BSE Limited

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Dalal Street, Mumbai-400 001.

Scrip Code: 543398

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,

Bandra Kurla Complex Bandra East,

Mumbai 400 051

Scrip Symbol: LATENTVIEW

Dear Sir/Madam,

Sub: Transcript of Analyst Call held on March 28, 2024

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Analyst Call held on March 28, 2024, post announcement of Board approval for Acquisition of Decision Point Private Limited

The transcript is also uploaded on the Company's website at https://www.latentview.com/investor-relations/financial-results-reports/

This is for your information and records.

Yours Sincerely,

Thanking you,
For **Latent View Analytics Limited**

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P. Srinivasan
Company Secretary and Compliance Officer

"Latent View Analytics Limited -
Decision Point Private Limited Acquisition
Conference Call"

March 28, 2024

MANAGEMENT:	**MR. RAJAN SETHURAMAN – CHIEF EXECUTIVE OFFICER**
	MR. RAJAN VENKATESAN – CHIEF FINANCIAL OFFICER
MODERATOR:	**MS. ASHA GUPTA – E&Y LLP, INVESTOR RELATIONS**

Moderator:	Ladies and gentlemen, good day and welcome to Latent View Analytics Limited's discussion on acquisition of Decision Point Private Limited. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. And now I hand the conference over to Ms. Asha Gupta Investor Relations, E&Y LLP. Thank you and over to you, ma'am.
Asha Gupta:	Thank you, Neerav. Good evening to all participants and thank you for joining us in this call. This call is to discuss Latent View Analytics signing a definitive agreement to acquire Decision Point Private Limited. The press releases have already been mailed to you and you all can also view it on the website www.latentview.com. It is also uploaded on stock exchanges. We would recommend to stick to the questions only related to the acquisition, that is a request and this is a 30-minute call, hence request to all the participants to restrict your questions to two per person, so that management can address most of the questions.
	To take us through the call today and to answer your questions, we have the CEO of the company, Rajan Sethuraman, whom we will be referring to as Rajan, and we also have the CFO of the company, Rajan Venkatesan, whom we will be referring to as Raj, to avoid confusion while doing the transcript. Rajan will start the call and he will be going through the update of the transaction, followed by Raj, who will share the financial details, and then we will open the floor for Q&A session.
	As usual, I would like to remind you that anything that is said on this call that reflects any outlook for the future or which can be construed as forward-looking statements must be viewed in conjunction with the risks and uncertainties that we face. These risks and uncertainties are included, but not limited to what we have mentioned in the prospectus filed with SEBI and subsequent annual report that you can find on our website.
	Having said that, I will now hand over the floor to Rajan. Over to you, Rajan.
Rajan Sethuraman:	Thank you, Asha, and thank you all for joining this investor briefing call related to our transaction. It gives me great pleasure to have this conversation with you all because in some sense it's been a culmination of nine quarters of effort, ever since we did our IPO in November 2021. You would all recall that we had actually set aside a certain quantum of funds that were raised through the IPO for inorganic growth opportunities. Since this is our first acquisition, we have been patient and diligent in progressing this, but we are extremely happy and thrilled to report that we have been able to identify, have conversations, and get aligned with Decision Point, the news about which has been shared with you all today.
	Decision Point is particularly interesting for us because they bring phenomenal capabilities in a few areas, top of them being revenue growth management in the CPG space, and secondly, they have been also building a very strong Gen-AI-based solution that makes the job of consumption of analytics and insight very easy for CPG customers. CPG consumer retail is an important area of focus for LatentView Analytics as well, and it is one sector where we are doubling down on the investments that we are making and where we believe that there is significant growth potential. This acquisition of

Decision Point actually adds a lot more expertise and capability, in addition to solutions and IP for us to continue that trajectory in terms of growth that we are anticipating in the CPG space.

One very important point here is that in addition to the financial and legal and other due diligence that we have done as part of this transaction, we are also extremely happy that there is a great deal of alignment in terms of culture, people, capabilities, and values and I believe that that is extremely important in realizing synergy benefits both on the business side, as well as in terms of how we can run a more efficient business.

