www.capillarytech.com

Date: August 04, 2026

To BSE Limited Listing Department Phiroze JeeJeebhoy Towers, Dalal Street Fort, Mumbai -400001 **Scrip Code: 544614**	To, National Stock Exchange of India Limited Listing Department Exchange Plaza , Bandra Kurla Complex Bandra (East), Mumbai -4000051 **Symbol: CAPILLARY**

Dear Sir/Madam

Subject: Outcome of Board Meeting held on August 04, 2026.

Pursuant to Regulation 30, 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we wish to inform you that the Board of Directors of Capillary Technologies India Limited ("the Company") at its meeting held today i.e., August 04, 2026, inter-alia, has considered and approved unaudited financial results (Standalone and Consolidated) for the quarter ended June 30, 2026 ("Financial Results") along with the Limited Review Report. A copy of Financial Results, along with the Limited Review Report is enclosed.

The Meeting of the board of directors of the Company commenced at 10:30 AM (IST) and concluded at 1:05 PM (IST).

Further, in continuation to our earlier intimation dated June 26, 2026, regarding closure of trading window, we wish to inform you that trading window for dealing in the securities of the Company has been closed from July 01, 2026, and shall re-open after 48 hours from the declaration of the financial results of the Company.

This outcome of Board Meeting will also be made available on the website of the Company at: https://www.capillarytech.com/investors/

We request you to take the above information on records.

Yours faithfully,

For Capillary Technologies India Limited

GIREDDY BHARGAVI REDDY

Digitally signed by GIREDDY BHARGAVI REDDY
Date: 2026.08.04 13:05:18 +05'30'

Gireddy Bhargavi Reddy
Company Secretary and Compliance Officer
Membership No. A17091
Place: Bengaluru

Walker Chandiok & Co LLP
5th Floor, 65/2, Block “A”,
Bagmane Tridib, Bagmane
Tech Park, CV Raman
Nagar, Bengaluru 560093
Karnataka, India

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor’s Review Report on the Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Capillary Technologies India Limited

1. We have reviewed the accompanying statement of the standalone unaudited financial results (‘the Statement’) of Capillary Technologies India Limited (‘the Company’) for the quarter ended 30 June 2026 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (‘Listing Regulations’). Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2025 have been approved by the Company’s Board of Directors, but have not been subjected to audit or review.

2. The Statement, which is the responsibility of the Company’s management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013 (‘the Act’), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Aasheesh Arjun Singh
Digitally signed by Aasheesh Arjun Singh
Date: 2026.08.04 13:13:52 +05'30'

Aasheesh Arjun Singh
Partner
Membership No. 210122
UDIN: 26210122EKDBRO6296

Bengaluru
04 August 2026

Capillary Technologies India Limited
CIN Number - L72200KA2012PLC063060
Registered Office: #360 bearing PID No 101, 360, 15th Cross Rd, Sector 4, HSR Layout, Bengaluru 560 102, Karnataka, India
Phone No. +91 80 4122 5179 Website : www.capillarytech.com E-mail: investorrelations@capillarytech.com

(All amounts in Indian Rupees (₹) million, except per share data)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2026

