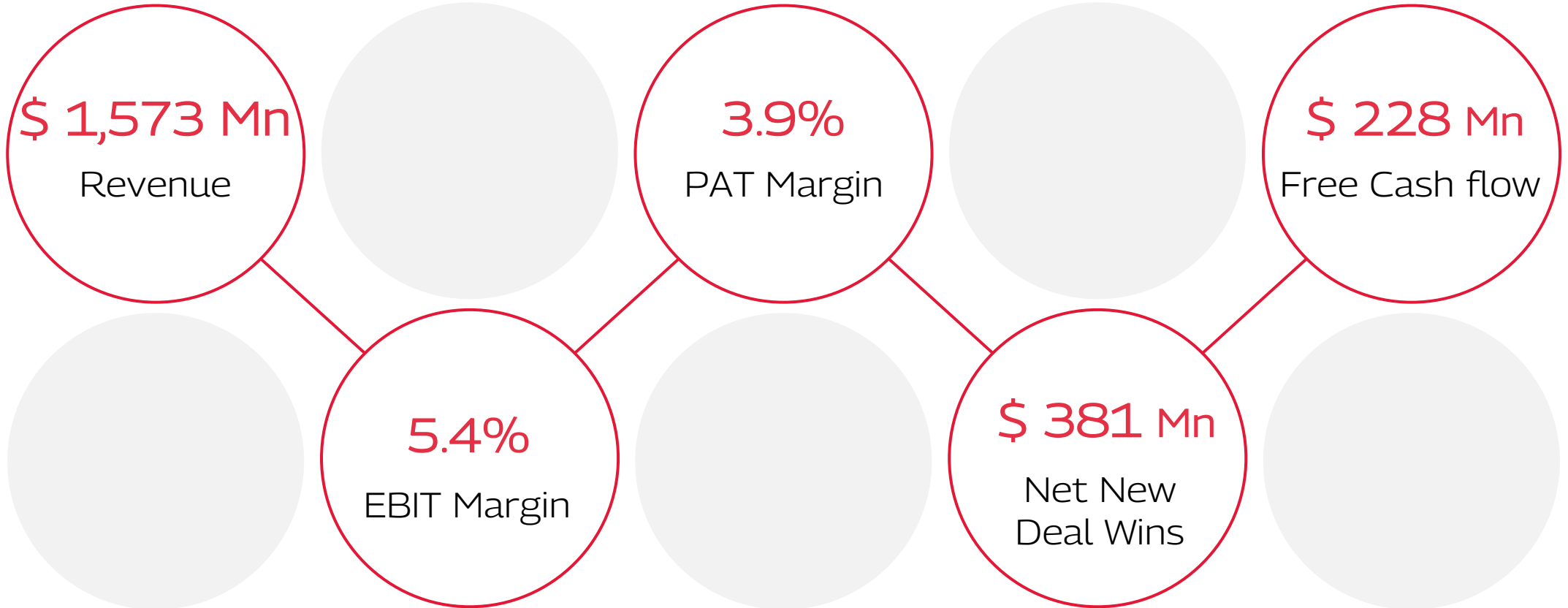


# Earnings Presentation

## Q3FY24

December 2023

# Q3 FY24 Snapshot



# Q3 FY24 Snapshot

All trends are QoQ, except where specified

## FINANCIAL

↑ Revenue  
1.1%  
(1.1 % cc)

↑ EBIT %  
5.4%  
(up 70 bps)

↑ PAT %  
3.9%  
(up 10 bps)

## OPERATIONAL

↓ Headcount  
146,250  
(-4,354)

↓ IT LTM attrition  
10.3%  
(down 110 bps)

↑ Utilization  
(incl trainees)  
87.6%  
(up 140 bps)

↓ Active Customers  
1,228  
(down 24)

## SEGMENT

↓ CME  
-0.3%

↑ Enterprise  
2.0%

↑ IT  
1.6%

↓ BPS  
-1.4%

## GEOGRAPHY

↓ Americas  
-1.5%

↑ Europe  
2.0%

↑ ROW  
6.3%

# Q3 FY24 Snapshot

All trends are YoY, except where specified

## FINANCIAL

↓ Revenue  
-5.7%  
(-5.4 % cc)

↓ EBIT %  
5.4%  
(down 660 bps)

