DATAMATICS

August 12, 2026

To,

BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeeboy Towers,	Exchange Plaza, C-1, Block G,
Dalal Street,	Bandra Kurla Complex,
Mumbai - 400 001.	Bandra (East), Mumbai - 400 051.
BSE Security Code: 532528	**NSE Symbol: DATAMATICS**

Sub.: Transcript for Q1FY27 Earnings Conference Call

Dear Sir/Madam,

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please note that the transcript of the earnings call held on Thursday, August 6, 2026 at 05:00 P.M. IST for discussion on Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended on June 30, 2026 is attached and also available on the website of the Company at https://www.datamatics.com/about-us/investor-relations/earnings-call.

Kindly take the above on your record.

For **Datamatics Global Services Limited**

DIVYA KUMAT Digitally signed by DIVYA KUMAT Date: 2026.08.12 14:58:52 +05'30'

Divya Kumat
President, Chief Legal Officer and Company Secretary
(FCS: 4611)

Encl: a/a

DATAMATICS

"Datamatics Global Services Limited
Q1 FY27 Earnings Conference Call"
August 06, 2026

MANAGEMENT: **MR. RAHUL KANODIA – VICE CHAIRMAN AND CHIEF EXECUTIVE OFFICER**
MR. ANKUSH AKAR – EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
MR. MITUL MEHTA – EXECUTIVE VICE PRESIDENT AND CHIEF MARKETING OFFICER

MODERATOR: **MR. PRATIK JAGTAP – E&Y INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to the Datamatics Global Services Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pratik Jagtap from E&Y Investor Relations. Thank you, and over to you, sir.

Pratik Jagtap: Thank you, Anuskha. Good evening to all the participants in the call today, and welcome to Q1 FY27 earnings call of Datamatics Global Services Limited. The results and presentation have already been mailed to you, and they are also available on the website of Datamatics. In case anyone has not received a copy of press release and presentation, please do write to us, and we will be happy to send it you all.

To take us through the results today and to answer your questions, we have with us the top management of the company represented by Rahul Kanodia, Vice Chairman and CEO; Ankush Akar, EVP and CFO; Mitul Mehta, EVP and CMO. Rahul will start the call with brief overview of the quarter on business, which will be then followed by Ankush, who will take us through the financials. Then we will open the floor for the Q&A session.

I would like to remind you that anything that is said on this call, which gives any outlook for the future, or which can be construed as a forward-looking statement, must be viewed in conjunction with the risks and uncertainties that we face. These risks and uncertainties are included but not limited to what we have mentioned in the prospectus filed with SEBI and subsequent annual reports, which you can find on our website.

With that said, I now hand over the call to Rahul sir. Over to you, sir.

Rahul Kanodia: Thank you, Pratik. Good day, everyone, and thank you for joining the Datamatics Q1 FY27 earnings call.

I will begin by sharing some key highlights from our quarterly performance, following which Ankush will take you through the financial update in greater detail. We will then open the floor for a Q&A session.

We have started the FY '27 on a positive note, demonstrating the resilience of our business model and the trust our customers have placed in us.

Our revenue for Q1 FY27 grew at 9.9% on a year-on-year basis to INR 513.9 crores. EBITDA for the quarter stood at INR 101.1 crores, representing a 31.1% year-on-year increase, while our EBITDA margins improved by 343 basis points to 19.7%. This financial performance is a direct reflection of our continued focus on innovation, disciplined, cost management and operational excellence.

We are seeing strong market validation of our AI-first strategy. Customers are increasingly choosing Datamatics for our ability to combine AI innovation with execution excellence, enabling us to win larger, higher-value engagements across both existing and new customers. The majority of the new deals we have won this year have been on the back of our AI capabilities and some recent examples include:

- the SBI Life Insurance project, which selected Datamatics TruAI underwriting to redefine underwriting operations using agentic AI-powered automation.
- An American pet and wellness and veterinary care provider expanded its engagement with Datamatics to deploy an AI-powered voice agent, delivering natural conversation, faster response times, and enhanced customer satisfaction.
- A leading American consumer product company selected Datamatics KAiBRE and KAiSDLC an agentic AI-powered solution to extract and transform complex legacy business logic, accelerating application modernization, while enhancing scalability, reliability, and performance.

