NIIT Limited: Investor Presentation

September 2019

Agenda

NIIT: Company Overview

- Corporate Learning Group
- Skills & Careers Group
- School Learning Group

FY19 Results Update

Future Direction

NIIT: Business Structure

NIIT

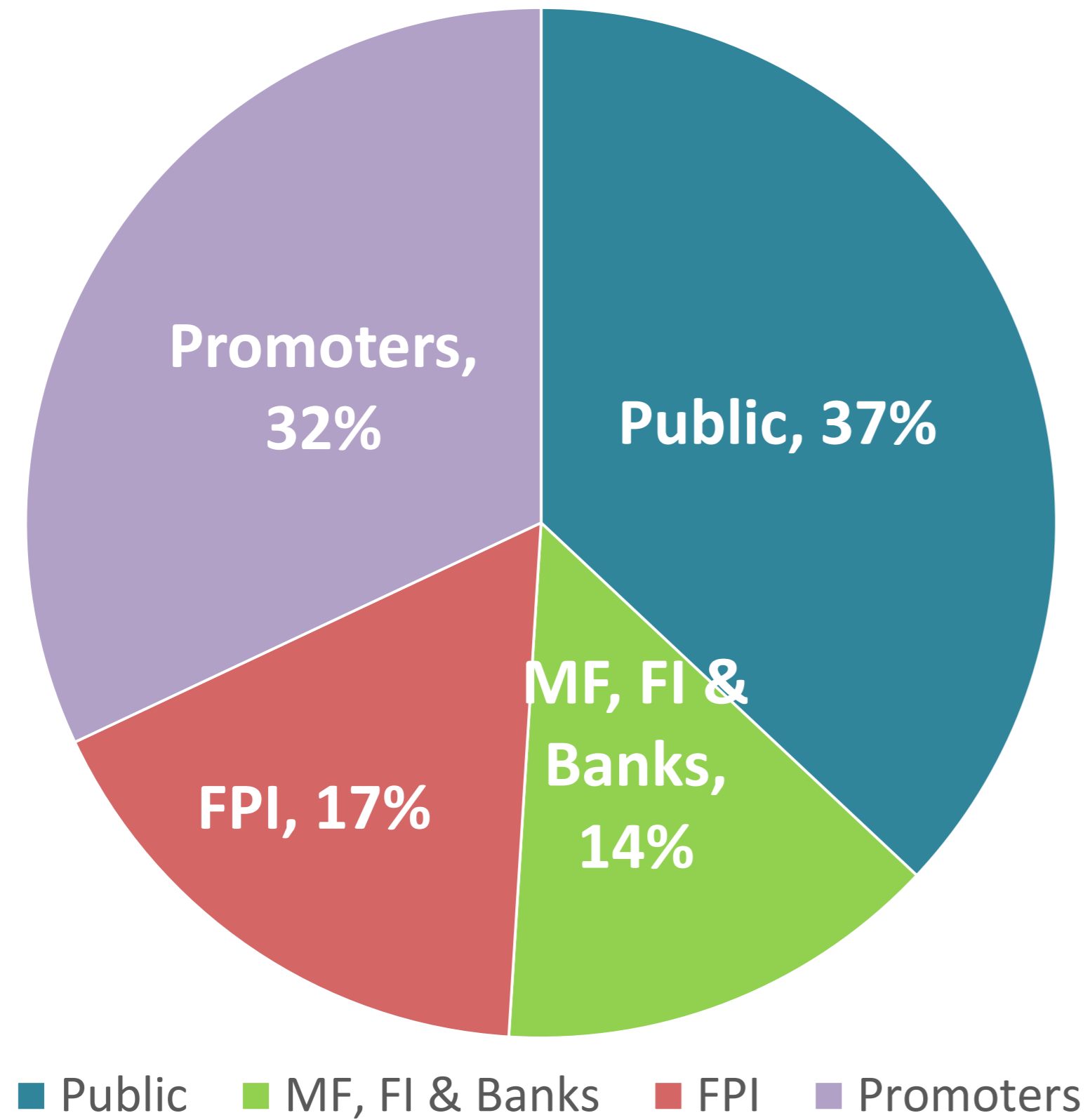|		
69%	**27%**	**4%**
CORPORATE LEARNING GROUP (CLG)	**SKILLS & CAREERS GROUP (SNC)**	**SCHOOL LEARNING GROUP (SLG)**
INR 6,324 MILLION	INR 2,428 MILLION	INR 350 MILLION
Productivity	Employability	Academics
North America, Europe, Oceania	India, China, Africa	India
Managed Training Services Application Rollout Training Learning Advisory Custom Projects	Service Sector Skills Professional Life Skills StackRoute TPaaS	Teaching and Learning Solutions School Services School-ERP Assessments

Based on FY19 Revenues

NIIT: Capital Structure

SHAREHOLDING

Public, 37%
MF, FI & Banks, 14%
FPI, 17%
Promoters, 32%

Legend: Public | MF, FI & Banks | FPI | Promoters

No of Shares: 167.8 million

TOTAL CAPITAL
21,249 MILLION

Debt 9%
Equity 91%

Net Other Assets, 1.4%
Fixed Assets, 13.5%
Net Current Assets, 85.2%
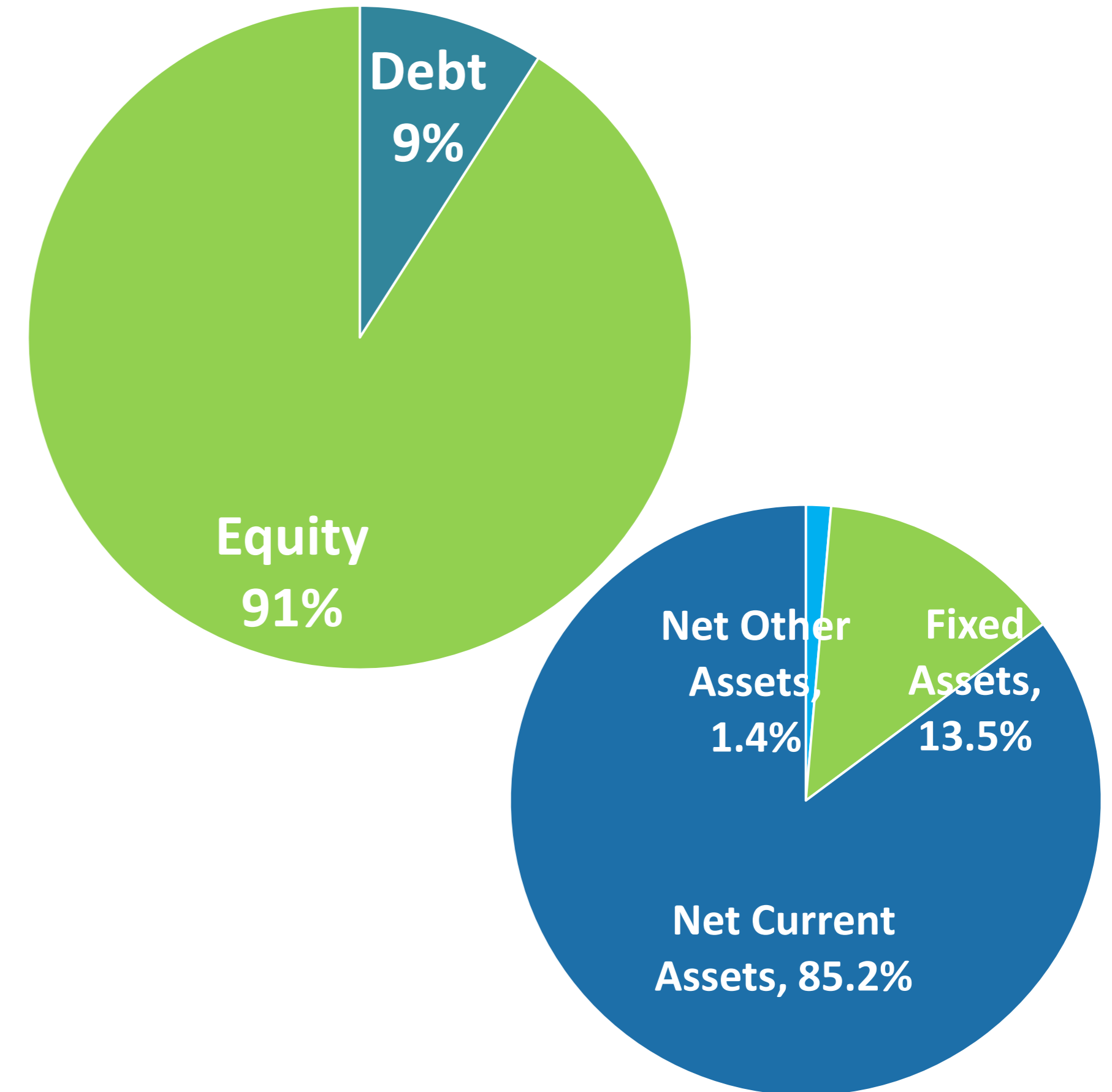
Net Current Assets include Cash and
Bank Balances of Rs 20,760 million

NIIT: Our Credentials

CORPORATE LEARNING

20% higher premiums for agents on-boarded for a leading Insurance company

Reduction of learning expenditures by 25% for a diversified Health and Well-being company

Reduced time to proficiency by 30% in 22 locations worldwide for a global Energy major.

SKILLS AND CAREERS

We've trained 1/3rd of the IT workforce in India.

Skilled over 4M students over the last 10 years across IT, ITES, BFSI, Management, Retail, Telecom sectors

272 B2C education centers

SCHOOL LEARNING

Technology enabled over 10 M school children

Trained over 400 K school teachers to leverage technology

74% students prefer learning mathematics with NIIT Math Lab

NIIT: Awards and Recognition

NIIT

77 BRANDON HALL AWARDS 28 GOLD | 25 SILVER | 25 BRONZE

8 CHIEF LEARNING OFFICER LEARNING IN PRACTICE AWARDS

3 LEARNING TECHNOLOGIES UK AWARD

2 ATD EXCELLENCE IN PRACTICE AWARDS

LPI ACCREDITED LEARNING PROVIDER GOLD STANDARD - 2016-2018

LEADER IN NELSON HALL LEARNING BPS NEAT EVALUATION

FOSWAY 9-GRID DIGITAL LEARNING STRATEGIC CHALLENGER 2019

TOP 20 COMPANIES IN TRAINING OUTSOURCING 2008-2019

TOP 20 COMPANIES IN CONTENT DEVELOPMENT 2011-2018

TOP 20 COMPANIES IN GAMIFICATION 2014-2018

TOP 20 COMPANIES IN IT TRAINING 2008-2010, 2013-2018

CLO LEARNING ELITE 2014-2018

DATAQUEST 'TOP IT TRAINING COMPANY' AWARD FOR THE 20TH CONSECUTIVE YEAR

NIIT NGURU AWARDED AS "BEST INTERACTIVE SOLUTION PROVIDER" BY ASSOCHAM
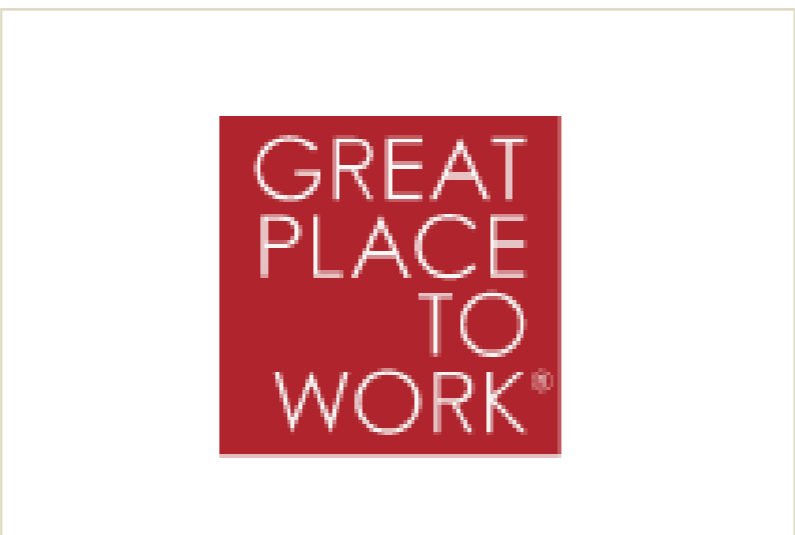
RANKED 4TH BEST COMPANY TO WORK FOR IN INDIA. NO 1 IN EDUCATION AND TRAINING

HIGHEST RATED TRAINING BRAND IN THE BRAND TRUST REPORT

TIMES ASCENT T&D AWARD FOR THE MOST INNOVATIVE LEARNING PARTNER FOR ENTERPRISES.

MOST INNOVATIVE LEARNING PARTNER FOR ENTERPRISES AT "EDUMEET 2018 & EDUCATION EXCELLENCE AWARDS" ASSOCHAM, INDIA

CLG: Managed Training Services

CUSTOM CONTENT AND CURRICULUM DESIGN

LEARNING DELIVERY

LEARNING ADMINISTRATION

STRATEGIC SOURCING

LEARNING TECHNOLOGY

ADVISORY SERVICES

| 8.75K	500	25	21K	150K	40	2500	130+
Hours of custom programs developed annually	Full time instructional designers	Localization Services in 25 Languages	Hours of custom content delivered annually	Training Days delivered annually	Global training delivery in 40+ countries in 15 languages	Global Network of 2500 instructors	Industry Honors and Awards

CLG: Marquee Customers

CLG: Proven Business Impact

30%

NIIT's application rollout training for Shell Primavera has helped reduce time to proficiency in application training for planners by 30% in 22 locations worldwide.

