

**KELLTON TECH SOLUTIONS LIMITED.**

Hyderabad, November 09, 2020

To

The Bombay Stock Exchange Limited P.J. Towers, Dalal Street, Mumbai-400 001 Fax No: 022-22722037/39/41/61	The National Stock Exchange of India Limited Exchange Plaza, BandraKurla Complex Bandra (East), Mumbai -400 051 Fax No: 022-26598237/38
<b>Scrip Code: 519602</b>	<b>Scrip Code: KELLTONTEC</b>

Sir/Madam,

**Sub: Press Release on financial results for the quarter and half year ended September 30, 2020.**


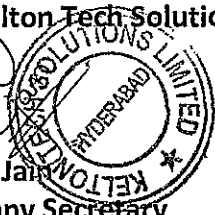
It is hereby informed that the Company has planned for press release about the financial results for the quarter and half year ended September 30, 2020. The contents of the proposed press release are enclosed herewith.

Kindly take the above information on record and acknowledge.

Thanking you,

Yours faithfully,

For Kellton Tech Solutions Limited

  
  
Surabi Jain  
Company Secretary  
ACS 49557

Encl. as above



## KELLTON TECH

### **Kellton Tech Q2 FY21 PAT at Rs 158.8 Million; up 9.8% QoQ**

**Hyderabad, India – 9<sup>th</sup> November, 2020** : Kellton Tech Solutions Ltd. (BSE & NSE: KELLTONTEC), a global leader in digital transformation serving startups to Fortune 500 companies announced today its financial results for **Second Quarter & Half Year FY21 ended on 30<sup>th</sup> September 2020**.

#### **Review of financial performance for H1 FY21**

- Total revenue was Rs 3,737 million during the six month period under review
- The Company reported an EBITDA of Rs 512 million for the six month period under review
- The EBITDA margin for the six month period under review was 13.7%
- Net profit stood at Rs 304 million for the six month period under review
- The PAT Margin for the six months period under review was 8.1%
- EPS stood at Rs 3.09 for the six month period under review

#### **Review of financial performance for the quarter ended 30<sup>th</sup> September, 2020**

- Total revenue was Rs 1,918 million during the quarter under review; up 5.4% QoQ
- The Company reported an EBITDA of Rs 260 million for the quarter under review; up 2.8% QoQ
- The EBITDA margin for the quarter under review was 13.6%.
- Net profit stood at Rs 159 million for Q2 FY21; up 9.8% QoQ
- The PAT Margin for the quarter under review was 8.3%
- EPS stood at Rs 1.59 for Q2 FY21

#### **New Client Wins during Q2 FY21**

Acquired **9** new clients during the quarter, some big wins are:

- Kellton Tech was awarded a contract to develop a full-scale enterprise mobility solution for an F&B company in the Middle East that will simplify buying journeys for customers and re-platform the existing experience as agile, interactive, and on-demand.
- Kellton Tech was selected as a digital partner by a reputed NBFC to implement a digitized infrastructure that will transform the lending experience and ensure ease in collaborating with stakeholders across multiple geographies
- Kellton Tech has been selected by a Management Consulting Firm to create an online platform that brings experienced professionals in direct contact with start-ups, allowing a deeper collaboration to facilitate the formalization of ideas, and jumpstart small businesses' growth.

- Kellton Tech was selected as a digital partner by a startup to disrupt the security industry through AI innovation. Kellton Tech is developing a cognitive engine for automated intruder detection, which is also powered by video analytics by AWS.
- Kellton Tech has been chosen as a digital transformation partner by a rapidly growing FINTECH organization to build a high-performance Loyalty Platform and Digital Wallet
- Kellton Tech has been selected as a digital transformation partner by a startup to deploy an advanced backend system that supports an AI-based hiring platform and synchronizes data with real-time opportunities

## Operational Highlights of Q2 FY21

- Momentive Quartz Technologies (MQT) Selects Kellton Tech to Implement SAP S/4HANA.
- Kellton Tech Selected by Riyada Digital to Drive Transformation in Digital E-Commerce Payments.
- Kellton Tech Expands Its Partnership with Google Cloud's Apigee API Platform, to transform digital user experiences faster and more seamlessly.
- Kellton Tech Announces Partnership with Workato to Accelerate Enterprise iPaaS Integration and Automation.
- Kellton Tech Partners with Automation Anywhere to Create End-to-End Transformative Experiences for Customers.

