



TRANSCRIPT

EARNINGS CALL H2FY26



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COMPANY MANAGEMENT

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LET'S CONNECT ►

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Finportal: I think we can start, sir. So, good day, everyone, and a very warm welcome to the inaugural FY26 earnings call of Novus Loyalty Limited.

As this marks the company's first earnings call following its listing, today's interaction is an important milestone in its journey toward building long-term value and strengthening engagement with the investor community. The objective of this call is to provide shareholders, analysts, and stakeholders with insights into the company's business performance, key developments, and the future direction.

Please note that this call is being recorded, and some of the statements made during this call may be forward-looking, based on current assumptions. These statements are subject to risks and uncertainties. The company does not undertake any obligation to update forward-looking statements unless required by law. We advise participants to consider these factors and refrain from relying solely on forward-looking information.

Representing Novus Loyalty Limited today, we have "Mr Deepak Tomar", Chairman and Managing Director, and "Mr Vibhor Rastogi", Executive Director and CFO.

I will now hand over the floor to the management team for their opening remarks. Following their address, we will open the floor for a Q&A session. Thank you, and over to you, sir.

Deepak Tomar: Thanks for the introduction, Bhumika. First of all, I would like to thank everybody who has taken the time to join this presentation. This is our very first investor presentation after our IPO on 25th March, as most of you are aware.

That was quite a milestone for us. This is our first earnings call, so during this call, I would like to give a brief overview of what exactly Novus Loyalty does, and how we do it, what we do. I will also cover the financial numbers and share how we plan to grow the company and make this business more fruitful for everybody associated with it. So... can you all see my screen?

Finportal: Yes, sir, we can see your screen.

Deepak Tomar: Okay. So, what exactly do we do? We are a loyalty and engagement company, so we provide any and all kinds of tools to enterprise clients to enhance the experience of their customers, right? So, our tools connect to banking, retail, and healthcare industry tools, collect customer, transactional, and behavioural data, process it in our rule engine, and then provide customers with the rewards or benefits they are supposed to receive, right?

So that's... Primarily from a technology standpoint, what we do, but there are a lot of other segments around it, which I'll cover during the presentation as well. Some of the key highlights of our business, as of today, we have more than 100 enterprise customers across the world.

We have more than 4+ crore customers of our clients who are using our platform, our redemption and CRO platforms. We have approximately 80 employees. We process... although it is written here as 40+ crore transactions, but we process more than 50 crore transactions every month to incentivise these 4+ crore customers, right?

So, our portfolio includes several large enterprise customers, which I'll cover in the following slides. How we started, we started in 2011, major, when we started our business, most of our business was more toward the service side of it, where we were servicing brands and other digital agencies and marketing agencies to onboard all kinds of loyalty solutions for them. We also developed a franchise-based loyalty system in the early stages, and then gave it to marketing agencies so they could use it to give it to their clients as well, right? So then we built a partnership with other loyalty enterprises as well to implement their systems into this, right? Then, 2020 was a really benchmarking year for Novus Loyalty, where we started developing our core product, considering it's gonna work for... It's gonna work in a SaaS model,

and also, not just the smaller retail clients, we'll also go for the enterprise clients, like banks, airlines, where we're gonna push this product through. And it's gonna work in both the deployment models, like on-prem and SaaS. So, our platform supports both deployment models.

Then, in 2023, we introduced AI. In our product, we were, like, early adopters of AI, at the time when people were just talking about AI, that AI was gonna come, we started adopting that in our product, and then started building an AI layer inside our product as well. We were recognised at various events, where we use AI for marketing, and those kinds of awards as well, right? So now, in 2025, we have moved more into the corporate structure of it.

In 2026, we achieved a milestone where we launched an IPO, which was able to raise a total issue size of around 60 Cr., and we raised some money to further invest in the product. So that's been a small note on the... on the journey of Novus Loyalty.

I, Deepak Tomar, have more than 25 years of experience working with enterprise products, where it's high-scale, real-time transactional products. That's what I've been building. I have a technology background, along with me, Sweta Singh, who has more than 20+ years of experience in technology itself. Vibhore comes from a rich background in the banking side of it, and then Vibhore is serving as CFO for us.

All independent directors have relevant experience, and they guide us in our business from time to time. Other business verticals are headed by Satyam, who's our Product Head, and has been in the industry for more than 15 years. Ranjan takes care of the sales function. Neeraj is a Marketing Head, and these are the other leaders in our team as well, yeah?

So, when we engage with any particular client. We do end-to-end. There are a lot of other loyalty companies; they do part of it, some of them are gonna do the Accrual side of it, some of them are gonna do the rewards side of it, but we do end-to-end engagement. And also, on top of it, we provide a lot of gamification and personalized experiences on top of that, right?

Our models are, as I mentioned before, more as, with the DPDP Act in place, with P2 compliant data that needs to be there as we work with banks, so a lot of other compliances are there. So we have to offer both models, like the on-prem model and the SaaS deployment.

Our SaaS product is more handy because it's very easy for clients to get onboarded on those products, and then with just a click, they can be onboarded, and we can launch within, like, two to three weeks, and we can go live on the SaaS deployment when we do it. On-premise is a little bit more work, but, like, for a lot of clients who are in different regions, and specific to banking clients.

Sometimes they prefer all the data to be hosted on-prem, so we offer an on-premise model as well. Most of the companies that work with them offer either of these, but, like, as our technology is built in a way, we can offer both on-prem and SaaS deployment for our products, yeah? So, mostly what we do, any and all kinds of programs can be done with our systems.

