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November 11, 2025

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"Exchange Plaza", C-1, Block G,
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Mumbai - 400 051

Script Code: 543533

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Dear Sir/Madam,

Sub: Transcript of the Earnings Call held on Wednesday, November 05, 2025

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, please find enclosed herewith the transcript of the Earnings Call held on Wednesday, November 05, 2025, post announcement of the financial results of the Company for the quarter and half year ended September 30, 2025.

The audio recording of the Earnings call, along with the transcript, has been uploaded on the Company's website <https://emudhra.com/investors.jsp>.

This is for your information and records.

Thanking you

Yours faithfully,

For eMudhra Limited

Johnson Xavier
Company Secretary & Compliance Officer
Membership No. A28304

Encl: As Above



“eMudhra Limited
Q2 & H1 FY '26 Earnings Conference Call”
November 05, 2025



MANAGEMENT: **MR. VENKATRAMAN SRINIVASAN – EXECUTIVE CHAIRMAN –
EMUDHRA LIMITED**
 **MR. RITESH PARIYANI – CHIEF FINANCIAL OFFICER –
EMUDHRA LIMITED**
 **MR. ARVIND SRINIVASAN – EXECUTIVE VICE PRESIDENT,
INTERNATIONAL SALES AND STRATEGY – EMUDHRA LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to eMudhra Limited Q2 and H1 FY 26 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 conference is being recorded.

I now hand the conference over to Mr. Venkatraman Srinivasan, Executive Chairman of eMudhra Limited. Thank you, and over to you, sir.

Venkatraman Srinivasan: Thank you. Good afternoon to everyone and thank you for joining us today. It is my pleasure to share eMudhra's performance for the second quarter and first half of FY 2026, along with key business developments that continue to strengthen our global positioning in the digital trust and cybersecurity space.

We have delivered another quarter of steady growth, supported by strong client traction and disciplined execution across markets. For Q2 FY 2026, our total income was INR 174.95 crores, reflecting a 22.6% year-on-year increase. Our EBITDA was INR 43.33 crores, translating to a margin of 24.8%, while net profit was INR 26.44 crores with a net margin of 15.1%.

The performance during the quarter was driven by broad-based contributions from the U.S., Middle East, India, Asia-Pacific, with the European region also beginning to contribute meaningfully following the acquisition of Cryptas. While integration efforts for Cryptas are underway, we expect the business to turn profitable over the next 2 quarters.

The combination of our global scale and localized market approach continues to drive meaningful engagement across geographies. From a product standpoint, emSigner remains the platform of choice for enterprises seeking to automate complex multiparty signing workflows, particularly in regulated sectors such as banking and financial services.

Our SecurePass and CERTInext platforms continue to gain adoption among enterprise clients for unified management of user and device identities, helping organizations implement seamless access control frameworks across human and machine interfaces.

We have also strengthened our cybersecurity portfolio with the acquisition of AICyberForge Inc., a U.S.-based company specializing in key and secrets management solution. This addition enhances our capability in protecting data integrity and complements our broader cybersecurity offerings.

Additionally, together with the Cryptas team, we are working to adopt our products for the European market while simultaneously introducing their solutions to non-European markets, enabling deeper penetration in both mature and emerging regions.

Now I would like to share some of the key project wins from the quarter. CERTInext implementation for a security and investigation company in North America. Two, implementation of emCA for one of the government projects in Malaysia. Three, certificate life cycle management rollout for a government authority in UAE, then continued client acquisitions in BFSI within India for emSigner, eSign and eStamping solutions, supporting lending, onboarding and process automation.

Then enterprise emSigner rollout for a bank in Qatar, then eSignature workflow implementation for a state government organization in India, then service contract with the digital innovation unit of a large German retail and tourism group for PKI, CLM and Cryptas professional services. Furthermore, our R&D efforts continue to focus on converged identity, data privacy and generative AI, aimed at building future-ready solutions that address evolving customer and regulatory needs.

The focus remains on expanding our innovation pipeline and refining our go-to-market strategies to accelerate growth while maintaining operational efficiency. With the integration of recent acquisitions, expanding global footprint and continued innovation in identity, security and digital trust services, we are well-positioned for sustainable long-term growth.

With that, I would now like to invite Mr. Ritesh Pariyani, our CFO, to walk you through the detailed financial performance for the quarter and half year.

Ritesh Pariyani:

Thank you, Chairman. Good afternoon, everyone. I'm pleased to share the highlight of our quarter 2 and half yearly financial year 2026 financial performance. Our total income for quarter 2 financial year 2026 was INR 1,749.5 million, marking a 22.6% year-over-year growth. Gross profit for the quarter grew 35.9% year-over-year to INR 976.3 million with a margin of 55.8%.

EBITDA for the quarter was INR 433.3 million, registering a 28.1% year-over-year growth with a margin of 24.8%. Profit after tax for the quarter was INR 264.4 million, reflecting an 18.6% year-over-year growth with a margin of 15.1%.

Now turning to the first half financial year 2026 performance. Total income for half year 2026 reaches INR 3,255.7 million, representing a 37% year-over-year growth. EBITDA for half yearly financial year 2026 was INR 813.2 million, registering a 28.5% year-over-year growth with a margin of 25%. PAT for half yearly 2026 was INR 514.7 million, growing 27.1% year-over-year with a margin of 15.8%.

That concludes my remarks. Thank you, and we may now open the floor for the question-and-answer session.

Moderator:

Thank you very much. Ladies and gentlemen, we'll now begin the question and answer session. Our first question comes from the line of Srinath V. from Bellwether Capital.

