

November 03, 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
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 Earnings Call for the quarter and half year ended September 30, 2025
held on Monday, October 27, 2025

Pursuant to Regulation 30 read with Part A of Schedule III and 46(2)(oa) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Call held on **Monday, October 27, 2025**, post announcement of financial results of the Company for the quarter and half year ended September 30, 2025.

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

This is for your information and records.

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

P. Srinivasan
Company Secretary and Compliance Officer



“LatentView Analytics Limited
Q2 FY '26 Earnings Conference Call”
October 27, 2025

MANAGEMENT: MR. RAJAN SETHURAMAN – CEO
MR. RAJAN VENKATESAN – CFO

MODERATOR: MS. ASHA GUPTA – E&Y LLP, INVESTOR RELATIONS

Moderator:

Ladies and gentlemen, good day, and welcome to LatentView Analytics Limited Q2 FY '26 Earnings Conference Call. 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 the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Asha Gupta from E&Y LLP Investor Relations. Thank you, and over to you, Ms. Gupta.

Asha Gupta:

Thank you, Ranju. Good morning to everyone, and welcome to Q2 FY '26 earnings call of LatentView Analytics Limited. The results and presentation have already been mailed to you, and you can view them on the website, www.latentview.com. In case anyone does not have the copy of press release or presentation or you are not marked in the mail, please do write to us, and we will be happy to send you that.

To take us through the results today and to answer your questions, we have the CEO of the company, Rajan Sethuraman, to whom we will be referring as Rajan; and we have the CFO of the company, Rajan Venkatesan, to whom we will be referring as Raj. This is just to avoid any confusion while doing the transcript. We will start the call with a brief update on the business, which will be given by Rajan and then followed by financials given by Raj.

As usual, I would like to remind you that anything that is mentioned 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, Ranju. Thanks, everybody, for joining the earnings conference call. Belated Diwali greetings to you and your family. As Asha mentioned, the press release and the investor presentations are available to you, so I'm not going to bring the details there. I just wanted to provide color on a few aspects of the business that might be of interest to everyone. I will take a slightly longer preamble time to provide this overview. We have a hard stop today at 10.25. So we'll be taking the last question at 10.20. But since I received questions from several of you prior to this call, I'm going to try and address as many of them as possible, right, in my preamble.

So firstly, starting off with the recent deal wins, you would have seen in the presentation that there are multiple clients there that we have talked about. I just wanted to highlight that there are 3 clients with whom we have already engaged, where we have started off with engagements anywhere in the range of \$250,000 to \$0.5 million, but we see good prospects, meaning these accounts can potentially grow to \$2 million, \$3 million per year revenue even within a 12 to 15-month kind of timeframe. So that's a fairly strong sign in terms of the interest in the value propositions we are taking. These have been long sales cycles with these accounts. But at the end of it, winning the first account and then seeing the traction for more work that we can do, that is something that I wanted to call out. In addition to that, there are at least 4 opportunities, which are fairly large in the sense that there will be million-dollar-plus opportunities. There are 1 or 2, which are even substantially larger. Of course, the larger ones would be multiyear opportunities. We will have results on the RFP process and the selection in the next 1, 2 months' timeframe. So when we'll get to the end of this quarter, we'll be able to provide

more updates in terms of how the closures on those opportunities have progressed. But in general, fairly upbeat in terms of recent deal wins and what we are seeing in terms of pipeline action.

There are a few things that have been interesting and significant for us, right, in terms of building out the pipeline and the opportunities and the momentum in terms of growth drivers. The first thing, of course, has been our partnership with Databricks. This quarter, we added a couple more people to the front-end sales team exclusively focused on selling Databricks opportunities. We also now have 7 people certified as Partner Champions, about 350-plus people who are certified in the Databricks capabilities. We were recognized as Databricks professional services partner as well. And we conducted 4 generative AI workshops along with Databricks. The intent is to do 10 more in the upcoming quarter and the second half of the year. There is a good deal of traction on generative AI type of capabilities. And we would have updated you in an earlier call that we are one of the partners that Databricks has selected as a generative AI partner. This quarter also saw about close to \$1.4 million in terms of new wins that came on the back of the Databricks partnership. We are also getting funded for some POCs and pilots that we are conducting for clients, and that's a good sign that Databricks trust us as a partner to go into new conversations with the client.