	Particulars	Quarter Ended			Year Ended
		30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
		(Unaudited) (Refer note 2)	*(Audited) (Refer note 3)*	*(Unaudited) (Refer note 4)*	*(Audited)*
	Income				
I	Revenue from operations	642.87	650.23	423.25	2,118.90
II	Other income	46.65	56.18	4.58	105.78
III	**Total income (I+II)**	**689.52**	**706.41**	**427.83**	**2,224.68**
IV	**Expenses**				
	- Professional and consultancy expenses	65.03	49.60	57.66	213.89
	- Software and server charges	32.87	35.32	26.86	110.65
	- Employee benefit expense (Refer note 6)	347.23	364.68	254.81	1,225.96
	- Other expenses (Refer note 7)	47.19	39.44	27.48	174.24
	Total expenses	**492.32**	**489.04**	**366.81**	**1,724.74**
V	**Profit before finance costs, depreciation, amortization and tax expense (III-IV)**	**197.20**	**217.37**	**61.02**	**499.94**
	- Depreciation and amortisation expenses	111.92	110.50	105.29	434.56
	- Finance costs	7.63	7.92	6.94	36.48
VI	**Profit/ (loss) before exceptional items and tax**	**77.65**	**98.95**	**(51.21)**	**28.90**
VII	Exceptional items	-	-	-	-
VIII	**Profit/ (loss) before tax (VI-VII)**	**77.65**	**98.95**	**(51.21)**	**28.90**
IX	**Tax expense/ (credit)**				
	- Current tax	-	-	-	-
	- Deferred tax	-	-	-	-
	Total tax expense	**-**	**-**	**-**	**-**
X	**Profit/ (loss) after tax (VIII-IX)**	**77.65**	**98.95**	**(51.21)**	**28.90**
	Other Comprehensive income/ (loss)				
	(a) Items that will not to be reclassified to the statement of profit or loss:				
	-Re-measurement of defined benefit plan, net of tax	(0.30)	1.10	(0.69)	(1.19)
XI	**Other comprehensive (loss)/ income, net of tax**	**(0.30)**	**1.10**	**(0.69)**	**(1.19)**
XII	**Total comprehensive income/ (loss) (X+XI)**	**77.35**	**100.05**	**(51.90)**	**27.71**
	Paid-up equity share capital	158.94	158.81	146.65	158.81
	Other equity				8,073.23
	Earnings per equity share (face value ₹ 2 each)*				
	(a) Basic (in ₹ per share)	0.98	1.25	(0.70)	0.38
	(b) Diluted (in ₹ per share)	0.97	1.23	(0.70)	0.38

* Earnings/ (loss) per share data for the quarters is not annualised.

See accompanying notes to the standalone financial results

Capillary Technologies India Limited
CIN Number - L72200KA2012PLC063060
Registered Office: #360 bearing PID No 101, 360, 15th Cross Rd, Sector 4, HSR Layout, Bengaluru 560 102, Karnataka, India
Phone No. +91 80 4122 5179 Website : www.capillarytech.com E-mail: investorrelations@capillarytech.com

Notes:

1 The unaudited standalone financial results, which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

2 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 August 2026. The statutory auditors of the Company have performed a limited review of the unaudited standalone financial results for the quarter ended 30 June 2026 and have issued an unmodified review report on these results.

3 The figure for the quarter ended 31 March 2026 is a balancing figure between the audited figure of the full financial year and the unaudited year to date figure up to the third quarter of the financial year.

4 The unaudited standalone financial results for the quarter ended 30 June 2025 included above are prepared based on the information compiled by the management in accordance with Ind AS 34 and have not been subjected to a separate audit or review by the statutory auditors.

5 The Chief Operating Decision Maker ('CODM') evaluates the performance of the Company based on the single operative segment as cloud based intelligent customer engagement software solutions. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

6 On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from 1 April 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion.
The Company has recorded an amount of ₹ Nil for the quarter ended 30 June 2026, ₹ 2.10 million and ₹ 18.24 million in the standalone statement of profit and loss for the quarter and year ended 31 March 2026 respectively.

7 In FY 25-26, the Company has completed its Initial Public Offering (IPO) comprising a fresh issuance of 5,982,635 equity shares with a face value of ₹ 2 each and Offer for Sale of 9,228,796 Equity Shares of face value of ₹ 2 each. These shares were offered at an issue price of ₹ 549-577 per share, which also included 38,095 equity shares reserved for eligible employees. The Company raised a total of ₹ 8,775.01 million (including ₹ 3,450.00 million with respect to fresh issuance of Equity Shares) and the Company's equity shares were subsequently listed on the BSE Ltd. and National Stock Exchange of India Limited with effect from 21 November 2025.
Consequently, the Company received an amount of ₹ 3,229.08 million (net of Company's share of IPO expenses amounting to ₹ 220.92 million*). The net proceeds received pending utilisation as at 30 June 2026 (invested in fixed deposits to the extent of ₹ 1,986.90 million and balance ₹ 45.17 million of balance in monitoring bank account). The Company has utilised an amount of ₹ 1,196.91 million as of 30 June 2026.