- Srinath V.:** Just wanted to find out, sir, in the enterprise business, bifurcation of service and product, growth rates seem to have come off a bit. Is it largely coming from the services business? Would it be fair to assume the product business growth is actually pretty strong, sir?
- Venkatraman Srinivasan:** Product business is quite strong. Service business, if you see, almost stagnant because of the 3, 4 reasons. In the last quarter also, I think I mentioned because one is this visa-related problem. Now H1 visa also more problematic. And then the other thing is the AI and all replacing the number of people and those kind of things. So, the growth is really more in product business.
- Srinath V.:** So how would you bifurcate the INR 137 crores, sir, between service and product and what is the growth in service and what is the growth in product? Just to get a feel as to because the underlying growth is kind of decelerated. So, I want to understand what is service and product growth, sir?
- Venkatraman Srinivasan:** Service business, if you see
- Srinath V.:** In Enterprise Solutions, what would be the services component, sir? INR 137 crores.
- Venkatraman Srinivasan:** You are talking from the segment result, right?
- Srinath V.:** Yes, sir. All you can give from the outside India business also, INR 109 crores.
- Venkatraman Srinivasan:** Outside India enterprise service business is in the USA. U.S. business, almost INR 40 crores is service business, and the balance INR 20 crores is product business. The other INR 20 crores product business remains similar even compared to last quarter. Last quarter also, almost INR 20 crores product in USA. But the product business has grown more in the Middle East.
- But U.S. product business also pick up because the number of customers today, we are discussing with almost 7 big customers for major leads. So those things will materialize in the coming quarters. So, in the coming quarter, more product business will grow. And the service business, we have to wait and see another one or two quarters how the impact of the H1 visa impact of the local recruitment and various things.
- Srinath V.:** Got it, sir. On the lead pipeline, can you spend some time, sir, on the product side, how is the lead pipeline? What is the size of these contracts? And how do you see the product business growing over the next year just to get a sense of how things are progressing, especially in U.S., sir?
- Venkatraman Srinivasan:** U.S. product business, because we have not signed the contract, we cannot name it, but at least some 5, 6 major customers, each one will be almost \$1 million kind of deal or more than \$1 million deal, which you are negotiating out of that, some 2, 3 could become a contract in this quarter itself. So that way, the U.S. product business will go.
- Similarly, Middle East product business and Africa is also growing. And in the Far East, particularly Philippines is growing. So that way, the product business and the lead pipeline, what we are generating for the product business has grown by 20%, 30%. So that way, we see good growth will happen in the product business.

Even though if you see 2 segments, 1 is the trust service segment will be a little stagnant. And in the other U.S. service business also may be stagnant, but the product business will grow in such a way that the overall growth compared to last year to this year, what I said earlier around 25%, 30% can easily be maintained.

Srinath V.: Got it. So, you're expecting a stronger second half in that sense as these contracts kind of materialize?

Venkatraman Srinivasan: Yes. But for us to achieve this earlier, we said INR 700 crores, INR 675 crores to INR 700 crores. Even if you see currently, the half year revenue INR 325 crores. And even at the current run rate of INR 175 crores per quarter, the next half will be INR 350 crores. So that itself will lead to INR 675 crores.

So then generally, the fourth quarter will be better also compared to the other quarter. And even this time, full season impact of trust service has not come before September 30th because the tax filing was postponed to October. So that will have a little impact for the third quarter. And generally, fourth quarter is better. With that, I feel that reaching that whatever we told around INR 700 crores should not be difficult at all. So, this is what I feel as of now.

Srinath V.: Last question, sir. Have we been able to put data center presence in U.S. and given that we have localized the service there, do you see kind of better acceptance for the product? How will the U.S. business kind of play out over a 3-year window?

Venkatraman Srinivasan: We have already put the data center in both the New Jersey and also Salt Lake City. And in the last quarter at the time only we had put, and the audit was going on because it has to be audited by the trust accredited auditor and that audit report has to be submitted to this browser, CA browser for all the major browsers, then only they will recognize the issuance from there. So, all these procedures have been fully done. Now we can start issuing and 1 or 2 issuances have started from the U.S. data center also. Now we are expecting the other major customers.

Srinath V.: Got it. And this was the key bottleneck, sir, for expanding the U.S. product business?

Venkatraman Srinivasan: Name also. So that's where now that U.S. company, we have named as CERTInext Inc. We have created a separate subsidiary. Earlier, we were marketing in the eMudhra Inc. name. Instead of eMudhra Inc., we have created 100% subsidiary called CERTInext Inc. In the CERTInext Inc., we have put the local people, whatever 1 senior person Scott and another senior person Spencer and all those people are in charge. And with them only, we are marketing, and they are all ex DigiCert people. So that's where they are able to market well and also meet the customers and all that.

Moderator: Our next question comes from the line of Siddharth Mishra from Creaegis.

Siddharth Mishra: Some bookkeeping questions. Sir, what was the inorganic contribution this quarter, if you can separate out Cryptas and AICyberForge? And also highlight for what period in this quarter did we consolidate the numbers?

Venkatraman Srinivasan: The consolidation is from July 1st because the effective date of the Cryptas merger is July 1st. So, if you see out of this quarter number, INR 175 crores is there. So, INR 175 crores, almost INR 22 crores is from the Cryptas and AI.

The AI CyberForge, we are not separately marketing this product. It's a product which will be integrated with our product, so then sold. So, in this quarter, there is no separate sale of that product. Cryptas sale itself was around INR 22 crores. So, if you remove the INR 22 crores, the balance INR 153 crores is from the other things. So, INR 150 crores to INR 153 crores is the other growth.

Siddharth Mishra: Got it, sir. So this basically highlights that the organic growth from last year is largely flat. Is there any particular reason for it?

