Tech Mahindra Q1’23 Revenues up 24.6% YoY

Technology

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Mumbai – July 25th, 2022: Tech Mahindra Ltd., a specialist in digital transformation, consulting and business re-engineering services today announced the audited consolidated financial results for its quarter ended June 30th, 2022.

Financial highlights for the quarter (USD)

- Revenue at USD 1,632 mn; up 1.5% QoQ and up 18.0% YoY
  - Revenue growth 3.5% QoQ in constant currency terms
- EBITDA at USD 239 mn; down 13.5% QoQ, down 6.2% YoY
  - EBITDA margin at 14.8%
- Profit after tax (PAT) at USD 143 mn; down 28.0% QoQ and down 22.0% YoY
- Free cash flow at $71.6 mn, conversion to PAT at 50.2%

Financial highlights for the quarter (₹)

- Revenue at ₹ 12,708 crores; up 4.9% QoQ and up 24.6% YoY
- EBITDA at ₹ 1,880 crores; down 10.0% QoQ, up 0.2% YoY

- Consolidated PAT at ₹ 1,132crores; down 24.8% QoQ and down 16.4% YoY

Other Highlights

- Total headcount at 158,035 up 6,862 QoQ
- Cash and Cash Equivalent at USD 1,114 mn as of June 30, 2022

CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra, said, *"We are starting this fiscal with a renewed commitment towards delivering consistent organic growth. We remain resilient and watchful given the dynamic global macro-economic environment and will continue to invest in new and emerging technologies to deliver differentiated offerings. Our winning strategy rests on the pillars – 'Purpose, People and Performance' which is aiding us to responsibly capitalize on the strong demand environment in the market."*

Rohit Anand, Chief Financial Officer, Tech Mahindra, said, *"Delivery transformation, cost optimization and cash conversion will be key focus areas, as we continue to offset the strong supply side headwinds in the market. We aim to expand our profitability through operational excellence and improved operating metrics over the course of FY'23.."*

Key Wins

- *Tech Mahindra was chosen by one of the largest telecom operators in Africa, as the preferred partner for transitioning to Next Generation Digital IT Operations including Infrastructure Support and managed services.*

- *Tech Mahindra was chosen by a large municipal organization in the Middle East to implement digital services transformation leveraging their next-generation AI-Ops frameworks & tools to enhance customer experience and establish an agile customer service delivery.*
- *Tech Mahindra has been chosen by a telecom giant in the US to jointly scale its operations through the co-creation of a captive center for BSS & OSS operations enabling the Telecom IT talent build-out for 5G and wireless technologies.*
- *Tech Mahindra was chosen by a leading security services company in Northern Europe to transform and manage its cross-functional arms through infrastructure, cloud, and application modernization including End User services.*
- *Tech Mahindra has won a deal with a leading Insurance Carrier in the US for Cloud transformation, and end to end infra managed services including data center management and network services.*
- *Tech Mahindra was chosen by a leading Asian telecommunication group to implement an end-to-end system integration and drive SDWAN deployments in the South-East Asian markets*
- *Tech Mahindra was selected by a leading financial institution in Europe to digitally transform its end-to-end BPO + Digital Transformation services across different product divisions and establish a more customer-centric service delivery model.*
- *Tech Mahindra was chosen for a multi-year deal strategic by a global telecom giant for its platform modernization, which handles emergency and daily public safety communications enabling better operating performance and experience for its end customers.*
- *Tech Mahindra was awarded a multi-year deal for digital transformation and contact center management deal by a leading telecommunications operator based in Africa.*

