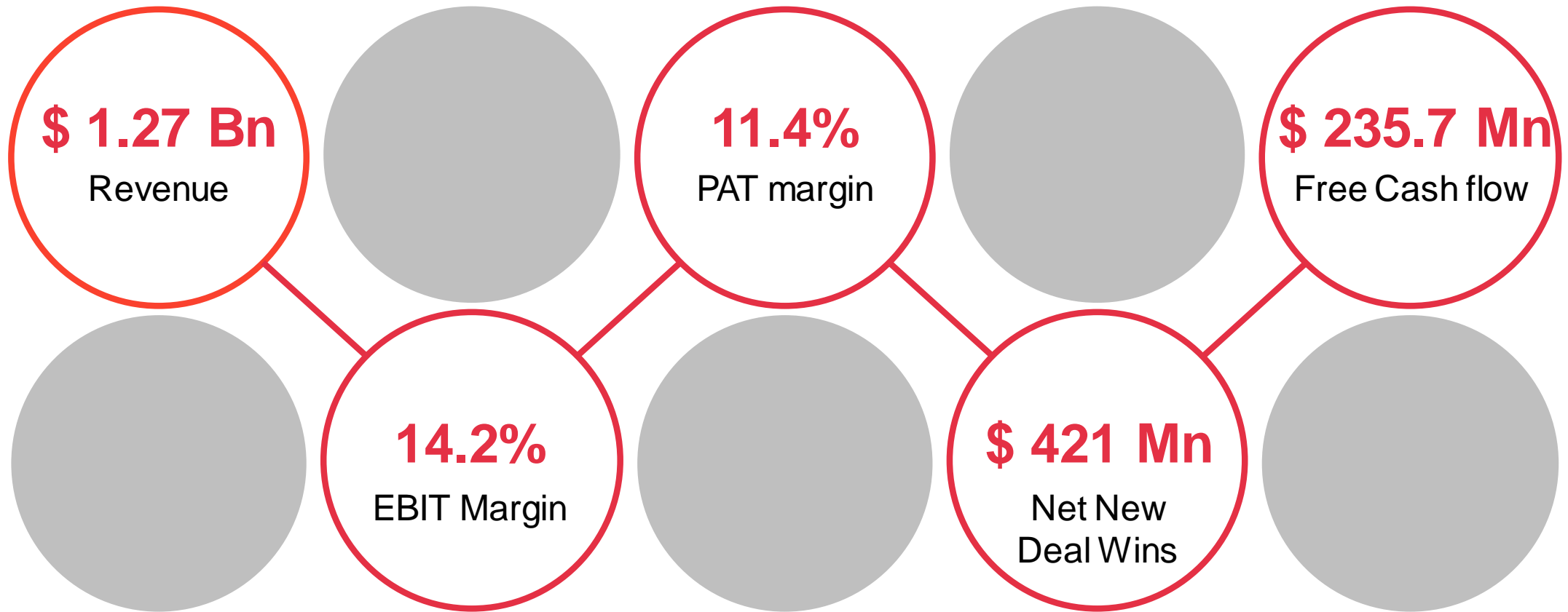


- EARNINGS PRESENTATION ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- Q2 FY21 ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- October 2020 ● ● ● ● ● ● ● ● ● ● ● ● ● ●

Q2'21 Snapshot



Business Highlights



FINANCIAL

Revenue
2.9%
(cc)



EBIT %
410 bps



PAT %
70 bps



FCF to PAT %
164.0%



OPERATIONAL

Headcount
124,258
(842)



IT LTM attrition
14%
(3 pp)



Utilization (incl trainees)
85%
(3 pp)



Active Customers
988
(up by 7)



SEGMENT

Communications
3.2%



Enterprise
5.9%



IT Services
2.5%



BPS
31.1%



GEOGRAPHY

Americas
2.7%



Europe
2.1%



ROW
11.7%



All trends are QoQ

Management Commentary



CP Gurnani
CEO, Tech Mahindra



Our **Repair, Rally and Rise** strategy has helped the company to **emerge stronger**, as we journey towards a post Covid world. We are witnessing **demand revival** across multiple segments, as customers have accelerated their pace of digital transformation. Our focus on creating **Human Centered Experiences** will enable us to **capture increased spends on consumerization**, as businesses try to stay relevant in the current environment.



