



**Mindtree**

A Larsen & Toubro Group Company

# Analyze • Reimagine • Transform

Mindtree Investor Presentation & Factsheet for Q2 FY22

# Safe Harbor

This presentation may contain forward-looking statements, which involve risks and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements.

The conditions caused by the COVID-19 pandemic could decrease customer's technology spending, affecting demand for our services, delaying prospective customers' purchasing decisions, and impacting our ability to provide onsite consulting services; all of which could adversely affect our future revenue, margin and overall financial performance. Our operations may also be negatively affected by a range of external factors related to the COVID-19 pandemic that are not within our control. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

# Company snapshot

Leading digital transformation partner with a history of over two decades

**\$1.4B+**

As per Q2 FY22 run rate

**29,000+**

Mindtree Minds

**10+**

Delivery locations

**260+**

active clients

**\$19B**

annual revenue of parent company: Larsen & Toubro

Offices in

**24**

countries

# Imperatives that drive our strategy

**Build on our existing strengths**



**Develop strategic relationships and partnerships**



**Enhance focus on key growth opportunities**



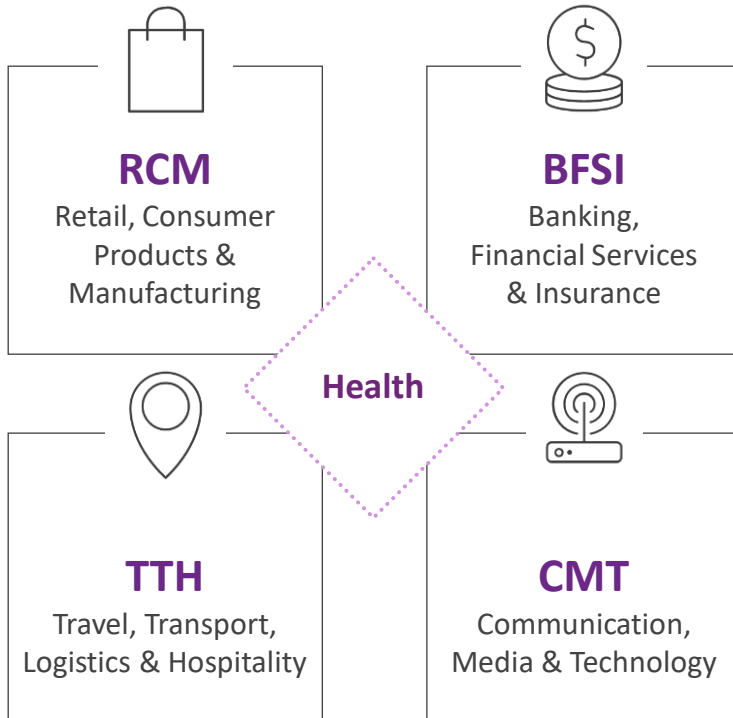
**Continue to Simplify, Differentiate and Change**



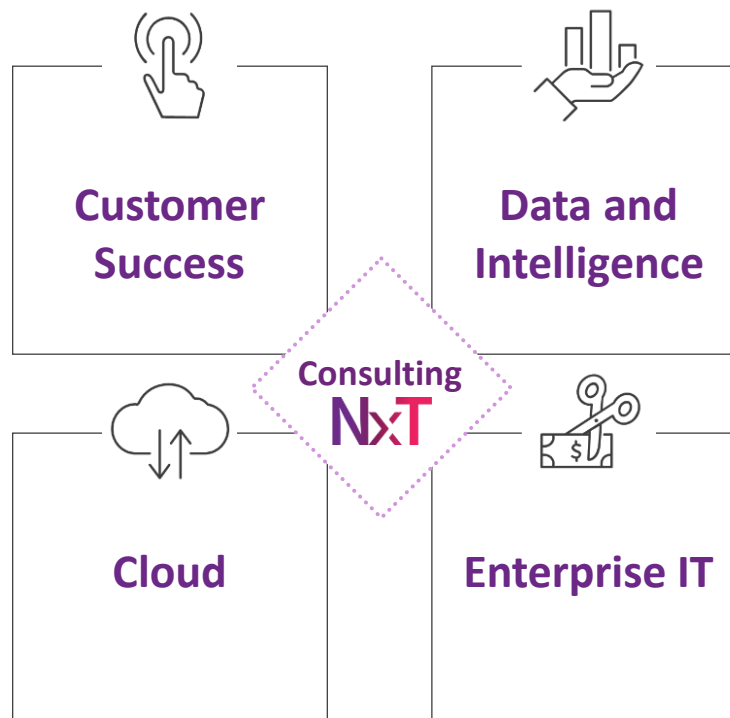
# Strategy for profitable growth

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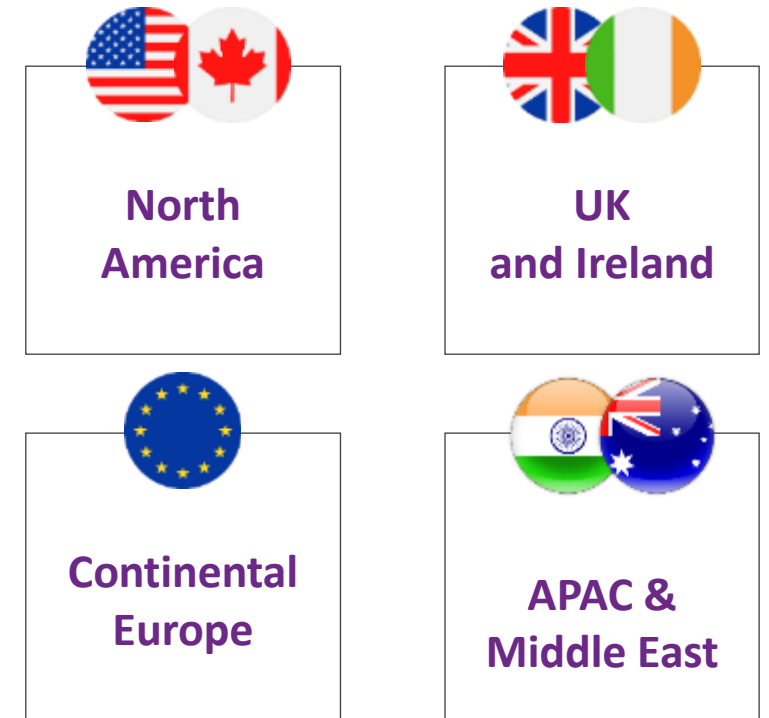
## INDUSTRY GROUPS