↓ PAT %  
3.9%  
(down 550 bps)

## OPERATIONAL

↓ Headcount  
146,250  
(-10,818)

↓ IT LTM attrition  
10.3%  
(down 700 bps)

↑ Utilization  
(incl trainees)  
87.6%  
(up 120 bps)

↓ Active Customers  
1,228  
(down by 62)

## SEGMENT

↓ CME  
-13.4%

↓ Enterprise  
-0.6%

↓ IT  
-6.3%

↓ BPS  
-2.0%

## GEOGRAPHY

↓ Americas  
-1.6%

↓ Europe  
-8.3%

↓ ROW  
-11.2%

# Management Commentary



Mohit Joshi  
CEO, Tech Mahindra



*“The quarter was a mixed outcome, with growth in the Manufacturing and Healthcare segments but muted spending in areas like Communications, BFSI, and Hi-tech. While this dichotomy in the markets will take its own time to settle, we are focusing internally on realigning under the new structure and strengthening the foundations of our organisation.*”



# Vertical Performance Q3 FY24



VERTICALS	Communications, Media & Entertainment	Manufacturing	Banking, Financial Services & Insurance	Technology	Retail, Transport & Logistics	Others
% SHARE	<b>36.5%</b>	<b>18.1%</b>	<b>15.5%</b>	<b>10.5%</b>	<b>8.6%</b>	<b>10.7%</b>
% QoQ	-0.3%	2.9%	-2.0%	-2.9%	6.4%	8.4%
% YoY	-13.4%	8.7%	-7.8%	-3.3%	-4.2%	1.9%



# Deal-Win Performance

Total **TCV Q3 FY24**: \$ 381 Mn

Select **Deals**:



Selected as a strategic partner by a prominent North American insurer, for the **modernization of their core IT services**, that include - **Application and Infra Support, End User Computing, Cloud Services, Security Services and OCM.**



Selected as a top strategic partner by Fortune 500 company in the Travel, Logistics & Hospitality space. The portfolio transformation deal includes scope of work across **ADMS, Enterprise applications, Cloud, Next Gen- D&A, AI/ML as well as Digital (Design).**



Selected as a prime services partner by a US based Telco operator. Tech Mahindra will provide **Transformative Design, Development , Management and Support services**, supporting their new stack.



Selected by one of the largest banks in Asia for a comprehensive **Digital Banking CX deployment**, serving their customers in the region.

# Key Appointments



- Tech Mahindra announced the **appointment of Richard Lobo as the Chief People Officer (CPO)**. Prior to this, he was the Executive Vice President and **HR Head for Infosys Ltd**. He has served as a director on the Boards of Infosys Consulting and Infosys China.
- Tech Mahindra announced the **appointment of Peeyush Dubey as the Chief Marketing Officer (CMO)**. Prior to this, Peeyush held the role of **Chief Marketing Officer at MathCo**. He has also served as **Executive Vice President and CMO at LTI** and contributed significantly to companies like **Mindtree and Infosys in various leadership capacities**.



# Strategic Highlights: Generative AI



**50+**  
prebuilt  
uses cases



**100+**  
qualified  
opportunities



**7+**  
AI & Advanced  
Analytics Labs



**10,000**  
Associates  
trained

*"In April 2023, Tech Mahindra launched the Generative AI Studio platform to assist enterprises in content creation including code, text, images, data, and video"*

**- Avasant**

*"Tech Mahindra, is taking a distinctive approach with its Generative AI Studio, empowering businesses with a user-friendly interface that facilitates a myriad of customization options for their content"*

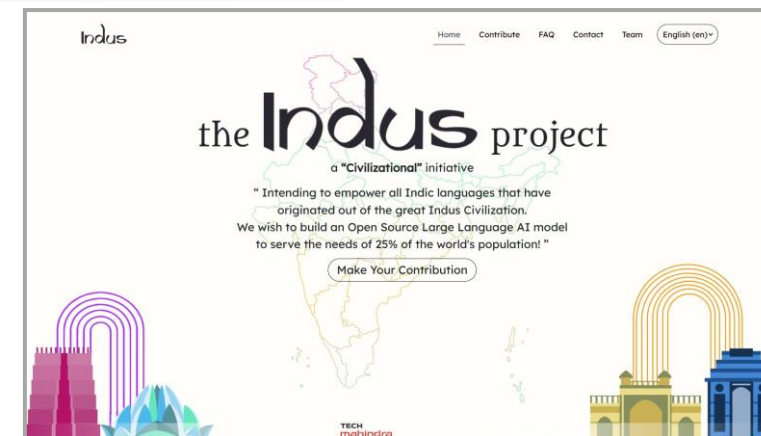
**- Analytics India Magazine**

*"I really like that there's a stronger framework in terms of what your offers are, both from technical deployment and the way you're thinking about things and use cases, in different types of AI competencies."*

