



SONATA SOFTWARE LIMITED



12th May, 2021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department
Email Id: neaps@nse.co.in
Stock Code - SONATSOFTW

BSE Limited
P.J. Towers, Dalal Street
Mumbai
Kind Attn: Manager, Listing Department
Email Id: listing.centre@bseindia.com
Stock Code - 532221

Dear Sir/Madam,

SUB: Investors' Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing Investors' Presentation for the year ended 31st March, 2021.

The aforesaid details are also made available at the Company's website www.sonata-software.com.

Kindly take the same on record.

Thanking you,
For **Sonata Software Limited**

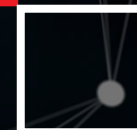
Mangal Kulkarni
Company Secretary, Compliance Officer and Head-Legal



Sonata Software

Investor Presentation

Q4 2021



Sonata - A Snapshot



The Company

34 YEARS
as a IT Solutions
Provider

\$550+ M REVENUE
14% 3 Yr. CAGR

4200+ TEAM
across US, EU, Asia,
ANZ, Japan,
Malaysia, and China

**SEI CMMI L5, ITIL
& ISO** certified



Industry Focus

CPG & MFG
Consumer
Goods, Industrial
Goods,
Wholesale

RETAIL
Apparel, Hard
Goods, Grocery,
Hypermarket

TRAVEL
TO, OTA,
Airline, Rail,
Hotel, Cruise

SERVICES
Energy & Utilities,
Oil & Gas, Specialty
Contractors &
Professional Services

**AGRI &
COMMODITY**
Agri manufacturers
& commodity
Traders

**SOFTWARE
VENDORS**
ERP, SCM,
Retail, Travel



Competencies

DIGITAL
Omni-channel, Mobility &
IoT, Analytics, Cloud

**APPLICATION LIFECYCLE
SOLUTIONS**
ADM, Testing, IMS
Managed Services

PLATFORM IP
Brick & Click Retail,
Rezopia Digital Travel,
Modern Distribution

**TECHNOLOGY
INFRASTRUCTURE
SOLUTIONS**
Software, Cloud, Server &
Storage, Systems Integration



Credentials

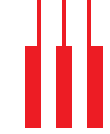
CUSTOMERS
Global Top 5 – Leisure
Travel Co, Grocery Retailer,
F&B CPG Co, Software Co

TECHNOLOGY
Microsoft, SAP, Oracle,
Open Source, IBM

**Strategic acquisitions
and investments**
Microsoft – Inner Circle,
SAP Pinnacle Award,
Microsoft Country Partner
of Year India

FINANCIAL
National Stock Exchange
Listed Public Ltd Co

A Global IT Solutions Organization, with focused Industry Verticals, versatile Portfolio of Services covering wide range of Technologies and delivering value through our unique Platformation™ approach



A world class firm
that is a benchmark for
Catalyzing Business
Transformation for our Clients,
Fulfilling Employee
Aspirations &
Caring for our wider
Community

through Depth of:
Thought Leadership
Customer Centricity
Execution Excellence



For the Customers

IT Partner of choice for transformation
thru deeper industry, technology &
customer focus



For the Employee

A fun & fearless environment where the
potential & passion for work flourishes



For the Community

CSR initiatives to support IT needs of
projects with Social impact

Sonata Vision into differentiated strategy Summed up in 4 P's

PEOPLE



ROCK & ROLL

HOW SONATIANS ROCK AT DELIVERING ON CLIENT GOALS...

Focus on Talent – building an eco system for aspirations of sonatians

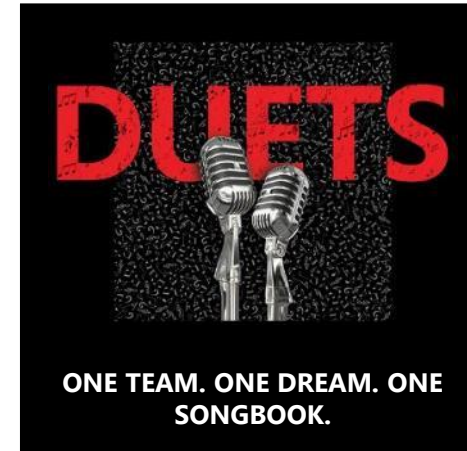


SOUL

THE SWEET SOUND OF SOCIAL GOOD...

Commitment to SDG & Sustainability goals

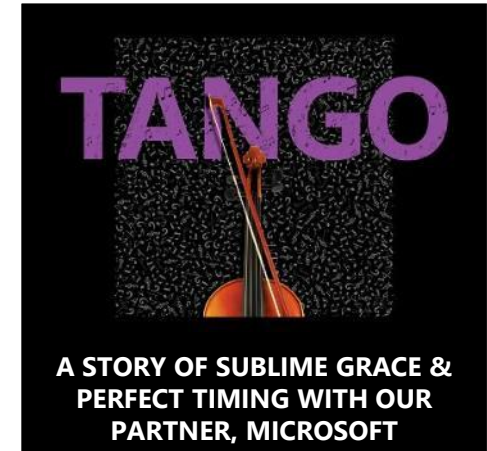
PARTNERS



DUETS

ONE TEAM. ONE DREAM. ONE SONGBOOK.

Long term relationships with clients



TANGO

A STORY OF SUBLIME GRACE & PERFECT TIMING WITH OUR PARTNER, MICROSOFT

360-degree strategic partnership with Microsoft

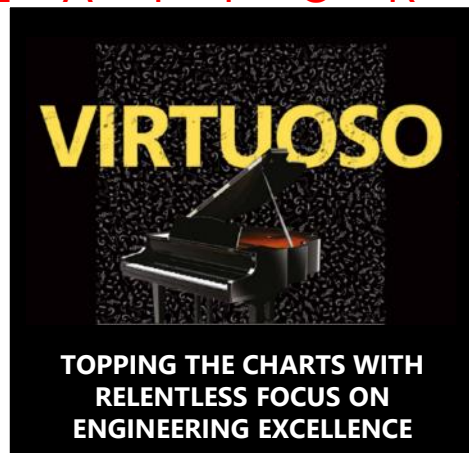
PLATFORMS



CHORDS

PLATFORMATION™ – PLAYING THE PERFECT CHORDS OF BUSINESS EXCELLENCE

Platformation™ sonata's proprietary model for digital transformation



VIRTUOSO

TOPPING THE CHARTS WITH RELENTLESS FOCUS ON ENGINEERING EXCELLENCE

DNA of Engineering excellence and investment in advanced technologies



SYMPHONY

THE SOUND OF MUSIC ORCHESTRATED ON SONATA'S PRODUCTS & PLATFORMS

Differentiated industry value proposition based on world class IP

PERFORMANCE



CRESCENDO

THE INCREDIBLE SONATA GROWTH STORY HITS A HIGH NOTE...

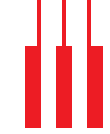
Industry leading growth across revenue, profits and stock performance



HARMONY

Clients trust sonata's track record and expertise to run core business transformation initiatives

Running mission critical applications 24/7 in cloud on our

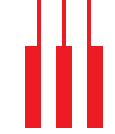


Vertical Focus

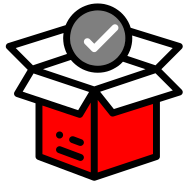
- Retail, travel, distribution & CPG, ISV, Commodity Trading, and services industry – field services
- IP – Brick and Click, Modern Distribution, Agri Business, Rezopia, service industry, GBW
- Platform led Digital Transformation
- Track record

What is different about Platformation™ as a tool for Digital Transformation

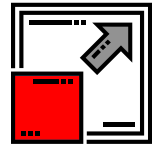
- Sonata's structured process for Platformation comprises the following :
 - Digital Business Process Library & Identification
 - Customer Digital Agenda led based approach
 - Platform Maturity Assessment (Separate Business & Technology maturity assessment)
 - Marchitecture™ aligned to CDAT
 - Platform Characteristic Requirements (With a 16 point Framework)
 - Technology Architecture to achieve the Platform Characteristics
 - Cloud Engineering (Cloud Native Development)
 - Data Platformation Methodology (Structured Assessment of Data Infrastructure & Platform)
 - Accelerated Platform Engineering (Solution Accelerators)
 - IPs aligned to Platformation™
- 4 Years of Proven Success, Only methodology that remains relevant in an ever-evolving landscape for a company looking at digital transformation



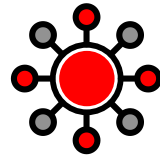
Platforms - the secret behind the digital economy's most successful companies



OPEN



SCALABLE



CONNECTED



INTELLIGENT

Sonata's approach to Digitizing business using platforms

PLATFORMATION™



Sonata READY

- End-to-end, industry-specific digital business platforms

Omni channel reservation system for a large Australian rail network built on a travel platform ensuring seamless booking experience

Sonata ACCELERATE

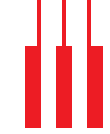
- Deploy popular horizontal platforms adding required functionality

Versatile retail store and e-Commerce integration for a US fashion brand ensuring scalable, omnichannel shopping experiences

Sonata CUSTOM

- Engineer custom platforms that deliver unique digital capability and scalability

A US-based travel company innovating on membership-based business models, increasing bookings by 200%, and scaling service 6X



Focused approach

- Industry Specialization
 - Retail, travel, distribution & CPG, ISV, Commodity Trading, and services industry – field services
- Expertise thru IP's
 - Brick and Click, Modern Distribution, Agri Business, Rezopia, service industry, GBW
- Proprietary & proven approach to Digital Transformation
 - Platform led across Data, Cloud, Modern Technologies, Mobility, Digital Assurance, Devops

Global Full Stack Microsoft Partner aligned to the Digital Transformation vision

25 Years

MICROSOFT PARTNER

GISV, ISP, CSP, ISV Dev Centre, SI.
Country Partner India 2014, 15, 17.
Global alliance footprint

**15 Gold certified
competencies. Skills in
Dynamics 365, Power BI,
Cortana, Azure, .Net, Mobility**

360 Partner Partnership
Product Engineering,
Professional support, Delivery,
LSP partner for MS, MCS and
ISV/SI ecosystems.

**DIGITAL TRANSFORMATION
for**

Retail, Consumer goods,
Distribution, Commodity
Trading, Field Service, Travel,
ISV

**PLATFORM IP
ON MS DYNAMICS & AZURE**

Brick & Click, Modern
Distribution, Commodity
Trading, Rezopia,
Kartopia, Halosys, Rapid

**STRATEGIC
ACQUISITIONS**

Scalable Data Systems, Sopris
Systems & IBIS Inc
Investment in Retail 10X

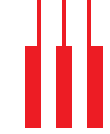
2500+ TEAM

On Microsoft Technologies
with
1200 + on Microsoft Biz Apps

Clients

ACROSS THE GLOBE
USA, Europe, Asia, India,
Australia, Middle East

Over 230M+ USD pa revenues
to Microsoft across service
lines

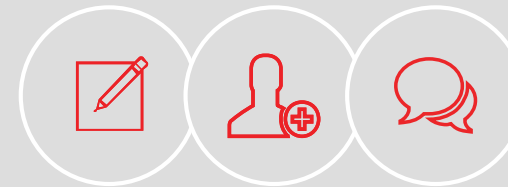


Delivering value through our **innovative engagement models**



Customer-Specific Center of Excellence

- Governance
- Leadership role
- Strategic metrics



- Value Co-creation
- SLAs and outcomes
- Co-investment in IP

TECHNOLOGY | SKILLS | ASSETS | PROCESSES

Charter ▶ Domain Knowledge | Technical Knowledge | Knowledge Management |
Innovation | Process & Capability | Reusability

Commercial Models: Project-based | Outsourced | Output-based
Build-Operate-Transfer | Turnkey-managed | Joint Venture

With a team nurtured to **make a difference**



<p>Deeper roles</p>	<p>Regular exposure to newer technologies, evolving business scenarios, and building cross-functional expertise</p>
<p>Customer impact</p>	<p>Continuous exposure to clients to assess business impact of solutions delivered</p>
<p>Freedom to contribute</p>	<p>Our flexible working style encourages ideation within broad boundaries</p>
<p>Growth</p>	<p>Early identification, mentoring, and nurturing of talent for growth by senior leaders</p>

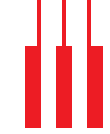
“ We need to take a pause and appreciate the drive and determination we have seen from every player on what is a complex effort and delivery. We commend you all for your effort...keep up the good work! ”

Director – Platform Systems, US Travel Leader



Financials





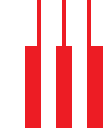
Strong Execution

International Services

- Growth from existing clients
- Acquiring new clients
- Strong growth in new clients
- Alliance led growth
- IP led growth
- Platformation™ led growth
- Margin levers on utilization and revenue per person
- High-end service mix
- Digital execution and growth
- Consistent growth in revenues & margins over 8 years

Domestic Business

- Strong Customer Retention
- Established Customer Base
- Multi year annuity license sales ensure revenue continuity & growth
- Very strong credit and risk management
- Strategic shift towards cloud .
- Addition of new strategic business lines for expansion
- Business managed on gross margin growth hence profitability .

