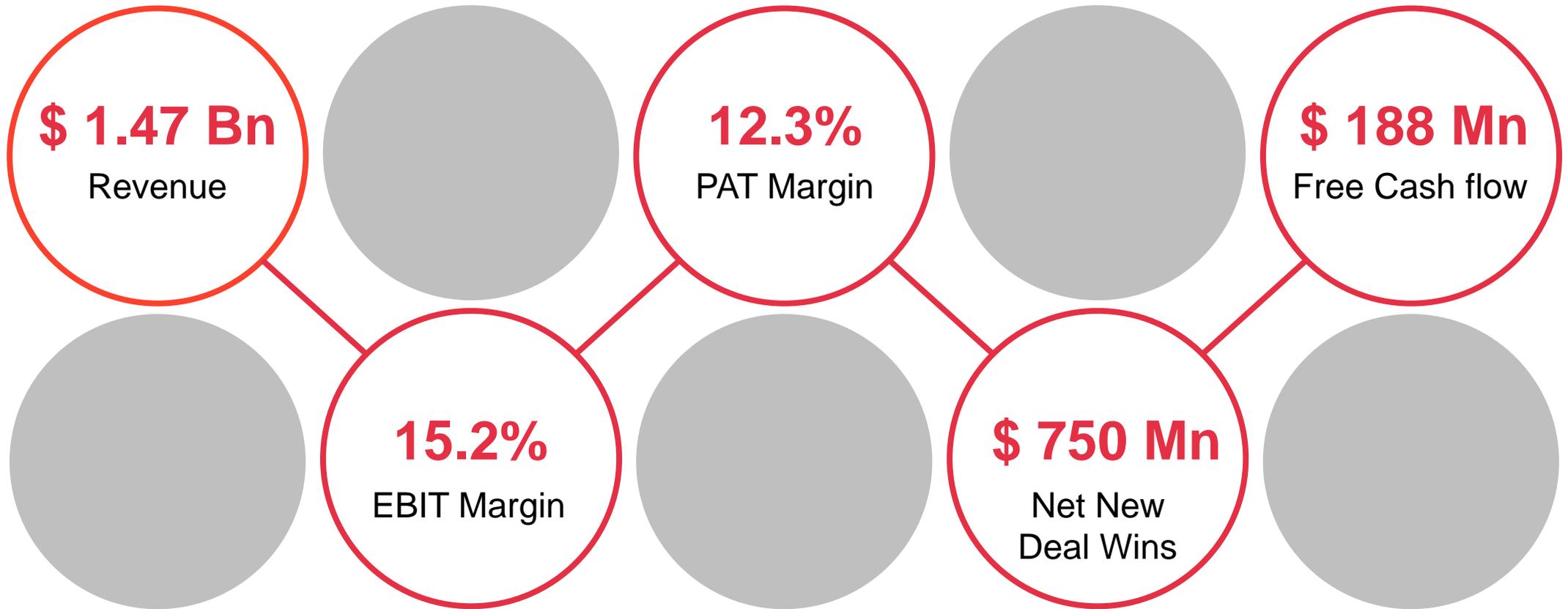


- EARNINGS PRESENTATION ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- Q2 FY22 ● ● ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- October 2021 ● ● ● ● ● ● ● ● ● ● ● ● ● ● ● ●

Q2'22 Snapshot



Business Highlights



FINANCIAL



Revenue
6.4%

EBIT %
0%



PAT %
100 bps



FCF to PAT %
104%



OPERATIONAL



Headcount
141,193
(+14,930)



IT LTM attrition
21.2%
(up 4pp)



Utilization (incl trainees)
86.9%
(down 110 bps)



Active Customers
1123
(up by 65)



SEGMENT



CME
6.7%



Enterprise
6.3%



IT Services
5.9%



BPS
10.2%



GEOGRAPHY



Americas
8.9%



Europe
1.6%



ROW
7.0%

All trends are QoQ

Management Commentary



CP Gurnani
CEO, Tech Mahindra



As we record our highest sequential growth in a decade, we remain committed to deliver **long-term sustainable and profitable growth** for the company. We have witnessed strong traction across all key markets as we invest in our digital capabilities through strategic partnerships. We continue to accelerate our **clients' digital journey** by creating Human Centric Experiences, helping them gear up for tomorrow, today



Business Update

- ✓ Continuing pace of **large deal wins**
- ✓ **Communications** growth led by 5G
- ✓ **BFSI, Hi-tech, HLS** continue to grow at strong pace

Strategy

ESG

- ✓ Third party KPMG assurance for **GHG (Scope 1+2+3) emissions**
- ✓ Constituent of the **FTSE4Good Index Series 2021**
- ✓ Listed among **2021 Best Workplaces in Asia**



