Date: August 14, 2026

To,
BSE Limited
The Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
1st Floor, Dalal Street, Mumbai – 400 001

Ref: Scrip Code: 543931
ISIN: INE0Q0M01015

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of the earnings conference call for the Quarter ended 30th June, 2026.

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the Quarter ended 30th June, 2026, conducted after the meeting of Board of Directors held on August 12, 2026, for your information and records.

Kindly take the above information on record.

The information in the above notice is also available on the website of the Company www.veefin.com.

Thanking you,

For Veefin Solutions Limited

GAUTAM VIJAY UDANI
Digitally signed by GAUTAM VIJAY UDANI
Date: 2026.08.14 19:34:05 +05'30'

Gautam Udani
Whole Time Director
DIN: 03081749

Veefin Solutions Limited
Q1 FY '27 Earnings Conference Call
August 13, 2026

Moderator: Good day, ladies and gentlemen and welcome to the Veefin Solutions Limited Q1 FY '27 Earnings Conference Call hosted by Valorem Advisors.

At this point, all participants are in a listen-only mode. Later, we will conduct a question-and-answer session. At that time, you may click on the Q&A tab to ask a live question. Please note that this conference is being recorded.

I would now like to hand the conference over to Ms. Purvangi Jain from Valorem Advisors for opening remarks. Thank you and over to you, Ms. Jain.

Purvangi Jain: Thank you. Good afternoon, everyone and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of Veefin Solutions Limited.

On behalf of the company, I would like to thank you all for participating in the company's earnings call for the 1st Quarter of the Financial Year ended 2027. We kindly request all participants to connect to the Veefin Solutions video conference call via the official video call link.

Before we begin, let me mention a quick cautionary statement:

Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's Earnings Conference Call is purely to educate and bring awareness about the company's fundamental business and financial performance for the quarter under review.

Now, let me introduce you to the management participating with us in today's Earnings Call:

We have with us Mr. Raja Debnath - Chairman and MD; Mr. Gautam Udani – Whole-Time Director and COO and Mrs. Payal Maisheri- CFO.

Without any delay, I request Mr. Raja to start with his opening remarks. Thank you and over to you, sir.

Raja Debnath: Thanks, Purvangi. Good afternoon, everyone and a very warm welcome from Veefin Solutions for the 1st Quarter 2027 Earnings Call. I have with me my colleagues, my leadership team and thank you all for taking time today. The presentation that I will walk you through has already been filed with the exchanges, it is available on the website, so you can follow along if any of you have joined just along the calling bridge.

Before we get into the numbers, let me set the frame of this call because the cover slide says this only on one line that building a global multi-product BFSI tech platform. So what is it that we have been doing for people who have been following us for the last few years know that the work which has gone in which is building products, building the common chassis which we speak about, building a client base, the geographic footprint, now all of this is getting culminated in FY '27 is a critical year for us where this agenda of building is shifting decisively towards monetizing this platform.

So today, I will tell you the story in three parts. First, I will talk about the quarter itself and it has been a very strong quarter. It has been a strong quarter in terms of a standalone revenue growth and profit both of which have doubled over last year. Second, the commercial engine underneath. What is it that we have signed this quarter? How our wins convert into revenue overtime? Because this is a question which keeps coming up. So I thought that I will take some time out and explain how to convert our wins into revenue overtime and how to visualize it. And what is the pipeline that we are building behind it? The third is the structural work which is the balance sheet. We will talk about the amalgamation and we will talk about the PSB Xchange. This is the way we will go about.

Now, if you start with the quarter at a glance, you will see two rows on the slide, standalone and console. And throughout this presentation, these are the two lenses that you will have to look at our numbers with and I will keep bringing you back to this. The top row is the Veefin Solutions Limited Standalone. This is the listed entity and this is the purest lens for product economics. So from a product economics standpoint, what you should be looking at is the revenue for this quarter was at Rs. 23.14 crores, the standalone EBITDA was Rs. 12.83 crores. I am reading out the numbers because I believe some of you may just may not have the presentation in front of you. So I will still read out the number. The standalone PAT is at Rs. 6.74 crores. And we have also signed 5 new clients this quarter. So we will come on that also. The standalone EBITDA is at Rs. 12.83 crores at a margin of 55.4%. So going back to this, our standalone EBITDA is reported at Rs. 12.83, which is at a 55.4% margin. The standalone PAT which is there, that is a 29.1% margin.

On the console side, that includes our subsidiaries and our other group entities. There, the revenue is at Rs. 113.97 crores. And the console EBITDA is at Rs. 22.4 crores at a 19.7% margin.

