



**OUTPACE CHANGE WITH
LEARNING**

Financial Results Q2 FY24

October 30, 2023



MANAGED
TRAINING
SERVICES

Environment

Global growth is projected to fall from 3.5 percent in 2022 to 3.0 percent in 2023 (IMF). Despite signs of resilience in H1 2023, the impact of policy tightening to reduce inflation is expected to cool economic activity going forward. Continuing war in Europe and escalating geopolitical conflicts across various parts of the world adding to increased uncertainty

The resolution of the US debt ceiling standoff earlier this year and strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. However, the balance of risks to global growth remains tilted to the downside (IMF)

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

Real Estate Market in North America which had seen a sharp decline last year, is starting to see some stabilization in demand at lower levels, although uncertainty persists. Demand for RE careers is expected to follow similar trend

Q2 FY24: In Perspective

- Revenue at INR 3,819 Mn; up 27% YoY and flat QoQ; CC Revenue growth at 21% YoY and down 2% QoQ
- Organic revenue up 7% YoY and up 2% QoQ
- EBITDA at INR 910 Mn, up 58% YoY and down 2% QoQ
- OM at 24%, up 464 bps YoY and down 34 bps QoQ
- PAT at INR 469 Mn; EPS of 3.5 (including one-time expenses related to the demerger and notional costs related to consolidation of StC)
- Net Cash at Rs 4,809 Mn (including impact of investment in EIT InnoEnergy and temporary increase in working capital due to transfer of contracts from NIIT Limited to NLSL)
- 4 new MTS customers added during the quarter; 4 renewals and 2 scope expansions
- Number of MTS customers at 85; Revenue Visibility at \$ 350 Mn down vs \$ 360 Mn last qtr and vs \$ 305 Mn last year
- Strategic investment of Euro 3 Mn in EIT InnoEnergy

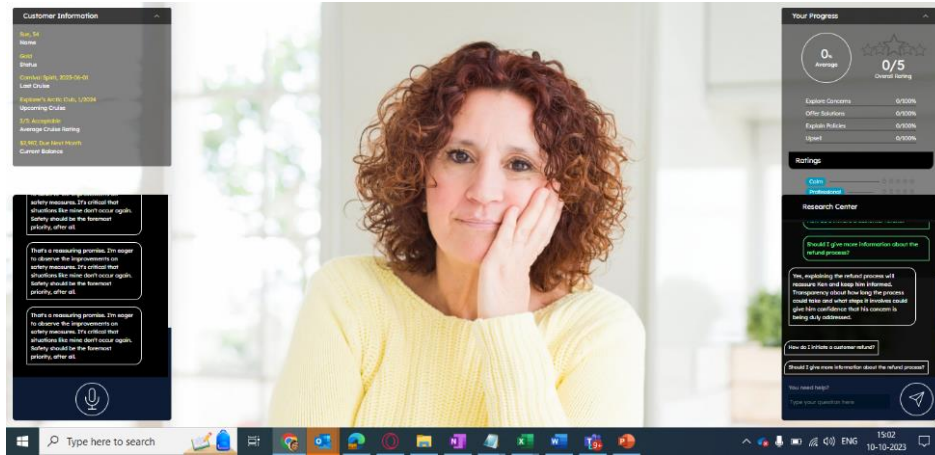
Acceleration in deal flow. However, continuing hesitancy in ramping up consumption

Key Financials

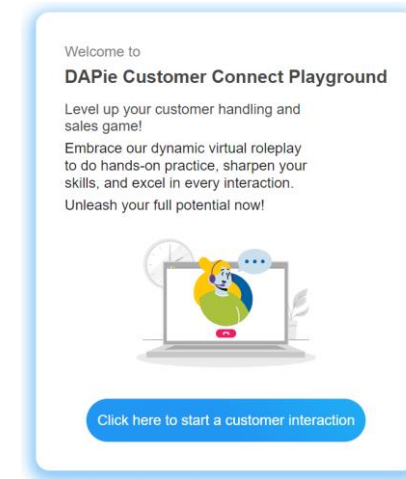
INR Mn	Q2 FY24	Q1 FY24	QoQ	Q2 FY23	YoY
Net Revenue	3,819	3,823	0%	3,003	27%
Operating expenses	2,910	2,900	0%	2,427	20%
EBITDA	910	924	-2%	576	58%
EBITDA%	24%	24%	-34 bps	19%	464 bps
Depreciation & Amortisation	170	153	11%	108	57%
Net Other Income/ (Expense)	(66)	(88)	25%	(41)	-63%
Operational PBT	674	683	-1%	428	58%
Tax	205	131	56%	58	256%
PAT	469	552	-15%	370	27%
EPS (INR)	3.5	4.1	-15%	2.8	26%

