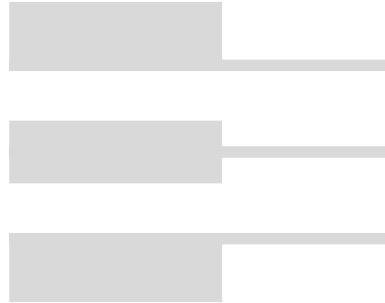




A Modernization
Engineering Company

Q3 FY'24

Earning's presentation : Financial performance



Sonata acquired **Quant Systems** in 2023 and **Encore Software** in 2021



**Both the acquisitions have outperformed our estimates
and
have a marquee client-list, strong pipeline and order book**

We are proud of our joint success!

M&A terms disclosed earlier, entitle them to additional payouts based on their performance...



	Target Growth		Projected Growth	
	CY 23	CY 24	CY 23	CY 24
Revenue \$M	60%	36%	64% ↑	65% ↑
EBITDA \$M	32%	33%	127% ↑	45% ↑

CY 23 and 24

- Revenue projection: 1.2x Target achievement over 2 years
- EBITDA projection: 1.8x Target achievement over 2 years
Against the initial valuation of \$160M, we are estimating additional Earnout of \$17.1M due to significant over-performance in Revenue and EBITDA – enabled by IP (Workbox.io).



	Target Growth			Projected Growth		
	2021-22	2022-23	2023-24	2021-22	2022-23	2023-24
Revenue \$M	10.3%	9.8%	9.6%	87.2% ↑	21.5% ↑	16.6% ↑
EBITDA \$M	9.8%	10.0%	9.4%	89.0% ↑	34.0% ↑	16.2% ↑

FY 22, 23, 24, and part of 25

- Revenue projection: 1.9x Target achievement over 3 years
- EBITDA projection: 2x Target achievement over 3 years
Against the initial valuation of \$13.75, we are estimating additional Earnout of \$3.9M due to over-performance in Revenue and EBITDA – enabled by the timing of acquisition with post-COVID growth.

Expected payout of \$21M is taken in the P&L as an Exceptional item, as per the accounting standards

Q3 FY24 Performance Highlights

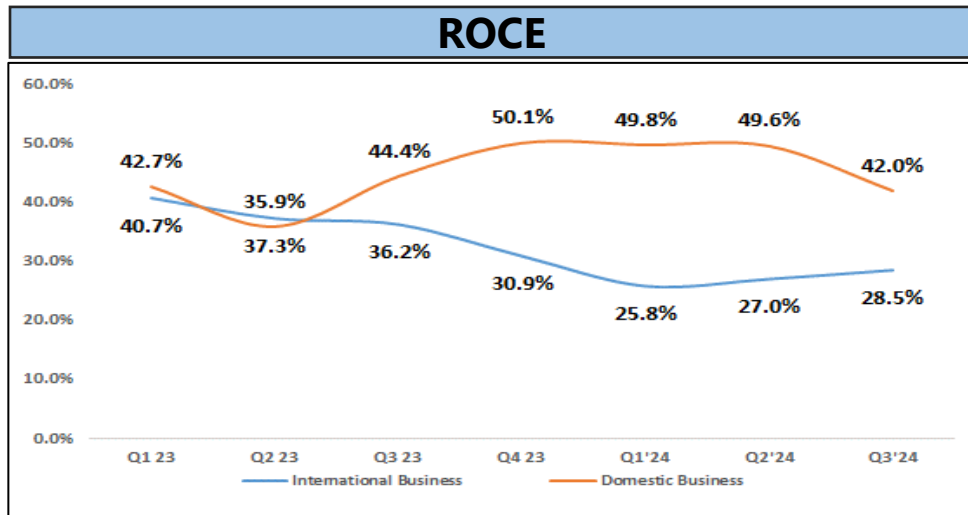


Consolidated Business					
PAT (Before Exceptional Items)	QoQ	↑	YoY	↑	
₹ 128.5 Crs	3.5%		9.2%		
PAT (Post Exceptional Items)		↓		↓	
₹ -46.2 Crs	-137.2%		-139.2%		

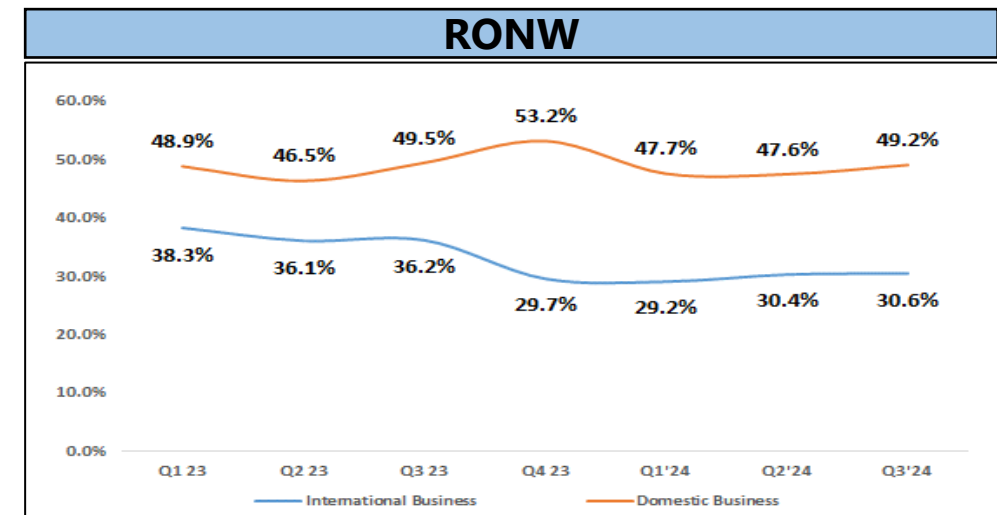
International Services					
Revenue \$	QoQ	YoY			
\$ 83.7 Mn	3.5%	38.3%	(3.0% CC)	(37.0% CC)	
Revenue ₹	QoQ	YoY			
₹ 696.8 Crs	4.0%	42.3%			

