



Q1 FY25

Earnings Presentation and Fact Sheet



TATA
TATA ELXSI



10 July 2024

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Message from the CEO and Managing Director

“As we step into the second quarter of the current financial year, I am happy to report a healthy performance in the first quarter with a top-line growth of 2.4% QoQ in constant currency terms.

Our Transportation business reported a strong growth of 5.3% QoQ and 20.3% YoY in constant currency, and now accounts for more than 50% of our Software Development & Services business. We believe we are positioned well to capture growth opportunities in the coming quarters as we continue to enable the continued transformation of the automotive industry and Software Defined Vehicles.

Our Media & Communication business has done well in a difficult business environment for that industry, growing 0.5% QoQ in constant currency. I am especially delighted with the NEURON platform-led deal from a leading North American telecom operator for their network transformation.

In the healthcare domain, I am proud of our association and work with Tata Power Trust on the India Neurodiversity Platform which is being rolled out across multiple districts of the country. This is powered by TEcare, Tata Elxsi's Digital Therapeutics solution.

We continue to invest in digital, AI and Gen AI technologies across our verticals, targeting efficiency and quality in product engineering, as well as novel applications of Gen AI combined with domain and design expertise to solve complex business, product and engineering problems.

We step into the second quarter of this financial year with the confidence of a strong deal pipeline, continued growth in our transportation business and expansion of business with strategic customers across verticals.”



Manoj Raghavan
CEO and MD



Financial Highlights Q1'25

Revenue

- Reported Revenue at Rs. 926.5 Cr, +9.0% YoY, +2.3% QoQ
- Revenue growth +8.4% YoY in CC, +2.4% QoQ in CC

Profit

- EBITDA at 27.2%; PBT at 26.3%
- PBT at Rs. 252.4 Cr, +1.6% YoY, -3.8% QoQ
- PAT at Rs. 184.1 Cr, -2.5% YoY, -6.5% QoQ

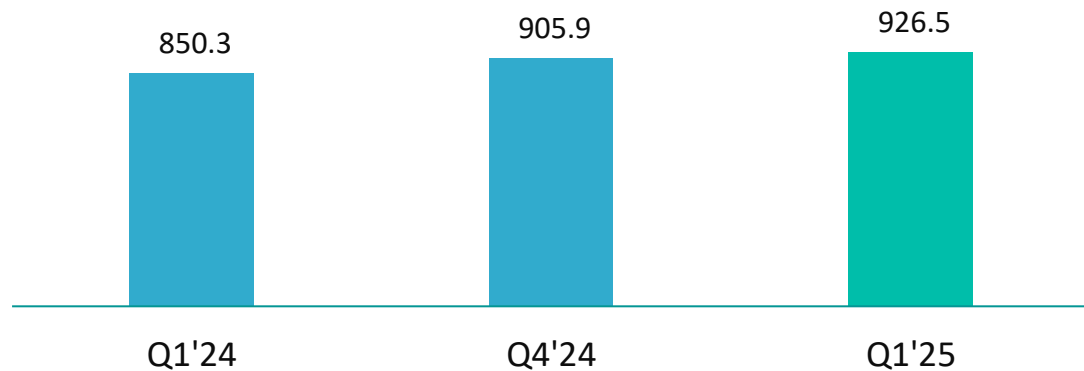
Segment Highlights

- Transportation growth at 5.3% QoQ in CC terms, aided by sustained traction in Software Defined Vehicles (SDV) and large deals
- Media and Communications delivers growth of 0.5% QoQ in CC terms led by transformation and digital offerings
- Healthcare declines 4.3% QoQ in CC terms impacted by delay in renewal of some projects with one large customer

