



3i Infotech[®]
LIMITLESS EXCELLENCE

February 10, 2022

BSE Limited

Sir Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400001

Security code: 532628

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor
Plot No. C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai – 400051

Scrip code: 3IINFOLTD

Dear Sir/Madam,

Sub: Presentation of Analyst/ Institutional Investor Meeting(s)

In continuation to our letter dated February 09, 2022 regarding intimation of Investor Call scheduled to be held on February 10, 2022 at 3:30 p.m. (IST), please find enclosed herewith the presentation for the same.

Request you to take this on record.

Yours faithfully,

For **3i Infotech Limited**

Varika Rastogi

Company Secretary

3i Infotech Limited

Q3 FY22 Earnings Presentation

February 2022



3i Infotech[®]
LIMITLESS EXCELLENCE

Safe Harbor



This presentation has been prepared by 3i Infotech ("Company") solely for information purposes without any regard to any specific objectives, financial situations or informational needs of any particular person. This presentation may not be copied, distributed or disseminated, directly or indirectly, in any manner. Failure to comply with this directive may result in a violation of the applicable law in certain jurisdictions. By reviewing this presentation, you agree to be bound by the restrictions contained herein, and to maintain absolute confidentiality, regarding the information disclosed in these materials.

This presentation does not constitute or form part of and should not be construed as, directly or indirectly, any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person in any jurisdiction, including in India, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision or any contract or commitment therefore.

This presentation contains statements that constitute forward looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. This presentation may contain certain currency exchange rates and the same have been provided only for the convenience of readers.

Our Vision Mission



NEXTGEN TECHNOLOGY SERVICES FIRM



VISION

To be a trusted global one-stop, digital transformation partner that delivers business excellence and exceptional outcomes to our customers in this new digital decade



MISSION

To be a value driven billion \$ organization committed towards customers, people and stakeholders with continuous orchestration, incubation, innovation and invention of digital transformation services harnessing the power of 5G-powered innovation

