



EARNINGS PRESENTATION – Q4-FY19 / FY19

# 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 (FY19):

### Digital Transformation (71%)



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 (12%)



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 Income

FY18	FY19
INR 7,862 Mn	INR 8,192 Mn

### EBITDA

FY18	FY19
INR 1,212 Mn	INR 1,230 Mn

### PAT

FY19	FY19
INR 684 Mn	INR 769 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.

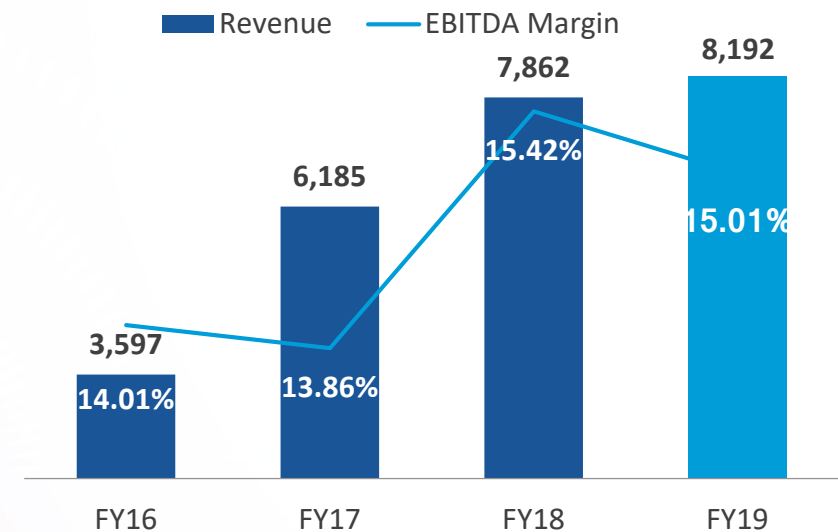
The company has vast experience in rendering its services to various industry verticals such as retail and e-commerce; travel, tourism and hospitality; healthcare, energy, BFSI; media, entertainment and lifestyle, amongst others.

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

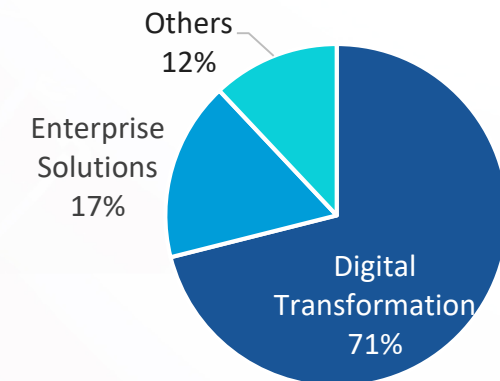
Driven by deep domain knowledge and technology expertise, we are also trusted partners of SAP, Software AG, MuleSoft, and IBM.

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 (%)



## Segmental Revenue Break-up (FY19)





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# **Q4-FY19 / FY19 FINANCIAL OVERVIEW**

# Q4-FY19 FINANCIAL HIGHLIGHTS

## Q4-FY19 Financial Highlights:

- Total revenue of INR 1911 Mn; down 8.0% QoQ
- EBITDA was at INR 300 Mn; up 1.7% QoQ
- EBITDA Margin stood at 15.70%
- Net Profit stood at INR 195 Mn; up 5.4% QoQ
- PAT Margin of 10.20%
- Diluted EPS was at INR 1.83 per share; down 0.5% QoQ

**Note:** *The Consolidated financials of the quarter and full year ended 31 March, 2019 includes the sale of one of its USA step down subsidiary. Therefore, the financial statements for the quarter ended 31<sup>st</sup> March 2019 is not comparable with the financial results of the previous quarter and corresponding previous period .*

# Q4-FY19 OPERATIONAL HIGHLIGHTS

- Kellton Tech Successfully Implements "Optima" the Ground-breaking Cloud-based IoT Solution for the Oil and Gas Industry
- Kellton Tech for the 4th time made it to Deloitte Technology Fast50 India
- Kellton Tech has developed a full-suite human capital management solution 'tHRive' that transforms the traditional HR functions into opportunities that help our clients drive engagement, productivity, and business value
- Kellton Tech was the mobile app partner for Nasscom Design & Engineering Summit and Nasscom Product Conclave.
- Hosted Drupal Delhi Meetup 2018 at our Gurgaon facilities for the community to come together and discuss the latest trends in Drupal 8 development

