



TATA ELXSI

Q1 FY22 Earnings Presentation and Fact Sheet

15 July 2021

Disclaimer

This release may contain certain future prospects which may be a forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

Note: All numbers have been rounded to the nearest digit for convenience of representation.

Management commentary



Manoj Raghavan
Managing Director and CEO

“We are pleased to report a strong start to the new fiscal with all-round growth across industries and key geographies. We continue to execute strongly on both top line and bottom line.

Our Healthcare business continues to grow strongly, while both Transportation and Media and Communications reported another quarter of sustained growth.

We are seeing sustained recovery in the automotive market for the third consecutive quarter. We have also won large and strategic deals with both OEMs and suppliers in EV and autonomous technologies, underscoring our technology and engineering leadership. This is reflected in both the industry and geography growth we have reported in the quarter.

We have also won strategic deals in digital health, OTT and video platform development, which reflect on our ability to support the product and technology transformation agendas of customers in our key verticals.

I am especially delighted with our company having won the NASSCOM Engineering & Innovation Excellence Awards 2021 for Engineering Service Providers in all product categories. This recognition is a testimony to Tata Elxsi’s DNA of bringing design and technology together, leadership in each vertical we operate in, and our differentiated solution and value driven approach to the market.

We are entering the second quarter with a strong order book and a healthy deal pipeline across key markets and industries.”

Performance Highlights

Financial Highlights

- Revenues from operations at Rs. 558.3 Cr, +7.7% QoQ, +39.4% YoY
- Total income at Rs. 575.8 Cr, +9.6% QoQ, +39.1% YoY
- Profit Before Tax (PBT) at Rs. 153.9 Cr, -4.7% QoQ, +63.9% YoY. **The PBT factors in the additional Rs 33 Cr. of employee expenses on account of the special one-time bonus for all our employees**

Awards and Accolades

- Tata Elxsi won all three Product Award Categories for Engineering Service Providers at the NASSCOM Engineering & Innovation Excellence Awards 2021
 - Next-gen Product of the Year: Tata Elxsi's TETHER Connected Vehicle IoT platform
 - Engineered in India Product of the Year: Tata Elxsi's FALCONEYE QoETIENT - Test Automation & Quality-of-Experience monitoring platform for video and OTT
 - Social Impact solution of the Year: Gazelle, a breakthrough point-of-care diagnostic device for malaria and sickle-cell disease screening developed for Hemex Health

Segment Highlights

- Embedded Product Design (EPD), the company's largest division grew by 7.5% QoQ and 31.4% YoY
- Industrial Design & Visualization (IDV) grew by 13.9% QoQ and 132.1% YoY.

Performance Highlights

Key Deal wins

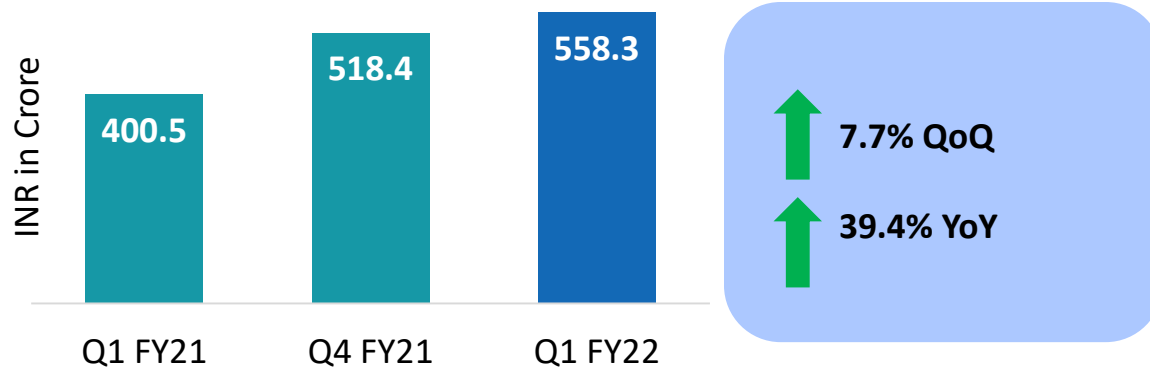
- A leading global healthcare provider selected Tata Elxsi as their strategic digital and development partner for their next-generation digital health platform
- A leading global automotive OEM selected Tata Elxsi as their strategic development partner for their next generation EV system development
- Tata Elxsi licensed its OTT solution TEPLAY to a world-renowned institution for arts and music towards the development of their OTT platform to reach and engage with newer audiences digitally
- A leading US based broadcaster selected Tata Elxsi for their global OTT platform development
- A leading European headquartered innovator and systems supplier awarded Tata Elxsi their EV platform development program
- A leading appliances company selected Tata Elxsi to set up a Digital Center of Excellence (DCoE) to develop their portfolio of next generation of connected and smart appliances