## SERVICE LINES



## GEOGRAPHIES



# Q2 FY22 Financial Highlights

PROFITABLE GROWTH : 12.7% QoQ and 34.1% YoY highest revenue growth in a decade



**\$350.1M**

Revenue

**20.5%**

EBITDA

**18.2%**

EBIT

**15.4%**

PAT

**₹24.2**

EPS +16.1% QoQ, +57.1% YoY

## HEALTHY ORDER BOOK



**\$360M**

Annuity &  
Transformational

## ROBUST BROAD-BASED GROWTH

**\$1B** revenue run-rate in North America

**\$250M** revenue run-rate in UK & Europe

**\$100M** revenue run-rate in APAC & ME

## RESILIENT BALANCE SHEET

**\$376.9M**

Cash & Cash Investment

**41.7%** ROCE\*

**34.2%** ROE\*



# All-round performance for the quarter

|         |                 |              |   |
|---------|-----------------|--------------|---|
| REVENUE | <b>\$350.1M</b> |              |   |
|         | Q-o-Q           | <b>12.7%</b> | ▲ |
|         | Y-o-Y           | <b>34.1%</b> | ▲ |

|        |                        |         |          |
|--------|------------------------|---------|----------|
| EBITDA | <b>\$71.8M   20.5%</b> |         |          |
|        | Q-o-Q                  | ▲ 14.1% | ▲ 20 bps |
|        | Y-o-Y                  | ▲ 40.2% | ▲ 90 bps |

|      |                        |         |           |
|------|------------------------|---------|-----------|
| EBIT | <b>\$63.6M   18.2%</b> |         |           |
|      | Q-o-Q                  | ▲ 15.5% | ▲ 50 bps  |
|      | Y-o-Y                  | ▲ 46.1% | ▲ 150 bps |

|     |              |       |   |
|-----|--------------|-------|---|
| EPS | <b>₹24.2</b> |       |   |
|     | Q-o-Q        | 16.1% | ▲ |
|     | Y-o-Y        | 57.1% | ▲ |



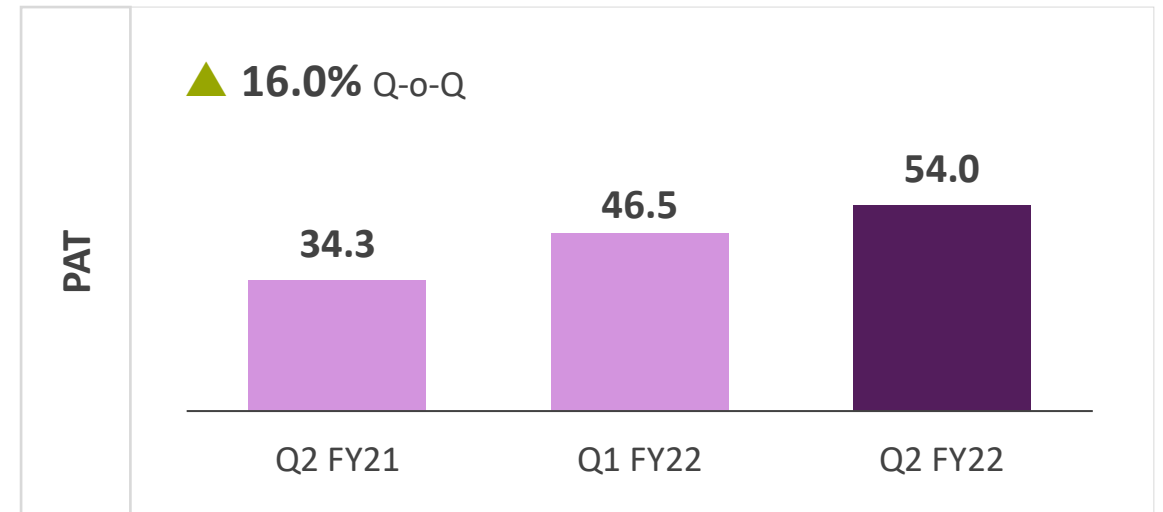
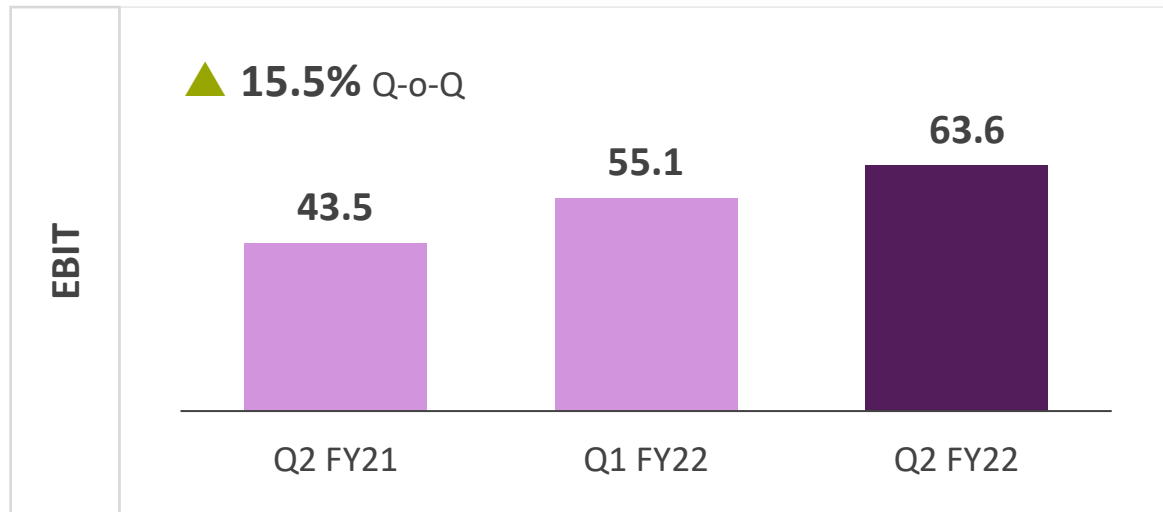
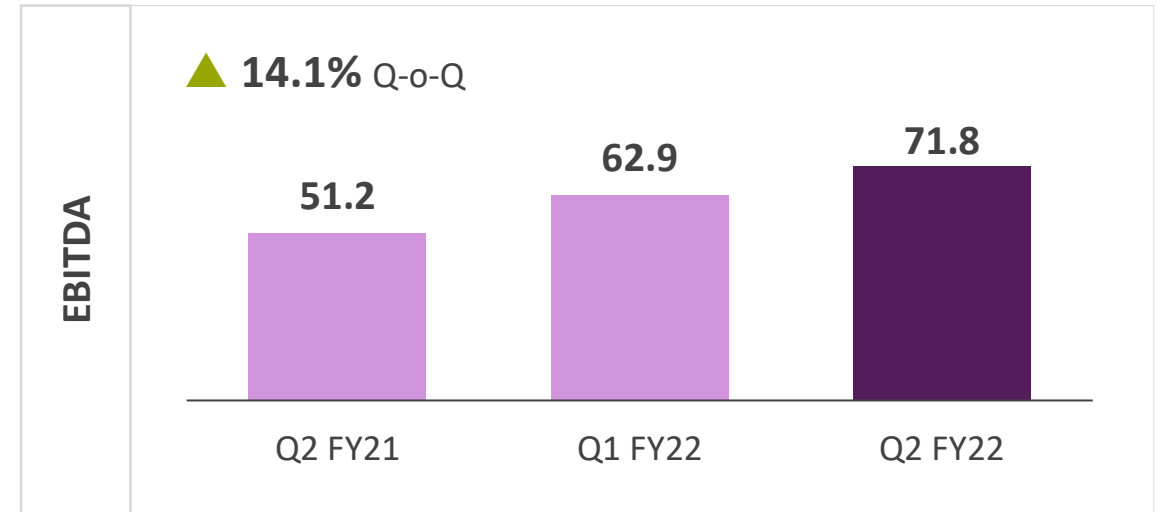
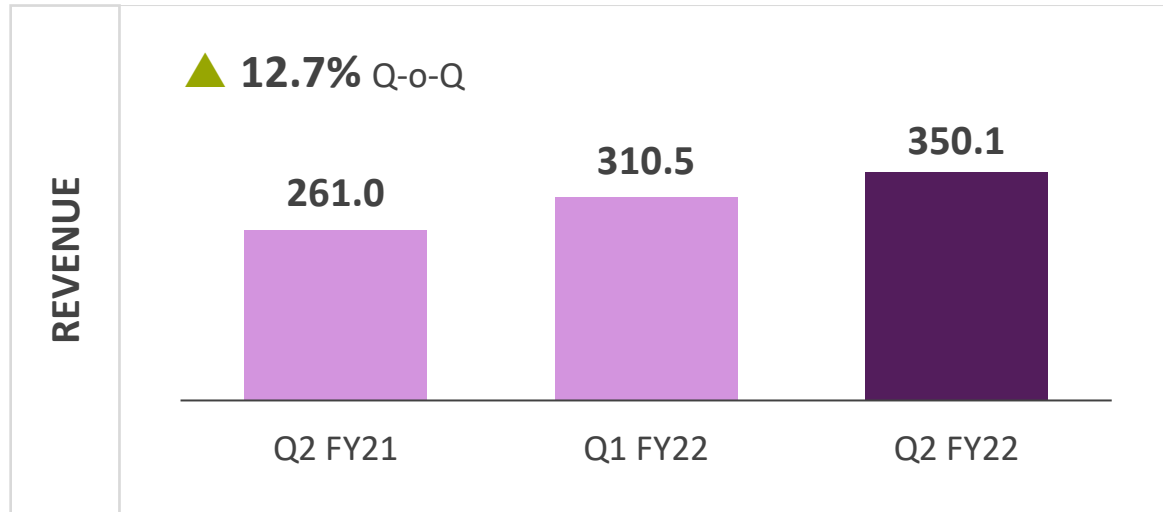
**13.4%**

