

# Pioneering with **PLATFORMATION**



Platform-based  
Digital Business Transformation

**Sonata Software**  
Investor Deck  
Q2 FY 18-19

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# Sonata Vision



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



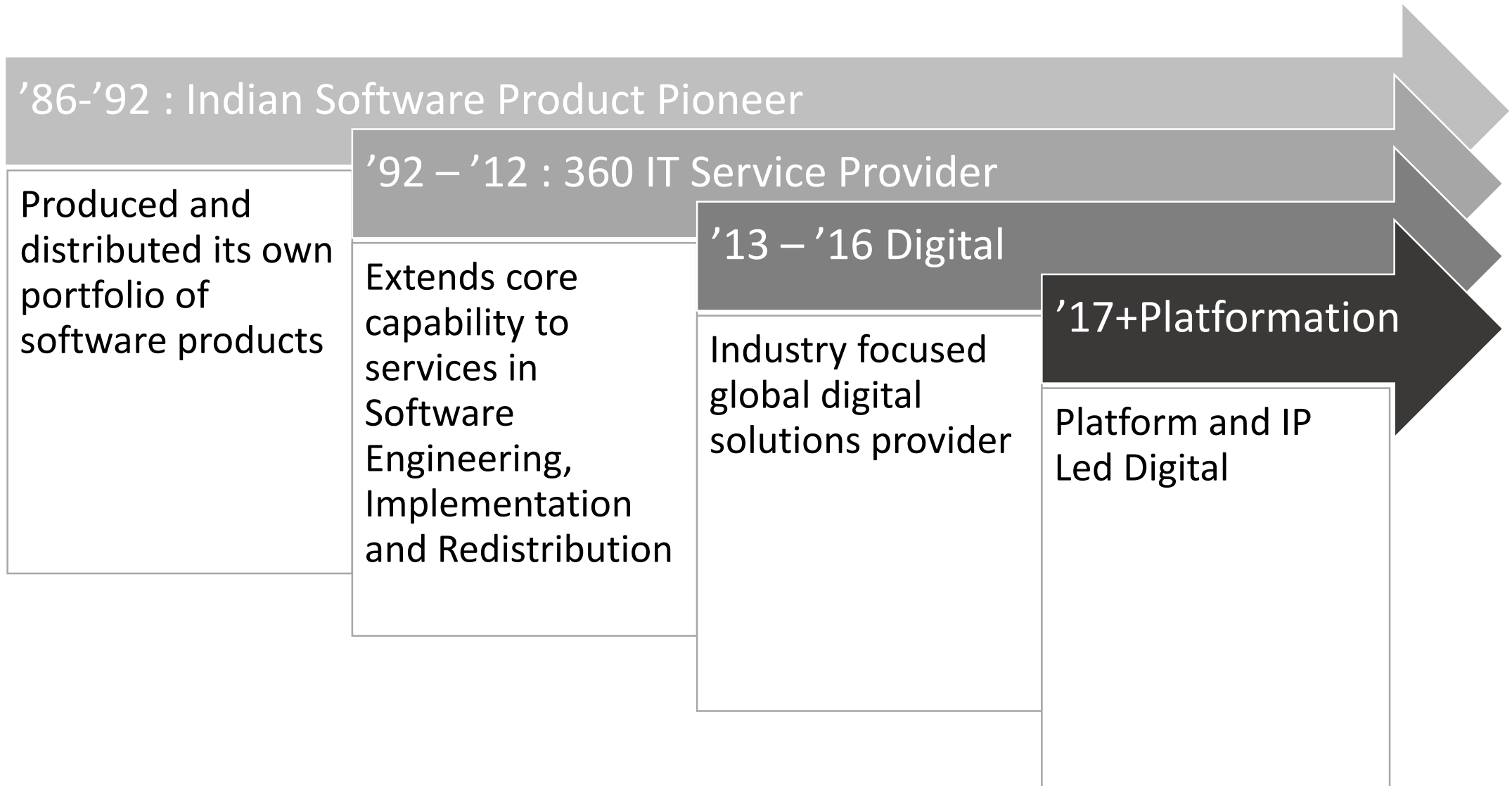
**For the Employee**  
A fun & fearless environment where  
the potential & passion for work  
flourishes



**For the Community**  
CSR initiatives to support IT needs of  
projects with Social impact



# Sonata - Evolution





# Sonata Opportunity

## Global trends reshaping Business and IT

### Digital

- On agenda of 2/3<sup>rd</sup> of Global 2000 Cos CEOs
- 80% of all incremental IT spend, USD 2.4 Tn market by 2025 on Digital

### Platform

- Over 30+ 'born digital' platform cos in S&P 500 by 2020.
- Two thirds of all new applications to be Cloud native architected, CD CI enabled in next two years.
- Five fold increase in Cloud Industry platforms by 2018

## Born Digital Platform Unicorns



OPEN



SCALABLE



CONNECTED



INTELLIGENT

Global Online Retail Leader

Top P2P Hospitality Marketplace

World Leading Taxi Hailing App

Top Chinese B2B Commerce Marketplace

Helping traditional Businesses make the transition to digital & platform

# Sonata strategy : Platformation

## Industry specific Focus

- Travel
- Retail
- Distribution
- ISV

## Sonata Platform based Technology

- Ready -Industry Platform IP
- Accelerate - ISV Partner Platform
- Custom Platform

## Growth Engines led

- Vertical
- IP led
- Alliance Led
- Existing Customer Led
- Digital Infrastructure

Industry specific Digital Transformation thru Platforms

Open , Connected, Scalable, Intelligent Businesses

# Execution – Proprietary Methodology to enable Platforms

## Sonata READY

- End-to-end, industry-specific Sonata digital business platform IP

## Sonata ACCELERATE

- Popular horizontal ISV partner platforms with Sonata adding required functionality

## Sonata CUSTOM

- Sonata engineers custom platforms that deliver unique digital capability and scalability

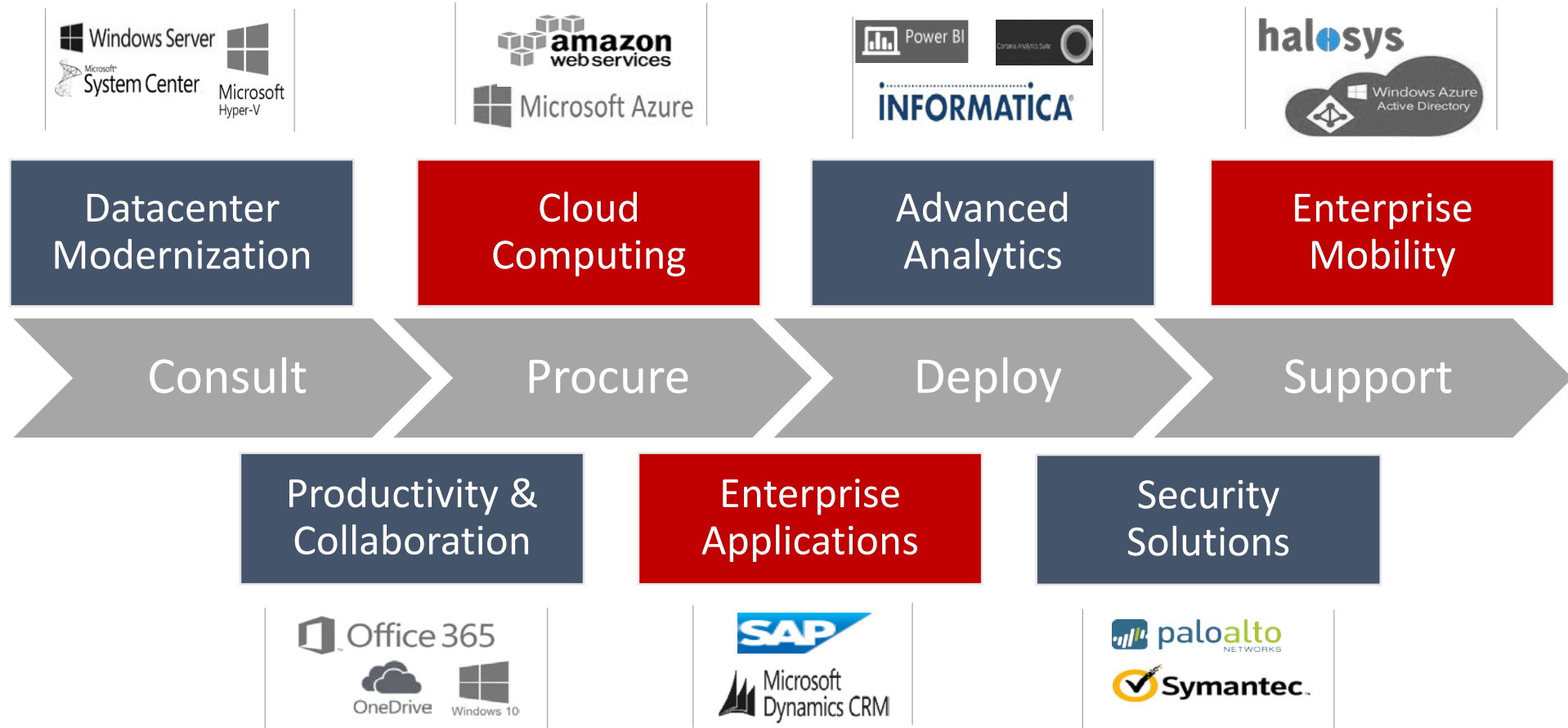


*Omni channel reservation system for a large Australian rail network built on Rezopia platform*

