



The difference between what is.  
And what could be.

# Investor Presentation

---

**Quarter ended June 30th, 2020**

**29 July 2020**



**Presented by:**

**John Owen | Group CEO**

**Abhishek Singh | Group CFO**

# Disclaimer



*This presentation contains certain forward-looking statements concerning our future growth prospects which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but not limited to factors such 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.*

01

**Highlights of the Quarter**

02

**Financial Performance**

03

**Operational Performance**

04

**Evosys Advantage**

05

**Acquisition and Covid Updates**



The background of the slide is a photograph of three business professionals in a modern office setting. Two people are seated at a long white table in the foreground, facing each other in conversation. A third person is visible in the background, leaning over the table. Large windows in the background provide a view of a city building. A teal banner with white text is overlaid on the center of the image.

# Highlights of the Quarter

# Highlights of the Quarter



- Mastek **crossed \$50m revenue mark** in the quarter
- **Operating EBITDA margin of 17.6%** in Q1FY21
- **Added 48 new** customers during the quarter
- **Repaid loan of \$6.0m**; 14% of overall borrowing of \$43.6m
- **Mastek and Evosys first contract** under “Joint Go-To Market strategy” signed with a new logo in UK market; **order value of \$4.0m**

# Highlights of the Quarter



- Mastek ranked 3rd in the Tech MarketView's "Monthly Digital Marketplace Dashboards" for its work with NHS Digital
- This evidences strong presence and recognition of Mastek in UK Public Sector



- Mastek awarded the distinction of UiPath "elite" partner
- Only 3 partners ranked such in UK Market



## Monetization of Majesco USA stake

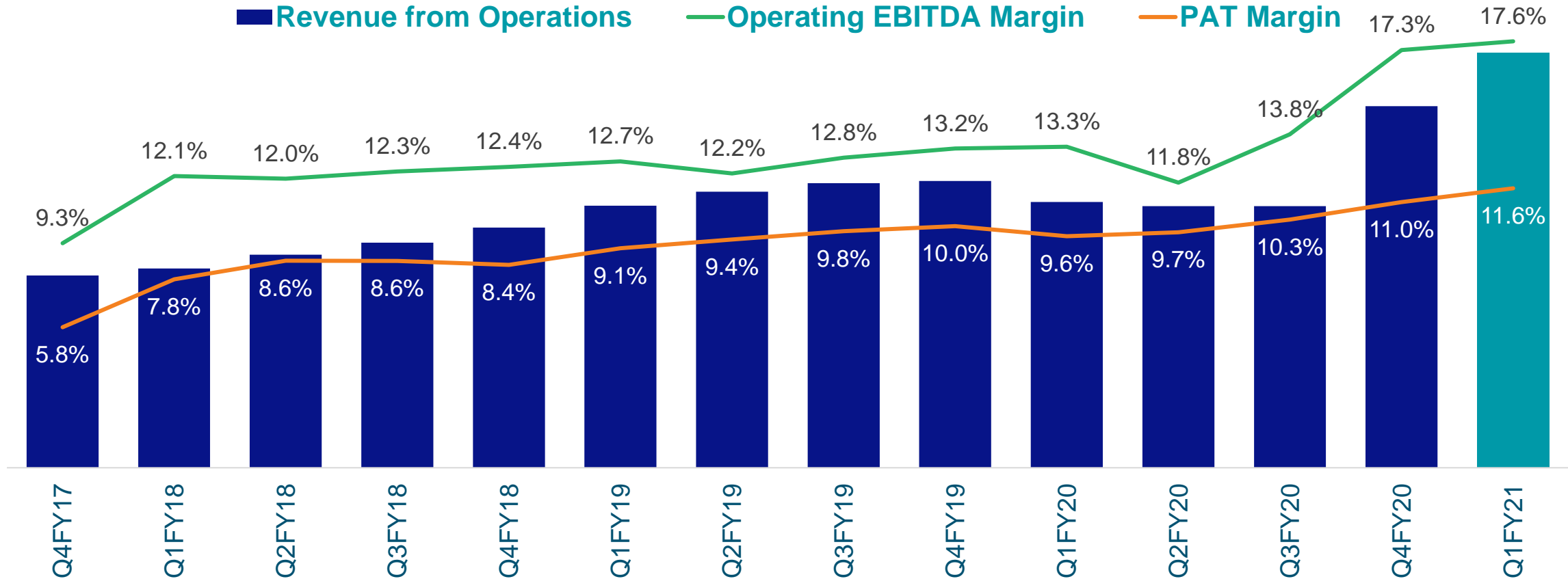
- Majesco US has decided to sell its company to a private equity, Thomas Bravo, LP at \$13.1 per share
- Mastek (UK) currently owns 2,018,192 Equity Shares of Majesco USA
- Mastek to receive \$26.4m as consideration



The background of the slide is a photograph of three business professionals in a modern office setting. Two people are seated at a long white table in the foreground, facing each other in conversation. A third person is visible in the background, leaning over the table. Large windows in the background provide a view of a city building. A teal banner with white text is overlaid on the center of the image.