About Us



We deliver a seamless end-to-end digital experience

4000+ Employees in **30** Offices, across **15** Countries

1000+ Clients in more than **50** Countries across 4 Continents

80+ Fortune 500 Companies



Key Sectors

BANKING & FINANCIAL SERVICES

HEALTH CARE & INSURANCE

MANUFACTURING & ENTERPRISE

5 Offshore Delivery Centers

9 Global Delivery Centers

GLOBAL MANAGED SERVICES DELIVERED ON A **SECURE ORACLE CLOUD** INFRASTRUCTURE **5G READY AT THE EDGE**

GLOBAL DELIVERY

GLOBAL SERVICES NETWORK

GLOBAL PARTNER ALLIANCES



Banking



Insurance



Government



Finance



Telecom



Manufacturing



Retail



Healthcare

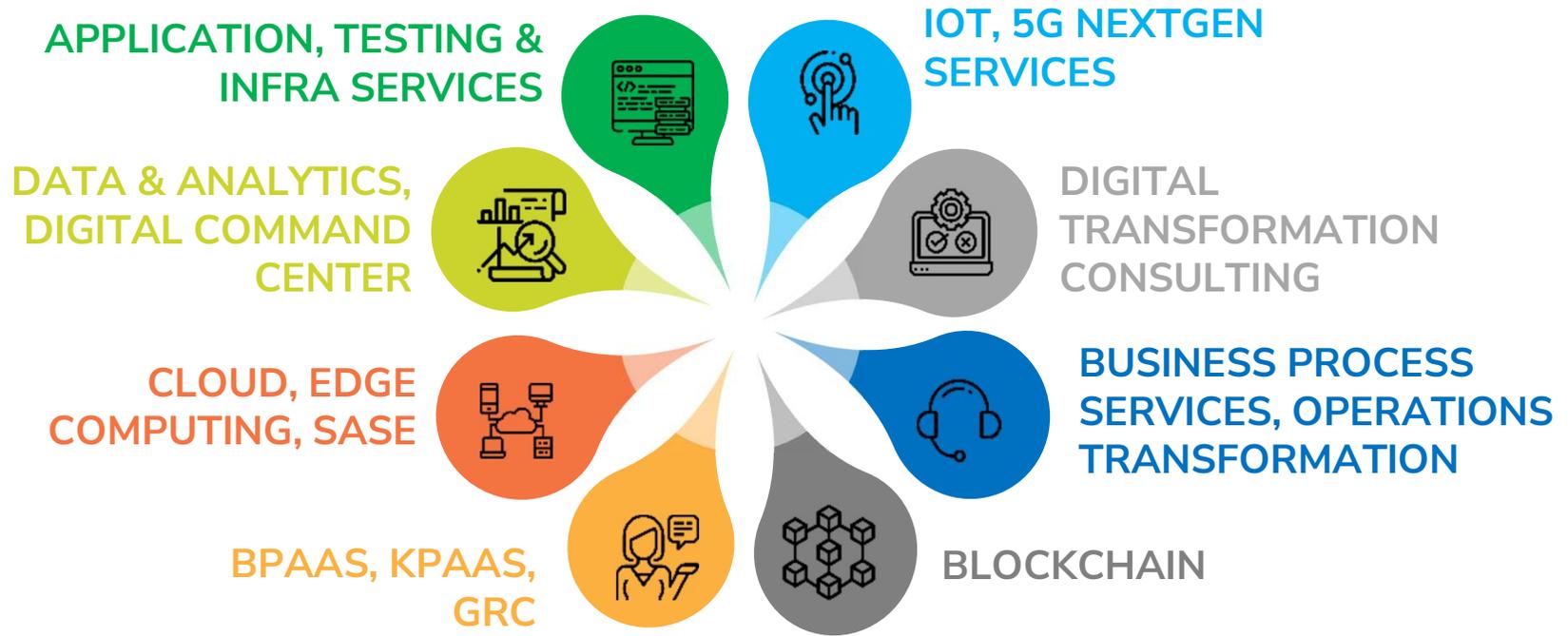
25+ YEARS EXPERIENCE OF SERVING VARIOUS INDUSTRIES



Our Services, Platforms & Solutions



IT Services



Platforms & Products



Business Strategy



Delivering business excellence and continuous value to our clients



Q3 FY22 - Business Updates



All figures in INR Cr

STRATEGY

- Strategic alliance with MDEC Malaysia signed to launch the Oracle powered NuRe 3i + services for Mid Market & SMB
- Resident Entrepreneur program is live
 - Cognitive computing services
 - Education Technology
- White labelled Start-up Accelerator program –Live
- SD WAN/ SASE TECHNOLOGIES
- Blockchain Powered –Video Content Life cycle management

BUSINESS

- US large contract for cloud transformation services a TCV of 20 Mil \$ and potential for 30 mil \$ across 5 years signed
- India PSU, IMS deal of 6 Mil USD TCV for 3 years –Down selected
- Growth outlook of 10% annually
- One-time cost of 9.6 cr. in Q3 recorded as ‘exceptional item’ – FCCB early redemption
- EBITDA for Q3 – improvement by 9.4 cr. primarily due cost optimization
- New Grow organization in place aligned to the new 3i business strategy

DELIVERY EXCELLENCE

- GA cost optimization / rationalization through digital transformation (10% cost reduction)
- Practise what we preach – Cloudification , Digital Automation , CXO decision support services ,& ERP Transformation
- Margin enhancement projects focused on reduction on indirect cost
- Proactive competency centre building aligned to the regional strategies
- Next Gen technology and Build teams have been hired

CUSTOMER

New Logos Won

- 8 new logos acquired in Q3

Existing Accounts

- All large contracts renewed worth Rs.35+ Cr (US\$ 4.7 mil)

Existing New Business

- Order Book of Rs.122.84 Cr (US\$16.6 mil), Rs.47.4 Cr (US\$6.4 mil) revenues realized in H1 which is 60% of EN OB
- Client Business KPI focused commercial models

Financial & Operational Metrics

Q3 FY22 Financial Results (As Reported)



