

21 July 2023

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 on 21 July 2023 at 8.30 AM (IST) in connection with the results of the Company for the quarter ended 30 June 2023.

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

Strategy in Execution, Powered by AI: Q1 FY24

Nitin Rakesh

CEO & Managing Director

Manish Dugar

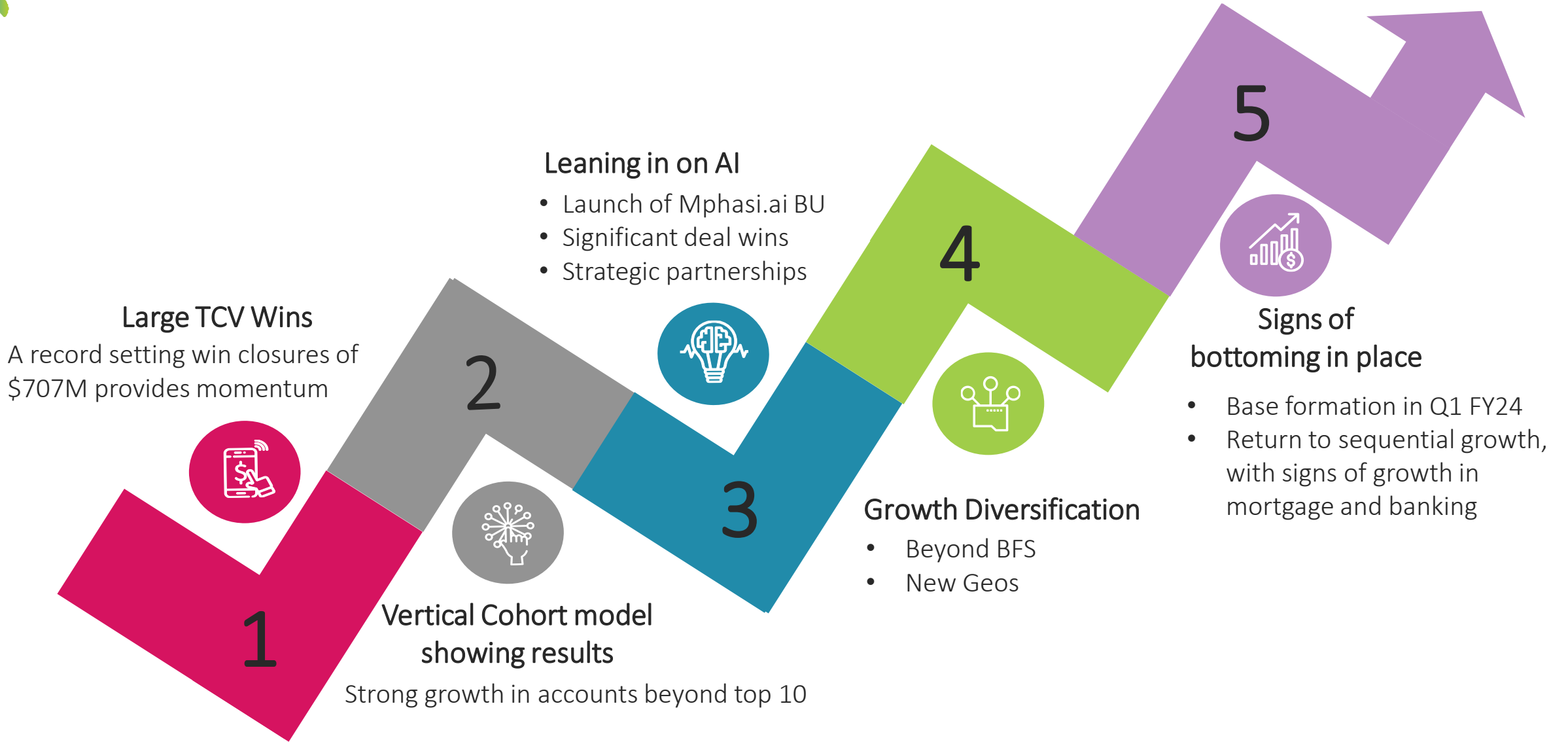
CFO



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.



