



EARNINGS CALL Q4 & FY26

TRANSCRIPT

EXATO TECHNOLOGIES LTD

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SPEAKERS

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Chairman & Managing
Director

Mr. Naveen Krishna
Chief Revenue Officer

Mr. Gopinath P Bailur
Chief Operating Officer

Mr. Muralidharan
Chief AI Officer

**Mr. Dinesh Singh
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Mr. Hasan
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Ms. Geeta Jain
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MANAGEMENT DISCUSSION

Finportal *Moderator*

Good afternoon, everyone and welcome to the Q4 and Fiscal Year 2026 earnings call for **Exato Technologies Limited**. Thank you for joining us today. This call will cover the company's operational and financial performance, followed by an update on the strategic priorities going forward.

Please note that certain statements made during the call may be forward-looking in nature, based on management's current expectations and assumptions. These statements are subject to risk and participants are advised to exercise due caution and not place undue reliance on such statements. This call is being recorded for compliance purposes.

Representing Exato Technologies Limited on today's call are:

- Mr. Appuorv K Sinha, Chairman & Managing Director;
- Mr. Naveen Krishna, Chief Revenue Officer;
- Mr. Gopinath P Bailur, Chief Operating Officer;
- Mr. Muralidharan, Chief AI Officer;
- Mr. Dinesh Singh Slathia, President, Revenue, Marketing and Strategic Alliances;
- Mr. Hasan, Chief Financial Officer; and
- Ms. Geeta Jain, Company Secretary & Compliance Officer.

I would now invite the management team to share their opening remarks. We will subsequently open the floor for the Q&A session. Over to you.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you so much and thanks to all the people on this call and to our extended family and fraternity, for their time.

I would like to start this call by giving you a brief summary of how the year went and then we will take you through the presentation, which covers it in detail. I also have my colleagues on this call, like **Mr. Naveen Krishna**, who has joined us as **Chief Revenue Officer**; **Mr. Murali Menon**, has joined as **Chief AI Officer**; my colleague **Gopi** as **Chief Operating Officer**; along with **Dinesh**, **Geeta ji** and **Hasan**. Together, we will talk about Exato's journey over the last financial year and the way ahead.

Starting with the summary, this year has been pretty good. Our **revenue** from operations grew by almost **35%** to **168 CR** and **PAT** has also significantly grown, by more than **67%**, to **16.09 CR**. The **PAT margin** has improved from **7.7% to 9.5%**, with the revenue growth, which is a significant achievement.

As you all know, we got listed on 5th December, so we have been investing significantly to build the future prospects and to scale our operations into **international geographies**. A few orders we got during the year and particularly in the January to March quarter, were a highlight of the work we have done.

We started our **Australia subsidiary** this financial year. Apart from this, we also brought on a senior person in the US and we have been investing in our **AI-led IP platform**. I would like to introduce **Mr. Murali Menon**. He has joined us from TCS, he was a CTO of TCS, so he will lead our AI initiative, AI as a service, as well as our IP product. So this signifies our commitment toward market for **AI-led initiatives**. We are also planning a partnership with large AI companies, which we will announce in subsequent times.

As you know, customer experience has been our forte, but with customer experience and AI, we have been able to demonstrate. In fact we got **two orders** from Agentic AI platform also which is already there. One order is currently in the delivery stage and the second is already booked; that was part of the previous financial year and also to expand our global footprint, I talked about, we have been heavily investing in international regions, so the idea is that a major part of the revenue contribution should come from international geographies.

This financial year, especially the last quarter, was very important for us, because we wanted to establish our global leadership team. So Naveen Krishna joined us as Chief Revenue Officer; I have already spoken about Murali Menon as Chief AI Officer; and Gopi, who was our CTO, has now been elevated to Chief Operating Officer. The idea is to build a global team so that we can take it to international customers and so that the work we have been doing well in India, as well as with some international customers, can be significantly expanded. This year was also a year of recognition. We were the APAC Partner of the Year for our major OEM partners and we achieved some milestones in terms of major awards. As we look at the financial year ahead, there is a strong foundation and a very strong leadership team already built, on which we are banking.

With this, I would like to start the presentation. That was just a summary from my side; I will now take you through it in detail and I would also request the extended leadership team to talk about their inputs and their contribution, which we will discuss in the subsequent slides.

Starting with the company snapshot, as some of you would be aware, we have been serving more than 150 customers, with over 100 engineers. Our base has expanded and we are now delivering to close to 150,000-plus agents and serving more than 10 countries. We now have four subsidiaries, with the Australia subsidiary added last year. On our journey, we completed our 10th year on 18th May, so we are now a decade old. As you can see, the journey has been pretty good, with the increase in revenue and the expansion, as well as the opening of the Australia subsidiary and our expansion into international geographies. That signifies how big our international plans are. I also want to highlight that we received a record subscription on the Bombay Stock Exchange for any IT SME company; this is still a record and that kind of subscription gives us a big responsibility to perform. That is the reason we have been investing heavily in building the leadership team as well as the international region.

This is the promoter team. I founded Exato and along with me, my wife, Swati, looks after HR and operations. I would like to share on this call that we are deeply honored to have **Dr. Milind Godbole** as one of the **board of directors**; he was appointed yesterday. Dr. Godbole is a very significant addition to the Exato family and he has a proven track record of scaling organizations. He was a CEO and Managing Director at a healthcare BPO, in a sector where we have a lot of potential, so we brought him on board to seek his guidance. He has been in leadership roles at Aditya Birla Minacs and at Mphasis, an HP company. He has received several recognitions and he holds a PhD as well. With Dr. MG, the idea is how we can gain from his experience, how he transformed these companies in his leadership roles and how we can set up processes, expand internationally, add more and more customers, create new revenue streams and further diversify across verticals. He also has very good knowledge on the **AI side, the healthcare side and the global market access side**, so we want to gain from his experience and expand our footprint.

Now, I would like to introduce our leadership team, starting with **Gopi**. Gopi has been with us for a long time now, so I would request Gopi to add a few lines here, after which we will move to **Naveen** and then to **Murali**.

Mr. Gopinath P Bailur *Chief Operating Officer*

Hi, good evening, everyone and thank you so much for the opportunity to present here. I have been in this industry, specifically the CX industry, for about **30 years** now. I came up from the background of **implementing solutions and migrating larger transformational opportunities**. Incidentally, the platform that we are now selling and positioning to customers is one whose product engineering division as well for them, which is the NICE platform, which you guys hear from us many times in large transformational deals that we are doing.

I have been in the industry for quite a long time and it is now an opportunity to scale our organization to **International**, as well as across the **America's** region. I have extensive work experience, close to 15- 20 years, in the **US region** and in

transformation. That is the background I come with, and I am working with Appuorv and the team to take this to the next level for Exato. Thank you.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Naveen, over to you.

Mr. Naveen Krishna *Chief Revenue Officer*

Hi, good evening, everyone. Naveen Krishna this side, I come with about **30-plus** years of experience in the global markets, specifically in **new geography expansion, new global acquisitions**, strategy and devising the go-to-market approach for organizations expanding into newer geographies. I have also had experience creating practice plays across **IT outsourcing** and **finance and accounting outsourcing**.

