



E2E NETWORKS LIMITED

Investor update- Presentation
Dec 2019



SAFE HARBOR

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to “E2E Networks” future business developments and economic performance.

While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

E2E Networks undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.

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E2E overview

E2E Overview

Description*	Rs in crs
Equity share Capital	14.3
Net Worth ¹	29.5

¹ Includes Equity share capital and Reserve & Surplus

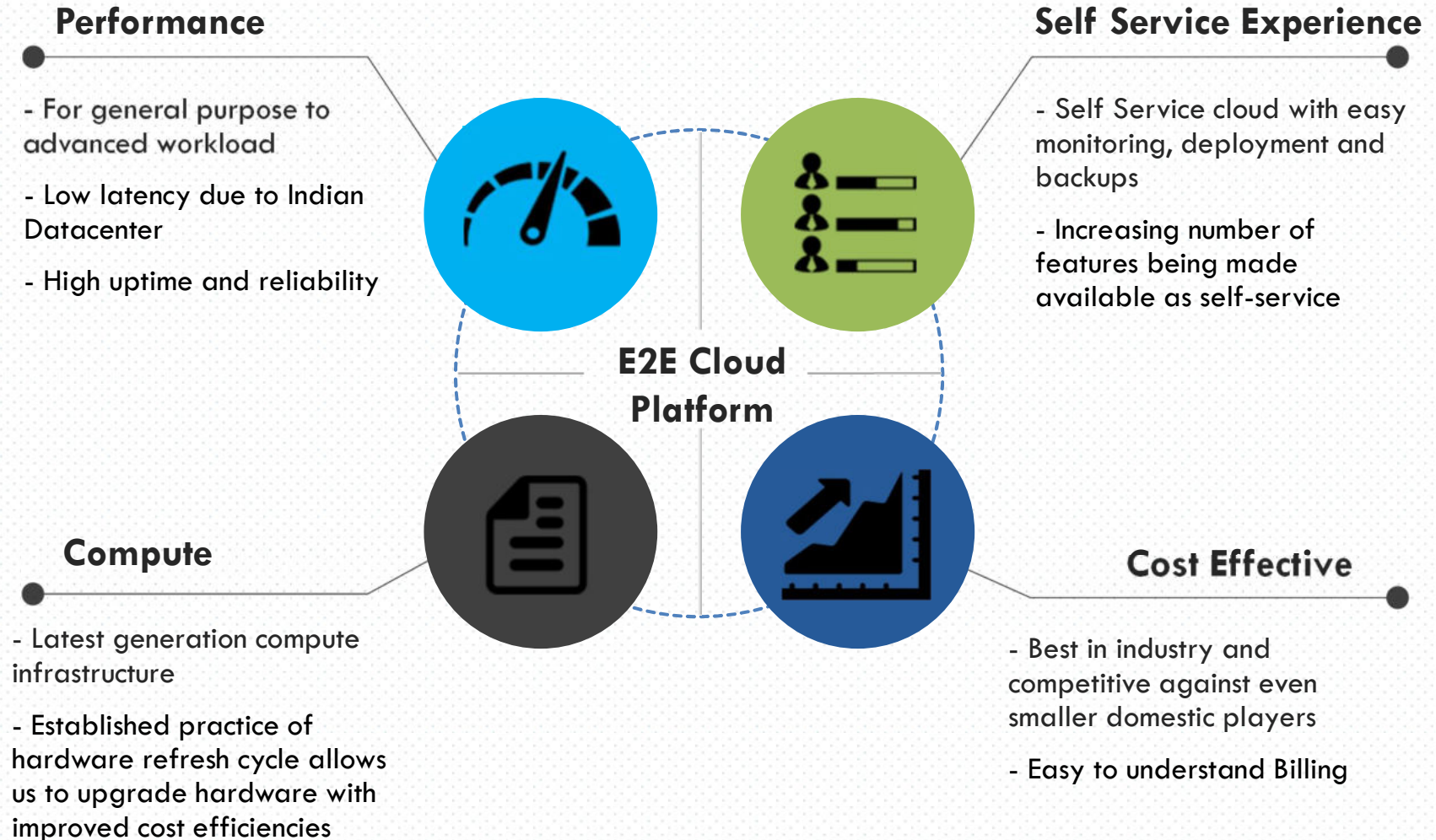
Shareholding Pattern*:	
Promoters	58.4%
Public :	41.6%
a) Institutional Investors	14.4%
b) Non -Institutional Investors	27.3%

