

AI-Enabled L&D Enterprise

Q2 FY27 Financial Results
October 2026

Environment

IMF Oct 2026 WEO: global growth of 3.1% in 2026 (up from 3.0% in July), rebounding to 3.4% in 2027. Inflation rises to 4.7% on war-driven energy costs. Growth is uneven across NLSL's core markets: US steady at 2.3%; Euro area 1.1%, Germany 1.3%.

Gartner (Sep 2026): AI spend of $2.7T in 2026 (+49.5% YoY), rising to $3.6T in 2027. AI software +60%; AI agents and assistants +77%. Vendors are embedding agentic AI into existing software. ROI proof remains the gating factor for enterprise scale.

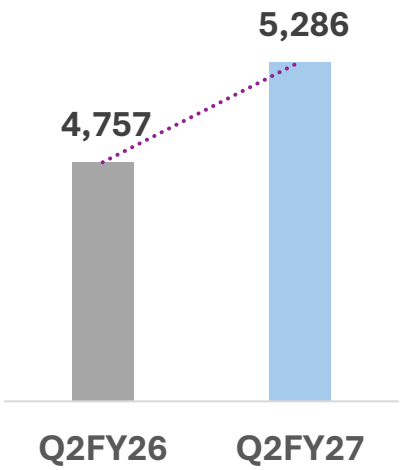
Volatility drives restructuring: AI cited in 120K+ US job cuts YTD, 21% of the total and the top reason (Challenger). DACH: German auto jobs down 5.8% YoY to 691K, lowest since 2005. Headcount pressure favours managed services; 73% of L&D leaders are rethinking their operating model (ATD).

AI transforms work: 83% of L&D leaders prioritise AI skills, but only 26% are confident L&D can deliver (2U). Value now means capability and KPI impact, not completions. NLSL's AI signal engine, simulations and coaching deliver this at scale. Fosway 9-Grid 'Strategic Leader' (2026).

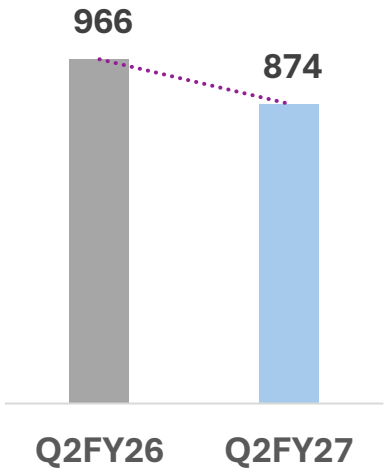
AI and Economic Volatility Reshape Work. AI-Enabled Capability Defines the L&D Agenda

Q2 FY27: In Perspective

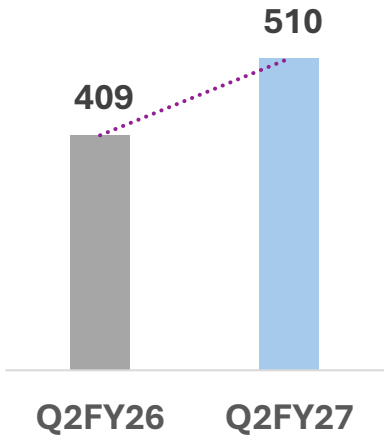
Revenue: +11%



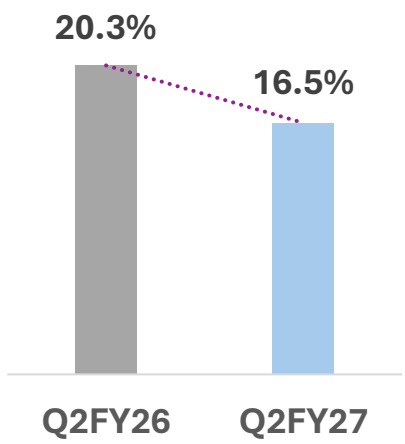
EBITDA: (10%)



