



Press Release | Q2FY22

Q2FY22 revenue at Rs 533.9 crore; up by 30.3% Y-o-Y basis

- **EBITDA Margin at 21.1% for Q2FY22**
- **PAT grew 37.8% Y-o-Y**
- **12 month order backlog grew 22.7% Y-o-Y**
- **Added 45 new clients in the quarter**

Mumbai, India – 19th October, 2021: Mastek, a global digital transformation specialist and a trusted partner in complex digital & cloud programs in the Government and Global Enterprises worldwide, announced today its financial results for the Second Quarter & Half Year of FY22 ended on 30th September 2021.

Commenting on the Q2FY22 results, Hiral Chandrana, Global Chief Executive Officer, Mastek Group, said: *"We continue to demonstrate sustained growth across geographies and industry sectors. I am pleased with our expansion in Fortune 1000 clients in Americas and increasing deal sizes in our pipeline. As an organization, we have made progress on our Vision 2025, strategic priorities and big bets that will drive accelerated growth in digital & cloud services over the next 3 years. We will continue to invest on our talent and our Mastekeer experience. As we shape the future in partnership with our clients, we will stay focused on delivering business outcomes & solutions, living the trust with stakeholders and innovating with disruptive technologies to drive time to value."*

Arun Agarwal, Global Chief Financial Officer, Mastek Limited, said: *"Q2FY22 has been another quarter of consistent financial performance. We reported Rs 533.9 crore revenue, reflecting a growth of 30.3% on Y-o-Y basis, demonstrating the strong fundamentals of our business. Despite increase in costs due to salary hikes and investments in sales & marketing, we have been able to maintain healthy operating EBITDA margin at 21.1%. We are confident that with refreshed focus towards new age practices 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 September 2021:

Figures in \$mn	Q2FY22	Q1FY22	Q-o-Q Growth	Q2FY21	Y-o-Y Growth
Revenue from Operations	72.0	70.2	3.9% (CC)	55.1	25.0% (CC)

Figures in Rs Crore	Q2FY22	Q1FY22	Q-o-Q Growth	Q2FY21	Y-o-Y Growth
Total Income	541.6	521.2	3.9%	413.8	30.9%
Revenue from Operations	533.9	516.5	3.4%	409.7	30.3%
Operating EBITDA	112.8	112.8	0.0%	86.6	30.3%
% of Op. Income	21.1%	21.8%	(71)bps	21.1%	1bps
Total EBITDA	120.5	117.5	2.6%	90.6	33.0%
% of Total Income	22.3%	22.5%	(29)bps	21.9%	35bps
Net Profit	81.5	80.2	1.6%	59.2	37.8%
Net Profit %	15.1%	15.4%	(34)bps	14.3%	76bps
EPS (Rs) – Diluted	26.9	26.4		19.7	

Figures in Rs Crore	H1FY22	H1FY21	Y-o-Y Growth
Total Income	1,062.8	816.6	30.2%
Revenue from Operations	1,050.4	795.8	32.0%
Operating EBITDA	225.6	154.7	45.9%
% of Op. Income	21.5%	19.4%	204bps
Total EBITDA	238.0	175.4	35.7%
% of Total Income	22.4%	21.5%	91bps
Net Profit	161.7	105.7	53.0%
Net Profit %	15.2%	12.9%	227bps
EPS (Rs) – Diluted	53.4	35.6	

Operating highlights:

- **New accounts added during the quarter:** The Company added 45 new clients in Q2FY22. Total client count as of 30th September, 2021 was 649 (LTM) as compared to 651 (LTM) in Q1FY22.
- **12 month Order Backlog:** 12 month order backlog was Rs 1,154.3 crore (\$155.5mn) as on 30th September, 2021 as compared to Rs 940.5 crore (\$127.5mn) in Q2FY21, reflecting a growth of 22.7% in rupee terms and 18.8% in constant currency terms on Y-o-Y basis and Rs 1,177.7 crore (\$158.4mn) in Q1FY22, this represents a degrowth of 2% in rupee terms and flat in constant currency on Q-o-Q basis.

