



Ref: 8K/CHN/2018-19/E010
17th July 2018

The Deputy General Manager, Department of Corporate Services, Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	The General Manager, Listing Department, National Stock Exchange Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Scrip Code: 512161 - ISIN NO-INE650K01021	EQ- 8KMILES – ISIN NO- INE650K01021

Dear Sir/Madam,

Sub: Presentation – 8K Miles – Annual Financial statements

Please find attached the presentation on **Annual Financial Results** of 8K Miles Software Services Limited.

Please take a note of the above at your end.

Thanking You,

Yours Truly,
For 8K Miles Software Services Limited



R S Ramani
Whole-time Director

8K Miles Software Services Limited
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www.8kmiles.com CIN # L72300TN1993PLC101852



FY18 Annual Results

Dream
Deliver **BIG**

Our 2021 Dream...

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- Double our Current Revenue
- Go-To Partner of Top-25 Healthcare and Lifesciences Enterprises
- Leader of Nextgen Managed Services, DevOps as a Service
- IP-Driven Continuous Security, Compliance and Governance Automation
- Accelerator of Digital Technology Innovation

Our FY18 Delivery...

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> Rs.858 CR Revenue in FY18,
60% YoY Growth over FY17

Leader of Enterprise Cloud Transformations
for Highly Regulated Industries

Nearly **Doubled** Managed Services Revenue YoY

34% Revenue from **Top-10** Clients

Added **10** New Accounts at > \$1M+ Rev.

2008

Launch of 8K Miles

FY18 Financial Summary

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Gross Revenue Rs. 858 CR
Up 62% YoY

EBITDA Rs. 300 CR
Up 61% YoY

Post MI Net Profits INR 172 CR
Up 64% YoY



FY18 Key Accomplishments

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Trusted Go-To Partner for Top-10 Pharma Clients

- CloudEz: Enabling Multi/Hybrid Cloud Transformation and DevOps as a Service
- MISP: Enabling 2 major Cloud Providers to continually expand their SaaS SSO Offerings

Rapidly Growing Healthcare Business

- Successful Acquisition of Cornerstone Advisors - now serving 60+ Hospitals
- Growth from EMR as well as Cloud Implementations

Going Global

- Multiple New Clients and Business Results from Europe
- Initial Engagements Success from APAC

Core Technology / IP Driven Growth

- Big Data, AI/ML, BoTs, Security & Compliance, IAM and Blockchain
- ISO-27001 Certified

8K Miles Delivering Big!

Continuous Security,
Compliance and
Governance thru
Automation

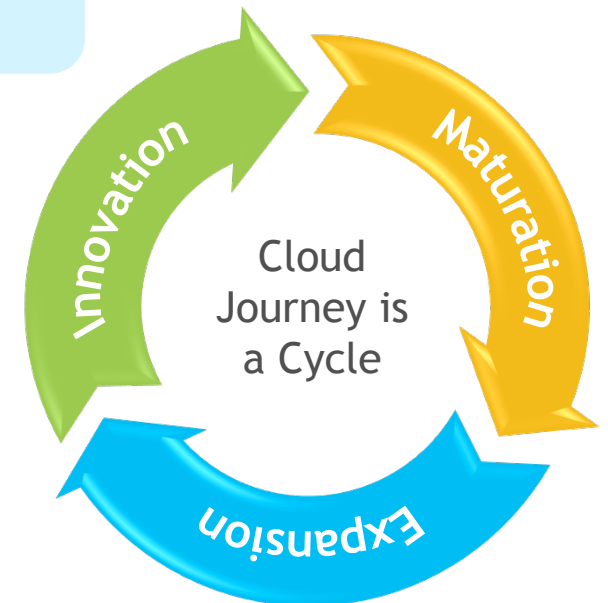
FY18 Key Accomplishments

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↑ Doubled Cloud Consumptions on AWS, Microsoft and Google, compared to FY17

↑ Strategic Product Engagements with AWS, Oracle and Google

- AWS: Certified NextGen MSP Partner for 3rd consecutive year
- Microsoft: Certified Cloud Gold Partner for 2nd Year in a row
- Recognized Partners for Google and Oracle



FY19 - A Look Ahead

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Life Sciences

- Initial Engagements with 8 new/additional Pharma and Biotech Clients
- Europe Expansion - already Signed 3 SOWs Worth ~\$1M
- APAC: Expanding into Japan through AWS partnership

Healthcare

- Signed multiple contracts with new healthcare providers to help them to run and operate MEDITECH EMR on the Cloud
- New Offerings in the Market Place

Patient Centric Blockchain Platform

EMR as a Service

Cloud based Clinical Archives

New Doors

- Clients from Financial Services and Insurance Industries for Cloud Transformations
- New MFAaaS (MFA as a Service) targeting the numerous small-medium businesses
- Hosting CIO Sessions in Partnership with major Cloud Providers in NA & Europe