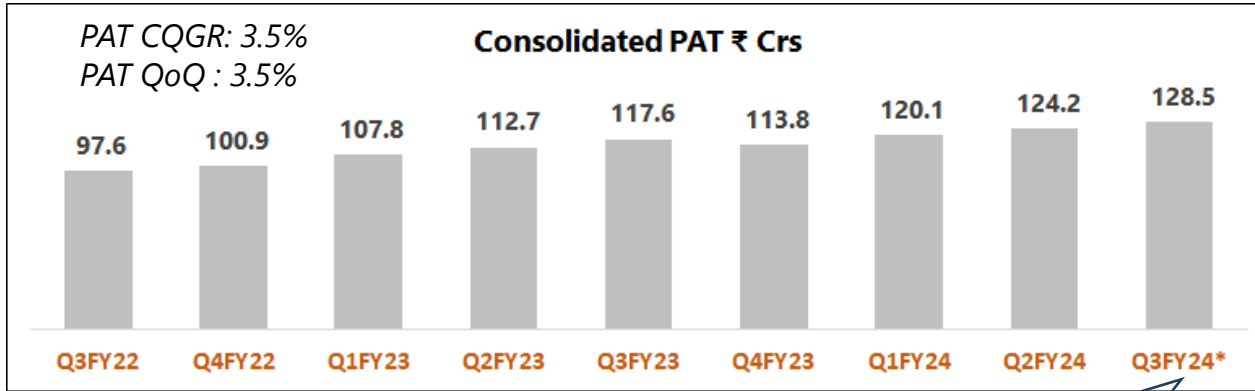
Domestic Business					
GC	QoQ	YoY			
₹ 71.3 Crs	14.2%	25.8%			

Consolidated EPS (in ₹)					
	Q3'24	Q2'24	Q3'23	QoQ	YoY
Consol EPS before Exceptional items	4.6	4.4	4.2	3.4%	9.2%
Consol EPS post Exceptional items	(1.6)	4.4	4.2	-137.2%	-139.2%



- At Consol level,
ROCE : Q3'24 : **31.4%**
(Q2'24: 31.1%)
RONW : Q3'24 : **35.0%**
(Q2'24: 34.5%)





PAT post exception item : (-46.2) Crores

Exceptional item is on account of fair value of contingent consideration amounting to \$20.99M (₹ 174.66 crores) is recorded in the Statement of Profit and Loss, since the change in fair value is attributable to financial performance of acquired entities post the acquisition including synergy revenues. The above change in fair value is disclosed as an 'exceptional item', considering materiality and its non-recurring nature

Break up – Other Income & Fx

International services	Q1'24	Q2'24	Q3'24
Other Income	16.0	8.4	6.8
Fx Impact Loss / (Gain)	(1.1)	(1.7)	(3.8)
Domestic Business	Q1'24	Q2'24	Q3'24
Other Income	10.7	12.63	6.0
Fx Impact Loss / (Gain)	(0.8)	(1.3)	(2.9)

