SONATA SOFTWARE LIMITED

11th May, 2020

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, 2020.

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 KRISHNARAO KULKARNI
Digitally signed by MANGAL KRISHNARAO KULKARNI
Date: 2020.05.11 23:21:52 +05'30'

Mangal Kulkarni
Company Secretary and Compliance Officer

SONATA SOFTWARE

Sonata Software

Investor Presentation

Mar 2020

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

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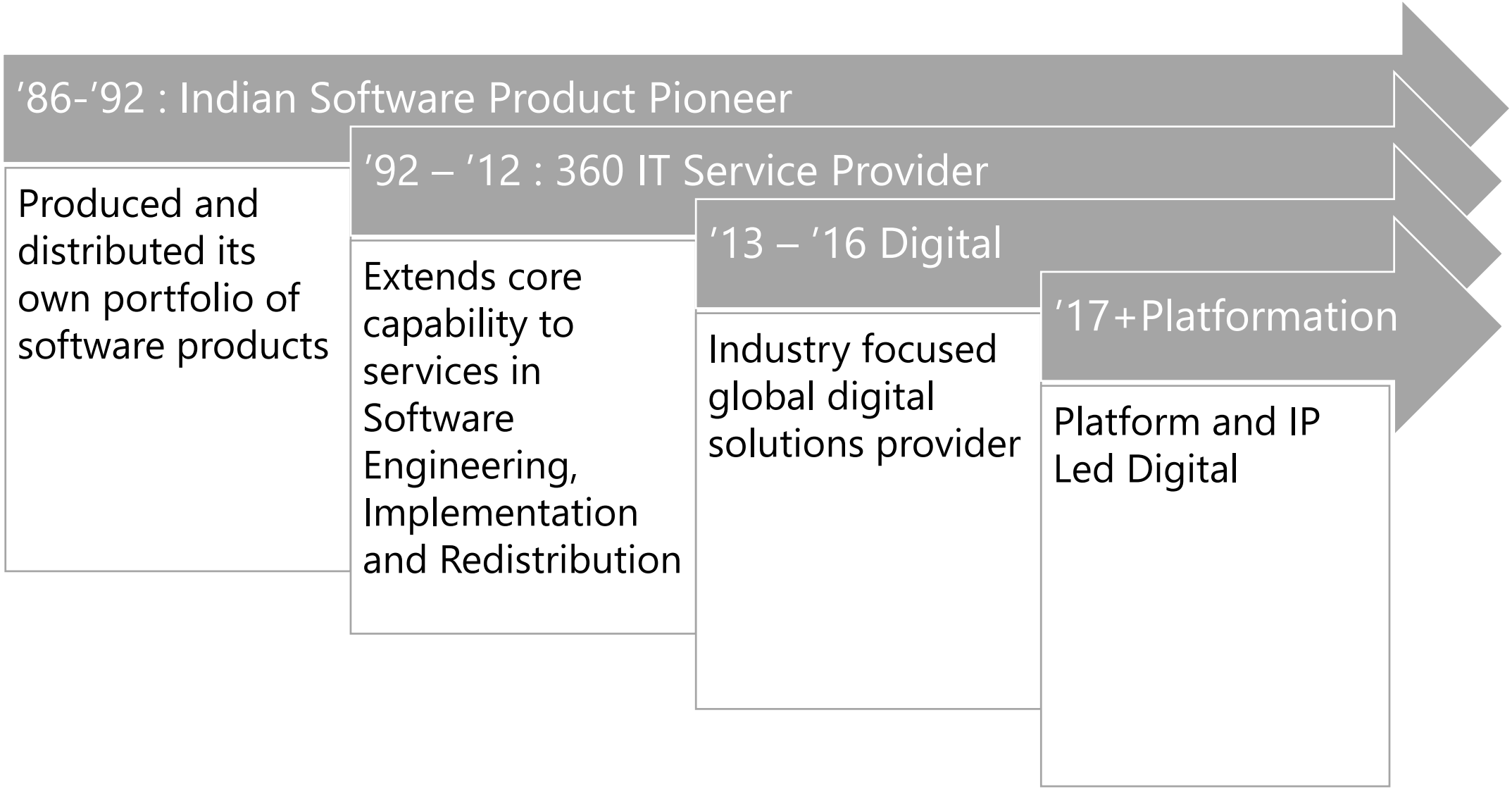
Sonata - Evolution



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Sonata - A Snapshot

SONATA SOFTWARE

The Company	**30+ YEARS** as a IT Solutions Provider	**$427+ M REVENUE** 15% 3 Yr. CAGR	**4000+ TEAM** across US, EU, Asia & ANZ	**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	**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	**RECOGNITIONS** 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

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Sonata Story

- Platformation™
- Long term relationships with clients
- Alliance with Microsoft
- IP led
- Engineering excellence and advanced technologies
- **Track record of running mission critical operations on cloud with own IP**
- Over all growth story last 8 years and recognition
- Talent stability at the top

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Differentiated Strategy

- IP-led Service Offerings
- Platformation™
- **Alliances**
- **Acquisitions and Competency around MS Tech**
- Domestic Business

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Vertical Focus

- Retail, travel, distribution & CPG, ISV, Commodity Trading, and services industry – field services
- IP – Brick and Click, Modern Distribution, CTRM, Rezopia
- **Platform led Digital Transformation**
- **Digital Business Process Library**
- **Client Digital Agenda Templates**
- Track record

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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
- CDAT 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™

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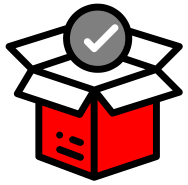
Platformation™

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



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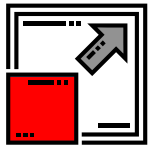

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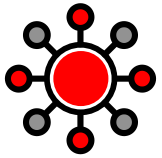

CONNECTED

INTELLIGENT

amazon.com

airbnb

Expedia

Alibaba Group

Sonata's approach to Digitizing business using platforms

PLATFORMATION™

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Approaches to achieve Platformation™

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Sonata READY	Sonata ACCELERATE	Sonata CUSTOM
• End-to-end, industry-specific digital business platforms	• Deploy popular horizontal platforms adding required functionality	• Engineer custom platforms that deliver unique digital capability and scalability
Omni channel reservation system for a large Australian rail network built on a travel platform ensuring seamless booking experience	Versatile retail store and e-Commerce integration for a US fashion brand ensuring scalable, omnichannel shopping experiences	A US-based travel company innovating on membership-based business models, increasing bookings by 200%, and scaling service 6X

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SONATA, A BEST-IN-CLASS MICROSOFT PARTNER (Top 1%)

SONATA SOFTWARE

25 Years

MICROSOFT PARTNER

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

13 Gold

CERTIFIED COMPETENCIES

Dynamics 365,
Power BI, Cortana
Azure, .Net, Mobility

360⁰

PARTNER

MS 4 areas – Business Applications, Apps & Infra, Data & AI and, Modern Workplace

Product Engineering, Professional Support, Delivery, LSP Partner for MS, MCS and ISV/SI Ecosystems.

1500+

TEAM

On Microsoft Technologies with 1000+ on Microsoft Dynamics

90 Clients

ACROSS THE GLOBE

USA, Europe, Asia, India, Australia, Middle East

$362 million/annum

REVENUE TO MICROSOFT

Across the Service Lines

INDUSTRY

FOCUS DIGITAL

Across Retail, CPG, Distribution, Travel, ISV

PLATFORM IP

ON MS DYNAMICS & AZURE-ENABLED

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

STRATEGIC

ACQUISITIONS

IBIS Inc US, Scalable Data Systems, ANZ, Sopris US, GBW Australia

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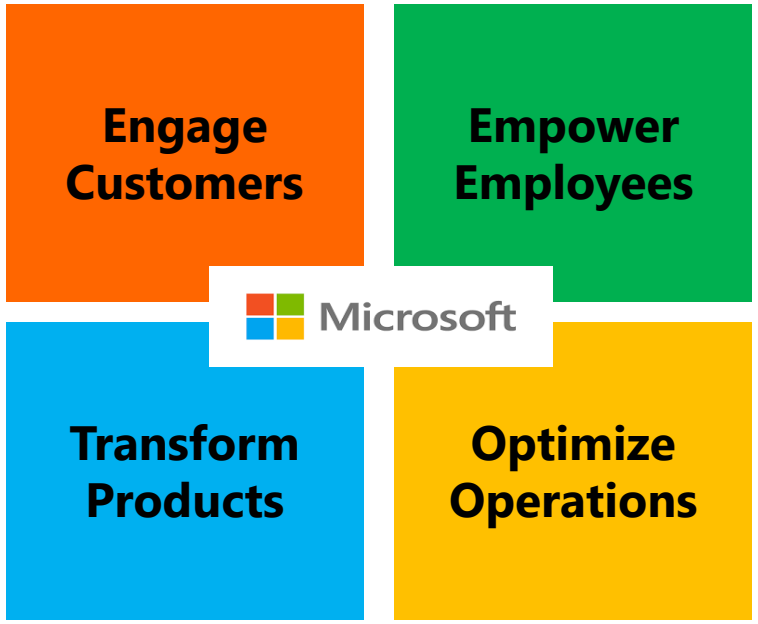
Microsoft's Global strategy



Solution Areas	Partner Practices	KEY EXECUTION PLAN / PLAYS
Modern Workplace	Collaboration Modern Desktop Security and compliance Cloud Voice	1. Adoption Drive for Teams, Yammer, OneDrive 2. PowerApps Practice 3. Upsell motion to M365 E3/E5 4. Bots for Teams 5. Security
Business Applications	Customer Engagement Operations Business Apps	1. Dynamics 365 2. CE Workloads 3. Power Platform
Apps & Infra	Cloud Infrastructure and Management Application Innovation	1. Cloud Consulting & Migrations 2. Managed Services under CSP 3. Automation & Cloud Management 4. App Service, SQL Azure, Containerization 5. SQL Retiral Migrations
Data & AI	Data Platform & Analytics	1. SQL Modernization 2. Reporting and Analytics 3. Cognitive Services

Digital Transformation Vision of Microsoft

Their GTM Strategy & Approach

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Sonata Retail Offerings

Digital Journey Phase-> Sonata offerings ↓	Digitize Infrastructure and applications	Digital Smart Operations	Digital Customer Experience	Digital Innovation
Digital Consulting	• Add SMAC for existing applications • Move apps to Cloud	• Differentiate backend office operations through Mobile/IoT devices • Improved business process execution through better analytics and workflow • Increase ops efficiency leveraging SMAC • Optimize Apps management using Cloud and DevOps	• Implement Omni-Channel Commerce • Front office transformation	• Reimagine products, business models and processes • Reimagine multi-department functions with customer centric design
Industry specific Digital Solutions	Retail Omni commerce : Brick & Click			
	Modern Distribution Platform : ASCS			
Digital Platforms	**e-Commerce** Hybris Ofbiz	**Mobility** Halosys Prebuilt Apps	**Analytics** UDAP Cortana	**Cloud**
Digital Services	Cloud Services	BI / Analytics	Dev Ops	Mobility	BigData	Machine Learning

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Sonata Case Study

Business Challenges

- Outdated rail passenger reservation system
- Client server application has limited features
- Upgradation costs too high and time consuming
- Lack of user friendliness for day-to-day operations
- Reliance on manual process for ancillary product sales

Sonata's Solution

- Rezopia Rail Platform is a next generation rail reservation system capable of addressing all our client's needs, and more.
- Cloud-based platform was able to fulfil a lengthy wish list, ranging from end to end travel reservations, contracts, operations and distribution management.
- Multi-channel booking engine consolidated bookings and generated passenger manifest reports. Users were now able to book not only a train seat with a dynamic shopping cart, but also ancillaries like hotel rooms, transfers and activities.
- In addition, the Rezopia platform was integrated with SAP to send financial data of bookings a XML. AN eNet integration ensured suppliers were automatically paid on their due dates.

Benefits

- Increased business capability with web based application and efficient process for ancillary products sales.
- Train bookings for seat and berths are available in consumer site.
- Effective handling disruptions scenarios caused by natural disasters, track repair work, station interruptions
- Enabled business with platform that supports extending to providing uniform experience to customer for packing train with products like hotel, tours
- Scalable system implemented which can sale up to 6,000 bookings per day
- Omni-Channel booking experience across various distribution channels and devices

Sonata delivers a next-generation reservation system for a government owned railway operator in Australia

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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

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With a team nurtured to make a difference

Deeper roles	Regular exposure to newer technologies, evolving business scenarios, and building cross-functional expertise
Customer impact	Continuous exposure to clients to assess business impact of solutions delivered
Freedom to contribute	Our flexible working style encourages ideation within broad boundaries
Growth	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

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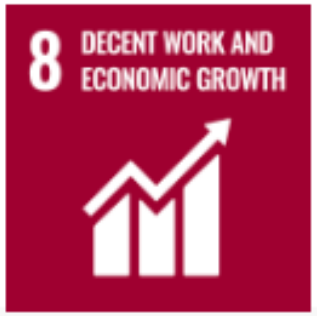
Sustainability Goals

THE GOALS WE'VE SET OUT TO ACHIEVE



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Our CSR Programs

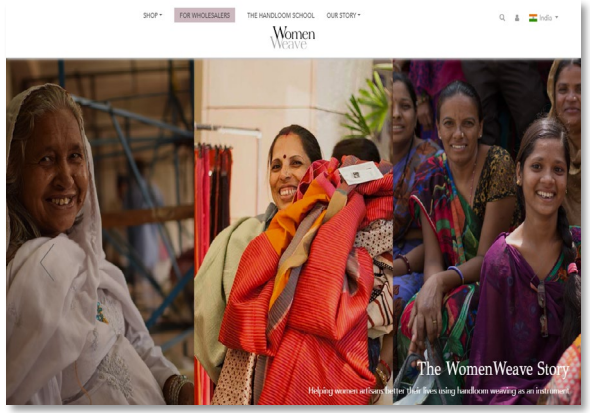
Education

IIIT-B (Bangalore), IISc (Bangalore)

"We encourage research activities in cutting-edge areas of Computer Science and also focus on research fellowships, evangelization of technology for digital transformation"

Upgradation of existing infrastructure Classroom 112 at IISc where the first handheld computer (Simputer) was invented

Traditional Arts, Textile and Handicrafts



Women Weave (Maheshwar), The Kishkinda Trust (Koppal)

"We developed a digitally enabled craft store front and e-commerce platform for our partners"

Education

Agastya (Hubli),Telangana Yuvathi Mandali (Hyderabad), WCT (Mumbai)

"We are developing digitally-enabled learning platforms such as Lab on tab for teachers and students. Through MSL we created awareness on ill effects of Tobacco on the occasion of National Science Day and also organized National Science fair for students in villages We are also providing grants for upliftment of Women

Preservation of our Cultural Heritage

Museum of Art & Photography (Bangalore)

"We are providing technology support for the Museum by building responsive website and mobile app along with developing a digital repository to host the digitized version of all the artifacts by MAP as well as giving them a Grant for building a Private Museum"

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Financials

Strong Execution

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

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Financial Management

- Focus on ROCE and RONW
- Focus on margins
- Focus on strong cash management
- Sound capital allocation
- Very strong credit and risk management in India business

