

June 10, 2026

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1 G Block
Bandra-Kurla Complex, Bandra(E)
Mumbai -400051

SYMBOL: ALLETEC
ISIN: INE0M2X01012

Subject: Transcript of Q4/H2 and FY'26 Post Earnings Conference Call organized on June 03, 2026

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of a transcript of the Q4/H2 and FY'26 Post Earnings Conference Call held on June 03, 2026.

The transcript may also be accessed on the website of the Company at <https://www.alletec.com/investors-alletec>

You are requested to take the above information on record.

Thanking you

Yours truly

For All e Technologies Limited

Priyanka Kumari
Company Secretary and Compliance Officer

Encl: as above



All E Technologies Limited

Q4/H2 & FY26

POST EARNINGS CONFERENCE CALL

June 3, 2026 03:30 PM IST

Management Team

Dr. Ajay Mian - Managing Director

Mr. Rajiv Tyagi - Executive Director

Ms. Ritu Sood - Executive Director

Mr. Sandeep Jain - Chief Financial Officer

Mr. Sandeep Salman - Head of Cloud & Managed Services

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Vinay Pandit:

Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations team, I welcome you all to the Q4/H2 & FY26 Post-Earnings Conference Call of All E Technologies Limited. Today on the call from the management team we have with us Dr. Ajay Mian, Managing Director; Mr. Rajiv Tyagi, Executive Director; Ms. Ritu, Sood, Executive Director; Mr. Sandeep Jain, Chief Financial Officer; and Mr. Sandeep Salman, Head of Cloud and Managed Services.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risk and uncertainties. Also, a reminder that this call is being recorded.

I would now request the management to run us through the investor presentation for the period ended March 2026, the business performance highlights and the growth plan and vision for the coming year, post which we will open the floor for Q&A. Over to the management team.

Dr. Ajay Mian:

Thank you very much, Vinay, and thanks everyone who has joined the call. I will try to run through the slide deck quickly so that we have time for whatever conversation we have. The deck was uploaded on the NSE site yesterday and I guess at least some of you might have taken a look at it already.

So, this has been a transitional year for us, and we have used this period basically to build scale, prepare ourselves for things which are needed as we see the technology and the overall IT ecosystem changing worldwide. So, we will go through some of that trail of what has changed and what have we been doing about it. So, this has been a soft operating year, but the foundation is strong.

Alletec is a profitable, debt-free, cash-rich business and we have chosen to invest during this period when the demand cycle from the customers has been cautious. The fundamentals that protect the shareholders' capital remain intact. We generated INR 26.1 crores of cash from operations which was a PAT margin of 17.2%. The balance sheet, as you would know, is fairly strong. We have cash of almost INR 163 crores of cash and investment, and we are practically debt-free. The net worth, the shareholders fund, has moved up by 17% to now INR 169 crores and we invested in business development activities and building AI capabilities. So, the dip that we see is not because of lost

competitiveness or because of demand but a lot of other things have played a role in whatever the year has been.

We have experienced, FY'26 anyway was not a business as-usual year and we experienced shifting global trade dynamics which started from the beginning of FY'25, geopolitical conflicts and the fastest technology shift that we have experienced over the last more than a year now and they all caused customers to hesitate. We are a leading indicator. Whatever happens in the market, we get to see it very quickly because we work directly with the end customers. So, we experience and absorb the macro stress that the markets show. And this basically was a period when we saw buyers took cover, the mid-market customers across several regions became cautious and they deferred new commitments.

With all the changes that were happening in the technology, people were less sure of whether they were buying the right product, or whether they were buying the right solutions. So, the unprecedented pace of this technology shift basically meant that the decision cycles were longer. The hesitation lengthened the evaluation and approvals process, and higher pre-sales effort costs also had an impact. It always has a dual impact. It basically means that you are spending more time selling and you are investing more. You have more demos and you have more POCs to do and all of these things came together to the year that we just ended in March FY'26.

So, our response to that has been that we have been working to align ourselves with the market shift. We have been making deliberate efforts to move up the market. So, more focus going and more time and energy going into engaging with larger customers. There has been enhanced focus on larger accounts who bring higher revenue and would last several years over time. We have strengthened our data and AI solutions. This is both in terms of building proprietary IP and the overall capability of our teams in this area. So, this is how we have responded to whatever changes were happening in the market.

If you look at Alletec's overall positioning, we are diversified by geography and capability. India during this period we had growth in this area although the overall numbers show a slight decline, but India had growth in the enterprise modernization and the mid-market Dynamics 365 adoption. The Middle East and Africa, particularly the Middle East, is still very new for us, but it has started locking customers in and we saw the traction in this market strengthening. After several quarters of effort, Africa is turning again this quarter, and we expect some significant closures happening this month. The Americas we have been

consolidating. The one good thing in the Americas is that we now have a critical mass of customers there. So, we are instead of focusing just on - btw when I say Americas I'm talking of the US and Canada together. We are trying to shift focus from very small customers to larger sized accounts.

Europe and APAC we go a little bit more in an opportunistic manner. So, our efforts in that have been a little bit measured. And when we go to these customers we go with the entire capabilities stack which includes the ERP/CRM, and Power Platform from Microsoft. It includes Data Engineering, Data Governance and Business Intelligence. The entire AI stack which includes Agentic automation, the other AI capabilities that these product lines have and building the enterprise intelligence layers. Azure infra and security solutions have become very important this quarter and we are seeing good traction on that front as well.

