

SEC/38/2022-23

July 18, 2022

Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. Tel No.: 022- 22723121 SCRIP 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 SYMBOL: MASTEK
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Dear Sir / Madam,

Sub: Approval of proposal for acquisition of 100% Shareholding in Meta Soft Tech Systems Private Limited by the Company.

Ref: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement), 2015 (“SEBI Listing Regulations”).

Pursuant to Regulation 30 read with Schedule III of SEBI Listing Regulations, and applicable circulars, we hereby inform you that the Board of Directors of the Company at their meeting held today on July 18, 2022, has accorded their approval for the following:

1. For signing a definitive agreement to acquire 100% of the Equity Shares of Meta Soft Tech Systems Private Limited (“**MST India**”) by the Company, subject to compliance with all applicable laws and requisite approvals, if any. The details of the proposed acquisition are enclosed hereto as “**Annexure A**” and the details pertaining to the disclosure for entering into an agreement that impacts the Management and control of the listed entity are enclosed hereto as “**Annexure B**”.

Please also find enclosed a copy of the “**Press Release**” being issued in this regard as “**Annexure C**” and the “**Investor Presentation**” being issued in this regard as “**Annexure D**”.

2. Subject to applicable laws and approvals, execution of a Corporate Guarantee of USD 32 million to secure a facility for Mastek Inc., a Wholly Owned First Level Step-down Subsidiary of the Company, to finance the acquisition by Mastek Inc. The details of the Corporate Guarantee proposed to be given are enclosed as per “**Annexure E**”.

Kindly take the same on record.

Thanking you.
Yours Truly

For Mastek Limited


Dinesh Kalani
Company Secretary



Encl: A/A

Mastek Limited

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“ANNEXURE A”

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover, etc.	Meta Soft Tech Systems Private Limited (a subsidiary of Metasoftech Solutions LLC, USA), is a company engaged as an off-shore service provider and is mainly engaged in IT and software support services. The Company has approximately 250 employees. The Company recorded revenues of INR 27.3 Crore (FY2021-22 unaudited), INR 17.6 Crore (FY2020-21), and INR 15.5 Crore (FY2019-20) over the last 3 Financial Years. The revenue primarily represents the services rendered to the parent entity.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”?	The promoter / promoter group has no interest in the target or its parent company.
3.	The industry to which the entity being acquired belongs	IT Consulting and Software Services.
4.	Objects, effects, and impact of acquisition (including but not limited to, disclosure of reasons for the acquisition of target entity, if its business is outside the main line of business of the listed entity)	Mastek’s Business Outcomes and Industry First DNA paired with MST India’s Salesforce led innovation capabilities, will strengthen the value we will deliver to our customers and help them in their journey to Decomplex Digital. This acquisition is expected to significantly increase our market share in existing accounts across industries in the Americas and provide a foundation to scale our Digital Transformation business globally.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
6.	The indicative time period for completion of the acquisition	Closing is expected to be completed on or before August 31, 2022, or within extended time as may be mutually agreed.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	All cash.
8.	Cost of acquisition or the price at which the shares are acquired	INR 27.2 Crore
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100% Shareholding of equity shares of Meta Soft Tech Systems Private Limited.
10.	Brief background about the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, the country in which the acquired entity has presence, and any other significant information (in brief)	Meta Soft Tech Systems Private Limited, formed in March 2013, is the privately held Indian subsidiary of US-based parent Metasoftech Solutions LLC, USA. The Indian entity is set up as an off-shore service provider and is mainly engaged in IT and software support services, to meet overseas client requirements. The Company has a current workforce of approximately 250 employees. Last three years’ revenue: INR 15.5 Crore (FY2019-20), INR 17.6 Crore (FY2020-21), and INR 27.3 Crore (FY2021-22 unaudited).



