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Refere: Pursuant to Regulation 30 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

We would like to inform that pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Transcript of Q3 FY25 Earnings Conference Call.

We request you to kindly take the information on records.

**For Vertoz Limited
(Formerly known as Vertoz Advertising Limited)**

**Zill Shah
Company Secretary & Compliance Officer
Membership No.: A51707
Place: Mumbai
Encl: A/a**





“Vertoz Q3 & 9M FY-25 Earnings Conference Call”

February 13, 2025



**MANAGEMENT: MR. HIRENKUMAR SHAH – PROMOTER & MANAGING
DIRECTOR, VERTOZ LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9-month FY25 Conference Call of Vertoz Limited.

If you require assistance during the conference call, please signal an operator by pressing ‘*’ followed by ‘0’ on your touchtone phone.

Please note that this conference call may contain forward-looking statements about the Company based on the beliefs, opinions, and expectations of the management as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

Joining us today from the management is Mr. Hirenkumar Shah—Promoter and Managing Director. We will commence the call with Mr. Hirenkumar Shah taking you through the operational and financial performance for the 3rd quarter and 9 months ended December 31st, 2024. Following this, we will open the forum for Q&A.

With that said, I now hand the conference over to Mr. Hirenkumar Shah—Promoter and Managing Director—for his opening remarks. Thank you, and over to you, sir.

Hirenkumar Shah: Thank you and good evening, everyone. I would like to extend a warm welcome to Vertoz’s Earnings Conference Call for the 3rd Quarter and 9-month ended Financial Year ‘25. Thank you all for taking the time to join us.

I am happy to share that our latest results reflect a remarkable quarter growth in key financials across all our businesses.

Before delivering our quarterly performance, I would like to provide a brief overview for the Company:

A significant growth has been observed and projected in both domestic and international markets. Vertoz is a new age tech leading AI-driven MadTech and CloudTech Company operating across domestic and international markets. Our two large segments of revenue are MadTech and CloudTech, which are further divided into B2B and P2P.

Performance highlights for the 3rd quarter ended December 31st, 2024:

Revenue for the quarter was 66.20 crores in Quarter 3 of the financial year ‘25 compared to 55.23 crores in Quarter 3 of the financial year ‘24, registering a growth of 19.86%. EBITDA stood at 8.28 crores in Quarter 3 Financial Year ‘25 as compared to 6.05 in Quarter 3 FY24, growing by 36.86%. PAT stood at 7.35 crores in Quarter 3 Financial Year ‘25 compared to 4.51 crores in Quarter 3 Financial Year ‘24, up by 62.97%.

Performance highlights for the 9 months ended December 31st, 2024:

Revenue for the 9 months was 190.02 crores in the 9-month financial year '25 compared to Rs. 126.80 crores in the 9-month financial year '24, registering a growth of 49.86%. EBITDA stood at 24.4 crores in the 9-month financial year '25 as compared to 16.57 crores in the 9-month financial year '24, growing by 45.08%. PAT stood at 19.64 crores in 9 months of Financial Year '25 compared to 13.18 crores in 9 months of Financial Year '24, up by 49.01%.

Operational highlights:

Contribution from MadTech and CloudTech is approximately 80% and 20%, respectively. 80% of business is international while 20% of business is domestic. Expanded our geographic footprint by opening a branch in Pune, expecting the Company's revenue to grow at 30% for Financial Year '25 and '26. Revenue of the Company has been growing at 27% and profit at 17% for the last 5 years. Successfully executed campaigns for top tier media agencies and corporates particularly in BFSI, Real estate, hospitality and travel sectors.

We are very confident that we will continue to do well on the organic growth front, expanding geographically and assuring all our investors that we are confident of achieving Rs. 250 crore revenues for the current year with a 10% PAT margin in FY25. Given the economic policies of the newly elected US administration and their "Make the Country Great" campaign, we anticipate increased spending and economic expansion, which aligns well with our business strategy. Both our business segments, MadTech and CloudTech, are directly influenced by economic growth in industries such as BFSI, travel and real estate, and financial services. And startup fundraising as the spending on brands, travel and financial products are the major contributors of growth drivers for our businesses.

