

27th May, 2019

The Listing Dept.,
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

The Listing Dept.,
The National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
Mumbai – 400 051

Dear Sir,

Sub: Press Release

Ref.: BSE Scrip Code: 532801, NSE Code CTE

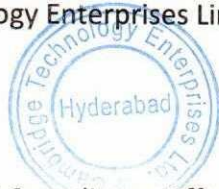
With reference to the above, please find attached herewith the press release captioned
“Cambridge Technology reports stellar performance for FY19 with 46% growth in PAT”.

Thanking you,

Yours faithfully,
For Cambridge Technology Enterprises Limited



Ashish Bhattad
Company Secretary and Compliance Officer



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Cambridge Technology reports stellar performance for FY19 with 46% growth in PAT

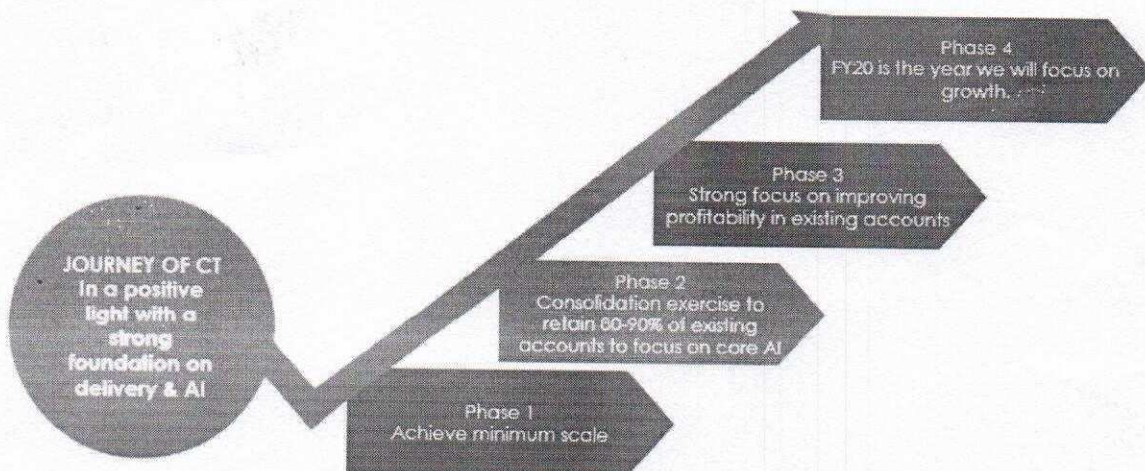
*Strong performance for the year FY19 with 41% y-o-y growth in EBITDA
On a growth trajectory with strong focus on Delivery & AI*

Bengaluru, 27 May 2019: Cambridge Technology (NSE: CTE; BSE: 532801), a leading global technology company focused on Artificial Intelligence as a Service (AlaaS) to transform organizations into AI-first leaders, today announced its audited financial results for the quarter and year ended March 31, 2019.

COMPANY HIGHLIGHTS

- 4 year revenues grew at a CAGR of 33 percent
- 4 year PAT grew at a CAGR of 57 percent
- PAT witnessed a healthy growth of 46 percent year-on-year
- PAT margins at all-time high at 18 percent, an increase of 517 basis points year-on-year
- EBITDA increased 6 percent quarter-on-quarter and 41 percent year-on-year
- EBITDA margins have been healthy at 23 percent, an increase of 603 basis points year-on-year
- Growth and profitability trends witnessed during FY19 is expected to continue this fiscal


JOURNEY OF CT



Phase 1: To achieve minimum scale

In the first phase, CT focused on achieving minimum scale to allow it to be better prepared to take advantage of the market opportunity. In FY15, the base revenues were INR 33 cr and we believed that it will take us two years to get to a minimum scale. With its focus on three areas – building partnerships, acquiring referenceable clients in chosen verticals and acquiring relevant expertise in technologies, the company met this objective.

For Cambridge Technology Enterprises Ltd.



