



E2E NETWORKS LIMITED

Investor update- Presentation
May 2020



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, 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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- Pricing comparison amongst Peers
- New Products/ Features added recently
- Recent events Impact on E2E
- Financials snapshot and Business strategy

E2E overview

E2E Overview

Description*	Rs in crs
Equity share Capital	14.3
Net Worth ¹	24.4

¹ Includes Equity share capital and Reserve & Surplus

Shareholding Pattern*:

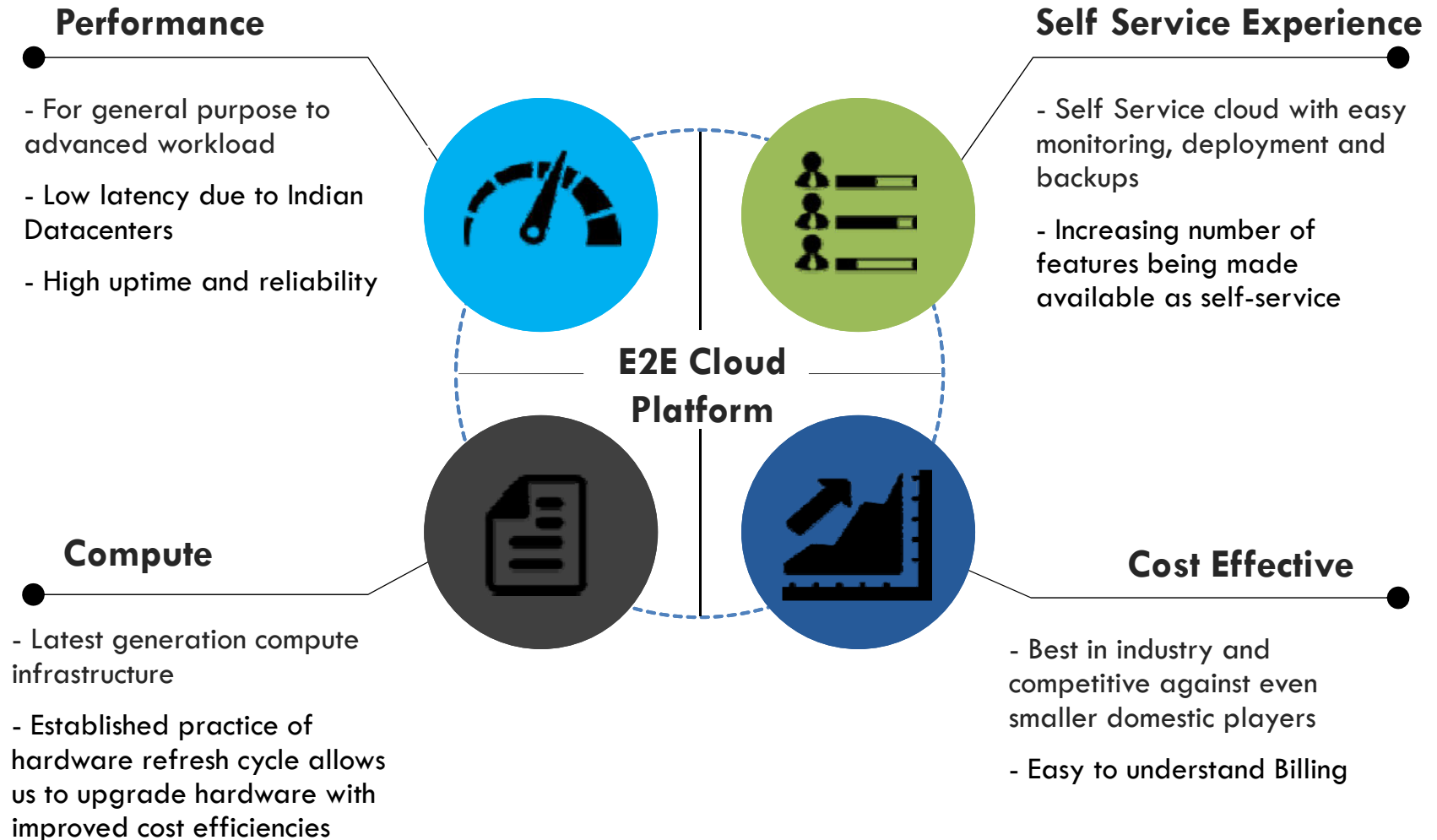
Promoters	58.4%
Public :	41.6%
a) Institutional Investors	14.4%
b) Non -Institutional Investors	27.3%