One other thing that we are doubling down on, as we move forward in the second half of the year, is to build SAP-related capabilities on the Databricks platform. You all would know that Databricks announced a fairly strong partnership with SAP that allows people who are using SAP as the ERP to use a combination of the SAP platform on the Databricks platform to do the analytics and all the advanced modeling and stuff that they want to. So there are opportunities related to some amount of migration and movement of data between the platforms as well as deploying use cases, leveraging the capabilities of both SAP and Databricks, and this is something that we intend to capitalize on. So we are starting to build out an SAP-focused competency within the Databricks horizontal. So all of this means that while last year, we did about \$11 million of revenue related to Databricks, this year, we are fairly confident that we will go past the \$19 million mark. You will recall that we have set a goal of getting to the \$50 million mark in a 3-year timeframe. And it's great to see that the first year is off to a fantastic start with almost 80% plus growth in comparison to what we did last year.

A second important area of focus and attention is our AI Center of Excellence. I had called out how we had regrouped our organization into 2 horizontals, one being a functional consulting horizontal, which is focusing on analytics strategy and road mapping, supply chain analytics, HR analytics and fraud and risk and marketing analytics. The other one is that technical horizontal capability, and that is where we are creating the AI Center of Excellence.

We are using a concept called the House of AI, wherein all the work that we do across the spectrum from a technical standpoint, whether it's data engineering, data science, advanced analytics, machine learning, generative AI and agentic, we are able to bring it all together in the context of addressing specific client problems. Most clients really don't care too much about how a service provider might be organized, right, in terms of having different competencies. What matters to them is how we are able to bring it all together to address the problem that they are tackling. And that's the reason for the House of AI concept.

They have already staffed us with a core team of 8 people. Many of them are PhD level students and candidates, who we have brought on board. They're all working on specific problems. At this time, there are 3 external facing value propositions that this team is working on. One is focused around

synthetic data. The second is focused on churn analytics and bringing an agentic framework to that. And the third one is focused on bringing generative AI plus agentic concepts to the integration between CRM and LLM. We are experimenting initially with HubSpot, which is the CRM that we are using, and with Gemini as the LLM platform. But the intent would be to expand this, as we understand this and go forward.

Apart from this, there are entity teams and account teams that are already doing a good amount of work in generative AI and agentic AI. One of the projects that I thought I'll highlight is related to an agentic plus generative AI framework that we have created for helping organizations optimize their cloud usage, whether it is memory or computing, especially if the organization is using a multi-cloud platform, say, across Azure and AWS and Databricks and all that. There isn't one unified way by which they can optimize the provisioning of compute and memory for the different workloads and the tasks that they might be executing on this kind of an environment. Our tool helps identify and analyze all the past workloads in the last 2 - 3 years, you can define the period, and then, come up with more optimized rules for the provisioning of compute as well as memory so that not only is the effectiveness and efficiency of the workload execution and the task execution increases, but it also reduces the cost of compute and memory in a significant fashion. And we have evolved an architecture where there is a rule-based approach as well as a generative AI agentic approach. And all of this is orchestrated using the agentic framework, providing the human in the loop, the override capabilities as well depending on what they want to deploy and what they would choose to keep in abeyance. This is something that we are really excited about, and we'll be taking it to multiple accounts as we move forward. So overall, from a generative AI and agentic perspective, last year, we had done about \$7 million of revenue. This year, we have already clocked \$5.5 million, and there's another \$7 million in the pipeline that we are pursuing. I'm expecting that this will continue to grow as we move forward with more use cases and more opportunities coming our way.

The other thing that I wanted to highlight, right, before I give some generic updates is the integration and the progress that we are making with the Decision Point acquisition. It's more than a year now. In fact, this quarter was the first quarter, quarter 2, where we are able to provide a like-to-like comparison as well because we had completed the acquisition before the start of quarter 2 of last year. It's good to see that the integration and the synergies are starting to come through. In fact, this year, we are expecting our combined consumer goods practice to grow at about 28% in comparison to what we did last year. There is a good deal of focus on making sure that there is alignment across the leadership team, bringing in additional bandwidth and capabilities, whenever it is called for.

One good thing that we are also seeing in client conversations is that more clients are starting to talk about end-to-end value proposition, where the multiple value props that we had between LatentView and Decision Point, all of them can be brought together in order to drive the overall impact that the client is looking for. So an integration all the way from annual business planning to supply chain demand forecasting, on-shelf availability to revenue growth management, pricing, promotion, pack architecture levers and bringing it all together to drive revenue growth for consumer goods companies. So that is seeing a good deal of traction.

In general, we have seen that it's a fairly strong uptick in terms of the pipeline. There is some slowdown in Coke as a business. Coke had 2, 3 years of solid growth in the past. And this year has been a bit sluggish for them. They have seen some volume drop and shrinkage. So the Coke conversations are going a little slower. But even with that, we will do this year much more than what we did with Coke

last year. So there is growth happening anyways. In addition to that, we are seeing good traction with the accounts that we are having conversations in Europe and Latin America. Both Europe and Latin America will grow fairly strong for us as far as the consumer goods practice is concerned.