Here, you will also see a PAT of Rs. 9.5 crores at an 8.3% margin. The qualified pipeline, an important number here, is at 80.13 million. That is where we are at the end of the quarter. And we will spend proper time on the pipeline towards the end of the presentation. One thing to notice here right up front, and I think you will have questions on this, is the confirmed margins look very different from the standalone margin. And that is a structure actually. That is not any deterioration of margin. That is the structure the way it is. Because the Veefin product business and the subsidiaries have a very different profile of the business itself and their margins are different. So when you are looking at the Veefin numbers, use the standalone lens to judge the product economics and look at the console from the full statutory perimeter as such. And what is the shareholder attribution. Look at it only from that point of view. You see at the bottom, we have also put the third party recognitions for investors who have joined the call who do not know Veefin as much. The key thing here is IBSI sales league table, global sales league table, ranked us as number one in wholesale transaction banking. Euromoney Awards 2025, we were awarded as the Most Innovative Software Provider. And we are industry leader again in both editions of the IBSI Supply Chain Finance spectrum. Now these are important because this is not our claim, this is what the industry independent assessments talk of Veefin. And these are the kind of recognition that clients look for when they are signing up with us.

Moving on to Veefin, if there is one sentence I can sum this slide up in, is that the install base is 50 plus installations. We have close to $47 billion of transactions which are flowing through the platform on an annual basis. And we are present in 16 countries. And we have 10 products which have been already deployed on this platform. The key line here is that 50 plus institutions, 16 countries, and all of this installed base which is there, this is the base which is actually providing us the revenue year-on-year. So every time we add new clients, they get added to this base of clients that we have. New clients will give us revenue, the old clients will continue giving us revenue. So that is the most critical thing here.

The other piece is that all of these products are being modeled on the Veefin 4.0 architecture. We will spend some time ahead on it. And that is very critical because that is one of our core moat which is there, our architecture. So we are not building multiple products in parallel. We are building all of these products on the same chassis. And there is a lot of reusability which is there between all of these products. This slide is the actual investment thesis of the company. All in one page. So let me spend a minute here. Right at the top what you see is the monetizing products. So all Veefin products that we saw till now, they are classified in 3 different layers. Right at the top is your Supply Chain Finance and LOS. These are our most mature products. That is where we have our 50 plus financial institutions and the 47 billion annual disbursement that you see. That is on these platforms. These are the platforms which are live. These are the platforms where our clients are paying us month-on-month, year-on-year.

And the next ones are our products which are our entry differentiated products which are your LMS, Collections, Fraud & Risk, the GenAI products. These are the products that we use to deepen our relationship with other clients. And many a times these also become our cross-selling entry points. A client may want just a GenAI point solution. We get in using that and then the other products will follow through. These products, they actually increase the share of wallet in an account and they also increase share of mind space in an account because then you are talking with your banks and your counterparts in the banks, not on one product, but you are talking of multiple products. You are that much more deeply entrenched in the bank.

The third layer is the strategic IP and this is where a lot of investments have gone over the last few years which is on your trade finance, cash management, liquidity management, corporate internet banking, retail internet banking. So these are large enterprise systems and these have long-term monetization potential. Now, this is what changes the product relationship into an enterprise relationship because now you then have larger transformation deals that you go after. Your client tenures become even longer and the lifetime value is much higher and we are seeing that, as we are finding deals, we are seeing that. So underneath all of these layers is your shared architecture, reusable services, common APIs. I will show you what this exactly means and because of this what is actually happening in terms of our thesis. So if you look at the part that, this is the culmination of what I was just talking about. So we are not naming clients here because there are confidentiality requirements which we have, but these are some of the flagship deals that we have signed in the 1st Quarter.

Look at the first one. It was one of the largest digital banks in the GCC and there we have sold 6 products. We were all talking about right now cross-sell, entry points, larger ticket size, larger wallet share, exactly. One deal gets you LOS, LMS, Collection, Trade Finance, Supply Chain, and a Limits Microservice. Limits Microservice is usually a core service which sits within the core bank itself. Here, this has been removed from the core bank and it has been handed out to Veefin. If you see this, this is not a tech point solution purchase. This is basically a platform decision that the bank has taken by saying, I would rather move everything that I have and I need onto one Veefin platform. So that is really heartening for us. The second one, very similar, is again some non-bank company in the Middle East which now takes LOS, LMS, and Collections, all three, it is a full lending stack that they are going for. Not one product per vendor, all 3 products from the same vendor. Again, they chose us because they like the fact that we were all on the same single stack.

The third one is a Supply Chain Finance. It was 5 countries in Africa, both for Supply Chain and LOS. That is what we are doing. So if you look at the scoreboard, what is it? Five new clients signed in the quarter. Largest single win with 6 products at one shot. $15.27 million of wins of the qualified pipeline. Remember last time we showed the qualified pipelines? Out of that, 15.27 million has these 5 deals put together which have got converted. And 5 countries in one single rollout. So this is a single rollout that we will be doing with 5 countries. Now, the takeaway therefore is very clear that Veefin is now increasingly being bought as a platform, not as a single product. And this therefore changed the deal size, it changed the tenure, and it changed the quality of revenue that was coming.

