

Mphasis Earnings Q1 FY 2022

Continuity and Acceleration

23rd July 2021

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Chief Executive Officer and
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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.



Technology Consumption Mega Trends Shaping our Propositions and Growth



Enterprise Cloud Migration



Next Gen Data



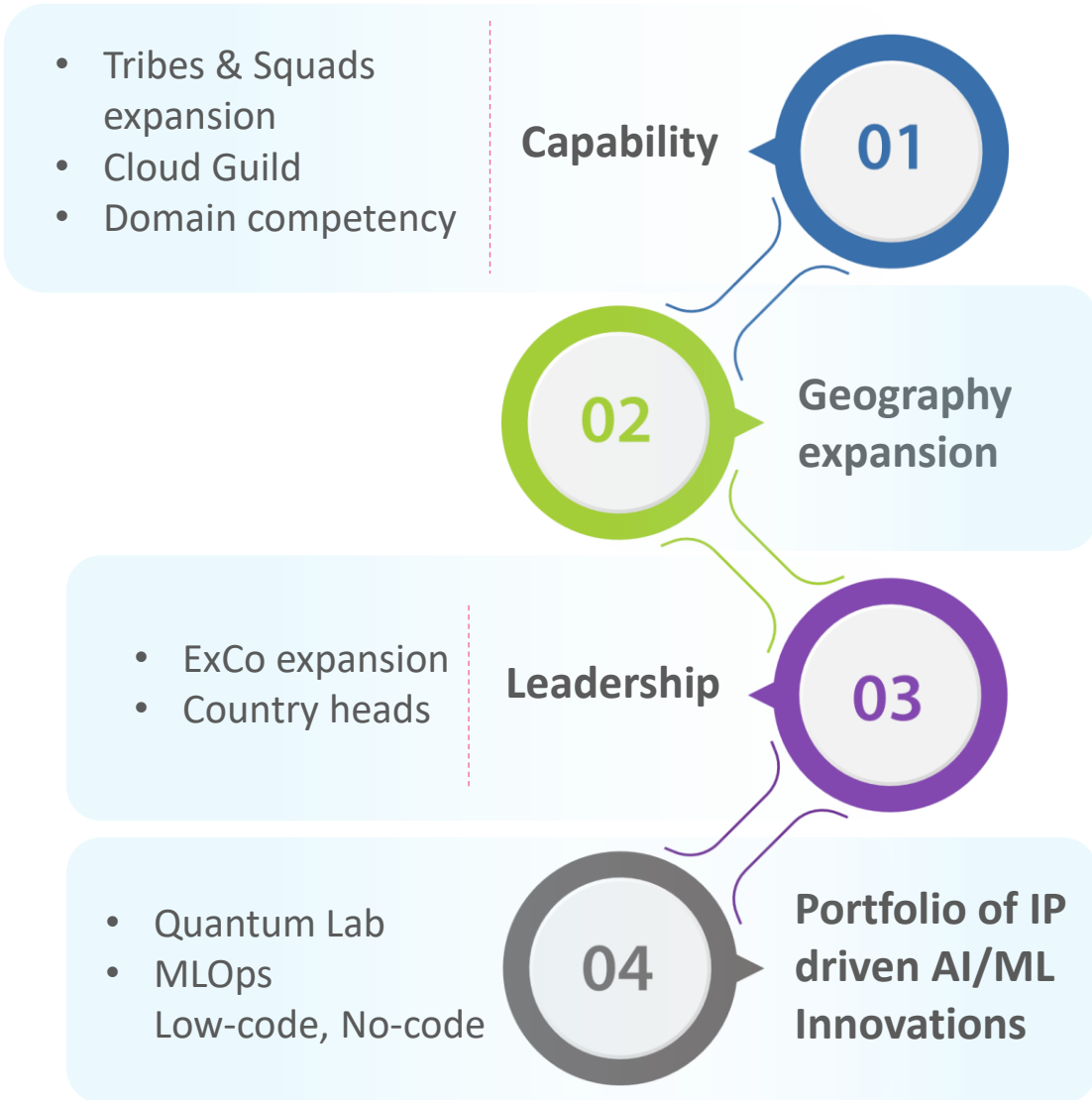
Core Modernization



Customer Experience

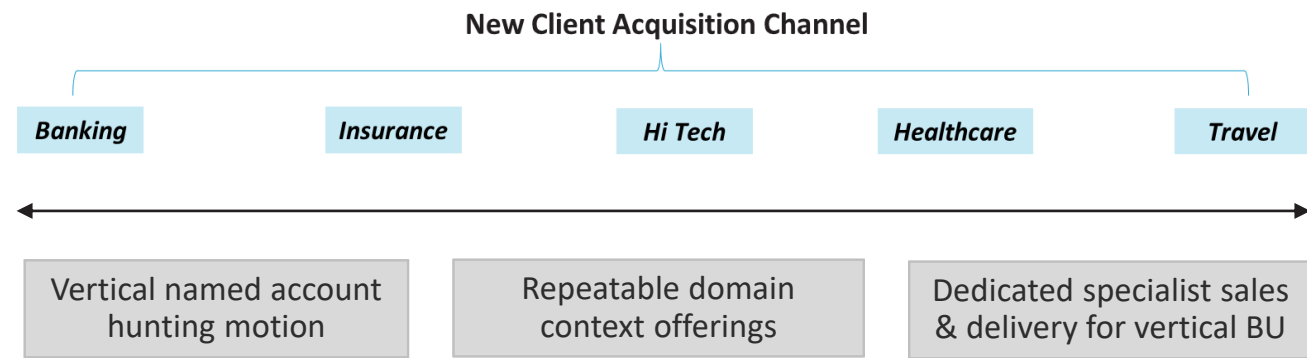


Continuity and Acceleration ... Driving Theme of Our Four-Pillar Strategy for FY22 and Beyond



