Management Discussion

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
Good evening to everyone. I can call you guys by auditors, shareholders, employees, but I would like to call everybody partners. That's the word I always prefer. Either it's been our employee, either it's been anybody and everybody who's been associated with me, I consider them my partner in Novus Loyalty, and that's the next level of growth we expect with all our partners going to come together for us. I'll show the investor presentation for 2025-2026.

Okay, now it's working.

So, what exactly we do? Novus Loyalty, in a nutshell, anybody who is doing good work, or we want them to do something specific for us, then how to incentivize that person to do that particular task we want him to do? That's in a nutshell what exactly. And then we do it for enterprise, we do it for SMBs, and then we do it for brands as well. So, anybody who want to incentivize their customer to improve the purchase behavior of the customer, to improve the transactions on their business, we help them to drive more traffic in whatever the way they're supposed to do, right?

So, we have an enterprise-grade infrastructure. We just don't create -- we just don't mention ourselves as a small specific apps or API companies. We provide a complete loyalty infrastructure that comes from gathering customer data elements, processing it, complete rule engine. So, we can be used as a complete loyalty infra company as well. Personalization, any kind of engagement need to happen, that happen through our platform. So, in a nutshell, that's what we do. We are a loyalty reward company to incentivize the people to drive more transactions on their platform.

These are some of the highlights from where we are today. We have about 100-plus enterprise customer, 4 crore-plus B2C. We are mostly B2B2C company, so our clients' customer and we can do reward and loyalty program for them. So, about 4 crore-plus consumers are on our platform. This shows like 40 crore-plus transactions per month, we try almost 50 crore-plus transaction now every month to incentivize these 4 crore customers. Pan-India operations are there. When anybody comes to our platform, we have a lot of AI implementation that comes along with the platform as well. Another number which is reflecting here, close to INR127 crore. That was our financial year '26 growth, which is like 22% year-on-year growth for us.

This slide is just to give a glimpse of how we started, what are the major milestones we achieved to be where we are today. So, 2011, we got incorporated then, but we were more of a service company at that time. It was like clients going to come to us, we're going to provide them any and all kind of reward and loyalty services, but we're going to use third-party platforms to do that. But in 2017, we developed our own proprietary platform, and then we start using that platform to do it. So, there have been a journey from service company to being a product company in that area.

2021, we got a major breakthrough when we onboarded NPCI as one of our client. And then from there, the banking BFSI sector is really kicking for us. Like, we've been on board a lot more banks after that, and that been a big driving factor for Novus Loyalty. 2024, the global expansion happened. Then '25, we incorporated as we changed the company name to Novus Loyalty from Clavax, which was there in the starting, and also, we become a public limited company instead of private limited company.

2026 was tremendous, tremendous growth for us. It was -- we learned a lot when we launch our IPO. We understand compliance a lot more now. That's been a journey. We were able to raise about INR60 crores through our BSE SME listing platform. That's been our journey so far. IPO really

validate what we were doing, our proprietary platform, the scalable robust platform we have done. IPO has really proven a milestone for us, and it also validate what we were doing, how we are doing, is that we are moving in the right direction on that.

These are some of the financial numbers I would like to read out to you. Financial year 2024, we were around INR73 crores of revenue. Financial year '25, INR104 crores of revenue. Then financial year '26, we did about INR127 crores of revenue. Our revenue has increased, as I mentioned, like 22% from '25 to '26. Coming to EBITDA, our EBITDA margins has improved a lot as well. Financial year '24, it was close to INR5 crores. Financial year '25 was INR5.5 crores. Financial year '26 was INR12.3 crores. Yep. So, it's about 150% growth.

Same pattern was followed in profits as well, which grows up to more than INR9 crores in financial year '26. There are some other numbers which have been mentioned. Our EBITDA margins has definitely improved. Our PAT margins definitely improved in financial year '26, and we continue to work in that area to improve that in significant years as well.

Our board of directors, some key leadership team members, you guys can take a look. Vibhore also name most of them. So, what exactly we do? We have one common platform, but there are a lot of other segments in loyalty as well. So, one is like employee loyalty. If any employee need to be rewarded for anything, we provide a complete platform for that. E-commerce loyalty. If somebody want to launch their platform on an e-commerce, so we're going to provide all kind of e-commerce reward and loyalty program, how they can do it. We guide them and we provide all the tools for them.

