



21 October 2022

The Manager, Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The Manager, Listing
National Stock Exchange of India Ltd
Exchange Plaza, Plot No. c/1,
G-Block, Bandra-Kurla Complex,
Mumbai – 400 051

Dear Sirs,

Sub: Presentation for Investor(s)/Analyst(s) call

Please find enclosed a copy of the presentation proposed to be made at the Investor/Analyst call to be held today at 8:30 am (IST) in connection with the results of the Company for the quarter ended 30 September 2022.

The presentation is also being hosted on the website of the Company at www.mphasis.com.

We request you to kindly take the above on record as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully,

For Mphasis Limited



Subramanian Narayan
Senior Vice President and Company Secretary

Encl: As above

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DS
SN

Leading at the speed of Clients

Mphasis Earnings Q2 FY 2023

Nitin Rakesh
CEO & Managing Director

Manish Dugar
CFO





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.



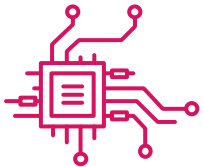
Current Client Outlook for 2023



In spite of macro headwinds, 2/3rd say IT services spend is expected to increase in 2023



Changing deal models to influence outsourcing spends



Top priorities: Leveraging data & analytics for decision making and 'Migration to Cloud'

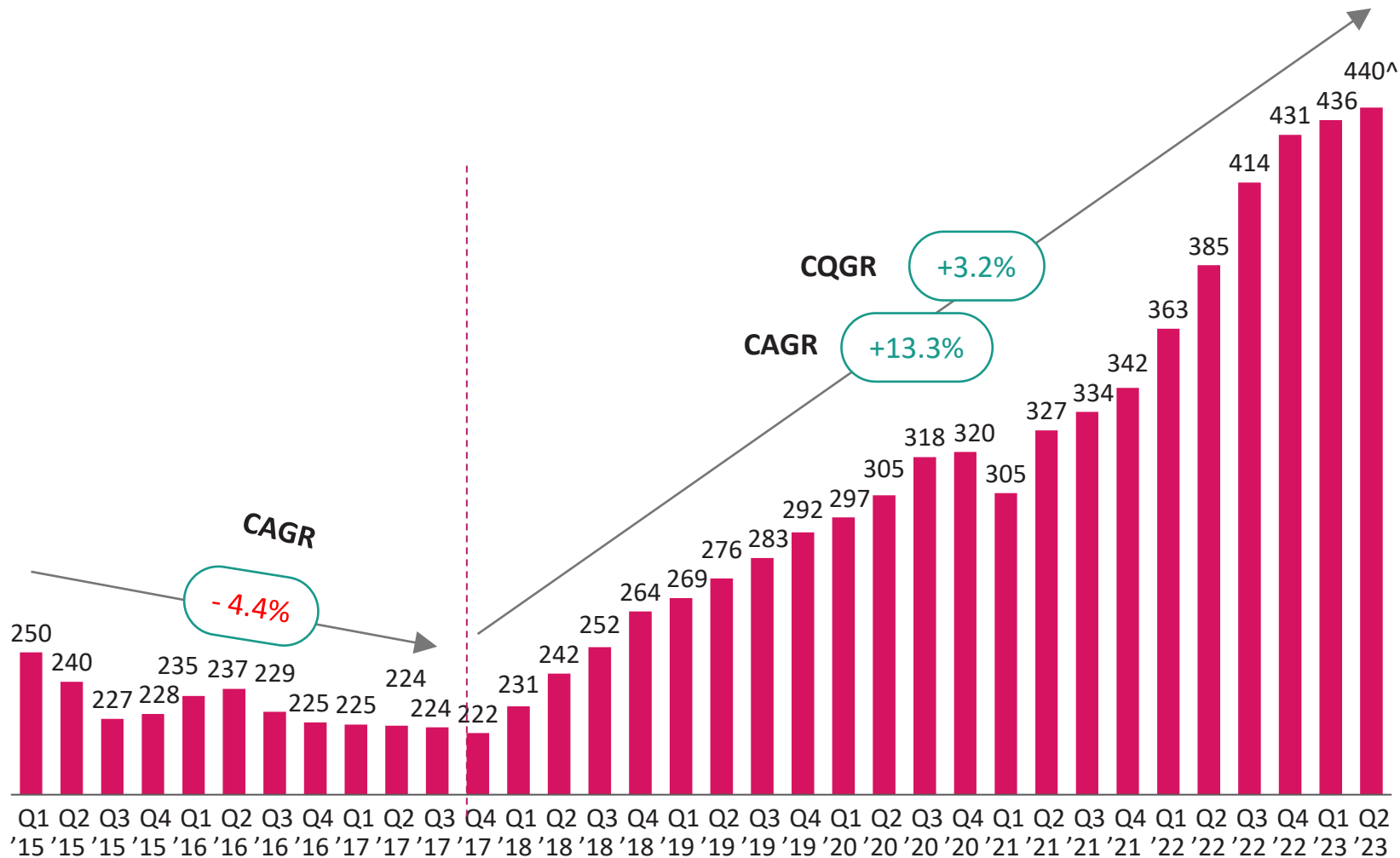


65% customers believe Vendor Consolidation is high priority

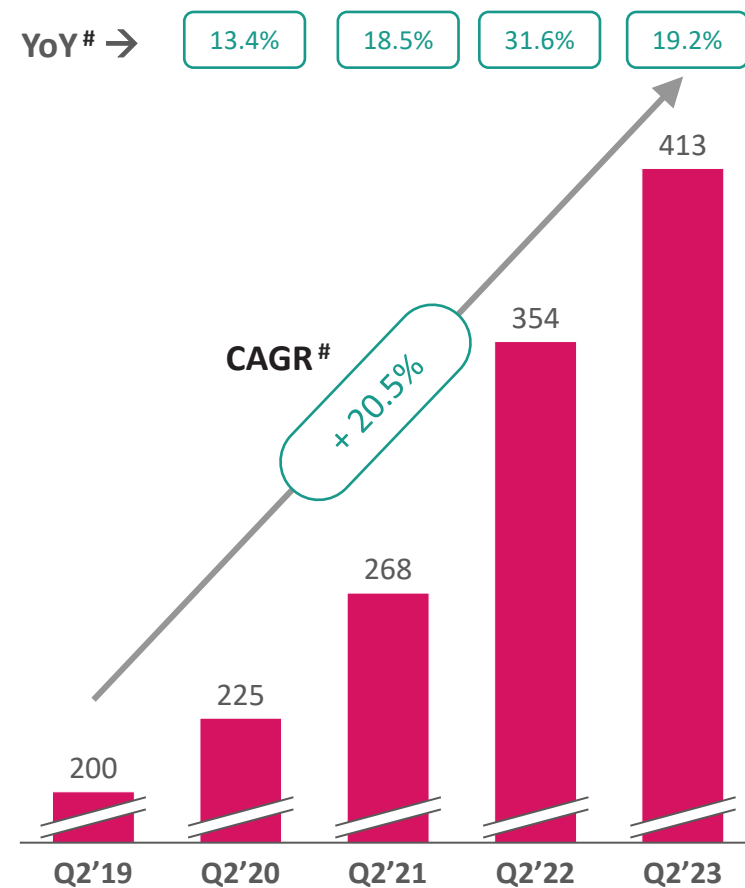
Source: Bain ITeS Survey (N=21, NA – 12 & EU – 9, Sept 2-8, 2022)

Our Track Record Tells the Story

Q2'23 overall revenue grew 16.8% YoY in CC#
 Direct business grew 19.2% YoY in CC#



Accelerated growth with larger scale in Direct



Revenue in USD \$M at average USD/INR rate for the respective periods
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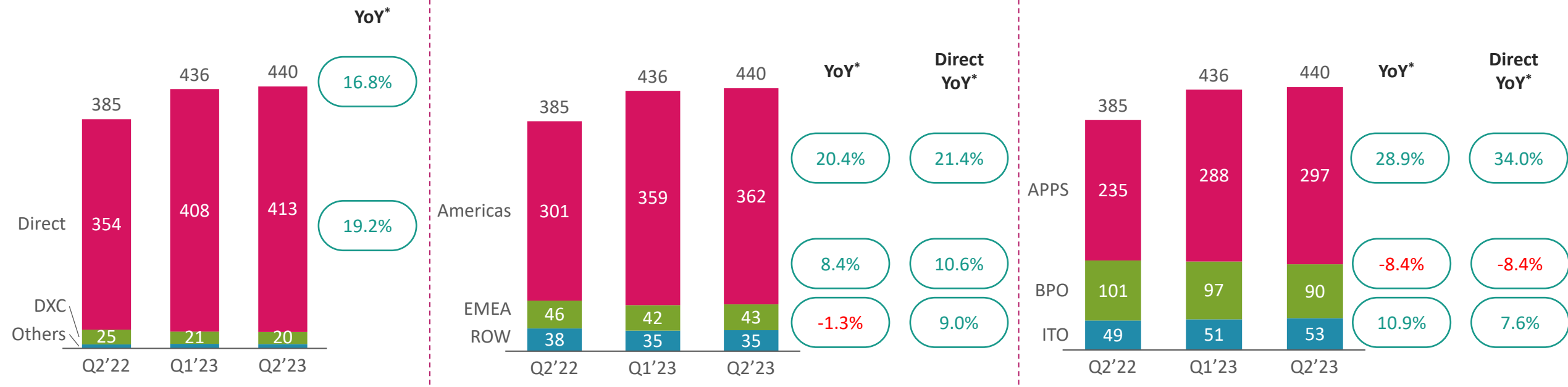
[^]Includes adverse cross-currency impact of \$3.6 Mn QoQ and \$9.8 Mn YoY
 # Constant Currency

Direct Business revenues in USD \$M at average USD/INR rate for the respective periods



Our Strategy in Numbers

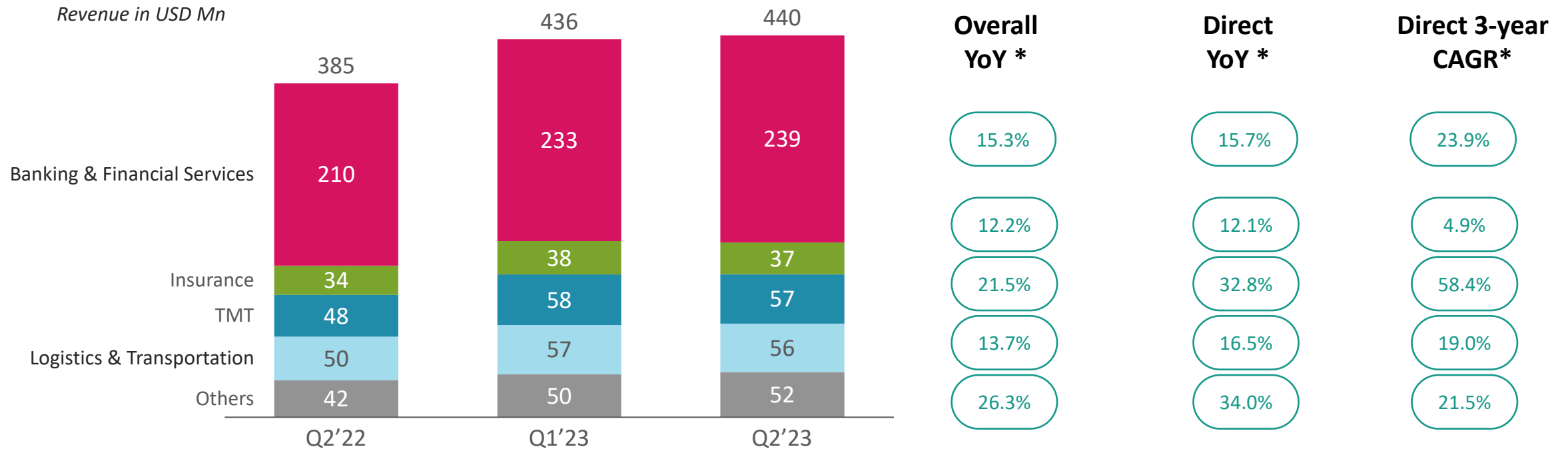
Revenue in USD Mn



Direct performance in Q2'23

- YoY growth of 19.2% in CC
- Accelerated growth in focus segments: Americas (21.4%) and Applications (34%) YoY in CC