Having said that India is coming up very well on this front as the number of new startups raising funds to build their brands across the segments, real estate on the other hand is also doing well besides travel has been very strong for the last five years. The allocation of advertising spends towards digital and programmatic advertising for awareness, lead generation and conversions are increasing in the overall pie of the advertising and growing at the expense of print and television. The adoption of DOOH and Connected TV (CTV) advertising is also rising rapidly. DOOH, Digital Out of Home advertising is also becoming the standard while CTV transforms how audiences consume content on OTT platforms. We are on our journey of reaching around Rs.100 crores in profit after tax in the next 3 financial years through both organic and inorganic growth. We will make the investments required for achieving this growth, and we have already recruited the right team for this journey. The AdTech market is globally growing at 13.7%, whereas the MadTech market is growing even faster at 19.8%. Besides, cloud computing is growing at 14.1%, whereas the domain industry is growing at 8%. The rates are better than any industry standard and give us enough headroom for our growth. The rising focus on personalized marketing and AI analytics, video ads, and interactive content on platforms like YouTube, Instagram, TikTok, and IMARC are driving our campaign growth, both domestically and in the international market.

Over to you, ma'am.

- Moderator:** Thank you very much. We will now begin the question-and-answer session. To ask a question, you may press '*' and '1' on the touchtone telephone. If you wish to remove yourself from the question queue, you may press '*' and '2.'. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have a first question from the line of Sanjeev Zarbade from DreamLadder Investment Advisors. Please go ahead.
- Sanjeev Zarbade:** Sir, my first question is regarding the outlook for margin expansion. Is there any scope you see for further expansion in the margin?
- Hirenkumar Shah:** Hello Sanjeev ji, nice talking to you. So, if you look at it overall, our current focus is to see how we are able to grab more market share. But definitely we have specific internal guidelines to not go for the EBITDA and PAT percentage. But at this point our major focus is to do, how do we expand ourselves heavily in the market, and we are investing a lot in our people, geographical expansions, and many other things. So, definitely the moment we start getting that gear for that particular thing because of the multiple products that we have, it will help us in adding more ARPU, and that is the reason why the overall margin will grow. But at this moment, if you look at our EBITDA ranging between 12% to 15% and PAT is what in internal guidelines we have, we should have between 8% to 12% range. And you can see in the last quarter we did roughly around 10%.
- Sanjeev Zarbade:** Okay, and what would be the growth strategy? in cloud business?
- Hirenkumar Shah:** So, the Cloud business, if you look at the worldwide, I mean, there are a lot of awareness and a lot of expectations that are happening from individual enterprises as well as the government side. Specifically, it's related to data, right? So that is the reason why there are a lot of requirements this cloud is going to happen. Obviously, AI is another push to that because AI also requires a huge amount of web infrastructure to execute the same thing. So, there is a lot of demand we are also expecting on that, and I feel that there's a great scope over here to achieve good growth. And if you look at the overall market, which is roughly \$2 trillion globally, like the market opportunity. Sorry, you're saying something.
- Sanjeev Zarbade:** Yes. The last question was regarding any other markets you see apart from the US market where you can kind of target growth.
- Hirenkumar Shah:** Correct. So currently, if you look at overall, India and the US are two major markets that we are focusing on. The third market we started with is the MENA region. Fourth is we already have started setting up an initial footprint in the UK market to cover the UK and Europe. And we did some setup in the HK to cater to the Southeast Asia market, and China market. But those are in the pipeline. Soon we will start to keep announcing that as soon as we are ready with the further expansion on those places.
- Sanjeev Zarbade:** Okay, that's it from my side, and thanks for answering questions.