Sales & Delivery Expansion
<ul style="list-style-type: none">• UK• Canada

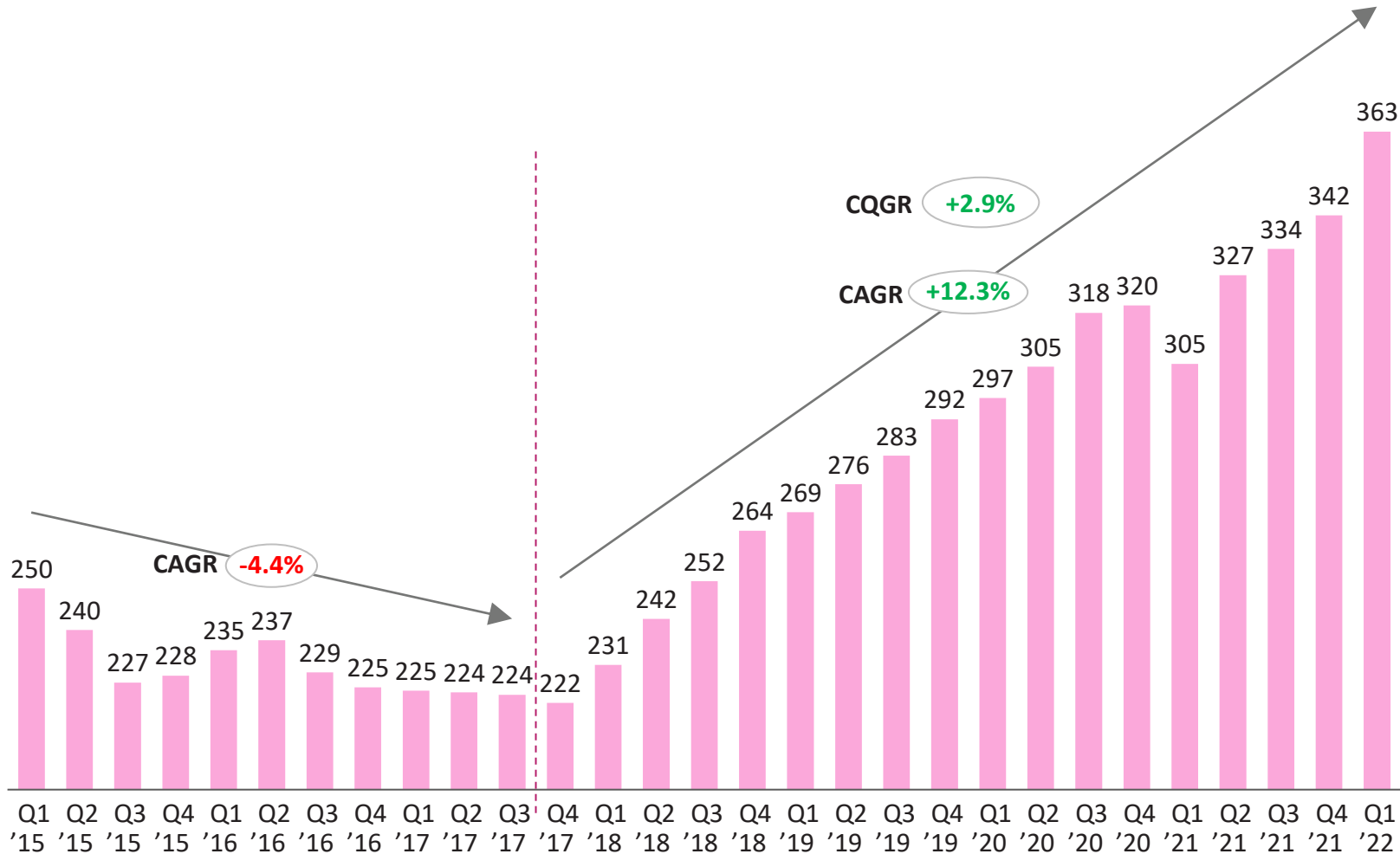
Delivery Expansion
<ul style="list-style-type: none">• Mexico/ Latin America• Costa Rica• Taiwan*• Estonia





Our Track Record Tells the Story : Consistency and Transformation

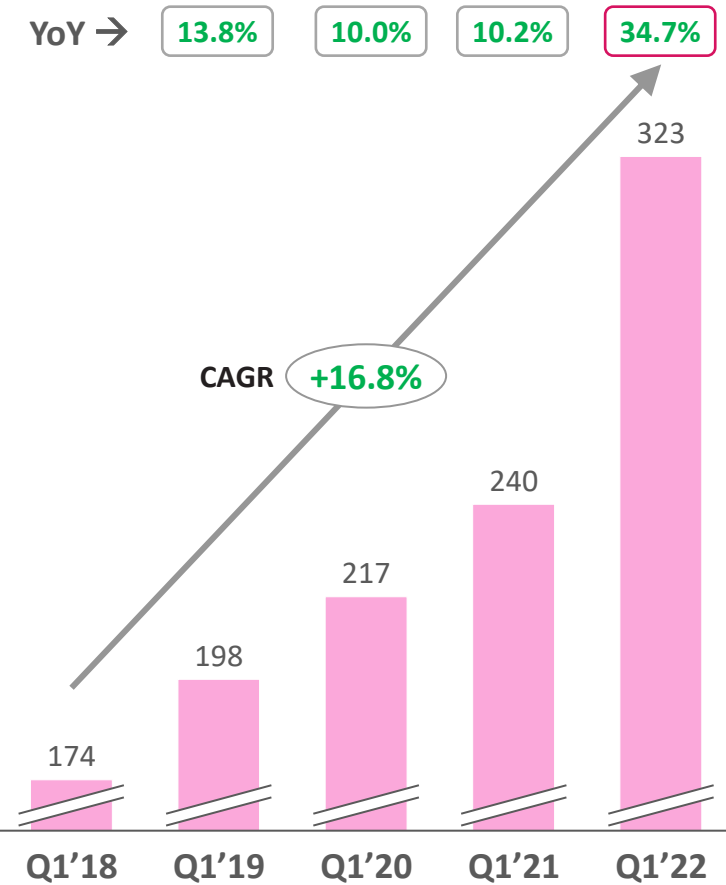
Q1-FY22 Direct revenue grew 32.5% YoY in Constant Currency; Highest growth on record