Venkatraman Srinivasan: No, no, no. Because if you just see one quarter to another, that way, we cannot see because generally, the second quarter, we get the season impact this time because the income tax filing is postponed, we didn't get the season impact.

So, on the whole if you look at it, like what we projected because if you see INR 525 crores was the last year. And this year, we are poised for INR 700 crores. In this INR 525 crores to INR 700 crores is the Cryptas because AICyberForge is a product thing, on that, not much revenue.

Cryptas revenue, even if you estimate INR 90 crores, INR 95 crores due to Cryptas, which was the revenue which was there, then the balance will be what, INR 175 crores, INR 90 crores, almost another INR 80 crores to INR 90 crores will be organic growth on a INR 525 crores base, which will be around 17%, 18% organic growth.

Siddharth Mishra: Understood, sir. So, this is more a seasonality led quarterly thing. Year-over-year FY '26, we are on track.

Venkatraman Srinivasan: Correct.

Siddharth Mishra: No, I'm just asking because trust services has continued to grow this quarter as well despite the seasonality. If I exclude the Cryptas or this INR 22 crores from the product revenue, the enterprise solutions revenue, we have actually declined there. So that's why my question. I understand we are on track for the yearly growth. But is there anything else, maybe some, let's say, deal wins about to close in this quarter maybe moved to next quarter? Is there anything like that, that happened?

Venkatraman Srinivasan: I didn't get the question clearly.

Siddharth Mishra: So if I remove this INR 22 crores revenue Cryptas and AICyberForge, which is inorganic revenue from the enterprise solutions revenue this quarter, we would have declined from last year year-over-year. Trust services has still grown. That's a separate business.

Venkatraman Srinivasan: Just one minute. So, enterprise revenue, how you are calculating? From H1 to H1 or Q1 to Q1?

Siddharth Mishra: Q2 to Q2, just quarter-over-quarter.

- Venkatraman Srinivasan:** Okay. Last Q2 was INR 111 crores. This Q2 is INR 132 crores. So, you are saying out of INR 132 crores, if you remove this INR 22 crores, then there is no growth in the enterprise between that quarter to this quarter. That is what you are saying.
- Siddharth Mishra:** Yes. 4% growth. It's about 4% growth.
- Venkatraman Srinivasan:** Yes. That may be correct. But because these are all product business, exactly every quarter, same it may not happen.
- Siddharth Mishra:** Understood. Completely I get your point. Okay. And sir, the number for Cryptas, we have reported loss number of INR 15.6 million. So that's PAT loss, I mean, that seems a bit high compared to the revenue, INR 22 crores revenue. And yes, actually, no, it's fine. I mean so my question was PAT margin based on this number.
- Venkatraman Srinivasan:** If you do not put that loss because after accounting loss, the PAT is INR 26.4 crores. So this is almost INR 1.6 crores. Otherwise, it is INR 28 crores only on the basis of our profit. So, INR 28 crores, even if you take the top line, it may be around 16% margin. But if you don't take their top line, only on our top line, if you work it, it will be more margin.
- Siddharth Mishra:** Understood. So actually, sir, my question was when we did the acquisition Cryptas, I think the understanding was that Cryptas at PAT level is near breakeven. But this number sort of is slightly higher, not too much. It's about, I think, minus 7% PAT margin. So that was my question.
- Venkatraman Srinivasan:** EBITDA was breakeven. And PAT even when we filed the stock exchange intimation at the time of acquisition, it was last year loss of INR 6.5 crores or INR 7 crores we have filed.
- Siddharth Mishra:** Got it.
- Venkatraman Srinivasan:** It is EBITDA breakeven.
- Siddharth Mishra:** Understood. Actually, EBITDA you have highlighted.
- Venkatraman Srinivasan:** We have to sell their product with us and our product to sell to them. So, it may take another 2 quarters for it to come to profitability.
- Siddharth Mishra:** Understood, sir. Actually, I mean, EBITDA, my notes sort of suggest we had highlighted was about 10% and PAT was near breakeven, small loss is what my notes suggest, but maybe I misheard something. So, it's at breakeven EBITDA level right now?
- Venkatraman Srinivasan:** Correct.
- Siddharth Mishra:** Understood, sir. And then sir, we highlighted this services contract for the corporate trust under PKI, CLM, Cryptas professional services. So, this is a IT services contract. My question is if you can give a little bit more detail on that?
- Venkatraman Srinivasan:** Cryptas is not doing pure IT services. Cryptas is along with this product because what they were doing, instead of eMudhra, they were selling the key factor CA product, key factor CA solution

they were selling. And when they were selling this solution, they were also doing the implementation services and all. So now that key factor CA solution needs to be replaced by eMudhra CA solution. This is one thing.

Then the second thing they were selling is the smart card-based authentication where the digital signature instead of getting issued in a token, it is issued in a smart card. And in Europe, smart card-based digital signatures are used by many people. This is another thing.

Then the third is that they were also selling the authentication instead of server-side authentication, client-side authentication. So, the pure IT services, they were never selling. And even what they are selling to the German customer is not related to pure IT services. It is relating to the products only.

Siddharth Mishra: Understood. So, this particular contract, which we have highlighted in the presentation, this is essentially moving some of those products from Cryptas to the total entity. Is that correct to understand?

Venkatraman Srinivasan: Yes, 2 things. One is our product, they can sell instead of the other CA product. That is number one. Then their card-based authentication system and other product, we can sell in the Middle East, Africa market. And then wherever they can use our back-end technology people, they can use the back-end technology people. All these areas are worked out for the synergy and how to make it profitable.

Siddharth Mishra: Understood, sir. So maybe I'll ask it slightly differently the same question. The deal win that we have highlighted, the service contracts in the presentation, I mean, is this safe to say that this is a combined deal post-acquisition that we were able to get with Cryptas?