We believe that the capabilities that both parties bring to the table are complementary and we will be able to enhance our prospects in the target market side that we are looking at. Decision Point already has a presence in Latin America in addition to a growing presence in the US and Europe. The investments that we have made in recent times on the go to market side in the US and Europe are going to be a fairly important aspect of how we'll be able to take the solutions from Decision Point around revenue growth management, as well as conversational analytics into those markets as well. Likewise, our capabilities in the area of supply chain, in the area of R&D and innovation are also exciting prospects for Decision Point's existing customers, and we will be taking this joint bouquet of solutions across these areas for new customers in the CPG space as well.

So overall, we are very excited by what we can accomplish in the next two, three years. We expect that our CPG business will be even stronger and grow faster on the back of this acquisition, and it will contribute a significant percentage of revenue in a three-year timeframe.

With that, I will hand it over to Raj to touch upon some of the financial aspects.

Rajan Venkatesan: Thank you, Rajan. Good evening to one and all. It's in fact, like Rajan mentioned, it's a great pleasure for us to be on this call today because I think in some sense after our IPO, this would happen to be the next biggest announcement or sort of event in the company's history.

So like Rajan mentioned, there was a certain amount of money that was raised as capital, which was earmarked towards inorganic expansion. And while it's taken us a good portion of nine odd quarters for us to get to this point, one of the aspects that we've been very keen on is not acquire a company just for the purpose of buying revenue or scaling, but it has to make strategic sense for us. And in that sense, Decision Point is a very strategic acquisition for us because one, they focus on the CPG vertical, which is a core focus vertical for us. Today, our CPG practice is close to about $5 million in revenue. We believe that with the addition of Decision Point, this business is poised to become the second largest vertical for LatentView after technology.

Secondly, in terms of the company's financial profile. Just in terms of the way they've grown over the last four years, if you look at their last four year track record, up until the year before, they follow a calendar year, up until CY'22, if you look at their CAGR for the last two plus years, they were growing in excess of 50% year on year.

The last year, which I think has been sluggish for most of the players in the technology, even in that year, they've grown at close to about 20% plus, which is pretty phenomenal. And that was one of the big highlights of the acquisition for us.

In terms of the revenue for CY23, Decision Point clocked close to about $12.8 million in revenue, with EBITDA margins close to about 30%.

In terms of their geography split, you will note that a lot of the growth that they clocked in CY20, CY21, and CY22 was on the back of the expansion that they were able to achieve in LATAM. But one of the, highlights for us is the US market for Decision Point in the last one year had grown from close to about $500K to about $3.5 million of the $12.8 million that we spoke about. So, the US market has grown exponentially for Decision Point, which, again, happens to be a focus market for us.

Rajan also spoke about Beagle, the product. That's, again, a very interesting solution and a capability for us, because we believe that it has use cases not just for the CPG industry. It's a product that can be positioned to several of our clients who are not in the CPG vertical as well.

So, all in all, I would say, from a strategic standpoint as well as from a financial standpoint, Decision Point is a great fit for LatentView. And we believe that there are significant synergies, especially on the go-to-market side, that can be unlocked as we move ahead. And we really hope that the first acquisition that we've done will be able to add, one, strategic value, and two, also help each other grow and make the sum of the parts much greater than what the individual values would be.

With that, I would like to hand it over to Moderator for Q&A.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from Vimal Gohil from Alchemy Capital Management. Please go ahead.

Vimal Gohil: Thanks for the opportunity and congratulations on a very good quality acquisition. So, my question is around the margins. You mentioned that this company is operating at about 30% margins or maybe more. But if I look at the revenue per employee, they are probably operating at about $35,000 a month. LatentView operates somewhere near $50,000 a month. So probably LatentView's gross margins are higher, but the acquisition that we've done, the gross margins seem to be a tad lower. So, the higher EBITDA margin is probably coming from the opex. Is that understanding, correct?

Rajan Venkatesan: Vimal, not really. I don't think that's an accurate description. While you're right on the revenue per employee being lower, you'd also have to appreciate the fact that we have a fairly large onsite presence where we have people sitting out of the US delivering work. And typically, the billing rates for folks in the US is probably two and a half, three times of what we are able to charge in India. So that for us, one fifth of the workforce that we have, or the billable people that we have sit out of the US.