I will go back to the one area where there is some amount of concern, and this is in relation to the technology vertical. If you recall, our technology business is split internally into 3 different parts. There is a team that focuses on the consumer tech business, one that focuses on B2B tech, and the third one, which focuses on communication and devices. In general, I would say that it's been a bit of a slow year so far. At this point in time, the visibility that we have is probably about 7%, 8% of growth. We are hoping that we will go past the 10% mark and get into maybe the low-double digits in terms of growth for the year.

There are a few things that we are seeing in the market. In general, there is some amount of tentativeness and sluggishness. There is an ask for consolidation, and also, in terms of pricing-related questions and conversations. Generative AI and agentic, there are expectations also in terms of how these will really drive action and help drive productivity and efficiency, right, for the clients that we are having conversations with. In response to this, in addition to the incremental growth that we are driving, we are also opening up new possibilities for ourselves. One is with one of the larger accounts that we have, not just to sell to them, but also sell with them. So there is a fairly strong analytics capability that this client brings to so many other organizations. So we are starting to build out a practice. This is early days. We'll keep you posted on that, that we update you in the next quarter.

The second interesting piece of work is a completely new area that we have gotten into for one of the tech companies. This is in the area of cybersecurity. You all know that the amount of risk related to cyber threats and cyber-related challenges are always on the increase. And this is something that we have been debating and evaluating for the last 18 months, but we finally saw some traction with a significant win coming our way, almost close to \$1 million, where we are going to be helping them with the cybersecurity analytics. While the first exercise is underway, we are already seeing traction with other parts of the same organization, and we are likely to expand there. If this is something that we are able to create frameworks and an approach out of, this is something that we'll potentially explore taking to other organizations as well, at least in the tech space and potentially in other sectors as well. So the cybersecurity analytics is a practice that we are exploring.

Thirdly, we are continuing to add more bandwidth at the front end in terms of client partners, in terms of go-to-market personnel as well. And this is something that we are expecting to pay dividends in the second half of the year. Overall, with all this, we are expecting that we'll be able to push the growth rates further. It's not that we are shrinking in technology. As I said, we are currently in the high single digits. We want to at least get to the low double digits if possible on the back of all of these actions.

So, let me now summarize with all this. I mean, there are several growth drivers that we are focusing on. I have talked about the focus account initiative that we had kicked off at the start of this fiscal, where we had identified about 27 accounts, and the intent was to really double down and grow with them through mining and farming. That exercise is going well. There are multiple conversations that project team has been a part of where they have helped move the needle in terms of progressing the opportunities and closures.

At this point in time, there are almost 140 teams that we have identified across these 27 accounts. And

the project team is busy looking at how can we convert them into opportunities in the pipeline and push those conversations. The plan is to get to at least an additional incremental revenue of \$8 million to \$10 million right on the back of all of this even before the end of this year. And we'll keep you posted on this as we move forward. A second growth driver is the Databricks area. I've talked about it. And the third one is the AI Center of Excellence and what we are doing with the House of AI concept. Technology, I already covered in terms of what we are trying to do to address some of the sluggishness that we see there.

Two other areas where we see as growth drivers, one is the expansion in the Latin American market. I already talked about how the CPG business is doing well. Recently, we engaged an external consulting firm to help us understand and explore the Latin American market, and they have identified opportunities in other sectors, especially in banking financial services. The banking financial services has been growing really strong for us over the course of this year. In fact, if things go well, we will do upwards of 75%, 80% of year-on-year growth in the financial services space. We want to take this momentum into the Latin American market as well. And that's the reason for kicking off that exercise. So LatAm expansion and growth could be a growth driver, not only in the remainder of this year, but in the coming years as well.

And finally, nearshore strategy is something that we are more aggressively exploring. You all have seen the news and seen some interpretations on the visa restrictions that are coming about. This will obviously mean that clients will also be more interested in exploring nearshore. So we are building out a proactive strategy on this. We already have a demand view on this and a supply view on this. We are bringing it together. And with specific accounts, we are having proactive conversations on how we can set up the right kind of capabilities and teams in a managed services model or in a staff-up model for them in the nearshore locations. At this point, we have about 20-plus people supporting clients. The intent is to take it to 100 people over the course of the next 12 months. And that is something that could potentially be a strong growth driver for us in the coming years as well.