Dharani Baghirama Swaroop
Whole-Time Director

Phase 2: Consolidation exercise to improve profitability and scalability

Based on market feedback, CT initiated a consolidation exercise in February 2017 (Q4FY17) to retain the right pieces and put it all together in a thoughtful manner to improve its profitability and scalability.

Consolidation means figuring out the verticals and technologies that were more profitable and scalable. Post the consolidation exercise in August 2017 (Q2FY18), the company closed down 10-20 percent of the business and retained only 80-90 percent of its old base for this objective.

Phase 3: Focus on profitability in existing accounts

In the next phase, CT focused on building a body of work i.e. case studies and proof of concepts to demonstrate the value of Artificial Intelligence (AI) to its clients. With referenceable clients in place, the company conducted events to engage with a broader set of new clients.

Implemented measures to streamline operations by closing its Chennai premises and consolidating in Philippines and Hyderabad, resulting in one-time restructuring expenses.

Since FY18, Cambridge Innovations (CI) has constituted to only 5-10 percent of the revenues compared to 25-30 percent approximately in FY17. The company focused on adding enterprise clients that are leaders in their verticals.

The company has shown remarkable improvement in business and profitability despite these measures to focus on building the foundation for next phase of growth in AI and Machine Learning (ML).

Phase 4: In FY20, CT is in a positive light with focus on growth

FY20 is the year in which CT will focus on growth and profitability. The company is confident of staying innovative amid the fastest pace of transformation with its strong focus on delivery and AI. It aims to consolidate innovation, skills and delivery for best customer value.

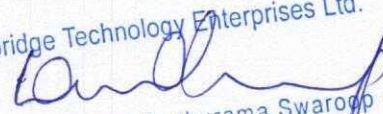
The trade of CT is to stop focusing on one stop bespoke service contracts and focus more on long term predictable value driven contracts which is based on proprietary intellectual IP. The company is building its SaaS based long term revenue model using building reusable, scalable blocks of technology.

SECTOR OVERVIEW: AI IS TRANSFORMING THE WORLD

An important question: What is AI?

In simple words, AI is an area of computer science that deals with creation of intelligent machines, that work and behave like humans.

AI is a broad term that encompasses a lot of technologies with different capabilities to support decision making. One such technology is Machine Learning (ML). The data rich organizations have a clear advantage because of ML's ability to learn and improve continuously.

For Cambridge Technology Enterprises Ltd.

Dharani Baghurama Swarup
Whole-Time Director

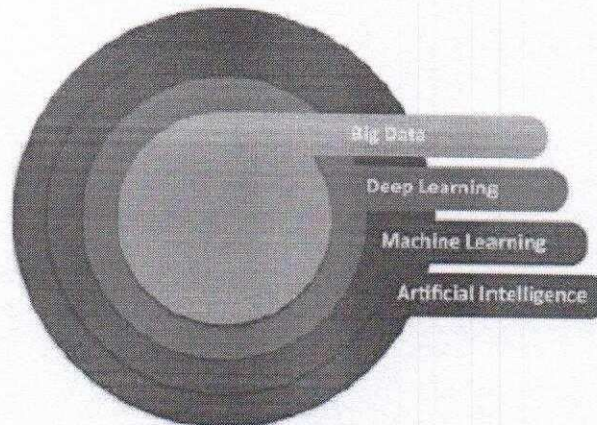
Why is AI relevant today?

Three key breakthroughs that paved the way for AI:

- i. **Computing power:** Computing resources available today are exceptional. With access to technologies like Amazon Web Services (AWS), Microsoft Azure, Google Cloud computing power is no longer a constraint.
- ii. **Bandwidth:** Better availability of high bandwidth has positively impacted accessibility.
- iii. **Big Data:** Access to large volumes of unstructured and structured data is changing the information landscape at our disposal.

Big Data, Cloud and AI: A Revolutionary Relationship

Increase in adoption of Big Data and Cloud technologies are acting as a catalyst for AI adoption. Enterprises that are at the forefront of Big Data, Digitalization and Cloud adoption are the ones that are going to have a competitive advantage because of the innate capabilities of AI to create measurable impact from data insights.