- ✓ **5G Led Spending** picking up
- ✓ Growth led by **Digital Engineering, Cloud, D&A**
- ✓ **Tech Transformation** key enabler

Customers

Operations

- ✓ **14,900+ associates** hired in Q2
- ✓ **Offshoring** improvement continues
- ✓ **DSO reduction** by one day

Vertical Performance: Q2'22



VERTICALS	Communications, media & entertainment	Manufacturing	Technology	Banking, financial services & insurance	Retail, transport & logistics	Others
% SHARE	40.1%	16.0%	9.0%	16.3%	7.8%	10.9%
% QoQ	+6.7%	+3.0%	+8.4%	+6.0%	+7.7%	+9.1%
% YoY	+16.1%	+14.1%	+16.6%	+15.9%	+17.6%	+20.6%

Net New Deal Wins



Won a multi-year strategic deal with a fortune 500 company in personal care for **transforming its global applications and digitizing the core**

Chosen by a US telco to be a part of its transformation journey to provide **modernization and cloud migration services for its targeted applications.**

Selected by an Asian technology giant for multi pillar deal including **managed services, IT stack refresh, new age architecture adoption; business process re-engineering.**

Chosen by a top Fortune 100 company in retail healthcare space to **design, build & migrate Virtual Apps & Desktops platform in Cloud**

Strategic Highlights



COLLABORATIONS

Tech Mahindra has partnered with Loughborough University, the world's best university for sport, to **drive innovation in the sports industry** via adoption of emerging next-generation technologies.

Announced MSSP (Managed Security Services Provider) partnerships with California-based Palo Alto Networks, a global leader in cybersecurity for **creation of specialized Industry solutions and IP**, leveraging the best of breed Palo Alto Networks solutions covering all major security solutions towers.



OTHER HIGHLIGHTS

Tech Mahindra has launched a dedicated **Google Cloud Business Unit** to accelerate cloud adoption for enterprises globally.

Tech Mahindra announces a '**Cloud Advisory Board**' with 30 Enterprises and Industry Advisors. The Advisory board will work on **accelerating cloud transformation** and build robust roadmap for business agility and competitive edge for enterprises.

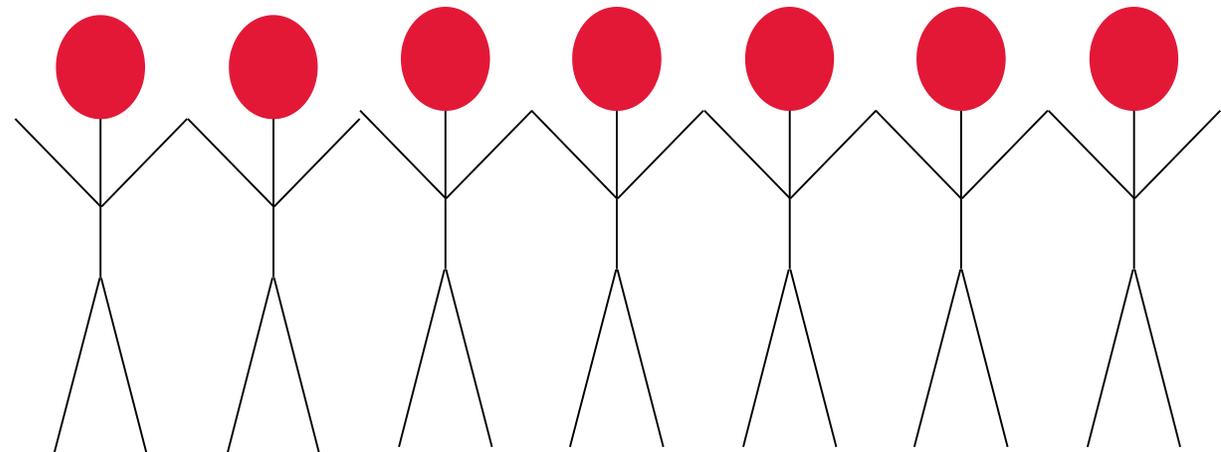
People Updates

14,900+ associates hired, highest ever for the company in a single quarter

Won the **'Stevie Awards for Great Employer'** and **'Brandon Hall HCM Excellence Awards'** for the year 2021

Mental wellbeing of associates & employee engagement through virtual connects was a priority during & post the Covid Wave 2 – Wellness 101 Challenge launched in June, over 20 Ambulances were distributed in various cities and multiple Wellness Awareness Programs were conducted

Tech Mahindra has been listed among **2021 Best Workplaces in Asia** by Great Place to Work®.