Tata Elxsi Financial Performance – Q1 FY'25

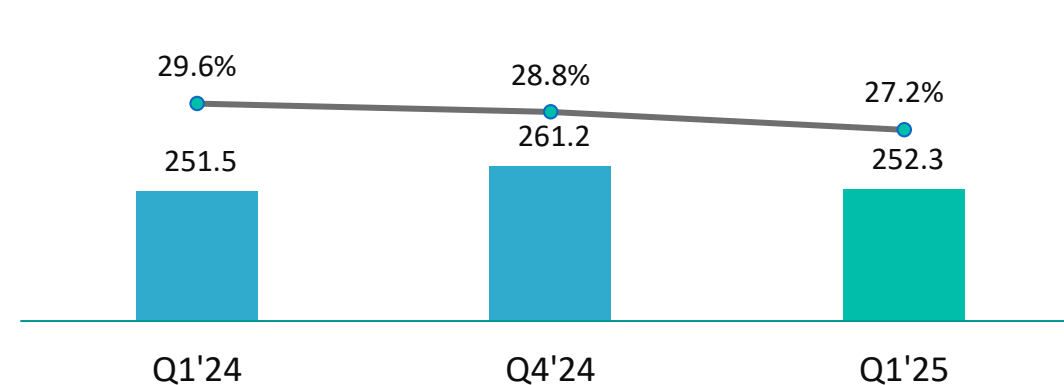
Revenue from Operations

YoY Growth of 9.0%



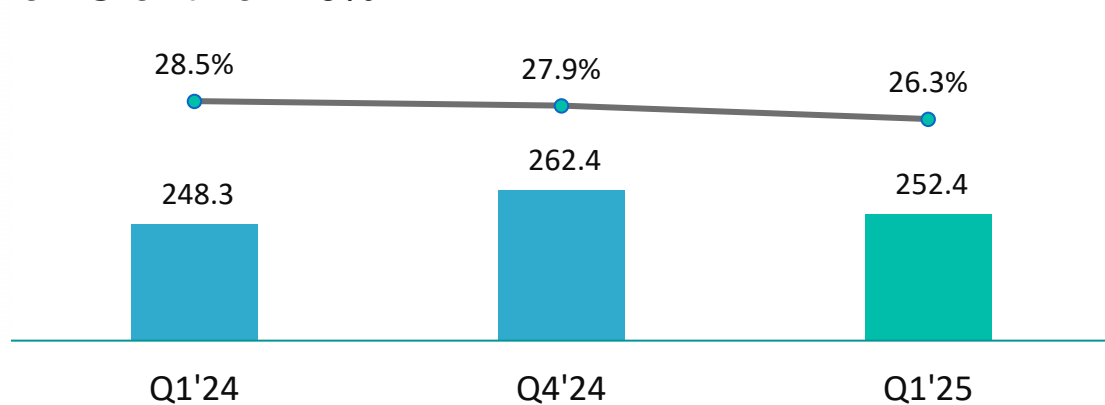
EBITDA & Margin (%)

YoY Growth of 0.3%



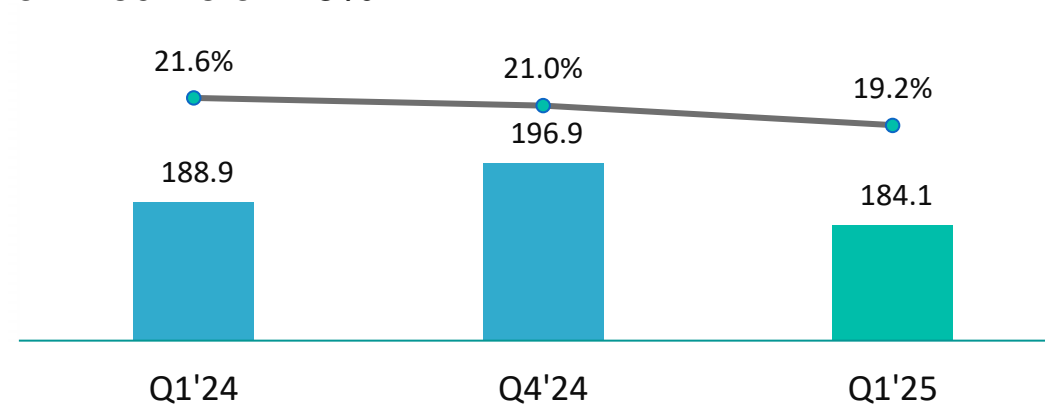
PBT & Margin (%)

YoY Growth of 1.6%



PAT & Margin (%)

