

8K MILES OPERATING REVENUE AT RS 88 CR IN Q1 FY21, UP 29% QoQ

- Recurring Revenue of Rs. 29 Cr., 32.5% of Revenue
- Gross Profit Margin grew to 30.4% from 10.9% in Q4 FY20
- EBITDA Margin grew to 4.4% from -29.4% in Q4 FY20
- R&D Expenses at Rs. 7.4 Cr, 8.4% of Revenue

Chennai, 31st August 2020 - **8K Miles Software Services Limited**, a leading Global IT Business Transformation, Secure Cloud Solutions and NextGen Managed Service Provider, announced today the Company's unaudited financial results for the first quarter FY21 ended 30th June 2020.

Suresh Venkatachari, Chairman & CEO of 8K Miles Software Services Ltd. stated *"I am pleased to announce that 8K Miles will re-start trading on both NSE and BSE from 07th September 2020. Our top priorities for the company are to rebuild the trust and confidence among investors and stakeholders by ensuring complete transparency, compliance and governance. Towards this, during this quarter, the company hired an accomplished CFO, Company Secretary and a Global HR Head to help us adhere to the regulatory requirements and streamline the reporting process.*

The company achieved revenue growth in Q1 FY21 with increase in platform based recurring revenues. Our continued focus and execution on delivering cloud solutions and top tier managed services to large enterprise customers resulting in key customer successes while exceeding their expectations. The fact that we added 41 additional employees during this quarter is a key indicator of our continued growth."

As disclosed earlier, we have modified our accounting policy on capitalization of internally developed intangibles and have expensed this cost to the P&L.

He added, *"we are optimistic and have the right experience, tools, resources and capabilities to handle our clients' needs and challenges related to COVID-19 pandemic, while demonstrating success with immediate opportunities. We are very well poised to navigate this crisis and make the most of the upcoming growth opportunities as Cloud and SaaS have proven to be of great demand of this time."*

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED 30 JUNE 2020

Particulars	Q1 FY21	Q4 FY20	QoQ Growth
Revenue	Rs. 88 Cr.	Rs. 68 Cr.	29.1%
Gross Profit	Rs. 27 Cr.	Rs. 7.4 Cr.	260.3%
EBITDA	Rs. 3.9 Cr.	(Rs. 20 Cr.)	

BUSINESS HIGHLIGHTS

CONTINUED TO GROW BUSINESS IN PHARMA VERTICAL DESPITE COVID-19

- Won projects to build Data Analytics Platform from a Tier-1 Strategic Customer using our DataEz Platform on a Recurring Revenue Model
- Established a new Cloud Center of Excellence in Chennai for a Large Pharma Client
- Top Life Sciences Customer expanded Cloud DevOps for 24/7 Operations & Support

SALES RECOVERY FROM JUNE IN HEALTHCARE VERTICAL SINCE COVID-19 DELAYED SEVERAL PROJECTS ACROSS US HOSPITAL CLIENTS

- Won Advisory Services on Health Information Exchange and Clinical Data Sharing for a Washington-based Hospital Client
- Acquired an Arizona-based Hospital as a new client for MEDITECH implementation
- Extended MEDITECH projects across two major and long-time US hospital clients

CLOUD BUSINESS GROWTH FROM NON-HEALTHCARE VERTICALS

- Won 2 new SaaS Customers to provide 24x7 Cloud DevOps and Support
- Growth in Cloud Managed Services from our existing Manufacturing, Automotive and Supply Chain Customers

ABOUT 8K MILES:

8K Miles Software Services is a leading Global IT Business Transformation, Secure Cloud Solutions and Managed Services Provider company based in the San Francisco Bay area and a publicly traded company listed on Indian Stock Exchanges (NSE and BSE). We support healthcare providers and payors, hospitals, Pharma/Life Sciences organizations, Manufacturing and Automotive companies to improve business outcomes by providing digital transformation on the cloud, security and compliance, data enlightenment, empowering business agility, and accelerating the value of their IT investments.