

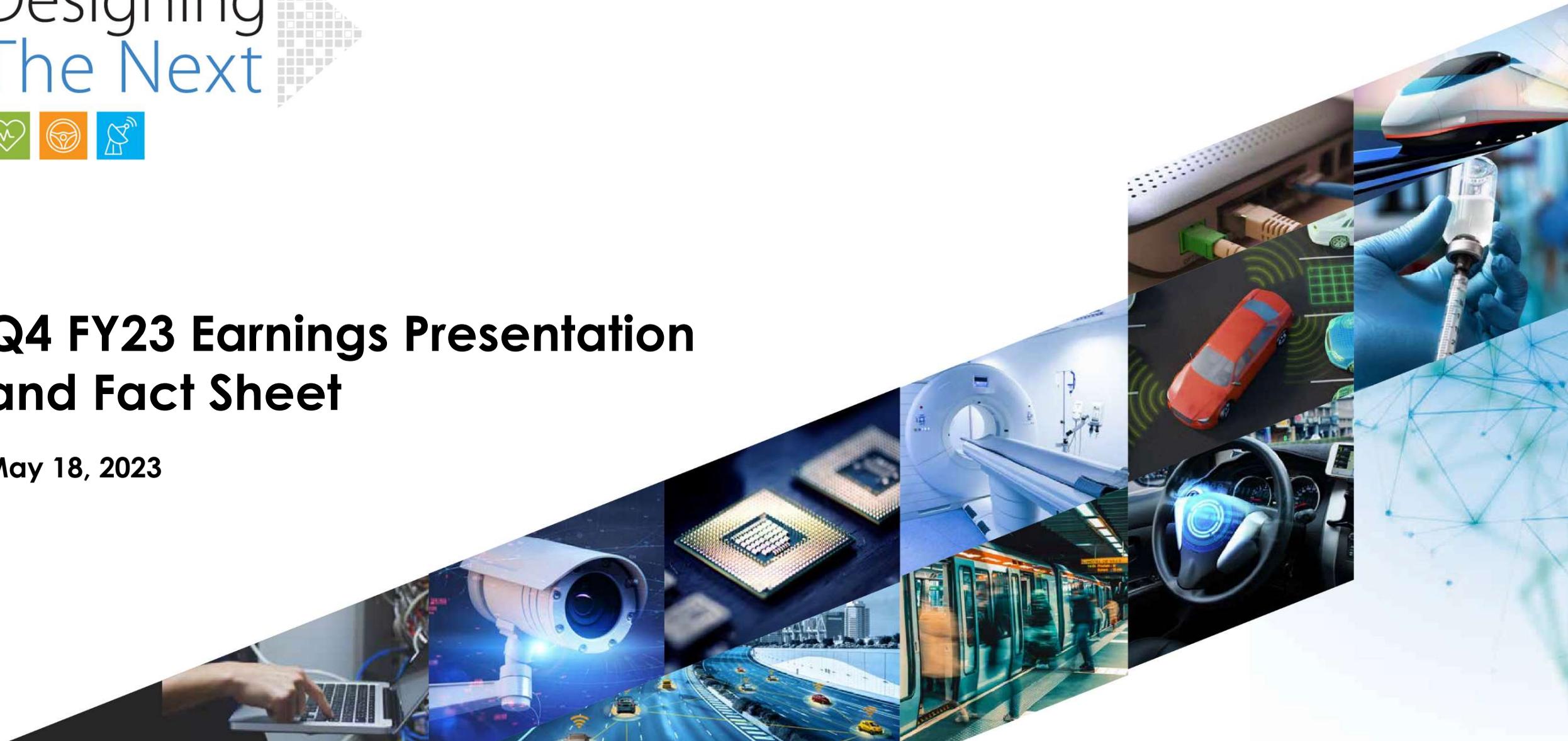
**TATA ELXSI**

Designing  
The Next



# Q4 FY23 Earnings Presentation and Fact Sheet

May 18, 2023

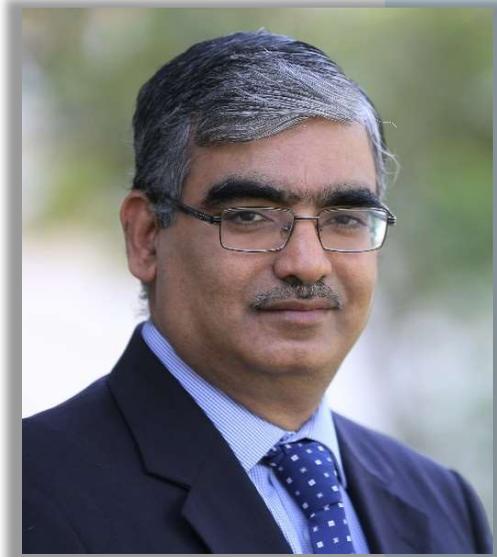


## Disclaimer

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.