The net impact of all of this is that earlier, we had given a guidance of about 18% to 19% in terms of revenue growth. Right now, we are upping it only by a percentage, potentially 19% to 20%. There are good signs and opportunities in the pipeline, and I talked about multiple growth drivers as well. However, you will all remember that this quarter is the quarter of renewals for many of our accounts. So we don't want to kind of jump the gun here and do anything and provide a guidance that may not pan out. I mean, we do want to see how the renewals work out and give you a better update when we wrap up this quarter in terms of where we are likely to get.

Some people had asked what is the guidance for the 3-year outnumber we had put out, right, \$200 million to \$220 million. There is no change to that at this time. We are looking to get to that number, and we are on track. We need to accelerate a bit more, of course, but some of the sluggishness could potentially go away on the back of more certainty, at least around visa, around tariffs and so on, and that should give us some tailwinds. So right now, it's too early for us to provide any revision for the FY '28 kind of number that we have talked about.

Overall, on the H1B as well, we are not very concerned. The last lot of visa applications that we have done, they have already come through. So we have almost 15, 20 people who we can deploy on engagements and that will cover us well for the next year. There is already a very strong talent acquisition capability for hiring people locally in the U.S., and we are stepping up on hiring from

campuses, both undergrad as well as post-grad campuses in the U.S. So at this point in time, we do not see any kind of negative impact because of the H1B visa-related issues, right, that have come about.

Finally, there was one question on whether any furloughs are expected in Q3 and all that. I want to say that there is nothing that we are seeing. On the contrary, there are multiple conversations where the clients have indicated that they have some leftover budgets and excess money that they need to spend before the end of this fiscal. So we are expecting some of that will give us some momentum, right, in the remainder of this quarter.

Yes. So that's the update I had. I'm going to stop here and pass it back to Raj to provide any additional color he wants to on the financials.

Rajan Venkatesan:

Thank you, Rajan. Thank you for that comprehensive update on both the business side as well as giving some guidance on the financial side. Now, given that Rajan has already done a fair bit of context setting in terms of what really panned out in this quarter, I'm going to provide a quick update on the financial side, and then, we can open up for Q&A.

Like Rajan mentioned, we are happy to report this is our 11th consecutive quarter where we've been able to deliver sequential revenue growth with a total operating revenue of about INR 257 crores, which obviously also means that we've hit INR 1,000 crores run rate, if we were to sort of continue on the same trajectory, which is a pretty significant milestone for us. This also reflects a growth of about 9.1% on a quarter-on-quarter basis and a 23.2% on a Y-o-Y basis.

As Rajan already highlighted, the Y-o-Y growth is on an apples-to-apples basis because we had the consolidated results for Decision Point starting Q2 of last year. So, therefore, the 23.2% also reflects a fairly healthy growth, even considering Decision Point in the fray. For this quarter, while we discontinued giving out revenue numbers for Decision Point separately like Rajan mentioned, we are now going to market as one consumer practice. And that's going to be the goal for the -- at least the next year to sort of drive significant synergies and be perceived in the market as one company.

Having said that, for this particular quarter, on a stand-alone basis, Decision Point would have delivered close to about \$3.1 million to be precise in revenue on a stand-alone basis. But then, including all the work that they do for LatentView plus some of the other synergies, the total revenue attributable to the Decision Point business is close to about \$4 million. So like we've mentioned, we are fairly pleased with the sort of synergies that we are seeing across the CPG- practice as well as the nearshoring, as Rajan had pointed out.

Both of these continue to do very, very well for us. We are particularly pleased by the strong traction that we've seen in the financial services practice, which has been, I would say, largely driven by clients that we have won in the last 12 months. But then we've executed really, really well in these couple of accounts. And one of those accounts is well on the way to be a \$5 million to \$6 million plus type account. The other account is close to \$1 million plus already. And these are all within 12 months of adding these accounts. So particularly pleased with the strong momentum that you're seeing in the financial services practice, which has also grown almost 94% Y-o-Y and about 30% on a sequential basis.

The other significant vertical that drove the growth for this quarter was CPG where we saw year-over-

year growth of about 23%, which is again taking into account the Decision Point on an apples-to-apples basis. Well, on the EBITDA margin side, Rajan already spoke about the fact that we are, of course, continuing to invest in capability building for Databricks as well as the AI Center of Excellence.

We are also continuing to add sales and business development bandwidth for the technology vertical, as well as we will continue to add some leadership on the sales and business development side. So the margin for this quarter, while it came in at about 21.8% on a reported basis on an adjusted basis, which is after adjusting for the transaction-related retention bonuses that we've earmarked for some of the Decision Point employees, Adjusted EBITDA came in at about 22.5%, which reflects strong operational execution as well as effective cost management.