These wins underscore the growing confidence customers place in our AI capability and our ability to translate AI innovation into measurable business benefits.

I am pleased to announce that the integration of TNQTech into Lumina Datamatics is now complete. The combined organization has strengthened our capabilities and continues to show healthy growth. We have firmly reinforced our position as a global leader and rank amongst the top three digital content outsourcing companies in the world.

Looking ahead, we are focused on building upon the strong start to the year. By accelerating the adoption of AI and advanced technologies across our solutions. We remain well positioned to help our customers stay ahead of the curve while driving sustainable long-term growth for our stakeholders.

With that, I would now like to hand over the call to Ankush Akar for the financial update.

Ankush Akar: Thank you, Rahul. Welcome, everyone, and thank you for joining us for our Q1 FY27 earnings call. Let me take you through the financial performance for Q1 FY27.

Our Q1 FY27 revenue stood at INR 513.9 crores, reflecting growth of 9.9% year-on-year.

Our EBITDA stood at INR 101.1 crores, a growth of 33.1% year-on-year. Our EBITDA margin for the quarter stood at 19.7%, reflecting an expansion of 343 basis points year-on-year.

Our EBIT stood at INR 78.4 crores, a growth of 39% year-on-year. Our EBIT margin for the quarter was 15.3%, reflecting an expansion of 319 basis points year-on-year.

Our PAT after non-controlling interest was INR 72.3 crores, up by 43.5% year-on-year. Our PAT margin stood at 13.6% for the quarter. I'm pleased to share that we have recently rolled out our annual salary increments effective April 2026, and impact has been accounted during the quarter.

In terms of segment, Digital Operations revenue for the quarter stood at INR 296.8 crores, which is up by 16.1% year-on-year. Digital Operations EBIT margin was at 19.3% for the quarter.

Digital Technologies revenue for the quarter stood at INR 153.1 crores, which is up by 6.1% year-on-year. Digital Technologies EBIT margin was at 8.9% for the quarter.

Digital Experiences revenue stood at INR 64 crores, which is down by 5.3% year-on-year. Digital Experiences EBIT margin was 11.7% for the quarter.

Our billed DSO was at 60 days as of June 2026. We continue to maintain a healthy balance sheet as of 30th of June 2026. Our net cash and investments (net of debt) stood at INR 710.2 crores. In terms of industry footprint, Education and Publishing was the largest segment for us, contributing 29% of the revenue, followed by technology and consulting contributing 20%, BFSI contributing 19%, manufacturing and logistics contributing 11%, retail contributing 9%, not-for-profit and government contributing 8% and the rest are 4% of the revenues.

Our client concentration remains very healthy with top 5, 10 and 20 clients contributing 30%, 41% and 54%, respectively. Overall, we are pleased with our quarterly financial performance and remain confident in our strategy to drive sustainable growth.

With this, I will now pass on the call to the operator to open the floor for questions. Thank you for your patience and continued interest in Datamatics.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Yajat Shah, an Individual Investor.

Yajat Shah: So, we expensed approximately INR 40 crores to INR 50 crores a year as AI R&D investment. So, what would be the guidance there for this year? Are we expending more or less this year as well?

Rahul Kanodia: We will keep it at approximately the same level because right now, there's a lot happening in that space, and we need to keep abreast with what's happening with latest technology, plus we are investing in the platform that we are building. So, we will sustain it at the same levels for this year.

Yajat Shah: All right, sir. One more thing I wanted to ask, we have reported INR 710 crores approx cash balances. This is before the INR 200 crores TNQTech payout?

