DATAMATICS

**November 09, 2026**

To,

**BSE Limited**
Phiroze Jeejeeboy Towers,
Dalal Street,
Mumbai - 400 001.
**BSE Security Code: 532528**

**National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.
**NSE Symbol: DATAMATICS**

**Sub.: Transcript for Q2FY27 Earnings Conference Call**

Dear Sir/Madam,

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please note that the transcript of the earnings call held on Wednesday, November 04, 2026 at 04:00 P.M. IST for discussion on Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended September 30, 2026 is attached and also available on the website of the Company at https://www.datamatics.com/about-us/investor-relations/earnings-call.

Kindly take the above on your record.

For **Datamatics Global Services Limited**

DIVYA KUMAT
Digitally signed by DIVYA KUMAT
Date: 2026.11.09 18:09:35 +05'30'

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

**Encl: a/a**

DATAMATICS

# “Datamatics Global Services Limited

# Q2 FY27 Earnings Conference Call”

# November 04, 2026

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

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

**Moderator:** Ladies and gentlemen, good day, and welcome to Datamatics Global Services Limited Q2 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this call is being recorded.

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

**Pratik Jagtap:** Thank you, Anam. Good day to all the participants in the call today, and welcome to Q2 FY27 Earnings Call of Datamatics Global Services Limited. The results and presentation have already been mailed to you, and they are also available on the website of Datamatics. In case anyone has not received a copy of press release or presentation, please do write to us, and we will be happy to send it to you all.

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

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

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

**Rahul Kanodia:** Thank you, Pratik. Good evening, everyone. Thank you for joining our Q2 FY27 earnings call. I'll cover the quarter's highlights and strategic progress. Ankush will then take you through the financials in detail, and we'll open the floor for questions.

Datamatics delivered another strong quarter with healthy revenue growth and margin expansion. Revenues grew at 11.5% on a year-on-year basis to INR 546.6 crores. EBITDA increased 30% to INR 115.5 crores, which is an expansion of 301 basis points to 21.1%. This growth came from 3 drivers: deeper engagement with strategic clients, continued expansion with existing accounts and growing portfolios of AI-led services. Customers are choosing us because we pair AI innovation with disciplined delivery, and that is helping us win larger, higher-value engagements from both existing and new clients. From a geographical perspective, the U.S. and Europe were primary drivers of our growth. These are the most attractive markets for our services over the long term, and we are actively investing there.

Let me now take you through our segments.

Digital Operations remains our strongest growing segment, reflected in a revenue growth of 15.6% on a year-on-year basis. Digital content continues to grow steadily on deeper customer

engagement and continuous operational excellence. In insurance, we added agentic claims management to our TruAI underwriting offering, extending our coverage across the policy life cycle.

Digital Technologies revenue grew at 8.8% on a year-on-year basis with accelerated demand in AI-led application modernization and development. Our KAi Modernization Factory delivers up to 40% of cost savings and a 3x faster go-live by lowering the transformation risk. Recently, at the Gartner IT Symposium in Florida, we jointly presented with a Fortune 500 customer their legacy transformation journey, and this drew a strong interest from CIOs and the audience. Our priority is now converting these opportunities into production deployment and repeatable engagements.

Digital Experiences business remains stable. Here, we are focused on broadening the customer base and using an AI-enabled delivery to improve productivity and customer experience.

I'm proud to share that the Indo-American Chamber of Commerce recently recognized our Founder Chairman, Dr. Kanodia, for his contribution to the U.S.-India business relationship.

We have strengthened our leadership team to accelerate our growth. I'm pleased to welcome Dr. Rajesh Gharpure as President and Chief Operating Officer. Rajesh has a record of scaling global businesses, driving profitable growth and improving service delivery.

As we shift further towards AI-led services, that experience will help us scale execution and deepen our client engagements. We are building on a strong first half. Our focus remains clear: convert AI demand into deployment, keep expanding with strategic accounts and enhancing our delivery capabilities to sustain profitable growth.

With that, I wish you all a very Happy Diwali and a prosperous new year. I now hand over to Ankush for the financial update.

**Ankush Akar:** Thank you, Rahul. Welcome, everyone, and thank you for joining us for the Q2 FY27 earnings call. Let me take you through the financial performance for Q2 FY27, and then I will take you through the financial performance for the half year ended 30th September 2026 as well.

