



Press Release | Q1FY22

Q1FY22 Revenue at Rs 516.5 crore; up by 33.8% Y-o-Y basis

- Crossed \$70mn revenue for Q1FY22
- Constant Currency revenue grew 27.2% Y-o-Y
- PAT grew by 72.2% Y-o-Y
- Added 40 new clients in the quarter

Mumbai, India – 19th July, 2021: Mastek, a global IT player and a trusted partner in complex digital & agile transformation programs in the Government and Global Enterprises worldwide, announced today its financial results for the **first quarter of FY22** ended on 30th June 2021.

Commenting on the Q1FY22 results, Ashank Desai, Vice Chairman and Managing Director, Mastek Limited, said: “I am happy to welcome Hiral Chandrana as our new Global Chief Executive Officer to move ahead our growth story around digital transformation. He has a strong track record in various facets of the IT Services industry and scaling digital businesses. His successful global leadership experience will help us continue to deliver industry-leading growth, strengthen our global positioning, and expand our capabilities in Digital & Cloud. Further in terms of our quarter performance, I am pleased to see Mastek’s industry leading growth in revenue and order backlog primarily driven by momentum in US/UK geographies. Integration of Evosys business continues to be in line with our expectations.”

Hiral Chandrana, Global Chief Executive Officer, Mastek Group, said: “I am honoured to lead Mastek, an organization with a rich heritage of many firsts built on a strong foundation of values. I would like to first take this opportunity to thank our loyal clients across 41 countries for their trust in Mastek. As customers continue to accelerate their digital journeys, Mastek is uniquely positioned to be the business solutions partner of choice with our differentiated cloud & digital transformation offerings. Mastek continues to demonstrate immense resilience and I look forward to the journey ahead as we deliver on the significant unrealized potential of Mastek.”

Arun Agarwal, Global Chief Financial Officer, Mastek Limited, said: “Q1FY22 has been another quarter of consistent financial performance. We reported Rs 516.5 crore revenue, reflecting a growth of 6.9% sequentially, demonstrating the strong fundamentals of our business in these challenging times. Despite increase in costs due to onshoring, promotions and investments in talents during the quarter, we have been able to maintain healthy operating EBITDA margin of 21.8%. We continue to maintain healthy free cash flow of Rs 115.4 crore during the quarter. We are confident that with increasing demand for digital services, strong order backlog and strategic investments, we are well placed to sustain the growth momentum, create values for our customers and maximize value for our shareholders.”

Review of the Consolidated Financial Performance for Quarter ended 30th June 2021:

Figures in Rs Crore	Q1FY22	Q4FY21	Q-o-Q Growth	Q1FY21	Y-o-Y Growth
Total Income	521.2	486.4	7.1%	402.8	29.4%
Revenue from Operations	516.5	483.2	6.9%	386.1	33.8%
Operating EBITDA	112.8	105.9	6.4%	68.1	65.6%
% of Op. Income	21.8%	21.9%	(9)bps	17.6%	419bps
Total EBITDA	117.5	109.2	7.6%	84.8	38.5%
% of Total Income	22.5%	22.4%	10bps	21.1%	148bps
Net Profit	80.2	75.7	6.0%	46.6	72.2%
Net Profit %	15.4%	15.6%	(17)bps	11.6%	383bps
EPS (Rs) – Diluted	26.4	23.3		16.0	

Figures in \$mn	Q1FY22	Q4FY21	Q-o-Q Growth	Q1FY21	Y-o-Y Growth
Revenue from Operations	70.2	65.9	4.3% (CC)	50.8	27.2% (CC)

Operating highlights:

- **New accounts added during the quarter:** The Company added 40 new clients in Q1FY22. Total client count as of 30th June, 2021 was 651 (LTM) as compared to 639 (LTM) in Q4FY21.
- **12 month Order Backlog:** 12 month order backlog was Rs 1,177.7 crore (\$158.4mn) as on 30th June, 2021 as compared to Rs 1,130.4 crore (\$154.6mn) in Q4FY21, reflecting a growth of 4.2% in rupee terms and 2.1% in constant currency terms on Q-o-Q basis and Rs 764.5 crore (\$101.3mn) in Q1FY21, reflecting a growth of 54.0% in rupee terms and 45.5% in constant currency terms on Y-o-Y basis.
- **Employees:** As on 30th June, 2021, the company had a total of 4,302 employees, of which 3,181 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 31st March, 2021 was 3,792.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 959.8 crore as on 30th June, 2021 as compared to Rs 848.9 crore at the end of 31st March, 2021. Net Cash balance (after adjusting for debts) stood at Rs 702.9 crore as on 30th June, 2021 as compared to Rs 588.6 crore at the end of 31st March, 2021.

