

Resilience in a Transformative Journey

Manish Dugar

Date: 25th Aug, 2023



Certain statements mentioned in this presentation concerning our future growth prospects are forward looking statements (the “Forward Statements”) and are based on reasonable expectations of the management, which involves a number of risks, and uncertainties that could cause actual results to differ materially from those in such Forward Statements. The risks and uncertainties relating to these Forward Statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, fluctuations in foreign exchange rates, revenue and profits, our ability to generate and manage growth, intense competition in IT services, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price and fixed-time frame contracts, restrictions on immigration, industry segment concentration, our ability to manage our international operations, our revenues being highly dependent on clients in the United States of America, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of fiscal governmental incentives, political instability, adverse impact of global pandemics (including COVID-19 impact), war, legal restrictions on raising capital or acquiring companies, unauthorized use of our intellectual property(ies) and general economic conditions affecting our businesses and industry. We may, from time to time, make additional written and oral Forward Statements . We do not undertake to update any Forward Statements that may be made from time to time by us or on our behalf, unless required under the law.



Inch-wide, mile-deep- Leading with client-centric design



Bringing T back into IT



Front to Back TM transformation, enabled by Cloud/Cognitive/AI



Composable archetypes for repeatability: new accounts, deal constructs, new geos and scaling up

Strategic investment to allow for broad basing of growth, while being tech- led



Enabled by Investment in Capability Building



Build

- Leaders in Tribes and squads
- Talent Next
- NCA channel
- New Geographies
- New Accounts & Verticals



Buy

- Public Cloud
- Data Sciences
- Product engineering
- Experience design
- CRM capabilities



Partner

AI Propellers

Language models

- OpenAI
- Meta
- AI21 labs
- amazon
- Hugging Face

Image models

- OpenAI
- stability.ai
- Baidu
- NVIDIA

Top 5 Winning Solutions

- Next Labs
- blink
- kore.ai
- WorkFusion

Other Partners

- Microsoft
- Google
- Azure
- AWS
- Be informed

Other Partners

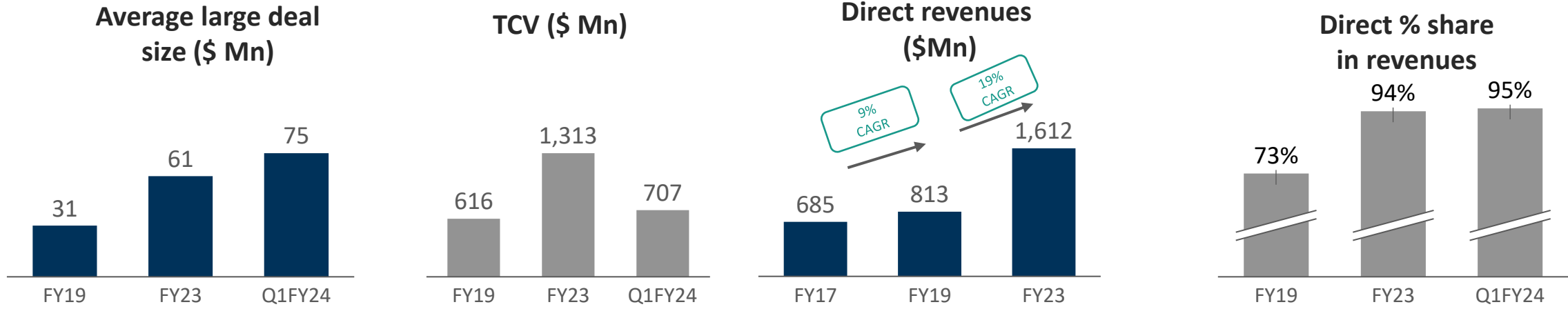
- Synth Studio
- Deep Insights™ MEP
- Conversation Design
- Dedicated Partnership