Our Q2 FY27 revenue stood at INR 546.6 crores, reflecting a growth of 11.5% year-on-year. Our EBITDA stood at INR 115.5 crores, a growth of 30% year-on-year. Our EBITDA margin for the quarter stood at 21.1%, reflecting an expansion of 301 basis points year-on-year. Our EBIT stood at INR 92.2 crores, a growth of 33.8% year-on-year. Our EBIT margin for the quarter was 16.9%, reflecting an expansion of 281 basis points year-on-year.

I would also like to draw your attention and highlight that as part of the purchase price allocation of TNQTech acquisition, which we acquired in Q4 FY25, we have recognized intangible assets during the quarter, which being amortized over 12 quarters. This is a noncash accounting charge that comes from the acquisition and does not reflect the underlying operating performance of the business.

This amortization of intangible assets started from Q4 FY25 and will be fully amortized by Q3 FY28. If we exclude this quarterly amortization of intangible assets acquired as part of the acquisition, our adjusted EBIT for the quarter stood at INR 99.3 crores, reflecting an adjusted EBIT margin of 18.2%. Our PAT after non-controlling interest was INR 73.4 crores, up by 16.1% on a year-on-year basis. Our PAT margin for the quarter was 13.2%, reflecting an expansion of 69 basis points year-on-year.

In terms of segments, Digital Operations continued to deliver healthy profitable growth. Digital Operations revenue for the quarter stood at INR 314.9 crores, which is up by 15.6% year-on-year. Digital Operations EBIT margin was 21.8% for the quarter.

Digital Technologies revenue for the quarter stood at INR 166.6 crores, which is up by 8.8% year-on-year. Digital Technologies EBIT margin was 9.5% for the quarter.

Digital Experiences revenue stood at INR 65.1 crores, which is slightly up by 0.8% year-on-year. Digital Experiences EBIT margin was 12% for the quarter.

In terms of geographical footprint, U.S. remains our largest geography with 57% of our business coming from here, followed by U.K. and Europe at 24%, then India at 12% and ROW 7%.

Our client concentration remains very healthy with top 5, 10 and 20 clients contributing 29%, 39% and 53%, respectively.

Talking about H1 FY27, our revenue stood at INR 1,060.6 crores, reflecting a growth of 10.7% on a year-on-year basis.

Our EBITDA for the first half of the year stood at INR 216.6 crores, a growth of 31.4% on a year-on-year basis. Our EBITDA margin stood at 20.4%, reflecting an expansion of 322 basis points year-on-year. Our EBIT stood at INR 170.6 crores, which is up by 36.1% on a year-on-year basis. Our EBIT margin was 16.1%, reflecting an expansion of 300 basis points on a year-on-year basis.

Adjusted EBIT for the first half of the year stood at INR 184.7 crores, reflecting an adjusted EBIT margin of 17.4%, which excludes amortization of intangible assets recognized under purchase price allocation of TNQTech acquisition.

Our PAT after non-controlling interest for the first half of the year stood at INR 145.8 crores, up by 28.3% on a year-on-year basis. Our PAT margin stood at 13.4%. EPS for the half year ended 30$^{th}$ September 2026 stood at INR 24.66 per share, reflecting a growth of 28.3% on a year-on-year basis.

Our billed DSO was at 66 days as of 30$^{th}$ September 2026. We continue to maintain a healthy balance sheet with net cash and investments net of debt standing at INR 557 crores as of 30$^{th}$ September compared to INR 710.2 crores as of 30$^{th}$ of June. The reduction primarily reflects the payment towards the final tranche of the TNQTech acquisition.

Overall, we are pleased with our financial performance and remain confident in our strategy to drive sustainable growth. With this, I will now pass on the call to the operator to open the floor for questions.

Thank you for your patience and continued interest in Datamatics, and wish you all a very happy Diwali.

**Moderator:** Thank you very much, sir. We will now begin the question-and-answer session. The first question is from the line of Ritika Sheth from Anantaya Financial Services.

**Ritika Sheth:** Congratulations on the good set of numbers. I just had one question that our target is to achieve INR 3,000 crores in 3 years. In order to achieve this goal, what would be our organic growth percentage year-on-year and inorganic growth as we have cash surplus of INR 557 crores?