# Financial Performance

# Consistent Financial Performance



Revenue growth of 115.7% from Q4FY17 to Q1FY21

Operating EBITDA margin improved to 17.6% from 9.3% since Q4FY17

PAT Margin improved to 11.6% from 5.8% over last 14 quarters



# Financial Summary - Q1 FY'21



Key Performance Metrics		Q1FY21	Q4FY20	Q1FY20	Growth QoQ	Growth YoY
<b>Revenue</b>	Revenue from Operations* (\$m)	\$50.8	\$46.3	\$35.5	12.1% (CC)	46.1% (CC)
	Revenue from Operations* (Rs Crore)	386.1	336.7	247.5	14.7%	56%
	Other Income (Rs Crore)	16.7	17.5	5.1	(4.6%)	225.5%
	<b>Total Income (Rs Crore)</b>	<b>402.8</b>	<b>354.2</b>	<b>252.6</b>	<b>13.7%</b>	<b>59.4%</b>
<b>Margins</b>	(Rs Crore) Op. EBITDA	68.1	58.2	32.9	17.0%	107.2%
	Total EBITDA	84.8	75.7	38.0	12.0%	123.1%
	PBT	70.9	49.3	31.5	43.8%	125.4%
	PAT	46.6	38.9	24.2	19.6%	92.3%
	Op. EBITDA	17.6%	17.3%	13.3%	35 bps	436 bps
<b>Margin (%)</b>	Total EBITDA	21.1%	21.4%	15.0%	(32 bps)	602 bps
	PBT	17.6%	13.9%	12.5%	368 bps	516 bps
	PAT	11.6%	11.0%	9.6%	57 bps	198 bps
	<b>EPS (Rs)</b>	Basic	16.6	14.0	10.1	
Diluted		16.0	13.3	9.6		

\*Total income from operation includes income from operations of Evosys amounting to Rs 133.8 crore (\$17.6m) in Q1FY21 and Rs 87 crore (\$ 11.9m) in Q4FY20.

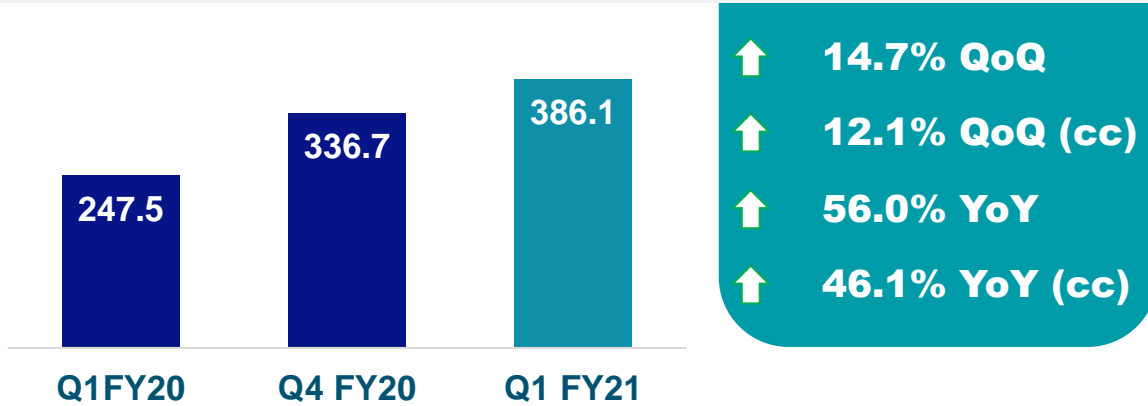
For Q4FY20, ESPL and its identified overseas subsidiaries have been consolidated effective from February 2020 and Evosys Middle East business and its subsidiaries have been consolidated effective from March 2020

# Consolidated Financial Highlights Q1 FY'21

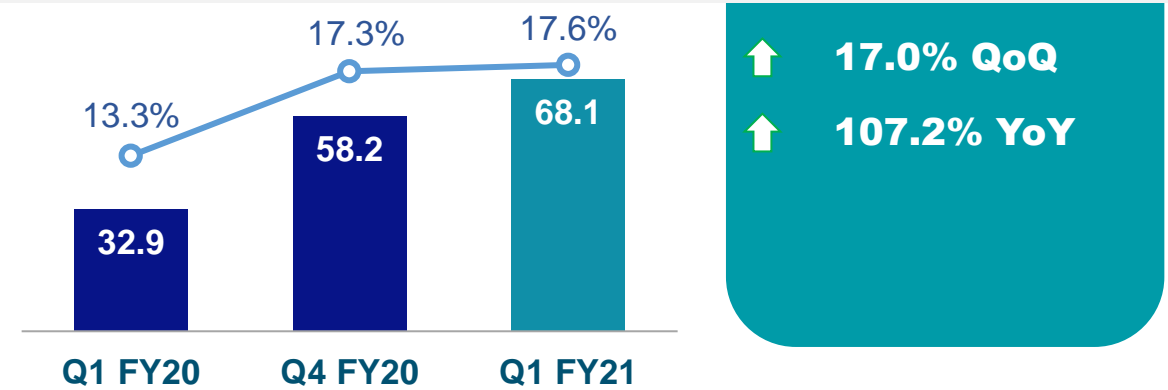


## Comparison: Quarter-on-Quarter and Year-on-Year (Figures in Rs Crore)

### Operating Revenue



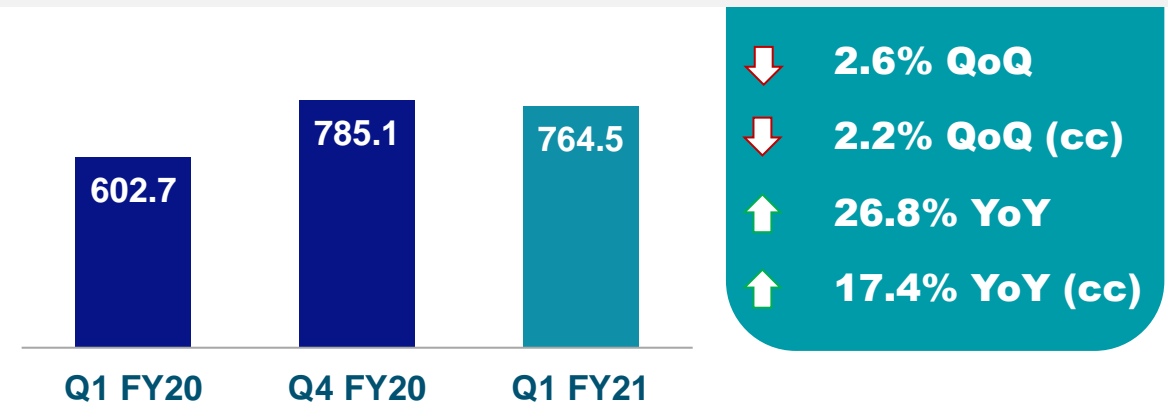
### Operating EBITDA & Margin (%)