* Revenue in USD \$M at average USD/INR rate for the respective years

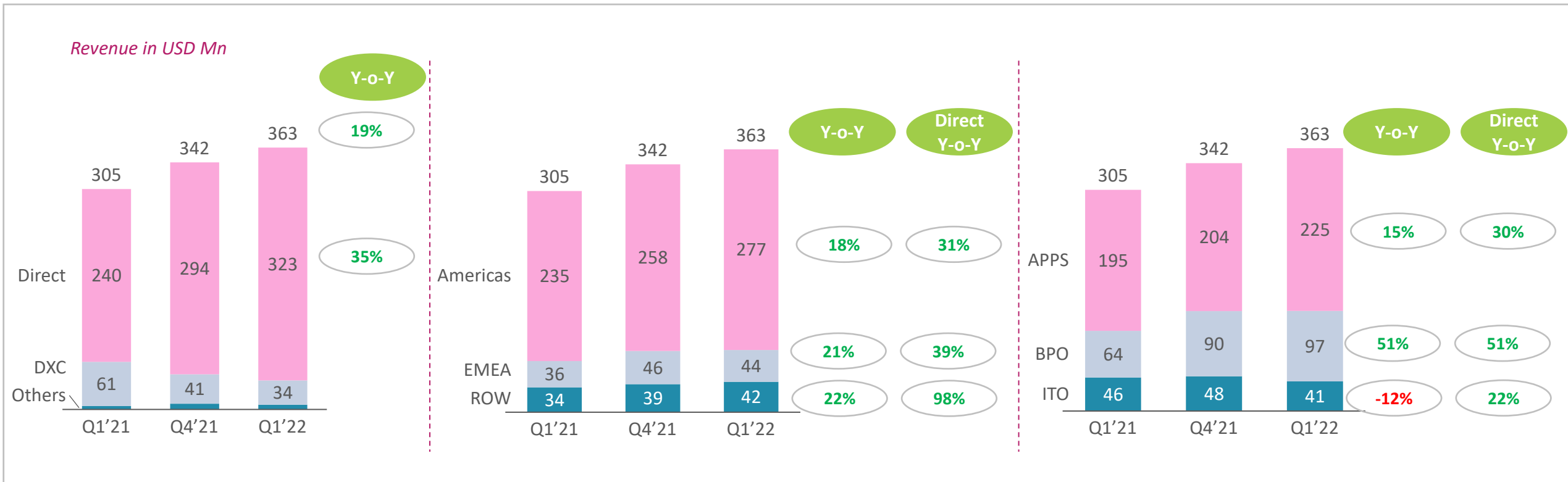
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Accelerated growth with larger scale in Direct



Direct Business revenues

Continuing Success of our Strategy in Numbers



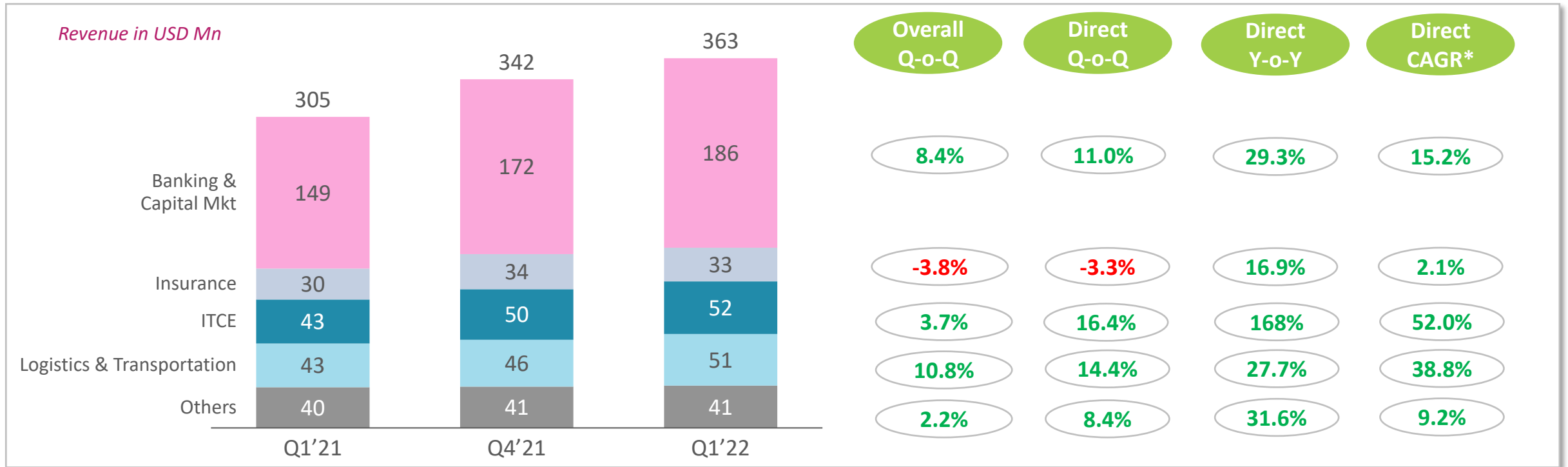
Direct performance in Q1'22

- Highest YoY Growth rate on record; YoY growth of 32.5% in CC
- Strong and Consistent growth across all vectors: Segment, Geography and Service type
- Broad based growth across client segments; Added 2 new clients each in \$100M+ and \$50M+ categories