Dreaming Big! Great Head-wind from Sales Expansion

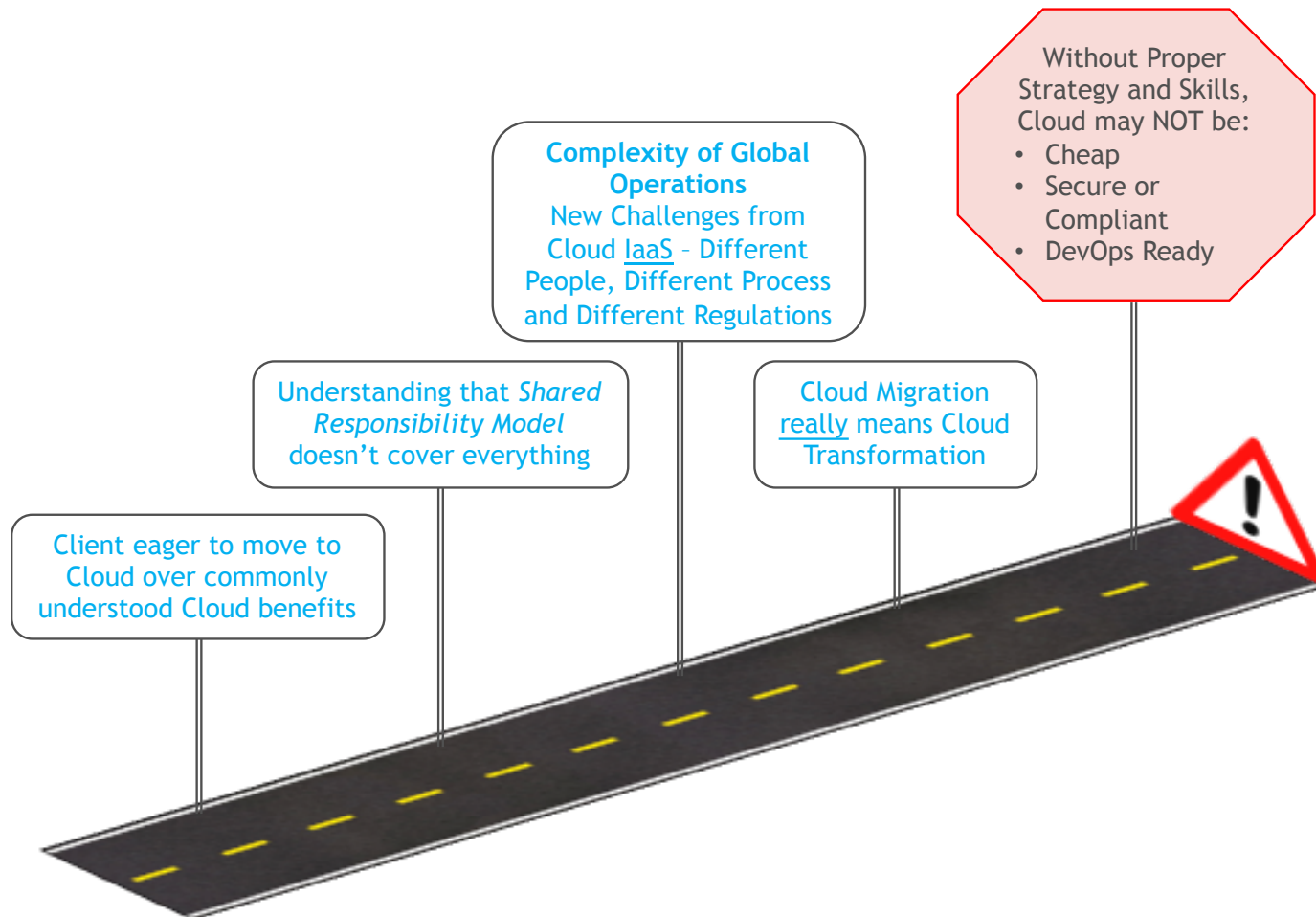


Key Competitive Advantages

Background: Client Cloud Journey 1.0

Before 8K Miles Engagement

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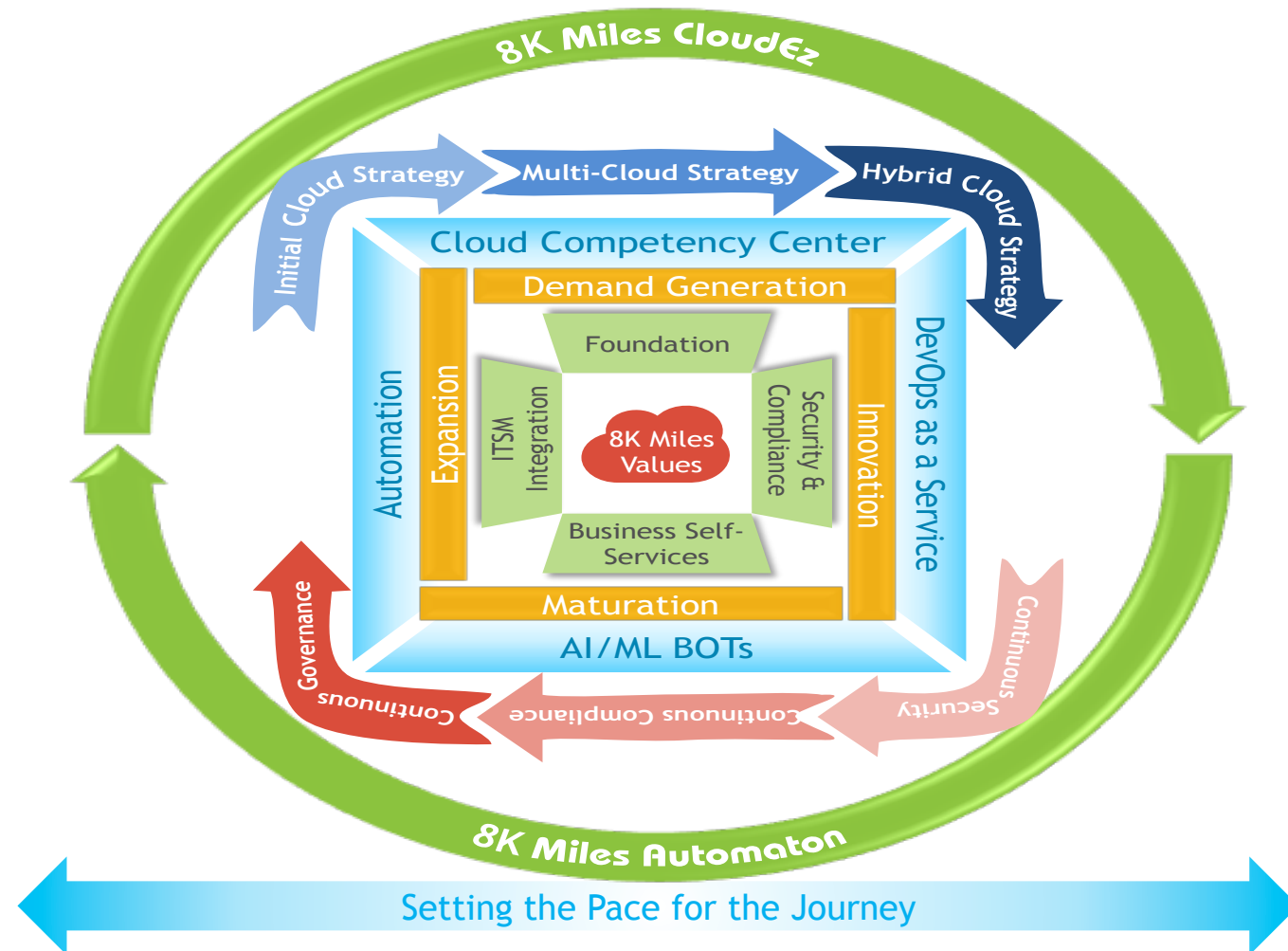


About 30-40 % of Clients either Stop or Unwind their Cloud Migration to seek proper Cloud Transformation Partner like 8K Miles