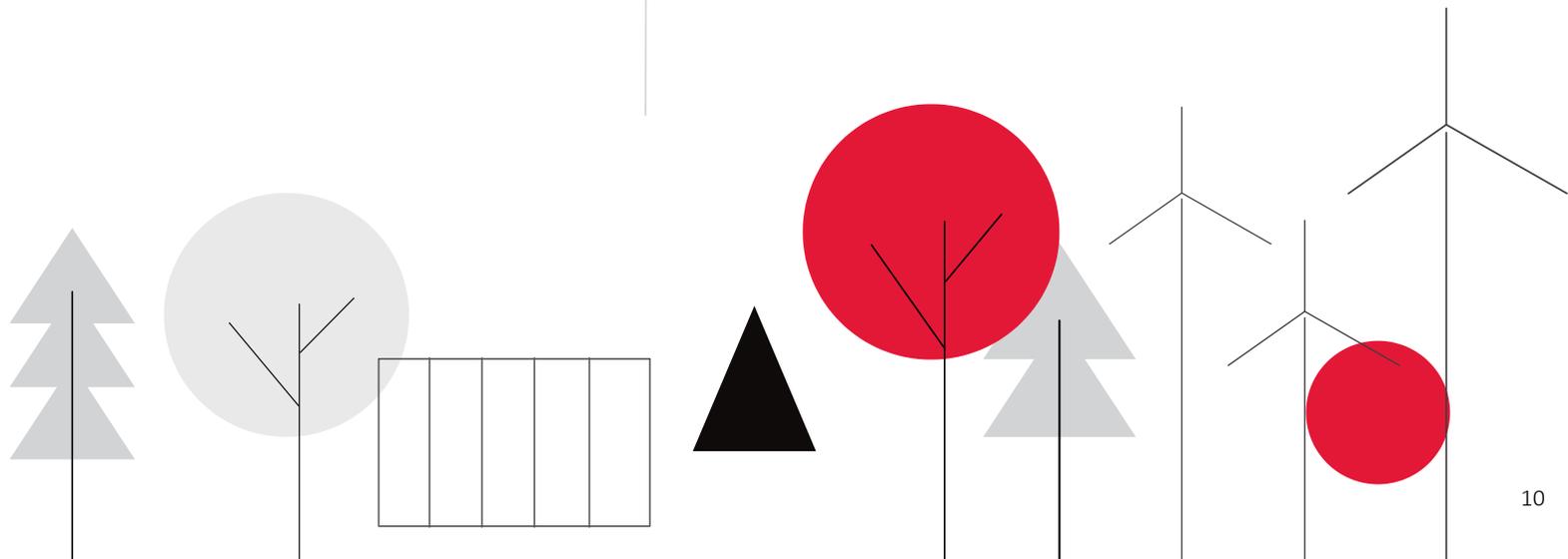


ESG Focus: Sustainability

Recognized among the top 15 companies for Sustainability and CSR in **Futurescape 8th Sustainability Index**

Signed **G20 Business letter strengthening NDCs (Nationally Determined Contributions)** in line with halving global emissions by 2030, and committing to achieve net-zero emissions no later than 2050

Submitted **Science Based targets aligned to 1.5 degree Celsius** for verification, validation, and approval (currently approved for 2 degree Celsius)

