Tracxn

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Date: August 13, 2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 543638

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
Scrip Code: TRACXN

Sub: Transcript of the Investor/Analyst Earnings Call held on Thursday, August 07, 2025

Dear Sir/Madam,

This is in continuation to our letter dated August 07, 2025 wherein we had informed regarding the video link of the earnings call with analysts/investors for the quarter ended June 30, 2025.

In this regard, please find enclosed herewith the transcript of the said call.

The transcript is also available on the Company's website i.e.
https://cdn.tracxn.com/investor-relations/financials/Q1FY26_Earnings_Call_Transcript_LdN49UGGWXtqBlr8Zy5J2.pdf

Kindly take the above said information on record.

Thanking You.

Yours faithfully,
For **Tracxn Technologies Limited**

Megha Tibrewal
Company Secretary and Compliance Officer
Membership No: A39158

Encl. A/a

Tracxn Technologies Limited

Q1 FY26-Earnings Conference Call

August 7th, 2025

Management:
Ms. Neha Singh, Chairperson and Managing Director
Mr. Abhishek Goyal, Executive Director
Mr. Prashant Chandra, Chief Financial Officer

Host and Moderator:
Ms. Devanshi Kamdar, Systematix Shares and Stocks (India) Ltd
Mr. Sidharth Agrawal, Systematix Shares and Stocks (India) Ltd

Moderator:
So, good evening, ladies and gentlemen. Thanks for joining us today on the Q1FY'26 earnings call of TracxnTechnologies Ltd. On behalf of Systematix, so me, Sidharth Agarwal and Ambrish Shah, we would like to thank the management of Tracxn for giving us this opportunity to host this earnings call.

Today, we have on call with us Ms. Neha Singh, Co-founder, Chairperson and Managing Director, Mr. Abhishek Goyal, Co-founder, Vice Chairman and Executive Director and Mr. Prashant Chandra, Chief Financial Officer. I would now like to hand over the call to Neha to give her opening remarks and take us to the PPT and after that, we will open it up for the Q&A session. Please use the raise hand option to ask the questions or you can also submit your questions on the Q&A box at the bottom of your screen.

Thanks and with that, over to you, Neha.

Neha Singh:
Thanks, Devanshi. A warm welcome to everyone. Thanks so much for joining us today for our earnings call for the first quarter of financial year FY'26.

We are very excited to present the results for this quarter. In terms of format, we would like to run through a short presentation and I will share across some highlights for this period and also give some commentary along, right? And then we'll follow it up with a Q&A session.

And please request you to go through the standard disclaimers for this presentation. A quick recap on our business. Tracxn is a data and software platform for the global private markets.

If you look at the public market, it has multiple large companies, many of which are profitable and cash rich companies. As private markets are becoming large and important, it will also create platforms like these and we are building a global platform in this space. Our customers include venture capital funds, private equity funds, investment banks, as well as M&A teams and innovation teams of large Fortune 500 corporations.

Also in terms of data, it's a global platform, so 60% of our revenue is international and we have customers in over 50 countries. I would like to begin by summarising the financial performance of Q1 FY'26. To set the context, we have one business and one legal entity, so you'll not see terms like standalone or consolidated. All the numbers that we talk about is for the business overall. Revenue from operations for Q1 FY'26 was 21.2 crores. This is a 3.2% growth on a year-on-year basis. Total income was 22.9 crores, which is an annualised run rate of 91.5 crores. Coming to profitability, EBITDA and EBITDA margin for the quarter was negative 0.2 crore and 0.9 respectively. Also to add, this EBITDA includes all the non-cash expense also, like ESOP charge.

PAT for the same period was positive 1.1 crores and PAT margin was 5.3%. On the cash side, the business continued to generate positive free cash flow. Free cash flow for Q1 FY'26 was 2.6 crores. Cash and cash equivalents stood at 98.6 crores. This is an increase of 22.7% on a year-on-year basis or an increase of 18.2 crores in absolute terms on a year-on-year basis, right? So that's a fairly large increase. Coming to some of the other key metrics of the business, our customer accounts continued to grow at a very good pace.

Our number of active customer accounts reached 2,030 at the end of Q1 FY'26, which is a 43.7% increase on a year-on-year basis. Deferred revenue for Q1 was 37.9 crores, which is a growth of 6% on a year-on-year basis. In the subsequent slides, I'll be covering each of the metrics that we talked about in more detail, starting with revenue. Revenue from operations is essentially revenue from platform subscriptions. Bulk of the revenue is subscription-based, so it's a fairly high-quality revenue. Also, please note, this is accrued revenue. So though we do prepaid billing and collections like most other financial data platforms you may have used, we only recognise revenue for the time duration falling within the reporting period for which the service was made available. As discussed, revenue from operations in Q1 was 21.2 crores and total income was nearly 23 crores. We've also added historical data for the last financial year for reference here.

Coming to profitability, we continue to have profitable operations. EBITDA for Q1 was negative 0.2 crores. Please note, this also includes a non-cash expense.

So if we exclude the non-cash expense, the EBITDA was positive 0.4 crores for Q1. PAT for Q1 was 1.1 crores. If we exclude the non-cash expense, the adjusted PAT is 2 crores.

Another metric that we tracked is basically the incremental revenue going into bottom line. In FY'21 and 22, this metric was close to 80%. In FY'23 and 24, these was 31% and 43% respectively.

In FY'25 and Q1 of FY'26, the incremental revenue was offset by the increase in cost as we are aggressively investing across various growth initiatives. Just a point to note here that despite these investments in growth, we continue to have profitable operations as well as generate free cash flow during this period. Coming to expense, our total expense for Q1 was 21.4 crores, which is a 6% year-on-year increase. On the right-hand side, we have given the expense breakup across the key components. And just to summarise, it's the same as what you would have previously seen. First bulk of our expense is team cost.

In Q1, this accounted for 88% of the total expense. This has been almost in the same range across the last four financial years. And also please note that all our team is in-house, so there is no outsource or contract workforce.

The second largest item is cloud hosting, which accounted for 2.7% of the total expense, as we do a lot of data processing and analytics. This is followed by the rental expense. Some

interesting points to note here is that we do not have a large paid marketing expense item because we do not have a large paid marketing spend, neither digital marketing nor offline-based, typically required for customer acquisition.

The reason for this is that because we are a data company, we are able to use a lot of content that we have and hence are able to generate a lot of organic traffic, so we are able to acquire leads fairly efficiently without significant expense. Another interesting aspect that you see across the last few financial years, from FY'21 to the current quarter, if you see during this period, the headcount increased only by 4%. So this was 624 four years back, to 650 at the end of the last quarter.

The total expense during this period increased by 40%, but the revenue in this period has nearly doubled. So it is great to see that though the revenue has doubled, the headcount only increased by 4% in the same period. So this is a great testament to the operating leverage of the business.

Moving to our volume growth in terms of customer accounts and users, we continue to see this increase at a fairly high pace. We closed June'25 at 2,030 accounts, which is a 44% increase on a year-on-year basis. The number of users were 5,376, which is a 38% increase on a year-on-year basis.

So we continue to acquire more customers at a fairly aggressive pace. Moving on to some of the other financial metrics, the company generated positive free cash flow of 2.6 crores in Q1 FY'26. Cash and cash equivalents stood at 98.6 crores, which is a healthy increase of 18.2 crore on a year-on-year basis or a 23% increase on a year-on-year basis. So we generated positive free cash flow as well as added cash to the latest quarter. Moving on to some of the other details on the customer base, starting with the split of customers by type.