Growth Across Verticals



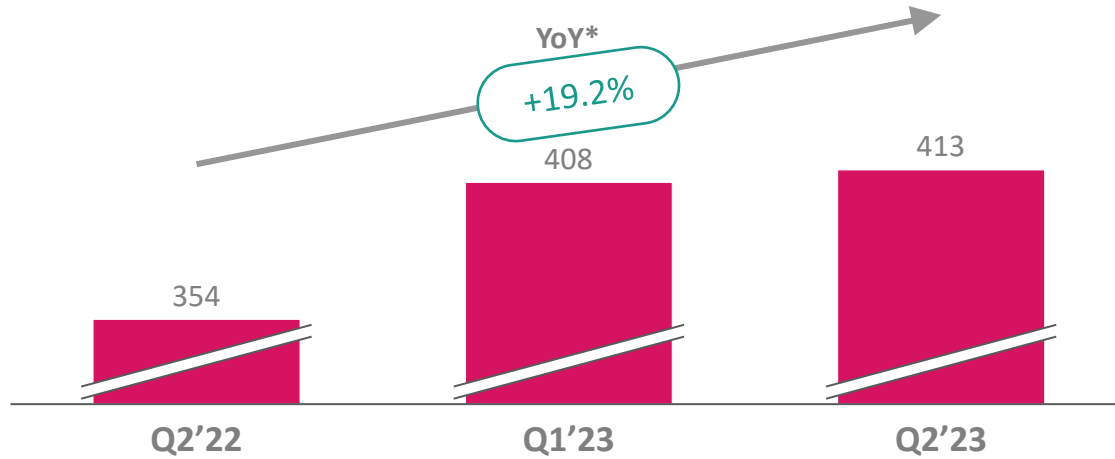
- BFS : Consistent track record of double-digit YoY growth despite mortgage slowdown
- With our tech-led positioning, we are replicating our performance in BFS in other verticals
 - TMT : YoY growth of 33% in Direct despite quarterly weakness;
 - Others (including Healthcare): YoY growth of 34% in Direct; manifestation of NCA strategy working well



Constituents of Direct Growth Progressing Well; Key Clients Lead Growth

Accelerated Growth in Direct Revenue

Revenue Growth in Constant Currency

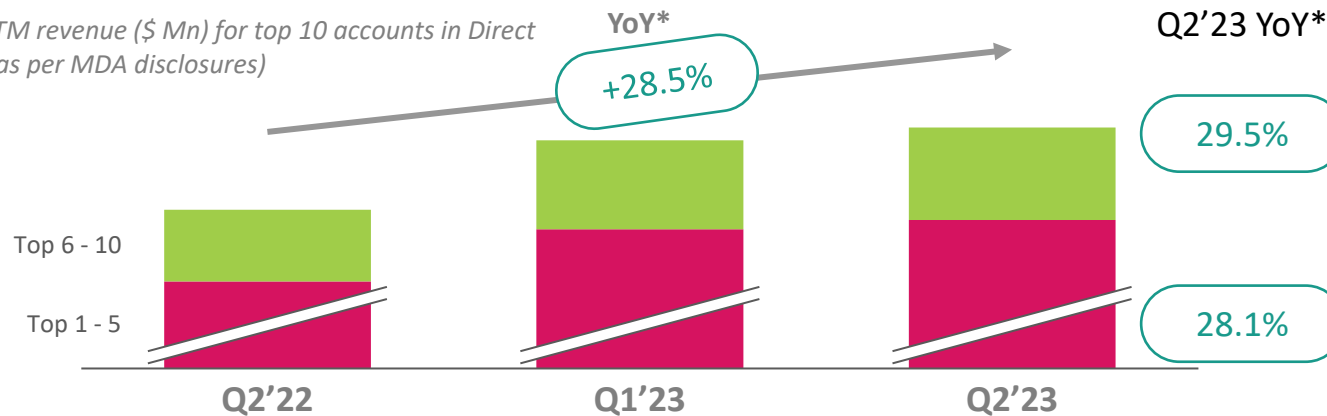


Revenue in \$M at average USD/INR rate for the respective quarters

- Overall Q2'23 YoY (19.2% CC) growth
- Top 10 Top 10 accounts grew 28.5% YoY
Top 6 – 10 accounts grew 29.5% YoY
- Top 20 Accounts in Top 11-20 category grew 35% YoY

Top Accounts Leading Growth in Direct

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



- Europe Revenue grew at 10.6% YoY
- NCA NCA continues to contribute to growth in Direct; YoY growth of 53%