**- Forrester**

## Only SI, to build a LLM from scratch

*A Large Language Model being developed by TechM that can communicate in various Indic Languages. This LLM will be initially be able to talk in 40 different languages and more will be added.*



# Other Highlights



## NEW LAUNCHES

- Tech Mahindra launched a new business unit Navixus™, within Tech Mahindra BPS division. Navixus™ will combine Tech Mahindra BPS' automation, analytics, and consulting with Eventus' CX and transformation capabilities to offer a holistic digital transformation suit to customers.
- Tech Mahindra announced the launch of 'Vision amplifAler' solution under TechM amplifAIO->∞ suit of AI offerings and solutions. The solution infuses Gen-AI in Computer Vision and provides end to end workbench to substantiate Computer Vision use cases.
- Tech Mahindra announced a collaboration with Amazon Web Services (AWS) to build a sports cloud platform. The collaboration will offer a comprehensive digital platform to sports organizations, offering use cases related to content and community engagement, customer data management and audience segmentation, and sports analytics, while delivering immersive stadium-to-home fan experiences by leveraging augmented reality and virtual reality (AR/ VR), and metaverse gamification for fans and audiences.

# ESG & People Highlights



## STRENGTH & ATTRITION

Our employee strength is at **146,250**

LTM attrition reduced to **10.3%**



## AWARDS

**Only Indian IT company** to make it to **Dow Jones Sustainability Indices 2023**, part of the DJSI World Index **for the 9th consecutive year.**

Tech Mahindra was **recognised as India's Most Sustainable Business** of the Year 2023 at BW Sustainable World Conclave and Awards 2023.

Tech Mahindra was **recognised amongst the 'Progressive Places to Work - 2023'** by ET Edge.