*Commenting on the results, Mr. Niranjan Chintam, Chairman & Whole-time Director, Kellton Tech, said: "Our second quarter performance is a reflection of our ability to lead our clients on their digital transformation journeys. We appreciate the trust from our clients and thank our employees for their unrelenting dedication and collaborative spirit during these unprecedented times. With our client-first approach, coupled with our future-ready talent and significant uptakes in digital demand, we have been able to strengthen our position in the market and drive profitable growth. As we turn to 2021, we will continue to invest in our core competencies, our people, and our business model to stay relevant and ahead of the curve."*

## About Kellton Tech Solutions

Kellton Tech is a 'Born Digital' technology consulting and services company founded on the belief of 'Infinite Possibilities with Technology.' The Company has 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, Kellton Tech adds value to the relationship by acting as a Trusted Partner to its clients. A rapidly growing company, Kellton Tech has made it to the Deloitte's 'Technology Fast50' India list four times, Forbes Asia's 'Best Under a Billion' list, and has been recognized amongst the best tech companies to work for. With operations



across the US, Europe, India, and Asia-Pacific, the team of 1500 dedicated Kellton'ites is consistently on the lookout for the next gripping challenge, please visit our web site [www.kelltontech.com](http://www.kelltontech.com)

**Media Contact & Investor Relations**

Anupam Kumari  
Kellton Tech Solutions Ltd  
[anupam.kumari@kelltontech.com](mailto:anupam.kumari@kelltontech.com)

*Note Except for the historical information and discussion contained herein, statements included in this release may constitute forward looking statements. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those that be projected by these forward looking statements. These risks and uncertainties include, but not limited to such factors as competition, growth, pricing environment, recruitment and retention, technology, wage inflation, law and regulatory policies etc. Such risks and uncertainties are detailed in the Annual Report of the company which is available on the website [www.kelltontech.com](http://www.kelltontech.com). Kellton Tech Solutions Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.*



EARNINGS PRESENTATION – H1-FY21 / Q2-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 (Q2 - FY21):

### Digital Transformation (81%)



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

### Enterprise Solutions (14%)



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:

### Revenue from Operations

Q2-FY21	Q1-FY21
INR 1,908.8 Mn	INR 1,800.1 Mn

### EBITDA

Q2-FY21	Q1-FY21
INR 259.6 Mn	INR 252.5 Mn

### PAT

Q2-FY21	Q1-FY21
INR 158.8 Mn	INR 144.6 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.

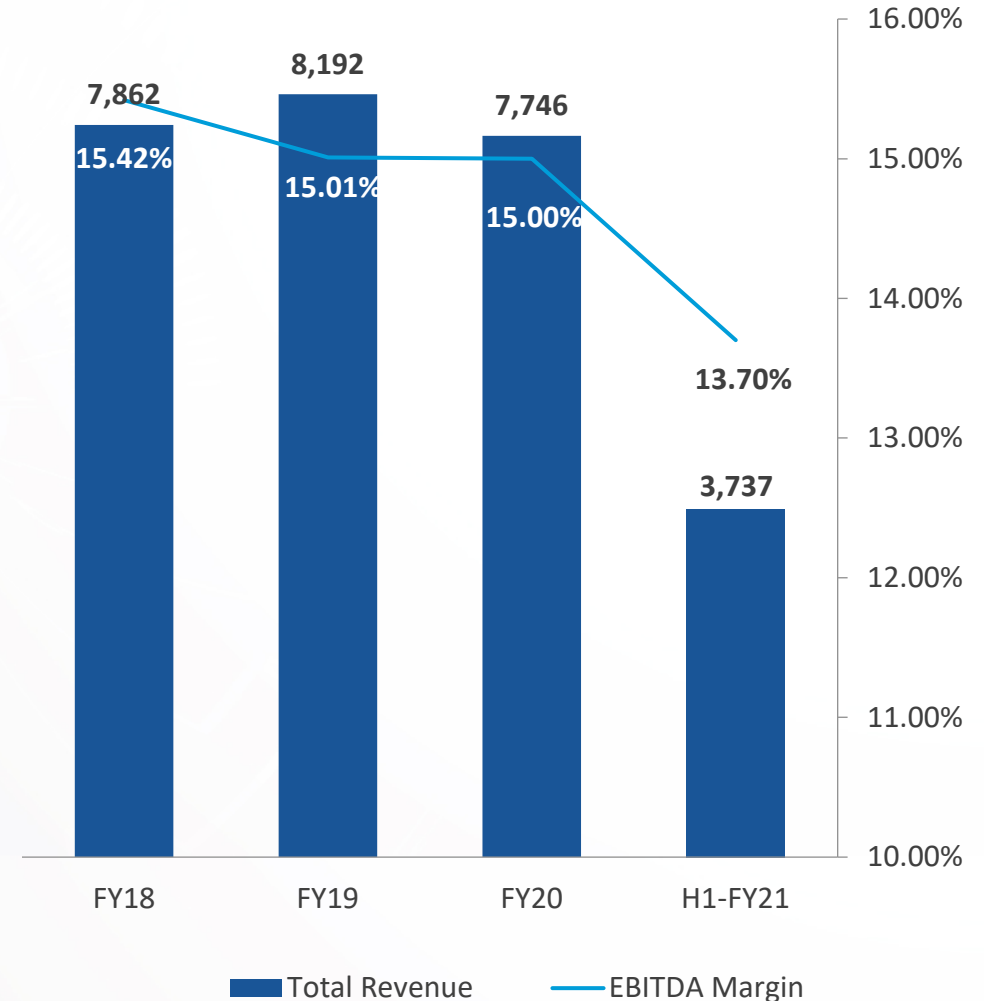
The company has vast experience in rendering its services to various industry verticals such as retail and e-commerce; travel, tourism and hospitality; healthcare, energy, BFSI; media, entertainment and lifestyle, amongst others.

