

Crizac Limited

(Formerly known as Crizac Private Limited
and GA Solutions Private Limited)

CIN : L80903WB2011PLC156614

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Date: 21st October, 2025

To National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400051 Symbol: CRIZAC	To BSE Limited 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001 Scrip Code: 544439
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Sub: Transcript of Conference Call with Analysts / Investors pertaining to the Unaudited Financial Results (Standalone & Consolidated) of the Company for the Quarter and half year ended 30th September, 2025

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the transcript of the Conference call with Analysts / Investors held on 16th October, 2025, post declaration of the Unaudited Financial Results (Standalone & Consolidated) for the quarter and half year ended 30th September, 2025.

The said transcript is also available on the website of the Company at: <http://www.crizac.com>

This is for your information and record.

Thanking you,
For Crizac Limited

Kashish Arora
Company Secretary and Compliance Officer
Membership no: A38644



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“Crizac Limited
Q2 FY '26 Earnings Conference Call”
October 16, 2025



MANAGEMENT: DR. VIKASH AGARWAL – CHAIRMAN AND MANAGING
DIRECTOR – CRIZAC LIMITED
MR. MANISH AGARWAL – CHIEF FINANCIAL OFFICER
– CRIZAC LIMITED

MODERATOR: MR. GAURAV GUPTA – EQUIRUS SECURITIES PRIVATE
LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Crizac Limited Q2-FY '26 Earnings Conference Call hosted by Equirus Securities Private Limited. As a reminder, all participant lines will remain 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 the operator by pressing star, then zero on your touch-tone telephone. Please note that this conference is being recorded. I will now hand the conference over to Mr. Gaurav Gupta from Equirus Securities Private Limited for opening remarks. Thank you, and over to you, Gaurav.

Gaurav Gupta: Hi, good afternoon everyone, and welcome to Crizac's Q2-FY '26 Earnings Conference Call. We have with us Dr. Vikash Agarwal, Chairman and Managing Director of the company, and Mr. Manish Agarwal, Chief Financial Officer of the company. Vikash Sir, if you can start by giving your overview on the Q2-FY '26 performance, as well as outlook for FY '26 and beyond, and then we will open up for Q&A. Over to you, Vikash Sir.

Vikash Agarwal: Sure. Thanks, Gaurav. Our Q2 numbers are in line with our guidance. The revenue from operations has grown to INR162 crores. Inputting other income, it comes to INR169 crores. In terms of expenses, it's INR105 crores. The company had a net profit of INR64 crores. After deducting all the bits and pieces, the net profit comes to INR48 crores.

Manish Agarwal: Just a moment.

Vikash Agarwal: In terms of operations, our number of applications has grown year-on-year basis. Same is with reference to agents and overall revenue. In terms of profit margin, we have grown on the same. As mentioned in the past, Q2 is normally light and composed of roughly 10%-12% of our revenue. Growth has been consistent compared to last quarter at the same time. In September 24, our profit was INR61 crores. In September 25, it's INR95 crores. Other financials, I'll ask our CFO Manish to give you the details.

Manish Agarwal: On year-on-year basis, the company has grown by 30%. The revenue is INR162 crores for Q2 FY '26 compared to INR129 crores for Q2 FY '25. Coming to the PAT, our PAT for Q2 FY '26 is INR48.33 crores compared to INR20 crores in Q2 FY '25. So, the company has been growing and this quarter, the results are quite positive.

Moderator: Thank you. The first question comes from the line of Naitik Mohata from Sequent Investment.

Naitik Mohata: Hello sir, congratulations on a very good set of numbers. I have actually three questions. First, I would want to know that because of the change in the H-1B visa rules in the US, is there a sentimental change in students going to the US and does it impact our business in a positive or a negative way? That's the first question.

Second question is, the margin guidance of 25%, what we've been maintaining, given this quarter margin being a light quarter, we have done significantly better margins. So, would you like to change the margin guidance? Third question is, what was the number of universities that we had tie-up with in the last quarter and what is the number in this quarter?

Vikash Agarwal:

Sure. Thanks for your questions. With reference to H-1B visa, yes, there is some sentimental impact for US education. But for us, the number or the revenue contribution from US operations is very low. So for us, any kind of negative news for US is positive. Reason being, the students who want to study abroad, instead of choosing US, they are choosing UK as a destination or one of the destinations.

So, you will see better numbers because of H-1B impact. Coming back to profit margin guidance, though this quarter we have done pretty good, we believe the guidance what we have given should be equally good and positive in our opinion. In terms of number of universities, it has grown significantly.

Normally, with universities, today we represent more than 250 universities as on end of quarter 2, which was I think 170 last year.

Naitik Mohata:

Okay. Thank you, sir. I will get back in the queue if I have any other questions.

Vikash Agarwal:

Sure. Thank you.