Q-o-Q CC Revenue Growth

**12.1%**

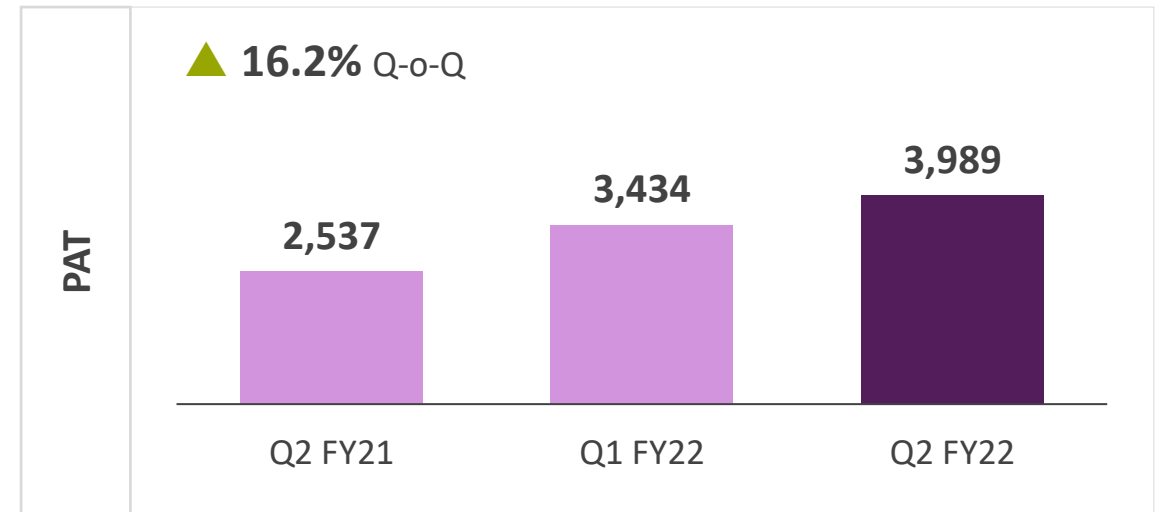
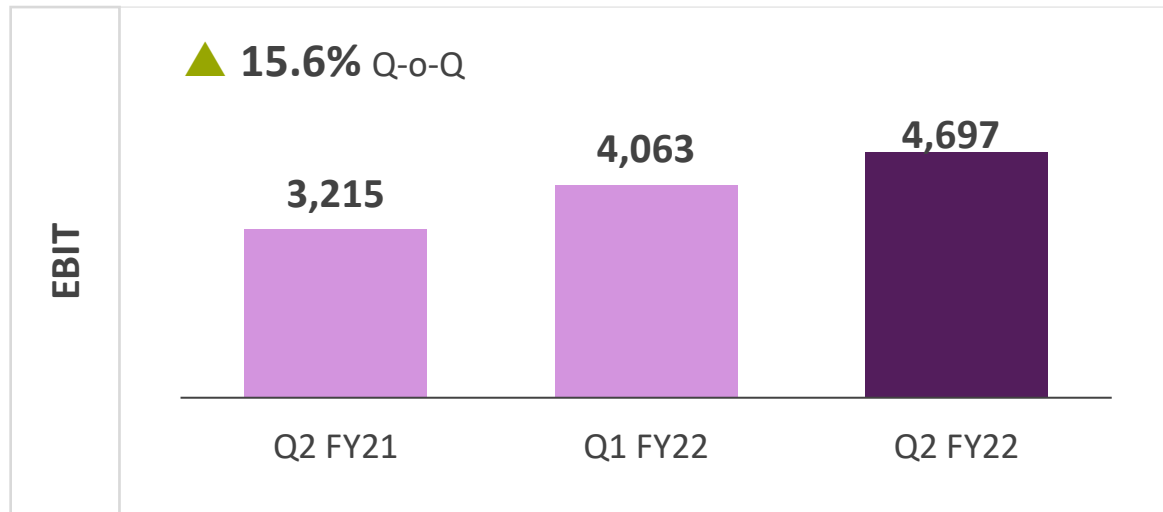
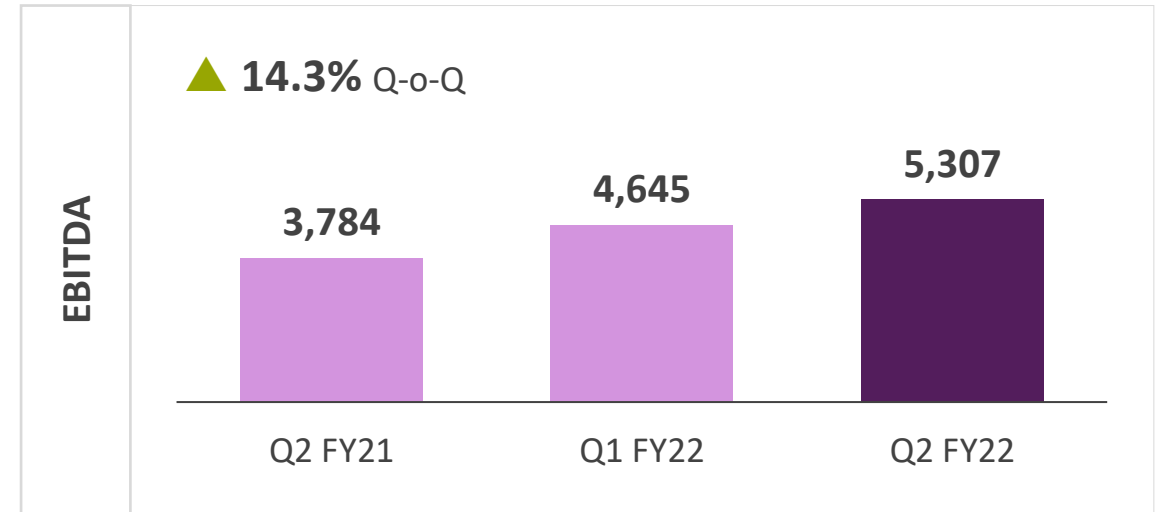
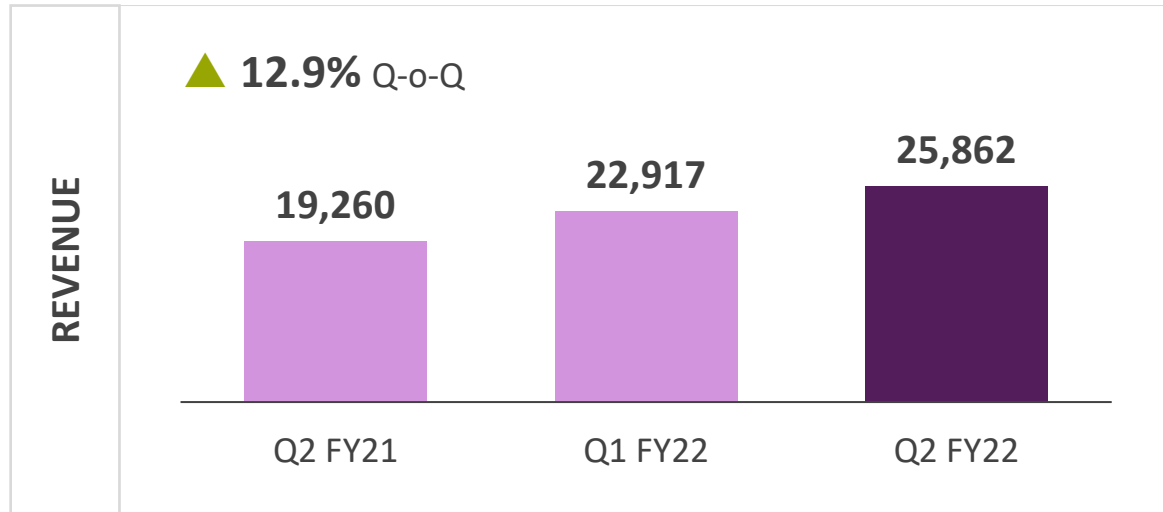
Organic Revenue Growth

