

Performance Update - Q1 FY27

July 23, 2026

Safe Harbor Statement

Certain statements in this presentation concerning our future growth prospects are forward-looking statements. These statements are subject to substantial known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, risks and uncertainties relating to the execution of our business strategy, our revenues highly dependent on clients located in the United States, our ability to attract and retain highly skilled professionals, increase in wages, investments to reskill our employees, economic uncertainties and geopolitical situations, technological disruption and innovations, complex and evolving regulatory landscape, including immigration regulation changes, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry

The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. All forward-looking statements included in this presentation are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.

Financial Performance

Q1 FY27

Revenue ▲20%

Net Income ▲92%

Q1’27 Fractal Group: 92% increase in Net Income from Margin Expansion and Revenue Growth

Growth

INR 9,125m ▲ *20% YoY*[1]
Revenue from operations

117%
Net Revenue Retention (NRR)[2]

77 ▲
Net Promoter Score

USD 83K | INR 7.5m ▲ *3% YoY*
Revenue per Billable FTE[3]

Profitability

46% ▲ *29 bps YoY*
Gross Margin

17% ▲ *189 bps YoY*
Adjusted EBITDA margin

INR 723m ▲ *92% YoY*
Net Income
Net Income excl. associate **INR 957m**

Other highlights

6.7% ▲ *55 bps YoY*
R&D investments[4]

INR (1,030m) ▲ *20% YoY*
Cash flow from operations

INR 4.31 ▲ *79% YoY*
Basic EPS[5]
Basic EPS excl. associate **INR 5.68**

[1]All revenue growth is organic; Fractal Group CC growth for Q1’27 is 9% YoY | [2]NRR is calculated in INR | [3]Revenue per Billable FTE is calculated based on trailing twelve months data
[4]R&D opex 4.5% | [5]Diluted EPS is INR 4.09 with 78% YoY; Diluted EPS excluding associates is INR 5.39

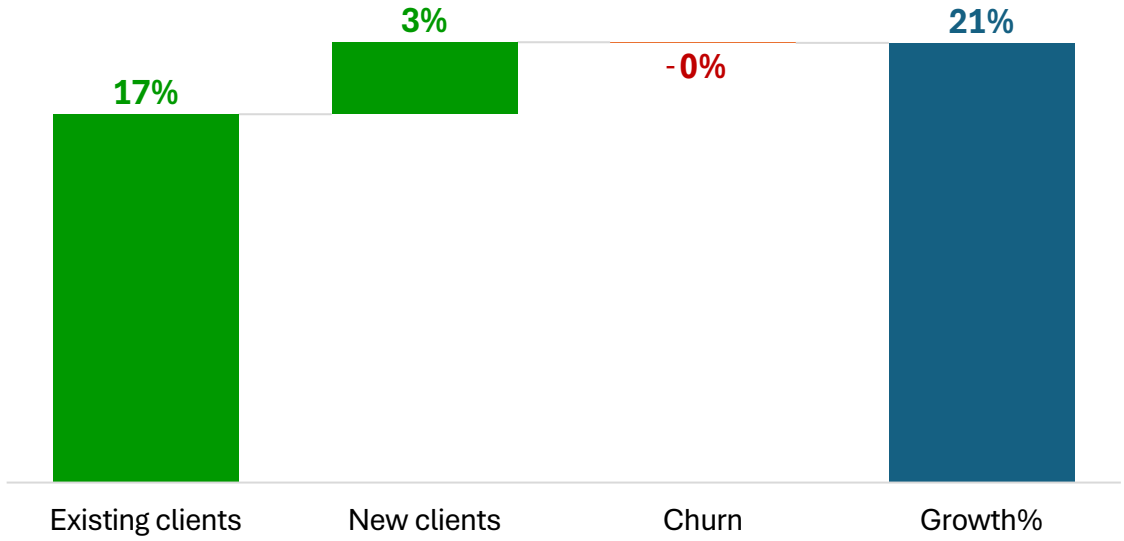
Q1’27 Fractal.ai: Our existing clients continue to expand their relationships with us