Amounts in ₹ million

Particulars	Amount to be utilised as per prospectus	Utilisation up to 30 June 2026	Unutilised as at 30 June 2026
Funding our cloud infrastructure cost	1,430.00	346.78	1,083.22
Investment in research, designing and development of our products and platform	715.81	-	715.81
Investment in purchase of computer systems for our business	103.42	-	103.42
Funding inorganic growth through unidentified acquisitions and general corporate purposes	979.85	850.13	129.72
Net proceeds (net of IPO expenses)	**3,229.08**	**1,196.91**	**2,032.17**

* Of the total IPO expenses, an amount of ₹ 137.88 million adjusted with securities premium as of 30 June 2026 and ₹ Nil for the quarter ended 30 June 2026, ₹ 12.59 million and ₹ 32.36 million for the quarter and year ended 31 March 2026 respectively is charged off to Statement of profit and loss.

8 The unaudited standalone financial results for the quarter ended 30 June 2026 can be viewed on the website of the Company, National Stock Exchange of India Limited ('NSE') and BSE Ltd ('BSE') at www.capillarytech.com, www.nseindia.com and www.bseindia.com respectively.

for **Capillary Technologies India Limited**

ANEESH REDDY BODDU
Digitally signed by ANEESH REDDY BODDU
Date: 2026.08.04 13:06:36 +05'30'

Aneesh Reddy Boddu
Managing Director and CEO
DIN: 02214511

Place: Bengaluru
Date: 04 August 2026

Walker Chandiok & Co LLP
5th Floor, 65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, CV Raman
Nagar, Bengaluru 560093
Karnataka, India

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Review Report on the Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Capillary Technologies India Limited

1. We have reviewed the accompanying statement of the unaudited consolidated financial results ('the Statement') of Capillary Technologies India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 June 2026, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'). Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2025 have been approved by the Company's Board of Directors but have not been subjected to audit or review.

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The Statement includes the interim financial information of 3 subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflects total revenues of ₹ 24.18 million, net profit after tax of ₹ 0.57 million, total comprehensive loss of ₹ 3.50 million for the quarter ended 30 June 2026 and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the management of the Holding Company.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Aasheesh Arjun Singh
Digitally signed by Aasheesh Arjun Singh
Date: 2026.08.04 13:14:14 +05'30'

Aasheesh Arjun Singh
Partner
Membership No. 210122
UDIN: 26210122ISRCKN2649

Bengaluru
04 August 2026

Annexure 1 referred to in paragraph 1 of the Independent Auditor's Review Report on the Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

List of subsidiaries included in the Statement

Name of the entity	Country of incorporation	Relationship
Capillary Pte. Ltd	Singapore	Subsidiary
Capillary Technologies FZCO *(formerly known as Capillary Technologies DMCC)*	Dubai, United Arab Emirates	Step-down subsidiary
Capillary Technologies LLC	United States of America	Step-down subsidiary
Capillary Technologies Inc.	United States of America	Step-down subsidiary
Capillary Technologies Europe Limited	United Kingdom	Step-down subsidiary
Capillary Brierley Inc.	United States of America	Step-down subsidiary
Capillary Technologies (Shanghai) Co. Ltd	People's Republic of China	Step-down subsidiary
PT Capillary Technologies Indonesia	Indonesia	Step-down subsidiary
Capillary Technologies (Malaysia) Sdn.Bhd.	Malaysia	Step-down subsidiary
Kognitiv Solutions Inc. (w.e.f 1 May 2025)	Canada	Step-down subsidiary
Session M Inc. (w.e.f 1 May 2026)	United States of America	Step-down subsidiary
Session M Czech Republic s.r.o (w.e.f 1 May 2026)	Czech Republic	Step-down subsidiary

Capillary Technologies India Limited

CIN Number - L72200KA2012PLC063060

Registered Office: #360 bearing PID No 101, 360, 15th Cross Rd, Sector 4, HSR Layout, Bengaluru 560 102, Karnataka, India
Phone No. +91 80 4122 5179 Website : www.capillarytech.com E-mail: investorrelations@capillarytech.com

(All amounts in Indian Rupees (₹) million, except per share data)