*As of 31st March 20

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



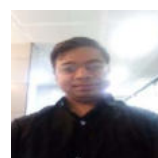
Kesava Reddy, VP Sales,
Sales & Marketing



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

	E2E	GCP	Digital Ocean	Azure	AWS
Plan Type	M.60 GB	n2-highmem-8	Memory Optimized	A8m v2	z1d.3xlarge
RAM	60	64	64	64	96
vCPU	12	8	8	8	12
Storage	450 GB	Extra Storage Costs	600 GB	80 GB Temp Storage	450 GB
₹ Price per Month	₹4,745	₹28,937	₹33,285	₹33,727	₹61,626
₹ Price per Hour	₹6.5	₹39.64	₹49.55	₹46.20	₹84.42
Source	https://www.e2enetworks.com/products/memory-intensive-computing-ssd-series-m	https://cloud.google.com/compute/vm-instance-pricing	https://www.digitalocean.com/pricing/#Compute	https://cloud.google.com/compute/vm-instance-pricing	https://aws.amazon.com/marketplace/

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 May20

New Features /Products added recently

FEATURES RECENTLY ADDED / TO BE ADDED

➤ Object Store (EOS)

- Store, backup and archive content for your web apps or data from AI/ML pipelines.
- 100% SSD ensuring great performance

➤ CDN

- Global content delivery network that distributes your content & web pages to end-users with minimal latency, creating enhanced experiences for your customers.
- Effortlessly create content distributions via the intuitive MyAccount portal of E2E Cloud.

➤ WordPress (Expected date of launch FY2020-21)

- Simple One Click Setup, deployment and Management
- Global CDN, Free SSL Certificate and Malware protection inbuilt

➤ Auto Scaling

- Handle variable user-traffic seamlessly
- Pay per Minute : Pay only for the minutes you have used the cloud instances.

➤ Reserved IP

- Manage your IP addresses from the intuitive MyAccount portal of E2E Cloud.

FEATURES ADDED / TO BE ADDED

CONTD..

➤ API

- E2E API lets you programmatically manage nodes and resources on E2E Cloud

➤ 1-Click Deployment

- Quick deployment using pre-baked Images for popular applications

➤ Red Hat CCSP Partnership

- This partnership would enable E2E to service workloads based on certification requirements for Red Hat Enterprise Linux and other Red Hat products

➤ Kubernetes

- Kubernetes container orchestration is available on E2E Networks. Able to create master and worker nodes in 1-click . Worker nodes can be launched in desired series (C2 Series, M Series, SD Series)

INTRODUCED INNOVATIVE PRODUCTS LIKE SMART DEDICATED SERVERS

Public Cloud + Dedicated Servers

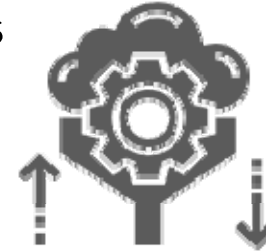
Reduced deployment time

Delivers outsized value

Simple Administration

Backup options

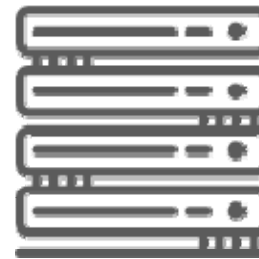
Pay as you go billing



Dedicated Hardware



Isolated Environment



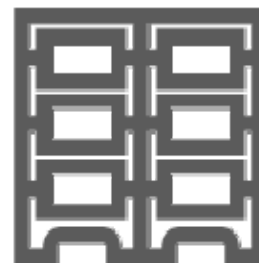
Convenient Provisioning
and De-provisioning