- Hirenkumar Shah:** Thank you so much.
- Moderator:** Thank you. Ladies and gentlemen, to ask a question, please press '*' and '1' on your phone. We will take our next question from the line of Kashish, an individual investor. Please go ahead.
- Kashish:** Hi, good evening, sir.
- Hirenkumar Shah:** Good evening, Kashish.
- Kashish:** My question is, the Company valuation has highly worsened in the past few days, which is highly concerning for the individual investors. Despite the fact that we all know the market is going through a bad phase. But are we confident that things will improve in the coming days despite the change in the government regime from the US?
- Hirenkumar Shah:** I am sorry, can you repeat is there any?
- Moderator:** Kashish, can you use your handset mode, please, and repeat your question?
- Kashish:** Yes, sir. I was saying the valuations of the Company have worsened quite a bit in the last few days. So, which is highly concerning for the individual investors. Moreover, there is a change in the government regime for the US, which is our major contributor. As you said, 80% of revenues come from the US, right?
- Hirenkumar Shah:** Correct.
- Kashish:** So how do we see ourselves being positioned in the change in the regime of the government, and are we confident that things would improve in the coming days?
- Hirenkumar Shah:** Sure. So, first of all, I would like to clear here that over 80% of businesses are outside India, which is international business. This definitely includes US business significantly. But we are not only in the US, but our business is also spread across the globe, number one. Number two, if you look at the current US administration, which has changed, they have their country first, more focus on internal businesses more. If you look at our business model, it is more about advertising or providing a platform. So, we help each enterprise to grow further. So definitely this is going to help us to grow further instead of what we are seeing any negative on this part.
- Kashish:** What is the contribution from CloudTech and the MadTech business? Is the 50-50 contribution coming from both businesses?
- Hirenkumar Shah:** No. So, I just mentioned a few minutes back, it's around 70% to 80% on the MadTech side and 20% to 30% roughly on the CloudTech side.
- Kashish:** Okay, CloudTech is 20% to 30%. One last question: Are there any plans for the dividend payouts and the improvement in the book value of the Company? Because the book value is really low,

and then there is no dividend payout in the past few years in that. So, are we focusing on that part also in the interest of the individual investors?

Hirenkumar Shah: Perfect. Thank you so much for this question, and I really appreciate this. So basically, if you look at the Company has shown, if you look at the last 3 years of data, we have grown, and we have given roughly 80% to 90% growth year-on-year. So, our focus right now is to see whatever maximum money you can deploy and the reserve that you can deploy to grow the further Company. That is what our requirement is if you look at the market size. India itself is roughly a 50,000-crore market of digital media last year, and this year is going to be around 69,000 to 70,000 crores, and globally, it is roughly \$4 trillion MadTech and \$2 trillion CloudTech. So, I expect there's a lot of growth space available. At this point our focus is to grow further internally, whichever way we can grow. That is the reason we have not yet started. But yes, as soon as the board decides and anything comes up on that, we will definitely start working towards what your requirement is.

Kashish: The book value is really low, I mean that's really concerning. Is there any particular reason the book value has been kept so low for the shares for the equities?

Hirenkumar Shah: I didn't get you.

Kashish: The book value is on the lower side. I mean in the accountings of the book value of the Company has been kept on a very lower side. Is there any reason for which or it's just..?

Hirenkumar Shah: No as such there is no reason for that.

Kashish: There is no reason for that.

Hirenkumar Shah: No. If you still have any specific question I can have my IR team, get back to you on this.

Kashish: Right sir, thank you.

Hirenkumar Shah: Thank you so much.

Moderator: Ladies and gentlemen, to ask a question please press '*' and '1' on your phone. We will take our next question from the line of Harsh Vora from Dr Choksey Finserv Private Limited. Please go ahead.

Harsh Vora: Hi sir, good evening. So, I have a list of questions starting with the first if you could throw some light on the campaign performance metrics. If you can provide insights into the number of campaigns executed during the year and the key performance trends that you must have observed? Specifically with regards to the domestic business, the kind of agencies we are working with and the brands, etc.

Hirenkumar Shah: Sure. So, first of all, we have different businesses with different platforms under Vertoz. I hope you've seen those six major platforms, which we list on our websites as well, and we keep

working with various different brands, either it is a P2P model or a B2B model. P2P is a partner-to-partner and then further business, and B2B is directly to business. So, if I take the example of any mutual fund Company which is a customer of an agency and agencies are our customers. So now when we do business with an agency that is called a P2P business model, and then the P2B partner has maybe 10 mutual funds and maybe one mutual fund, one Bank, and another NBFC or anything as a customer, and they're serving that, and then they further give it to us. That is one model, and the second model is definitely a B2B, where we are directly working with those mutual funds and helping them to grow their brands globally. So, our business model is specifically designed in two of these things. Now when it comes to marquee customers, when you talk about the agencies in India, we work really closely with WPP Group, Dentsu Group, many other publishers, Madison, and all top agencies, where we keep working with them in a very close way, by executing their campaign as it comes to us. I hope I answered your question.