Either it's a point-based program, tier-based program, cashback, discount, rewards, coalition loyalty, where multiple merchants are gonna come together to incentivise the customer, all those kinds of things can be done with our system, and those are some of the popular programs that went live with our system.

From the business vertical side of it, these are four business verticals. The very first vertical is technology. So, when we onboard a client, we charge them to give them a complete enterprise system, how their, how our system gonna connect to their different systems.

Just to give you an example, if it's a bank, it's going to connect with the CBS system, the payment processor system. If credit card transactions are sitting somewhere, then it's going to connect to that system. Gonna collect all the data points into the system, gonna process those transactions, gonna give points, cash back, whatever. So, all enterprise technology platform been given to them. So, clients pay us for the technology side of it. That's the first line of revenue.

The second line of revenue is redemption. When customers get the point, then they're gonna use the point for flights, hotels, vouchers, catalogue items, any and all kinds of redemption options which are available at our platform. That's the second line of revenue for us.

The third line of revenue is merchant promotions. Because we push a lot of merchant offers to these banking customers. So, we have a connected system. Our AI engine detects if a transaction gets into our system, and it determines which merchant it belongs to and what kind of merchant category. According to that, we show a lot of analytics to the merchant, and the merchant offers these campaigns, and the merchant pays for any kind of transactions we're gonna drive to these merchants for these banking customers. So, that's the third. And we also get affiliate commissions from the merger. right?

Fourth is a digital voucher. We issue digital vouchers of various brands. Whenever it's required, it worked for the corporates as well, it worked for banks as well. Yep, so these are the four line of business verticals we have.

From a geographical presence, right now we are physically present in India only, but we already have clients in the UAE, Saudi Arabia, Africa, and even the US and Australia. Our clients are all over the place, although the major market is the Indian market as of now, but we have planned to expand the company internationally. We already started the process of creating a wholly owned subsidiary for Novus Loyalty in the UAE. We're also in process to expand, operations, online and the physical, both ways in US and Australia as well, but we already onboarded clients, we are slowly in some of the places, we are, in some of the places, we are going through the partnerships, and in some of the places, we are going by ourselves, where it makes more sense at RM to go by ourselves, right?

Our business also requires certain certifications and compliance standards, so we need certain kinds of certifications as well. We are ISO certified, we are CMMI certified, we are PCI DSS, highest compliance, so we can hold any of the transactional data in our system, and we hold all the certifications that are required for this business. Some of the clients are mentioned here, like Central Bank, NPCI, IDBI, Bank of Maharashtra, and Equitas Bank, some of the client names being mentioned here.

Recently, we acquired an order from the Central Bank worth 88 crores. Now, Bank of Abyssinia is an Ethiopian bank; they're gonna... We'll get a technology revenue of 4 crore only from the Bank of Abyssinia, and then other revenue lines are gonna open up once the technology revenue flows into the system, right? So, we are expanding in domestic markets as well, and international markets as well, right?

Some of the case studies for the audience, here, NPCI has been our customer since 2019. We manage all the reward platforms for them. It's an on-premise setup for NPCI. The NPCI use the platform for rupee card incentivization across all the banks, for UPI offers and other things. That's one of the use cases we have sold for them.

The central bank we recently launched their program, it's across all the banking products, either it's debit card, mobile banking, internet banking, it's across all their products, we, launched it. Third is a Sparkle Bank. That's a... a Sparkle Bank is a new age bank.

So I have, I'm trying to give you different kinds of case studies. The first one, where we launched a program for a, for a card scheme provider, which is kind of Rupay, right? A second one is a bank. The third one is Sparkle, a new-age, complete digital bank based in Nigeria. We launched their program

recently as well, and the program is going well. The third one is a very diversified investment platform, PRYPCO, which is a sister concern of DAMAC in the UAE, so we do their program as well, so there are different use cases I try to showcase in my presentation that we are catering to different kinds of clients here, right?

Our strength is end-to-end loyalty. As I mentioned before, most of the players in the market, they offer one kind of service; they don't offer another service. Second is, like, our technology infrastructure. We can ensure our platform is vertically and horizontally scalable. You can start with very less modules, you can start with very less customers, and then but you can scale the platform, by adding more modules into it, and also, from 10,000 customers, it can up... it can go up to 10 million customers or 100 million customers as well. It's a very scalable platform, and available across all the cloud networks, wherever you... wherever our clients want to host it.

We have a personalisation AI layer on top of all the data, which sits on this banking platform. The redemption network is one of the strongest redemption networks we have in the industry, right? And then we have use cases across banking, retail, hospitality, healthcare, fintech, all across industry, right? And the deployment models, all kinds of deployment models are available as well. Yep.

So, that was more about, like, Novus loyalty. A recent event, our IPO happened, which is, like, about less than 2 months now. It was not just a fundraiser; it gave us all the authenticity which we needed. Now, we are recognised as a major player, a major loyalty player in the banking loyalty industry. We are one of the major players in this.

As the IPO happened on 25th March. Nothing from the IPO proceeds was utilised in the previous year. We have a good plan for how we're going to utilise the fund. Going forward, it's going to go into our product and technology, a big portion of gonna go into the sales, business expansion, and market growth. That's where the major focus for Novus gonna be. These are some of the IPO details, which I just mentioned over here. Most of us who are available on this call are pretty much aware of these details, right?.

I'll also invite our CFO, Vibhore Rastogi, to share some insights on this year's numbers. From the business side of it, what we have done, what we have not. Vibhore, if you can share some details around it. There you go.