# Q2 FY22 financials (USD in millions)










# Q2 FY22 financials (INR in millions)











# Revenue by Industry Groups

| Industry Group Mix<br>(Revenue %)*  |       | Q2 FY21 | Q1 FY22 | Q2 FY22 | Q-o-Q<br>USD Growth | Y-o-Y<br>USD Growth |
|---|-------|---------|---------|---------|---------------------|---------------------|
|    | BFSI  | 20.4    | 18.2    | 17.5    | 8.9% ▲              | 15.5% ▲             |
|    | CMT   | 46.3    | 45.4    | 42.5    | 5.4% ▲              | 23.0% ▲             |
|    | RCM   | 21.2    | 22.1    | 25.4    | 29.7% ▲             | 60.8% ▲             |
|    | TTH   | 11.0    | 13.3    | 13.5    | 14.2% ▲             | 64.1% ▲             |
|  | HCARE | 1.1     | 1.0     | 1.1     | 23.6% ▲             | 30.4% ▲             |

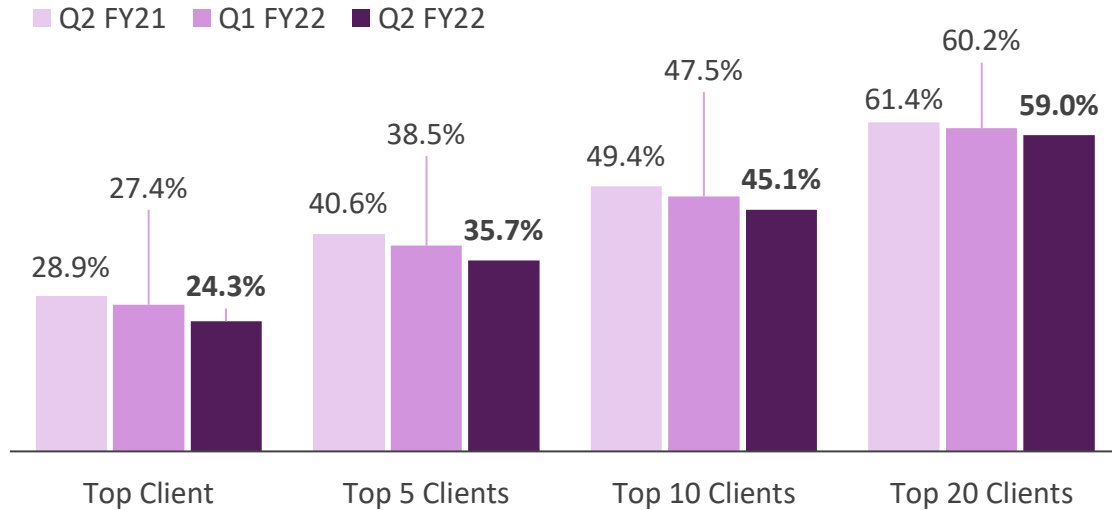
\*A few accounts are re-classified within the industry groups. The comparative numbers have been restated accordingly