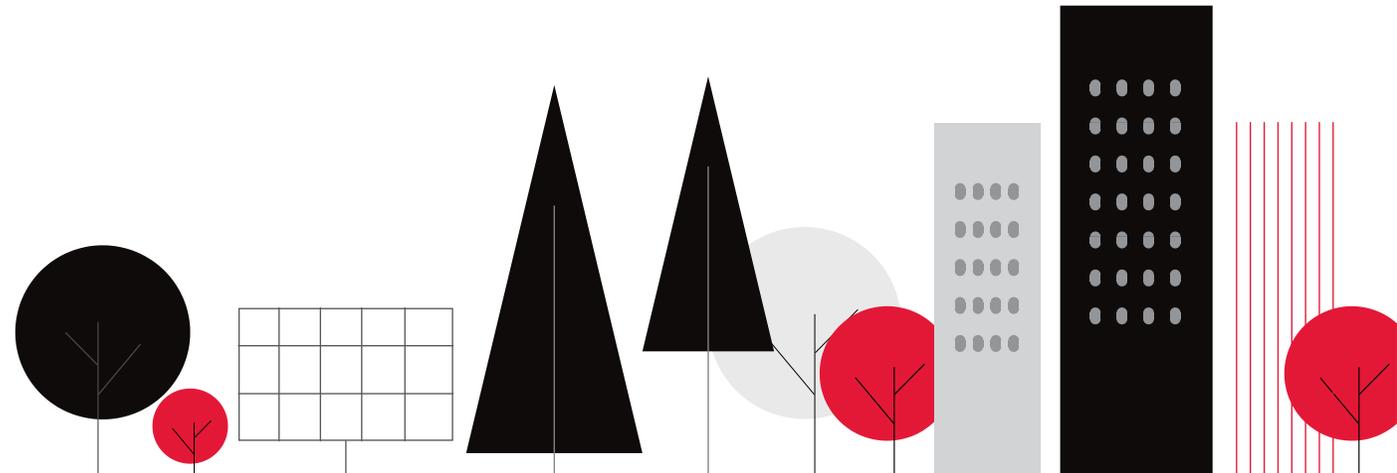


ESG Focus: Social

Tech Mahindra Foundation has served the nation through **571 COVID relief projects till date.**

Helped install **10 oxygen plants & donated 20 fully equipped ambulances to 20 charitable hospitals** catering to the **under-served communities**

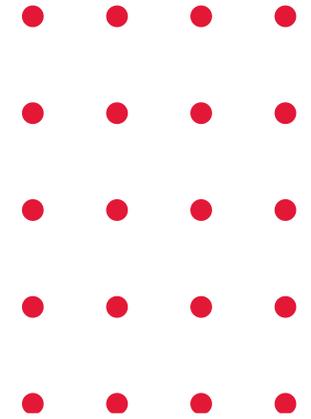
Launched **new initiative “YuWaaz”** a forum to integrate youth’s perspective into re-designing some of the TMF programs.



Management Commentary



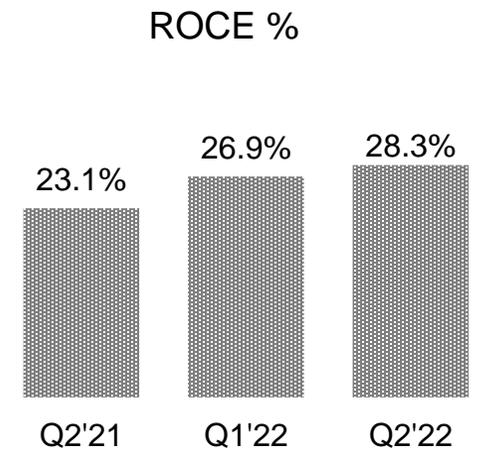
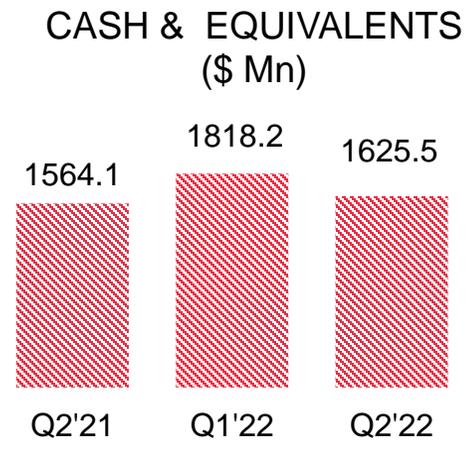
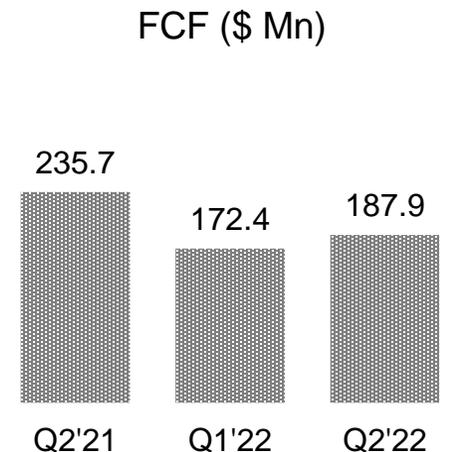
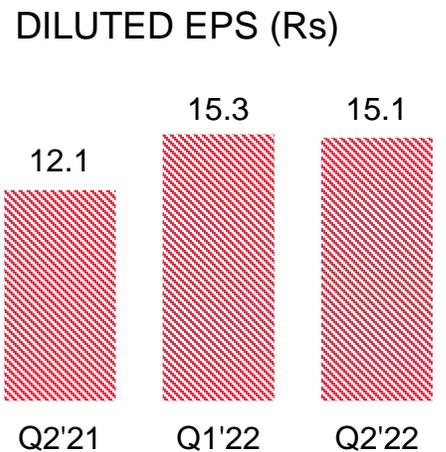
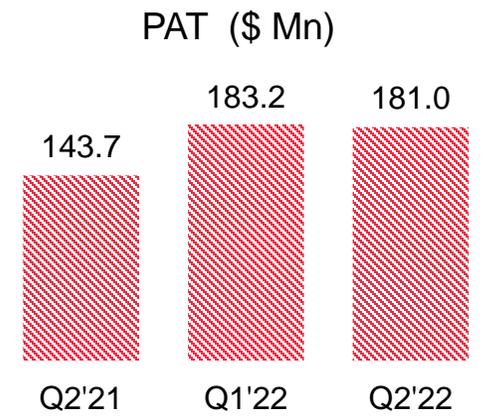
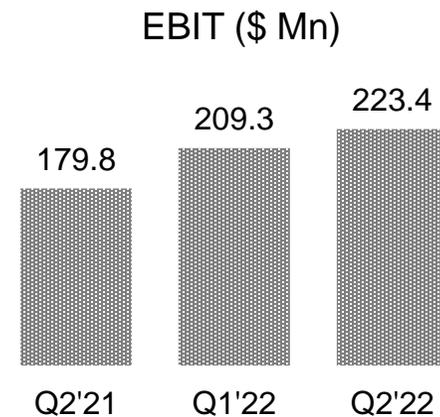
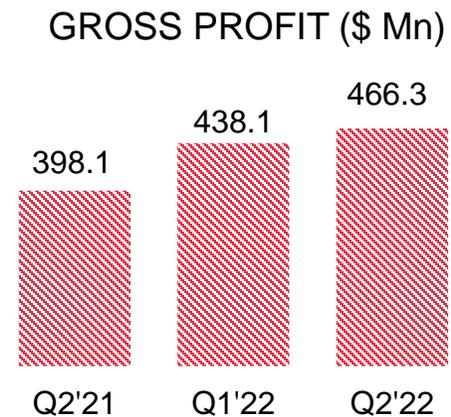
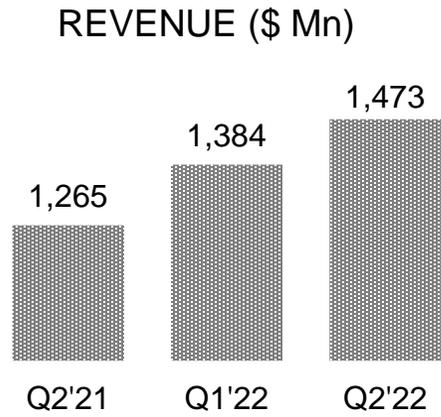
Milind Kulkarni
CFO, Tech Mahindra



