Sonata Software – International Services Revenue grew by 4.6% QoQ (40% YoY) in USD, and Domestic Gross Contribution grew by 16.5% YoY in INR. Board approved 1:1 bonus issue and interim dividend of ₹ 7 per share.

Consolidated PAT for Q2 FY 23-24 grew by 3% QoQ.

Bengaluru, October 25, 2023

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 2nd quarter ended 30th September 2023.

									₹ *in Crores*
Description		*For the Quarter ended*					*For the half year ended*		
	30-Sep-23	*30-Jun-23*	*30-Sep-22*	*QoQ*	*YoY*		*30-Sep-23*	*30-Sep-22*	*YoY*
Revenues									
International IT Services	670.0	633.8	460.4	6%	46%		1,303.8	897.2	45%
Domestic- Products & Services	1,244.0	1,391.7	1,040.2	-11%	20%		2,635.8	2,383.3	11%
Consolidated	1,912.6	2,015.5	1,496.0	-5%	28%		3,928.1	3,274.8	20%
EBITDA									
International IT Services	165.0	150.6	119.3	10%	38%		315.7	235.4	34%
Domestic- Products & Services	56.4	56.4	47.1	0%	20%		112.9	91.1	24%
Consolidated	220.5	206.4	165.7	7%	33%		426.9	325.6	31%
PAT									
International IT Services	83.7	79.9	78.6	5%	7%		163.6	154.6	6%
Domestic- Products & Services	40.5	40.2	34.1	1%	19%		80.7	65.9	22%
Consolidated	124.2	120.1	112.7	3%	10%		244.3	220.5	11%

Speaking on the quarterly results Mr. Samir Dhir, MD & CEO of the Company said,

"We are proud and excited to deliver yet another quarter of Industry-leading growth, despite the macro geo-political issues, economic challenges, and slowdown in tech-spending. Our International services Revenue in USD terms grew 4.6% QoQ. Consolidated PAT for Q2'24 grew 3.4% QoQ. We won our first multi-year AI-enabled business transformation large deal – powered by Sonata's Harmoni.AI."

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited said,

"Our domestic products division delivered a good performance during this quarter. Our Gross Contribution grew by 1 % QoQ and 16.5 % YoY. Our Q2 PAT grew by 19% YoY. We successfully renewed all our large multiyear software contracts with our key customers. We will continue focusing on our Multi-Cloud Management offerings and System Integration business to drive future growth."

Performance Highlights for the quarter:

- *Consolidated:*

  ➢ Revenues at ₹ 1,912.6 crores; YoY growth of 28%
  ➢ EBITDA at ₹ 220.5 crores; YoY growth of 33%
  ➢ PAT at ₹ 124.2 crores; YoY growth of 10%
  ➢ Net Cash and equivalents of approximately ₹ 267 Crores (net of borrowings).
  ➢ DSO improved to 40 days (Q1'24: 41 days).

- *International IT Services:*

  ➢ Revenues at ₹ 670.0 crores; YoY growth of 46%
  ➢ Revenue in USD at 80.9 Million, QoQ revenue growth of 4.6% & YoY 40.0% in USD terms,
  ➢ EBITDA at ₹ 165.0 crores; YoY growth of 38%
  ➢ PAT at ₹ 83.7 crores; YoY growth of 7%
  ➢ DSO improved to 45 days (Q1'24: 46 days)
  ➢ Four New customer added during the quarter
  ➢ Overall strategy of delivering outcome-based Modernization services using our Domain-Led and technology-based Modernization anchored by GTMs executed through Platformation™.
  ➢ Strong growth from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like TMT, Healthcare & Life Sciences, Manufacturing, Retail / CPG/ TTH, BFSI and Emerging.
  ➢ Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- *Domestic Products & Services:*

  ➢ Revenues at ₹ 1,244.0 crores; YoY growth of 20%
  ➢ Gross contribution at ₹ 62.4 Crs grew by 16.5% YoY.
  ➢ EBITDA at ₹ 56.4 crores; YoY growth of 20%
  ➢ PAT at ₹ 40.5 crores; YoY growth of 19%
  ➢ DSO improved to 35 days (Q1'24: 36 days)

About Sonata Software

Sonata Software is a leading Modernization Engineering company, powered by its unique Platformation™ framework that brings together industry expertise, platform technology excellence, design innovation and strategic engagement models to deliver sustained value to customers. We partner with Fortune 500 clients to help them reimagine their business processes as part of modernization programs. As part of this phase, we drive business enablement sessions, consulting, and business processes to be aligned with best-in-class industry-specific practices. Our outcome-based Modernization Services include Cloud, Data, Dynamics, Managed Services, Automation and Digital Contact Center. We offer services and solutions around newer technologies like Generative AI, MS Fabric, and other modernization platforms. Sonata has a strong global presence in key regions including US, UK, Europe, APAC, and ANZ. We are a trusted partner of world leading companies in TMT, Retail & CPG. Manufacturing, BFSI and HLS space. Our partner ecosystem boasts of strong relationships with Microsoft, AWS, Salesforce, Snowflake, Google, and Industry partners and is critical to the value we create with our clients.

For further information, please contact:

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