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2026

	Particulars	Quarter Ended			Year Ended
		30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
		(Unaudited) *(Refer note 2)*	*(Audited)* *(Refer note 3)*	*(Unaudited)* *(Refer note 4)*	*(Audited)*
	Income				
I	Revenue from operations	2,566.44	1,913.46	1,798.93	7,345.99
II	Other income	57.08	67.06	11.63	137.34
III	**Total income (I+II)**	**2,623.52**	**1,980.52**	**1,810.56**	**7,483.33**
IV	**Expenses**				
	- Professional and consultancy expenses	341.56	258.17	337.78	1,076.59
	- Software and server charges	450.54	326.99	305.72	1,292.19
	- Employee benefit expense (Refer note 11)	1,198.36	895.68	857.10	3,538.58
	- Other expenses (Refer note 12)	173.00	118.63	120.02	510.12
	Total expenses	**2,163.46**	**1,599.47**	**1,620.62**	**6,417.48**
V	**Profit before finance costs, depreciation, amortization and tax expense (III-IV)**	**460.06**	**381.05**	**189.94**	**1,065.85**
	- Depreciation and amortisation expenses	200.42	195.21	172.75	749.71
	- Finance costs	11.66	10.69	11.67	54.64
VI	**Profit before exceptional items and tax**	**247.98**	**175.15**	**5.52**	**261.50**
VII	**Exceptional items (refer note 9 and 10)**	**333.86**	**(249.60)**	**-**	**(249.60)**
VIII	**Profit before tax (VI-VII)**	**(85.88)**	**424.75**	**5.52**	**511.10**
IX	**Tax expense/ (credit)**				
	- Current tax	2.73	28.61	3.90	45.04
	- Deferred tax	6.91	(37.50)	(5.83)	(57.82)
	Total tax expense/ (credit)	**9.64**	**(8.89)**	**(1.93)**	**(12.78)**
X	**(Loss)/ profit after tax (VIII - IX)**	**(95.52)**	**433.64**	**7.45**	**523.88**
	Other Comprehensive income				
	(a) Items that will be reclassified to profit or loss:				
	- Exchange differences on translating financial statements of foreign operations	28.93	296.65	59.73	566.97
	(b) Items that will not to be reclassified to profit or loss:				
	- Re-measurement losses on defined benefit plan, net of tax	(0.30)	1.10	(0.69)	(1.19)
XI	**Other comprehensive income, net of tax**	**28.63**	**297.75**	**59.04**	**565.78**
XII	**Total comprehensive (loss)/ income (X + XI)**	**(66.89)**	**731.39**	**66.49**	**1,089.66**
	Paid-up equity share capital	158.94	158.81	146.65	158.81
	Other equity				10,076.12
	Earnings per equity share (face value ₹ 2 each)*				
	(a) Basic (in ₹ per share)	(1.20)	5.47	0.10	6.94
	(b) Diluted (in ₹ per share)	(1.20)	5.40	0.10	6.87

* (Loss)/ Earnings per share data for the quarters is not annualised.
See accompanying notes to the consolidated financial results

Capillary Technologies India Limited
CIN Number - L72200KA2012PLC063060
Registered Office: #360 bearing PID No 101, 360, 15th Cross Rd, Sector 4, HSR Layout, Bengaluru 560 102, Karnataka, India
Phone No. +91 80 4122 5179 Website : www.capillarytech.com E-mail: investorrelations@capillarytech.com

Notes:

1 The unaudited consolidated financial results, which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting" (“Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("The Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.

2 The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 August 2026. The statutory auditors of Capillary Technologies India Limited (the "Company") have performed a limited review of the unaudited consolidated financial results for the quarter ended 30 June 2026 and have issued an unmodified review report on these results.

3 The figure for the quarter ended 31 March 2026 is a balancing figure between the audited figure of the full financial year and the unaudited year to date figure up to the third quarter of the financial year.

4 The unaudited consolidated financial results for the quarter ended 30 June 2025 included above are prepared based on the information compiled by the management in accordance with Ind AS 34 and have not been subjected to a separate audit or review by the statutory auditors.

