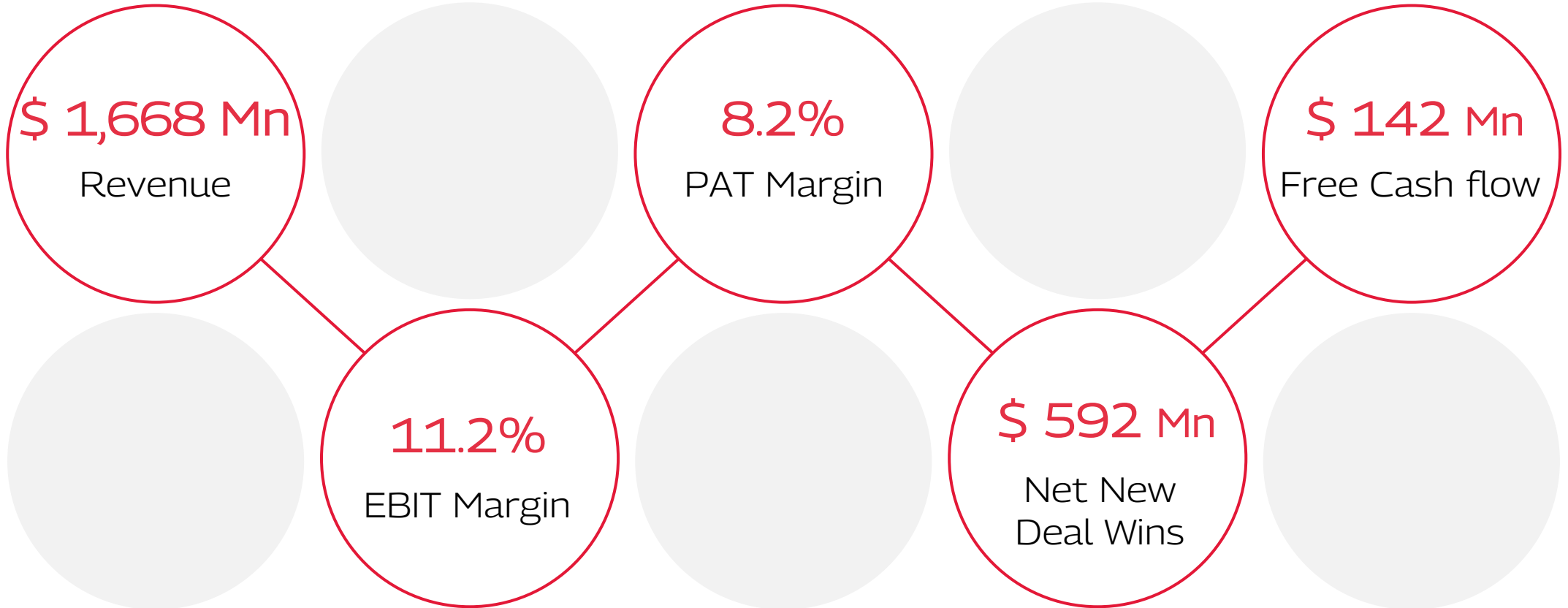


Earnings Presentation

Q4FY23

March 2023

Q4 FY23 Snapshot



Q4 FY23 Snapshot

FINANCIAL

Revenue
0.0%
(+0.3% cc)

↓ EBIT %
80 bps

↓ PAT %
120 bps

↑ FCF to PAT %
104%

OPERATIONAL

↓ Headcount
152,400
(-4,668)

↑ IT LTM attrition
14.8%
(down 250 bps)

↑ Utilization
(inc trainees)
86.5%
(up 10 bps)

↑ Active Customers
1,297
(up by 7)

