

Dt. 11th February, 2019

The Listing Dept.,
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

The Listing Dept.,
The National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
Mumbai – 400 051

Dear Sir,

Sub: Press Release

Ref.: BSE Scrip Code: 532801, NSE Code CTE

With reference to the above, please find attached herewith the press release titled “**Cambridge Technology Enterprises announces its 9MFY19 and Q3FY19 results**”.

Thanking you,

Yours faithfully,
For Cambridge Technology Enterprises Limited


Ashish Bhattad
Company Secretary & Compliance Officer



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Cambridge Technology Enterprises announces its 9MFY19 and Q3FY19 results

*Announcement of consolidated results
9 months profitability of FY19 significantly better than 12 months of FY18*

Hyderabad, February 11, 2019: Cambridge Technology Enterprises Limited (NSE: CTE; BSE: 532801), a leading global technology company focused on Artificial Intelligence as a Service (AlaaS) to transform organizations into AI-first leaders, today announced its unaudited financial results for the quarter and nine months ended December 31, 2018.

WE BELIEVE AI TRANSFORMS THE WORLD

The world is transforming and we are in the middle of the single largest transformation the world has ever seen since the Industrial Revolution nearly 250 years ago. Data is the next natural resource like air, oil, water and the convergence of Big Data and Cloud powered by Artificial Intelligence (AI) and Machine Learning (ML) is a potential multi-trillion dollar opportunity.

Early Signs of Transformation

We believe that the convergence of Big Data and Cloud powered by AI and ML is going to transform businesses faster than ever. The following industry developments reinforce this belief:

- ✓ Leading cloud vendors like AWS, Microsoft Azure are expected to close USD 100 bn approximately in combined enterprise-cloud revenue in 2018.
- ✓ As per CB Insights Research, over 1100 AI companies have raised equity financing for the first time since 2016.
- ✓ The share of jobs requiring AI skills has risen by more than 4 times since 2013.
- ✓ According to Stanford University's AI Index 2017 Report, the number of Computer Science academic papers published and tagged with the term "Artificial Intelligence" has risen by more than 9 times since 1996.

It is evident from the above facts that industry has done the fundamental exercise of gathering and storing data.

The Technological Disruption – The 'haves' and 'have-nots' theory

Enterprises are going to end up with 'haves and have-nots' in the AI space.

Businesses with 'haves' will have the capital and resources to implement AI solutions and make decisions while the businesses with the 'have-nots' will be standing still. As we approach this future, we will see enterprises and growth companies take advantage of AI to re-invent and innovate.

The future belongs to front end businesses focused on value

Every human life and business in this world will be transformed with this technological disruption and millions of transformative businesses will be created.

For Cambridge Technology Enterprises Ltd.



Dharani Raghurama Swaroop
Whole-Time Director

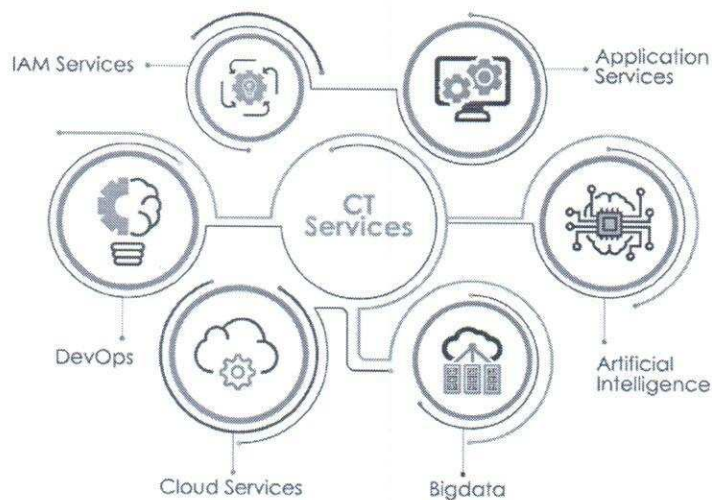
The last generation of trillion dollars were created out of traditional Indian IT technology businesses that were focused on back end and costs. The next trillions of dollars will be created by front end innovation driven technology companies focused on value.

Hence, the business models will change. The cost arbitrage model was based on the concept of Time and Material and Fixed Price. The next generation innovation business model will be based on a piece of value.