So, putting all of this together we clearly see this (current) year being significantly better than the year that went by - assuming that there are no other global level macro shocks that come along. So, what is our level of readiness and why do we think that Alletec can scale? Our existing foundation, we now have more than 300 active customers. These include the customers we have had in the past, the customers that we added in the last year and there is some churn that anyway would happen, but we still have more than 300+ active customers. Our multi-country presence, we are very focused on Microsoft. So, we really specialize in these offerings and Microsoft is doing well, which is good news. We have a strong balance sheet, and we have a high customer retention.

The scaling drivers for us would be - increased focus on larger deal sizes. Our revenues would be increasingly driven by IP. And just to clarify when I say that - it does not mean that we are an IP-focused solution provider. But IPs form a critical element of many of our projects because our industry solutions would be built around those IPs which are then adapted by the customers. In several geographies we now have a critical mass, be it the US, Canada and India of course and Africa is building up. We are very excited about the momentum we are seeing in that market today. And data and AI cross-sell is pitched to most customers which are above a certain size, and we are seeing good traction there. And M&A remains on our agenda. And all of these factors together will be the key drivers, and this is why we have the conviction that Alletec will scale.

The other thing that happened since we spoke last, we now have all the six Microsoft solution partner designations. So, this is where our scaling, our training, our certifications - they came in and these solution partner designations also mean that we did the revenues that are needed for earning these badges. These are the six designations that Microsoft offers, and we now have all of these six. Not many partners globally would have all the six.

One very important question that everybody, every investor, shareholder has in mind is that we have significant amount of cash sitting out there - over INR 160 crores. So, what are we going to do? Our current priorities - as I mentioned the balance sheet is not idle. It's an 'optionality' for us which basically means that we maintain strategic flexibility. We are going to ensure that we bring returns to the shareholders. We are going to pursue value accretive acquisitions. At the same time preserve balance sheet strength and continue with capability investments.

Investments – would continue (in capability expansion) The focus on data engineering and AI talent, and of course the IP that we are building around it; in our geographic reach, and in disciplined structuring -, be it earnout or deals that protect the downside. What we will not do is that we will not pursue acquisitions at unrealistic valuations and we are not going to deploy cash merely to demonstrate activity.

Our midterm goal is to reach INR 500 crores, and the building blocks are going to be the core ERP and CRM growth and I think this is a very important point for all of us to understand well. There is big momentum on AI. The products are changing. All the products including the Microsoft ERP/CRM products are getting powered with more AI. But these products also require data which AI will operate. And this data comes from the systems that we have been deploying for over two decades. That's the core ERP. So, the momentum in this area is increasing, and customers are increasingly looking to modernize with these new-generation products.

Our international expansion, our data and AI practice growth, customer expansion and selective acquisitions are going to be the building blocks. So, this INR 500 crore is a midterm goal . It's not a guidance and we believe this is achievable over midterm through a combination of organic and inorganic growth. We are looking at mainboard migration. We haven't yet taken that decision in the board meeting, but this is something which will come up for conversation shortly. Based on the suggestions and recommendations of the entire board, including the

Independent Directors and the key management team here, we will take a decision in the coming few months.

The numbers maybe some of you have already seen these but if I was to look at our annual numbers, we did a revenue of INR 137.87 crores which was probably like one point some percentage less than last year. The total income from operations however stood at INR 149.59 crores which was just a little bit more than last year. The EBITDA and margins were at INR 36.3 crores, and it was 24.3%. The reported net profit and margins INR 25.7 crores which is 17.2%. The adjusted net profit and margins INR 27.1 crore which is 18.1%. Repeat and reckoning revenue was 90.6%. We added 35 new customers, and the team size remains at about 350. A dividend of INR 1.5 per equity share has been recommended by the board and we expect this will go through.

The geographic spread has been -- and this is only from the services point of view ... the Americas constitute the highest percentage of services followed by India and then APAC, Middle East, Europe. Africa. - We expect (Services) will grow significantly from the next quarter onwards because of some of the deals that we are on the verge of signing. If you look at the total revenue including the license and services, then India gave us 43.5% of the total revenue. And we had approximately -- ... the rest of it came from the international business.

From a customer engagement point of view, you will see that from the top 5 and top 10 customers, we have had 21.8% and 29.8% revenue respectively, and the new customers that were added were a total of 35. One interesting data that I would like to share here, which is not mentioned on this slide, is that while the total revenue from the top five customers has been shown as 21.8%, this is for the entire year and because of the headwinds that we spoke of, this percentage for the last quarter was higher. The conflict that was happening in our neighbourhood had a significant impact on many decisions being halted and we expect that in the coming quarter and some of it in this quarter will get cleared up.

These are the industries served, the same set of industries that we had last year. Professional services are at the top with 35% followed by manufacturing, EPC, retail and the rest of them. While this is in the category of what has not changed, what has not changed is that we have been doing Microsoft business applications for all these years. We have had at least 7 inner circle badges over this period of time more than 1,100 projects done, team of 350 but even in this slide all these new

solution partner designations that we now have add strength to whatever we have been doing in the past.

The reason this is important is because increasingly more and more customers like to partner with companies who have the ability to leverage the entire technology stack to deliver a solution and not just somebody who's an ERP provider or somebody who does just Azure. So, the ability to understand all the entire technology stack, understand all the solutions and stitch a solution which brings the best of what is needed is very important and customers do therefore look for partners who have the capability across the entire solution areas.

These are the broad areas that we have been working on. And there's (this) slide from the last quarter also which includes - digital core modernization, enterprise applications, process optimization, system integration, data and AI and change management. The entire stack, all the components of this stack, keep changing very quickly with AI and agents getting embedded in them at such a rapid pace.

The board of directors, the lead management and then these statements which you probably would already have access to so I wouldn't read them. This is our CSR (slide)
So, I will stop here.