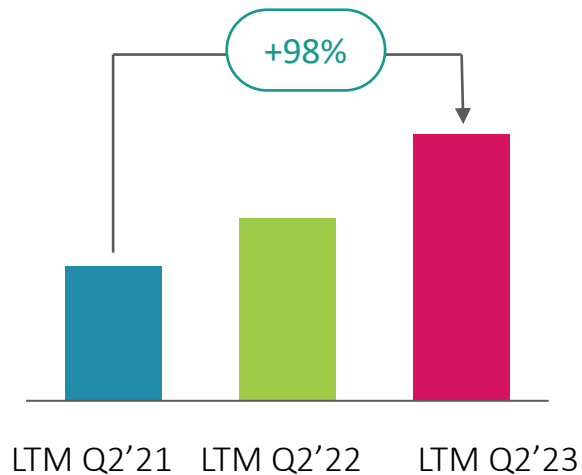
* Revenue growth in constant currency



New Client Acquisition: Doubled Revenues in Two Years

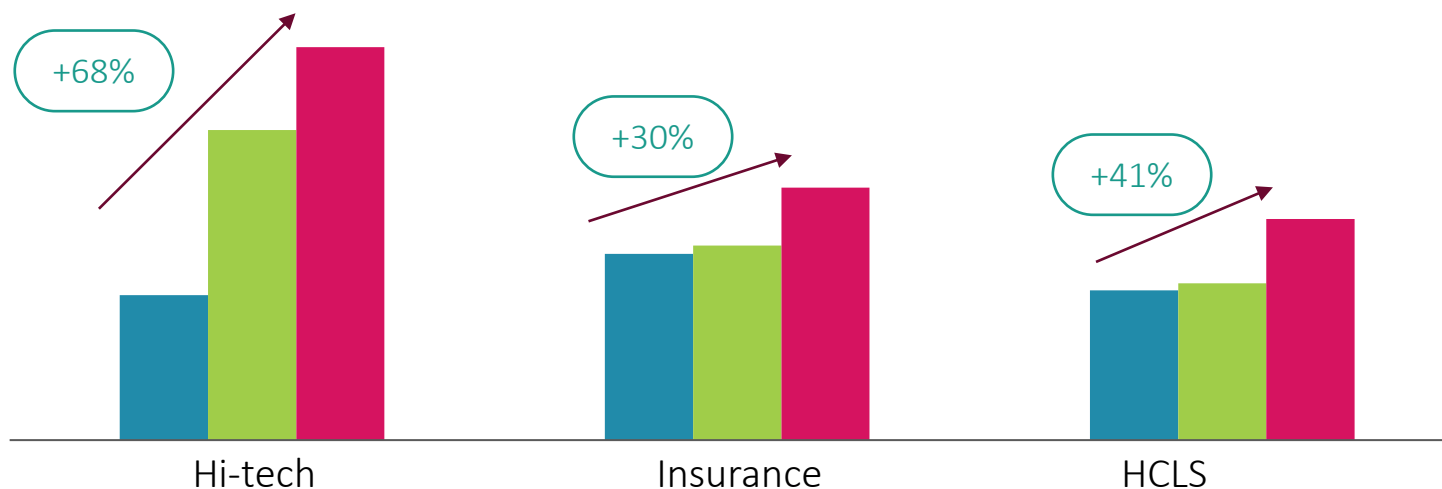
*E5 Vertical NCA forms
~24% of overall revenue*