Break up - Amortization and Interest

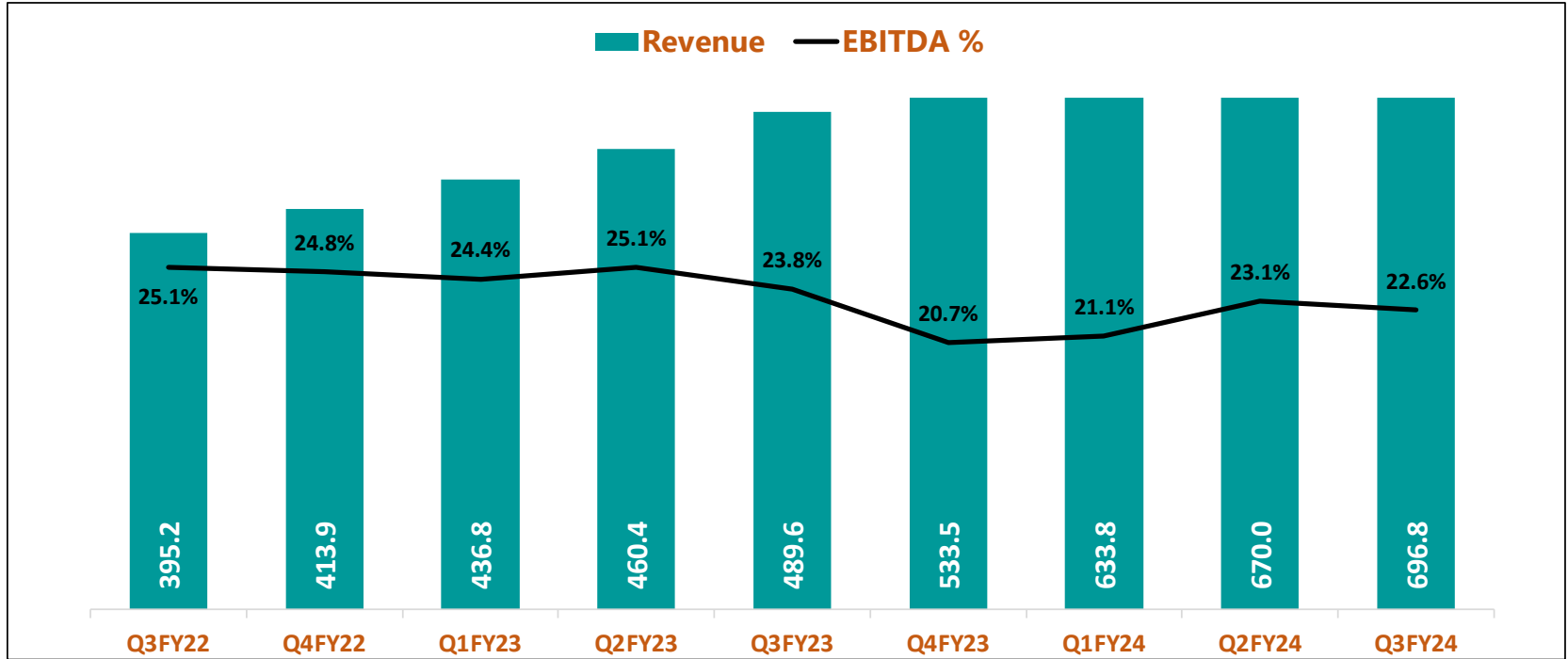
Particulars	Q1'24	Q2'24	Q3'24
Amortisation of Intangibles	20.7	21.3	21.5
Interest on Acquisition loan	6.5	6.9	8.1
Unwinding Interest on deferred consideration	11.3	11.1	11.1
Total	38.6	39.3	40.6

Break up of Depreciation in P&L

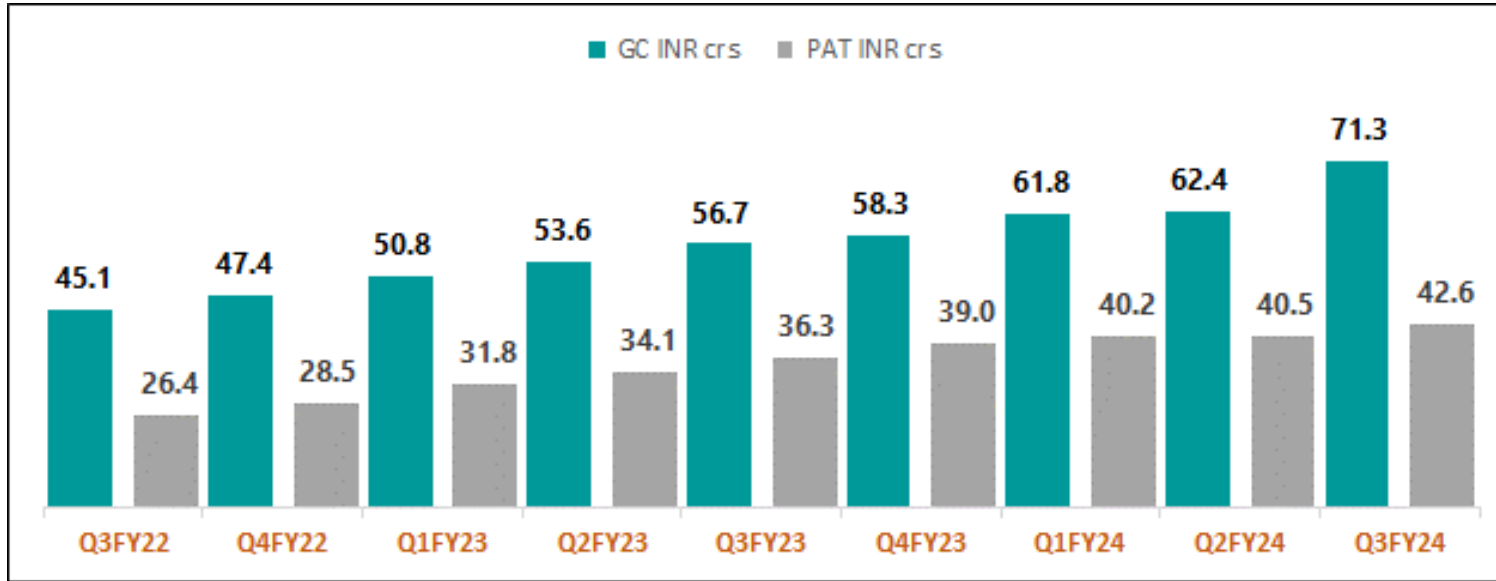
Particulars	Q1'24	Q2'24	Q3'24
Depreciation of Fixed Assets	10.0	11.6	11.6
Amortisation of Intangibles	20.7	21.3	21.5
Quant	16.8	17.1	17.2
Earlier acquisitions (Encore, GBW, Sopris & Scalable)	4.0	4.2	4.3
Subtotal - International	30.7	32.9	33.1
Subtotal - Domestic	0.5	0.5	0.6
Total	31.2	33.3	33.7