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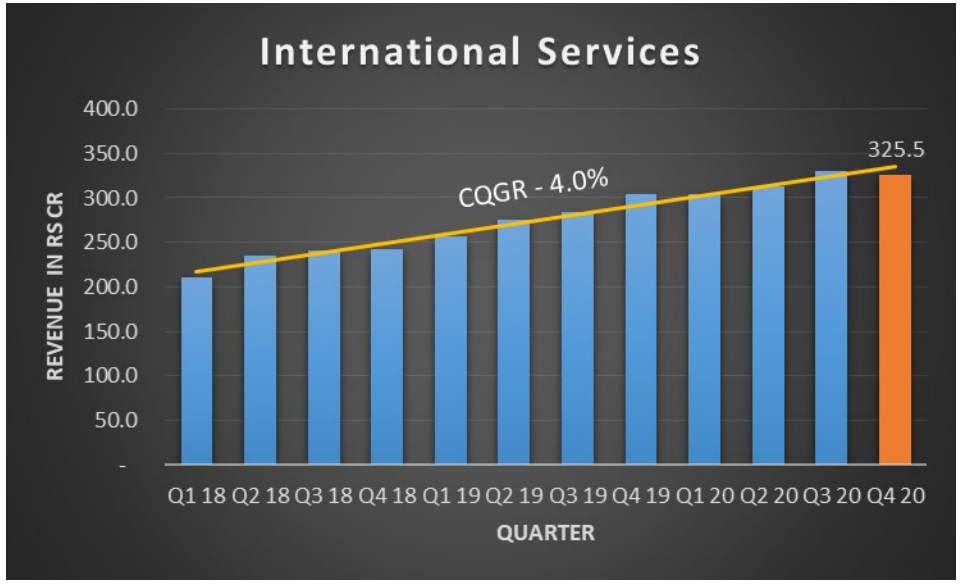
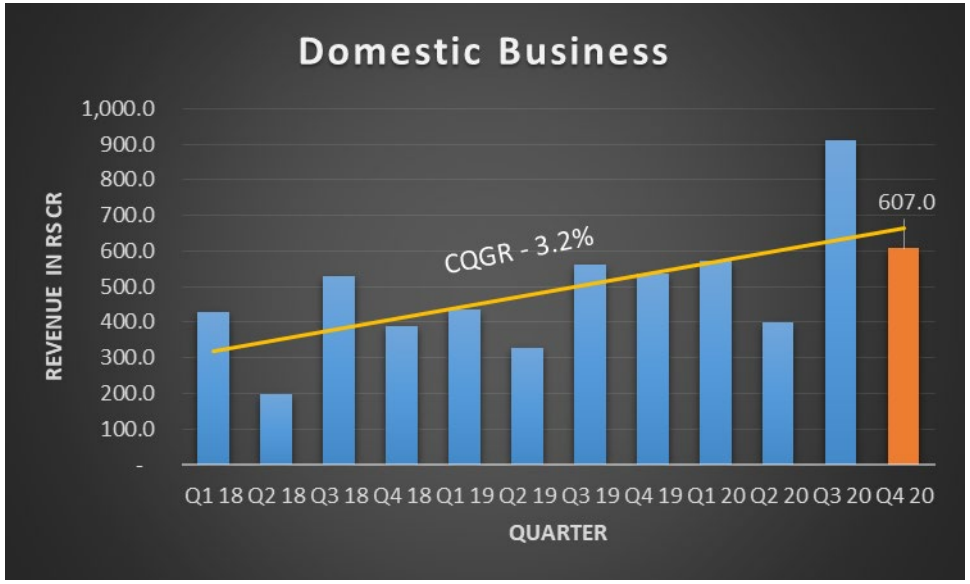
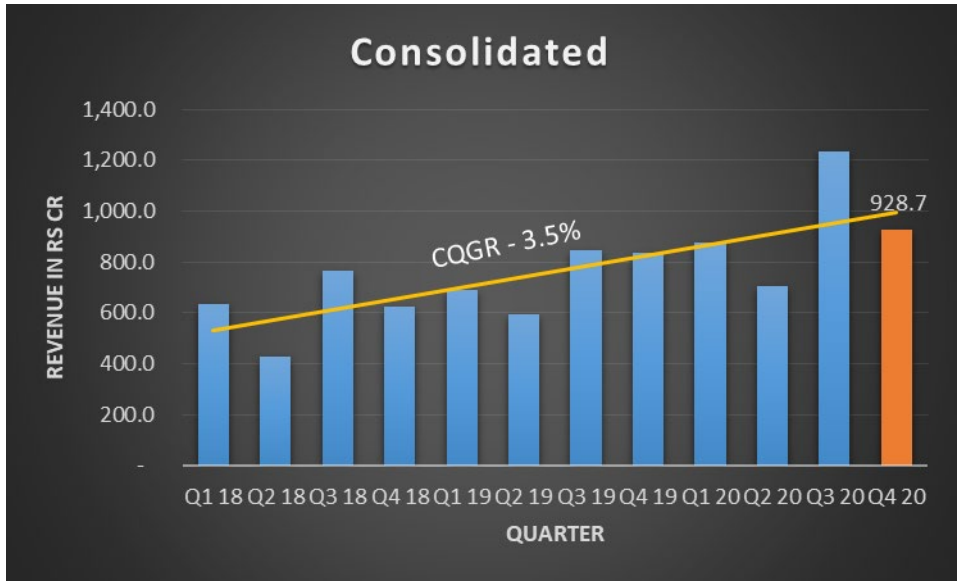
Revenue – last 12 Quarters







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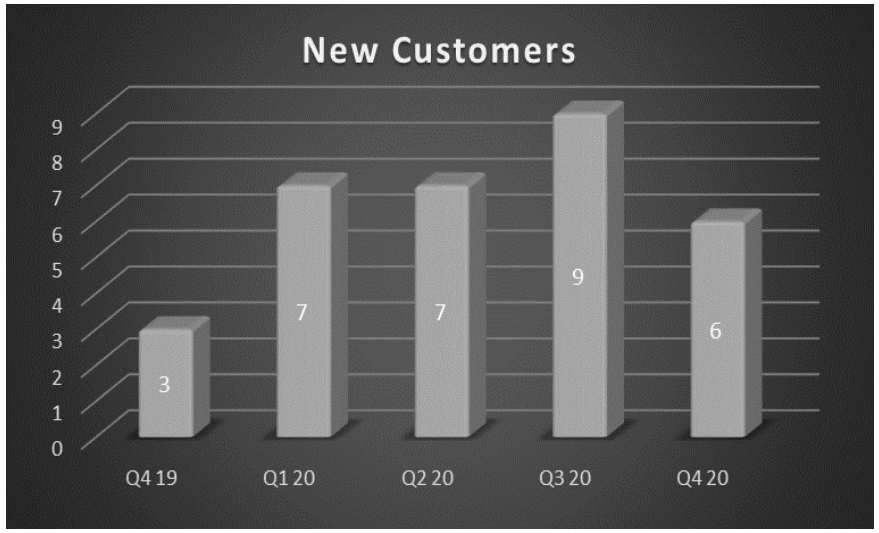
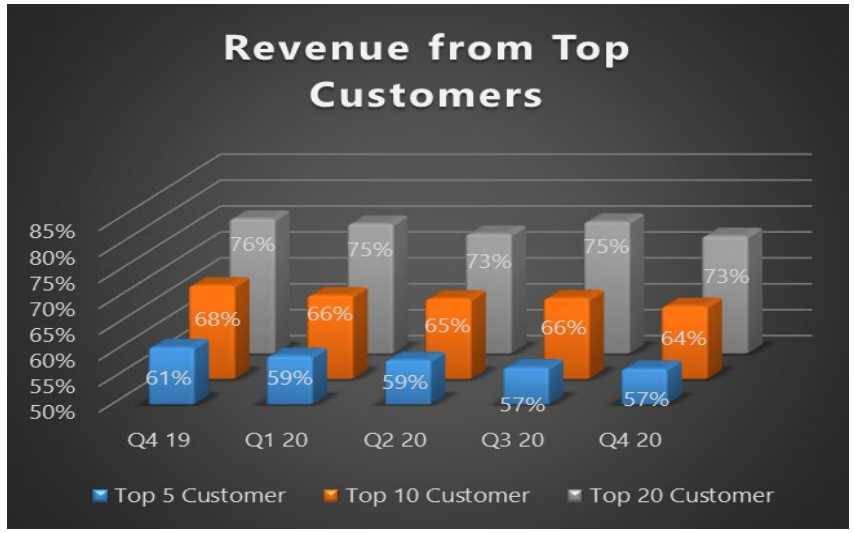
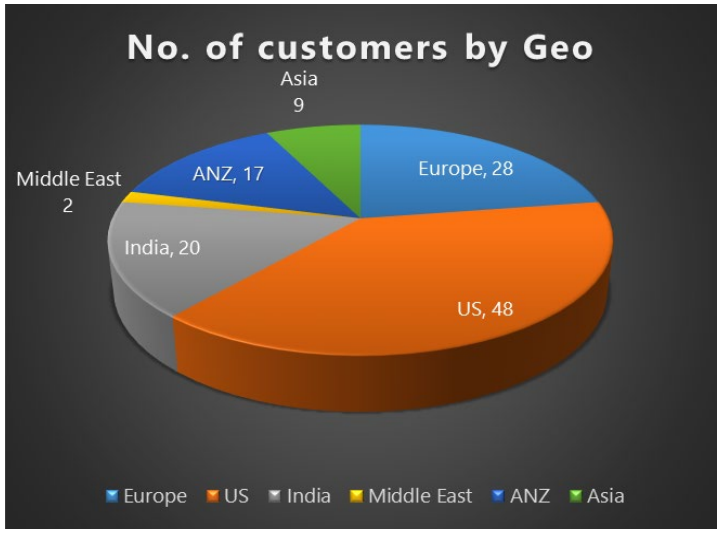
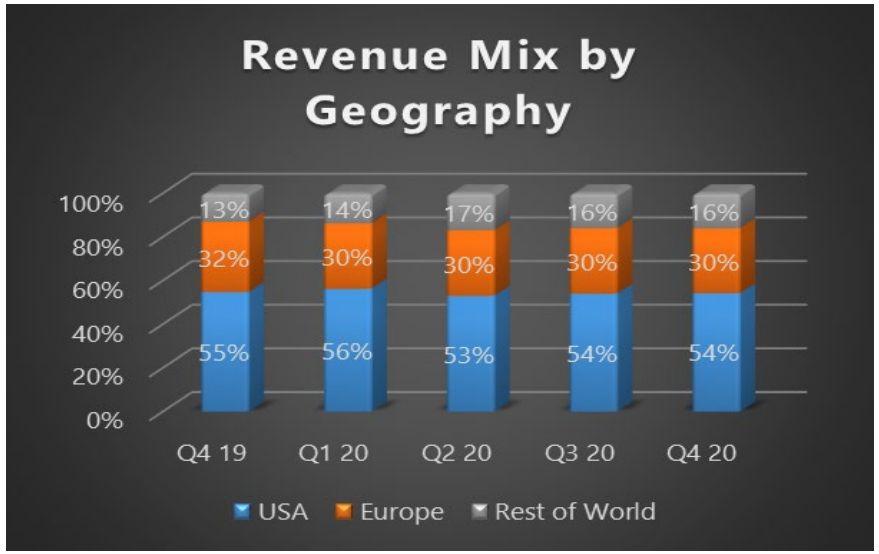
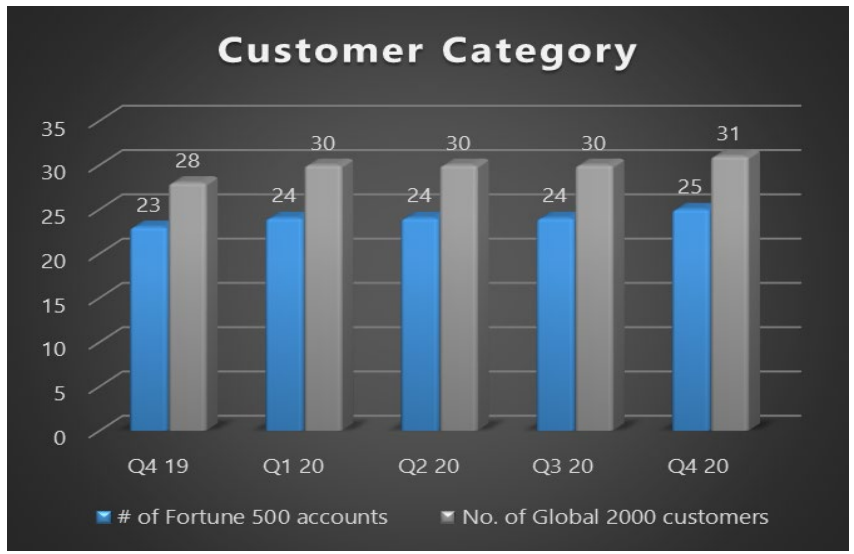
International IT services – Revenue by Customers