I have been fortunate to spend more than 30 years in the market managing very diverse portfolios across **North America, Australian, New Zealand, Europe, the Middle East** and significantly in **India** as well. That industry exposure also gave me the opportunity to thoroughly understand and deep-dive into **five to six major industry verticals**, including healthcare, automotive, retail etc. With that, I am really looking forward to making this journey happen. We are pretty **aggressive** in terms of our international expansion and our approach to that effect. So exactly this.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks. Murali, over to you.

Mr. Muralidharan *Chief AI Officer*

Good evening, all. My name is **Murali**. I have been a part of the past **21 years** with TCS. I was responsible for starting up the **CX practices**, as well as the infrastructure practices, within TCS. Most recently, I have been involved in setting up the **AI infrastructure practices** across verticals and regions globally. I was also involved in bringing up **state-of-the-art AI** technologies and centers of excellence, driving innovation and creating intellectual property, products and platforms across infrastructure services and **BPS in TCS**.

I am very happy to be a part of this very good team and I look forward to taking this forward. I will also cover some of these areas in the subsequent slides of this presentation. Thank you very much. Back to you, Appuorv.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks, Murali. I just wanted to share about our leadership team. The addition of both Naveen and Murali is very important for our **international market expansion** and with Gopi's elevation to Chief Operating Officer, the idea is how we can be **more in front of customers**, giving them confidence with this **experienced leadership team** and how we can run a global delivery model based out of India and sell more in international regions. With this, I would also like to highlight our **strong finance team**, who are in the room with me: **Hasan**, our CFO; **Geeta Jain**, our Company Secretary; and **Dinesh**, who leads our marketing and global business development.

In terms of our solutions and global presence, as I mentioned, **we have four subsidiaries**, of which three are international.

- One is our **US subsidiary**. This year we have big plans for US expansion. The US is a key market for us and as most of you know, we already have a presence there with close to a dozen customers. The idea is how we can expand this year and also set a **strong foothold for subsequent years**. So US is going to be a very important part of our geography.
- **Australia** is the new addition and we see significant potential because some of the good work we do in India and the US can be easily replicated there.
- We also have a subsidiary in **Singapore**.
- Apart from this, we have another subsidiary, **Exato Infotech**, which is primarily for our telecom work, cloud hosting and so on.

So, in total, **four subsidiaries, of which three are international**.

In terms of comprehensive solutions, **CX and analytics has been our strong forte**. Serving more than 150 customers, a majority of whom have come from this domain, we have been the biggest partner for some of the global companies. The idea is how we can partner with them, learn them and implement and create some of the best solutions. With this leadership team, we have strong confidence in that as well. CX as a service has been a strong forte for us. Conversational AI and agentic AI are areas we have been doing significantly. In automation, workforce management and cloud ERP, we also have a decent presence and **we have big plans for ERP**, which we will cover in the subsequent slides. We are also looking at how we can expand these solutions in the international market.

Our **second line of business is unified communication and infrastructure**, where we again work with global companies. AI infrastructure is also going to be a **strong play**, so we are working with several enterprises where larger deals are expected. Working with large banks and institutions, the idea is how we can take that as a bundled piece to customers and secure a good top line.

The **third line of business** is our own proprietary platform, **Exato IQ**. We have a senior leadership team driving this and we have built some products already deployed with customers such as **HDFC Bank, Axis Bank, TaskUs Etc.** With this product, we want to have very strong AI enablement. We are also planning an AI partnership, for which **Murali** is on board to lead as Chief AI Officer. This is another LOB we want to strengthen. So far it has contributed about 2 to 3% of revenue, but the idea is that, over the next three to four years, 20 to 30% of revenue, as well as profitability, should come from this line of business. We have been investing significantly in our own IP platform, learning from the best and then replicating that. That is the motive.

On comprehensive solutions, I talked about CX as a service, where we offer omni-channel contact centers, customer journey design and platform monitoring. For conversational AI, we offer chatbots, voice bots and multilingual and context-aware conversations. For automation as a service, we work on back-office and front-office processes and AI-driven quality and compliance monitoring. In workforce management, we have a very large customer, working with them on forecasting and scheduling. All of these are part of our CX and analytics offering. Apart from this, the cloud-based ERP partnership we built last year is also giving us good results. We closed two deals this financial year, in the year ended March, and we have a significant pipeline in the current financial year. For unified communication and infrastructure, we are eyeing some larger opportunities and we are quite hopeful that this will add significantly to revenue this financial year. And **Exato IQ**, as I just shared, is the AI-powered platform we are building and the idea is how we can take it to our customer base, where it can give us a good bottom line that's the thought process.

These are some of our marquee clients. I keep talking about 150-plus customers and here I have listed about 60 to 80 of them. If you see all of these banks, they have budgets in the thousands of crores and while we have been successful in doing **multi-crore business** with them, the idea is how, with this **global leadership team**, we can **expand our footprint with these customers**. The same goes for our BPO customers. The advantage with these BPO customers is that they have a global presence; while we deal with most of them from India, a majority also have their base in the **US**. So, with **Naveen** coming on board and leading our international charter, the idea is how we can work with these customers and identify new customers as a source of revenue, primarily in the **US region and also in Singapore and Australia region**.

We also have a diversified customer base. If you see the big names, such as **Reliance, Jio, Vodafone, Accenture, Wipro, TCS, and Tech Mahindra**, we have been working with all of them. In fact, Interglobe Technologies (IGT), a listed company, is also part of our customer base. So, a very strong clientele and a very **strong order book**. We have an order book of **600 crore**. Of this, it is a very active order book: around **230 to 235 crore has been executed**, and **about 330 crore is yet to be executed**, which will be executed in due course. We also have a strong ARR, which has been growing for the last three years. Last year it was close to **60 to 65 crore**, which has grown to **around 118 crore this year**. As we expand into the international market with these customers and with new customers, we further plan to add significantly on the ARR side as well.

We have some **global partnerships**. These are well-known names in our domain, and working with them gives a lot of strength and comfort to our customers, because they are **strong brands**. This also justifies our strategy that we ride along with them and acquire customers, and then go deeper with the customer with more offerings, doing our own consulting and implementation. That gives us a strong footprint, and with further additions to the leadership team, the idea is how we can

do more. This year, we plan to add multiple managed-services accounts. We already closed a **172-crore managed-services deal** on 31st March. Managed services means that a customer is willing to outsource its entire technology to us, and it is up to us to decide what technology to deploy, but the entire ownership is ours. So we plan to move to more managed-services engagements, and that is one of the strategies that **Murali, Naveen, and Gopi, our CAIO, CRO, and COO**, are devising with me.

BFSI has been our strong forte, so is healthcare. In fact, we have two large customers,

- one with a 130 crore contract and another with a close to 95 crore contract.
- Apart from this, we have a diversified base, including telecom, manufacturing, IT, ITES, BPO, and retail.

So we have customers across all lines of business. We have a global footprint; as I mentioned, we have 10-plus locations from which we have been delivering in India. The focus this year will be more on the **US, the UK, Singapore, and Australia**. For APAC and the Middle East, we are devising a strategy. We wanted to establish an earlier presence in the Middle East, but because of ongoing tensions, we are watching this cautiously. We may look at some of the opportunities by delivering from India, and expand later.