* Revenue in USD \$M at average USD/INR rate for the respective years



Broad-based Growth Across Verticals Sustained



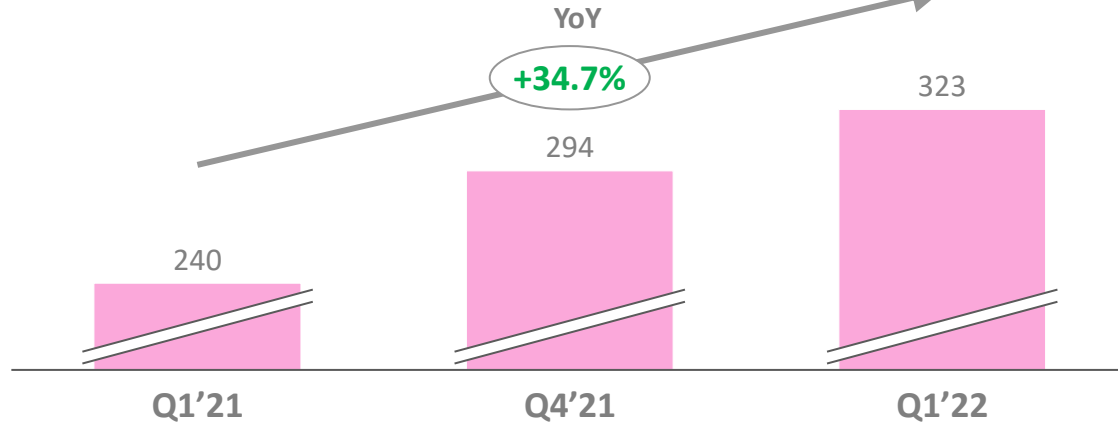
- BCM: Consistent track record of double-digit YoY growth
 - *Delivered growth of 20%+ YoY growth in past 4 quarters ; “Best in class performance”*
 - *All Top-10 Banks in the US are our clients today vs 5 three years ago*
- With our tech-led positioning, we are replicating our performance in BCM into other verticals
 - ITCE: YoY growth of over 160% driven by recent large deal wins; the next US\$100 million vertical
 - Logistics and Transportation: Strong YoY growth of 27.7%
 - Insurance: YoY growth of 16.9%; Growth likely to pick up based on deal closures and pipeline



All Constituents of Direct Growth Progressing Well; Key Clients Lead Growth

Accelerated Growth in Direct Revenue

Q1'22: Highest YoY Growth Rate



Overall

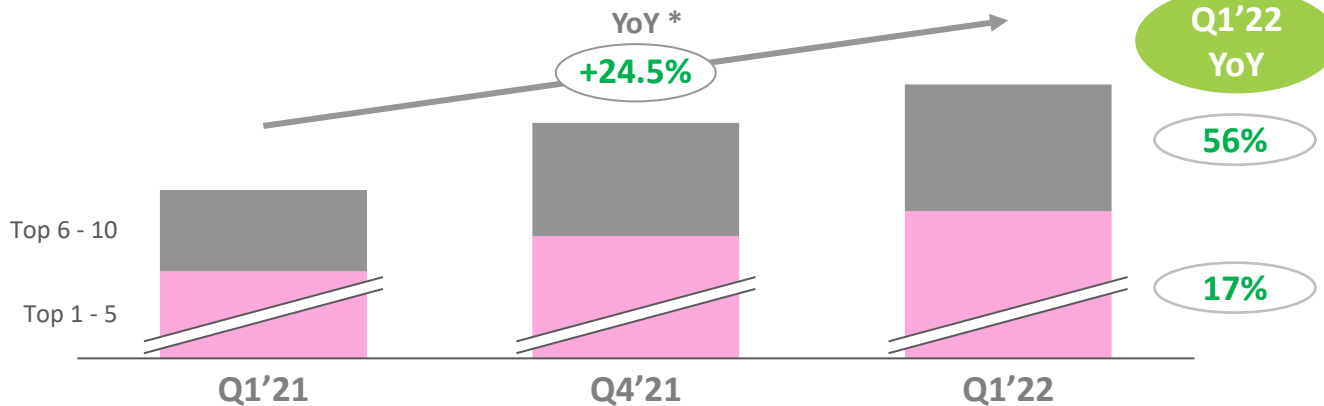
Strong Q1'22 YoY (32.5% CC) growth; Broad based growth across all vectors

Top 10

Top 10 accounts grew 24.5%* YoY; All US\$50 mn+ accounts grew sequentially in Q1'22

Top Accounts leading growth in Direct

LTM revenue (\$ Mn) for top 10 accounts in Direct (as per MDA disclosures)



Europe

Europe region delivering strong growth; Q1'22 revenue has grown at 25.9% YoY on CC basis