# Q4-FY19 NEW CLIENT WINS

Won 9 new clients, some big wins are:



## A large Manufacturing Firm

Kellton Tech has been selected to modernize and streamline the technology landscape to an agile SAP S/4HANA environment for a leading manufacturing facility company in the US



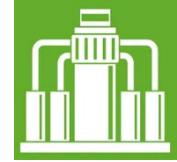
## A Real Estate Company

The company creating a digital disruption to achieve a new wave of innovation for a Europe-based real estate company



## A leading SMB Business

Kellton Tech is selected as a preferred partner to develop next-gen learning platform to enhance end-user customer experience and achieve competitive edge for a leading SMB business in Europe



## An Oilfield Equipment Rental & Pipeline Service Company

Kellton Tech is building an integrated SAP security management system for a leading oilfield rental equipment and pipeline service company in the US



## A global Healthcare Company

Selected as a long-term digital strategic partner to ensure greater customer satisfaction by enabling online presence of a global world-class healthcare services company



## A leading E-Commerce Firm

Kellton Tech is selected as a strategic partner for a leading on-demand ecommerce technology and services company to digitally build e-commerce platform and improve user experience



## A leading Financial Company


Developing an integrated enterprise application platform to manage digital assets for a leading financial services company in India





## A leading Consumer Durable Company

Kellton Tech has won a long-term strategic engagement with a leading consumer durables company

# FY19 FINANCIAL HIGHLIGHTS


Total revenue  
INR  
**8,192** Mn  up 4.2% YoY

EBITDA  
INR  
**1,230** Mn  up 1.5% YoY

EBITDA Margin  
INR  
**15.01%**  down 41 Bps

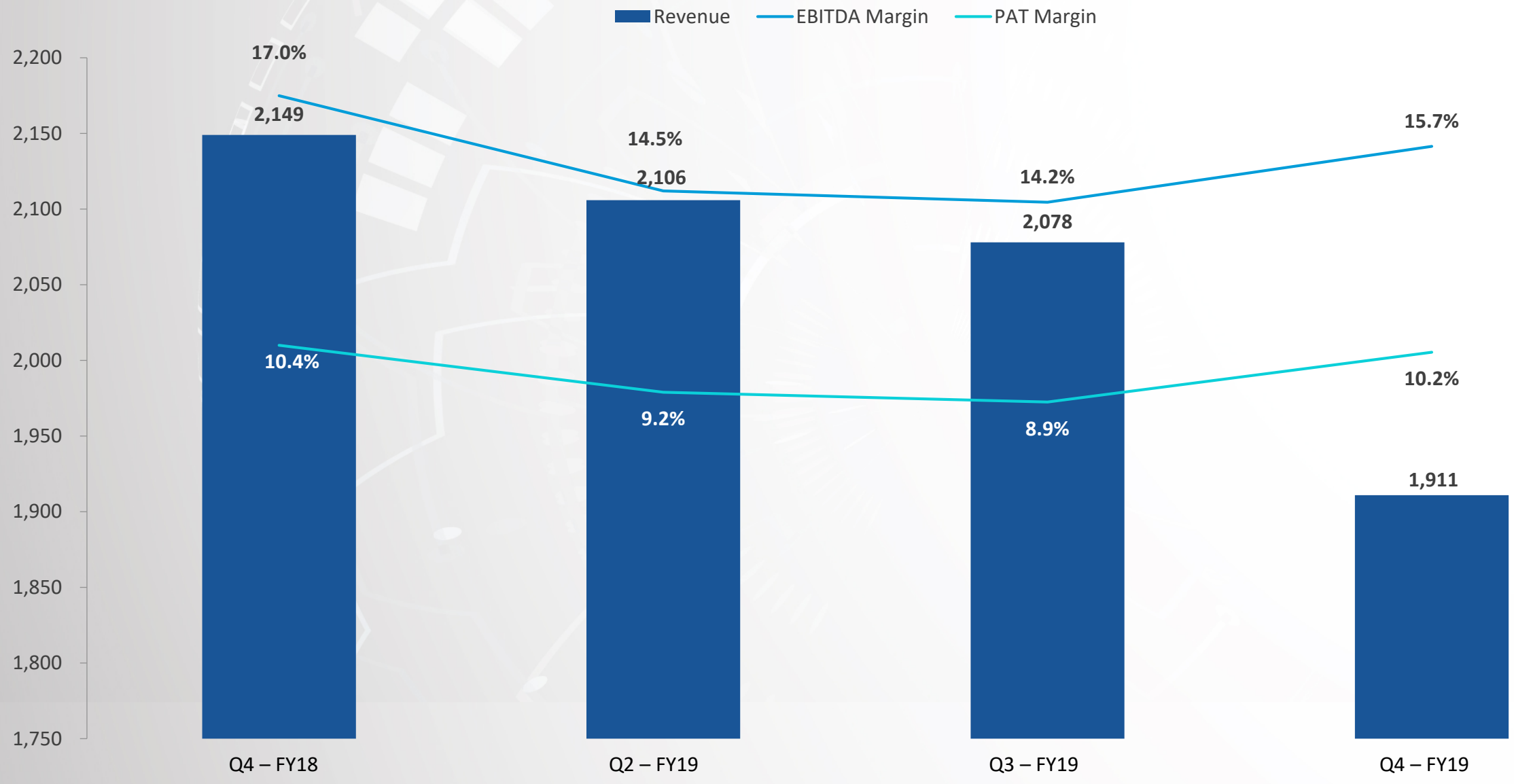
Net Profit  
INR  
**769** Mn  up 12.4% YoY