Venkatraman Srinivasan: Yes, combined deal. But in this deal, our product is still not positioned. It is whatever their product they are selling, that is what is there. So, our product now only we are making everything ready. So maybe next quarter onwards, it can be positioned.

Moderator: Our next question from the line of Jayshree Bajaj from Trinetra Asset Managers.

Jayshree Bajaj: My question is net cash flow from operating activities for the H1 FY 26 was INR 545.8 million, but the company reported a negative working capital at the point of INR 207.3 million. So, what were the primary drivers behind this working capital adjustment? And what steps have been taken to optimize working capital? This is my first question.

And my second question is cash and cash equivalents at the end of H1 FY 26 stood at INR 452.9 million, down from INR 1,012.5 million at the beginning of the financial year. So how does the management plan to manage the cash reserves, especially considering significant cash used in investment activities like acquisitions and all?

Venkatraman Srinivasan: Yes, this INR 20 crores working capital is because of the volume has increased. No. As the volume has increased, the trade receivable also increased, the payable has also increased because of that, the net working capital has increased. For example, if you see the receivable has gone to

INR 172 crores. Though it has gone to INR 172 crores or INR 173 crores, still it is within 90 days working capital only. Only because of the volume increase, it has increased.

But in the cash flow statement, any increase in net working capital will come as an outflow of cash. So that is where that is coming in the working capital adjustment. Then the non-tax items are getting added. So, this operating cash flow is almost PBT minus tax is operating cash flow. So entire PAT, whatever PAT we have made, it is all realized in cash. So, there is no abnormal increase in working capital or any other problem. That is number one.

And the second thing if you see the cash balance, so on March 2025, the cash balance was INR 188 crores. Currently, the aggregate cash balance available is INR 102 crores. So almost INR 80 crores, INR 85 crores reduction. But if you see these 2 acquisitions itself, so the Cryptas acquisition itself is almost EUR 5 million, which is more than INR 50 crores. And the AICyberForge acquisition is almost \$4.8 million, which is again INR 45 crores, INR 47 crores. So, this total itself is INR 95 crores.

But after that, we have also incurred some INR 30 crores towards our own capital expenditure on 3 products. So those are also spent out of cash accruals. So, because of that, still after all that, we have INR 102 crores cash. And in the next 6 months, we are not planning any acquisitions. So that way, this cash should be more than adequate. So, there should not be any problem.

Moderator: Our next question comes from the line of Surbhi Soni from Bellwether.

Surbhi Soni: Just wanted to understand a bit more on the cybersecurity part of the business here. If I see the breakup of the enterprise business between paperless and cybersecurity, there is a decline in the cybersecurity revenue. I wanted to understand what has led to the decline here. Is it more of a timing issue? Or is there a loss of customer or is it that some of the POCs are not scaling up?

Venkatraman Srinivasan: No, no. If you see quarter-by-quarter, in 1 quarter, some 1 or 2 more emSigner deal will be won. In another quarter, 2 extra CA solutions will be won. So that way, this is not leading to any permanent erosion of the base or anything like that. So, all the bids where we are going, it is continuing. Because of this, the little bit 68% may become 62%, 65%, like this. It is not, if it goes to 20% or 30%, then there is a cost for worry. So, it is a very minor aberration due to quarter-to-quarter impact.

Surbhi Soni: Also, the Cryptas would sit in the cybersecurity piece, right? The INR 22 crores that you spoke about.

Venkatraman Srinivasan: Now this time, we have only put the eMudhra solution thing, not the Cryptas because in Cryptas, a lot more analysis, how we have to make it to fall in line with the eMudhra type of analysis, which we have not done. That's why.

Surbhi Soni: So the INR 22 crores is not yet in the numbers, is it right?

Venkatraman Srinivasan: No, no, it is in the number. But in this 62% to 38% in Page 5 of the presentation, in that presentation, it is not part of the 62% number.

- Surbhi Soni:** Okay. Then it would still be part of the enterprise revenue, INR 137 crores, right?
- Venkatraman Srinivasan:** Correct.
- Surbhi Soni:** But the split between no paperless okay, it's exclusive of that. Fair. Understood. And just to get a better clarity on services revenue, can you just break down what was the contribution from Ikon, TWO95 and Sendrcrypt in this quarter so that we can understand the service business portion slightly better?
- Venkatraman Srinivasan:** Yes. Ikon and TWO95, generally, last quarter also, I said around INR 37 crores, INR 38 crores then INR 3 crores, INR 4 crores our own services. It remains at that level. It has not picked up this quarter. And because of a lot of uncertainty, as you may know, in the U.S. service business because of the various visa policy, if it remains at that constant level next 2 quarters, that is what may happen. It may not increase much.
- Sendrcrypt is a different thing. Sendrcrypt is a product business, which is already merged with our company. So totally, when we sell these solutions, we are also in our CA solutions, CLM solution, we also include the Sendrcrypt component. Similarly, AICyberForge component also will be included in that.
- So those things company is not maintained separately. Those will not be sold separately. But the TWO95 and Ikon being services business, they are sold separately. And wherever they are referring customers for our product, that is also directly sold from eMudhra, not from them.
- Surbhi Soni:** Understood. And when is the integration of AICyberForge expected to get completed? And how will it and what part of.
- Venkatraman Srinivasan:** This quarter, mostly, it will be done.
- Surbhi Soni:** And with that integration, are you actually already approaching customers with a revised product? And what is the growth path that you can achieve with this product integration at the time of renewal?
- Venkatraman Srinivasan:** Integration is going on. So still approaching customer, we have to educate the entire sales team, then the POC has to be created properly. So, all those work is going on. Maybe next quarter, we may go with the integrated product.
- Surbhi Soni:** Understood, sir. And how do you see the growth in the trust business going ahead with, I'm guessing a part of certificate revenue gets incorporated in trust business also. So how do you see?
- Venkatraman Srinivasan:** So mainly the growth this time has come more from the e-signature because e-signature is of the trust services. And a lot of earlier we were doing 30,000, 40,000 eSignature per day. Today, we are doing almost 3 lakh e-signature per day. But though the revenue per signature revenue is less, but some growth. Otherwise, earlier, I expect that trust service may continue at the last year level, but now we feel from INR 100 crores, it may go to INR 120 crores or INR 130 crores revenue for the whole year.

