SONATA SOFTWARE LIMITED

Dear Shareholders,

Trust you and your loved ones are safe and keeping well.

We are pleased to share with you the report for Q1’27.

Commenting on the results Mr. Rajsekhar Datta Roy, CEO of Sonata Software said: “In this quarter, we have taken foundational steps for AI led growth across our offerings, GTM, partnerships, delivery and talent. The progress made and market response has been encouraging. Our AI-led pipeline has improved by 21%, while AI led orderbook have increased by 27% QoQ, reinforcing our conviction around our strategy. We will continue to execute with operational rigor while focusing on growth."

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited, said: “During this quarter we continued to make progress and renewed multiple existing client contracts with enhanced contract values, despite industry head winds in some of the sectors. Our consistent focus on Cloud business enabled us to deliver better gross contribution YoY and to acquire new customers.".

With Best Wishes,

Rajsekhar Datta Roy	**Jagannathan C N**
CEO	Chief Financial Officer

Quarterly Report to Shareholders.

Performance Highlights for Q1’27:

- **International IT Services:**

➢ In INR terms, revenue for Q1’27 stood at ₹777.2 Crores, growth of 11% YoY.
➢ In USD terms, revenue for Q1’27 stood at $82.0, growth of 0.2% YoY. In CC terms growth of 2.1% YoY. ➢ EBITDA (before other income, forex and exceptional items) for Q1’27 stood at ₹119.6 Crores, growth of 3.2% YoY.
➢ Q1’27 PAT stood at INR 62.2 Crores (includes Forex loss of INR 6.8 Crores) as against INR 84.2 Crores in Q4’26 (includes a Forex gain of INR 21.7 Crores).
➢ DSO stood at 60 days in Q1’27, compared to 62 days in Q1’26.
➢ ROCE stood at 14.9% in Q1’27, compared to 14.7% in Q1’26.
➢ RONW stood at 15.2% in Q1’27, compared to 20.9% in Q1’26.
➢ 7 new customers were added during the quarter.

- **Domestic Products & Services:**

➢ Revenue for Q1’27 stood at ₹2505.6 Crores, growth of 10.2% YoY.
➢ Gross contribution For Q1’27, gross contribution stood at ₹78.5 Crores, growth of 14.5% YoY.
➢ EBITDA (before other income, forex and exceptional items) for Q1’27 stood at ₹59.3 Crores, growth of 34.9% YoY.
➢ Q1’26 PAT stood at INR 45.9 Crores (includes forex loss of INR 0.6 Crores) as against INR 46.3 Crores in Q4’26 (includes forex gain of INR 6.3 Crores).
➢ DSO stood at 65 days in Q1’27, compared to 63 days in Q1’26.
➢ ROCE stood at 57.7% in Q1’27, compared to 33.6% in Q1’26.
➢ RONW stood at 42.7% in Q1’27, compared to 32.5% in Q1’26.

- **Consolidated:**

➢ Revenue for Q1’27 stood at ₹3279.1 Crores, growth of 10.6% YoY.
➢ EBITDA (before other income, forex and exceptional items) for Q1’27 stood at ₹179.0 Crores, growth of 12.1% YoY.
➢ Q1’27 PAT stood at INR 108.1 Crores (includes Forex loss of INR 7.4 Crores) as against INR 130.5 Crores in Q4’26 (includes Forex gain of INR 28 Crores).
➢ Cash and cash equivalents (gross) stood at ₹ 567.0 Crores.
➢ Cash and cash equivalents (net) stood at ₹ 67.0 Crores.
➢ ROCE stood at 21.9% in Q1’27, compared to 18.5% in Q1’26.
➢ RONW stood at 20.9% in Q1’27, compared to 24.0% in Q1’26.

Key Financial Metrics & Ratios

International IT Services

(₹ Crore)	Q1 FY2027	Q4 FY2026	Q1 FY2026	Q-o-Q	Y-o-Y
Revenue	777.2	779.2	699.9	-0.3%	11.0%
EBITDA*	119.6	157.4	115.9	-24.0%	3.2%
Net Profit	62.2	84.2	70.7	-26.1%	-12.0%

Key Ratios	Q1 FY2027	Q4 FY2026	Q1 FY2026
Effective Tax Rate (%)	17.0%	22.0%	30.1%
Net Profit Margin (%)	8.0%	10.8%	9.9%
DSO (Days)	60	64	62

Domestic- Products & Services

(₹ Crore)	Q1 FY2027	Q4 FY2026	Q1 FY2026	Q-o-Q	Y-o-Y
Revenue	2505.6	1759.2	2274.7	42.4%	10.2%
EBITDA	59.3	51.2	44.0	15.8%	34.9%
Net Profit	45.9	46.3	38.6	-0.9%	19.0%

Key Ratios	Q1 FY2027	Q4 FY2026	Q1 FY2026
Effective Tax Rate (%)	26.1%	26.1%	25.6%
Net Profit Margin (%)	1.8%	2.6%	1.7%
DSO (Days)	65	47	63