Moderator: Can you use your handset mode please? Please go ahead.

Harsh Vora: Yes. In the presentation I read there are about 2,000 plus campaigns delivered. If you can just quantify how much has been executed in this particular quarter?

Hirenkumar Shah: So, I do not have the right number in front of me in terms of how many exactly campaign had happened this quarter. But we are constantly keep getting more and more enquiries and we're constantly adding more and more sales team, which is getting a greater number of campaigns on a month-on-month and week-on-week basis. But I can definitely get back to you on how many campaigns we executed in this quarter.

Harsh Vora: The second question with regards to the acquisition strategy and progress, I mean, what is the estimated size of the planned acquisition and where do we currently stand in terms of progress for the acquisition?

Hirenkumar Shah: Okay, so you're talking about inorganic growth, right?

Harsh Vora: Yes sir.

Hirenkumar Shah: See, our internal team is working very closely with various different companies to identify good targets and we are very positive about few of the news which can come very soon. And as soon as it comes, we will definitely inform the exchange about our next move for that. But yes, we believe that there is a good opportunity in this space where consolidation can help to grow, and obviously that can complement each other to grow further fast.

Harsh Vora: Right. So, this is regarding the acquisition of a North American Company that you have mentioned in the presentation, just going through it right now. You're talking on that, right?

Hirenkumar Shah: Yes, we have a few North American companies as a part of a target list, and we are very closely working with them. And a few of the places we also got an LOI and we are just talking, working towards on how good they could fit with us. The moment we are able to do all due diligence, we will definitely announce at the exchange.

Harsh Vora: Right. So, and regarding your domain business, if you can just update about how it is going and what shape is it taking right now?

Hirenkumar Shah: So, in the domain business, we currently have around 2.2 million domains under our portfolio, and we are just helping and growing at roughly 8% to 10% CAGR in that particular domain side, if you look at the industry side as well, we are India's second largest domain registrar, you have GoDaddy as the number one. And, we are keeping that, as this business is growing and adding more and more customers from India as well as abroad.

Harsh Vora: All right, sir. And any other major competitors. I mean, how do you see the competitive landscape changing going forward?

Hirenkumar Shah: First of all, I would like to say here that India, or globally, the COVID was a blessing in disguise, which has helped everyone to grow further and faster on the digital side. So, I believe that there is a lot of requirements of companies like us, which can help us in growing and helping those enterprises to grow faster. See, basically if you look at companies like us, it enables the companies to grow. So, we are generally kind of partners with any of the companies. So, I believe that there is a lot of requirements of companies like us to come and serve the customers at the moment because the pie is constantly increasing, and this pie requires those companies to serve them. So, I believe these companies are not competition, but we are complementing each other. If you look at like last year, we had around 50,000 crores as India's market share as per the Dentsu's latest report. And then this year, this is around 69,000-70,000 crores. So, if you look at that, 19% CAGR growth is what even everyone is expecting on that side. So, I believe that instead of competition we have to see that as a complement to each other and grow further on that.

Harsh Vora: Right sir. So as of now in the market, you don't see anybody else giving the same services and offerings like your Company, right?

Hirenkumar Shah: There are companies which are operating like us and definitely we are complementing each other. I mean, from giant to small as well on both sides.

Harsh Vora: Right, sir. And any new product or service segments that you are going to enter in the future that are in talk right now or something like that?

Hirenkumar Shah: So, our R&D team and our internal product team is constantly evolving, and they're constantly working on developing new products. The moment the product is finalized, and we get the right GTM, or it is a go-to market strategy, we will definitely inform the exchange that we are ready with those products.

Harsh Vora: Right, sir. And the last question, if you can just throw some light on the AI and how are you going to integrate AI as a business in the business offerings?