Business Update

- ✓ WFH - 99% for IT, 95% for BPS
- ✓ **Mhealthy, Book My Seat** and touchless experience for safer workplace

Employees

Community

- ✓ Launched **Mind@Ease**, an online aggregator platform to provide various **counselling services** across the country
- ✓ Launched **Gift a Career** Initiative for upskilling the youth



- ✓ Customers willing to spend on **transformation deals**
- ✓ **Cloud, Analytics, Customer Experience, Engineering Services, BPS** showing positive momentum

Customers

Operations

- ✓ **Supply-side** issues normalized
- ✓ **Re-imagining delivery** models with unified service lines
- ✓ Transparent governance and performance tracking via **Command Centre**

Vertical Performance



VERTICALS	Communications	Manufacturing	Technology, media & entertainment	Banking, financial services & insurance	Retail, transport & logistics	Others
% SHARE	39.3%	16.1%	9.8%	16.4%	7.5%	10.8%
% QoQ	+3.2%	+0.5%	+13.3%	+9.6%	+7.8%	+1.6%
% YoY	-5.8%	-12.0%	+18.4%	+24.7%	+5.5%	-17.2%

Net New Deal Wins



Won a multi-year deal with an American technology company for software engineering services.

Selected as a strategic partner for managed IT, security and network services by Asian Communication Service Provider.

Engaged by a leading Chemicals and Fertilizers manufacturing company for SAP S/4HANA implementation.

Tech Mahindra won a multi-year deal with an Asian communications service provider for IT managed services.

Strategic Highlights



COLLABORATIONS

Collaborated with Rakuten Mobile to bring **Rakuten Communications Platform** to global customers to **drive innovation in the telecom space**.

Collaborated with **Amazon Web Services (AWS)** to build solutions based on **blockchain technology**.

Tech Mahindra has partnered with **VitalTech** to offer digital technologies to healthcare providers as part of Tech Mahindra's **broader Virtual Health portfolio**.

Entered into a global strategic partnership with CyQureX, a leading provider of **advanced Cyber Security solutions** world-wide, with a view to offer world class **cyber security solutions** to support clients through successful digital transformation.



SOLUTIONS LAUNCHED

Launched an **intelligent cloud operations and subscription management platform, iCOPS**, for global enterprises.

Launched a new digital platform, branded as **'Blockchain based Contracts and Rights Management System' (bCRMS)** for the global media and entertainment industry.

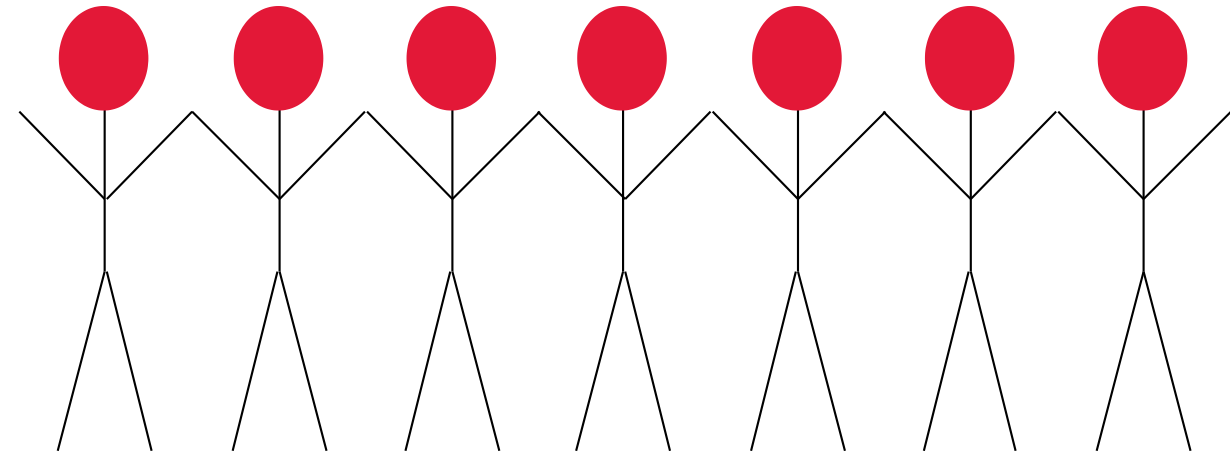
Launched **Mhealthy**, a solution to **enable workforce and community safety** against COVID-19.

People Updates

Tech Mahindra has featured amongst the Top 10 **“Best Companies for Women in India (BCWI)”** by **Avtar and Working Mother** for the third year in a row.

Tech Mahindra has been declared winners at the **“2020 Stevie Awards for Great Employers”** for our **response to the COVID-19 pandemic**. We won the Gold Stevie for our innovative use of HR Technology and the Bronze Stevie for being the most valuable employer.

Tech Mahindra has been ranked among **India’s 50 Best Workplaces for Women – 2020**, by the **Great Place to Work® Institute**.