YoY Decline of 2.5%

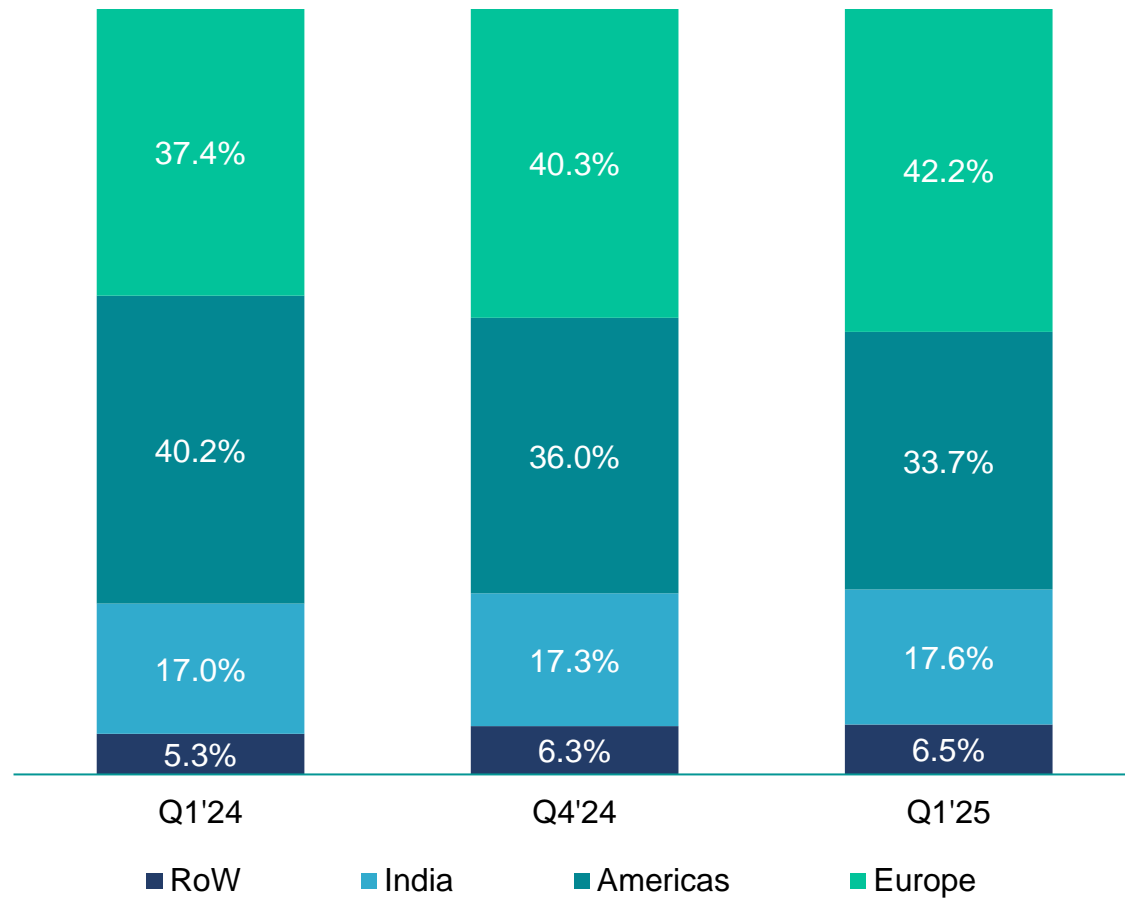


Tata Elxsi Financial Summary – Q1 FY'25

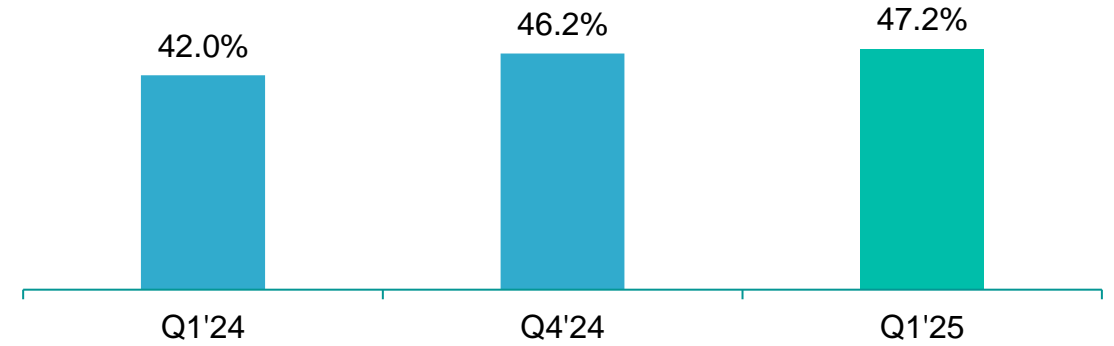
Metrics	Q1FY25	Q4FY24	QoQ Growth	Q1FY24	YoY Growth
Revenue (INR CR)					
Revenue from Operations	926.5	905.9	2.3%	850.3	9.0%
Other Income	32.1	33.7	-4.7%	22.2	44.5%
Total Income	958.5	939.6	2.0%	872.5	9.9%
Margins (INR CR)					
EBITDA	252.3	261.2	-3.4%	251.5	0.3%
EBIT	225.2	233.6	-3.6%	230.1	-2.1%
PBT	252.4	262.4	-3.8%	248.3	1.6%
PAT	184.1	196.9	-6.5%	188.9	-2.5%
Margin (%)					
EBITDA	27.2%	28.8%		29.6%	
EBIT	24.3%	25.8%		27.1%	
PBT	26.3%	27.9%		28.5%	
PAT	19.2%	21.0%		21.6%	
EPS					
Basic	29.56	31.62	-6.5%	30.32	-2.5%
Diluted	29.55	31.61	-6.5%	30.32	-2.5%