Enterprise 5 Verticals



- LTM Q2'21
- LTM Q2'22
- LTM Q2'23

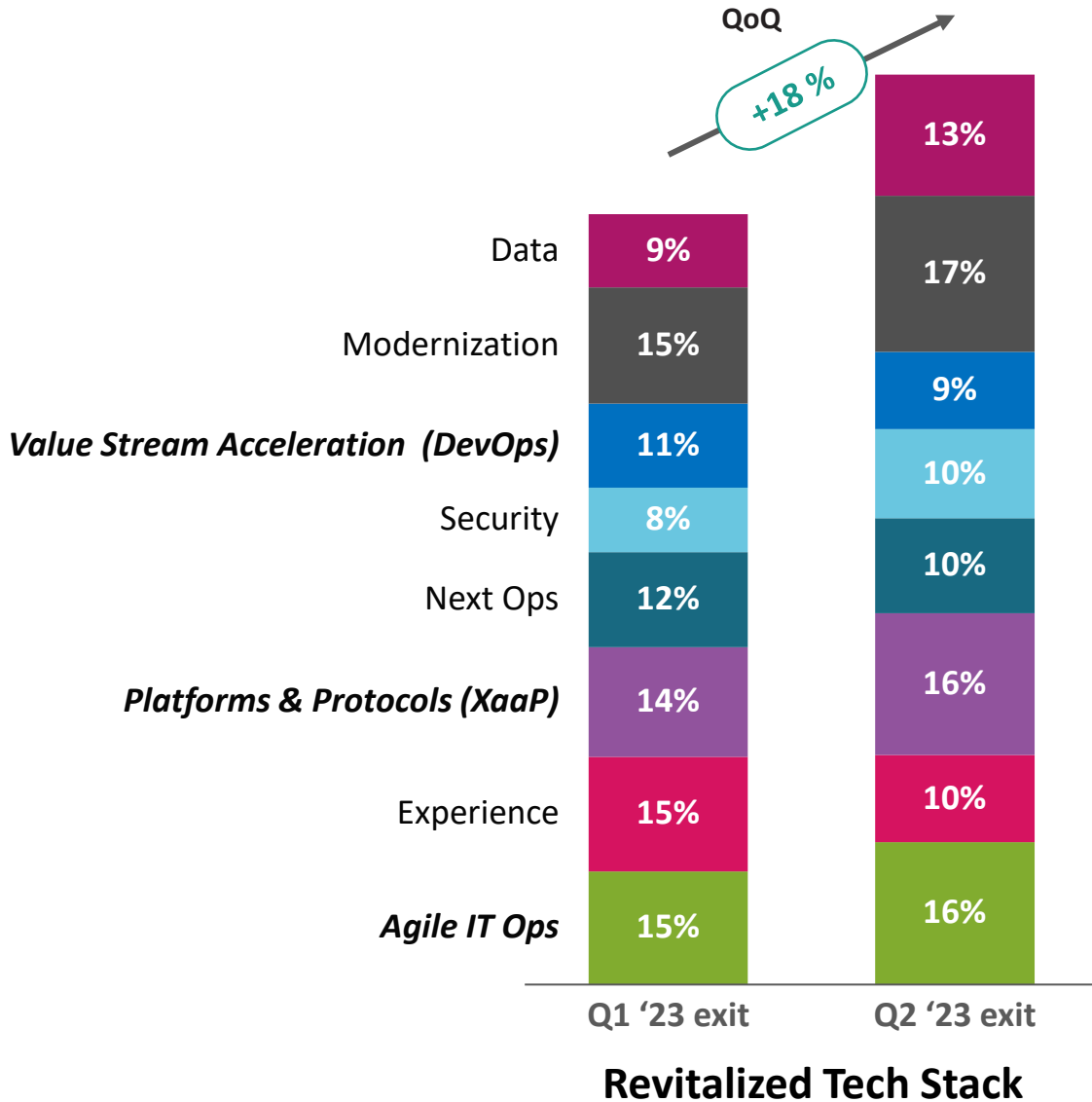
Built 3 \$100M Verticals*



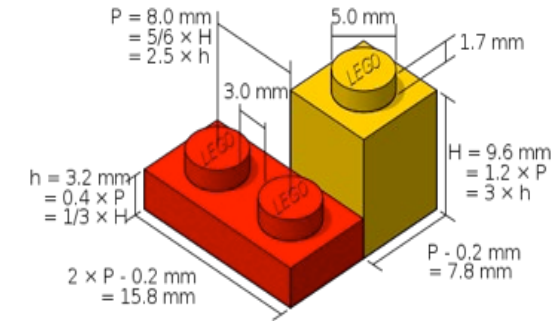
*on quarterly annualized basis



Pipeline Continues to Stay Strong with Renewed Tribes Stack



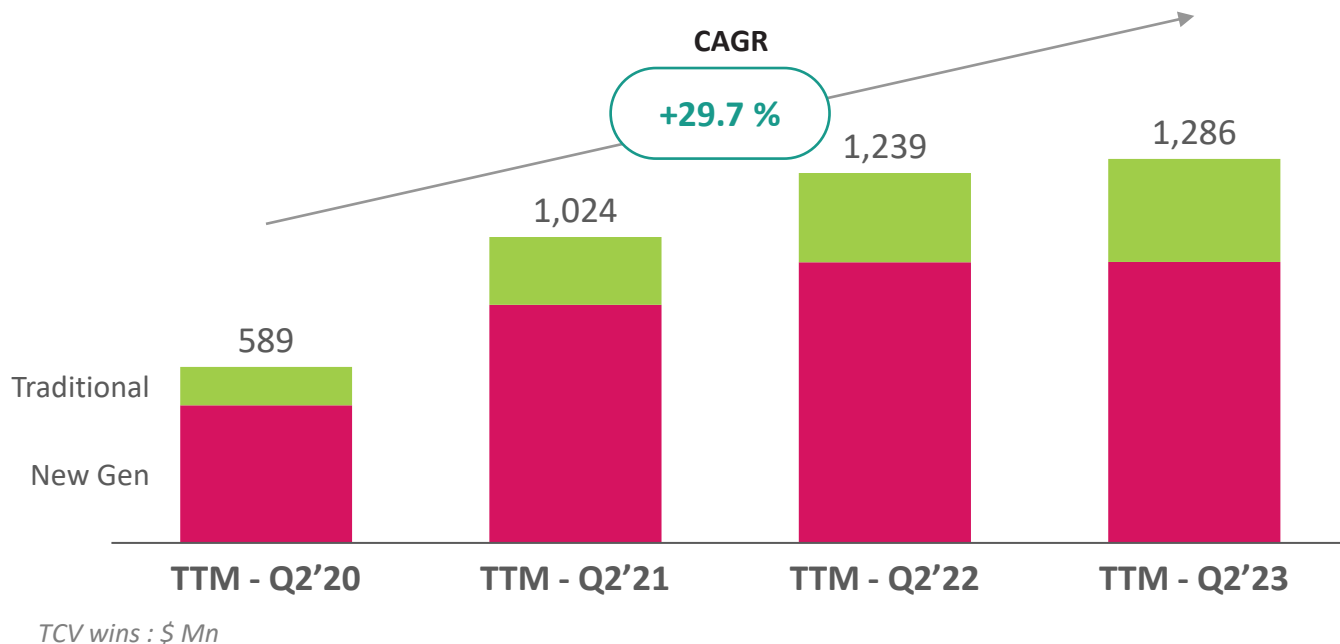
- **Focus on composability** to bring in scale, speed and domain
- **Archetype mode of selling**
 - *Building reusable components*
 - *Repeatability & Scale*
 - *Solution to delivery framework*
 - *Quicker estimation & risk models*
 - *Transformation program office*
- **Shortening response time** increases deal velocity keeping pipeline robust despite large win closures



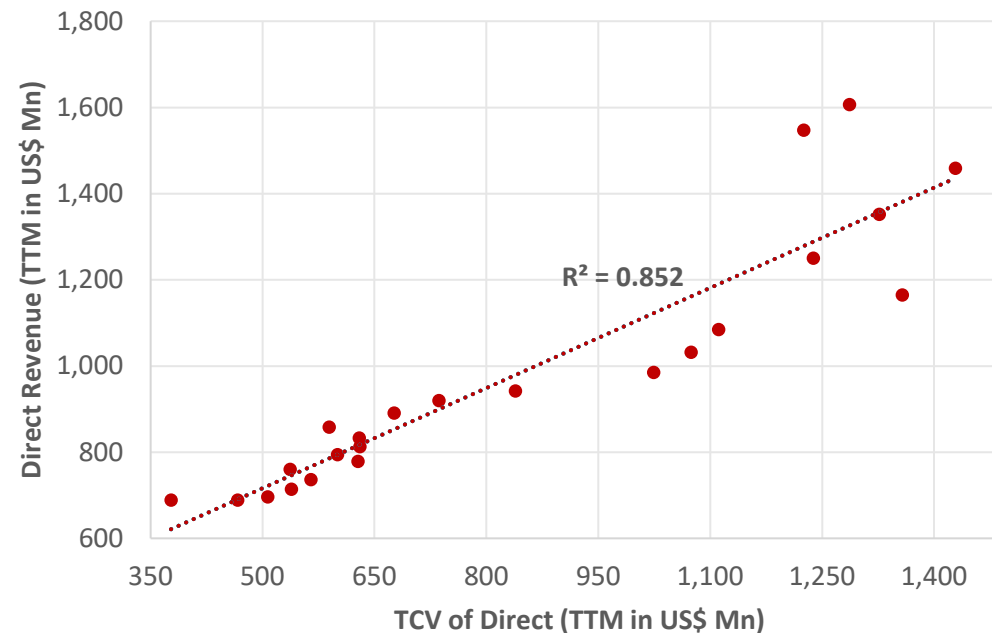


Direct TCV Remains Robust

Direct TCV Wins



Direct: Revenue vs TCV – Strong Correlation



- TCV wins of \$302M for Q2'23; Consistently maintaining run-rate of \$300MN TCV wins per Quarter
- ~81% of Q2'23 deal wins in New Gen areas