So if you look at the accounts at the end of Q1 FY'26, they split across three main categories that is as follows. 49% of the accounts were from the investment industry. This includes private market investors such as VC funds, PE funds, investment banks, family offices, accelerators, incubators, etc. 47% were corporates. This includes primarily corporate development teams, M&A teams, innovation teams at these corporates, consulting companies, etc. The remaining were others, which includes academic institutions, government agencies, and others.

So as we have mentioned previously, we continue to have a healthy spread across investment ecosystem as well as corporates. So essentially we service a diverse and a rich customer base. The slide gives an expanded summary of the titles within the investment ecosystem and corporates that we work with.

So this gives us a very large addressable market to tap into. Coming to some of the other characteristics and metrics of the company, of the business, 57% of the revenue for Q1 FY'26 was from outside India. These customers span over 50 countries.

The top five markets by customer accounts are India, US, UK, Singapore, and Germany. So essentially it's the similar set of geos where you have large corporates and private market investors. Similar to the previous quarter, I also wanted to talk a bit on the market.

So in terms of market activity, the private markets have been fairly slow for the last two years. So 2023 saw a decline in the tech funding, which was down 40% globally and down 60% in India from the previous year. 2024, which is last calendar year, the dollar invested improved slightly, but it was still down 50% from the peak and the deal volume was at a 10-year low.

In the first half of the current year, which is 2025, deal value looks to be improving and likely to be close to what it was about five years back, that is in 2020. And the deal volume will likely to be at a 10-year low. Similarly, similar was a trend in the late-stage activity.

One proxy for the late-stage activity is if you look at the number of new unicorn startups that got created or the new private companies that got valued at over a billion dollars. So in the last 2.5 years, this has been fairly slow. The current run rate of 2025 looks lower than 2024 and likely to be one of the lowest in the last nine years.

Coming to global M&A, it has seen some signs of recovery. In 2023, M&A hit its lowest point in the last decade. 2024 was slight improvement over the previous year and 2025 looks like the continued recovery.

So the deal value is likely approaching the levels seen about seven years ago. If you look at the IB fee, the Investment Banking Advisory Fee, M&A fee had hit a similar low in 2023, which was at a nine-year low. 2024 showed a recovery and returning to levels as we had seen about five to six years back. And 2025 looks better than or broadly similar to the last year's run rate. So 2024 was one of the lowest in the last 10 years and in terms of the global M&A activity and we are seeing some recovery in this year. Coming to some of the other green shoots in the business, we do see some very positive indicators.

Talking about the customer account growth, you'll be excited to hear that we continue to have a very high velocity of volume growth. So on the left-hand side, you can see the Q-on-Q trend of the total number of ending customer accounts. And on the right-hand side, you can see the total number of net new accounts that got added in each quarter.

So if you see historically until Q3 of FY'24, which is about six quarters back, we have added an average of anywhere between 30 to 60 new accounts on a quarterly basis. This pace of volume addition started accelerating from Q4 FY'24, wherein we added 88 net new accounts, right? And it has continued to remain fairly high across the last six quarters, right?

In fact, it increased to more than 100 net new accounts getting added for all these quarters. So you'll be glad to see that even in the latest quarter, we are able to sort of continue the trend. So in Q1 FY'26, we added more than 100, which is 104 accounts, net new accounts that got added.

So this accelerated pace of account addition has been due to various growth initiatives that we'll talk about in the subsequent slides. Even on the user side, we saw a very good increase this quarter. So we added 325 net new users on a base of 5,000.

And historically, we have added anywhere between 40 to 80 net new users on a quarterly basis. So that's a multi-fold increase. One of the recent growth initiatives that we talked about is essentially your vertical teams.

And as we had mentioned previously, that most of the vertical teams, which are essentially teams focused behind different customer segments, so they were started initially in the India Geo. So while you talk about the acceleration of the individual vertical teams later in the subsequent slides, I also wanted to share the growth that we have seen overall in the India Geo. So there we see a very healthy revenue growth in the India Geo. In Q1 FY'26, India continued to see a good pace of expansion, increasing the number of customer accounts by nearly 60%. So 58% to be exact on a year-on-year basis and the revenue grew by 15% on a year-on-year basis.

So this playbook of vertical teams or think about them as small business units, which are only about few quarters old, is working and is working very well. So our plan is to replicate this to other countries and we expect similar acceleration to see in the other Geos as well. Also covering in more details international markets, we've seen the account growth improve in Q1 FY'26, the number of ending accounts grew by 25% on a year-on-year basis.

So though it was not as high as the India Geo where the accounts grew by 58%, however, it is higher than what it was like a year back. The account growth for the international segment was negative 5% in FY'24, from there it has improved to positive 25% in Q1 FY'26. Most of the reasons for this acceleration is due to the generic sales and marketing initiatives.

Primarily, it has increased organic traffic as well as launch of Tracxn Lite. What has worked well in the India Geo is basically the vertical teams, which is the customer segment by view teams. And we expect that as we are replicating that in some of the other countries, we should see similar acceleration and which will make our overall growth rate look much better.

In terms of deferred revenue, we continue to see that increase. The deferred revenue for Q1 FY'26 was 37.9 crores, which is a 6% increase on a year-on-year basis. Coming to platform engagement metrics, they continue to look very healthy and following the historical upward trend.

If you look at the platform usage, which here is in terms of number of exports and *MyAnalyst* queries, this has grown 1.9x in the last two years. So engagement has grown both at the overall level as well as on a user level on an average. So this is a very healthy trend.

Apart from this, we at our end have been heavily investing across various growth initiatives over the last few quarters. These span across go-to-market funnel of sales, marketing account expansion, and we continue to see very good results. Some of the key initiatives that we've been working on include expanding the leads funnel by increasing organic search traffic. Our second is Tracxn Lite for driving product-led growth. Third is scaling with specialised teams. Fourth is increasing coverage of regulatory data across countries as well as expanding the types of data sets that we track. And fifth is leveraging AI in data production. And a few more. So I will take a couple of minutes to give you the overview of these growth initiatives, and we are fairly excited about sharing the results that we are seeing from these.

So starting with organic search traffic. So one of the interesting growth initiatives that we've talked about previously is scaling our organic traffic. So this continues to be a big area of focus for us.

Being a data company, we are able to use a lot of data that we own to launch large set of public pages, which generates a lot of customer traffic. For instance, if someone is searching for FinTech companies in Europe or AI companies in North America, they come across our pages and we are able to generate leads through that. So if you look at the organic traffic that we got across all the pages, in Q1 of FY'26, this was 6.1 million. So this is a fairly large volume and a couple of interesting things is that one is we have been able to build a fairly large volume through this. And second is that this has been growing rapidly across the last few years. For instance, if you look at across the last three years, this has grown four times.

And third, we continue to work on this aggressively and we expect it to increase even further. For instance, the current traffic's annualised run rate has reached 24 million, which is higher than last year's. The next interesting initiative, growth initiative is the launch of Tracxn Lite. So we had launched Tracxn Lite last year for product-led growth to increase the awareness about the richness of the platform among potential customers. For Tracxn Lite, users get access to the entire platform when they sign up, though obviously with some limitations, such as restricted daily limits for profile views, exports and certain platform modules. So this was launched about one and a half years back and in this much time, we have been able to, so we have over 1.8 lakh sign-up for Tracxn Lite. So this is a fairly large set of users that we've been able to sign up organically in a fairly short span of time. And the other thing is that the space of acquisition has also been increasing on a Q-on-Q basis. So another interesting aspect is that the users who sign up have also been actively engaged on the platform.