Vibhore Rastogi: Thank you, Deepak. Good evening, everyone, and thanks for joining us today. I'll briefly walk through the financial performance for the year ended 31st March 2026. And after that, we can open the floor for the questions. So, during the year ended, we achieved a revenue of about 127 crores, which is about 22% increase, with regard to the previous fiscal year.

The EBITDA was about 12.33 crores. The PAT was about 9.28 crores, and if we talk about the EBITDA margins, we have improved them from the last financial year. So, our EBITDA percentage is about 9.68 %, and the PAT has also seen a significant increase, and the PAT margin shot up to about 7.29%.

Deepak Tomar: Thanks. Thanks, Vibhore. So, we are, like, about our PAT is, like, almost 150% increase, EBITDA is about 120% increase, revenue is 22% increase, and these numbers are gonna go better, over time. Just to give a brief input here, when we start a loyalty program, right, so you guys might have seen that there's a lot more improvement.

This year in numbers, why there is an improvement, I'll give just some guidance on that as well. The improvement in the number is because when we start a program, like, say, a bank starts a program. So, initially, the point accruals happen. People will start getting all those points in one year, in 2 years, three years, the points accumulate, and then a lot of marketing will happen from our side, the bank's side. Slowly, people start redeeming their points, right? So it takes about 5 to 6 months for them to

accumulate all the points, and our margins increase as we go along in the program. Our average contracts are 3 to 5 years, with a renewal term of 3 to 5 years again.

So, the total tenure of the contracts is 6 to 10 years. And when we are in the third year of the program, most of the time. Then only the program matures. Some of the banks which we have onboarded recently, like Central Bank and some other clients, their peak level gonna come into next year, so our numbers gonna increase from here 100%. Nice.

So, from the... just to, give you, like, before we close in, the presentation and then open it up for the question, loyalty market is definitely expanding, the market size is this increasing, globally, and, in India, like, it's, it's, like, at least 18, 19% CAGR, the whole loyalty market is increasing, right?

We have planned to go beyond and not just the, there are, like, other segments as well, in which the loyalty works. It's like, not just the BFSI. Right now, our major focus is BFSI, but we're gonna grow in other sectors as well, as we go along, travel, retail, food, and healthcare, 100% healthcare. We have onboarded a client, NovaDisk, which is a global healthcare company. We launched their program in 3 countries for now, and the program gonna expand from there.

So, we're not just gonna expand in the BFSI, but we're gonna expand in other markets as well, right? So, our focus going forward is gonna be on international expansion. Why is that? Because technology margins are a lot better in the international market than in the Indian market, that's gonna improve our numbers.

AI has really helped us to achieve a lot more. Why? Because, like, now we don't need to spend a lot more on the consultation side of it. Our AI-powered loyalty suggests these campaigns to our customers instead of our consultation being there, right? So, that's... that's really helping us as well, because it's built into the product.

Enterprise client acquisition, that's gonna be the focus 100%. The whole Merchant ecosystem, reward system, we're gonna expand that as well, and all those gonna... along with the enterprise on-prem, we'll also... the SaaS, subscriptions, and all those are gonna increase as well. Those are the five key growth strategies we're gonna implement in the coming years, right? So by saying this, like, we'll close the presentation, and then we'll open it, for the questions, if any?

Finportal: Okay, thank you so much, sir. Thank you for the insightful introduction about the company. We will now move on to the Q&A session. Participants who wish to ask a question are kindly requested to raise their hands.

And, I'll unmute them and ask their question. I would request the participants to limit their questions to 3 questions at a time, before joining back in the queue if needed.

So, we have the first question from Nishita Jain. Nishita, you can ask the question.

Nishita Jain: Yes, hello, that was a very insightful presentation. So, I just wanted to understand, you mentioned that, like, a lot of our contracts mature post-3 years. And now a lot of them are at the maturity stage, so we'll see good growth going forward. So, can we see a growth above 20% in FY27?

Deepak Tomar: 100% above 20%, yeah.

Nishita Jain: Okay. If you could give some kind of guidance on what revenue can be achieved in FY27, that would be great.

Deepak Tomar: So, what we have achieved, so just to give you two bits on that, cause now we raised this money from IPO as well, right? So we were, and none of the proceeds was used in the previous year.

This capital, really gonna help us to, invest in, sales and, 100%, and, market expansion, international market expansion. So, we'll definitely grow a lot faster than we did last year. So it's gonna be more than that, 100%.

Nishita Jain: Right, and the margins that we've done, around 10%, are these sustainable, or was there any one-off that we saw?

Deepak Tomar: Margins will increase from where they are right now.

Nishita Jain: Okay, okay, understood. And, if you could throw some more light on the market expansion that you're talking about, for which we are going to use our IPO proceeds.

Deepak Tomar: So, market expansion, as I mentioned, we have already started the process so far, the UAE wholly owned subsidiary of Novus Loyalty. We already have some enterprise clients in the UAE, but to service them better. We need to have a physical presence there. So, the UAE presence gonna help us to cater to our clients in the MENA regions.

Then, other expansions are happening in the African region as well. We have onboarded two partners, there because, like, it's not always possible to open a subsidiary. So, in African terms, we are targeting through these partnerships. We onboarded two partners, and then they are making all the introductions for us.

