

NSE & BSE / 2021-22 / 143

March 15, 2022

The Manager  
Corporate Services,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051

The Manager  
Corporate Services,  
BSE Limited  
14<sup>th</sup> Floor, P J Towers, Dalal Street,  
Mumbai 400 001

**Ref: Symbol: PERSISTENT**

**Ref: Scrip Code: 533179**

Dear Sir/Madam,

**Sub: Investors Presentation - Briefing on recent acquisition**

**Ref: Our earlier intimation under reference no. NSE & BSE / 2021-22 / 142 dated March 14, 2022 ('Intimation')**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI notification dated May 5, 2021, and our above referred intimation, we wish to inform you that, Persistent Systems Limited (the 'Company') interacted with investors on Tuesday, March 15, 2022.

During such call, the Management shared brief information on recent acquisition. Please find enclosed the presentation placed before the investors during this call for information and record.

Please acknowledge the receipt.

Thanking you,

Yours Sincerely,  
For **Persistent Systems Limited**

*Amit Atre*

Amit Atre  
Company Secretary  
ICSI Membership No.: A20507

Encl: As above



# **Investor Briefing on Acquisition of MediaAgility**

March 15, 2022

# Forward-looking and Cautionary Statements

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders.

The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

# Participants



**Sandeep Kalra**

CEO and Executive Director



**Sunil Sapre**

Executive Director and Chief Financial Officer



**Rajesh Abhyankar**

CEO and Co-Founder, MediaAgility



**Nitha Puthran**

SVP, Cloud, Infrastructure & Security



**Saurabh Dwivedi**

Head of Investor Relations

# We are Persistent.

A trusted Digital Engineering and Enterprise Modernization partner.

**\$796.4M**

Annualized revenue run rate based on Q3FY22

**\$701.1M**

TTM Revenue

+29.8% YoY

**₹6,272M**

TTM PAT

+58.1% YoY

**16,989**

Employees\*

+36.6% YoY

**\$5.0B**

Market cap\*\*

+223.3% YoY

# Our M&A strategy

Tuck in acquisitions

## Capture

High growth markets

## Bolster

Existing capabilities



## Expand

Geographic / Vertical footprint

# Our cloud strategy is tightly aligned to our clients' transformation journeys



## Data Center

On Premise /  
Colo Data Centers



## Private Cloud

Virtualized



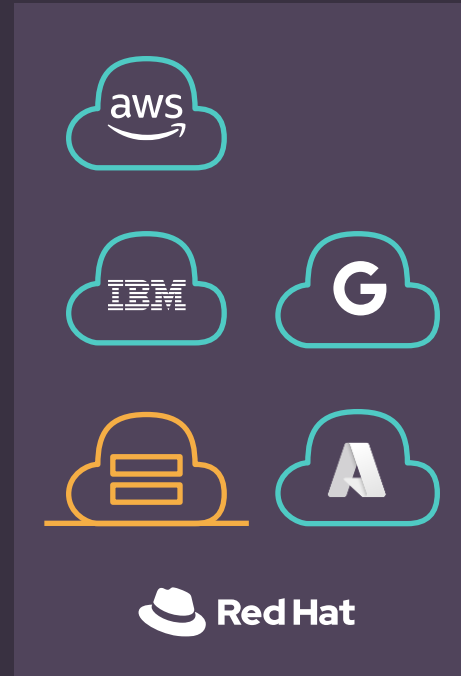
## Hybrid Cloud

Virtualized  
IaaS  
Federation



## Multiple Clouds

Virtualized  
IaaS  
Federation  
PaaS



## Hybrid Multi-Cloud

Virtualized / Bare Metal  
IaaS  
Federation  
PaaS  
Containerized  
Cloud Native