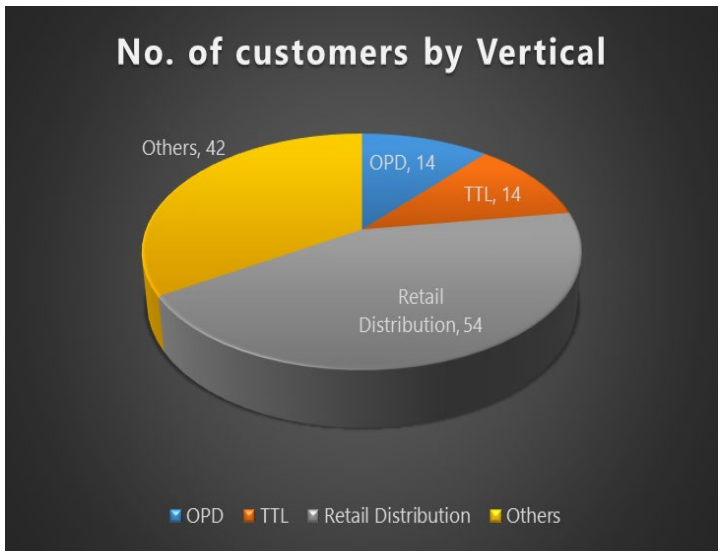












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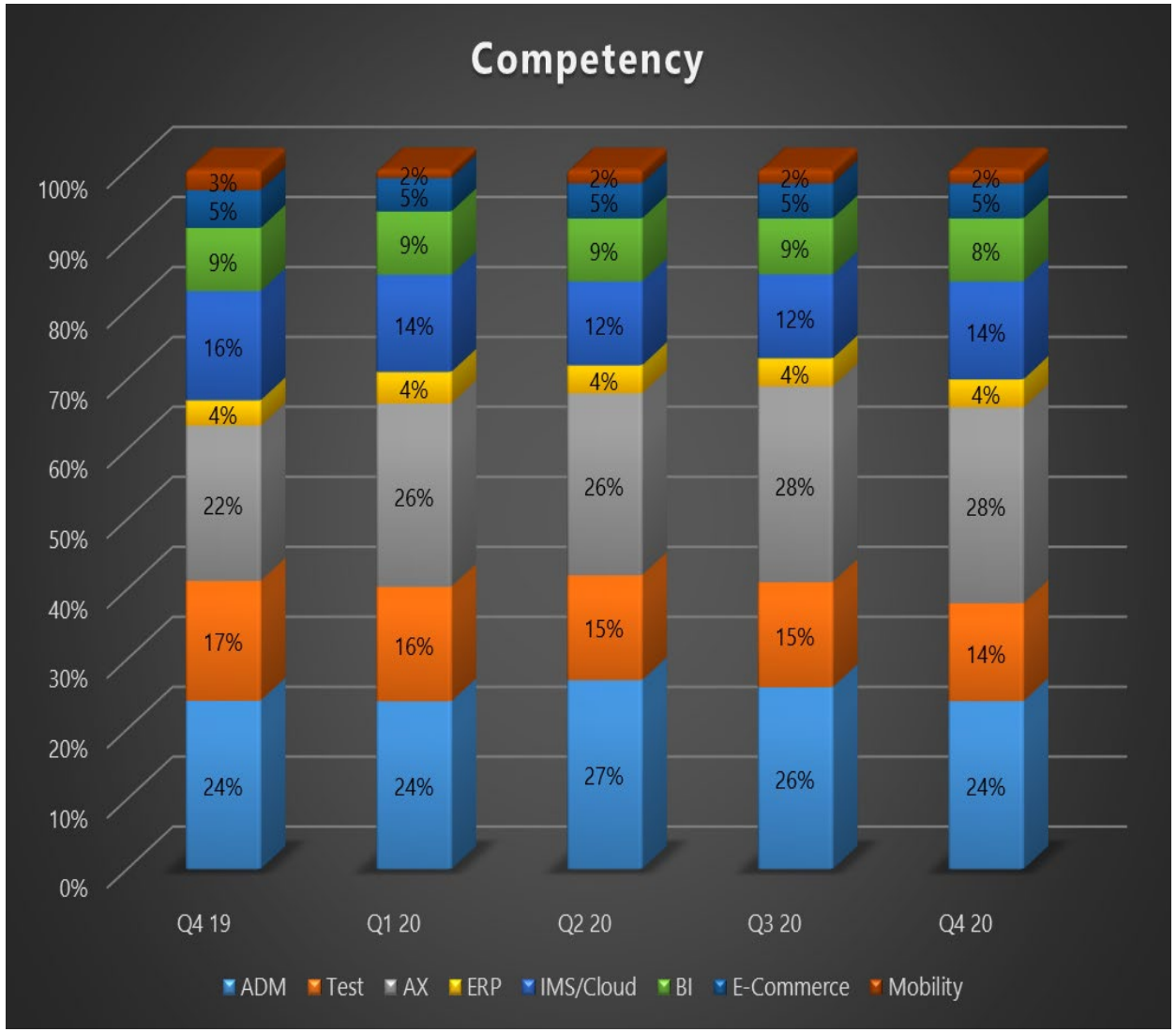
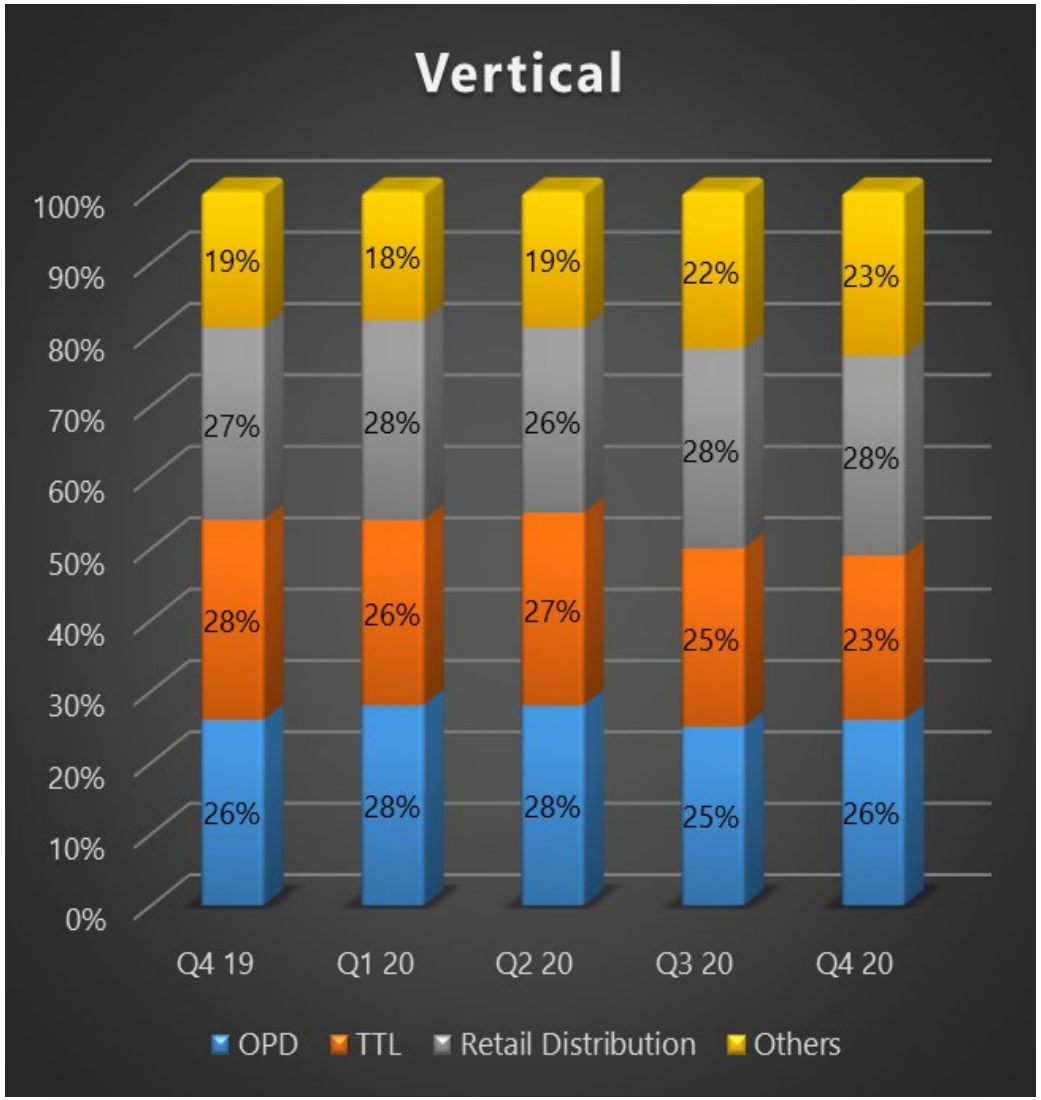
Revenue Mix by Competency and Vertical





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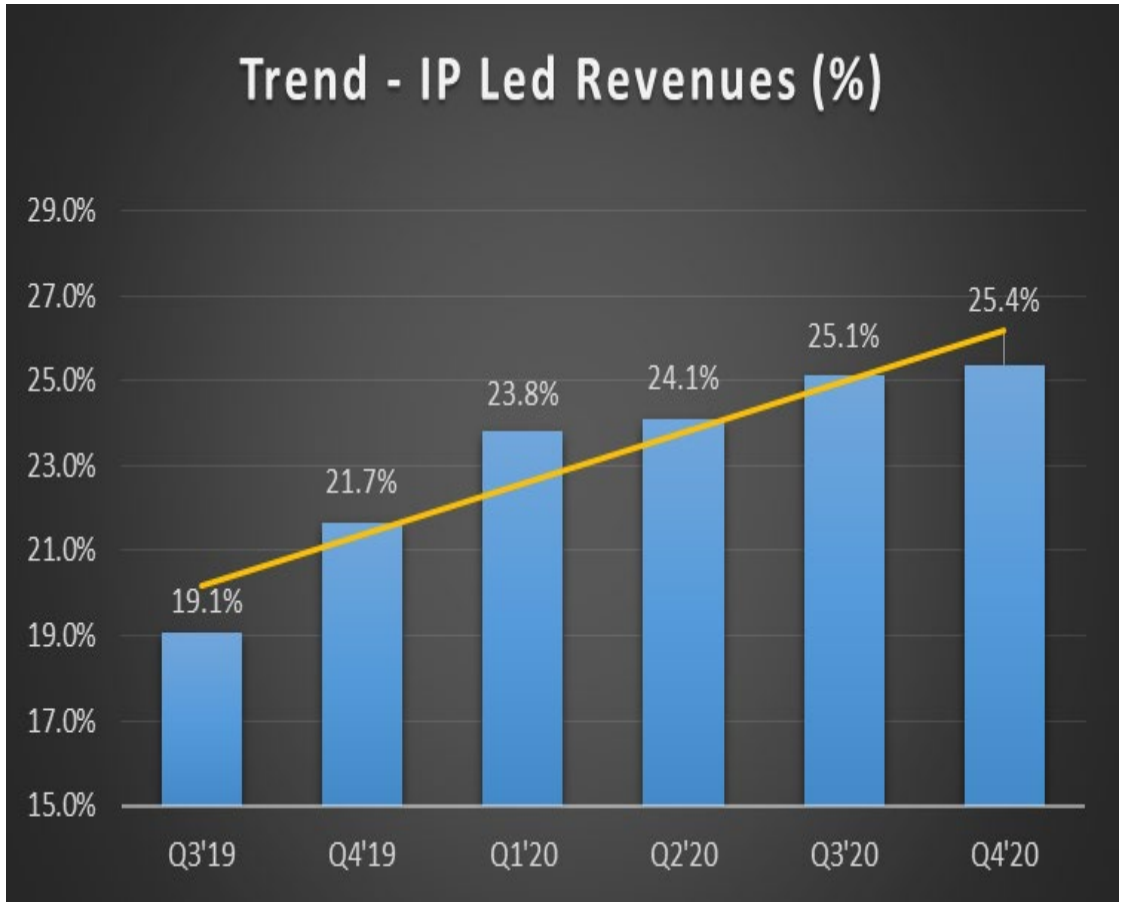
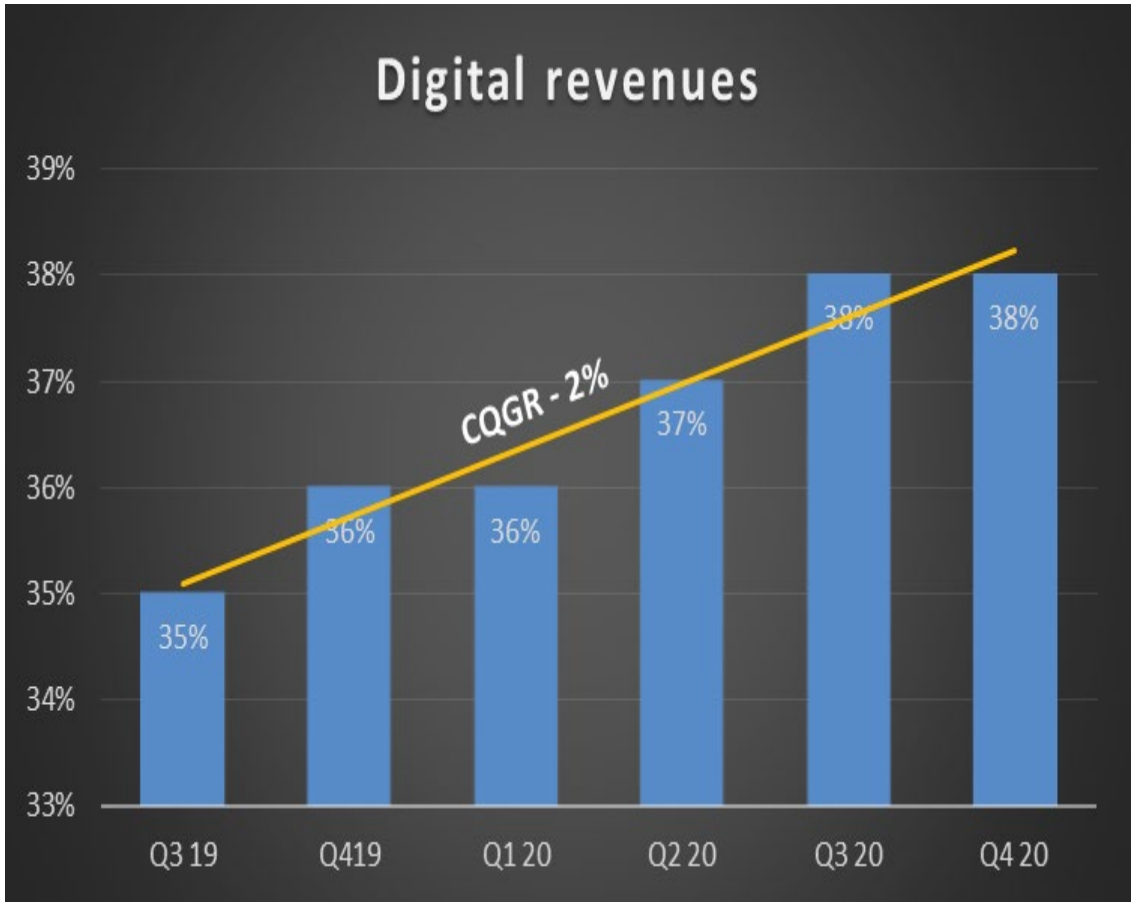
IP Led and Digital Revenues





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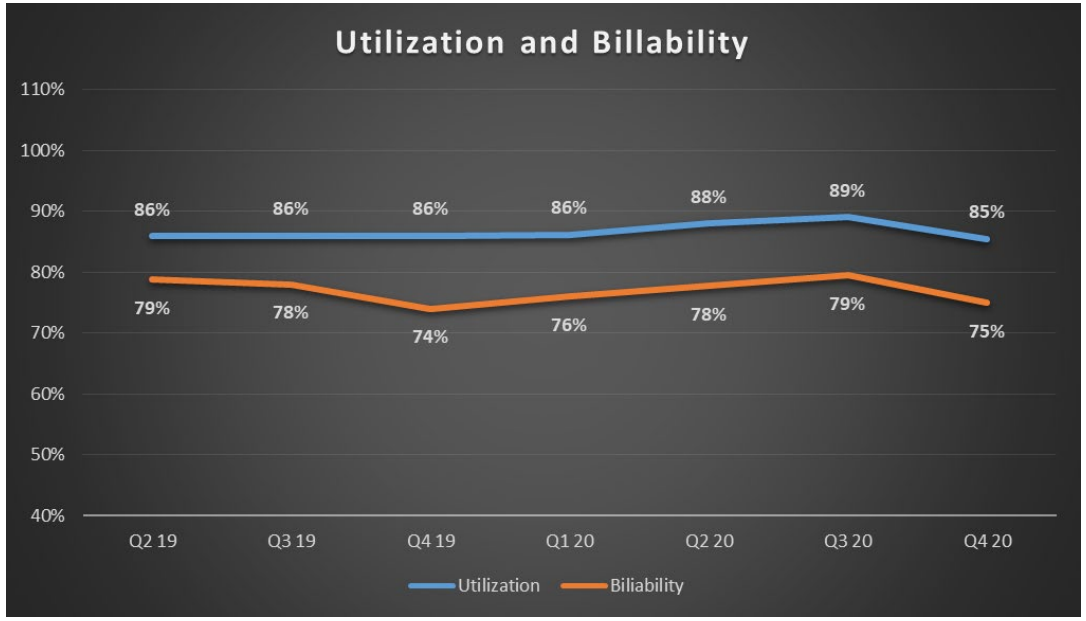
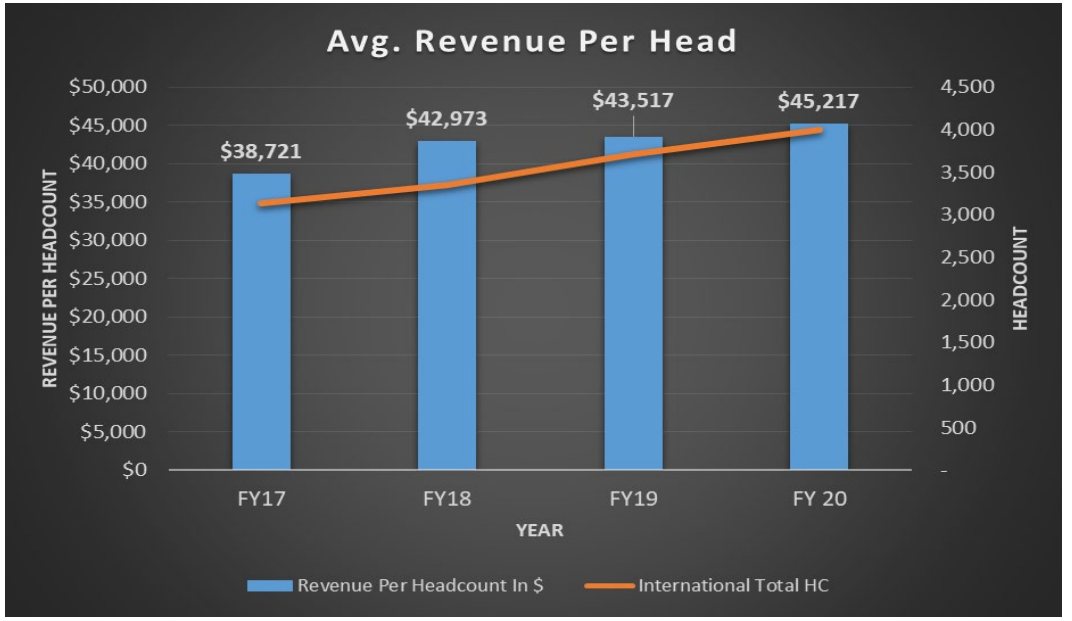
International & Domestic Business - Revenue Enablers