Moderator:

Thank you. The next question comes from the line of Nilabja Dey from Ashmo Research. Please go ahead.

Nilabja Dey:

Okay, sir. First of all, congratulations on a very good set of numbers. The first question is that in terms of you, in earlier course you mentioned that Q-1 and Q-2 combines around 30% of your total revenue and 70% of the revenue comes from the H-2.

So, should we go ahead with these assumptions in FY '26 given some disruptions in the US front? The UK and Canada obviously have picked up. So just like to know this is one first question.

Vikash Agarwal:

In terms of our guidance, yes, I believe H-1 constitute roughly 30% and which is in line with what has come out. And we believe the ratio should remain broadly similar for second half.

Nilabja Dey:

Okay. And my second question is that you mentioned that last time, I know you have mentioned that you are exploring a lot of, because the student loan services is one of the most growing sectors in Indian perspectives. Okay. I have personally experienced also. So, you mentioned actively exploring. So, is there any, have you taken any step in this direction?

Vikash Agarwal:

Yes, we have signed up with more than 7 or 8 NBFC and banks. And we believe the company should go live with loan as a distributor in coming quarter, quarter 3. Okay.

Nilabja Dey:

And finally, you mentioned last time that you are trying to expand in the Middle East also. So, is there any progress in this direction? Because a lot of foreign universities have already moved to Middle East.

So, what's your take? Because why I'm asking you, because nowadays there are a lot of issues with immigrants in all the developed countries. And diversification is one of the best way to

move, as we understand from the recent tariff experience. So, what you are doing to diversify specifically from the UK market? This is my last question.

Vikash Agarwal: We believe exactly the same what you said. And we have tied up with multiple UAE universities in the last six to eight months. The other thing what we have done is we have set up a subsidiary of Crizac in UAE for our expansion into Middle East and Gulf countries. We believe this should help us grow further in that region and help us to diversify into multiple destination market.

Nilabja Dey: Okay. Thank you. All the best.

Moderator: Thank you. The next question comes from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Thank you very much, sir, for this opportunity. So, first up, I just wanted to understand what would be our geographical composition of student right now? I mean, from which country, how much percentage placement we are doing right now?

Vikash Agarwal: In terms of geographical composition, India would contribute roughly 50% as of today and same goes for rest of the world, which is quite diversified

Deepak Poddar: And rest of the world mix would be? I mean, top three, four and...

Vikash Agarwal: Africa would be the biggest one followed by South East Asia and China.

Deepak Poddar: South East Asia and China. So, Africa would be how much?

Vikash Agarwal: Contributing almost roughly 25%.

Deepak Poddar: Roughly 25% Africa. And South East Asia and China would be what? 5%-10%?

Vikash Agarwal: Remaining 25%.

Deepak Poddar: Come again. Sorry, your voice is...

Vikash Agarwal: Yeah, I mean, we haven't done our exact calculation but the balance will be coming from South East Asia and China.

Deepak Poddar: So, ideally our Canada, US and all would be very small for us or what?

Vikash Agarwal: Those are destination countries and those are very small for us.

Deepak Poddar: Okay, understood. Fair enough. So, if I have to do a rough calculation of what you mentioned, first half would be 30% and second half would be 70%. So, ideally, I mean, we are looking to grow about 45% this year. I mean, that's how you can come to about 30%-70% kind of a ratio?

Vikash Agarwal: No Deepak, we have given a guidance of 25%. We believe because of lot of tailwinds, we should grow a bit higher than that. But we will still keep our guidance conservative saying between 25%-30%.

- Deepak Poddar:** So, 25-30% growth we are looking at, right?
- Vikash Agarwal:** Yes.
- Deepak Poddar:** I got this. And in terms of, I mean, platform, I mean, generally most of the revenue we are getting would be from the platform only? Would that be a right understanding?
- Vikash Agarwal:** Yes.
- Deepak Poddar:** Okay. And what sort of, I mean, opportunity size you see in the tie-up with NBFC? I mean, how big that revenue stream can scale up for us?
- Vikash Agarwal:** I mean, it will take time but eventually it will end up between 1%-2% of our EBITDA.
- Deepak Poddar:** So, small is what we are looking at. Okay, understood. And just last thing from my side, seasonally how do we look at, I mean, generally you said 2Q is generally light. So, which are your heavy quarters?
- Vikash Agarwal:** Q3 would be closer to 30%, Q4 will be 40%.
- Deepak Poddar:** Q3 is 30% and Q4 would be 40% of the total annual revenue mix or what?
- Vikash Agarwal:** Yes.
- Moderator:** Thank you. The next question comes from the line of Kaitav Shah from Anand Rathi. Please go ahead.
- Kaitav Shah:** Yeah, congratulations, sir. Just one question on the platform. Technology platform, how is that coming around? Can you share more insights about how some of the applications now have become faster? Number one. Number two, on the mix from the university or country-wise if you can give us revenue share or an outlook on that?
- Vikash Agarwal:** In terms of platform, we have added a lot of capabilities like automation and AI. Last time when we had a meet, we mentioned that we are looking at adding those ones. So, those capabilities are already integrated and this is a continuous process and we are adding more and more AI to our platform to make agents' and students' journey more comfortable, more reliable.
- In terms of country mix, from a source country perspective, roughly Indian application would be 50 while rest of the world would be same. In terms of revenue, most of the revenues would be coming from UK, roughly 90%-95% because quarter two, rest of the country don't offer any intake, except one university in Ireland.
- Kaitav Shah:** Sure. And sir, over three years period, how shall this number move in terms of moving towards other geographies? Also, given that US I think as an overall destination perhaps now because of the supply being very tight. So, how will that shape up? Does any other geography benefit from that?