...and accelerating with hyperscaler's horizontal, vertical solutions

## CXO \ Business Heads

### Healthcare \ Payer, Provider, Life Sciences



Telehealth and virtual care



Healthcare analytics and insights



Genomic data processing and analytics



Data analysis for drug development

### BFSI \ Banking, Insurance, Mortgages



Open banking



Risk simulation



Regulatory reporting



Operational resilience

SaaS

PaaS

IaaS

## CIO \ CTO



AI/ML



Analytics



IoT



Mixed Reality



Security



HPC

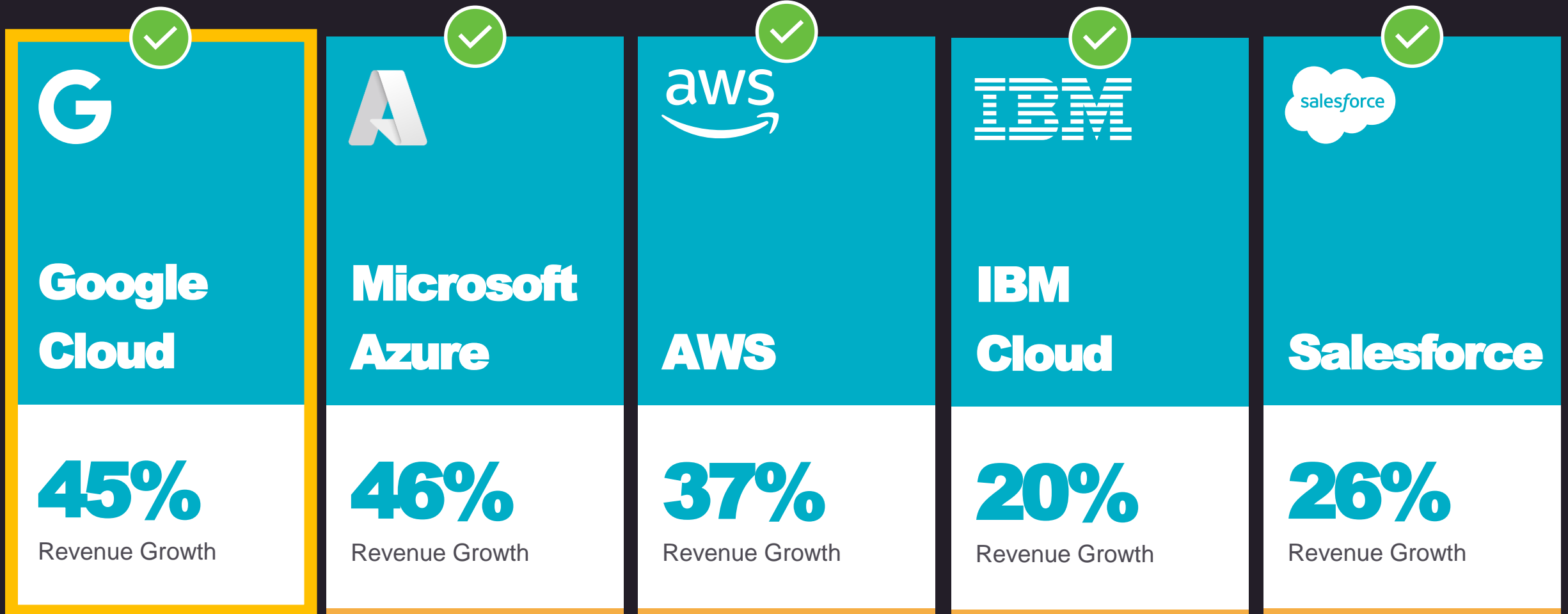
API

Hybrid Cloud Infrastructure and Modern Workplace Productivity Tools










This shift is driving significant growth across all cloud players...