PAT Margin  
INR  
**9.39%**  up 69 Bps

EPS  
INR  
**7.77** / Share  up 18.1% YoY

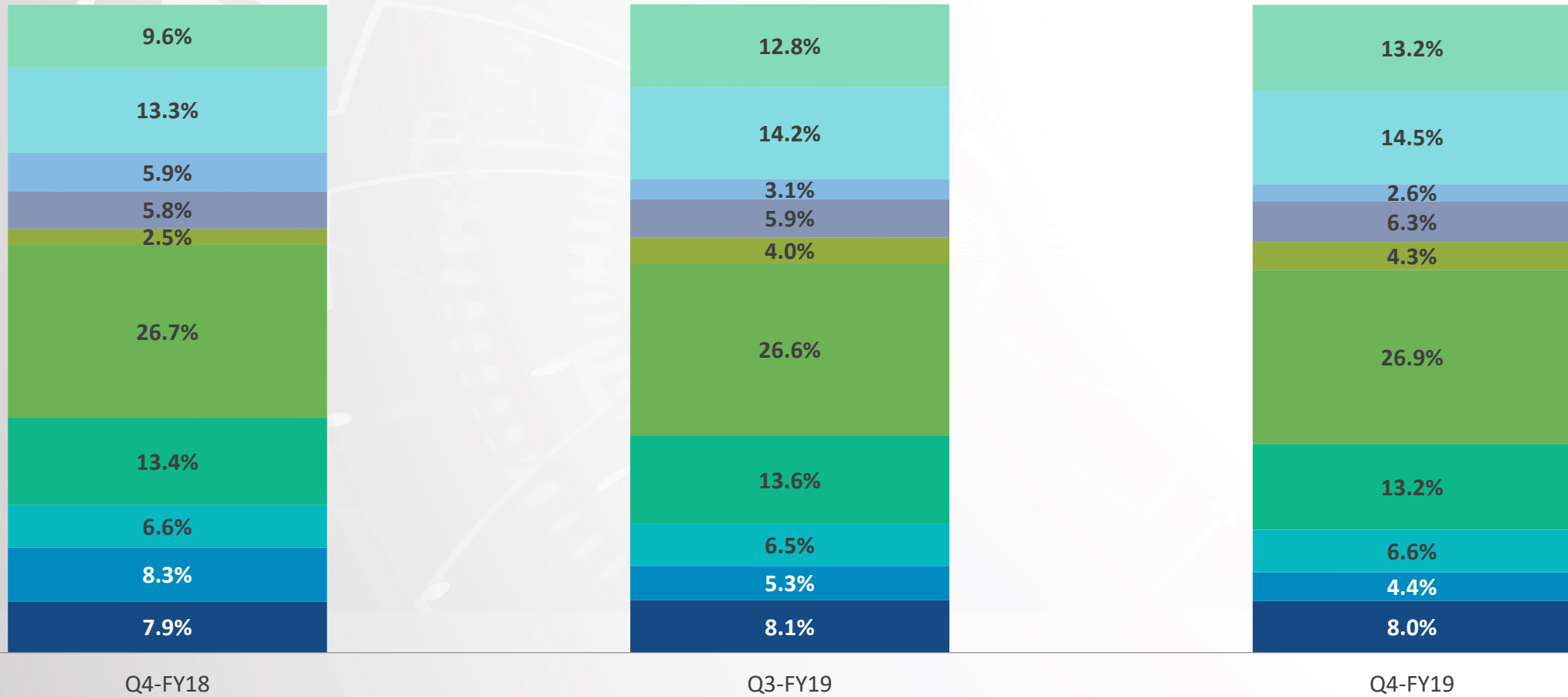


# Q4-FY19 REVENUE SUMMARY



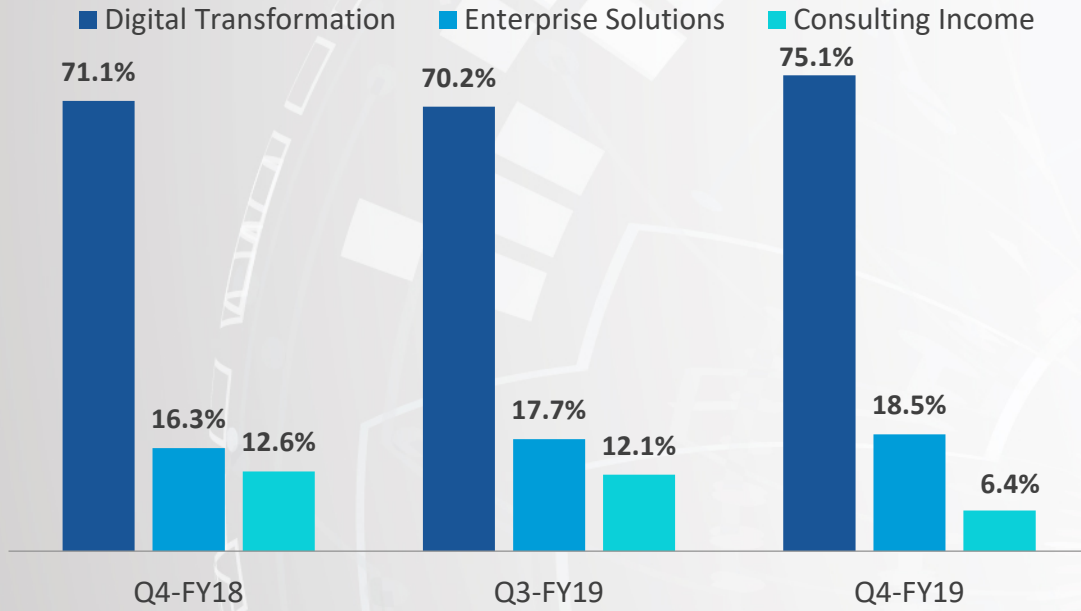
# Q4-FY19 REVENUE BY INDUSTRY

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

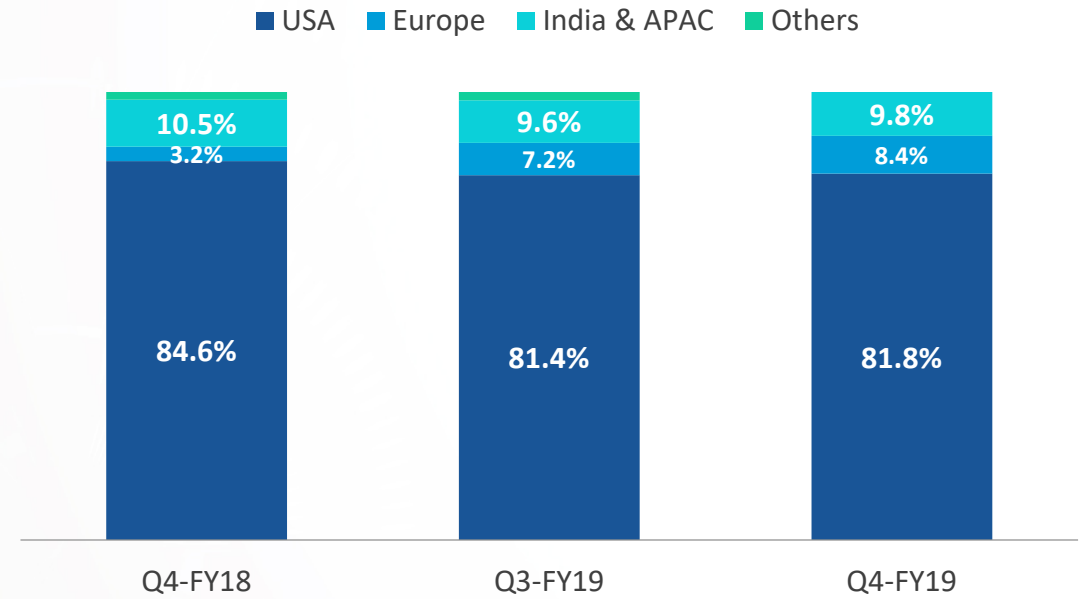


# Q4-FY19 KEY METRICS

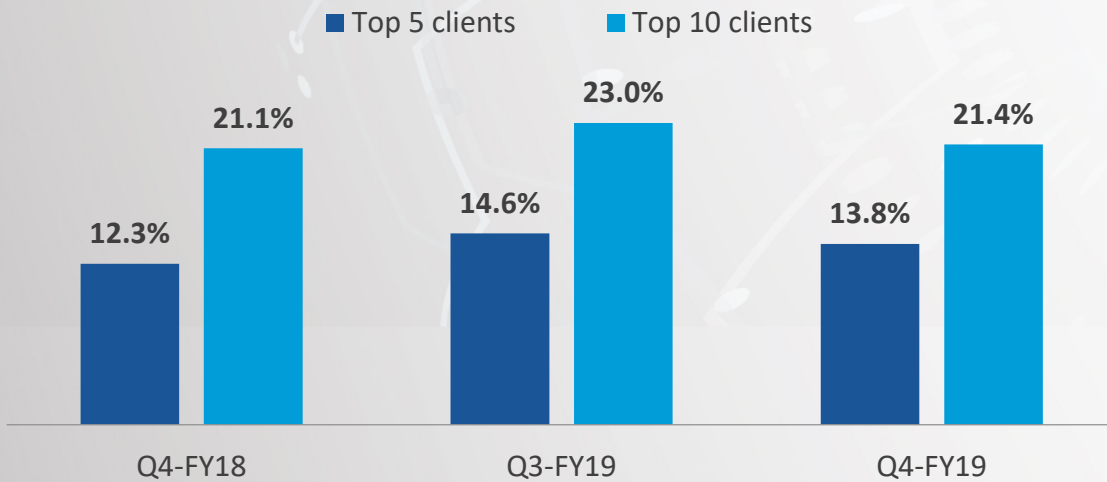
### By Business



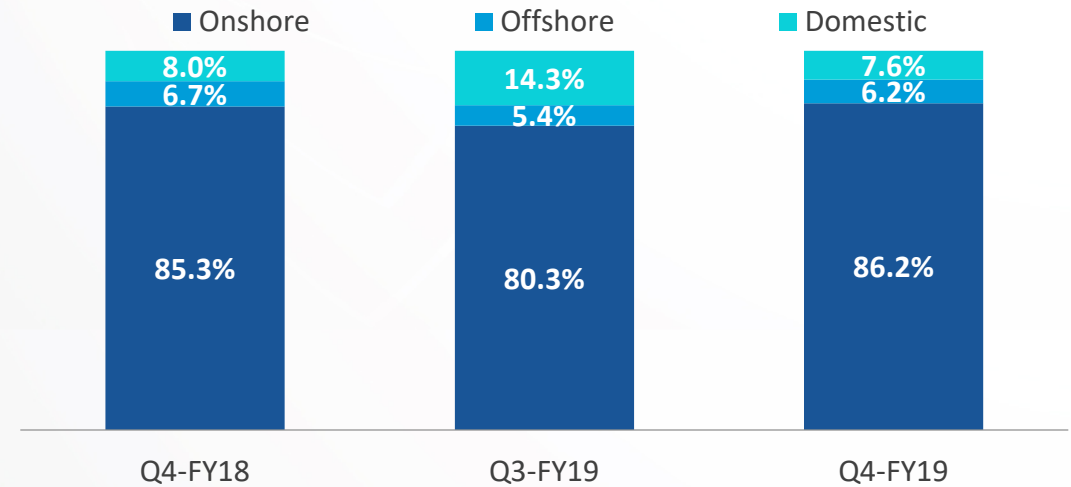
### By Geography



### By Clients



### Revenue Mix



# Q4-FY19 CONSOLIDATED INCOME STATEMENT (IND-AS)



INCOME STATEMENT (INR Mn)	Q4-FY19	Q4-FY18	Y-o-Y	Q3-FY19	Q-o-Q