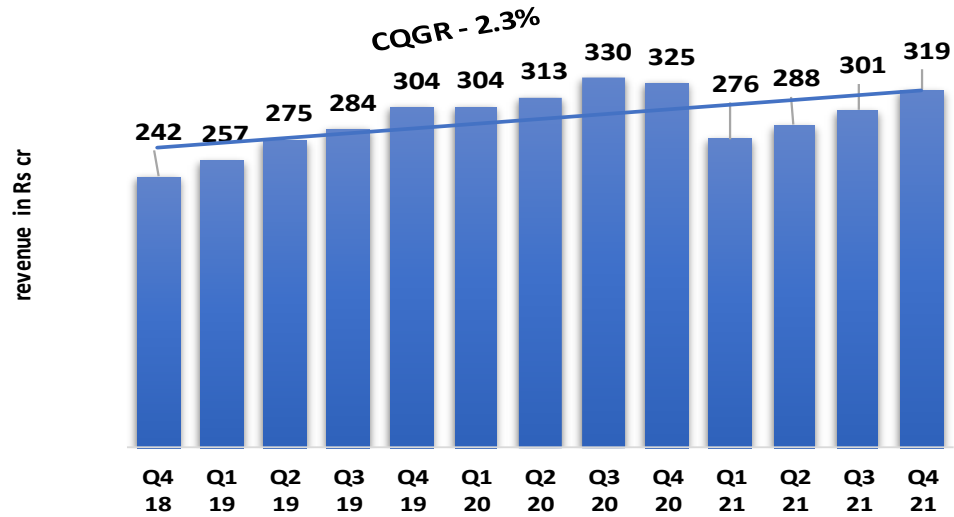


Financial Management

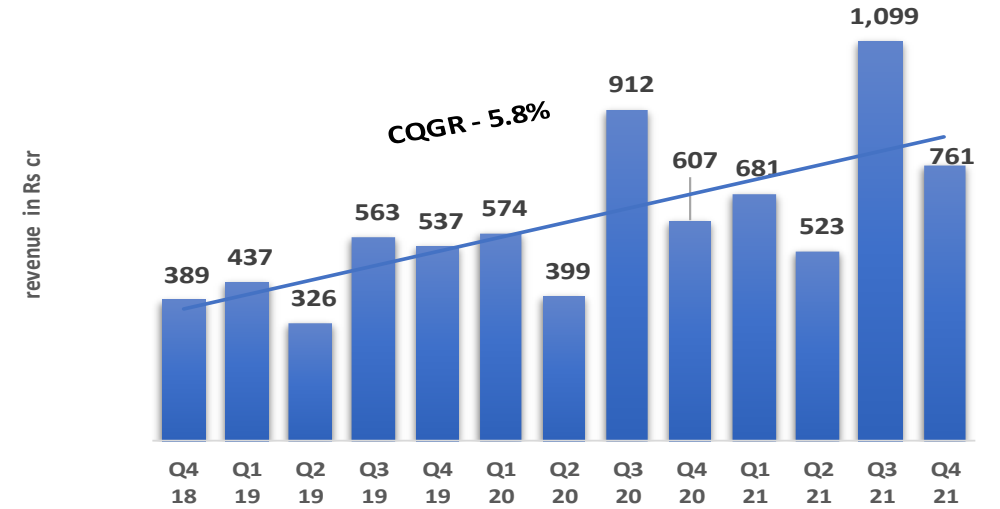
- Focus on ROCE and RONW
- Focus on margins
- Focus on Reduction of DSO days
- Focus on strong cash management
- Sound capital allocation