We have already started workshops with these partners, so we'll expand into African regions. Same as we have planned to either have a either, have a small acquisition in the US and Australia in the coming year, we're a small digital agency, we already have the product, right? And then we have a couple of clients as well in the US and Australia. So, the idea is, like, if we were able to, and that's the plan, to have a small marketing agency in the US and Australia, and then we'll be able to have more clients in that.

So, from the global expansion perspective. MENA region, 100%, we are expanding. More than that, like, African region, like, we already onboarded two banks there through our partners, and then we are expanding there through partners. The US and Australia will definitely expand either through the partnership or through a small acquisition in those... on those markets. Yep, so the plan is to...

Nishita Jain: Right.

Deepak Tomar: In these four areas, yeah.

Nishita Jain: Right, so from the IPO proceeds, how much do we plan to spend on these expansions and acquisitions?

Deepak Tomar: So, from IPO proceeds, it's gonna be, as planned. I think for business development and sales, like, it's, we can... I don't know the exact number, like, we... I think we're supposed to use 11 to 12 crores into the business expansion activities. So, at least 50% of that will be utilised this year, and then the other 50 will be utilised next year, max.

Nishita Jain: Okay, perfect. Thank you so much.

Finportal: Thank you. Tushar Sir, you can go ahead with your question.

Tushar Agrawal: Thank you so much. I hope I'm audible.

Deepak Tomar: Yeah, Tushar.

Finportal: Yes.

Tushar Agrawal: Sir, can you elaborate a little more on your growth plan? So, we have 4 revenue streams, which are going to be our focus areas, going forward.

Deepak Tomar: So, we have four lines of revenue. One is technology, redemption, merchant promotion, and vouchers. The most focus gonna be on the technology one. Technology one. Why technology? One is, like, those other redemption vouchers, these are some of the, like, organic growth comes to us, right? So, when we do the very first revenue line that opens up is the technology one, right?

In the BFSI segment, when you open the technology line, then redemption and voucher open by themselves. But in some other segments, like retail, right, you can only open the technology one, you'll never get the redemption, because for retail, the redemption happens within the retail. It doesn't happen in other ecosystems, right? So, we'll also onboard some of the clients where the redemption gonna happen within their ecosystem. So... but in... in those lines, the technology revenue is better, technology revenue is more. So, one of the key focus gonna be the technology revenue.

The second focus gonna be the merchant monetisation. Redemption and voucher gonna be there by themselves, but there is a direct cost attached to this line of revenue. But for technology one, there is no direct cost attached to that, so the focus will be on technology and the merchant promotion, where we onboard a lot of merchants and promote them to our banking customers, right? So, and these are, from, not from the top-line perspective, but from the bottom-line perspective, these are, better line of revenues for us. Does that make sense, or do you need more clarification on that?

Tushar Agrawal: And if you can, tell a little bit about, you know, where our focus is in terms of growth. So, that would also.

Deepak Tomar: So, growth, focus of course, India, we are expecting 15-20% growth in Indian markets, but our major focus gonna be international markets. Like, from... and when I say international markets, like, it's gonna be MENA region, US, Australia, and African markets. So those are the markets we are targeting, and most of the expansion plans, or our focus of expansion, is going to be the international expansion in these markets.

Tushar Agrawal: Got it. And if you can also tell us a little bit about the competition in this space, considering there are other loyalty players as well. How do we differentiate, and what gives us an edge? You know, to... To get more market share in this industry.

Deepak Tomar: Yeah, sure, sure. I'll give you one example, this recent order we got for Bank of Abyssinia, right? So, of course, we have to participate with the local partner, and so all big loyalty companies participated in that, right? So, either it's an Indian company or it's an international company; even Salesforce participated, and some other big names in the loyalty industry participated in that, right? So, competition is there, 100%, but what we are good at, right? So, our Technology is built in a way that, like, if other person processes these transactions, it's gonna take them, like, say, 24 hours, but for us, it takes 8 hours, so one-third of that. So, the way it's been built, when we present it to our... and the kind of use cases we sold, and that also, while maintaining audit compliance and DIY, where customers can do a lot of things by themselves.

Also, that gives them transparency as well, that, oh, I'm able to see everything by myself, I'm able to process it, I'm able to run it. So those pointers give us a little bit of an edge over our competition. Of course, there's a competition, and then somebody can make it better than us in future, but that's... What we have seen, right now, is that we win contracts from our competitors because of the robustness, real-time, and scalability of our platform, right? So, the competition is definitely there. In different markets, there are different competitors. I don't know, I can name them here on this call. In the banking domain, there are different competitors. In retail, there are different competitors, right? So, competitors are there, but our edge... As of now, our robustness, implementation speed, and how the system can connect

to many more systems very fast, make the execution fast. And most of the loyalty companies have been, like, 70% service company and 30% product company.

Whereas right now, we are moving into a different direction. We were more on the service side of it, but now we are becoming more of a product company than a service company, where now we are, like, 70% product, 30% services, right? And then we want to bring it, like, 90% product, 10% services. So a lot of things happen by themselves. Clients do it themselves instead of us investing a lot in human capital, right? Those are the edges we see for ourselves when we compare ourselves to our competition.

Tushar Agrawal: Okay, and last one from my side, so when we say we will have margin expansion, what will lead to margin expansion in our business?

Deepak Tomar: Margin expansion, because we're gonna concentrate more on the technology and merchant promotion, which are better lines of revenue for us, which are... which add up more to the net revenue, instead of...redemption and digital vouchers, where we have a direct procurement cost attached to that. But for technology and merchant promotion, we don't have direct procurement costs attached to it. Of course, growth will happen in redemption and other areas as well, but because we are expecting more growth in technology and merchant promotion, which is better for net revenue for us. That's why we are hoping that, like, our bottom margin is gonna increase.

