

SEC/39/2022-23

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 the acquisition of 100% Membership Interest in Metasoftech Solutions LLC by Mastek Inc. (Wholly Owned First Level Step-down Subsidiary of the Company).

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

With reference to the above-cited Regulation, the Company’s Wholly Owned First Level Step-down Subsidiary i.e. Mastek Inc. has informed that it has, at its meeting held on July 18, 2022, approved to sign of the definitive agreement to acquire the 100% Membership Interest of Metasoftech Solutions LLC (“MST USA”). The transaction will be completed, subject to satisfactory fulfillment and accomplishment of certain conditions precedent, completion of customary agreements, corporate and regulatory approvals under applicable laws.

The Board of Directors of the Company at their meeting held today has noted the above decision taken by Mastek Inc. Wholly Owned First Level Step-down Subsidiary.

We are enclosing herewith the prescribed information pursuant to Regulation 30(9) and Schedule III of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, pertaining to the disclosure by the listed entity of all events or information with respect to subsidiaries that are material for the listed entity as “Annexure I”.

We are further enclosing herewith the prescribed information pursuant to Regulation 30(4) and Para A of Part A of Schedule III read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, pertaining to the disclosure by the listed entity for entering into agreements that impacts the management and control of the listed entity as “Annexure II”.

Kindly take the same on record.

Thanking you.
Yours Truly

For Mastek Limited


Dinesh Kalani
Company Secretary



Encl: A/A

Mastek Limited

804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ahmedabad – 380 006
Tel: +91-79-2656-4337 | Email: info@mastek.com | Web: www.mastek.com | CIN: L74140GJ1982PLC005215

ANNEXURE I

Disclosure of Event and information pursuant to Regulation 30 (9) and Schedule III of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover, etc.	<p><u>Metasoftech Solutions LLC (MST USA)</u> – is based in Chandler, AZ, USA, and is an independent Salesforce consulting partner in the American Southwest region. MST USA is a trusted partner to a number of Fortune 1000 and large enterprise clients. MST USA has built a strong reputation for itself, especially in the Healthcare, Public Sector, and Manufacturing Industry verticals. The entire business is to be acquired by Wholly Owned First Level Step-down Subsidiary Mastek Inc.</p> <p>MST USA has an aggregate workforce of 320+ employees which includes on-shore employees and off-shore employees of 100% subsidiary based out of India.</p> <p>For the Last 12 Months ended June 30, 2022, the turnover of the Company was USD 29.4 million (Estimated) and for the Financial Year ended December 31, 2021, the turnover revenue of the Company was USD 24.6 million.</p>
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 Metasoftech Solutions LLC.
3.	The industry to which the entity being acquired belongs	Software Services and IT Consulting
4.	Objects and effects of acquisition i.e. impact of the said transaction (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 USA’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	None
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	Upfront consideration USD 76.6 million; Earnout – between USD 0 to USD 35 million, subject to achieving targets.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100% Membership Interest



Mastek Limited

Sr. No.	Particulars	Details												
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)	<p><u>BRIEF BACKGROUND</u></p> <p>Metasoftech Solutions LLC (MST USA) is based in Chandler, AZ, USA and is an independent Salesforce consulting partner in the American Southwest region. MST USA is a trusted partner to a number of Fortune 1000 and large enterprise clients. MST USA has built a strong reputation for itself, especially in the Healthcare, Public Sector, and Manufacturing Industry verticals.</p> <p>Mastek Limited through its Wholly Owned First Level Step-down Subsidiary Mastek Inc. will acquire Metasoftech Solutions LLC.</p> <table border="1" data-bbox="800 594 1523 846"> <thead> <tr> <th colspan="2" data-bbox="800 594 1523 657">The Turnover of Metasoftech Solutions LLC for the last 3 years are as follows:</th> </tr> <tr> <th data-bbox="800 657 1243 688">Financial Year</th> <th data-bbox="1243 657 1523 688">Amount (USD)</th> </tr> </thead> <tbody> <tr> <td data-bbox="800 688 1243 720">As on December 31, 2019</td> <td data-bbox="1243 688 1523 720">21.5 million</td> </tr> <tr> <td data-bbox="800 720 1243 751">As on December 31, 2020</td> <td data-bbox="1243 720 1523 751">22.0 million</td> </tr> <tr> <td data-bbox="800 751 1243 783">As on December 31, 2021</td> <td data-bbox="1243 751 1523 783">24.6 million</td> </tr> <tr> <td data-bbox="800 783 1243 846">As on June 30, 2022 (Last 12 Months)</td> <td data-bbox="1243 783 1523 846">29.4 million (Estimated)</td> </tr> </tbody> </table>	The Turnover of Metasoftech Solutions LLC for the last 3 years are as follows:		Financial Year	Amount (USD)	As on December 31, 2019	21.5 million	As on December 31, 2020	22.0 million	As on December 31, 2021	24.6 million	As on June 30, 2022 (Last 12 Months)	29.4 million (Estimated)
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As on December 31, 2021	24.6 million													
As on June 30, 2022 (Last 12 Months)	29.4 million (Estimated)													



Mastek Limited

ANNEXURE II

Disclosure of Event and information pursuant to Regulation 30 (4) and Schedule III of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

Sr. No.	Particulars	Details
1.	Name of the target entity with whom the agreement is entered	Metasoftech Solutions LLC
2.	Purpose of entering into the agreement	Mastek's Business Outcomes and Industry First DNA paired with MST USA'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 right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure	The terms of the agreement involve a 100% acquisition, subject to customary closing adjustments as per the terms of the Membership Interest Purchase Agreement. The Membership Interest is to be bought for an upfront consideration of USD 76.6 million. Earnout – between USD 0 to USD 35 million, subject to achieving targets. Since it 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 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, a 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.

For Mastek Limited


Dinesh Kalani
Company Secretary



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