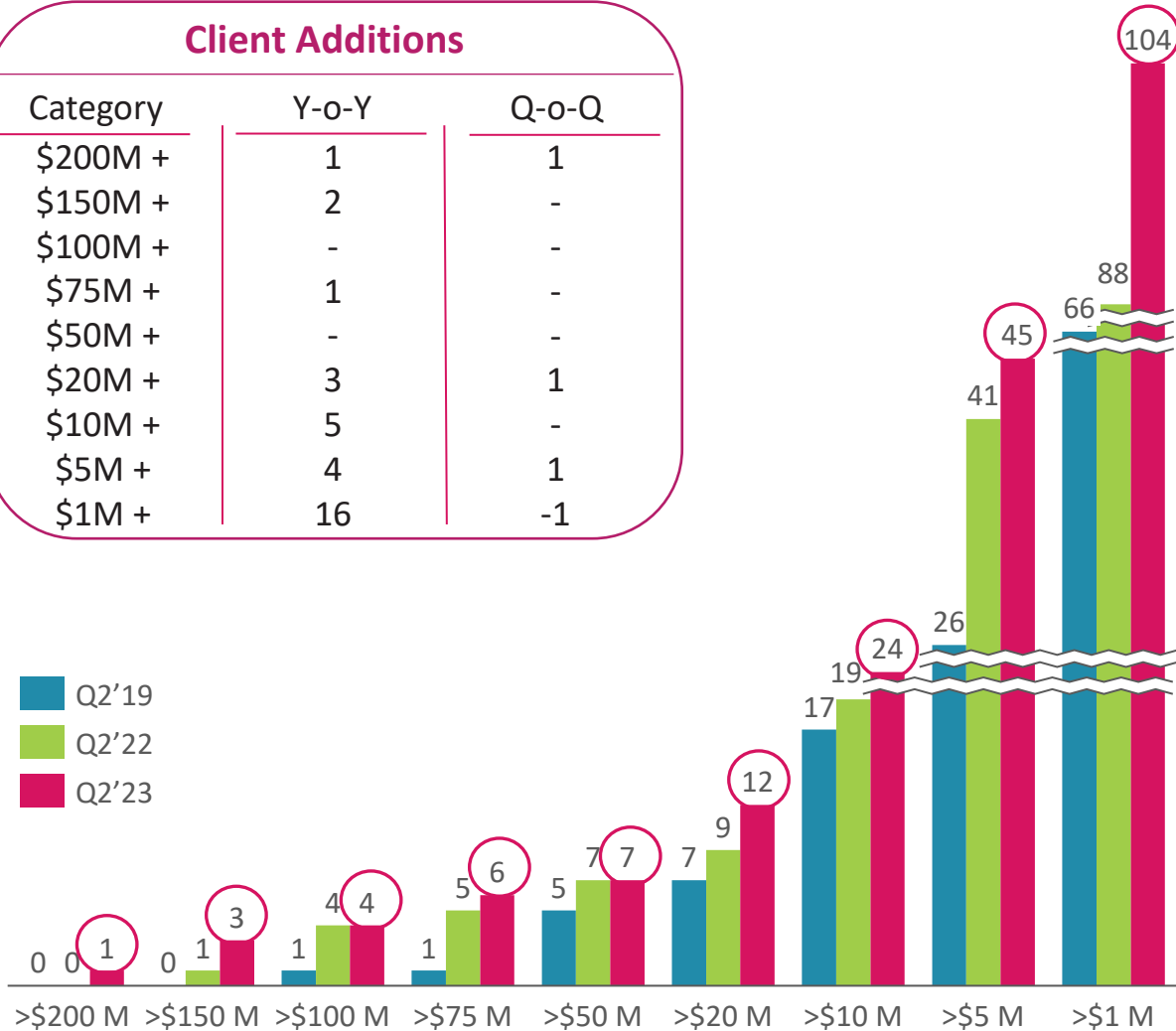


Improving Client Mining and Large-deal Metrics: Direct

Client Pyramid

Client Additions

Category	Y-o-Y	Q-o-Q
\$200M +	1	1
\$150M +	2	-
\$100M +	-	-
\$75M +	1	-
\$50M +	-	-
\$20M +	3	1
\$10M +	5	-
\$5M +	4	1
\$1M +	16	-1



