Cambridge Technology announces the results for its second quarter ended September 30, 2018

Focused on building long term revenue model
Growth in profitability post consolidation exercise
Revision of daily price band to 10%

Bengaluru, November 09, 2018: Cambridge Technology Enterprises Limited (NSE: CTE; BSE: 532801), a leading global technology company focused on Artificial Intelligence as a Service (AIaaS) to transform organizations into AI-first leaders, today announced its unaudited financial results for the quarter ended September 30, 2018.

Long Term Revenue Model

While the revenues appear to be steady since the completion of the consolidation exercise in August 2017 (Q2FY18), the company has been focused on building its SaaS based long term revenue model. In excess of 60 percent of the company's consolidated revenues comes from contracts which are long term in nature (tenure in excess of 3 years). The company is focused on value and not number of contracts.

Predictability of revenues

The company's goal is to have atleast 75 percent of its service contracts as long term in nature. Under this predictable model, the company has a visibility of delivering over USD 50 m in service revenues over the next five years from its existing clients.

Focus on Scalability

Further, the company has been focused on building reusable, scalable blocks of technology and in majority of its contracts, the company retains the rights to some of the technology.

Building Unique Solutions with Partners

The company has been building unique solutions with its partners to provide differentiated solutions to clients.

For example:

- With one of its partners, the company is building a realtime clickstream analytics solution that will ingest and process millions of clickstream data a day from multiple global websites. This will provide fast actionable insights to content editors in near real-time for the clickstream data streaming into the platform.
- The company is working on building a Data Lake foundation solution with its partners to provide a distinctive edge to its clients to make their Data Lake Analytics journey simple and scalable.
- Building AISaaS clickstream solution using techniques in the emerging subfield of counterfactual machine learning to solve a multi arm bandit maximization problem.

The trade of the company 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.

Cambridge Technology – Creating Transformative AI-First Businesses

Cambridge Technology (CT) is a leading global technology company transforming organizations into AI-first leaders.

Over the last three years, the company has achieved tremendous success in building its foundation with 2.5x growth in employee strength, certified workforce, strong partnerships and working with marquee clients who are leaders in their verticals. The consolidated revenues and profitability of the company has grown by more than 3 times from INR 32 cr in FY15 to INR 99 cr in FY18.

CT is focused on transforming businesses into AI first leaders and will give itself the next 9-12 months to add the right clients for its business. Incase, the market opportunity and what CT has built does not intersect in time, then the company will consider providing ancillary and complementary services to its dozen plus existing enterprise clients that have huge IT budgets.

"We are delighted with our growth post the consolidation exercise taken last year. Our results are a testimony to the steps taken by us to build a strong base of an organization that focuses on transforming businesses into AI-first leaders," said Aashish Kalra, Chairman.

CAMBRIDGE TECHNOLOGY ENTERPRISES UNAUDITED CONSOLIDATED FINANCIAL RESULTS: QUARTER ENDED 30 SEP 2018 vs. QUARTER ENDED 30 SEP 2017 (INR Cr)					
Particulars	**Quarter Ended**				
	30-Sep-18	**30-June-18**	**30-Sep -17**	**Q-o-Q**	**Y-o-Y**
Revenue	24.3	23.7	23.7	2%	2%
EBITDA	6.9	5.1	4.8	37%	45%
Net Profit*	6.2	2.7	3.3	130%	89%

CAMBRIDGE TECHNOLOGY ENTERPRISES UNAUDITED CONSOLIDATED FINANCIAL RESULTS: SIX MONTHS ENDED 30 SEP 2018 vs. SIX MONTHS ENDED 30 SEP 2017 (INR Cr)			
Particulars	**Six Months Ended**		
	30-Sep-18	**30-Sep -17**	**% change**
Revenue	48.0	46.3	4%
EBITDA	12.1	8.9	34%
Net Profit*	8.9	5.7	56%

*The company has implemented measures to streamline operations by closing its Chennai premises and consolidating in Philippines and Hyderabad, India. The increase in profitability is also due to adjustments in expenditures which were no longer to be provisioned for.

About Cambridge Technology
[Cambridge Technology (CT)](#) is a leading global technology company transforming organizations into AI-first leaders. CT is enabling its customers to create AI solutions that transform their businesses; by helping solve the world's complex and most interesting business challenges with AI. 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 products and services address all the transformational AI needs of an organization — from strategic workshops to implementation of transformative business solutions through its AI as a Service (AIaaS). CT's expertise across multiple domains makes it the preferred choice for organizations seeking an AI Partner to innovate and leapfrog the market. CT is assessed at Maturity Level 5 for CMMI v1.3 with ISO 27001:2013 certification. For more information, visit www.ctepl.com or follow [@cam_technology](#) on twitter.

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.