Interest on deferred consideration (21.5 Crs) & Amortization of intangibles (21.5 Crs) in Q3 is at similar levels from Q2

International Services Financial Trend



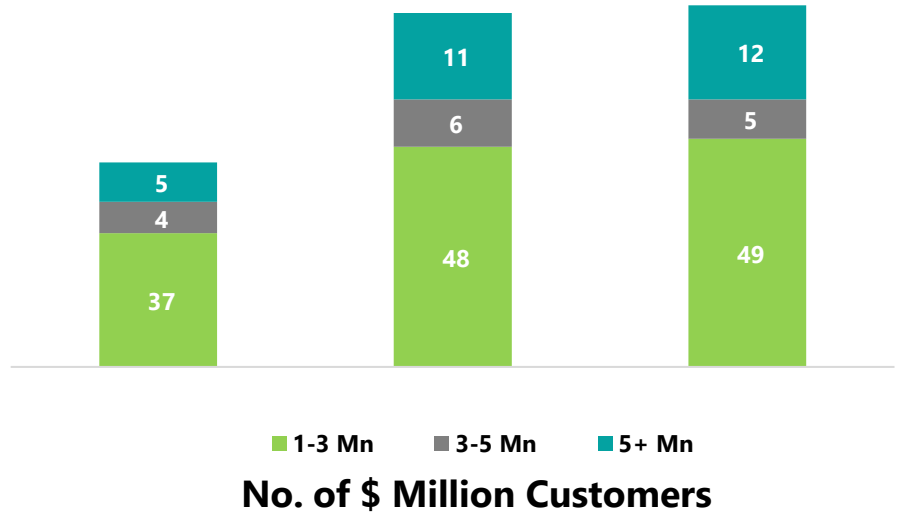
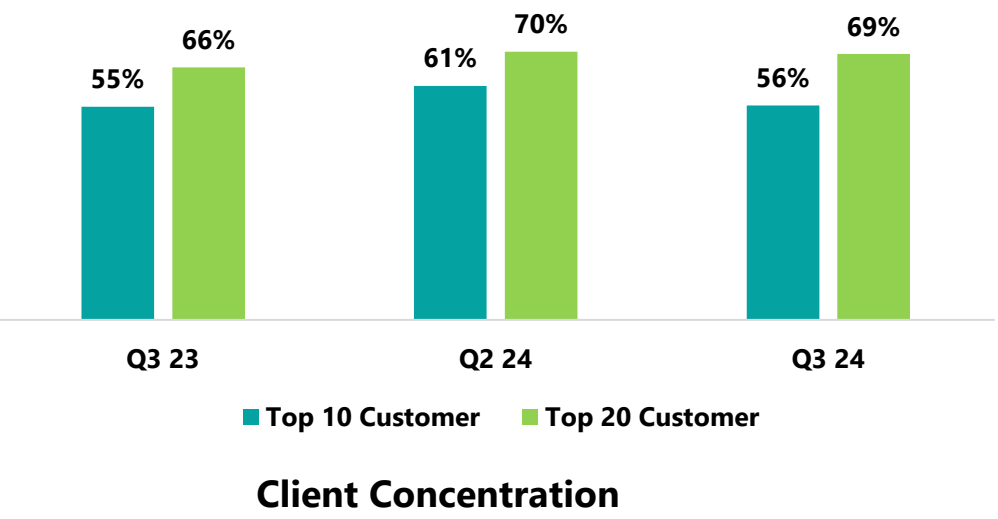
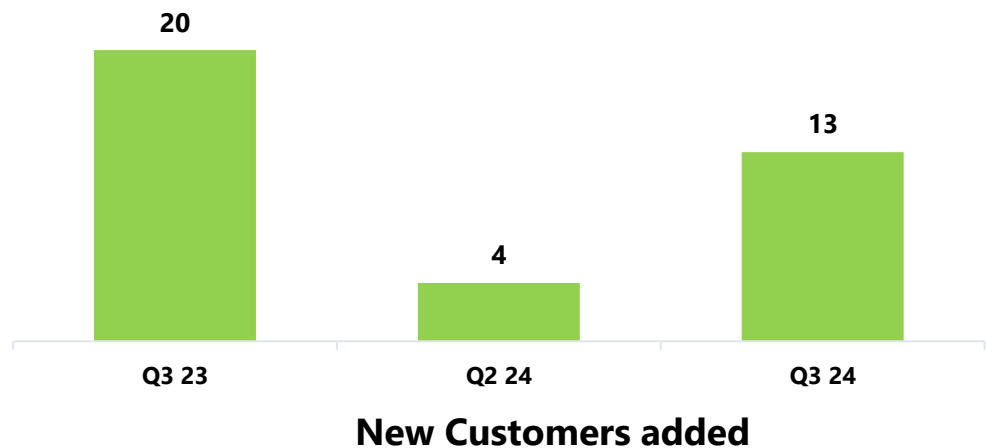
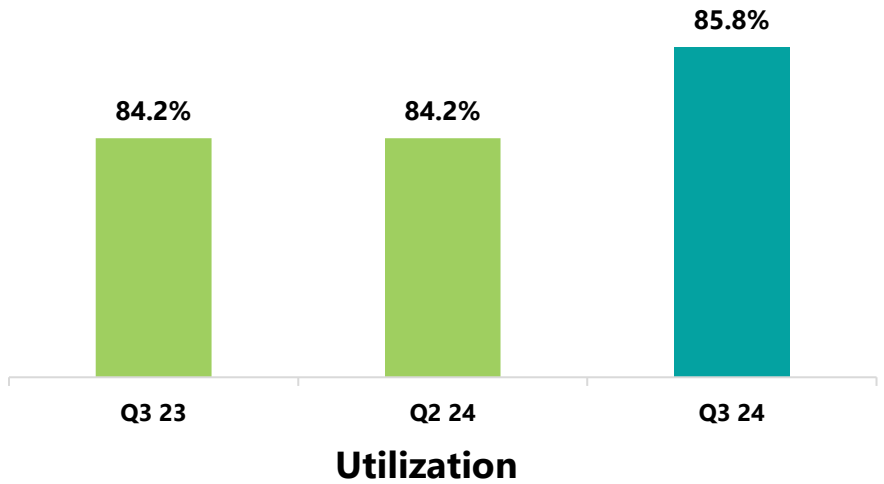
- 1. Revenue CQGR – 7.3%
- 2. EBITDA (before FX & OI) CQGR – 5.9%
- 3. Q3'24 International services EBITDA before FX & OI was at 22.6% against 23.1% in Q2'24.