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 (%)





**KELLTON TECH**

# **H1 / Q2-FY21 FINANCIAL OVERVIEW**



# H1/Q2-FY21 FINANCIAL HIGHLIGHTS

## H1-FY21 Financial Highlights:

- Total Revenue of INR 3,737.3 Mn;
- EBITDA was at INR 512.1 Mn;
- EBITDA Margin stood at 13.7%
- Net Profit stood at INR 303.5 Mn;
- PAT Margin of 8.1%
- EPS (Diluted) was at INR 3.09 per share;

## Q2-FY21 Financial Highlights:

- Total Revenue of INR 1,917.8 Mn; up 5.4% QoQ
- EBITDA was at INR 259.6 Mn; up 2.8% QoQ
- EBITDA Margin stood at 13.6%
- Net Profit stood at INR 158.8 Mn; up 9.8% QoQ
- PAT Margin of 8.3%
- EPS (Diluted) was at INR 1.59 per share;

# Q2-FY21 OPERATIONAL HIGHLIGHTS

- Momentive Quartz Technologies (MQT) Selects Kellton Tech to Implement SAP S/4HANA.
- Kellton Tech Selected by Riyadh Digital to Drive Transformation in Digital E-Commerce Payments.
- Kellton Tech Expands Its Partnership with Google Cloud's Apigee API Platform, to transform digital user experiences faster and more seamlessly.
- Kellton Tech Announces Partnership with Workato to Accelerate Enterprise iPaaS Integration and Automation.
- Kellton Tech Partners with Automation Anywhere to Create End-to-End Transformative Experiences for Customers.

# Q2-FY21 NEW CLIENT WINS

Won 9 new clients, some big wins are:



## A Food & Beverage Firm

Kellton Tech was awarded a contract to develop a full-scale enterprise mobility solution for an F&B company in the Middle East that will simplify buying journeys for customers and re-platform the existing experience as agile, interactive, and on-demand.



## A Startup in Cyber Security Industry

Kellton Tech was selected as a digital partner by a startup to disrupt the security industry through AI innovation. Kellton Tech is developing a cognitive engine for automated intruder detection, which is also powered by video analytics by AWS



## A leading NBFC Firm

Kellton Tech was selected as a digital partner by a reputed NBFC to implement a digitized infrastructure that will transform the lending experience and ensure ease in collaborating with stakeholders across multiple geographies



## A FinTech Company

Kellton Tech has been chosen as a digital transformation partner by a rapidly growing FINTECH organization to build a high-performance Loyalty Platform and Digital Wallet