*As of 30th Sep'2019

Established in 2009, E2E Networks (among largest Indian Public Cloud Companies in India):-

- ✓ Built our own Cloud Infra and developed our Technology Stack
- ✓ IPO listing on NSE Emerge in May'2018 received huge response and was subscribed up-to 70 times.
- ✓ Offers wide range of products (GPU's , Object store , Smart dedicated servers, Virtual /dedicate compute nodes, backup plans among others)
- ✓ Most competitive price among its peers, best value in the industry
- ✓ Easy to understand pricing, +1000 Billed Customers,
- ✓ Round the clock operation center (24 X7 data centres operation)
- ✓ Experienced leadership team to spearhead growth

BENEFITS OF E2E CLOUD INFRA PLATFORM



E2E SEASONED AND PROFESSIONAL SENIOR MANAGEMENT TEAM



Tarun Dua, Managing Director
Strategy & Management



Mohamed Imran,
CTO



Srishti Baweja
Whole time Director



Kesava Reddy, VP Sales,
Sales & Marketing



Shantanu Singh, VP Engineering
New Product Development



Himank Saini Sadh, VP Delivery
Product Delivery



Varun Taneja
CFO



Neha Baid
Company Secretary & Compliance
Officer

E2E COMPARISON OF COST VS PEERS



Description	E2E	Digital Ocean	GCP	Azure	AWS
Plan Type	M.60 GB	Memory Optimized	n2-highmem-8	A8m v2	z1d.3xlarge
RAM	60	64	64	64	64
vCPU	12	8	8	8	16
Storage	450 GB	200 GB	Extra Storage Costs	80 GB Temp storage	Extra Storage Costs
₹ Price per month	4745	₹ 25,560	₹ 26,806	₹ 36,229	₹ 41,878
₹ Price per hour	6.5	₹ 35.0	₹ 36.7	₹ 49.6	₹ 57.4
Source	https://www.e2enetworks.com/products/virtual-compute-nodes/2nd-generation-memory-intensive-computing-ssd-series-m/	https://www.digitalocean.com/pricing/#droplet	https://cloud.google.com/products/calculator/#	https://azure.microsoft.com/en-in/pricing/calculator/#cloud-servicesd31ef8bb-6b7f-47e3-baad-cfcdcd397ccf	https://aws.amazon.com/

Note:

- ₹ Price per Month and Per Hour has been rounded for ease of representation
- Price in India or APAC as published in respective website and conversion as on Nov'19

New Products added recently

INTRODUCED INNOVATIVE PRODUCTS LIKE SMART DEDICATED SERVERS

Public Cloud + Dedicated Servers

Reduced deployment time

Delivers outsized value

Simple Administration

Backup options

Pay as you go billing



Dedicated Hardware



Isolated Environment



Convenient Provisioning
and De-provisioning



Contractless

Multi-OS availability - Windows, Linux

Multi Control Panels - cPanel, Plesk &
Webuzo



Indian Data Center



Easy Migration
Between Servers

SUCCESSFULLY LAUNCHED GPU CLOUD

We offer Nvidia's Tesla v100 GPUs with 32 GB onboard graphics memory-based compute instances which are perfect for AI/ML workloads

Our GPU instances can help in optimizing costs by as much as 70% compared to the other leading providers

Our instances are available from Indian datacenters ensuring data locality for your critical India centered data

Through E2E cloud these instances can be used for running in various type of AI /ML frameworks

Used in various applications like:

Machine Learning

Deep Learning for NLP

Convolutional Neural Networks

Object Recognition

Computer Vision

Conversational Speech Recognition



Indian Data
Center



Hourly Billing
Best Prices



99.9% Up Time
SLA

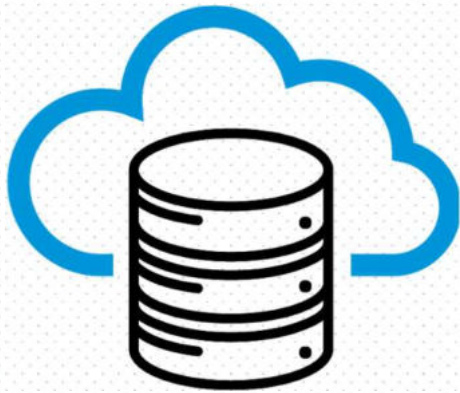


Coupled with
Intel Xeons

SOFT LAUNCH OF OBJECT STORAGE ON E2E CLOUD RECENTLY

E2E Object Store (EOS)-:

- 100% SSD ensuring great performance
- 100% Redundant architecture
- High durability
- Simple, cost-effective and S3-compatible storage service
- S3 Compatible REST API for data access from anywhere
- Access from command-line interface (CLI) as well as Myaccount
- Store, backup and archive content for your web apps or data from AI/ML pipelines



Financials snapshot & business strategy

PROFIT & LOSS

In ₹ Crores	FY16	FY17	FY18	FY19	FY20 H1
Total Revenue*	22.3	29.5	36.3	34.2	14.0
Purchase of services	5.6	8.0	10.0	10.7	5.5
Employee Benefits	2.2	3.5	6.3	8.4	5.4
Other opex	0.7	1.2	1.9	3.7	2.4
Total expenses	8.4	12.7	18.2	22.8	13.3
EBITDA*	13.9	16.8	18.1	11.4	0.7
Depreciation	9.0	9.9	9.7	8.8	4.7
EBIT*	4.9	7.0	8.4	2.6	-4.0
Interest	0.8	0.7	0.3	0.1	0.1
PBT	4.1	6.3	8.1	2.4	-4.1
Tax	1.1	2.1	2.3	0.7	0.0
PAT	3.0	4.2	5.8	1.7	-4.1

* includes other income

- **Loss of Revenue** from key customer impacted revenue in H1, FY20. The customer had moved out effective May'19. The customer was contributing ~ 22% of the monthly revenue in March'2019
- Employee benefits has increased majorly due to increase in Head count (Apr'18 : 86 ; Sep'19 : 110)

BALANCE SHEET

In ₹ Crores	FY16	FY17	FY18	FY19	FY20 H1
Share Capital	0.4	0.4	11.5	14.3	14.3
Net worth	6.8	11	17	33.5	29.5
Borrowings	2.6	1.5	-	-	-
Payables	0.4	0.8	2.3	1.8	2.1
Other Liabilities	3.7	2.4	1.4	2.4	2.7
Total Liabilities	13.5	15.7	20.7	37.7	34.3
Gross Fixed Assets	24.7	34.7	42.7	50.3	56.8
Net Fixed Assets	10.6	11.2	9.7	11.3	13.1
Receivables	1.1	1.6	2.8	0.9	0.4
Cash & Equivalent	0.8	2.5	6.7	21.4	15.7
Other Assets	1	0.4	1.6	4.2	5.2
Total Assets	13.5	15.7	20.7	37.7	34.3