The monthly active users have now crossed 32,000. So this is a large set of users that are getting familiar with the platform, which helps us in building a very good acquisition pipeline as part of the user's expressed interest in upgrade over time. So just to give you an update on the

recent quarters in terms of metrices, if we compare Q1 FY'25 versus the latest quarter, Q1 FY'26, the number of organic sign-ups have almost doubled.

Average monthly actives have tripled. Average number of users per day hitting the credit limit have also doubled. So we have seen an increase in upgrade requests and demos.

So this continues to be a path to become a large acquisition channel for us. Coming to the vertical teams of the specialised team that we have set up for most of the key customer accounts, we continue to see very good results. A good example being universities that we've talked about previously. And just to summarise, here we have set up a specialised team with cumulative experience over 20 years selling to universities. So majority of our customer segment come from top universities globally, which is also a great avenue to educate them about data platforms like ours. So initially, these teams start with new sales, wherein they are able to efficiently accelerate customer acquisition rates.

Later, they take up also engagement, where they are able to work with the customers for increasing activation and account penetration. And eventually, they also start doing marketing initiative in the respective customer segments. So this was one of our initial teams was set up, and it has been a little over a year and a half since their launch. And you'll be excited to see the results. The number of customers in this segment have almost tripled in the last 12 months. And the revenue for this segment has grown by 100% in the same period as compared to last year.

Because of these focus teams, we are also able to do targeted outbounds and get a high potential sort of logo customers as well. So we continue to add many top universities. And as of June'25, five of the top six IIMs are our customers. And many of the new IIMs are also getting onboarded with other top universities like IITs among others. The other interesting thing is that we are also working towards including Tracxn in relevant courseworks, such as investment banking, impact investing, venture capital, and private equity courses, etc, across universities like IIMs, ISB, and are also working on increasing engagement with activities such as on-campus onboarding sessions for all the incoming students to help them familiarise with the platform. We have also launched marketing-led initiatives such as podcast series with well-known people from the academy who look at private markets and entrepreneurship.

These help us in building relationship within that ecosystem and also drive value from our platform. So this is a good testament to the vertical team approach that is very effective. This has helped us to increase both revenue and market share in these segments.

And as we expand to other segments, we can see a similar boost across multiple other customer segments as well. We've also set up the specialised team for startups. So even though startups are served by the same platform, they have slightly different use case and workflow requirements. Some of the use cases include using Tracxn for business development, fundraising, competitor analysis, market research. So this is a very high volume of inbound that

we get from, but their price point is actually slightly lower than investors. But cumulatively, this can be a sizable segment served by the same platform.

So we set up a separate go-to-market strategy for this segment, wherein we have been getting a very high and increasing volume of inbound. So in addition to setting up a dedicated team, we also launched additional features for this segment. For instance, some of the recently launched ones include profile views, which enables founders to see which investors had viewed their company profile on the platform to help them build a pipeline for fundraising and sales outreach. Some interesting updates from this segment, in Q1 FY'26, the number of accounts have doubled on a year-on-year basis. And over 50% of the revenue from this segment is from international geos. Another recently launched vertical team is accelerators and incubators.

Under this initiative, we are focussing on customers across private incubators, government incubators, universities, corporate accelerators. And one of the key use cases for this segment is facilitating fundraising for their portfolios, which we are able to do through features like investor database, live deals, next round investors, and more. So we are seeing good initial success as the pace of acquisition has increased in just a few quarters.

And interestingly, even in this, 50% of the revenues from international customers in Q1 of FY'26. Another vertical team we had launched was investment banking. So this team sells to investment banking, both through inbound and outbound. Here, we had also augmented the data coverage as required by the customer segment, which helps us to improve conversions in this segment. In addition to increasing coverage of companies, we had also launched other things like key ratios, VC and team databases. We had also launched a deeper contact database so that this segment can do more outreach as they are required by them.

And we are also working on other things like building coverage of offline sectors as well as IPO readiness markers, which is important for this customer segment. And one of the features which we had recently launched is that startups can mention if they are looking to hire an investment bank. So this also helps in building a sales pipeline for the investment banks.

We continue to see very good results here. So the logo penetration in India continues to increase by 1% on a month-on-month basis. In India, the number of accounts grew by 60% and the revenue grew by 20% on a year-on-year basis.

So we've also started scaling investment bank units to key geographies internationally and are seeing good success. And we expect further acceleration to happen. Another vertical team we had launched is the corporate sales team.

So this is a specialised team that is focused on users with corporate sales focus who are typically looking to scout and analyse companies across sectors and geos for lead generation, market analysis, competitive benchmarking, business development mandates. We are also augmenting the data on the platform for this segment, example, PIN code data, CXO data, as

well as updating the regular contact database at a much faster pace. And here also we are seeing very good results and the pace of acquisition has nearly tripled since launch and we are also seeing significant revenue acceleration.

Interestingly, 50% of the revenue in this segment was from international customers in Q1 FY'26. So based on the success that we had seen on these initial vertical teams, we had accelerated the launch of more teams and launched about 10 additional vertical teams. These are specialised teams for customer segments such as venture capital, corporate M&A team, corporate sales team, etc.

As mentioned earlier, we believe that we have cracked a very repeatable playbook through this architecture and setting up new units should have a material impact. In all these units, we had initially started by targeting new sales, which helps us accelerate the pace of customer acquisition. And later these teams will also move to include engagement within these segments, which will help increase retention, market penetration and revenue growth within these segments.

And as mentioned earlier, we have also started scaling these vertical teams to some of the other geographies internationally and we expect this can help us bring us to our desired growth trajectory. Moving on, another interesting growth initiative that we've been working on is expanding our coverage of regulatory data of private companies across countries. This includes for instance, a variety of information on companies across various government registries and other government databases. One of these information is for instance, financials and cap table data sets of private companies, which are particularly in demand by certain customer segments like PE and IB. So we've done two things. One is we have significantly increased the throughput of the existing data sets like financials and revenue data leading to a many fold increase in the coverage, as well as we have launched new data sets as required by the investors for evaluating and doing diligence on private companies.

So this has also helped us boost our sales efforts. Talking about financials in specific, today we track financials of private companies in over 20 countries. The number of detailed financials on the platform has increased at a fairly rapid pace. In 2023, we had increased this number by 5x on the platform. In 2024, we built on that momentum multiplying it by a further 6x. So this is achieving like a 30x increase in just two years.

In the first six months of 2025 alone, we have already scaled this by another 3x. So as of June 25, we had over 1.6 million companies with revenue data and 2.9 million companies with detailed financials available on the platform. So one thing which is obviously very interesting is that we've been able to add these data sets at a rapid pace without increasing headcount mass.

So this is again a very strong testament to the level of automation and intelligence that we've been able to build as part of our infrastructure, which enables us to scale efficiently. Coming to cap tables, cap tables are requested by investors to see the detailed shareholding, valuation,

leases, as well as historical share price of private companies. Today we track cap tables across 15 countries.

