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Press Release | Q1FY25

Q1FY25 revenue at Rs 812.9 crore, up by 12.1% Y-o-Y

- **12 months order backlog grew by 23.0% Y-o-Y in rupee terms**
- **Mastek announced a partnership with NVIDIA marking a pivotal step in advancing AI-driven solutions**

Mumbai, India 18th July 2024: Mastek, a Turnkey & Trusted Digital Engineering & Cloud Transformation Partner, announced today its financial results for the **First quarter of FY25** ended on 30th June 2024.

Commenting on the Q1FY25 results, Hiral Chandrana, Chief Executive Officer, Mastek, said:

“We are pleased to report a healthy start to FY25, with a 3.8% Q-o-Q revenue growth in dollar terms delivering \$97.3mn in Q1. The top line growth was driven by our key strategic priorities including Healthcare in US, Central Government in UK, Account Mining and Data/AI solutions globally. While we continue to see delays in deal closures, the demand for our differentiated digital & cloud services is strong and the 12 month order backlog grew by 21.0% Y-o-Y in dollar terms.”

Arun Agarwal, Chief Financial Officer, Mastek, said: *“We are delighted to report revenue of Rs 813 crore, witnessing a growth of 12.1% on Y-o-Y basis in rupee terms. Our EBITDA at Rs 124 crore with a margin of 15.2%, is below our operating plan expectations due to delay in couple of project commencements and provision for aged receivables in Middle East. We continue to make strategic investments which is helping us deliver top line growth despite ongoing macroeconomic challenges and look forward to building on this momentum in the future.”*

Review of the Consolidated Financial Performance for Quarter ended 30th June 2024:

Figures in \$mn	Q1FY25	Q4FY24	Q-o-Q Growth	Q1FY24	Y-o-Y Growth
Revenue from Operations	\$97.3	\$93.7	3.8%	\$88.1	10.4%

Figures in Rs Crore	Q1FY25	Q4FY24	Q-o-Q Growth	Q1FY24	Y-o-Y Growth
Total Income	817.1	785.2	4.1%	727.6	12.3%
Revenue from Operations	812.9	779.7	4.3%	725.3	12.1%
Operating EBITDA	123.9	125.1	(0.9)%	127.0	(2.4)%
% of Op. Income	15.2%	16.0%	(80)bps	17.5%	(226)bps
Net Profit	71.5	94.4	(24.3)%	73.5	(2.8)%
Net Profit %	8.8%	12.0%	(327)bps	10.1%	(136)bps
EPS (Rs) – Diluted	22.9	29.7		22.7	

Note:

Adjusted Net Profit margin for Q1FY25 was 9.3% vs 13.1% in Q4FY24, if normalized for Purchase Price Amortization (PPA) from MST and BizAnalytica acquisition, fair valuation of earn out and one time acquisition cost

Operating Highlights

- New accounts added during the quarter:** The Company added 13 new clients in Q1FY25. Total active clients during Q1FY25 was 391 as compared to 430 in Q4FY24 reflecting deeper account mining and higher revenue per account.
- 12 months Order Backlog:** 12 months order backlog was Rs 2,168.8 crore (\$260.1 mn) as on 30th June, 2024 as compared to Rs 1,763.9 crore (\$215.0 mn) in Q1FY24, reflecting growth of 23.0% in rupee terms and 21.0% in constant currency terms on Y-o-Y basis and Rs 2,168.4 crore (\$260.0 mn) in Q4FY24.
- Employees:** As on 30th June, 2024, the company had a total of 5,546 employees, of which 3,851 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 31st March, 2024 was 5,539. Last twelve months attrition at 20.9% in Q1FY25 in comparison with 20.5% in Q4FY24.
- Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 383.5 crore as on 30th June, 2024 as compared to Rs 473.3 crore at the end of 31st March, 2024.
- Project Nucleus:** Mastek is on a transformative journey to automate the Order to Cash Lifecycle through Project Nucleus. This internal digitization program will establish lean, integrated, and unified global processes, deliver enhanced productivity, and bring best-in-class tools for automation across the value chain. Through Nucleus, we expect to

achieve savings in the coming quarters that will help us repurpose our investments to GenAI solutions and client growth.

Key wins for the quarter

- Mastek will transform operational dashboards for a key **UK ministerial department** for its three critical units and enhance the Case working platform for new immigration routes. Additionally, the UK's New Plan for Immigration (NPI) in Asylum and Refugee management will be implemented, delivering transformative lifecycle management initiatives.
- Mastek has been chosen as a trusted long-term partner by a prominent **American Life Sciences** firm to support their business applications and drive continuous enhancement in their cloud transformation journey. This strategic collaboration aims to deliver significant ROI through year-over-year savings and enhanced system value, focusing on innovation rather than mere support.
- Mastek has been selected by a leading **central bank in Europe** to design, build, and implement a cutting-edge data and analytical platform, replacing the existing data stack and software applications. This includes migrating data to the new solution and collaborating with the client to define and execute business change activities that maximize adoption while minimizing operational disruption.
- Mastek has extended its partnership with a large publicly operated **health plan in US** to enhance their Claims platform (QNXT) powered by a Salesforce solution. Mastek will also provide technical resources for the client's platform and has secured a new contract for advanced reporting capabilities. This collaboration aims to drive operational efficiency and improve member service delivery.
- Mastek implements Oracle Governance, Risk, and Compliance solutions for leading healthcare, research, and **education** institution renowned in the **Middle East** to enhance their risk management, automate analysis, and reduce compliance costs for the client. This initiative strengthens operational resilience and regulatory compliance, supporting client's leadership in healthcare excellence and research innovation.
- Mastek, as a Strategic Technology Partner, has signed multiple contracts with a **US** based Fortune 500 company specializing in selling **recreational vehicles (RVs)**, parts, and services, to drive application modernization engagements aimed at empowering consumer engagement and enabling business growth. These applications will support the entire digital value chain, from subscription enrollment to renewal, cancellation, loyalty programs, customer service functionalities, and product upselling and cross-selling.

Key Achievements & Recognitions:

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

- **Everest:** Mastek has been featured as a “Major Contender” in Everest Group's Healthcare Industry Cloud Services PEAK Matrix® Assessment 2024
- **ISG:** Mastek named as a ‘Product Challenger’ in the ISG Provider Lens™ – Salesforce Ecosystem Partners 2024 in the US in two service segments - Implementation Services for Core Clouds – Midmarket & Implementation Services for Industry Clouds
- **Mastek launches iConniX:** Mastek's iConniX portfolio to enable Gen AI-led innovation across industries. iConniX currently offers over 120 AI assets, 4 AI platforms, and solution blueprints tailored to meet industry specific business use cases.
- **UKOUG Awards:** Mastek won UKOUG (Oracle HCM User Group) Awards under the two categories viz., Bronze Award for Analytics Partner of the Year, and Bronze Award for HCM Fusion Cloud Partner of the Year
- **Globe Awards:** Mastek won the prestigious Globe Awards in two categories – Gold Globe Awards for Hiral Chandrana as Executive of the Year, and Silver Globe Awards for Ritwik Batabyal as Chief Technology Officer of the 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

For past results & conference call transcripts, please visit our web site at <https://www.mastek.com/investors/>. Updated disclosures regarding corporate governance may also be accessed at <https://www.mastek.com/investors-corporate-governance/>.

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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 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. 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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