Net Revenue Retention (NRR)

117%

Q1’27

(INR)



Net Revenue Retention (NRR) in our Fractal.ai segment measures how effectively we retain and expand revenue from our existing clients over a defined period and is calculated by comparing the current period’s revenue from the clients who existed at the start of the period, with their revenue in the previous period - including the effects of upsells, cross-sells and contractions

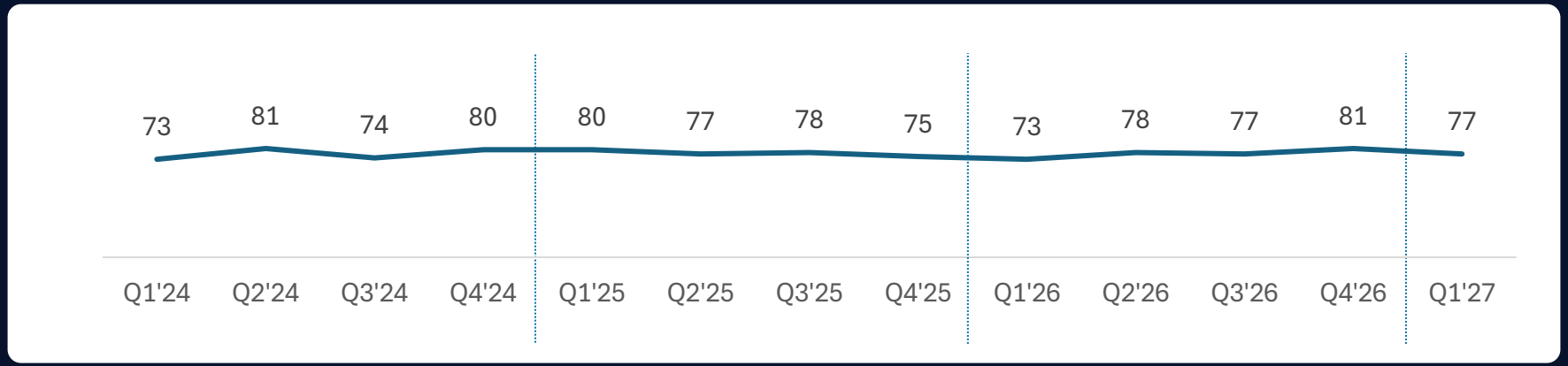
Q1’27: Fractal continues to be one of the most respected brands in AI

Industry-leading Net Promoter Score (NPS)[1] for Fractal.ai

77

Q1’27

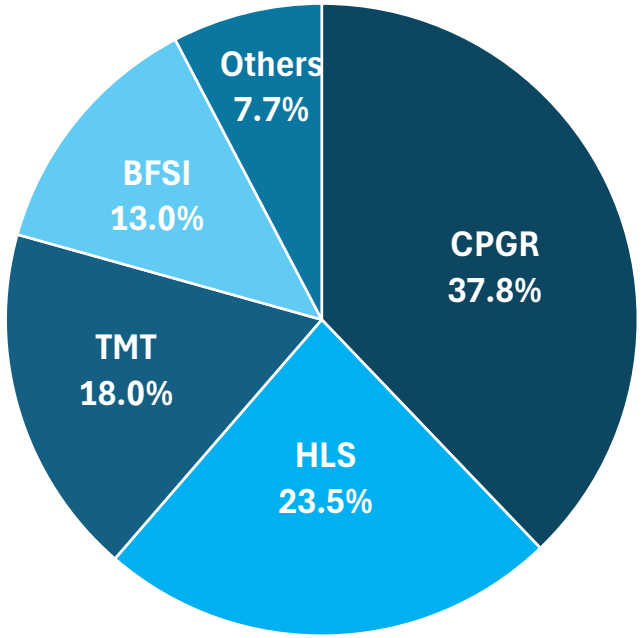
▲ ***4 pts YoY***



[1] Net Promoter Score (NPS) is used in Fractal.ai segment to gauge client satisfaction and advocacy. Clients rate us on a 10-point scale on their willingness to recommend Fractal. Promoters are clients who score us at 9 or above. Detractors are clients who score us 6 or below. NPS = Promoters% - Detractors% . NPS is presented as a score (Scores above 50 are considered great for consumer brands and above 40 for B2B brands)