NCA

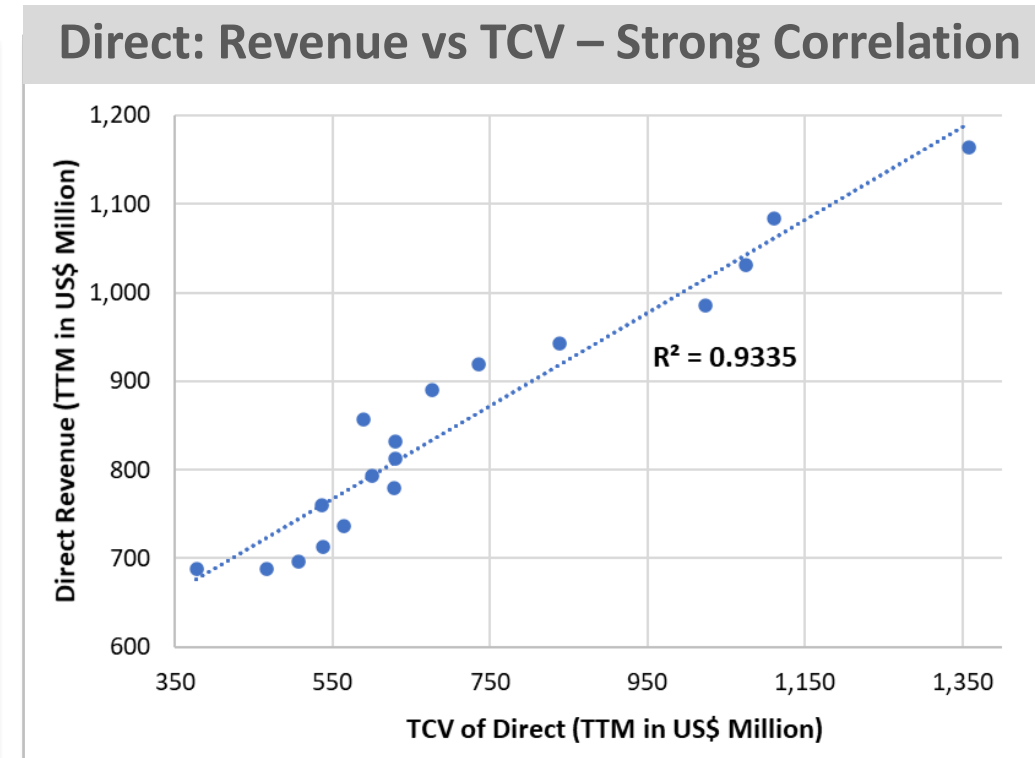
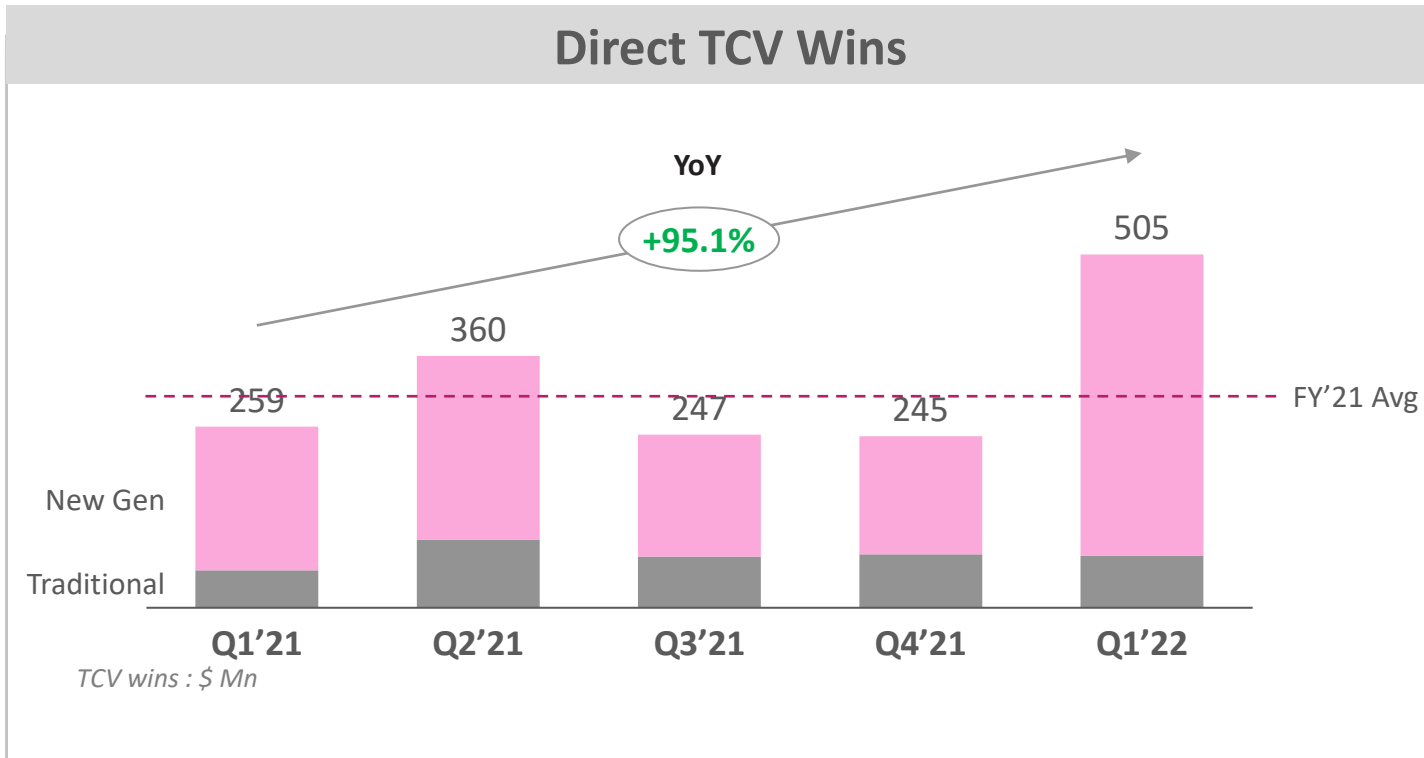
NCA continues to contribute to growth in Direct; YoY growth of 34.3%

Revenue in \$M at average USD/INR rate for the respective quarters ; * Basis LTM revenue

NCA: New Client acquisitions



Record-breaking TCV Wins - Direct



- Highest ever TCV wins for a quarter at \$505M ; YoY LTM growth of 62%; Already at 45% of FY'21 TCV in 1 quarter
- Includes a landmark deal of \$250M in UK region in BFSI domain
- 85% of deal wins in New Gen areas
- New Gen wins are witnessing increased deal sizes