In terms of our strategic growth roadmap, as I already talked about, revenue from operations increased close to 35 to 36% to 168 CR, and PAT also grew 67% to 16.09 CR. This shows that we are on a growth track. While we invested heavily and aggressively in our footprint, we are still doing well on our PAT numbers. The reason for this investment is that, although we are a profitable company, the listing, the credibility we have gained, and the funding we have raised the idea was how can we expand into international geographies. With respect to global GTM, we are already working on our plan with our Chief Revenue Officer, Naveen, on how we can increase the base from 150 to 500-600 customers in the next three to four years, and how we can deepen our focus on selected core verticals such as BFSI, healthcare etc.

AI is going to be a very strong play. We are eyeing a partnership with a very large AI partner. The idea, again, is how we can take this AI-as-a-service offering to our existing customers as well as to new customers. ERP is another line of business. We have already created some presence with the **Acumatica partnership**, and we are eyeing hyper-growth in this segment, because it is going to be a very sustainable and profitable market. We are working with some extended partners, and we are also looking at **some inorganic growth and possible acquisitions in this domain**. We are talking to some companies, but that is at a very initial stage, so we will share more details in the coming quarters.

In IP and product development, as I talked about, we have allocated a certain budget out of the funding we raised, and we are aggressively working on how to launch some of these platforms. Murali, our Chief AI Officer, has a significant role to play, along with the team that has built the platform already sold to **HDFC, TaskUS, Axis etc**. The idea is how we can make it a global product and take it to an extended market with more features and functionality. On the global AI-as-a-service market, Murali, would you like to cover this?

Mr. Muralidharan *Chief AI Officer*

Sure. As we all know, artificial intelligence has definitely resulted in creating a **civilizational shift in the industry**, and everyone is gearing up to address that. While AI is doing very well in industry globally, customers also have certain apprehensions. One of the bigger apprehensions is trust: trust in AI, trust in the infrastructure, trust in the LLMs, and trust in the data they have. Those are some of the apprehensions the industry has.

While these are apprehensions, they give a very good opportunity to services organizations that provide AI solutions, and to trusted partners such as Exato, to scale up, address these trust concerns, and give these customers a good ability to adopt AI. That said, there is also a very good opportunity in that AI brings a level playing field for all service providers, and **digital-native and AI-first organizations** are very well positioned to grasp this opportunity and bring transformative solutions to customers. Another very important area in AI is the lack of the right talent. That is another area **Exato is focusing on, building the future talent** and bringing in the parameters needed for a future IT services organization **to address the current challenges in the industry and scale**.

So the entire team at Exato is investing in our AI practice. We have set up centers of excellence and built the ecosystems needed to address these challenges. We are very much geared up to address this and take it forward as a robust, scalable, and sustainable AI services offering for the organization. With that, I would like to hand it over back to Appuorv.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you so much, Murali, for those insights. What I wanted to add is that one of the reasons we are looking aggressively at our AI investment is that we got a very strong customer base, and every customer has an AI initiative. As you can see, the global AI-as-a-service market is going to grow at a **31% CAGR**, and the India market is also close to **30% CAGR**. The question is how we can have more play in this, in a more services-enabled way. So we are working on certain partnerships and strategies so that we can take it to our existing BPO, BFSI, and retail customers and explore what bigger play we can have with respect to AI.

I also wanted to mention that we have already **received two significant Agentic AI orders from two customers**, one based in the **US** and another in the **UK**. Some of these orders were also in the public domain. So we have started winning orders on Agentic AI, which is the current focus in the market. The idea is how we can build more consulting-led practices and services, which can add a decent bottom line to Exato as well. With this thought process, we are expanding.

Today, where Exato stands is that we are an **AI CX transformation partner** serving **150-plus customers**. We have created our presence across India, the US, Singapore, and Australia, and we are the biggest partner for some of our large **OEMs**. The industry is shifting from vertical enterprises towards specific AI platforms, and this is where we want to play a role. As I talked about, with agentic AI and the rise of managed-services models, we have already won a large managed-services order, and that customer is also willing to give us more opportunities. In fact, they are willing to share exposure to their environment, where we can have forward-deployed engineers work with them and understand what can be deployed in a real-life scenario. With all this, and with significant investment by customers in AI, we see a very strong possibility of expanding our global footprint, with our IP also having a significant play, and with more AI adoption. I think a new market will also open up. While we initially thought our IP would be primarily for SMEs, with the AI play, I think we will have a much larger base to cater to, with decent revenue expectations as well.

In terms of our **financial performance for Q4**, as you all know, **India is the region to focus on in Q4**, because IT budgets typically lapse in Q4. So a major part of our revenue came from the

- **domestic region**, around 86%,
- with 14% coming from **exports**.

License and software contributed the most, and the second largest was **implementation and consulting services**. While I say that, we definitely closed some larger opportunities.

- One was with the healthcare BPO, where we closed a 95 crore deal, and another was a
- 72 crore deal, which we booked but were not able to bill.

There were also new orders from some existing customers, which added significantly to both revenue and profitability. Our global reach has been strong; our UK region grew significantly, and the US also contributed, but **this year we expect a major contribution from the US region**. BPO and ITES has been our strong forte, followed by healthcare and BFSI. So this is where we are with respect to the revenue bifurcation.

In terms of the **financial snapshot**, I just wanted to give a **four-year view**. If you see, our CAGR with respect to revenue has been growing significantly. We were at **72 crore**, and we have now more than doubled to **168 crore**, so our revenue CAGR has been around **32.17%**. EBITDA and margins have also grown over the last four years; in fact, the CAGR for EBITDA margin has been **60%**, and PAT has also grown significantly, at **47.14%**. One data which I would like to highlight is that, since we are talking about four-year data going back to FY22-23, our **ARR was close to 20 crore** in FY22-23, primarily from one or two customers. From **20 crore, it has grown to 120 crore**, and this number is going to continue for the next three to four years as per the current order book. While we will work aggressively this financial year and expect this to grow, even if we did nothing, **120 to 125 crore** of order billing is secured for the next three years. That shows the strong sustainability of our business. With AI, our international investment, and the leadership team on board, we see a lot of

potential. Our long-term borrowing has also decreased, because we used some of the IPO funds to cut down the debt, which is a significant milestone, and our net worth has increased significantly as well.

In terms of our **P&L statement**, our revenue grew in Q4, while the EBITDA margin was a bit down. The prime reason is that

- we expanded heavily in the US, with significant investment going there, and
- we expanded heavily in Australia, where we hired senior people. We expect a good result from this investment.
- We have also been sponsoring and participating in some industry events, because that is where we get customers. We were at the **Acumatica Global Event**, then in London and Spain for a customer event, and I also travelled to the US for about two to three weeks.
- All of this is travel and hiring, getting our leadership team in place, building a global business development team, and building our center of excellence.

So there has been some investments. The idea of this fundraise was how we can expand bigger in the international market, so we are investing and will continue to invest. There is a good return expected in one or two quarters, because the **sales cycle is typically three to four months** so we see good return. With respect to the overall growth for the year, as I mentioned, the **PAT margin** increased from **7.77% to 9.58%**, and PAT increased from **9 crore 65 lakh to 16 crore**, which is almost a **67% increase**. This shows a strong financial performance year on year, and with these investments, performance is expected to be much better this year and in the coming years.