**And we have been investing to capture this market opportunity.**



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**And we have been investing to capture this market opportunity.**

  <b>Google Cloud</b>	  <b>Microsoft Azure</b>	  <b>AWS</b>	  <b>IBM Cloud</b>	  <b>Salesforce</b>
 				  

## Acquisition announcement



# MediaAgility is a **Gartner recognized Public Cloud Transformation Services** provider with specialization in the **Google Cloud** ecosystem

<b>Expertise</b>	<ul style="list-style-type: none"><li>\ Cloud-native application development, analytics and AI, cloud engineering, migrations and managed services</li><li>\ Google Cloud Premier Partner delivering cloud-native engineering services</li><li>\ Niche player in the Gartner Magic Quadrant 2021 for Public Cloud IT Transformation Services</li><li>\ Google Partner of the Year 2019 for Marketing Analytics</li></ul>
<b>Revenue</b>	<ul style="list-style-type: none"><li>\ \$25.50M net revenue for TTM as of December 31, 2021<ul style="list-style-type: none"><li>\ \$20.59M from services and \$4.91M net from reselling</li></ul></li><li>\ 80% of revenue from long-term clients with more than 3-year relationship</li></ul>
<b>Client Base</b>	<ul style="list-style-type: none"><li>\ 35+ enterprise service clients across US, India, UK, Mexico, and Singapore</li><li>\ Key verticals include Financial Services and Insurance, Healthcare and Life Sciences, and Media, Entertainment and Gaming</li></ul>
<b>Employees</b>	<ul style="list-style-type: none"><li>\ 500+ employees</li><li>\ Deep Google Cloud expertise with 7 partner specializations and 31 Google Cloud partner expertise designations</li><li>\ 330+ Google Cloud certifications along with other key certifications from Azure, AWS, and Terraform</li><li>\ Global delivery model with offices in Princeton, San Jose, Gurgaon, Pune, Mexico City, and London</li></ul>

# MediaAgility Google Cloud expertise



**Google Cloud Premier Partner**



**500+ Employees**  
**9 Nationalities**



**7 Partner Specializations**



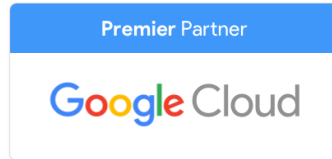
**31 Google Cloud Partner Expertise Designations**



**330+ Google Cloud Certifications**



**35+ Enterprise Service Clients across HCLS, BFSI, Media, Entertainment & Gaming verticals**



# MediaAgility recognized as a Niche Player in 2021

## Gartner Magic Quadrant for Public Cloud IT Transformation Services

Figure 1: Magic Quadrant for Public Cloud IT Transformation Services



Source: Gartner (August 2021)

# Representative MediaAgility client engagements across industries



## Healthcare & Life Sciences

### **Biotech leader moves their ML models and genomic workflow to high availability infrastructure to improve R&D productivity**

- \ Provided real-time experiment status to improve researcher productivity and reduced cost per experiment by 60%
- \ Reduced cost and time of the DNA sequencing; No hardware limitations with Google Cloud
- \ Infrastructure migration to Google Cloud improved analytics and CX of the Lab Workflow Management Tool



## Banking, Financial Services & Insurance

### **Leading bank reduces cost and accelerates time to market with cloud-native application and API platform**

- \ API design, development and integration with complex workflow and bank's internal systems -- 1500+ APIs supporting 100 million calls per day
- \ Average latency of 800ms resulted in improved customer experience
- \ Reduced costs, faster product time-to-market and improved CX resulted in competitive advantage



## Media, Entertainment & Gaming

### **Entertainment giant leverages patent pending solution to measure audience sentiment**

- \ Developed product leveraging MediaAgility's patent pending facial recognition solution on Google Cloud
- \ Using Google Vision APIs and Deep Learning enabled fast MVP deployment in under 3 weeks

# Strategic rationale

## Strengthen Google Cloud partnership

- \ **Launch Google business unit** to accelerate cloud-led digital transformation with scalable capabilities across open cloud, data cloud, collaboration, and ML
- \ **Use Google Cloud competencies** to build and modernize solutions that drive optimal platform usage
- \ **Introduce our vertical and industry solutions** to Google Cloud marketplace

## Bolster offerings and industry expertise

- \ **Enhance end-to-end service line offerings** with Google Cloud specializations across migration, cloud native development, modernization, security, analytics, AI and managed services
- \ **Augment existing IP and accelerators** to support open cloud adoption & the cloud-native journey
- \ **Bolster existing vertical expertise** in BFSI, HCLS & add new expertise in Media, Entertainment & Gaming