- Vikash Agarwal:** Sure. UK is already benefiting from the headwinds from USA or the negative news. So, we believe UK would continue to grow. Over the next three years, as a company, we believe our New Zealand, Australia, Dubai would grow significantly. At the same time, in three years' time, we believe our India as a destination would expand quite a bit as well.
- Kaitav Shah:** Got it. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Ashish Pareek from Emkay Investment Managers Limited. Please go ahead.
- Ashish Pareek:** Thank you, sir. So, my first question would be, as you mentioned that any negative news on the US is actually positive for the business. But I just wanted to understand, so, US is such a huge market and we are not present over there. So, that would have been interesting which would be a growth driver actually for us.
- And, we are present in UK for such a long time, I think since the inception of business. So, how much penetration do you think is still there in the UK side and where we are looking at the US business and right now, due to that macro headwind, we are not looking into it. So, your thoughts on that.
- And secondly, on your, this thing saying that H2 is 70% of your business, but with the student loan business going up in the Q3 and Q4. So, is that factoring in the 70% or that is an incremental thing that can be seen?
- Vikash Agarwal:** Yeah, I mean, coming to your question step by step, USA, our concentration is very low, lower than 1%. So, the impact has not been with the company. It takes between one and three years time for a company to penetrate into any new destination country. So, yes, penetration for US is slow because of the headwinds and negative news. But since our base is very low, we are not much affected for that one.
- The numbers which has gone down for US is getting compensated with UK. In terms of growth left for UK, at the moment, globally, our percentage share for UK would be closer to 3%. This can grow significantly, much higher. For example, in India, our percentage share is closer to 10%.
- So, we believe as we have expanded into multiple new countries from a source perspective, our percentage of UK market will keep on growing for next few years. At the same time, we are expanding into other destinations as well. As mentioned earlier, we have expanded into Middle East, multiple universities.
- We are looking at expanding into Southeast Asian countries like Singapore and Malaysia. And at the same time, we have started our expansion into Australia and New Zealand. So, this should be our growth driver till US numbers comes into picture.
- Ashish, you are still there?

- Ashish Pareek:** Yes, sir. And my second question on the student loan business being included or not in the 70% mix?
- Vikash Agarwal:** No, income from student loan will not be included because it will start in the coming quarter. And those things will take a lot of time for it to become mature.
- Ashish Pareek:** Okay, understood. Thank you.
- Moderator:** Thank you. The next question comes from the line of Devendra Patel, who is an individual investor. Please go ahead.
- Devendra Patel:** First of all, I didn't get the chance to congratulate you at the last con call. So, Dr. Vikash, Mr. Christopher and Mr. Manish, congratulations for coming up with the IPO with the company which was established in 2014 and with the market cap of INR5,000 crores. It's a commendable achievement for the entrepreneur.
- So, sir, I wanted to know, like, what is your USP and what you are seeing for the Crizac to grow, say, in next three or five years? That is my first question, sir.
- Vikash Agarwal:** Sure. Thank you, Devendra, for wishes. With reference to ASP, our service, our portfolio of universities, our distribution network across the globe are very unique. And it provides universities with very diversified student numbers, which most of the universities want. In terms of growth, at the moment, UK is our biggest destination market. We want to expand into multiple different destination markets. We want to expand into more and more source markets as well. Both these things would give a lot of growth in terms of both the revenue for the company.
- Devendra Patel:** Thank you, sir. And my second question is in the same line, like Christopher is there in the UK. And I believe 95% of your destination revenues came from the UK. So it is also a problem, because if something happens to the UK, then it's a big problem. So my question is that, that since you are the profitable company, and why you are not able to replicate the same success in the other country, like, say, in Australia, New Zealand, or the USA?
- And my second question is that, like, again, you are the profitable company, so you can able to spend. But why, till date, why didn't you not expand into the student loan or accommodation or any other nearby area? Because this is very important, because Crizac is the only few companies who are successful in the education, in the foreign education, particularly? So this is my two questions to you.
- Vikash Agarwal:** Sure, thanks, Devendra. In terms of our UK constitution, it has gone down from 95% to less than 90% as of now. And we expect this to go down further and further. We are expanding to other countries as well. For example, over the last 2 years, we became quite big for Ireland. And that constitute roughly 7% of our revenues in last year.
- We are looking at expanding into other geographies as well. US was one of our first plans. But now we are looking at expanding into Middle East, Australia, and New Zealand. We believe

over the next 1 or 2 years, our numbers should go up quite big in both of multiple of these geographies, which I have mentioned.

