

Financial Results

Q3 FY22

January 28, 2022



Environment

“The global recovery is set to decelerate amid continued COVID-19 flare-ups, diminished policy support, and lingering supply bottlenecks. The outlook is clouded by various downside risks, including new virus variants, unanchored inflation expectations, and financial stress”
(WB)

Amidst uptick in consumer and business confidence and an uptick in bank credit, aggregate demand conditions remain resilient in India, despite rapid surge in infections due to Omicron

Trend of outsourcing L&D to training specialists expected to continue due to increasing cost pressures due to war for talent, increased consumption of training and disruption in ways of working

Real Estate Market in North America seeing increased pricing driven by supply shortages. Demand for real estate careers remains robust with some normalization

Hiring in IT companies remains at multi year high driven by growth in Digital and transformational orders and uptick in attrition. Banks picking up hiring for replacements in demand recovery

Large opportunity in global corporate training and digital learning attracting interest from PE and strategic investors

Q3 FY22: In Perspective

Corporate Learning Group (CLG)

- Revenue at INR 2,961 Mn up 36% YoY & up 9% QoQ; Constant currency revenue growth @ 34% YoY & up 7.6% QoQ
- EBITDA at INR 735 Mn; up 47% YoY and down 7% QoQ
- OM at 25%; up 181 bps YoY and down 406 bps QoQ
- Added 4 MTS customers; 3 existing customer contracts upgraded; 3 renewals; MTS customer tally at 65
- Revenue Visibility at \$ 326 Mn; Strong pipeline

Skills & Career Group (SNC)

- Acquired RPS Consulting during the quarter
- Revenue at INR 874 Mn; up 144% YoY and up 108% QoQ
- EBITDA at INR 92 Mn compared to INR (47) in Q2 FY22

Overall NIIT

- Revenue at INR 3,836 Mn; up 51% YoY and up 22% QoQ
- EBITDA at INR 827 Mn vs INR 739 Mn in Q2 FY22; up 75% YoY & up 12% QoQ
- OM at 22% up 295 bps YoY and down 198 bps QoQ
- PAT at INR 550 Mn compared to INR 524 Mn in Q2; EPS of INR 4.1
- Operational ROCE at 79 %



Key Financials – Q3 FY22

INR Mn	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ
Net Revenue	3,836	2,534	51%	3,142	22%
Operating expenses	3,009	2,062	46%	2,403	25%
EBITDA	827	471	75%	739	12%
EBITDA%	22%	19%	295 bps	24%	-198 bps
Depreciation	136	135	1%	140	-3%
EBIT	691	336	105%	599	15%
Net Other Income/ (Expense)	73	220	-67%	127	-42%
Operational PBT	764	557	37%	726	5%
Tax	181	96	88%	205	-12%
Profit/ (loss) from discontinued Operations & Assets held for Sale	(10)	(47)	37 mn	1	-11 mn
Non Controlling Interests	(24)	2	-25 mn	2	-26 mn
PAT	550	415	32%	524	5%
EPS (INR)	4.1	2.9	41%	3.9	5%


*Net Other income includes MTM impact on treasury investments due to volatility in interest rates

Corporate Learning Group


INR Mn	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ
Net Revenues	2,961	2,175	36%	2,722	9%
EBITDA	735	500	47%	786	-7%
EBITDA %	25%	23%	181 bps	29%	-406 bps

- Revenue at INR 2,961 Mn, up 9% QoQ; Constant currency growth at 34% YoY & 7.6% QoQ
- OM at 25%; down 406 bps QoQ
- Added 4 MTS customers; 3 existing customer contracts upgraded; 3 renewals; MTS customer tally at 65
- Investment in Education Vertical biz;
- Go to market with revised value Proposition for NIIT Life Sciences
- Revenue Visibility at \$ 326 Mn


Introducing NIIT Life Sciences



NIIT's global presence, scale, and successful managed training services offering.



