



Q4 FY'24

# Investor Presentation

# SONATA AT A GLANCE

We are a Modernization and a Digital Engineering company powered by our unique **PLATFORMATION™** framework.

**38**

Years IT solutions provider

**\$1B+**

Revenue

**15.10%**

CAGR across 10 years

**Public Listed**

(SONATSOFTW) Market Cap  
**\$2.4B+**

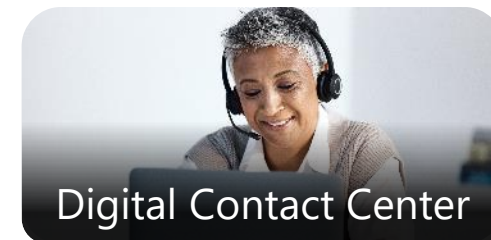
**6400+**

Engineers across US, EU,  
Asia & ANZ

**18**

Different  
nationalities

## Delivering Outcome-based Modernization Services

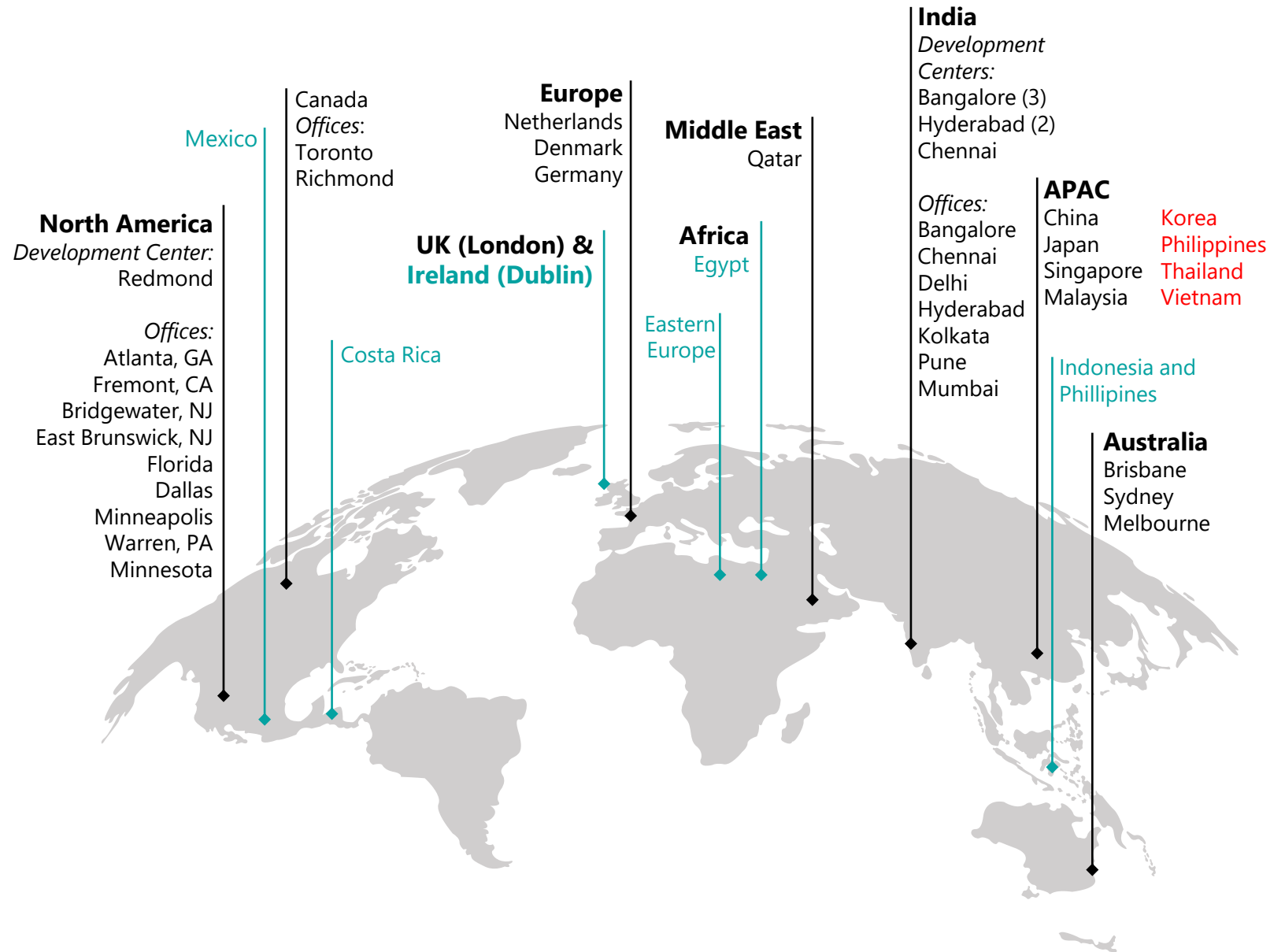


Digital transformation using **Platformation™**

# Serving our Global clients with right Talent mix

(Global & Local Talent)

- **27** Development Centers & Sales Offices
- **4** Partners
- **6** Global Delivery centers recent/InProgress



# KEY VERTICALS, PARTNERS, IPS

## Industries



### TMT

Technology, Media and Telecom



### RMD

Retail, Manuf., Travel and Distribution



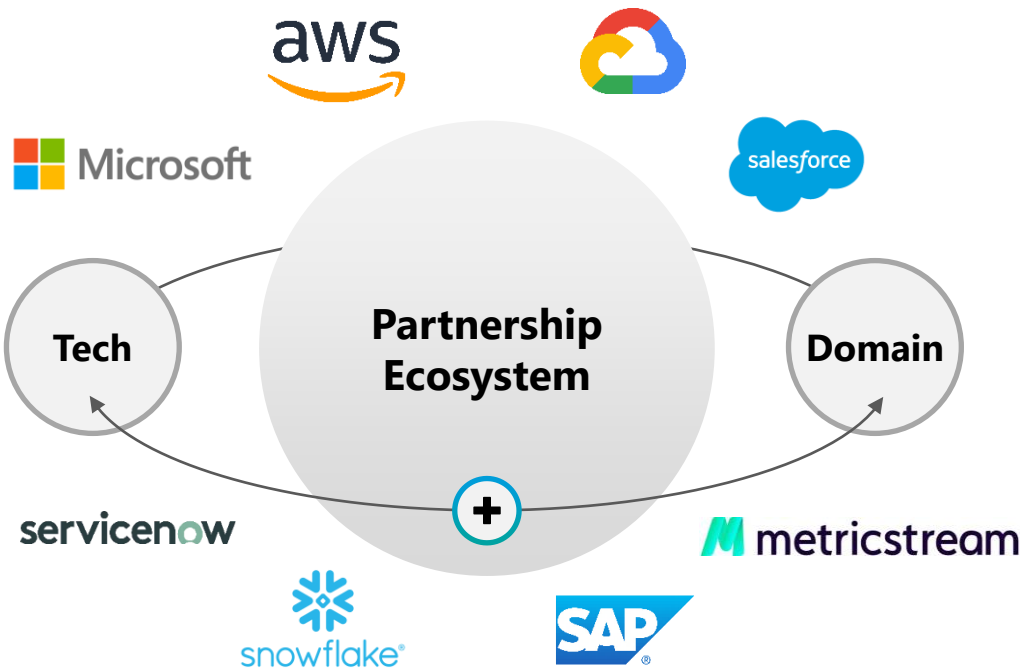
### BFSI

Banking, Financial Services and Insurance



### HLS

Healthcare and Life Sciences



## Innovation: IPs

### LISA Chatbot

(Conversational AI)

### Workbox.io

(Archival)

### Lightning Build

Sustainability Target: **Carbon Neutrality by 2030**

Single Use Plastic Free  
certified by FY 24

Aim for 100% Tier 1 suppliers on ESG  
compliance and training by FY 24

UNGC Signatory  
by FY2024

SbTi Commitment  
by FY4

# PLAY BIG





# Our Objective and Goal

## Objective:

Be the fastest-growing  
Modernization Engineering  
company

## Goal:

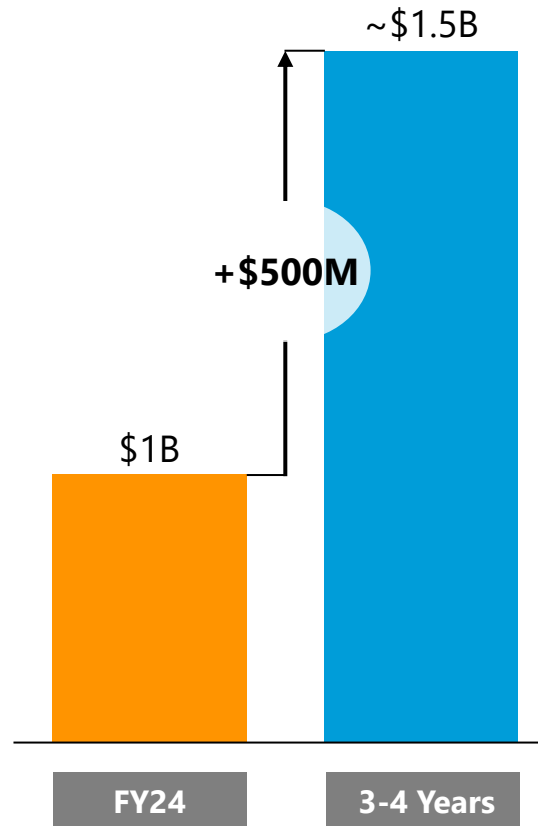
Revenue of \$ 1.5B by  
FY 26 end.  
Intl EBITDA @ low-20's



# Our Performance Vision:

Making progress and adapting to changing times...

