EXCELSOFT TECHNOLOGIES LIMITED
Formerly known as Excelsoft Technologies Private Limited.
CIN: L72900KA2000PLC027256
1-B, Hotagalli Industrial Area, Mysuru - 570 018, Karnataka, India
0821-4002200 compliance.officer@excelsoftcorp.com www.excelsoftcorp.com

August 13, 2026

| To<br>The Listing Department,<br>**BSE Limited,**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai – 400001,<br>Maharashtra, India.<br><br>Scrip Code: **544617**<br>ISIN: **INE606N01019** | To<br>The Listing Department<br>**National Stock Exchange of India Limited,**<br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra (East), Mumbai – 400051,<br>Maharashtra, India.<br><br>Scrip Symbol: **EXCELSOFT** |
|---|---|

**Subject: Intimation of Earnings call transcript for Q1 FY 2027**

Dear Sir/Madam,

In continuation of the earlier intimation dated July 30, 2026 regarding the earnings conference call with analysts or institutional investors, Excelsoft Technologies Limited ("The Company") conducted the earnings conference call on August 10, 2026.

As an outcome of the conference call and Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings conference call with analysts or institutional investors pertaining to the Un-audited financial results and operations of the Company for the 1st (First) quarter ended June 30, 2026.

The above information is also available on the website of the Company at https://www.excelsoftcorp.com/wp-content/uploads/2026/08/Transcript-of-Earning-Call-Q1-FY-2027-10.08.2027-1.pdf

Details as required to be disclosed as per BSE's Circular No. 20230714-34 dated July 14, 2023, and NSE's Circular No. NSE /CML/2023/57 dated July 14, 2023, are as under:

| | | |
|---|---|---|
| 1 | Date of occurrence of Event / Information: | August 13, 2026 |
| 2 | Time of occurrence of Event/ Information: | 16:12 (IST) |

Kindly take the above information on record.

Thanking you,

**For Excelsoft Technologies Limited,**
(Formerly known as Excelsoft Technologies Private Limited)

S M ADITHYA JAIN
Digitally signed by S M ADITHYA JAIN
Date: 2026.08.13 18:21:08 +05'30'

**S M Adithya Jain,**
Company Secretary, Chief Compliance Officer and
Chief Investor Relations Officer
(ICSI Membership No.: A49042)
Place: Mysuru

***Enclosed: Transcript of Earnings Call***

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"Excelsoft Technologies Limited

Q1FY27 Conference Call"

August 10, 2026


**MANAGEMENT:** **MR. DHANANJAYA SUDHANVA – CHAIRMAN AND MANAGING DIRECTOR – EXCELSOFT TECHNOLOGIES LIMITED**
**MR. DORESWAMY PALANISWAMY – CHIEF EXECUTIVE OFFICER – EXCELSOFT TECHNOLOGIES LIMITED**
**MR. PRASHANTH H.M. – CHIEF STRATEGY OFFICER AND HEAD, INVESTOR RELATIONS – EXCELSOFT TECHNOLOGIES LIMITED**
**MR. POONACHA PARUVANGADA – CHIEF FINANCIAL OFFICER – EXCELSOFT TECHNOLOGIES LIMITED**
**MR. ADARSH SUDHINDRA – CHIEF INNOVATIONS OFFICER – EXCELSOFT TECHNOLOGIES LIMITED**

**MODERATOR:** **MR. AMIT SHARMA – ADFACTORS PR**

**Moderator:** Ladies and gentlemen, good day, and welcome to Q1 FY27 Conference Call of Excelsoft Technologies Limited. 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 * then 0 on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Amit Sharma from Adfactors PR. Thank you, and over to you, sir.

**Amit Sharma:** Thank you, Yusuf. Good afternoon everyone. Welcome to the Q1 FY27 earnings conference call of Excelsoft Technologies Limited. Today, from the management side, we have with us Mr. Dhananjay Sudhanva, Chairman and Managing Director, Mr. Doraiswamy Palaniswamy, Chief Executive Officer, Mr. Prashanth H M, Chief Strategy Officer and Head Investor Relations, Mr. Poonacha Paruvangada, Chief Financial Officer, Mr. Adarsh M S, Chief Innovation Officer, and also the Adfactors IR team.

We will begin the call with the opening remarks from the management, after which we shall open the forum for the Q&A session. I must remind you that this conference may include forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the management as on the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

I now hand over the conference to Mr. Dhananjay Sudhanva for his opening remarks. Thank you and over to you, sir.

**Dhananjay Sudhanva:** Thank you very much for this opportunity. Good morning, good afternoon to everybody who's joined the call. It's a pleasure to address you today and share our performance for the first quarter of FY27. I would like to thank our shareholders, customers, employees, and all our stakeholders for their continued trust and support to us.

