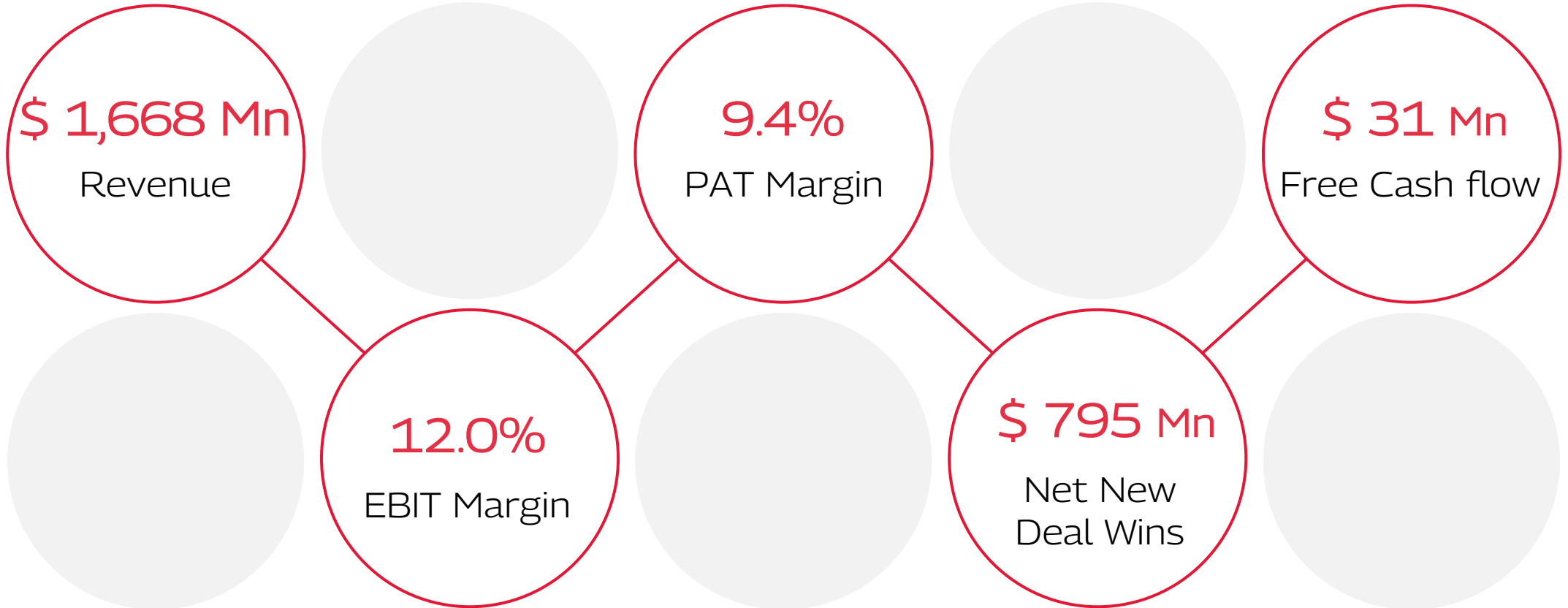


# Earnings Presentation

## Q3FY23

January 2023

# Q3 FY23 Snapshot



# Q3 FY23 Snapshot

## FINANCIAL



Revenue  
1.8%  
(+0.2% cc)



EBIT %  
60 bps



PAT %  
40 bps



FCF to PAT %  
20%  
(YTD 77.5%)

## OPERATIONAL



Headcount  
157,068  
(-6,844)



IT LTM attrition  
17.3%  
(down 230 bps)



Utilization  
(inc trainees)  
86.4%  
(up 150 bps)



Active Customers  
1,290  
(up by 11)

## SEGMENT



CME  
+1.9%



Enterprise  
+1.8%



IT  
+0.8%



BPS  
+8.8%

## GEOGRAPHY



Americas  
(0.4%)