Revenue trend for last 12 Quarters

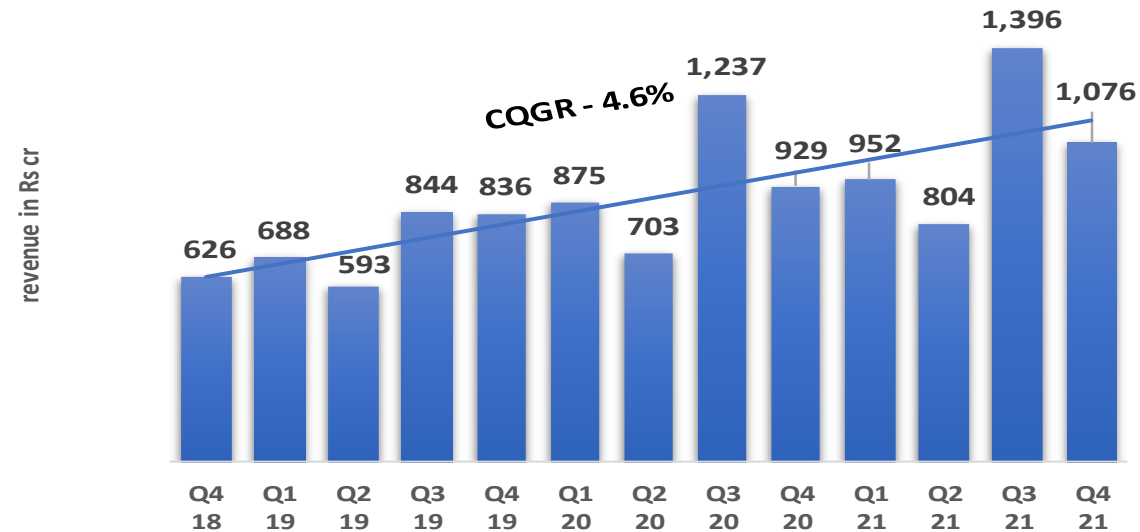
International Services



Domestic Business

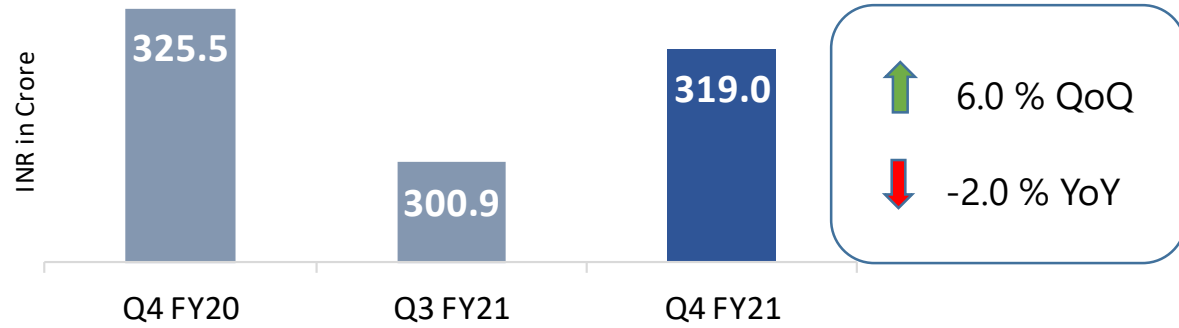


Consolidated Business

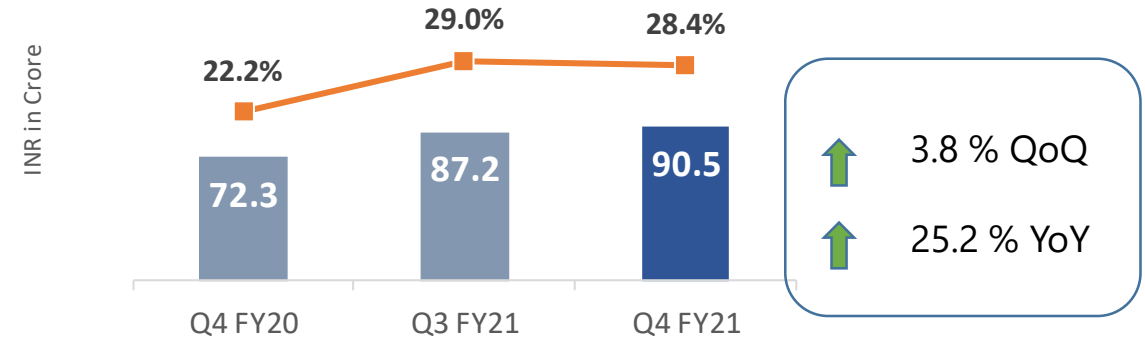


Financial Performance of International Services – Q4 FY21

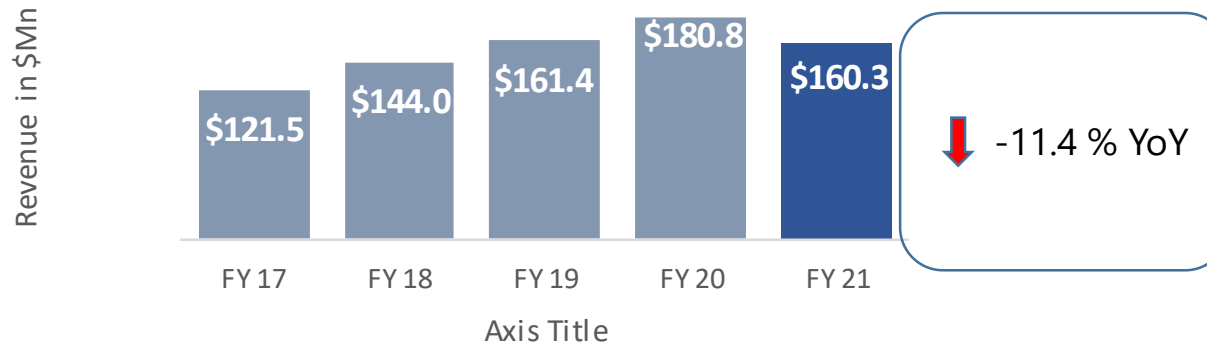
Revenue in INR. Cr



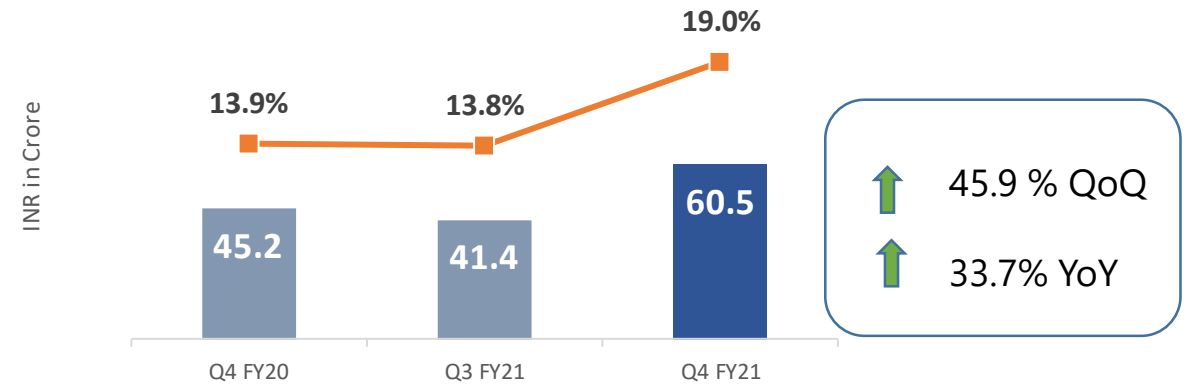
EBITDA



Revenue in \$ Mn

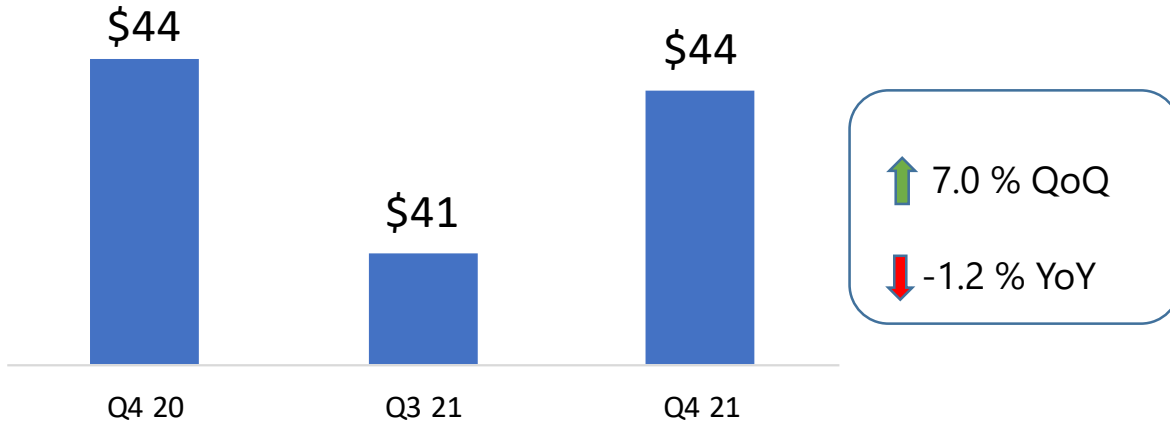


PAT

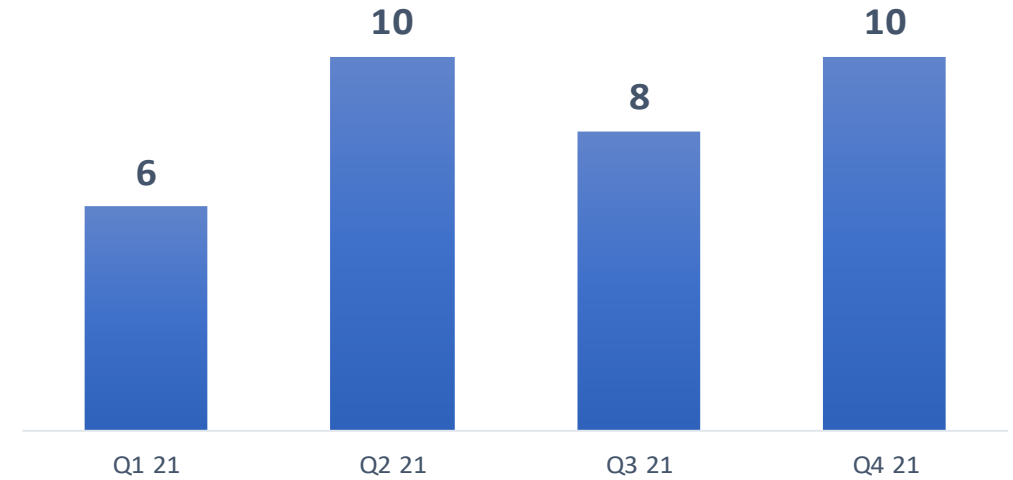


International Business Revenue Growth

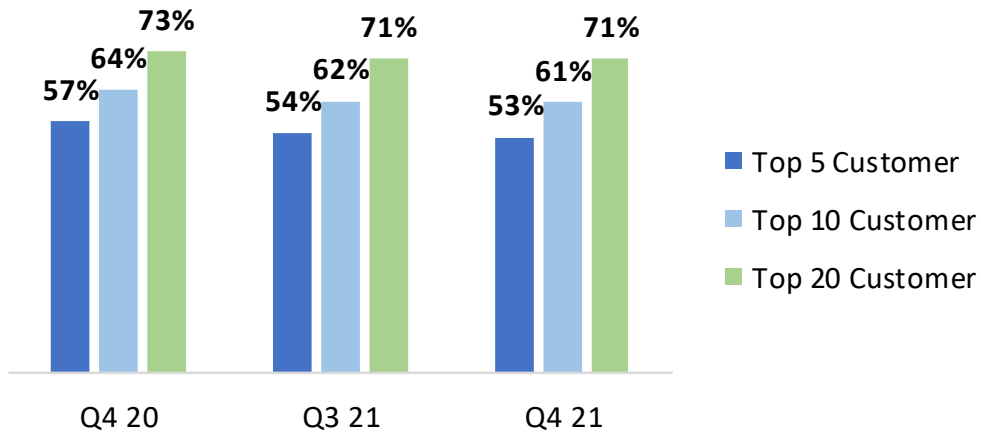
Revenue in \$Million



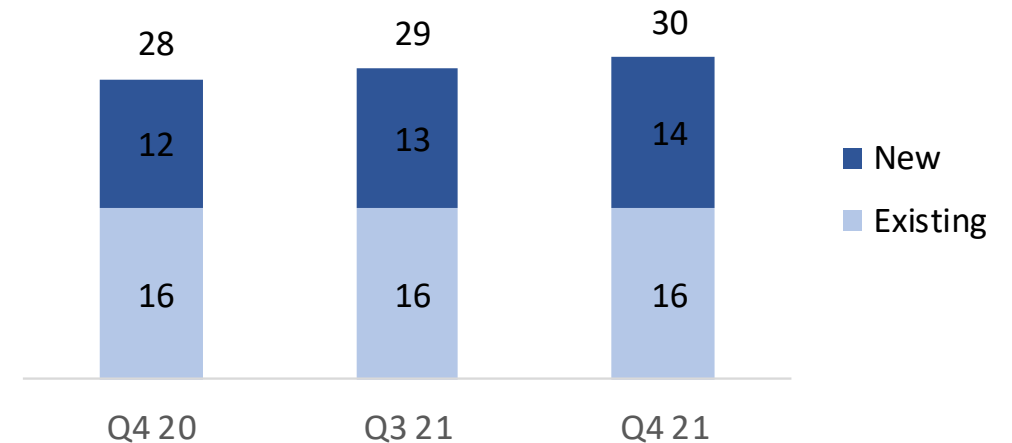
New Customer added

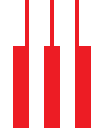


Client Concentration



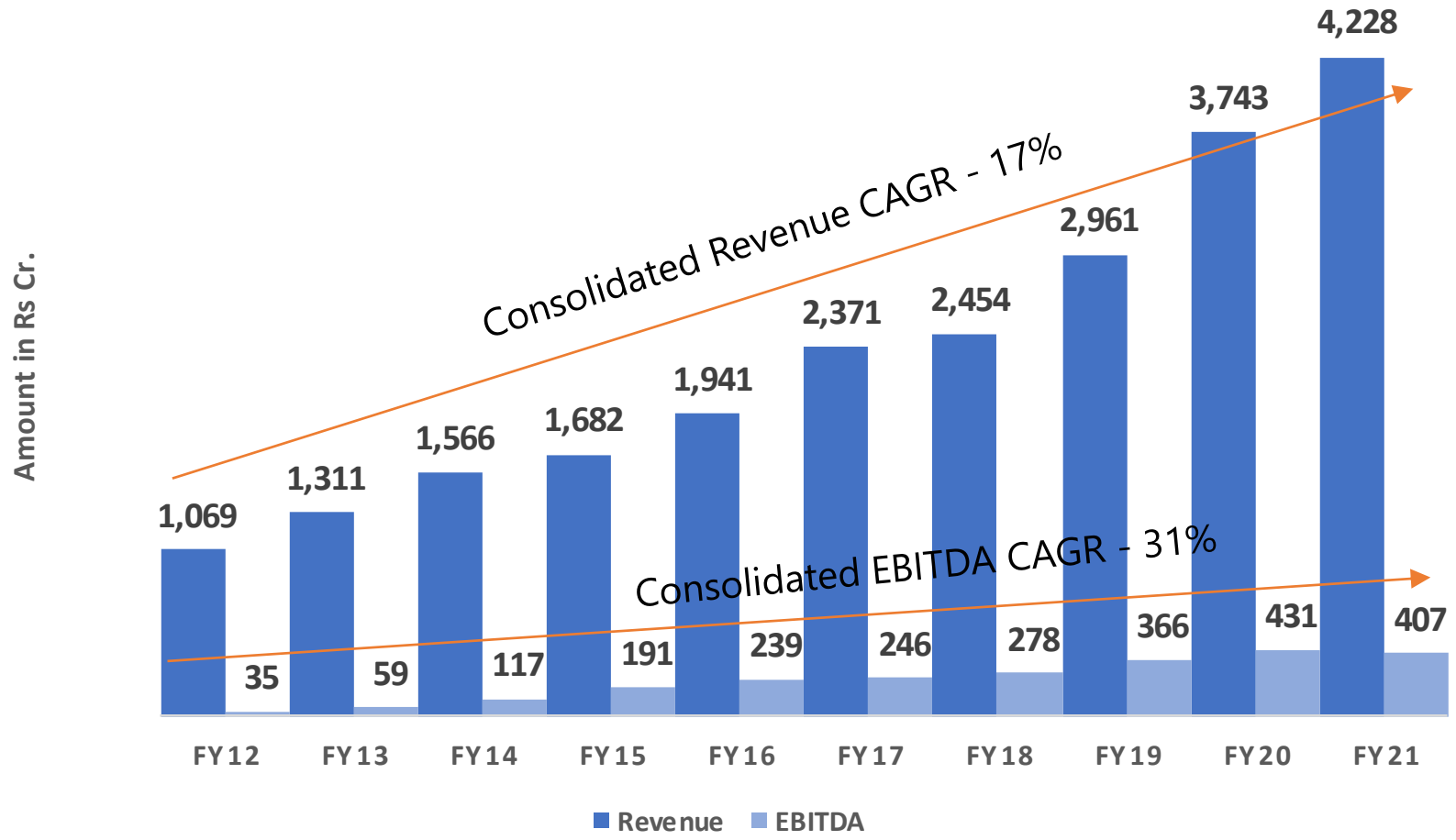
No. of \$Million Customers



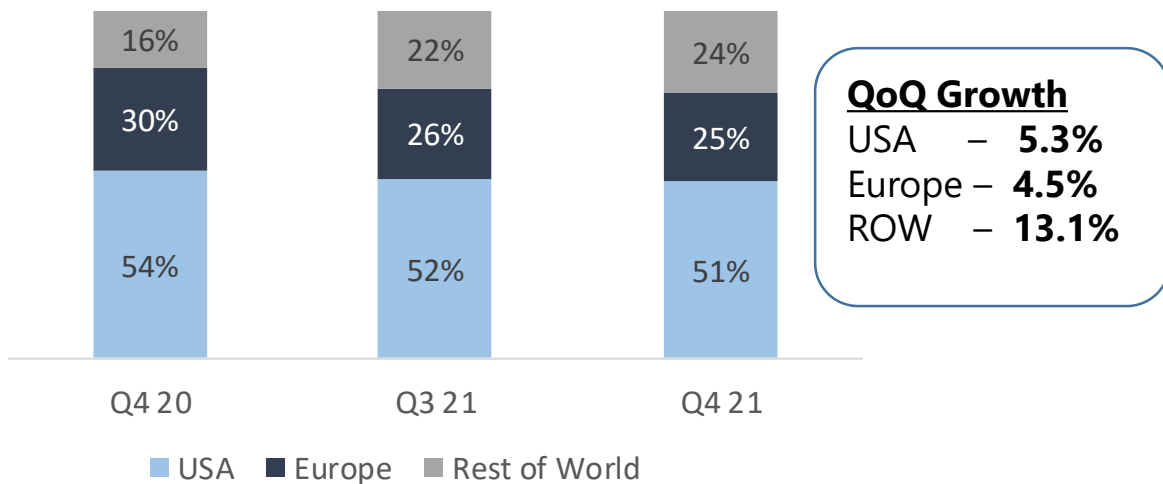