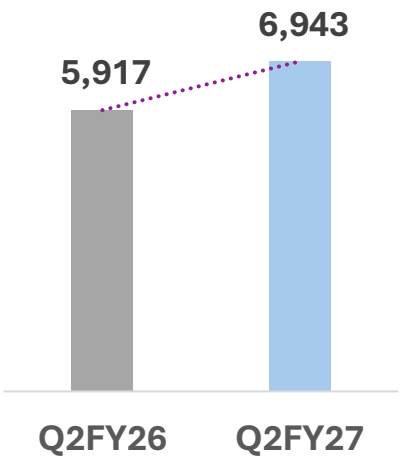
Rev. Visibility: +25%



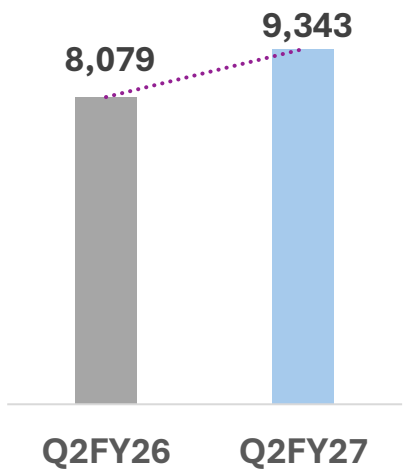
EBITDA: (378) bps



Net Cash



Cash & Equivalents



- AI-enabled offerings contributed 17% to total revenue in Q2 vs 13% LQ; up 22% QoQ
- Added 4 new Annuity clients in Q2 including a large Annuity contract with a global enterprise software company. In addition, renewed 3 contracts and expanded scope with 2 clients
- Engaged in consulting assignments for L&D Transformation with multiple global corporations, helping them build AI-enabled learning enterprises. Each is a potential entry point to a larger Transform & Operate relationship
- 116 Annuity clients; Revenue Visibility at USD 510 million vs USD 462 million LQ and USD 409 million LY
- Margins include impact of operating leverage and planned capability investments
- Cash & Equivalents at INR 9,343 million, Net Cash at INR 6,943 million, up INR 1,026 million YoY
- Acquired Bluewater Learning in USA to strengthen capability in HCM Learning Technology market

Transform & Operate

From 'Operate' to 'Transform & Operate'

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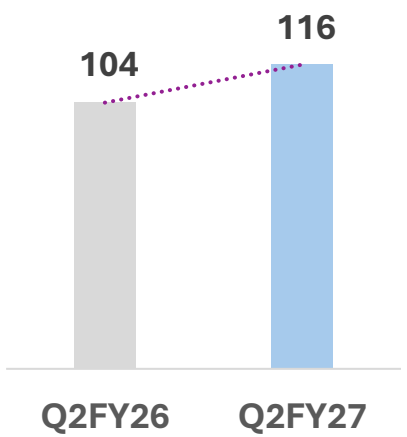
Q2 FY27: Customer Metrics