In terms of where we would want this EBITDA margin to settle, obviously, there were a few questions that were directed in terms of where do they see us? See, on a full year basis, while I know in the past, we had given a guidance of about 23% to 24%, we are seeing significant momentum, on the Databricks channel as well as the financial services practice. We would want to continue to keep this momentum up.

As a result of which, on a full year basis, initially we had guided on a 23% to 24% band, right now, we would want to keep the level of investment sustained. And therefore, for the full year, we would like to guide that EBITDA will be between 22% to 23% because you would want to incrementally deploy some of the additional cash that the business is generating back into driving growth. In fact, going past even the 19% to 20% guidance that Rajan put out, our endeavour would be to go past that number. And therefore, the additional investment will be directed to delivering on that growth promise.

The PBT for this quarter stood at about INR 61.7 crores, up 5.9% on a year-on-year basis. You all would have noted that the PBT for this quarter came in lower in percentage terms compared to the previous quarter. The primary reason for the lower PBT is the lower forex gain that we had on intercompany loans in this particular quarter. The last quarter, we had a gain in excess of about INR 5 crores, attributable to these intercompany loans. I'm happy to note that we have significantly pared down these loans that were granted to some of the subsidiaries. Also happy to report that some of the subsidiaries, the European subsidiaries, in particular, are beginning to show strong cash flows as a result of which the funding requirement is also coming down. Therefore, going forward, you will not have such large movements in terms of forex gains or losses. So this would be more steady state going forward. So that's one of the reasons why PBT came in lower for this quarter.

Also, PAT, you would have noticed that the PAT percentage has come down in this particular quarter to about 16-odd percent. Primary reason for this is, going forward, the ETR for the group will be between 25% to 26%. As I had noted in the first quarter earnings update, we had a one-time gain owing to an election to move to the new tax regime for India, right, as a result of which there was a deferred tax gain that was booked in Q1. That benefit did not sort of follow through in Q2 as expected. And therefore, going forward, the ETR for the group will be between 25% to 26%. So the PAT that you see will be more steady state going forward. You will not have significant fluctuations on a quarterly basis as far as the PAT line is concerned.

From a balance sheet standpoint, our cash balances continue to remain very, very healthy. Of course,

we continue to remain very active in our pursuit of looking out for acquisitions, potentially in the data engineering space or in the AI space. So those would be the 2 areas in which we would look to do M&A. But then, we also want to be careful about valuation expectations as well as not sort of picking assets that don't strategically align with us. So we will be careful in terms of where we allocate capital, but we are fairly active in our pursuit.

In terms of the order book as well as pipeline, Rajan spoke about the fact that this is renewal season for us. While we are very, very happy with the growth that we've delivered in Q2, and we hope to replicate a similar performance in Q3. End of Q3 is where typically a lot of our renewals, especially with our tech clients happen. And therefore, we want to sort of deliver to the promise of the 19% to 20%, in fact, go past that. But then we also want to be mindful of the fact that there are pressures around being a little more competitive in terms of pricing as well as being a little more, I would say, ahead of the curve in terms of delivering efficiency for clients. And therefore, we want to be watchful as we head into the renewal season.

That said, we are very bullish about our financial services practice. We are very bullish about the Databricks practice, and we will continue to drive investments in the AI CoE as well. These initiatives are very core and integral for us to, one, enhance our technical capabilities to be differentiated in the marketplace to also sustain growth, as well as continue to deliver industry-beating growth. So I would say we would continue to make investments in all these areas that I've outlined, but then with a view to sort of deliver better growth in the coming future.

With that, I will hand it over back to Asha and open the floor for Q&A.

Moderator:

Thank you. We will now begin the question-and-answer session. The first question comes from the line of Vimal Jamnadas Gohil with Alchemy Capital Management.

Vimal Jamnadas Gohil:

Congratulations on a good quarter. Sir, my first question would be for Raj, if you could just give me some color on the cost front. If I were to look at the opex of INR 33.5 crores this quarter, and even if I were to reduce or take out the INR 1.9 crores transaction cost, the number is still about 25%, 27% higher quarter-on-quarter and almost 50% higher Y-o-Y basis. If you can give me some breakup, how much of that is related to core marketing or growth-related costs? How much is that related to visa? That will help.

