



**OUTPACE CHANGE WITH
LEARNING**

Financial Results Q3 FY24

January 31, 2024



MANAGED
TRAINING
SERVICES

Environment

World Bank expects global to slowdown to 2.4 percent in 2024—the third consecutive year of deceleration—reflecting the lagged and ongoing effects of tight monetary policies to rein in decades-high inflation, restrictive credit conditions, and anemic global trade and investment

Despite expectations of rate cuts in 2024, balance of risks to global growth remains tilted to the downside, including an escalation of the recent conflict in the Middle East and associated commodity market disruptions, financial stress amid elevated debt and high borrowing costs, persistent inflation.

Outsourcing seeing an increase across segments with increased deal flow. However, cost prioritization and cuts in discretionary spending due to uncertainty continue to impact near term volumes

Use of AI expected to create opportunities to drive greater efficiency and effectiveness in training

Q3 FY24: In Perspective

- Revenue at INR 3,913 Mn; up 8% YoY and up 2% QoQ; CC Revenue growth at 5% YoY and up 3% QoQ
- OM at 24%, flat YoY and up 6 bps QoQ
- PAT at INR 568 Mn; EPS of 4.2; both up 21% QoQ and up 23% YoY
- Free Cash Flow at INR 1,099 Mn for Q3
- Net Cash at INR 5,599 Mn; up INR 790 Mn QoQ after payout of INR 336 million towards dividend during Q3.
- Added 2 new MTS customers during Q3; 4 renewals and 1 expansion signed during the quarter
- Number of MTS customers at 86; Revenue Visibility at \$ 348 Mn (vs \$ 350 Mn last qtr and \$ 321 Mn last year)

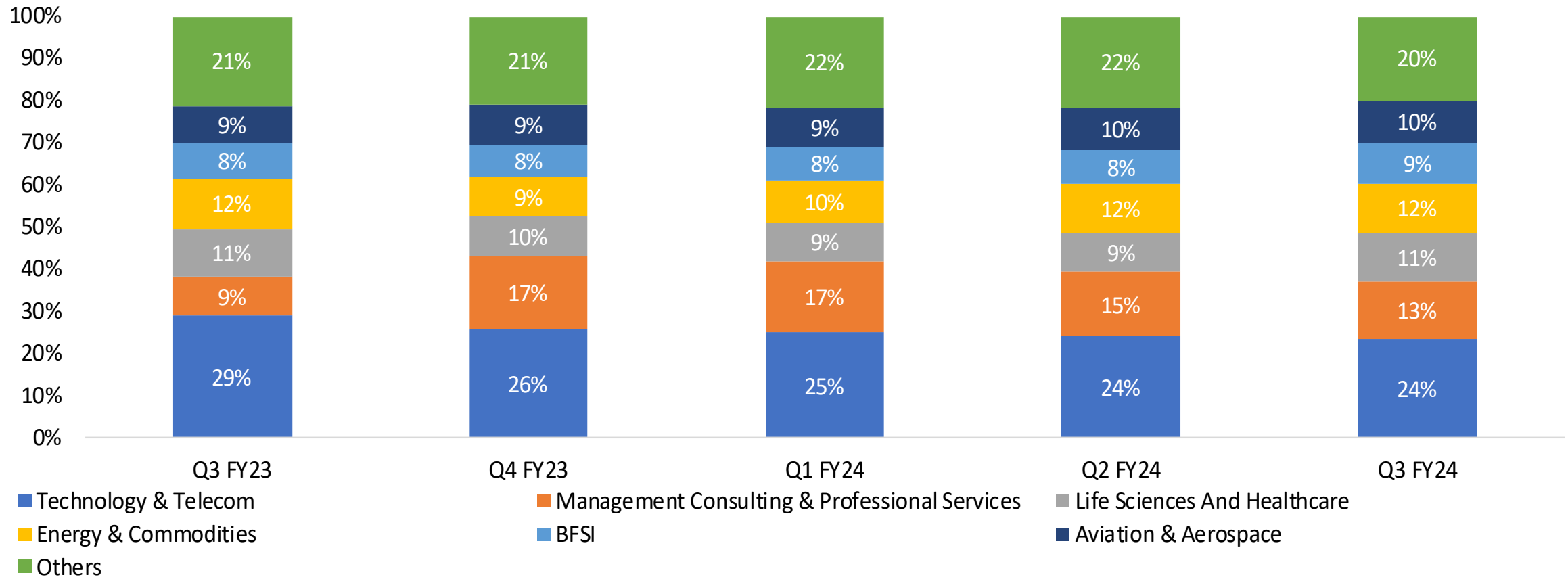
Sequential growth driven by addition of new logos and retention of existing customers, despite consumption remaining constrained

