



**KELLTON TECH**



EARNINGS PRESENTATION – 9M / Q3-FY21

# EXECUTIVE SUMMARY

## Company Overview:



- Kellton Tech Solutions Ltd. (Kellton) is a new age IT services company with global footprint in the US, United Kingdom, Ireland, Singapore, and India.
- The Company offers digital solutions, advisory services, along with serving as systems integrator to over 300 clients globally, ranging from start-ups to Fortune 1,000 enterprises.

## Business Mix (Q3 - FY21):

### Digital Transformation (78%)



Leveraging on a potent mixture of digital technologies for profoundly disrupting business activities and competencies through Digital Transformation.

### Enterprise Solutions (17%)



Kellton, as part of its founding philosophy, believes in developing customized solutions for large enterprises, as straitjacket fit solutions don't work for every business.

### Other Services (5%)



Headed by a passionate team of individuals, Kellton offers a large gamut of IT consulting services to organizations in a transparent and scalable manner.

## Servicing the following sectors:

Retail & E-commerce | Travel, Tourism & Hospitality | Media & Entertainment | Healthcare

Professional Services | Manufacturing | Food & Beverage | Oil & Gas | BFSI | IT

## Financial Highlights

### Total Revenue

Q3-FY21	Q2-FY21
INR 1,977.9 Mn	INR 1,917.8 Mn

### EBITDA

Q3-FY21	Q2-FY21
INR 315.7 Mn	INR 259.6 Mn

### PAT

Q3-FY21	Q2-FY21
INR 218.7 Mn	INR 158.8 Mn

# COMPANY OVERVIEW

Kellton Tech Solutions Ltd. (Kellton) is a CMMI Level 5 and ISO 9001:2015 certified technology consulting and services company founded on the belief of **‘Infinite Possibilities with Technology.’**

Following industry best practices and agile principles for developing solutions by harnessing the power of disruptive technologies such as IoT, AI/ML, Blockchain, AR/VR, Chatbot, etc., is coherently ingrained in Kellton’s genealogy.

With operations across the US, Europe, and Asia-Pacific, the team of 1,500 dedicated Kellton’ites take a technology agnostic approach to delivering solutions and serves as a bridge between the technology options and the clients’ business needs.

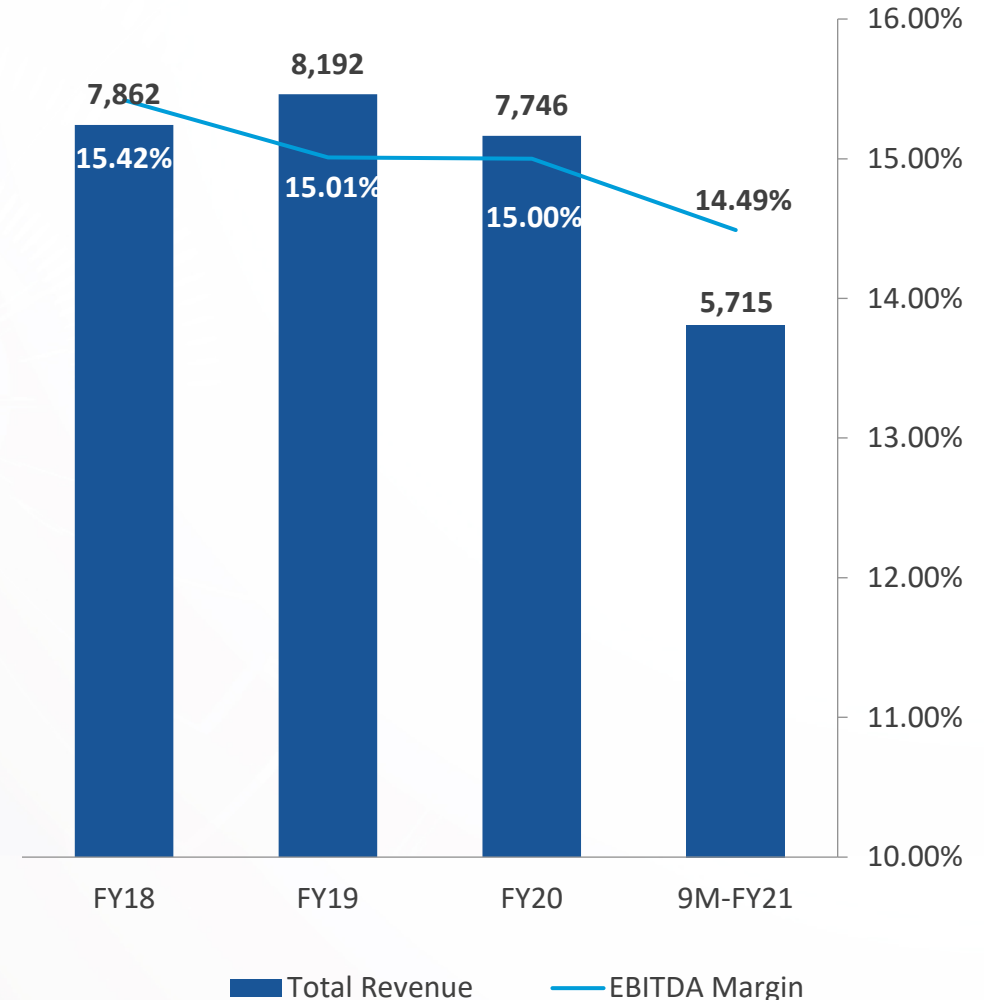
The company has vast experience in rendering its services to various industry verticals such as retail and e-commerce; travel, tourism and hospitality; healthcare, energy, BFSI; media, entertainment and lifestyle, amongst others.

