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# LatentView Analytics

Q2FY23 Earnings Presentation

27<sup>th</sup> October 2022



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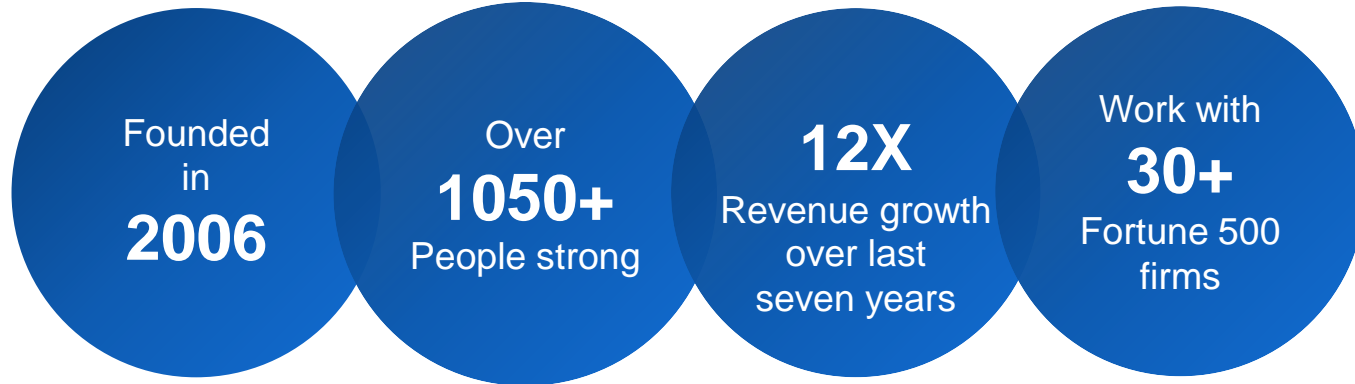
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# About LatentView Analytics



# LatentView Analytics – Quick Snapshot



Frost & Sullivan  
**#1**  
Analytics Solutions Provider 2017

Only company to be recognized  
**9**  
consecutive times in Deloitte Technology Fast50

Repeat Business at  
**>85%**

**4/5**  
top technology companies work with LatentView Analytics

## Awards & Recognition



**Gartner**  
Market Guide for Data Science & Machine Learning Service Providers

**FORRESTER**  
Strong performer  
Forrester Wave:  
Customer Analytics Service Providers, 2017

**Gartner**  
Market Guide for Data and Analytics Service Providers

Everest Group  
**PEAK**  
MATRIX  
Major Contender - Analytics Business Process Services

# Functional Expertise is the cornerstone of our work



## Analytics Consulting

Combining our deep math/tech skills with functional expertise to expand the horizons of a data-driven organization

### Customer Analytics



Consumer Perception

Consumer Behavior

Lifetime Value Analysis

Loyalty and Personalization

Cross-Sell/Up-Sell

### Marketing Analytics



Brand and Competitive Positioning

Campaign Design and Effectiveness

Marketing Spend Optimization

Attribution Modelling

Personalized Marketing

### Supply Chain



Sourcing and Replenishment

Metrics Measurement

Demand Forecasting

Inventory Optimization

Network Optimization

### Finance & Risk



Portfolio performance

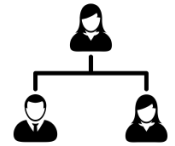
Collection Analytics

Trust/Counterfeit Analysis



Outside-In Innovation

### HR Analytics



Employee Pulse and Retention

Talent Acquisition

Performance and Compensation



Asset Optimization



## Visualization

Reporting and dashboards platforms for Insights and quick view on KPIs



## Data Science

Process to extract knowledge from structured and unstructured data






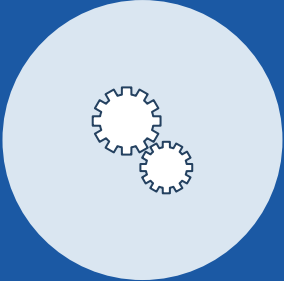

## Data Engineering

Business-focused Approach to Data Engineering to help adopt modern scalable architectures



# Our in-house Point Solutions helps accelerate digital transformation

## Platform Solutions Developed In-House at LatentView

				
<b>SmartInsights</b>	<b>Casper</b>	<b>MatchView</b>	<b>PART</b>	<b>AI Assist</b>
Social Innovation Platform for leveraging trends	Intelligent Conversational business analytics assistant	Analytics platform to drive marketing campaign effectiveness	Automated Anomaly Detection Tool	AI powered virtual assistant for quick and definite answers

*“LatentView's solution-led methodology provides scalable and repeatable frameworks that helps clients increase effectiveness of analytical output and empower a broad base to make data-driven decisions.” – Frost & Sullivan*

# LatentView Analytics: Snapshot



Leadership position in data analytics with a wide range of capabilities

- **End-to-end business solutions:** Consulting services, data engineering, business analytics & digital solutions across **marketing, customer & supply chain analytics**



Deep and entrenched relationships with blue chip clients across industries

- **30+ Fortune 500 clients** in the last 3 fiscal years
- Relationship with **top 5 clients (FY22)** for an **average of 8yrs**



Consistent client driven innovation supported by functional expertise

- Expertise across **technology, industrials, CPG<sup>1</sup> & retail & BFSI**
- **Client driven innovations, consulting led solution & IdeaLabs solutions**



Global delivery capabilities across US, Europe & APAC

- Global delivery centers in **Chennai & Bangalore**
- Subsidiaries in **USA, Netherlands, Germany, UK & Singapore**