### PAT & Margin (%)



### 12 Months Order Backlog\*



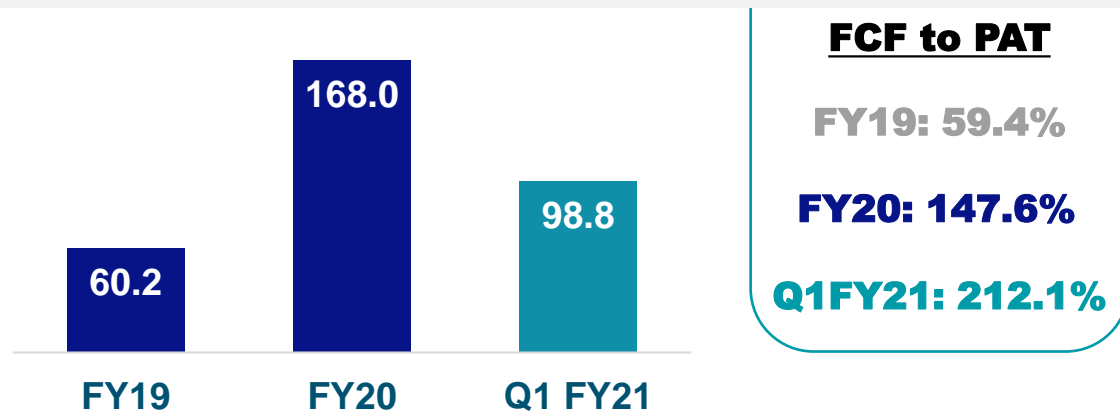
\* \$5.5m Framework contract secured from one of the leading healthcare client which is not included in order backlog as SOW's are awaited

# Balance Sheet Metrics Q1 FY'21 - Consolidated

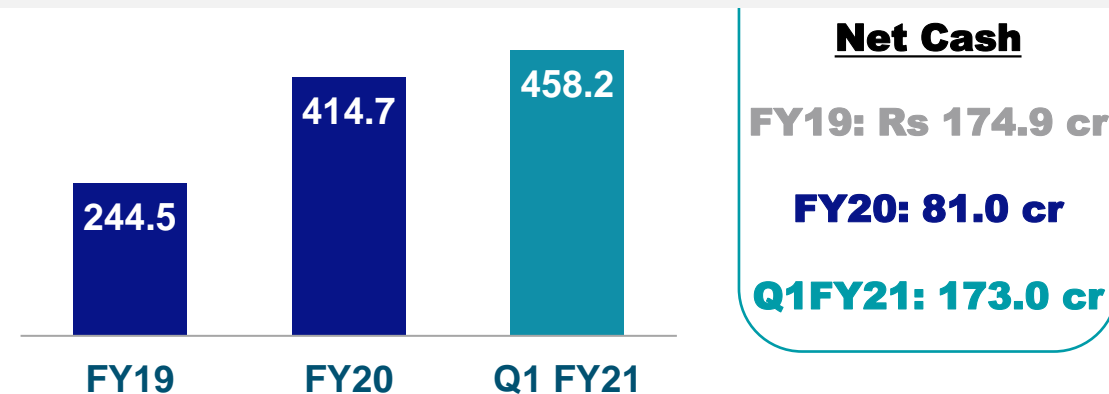


## Strengthening the Balance Sheet

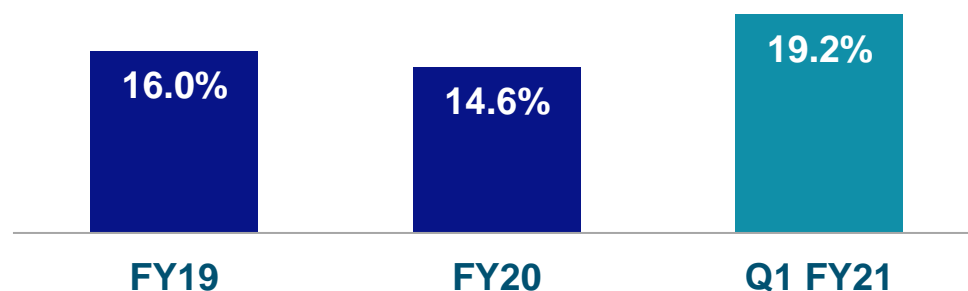
### Free Cash Flow\*



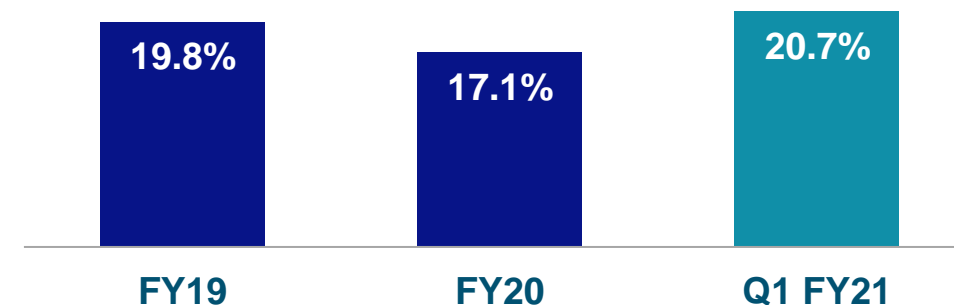
### Cash & Cash Equivalent\*



### Return on Equity\*#



### Return on Capital Employed\*#



All figures in Rs Crore

\* FY20 and Q1'FY21 includes Evosys numbers

# Return on Equity = PAT/Average Networkth; Return on Capital Employed = EBIT/Average Capital Employed; Quarter numbers are annualized for ROE and ROCE calculations