4 **New Annuity Clients**

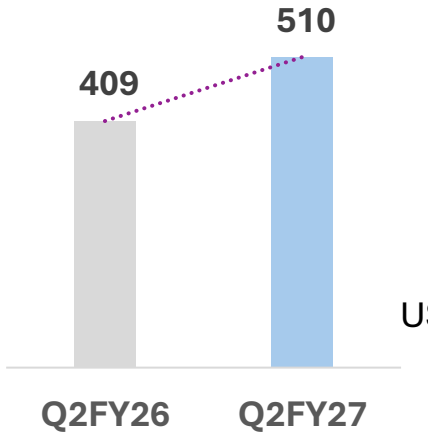
3 **Contract Renewals**

2 **Scope Expansion**

Annuity Clients



Revenue Visibility



USD million

Customer Concentration

Top 5	35% →	33%
Top 10	52% →	48%
Top 20	74% →	65%

Clients By Revenue Contribution*

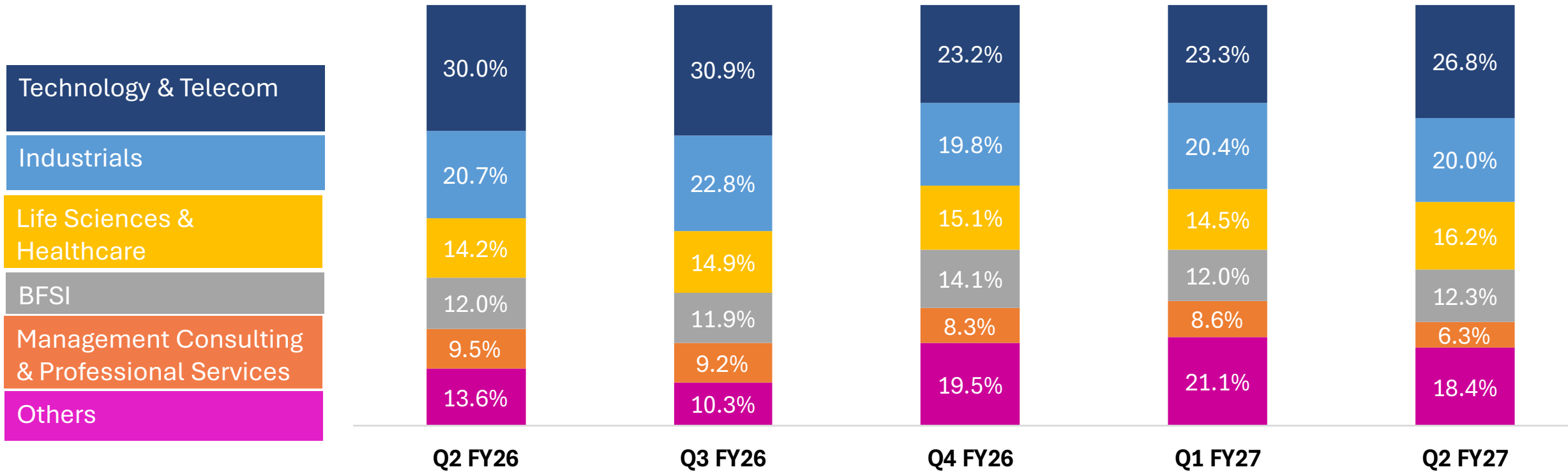
4 **> USD 10 million**

10 **> USD 5 million**

*Cumulative, based on LTM Revenue

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Revenue Mix: By Sector



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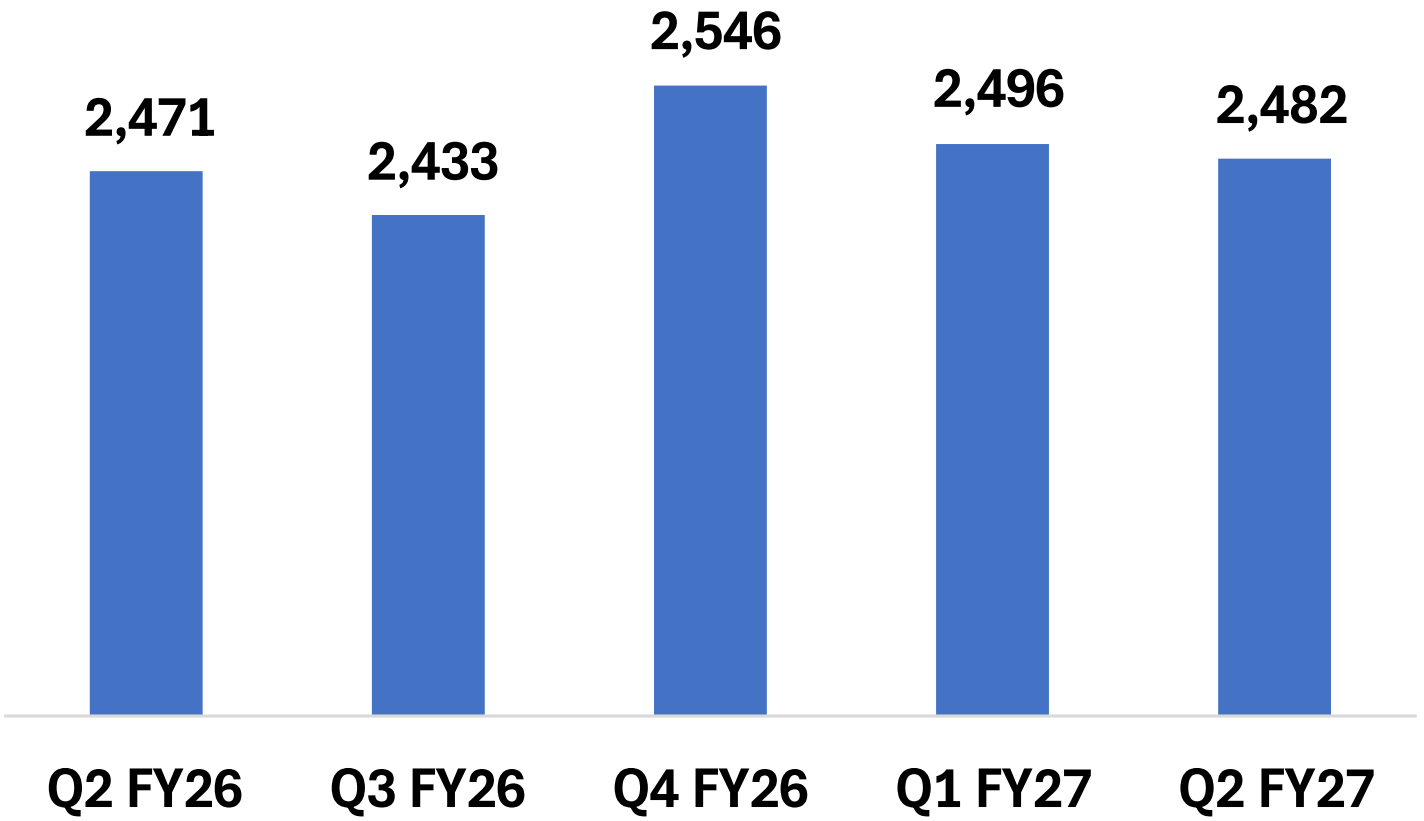
Key Financials