We have a customer engagement platform, how you can define personalized journey for your customers on that particular platform. Then complete AI-powered CX automation, how the customer experience of customers can be done better. Then it comes the enterprise loyalty, which works for the bank. How credit card customer, debit card customer, or any other banking products can be onboarded on the product and how loyalty works for those kind of customers. We have a small video just to give a glimpse of all kind of platforms we have. My team going to play that video.

[Video Presentation]

So, that was just a small glimpse, like how each product look like, just to give little bit idea like how these products going to work. We cannot show a complete product demo here. So, we just want to show a glimpse of it.

Now, this was more about what exactly we have done, right? So, I also want to take about five minutes in about what exactly we are planning to do. Of course, AI is a buzzword these days. Everybody want to do something or other in the AI platform. Luckily, we are in a business where AI can literally contribute in real way, right? So, if there's a loyalty system, there are a lot of things which can be done around AI and then how AI can be utilized in customer retention, personalization, all those kind of things.

We are actually developing 12 AI agents under the brand of NoCXy AI. These all 12 agents going to be -- four agents going to be very specific on the member side of it, customer side of it. Four agents going to be on the partner/merchant side of it, and another four agents going to be on the platform side of it, how the platform can be improved, risk, and all those kind of things as well.

I'll give you a glimpse of that as well and then give some idea on it. NoCXy. That's how we're going to brand all the AI agents into one NoCXy platform, but the 12 agents going to sit under the brand name of NoCXy. Do we have a video to play for the NoCXy as well?

[Video Presentation]

That definitely deserve a round of applause. So, you might have seen like how automated everything going to be with AI, right? So, we have a very, very good use case of it. It's not like we are building AI just for the sake of doing it. Lot of companies -- and what exactly NoCXy going to do to us? Most of our clients are enterprise customer right now. They need personal handholding.

What NoCXy AI going to do for us, like we'll be able to expand the client's horizon a lot more. We'll be able to serve SMEs better as well with this particular platform where they don't need personalized attention. NoCXy, of course, it's going to take some time to mature the platform. Lot of partner use cases. We're going to -- and it's going to train itself as well.

But even if you get a glimpse of it, like it'll be easy. If you're an e-commerce company, you want to do a campaign, it's just like you do it, and then it's going to -- you want to connect it to Magento, you want to connect it to Shopify, it's going to do all the connections for you. Lot of layering work or API implementation, those things are going to cut off a lot. And then you can launch your loyalty campaign in minutes instead of days or weeks or months, and going to provide a lot of insights as well.

Those are some of the AI agents that I was talking about that like we categorize into three segments. One is on the member experience side of it, one is on the merchant/partner ecosystem side of it, and one is on the platform intelligence side of it.

For member personalization agent, redemption concierge, customer retention, conversational assistant, those going to be there. On the merchant side of it, campaign intelligence -- what exactly these particular campaigns, actually how they can be improved and give better retention to them -- all those are important as well. All the partner onboarding and everything going to happen through AI as well. Fraud intelligence, merchant intelligence, that going to come out of the system, right?

And at platform level, the rule builder agent and all those kind of things. You don't need to create those complex rules by going there into the rule engine. Right now, we have a qualifying engine -- qualifying rules, earning rules, but all that can be automated with these agents.

Yep. So, that was just a glimpse of it. But what exactly we are doing, but how that going to impact, what exactly that transformation going to do to us? It's going to increase the customer retention for our clients, going to improve campaign conversion, reduce churn, definitely enable real-time decision-making, and also scale the personalized engagement by itself, right? So, a lot of consultancy time that we need to spend with our customer were cut off by these agents.

Last but not least, I also want to thank all the clients do we serve -- Central Bank, NPCI, Progcap, Maritime Financial, some of -- Equitas Bank. All these been our clients and partners so far, and we really, really thank you for them, their trust in Novus Loyalty as well.

Some of the use cases which are highlighted here from the BFSI industry. We've been working with NPCI since 2019 and till date. It's been a great use case. We've done RuPay campaigns, UPI campaign along with them. They've been very, very trusted partner and clients for us. PRYPCO, they are based out of Dubai. We have done, which is a different investment in real estate use case study that we have done with them. Sparkle is a new bank, Nigeria neo bank, where we drive a lot of engagement for their customers as well, right?