ESG Focus: Sustainability

Recognised as a
**Leader by
Sustainalytics**, with
99 percentile and an
overall ESG Score
of 84

Rated **BBB by
MSCI** (Morgan
Stanley Capital
International) with
an **ESG quality
score of 7.5.**

Tech Mahindra is at
a **Prime status on
ISS ESG
Corporate rating**

**GHG emissions
assured by KPMG**
according to
ISAE3410 standard.

ESG Focus: Social

COVID-19 RELIEF

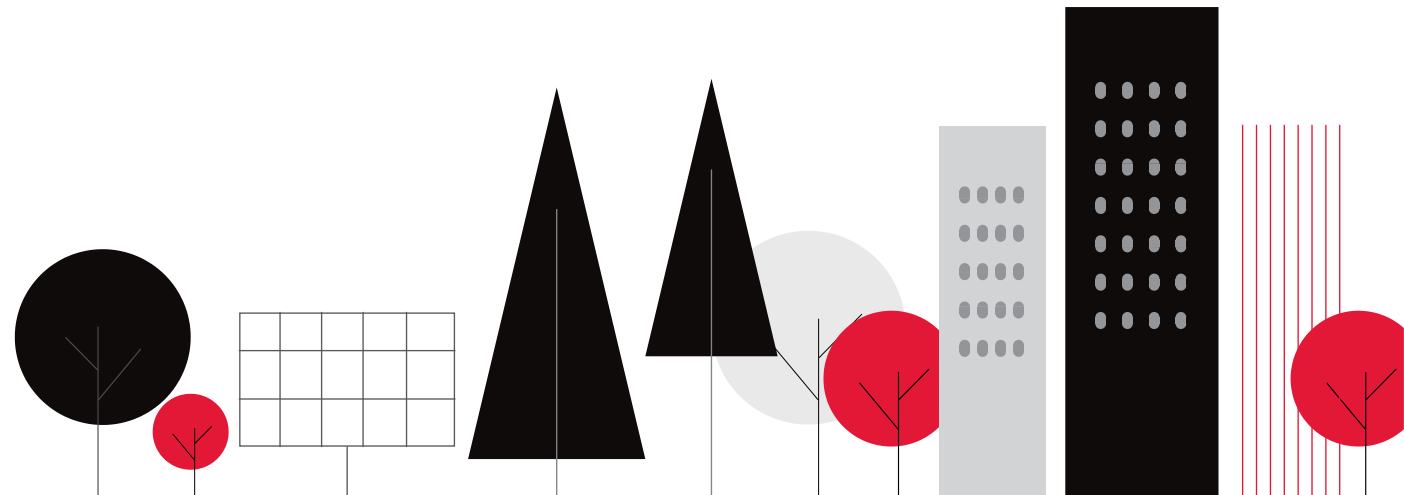
- Food and essentials to **2.8 lakh** individuals.
- **1.7 lakh** cooked meals.
- Over **23,800** PPE Kits supplied to Hospitals & Security Forces.
- **1.6 lakh** masks distributed.

EMPLOYABILITY

- Conducted 3 different conclaves for students with **visual impairment** in which **over 100 students** participated.

GLOBAL PROGRAMS

- Launched the online counselling services platform named, **Mind@Ease** on World Mental Health Day, 10 October 2020