## Message from the CEO and Managing Director



**Manoj Raghavan**  
CEO and MD  
Tata Elxsi Ltd.

“Financial year 2023 has been another year of strong operational performance, driving healthy revenue growth and strong margins despite the macroeconomic uncertainties and challenges that the industry has been facing since last few quarters. In a matter of just two financial years, our top line has grown by 72% to Rs. 3144.7 Cr and our PAT has almost doubled to Rs. 755.2 Cr.

During the financial year, our transportation business, which accounts for more than 43% of our Embedded Product Design (EPD) division, grew strongly by 32.8% in constant currency terms. The Healthcare & Medical Devices business too registered a robust growth of 28.4% in constant currency terms. Our Media & Communications business witnessed a stable and sustained growth of 14.6% in constant currency terms during the financial year.

The key strategies deployed over the last two years have played out well with strong synergies between the design, product engineering and deployment support services of Tata Elxsi. This is enhancing deal sizes, durations and value delivered to customers. This is reflected in the strong Q4’23 growth from IDV (52.8% YoY in constant currency terms) and SIS (77.6% YoY in constant currency terms).

We are entering the new financial year with a strong commitment to keep our growth momentum going, and the continued confidence of our customers in our differentiated design-led engineering capabilities.”

# Highlights for Year ended Mar'31 2023

<b>Revenue</b>				
	3144.7 INR Cr		YoY Revenue Growth ↑ 27.3%	YoY Constant Currency Growth ↑ 24.9%
<b>Profitability</b>	EBITDA INR Cr		PBT INR Cr	PAT INR Cr
EBITDA Margin 30.6%	↑ 961.1 Cr (25.5% YoY)		↑ 937.5 Cr (25.8% YoY)	↑ 755.2 Cr (37.4% YoY)
<b>EPS &amp; Dividend</b>	FY23		YoY Growth	Dividend
	121.26		37.4%	606%
<b>People</b>	Closing Headcount		Net Additions	LTM Attrition
	↑ 11864		2488	17.3%

# Highlights for Q4 FY23

Revenue	Sequential Growth	YoY Revenue Growth	QoQ Constant Currency Growth
837.9 INR Cr	 2.5%	 22.9%	 1.6%
Profitability	EBITDA INR Cr	PBT INR Cr	PAT INR Cr
EBITDA Margin 29.8%	 249.5 Cr (12.8% YoY)	 250.2 (13.6% YoY)	 201.5 (25.9% YoY)
EPS	Q4 FY23	QoQ Growth	YoY Growth
	 32.36	3.5%	26.0%
People	Closing Headcount	Net Additions	LTM Attrition
	 11864	257	17.3%

# Financial Highlights – FY23

## Revenue

- Revenues from operations at Rs. 3144.7 Cr, + 27.3% YoY

## Profit

- Operating Margin at 30.6 %; Net Margin (PBT) at 29.1%
- Profit Before Tax (PBT) at Rs. 937.5 Cr, +25.8% YoY
- Profit After Tax (PAT) at Rs. 755.2 Cr, +37.4% YoY

## Segment Highlights

- Transportation grew 32.7% YoY, aided by large deals and growth across customers in EV, Software Defined Vehicles (SDV) and adjacencies.
- Healthcare grew 37.6% YoY, driven by new product engineering, digital health and regulatory services.
- Media and Communications grew 18.2% YoY in a challenging quarter for the industry, aided by platform-led deals, strong growth with key customers, and addition of marquee logos from across the world.

# Financial Highlights – Q4FY23

## Revenue

- Revenues from operations at Rs. 837.9 Cr, + 2.5% QoQ, + 22.9% YoY

## Profit

- Operating Margin at 29.8 %; Net Margin (PBT) at 29.0%
- Profit Before Tax (PBT) at Rs. 250.2 Cr, +13.6% YoY
- Profit After Tax (PAT) at Rs. 201.5 Cr, +25.9% YoY

## Segment Highlights

- Transportation growth at 27.4% YoY, aided by large deals and growth across customers in EV, Software Defined Vehicles (SDV) and adjacencies.
- Healthcare growth at 20.5% YoY, driven by new product engineering, digital health and regulatory services.
- Media and Communications grew 9.2% YoY in a challenging quarter for the industry, aided by platform-led deals and increased wallet share in key accounts.