Question-and-Answer

Moderator:

Thank you sir for your detailed presentation. All those who wish to ask a question may use the option of raise hand. In-case you are unable to raise hand just drop a message in the Q&A box. We'll take the first question from Sandesh Kumar. Sandesh you can go ahead.

Sandesh Kumar:

Sir like we have been talking about AI for two years and we are transitioning from solution partner to AI-first modernization centre. We have been deploying AI agents for our internal processes resulting in reducing man hours and we are embedding agents into our IPs resulting in operational savings for clients. Like we are already scaling Microsoft Fabric as a unified data foundation for SME and mid-market solutions. Given that these are the exact technical pillars like agentic architecturization, data modernization to get the frontier partner badge from Microsoft. Like recently many global peers got the award and even some small company like a Coimbatore-based company got the award.

Dr. Ajay Mian:

So, you see Microsoft also has, in some of the badges -, certain thresholds in terms of transaction volumes and the number of licenses

you sell. I'm not so sure but I think for being a frontier partner, and eventually we will become one in a couple of quarters, I think they have a need of selling a thousand seats of certain products, Copilots or agents- they needed a thousand seats. I think maybe Sandeep Salman has more information. ... So, they basically need a thousand seats of M365 Copilot to be sold. We have everything else but we do not have a thousand seats of M365 Copilot sold. And that's the reason that we don't have that yet but I'm sure we'll get there sometime during the year.

Sandesh Kumar: Sir, like can we do E7 migration without this frontier suite?

Dr. Ajay Mian: Can we do E7 migration without this frontier?

Sandesh Kumar: Yes sir, yes.

Dr. Ajay Mian: Sandeep?

Sandeep Salman: Yeah. Migration is one part but you can always sell the new licenses of E7. However, if you have to migrate your existing customers from ME5 to ME7 then you need to be a frontier partner. But you can always sell new licenses of ME7 to customers.

Sandesh Pawar: Okay sir. So, when can we expect this frontier partner?

Dr. Ajay Mian: My guess is it will happen sometime during the year. I think we'll be happy to update you in the coming months as things progress. We have a couple of hundred there, but I think we have some distance to cover to get to a number of thousand.

Sandesh Kumar: Okay sir. Sir, my next question is on our IPs like our IPs like Travel 365 and others who are built in the pre-gen-AI era. Now the Microsoft is natively rolling out agentic capabilities, Copilot studio and now this E7 like this AI is becoming highly capable especially is our proprietary IPs upgraded to handle this Microsoft AI agents natively. Consider this scenario. Think like I'm a client sitting in Bangalore using Dynamic 365 along with our Travel 365 IP. Can I use simply Microsoft Copilot to perform actions such as booking a hotel in Mumbai? So, this Copilot should use Work IQ to check my OIM, my travel policy, my designation eligibility. So, it should talk with multiple agents across multiple locations and should check with the Travel 365 backend and can do this type of work.

Dr. Ajay Mian: So, I will ask Rajiv to respond to that, but before I do that, I would also like to clarify that to really get an answer to that question, you will have

to understand what the Travel 365 solution is for. So, Travel 365 solution is not a portal for end users. The Travel 365 solution is a solution for travel agencies and for businesses that are providing travel services. This is a solution which will be used by their mid-office and back-office. This is not their portal that is used by the end users. Over to you Rajiv.

Rajiv Tyagi:

Yeah, so sometimes regarding Dynamics 365, whatever Copilots have been embedded in the product, they natively get used by our solution also because our solution is an extension built on the same platform. So, the only thing that we have to realign is certain workflows, what now is possible to do through the agent. In addition to that for all of our vertical solutions we are also bringing our own additional agents and intelligence layer to make these solutions more modern and AI-empowered. So, in addition to what Microsoft is releasing, we are also putting additional AI capabilities in our solution.

Sandesh Kumar:

Okay sir, I think like, so our IPs are deeply integrated into the current environment. So, it's like nothing becomes obsolete in AI era.

Rajiv Tyagi:

No, not at all. It will only become more powerful.

Sandesh Kumar:

Okay so like what type of investment are we doing in AI like earlier in last PPT they showed like 10% of revenues coming from AI and data. So, like what type of work and what type of investment we are doing especially with AI.

Rajiv Tyagi:

So, we are doing two kinds of things. One is that besides modernizing these solutions with the specific point agents which will do certain functionality, we are also investing in building a generic intelligence layer which sits on Microsoft Fabric and this will open up an opportunity where not only for all the new customers we position this, all our existing 300-plus customer base becomes a farming ground for this. And we have already started reaching out to all the customers. We have also converted 3 customers. We see now that the customer base is at an inflection point where the customers are seriously talking about AI and are taking it to the production level.

So, the investment that is going in building this intelligence layer and data and AI. So, enabling all these AI capabilities in a customer there is a level of change management. So, every customer will start small. They'll try to pick up a few use cases, develop that complete AI awareness within the organization. So, which is what happens and what is happening with a lot of customers now.

Sandesh Kumar: Okay sir. My last question is on like- our aspiration in African continent was very big like we almost had 20 years of association with Africa like in fact we had our first client from Africa earlier we developed one product like BAFINS which is used and we established a subsidiary Alletec ARC during January 2023. It's like almost three years ago we had revenue like 8% to 10% from African continent now it's reduced to less than 4%. Like what is the reason for this sir? Is there any local competition there?

Dr. Ajay Mian: No, no, it is not local competition. Ritu, you want to take that.

Ritu Sood: Yes, so in the African region what we have seen is the sales cycle itself is different in Africa vis-à-vis the way in the other geographies. What we have experienced in the last at least two to two and a half years is that – (compared to) if we have to sign a deal say in India or in the US it will take about double the time, at least double, in Africa. And the other element that has compounded it is our migration from the small and very small businesses to the larger customer bases where the decision-making takes longer. But having said that we are right now at a point where this month and in the coming year Africa is going to grow immensely.