We have begun FY27 on a strong note, delivering robust revenue growth, while continuing to invest strategically in capabilities that will strengthen our competitive position over the long term. Our performance reflects the strength of our differentiated business model, the confidence our global customers place in us and the commitment of our teams across geographies.
At Excelsoft, our mission remains clear: to enable organizations worldwide to transform learning and assessment through technology, domain expertise and AI-driven innovation. As education, workforce skilling and professional certification ecosystems continue to rapidly digitize, we believe the demand for secure, scalable and intelligent assessment solutions, including high-stakes testing solutions, will expand, the demand for both digital assessment and the high-stakes testing will improve in demand globally. These systems that we have to deliver are expected to be highly secure, scalable, and intelligent to ensure that there are no defects, no errors. In fact, some of our customers insist that even one defect is not accepted. So zero defect deployments are what we are expected to deliver.

Our solutions will continue to expand, creating significant opportunities for specialized technology providers such as Excelsoft. Strategic priorities, our growth strategy continues to be guided by four priorities. Expanding our global market presence, over the last several quarters, we have invested meaningfully in strengthening our global sales organization and establishing a stronger local presence in strategic markets, particularly in the United States and the United Kingdom.

By hiring new resources into our teams in these geographies, and while we continue to look for new talent because being close to the customer gives us an extra advantage. I am pleased to share that these investments are now translating into tangible business outcomes. During the quarter, we expanded our customer base clients, strengthened our qualified sales pipeline, and improved customer engagement across multiple regions.

Our enhanced near-shore -- near-client presence has enabled us to engage more closely with customers and partners to accelerate decision-making and participate in larger and higher-value opportunities. These developments reinforce our confidence that our international expansion strategy is beginning to generate sustainable long-term returns.

Increasing wallet share with existing customers, while acquiring new customers remains an important objective and we will see later in the presentation the type of customers that we have acquired in the last quarter, we also continue to see significant opportunities with our existing client base.

Many of our existing clients are large, global and their spend on the use of technology in education and assessment and testing is also increasing. Our wallet share at this point in time can actually be increased quite a lot. So our relationship management are being close to the customer, differentiated product offerings, we believe, will help us get a bigger wallet share of our existing customers.

This approach has led to healthy order inflows during the quarter, particularly in platform-led engagements with higher strategic value. Our near-shore delivery teams have further strengthened customer relationships by improving responsiveness, increasing collaboration, and providing quick turnaround when customer requires support.

And identifying new opportunities across existing customers, proximity to customer accounts also helps us identify new opportunities that comes up with these customer accounts fairly early in the cycle, which is a big time advantage for us. As a result, we continue to expand our share of customer spending while reinforcing our position as a trusted long-term technology player.

Alongside, the next topic, I will be talking about, pursuing disciplined inorganic growth. Alongside organic expansion, we continue to evaluate selective acquisition opportunities in both the United States and India. In the United States, our focus is on acquiring specialized assessment technologies and complementary product capabilities that can strengthen our existing portfolio, accelerate innovation, and provide access to new customer segments.

And the additional advantage is, if we are able to acquire US customers, we also get access to their customers, and we can add value to the overall business by bringing in our strong technology capabilities. In India, we see a compelling long-term opportunity driven by rapid digitization across education, testing, and workforce re-development.

We are evaluating opportunities that can strengthen our domestic experience and position Excelsoft to benefit from this structural market expansion. Importantly, our healthy balance sheet provides us with the financial flexibility to pursue these opportunities while maintaining a disciplined and shareholder-focused capital allocation framework.

Accelerating AI-led innovation, artificial intelligence is rapidly becoming a strategic differentiator across our business. In many ways, I personally believe it is inevitable that we -- our company and our business has to be AI-first and build AI-native applications. We're doing that quite rapidly.

AI is helping us improve productivity, enhance solution capabilities, and compete for opportunities that were previously beyond our reach. We are embedding AI across our products, delivery platforms, and internal operations to create measurable value for customers while improving execution efficiency.

Looking ahead, we plan to introduce several AI-powered products and solutions, including offerings targeted at the mid-market segment. We believe these innovations will significantly expand our addressable market while reinforcing Excelsoft's leadership in digital learning and assessment technologies.

The market opportunity. The long-term fundamentals of our industry remain extremely attractive. Governments, universities, certification bodies, publishers, and enterprises are increasingly adopting digital-first learning and assessment platforms. The growth emphasis on online exams, lifelong learning, workforce re-skilling, and AI-enabled education continues to expand global addressable market.

Our robust deal pipeline and the quality of ongoing customer engagements provide us with confidence that this demand environment will continue to support sustainable growth over the coming years. I'll now talk about key strategic engagements. One of the important milestones during the quarter has been the continued progress on our engagement with AQA.

AQA is possibly one of the largest examination authorities globally, delivering millions of exams, GCSE exams, term after term. We have an engagement already signed with AQA. The work is in progress on the e-marking platform, and we will talk about it more. And we're very pleased that the client has liked the modules that we have delivered so far, and is currently being piloted.