*Retail store and e-Comm integration for a US fashion brand using Dynamics retail platform*

*Enabled a US-based travel company innovate on membership-based business models*

# Execution – Enabling Digital Platform Infrastructure



*Core Enterprise Infrastructure migration to Cloud Platforms for cost optimization  
Leading Brewery Company*

*Patient care enhancement thru collaborative work tools for doctors  
Leading Hospital Chain*

*Enhanced business responsiveness thru next gen IT Appliances  
Leading Bank*



# Execution - 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

*Sonata is a very important extension of the team and over the years has made a significant contribution to our success in serving our customers better than anyone else in our business sector.*

*Director IT  
Fortune 500 Travel Co*

## Decade+ Relationships with marquee Fortune 500 Customers

World Leading Tour  
Operator

Global F&B CPG  
Leader

Global Retail Leader

Global Software  
Technology Leader

# Execution - Strong Alliances



- Gold Partner for 13 Competencies including ERP, Analytics, Cloud, Productivity & Communications.
- 3 Industry specific IP live on Microsoft AppSource – Brick & Click Retail, Modern Distribution and Rezopia. GISV status.
- Select ISV Dev Centre Partner with unique Dynamics Operations & CRM capability
- Country Partner of Year India 2013,15,16. Industry Partner of Year US 2015.



- Global Silver Partner for SAP Hybris Commerce.
- Travel, Retail and Distribution industry specific solutions capability
- SAP Pinnacle Award 2013, SAP Hybris Most Innovative Partner of Year 2012
- Extended SAP Cloud for Customer solutions capability

*Sonata has been an important partner in our journey for over a decade. The expertise they bring to the table makes them a valuable part of the ecosystem.., its partners, and customers, who seek to get more out of our enterprise-class business solution.*

VP – Engineering, Leading Global Software Company

# Execution - Strategic Acquisitions



## Rezopia

- Cloud based travel ERP SaaS
- Enhanced to wider digital travel platform with Commerce, Mobility & Analytics
- Sub vertical specific solutions – Tour Operator, Corporate, Rail

## Halosys

- Unified Enterprise Mobility Platform
- Integrated to Sonata industry specific platform IP to extend their mobile capability
- Pre-built industry specific Apps – Shopping, Mass Distribution, Travel Assistant

## IBIS Inc.

- Advanced Supply Chain Management Software for Dynamics
- Extended to Modern Distribution Platform with Commerce and Field Sales Apps
- Dynamics capability & US Geo footprint

# Enablers - Strong People and Processes Foundation



SEI CMMI L5, ITIL, ISO 27000  
 certified processes  
 Agile & DevOps Capable

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

*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



# Enablers – Strong Governance and financials

- Listed Company ( NSE and BSE)
- Best-in-Class Board and Top management Profiles
- Consistent Track record of Growth, profitability and Dividend
  - RoE and RoCE > 25%
  - Revenue Growth at 15%+ CAGR over last 4 years
  - PAT growth at 25%+ CAGR for 4 years
- Strong Balance sheet
- Regular Dividend payout



# A responsible corporate citizen - Platforms for social good



Designed and developed an omnichannel-enabled craft storefront to drive market access for handicraft producers

**Partner:** Industree Crafts Foundation



Built a multipurpose technology platform combining storefront, virtual classrooms, and digital archives

**Partner:** WomenWeave - The Handloom School

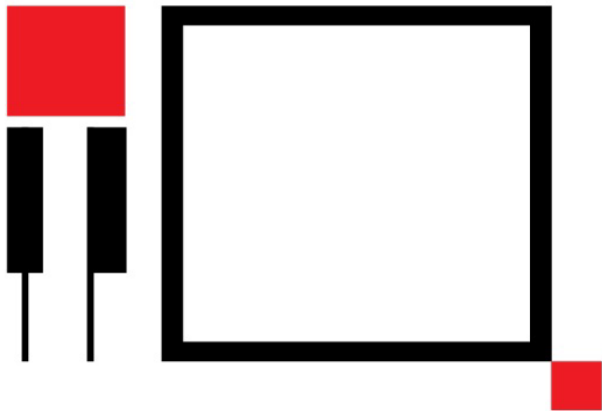
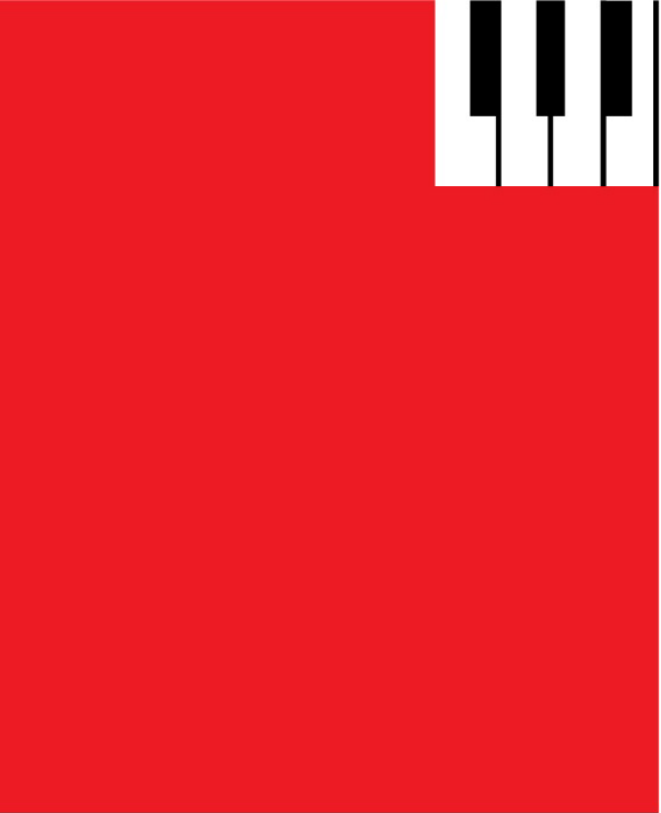


Fostering next-gen business ideas through technology incubation in a top Indian engineering college

**Partner:** CEDI-NITT

# Financials

(Q2 2018-19)



# Result Snapshot – Q2 FY 19

INR Crores

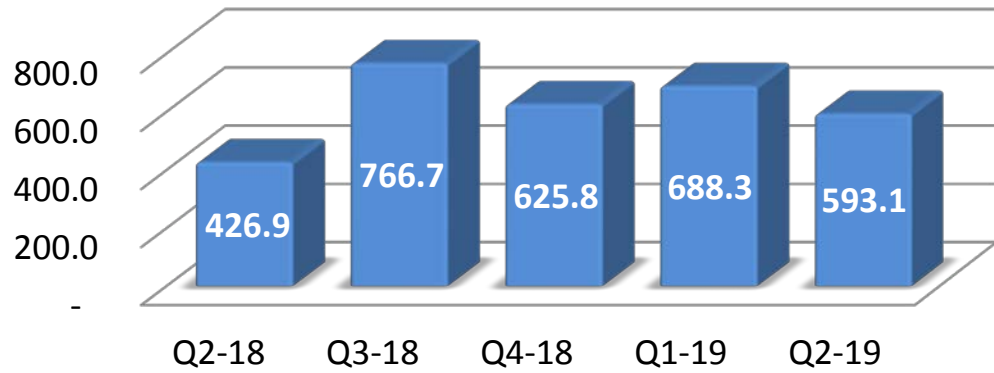
₹ in Crores								
Description	For the Quarter ended					For the half year ended		
	30-Sep-18	30-Jun-18	30-Sep-17	QoQ	YoY	30-Sep-18	30-Sep-17	YoY
<b>Revenues</b>								
International IT Services	275.3	257.1	234.6	7%	17%	532.4	445.8	19%
Domestic- Products & Services	325.9	437.1	199.7	-25%	63%	763.1	627.8	22%
Consolidated	593.1	688.3	426.9	-14%	39%	1,281.4	1,061.4	21%
<b>EBITDA</b>								
International IT Services	73.5	66.7	52.7	10%	40%	140.1	102.6	36%
Domestic- Products & Services	17.7	16.7	14.0	6%	26%	34.4	29.1	18%
Consolidated	90.7	83.1	66.1	9%	37%	173.8	130.6	33%
<b>PAT</b>								
International IT Services	51.2	47.2	37.0	9%	38%	98.5	71.5	38%
Domestic- Products & Services	11.0	10.4	8.4	6%	31%	21.4	16.9	26%
Consolidated	62.2	57.6	45.4	8%	37%	119.8	88.4	36%