Revenue from operations	1,902	2,149	(11.5)%	2,064	(7.8)%
Other Income	9	-	NA	14	(35.7)%
<b>Total Income</b>	<b>1,911</b>	<b>2,149</b>	<b>(11.1)%</b>	<b>2,078</b>	<b>(8.0)%</b>
Total Expenses	1,611	1,784	(9.7)%	1,783	(9.6)%
<b>EBITDA</b>	<b>300</b>	<b>365</b>	<b>(17.8)%</b>	<b>295</b>	<b>1.7%</b>
<b>EBITDA Margin</b>	<b>15.70%</b>	<b>16.98%</b>	<b>(128) Bps</b>	<b>14.20%</b>	<b>150 Bps</b>
Depreciation	24	17	41.2%	15	60.0%
Finance Cost	47	49	(4.1)%	49	(4.1)%
<b>PBT</b>	<b>229</b>	<b>299</b>	<b>(23.4)%</b>	<b>231</b>	<b>(0.9)%</b>
Tax	34	76	(55.3)%	46	(26.1)%
<b>Profit After Tax</b>	<b>195</b>	<b>223</b>	<b>(12.6)%</b>	<b>185</b>	<b>5.4%</b>
<b>PAT Margins</b>	<b>10.20%</b>	<b>10.38%</b>	<b>(18) Bps</b>	<b>8.90%</b>	<b>130 Bps</b>
Other Comprehensive Income	(18)	(44)	NA	(6)	NA
<b>Total Comprehensive Income (After Tax)</b>	<b>177</b>	<b>179</b>	<b>(1.1)%</b>	<b>179</b>	<b>(1.1)%</b>
Diluted EPS (INR)	1.83	1.86	(1.6)%	1.84	(0.5)%

# FY19 CONSOLIDATED INCOME STATEMENT (IND-AS)

INCOME STATEMENT (INR Mn)	FY19	FY18	Y-o-Y
Revenue from operations	8,141	7,835	3.9%
Other Income	51	27	88.9%
<b>Total Income</b>	<b>8,192</b>	<b>7,862</b>	<b>4.2%</b>
Total Expenses	6,962	6,650	4.7%
<b>EBITDA</b>	<b>1,230</b>	<b>1,212</b>	<b>1.5%</b>
<b>EBITDA Margin</b>	<b>15.01%</b>	<b>15.42%</b>	<b>(41) Bps</b>
Depreciation	67	54	24.1%
Finance Cost	189	163	16.0%
<b>PBT</b>	<b>974</b>	<b>995</b>	<b>(2.1)%</b>
Tax	205	311	(34.1)%
<b>Profit After Tax</b>	<b>769</b>	<b>684</b>	<b>12.4%</b>
<b>PAT Margins</b>	<b>9.39%</b>	<b>8.70%</b>	<b>69 Bps</b>
Other Comprehensive Income	(18)	(48)	NA
<b>Total Comprehensive Income (After Tax)</b>	<b>751</b>	<b>636</b>	<b>18.1%</b>
Diluted EPS (INR)	7.77	6.58	18.1%