Implementation is progressing well, customer feedback has been encouraging, and we remain confident that the program will scale significantly as it moves towards full deployment. We're doing it in a phased approach, and the numbers will now only increase as the pilots and phased deployments have been successful. Beyond its revenue potential, this engagement further strengthens Excelsoft's credentials in delivering large-scale, mission-critical digital assessment infrastructure for global customers, including in India. If we had an opportunity in India to deliver high-stakes, highly secure, large assessments, highly scalable assessments, we are now in a position to, one, have done that before, and two, to be able to provide a solution.

Looking ahead, as we move through FY27, our priorities remain unchanged. We continue to invest in our technology platforms, expand internationally, deepen customer relationships, accelerate AI innovation, and pursue disciplined organic growth opportunity. While these investments may create short-term cost pressures, they are designed to build a stronger, more scalable business capable of delivering sustainable and profitable long-term growth.

We remain confident in our strategy, optimistic about the opportunities ahead, and committed to creating lasting value for our customers, employees, shareholders, all stakeholders, actually. Before I hand over to our CEO, Mr. Doreswamy, I'm pleased to share that our board has approved the appointment of Mr. Poonacha Paruvangada as the Chief Financial Officer of Excelsoft. With over 30 years of rich experience in finance, strategy, and corporate leadership, Poonacha brings deep expertise in driving financial excellence and business transformation.

With that, I will now hand over to my colleague, Mr. Doreswamy, who's the CEO, who will provide a detailed update on our operational performance, business developments, and strategic initiatives during the quarter. Thank you very much for listening to me patiently.

Now, I hand over to Doreswamy. Thank you very much, Doreswamy. Over to you.

**Doreswamy Palaniswamy:** Thank you, sir. And good afternoon, everyone. I'm pleased to provide an overview of our operational performance, customer engagements, and strategic initiatives for the first quarter of FY27. We delivered another quarter of strong revenue growth, driven primarily by continued momentum in our education technology services business and the sustained demand across our assessment solutions portfolio.

More importantly, the investments we have made over the past few quarters are beginning to translate into measurable business outcomes. Nearshore strategy delivering strong early results. One of our most significant strategic initiatives has been the expansion of our nearshore delivery capabilities in key international markets. This initiative has exceeded our initial expectations.

During the quarter, our nearshore operations generated approximately INR10 crores of revenue while delivering a substantial improvement in gross margin, from single-digit levels at inception to approximately 26% during the quarter. Equally encouraging is the visibility we now have into future business.

We have already secured nearly INR40 crores of revenue from these engagements for the current financial year, providing us with greater confidence in the sustainability of this growth trajectory. As the business continues to scale, we expect gross margins from our nearshore operations to improve further, potentially reaching the 35% to 40% range over time. This improvement will be driven by higher operating leverage, improved resource utilization, and more favorable onsite-offshore delivery mix.

Beyond the financial contribution, our nearshore presence has strengthened our strategic position. It enables closer collaboration with customers, faster execution, deeper account penetration, and significantly improves our ability to compete for larger and more complex engagements.

Increasingly, the customers, particularly in the United States and Europe, are looking for partners with strong local engagement capabilities alongside global delivery excellence. Our investments position Excelsoft to meet these evolving customer expectations. Let me get on to the understanding of the margin profile.

Many investors will notice a modest contraction in EBITDA margins during the quarter. It is important to view this in the context of deliberate investments made to support long-term growth rather than any deterioration in the underlying business. 3 key factors impacted margins during the quarter: First, the continued investing in our nearshore delivery organization. While these teams initially operate at lower utilization levels, they create the foundation for higher-value engagements and stronger profitability as they scale.

Second, we expanded our global sales organization by adding experienced professionals across the United States, the United Kingdom, and Dubai. These investments are already contributing to a stronger qualified pipeline, improved customer engagement, and increased new logo acquisition.

Third, we incurred certain one-time strategic expenses during the quarter. These included approximately INR84 lakh of recruitment-related costs associated with the strengthening of our leadership and delivery capabilities, as well as approximately INR62 lakh in scaling advanced AI training for nearly 300 employees through a specialized external training partner.

These initiatives are investments in capability building and are not expected to recur at similar levels. Excluding these one-time expenses, our operating margins remain broadly stable year-over-year, demonstrating the resilience of our core operating model.

Coming back to the revenue growth drivers: Looking ahead, we believe our growth will be supported by multiple complementary drivers. Our traditional education technology services business continues to perform well and maintains a healthy growth momentum.

In parallel, our nearshore business is emerging as an important incremental growth engine, enabling us to win larger engagements, expand existing customer relationships, and improve our competitive positioning in international markets. This combination provides us with multiple avenues for sustainable revenue expansion over the coming years.

On topic of the business mix, our revenue growth during the quarter remained broad-based across business segments. ETS continued to be the largest contributor, accounting for approximately 63% of our total revenue, supported by exceptionally strong year-on-year growth. Assessment and proctoring solutions remained a significant contributor, reflecting continued demand for secure digital assessment platforms globally.

Learning and student success together with the learning design services continue to provide stable contributions while expanding our ability to deliver integrated, end-to-end learning solutions. This diversified portfolio enables us to serve customers across multiple stages of their learning and assessment ecosystem while reducing dependence on any single business line.