5 The consolidated unaudited financial results include the financial results/information of the Company and the subsidiaries ("The Group") as below:

S.No	Name of the entity	Relationship with the Company	Ownership % as of 30 June 2026
(i)	Capillary Pte Ltd., Singapore	Subsidiary	100%
(ii)	Capillary Technologies FZCO, UAE (formerly known as Capillary Technologies DMCC)*	Step-down subsidiary	100%
(iii)	Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Step-down subsidiary	100%
(iv)	PT Capillary Technologies Indonesia, Indonesia	Step-down subsidiary	100%
(v)	Capillary Technologies Europe Limited (formerly known as Brierley Europe Limited)	Step-down subsidiary	100%
(vi)	Capillary Brierley Inc. (formerly known as Brierley & Partners, Inc.)	Step-down subsidiary	100%
(vii)	Capillary Technologies Inc,USA	Step-down subsidiary	100%
(viii)	Capillary Technologies LLC (formerly known as 'Persuade Loyalty LLC'), USA	Step-down subsidiary	100%
(ix)	Capillary Technologies (Shanghai) Co. Ltd, China	Step-down subsidiary	100%
(x)	Kognitiv Solutions Inc.	Step-down subsidiary (w.e.f. 1 May 2025)	100%
(xi)	Session M Inc	Step-down subsidiary (w.e.f. 1 May 2026)	100%
(xii)	Session M Czech Republic s.r.o	Step-down subsidiary (w.e.f. 1 May 2026)	100%

* The step down subsidiary has changed its name w.e.f 13 May 2026.

6 The Chief Operating Decision Maker ('CODM') evaluates the performance of the Group based on the single operative segment as cloud based intelligent customer engagement software solutions. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

7 On 31 March 2025, Capillary Technologies LLC, a step-down subsidiary of the Company, entered into a Purchase and Sale Agreement with Loyalty Solutions Holdings US Inc. (LSI) to acquire 100% equity interest in Kognitiv Solutions Inc., a company incorporated in Ontario, Canada which is a wholly owned subsidiary of LSI and to purchase the rights, title and interest of the Intellectual property.

As part of the transaction, Capillary Technologies LLC also entered into a separate Asset Purchase Agreement with Kognitiv US LLC (another wholly owned subsidiary of LSI) to acquire customer contracts, customer relationships, and associated receivables. These agreements jointly constitute a business combination in accordance with the principles of Ind AS 103 w.e.f. 1 May 2025 for a consideration of Canadian dollar 23.44 million (net of net working capital amounting to Canadian dollar 0.56 million). This strategic acquisition is expected to enhance the Company’s loyalty business operations in the United States and establish a presence in the Canada location.

8 On 24 February 2026, Capillary Technologies LLC, a step-down subsidiary of the Company, entered into a Stock Purchase Agreement with Mastercard International Inc., to acquire 100% equity interest in Session M Inc., a company incorporated in Delaware, United States of America and to acquire 100% equity interest in Session M Czech Republic s.r.o which was a wholly owned subsidiary of Session M Inc.

These agreements jointly constitute a business combination in accordance with the principles of Ind AS 103 w.e.f. 1 May 2026.

The Group along with Mastercard International Inc., the seller, is currently in the process of completing its determination of working capital balances taken over by the Group as part of the acquisition. Pending such determination and other adjustments as envisaged in the agreement, the Group has carried out a preliminary purchase price allocation between goodwill, intangible assets, deferred tax and other working capital balances taken over. These initial estimates will be finalized over period not exceeding twelve-month period as allowed under Ind AS.

9 **Exceptional income:**
The Group acquired a business in the United States through one of its subsidiaries (refer note 7 above), wherein the Purchase and Sale Agreement ("PSA") included a Churn Indemnity Clause — a contractual assurance by the seller that existing customers of the acquired business would continue their association beyond the acquisition date up to an agreed threshold. However, the seller failed to adhere to this commitment, as customer contract terminations during the post-acquisition period exceeded the agreed threshold, thereby constituting a breach of the said clause. Consequent to this breach, the Group received a compensation of ₹ 249.60 million (CAD 3.88 million) from the seller in accordance with the terms of the PSA during the quarter ended 31 March 2026.

