

Vendor Tearsheet: TECH MAHINDRA

In 3Q21, the single quarter rank of Tech Mahindra in the Telco NI market was: 25. Telco NI represented the following share of 3Q21 total company revenues: 30.5%

CORPORATE OVERVIEW

1986 Founded	India HQ
FACTS & FIGURES	
NSEI: TECHM Exchange & Ticker	130,839 # of employees

VENDOR DESCRIPTION*

"Tech Mahindra represents the connected world, offering innovative and customer-centric information technology experiences...with 121,840+ professionals across 90 countries, helping over 935 global customers including Fortune 500 companies...We are part of the USD 21 billion Mahindra Group that employs more than 200,000 people in over 100 countries."

In the Communication vertical, Tech Mahindra says, "With an array of service offerings for Communication Service Providers (CSPs), Telecom Equipment Manufacturers (TEMs) and Independent Software Vendors (ISVs), Tech Mahindra is a chosen transformation partner for several leading wireline, wireless and broadband operators in Europe, Asia-Pacific and North America. We have successfully implemented more than 18 Greenfield Operations globally and have over 150 active customer engagements. We have been involved in transformation programs for around nine incumbent Communication Service Providers."

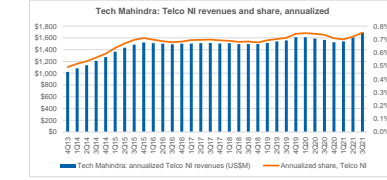
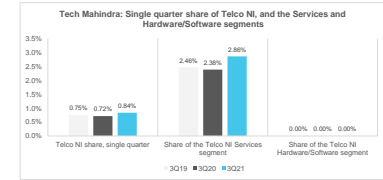
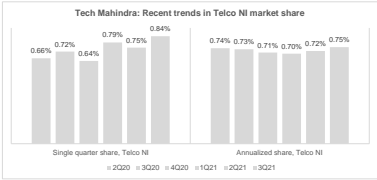
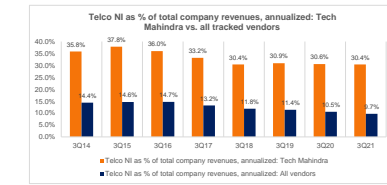
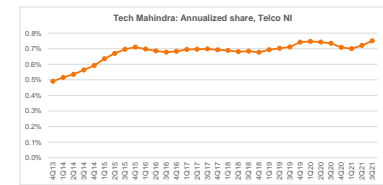
*Vendor descriptions are sourced directly from the company's own public statements, in most cases public financial filings or annual reports. The goal is to make clear the company's positioning. Text outside quotation marks has been added by MTN Consulting.

FINANCIAL HIGHLIGHTS - CORPORATE*

Market cap 1548 B INR	Last 12 months corporate revenues (US\$M) \$5,574	Telco NI revenues as % of total company, 3Q21 30.5%	Services revenues as a % of Telco NI, 3Q21 100.0%	R&D spending as a % of revenues, latest FY 0.1%
Revenues per employee per year (US\$K) \$42.6	Revenue growth, 3-year CAGR 4.2%	Operating margin, TTM 15.8%	Return on Equity 20.3%	Current ratio** 2.29

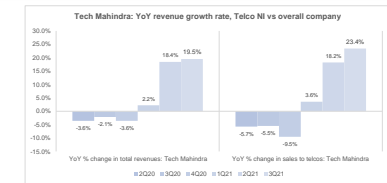
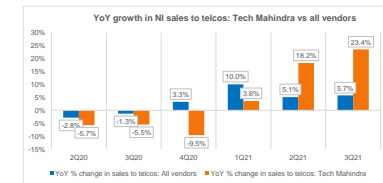
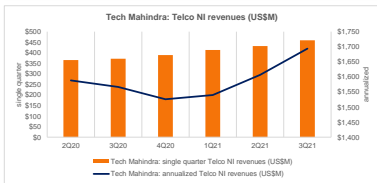
*Market cap, current ratio, operating margin, and return on equity updated December 9, 2021 per Morningstar. Telco NI and Services revenue estimates are per MTN Consulting. Other ratios are as reported by the company. **Current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year; the formula is current assets divided by current liabilities.

GLOBAL NETWORK INFRASTRUCTURE SALES TO THE TELECOMMUNICATIONS NETWORK OPERATOR (TNO) MARKET VERTICAL



Source: MTN Consulting

RECENT SALES GROWTH RESULTS



Source: MTN Consulting

LATEST QUARTER RESULTS & RECENT DEVELOPMENTS

3Q21 results Corporate revenues in 3Q21 totaled \$1507 million, versus \$1261 million in 3Q20. Telco NI revenues amounted to \$459 million in 3Q21, growing 23.4% compared to 3Q20. On an annualized basis, Telco NI represents 30.4% of total company revenues.

Outlook "We said we will lead our growth with digitizing the telcos. That's what we've been able to do by closing \$700 million worth of contracts across the globe with various telcos...We've delivered it across the spectrum that we are really talking about. Our Digital BSS is growing at 25% from a business perspective. And the Wave 2 technologies: cloud, AI, data and analytics, that's growing at 20%. So we're covering the spectrum from a digital growth perspective. And finally, 5G...we've reached a \$500 million from a run rate perspective in [3Q21]...5G is going to be a dominant part of both our wins and hence engagements as well as our funnel and pipeline. [For example] Tech Mahindra developed an end-to-end innovative, secure and automated cloud platform called netOps.ai, which is powering telco networks to digitally transform and enables smooth deployment of 5G within the network...The core of this solution is cloud native and multi-vendor support end-to-end hyperautomation and 5G orchestration management."

M&A, KEY CUSTOMERS, & KEY COMPETITORS

Relevant M&A Activity Acquired: Cerium Systems, in 1Q20; Bom Group in 4Q19; Lightbridge Communications in 4Q14.

Customers Has ~150 currently active engagements with telecom operators. To date, company says it has implemented 18 greenfield network operations and 9 transformation programs for incumbent operators.

Competitors Indian and multi-national (foreign) IT services providers, as well as in-house ("captive") units of prospective customers.

Note: Telco NI revenue estimate for Tech Mahindra. Assume telco is 75% of reported Communications vertical revenues