This is with respect to the **balance sheet**, and as I talked about, in terms of our equity and liabilities, current assets, and revenue contribution, we have **significant improvement** across all aspects, and we see **strong growth in the coming quarters as well**. On strategic investment driving future growth: as I mentioned, our PAT increased 67%, and our net margin expanded from 7.77% to 9.58%. Our order book has grown significantly, from **20 crore to 123 crore over four years**. We have a very strong order book. When I say order book, we have long-term contracts from customers. We generally win five-year deals, and sometimes three-year deals, and most of these three- or five-year deals are renewable. That order book gives us strong strength and the ability to expand, because then we can think big. With this much order in hand, we can go to other customers, deploy the profit, scale operations, look at organic growth, and create more international presence. That is how we plan to grow in the coming years.

As I mentioned, we have established **subsidiaries**, and a **senior leadership team** has now joined across **global locations**. We have a team in the US, a team in Australia, our CRO here in Bangalore, India, our Chief AI Officer in Chennai, and Gopi, our COO, also based in Chennai. The idea is how we can create a model where we sell more in international regions and deliver more from India. **We have been participating in industry events, which has resulted in very good opportunities and customer alignment**, because customer references matter a lot. On the basis of our existing partnerships with OEMs and customers, the idea is how we can expand big with respect to our consulting and services offerings as well.

We have a plan to capture the entire AI gamut, not only AI as software and AI as a service, but also the hardware portion. As you all know, there is going to be significant investment in data centers, and every customer is going to have an AI strategy, so they will look for a vendor that is more enabled, not only on the software or consulting side, but one that can also give a complete package. That is the reason we are also focusing on how we can build our infrastructure practice. We already have an infrastructure practice, unified communication and infrastructure, how we can further strengthen it, so both organic and inorganic growth is the plan, and that will also add significant value to the top line. That is how we see strategic investment and driving future growth. On this, Gopi, would you like to take over?

Mr. Gopinath P Bailur *Chief Operating Officer*

Yes, thanks for that. The way we started this year, I think all the aspects and amenities that are required are in place. We completed last year as of March, and from April onwards we started our new year, and accordingly the annual operating plan was established. You would have heard so far about some point solutions that we used to do, the individual solution sets that we used to provide to the customer. But now we have designed it into business solutions, where we have partnerships

with OEMs for the sector solutions we provide. Likewise, we partnered for the **BFSI sector with a treasury solution with Mitel**, and we have the **Acumatica ERP** in place that we are selling. That is the partnership we are driving.

We did a three-day operating plan across the geographies to make it a blended solution and to go back to the customer with a business-oriented solution, rather than going to the customer and asking what problem they have. We know the industry has problems, and we know how we can deliver AI solutions. You heard from Murali; he is here to make AI happen. When we say AI happens, we are not talking about going to the customer and talking about AI as a concept. We are going back to them with a specific use case which they want to solve, how our solution is the best fit into it, and how we will solve it end-to-end. That is the reason we are moving from point solutions and support to entire managed services. That is how we are changing our image in the market.

On that operating model, over three days we discussed, within our existing accounts, what we can do, what more we can do, and how we can increase our wallet share with existing customers. Second, we focused on certain segmentation that we need to go after. Healthcare and BPOs are our target areas, and within BFSI, specifically the insurance segment, we have an extremely strong solution that we can go after. That has been identified. Along with that, there is the integrated solution: **you sell a contact center, an ERP, and a CRM, and we also do the integration and then drive AI on top of it**. That was our core focus over those three days. The existing customer base is one focus, and the new customer base has also been identified. Then Naveen, as the CRO, comes with his own pedigree, so we have mapped who he can go after, what kind of solutions he can sell, and accordingly repeated that overall plan. Our plan is to grow by at least **20%-plus CAGR**, which is in line with the market standard, but we are confident we will do much more.

While doing that, this is one of the **spotlights** for us. Last year, when we attended the **NICE event in Busan**, which is a partnered event, **we won five awards**. This is the **sixth year we are a platinum partner for NICE**, so that is the credibility we carry with **NICE**, and that is how we are able to establish ourselves into all the other geographies. **NICE** is now welcoming us into the US market, and we are going to showcase that. The second important point is that we are the **APAC Partner of the Year**. Earlier, we were much focused on the India side, but this time we beat everybody in the **APAC region** itself. Our next-year target is to become the **US Partner of the Year**, and we are targeting that. On the **Mitel** side, last year we were a gold partner, and this year we are a platinum partner as well; **we just received that award from Mitel**. So that is the level of interaction we are doing.

While we are doing all these events, our interaction also is to be felt by all others. Even when we are changing and bringing in new leaders, our OEMs are also expanding with their new leaders, new ways of handling business, and new ways of understanding how AI is transforming the entire scale of things. So, AI first is the initiative messaging which has started. At the events we attended, we took some of our customers along and participated, and we have established a lot of good connections. Now we are calibrating that and going after it, positioning, selling, and making it happen. So these events have helped us in many ways. Likewise, on the ERP side, **the Acumatica events are also happening**; this was an event in **Seattle** that our team attended, and we continue to get good traction in the region. Participation has given us access to a lot of customers, as well as partners we can work with and make our valuation more. This was the overall **APAC Business Partners Summit** that we attended. Overall, as I mentioned, we won five awards, and these are **testimonials** of how well we are doing, how well we are recognized within the OEM ecosystem, and how customers are also recognizing us. More so, it is our portfolio deals that are making us more credible and giving us a stable environment, which gives us much more stability to drive faster as we grow. Thank you, Appuorv.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks, Gopi, and thanks, everyone, for your time. I will just summarize. This year was a year of significant achievement, and also of laying the foundation for the coming years; that was the plan. We ended the year with **35% revenue growth and 67% PAT growth**. The order book became more stable: where we left off in December, in our last call, it was around **520 crore**, and we closed it at a **600 crore order book**, with **150-plus customers**. For the total financial year, close **to 26 to 27%** of revenue came from the international region, but with the kind of foundation we are laying, we expect a much more significant contribution from the international in region this particular year itself.

On the transition to AI and IP-led revenue, the work and investment are ongoing, and the idea is how we can prioritize it, with Murali coming on board as Chief AI Officer. Our global expansion includes creating the subsidiary in Australia and a bigger footprint in the US and Singapore, and having **Dr. Milind Godbole** also as one of our board of directors, along with the others, so that we can gain from their vision and strategy and make it big in the international region. We want to continue and, in fact, enhance our success with our OEM partnerships, which we have, but at the same time, we want to learn what best can be done, because in AI a lot of unexpected change is expected.

Our strength is our order book, and our strength is our 150-plus customers. That gives us a lot of footprint and a strong foothold in the current scenario. It also gives us a reason to diversify, which is why we are diversifying with ERP, and why we are looking at more AI and AI as a service. As I mentioned, we are looking at some large AI companies to partner with for the LLM and for the complete GTM, which Murali also talked about; that is our Chief AI Officer's plan. With this strong revenue visibility and scalable business model, we are eyeing this financial year, on the foundation laid in Q4 and the investment made, will be a much better year than all the previous years, both in terms of revenue and profitability.

With this, I would like to thank everyone on this call, all the investors, and all the participants. Thank you so much for your time. That is the closing remark from my side, and we are now open for any questions. Thanks, Finportal team.

QUESTION & ANSWER SESSION

Finportal *Moderator*

Thank you to the management team for those comprehensive opening remarks. We will now proceed to the Q&A session. Participants wishing to ask a question are requested to use the raise-hand feature. We will take the first question from **Mr. Amit Jain**.