CAMBRIDGE TECHNOLOGY (CT): TRANSFORMING INDUSTRIES AND BUSINESSES

Cambridge Technology (CT) is a leading global technology company focused on Artificial Intelligence as a Service (AlaaS) to transform organizations into AI-first leaders.

AI is not a one-size-fits-all solution. It needs incorporation of numerous aspects of technologies, platforms, and services tailored to meet the specific business needs. CT offers solutions ranging from strategic workshops to AlaaS implementation and elements that are required to put all of these things together.



There is no guarantee that legendary MNCs will survive, and new-age businesses may not have all the tools to transform industries. They are the 'have-nots' and will need assistance. Our company CT is transforming businesses across six verticals namely Energy, Life Sciences & Pharmaceuticals, Industrials, BFSI, Data Infrastructure (Security and Access Management) and Rapid Prototyping.



For Cambridge Technology Enterprises Ltd.

[Signature]
Dhanani Raghurama Swaroop
Whole-Time Director

1. Energy

- a. AI can revolutionize the way energy is produced, transmitted and consumed. For instance, about 40% of total US energy consumption is consumed by the residential and commercial sectors. Advances in AI and smart grid infrastructure will see potential challenges in Energy sector getting resolved. Powerful computation models can help reduce dependency on energy, availability, costs and consumption.
- b. In Energy, we serve one of the world's largest energy management and automation specialist companies.
- c. Our clientele includes EnerAllies, a Silicon Valley based technology company reinventing energy management using AI and IOT for small-format, multisite enterprises like Cycle Gear, Pizza Hut. (Case study <https://aws.amazon.com/partners/success/enerallies/>)

2. Life Sciences

- a. The use of transformative technologies to understand the complexities that arise from the combination of a variety of data from areas like clinical research, plants and animal genomics could reveal completely innovative approaches to treatment of diseases.
- b. With the use of AI, the time spent to make a drug discovery can be brought down significantly by migrating to virtual trials to detect patterns and anomalies.
- c. In Life Sciences vertical, we serve a global leader in pet nutrition and nutrigenomics.

3. Banking, Financial Services & Insurance (BFSI)

- a. Our company serves a US based pioneering platform in building cross-border electronic trading infrastructure to enable global institutional flows and provide a unique distribution and regulatory network for capital raising in the global markets.
- b. In Insurance, CT serves Roadzen Inc., a transformative insurtech company, transforming global auto insurance with its multi-platform solutions for underwriting, claims management, inspection and roadside assistance. Its technology platform uses ML, telematics and mobility solutions to revolutionize the insurance experience for consumers and substantially improve the operational protocols for insurance companies.
- c. Roadzen has a partnership with the Axa Group, the French multinational insurance group, and also works with some of Europe's other large insurers, such as Allianz, AIG and Generali. In 2017, Roadzen acquired AXA Assistance, the India unit of the AXA Group.

4. Industrials

- a. In the Industrials vertical, CT serves a leading industrial and consumer company to predict shift in demand and change in demand.
- b. For this client, we articulated the problem as a multi arm bandit maximization problem. The solution aims at optimizing the client conversion ratio in one of the key lines of businesses of the client by employing a systematic, automated and statistically sound methodology to optimally formulate offers.
- c. The solution employs a number of state of the art algorithmic techniques such as contextual multi-armed bandits, and using techniques in the emerging subfield of counterfactual machine learning.
- d. Under this engagement, CT owns additional IP along with the rights to resell and adapt the IP in Australia, Europe and Asia-Pacific regions. CT benefits from receiving a share in the incremental revenues of its client's business by deploying its proprietary algorithms.

For Cambridge Technology Enterprises Ltd.


Dharan Raghurama Swaroop
Whole-Time Director

- e. For more details refer our press release <https://www.ctepl.com/cte-announces-new-client-ai-service/>

5. Data Infrastructure

- According to CISCO, Global Internet traffic in 2021 will be equivalent to 127 times the volume of the entire global Internet in 2005 and annual global IP traffic will reach 3.3 ZB by 2021.
- This presents a huge opportunity to collaborate Information Management with AI in the areas like data storage, fraud detection and prevention, compliance reporting, risk management to name a few.
- In this vertical, CT serves one of the world's largest companies in storage and information management solutions.