Continued investments in Fixed assets to build capabilities for various use case

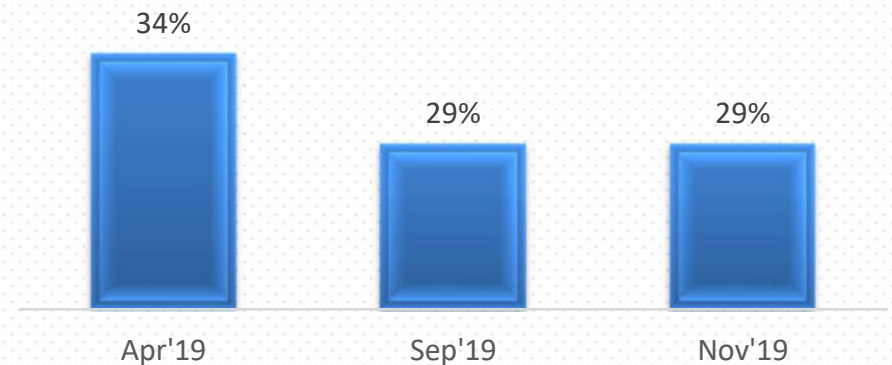
RECENT CHALLENGES AND OUR APPROACH TO GROWTH

- ❖ **Loss of Revenue** from key customer impacted our revenue in H1 FY20. The customer had moved out effective May'19. The customer was contributing ~ 22% of the monthly revenue in March'19
 - FY20 revenue started of at a lower base ~ Rs 2.0 cr in June'19
 - Significantly reduced client concentration
- ❖ **Profitability** impacted due to broadly fixed overheads. Priority remains on continued investments in improving the technology and products further.
- ❖ E2E continued effort to build a superior Public Cloud Product is seeing traction with:
 - Significant number of self-service customers added in last few months
 - Sales effort seeing momentum with gross new additions every month
 - Growth opportunities in Digital Transformation, AI, SME among other

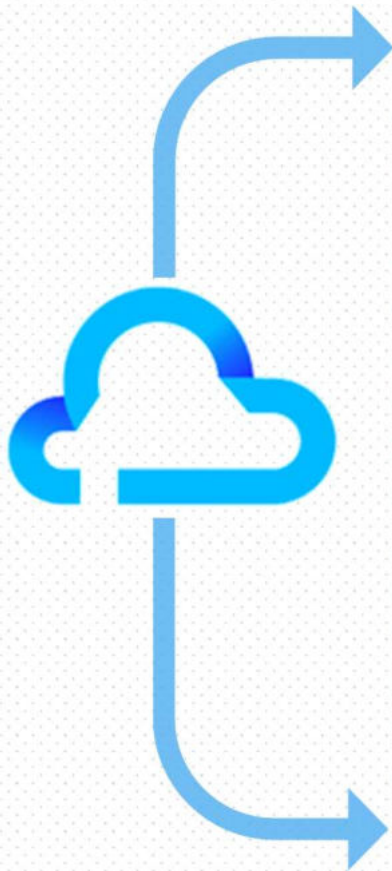
~ Monthly Revenue (in Rs cr)



~ Revenue from Top 10 customers as % of Total



BUSINESS STRATEGY AND FOCUS



Making our product more robust with greater flexibility for usage

*Provide more options on how to use infra including usage for short-term and other specific usage
Various kind of flexibilities like Payments, Commitment Period, Operating Systems, Control Panels*

Improving Technical Capabilities

*Build capabilities in terms of important micro-services
Development of Infra heavy Appliances relevant to the SME market to drive adoption*

Driving growth

*Focusing on SME and mid-sized accounts by building process driven Sales
De-risking revenue by reducing client concentration
Scaling technology and sales organization to capitalize on huge market opportunity*

FOCUS ON AUGMENTING SALES EFFORT

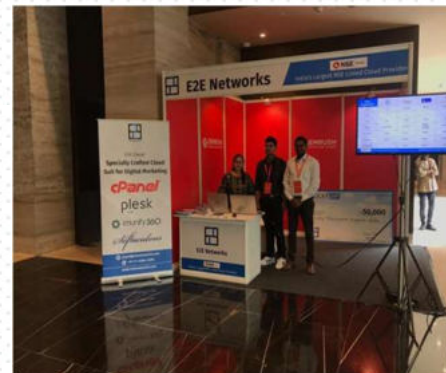
Geographically increased presence in Bangalore, Hyderabad and Mumbai

*Active **Inside Sales** via. Social Media, Blogs, Articles and others*

***Community Development** through events like #ThursdayTechTalks, #AIDAY, #PyDelhi, #StartupSaturday, #OpenSourceIndia*

*Very **Active participation** in Events, Conferences and other platforms*

*Setting goals and performance metrics for **Sales/Marketing Organization***



WELL POSITIONED TO CAPITALIZE ON FUTURE OPPORTUNITIES

1

Large Addressable Market Opportunity in Indian Cloud

- *India's Public Cloud Infra Market to grow at ~32% CAGR over the next 2-3 years*
- *Wide adoption among SME due to high reliability and value driven pricing*

2

Technology driven Product Company

- *E2E product offering stands-out given the significant advantages in terms of Technical capabilities*
- *Stronger product enables us to acquire customers with bigger LTV*