- Well Positioned to Win**
- Mphasis is an **AWS Premier Tier Partner**
 - Mphasis is the **largest provider of Machine Learning Product Solutions**
 - **250+ prebuilt machine learning models**
 - GCPs new Fastrack Hi Potential (HiPo) Partner program ! **Top -25 of 1800 partners**
 - Mphasis is a **Microsoft Solution Partner** in all Categories
 - **Top 16 across all Microsoft partners for Copilot**
 - **Microsoft advisory council member** for 2 areas
 - Mphasis MedTech AIChatbot in **Top 5 Microsoft Winning Solutions**
 - Mphasis is the **only Platinum partner of Kore.ai**

- **More than 80% of deal wins coming from our New Gen offerings**
- **95% of TCV wins proactive**
- **AI investments delivering 1/3rd TCV from AI in Q1 FY24**



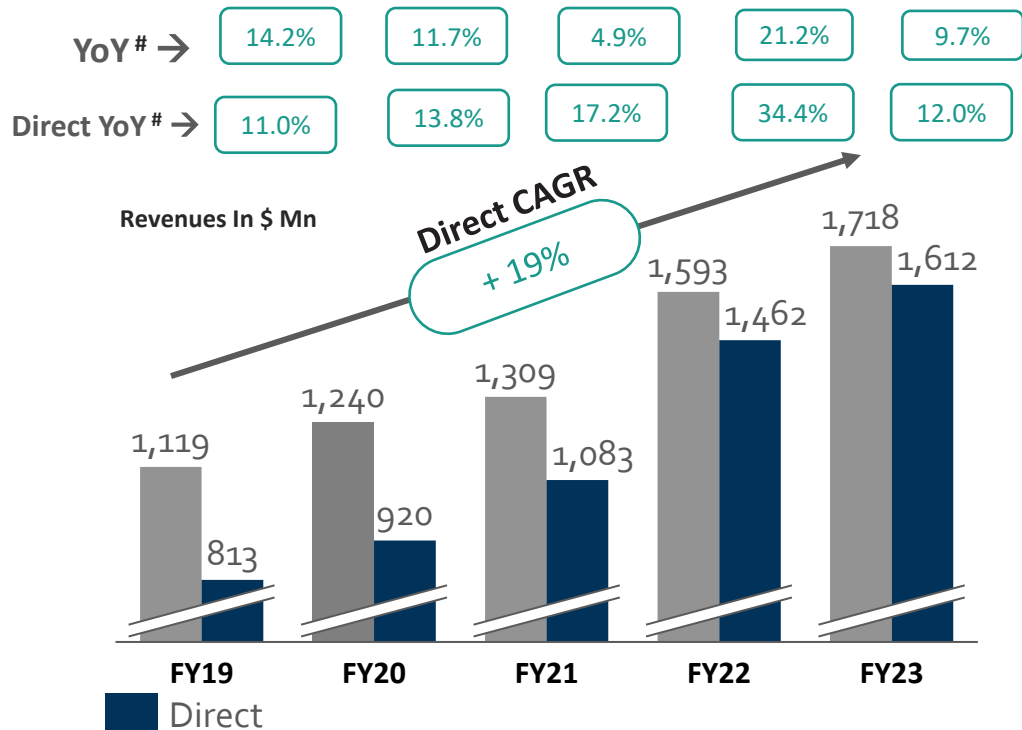
Helped in Accelerating Direct Vertical with Strong Double-Digit Growth



- **NCA engine fuels growth at 49% CAGR between FY19 & FY23**
- **Direct-ex DR revenues doubled in the period to \$1.4 Billion+**
- **Q4 FY23 non BFS Pipeline was up 52% YoY**