## Revenue Growth (In \$M)



## SCALE – Key Drivers



### Harvest

Microsoft sell-to; Dynamics  
Sustain SITL momentum  
Retail, Manufacturing,  
Travel and TMT



### Invest

Sales, Large deals,  
BFSI, Healthcare Life  
Sciences and technical  
capabilities (AI)



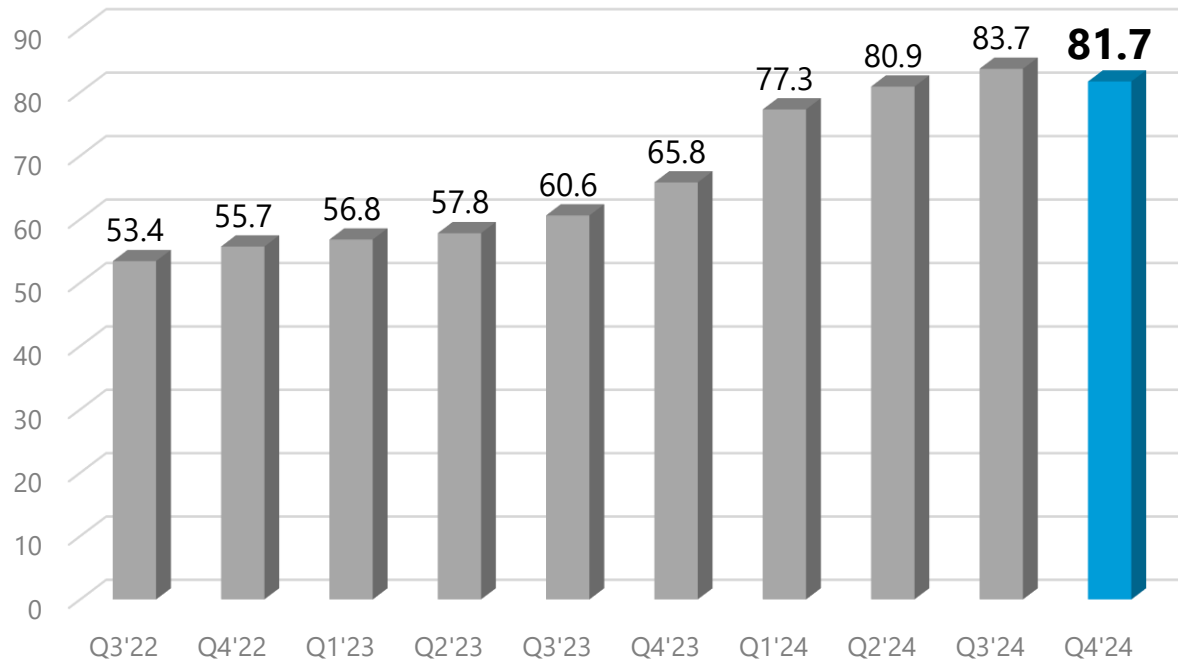
### Diversify

Clients:  
**Build multiple  
large accounts**

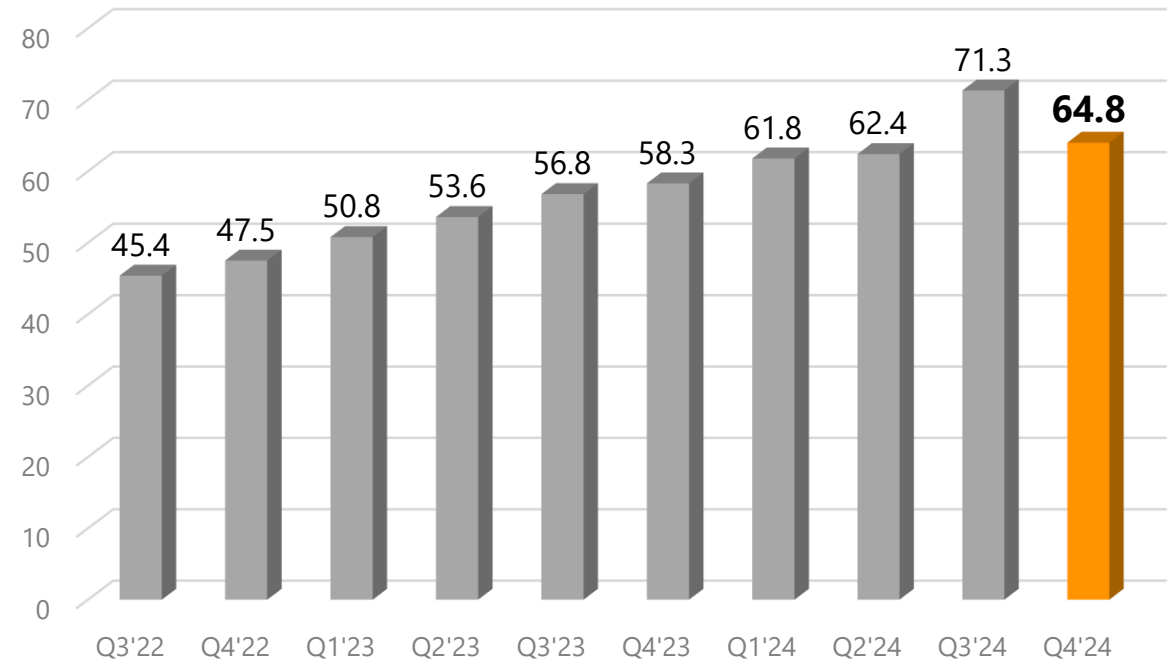
Brand:  
**Global brand in  
Modernization**

# In FY24 we crossed \$1B in Revenue Run-rate & \$2B In Market Cap

Intl. Services Rev. \$M



SITL GC INR Cr





# Stock Return of ~90%+ For Our Shareholders over the past one year



Total Return to Shareholders		
	1 Yr	5 Yrs
Stock Price Return %**	89%	475%
Div Yield	1%	6%

\* Till Mar 28, 2024

Market Data	
NSE Symbol	SONATSOFTW
Market Cap**	\$ 2.4B

\* 1 USD = INR 83.40

\*\* as on 28<sup>th</sup> Mar 24

# Annualized



# What's working well for us...



## Large Deals

14 Large deals won during FY'24

## Quant M&A

Integrated with Sonata systems

## Modernization

Cloud & Data pipeline is 40%

## Verticals/Partnerships

Retail/Manufacturing, BFSI, HLS, TMT and MS, AWS

## SITL

Steady GC growth



Large Deals:

**67**  
large deals  
under pursuit

**52%**  
of Large deals  
pipeline are with  
**Fortune 500 clients**

## Key Deal Win

Client:

**Top Financial  
Services Bank**

**\$3.9 M** over 1 Year  
E2E data Platform  
modernization to cloud

## Large Deals in the pipeline

RMD  
**31**

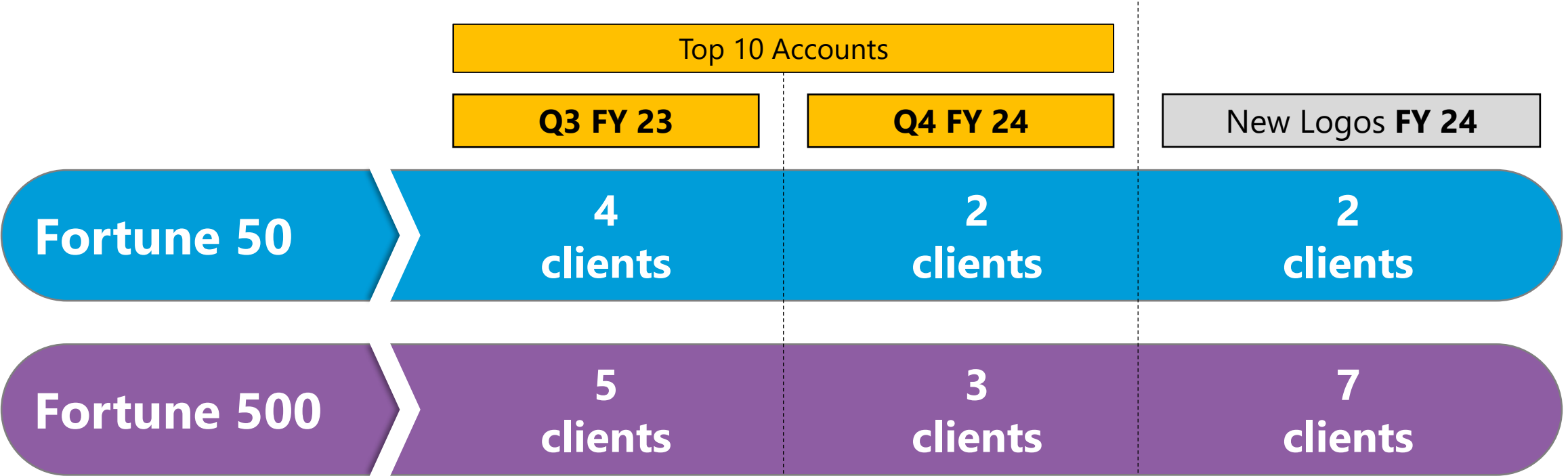
TMT  
**13**

HLS  
**13**

BFSI  
**4**

Emerging  
**6**

# Quality Of Growth – Top Client's Movement



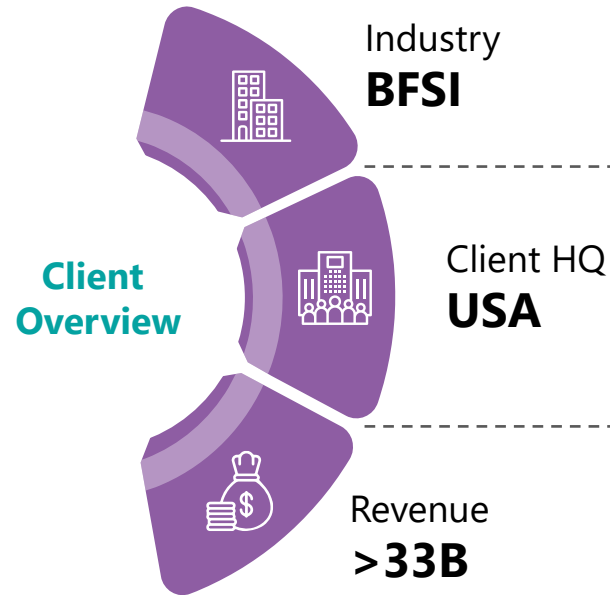
30% of Top 10 Accounts are Fortune 500 Companies vis-à-vis 30% in previous year

Outside of Top 10, We have added 7 New Fortune 500 Logos during the year

# Large Deal Win: Building Customer 360

## Client Overview

Top 10 US Commercial Bank, offering wide range of financial services



## Areas in Scope

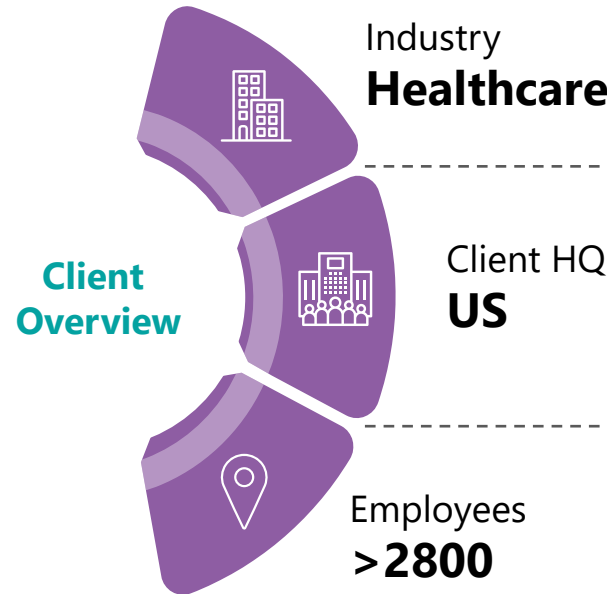
Building effective Single View of Customer  
– Customer 360 across all businesses

- ◆ Enhance Customer Experience
- ◆ Integrated Relationship Management
- ◆ Predictive Analytics
- ◆ Data Governance

# Key Deal Win: GenAI implementation

## Client Overview

Customer is a US based tech organization; they generate the evidence and insights to help pharmaceutical, biotech, medical device and diagnostics companies, and academic researchers accelerate value, minimize risk, and optimize outcomes.