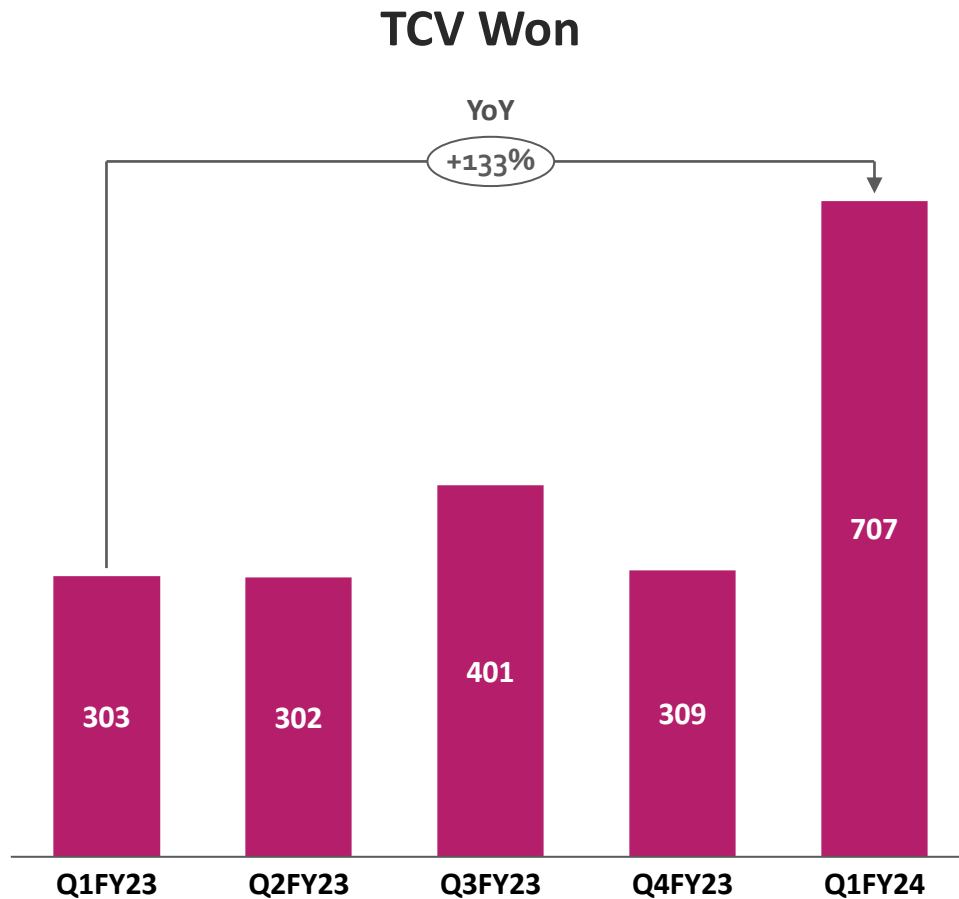
Highlights of Q1 FY24: Broad Basing the Growth



Continued strength in pipeline and strong deal wins



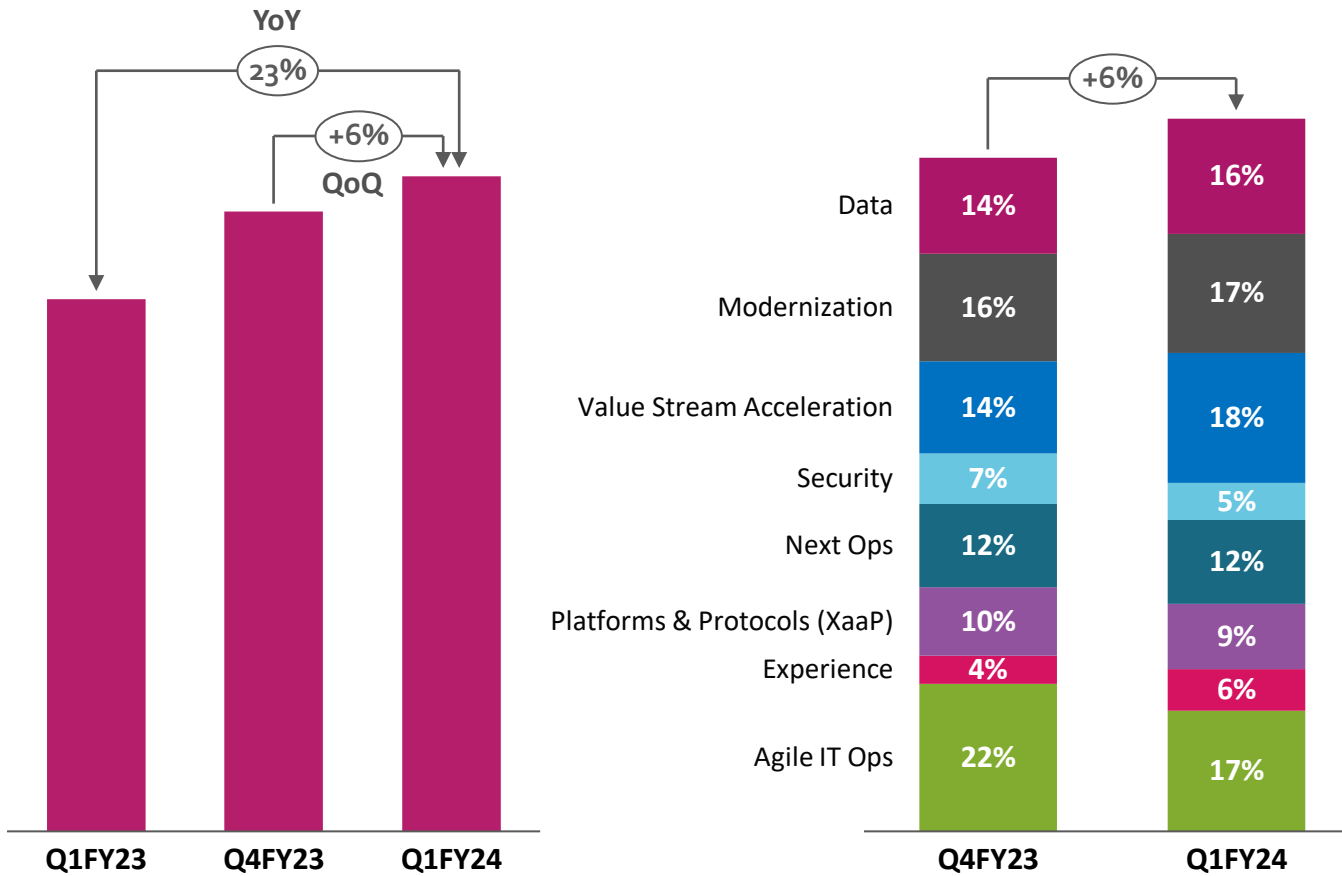
Highest Ever TCV Wins of \$707M: Building Positive Momentum