Sandesh Kumar: Can we reach like earlier revenue percentage like 8% to 10%?

Dr. Ajay Mian: We guess so because we have good pipeline there and we are at almost contracting stage on a couple of customers. The other thing that you need to understand about Africa is that some regions of Africa also had a very deep currency crisis. For example, Nigeria has been a very important market for us. We had some large customer there but then it fell into a deep currency crisis with the Naira versus dollar rate changing so dramatically that we had to kind of pull back a little bit from there. So, this has been a situation again for at least two years there, but I think things are now stabilizing significantly and we are pretty excited about what we are currently involved with in Africa.

Sandesh Kumar: Okay sir, thank you. Thanks for answering all my questions.

Dr. Ajay Mian: Thank you.

Moderator: Thank you Sandesh. Sir we'll take the next question from Pratik Shetty. Pratik, you can go ahead, please.

- Pratik Shetty:** Hello, thanks for taking my question. I hope you're doing well.
- Dr. Ajay Mian:** Absolutely.
- Pratik Shetty:** So, my first question is around the growth. So, can you for the quarter and for the year give us the constant currency growth numbers or degrowth whatever it was on a constant currency basis?
- Dr. Ajay Mian:** I do not have that number handy with me, but you can possibly compute that from the financials that have been published but if you have any additional questions, please feel free to write back and Sandeep or our investor relations team will respond.
- Pratik Shetty:** Okay, sir. And can you give a split of the product versus services revenue also within the product? How much weightage was IP-led products in the weightage?
- Dr. Ajay Mian:** Yeah absolutely. Our license business was approximately 44% and our product services business was about 56%. And our IP -- see the thing is that you have to understand sometimes looking at the number or the value of our IP is very misleading. It becomes misleading because these are not off-the-shelf products. Many times, our IP becomes the catalyst which enables us to sell an entire project. It could be by its very inherent value it could be maybe only 5% but then if that 5% wasn't there we wouldn't probably win the project itself.
- But then -- so for example in the travel segment - if we didn't have it (IP) we wouldn't sell anything in travel. Similarly in education if we don't have it, we wouldn't sell anything in education. So, the same thing is true about be it EPC or be it BAFINS or be it a couple of other solutions that we have. So, the number of the value of the IP itself and even if I mention this to you it'll probably be about somewhere between 5% to 7% of the total product but this number would be misleading if you try to gauge from it the impact it is having on the business.
- Pratik Shetty:** Got it. So, it's more like a foot in the door kind of a product for us.
- Dr. Ajay Mian:** It's not a foot in the door. It's a primary driver.
- Rajiv Tyagi:** It helps us.
- Dr. Ajay Mian:** It gives us the seat on the table.
- Pratik Shetty:** Yeah, got it.

Dr. Ajay Mian: Because this IP demonstrates our understanding of the domain of the industry. It demonstrates our ability to solve the problems of the industry, and it demonstrates our hold on the product and the technology stack.

Pratik Shetty: Got it.

Rajiv Tyagi: Just I'd like to add one thing that this year deliberately we are restructuring the pricing and positioning of the IPs. We have created different bundles, and we expect that this whole IP thing should reach the 10% level of the licenses. So, we are trying to get a very focused approach trying to increase the share of the IP in each of the deals.

Pratik Shetty: Okay. Sir next, I'm trying to reconcile some data points. So basically, we had decent customer additions this year. We have 300+ active clients. Microsoft reported for the Dynamics product portfolio for every quarter more than 20% YoY growth. So, my understanding is this should be the anchor point for our growth as well. But why is there a dichotomy? Is it because in spite of all the macro headwinds that you mentioned Microsoft is able to grow this product by 20% every year like quarter-on-quarter every year. So why is it that we are not getting the tailwind from it. So why are we not benefiting from it.

Is it the customer segment that we target versus where Microsoft is getting the revenue from or is it something else.

Dr. Ajay Mian: Well one aspect of this definitely is that a lot of the revenue that Microsoft is talking about is from very, very large businesses and sometimes in those cases Microsoft does the licensing directly, sometimes as a pass-through with some very large account resellers. So that is where you see the growth from. But overall, the momentum has been increasing. We may not appear to have gained from it this year, but this momentum is definitely going to be a tailwind for us to give us more momentum in the market.

So that is the reason why we said that some of these numbers may not - - you see if you look at some regions globally, they were not as impacted by whatever was happening during the year. The mid-market segment was impacted more particularly after the recent conflict. Certainly, the Middle East got kind of paralyzed and a lot of things kind of stalled. So, the impact of this has been very varied across regions and across customer segments but the fact that Microsoft has been having good

growth is only good news for us because we play in exactly the same market.

And yes, we have added a decent number of customers but this number of customers has been lower than last year and we also had, as I said our percentage revenue from existing customers, the top 5 and top 10 in quarter four was significantly higher than what it has typically been and what it was for the entire year. And this kind of is just a data point that shows the impact of whatever was going on. But we are quite excited that the overall market is reacting very well to what Microsoft is doing and we will end up gaining because of that momentum.

Pratik Shetty: Okay. Just to understand this year's performance sir, again so is it like the average revenue that we are booking per client has gone down like mathematically it has gone down but in general per client revenue has decreased, or is the impact because of us losing some large clients and was there a churn there?

Dr. Ajay Mian: No, I think the biggest reason was that something which normally we would have closed in let's say in a matter of, 3-4 months, 5 months, 6 months just continued to drag on. So, for example, some of the deals that I mentioned are in a contracting stage and we expect them to happen this month - have been going on for close to a year, close to 9 months. Normally this would have happened in 4 to 6 months' time and we would have booked some revenue from that which did not happen.

