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## Press Release | Q4FY24

## Q4FY24 revenue at Rs 779.7 crore, up by 9.9% Y-o-Y

- 12 months order backlog grew by 20.9% Y-o-Y in rupee terms
- PAT margin at 12.0%, improved by 178bps Y-o-Y
- Proposed Final Dividend of 240%

**Mumbai, India 26<sup>th</sup> April 2024:** Mastek, a Turnkey & Trusted Digital Engineering & Cloud Transformation Partner, announced today its financial results for the **Fourth quarter and Full year** ended on 31<sup>st</sup> March 2024.

**Commenting on the FY24 results, Hiral Chandrana, Chief Executive Officer, Mastek, said:**

*“Q4FY24 revenue was below our expectations at \$93.7mn, a marginal decline of 0.3% Q-o-Q in dollar terms due to offshore movement of a large program, and impact of 2 clients in the US. However, we had our highest ever order book (OB) with some marquee annuity deal wins in US this quarter. FY24 was a transformational year for us, we are pleased to have delivered revenue growth of 15.8% Y-o-Y in dollar terms on a full year basis, with disciplined execution across all geographies. The demand for our Digital Engineering, Cloud and Data/AI services remains strong as reflected in our 12 month order backlog which grew 19.1% Y-o-Y in dollar terms and we are well-positioned to deliver robust growth in FY25.”*

**Arun Agarwal, Chief Financial Officer, Mastek, said:** *“We reported Q4FY24 revenue of Rs 779.7 crore, a marginal decline of 0.6% Q-o-Q basis in INR terms. However, we are confident to deliver industry leading growth in FY25, with strong 12 month order backlog which stood at \$260.0mn, reflecting a growth of 4.6% Q-o-Q in dollar terms. Our operating cash flow consistently improved during the year with closing cash & cash equivalent standing at Rs 473.3 crore. In FY24, we delivered an operating EBITDA growth of 11.6% on Y-o-Y. While macro uncertainties and customer delays prevail, growth in our pipeline, key lead indicators and strategic priorities positions us well to continue our growth journey in the coming quarters and years.”*

### Review of the Consolidated Financial Performance for Quarter ended 31<sup>st</sup> March 2024:

Figures in \$mn	Q4FY24	Q3FY24	Q-o-Q Growth	Q4FY23	Y-o-Y Growth
Revenue from Operations	\$93.7	\$94.0	(0.3)%	\$86.3	8.7%

Figures in Rs Crore	Q4FY24	Q3FY24	Q-o-Q Growth	Q4FY23	Y-o-Y Growth
Total Income	785.2	787.6	(0.3)%	708.8	10.8%
Revenue from Operations	779.7	784.3	(0.6)%	709.2	9.9%
Operating EBITDA	125.1	133.5	(6.3)%	125.5	(0.3)%
% of Op. Income	16.0%	17.0%	(98)bps	17.7%	(165)bps
Net Profit	94.4	77.7	21.4%	72.6	30.1%
Net Profit %	12.0%	9.9%	215bps	10.2%	178bps
EPS (Rs) – Diluted	29.7	24.3		23.5	

**Note:**

Adjusted PAT for Q4FY24 was 13.1% vs 11.2% in Q3FY24, if normalized for Purchase Price Allocation (PPA) amortization from MST and BizAnalytica acquisition, fair valuation of earn out and one time acquisition cost

Figures in Rs Crore	FY24	FY23	Y-o-Y Growth
Total Income	3,070.8	2,601.7	18.0%
Revenue from Operations	3,054.8	2,563.4	19.2%
Operating EBITDA	508.7	455.9	11.6%
% of Op. Income	16.7%	17.8%	(113)bps
Net Profit	311.0	310.3 <sup>^</sup>	0.2%
Net Profit %	10.1%	11.9% <sup>^</sup>	(180)bps
EPS (Rs) – Diluted	97.3	95.5	