- TCV wins this Quarter > 2X of average wins in past 4 Quarters
- 7 large deal wins
 - 4 deals > \$100M each
- 1/3rd TCV won in pure AI deals
- Majority of growth in TCV from verticals outside BFS
- Significant no. of wins beyond top 10 accounts: shows our vertical cohort strategy is working
- Strong growth in Canada
 - 1 large deal > \$40M
 - TCV wins 10X of Quarterly Run Rate



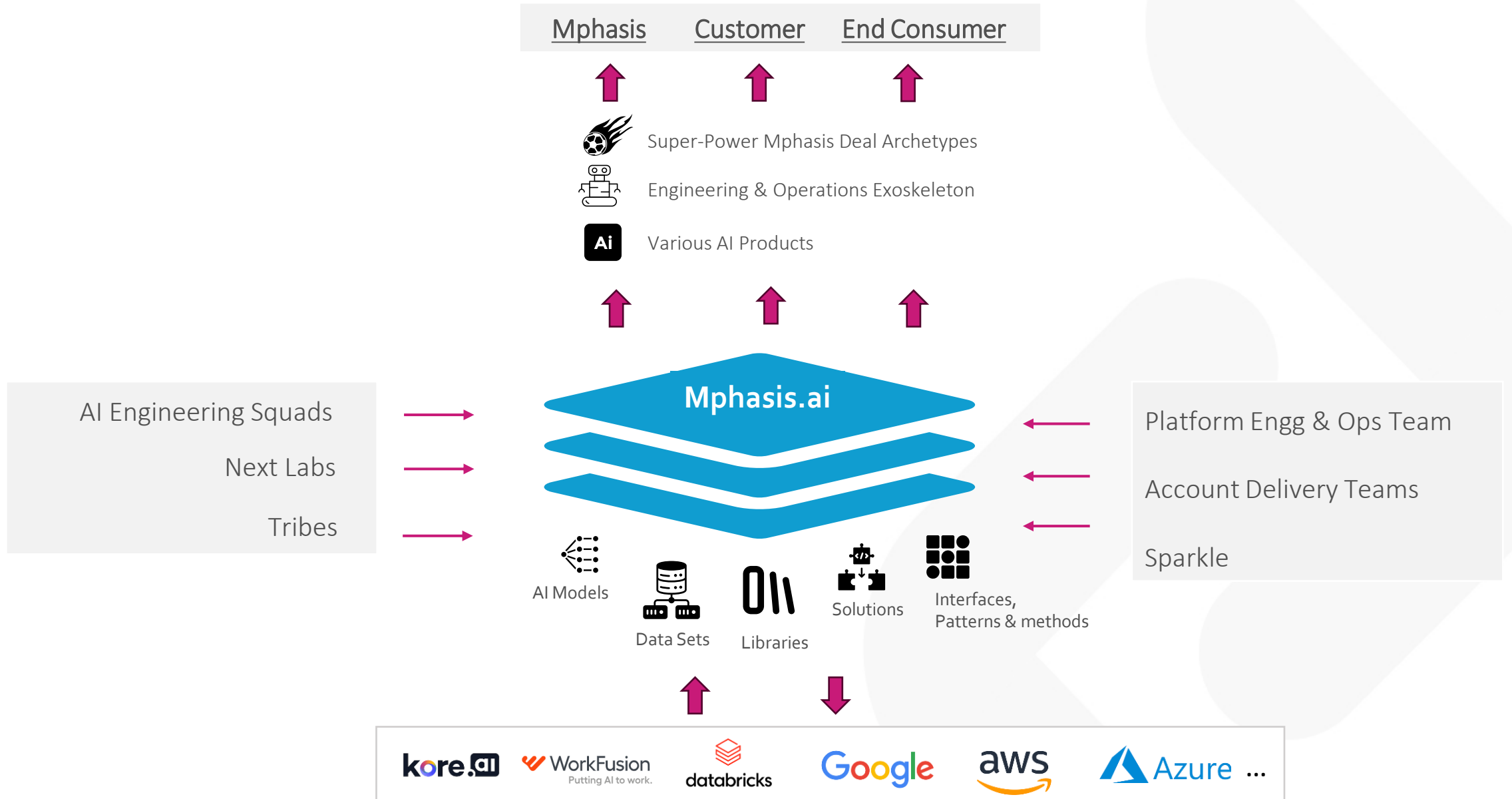
Pipeline in Q1 FY24: Remains Healthy Despite Strong Deal Wins