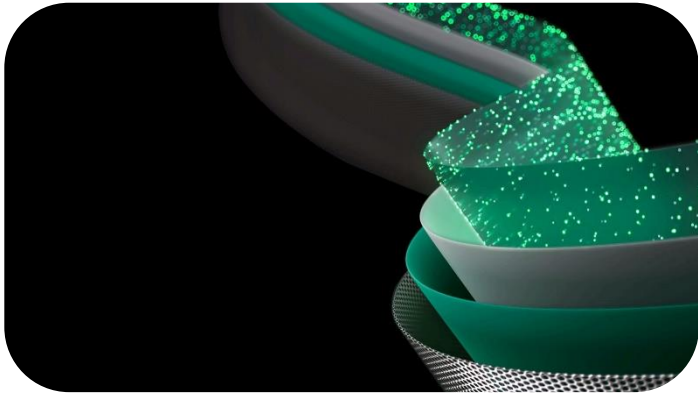
## Areas in Scope

Design and build GenAI architecture and governance

- ◆ Partnering with AWS – build cloud native GenAI architecture
- ◆ Improve Engineering productivity
- ◆ Improve patient diversity, onboarding, regulatory reporting
- ◆ Accelerate Clinical trials



# Key bets for the future ....



## Microsoft Fabric

Pipeline created across 75+ customers;  
We believe Fabric as infra for all AI deals;  
Mid sized deals won



## AI & Gen AI

Harmony.AI launched; Pipeline created  
across 90+ customers; Mid sized deals  
won



## Joint GTM

MS GTM funding  
AWS – Rescale Program

### Continued focus

Verticalization

Focused GTM

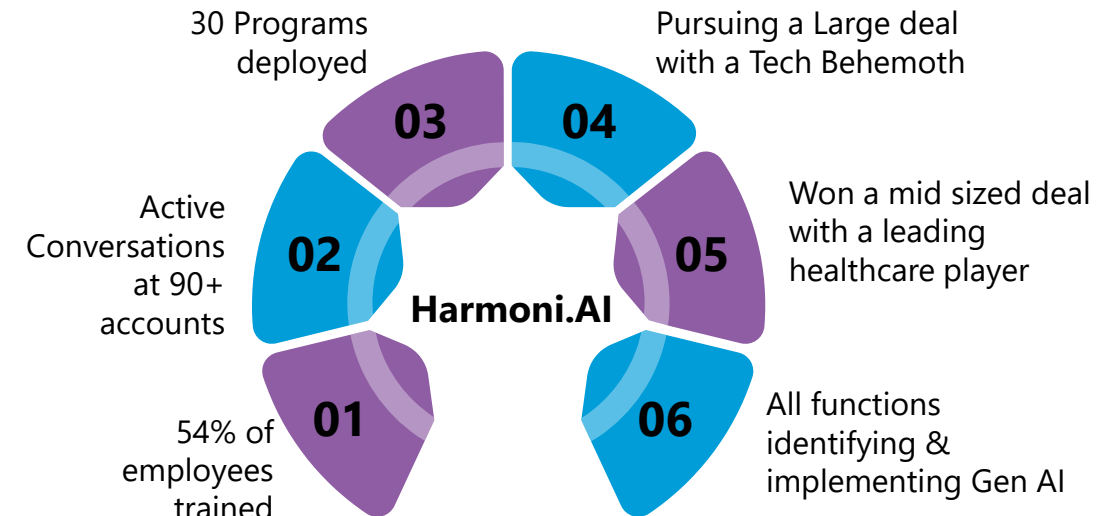
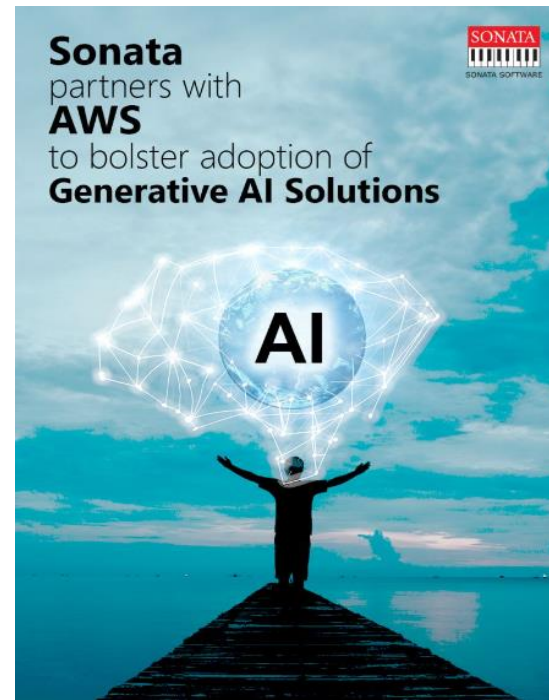
Large Deals

Mega accounts

# Sonata's Responsible-first AI offering for Enterprise scale – Harmoni.AI

Geared towards building an AI first culture; We are helping Clients in 3 ways

























- 1 Leveraging AI to drive efficiencies
- 2 Leveraging AI to drive higher consumer experience/modern sales
- 3 Driving innovative business model



**Microsoft**  
Partner council member

**AWS**  
as Partner

Our GTM's  
are aligned  
with our  
Partners  
and our  
investment  
focus...

Cloud Apps Modernization	Data & Analytics	Microsoft Business Apps	Experience Transformatio	Hyper Automation	Managed Services
 Microsoft 	 Microsoft  	 Microsoft	 Microsoft	 Microsoft	 Microsoft 
	 	 <small>PEACE OF MIND, AS A SERVICE</small>	 		
 Google Cloud  CORESTACK®	 Google Cloud  next PATHWAY  BigID 	<div>MSFT Market Place Partners</div>			

# Microsoft-Sonata Partnership: 30+ Years of jointly driving Customer Success

Sonata named again in Inner Circle for Microsoft Business Application 2023-24

<b>AI/Gen-AI</b> Industry Partnership	<b>400+ Clients</b> Across The Globe USA, Europe, Asia, India, Australia, Middle East	<b>\$650+ Million</b> Per Annum Revenue To Microsoft
<b>2500+ Team</b> On Microsoft Technologies	<b>Microsoft Cloud Solution Partner - Azure Expert MSP Competencies.</b> <b>10 Advanced Specialisation in</b> Dynamics 365, Data Analytics, Teams, CAF, M365, Azure	<b>Joint Execution</b> Microsoft Fasttrack, Global Delivery, Microsoft Consulting Services
<b>Catalyst Led Sales Process</b> Industry Point Of View, Business Value Assessment, Envisioning Workshops, Design Thinking	<b>Industry Clouds Go To Market</b> Healthcare, Retail, Sustainability, Manufacturing	<b>Industry Digital Transformation</b> Retail, CPG, Manufacturing, Telecom, Healthcare, Hi-tech, BFSI

Partner for RPA Migration 100

Partner for Microsoft Fabric

**Microsoft**  
Solutions Partner  
Security

**Microsoft**  
Solutions Partner  
Infrastructure  
Azure

**Microsoft**  
Solutions Partner  
Modern Work

**Microsoft**  
Solutions Partner  
Digital & App Innovation  
Azure

**Microsoft**  
Solutions Partner  
Data & AI  
Azure

**Microsoft**  
Solutions Partner  
Business Applications

2023/2024  
INNERCIRCLE  
for Microsoft Business Applications

Success Stories (1/2)...

# Digital Solution for Business Process & Customer Experience Transformation

**Client  
Overview**

**Industry**  
BFSI

**Presence**  
16 locations worldwide

**Leading mortgage  
provider in US**

## The Pressure Points

- Customer experience was not up to mark - Notifications to customers were lost sent in volume
- Payments issues in processing state, during peak time. Users encountered defects with specific Mobiles devices
- Low Play Store rating due to non-compliance with ADA regulations

## Solutions

- Performed Load Testing for 10 Million users for different type of notifications, 15 Million Users to determine payment transaction (API) performance
- Evaluated and Implemented tools for ADA testing on both mobile and web, adhering to web Content Accessibility Guidelines.
- Built automation framework (Selenium/Appium) to test across multiple devices, OS and Web.

## Results

- Business continuity : System became stable and scalable
- Increases market reach due to improved accessibility; enhanced brand image and minimized legal risks
- Improved User Experience
- Improved Play Store ratings

Success Stories (2/2)...