With that, I will now hand over to our Chief Financial Officer, Mr. Poonacha, to discuss the financial performance for the quarter in greater detail. Thank you, everyone.

**Poonacha P.:** Thank you, Mr. Doreswamy, and good afternoon to everybody on the call. I will now take you through the financial performance for the first quarter of FY27. We have delivered a strong start to the financial year with healthy growth across key financial metrics. The performance reflects the continued execution of our growth strategy, supported by robust demand across education technology business and sustained momentum in our assessment solutions portfolio.

Coming to revenue performance: Revenue from operations for Q1 FY27 stood at INR802.63million compared with INR557.18 million in the corresponding quarter last year, representing a 44.05% year-on-year growth.

The primary driver of this growth was our education technology services business, which delivered 177% year-on-year growth, reflecting continued customer demand, successful execution of large engagements, and increasing contributions from our expanded nearshore operations. Strength of this performance demonstrates that strategic investments made over the past several quarters are beginning to translate into meaningful revenue acceleration.

About profitability: EBITDA for the quarter stood at INR130.31 million compared to INR100.41 million in Q1 FY26, representing a healthy 29.78% increase year-on-year. EBITDA margins for the quarter were at 16.24% compared with 18.02% in the corresponding period last year.

As Mr. Doreswamy explained earlier, this moderation in margins was primarily driven by strategic investments made to strengthen the business for future growth, rather than any deterioration in the underlying operating performance.

These investments included the expansion of our nearshore delivery capabilities, strengthening our international sales organization, recruitment costs associated with scaling leadership and delivery teams, and one-time investments in advanced AI capability development across the organization.

Importantly, excluding these one-time investments, our underlying operating margins remain broadly stable, demonstrating resilience and scalability across our business model. We remain confident as these investments mature and utilization levels improve, they will support both stronger revenue growth and margin expansion over the medium term.

Coming to profit after tax: Profit after tax for the quarter stood at INR92.28 million compared to INR58.73 million for Q1 FY26, representing a robust 57.13% year-on-year increase. PAT margins improved to 11.5% compared to 10.54% in the corresponding period last year. The strong growth in net profits reflects continued operating leverage, disciplined cost management, and efficient execution despite ongoing strategic investments.

About revenue mix: Our revenue profile continues to remain well-diversified. Education technology services contributed approximately 63.4% of total revenue and remain our largest business segment.

Assessment and proctoring solutions contributed approximately 23.5%, while learning and student success solutions and learning design services together accounted for the remaining revenue. This diversified business mix provides resilience while allowing us to capitalize on multiple growth opportunities across the broader digital learning and assessment ecosystem.

Client concentration: Our customer relationships continue to remain strong and stable. During the quarter, our top 5 customers contributed approximately 70% of total revenue, while our top 10 customers contributed approximately 83%.

More importantly, we continue to deepen engagement with these strategic accounts through cross-selling opportunities, platform expansion, and long-term partnerships, while simultaneously expanding our customer base through new logo acquisitions. This balanced approach supports sustainable growth while reducing concentration risk over time.

About balance sheet and capital allocation: Our financial position remains healthy, providing us with significant flexibility to invest in future growth. We continue to maintain a disciplined capital allocation framework, balancing investments in technology, artificial intelligence, global sales expansion, and talent development with prudent financial management.

With this, now I'm opening the floor to the question-and-answer session. Over to the moderator.

**Moderator:** First question is from the line of Urmish Shah from Moneywise. Please go ahead.

**Urmish Shah:** Yes. Am I audible?

**Moderator:** Yes, please go ahead.

**Urmish Shah:** Yes. Thank you for the opportunity, sir. Sir, my first question is on the revenue split from product and services. We have seen a shift Y-o-Y. So, could you just give some color on, is this a strategic shift? And can we expect this revenue split going forward in the same direction?

**Doreswamy Palaniswamy:** Yes, the answer is yes, Mr. Shah. Basically, if you look at the split, the first split we kept it as it is as an ETS services, education technology services. The second one, we clubbed all the products together because these products are interconnected and then there are certain customers paying in a multiple products together. So, it makes sense for us to put into a one bucket and then call it as a product instead of going into a multiple product lines.

**Urmish Shah:** Okay. So, when in the opening remarks, when sir was explaining our wallet share is increasing, so is it on the product side or?

**Doreswamy Palaniswamy:** In both the sides. In some places where the customers are taking in a product, then the products are increasing, and the where there is a services business is also increasing. So, we can see a uniform growth across services as well as the products.

**Adarsh M.S:** Sir, just to add to Mr. Doreswamy, in Q4, we had an opportunity to place some onsite resources in the U.S. Because of which we were able to win several accounts in the education technology services business. All of which is reflecting in the growth that we see in Q1.

**Urmish Shah:** Okay, sir. Sir, one final question, I do understand that you explained that there was a one-time cost which led to the moderation in the margins. But of this impact, how do you see the margin profile for the full year?