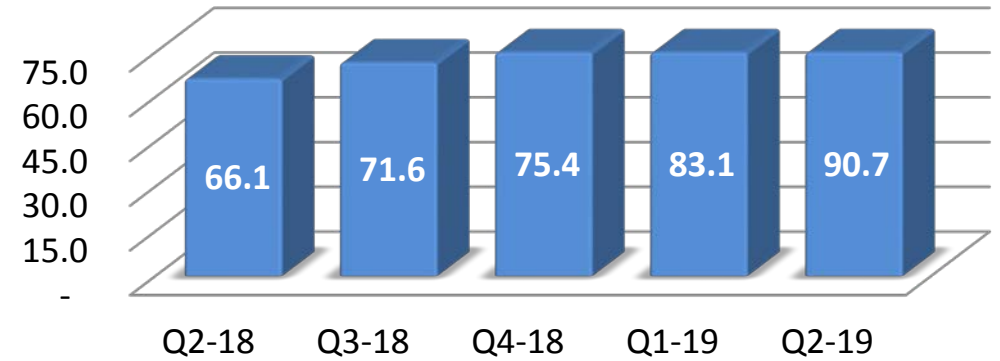
# Consolidated – Financials

INR Crores

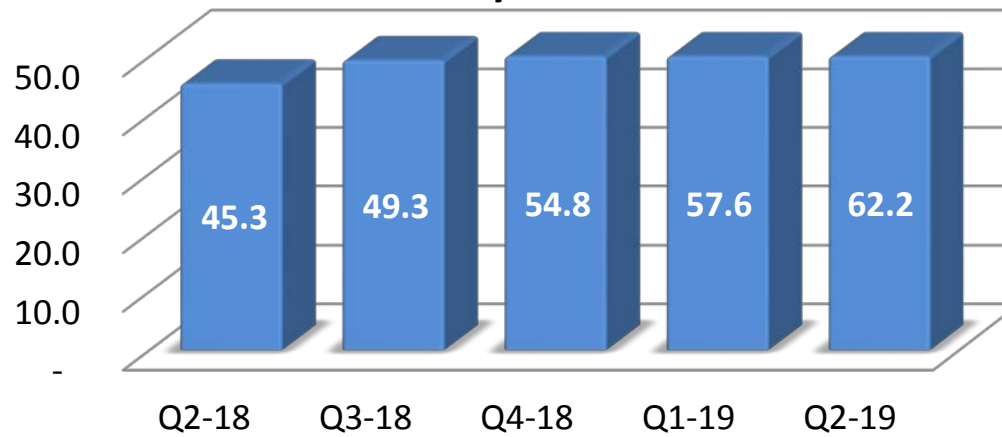
### Revenue - by Quarter



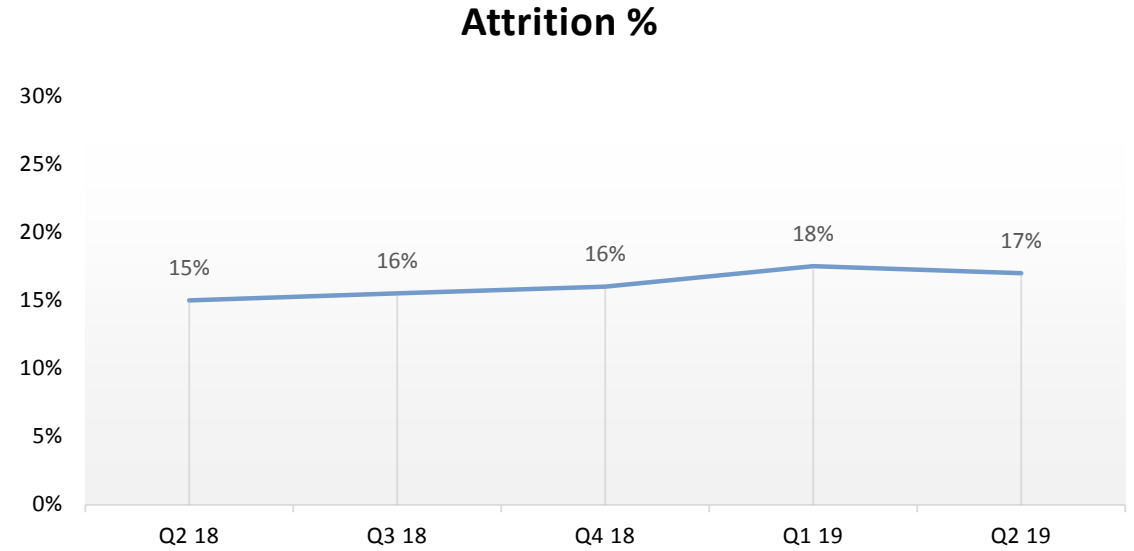
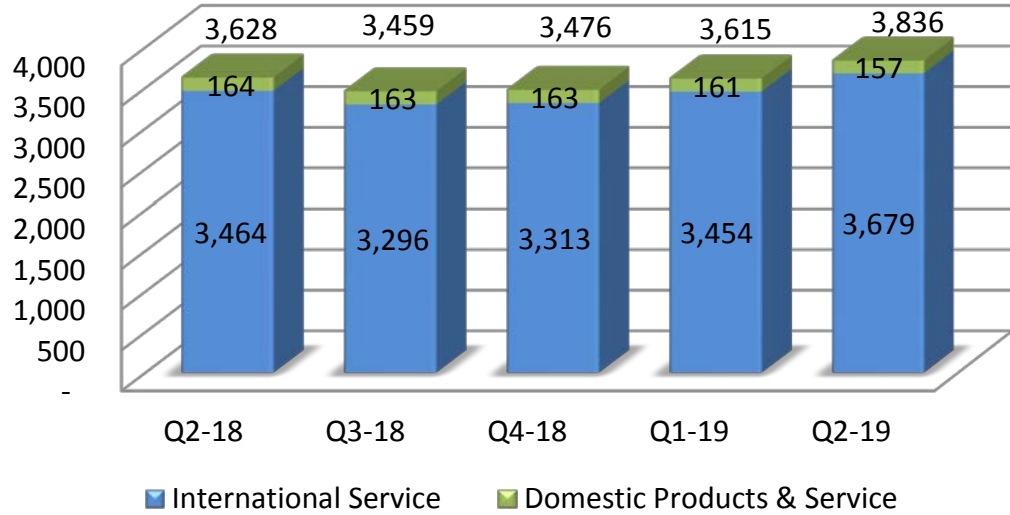
### EBIDTA - by Quarter