Mr. Amit Jain

Hi, good evening, everyone, it was a really nice presentation. Congratulations on your financial details. I have a question, I think, for the CFO, because this is related to financial only. My question is **why there is increase in purchase of software and hardware. With respect to the percentage, it is almost 81%, whereas in the previous period it was 67%. That is a significant increase. Where your revenue is going up, you should ordinarily have the benefit of economies of scale, rather than that there is a significant percentage-wise increase, which impacted the Q4 results significantly.**

Mr. Appuorv K Sinha *Chairman & Managing Director*

Amit, I would like to take this question, because it is also related to the business. As I mentioned in my presentation, we have picked some AI infrastructure deals, and that is the reason you see the cost of purchase is a bit higher.

There is a strategy behind this. In this AI game, we do not want to limit ourselves only to AI software or AI services; rather there is also an infrastructure portion. If you see, major investment is coming from Google, Adani, Reliance, and others, with everyone talking about large data centers coming up. So this opens a huge opportunity for companies like us also, so we are looking to create a new line of business. So far we have been doing with respect to our existing customers, but as a new line of business it can give us significant top line and a reasonable bottom line.

The reason I say a reasonable bottom line is that, in hardware deals, the bottom line is slightly lower, but it is not very stretched, because delivery is easy. You deploy, you install, and then you come out, and the cycle is also very short. So you see a higher cost of purchase, but it was a strategic business decision to diversify, not only in AI as a service or CX as a service, but also in hardware.

Mr. Amit Jain

But if it is infrastructure cost, it should be capitalized, no? Why is it coming into the expense?

Mr. Appuorv K Sinha *Chairman & Managing Director*

We are buying and selling it to customers, so this cannot be capitalized. This is for the customer.

Mr. Amit Jain

So if you are buying and selling it to the customer, then it cannot increase to 81%. You would be doing a markup on that, am I right?

Mr. Appuorv K Sinha *Chairman & Managing Director*

You are right, but as I said, our software-as-a-services revenue, against the hardware purchase we had, was a bit higher in Q4, because some of these customers wanted to utilize their IT budget, so it was more on that side. That is the reason you see the cost of purchase. In fact, some of the license purchases you see were primarily for that reason, that they wanted to utilize their budget, so that is the reason you see the cost of purchase high.

Mr. Amit Jain

So basically, even the hardware and software you provide to the customer, you bill it to them with a markup, and it is part of direct revenue. So I can say that the margin was too low. Whatever extra revenue you got, the margin was too low on that one-time purchase of hardware and software.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Amit, you are right in saying that, but this is a strategic decision. Please understand, initially we do not have an established infrastructure, hardware, and software business. We used to do it before COVID; we had a Cisco practice and an HP partnership. Now we want to do it again, because Murali comes from that background. He was in CX and was a CTO of a vertical of TCS, where he was managing the infrastructure vertical. We are planning to have this as a dedicated vertical, and when we have a dedicated vertical and a bigger business pie with OEM partners like HP and Cisco, they will fetch us good margin. If we do transactional deals, the margin is going to be lower. That is the crux of the issue.

Mr. Amit Jain

Could you also tell me about the guidance for FY26? What are you guiding for revenue and PAT?

Mr. Appuorv K Sinha *Chairman & Managing Director*

We are expecting an increase of **50 to 60%** on both the revenue side and the PAT side. The reason is very simple: we want to focus more on international geographies. The foundation has been laid, and the leadership team you see, the team we talked about on this call, all have excellent international exposure. This was one of the things when we partnered; everyone collaborated and came together, and we are very glad to have people like Naveen and Murali on board. There is going to be a huge contribution from international geographies, and as you understand, the deal sizes are bigger and the profitability is also higher. Since we will be delivering from India as well, in a hybrid model, we can see a significant jump in both profitability and revenue. So 50 to 60% is the minimum; we can do more.

Mr. Amit Jain

Okay, thank you very much, and all the best to everyone.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you so much, Amit.

Finportal *Moderator*

We will take the next question from **Mr. Wilroy Luis**.

Mr. Wilroy Luis

Sir, can we hit 500 crore in the next two years?

Mr. Appuorv K Sinha *Chairman & Managing Director*

I want to, to be very honest with you, Wilroy. We have both organic and inorganic growth plans, and while few things are under NDA and are taking shape, I would like to make a formal announcement once that is done. But definitely, that is also on my wish list, Wilroy, and it is possible also.

Mr. Wilroy Luis

Okay, thank you, sir.

Finportal *Moderator*

We will take the next question from **Mr. Mahesh Soni**.

Mr. Mahesh Soni

Hi, team, are you able to hear me?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, Mahesh, we can hear you.

Mr. Mahesh Soni

Has Exato's management taken initiatives to engage more investors, especially long-term investors, to ensure the company stays on investors' radar, such as the non-deal roadshows that other companies do? Also, based on publicly available data for Exato, the number of shareholders has declined from around 700 to 500. How does the management view the implications for liquidity and valuation, and what actions are you taking to increase the investor base?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Mahesh, if you have seen the pattern, then you would know that typically there is a lock-in period for certain investors, and some profit booking happens. I would not like to comment on this publicly, but that is what the pattern is; I am just talking about the pattern. If you know the data, you will also know that some important investors have increased their stake. All of this is public data, so you can understand the confidence of the key and marquee investors, and you can rely on that.

In terms of engaging more investors, one point is that we got listed only four to five months back, so the focus is more on building the business. That is where we have been working, and the leadership team is getting on board. Having said that, by declaring **quarter-on-quarter results**, the idea is to maintain transparency and information flow. In fact, for an SME company, the guideline is six months, but we have taken on that responsibility, and it is not an easy responsibility, because every three months we have to do a lot of preparation, and there is pressure on us to perform. The idea is how we can give a positive outlook to our investors.

To answer your point, we are a profitable company ourselves; you have seen our PAT growing. We have a significant investment already in place, largely in fixed deposits. We are also eyeing some organic growth and some acquisitions, and at that point it will probably be the right time to look at more investors. But as of now, the focus is more on building the business and creating a positive environment so that genuine, long-term investors can associate themselves with us.

Mr. Mahesh Soni

My question was not that we need more funds. I totally trust the management; I am invested in the company myself, and I love the management and the business. My question was more on the front of price discovery. I feel the business is highly undervalued. I personally feel so; I may be wrong, and perhaps the market does not feel that way, but improving market participation could help discover the stock price in a better way. I am sure you are working on the business part of it, but if there is a team that can engage with more investors, as the big companies do, that would help. So my question was more on that front; I am sure we do not need money.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Mahesh, we keep doing that. Our PR agency keeps doing that, and there is regular information, and sometimes monthly investor calls as well. Apart from that, we engage with investors, though that is with respect to some strategic initiatives and strategic deals. So, to answer you, yes, we are doing that.

Mr. Mahesh Soni

Okay, thank you so much, and all the best.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you, Mahesh.

Finportal *Moderator*

We will take the next question from **Mr. Varun Singh Thakur**.

Mr. Varun Singh Thakur

First of all, many congratulations on the numbers we have achieved. I just wanted to understand a few things. **You mentioned that you are planning to increase the target customer base from 150 to around 500 to 600. With the expense management in the US and Australia, I want to understand what challenges we could face, and, secondly, what time period we are targeting to achieve this.**

Mr. Appuorv K Sinha *Chairman & Managing Director*

Like any other SME company, we also have an aspiration to move to the mainboard in the next three years; that is the timeline we are targeting. With our international expansion, we are looking not only at larger enterprises but also at the SME market in international geographies, which can give us good value. With existing customers and a more AI-led offering, we see huge potential in working with those customers and delivering from India. That is how we plan to grow our base.