**Rahul Kanodia:** Yes. So it will be largely driven by organic growth. You're looking at a 15% CAGR, out of which about 10% to 12% would be organic, maybe 3% or 4% could come through inorganic growth. From a cash point of view, we have a very strong balance sheet, and we will leverage that to make the acquisition. However, there's nothing that has matured yet to talk about. But yes, we are in dialogue with a few companies from an acquisition point of view.

**Moderator:** The next question is from the line of Avi Jhaveri from Choice Institutional Equities.

**Avi Jhaveri:** So my question was with respect to overall AI monetization. Datamatics has been primarily expanding its AI capabilities through TruAI, TruBot, TruCap+ and other agentic AI solutions. So can you please provide us with an update as to the revenue contribution from these AI-led services and proprietary platforms? And how is it translating into larger deal sizes?

And my second question was with respect to the EBITDA margins. So EBITDA margins did primarily improve to 21.1% in Q2 FY27, primarily due to the operating leverage in the Digital Operations segment. So how much of this margin is sustainable in future? And are there any further levers for that?

**Rahul Kanodia:** Yes. So to your first question, we don't call out any of our specific revenues around these platforms because these platforms are bundled as part of the service. So there's a platform with license and there's HIL services. So it's really bundled. So we don't call that out. Increasingly today, all our services have some component of AI in it. So it's very hard to define AI or non-AI.

But I would say that from the opportunities that we are getting, approximately 55% are very heavily AI driven. So that gives you a sense of what's happening in the market. To your other question, which is the EBITDA of 21.1%, you are correct that it is largely driven by the operations unit, but this is fairly sustainable. We don't see that fluctuating too much, and we are confident that it will remain steady.

**Avi Jhaveri:** Yes. So are there any further margin levers? And how do you see the overall H2 playing out?

**Rahul Kanodia:** The H2, we will remain steady. At the beginning of the year, we had talked about 100 to 150 basis points improvement in margin. We are clocking at that right now. So I'm not too concerned. We had talked about being in the vicinity of about 20%. So that's really where we are. So I think it will remain where we are. I don't see a problem. Next year, we're going through our planning for next year, so we'll discuss that as we come to Q4 of the year.

**Avi Jhaveri:** Okay. And how do we see the overall growth from an H2 perspective?

**Rahul Kanodia:** It looks good. The pipeline is looking good. So I think we will maintain a healthy growth. We've talked about high single digits for the year. We will maintain and that probably will be closer to 9%, 9.5% versus like 7.5% or 8%. So it will be a little better. But I think we will maintain that. As of now, for H1, we've done a 10.7% growth. So in that sense, beaten our expectations. But yes, I think we will keep it steady at that level.

**Moderator:** The next question is from the line of Adithya Srinivasan from ithoughtPMS.

**Adithya Srinivasan:** I just have a couple of questions. First, with respect to the digital operations margin. So margins were about 21.8% this quarter, which is up quite a bit. And it's a very good non-Q4 quarter at least in the last 2 years.

So if you could pinpoint what came from currency, what came from TNQ and content mix? And also, if you could give a split between digital content and digital finance, that would be great.

**Ankush Akar:** So from a currency perspective, versus the last quarter, there is no major movement from a currency standpoint. It remains steady in the similar close trajectory. So there's no material impact which is there because of the currency. What you see from a profitability standpoint is driven through the growth and the operational leverage that we have. So that's what is reflected from a profitability standpoint currently.

We don't share in terms of the further breakdown from a numbers perspective. So this is the overall growth 21.8% EBIT margin is what we have achieved from a digital operations business perspective. But to your point, TNQ has also had a healthy growth. So I think that, that acquisition has panned out extremely well for us.

**Adithya Srinivasan:** For the Digital Technologies margin. I mean you did mention before that FY27 would be led by the technology segment, but I think the operations segment has been leading quite a bit. So would it be the higher hardware prices that's kind of leading to lesser margins in this segment?

**Rahul Kanodia:** There is some impact of the hardware, but that's the Fare Collection business that we have, and that has been impacted a little bit by the hardware. No, in the technology segment, what happens is a lot of our investments that we make in R&D are booked into the technology segment. And therefore, you see those as a little muted numbers.

But the technology really supports all the business units. So really, in some ways, one can spread that cost across, and you see healthier margins in technology. But right now, we are booking all of it in technology.