SEGMENT

↑ CME
+0.7%

↓ Enterprise
-0.5%

IT
+0.0%

↓ BPS
-0.4%

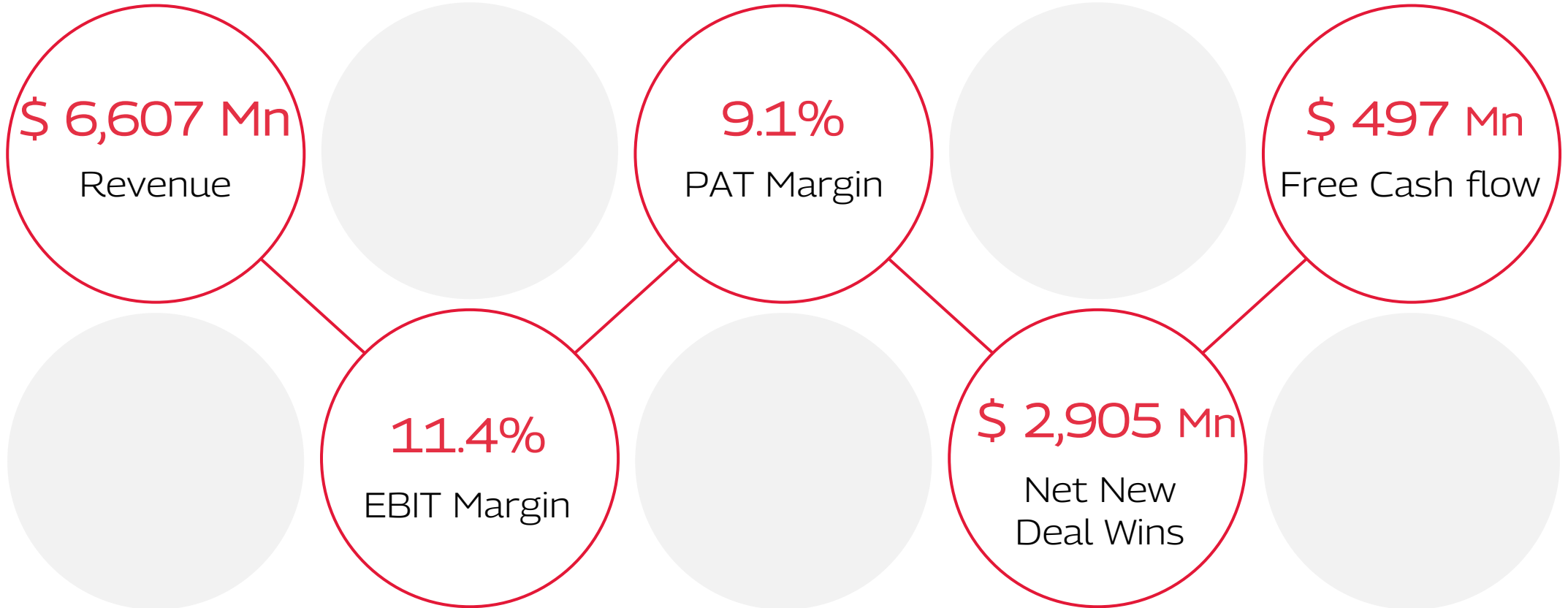
GEOGRAPHY

↓ Americas
-0.3%

↑ Europe
+3.5%

↓ ROW
-2.9%

FY23 Snapshot



FY23 Snapshot

FINANCIAL



Revenue
10.1%
(+13.7% cc)



EBIT %
320 bps



PAT %
340 bps



FCF to PAT %
84%

OPERATIONAL



Headcount
152,400
(+1,227)



IT LTM attrition
14.8%
(down 870 bps)



Utilization
(inc trainees)
86.5%
(up 340 bps)



Active Customers
1,297
(up by 73)

SEGMENT



CME
+9.0%
(+13.4% cc)



Enterprise
+10.9%
(+13.9% cc)



IT
+8.6%



BPS
+21.6%

GEOGRAPHY



Americas
+14.7%
(+15.3% cc)



Europe
+4.7%
(+13.3% cc)



ROW
+7.2%
(+11.3% cc)

Management Commentary









CP Gurnani
CEO, Tech Mahindra

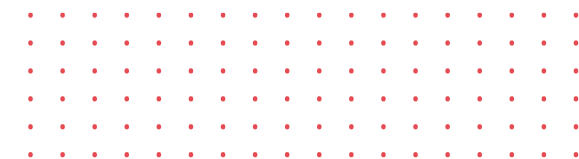


As we step into FY24, we see the increasing need for businesses to stay agile by leveraging next generation technologies. We are strongly focused on helping our customers stay competitively dominant and relevant in the era of fast evolving market conditions by helping them adapt to leaner and sustainable business models









