

To

The General Manager, Listing Department, BSE Limited, 1 st Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street Fort, Mumbai-400001	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
Scrip Code: 519602	Scrip Code: KELLTONTEC

Dear Sir/Madam,

Subject: Submission of Presentation of Earning Conference Call

This is further to our letter on the Investor call scheduled on February 14, 2024 at 05:00 p.m. (IST) and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith a copy of Investor Presentation with respect to Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2023.

This is for your information and record.

Thanking You,
Yours faithfully,

For Kellton Tech Solutions Limited

Rahul Jain
Company Secretary and Compliance Officer
Date: February 14, 2024
Place: Hyderabad

Board Meeting Presentation & Fact Sheet: 9M FY24/Q3 FY24

December 2023

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Q3 FY24: Consolidated Summary



Particulars	Metrics	31-Dec-2023	30-Sept-23	Q-o-Q	31-Dec-2022	Y-o-Y	31-Dec-2023	31-Dec-2022	9M Growth
		Q3FY24	Q2FY24		Q3FY23		9M FY24	9M FY23	
Revenue	Total Revenue (INR Mn)	2,457.8	2,410.1	1.9%	2,313.9	6.2%	7,363.1	6,761.2	8.9%
	Net Revenue (INR Mn)	2,454.4	2,405.8	2.0%	2,308.7	6.3%	7,350.5	6,746.1	9.0%
Profit	EBITDA (INR Mn)	187.5	268.4		260.1		735.4	775.0	
	PBT (INR Mn)	95.3	187.4		200.9		478.2	601.6	
	PAT (INR Mn)	81.3	165.3		165.6		400.8	496.6	
Margin (%)	EBITDA	7.6%	11.1%		11.2%		10.0%	11.5%	
	PBT	3.9%	7.8%		8.7%		6.5%	8.9%	
	PAT	3.3%	6.9%		7.2%		5.4%	7.3%	
EPS	Basic (Rs.)	0.76	1.78		1.79		4.08	5.39	
	Diluted (Rs.)	0.76	1.78		1.78		4.08	5.38	

Consolidated Income Statement

(FY23 Figures are Without Exceptional Item*)



INCOME STATEMENT (INR Mn)	9M FY24	9M FY23	FY23
Revenue from operations	7,351	6,746	9,173
Other Income	13	15	22
Total Income	7,363	6,761	9,196
Total Expenses	6,885	6,160	8,498
EBITDA	735	775	957
<i>EBITDA Margin (Adj)</i>	<i>10.0%</i>	<i>11.5%</i>	<i>10.4%</i>
Depreciation	120	96	145
Finance Cost	137	78	114
PBT	478	602	698
Tax	77	105	125
Profit After Tax	401	497	573
<i>PAT Margins</i>	<i>5.4%</i>	<i>7.3%</i>	<i>6.2%</i>
Other Comprehensive Income	-7	24	-41
Total Comprehensive Income (After Tax)	394	520	532
Diluted EPS (INR)	4.08	5.39	5.51

Standalone Income Statement

(FY23 Figures are Without Exceptional Item*)



INCOME STATEMENT (INR Mn)	9M FY24	9M FY23	FY23
Revenue from operations	1,316	1,242	1,709
Other Income	7	14	22
Total Income	1,323	1,256	1,731
Total Expenses	1,224	1,144	1,598
EBITDA	207	195	248
<i>EBITDA Margin (Adj)</i>	<i>15.7%</i>	<i>15.7%</i>	<i>14.3%</i>
Depreciation	50	43	60
Finance Cost	57	40	55
PBT	100	113	134
Tax	24	24	39
Profit After Tax	76	90	95
<i>PAT Margins</i>	<i>5.7%</i>	<i>7.2%</i>	<i>5.4%</i>
Other Comprehensive Income	-	-	-3
Total Comprehensive Income (After Tax)	76	90	92
Diluted EPS (INR)	0.78	0.93	0.95

Ratio Analysis

Key Ratio Analysis

(FY23 Figures are Without Exceptional Item*)