Revenue by Geography and Client Concentration

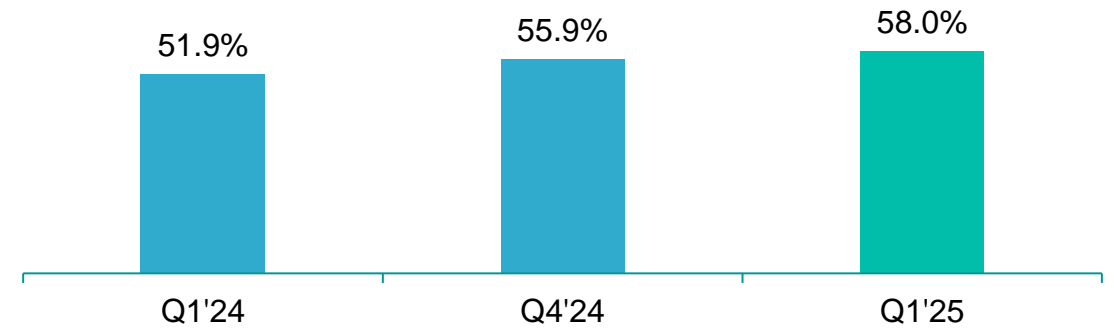
Geo Mix



Top 5

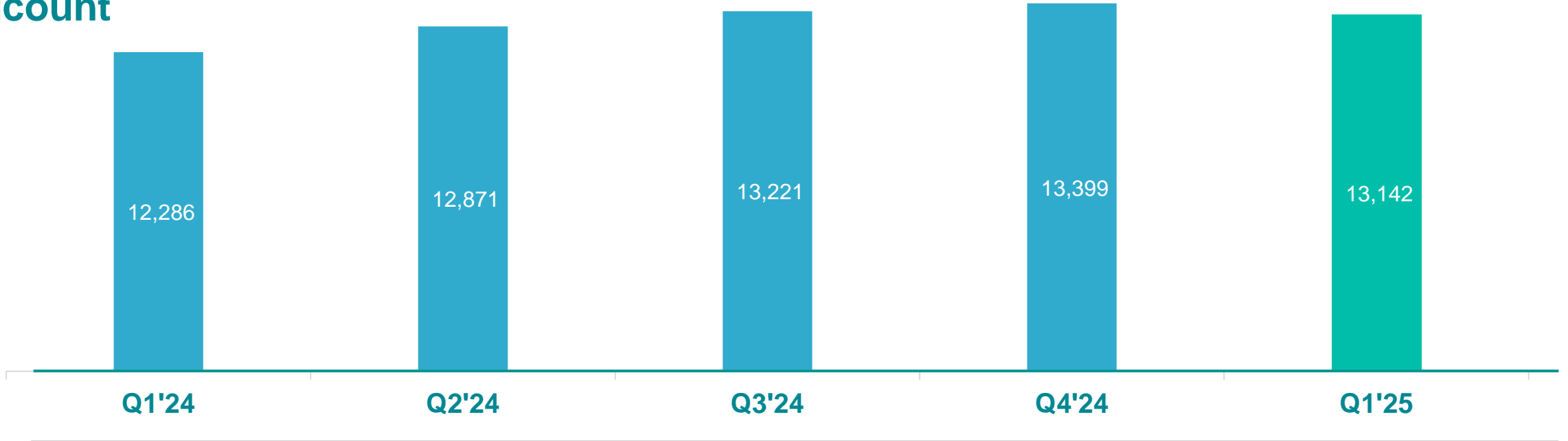


Top 10

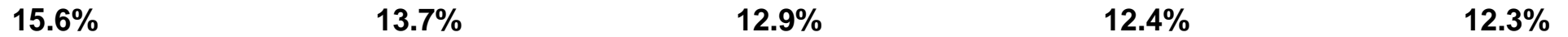


Employee Metrics

Headcount



Attrition

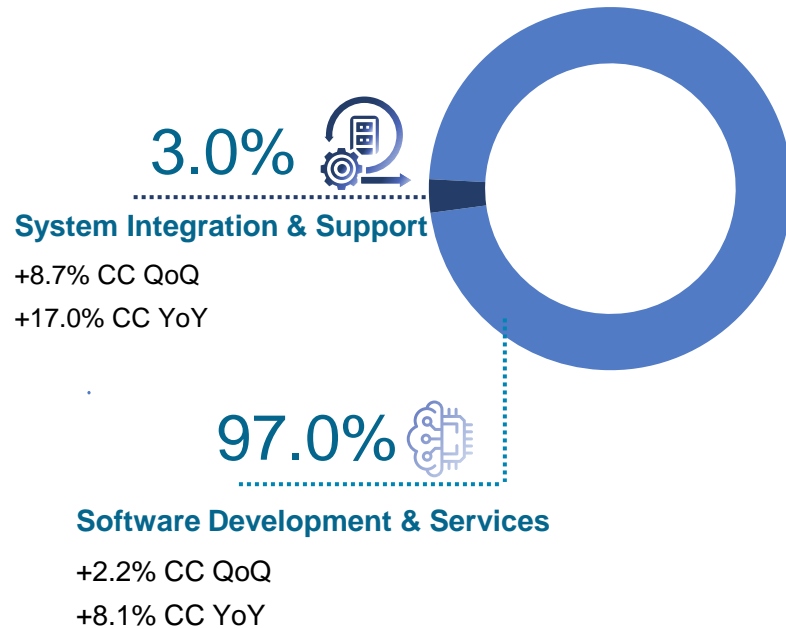


Differentiated Employee engagement: Maintaining industry leading employee retention

