Mastek
Mastek Limited
#106,107 SDF-IV Seepz, Andheri (East),
Mumbai 400096, Maharashtra, India
T +91 22 6722 4200
F +91 22 6695 1331
W www.mastek.com

Date: March 12, 2019

Listing Department **BSE Limited** 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400 001 Tel No. 022- 22723121 Fax No. 022- 22721919 **STOCK CODE: 523704**	**Listing Department** **The National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel No.: 022- 26598100 Fax No. 022-26598120 **STOCK CODE: MASTEK**

Dear Sir(s)/Ma'am(s),

Sub: Update on Mastek Limited organising the "TechMarketView" Conference Call
Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

This is further to our intimation dated March 6, 2019 about the "TechMarketView" Conference Call to be held today Tuesday, March 12, 2019 to discuss "TechMarketView perspectives of the UK Public sector Digital trends".

Please find enclosed, the presentation made during the call.

You are requested to kindly take the same on record.

Thanking you,
Yours faithfully,

For MASTEK LIMITED

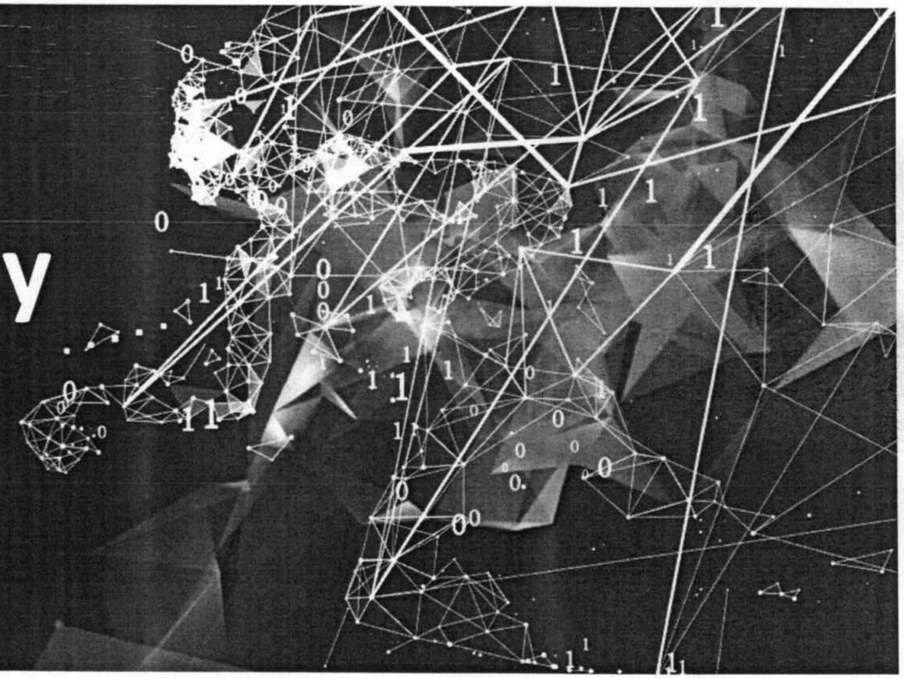
MASTEK LIMITED
Mastek

DINESH KALANI
COMPANY SECRETARY
Encl: As Above

Tech Market View
UK DEPTH GLOBAL TRENDS

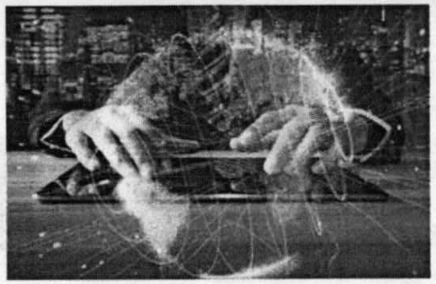
Mastek: UK Central Government opportunity