# Revenue by service lines and geographies

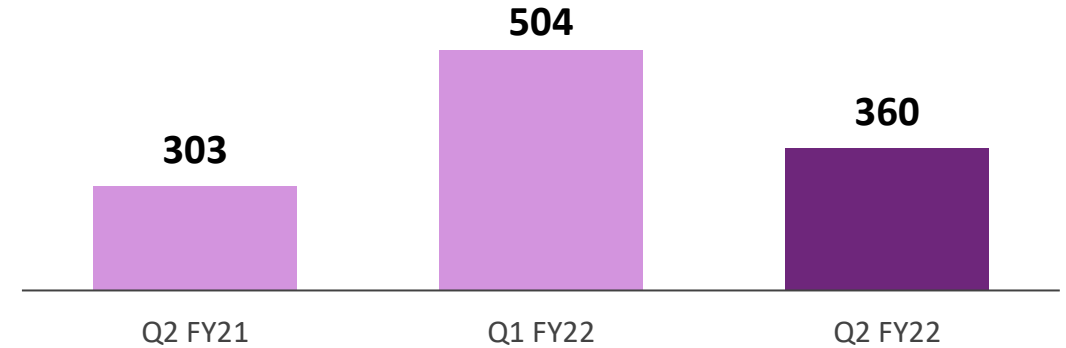
| Service Lines Mix (Revenue %)   |                     | Q2 FY21 | Q1 FY22 | Q2 FY22 | Q-o-Q USD Growth |   | Y-o-Y USD Growth |   |
|---|---------------------|---------|---------|---------|------------------|---|------------------|---|
|    | Customer Success    | 38.9    | 40.0    | 43.2    | 21.9 %           | ▲ | 48.9%            | ▲ |
|    | Data & Intelligence | 14.2    | 15.0    | 14.3    | 7.4%             | ▲ | 35.0%            | ▲ |
|    | Cloud               | 19.0    | 19.9    | 18.7    | 5.9%             | ▲ | 32.2%            | ▲ |
|    | Enterprise IT       | 27.9    | 25.1    | 23.8    | 6.7%             | ▲ | 14.4%            | ▲ |
| Geography Mix (Revenue %)   |                     | Q2 FY21 | Q1 FY22 | Q2 FY22 | Q-o-Q USD Growth |   | Y-o-Y USD Growth |   |
|    | North America       | 77.4    | 76.6    | 72.8    | 7.1%             | ▲ | 26.0%            | ▲ |
|   | Continental Europe  | 7.5     | 8.6     | 8.7     | 14.7%            | ▲ | 55.9%            | ▲ |
|  | UK & Ireland        | 7.9     | 7.6     | 10.9    | 60.5%            | ▲ | 85.1%            | ▲ |
|  | APAC & Middle East  | 7.2     | 7.2     | 7.6     | 20.3%            | ▲ | 42.9%            | ▲ |

# Client composition

## CLIENT CONTRIBUTION TO REVENUE (%)



## TOTAL CONTRACT VALUE (\$In Millions)



## ACTIVE CLIENTS AND NEW CLIENTS

| Clients                  | Q2 FY21 | Q1 FY22 | Q2 FY22 |
|--------------------------|---------|---------|---------|
| Number of active clients | 283     | 260     | 263     |
| New clients added        | 8       | 7       | 7       |

## CLIENT METRICS

| Revenue          | Q2 FY21 | Q1 FY22 | Q2 FY22 |
|------------------|---------|---------|---------|
| \$100 M+ clients | 1       | 1       | 1       |
| \$50 M+ clients  | 1       | 1       | 1       |
| \$20 M+ clients  | 8       | 8       | 8       |
| \$10 M+ clients  | 24      | 25      | 30      |
| \$5 M+ clients   | 43      | 47      | 50      |
| \$1 M+ clients   | 125     | 120     | 127     |

# Healthy deal wins – Mix of annuity and transformational

A large global bank selected Mindtree for a multiyear deal to provide global support to the content and event operations of the marketing function of its asset and wealth management unit



A leading global technology company selected Mindtree to envision and execute a strategic data modernization program



A leading insurance and investment organization selected Mindtree and Duck Creek to drive core transformation and rollout covering a range of products across the US, Canada, Europe, Latin America and Asia-Pacific



A leading European producer of dairy and farming machinery awarded Mindtree a multiyear contract to transform, implement, and support digital workplace services across the globe



One of the world's largest airlines selected Mindtree as their enterprise assurance partner under a multiyear deal to accelerate time-to-market and significantly reduce the total cost of ownership through automation



# Recognition from top influencers

Named a Major Contender in Everest Group's Application Transformation Services PEAK Matrix® Assessment 2021 report



Named a Major Contender in Everest Group's Data and Analytics Services PEAK Matrix® Assessment 2021 report



Achieved the Data Analytics Services Partner Specialization in the Google Cloud Partner Specialization Program



Won Microsoft Teams' Hybrid Work Hackathon 2021; recognized for the fourth consecutive term at Microsoft Teams Hackathon

# Recognition from top influencers



Certified by Great Place to Work® Institute as a Great Place to Work® in India for 2021-22



Recognized by Great Place to Work® Institute as one among India's Best Workplaces™ for Women for 2021 (Top 50 – Large Companies)



Won three Brandon Hall Group Human Capital Management Excellence Awards for 2021 for innovative leadership development, HR data analytics, and employee benefits, wellness and well-being programs

# ESG in focus

## ENVIRONMENT

Achieve **carbon neutrality**

**Green technology** solutions to aid clients in achieving sustainability goals



## SOCIAL

**Ambitious** digital skilling agenda

Increase **% of women** in management

Expand to **diverse talent pools**

## GOVERNANCE

Transparent reporting of **non-financial disclosures**

ESG-linked executive **compensation**

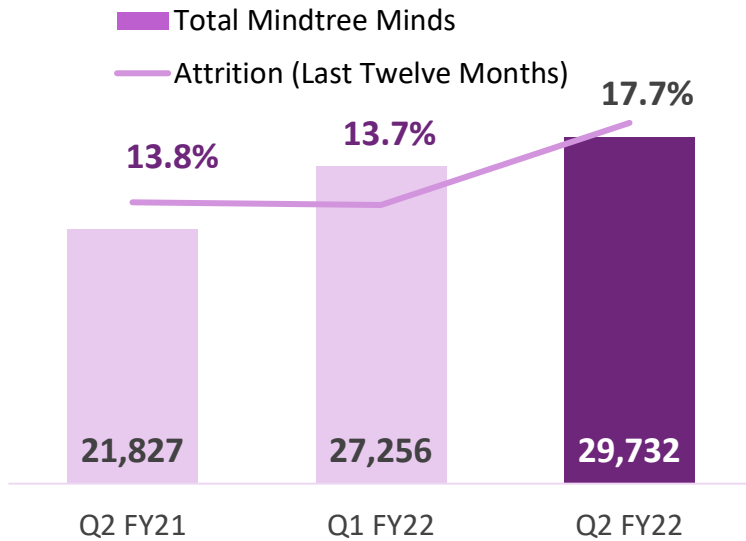
**Employee ethics** and compliance trainings