The background of the slide is a photograph of three business professionals in a modern office setting. Two people are seated at a long white table in the foreground, facing each other in conversation. A third person is visible in the background, leaning forward. Large windows in the background show a bright, sunlit exterior with a building facade. A teal banner with white text is overlaid on the lower half of the image.

# Operational Performance

# Operating Metrics Q1 FY'21



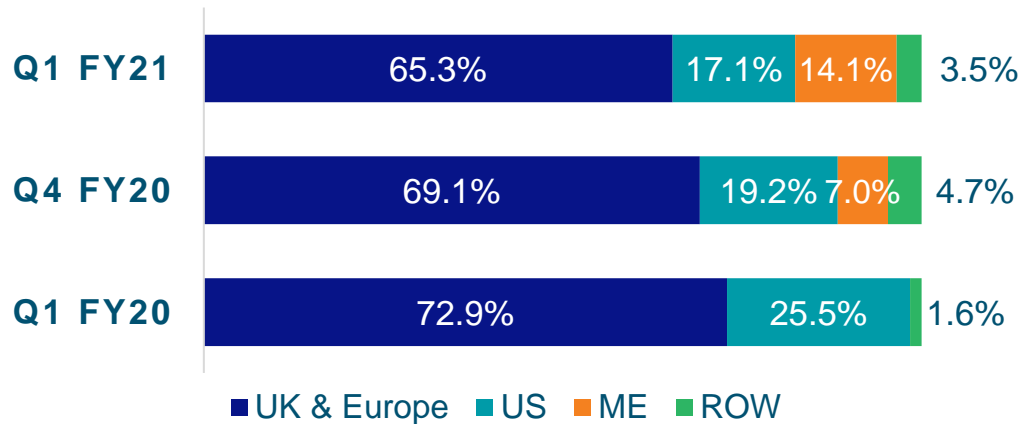
Strengthening our business		Q1FY21	Q4FY20	Q1FY20
<b>Client Base</b>	New Clients Added	48	24	9
	Active Client (immediately preceding 12 months)	504	436	154
	Top 5	34.5%	35.8%	40.3%
	Top 10	48.1%	50.9%	57.7%
<b>Employee Base</b>	Total Employee	3,321	3,404	2,035
	- Offshore	2,227	2,229	1,257
	- Onsite	1,094	1,175	778
	- Diversity (Women employees)	25.2%	25.1%	27.6%
	LTM attrition	18.3%	23.2%	20.4%
<b>DSO</b>	Days	72	81	76
<b>FX Hedges for next 12 months</b>	Value (In m) – GBP	10.2	10.3	7.1
	Average rate/ Rs.	97.7	96.9	97.1
	Value (In m) – USD	4.5	3.4	NA
	Average rate/ Rs.	75.8	74.3	NA