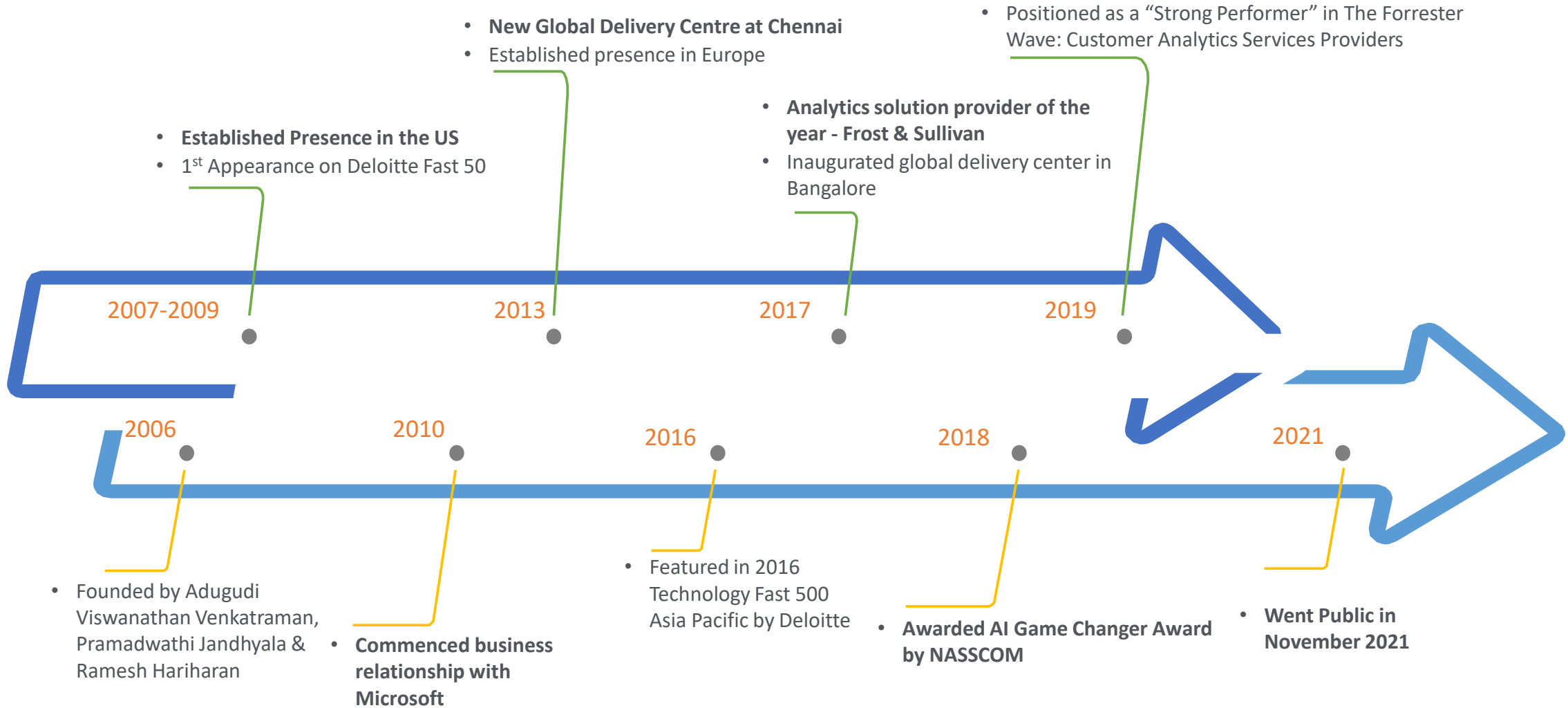
Scalable and attractive financial profile

- Q2FY23 Revenue from Operations: ₹ 1,324.06
- Q2FY23 EBITDA margin: 28.20%
- Q2FY23 PAT margin: 26.4%

Note: (1) Consumer packaged goods;

















# LatentView Analytics: Our Journey



# LatentView Analytics: Business Overview (Cont'd)

## Deep & Entrenched Relationships with Clients across Industries

Sector	 <p><b>Technology</b></p>	 <p><b>Industrial</b></p>	 <p><b>CPG &amp; Retail</b></p>	 <p><b>BFSI</b></p>
Overview	<ul style="list-style-type: none"> <li>SaaS model is leading to a wealth of information about customers</li> <li>Customer analytics is being used to uncover insights from usage data</li> </ul>	<ul style="list-style-type: none"> <li>Forecasting demand &amp; supply chain solutions</li> <li>Predictive maintenance of machines &amp; equipment</li> </ul>	<ul style="list-style-type: none"> <li>High volumes of data is being generated across both online &amp; traditional offline channels</li> <li>Product assortment, channel strategy &amp; marketing spend</li> </ul>	<ul style="list-style-type: none"> <li>Fraud &amp; risk analytics</li> <li>Customer analytics supporting new products</li> </ul>
Revenue Mix	<p>Q2 FY23 <b>69.0%</b></p> <p>{Q1 FY23} <b>{68.8%}</b></p> <p>(FY22) <b>(65.5%)</b></p>	<p>11.3%</p> <p>{12.0%}</p> <p>(13.3%)</p>	<p>11.3%</p> <p>{10.2%}</p> <p>(15.3%)</p>	<p>8.5%</p> <p>{8.9%}</p> <p>(5.9%)</p>
Key Clients	<ul style="list-style-type: none"> <li> <b>Adobe:</b> US based software player</li> <li> <b>Uber:</b> US based ride hailing player</li> <li> US based software giant</li> </ul>	<ul style="list-style-type: none"> <li> US home appliance manufacturer</li> <li> European luxury car manufacturer</li> <li> Leading home appliance provider</li> </ul>	<ul style="list-style-type: none"> <li> US based cosmetics company</li> <li> Leading snack company in US</li> <li> <b>7-Eleven:</b> Leading US retail player</li> </ul>	<ul style="list-style-type: none"> <li> Leading payments solution provider</li> </ul>