# Employee metrics

## WORK ETHOS



**>4,400**  
Gross addition in Q2 FY22

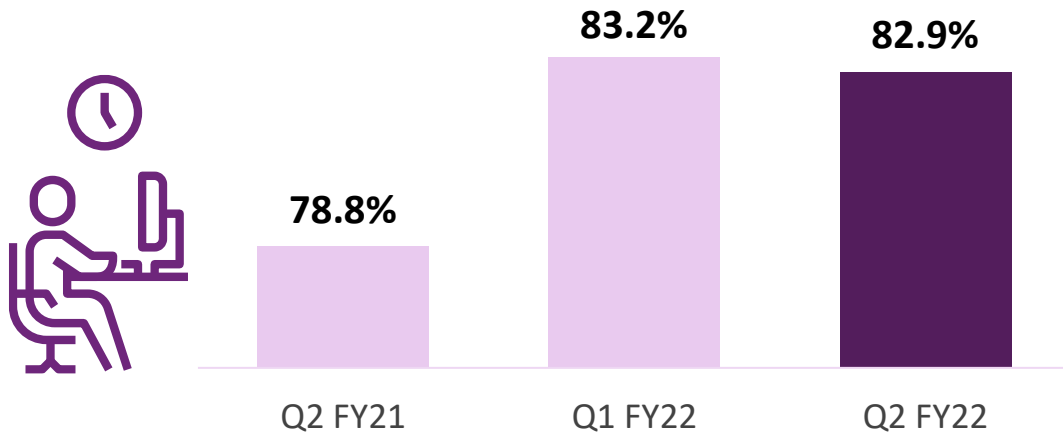
Better access to Future-ready talent is the key reason we are partner of choice

|                        | Q2 FY21 | Q1 FY22 | Q2 FY22 |
|------------------------|---------|---------|---------|
| Software professionals | 20,633  | 25,869  | 28,218  |
| S&M                    | 299     | 325     | 371     |
| G&A                    | 895     | 1,062   | 1,143   |
| Nationalities*         | 82      | 85      | 85      |
| Women employees        | 32%     | 32%     | 32%     |

\* Represents the count of countries to which Mindtree Minds belong

# Employee metrics

## UTILIZATION



## LEARNING AND DEVELOPMENT

**31%**

increase in learning hours  
quarter-over-quarter



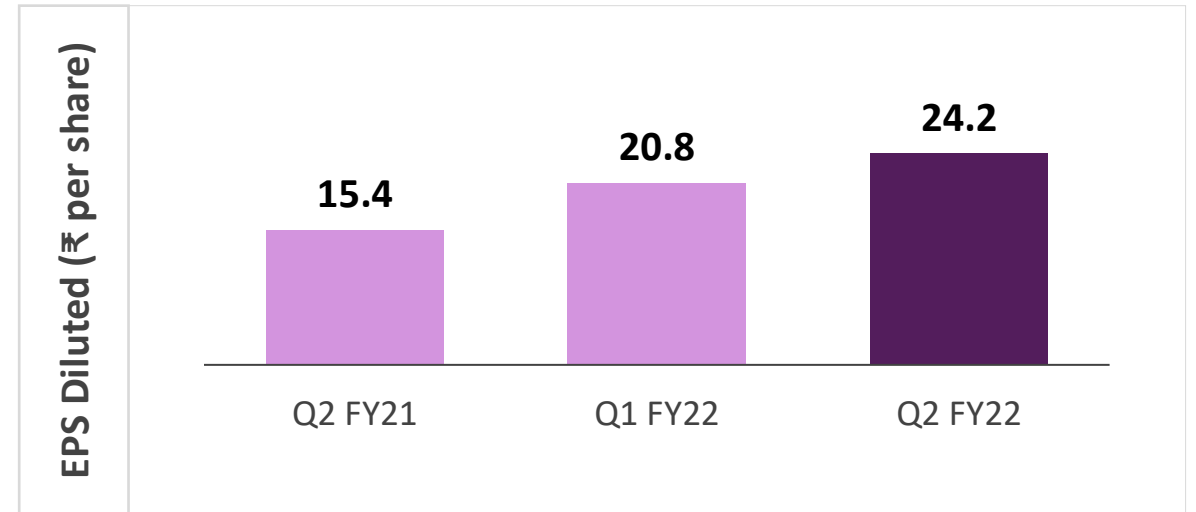
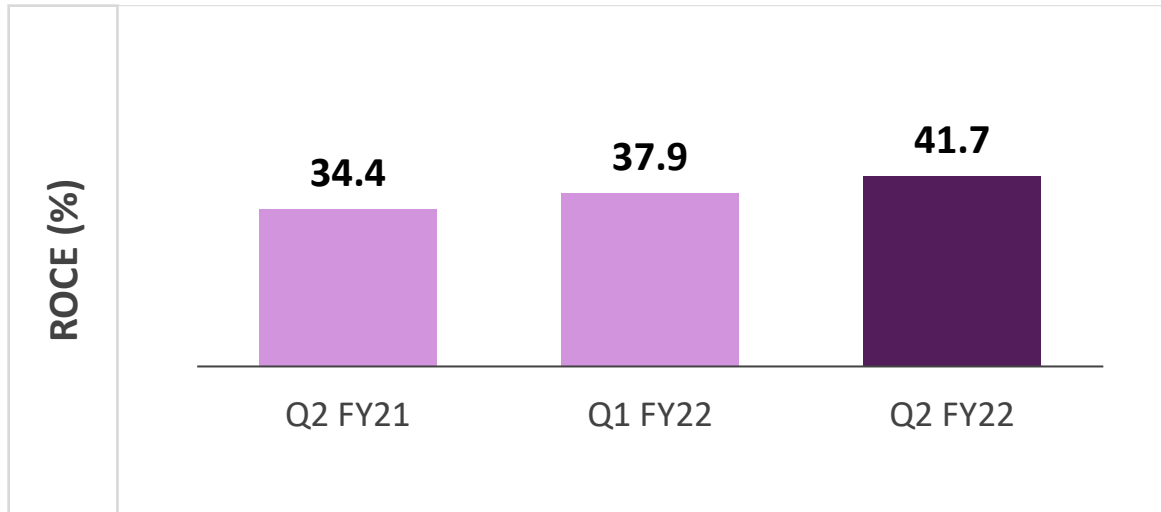
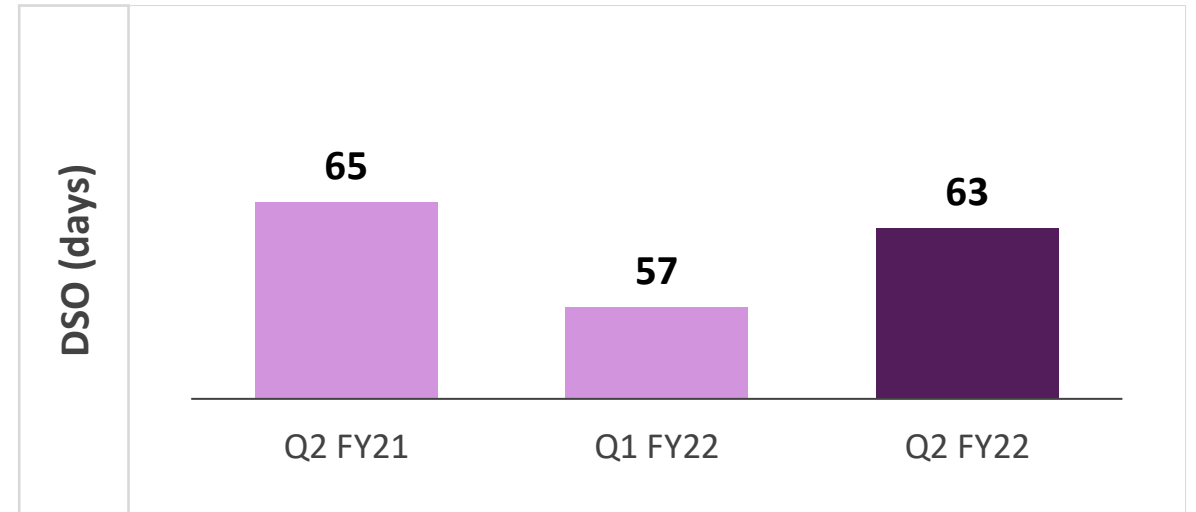
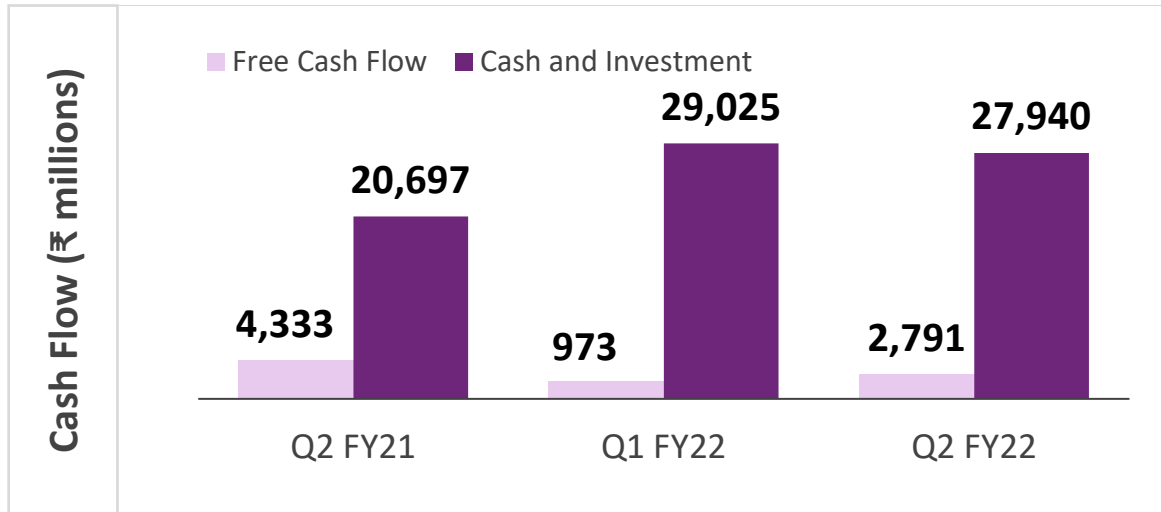
## EMPLOYEE ENGAGEMENT AND WELLNESS