Q1’27 Fractal.ai: We have a diversified revenue base, with robust growth across most industries & geographies

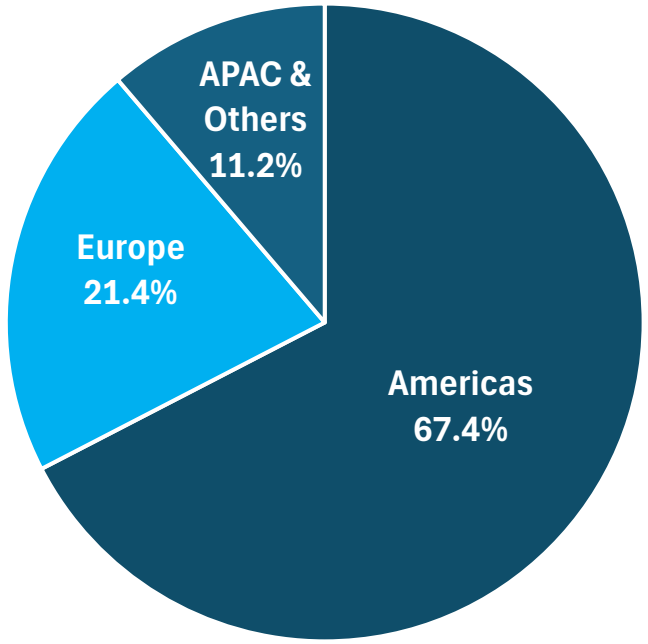
Revenue by industry (Q1’27) – Fractal.ai