**Doreswamy Palaniswamy:** Sir, we would be, as we have kind of in the last quarter also we mentioned that we would be somewhere around like 24%, 25% on our margin, that's going to be the year end margin. So we are in that direction and we are pretty much confident on achieving those numbers.

**Urmish Shah:** Okay, sir, thank you. I will join back the queue for further questions. Thank you so much.

**Doreswamy Palaniswamy:** Thank you. Thank you Mr. Shah.

**Moderator:** Thank you. Next question is from the line of Disha from Sapphire Capital. Please go ahead.

**Disha:** Hello, am I audible, sir?

**Moderator:** Yes, please proceed.

**Doreswamy Palaniswamy:** Yes, you're audible.

**Disha:** Yes, thank you so much, sir, for this opportunity. Again, a couple of questions, sir. First question on your margins. I think in the last call you had mentioned that despite these ongoing investments, we'll see, higher utilization, we'll see revenue ramping up much faster. So we're expecting EBITDA margins of around 30%, 31% for FY27. And right now I think you mentioned we're expecting EBITDA margins of 24%, 25%. So how should one look at that?

**Prashanth H.M.:** Yes, this is Prashanth here. *[inaudible 0:32:08]* responded to that question the previous one. So what we were talking about in the previous call was a slight shrink in the margins because of the operations in the U.S. that we were talking about. And we said that it would come back to normalized levels. However, the investments that we have made in the sales teams as well as the capacity building internally, those investments we hadn't taken account for.

If you look at the operations around the near-shore alone, then that the impact of which will not be as much, because we have already been on a growth curve there. We have already been improving our margins in the near-shore operations as it is, we have grown up to about, like what Dore, mentioned, it's about 26% already right? So by the end of the year, we would have taken it to roughly about 35% to 40%, which in itself wouldn't impact so much on the margin.

Overall see the idea is as simple as this. If there were two options, one where we deliver a 30-plus percent growth on the topline with a 25% EBITDA, or the other option could be grow at a 20%, 25% on the revenue with a 27% to 30% EBITDA. We would want to take the first one, right? So, grow at a faster pace, so that we acquire the market quickly, and then grow to a, God forbid, let's say, God willing, a INR1,000 crores company earlier than anybody's normal imagination. So that's where we are heading. We want to really grow fast and the necessary investments that are required to be done to that effect, we are not shying away from. That's the message we want to give it to you.

**Disha:** Okay. Okay. And sir, this, yes, yes and the impact of all these investments that we are making will only be for this year, right? For the next year onwards, we don't see any impact of those expenses coming in?

**Prashanth H.M.:** That's what, the growth rate of a 30-plus percent on the revenue would come by making some investments, and not necessarily that the investments we make now. So that's why we are a little cautious that, there could be further investments required going forward, and that would contribute to a slight impact on the EBITDA. I'm not saying that that is going to happen, and there is an opportunity to increase the EBITDA margins, but we would not want to commit, over-commit at this point in time. So what we want to do is ensure that it would be a 25% for sure. That's where we are.

**Dhananjaya Sudhanva:** Yes. This is Sudhanva. Particularly given the rapidly changing technology scenario. I said earlier that AI is a must, and AI-first applications and products are becoming a must. Because we have to keep up with the market, with the competition and with customer expectations more than anything else. If we have to do that, along the chain, from designers who design applications, to developers, to delivery, to training, all this will cost money.

And will be an investment until AI matures. We have already seen that we, in the last one year we have seen so many models, so many different ways in which AI can be implemented. And that requires spending. If we don't do that, the risk on the other side is we may lose out to competition. And we have to be on par with the customer so that we don't lose customer's respect to our capabilities.

Hence, the spend will be required, up-skilling will be required. If there is a new technology that comes by or AI takes a little different shape, and AI also means we have to address a lot of potential risks. Again, a spend on that. So this requires up-skilling of our workforce. Many times helping and providing support to our customers through our nearshore or onsite teams to help them be in sync, or help us be in complete sync.

And hence, until it stabilizes, which is anybody's guess, but my experienced guess would be it will take two years to stabilize. Until then we will see shifts in underlying technology stack of AI. AI has a lot of math and algorithms below it to make AI happen as we see it. There are newer models emerging, newer devices being supported. As Excelsoft, we need to up-skill all our people, whether they are in QA or development or design or delivery or support.

And that is a training that will go on, up-skilling that will go on for a couple of more years. Even in the last quarter, we trained all our people and up-skilling them to the current levels of AI. So that is a long answer, I am sorry, but I [inaudible 0:38:32].

**Disha:** No, no sir, thank you so much for the detail. Yes, sorry, go ahead sir.

**Prashanth H.M.:** No, no. I was saying you look at the top line growth, and this would be, if not at the same 44%, definitely it would be a very good growth in the rest of the quarters of this year as well. And that would definitely offset margins in absolute numbers, although the EBITDA...

**Disha:** Right, right.

**Prashanth H.M.:** Yes, you know what I mean.

**Disha:** Yes.

**Dhananjaya Sudhanva:** The percentage of profits will start getting adjusted.

**Prashanth H.M.:** And of course there are many other strategies that we are putting in place which would contribute to better improvement in the expansion in the margin. However, we would want to, keep it conservative at this point in time and commit to a 24%, 25%, but then deliver more probably.