Eagle's expertise and deep knowledge of Life Sciences industry challenges and keys to success.



Strategic and mutually beneficial partnerships with Life Sciences companies

[Explore our new website »](#)

learning technologies


Awards 2021

Best Use of Blended Learning - Commercial Sector

Gold Winner

MetLife Distribution Academy and NIIT

#LT21Awards
learningtechnologiesawards.co.uk





Skills & Careers Group

INR Mn	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ
Net Revenues	874	359	144%	420	108%
EBITDA	92	(29)	418%	(47)	297%
EBITDA %	11%	-8%	1,856 bps	-11%	2160 bps

- Revenue at INR 874 Mn up 108% QoQ
- Acquired RPS Consulting during the quarter
- EBITDA at INR 92 Mn
- Improvement in overall IT sentiment. Banks are starting to hire for replacements in demand recovery
- Revenue from Stackroute & TPaaS grew 7% QoQ



NIIT

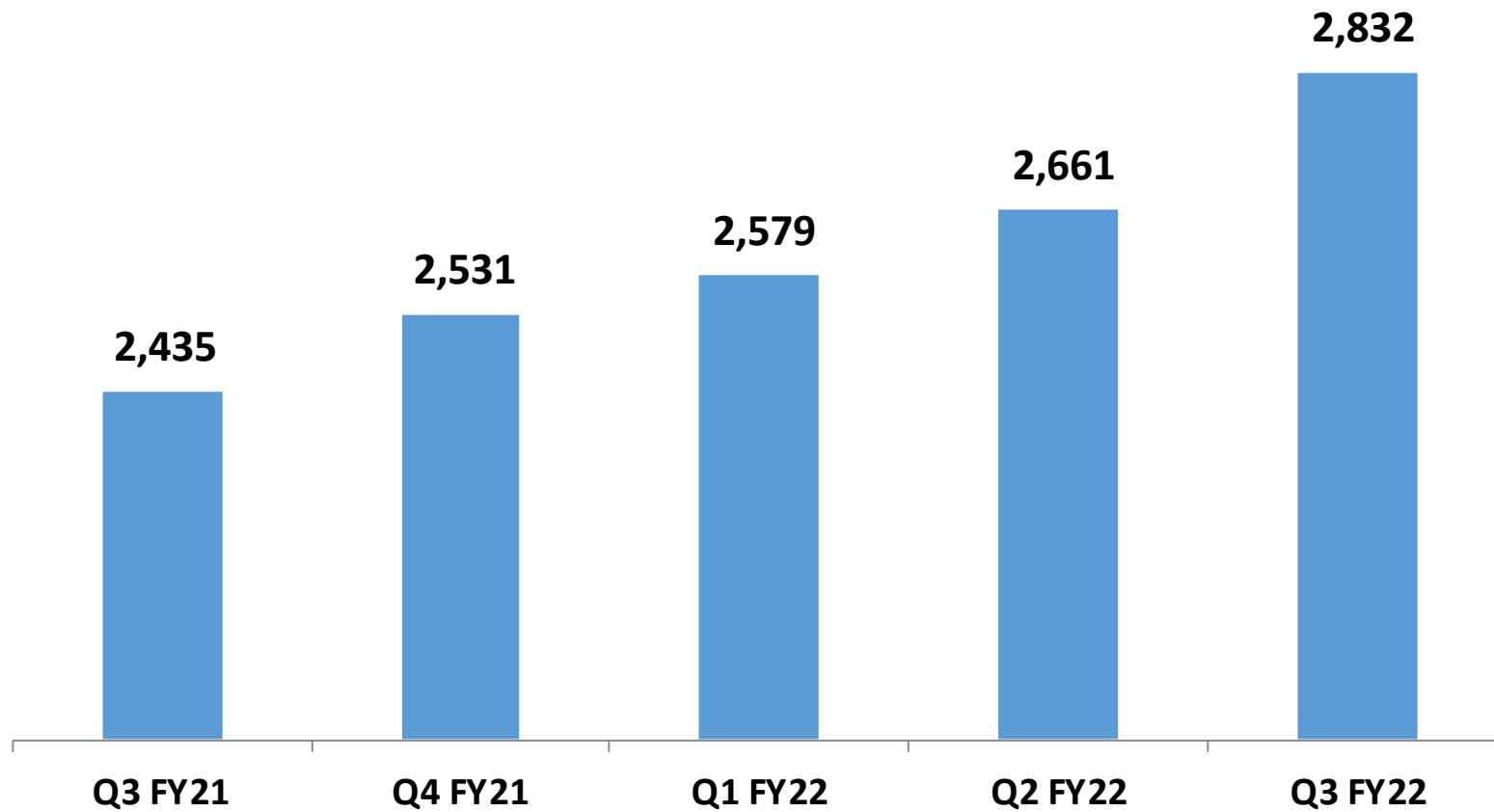
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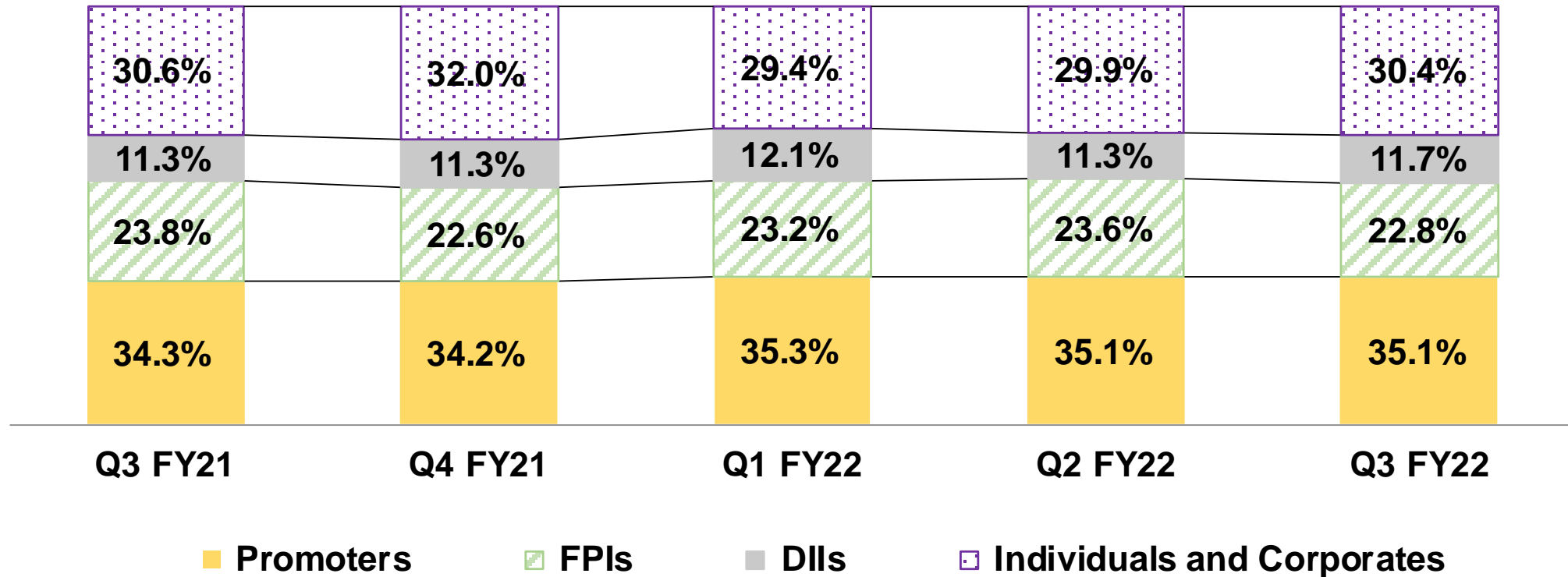
NIIT | confluence 2022
Virtual Summit
Transformative Learning for
Achieving Business Outcomes

