



Press Release | Q3FY21

## Q3FY21 Total Income at Rs 446.8 crore; up by 76.4% Y-o-Y basis

- Crossed \$60m revenue mark for Q3FY21
- Constant Currency Revenue grew 73.9% Y-o-Y
- Operating EBITDA Margin of 23.5%; up 965 bps Y-o-Y
- Added 57 new clients in quarter

**Mumbai, India – 2<sup>nd</sup> February, 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 **Third quarter and Nine Months ended for year of FY21.**

**Commenting on the Q3FY21 results, Ashank Desai, Vice Chairman and Managing Director, Mastek, said:** *“The quarter gone by has been rewarding, despite the volatile environment in the last 3 quarters due to the pandemic. I am pleased with our performance with total income growth of 76.4% YoY and EBITDA growth 149.6% YoY. This coupled with strong order backlog and robust pipeline is evidence of our resilient business model, respected relationships with our customers and consistent execution delivered by Mastekers and my leadership team. New deal wins across geographies has boosted our confidence and reinforces our investment decisions in Public Sector and Oracle EBM space. I am pleased to say that, Mastek has given an in line performance in Q3FY21, despite the seasonality and furloughs in UK. Our US focus is bearing fruit; Evosys expertise in Oracle cloud migration coupled with Mastek’s capability to cross-sell digital commerce and transformation services has helped us win integrated and larger deals. With ongoing integration of Evosys, we are well on our way to achieve both financial and strategic value from the deal. I take this opportunity to thank the loyal support and trust of our customers and the committed Mastekers who serve them with exceptional pride, honour and dedication.”*

**Arun Agarwal, Vice President Finance, Mastek, said:** *“Q3FY21 was another quarter of consistent financial performance and in line with our expectations delivering strong momentum across all leading and lag indicators. Clarity on Brexit has led to good traction in both public sector and digital transformation deals. We crossed US\$60mn revenue mark in Q3FY21 witnessing a growth of 73.9% YoY in constant currency and EBITDA margin at 23.5%. The 12 months order backlog grew by 101.0% YoY. Our net cash balance after adjusting for debts stood at Rs 520.9 crore which also includes Rs 237.1 crore (\$32.3m) from sale of stake in Majesco. We added 57 new customers during the quarter, driven by increasing demand for digital transformation and cloud transformation services and added 248 employees to Mastek*

team. With positive momentum across geographies and verticals, we are confident of continuing this transformational journey in the coming quarters.”

### Review of the Consolidated Financial Performance for Quarter and Nine Months ended 31<sup>st</sup> December 2020:

Figures in \$m	Q3FY21	Q2FY21	Q-o-Q Growth	Q3FY20	Y-o-Y Growth
Revenue from Operations	\$60.1	\$55.1	7.3% (CC)	\$34.1	73.9% (CC)

Figures in Rs Crore	Q3FY21	Q2FY21	Q-o-Q Growth	Q3FY20	Y-o-Y Growth
Total Income	446.8	413.8	8.0%	253.2	76.4%
Revenue from Operations	442.8	409.7	8.1%	243.7	81.7%
– Mastek	286.8	267.3	7.3%	243.7	
– Evosys	156.0	142.5	9.5%	-	
Operating EBITDA	103.9	86.6	20.0%	33.6	208.8%
% of Op. Income	23.5%	21.1%	233 bps	13.8%	965 bps
Total EBITDA	107.8	90.6	18.9%	43.2	149.6%
% of Total Income	24.1%	21.9%	222 bps	17.1%	707 bps
Net Profit	70.3	59.1	18.9%	26.0	170.3%
Net Profit %	15.7%	14.3%	144 bps	10.3%	547 bps
EPS (Rs) – Diluted	22.2	19.7		10.2	

Figures in Rs Crore	9MFY21	9MFY20	Y-o-Y Growth
Total Income	1,263.3	758.6	66.5%
Revenue from Operations	1,238.6	734.8	68.6%
– Mastek	806.3	734.8	9.7%
– Evosys	432.3	-	-
Operating EBITDA	258.5	97.2	166.1%
% of Op. Income	20.9%	13.2%	765 bps
Total EBITDA	283.2	121.0	134.1%
% of Total Income	22.4%	15.9%	647 bps
Net Profit	176.0	74.9	135.1%
Net Profit %	13.9%	9.9%	407 bps
EPS (Rs) – Diluted	58.1	29.4	

## Operating highlights:

- **New accounts billed during the quarter:** The Company added 57 new clients in Q3FY21. Total client count as of 31<sup>st</sup> December, 2020 was 618 (LTM) as compared to 542 (LTM) in Q2FY21.
- **12 month Order Backlog:** 12 month order backlog was Rs 946.7 crore (\$129.6m) as on 31<sup>st</sup> December, 2020 as compared to Rs 940.5 crore (\$127.5m) in Q2FY21, reflecting a growth of 0.7% in rupee terms and marginal reduction of 2.3% in constant currency terms on Q-o-Q basis and Rs 471.0 crore (\$66.0m) in Q3FY20 reflecting a growth of 101.0% in rupee terms and 93.9% in constant currency terms on Y-o-Y basis.
- **Employees:** As on 31<sup>st</sup> December, 2020, the company had a total of 3,602 employees, of which 2,541 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 30<sup>th</sup> September, 2020 was 3,354.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 778.6 crore as on 31<sup>st</sup> December, 2020 as compared to Rs 476.4 crore at the end of 30<sup>th</sup> September, 2020. Net Cash balance (after adjusting for debts) stood at Rs 520.9 crore as on 31<sup>st</sup> December, 2020 as compared to Rs 223.4 crore at the end of 30<sup>th</sup> September, 2020. Further, it includes Rs 237.1 crore (\$32.3m) from sale of stake in Majesco. Mastek repaid loan of \$1.2m during Q3FY21.

## 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 journey.

Evosys, a leading Oracle Cloud implementation and consultancy company, serving 1,000+ Oracle Cloud customers across 30+ countries, has added more capability, more capacity and more geographical reach across the globe for Mastek group. An Oracle Platinum partner, Evosys provides solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and machine learning. Evosys's diverse customer portfolio consisting of Government, Healthcare, Finance, Logistics, Manufacturing & Distribution organisations, is a testimony to the expertise and leadership in Oracle Cloud implementation. Evosys was recognised for

winning three 'Oracle Partner of the Year' Awards at Oracle OpenWorld 2019 and the 'Dream Employer of the Year' award from World HRD in 2019.

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](http://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](mailto: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](mailto: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](http://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** 