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 demanding AI/ML workloads
 - ✓ T4 GPUs with 16 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 40% 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

GPU V100 COST COMPARISON OF E2E COST VS PEERS

	E2E	GCP	Azure	AWS
Plan Type	GPU.V100	NVIDIA® Tesla® V100	NC6s v3	p3.2xlarge
RAM	55 GB	30 GB	112 GB	61 GB
vCPU	12	8	12	8
GPU memory	32 GB	16 GB	32 GB	16 GB
₹ Price per Month	₹50,000	₹1,36,955	₹2,04,291	₹1,68,980
₹ Price per Hour	₹100	₹187.61	₹279.85	₹231.48
Source	https://www.e2enetworks.com/gpu	https://cloud.google.com/compute/gpus-pricing	https://azure.microsoft.com/en-us/pricing/details/virtual-machines/linux/	https://aws.amazon.com/ec2/instance-types/p3/

Note:

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GPU T4 COST COMPARISON OF E2E COST VS PEERS

	E2E	GCP	Azure	AWS
Plan Type	GPU.T4	NVIDIA® Tesla® T4	NC6	g4dn.2xlarge
RAM	55 GB	30 GB	112 GB	32 GB
vCPU	12	8	12	8
GPU memory	16 GB	16 GB	16 GB	16 GB
₹ Price per Month	₹17,500	₹30,375	₹1,07,280	₹41,529
₹ Price per Hour	₹30	₹41.61	₹149	₹56.89
Source	https://www.e2enetworks.com/gpu	https://cloud.google.com/compute/gpus-pricing	https://azure.microsoft.com/en-us/pricing/details/virtual-machines/linux/	https://aws.amazon.com/ec2/instance-types/g4/

Note:

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Recent events Impact on E2E

RECENT EVENTS IMPACT ON E2E

➤ CORONAVIRUS Lockdown IMPACT

- Hardware Supply chain was impacted due to general shut down in logistics due to lockdowns. There were ongoing delays in Procurement, Delivery of Servers & Equipment's and there has been generally more price volatility. Recent easing of the situation has allowed us to service most of the customer needs by offering suitable alternatives or increased allowance in delivery timelines.
- Most Teams including sales are working from home currently and using online meetings to interact with each other and customers.
- New products/features launches are still impacted as priority is to service existing needs fully.
- Existing Customers and Prospective Customers have a cost savings focus, this results in revenue contraction of existing customers, some logo churn and increased traction in new customer acquisition

➤ General Economic Volatility – We are keeping a close watch on the current situation.

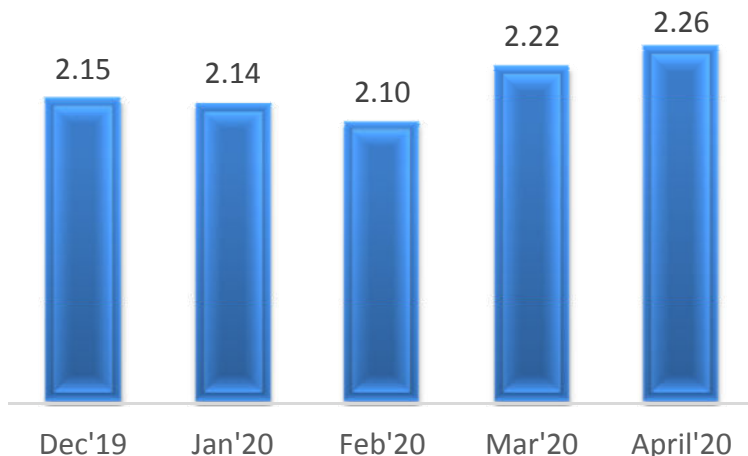
Impact of above has not been quantified in monetary terms yet.