This is a new slide. We have not used this ever in the past. But let me therefore take some time and explain. So this slide, let us take some time here and understand this slide. When we go deeper into this slide which is there, how do signings get converted to revenue? Now, we get this question a lot. Now how do the signings get converted to revenue? Now if the signings are strong, like if it is 15.27 million, when can you see it in revenue? And that is what many people want to model. So I want all of you all who are here to actually internalize this very well. So typical enterprise deal that we are in will have revenues coming from 3 places. First is the implementation fee, right at the top. But that is a one-time thing. Now that is something which will trickle and build. Implementation fee is built on milestones. So there could be some money right up front on signing. There will be some money on certain milestones that you will have then over a period of the journey of implementation. So our standard implementation, assuming it is a 9-month implementation, will therefore see that we get implementation fees, which is a one-time fee, coming in the first 9 months, starting from signing and concluding as go-live.

Once this is done, then post that is usually the second set of fees, which are the license fees. Now, license fees could be your SaaS, AUM-based fees. License fees could be a monthly recurring. It could be an annual recurring, quarterly recurring. We know there are various types. That fee starts post the system goes live. So now we are in 9-12 months, 15-month period. Now, this period which is there, which is the next 9 months from the go-live, that is when you start seeing a ramp up of numbers. Because if the client has an existing business, that has to get migrated. The migration activities will happen. If they have an existing book, that will have to get transferred here so that we start seeing revenues. So the second line, the license, is basically billed annually, quarterly, monthly, but that is a recurring fee, which now starts.

The third type of fee that you then now get is your AMC and support fees. That will usually start from year 2 onwards. Because year 1, you don't charge AMC. Year 2 onwards, you start AMC. And that is again recurring. AMC is annual maintenance contract. That starts from year 2 onwards. So what you are seeing here, a deal that I signed today starts paying me fees right from now till 21 months right up front. And then will extend, the license fees and the AMC fees will extend to 4-7 years depending on the contract period. So when we explain, now let us go back and see, when I say a $15.27 million worth of deals we have closed in quarter 1, it means they will all go through the similar cycle. There will be a chunk of that will come through implementation in the first 9 months. Then the license and the AMC, depending on the contractual obligations there, will start flowing for the contract period. All of these contracts that we have signed are 5-year periods. So you will see these revenues over the next 5 years. And the most important thing which is there is what is critical.

Today, the revenues that you are seeing, therefore, they are revenues which are deals that we had signed in 24. These are all FY '24 deals, FY '25 deals. Money of that is what you are seeing right now. Similarly, what we are signing now, therefore, sees to it that our FY '28-29, the annuity base at that point in time is taken care of what we are doing right now. So when you are modeling Veefin, therefore, you should model Veefin in terms of cohorts, not just a quarter. An annual cohort is what you should be looking at. That is how what will make the most sense for you. And these dates that I have given you, these are indicative timelines. Like when I am saying 9 months, it is not 9 months. There are customers who go-live in 3 months also. There are customers who go-live in 5 months also. But I am saying depend because now we are moving into a territory of large deals. So therefore, you may have a situation where you will have a longer implementation period also. This is about standalone.

How to read Veefin numbers, I said there are two lens which are there. I will just reiterate this again. So this keeps coming back again and again. So I have taken the liberty of adding a slide here that standalone tells you the product economics. The console will tell you the statutory parameters. So both lens are important. But when you are going through the financials, use two separate lens. If you want to ask how Veefin as a product company doing, look at standalone. How you as a shareholder want to look at Veefin, then look at the console numbers.

Moving on to the numbers, the first what we will do is we look at the standalone numbers year-on-year. If you look at the standalone numbers year-on-year, your Q1 at Rs. 23.14 crores vis-a-vis Rs. 10.14 is at 128% jump. So revenue has grown 128%. Your reported EBITDA from which is there, which is Rs. 12.83 crores against Rs. 5.49 crore, that is 133% jump out there and your PAT, which is there at Rs. 6.74 crore against Rs. 2.68 crore last year, which is 151% jump. Just look at the sequence. Your revenue is at 128%. Your EBITDA is at 133%. And PAT is at 151%. Each line is growing faster than the other. And this is the operating leverage that we keep speaking about. Your EBITDA margins have improved. The takeaway is very simple. On a standalone level, the revenue EBITDA and PAT have more than doubled versus last year. And the margins have also expanded. The margins have also expanded while doing that. So growth at Veefin is compounding. So that is the story that you take away from this slide. If you look at the standalone revenue quality, that is again extremely important because the quality of growth, revenue is growing, that is great, but what about the quality of growth? If you see this, in the revenues, recurring is 74%. So from existing clients, our recurring revenue is 74% here. Onetime revenue is 26%. So that is the stickiness that we keep talking about.