**Disha:** Right, right, fair enough, sir. And also sir, in Q4 we mentioned that the EdTech business we were able to get a lot of several accounts. So do we see this momentum in the EdTech business sustaining? How's the pipeline looking there?

**Prashanth H.M.:** Yes. Yes two things there. One with our existing customers, we were talking about expanding because of multiple reasons. One is that we are able to provide additional services around AI and all such things, our existing customer accounts are growing one. Secondly, the opportunity because we are near shore, we are expanding our sales teams as well, the opportunity of being closer to the customer acquiring newer customers for education technology services.

If you remember, I had articulated a point that some of our product customers, who are already with us for more than a decade, they would say that I would look at you for any services provided you have operations onshore. So, such things are where we are seeing traction, and there is an expansion on ETS overall on the top line as well, happening across the board.

**Dhananjay Sudhanva:** I'd like to add .(not audible) The fact, the testimony to our product superiority, differentiation, and also our ability to deliver superior services comes from the fact, one of the evidences is, all credible international conferences in the area of online learning and assessments, particularly assessments and testing, we get invited speaker slots.

Sometimes in a conference we get four invited speaker slots. Wherever it happens in the world, we don't pay for it. We get invited to speak because they believe we are a thought leader in this space. They want to hear about what we are doing and our understanding of the current state of the market. So that is encouraging and also, it's an opportunity for us to evangelize our approach to this sector.

And that is also generating leads and highly or high-quality leads because they come, they spend time or, they speak to us, they look at demos, and they will make up their minds and follow through with the next processes until procurement happens. And they also champion for us internally in their organization.

**Disha:** Right, right. So, sir, typically Q1 for us is the slowest quarter? And I think it accounts for around 18% to 20% of our overall revenues. So based on that we can easily extrapolate to...

**Prashanth H.M.:** 20% to 22% generally.

**Disha:** Sorry, sir.

**Prashanth H.M.:** 20% to 22% generally.

**Disha:** Right, right. So, we can easily be targeting to touch around INR370 crores sort of revenues for this year?

**Doreswamy Palaniswamy::** So, you have, we are confident of reaching a handsome number, but I don't want to commit a INR400 crores at this point of time at this call, but it looks positive, the market looks positive. And we are the digital assessments and the proctoring services are picking up in a big scale, we see a good amount of traction, hopefully like we should reach a good number, yes.

**Dhananjay Sudhanva:** Can I add? We are looking confident for 350 given the pipeline that we have got. And a little bit of luck and a stretch it could be closer. Yes, that's what I pointed.

**Disha:** Yes, and sir, just on the AQA integration, have you recorded any revenues for this quarter?

**Prashanth H.M.:** Yes, yes. Revenue has started coming in, yes.

**Disha:** Will it be possible to follow?

**Doreswamy Palaniswamy** Yes, it's roughly INR2.5 crores we have booked it in the current quarter. It has started, the billing has started. And then we see INR12 crores to INR15 crores billing in the current year.

**Disha:** And for the next year, sir, any contribution we are expecting?

**Doreswamy Palaniswamy :** No.

**Doreswamy Palaniswamy:y:** It is there but we are not quantified it.

**Disha:** Yes. Okay, sure. And just sir, the last thing on the acquisitions you just said that, we currently looking at acquisitions for both in US and India. Anything on the advanced stages sir?

**Doreswamy Palaniswamy:.:** Yes ma'am. Currently we are pursuing three targets. One in US and then two in India. Two are in the -- we have issued a non-binding offers, and then there's a negotiation going on. The third one is, in the early stage we just started interacting the promoters, trying to understand the business model, etcetera. So currently these three are in the pipeline.

**Disha:** Okay, okay. That’s it, sir from my side. Thank you and all the best.**Moderator** Thank you.

**Moderator:** Next question is from the line of Keval Doshi from Onyx Capital. Please go ahead.

**Keval Doshi:** Hi. Good afternoon, everyone. A couple of housekeeping questions. One was what is our cash balance as of date or as of the quarter end?

**Poonacha P.:** It's INR400 crores including FDs we are carrying the balance sheet.

**Keval Doshi:** Okay. What is the amortization amount during the quarter which we have taken to the P&L?

**Prashanth H.M.:** INR6.5 crores.

**Keval Doshi:** INR6.5 crores. And what is the fresh capitalization?

**Prashanth H.M.:** About INR4 crores.

**Keval Doshi:** About INR4 crores?

**Adarsh MS:** About INR4 crores, sir. Yes. And all this is for freshly new products that we are like, like Mr. Sudhanva said, we are building AI native products and all this investment is going into AI native products that have the potential of earning revenue in the near future.

**Prashanth H.M.:** We have front loaded a little bit, sir. It won't be, by the end of the year, we would want to normalize it to the last year's level or slightly lower.