But in the case of Decision Point, almost entirely, their entire workforce sits out of India. They have a few folks in LATAM and maybe a handful of people in the US who are in delivery roles. But 95% of their entire delivery team sits out of India, which is why you will see that their revenue per person is slightly lower.

Now coming to the gross margin profile of the business, I would say it's very comparable. If you were to look at the margins, just for the offshore business on a standalone basis without including the onsite business, we have very comparable margins, which are in excess of 60% plus. So very comparable gross margin profile.

The profitability, to your point, on the fact that, is it on account of lower opex, specifically S&M? Maybe some of that is partially true, but I would also like to highlight the fact that Decision Point has a fairly large investment that they've made in developing their product capability. So, there's a team that is exclusively dedicated to building out the product Beagle. And therefore, that's a cost that they have to absorb. So, I would say, net-net, the 30% EBITDA margin profile that we spoke about, one, obviously comes from the high gross margin that they're able to realize. And two, they also run a fairly tight shop at this point in time But it's also a question of the current base at which they are. As we go along, obviously, as we've also experienced, when we've grown, you have to make investments in sales and marketing, but their current margin profile is not because of low opex. So that statement of yours is probably not accurate.

Moderator: Thank you. Vimal, I'll request you to come back for a follow-up question. Next question is from the line of Hitesh from Steinberg, India. Please go ahead.

Hitesh: Thanks for the opportunity and congratulations on a good deal. My question is, if you look at their numbers, revenue more than doubled in FY23 and profits more than quadrupled. So just wanted to understand, was there any big order win or a one-off deal that happened that caused this? And how should we think of the current run-rate of the business?

Rajan Venkatesan: I think the result that we put out as part of the stock exchange disclosure specifically covers only the standalone results. So, what you will see is only the standalone results for the Decision Point entity in India, because they were a private limited company, and they didn't have a requirement to publish consolidated financials. But even net-net your assessment is right. Their revenue, like I mentioned, grew by 50% plus in FY23 compared to FY22. So, a lot of the profit jumping was obviously because of the operating leverage that they were able to realize, right, on the back of the higher revenue that they booked in FY23.

Moderator: Thank you. Hitesh, can we come back for a follow-up question? The next question is from the line of Karan Uppal from PhillipCapital. Please go ahead.

Karan Uppal: Thanks for the opportunity. Two questions from my side. Firstly, if you can speak about the revenue growth management capabilities, which Decision Point adds to the table, you seem to be quite excited about it. So, some color on that would be helpful. And second is, what's the client profile of this company? Do they have large Fortune 500 clients? And any common clients of LatentView and Decision Point?

Rajan Sethuraman: Hi, Karan, thanks for the question. You are right. We are really excited by the possibilities in the area of revenue growth management. In fact, I kind of alluded to it in my opening remarks. There are three areas that we are particularly excited about. One is the entire R&D and innovation space. And our smart innovation solution plays there. The second is supply chain management and related aspects of demand forecasting, on-shelf availability. And that is where our connected view probably plays well. The third area has been revenue growth management. In some sense, I would say that revenue growth management is top of mind for the Chief Commercial Officer, Chief Revenue Officer of CPG organizations today. And there's been a significant push even in the last couple of years on this topic. We believe that the RGM capabilities that Decision Point brings are really superlative. And they have been able to even displace larger consulting firms in terms of the quality of the work that they do.

Specifically, on what it entails, there are three, four areas that get a lot of attention. One of them is pricing. The second is promotion. The third is assortment. For example, there is a lot of opportunity to use data analytics to optimize on all these fronts. And that is what the role of revenue growth management is in terms of how do you make sure that you're getting the right kind of inventory of the right pack sizes in front of the customers at the right price points. And using the right promotion. So that's the play really. And there's a lot of action happening on the front. So that is what we see on the revenue growth management side.

On the customer list, very similar profile to what we have at LatentView Analytics. Decision Point has been working with large Fortune 500 companies. In fact, many of them are leaders in their space. We are not at liberty to share the names of the clients at this point in time. Maybe we will be able to do that later on. But I can give you confidence that they are all in the Fortune 100 list even. And very similar kind of profile to organizations that we work with.