	YoY
CPGR	▲19%
HLS	▲69%
TMT*	▼ 22%
BFSI	▲36%
Others	▲63%
Total	▲21%

*Excl. TMT, Fractal.ai grew **37% YoY**

Revenue by geography (Q1’27) – Fractal.ai

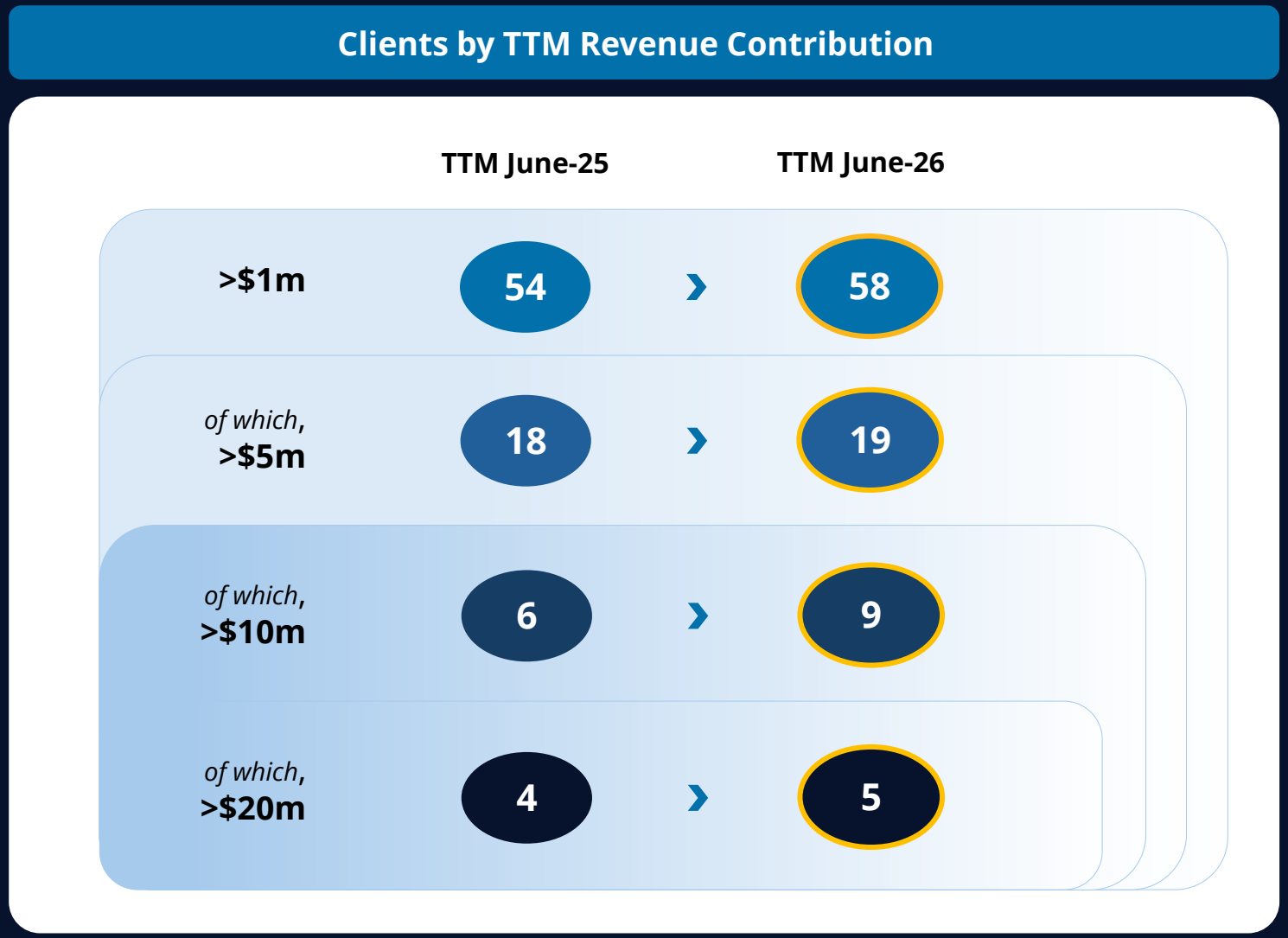


	YoY
Americas	▲24%
Europe	▲25%
APAC & Others	▼ 2%
Total	▲21%

CPGR (Consumer products goods and retail) | BFSI (Banking, financial services and Insurance) | HLS (Healthcare and life sciences) | TMT (Technology, Media & Telecom) | Others comprises largely energy, travel and industrials verticals; Revenue by geography is based on client billing location

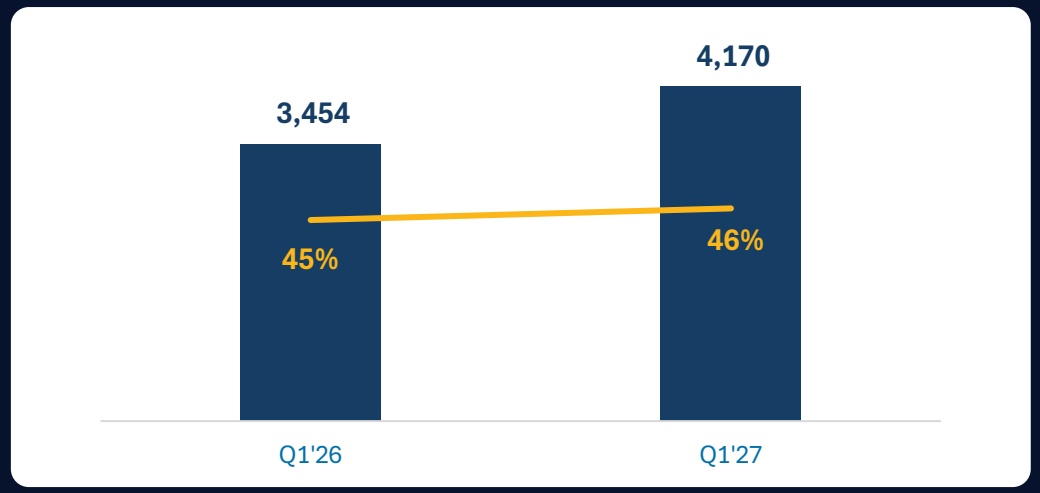
Fractal.ai: Overall growth reflects continued strengthening of client relationships

