

NIIT

Financial Results Q2 FY24

October 31, 2023

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Environment

GDP growth in India expected to remain robust driven by resilience in private consumption and investment, and growth in the domestic services sector. IMF expects that India will emerge as the world's third largest economy by 2027

GSI and GCCs continue to rationalize spends and curtail discretionary investments

Net Hiring in IT has turned negative in FY24 as companies adjust talent inventory as customers cut/ defer discretionary spending. Expectations of recovery getting pushed out to next financial year. Tier 2 GSIs see some pick up

Hiring demand by large private sector banks remains robust on push for growth in retail business

Q2 FY24: In Perspective



- Revenue at INR 814 Mn; up 30% QoQ and down 13% YoY
- Overall enrolments up 69% QoQ; Recovery in business, despite tough environment affecting the Tech sector
 - BFSI & India Enterprise Biz scaling up on account of increased demand. Increased focus on GCC's and Tier II GSI
 - Revenue from StackRoute and TPaaS up 93% QoQ, contributes 32% to Q2 revenue
 - Early Career segment at INR 398 Mn up 21% QoQ
 - Work Pro segment at INR 416 Mn up 41% QoQ
- EBITDA at INR 22 Mn vs INR (64) Mn in Q1FY24 and INR 24 Mn in Q2FY23
- OM at 3% vs (10)% in Q1 FY24 and up 10 bps YoY
- Significant mandates from top private sector banks, Indian Enterprises and Tech firms, and strong traction for Advanced Technology programs including AI, Digital Architects, Cyber Security, Data Science, eR&D among others
- Cash & Cash Equivalents at INR 6,974 Mn; DSO at 53 days (compared to 41 days LQ and 63 days LY)

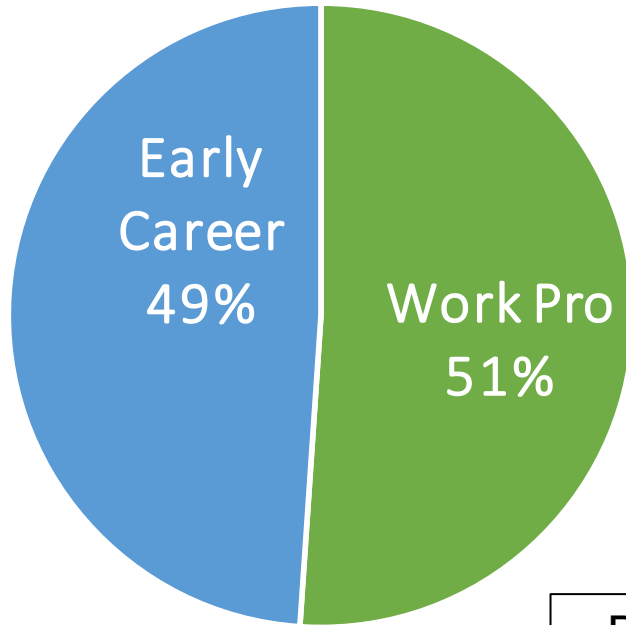
Company is bottoming out of the negative growth cycle that started in Q4FY23 and is starting to experience sequential growth and improved profitability; expects this trend to continue (barring seasonality)