Europe  
+1.6%



ROW  
+6.7%

# Management Commentary









CP Gurnani  
CEO, Tech Mahindra

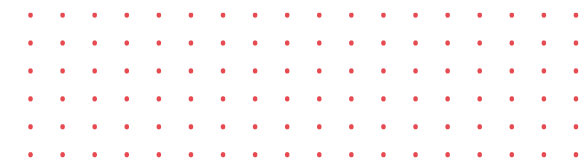


“We are witnessing moderation in growth given the tough macro economic environment. We will continue to work with our customers to pre-empt their technological requirements and identify new demand drivers, especially for digital services”



# Vertical Performance

VERTICALS	 Communications, Media & Entertainment	 Banking, Financial Services & Insurance	 Manufacturing	 Technology	 Retail, Transport & Logistics	 Others
% SHARE	<b>39.8%</b>	<b>15.9%</b>	<b>15.7%</b>	<b>10.3%</b>	<b>8.5%</b>	<b>9.9%</b>
% QoQ	+1.9%	-0.5%	0.0%	+3.3%	+6.0%	3.4%
% YoY	+5.8%	+12.0%	+7.8%	+32.2%	+8.2%	-0.8%



# Deal-Win Performance

Total **TCV Q3** FY23: \$ 795 Mn

Select **Deals**:



Chosen as the strategic partner for end-to-end OSS transformation including **application development & cloudification**, by one of world's largest multinational telecommunications provider



Won a strategic deal with a large American multinational conglomerate to provide **Cloud engineering and cross functional services** including wing to wing data center management



Chosen by an Asian statutory authority to **develop and maintain a fully integrated, end-to-end Conveyancing platform** to digitize the country's property related transactions leveraging our ESRM and Cloud capabilities



Won a large deal with an American multinational media and information conglomerate to support **application development for Cloud migration and automation**

# Strategic Highlights



## COLLABORATIONS

Tech Mahindra announced a strategic partnership with **Altice Labs**, an innovation center of Altice Group, to co-create, innovate, and jointly offer end-to-end solutions in BSS-OSS, **connectivity, fiber, & 5G powered by advance data-driven analytics, AI-led digital and cloud native solutions**

Tech Mahindra announced a strategic partnership with **SoftTech**, to provide customized solutions for end-to-end digital transformation of businesses in construction and infrastructure industry. The partnership will leverage leading-edge technologies like **AI/ML, Building Information Modelling, Digital Twins, AR-VR-MR, Construction Wearables, Robotics, Metaverse, and IoT.**



## OTHER HIGHLIGHTS

Tech Mahindra launches **Cloud BlazeTech, an integrated-sector-agnostic platform** to maximize business value for cloud-powered enterprises globally. With Integrated cloud migration, cloud-native operation & self-healing governance model, the platform supports bi-modal infrastructure transformation

Tech Mahindra announced an **innovative partnership with Swimming Australia** to deliver technology support across all facets. As the Official Technology Partner, Tech Mahindra will help enhance high performance, participation, fan engagement, and administration

# People Highlights



## STRENGTH & ATTRITION

Our employee strength is at

**157,068**

LTM attrition reduced to **17.3%**  
from 19.6% last quarter.



## AWARDS

“Company with Great Managers” - ET  
Great Manager Awards 2022

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“Champions” in the Most Inclusive  
Companies Index (MICI) in 2022

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Won First Place for “People  
Management & Development  
Innovation” and “Digital &  
Technological Innovation”



# ESG Highlights



State Best Employer Award for Empowerment of Persons with Disabilities by the Government of Telangana



Received ATF Awards 2022 for Best Assistive Technology CSR Initiative of the Year- Enablers category for ARISE+ Program



Retained leadership position in the in the Dow Jones Sustainability Index 2022 in the “TSV IT services & Internet Software and Services” segment with highest score of 89 and 100 percentile as of Dec 2022

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Awarded 'A' rating in MSCI ESG ratings 2022