Rahul Kanodia: That is correct. That payout was in this quarter. The numbers you're looking at INR 710 crores pertains to the last quarter-end.

Yajat Shah: So, at current run rate, we would have INR 500 crores and approximately INR 200 crores from the remaining three quarters. So, we would again have maybe INR 700 crores. So, is there a plan for a buyback, or will that be used for a better allocation like from acquisition?

Rahul Kanodia: We are in dialogue with some companies from an M&A point of view. And no conversation has matured to the level that we need to sort of report it, but we are in dialogue with some companies.

Yajat Shah: All right, sir. And last question, would we report segment-wise data for AI as a service sooner or later, since we are ramping up there?

Rahul Kanodia: A lot of the projects have, will have an integral AI component. And therefore, it might be difficult to call out just AI in itself. There are some projects that are purely AI, but many other projects have a combination of AI and the legacy work. So, it may be difficult to fully pull out only AI because everything will be automated on the back of AI. So, let's see how the projects unfold, but I don't think we'll end up doing a pure AI reporting because, pretty much across the board, we will be implementing AI.

Moderator: We take the next question from the line of George John from Equity Intelligence.

George John: It's good to see the pickup in revenue and margin of your digital operations segment. But over the past few periods, the Digital Technology segment has kind of had a muted growth alongside some margin pressure.

So, is there some sort of seasonality in Q1 or the fact that we have added some clients in the past few quarters, what are your aspirations for growth and margins, especially in the segment going forward?

Rahul Kanodia: So, we are seeing a good traction we are getting on the KAi underwriting solution and the KAiSDLC and KAiBRE solutions. These are for enterprise modernization. We have kicked off some projects in that space already. So, the customer response has been very encouraging because these are for legacy modernization and using these tools, which are all AI-powered or largely driven by AI, the risk factor comes down, the timeline comes down.

So, a project that will take three years can be probably done in six months now. So, because of that, we see a lot of interest from customers looking for legacy modernization. So, it reverse engineers legacy systems, extracts business tools and then forward-engineers that to the target environment. So, I'm quite bullish on the Digital Technologies.

Also, the underwriting solutions that we built is getting a good response. We are in dialogue with all the top insurance companies in India and of course, some of the good ones in the U.S. and Europe as well. And once again, I'm very confident that, that will give us a good revenue stream.

George John: So, the underwriting product is going to be clubbed within digital technologies, is it?

Rahul Kanodia: Yes. What's happening actually is that we are getting a combination of both. So, operations and technologies are coming together because operations understand business processes and technology understand technology. And it's only when they work together that you are able to deliver the maximum value to the customers. So, we are seeing more and more situations where they need to work as an integrated solution.

And then it becomes a little difficult to separate them out as independent units or independent streams. So, yes, a lot of our investments that we are making, we talk about it has been going into the digital technology space. So, we will recognize revenue there as well.

George John: So, have you started booking revenue for this particular product? Or are we yet to see it?

Rahul Kanodia: We have started booking. We've got the first customer. We'll have a few more very soon.

Moderator: We take the next question from the line of Nishita Shanklesha from Sapphire Capital.

Nishita Shanklesha: So, I just wanted to understand, we had a very good growth in Q1 FY27 Y-o-Y. So, is this growth trajectory going to continue? What sort of growth can we see for the whole year FY27?

Rahul Kanodia: So, we have projected a high single-digit growth in our guidance. We are maintaining that. There is still a degree of softness in the market because of the war and the uncertainties. Fortunately, the conversions on AI have been higher. If you look at the current financial year, about 60% of the deals we won have been AI-led or largely AI-driven. So, we see a good conversion ratio there, but we do see still some degree of softness in the market.

Nishita Shanklesha: Right. So, like in Q1, we did around 43% growth Y-o-Y and you're giving a single-digit growth guidance for the whole year seems a little inconsistent, which is because of some seasonality where H1 is more dominating than H2. Is that the case?