We have helped startups to Fortune 500 clients build disruptive Digital Transformation solutions and leverage technology as a competitive differentiator for their businesses.

Driven by deep domain knowledge and technology expertise, we are also trusted partners of SAP, Software AG, MuleSoft, and IBM.

The company has meticulously built a comprehensive and impressive portfolio through strategic acquisitions in the United States, India, and Singapore.

### Total Revenues (INR Mn) & EBITDA Margins (%)





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# **9M / Q3-FY21 FINANCIAL OVERVIEW**

# 9M/Q3-FY21 FINANCIAL HIGHLIGHTS

## 9M-FY21 Financial Highlights:

- Total Revenue of INR 5,715.1 Mn;
- EBITDA was at INR 827.9 Mn;
- EBITDA Margin stood at 14.5%
- Net Profit stood at INR 522.1 Mn;
- PAT Margin of 9.1%
- EPS (Diluted) was at INR 5.25 per share;

## Q3-FY21 Financial Highlights:

- Total Revenue of INR 1,977.9 Mn; up 3.1% QoQ
- EBITDA was at INR 315.7 Mn; up 21.6% QoQ
- EBITDA Margin stood at 16.0%
- Net Profit stood at INR 218.7 Mn; up 37.7% QoQ
- PAT Margin of 11.1%
- EPS (Diluted) was at INR 2.16 per share; up 35.8% QoQ

# Q3-FY21 OPERATIONAL HIGHLIGHTS

- Launched **tHRive+** – a Smart, Analytics-Based Solution to Reimagine HRM Experiences, the solution transforms core HR processes, reduce costs and build a fully engaged and compliant global workforce management solution for clients
- Launched **KeLive** — a Building Management Solution Underpinned with AI and Smart Analytics, KeLive is engineered to help real estate agencies and property management companies automate rule-based tasks and manage administrative operations anywhere, anytime, and across devices.
- Established new Partnership with Snowflake, enhancing our Cloud Data warehousing, Cloud ETL based service offerings to our clients

# Q3-FY21 NEW CLIENT WINS

## Won Six New clients this quarter

### A Marketing Information Company

Kellton Tech has been selected as a digital partner by a marketing information company to design and deploy a next-generation SaaS platform that can bring scalability and insight to optimize user experiences with a focus on the future.