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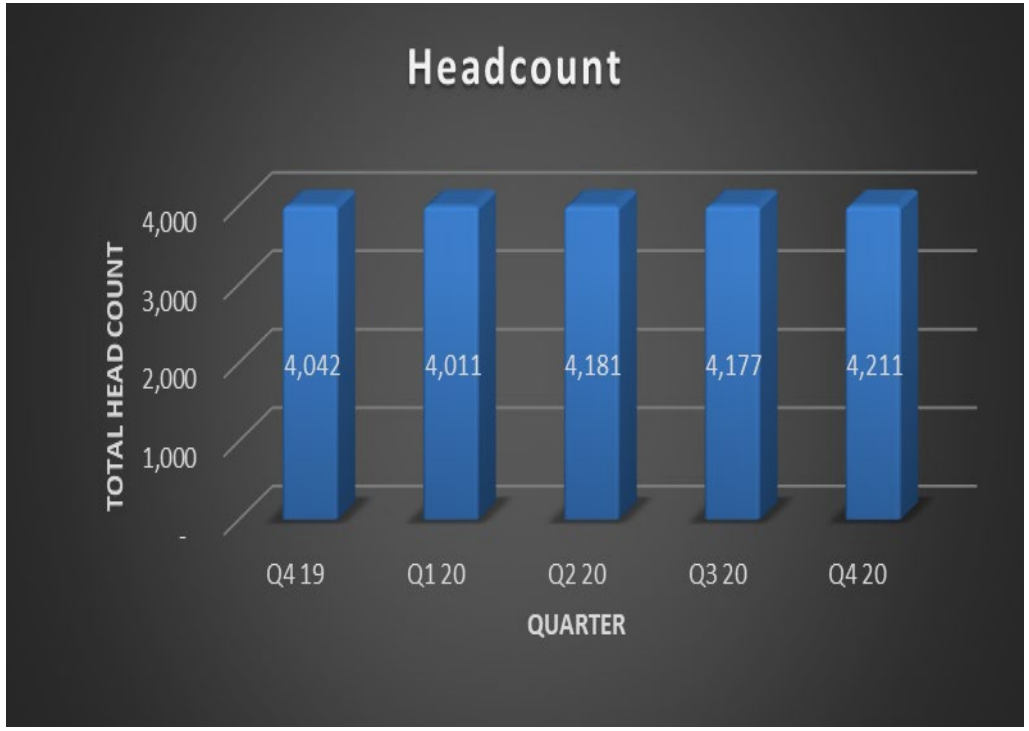
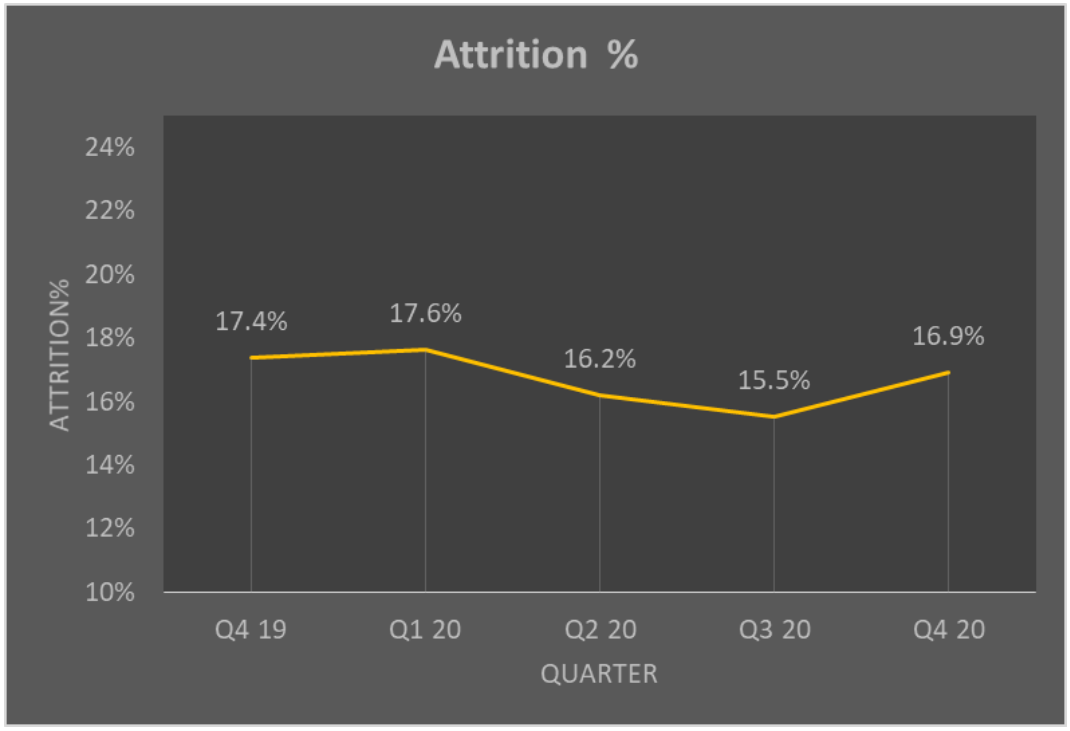
Human Capital





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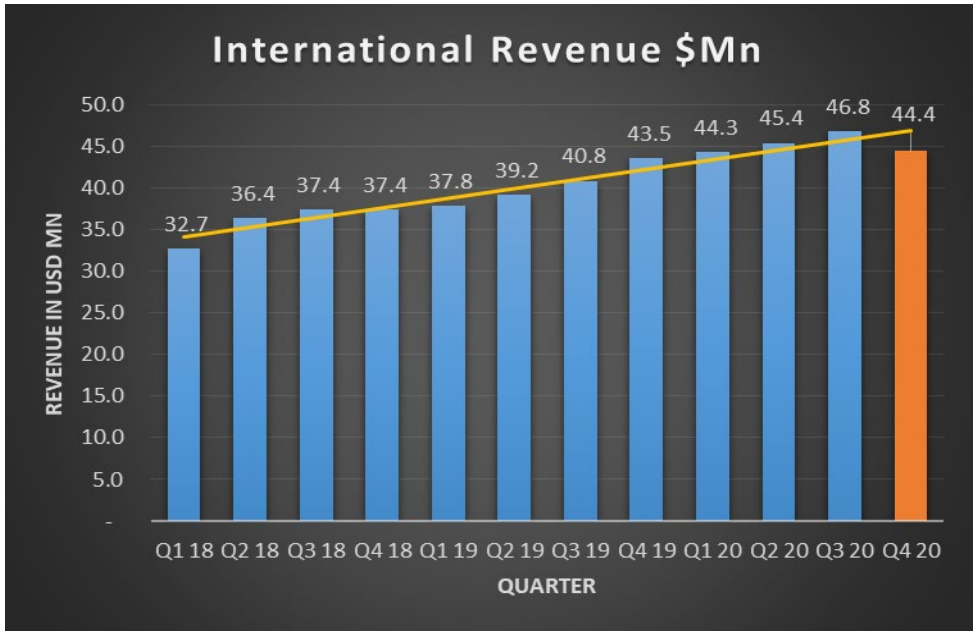
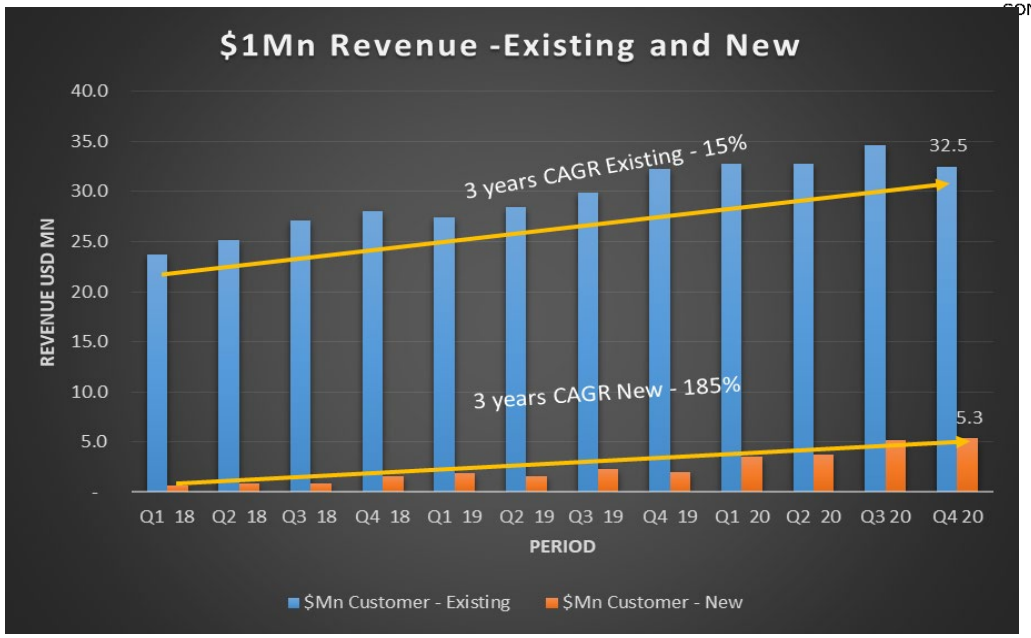
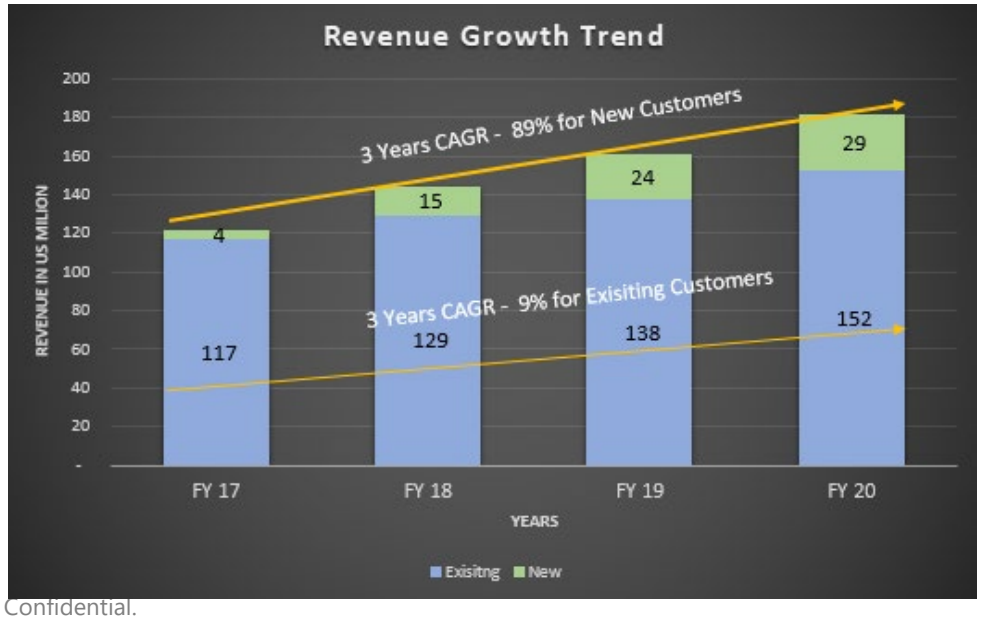
International Business Revenue Growth







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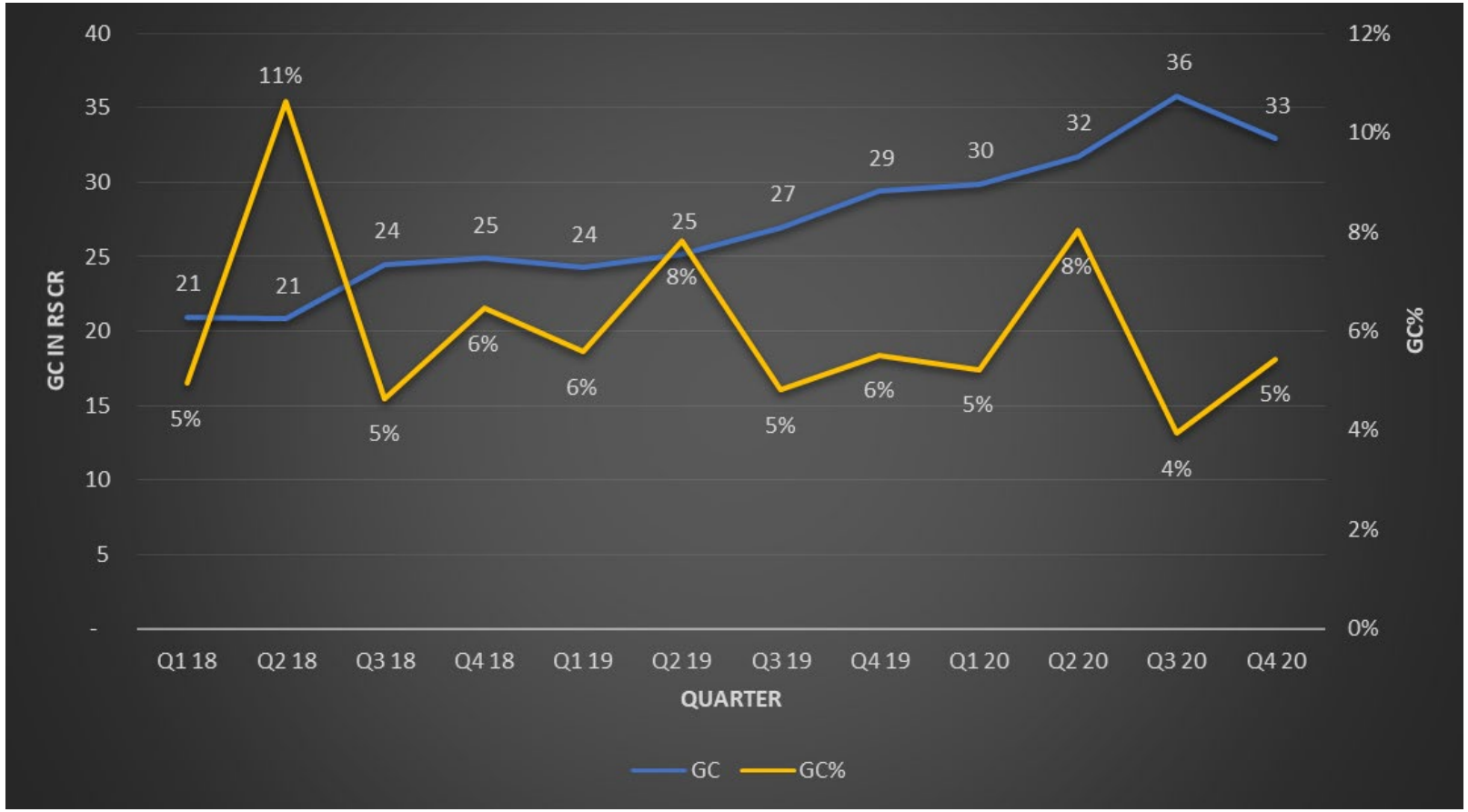
Domestic Business - Gross Contribution



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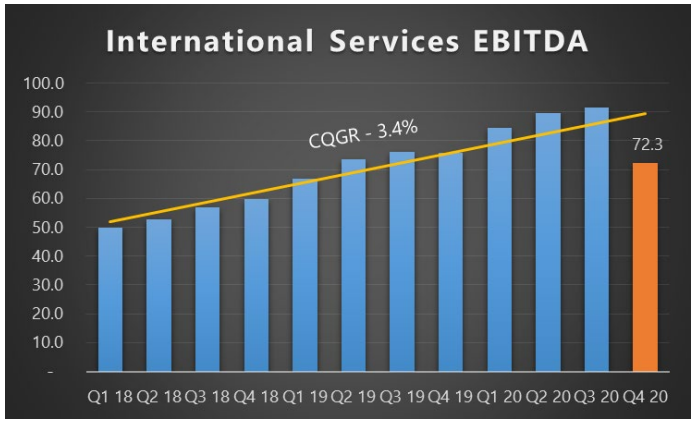
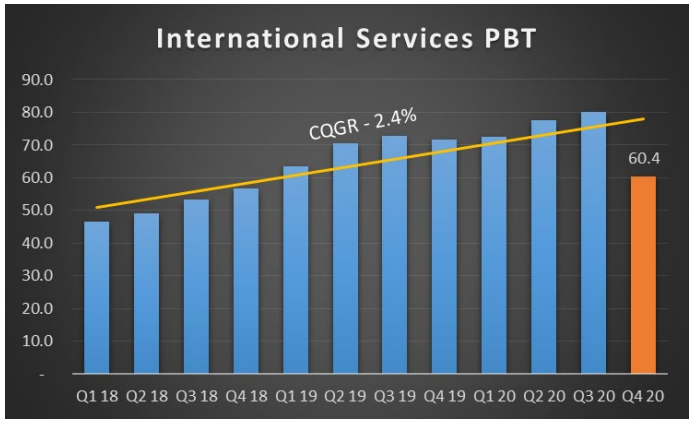
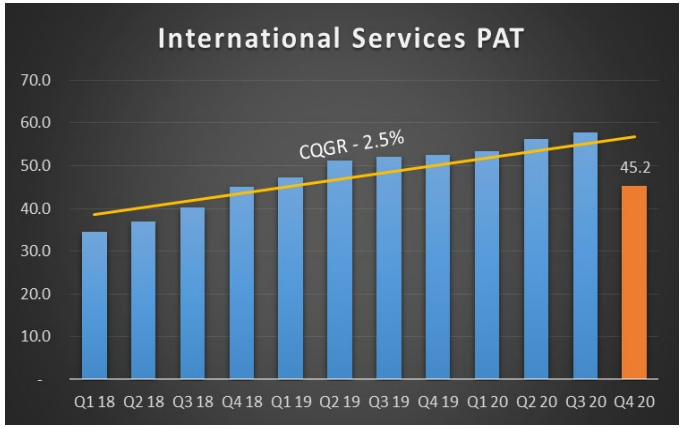
EBITDA, PBT and PAT – last 12 Quarters