We believe AI is transforming the world


The world is transforming and we are in the middle of the single largest transformation the world has ever seen since the Industrial Revolution nearly 250 years ago. Data is the next natural resource like air, oil, water and the convergence of Big Data and Cloud powered by AI and ML is a potential multi trillion-dollar opportunity.

Early signs of transformation

The convergence of Big Data and Cloud powered by AI and ML is transforming businesses faster than ever. The following industry developments reinforce this belief:

- ✓ Increasing adoption of cloud strategies in organisations worldwide. Gartner has estimated that the cloud services industry is expected to grow exponentially through 2022 which makes it evident that the industry has done the fundamental exercise of gathering and storing data.

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All figures are in USD billions	2018	2019	2020	2021	2022
Cloud Business Process Services (BPaaS)	45.8	49.3	53.1	57.0	61.1
Cloud Application Infrastructure Services (PaaS)	15.6	19.0	23.0	27.5	31.8
Cloud Application Services (SaaS)	80.0	94.8	110.5	126.7	143.7
Cloud Management and Security Services	10.5	12.2	14.1	16.0	17.9
Cloud System Infrastructure Services (IaaS)	30.5	38.9	49.1	61.9	76.6
Total Market	182.4	214.3	249.8	289.1	331.2

Source: Gartner April 2019

- ✓ The share of jobs requiring AI skills has risen by more than 4 times since 2013.
- ✓ Machine Learning, Deep Learning and Natural Language Processing are the three most in-demand skills on Monster.com.
- ✓ As per CB Insights Research, over 1100 AI companies have raised equity financing for the first time since 2016.
- ✓ According to Stanford University's AI Index 2017 Report, the number of Computer Science academic papers published and tagged with the term "Artificial Intelligence" has risen by more than 9 times since 1996.

The Technological Disruption – The 'haves' and 'have-nots' theory

Enterprises are going to end up with '*haves and have-nots*' in the AI space.

Businesses with 'haves' will have the capital and resources to implement AI solutions and make decisions while the businesses with the 'have-nots' will be standing still. As we approach this future, we will see enterprises and growth companies take advantage of AI to re-invent and innovate.

The future belongs to front end businesses focused on value

Every human life and business in this world will be transformed with this technological disruption and millions of transformative businesses will be created.

The last generation of trillion dollars were created out of traditional Indian IT technology businesses that were focused on back end and costs. The next trillions of dollars will be created by front end innovation driven technology companies focused on value.

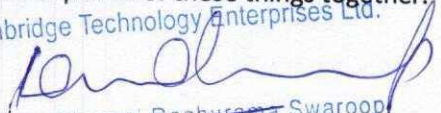
Hence, the business models will change. The cost arbitrage model was based on the concept of Time and Material and Fixed Price. The next generation innovation business model will be based on a piece of value.