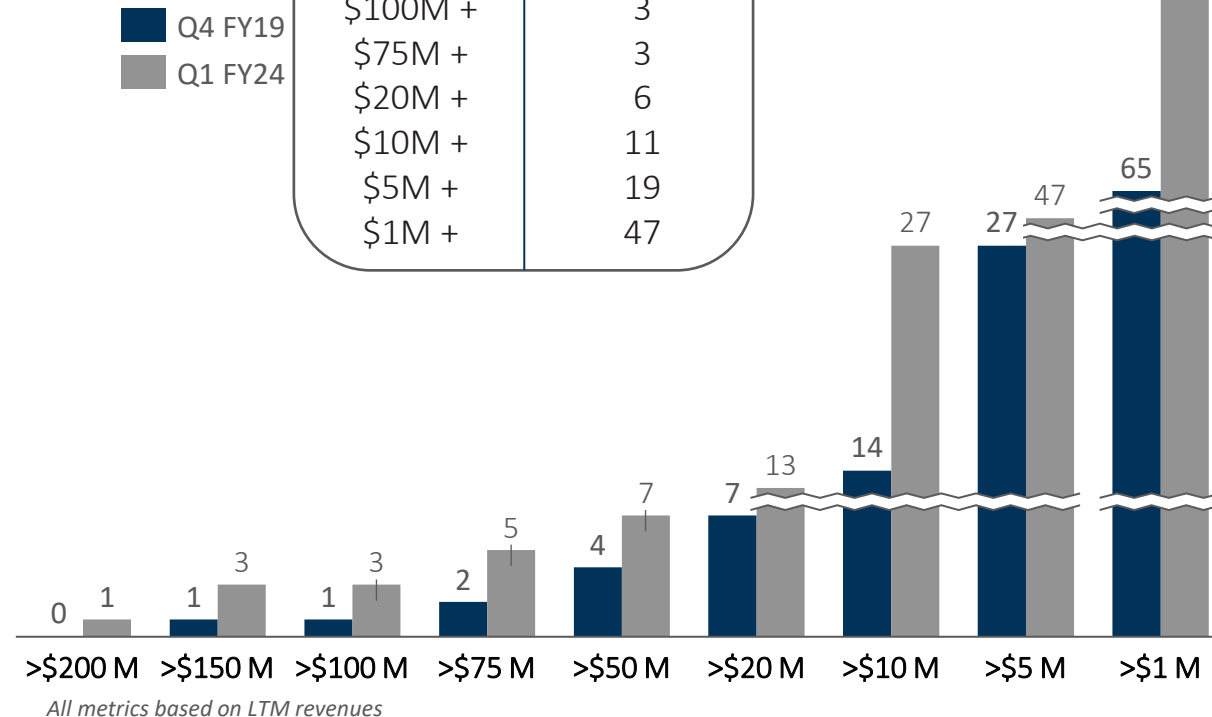


Led to delivering overall transformative growth



Client Pyramid Additions

Category	FY19-23
\$200M +	1
\$100M +	3
\$75M +	3
\$20M +	6
\$10M +	11
\$5M +	19
\$1M +	47



- One \$200mn and Three \$ 150 Mn+ clients in FY23: success of client mining
- TMT, Logistics - ~\$ 200 Mn+ segments with marquee client adds ; Healthcare- ~\$ 100 Mn segments