# LatentView Analytics: Business Overview (Cont'd)

## Delivered Analytics Solutions across 4 Continents

As of 30th June 2022

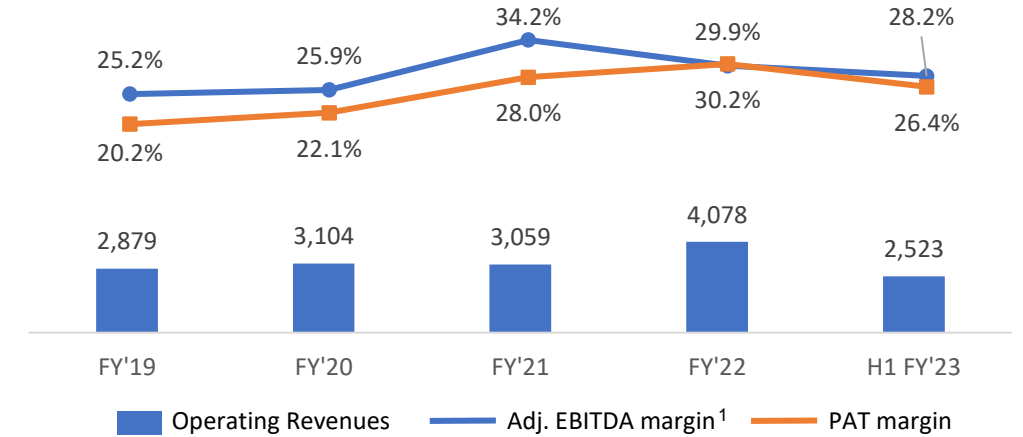


● Global Subsidiaries    ● Global delivery centers



## Scalable & Attractive Financial Profile

Figures in ₹ Mn



- Revenue from operations of ₹ 2,523 Mn in H1 FY23 with majority of revenue generated from long-term agreements
- Benefit of operating leverage due to high contribution margins on incremental revenue generated from consulting services
- Strong cash generation with net cash flow from operations of ₹ 489 Mn in H1 of FY23
- Low Capital Requirement with capital expenditure equivalent to 0.6% of revenue from operations in H1 FY 2023

Source: Zinnov Report

(1) Adjusted EBITDA is calculated as EBITDA less other income, excluding finance income



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# Financial Highlights

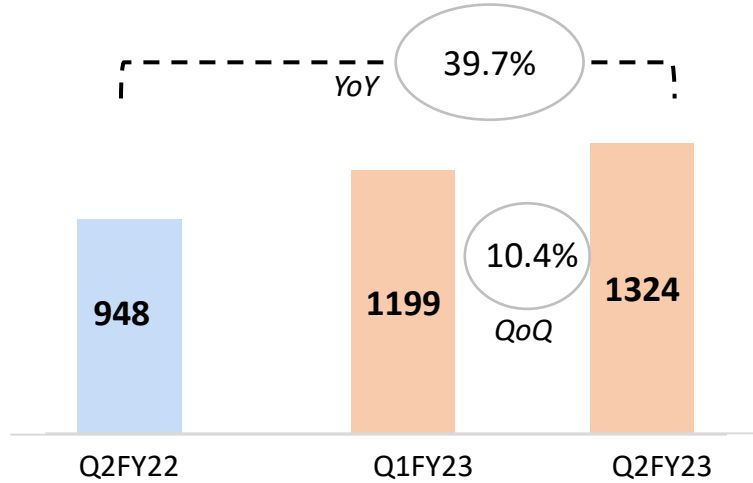


# Financial Performance – Q2FY23

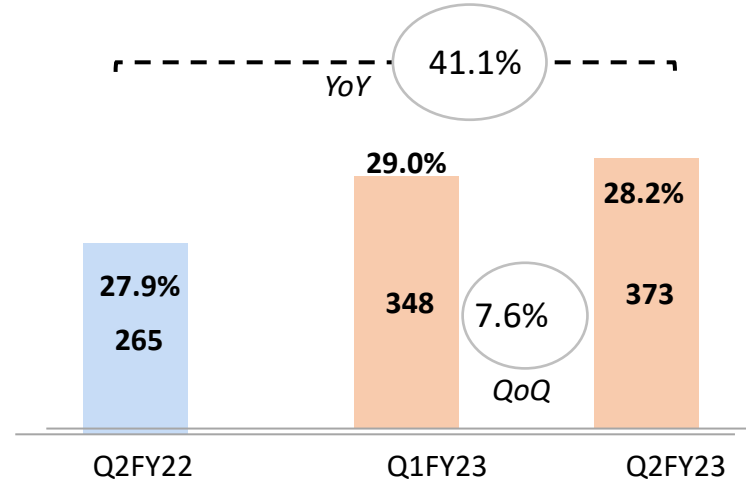
(All figures in ₹ Millions)