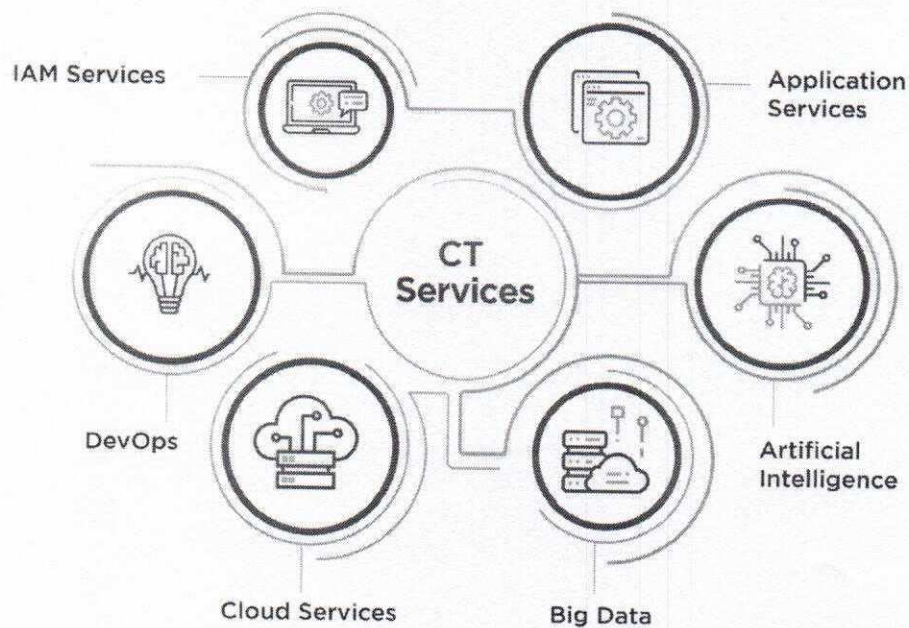
CAMBRIDGE TECHNOLOGY: TRANSFORMING INDUSTRIES AND BUSINESSES

CT is a leading global technology company focused on Artificial Intelligence as a Service (AlaaS) to transform organizations into AI-first leaders.

AI is not a one-size-fits-all solution. It needs incorporation of numerous aspects of technologies, platforms, and services tailored to meet the specific business needs. CT offers solutions ranging from strategic workshops to AlaaS implementation and elements that are required to put all of these things together.

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Dharani Baghurama Swaroop
Whole-Time Director



There is no guarantee that legendary MNCs will survive, and new-age businesses may not have all the tools to transform industries. They are the 'have-nots' and will need assistance. CT is transforming businesses across six verticals namely Energy, Life Sciences & Pharmaceuticals, Industrials, BFSI, Data Infrastructure (Security and Access Management) and Rapid Prototyping.



1. Energy

- a. AI can revolutionize the way energy is produced, transmitted and consumed. For instance, about 40% of total US energy consumption is consumed by the residential and commercial sectors. Advances in AI and smart grid infrastructure will see potential challenges in Energy sector getting resolved. Powerful computation models can help reduce dependency on energy, availability, costs and consumption.
- b. In this vertical, CT serves one of the world's largest energy management and automation specialist companies.
- c. The company's clientele includes a Silicon Valley based technology company reinventing energy management using AI and IOT for small-format, multisite enterprises like Cycle Gear, Pizza Hut.

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Whole-Time Director

2. Life Sciences

- a. The use of transformative technologies to understand the complexities that arise from the combination of a variety of data from areas like clinical research, plants and animal genomics could reveal completely innovative approaches to treatment of diseases.
- b. With the use of AI, the time spent to make a drug discovery can be brought down significantly by migrating to virtual trials to detect patterns and anomalies.
- c. In this vertical, CT serves a global leader in pet nutrition and nutrigenomics.

3. Banking, Financial Services & Insurance (BFSI)

- a. CT serves a US based pioneering platform in building cross-border electronic trading infrastructure to enable global institutional flows and provide a unique distribution and regulatory network for capital raising in the global markets.
- b. In Insurance, CT serves Roadzen Inc., a transformative insurtech company, transforming global auto insurance with its multi-platform solutions for underwriting, claims management, inspection and roadside assistance. Its technology platform uses ML, telematics and mobility solutions to revolutionize the insurance experience for consumers and substantially improve the operational protocols for insurance companies.
- c. Roadzen has a partnership with the Axa Group, the French multinational insurance group, and also works with some of Europe's other large insurers, such as Allianz, AIG and Generali. In 2017, Roadzen acquired AXA Assistance, the India unit of the AXA Group.

4. Industrials

- a. In this vertical, CT serves a leading industrial and consumer company to predict shift in demand and change in demand.
- b. For this client, the company articulated the problem as a multi arm bandit maximization problem. The solution aims at optimizing the client conversion ratio in one of the key lines of businesses of the client by employing a systematic, automated and statistically sound methodology to optimally formulate offers.
- c. For more details refer press release <https://www.ctepl.com/cte-announces-new-client-ai-service/>

5. Data Infrastructure

- a. According to CISCO, Global Internet traffic in 2021 will be equivalent to 127 times the volume of the entire global Internet in 2005 and annual global IP traffic will reach 3.3 ZB by 2021.
- b. This presents a huge opportunity to collaborate Information Management with AI in the areas like data storage, fraud detection and prevention, compliance reporting, risk management to name a few.
- c. In this vertical, CT serves one of the world's largest companies in storage and information management solutions.