Margin Resilience

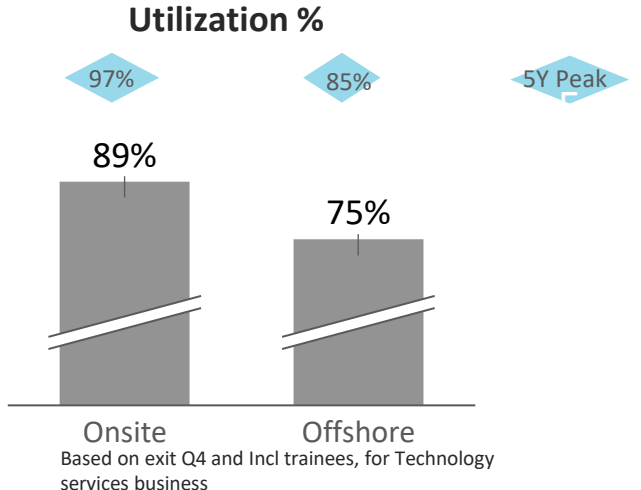


Margin Headwinds

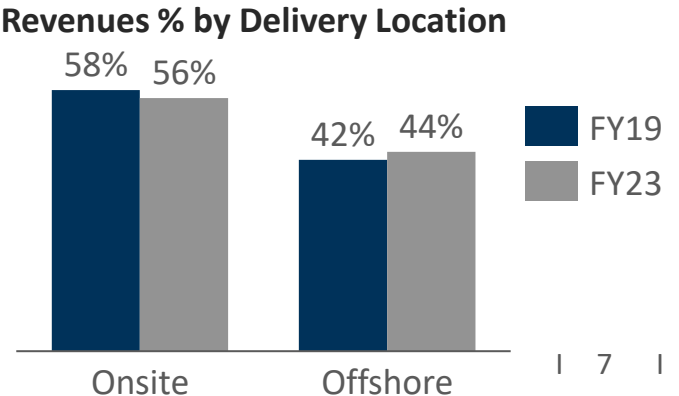
- Everything Macro
 - *Pandemic,*
 - *Economic environment*
 - *Geopolitics*
 - *Business environment*
- Ensuring sustainable supply chain
- Revenue – churn and scale
- Capability
 - *Build, buy and partner*

Investments in the period

- Utilization & Pyramid actions

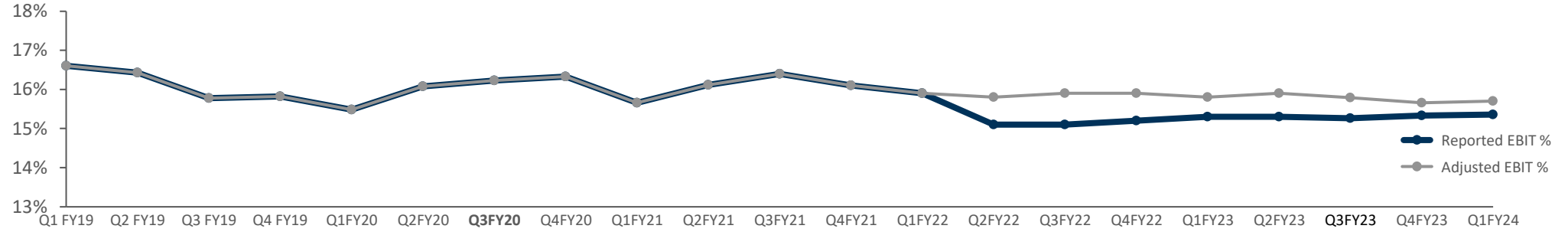


- Value selling & Pricing
- Slower offshoring pace – structural changes in projects