- A unique learn-and-earn program for BSc and BCA graduates in collaboration with BITS Pilani, a premier higher education institution, to nurture talent
- “Living Mindfully”, a holistic program for employee wellbeing

## EFFORT MIX

| Location % | Q2 FY21 | Q1 FY22 | Q2 FY22 |
|------------|---------|---------|---------|
| Onsite     | 17.9    | 16.5    | 15.0    |
| Offshore   | 82.1    | 83.5    | 85.0    |

# Key financial and other metrics



# Hedge position and INR-USD rate



| Rupee Dollar Rate   | Q2 FY21 | Q1 FY22 | Q2 FY22 |
|---------------------|---------|---------|---------|
| Period closing rate | 73.56   | 74.36   | 74.16   |
| Period average rate | 73.79   | 73.81   | 73.87   |

# Interim Dividend

₹ in millions

| Financial Year | I    | F    | S    | T    | Total Pay-out | PAT    | Pay-out Ratio |
|----------------|------|------|------|------|---------------|--------|---------------|
| 2017-18        | 6.0  | 3.0  | 2.0  | 11.0 | 2,035         | 5,701  | 35.7%         |
| 2018-19        | 9.0  | 4.0  | 20.0 | 33.0 | 6,540         | 7,541  | 86.7%         |
| 2019-20        | 3.0  | 10.0 | NA   | 13.0 | 2,241         | 6,309  | 35.5%         |
| 2020-21        | 7.5  | 17.5 | NA   | 25.0 | 4,118         | 11,105 | 37.1%         |
| 2021-22        | 10.0 | NA   | NA   | 10.0 | 1,648         | 7,423* | 22.2%*        |