On the client mix that you see, 77% of the revenues came from our existing clients, our old clients. Only 23% came from new clients. Now, when you read that with the 5 new clients that we added this quarter, what it means is the existing clients will keep buying more and our cross-sell thesis is validated from this. On the geography side, we are close to 50-50 between domestic and international. So that just shows that we are not dependent on any one geography. We are very well spread out. On the pipeline slide also, you will see that much more. We have added this slide because we keep feeling questions on the DSO. So if you see the DSO trend, we mapped out the DSO trends over the last few years, FY '24, FY '25, FY '26, FY '27. If you see, FY '27 is actually at 80 days. It is a 69 days improvement over FY '24. Every year, we have been improving. So what you are seeing right now is that while revenue is growing and you have seen that revenue is growing very fast. So despite a very fast growth in revenue, more than 100%, 128% growth in revenue, our DSOs are coming down. That means we are able to collect money faster. And you remember, I had explained this earlier also to you that as we keep growing, as the company is becoming stronger, we will then be in a position to start asking our clients to pay us faster. So 80, is it a good number? I think it is a brilliant number. In our planning that we do, in our internal planning, we plan for a number which is closer to 100. 100-105 number is what we actually aim for, but we have actually done better than that number. Our receivables are moving extremely well. Collection discipline is also tightening as we speak. And you have seen the detailed operating cash flow disclosure will be there with the statutory statements.

Moving on to what is mandatory. So this is the Q1 performance versus Q4. Now, Q4 is usually the best quarter of the year. It is usually the highest quarter of the year. But even if you see us vis-a-vis our Q4 number, we have nearly touched our Q4 numbers here. So revenue is nearly there. It is just 4% below the Q4 numbers. Our EBITDA is just 7% shy of that again because of the revenue numbers out there. Our reported PAT though is higher because of various other reasons. Because our depreciation is lower, our finance cost is lower out there. But the key point is that our revenues are tracking our Q4. So it means that our base itself is higher. I was just looking at some numbers. If you look at our average of last year, our Q1 is already 33%-34% higher than the average of the entire last year at a quarter-on-quarter basis. So that is very healthy. It just shows that we are at a different orbit when it comes to 27.

If I move to the console numbers, console numbers are obviously much higher because on the revenue side, our console is, no. One second, let me see which slide was standalone. Let me come to console. This is the console which we have vis-a-vis last year. So that is the reason why it is that much higher. So 230% growth you see over last year. Revenue is more than tripled. Your EBITDA has grown by more than 100% here. Your reported PAT is close to 40% higher than last year. These numbers were obviously higher because we didn't have the entire console effect coming in Q1 of last year. That is the reason these numbers are that much higher. But if you now look at the Q1 console performance vis-a-vis Q4 of last year, so we are just 13% short of it. So though Q4 was our largest quarter, traditionally in our services business, Q4 is the largest quarter. But despite that, we are very close. We are just 13% shy of that. The PAT numbers which are there, they are 40% lower out here as you will see. But that is normalization. So by Q2-Q3, you will see these numbers change because Q1 is usually the slowest quarter of the year for us in our services line of the business. So again, look at both lens. Product lens, standalone, which is the core product. When you look at that, it is sequentially growing. PAT is growing. When you look at the console basis, there your Q1 is obviously lower than Q4. But Q4 is obviously the biggest quarter in the services side of the business for us. So nothing to worry about out there.

Very busy slide, but can't help it. But you need to understand that because if you are an investor in Veefin, this is what you have pumped in your money for. Everything that you see on this slide, everything, other than the last line at the bottom, the gray line external systems, is not us. Everything else on this slide is Veefin. So right from channels. So what you see channels on top, which is your corporate internet banking, retail banking, mobile banking, APIs, marketplace channels, all of those are provided by Veefin. If you look at the bottom, which is the common layers, those are all, again, the common layer, the data layer, the super dash, which is the intelligence layer that we have, the vector, which is the low code integration orchestrator, all of these are common to all of these products that you see, your cash, supply chain, trade, digital lending, your channels right at the top, which is your corporate internet banking, retail internet banking. Your bottom, this part, which these are called the common user services. All of these common services are used by all of these systems across. So like a Lego block, we have all played with Lego blocks as kids, like a Lego block, banks can pick and choose any of these blocks from here. All of the blocks at below follow. That is the reason why we are able to deploy products faster. That is the reason why we have higher margin. That is the reason why our clients are choosing us because of this architecture that makes their life simpler. When the central bank comes and makes a change in any customer classification, the bank doesn't need to go and change the customer classification across all of the customers in each of the different systems, if they were to work with Veefin. You saw the bank and GCC. The reason they chose us is that when they make a change, they would like to make a change only in one place, not in 10 different systems. They are not then held hostage by the slowest moving tech vendor, but by a vendor who is moving at the same pace across all the products.

Moving on, amalgamation, this is again something which is a very critical thing for us. In the seven-step process, we have completed 4 steps. We are now at the fifth step. Which were the first four? BSE approvals, the NCLT first motion, the stakeholder meetings have happened, got the board approval, got the stakeholder meeting approvals. The Chairman appointed by NCLT, they have come in, they have held the meeting, the Chairman's report has also been presented. Now, we are filing the NCLT petition, which is second motion. We are filing it anytime right now, over the next 2-3 days. And then the statutory NOCs. Now, these are just standard NOCs, which will come in from the ROCs, the GSTs, all of these different statutory bodies, the NOCs will receive and standard procedure. And then is the final NCLT order. So there is going to be one meeting after this, we have NCLT. So this is on the verge. So I will not give you a date, but you can understand based on what I have explained, that it is on the verge of getting closed. So amalgamation is around the block, that good news for all the shareholders. It simplifies the way we look at the numbers. And it simplifies not just for us, shareholders who are here, who have already gotten to Veefin, you are shareholders who have understood this piece and have gotten. Once this gets completed, you will have a clutch of other shareholders who will then come in, people who have been waiting on the sidelines for this amalgamation to get completed. So the direction is one simplified listed perimeter and each step now is just procedure in that sense.

