

February 14, 2024

To,
Asst. General Manager,
Department of Corporate Services.
Bombay Stock Exchange Limited,
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-40001,
Maharashtra, India

Respected Sir/ Madam,

Scrip code: 538991 / Scrip ID: M CLOUD

Sub: Earnings Updates

We wish to inform you that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), read with Part A of Schedule III of the Listing Regulations, we hereby enclose the Earnings Updates for Q3 – FY 23 - 24.

The above is for information and dissemination to the public at large.

Thanking You,
Yours Faithfully
For Magellanic Cloud Limited

Joseph Sudheer Reddy Thumma

Managing Director

DIN: 07033919

Encl: As mentioned above.

MAGELLANIC CLOUD LIMITED

Magellanic Cloud Consolidated Q3FY24 Net Profit up 30 Per cent (YOY), records growth across business segments.

Q3 CONSOLIDATED NET PROFIT AT INR 225.6 Million VS INR 173.5 Million (YOY); up 30%
REVENUE FROM OPERATIONS REPORTED AT ₹1,313.79 Million in Q3 FY24.
Q3 EBITDA MARGIN UP TO 39.10% VS 25.97% (YOY)

Hyderabad, February 13, 2024: Magellanic Cloud Limited (BSE: MCloud) has announced that the Company in its board meeting held on February 13, 2024 has inter-alia considered and approved the unaudited Financial Results of the Company for the Third Quarter Ended on 31st December, 2023 as one of its agenda.

Consolidated Financial Performance Comparison

- The EBITDA increased by **48.96%** from **₹344.82 Mn** in **Q3 FY23** to **₹513.64 Mn** in **Q3FY24**. This growth is attributed to an increase in deliverables with our clients in all the segments.
- PAT increased to **₹225.61 Mn** in **Q3FY24** from **₹173.54 Mn** in **Q3 FY23**.

Recent notable Developments

- iVIS, a subsidiary of Magellanic Cloud has been enlisted by a leading bank in the public sector and a leading bank in the private sector to deliver e-surveillance services for its branches. We anticipate a noticeable impact on our revenues in the upcoming quarter as a result.
- Magellanic Cloud (MCloud) has accomplished a significant milestone with its subsidiary Scandron Pvt Ltd completing the research and development of Agri & Cargo drones, designed and modelled to perfection ranging from 5kg-80kg, and have participated in various trials. Scandron also anticipates an increase in orders for its commercial drones in the next quarter.
- MCloud has set an ambitious goal to increase its revenue target for FY24 by approximately 25% as compared to FY23, which is a positive sign of growth for the company. This demonstrates MCloud's confidence in its business model and strategic direction, and its ability to execute on its growth plans.

Management Comments

Commenting on the performance of Q3 FY24, the Management said:

- We are actively leveraging cutting-edge technology to increase production efficiency and reduce costs, further enhancing our competitive edge. Collaborations with prominent entities like the 2 national banks for AI-powered solutions solidify our commitment to delivering cutting-edge security solutions and driving industry-wide advancements.

- Magellanic Cloud, through its subsidiary Scandron, is at the forefront of the burgeoning drone technology industry. Our diverse range of drones cater to various sectors, including agriculture, cargo, and customized solutions.
- With a robust order book in both IT and e-surveillance segments, we are confident in achieving our ambitious revenue target of Rs 600 crore for FY24, while maintaining profitability through strategic cost optimization and efficient resource allocation. This financial strength provides a solid foundation for further expansion and strategic acquisitions, paving the way for long-term sustainable growth and value creation for our stakeholders.
- Our acquisition strategy remains robust, with plans to acquire 2-3 companies annually. By expanding into new markets and scaling up our drone division, we're capitalizing on the immense potential of emerging technologies. This strategic approach ensures that we remain agile and adaptable to evolving market dynamics.
- Looking forward, we are actively seeking opportunities in IT, e-surveillance, and drones, with a potential entry into the Middle East and US geographies.

Consolidated Financial Statement Highlights for Q3 FY24 v/s Q3 FY23 (₹ Million):

Particulars (₹ Million)	Q3 FY24	Q3 FY23	Y-o-Y %
Revenue from Operations	1,313.79	1,327.62	
Other Income	5.54	9.27	
Total Revenue	1,319.33	1,336.89	
Total Expenses excluding Depreciation, Amortization & Finance Cost	805.70	992.07	
EBITDA	513.64	344.82	49%
EBITDA Margin (%)	39.10	25.97	
Depreciation & Amortization	122.21	57.56	
Finance Cost	54.17	54.49	
PBT before Exceptional Item	337.26	232.78	
Exceptional Items	-	-	

PBT	337.26	232.78	45%
Income Tax	112.65	61.86	
Tax of Earlier Years	-11.35	0.51	
Deferred Tax	10.35	-3.13	
Tax Expenses	111.65	59.23	
PAT	225.61	173.54	30%

About Magellanic Cloud:

Magellanic Cloud Limited (“MCloud”) engages in software development, digital transformation, DevOps space, and human capital businesses. The company also provides IT consulting services. MCloud offers world class digital transformation solutions to global businesses. It has invested in leading companies operating in IT services, E-surveillance and drones to have a competitive edge at scale. The company boasts of manpower strength of 1,200+ and has serviced over 100 companies including companies in Fortune 1,000 league. The key area of MCloud’s service offerings include:

- **IT & ITeS Solutions** – End to end IT solutions from development, quality assurance, implementation, consulting, DevOps, IoT and others.
- **E-Surveillance** – The Company has entered this segment via acquisition. The Company will continue to build, deliver, install, monitor and maintain surveillance systems. The acquisition comes with 100+ clients and 25,000+ locations. Their AI & IoT solutions are enabling customers across verticals including but not limited to BFSI, Retail, Warehousing, Plants & Factories in getting Operational Insights, Business Intelligence and Protecting Assets.
- **Drone Manufacturing** – The Company is a leading manufacturer of drones and provider of drone-based services. Our products include logistics drones, Agri Spraying drones and custom drones. We deliver technology solutions that provide valuable new capabilities to our customers well into the future.

For further information, please contact

ElleQuinn Communications for Magellanic Cloud Ltd