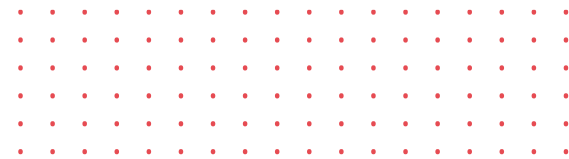
Vertical Performance Q4 FY23

| VERTICALS |  Communications, Media & Entertainment |  Banking, Financial Services & Insurance |  Manufacturing |  Technology |  Retail, Transport & Logistics |  Others |
|-----------|---|--|---|--|---|--|
| % SHARE | 40.1% | 15.9% | 15.9% | 10.3% | 7.6% | 10.2% |
| % QoQ | +0.7% | +0.3% | +1.5% | 0.0% | -10.4% | +2.7% |
| % YoY | +2.4% | -5.1% | +10.9% | +14.8% | +3.7% | +3.5% |



Vertical Performance FY23

| VERTICALS |  Communications, Media & Entertainment |  Banking, Financial Services & Insurance |  Manufacturing |  Technology |  Retail, Transport & Logistics |  Others |
|-----------|---|--|---|--|---|--|
| % SHARE | 40.0% | 16.2% | 15.7% | 10.1% | 8.0% | 10.0% |
| % YoY | +9.0% | +8.7% | +9.7% | +25.2% | +11.9% | +3.5% |
| % YoY cc | +13.4 % | +12.8% | +13.3% | +25.9% | +14.6% | +5.9% |



Deal-Win Performance

Total **TCV FY23**: \$ 2,905 Mn

Q4 FY23: \$ 592 Mn

Select Deals:



Selected as a digitalization partner by an **American non-profit Enterprise Health System** to provide solutions to manage **next-gen IT Infrastructure**



Won a large deal with a leading **American wireless network operator** as a digital support partner to provide application maintenance and SRE **OSS**



Selected as a strategic delivery partner by a **major financial services customer in ANZ region** for several transformational projects



Chosen as a strategic partner by a **large development & construction company in Europe**, to modernize their **IT architecture and manage end-to-end their operations**

Strategic Highlights



COLLABORATIONS

Tech Mahindra and Microsoft join hands to bring "Network Cloudification as a Service" and AIOps to telecom operators for their 5G Core networks. The 5G core network transformation will help telecom operators to develop 5G core use cases and meet their customers' growing technological requirements such as Augmented Reality, Virtual Reality, Internet of Things, and edge computing

Tech Mahindra and Retalon have partnered to jointly provide full spectrum of digital solutions for retail and consumer packaged goods (CPG) Industry. The partnership will offer a unified common analytic platform that will enable organizations to gain better customer insights, improve decision-making, and enhance operational efficiency through end-to-end planning, inventory management, supply chain network strategy, pricing, and promotion optimization



OTHER HIGHLIGHTS

Tech Mahindra has launched an innovative remote network monitoring and smart device assurance platform called SANDSTORM. The platform will empower telcos and enterprises to access any device "remotely" and use Tech Mahindra's automation platform to test & deploy applications and devices, for end customers.

People Highlights



STRENGTH & ATTRITION

Our employee strength is at **152,400**

LTM attrition reduced to **14.8%** from 17.3% last quarter.