Mastek Limited

“ANNEXURE B”

Sr. No.	Particulars	Details
1.	Name of the target entity with whom the agreement is entered	Meta Soft Tech Systems Private Limited.
2.	Purpose of entering into the agreement	Mastek’s Business Outcomes and Industry First DNA paired with Meta Soft Tech Systems Private Limited’s Salesforce led innovation capabilities, will strengthen the value we will deliver to our customers and help them in their journey to Decomplex Digital. This acquisition is expected to significantly increase our market share in existing accounts across industries in the Americas and provide a foundation to scale our Digital Transformation business globally.
3.	Shareholding, if any, in the entity with whom the agreement is executed	Not Applicable
4.	Significant terms of the agreement (in brief) special rights like the right to appoint directors, first right to share subscription in case of issuance of shares, and right to restrict any change in capital structure	The equity shares are to be bought for a consideration of INR 27.2 Crore, subject to customary closing adjustments as per the terms of the Share Purchase Agreement. Since the said transaction is a 100% acquisition, there are no affirmative rights or board seats, or any special rights for the Sellers.
5.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”?	The promoter / promoter group has no interest in Meta Soft Tech Systems Private Limited or its parent Metasoftech Solutions LLC.
6.	Any other disclosures related to such agreements, viz., details of the nominee on the board of directors of the listed entity, the potential conflict of interest arising out of such agreements	There is no conflict of interest arising out of such an agreement. The details of the nominee will be decided at a later date.



Mastek Limited

For Immediate release

Mastek to Acquire MST Solutions to Address Digital Transformation Opportunities in the Growing Salesforce Ecosystem

Mumbai, India – July 18, 2022

Mastek, a turnkey & trusted Digital Engineering and Cloud Transformation provider, today announced the signing of a definitive agreement to acquire MST Solutions.

MST Solutions is based in Chandler, AZ, and is an independent Salesforce consulting partner in the Americas region. MST is a trusted partner to several Fortune 1000 and large enterprise clients. MST has built a strong reputation for themselves especially in the Healthcare, Public Sector and Manufacturing Industry verticals.

“Mastek’s Business Outcomes and Industry First DNA paired with MST’s Salesforce led innovation capabilities, will only strengthen the value we will deliver to our customers and help them in their journey to Decomplex Digital. This acquisition is expected to significantly increase our market share in existing accounts across industries in the Americas and provide a foundation to scale our Digital Transformation business globally,” shared Hiral Chandrana, Global CEO, Mastek

“We’re thrilled to join the Mastek family. We share a strong cultural alignment and a deep commitment to the growth and experience of our colleagues. Partnering with Mastek is the right choice for us to expand into a global market with a continued focus on delivering outcomes for our customers. By combining our decade of experience in the Salesforce ecosystem across multiple clouds with Mastek’s global scale, we’ll be able to deliver value across a wide range of integrated service offerings,” said Thiru Thangarathinam, Founder and CEO, MST Solutions.

“Our partner ecosystem is a key growth driver of the Salesforce Economy,” said Tyler Prince, Executive Vice President, Worldwide Alliances & Channels, Salesforce. “The combined power of Mastek and MST Solutions will help companies drive their digital transformations and connect with their customers in this new digital economy.”

“Mastek has built a strategic vision with a \$1B ambition and Salesforce is identified as a key growth opportunity as part of that journey. MST brings in deep expertise in Salesforce clouds to help us achieve this strategy and extend our partnership with our customers on business transformation programs,” shared Arun Agarwal, Global CFO for Mastek.

Salesforce and others are among the trademarks of salesforce.com, inc.

About Mastek:

Mastek is a turnkey & trusted Digital Engineering & Cloud Transformation partner that delivers Innovative Solutions and Business Outcomes for clients in Healthcare & Life Sciences, Retail, Manufacturing, Financial Services, Government/Public Sector, etc. We enable customer success and business change programs by partnering with enterprises to unlock the power of data, modernize applications to the cloud, and accelerate digital advantage for all stakeholders. Customers Trust Mastek to deliver Business Value with Velocity and we operate in 40+ countries including the UK, Americas, Europe, Middle East, APAC with ~5000 employees. We are in the business of de-complexing Digital and making our clients future-ready with an industry-first approach. Evosys, a Mastek company, is an Oracle Partner and a leading Oracle Cloud implementation and consultancy provider and has executed programs for 1,300+ Oracle Cloud clients. For more details, please visit our website www.mastek.com

Acknowledgements: E&Y served as exclusive financial advisor to Mastek, and Honigman LLP and Khaitan & Co. served as legal counsel.

