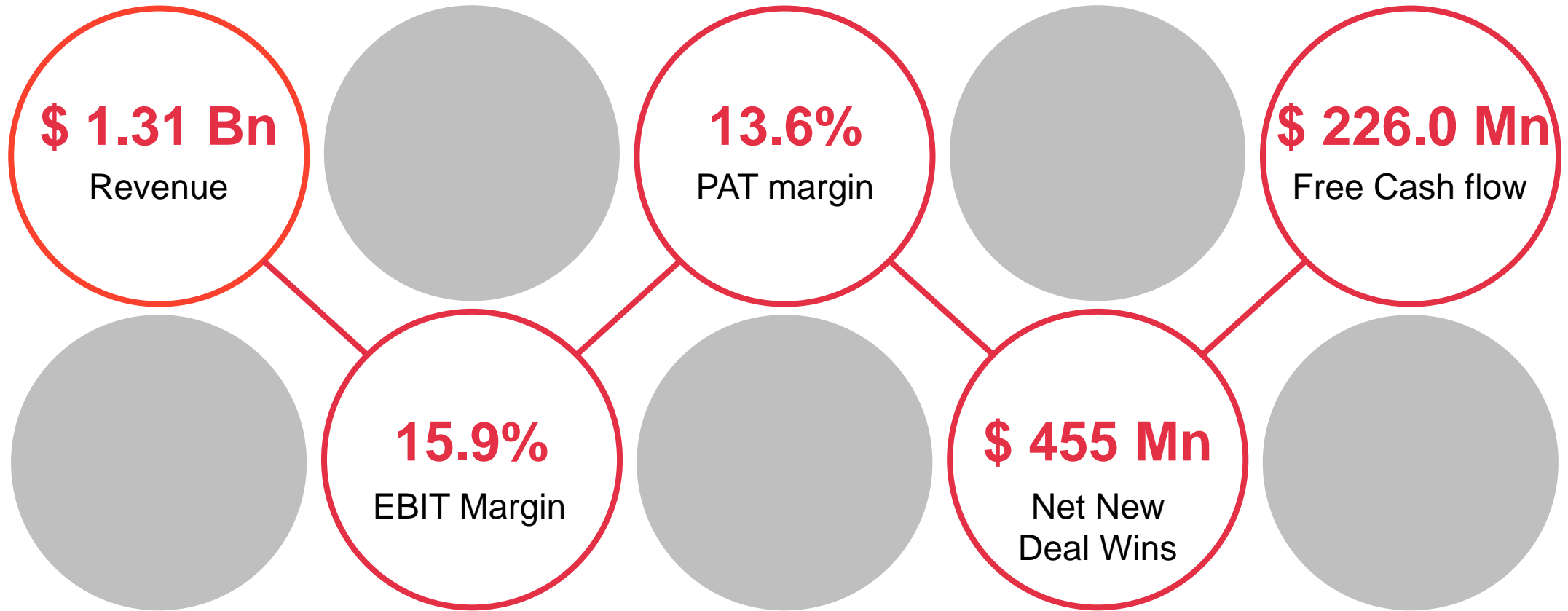


- EARNINGS PRESENTATION ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- Q3 FY21 ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- January 2021 ● ● ● ● ● ● ● ● ● ● ● ● ● ●

# Q3'21 Snapshot



# Business Highlights



## FINANCIAL

Revenue  
**2.8%**  
(cc)



EBIT %  
**170 bps**



PAT %  
**220 bps**



FCF to PAT %  
**127.2%**



## OPERATIONAL

Headcount  
**121,901**  
(-2357)



IT LTM attrition  
**12%**  
(2 pp)



Utilization (incl trainees)  
**87%**  
(2 pp)



Active Customers  
**997**  
(up by 9)



## SEGMENT

Communications  
**4.4%**



Enterprise  
**2.8%**



IT Services  
**2.5%**



BPS  
**11.4%**



## GEOGRAPHY

Americas  
**0.1%**



Europe  
**8.5%**



ROW  
**4.6%**



*All trends are QoQ*

# Building an organization of the future, the time is NOW



# Our strategy : **NXT.NOW**



- 1** EXPONENTIALITY OF CONTENT
- 2** EXPLOSION OF INTELLIGENT DEVICES
- 3** POWER OF NEW TECHNOLOGIES



- 1** HUMAN CENTERED EXPERIENCE.NXT
- 2** BUSINESS.NXT
- 3** PLATFORMS.NXT
- 4** CLOUD.NXT



**RUN  
BETTER**



**CHANGE FASTER**



**GROW GREATER**

# Management Commentary



CP Gurnani  
CEO, Tech Mahindra



The **technology modernization cycle** continues to gather pace and our positioning of creating Experiences through **Nxt.Now** has seen us gain significant traction in the market place. We believe that the **Future is Now** and we are **continuously innovating** to address this shift in spending.