Background: Cloud Journey 2.0

In Partnership with 8K Miles

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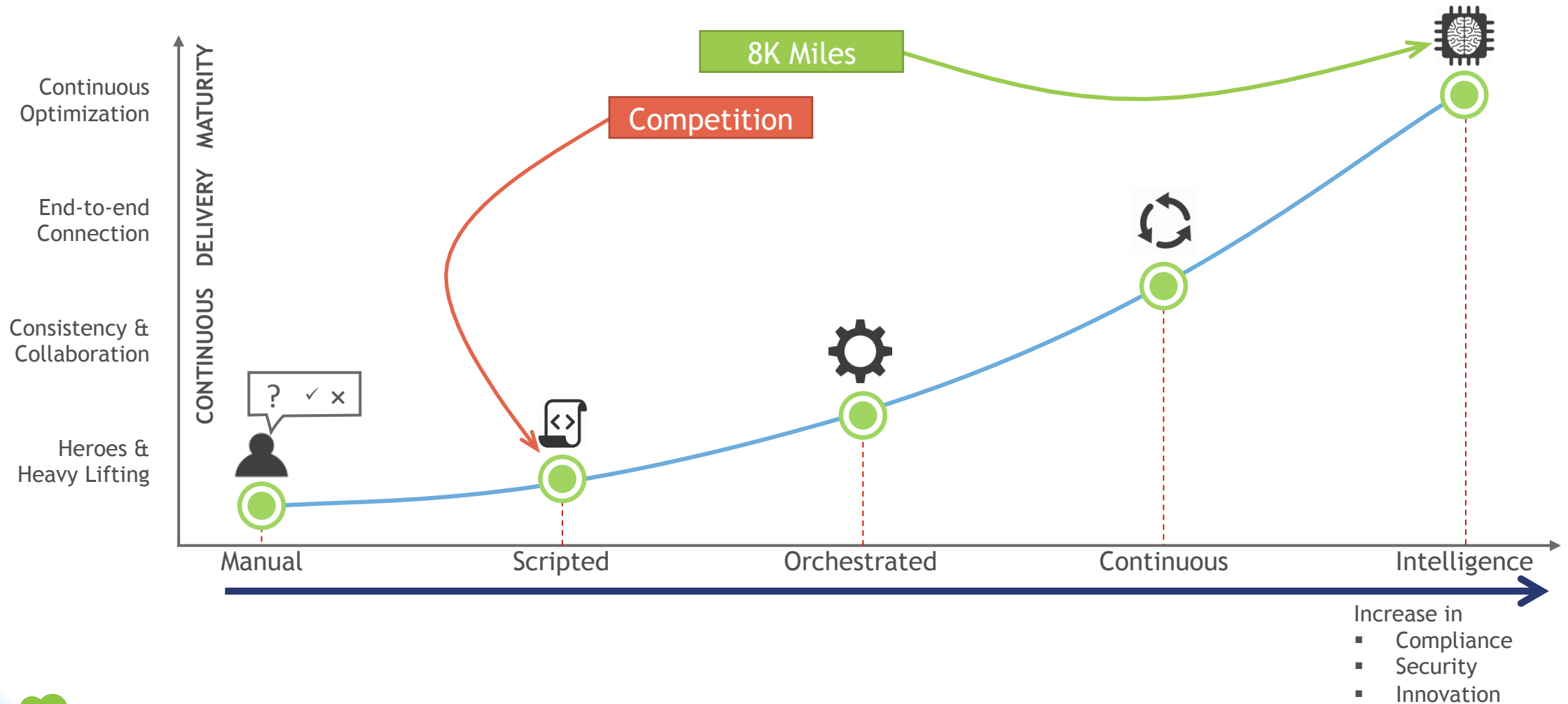


- 8K Miles works to Build Long-term Partnership with Clients
- Enterprise Cloud Transformation is a Continuous Journey
 - Need to keep the Cloud Current, Relevant and Properly Managed
 - Need to identify right Candidates for Cloud Transformation
 - Organization Needs to adopt DevOps Culture
- Ensure Business-enabling Self-Service Capabilities
 - Critical to earn and maintain Business Trust
- 8K Platforms, like CloudEz, offers Domain-centric Benefits Realization

Client Cloud Journey

Transformation Maturity Levels

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Client Testimony

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“As we are wrapping up Roche Science Cloud project and are transitioning it to Cloud Services Team for operations, I want to thank you and the whole 8K Miles Team for the partnership and all the support you provided during this critical project.

8K Miles delivered as promised.

You helped us architect and build a **complex Multi-Cloud environment** - AWS, Azure, Google & VM with Self-Service capabilities that met our Strict Security and Compliance requirements.

Your technical team was Adept, clearly understood our needs and **helped us map our vision** for the future.

Not only did you deliver on time but have helped position us to offer leading edge Cloud Services to our teams.

We also appreciate all the flexibility your team demonstrated during execution.”

- Neeraj Agarwal



Key Competitive Advantages

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1

1. Domain-centric Automation Framework

2

1. Cloud Security & Regulatory Compliance

3

1. Platform-centric Cloud Management

Right Strategic
Partnerships



servicenow

1

Domain-centric Automation Framework

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- End to End Pharma & Lifesciences Business Services Automation
- Leveraging AI/ML BOTs Technology
- Self-Service and Continuous Optimization of Cloud
- 'One-stop' Solution across Public Clouds
 - AWS, Azure, Oracle and Google Cloud
- On-phase with Speed of Innovation
 - 1300 new features by AWS in 2017
 - 800 new features by Azure in 2017

Reduce Cloud Provisioning Time by 70%

Enable 4-times Faster SLAs

Reduce Operations Cost by > 40%

Cloud Self-Service to 1000+ Users

*Platform-centric model - not legacy
People-centric model*

2

Cloud Security & Regulatory Compliance

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- Industry leaders in Security and Compliance Validation Automation
- Regulatory Compliance Experts
 - HIPAA, GxP, FIPS, PCI-DSS and etc.
- Battle Tested at Highly Regulated Industries
- Chaired & contributed to SAML 2.0 Specification
- Developed multiple Patents
- First to market Cloud-SaaS IdM On-boarding



8K Miles is Globally Unique to Qualify Cloud Infrastructure as well as Automate Compliance Validation!