## A Management Consulting Firm

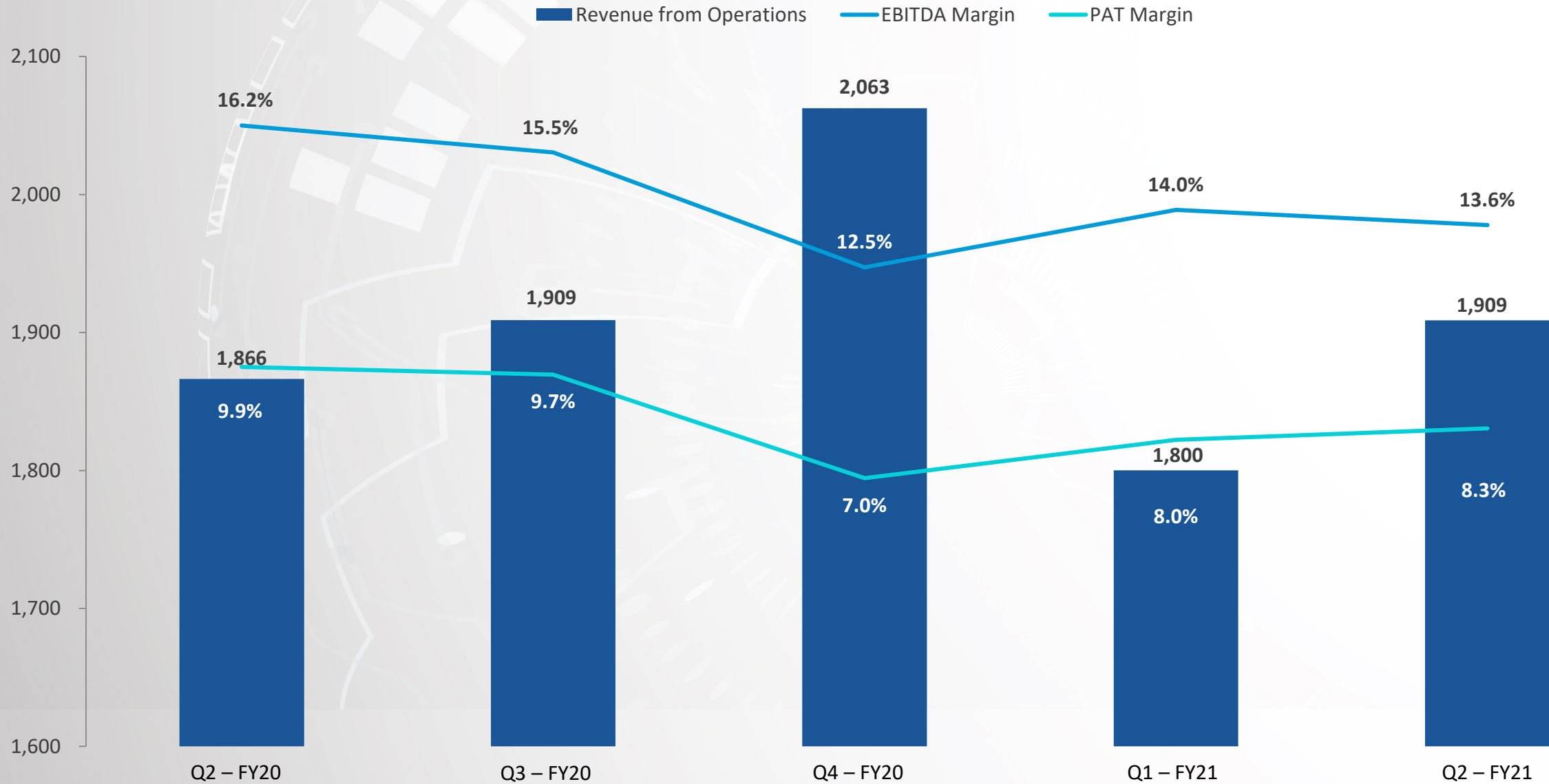
Kellton Tech has been selected by a Consulting Firm to create an online platform that brings experienced professionals in direct contact with start-ups, allowing a deeper collaboration to facilitate the formalization of ideas, and jumpstart small businesses' growth.