# Business Update

- ✓ Addressing urgency in **Enterprise transformation**
- ✓ Focus on **Tech Centered Business models**

Nxt.Now

ESG

- ✓ Included in **Dow Jones Sustainability Indices**
- ✓ Among the three Indian companies in the global **Bloomberg 2020 Gender-Equality Index (GEI)**.



- ✓ Strong traction in **Cloud, AI and Experience, Security**
- ✓ Revival in Europe and Manufacturing sector

Customers

Operations

- ✓ **Offshoring & Utilization** at multi-year high
- ✓ **Cash conversion** continues to be strong

# Vertical Performance



VERTICALS	Communications	Manufacturing	Technology, media & entertainment	Banking, financial services & insurance	Retail, transport & logistics	Others
% SHARE	39.7%	16.3%	9.4%	16.0%	7.9%	10.8%
% QoQ	+4.4%	+4.2%	-0.6%	0.4%	+8.4%	+3.4%
% YoY	-9.7%	-9.0%	+19.5%	+17.3%	+6.0%	-14.5%



# Net New Deal Wins



Chosen by a leading Communication Service Provider in UK for implementing Software Defined Network enabled  
**5G Transport Network.**

Won a deal with a European engineering company to transform the  
**core infrastructure operations.**

Selected by an American healthcare company for  
**digital transformation** of the entire application stack.

Engaged by an Indian Aerospace company for  
**ERP transformation.**

# Strategic Highlights



## COLLABORATIONS

Extended partnership with **SAP SE** to provide **on-premise and cloud-based end-to-end solutions** built on SAP® Business Technology Platform to customers globally.

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Expanded its strategic alliance with **BMC Software**, a global leader in IT solutions for the Autonomous Digital Enterprise, to enable **digital transformation** for global enterprises.

---

Partnered with **Fanisko**, a unique one-stop fan engagement platform to **revolutionize match viewing experience** for sports fans.



## SOLUTIONS LAUNCHED

Launched **WORKSPACE NXT** (Workplace as a Service), the latest version of its next-generation integrated **digital workplace solution** for enterprises globally.

---

Launched **remote collaboration solutions** for enterprises globally in partnership with Huddl.ai, a leading communication-collaboration platform.

# People Updates

Tech Mahindra has been recognized as a winner of **'People Innovation Category award'** winner at ET Innovation Summit for its solution HR humanoid, k2.

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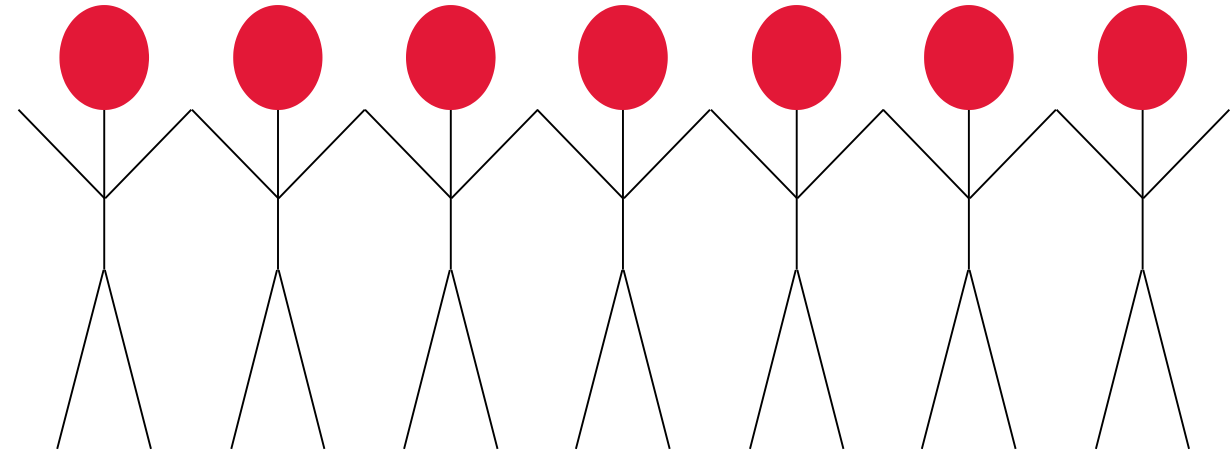
Tech Mahindra is amongst the only three Indian companies in the **global Bloomberg 2020 Gender-Equality Index (GEI)**.