20%
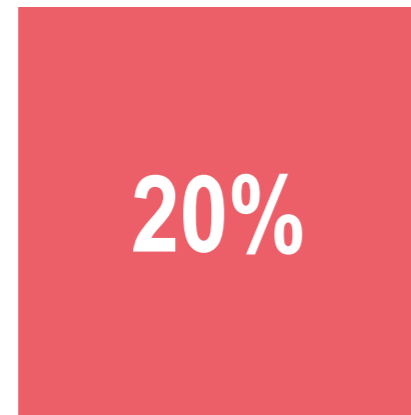
20% increase in average productivity and ticket size of business sold across 30 countries with 10% higher retention over 1 year for Sales Associates supported by the NIIT enabled Global Partner Learning Solutions program.

15M

29.4% reduction in course length with a 16 Day reduction in time to proficiency for NIIT's Auto New-Hire Pipeline Reinvention course. The cost of labor redirected to productivity gains is $4.3 million in total to date with projected savings of $15 million over 12 months.

24%
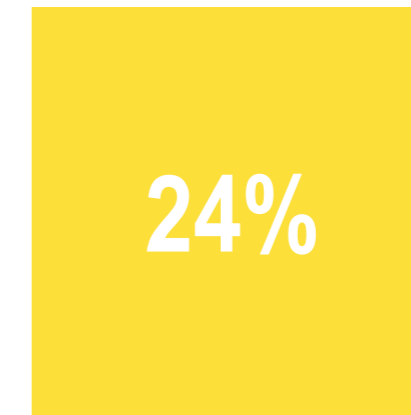
24% reduction in time to competency and 48% reduction in the direct cost to company on compensation because of NIIT's onboarding program for IQVIA.

4M+

NIIT's Rails blended learning program for mine train drivers in Australia has returned over 4 million dollars in reduced training costs.

SNC: Improving Employability in Aspirational Careers

ASPIRATIONAL CAREERS »

| Information Technology | Digital Marketing | Data Science & Analytics | Banking & Finance | Management |

4 CHANNELS »

| Own Brick | Partner Brick | Inside Campus | Online Channel |

7 MODES »

| On Demand E-Learning (Pure Online) | On Demand MOOCs & Recorded Lectures | Live Synchronous – Direct to Device | Synchronous CR Mode (Cloud Classroom) |

| ILT | Flipped Classroom (Blended) | Immersive Project Based Learning (StackRoute) |

Focus Geographies: India, China

International:
103

India:
169

SLG: Portfolio and Credentials

- **10 Mn+ STUDENTS**
- **400K+ TEACHERS**
- **100K+ NODES**
- **24K+ HOURS OF CONTENT**
- **45K+ INSTRUCTORS**
- **17K+ SCHOOLS**

Cumulative

ENGLISH

SCHOOL SUPPORT

ASSESSMENT

MATHEMATICS

IT

SCIENCE

School Learning: Creating Measurable Impact
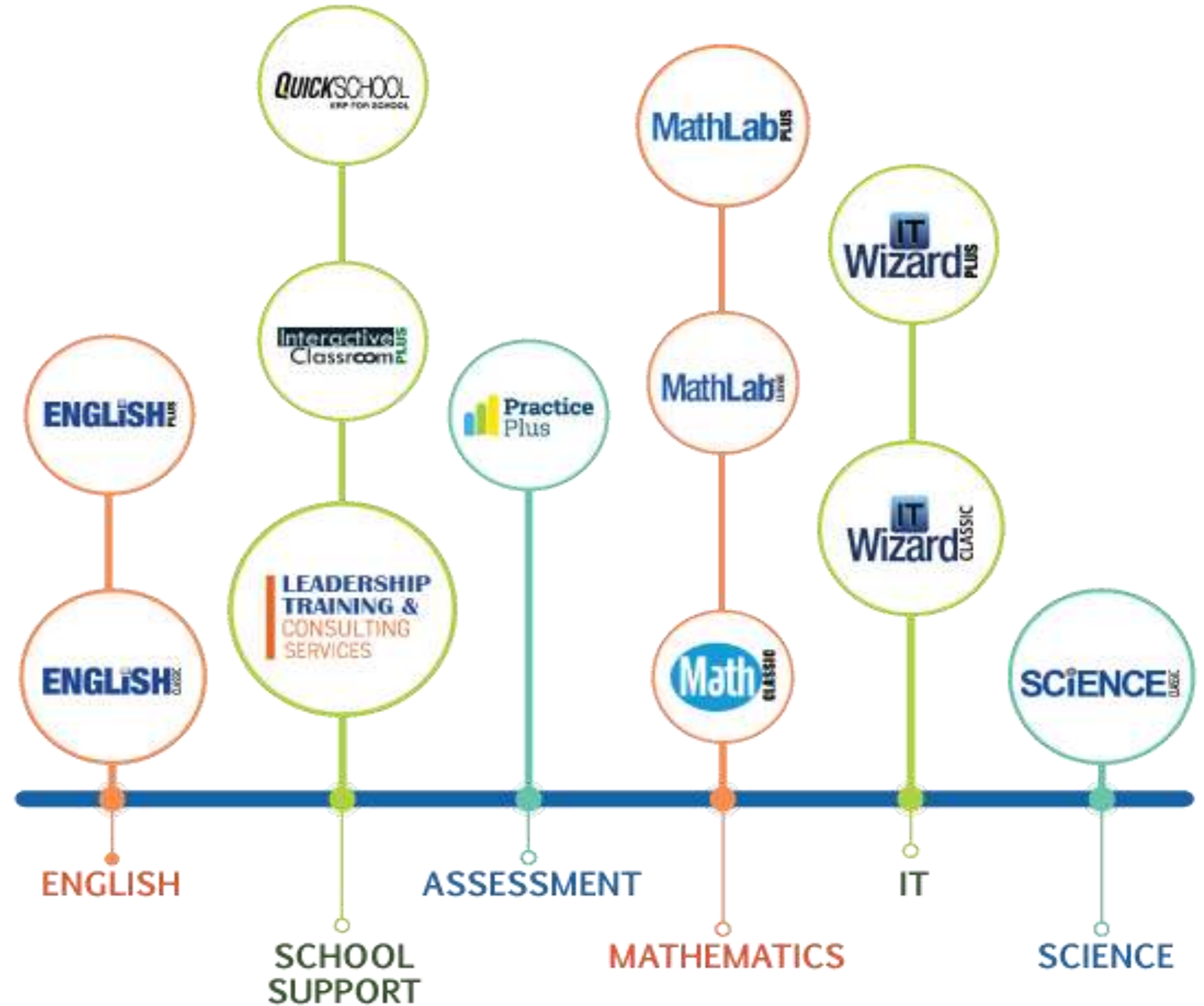
Share of A grade increased from 38% to 46% after nGuru MathLab implementation

A — 38% | 46%
B — 40% | 34%
C — 22% | 20%

Grade 10 Examinations

BEFORE   AFTER
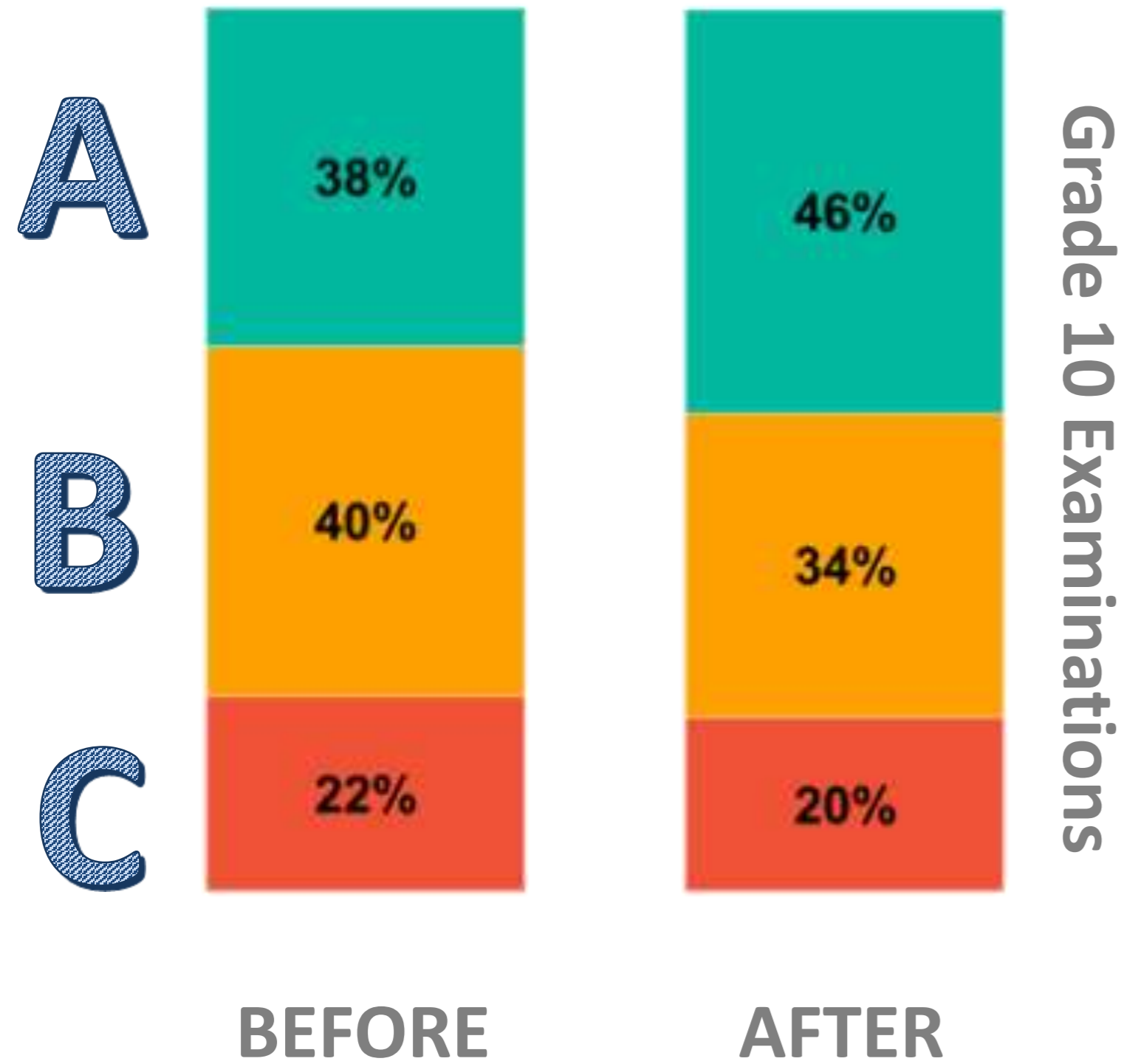
MathLab **PLUS**

Impact Study Conducted by Deloitte.

STUDENTS   TEACHERS   PRINCIPALS

95%   84%   85%
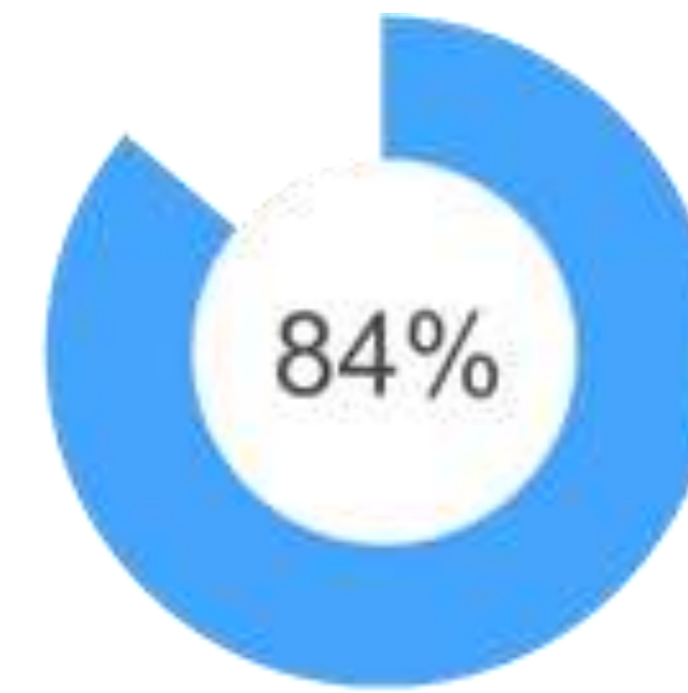
Students   Teachers   Principals

% Respondents with positive rating on overall experience with MathLab

Q1 FY20
RESULTS
UPDATE

Environment

World bank expects growth to slow down to 2.6% in CY2019. This is the weakest growth rate since the global financial crisis

RBI expects India's GDP growth to be 6.9% versus earlier expectation of 7% on slowing growth, driven by sluggishness in private consumption and investment activity. Liquidity challenges impact several sectors

India GDP grew at 6.8% in FY19 representing a sharp slowdown in second half of the year. Volatility in crude prices and currency, and tightening in global and local liquidity create near term uncertainty

Global companies continue to look for specialist companies for Training Outsourcing. M&A activity remains key risk for near term training activity levels

Pick up in demand for talent trained in new age skills in IT Companies and Banks continues

Decision making by schools continues to remain impacted due to regulatory uncertainty