- Surbhi Soni:** Understood. And sir, eventually, if it's possible to quantify how much of our revenue is coming from U.S.? And over the next 3 years.
- Venkatraman Srinivasan:** U.S. this quarter was INR 60 crores and totally around INR 123 crores or INR 125 crores for the half year.
- Surbhi Soni:** And do we see this growing at 15%, 20% over the next 2, 3 years? Or would you say it would be more in the range of 20% to 25%?
- Venkatraman Srinivasan:** That we have to see because in this service segment currently, because of the visa policy and various things, it is not growing. And we have to wait and see how that visa things will stabilize, and the policies will stabilize, number one.
- Number two is the product side is growing. But today, if you see 1/3 is product and 2/3 is services. So, on the 1/3 side, even if you achieve 50% growth or 100% growth, when you incorporate the 100%, so now let us say, product is 20%, service is 40%. On 20%, if you get even another 20% growth, product 40% remains 40%. Then on the whole 60%, you may achieve 25% growth only.
- Surbhi Soni:** Fair. How many people do we have on visa in the U.S.?
- Venkatraman Srinivasan:** In visa, in H1 visa alone, in Ikon, more H1 visas are there. In TWO95, it is more green card and citizens. On the whole, it may be 40 to 45 people. But current H1 visa is not a problem. Trump policy, only new H1 visa, \$100,000 is to be paid. But still what is happening from a customer perspective because they all understand that this government is against keeping the H1 people, they are all trying to terminate the H1 people, want it to be replaced by citizen and green card holders, all these things.
- Surbhi Soni:** Right. And is there some part of the work with service business not been, if I were to put it that way, be the focus area, a part of the business can also be outsourced? Or would we will then hire more locals in the U.S.?
- Venkatraman Srinivasan:** No. When we go to outsourcing contract negotiation and local service negotiation are in 2 different segments. So, the existin, when you do local service, it will be 5 people, 10 people, 8 people like this. When you do outsourcing service, it will be 100, 200 people.
- So, what we are having today, we may not be able to outsource to India, that kind of thing unless you go for a larger contract negotiation. That larger contract negotiation, we do not have the name and the brand for those negotiations because in that game, already TCS, Infosys, everybody is there.
- Surbhi Soni:** Right. Understood. And on the progress with the system integrators and the partnerships that we have, is there any incremental update on that side or that part of the channel has been slow?
- Venkatraman Srinivasan:** Not in the U.S. But here, in India, a lot more government business is coming through segment system integrator. Similarly, in Middle East, Africa, a lot more business is coming. But in the U.S. because the U.S. revenue is still very small for their size. So, unless for one system

integrator, we are able to give INR 100 crores business, then they will get motivated. So that level has still not reached it. It may take some time to reach.

Surbhi Soni: All right. And that's more on the paperless side or is it on the cybersecurity side, the government business in India?

Venkatraman Srinivasan: No, government business in India is more cybersecurity and SecurePass. emSigner paperless side is more BFSI.

Moderator: Our next question comes from the line of Siddharth Mishra from Creaegis.

Siddharth Mishra: Just building up on the previous participant's question, the H1 dependency, visa dependency, you highlighted 40 to 45 people largely in Ikon. But is there a number that you can give? Sorry, sir, my question was, is there any number that you can give?

Venkatraman Srinivasan: Not only in Ikon, some people are in TWO95 also.

Siddharth Mishra: Understood. But total 40, 45 people. Question is a number that you can give on the people coming up for renewal in next 12 months?

Venkatraman Srinivasan: Even if you come for renewal, on renewal people, this \$100,000 is not applicable.

Siddharth Mishra: Sorry, the new visa, maybe the 6-year total, 3-year approval and 3-year renewal, if that goes away or we are close to completing that 6 years, you might have to then get a new H1B visa. Is there a number that you can give for the new H1B visa application maybe over the next 12 months?

Venkatraman Srinivasan: The thing is in 3-year renewal, this \$100,000 fee is not applicable. After 6 years, by the time if their green card processing is already approved, then only they can continue on the H1 visa. If the green card processing is not approved up to 6 years, the person has to come back.

Siddharth Mishra: Understood. Got it. So, then what is our contingency plan to mitigate this risk? What are we trying to do?

Venkatraman Srinivasan: Contingency plan will be to improve the product business considerably because the situation today, more and more situation is in a little this kind of temperament where people may not engage more H1B people. So, we have to identify the citizens and the green card holder and put them on road, or we have to diversify more into the product business.

Siddharth Mishra: Understood. And so, hiring on-site and productivity.

Venkatraman Srinivasan: Another diversification is that is why we cannot depend on the single country of USA alone. That's why we are going in multiple countries. So, in one country, some problem happens, we are able to overcome the improvement in the other country.