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Received Gold Stevie for **innovative use of HR Technology** and the Bronze Stevie for being the **most valuable employer across Asia Pacific**.

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Tech Mahindra has been ranked among top 25 companies in India's 100 **'Best companies to work for 2020'**



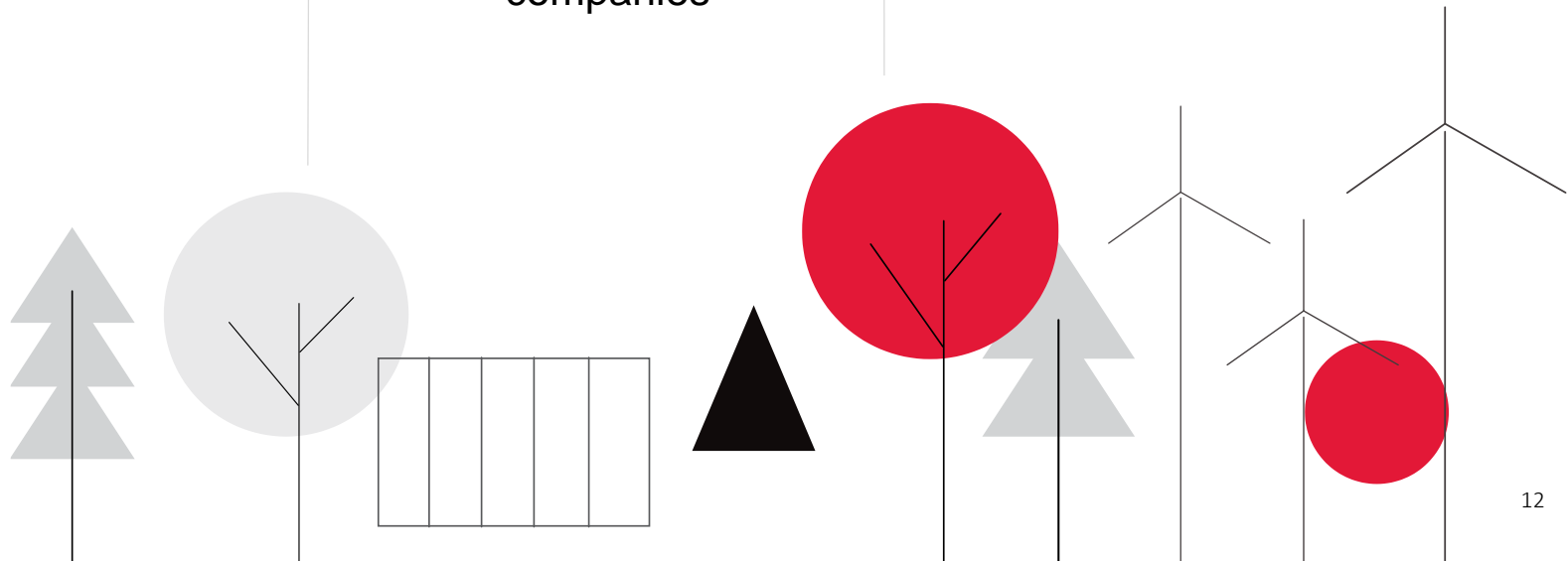
# ESG Focus: Sustainability

Included in the **Dow Jones Sustainability Index 2020** under both the DJSI World & DJSI Emerging Markets

Featured in the **CDP A List 2020** for both Climate change and Water security.