- **Key wins for the quarter:** During the quarter, we continued to experience momentum in winning deals as illustrated below:
 - Co-sell by Mastek and Evosys to a multinational lead-acid batteries manufacturing company, to enable company achieve increased productivity, optimal execution and collaboration across their supply chain by moving to Oracle Cloud.
 - Mastek entered into deals with UK Central Government Department which includes: (A) Multi million deal signed with the customer to deliver Ministerial priorities for refugee payments (COVID-19 support) and Asylum system Public roll-out; and (B) Multi million deal signed to provide international printing capability for Diplomats and international resident citizenship certificates.
 - Complete industry solution will be provided by Mastek to a US based client providing high-quality care to patients; to aid client achieve innovative and high quality patient care services with Oracle ERP, SCM, HCM & analytics solution on Cloud.
 - Mastek bagged deal from one of the top 10 biggest engineering & architectural firms globally, for executing a large-scale global Oracle Cloud HCM implementation project covering 34 countries and 17,000+ employees across the globe and helps customer organization to achieve digitally enabled member experience that attracts good quality candidates and consistently engages members.
 - Mastek entered into a deal with one of the local government service providers of Scotland, to provide back and front office transformation, together by implementing Oracle Cloud while replacing all of their multiple legacy systems, across finance, procurement, HR, payroll & CRM with a single integrated cloud-based SaaS solution.
 - An industry pioneer with over 20 years of experience in developing and manufacturing diagnostic products and reagents, has entered into a deal with Mastek. Mastek will provide a richer and broader feature set that will help the organization to achieve its goals and drive deeper information based business decision making.
- **Awards & Accolades:** During the quarter, Mastek and its Subsidiaries received awards and recognitions conferred by reputable organizations. Some of them are:
 - Mastek gets recognized in **The Gartner Digital Commerce Vendor Guide, 2021** (Sandy Shen et al., 14 April 2021) as a **Digital Commerce Service Provider**; and

- **Evosys**, for the **third year** in a row, is recognized in the **2021 Gartner Magic Quadrant** for Oracle Cloud Applications Services, Worldwide.

About Mastek

Mastek (NSE: MASTEK; BSE: 523704), is an enterprise digital transformation specialist that engineers excellence for customers in UK, US, Middle East, Asia Pacific and India. It enables large-scale business change programmes through its service offerings, which include Application Development, Oracle Suite & Cloud Migration, Digital Commerce, Application Support & Maintenance, BI & Analytics, Assurance & Testing and Agile Consulting. Whether it's creating new applications, modernising existing ones or recovering failing projects, Mastek helps enterprises to navigate the digital landscape and stay competitive. With digital solutions constituting more than 80% to the business, Mastek is emerging as one of the leaders in Enterprise Digital Transformation space. Evosys – A Mastek company, is an Oracle Platinum partner and a leading Oracle Cloud implementation and consultancy company, serving 1,000+ Oracle Cloud customers across 30+ countries.

Mastek is well poised to be among the top providers of agile digital transformation solutions and a significant player within the digital transformation space in retail and financial services.

For more information and past results & conference call transcripts, please visit our web site www.mastek.com (and/or the Investors section at <http://www.mastek.com/investors.html>). Updated disclosures regarding corporate governance may also be accessed in the web site's Investors section at: <http://www.mastek.com/investors/corporate-governance.html>.

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Shareholders may also contact Mastek via email at Investor_grievances@mastek.com, which has been specifically created for the redressal of investor grievances. You may also contact the Investor Relations team by email at investor.relations@mastek.com.

Note: Except for the historical information and discussion contained herein, statements included in this release may constitute forward looking statements. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those that be projected by these forward looking statements. These risks and uncertainties include, but not limited to such factors as competition, growth, pricing environment, recruitment and retention, technology, wage inflation, law and regulatory policies etc. Such risks and uncertainties are detailed in the Annual Report of the company which is available on the website www.mastek.com. Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.

Thank You