Q2 FY23 Performance

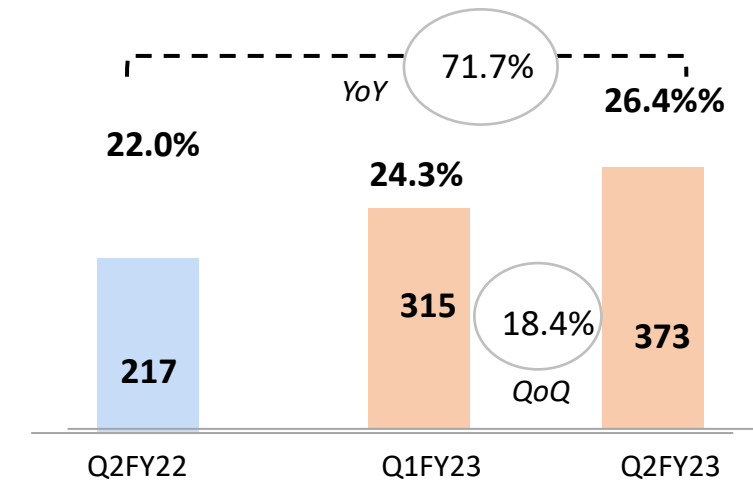
## Operating Revenue



## EBITDA & Margin (%)

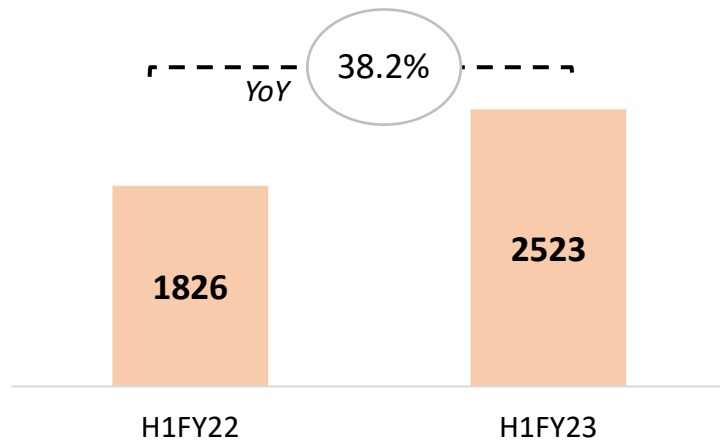


## PAT & Margin (%)

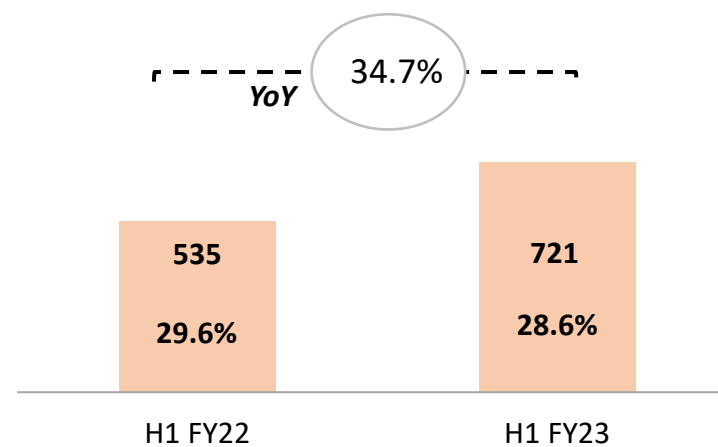


H1 FY23 Performance

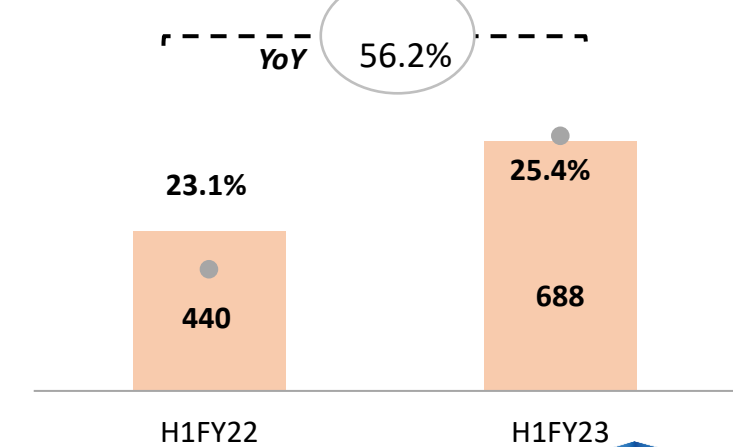
## Operating Revenue



## EBITDA & Margin (%)

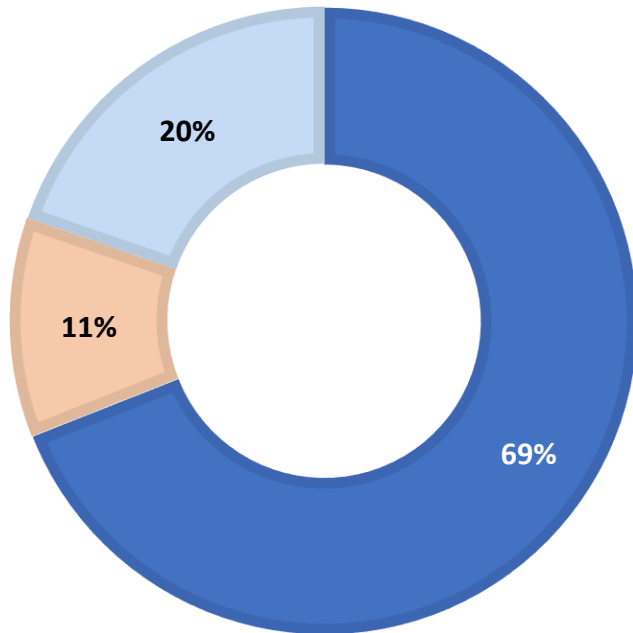


## PAT & Margin (%)



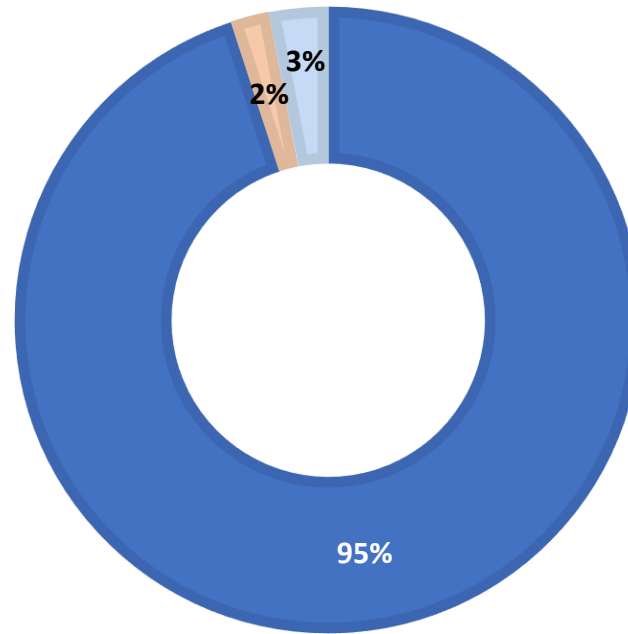
# Operating Metrics – Q2FY23

## Revenue By Sector



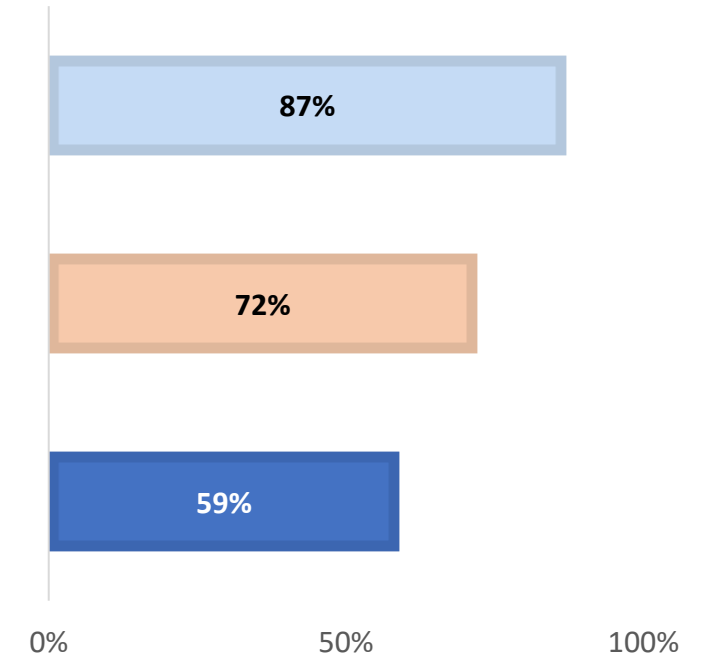
■ Technology ■ CPG & Retail ■ Others

## Revenue By Geography



■ USA ■ Europe ■ Rest of World

## Clients Concentration



■ Top 5 Clients ■ Top 10 Clients ■ Top 20 Clients

# Financial Summary

Key Performance Metrics		Q2FY22	Q1FY23	Q2FY23	Growth YoY	Growth QoQ	H1 FY 22	H1 FY 23	Growth YoY
Revenue (₹ Million)	Revenue from Operations	948	1,199	1,324	39.7%	10.4%	1,826	2,523	38.2%
	Other Income	40	98	88	115.8%	-9.9%	80	186	132.7%
	<b>Total Income</b>	<b>988</b>	<b>1,298</b>	<b>1,412</b>	<b>42.9%</b>	<b>8.9%</b>	<b>1,906</b>	<b>2,709</b>	<b>42.2%</b>
Margin (₹ Million)	EBITDA	265	348	373	41.1%	7.4%	535	721	34.7%
	PBT	279	418	433	55.3%	3.6%	565	851	50.8%
	PAT	217	315	373	71.7%	18.4%	440	688	56.2%
Margin (%)	EBITDA	27.9%	29.0%	28.2%			29.3%	28.6%	
	PBT	28.2%	32.2%	30.7%			29.6%	31.4%	