Pratik Shetty: Okay, got it. And lastly sir your aspiration for INR 500 crore so what is medium term here like when how many years would be medium term?

Dr. Ajay Mian: Well, I would guess anywhere between 4 to 5 years is medium term. that's what we would like to see happening.

Pratik Shetty: Okay sir those are all my questions thank you for answering them.

Dr. Ajay Mian: Thank you.

Moderator: Thanks Pratik. Participants, please limit your questions to two. We'll take the next question from Mayank Agarwal. Mayank you can go ahead please.

Mayank Agarwal: Hi, thank you for the opportunity I had one question In H1, you had indicated towards the normalization of business conditions towards the end of FY26. But like the performance appears to have weakened

further. So, like what has ... like I know like there was some delay in the decision making and all the macro conditions which have impacted the overall sales performance. So, can you give more color on that and like what is your current outlook for that?

Dr. Ajay Mian:

Well, there isn't more that I need to add because whatever has been happening, I gave the three (3) reasons that have caused us not to grow on the sales side, and whatever has been happening particularly in our part of the world is known. Some things have aggravated in the last quarter, in the last three to four (3-4) months. That has paralyzed businesses in some countries. And when people have to make investments that look discretionary at some point in time, they take longer to take that decision because there has to be enough conviction that businesses are going to return to business as usual. When that does not happen, people look at saving cash.

Mayank Agarwal:

Yeah. So, like if you have to comment on the current scenario, what can you say about that?

Dr. Ajay Mian:

Well, if you (can) tell me what is going to happen around Hormuz with certainty, I will (also) be able to respond to this question with certainty. ...<laughter>

Mayank Agarwal:

Got it, okay. One more question on the margin decline. So, what were the main reasons for the steep fall in the margin in this quarter?

Dr. Ajay Mian:

So really operationally speaking there wasn't any steep fall. Obviously, when sales cycles get longer your cost of sales goes up. If you are engaged somewhere for 9 to 12 months instead of 3-4 months, you end up investing more — not just money, but also the mindshare and time of some of the senior management team and that has an impact on the overall cost. But then there were other elements. We had this one-time cost of I think INR 1.3 crores or INR 1.4 crores which went towards all the changes the government brought in for PF and so on, those adjustments. Then we had some additional new business development costs that were booked in this quarter which included some travel and participation in some exhibitions and so on. So, some of those bills were incurred at this point in time and they were all booked. There was nothing really extraordinary about it.

Mayank Agarwal:

Okay, thank you so much. That was it from my side.

Dr. Ajay Mian:

Thank you.

Moderator: Thank you Mayank. We'll take the next question from Surender Singh. Surender you can go ahead.

Surender Singh: Yeah, so thank you for the opportunity, sir and first and foremost thank you for the excellent investor presentation.

Dr. Ajay Mian: Your voice is breaking. I can't hear you clearly.

Surender Singh: Yeah. All right now?

Dr. Ajay Mian: Well, I can try.

Surender Singh: Okay. Sir, thank you for the investor presentation it was really, really nice. I like both the content and the talk. I am a SEBI-registered independent research analyst and I run a stock advisory. I have 3 topics on which I would like to know your views. First and foremost is this larger deal size we are targeting. What are the gaps we have built in the last two or three years which makes us eligible for such deals now?

Dr. Ajay Mian: Wait a minute. Can somebody repeat this question for me? He's talking about large deal sizes.

Surender Singh: Can I try again?

Dr. Ajay Mian: Yes please.

Moderator: Surender, can you move away from the speaker and talk into the device?

Surender Singh: Is it better now?

Dr. Ajay Mian: Do you want to put your question in chat? I will respond.

Surender Singh: Yeah, I will do that.

Dr. Ajay Mian: Sure.

Surender Singh: Thank you.

Moderator: We'll move on to Rishabh Joshi. Rishabh you can go ahead please.

Dr. Ajay Mian: No, no, wait. I guess we give him a minute. It's not nice.

Moderator: Sir let's take the next question. When he puts the question in chat we'll take his question.

Rishabh Joshi: Hi sir. Hope you're well. Thanks for taking my question.

Dr. Ajay Mian: Hi Rishabh. Thank you.

Rishabh Joshi: I wanted some qualitative assessments from your end. So, we know that FY26 was a consolidating year. Can you throw some light on how deal flow is kind of shaping up in Q1 and FY27? Are the sales cycles continuing to be long? Can we expect some of the extended conversions from last year to convert? Like you said you have some in the contracting phase already. So, some kind of qualitative texture on how FY27 would shape up relative to FY26 or even FY25.

Dr. Ajay Mian: Absolutely. So, as I said some of the deals that are in the contractual stage and which we hope to conclude this month have been deals that we have been working on for anywhere between 9 to 12 months. Under normal situations they should have closed anytime around October, if not before, of last year. But with everything that was going on it did not happen. But now it's happening. We, unless there is a big surprise, we see no reason that we should not end this month with a good order book for new business.

If we look at the momentum, the momentum is there. It's very encouraging because customers are now asking not just for an enterprise application. They are not asking just for ERP, not just for CRM. And everybody knows that these are the systems which are the foundation for generating the data that ultimately goes and feeds their AI applications. And they need to make their organizations AI-enabled. So, the overall ask from customers - the spectrum of that is becoming broader. We as an organization are gearing up to address those needs. We are finding customers engaging with us on a broader scope. So, these are really exciting times. And I'm sure that we will leverage this and we will have very exciting business traction for the rest of the year.

Rishabh Joshi: Sir, that's promising to hear. So, does that mean that would translate into numerical growth for FY27?