TechMarketView analysis – March 2019



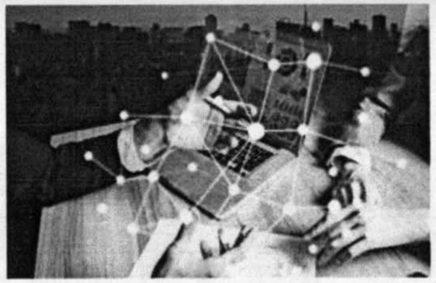
Tech Market View
UK DEPTH GLOBAL TRENDS

TechMarketView credentials



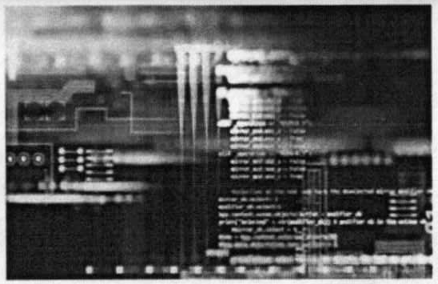
UK depth, global trends

We're an influential analyst and advisory firm focused on the UK tech market. A trusted advisor to tech suppliers - from global market leaders to innovative start-ups - and to tech users and investors, as they navigate change and identify opportunities.



Trusted advisors

Our high-profile team of experts provide robust analysis of suppliers & disruptive market trends. Respected for honest, independent advice TMV analysts are just as happy to share their views over coffee, as they are to present to the Board.



Data-driven insight

Our deep understanding of the UK tech market is supported by decades of data on suppliers large & small, public & private, and augmented by privileged conversations with leaders from across the sector.

More than just research

Members of the TechMarketView 'family' rely on our opinionated daily UKHotViews coverage; pour over the analysis in our in-depth research reports; seek our advice through presentations and projects; network at our events and play an active part in our SME programmes.

Tech Market View
UK DEPTH GLOBAL TRENDS

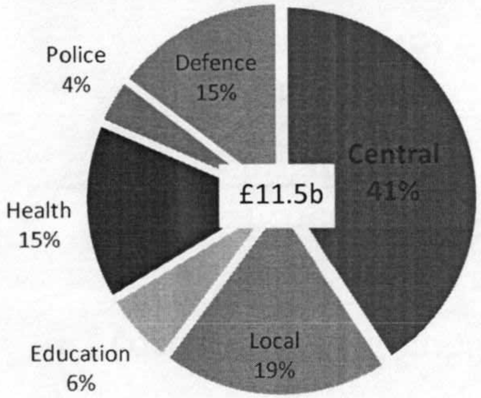
About me: Georgina O'Toole

- TechMarketView's Chief Analyst since May 2018.
- Focus on the UK public sector tech market since 2003: 16 years of insight
    - Launched PublicSectorViews in 2010: TechMarketView's first specialist research stream
    - Previously launched and ran PublicSector@Ovum: responsible for Government research globally
- Expert in Whitehall (central government and defence) technology market and supplier landscape
- Insight called on regularly by suppliers – large and small - and end users – including MoD, NHS and Cabinet Office

Tech Market View
UK DEPTH GLOBAL TRENDS

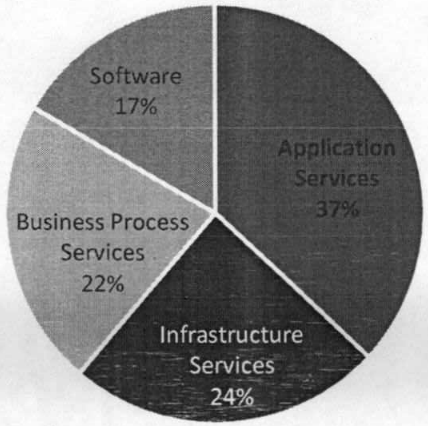
Defining Central Government SITS

UK public sector SITS market



SITS: EXTERNAL spend on *Software & IT Services includes software, application services, infrastructure services and ICT-enabled business process services*

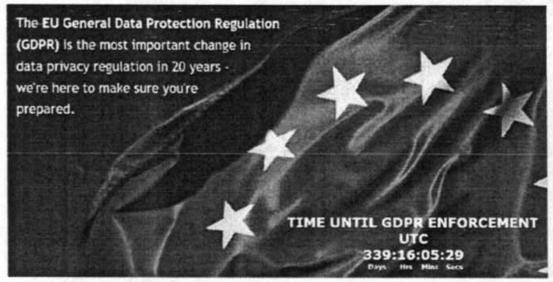
UK central government SITS



Central Government: *Departments, agencies and non-departmental public bodies in the UK, excluding Department of Health (included in healthcare), Ministry of Defence, and Security & Intelligence agencies (included in defence).*

Tech Market View
UK DEPTH GLOBAL TRENDS

Complex environment




UKHotViews
Thursday 21 December 2017
Bridging the digital skills gap: Institutes of Technology

Opportunity or threat?