AWARDS



“Best Organizations for Women” - **Femina Awards 2023**



“Bloomberg Gender-Equality Index” - **Bloomberg 4th time in a row in 2023**



“Most Preferred Workplace”- **Marksman Daily and India Today Award 2022-23**



“Great Places to Work”- **GPTW Philippines Award 2022-23**

ESG Highlights



Ranked Number 1 in **S&P Global Sustainability Yearbook 2023**



Listed on 2022 **CDP Supplier Engagement** Leaderboard



Recognized as a **Top-Rated ESG Performer** by Sustainalytics

Dun & Bradstreet India Top ESG Performer - SW & BPM sector 2022, Environmental Risks and Opportunities award 2023

Management Commentary



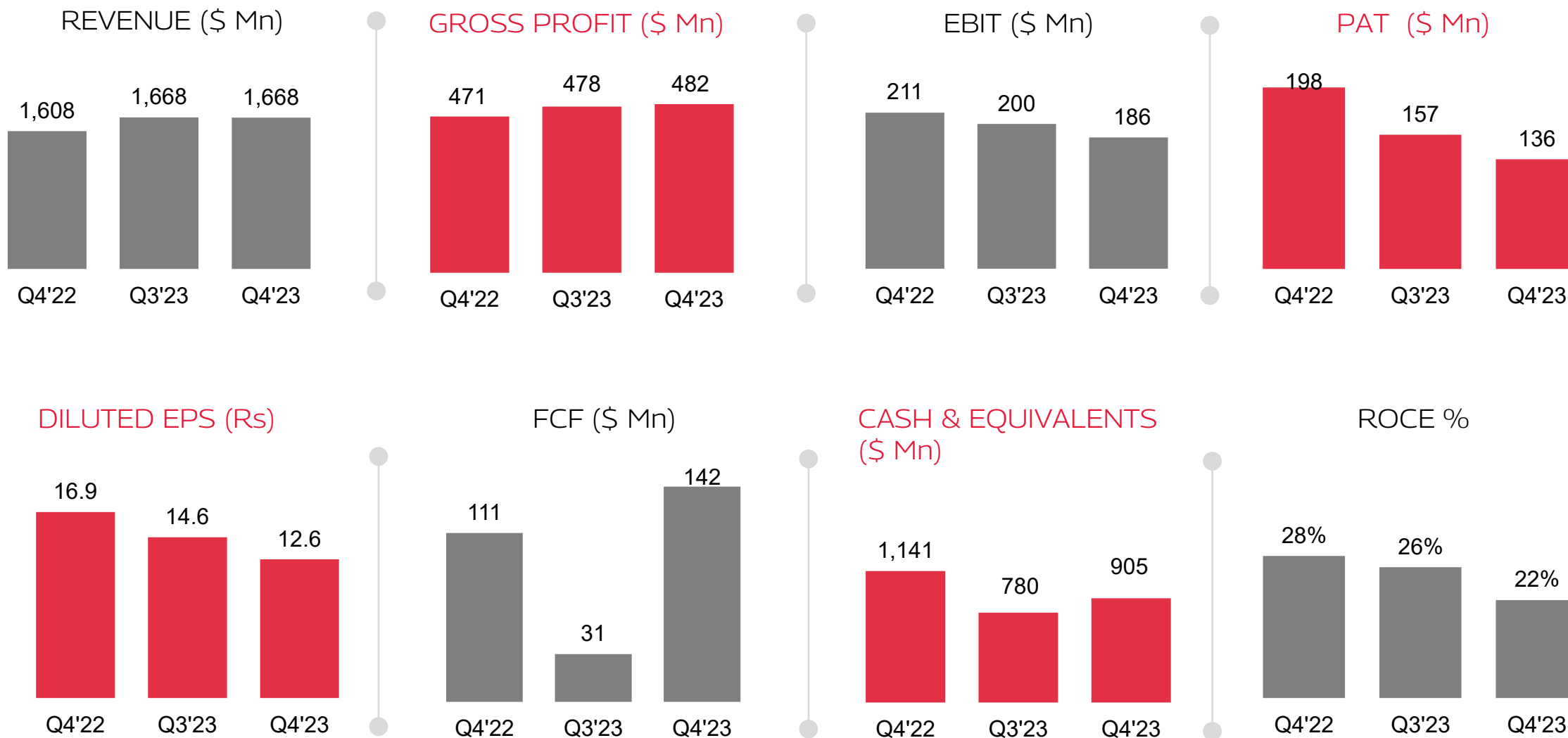
Rohit Anand
CFO, Tech Mahindra



Our strategy of prudence and operational excellence helped us through the uncertainties of FY23. We continue to return cash to shareholders through a consistent dividend policy. We move into the next fiscal, with sharper focus on productivity improvements, cash & value creation for our stakeholders