Dr. Ajay Mian: Yeah of course. (But) we still don't have the deals signed, some other issues addressed. We don't know what will happen around Hormuz, and we do not know what will happen to other things that are going on in the world. But assuming none of these factors impact us, as I said I wouldn't be surprised if, in this month itself, we sign new order book worth maybe \$1 million across all solution areas put together. Be it ERP, CRM, AI, or Azure. So that's likely to happen.

Now that does not mean that we will see this happening every month or every other month. But if we are doing that this month this all is something that we have been working on for the last close to 9 to 12 months. So, some of these things they also bring momentum. They help you to build the muscle to do more. So, as I said these are exciting times.

Rishabh Joshi:

Thank you, sir. That's exciting to hear. Second question was on the capital allocation part which you briefly touched upon on the debt as well. So, we are of course incrementally adding to our cash balances on a YoY basis and now it's been close to 3 years that we have not really been able to find the type of acquisition that we would ideally like to make based on your parameters and the prudence with which you are carrying along.

So sir, the question is going forward this is going to continue to accumulate so do we have a defined plan or are we clear about what we are trying to acquire whether it is a sales capability, tech capability or what it is exactly and some defined timelines and if not is there a way maybe we can give some of that surplus annual capital that is being generated back in the form of a buyback or some form of a higher dividend?

Dr. Ajay Mian:

All of this will be put on table with the board in the coming weeks, and once we have some decision on this, we will be happy to intimate. But we ---- there are some conversations on the acquisition front. Some look to be at an advanced stage but it's like one of those things --- they it's zero or one. So, unless it happens. It has not happened. But we are squarely aware of this situation and fairly sensitive about it.

Rishabh Joshi:

Got it, sir. So, don't we think we can actually build instead -- if you're not able to find acquisitions? we can actually spend on building that capability?

Dr. Ajay Mian:

That we are already doing.

Rishabh Joshi:

Do we now have an expectation of how much we are intending to spend on this in the next, in this coming year?

Dr. Ajay Mian:

Well, it's going to be some serious money because some of the build-up that we are doing is expensive. So that way I have probably pre-answered a question that you might ask me in one of the future calls that why the expense has gone up. So, some of that expense is going up in this area.

Rishabh Joshi: But sir to be honest I mean as a long-term investor it's very heartening to hear that because the biggest bane has actually been the idle cash. So, if it's not being deployed even if in externally and you're able to use it.

Dr. Ajay Mian: We will see that happen this year.

Rishabh Joshi: Build out capabilities that is also very heartening to hear.

Dr. Ajay Mian: You will see that happen this year.

Rishabh Joshi: Okay, that's fantastic sir. I wish you all the very best.

Dr. Ajay Mian: Thank you very much. Thanks for being with us.

Moderator: Thank you. Sir, Surender has put his question in the Q&A box if you can answer them. His first question is what are the gaps we have bridged in the last 2 to 3 years to make us a compelling vendor for large deal sizes?

Dr. Ajay Mian: I think one of the most important things is that -- we are no longer seen as purely an ERP provider. And for quite some time we are now seen as a provider of solutions that comprise of the entire stack. If you look at some of our, let's say as an example, we have some sizable customers let's say in Canada, and for those customers we are doing kind of everything. It includes ERP, CRM, data engineering, and some AI work. And so there is so much that we do.

So, for example, this customer that I am referring to, is going to spend with us at least \$3 million over three years. And he wouldn't have done that -- and at the moment we are his primary solution provider - He wouldn't have engaged with us if we didn't have the ability to do that. So one, we have created a separate team; we have assigned a couple of people internally just to work on large accounts. And these are obviously people who have the consulting and solutioning ability. And they engage with a small number of identified customers from a consulting side. So, it's not a sales engine. So, when you engage in these accounts, we don't see this as a revenue event. We are looking at a revenue annuity.

So, I think there's a very different approach to these sizable accounts. And we are trying to change our approach to handling the SMB segment in one way and our large accounts in a very different way. So, the answer to your question is from the point of view of our status as a

solution provider, our capabilities in terms of the products and in terms of the solution areas. And then also a little bit in terms of how we are structuring ourselves. And by the way I must also say that we are not done. We have started doing it. It does require a significant amount of push and energy and bandwidth investment. But we are going to do it.

So, the second question is (reading the question aloud) - how our thinking has evolved on acquisition approach after spending three years actively with a strong balance sheet compared to earlier times. So, I think I answered this question. Unless there is something (else) that you think additionally I need to say., You are asking target size, valuation aspects. So, valuations have obviously changed over the last six months. Some of the multiples that we were looking at earlier have only come down over this period of time. Our target size remains businesses which are ballpark in the range of \$5 million to \$10 million, the higher, the better.

Question three is midterm goal: how much percentage expected is from the inorganic route. I think this question three is related to question two in some sense. But my guess would be that the inorganic will probably comprise of somewhere between 30% to 40% of this number.

Moderator: Okay. Sir, we'll take the next question from Sayan Deb. Sayan you can go ahead please.

Sayan Deb: Yeah, thank you, sir, for taking my question. So, I have two questions. As you can see the margins have decreased for the quarter. So, what is the margin guidance for the next few quarters? And the second question is the recurring revenue rate for the quarter was 85% but the average for the year was 90% plus right. So, is the recurring revenue decreasing? These are my two questions. Thank you sir.

Dr. Ajay Mian: None of these are an indication of any trend. We had, as I already mentioned, our Q4 revenue from existing customers was actually -- and some of these numbers that you see you have to break into what is services and what is license. But there isn't any clear trend if you look at an annual basis to say that whether the recurring revenue is growing or not; there may be small (variations), I would say on a quarter-by-quarter basis but broadly speaking nothing has fundamentally changed.