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# **HISTORICAL FINANCIAL OVERVIEW**

# HISTORICAL CONSOLIDATED INCOME STATEMENTS

INCOME STATEMENT (INR Mn)	FY16	FY17*	FY18*	FY19*
Revenue from operations	3,587	6,148	7,835	8,141
Other Income	10	37	27	51
<b>Total Income</b>	<b>3,597</b>	<b>6,185</b>	<b>7,862</b>	<b>8,192</b>
Total Expenses	3,093	5,328	6,650	6,962
<b>EBITDA</b>	<b>504</b>	<b>857</b>	<b>1,212</b>	<b>1,230</b>
<b>EBITDA Margin</b>	<b>14.01%</b>	<b>13.86%</b>	<b>15.42%</b>	<b>15.01%</b>
Depreciation	25	42	54	67
Finance Cost	88	103	163	189
<b>PBT</b>	<b>391</b>	<b>712</b>	<b>995</b>	<b>974</b>
Tax	81	181	311	205
<b>Profit After Tax</b>	<b>310</b>	<b>531</b>	<b>684</b>	<b>769</b>
<b>PAT Margins</b>	<b>8.62%</b>	<b>8.59%</b>	<b>8.70%</b>	<b>9.39%</b>
Other Comprehensive Income	-	-	(48)	(18)
<b>Total Comprehensive Income (After Tax)</b>	<b>310</b>	<b>531</b>	<b>636</b>	<b>751</b>
Diluted EPS (INR)	6.95	5.38	6.58	7.77

\* As per IND-As

# HISTORICAL CONSOLIDATED BALANCE SHEET (IND-AS)

Equity and Liabilities (INR Mn)	FY18	FY19	Assets (INR Mn)	FY18	FY19
<b>Shareholder Funds</b>			<b>Non-Current Assets</b>		
(A) Equity Share Capital	482	482	Property, Plant & Equipment	81	100
(B) Other Equity	2,119	3,809	Capital Work in Progress	-	-
<b>Total -Shareholder Funds</b>	<b>2,601</b>	<b>3,291</b>	Goodwill	2,112	1,990
Non-Current Liabilities			Other Intangible Assets	83	107
Financial Liabilities			Financial Assets		
(I) Borrowings	320	359	(I) Investments	-	-
(ii) Other Financial Liabilities	613	220	(II) Loans	-	-
Provisions	13	18	Other Financial Assets	16	20
Deferred Tax Liabilities	20	26	Other Non-Current Assets	114	213
<b>Total - Non-Current Liabilities</b>	<b>966</b>	<b>623</b>	<b>Total - Non-Current Assets</b>	<b>2,406</b>	<b>2,430</b>
Current Liabilities			Current Assets		
Financial Liabilities			Inventories	24	27
(I) Borrowings	670	692	Financial Assets		
(ii) Trade Payables	469	365	(I) Trade Receivables	1,873	1,804
(iii) Other Financial Liabilities	150	183	(II) Cash & Cash Equivalents	206	259
Other Current Liabilities	191	181	(III) Loans	-	-
Provisions	482	454	(IV) Other Financial Assets	807	852
Current Tax Liabilities (Net)	279	201	Other current assets	492	618
<b>Total – Current Liabilities</b>	<b>2,241</b>	<b>2,076</b>	<b>Total – Current Assets</b>	<b>3,402</b>	<b>3,560</b>
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>5,808</b>	<b>5,990</b>	<b>GRAND TOTAL – ASSETS</b>	<b>5,808</b>	<b>5,990</b>



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



**Mr. Anuj Sonpal**

**Valorem Advisors**

Tel: +91-22-4903 9500

Email: [kellton@valoremadvisors.com](mailto:kellton@valoremadvisors.com)



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