- Broad based pipeline growth across all chosen verticals with healthcare pipeline leading with 63%
- BFS pipeline up 28% YoY
- 65% of pipeline continues to be application centric and has grown 30%
- Accelerated GTM activity in AI, building a strong deal inflow engine for future
- Canada pipeline grew 5X



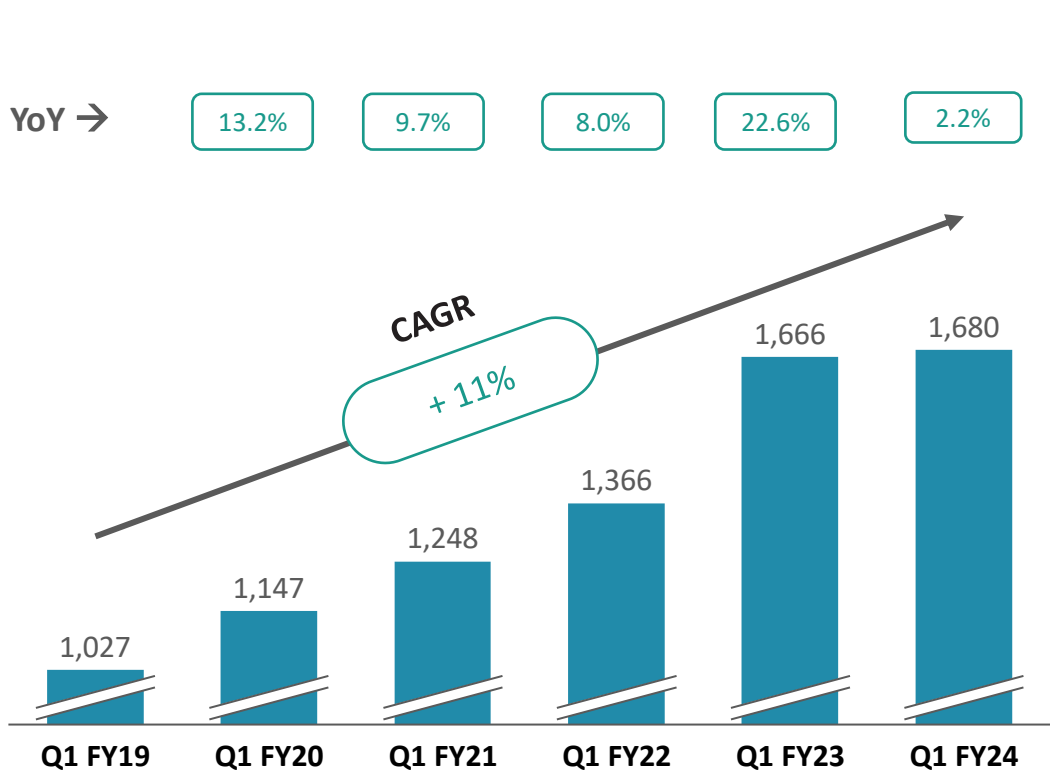
Dedicated AI Business Unit: Leading to TCV Wins and Strong Pipeline