Financial Summary – Q1 FY22

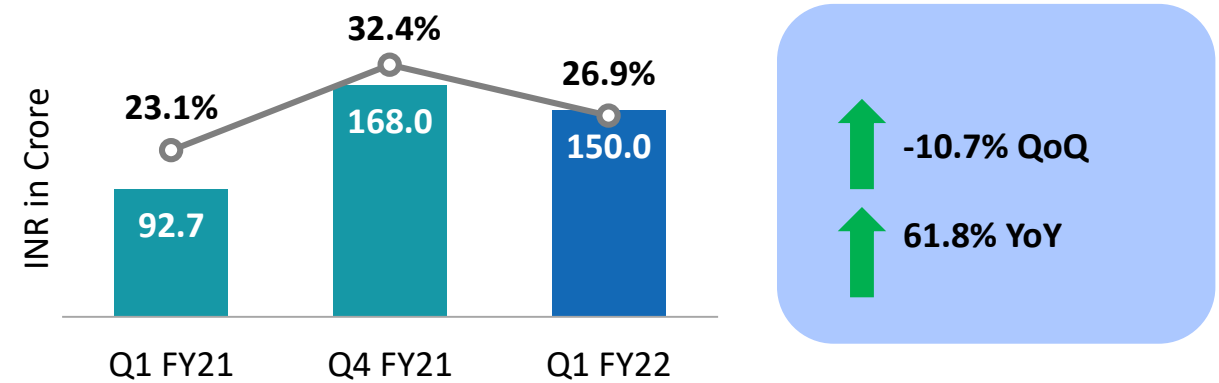
Particulars	Metrics	Q1 FY22	Q4 FY21	QoQ Growth	Q1 FY21	YoY Growth
Revenue (INR Cr)	Total Income from operations	558.3	518.4	7.7%	400.5	39.4%
	Other Income	17.5	6.8		13.4	
	Total Income	575.8	525.2	9.6%	413.9	39.1%
Margins (INR Cr)	EBITDA	150.0	168.0	-10.7%	92.7	61.8%
	EBIT	138.1	156.7	-11.9%	81.9	68.6%
	PBT	153.9	161.6	-4.7%	93.9	63.9%
	PAT	113.4	115.2	-1.6%	68.9	64.6%
Margin (%)	EBITDA	26.9%	32.4%		23.1%	
	EBIT	24.7%	30.2%		20.4%	
	PBT	26.7%	30.8%		22.7%	
	PAT	19.7%	21.9%		16.6%	
EPS (INR)	Basic	18.21	18.50		11.06	
	Diluted	18.21	18.50		11.06	