# Revenue Analysis Q1 FY'21 - Consolidated



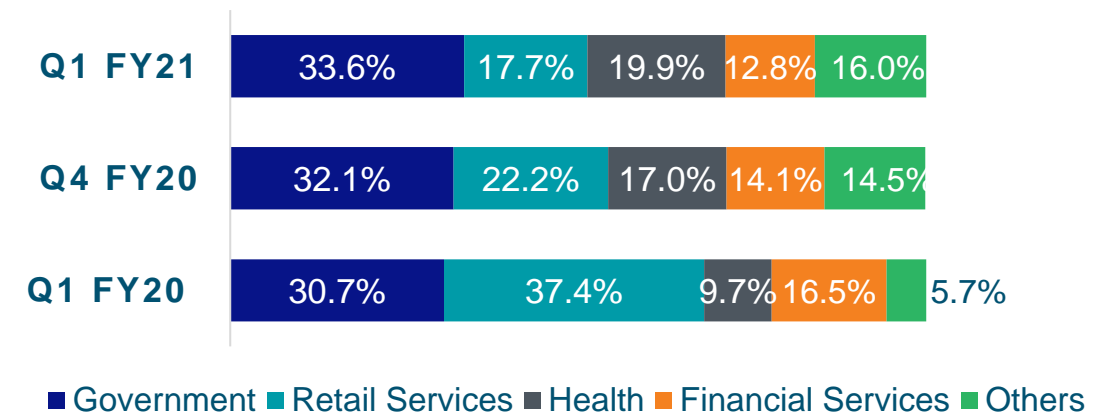
## Balancing our portfolio

### Revenue by Market Region\*

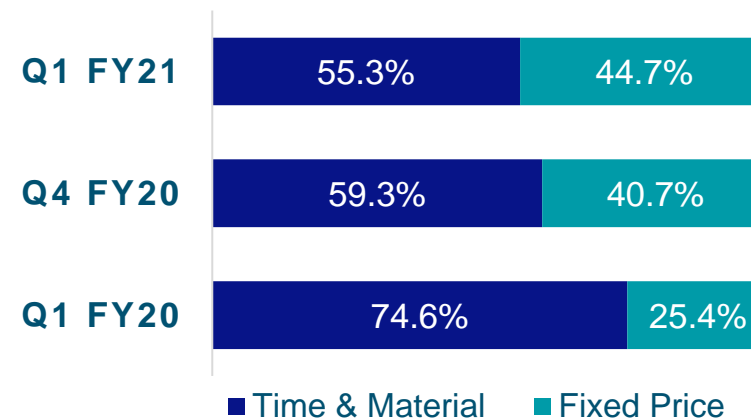


\* ROW includes India, Singapore, Malaysia and Australia

### Revenue by Industry Segment

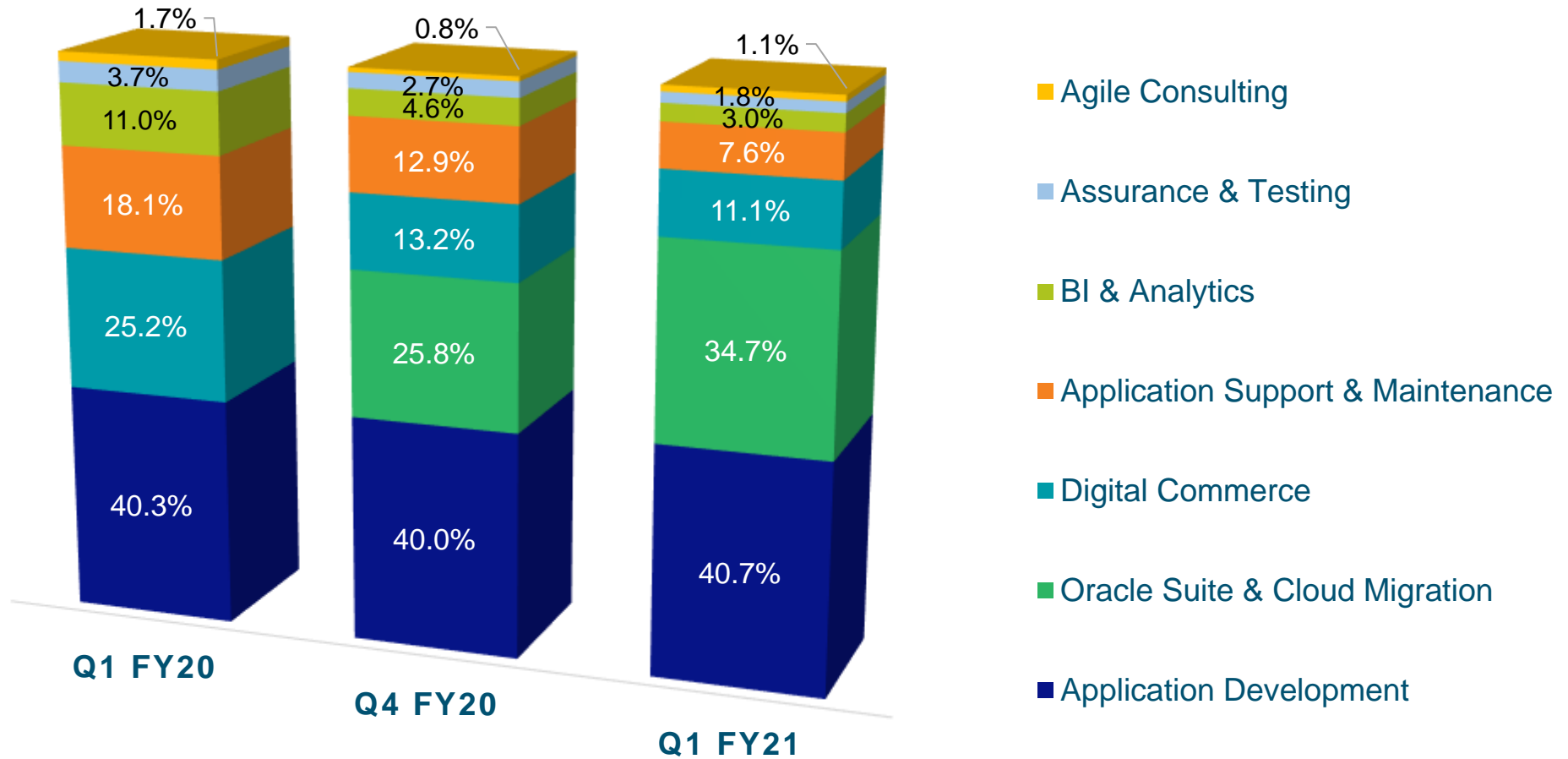


### Revenue by Contract Type





# Revenue By Service Line Q1 FY'21 – Consolidated



The background of the slide is a photograph of three business professionals in a modern office setting. Two people are seated at a long white table in the foreground, facing each other in conversation. A third person is visible in the background, leaning forward and looking towards the other two. Large windows in the background provide a view of a city building. A teal banner with white text is overlaid on the middle of the image.

# Evosys Advantage

## Global and Cross Pillar



- 1000+ Global Customers with presences in 30+ countries.
- Expertise in all Oracle Cloud Pillars

## Value Based Delivery

Deliver Measurable Outcome.



## Verticalized Approach



Vertical specific solution developed for prominent verticals

## Evosys Glide (On Prem to Cloud)

Transformation Platform for Oracle EBs, PeopleSoft, & SAP to Oracle Cloud.