Ankush Akar: What we are highlighting is the revenue growth which is Y-o-Y growth of 9.9%, which you see right now, INR 513.9 crores is what we did. The 43% growth is for the PAT. We will continue to maintain the healthy EBITDA margins, and we will sustain that.

Nishita Shanklesha: And my second question is that our TNQTech integration is fully completed, what sort of revenue did TNQTech complemented in Q1?

Ankush Akar: So, TNQTech, anyway it has been fully integrated in our business. And what you see in terms of the Digital Operations revenue, it is already integrated into that, and that's the kind of improvement and growth that we have seen across the Digital Operations segment.

Rahul Kanodia: TNQTech is growing healthily, but I think going forward, what we need to look at is our Digital Content space, which is part of Digital Operations and an integrated offering. But I think the growth rate was, I don't have the exact numbers with me, somewhere in the range of about 12% to 14%. It's been a very good acquisition for us.

Moderator: We take the next question from the line of Yajat Shah, an Individual Investor.

Yajat Shah: So, one question regarding our business transformation. As we are integrating towards TNQTech and Lumina Datamatics publishing businesses, I can see that the margins there are significantly higher at 24% to 25% EBITDA compared to the original business. So, do we plan on eventually shifting towards high 20s margin?

Rahul Kanodia: So, across the board, we are at about 19-odd percent EBITDA margin. We are looking at about, roughly 0.5% improvement in this financial year. So, we should be hitting closer to 20% this financial year. Some of the other practices are showing an upswing. Digital Experiences, we've got some good deals going. We signed a few good deal sizes in this financial year. So, they're seeing an upswing.

On the Digital Technologies front, there are two parts to it. One is that we continue to book all our investments into this service area because all our investments are fundamentally in the area of technology. So, I think if you remove that, if you remove INR 40 crores to INR 50 crores of investment, then you can see a much healthier EBITDA margin on that practice area. So, I think if you make those adjustments, you will see a fairly healthy margin across the board.

Yajat Shah: So a follow-up to that. You were saying that if we add back the R&D spend, so is the R&D spend fixed for every year or eventually we will reduce it or instead increase it? Is there a guidance on that spend?

Rahul Kanodia: So, right now, for this year, we will maintain it, in the past, we've maintained it at that level. Really because the whole world of AI is moving so fast and so many new things are coming, it's very hard to predict what will be the budget next year. But certainly for this year, we will maintain that spend. When we do our planning for next year, we'll take a call as to what really the spend should be next year. But at this juncture, it's too early to say what the budget will be for next year.

Yajat Shah: All right, sir. And on the customer front, are we transitioning and looking for more sectors outside the insurance, banking and logistics side like except those?

Rahul Kanodia: So, we are trying to focus on these sectors, and I think focus is very important. Occasionally, we do come across opportunities. When we come across opportunities, we may pick it up. But we are not focused on those other sectors. We are focused on these core sectors.

Moderator: We take the next question from the line of Ritika Sheth from Anantaya Wealth Advisors.

Ritika Sheth: Just wanted to ask more of a logical question regarding the competitive position. How do you feel the competitive landscape has evolved over the last threeto six quarters, considering a lot of companies which are into digital tech and digital operations, particularly the larger ones like Persistent or Coforge. How do we see the competitive scenario in this business avenues going forward?

Rahul Kanodia: I can't comment on Persistent and Coforge types of companies. We don't tend to come across them too much in the customers that we are targeting. But we do see competitive situations coming up with many local auto tech companies who are well funded, who are bringing new technology solutions to the market. So, we tend to come across those. And then, of course, we also come across the internal tech teams or their own captives.

Many companies are looking at India for setting up their captives and also their own tech teams are playing around with artificial intelligence. So, we see more competition coming from internal teams, from GCCs and not so much from the other tech players. The start-up ecosystem, which tends to be well funded and they bring in some interesting solutions.

Ritika Sheth: Okay. And one more question is, do we have any like a 5-year blueprint on where does the company want to reach by theyear 2032 or say, 2030 in terms of margins or in terms of net profit in any of these metrics?