Financial Performance – Q1 FY22

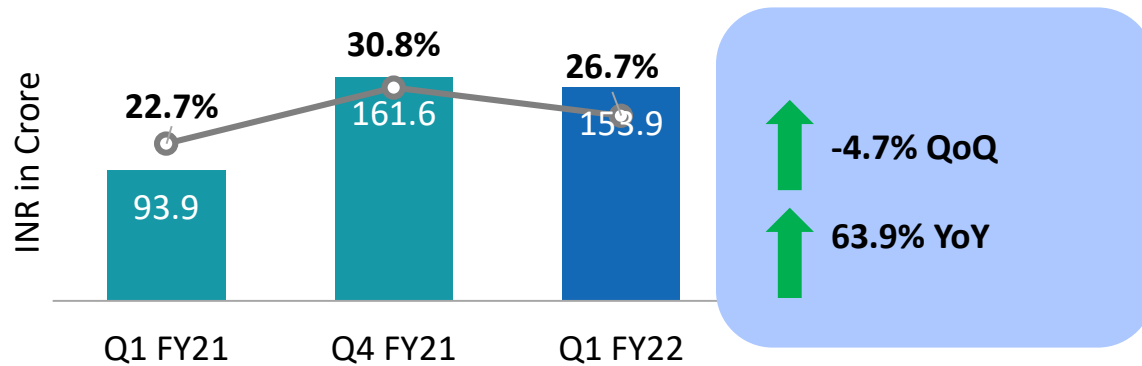
Operating Revenue



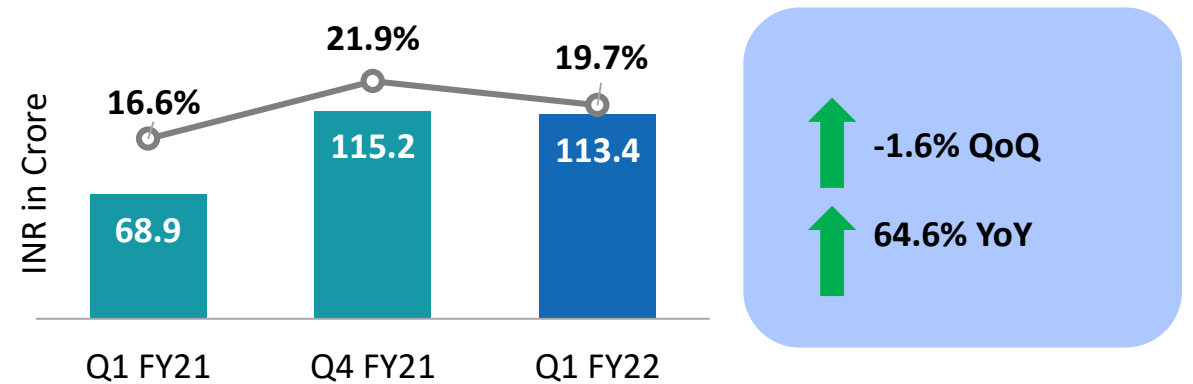
Operating EBITDA & Margin (%)



PBT & Margin (%)

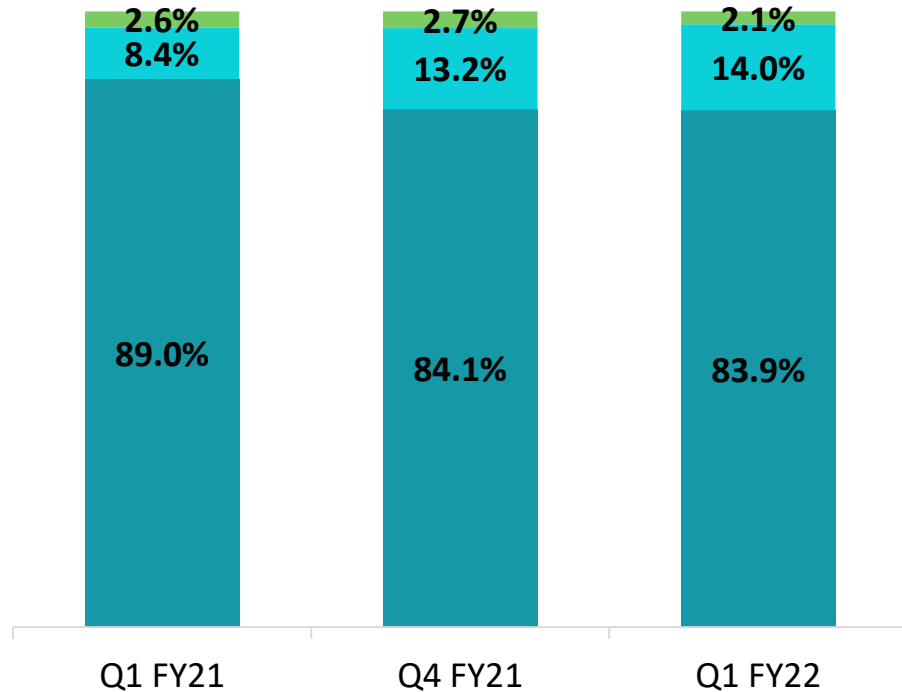


PAT & Margin (%)



