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Date: April 17, 2026

**To,
The Manager - Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051,
Maharashtra, India**

SCRIP SYMBOL: INFOLLION, ISIN: INE0NNZ01013

Subject: Submission of Management Commentary for Financial Results – FY 2025–26

Respected Sir/Madam,

Please find enclosed herewith the Management Commentary on the financial results of the Company for the financial year ended March 31, 2026.

The Management Commentary provides an overview of the Company's operational and financial performance and key developments.

The same is also being uploaded on the Company's website at <https://investors.infollion.com/investor-presentation>.

Thanking you,

For Infollion Research Services Limited

**Megha Rastogi
Company Secretary and Compliance Officer
M. No. 39197**



Earnings Call Commentary

FY 2025-26 | Full Year Results

Audited Financial Results
Year Ended 31 March 2026

KEY NUMBERS

Revenue: ₹ 102.99 Cr
▲ 30% YoY

EBITDA: ₹ 14.73 Cr
▲ 1% YoY

PAT: ₹ 12.72 Cr
▲ 2% YoY

Business Performance & Growth

Overview of FY 2025-26 operational highlights

Q1 How was the overall business performance in H2 FY 2025-26?

The core India business continued to deliver steady growth, although some softness was observed in the second half of the year. Notably, all three new business verticals — Huksa (L&D), US Operations, and MENA — each achieved their first ₹ 1 Crore in annual revenue, a significant milestone.

A meaningful number of new client logos were added across all verticals during the year. On the inorganic front, the Company actively evaluated multiple M&A opportunities and is moving closer to deployment. International expansion continued at a steady pace, with more than one-third of the business now being served through experts based outside India.

Q2 The annual growth was strong at 30%, but H2 revenue declined sequentially from H1. Is this seasonal or a broader trend?

Historically, the second half of the year tends to track closely with the first half due to fewer working days, offset by an increase in per-day revenue as the year progresses. This year, the quarterly average of per-day revenue remained broadly stable.

The strong H1 performance in the prior year (FY 2024-25) was partly driven by significant gains from the India-to-US business, where the base was very low. In FY 2025-26, with a higher base, growth in this segment normalised to long-term trends, making the year-on-year comparison for H2 less favourable.

Additionally, while the Company started the year on a strong note, client growth softened in the second half — particularly in Q4 — and volumes dropped by approximately 20-25% in the final month compared to the average of the earlier months of FY 2025-26.

Margins & Profitability

Understanding the margin trajectory and cost dynamics

Q3 Why have gross margins declined from 44% to 41% this year?

The gross margin compression of approximately 3 percentage points translates to about ₹ 3 Crore in absolute terms. This was driven by a combination of factors:

- Client development calls extended to new international clients as part of the go-to-market strategy to make inroads into newer teams.
- Promise to waive off fees on the last few calls at the conclusion of large projects to strengthen client stickiness in competitive multi-vendor environment.

Q4 Revenue grew 30% but EBITDA margin declined from ~18.4% to ~14.3%. Is this structural or temporary?

The Company is aggressively adding headcount to support new business verticals and geographies. Travel and business development expenditure has also increased significantly over the past year — driven by the Huksa team build-out, the dedicated sales function, and extensive travel to the US and MENA markets.

The net margin is likely to remain the same as long as the Company is in the current expansion phase. Gross margin in India business is a separate track and can be changed tactically.

The management views this as a strategic investment in long-term growth rather than a structural decline in profitability.

Q5 What are the plans to improve gross margins in the upcoming years?

Structurally, the Company believes it is best positioned to compete on price while remaining profitable. During FY 2025-26, the Company was able to absorb over ₹ 2 Crore in incremental employee costs across new geographies, new business units, and the technology team — none of whom were directly contributing to the core business — while still maintaining healthy overall growth.

The near-term priority is to consolidate market position and achieve dominance before pivoting toward margin optimisation. The Company acknowledges that some operational flab has accumulated during the rapid expansion phase and intends to address this in due course.

Expenses & Cost Structure

Detailed breakdown of cost movements during the year

Q6 There is a 49% jump in other expenses. What are the key components, and are these recurring?

The increase in other expenses was primarily driven by:

- Research subscription costs for newer markets, which rose from ₹ 33 Lakh in FY 2024-25 to ₹ 80 Lakh in FY 2025-26. These subscriptions are currently less efficient due to lower volumes in new geographies but are expected to yield better unit economics as volumes scale in subsequent years.
- A one-time ROC fee paid towards the increase in authorised capital.