# Management Commentary



Rohit Anand  
CFO, Tech Mahindra

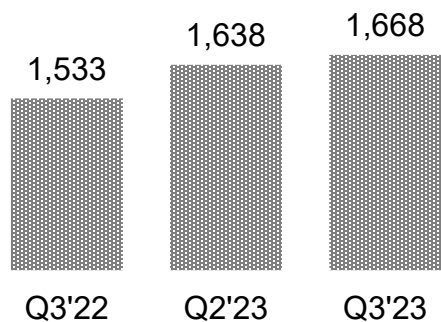


“Our numbers **reflect resilience** as we continue to work on the expansion of operating margin. I am confident that our strategy of **client centricity & agility combined with delivery led transformation will help us create value** for our customers and stakeholders alike”

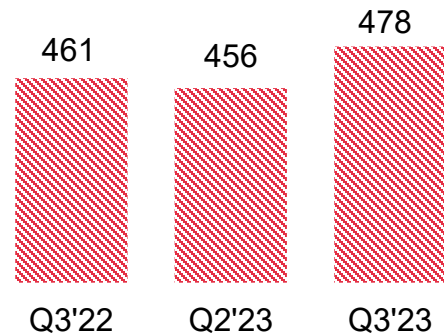


# Financial Snapshot

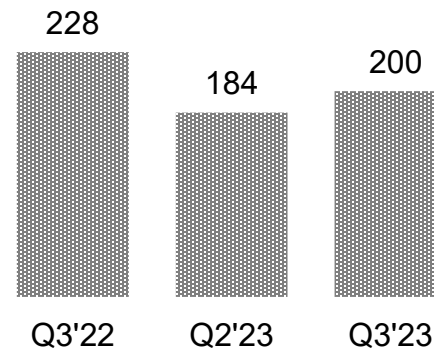
REVENUE (\$ Mn)



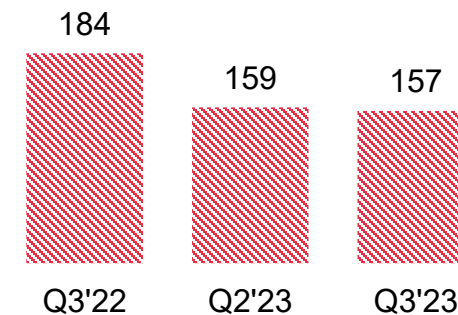
GROSS PROFIT (\$ Mn)



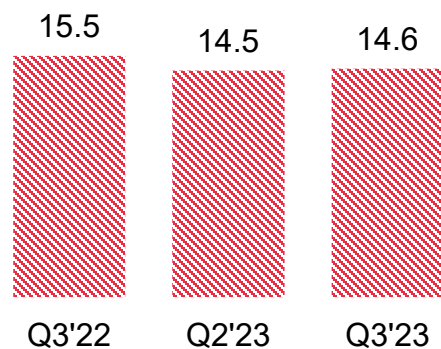
EBIT (\$ Mn)



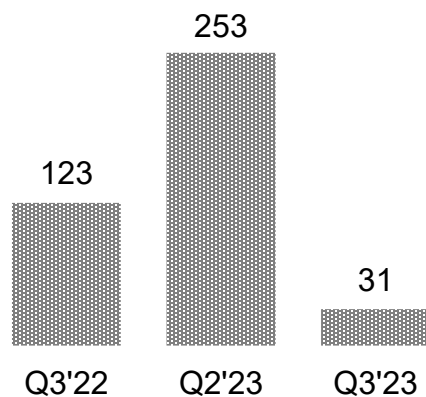
PAT (\$ Mn)



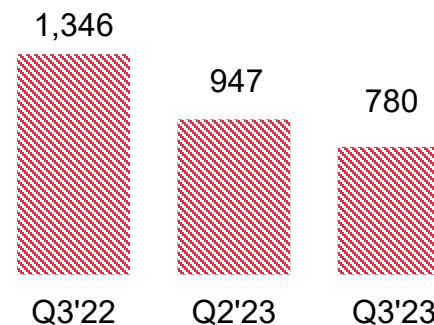
DILUTED EPS (Rs)