About MST Solutions:

Founded in 2012, MST Solutions is the largest independent Salesforce consulting partner in the American Southwest region. With Summit level status in the Salesforce ecosystem and a 5 out of 5 Customer Satisfaction score, they're service experts who take service to a whole new level. Through the framework of a proven effective Roadmap to Results, their team of Salesforce architects, developers, project managers, and administrators add their expertise to your team to craft agile, innovative solutions that answer your organization's operational challenges today and grow as you grow. For more details, please visit our website www.mstsolutions.com

Acknowledgements: Canaccord Genuity served as exclusive financial advisor to MST Solutions, and Weiss Brown served as legal counsel.

Press Contact:

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MST Solutions: Emma Dicker | emma@mstsolutions.com

"Annexure D"

Mastek™

Trust. Value. Velocity



INVESTOR PRESENTATION

18 July 2022

MASTEK SIGNS DEFINITIVE AGREEMENT TO ACQUIRE MST SOLUTIONS - A SALESFORCE FOCUSED CONSULTING AND SYSTEM INTEGRATION PARTNER

Mastek Ltd through its subsidiary agreed to acquire Meta Soft Tech Solutions, LLC (MST Solutions). The deal has been structured in two stages:

- MetaSoft Tech Solutions, LLC is acquired by Mastek Inc, a wholly Owned First level Step down subsidiary of Mastek Limited.
- Meta Soft Tech Systems Pvt Limited is being acquired by Mastek Limited.

More details on MST Solutions at <https://www.mstsolutions.com>

Deal Consideration

- Upfront consideration - \$80 Mn
- Earnout range- \$0 - \$35 Mn
- Earnout condition - Financial performance for the 12 months period ending Dec'2023.

* Earnouts will be linked to revenue target and Gross Margin achieved for CY23. Upside earnout consideration will be computed based on a Lineal model

STRATEGIC RATIONALE

Ability to address a large high growth net new market for Mastek



- Large Target Addressable Salesforce services market
- Fills up a critical and strategic white space for Mastek
- Demand expected to grow to over 500k Salesforce consultants by 2026 from ~225k today
- 90% of Fortune 1000 customer use Salesforce
- Strong synergy potential in mutual account base

Key Component of Mastek's vision 2025



- MST is a summit-level Salesforce partner. Salesforces market continues to expand & is a strategic priority for Mastek in achieving \$1 Bn revenue ambition in few years.
- Bolsters Mastek tech stack with full suite Salesforce capabilities, critical for customer experience transformation programs

Alignment to US Geo with Global potential



- MST is focused on US clients and increases Mastek footprint in Americas
- Mastek can leverage it's global presence for hyper-growth of Salesforce business

Complementary Capabilities



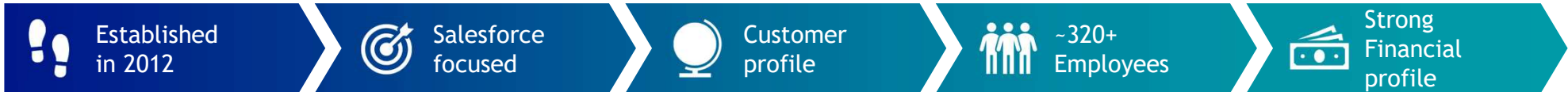
- MST's CX capabilities on various Salesforce clouds are complementary to Mastek's existing Commerce, Oracle Cloud and Digital Engineering services
- Significant synergy opportunities within existing accounts
- Ability to stitch together larger deals spanning entire IT landscape

Strong cultural fit



- Strong leadership team with experience of growing the business
- Focus on delivering value to customers while enabling growth for employees aligns with Mastek 4.0 culture

MST AT A GLANCE



- Headquartered in Arizona, US; Offshore Delivery in India
- Strong leadership team with an average tenure of 6+ years

- 100% focused on the Salesforce ecosystem
- Strong MuleSoft & Vlocity credentials

- 8 Fortune1000 clients
- Strong presence in HLS and State & Local Govt.