3

Platform-centric Cloud Management

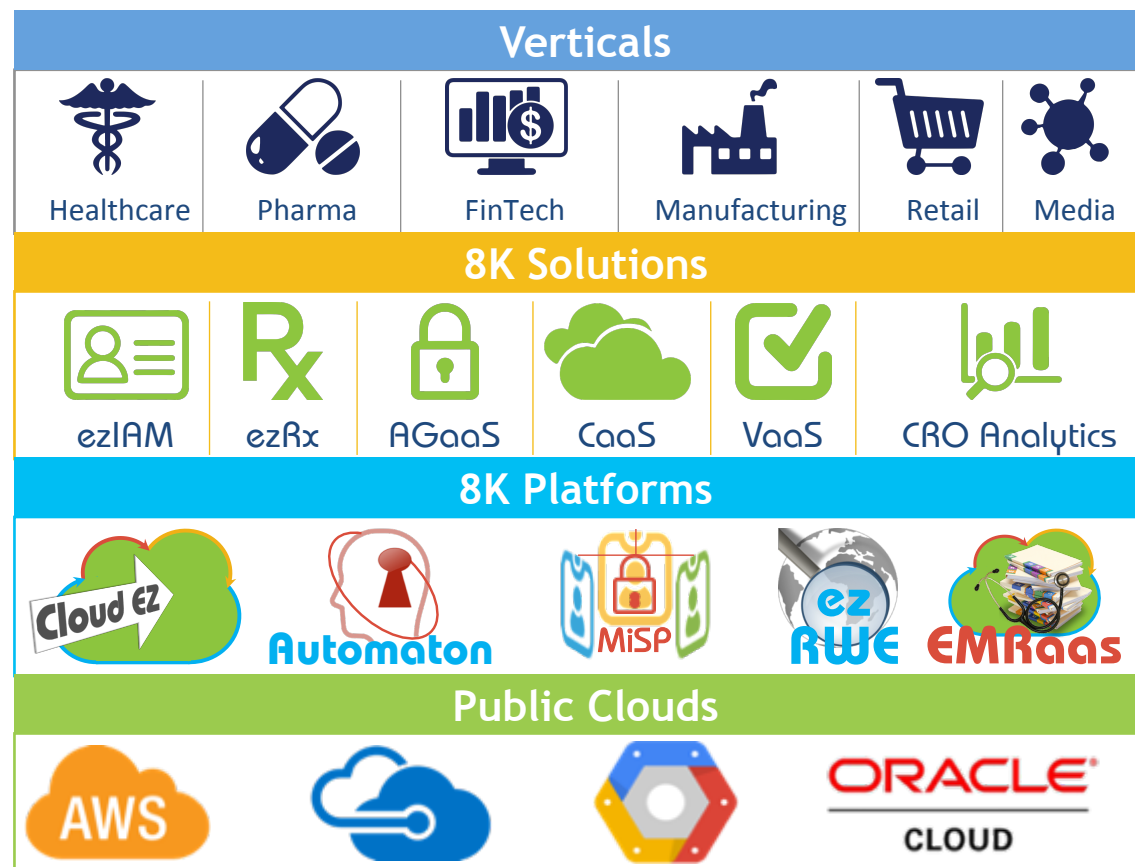
Dream Deliver **BIG**

8K Platforms enable:

- Multi-Cloud strategy and adaption easy for Enterprise Clients
- High Quality Implementations with low Resources, Time and Cost
- Up-to-date Security & Compliance readily available

8K Solutions provide:

- Vertical specific turn-key solutions
- Faster Time-to-Market
- Built on top of 8K Platforms for effective cross-sell and stickiness





Our Growth Strategy

Our Growth Strategy

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1 1. Organically Grow with Clients' Cloud Budget

2 1. Drive Recurring Revenue as Nextgen MSP

3 1. Launch EMR as a Service (EMRaaS)

4 Expand Globally

1

Grow with Client's Cloud Budget



In 2017

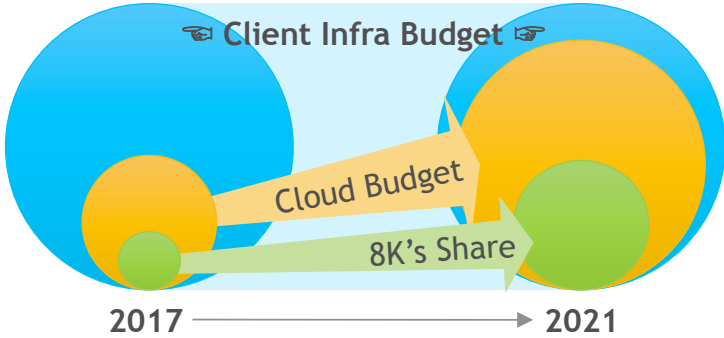
- Clients' Cloud budget is 15-20% of overall IT Infra budget
- While 8K's revenue is at 10-15% of that Cloud budget

By 2021, we estimate that

- Clients' Cloud budget to be 50-60% of IT Infra budget
- This is likely to yield CAGR of over 40%
- 8K continued significant investments to increase market share to ~15%
 - IP-Driven Cloud Security, Compliance and Governance Automation
- About 10+ of such accounts can produce average recurring revenue of about \$10-15M per account

Addressable Market:

- **Gartner:** Cloud IaaS will reach \$70B Market by 2020
- **Gartner:** Cloud Shift will affect more than \$1 Trillion in IT spending by 2020.
- **IDC:** Overall Cloud spending will grow from \$67B to \$162B by 2020, with a 19% CAGR