Hirenkumar Shah: So basically, at Vertoz we are the early adapter of AI. We started using the AI and ML since long, till the time AI has become very popular, I mean word-of-mouth kind of thing recently by

various tools which has come, as an end user tool. But when it comes to the companies like us, we had such things in the past because we are constantly working on a huge data. So, for example like we have a few terabytes of log files getting created on a platform on a daily basis, and we have to keep analyzing those data by using various machine learning structures. We are constantly using it, and the more AI structure becomes easier and adaptable for users also; we're also implementing more better things on our front panel as well, where we can start having our users use AI in a better way. So, AI is constantly helping us, and I am sure that in the future, AI will help us grow further fast.

Harsh Vora: Right, sir. Just quickly one last question if you can just answer. How do you assess the business potential in US market following Trump's administration and is there any other geography that you are planning to enter?

Hirenkumar Shah: Yes Harsh, sorry, can you just repeat your last question?

Harsh Vora: This is the last question. So how do you see business potential in the US market following Trump's administration and what are the other geographies that are helping to expand?

Hirenkumar Shah: So, if you look at the Trump's, their election agenda, the campaign was 'make the country great'. Now whenever anybody, any country wants to have such agendas, obviously they help on creating a lot of opportunities for internal companies and enterprises to grow further. So whenever even they want to grow, they obviously would like to have such advertising as a major thing to do to broadcast themselves. So, I believe that these are like a positive point for us and definitely this can help us to get more and more business from the enterprises who are growing further fast in the US. Like US obviously, there is a lot of good opportunity in the MENA region and South-east Asia as well as Europe. So, all of these regions, I mean a few of these regions has few things very advanced places and at the same time a few of the places it's in the developing but good opportunity. So, we're constantly evolving. But definitely at this moment our major focus was India, US, MENA region, and other part of the world, but majority in these three regions. But slow and steadily we are growing and expanding. And as I said in one of the last questions, we already had done a setup in UK so that we can cater the European market. But not yet started fully operational, same ways in the HK. We have done the basic background structure ready so that we can target China and South-east Asia market. But still it is under structure and we are still not yet started a lot of recruitment over there. The moment we are ready with that; we will definitely start on this.

Moderator: Please use your handset mode, your audio is not clear.

Harsh Vora: So, the 100 crores PAT that we are estimating in 3 years, will this be mostly inorganic acquisition or organic also will play some major part in this?

Hirenkumar Shah: So, we are hoping to get few inorganic as well as part of it. So, this will be combination of organic and inorganic both.

- Harsh Vora:** Right sir, thank you sir. That was it from my end.
- Hirenkumar Shah:** Thank you so much.
- Moderator:** Thank you. We will take our next question from the line of Kashish, an individual investor. Please go ahead.
- Kashish:** Hello. Sir, you mentioned about the PAT which could be 100 crores in the coming 3 years. Is there any forecast about the turnover as well, the revenues in the coming 2 to 3 years of down the line?
- Hirenkumar Shah:** So generally, as I mentioned, we will be in the range of PAT of around 8% to 12%. And that is what are our expectations that we should be in between that range. But definitely it will again depend on like what kind of acquisition we are able to do. Few may be strategic; few may be revenue generated, or few may be profit generated acquisitions. Obviously, that will be purely depend on how we further progress on those side of inorganic growth.
- Kashish:** Sir, one more question. Despite all the fast-paced growth, there has been a consistent downfall in the share prices. Is there any particular reason? I mean, is there any promoter selling the stakes, FII lowering the stakes or the mutual funds moving out of stocks or it's just the macro sentiments of the market?
- Hirenkumar Shah:** See, basically, I mean industry has its own secondary market and its own way of behaving towards the various regions across the globe. So, we are not sure, I mean, I am a right person to comment on the secondary market side but on the Company's side, we can definitely say that your Company is good growing, and we are working very hard to grow it further faster.
- Kashish:** All right, sir. But there is no going concern kind of thing because there is a sharp decline and consistent downfall of the equity prices in the past few months.
- Hirenkumar Shah:** No, I can understand pain over there, Kashish but there's something which is out of our purview. We are focused more on the business side than on looking at only on the stock price. Thank you.
- Kashish:** Thank you.
- Moderator:** Thank you. Ladies and gentlemen, we will take that as the last question for today. On behalf of Vertoz Limited, that concludes this conference. Thank you all for joining the call.