Scored **A+ by Business World**, in collaboration with Sustain Labs Paris and included in **the top 5** of India's most Sustainable companies

Constituent of **FTSE4Good Index Series 2020** demonstrating leadership in ESG



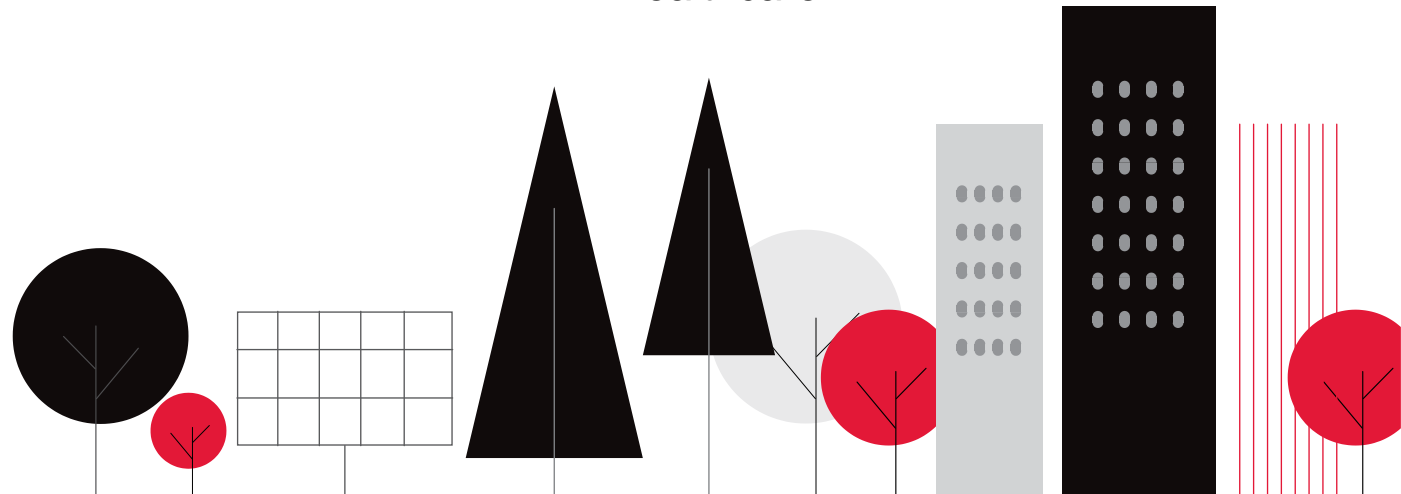
# ESG Focus: Social

CSR Times Award 2020 Gold Category for **COVID Relief Program** and Silver Category for **Women Empowerment.**

Launched **Digital Literacy Training Program** with Rotary India Literacy Mission to train 3,000 government school teachers in Uttar Pradesh and Uttarakhand.

Tech Mahindra Foundation has now become the **AHA (American Heart Association)-approved International Training center** to offer 3 different courses in healthcare.

