

FY22 Q4 Earnings Presentation

April 29, 2022



SECUREKLOUD

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MESSAGE FROM THE CHAIRMAN & CEO

Healthcare Triangle's **HITRUST** risk-based certification is testimony to the industry best practices adopted by us for information risk management, compliance and reinforces our commitment on the highest levels of privacy and data security. This achievement places Healthcare Triangle in an elite group of global organizations that have earned this certification.

Suresh Venkatachari, Chairman & CEO

Q4FY 22 BUSINESS HIGHLIGHTS

HEALTHCARE AND LIFE SCIENCES

- Added 3 new customer logos
- Signed a multi-year blockchain deal on SaaS with an American multinational pharmaceutical company
- Signed a deal for cloud data backup with one of the largest Georgia-based Medical Centers
- Increased wallet share with two global biotechnology giants
- Onboarded a new client specialized in oncology device manufacturing

OTHER VERTICALS

- Signed a multi-year contract with a leading Logistics company to offer cloud managed services
- Added new logo of a leading IP telephony company for asset management and support
- Signed new deal for a blockchain-based social trading platform to support its Cloud Migration and Managed Services
- Renewed Managed services contract with our key customer
- Contract extended with a Fortune 500 electronic manufacturing company to manage their platform and migration for their inflight communications system

FINANCIAL HIGHLIGHTS

Q4 FY22

- Revenue of **INR 10,651 lakhs** for the quarter; growth of **11.5% QoQ** and **28% YoY**
- HCLS revenue of **INR 8,106 lakhs** for the quarter, growth of **31.6% QoQ** and **41.9% YoY**
- R&D spends of **INR 930 lakhs** for the quarter; decline of **26.5% QoQ** and increase of **32.4% YoY**
- Back-log of **INR 24,729 lakhs** as of Mar 2022.

FY22

- Revenue of **INR 37,940 lakhs** for the year; growth of **8.2%**
- HCLS revenue of **INR 26,584 lakhs** for the year; growth of **6.8% YoY**. ICT revenue of **INR 11,357 lakhs** for the year; growth of **11.7% YoY**
- R&D spends of **INR 5,004 lakhs** for the year; growth of **79.81% YoY**. Invested in R&D to enable our platforms SaaS ready
- Incurred **one-time costs** amounting to **INR 1,792 lakhs** towards IPO and acquisition and **INR 728 lakhs** towards stock-based compensations
- Invested in sales and marketing to accelerate revenue growth and build sales pipeline

INCOME STATEMENT (₹ in lakhs)

	Q4 FY22	Q3 FY22	Q4 FY21	QoQ	YoY	FY22	FY21	YoY
Revenue	10,651	9,549	8,293	11.5%	28.4%	37,940	35,055	8.2%
Cost of sales	8,286	7,013	5,665			28,406	23,060	
Gross Profit	2,365	2,536	2,628	(6.7)%	(10.0)%	9,534	11,994	(20.5)%
R&D Expenses	930	1,266	702			5,004	2,783	
Selling, General & Administration Expenses	3,530	5,036	1,609			12,821	5,914	
EBITDA	(2,095)	(3,766)	317			(8,291)	3,297	
Depreciation and amortisation	590	181	177			1,141	1,850	
EBIT	(2,685)	(3,946)	140			(9,432)	1,447	
PAT	(2,888)	(4,178)	(154)			(9,818)	112	
Margins %								
Gross Profit %	22.2%	26.6%	31.7%			25.1%	34.2%	
R&D to Revenue %	8.7%	13.3%	8.5%			13.2%	7.9%	
EBITDA %	(19.7)%	(39.4)%	3.8%			(21.9)%	9.4%	

BALANCE SHEET (₹ in lakhs)

	FY22	FY21
Assets		
Property, plant and equipment and Right-of-use assets	893	224
Other intangible assets and goodwill	20,391	15,722
Trade receivables	6,682	5,515
Cash and cash equivalents	1,576	3,448
Other financial assets	961	1,034
Other current and non-current assets	748	824
Total Assets	31,251	26,767
Equity and liabilities		
Equity attributable to owners of the company	5,139	3,689
Non Controlling Interest	5,591	408
Borrowings	10,552	13,812
Other financial liabilities	5,650	2,660
Trade payables	3,800	3,697
Non-current and current liabilities and provisions	519	2,501
Total liabilities	31,251	26,767

CASHFLOW STATEMENT (₹ in lakhs)

	FY22	FY21
Cash flow from operating activities	(6,806)	529
Cash flow from investing activities	(3,715)	(22)
Cash flow from financing activities	7,265	1,979
Net Increase/ (Decrease) in Cash and Cash Equivalents	(3,130)	2,655
Cash and cash equivalents at the beginning of the year	3,448	793
Cash and cash equivalents taken over on acquisition of controlling interest in DevCool Inc	1,258	-
Cash and cash equivalents at the end of the year	1,576	3,448

KEY METRICS

REVENUE BY VERTICAL

	Q4 FY22	Q3 FY22	Q4 FY21	QoQ Growth	YoY Growth	FY22	FY21	YoY Growth
HCLS	76.1%	64.5%	68.8%	31.6%	41.9%	70.1%	71.0%	6.8%
ICT	23.9%	35.5%	31.2%	(24.9)%	(1.7)%	29.9%	29.0%	11.7%

REVENUE MIX

	Q4 FY22	Q3 FY22	Q4 FY21	QoQ Growth	YoY Growth	FY22	FY21	YoY Growth
Recurring	41.3%	40.5%	35.2%	14.3%	51.4%	39.6%	34.1%	18.4%
Non-Recurring	58.7%	59.5%	64.8%	10.6%	16.8%	60.5%	65.9%	(6.5)%

REVENUE MIX BY SERVICE LINE

	Q4 FY22	Q3 FY22	Q4 FY21
Software Services	70%	73%	68%
Managed Support Services	27%	24%	30%
Platform Services	3%	3%	2%
Total	100%	100%	100%

KEY METRICS

CLIENT CONTRIBUTION TO REVENUE

	Q4 FY22	Q3 FY22	Q4 FY21
Top 10 customers	70.6%	67.8%	74.0%
Top 20 customers	79.9%	76.7%	85.3%

EMPLOYEE DETAILS

	Q4 FY22	Q3 FY22	Q4 FY21
Software Professional	670	615	447
S&M	63	60	51
G&A	66	64	54
Total	799	739	552

KEY METRICS

NET DEBT POSITION

(₹ in lakhs)

	Q4 FY22	Q3 FY22	Q4 FY21
Term loans and working capital loan	6,582	5,542	5,600
Promoters	4,129	4,512	5,239
Convertible - Note	-	-	3,109
Gross Debt	10,711	10,054	13,947
Cash in Hand	1,576	1,653	3,448
Net Debt	9,135	8,401	10,500

LOOKING AHEAD IN FY23

- Revenue growth 17-18%
- Gross margin 30%

Thank You



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