Moving on to PSB Xchange, the headline is the platform is moving from builder to operating throughput. That is exactly where we are. So on the lender side, we were tracking 32 integrations last time. We still continue tracking that. 1st Quarter is usually a slow quarter in the banking world and more so in the public sector world, because close to by mid-May, end-May, the transfers which keep happening within the bank, those have to happen. So people, a lot of work does not happen in public sector bank in the 1st Quarter because of the various transfers. People are coming in, they have to understand what is happening. So that is the reason why we have not had more go-lives out there. But we have added, if you remember, last time we had 5 integrations which were work in progress. We have added 2 more to it. So there are 2 more integrations which are work in progress. So combined, we have 10. So what this means is that when a deal comes in now, that deal is presented to 10 lenders right now and not just 3, just because 3 are live. So deals are now getting presented to more number of lenders.

On the sourcing partner side, the traction is still the same. We are waiting for more lenders to then keep adding more sourcing partners. On the platform throughput side, there you will see that our limits have increased from 5,400 last time to 5,800 and the cumulative requirements have gone up a lot. They have gone to Rs. 26,000 crores. But we have a lot of demand out here. Many of these demand, these are name cleared. Out of this Rs. 5,800 crores, there are a lot of names which have been cleared by the bank. They may not have given formal approval, but they have already approved saying, yes, this customer, this anchor, this corporate I like. 94 corporate deals are in the pipeline at some stage. At some stage, they are there. That is what we are working on.

Moving to the qualified pipeline, this is extremely important. So if you see the qualified pipeline movement, this is a bridge which is important. This is the first time we are sharing this bridge. Now, we opened with a 79.62 million pipeline. We added 20.4 million to the pipeline this quarter. That is what we added. We converted 15.27 out of 79.62, the 15.27 conversion is out of 79.62. So we added more than what we converted. We are close to $4.5 million of pipeline, which has gone to deferred because of timeline issues. So we know it is going to take much longer. So we removed that out of the pipeline that we are tracking. So we go back to now tracking a pipeline which is close to $80 million again. So despite closing a $15 million out of the pipeline, we have been able to add. So our pipeline addition is extremely strong. And therefore, we are back to a number of $80 million again. But that is a sign of a very healthy funnel that it refills faster than what we are able to harvest.

On the qualified pipeline, we had shared this earlier. Some of these slides that you will see, we have updated the numbers. We will try to keep to the same slides at least for the next 3-4 quarters. We will only add slides, but whatever slides we show you, we will continue keeping the same slides and just change the numbers so that it becomes easier for the analysts to follow the numbers quarter-on-quarter. Similarly, if you look at the qualified pipeline from a product and geography standpoint, today 70% of the pipeline is Non-Supply Chain Financing and 70%

of the pipeline is outside India. So both 70. 70 is a good number in that sense. 70 is Non-Supply Chain Financing and 70% is outside India.

If you remember, going back to our standalone numbers and revenues, our revenues currently are 50-50, 50% India, 50% outside India. But from a pipeline perspective, we are more outside India than within India. And I think this international pipeline as a number, I can hazard a guess, we will continue growing that. As a percent that will continue growing. What you will also see here is close to 50% of our deals, which is 26 out of 52, the number of deals that we are tracking in the pipeline are more than a single product. So our thesis on multiple products selling to the same institution, selling non-supply chain financing and selling outside India. These are all bearing fruit and pipeline shows that very well. This is the validation, which I would like to leave you with. This is the last slide, which I have. What are the priorities? If you ask me, what are the priorities that we as a team are tracking ourselves on? The first and foremost is that we have a very strong pipeline. Our sales team is focused on converting their qualified pipeline into opportunities and contracts and implementation milestones. That is what we are focused on. We focused on expanding more of these multi-product wins, cross-selling to our existing customers already. Now, if you have 50 customers, we still have to do a far better job of cross-selling what we have to our existing customers. So that is low-hanging fruit, which we have not still added to the pipeline. But that is something which the team will start focusing on more.

The third is PSB Xchange. The PSB Xchange, we know it is a marketplace. The build-out is slower than what we had anticipated, but we are absolutely on the right track. The corporates that we are seeing, the large corporates, all marquee names, the top 100 corporates of India, the fact that they are coming onto the platform, they are patient with it, banks are patient with it, tells us that the problem that we have picked up to solve is the right problem to solve. And people are aware of it, our bankers are aware of it, our sourcing partners, our corporates are aware of it, and they are comfortable with the pace at which we are going. They would like the banks to pick up pace a little faster, but that is easier said than done, because the banks will move at their own pace. We, as the exchange, are the bridge. Our job is to keep this bridge ready so that whenever the banks feel comfortable in doing business, the bridge is there, the corporates are there for them to pick up the business and do it. The numbers that we have in terms of the pipeline of Rs. 5,800 crores, getting that translated into getting those numbers distributed into the channel partners and vendors. That is what the focus will be. And the amalgamation and the simplification which is there, that is over the next quarter, quarter and a half, is what we are going to be focusing on. So we will exit FY '27 surely without all of these overhangs on us.