Fractal has scaled client relationships with significant headroom for growth

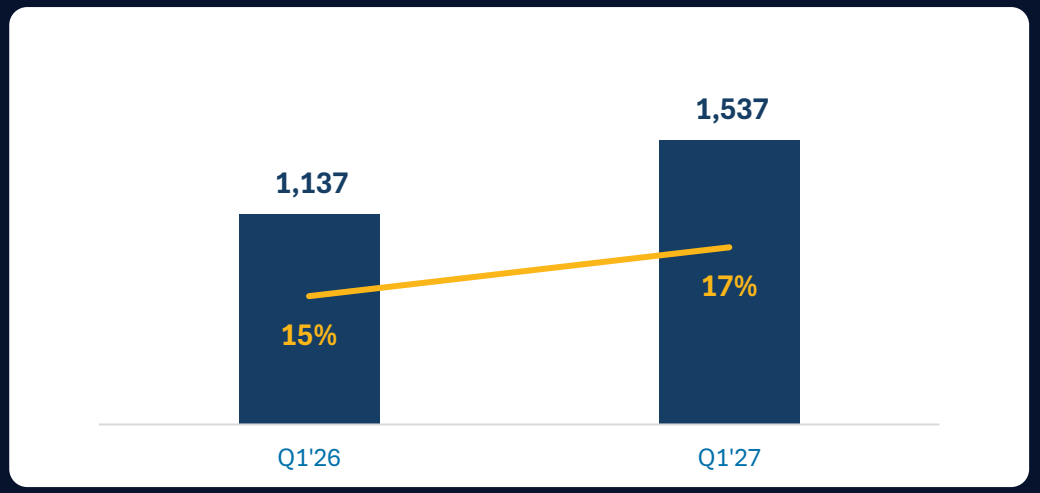


Fractal Group: Steady improvement in profitability continues

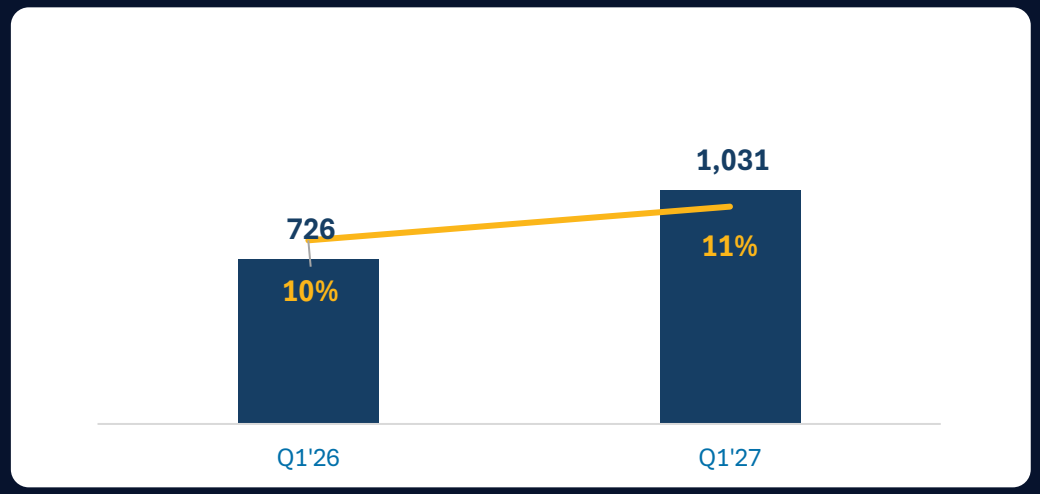
Q1’27 Gross Margin (INR Mn) +21% YoY, +29 bps ▲