# Dynamic Modernization for safer & secure world

**Client  
Overview**

**Industry**  
Retail & Manufacturing

**Locations**  
> 70 countries

**Global leader in  
access solutions**

## The Pressure Points

- Need for Standardization & Harmonization of Trading & Manufacturing processes with Integrated financial planning and monitoring across the value chain
- Need for Simplify customization & integration using out of box platform functionalities
- Need for better visibility into divisional/market unit operations,
- Regional complexity – Languages, Localization, Taxes

## Solutions

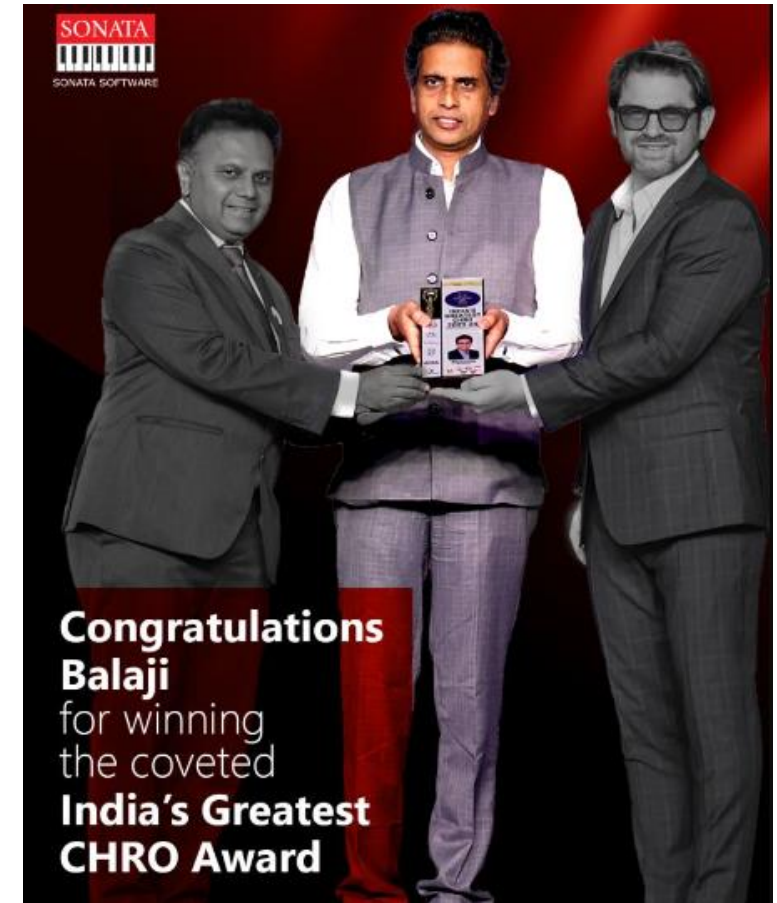
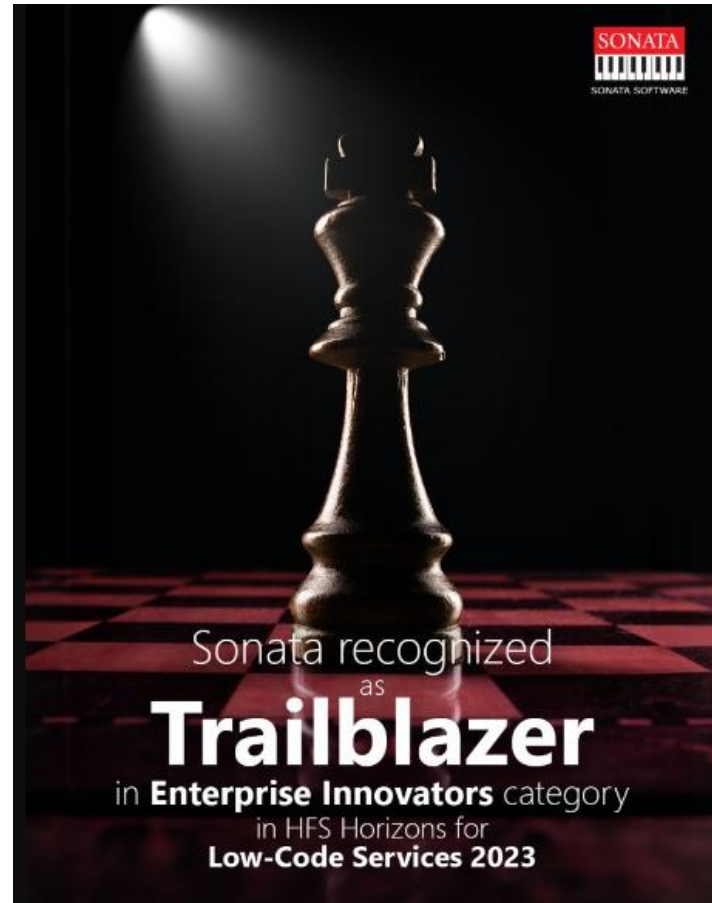
- Implementation of D365 Across operating region
- Business Process Integration & standardization
- Support multiple / emerging sales & retail business models
- Efficiencies in sales channels with real time engagement with Customers, suppliers, distributors, partners

## Results

- Modernize Dynamics footprint and stay “Evergreen”
- Enabled -Drive Digital and Automation through seamless information flow
- Shrink the Core: Utilized specialized features and functions of the platform supported by surrounding applications
- Standardized platform and processes across regions and technologies



# Key Recognition





# People – Strength of Sonata



# Financial Management

1

## High Revenue growth with Industry Leading margins

Focus on high revenue rate realization and high margins business

***EPS\*\* : ₹17.35 / Share***

2

## Strong Cash Position & Balance Sheet

Very strong positive cash generation and cash position

***Cash and equivalents ~₹1115 Crs***

3

## Superlative returns for Shareholders

Industry leading ROCE and ROE & Bonus share issue

***ROCE# : 28.8%***

4

## Sound Capital Allocation

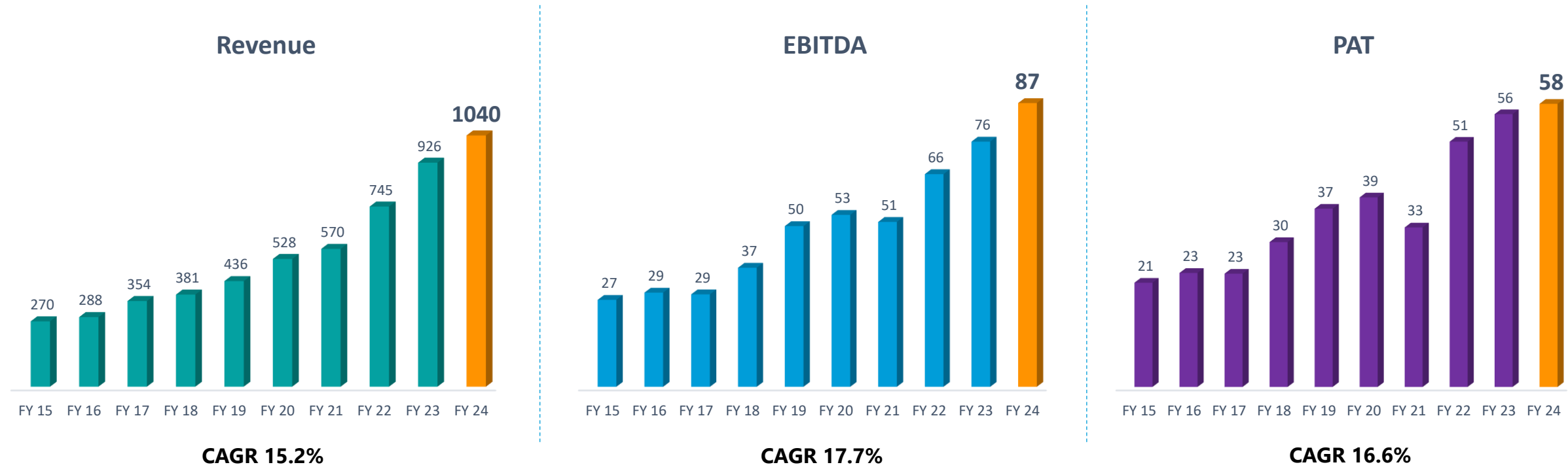
Sound capital allocation

***FY24 Dividend\* :***  
*Interim ₹3.50 / share*  
*Final ₹4.40 / share (proposed)*

\*Post bonus issue  
\*\*Post bonus issue and before exceptional items  
#Before exceptional items

# Consistent Growth over last 10 years

Consolidated Revenue & profitability (\$Mn)



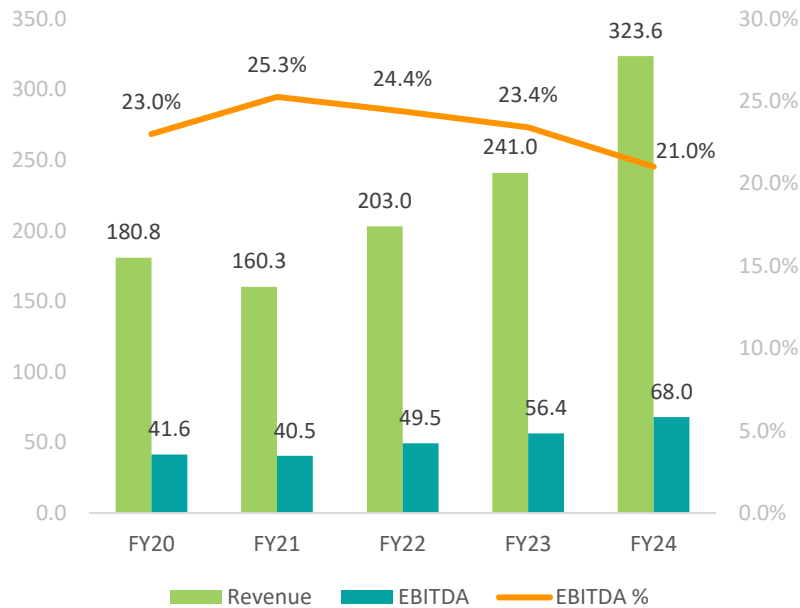
Predictable and resilient growth trajectory