Burning Platform?

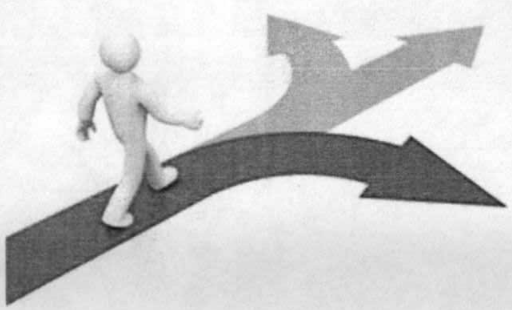
Acceleration in digital transformation projects – only way to go!

Rabbit in headlights?

Risk aversion kicks in – caution due to difficult operating environment

Reality: A diverse reaction

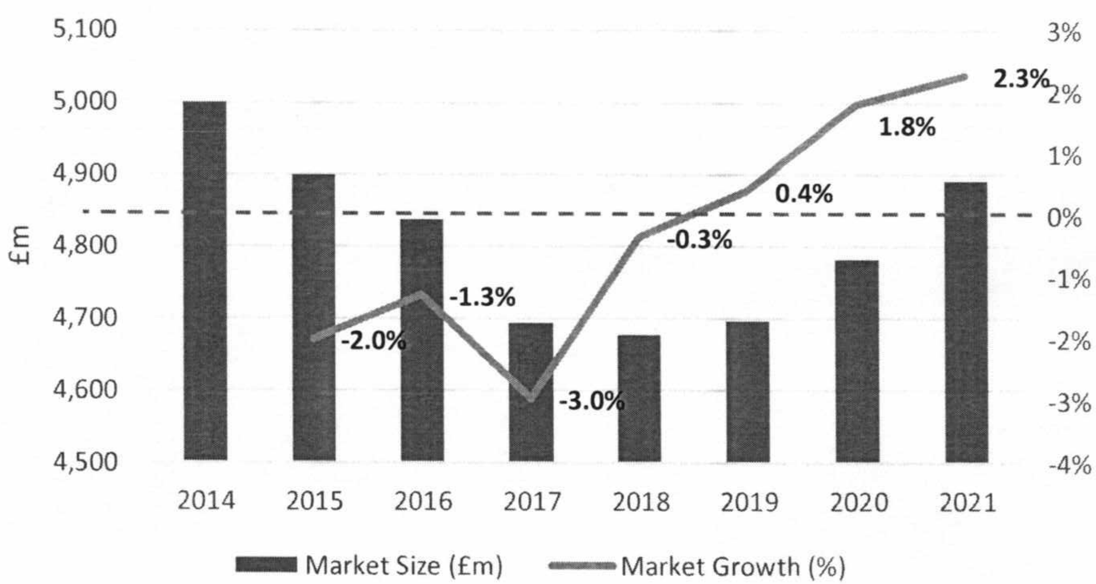
Impacts organisations and sectors in different ways



TechMarketView UK DEPTH GLOBAL TRENDS

Slow growth market...

UK Central Government SITS Market Size & Growth



- Central government SITS: c£5b market
- In decline since 2015: consistently underperforming rest of PS
- 2017 a particularly bad year: 3.0% decline – down £143m
- Dragged down by legacy renewals/insourcing, pricing pressure & shift to cloud
- CAGR of just 1.0% 2017-2021 (real terms decline)
- Boosted by Brexit-related activity in latter years but subdued due to resources issues – both people and money

But not the whole story! Winners & losers...