Financials snapshot & business strategy

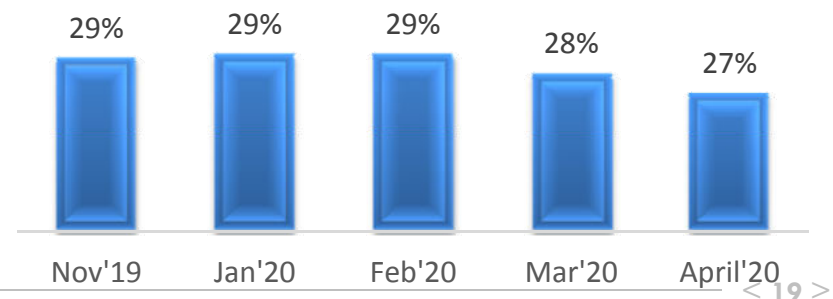
RECENT CHALLENGES AND OUR APPROACH TO GROWTH

- ❖ **Loss of Revenue** from key customer impacted our revenue in FY19-20. The customer had moved out effective May'19. The customer was contributing ~ 22% of the monthly revenue in March'19
- ❖ **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 compute workloads

~ Monthly Revenue (in Rs cr)



~ Revenue from Top 10 customers as % of Total



PROFIT & LOSS

INR Crore	FY16	FY17	FY18	FY19	FY20
Revenues*	22.3	29.5	36.3	34.2	27.3
Purchase of services	5.6	8.0	10.0	10.8	10.9
Employee benefits expense	2.2	3.5	6.3	8.4	10.5
Other Opex	0.7	1.2	1.9	3.7	4.9
Total expenses	8.4	12.7	18.2	22.8	26.3
EBITDA*	13.9	16.8	18.1	11.4	1.0
EBITDA %	62.4%	56.9%	49.9%	33.3%	3.7%
Depreciation	9.0	9.9	9.7	8.8	10.1
EBIT*	4.9	7.0	8.4	2.6	(9.1)
Interest expense	0.8	0.7	0.3	0.1	0.2
PBT	4.1	6.3	8.1	2.4	(9.3)
Tax	1.1	2.1	2.3	0.7	0.0
PAT	3.0	4.2	5.8	1.7	(9.4)

*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 hiring done during FY18-19, full year impact of those employees has come in this year.

BALANCE SHEET

INR Crore	FY16	FY17	FY18	FY19	FY20
Share Capital	0.4	0.4	11.5	14.3	14.3
Networth	6.8	11.0	17.0	33.5	24.4
Borrowings	2.6	1.5			
Payables	0.4	0.8	2.3	1.8	1.7
Other Liabilities	3.7	2.4	1.4	2.4	2.2
Total Equity & Liabilities	13.5	15.7	20.7	37.7	28.3
Gross Fixed Assets	24.7	34.7	42.7	50.3	56.4
Net Fixed Assets	10.6	11.2	9.7	11.3	9.6
Trade receivables	1.1	1.6	2.8	0.9	0.7
Cash and Cash Equivalents	0.8	2.5	6.7	21.4	12.4
Other Assets	1.0	0.4	1.6	4.2	5.6
Total Assets	13.5	15.7	20.7	37.7	28.3

BUSINESS STRATEGY AND FOCUS



Making our product more robust with greater flexibility

- 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
- Would be adding either Intel's 2nd Generation Scalable processors from the Cascade Lake Refresh or AMD EPYC™ Server Processors to our Cloud Computing Platform

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 cloud cost savings for hyperscale cloud customers when they migrate their workloads to E2E Networks