In 2024, we increased the number of companies on the platform with cap tables and detailed shareholdings from 39,000 in the beginning of the year to over 300,000 by the end of the year. So this is a huge 8x increase within one calendar year. In the first six months of the current year, that's 2025, we are able to increase this to 344,000 companies.

Legal entities, so we launched legal entity database about two years back. Legal entities help investors in screening companies registered across various countries for specific high growth metrics like revenue threshold, growth rate, profitability, employee count. So this database has also expanded at an amazing pace.

We had 11 million entities at the end of 2023. This increased to 64 million as of June'25. Major companies by coverage includes US, UK, Japan, India, Australia, Brazil.

We are also seeing good customer usage with legal entity page views increasing on a Q-on-Q basis. So as highlighted earlier, we continue to focus on adding more data points for the existing entities. The recent enhancements include significant increase in the coverage of financials, cap tables, people details for these entities and other regulatory data points such as loans and charges as well as patents, right? So this helps us increase penetration in the customer segment requiring these.

So as mentioned earlier, we are building sort of deeper coverage in the data points within the regulatory data, right? So some of the data points which are live and in pipeline includes loans and charges data, patent data, legal case data, FDA approval data amongst others. So these are particularly in demand, you know, for existing as well as new use cases like deeper due diligence, KYC, etc.

And we believe these data sets will help us increase penetration within the customer segments. For instance, clinical trial data, which is crucial for healthcare and life sciences companies as well as healthcare focused investors. Patent data offers early visibility into emerging technologies, competitive positioning and market trends, helping investors assess growth potential and corporates to shape R&D partnership and strategy.

Similarly, data points such as tax compliance, filing delays, payment delays, bankruptcy filings, etc are also critical for due diligence as required by investors. Another initiative that we have been aggressively working on is leveraging AI for data production. So we have been an AI first company and continue to harness Gen AI for key initiatives in data production.

We have been able to multiply and augment our data sets by reducing the manual intervention and even shrinking headcount, which is a strong testament to our use of automation and intelligence in data production. In 2024, for instance, we expanded the coverage of key data

points on our platform by over 5X while our data production headcount actually reduced by 10%. In the first six months of 2025, we have further multiplied our coverage of key data points by over 2X while in parallel, our data production team's headcount got optimised by another 20%.

So we are seeing both on one hand, we are seeing great amount of acceleration in data production phase and on the other hand, we are also seeing much leaner data teams to be able to do that. To expand further, we've been able to enhance the pace of addition with high accuracy. So one is we are able to, we have increased pace of data processing in the existing systems.

So reduced manual overhead and increased throughput. To give you an example, the number of companies that we've been able to process at the top of the funnel have increased by four times. The second is that additionally, we have also expanded coverage across multiple data sets through faster processing by unstructured documents.

Example, accelerated extractions of financials and company information from regulatory filings across over 20 countries. Also because of this, we have been able to launch new data sets at a much faster pace than before. To give you an example, we had to launch an area pin code mapping for the sales team and this got launched in under a week.

So we expect continued optimisation in the data production and further acceleration in the throughput of the system and we are excited about the possibilities with Gen AI technology and its potential to help us build data on private companies globally. Lastly, another growth initiative that we've talked about previously is press mentions. So as mentioned earlier, whenever media talks about data on private companies or startups or emerging technology sectors, we want them to quote data from Tracxn.

So we continue to work on initiatives like launching reports with media data contributions, regular columns in some newspapers and this has resulted in a multi-fold increase in the press mention that we have received across the various media outlets. In Q1, we had some prominent partnerships also under this initiative. For instance, we were the research partners for the North Star Annual Report by WeWork Labs, we were the data partners of state of operator-led startups by RTP Global and the data partner for Titan Capital for another report.

So we've also extended this initiative to other geographies to increase our coverage internationally. Our data got featured in multiple columns and our reports got coverage across various media outlets even in Southeast Asia this quarter. And we are also working on increasing our coverage in other geographies like Middle East, UK, Australia and Germany.

So the advantage of press mention is that a lot of people discover our data for the first time through media and come to our website and generate a very high intent lead. This also helps us building a brand as a data company and also a sales conversion and helps the revenue growth.

In terms of some of the other KPIs of the business, the first graph talks about the contract price or the invoicing amount.

In Q1, this was 21.6 crores. The second graph talks about the entity's profile of the data, which is a proxy to the amount of data added on the platform. So today we tracked 4.9 million profiles, which is an increase of 50% on a year-on-year basis. So this covers most of the key updates from the recent period. Subsequently, there are some slides for the detailed financials, which you can go over in more details. Thanks, that's all the key items and I'll pass it back to Devanshi for any Q&A that the group might have.

Moderator:
Yeah, thanks a lot, Neha, for taking us through the presentation. I'll wait for a minute there, get the question queue assembled. Participants, you can raise your hands or ask a question in the question box that is provided and then we'll take it up one by one.

I think first, Sougata had raised her hand. You can unmute yourself and ask your question, Sougata.

Sougata Roy:
Thanks, Devanshi. Can you guys hear me?

Moderator:
Yeah, go ahead.

Sougata Roy:
Hi, Neha, thanks so much for taking us through the presentation. I think just a couple of questions. One is when we see the pace of growth in terms of customer addition, in quarter one of '26, it has significantly come down versus the previous quarters. Just want to understand the reasons behind the same. Is it that the number of gross account addition was lower or the churn was higher? And if you can give us a little more colour on that.

Neha Singh:
Sure, thanks, Sougata. So just to address that, we added, so if you compare it to just previous quarter, it looks lesser, but actually if you compare it to a longer period of say like two years, it is actually a fairly good number. To give you an example, in the last three years, we exclude the last year, previous three years, we added an average of anywhere between 20 to 60 net new accounts, which got added every quarter.

And since this started accelerating in the end of FY'25, like in FY'25, it got accelerated when we added more than 100, across all the quarters. And we have sort of sustained that. So even this quarter, it's more than 100.

So any number between 80 to 100 is like a good number that if we continue to add. So that's on one part, like, so this is sort of the, even the net added is like a good number that we see. On your second part of the question, which is, what has sort of changed? So the retention has not changed. In fact, the retention has improved marginally, right? In this, in Q1, if you see, and if you compare it to FY'25, so it has actually improved marginally.

And so I think it's just, I think, to summarise, I think like more than 100 or anywhere between 80 to 100 is a good number to actually continue to have.

Sougata Roy:
So Neha, just so that I understand, how should we look at the following ensuing quarters? Is the expectation that you guys are going to go out and add in a similar range, because the understanding that at least we had is that the pace of growth of customer addition has increased, which was, which happened in the last couple of quarters. So how should we look at FY'26 quarter on quarter in terms of addition?

Is this something that you guys are going to sort of keep following? Or is the pace going to increase to what we have seen in quarter four and quarter three of FY'25?

Abhishek Goyal:
Usually what we see is Q1, Q2 are slightly slower in that, slower in that addition. Q3, Q4 are stronger. Q3 is year end for US and geography which follow Jan to December calendar. There are some budgets there, so you're able to close slightly more there. And some countries follow March calendar year ending as financial year. So there is some budget expiring there.

So usually Q3, Q4 are slightly stronger. But if you compare Q1 this year to Q1 last year, it's broadly in the same range. So in coming quarters, we are hoping that we continue to add at least 100 to 200 accounts in each quarter. But I think my sense is Q1, Q2 is usually slower than Q3 and Q4. And that is a similar trend we have seen in past also.