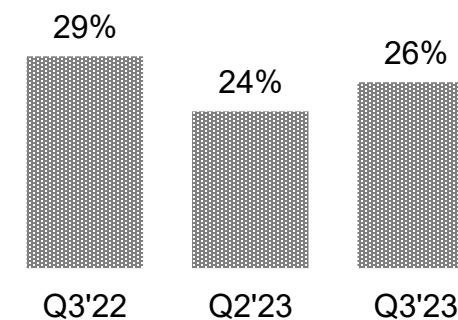
FCF (\$ Mn)



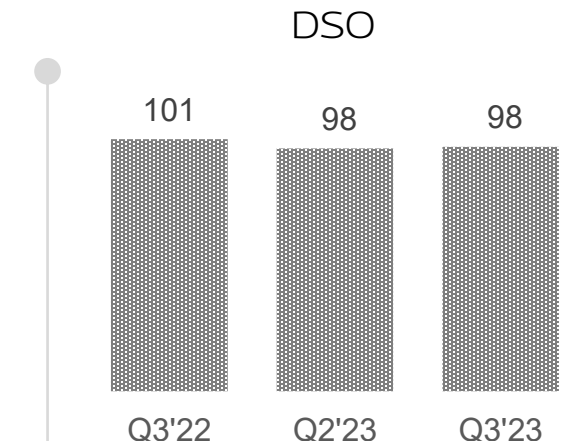
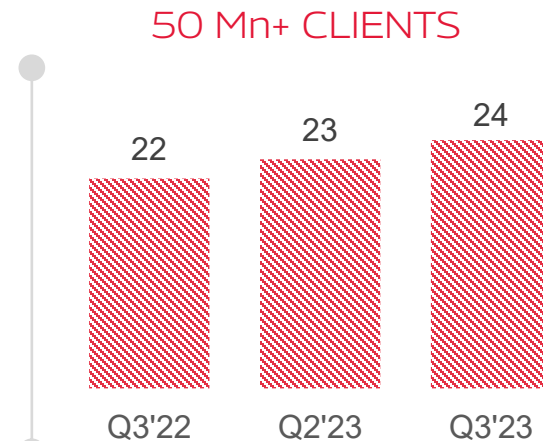
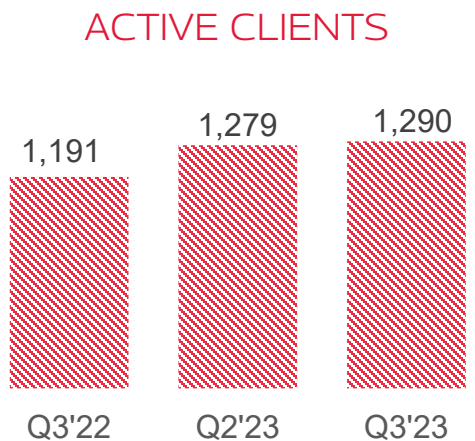
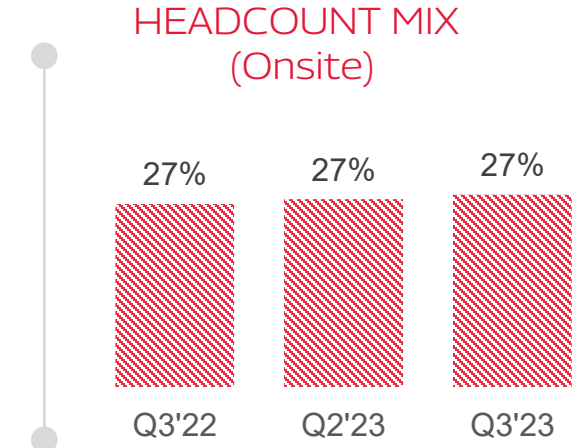
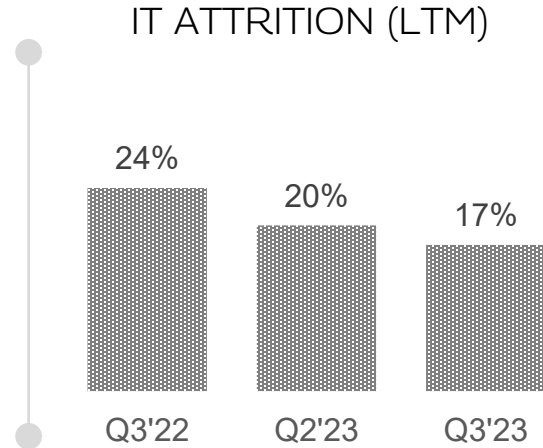
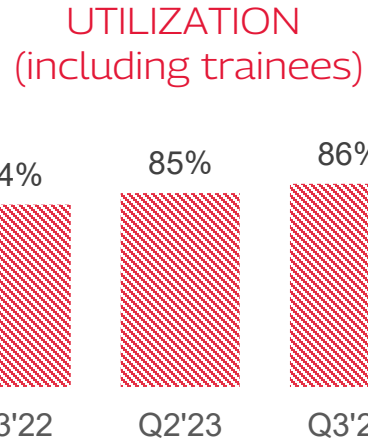
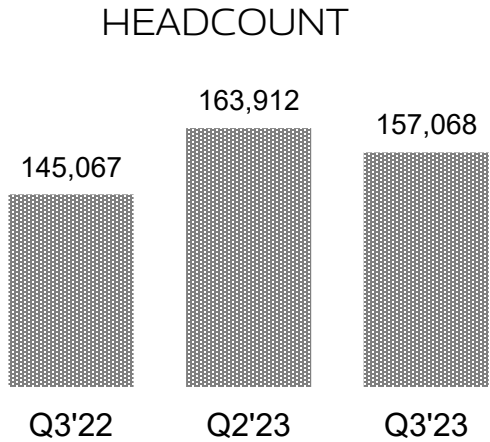
CASH & EQUIVALENTS (\$ Mn)