The second aspect is our IP. The IP we are building will bring volume in terms of customers, so that is an additional source. With Murali coming on board as Chief AI Officer, we are also looking to add more and more partnerships, the kind that can complement the existing business and that can fetch us new customers. The existing business itself has huge potential. The numbers we are doing can triple or grow four to five times if we plan strategically, because a lot has changed for every customer in this AI era. Every customer has an AI initiative, and only a limited number of people understand what to do. We have been doing this for the last 10 to 12 years; AI was always there, in the form of analytics, and it has been evolving. So, in this scenario, the idea of bringing in a very senior person who was a CTO of TCS to drive this is that we want to acquire new customers, move from services to platform-led offerings, and build more consulting-led services.

We are targeting some of these managed-services opportunities, focusing on certain accounts to win managed-services deals, like the one we got from the US customer, which we booked on 31st March. All of this will help us with new customer acquisition and expansion. We have also established a global business development team, So Dinesh, who manages our marketing, is building an inside sales team of close to 20 people as a part of his team, they will work day and night, and probably in night hours, using tools such as LinkedIn, Lusha etc for lead generation, and then pass leads on to **the feet on the street**. So we are building not only a **hybrid delivery model** but also a hybrid sales model, and as we see more and more opportunities coming, we will add more feet on the street in international geographies.

To summarize, we are strengthening the **partnership model**, going deeper with customers, and pushing to get the IP go live at the earliest, although it will take some months. The senior leadership team, primarily on the sales side, has come on board to expand more in international geographies. All of this will get us a good set of customers.

Mr. Varun Singh Thakur

That is good. **I just want to understand one thing: in how many years, or what is the vision? In three to four years, are we going to achieve these 500 customer numbers, or what exactly?**

Mr. Appuorv K Sinha *Chairman & Managing Director*

That is the target. That is the target.

Mr. Varun Singh Thakur

Three to four years.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes.

Mr. Varun Singh Thakur

Okay, and one last thing I want to understand. There is somewhere around 380 crore of orders that we have in hand right now, out of the 600 crore order book. How much are we going to achieve in this financial year? If you can give us some number.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Out of this 380 crore, close to 30 to 35% will be billed this financial year, and the rest will be for the next two to three years. That is for the current order book.

Mr. Varun Singh Thakur

Okay.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Apart from this, as I talked about, the revenue growth will be much more than that. We have taken a higher internal target, but for the market outlook we are saying 50 to 60% revenue growth. In fact, we are expecting better revenue growth and better PAT growth.

Mr. Varun Singh Thakur

Okay, I think all my questions have been answered. Thank you, and best of luck.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks, Varun.

Finportal *Moderator*

We will take the next question from **Mr. Nikhil**.

Mr. Nikhil S

Am I audible?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, you are audible, Nikhil.

Mr. Nikhil S

Sir, in the current year, what percentage of your revenue has come from exports? And going forward, in the next financial year and the next two to three years, how much can this export revenue percentage go up?

Mr. Appuorv K Sinha *Chairman & Managing Director*

In the current year, close to 28 to 30% has come from exports, Nikhil. We want to increase it to 50 to 55% in the next two years. That is the thought process.

Mr. Nikhil S

A follow-up on that: what are the margins you clock in exports compared to domestic revenue? How much is the delta you get in exports?

Mr. Appuorv K Sinha *Chairman & Managing Director*

In domestic, the gross margin lies anywhere between 22 and 24%. In international, the gross margin is around 30 to 35%.

Mr. Nikhil S

So then, does that mean your PAT growth should be higher than your revenue growth going forward over the next few years, because you are expecting more from the export markets?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Absolutely, it is going to be higher. I have given normal guidance, but as I said, I am quite hopeful that the revenue and PAT will grow much more than the guidance I have given. Apart from that, there is a strategy to venture more into services. I talked about managed-services accounts, which will also increase PAT, and as we discussed, larger partnerships in AI, and AI as a service, will also contribute strongly to PAT. As a listed company, our focus is going to be on PAT. At the same time, by diversifying and having verticals such as the infrastructure business, we are strategically thinking about how we can add to the top line. In a way, we will compensate for the relatively lower margin from international expansion, as well as from AI as a service and CX as a service.

Mr. Nikhil S

And sir, this infrastructure business that you are currently pursuing, in the next few years how much do you expect it to be as a part of your revenue?

Mr. Appuorv K Sinha *Chairman & Managing Director*

In the next two to three years, this is going to contribute around 30 to 35%.

Mr. Nikhil S

So then, would the margins be lower in infrastructure?

Mr. Appuorv K Sinha *Chairman & Managing Director*

No, because our managed services and our IP will compensate for that, and our international expansion will compensate for that. As we grow big with partners, infrastructure business is not necessarily a low-margin business; it depends on how much control you have over the customer. I have seen 30 to 40% margins domestically when we were doing Cisco business. It depends on whether you stitch the RFP and work with the customer.

For example, in AI as a service, suppose I get to work with a bank and tell them I will build their entire AI-as-a-service infrastructure, plus I want certain hardware, and I will provide 30 people who are trained on AI, along with an agentic AI platform. If you create that kind of deal, with this leadership team, that is the expectation. We had limited time, but Murali was the one who grew the entire infrastructure business of TCS from scratch to close to two billion. This is the kind of people we have. So the idea is to look at some strategic customers, which could be new or existing, and if we manage it well and look at a managed-services kind of deal, the margins can do well on that side too.

Mr. Nikhil S

Sir, just before leaving, one suggestion for you and the management. If you look at the liquidity in the stock, please do something about it, because even with very thin volume the stock goes down or up a lot. It is just a suggestion. The management is looking great.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Nikhil, we are in business, and we do care about our investors, but I think you will agree that if we do well in the business, all of this is going to improve. That is what I can assure you. In previous calls, there were several discussions around the top line, and there was also a discussion around investor engagement. You understand that we, being a larger stakeholder in the overall scheme of things, are quite interested in how investor interest can be protected. So trust me, everything is being done. A few things are covered under certain compliances, which will come at the right time, but the business outlook is what we can currently explain to you, and we are doing really well on that front.

Mr. Nikhil S

Thank you, sir, and best of luck.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you.

Finportal *Moderator*

We will take the next question from **Ms. Bhumika Maheshwari**.

Ms. Bhumika Maheshwari

Hello, hi, sir. I have two or three questions. I think this has been answered before, but I wanted more detail on it. Since we have opened subsidiaries in the USA, Singapore, and Australia, what sort of traction are we seeing from these?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Your voice is not clear, Bhumika.

Ms. Bhumika Maheshwari

Are we targeting three years?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Sorry, Bhumika, we missed you; there was some gap. Was it just for us, or for everyone? Can you repeat your question?

Ms. Bhumika Maheshwari

Sure. Am I audible?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, you are audible.

Ms. Bhumika Maheshwari

We have opened three subsidiaries, in the USA, Singapore, and Australia, so I just wanted to know what sort of traction we are seeing in these places, and where we see ourselves in the next two to three years from now.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Bhumika, to answer you, in the next two years I am expecting 50% of revenue to come from international geographies. In a previous call, this was discussed, including whether establishing an infrastructure practice, which gives top line, would validate what I am saying. As you understand, in international geographies the deal sizes are bigger and the profitability is also higher.