## A Firm in the Consulting Industry

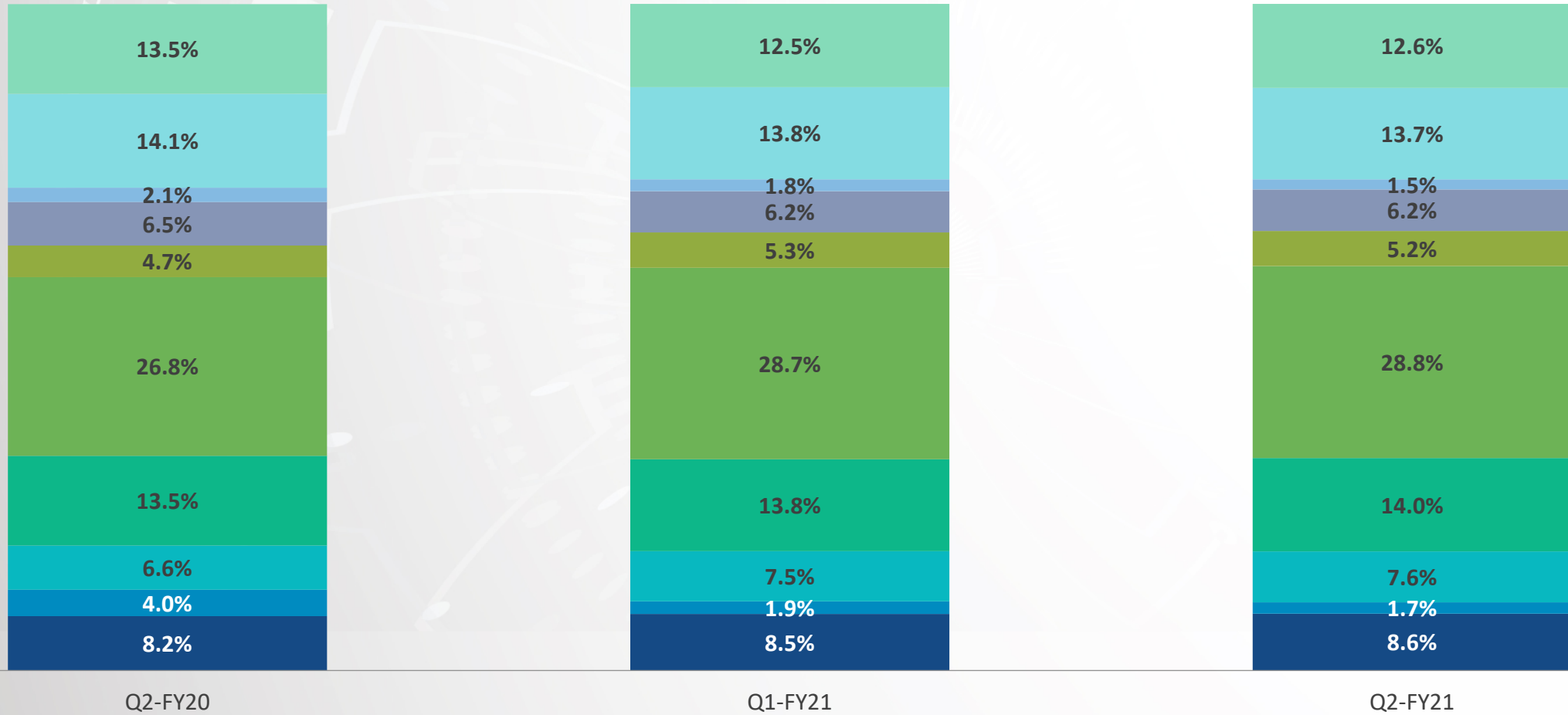
Kellton Tech has been selected as a digital transformation partner by a startup to deploy an advanced backend system that supports an AI-based hiring platform and synchronizes data with real-time opportunities

