

PLATFORMATION™

DIGITAL TRANSFORMATION DELIVERED



ANNUAL REPORT
2021-22

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PLATFORMATION™

delivers more impactful digital services

It has been five years since we conceptualized Platformation™, our unique proprietary model of digital transformation for organizations. The model was created after understanding how successful, born-digital companies have been able to create, grow and scale by deploying digital technologies in unique ways and creating successful platform-based businesses.

The world continues to evolve rapidly. Old business models have been upended. Digital is no longer an adjunct to business efficiency. It has become its lifeblood. Companies need more from their partners. Not just for digital transformation, but also to navigate an increasingly chaotic world of shifting consumer habits, multiple technology platforms and a future that holds great promise but even higher risks.

Companies have realized that a successful digital program is based on creating and deploying holistic business and technology platforms.

Driving Digital Transformation

Platformation™ has now become more relevant than ever, with the realization that platforms are core to successful digital businesses. Platformation™ has allowed us to combine a design thinking-led approach with a platform mindset, enabling us to stand as partners to our customers' platform journey, from inception to support. The platform-based businesses we help build are open, connected, scalable and intelligent – the attributes necessary to create successful digital businesses. The Platformation™ approach leverages world-class consulting assets and best practices: the Platform Maturity Assessment, that uses our proprietary methods to understand where are clients stand in their digital journey; the implementation of platform business models and technology maturity frameworks to assess maturity; the implementation of key platform technologies like data, cloud, cyber security, IoT and AI; marchitecture, which works as a blueprint, laying out the various platforms and their constituent components, as well as their interfaces with other systems.

The Foundation of our Offerings

The Platformation™ offering today has now matured over the past five years. the offerings range from consulting on platform alignment to Platformation™, building, deploying, and managing platforms.

The services span the whole technology stack: cloud services - modernization, native development, platform engineering, data and analytics - data modernization, creating data infrastructure on the cloud, insights using AI/ML, and implementing cloud SaaS platforms to improve core business processes.

Digital services also include building solutions and deploying and managing end to end technology stacks of hyper-scalers to achieve broad-spectrum digital transformation.

Delivering Excellence

Our strong digital services have been at the forefront delivering the business transformations for our clients, through thought leadership, customer centricity, and execution excellence.

Some of the major Platformation™ engagements in the year that helped our clients become superior digital businesses:

- For a large flow systems company in the US, Platformation™ has helped us create platforms that facilitate smooth engagement with affiliates, catering to thousands of users, providing seamless integration with vendors and partners, better warehouse management, along with go-to-market solutions that allow continuous monitoring of customer segments and revenues. All the elements of Platformation™ open, scalable, connected and intelligent are in action to deliver a superior platform-based eco system.
- Platformation™ helped us create a digital learning resource platform with the vision of transforming medical education. It is a one-of-its-kind solution in Indian medical history and the Sonata team is proud to be associated in creating this platform aligned to principles of Platformation™. This is a platform for instruction content creation, design and curation process management and included a repository and document management system for use by subject leaders, experts, and designers. Our Platformation™-compliant Learning Content Management Platform enables creation of the digital content and Workflows to enable curation of the content with role-based access controls and enterprise search.
- We also deployed the Microsoft Dynamics platform on the cloud for a large manufacturing company in the US. Platformation™ helped in achieving end-to-end digital transformation by looking at the platform holistically. Leveraging the complete technology stack including data analytics on the cloud.

The Learning Organization

Excellence in delivery, especially in a technology company, requires that the organization builds a learning culture, as well as clear growth and development options for its employees. Our Platformation™ focus has led to us redefining roles and responsibilities around the task of delivering Platformation™ compliant solutions to our customers. Design thinking was identified as one of the core skills, allowing employees to be more empathetic to client needs and applying tools and frameworks like persona-based requirement definitions and customer journey maps. Learning and development modules across all aspects of the business – for client partners, strategists, architects and designers, unified full stack engineers allow Sonatians to develop their skills, grow personally and professionally, and create a world class Platformation™ experience, both for themselves and for our customers.



In Conclusion

Platformation™ began as a concept. Over the past five years, it has become our differentiator. It is core to our offerings, and it has helped our clients build successful digital businesses. More than ever, we believe we are well positioned as a strategic digital partner of choice for our customers to help achieve their digital agenda and accelerate their transformation mandates.

The Sonata Footprint across the Globe



Sales Offices

North America

- Atlanta
- Chicago
- Fremont
- Colorado
- Dallas
- Redmond
- Bridgewater

UK

- London

Middle East & Africa

- Qatar
- Dubai

Europe

- Germany
- The Netherlands
- Denmark

APAC

- Singapore
- Japan

Australia

- Sydney
- Melbourne
- Brisbane

Development Centers

North America

- Redmond

Ireland

Canada

- Vancouver

India

- Bengaluru (2)
- Hyderabad (1)

Offices

- Bengaluru
- Chennai
- Delhi
- Hyderabad
- Kolkata
- Pune
- Mumbai
- Mexico

Operational Highlights

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. 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.

Acquired San-Jose based Encore Software Services, Inc. Services, a company with expertise in cloud services, user experience, data insights, and real-time collaboration services to clients in the Healthcare, Supply-chain / Logistics, and ISV industries.

Covid has created a climate of uncertainty and unanticipated challenges. We took some important and timely measures ensuring safety and support to Sonatians and their family members. Hospital tie ups ensured we successfully vaccinated over 3500+ Sonatians and their families. Enhanced insurance coverage, partnering with Practo, a leading health care platform, to provide 24x7 Tele-consultation support and Emotional Wellness Programs in partnership with Roshni Trust were some of the other measures taken. Fortune India recognized Sonata Software as one of the top 100 value creators in India. The magazine notes the success of its platform focus and its Platformation™ methodology, which have served as key differentiators in a crowded market.