	PAT	22.0%	24.3%	26.4%			23.1%	25.4%	
EPS (₹)	Basic	1.25	1.57	1.86	48.8%	18.5%	2.53	3.43	35.3%
	Diluted	1.20	1.52	1.80	49.7%	18.4%	2.44	3.32	36.1%





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# Investment Rationale





# LatentView's Distinctive Breadth and Depth of Capabilities

## Solution Offered & Engagement

### Consulting

### Business Analytics & Insights

Technology

Industrials

CPG &  
Retail

BFSI

### Digital Solutions

### Data Engineering

### Engagement with stakeholders across the client organization

- **CMO:** Marketing analytics
- **CFO:** Finance & risk analysis
- **CSCO:** Supply chain analytics
- **CHRO:** HR analytics

## Offerings by Function



### Customer Analytics

- Facilitates targeted business offering, potential for upselling & cross-selling
- 2020-2024 CAGR: 26%



### Marketing Analytics

- Identifying channel strategy & optimizing marketing spend
- 2020-2024 CAGR: 19%



### Supply Chain Analytics

- Collection & evaluation of data generated across the supply chain
- 2020-2024 CAGR: 28%



### Financial & Risk Analytics




- Platform to detect fraud, manage risk and enhance portfolio performance
- 2020-2024 CAGR: 22%



### HR Analytics

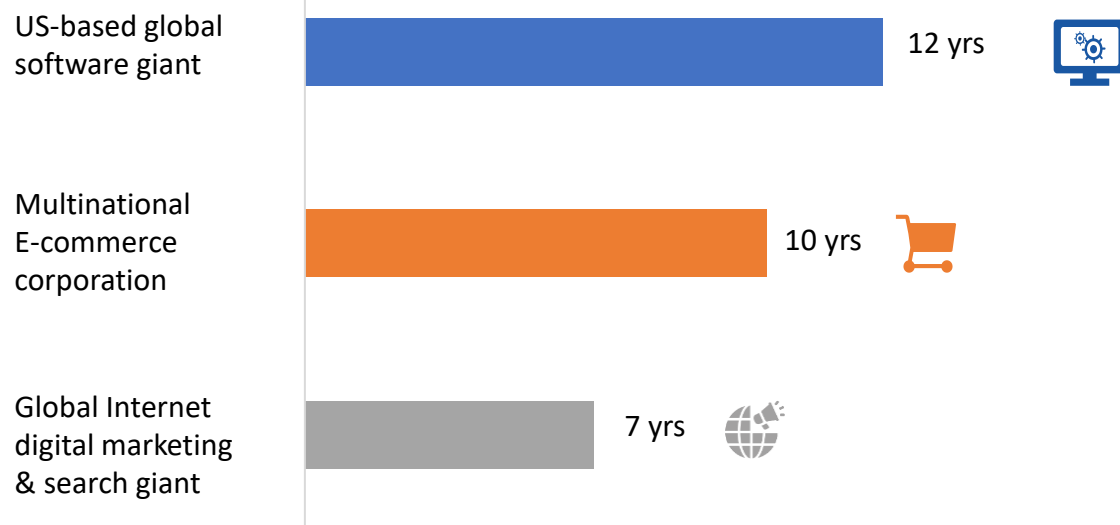
- Enables companies to make data driven decisions on critical people matters
- 2020-2024 CAGR: 24%