### A leading Media & Entertainment Company

Kellton Tech has been chosen as a strategic partner for the digital transformation of one of the leading media and entertainment companies. We will enhance and maintain a suite of digital platforms to help our client deliver rich, interactive experiences at speed and scale.

### A Real Estate Management Company

Kellton Tech has been chosen by one of the leading Real Estate Management Company to be their strategic application managed services partner and modularize their mobile application, along with the underlying service layers, to improve performance substantially.

### A Leading Technology Firm

Kellton Tech has been chosen as a technology partner to provide application development and maintenance services to a leading technology Firm. Under the collaboration, we will enhance the capabilities of their mobile platforms to enable a higher-quality customer experience and transform the entire IT landscape of the client while ensuring scalability for the company's growth plans.

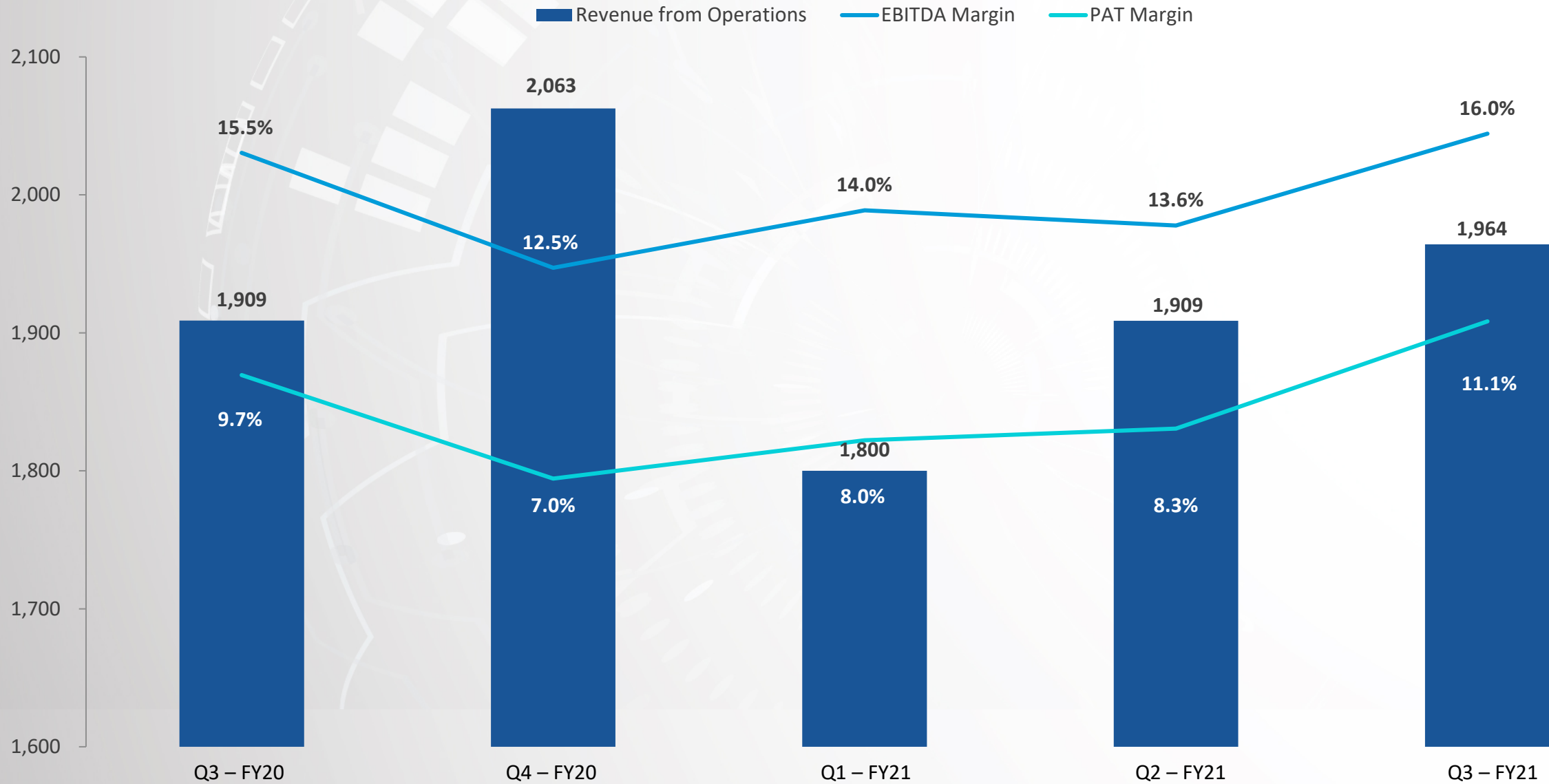
### An HMI Hardware and Software Firm

Kellton Tech has been chosen as an end-to-end digital transformation partner by a leading HMI hardware and software Firm. We will provide a full suite of integration services to facilitate enterprise-wide connectivity, an integrated business view to decision-making, and flexibility to respond to fluctuating business needs.

### A leading Telecom Company

Kellton Tech has been selected as a digital partner by a leading US-based telecom company to implement MuleSoft Integration and enable a synchronized enterprise IT landscape that offers speed, scalability, and insight.