**Oracle Global  
Platinum &  
Cloud Premier  
Partner**

## Brilliant team and model to scale



1200+ consultant & growing across all pillars of Oracle Cloud

## Awards and Recognition

Oracle's Leading Global Partner (2017,19)  
Gartner MQ (2019-20)  
Oracle User Groups (2016-19)  
Oracle Regional Partner (2016-19)





**GlideEBS**

**79 clients**

**GlideSAP**

**5 clients**

**GlidePS**

**6 clients**



**Assessment of configuration & customizations**



**Insights to build expected ROI**



**Advisory services for transformation**



**Data Migration**



**Support and enhancement services**

**Accelerators**

# Evosys - ERP, SCM Extensions/Solutions



**Evo Bank Facility Management**



**Point of Sales System Solution**



**Catch Weight Sales Solution**



**Evo Subcontract Management**



**Evo Van Sales Solution**



**Evo Mobile Supply Chain Solution**



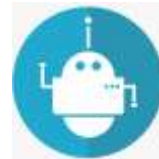
**SMART Desk- Service Request Mgmt.**



**Online Freight Calculation**



**Multi-dimensional Reporting**



**Regression & Data Migration Tool - RPA**



**Live Sales Dashboard**



**Material Request Solution - Construction**

# Oracle named a Magic Quadrant Leader (Oracle ERP Cloud)



Source: Oracle

- Magic Quadrant provides visibility into an enterprise's financial position through automation and process support
- Gartner Names Oracle (Oracle ERP Cloud) a Magic Quadrant Leader
- Market for cloud suites will continue to evolve over next 5 to 10 years. By 2024, Gartner expect 70% of all new midsize core financial management application projects & 35% of large and global ones to be deployed in the public cloud
- Finance organizations are increasingly shifting to cloud core suites
- Business disruption caused by the Covid-19 pandemic will accelerate trend in near future
- Combined capability of Mastek & Evosys creates a new organization which can provide end-to-end services and tap into this huge market



# Oracle Named as a Magic Quadrant Leader

**Magic Quadrant for Cloud ERP for Product-Centric Enterprises\***



**Magic Quadrant for Cloud Core Financial Management Suites for Midsize, Large and Global Enterprises\***



\*Source: Oracle

# Evosys Amongst Top Leaders for Oracle Cloud Application Services

For 2 consecutive years

2019\*

2020\*



- Improvement in ranking of Evosys year on year
- \$20 Billion+ in services & implementation revenue opportunity around Oracle annually
- Existing players in 'Leaders' quadrant bag majority of the transformational opportunity using their integrated offerings in Digital Transformation & Cloud Migration services
- Combined capability of Mastek & Evosys creates a new organization which can provided end to end services and tap into this huge market.

\* Magic Quadrant for Oracle Cloud Application Services; Source: Gartner

# Advantages of EVOSYS Acquisition

## Fast Growth

- Oracle Cloud ERP/HCM is growing @ 30%+
- Oracle the leader in this segment as stated by Gartner in its various reports
- Evosys has been a winner, year-after-year, in Oracle's Global Awards category for Performance
- Evosys recognized by Gartner amongst Top 10 players globally in their Magic Quadrant for Oracle application services. Improving ranking year on year
- Mastek-Evosys team approach adds to that growth rate due to increasing winning probabilities due to combined size
- One of the largest installed base of Oracle cloud application customers (1000+)

## High Profitability

- High EBIDTA business

## Accelerating Client Acquisition

- Set of 1,300 strong serviced customer-base globally; around 200 customers having >\$1 billion revenue; helps in leveraging Digital Transformation services offered by Mastek
- Multiplier effect in new customer acquisition speed (3 to 4 times higher) for Mastek's Digital offerings due to acquisition of customers in ERP/ HCM space by Evosys
- 44 new customers in the last quarter out of which 5 were billion dollar plus organizations

## Entry to New Countries & Verticals

- New industry sectors viz. manufacturing, engineering, professional services, education etc.
- New presence in 10+ countries in Mainland Europe, Middle East and Asia -Pacific

# Cross-Sell Opportunity



## Mastek Services

- Application Development
- Digital Commerce
- Application Support & Maintenance
- BI & Analytics
- Agile Consulting
- Assurance & Testing