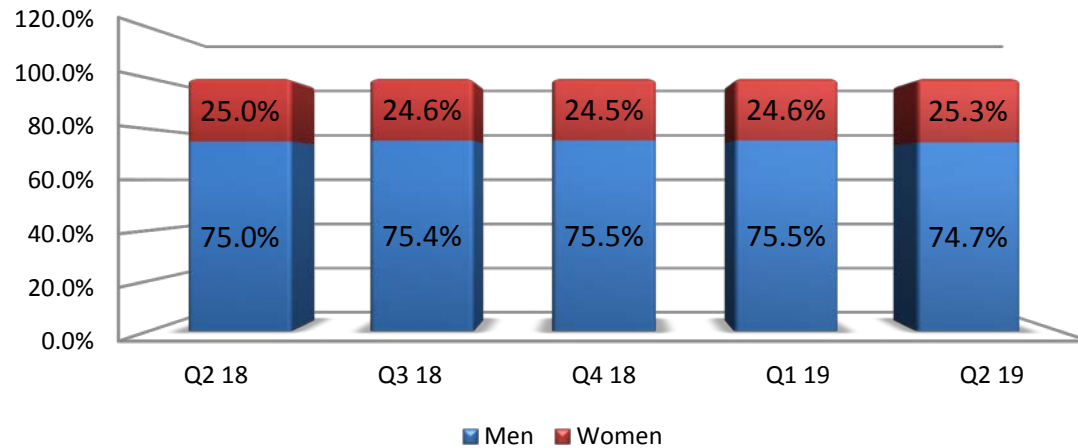
### PAT - by Quarter



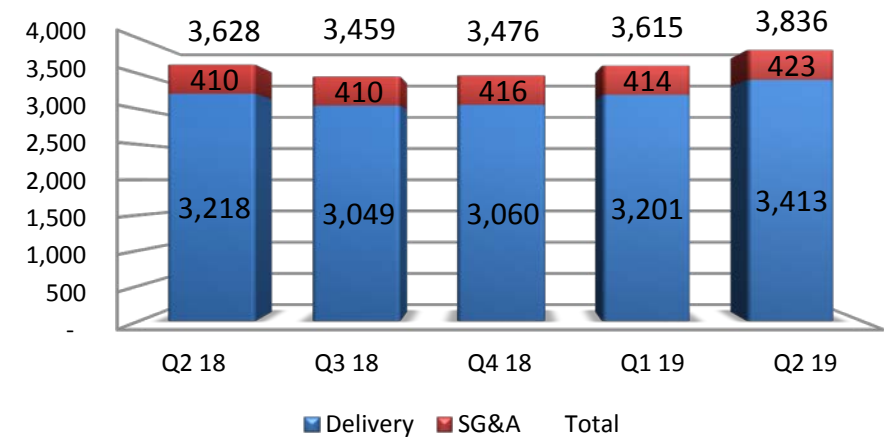
# Consolidated – Human Capital



## Diversity

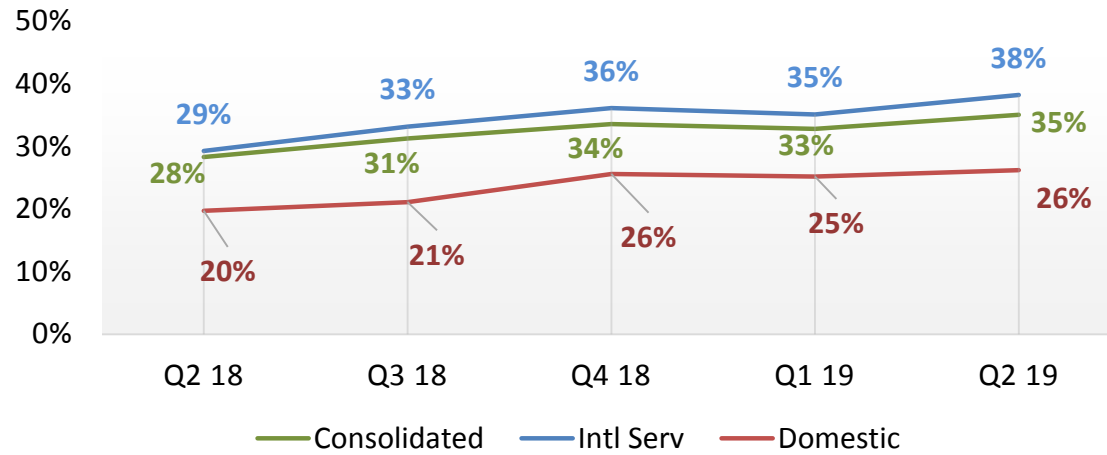


## Head Count Mix

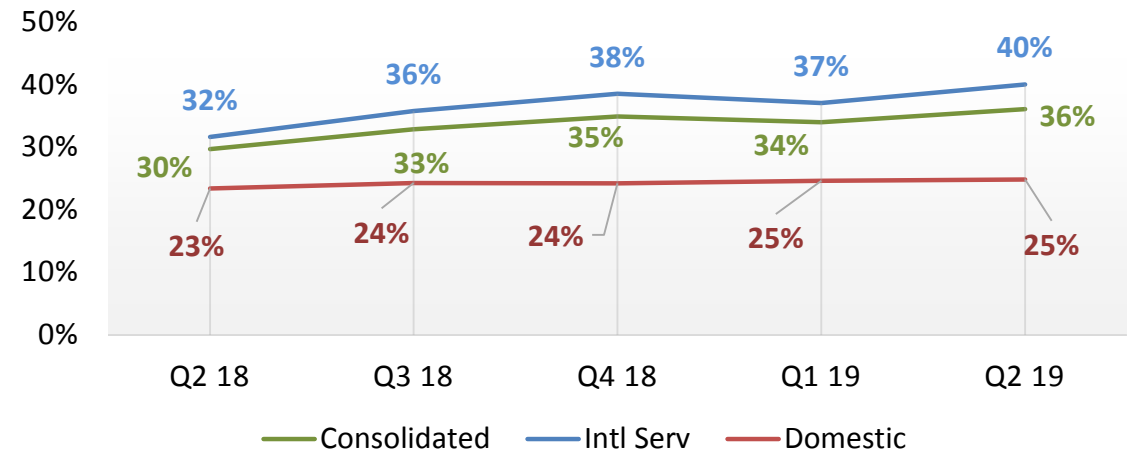


# Consolidated – ROCE & RONW

## ROCE

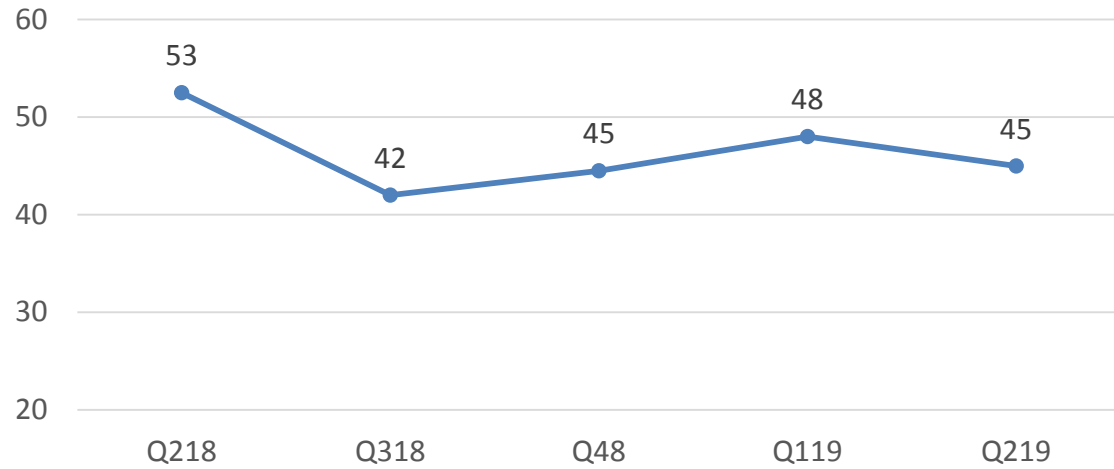