TechMarketView
UK DEPTH GLOBAL TRENDS

Central government: the policies

So far:

- Contract disaggregation
- Insourcing agenda
- Support for SMEs/new entrants
- Promotion of procurement frameworks
- Digital by default
- Cloud First approach
- Government-as-a-Platform
- Common Technology Services
- Open data & data sharing agenda

ICT & digital at heart of Government transformation strategy

Key Whitehall* challenges

* British civil service & government (central government)

- Push-pull scenario:
  - Need to <u>invest/innovate</u> to attain increased efficiency & productivity, fighting against…
  - **Need to control <u>budgets</u> in the short-term**
- Struggling with digital skills shortage. ***Hamstrung by public sector pay restraints.***
- Desire to leverage emerging technology. ***Fighting against resource constraints/lack of references.***
- Faced with legacy complexity. ***Low hanging fruit already picked.***
- Dealing with increasing complexity of supplier/contractual environment. ***Slowing progress.***
- Sees benefits of extracting value from data. ***Limited progress on determining how.***
- Battling with Government silos. ***Cultural, political, legal barriers remain, limiting collaboration.***

Suppliers must position to support Whitehall organisations to face these challenges

Tech Market View
UK DEPTH GLOBAL TRENDS

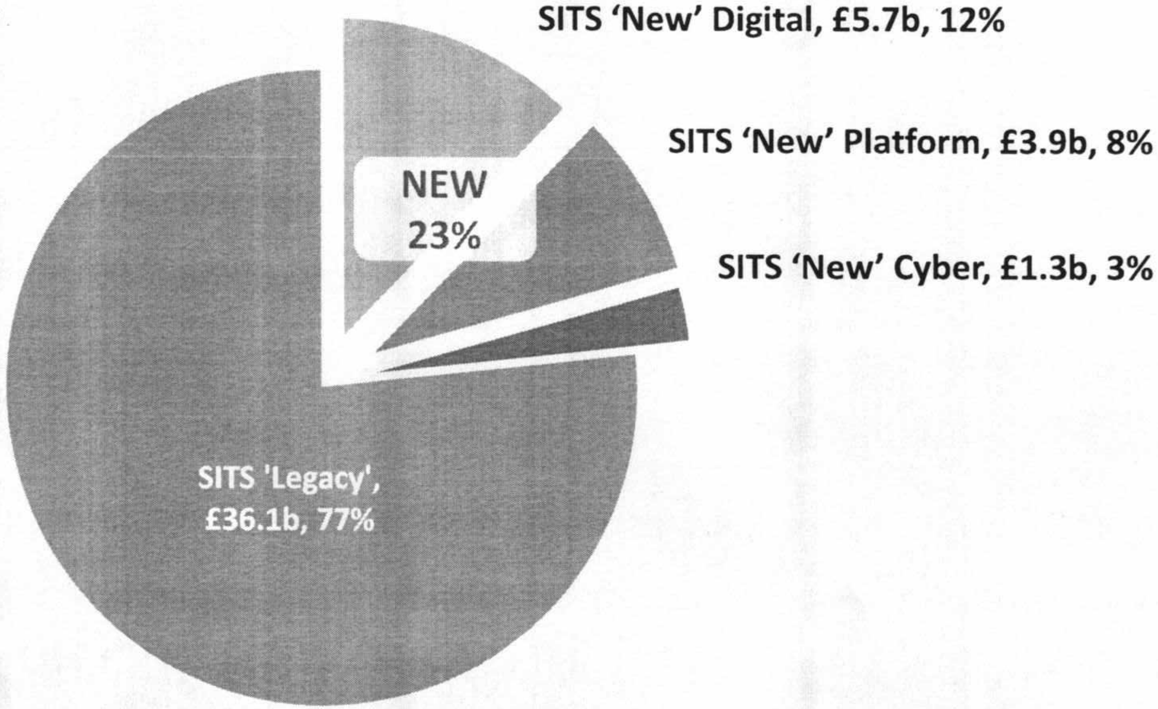
Central government: the opportunity