# Management Commentary



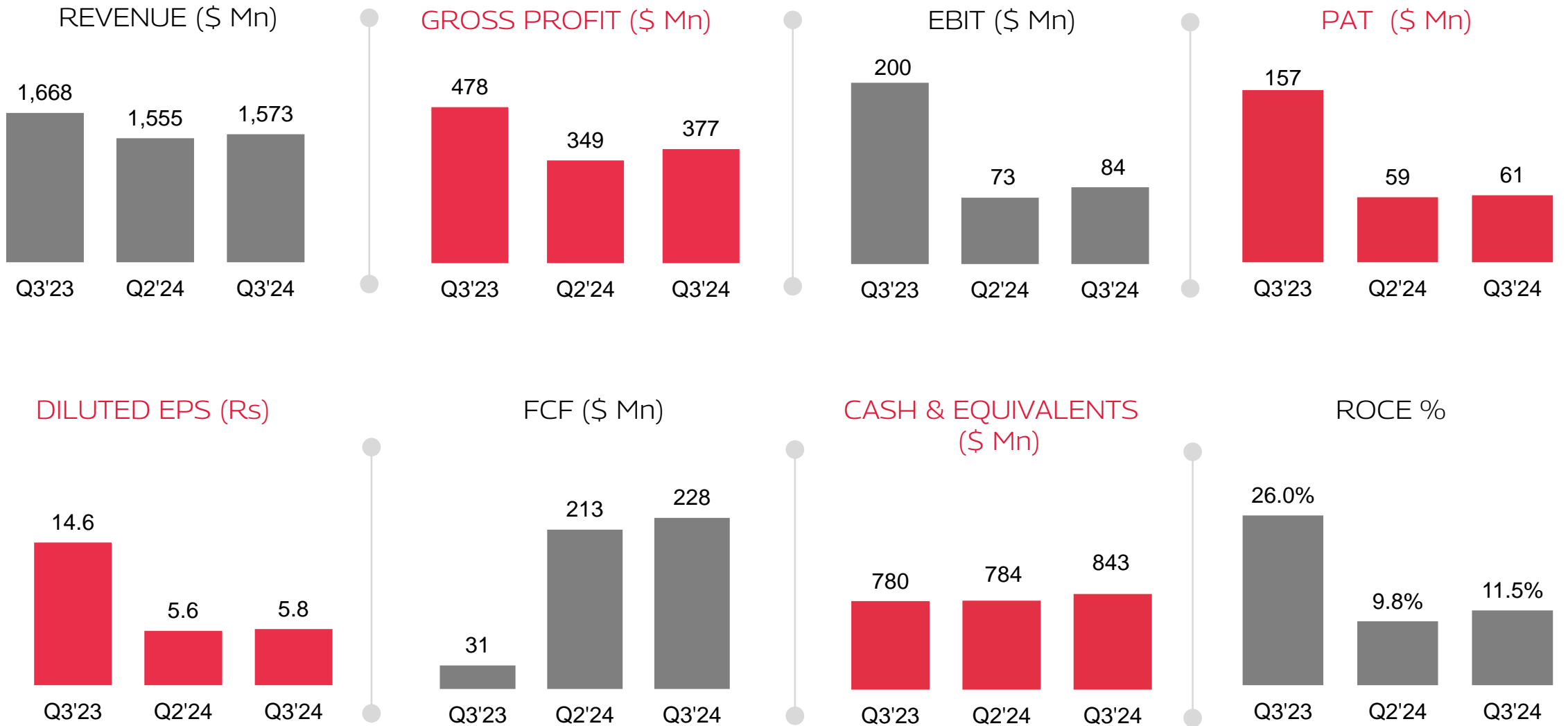
Rohit Anand  
CFO, Tech Mahindra



*“This year has given us the opportunity to step back and review our portfolio. We are confident that these actions will help us correct our course and deliver value in the long term. We are encouraged by the robust cash conversions this year, and we hope to continue this rigor in other operational areas as well.”*

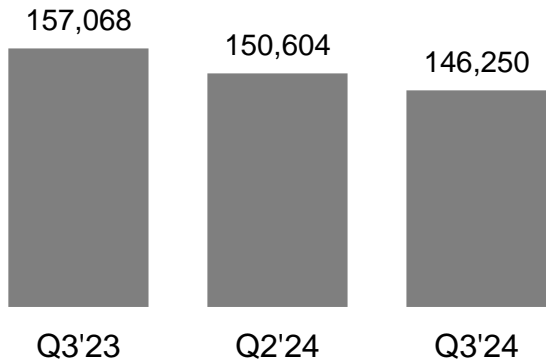


# Financial Snapshot Q3 FY24

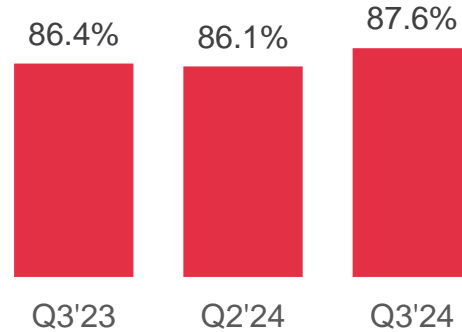


# Operational Snapshot Q3 FY24

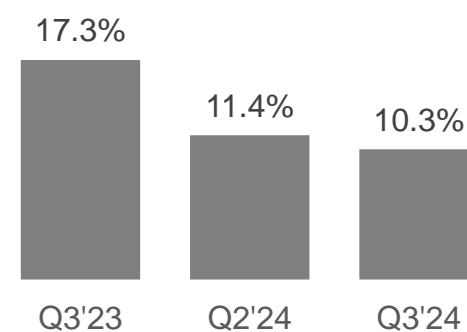
### HEADCOUNT



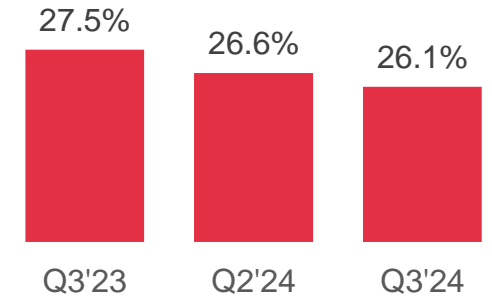
### UTILIZATION (including trainees)