Rajan Venkatesan:

Yes. So thanks for the question, Vimal. I do understand and appreciate the concern around the higher opex. But I would like to highlight that almost all of this increase, is, one, attributable to higher marketing costs. So just to give you some perspective, our marketing costs are generally very seasonal in nature, where we do a lot of our marketing events typically in Q2 and maybe early Q3, before November essentially because November onwards, people tend to go on leave till the end of the year. So a lot of the marketing spends that we do are concentrated between the months of August through October.

In particular, this year, we've done close to about 5 small format events in the US as well as in Latin America and London. So this meant that there was a significant uptick as far as marketing costs are concerned as well as travel associated with these marketing events is concerned. And that's one of the big drivers for the higher opex spend.

Two, so you would all note that all the costs in relation to the H1B applications for us are booked in

Q4, most of the big spends are booked in Q4. And, therefore, Q1 tends to be a little lower in terms of the visa cost. So, on a quarter-on-quarter basis, the visa costs were higher by close to about \$220,000. So that was again a significant cost that we had for this particular quarter in comparison to Q1. So Q2 compared to Q1, those costs were higher by about \$220,000.

The third one, if I can highlight is in relation to some of the bandwidth or the leadership that we are adding. Rajan spoke about the couple of people on the Databricks front, on the sales and business development side that we've added. We've also added a few people on the Adobe Solution practice. So actually for us to source some of this talent, we've had to engage external consulting firms to bring on some of this talent, And there were recruiting-related costs that were associated with bringing on this talent. So that would be another close to about \$150,000 to \$180,000 that we have spent. So all of this meant the higher marketing cost plus the higher visa cost plus the higher sort of recruitment costs in bringing in new talent meant that the opex for this quarter was higher than the last quarter.

A lot of this will taper down in the following quarter. You will see lower levels of opex, specifically at least as far as marketing is concerned. But visa would be steady state going forward. So you will not have this level of expenses again. I hope that answers your question.

Vimal Jamnadas Gohil: Yes. So, would it be fair to say that we'll be operating in between INR 30 crores to INR 33 crores a quarter going forward, given the growth rate requirements that we have?

Rajan Venkatesan: Yes. That would be the range.

Vimal Jamnadas Gohil: Fair enough. Fair enough. So Rajan, my next question with you, if I were to look at our revenue by offerings, and if I were to sort of join the dots between what has happened in the technology vertical for the last couple of quarters, my question was on your diagnostic offering. So that service line or offering has also seen flattish trends of about \$16 million to \$16.5 million a quarter for the last 1 year. However, if I were to look at 3 of your high-quality or high-intensity offerings, which is RGM, consulting and predictive analytics, that has seen a lot of growth. Is this a conscious pivot? Or the pain in the diagnostic vertical is also related to the tech vertical that we have?

Rajan Sethuraman: Yes, it's a bit more related to the technology vertical because that is where the clients also have better appreciation of what can be done using the emerging tooling and technology. So, therefore, there will be greater pressure on how some of the diagnostic descriptive work can quickly get converted or at least be done in a more efficient manner, using generative and agentic approaches. Not that the floodgates have opened there, but we see quite a bit of that kind of ask coming our way, even in the consolidation and the price conversations that we are having.

The traditional sectors, I think, they still are at a certain level of maturity, where they may not want to completely switch over, to new models of getting diagnostic descriptive work done. So in general, this pressure will continue, not just in the tech sector, but also in the other sectors as well. What we are looking to do though is whether much of this can be delivered using a more cost-effective framework, leveraging generative and agentic technologies.

One of the things that we are building, for example, it's a solution called Wiz.ai. This is specifically focused on dramatically accelerating and automating the entire dashboard decision board creation work. So clients can directly interact with Wiz.ai in a natural language conversational format. And the tool has enough domain knowledge and semantic understanding built that for specific sectors and use

cases, it can quickly come up with the first version of the dashboard within a matter of minutes rather than weeks of effort that it would have taken, to do the wireframing and the work.

So there is work that we are doing. The expectation or rather the intent with all this is that we will be able to take a more efficient, powerful mechanism for getting this work done. And, therefore, not only will we retain the quantum of work, but we'll grow the quantum of work as well by demonstrating a superior approach to doing that work. But taking all of this into account, the future, of course, is more in the predictive, prescriptive, GenAI, agentic architectures, and that is where a lot of the action will be as more organizations mature and adopt some of these mean.

Moderator: Next question comes from the line of Rushabh Shah with BugleRock PMS.

Rushabh Shah: Sir, as you mentioned a lot on AI, my question was one of our competitor, Tiger Analytics, they are targeting 1 billion revenue by 2030 as AI will become their core business. So what is our thought process on it? Where are we seeing ourselves like 5 to 6 years down the road?