All figures in INR Cr

Sr. No.	Particulars	Quarter Ended (INR CR)	
		Q2 FY22 (Sep 30, 2021)	Q3 FY22 (Dec 31, 2021)
		(Unaudited)	(Unaudited)
I	Revenue from Operations	175.8	165.7
II	Other Income	6.2	4.3
III	Total Income (I+II)	182.0	170.0
	Total Expenses (IV)	199.5	179.9
V	Profit / (Loss) before Forex loss / (gain) and Tax (III-IV)	(17.5)	(9.9)
VI	Foreign exchange loss/(gain) (net)	1.8	(0.8)
VII	Profit / (Loss) before Tax (V-VI)	(19.2)	(9.2)
VIII	Unwinding of discount under Ind AS 109 on Fair Valuation of Preference Share Capital, FCCBs and Interest free debts (See Note 4)	1.0	0.7
IX	Profit / (Loss) before Exceptional Items and Tax (VII-VIII)	(20.2)	(9.8)
X	Exceptional Item - Expense / (Income)	2.0	9.7
XI	Profit / (Loss) before Tax (IX-X)	(22.2)	(19.5)
XII	Tax expense	0.9	3.1
XIII	Profit / (Loss) for the period (XI-XII)	(23.1)	(22.6)

- Growth outlook exceeding 10% annually
- EBITDA for Q3 – improvement by Rs.9.4 Cr primarily due cost optimization (PDD reduction by Rs.13 Cr) and customer margin improvement
- Build projects being identified for capitalization in Q4 – Rs.5.4 Cr which was in PL in YTD Dec 21
- GA cost optimization in Q4 leading to improvement in EBITDA
- Overall Interest reduction due to long term debts being paid off and reduction in funded limits utilization
- One-time cost of Rs.9.6 Cr in Q3 recorded as ‘exceptional item’ – FCCB early redemption
- Overall ETR (effective tax rate) to be lower in Q4 due PBT mix in subsidiaries
- Improvement in DSO in Q3 from 109 days to 99 days and expect this to be around 90 days in Q4
- Closure of Azentio deal related payments (except Thailand) – net inflow of Rs.68 Cr in Q4

Q3 & 9M FY22 Highlights



All figures in INR Cr

INR CRs.	Q1'22	Q2'22	Q3'22	9M-YTD
Revenue	159.9	173.3	168.0	501.2
Direct Cost	135.6	149.1	146.4	431.1
GM	24.3	24.2	21.6	70.1
GM%	15.2%	14.0%	12.9%	14.0%
Allocated G&A	3.1	3.0	2.7	8.8
Sales	8.2	9.0	9.1	26.3
Business EBITDA	13.0	12.2	9.8	35.0
PDD	1.1	13.6	0.3	15.0
Build Cost	0.1	1.6	3.7	5.4
G&A	12.5	27.1	22.0	61.7
<i>Adjustment (IND AS)</i>	-3.8	-12.9	-2.9	-19.6
EBITDA (Services)	3.1	-17.3	-13.4	-27.5
Net Product Business Adj.	-1.1	-1.5	4.5	1.8
EBITDA (Product+Services)	2.0	-18.8	-8.9	-25.7
Exceptional/Onetime Cost				26.0
Normalized EBITDA After Exceptional cost.				0.3

FINANCIAL SUMMARY

- GM reduction of 1.1% because of AAA –India, government milestones billing issues
- Direct cost needs to be optimized for non billable resources and buffer costs to be reduced by 5% by Q4 exit
- Business Excellence projects have started reducing allocated GA cost by 10% and need to focus on the overall GA reduction
- GA costs baseline has changed post carve out as services business was allocated less compared to products (GA Analysis)
- Proactive provisions for slow moving debts (13.6 Crores) will be reduced by aggressive collection action by year end

BUSINESS UPDTE

- Large deal in US signed for our cloud first services (TCV of Rs140 Cr over 5 years and year 1 revenue of a min 7 crores with 30% GM
- Large deal RFP with HPCL with approx. Rs 40 Crores TCV of 3 years and year 1 revenue of Rs.11 crores with 16% GM
- Confirmed Order Book in hand Rs.136.3 Cr (Taking contract end date)