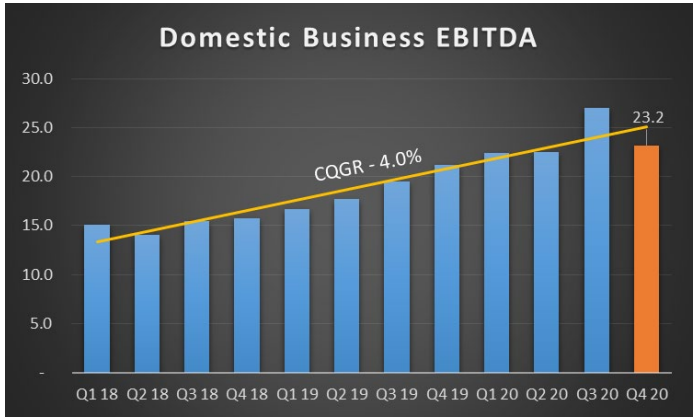
International Services

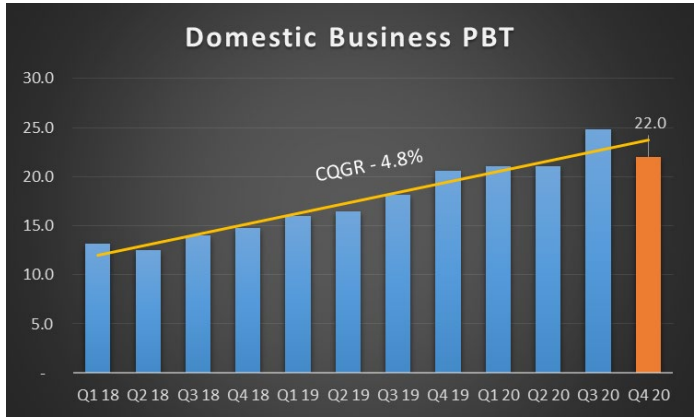


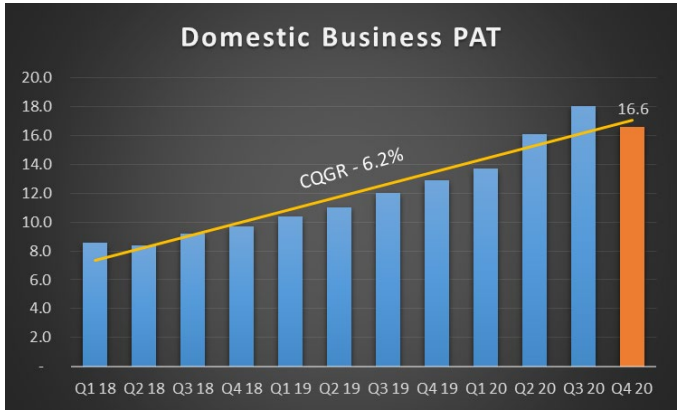




Domestic Business







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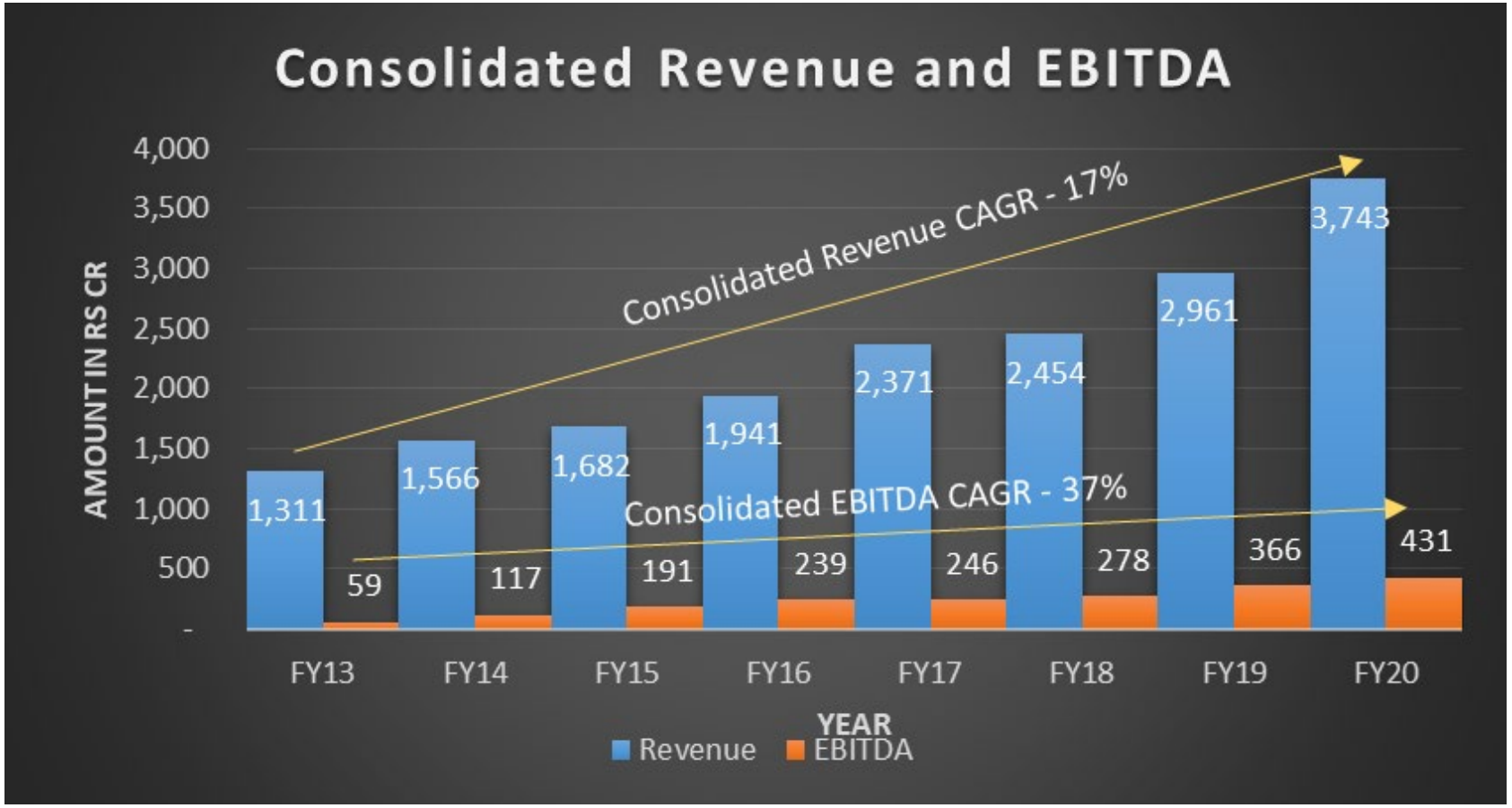
Consistent Growth over last 8yrs



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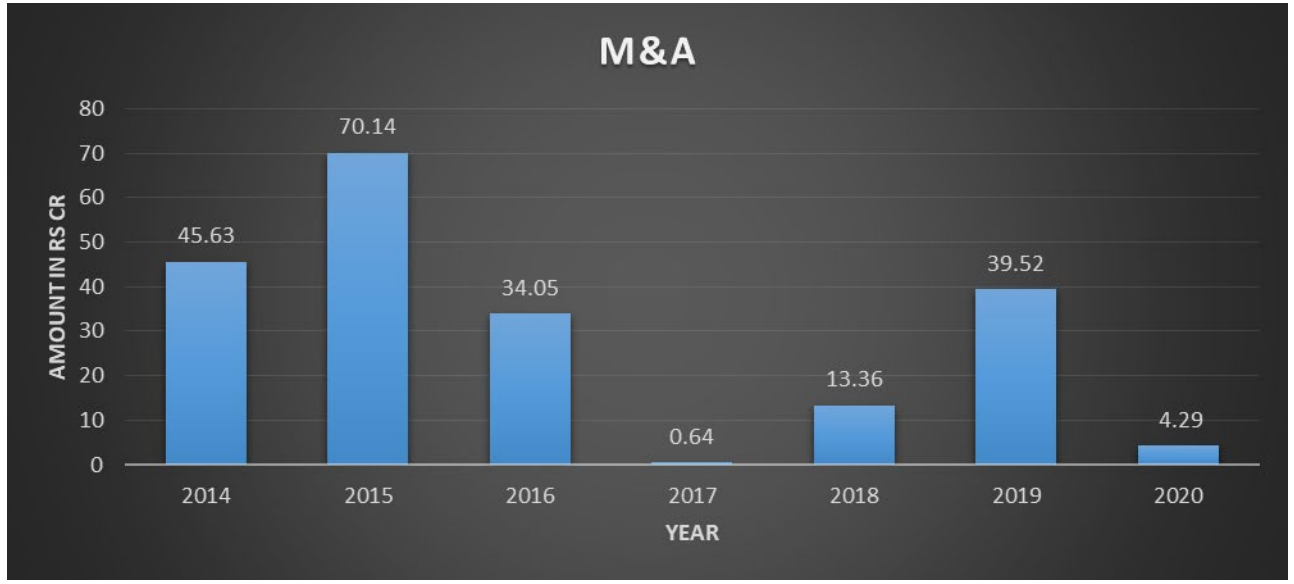
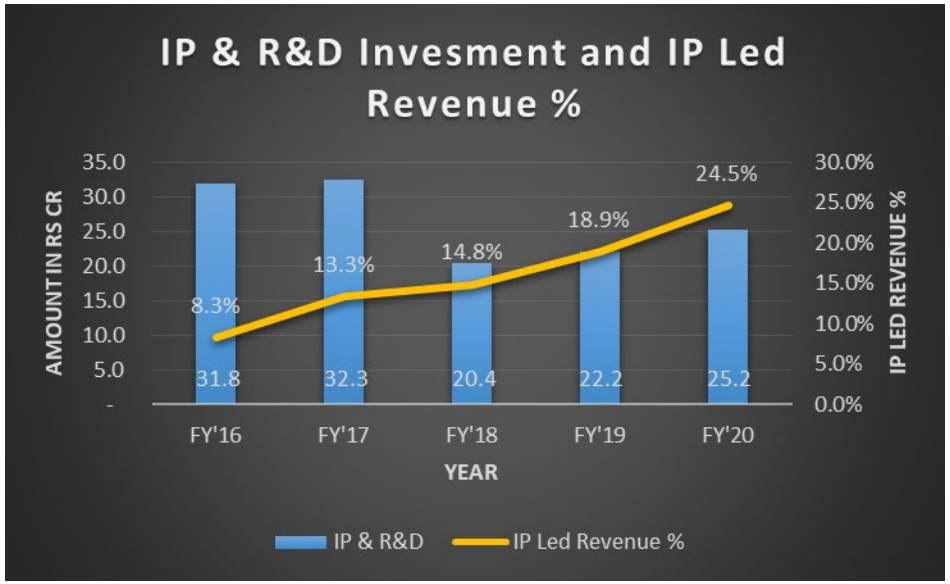
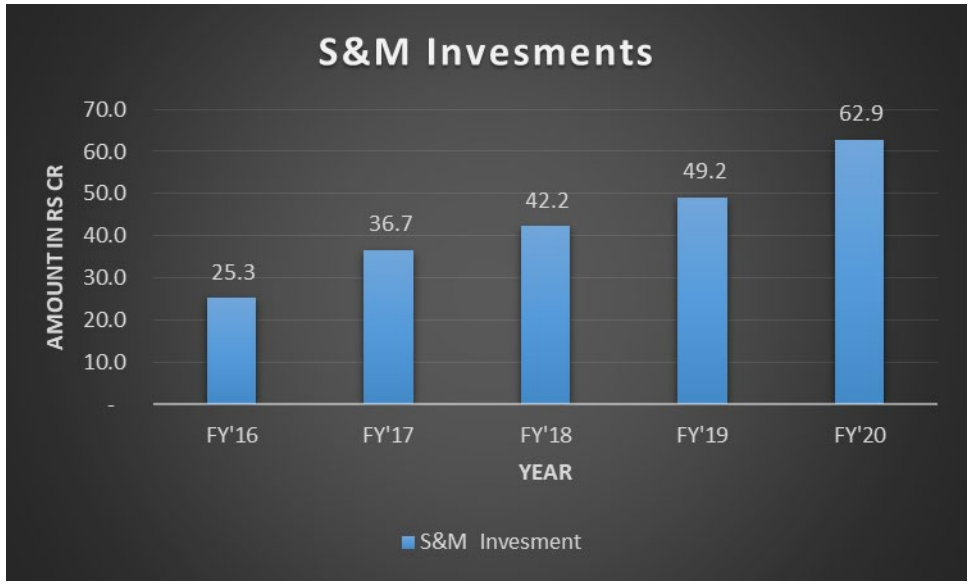
Strategic Investment







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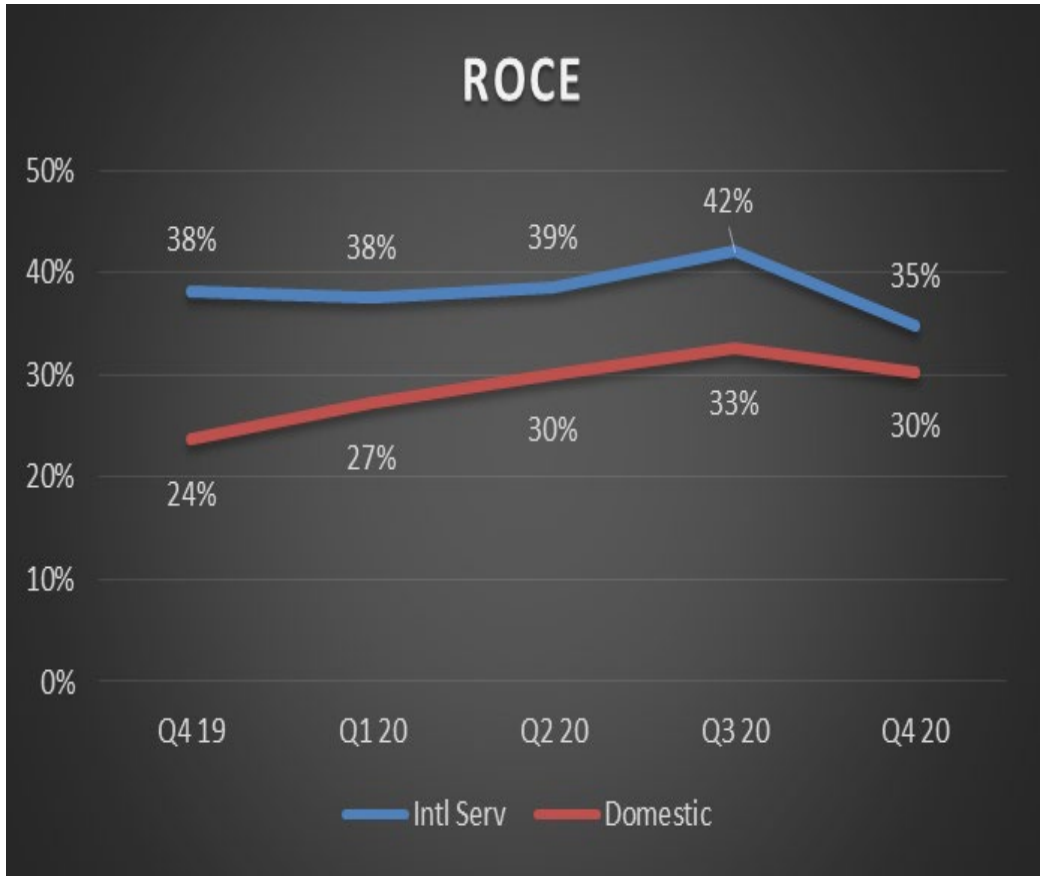
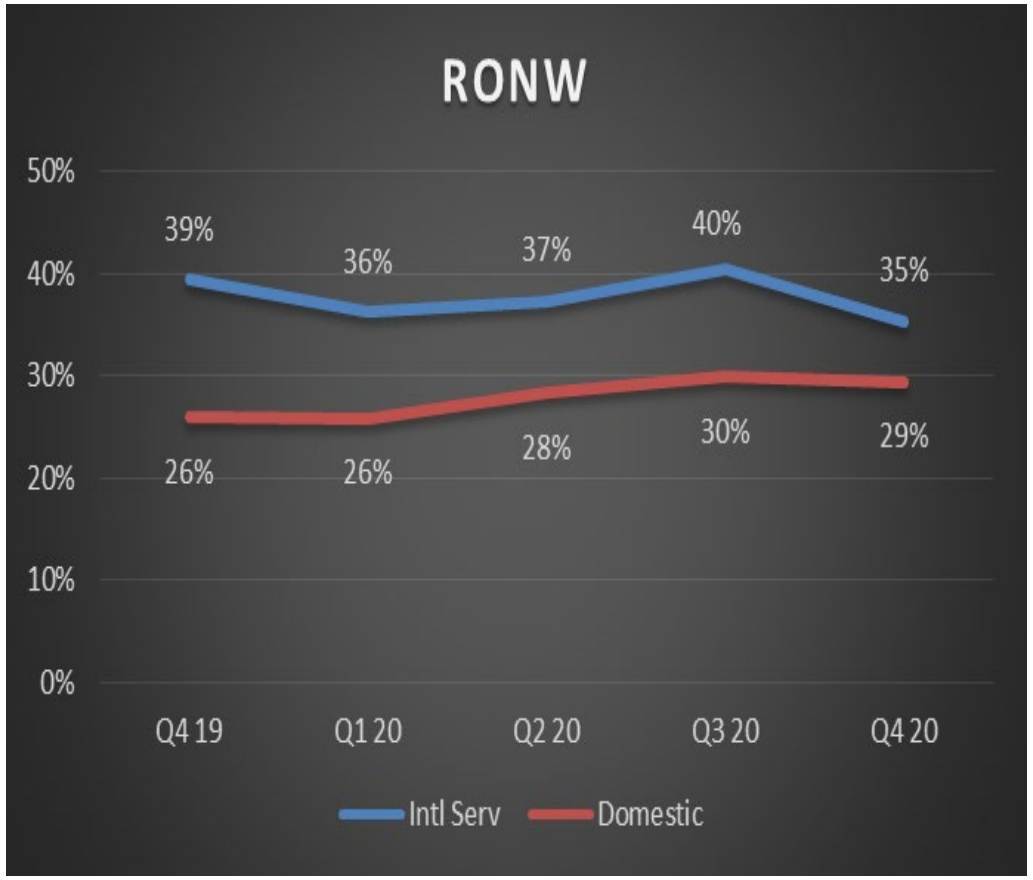
Consolidated – ROCE & RONW