- Depreciation & Amortization includes notional amortization cost on consolidation of StC (INR 32 Mn) and amortization charge related to rental premises in addition to normal depreciation expenses. The QoQ increase is primarily due to full quarter of rental expense for office facilities
- Net Other Income/ (Expenses) includes Treasury Income (INR 64 Mn), Forex gain (INR 14 Mn), Scheme related expenses (INR 59 Mn), Acquisition related Interest cost (INR 19 Mn) and notional charge (INR 60 Mn), Other Financial Charges (INR 16 Mn) and Other Misc. Income (INR 10 Mn)

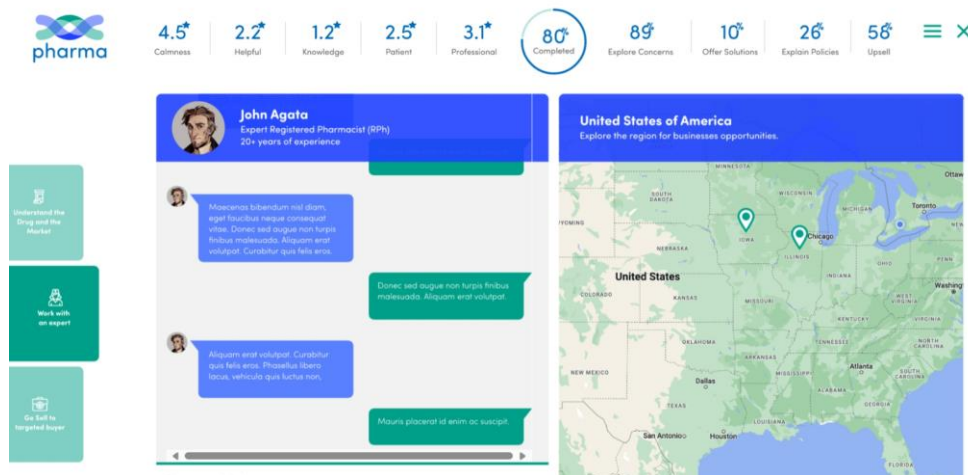
AI Based Learning Simulations/Roleplay For Customers



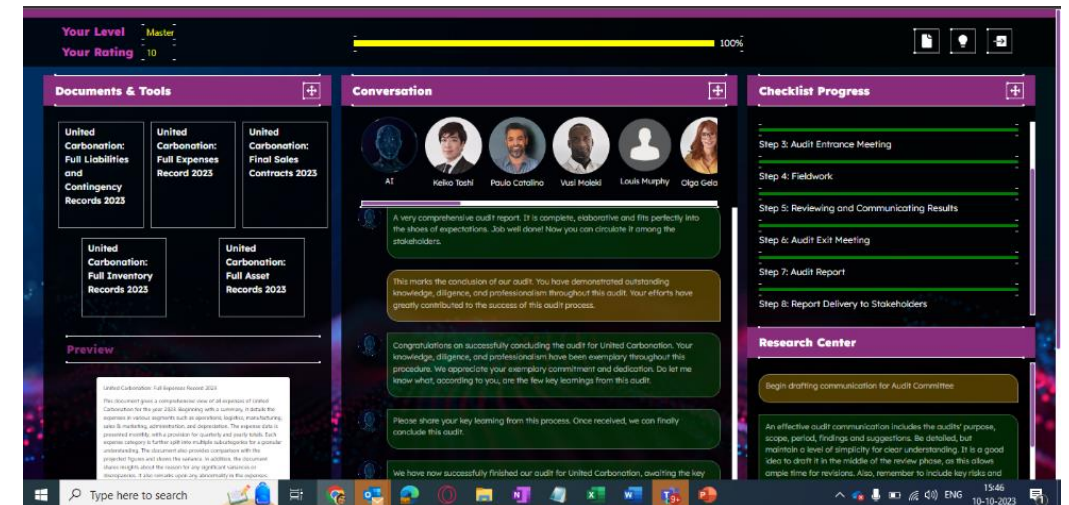
Simulating Tough Customer Calls for Customer support Executives