India Business Region (IBR)

REGION

India

REVENUE

9M FY22 – Rs.153.7 Cr

ACTION PLAN

- Reduction of the spans and layer within India AAA to reduce non-billable costs underway (10% reduction in indirect /direct cost)
- Revenue per employee enhancement for staffing resources by right pricing for right skill for AAA India
- Productivity and efficiency management projects for BPS to increase GM underway
- Exit non-profitable projects by Q4 end by mutual agreement with clients

Global Business Region (GBR)

REGION

North America, UK, Europe, MEA

REVENUE

9M FY22 – Rs.333.4 Cr

ACTION PLAN

- Increase in the offshore based model to increase the GM %
- Large Cloud First transformation deals will drive business with minimum 30% GM
- GCC costs of Rs.2.3 Cr needs to be allocated from IBR

Emerging Business Region (EBR)

REGION

ASEAN

REVENUE

9M FY22 – Rs.14.1 Cr

ACTION PLAN

- Launch of NuRe3i+ (Oracle powered) services in KL will boost large volumes of business in mid market and SMB segments with good margins

Industry



Current Industry Mix

Industry	H1 FY22	9M FY22
BFS (BANKING FINANCIAL SERVICES)	47%	47%
INSURANCE	23%	23%
MANUFACTURING	15%	15%
GOVERNMENT	8%	8%
CONSULTING	7%	7%

GROW Industry Strategy

Industry
BFS – CREDIT UNION, MORTGAGE AND CAPITAL MARKET
INSURANCE
MANUFACTURING, RETAIL & E-COMMERCE
AGRITECH
TELECOM MEDIA ENTERTAINMENT

CURRENT INDUSTRY MIX

- Current revenue mix contains highest revenue share from Banking Financial Services and Insurance sectors

GROW INDUSTRY

- Insurance COE to offer end-to end solution on cloud platform
- COE's for Credit Union, Mortgage and Capital Markets (Super specialization in BFS)

SMB in a BOX



- One Stop Solution for SMB's – CloudFirst, DigitalFirst, Automation As A Service, CTO As A Service
- Focused Geo: US, UK, India, ASEAN

Q3 FY22 Lines of Business



All figures in INR Cr

	Q1'22			Q2'22			Q3'22		
	Revenue	Direct Cost	GM%	Revenue	Direct Cost	GM%	Revenue	Direct Cost	GM%
AAA	121.3	105.7	12.9%	133.7	115.7	13.4%	128.4	106.4	17.2%
IMS	23.5	17.5	25.5%	23.1	18.7	19.0%	21.1	18.9	10.3%
BPS	14.5	12.2	16.0%	16.0	13.6	14.9%	18.0	18.1	-0.4%
CloudFirst	0.5	0.1	72.1%	0.6	1.6	-185.9%	0.4	0.9	-94.1%
Others	-	0.1	0.0%	-	1.0	0.0%	0.0	5.5	0.0%
Total	159.9	135.7	15.1%	173.3	150.7	13.0%	168.0	149.8	10.9%

LOB's	9M-YTD		
	Revenue	Direct Cost	GM%
AAA	383.4	327.8	14.5%
IMS	67.7	55.2	18.5%
BPS	48.5	43.9	9.5%
CloudFirst	1.5	2.6	-70.2%
Others	0.0	6.7	0.0%
Total	501.2	436.2	13.0%

Top Clients



Revenue Contribution

Top 5:
14%

Top 10:
23%

Top 20:
35%

Clients	Q1 FY 22	Q2 FY 22	Q3 FY 22
0-100 K	141	147	126
100-500K	226	234	220
500K-1 MN	13	12	12
1 MN +	17	19	19
Total No. of Clients	397	412	377

Client	Revenue 9M	% Split
Top 5	70.4	14.0%
Top 10	114.7	22.9%
Top 20	175.9	35.1%
Rest	325.3	64.9%