Demand Drivers	Suppliers who will benefit
Strong demand in the 'new' (digital, platform, cyber)	Those not dragged down by ITO legacy contract run off
Digital skills shortage & insourcing challenges	Large & small - particularly those willing to work in a collaborative environment and help upskill internal ICT
Brexit challenges: medium-term requirement for new processes & systems	Those who understand complex governmental processes & can work in agile way for rapid change
Shift in focus from 'simple' to 'complex' digital	Those who understand legacy ICT & can de-risk legacy migration
Push on specific emerging technologies & how to scale, led by Government Digital Service	Those with reference case studies on successful deployment of emerging tech & simple propositions
More intelligent approach data – no one size fits all	Those who can navigate complexities of Government data policies & demonstrate ability to extract value
Need to focus on Government transformation for efficiency & productivity	Those who can demonstrate ability to release money from legacy to invest in new transformational tech

UK market*: strong demand in the 'new'

* Public Sector 25% of UK software and IT services market

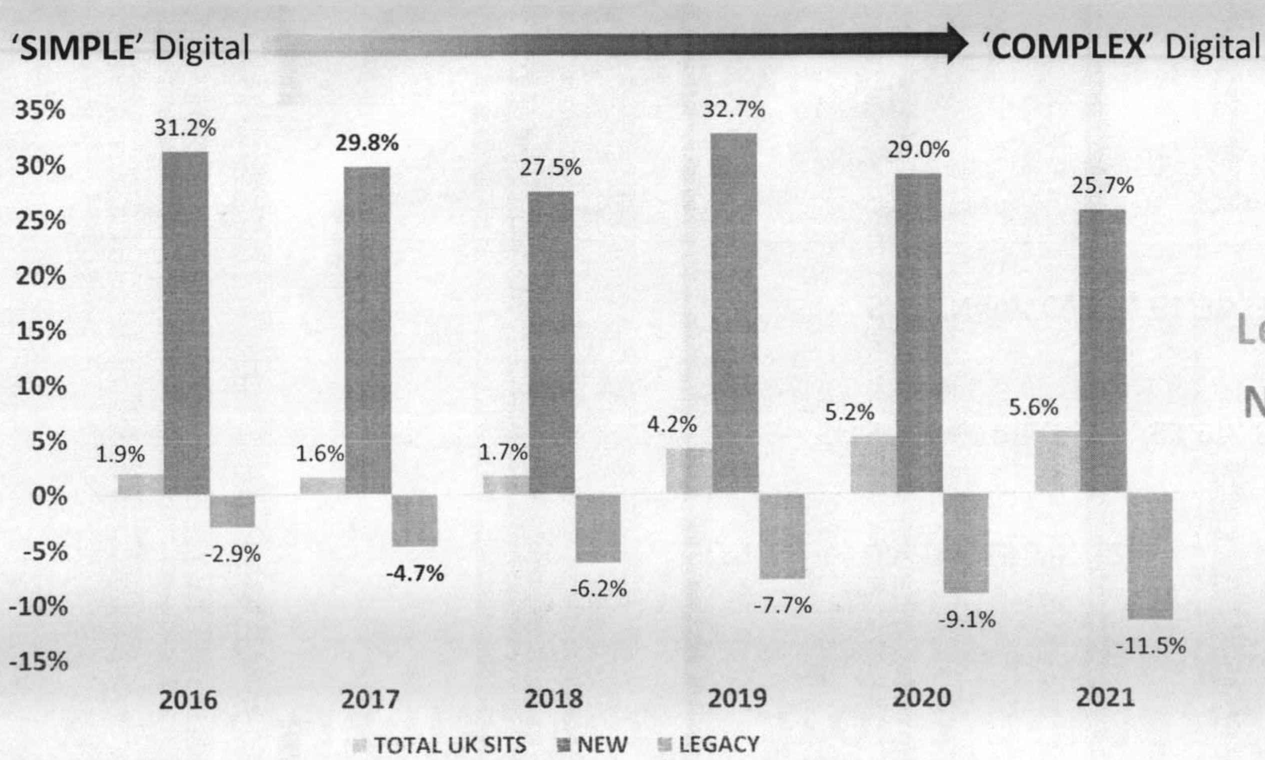
2017



- **Digital:** advisory, design, implementation, integration, run
- **Platform:** cloud – IaaS, PaaS, SaaS, BPaaS
- **Cybersecurity:** related software & services