6. Rapid Prototyping

- a. In this vertical, CT serves companies like Authess and EasyKnock. Founded by former provost at MIT, Authess is a leader in AI-driven authentic assessments. Launched in 2016, EasyKnock is the first institutionalized sale leaseback residential prop-tech platform in the world.

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Whole-Time Director

OUR PROGRESS:

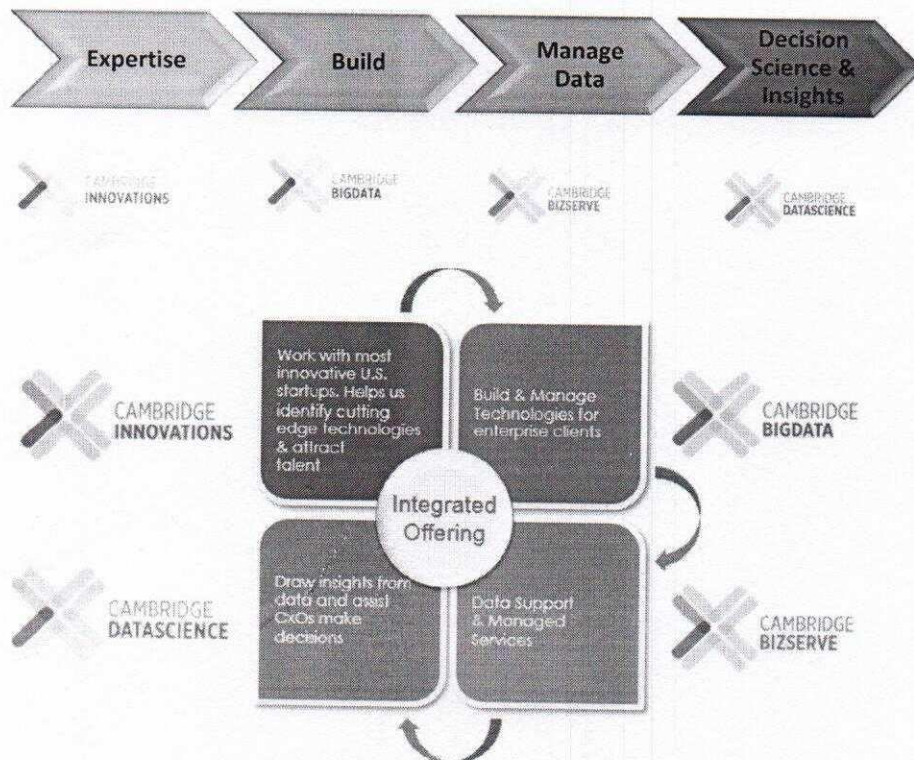
Over the last four years, CT has achieved significant success in building the foundation with 2.5x growth in number of employees, AWS certified workforce, strong partnerships and working with marquee clients who are leaders in their verticals. The consolidated revenues have grown by more than 3 times from INR 33 cr in FY15 to INR 104 cr in FY19 with PAT margins increasing by 876 basis points over the same period.

1. INTEGRATED END TO END OFFERINGS

Businesses need a lot of elements to implement AI.

They need an element of innovation offered by “Cambridge Innovations” where CT works with innovative US startups, then they need an element of Big Data and Cloud which is provided by “Cambridge Big Data” where CT serves enterprise clients, they need the elements of “Cambridge BizServe” that allows to manage data and most importantly, draw insights to take the decisions, offered by “Cambridge Datascience”.

CT’s offerings fit together because of its understanding towards the entire lifecycle of a business.



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2. EMPLOYEE COUNT HAS INCREASED BY 250%

- The workforce has grown from approximately 150 in January 2015 to more than 375 now.
- CT is one of the few organizations in the world with 100 percent AWS certified Cloud Operations Centre with proven experience of over 10 million instance management hours.