People



** excludes project retainers*

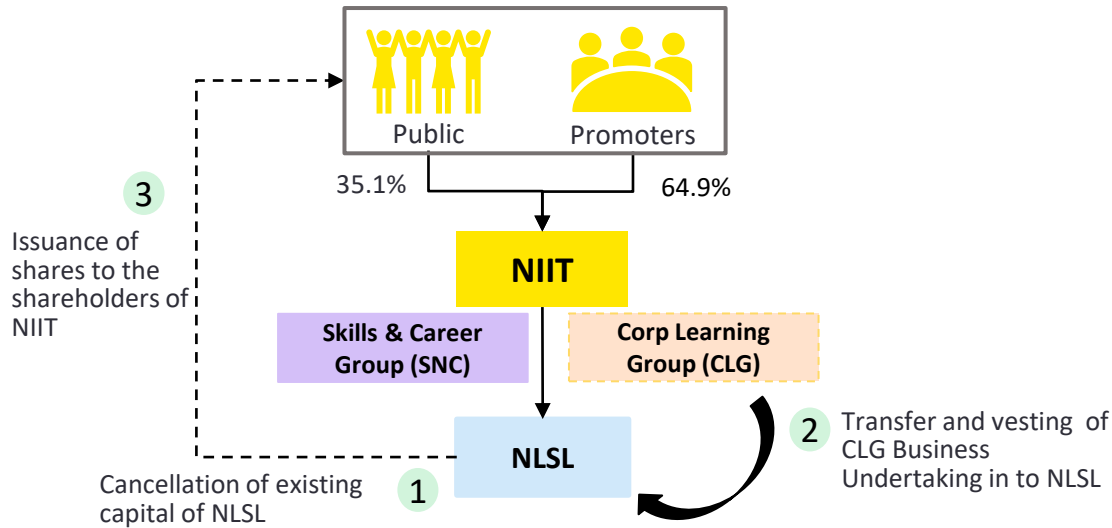
Share Holding Pattern



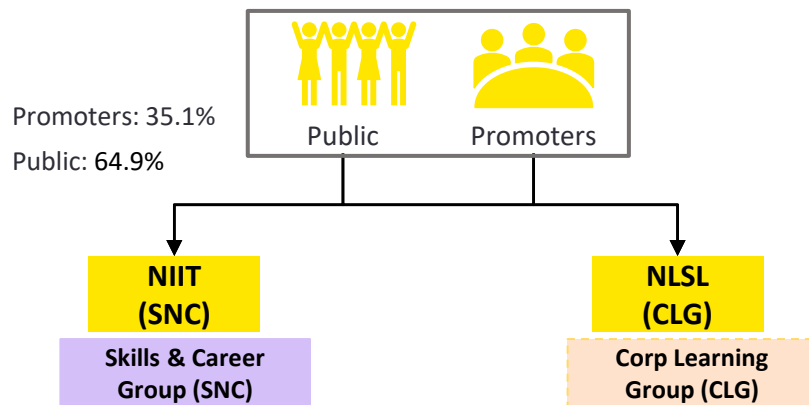
- Buyback of 9.87 Mn shares completed in Q1FY22

Proposed Reorganization

Key Mechanics



Resultant structure



Detailed Steps

through a Composite Scheme of Arrangement:

- Reduction of Capital in NLSL and cancellation of its entire equity share capital
- Transfer and vesting of CLG Business Undertaking from NIIT in to NLSL
- NLSL to issue equity shares to share holders of NIIT. Shareholders to receive one share of NLSL for every one share of NIIT (1:1 ratio)
- NLSL shares to be listed on NSE/ BSE
- **Appointed Date** for the demerger would be April 1, 2022
- Expected completion in 12-18 months, subject to customary approval process

*including relevant subsidiaries and respective branches

Thank you