So let me close with where I had started. This quarter, the standalone revenue and profits have more than doubled, year-on-year, and with the margin expanded. You have signed 5 new clients, including a six-product platform win with one of the largest digital banks in the GCC. Our collections have improved very highly from 149 days in the past to 80 days right now. The pipeline closed is higher than it opened even after converting $15 million. That is important. And the structural work on the amalgamation, the PSB Xchange, that is moving forward on schedule. So that is what I leave you with, that whenever you think banking transformation, think Veefin. So the annexure that we have here, it carries our statutory financial statements, the capitalization and amortization policies are there for you to reference.

With that, let us open the floor, Purvangi, and I am ready to take questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Vikas Goel. Please go ahead.

Vikas Goel: Am I audible?

Raja Debnath: Yes, sir. Go ahead.

Vikas Goel: Mr. Raja, just one or two questions from my side. I see that you raised the debts at almost 15%-16% rate of interest, whereas the equity yields are around 3% or something. So you could have increased equity itself rather than taking the debts at such a high cost?

Raja Debnath: Sure. I will take a question at a time, Vikas, so that I don't forget the questions. And this is a very important question. Thanks for asking this because I think this is a question with a lot of investors' mind. So you are absolutely right that debt is not the cheaper instrument on a simple mathematical comparison. Absolutely correct. But there are 3 reasons why we did this. The first is an equity raise has its own process. It has got a market timing and there is a permanent dilution which happens with equity raise. With debt, I have debt. When it is available, I can retire the debt. That is the reason why we picked it up. What it means is we have visibility today in terms of what our cash flows will look like based on our pipelines, based on the signings that we have, based on the revenue that we are already getting. So we are very comfortable that our cash flows, we will be able to take care of it. But we did not want to carry the debt indefinitely. If I would have issued shares, you are right that it would have been cheaper to get equity. But if I were to do that, then the upside which was going to come 2 years hence, I would then have to share it with those investors also. But the current investors who are there, according to us, they are better off with this debt because we can retire this debt over the next couple of years. And that is the plan. Our plan is to retire this debt over a period of time. And other thing what you would have seen is that to get this debt, the promoters have pledged their shares. So the existing shareholders have not needed to go through any dilution. We have taken the risk of pledging our shares because we believe in what we are doing. And based on that, we have allowed, we have taken the decision of going in for a debt, though short term it looks more expensive. But in the medium term, it is better for all of us where the price in the market right now is not right. And I would not want to raise equity at this kind of pricing right now.

Vikas Goel: As I remember your last investor presentation, you said most of the CAPEX cycle is over. And we are into a lazy period now. That is what the word I use.

Raja Debnath: Correct.

Vikas Goel: So what is the need for raising this Rs. 50 crores debt? Because I don't see that much of the CAPEX happening in future?

Raja Debnath: I will explain that. Our business is chunky. So though our DSOs have come down, we continue doing two things. There is a continued investment which is happening on the product side, yes, but our revenues are chunky. So this is meant for tiding over the cash flow gaps or working capital gaps that we have. So this money is for that. The money is not meant for putting into a business or CAPEX cycle from which we can't get out of. So you are absolutely right. Our CAPEX cycle this year is much lower than last year. However, we still require these working capital funds because what I will end the year at versus what my quarter 1 is, is not same. But when I am doing my investments, when I am doing my spends they are nearly constant throughout the year. So my spends are constant, but my revenues are not constant. So I require this debt capital to come in to bridge that gap for the year.

Vikas Goel: And then another question, where does the Veefin win against the incumbents and where do you lose?

Raja Debnath: Veefin wins against incumbents when it comes to tech. So our clients, our prospective clients, they love our tech architecture. They love the fact that they are able to get all of these things on one single architecture. They love the fact that tomorrow when they want to do a change or add, replace any of their existing products, they can do so far easier with Veefin. So that is where we win. But where we would, I would not say lose, but where we would fall short is when we are up against incumbents who have a 30-40 year history with clients having done this multiple times, we will fall short there. So that is where we bank on our supply chain lineage. That is where we bank on the fact that we have enterprise clients over the last so many years who we have serviced. Again, the supply chain is a transaction banking product. The fact that we are able to take care of complex transaction banking products for our large banking clients should give them comfort and I say should give them comfort. So that is where we are slightly weaker than our competition, pedigree, pedigree of 40 years. We don't have that.

Vikas Goel: The last question. Just you said the PSB Xchange, we have Rs. 26,000 crores things and where the approval is only for Rs. 5,800 crore. Only 22%. How do you explain that? Why does this happen?