Consistent Growth Over Last 10 years

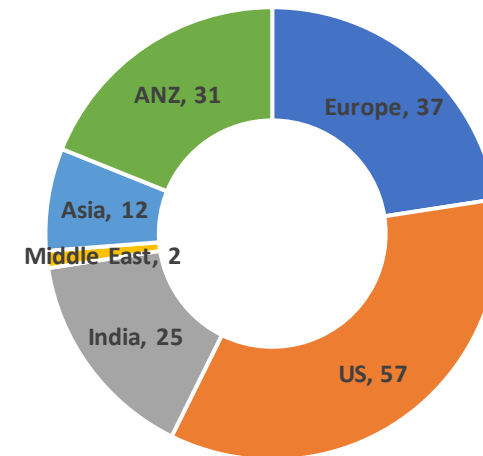
Consolidated Revenue & EBITDA



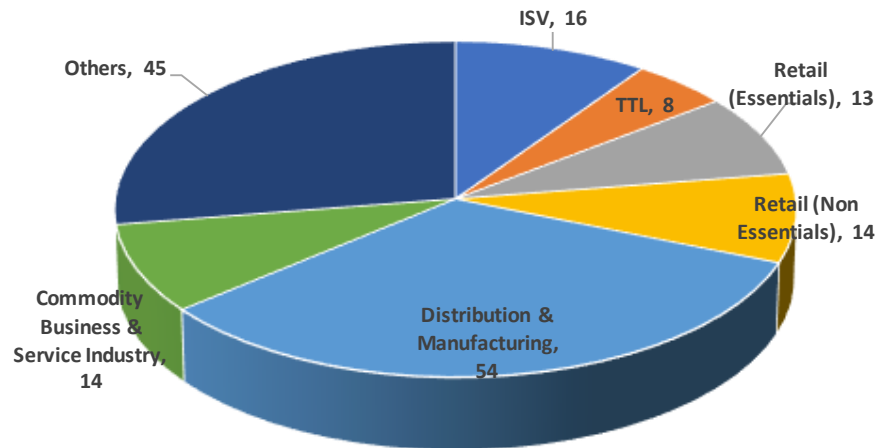
Revenue by Geography



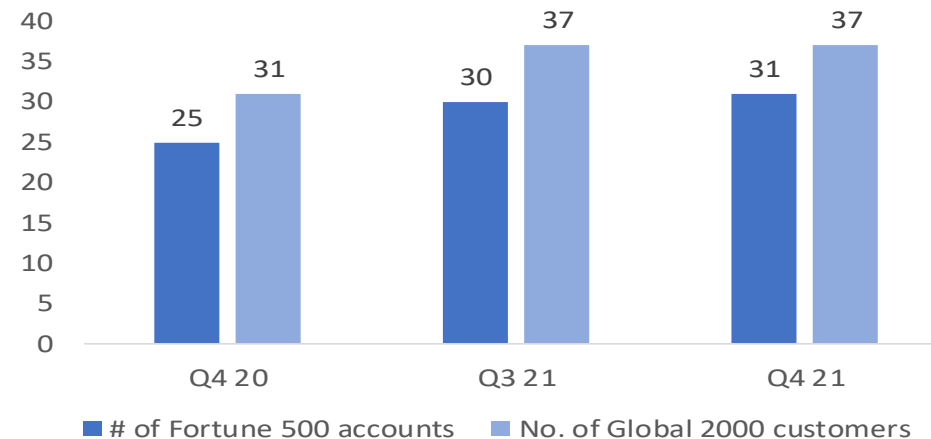
No. of Customers by Geo



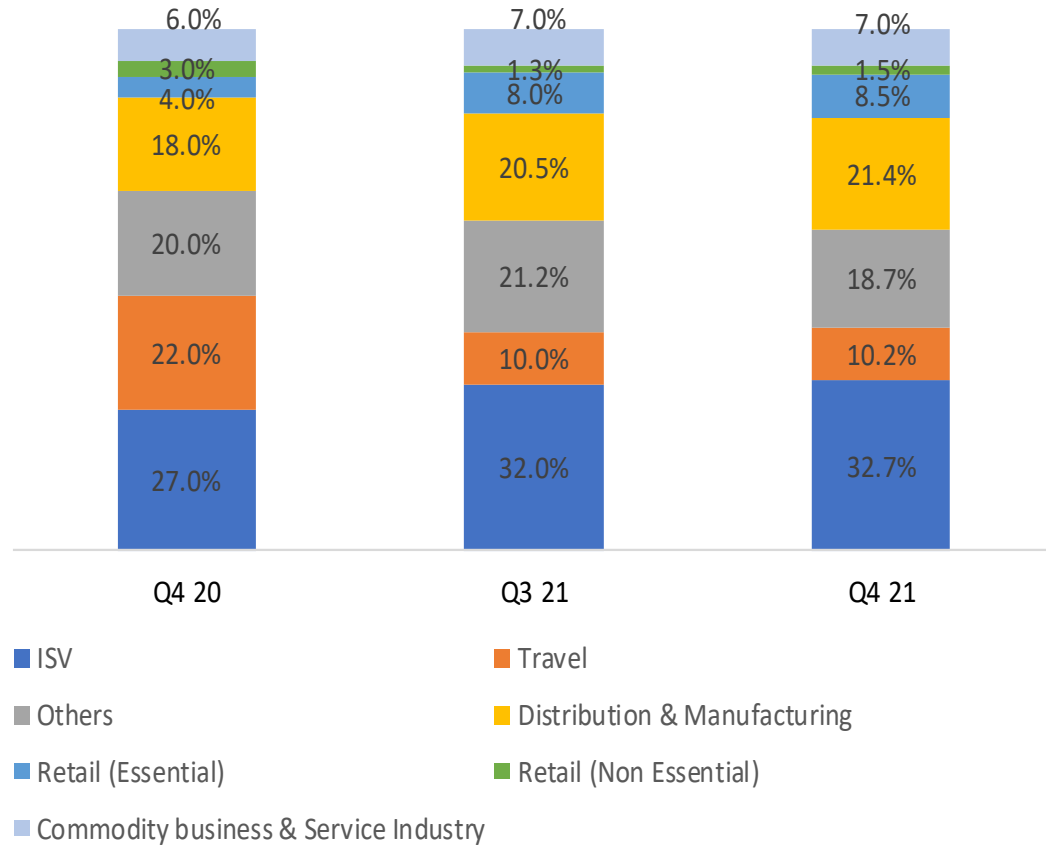
No. of Customers by industry



Customer Category

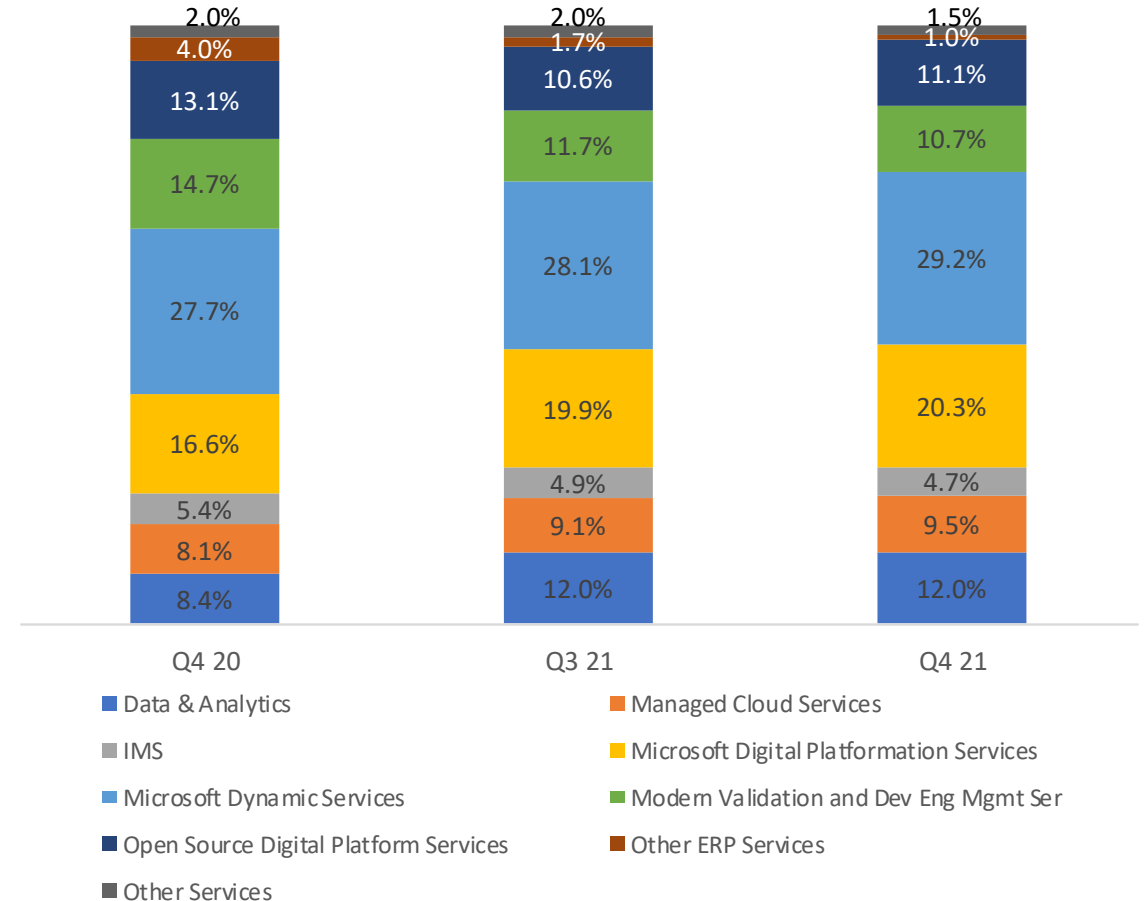


Revenue by Vertical Mix



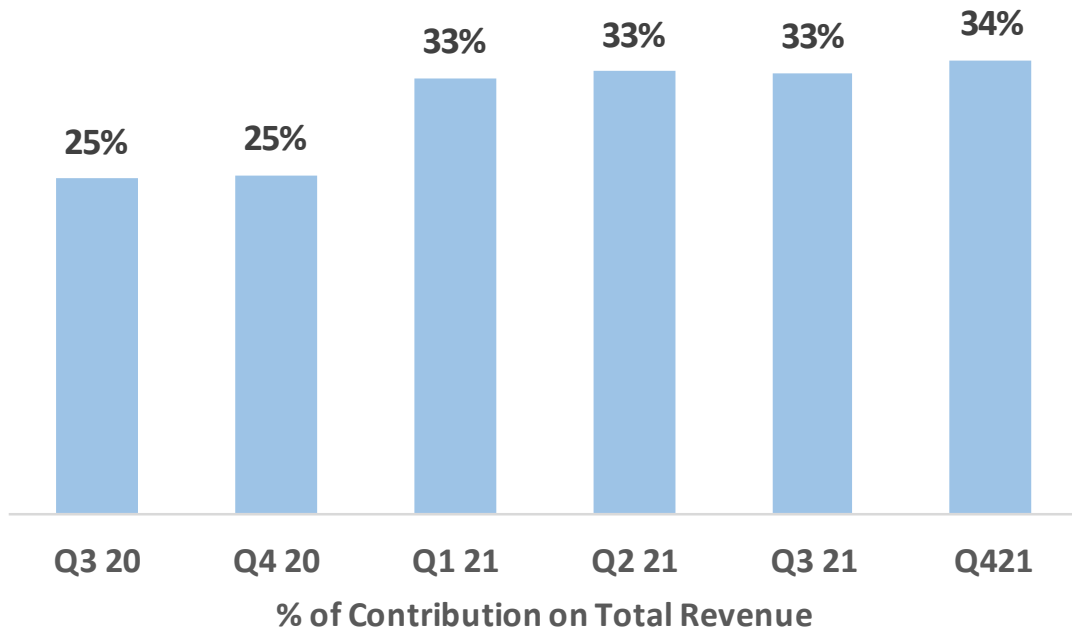
QoQ Growth from focussed verticals
 ISV – 9.3% , Retail(Essential) – 13.7%
 Distribution and Manufacturing – 11.8%
 Commodity business & service industry – 7.1%

Revenue by high end Service Mix

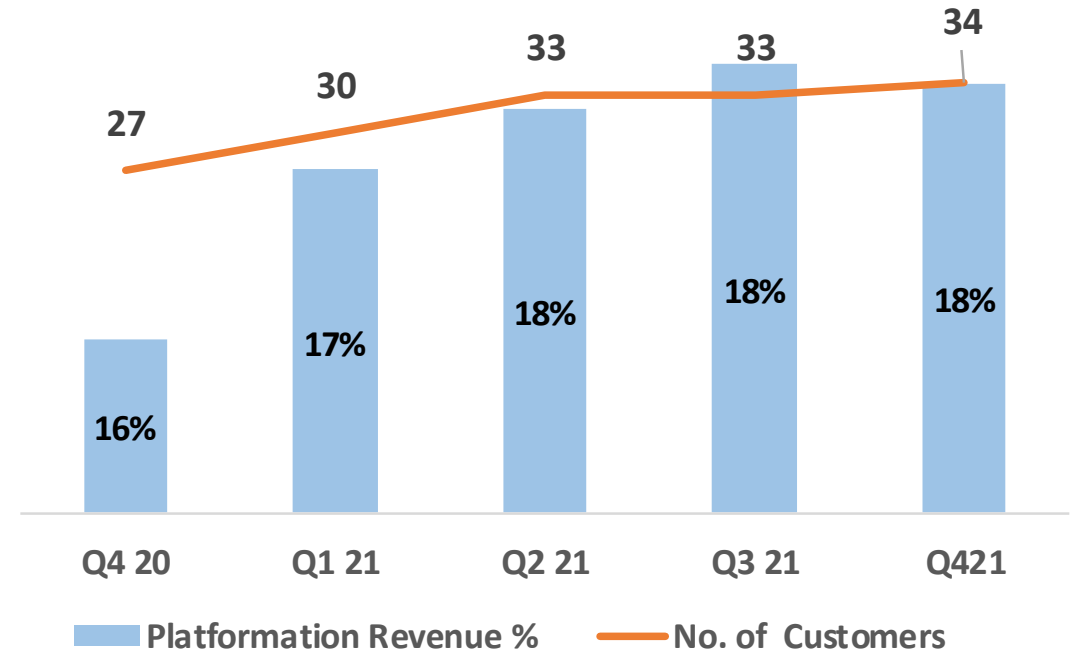


QoQ Growth from Digital based competencies
 Managed cloud services – 12.3%
 MSFT Digital Platformation services 9.2%
 Open source Digital platform services – 12.3%