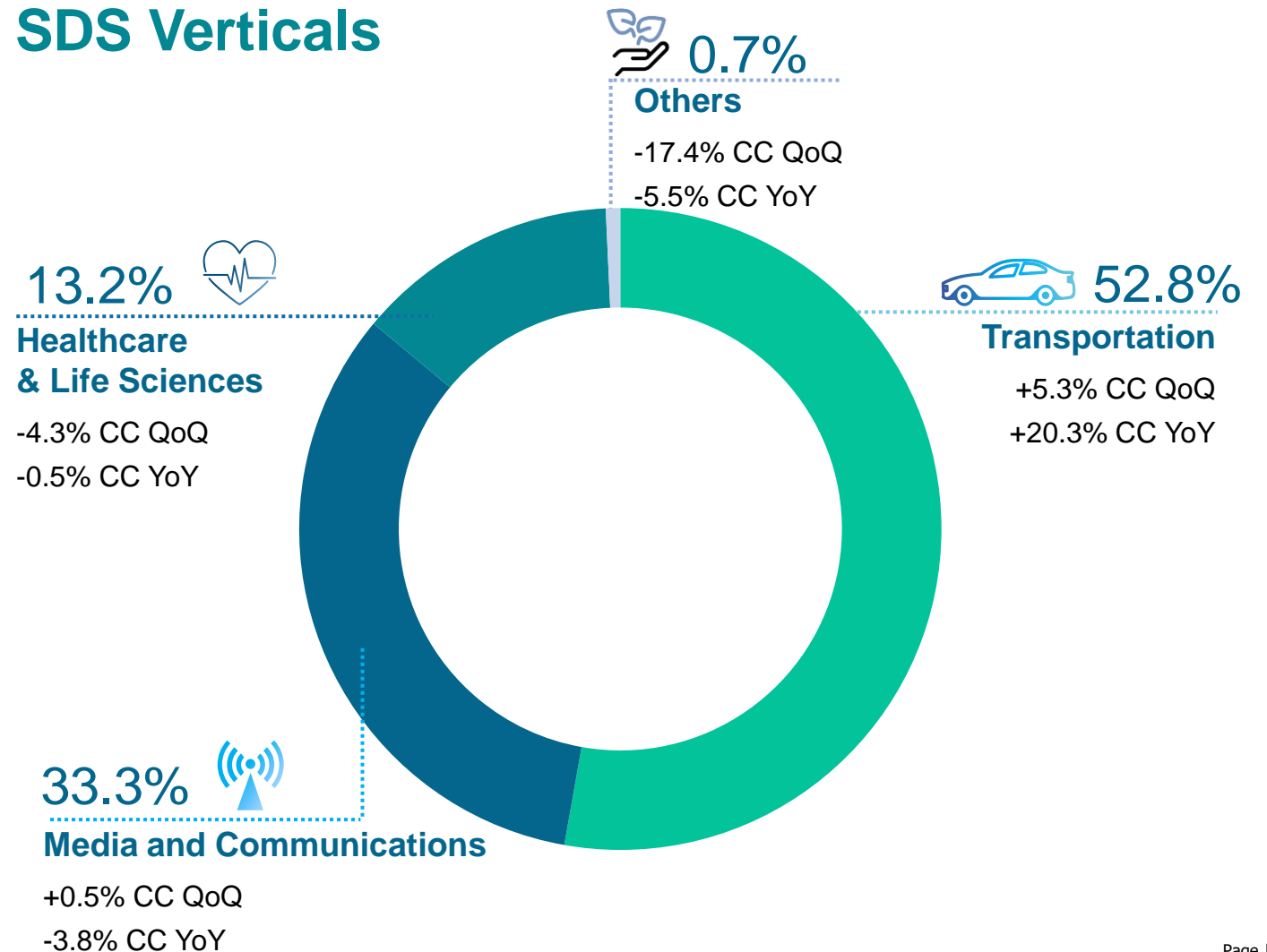
Tata Elxsi Vertical and Segment Performance – Q1 FY'25