**Keval Doshi:** Okay. And considering that we are expanding our nearshore services, does it mean that there will be expansion in the growth rate at the cost of margins? The question was that since we are expanding nearshore services, the margins will not be as good as what they were for the offshore services we used to provide, so will this likely compromise on our margins for the sake of higher growth?

**Doreswamy Palaniswamy::** In the short term, but it is a balanced approach what we are taking is, we are not going to build too much of nearshore capabilities immediately, unless there is an absolute necessity from the customer side. But on the other hand, nearshore is currently helping us in terms of retention of the customer, some of the new projects, and then this nearshore team can act as a catalyst to get more business in the customer place and then shifting back to offshore team. So, in that way, there will be some lower margins, but in the long term, I don't see that is going to happen on a continuous basis.

**Dhananjay Sudhanva:** If I can add, this is Sudhanva. To accelerate business development in the US, flying folks from here going across and spending a week or two with US customers or potential customers is not helping that much, and it's, you know that the visa processes have been quite difficult. So, one of the options we are exploring is to set up an office in Toronto in Canada and move a few of our people who are currently anyway talking to our US customers, both for business development and support, so that it will be easier for them to go across, not only to support existing customers, but also to do more business development and get us more revenues. That's in process.

Adarsh MS: Like any large organization, most of our customers have churn, so building strong relationships with them, continuously visiting them, meeting them week on week is very important, which is hard to do from here. Having people nearshore in the US, in Canada, will definitely help us, and that is the rationale for the investment.

**Keval Doshi:** Understood. The next question was there was an acquisition on which we had spent significant management time a couple of quarters ago, including some cost which we had to write off. Is that target still in sight or that acquisition has been dropped?

**Doreswamy Palaniswamy:** That acquisition we are pursuing it right now, sir. One option, you know, again why there is a delay, due to the IPO, we have to slow down, and then we have to take it up for later. And then the numbers were also being changed by the time we went back, and then we want to review their numbers again. So, lot of re-negotiation has been happened, but we are now taking it up, and then it's moving on. It's actually in the final stage of our negotiation. In a couple of weeks, it's either, you know, they're accepting our offer…

**Dhananjaya Sudhanva :** We issued a non-binding offer.

**Keval Doshi:** Okay. And the last question was, whatever has been happening in the education industry in India, what we saw is happening to the competitive exams, is there any opportunity which we are looking at or has some gates opened for us to get into business with the government on some of the competitive examinations?

**Dhananjaya Sudhanva:** Very much. After the recent problems that we've seen, I'm glad to say the National Testing Agency's CEO got in touch with us. I don't know how he got our reference, but the question was, 'Apparently, you've done similar exams for customers overseas. Will you be able to do the kind of exam where we had problems recently?' We have said yes. And post that, we are already in touch with the task force that the government has formed, a 4-member task force, and I have a meeting with them on Thursday. So, yes, we are aggressively pursuing this opportunity, and they are also impressed from what we've done so far.

**Keval Doshi:** Excellent. Thank you so much, and wish the team all the very best.

**Dhananjaya Sudhanva:** Thank you, sir. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Krishna Rao, an Individual Investor. Please go ahead.

**Krishna Rao:** Hi, sir. Congratulations on a good set of numbers. What I would like to understand is -- hello?

**Moderator:** Yes, please proceed.

**Krishna Rao:** Yes. What I want to understand from the management is that how big the AQA opportunity could be for us going down say 1 or 2 years? And what is the vision and the growth strategies that our company's viewing, whether it will be more of inorganic or adding more logos, or what will be the roadmap going ahead to become a much larger company?

**Doreswamy Palaniswamy:** Mr. Rao, thank you for this question. It's a good question. AQA, at this point of time, the visibility what we have over a period of 4 years, it's roughly around USD17 million revenue. That's the number which we are able to see, but we are hopeful of like getting a much more than that. So, it's going to be a large account, second largest account for us.

And the second question for you, the growth for the future next 5 years, so the growth will be a mix of organic and inorganic. It would be -- at this point of time, we are crunching our numbers, roughly around 69% to 70% would be from an organic growth, and then 30% is coming from the inorganic growth. Is that answer to your question or…?

**Krishna Rao:** More or less. And one more on the margin side. How long will we be incurring these one-off expenses to build a good base in the overseas, and what is the potential that we're seeing over there also?

**Doreswamy Palaniswamy:** As we explained, these expenses are inevitable for our growth. So, we have got into this one, and then the whole idea of investing into this one-off expenses, whether it is a sales or a nearshore or strengthening the management team, is for a future growth perspective. I wouldn't say that it is a recurring expenses on a quarter-on-quarter basis, but on a selective basis, there will be some -- investment will be there in a couple of quarters down the line.

**Krishna Rao:** Got it, sir. Thank you. Thank you so much and best of luck for your future endeavors.

**Doreswamy Palaniswamy:** Thanks a lot. Thanks a lot, Mr. Rao.

**Moderator:** Thank you. Next question is from the line of Vivek Rai from Inga. Please go ahead.

**Vivek Rai:** Good afternoon. Congratulations on good set of numbers, sir. My question is regarding EBIT and PAT relation. So, when I see at the P&L of quarter, I see 62.02 million EBIT and PAT is about 118. So, can you explain the component which lead to increase in PAT level?