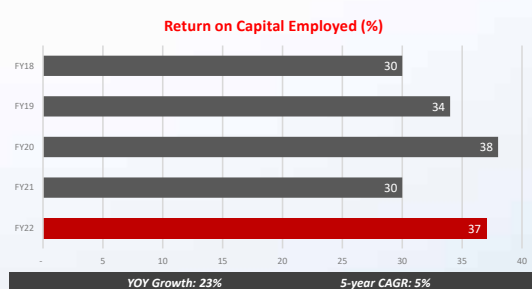
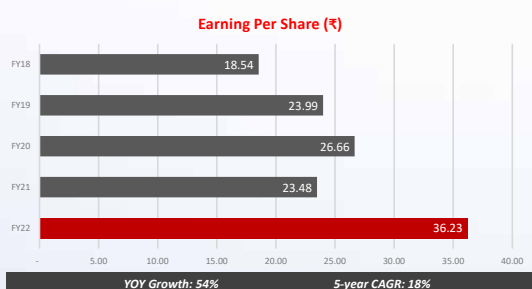
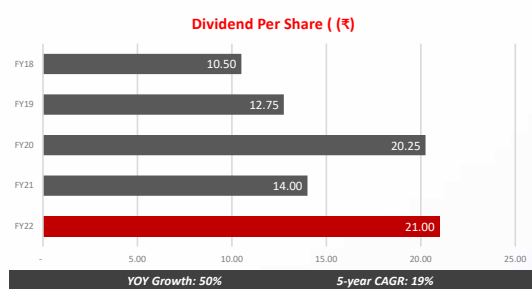
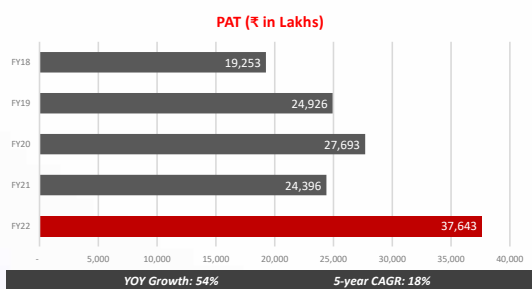
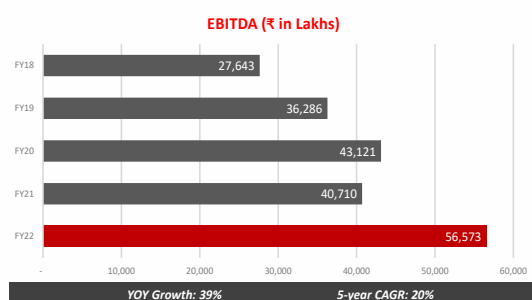
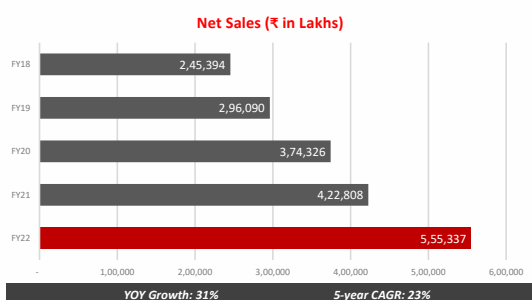
Sonata Software made it to the Microsoft Inner Circle, joining the elite group of strategic Microsoft Partners for its exemplary achievements in the Business Applications domain.

Prominent Analyst firms like IDC, Forrester and Everest have rated our Microsoft Dynamics 365 capabilities highly and placed us alongside some of our competitors, rating our performance and vision very highly.

Sonata Software Limited declared winner of the prestigious '**Golden Peacock Award for Excellence in Corporate Governance**' for 2021



Financial Highlights





| Key Financials | FY22 | FY21 | FY20 | FY19 | FY18 |
|---------------------|----------|----------|----------|----------|----------|
| Net Sales | 5,55,337 | 4,22,808 | 3,74,326 | 2,96,090 | 2,45,394 |
| EBITDA | 56,573 | 40,710 | 43,121 | 36,286 | 27,643 |
| PAT | 37,643 | 24,396 | 27,693 | 24,926 | 19,253 |
| Net Worth | 1,09,920 | 90,547 | 66,967 | 76,286 | 65,326 |
| Debt | 3,800 | 8,973 | 8,600 | 1,562 | 3,373 |
| Debtors | 89,256 | 61,579 | 70,000 | 81,111 | 39,644 |
| Cash | 87,161 | 64,811 | 31,149 | 33,608 | 54,318 |
| Per Share Ratio (₹) | | | | | |
| EPS | 36.23 | 23.48 | 26.66 | 23.99 | 18.54 |
| DPS | 21.00 | 14.00 | 20.25 | 12.75 | 10.50 |
| BVPS | 104.53 | 86.07 | 63.66 | 73.06 | 62.12 |
| Margin Ratio (%) | | | | | |
| EBITDA Margin | 10 | 10 | 12 | 12 | 11 |
| Net Profit Margin | 7 | 6 | 7 | 8 | 8 |
| RoE | 38 | 31 | 39 | 35 | 31 |
| RoCE | 37 | 30 | 38 | 34 | 30 |

Sonata Software at a Glance

Sonata is a global technology company specializing 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.

Vision

To become a world class firm that is a benchmark for catalyzing business transformation for our clients, fulfilling employee aspirations and caring for our wider community, through depth of thought leadership, customer centricity and execution excellence.