Key Financials

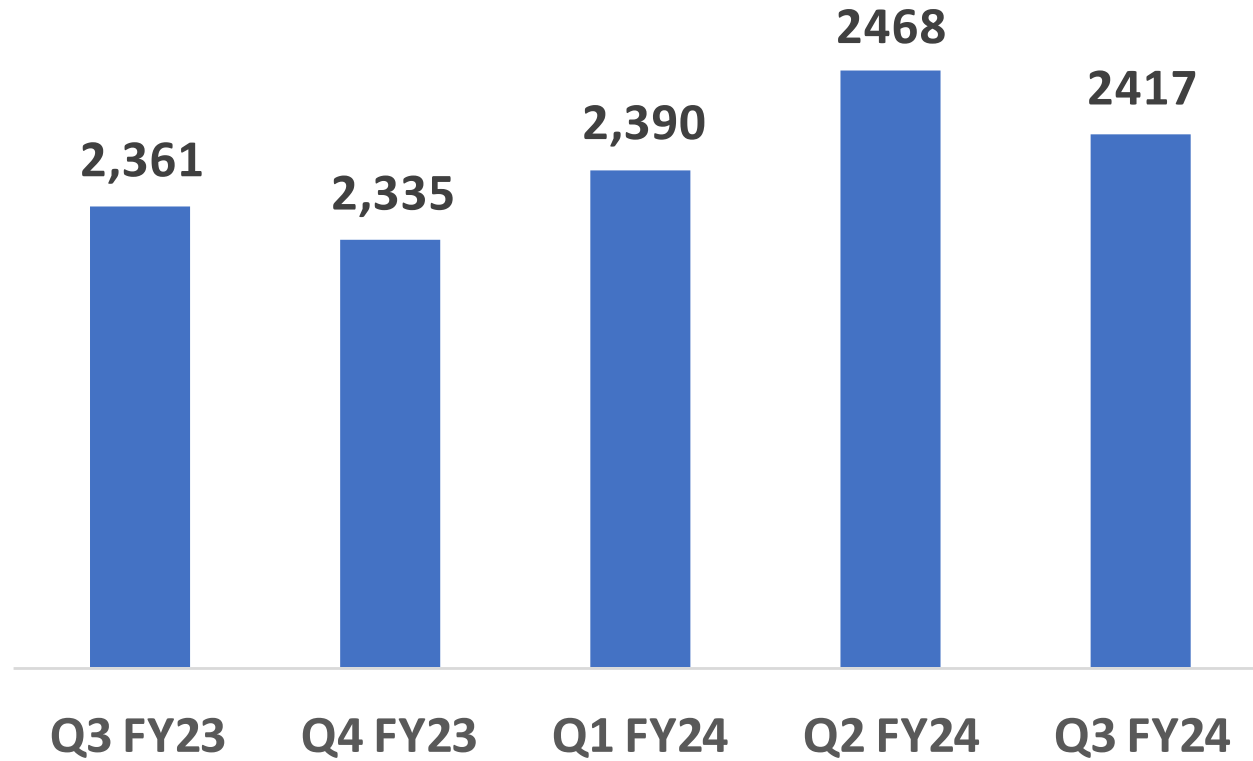
| INR Mn | Q3 FY24 | Q2 FY24 | QoQ | Q3 FY23 | YoY |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| Net Revenue | 3,913 | 3,819 | 2% | 3,633 | 8% |
| Operating expenses | 2,979 | 2,910 | 2% | 2,766 | 8% |
| EBITDA | 934 | 910 | 3% | 867 | 8% |
| EBITDA% | 24% | 24% | 6 bps | 24% | 0 bps |
| Depreciation & Amortisation | 143 | 170 | -16% | 118 | 21% |
| Net Other Income/ (Expense) | (16) | (66) | 76% | (184) | 91% |
| Operational PBT | 776 | 674 | 15% | 566 | 37% |
| Tax | 208 | 205 | 2% | 105 | 98% |
| PAT | 568 | 469 | 21% | 460 | 23% |
| EPS (INR) | 4.2 | 3.5 | 21% | 3.4 | 23% |