\*Before OI and FX

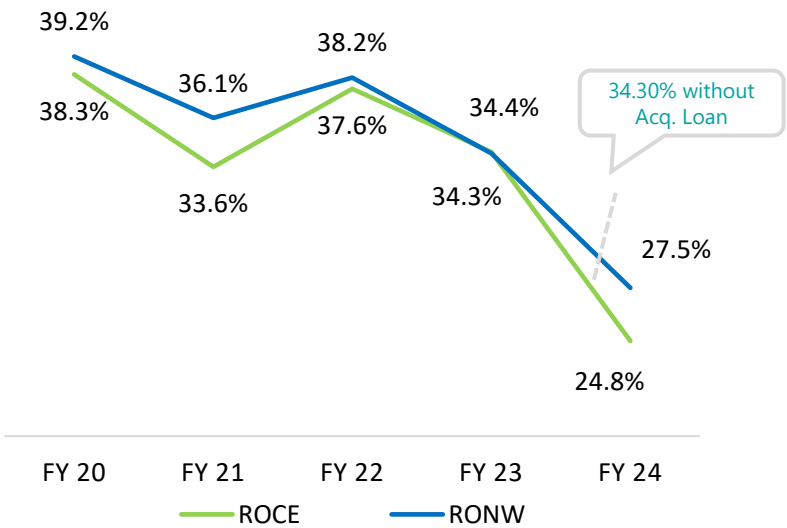


# International Services – delivered Top Quartile Performance in FY 24

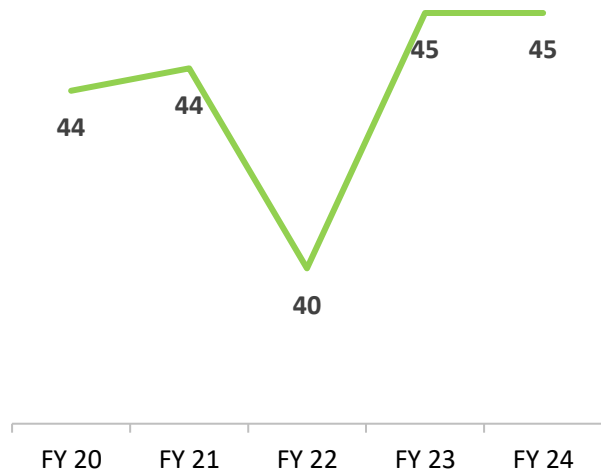
FY 24: YoY Revenue Growth 34%



Industry Leading Returns



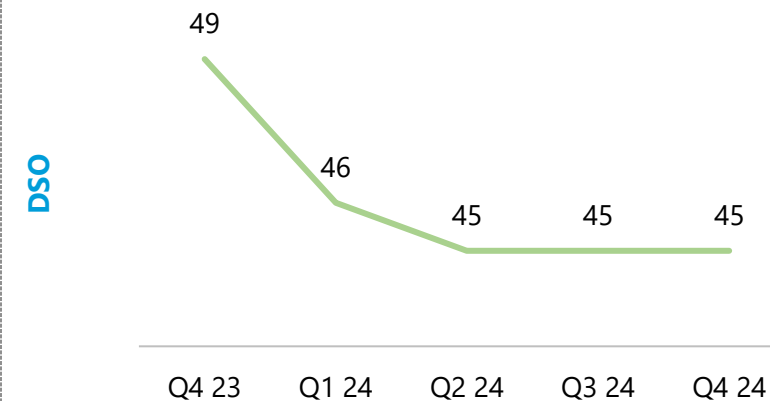
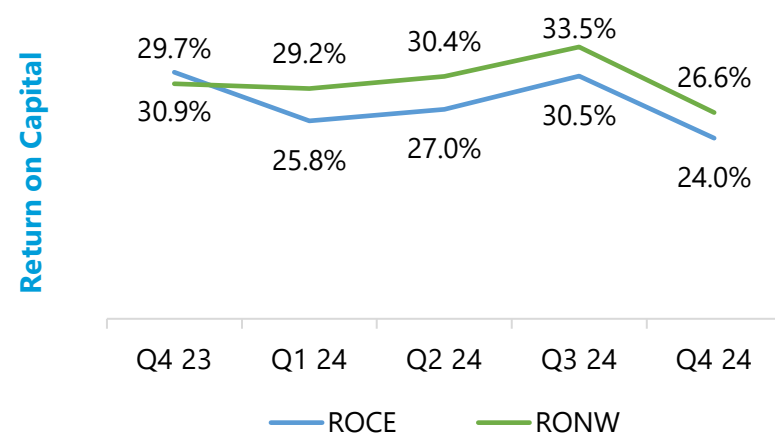
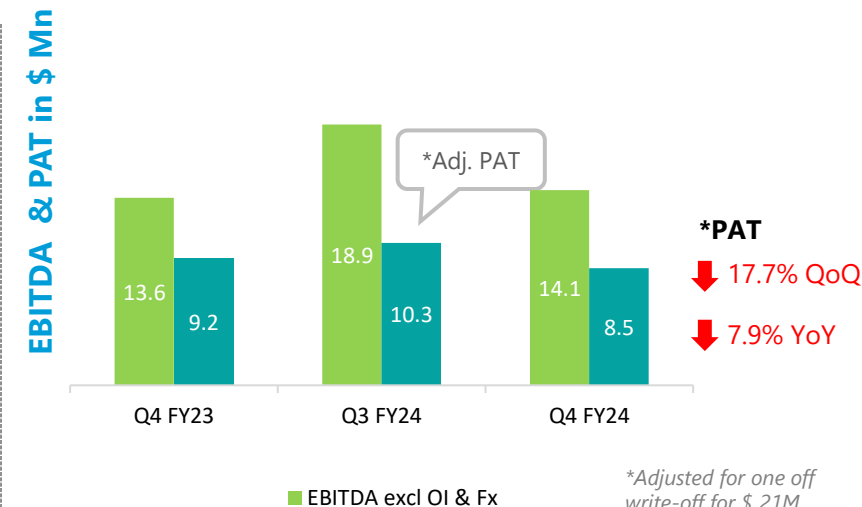
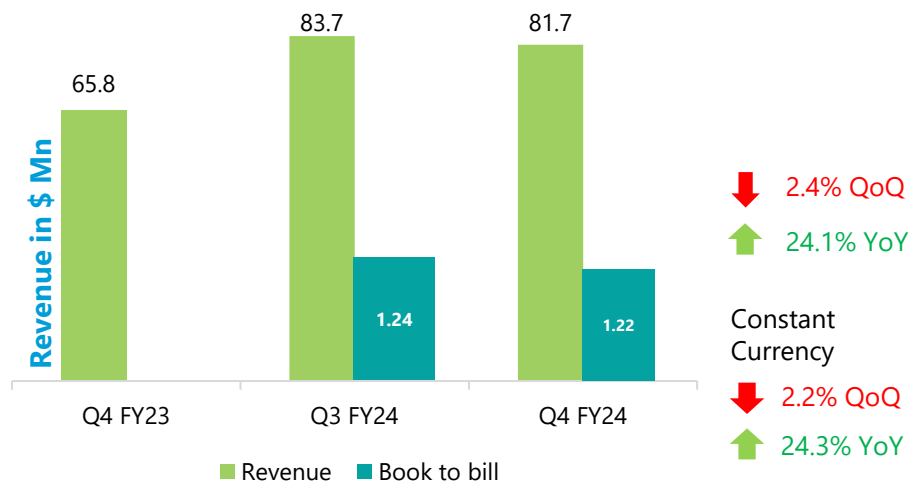
Stable DSO performance < 50



Accelerated growth and higher quality returns through diversified offerings

# Financial Performance of International Services – Q4\_FY24

Industry leading QoQ growth in Revenue and EBITDA; Process improvements result in Collection rigour