Rajan Sethuraman: Six years down the road? I don't know, okay, honestly. I mean, we are trying to figure out where will we be 3 years down the road. See, secular momentum and path will be, that there will be increased adoption, of all of the emerging technologies. But I'm sure that you're hearing enough commentary also around how much these emerging technologies will result in new work versus work that is currently being done, completely getting automated and done in an agentic fashion.

Our thought process at this time is that we be a disruptor, right, that we build those AI value propositions and the agentic frameworks that can help do that work. But it is very hard, to put down what is going to happen 6 years down the line? In 6 years, I mean, you could have artificial general intelligence, right? So I don't know. I mean, at this point in time, this is the best answer I'm able to give to this.

Moderator: Next question comes from the line of Sucrit D. Patil with Eyesight Fintrade Private Limited.

Sucrit D. Patil: My question to Mr. Rajan, Mr. CEO is, as analytics becomes more commoditized across industries, what unique positioning or strategic shifts do you see helping LatentView stand out over the next few years?

Rajan Sethuraman: So I called out the growth drivers when I did the preamble. So, our efforts will be focused on those growth drivers. Plus, the question that I just answered, the big shift that is happening in the world towards AI and generative and agentic. That is where the action will be. The one thing that I can see and I can call out confidently is that domain understanding will continue to be a very important aspect of how all of these new tooling and technology are brought together.

We recently did an event in Latin America and Mexico, and the external speaker that we had, talked about the advances, in the agentic and the generative AI spaces and how there are several companies, right, that are already doing very interesting work, with all of those technologies.

But she did call out that the organizations that are lower down on the maturity curve and who are yet to get started, the best advice that she could give them was think about your top 3, 4 problems, and the context of the problems and what are the major KPIs you're looking to impact in those problems and then how can you bring the power of data analytics, AI and everything, to addressing and solving

those problems.

So that domain knowledge is something, I think, that will continue to be a very important aspect of how these technologies play out. That plus the entire area of enterprise scale, privacy, confidentiality, transparency, governance, hallucination-related concerns, these are the things that will be a major talk, in terms of how you can apply the power of these technologies. I mean, the technology capabilities are getting demonstrated through POCs and pilots. But to apply it to enterprise scale, you will have to marry it with the domain understanding and the enterprise scale thought process, on privacy and governance and transparency matters. And that is where we would like to really build our capabilities as well. That's how we are looking to address this.

Moderator:

Next question comes from the line of Sameer Dosani with ICICI Prudential AMC.

Sameer Dosani:

First question is hi-tech vertical when I look at, right, last 3 quarters have been soft for us. And this, I think, is reflected in our top 5 accounts that is also growing slower than the industry than the company average. Can you explain what to think about this piece? And we have renewals coming up in Q3, so can you give me some early indications? Because what's happening is that hi-tech as a vertical, some of the clients that we may have may also be looking to cut costs. So any views on these 2 points, is my first question.

Rajan Sethuraman:

Yes. I mean, it's not very different from what I have already mentioned. The tech space have the best understanding of the evolving technologies because in many instances, the clients that we are working with are building the next new, when it comes to those tools and technologies. Therefore, there is an expectation that the cost benefits and the efficiency productivity gains from these technologies are applied internally to running their business as well. So there is an increasing demand from them that their partners and service providers are able to make use of all of these things, right, in the most optimal manner possible.

That apart, I guess, some of the cost pressure is coming from the inordinate amount of capital investment and expenditure that is being directed at infrastructure. So if you see \$500 billion investments being made into data centers and building even more powerful language models and the energy supply, that goes and all that, then the companies are going to squeeze whatever they can, in the rest of the business in terms of running it in as operationally efficient manner as possible. There are already a lot of questions and talk about how all of this investment is circular in nature, is it really pushing the boundary for the LLMs, whether an LLM-based approach to AGI, because that seems to be the quest is the approach that will yield the result because at the end of the day, LLMs, they use only language-based reasoning and modeling. There are many different classes of intelligence, like spatial intelligence or visual intelligence or physical dynamic intelligence and so on.

I mean, these are other approaches that other organizations and researchers are working on at this time. My point is that the LLM-based frenzy that is happening right now, directing a huge amount of investment into those areas, will mean that the cost pressures in the rest of the businesses will continue. Therefore, this is something that we can continue to expect in the next few quarters.

Moderator:

Next question comes from the line of Pritesh Thakkar with PL Capital.

Pritesh Thakkar:

Good set of numbers. I just had a question on top account that we added in the band of \$500 million plus. Which vertical does it belong to? And how is the potential to scale it further in the account, if

you can color or highlight on this one?