- Depreciation & Amortization includes INR 32 Mn on account of amortization of Intangibles related to acquisition.
- Net Other Income/ (Expenses) includes Treasury Income of INR 65 Mn, Acquisition related expenses/charges of Rs 48 million (including interest on loans of Rs. 19 million); Demerger related Non-Operating / Transitory expenditure of Rs 11 million and Other Misc. Expenses of Rs 22 million

Revenue Mix: By Sector



People



Headcount down 51 QoQ and up 56 YoY

No of Nationalities

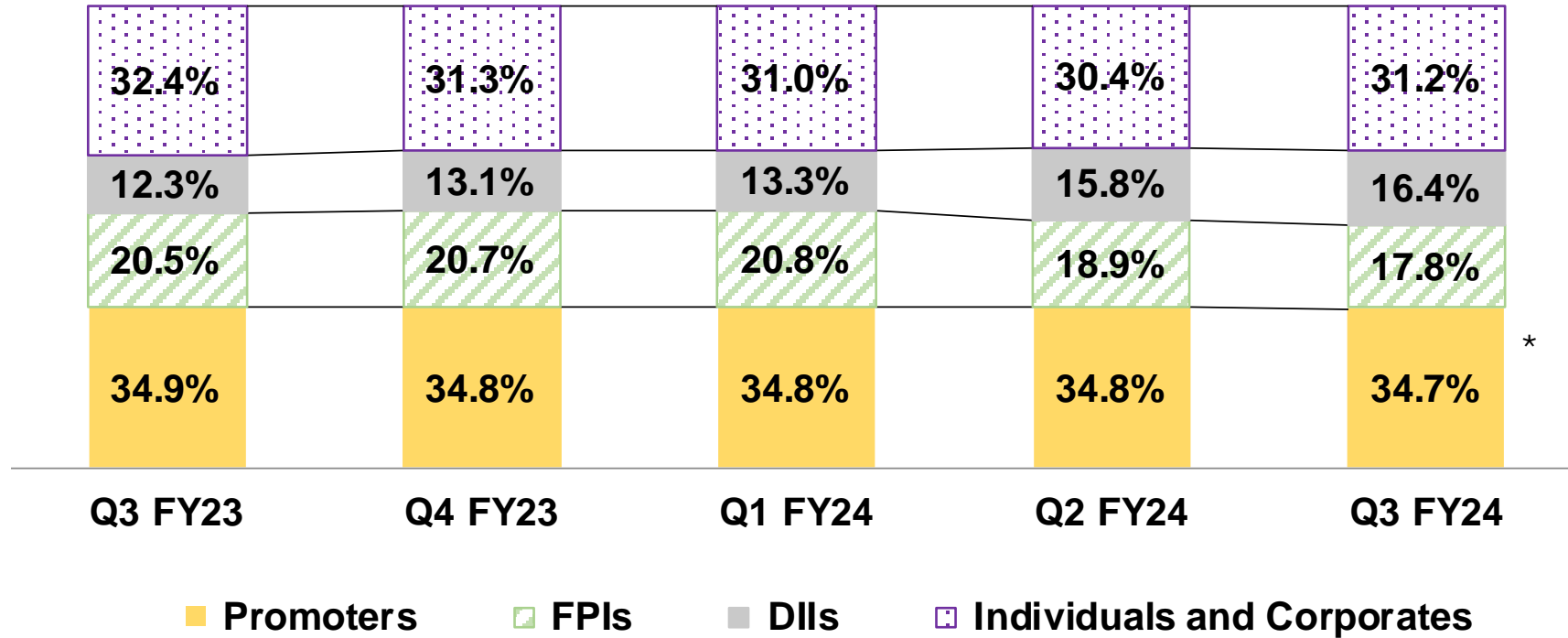
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Women Employees

44%

* excludes project retainers

Share Holding Pattern



*

* Includes impact dilution of shareholding percentage due to of exercise of ESOPs