Tushar Agrawal: Okay, thank you.

Deepak Tomar: Thanks, thanks, Tushar.

Finportal: Thank you, sir. Tanmay, you can go ahead with your question.

Tanmay Mehta: Am I audible?

Deepak Tomar: Yes, yes, we can hear you.

Tanmay Mehta: So, Novus offers gift points to customers digitally, right?

Deepak Tomar: Right

Tanmay Mehta: So, what happens to the points that are never redeemed? Does Novus or the enterprise client keep that breakage revenue?

Deepak Tomar: No, we can't keep the breakage, because it's... we are a... we are not B2C, we are B2B2C. Like, a bank gave you points. If those points get expired, then it's the... the breakage for the bank, it's not a breakage for me. Also, because we don't hold a PPI license as of now, right? So, whatever the cards I issue, I take them from some other vendor who has the PPI. Until we have the PPI license, we cannot keep the breakage. We have, in future, we have plans to get the PPI license. At that time, I'll be able to do. If using your points, you issue yourself a gift card, and you never use that gift card. In that case, I'll be able to keep the breakage, right?

Also, to answer your question, the breakage doesn't come to us; it goes to our client, because it's B2B2C, it's not B2C. Unless, until we change our model, or launch a B2C platform, or yeah, so it's... It's not happening right now for us. So, the expired point is not our breakage.

That's why, also, our agenda is so that there are fewer points expired to, give a little bit, on this side of it, in the Indian banking ecosystem, like, it's only about 7-10%, depending on which bank, which program, points are getting utilised. So the major issue is the loyalty discovery side of it. People don't even know if they have points. Our idea, the way we launch the program, we make it highly visible for the customer that you have this, come and get it, right? In mature markets, the US and Australia, the redemption rates

are, like, 45%, 50%. Like, even if... if we cover the gap from, like, say, 10% to 40%, where customers are redeeming, our redemption revenue can jump to 4%.

So, we are building in those terms, we launch a program for our clients, where, like, within 10 months, they have seen a 100X increase in the redemption side of it. Like, there were only 10,000 customers who were redeeming it; now there are 10 lakh customers who are redeeming the points. Yep, so the kind of point discovery, you make it... the technology allows people to connect it very fast, and then, market it in a way so... and make it very easy for them to redeem their points. Don't make it difficult for them, right?

And perception of banks is changing in India as well. Before, the perception was they were considering loyalty as a... on-the-go side of it. It's still on the goes side of it, but the perception has changed since a lot of fintech came into the picture, a lot of apps came into the picture, so banks also need to fight for that particular transaction, because otherwise other fintech players gonna take away all the transactions, so they... they are more mature now, and they want to incentivize the customer more aggressively now, yeah.

So the pattern is improving, but sorry, I gave you an extended answer, just so everybody understands how it works, but we don't get the expired point, yeah.

Tanmay Mehta: Okay, sir, thank you.

Deepak Tomar: Thanks.

Finportal: Okay. Gaurav, sir, you can go ahead with your question.

Gaurav Hatalkar: Deepak Ji, thank you for the wonderful results and the presentation. Just clarify the percentage of revenue we expect from the international market in the current year and in the next year.

Deepak Tomar: Okay, so right now, our, yeah, I'll give you exact Things. So, right now, like, say, last year it was close to 2%, only this year it's... Almost 2.6%. We are expecting, like in 2026, we only got about 3.3 crore from the international market, but we are expecting to at least double the international market. At least double, if not triple.

Gaurav Hatalkar: In terms of percentage, 6%?

Deepak Tomar: In terms of percentage, in terms of number, I'm 100% sure, because, like, we are seeing that, but percentage is actually very relevant, like, if I got a lot more revenue in the Indian market from the redemption, then percentage can stay similar, but from the number standpoint, if it's, like, 3.3 crore, 2026. It's gonna be at least double this year, so we're gonna ex... at least double the export, what we have done this year. At least double, if not triple.

Gaurav Hatalkar: And you have better margins in international business than the Indian business, right?

Deepak Tomar: Right, right, right, the margins are better.

Gaurav Hatalkar: Okay, so, for FY27, you expect it would be around 5 crore from the international business. What about FY28?

Deepak Tomar: We expect more than 6 crore for 27, and then we expect close to 10 in 27, more than 10.

Gaurav Hatalkar: Okay, okay. Thank you.

Finportal: Sweta ma'am, you can go ahead with the question.

Sweta BK: So ye aap international ka double bol rahe ho to ap strategy kaise kar rahe ho, people kiten hire karoge ya hum kuch join collaborate kare rahe hai, kaise ap plan kar rahe ho? Can you please throw light on that?

Deepak Tomar: Sure, sure. Sweta, we already got a contract, Bank of Abyssinia, that's almost close to 4 crore revenue for us, right? So, like, yeah, so we already got that. So, I'm considering that we already opened a wholly-owned... in-process, which is gonna be finalised next month or so. We have already started the process for a wholly-owned subsidiary in the UAE. We're already talking... we already have two partners in Africa, as I mentioned. We are also talking to an agency, a small marketing agency in the US and Australia, which we may gonna, acquire, or they're gonna help us to onboard more clients there. So, due to that, and also, like, in the first two months, we can generate better international business. On the basis of the number I have seen in these two months, on the basis of the contracts in hand, on the basis of the conversations we had, on the basis of this wholly owned subsidiary gonna be in the UAE, we are expecting that international revenue gonna increase at least two times.