And I was just answering that question on profitability. And as I said our profitability has not had any significant impact other than that there has been this one-time cost of about INR 1.4 crores towards the government-recommended PF provisions that we had to make and at

the same time we had some business development costs which were towards travel and towards participation in some exhibitions and so on. There is of course some increase in the overall cost of people, the overall employee cost and technical people cost has gone up slightly by about 5% but because we did not see, which is natural; that will happen, but this probably wouldn't have been there if some of the deals that we have been talking about -- because we invested in the pre-sales activities.

So, if those deals had closed in the October-December quarter or the January-March quarter then you would have seen the same percentages as you have seen before.

Sayan Deb:

Okay. So, sir, can we expect the margin to increase from this point?

Dr. Ajay Mian:

Well, I don't want to answer that question because at the moment our focus is to see how the business scales. And just to show that we are increasing our margin we don't want to compromise on the scalability of the organization. Now this may happen, but I don't have anything specific that I would say I am doing to increase the margin. We have the same levers that we work on.

The outcome of what we do varies from quarter to quarter. We are working on increasing our international business. We are working on increasing our revenue from our IP and we will continue to do that. Now depending on how much of it shows up in a quarter, does impact the margin that you will see because it's not like in a manufacturing business where, we will say that, okay now we are getting our raw material from a lower-cost source and therefore our margin will become higher.

We still keep doing the same things and we just want to increase the intensity with which we are doing those things. We don't have a mechanism that we -- we don't have a lever that we will turn to say that now this cost has come down. And in fact, some of that cost may go up on one hand when we are trying to attract and keep high-skilled people, they will have a cost. We don't want to not keep them simply because we want to show a higher margin. So, we think that the scalability of the organization is very important, and the scalability of the business is important. We will bring these people in. It may impact the cost in the short term but ultimately it will bring us to a point where we will have a healthier, bigger balance sheet and P&L.

- Sayan Deb:** Okay sir. Thank you for answering my questions. Good luck to you and the management.
- Dr. Ajay Mian:** Thank you very much.
- Moderator:** Thanks sir. Sir we'll take the next question from Umang Shah. Umang you can go ahead please.
- Umang Shah:** Hi, thank you for taking my questions. My first question was, we have a large shareholder called Sarita Kapoor, and her name appears in the prospectus also. So, is she someone from the company?
- Dr. Ajay Mian:** No, she is not. So, she, however, has a history. She invested in the company way back in 2006.
- Umang Shah:** Okay.
- Dr. Ajay Mian:** And those were early days for us, and she has chosen to stay with the company.
- Umang Shah:** Oh, lovely. Got it. Got it. That is one question. Second is, because we run a work from home kind of an environment for all of our employees, just wanted to understand how are we going about training for the AI-driven training for all of the employees? Are we training them only on Copilot or on Claude and other LLM models also?
- Dr. Ajay Mian:** Rajiv, you want to take that?
- Rajiv Tyagi:** No, not restricted to just Copilot. And in fact, just to let you know that Microsoft GitHub Copilot, it allows you to use, whether you want to use whatever LLM, be it GPT or Claude. So that's a choice that we can make when we are using these Copilots. So, it is just not restricted to Microsoft.
- Umang Shah:** Got it. Got it. And last question was, because of the use of AI, are we seeing any efficiencies in our employee productivity? And if yes, can you quantify it? And related to this, what is the hiring plan for next one year?
- Rajiv Tyagi:** So, we obviously are seeing efficiency gains, but at the same time, it has not come to the level where it is becoming so easy to measure on a quantitative basis. I think there is still time for us to get to that level. Right now, what is happening is that the quality of the code, certain

processes that were not happening previously in terms of rigorous reviews and whatnot, they are now getting addressed through the AI.

So, you don't have to have those people and that competence is being utilized through the Copilot. Because we also work more on the packaged software, so it is not that we are just into the full-blown software development activity only. So, we get into a lot of consulting kind of area as well, whether it is training, configuration and whatnot.

So, in the coding side, we are gaining efficiency in every aspect. But as I said, I think it will take more time, maybe another six months, where we will be able to quantify exact gains. We have also kind of remodelled our implementation approach methodology. That has also now got redefined with agents, what the agent will do, what the human in the loop will do. So, all that is what is currently getting transitioned. So, I'll say it's a bit early to have the quantitative numbers.

Dr. Ajay Mian:

So, one more thing Umang, which I would like to add here is, it's important to understand many of our people have stopped writing code manually. But that does not mean that people don't need to do anything. You still need to work to bring the agents and Copilots to a point where they generate code for you. So, while this gives them the productivity gains, but you also ought to understand that there is also a time where all these people also have to learn and train themselves.

So, they are also spending that, whatever time is saved in exploring, learning and training. But for sure, these people are writing significantly less code today than was being done, let's say, even six months back.

Umang Shah:

Got it, got it. And thank you for this. And last question, if I could squeeze in, larger IT companies are saying that AI is going to be very deflationary for the maintenance part of the business, because as more and more automation increases, the actual number of people required is very less. While I understand that the same would not be true for us, because we are not a software services company, we do have a lot of maintenance is what we understand. So, do we also -- as a thought leader, what would you say about the deflationary trend of AI coming in and affecting our business?

Dr. Ajay Mian:

What you are saying is right. For example, I have a friend, he along with his team, has a mandate from a company where this large company has a team of about 7,000 people working for another very, very large company, global company. And he has been given a mandate to build AI automation, which will bring this number down from 7,000 to

possibly 4,000 to 5,000, something like this. Okay, so these things are happening. But the people who are relieved of doing this may end up, picking up something else and doing something else.