NIIT Q1 FY20 Highlights

Donut chart:
- SLG 3%
- SNC 25%
- CLG 72%

PROFITABILITY	EBITDA: INR 220 Mn	Up 16% YoY
LIDUIDITY	Net Cash: INR 18,871 Mn	Improved by *INR 19,441 Mn QoQ
CAPITAL EFFICIENCY	ROCE: 15.3%	Up YoY: 145 bps
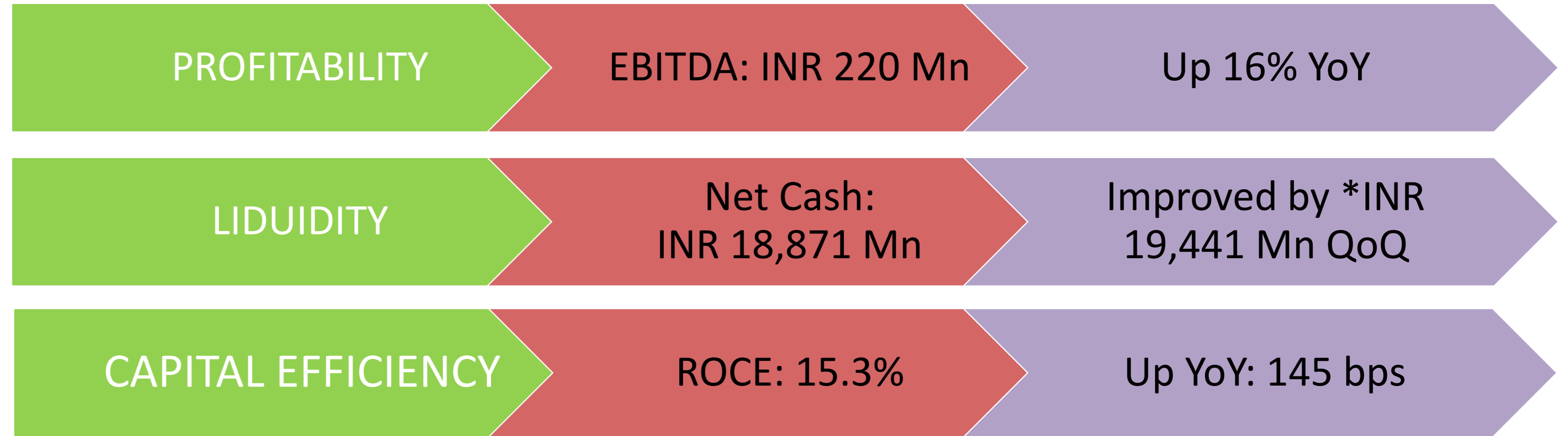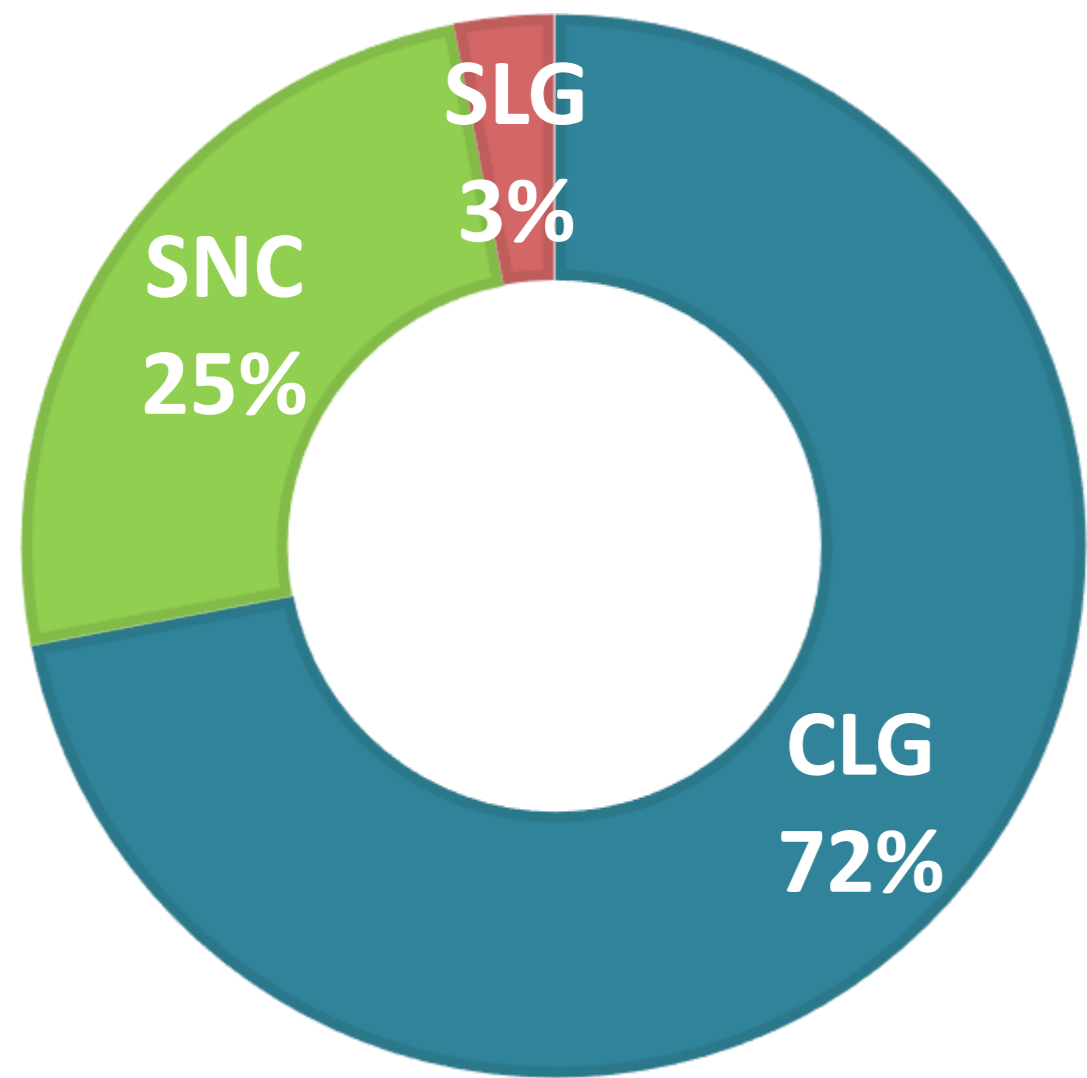
Corporate:

- MTS customers tally at 49
- Revenue visibility at $ 264 million

Skills & Careers:

- Go forward SNC business revenue grows @ 15% YoY
- StackRoute delivery for 11 IT services majors

Q1 FY20: In Perspective

| NIIT	Corporate Learning Group (CLG)	Skills & Careers Group (SNC)	School Learning Group (SLG)
• Completed divestment of NIIT Technologies for a consideration of INR 20,204 Mn • Revenue at INR 2,103 Mn; down 2% YoY; • EBITDA at INR 220 Mn (OM of 10%); up 16% YoY; OM% up 159 bps YoY • PAT at INR 10,904 Mn; EPS at INR 65.1 per share • Operational ROCE at 15.3%; up 145 bps YoY and up 25 bps QoQ	• Revenue at INR 1,524 Mn up 1% YoY; • EBITDA margin at 15% • Revenue Visibility at $ 264 Mn (up 18% YoY) • Added 5 MTS customers; 4 new logos. MTS customer tally has reached 49	• Revenue at INR 517 Mn down 6% YoY. Go forward SNC business revenue grows @ 15% YoY • EBITDA at INR 24 Mn compared to INR (9) Mn in Q1 FY19	• Revenue at INR 62 Mn down 30% YoY • 156 school contracts signed; Order intake at INR 56 Mn up 15% YoY

Key Financials

INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
System wide Revenue	3,110	3,363	-8%	2,969	5%
Net Revenue	**2,103**	**2,143**	**-2%**	**2,397**	**-12%**
Operating expenses	1,883	1,953	-4%	2,163	-13%
EBITDA	**220**	**190**	**16%**	**234**	**-6%**
EBITDA%	10%	9%	159 bps	10%	70 bps
Depreciation	128	93	37%	88	45%
Net Other Income	13,068	-59	-	-91	-
PBT	**13,160**	**38**	**-**	**55**	**-**
Tax *	2,252	60	-	70	-
Associate Profit & Minority Share	-4	201	-	246	-
PAT	**10,904**	**179**	**-**	**232**	**-**
EPS (INR)	**65.1**	**1.1**	**-**	**1.4**	**-**

- INDAS 116 implemented effective 1st April 2019. Impact on EBITDA : + INR 51.8 Mn, Depreciation : + INR 47.3 Mn, Interest Costs : + INR 13.2 Mn. Adverse impact on PBT : INR 8.8 Mn
- Net Other Income includes impact on account of NTL divestment

* Tax in Q1 FY20 includes reversal of Deferred tax liability related to NTL Investment