And that should bring down the concentration further down and bring risk lower. Coming to loan and accommodation, yes, those two are attractive. This quarter, we started the accommodation as a service, and it's already live on our platform. We have started getting attraction. Loan, as mentioned earlier, we will be starting in the coming quarter.

And that will again go live in our platform very soon. Both these businesses take time. And we were just trying to set up a right kind of tie-up with multiple banks and NBFC. At the same time, multiple home accommodation providers as well. Now both the things are in place and this service should go live. It will take some time for this to become decently big to contribute revenue and profitability to our business. But this is live now.

Devendra Patel: Sure, thank you so much. That is what I want to know. Thank you so much and congratulations to Crizac and all the team for the successful IPO and great results in this quarter. Thank you so much.

Vikash Agarwal: Thanks Devendra.

Moderator: Thank you. The next question comes from the line of Naman Golchha from Nirmal Bang Securities. Please go ahead.

Naman Golchha: Thank you for the opportunity, sir. So I have two questions. First, is it possible for you to provide us with the data of how many agents are actually with us and how much are active? And second question is regarding the recent FTA speech that Mr. Starmer gave that in the future the UK universities will be set up in India. So what is our outlook on that and will that lead to our concentration risk to reduce? And increase in India? Thank you.

Vikash Agarwal: Thanks, Naman. In terms of our active agents, it's roughly 4600 as of today. With reference to FTA, it is a very positive news for India-UK corridor. And we believe that should help companies to grow in this sector. With reference to setting up of universities in India, we believe it will take some time for it to mature. But this will help our vision of making India as a destination country.

Since we already have a very strong distribution network outside India, we should be able to recruit good number of students both from India and outside India to recruit for these campuses. Having said that, 10 or 20 campuses would not be able to absorb all the number of students who studies abroad. So there will still be a big number of students going abroad and that will not impact our business or growth in any way.

Naman Golchha: And sir, with another question. Just a theme, whether we are seeing on the ground whether students are preferring to go to UK currently or there's still a dilemma between going to US and UK at the ground level right now?

- Vikash Agarwal:** At the ground level, what we are seeing is a lot of students who wanted to go to US are changing and picking UK as a destination. Normally if you do a market survey, you will find US has always been the first choice of students, especially for STEM courses followed by UK. So UK is gaining a lot of attraction because of all the disturbance which are happening in USA. Plus as you rightly said, with FTA and lot of positive news coming from UK, that is also adding up to the positivity sentiment of the student.
- Naman Golchha:** Okay sir, thank you so much.
- Vikash Agarwal:** Thanks Naman.
- Moderator:** Thank you. The next question comes from the line of Rajakumar Vaidyanathan from RK Invest. Please go ahead.
- Rajakumar Vaidyanathan:** Yes, congratulations on a good set of numbers. First thing, if I see your numbers in the presentation Slide 5, 6 and 7, the numbers are not in sync. So I just want to know which is the right slide?
- Manish Agarwal:** There was some mistake in the slide. They are uploading the revised slide in the next half an hour.
- Rajakumar Vaidyanathan:** Okay, the Slide 5 is correct...
- Manish Agarwal:** The revenue is correct. The totaling is wrong. So it is showing an incorrect path. But they will revise in the next 15-30 minutes.
- Rajakumar Vaidyanathan:** Okay, thank you. Not a problem. Sir, the question is your EBITDA margin has gone up from 25% to 39%. And given this is a lean quarter, I just want to know what is driving this improvement in margin?
- Vikash Agarwal:** There are two components which has helped in this quarter. One, if you remember last quarter we had roughly INR4 crores of losses because of forex. Now that we do our hedging and the pound has cooled down, so we have gained roughly INR4 crores as a forex. So all the losses have been recovered.
- Secondly, in this quarter we get a lot of annual bonus from universities. Since the academic intake is usually from September to July, we have received some bonuses which has shown a higher path.
- Rajakumar Vaidyanathan:** Okay, so what is your sustainable margin? I understand that in H1 you are doing 30% of top line and H2 is going to be 70%. So what is your sustainable EBITDA margin?
- Manish Agarwal:** Sustainable EBITDA margin will be around 24%, 25%.
- Rajakumar V:** So similar to what you reported for FY '25?
- Manish Agarwal:** Yes.