Sougata Roy:
Got it, understood. And if we have to, if I look at the last four quarters now, you guys have been in the 21 point something range in terms of revenues, right? So you've seen a cycle of customers getting added.

And while growth comes during the year as well, when do we expect growth now to come on the revenue side? And how do we look at FY'26 and 27 from a year-on-year growth perspective?

Neha Singh:
Right, right. Yeah, so if you look at it, the overall growth rate might actually look, does not, looks a little slow now, but actually if you look at it in pockets, we have already started to see acceleration increase. So whichever segment wherein it has had more than 20% volume growth, we've also had revenue growth.

To give you an example, obviously at the individual customer segment level, wherever we have had vertical teams working for a few quarters, there you have seen acceleration. Like IB globally grew more than 20%. India grew even faster.

Corporate sales is another segment that is growing, right? And even if you look at India level overall, wherein you had most of these view wise specialised team set up, there it grew at 15% on a year-on-year basis, right? You don't see the impact overall because you still have some impact in some parts. So that's why you don't see that overall. But going forward, what we are sort of aggressively working on is also expanding the coverage of these teams, right? To other geographies as well, right? Geography. So for instance, IB, which was initially in India, now you also have IB UK team separately, IB US team separately set up. So as you will see more of your customer base being covered by these teams, you should see more growth acceleration.

So I think we're already done with setting up most of these teams. And I think there are a few geographies that we are working on. And so our sense is that from here on, you should start seeing the growth to improve.

Sougata Roy:
So Neha, I think the reason why we are asking these questions is also because of the fact that the presentation does not give colour in terms of cohorts, right? Which is exactly what we are talking about. Teams which have been set up in the last, let's say four quarters, five quarters, how are we tracking?

What has happened to the average price point per customer? Right, it has obviously come down. How significantly has it come down? And what has happened to the older cohorts of customers who are higher paying, right? I think these, if we get clarity on these three aspects, very easy to understand the business.

Neha Singh:
Got it, got it.

Sougata Roy:
So I think a colour on that will be helpful. And what are you guys targeting at least for 26, more so for 26 than 27 in terms of growth on an overall basis?

Neha Singh:
Right, no, I think probably last year should have been the slowest in terms of growth. And you should see sort of that significantly improve, starting from these quarters to come.

Sougata Roy:
Okay, thank you.

Moderator:
Thanks. So the next question is from Mr. Praneeth. You can unmute yourself and ask your question.

Praneeth Bommisetti:
Am I audible?

Moderator:
Yeah, go ahead.

Praneeth Bommisetti:
Thank you. So I was wondering about the pricing part of it and discounting part of it. I understand that this quarter and like the last few months, we have been growing much better at an India level rather than internationally.

Or at least that's what I remember. So can you give me a light on how the account expansion is going in terms of India and what is the average account value and user value in different, like domestically and internationally? And like, can you also give an idea of like, I think we mostly concentrate in the US.

So how are we also expanding in terms of geography and how are the account values and discounting, like changing as we expand into the newer, let's say segments? Because I think we, as you mentioned before, we started to put new cohorts of people into expanding the specific niches and improve the conversion of those particular customers. So I was wondering how much is discounting playing a role in this particular aspect?

Neha Singh:
Right. Yeah, sure. So just to answer that, if you look at our average ASP today, by account, this is about 4.3 lakhs, which is slightly lower than 5.2 lakhs per account per year that we saw last year. And one of the reasons is obviously that there's a high volume of new addition, right? The customer base has grown at 44%. And most of the new accounts start small.

So the average is about three users per account. Most of the accounts actually start with a single user, like more than 90% would start with like a single user as well, right? So that's one of the reasons.

And we also had launched a vertical-wise pricing. So for instance, for some segments, like for sales and IB, which their payability is lesser than investors, we had also launched a segment-wise pricing, right? So right now we are focussing a lot on increasing market share within the relevant customer segments.

And so that is why you see the ASP in this range, right? And just coming to that, your point of how we are seeing, how does it compare between India and international? So India is about half

of the international. So if the average is about 4.3, India would be lesser than that, right? Between around three or so. And then international would be double of that. So between six to seven Lakh per year per account, right? So that's on the India versus US.

And in terms of discounting, so I would not say discounting. So I would, for instance, one of the things that we had launched is that segment-wise pricing. So for some segments wherein we were able to get a lot of leads, but were, for instance, having a lower conversion, there, in addition to launching some of the product features and the data coverage, we have also worked on pricing, right? So that has also helped us in increasing the conversions within these segments. So hopefully that answers the questions, Puneet.

Praneeth Bommisetti:
Yeah, I think it's the university part of it. You mentioned that you were also making it a part of the curriculum and doing all of this, right? So I was wondering, these university accounts, how many users do each account of them have?

And how is the user-based pricing? So are you saying that each of them get this individual account interaction if you onboard a university or they usually use a common public account that everyone can use? How was that particular relationship with the university and students?

Neha Singh:
Right, right, yeah. So universities are very interesting aspect. Like if you look at it, even in the public markets, right? Like you get exposed to a lot of platforms, data platforms, which are for public market investing in the universities. And these are part of the curriculum or these are in the libraries, which is available. So we actually took a similar strategy for the private market.

So like universities is a great channel for marketing for us because a lot of our user base, if you see, across investors, across corporates, corporate M&A teams actually come from the top, like 500 universities globally, right? So that is why this was one of the initial teams that got launched. The pricing is, in university, is slightly discounted to what the investor would pay. So for an investor, if it is about you know, even the starting, the average is maybe higher. For university, they pay us anywhere, like around six lakhs, right? In India, maybe globally, slightly different, right?

And this is a similar strategy that most of the other financial data platforms also take. You know, slightly there's an education pricing that most of them have. Coming to the users.

So typically what we have is basically, you know, their entire batch will actually get access to this. And the users, we don't count it in, so the user count that you see over here, we don't count the university students, you know, within the user count, right? Because obviously these are differently structured ones.

So there, you know, all the active students or which are part of the particular curriculum that we have signed up, they actually get access to the platform.

Praneeth Bommisetti:
So I understood. So at this point, as my understanding is right, the most, the highest value and highest margin probably would be the investors. Then it would be the IB and new verticals. Then it would be the universities because it's basically activation for the future growth. Is that a right understanding?

Abhishek Goyal:
Absolutely.

Praneeth Bommisetti:
Got it. So I was wondering, you mentioned that you do not do any digital marketing or any of those marketing efforts, right? If an organic results have been yielding better results, and like if you see also, they're getting good results. I was wondering like how much ideally type with this, how much did this organic marketing cost? And like, I understand that you have different groups of people in your particular company where they're doing different type channel activation and information production and all of that. Could you give us a perspective on how AI has transformed each part of the business and what could, can you actually assign a, let's say a value, let's say a rupee value to these particular integration of AI?

And can you also assign a value of the marketing saving or marketing spend that we have done using our internal particular, internal staff?

Neha Singh:
Sure. Yeah, thanks. Answer to that question.

The first part is basically, you know, your marketing. So typically, you know, in a lot of tech companies, you will actually see this as a large line item. In fact, like all the brand companies as well, you know, marketing is a large item and it also scales as you acquire new customers, right?

Because there's a customer acquisition cost, which is there for all the new customers that you acquire. So interestingly, we didn't choose that because that actually scale, that can potentially scale also, you know, as your customer base increases. Because we're a data company, we are able to use a lot of data that we anyways have to get customers.