Raja Debnath: Banking. So that is, as I said, we are a bridge. Our job is to see that credit requests and credit providers should be able to talk through a common language, a common platform. This was never there. We have been able to bring that into play. But we can't influence a bank in the speed at which they will operate. The banks continue operating at the speed that they were operating even without this platform. And that is the reason why India has such a large credit gap. So we as a platform will never be able to take out the credit gap. But what we are taking care of is the ability of all of this request to be able to be surfaced out to the provider that itself was not there in the past. That is what we are doing. So what will happen and the way you should look at this is, today we have, as I said, 3 banks already live, 7 under integration. And I had said last time also, the day we have 10-12 banks integrated on the platform that is the inflection point. So the point in time when we have this on the platform is when there will be a race between the banks on who can do things faster. Today, there is no race. Today, there is no race for between the banks because there are 3 banks which are integrated. Once you have 10 banks integrated, the race will start. We ourselves are learning in terms of how we need to engage with the banks. And this is one thing that we have learned that banks need to have a sense of competition amongst them even for good quality deals. And we are talking of AAA corporates here for which also the banks take time. And this is the reality of the banking industry.

Vikas Goel: Thank you very much.

Raja Debnath: Thank you.

Moderator: Thank you. Next question is from the line of Aryan Gupta, Individual Investor. Please go ahead. Aryan Gupta, kindly unmute your microphone and proceed with your question. Due to no response, we move on to the next participant. Next question is from Kenil Modi from Nuvama Wealth. Please go ahead.

Kenil Modi: Yes, hi. Am I audible?

Raja Debnath: Yes, go ahead.

Kenil Modi: Yes. Congratulations on a good set of numbers. Just a couple of questions from my side. The services business sit around at 20% of EBITDA margins. How do we see them evolving over the next 3-5 years based on the acquisitions that we have done?

Raja Debnath: So they will remain similar. So we don't see a material difference in the EBITDA margins out there. So we should, from a modeling perspective, track that itself.

Kenil Modi: And yes, just a question around the debt. Which subsidiaries carry the Rs. 60 crores debt? And whether the standalone business has provided any guarantees for it?

Raja Debnath: So Rs. 60 crores are between our other subsidiaries, which are your Infini, Nityo, those subsidiaries. And the details of that are there in the consolidated statement. So we actually put that down out there. And yes, what was the second question in terms of guarantees you asked me? Correct?

Kenil Modi: Yes.

Raja Debnath: Yes, we have guarantees. So Veefin has provided guarantees for this debt.

Kenil Modi: Yes, thank you. That is it from my side.

Moderator: Thank you. Next question is from the line of Aryan Gupta, Individual Investor. Please go ahead.

Aryan Gupta: Hello, am I audible?

Moderator: Yes, go ahead.

Aryan Gupta: Yes. Thank you for the opportunity. I had two questions. One of them is, what triggers the invocation beside the payment defaults?

Raja Debnath: See, I think what you are asking about is regarding our pledge. Now, you have to understand that the pledge that has happened in this share, thanks for this question. The pledge that has happened, there is no price link. Many people, because I have received questions since morning. There is no price link to the invocation trigger, the share that we have pledged. They are not linked to any price movement. So therefore, it is static in nature from that point of view. There are only two financial tests, which are there. There are two covenants. One is on EBITDA, which has a ceiling of 3x and on DSCR with a floor of 1.25. And we are comfortable on both of them by a big margin. So there is no trigger as such.

Aryan Gupta: The second question is, in the amalgamation stage, we are at the fifth stage of the seventh. So what happens to the pledge trajectory if the NCLT slips?

Raja Debnath: NCLT, we don't see. So first point, we don't see any reason for NCLT slipping right now because we are at the final stage. As I said, the Chairman's report has also been submitted. Everything is clear. We just require some statutory NOCs, which are again, like it is a matter of fact, a matter of process, which will happen. We don't see any issue in terms of that. But if it happens and it gets delayed by a few months, so it gets delayed. That is not in our control.

Aryan Gupta: Thank you.

Moderator: Thank you very much. Next question is from the line of Rahul Malpani, Individual Investor. Please go ahead.

Rahul Malpani: Hi. Am I audible?

Moderator: Yes.

Rahul Malpani: So I have a couple of questions. So first is pipeline moved from Rs. 79.62-Rs. 80.13. Essentially, the same is flat. Is the demand stalling?

Raja Debnath: No. The fact that see, the pipeline that you have been seeing, that pipeline has been built over a long period of time. That pipeline was not built in one quarter, one year. It is not that we started last year with a zero pipeline. We always had a pipeline. I think the good thing is that we removed from the pipeline, not removed, we converted 15 million out of the pipeline, but we are able to replenish it by 20 million. That is a way. So the fact that we have been able to replenish by 20 million is a very good number. Ideally, that number should have come down slightly because we converted a very large chunk of the pipeline in one quarter. So I think we are very good. It is a growing pipeline, a pipeline built over such a long period of time. We have been able to replenish 25% of that in one quarter itself. That is a brilliant number.