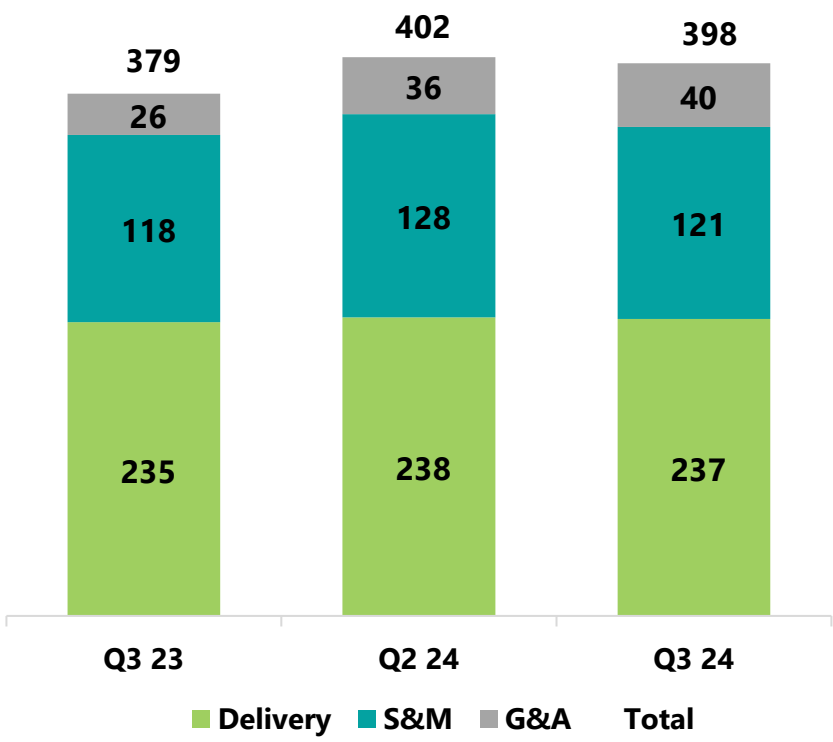


- Gross Contribution CQGR – 5.9%
- Q3 FY'24 Gross contribution grew 14.2%
- PAT CQGR – 6.2%