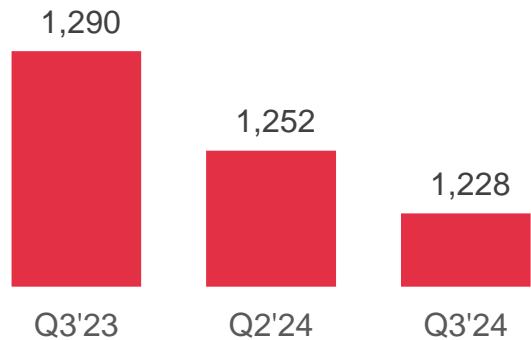
### IT ATTRITION (LTM)



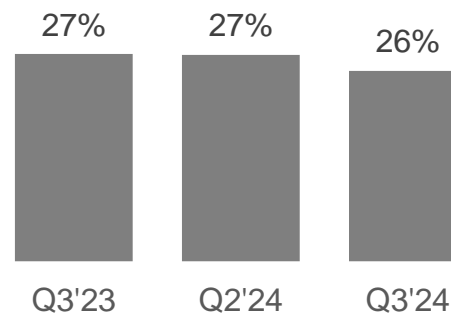
### HEADCOUNT MIX (Onsite)



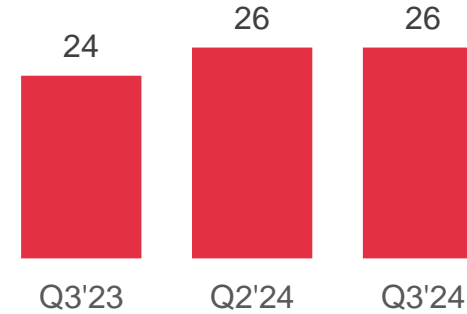
### ACTIVE CLIENTS



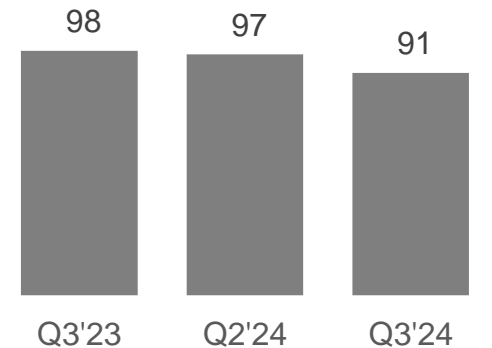
### TOP 10 CLIENTS

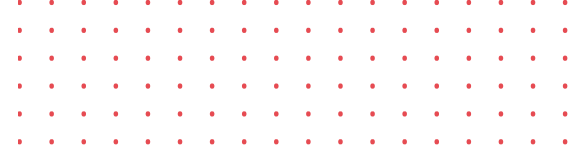


### 50 Mn+ CLIENTS



### DSO





# Other Financial Highlights



## CASH CONVERSION

Free cash flow at \$ 228 Mn

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DSO @ 91 days

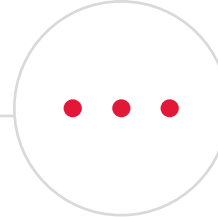


## TREASURY

Hedge book at \$ 2,326 Mn compared to \$ 2,536 Mn in Q2 FY24

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USD/INR Q3 FY24 average exchange rate at 83.21



## OTHERS

Tax rate at 22.8% in Q3 FY24, compared to 17.9% in Q2 FY24

# Financial Summary Q3 FY24

in \$ Mn	Q3'24	QoQ	YoY
Revenue	<b>1,573</b>	<b>1.1%</b>	<b>-5.7%</b>
EBIT	<b>84</b>	<b>15.5%</b>	<b>-57.7%</b>
<i>EBIT %</i>	5.4%		
Other Income	<b>11</b>	<b>-67.1%</b>	<b>-64.9%</b>
Miscellaneous + Interest Income	16		
Exchange Gain/(Loss)	(5)		
Impairment Costs	<b>0</b>		
Profit Before Tax	<b>81</b>	<b>9.9%</b>	<b>-62.1%</b>
Provision for tax	19		
Profit After Tax	<b>61</b>	<b>3.0%</b>	<b>-61.0%</b>
<i>PAT %</i>	3.9%		
EPS (Basic) in Rs	5.77		
EPS (Diluted) in Rs	5.76		



**TECH**

**mahindra**