## RONW

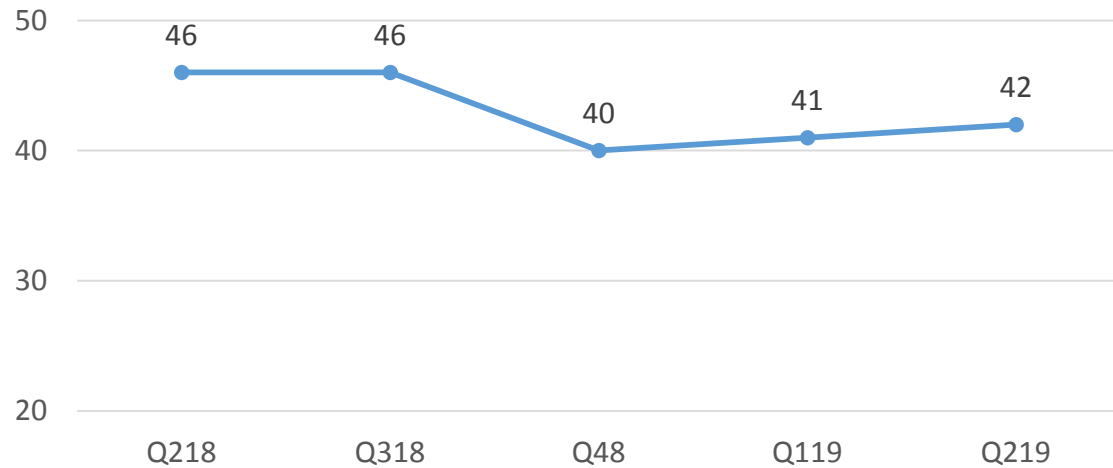


# Days Sales Outstanding

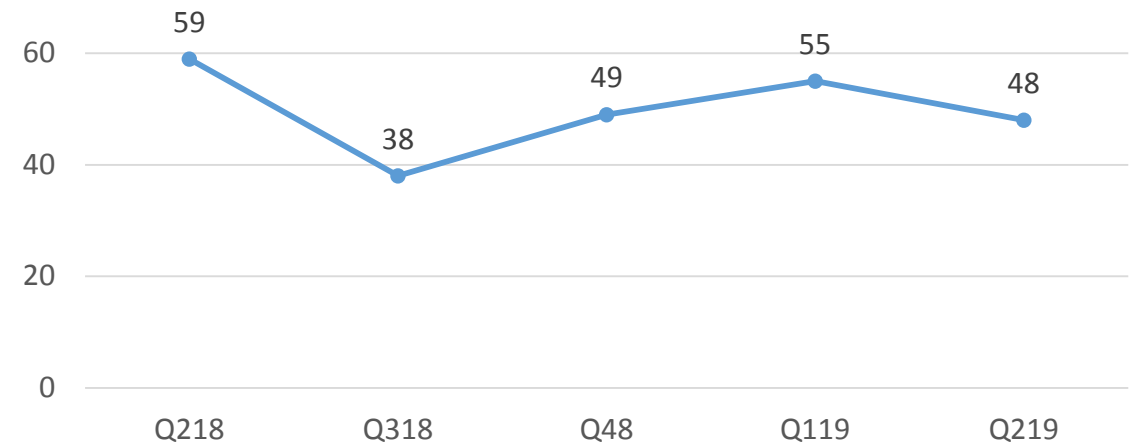
### Consolidated- Average DSO



### International Services – Average DSO



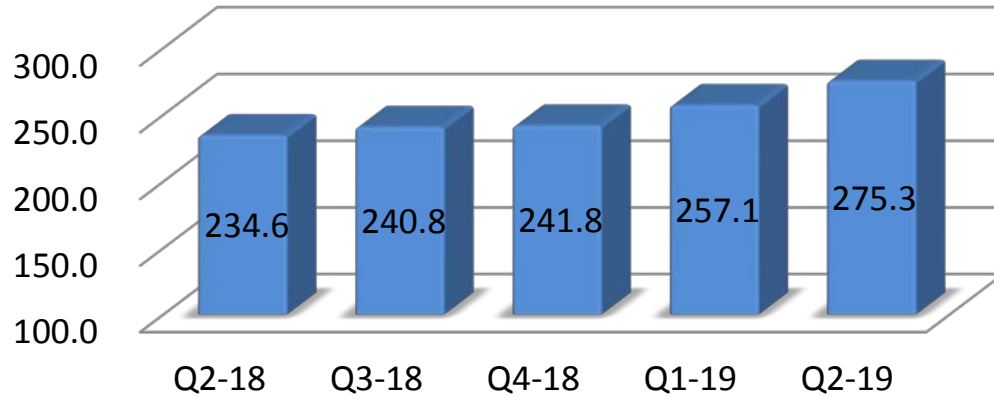
### Domestic – Average DSO



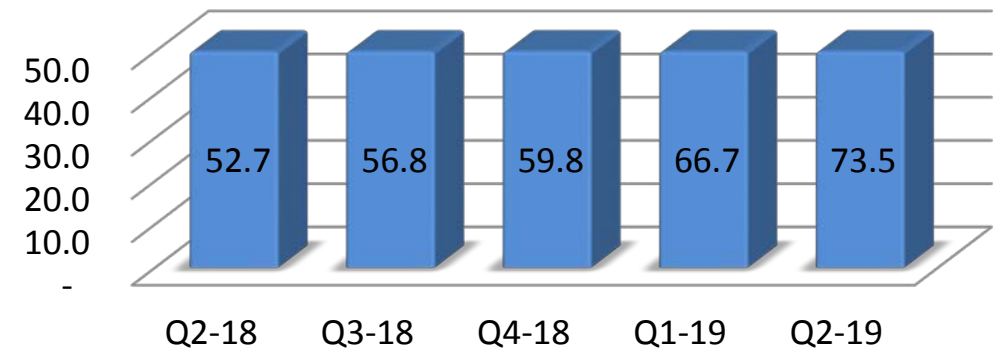
# International IT services - Financials