So to give you an example, we have a lot of public pages. So for instance, if you are searching for big tech companies in Singapore or AI companies in US, you come across our pages, right? That is free traffic for us, free inbound for us.

And across all our pages, we today get an annualised generate of 24 million visitors. So that's a very large funnel that we've been able to sort of build through the data, which is there, right? In terms of the cost, the cost is actually very minimal because it's more of a tech enabled thing, right?

Like the data is already there that is produced for the customers and a part of it is actually sort of visible as people are searching for that. So the cost, you know, for maintaining that, it's mainly the tech development cost that's fairly limited, right? You know, that we have been able to use to get a large set of users, right?

So that is on your marketing part. The second part of your question was around, you know, AI and what is the impact that we are seeing across the business units. So, you know, AI is obviously something that we've been aggressively working on.

And so just to give you in terms of, so there are two, you know, benefits to that. So one is we've been able to multiply our data sets, right? To give you an example, like, you know, we have, we increased the key data point by 5X in last calendar year, 2025. This year, it is already more than 2X, right? If you look at the number of financials that increased by more than 8X, sorry, 30X in the last two years, right? So that's a huge magnitude of increase.

So one is we've been able to increase the throughput, right? Across all our data units. The second is we've been able to launch new data sets at a much faster pace.

So to give you an example, PIN code data that got launched in under a week, right? And on the other hand, the one thing which is actually on the expense item is we've been able to do this with much leaner team, right? So while we are able to increase the throughput, the headcount of the data team has actually been shrinking.

To give you an example, in 2024, the data team shrank by 10%, right? And in the first half of 2025, it's already shrunk by 20% additionally, right? So that is probably the impact in terms of the dollar that you're also able to see. So one is obviously these data production, but also much leaner teams to be able to do that.

Moderator:
Hopefully that answers the question, Praneet.

Praneeth Bommisetti:
Yeah, that answers the question. Thank you for your time.

Moderator:
Thanks a lot. So next question is from Abhinav. You can unmute yourself and ask the question.

Abhinava Kashyap:
Am I audible?

Moderator:
Yes, go ahead.

Abhinava Kashyap:
Yeah, so I want to understand the new businesses or new for what we are selling for startups. So what is the revenue contribution overall for the newer segments compared to the traditional segments which we are selling?

Neha Singh:
Yeah, thanks Abhinav. So in terms of the new ones as well, so these are not new segments. These are segments wherein we already had some customers and what we did essentially is that had separate teams focus on them, right? To give you an example, earlier the same team would be talking to like an investor or a startup or an ID, right? And right now we have carved out the team so that one is different sales people speak to these people as well as they're able to do outbound, right? Which we were doing much lesser of that earlier, right?

So they are also able to do outbound in these segments. So these are not new business units but these are customer segments that we have carved out wherein we already had some customers and we wanted to sort of increase the focus or separate them out from the horizontal team so that we can actually grow revenue in these segments, right? And they had slightly different requirement in terms of how we onboard them, how we do sales, etc, right?

So coming to the contribution, so ideally, we started with a few vertical teams last year and right now going forward, we will probably having most of the teams or most of our customer segment being served by vertical teams, right? Versus the horizontal ones because we know that is working very well for us because in the vertical teams, we are able to do a few things. One is, we are able to have more targeted pitch, right?

So we are able to have better sales conversion than the horizontal ones. And the second thing is that we are able to also do outbound which is helping us acquire sort of high value logos in these segments. And the third thing is that we have also set up engagement teams, right?

Which actually works by customer segment, right? So because we have a sort of a diverse customer base, this has worked very well for us and this will eventually span, you know, a bulk of your customer segment.

Abhinava Kashyap:
Cool, thank you.

Neha Singh:

Thanks.

Moderator:

Hi, sorry, I was on mute. So I think now we can move on to chat box. So the first question on the Q&A box that we have is from Aditya Iyer.

So he's asking any guidance for FY'26 and FY'27 on revenue and EBITDA front. And the second is about what would be the pace of net customer addition on a quarterly basis going forward?

Neha Singh:

Yeah, so thanks Aditya for the question. So in terms of this year, you know, we expect that this year will be, you know, so this year we should see the growth to accelerate. So it should be better than last year. And, you know, we should see that improve, you know, in the coming quarters. And in terms of profitability, so we are investing aggressively across two initiatives. One is across the sales and the other thing is also, you know, on AI, which is essentially on the backend production, leveraging that for, you know, for data building, which will continue to do that.

But, you know, the cost will probably increase only in single digit percentage, despite all these initiatives. So we'll continue to generate cash, but I think we will, you know, we have not so much focus on increasing sort of profitability. I think we'll probably be in the similar range in terms of profitability, but you should see it improving, you know, growth across the segments.

And the net customer account, you know, that volume should probably sustain. So it should anywhere be, you know, closer to a hundred net new accounts that you see getting added.

Moderator:

Thanks Neha. So the next question is from Sanjay Sood. Do you approach CEOs and supply chain managers of listed or other companies, as all of them need data for sourcing of materials and services?

Neha Singh:

So thanks Sanjay for the question. I think we, the way we do it is by different titles, right? So within, for a corporate, for instance, there are a few titles that we target. So one is your M&A team. So in case the company is doing any M&A, so that is one title that we go behind. Innovation team. So most of the large, for instance, you know, corporates also have an innovation team, which are essentially your vendor discovery for the long tail, right? So that is another team that we work with. Sales is another team that is working, that is growing well for us. So anytime you have a sales team who's looking at, you know, good quality customers within a particular city or within a particular zip code, that's another team that is growing for us,

right? So these are some of the teams. And, you know, in banks, we probably go with a few other teams, teams which are lending, etc.

That is a few other titles that we work with. So within corporates, we typically have teams that basically sell to different titles, right? So within a corporate, I think, you know, depending on the title, we would have different teams approaching them.

Moderator:
Thanks, Neha. The next question we can take from Mr. Aryamaan Pawar. You can unmute yourself and ask your question.

Aryamaan Pawar:
Yeah, hi, Neha. So the sense I'm getting is the sales verticals we have in India are performing much significantly better than the international business. And obviously, logistically, much easier than scaling international sales vertical. So, because probably there are language barriers here, you probably need a different team, vertical wise for every country, say one for Germany, one for UK, one for US. So when can we see the kind of results we have got in the India business kind of translated into the same international revenue? Just maybe some light on that. Thanks.

Neha Singh:
Right. Yeah. Thanks Aryamaan. So in terms of, you know, so as I was saying, like in so a lot of the teams that we had launched was initially in India, because it's easier to sort of see, you know, see them in action, train them, and then scale to other geographies, we have already started, you know, extending the vertical teams. So to give you an example, if we set up a team for say, investment bank, then they would initially start with the India vertical, and then more teams would get added, like, you know, one, we've already added for UK and other one for US, right. And then we will add sort of key geographies, you know, in that wherein we already have some customers and are getting involved, we'll prioritise those.

So that is already in the process. And, you know, you should see sort of more sort of results from that in the coming sort of months. Right. So that is already, you know, in process. And in some segments, we already seen some results. So that is why if you look at the overall, you know, growth rate in terms of the accounts, for instance, in the international GEO, this was 25% this quarter, if you compare it to Q1 of last year, this was like minus 1%, right, the account growth rate. So from minus 1% is it has improved to 25%. And right, so you should see more sort of improvements in the months to come.