Clients Analysis

- ✓ Our Top 20 clients in 9M FY22 contributed Rs.175.9 Cr (US\$23.5 mil) which is 35% of our total revenues
- ✓ Top 10 clients contributed Rs.114.7 Cr (US\$ 15.3 mil) which is 23% of total in 9M FY22
- ✓ Top 5 clients contributed Rs.70.4 Cr (US\$9.4 mil) which is 14% of total in 9M FY22



RUN GROW BUILD – Services & Products Strategy

RUN	ADMS, Testing, Analytics	Infrastructure Management Services (IMS) Digital IMS NOC-SOC, MVS RIM Services	Business Process Outsourcing (BPO) - All Functions & Business Areas	Knowledge Process Outsourcing (KPO) - All Functions & Business Areas
------------	---------------------------------	---------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------	--------------------------------------------------------------------------------

GROW	CloudFirst <ul style="list-style-type: none"> ➤ NuRe Edge : Secure Access Service Edge (SASE) and 5G Edge services ➤ NuRe 3i : High Performing Cloud Platform for infrastructure and applications ➤ NuRe Desk : Work from anywhere cloud platform ➤ NuRe 3i+ : Oracle Cloud Infrastructure (OCI) for digital transformation 	Application Automation & Analytics (AAA) <ul style="list-style-type: none"> ➤ Maggie – Automation As A Service ➤ Momenta Decision Support As A Service ➤ 3iAIRES Omni-Channel Solution ➤ Flexib – Digital Quality Assurance (Testing) ➤ HybridNxt - Cloud Lifecycle Managed Services 	Oracle COE  <ul style="list-style-type: none"> ➤ OCI – Migration & Transformation Oracle Cloud Services ➤ Autonomous Database Mgt.: Develop and deploy application workloads easily ➤ Apex – Low No Code : Rapidly build enterprise-grade apps 	Digital BPS <ul style="list-style-type: none"> ➤ BPaaS / KPaaS ➤ Governance Risk & Compliance ➤ Financial Planning & Analysis ➤ Business Process Excellence ➤ CFO in Box ➤ SME in Box
-------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

BUILD	Cognitive Computing Services <ul style="list-style-type: none"> ➤ Mortgage ➤ Capital Market ➤ Telecom, Media Entertainment (TME) 	5G Services <ul style="list-style-type: none"> ➤ SDWAN & Private Networks ➤ Edge Computing Services ➤ 5G Lab As A Service ➤ 5G Enabler Services 	Internet of Things (IoT) + Blockchain <ul style="list-style-type: none"> ➤ Insurance & Securities ➤ Manufacturing & Supply Chain ➤ Agriculture & Green Energy <p style="text-align: right; margin-top: 0;">- Powered by Edge Computing Services</p>
--------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



FAST Facts – RUN, GROW, BUILD



All figures in INR Cr

INR CRs.	Run				Grow				Build			
	Q1'22	Q2'22	Q3'22	9M-YTD	Q1'22	Q2'22	Q3'22	9M-YTD	Q1'22	Q2'22	Q3'22	9M-YTD
Revenue	152.0	162.8	155.2	470.0	7.9	10.6	12.8	31.3	0.0	0.0	0.0	0.0
Direct Cost	130.6	141.5	135.5	407.6	5.0	7.6	10.9	23.5	0.1	1.6	3.4	5.1
GM	21.4	21.3	19.7	62.4	2.9	2.9	2.0	7.8	-0.1	-1.6	-3.4	-5.1
GM%	14.1%	13.1%	12.7%	13.3%	36.3%	27.9%	15.3%	24.8%	0.0%	0.0%	0.0%	0.0%
Allocated G&A	2.9	2.9	2.0	7.7	0.2	0.2	0.8	1.1	0.0	0.0	0.0	0.0
Sales	7.6	7.9	5.5	21.0	0.6	1.0	3.6	5.3	0.0	0.0	0.3	0.3
Business EBITDA	10.9	10.5	12.2	33.6	2.1	1.7	-2.5	1.4	-0.1	-1.6	-3.7	-5.4
PDD	0.8	13.2	0.3	14.3	0.3	0.4	0.0	0.7	0.0	0.0	0.0	0.0
G&A	8.8	19.0	15.4	43.2	3.1	6.8	5.5	15.4	0.6	1.4	1.1	3.1
Adjustment (Rent IND AS)	-3.8	-12.9	-2.9	-19.6								
EBITDA (Services)	5.1	-8.8	-0.6	-4.3	-1.3	-5.4	-8.0	-14.7	-0.7	-3.0	-4.8	-8.5
Exceptional Items:				26.0				-				-
Normalised EBITDA				21.7				-14.7				-8.5