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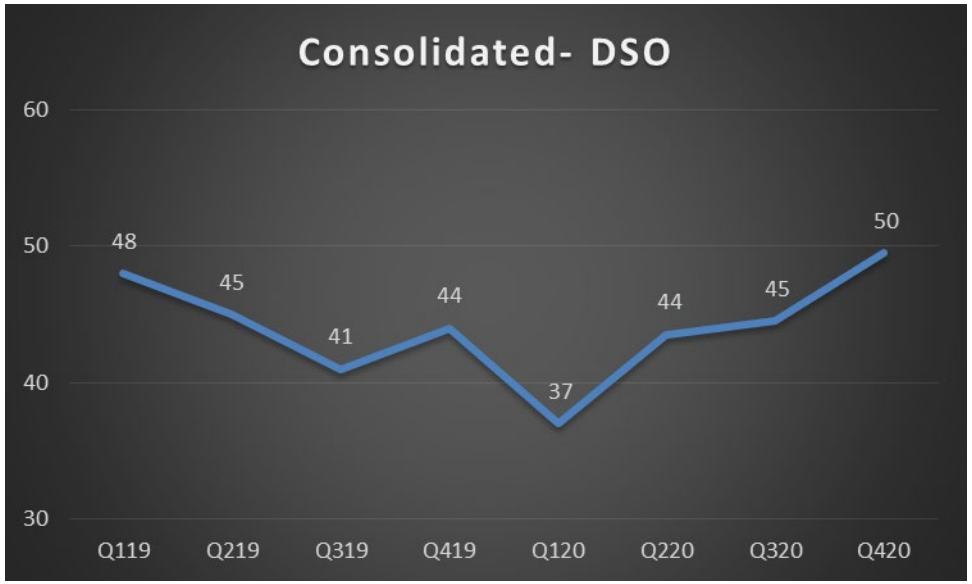
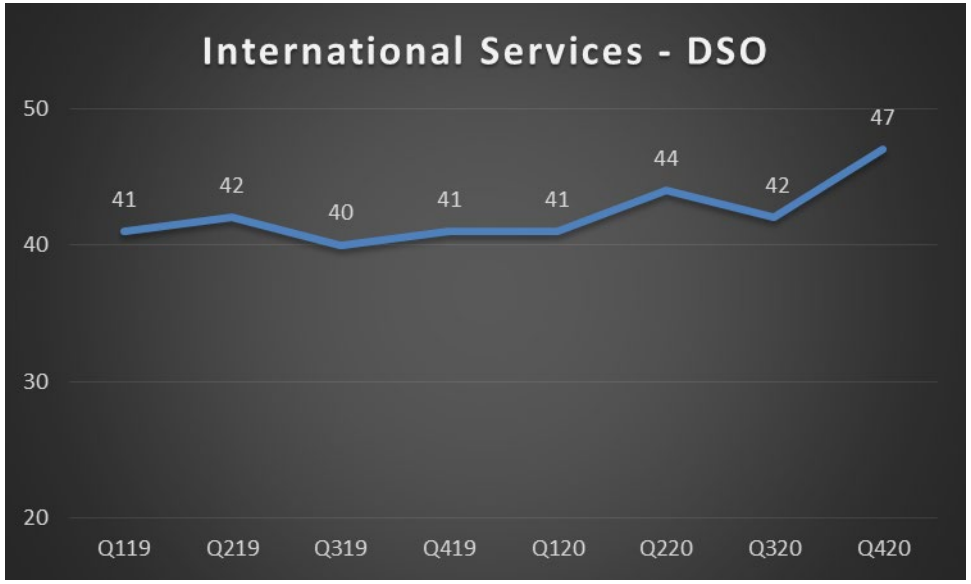
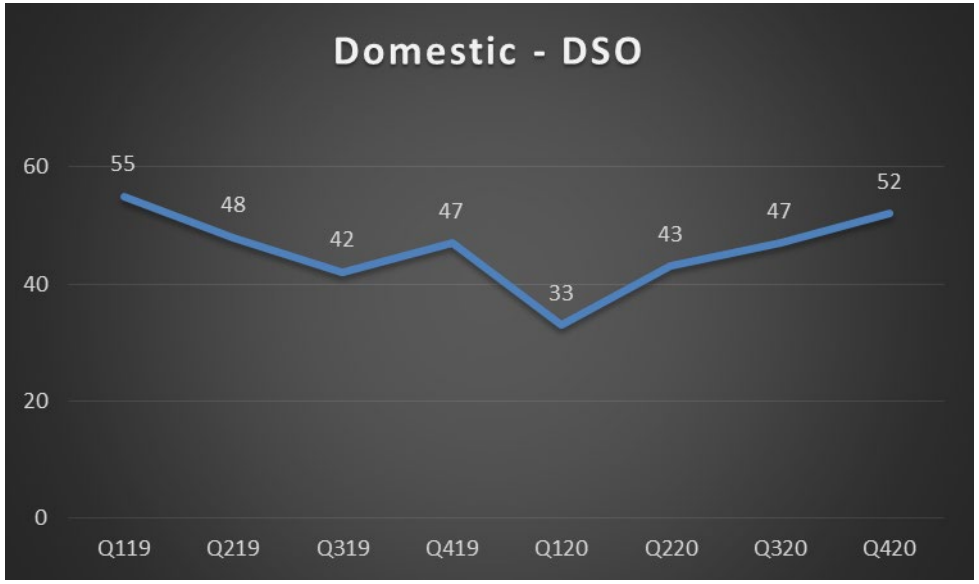
Days Sales Outstanding







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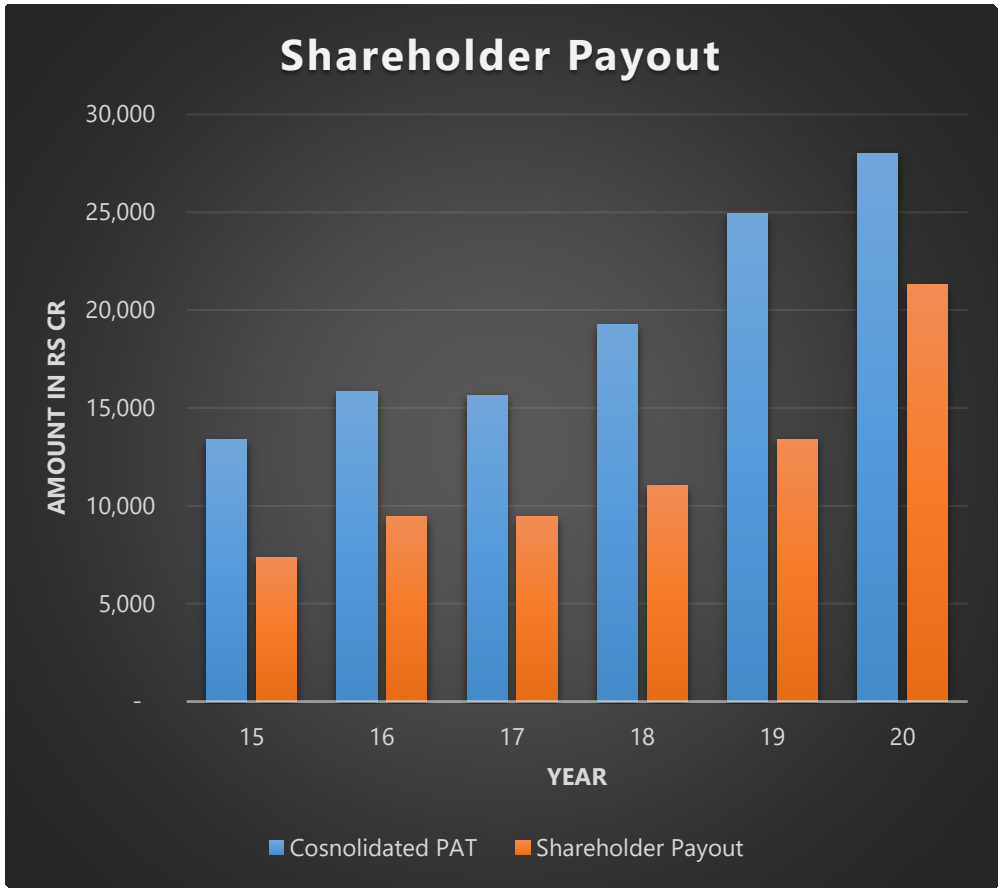
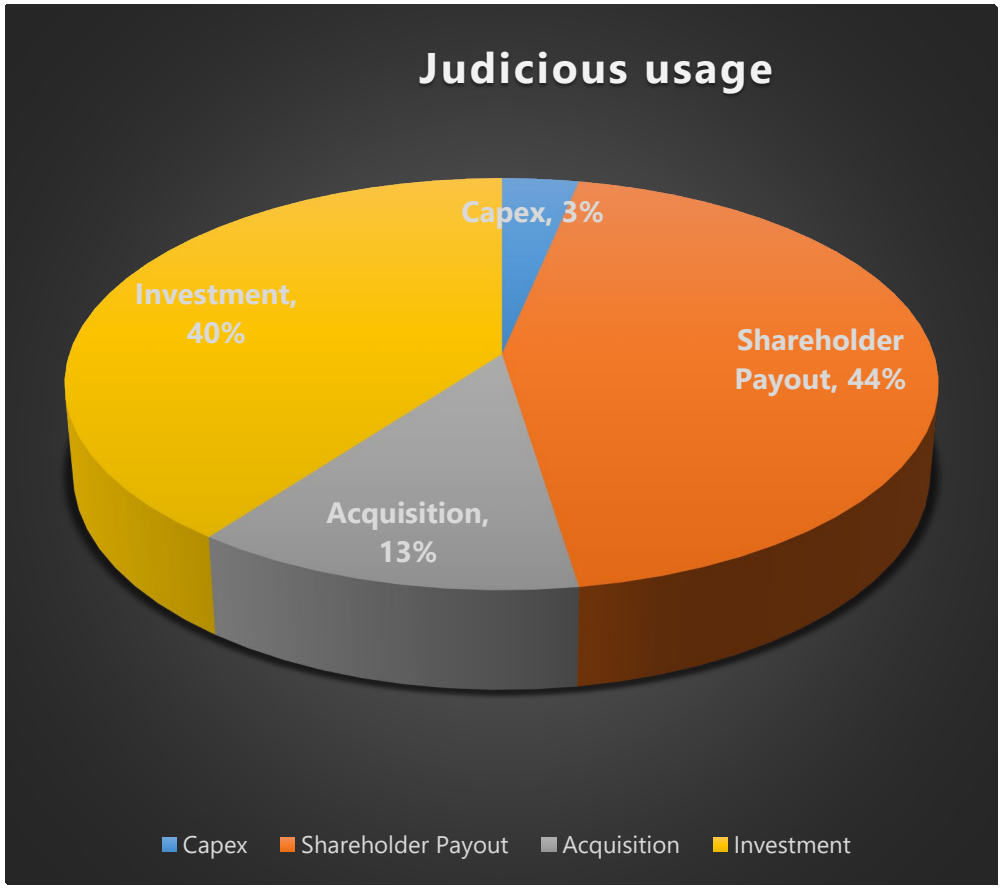
Capital Allocation