3

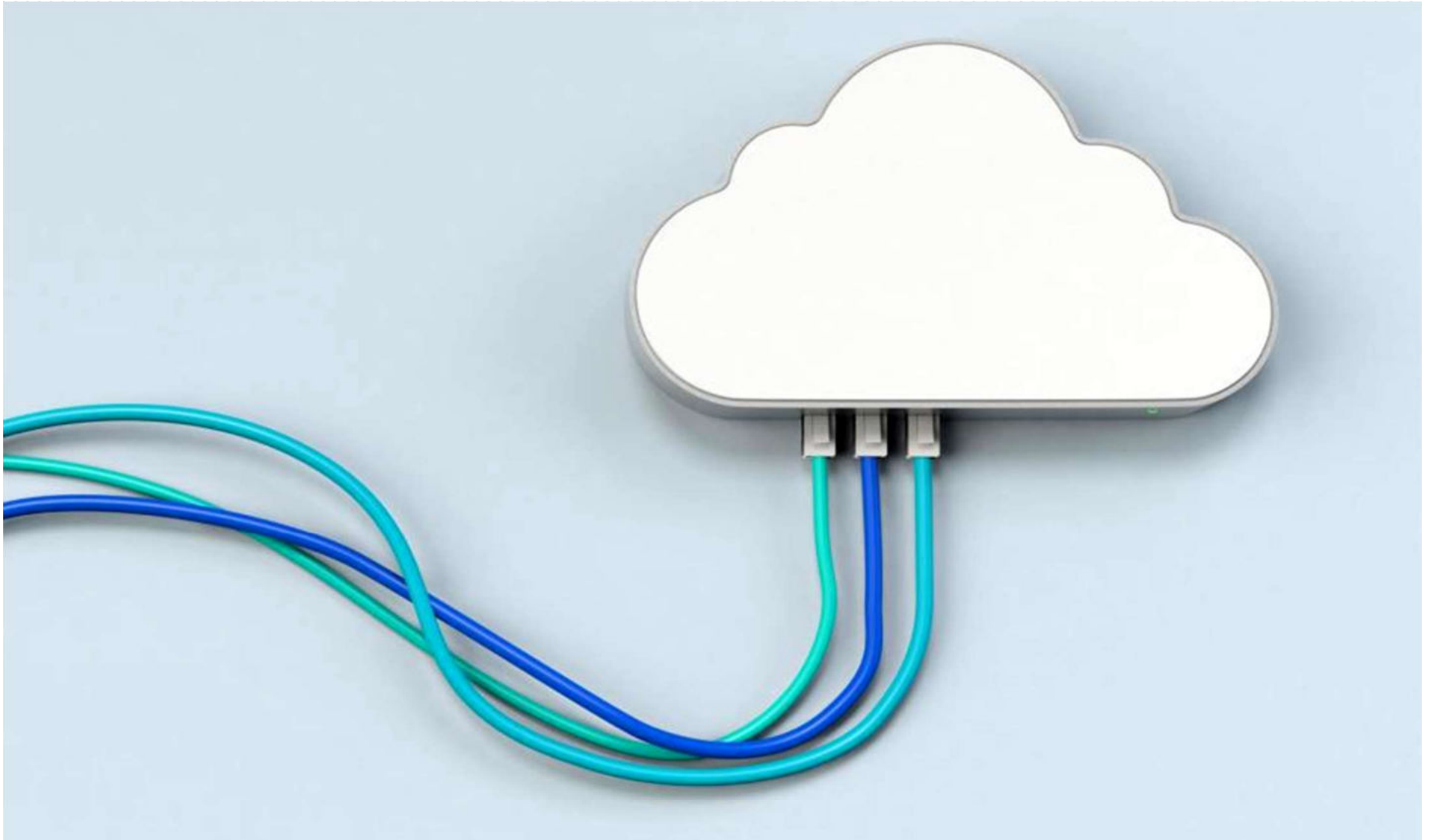
Focus on growing cloud workloads

- *Digital Transformation*
- *AI/ML*
- *Data storage and processing*

4

Partnerships with Intel and NVIDIA

- *Member of Intel cloud builders program with early access to Intel's roadmap*
- *Partnering with NVIDIA for gaining visibility into the AI/ML and predictive analytics ecosystems*



E2E NETWORKS LIMITED

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