Rahul Malpani: Got it. So another question is three of 32 lenders integrations are live and you mentioned that 22 have not started. What is holding the rest up?

Raja Debnath: I think it is a fair observation. It is a fair observation that others have not started. But this is not a quarter-on-quarter progress, which we see. The 22 which have yet to start because there is a bandwidth issue that we have in terms of how many lenders we can take at one point in time. On the lender side, they have multiple projects which are going on. We need to get a priority within that as to when they will pick up. So many lenders, even after they have signed the agreement, they are saying that, okay, we will wait for 6 months because we don't have any bandwidth in our, what do you say, in their IT pipeline because they have an IT team inside there, there also. So they don't have the bandwidth to pick up the integration. That is the reason why we are waiting. This is on the private sector and the NBFCs. On the PSU banks, PSU banks are usually a little slower for varied reasons because they are much larger in size. They have different challenges. Their systems may be legacy for more often than not. So because of that, these things take a little time. So I think we as all of us have to understand that PSUs will take time and that is the reason why when we say that there are 7 integrations under progress right now, 50% of those are non-PSUs because we are also now working to try to get non-PSU lenders ahead of the curve of the PSU lenders.

Rahul Malpani: That is from my side.

Moderator: Thank you. Ladies and gentlemen, we take the last question from the line of Anil Nahata from Parami Financials. Please go ahead.

Anil Nahata: Yes. Hi, Raja. Can you hear me please?

Raja Debnath: Yes, sir. Go ahead.

Anil Nahata: Yes. So Raja, first of all, I believe the pipeline work that you have done on the deal pipeline is fabulous. Being able to convert nearly 20% of your pipeline in a single quarter, I mean, it is very good metrics on a sales perspective. One question around that, when you report a 15 million kind of a conversion or 80 million kind of pipeline, are you reporting a yearly deal size or a 5-year kind of a deal size that you are talking about here?

Raja Debnath: Five years. All are 5 years. So our pipeline is also 5 years, deal size is also 5 years. Because if you remember that slide which I showed, that their implementation fees are there, then post go-live, your license fees and your AMC keep trickling in. So all of these fees for a period of the contract, which is usually 5 years, is what we talk in terms of a pipeline.

Anil Nahata: Great. So that is fine. The second point I had was that in the last quarter, that was the Q4, you had shown a management view, where you had put the numbers of the Veefin plus the Estorifi and the TREDX. And given what will be the post-amalgamation kind of view, I think this quarter, the slide got missed out. And we did not have the management view from you. So if you have the numbers handy, I would request if you can share that. If not, if you can issue an addendum with the management view, that will be nice?

Raja Debnath: So on that, what we are seeing is on the bridge, we did not book any revenues on the **TREDX** platform, the trade and the cash, because though we have signed deals, though we are implementing them, the payment milestones are in this quarter. So when we show the half yearly numbers, that is where you will be able to see a far better revenue bridge out there.

Anil Nahata: So then you, and by the time, maybe if the amalgamation is done, it will swap automatically in the standard on itself?

Raja Debnath: Yes, it will automatically swap.

Anil Nahata: So fair enough. The third question that I have is basically, while I understand your reasons for raising debt in terms of flexibility and other things, but the debts came at a very high rate, around 14%-15%, whatever. I mean, you guys are technology suppliers in trade finance and everything. There could have been better options than NCDs at 15%?

Raja Debnath: These are short term. So one is 2 years, one is 3 years. And we will, as I said, our commitment is to retire bulk of that before time. We needed to do the debt right now because we did not want to raise equity at the kind of pricing which was available right now. But we needed the debt, we need capital. If you need capital, debt was the only option. And debt is not debt versus equity because this kind of question we got the last two times also that why are you raising capital through equity? Why are you not raising debt? So that is what started us thinking and it was you investors who asked us to do that. I had said, based on where we stand in our growth trajectory, we are not sure whether we will be able to get debt. But then we went out in the market, searched for debt, and we got this debt. If I am able to pay this off in 2 years' time, you investors in 2 years' time will say that great job done because you did not dilute us, but you used the debt from outside, paid off as tax efficient also. You paid off the debt and we still have the equity left with us when the numbers actually start showing better 2 years down the line.

Moderator: Thank you. Anil Nahata, we will request you to please email your follow-up questions to the company. We will take one last question from the line of Uday Chandak, an Individual Investor. Please go ahead.

Uday Chandak: Hello. Sir, am I audible?

Moderator: Uday, your voice is breaking. Uday, can you hear us? Due to no response, ladies and gentlemen, I now hand the conference over to Ms. Purvangi Jain for closing comments.

Purvangi Jain: Thank you, everyone, for joining us for today's call. Thank you, management, for participating in today's earnings call. Thank you.

Raja Debnath: Thank you, everyone.

Moderator: Thank you very much. On behalf of Valorem Advisors, that concludes today's session. Thank you for your participation. You may click on the exit meeting and disconnect. Thank you.