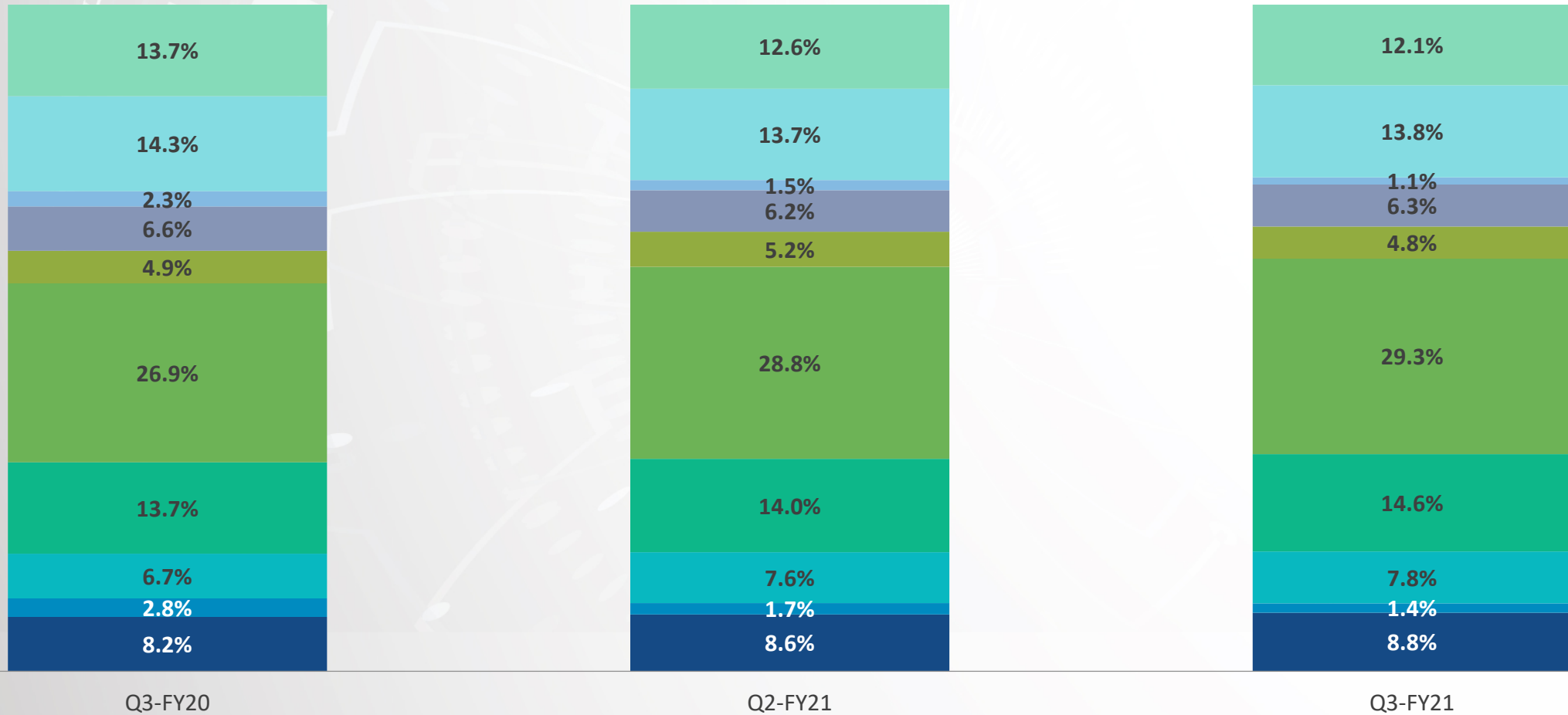
# Q3-FY21 REVENUE SUMMARY





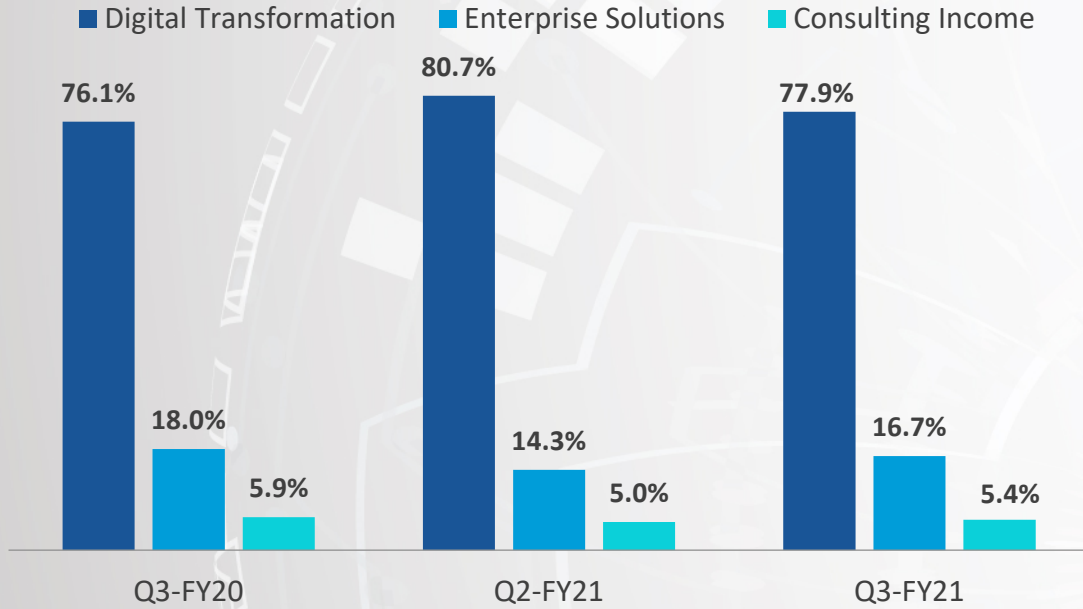
# Q3-FY21 REVENUE BY INDUSTRY

- BFSI
- Education
- Energy & Utilities
- Healthcare & Life Sciences
- Information Services & Technology
- Manufacturing
- Media & Entertainment
- Others, Aviation & NGO
- Professional Services/Business Services
- Retail