Tata Elxsi Operating Revenue: +8.4% CC YoY, +2.4% CC QoQ

Segments

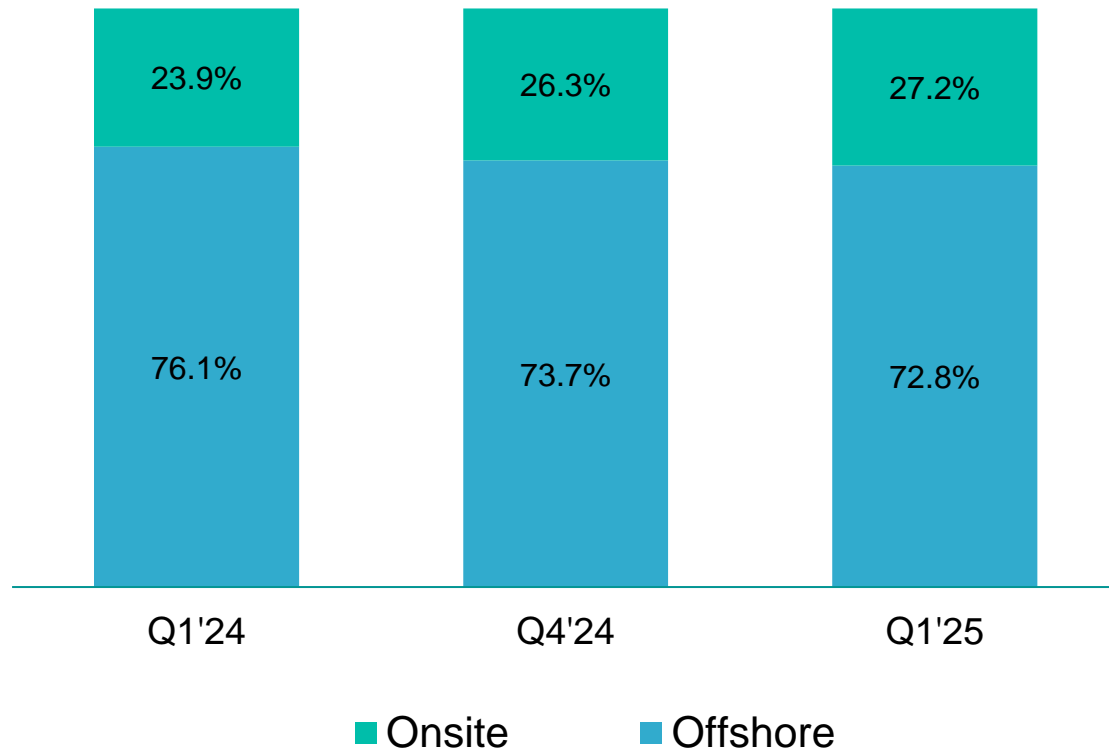


SDS Verticals

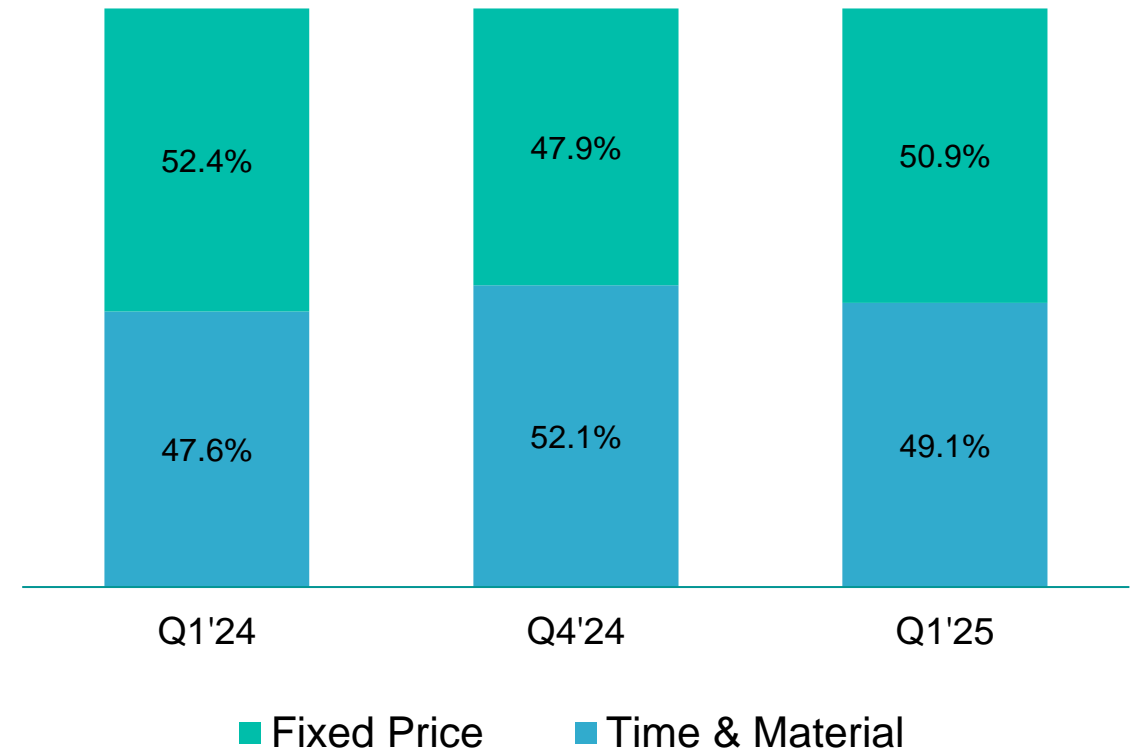


Operational Performance – Q1 FY'25

Revenue By Onsite/Offshore Mix



Revenue By Contract Type Mix



Q1 FY'25 - Key Deals



Global Automotive OEMs

Growth momentum continues with Automotive OEMs - won multiple multi million US\$ deals to support Software Development, Advanced Simulation and Digital Twin programs.



Leading Tier1 Automotive Supplier

Leading Japanese supplier selects Tata Elxsi as a strategic innovation and development partner for their upcoming production programs across multiple domains.



Leading Telecom Operator - USA

Tata Elxsi's NEURON selected by a leading telecom operator in North America to power their network transformation and automation of network operations for their next generation 5G Network.



Global Healthcare Major

Tata Elxsi selected by Global Medical Device Manufacturer to design and deploy a GenAI based solution for sustainability and toxic material identification and impact assessment.