Cash Deployment



2015 to 2020

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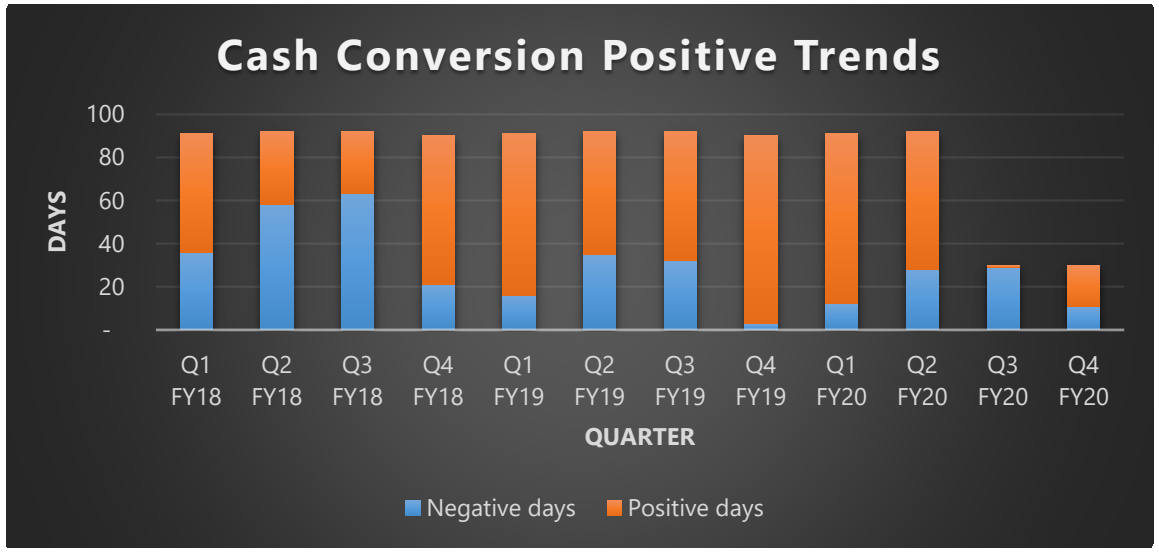
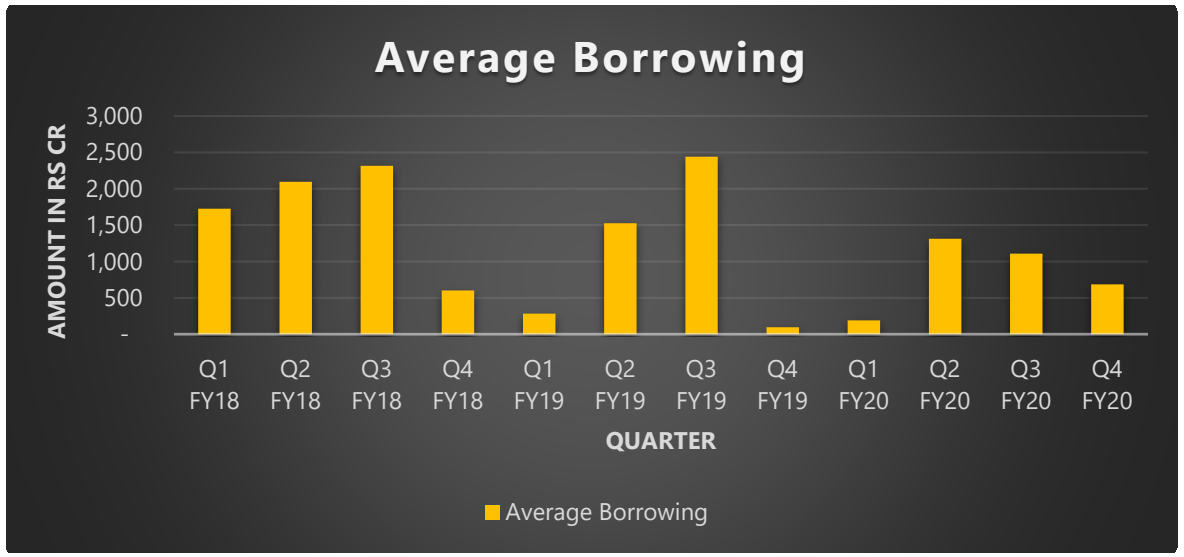
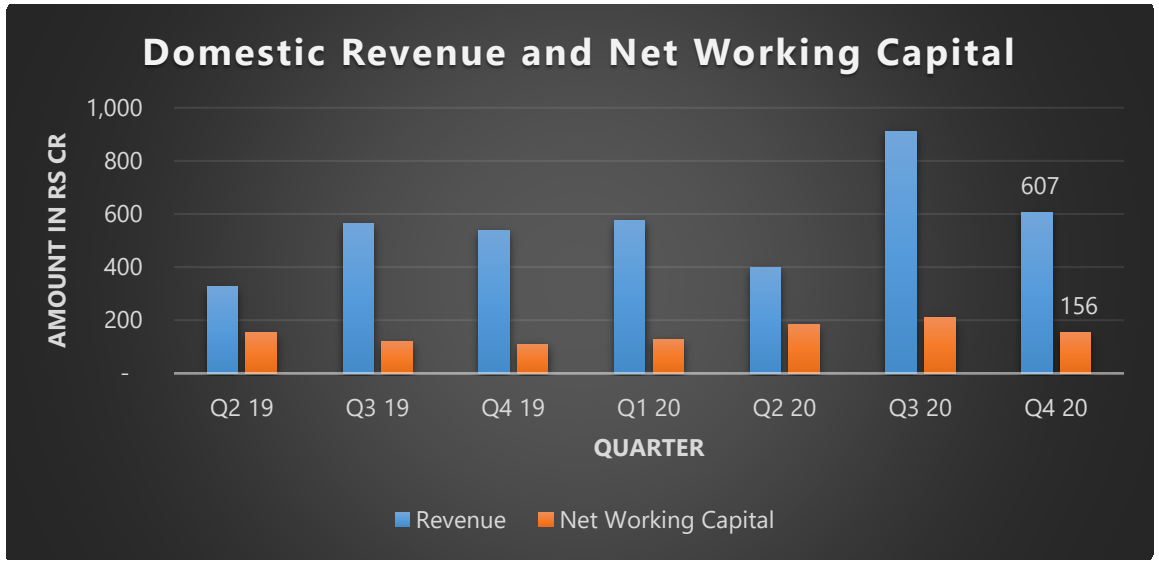
Cash conversion & Credit Management – Domestic Business







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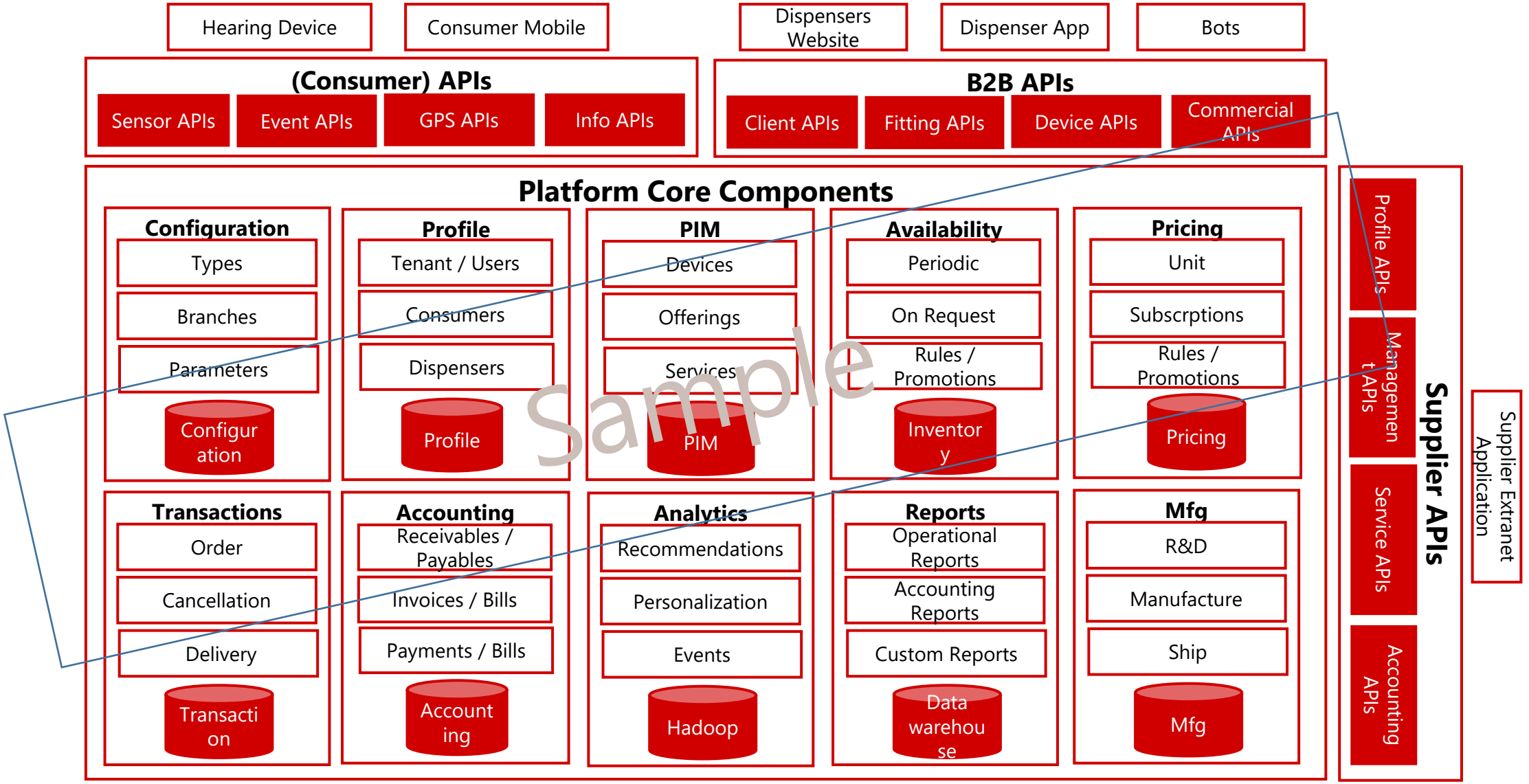
Thank you

Marchitecture - Platform Architecture sample



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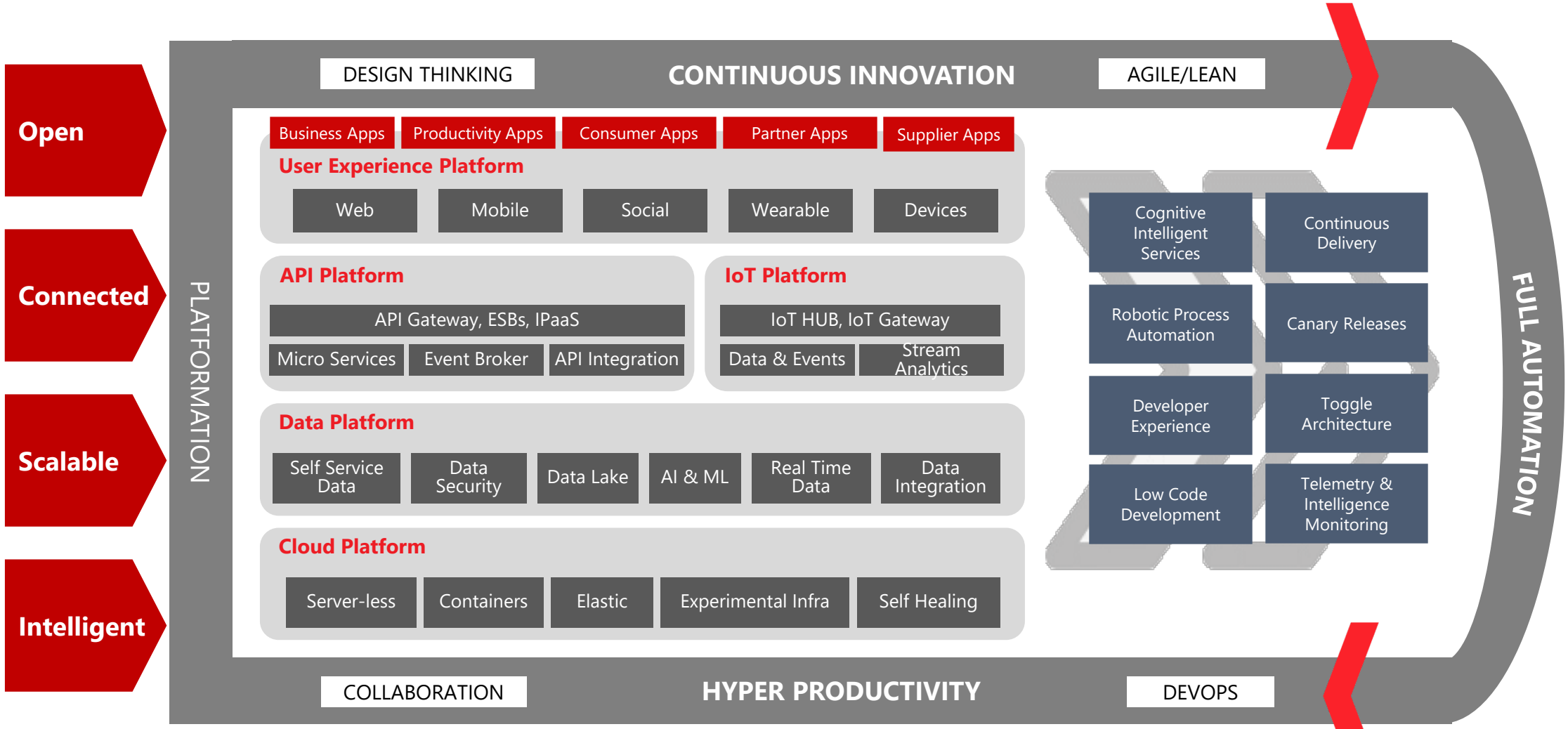
Creating Platforms to anchor the Platformation journey

Technology anchored **Platformation™** brings together digital platform technology excellence, design thinking-led innovation, agile way of working and modern delivery to deliver true digital transformation



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Retail Categories	Retail Digital Processes			
Unified Process	ML Based Personalized Recommendations & Promotions	Unified Fulfillment & Returns	Unified Pricing & Merchandising	Customer 360 Engagement
In-Store	Clienteling	Queue Busting	In-Store Mobile Shopping	Digital Payments
Ecommerce	AR/Chatbot based customer interaction	Digitized Product discovery	Outbound Marketing	Social Integrations
Operations	ML based Demand forecasting	Loyalty based engagement	RFID based product tracking	Barcode based product movement
Analytics	360 View Of Customer	Predictive Analysis	Web Analytics	Dashboard based decision making
Customer Service	Customer Identification	Virtual Customer Service	Self Service – Portals & Chatbots	Customer Engagement

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Enabled through structured Methods and Tools

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Applied Sonata's frameworks that help uncover the business & technology needs and priorities of the client, and developed a best-fit roadmap for "Platformation"

Platform Design

BUSINESS ARCHITECTURE
[Platform Design Canvas]

Platform Owners	ENABLING SERVICES (Platform To Partners)	Core Value Proposition	Transactions	Partners
		Ancillary Value Propositions		
Platform Stake-holders	EMPOWERING SERVICES (Platform To Peer Producers)	Infra-structure & Core Components	Channels & Contexts	PEERS (Producers)
	OTHER SERVICES (Platform To Peer Consumers)			PEERS (Consumers)

A mechanism to bring new insights on how the business ecosystem works, and the role of the **platform addressing the motivations of ecosystem participants**

Technology Assessment

AS-IS and TO-BE STATE
[Assessment on 16 point Framework of Platformation]

API based Integration	Cloud-enabled	Blockchain	Scalable
Micro-services Architecture	Multi-device / Multi- channel capability	CUI & bots	IoT
Robotic Process Automation	Multi-tenancy	Security & Compliance	Telemetry & Self Healing
Data strategy	Data analytics	Intelligent customer experience	Self-learning (Platform machine learning)

A mechanism to assess, evaluate and prioritize implementation of technology enablers to build **connected, intelligent, open and scalable platforms**

Implementation Roadmap

PLATFORMATION ROADMAP
[Roadmap & Recommendations]

Sonata READY	Sonata ACCELERATE	Sonata CUSTOM
Leverage Sonata's IP for platform-led business transformation	Leverage Sonata's experience of assessing, implementing, and supporting leading platforms for business process enhancement	Leverage Sonata's deep platform engineering skills, methodologies, and white-labelled assets to build customized platforms for business differentiation

A recommendation to select the best fit Sonata's solution approach for effective and efficient execution of **digital transformation programs through platformation**

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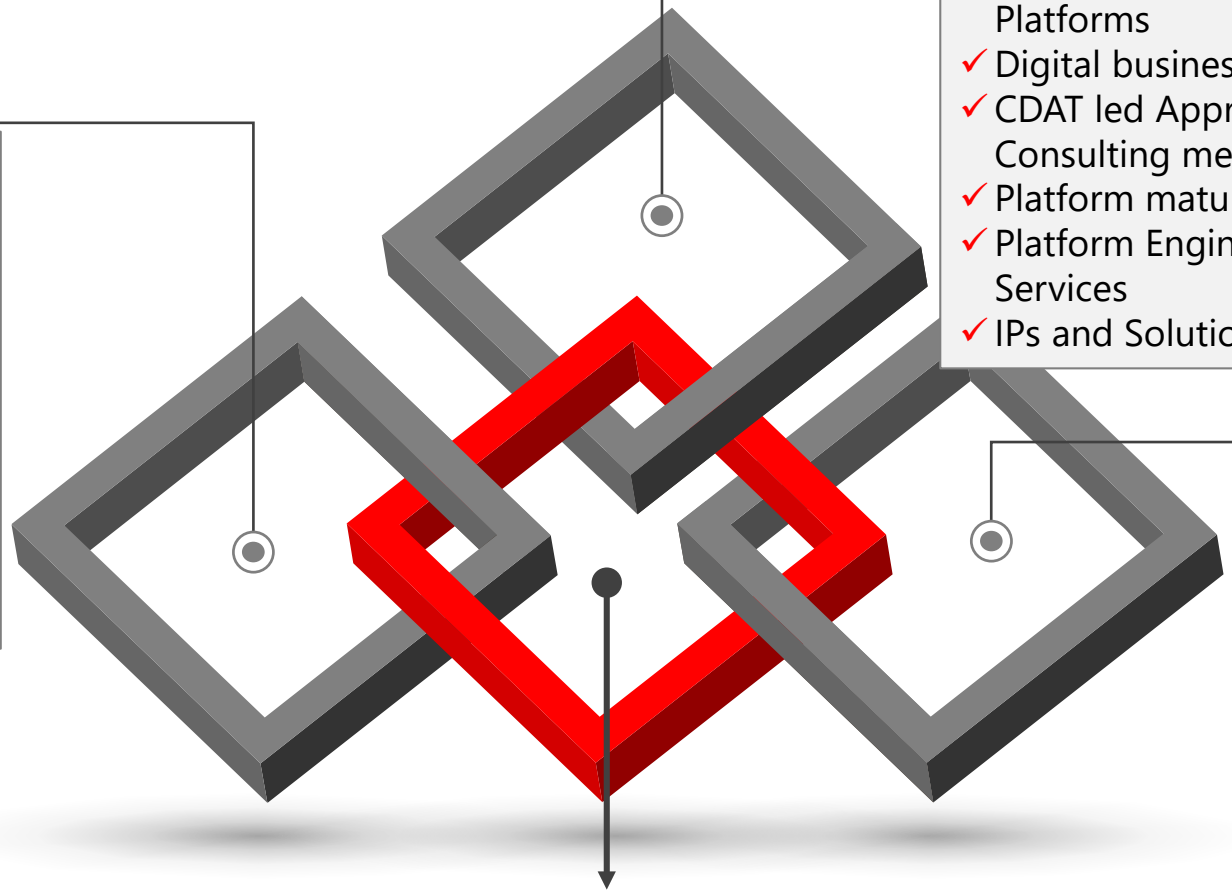
Microsoft Sonata - Joint GTM for Digital Transformation