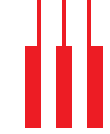
IP Led Revenue %



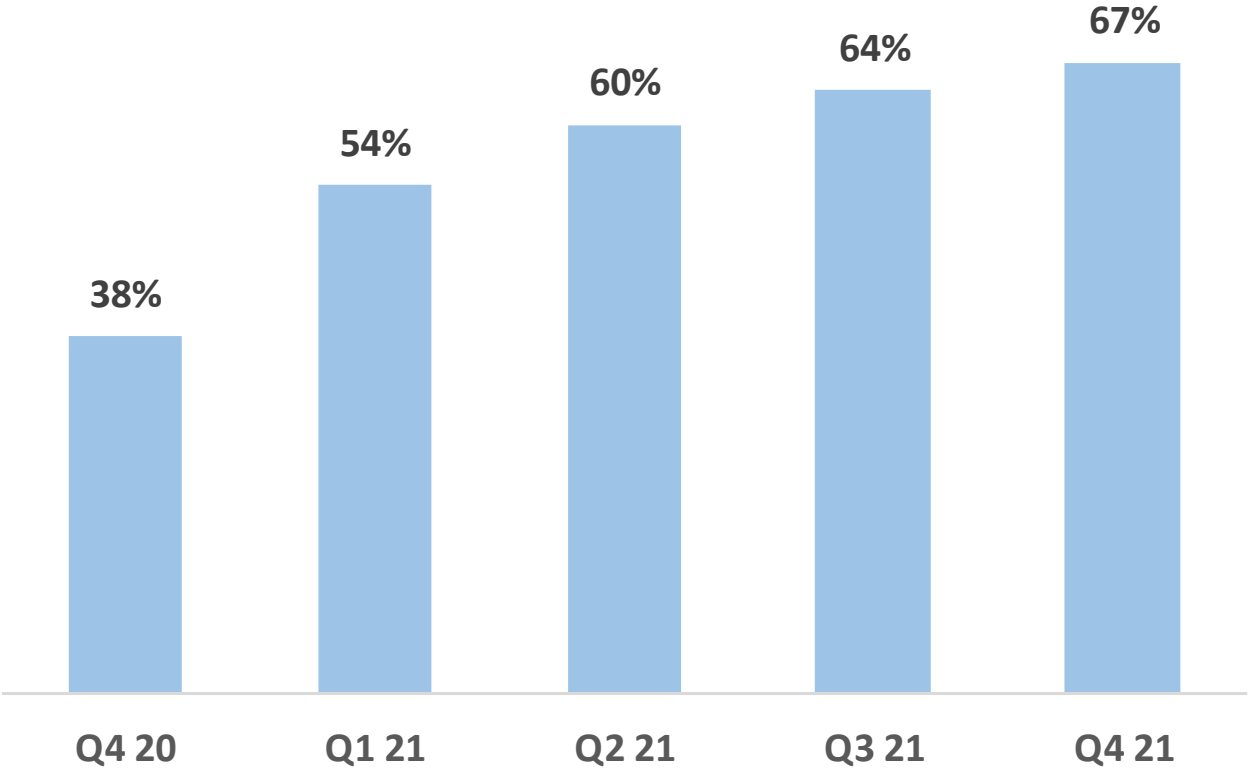
Platformation™ Revenue %



IP led & Platformation aligned to growth in competency wise growth

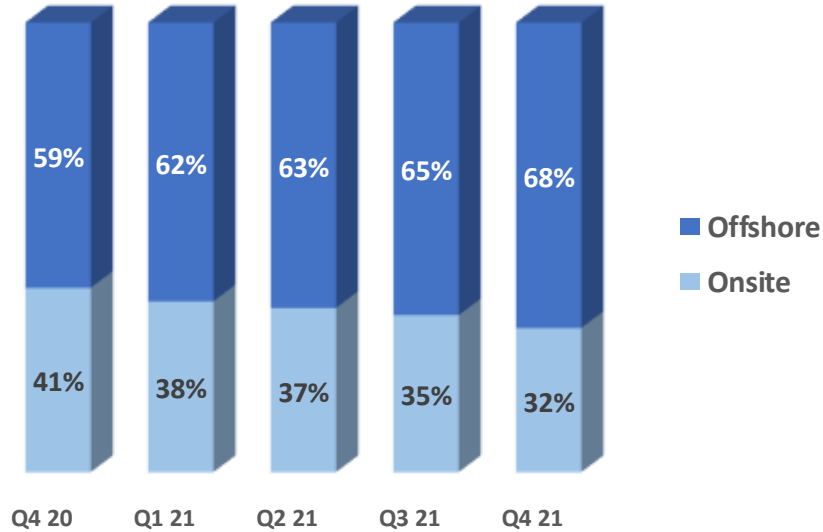


Digital Revenue %

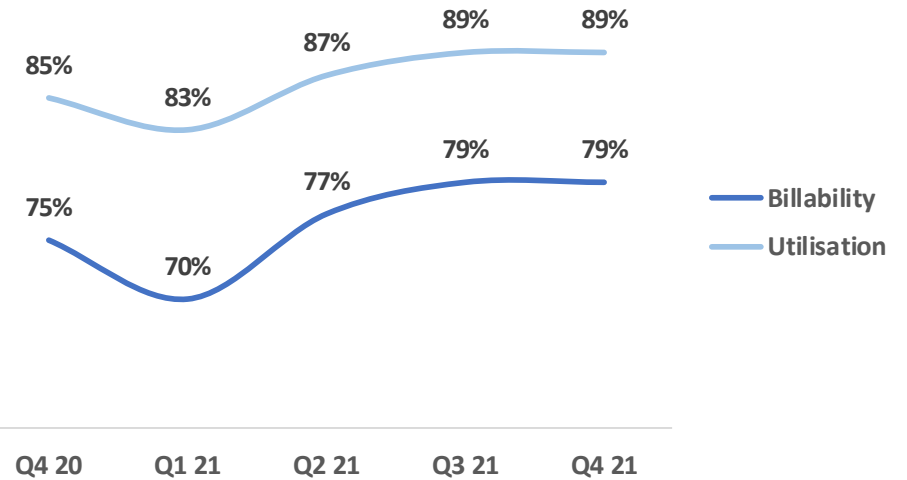


International Business - Revenue Enablers

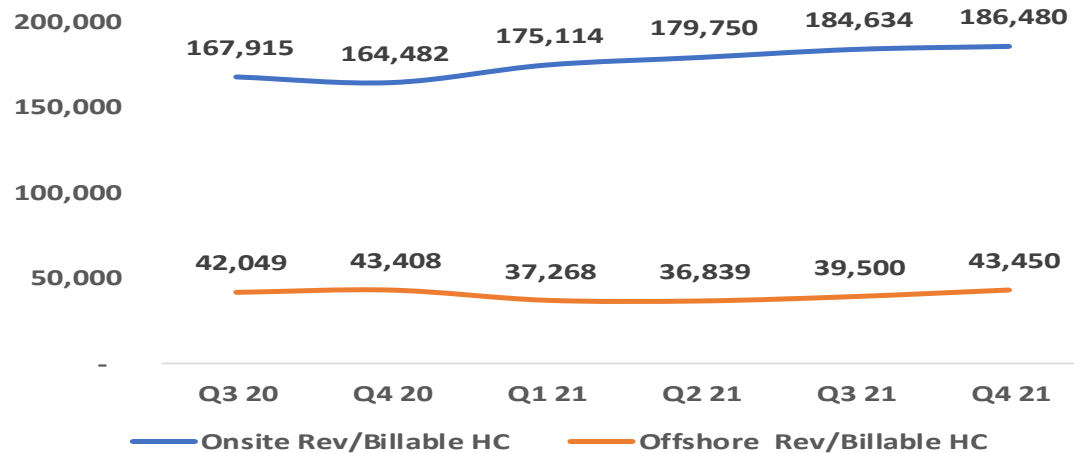
Revenue by Onsite / Offshore Mix

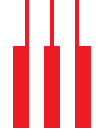


Utilization & Billability



Revenue per Billable HC

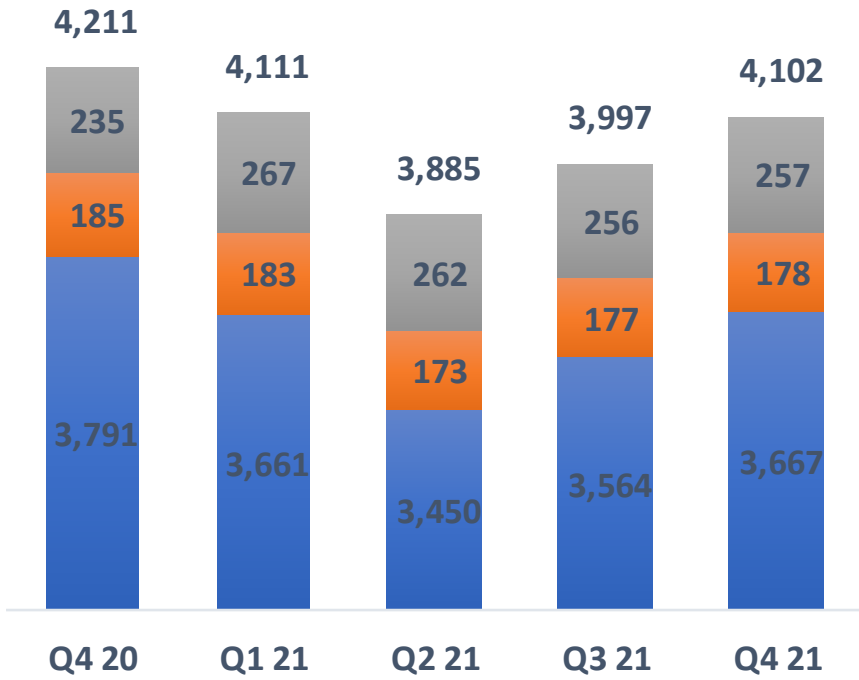




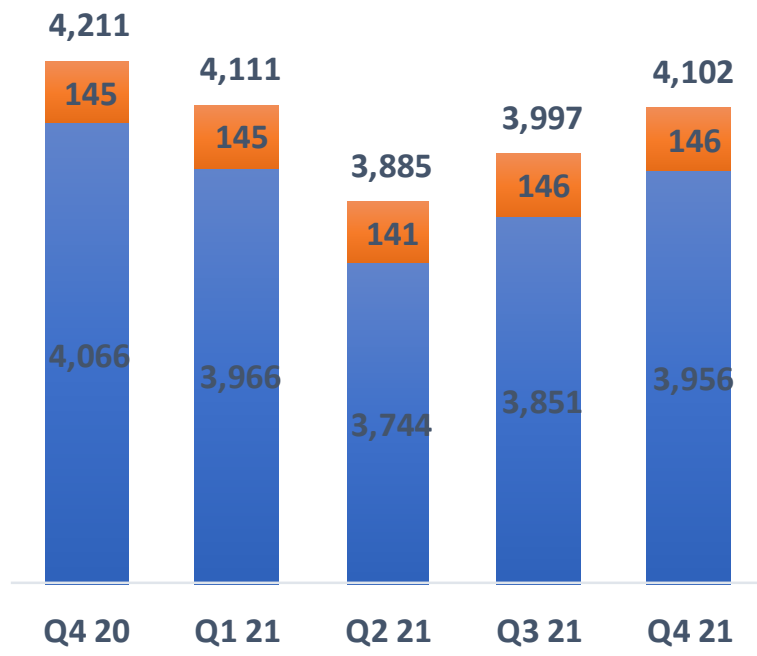
Human Capital

Overall Headcount

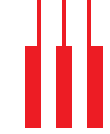
Headcount by Business Type



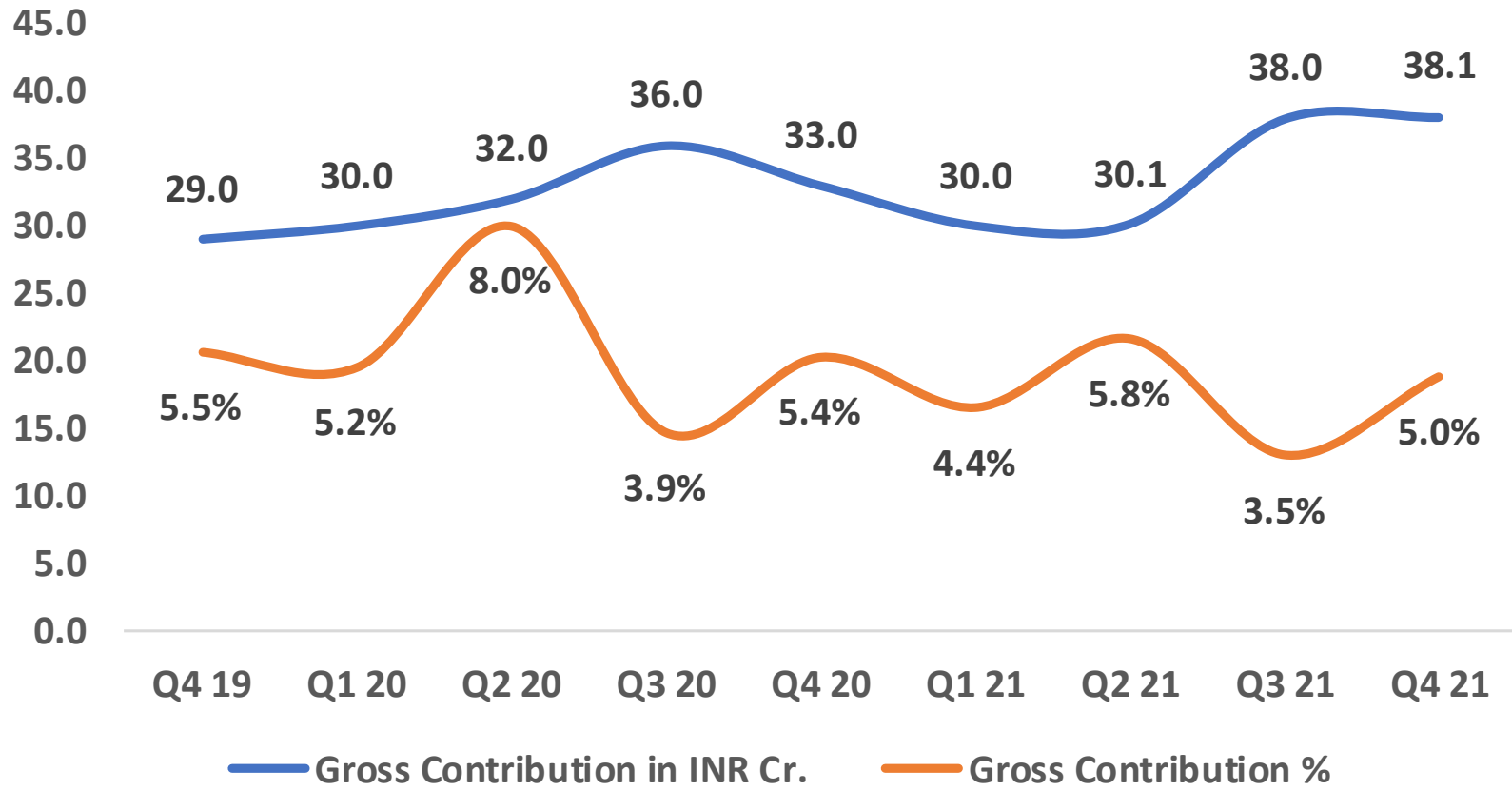
- G&A
- S&M
- Delivery



- Domestic
- International



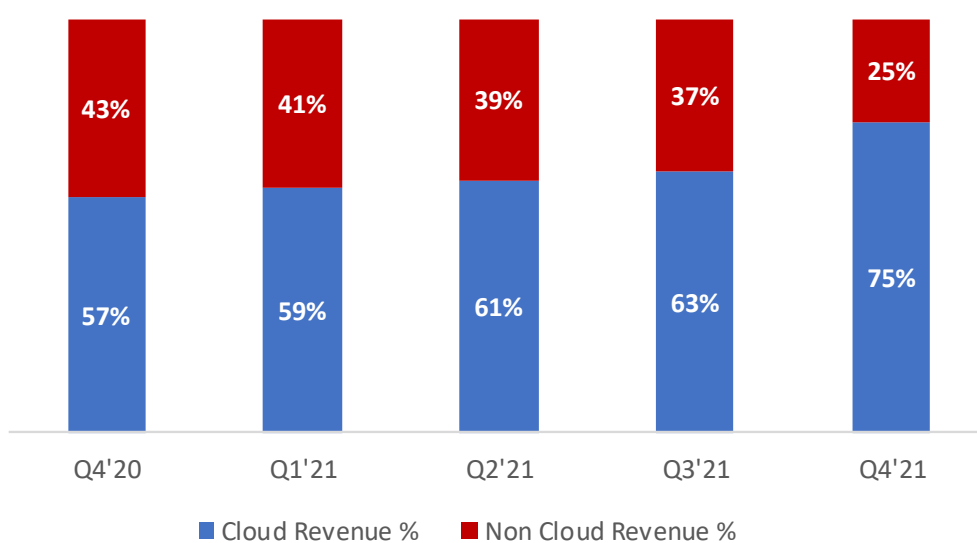
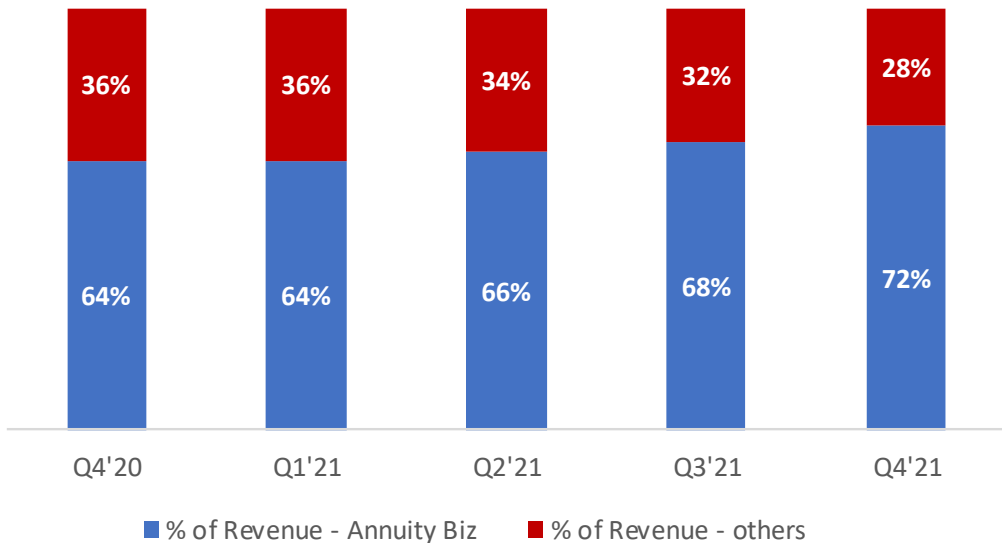
Domestic Business – Gross Contribution