INR Mn	Q2 FY27	Q1 FY27	QoQ	Q2 FY26	YoY
Net Revenue	**5,286**	**5,651**	**(6%)**	**4,757**	**11%**
Operating expenses	4,412	4,619	(4%)	3,791	16%
EBITDA	**874**	**1,032**	**(15%)**	**966**	**(10%)**
EBITDA%	**17%**	**18%**	**(173) bps**	**20%**	**(378) bps**
Depreciation & Amortisation	224	215	4%	184	22%
Net Other Income/ (Expense)	(139)	(37)	(103) mn	(89)	(50) mn
Operational PBT	**510**	**781**	**(35%)**	**693**	**(26%)**
Tax	137	207	(34%)	223	(39%)
PAT	**373**	**574**	(35%)	**470**	(21%)
EPS (INR)	**2.7**	**4.2**	**(35%)**	**3.4**	**(22%)**

Net Other Income / (Expense) includes

- Other Income of INR 58 Mn includes Treasury Income of INR 54 Mn (lower due to MTM loss on rising interest yields) & Other Misc. Income of INR 4 Mn
- Net Finance cost of INR 86 Mn includes INR 42 Mn due to fair value adjustment in Future Acquisition Liability for acquisitions, INR 32 Mn due to Interest on acquisition loans, INR 8 Mn due to Interest charge on lease liabilities, Other borrowing costs INR 4 Mn
- Forex Impact of INR 52 Mn
- Bank charges of INR 15 Mn and demerger-related transition expenses of INR 3 Mn
- Exceptional expenses of INR 34 Mn for legal and professional services related to inorganic investments
- Other misc expenses of INR 9 Mn

People



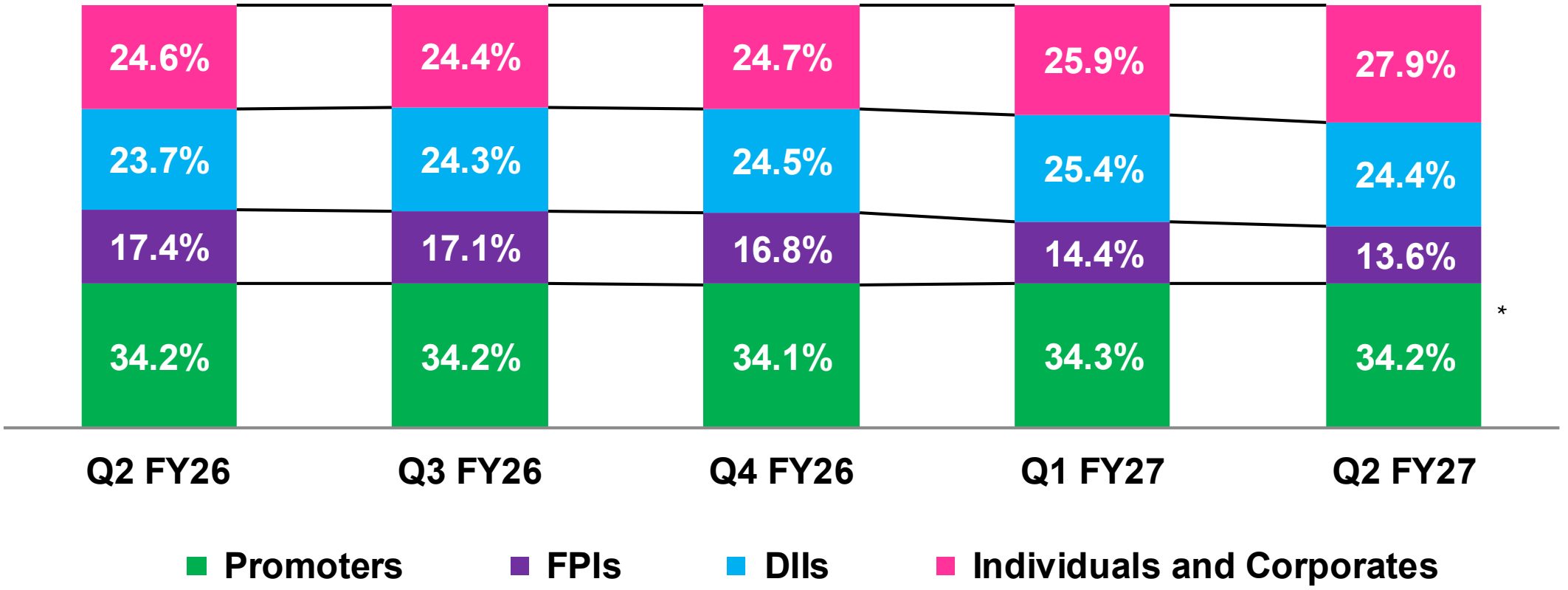
Headcount down 14 QoQ and up 11 YoY

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** Includes Inorganic, excludes project retainers*

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Shareholding Pattern



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*Includes impact of exercise of ESOPs on holding percentages

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Company Overview



What We Do

Trusted by the World's Best Companies to Provide Managed Training Services

Our experienced teams act as extensions of our clients' L&D organisations, helping create and curate company-specific learning content, plan and administer those training sessions.