## Expand client footprint and talent pool

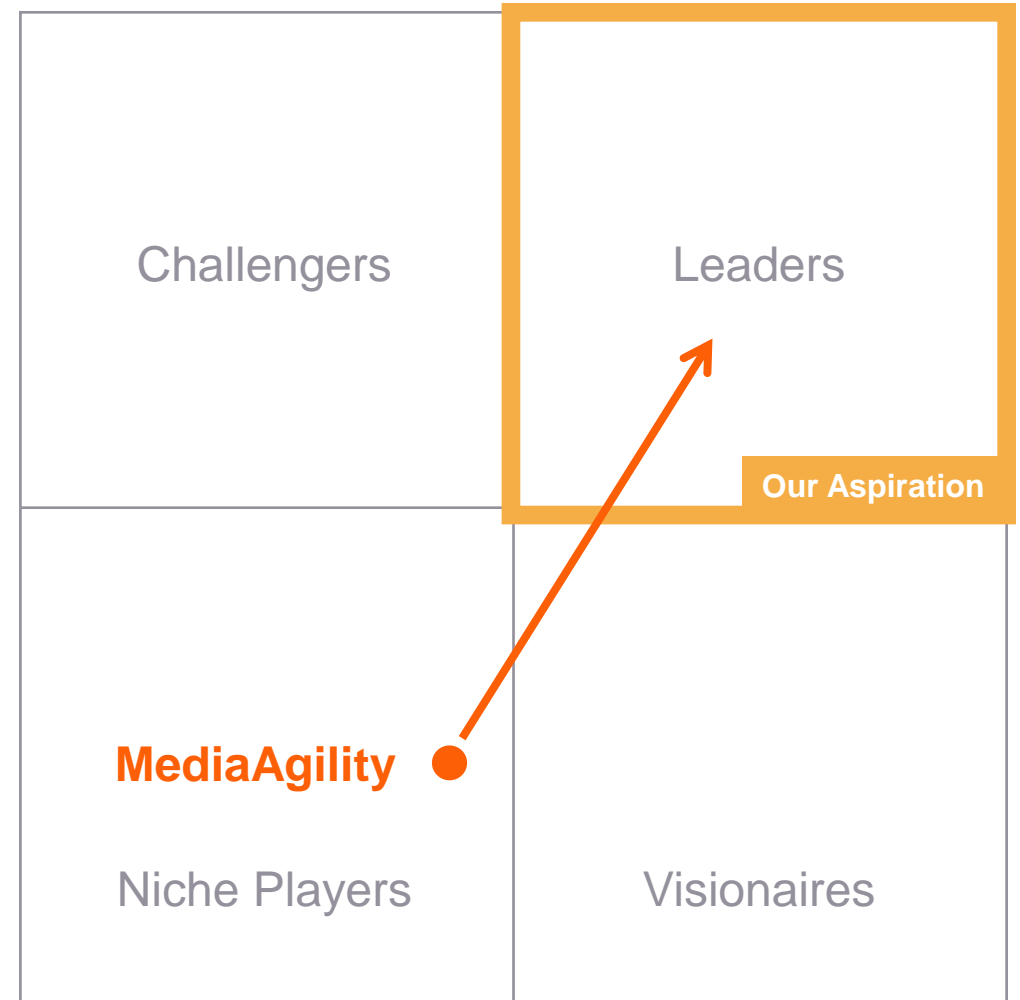
- \ **Expand footprint within 35+** new enterprise service clients, bringing full portfolio of Persistent offerings and solutions
- \ **Strengthen talent with 220+ Google Cloud certified** architects and cloud engineers in US, Mexico, UK, and India.