Aryamaan Pawar:
Thanks a lot.

Moderator:
Next question is from Mr. Praneet. You can unmute yourself and ask a question.

Praneeth Bommisetti:

Oh, yeah, thank you for another opportunity. So I was wondering, in terms of understanding the market, so I understand there must be multiple data aggregations also, aggregation platforms across the globe. So I was wondering, what is the positioning of Tracxn in this particular market? Because everyone is offering data. So what is Tracxn's edge in it? And in terms of understanding market positioning in terms of India and abroad, like what are the, like how many players might be at tracxn's pricing?

And what are the other pricing tiers in terms of the market?

Neha Singh:

Sure. Sure. Thanks.

So in terms of the market, it's actually fairly, it's not as competitive as like, or crowded as a horizontal software, like if you're talking about HRMS, or, you know, the financial data software, right? So it's not as crowded as that globally, there are only about six or seven players, which exist for the private market, because it's a vertical layer, right vertical industry for this capital asset, capital market, this asset class, which is private market, right. So they're globally only about a handful of players. In terms of differentiation, you know, that's fairly clear, there are a few things that really stand out. So one is, you know, just in terms of the data that people require. So one is just in terms of the depth of, you know, companies that we cover.

So that is, you know, much more than other platforms, the sector coverages. So one of the key things about private market is that, you know, they're, they're not just looking at the revenue numbers, but also by sector, right? Today, everyone is looking at Gen AI companies, or people are looking at online brands, right? So a brand would get listed, but like a private market investor would have invested in this about seven years back, right? So how do you basically find out all these things? Right.

So so the second thing is that our own sector coverage is very unique, is very detailed, you know, much better than anyone else. This is some of one of the things that customers really like. And the third thing we have been also pushing more recently is getting more and more regulatory data about companies.

So if you see across countries, governments are opening up more data about private companies about companies in general to increase the transparency to increase the ease of to get more business investors in their countries, right. So we have been so one of our big focus is actually to get or deepen our coverage and regulatory data. So today, you can get like financials in so many countries, etc, right. So this is another thing that people have really liked. And this is also one of the things that customers have wanted. So today, for instance, our coverage is probably the best, you know, best by far in India.

And then even in Europe, we are probably, you know, now better than the Europe only player. So that had happened in the last few months, I would say. So so there are a few things that really stand out. And, you know, that helps us sort of like, you know, get new customers and close customers and work with them. Coming to India versus international, the use cases are the same, right? Like use cases that an investor would have in India and internationally would probably be the same, just that the coverage is different, right? So, for instance, a investor who's based in Germany would be looking at German companies. Investor based in UK would be primarily looking at, say, Western Europe companies and invested in India would be looking at Indian companies. So just the coverages would be different.

But the data and the use case and everything, all the modules that they have is actually the same. Hopefully, that answers the question for me.

Praneeth Bommisetti:
Oh, yeah, that answers the question. And I was just wondering about the pricing tiers in terms of, I understand that 6-7 players in the market. So where would, let's say, Tracxn rank in terms of premium, sub-premium or how would you categorise overall the pricing?

Neha Singh:
Yeah, so we would fall in the mid-price point, wherein you have the price point which is between $3,000 to $5,000 per user per year, right? That's a mid-price point. You have some of the low-price point products, which are priced at like $300 to $500 per year per user, which are very shallow data, right? Just about companies, mainly only the sales professionals, etc., would probably use them. And then you have high-end, which do more custom work, right? Which is like $50,000 and plus, which do more custom work.

So this is lesser sort of data and product, but more custom work. We fall in the mid-price point bucket. And we believe that this is probably the most interesting space in the private markets, wherein you can actually have a good profit pool and good margins as well.

Praneeth Bommisetti:
So you're saying out of the seven, how many could be the custom ones and how many would be in your specific type of mid-tier?

Neha Singh:
So mid-tier would be maybe like two or three maximum, right? One or two in the higher price point, and then another two or three would be in the lower price point. So it's probably similarly spaced, but I would say many of the large players are in the mid-price point.

Praneeth Bommisetti:
So as I understand it, the number of people who are actually providing this particular services is very little. And you're in a fairly attractive pricing category of sorts. So that's easily attractive. So I'm wondering, I understand the account growth is going to be 100 for the next few quarters.

That's what you expect. But I was wondering, what can actually make it grow much faster? Or is there another level we can grow at, let's say 300 accounts per quarter? Or is it not, is the industry not shaped that way that adoption will happen at that exponential levels?

Neha Singh:
No, so I think, see, it is not. So the way you actually put it into perspective is enterprise customers versus consumers, right? So even if you look at the largest enterprise company, right, platform, like even like a Bloomberg or a Refinitiv, etc., you know, in the public market, even up to 40 years, they only have a few lakh users or terminals globally, right?

So it's not about like, so it's about, you know, like, if you're able to have like a 5000 price point, and 100,000 customers, 1 lakh, that's like a, you know, even if you're able to reach that in the next few years, that's a good revenue and profitability to have reached, right? So because we're talking about enterprise, it will be probably, you know, like 1000s of customers, not like, you know, 100,000 customers, but it will be a good price point among that, right? So, so I think, and coming to your second point, which is how do we sort of, you know, reach out to and accelerate this. So this is, for instance, the initiatives that we talked about, right? Earlier, for instance, when we were acquiring, like anywhere between 20 to 60 net new accounts, now that has increased to, you know, more than four times, right? So nearly 100 per quarter.

And this is thanks to all the initiatives that we have sort of worked on, right? So that initiatives, which is basically, you know, increasing the top of the funnel, which is on account of increased organic traffic, launch of Tracxn Lite, which helps people experiment the product, right? So, so these are the two initiatives which have worked on the top of the funnel.

And the second is on the sales conversion, the vertical teams have worked very well, right, on just increasing the conversion across the segments. And third is which we are working on is having the engagement teams in the different views, which would also work on expansion over time of some of these accounts.

Praneeth Bommisetti:
So understood, like, as you say, it's most likely to be you'll see what be much more profitable, you'll increase your profit at a much faster pace. That's what once we think we're tracking before also, so I was wondering three years down the line, what sort of top line can we expect, like going at the very moderate growth that we're thinking of now, and how much is going to convert? Because initially in 2021, we were able to convert most of the incremental revenue into EBITDA, but as it it moderated and to get gotten to much lower levels.

So as again, we end up staying at a similar level of let's say top line again, and probably the expenses also will grow at a little faster pace. So stagnation on the top line is likely to reduce the profitability. So I was wondering, how can we increase the profitability at a faster pace?

Because what can be a three year projection in terms of profit and top line?

Neha Singh:

Right. So the way to think about our model is sort of fairly simple. So we don't, so it's a very high cross margin, you know, segment, like it's 90% or, you know, over gross margin that we are probably like, it's a very high, high gross margin segment.

So the easy way to think about that is that, you know, if the growth rate is probably between 20 to 25%, anywhere between, you know, 50% plus of the incremental revenue, you can technically go into the bottom line, right? Like historically, like as you mentioned, in 2021-22, we were able to add, you know, nearly 80%, right, of the incremental top end to the bottom line, right? On a steady year, anywhere between more than 50%, you can sort of expect as soon as the growth rate sort of crosses these levels. Because the expense, you know, grows at only a limited level.