10 **Exceptional expense:**
During the quarter ended 30 June 2026, a cyber-enabled banking fraud occurred in a step-down subsidiary of the Group incorporated in the Czech Republic, resulting in unauthorised bank transfers from the subsidiary's bank account. Based on information available as at the date of approval of these consolidated unaudited financial results, the effect of these unauthorised transfers aggregated to approximately ₹ 333.86 million (€ 3.04 million). Accordingly, this loss has been recognised as an exceptional item in these consolidated unaudited financial results for the quarter ended 30 June 2026.

In relation to these transfers, beneficiary accounts for approximately ₹ 46.69 million (€ 0.43 million) have been frozen by the relevant banking authorities as part of ongoing recovery efforts, subsequent to 30 June 2026. The Group has also notified its insurer and initiated a claim under its crime insurance policy. The matter has been reported to the relevant law-enforcement authorities, and an independent forensic investigation has been initiated. As at the date of approval of these consolidated unaudited financial results, the investigation remains ongoing. Accordingly, the Group's assessment is based on the information presently available and may be updated based on the outcome of the investigation and related recovery proceedings including recovery from insurance if any.

The Group will continue to evaluate developments in this matter and will recognise any resulting adjustments or provide additional disclosures in future reporting periods, as appropriate.

11 On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from 1 April 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion.
The Group has recorded an amount of ₹ Nil for the quarter ended 30 June 2026, ₹ 2.10 million and ₹ 18.24 million in the consolidated statement of profit and loss for the quarter and year ended 31 March 2026 respectively.

12 In FY 25-26, the Company has completed its Initial Public Offering (IPO) comprising a fresh issuance of 5,982,635 equity shares with a face value of ₹ 2 each and Offer for Sale of 9,228,796 Equity Shares of face value of ₹ 2 each. These shares were offered at an issue price of ₹ 549-577 per share, which also included 38,095 equity shares reserved for eligible employees. The Company raised a total of ₹ 8,775.01 million (including ₹ 3,450.00 million with respect to fresh issuance of Equity Shares) and the Company's equity shares were subsequently listed on the BSE Ltd. and National Stock Exchange of India Limited with effect from 21 November 2025.
Consequently, the Company received an amount of ₹ 3,229.08 million (net of Company's share of IPO expenses amounting to ₹ 220.92 million*). The net proceeds received pending utilisation as at 30 June 2026 (invested in fixed deposits to the extent of ₹ 1,986.90 million and balance ₹ 45.17 million of balance in monitoring bank account). The Company has utilised an amount of ₹ 1,196.91 million as of 30 June 2026.

Amounts in ₹ million

Particulars	**Amount to be utilised as per prospectus**	**Utilisation up to 30 June 2026**	**Unutilised as at 30 June 2026**
Funding our cloud infrastructure cost	1,430.00	346.78	1,083.22
Investment in research, designing and development of our products and platform	715.81	-	715.81
Investment in purchase of computer systems for our business	103.42	-	103.42
Funding inorganic growth through unidentified acquisitions and general corporate purposes	979.85	850.13	129.72
Net proceeds (net of IPO expenses)	**3,229.08**	**1,196.91**	**2,032.17**

* Of the total IPO expenses, an amount of ₹ 137.88 million adjusted with securities premium as of 30 June 2026 and ₹ Nil for the quarter ended 30 June 2026, ₹ 12.59 million and ₹ 32.36 million for the quarter and year ended 31 March 2026 respectively is charged off to Statement of profit and loss.

13 The unaudited consolidated financial results for the quarter ended 30 June 2026 can be viewed on the website of the Company, National Stock Exchange of India Limited ('NSE') and BSE Ltd ('BSE') at www.capillarytech.com, www.nseindia.com and www.bseindia.com respectively.

for **Capillary Technologies India Limited**

ANEESH REDDY BODDU
Digitally signed by ANEESH REDDY BODDU
Date: 2026.08.04 13:07:20 +05'30'

Aneesh Reddy Boddu
Managing Director and CEO
DIN: 02214511

Place: Bengaluru
Date: 04 August 2026