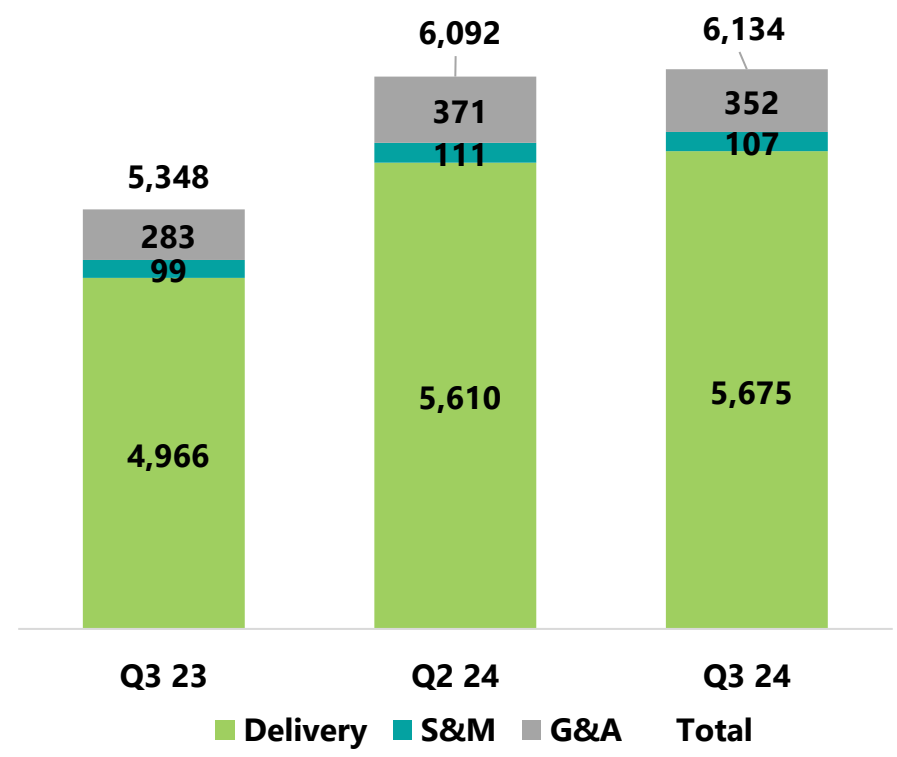


International Services: Revenue Growth



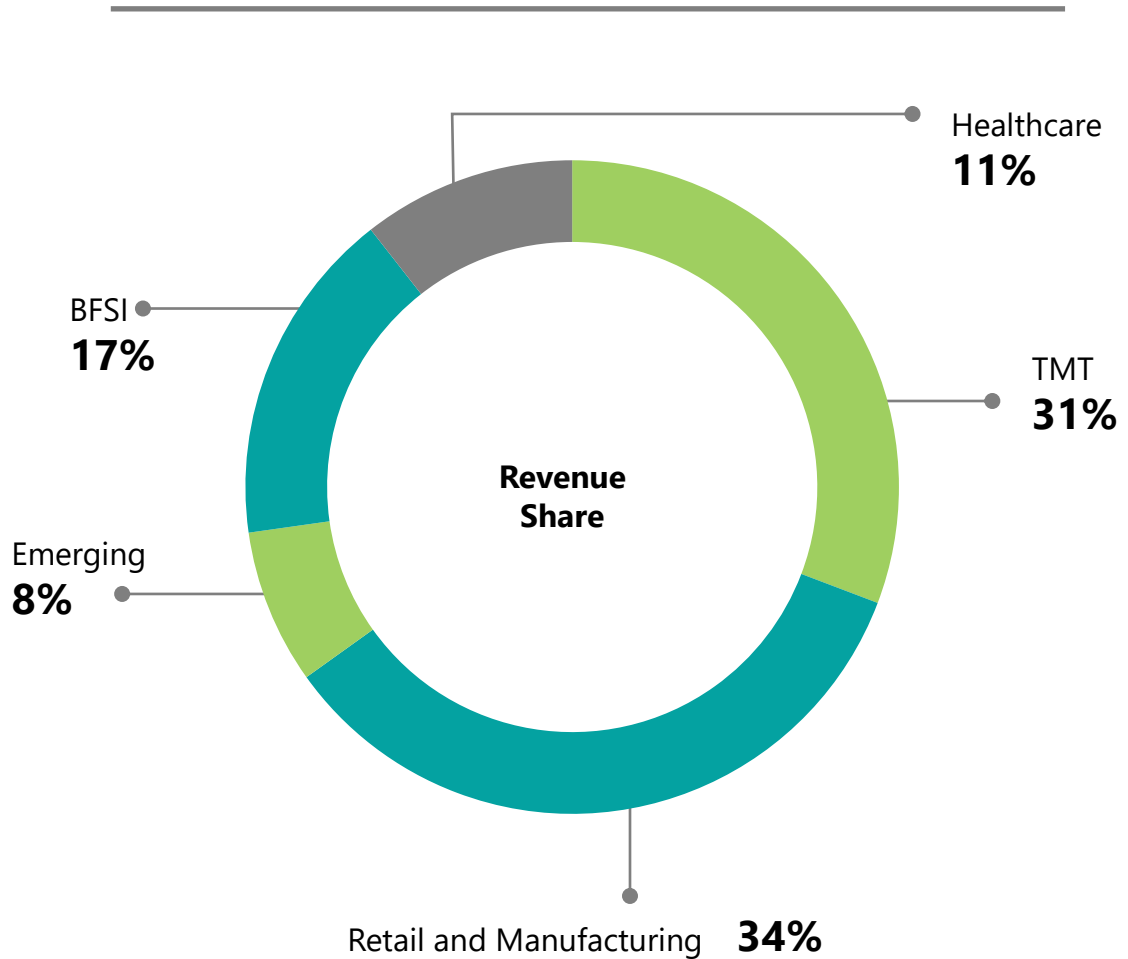


Domestic Business : Headcount by Function