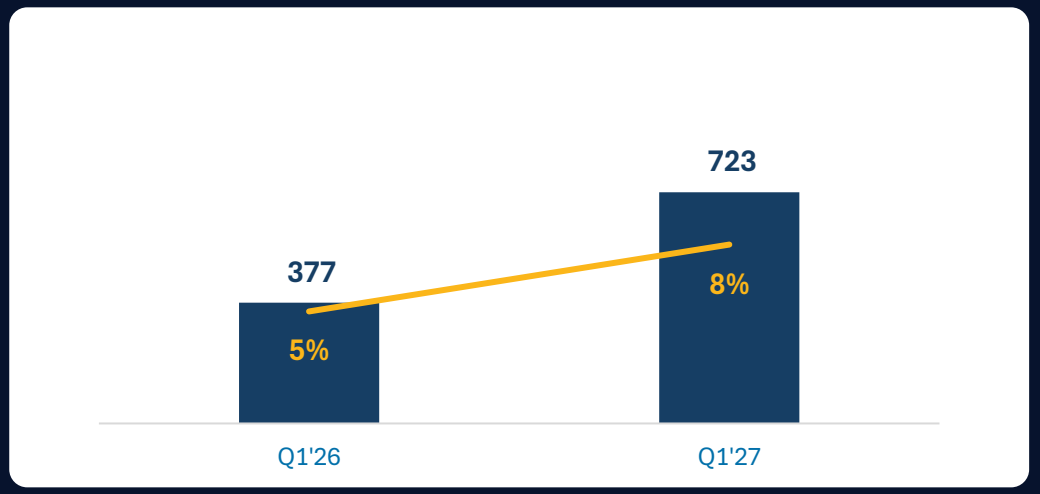
Q1’27 Adjusted EBITDA (INR Mn) +35% YoY, +189 bps ▲



Q1’27 Operating EBIT* (INR Mn) +42% YoY, +175 bps ▲



Q1’27 Net Income (INR Mn) +92% YoY, +296 bps ▲
Net Income (INR m) excl. associate +59% YoY, +260 bps ▲