- Siddharth Mishra:** Understood, sir. Very helpful. So, hiring on-site people would increase your cost. I mean, are we confident that we will be able to pass through some of those costs at least because otherwise, it will impact our services margins?
- Venkatraman Srinivasan:** Yes, yes, we should be able to pass through because the nonavailability and when they are insisting, you bring this citizen or green card holders. They are ready to pay more.
- Siddharth Mishra:** Understood, sir. Got it. Okay. And sir, maybe on the sales and marketing spend overall as a percentage of revenue rough number, if you can highlight and how much it has grown in the last couple of years? And what is our expectation going forward?
- Venkatraman Srinivasan:** Sales and marketing cost?
- Siddharth Mishra:** Yes.
- Venkatraman Srinivasan:** Sales and marketing, there are 2 things. One is the trust services where we are giving the partner commission. So that partner commission is the main sales, but that is not applicable to the retail business where we are engaging our own people and they are doing the WhatsApp marketing, telemarketing and all that.
- So out of trust services business, if you say roughly 75% or 70% trust service may come from the partner network. On the token, we don't pay commission on other things, we pay 40%, 45% commission. So maybe in a year, we may be paying some INR 25 crore, INR 24 crores commission on the trust services for the sales and marketing.
- Then if you see pure market, other thing for the partner model, invariably, we are very rarely, we are paying a commission structure. Otherwise, it is more of a transfer pricing and from transfer pricing, they bill the end customer. So that way, how much extra they will be billing, we do not know. Then from a purely marketing angle, almost \$1 million we allocate marketing to do various global marketing and then various other linked in marketing and various other marketing. So that way, it is not extremely sizable.
- And we are also now for the partner events, we give 50% if some event they conduct with \$4,000, \$5,000, we pay some \$2,000, \$3,000 like that in a year, we conduct some 50, 60 events like that. So, all this put together, this \$1 million takes care. Otherwise, the salary of the salespeople alone, if you calculate what will be the salary of salespeople, it may be 10% to 12% something of the overall salary.
- Siddharth Mishra:** Of the overall salary, not the percentage of revenue?
- Venkatraman Srinivasan:** Not percentage of revenue, no. That way, we are not calculating because the same people are continuing, unless we go to a new geography, for increasing in the existing geography, the number of salespeople are not increased much.
- Siddharth Mishra:** Got it, sir. I mean is it possible the total sales and marketing spend and I mean we can exclude the trust services partner commission as separate as a percentage of revenue, if possible, if you

can highlight because this number seems very low, 10% to 12% of overall salary and maybe sales commissions as well, if you can do and rough number will be helpful?

Venkatraman Srinivasan: We will work out and well send it to you. What is the percentage out? That way we have not calculated. We calculate what is the salary of the salespeople as compared to the turnover and then send it to you.

Siddharth Mishra: Understood, sir. And then similar number on the R&D side. I want to understand total R&D spend that we have, the one that we expense through income statement and the part that we capitalize as well. If you can separately highlight that would be very helpful because our capex number for first half is already higher than FY 25. I understand some part of that is data center as well?

Venkatraman Srinivasan: Capitalizing almost INR 54 crores, INR 55 crores we are capitalizing, but that is predominantly earmarked for those 3 product development, and that is what we are capitalizing. Then the balance cost will go to the salary, which also we have to calculate around 210, 230 people are there in the R&D itself, so which we are not capitalizing, which goes to the regular operation.

Siddharth Mishra: Understood, sir. That's very helpful. So, this capitalized spend R&D got it. So, the product development spend, INR 54 crores, INR 55 crores, this is for the first half of the total year number that you have highlighted, approximately?

Venkatraman Srinivasan: No, no, total year, total year, not quarter.

Siddharth Mishra: For the full year. Okay. Got it. So, any update on the new products? So, when are we planning to launch or any traction that we are seeing?

Venkatraman Srinivasan: No, the development is going on as per, because the three areas, what we conceptualized one was data privacy stack. Another is in the emSigner itself, further development to take care of the verticalization of BFSI and then the voice authentication and various things. Then in this CERTINext and remote signing. So, all the development are going on. Mostly, it can be launched by March, April.

These developments are all, it will be integrated with our current product stack. So, for example, in emSigner or whatever we are developing, that development alone cannot be separately sold. The development will enrich our product so that it will make it more salable in the market against the competition. Similarly, in CERTINext, whatever we are doing, it will again make it more competitive. It will not be a separate product, which will be sold.

Siddharth Mishra: Understood, sir. Very helpful. I was more trying to ask about the mobile PKI product that we had under development, the post-quantum Cryptography and there was one more product which had been under development.

Venkatraman Srinivasan: Post-quantum already developed. And nowadays in the RFP, that becomes a requirement. Still, nobody has started using it, but everybody in the RFP says post-quantum features are needed.

We are saying it is there, and we are supplying that also. Along with it. So, what they want is they don't want post-quantum alone.

So, they want under all the algorithms. So, they want the CA solution in RSA algorithm, elliptic algorithm as well as the post-quantum algorithm, and we are giving to all the algorithm, whatever they are using, they are using.

But predominantly, everybody currently uses for human and individual digital signature issuance, they are using the RSA algorithm. For IoT devices, they are using the elliptic algorithm. Up to now, nobody is using the TQC algorithm, though they are demanding the RSA. That is the reality.

Moderator: Our next question comes from the line of Srinivasu from TIA.

Srinivasu: My question is about India is moving to agentic commerce where AI agents places orders, it signs document and approve payouts using across micro services. So, this is only scales if actions are authorized and auditable with zero human touch. So how does eMudhra, current products like SecurePass, CERTInext, emSigner to enable this per agent identity, automated certificate renewals and delegated signing end-to-end without any human intervention?

Venkatraman Srinivasan: Yes. Here, 2 things are there. AI in eMudhra can be used for the software development innovation and all that to some extent, but may not be able to do full extent, but some extent it can be. AI cannot be used fully automated because the digital signature issuance are all regulated by the Ministry of IT and then there are a lot of regulation by which physically, we have to verify whether the person is online, then he has to move and he has to answer 3 questions, and that is to be recorded by our physical person. Both put together need to be recorded.