INR Crores

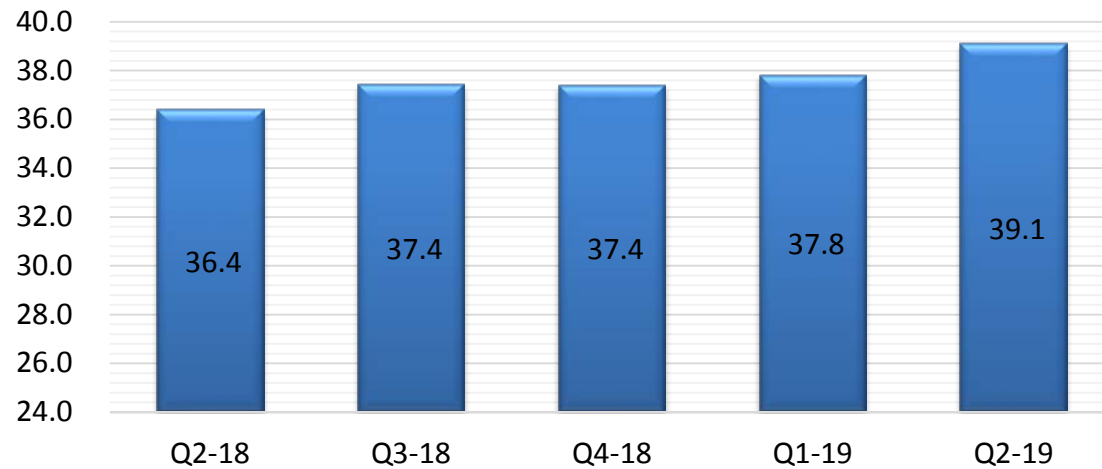
### Revenue - by Quarter



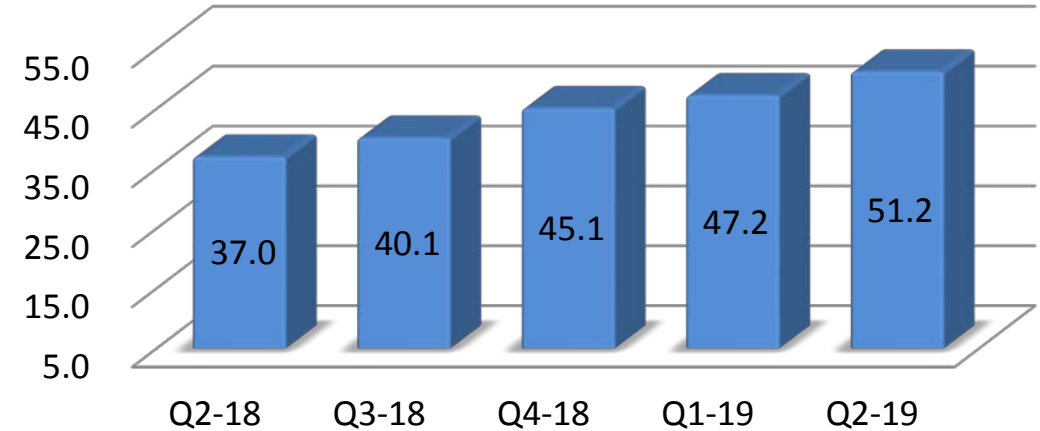
### EBIDTA - by Quarter



### Revenue \$ mn

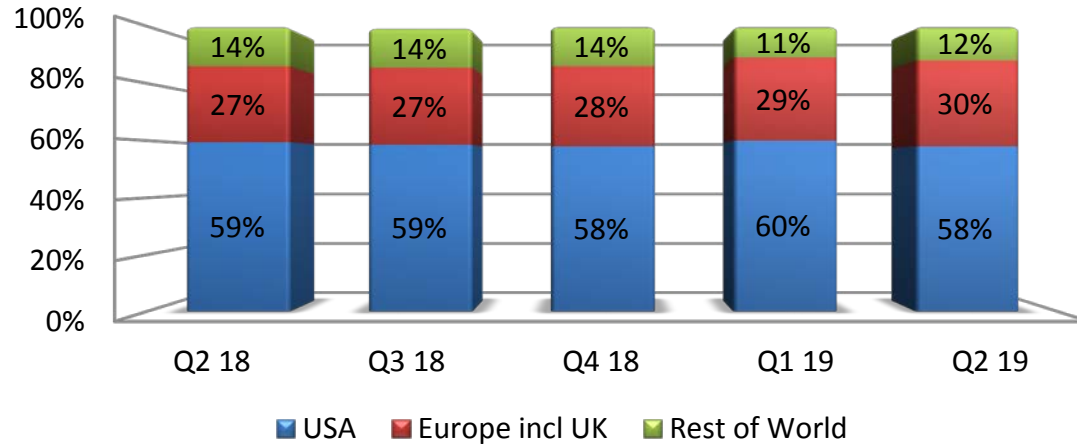


### PAT - by Quarter

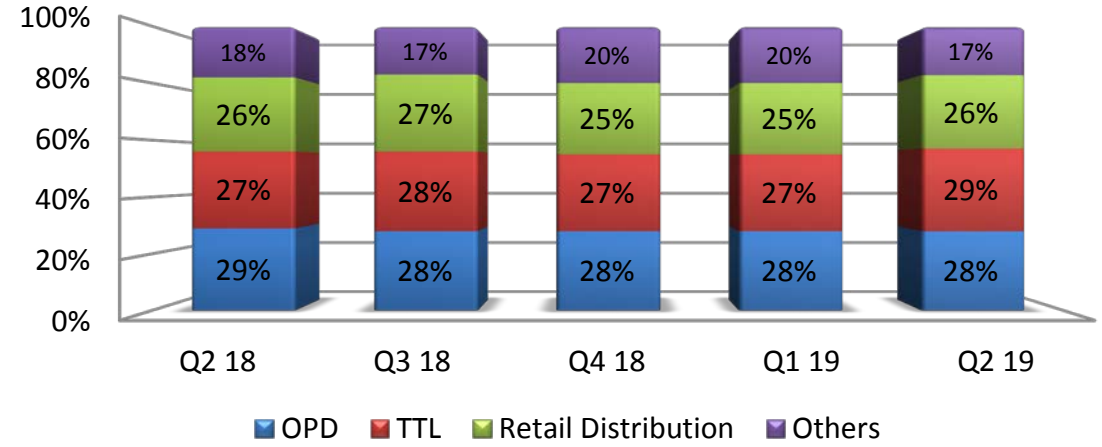


# International IT services – Revenue Mix

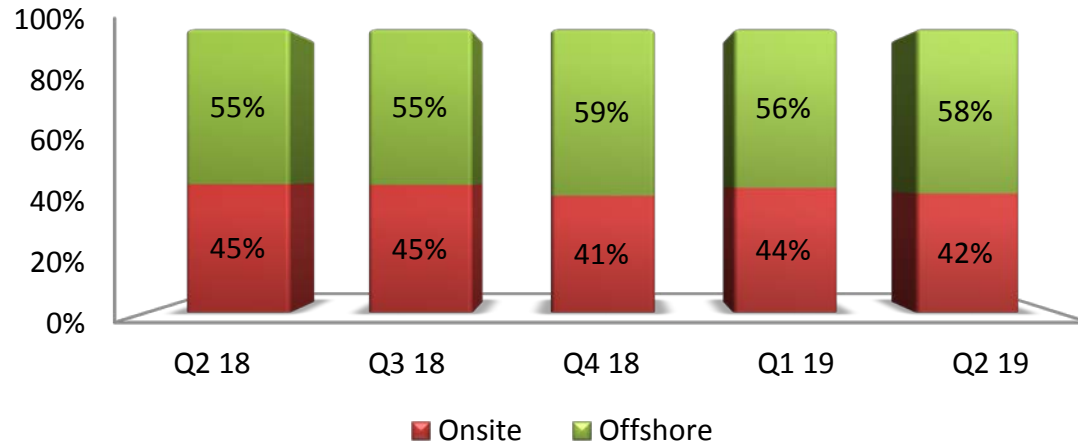
### Geography



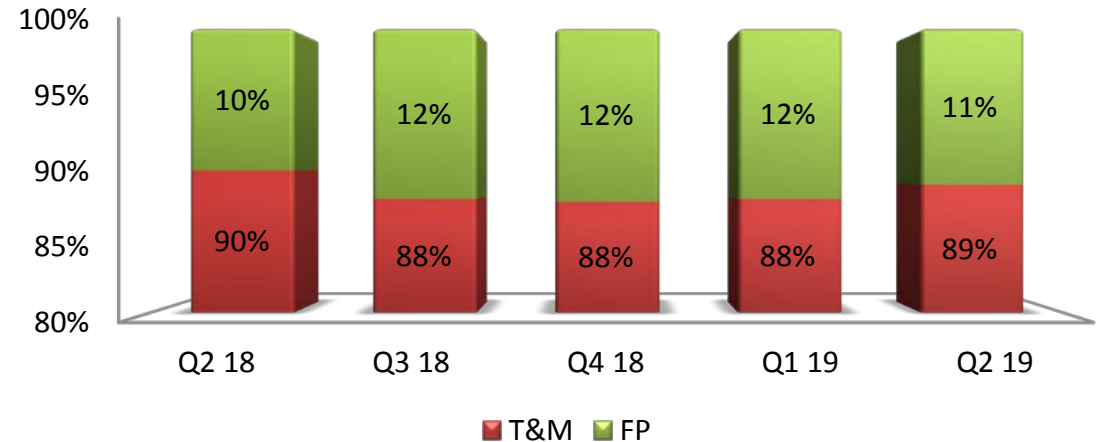
### Vertical



### Onsite / Offshore

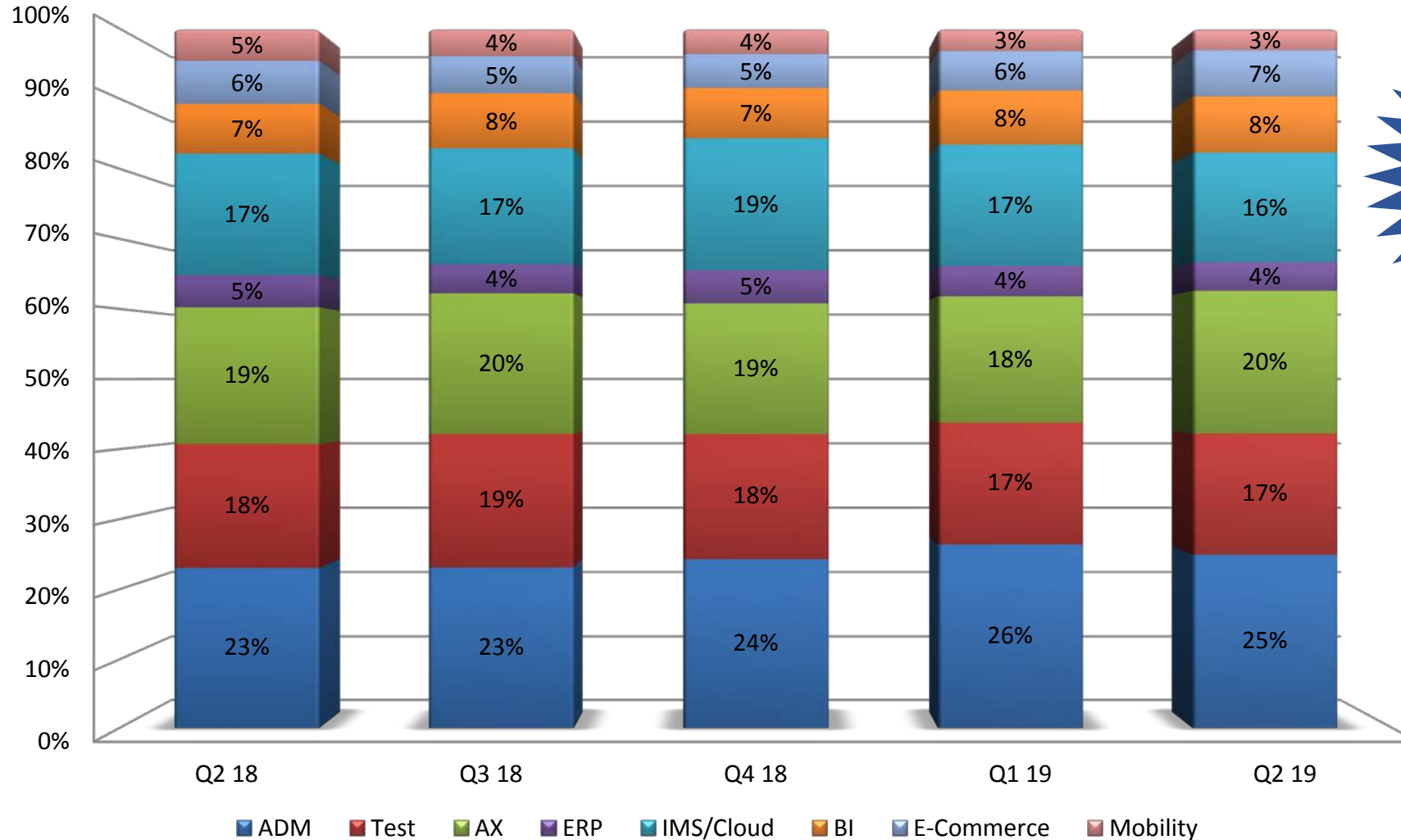