3. STRATEGIC IMPORTANCE TO AWS

- CT launched its cloud practice in the 1st quarter of 2010 and over the years, the company has built its expertise across the AWS platform – as the AWS platform grew so have CT's capabilities.
- CT is differentiated from more than 10,000 AWS partners globally by achieving competencies in Big Data (one of 31 partners), DevOps (one of 73 partners), Oracle (one of 16 partners) and a Managed Services Provider (one of 114).
- CT is the only company to score perfectly in its MSP 3rd party audit.
- CT's capabilities span an expansive set of services complimentary to the AWS (also Azure, Google, Oracle) platform through the building of practices that support Application Development, DevOps, Cloud, Managed Services, Big Data, Analytics, AI/ML and IoT.
- CT's cloud-managed services on AWS are supported by a 100 percent AWS certified team of IT professionals.



4. STRONG PARTNER ECOSYSTEM FOR REFERENCEABILITY


- CT has strengthened its partner ecosystem to provide access to cutting edge solution to its clients.

CLOUD COMPUTING			
BIG DATA / ANALYTICS			
ENTERPRISE SOLUTIONS			
LOAD TEST/MONITORING			
DEV OPS/AUTOMATION			
IDENTITY MANAGEMENT			

5. FOCUSED ON USA – PRESENCE IN INDIA, USA AND PHILIPPINES

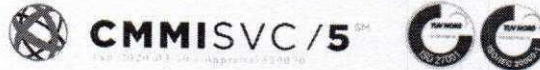
- In line with providing its global clients access to 24/7 development cycle, CT has expanded its presence across USA, India and Philippines.
- The company realizes the significance of trained and skilled employees and has invested heavily into training employees through its competency centers.

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Dharani Ragharama Swaroop
Whole-Time Director

6. CERTIFICATIONS

- CT is appraised at Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)[®] v1.3 for its services. Less than 30 companies in India are appraised at this level.
- Awarded ISO/IEC 20000-1:2011 certification in recognition of IT service management excellence. Attainment of this ISO/IEC 20000-1:2011 certification validates that CT meets international standards for IT Service Management Systems.



Management Update:

Aashish Kalra, Chairman, Cambridge Technology:

"We are excited to enter into our next phase of growth. Our trained employees, deep delivery capabilities, technological expertise, client interests demonstrated by exciting new projects and opportunities show us the path we need to take. With a strong foundation on delivery and AI, we are in a positive light to deliver growth."

CAMBRIDGE TECHNOLOGY AUDITED CONSOLIDATED FINANCIAL RESULTS: (INR Cr)					
	Year ended				
	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
Revenue	33.28	67.21	102.45	99.63	103.88
<i>% change</i>		102%	52%	-3%	4%
EBITDA	6.73	12.82	23.58	17.29	24.35
<i>% change</i>		90%	84%	-27%	41%
EBITDA Margin	20%	19%	23%	17%	23%
PAT	3.12	9.05	16.29	12.91	18.84
<i>% change</i>		190%	80%	-21%	46%
PAT Margin	9%	13%	16%	13%	18%

For Cambridge Technology Enterprises Ltd.

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 Whole-Time Director



About Cambridge Technology (CT)

CT is a leading global technology company transforming organizations into "AI-first" leaders. CT gives organizations unparalleled access to cutting-edge technology by bringing together the best-in-industry using its years of expertise in building solutions for some of the world's largest and most innovative enterprises; leveraging Big Data, Cloud & Machine Learning experience. CT's expertise across multiple domains makes it the preferred choice for organizations seeking a partner to innovate and leapfrog the market. CT is appraised at Maturity Level 5 for CMMI v1.3 for its services with ISO 20000-1:2011, ISO 27001:2013 certifications. For more information, visit www.ctepl.com or follow us on Twitter [@cam_technology](https://twitter.com/cam_technology) or LinkedIn at https://www.linkedin.com/company/cam_technology

Forward-looking and Cautionary Statements

Certain statements in this press release may contain statements concerning our future growth prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this press release. The Company assumes no obligation to update any forward-looking information contained in this press release. Any forward-looking statements and projections made by third parties included in this press release are not adopted by the Company and the Company is not responsible for such third party statements and projections.

For Cambridge Technology Enterprises Ltd.

Dhanraj Raghurama Swaroop
Whole-Time Director