- Rajakumar V:** Okay, sir if you can just tell me what is the exact one off the forex is foreclosed. So what is the bonus amount if you can quantify that?
- Vikash Agarwal:** I mean we haven't broken down into bonus because these are given per student basis by multiple universities based on the number of students. So you will see as a final figure, the final total revenue is INR162 crores.
- Rajakumar V:** Okay, now this bonus you would have given last year in the similar quarter as well or is it something unique for this quarter?
- Vikash Agarwal:** Bonus is not paid as -- it gets included as a part of fees on the last quarter. So we don't keep separate bonus numbers.
- Rajakumar V:** Okay, sorry to labor on that point. So my question is even in the previous Q2, that is previous year, FY '25 you would have received bonus. So the question is what is driving the improvement, significant improvement in your margin?
- Vikash Agarwal:** Yes because we have done a higher number this year. So it's a combination of both bonuses and the forex. Forex amount of INR4 crores is quite big as well.
- Management:** It's contribute 10%.
- Rajakumar V:** Okay, so if I back this out, then your margin will be 25. Is that fair to say?
- Vikash Agarwal:** Kind of, yes.
- Rajakumar V:** Okay, great job. Thank you so much. Thanks for the clarification.
- Vikash Agarwal:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Utkarsh Somaiya from Eiko Quantum Solutions Private Limited. Please go ahead.
- Utkarsh Somaiya:** Thank you for the opportunity. I had two questions. One being your cash flow from operations is negative. So can you please help us understand why is that so?
- Management:** Sure.
- Utkarsh Somaiya:** Because I see two line items, big line items that are affecting your cash flow. One is trade payables, which is a negative INR95 crores figure. And the second is other financial liabilities, which is a negative INR56 crores figure. So please explain this. And number two, I just wanted you to throw some light on your business model, since I'm new to the company. So I believe you're a platform company.
- And as I observed from 2021, your revenues have gone from INR100 crores to almost INR800. But your margin has remained flat, which is unlike a platform business. Usually we see significant operating leverage as revenue scales up. So can you explain that a bit also?

- Manish Agarwal:** Hi, Utkarsh. Although we are a platform business, but you cannot compare us with Zomato or something where with increase in top line, your profit also increases substantially. Our major expenses is cost of services, which we pay to our channel partners, which is more or less constant.
- So with increase in top line, our cost of services increase proportionately. So that's why, although we are a platform business, but our margins are more or less constant, because our line expenses are constant and they move in the same direction as the revenue.
- Now coming to your first question, why the cash flow is negative? This quarter, the amount of money which were expected to receive from the university, that gets a bit delayed. As a result, we have not paid to our channel partners. So the trade table is negative.
- Utkarsh Somaiya:** So you have delayed payment. Ideally, that should improve your cash flow, right?
- Vikash Agarwal:** Technically, once we receive the payment, then only we make the payment. So unless we receive the payment, we don't pay the payment. So you'll see, if there is a line item of trade receivable in same proportion, you'll see a trade table as well.
- Utkarsh Somaiya:** And how does the payment cycle usually work with the universities and the agents? Can you explain the cycle of when a student gets admission and how you get paid?
- Vikash Agarwal:** Once the student has received the visa and gets enrolled at the university, after that the university gives them roughly 30 days of cooling time. Post that, we would send the confirmation to the university of the list of students. They will reconfirm that yes, all these students have registered and the commission is payable.
- That's the time we would recognize the revenue. At the same time, that is the time when within 15 to 30 days, the university would make the payment to us and we would make the payment to the agent immediately once we receive the payment from the university.
- Moderator:** Thank you. We take the next question from the line of Ganesh from Dhana Laxmi. Please go ahead.
- Ganesh:** Thank you so much for giving me the opportunity. Sir, I would just like to know the distribution of say a student from India going into the UK. Typically, what percentage of students go via agents and what percentage go directly, meaning approach the university directly?
- Vikash Agarwal:** Hi, Ganesh. Thank you for this one. Though there is no fixed data, but based on the survey done with the university, roughly 60% to 70% of the students go via agents while 30% to 35% go via direct online application.
- Ganesh:** If we see our basic business model, that would be to connect the students to the universities. So one is the student acquisition strategy via agents. Do we have any exclusivity with agents or with the universities is my second question?