**Adithya Srinivasan:** Got it. So, the R&D still in the INR 40 crores to INR 50 crores level?

**Rahul Kanodia:** That is correct.

**Adithya Srinivasan:** Yes. I just have one more question. So if you could just give a number on the number of clients that were added in H1, that will be great.

**Rahul Kanodia:** H1, we probably added 6, 7-odd clients. So our focus actually, we've shifted our strategy a little bit. If you go back a few quarters, we were adding at the rate of about 15 to 18 clients per quarter. We changed our strategy to focus on mining existing accounts because we have brilliant logos and not going after a lot of what is called hunting new logos. So that strategy has been implemented. We are focusing on farming and mining existing accounts and those relationships are panning out quite well. So we will remain with this strategy for some time rather than acquire.

**Ankush Akar:** And we typically would do a selective hunting, which is in our areas of ICP, which is ideal customer profile. So we are very choosy on the ones we will hunt for, but we'll grow our existing accounts more. And that's where you see the release is, where the growth has also been attributed to.

**Adithya Srinivasan:** Got it. Just one more last question. Would you be able to give a breakdown or split between the revenue models that is the different revenue models that you guys have?

**Rahul Kanodia:** So revenue model as in we have time and material billing, we have outcome-based billing and we have a fixed price. These are the three large ones. Increasingly, one is shifting towards more and more outcome-based. So, a lot of our digital operations go into the outcome-based, but the other areas are also shifting slowly.

**Adithya Srinivasan:** Yes. Would you be able to give a number on that?

**Rahul Kanodia:** I don't have the breakup handy right now, but we can maybe circle back separately.

**Moderator:** The next question is from the line of Adithya Srinivasan from ithoughtPMS.

**Adithya Srinivasan:** I have one more question with respect to the customer concentration. See the top 5 concentration went down a little bit and top 10 as well went down a little bit. Could this be attributed towards them moving the services in-house or anything to do with GCC?

**Rahul Kanodia:** No, we don't have any of that. About a year ago, we had a few customers moving to the GCC. We talked about it in the earnings calls. But right now, we don't see that at all. So right now, I think it's just some of the non-top 5, non-top 10 are also growing because of the whole account mining strategy that we have adopted.

So we've got this focus 50, the top 50 accounts that we are focusing on growing. And as they grow, obviously, the dependence of the top 5, top 10 would come down to some extent. In percentage terms, that's what this is. In absolute terms, they're all doing very well.

**Ankush Akar:** Just to add from a concentration perspective as well, our client concentration has improved. It was 26% in quarter 2 FY26 versus quarter 2 FY27, it has gone up to 29%. So top 5 concentration has improved. Top 10 remains stable at 39% and top 20 has improved to 53%.

**Mitul Mehta:** On an average, if you look at it, it's 5% per client roughly, which is a fairly healthy contribution.

**Moderator:** The next question is from the line of Sanjay, an Individual Investor.

**Sanjay:** Just wanted to check about the annual wage hike, is it done already in Q2 or it will be happening in this year?

**Rahul Kanodia:** So, this year, actually, the results that you see, yes, annual wage hike is done for this year. But this year, we had a partial wage hike in October and again in April. So from an H1 point of view, you see an impact. But yes, to your point, it's already factored in.

**Ankush Akar:** It was done in Q1 FY27 itself. So effective 1st of April, it was given.

**Sanjay:** It's all done for the financial year now.

**Moderator:** The next question is from the line of Adithya Srinivasan from ithoughtPMS.

**Adithya Srinivasan:** I'd just like to get an idea on the headcount. The trajectory for headcount maybe FY27 and FY28 as well if you would be able to.

**Rahul Kanodia:** So the headcount, we don't expect headcount to increase in proportion to revenue largely because we are using more and more AI tools, and we see that happening. So in fact, I think our headcount might just remain stable or flat, maybe a marginal increase because the bulk of the growth will be adjusted against tools and AI. So right now, we are, I think, overall roughly in the vicinity of 14,000 to 15,000 people depending on some seasonality that we have. I don't expect that to change too much, maybe 15.5.

**Moderator:** I now hand the conference over to the management for closing remarks.

**Rahul Kanodia:** Thank you, everyone, for being on this earnings call with us today. Once again, I'd like to wish everybody a very happy Diwali and a prosperous New Year, and we look forward to speaking to you in the next quarter. Thanks again.

**Ankush Akar:** Bye, everyone.

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

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