Sweta BK: And, sir, this agency ke sath hum jo tie up kar rahe hai unko higher margin dena padta hai? How is that working? Is it, like, a 50-50 deal, or what?

Deepak Tomar: It depends on client to client. There is... they are actually not the agents, they are just resellers of our technology. Most of the time, when you work with the reseller, it's anything between 15% to 30% that goes to resellers. But it depends on client to client, like, how much local support would be required on that particular project. When you, so, yeah, so these are sort of resellers instead of just like a specific partner, because... and we manage most of the work, all technology belongs to us, all IP belongs to us, we are always there in agreements with the customer, right?

Sweta BK: Okay, that's great to know. Our competitor is largely doing a lot of business in the USA. So, are we also looking at that market? Because the way the geopolitical problems right now are not very positive for Saudi Arabia and the UAE, and all. So, what are your thoughts on that? Because you can have more insider info to give us.

Deepak Tomar: Sure, sure. Now, we are definitely seeing the US market, and the clientele in the U.S. is... is... is a lot better clients for us as well. As I mentioned, we already have one insurance client based out of the Caribbean. We onboarded another small client in the US as well. So, we are planning to acquire a small marketing agency in the US. That's the plan, depending on how it goes. That... because when you work in the US market, you need to have a local entity. Why? Because you need it, your customer expects general liability insurance and professional liability insurance. So, they prefer to make payments in the US itself, instead of making payments to an Indian entity. That's why you might be seeing a trend: the company that's... onboarding clients in the US, they'll have a subsidiary company, right? So, we have all... I have all the experience to work in the US market. We have done it before. So, all... all insurances, all, on, if we acquire a small entity in the U.S, and we are already in, we're gonna initiate the process very soon for that. So, to answer your question, the US is definitely a big market for us to target. Both the US and Australia are targeting it from both sides. One, as in, like, to acquire a small marketing agency, which can give us a head start, and so we don't need to get all the insurance and licenses by ourselves, right? So...

Sweta BK: That's great. So, you have already begun the process, I'm assuming. So, by when will you plan to acquire, like, this year or next year?

Deepak Tomar: The plan is that as soon as we find the right candidate, I cannot give you... It's gonna happen this year or next year. Plan is to... we are actively seeking, but as soon as we find the right candidate, we'll go for it.

Sweta BK: Okay, so we are not that aggressive; we are, like, watching what is happening right now.

Deepak Tomar: We are aggressive in finding the right company, 100%. We are actively looking.

Sweta BK: Great, and what about Indian markets? Are we having more sales and marketing teams in India? after the IPO.

Deepak Tomar: Sure, sure, sure, we are adding a lot more sales force to our Indian market, as well. In the Indian market, like for BFSI, we may not gonna need additional people, but there are additional sectors, like, say, channel partner loyalty programs, for corporate programs and all those, so we are definitely onboarding more salespeople. So, the major focus is on... on sales and marketing only for this year.

Sweta BK: Okay, thank you so much, and good luck, sir.

Deepak Tomar: Thank you, thanks, Sweta.

Finportal: Aman, you can go ahead with your question.

Aman Kamdar: Oh, hi, Deepak Ji, congratulations on the good set of numbers. So... Wanted to check that we have a good cash balance, I think, so around 60 Cr., we have currently, as per the Balance Sheet. So, are we planning for that, as in near-term and long-term, as in?

Deepak Tomar: So, the plan is to, one thing, as I mentioned, like, is to use that money for expansion, and majorly, it's gonna be on the sales and marketing side of it. Of course, we're gonna, and we'll invest some majorly on sales marketing.

Second is to build more AI into our product. We're already solving use cases with AI, then build a little bit more on that, and then also build small layers of... for the e-commerce companies, so they can easily use it for the employee rewards, so they can easily use it. So, to answer your question, around 12 crores may gonna go into the sales and marketing, around 10, 12 crores gonna go into the... into the product development, and around 12 crore gonna go into the smaller acquisitions that we are planning. So, the plan is to use that money for both. Inorganic and organic growth.

Aman Kamdar: Okay, so we'll acquire...

Deepak Tomar: Three major elements where we're gonna invest are the acquisition, sales, marketing, and product development expansions.

Aman Kamdar: Okay. And any...Any aspirations or targets for, like, any private banks you are working with, like, HDFC, or... Yeah. Yeah.

Deepak Tomar: We have already started POC for some of the banks, because we don't want to do what everybody else is offering. So, that's why we are doing some new kind of POC with these banks, and hopefully we'll be able to onboard them pretty soon.

Aman Kamdar: So, like most of the orders we might have been getting from the gem portal, have we bid for any of the orders recently, or are we planning to bid for that as in? Any colour on that?

Deepak Tomar: Yep, right now, whatever we bid for, either they got cancelled, or they are in... but there are a lot of banks, loyalty programme gonna come in next couple of months. We're definitely gonna bid on most of it. The central bank, we got through GEM as well, because every PSU use GEM for the procurement, right? So any government agencies or PSUs that are doing any sort of procurement, they

have to go through the GEM. We got, like, IDBI, and then, this central bank, and other ones, like, we got through the GEM portal only.

Whenever anything comes on GEM, of course, the bank also notifies us by themselves, like, that they're launching it on GEM, because we've been a prominent player in banking loyalty now, yep. So, but yeah, to answer your question. There is no existing right now. One with the Canara was there, which got cancelled, or they're not updating anything on that, but, like, yeah, recently, whatever's gonna come up, we'll actively participate in that. Yep.