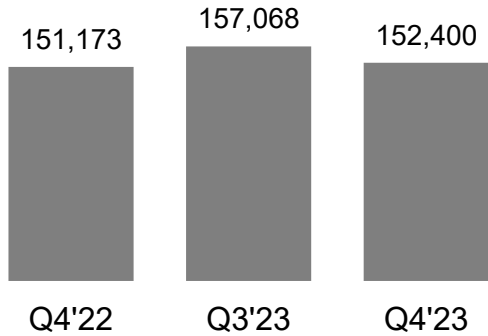


Financial Snapshot Q4 FY23

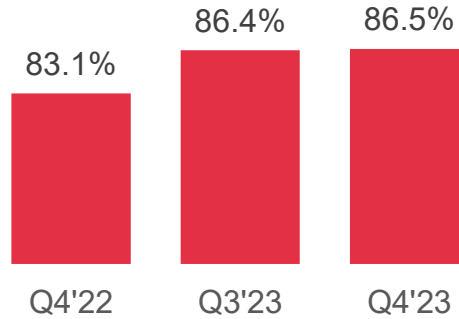


Operational Snapshot Q4 FY23

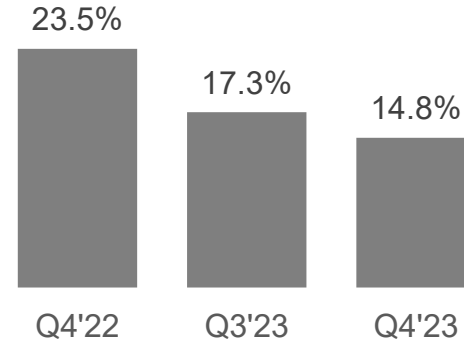
HEADCOUNT



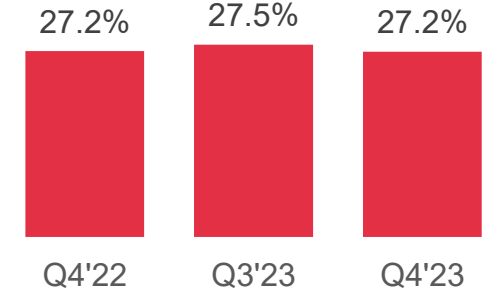
UTILIZATION (including trainees)



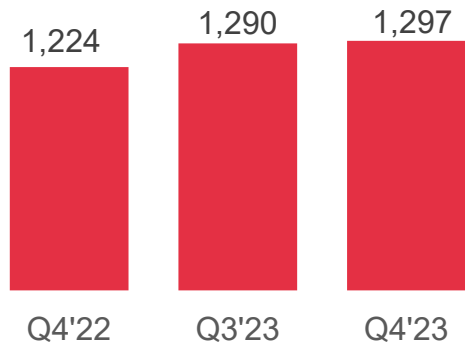
IT ATTRITION (LTM)



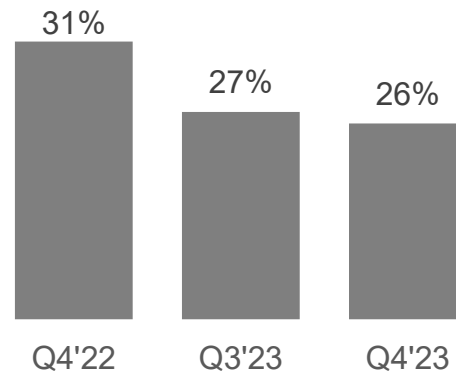
HEADCOUNT MIX (Onsite)