## Key Deals

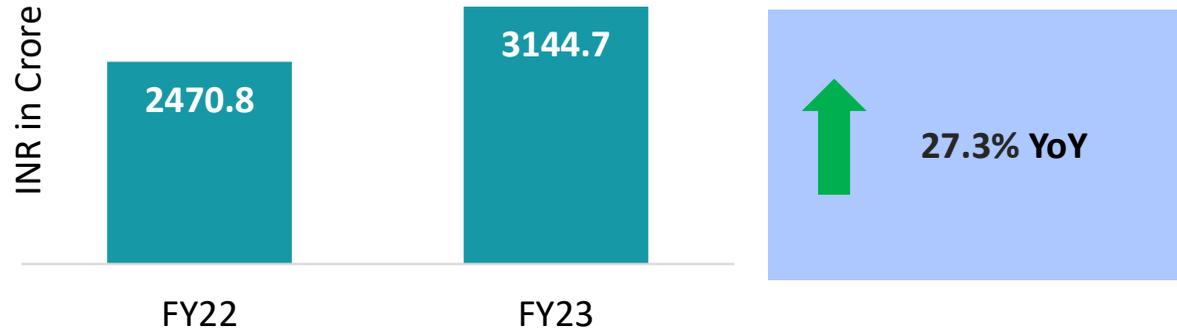
- Tata Elxsi has been chosen by Alps Alpine to establish a Global Engineering Centre (GEC) in Thiruvananthapuram. The GEC will focus on software-led innovation and engineering to support Alps Alpine's vision for future mobility.
- Tata Elxsi has been chosen as the Strategic Partner for '*Left-Shift*' SDV product development strategy by a leading European OEM representing a multi-year multi-million USD long-term engagement.
- Tata Elxsi has been selected by a leading Middle East telecom operator as a *Design-Led* consultancy and development partner for next-gen applications around 5G including Healthcare, IoT, and connected Digital Services.
- Tata Elxsi was selected by a world-leading telecommunications products company for 5G broadband software and solution development that will power next-gen consumer devices.
- Tata Elxsi has won a multi-million USD *Design Digital* deal to deliver consumer research and insights for the next generation of consumer devices and applications, by a world leading technology company.

## Tata Elxsi Financial Summary – Q4 & FY23

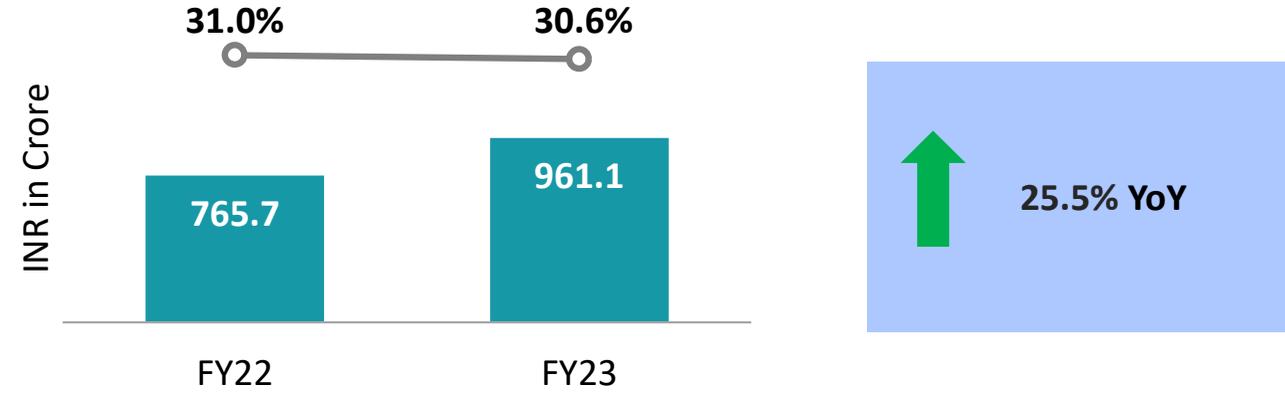
Particulars	Metrics	Q4FY23	Q3FY23	QoQ Growth	Q4FY22	YoY Growth	FY'23	FY'22	YoY Growth
Revenue (INR CR)	Revenue from Operations	837.9	817.7	2.5%	681.7	22.9%	3144.7	2470.8	27.3%
	Other Income	25.7	19.1	34.2%	18.1	42.0%	73.8	44.5	65.7%
	<b>Total Income</b>	<b>863.6</b>	<b>836.9</b>	<b>3.2%</b>	<b>699.8</b>	<b>23.4%</b>	<b>3218.5</b>	<b>2515.3</b>	<b>28.0%</b>
Margins (INR CR)	EBITDA	249.5	246.9	1.1%	221.2	12.8%	961.1	765.7	25.5%
	EBIT	228.4	225.4	1.3%	205.4	11.2%	879.7	710.4	23.8%
	PBT	250.2	240.1	4.2%	220.3	13.6%	937.5	745.5	25.8%
	PAT	201.5	194.7	3.5%	160.0	25.9%	755.2	549.7	37.4%
Margin (%)	EBITDA	29.8%	30.2%		32.5%		30.6%	31.0%	
	EBIT	27.3%	27.6%		30.1%		28.0%	28.8%	
	PBT	29.0%	28.7%		31.5%		29.1%	29.6%	
	PAT	23.3%	23.3%		22.9%		23.5%	21.9%	
EPS (INR)	Basic	32.36	31.26	3.5%	25.69	26.0%	121.26	88.26	37.4%
	Diluted	32.36	31.26	3.5%	25.69	26.0%	121.26	88.26	37.4%