- Vikash Agarwal:** We connect agents to the university. No, we don't have any exclusivity with either the university or the agent, but these agents typically work with one or two platforms and once they are comfortable with any of those ones, they stick to those ones. So even though we don't have an exclusive arrangement with any of these agents, what we have seen in a practical form is these agents have been working with us for many number of years.
- Moderator:** Thank you. We take the next question from the line of Azharuddin Jariwala from Sameeksha Capital. Please go ahead.
- Azharuddin Jariwala:** Yes, so thank you for giving me the opportunity and congratulations on a very good set of numbers. Most of my questions were already answered. So can you just throw some light that you are expanding to the multiple newer geographies like Dubai, New Zealand, Ireland and etcetera?
- So like most of the universities are offering the scholarship and multiple schemes to the newcomers. So how are you seeing this trend at your particular platform and the application traction to these newer geographies and the particular universities from the different areas?
- Vikash Agarwal:** Thanks, Azharuddin. With reference to our expansion to different areas, yes, universities do give scholarships and we help students to get those scholarships. Expanding into different regions is actually helping students to have multiple choice of destination country and they can plan their study abroad without getting affected for any disturbances.
- For example, US announced some curves. So that would have disturbed the foreign dream of students going to USA. But now with expansion of multiple geographies for us, we can offer alternate options to the same student and that is helping the students in a better way.
- Azharuddin Jariwala:** Okay, thank you. And the next question is like you already mentioned that 10 campuses are entering in India and setting up their campuses. So I don't know about the on ground, but actually are you seeing any onset of any university entering into India and setting up their own campuses?
- Vikash Agarwal:** Yes, there are multiple universities. Roughly 9 universities signed up when UK Prime Minister was in India. So they are opening campus in various geographies. For example, Delhi, GIFT City, Mumbai, Bangalore and it will take days. One or two which has gone live. For example, Southampton in Delhi has gone live and this September will be their first intake, but for others it will take one or two years for it to become live.
- Moderator:** Thank you. We take the next question from the line of Axay Shah from Toro Wealth Managers.
- Axay Shah:** Yes. Thank you for the opportunity. Sir, we are hearing about that UK is also tightening the immigration rules for the students. So how we -- how are you seeing it on ground?
- Vikash Agarwal:** Hi, Axay. UK is tightening immigration rules more for work than for students with reference to increasing maintenance or other recommendations from white paper that has been announced almost six months, seven months earlier and it is already baked into the growth.

- Axay Shah:** Okay. So the students who are going there is also expecting to work post-study there. So it is impacting them also indirectly. I want to understand it in greater detail.
- Vikash Agarwal:** I understand. What they have done is, for example, for ILR, like leave to remain in the UK, they have increased from five years to 10 years. Usually a student does not take a view of 10 years plus three years of post-study. So 12 years, 13 years at the time of applying or making an application.
- So it is not really impacting the number of students going abroad for studies. But you are right, UK is trying to make immigration a bit difficult for people who are trying to abuse it and not making it difficult for genuine students or people who want to go for a genuine work.
- Moderator:** We take the next question from the line of Rishabh Mehra from Demeter Advisors.
- Rishabh Mehra:** Hi. Am I audible? Hello. Am I audible?
- Vikash Agarwal:** Yes, Rishabh. Yes.
- Moderator:** Yes, Rishabh.
- Rishabh Mehra:** Hi. Hi. I just have one query around your growth. In your RHP, one of the line items you had was to grow and deepen your agent network in China. I see that your agent network has grown from around 11,500 to some 13,500 total agents. Just wanted to clarify, is there a bias towards China? And just understand where are you all, how is there a lot of focus on this plan to increase student flow from China?
- Vikash Agarwal:** Yes. We are growing in China. In fact, Christopher currently, who is our CFO, CEO of the company in UK, is in China at the moment. So both in terms of number of agents and the number of students going to UK has grown for China and we still are quite bullish for China. But China is an as-developed market. In fact, the most developed market, better developed than India from education, consultancy point of view. They have big companies, similar size as that of Kaiser. So the growth pathway would be slow. But it is in line with our projected growth.
- Rishabh Mehra:** Got it, got it. Cool. And that's it from my end.
- Moderator:** The next question comes from the line of Naitik from NV Alpha Fund.
- Naitik:** Hi, sir. Thanks for taking my question. So my first question is, if you could give us the conversion rate on the one application that we have processed. And second, adding to the same is, where is this growth that we are seeing coming from? If you could give us which regions are relatively doing better and leading to, say, 25% of growth that is important. So that would be helpful.
- Vikash Agarwal:** Sure. Naitik, with reference to conversion, standard conversion is between 8% and 10%. Again, it depends upon where the application source is. If it is, let's say, China, the conversion can be 25%, 30%. While if it is, let's say, Africa, the conversion rate is typically 5%, 6%. What was the second question?