Operational Performance – Q1 FY22

Revenue By Segment

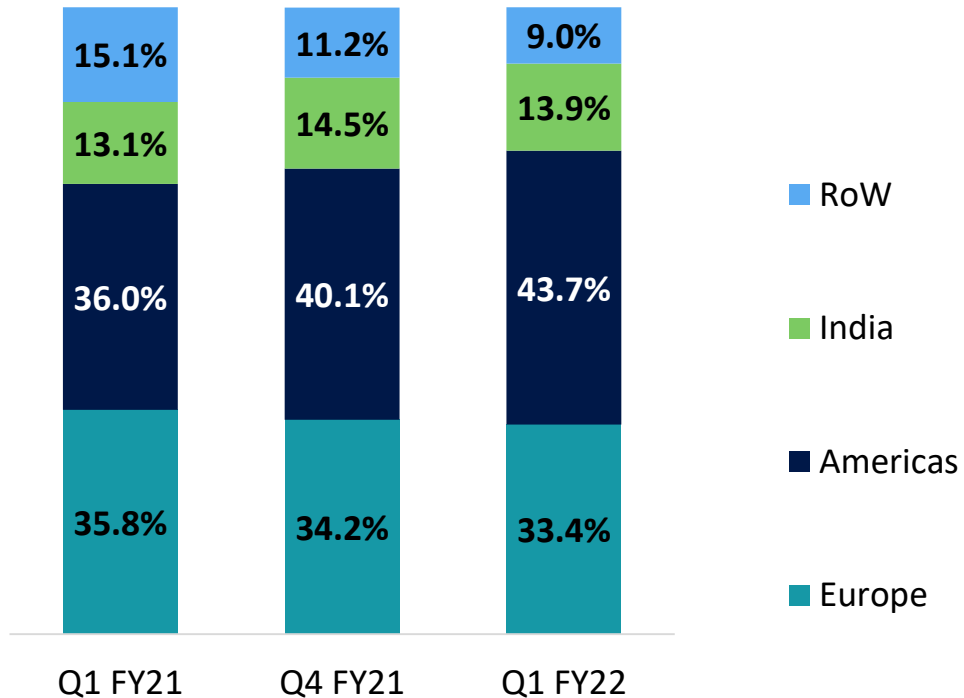


- System Integration & Support (SIS)
- Industrial Design & Visualization (IDV)
- Embedded Product Design (EPD)

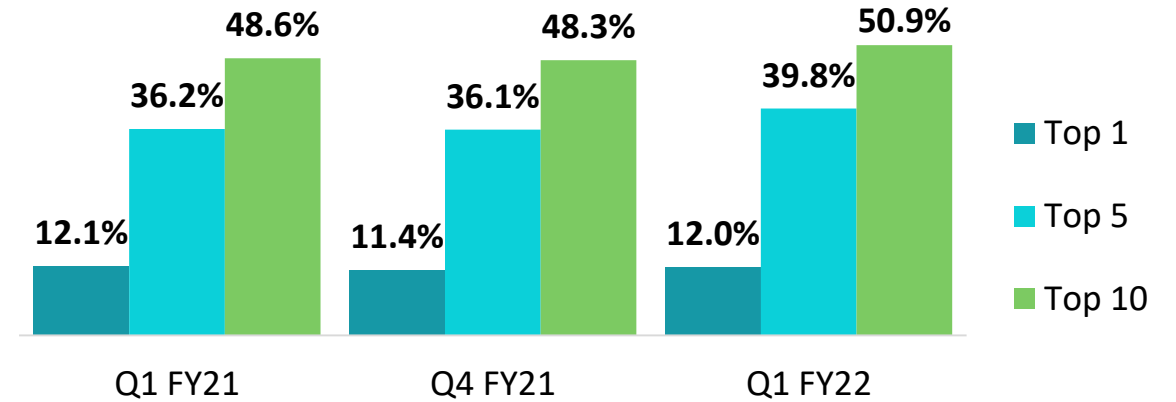
Segment	Constant Currency Growth	
	Q-o-Q	Y-o-Y
Embedded Product Design (EPD)	6.3%	29.5%
Industrial Design & Visualization (IDV)	11.8%	128.0%
System Integration & Support (SIS)	-15.7%	13.0%
Total (Tata Elxsi)	6.4%	37.4%