### Revenue Type



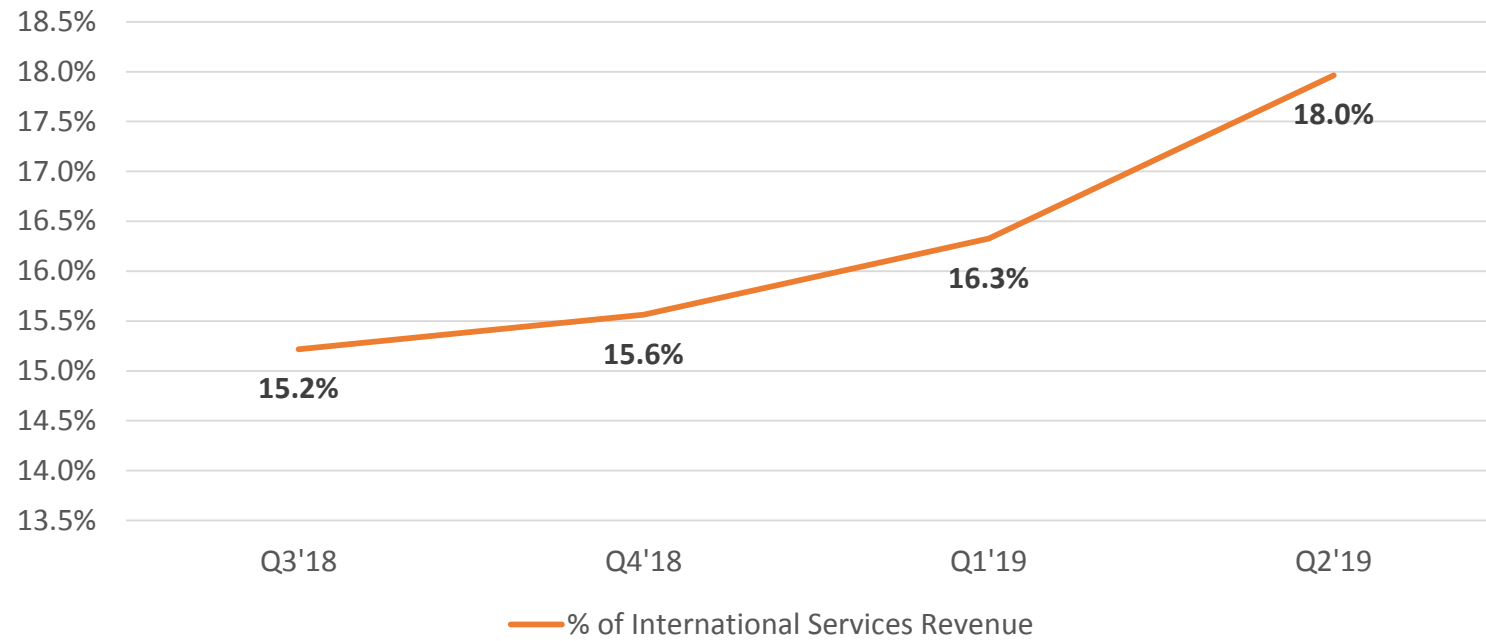
# International IT services – Revenue by Competency

## Competency



**35%**  
from  
Digital

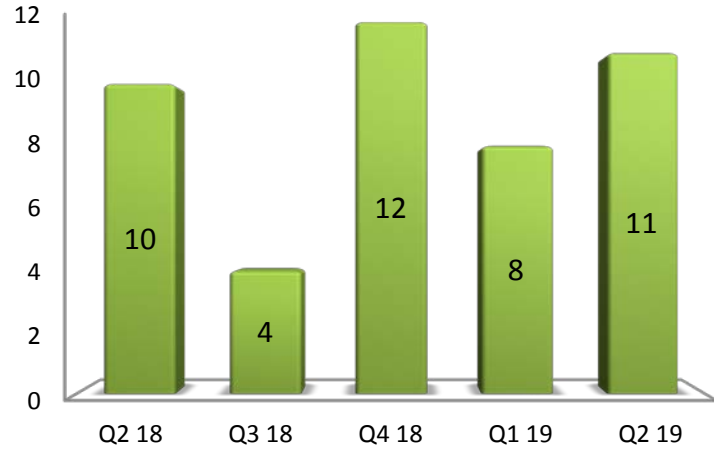
### Trend - IP Led Revenues



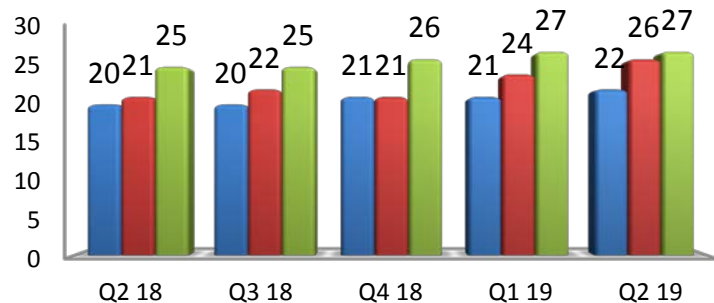


# International IT services – Revenue by Customers

### New Customers

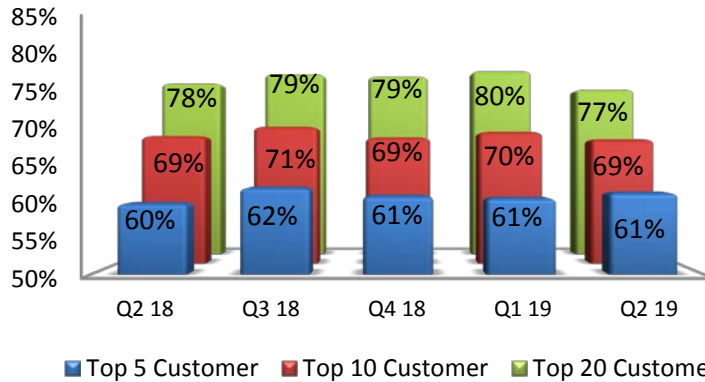


### Customer Category

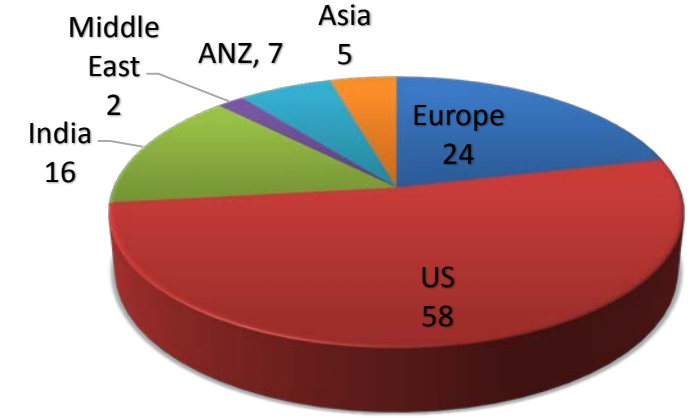


- # of Fortune 500 accounts
- # of million dollar clients
- No. of Global 2000 customers