Rajan Venkatesan: I think you had one more question on whether there's any client overlap. So, there is no client overlap between us and Decision Point at this point in time, except for maybe one client. All the clients are unique. And in that sense, in all the clients, there's absolutely no overlap at all.

Moderator: Thank you very much. Next question is from the line of Manan Poladia from MKP Securities. Please go ahead.

Manan Poladia: First of all, congratulations on your acquisition. I said that I'm very excited about this. Rajan, the last time we spoke on the Q3 Earnings Call, you'd mentioned in detail your three-pronged approach to generative AI. And specifically in the CPG segment that you checked. Now that you've acquired Decision Point, I'm assuming there must be some sort of strategy change with respect to how we want to approach generative AI. That's my first question.

Secondly, the last time we spoke, you said we have about $650,000 in a single deal win on generative AI from some specific strategic customer. Now with the acquisition of Decision Point, how does our generative AI mix as a percentage of revenue change?

Rajan Sethuraman: I mean, there is no major shift in strategy as far as Gen-AI is concerned. In fact, if you remember, I had mentioned those three things that you alluded to. First is that we will be building core Gen-AI products and solutions, like the laser that we have talked about, an AI pen pal, for example. The second was to embed Gen-AI wrappers into our existing solutions and value propositions. And the third was to use Gen-AI to drive internal productivity, which we could then potentially pass on to even the customers. This was a three-pronged strategy.

Decision Point's Beagle plays into the first piece of the strategy that I mentioned. Their Beagle product is very specific in terms of bringing domain knowledge and understanding in the CPG space, in particular, that allows B2B users of data analytics and decision makers to query their own internal data and the analytic analysis that they do and the insights that they generate, so that they can more effectively understand and apply them in their decision making. So that's what Beagle allows.

So, it's very complementary and related to our strategy, but it is a unique solution in the sense that there is so much of CPG domain expertise that's been baked into that space. So, in some sense, it's

very much aligned with our earlier strategy. Beagle already generates about a million dollars of revenue. So, with the addition of Beagle, our own Gen-AI quantum of revenue will go up. I mean, thanks for recalling the $600k plus project that we won, that I talked about. Since then, there have been more pieces of work as well that we have signed on.

In general, we see a fairly significant uptick as organizations are transitioning from just talking about applying Gen-AI capabilities to evolving very particular use cases. So, for example, very recently, we are signing up with one of the banks in Europe that will help them use Gen-AI for generating analyst reports. I know that a lot of you on this call are analysts, but the interesting part is that the bank is examining whether the analyst reports that they put out on the stocks that they monitor, the first version of that can be generated using Gen-AI. And that's what we are going to be helping them with.

Moderator:	Thank you. The next follow-up question is from the line of Vimal Gohil from Alchemy Capital. Please go ahead.
Vimal Gohil:	Thanks for the opportunity again. Rajan, if you could just highlight what are we doing to sort of retain the senior management there? Will they continue in the same roles? How do we sort of integrate the senior management there with us? Are there any ESOPs that we are going to offer? Or what's the plan there? Thanks.
Rajan Sethuraman:	Yes, the plan is to have the senior management team of Decision Point continue to run their business. But we are also planning, and we are going to be executing points of integration in several areas. So first off, Ravi Shankar, who is the founder and CEO of Decision Point, will come on board and he will become the overall lead for the combined CPG practice. And this is going to take effect immediately.
	In addition to that, we have identified one of our strongest delivery managers who used to head up our technology delivery to come in and take charge of the combined delivery of work that happens in the CPG space. In addition to that, there are other points of integration just on the business side in terms of the people we have at the front end from a go-to-market perspective, the client partners and the account managers. So, all of this will now become one CPG vertical for us right from day one. In addition to the structural changes and the roles and responsibility that it entails, we are also putting in mechanisms to ensure that this combined CPG practice attains a certain target by year three. So, there are earnouts that the Decision Point team will get based on how they perform at Decision Point, but there are also additional incentives that we are putting in place for the performance of the combined CPG practice. So, these are all things that we're going to be implementing from day one.
	Part of the consideration of this deal is also in relation to retention bonuses that will be paid to key personnel. So, we are putting in all of these mechanisms in place to make sure that one, we are able to operate as one combined team, and secondly, everybody is aligned on the same goals and targets.
Moderator:	Thank you. Next question is from the line of Arvind Chetty from Dymon Asia Capital. Please go ahead.
Arvind Chetty:	Hi Rajan! Thanks for taking the question and congrats on the good acquisition. Just wanted to clarify in terms of revenue, Decision Point is about $12.8 million in CY'23, right?
Rajan Venkatesan:	That is correct.