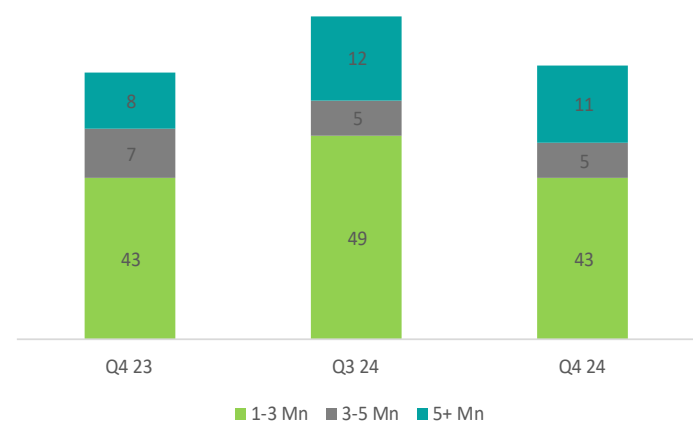


\*Trailing 12 months adjusted for one off write-off for \$ 21M

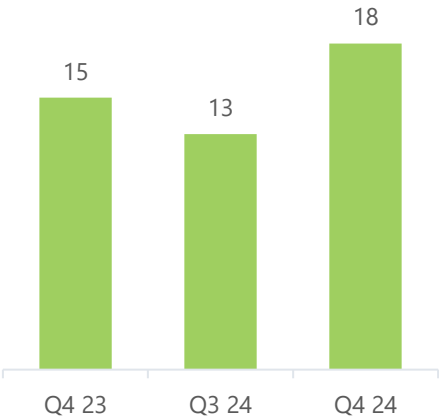


# International Business: Revenue Drivers

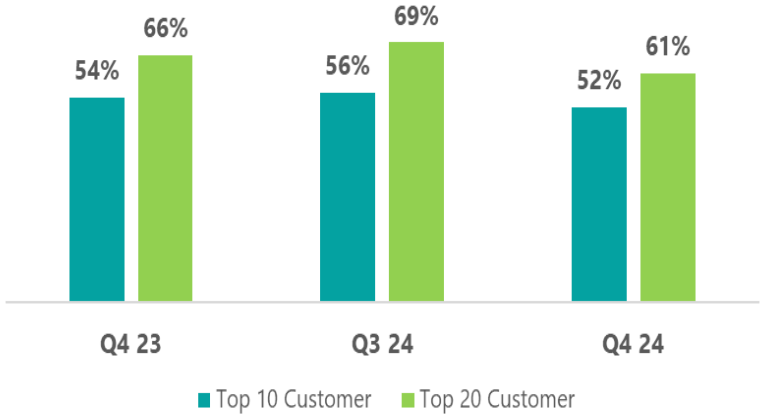
No. of \$ Million Customers



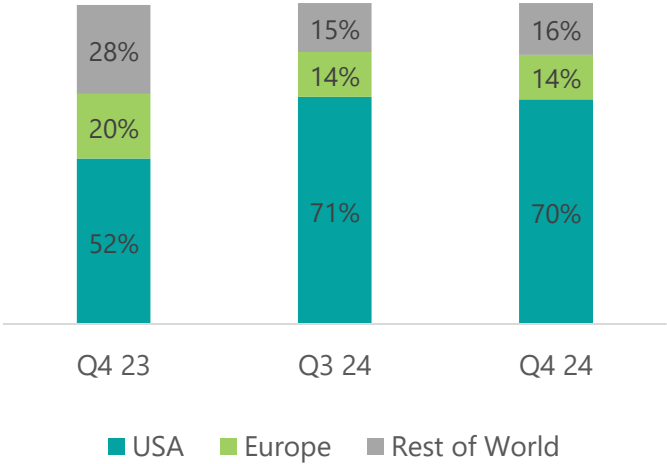
New Customers added



Client Concentration

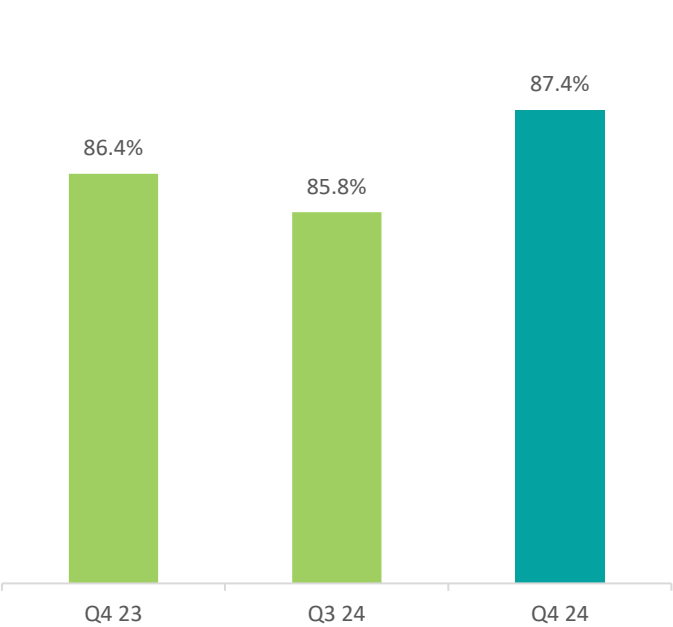


Revenue by Geography