6. Rapid Prototyping

- In this vertical, CT serves companies like Authess and Easyknock. Authess, was founded by former provost at MIT. Authess is a leader in AI-driven authentic assessments.

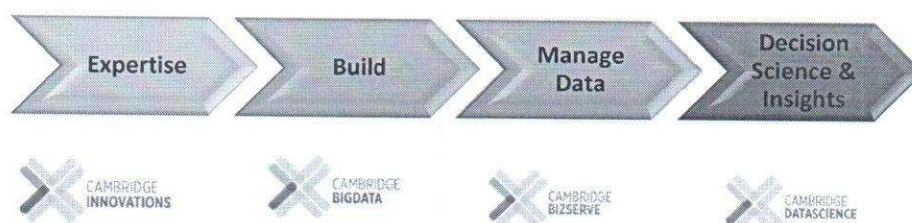
OUR PROGRESS: SCALING BY 300% SINCE 2015

Over the last four years, the company has achieved significant success in building the foundation with 2.5x growth in number of employees, AWS 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.

1. INTEGRATED END TO END OFFERINGS

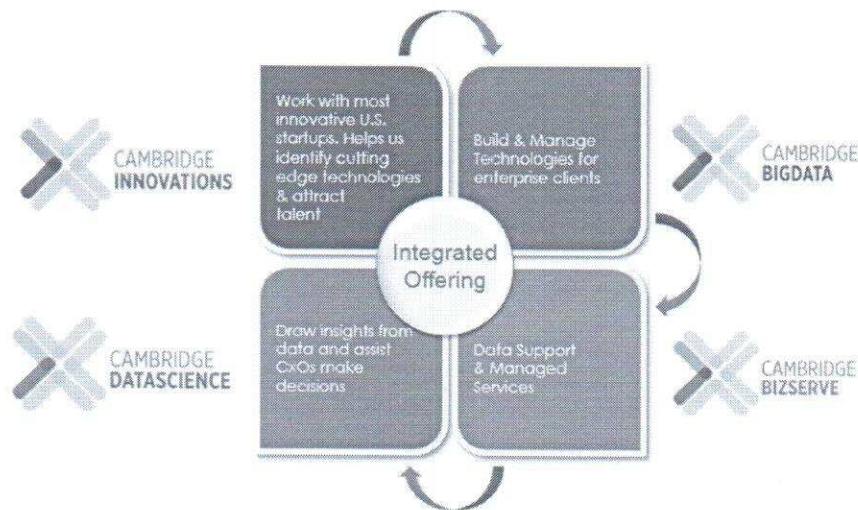
Businesses need a lot of elements to implement AI. They need an element of innovation offered by "Cambridge Innovations" where CT works with innovative US startups, then they need an element of Big Data and Cloud which is provided by "Cambridge Big Data" where CT serves enterprise clients, they need the elements of "Cambridge BizServe" that allows to manage data and most importantly, draw insights to take the decisions, offered by "Cambridge Datascience".

CT's offerings fit together because of its understanding towards the entire lifecycle of a business.



For Cambridge Technology Enterprises Ltd.

[Signature]
Dharam Raghurama Swaroop
Whole-Time Director



2. EMPLOYEE COUNT HAS INCREASED BY 250%

- **250% increase in workforce:**
 - The workforce has grown from approximately 150 in January 2015 to nearly 350 now.
 - CT is one of the few organizations in the world with 100% AWS certified Cloud Operations Centre with proven experience of over 10 million instance management hours.
- **Appointment of Chief Technology Officer & Chief Data Scientist:**
 - Dr. Rajan Lukose was appointed as the Chief Technology Officer and Chief Data Scientist. Based in San Francisco, Dr. Lukose brings 15+ years of experience of working as a research scientist in companies like HP Laboratories, Xerox Palo Alto Research Center. He has over 25 patents registered in his name and has several laurels including an IBM award in Computational Finance.

3. STRATEGIC IMPORTANCE TO AWS

- CT launched its cloud practice in the 1st quarter of 2010 and over the years, it has built its expertise across the AWS platform – as the AWS platform grew so have CT's capabilities.
- CT is differentiated from more than 10,000 AWS partners globally by achieving competencies in Big Data (one of 31 partners), DevOps (one of 73 partners), Oracle (one of 16 partners) and a Managed Services Provider (one of 114).
- CT is the only company to score perfectly in its MSP 3rd party audit.
- Capabilities span an expansive set of services complimentary to the AWS (also Azure, Google, Oracle) platform through the building of practices that support Application Development, DevOps, Cloud, Managed Services, Big Data, Analytics, AI/ML and IoT.
- CT's cloud-managed services on AWS are supported by a 100% AWS certified team of IT professionals.