We recently added two more names to our clients, Central Bank of India. We got a -- we've been awarded INR88 crore loyalty and customer engagement agreement with them, which was a good win for Novus Loyalty team. We also onboarded Bank of Abyssinia, which is like going to be first

major bank in African region for us, and that going to open a lot of door for us once we -- once the program going to go live with the Bank of Abyssinia.

So, before I close the presentation, some people also question like how big is the loyalty space? Because when investors trust in a company, they don't just trust the company, they also want to see how big the loyalty space is and how this particular space is growing. Because sometime if your TAM is not that big, then investors are not very much interested. Like, they don't know how much this company going to grow.

I want to put some numbers here. Like, total addressable market for loyalty is about $15 billion. Serviceable, which is available to us, is about $4 billion to $5 billion. And obtainable market, which is easily about like $100 million, we can easily achieve in that. There's some insight being there how industry-wise it's like by sector. Like, if BFSI is about 30%, retail e-commerce is about 25%. Right now, Novus Loyalty being very much focused on BFSI. We are about like 80% revenue in BFSI. But eventually, we are planning to go into other sectors as well. We'll try to increase our market share in those sectors as well.

So, with I shown you from the technology side of it what we are doing, and then from the product side of it, but what's the plan for, what's the vision for Novus Loyalty? Novus Loyalty with like about 97% revenue from Indian geography right now, but eventually we want to make it a global company. We recently start process for opening a wholly owned subsidiary in Dubai, which is in process, and then get started in like two, three months back. We already start hiring employees there. So, that's one of our global expansion plan.

We are also looking for medium-sized marketing agencies, or if a company is already working in loyalty and reward space either in Middle East market or the U.S. market or Australia market, we are looking to invest in those companies as well so we can expand globally a little bit faster.

So, the plan is to grow organic and inorganic both ways. 100% global market expansion, as I explained, is on our cards. Our SaaS and recurring revenue growth, as I mentioned, when you do loyalty and reward business, then lot of consultation is required. So, you can onboard enterprise customer, but you need to put a lot of efforts in program onboarding, client onboarding. But with our AI agents in power, like, not human interaction is required. We'll be able to increase our SaaS revenue 100%, and which is a better EBITDA margin revenue for us. So, our EBITDA margins going to grow with the help of that as well.

As we mentioned, Africa, GCC, APAC, all these three high-growth markets. Why we are considering those markets? Because the technology revenue that comes from these markets is little bit better in comparison to other markets. That's actually going to add more to our EBITDA numbers. So, those are the reasons going into those markets as well.

So, with saying that, just to summarize what I said, from the product side of it, we are ahead of the curve. When other people are thinking to build something in AI, we already built it. We are in the implementation stage of it. From the growth perspective, the global expansion plans already kicked in, and we are on our way to be a global company in next two to three years. I expect everybody, our shareholders, our partners, to support us in continuous journey. Thank you. Thanks a lot.

Any questions? I'm supposed to take some questions as well.

Questions & Answers

Unidentified Participant
Sir, what is our growth horizon strategy for next two, three years?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
Our growth strategy is like, as I mentioned previously, from the product standpoint, to keep upgrading our products. To be honest, like, we need to maximum invest in our sales and marketing efforts, right? So, we can invest lot more in sales and marketing efforts along with product and all that. But like about 15%, 20% going to go into the product, and major expansion that going to happen from the sales and marketing. We're going to invest a lot in sales and marketing. That going to help us to grow in next two to three years. And again, as I mentioned, like, global expansion going to help us. We are also inorganic and organic growth, like building better relationship with our existing client and onboarding more clients in other regions. That's going to help us.

Unidentified Participant
Good evening, Deepak. Really nice presentation, and I wish all the best for Novus Loyalty. So, my question is more on AI platform, as you mentioned. So, what incremental revenue or margin uplifts does management expect from the AI platform over next two, three years?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
Thanks. Thanks for the question. So, as I mentioned, AI platform going to enable us to onboard lot more SME clients, and the consultancy and service part going to be less. So, it's going to be if somebody comes, going to use the agent, going to pay the subscription fee. So, that going to add our EBITDA margins 100%. How much we can expect for it? I can expect they'll help us to improve our EBITDA numbers, but I cannot tell exactly how much it's going to improve. But it's going to be significantly improvement from where it is today.

Unidentified Participant
Hi, Deepak sir, I have a question. So, what are our export plans now that we are also opening office in Dubai?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
Say it again.