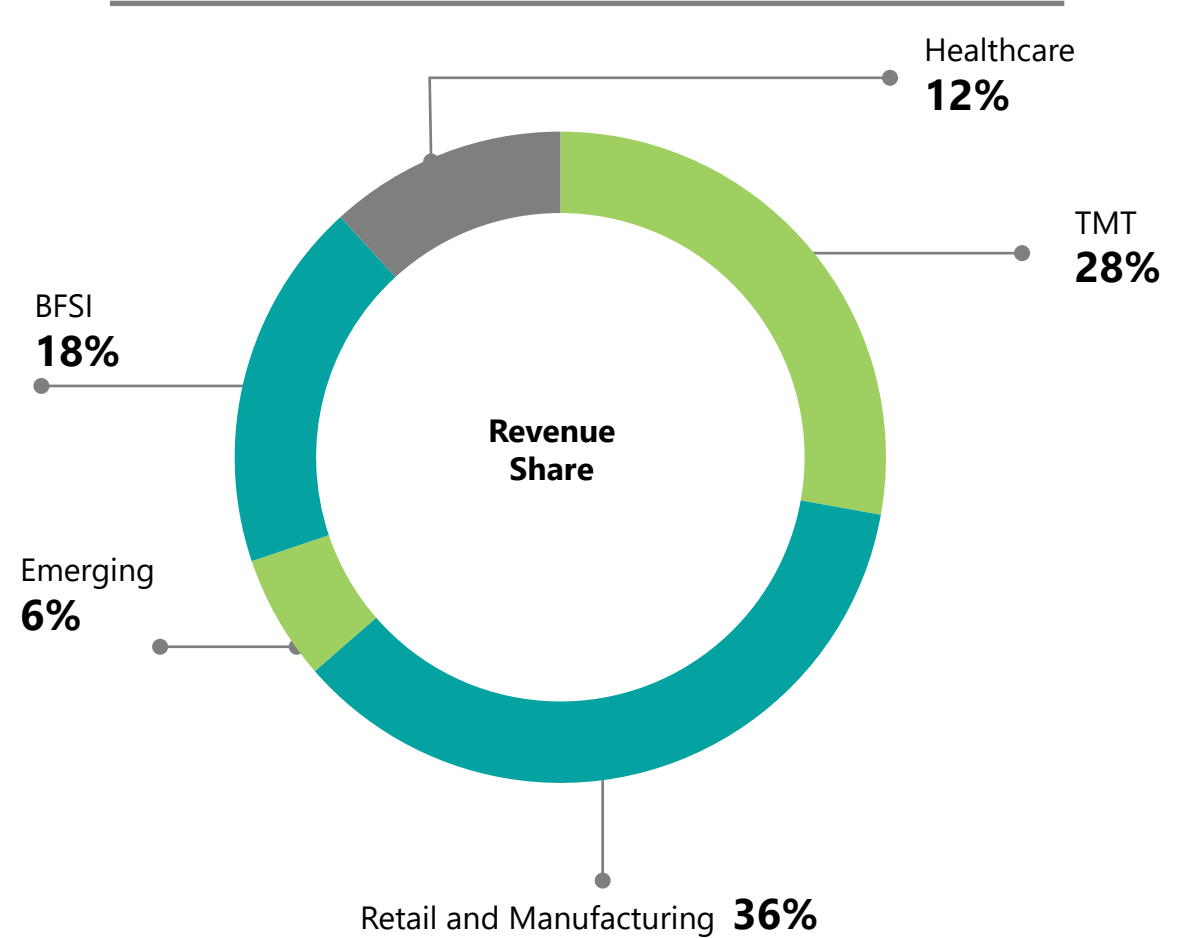


International services : Headcount by Function

Q3 FY24



YTD Q3 FY 24

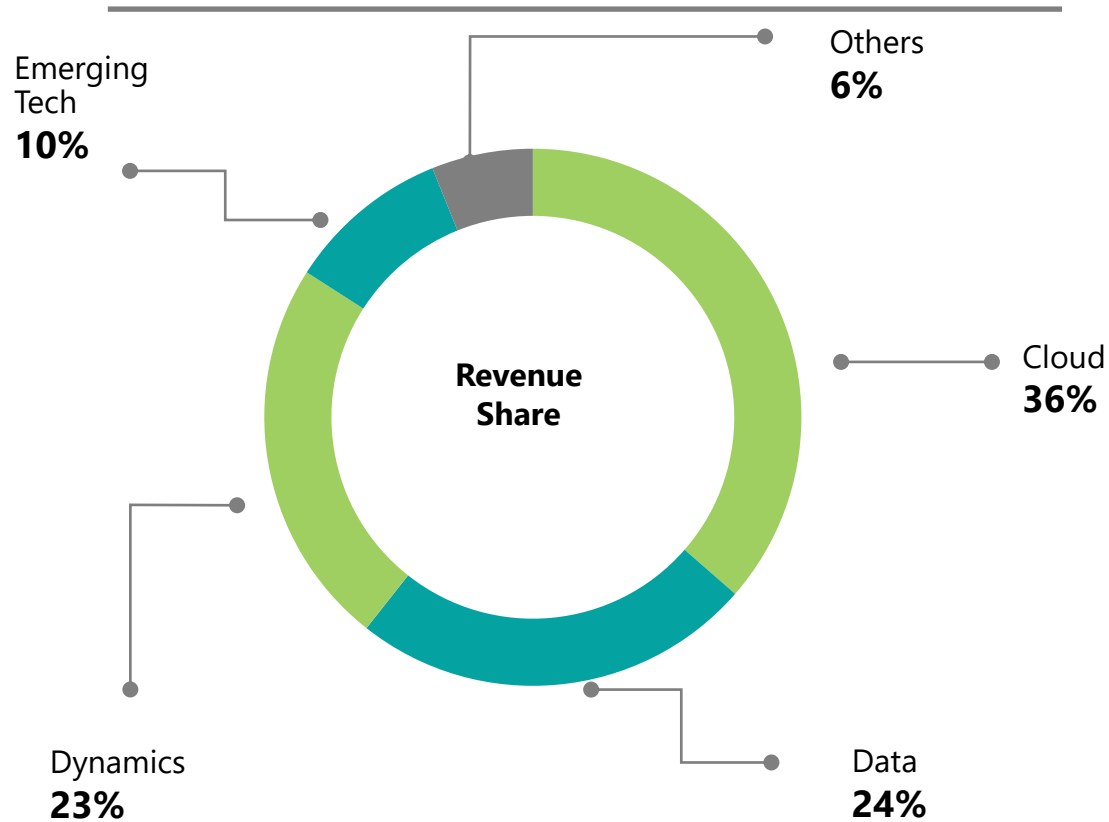