# Tata Elxsi Financial Performance – FY23

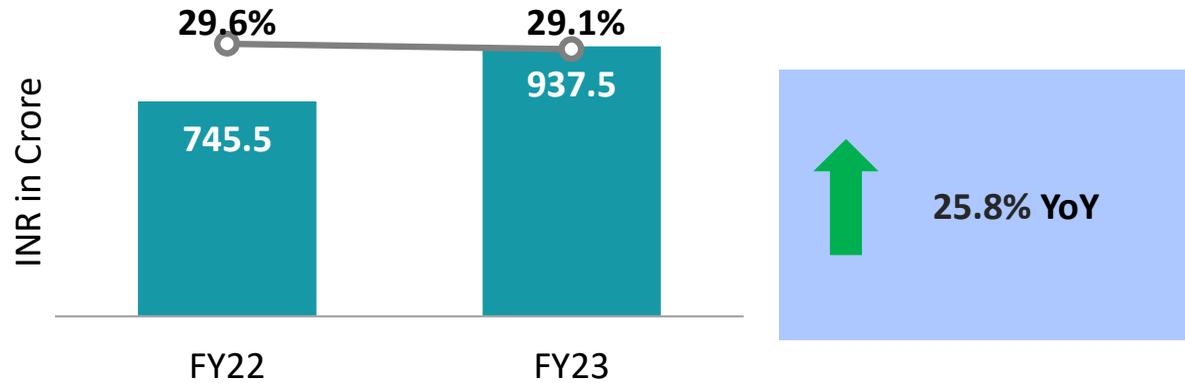
## Operating Revenue



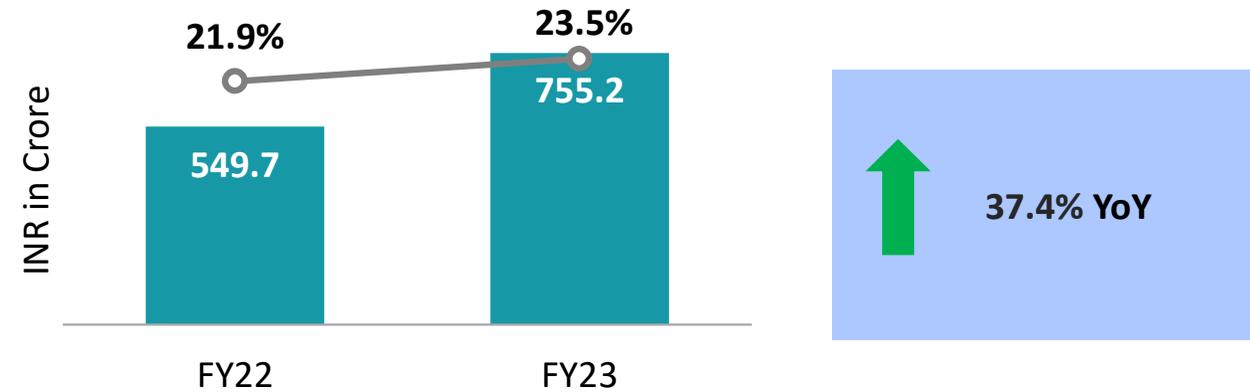
## Operating EBITDA & Margin (%)