**Doreswamy Palaniswamy.:** EBIT to PAT has an increase, so the question is why, what is the reason?

**Poonacha:** Interest is low, right? So, that's the key.

**Vivek Rai:** So, when I see interest amount, interest amount is 15.05 million.

**Doreswamy Palaniswamy:** Yes, it was 7.8 last year.

**Poonacha P.:** It was 7.8 last year.

**Vivek Rai:** So the 55.118 is the difference, approx 15, 15 million difference.

**Doreswamy Palaniswamy:** So, you're talking about EBIT, right?

**Vivek Rai:** EBIT to PAT. So, how PAT will increase after that?

**Doreswamy Palaniswamy:** Yes, EBIT to PAT, interest is the major portion, right? That is one.

**Vivek Rai:** Tax.

**Doreswamy Palaniswamy:** Tax is -- so, from EBIT, there's another income -- other income of one of -- it's been added into the PAT.

**Poonacha P.:** No, he's talking about the books. In the books, other income is part of EBIT only, no? It's part of EBIT only. So, the only between EBIT to PAT is -- Mr. Rai, please add other income into that one. I think in EBITDA what we're presenting right now is we have taken only operating income and then the operating expenses. So, that's why it's been arrived at EBIT. And then you add back the other income, so it's adds up to PAT.

**Vivek Rai:** Okay, understood. So, my second question regarding guidance. Can you give me some guidance regarding revenue or PAT level for the current year?

**Doreswamy Palaniswamy:** Currently, we are expecting between INR350 crores to INR360 crore, as our Chairman mentioned, that's the number which we are looking at it for the current financial FY26-'27.

**Vivek Rai:** And at PAT level? The same margin will be continued, as I told.

**Doraiswamy Palaniswamy :** We are talking about a 24% to 25% of EBITDA.

**Vivek Rai:** Okay, understood. Thank you. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Karthi from Suyash Advisors. Please go ahead.

**Karthi:** Good afternoon, gentlemen. A couple of clarifications. One is on the INR40 crores offshore order that you spoke about -- nearshore order that you spoke about. Would this be executed entirely with the onshore mix or would you be using any local resources also?

**Doreswamy Palaniswamy:** Okay, sir. This INR40 crores number what we referenced, used in the call, is for the top line of this team which is going to build it. The execution part, there will be some amount of an execution will happen from offshore and then the onshore.

**Karthi:** And would this be only 1 client or have you been able to add other clients also?

**Doreswamy Palaniswamy:** Sir, we have added 2 clients. First, we started with a 1, and then this quarter, we added 1 more. They are supporting 1 more customer.

**Karthi:** Perfect. Sir, the other thing is, in the first quarter, product revenues were flat-ish year-on-year basis, right?

**Doreswamy Palaniswamy:** Right.

**Karthi:** So, what is the outlook for the revenue on a full year basis, product side only?

**Doreswamy Palaniswamy:** Sir, it will increase, because normally what happens in the first quarter, the number of test which has been taken using our platform on the lower side, and then it will increase in the coming quarter. Normally, that's a trend which you would have seen in our numbers.

**Karthi:** Yes, yes. But what I'm asking is what is the current visibility for growth, because you'll be booking meaningful revenues from AQA as well. So, therefore, I'm just trying to understand what is a reasonable growth number to bake in here?

**Doreswamy Palaniswamy:** Anywhere between 25% to 30% growth in the product line also.

**Karthi:** Okay, versus 73 last year, we should assume another 25%-30% kind of a growth?

**Doreswamy Palaniswamy:** Right, correct.

**Karthi:** Okay. Okay, thank you and best wishes, sir.

**Doreswamy Palaniswamy:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Dhananjaya Sudhanva for closing comments.

**Dhananjaya Sudhanva:** Thank you all. Thank you for giving us the opportunity to present our Q1 results. In summary, we are pleased with the strong start to FY27, and we are quite optimistic that we will do well during the year and see even better performance during succeeding quarters. The investments we've made over the past several quarters are beginning to deliver measurable results through stronger revenue growth, improved customer engagement, and an expanding quality pipeline globally.

While we continue to invest in building long-term capabilities, we remain focused on maintaining financial discipline, improving operational efficiency, and delivering sustainable, profitable growth. With a stronger order pipeline, a healthy balance sheet, differentiated technology platforms, and increasing demand for AI-enabled learning and assessment solutions, we believe Excelsoft is well-positioned to create long-term value to all our stakeholders.

Thank you very much. Thank you for taking your time to have this discussion with us. And we have made notes of all your comments, and we will definitely attend to it and hopefully, all of the comments will be addressed even in the next quarter. Thank you very much.

**Doreswamy Palaniswamy:** Thank you, everyone.

**Poonacha P.:** Thank you.

**Moderator:** Thank you so much, sir. On behalf of Excelsoft Technologies Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.