Our consulting arm partners with L&D leaders to solve their most complex challenges in learning, talent, skills, and workforce transformation.

We are helping clients thrive in an AI-first world with our AI-powered learning solutions, reskilling employees at scale through intelligent coaching and dynamic simulations embedded directly into the workflow.



AI Coach | Simulation Manager | Signal Engine | Other point solutions

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NLSL At A Glance

45
Years of pure play learning experience

40+
Global presence in 40+ countries

3
Top 3 Global Learning Outsourcing Companies

2.5K
World-class learning professionals

116+
Global Customers

700+
Industry Awards for Innovation & Impact

40M
Learners touched globally

21K
Hours of custom content developed annually

150K+
Annual Training Days

18M+
Annual learner transactions

2.5K+
Strong global trainer network

5.5K+
Network of L&D suppliers worldwide

We Have Spread Our Wings



40+ COUNTRIES | 40+ MILLION LEARNERS | 116+ ANNUITY CLIENTS

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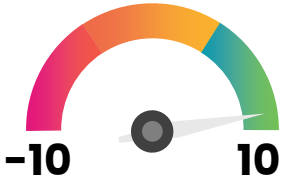
…to transform learning across a wide range of industries.



Most of our customers are in the Global Top 10 in their respective industries.

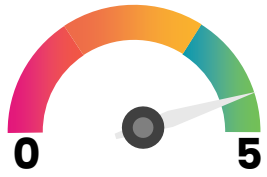
Don’t take our word for it. Here’s what our customers say…

NET PROMOTER SCORE



9.65

CUSTOMER SATISFACTION



4.73

VALUE-ADD SCORE



4.47

NIIT VOICE OF CUSTOMER SURVEY

- Dependable and Reliable
- Responsive and Customer Focused
- Deep Customer Service Ethos
- Desire to Exceed Expectations
- Receptive to Feedback
- Partnership Mindset

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… And Recognised by Industry Experts