101 active clients

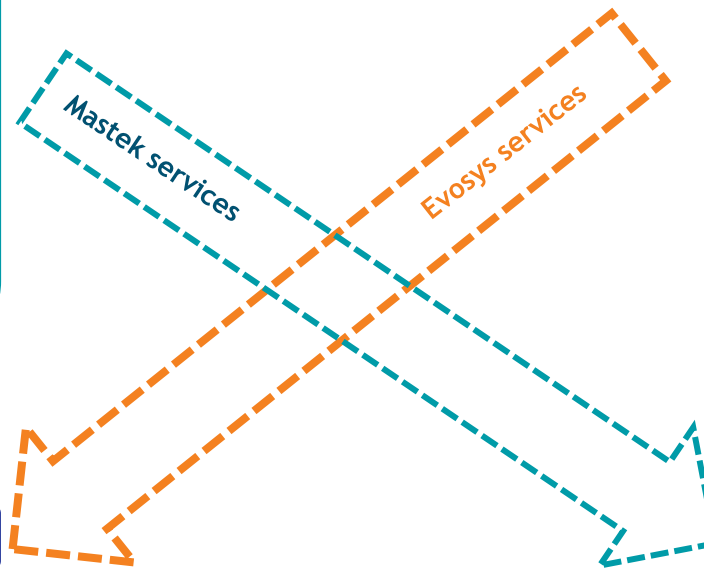
500+ clients globally

## Evosys Services

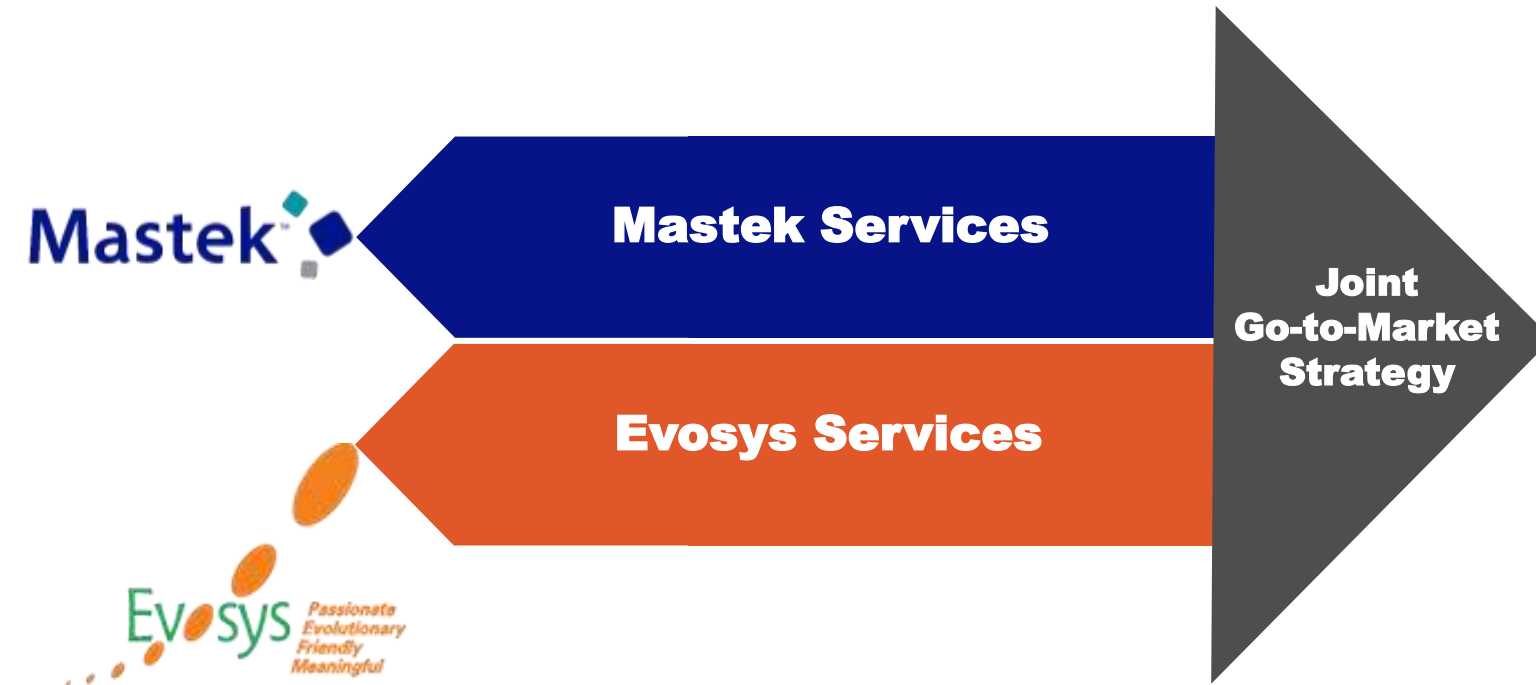
- Oracle Cloud Application Implementation
- Oracle On Premise Implementations and Upgrade
- Oracle Application Support
- Oracle Cloud Technology
- Evosys IP on Cloud

325 active clients

1,300+ clients globally



The acquisition enables company to provide end-to-end digital transformation and cloud migration services



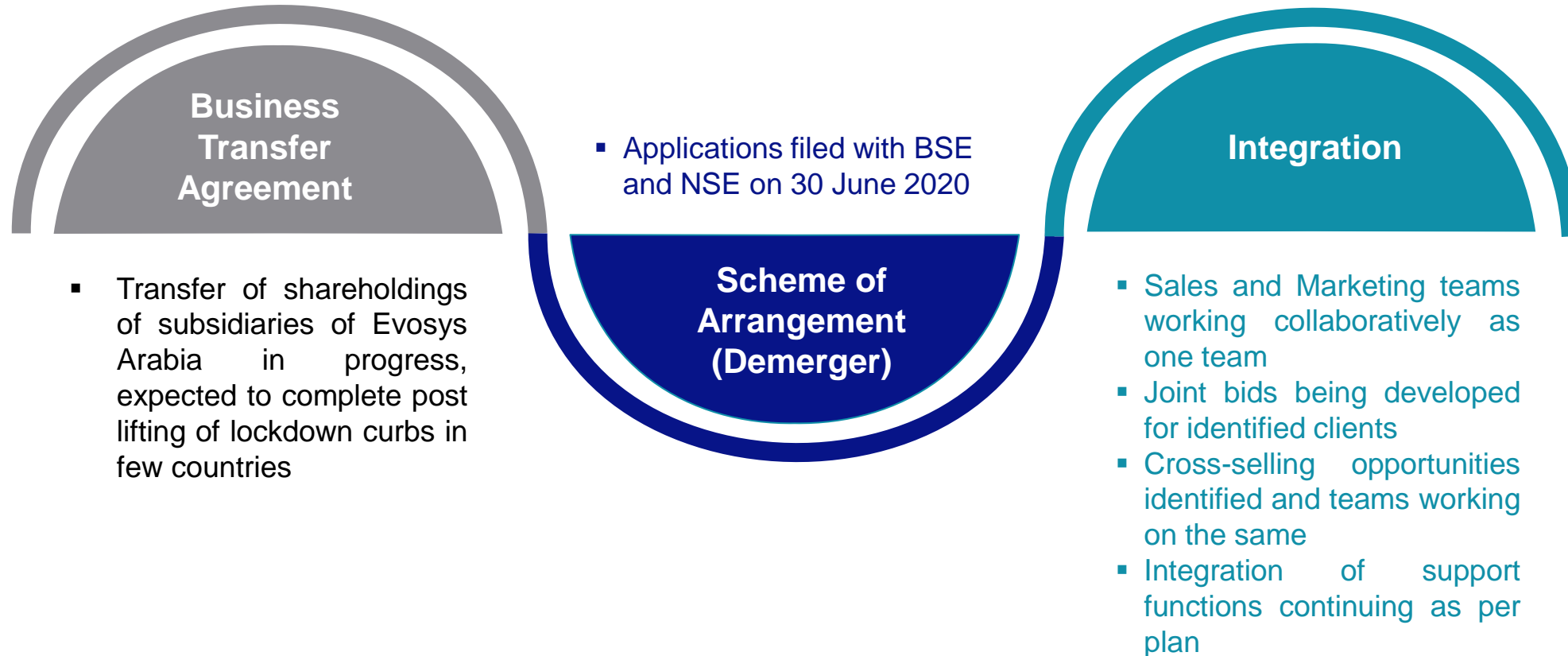
## Advantages of joint bids for Evosys ERP/ HCM bids