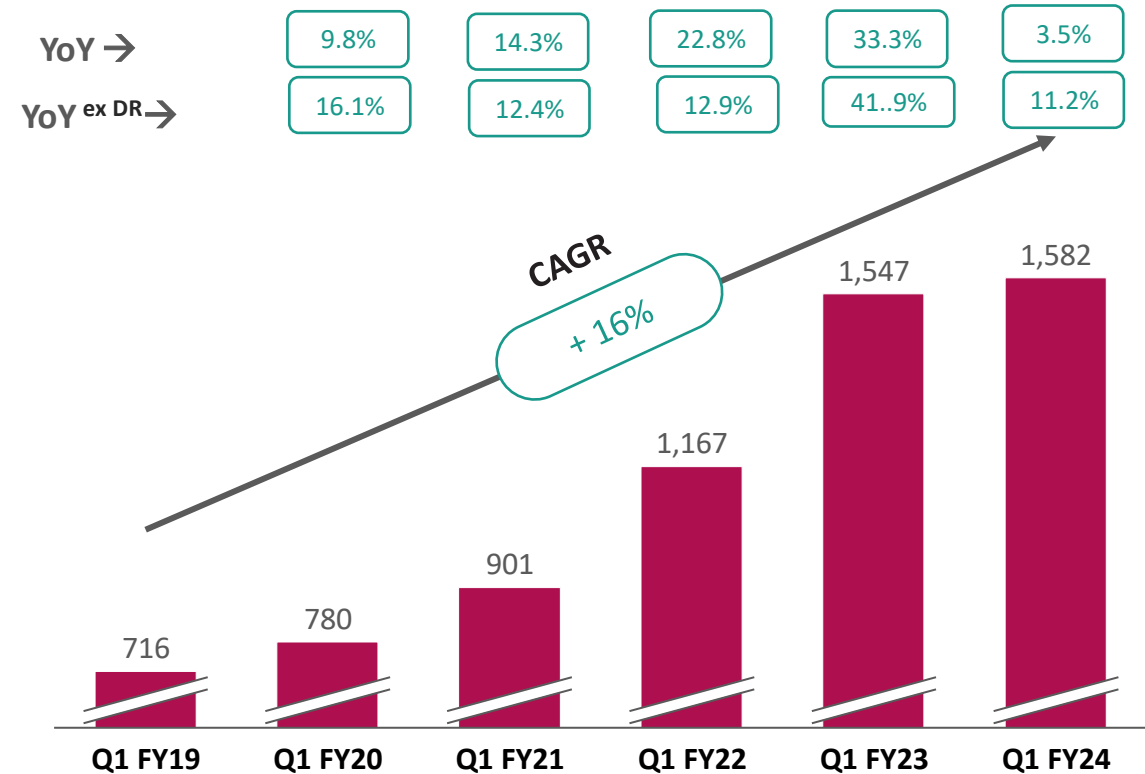


Mphasis Performance: A Snapshot

Overall Growth



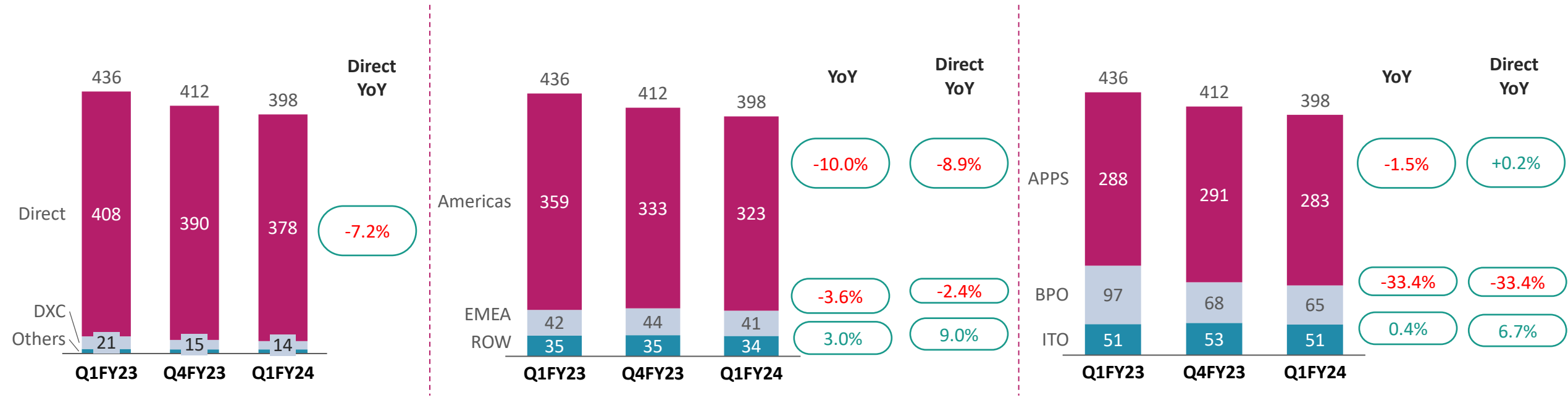
Growth with larger scale in Direct



Revenue in \$M, LTM at average USD/INR rate



Q1 FY24 Performance by Segment: Macro Overhang



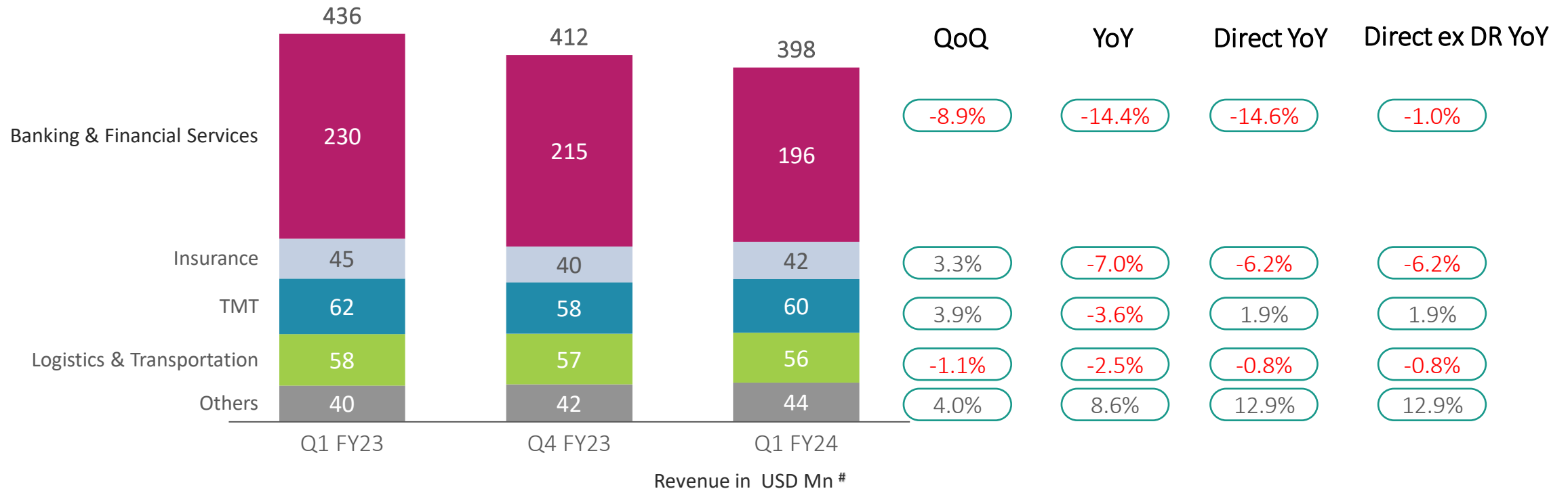
Revenue in USD Mn #

Direct performance in Q1 FY24

- Short term impact on performance due to weakness in banking sector
- TCV wins and pipeline continued to remain strong
- Short term pressure on discretionary spends impacting the APPS segment



Performance by Vertical: A Quarterly View



- BFS: Impacted by overall sluggishness due to regional banking crisis and decline in mortgage segment
- Supplemented by new engines of growth –TMT & Healthcare