- Naitik:** Second question is, some color. Second question I asked is some color on, where is this growth coming from?
- Vikash Agarwal:** Yes.
- Naitik:** I mean which zones are...
- Vikash Agarwal:** The main growth is coming from Africa at the moment, where the percentage growth is a bit higher compared to any other geographies.
- Naitik:** Got it. So my second question is, if I look at your depreciation amount, I mean, there's a significant reduction if I compare it year-over-year. So just wanted to understand that. I mean, why is that so? I mean, INR10 crores, INR11 crores is reduced to INR5 crores, INR6 crores, roughly?
- Manish Agarwal:** Yes, Naitik, as the company is more into platform-based, we follow WDV method of depreciation. So every year, the asset value goes down, and accordingly, the depreciation is reduced. In our case, we use a 40% depreciation rate. So if you take on a WDV method, it will keep on going down. Next quarter and next year, you will find it goes further down.
- Moderator:** We take the next question from the line of Chinmay Nema from Prescient Capital.
- Chinmay Nema:** Good evening, sir. Hope I'm audible.
- Vikash Agarwal:** Yes, Chinmay.
- Chinmay Nema:** Yes. Sir, today, first question is, can you throw some light on how you go about partnering with universities? I mean, how do you select them? And typically, how much time does the tech integration take at your end?
- Vikash Agarwal:** Chinmay, partnering with universities can take as low as a single meeting to as high as multiyears. In some cases, we have seen trying to become a partner from last six years, seven years. So it depends upon institution-to-institution. Destination which are less popular, for example, Middle East, it becomes easy to partner with them, because they want to expand into India and there is not huge demand of agents who want to send students to Middle East.
- While institutions which are very well-established with their agency network, it is very difficult to get a partnership. But in general, these are multiyear negotiations and interaction with these universities.
- Chinmay Nema:** Got it. And how much time does it take for the tech integration and setting up your onboarding pipeline for a specific university?
- Vikash Agarwal:** Sure. Once the university confirms that they are happy to onboard, tech integration and others does not take much time. Usually, it is done within a month.

- Chinmay Nema:** Okay. Okay. My next question is that, I basically wanted to get some better clarity on the value proposition of going for a student to go from an apply using an agent and then to a platform of peers. Is it that it is better to apply in bulk to multiple universities or does it help in better research or what is it because I believe students who are applying online, they will be capable of researching the programs themselves and finding a suitable program. So what is it that you help them with?
- Vikash Agarwal:** We are a platform which connects agents, so we don't interact with students. Students would go to local consultant and decide which university to go for. They will do all the research together and finalize. Once they have finalized, they submit the application to our platform. So we process the applications which are submitted to our platform and not make any additional recommendations or changes.
- Moderator:** Thank you. We take the next question from the line of Utkarsh Kedia from BFS. Please go ahead.
- Utkarsh Kedia:** Good evening sir. I actually recently started tracking this company and the top line growth really grabbed my attention. So can you please throw some light like what are the main growth drivers?
- Vikash Agarwal:** Hi Utkarsh. Thank you. The main growth driver is expanding into multiple geographies and destination market which is helping us increase our number of students thereby increasing our top line.
- Utkarsh Kedia:** And can you also tell me about the threats from any competitors like universities are building something in house to grab?
- Vikash Agarwal:** There will always be a competition so there are multiple companies, but the sector is very big and there is a room for everybody to grow. So we are growing. The sector itself is growing almost quite heavily plus at the moment our growth is only from India and some of the places outside India. The overall growth still remains very high.
- Moderator:** Thank you. We take the next question from the line of Dharmil Shah from Dalmus Capital Management. Please go ahead.
- Dharmil Shah:** Hi. Thank you for taking my question. My first question would be on the UK market where the bulk of our revenues are coming from. UK as you mentioned is tightening rules for immigration. Do you think in the next 2 years to 3 years the numbers could actually come down in absolute way because we have seen this play out in Canada and ANZ as well. So do you think there is a risk of immigrants and international students going down in UK?
- Vikash Agarwal:** Sure. Thanks Dharmil. UK is trying to tighten its immigration for non-genuine students. So, for example, they have increased the language requirement for students who wants to apply for job in UK. So they have made it 6.5. They have increased the maintenance requirement so that the student who goes and study there they have sufficient money and are not only dependent upon part time job which can affect their outcome of studies.

So what they are trying to do is, they are trying to make UK as a destination where right kind of students go and study and not people who want to use study as a route for immigrating into UK. So they are looking for genuine students and not students who are abusing immigration requirement as a student. So for students still UK welcomes people. It's only for non-genuine students they are trying to create more barriers.

Dharmil Shah: Okay understood. So the language – the more stringent genuine languages, but does not affect significant things for students at least?

Vikash Agarwal: Yes. Though there is always some risk and that's one of the reason why we are diversifying into multiple destinations in case any of those risks comes in.

Moderator: Thank you. We take the next question from the line of Naitik Mohata from Sequent Investment. Please go ahead.

Naitik Mohata: Hello.

Moderator: Hi Naitik.

Naitik Mohata: Sir I wanted to know slightly going back in the past in FY '23 and 24 our growth was a little flat. It was you know INR473 crores revenue going to INR530 crores revenue. Is there any specific reason what had happened in those years? That is my first question.