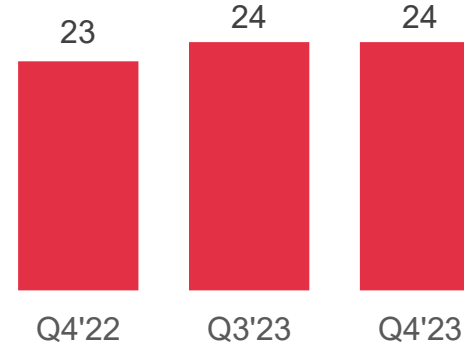
ACTIVE CLIENTS



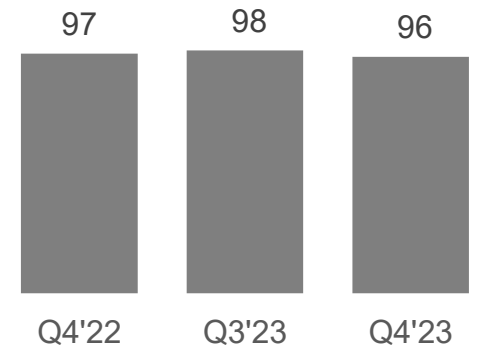
TOP 10 CLIENTS



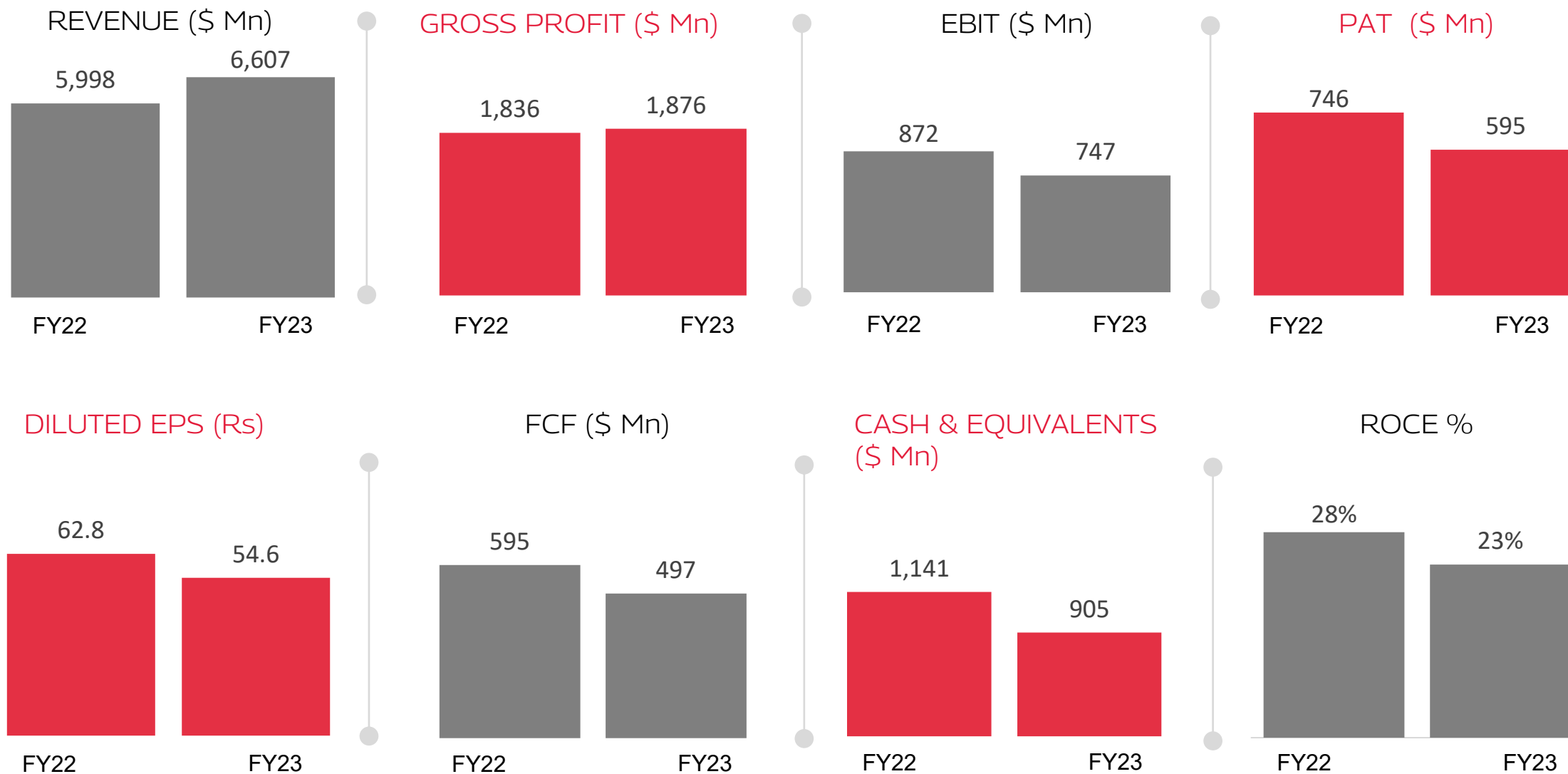
50 Mn+ CLIENTS



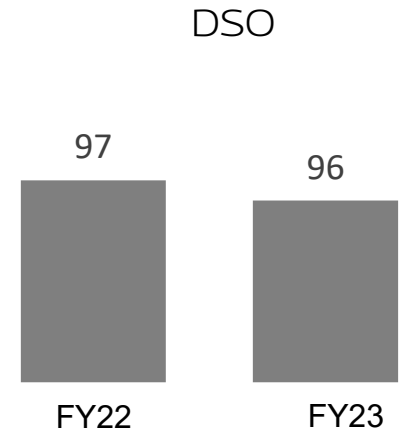