Global medical devices OEM

Tata Elxsi awarded a multiyear large deal by a Top 5 Global Medical Devices manufacturer for a next generation cloud based connected care system.

Partnerships



TATA

TATA ELXSI



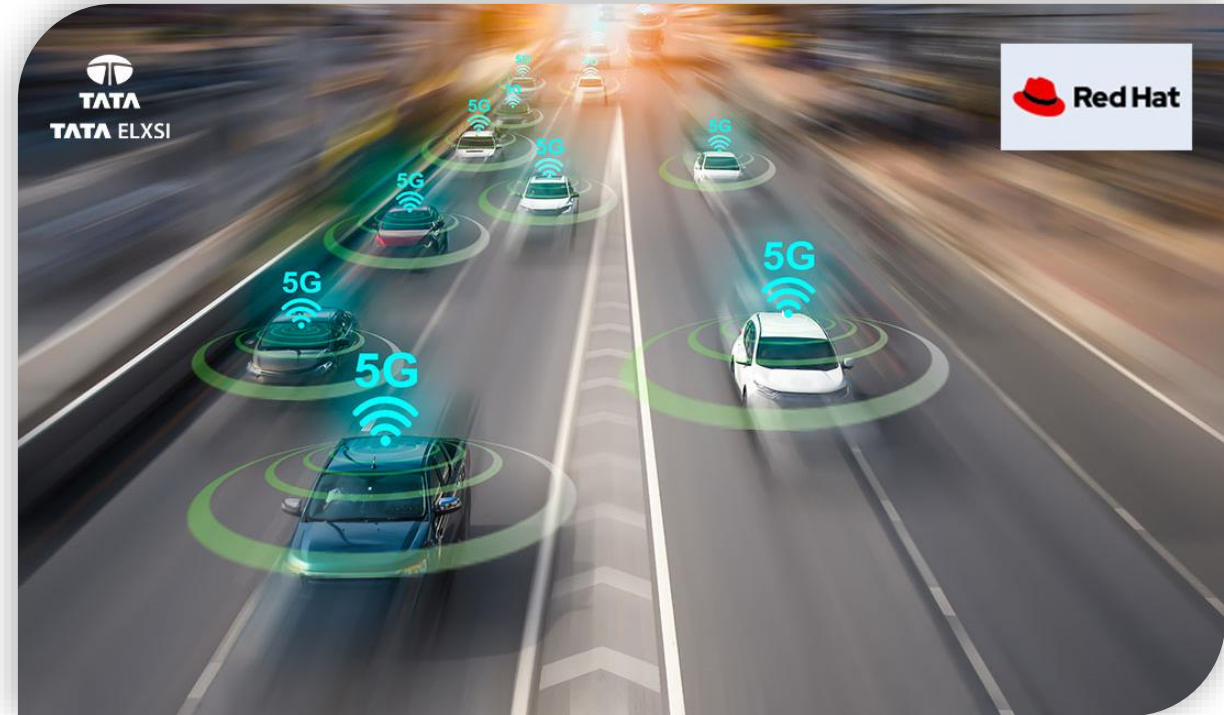
Tata Elxsi Collaborates with Red Hat to Accelerate Network Monetization for Telcos

The collaboration with Red Hat, the world's leading provider of open-source solutions, enables telcos to target monetization opportunities in the automotive industry using:

- TETHER, Tata Elxsi's globally deployed connected vehicle platform
- NEURON, Tata Elxsi's award-winning network automation platform
- Red Hat OpenShift, the industry's leading hybrid cloud application platform powered by Kubernetes, along with Red Hat In-Vehicle Operating System

This solution will enable OEMs to deploy subscription-based services and platforms for connected vehicles with advanced fleet management features and real time OTA.