Simulating Customer Enquiries and negotiations for Sales Executives

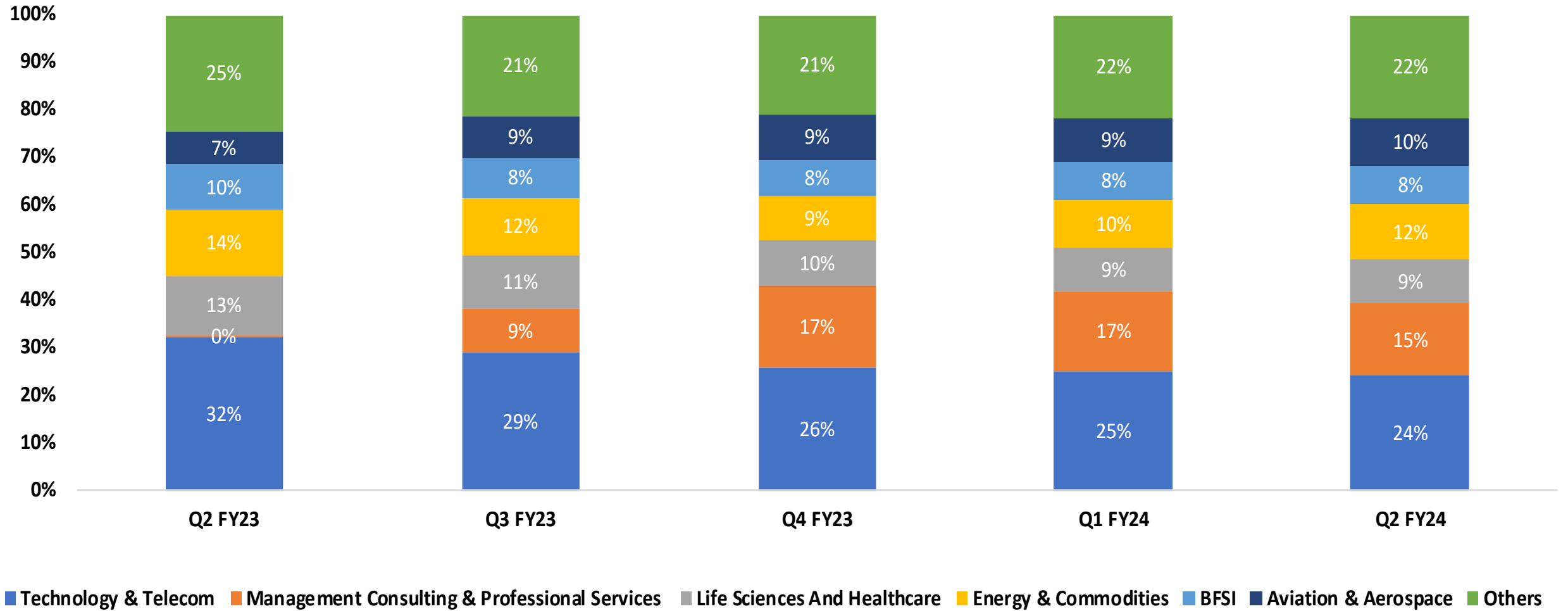


Simulating a launch of a DRUG in pharma industry

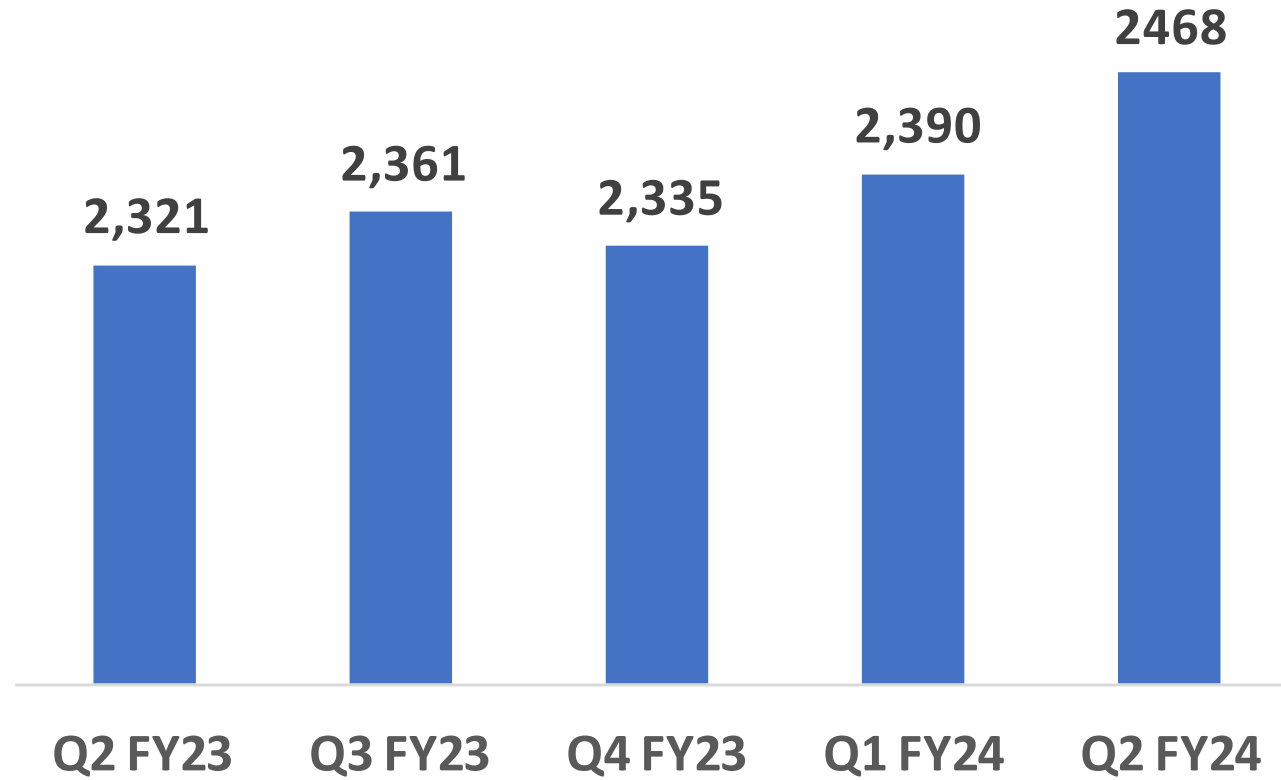


Simulating scenarios to conduct a realistic TAX Audit