Revenue Mix

Q1 FY20

Schools
3%

Skills &
Careers
25%
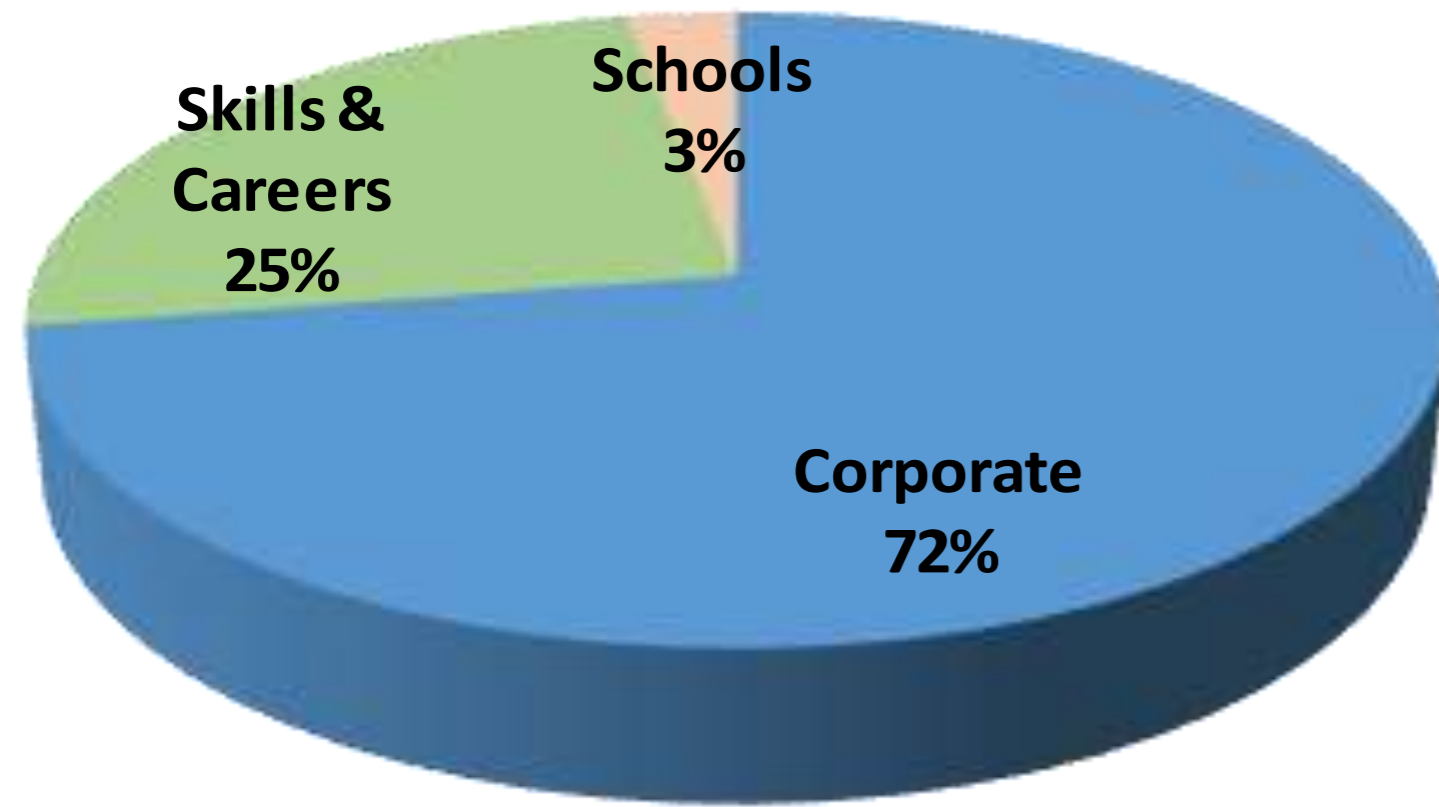
Corporate
72%

Business	Growth
Corporate	1%
Skills & Careers	-6%
Schools	-30%
NIIT	**-2%**

Q1 FY19

Schools
4%

Skills &
Careers
26%

Corporate
70%

Q1 FY20

Rest of
World
6%

India
21%

USA /
Europe
72%
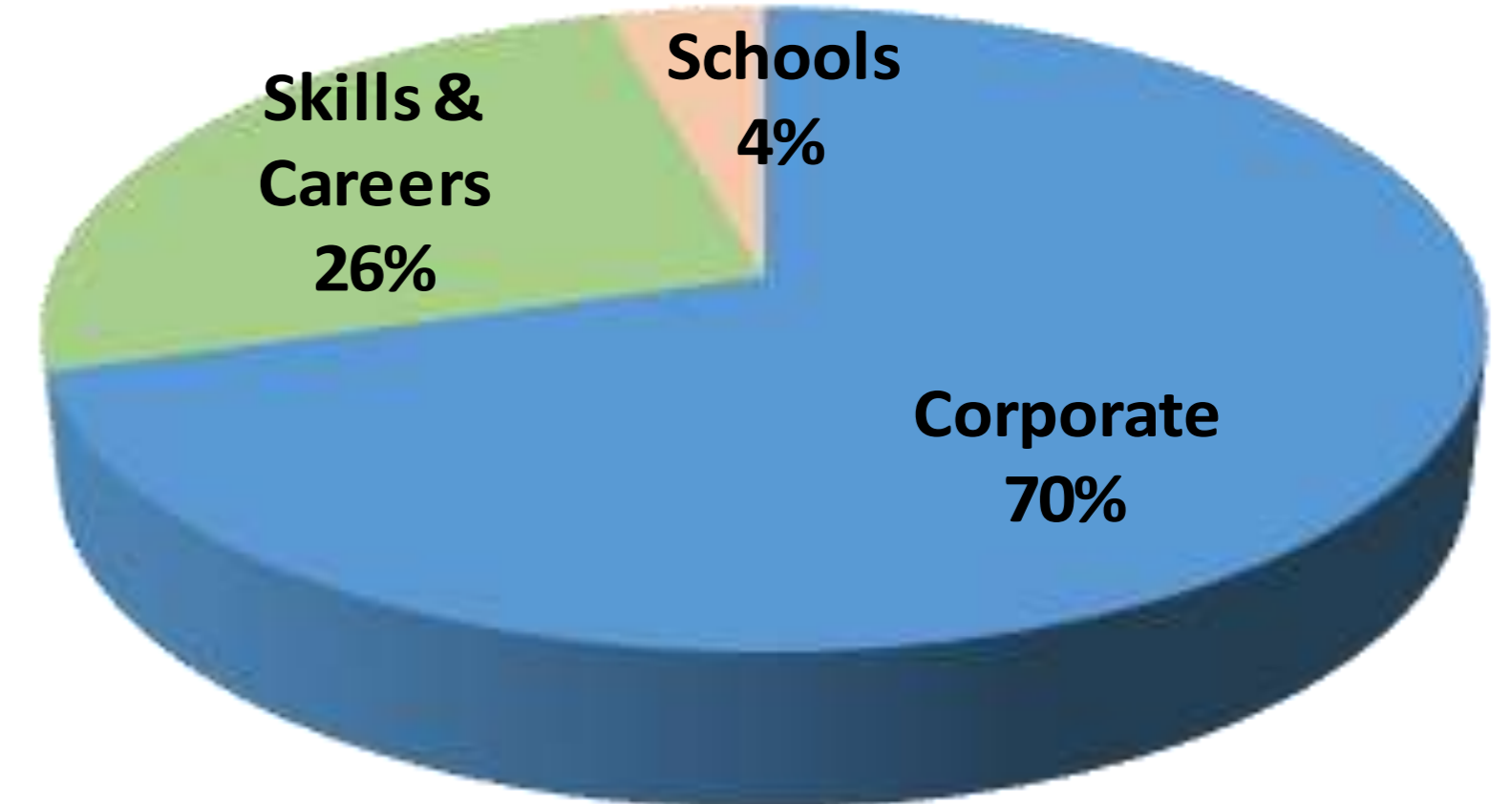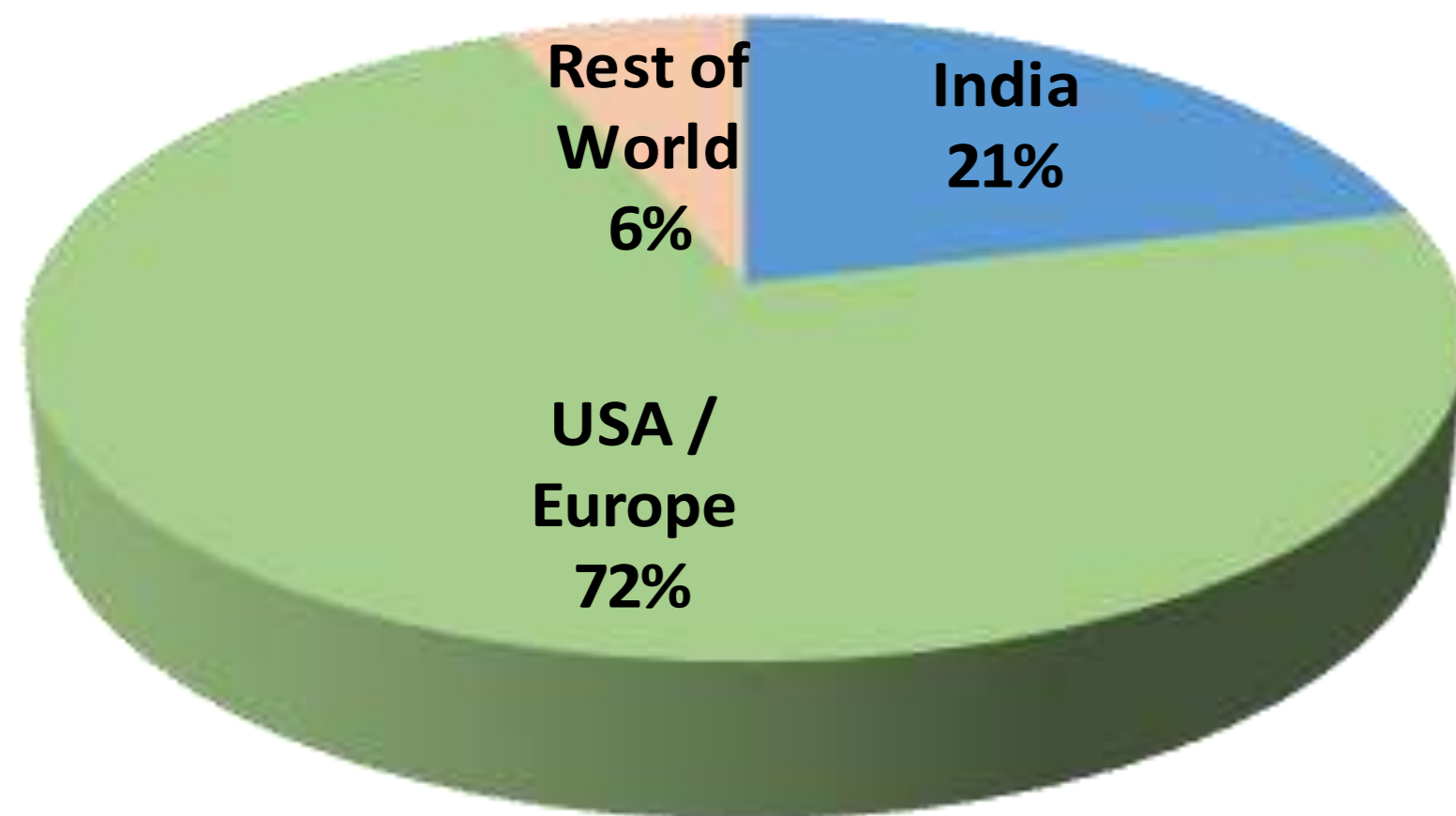
Geo	Growth
India	-3%
USA / Europe	1%
Rest of World	-24%
NIIT	**-2%**

Q1 FY19

Rest of
World
8%

India
22%

USA /
Europe
70%

Corporate Learning Group
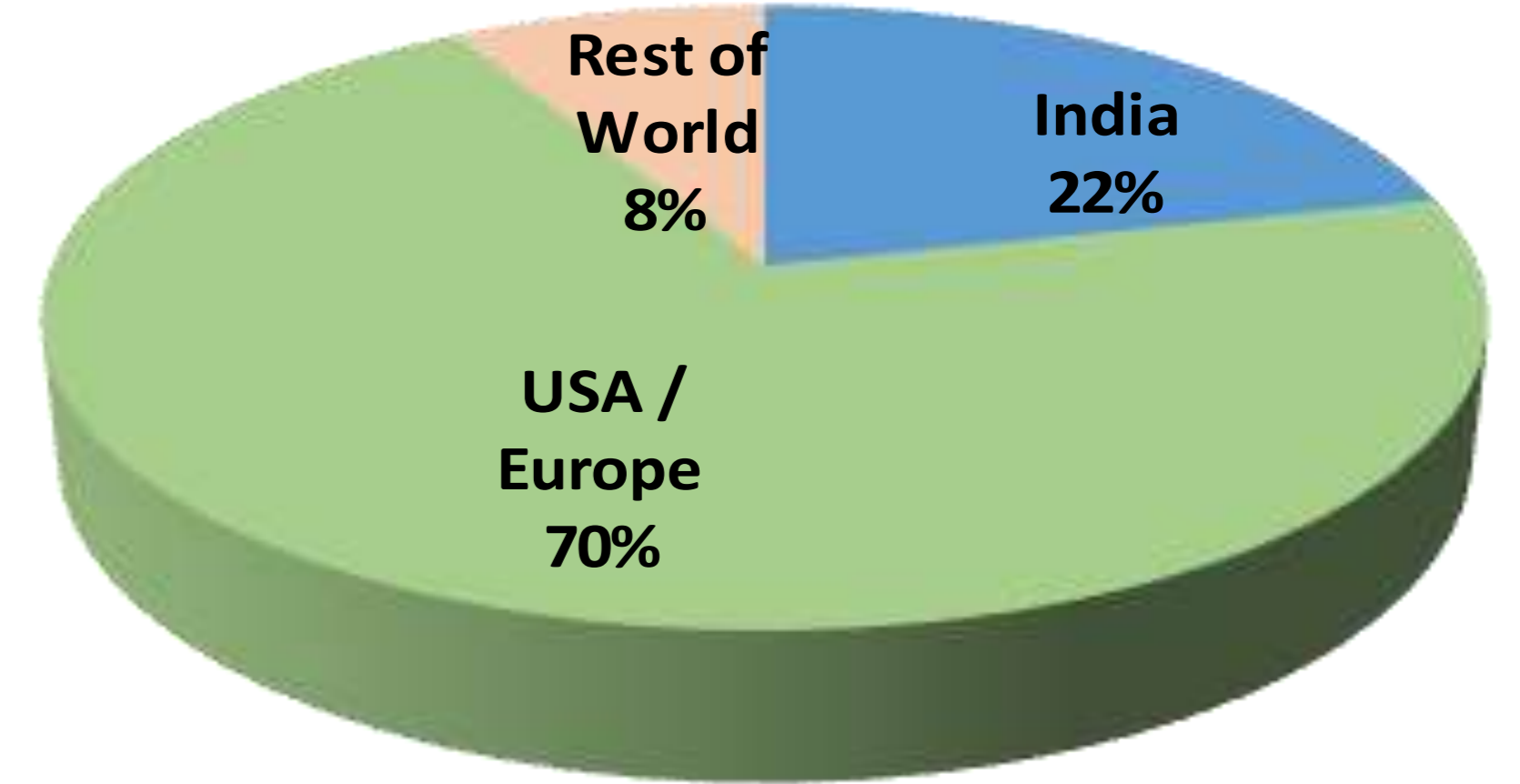
INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
Net Revenues	1,524	1,506	1%	1,588	-4%
EBITDA	223	219	2%	215	3%
EBITDA %	15%	15%	8 bps	14%	106 bps

- Revenue at INR 1,524 Mn up 1% YoY

- Added 5 MTS customers; 4 new logos. MTS customer tally has reached 49

- Revenue visibility of $ 264 Mn, up 18% YoY

- RECO Update : Started accepting learners and will be accruing revenue in Q2 FY20

From Instructional Design to Experience Design

Merging technology and learning into meaningful learning experiences needs not only the mastery of technology, but also a strong foundation in pedagogy. At NIIT, we blend three decades of learning scholarship with the best game design and development talent in the world to create breakthrough learning experiences. Our advanced project studio utilizes real-time 3D technology to create serious games, simulations, augments, virtual, and mixed reality experiences. With a combined experience of over 100 years developing titles for the biggest studios in the world, our team of triple A experienced gaming professionals create award-winning learning experiences for the world's leading companies.

Learn more at www.niit.com/vr/.

2019 TOP 20 COMPANY CONTENT DEVELOPMENT — TRAINING INDUSTRY

2019 TOP 20 COMPANY TRAINING OUTSOURCING — TRAINING INDUSTRY

TOP WINNER
NIIT is proud to earn 19 Brandon Hall Excellence in HCM awards jointly with our customers.