"Collaborating with Tata Elxsi, we are excited to leverage Red Hat OpenShift to provide telcos with enhanced monetization opportunities. This work is a testament to our commitment to delivering innovative solutions that drive growth and efficiency in the telecom sector."



Mark Longwell, Director, Telco and Edge Alliances, Red Hat

Defender Rally Series and Tata Elxsi Extend their Partnership into the 2024 Season

Defender Rally Series and Tata Elxsi continue their partnership for the third season in succession.

The Defender Rally car was developed by Bowler and Tata Elxsi Engineering team in just 2 years with further enhancements developed on the back of the 2022 championship, providing even further robustness and endurance for international events. This mindset of rapid testing, learning, and implementation of world-class technical solutions is a prime example of the work Tata Elxsi undertakes.

Bowler and Tata Elxsi share a common foundation of Xtreme engineering, thriving in challenging environments, fostering high-performing teams, and utilizing next-gen technologies. This rally series aligns perfectly with Tata Elxsi's vision to provide cutting-edge technology and engineering solutions for the modern automotive industry.

“The Defender Rally Series is now well established, the 2024 season seeing the largest number of competitors to date, and the support of Tata Elxsi from the outset has been integral in making this possible...the renewal of our partnership with Tata Elxsi can only further enhance the series' potential for the future.”

James Barclay, Managing Director JLR Motorsport



Tata Elxsi's TEcare powers the India Neurodiversity Platform

Tata Power Community Development Trust (TPCDT) has partnered with Tata Elxsi, a global leader in design and technology services, to drive their "Pay Attention" initiative forward.

Leveraging Tata Elxsi's innovative digital therapeutics (DTx) solution, TEcare, TPCDT aims to accelerate the development of the India Neurodiversity Platform for the National Institute for the Empowerment of Persons with Intellectual Disabilities (NIEPID).

This phygital platform is aimed at supporting individuals with neurodiversity issues, particularly children with autism. It will revolutionize neurodiversity screening, diagnosis, disease management, and care for individuals with special needs.



“The India Neurodiversity Platform signifies a substantial advancement in efforts to narrow access disparities and cultivate supportive environments for everyone. In line with its commitment to innovation and social responsibility, Tata Elxsi played a pivotal role in the development of this platform.”

Mr. Himat Tewari, CHRO, and Chief - CSR & Sustainability, Tata Power

Tata Elxsi Collaborates with Arm to Accelerate the Software-Defined Vehicle Journey for OEMs

Tata Elxsi collaborated with Arm to offer advanced solutions on the latest Arm® processors, which will help Automotive OEMs and Tier-1s fast track their transition to software-defined vehicles (SDVs).

AVENIR, the Tata Elxsi SDV development and validation framework, includes:

- Cloud-native development and validation environment that enables seamless collaboration to develop and validate SDV functionalities
- Connected Digital Twin Framework which enables easier adoption and management of digital twins
- Pre-integrated subscription management software that allows end users to subscribe to automotive features on demand



“By bringing together its SDV solutions with Arm’s latest Automotive Enhanced (AE) technology, Tata Elxsi is leveraging Arm’s efficient performance and safety leadership to accelerate software development cycles for next-generation vehicles.”

Suraj Gajendra

VP of Products and Solutions, Automotive Line of Business, Arm

On the World Stage



TATA

TATA ELXSI



Tata Elxsi presents at the Global ITU Summit "AI for Good" in Geneva

Tata Elxsi was invited to present at the “AI for Good” Summit – the United Nations’ primary platform for collaboration to ensure that AI advances the UN Sustainable Development Goals (SDGs) under the leadership of International Telecommunication Union (ITU). This summit brought together participants from 38 countries and focused on leveraging Artificial Intelligence (AI) to solve global challenges.

The Tata Elxsi team was honored to be among the select few globally to showcase its AI based solution at this esteemed conference.

The Tata Elxsi team proposed an advanced solution that leverages cutting-edge technologies such as Natural Language Processing (NLP), Machine Learning (ML), Artificial Intelligence (AI), Digital Twins, and Extended Reality (XR) to revolutionize network operations and orchestration.



“AI for Good” Global Summit

30-31 May, 2024 | Geneva, Switzerland

TATA ELXSI

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

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. 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.

We combine deep domain expertise with over 30 years of technology and product development experience, that enables brands to differentiate and win.