## PBT & Margin (%)

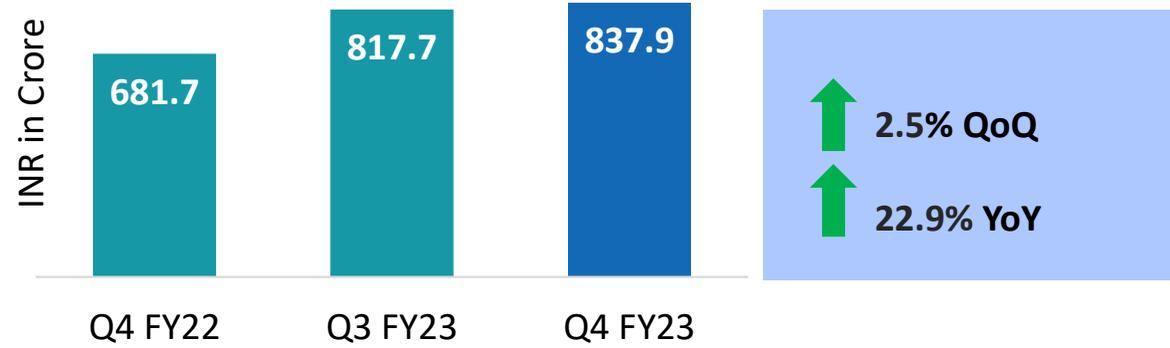


## PAT & Margin (%)

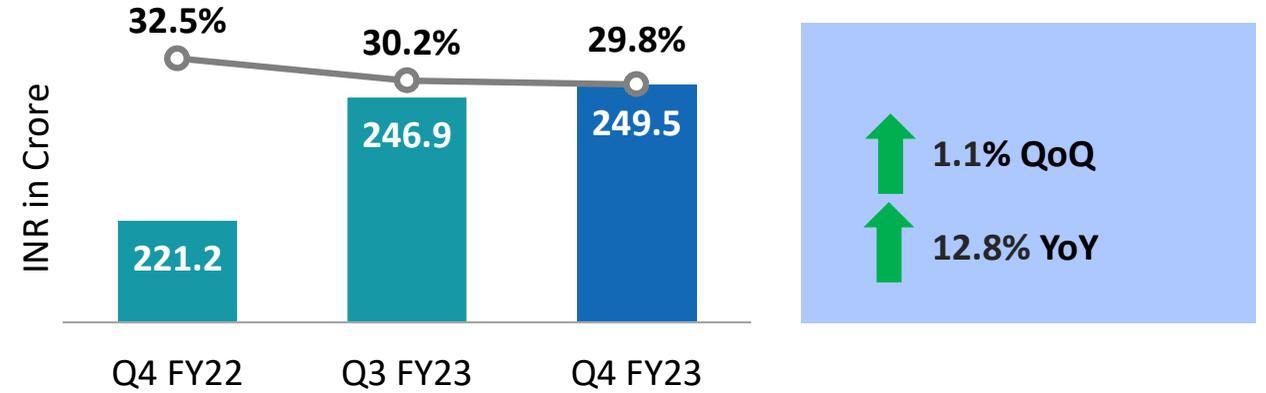


# Tata Elxsi Financial Performance – Q4 FY23

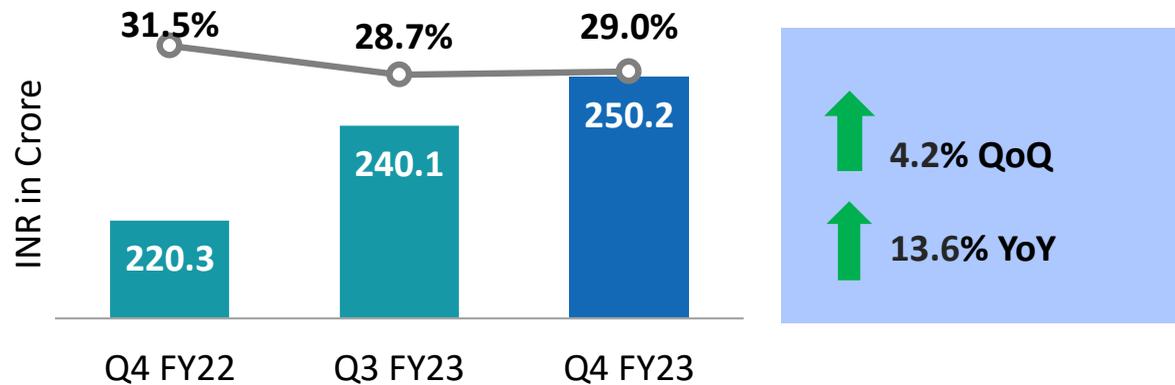
## Operating Revenue



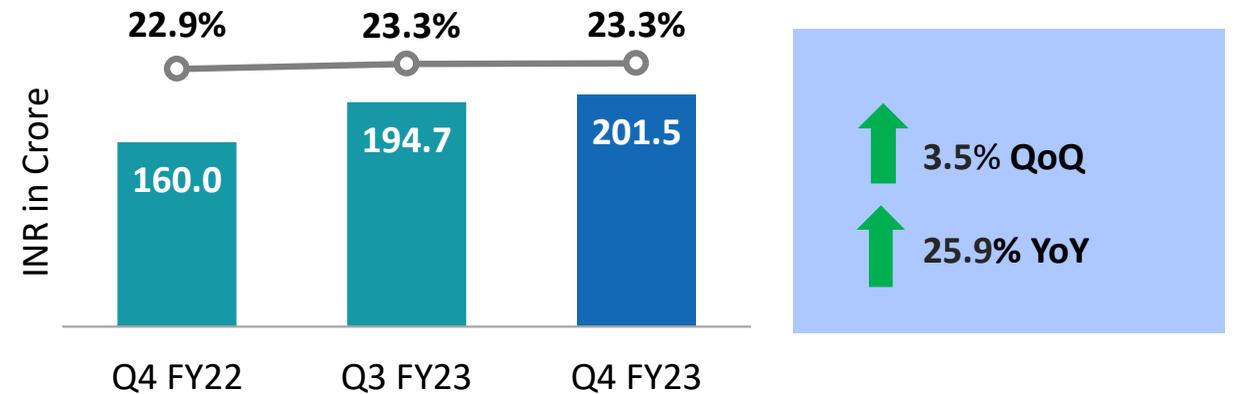
## Operating EBITDA & Margin (%)