Aman Kamdar: Okay, and Gyftr is our competitor, or do they work in different segments?

Deepak Tomar: Actually, Gyftr is only on the voucher distribution side of it. They don't do loyalty, so they are not our competition at all. They only do gift card distribution and gift card slash voucher distribution. What we do, Gyftr is sort of a vendor to us, like, so we take.

Aman Kamdar: Okay.

Deepak Tomar: gift cards from the Gyftr, and then give them to our customer. So they're sort of a vendor to us, they are not a... they don't do loyalty, Accrual engines, redemption engines, that sort of way. They only do specific gift card distribution. Yep, so which is kind of a... just, like, not even 5%, there's a business, but, like, it's just, like, 5% of what we do. They only target that particular market.

Aman Kamdar: So, overall, every year, GEM Portal, how much order value might be given to them, as in total order release in the GEM Portal? Overall, as in the past, or if we want to consider?

Deepak Tomar: Actually, GEM is, it's, it's very hard to tell you, because, like, if sometimes it's, like, more like a central bank, we got an 88 Cr. from the GEM portal itself, right? But in some years, it may not gonna be there. Like, it depends on the client, like. If... how they are putting it together on GEM, like, so it's very hard to put those numbers for the reference.

Aman Kamdar: Okay. Thank you, thank you so much, Deepak J.

Deepak Tomar: Thanks, Aman, thanks.

Finportal: Thank you. Achuth, you can go ahead with your question.

Achuth Pabbath: Hello, sir. I just want to understand, is the business you're doing, is it exactly similar to the one Zaggle Prepaid Ocean Services is doing, which is a district there?

Deepak Tomar: Say it again, which company?

Achuth Pabbath: Zaggle Prepaid Ocean Service.

Deepak Tomar: No, no, Zaggle is into spend management system, like, so they don't do an end-to-end loyalty rewards platform. They do some of it, but they only do employee reward and recognition.

Like, they don't have banking clients where they're giving points on card spend and those kinds of things. They only do programs for employees and rewards. We do loyalty and rewards across all the industries, so it's not the same, but yeah, 10%. is same, like, we do...about, like, say, if we'll start doing more employee rewards and all that, and that is the category we're gonna target as well, going forward. So, it's gonna be... but it's still gonna be, like, just the 10% of the business, which... which is, like, kind of for most of the business for them. So, they do mostly spend on management and employee reward programs, which is, like, very, very little for us. For us, it's like customer loyalty programs, enterprise customer loyalty programs, that's our segment, and there it is just an employee reward program. When

you run a program for employees, it's just, like, very simple, like. These employees will get this, and that's it. But when you do it for banks, it's completely different. Banks or retail. They don't even do retail. They just do employee reward programs. So, yes, it's a little bit similar, but, like, only about 5-10% of our business ever gonna, fall into, that particular bucket where Zagle work, not more than that.

Achuth Pabbath: Fair enough.

The next question is regarding the very high PE you have listed, like around 50 PE you have listed. So, what is the growth rate you're expecting for the next couple of years?

Deepak Tomar: So today, the PE has come down, so we are actually listed around 24, 25, I don't know. But, of course, we are expecting high growth from here. So, we'll definitely justify our numbers going forward.

Achuth Pabbath: I mean, can you give guidance for next year, sir? What percentage of sales are you receiving?

Deepak Tomar: So, the growth, expected growth, so we have grown at a good rate. And we'll definitely maintain at least the same growth. We'll try to grow better, but that growth, what we have shown, will definitely maintain that growth.

Achuth Pabbath: And what about operating leverage, sir? Like, going forward, are you planning to increase your margins?

Deepak Tomar: 100%, as mentioned in earlier conversation here, we are targeting technology and merchant promotions more, where our net revenue is more, so our bottom margin's gonna increase eventually.

Achuth Pabbath: That's something else.

Finportal: Sir, we have another question in the chat box for... from Chandrasekhar Nair. For merchant promotions, how is Novus earning from the merchant side, funded campaigns, and the enterprise client side? Can you explain in detail?

Deepak Tomar: Let me share my screen so everybody understands what we do, right? Can you see my screen?

Finportal: No.

Deepak Tomar: Secondly...

Finportal: No, no, I can see, yes.

Deepak Tomar: See my screen? So...and this is just for the example, don't quote it anywhere, like, or, just from the example, like, say, when a merchant logs in, they can see a lot more, what exactly, like, on that particular bank, how their customers are behaving, right? So they see a lot of analytics on our platform. They see a lot of, like, say, how... which customers are champion, which customers are loyal, which are at risk, they were transacting before, now they are transacting. What kind of growth can they expect from those specific customers? That kind of data comes into the picture. If they do more campaigns, then more transactions are happening; fewer campaigns... fewer transactions are happening.

As per the category of that merchant, and depending on the previous data of the merchant system, also send them sample campaigns on what they should do. And they can configure those campaigns here.

We enable those campaigns from the back-end side of it, and it goes out to the customer right away. So, the whole system is connected, where it's merchant, bank, customer, everybody is connected, right? So, the merchant gets onboarded. Programs get onboarded. Like, say I'm just giving an example of this.

This is a central bank program, as in, right? So, and then we are running these affiliate partners, program here. Like, if my customer is gonna come here. From here, he's gonna go to... the bank customer, he's gonna go to the Lenovo. I'll be able to track it, that this particular customer has gone from my portal to Lenovo, and then whatever money he's gonna spend, I'll get affiliate commission back from... back from Lenovo.