**Tech  
Mahindra**  
FOUNDATION



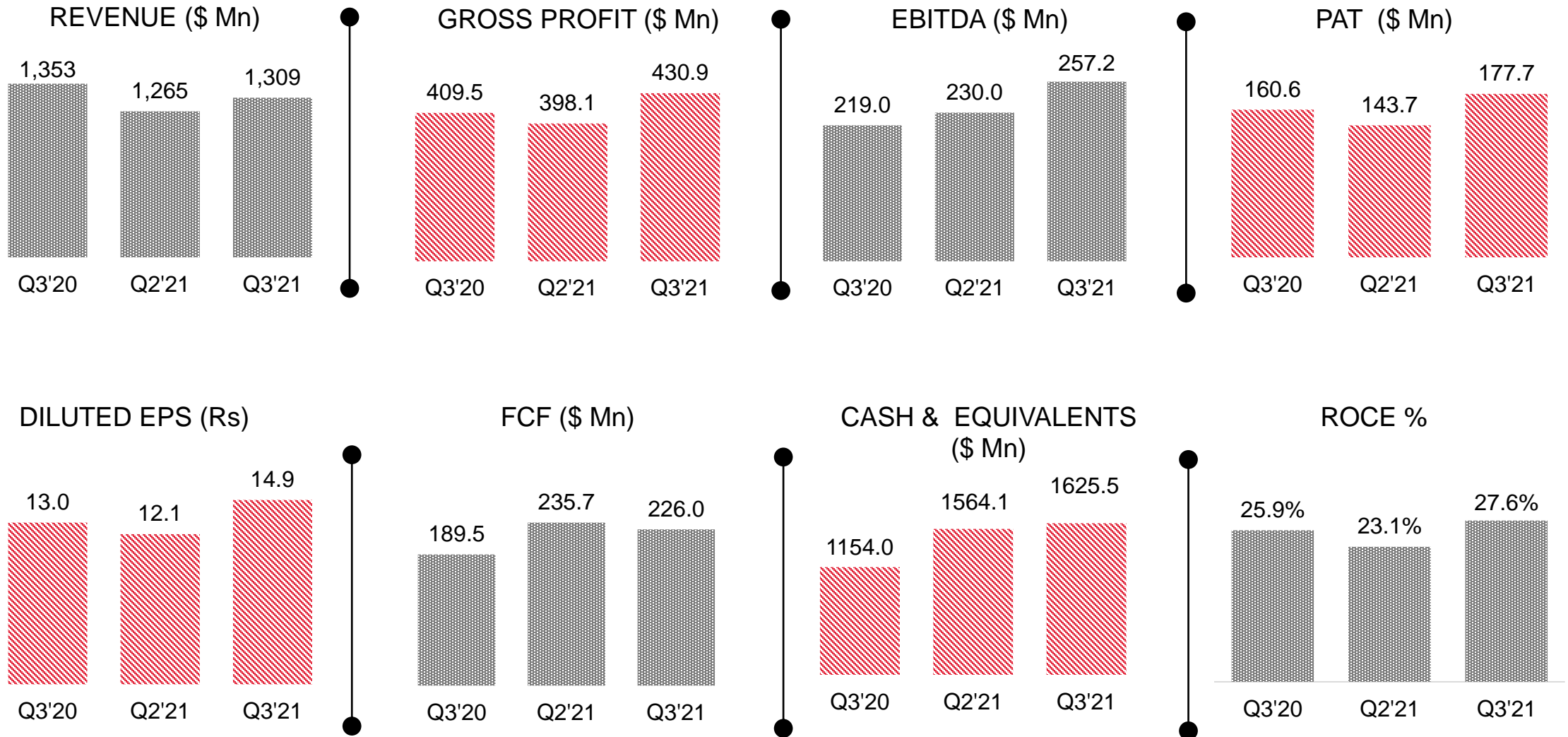
# Management Commentary

Manoj Bhat  
CFO, Tech Mahindra



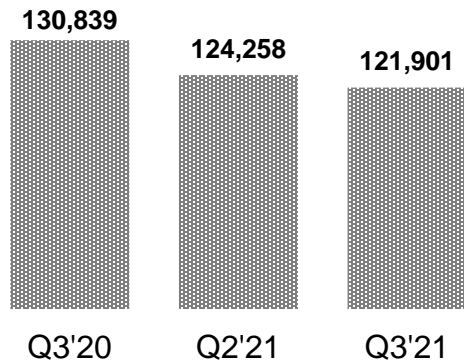
Our focus on **operational excellence** has again yielded results as we **structurally change our delivery model**. We are seeing consistent improvement in our operating metrics and we are confident of **continuing on this transformation journey** in the coming quarters.

# Financial Snapshot

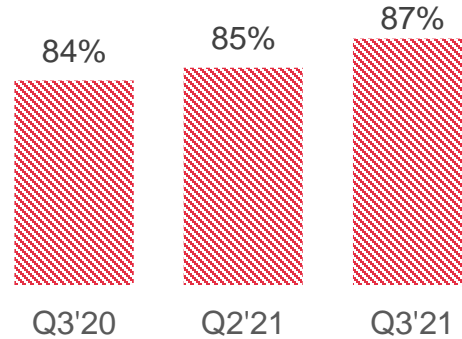


# Operational Snapshot

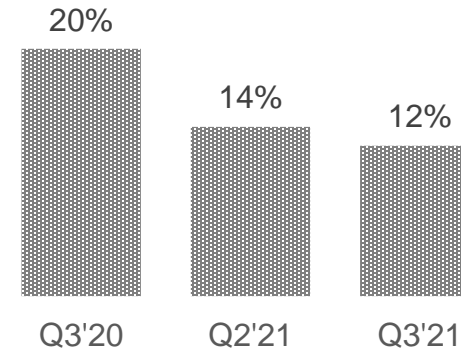
## HEADCOUNT



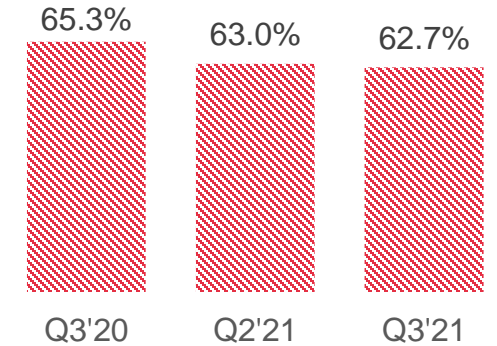
## UTILIZATION (including trainees)