- Competitive “Total Digital Transformation” Solution offering
- Size benefit to bid for large contracts
- Size benefit to compete against larger players
- Grow the managed services portfolio of Evosys

The background of the slide is a photograph of a business meeting in a modern office. Three people are seated around a white table. On the left, a man with glasses and a red tie is looking towards the center. In the middle, a woman with her hair in a bun is seen from the back, looking towards the right. On the right, a man with a beard is looking towards the center. The office has large windows in the background, showing a building with a grid of windows. A teal banner with white text is overlaid on the bottom half of the image.

## Acquisition and Covid Updates





**Scheme of arrangement (Demerger) expected to close by December 2020**

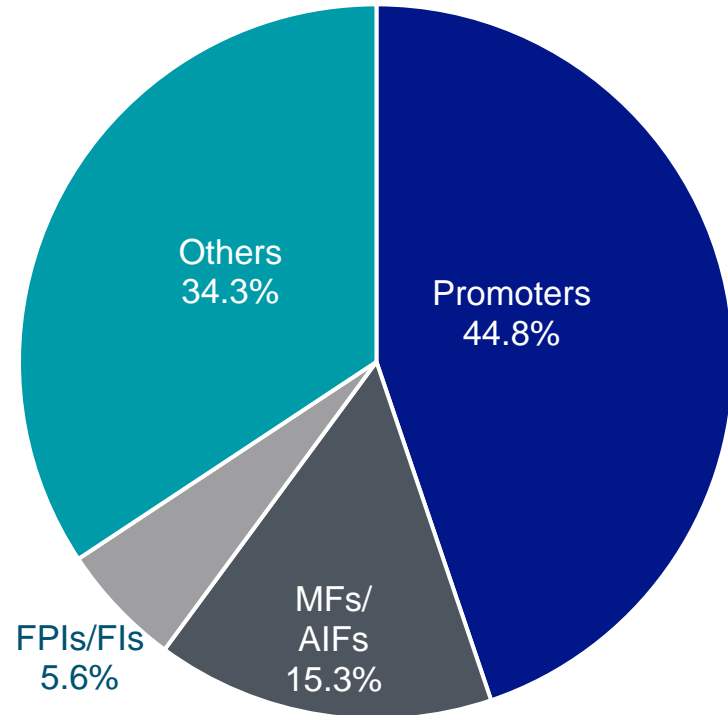
# Impact of Covid Settling Down



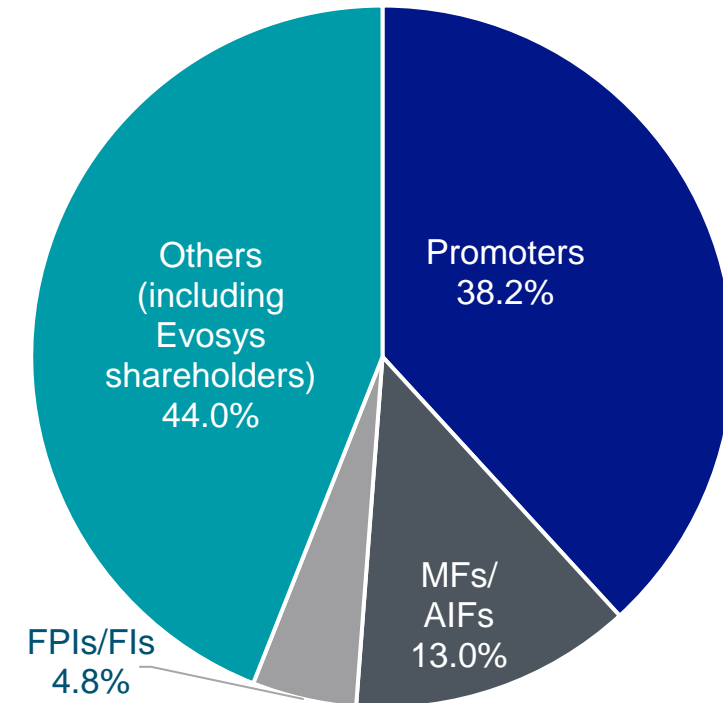
# Shareholding Pattern of Mastek Limited



Q1'FY21 (As on 30th June 2020)



Post approval of Scheme of Arrangement



# Thank You

---

## Questions & Answers