So that way, a lot of regulations are there. So, because of all this regulation, currently, purely fully agentic AI cannot be used for the issuance of digital signatures. In the software development, to some extent, it can be used, but there also 100%, it may not work, we are continuously doing R&D on that also to whatever extent use, we use.

That is where if you see the number of technology people, though our company turnover has increased over the last 4, 5 years, corresponding number of people has not increased. Number of people almost remain at that level or maybe marginally increased. So that's why wherever possible, we are seeing, but complete issuance of digital signature or issuance of SSL cannot be fully completed by the AI.

Srinivasu: But you can record this DPDP complaint consent and audit trail, right? We can automate that also, right?

Venkatraman Srinivasan: We can automate, but the CCA regulation says it cannot be there will be L1 verification and L2 verification, which should be done by a manual agent and that the agent space also need to be recorded then after every recording, he has to sign with his digital signature that he only saw that person like that. There are regulations.

Srinivasu: Okay. So, if at all it scales and if India pushes for this, how eMudhra is positioned to capture this trend?

Venkatraman Srinivasan: We are well-positioned. One is from a software development side, we are already using the AI, the cloud AI and various AI in the software development side. And the agentic AI also, we are ready. We can use it provided the regulations approves it. And then we can put the agentic AI and verify this. And the third aspect is whether the humanoid comes with, for the humanoid itself, identity of the humanoid, can we issue IoT certificate in the humanoid. So that also we are thinking how to do that. So that way we will be ready. Arvind will also supplement.

Arvind Srinivasan: Yes. And I think there's a lot of automation and things that go in our CLM and security side of the products, especially the lifecycle management and such. Today, we're already using bots to identify cryptographic credentials, automate the issuance, manage the lifecycle and all of that. So essentially, the stack supports issuance of identity credentials to almost any asset, right, over time.

And if globally there are accepted standards on assigning identities to agents in cryptographic forms, then I think at that time, we're already essentially ready to issue those identities, manage the lifecycle and essentially help firms address this in a risk-free manner, especially large enterprises where the risk obviously would increase, right?

Moderator: Our next question comes from the line of Siddharth Mishra from Creaegis.

Siddharth Mishra: So just final 2 questions. Revenue guidance, we are confident INR 675 crores to INR 700 crores. EBITDA margin, anything that you would like to highlight, sir?

Venkatraman Srinivasan: More than EBITDA margin, the PAT only, we are thinking of around that same 16%, 15.5% to 16%, what I guided earlier.

Siddharth Mishra: And this excludes Cryptas acquisition, the margin?

Venkatraman Srinivasan: Cryptas acquisition, currently, PAT is negative. So in the next 2 quarters, we feel that we can make it positive.

Siddharth Mishra: Got it. But for the full year, the 15.5% to 16%, does this include Cryptas numbers or does this exclude?

Venkatraman Srinivasan: Cryptas as a whole for the year, if you see, Cryptas may not be positive because the first quarter itself 1.1% negative. The percentage includes including Cryptas' top line. Cryptas' top line is included in the INR 675 crores to INR 700 crores. But Cryptas' bottom line, nothing may come in the current year. So only from our bottom line, including taking into Cryptas' top line, we will achieve this 16%. This is what we are saying, or 15.5%, 16%.

Siddharth Mishra: Understood, sir. Got it. And the last one is on, we had highlighted that we are confident that even after paying for the Cryptas and AICyberForge acquisition, the cash level by FY 26 end would be INR 140 crores. Are we confident of that number?

Venkatraman Srinivasan: No, already INR102 crores is there. Now in the next 6 months, there is no acquisition payment, nothing is involved. So that way, whatever cash accrual comes, that has to increase our cash flow only. So that way, we are confident, maybe it may go to INR 130 crores or INR 140 crores or at least INR 125 crores something it should go. So that way, the requirement to raise any money will not be there.

Moderator: Our next question comes from the line of Srinath V. from Bellwether Capital.

Srinath V.: Arvind, I wanted to find out, we've been making some investments in marketing in U.S., these roundtable conferences with CXOs and CIOs, how is that progressing? And any kind of output or lead pipeline from that?

And second, as we get into the calendar 2026 and client budgets are getting firmed up, what are the kind of marketing investments are we making from now to, say, Jan, Feb, the critical period when new contracts are formed or client budgets are firmed up. If you could spend some time on this, that will be really useful, Arvind?

Arvind Srinivasan: Yes, sure. So to your first question on whether our activities in U.S. are helping us, I think they absolutely are because I think Chairman has already alluded to some of the projects that we are working on and the rough sizes of them. And a lot of these come from these personal interactions and these events that we do. And a lot of these are more in the Fortune 500 or below or above rather, Fortune 100 and so on.

So, we are directly getting into the enterprise segment, which is a very good place to be as far as our industry in cybersecurity and these things are concerned. And so, we are obviously doubling down on that and expanding on that. We are participating in conferences. We were in Black Hat. We're sponsoring that across 3 locations.

So, we're in all the popular industry conferences. So, the brand credibility and all is also being parallelly worked on and grown. And that is definitely starting to show results. And I think some of these will be more evident because at this stage, I'm sort of bound, I cannot name any of these accounts, but something we will see over time imminently.

Same goes for a lot of the other regions. I think APAC is another growth market, and we are focusing a lot on Philippines, engaging in events and omnichannel approach. We are using all of the latest tools in marketing and a lot of automation as well. So, we use tools like HubSpot. We have integrations with our CRM.