## PBT & Margin (%)

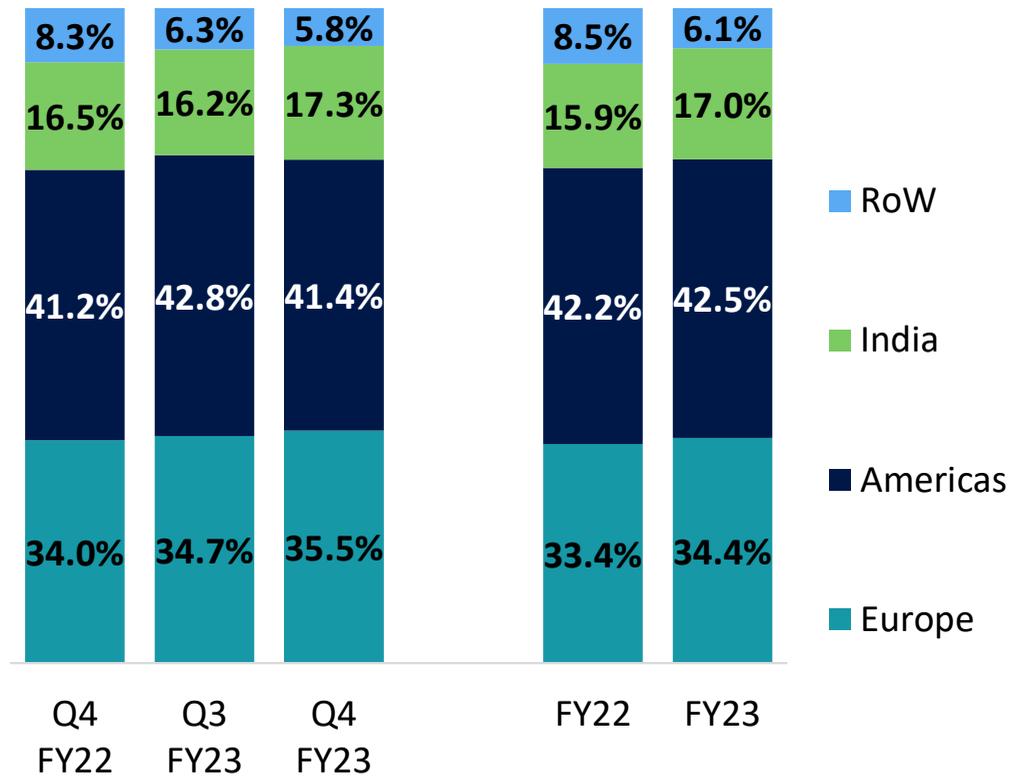


## PAT & Margin (%)

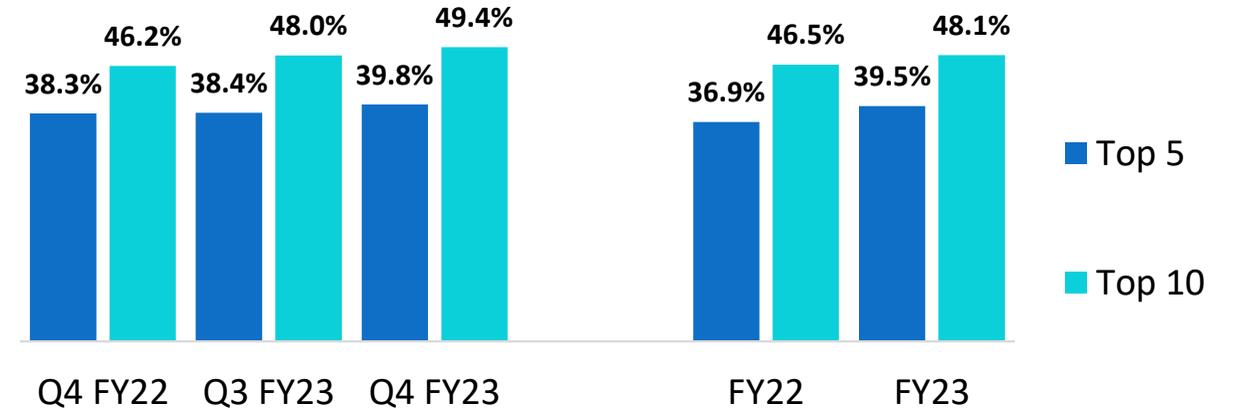


# Tata Elxsi Operational Performance – Q4 FY23

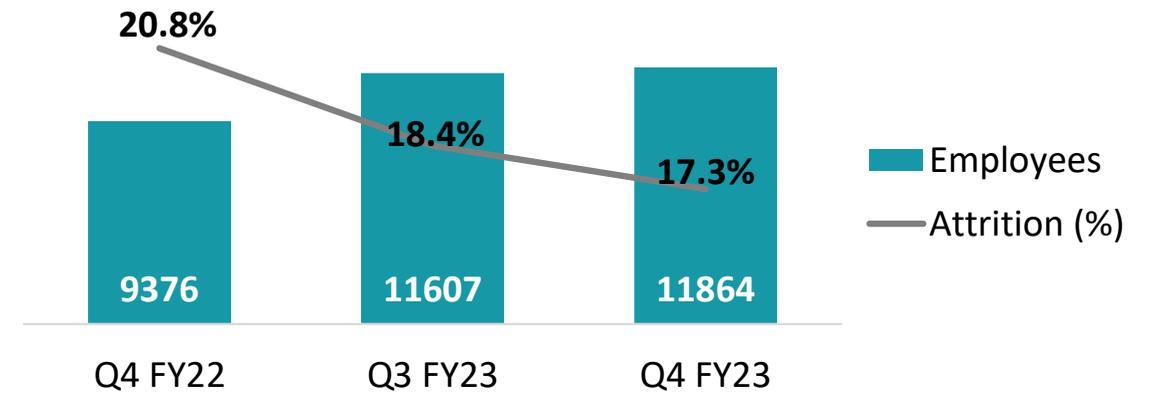
## Revenue By Geography



## Client Concentration



## Employee Metrics



## Tata Elxsi Segment Mix and Performance – Q4 FY23 and FY23

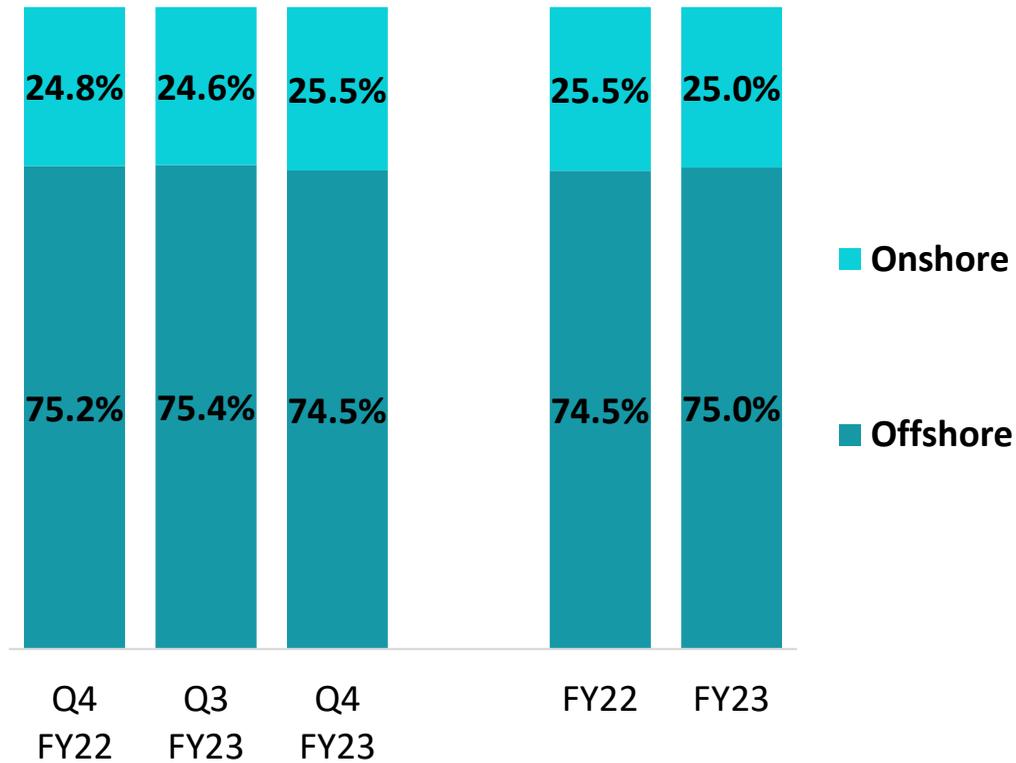
Segment Mix	Q4 FY23	Q3 FY23	QoQ Growth (In CC)	Q4 FY22	YoY Growth (In CC)	FY23	FY22	YoY Growth (In CC)
Embedded Product Design (EPD)	85.8%	85.9%	1.6%	89.0%	13.0%	87.0%	87.2%	24.0%
Industrial Design & Visualization (IDV)	11.3%	11.3%	0.5%	9.0%	52.8%	10.4%	10.6%	25.7%
System Integration & Support (SIS)	2.9%	2.7%	7.8%	2.0%	77.6%	2.7%	2.2%	54.4%
<b>Total Tata Elxsi</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.6%</b>	<b>100.0%</b>	<b>17.9%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>24.9%</b>