726 BRANDON HALL HCM AND TECH AWARDS

32 CLO LEARNING IN PRACTICE AWARDS

10 LEARNING TECHNOLOGIES AWARDS

2 ATD EXCELLENCE IN PRACTICE AWARDS

ACCREDITED GOLD STANDARD BY LPI FOR 11 CONSECUTIVE YEARS

STRATEGIC LEADER IN FOSWAY 9-Grid™ FOR DIGITAL LEARNING 2026 AND AI MARKET ASSESSMENT

TOP 20 COMPANIES IN LEARNING SERVICES 2008-2026

TOP 20 COMPANIES IN CONTENT DEVELOPMENT 2011-2026

TOP 20 COMPANIES IN IT & TECH TRAINING 2008-2010, 2013-2025

TOP 20 COMPANIES IN EXPERIENTIAL LEARNING, 2021- 2026

TOP 20 COMPANIES IN AI COACHING AND LEARNER SUPPORT TOOLS, 2026

TOP 20 COMPANIES IN AI CONTENT CREATION AND AUTHORING TOOLS, 2026

TOP 20 COMPANIES IN LEADERSHIP TRAINING, 2026

TOP 20 COMPANIES IN STAFFING AND TEMPORARY RESOURCES, 2026

LEADER IN NELSONHALL NEAT LEARNING SERVICES, 2025

DATABRICKS APJ TRAINING PARTNER OF THE YEAR, 2025

HIGHLY COMMENDED IN TRAINING INITIATIVE OF THE YEAR BY BRITISH TRAINING AWARDS, 2025

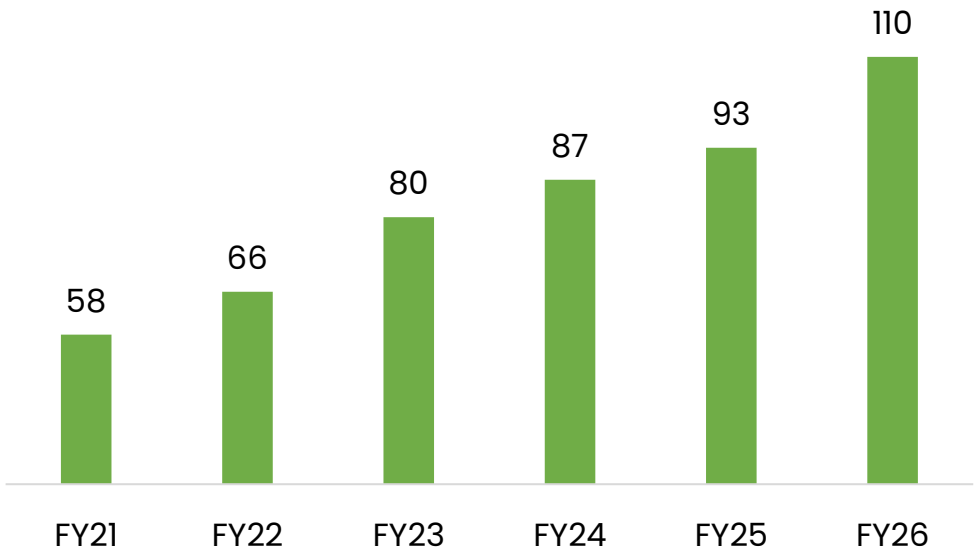
NAMED AMONG THE TOP 10 MARKETING TEAMS AT THE ONCON ICON AWARDS 2025

NAMED AMONG THE TOP 10 OPERATIONS TEAMS AT THE ONCON ICON AWARDS 2025

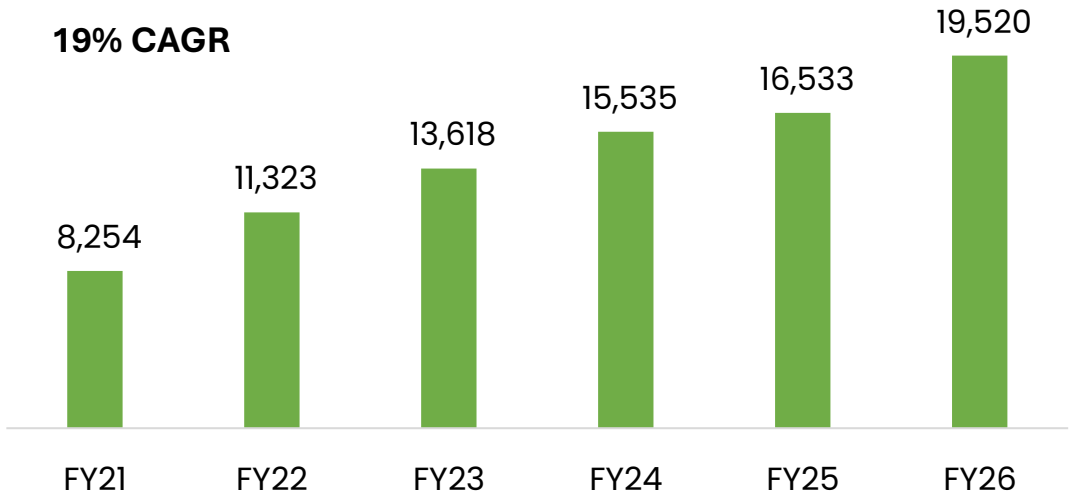
VISIER EMEA PARTNER OF THE YEAR, 2026

Consistent Growth Track Record

of Annuity Clients



Revenue in Rs. Million



REVENUE VISIBILITY*
USD 510 million from Existing Clients, 116 Annuity Clients

STRONG CUSTOMER ADDS
21 new Annuity Clients added in FY26; 6 new in H1FY27

CAPITAL EFFICIENCY
High ROCE, ROE and Free Cash Flow Generation

UNIQUELY POSITIONED
to benefit from increased outsourcing. Growth to accelerate on recovery in spending