For example, we closed a \$10 million deal in September with a healthcare BPO from the US. There was a consultant engaged from the customer's side who was evaluating us, and when we closed this deal, the consultant said it would have been a **\$25 million deal**, at least two and a half times more, if it had been closed in the US. This is the reason we want to expand big in the US. It would have been easier for us to open a branch office and operate in the US, but we wanted a US identity. It is the same across Australia, again being a relatively closed market, and Singapore. Our plan is to have at least **50% of revenue from there**, with our larger investment going there.

We are expanding our footprint and getting more people in the US. We are going to be part of a large event where around 3,000 customers will come, and we have done something very smart: we have created a marketing campaign. If you follow us on LinkedIn, you will see in the coming days that we are giving everyone our QR code. With this QR code, when they fill in and answer the customer satisfaction questions, we will get all the details. You can imagine, if we have a database of 2,500 customers, our inside sales team of 20 people will do all the calling. If we get initial traction from even **10 or 15% of them**, we have seasoned leaders such as Naveen, Murali, Gopi, and myself who can be in front of the customer and talk about everything.

With respect to consulting, we are already doing well. We have very good people internally, as well as an extended ecosystem. Altogether, we have 300 years of experience in the customer experience domain, and with AI and the Chief AI Officer coming on board, that gives a clear signal to the market. Murali was CTO of TCS and joined us as Chief AI Officer; he comes with a very strong pedigree and has the complete background to scale our operations and create this AI-as-a-service offering. Every customer is willing to spend more dollars on AI, and while a few are skeptical, with our strong pedigree, by reaching out to these customers, being part of events, creating strong relationships, and building this hybrid model, we plan to get a major part of revenue from international geographies. This is very much possible.

Ms. Bhumika Maheshwari

That is great to hear, sir. Second, what are the macroeconomic challenges that could impact us with expansion in these geographies?

Mr. Appuorv K Sinha *Chairman & Managing Director*

The main challenge could only be cash flow, because we are aiming for higher growth, but that is addressable and not a major challenge. As you know, for the kind of numbers we are targeting, we need more and more people, but we have a very smart strategy for that. We have been discussing within the core team that we will have a mix of senior people as well as freshers whom we can train. Having said that, with large orders, execution definitely comes with responsibility, but we have assurance from our key investors and financial institutions that if we have a large order book, we should be able to execute it. So that is the only challenge I see.

Ms. Bhumika Maheshwari

That is great, sir. My last question: **we have recently appointed a non-executive, non-independent director, Mr. Milind Godbole. What role will he have in the organization, given his very experienced background?**

Mr. Appuorv K Sinha *Chairman & Managing Director*

If you know about MG Sir, and the data is publicly available, he grew his previous organization 20 times. That was the size of the organization, we are slightly bigger, when he joined 10 years ago, and he grew it to almost 20 times the revenue. The revenue figures may be in the public domain, and you can find them.

We want to learn from him and gain from his insights. As a board member, and as a non-executive director, he will have his own responsibilities; he will monitor how we are progressing, and we will get strategic guidance from his side. Healthcare is going to be a key vertical for us. We already have orders worth 220 crore in healthcare.

- One is INVENTURUS HEALTHCARE, which is Mr. Jhunjhunwala's company, and the
- second is the BIG LANGUAGE SOLUTION with the \$10 million deal.

So if we want to create a specific vertical strategy, that is where his role will also be quite instrumental.

He is more of a **mentor and guru**, and we want to learn from his experience. Rather than failing, it is better to understand how he has done it, and he has not done it once but thrice, with HP, Mphasis, and Aditya Birla Minacs. All of this was part of his transformation journey. The idea is to learn from someone who has done something and taken it to newer heights, rather than us trying a lot, failing, learning, and going back. That is one of the reasons, and not only Dr. Milind Godbole, but the leadership team we have in Gopi, Naveen, and Murali are all people with 30-plus years of experience. We all want to learn from Dr. Godbole how we can strategically expand and what all initiatives we can take.

Ms. Bhumika Maheshwari

Got it, sir. That is great. Thank you so much. I will get back into the queue.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you.

Finportal *Moderator*

We will take the next question from **Mr. Venkata**.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Hi, Venkata, please go ahead. You are on mute.

Mr. Venkata P

Yes, can you hear me?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, we can hear you.

Mr. Venkata P

You are looking for inorganic growth, right? Are you looking for product-based companies or service-based companies in the inorganic growth space?

Mr. Appuorv K Sinha *Chairman & Managing Director*

We are looking for both, Venkata. Am I pronouncing it correctly? It is Venkata, right?

Mr. Venkata P

It is Venkata, actually, but that is okay.

Mr. Appuorv K Sinha *Chairman & Managing Director*

I am very sorry for that, Venkata. We have two strategies for inorganic growth. One strategy is what additional portfolio we can take to our 150-plus customers and the customers we are adding. There could be a product that fits well within the existing ecosystem, because we do not want to diversify into five different verticals; we just want to remain in AI as a service

and customer experience as a service. So if someone has built something and is not getting traction, we can either acquire them or partner with them, and take it to our existing customers. That will give us substantial value, more in terms of PAT. That is one strategy.

The second strategy is to look at a system integrator or services integrator who can give us three things. One is regional diversity. For example, we are not big in the US, so a company in the US that has 40 or 50 customers could help; we are not present in the Middle East, which is slightly disturbed at the moment but can come back strongly; and we have a smaller presence in Singapore and Australia. If we have a company that gives us scale, we can then do reverse engineering and add the CX partnership, AI partnership, and so on. We can easily reach those 40 to 50 customers. That is one thing we are looking at, in terms of regional diversification.

The second criterion is whether it aligns with our lines of business. We have the CX vertical, the ERP vertical, and the unified communication infra vertical, so if one of the company's practices gels well with these, it is definitely welcome. The third thing is how strong their capability is in terms of services and delivery, because we do not want to serve customers just for the sake of serving; we want a bigger pie from them on the services side. So these are the three criteria for a services organization, and a product, obviously. We are looking at both. It could be one at a time, or more than one, depending on how the strategy plays out.

Mr. Venkata P

Okay.

Mr. Appuorv K Sinha *Chairman & Managing Director*

We are talking to three or four companies in this regard.

Mr. Venkata P

Okay, that is great to hear. Another thing: **you mentioned the products' revenue mix. How much is it going to be in the next three years?**

Mr. Appuorv K Sinha *Chairman & Managing Director*

In three years, our target is that our IP should contribute around 15 to 20%, since we are looking at international geographies in a big way. We already have our IP deployed at some large banks and a mutual fund customer, but the question is how to give it a more AI-driven flavor, and that is where we are working. IP is something that will definitely be our top choice, because it gives us more stickiness with the customer and better profitability. So we are eyeing 15 to 20% from our own product.

Mr. Venkata P

Thanks.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks, Venkata.

Finportal *Moderator*

We will take the question of **Mr. Tanmay Mehta**.

Mr. Tanmay Mehta

Hello, am I audible?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, you are audible, Tanmay.

Mr. Tanmay Mehta

You are currently achieving 23% of your revenue from international operations, right?