## EPD Segment Mix and Performance – Q4 FY23 & FY23

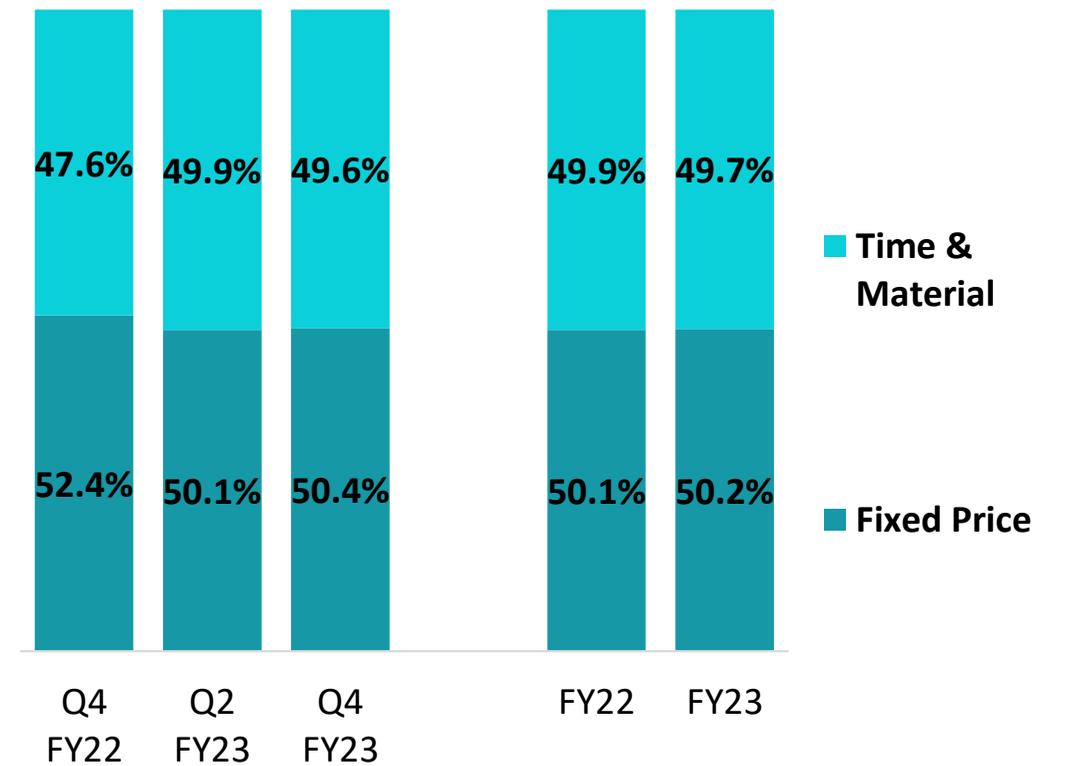
Segment Mix	Q4 FY23	Q3 FY23	QoQ Growth (In CC)	Q4 FY22	YoY Growth (In CC)	FY23	FY22	YoY Growth (In CC)
Transportation	44.6%	44.3%	1.7%	41.5%	23.2%	43.0%	41.2%	32.8%
Media & Communications	40.3%	40.3%	1.7%	43.7%	3.9%	41.5%	44.5%	14.6%
Healthcare & Medical Devices	15.1%	15.4%	1.0%	14.9%	11.2%	15.5%	14.3%	28.4%
<b>Total EPD</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.6%</b>	<b>100.0%</b>	<b>13.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>24.0%</b>

# EPD Operational Performance – Q4 FY23

Revenue By Onsite / Offshore Mix



Revenue By Contract Type Mix



## Alps Alpine and Tata Elxsi announce a strategic long-term agreement for GEC

Tata Elxsi has been chosen by Alps Alpine to establish a Global Engineering Centre (GEC) in Thiruvananthapuram. The GEC will focus on software-led innovation and engineering to support Alps Alpine's vision for future mobility.

Mr. Hideo Izumi, Alps Alpine's Chief Technology Officer, stated, "We are pleased to strengthen our relationship with Tata Elxsi as the key design and technology partner. With our shared values of Quality and Excellence, we will develop Smart, Sustainable, Safe and Secure mobility solutions that consumers trust."



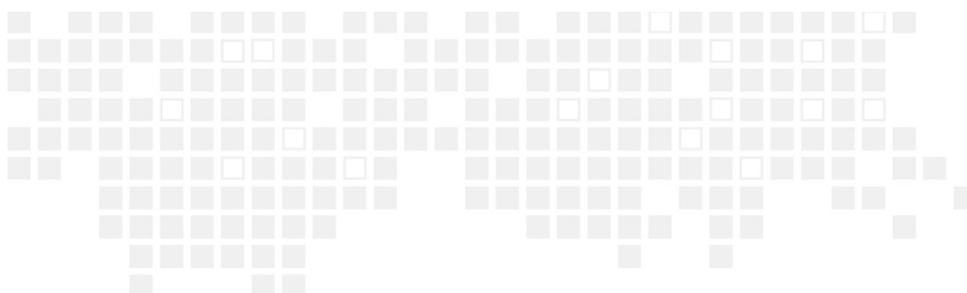
## Tata Elxsi' Connected Vehicle Platform 'TETHER' crosses 500,000 connected vehicle milestone

Tata Motors Limited crosses a landmark milestone for 500,000 connected vehicles on their unified, connected vehicle platform

Rajendra Petkar – President & CTO of Tata Motors, said, “In line with Tata Motors stated objective of offering differentiated products based on our CESS philosophy (Connected, Electrified, Safe & Shared), we are delighted to have partnered with Tata Elxsi. The collaboration between the two teams has been outstanding and will continue to ensure a wonderful customer experience.”

TML crosses a landmark milestone for 500,000 connected vehicles on their unified, connected vehicle platform





# 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.

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