In our case, however, you see, we are not doing this maintenance type of a thing. It is not a primary business model for us. We do it in some cases. But what we do is deeply, driven by our domain knowledge, our experience on the product. The products keep building up themselves. We are not in the business of saying that there is a system which is relatively static, and we just need to maintain it.

Umang Shah: Got it. Excellent, sir. Those were all my questions. Thank you so much. And just wanted to compliment on the discipline with which you have not used up the cash, and you're looking for the right opportunity. I wish you all the best and have a great time.

Dr. Ajay Mian: Thank you very much. Thank you.

Moderator: Thank you, Umang. We'll take the next question from Akshay Bharde. Akshay, you can go ahead, please.

Akshay Bharde: Hello sir. Thanks. Thanks for the opportunity. I attend almost all the concalls of Alletec and go through all the presentations. So very, very well written presentations and well presented. Thanks a lot for that. We are actually a main board company who is sitting in the SME segment. So, I had a few questions regarding on. Firstly, on the revenue side. So, the revenue kind of dropped from the same quarter last year, which was like INR 35 crore around that figure to INR 28 crore this time, which is around like 20% drop as per the quarterly this thing, right? Am I right in or am I wrong in reading that? INR 27.75 crores, yeah, sorry.

Dr. Ajay Mian: I don't think so. Sandeep, can you...?

Sandeep Jain: Last year, the revenue was INR 34.93 crores.

Akshay Bharde: Yeah, same quarter.

Sandeep Jain: Same quarter. And this year, it is INR 34.74 crores. I think you're looking at the standalone revenue.

Akshay Bharde: Yeah, standalone I'm looking at. Standalone has gone down significantly, hasn't it? Oh, no, I'm maybe comparing the different....

Sandeep Jain: Standalone too has not gone down that much.

Akshay Bharde: Actually, that's steady. Okay. Okay. So even if the rupee has depreciated a lot, and we have significant Americas presence, like, why have we not gained from that?

Sandeep Jain: The rupee exchange impact is coming in the other income aspect. If you see the other income has increased from last quarter.

Akshay Bharde: Okay. Okay.

Sandeep Jain: If it is sufficient, it is coming in.

Akshay Bharde: So that's okay. But that's not significant, right? I mean, why I'm saying is even the very large organizations like Infy and TCS, which are not growing at all in the dollar terms, are gaining the benefit of the rupee, right? So, like 6% - 7% gain there. But we are not seeing the same in our case.

Sandeep Jain: Yeah, that's what I'm saying. Our difference of exchange is coming in the other income aspect, if you see that. Last year, it was INR 950 lakhs and this year it is INR 11.71 crores.

Akshay Bharde: Okay. Okay. So that means it's not a significant number for us. That's fine. My second question is, sir, when you say that macro impact was there, why do we see other like even the midsize IT companies like Persistent and Coforge growing sustainably with the sustainable profitability in their growth? Like, is it?

Dr. Ajay Mian: Very important question and also important to understand. We have different businesses. If you look at Persistent, or you look at companies of that size and maybe some smaller companies, some of them have large project engagements, which means putting a very large number of people on assignments or projects with other large companies. These businesses have more wherewithal to take pressure when things change. And, if they have budgeted for something for a year, and if something changes, these budgets would probably stand or hold. They wouldn't change very quickly.

But one of our important drivers has been the work that we have been doing with the mid-sized companies. And these mid-sized companies are faster to react. The large companies take significantly longer to conclude a deal. And you can do it faster with a mid-sized company. But the mid-sized companies also react to external factors much more quickly than these large companies would. So, this has been one of the

primary reasons where, for example, if there's a manufacturer who sees that the cost of his inputs is dramatically changing because of tariffs, he gets paralyzed and then he doesn't know what to do. Should he spend time, effort, and money on finding alternate sources of his, raw material purchase or he should invest in technology?

If somebody sees that they are not really sure how their logistics are going to get impacted or how their customers are going to behave in a certain region, suddenly, their priorities would change. So, when everything is going well, the small businesses, the mid-sized businesses are more agile. They are faster, and they have a high level of loyalty. But when things become a little tough, I think they also are the first to react. And that is where the larger businesses would take longer to react to the same situations. They also take longer to revert back, when things change, but they react faster when things become hard.

Akshay Bharde: Right, right. Thank you, sir. That was a fantastic response. And sir, one last question. Two years ago, we had said our long-term target was around INR 1,000 crore revenue. Now we are saying the midterm target is INR 500 crore. Two years back, two and a half years back, we said INR 1,000 crore, which is like, now the midterm target, similar to the two years back target. Why are we retracing? Like are we...

Dr. Ajay Mian: Two years back, we did not know what was going to happen in the last 14 - 16 months.

Akshay Bharde: Okay. All right. No worries. So, all good, sir. Thanks a lot for everything and all the very best to all of you. Thank you.

Dr. Ajay Mian: Thank you very much. Thank you very much. I appreciate all of you. Thank you.

Moderator: Since there are no further questions, sir, would you like to give any closing comments?

Dr. Ajay Mian: Well, I guess I have said everything that had to be said. I just want to thank everyone who has been with us. I just want to say that, as a company, we are extremely careful and cautious with the shareholders' wealth that we have. It's a great responsibility that we have on us. And we are going to continue working towards giving them a return on the investments that they have made. And all of us as a team and other people who support us are going to continue to work towards growing the organization.

Moderator: Thank you, sir. Thank you to the management team for your valuable time and thank you to all the participants for joining us on the call. This brings us to the end of today's conference call. You all may disconnect now. Thank you.

Dr. Ajay Mian: Thank you very much.

Rajiv Tyagi: Thank you.