Skills and Careers Group

INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
Net Revenues	517	548	-6%	629	-18%
EBITDA	24	-9	34 Mn	-10	35 Mn
EBITDA %	5%	-2%	641 bps	-2%	633 bps

- Revenue at INR 517 Mn down 6% YoY

- Go forward SNC business revenue grows @ 15% YoY

- SNC India business grew for the 2nd successive quarter driven by growth in Stackroute & TPaaS

- OM at 5%. Product mix change and cost rationalization offset impact of operating leverage and cost inflation

- StackRoute continues on strong growth momentum; now training Full Stack Developers for 11 IT majors & GCCs
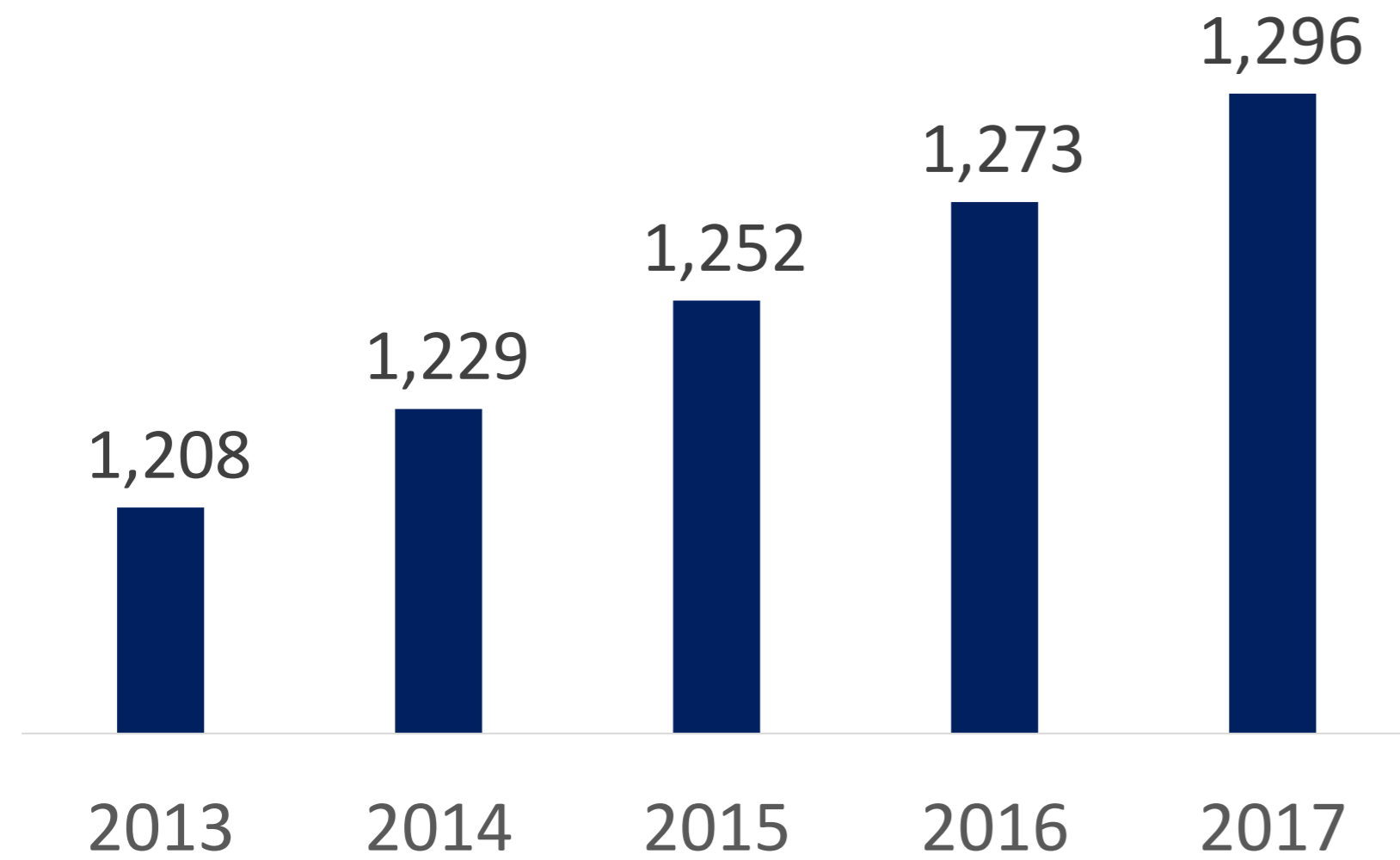
People
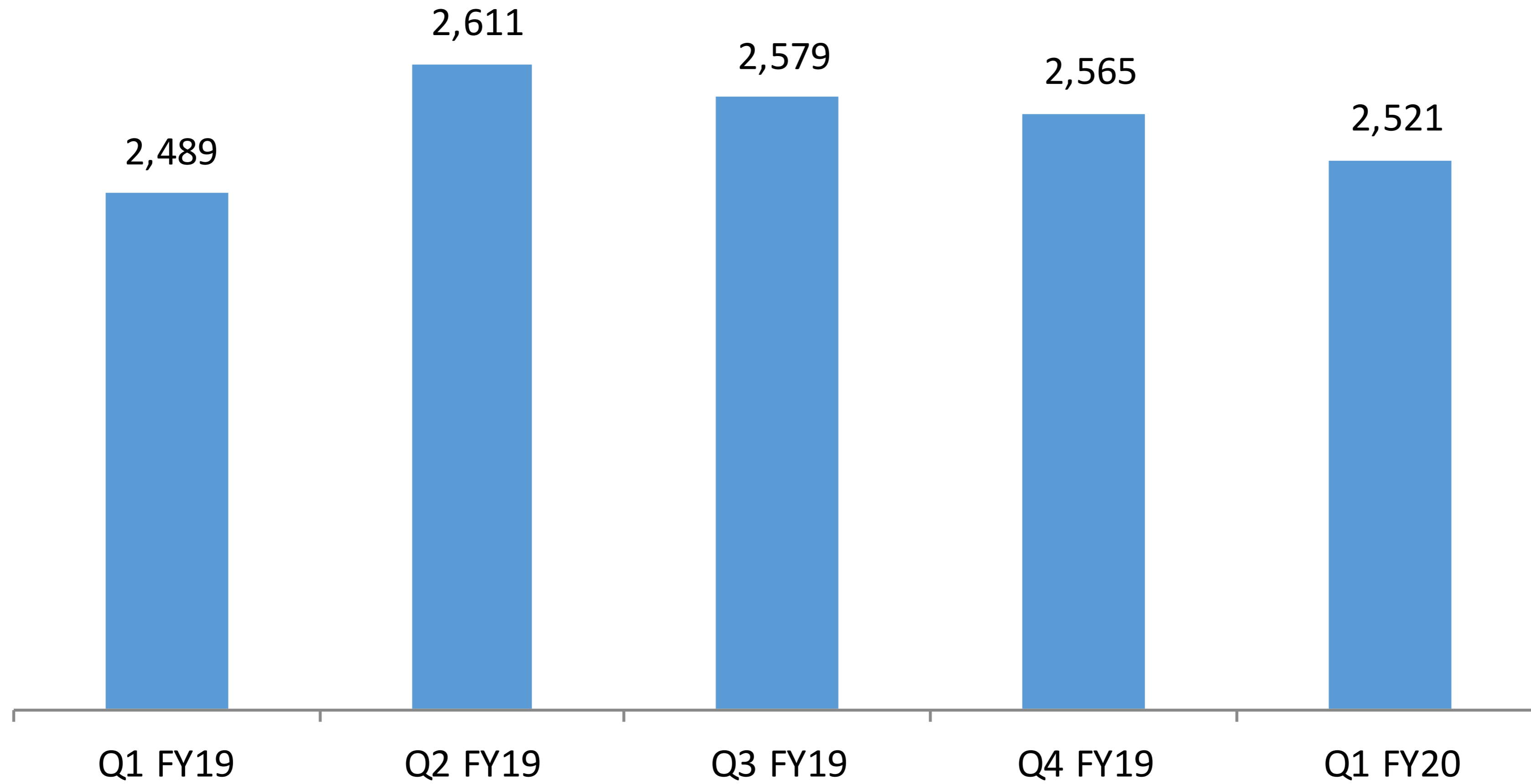
Headcount down 44 QoQ and up 32 YoY

•Excludes project retainers

FUTURE DIRECTION.

NIIT CORPORATE LEARNING GROUP

We help clients run training like a business.

A Vision for Transforming L&D

CLG: Corporate Training Metrics

Average Annual Spending Per Employee (USD)

Year	Amount
2013	1,208
2014	1,229
2015	1,252
2016	1,273
2017	1,296

Average Spend Per Employee by Industry (USD)

Industry	Amount
Professional Scientific and...	1,748
Manufacturing	535
Pharma/ Healthcare	1,392
Finance, Insurance, Real Estate	1,107

Direct Expenditure As Percentage of Revenue

1.16%

Direct Expenditure As Percentage of Payroll

3.3%

All Instructor Led 67%

All Self Paced 29%

Mobile 2%

DVD, Audio etc 1%

Others 1%

Source: ATD
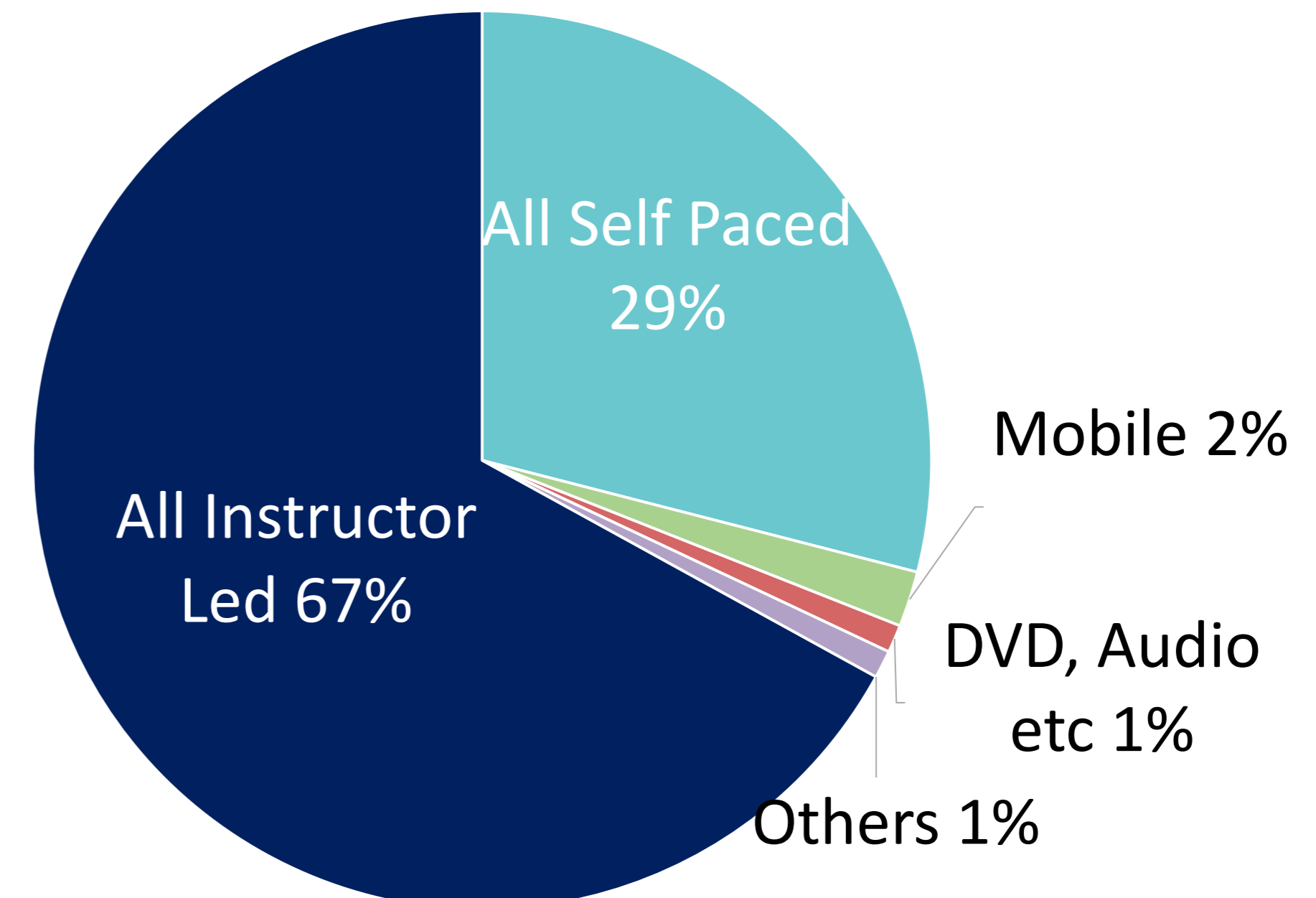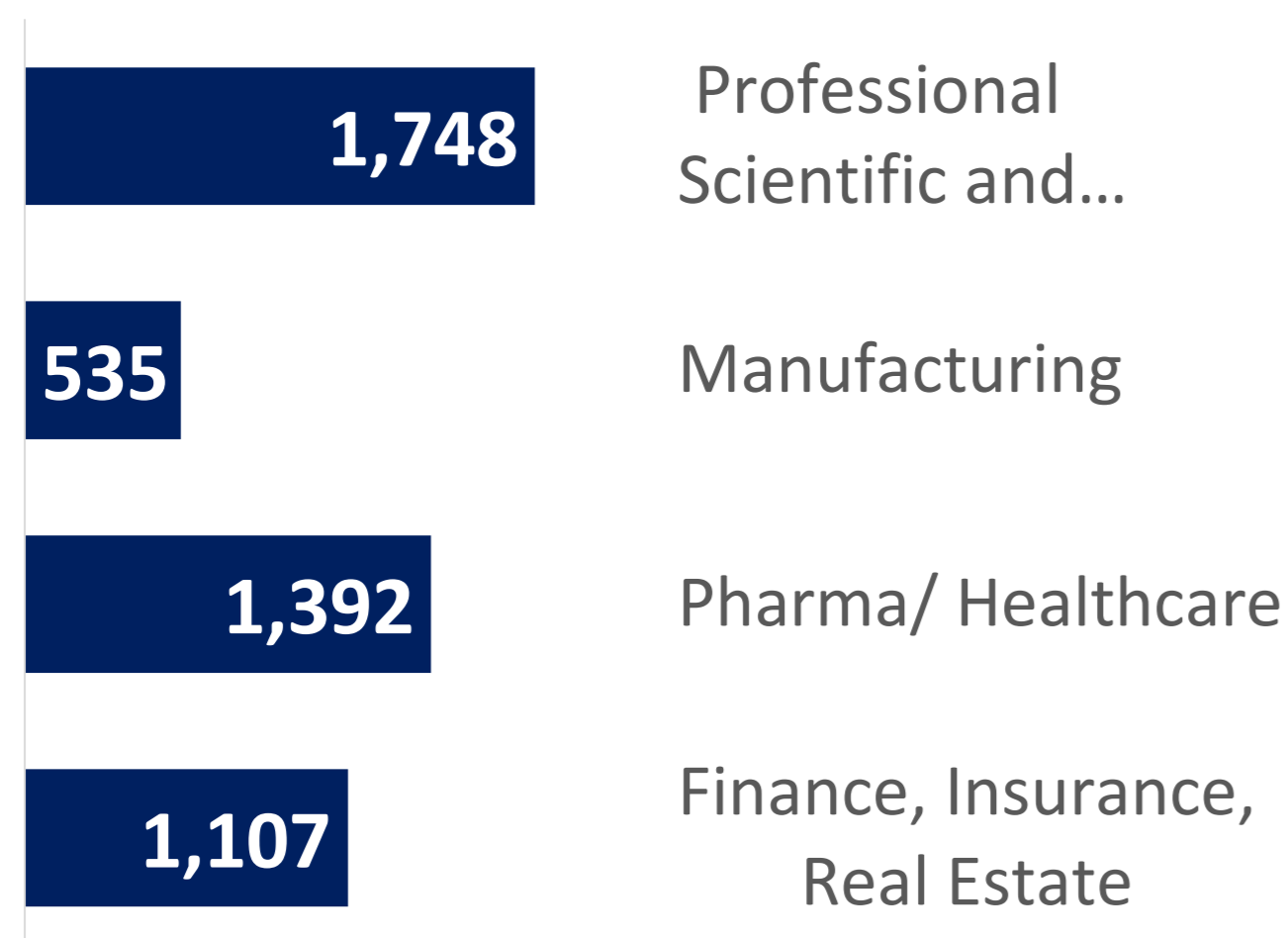
CLG: Corporate Training Spending