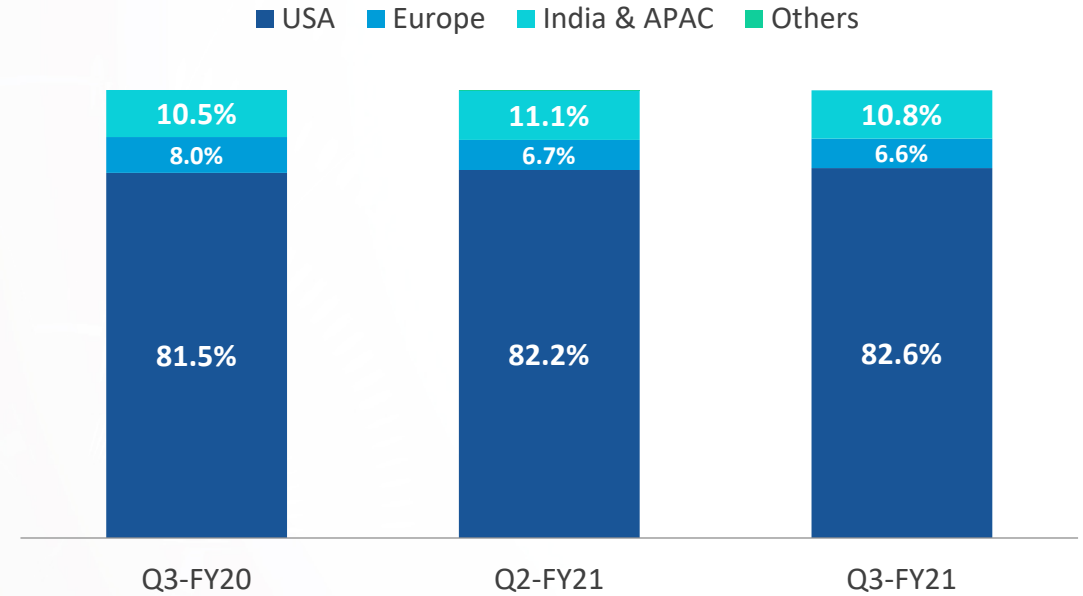


# Q3-FY21 KEY METRICS

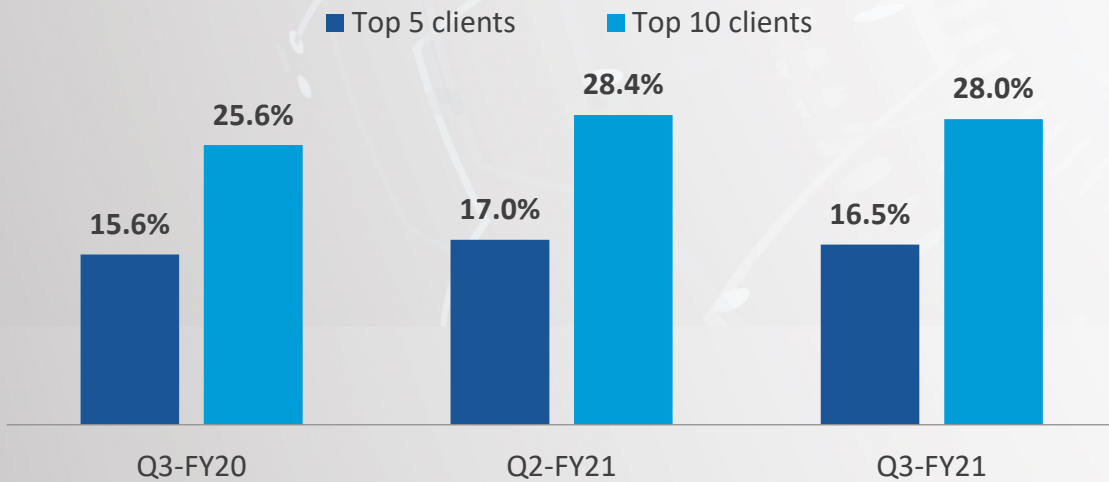
## By Business



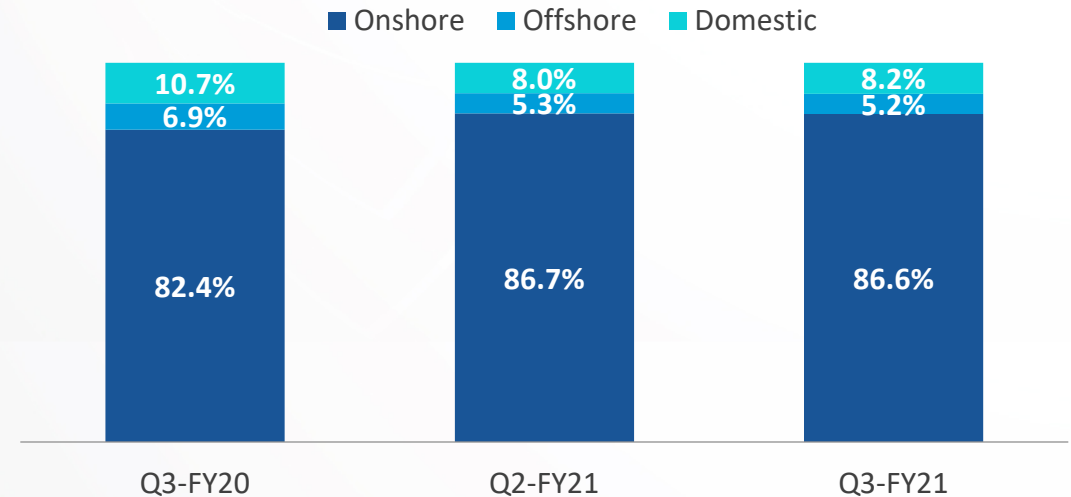
## By Geography



## By Clients



## Revenue Mix



# Q3-FY21 CONSOLIDATED INCOME STATEMENT (IND-AS)



INCOME STATEMENT (INR Mn)	Q3-FY21	Q2-FY21	Q-o-Q	Q3-FY20	Y-o-Y
Revenue from operations	1,964	1,909	2.9%	1,909	2.9%
Other Income	14	9	55.6%	10	40.0%
<b>Total Income</b>	<b>1,978</b>	<b>1,918</b>	<b>3.1%</b>	<b>1,919</b>	<b>3.1%</b>
<b>Total Expenses</b>	<b>1,662</b>	<b>1,658</b>	<b>0.2%</b>	<b>1,622</b>	<b>2.5%</b>
<b>EBITDA</b>	<b>316</b>	<b>260</b>	<b>21.6%</b>	<b>297</b>	<b>6.4%</b>
<b>EBITDA Margin (%)</b>	<b>16.0%</b>	<b>13.6%</b>		<b>15.5%</b>	
Depreciation	31	39		34	
Finance Cost	33	30		37	
<b>PBT</b>	<b>252</b>	<b>191</b>	<b>31.9%</b>	<b>226</b>	<b>11.5%</b>
Tax	34	32		40	
<b>Profit After Tax</b>	<b>218</b>	<b>159</b>	<b>37.1%</b>	<b>186</b>	<b>17.2%</b>