Praneeth Bommisetti:

So, but can we see that, let's say hypothetically, it's a, can we grow at a 25% CAGR going forward with a, especially with all the teams we put in and all of the success rates we're able to see, is it a possibility that can we, we can grow at a CAGR of 25% over the next three years and let's say 50%, over 50% flowing down to the bottom line?

Neha Singh:

So even if you see historically, right, like if you exclude the last, I would say one and a half years, which have been probably the lowest in the private market industry in terms of the market conditions, we've had, you know, we have grown at even 40%, right, in a year. So we can technically, you know, if sort of things improve, we can probably get to a more desired growth trajectory, I would say. And once that happens, then you will also see the bottom line increase at a much faster pace.

Praneeth Bommisetti:

Got it. So depending on how the market is also going to turn, your growth rate will depend on that?

Neha Singh:

No, so not so much. So right now, what we're betting on is not the markets to actually turn, we are expecting like even in the India growth rate that we've been able to achieve, which is 18% last year, 15% now. This is despite market being the way they are, you know, similar to what it is internationally, but this is because of a lot of our initiatives. So we are, we are just sort of working on our initiatives and we expect that, you know, that will sort of give us the return. You're not expecting, you know, any change externally, even if that is the, remains the same, we will be able to sort of improve.

Praneeth Bommisetti:

Understood. I was curious about in terms of tracking your sales efficiency, I know you must already have tools as your group is also able to get a decent ROI, as you mentioned in the last con call. So what I was wondering, like, do you have specific tools that are designed?

Or how are you looking at the efficacy of sales teams? And how is the, how are you planning on growing that? Is it just going to remain in the particular cycle of number of people you have now? Or are we planning on growing that particular part of it also?

Neha Singh:

Yeah, so just to answer that, that is fairly straightforward for us. So right now, since we, you know, have sort of the vertical teams, every team has, is like a mini business unit, right? So they have, they run their, they track the, the growth and the revenue within that segments.

And for us, it becomes a sort of, you know, the breakeven or sort of the recovery in the cost happens fairly soon, right? Because even if they are able to, you know, sort of have a good trajectory, they're able to the, the, the cost that we have to sort of do, you know, because it's just, you know, primarily the, the team cost, it's not, you know, some of the other costs that we are, we are able, we have to spend. So it's, it becomes profitable on a unit basis.

So, you know, each sales team right now actually tracks that, you know, the, the P&L or the different customer segment that they're working on. So that's very straightforward for us right now.

Praneeth Bommisetti:

So let's, as I understand it, because the ROI, but since it has a separate P&L of its own, let's say business unit, you're able to track the efficiency of the particular unit. Understood. So I was curious, you're saying that you have a very high, fast rate of return on this particular capital employed with, let's say, adding people to this particular business units. So what is stopping the company from adding many more at a much faster pace? Is it the fact that you need to train and you need to make sure it can, it will actually fit in or is it the number of units that you need are shrinking? Like you're already tracking most of them.

Neha Singh:

Right. So it's just the, you know, the pace at which you can on like train and then get the people onboarding. Right.

So, so we have actually accelerated, like, so we were able, we were initially planning of launching about two to three units a year and that we accelerated to launching 10 units within the one and a half years. Right. So that we had already sort of accelerated to cover most of the customer segments now.

Praneeth Bommisetti:
Understood. So last question is going back to market dynamics. So let's say what, can we actually say what percentage of market share we might already have in the market or is it too difficult and abstract topic for us to think about?

Neha Singh:
I know. So I, so actually, you know, there isn't good data around it, but our sales team basically tracks it because they track the logos. So for some segments, for instance, like we give out an IB, right. And then IB in India, you know, we are able to, despite being the market leader, right. We are still able to increase our market share by 1% on a month-on-month basis. Right.

And that we've been able to do for the last, I would say, you know, more than two quarters. Right. So that is something that we track, like, you know, in terms of the, in terms of the, the key logos and how our coverage is there, you know, within the different customer segment, that's by different customer segments that we track.

Praneeth Bommisetti:
Understood. So like, let's, let's say I understand for IB, we're going at a fairly fast pace. So in terms of university or other things, is it possible to say that what percentage you have at this point of time or how is that?

Neha Singh:
So for a lot of segments, it may still be small, like for some of the segments, like for instance, you know, if you look at, like IB in other countries, I think overall, it will still be a single digit percentage. Overall, if you look at it across customer segments, it will still be a single digit percentage that we are able to sort of.

Praneeth Bommisetti:
So even though our highest penetration is.

Neha Singh:
 No, no. Highest penetrated segment, maybe say like a VC in India, where it may be like a double digit. I don't have a number handy, but it may be, it may be much higher. And we would probably be working with most of the key ones.

Like the ones that we currently increase is the new funds, which are coming up, family offices, which are now investing in private markets or expanding within the existing customer segment.

Praneeth Bommisetti:
So basically the older the particular business unit, the more likely you will have the higher level of percentage and the units are single. Let's say single digit at this point.

Neha Singh:
That's correct. Like even in university, to give you an example, like no, like one of our targets was to get like the high Lobo customer. So like, for instance, we work with most of the IMs today, like most of the top five, the top six IMs work with us and we are in the process of onboarding a lot more. Right. So there we have sort of a much higher penetration for the older units.

Praneeth Bommisetti:
Understood. So I had like one question about like, let's say tracks and light. I've been a user of that and I actually find it very useful.

So I was wondering in terms of, let's say, can you, are you planning on making that also a product for like a consumer grade product, or you're not interested in that particular venture at this point of time, or how would you see that? Like, let's say if I were to let's say pay X and you give me X credits and stuff, going to enterprise level and having an account value, is it a particular idea or strategy in your playbook that you want to integrate as a part of consumer or like a freelancer level type of situation product or no?

Abhishek Goyal:
So this is more of a product-led growth. So we feel that people, a lot of people have signed up and they never got a chance to experience a product. So with Lite, they are able to experience it. And we have seen that many of these users eventually come and try to buy the product. So I think for us, it's a way to get people hooked onto it. And once they will get hooked onto it, they are more likely to come and purchase our product. So that's how we are seeing it. We may eventually look at it and decide that a lot of these people who are not our core categories, we may launch a retail product for them. But that's not something we have planned right now.

Praneeth Bommisetti:
So it's still continue going to be the enterprise level, but for customers, we're going to target for at least the next midterm, two to three years.

Abhishek Goyal:
So we do look at customers who are using it and see which segment they fall into. And if we want to launch a vertical team in that segment. So we have seen that when we launch a new, like if we discover a new title, and if we create a team around it, they are able to eventually close these users.

Because fundamentally, if these users are using it regularly, they have some use case. And if we reach out to them, they end up buying.

Praneeth Bommisetti:
Understood. So thank you so much for your time. That's actually very helpful to understand your business.

Moderator:

I think that was the last question that we'll be taking today. Thank you so much, Neha, for all the insights that you've provided today. It was great.

And congratulations on a good quarter. We look forward to hear from you soon. So I'll hand it over to you, Neha, for your closing remarks.

Neha Singh:

Yeah, thanks a lot, Devanshi. And thanks, everyone, for joining us today. I hope we were able to give you a good overview and answer some of the questions that you have. In case you have any follow-up questions, please do feel free to reach out to us, any of us. I'm Neha@tracxn.com, or you can reach out to Abhishek and Prashant, or you can write to us at investor.relations@tracxn.com . Thanks again, and have a good rest of the day.

Moderator:

Thank you. Thank you very much. Thank you so much.