# Q2-FY21 REVENUE SUMMARY



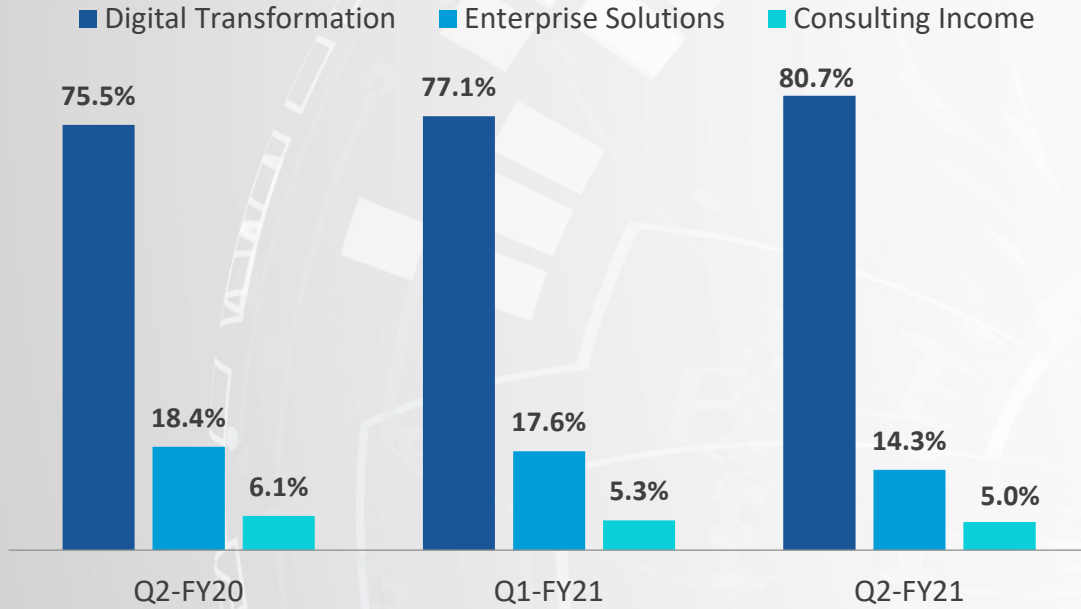
# Q2-FY21 REVENUE BY INDUSTRY

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

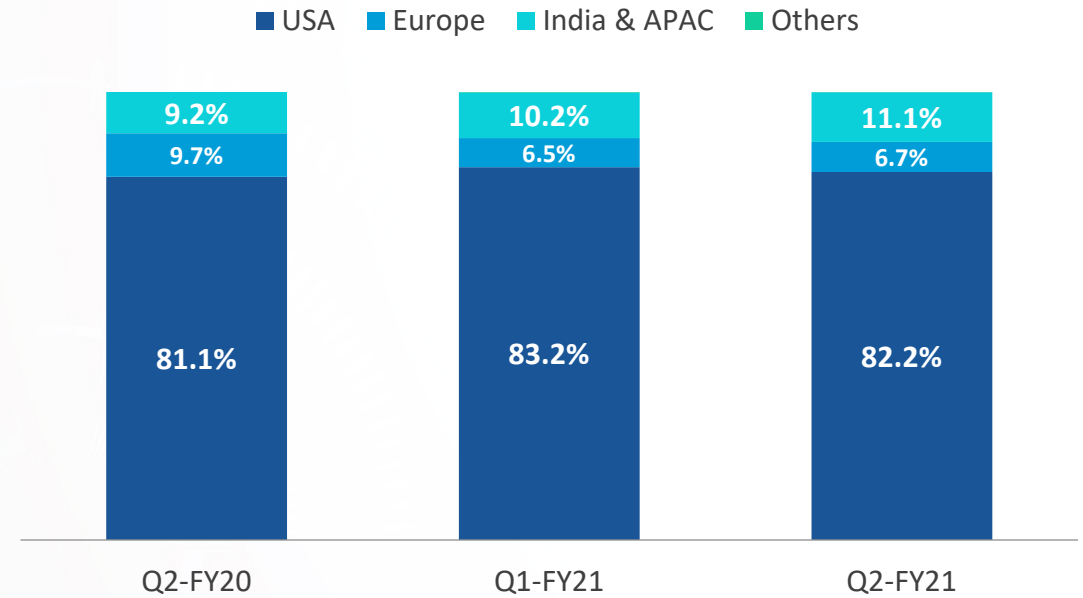


# Q2-FY21 KEY METRICS

## By Business



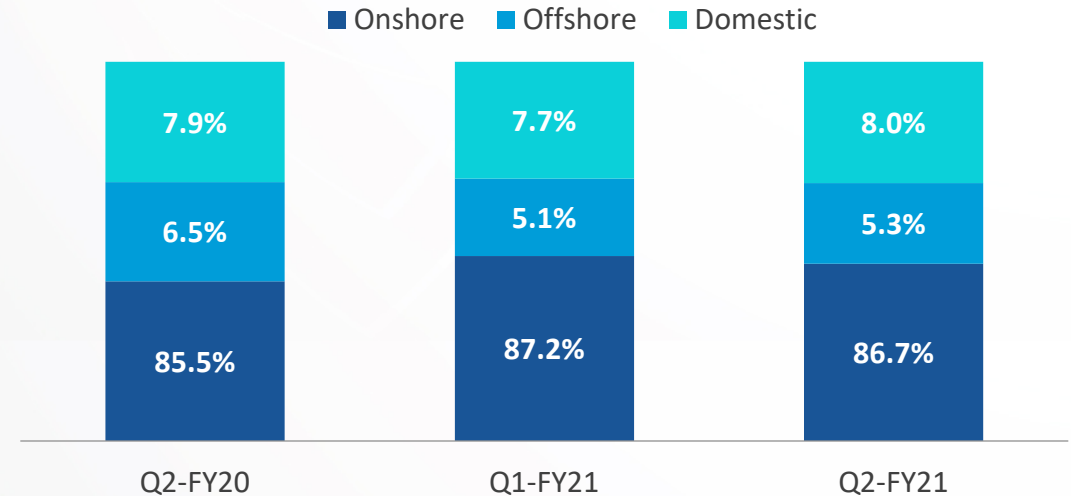
## By Geography



## By Clients



## Revenue Mix





# Q2-FY21 CONSOLIDATED INCOME STATEMENT (IND-AS)

INCOME STATEMENT (INR Mn)	Q2-FY21	Q1-FY21	Q-o-Q	Q2-FY20	Y-o-Y
Revenue from operations	1,909	1,800	6.0%	1,866	2.3%
Other Income	9	19		7	
<b>Total Income</b>	<b>1,918</b>	<b>1,819</b>	<b>5.4%</b>	<b>1,873</b>	<b>2.4%</b>
<b>Total Expenses</b>	<b>1,658</b>	<b>1,566</b>	<b>5.9%</b>	<b>1,569</b>	<b>5.7%</b>
<b>EBITDA</b>	<b>260</b>	<b>253</b>	<b>2.8%</b>	<b>304</b>	<b>(14.5)%</b>
<b>EBITDA Margin (%)</b>	<b>13.6%</b>	<b>14.0%</b>		<b>16.2%</b>	
Depreciation	39	33		34	
Finance Cost	30	40		42	
<b>PBT</b>	<b>191</b>	<b>180</b>	<b>9.7%</b>	<b>228</b>	<b>(16.2)%</b>
Tax	32	35		43	
<b>Profit After Tax</b>	<b>159</b>	<b>145</b>	<b>9.8%</b>	<b>185</b>	<b>(14.1)%</b>
<b>PAT Margins (%)</b>	<b>8.3%</b>	<b>8.0%</b>		<b>9.9%</b>	
Other Comprehensive Income	(6)	1		2	
<b>Total Comprehensive Income (After Tax)</b>	<b>153</b>	<b>146</b>		<b>187</b>	
Diluted EPS (INR)	1.59	1.50		1.94	



**KELLTON TECH**

# **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>			

\*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

# DISCLAIMER

**Kellton Tech Solutions Limited Disclaimer:**

*The information contained in this presentation is only current as of its date. All actions and statements made herein or otherwise shall be subject to the applicable laws and regulations as amended from time to time. There is no representation that all information relating to the context has been taken care off in the presentation and neither we undertake any obligation as to the regular updating of the information as a result of new information, future events or otherwise. We will accept no liability whatsoever for any loss arising directly or indirectly from the use of, reliance of any information contained in this presentation or for any omission of the information. The information shall not be distributed or used by any person or entity in any jurisdiction or countries were such distribution or use would be contrary to the applicable laws or Regulations. It is advised that prior to acting upon this presentation independent consultation / advise may be obtained and necessary due diligence, investigation etc may be done at your end. You may also contact us directly for any questions or clarifications at our end. This presentation contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our industry and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue and similar expressions identify forward looking statements. Actual results, performances or events may differ materially from these forward-looking statements including the plans, objectives, expectations, estimates and intentions expressed in forward looking statements due to a number of factors, including without limitation future changes or developments in our business, our competitive environment, telecommunications technology and application, and political, economic, legal and social conditions in India. It is cautioned that the foregoing list is not exhaustive This presentation is not being used in connection with any invitation of an offer or an offer of securities and should not be used as a basis for any investment decision*

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

**Ms. Anupam Kumari**

**E-mail: [anupam.kumari@kelltontech.com](mailto:anupam.kumari@kelltontech.com)**