- Strong offshore delivery pool
- 600+ Salesforce Certifications

- Strong Revenue growth YoY
- High momentum in OB and Pipeline

Service/ Solutions offerings



Marquee customer base



COMPLETE SALESFORCE SUITE WITH ENTERPRISE INTEGRATION

Solution Architecture & Design



Dedicated practice that can deliver full-scale blueprints with enterprise level complexity. Broad, multi-discipline expertise.

Build & Implementation



Scalable resource model. Data architects identify opportunities to create long-term integration plans. Professional project management able to work any methodology.

Integration



Integrating cloud data across legacy platforms.

Managed Services



Ongoing maintenance and support. Providing administration, product enhancements, change management, product support, and ongoing development teams

Core Offerings



Sales
Cloud



Service
Cloud



Experience
Cloud



Marketing
Cloud



Salesforce
Platform

Emerging Capability



Sales
Cloud



MuleSoft

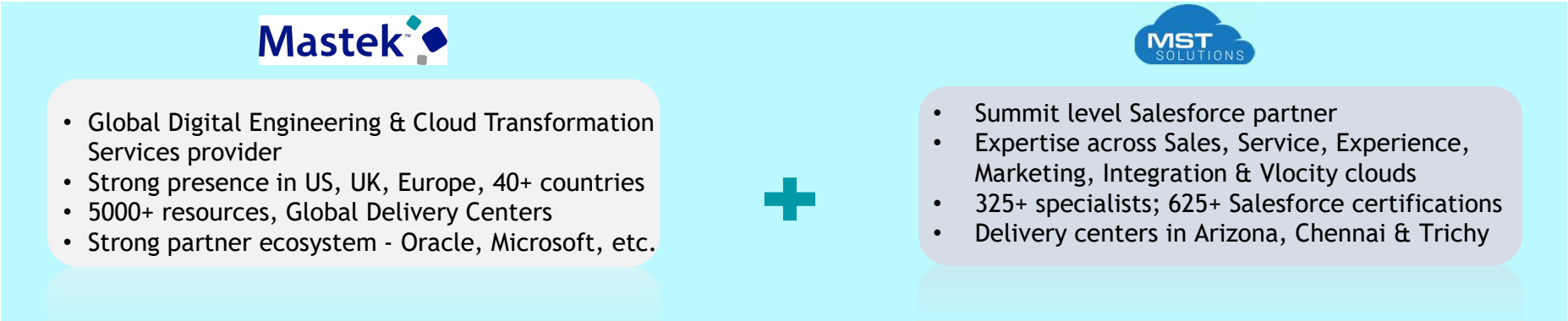


Vlocity

Integration

Architecture & Design Expertise enables MST to develop deeper relationships with clients and long-term partnership spanning implementation, integration and managed services lifecycle

MASTEK & MST SOLUTIONS - DELIVERING VALUE TO CUSTOMERS... AND TO EACH OTHER



Shared Values
Employee & Client Centricity
Strong Cultural Alignment



THANK YOU



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“ANNEXURE E”

Sr. No.	Particulars	Details
1.	Name of the party for which such guarantees or indemnity or surety was given	Mastek Inc., Wholly Owned First Level Step-down Subsidiary of Mastek Limited.
2.	Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”.	<p>The Company is providing a Corporate Guarantee for its Wholly Owned First Level Step-down Subsidiary. The said transaction is a Related Party Transaction which is entered into pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulation, and entered into at an arm’s length basis.</p> <p>The promoter / promoter group has no interest in Meta Soft Tech Systems Private Limited or its parent Metasoftech Solutions LLC.</p>
3.	Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including the amount of guarantee	The Company proposes to provide a Corporate Guarantee of USD 32 million valid for a period of 5 years until July 2027, through the Bank, for extending a facility to Mastek Inc., a Wholly Owned First Level Step-down Subsidiary of the Company.
4.	Impact of such guarantees or indemnity or surety on a listed entity	No financial / operational impact is foreseen till the invocation of a guarantee by the lender. In the event of invocation, the guarantee may have an impact on the Company’s financials.

For Mastek Limited


Dinesh Kalani
Company Secretary



Mastek Limited