Domestic Business - Revenue

Domestic Revenue (Annuity/Others)

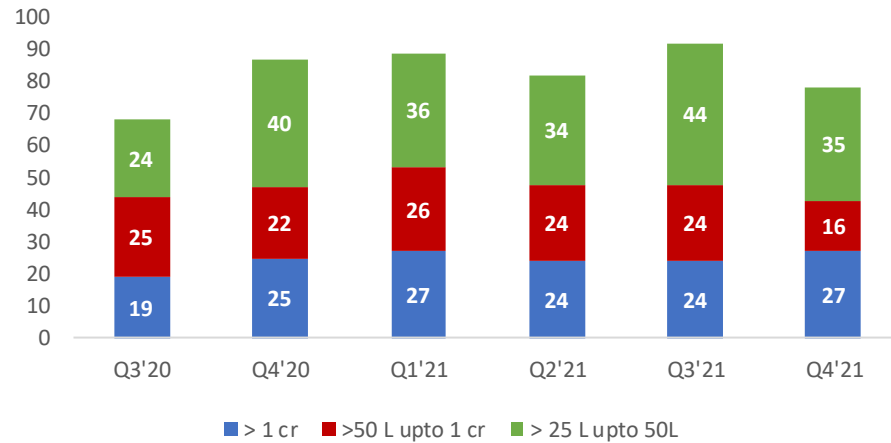
Domestic Revenue (Cloud/Non Cloud)



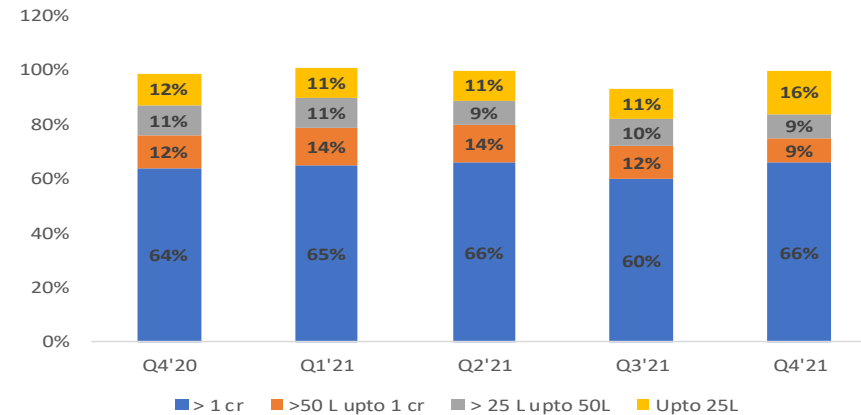
Domestic business major revenue contribution from multi year annuity enterprise sales

Domestic Business - Gross margin Analysis by customers

Domestic Customer Count

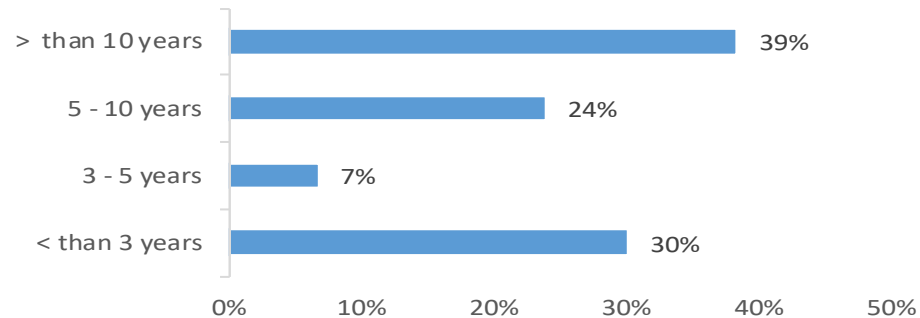


Domestic Customer by GC %



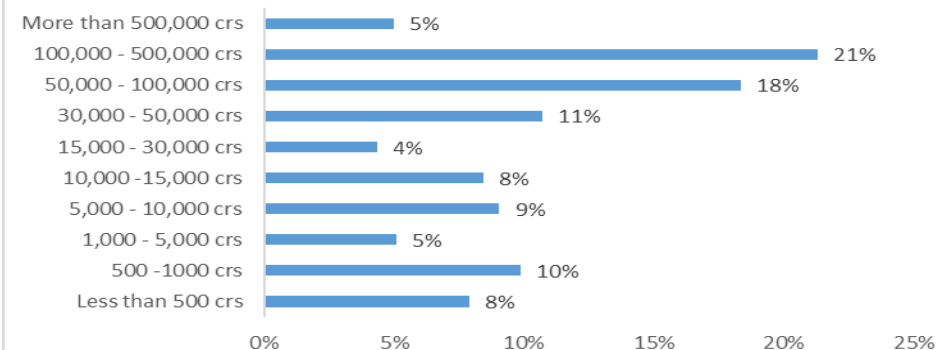
Gross Margin Analysis

in terms of number of years of Association



Gross Margin Analysis

in terms of Customer's revenue

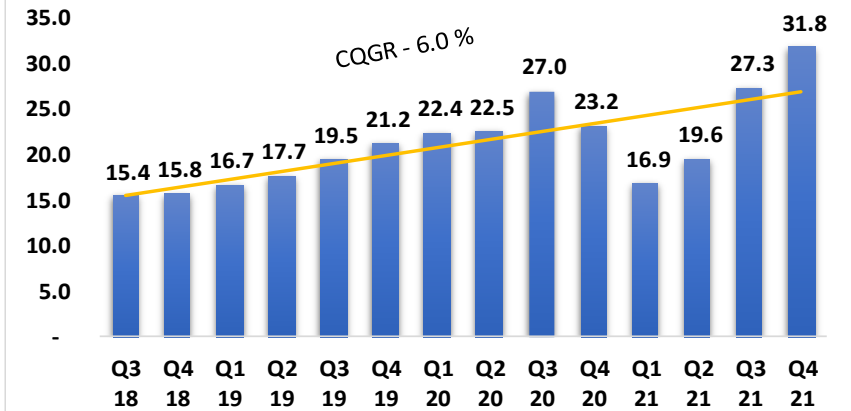


Top ~ 78 customers contribute to about 80% of Gross Margin
 Strong customer retention - ~ 63% if Gross Margin contributed from customers associated for more than 5 years
 Established customer base - ~82% Gross Margin from customers with revenue greater than 1,000 crs