# Select Case Studies

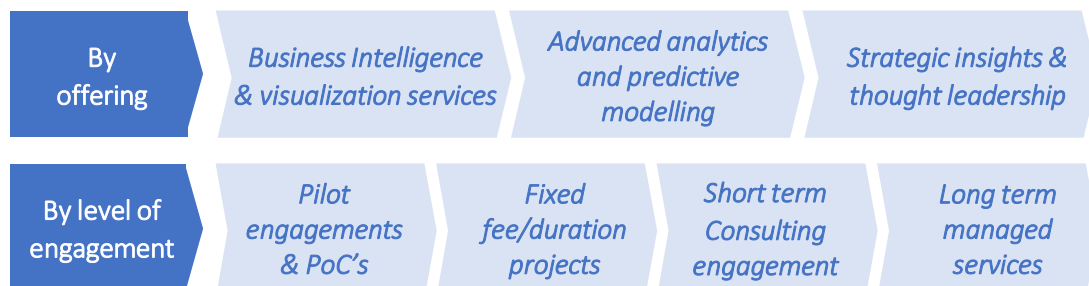
Client	Problem	Solution	Impact
 <p>Leading retailer (USA)</p>	<ul style="list-style-type: none"> <li>Reliance on ad hoc reports for driving business decisions</li> <li>Time consuming and required dedicated resources</li> </ul>	<ul style="list-style-type: none"> <li>Chatbot and an integrated self-service tool to facilitate communication</li> <li>Custom charts in the self-service tool</li> </ul>	<ul style="list-style-type: none"> <li>Users could easily view all metrics in a single window</li> <li>Creation of reports by end users through menu-based selection</li> </ul>
 <p>Home appliances And repair services provider (USA)</p>	<ul style="list-style-type: none"> <li>Declining market share</li> <li>Shifting preference towards replacements</li> <li>Increased competition &amp; poor service levels</li> </ul>	<ul style="list-style-type: none"> <li>Reworked sales planning exercise</li> <li>Recalibrated monthly forecasts</li> <li>Performed workforce optimization &amp; truck stock optimization</li> </ul>	<ul style="list-style-type: none"> <li>Improved first time completion of service requests</li> <li>Improvement in NPS</li> </ul>
 <p>Leading snack company (USA)</p>	<ul style="list-style-type: none"> <li>Low capacity utilization of expensive equipment</li> <li>Adverse impacts on production throughput to the extent of 6%</li> </ul>	<ul style="list-style-type: none"> <li>Early Warning System to predict downtime in processing line – 30, 60 &amp; 180 minutes in advance</li> </ul>	<ul style="list-style-type: none"> <li>Increase in fryer utilization</li> <li>Savings in cost per fryer across all plants in the US</li> </ul>

# Deep Engagement with Clients

## Long Term Engagement with Key Clients



## Relationship Evolution



**Pilots with existing clients provides access to new geographies**







## Client mix by Category (LTM Q2FY'23)

Category	Number of clients	Percentage of Revenue from Operations (%)
Less than INR 50 mn	39	15.8%
Between INR 50 mn – INR 100 mn	9	13.3%
Between INR 100 mn – INR 500 mn	8	34.0%
Above INR 500 mn	2	36.9%
<b>Total</b>	<b>58</b>	<b>100%</b>

## Trusted Partner to Key Clients

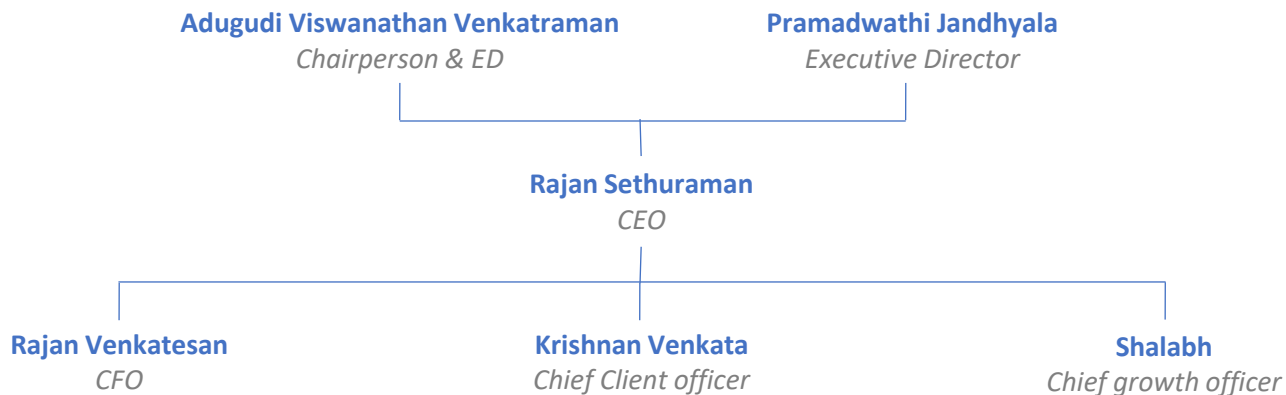
- Net promoter score of +29 by the most recent Voice of Customer survey
- 89% of clients highlighting that they are either satisfied or very satisfied with the partnership with LatentView