'New' ICT driving the UK market

* Public Sector 25% of UK software and IT services market



2017

Legacy: -4.7%, -£1.8b

New: +29.8%, +2.5b

Tech Market View
UK DEPTH GLOBAL TRENDS

Digital marketplace: growth in the 'new'

Digital Marketplace helps public sector organisations find cloud technology and specialist services for digital projects via 3 frameworks:

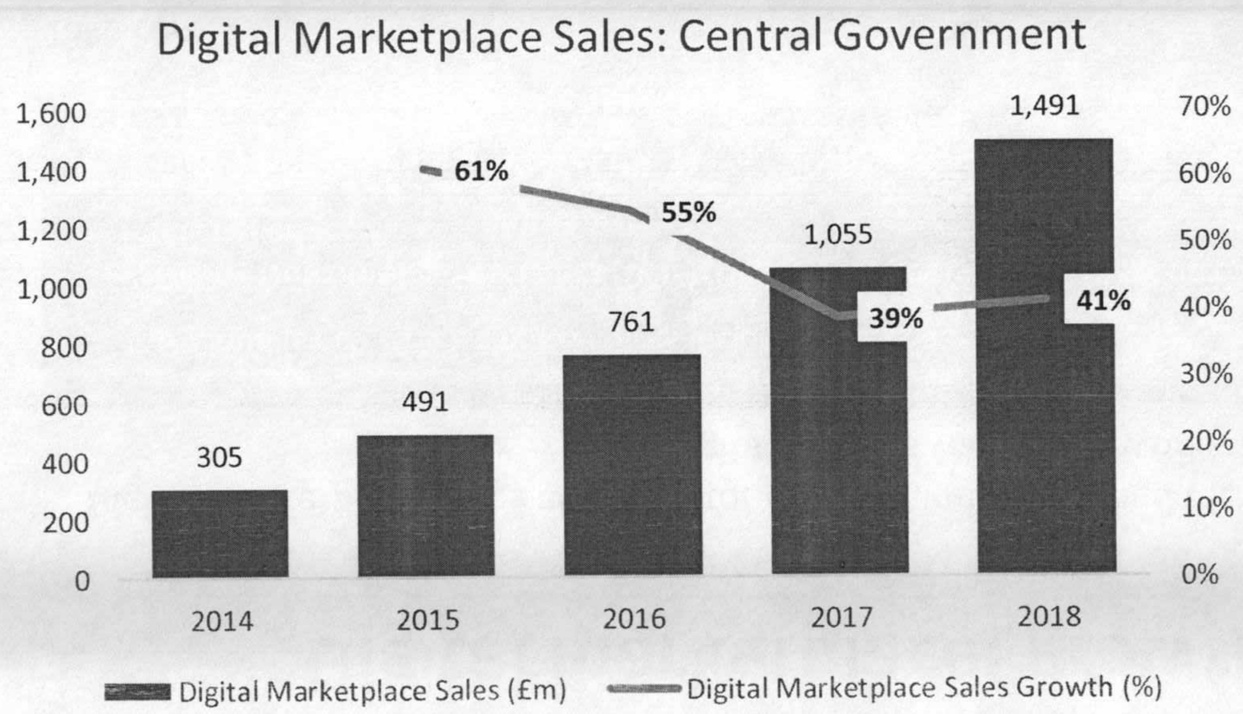
1. **G-Cloud** (since 2012): cloud services including IaaS, SaaS and PaaS
2. **Digital Outcomes & Specialists (DOS)/Digital Services** (since 2013) : outcomes, specialists and user research services for digital projects.
3. **Crown Hosting Data Centres (CHDC)** (since 2015): physical datacentre space for services (sole supplier)

Take care!