International Business: Revenue by Top GTMs

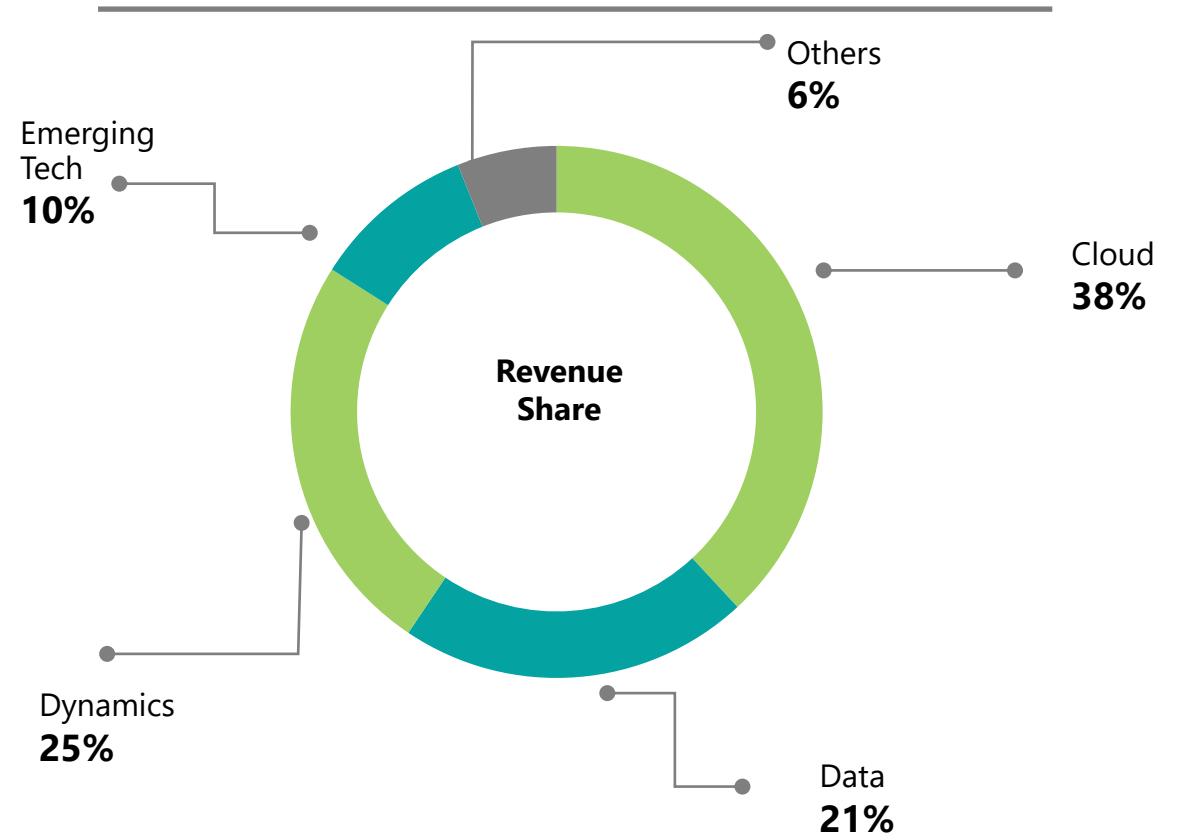


Cloud & Data continue to contribute over 50%

Q3 FY 24



YTD Q3 FY 24



**PLAY
BIG**

Thank You