Arvind Chetty: Okay, because the press release that you've given indicates about INR80 crores of revenue?

Rajan Venkatesan: So, like I mentioned, the press release only gives out the standalone performance of the India entity. They are a private limited company. Because we have to give audited financials over there. And they operate in other markets, which are LATAM and the US today. And there is no requirement for us to do an audit in those geographies. And because of which the company at this point in time, when they continue to be a privately held company, they are not publishing consolidated financials. So, for the purpose of the stock exchange disclosure, what we've disclosed is the standalone figures. But the $12.8 million number that we put out in the investor presentation is actually the consolidated picture.

Moderator: Thank you. Next question is from the line of Satyam Aggrawal from Yashwi Securities. Please go ahead.

Satyam Aggrawal: I just wanted to confirm, when will we be able to see the consolidated number of both entities?

Rajan Venkatesan: So as is customary in a transaction like this, we expect that there are, of course, a few condition precedents. So, while we signed the definitive agreements today, there are a few conditions that need to get closed out before we can formally pay out the consideration. And from that point in time, we will be able to consolidate the financial results of Decision Point. We expect that this process could take anywhere between 30 to 60 days. Based on the list of activities that need to get completed. So, our expectation at this point in time is somewhere in the middle of Q1, we will be able to complete all the closing formalities. And end of Q1, you may not get a full quarter view of the current. But Q2 onwards, you'll be able to see financial results for LatentView as well as Decision Point.

Moderator: Thank you. Next follow-up question is from the line of Vimal Gohil from Alchemy Capital. Please go ahead.

Vimal Gohil: Thanks again. Rajan, if you just highlight, how does this acquisition change our aspiration of increasing our consulting mix? Does it really change that or there is no change out there because of this acquisition? And you also mentioned the product capabilities for Decision Point. Would you be able to give us a split between product and services for the acquisition?

Rajan Sethuraman: Yes, we can do that. I mean, so on the consulting capability, absolutely yes. RGM is one of those areas where you have a fairly significant amount of thinking and interaction with the senior most stakeholders on the commercial side in any organization. So that's something that we believe will add to our consulting inject capabilities in terms of just the play that we are making in that space.

If you look at the nature of the work, the Decision Point has been doing in the area of RGM, a lot of it is fairly consulting oriented just in terms of the fuzziness of the problem that you need to go after. And the kind of iterative problem solving that is called for. So therefore, we see this as an addition to our consulting capabilities.

Secondly, at this point in time, Beagle as a product is only about 5% to 7% of their revenues and the rest of it is all services revenue. But we are expecting that the Beagle product revenue will grow much faster in the coming years, and we are expecting that it could potentially reach somewhere between 10% to 15% over a two-year period.

Moderator: Thank you very much. Ladies and gentlemen, we'll take that as the last question. I will now hand the conference over to the management for closing comments.

Rajan Sethuraman: In closing, I would say that this has been a fairly intensive period of work for us over the last couple of years, ever since we did the IPO. As I mentioned earlier, we have been fairly careful in terms of evaluating opportunities that have been presented in front of us, not just in terms of data analytics maturity and expertise and solutions, but equally important from a culture integration standpoint. And we want to ensure that whoever we bring in, right, there is a great deal of alignment on that front as well.

I would say that with that Decision Point, we are very happy that we have been able to find alignment on all of those different areas. Of course, the hard work of getting the integration plan executed and many of the synergies being realized still remains ahead of us. But based on all of the interactions so far and the commitment, passion, interest displayed by both sides, I am very happy with the progress that we have made. And I believe that we have the right foundation in place to try to execute well on this. So obviously, we'll have more to share within the coming quarters as we're able to execute that plan. Thank you all for joining today and wish us well as we begin this new phase of our journey.

Moderator: Thank you very much. On behalf of Latent View Analytics Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines. Thank you.