Tech Mahindra Q2’23 Revenue up 20.7% YoY Board approves special dividend of ?18/share

Technology

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Mumbai – November 1st, 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 September 30th, 2022.

Financial highlights for the quarter (USD)

- Revenue at USD 1,638 mn; up 0.3% QoQ and up 11.2% YoY
    - Revenue growth 2.9% QoQ in constant currency terms
- EBITDA at USD 246 mn; up 2.9% QoQ, down 9.0% YoY
    - EBITDA margin at 15.1%, up 30 bps
- Profit after tax (PAT) at USD 159 mn; up 11.2% QoQ and down 12.3% YoY
- Free cash flow at USD 253 mn, conversion to PAT at 159%.

Financial highlights for the quarter (₹)

- Revenue at ₹ 13,129 crores; up 3.3% QoQ and up 20.7% YoY

- EBITDA at ₹ 1,984 crores; up 5.5% QoQ, down 0.6% YoY
- Consolidated PAT at ₹ 1,285 crores; up 13.6% QoQ and down 4.0% YoY
- The Board has approved a special dividend of ₹ 18/- per share (360%) on the FV of ₹5.

Other Highlights

- Total headcount at 163,912 up 3.7% QoQ
- Cash and Cash Equivalent at USD 947 mn as of September 30, 2022

CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra, said, *"We continue to focus on being resilient and agile to ensure long-term value for our people, customers, partners, and the society at large. While market conditions evolve and supply-side challenges continue, we will strengthen our differentiated offerings to help customers in their transformation journey through our integrated & new-age solutions."*

Rohit Anand, Chief Financial Officer, Tech Mahindra, said, *"We have taken several targeted measures to achieve operational efficiencies and ensure long term sustainable growth. While we continue to address the dynamic market conditions, we will remain focused on creating value for our stakeholders, through continued operational rigor, robust cash generation and prudent capital allocation. Additionally, we have also announced a special dividend of INR 18 per share, in line with our capital allocation policy."*

Key Wins

- *Tech Mahindra has won a deal with one of world's largest growing ERP solutions companies to provide digital product engineering, support & consulting services.*
- *Tech Mahindra was chosen as an exclusive strategic partner to provide consulting & managed services in Cloud Application Services by leading global enterprise software provider.*
- *Tech Mahindra has won a multi-year strategic deal with one of the world's leading American software developer in the gaming industry, to help scale their content moderation business using our BPS capabilities.*
- *Tech Mahindra has been chosen by one of the largest omni-channel solutions provider based in Europe, for a multi-year deal to assist in the migration of its on-prem data centers to cloud, while delivering ITSM, Networks and Security transformation.*
- *Tech Mahindra was chosen by a leading American healthcare provider as a strategic partner in a comprehensive deal to assist digital migration of its existing platforms to a cloud-native, micro-services based architecture and offer a robust end-to-end digital healthcare to its customers.*
- *Tech Mahindra was chosen by one the largest defense conglomerates in Africa, as a strategic partner for digitally transforming its systems using SAP S/4 HANA. The multi-year deal will harmonise client's business processes, digitalize its manufacturing entities using IIOT and implement centralized data governance & security.*
- *Tech Mahindra has won a deal with one of Africa's largest telecommunications operators to manage digital workflows for their enterprise operations using Tech Mahindra's ServiceNow Cloud Computing platform.*
- *Tech Mahindra was selected for a multi-year by a leading communications service provider in Europe to migrate its B2B legacy Monitoring solution to a*

new-age digital solution.

