

- Acquisition Update ● ● ● ● ● ● ● ● ● ● ● ● ● ● ●
- January 2022 ● ● ● ● ● ● ● ● ● ● ● ● ● ● ●

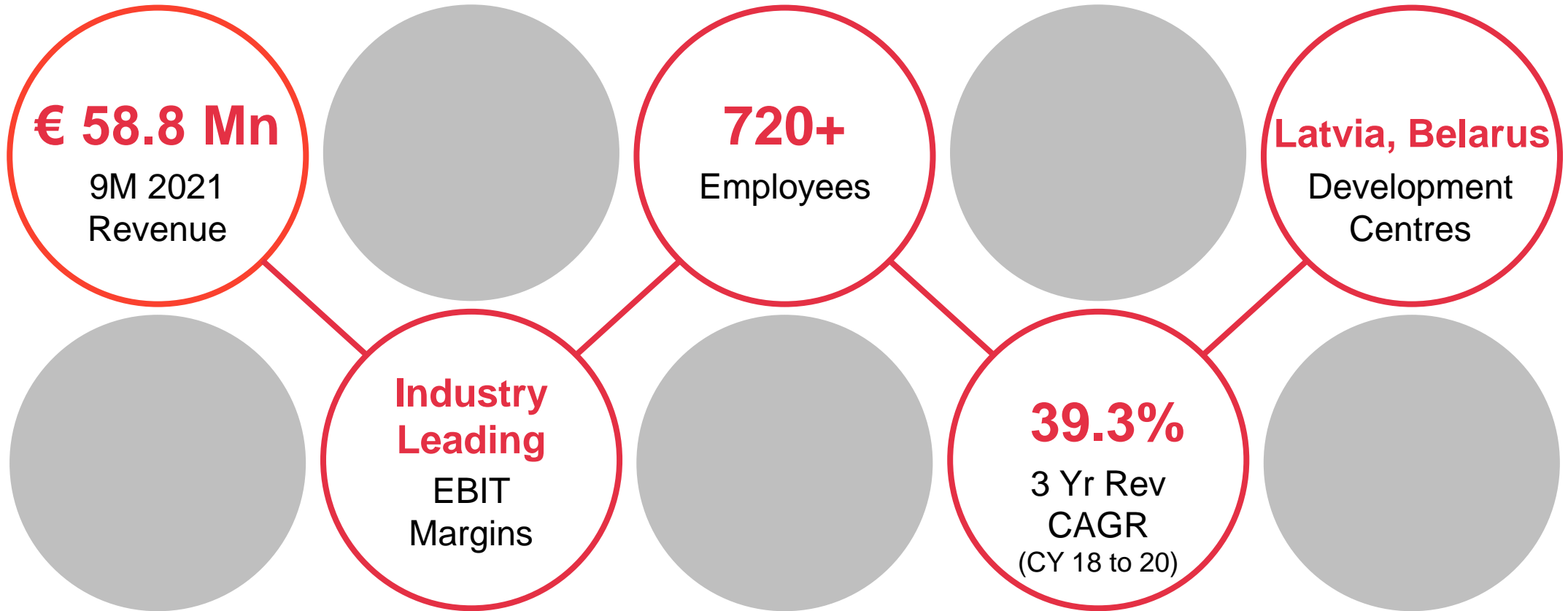
Transaction Details

CTC

Total transaction consideration for the CTC acquisition is €310 Mn (including performance linked earnouts and synergy linked payouts)

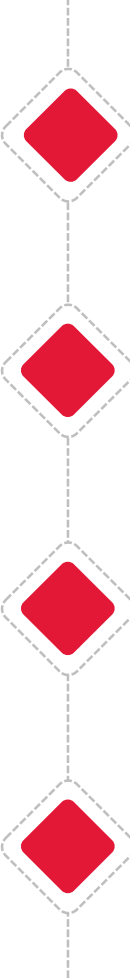
Insurtech Platforms
– SWFT & Surance

Combined primary investment of €20 Mn for a 25% stake in both the platforms



CTC Business Overview

Digital
Engineering
and
Outsourced
Product
Development
for the
Insurance
Industry



CTC provides Digital platforms and applications, and Digital transformation-based services, including Product Engineering, Cloud Engineering, UX/UI Design, AI/ML, Cyber Security Services.

CTC is an software outsourced product development company which differentiates through its high quality digital tech talent and deep expertise of insurance products and systems architecture acquired through years of experience.

In over 20 years of experience, CTC has built and delivered end-to-end customized, mission-critical software and platforms for insurance companies and has accumulated a portfolio of award winning digital transformation initiatives and software technologies.

CTC team comes with a strong experience in insurance/reinsurance IT, a deep understanding of digital engineering and cloud, and a proven track record of organic growth and efficient delivery.

SaaS InsureTech Platforms


SWFT

Swift is a SaaS based platform, which offers multiple functionalities for insurance sales and distribution and enables digital brokers, price comparison websites and insurers directly reach their customer through digital channels

Surance

Surance is an end to end personal cyber insurance solution focusing on vulnerability assessment, cyber protection and cyber insurance coverage

Strategic Rationale & Scale-up



These are InsurTech SaaS ventures with proven technology and business model and an installed base which addresses white spaces in the insurance industry



TechM's investment into Swift and Surance will be utilized towards geographical expansion into large insurance markets, building dedicated sales and marketing team and ongoing new feature and functionality enhancement.

Strategic Rationale

Digital engineering

CTC brings to us a highly skilled pool of tech talent (Agile Full stack capability, Architecture, UI/ UX, Cloud, AI/ML) with an excellent track record of delivering end-to-end Digital Engineering and Outsource Product Development programs for their clients

Scalable Eastern European Hub

We will add 720+ IT professionals, in Latvia (85%) and Belarus (15%), to our exiting talent base in the region. This will enable us to offer additional services and capabilities to our global client base.

Deep domain expertise in Insurance and Reinsurance

Digitization of products/ platforms is the key driver of growth and transformation in the Insurance industry and CTC has deep embedded knowledge through 20 years of delivering solutions to the industry

Value Creation

EBIT Margins and Returns

- CTC has industry leading margins and on a full consolidated basis will be accretive to TechM EBIT margins
- The transaction will be accretive across key financial parameters – EPS, FCF and ROCE

Synergies and Integration

- The business will be co-branded as Tech Mahindra CTC and become part of our operations and an integrated management team will be responsible for the business.
- The team will focus on driving identified areas of synergy – including but not limited to cross-sell and scale up of digital engineering capabilities

Insurance Global scale-up

- Scale our global insurance business by creating E2E digital transformation propositions and integrated offers for Insurers
- Create a focussed Insurance sub-vertical team

T@ech
Mahindra