- Not everything channelled through these procurement channels is 'pure' cloud or 'pure' digital
- Not everything 'cloud' or 'digital' is channelled through these procurement channels
- But sales are a reasonable guide to how demand is shifting from large end-to-end outsourcing contracts to smaller, shorter, more agile contracts utilising a mix of suppliers for different skills

UK DEPTH GLOBAL TRENDS

Digital Marketplace growth



- **Digital marketplace sales continue to grow year on year (£5b total)**
- **Central government 84% of sales in 2018**
- **Represented 30% of central government SITS market**
- **Mix of large & SME suppliers (65:35)**

Tech Market View
UK DEPTH GLOBAL TRENDS

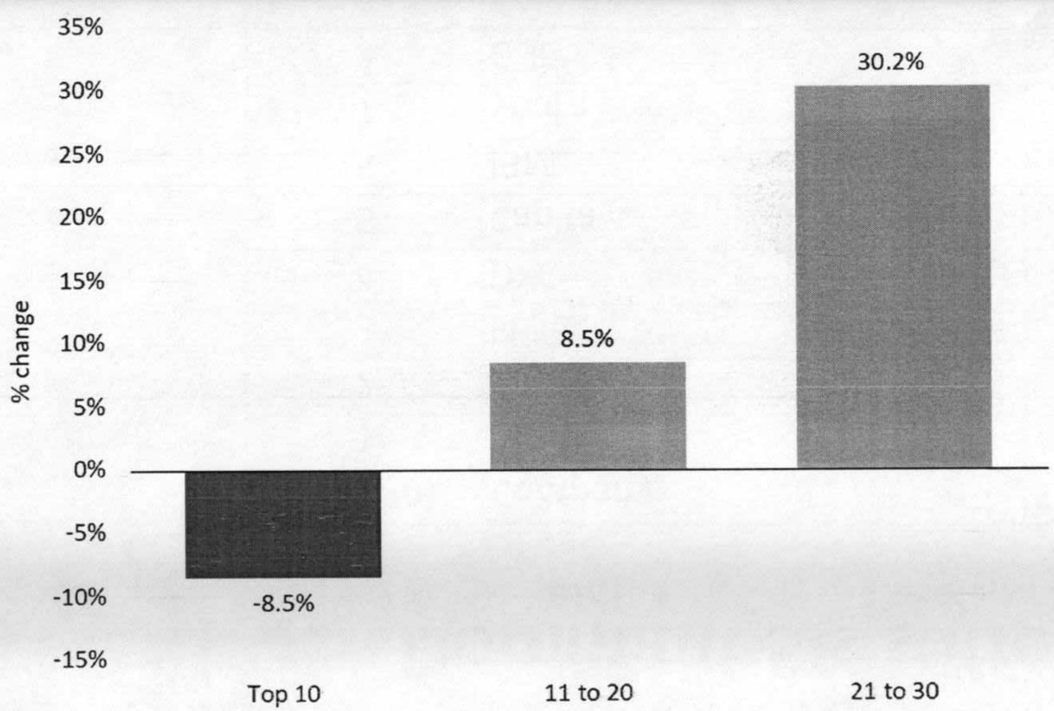
Dominant SIs suffering in Whitehall

CENTRAL	Company	FY17	FY16	Change	FY16 Position	Change
1	Atos	586	602	-2.7%	2	+1
2	Capgemini	499	648	-23.0%	1	-1
3	Fujitsu	423	425	-0.5%	3	=
4	DXC	320	400	-20.0%	4	=
5	Capita	314	327	-4.0%	6	+1
5	IBM	314	353	-11.0%	5	=
7	Sopra Steria	252	256	-1.5%	7	=
8	CGI	160	169	-5.3%	8	=
9	Computacenter	144	125	15.2%	10	+1
10	Oracle	130	128	1.6%	9	-1
TOTAL		**3,142**	**3,433**	**-8.5%**		

Source: TechMarketView estimates

Tech Market View
UK DEPTH GLOBAL TRENDS

Mid-size players (and smaller) thriving



Ranked 11-20

- **Accenture** (#11): **+22%**
- **BAE Systems** (#12): **+32%**
- **Deloitte** (#14): **+10%**
- **Serco** (#20): **+25%**