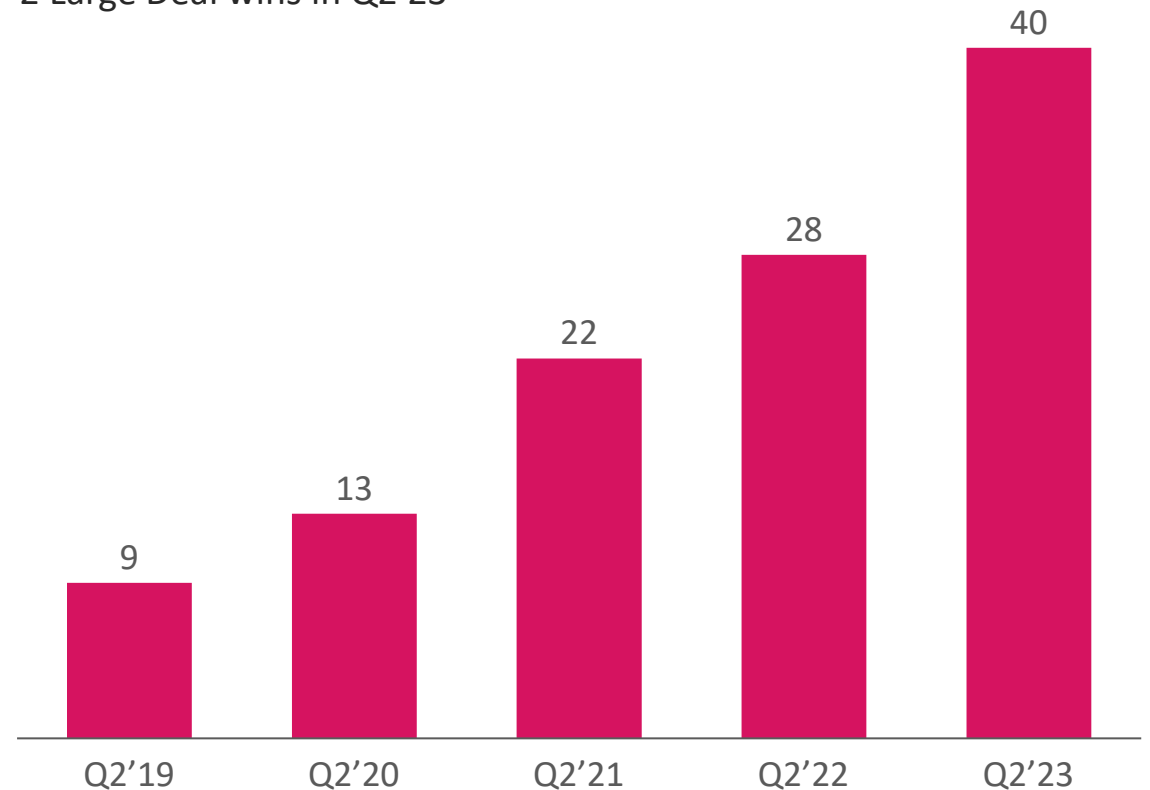
Focus on winning large-deals (>\$20M TCV)

of cumulative deal wins since Q1'18

Large Deal wins has accelerated:

12 Large deals in the past 1 year compared to 6 in the previous period

2 Large Deal wins in Q2'23

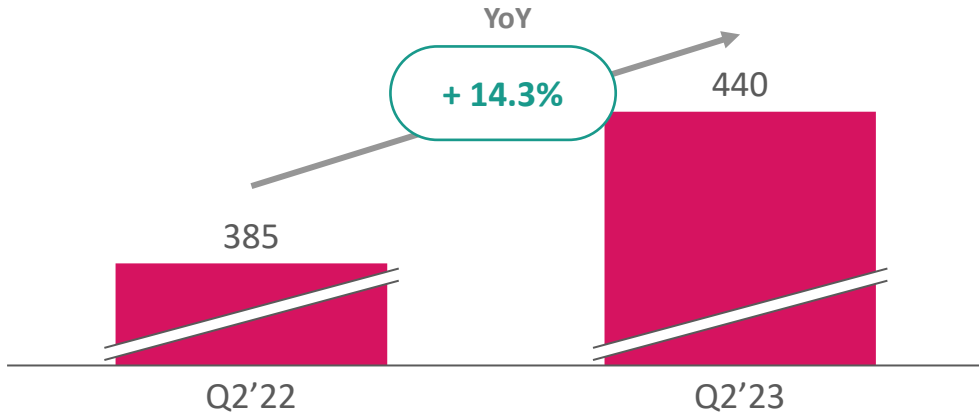


Note: All metrics based on LTM revenues



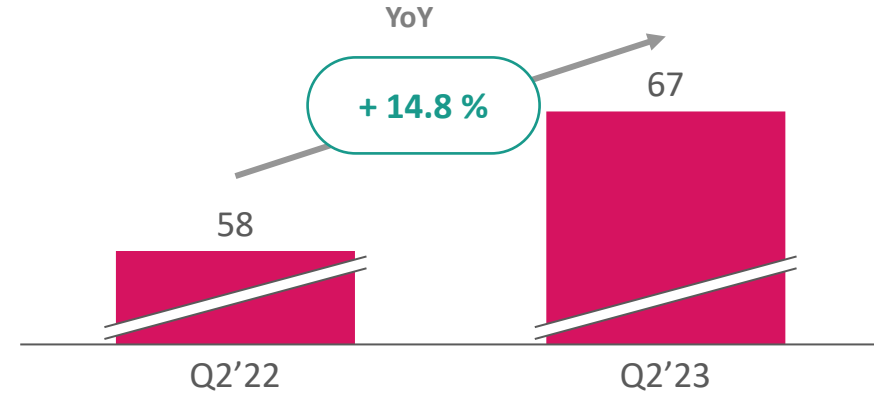
Strong Performance in All Financial Metrics

Revenue Growth



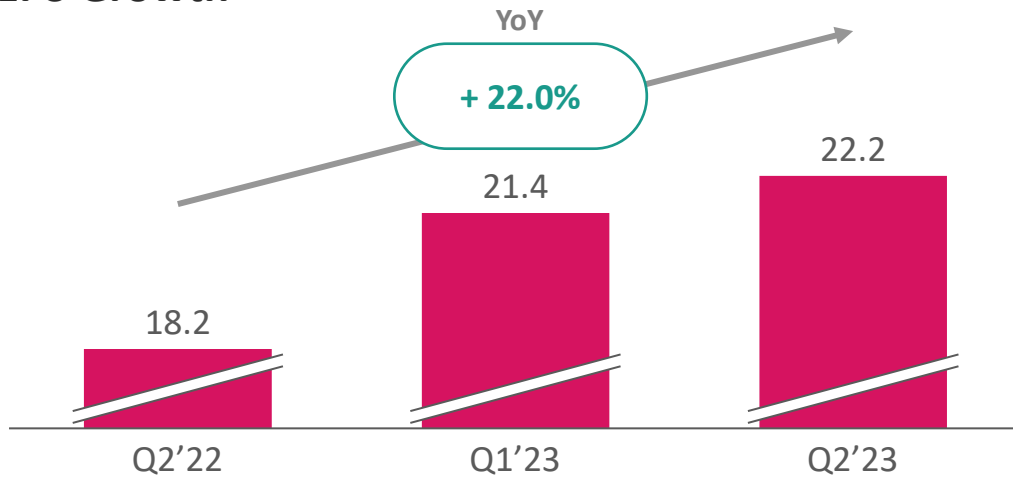
Gross Revenue in \$M at average USD/INR rate for respective periods