Vikash Agarwal: Hi Naitik. The INR535 crores you are mentioning is not full year. It was I think for two quarter or three quarter. The final figure was 635 which is in line with our standard growth.

Naitik Mohata: Okay. And then my second question would be from what I understand the main cost in our cost structure is the commission that we pay to the counselors who have helped us get the students admission. So the other bigger cost head is employee cost. So I just wanted to understand that how do you see the employee cost going ahead in the next 2 years, 3 years in absolute terms? Will it grow, will it remain stagnant or you know something of that sort?

Vikash Agarwal: It will grow, but the percentage growth will be less than the top 10 growth plus with improvement in more and more tech the ratio of growth will be much lower.

Naitik Mohata: Okay. So like first half we did employee cost of INR12.5 crores and last full year the employee cost was INR19 crores. So any number that we can assume for you know full year FY '26 or full year FY '27?

Vikash Agarwal: I mean roughly the employee cost should be between 2% and 3%. Plus tech cost added together would be roughly 4% altogether.

Moderator: Thank you. We take the next question from the line of Rajakumar Vaidyanathan from RK Invest. Please go ahead.

Rajakumar Vaidyanathan: Yes. Thanks for the follow up sir. Sir my question is on the margin 25% that you mentioned, the EBITDA margin guidance. So I just want to know since your top line is growing by you know

30%, there is no commensurate growth in EBITDA margin due to the fact that your costs are mostly variable and there is no operating leverage that kicks in. Is that a fair understanding?

Manish Agarwal: Hi Raj. We have given a projection of around 25% growth and our costs are also increasing in the same line. So you will find the EBITDA margin to be more or less constant around 24%-25%. Obviously if the top line grows it will also go but as a conservative figure we keep a ballpark figure of 24%-25% EBITDA as of now.

Rajakumar Vaidyanathan: Yes. Thanks for that sir. So my question is generally your costs are completely variable or it is completely in sync with your revenue or there are any fixed costs in this?

Manish Agarwal: Like our cost of sales which is a major component is variable but rest all employee, tax and other costs are fixed.

Moderator: Thank you. We take the next question from the line of Dhiraj from Roha Asset Managers. Please go ahead.

Dhiraj: Yes, just again reiterating the cash flow statement, we see two line items. One is other financial liabilities and one is other liability, which are INR56.8 crores and INR41.7 crores, almost close to about, you know, INR100-odd crores. What are those outflows?

Manish Agarwal: Hi Dhiraj. I don't have the details handy. Can I get back to you on this?

Dhiraj: Yes. These are consolidated numbers and the stand-alone also reflects the different numbers in consolidated. So what is the difference between the two if you can just help us understand?

Manish Agarwal: Sure. We will get back to you on this.

Moderator: Thank you. We take the next question from the line of Naitik from NV Alpha Fund. Please go ahead.

Naitik: Hi sir. One of my questions was similar to what last participant had asked. We are trying to understand the cash flow statement a little better. The other current liabilities have actually decreased and that is setting up almost INR90 crores of cash flow. So my question was on the same lines?

Manish Agarwal: Sorry Naitik. I don't have the cash flow handy with me. Along with Dhiraj I will also get back to you.

Naitik: Sure. And sir one more question. If I see your other financial assets that has gone up by a significant amount. So is it fixed deposit or cash itself or what is it if I look at your other financial assets?

Manish Agarwal: It's fixed deposit.

Naitik: Okay. So it's cash. Got it, sir.

- Moderator:** Thank you. We take the next question from the line of Anand Parekar, who is an Individual Investor. Please go ahead.
- Anand Parekar:** Thank you for the opportunity. I have a question. I think it was answered partially. So as we know that more universities are now setting up campuses. So I heard you saying that we'll reroute the students who are from other countries coming into India. So do you foresee that currently whatever amount you get per student from those universities would that differ in terms of percentage? What is your outlook on that?
- Vikash Agarwal:** Anand, it will be quite early to make a comment but I believe there will be some differences. But again in terms of volume you can bring in a much higher volume to India. But yes you are right on assumption there will be a difference in percentage commission.
- Moderator:** Ladies and gentlemen as there are no further questions from the participants I now hand the conference over to the management for their closing comments.
- Vikash Agarwal:** Thank you very much everybody for participating. As mentioned earlier this quarter we had grown better than expected roughly 30% compared to our growth forecast of 25%. The company is growing at a reasonable pace and we believe whatever forecast we have given the company should do better than that in coming quarters. Thank you once again for joining this Investor Call.
- Moderator:** Thank you. On behalf of Equirus Securities Private Limited that concludes this conference call. Thank you for joining us and you may now disconnect your lines.
- Vikash Agarwal:** Thank you.