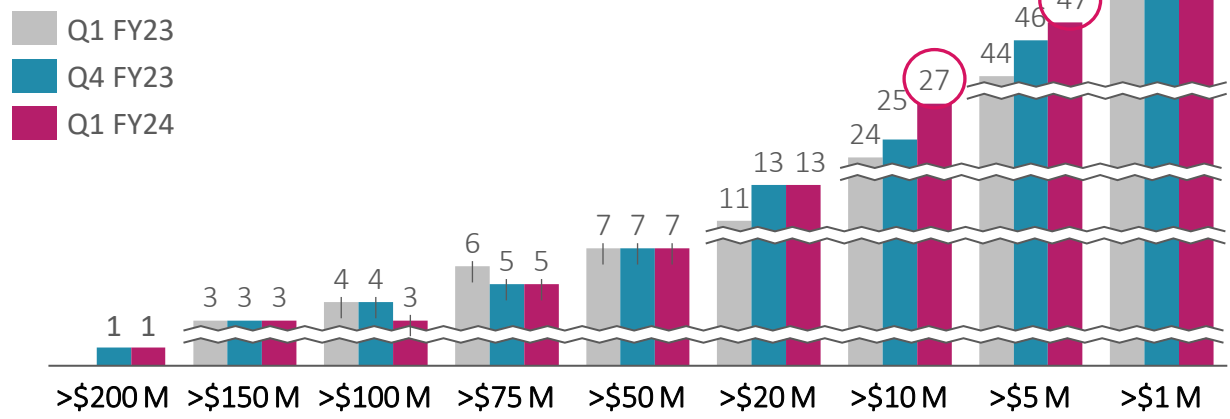


Performance by Client Pyramid: Direct

Client Additions

Category	YoY	QoQ
\$200M +	1	-
\$100M +	(1)	(1)
\$75M +	(1)	-
\$20M +	2	-
\$10M +	3	2
\$5M +	3	1
\$1M +	8	1

Clients in \$100M+ & \$75M+ affected due to mortgage softness



Overall

Q1 FY24 YoY decline of 7.2% in Direct revenues, QoQ decline of 3.2%

Top 10

Top 5 accounts declined 2% YoY, mainly affected by the mortgage softness.

Top 6 – 10 accounts were flattish (-0.3%) YoY, despite the regional banking crisis in the early part of the quarter

Continued wallet share gains in top 10

Accounts 11-20

Top 11-20 accounts: Grew at 12.7% YoY – success in improving our client mining

NCA

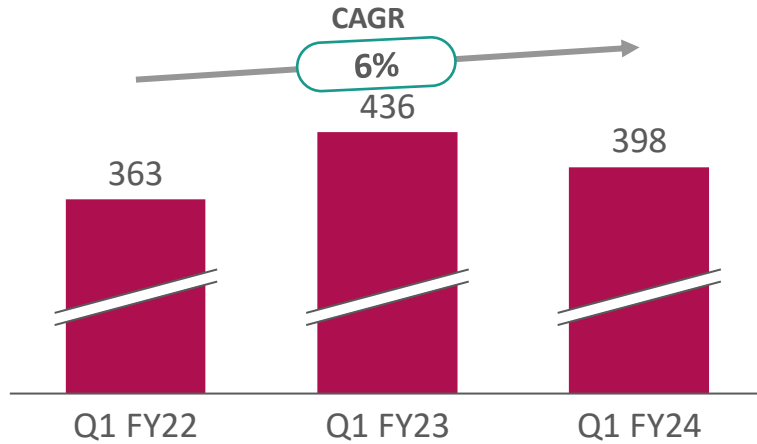
NCA continues to lead growth in Direct; YoY growth of 10%