Operational Performance – Q1 FY22

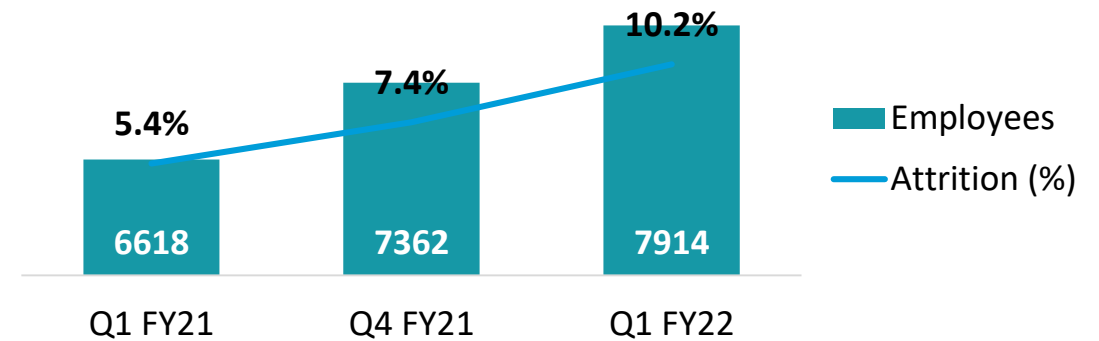
Revenue By Geography



Client Concentration

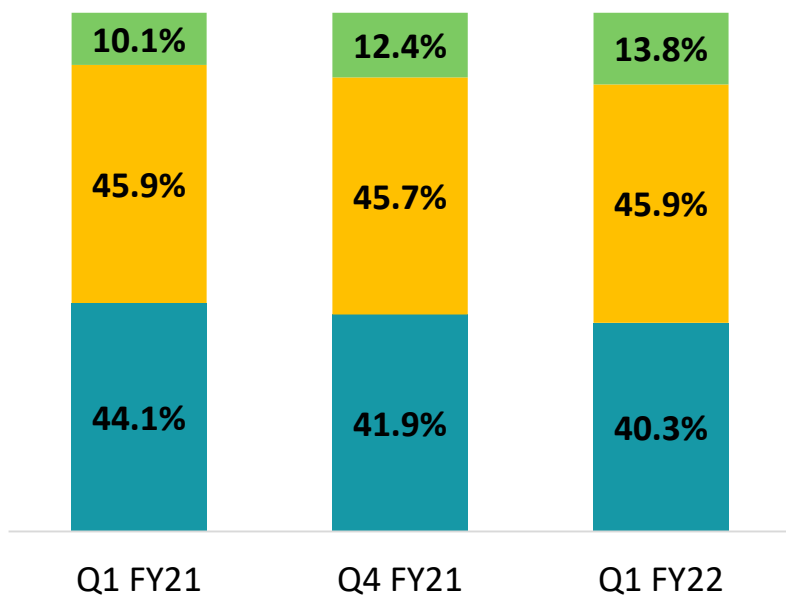


Employee Metrics



EPD Operational Performance – Q1 FY22

Revenue By Industry



■ Healthcare & Medical Devices

■ Media & Communications

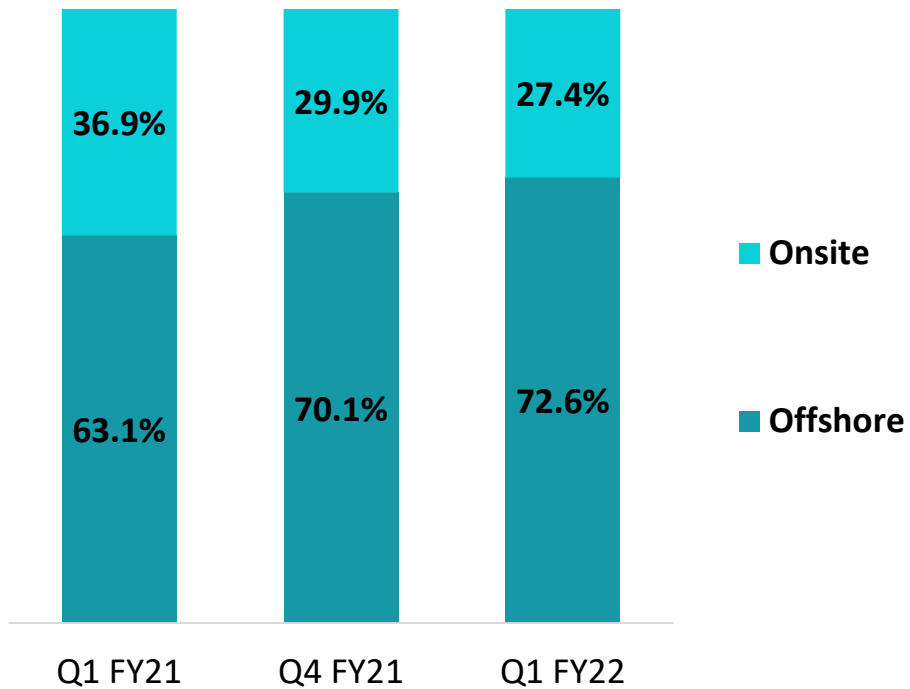
■ Transportation

Industry	Constant Currency Growth	
	Q-o-Q	Y-o-Y
Transportation	2.2%	17.8%
Media & Communications	6.7%	29.0%
Healthcare & Medical Devices	18.5%	83.1%
Total (EPD)	6.3%	29.5%

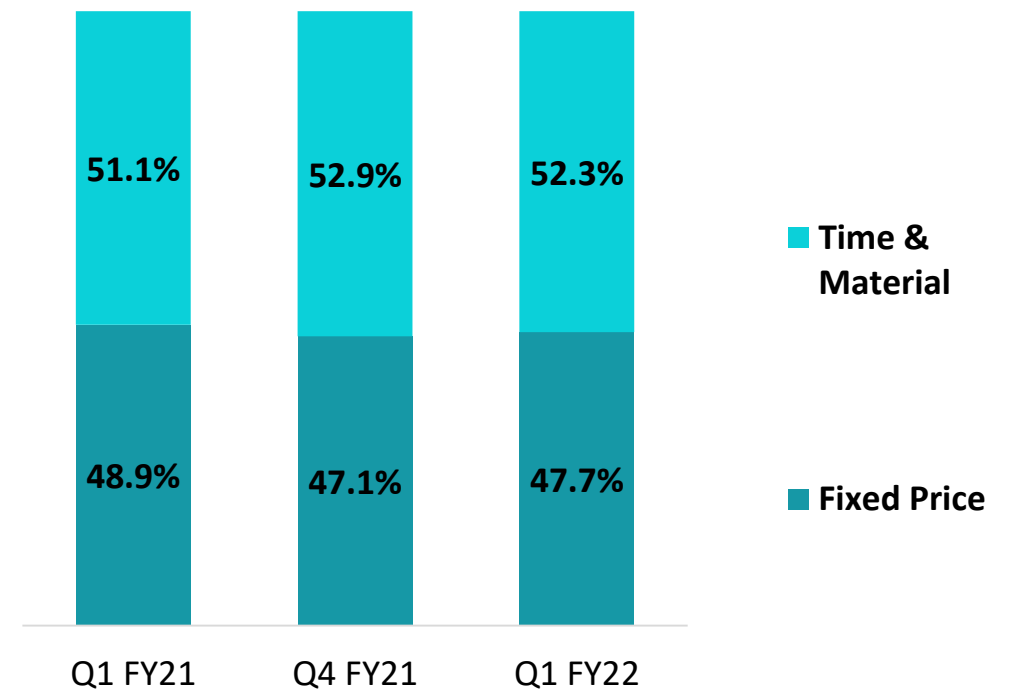
Note: Refer slide 12 for more details

EPD Operational Performance – Q1 FY22

Revenue By Onsite / Offshore Mix



Revenue By Contract Type Mix



Notes – Restructuring of “Others” in EPD

The revenues reported under “others” within EPD was software development for semiconductor companies, and design-led services for appliances. This has been now synergized with the respective industry units based on end application and nature of work, to drive industry alignment and growth.

The redistribution for the past 4 quarters of revenues from “others” is detailed below.

Segment / BU	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21
EPD - Transportation	34.4%	28.2%	30.8%	23.4%
EPD – Media & Communications	10.3%	9.3%	9.0%	9.2%
EPD – Healthcare & Medical Devices	32.2%	27.5%	26.3%	29.8%
IDV	23.1%	35.0%	33.9%	37.6%

About us

Incorporated in 1989, Tata Elxsi is amongst the world's leading providers of design and technology services across industries including Automotive, Media, Communications and Healthcare.

Tata Elxsi provides integrated services – from research and strategy, to electronics and mechanical design, software development, validation and deployment, and is supported by a network of design studios, global development centers and offices worldwide. We combine deep domain expertise with over 30 years of technology and product development experience, that enable brands to differentiate and win.

Tata Elxsi is helping customers reimagine their products and services through design thinking and application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality and Artificial Intelligence.

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