The combined impact of these two items was approximately ₹ 76 Lakh. The research subscriptions are recurring in nature, while the ROC fee is a one-time expense.

Q7 Employee costs grew 25%. How many employees were added and what is the current headcount?

The Company added 71 employees on a net basis during FY 2025-26, bringing the total headcount to 271. The majority of new hires were deployed across newer teams in functional areas and new geographies — including the US, MENA, Huksa, and the technology platform team.

Q8 What adjustments were made in the books with respect to prior period items in H1?

During H1, the Company revised its accounting policy for expert payments and capitalisation of salaries of the technology development team. This resulted in a one-time adjustment comprising:

- An increase in cost of experts by ₹ 86.55 Lakh.
- Capitalisation of technology team salaries of ₹ 141.37 Lakh.

The net positive impact was ₹ 54.82 Lakh, recorded as an addition to income. This was a one-time correction for omissions in prior financial years and does not require reversal. The annualised impact remains consistent with the H1 adjustment.

Cash Flow & Balance Sheet

Strength of the financial position and capital allocation

Q9 Operating cash flows of ₹ 10.51 Crore were strong. What are the main factors behind this?

The Company has always maintained healthy cash flows and a strong earnings-to-cash-flow conversion ratio. This is likely to remain the same as long as the Company operates within its current business dynamics.

Q10 The reduction in DSO from 83 to 67 days is notable. Is this the new baseline, or could it revert to 80+ days?

The elevated DSO of over 80 days in the prior year was largely driven by a significant concentration of revenue in Q4 of FY 2024-25. In contrast, revenue concentration in March 2026 was not as pronounced as in March 2025, which contributed to the improved DSO. Historically, the Company's DSO has remained in the 70-day range. While the Company aims to maintain a healthy receivables ageing profile, DSO can be influenced by external factors such as client payment cycles and revenue seasonality.

Q11 What are the plans for the ₹ 43 Crore cash lying on the books?

The Company has filed its M&A policy and is actively exploring acquisition opportunities. Management has evaluated 2-3 potential targets and expects to share related developments if any opportunity materialises. The cash reserve positions the Company well to act swiftly on the right inorganic opportunity.

Q12 What does the ₹ 289 Lakh 'Software Under Development' represent, and when does it go live?

This represents the capitalisation of salary expenses of the technology team working on the Company's proprietary technology platform. While the core development work is substantially complete — with the platform already being tested and used by clients — additional features are being built out, particularly on the AI and compliance fronts. The asset will be moved to the maintenance phase once the Company is satisfied with the feature set and platform stability.

Q13 Long-term loans and advances jumped from ₹ 98 to ₹ 241 Lakh. What does this represent?

This increase is entirely attributable to TDS refunds recoverable from the Income Tax Department.

Q14 Why has the deferred tax expense been reversed in H2?

The reversal relates to deferred tax liabilities arising from the valuation of investments in liquid mutual funds. These investments are taxed as Long-Term Capital Gains (LTCG) at a lower rate. The adjustment was made because these were previously accounted for at normal tax rates, and the correction aligns the treatment with the applicable LTCG rate.

Shareholder Returns & ESOPs

Capital return policy and employee incentive alignment

Q15 What is the Company's dividend policy? Are there any plans for a dividend or buyback given the strong cash position?

The Company is excited about new growth opportunities in its core and allied domains and intends to accelerate investment at an appropriate time. The Company currently has no plans to pay dividends or undertake a buyback.

Q16 What is the total ESOP pool and expected dilution impact going forward?

The Company has shareholder approval to issue up to 2,50,000 shares under its ESOP scheme. Of this, 15,855 shares have been issued over the past two years. The Company strongly believes in long-term incentive alignment for its team and intends to continue this policy.