*as of Sep 30, 2026

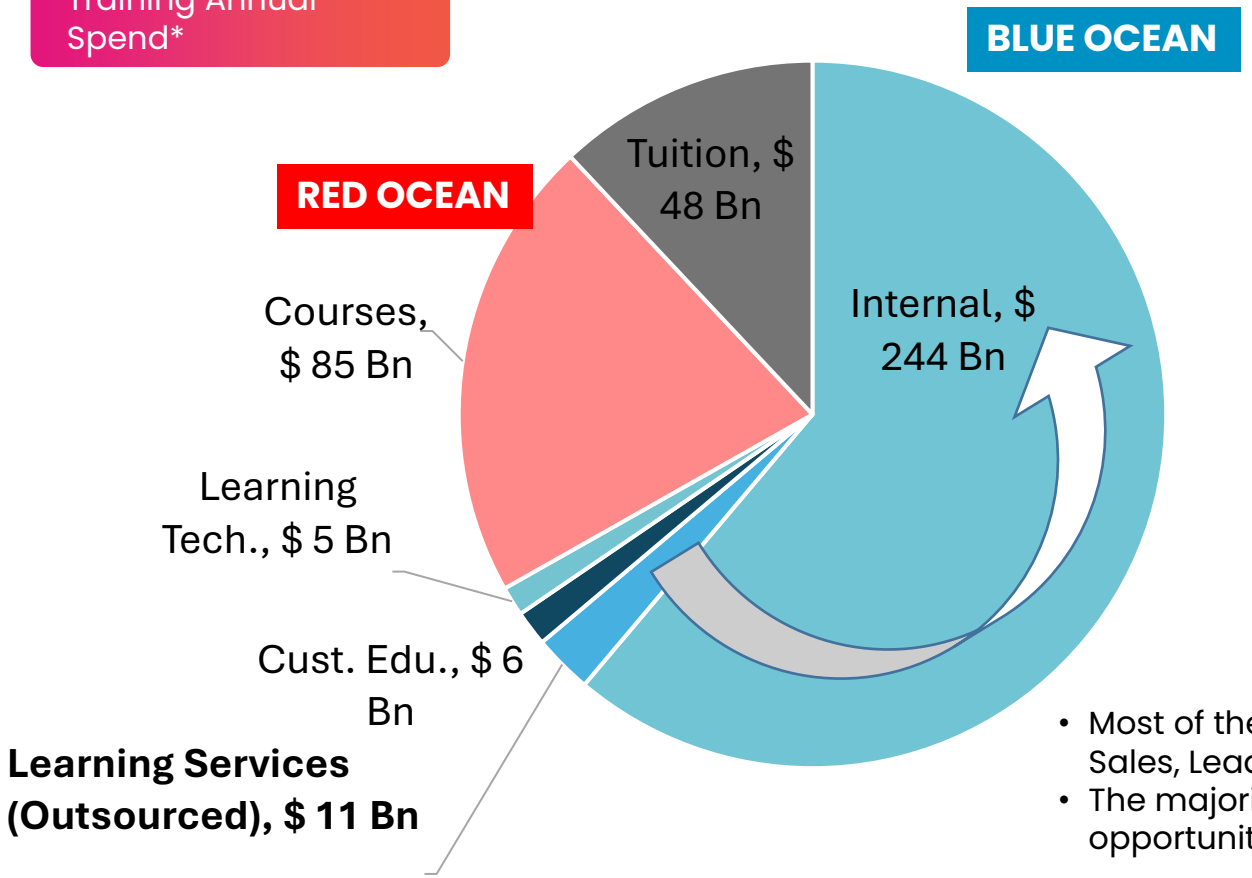
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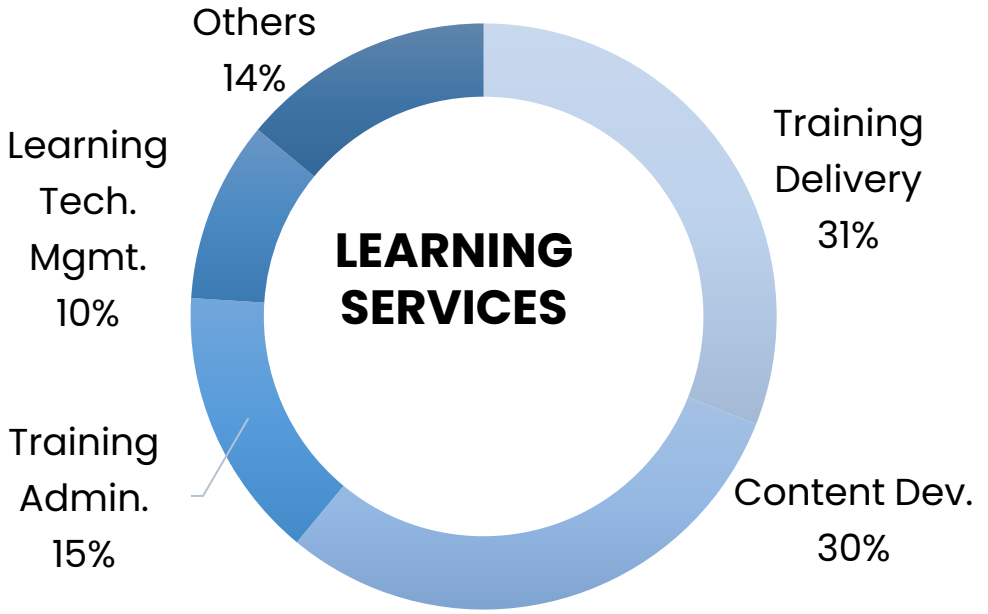
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Large Market Opportunity

USD 400 Bn

Global Corporate Training Annual Spend*





- Most of the external spending is currently on Standardised Courses (Technology, Sales, Leadership, Health & Safety etc.), Learning Tech. and Tuition Reimbursements
- The majority of Internal spending can be outsourced and presents a large untapped opportunity

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Source: Trainingindustry.com

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Strong Right To Win

PROPRIETARY LEARNING METHODOLOGIES WITH PROVEN OUTCOMES

END-END SERVICES DELIVERY CAPABILITY

GLOBAL REACH

CUSTOMER CENTRICITY RESULTING IN STRONG RENEWAL TRACK RECORD

POLE POSITION IN AI IN LEARNING

STRONG BALANCE SHEET WITH MANDATE TO INVEST IN GROWTH

...And Investing In Growth

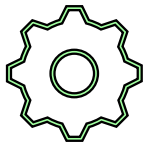
INVESTMENTS IN S&M AND NEW CAPABILITIES

NEW MARKET SEGMENTS AND GEOGRAPHIES

INORGANIC EXPANSION



L&D OPERATING MODEL



INTELLIGENT OPERATIONS



AI-NATIVE LEARNING ARCHITECTURE

The market is at an inflexion point

AI is transforming work as well as how organisations need to prepare for work

Work is Changing

AI is accelerating transformation of work itself.