Revenue Mix: By Sector



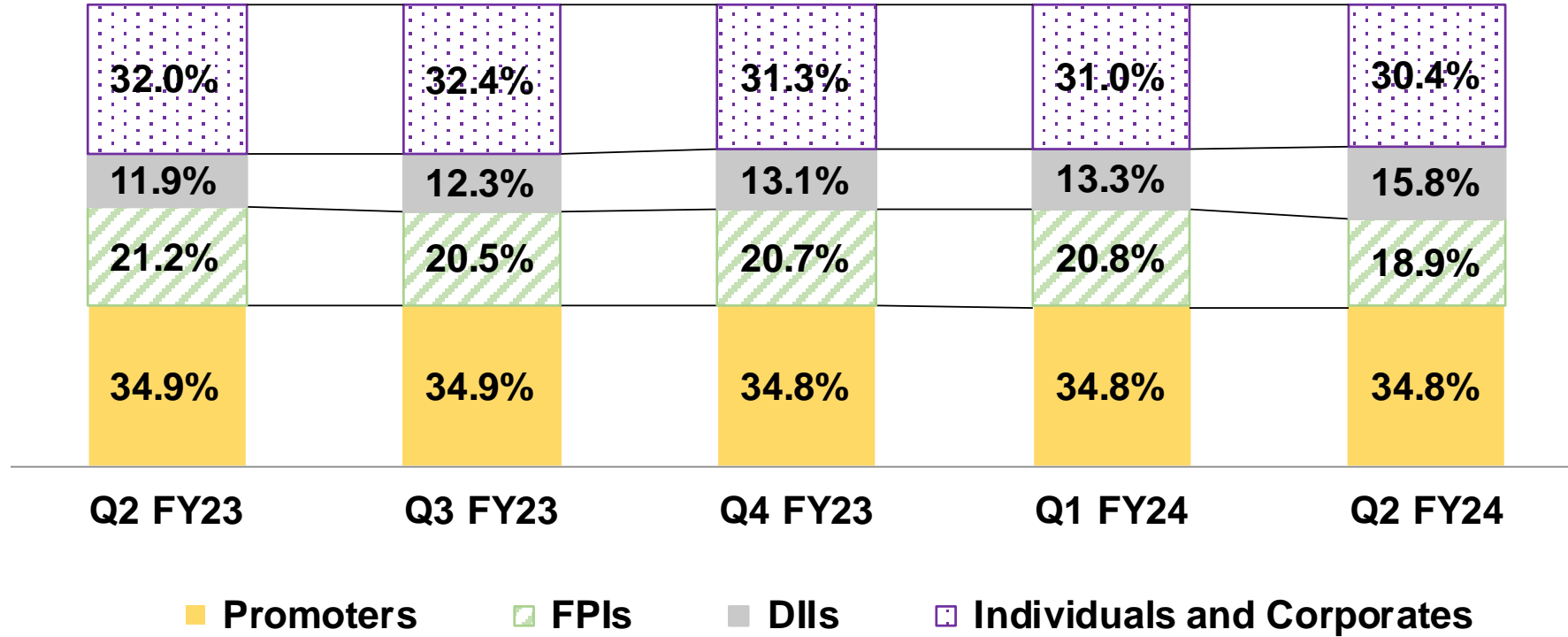
People



Headcount up 78 QoQ and up 147 YoY

* excludes project retainers

Share Holding Pattern



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