\*PAT & Payout for H1 of FY21-22

Interim

Final

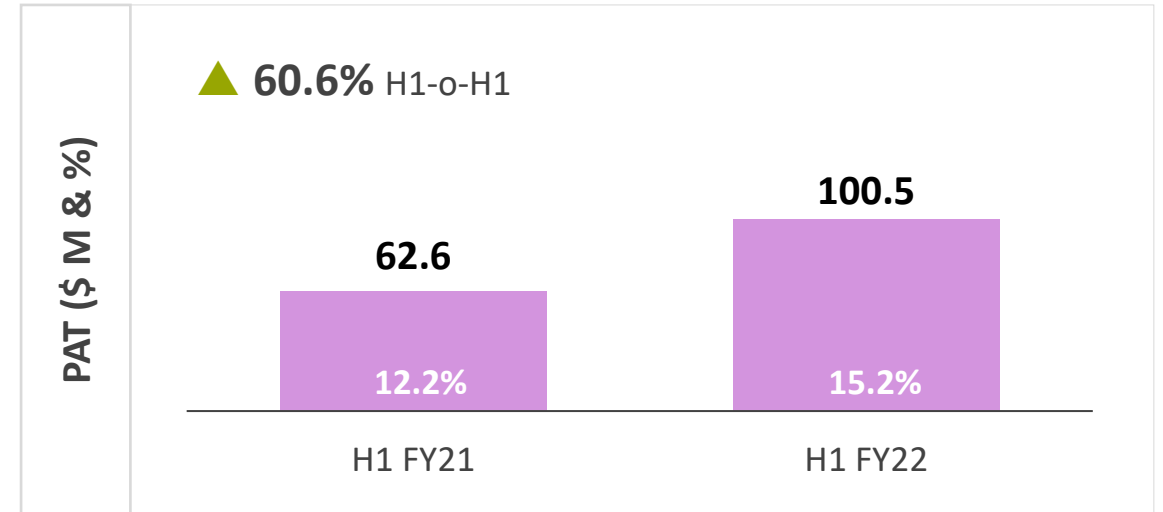
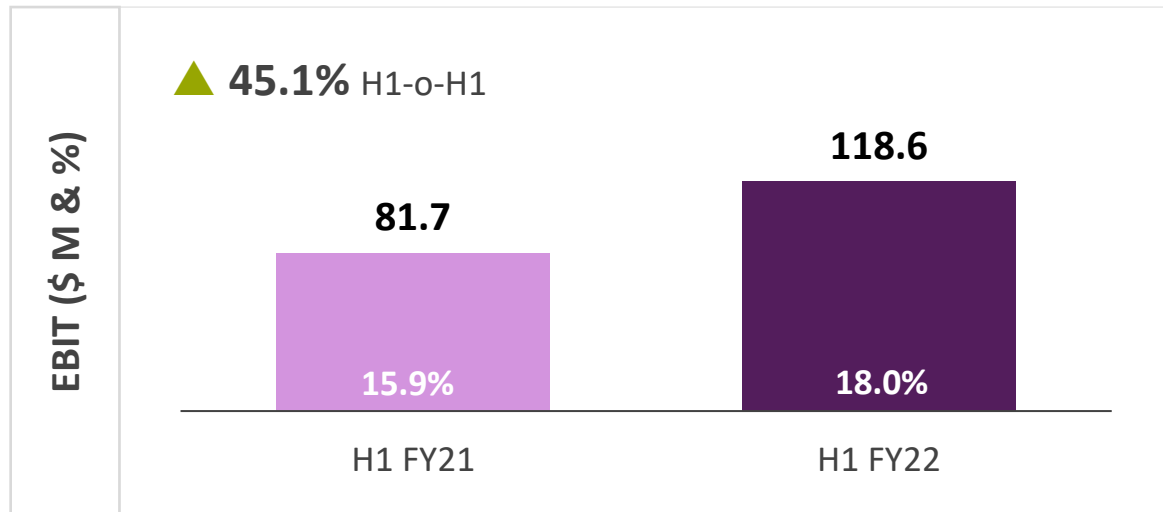
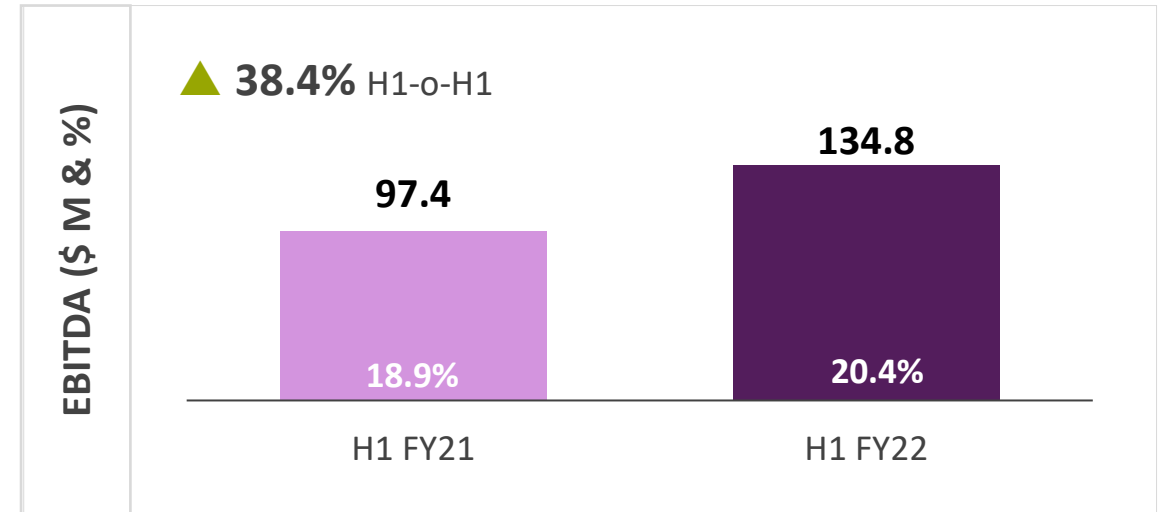
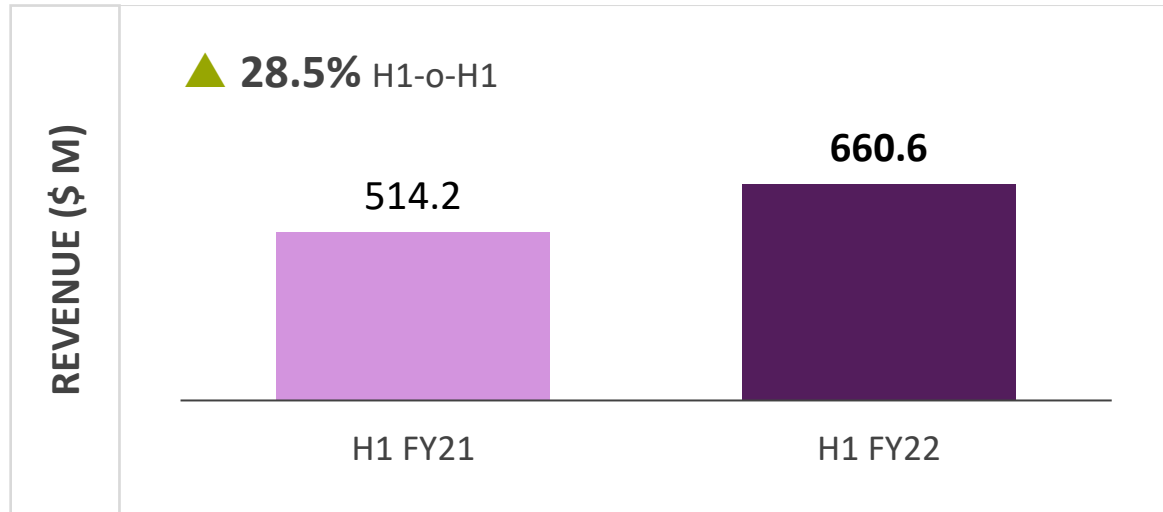
Special

Total

# Other Financial Metrics



# Half year performance



# Half year performance

4 × 4 × 4

| Industry Group Mix (Revenue %) | H1 FY21 | H1 FY22 |
|--------------------------------|---------|---------|
| BFSI                           | 20.3    | 17.8    |
| CMT                            | 46.7    | 44.0    |
| RCM                            | 20.8    | 23.8    |
| TTH                            | 11.1    | 13.4    |
| HCARE                          | 1.1     | 1.0     |

A few accounts are re-classified within the industry groups. The comparative numbers have been restated accordingly

| Service Lines Mix* (Revenue %) | H1 FY21 | H1 FY22 |
|--------------------------------|---------|---------|
| Customer Success               | 39.4    | 41.7    |
| Data & Intelligence            | 14.1    | 14.7    |
| Cloud                          | 19.5    | 19.2    |
| Enterprise IT                  | 27.0    | 24.4    |

\* Refer note on Service Lines

| Geography Mix (Revenue %) | H1 FY21 | H1 FY22 |
|---------------------------|---------|---------|
| North America             | 78.2    | 74.6    |
| Continental Europe        | 7.0     | 8.7     |
| UK & Ireland              | 7.2     | 9.3     |
| APAC & Middle East        | 7.6     | 7.4     |





*Welcome to possible*