Key Financials

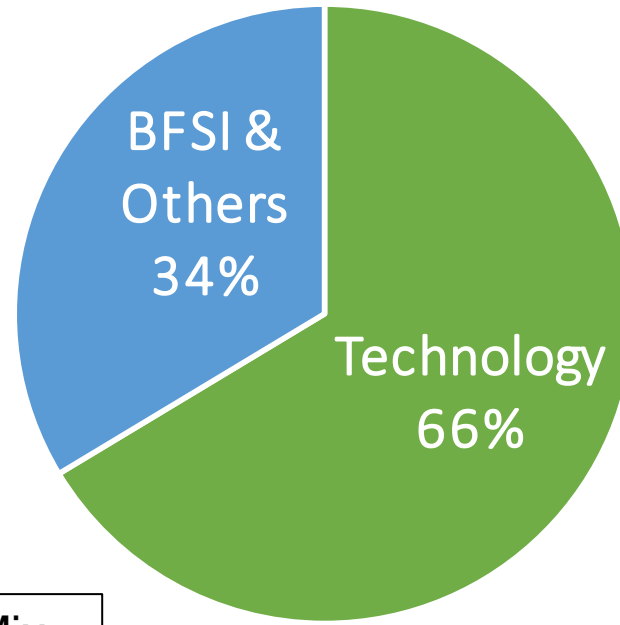
INR Mn	Q2 FY24	Q1 FY24	QoQ	Q2 FY23	YoY
Net Revenue	814	625	30%	940	-13%
Operating expenses	792	690	15%	916	-14%
EBITDA*	22	(64)	134%	24	-10%
Depreciation	45	41	11%	42	7%
Net Other Income/ (Expense)	137	138	0%	103	33%
Operational PBT	114	33	251%	85	34%
Tax	(7)	(7)	-4%	(15)	54%
Profit/ (loss) from discontinued Operations & Assets held for Sale	(1)	(1)	0 mn	(3)	2 mn
Non Controlling Interests	0	(2)	3 mn	(20)	20 mn
PAT	106	22	387%	47	

- Net Other Income includes Treasury Income (INR 112 Mn), transitory Scheme related expenses (INR 4 Mn) and Other Income (INR 30 Mn)