NIIT

Spending On Training (US$ Billion)

	1	2	3	4
RoW	165	172	196	198	201
North America	142	150	160	162	161

■ North America ■ RoW
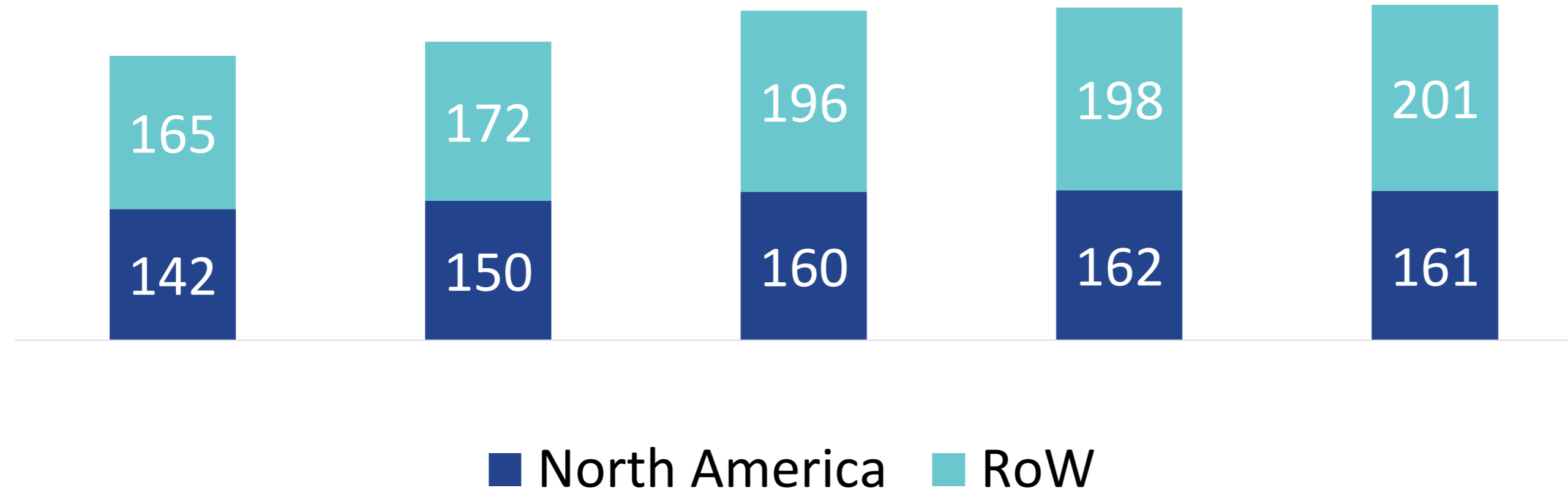
CLG – Focus Industries

1	2	3	4
Tech/ Telecom	**Energy**	**Lifesciences**	**BFSI**
Non Discretionary and high spending due to high rate of change in technology and threat of obsolescence	**Non Discretionary and high spending due to Regulation (License to operate) and high cost of mistakes (Financial, Ecological, Health and Safety)**		

High Annual Spend/ Employee ($)

The Corporate Training market represents $360+ billion opportunity

Spending on Training Continues to Grow

Increasing trend towards outsourcing. Less than 5% penetration

Focus on Technology/Telecom Energy, Lifesciences and BFSI Industries

CLG: Consistent Growth

No of MTS Customers

- FY17: 34
- +5
- FY18: 39
- +7
- FY19: 46

CLG Revenue (Rs Mn)

- FY17: 4,534
- 14%
- FY18: 5,183
- 22%
- FY19: 6,324
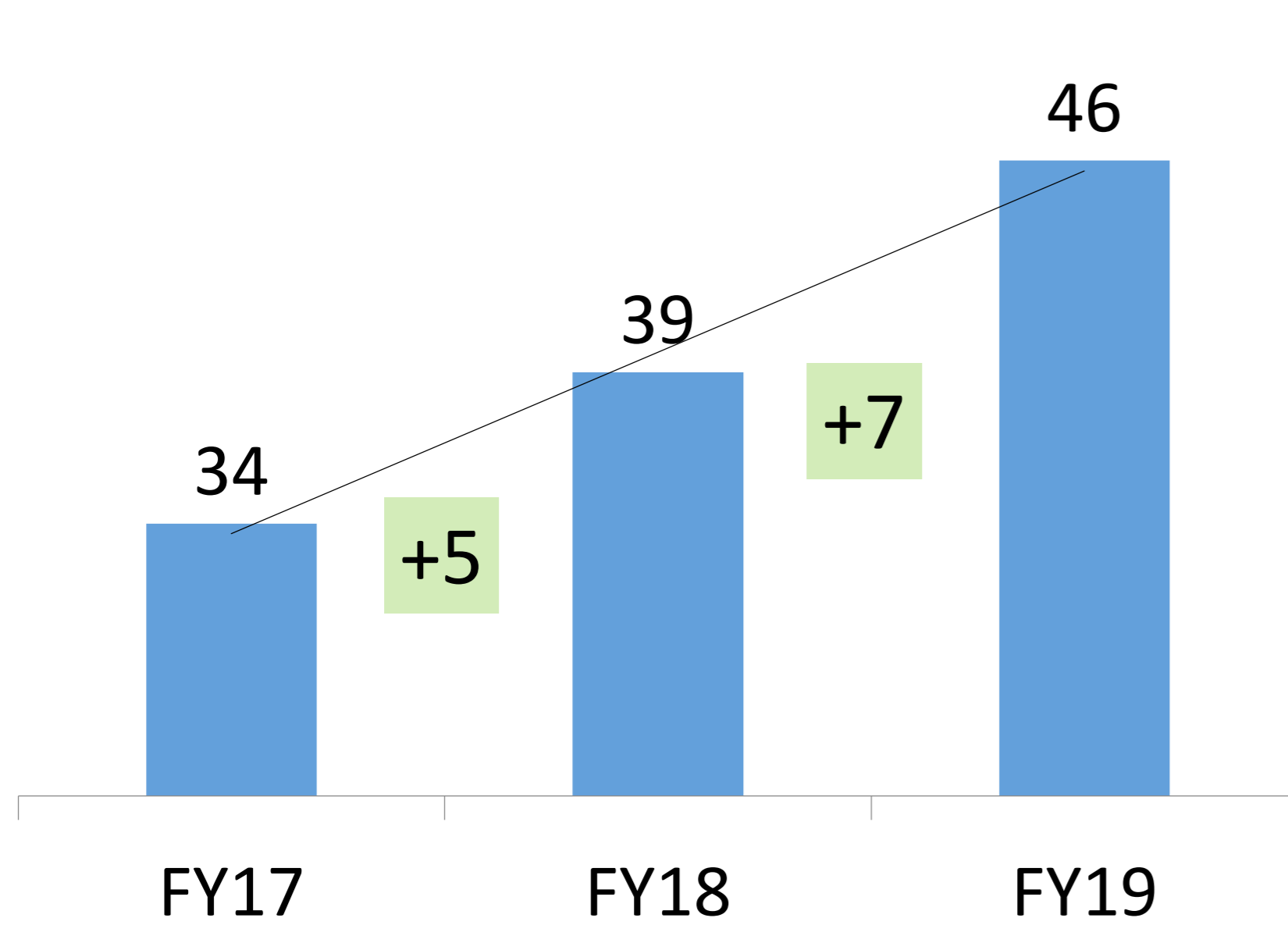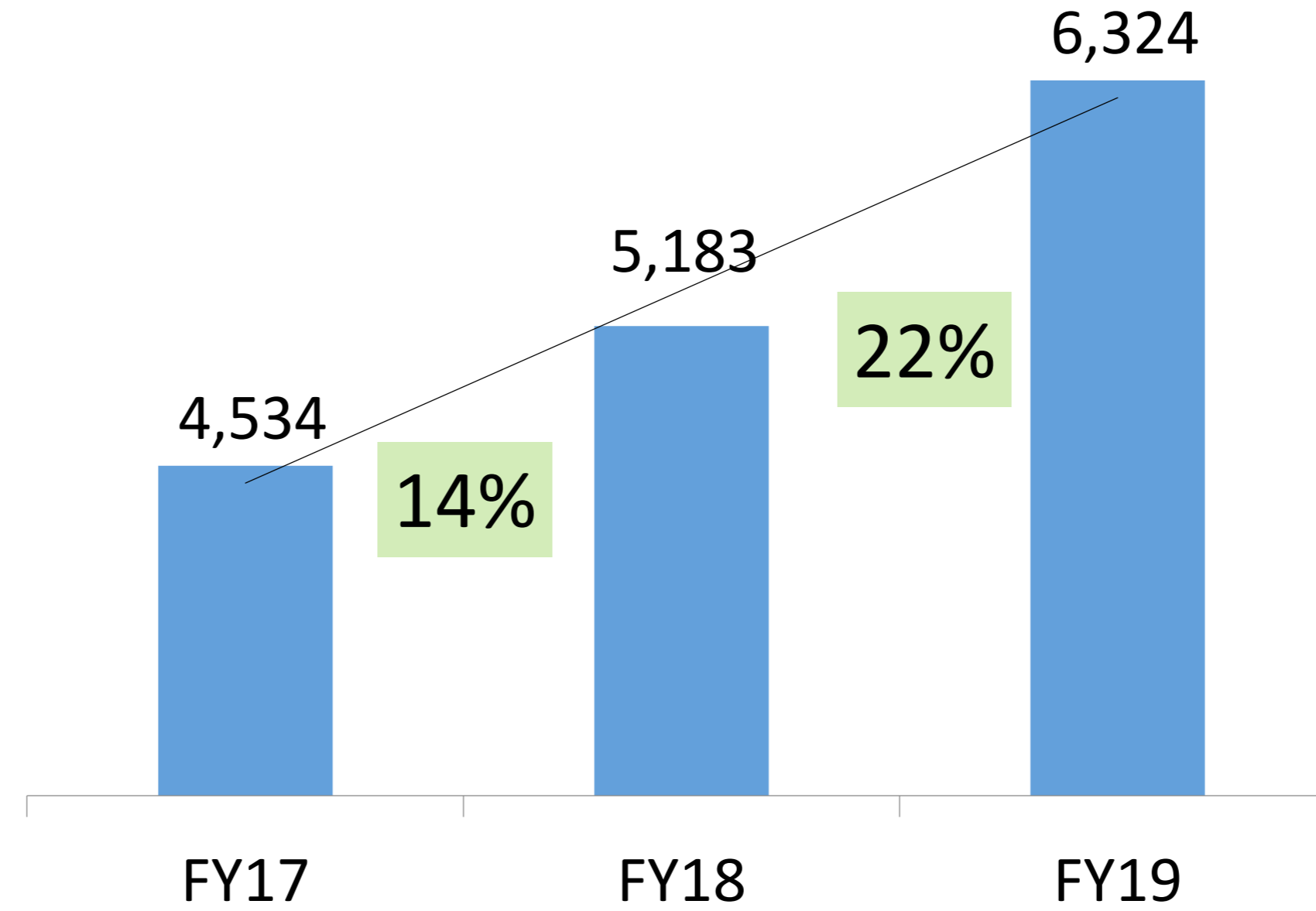
16% Revenue CAGR over last 7 years

Steady Addition of New Logos (9 new logos in FY19)

Differentiated competitive positioning

Strong revenue Visibility. $264 Mn* from existing contracts

*as of June 30, 2019

Taking MTS to the Next Level of Growth

PRODUCTIVITY

Step up people productivity and optimization of effort & resources through automation and tools

Improve margins for NIIT

ACCELERATE DEAL FLOW

Investments in S&M

Contract Expansion with Existing Customers

Improve Win Rates

Higher Sales Productivity

COMPREHENSIVE ENGAGEMENTS

Domain expertise
Global delivery capability
High Capability and Service Maturity
Big ticket annuity contracts

Improve Book to Bill ratio

Driving Scale and Profitability For CLG

CLG: Leveraging Analytics for Creating Customer Value

Customer Demand

"I need a one-stop shop to get all my data so that I can make business decisions. My LMS won't give me this."