# Corporate Governance Framework based on Independent Board

Name	Experience	Qualification
 <p><b>Adujudi Viswanathan Venkatraman</b> <i>Chairperson &amp; ED</i></p>	<ul style="list-style-type: none"> <li>• Founder of LatentView Analytics</li> <li>• Several years of experience across IT services, credit analysis and business consulting</li> </ul>	<ul style="list-style-type: none"> <li>• PGDM, IIM Calcutta</li> <li>• B.Tech, IIT Madras</li> </ul>
 <p><b>Pramadwathi Jandhyala</b> <i>Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Founder of LatentView Analytics</li> <li>• Several years of experience across corporate finance &amp; credit ratings</li> </ul>	<ul style="list-style-type: none"> <li>• PGDM, IIM Calcutta</li> <li>• BE, BITS Pilani</li> </ul>
 <p><b>Dipali Sheth</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Ex Country head of HR RBS services India</li> <li>• Directorships: UTI AMC, Adani Wilmar, DFM &amp; Centrum</li> </ul>	<ul style="list-style-type: none"> <li>• B.A. (Honours), University of Delhi</li> </ul>
 <p><b>Mukesh Butani</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Founder of BMR Legal Advocates</li> <li>• Directorships: Dabur India, ABB Power Products &amp; Systems India &amp; BMR Business Solutions</li> </ul>	<ul style="list-style-type: none"> <li>• CA, LL.B.</li> <li>• B.Com. (University of Bombay)</li> </ul>
 <p><b>Raghuttama Rao</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• CEO GDC, IIT Madras</li> <li>• Directorships: Sundaram Finance, Wheels India, Sundaram AMC, TVS Training &amp; Services</li> </ul>	<ul style="list-style-type: none"> <li>• PGDM, IIM Ahmdabad</li> <li>• B.Tech, IIT Madras, CWA</li> </ul>
 <p><b>Reed Cundiff</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Ex CEO Americas for Kantar</li> <li>• EX GM of Global Insights Microsoft</li> </ul>	<ul style="list-style-type: none"> <li>• BA Wesleyan University</li> </ul>

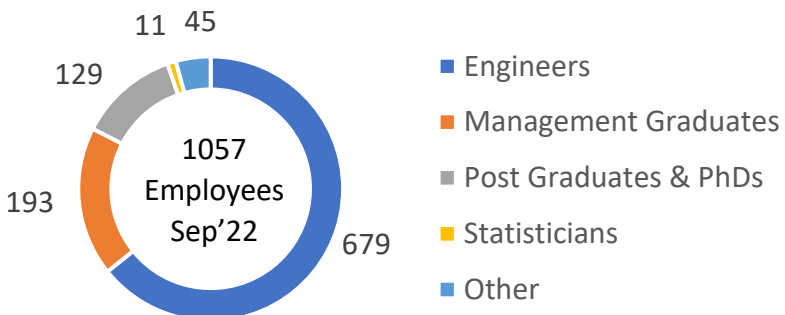
# Strong Management Team & Delivery Capabilities