*All metrics based on LTM revenues
Revenue growth in Constant currency*



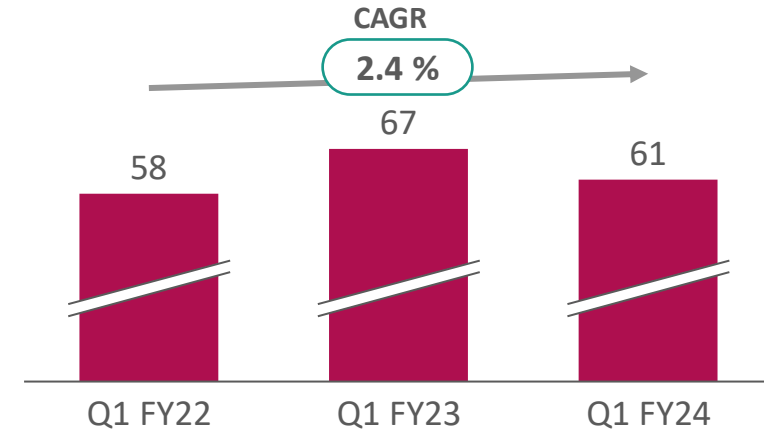
Performance in Financial Metrics

Revenue trend



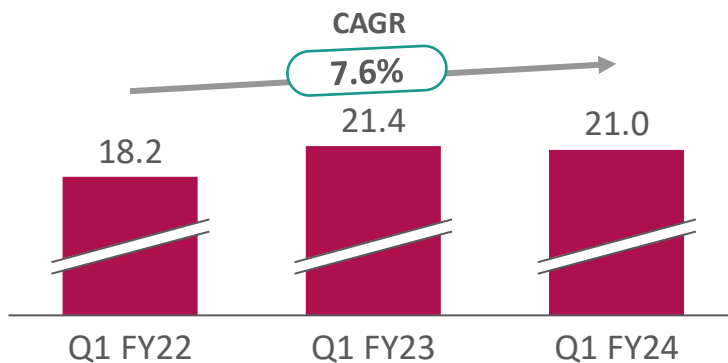
Gross Revenue in \$M at average USD/INR rate for respective periods
Revenue growth in constant currency

Operating Profit Trend



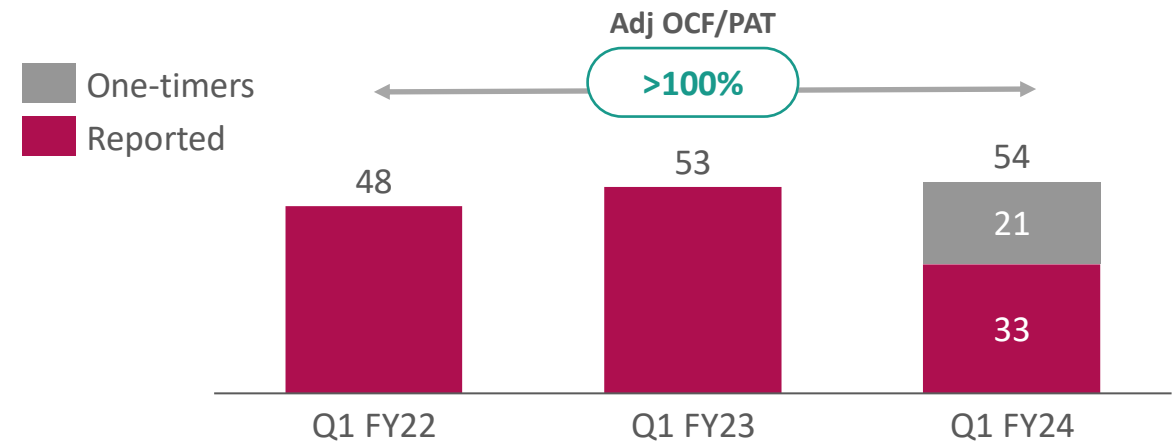
EBIT in \$M at average USD/INR rate for respective periods

EPS Trend



Basic EPS in INR for respective periods

Cash Flow Generation



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



Q1 FY24: In Summary

- Bottoming out of revenue
 - Visibility from highest-ever TCV closures (\$707M)
 - Stability of DR and DXC
- Diversification of TCV/Pipeline beyond BFS and non-Top 10 clients while BFS pipeline also grew 28% YoY
- AI-centric deal propositions paying off (inc. large deals) accounting for nearly 1/3rd of total TCV in Q1 FY24
 - Driving acceleration with Mphasis.ai business unit
 - Key partnerships in place
- Our market share continues to strengthen with key clients
- Delivered expanded margin despite revenue challenge
 - Focus on utilization and productivity
 - Focus on driving offshore leverage



Outlook

- **Focused on Micro in an uncertain Macro**
 - Strong pipeline entering FY24 led by AI, Cloud & Transformation deals
 - Outlook in BFS still uncertain though early green shoots visible
 - Growth in Direct will be back-ended with sequential growth accelerating through remainder of FY24
 - Mortgage segment bottomed out with signs of volume pick up in recent days and stability across segments
 - DXC – revenue stability visible
- **Target operating (EBIT) margin band of 15.25% - 16.25% through all four quarters of FY24**
 - Northward bias to margins in coming Quarters
 - Focus on productivity, efficiencies and offshore leverage

Q&A

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





Analyst Recognitions : Q1 FY24

Everest Group
PEAK MATRIX™ MAJOR CONTENDER AND STAR PERFORMER
 Application Automation Services
 PEAK Matrix® Assessment 2023

HFS horizons
 Digital Marketing and Sales Service Providers, 2023
 Horizon 2 Enterprise Innovator
 Enterprise-wide Value
 Driving Stakeholder Experience
 Mphasis

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 Enterprise Blockchain Services PEAK Matrix® Assessment 2023



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 Asset and Wealth Management IT Services PEAK Matrix® Assessment 2023

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 Healthcare Payer Operations PEAK Matrix® Assessment 2023

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 Intelligent Process Automation (IPA) PEAK Matrix® Assessment 2023