NIIT Solution

Talent Management Systems

Learning Management Systems

Multiple HRIS

Managed Services Platform

ease
evaluate. analyze. simplify. engage.

Salesforce.com

SNC: India Higher Education Landscape

39,050
Colleges

903
Universities

36.6 million
Students Enrolled

25.8%
GER

Source: AISHE 2017-18

Enrollment by Level

- Others, 0.8, 2.2%
- Diploma, 2.7, 7.4%
- PG, 4.1, 11.2%
- UG, 29.0, 79.2%
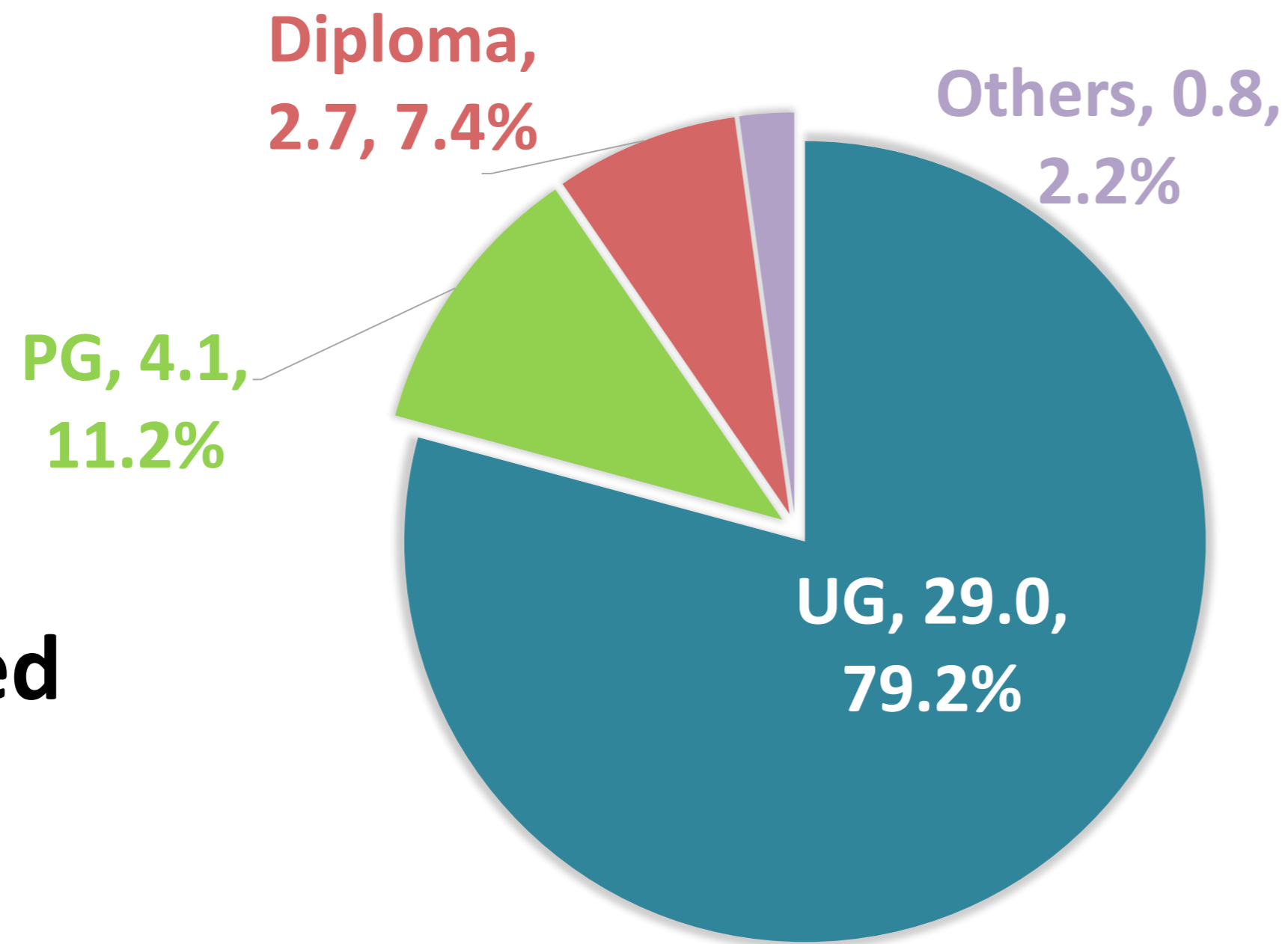
UG Enrollments by Stream
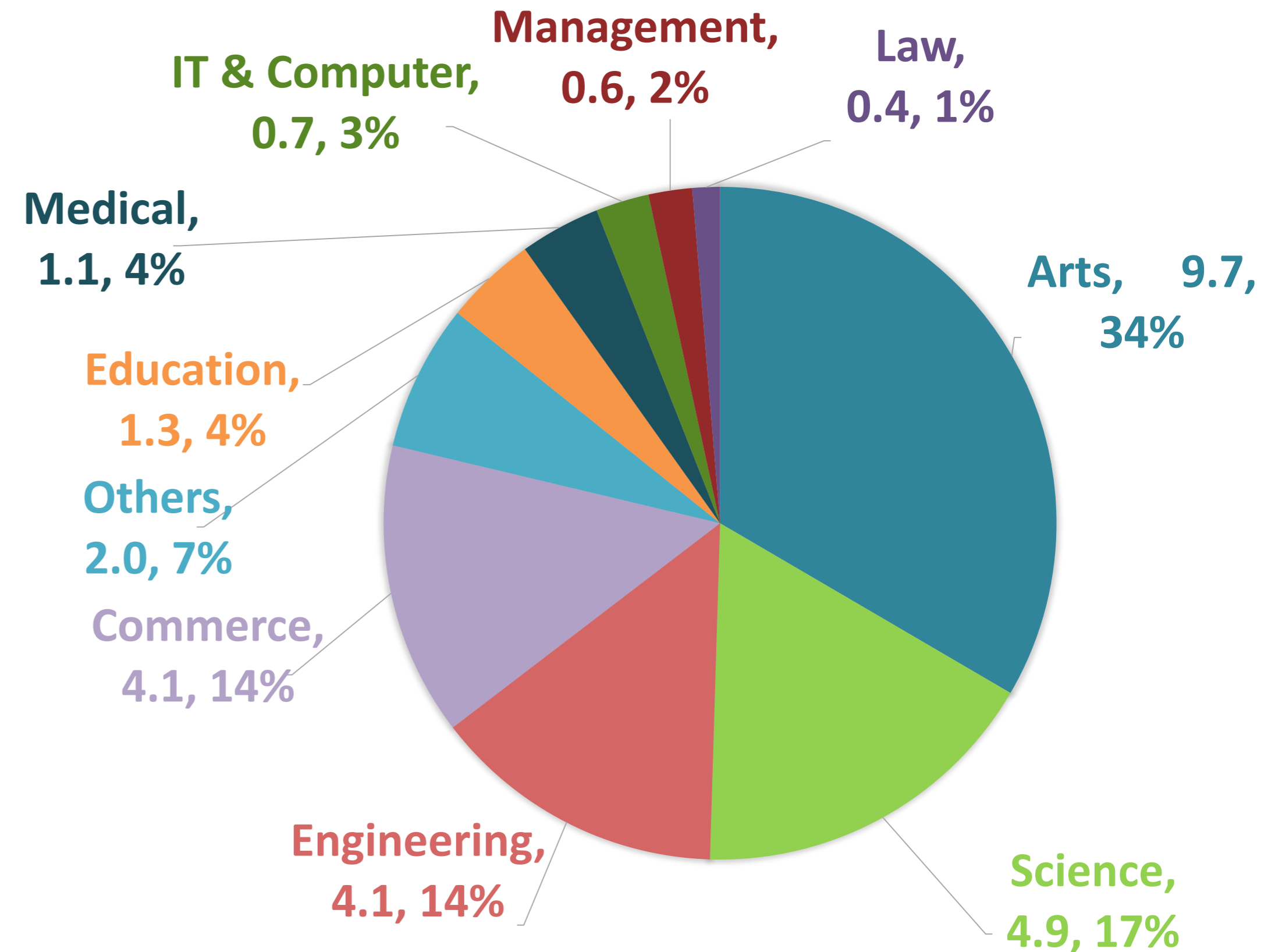
- Management, 0.6, 2%
- Law, 0.4, 1%
- IT & Computer, 0.7, 3%
- Medical, 1.1, 4%
- Education, 1.3, 4%
- Others, 2.0, 7%
- Commerce, 4.1, 14%
- Arts, 9.7, 34%
- Engineering, 4.1, 14%
- Science, 4.9, 17%

Global Technology and Business Services Spend $ Bn

- 2757
- 10% / 90% (2014)
- 15%-25% — 100% (Traditional Spend Evaporates) — *15%-25% of traditional spend saved by going digital*
- +1400 — 80% / 20% (New Services Lines) — *80% of new spend around Digital Technologies*
- 3% to 4%
- 3550 — 35% / 65% (2020E)
- 4100 — 60% / 40% (2025 E) — +30%

Legend: ■ Traditional Tech ■ Digital Tech
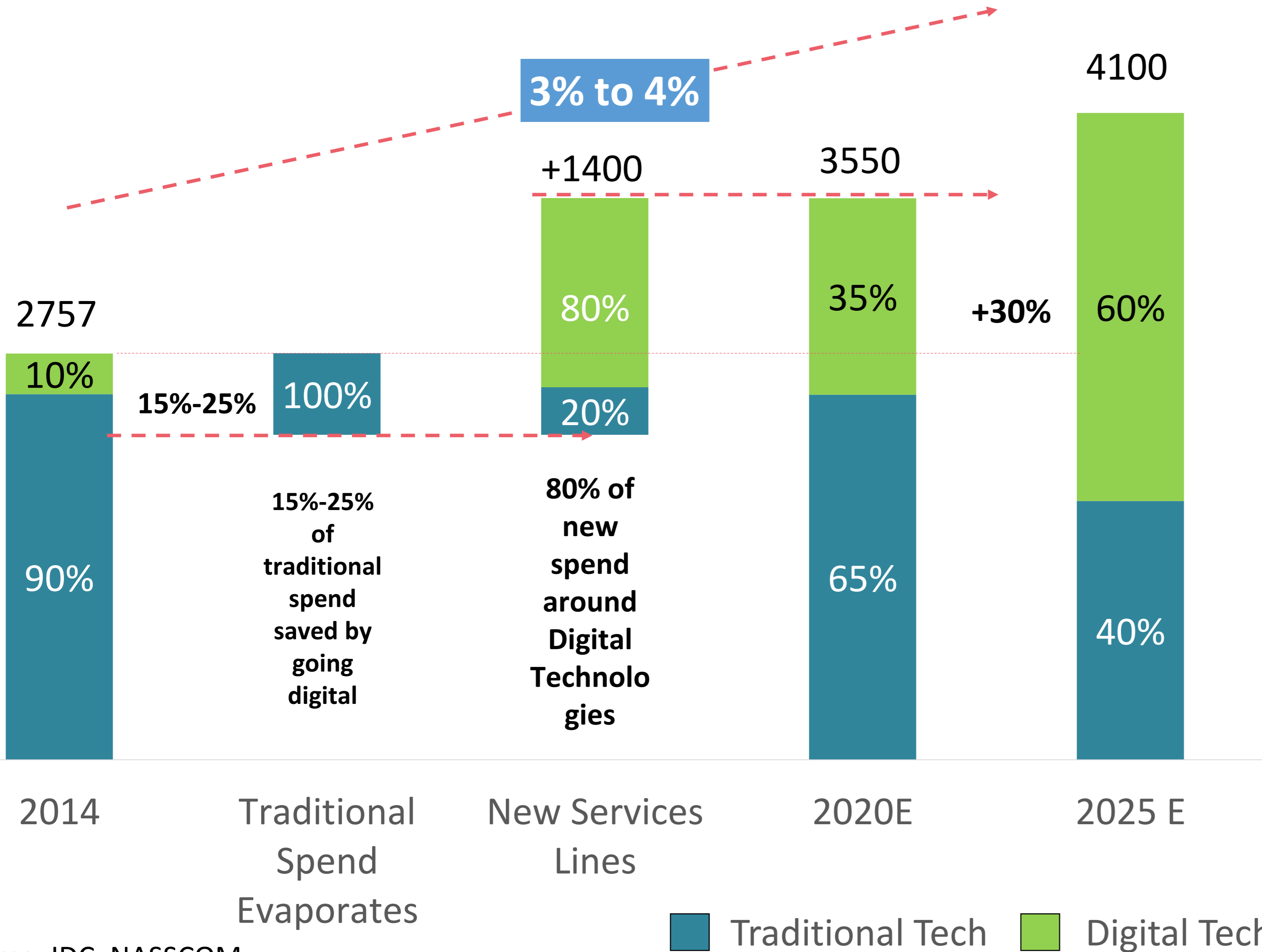
India digital services experts growing at +30% (1.5x faster than global digital growth rates) and now ~20% of Industry Exports.