RUN BUSINESS

- Direct cost optimization of minimum 5% targeted by Q4 exit
- Reduce the GA costs by 15% by outsourcing of F&A ops, HR Ops, Digitization and new HCM and ERP implementation
- Reduce the PDD by at least 5 Crores
- Margin enhancement of 2% at GM level by automation

GROW & BUILD BUSINESS

- The investments of GROW and BUILD are happening from the same RUN P/L
- Build cost will be separated and capitalized by year end as they will be creating products and platforms
- GROW business will be the new services business which will replace RUN and will be tracked as a separate P/L

BUILD COE Roadmap



Q4 FY22

- COE & Lab Setup in collaboration with a Leading Research Park (5G & Cognitive Computing)
- COE in Tier III City in South India (Oracle, BFS, Insurance)



Q1 FY23

- COE in Tier III Cities – North East India
- Malaysia - KL



Q2 FY23

- USA – Texas/Florida
- Finland (5G)
- UK – Scotland, Glasgow, Edinburgh



Partnering with Govt. - Skills development and job creation



Thank you



3i Infotech[®]
LIMITLESS EXCELLENCE

marketing@3i-infotech.com

www.3i-infotech.com

Corporate Office 3i Infotech Ltd. Tower # 5,3rd to 6th
Floors International Infotech Park, Vashi, Navi Mumbai -
400703

ASIA PACIFIC | SOUTH ASIA | NORTH AMERICA | MIDDLE EAST | AFRICA | EUROPE

Appendix - Q3 FY22 Regional Business



All figures in INR Cr

Region	Q1'22					Q2'22					Q3'22				
	Revenue	Direct Cost	GM%	Sales Cost	Business EBITDA %	Revenue	Direct Cost	GM%	Sales Cost	Business EBITDA %	Revenue	Direct Cost	GM%	Sales Cost	Business EBITDA %
APAC	4.6	3.4	27.5%	0.9	9.0%	4.6	3.7	19.3%	1.0	-2.4%	4.9	3.5	28.4%	0.9	10.4%
SAG	48.3	41.5	14.0%	2.2	9.4%	55.0	50.4	8.4%	2.8	3.2%	50.5	53.1	-5.2%	2.7	-10.5%
US	88.2	75.9	14.0%	2.6	11.0%	97.5	82.0	15.9%	2.7	13.0%	97.4	77.3	20.7%	2.7	17.9%
MEA	13.3	11.9	10.8%	2.0	-4.0%	11.5	9.5	17.2%	2.0	0.1%	10.1	9.3	8.0%	2.4	-15.4%
KSA	5.3	2.9	44.8%	0.5	35.1%	4.6	3.5	24.6%	0.4	15.2%	4.9	3.2	35.8%	0.5	25.6%
UK	0.2	0.1	70.2%	-	70.2%	0.2	0.0	91.6%	-	91.6%	0.2	0.0	87.7%	0.0	65.3%
Total	159.9	135.6	15.2%	8.2	10.1%	173.3	149.1	14.0%	9.0	8.8%	168.0	146.4	12.9%	9.1	7.4%

Region	9M-YTD				
	Revenue	Direct Cost	GM%	Sales Cost	Business EBITDA %
APAC	14.1	10.6	25.1%	2.7	5.8%
SAG	153.7	145.0	5.7%	7.7	0.7%
US	283.2	235.2	16.9%	8.0	14.1%
MEA	34.9	30.7	12.1%	6.3	-6.0%
KSA	14.8	9.6	35.5%	1.5	25.7%
UK	0.5	0.1	83.0%	0.0	75.7%
Total	501.2	431.1	14.0%	26.3	8.7%