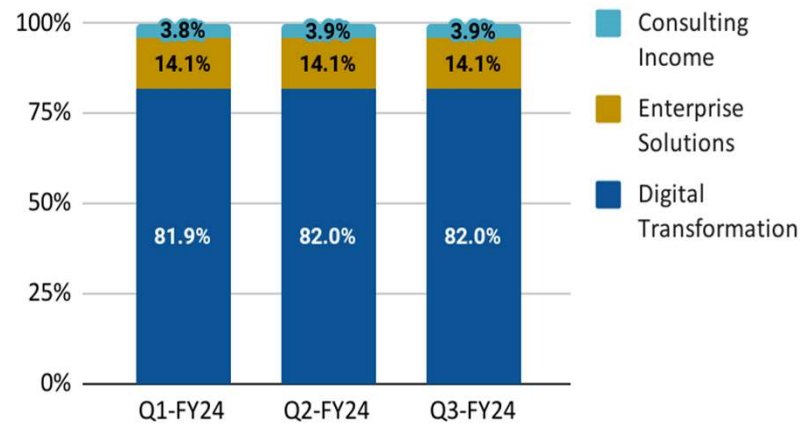
RATIOS	9M FY24	9M FY23	FY 23*	Ideal Value	Remarks
EBIDTA Margin	10.0%	11.5%	10.4%	>20%	Sustainable operating margin would leads to acceptable PAT.
PBT Margin	6.5%	8.9%	7.6%		
PAT Margin	5.4%	7.4%	6.2%	>10%	
Current Ratio	3.2	3.05	3.23	2 : 1	Comparatively higher ratio indicates good liquidity and satisfactory debt repayment capacity.
WC Turnover Ratio	2.63	2.58	2.6	>6	Higher the ratio better utilisation of WC leads to increase in sales.
DSO	101	98	102	< 90	Lower number of days indicates better cash flow
ROCE	17.44%	15.60%	18.4%	>27%	If the cost of Long term Borrowings is lower than ROCE then return to shareholders would increase. (Indicative is WACC + Risk of business 3X)