Business Highlights

- *Makers LabTM, R&D arm of Tech Mahindra, launched first-of-its-kind, 'Meta Village', a digital twin of Pargaon in Maharashtra to gamify learning on the Roblox platform. Using Roblox, students can learn coding in Bharat MarkUp Language (BHAML), a platform built by Makers Lab to help code in native language.*
- *Tech Mahindra has collaborated with Microsoft to build SenTindra, a cloud-based virtual security operations center developed on Microsoft Sentinel. SenTindra offers a single monitoring pane with all security components integrated covering the entire lifecycle of the migration and transformation requirements for a seamless and integrated security experience for customers.*
- *Tech Mahindra announced a collaboration with Keysight Technologies to certify 5G equipment in its 5G O-RAN test lab facility in New Jersey. This will enable the lab to perform end-to-end validation of designs developed by OEMs in compliance with ORAN alliance specifications.*
- *Tech Mahindra launched AmplifAI- a suite of AI offerings containing its platforms GAiA, an AI & ML Ops platform; Sayint, an advanced speech analytics solution and MobiLytix, an AI-powered marketing studio to democratize & scale the deployment of AI in a responsible manner.*
- *Tech Mahindra has expanded its collaboration with Pegasystems driving innovative industry solutions that will help accelerate the digital transformation of customers. Through the recent synergistic acquisitions and investments, Tech Mahindra's Pega Practice has capitalized on its innovative business solutions to address evolving customer requirements.*
- *Tech Mahindra inaugurated a 5G Innovation centre in Bellevue, WA to help customers co- create and co-innovate 5G-powered solutions. The Lab will build end-to-end vertical solutions for enterprises by combining an*

ecosystem of partners in both telecom and cloud space.

- *Tech Mahindra has announced a partnership with Amesto Aces AS, to provide trained & certified Salesforce resources and deep industry expertise to its customers across Europe, this partnership will also address the current shortage of skilled resources in the region.*
- *The International Chess Federation and All India Chess federation strengthen their partnership with Tech Mahindra, to provide a next-generation digital fan experience by leveraging Fan Nxt.Now. As part of this global tie-up, Tech Mahindra will come on board as a digital partner for the 44^{th} edition of FIDE chess Olympiad which will take place in India for the 1^{st} time.*
- *Tech Mahindra has collaborated with Anritsu, a global provider of test and measurement solutions, to launch an IoT experience lab. The experience lab will be an incubator, as well as a research and development center, for IoT device manufacturers to validate their designs in the early development phase and to help launch best-in-class IoT products.*

Awards and Recognitions

- *Tech Mahindra's CEO & MD, Mr. CP Gurnani has been recognized as Outstanding Business Leader by CEO Forum India at the 2nd Raymond CEO Forum Awards Night 2022*
- *Marksmen Daily in association with India Today recognized Tech Mahindra as one of the 'Most Preferred Workplace 2022'.*
- *ET Edge awarded Tech Mahindra in The Economic Times Sustainability Congress Series – Sustainable Organizations 2022.*
- *Dun & Bradstreet India recognised Tech Mahindra as a top performer in the ESG Performance – Software and BPM sector*

- *Ranked second with a sustainability score of 46, in the Capri Global Capital HURUN List Impact 50 for SDG Goals*
- *Ranked 2nd amongst the Top 35 companies in Businessworld India's Most Sustainable Companies 2022 in this year's "The Sustainable World 2022 Summit" organized by Business World.*
- *Recognized by ET Edge for adopting valuable sustainable initiatives in The Economic Times Sustainability Congress Series – Sustainable Organizations 2022*

About Tech Mahindra

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates and society to Rise. We are a USD 5.1 billion organisation with 121,900+ professionals across 90 countries, helping 997 global customers, including Fortune 500 companies. We are focused on leveraging next-generation technologies, including 5G, Blockchain, Cybersecurity, Artificial Intelligence, and more, to enable end to end digital transformation for global customers. Tech Mahindra is one of the fastest-growing brands and amongst the top 15 IT service providers globally. Tech Mahindra has consistently emerged as a leader in sustainability and is recognised amongst the '2021 Global 100 Most sustainable corporations in the World' by Corporate Knights. With the NXT.NOW framework, Tech Mahindra aims to enhance 'Human Centric Experience' for our ecosystem and drive collaborative disruption with synergies from a robust portfolio of companies. We aim at delivering tomorrow's experiences today and believe that the 'Future is Now'.

We are part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

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Earnings Q1 FY'23