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

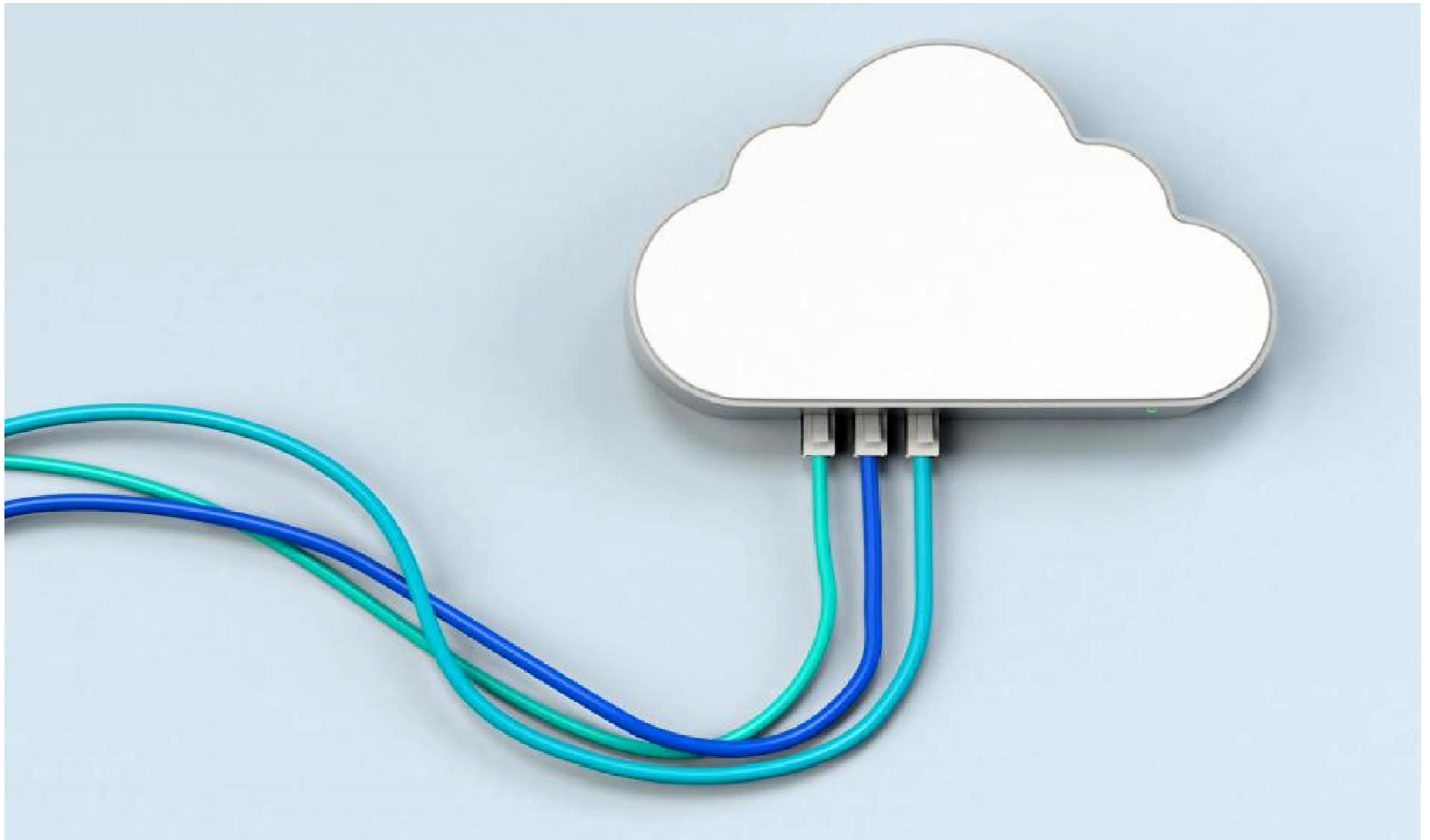
Focus on growing cloud workloads

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

4

Partnerships with Intel ,NVIDIA ,Red Hat and Others

- 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
- Working on Red Hat CCSP Partnership
- Other on-going licensing relationship are with SoftwareOne (LAR for Microsoft), BitNinja ,Cloud Linux Inc ,Continuum Managed services Holco LLC (R1Soft)



E2E NETWORKS LIMITED

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