We have a lot of intent signals and a lot of investment, I guess, a lot of effective investments that help us scale there, right? So, I definitely see that helping and growing in the coming few quarters, right? And your second question was, sorry?

Srinath V.: Investments we are making, so every time we have made these investments in engaging with the industry, more often than not with a lag, we have actually seen the business conversions, especially now that 2 big changes have happened, right? We have rebranded our product and

also now got our U.S. data center, meaning it's now effectively a U.S. product in that sense, the U.S. certificate.

So, from the standpoint, what kind of investments are we making now given that a lot of our product back end is fixed. We have got our e-mail product also set. And therefore, what kind of investments are we making? Because it seems like now it's the inflection or we are closer to the inflection point than we have been in the last, say, 1 or 2 years, right?

Arvind Srinivasan:

Yes, absolutely. So yes, I mean, it's really about connecting with the customers and understanding cycles in different regions. Most of the contracts in U.S. are all multiyear contracts often. So, when you're in the industry and in the segment and you're talking to people, when they sort of renew.

And a lot of our activity has been more in the private sector in U.S., unlike a government sector where budgeting becomes very critical at the end of the year and then you have to make sure it's part of the next year's budget and all that. So different regions have different budgeting cycles. I presume your question is more oriented to U.S.

So those investments are actively being made. In fact, we have a localized team. Their job is to do outreach to all those customers to all the enterprise segments that we have, understand these sort of cycles so that we can really hit at the right time. And these are honestly not even just year-end things that we do because we're largely focused on private sector enterprise in U.S. to start with. These are continuous activities that we do and we keep track of.

And there are other systems and tools we use to get all this intelligence as well so that we can continually be in touch and strike at the right time. So, I think that also shows that we will see that momentum and growth in the coming quarters because, as you said, we are getting closer to an inflection point and seeing continued traction and growth and momentum on the product side in U.S.

Venkatraman Srinivasan:

We are going gradually. What we are doing, we will not spend a huge marketing spend. In a year, some 4, 5 event we are hosting. So, in that one of the event, what we call eCAB event, we ourselves are creating the event and a lot of senior people from cybersecurity side, they are all attending the event. The other one event is the RSA conference, then Black Hat event is another event like that. And each of these event cost will be some anywhere from \$30,000 to \$50,000, so which we will be spending. Then the other thing is the senior level is now in place. So, we are recruiting the junior level people for the sales. And not only sales, earlier delivery of all the certificate was from India.

So, the day and night time, it is affecting. So, for that, what we are doing is we are recruiting local people who can do the verification and who can issue the certificate from there itself because now the data center is also there just because of the day and night difference, if the delay is there, then our penetration will be affected.

But these people also, we are not recruiting very senior people. These are all \$60,000, \$70,000 people. And maybe we are also recruiting some 2 people in South America at a much lower cost,

which is in the same time zone as in Bogota because there we have the office so that they can also do this approval process because some of the companies where we are discussing, there will be a lot of SSL approvals, which are there. So, this is what we are doing.

So, nothing will result in a huge spend because until we ramp up and the revenue increase, then correspondingly only, we want to increase the cost. Otherwise, it may have a negative effect on the profit. But at the same time, we are taking a very measured effect efforts on what way we can push in the market.

Arvind Srinivasan: And importantly, it's a structured systemic approach. So, we are putting the system in place along with the marketing and other activities so that we can consistently grow over time, like Middle East and other regions.

Srinath V.: Perfect. One last follow-up on this. Two-part question. On public trust, especially in U.S., one big opportunity was being a redundancy partner for these large Fortune 100 or Fortune 500 enterprises who need redundancy partners and especially given that now we are completely U.S.-based, is that opportunity, are you seeing the opportunity on ground?

Second question on private trust, that is a slightly more custom solution market where the existing players are, from my understanding, offering very standardized products. So, in the private trust market where the ticket sizes are a little bit larger, how has been the engagement and traction. So public trust redundancy partner, private trust customized solution. If you can address both, Arvind, that would be great?

Arvind Srinivasan: Sure. Yes, I think we are seeing that play out quite decently, because I think a lot of organizations in U.S. are also global organizations. And one of our U.S. piece is that we are not just in U.S., but we have a strong brand outside as well. So, when we factor that with this localization that we have worked on extensively, I think that really hits a sweet spot that a lot of customers appreciate.

And then you factor that with the local team and the systems and the people that we have put in place, the message really comes from the right people, right, who understand the pain points, who have been through those contracting processes before. So, we are seeing signs of success on the redundancy play as well.

And also, on the private trust part and a lot of things we're doing on private trust so far in some of these initial accounts are focused a lot on high-volume IoT use cases. So, they are very entrenched sort of ecosystems, which once you're in and you're working, then people generally may not want to touch your system, right? And these are substantially sizable companies as well.

So, the private trust really our USP focuses on our value that we bring to the table, a slight bit of flexibility paired with our product, comprehensive nature of our product suite, which is where they're able to get more with one vendor and makes the whole engagement easier. So, these 2 themes have broadly still been what we are sticking to and what we are positioning and what have started to show early signs of success.

Venkatraman Srinivasan: And then in each one, in the first one, we have signed contract, but the volume is yet to pick up. Second one, we are expected to sign 2 contracts in this month if things work well. So, it is all in contracting stage.

Srinath V.: Thank you for the very elaborate, detailed answer. Thanks a lot.

Venkatraman Srinivasan: So, since there are no more questions, I would like to thank everyone for joining the call today. We remain focused on delivering consistent performance and innovative solutions that enable secure digital transformation for our clients across the globe. For any additional information or queries, kindly get in touch with our Investor Relations Advisors, Churchgate Partners. Thank you once again. Thank you.

Moderator: Ladies and gentlemen, on behalf of eMudhra Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Notes:

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