placement

Launched Healthcare Triangle in Singapore to offer our digital healthcare services across the Asia Pacific region

Launched Neutral Zone for drug discovery in a secured data sharing environment

Recurring revenues continue to grow steadily


Platform and Managed support services revenue continues to grow and came in at 34%







## Business Highlights - new wins and expansions



Implemented MEDITECH Expanse for Chronic Care Management for a Primary Healthcare Centre

Standardised cloud platform using IaC (Infrastructure-as-Code) for a genomics-based drug discovery enterprise

Upgraded cloud platform for an Illinois based health insurer

Executed data management services deal with multispecialty health care group

Initiated AI based benchmarking services for a Fortune 100 technology company





# Financial Highlights

- ✓ Revenue of **INR 11,995 lakhs** for the quarter; growth **37.7% YoY**
- ✓ Healthcare and Life Science revenue of **INR 9,454 lakhs** for the quarter, growth **59.0% YoY**
- ✓ Information, Communication & Technology revenue of **INR 2,541 lakhs** for the quarter
- ✓ R&D spends of **INR 1,154 lakhs** for the quarter
- ✓ Recurring revenue at **42.2%** driven by higher Managed services and Platform deals



# Income Statement

(₹ in Lakhs)

- ✓ Neutral zone related R&D spends INR 7.60 Crores
- ✓ Professional & Legal costs towards private placement INR 1.50 Crores
- ✓ Additional S&M costs INR 2.10 Crores

	Q2 FY23	Q1 FY23	Q2 FY22	QoQ	YoY
Revenue	11,995	11,031	8,714	8.7%	37.7%
Cost of sales	8,870	8,550	6,422		
Gross Profit	3,125	2,481	2,292	26.0%	36.3%
R&D expenses	1,154	583	1,871		
Selling, General & Administration Expenses	3,568	3,318	2,365		
EBITDA	(1,597)	(1,420)	(1,944)		
Depreciation and amortisation	440	439	162		
EBIT	(2,037)	(1,859)	(2,106)		
PAT	(2,287)	(2,034)	(2,399)		
Margins %					
Gross Profit %	26.1%	22.5%	26.3%		
R&D to Revenue %	9.6%	5.3%	21.5%		
EBITDA %	(13.3)%	(12.9)%	(22.3)%		



# Entity wise Income Statement (₹ in Lakhs)

## Q2 FY23

	SK India	SK Inc	HTI	DevCool	BET	HTI India	SK Canada	Total
Revenue	249	2,143	5,212	4,145	190	-	56	11,995
Cost of sales	613	2,008	2,611	3,430	208	-	-	8,870
Gross Profit	(364)	135	2,601	715	(18)	-	56	3,125
R&D expenses	244	(95)	1,005	-	-	-	-	1,154
Selling, General & Administration Expenses	456	1,427	1,250	329	70	-	36	3,568
EBITDA	(1,064)	(1,197)	346	386	(88)	-	20	(1,597)
Depreciation and amortisation	66	127	247	-	-	-	-	440
EBIT	(1,130)	(1,324)	99	386	(88)	-	20	(2,037)

## Q2 FY22

	SK India	SK Inc	HTI	DevCool	BET	HTI India	SK Canada	Total
Revenue	147	2,537	5,838	-	192	-	-	8,714
Cost of sales	489	3,288	2,326	-	238	-	81	6,422
Gross Profit	(342)	(751)	3,512	-	(46)	-	(81)	2,292
R&D expenses	11	-	1,837	-	23	-	-	1,871
Selling, General & Administration Expenses	371	328	1,563	-	101	-	2	2,365
EBITDA	(724)	(1,079)	112	-	(170)	-	(83)	(1,944)
Depreciation and amortisation	15	144	3	-	-	-	-	162
EBIT	(739)	(1,223)	109	-	(170)	-	(83)	(2,106)



# Balance Sheet (₹ in Lakhs)

	Q2 FY23	FY22
<b>Assets</b>		
Property, plant and equipment and Right-of-use assets	833	894
Other intangible assets and goodwill	20,158	20,391
Trade receivables	7,323	6,682
Cash and cash equivalents	3,697	1,576
Other financial assets	361	961
Current and non-current tax assets	350	334
Other current and non-current assets	318	414
<b>Total Assets</b>	<b>33,040</b>	<b>31,252</b>
<b>Equity and liabilities</b>		
Equity attributable to owners of the company	4,126	5,139
Non-Controlling Interest	8,182	5,591
Borrowings	10,526	10,711
Other financial liabilities	4,995	5,491
Trade payables	3,988	3,800
Non-current and current liabilities and provisions	1,223	520
<b>Total liabilities</b>	<b>33,040</b>	<b>31,252</b>



# Cashflow Statement (₹ in Lakhs)

	Q2 FY23	FY22
Cash flow from operating activities	(2,307)	(6,901)
Cash flow from investing activities	(84)	(3,715)
Cash flow from financing activities	4,358	7,265
Effect of foreign currency translation adjustment	154	221
Net increase/ (decrease) in Cash and cash equivalents	2,121	(3,130)
Cash and cash equivalents at the beginning of the year	1,576	3,448
Cash and cash equivalents taken over on acquisition of controlling interest in DevCool Inc	-	1,258
Cash and cash equivalents at the end of the year	3,697	1,576



# Key Metrics

## Revenue by vertical

	Q2 FY23	Q1 FY23	Q2 FY22
Healthcare and Life Science	78.8%	72.3%	68.2%
Information, Communication & Technology	21.2%	27.7%	31.8%

## Revenue mix

	Q2 FY23	Q1 FY23	Q2 FY22
Recurring	42.2%	42.4%	39.0%
Non-Recurring	57.8%	57.6%	61.0%

## Revenue mix by service line

	Q2 FY23	Q1 FY23	Q2 FY22
Software Services	66%	64%	75%
Managed Support Services	26%	28%	19%
Platform Services	8%	8%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



# Key Metrics

## Client contribution to revenue

	Q2 FY23	Q1 FY23	Q2 FY22
Top 5 customers	62.4%	60.9%	58.1%
Top 10 customers	73.6%	72.9%	71.6%
Top 20 customers	81.4%	82.2%	78.7%

## Net debt position

(₹ in lakhs)

	Q2 FY23	Q1 FY23	Q2 FY22
Term loans and working capital loan	7,388	8,211	5,584
Promoters	3,138	3,138	5,239
Convertible-note	-	-	3,189
<b>Gross Debt</b>	<b>10,526</b>	<b>11,349</b>	<b>14,012</b>
Cash in Hand	3,697	1,182	1,094
<b>Net Debt</b>	<b>6,829</b>	<b>10,167</b>	<b>12,918</b>

## Other metrics

	Q2 FY23	Q1 FY23	Q2 FY22
DSO	54	59	60
Employee head count	715	730	620



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