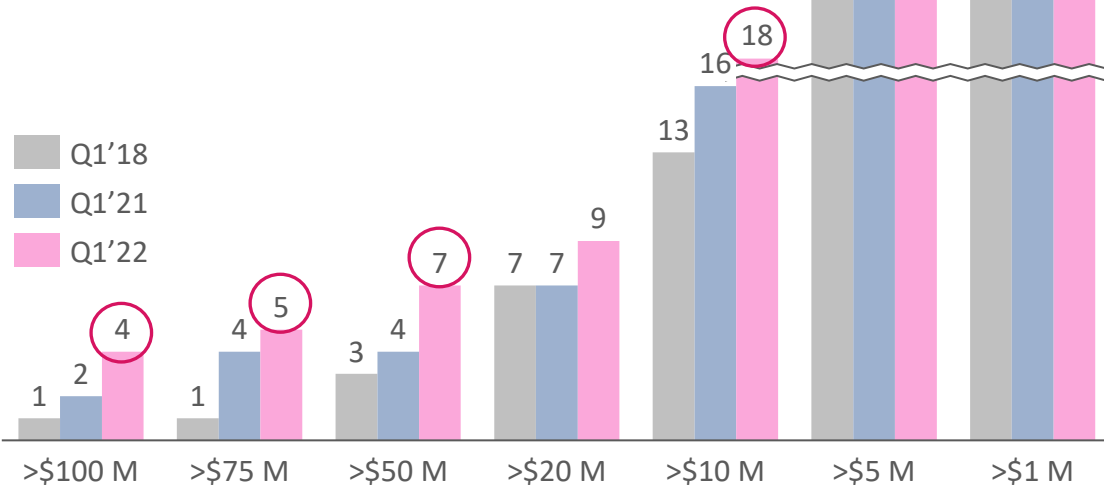
Improving Client Mining and Large-deal Metrics - Direct

Client Pyramid

Client Additions

Category	Y-o-Y	Q-o-Q
\$100M +	2	2
\$50M +	3	2
\$5M +	7	2
\$1M +	5	-

Healthy conversion of 60%-70% clients at each stage to the next

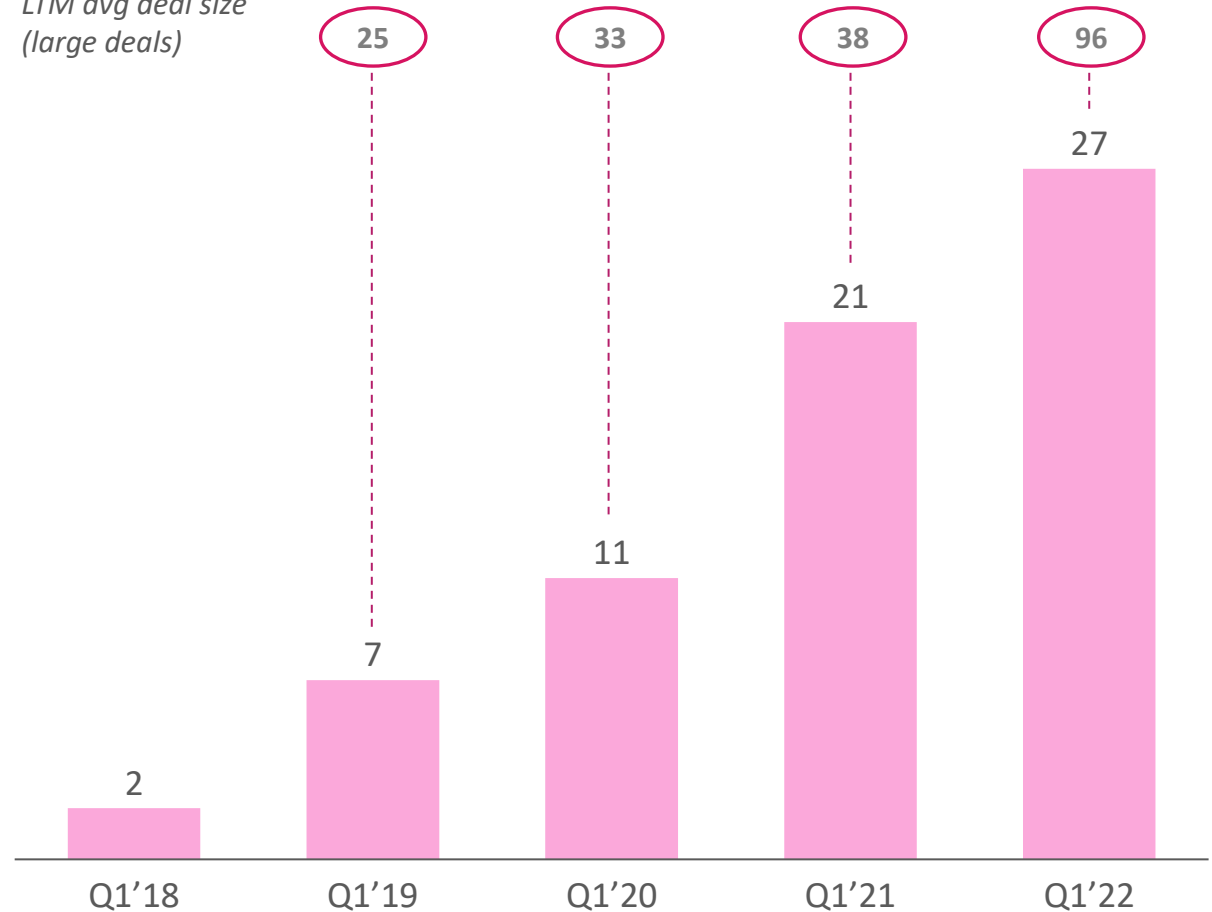


Note: All metrics based on LTM revenues

Focus on winning large-deals (>\$20M TCV)