Platformation™

- ✓ Unique approach to Digital Transformation through Platforms
- ✓ Digital business processes
- ✓ CDAT led Approach & Consulting methodology
- ✓ Platform maturity assessment
- ✓ Platform Engineering and Services
- ✓ IPs and Solution Accelerators

Industry Focus

- ✓ Retail, CPG, Distribution, Service, Manufacturing and Travel focus
- ✓ Enable new and flexible business models
- ✓ Industry Digital Business Processes
- ✓ New services & adjacencies leading to Efficiencies & Innovation
- ✓ Industry aligned Marketecture



Microsoft Full Stack

- ✓ Execution and services through Microsoft full stack platform
- ✓ Primed by Azure and data driven consumption
- ✓ Ready, Accelerate and Custom platform approach
- ✓ Leverage MSFT solution & platform accelerators

Sonata – Microsoft Joint GTM for Digital Transformation

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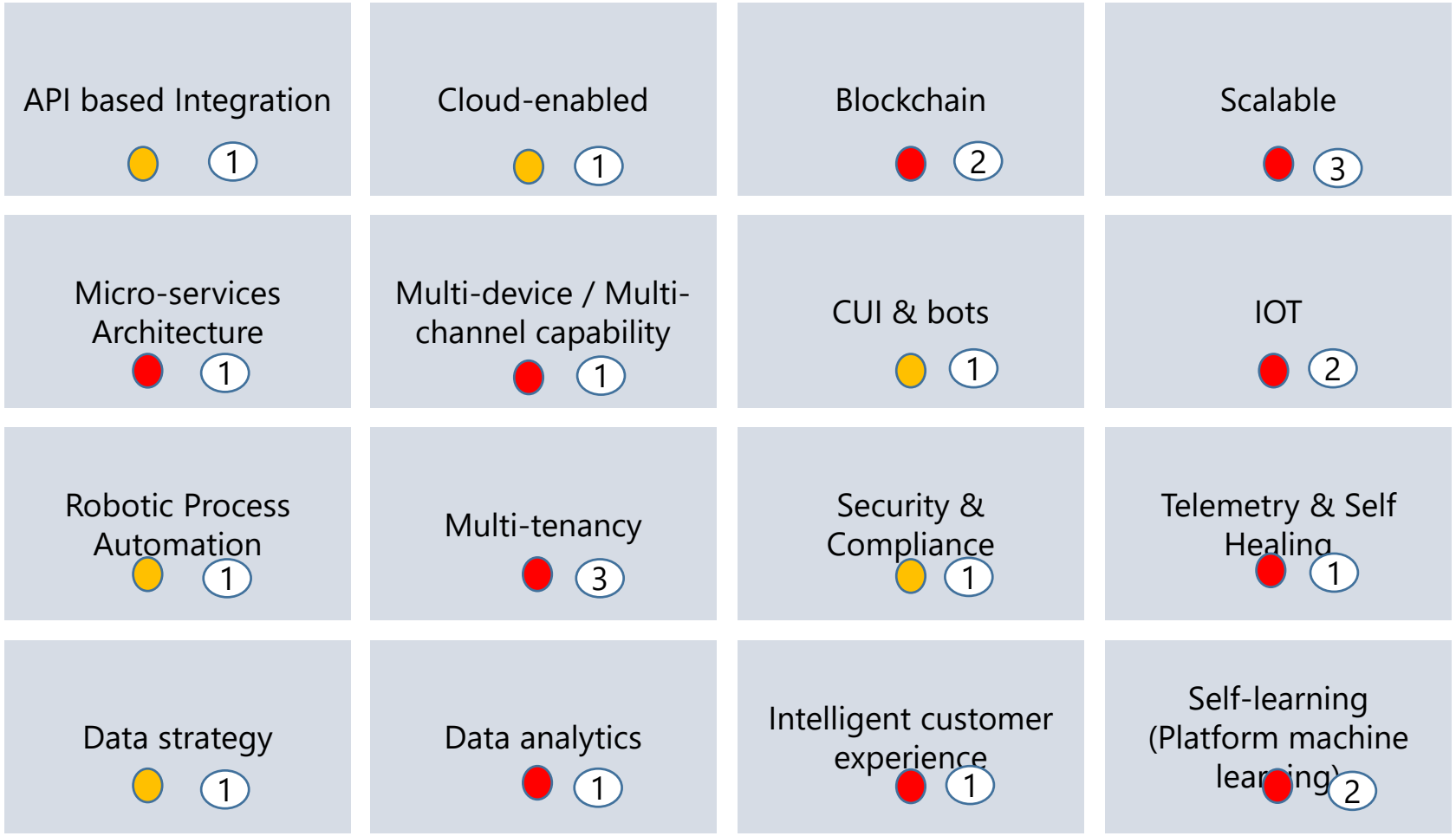
Step 7 - Technology Roadmap



EXECUTION

- Ready & On Board
- Not Initiated Yet
- In Progress

1 "Must" have in Near Future

2 "SHOULD" have in long term

3 Optional to have – Might not required

- Open
- Scalable
- Connected
- Intelligent

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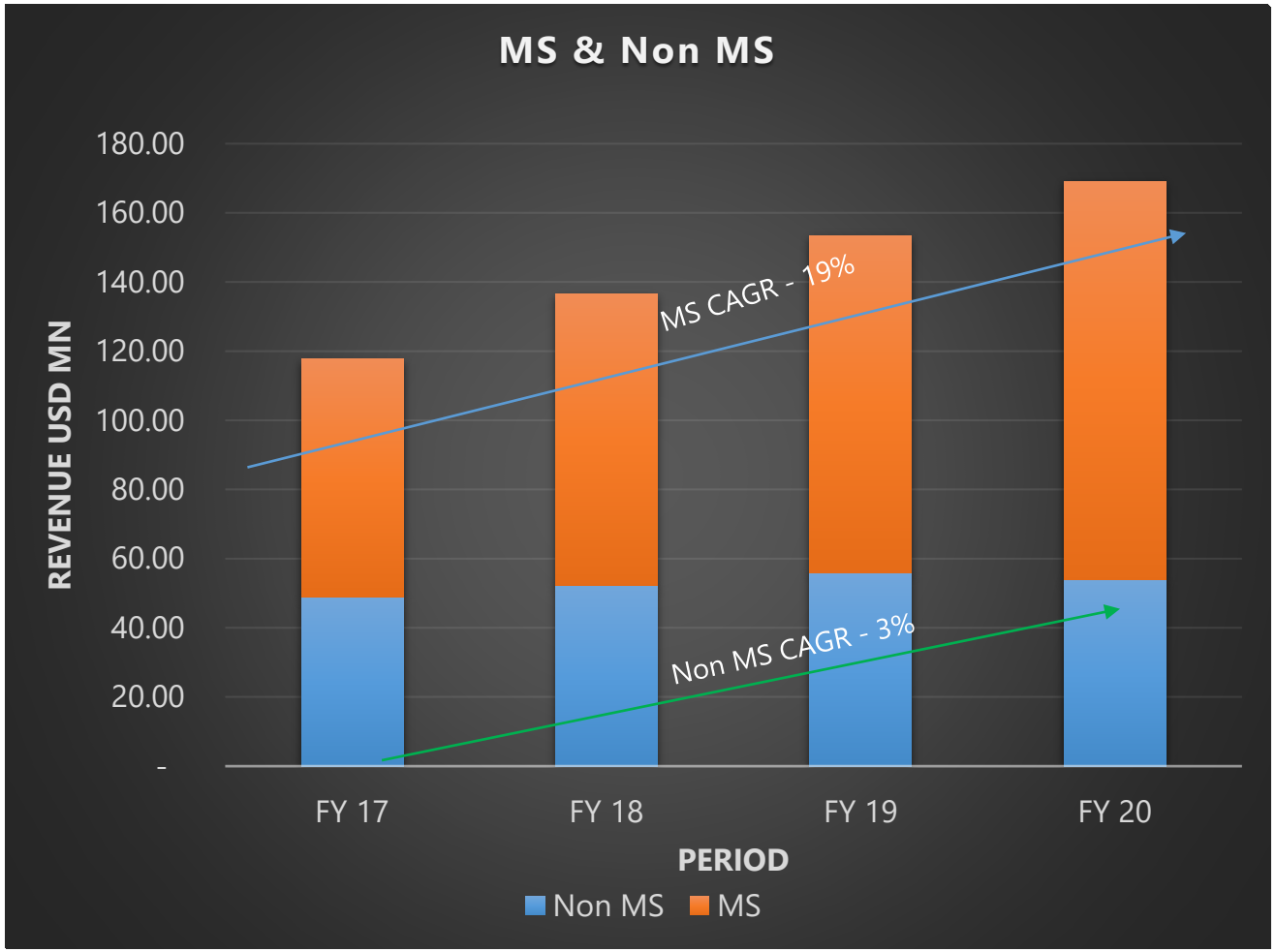
MS & Non- MS



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Steps taken to establish Sonata as Digital Transformation partner of choice

- Content - Include thought leadership Digital Transformation messaging in all marketing communications. E.g: Sonata Stories, Digital case studies, brochures, blogs/articles, videos, whitepapers and POV etc.
- PlatformationTM-led website communication
- Events & Webinars - Participate in Digital transformation event as speaker/sponsor. Conduct thought leadership webinars. Spearhead high profile Sonata customer events on PlatformationTM like Sonata Spark
- Social Media – Use social channels to promote thought leadership and PlatformationTM content organically and paid
- Thought leadership through industry bodies – WEF, NASSCOM, CII
- Sonata Story on PlatformationTM
- Branding: Facility, ODCs & CEC
- Analyst coverage on PlatformationTM
- People related branding and engagement around PlatformationTM

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Content, Branding, Customer Event, Analyst and Industry Relations

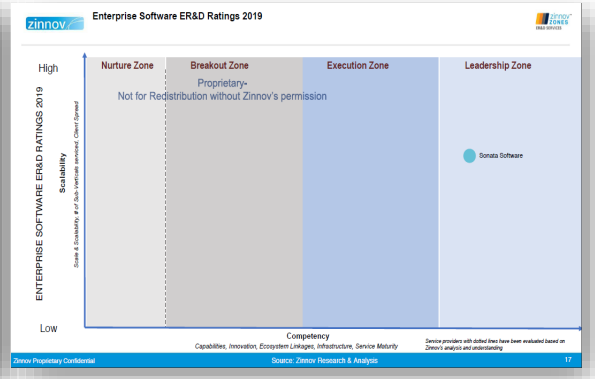
Digital Case Study

Blog

Digital ODC

Sonata SPARK Customer Event

Everest Group Software Product Engineering Services Peak Matrix Assessment 2019



Zinnov Enterprise Software ER&D Ratings 2019

NASSCOM Pavilion at Gartner IT Symposium XPO 2019

Sonata Story - Platformation™

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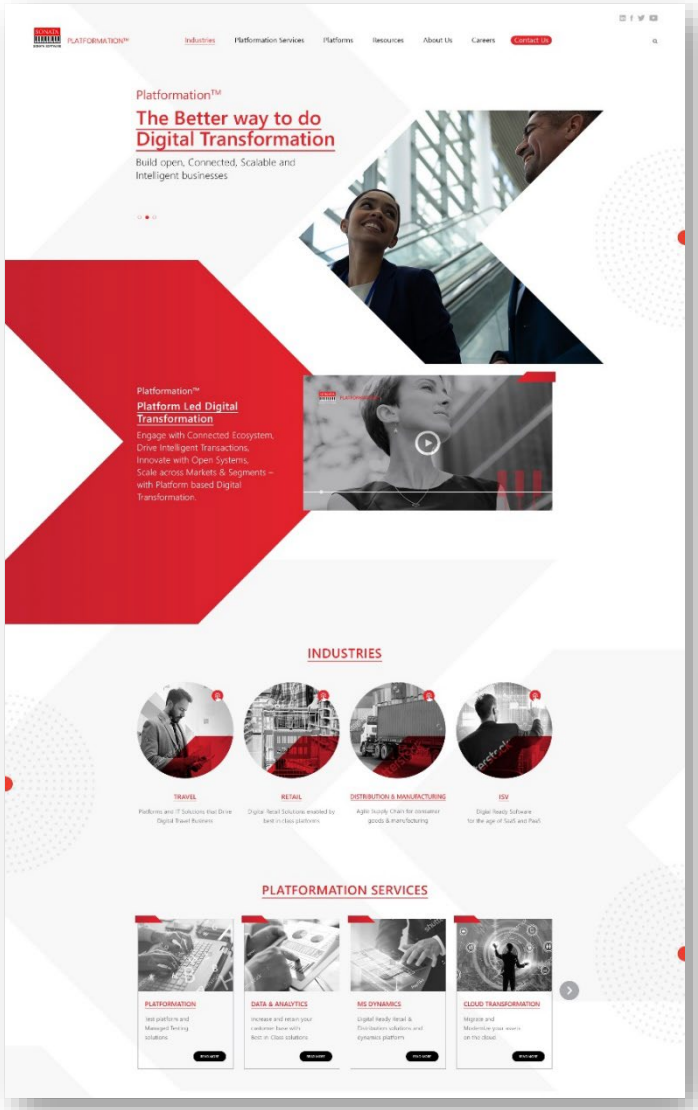
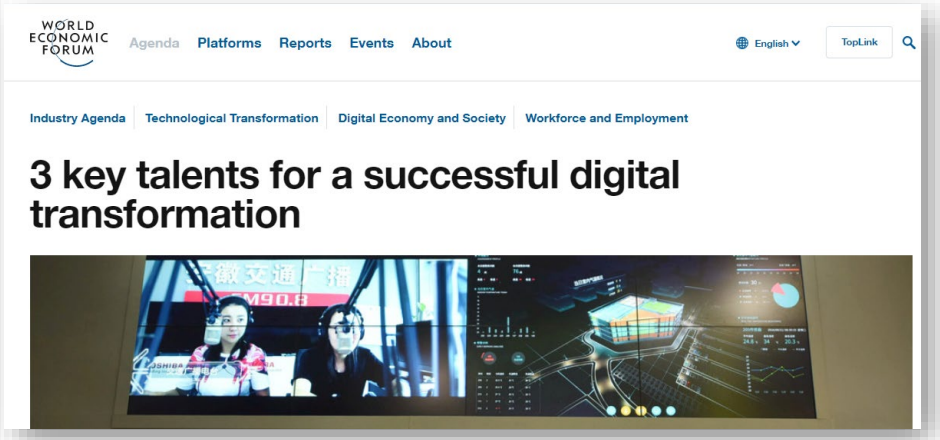
Webinar, Website, People Engagement, WEF and Newsletter



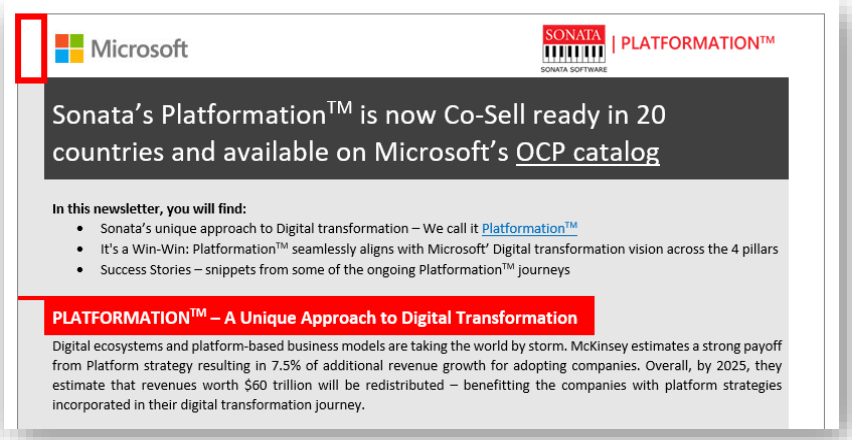
Upcoming Website

IP Digital Transformation Webinar

People Engagements



WEF Article



Alliance Newsletter

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