# We are aspiring to develop an all-encompassing set of cloud capabilities for our clients

## Our Existing Cloud Capabilities



## Our Acquisitions



Public Cloud Transformation Services



# Welcoming the leadership of MediaAgility

## Rajesh Abhyankar

Chief Executive Officer and Co-Founder

Thought leader, technology evangelist and an entrepreneur. Built a global 500+ employee company with a people-first approach, strong technical foundation, a thriving Google Cloud partnership and focus on exceptional services



## Swarraj Kulkarni

Chief Technology Officer

Business leader with 30+ years of industry experience as a digital engineering and technology innovator and advisor to global enterprises



## Nirdesh Chahal

Partner – Cloud Engineering Services

20+ years of experience providing transformative cloud engineering and managed services



## Asheesh Sharma

Partner – Analytics

20+ years of experience in managing complex data warehousing projects, application integration, software development and agile delivery with global teams



## Ashok Khurana

Senior Vice President – Global Sales

30+ years of experience in leading enterprise sales and business development teams for cloud offerings and services



## Partner and analyst reactions



“Google Cloud partners have a significant opportunity to support businesses' digital transformations and to deliver critical services to help customers thrive in a digital world.

Persistent and MediaAgility offer deep expertise in business transformation across multiple industries, and hundreds of Google Cloud certified professionals in key transformation areas like collaboration and machine learning.

We look forward to working together to help customers succeed.”

**Thomas Kurian**

CEO at Google Cloud



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**Thomas Kurian**

CEO at Google Cloud



“The demand for cloud modernization and migration will continue to accelerate as clients increase their digital adoption and move along their transformation journeys.

The addition of a Google business unit builds on Persistent’s 30+ years of Digital Engineering experience with MediaAgility’s deep domain expertise in Google Cloud.

With this acquisition, Persistent will be well-positioned to provide exceptional value to their clients as they advance their digital agendas.”

**Pari Natarajan**

Co-Founder & CEO at Zinnov

# Transaction summary and financials

Total purchase consideration for MediaAgility is **US\$71.7M** with US\$53.25M as upfront and the balance in earnout/retention

Based on TTM Dec 2021 Revenue of US\$25.50 M, the total purchase consideration implies an EV/Revenue **multiple of 2.8x**

Expected impact in FY23 of **45-50 bps at EBIT level**

# Announcing the new Google business unit

## Capability Summary

**Google Cloud  
Premier Partner**

**31**  
Google Cloud  
Partner Expertise

**7**  
Partner  
Specializations

**380+**  
Google Cloud  
Certifications

**550+**  
Google Cloud Client  
Engagements

## Offerings & Managed Services (across Industry Verticals)

Hybrid Multi-Cloud  
Transformation

AI and Machine  
Learning

Data Analytics

API Management

Container  
Orchestration

Security and  
Identity

Persistent Intelligent Cyber Recovery (PiCR) to help our customers recover from ransomware attacks

## 360-degree Partnership

**Sell-To**

Product Engineering, Customer Service

**Sell through**

Professional Services, GDC

**Sell-With (GTM)**

PiCR, SUREedge Migrator, Vertical  
specific solutions

# Synergies to accelerate market momentum

Market Opportunity  
 Persistent + MediaAgility  
 Persistent

**Respond to Enterprise Modernization Trends**

**Leveraging synergy and continually building**

**Persistent's Core Expertise**

## Key Trends to Capitalize on

**1**  
**Capture**  
 acceleration to multi-cloud

**2**  
**Scale** application modernization, vertical-specific offerings

**3**  
**Strengthen**  
 security services solutions

**4**  
**Enhance** data, analytics and AI/ML capabilities

**5**  
**Drive insights**  
 from location-based services

## Synergy Levers

**Strengthen Google Cloud partnership**

**Bolster offerings and industry expertise**

**Expand client footprint & talent pool**

## Persistent's Existing Footprint

Enterprise IT Modernization			
Hybrid Infra Management	Containerization	Cloud Native Applications	Workplace Modernization
Hybrid / Multi-Cloud Governance	Observability & Reliability	Hybrid / Multi Cloud DevOps	Legacy Modernization
Migrate Workload, Service Catalog, Cloud Security			

Leveraging Core Presence

Incremental Synergy Benefits

Accelerate Revenue Growth



**Thank you!**

[www.persistent.com](http://www.persistent.com)