Consolidated

(₹ Crore)	Q1 FY2027	Q4 FY2026	Q1 FY2026	Q-o-Q	Y-o-Y
Revenue	3279.1	2536.2	2965.2	29.3%	10.6%
EBITDA	179.0	208.7	159.6	-14.2%	12.1%
Net Profit	108.1	130.5	109.3	-17.1%	-1.1%
Diluted EPS* (Rs.)	3.9	4.7	3.9	-	-

*EBITDA (Before Other income)

Note:
*EPS is not annualized

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Part I ₹ in lakhs, except per share data

Statement of unaudited consolidated financial results for the quarter ended June 30, 2026

Sl No.	Particulars	Quarter ended			Year ended
		June 30, 2026	March 31, 2026	June 30, 2025	March 31, 2026
		(Unaudited)	*(Refer Note 5)*	*(Unaudited)*	*(Audited)*
1	Revenue from operations	327,910	253,619	296,518	1,070,124
2	Other income	677	3,757	2,422	10,454
3	**Total income (1 + 2)**	**328,587**	**257,376**	**298,940**	**1,080,578**
4	**Expenses**				
	(a) Purchase of stock-in-trade (traded goods)	263,597	181,165	222,759	782,020
	(b) Changes in inventories of stock-in-trade	(4,166)	3,140	(1,903)	1,043
	(c) Employee benefits expense	35,137	31,825	41,804	153,000
	(d) Finance costs	1,201	1,914	508	5,142
	(e) Depreciation and amortization expense	2,843	2,538	2,608	10,426
	(f) Other expenses	16,266	16,620	17,893	59,936
	Total expenses	**314,878**	**237,202**	**283,669**	**1,011,567**
5	**Profit before exceptional item and tax (3 - 4)**	**13,709**	**20,174**	**15,271**	**69,011**
6	**Exceptional item**				
	Impairment loss recognised on receivables (Refer Note 7)	-	9,695	-	9,695
	Reversal of contingent consideration payable (Refer Note 8)	-	(6,538)	-	(6,538)
	Impact of new labour codes (Refer Note 9)	-	-	-	3,128
7	**Profit before tax (5 - 6)**	**13,709**	**17,017**	**15,271**	**62,726**
8	**Tax expense**				
	(1) Current tax	3,409	4,677	5,315	18,816
	(2) Deferred tax	(511)	(710)	(978)	(2,529)
	Total tax expense	**2,898**	**3,967**	**4,337**	**16,287**
9	**Profit for the period (7 - 8)**	**10,811**	**13,050**	**10,934**	**46,439**
10	**Other comprehensive income**				
	(1) Items that will not be reclassified to profit/(loss)				
	(a) Remeasurement of the defined benefit plans	(103)	(402)	(153)	(502)
	(b) Equity instruments through other comprehensive income	-	(72)	-	(72)
	(c) Income tax relating to Items that will not be reclassified to profit/(loss)	26	101	39	126
	(2) Items that will be reclassified to profit or (loss)				
	(a) Exchange differences in translating the financial statements of foreign operations	(161)	2,136	51	3,819
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	7,212	(3,887)	644	(4,613)
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	(1,775)	441	(175)	200
	Total	**5,199**	**(1,683)**	**406**	**(1,042)**
11	**Total comprehensive income for the period (9 + 10)**	**16,010**	**11,367**	**11,340**	**45,397**
	Of the total comprehensive income above, profit for the period attributable to:				
	Owners of the Company	10,811	13,050	10,934	46,439
	Non - controlling interest	-	-	-	-
		10,811	13,050	10,934	46,439
	Of the total comprehensive income above, other comprehensive income for the period attributable to:				
	Owners of the Company	5,199	(1,683)	406	(1,042)
	Non - controlling interest	-	-	-	-
		5,199	(1,683)	406	(1,042)
	Of the total comprehensive income above, total comprehensive income attributable to:				
	Owners of the Company	16,010	11,367	11,340	45,397
	Non - controlling interest	-	-	-	-
		16,010	11,367	11,340	45,397
12	**Paid-up equity share capital (Face Value ₹ 1/-)**	**2,768**	**2,768**	**2,777**	**2,768**
13	**Other equity (Refer Note 6)**	**187,695**	**187,695**	**167,818**	**187,695**
14	**Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4)**				
	(a) Basic (in ₹)	3.91	4.71	3.94	16.74
	(b) Diluted (in ₹)	3.91	4.71	3.94	16.74
	See accompanying notes to the consolidated financial results				

Note: This report is for information purposes. Green Initiative is an effort of the Government of India which aims at reducing paper consumption thereby contributing to a greener environment. In harmony with that we are circulating this over email to shareholders who have updated their e-mail addresses with the Depository Participant.

You are requested to update/intimate the email address (E-mail ID) and any change in the email address with the Depository Participant.

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