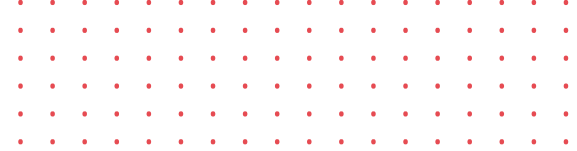


ROCE %



# Operational Snapshot





# Other Financial Highlights



## CASH CONVERSION

Free cash flow at \$ 31 Mn,

FCF to PAT conversion:

Quarter: 20.0%,

YTD: 77.5%

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DSO @ 98 days

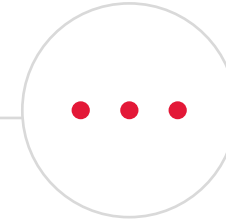


## TREASURY

Hedge book at \$ 2,529 Mn  
compared to \$ 2,392 Mn in Q2  
FY23

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USD / INR Q3 FY23 average  
exchange rate at 82.31



## OTHERS

Tax rate at 27.4 % in Q3 FY23,  
compared to 21.9 % in Q2 FY23

# Financial Summary

in \$ Mn	Q3'23	QoQ	YoY
Revenue	<b>1,668</b>	<b>1.8%</b>	<b>8.8%</b>
EBIT	<b>200</b>	<b>8.5%</b>	<b>-12.5%</b>
<i>EBIT %</i>	12.0%		
Other Income	<b>30</b>	<b>-17.4%</b>	<b>0.2%</b>
Miscellaneous + Interest Income	15		
Exchange Gain/(Loss)	15		
Profit Before Tax	<b>215</b>	<b>4.5%</b>	<b>-15.2%</b>
Provision for tax	59		
Profit After Tax	<b>157</b>	<b>-1.0%</b>	<b>-14.4%</b>
<i>PAT %</i>	9.4%		
EPS (Basic) in Rs	<b>14.70</b>		
EPS (Diluted) in Rs	<b>14.64</b>		