Number of clients by size of account

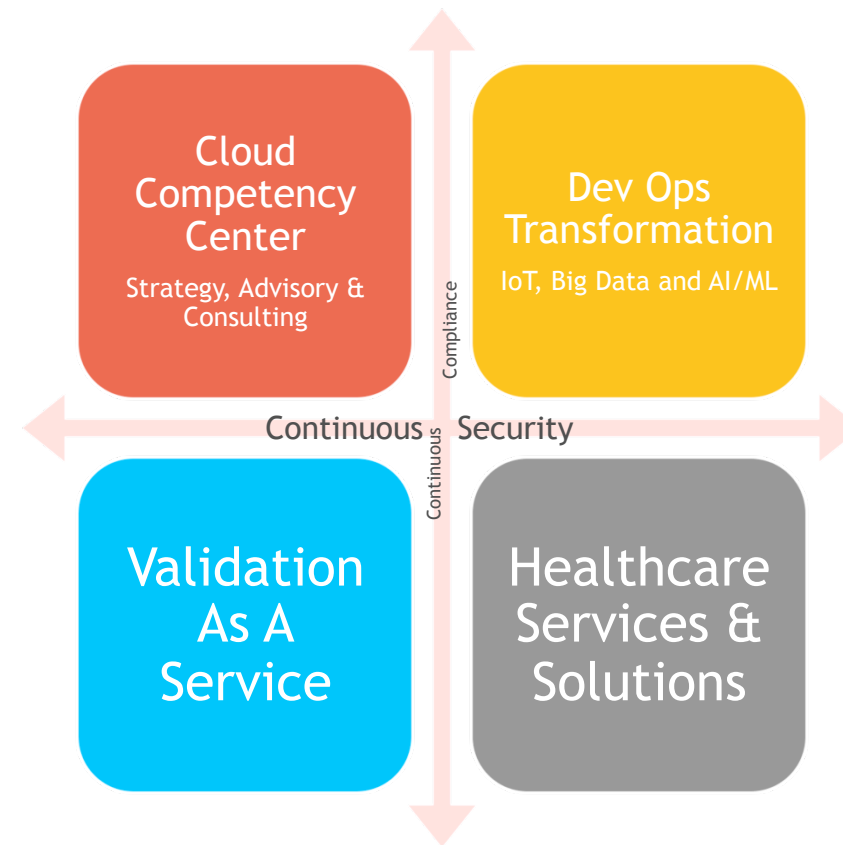
	> \$1M	> \$2M	> \$3M	> \$5M
Mar-18	18	6	5	1
Mar-17	13	4	2	1
Mar-16	8	-	-	-
Mar-15	3	-	-	-

2

Drive Recurring Revenue as Nextgen MSP

Dream Deliver **BIG**

- Leverage stickiness of 8K Platforms already implemented at clients
- Move to Managed Services from Competency / Transformation engagement
- CVaaS (Compliance Validation as a Service)
 - Pharma and Healthcare clients
- CaaS (Cloud as a Service)
 - End-to-End Cloud Management Solutions built on 8K Platforms



Audited Cloud Competencies:



3

Launch EMR as a Service (EMRaaS)

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- Partnering with MEDITECH
 - ‘as a Service’ offering over AWS & Azure Clouds
- Target Small to Mid-sized Healthcare Providers
- Satisfy unmet customer demand
- Establish a more “sticky” client relationship
- Drive Recurring Revenue
- Exploring similar opportunities with other EMR Vendors



As MEDITECH Customers desire an alternative offering to private cloud, early data suggests that public cloud solutions could offer up to a 65% reduction in annualized spend over the 1st generation private cloud offerings

4 Expand Globally

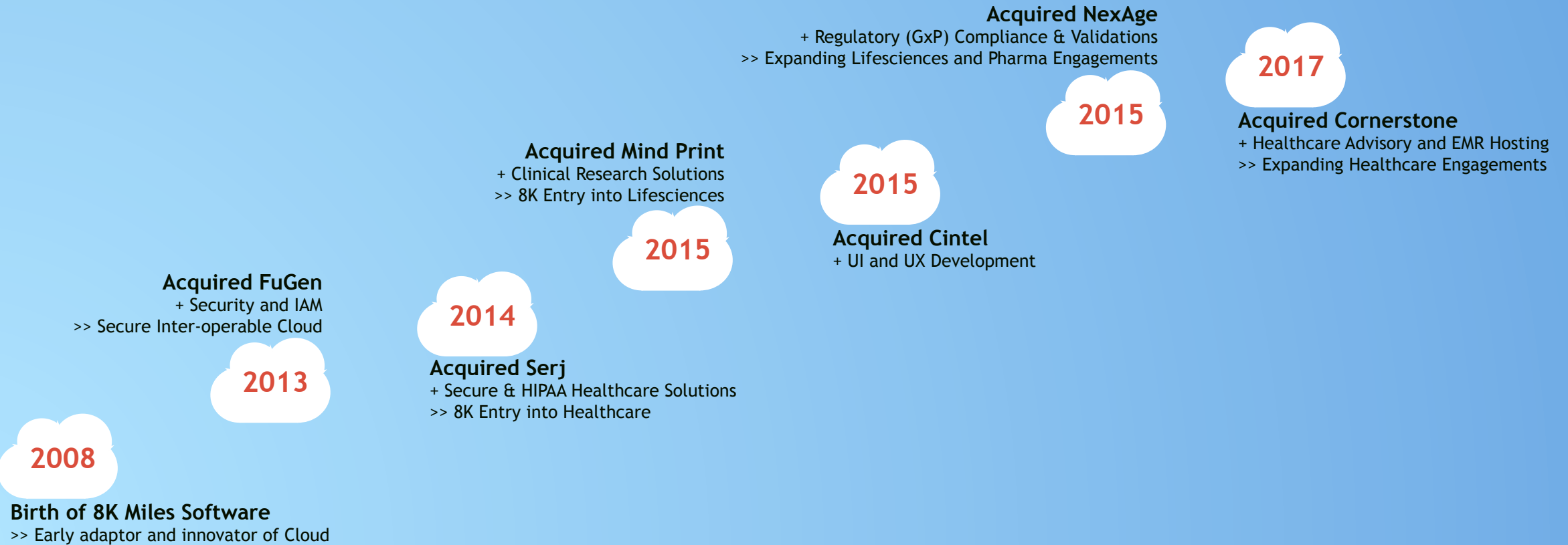
Dream
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- Establishing Cloud Transformation MSP leadership across Pharma and Lifesciences companies globally
- Leverage 8K's robust platforms and positioning
 - Proven history & track-record / strong references from USA
 - Easily and Seamlessly extensible for Global regulatory compliances
- Already acquired clients in Europe
 - Establishing sales operations
 - Engaging Govt. Healthcare initiatives
- Partnering with AWS for Japan and other APAC Markets



Our M&A Journey

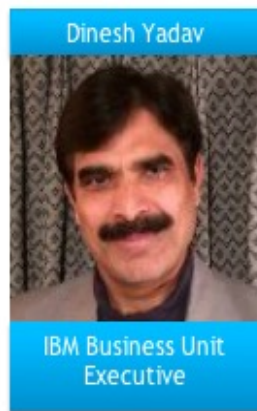
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8K Strategic Advisory Board

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With the help, support & direction from these industry veterans, to scale our growth