Mr. Appuorv K Sinha *Chairman & Managing Director*

This year it would be higher; that is, for the year ending March, it would be higher.

Mr. Tanmay Mehta

You have stated in the presentation that you are going to achieve 60% of your revenue from international operations. What is the update on that?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Which slide are you referring to? Finportal team, can you put it up? Dinesh, can you show this? I think he is talking about the export of services, which is around 23%. No, he is talking about 60% of revenue, so let me look at the data. Can you allow us a minute? I just want to see what is mentioned. Which slide?

Mr. Tanmay Mehta

Yes.

Mr. Appuorv K Sinha *Chairman & Managing Director*

I think it is slide number 20, page number 23. You can put it up.

Yes, Tanmay, please go ahead. Is this the slide you were talking about?

Mr. Tanmay Mehta

Yes, that is the one.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Sorry, can you repeat your question?

Mr. Tanmay Mehta

I was asking that you are going to achieve 60% of your revenue from international operations, right?

Mr. Appuorv K Sinha *Chairman & Managing Director*

No, this is for the current year, FY26. Where is 60% mentioned?

Mr. Tanmay Mehta

So you have already achieved 60%, right?

Mr. Appuorv K Sinha *Chairman & Managing Director*

No, no, 24% has come from international geographies.

Mr. Tanmay Mehta

Yes, that is what I am asking; your target is 60%.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes, 50 to 60% in the next two to three years, that is what I mentioned.

Mr. Tanmay Mehta

Okay, **so what is the update on that? Currently, are we on track?**

Mr. Appuorv K Sinha *Chairman & Managing Director*

Tanmay, to answer that, if you were on the call, the leadership team additions and the subsidiaries we have been opening are intended to achieve that number. Let me share a couple of points on how that number will be achieved.

One, the US is going to be our key focus market. We already have a dozen customers in the US, but we have a stronger footprint than that, because some of our customers, such as EXL, Genpact, Everise, they all are US-based customers that we are serving from India. They also have a mandate, in the current Trump's US administration, to buy from a US company, Exato.ai Inc which is our US subsidiary. With Naveen coming on board, with a very senior person called Patrick in the US who joined from Tata Communications, and with the global business development team led by Dinesh with 20 people, the idea is how we can do hybrid business development, generate more leads, and pass these leads on to Naveen and Patrick to close in the US. If that happens, we will add more people in the US to execute. The same can be the strategy for Singapore and Australia.

Apart from this, we will not be limited to just a couple of partnerships. We are expanding on the partnership side, and this is where Murali is going to take the lead. We are talking to another senior global company for a partnership, which we engaged this week. Apart from this, for AI as a service, we are partnering with a very large, pioneering global company. I cannot name it because it is still under NDA, but the idea is how we can launch this AI as a service, along with our own IP. With this, we see a significant contribution coming from international geographies. We have a good decent target this year as well, which will come from international geographies. If you see the kind of leadership team being assembled, the investment we are planning, and the people joining there, that will give you confidence about the kind of bigger number we can achieve this year and over the next two to three years.

Mr. Tanmay Mehta

Okay, sir, understood. I have one more question.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Please, Tanmay, go ahead.

Mr. Tanmay Mehta

You currently have an order book of 600 crore, right?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes.

Mr. Tanmay Mehta

What is the breakup, like in BFSI, healthcare, and telecom? Can you provide the breakup?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Out of this 600 crore, I would say close to 75% comes from BPO and KPO, 20% from BFSI, and about 5% from other verticals. The major customers are from the BPO and KPO verticals.

Mr. Tanmay Mehta

You said your next big target would be healthcare. So...

Mr. Appuorv K Sinha *Chairman & Managing Director*

Healthcare is a part of BPO. The two large customers I mentioned, Inventurus Healthcare Solution, a BPO promoted by the Jhunjhunwala family, and the big language solution, are both BPOs. Healthcare BPO also has various segmentations, but we group it within one domain. So these are two large healthcare BPOs.

Mr. Tanmay Mehta

So 75% includes both healthcare and BPO?

Mr. Appuorv K Sinha *Chairman & Managing Director*

Yes. The advantage we get with these BPOs is that some of them are very domain-focused and vertical-focused, while some have very diversified offerings. Both of these customers give us a varied advantage. One advantage of working with a focused vertical is that we get to know many things and can build niche skill capability. The other gives us diversity, which can expand our capability. That is how we see this BPO vertical.

Mr. Tanmay Mehta

Okay, sir, thank you. That is all from my side.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you, Tanmay.

Finportal Moderator (reading a written question)

Moving to the written questions in the Q&A tab, there is a question: we would like to understand how many of our products are our own manufactured products and how many are third-party products, whether there is any specific percentage share we have to shell out, and how the third-party products work in our system.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Let us not call it a third-party product; let us call it a global partnership. What other companies do is burn a lot to acquire customers; they invest in marketing, sales, and so on. We acquire customers profitably. Once we have a customer with a large, long-term contract, we can cross-sell and upsell to all of them. That is one of the reasons we have been building our AI-as-a-service practice and bringing senior leadership on board.

Now, about our global OEM partnerships: whatever we have learned from these partners, these companies are range rovers of the market. We are building the Toyota and the Hyundai, and there is a market for Toyota and Hyundai. In AI, in some places we will have a level playing field. For example, a large customer may say they do not need 100 features and are happy with 30 features that our own IP can provide. So, whatever we have learned from the Range Rover, we can build a Tata Safari and incorporate some of those features. That is what we have been doing, and we have progressed to a greater extent. With the addition of Murali, his experience, and his ecosystem, the idea is how we can build that quickly and start making revenue. That is the plan.

CLOSING REMARKS

Finportal *Moderator*

Thank you so much, sir. That was the last question for the day. On behalf of Finportal, I would like to extend our sincere gratitude to the management team of Exato Technologies Limited for their time and the detailed responses shared today. We also thank all the participants for their active engagement and this thoughtful session. I would now like to invite Mr. Appuorv Sir to give the closing remarks.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thank you so much, Finportal team, and everyone on this call, all the investors. There were some great questions, which give us learning and help us strategize. When we go back to our boardroom, we will discuss how our investors have been thinking.

There are a lot of exciting things ahead. You have seen the leadership additions, the growth in revenue, and the growth in PAT, but there are some very significant and important initiatives we are driving, such as the large AI partnership and the acquisitions I talked about. All of this is in play, but we want to take it forward in a structured way, with proper due diligence before we conclude anything on acquisitions. Whatever we are doing, we understand our domain and our business very well, and with a very strong team and strong growth prospects, we are quite hopeful that this current financial year and the coming year should be a stepping stone for something much bigger. We have an aspiration for the mainboard, and an aspiration for NASDAQ as well. We also have an aspiration of 500 crore, as was asked on this call, and how soon we will get there. Trust me, we are doing everything that can be done to achieve this. I am very grateful to all the people on this call, the investors and the extended fraternity, for their continued support. We will definitely put in more hard work and smart work to achieve our goals. Thank you so much. With this, I would like to close. Thank you.

Finportal *Moderator*

Should any queries remain unanswered, please do not hesitate to reach out to us at the email address provided in the chat box.

ir@fnportal.in | investor@exato.ai

This concludes today's earnings call session. Thank you so much.

Mr. Appuorv K Sinha *Chairman & Managing Director*

Thanks a lot, Finportal team. Thank you so much, everyone. Thanks for your time.