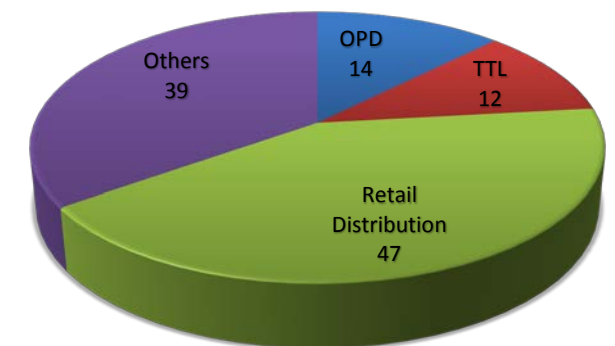
### Revenue from Top Customers



### No. of customers by Geo

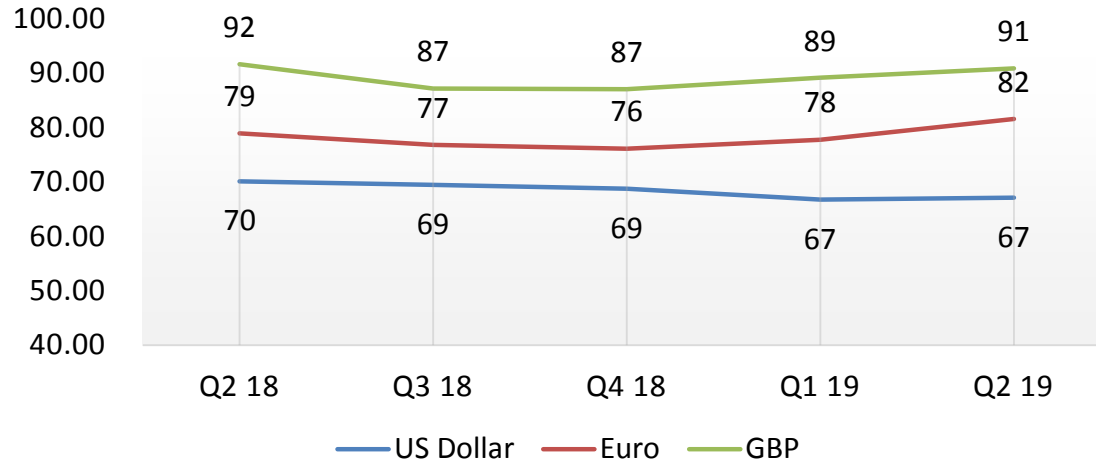


### No. of customers by Vertical

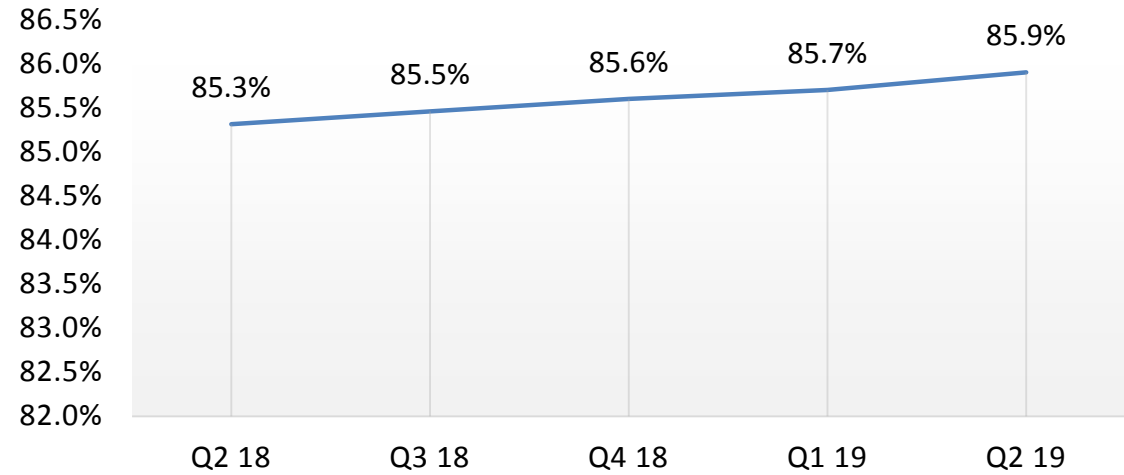


# Forward Cover Realization Rates/ Utilization

### Effective Realization Rates



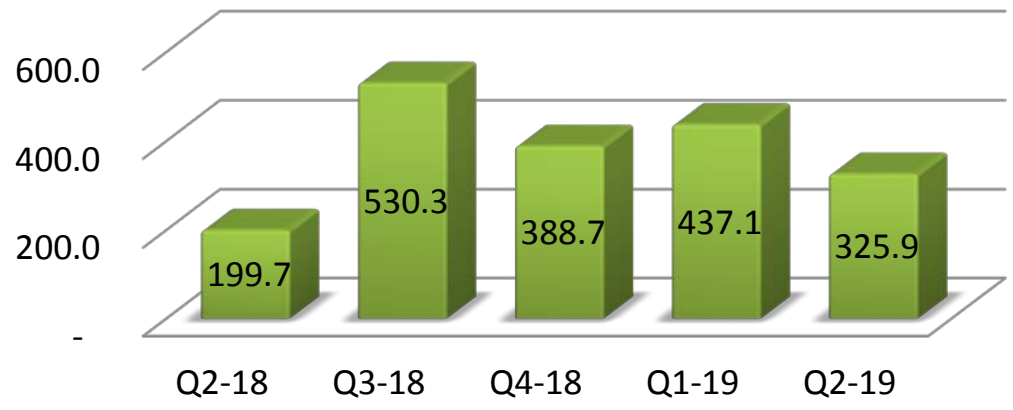
### Utilisation



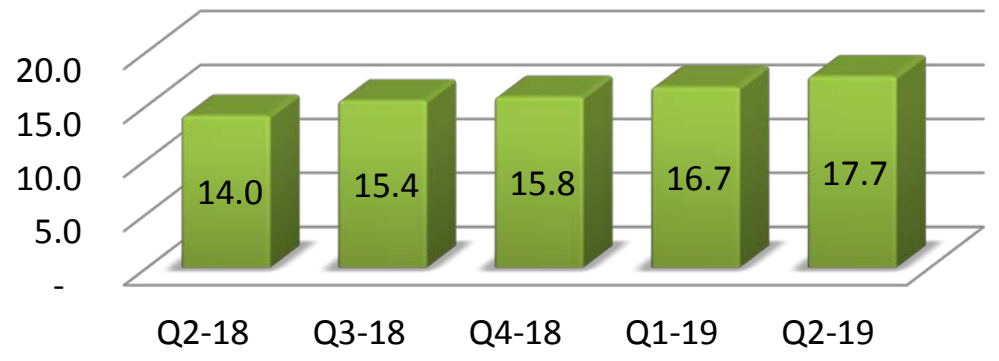
# Domestic Product & Services - Financials

INR Crores

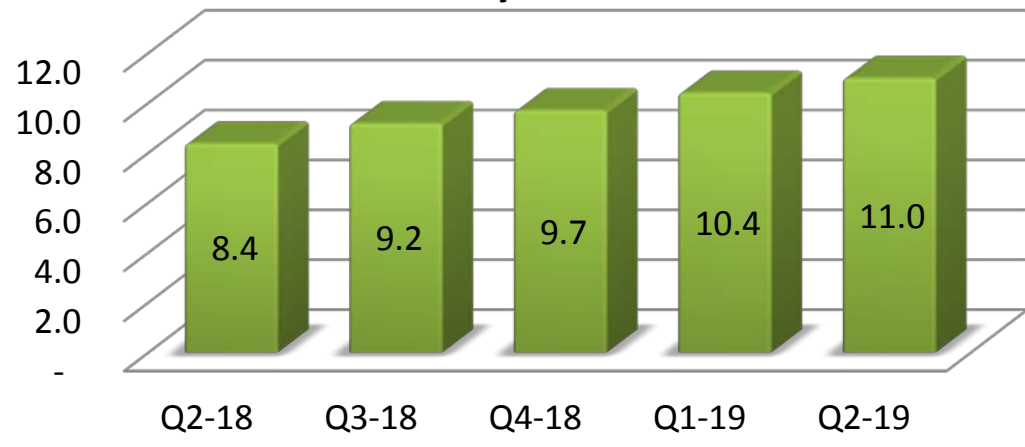
### Revenue - by Quarter



### EBIDTA - by Quarter



### PAT - by Quarter



# Pioneering with **PLATFORMATION**



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