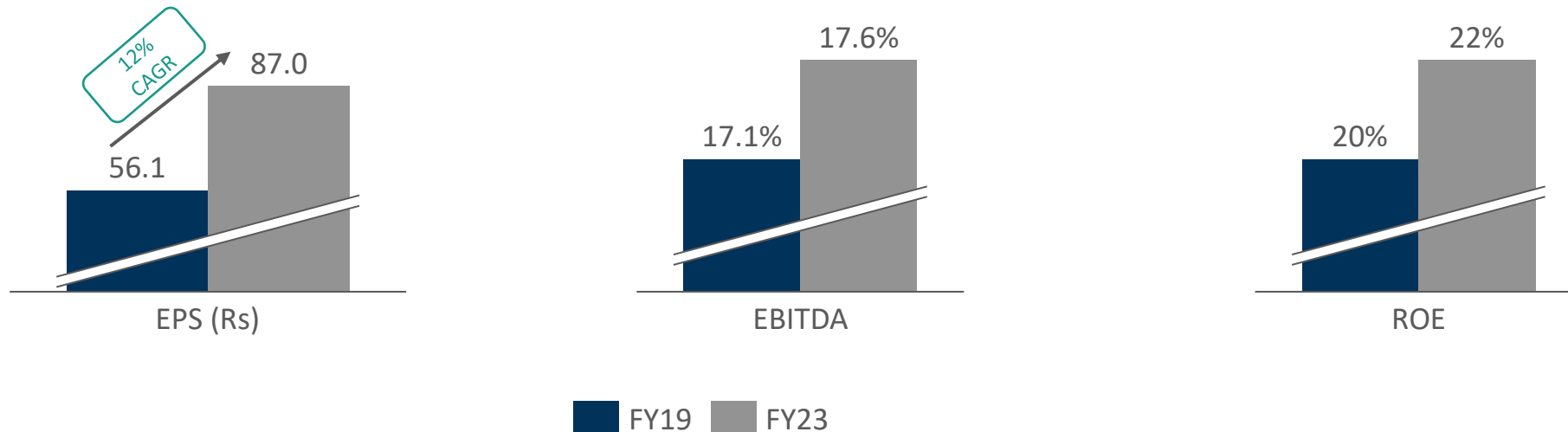


Maintained sustainable and steady margins in narrow band while investing for growth



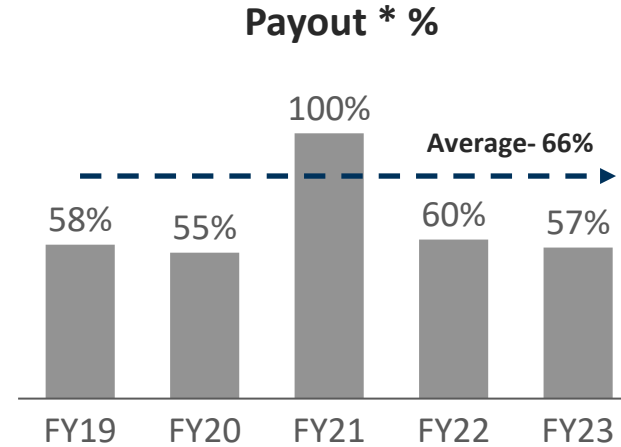
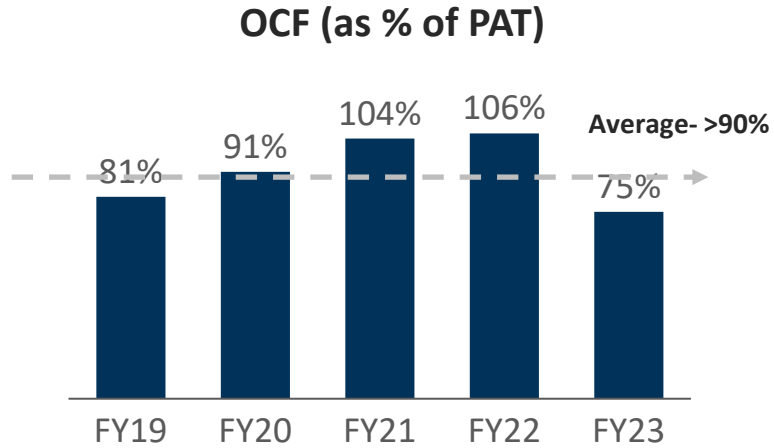
Adjusted EBIT% as adjusted for M&A charges

Margin philosophy has paid off in expansion of EPS, EBITDA & ROE





Prudent Capital Allocation Strategy, Accreting Shareholder Value



- **Average 70% of cash generated distributed as dividend* in the period**
- **Consistent track record in pay-outs, special dividend & buybacks when needed**
- **Driving inclusive & sustainable growth**
- **Strategic acquisitions made in the period, leveraging balance sheet strength as needed- without impacting payouts to shareholders**

Net Operating Cash flow as per MDA disclosures, Converted at average USD/INR for respective periods

* Excludes buyback and includes special dividend



- 1 Continue to take forward leaning stance on Tech- led positioning**
- 2 Continue to invest in Zero to 1 and Scale thru 1 to n**
- 3 Continue to grow above market, at stable margin having an upward bias**
- 4 4Gs of Growth- competitive, inclusive, consistent and profitable**
- 5 Continue to be efficient with capital allocation – distribution and strategic M&A**