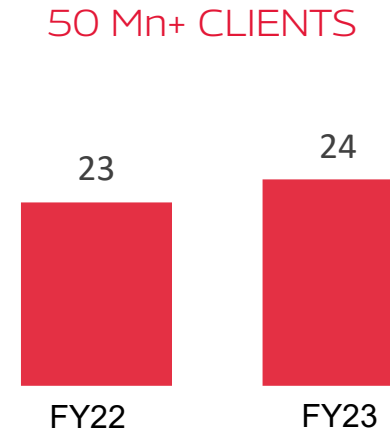
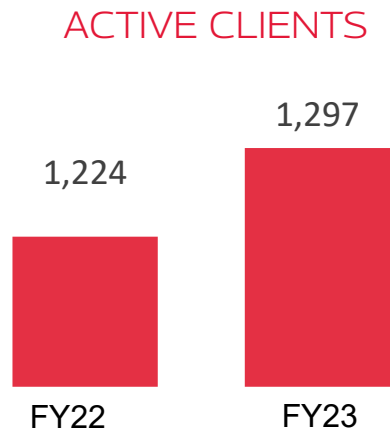
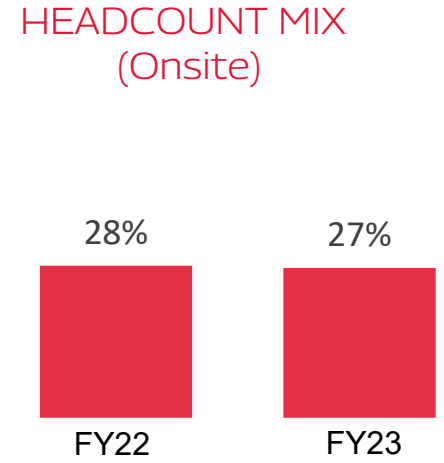
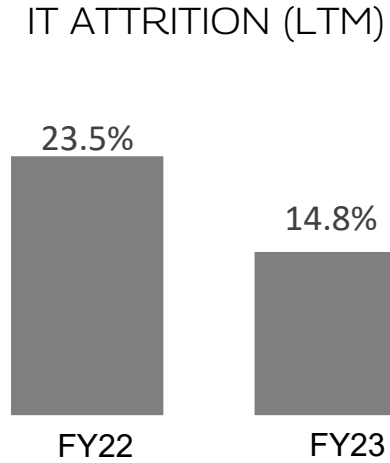
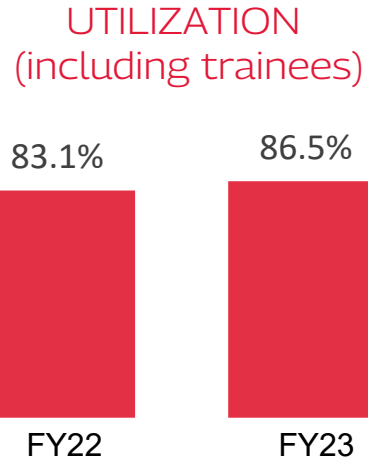
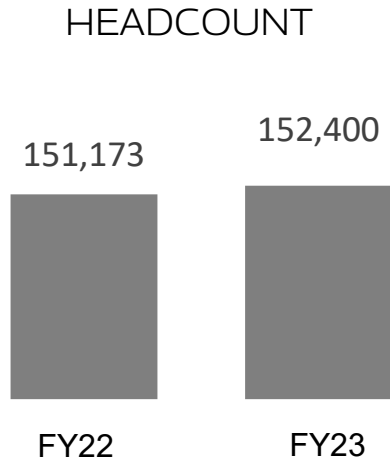
DSO