<b>PAT Margins (%)</b>	<b>11.1%</b>	<b>8.3%</b>		<b>9.7%</b>	
Other Comprehensive Income	(10)	(6)		7	
<b>Total Comprehensive Income (After Tax)</b>	<b>208</b>	<b>153</b>		<b>193</b>	
Diluted EPS (INR)	2.16	1.59		1.98	

# 9M-FY21 CONSOLIDATED INCOME STATEMENT–(IND-AS)

INCOME STATEMENT (INR Mn)	9M-FY21	9M-FY20	Y-o-Y
Revenue from operations	5,673	5,644	0.5%
Other Income	42	22	90.9%
<b>Total Income</b>	<b>5,715</b>	<b>5,666</b>	<b>0.9%</b>
<b>Total Expenses</b>	<b>4,887</b>	<b>4,763</b>	<b>2.6%</b>
<b>EBITDA</b>	<b>828</b>	<b>903</b>	<b>(8.8)%</b>
<b>EBITDA Margin</b>	<b>14.5%</b>	<b>15.9%</b>	
Depreciation	102	100	
Finance Cost	103	122	
<b>PBT</b>	<b>623</b>	<b>681</b>	<b>(8.5)%</b>
Tax	101	121	
<b>Profit After Tax</b>	<b>522</b>	<b>560</b>	<b>(6.8)%</b>
<b>PAT Margins</b>	<b>9.1%</b>	<b>9.9%</b>	
Other Comprehensive Income	(15)	5	
<b>Total Comprehensive Income (After Tax)</b>	<b>507</b>	<b>565</b>	
Diluted EPS (INR)	5.25	5.82	