Global Technology and Business Services to Touch USD 4 Trillion by 2025

Share of Digital Technologies to increase to 60%

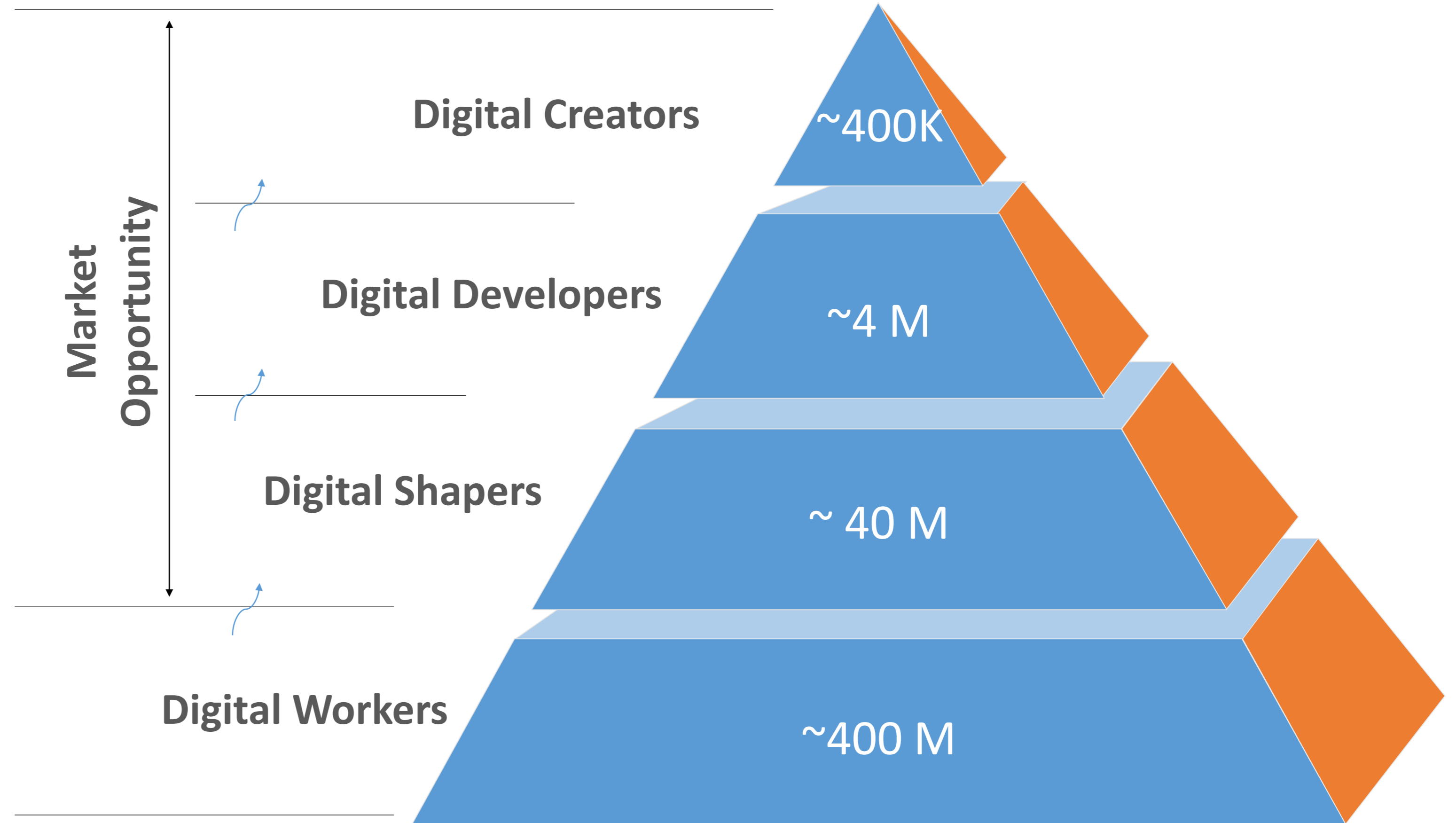**50% - 60% of today's workforce needs to be reskilled to be relevant**

Source: IDC, NASSCOM

SNC: Digital Opportunity Landscape

Future is "Digital@Scale"

Digital becoming all pervasive, blurring IT industry sector boundaries

Digital projects more skill intensive than people intensive

People need continuous reskilling with consulting and design capabilities

Accelerating influx of new GICs; 1140+ nos.

India emerging as key hub for Digital@scale

Source: NASSCOM
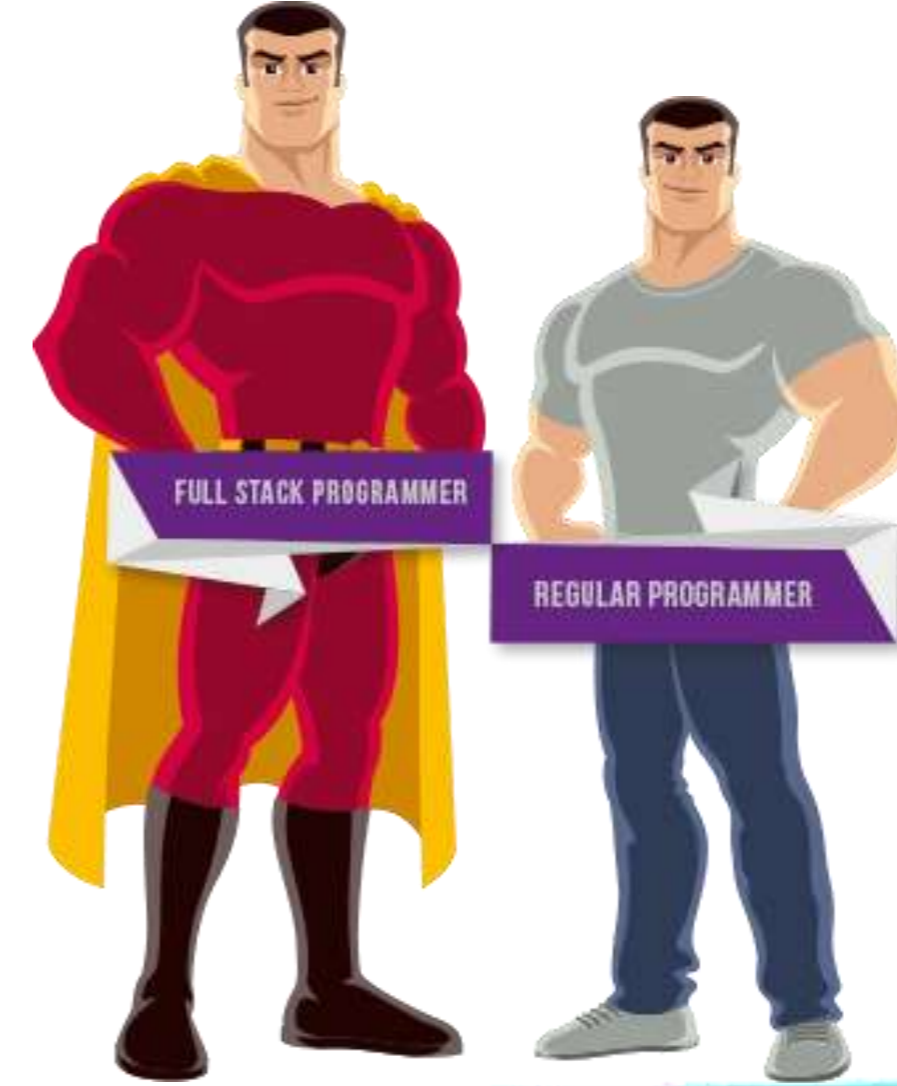
Market Opportunity

Digital Creators — ~400K

Digital Developers — ~4 M

Digital Shapers — ~40 M

Digital Workers — ~400 M

34

SNC: New Product Portfolio

Expanded Portfolio of Career Programs   +   JIT Skills for Aspirational Careers

Undergraduate / Fresh Graduate

| IT | Banking & Finance | Digital Mktg | Data Analytics | Accounting & Analytics | **Term 1** |

GUIDED PRACTICE

| IT | Banking & Finance | Digital Mktg | Data Analytics | Accounting & Analytics | **Term 2** |

GUIDED PRACTICE

| IT | Banking & Finance | Digital Mktg | Data Analytics | Accounting & Analytics | **Term 3** |

Job Roles

| Web developer, Application Developer, Developer, Backend, Front End Developer | Customer Service Officer, Development Officer/ARDM Financial Advisor, Financial Analyst, Associate Consultant etc. | Digital Marketing Executive,, Marketing Analyst, SEO Executive, Social Media Manager | Data Analyst, Research Analyst, Research Associate, Data Science & Analytics Engineer, Business Analyst | Finance & Accounts Executive, Accounts Executive, Finance Executive, Executive Accountant, Accountant |

DATA SCIENCE & ANALYTICS

DIGITAL MARKETING

EXECUTIVE MANAGEMENT

BANKING & FINANCE

INFORMATION TECHNOLOGY

SNC: Talent Pipeline as a Service (TPaaS)
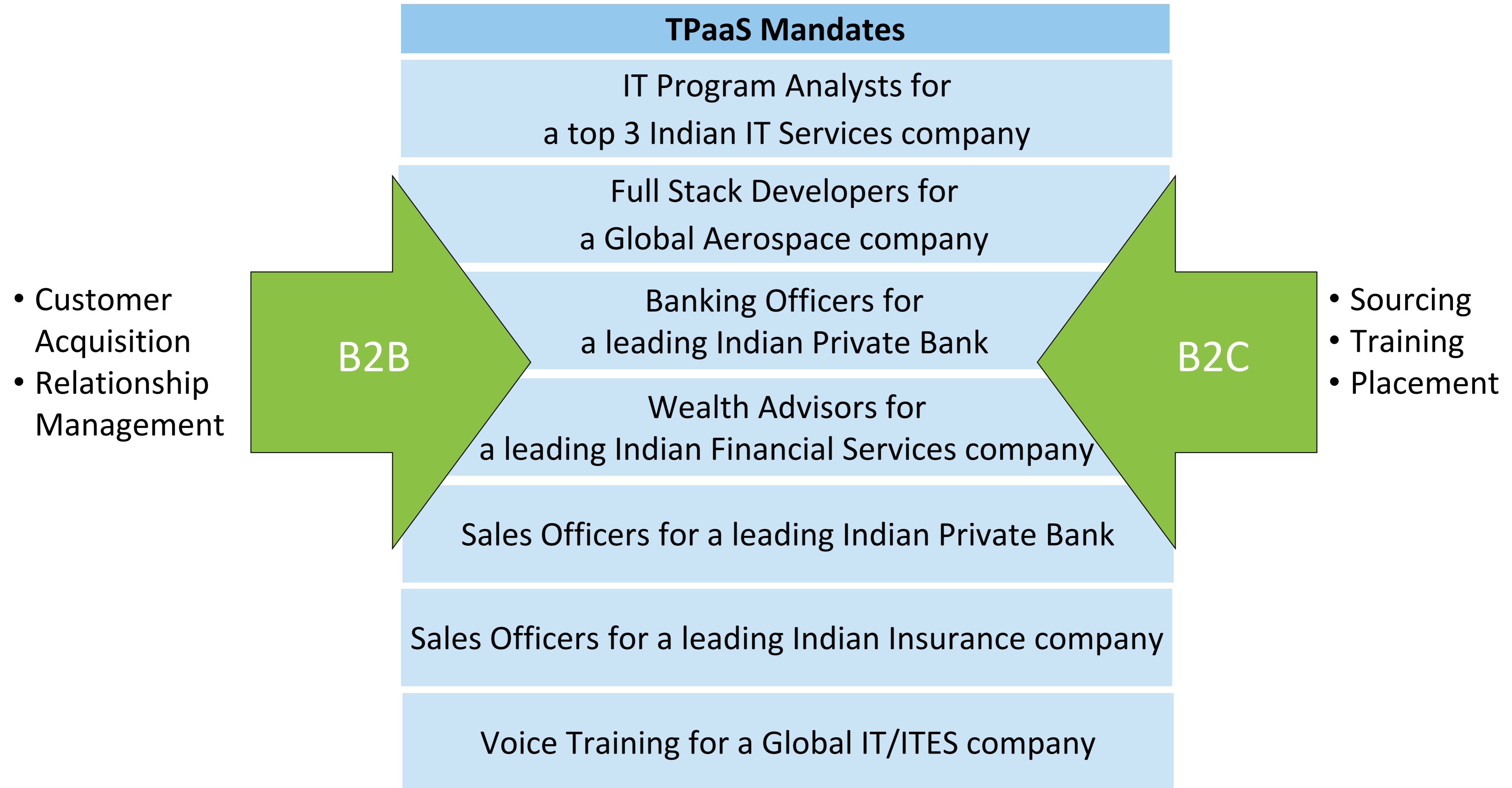
NIIT

TPaaS Mandates

IT Program Analysts for
a top 3 Indian IT Services company

Full Stack Developers for
a Global Aerospace company

Banking Officers for
a leading Indian Private Bank

Wealth Advisors for
a leading Indian Financial Services company

Sales Officers for a leading Indian Private Bank

Sales Officers for a leading Indian Insurance company

Voice Training for a Global IT/ITES company

B2B

- Customer Acquisition
- Relationship Management

B2C

- Sourcing
- Training
- Placement

You can't spell TRAINING without NIIT.