<sup>^</sup>Includes profit on sale of investment property partially offset by expense relating to business combination of MST consummated during the period

### Operating Highlights

- **New accounts added during the quarter:** The Company added 22 new clients in Q4FY24. Total active clients during Q4FY24 was 430 as compared to 436 in Q3FY24.
- **12 months Order Backlog:** 12 months order backlog was Rs 2,168.4 crore (\$260.0 mn) as on 31<sup>st</sup> March, 2024 as compared to Rs 1,794.1 crore (\$218.3 mn) in Q4FY23, reflecting growth of 20.9% in rupee terms and 15.4% in constant currency terms on Y-o-Y basis and Rs 2,067.6 crore (\$248.5 mn) in Q3FY24, reflecting a growth of 4.9% in rupee terms and growth of 5.2% in constant currency terms on Q-o-Q basis.
- **Employees:** As on 31<sup>st</sup> March, 2024, the company had a total of 5,539 employees, of which 3,892 employees were based offshore in India while the rest were at various onsite

locations. Employee count at the end of 31<sup>st</sup> December, 2023 was 5,518. Last twelve months attrition at 20.5% in Q4FY24 in comparison with 20.0% in Q3FY24.

- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 473.3 crore as on 31<sup>st</sup> March, 2024 as compared to Rs 403.7 crore at the end of 31<sup>st</sup> December, 2023.
- **Dividend:** The Board of Directors have proposed final dividend of 240% (Rs 12 per share) at the meeting held on 26<sup>th</sup> April, 2024.

### Key wins for the quarter

- Mastek will transform project approval processes for **UK based Government department** by deploying an elite Intelligent Customer Team (ICT), specializing in architecture and requirements. Our tailored support facilitates seamless progress through approval phases, transforming complex technical challenges into compelling visuals. This strategic collaboration ensures efficient decision-making and project advancement. We have also been named as a supplier for a government Defence Ministry's £1.2B Digital and IT Professional Services (DIPS) Framework which provides us with a significant opportunity to participate in multiple deals under the framework.
- Won a multi-tower deal from Yanbu Cement Company (YCC) to optimize the efficiency of its production line. The client, a pioneer in the **cement** industry in the **Kingdom of Saudi Arabia (KSA)**, has embarked on a digital & cloud transformation journey with Mastek in 2022, aligning with Saudi Arabia's Vision 2030 and Smart Industry 4.0 initiatives.
- Mastek has been chosen as the trusted partner by a leading **Ed-Tech** company based in **UK** to modernize their on-premise Financial management legacy system. Our mission is to transition it into a cloud-native, private cloud hosted, and multi-tenant SaaS platform. This transformation will deliver enhanced UX/UI, scalability, and cost-effectiveness, ensuring our client remains at the forefront of educational technology innovation.
- Mastek was selected across multiple capability areas including app development, maintenance, and tech infrastructure support across various business lines for an **American Fortune 500 financial services**. Leveraging expertise in Salesforce, Oracle, Cyber Security, Big Data, and Data Engineering, we will enhance functionality for Consumer, Sales & Marketing teams. Ensuring real-time data availability and scalability, we extend support to tech infrastructure.