Key Metrics

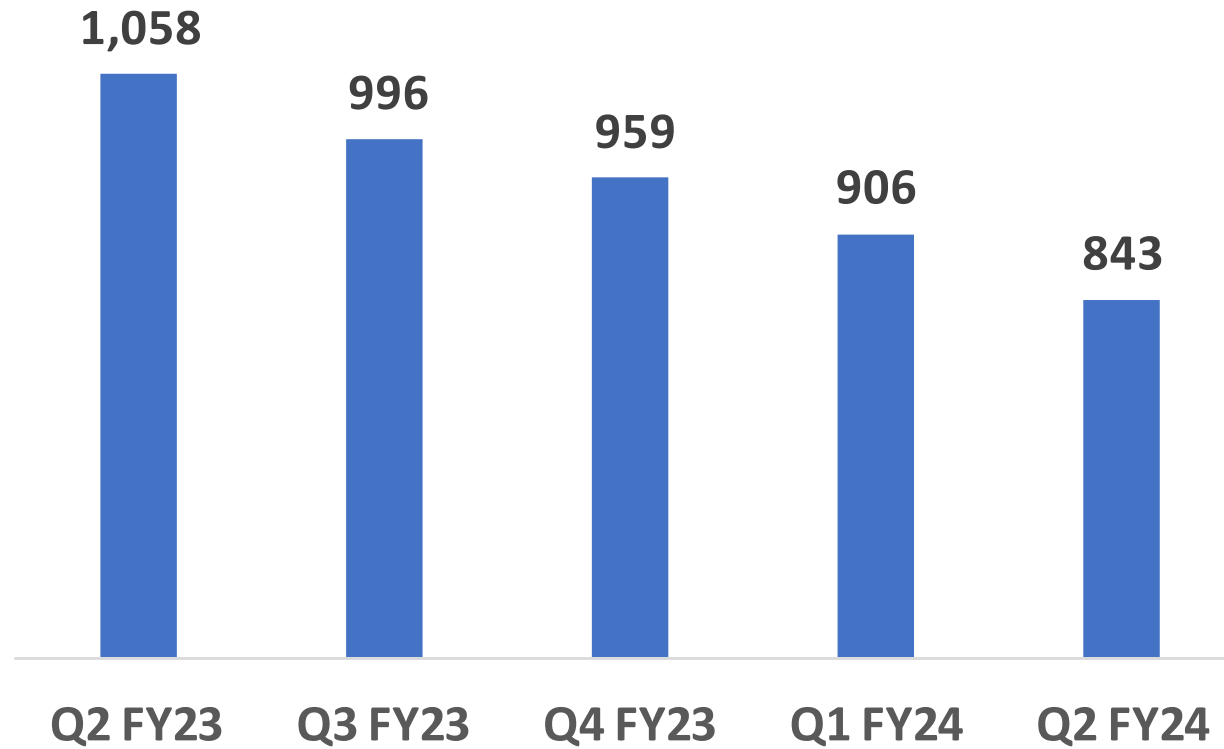


Revenue Mix



49 K
Enrollments in Q2 FY24
Across Early Career &
Working Professionals

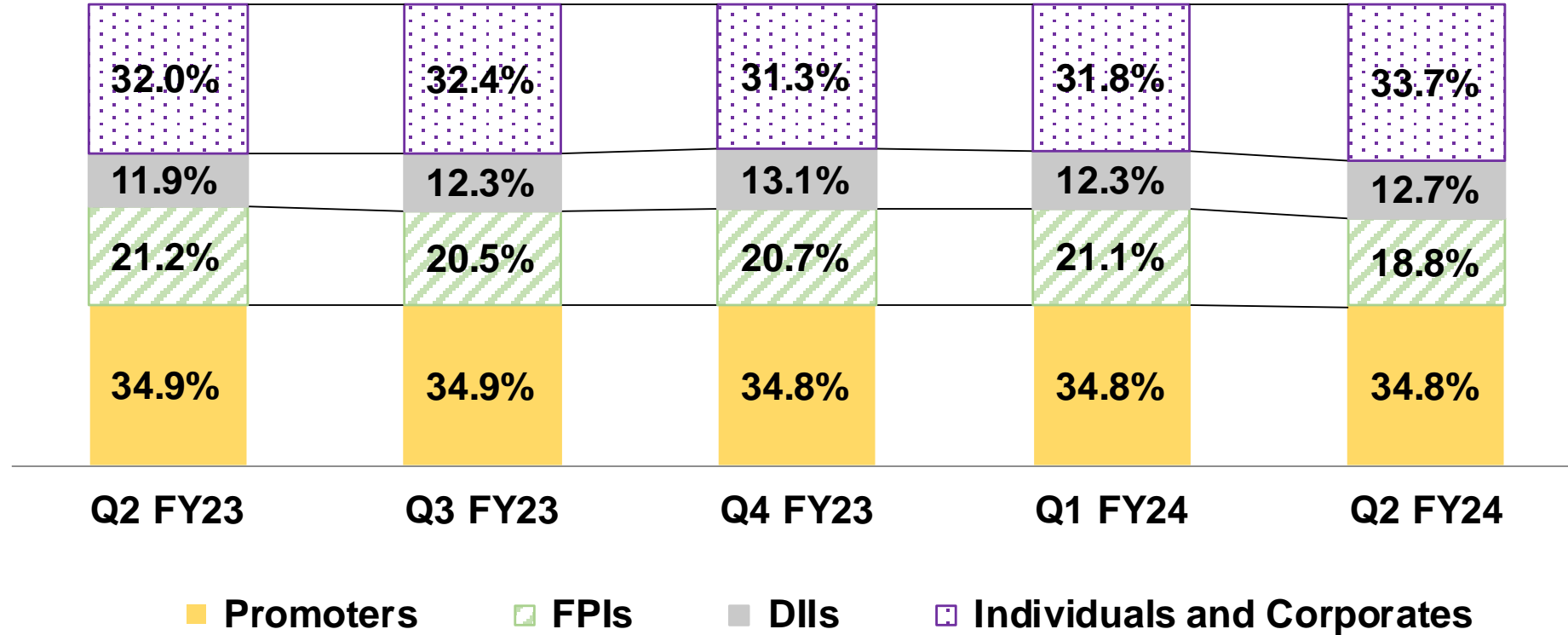
People



- Headcount down 63 QoQ and down 215 YoY

** excludes project retainers*

Share Holding Pattern



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

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