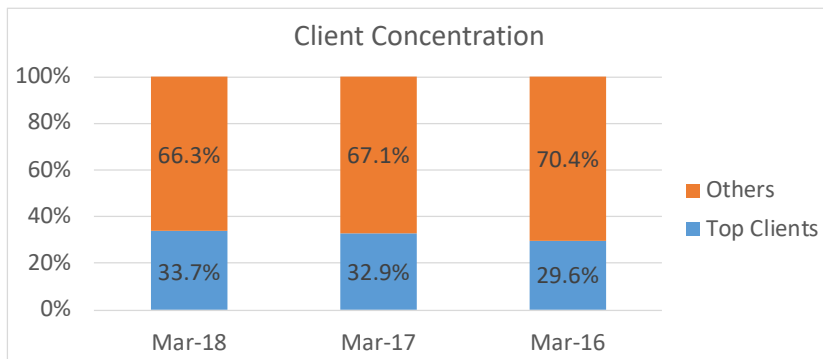
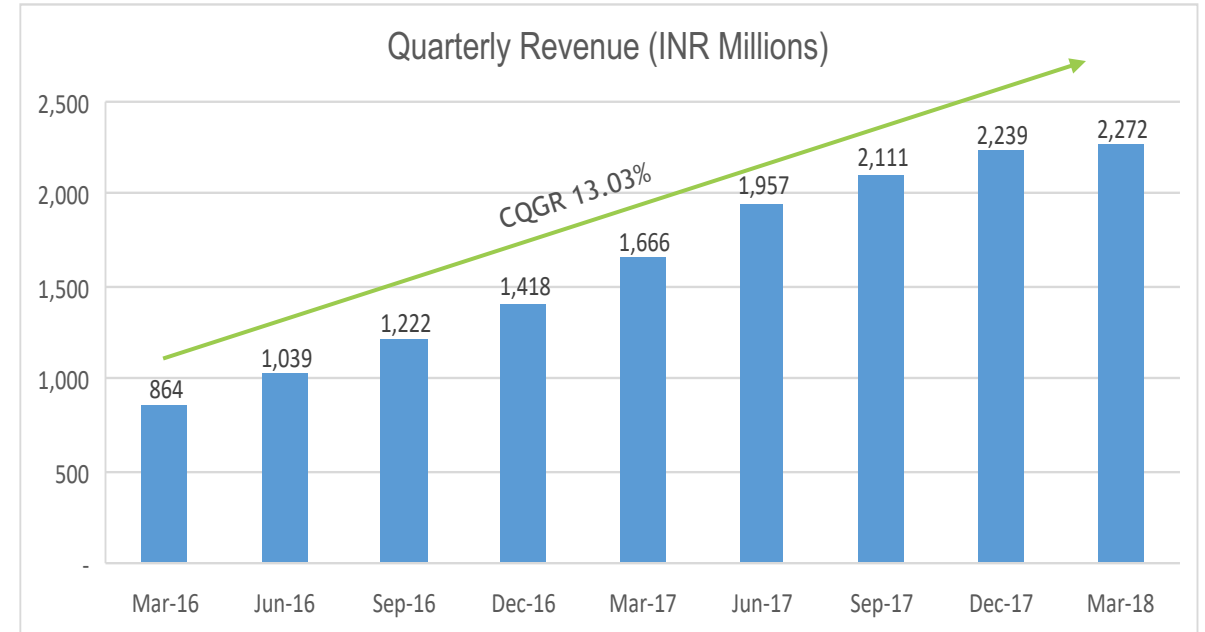
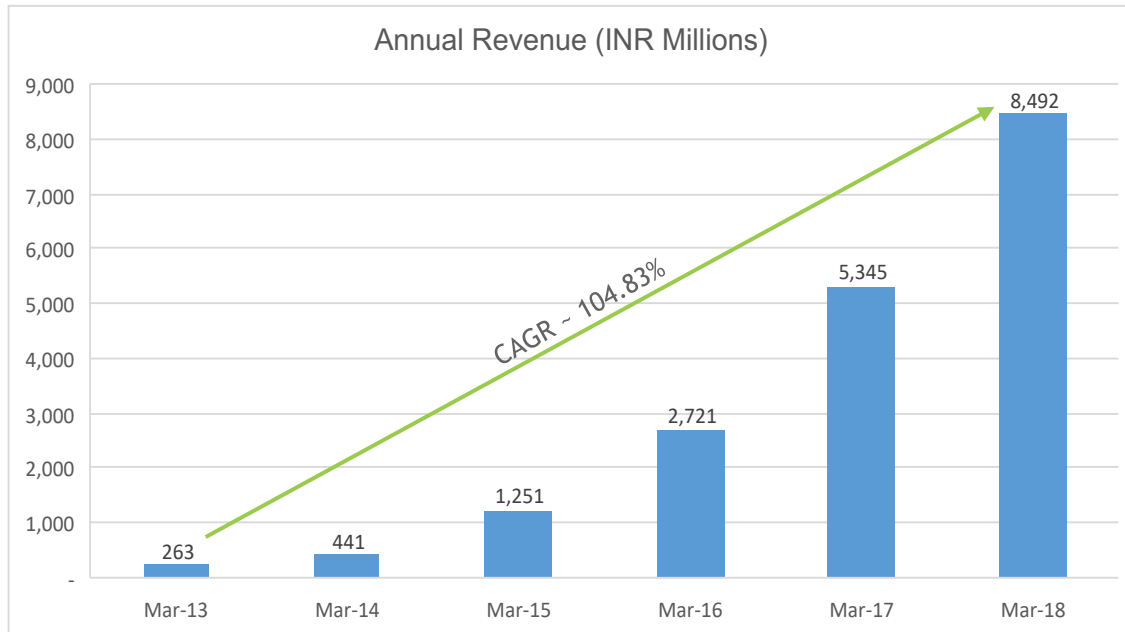


- Strategic Directions and Goals
- Advise on Technology, Offerings and M&A
- Scale to Enterprise Level
- Customer References



Financial Summary

An overview of growth



Number of Clients by Size of Account:

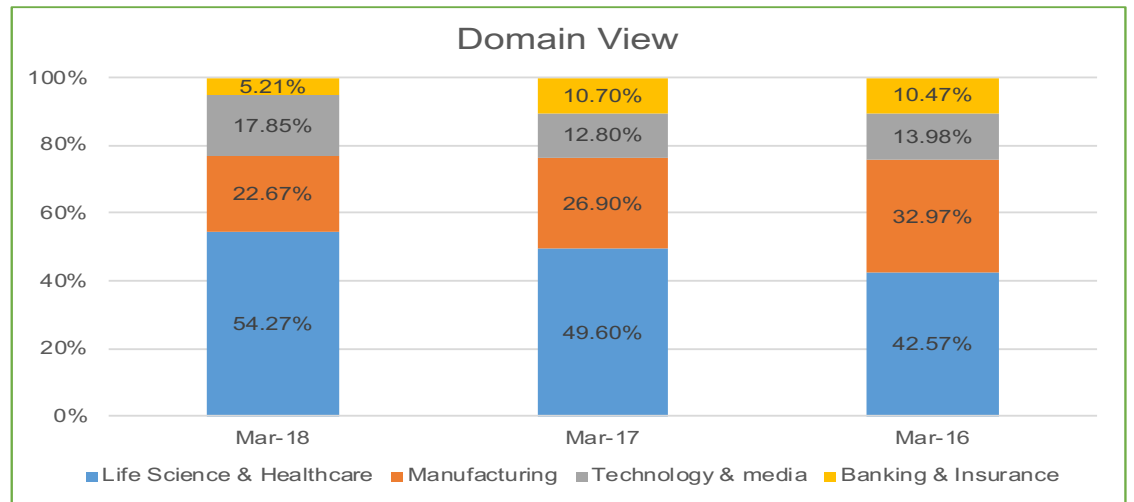
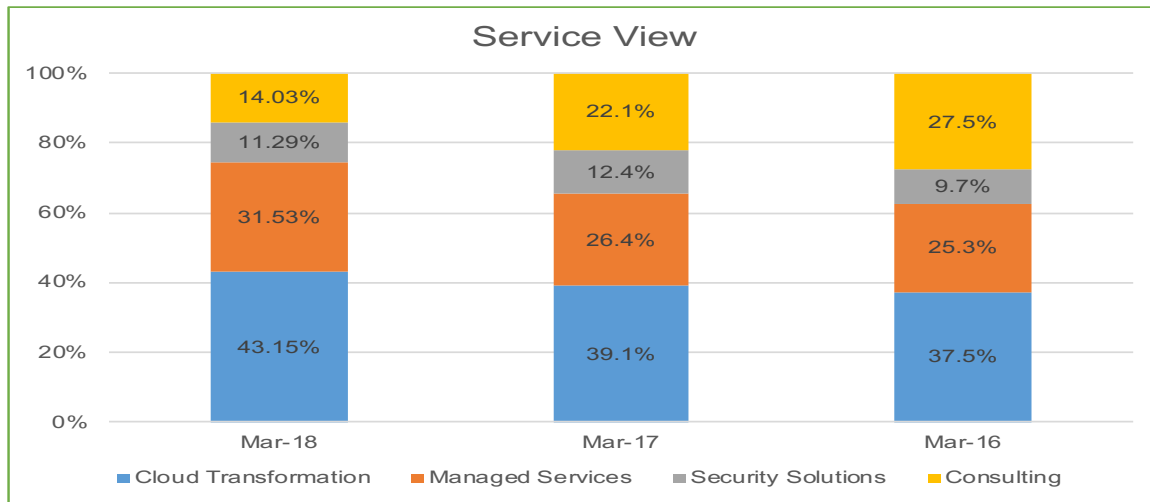
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FY18 Revenue Break-up

Domain Focus Strengthens Cloud Rev. Growth

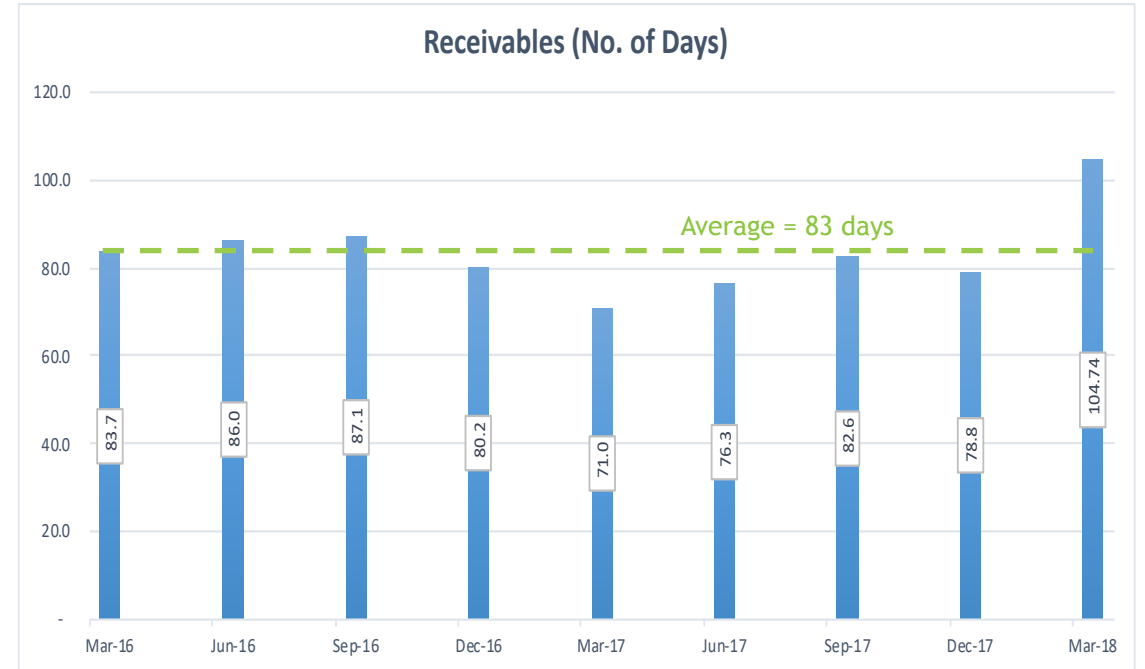
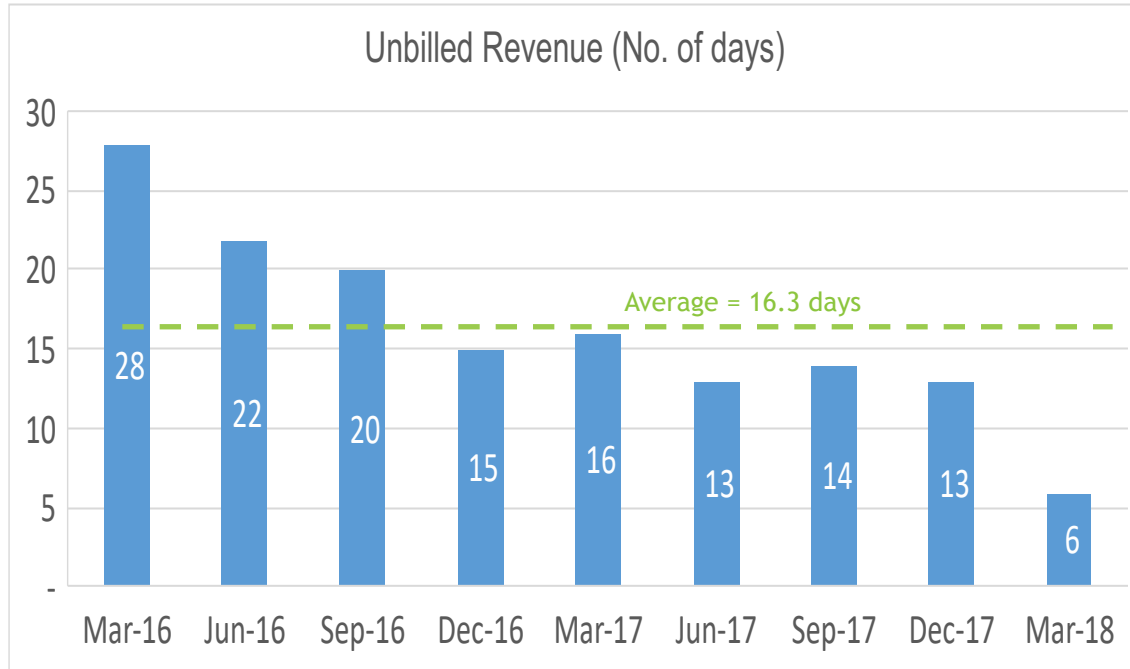