Rajan Sethuraman:

Yes. We added accounts in multiple verticals over the last quarter and a couple of quarters. I mean, there's an account that we added in the consumer goods space, for example, where there are follow-on conversations with the affiliates. The initial piece of work was in the range of about \$500,000. 2 projects that we have won recently, both in the industrial auto component manufacturing space, both of them are in that range as well. And in one of them, there is a significant Databricks-driven transformational program that they are looking at, which could lead to a multimillion-dollar, multiyear engagement. And the second one is related to a lot more work in the supply chain analytics space that we can do for them. So we are seeing traction in industrial, in consumer goods, in financial services as well at this point in time. One other account that we also added in the B2B technology space, that is showing some good traction as well. I mean, the initial work that we did was again of the \$0.5 million range, but we are seeing more opportunities in the remainder of this year as well.

Moderator:

The last question comes from the line of Srinivasu K with TIA.

Srinivasu K:

Sir, you said you are targeting \$19 million Databricks revenue this year while building the SAP on Databricks competency, right? So how do you see revenue acceleration from this channel? And also, is the margin profile on Databricks above the company average?

Rajan Sethuraman:

I'll answer the second question. The margin profile is not contingent on whether it is Databricks' work or not. It is contingent more on the complexity of the problem and the extent of usage of advanced analytics of generative and agentic architecture. So that is where the margin profile. Otherwise, Databricks work is similar to work that we might be doing with any of the other cloud platforms, whether it is AWS or GCP or Snowflake for that matter.

The first question in terms of how is the SAP competency going to help, we will have to come back to you on the objective impact of that because it is very early days. We are just starting to build the competency. This was a big partnership announcement that happened from Databricks very recently. I mean, when I say very recently, it's almost 6 months old now, but it is only now that they are starting to see the traction on that. And therefore, they are encouraging many of their partners to bring that kind of SAP capability and competency, where the combination of SAP and Databricks, will deliver the goods for the client. I'm expecting that this will continue to push us in the right direction. I mean, already, even without doing any SAP related work on Databricks, we are seeing good growth rates with the Databricks practice. I'm expecting that the SAP competency will add further fuel, to us moving in that direction.

Moderator:

Ladies and gentlemen, we have reached the end of question-and-answer session. I would now like to hand the conference over to the management for closing comments.

Rajan Sethuraman:

Yes. Thank you, and thanks all for your questions and for joining us today. I mean, feel free to reach out to our Investor Relations team for any additional follow-up and stuff, we'll try and address them. Subsequently, today, we do have some other media interactions that are lined up at 10.30, and that's the reason that we had to cut this short right at this time. At this point in time, I would say that in general, there is a good amount of momentum in many parts of the business, which we have called out.

The tech sector is one where we see some tentativeness, not that we are not growing there. I mean, we

are growing at a certain pace there, and we want to pick up the pace even more. And that is the reason we are making those investments, in those areas that I talked about. I talked about the sell with capability that we are building with one of our accounts. I talked about the cybersecurity analytics practice that we are incubating, even the work that we are, otherwise, doing with the AI Center of Excellence. And all the new value props that we are building using the agentic architecture, this is all aimed at demonstrating and showcasing to the tech sector that we can also be ahead of the curve, in terms of how we can bring more productive, efficient approaches to the problems that they have, even in the diagnostic descriptive space. So the intent is to drive these hard and capitalize on them in the remainder of this year and set up good momentum for the next fiscal as well.

Overall, we are pleased in general with the progress that we are making on several fronts. We continue to add bandwidth in the front end as appropriate, churning out and making sure that the team is really delivering the goods for us. And we continue to make investments and capability building as well in all the horizontals and the areas that I talked about. And there are new areas that we have identified and that we'll be investing in as well.

With all that, we are expecting that the second half of the year will be a fairly strong second half as well and that we will be able to provide even better guidance, as we wrap up the next quarter. But, otherwise, thank you all for joining the call. Raj, did you have any final comments? Otherwise, we can close it.

Rajan Venkatesan: I know there are 5 or more people who have questions. We have Aditi, Pareek, Vimal, Pritesh, Karan, who I think still have some outstanding queries. So please feel free to reach out to the Ernst & Young team, to the extent some of your questions have not been answered, and we'll be happy to answer them to the best of our knowledge. Rajan, you pretty much summed it up well, and there is nothing additional that I need to add at this point in time.

Rajan Sethuraman: All right. Thank you. Thank you all for joining today. Take care.

Rajan Venkatesan: Thank you.

Moderator: Thank you. On behalf of LatentView Analytics Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Note: *This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.*