Like, it's about we get, like, about anything between 8-10% affiliate commission back to us, but we pass some of that affiliate commission back to the customer, so customers keep on coming and doing it, right? So that's... if the merchant campaigns are there, if customers go to them, and then transact it on that particular store, we get all the affiliate commission back in our system, right?

Then we run a lot of accelerated campaigns where the merchants are funding points. So, we are actually driving transactions to the merchant, and then that's where I see more growth gonna come out, longer period. We are also developing some utilities. where you are on an e-commerce platform, and then our campaign's gonna come up right away if a customer allows us, and then we track it, like, hey, why don't you use this card? If you'll use this card, you're gonna get more out of it, so he's gonna use that card, the merchant will give accelerated points, and then, eventually, give us more money to try a transaction on them, right? So, merchants get a complete platform, they get complete visibility on how they are doing, customer purchasing behaviour, and all the data, and when they run a campaign, when we drive transactions to them, they give us an affiliate commission back into our system. That's how we drive the merchant promotion income.

Does that make sense, or is there any follow-up on that? I thought I'd just show you a little bit, just so you'll understand better.

Finportal: Achuth, sir, you can ask your question. Gaurav, sir, do you have any questions to ask?

Gaurav Hataalkar: Deepak Sir, any plan for inorganic growth?

Deepak Tomar: 100%, sir, like, we are already looking into some profitable entities, which are gonna complement our business, gonna help us, like, say, we need PPI, figured PPI, our margins are gonna be a lot more, right? So, we're definitely looking for the right candidates. It's gonna happen, this year only, right? So that's... that's the plan, but 100%, like, that's on the card. Inorganic growth, we are planning for an acquisition already, yeah.

Sweta BK: Oh, I have a query. Since you said we are a B2B2C, do we also have seasonality in our business?

Deepak Tomar: Yep, some seasonality is there in the business, like, but it depends on when you do, like, say, Of course, September, October, these are the... sometimes these are the more busy weeks, or more busy months for us. There is some seasonality, like, about... but it's not like, I would say that only affects 5-10%, but it's not a very big factor. It's not a very big factor, but yeah, a small element, for sure.

Sweta BK: Okay, so basically, the festive seasons are very good months for us, but maybe the range would be a little slower.

Deepak Tomar: Right, right. It depends, like, and then, sometimes... It's not a big factor for us, but you're right, sometimes, when brands really want to push for... actually, festivals are the biggest for channel loyalty programs, and we still need to get into that particular segment. We are getting into that segment, because they do a lot of camp... brands do a lot of campaigns at the festival times, but Bank may not gonna do too much of a campaign.

There are going to be a lot of point accruals, but when customer gonna redeem, it can be during the festive season, or on the new year, or it can be, like, say, right now, the good thing is going on, like, cause people are, for their holiday, summer holidays are happening, right? So it's for a banking program, it's not much of it, but we'll get into the channel loyalty, then it's gonna affect more. But right now, it's not a huge factor for us, but once we jump into the channel loyalty programs, then it's gonna be a little bit more impactful for our business.

Sweta BK: Okay, and do we also have, like, electronics, marts, and all as customers? Because that can be a very big customer for us. So, are we looking at those kinds of segments as well? Because we are so focused on banking, I'm guessing.

Deepak Tomar: Right, right. So for retail, as I mentioned, our focus was banking first, because when you onboard a retail, right, so you... They retail only pay you for the technology side of it, because any kind of redemption are gonna happen on that particular business only. If any electronic mark gives points, they want customers to use points within their store, or within their e-commerce, within that ecosystem only. So you only get the technology revenue out of it. But, to answer your question, the technology revenue, they pay more for the technology, but we are also looking into that. As of now, we haven't focused much on the retail market.

There are a couple of players in the retail market, our peer, another loyalty company which got listed about a year ago; they are mainly focused on retail itself, but there are 2-3 reasons we are not pushing more for the retail market. One is retail by itself, going a little bit down, right? So, a lot of people are more inclined towards the e-commerce side of it, right? So, that's one thing, but if... but we keep on looking when a request comes from a client, like, if it makes sense for us to do it. If they are okay with that sort of technology course, then we'll definitely do it. But if it won't make any sense for us to do it commercially, then we won't do it, right? So Yep.

Sweta BK: And now, because of the seasonality, which you think is the strongest quarter.

Deepak Tomar: It's a... actually, seasonality, as I mentioned, it's not a major impact for us. It's not a major impact for us. So, yeah, it doesn't... It's not a major impact for us. It's been a long time. It's, it's our client behaviour, the kind of campaigns we are pushing, that's, maybe, more, but seasonality is not gonna make much difference in our... as of now, with the kind of clientele we have, it doesn't make much impact on our business.

Sweta BK: Okay, good luck. Thank you so much for the clarity.

Deepak Tomar: Thank you, both of us.

Finportal: Thank you so much, sir. I think we have covered all the questions. I would now like to conclude the call. On behalf of Finportal, I would like to express our gratitude to the management team of Novus Loyalty for taking the time to join us and provide us with such detailed responses to the questions.

We also appreciate all the participants for their engagement. If any questions remain unanswered, please feel free to reach out to us at the email ID given below in the chat box.

Thank you, everyone. Thank you so much, sir.

Deepak Tomar: Thanks, thanks, everyone. Thanks for...

Finportal: We disconnect now.

Deepak Tomar: Thank you. Thanks.