Unidentified Participant
So, what are our export plans now that we are also opening office in Dubai?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
Export plans? Like, as in how we going to onboard the customers in other regions?

Unidentified Participant
Yes.

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
As I mentioned, the first phase already kicked in by Dubai office opening in next quarter or so. We already plan to hire a couple of employees over there. So, export plan is -- and also, we are doing lot of targeted campaigns in different regions for the global expansion. Export plans is like onboard -- is directly attached to the global expansion, as I mentioned. So, we're going to invest lot more in sales

marketing for the global expansion. That going to bring lot of export revenue to us. I guess that's what I would say.

Unidentified Participant
Hi, sir. Thanks for the opportunity and congrats for your first AGM. Sir, my question is regarding PPI license. If you can talk more about it and how it could help our business and what revenue you are expecting once you get that license and what is the timeline in which you will get that license. Thanks.

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
So, PPI license. Right now, we don't have a PPI license. What exactly and how exactly it's going to help us? Right now, we use third-party aggregators. We use like companies like Qwikcilver, Pine Labs, who already have a PPI license. If we don't have a PPI license, we cannot issue an open-loop gift card which going to work on any and all kind of terminals. So, right now, when a customer uses point to get that gift card, we need to use this issuance partner who already has a PPI, and they take their own fee. All the issuance fees goes to them, right? And they control all the merchant gift card ecosystem.

We have plans to get a PPI in coming month or so, but that going to -- that really, if we'll have a PPI license, one, that going to open up the gift card issuance business for us, as in one. And also, that going to improve our EBITDA margin in our current business as well, where customers are using their point to buy the gift card. We'll be able to get the issuance fees as well, and we'll be able to manage the merchant ecosystem in gift card in a more better way.

Timeline for that, I cannot commit on that as of now because there's complete regulatory, and RBI is included in that as well. But yeah, that's definitely on the cards. Either it's going to come through the organic way or it's going to come through the inorganic way. But yeah, that's in our plans as well.

Okay.

Unidentified Participant
One more question. As you talk about EBITDA margins, so every shareholder is more interested on that. So, EBITDA margins improved significantly during financial 2026. What are the key drivers behind this improvement, and what sustainability EBITDA margins range do you believe the business can achieve over the medium term?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
So, there's been one, I would say, reason. As I mentioned, like, we've been a service company, we were using third-party platforms. Also, an EBITDA margin comes from two things: revenue, and then if you will be able to cut the cost to serve these customer. With all our product, how we are improving the product, the cost to manage these customer has came down. And also, from a lot of service side of it, we move to more on the product side of it. So, that really help us to improve the EBITDA margins for our company.

Unidentified Participant
Sir, what are the different streams of revenue that can be earned from a single customer?

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
So, from customer, I'll take it as a client. Like, say, I'll take an example of Central Bank, right? So, when any client is onboarded, the very first revenue that came into the picture is the technology

one. They pay for the platform fees, technology fees, admin fee, whatever it is. So, that's our technology revenue.

The second revenue is if Central Bank customer going to get some points, Central Bank going to give them points. Then when these customers fill that particular point for flight, hotel, any of the redemption, when they're going to redeem the point, then we earn margins on it. So, second is the redemption. We have all the partners in the backend. So, we get good rates from these partners. So, we may going to charge certain amount to bank, and then we going to pay certain amount to all these parties where the points are getting redeemed. So, second is our redemption revenue.

Third is merchant monetization. So, we have an analytic platform. From banking platform, whatever the transaction come, our AI engine just segregate that transaction into different MCC and MIDs, and then we provide a lot of insights to merchants. And merchants can do their campaigns while keeping all the DPDP regulations in place, all PII compliances in the place. We do a lot of campaigns for these merchants, so merchant pay us to drive transaction on them. So, that is third line of revenue that happened for us.

Fourth line of revenue is like if you use any credit card, you're top spender, you're going to get a gift voucher of Myntra and all those kind of things. So, we have arrangements with banks, other players, like whoever need these bulk vouchers, then we issue those bulk vouchers to these customers from our platform. And that's the fourth line of revenue. So, total four line of revenues for our technology, redemption, merchant monetization, and digital vouchers. Those are the four line of revenues for us.

Unidentified Participant
Hi, good evening. We saw NoCXy AI, a great initiative, but what we wanted to understand is what differentiates NoCXy AI from other global loyalty providers that are already providing AI as a capability.