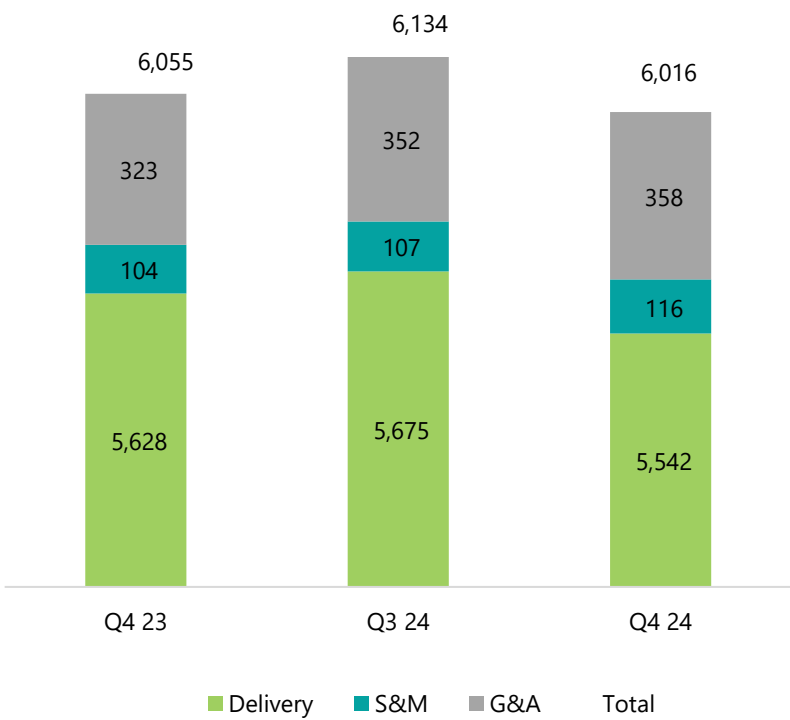


Including Quant

# International Business: Operational Performance



Utilization

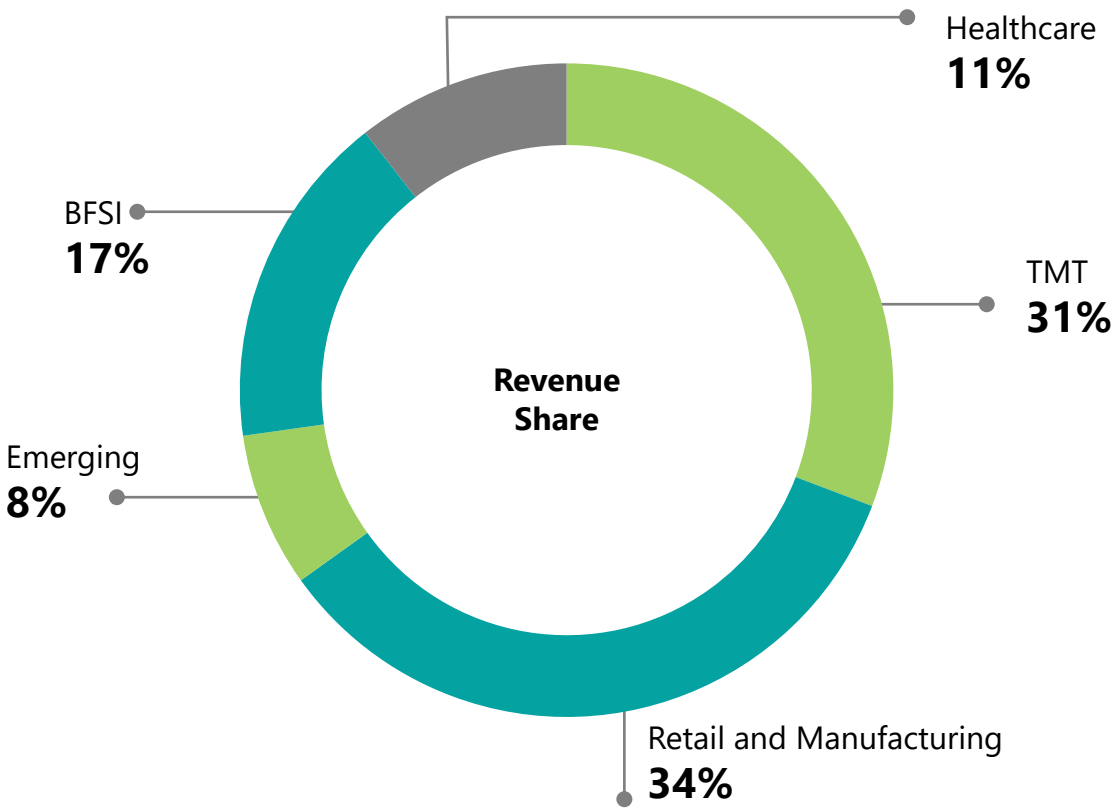


Headcount by Function

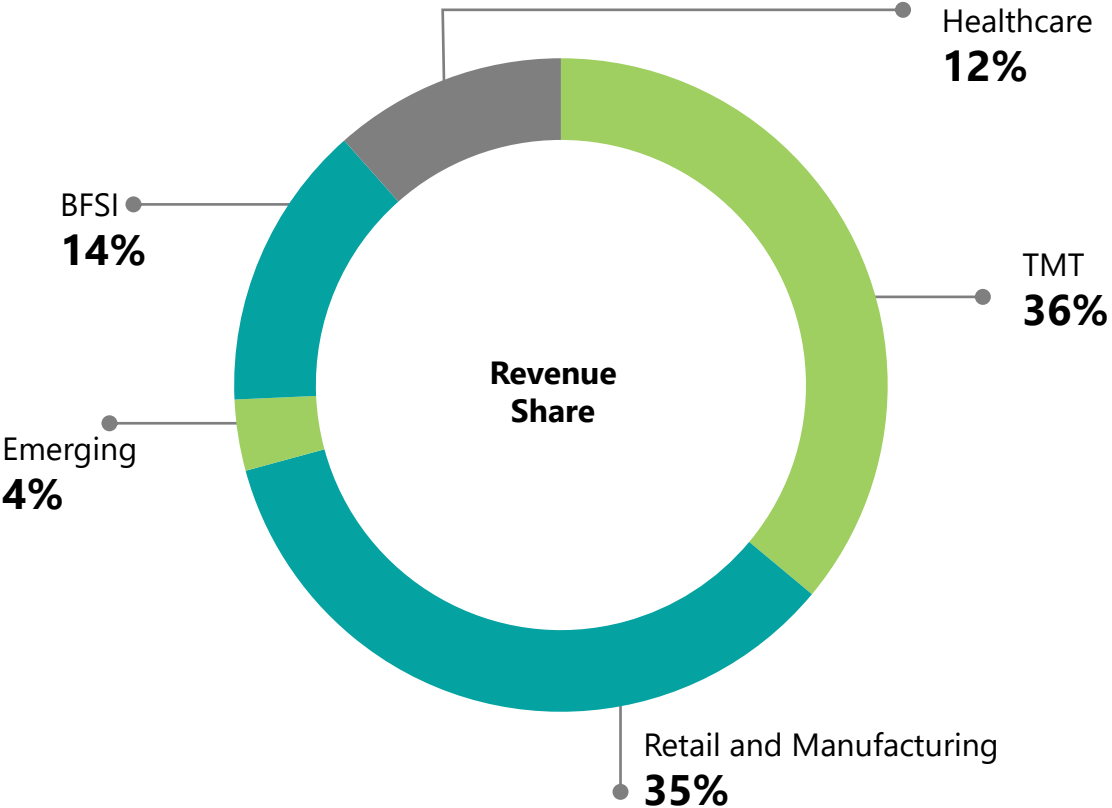
Continued strong utilization

# International Business: Revenue by Verticals Mix for Quarter

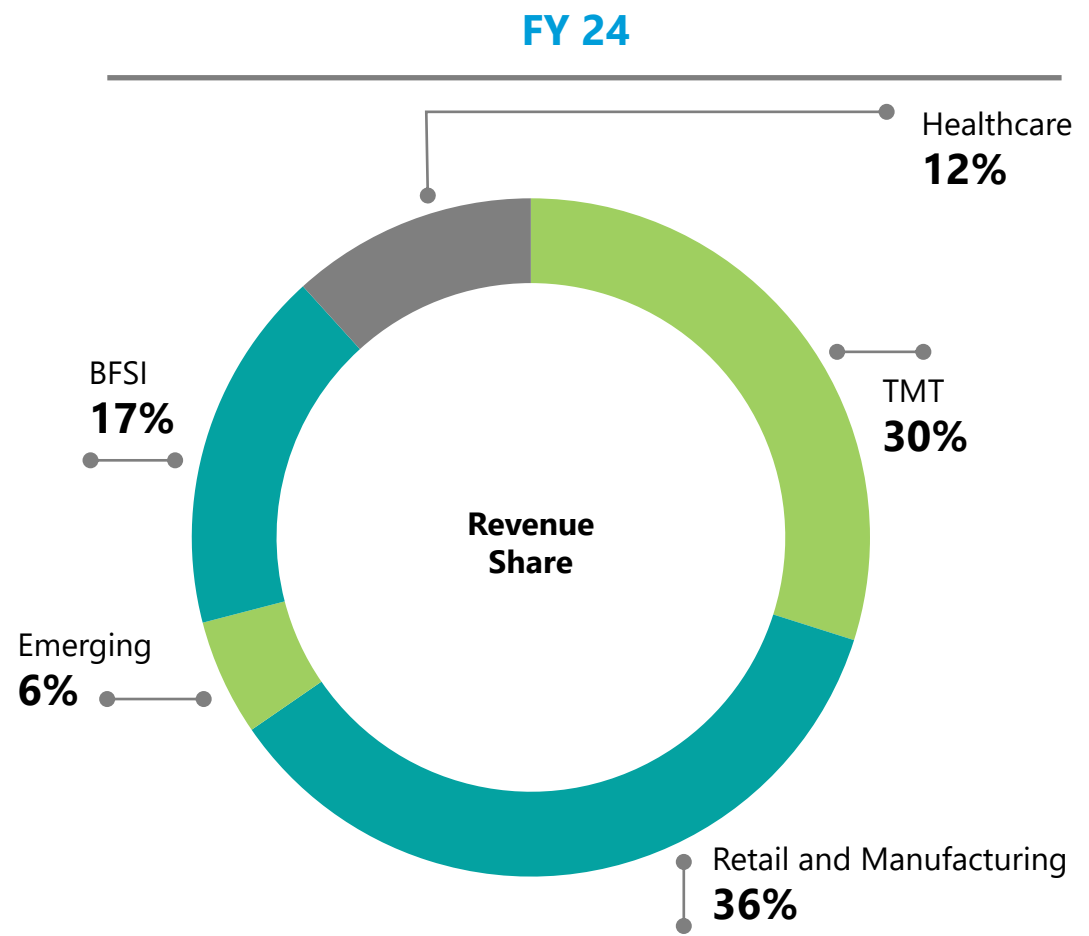
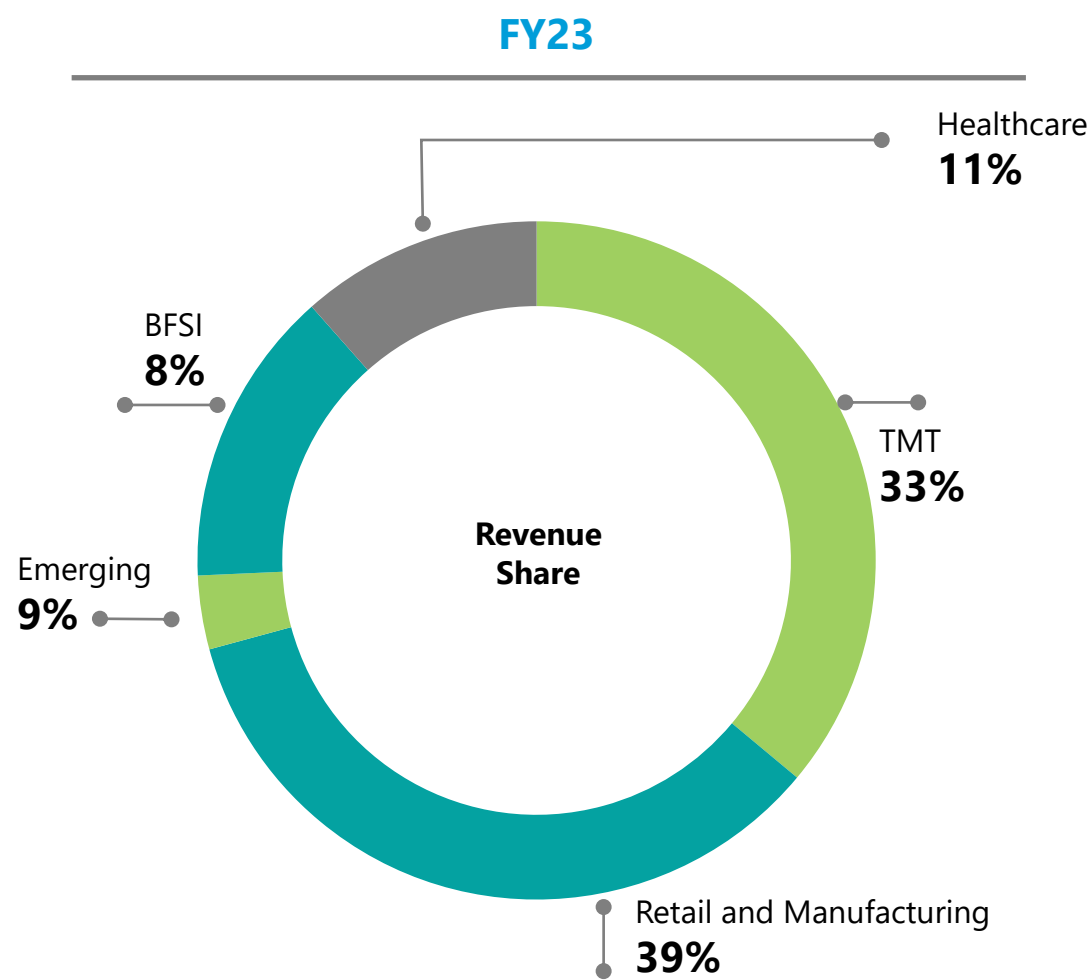
Q3 FY24