Operating Profit Growth



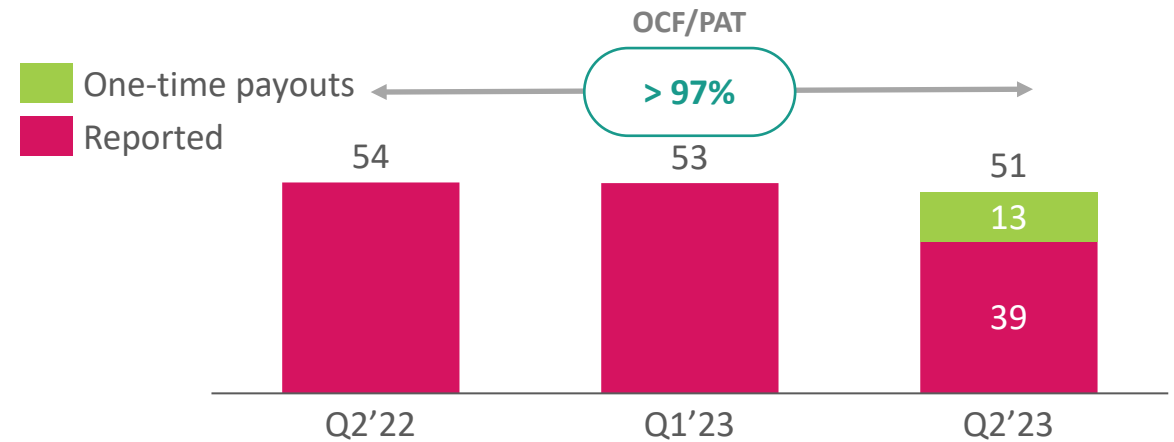
EBIT in \$M at average USD/INR rate for respective periods

EPS Growth



Basic EPS in INR for respective periods

Consistent Operating Cash Flow Generation



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

The 4 Pillars of our Growth Strategy

1 Capability Expansion

Repeatability with Deal Archetypes

Accelerate Hyperscaler Strategy

2 Vertical Focus

Full stack in core verticals

Next Set of Verticals

3 Geo Expansion

Continued investment in focus geos

Focus Areas

4 Account Specific Playbook: *A pillar added to weather the current macro environment*

Leading the Client- Proactive Deal Motion

Shift from Run to Change

Cost Take out Motions

Act 'NOW' to gain wallet share

Protect the Core



In Summary ...

- Direct growth is 19.2% in Q2'23; growth impacted by mortgage slowdown and furlough
- **Multiple KPIs moving in the right direction** with our tribe-based propositions paying off:
 - Track record in winning large deals sustained with two large deals in Q2'23 (US\$110 mn)
 - Continued share gains with key clients; Strong Top-5/Top-10/Top-20 client LTM growth, Diversification of growth with client mining metrics across revenue buckets consistently strengthening with strong NCA growth
 - Majority of our pipeline is tribe-driven and is up 18% QoQ
- **Capacity build-up (using the pyramid)** aligns with demand visibility and in line with our strategy of supply side transformation; Q2'23 exit utilization is ~400 bps higher than Q2'23 average
- **Growth-accretive margin stance ensures predictable margin performance in the stated band** while providing room to make essential investments and managing supply headwinds
- Convergence of headwinds such as macro economic / political factors in the post pandemic era induces uncertainty



Outlook for FY 2023

- **Continued growth focus in uncertain macro**
 - Good operating metrics in Q2 (Application centric growth)
 - Continuing market-share gains with clients across tiers and verticals
 - Select pockets of weakness; supported by continued strong pipeline across broad set of clients
 - Expansion of the addressable market with competency build-up (including M&A) and market expansion
 - Account centric growth strategy continues to yield desired results
- **Target operating (EBIT) margin band of 15.25-17% through all four quarters of FY23**
 - Continue to invest in consolidating positions in select growth accounts

Q&A

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



Awards & Recognitions: Q2 2023



Everest Group
PEAK MATRIX MAJOR CONTENDER

Financial Crime And Compliance FCC Operations – Services PEAK Matrix® Assessment 2022

HFS TOP 10

Ranked 4 - HFS Top 10: Capital Markets Services, 2022 – Formidable Challengers

HFS TOP 10

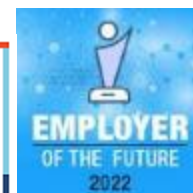
Ranked 13 – HFS Top 10: Cybersecurity Service Providers, 2022

HFS TOP 10

Ranked 17 – HFS Top 10: HCP Service Providers, 2022

Everest Group
PEAK MATRIX MAJOR CONTENDER

IT Security Services PEAK Matrix® Assessment 2022 – North America



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PEAK MATRIX MAJOR CONTENDER

System Integration (SI) Capabilities on Microsoft Azure Services PEAK Matrix® Assessment 2022



GARTNER

Cool Vendors in Quantum Computing

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System Integration (SI) Capabilities on Amazon Web Services (AWS) PEAK Matrix® Assessment 2022

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Multi-cloud Application Development Services PEAK Matrix® Assessment 2022

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Data And Analytics D&A Services PEAK Matrix® Assessment 2022

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Connected Medical Device Services PEAK Matrix® Assessment 2022