Our strong execution has ensured that we **maintain our profitability margins while accelerating growth momentum**. We remain committed on the operational excellence journey we have boarded and continue to create value to shareholders through efficient capital return



Financial Snapshot: Q2'22



Operational Snapshot: Q2'22



Other financial highlights



CASH CONVERSION

- ✓ Free cash flow at \$ 188 Mn, conversion to PAT at 104%
- ✓ DSO @ 92 days compared to 93 days in Q1 FY22



TREASURY

- ✓ Hedge book at \$ 2.39 Bn compared to \$ 2.22 Bn in Q1 FY22
- ✓ USD / INR Q2 FY22 average exchange rate at 73.88, depreciation of 0.3% QoQ and appreciation of 0.2% YoY.



OTHERS

- ✓ Tax rate at 29.4% in Q2 FY22, compared to 23.9% in Q1 FY22

Capital Allocation

CAPITAL RETURN

- Announced special dividend of ₹ 15 / Share

MERGERS & ACQUISITIONS

- Tech Mahindra to acquire **Lodestone**, a leading digital engineering quality assurance provider for new age digital companies.
- The acquisition will bolster Tech Mahindra's digital engineering capabilities to effectively utilize data strategy and address machine learning challenges.
- Transaction is subject to regulatory approvals.



Financial Summary: Q2'22

in \$ Mn	Q2'22	QoQ	YoY
Revenue	1472.6	6.4%	16.4%
EBIT	223.4	6.7%	24.2%
<i>EBIT %</i>	<i>15.2%</i>		
Other Income	38.1	-2.0%	143.2%
Miscellaneous + Interest Income	21.8		
Exchange Gain/(Loss)	16.3		
Profit Before Tax	256.6	5.6%	34.9%
Provision for tax	75.3		
Profit After Tax	181.0	-1.2%	26.0%
<i>PAT %</i>	<i>12.3%</i>		
EPS (Basic) in Rs	15.25	-1.2%	25.2%
EPS (Diluted) in Rs	15.14	-0.4%	25.0%

Tech
Mahindra