Growth by Service	Mar-18	Mar-17	Mar-16	Growth by Domain	Mar-18	Mar-17	Mar-16
Cloud Transformation	Rs. 3,664	Rs. 2,089	Rs. 1,018	Life Science & Healthcare	Rs. 4,609	Rs. 2,650	Rs. 1,156
Managed Services	Rs. 2,678	Rs. 1,411	Rs. 688	Manufacturing	Rs. 1,925	Rs. 1,438	Rs. 896
Security Solutions	Rs. 959	Rs. 663	Rs. 264	Technology & Media	Rs. 1,516	Rs. 684	Rs. 380
Consulting	Rs. 1,191	Rs. 1,181	Rs. 747	Banking & Insurance	Rs. 442	Rs. 572	Rs. 284
Total	Rs. 8,492	Rs. 5,344	Rs. 2,716	Total	Rs. 8,492	Rs. 5,344	Rs. 2,716



Nearly Doubled Managed Services - Recurring Revenue in FY18 compared to FY17

Trend of Receivables and Unbilled Revenue



FY18 Consolidated P&L Statement



Particulars	Year ended	
	31-Mar-18	31-Mar-17
	Audited	Audited
Revenue from Operations	₹ 84,923.87	₹ 53,437.71
Other Income	₹ 845.24	₹ 15.03
Total Income	₹ 85,769.11	₹ 53,452.74
Expenses		
Employee benefits and other direct costs	₹ 39,930.67	₹ 27,096.94
Other expenses	₹ 15,751.40	₹ 7,721.64
Depreciation & Amortization	₹ 2,518.68	₹ 1,968.88
Finance costs	₹ 971.49	₹ 194.13
Total expenses	₹ 59,172.24	₹ 36,981.59
Profit/(loss) before Tax	₹ 26,596.87	₹ 16,471.15
Tax expenses	₹ 6,044.71	₹ 3,910.82
Profit/(loss) after Tax	₹ 20,552.16	₹ 12,560.33
Minority Interest	₹ 3,379.69	₹ 2,145.78
Profit attributable to shareholders	₹ 17,172.47	₹ 10,414.55
Number of Equity Shares	30,517,605	30,517,605
Earnings Per Share (EPS) - Basic & Diluted	₹ 56.24	₹ 34.13

- Rupees in Lakhs except EPS
- FY18 based on Ind-AS
- FY17 adjusted for Ind-AS

FY18 Consolidated Statement of Assets & Liabilities

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Particulars	As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
Assets		
(a) Property, plant and equipment	1,249.05	1,449.94
(b) Capital Work-in-progress	10.60	-
(c) Other intangible assets	11,994.47	11,120.78
(d) Intangible assets under development	22,590.02	6,169.17
(e) Financial assets	2,795.68	2,072.24
(i) Investments	-	-
(ii) Trade receivables		
(iii) Loans & Advances	171.42	192.32
(iv) Other financial assets		
(e) Deferred tax assets (Net)		
(f) Other non-current assets	4,382.27	2,348.04
Total non-current assets	43,193.51	23,352.49
Current assets		
(a) Financial assets		
(i) investments		
(ii) Trade receivables	25,252.35	12,948.00
(iii) Cash and cash equivalents	1,023.13	8,883.24
(iv) Bank balances other than (ii) above	76.00	96.00
(v) Loans	6,518.41	2,304.75
(vi) Other financial assets	3,306.36	2,368.20
(b) Other current assets	2,516.51	966.20
Total Current Assets	38,692.76	27,566.39
Total Assets	81,886.27	50,918.88

Particulars	As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
Equity		
(a) Equity share capital	1,525.88	1,525.88
(b) Other equity	47,583.61	30,469.45
	49,109.49	31,995.33
Minority Interest	14,723.63	10,822.58
Total Equity	63,833.12	42,817.91
Application money pending allotment		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,007.15	2,006.21
(ii) Other financial liabilities	-	
(iii) Deferred Tax Liabilities	308.40	159.35
(b) Provisions	63.10	47.64
(c) Other non-current liabilities	10.61	12.52
Total non-current liabilities	5,389.26	2,225.72
Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	2,592.27	1,572.05
(ii) Trade payables	4,136.41	1,598.05
(iii) Other financial liabilities	3,412.47	515.74
(b) Other current liabilities	750.35	54.39
(c) Provisions	32.17	39.75
(d) Current tax liabilities (Net)	1,740.22	2,095.27
Total Current Liabilities	12,663.89	5,875.25
Total Equity and Liabilities	81,886.27	50,918.88

- Rupees in Lakhs
- FY18 based on Ind-AS
- FY17 adjusted for Ind-AS



Thank You

Taking *Cloud Experience* Forward