of cumulative deal wins since Q1'18

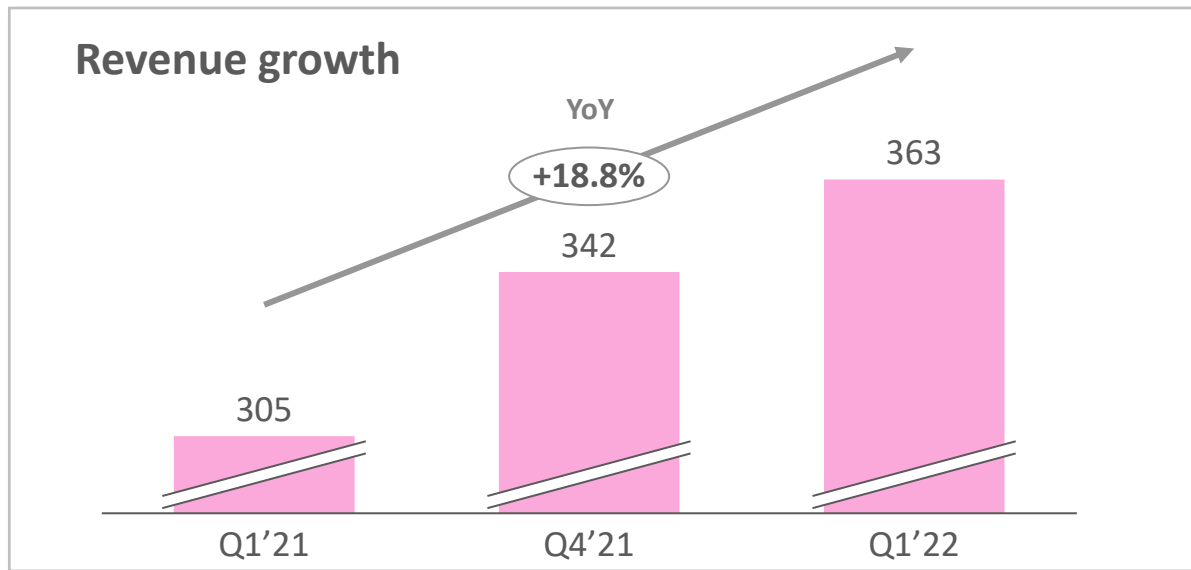
LTM avg deal size (large deals)



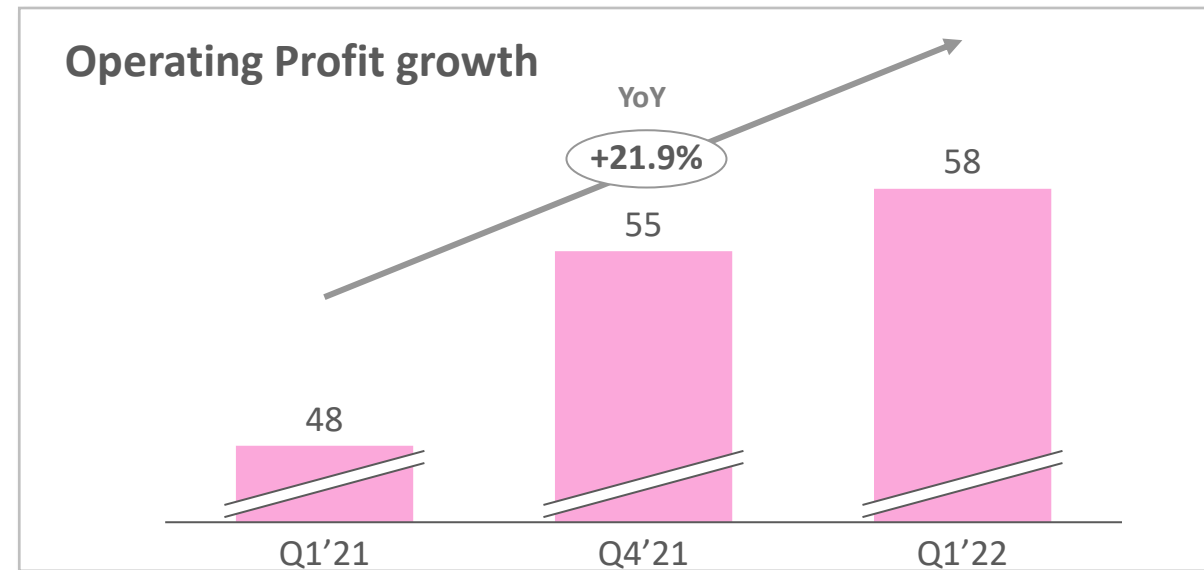
Includes large deal of \$250M won in Q1'22



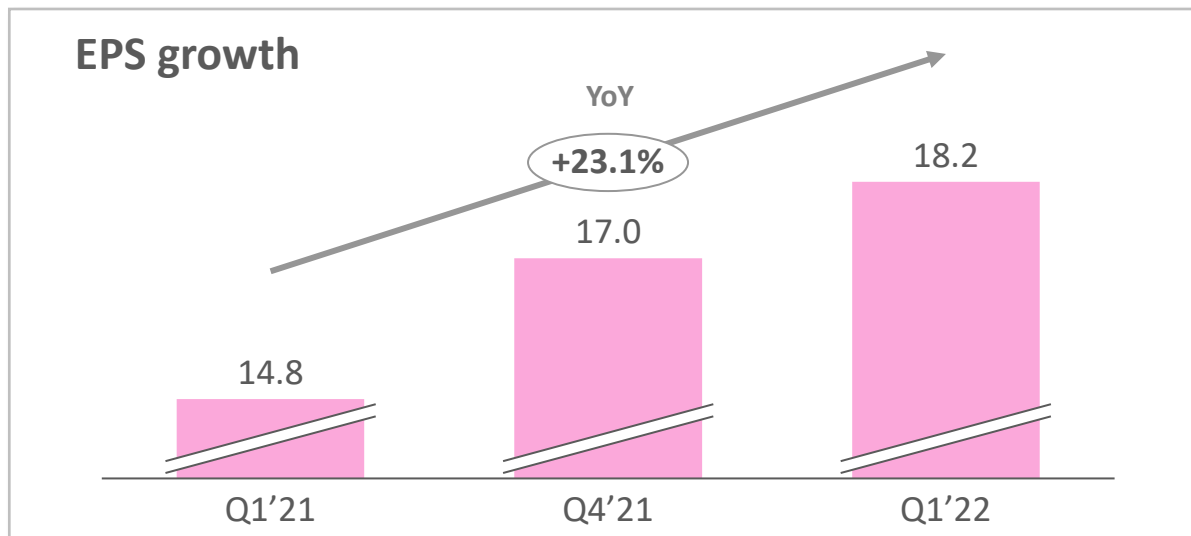
Strong Performance on All Financial Metrics