- Many of today's jobs will disappear, and half the jobs of the future do not exist today
- Companies will have to reskill unprecedented numbers of employees to fill those roles
- With automation of routine tasks, how do junior employees, who performed those tasks, develop the judgment required to become supervisors in the future?

L&D is Changing

AI is transforming L&D from purveyor of courses to builder of capability.

- Enables training tailored to an individual, available on demand
- AI simulations are the best kind of training – i.e. learning by doing
- Every learner can now have their own dedicated coach
- Training outcomes can now be measured; ROI is readily visible
- Focus shifts from courses completed to capabilities acquired

NLSL has built a strong AI portfolio

NLSL's AI Learning Platform

Signal Engine

Uses enterprise systems to identify opportunities for training interventions and track outcomes.

Simulation Manager

Creates and runs hyper-realistic simulations that the learner can practise with as often as needed.

AI Coach

Personalised, expert guidance readily available when needed.

AI-Enabled Point Solutions*

- LEAD Everyday
- FDE training and Praxis: AI Fluency for Organisations
- Synthetic Work for onboarding
- AI Driven Compliance Monitoring & Assurance
- Product Launch Academy
- HCM Learning Tech

*selected

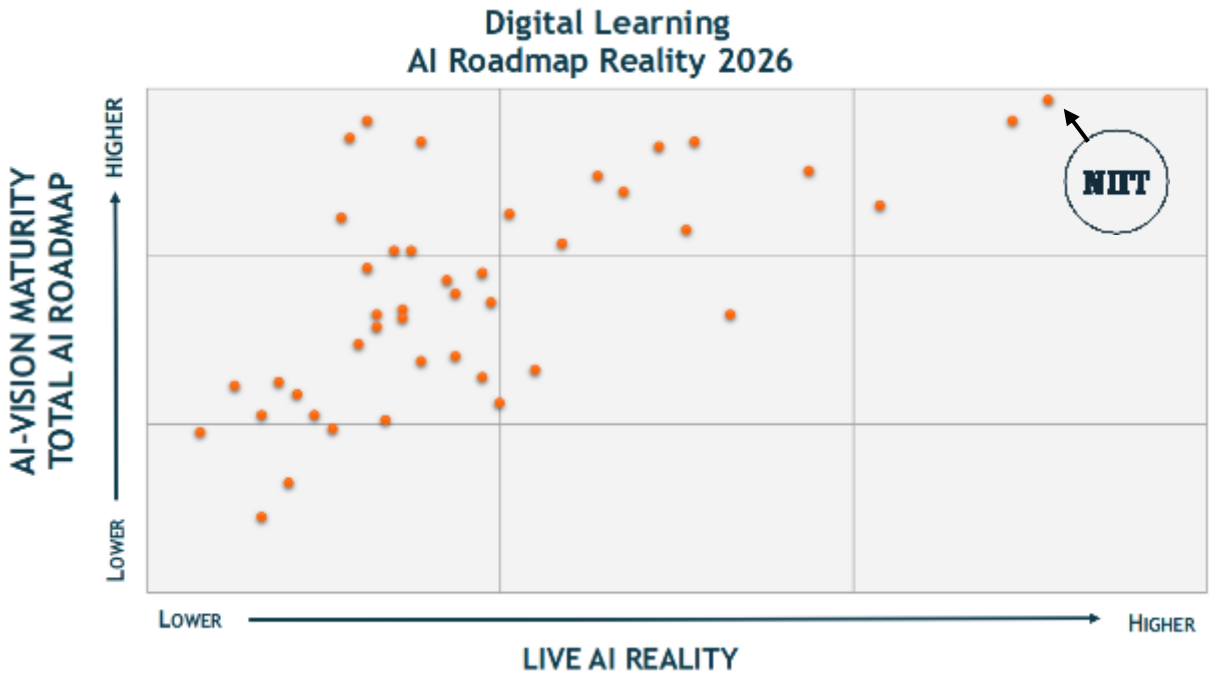
… and is the Market Leader in AI-Enabled Training

17%

Revenue Contribution from AI-Enabled Learning in Q2 FY27

Global 1000 enterprises are transforming their learning function with us

Market Leader, Fosway AI Market Assessment 2026.



"A few vendors have a clear eye on future direction and have maintained a leadership position in roadmap development and live deployment with customers. NIIT is one of those leading the market in our data."

Myles Runham, Senior Analyst, Digital Learning
Fosway Group

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