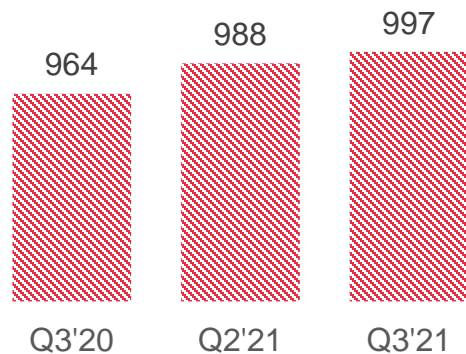
## ATTRITION



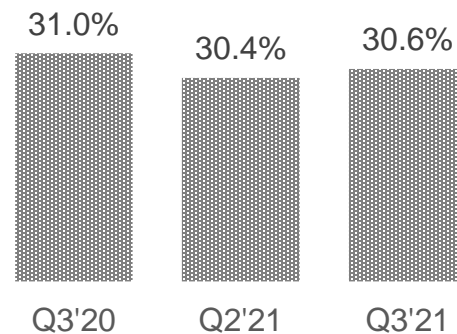
## REVENUE MIX (Onsite)



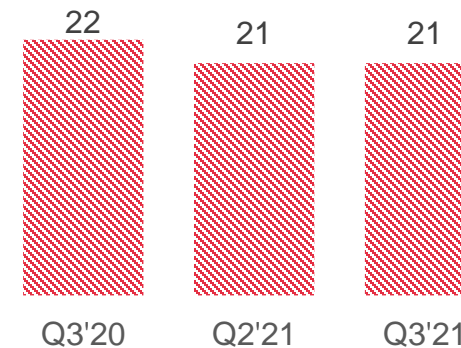
## ACTIVE CLIENTS



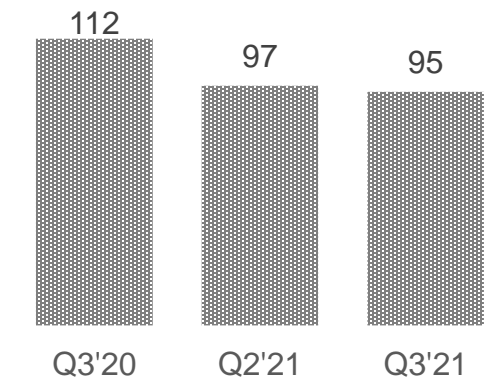
## TOP 10% CLIENTS



## 50 Mn+ CLIENTS



## DSO





# Other financial highlights



## CASH CONVERSION

- ✓ Free cash flow at \$ 226 Mn, conversion to PAT at 127.2 %.
- ✓ YTD FY21 FCF at \$ 778 Mn, compared to \$ 348 Mn in YTD FY20, aided by improved collections
- ✓ DSO @ 95 days compared to 97 days in Q2 FY21, lowest in 16 quarters



## TREASURY

- ✓ Hedge book at \$ 2.2 Bn compared to \$ 2.4 Bn in Q2 FY21.
- ✓ USD / INR Q3 FY21 average exchange rate at 73.7, appreciation of 0.4% QoQ and depreciation of 3.4% YoY.



## OTHERS

- ✓ Tax rate at 24.8% in Q3 FY21, similar to 24.6% in Q2 FY21.

# Capital Allocation



## MERGERS & ACQUISITIONS

- Tech Mahindra to acquire **Payments Technology Services Limited** a subsidiary of FIS, based in Asia, focused on serving the banking and payment needs of Asian financial services firms.
- All transactions are subject to customary regulatory approvals.

# Financial Summary

in \$ Mn	Q3 FY 21	QoQ	YoY
<b>Revenue</b>	<b>1,308.7</b>	3.4%	-3.3%
<b>EBIT</b>	<b>208.6</b>	16.0%	26.4%
<i>EBIT %</i>	15.9%		
<b>Other Income</b>	<b>29.9</b>	90.9%	-39.1%
Miscellaneous + Interest Income	15.0		
Exchange Gain/(Loss)	14.9		
<b>Profit Before Tax</b>	<b>232.8</b>	22.4%	12.7%
Provision for tax	57.8		
<b>Profit After Tax</b>	<b>177.7</b>	23.7%	10.6%
<i>PAT %</i>	13.6%		
<b>EPS (Basic) in Rs</b>	<b>14.98</b>	23.0%	14.1%
<b>EPS (Diluted) in Rs</b>	<b>14.87</b>	22.8%	14.1%

Tech  
Mahindra