- *Tech Mahindra was chosen by a leading communications service provider in Asia for managing the NOC & Operations, Service Desk for supporting Enterprise Customers of B2B Business.*
- *Tech Mahindra has won a strategic deal with one of the largest players in wealth management & superannuation space for assisting in its Core System Transformation and multi-year RUN services on the new digital platform.*

Business Highlights

- *Tech Mahindra partners with Google, to launch Google's Street View in India. The partnership will leverage output from Tech Mahindra's 'Gullyfy' project and Tech Mahindra will be responsible for GIS processes from data creation, resourcing, insights generation and the actual collection of the street-level imagery.*
- *Tech Mahindra partners with Union Bank of India to launch India's first PSU Metaverse Lounge "Uni-Verse" to deliver a complete interactive and immersive experience across banking services. The lounge will help Union Bank of India to illustrate its digital savvy image to GenZ customers and encourage them to explore the bank's products and services in the Metaverse ecosystem.*
- *Tech Mahindra partners with ColorTokens and SSIC to launch Strategic Cyber Insights, powered by X-Analytics, to deliver advanced Zero Trust cybersecurity solutions and risk management services. Through this first-of-its-kind service, Tech Mahindra will break new ground for enterprises in strengthening their cyber resiliency and help align their cyber security decisions with successful business outcomes.*
- *Tada Cognitive Solutions, a next-gen digital twin-enabled supply-chain software provider partners with Tech Mahindra to digitally transform supply*

chain networks for enterprises in the US. The partnership will enable Tech Mahindra's customers to build real-time end-to-end visibility across the entire supply chain network with more than 4X faster control tower implementations. It is expected to further enhance collaboration among the various partners in the ecosystem to build modular decision systems.

- *Quantre Solutions, a customer communications management consulting firm in the US partner partners with Tech Mahindra to provide next-Gen digitally enabled customer communication services in US and UK. The combined efforts will focus on modernizing the customer communications industry across industries by employing cloud-native microservices including customer communication management (CCM), customer experience management (CXM), cloud-based ETL and data integration service and Functions-as-a-Service (FaaS).*
- *Tech Mahindra launches YANTR.AI, a transformational cognitive AI solution to enhance and simplify field services which will further strengthen Tech Mahindra's BPaaS portfolio and provide end-to-end visibility, actionable insights, and recommendations to enterprises for better planning and execution of field services including address the demand & supply chain appropriately.*
- *Tech Mahindra launches end-to-end ESG portfolio to help businesses achieve their sustainability goals. Through these offerings, Tech Mahindra will enable businesses to configure, launch, analyze, manage sustainability targets, and help them achieve ESG goals through tailor-made solutions for their distinct needs.*
- *Tech Mahindra announced a strategic partnership with XY Retail. The partnership will combine the power of Tech Mahindra's deep domain expertise and system integration capabilities with XY Retail's cloud-based unified omnichannel commerce solutions to enable customers to build a seamless and personalized integration of in-person and digital experiences.*

Awards and Recognitions

- *Tech Mahindra is recognized as a Constituent of the FTSE4Good Index Series June 2022.*
- *Tech Mahindra was recognized for the Best Wellness Programme in People Matters and MediBuddy's wellness recognition initiative.*
- *Tech Mahindra wins Frost & Sullivan's Technology Innovation Leadership Award 2022 for Metaverse Technology Services.*
- *Tech Mahindra recognized as the Brand of the Decade in the IT & IT Solutions category by Herald Global in association with ERTC Media.*
- *Tech Mahindra recognized amongst the "Most Trusted Companies of 2022" by Var India. The listing aims to celebrate and appreciate technology brands that have played an important part in India's Information Technology (IT) success story.*
- *Tech Mahindra recognized as Best of Asia - Most Admired Brand 2022 at the 10th White Page Leadership Conclave 2022.*
- *Tech Mahindra recognized for Best Employee Experience at ET Employee Excellence Awards in The Economic Times Employee Excellence Summit 2022 which aims to acknowledge and celebrate great employers and workplaces.*
- *Tech Mahindra was recognized among The Economic Times Best Tech Brands and among the Iconic brands for 2022.*
- *Tech Mahindra have been recognized as a Leader in Gartner's Magic Quadrant for IT CSP for the 4^{th} year in a row.*

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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Tags :

Tech Mahindra Rohit Anand	Consolidated PAT	EBITDA	Earnings	Q2 FY'23	CP Gurnani