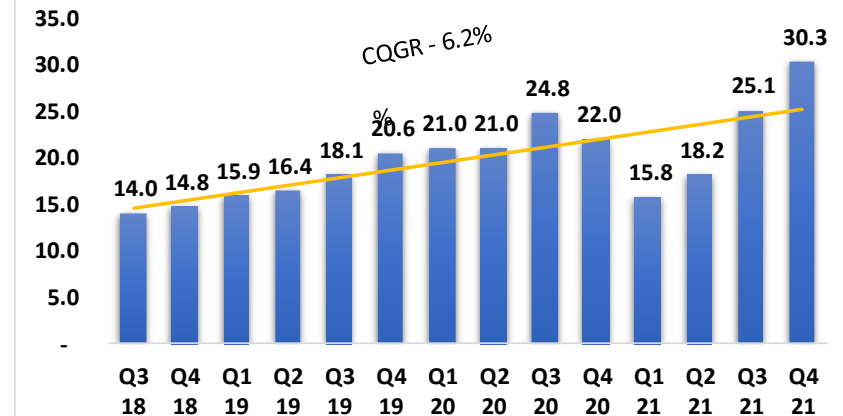
EBITDA, PBT and PAT – last 12 Quarters

Domestic Business

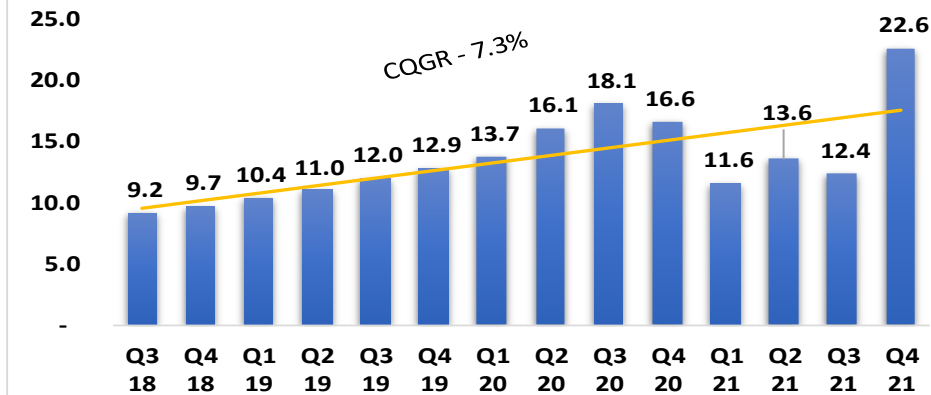
Domestic Business EBITDA

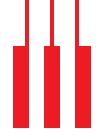


Domestic Business PBT



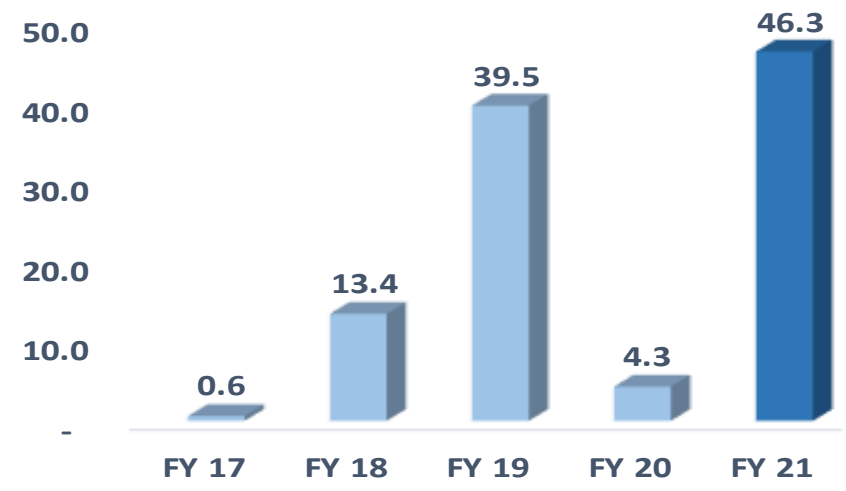
Domestic Business PAT



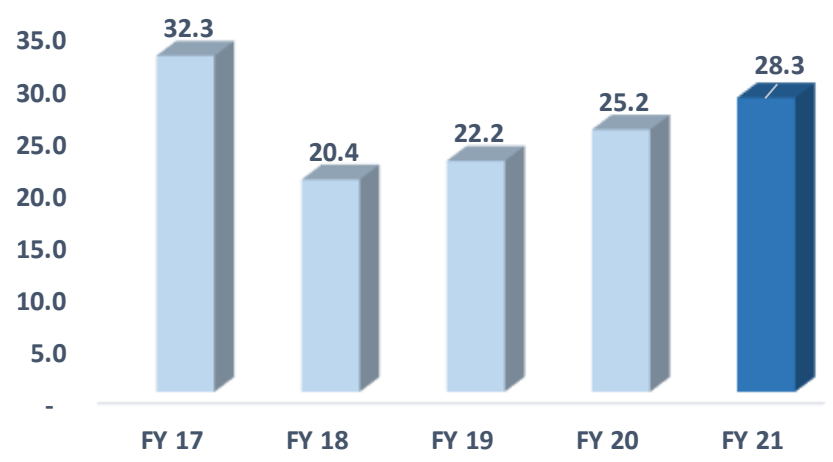


Strategic Investment

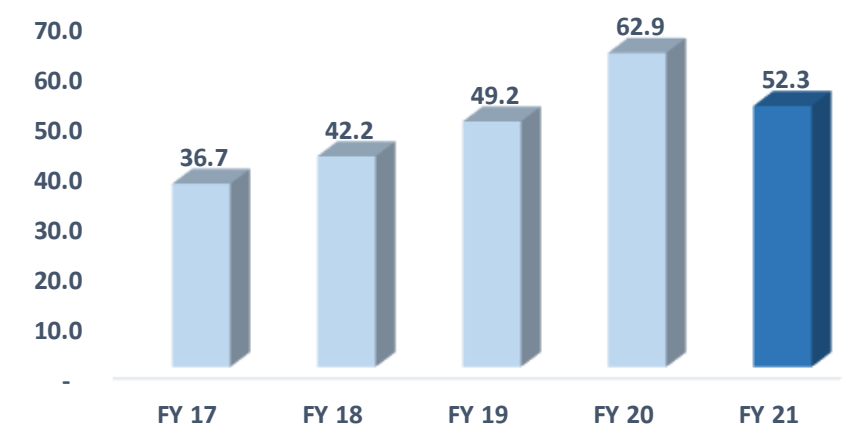
M&A Investment



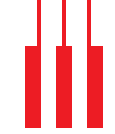
IP & R&D Investment



S&M Investment



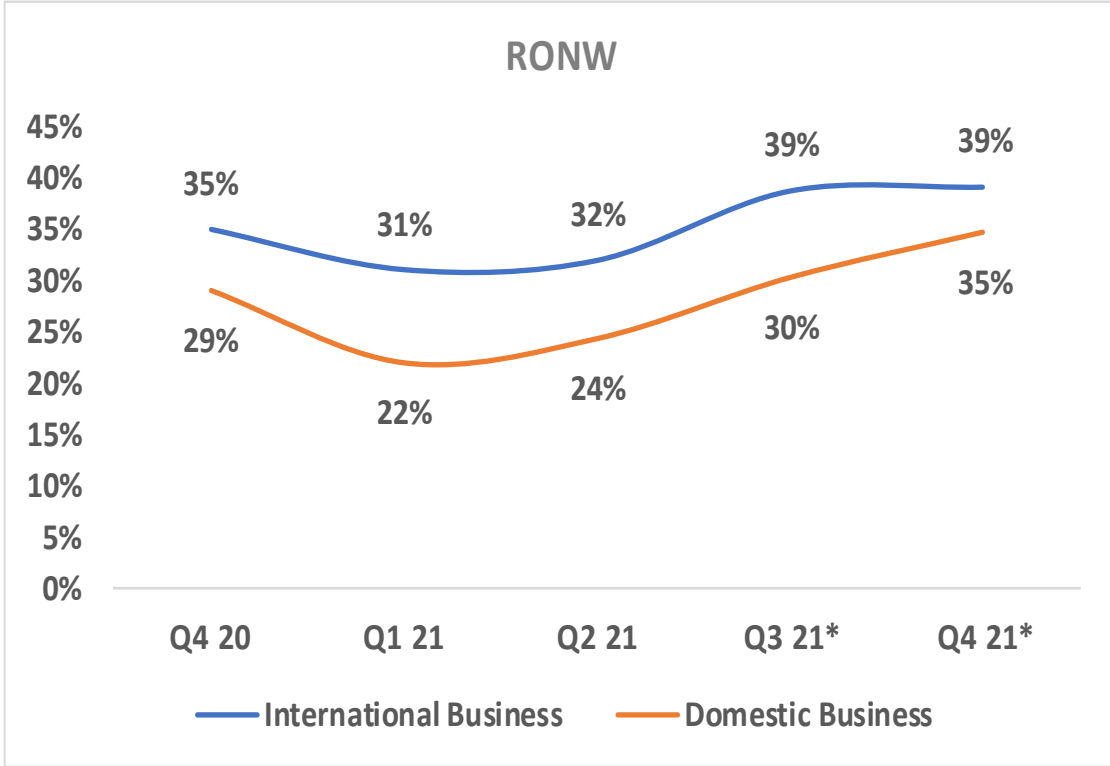
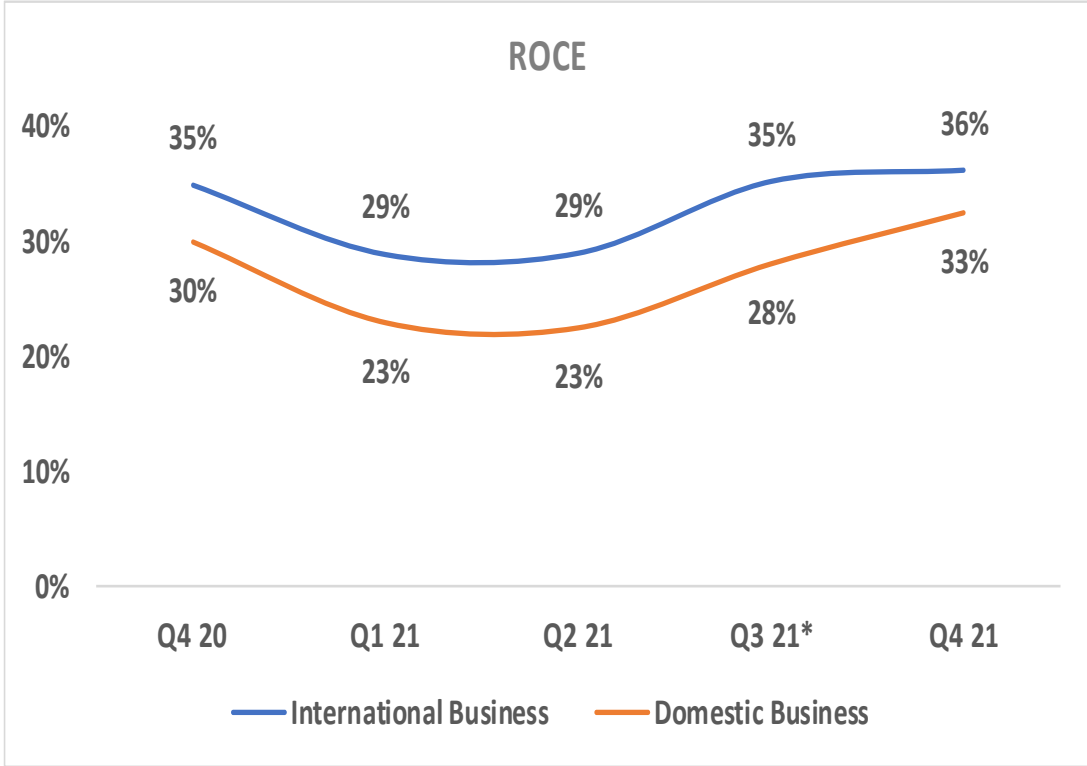
Lower S&M cost in FY21 due to reduction in travel cost