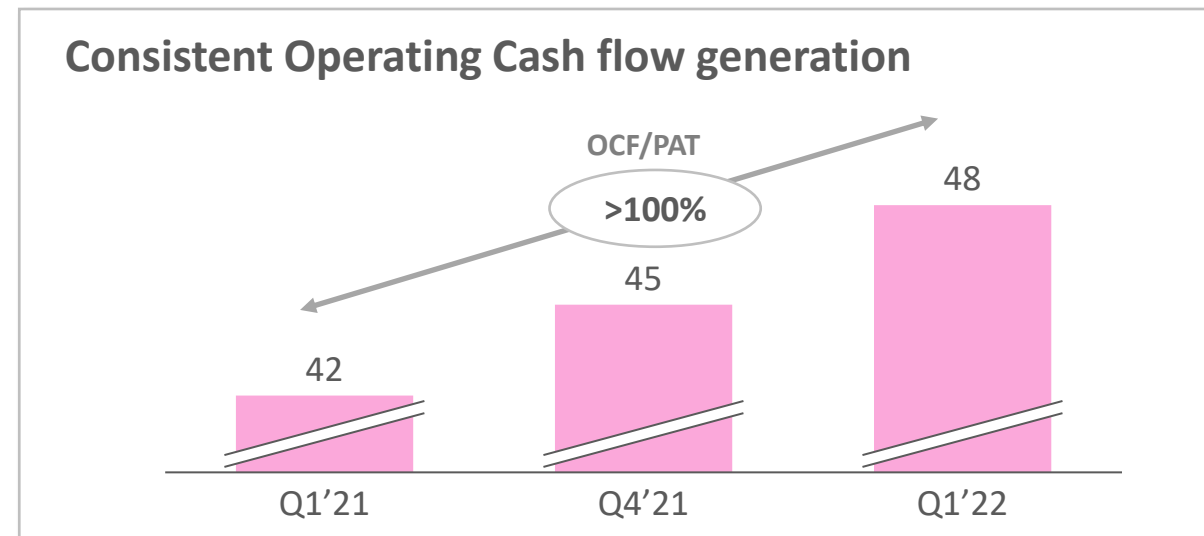
Gross Revenue in \$M at average USD/INR rate for respective periods



EBIT in \$M at average USD/INR rate for respective periods



Basic EPS in INR for respective periods



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



Why do we win? Pulling Together the Ingredients of Our Success



Business of ONE

- Customer at the center of GTM – Personalized Services
- Hi-Tech, Hi-Touch & Hi-Trust engagement model

100M+ Clients 2 → 4

50M+ Clients 4 → 7



Power of Tribes

- Leading Pipeline Expansion
- Sparkle Labs for Innovation

85% of our wins are tribe-led



Proactive Deal Origination

- Large Deal motion Archetypes
- Shift left consulting through Tech Advisory Group TAG

>80% of deals are proactive in nature



Deep Domain Expertise

- Lead with Architecture, Design & Engineering
- Talent NEXT driving culture & skillsets

T- Shaped talent approach



- **Strong start to the year** – Industry leading growth in Direct (32.5% Y/Y Constant Currency growth)
- **KPIs moving in the right direction** with our tribe-based propositions paying off
 - Track record in winning large deals consistently improving marked by increasing-sized, longer-tenure deals (US\$100 mn → US\$200 mn → US\$250 mn); LTM TCV up 65% Y/Y with all-time high TCV of \$0.5 billion
 - Broad-based nature of growth sustained with Europe & multiples verticals (Hi Tech, Travel and Transportation) aiding growth besides anchor vertical (BCM) and geography (US)
 - Continued share gains with key clients; Strong Top-5/Top-10/Top-20 client LTM growth, with additions to US\$50/100 mn+ revenue bucket; Client mining metrics across revenue buckets continue to strengthen
- **Growth-accretive margin stance ensures predictable margin performance** while providing room to make essential investments and managing supply headwinds



Reiterating FY22 Outlook



- Sustained investments in tune with our “***Continuity and Acceleration***” theme – geography footprint expansion, greater leadership breadth and depth, build-up of digital competencies, NCA
 - Industry-leading growth in Direct
 - Target operating (EBIT) margin band of 15.5%-17%



Link to financial data for the past three years: <https://www.mphasis.com/home/corporate/investors.html>



Industry Awards and Analysts/Advisors Recognitions

Everest Group
PEAK MATRIX
STAR PERFORMER & MAJOR CONTENDER
 Financial Crime and Compliance (FCC) Operations – 2021

Recognized in IT Services Vendors in Insurance : 2021 Life & Health Edition
CELENT | 2021

GARTNER
 Fastest growing BPS provider in Gartner Market Share Analysis: Business Process Services, Worldwide, 2020

HFS POINT OF VIEW
 Mphasis Next Act
 – Applied innovation in the digital dog years



BRONZE 2021 STEVIE WINNER
 AMERICAN BUSINESS AWARDS
 Nitin Rakesh won a Bronze Stevie in the Services category for Tech Innovator of the Year in 2021 American Business Awards

FORRESTER
 Automated Life Insurance underwriting systems, Q1 2021
NOW TECH 2021

Everest Group
PEAK MATRIX
MAJOR CONTENDER
 IT Managed Security Services Provider – 2021

Mainframe Services & Solutions
 Leader U.S.
ISG Provider Lens
 2021
 Quadrant Study

Recognized in IT Services Vendors in Insurance : 2021 Property & Casualty
CELENT | 2021

FORRESTER
 Salesforce Consulting Partners in Asia Pacific, Q1 2021
NOW TECH 2021



THANK YOU

About Mphasis

Mphasis (BSE: 526299; NSE: MPHASIS) applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C²_{TM}=1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. Click [here](#) to know

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