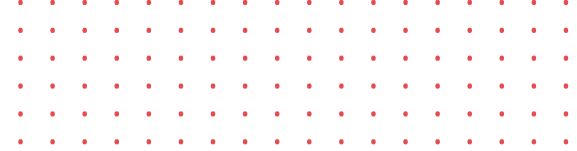


Financial Snapshot FY23



Operational Snapshot FY23





Other Financial Highlights



CASH CONVERSION

Free cash flow at \$ 142 Mn,

FCF to PAT conversion:
Q4 FY23: 104%,
FY23: 84%

DSO @ 96 days

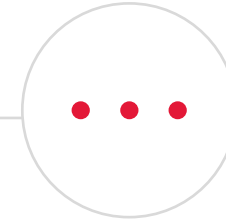


TREASURY

Hedge book at \$ 2,335 Mn
compared to \$ 2,529 Mn in Q3
FY23

USD / INR Q4 FY23 average
exchange rate at 82.26

USD/INR for FY23 average
exchange rate at 80.57,
appreciation of 8.3% from FY22



OTHERS

Tax rate at 26.2 % in Q4 FY23,
compared to 27.4 % in Q3 FY23

FY23 Tax rate at 24.6%
compared to 24.4% in FY22

Capital Allocation



CAPITAL RETURN

- Announced **Final Dividend of Rs 32/ Share**
- **Total Dividend** (Final and Special) for FY23, is **Rs 50/ Share**, highest annual dividend ever.
- **Total Payout Ratio for FY23 is 91% to PAT**, increased from payout ratio of 79% in FY22.

Financial Summary Q4 FY23

| in \$ Mn | Q4'23 | QoQ | YoY |
|---------------------------------|--------------|---------------|---------------|
| Revenue | 1,668 | 0.0% | 3.7% |
| EBIT | 186 | -6.9% | -12.1% |
| <i>EBIT %</i> | 11.2% | | |
| Other Income | 37 | 24.2% | -12.1% |
| Miscellaneous + Interest Income | 38 | | |
| Exchange Gain/(Loss) | -1 | | |
| Impairment Costs | 26 | | |
| Profit Before Tax | 185 | -13.8% | -25.0% |
| Provision for tax | 49 | | |
| Profit After Tax | 136 | -13.7% | -31.6% |
| <i>PAT %</i> | 8.2% | | |
| EPS (Basic) in Rs | 12.67 | | |
| EPS (Diluted) in Rs | 12.62 | | |

Financial Summary FY23

| in \$ Mn | FY23 | YoY |
|---------------------------------|--------------|---------------|
| Revenue | 6,607 | 10.1% |
| EBIT | 747 | -14.4% |
| <i>EBIT %</i> | 11.4% | |
| Other Income | 119 | -20.1% |
| Miscellaneous + Interest Income | 82 | |
| Exchange Gain/(Loss) | 37 | |
| Impairment Costs | 29 | |
| Profit Before Tax | 793 | -20.6% |
| Provision for tax | 196 | |
| Profit After Tax | 595 | -20.3% |
| <i>PAT %</i> | 9.1% | |
| EPS (Basic) in Rs | 54.80 | |
| EPS (Diluted) in Rs | 54.57 | |

Tech
Mahindra