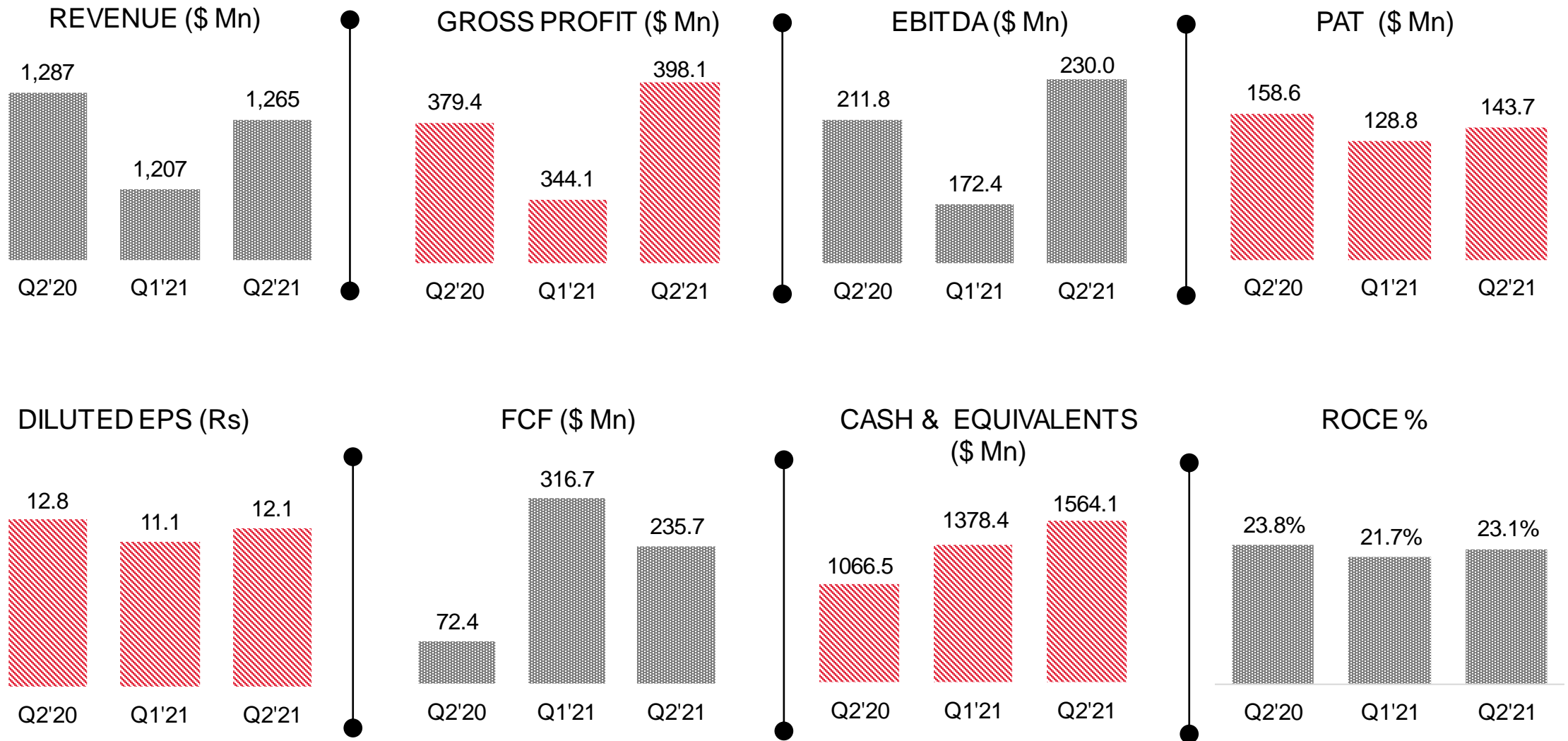
Management Commentary

Manoj Bhat
CFO, Tech Mahindra



Strong execution on both **revenue growth and operational metrics** has helped to improve our performance on all fronts. **Our cash conversion** continues to be robust and we remain committed towards creating value for our shareholders through **effective capital return.**

Financial Snapshot



Operational Snapshot



Other financial highlights



CASH CONVERSION

- ✓ Free cash flow to PAT conversion at 164.0 %.
- ✓ H1 half-yearly FCF at \$ 552.4 Mn, compared to \$ 522.6 Mn in FY20, aided by improved collections
- ✓ DSO @ 97 days compared to 107 days in Q1 FY21, lowest in 15 quarters



TREASURY

- ✓ Hedge book at \$ 2.4 Bn compared to \$ 2.3 Bn in Q1 FY21.
- ✓ USD / INR Q2 FY21 average exchange rate at 74.07, appreciation of 1.8% QoQ and depreciation of 5.3% YoY.



OTHERS

- ✓ Tax rate at 24.6% in Q2 FY21, similar to 25.5% in Q1 FY21.

Capital Allocation

CAPITAL RETURN

- Announced Special Dividend of ₹ 15 / Share.
- Over last 3 years Company has **returned back cumulative cash of over USD 1 Bn** through dividends and buyback.

MERGERS & ACQUISITIONS

- Tech Mahindra announced the acquisition of 100% stake in Auckland, New Zealand headquartered **Tenzing** and Melbourne, Australia headquartered **Momenton**.
- Tech Mahindra Limited and **Sumitomo Corporation Japan** have agreed to setup a 50:50 JV to provide Engineering Services to Automotive Sector
- All transactions are subject to customary regulatory approvals



Financial Summary

in \$ Mn	Q2 FY 21	QoQ	YoY
Revenue	1,265.4	4.8%	-1.7%
EBIT	179.8	47.9%	10.1%
<i>EBIT %</i>	<i>14.2%</i>		
Other Income	15.7	-71.6%	-49.3%
Miscellaneous + Interest Income	20.6		
Exchange Gain/(Loss)	(5.0)		
Profit Before Tax	190.1	11.8%	0.8%
Provision for tax	46.7		
Profit After Tax	143.7	11.5%	-9.4%
<i>PAT %</i>	<i>11.4%</i>		
EPS (Basic) in Rs	12.18	9.4%	-5.4%
EPS (Diluted) in Rs	12.11	9.4%	-5.2%

Tech
Mahindra