For Cambridge Technology Enterprises Ltd


Dharani Raghurama Swaroop
Whole-Time Director

4. STRONG PARTNER ECOSYSTEM FOR REFERENCEABILITY

- CT has strengthened its partner ecosystem to provide access to cutting edge solution to its clients.

CLOUD COMPUTING			
BIG DATA / ANALYTICS			
ENTERPRISE SOLUTIONS			
LOAD TEST/ MONITORING			
DEV OPS/ AUTOMATION			
IDENTITY MANAGEMENT			

5. FOCUSED ON USA – PRESENCE IN INDIA, USA AND PHILIPPINES

- In line with providing its global clients access to 24/7 development cycle, CT has expanded its presence across USA, India and Philippines.
- The company realizes the significance of trained and skilled employees and has invested heavily into training employees through its competency centers.

6. CERTIFICATIONS

- CT is appraised at Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® v1.3 for its services. Less than 30 companies in India are appraised at this level.
- Awarded ISO/IEC 20000-1:2011 certification in recognition of its IT service management excellence. Attainment of this ISO/IEC 20000-1:2011 certification validates that CT meets international standards for IT Service Management Systems.

Focus on Profitability and building 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.

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. 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.

Progress since consolidation exercise: Improvement in Revenues and Profitability

The company completed its consolidated exercise in August 2017 and reset its base revenues to focus on building its core skillsets and retaining the right contracts to focus on AI.

Summing up the restructuring initiatives implemented:

- Post the consolidation exercise in August 2017, the company closed down 10-20% of the business and retained only 80-90% of its old base.
- Implemented measures to streamline operations by closing its Chennai premises and consolidating in Philippines and Hyderabad, resulting in one-time restructuring expenses.

For Cambridge Technology Enterprises Ltd.

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 Whole-Time Director

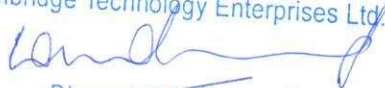
- The company expanded in Philippines in 2017 and expensed its investments in recruiting, training, infrastructure, building competencies; therefore, impacting the profitability in the short term. The Philippines operations has achieved tremendous success with over 100 professionals working for it.
- Since FY18, CI has constituted to only 5-10% of the revenues compared to 25-30% approximately in FY17. The company focused on adding enterprise clients that are leaders in their verticals.
- Shown remarkable improvement in business and profitability despite these measures to focus on building the foundation for next phase of growth in AI and ML.

Aashish Kalra, Chairman of Cambridge Technology Enterprises said, "AI has become the single largest technological revolution. In the years to come, enterprises will scale new heights by exploring untapped data and extract incremental value. Big Data will affect almost all facets of our existence ultimately influencing the way enterprises chase growth, to positive effect. The last generation of trillion dollars was created out of traditional Indian IT technology businesses that were focused on backend and costs. The next trillions of dollars will be created by frontend innovation driven technology companies focused on value. The USA is a huge market to tap and we are going to be US-centric. The company which serves industry leaders will continue to target \$20 trillion USA market, which is growing at 4 per cent. The company will focus on scalability, proprietary intellectual property, and innovative approaches of revenue models."

CAMBRIDGE TECHNOLOGY ENTERPRISES UNAUDITED CONSOLIDATED FINANCIAL RESULTS: QUARTER ENDED 31 DEC 2018 (INR Cr)						
	Quarter ended			Nine Months ended		
	31-Dec-18	31-Dec-17	% change	31-Dec-18	31-Dec-17	% change
Revenue	26.2	23.9	10%	74.3	70.3	6%
EBITDA	7.8	4.1	90%	19.9	12.8	55%
Net Profit	6.8	2.8	143%	15.7	8.2	91%
Total comprehensive income	4.0	1.8	122%	8.7	7.9	10%

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 (AlaaS). 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](https://twitter.com/cam_technology) on twitter.

For Cambridge Technology Enterprises Ltd.

Dharani Raghurama Swaroop
Whole-Time Director

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.

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