Ranked 21-30

- **Civica** (#21): **+56%**
- **BJSS** (#22): **+100%**
- **NTT DATA** (#24): **+23%**
- **Advanced** (#26): **+1300%**

Ranked >30

- **CACI** (#31): **+14%**
- **Mastek** (#41): **+33%**

MASTEK LIMITED Mastek

Tech Market View
UK DEPTH GLOBAL TRENDS

Mastek's winning formula

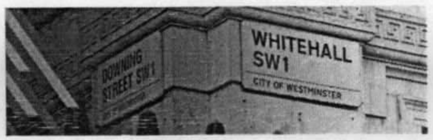
Not reliant on large ICT outsourcing contracts	UK HQ'ed but with access to offshore digital skills	Successful on Government frameworks (12th on Digital Marketplace in 2018, 8th on DOS)	Ability to leverage IndigoBlue acquisition for consultancy led sales
Non-dominant but corporately resilient	Relationships with Brexit impacted departments	Adept at working in collaborative client-supplier ecosystem development environments	Strong relationships have allowed 'land and expand'
Building relationships with UK universities to tackle skills gap	Strong capabilities & references in digital development including agile	Only Indian heritage company to have made an impact in UK public sector	Successful diversification to a direct sales model

RESULT: Steady double digit growth in UK public sector revenues

Tech Market View
UK DEPTH GLOBAL TRENDS

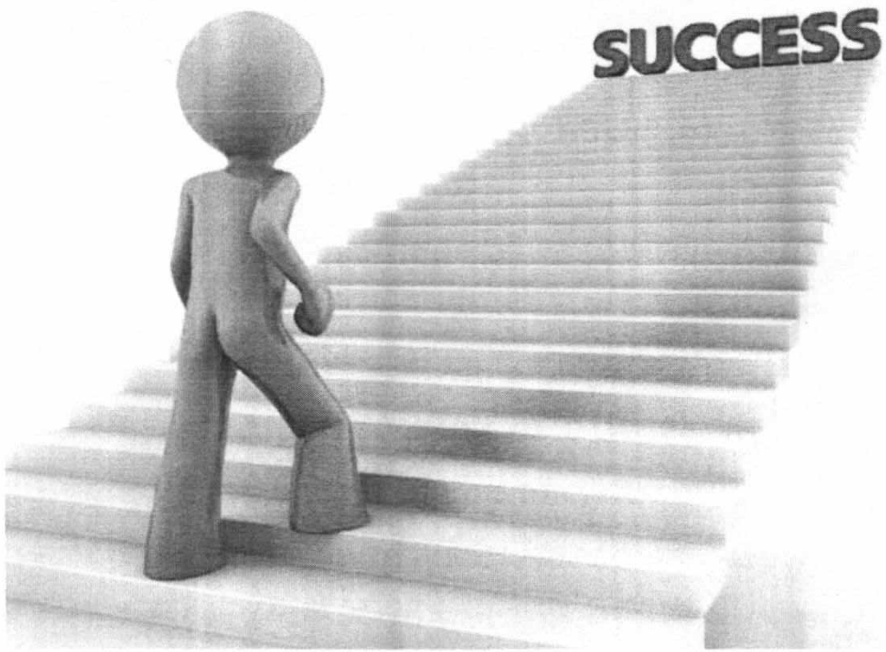
UK Government: attractive client?

- Financial challenges intensifying: must act ✓
- Brexit potential to drive digital investment ✓
- Citizens demanding online public services ✓
- Looking to expand supplier base ✓
- Supplier code of conduct/prompt payment: fair treatment ✓
- Frameworks simplify procurement process ✓
- Traditional outsourcing out; true partnership in... ✓



Tech Market View
UK DEPTH GLOBAL TRENDS

What more is Mastek doing?



- Investing further in raising profile
- Penetrating more new logos (sale & marketing)
- Increasing its consultancy strength for a sharper front end
- Ensuring ability to scale up for new opportunities
- Expanding & maturing partner relationships
- Deepening agile development skills
- Opening up to commercial innovation
- Being adaptable to new Government policy & strategy

MASTEK LIMITED
Mastek

Tech Market View
UK DEPTH GLOBAL TRENDS