Revenue Analysis by Different Factors

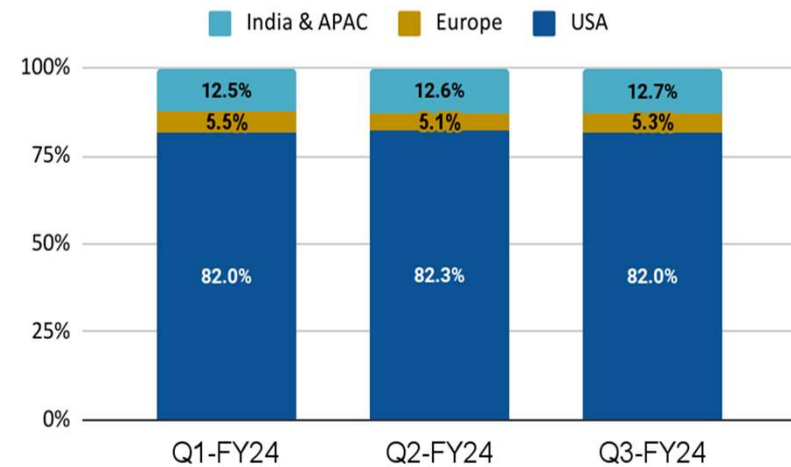
Q3 FY24: Key Metrics



Digital Transformation, Enterprise Solutions and Consulting Income



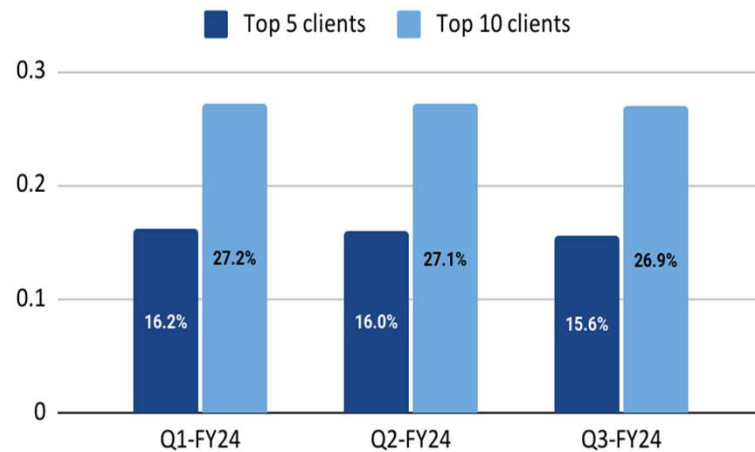
Revenue % By Geography



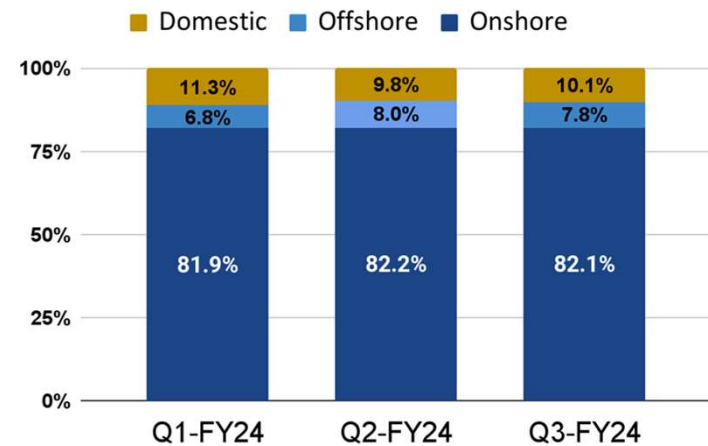
Q3 FY24: Key Metrics



Revenue % By Clients



Revenue Mix



Peer Analysis

Peer Comparison Analysis



(INR Mn)	<u>Happiest Minds</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	4,342	4,288	3,669	1.3%	18.3%
EBIDTA	1,052	1,048	973		
PAT	596	585	576		
EBIDTA Margin	24.2%	24.4%	26.5%		
PAT Margin	13.7%	13.6%	15.7%		

Happiest Minds' management has guided for organic revenue growth of 12% in constant currency terms for FY24 with Ebitda margin band of 22-24%.

(INR Mn)	<u>KELLTON</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	2,458	2,410	2,314	2.0%	6.2%
EBIDTA	188	268	260		
PAT	81	165	166		
EBIDTA Margin	7.6%	11.1%	11.2%		
PAT Margin	3.3%	6.8%	7.2%		

The company's revenue increased from INR 2,314 Mn in Q3 2023 to INR 2,410 Mn in Q2 2024, Q-o-Q growth of approximately 2.0%.

Y-o-Y, the revenue grew by approximately 6.2% from Q3 2023 to Q2 2024.

Peer Comparison Analysis



(INR Mn)	<u>Persistent</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	24,982	24,117	21,694	3.6%	15.2%
EBIDTA	4,418	4,052	4,016		
PAT	2,861	2,633	2,380		
EBIDTA Margin	17.7%	16.8%	18.5%		
PAT Margin	11.5%	10.9%	11.0%		

Europe revenue and the Rest of the World revenue declined 2.8% and 15.1% quarter-on-quarter, respectively, although on a much lower revenue base.

(INR Mn)	<u>Wipro</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	90,166	89,054	87,718	1.2%	2.8%
EBIDTA	17,294	17,745	13,748		
PAT	11,693	11,623	10,007		
EBIDTA Margin	19.2%	19.9%	15.7%		
PAT Margin	13.0%	13.1%	11.4%		

Wipro to underperform peers, primarily due to its low correlation between deal-wins and top line growth – amid continued weak demand environment.

Wipro Layoffs

100s of Mid-level roles at onsite locations are being slashed, with a focus on better margins. Job cuts are part of a 'Left-Shift' strategy, where tasks of higher-level employees are shifted downward.

Peer Comparison Analysis



(INR Mn)	<u>TCS</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	508,440	596,920	582,290	-14.8%	-12.7%
EBIDTA	152,140	144,830	142,840		
PAT	107,530	113,420	108,460		
EBIDTA Margin	29.9%	24.3%	24.5%		
PAT Margin	21.1%	19.0%	18.6%		

Muted results due to influence of challenging global economic conditions and heightened concerns about the overall economy entering into a recession.

(INR Mn)	<u>Infosys</u>				
	Q3 24	Q2 24	Q3 23	Q-o-Q	Y-o-Y
Revenue	388,210	389,940	383,180	-0.4%	1.3%
EBIDTA	99,260	100,720	82,420		
PAT	61,130	62,150	65,860		
EBIDTA Margin	25.6%	25.8%	21.5%		
PAT Margin	15.7%	15.9%	17.2%		

Owing poor results to wage hikes, furloughs in key markets and lower discretionary spends by clients.



Thank you

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