International and Domestic ROCE & RONW

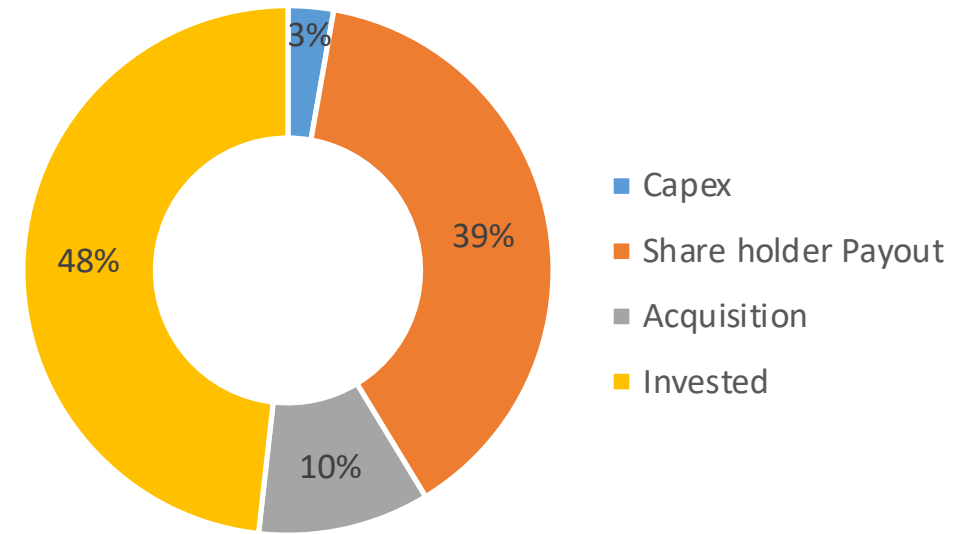
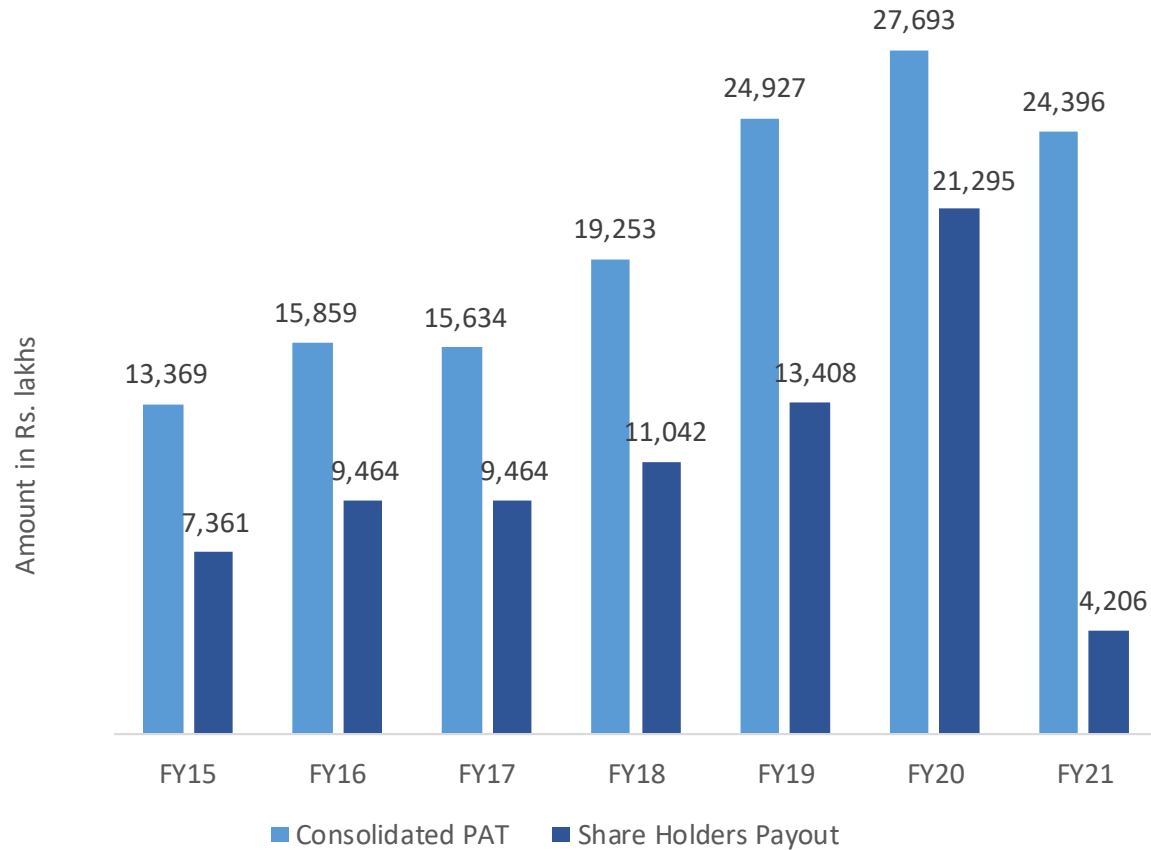
ROCE

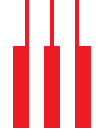
RONW



Capital Allocation

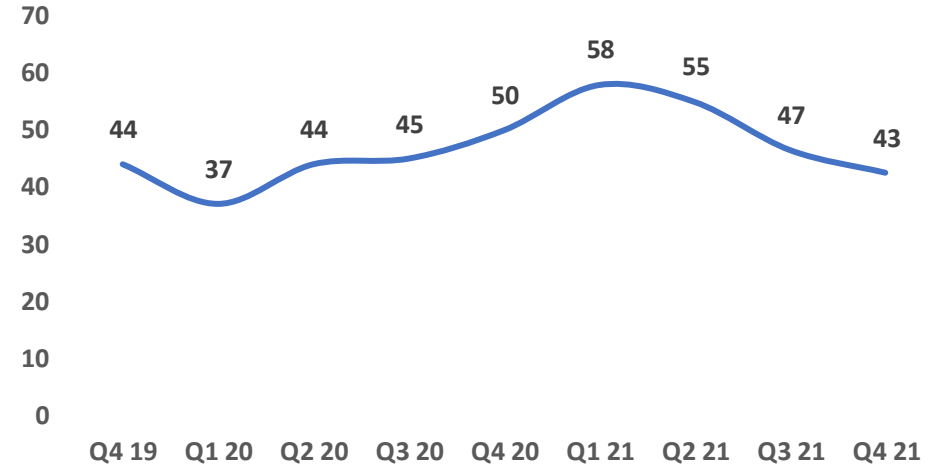
Cash Deployment



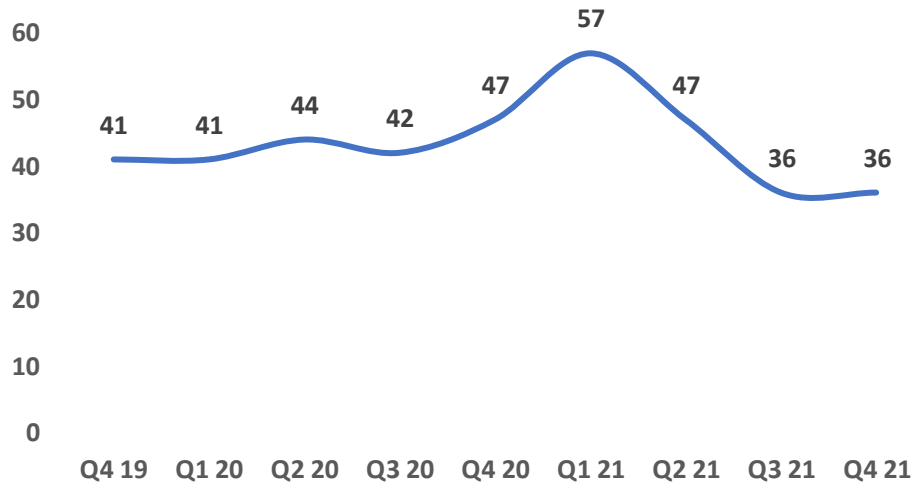


Days Sales Outstanding

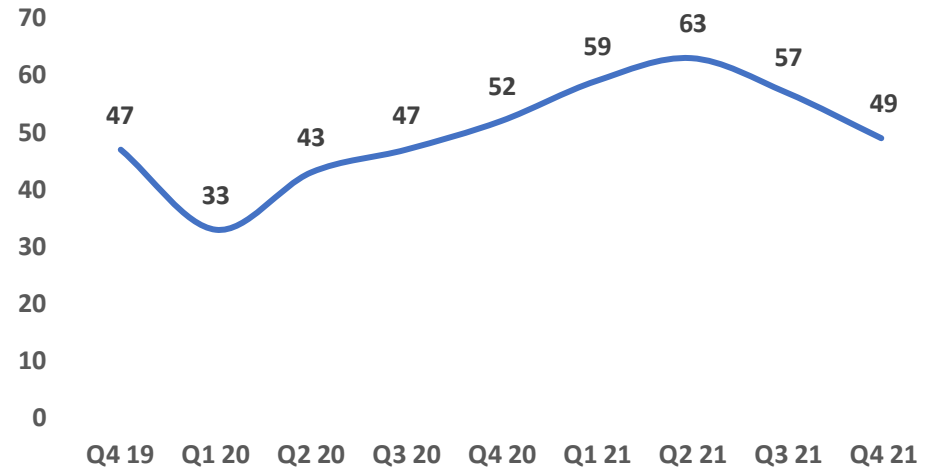
Consolidated DSO



International Services DSO



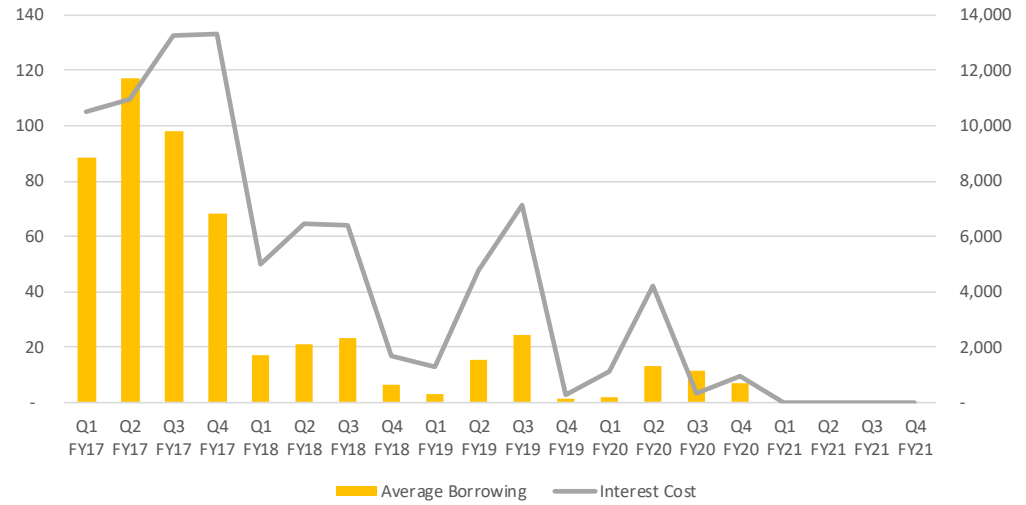
Domestic Services DSO



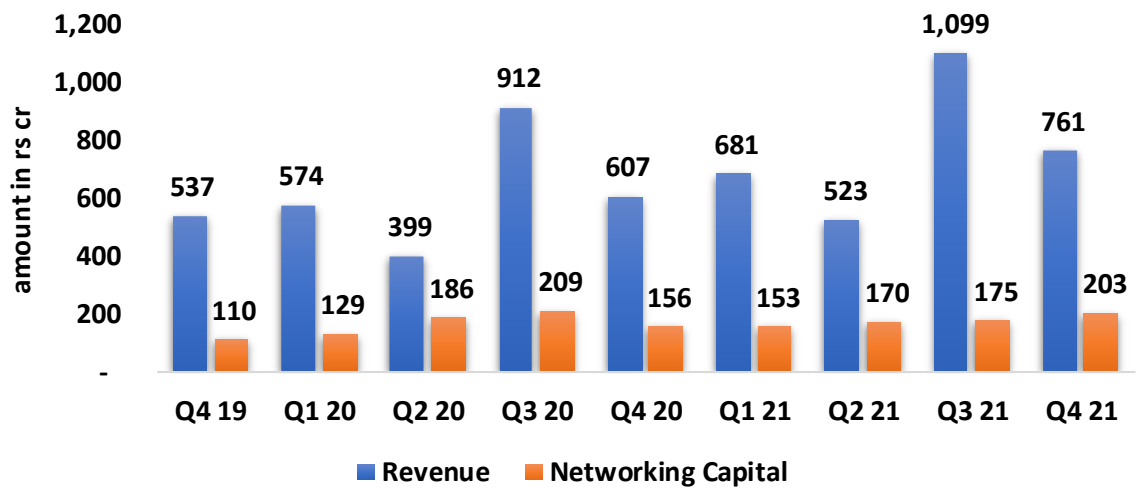


Credit Management – Domestic Business

Average Borrowings & Interest Cost



Domestic





Thank you