Rahul Kanodia: Yes. So, we are looking at about a 3-year window of about INR 3,000-odd crores. We are about INR 2,000 crores right now roughly. So, we are looking at roughly in that range. And then, of course, on top of that, we might have some inorganic. So, it's a mixture of organic and inorganic growth. That's the current outlook.

Having said that, because there's so much change and transformation happening in the industry, it's very hard to predict exactly where you will go because right now, I think the entire outsourcing industry and the tech and BPO industry will go through a huge change because of the dynamics of AI.

Ritika Sheth: Agreed sir. Just wanted a follow-up question on the existing answer. Is that INR 3,000 crores starting from FY27 or FY28?

Rahul Kanodia: Yes, the current year.

Ritika Sheth: And what are the EBITDA margins we're looking at year-end?

Rahul Kanodia: We are roughly maintaining the same 19% to 20% EBITDA margins.

Moderator: We take the next question from the line of Pratik Jagtap from E&Y Investor Relations.

Pratik Jagtap: I would like to take this opportunity and ask two questions. So, I just wanted to ask you, what are the key factors required to accelerate this revenue growth from here on? As you mentioned, you are targeting INR 3,000 crores mark by next three years to four years. So, what will be the key revenue drivers?

Rahul Kanodia: I think the key revenue drivers are how well these AI-based platforms take off, the agentic underwriting, claim processing, the KAiBRE, KAiSDLC, SuperCX that we have for contact center automation, front office automation. It's really these platforms that will be the key drivers, and that's where we are investing our energy behind. And then, of course, there will be some degree of bolt-on acquisitions as well.

Pratik Jagtap: Okay. Definitely. And what can go wrong in this, if you say like in FY27 or in next 1 year, what can go wrong? What are the risks here for us?

Rahul Kanodia: I think the risks is that when the customers are automating because today, every customer is very sharply focused on automation. And if they do a lot of automation, which they will and they choose not to outsource the automation to companies like Datamatics and third-party organizations, but try to do things themselves, then the outsourcing budgets will shrink, and that would have a pressure on all companies in the outsourcing world in India, particularly.

And also their move towards captives. Some of the organizations are looking at setting up their own captives. So, captives like GCC. So that's where we could have some risk. So tworisks. One is automation by themselves and the second is the captives. But the global economy, I think needs to stabilize.

Right now, there's some degree of softness because of this uncertainty of the war. Every day, today, there's war tomorrow it stops, then day after it starts again. So, you really don't know which way it's going to go. I think that needs to settle down. And once that settles down, the world will be in a little more sort of stable situation.

Pratik Jagtap: Okay. And one last question. How are the customer spending patterns evolving in different verticals in different geographies like U.S. and Europe? Are we seeing any changes?

Rahul Kanodia: No major changes. They are flirting more with the AI space. So, they are investing more on automation. But outside of that, there's no really pattern shift other than some degree of softness that we see, but there's no as such pattern, then the trends we talked about is GCC and automation, but those are the trends that we see generally. Yes. The projects are becoming smaller tenure projects versus the large annuity deals that they were in the industry traditionally because many of the AI projects are smaller 3 months, 6 months, 9 months and not a 3-year, 5-year type deals.

Pratik Jagtap: But will those have any impact on margins or because we are getting smaller projects or will those have any impact on our margins or our deal size is shrinking in that case?

Rahul Kanodia: So, actually, our deal sizes are going up. It's just that they're not the annuity types. The deal size have actually gone up. But margins are where they are. There's no major shrinkage. These are really long transformation type projects. So, yes.

Moderator: As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Rahul Kanodia: Thank you, everyone, for participating in our Q1 earnings call. We really appreciate the time you spent with us, and we look forward to speaking with you again at the end of next quarter. Thank you again, and wish you all the best.

Moderator: Thank you. On behalf of Datamatics Global Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.