



Sonata Software - Consolidated Q3 FY 21-22 EBIDTA at ₹ 147 Crores, QoQ growth of 8% and YoY growth of 45%

Bengaluru, January 17, 2022

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 3rd quarter ended and nine months ended 31st December 2021.

in ₹ Crores								
Description	For the Quarter ended					For the nine months ended		
	31-Dec-21	30-Sep-21	31-Dec-20	QoQ	YoY	31-Dec-21	31-Dec-20	YoY
Revenues								
International IT Services	395.2	360.8	300.9	10%	31%	1,079.9	864.8	25%
Domestic- Products & Services	1,464.2	605.5	1,099.4	142%	33%	3,016.0	2,304.1	31%
Consolidated	1,858.0	963.2	1,396.2	93%	33%	4,089.7	3,152.4	30%
EBITDA								
International IT Services	110.5	103.5	87.1	7%	27%	311.1	222.3	40%
Domestic- Products & Services	36.9	33.7	27.3	10%	35%	102.9	63.8	61%
Consolidated	146.9	136.6	114.2	8%	29%	412.6	285.1	45%
PAT								
International IT Services	71.2	67.3	41.4	6%	72%	202.2	123.3	64%
Domestic- Products & Services	26.4	23.9	12.4	11%	114%	73.3	37.6	95%
Consolidated	97.6	91.2	53.8	7%	82%	275.5	160.9	71%

Mr. Srikar Reddy, Managing Director & CEO of the Company said-

The results are an affirmation that we continue to execute well on our goal of being a strategic partner for our clients in building world class digital enterprises through our unique Platformation™ methodology.

Developing world class competencies in digital services like platform engineering, cloud transformation, data analytics and Microsoft digital platform and aligning them to Platformation™ has helped us win and execute enterprise class digital engagements.

We see a continued uptick in the demand situation for digital services with growth in both existing accounts and in our new deal pipeline. In view of super high demand for digital talent we continue to execute on a comprehensive talent plan, comprising a range of initiatives on improving employee engagement and retention, creating capacity in advance, more focus on training and development, and expanding our delivery centres with near shore delivery centres for US and Europe.

Our India business has continued to show robust growth with shift to cloud and digital infrastructure.

With continued clear visibility and business opportunity, we will continue to invest for growth, in talent acquisition and transformation, IP creation, competency, capability development and sales & marketing.



Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹ 1,858 Crores, growth of 93% QoQ.
- EBITDA at ₹ 146.9 Crores, growth of 8% QoQ
- Net Profit at ₹ 97.6 Crores, growth of 7% QoQ
- Cash and equivalents (net of borrowings) approximately ₹ 637 Crores.

- **International IT Services:**

- Revenues at ₹ 395.2 crores; growth of 10% QoQ;
- Revenue in USD at 53.4 million, QoQ revenue growth of 8.1% in USD terms and constant currency growth of 8.6%.
- Growth across all geographies (USA 11 %, Europe 2.5%, Rest of World 2.3%).
- EBITDA at ₹ 110.5 Crores: growth of 7% QoQ;
- Net profit (PAT) at ₹ 71.2 Crores, QoQ growth of 6%
- Addition of 11 new customers during the quarter.
- Overall strategy of creating digital enterprises by creating platform through our unique Platformation™ methodology are yielding results.
- Strong growth from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like ISV, Retail (Essential) and Commodity Business & Service Industry.
- Strong cash and liquidity positions maintained. DSO is 43 days.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 1,464.2 crores: growth of 142% QoQ;
- Domestic business revenue driven by multiyear cloud-based annuity deals. 78% of revenue from cloud-based deals. Sustained growth ensured through strong customer retention, 83% of gross margin from customers with turnover (customer's revenue) more than 1,000 Crores and more than 80% of gross margin earned from repetitive customers with more the 5 years of association.
- Domestic business measured on absolute Gross Margin. Gross margin for the Quarter at ₹ 45.1 crs vs ₹ 39.9 Crores
- EBITDA at ₹ 36.9 Crores: growth of 10% QoQ;
- Net profit (PAT) at ₹ 26.4 crores QoQ growth of 11%
- DSO at 33 days.



About Sonata Software

Sonata is a global technology company specialising in platform-based digital transformation, supporting businesses to become connected, open, intelligent and scalable. Sonata's Platformation™ methodology brings together industry expertise, platform technology excellence, design innovation and strategic engagement models to deliver sustained value to customers. A trusted partner of world leaders in the retail, manufacturing, distribution, travel, services and software industries, Sonata's software portfolio includes the Brick & Click Retail Platform®, Modern Distribution Platform®, Rezopia Digital Travel Platform®, Kartopia E-commerce Platform®, Halosys enterprise development automation Platform®, CTRM Commodity Trading and Risk Management Platform® and KODO - AI Powered Customer Experience (CX) Platform. Sonata's Platformation approach ensures services built on Microsoft Dynamics 365, Microsoft Azure, AWS, Cloud Engineering and Managed Services deliver on the Platformation promise. As world leaders in digital technologies including IoT, Artificial Intelligence, Machine Learning, Robotic Process Automation, Chatbots, Block Chain and Cyber Security, Sonata's people and systems are nurtured to deliver on our commitment to excellence in business technology solutions.

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