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# **HISTORICAL FINANCIAL OVERVIEW**

# HISTORICAL CONSOLIDATED INCOME STATEMENTS

INCOME STATEMENT (INR Mn)	FY20**	FY19*	FY18*	FY17
Revenue from operations	7,707	8,141	7,835	6,148
Other Income	39	51	27	37
<b>Total Income</b>	<b>7,746</b>	<b>8,192</b>	<b>7,862</b>	<b>6,185</b>
Total Expenses	6,583	6,962	6,650	5,328
<b>EBITDA</b>	<b>1,163</b>	<b>1,230</b>	<b>1,212</b>	<b>857</b>
<b>EBITDA Margin</b>	<b>15.01%</b>	<b>15.01%</b>	<b>15.42%</b>	<b>13.86%</b>
Depreciation	128	67	54	42
Finance Cost	164	189	163	103
<b>PBT</b>	<b>871</b>	<b>974</b>	<b>995</b>	<b>712</b>
Tax	165	205	311	181
<b>Profit After Tax</b>	<b>705</b>	<b>769</b>	<b>684</b>	<b>531</b>
<b>PAT Margins</b>	<b>9.1%</b>	<b>9.39%</b>	<b>8.70%</b>	<b>8.59%</b>
Other Comprehensive Income	37	(18)	(48)	-
<b>Total Comprehensive Income (After Tax)</b>	<b>743</b>	<b>751</b>	<b>636</b>	<b>531</b>
EPS (INR)	7.70	7.79	6.60	5.38

\* As per IND-As

\*\*Note: The Consolidated Financials of the full year ended 31 March, 2020 are not comparable with FY19 Financials, as the Company has sold one of its step-down US Subsidiary

# HISTORICAL CONSOLIDATED BALANCE SHEET (IND-AS)

Equity and Liabilities (INR Mn)	FY20*	FY19	Assets (INR Mn)	FY20*	FY19
<b>Shareholder Funds</b>			<b>Non-Current Assets</b>		
(A) Equity Share Capital	482	482	Property, Plant & Equipment	103	100
(B) Other Equity	3,681	2,809	Capital Work in Progress	-	-
<b>Total -Shareholder Funds</b>	<b>4,163</b>	<b>3,291</b>	Right to use assets	124	-
Non-Current Liabilities			Goodwill	2,257	1,990
Financial Liabilities			Other Intangible Assets	294	107
(I) Borrowings	286	359	Financial Assets		
(ii) Other Financial Liabilities	363	220	(I) Investments	-	-
(iii)Other non-current Liabilities	60	-	(II) Loans	-	-
Provisions	24	18	Other Financial Assets	17	20
Lease Liabilities	155	-	Other Non-Current Assets	205	213
Deferred Tax Liabilities	16	26	<b>Total - Non-Current Assets</b>	<b>3,000</b>	<b>2,430</b>
<b>Total - Non-Current Liabilities</b>	<b>904</b>	<b>623</b>	Current Assets		
Current Liabilities			Inventories	1	27
Financial Liabilities			Financial Assets		
(I) Borrowings	669	692	(I) Trade Receivables	2,026	1,804
(ii) Trade Payables	393	365	(II) Cash & Cash Equivalents	300	259
(iii) Other Financial Liabilities	208	183	(III) Loans	-	-
Other Current Liabilities	155	181	(IV) Other Financial Assets	1,155	852
Provisions	454	454	Other current assets	703	618
Current Tax Liabilities (Net)	238	201	<b>Total – Current Assets</b>	<b>4,184</b>	<b>3,560</b>
<b>Total – Current Liabilities</b>	<b>2,117</b>	<b>2,076</b>	<b>GRAND TOTAL – ASSETS</b>	<b>7,184</b>	<b>5,990</b>
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>7,184</b>	<b>5,990</b>			

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**For further details, please feel free to contact our Investor Relations Representative:**

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