## Organization Structure

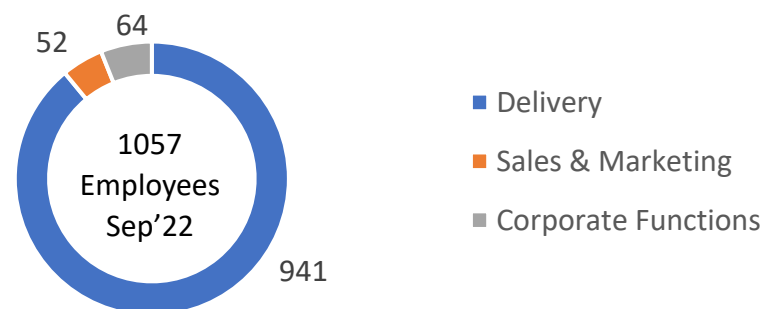


## Employees Split by Qualification & Function

### By Qualification



### By Function



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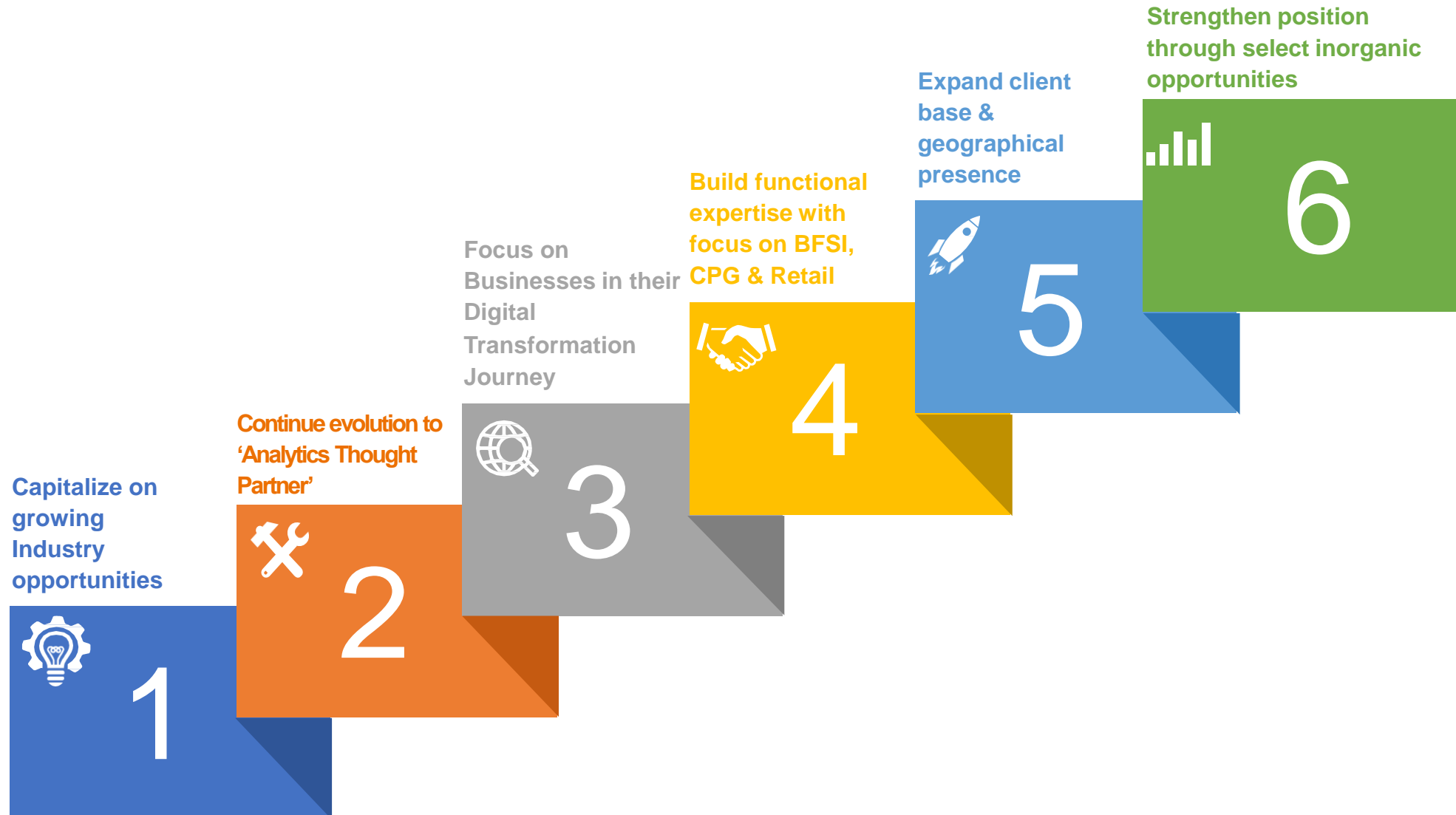
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# Growth Strategy



# Growth Strategies







## Partnership with Leading Analytics Technology Companies

- Covid has **accelerated remote work environments** which is expected to **increase digitization of services & global delivery model**
- Introduced **new engagement models** such as **remote centre of excellence**
- New models have higher overlap than a traditional model and helps reduce dependence on **client co-located resources**
- **Partnerships with technology companies** for cloud platforms, data engineering solutions, visualization tools and analytics solutions
- **Strong and emerging partnerships** with a growing list of **product companies**
- Partnerships include joint GTM, **engagement of certified personnel**, access to skill development and early updates



## Continue evolution to 'Analytics Thought Partner'

-  Identifying objectives, prioritizing digitization needs in clients **digital transformation journey**
-  Identify clients key challenges to **design suitable solutions** to address them
-  Build value propositions that address **specific challenges and opportunities** presented by industry trends
-  Utilize deep functional and technical expertise to identify and solve **high impact business problems**
-  Transform project based clientele network to a recurring **managed services network**



Focus on Businesses in their Digital Transformation Journey with Functional Expertise in BFSI, and CPG & Retail Verticals

## Focus on Businesses in their Digital Transformation Journey

- Digital native businesses have been at the forefront of **adopting advanced analytics**
- **ISV's are moving to SaaS models** leading to a wealth of information about **customers usage & interaction patterns**
- Continue **strengthening relationship with existing clients** in the **technology industry**
- Assisting clients with identifying & **prioritizing their digitization needs** as part of their **digital transformation journey**

## Building Capabilities & Functional expertise in BFSI, CPG & Retail Verticals

- **BFSI, CPG & retail verticals** is expected to grow at a CAGR of almost 20% over the next 5yrs to exceed \$110bn by 2024
- Focused on **potential opportunities** in BFSI and CPG & Retail verticals to strengthen domain capabilities
- **Strategic hires** of personnel with **extensive experience in industry verticals** to drive go-to market strategy

## Expand Client Base and Geographic Presence

### Current Global Presence

Present in the top 5 analytics markets in the world – USA, UK, Germany, Netherlands & Singapore



USA  
(~95% Revenues)

- USA is the largest market for the company
- North America accounts for the largest share of the global data and analytics spend at approximately 40%
- CPG & Retail brands are ramping up their investment in customer analytics to drive competitive differentiation



Europe  
(~2% Revenues)

- Subsidiaries in European markets: UK, Germany & Netherlands
- Key clients in the European industrial sector with spend on supply chain analytics expected to grow at a CAGR of 19.8% from 2019-24

### Expansion of Client Base & Geographic Presence



Growth in clients & geographies

- Pilot projects with existing & potential clients to gain access to new geographies
- Continued presence in these geographies through subsidiaries driven by market opportunities & client referrals
- To grow client base by focusing on industry leaders and leveraging existing client relationships



Hub & Spoke model

- Hub & spoke model with global delivery centres based in India
- Operation centres with dedicated teams in different geographies to address requirements on a real time basis

# 6 Growth Strategies (Cont'd)

## Strengthen Position Globally through Select Inorganic Opportunities



900+ M&As over the past 3yrs by industry players for a total valuation of \$40-45bn



Access to new technologies, to help build deeper AI/ML capability



Provide access to new geographies, industries & client base



Synergetic with existing operations & complement data engineering capabilities



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