- **Employees:** As on 30th September, 2021, the company had a total of 4,510 employees, of which 3,411 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 30th September 2020 was 3,354 and at the end of 30th June 2021 was 4,302.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 943.9 crore as on 30th September 2021 as compared to Rs 959.8 crore at the end of 30th June 2021. Net Cash balance (after adjusting for debts) stood at Rs 719.1 crore as on 30th September 2021 as compared to Rs 702.9 crore at the end of 30th June, 2021.
- **Update on Evosys Acquisition:** On 15th September, 2021, the company received the order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, pronounced on September 14, 2021 sanctioning the Scheme of Arrangement between Evolutionary Systems Private Limited, Trans American Information Systems Private Limited and the Company and their respective Shareholders and Creditors under Sections 230 to 232 of Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.
- **Key wins for the quarter:** During the quarter, we continued to experience momentum in winning deals as illustrated below:
 - As a Direct to Stakeholder (D2X) Partner Mastek would enable its Canadian Client in providing a highly performant, secure, mobile-friendly user experience to its patients and customers and provide them with curated, tailored, one stop shop for Lab Services and tests.
 - Mastek would leverage its D2X methodology and enable the US Client to migrate from existing legacy applications to a Modern Enterprise Platform that supports its continued eCommerce growth. This new platform would help the client distinguish themselves by driving better customer experience.
 - Mastek received 2-year multi-million commitment, from a UK Government Agency, for Azure/ Data and DevSecops services to be provided in their 'data as a service' programme – shifting customers' business from paper-based maritime charts to real-time geo-spatial services.
 - Mastek will provide services to UK's Government Agency, which will include agile squad supplementation in major digital programmes which will help in driving advanced digital services for the citizens, for their vehicles and driving licenses, and will be 100% online.

- Mastek has won a new logo, wherein it will provide consulting strategic advisory services to the British Army on their Zodiac program for shaping their intelligence, surveillance, targeting and reconnaissance (iSTAR) programme. This is to drive Army's Digital Strategy, leveraging information exploitation in the Battlespace, using the latest AI and Integration technologies.
- Mastek will be working with the Scottish Local Government Council for transforming their back-office and migrating to Oracle cloud while retiring legacy system. This will benefit our client to improve the process management, support digital channel shift and ensure statutory compliance and continuity of service.
- With Oracle Cloud Applications and Mastek's Expertise in their industry, the Finnish based customer will be able to move to single Platform and eliminate several on-prem based solutions. The customer will be able to achieve enhanced functionalities such as continued accessibility, better reliability and eliminate upfront capital expenditures.
- **Awards & Recognition:** During the quarter, Mastek and its Subsidiaries received awards and recognitions conferred by reputable organizations. Some of them are:
 - Mastek featured in the list of Indian companies on the 'Forbes Asia Best Under a Billion 2021' list;
 - The Mastek Digital Catalyst Team was awarded the 'Innovation in Infrastructure Management' Award at Data Center Summit 2021 presented by UBS forums on Cloud Data Center in digital world – focus Security and cloud computing;
 - IIT- Bombay named its Centre for Policy Studies after Mastek's Co-founder, MD and VC Ashank Desai, who is also an alumni of the institute;
 - Evosys has been certified as an achiever in 2021-2022 by the Oracle Partner Network for its Service Expertise in:
 - Project Portfolio Management in UK & Ireland;
 - Human Resources(Core) in Middle East & North Africa, North America, UK & Ireland; and
 - Payroll in North America.

About Mastek

Mastek (NSE: MASTEK; BSE: 523704), is an enterprise digital transformation specialist that engineers excellence for customers across 41 Countries worldwide including UK, US, Europe, Middle East, and Asia Pacific. We enable business outcomes for clients through our differentiated digital and cloud services, which includes Digital & Application Engineering; Cloud & Enterprise Apps; Digital Commerce & Experience; Data, Automation and AI and Next Generation Managed Services. Mastek helps enterprises to navigate the IT and business landscape and stay competitive by unlocking the power of data, modernizing applications, and accelerating digital advantage for our customers. Evosys – A Mastek company, is an Oracle Platinum partner and a leading Oracle Cloud implementation and consultancy company, with 1,200+ Oracle Cloud clients.

Mastek is well poised to be among the top providers of agile digital transformation solutions across diverse set of industries such as retail, manufacturing, healthcare & life sciences, public sector 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 <https://www.mastek.com/in/financial-information> or <https://www.mastek.com/in/investor-information>). 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

Mastek 