Q4 FY24

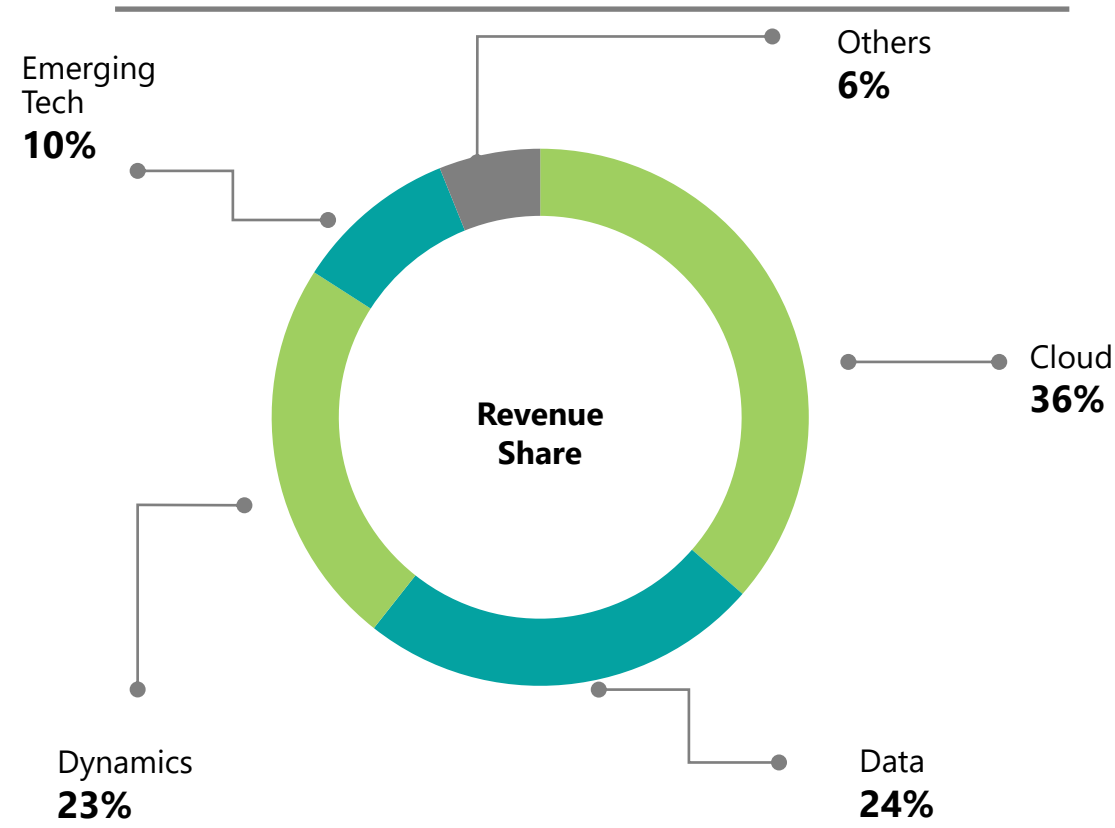


# International Business: Revenue by Verticals Mix for Year

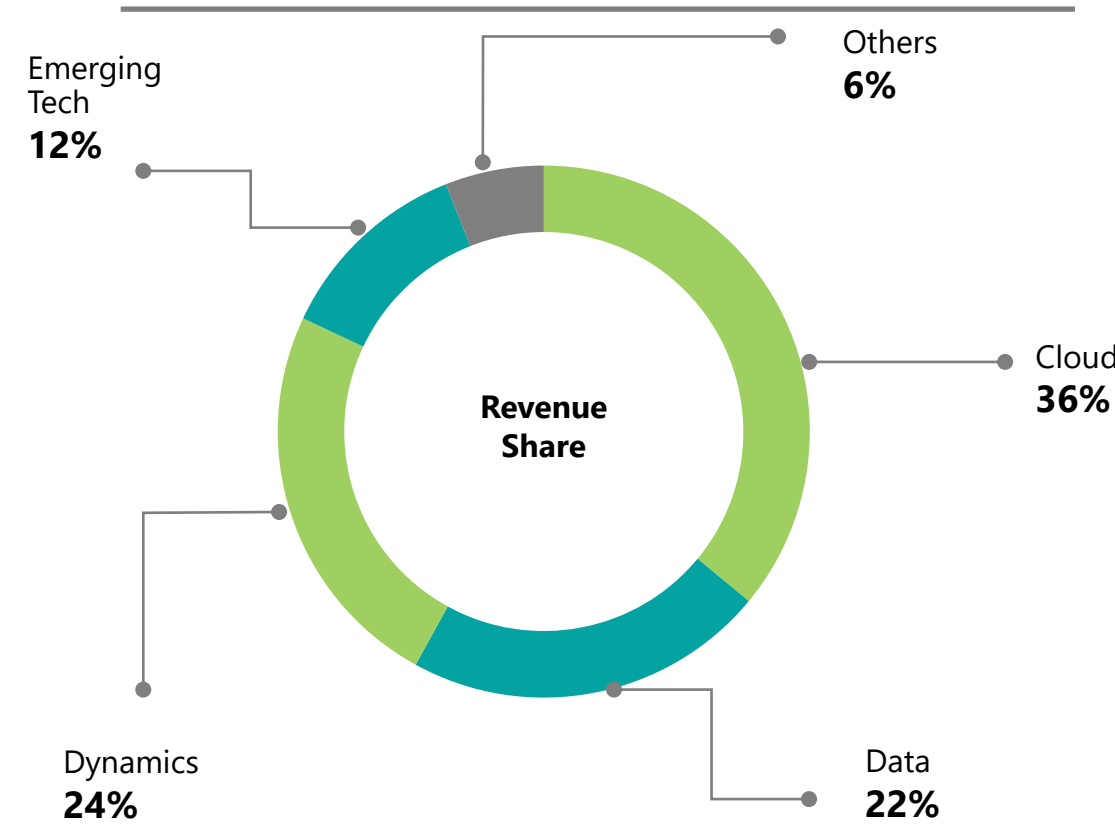


# International Business: Revenue by Top GTMs for Quarter

Q3 FY 24

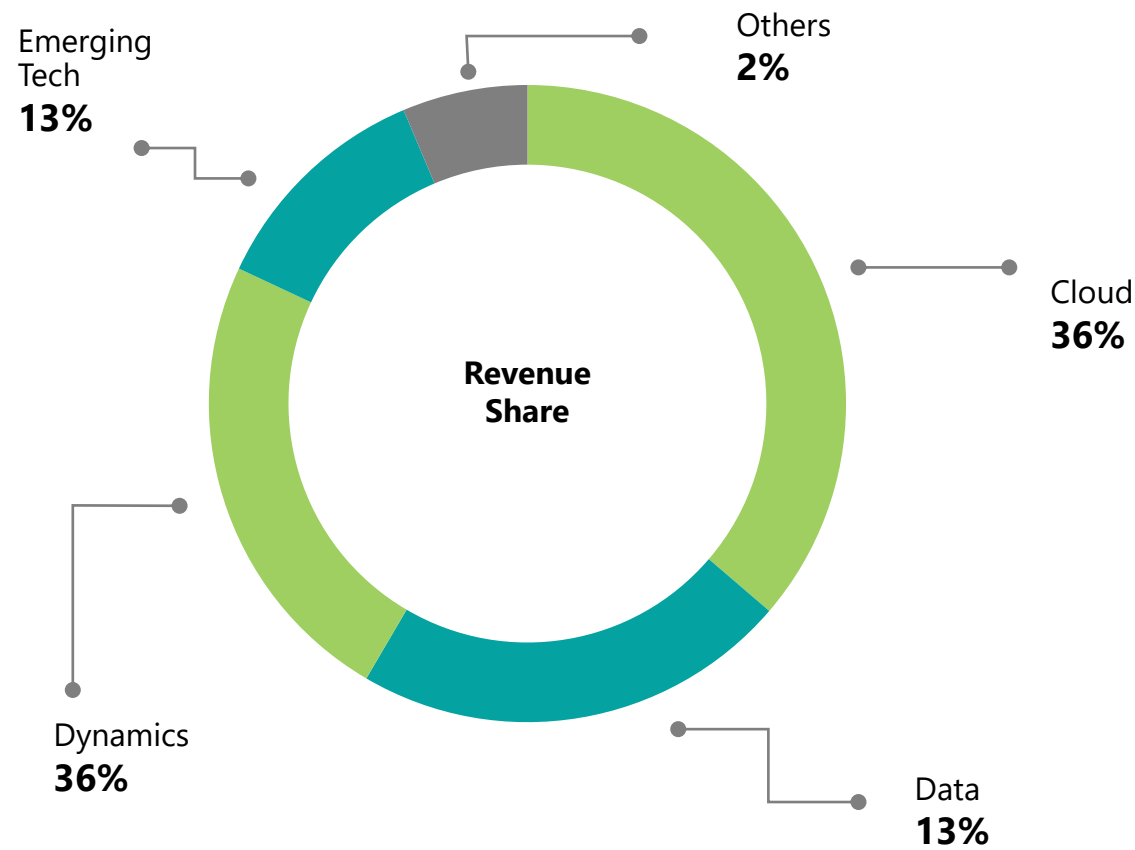


Q4 FY 24

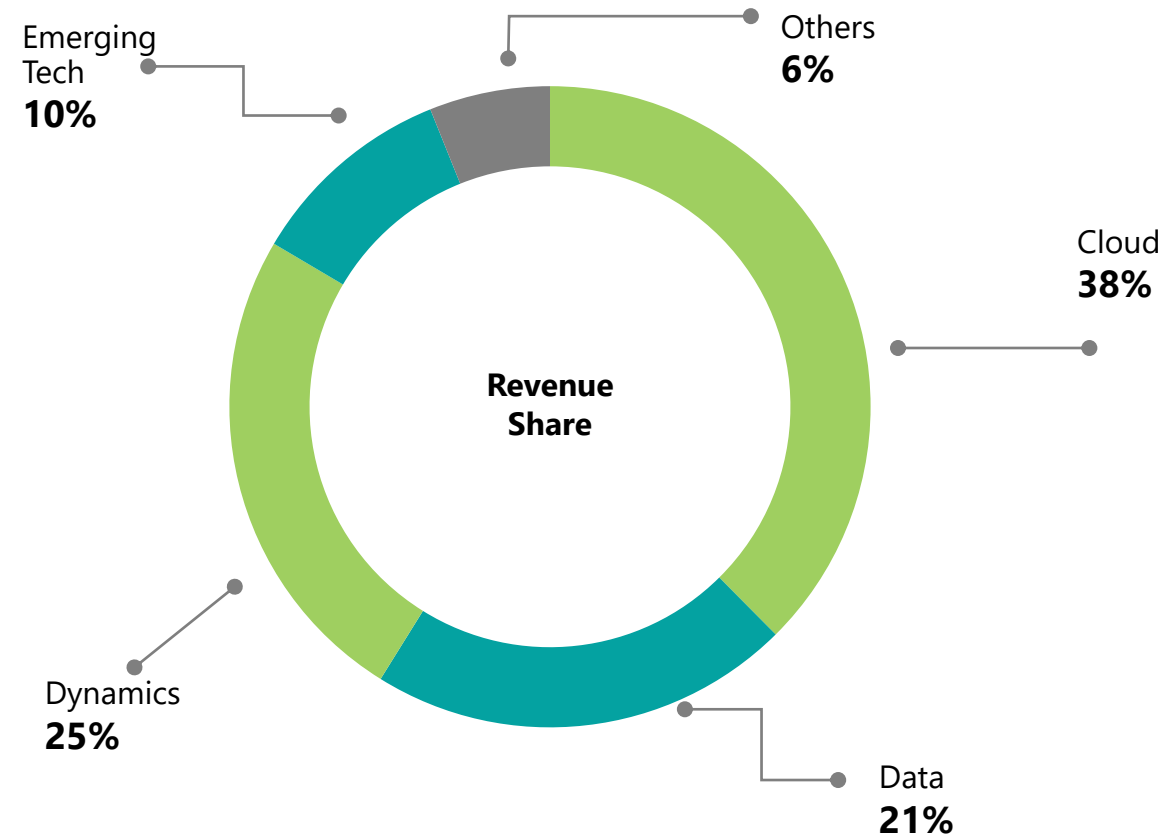


# International Business: Revenue by Top GTMs for the Year

FY 23

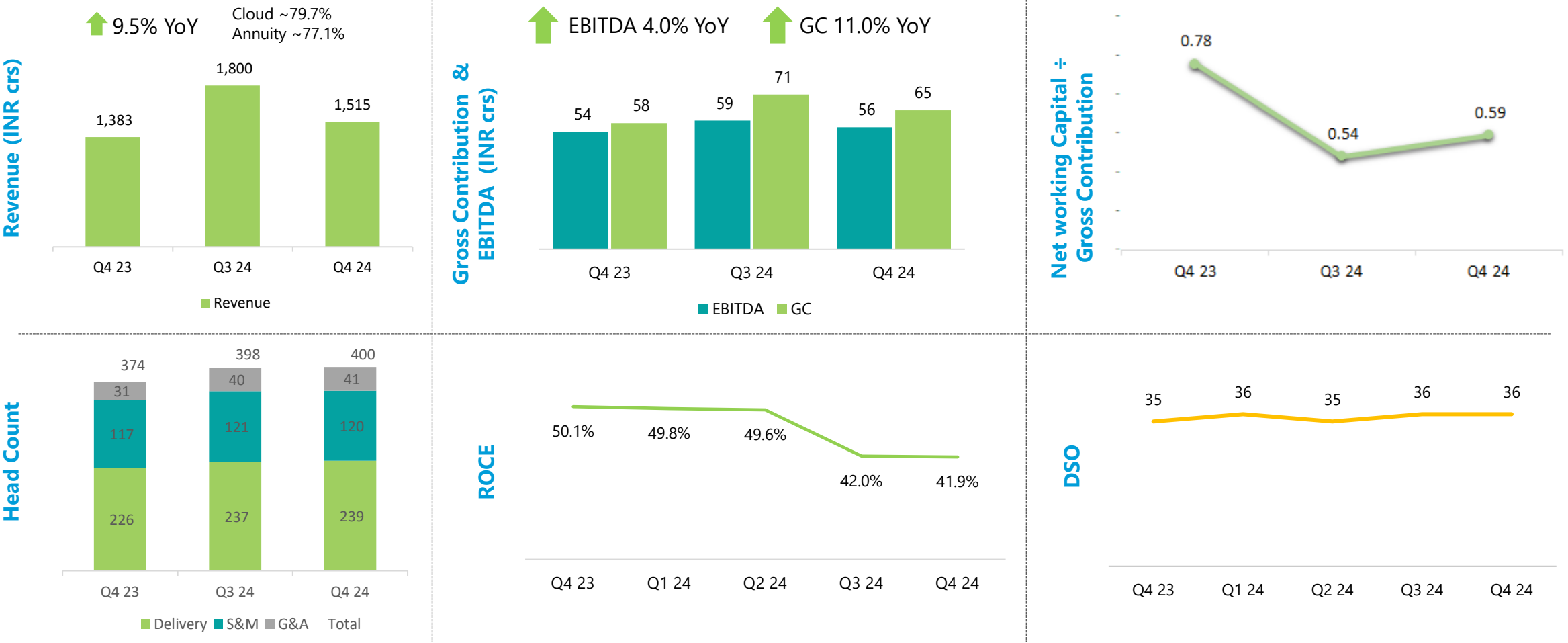


FY 24





# Domestic Business: Delivering consistently strong growth with Industry leading ROCE



**PLAY  
BIG**

The fastest growing  
firm in IT Services in  
the next 3-4 years

**Thank You**