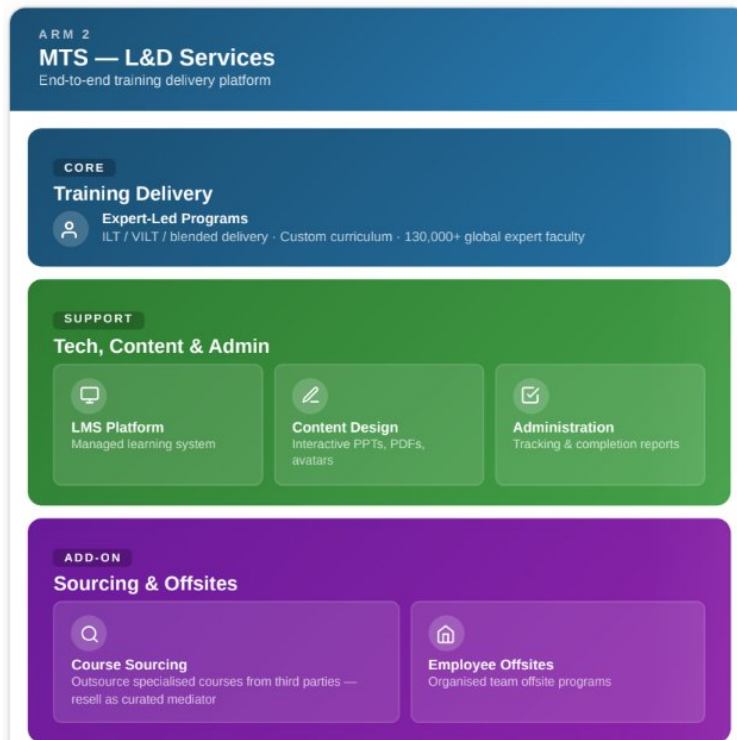
Strategic Initiatives

New verticals, international expansion, and AI strategy

Q17 What is the update on Huksa (L&D vertical)? What is the current revenue and growth outlook?

Huksa, the Company’s Learning & Development vertical, has made significant strides during the year:

- Added 40 new client logos, with paying clients now spread across 20 sectors.
- Delivered over 100 L&D projects during the year, including expert-led trainings, e-learning content curation, leadership and CXO programmes, assessments, and instructional design.
- Achieved its first ₹ 1+ Crore in annual revenue.
- Huksa is now evolving into a full-stack L&D services company under a Managed Training Services (MTS) model, following a 1+3+2 engagement framework.



Q18 What is the update on US expansion? Are you getting revenue from the US?

The Company continues to make steady progress in building its North America business. The team maintains a structured on-ground presence of approximately one month per quarter to maximise client touchpoints. The initial market response to Infollion’s differentiated offerings — including its expert network, research capabilities, value-chain mapping, and competitive pricing — has been encouraging.

Several clients have been onboarded, while multiple RFP responses are currently under evaluation. In parallel, the Company is leveraging relationships with US offices of global consulting firms to service near-term requirements.

The North American expert pool now constitutes approximately 15% of the total expert base, with strong representation across TMT, Healthcare & Life Sciences, and Financial Services.

In FY 2025-26, the Company crossed ₹ 1 Crore in revenue from US clients and expects this to scale meaningfully in the current financial year through deeper engagement with existing clients and new client additions.

While the Company continues to evaluate opportunities in other geographies including the Middle East, Europe, and ASEAN, the primary strategic focus remains on scaling North America.

Q19

How do you see the Expert Network industry evolving in the era of AI?

The Company views AI as presenting both threats and opportunities:

- Threat: AI-powered tools are increasingly replacing the collated research and syndicated reports market. However, this overlaps more with secondary research than with Infollion's core offering, which provides primary, experiential insights that have never been documented.
- Opportunity 1 — Bot-Moderated Calls: AI-driven bot-moderated expert calls have the potential to significantly expand the addressable market size. Infollion is one of the first expert networks to offer open APIs and 72-hour open calendars, and has been operating this model for over a year, with additional clients now experimenting with it.
- Opportunity 2 — AI-in-Action (AI-IA): The Company is building a library of case studies and anecdotes from experts who have implemented AI projects, to be offered as micro-courses or modules within larger training programmes.
- Opportunity 3 — AI Workshops: The Company has also received a positive response for domain-specific Generative AI and Agentic AI workshops, which are being executed through Huksa.

Disclaimer

This document has been prepared by Infollion Research Services Limited for informational purposes only and is intended for the Company's stakeholders. The information contained herein is based on the Audited Financial Results for the year ended 31 March 2026, as approved by the Board of Directors on 16 April 2026. Certain statements in this document may constitute forward-looking statements, which involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied. The Company does not undertake any obligation to update forward-looking statements. This document does not constitute an offer, invitation, or recommendation to purchase or sell any securities.