- Mastek will transform Front & Mid Office Operations using Microsoft Dynamics CRM for a **Middle Eastern Development Bank**. We will modernize Sales & Service Operations, integrate with LDS (Loan Disbursal Systems), and provide Managed Services Support. Through this partnership, Mastek will reduce Overall LDC, enhance Customer Experience, optimize Release Cycles, and meet SLAs.
- Mastek earned the pivotal role of Digital Data and Technology partner for a public body of Department of **Health** and Social Care based in **UK**, and is tasked with driving transformative advancements in digital products and services. This partnership heralds a new era of innovation, spotlighting cutting-edge solutions like Gen AI, Process Automation, and Engineering excellence. Together, we empower the delivery of enhanced citizen-facing services, upgrading healthcare experiences both at home and abroad.
- Mastek secured a substantial multimillion-dollar contract from a **US** based **healthcare** company aimed at enabling the client to deliver high availability services to its internal and external stakeholders. This engagement marks a significant expansion of the client's technology capabilities, encompassing both existing and next-generation solutions within a KPI-driven engagement model. Furthermore, this partnership promises to deliver a state-of-the-art online experience to key stakeholders, including employees, physicians, partners, and beyond.
- Mastek won a multi-year contract from a fast growing subsidiary of a **US** based Fortune 100 **Healthcare** organization, as the trusted IT partner for Cloud Enhancement & Managed Services. This strategic partnership enables the client to modernize its IT infrastructure, aligning with its rapid growth trajectory and facilitating seamless integration with its parent organization. Furthermore, the engagement streamlines vendor management, consolidating key partnerships to accelerate the client's IT modernization journey.
- Mastek won a strategic engagement to implement Oracle Financials Cloud and EPM Cloud solutions Oracle Financials Cloud and EPM Cloud solutions for a **US** based global non-profit military **research** and education organization. This strategic initiative promises significant business impact, empowering the client to provide researchers with seamless access to project budgets and real-time tracking against available funding. By showcasing operational efficiency, the solution facilitates increased grant opportunities, ultimately driving impactful research outcomes.
- Mastek signed a strategic partnership with an **American** University and **Medical** Center, for delivering implementation services for various business lines utilizing Oracle Cloud Applications. Leveraging Enterprise Cloud and technology Infrastructure support, the

solution encompasses Financial, HCM, and Supply Chain Systems, empowering the client with streamlined operations and enhanced efficiency.

- Mastek won a transformational engagement to replace the existing ERP legacy system with Oracle Cloud for an **Australian** public teaching **hospital**. This transformative initiative modernizes finance, procurement, and inventory management systems, enhancing inventory tracking within hospital wards and automating supplier invoicing through invoice scanning. By adopting modern best practices and replacing their outdated 30-year-old system, the hospital aims to optimize operations and improve patient care.

### Awards & Recognitions:

During the quarter, Mastek and its Subsidiaries received awards and recognitions conferred by reputable organizations. Some of them are:

- **SASB:** Mastek complies with Sustainability Accounting Standards Board (SASB) standards to benchmark its Environmental, Social, and Governance (ESG) reporting
- **Gartner:** Mastek was featured in Gartner’s Tool Vendor Identification for Cloud ERP, CRM and HCM Implementation Service Providers, recognized for its Oracle, Salesforce and Microsoft Capabilities
- **ISG:** Mastek was named as Top 15 Sourcing Standout in ISG Booming 15 global Index for five consecutive quarters. Mastek was also recognized as ‘Major Contender’ in Generative AI Services for Microsoft Clouds in ISG Provider Lens™ – Microsoft Cloud Ecosystem 2024 for UK & US highlighting Mastek’s Microsoft Cloud service offerings integrated with Generative AI capabilities
- **Great Place to Work:** Mastek has been officially certified as a Great Place To Work in India, UK, US and KSA, achieving the prestigious recognition for another year

### About Mastek

Mastek (NSE: MASTEK; BSE: 523704), is an enterprise digital and cloud transformation partner that engineers excellence for customers in industries such as healthcare and life sciences, retail & consumer, manufacturing, financial services, and public sector across UK, US, Europe, Middle East, and Asia Pacific. Mastek helps enterprises decomplex digital and delivers business outcomes with trust, value, and velocity across the spectrum of services including digital experience & engineering, cloud implementations, data, automation & AI, and cloud managed services. A preferred Oracle, Salesforce, Microsoft, AWS and Snowflake partner, Mastek has 6000+ employees and delivers right-fit solutions to both medium businesses and global Fortune 1000 clients. For more details, please visit our website [www.mastek.com](http://www.mastek.com)

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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 are 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**



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