Deepak Tomar - Chief Executive Officer, Novus Loyalty Limited
So, I -- right now in loyalty market, the players we are seeing, they not been -- they're still talking about AI, to implement the AI, and also how they are building. They think it's an AI platform completely, right? And then they don't have much visibility how these agents going to work. The only one side of it everybody is working on the personalization of customer. That's the only AI agent most of the companies are working.

When we are developing NoCXy AI, we are considering our enterprise customer in mind as well. So, we are developing AI from the platform standpoint as well, how the rule engine going to upgrade and all those kind of things. So, that's going to give us a heads up against other competitors which are only building the consumer side of it. They are not building the enterprise side of it. So, that we are building both.

Operator
Thanks, everyone. Thanks. Looking forward to all [Indecipherable].

Vibhore Rastogi - Chief Financial Officer, Novus Loyalty Limited
Thank you, Mr. Deepak Tomar, for sharing your inspiring vision and providing valuable insights into the company performance, achievements, strategic priorities, and future roadmap. We sincerely appreciate the questions, suggestions, and continued engagement from our shareholders. Your valuable participation and unwavering support remain integral to our journey as we continue to build a stronger and more future-ready organization.

Moving ahead with the formal proceedings of the Annual General Meeting, the audited financial statements of the company for the financial year ended 31st March 2026, together with the board's report and its annexure, have already been circulated to all the members. With the permission of the members, the same are taken as read. Further, pursuant to the provisions of the Companies Act, 2013, since the statutory auditor report does not contain any qualification, adverse remark, disclaimer, or reservation, the same is also taken as read.

I shall now proceed with the agenda item set out in the notice conveying this Annual General Meeting. Ordinary business. Item number one. To receive, consider, and adopt the audited financial statements of the company for the financial year ended March 31st, 2026, along with the reports of the board of directors and auditor thereon. Item number two. Reappointment of Mr. Deepak Tomar, DIN 02484965, as the Managing Director who is liable to retire by rotation. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in respect of special business, have already been circulated as a part of the notice, are taken as read. Members who have not cast their votes through remote e-voting may cast their votes through the voting facility available during the AGM proceedings. The voting facility shall remain open for 15 minutes after the conclusion of the meeting.

Ladies and gentlemen, this brings us to the conclusion of the formal proceedings of the 15th Annual General Meeting of Novus Loyalty Limited. On behalf of the board of directors and the entire Novus Loyalty family, I extend our heartfelt gratitude to all our shareholders, investors, customers, business partners, bankers, advisors, employees, and every stakeholder for your continued trust, confidence, and unwavering support. I would also like to acknowledge the guidance and contributions of our board of directors, Independent Directors, Company Secretary, Statutory Auditors, Secretarial Auditors, the Scrutinizer, KFin Technologies Limited, and everyone who has contributed to the successful conduct of today's meeting.

As we move forward, we remain committed to strengthening our leadership in the loyalty and engagement industry through innovation, sound governance, and sustainable long-term value creation for all our stakeholders. Thank you once again for your valuable presence, participation, and continued confidence in Novus Loyalty Limited. With the permission of the Chair, I hereby declare the 15th Annual General Meeting of Novus Loyalty Limited concluded. Thank you, and I wish you a very pleasant evening.

Operator
Thank you so much, sir. Also, let's have a big round of applause for Deepak sir as well for such an interesting presentation. And now we would like to show you some glimpses of IPO that will be played through this AV. So, let's have the video, please.

[Video Presentation]

Well, amazing. Let's have a big round of applause for such a delightful and enthralling video. And now, with this, we come to close the 15th Annual General Meeting of Novus Loyalty Limited. I extend my sincere gratitude to everyone for your presence, participation, and valuable contribution. Today's discussions, insights, and decisions reflect not only how far we have come, but also the exciting opportunities that lie ahead. Together, we continue to build on a strong foundation and with a shared vision for the future. Thank you to our board of directors, shareholders, partners, and every member of Novus Loyalty family for your continued trust and support.

With that, I officially declare the 15th Annual General Meeting closed. So, let's have a big round of

applause, everyone. However, this evening is far from getting over. Kindly stay with us as we move into the next part of our celebration. But before we move into the next most awaited segment, let's do a small activity. Let's play a small game together. [Foreign Speech] I think 10 to 15 people can come on the stage. [Foreign Speech]