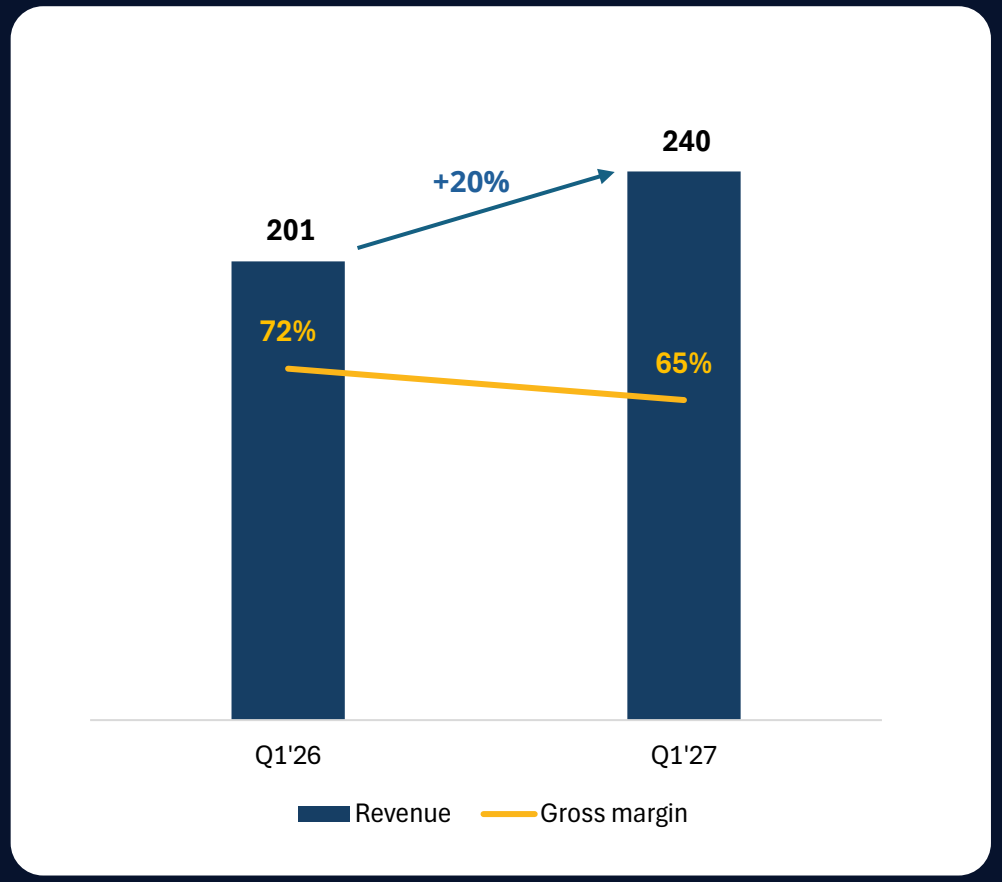


*Operating EBIT is without Other income, Share of loss of associates and Exceptional items

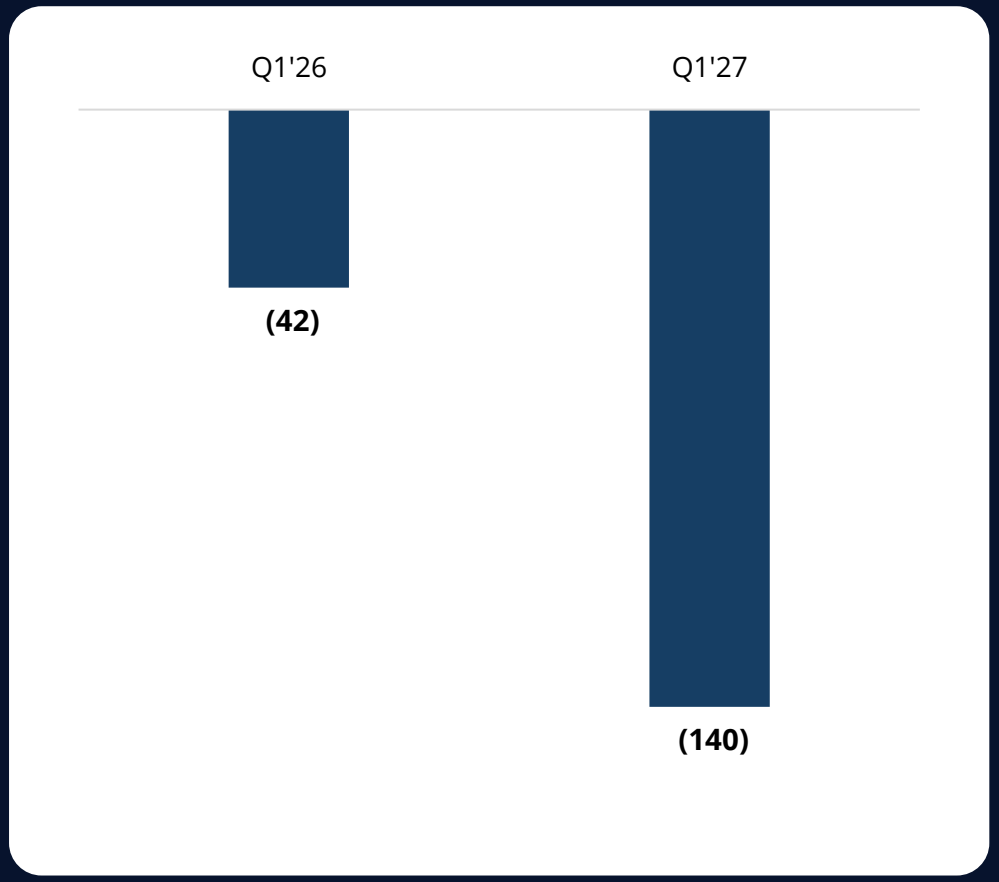
Q1’27 Fractal Alpha: Continued investments in Alpha

All values in INR m, except %

Revenue & Gross Margin



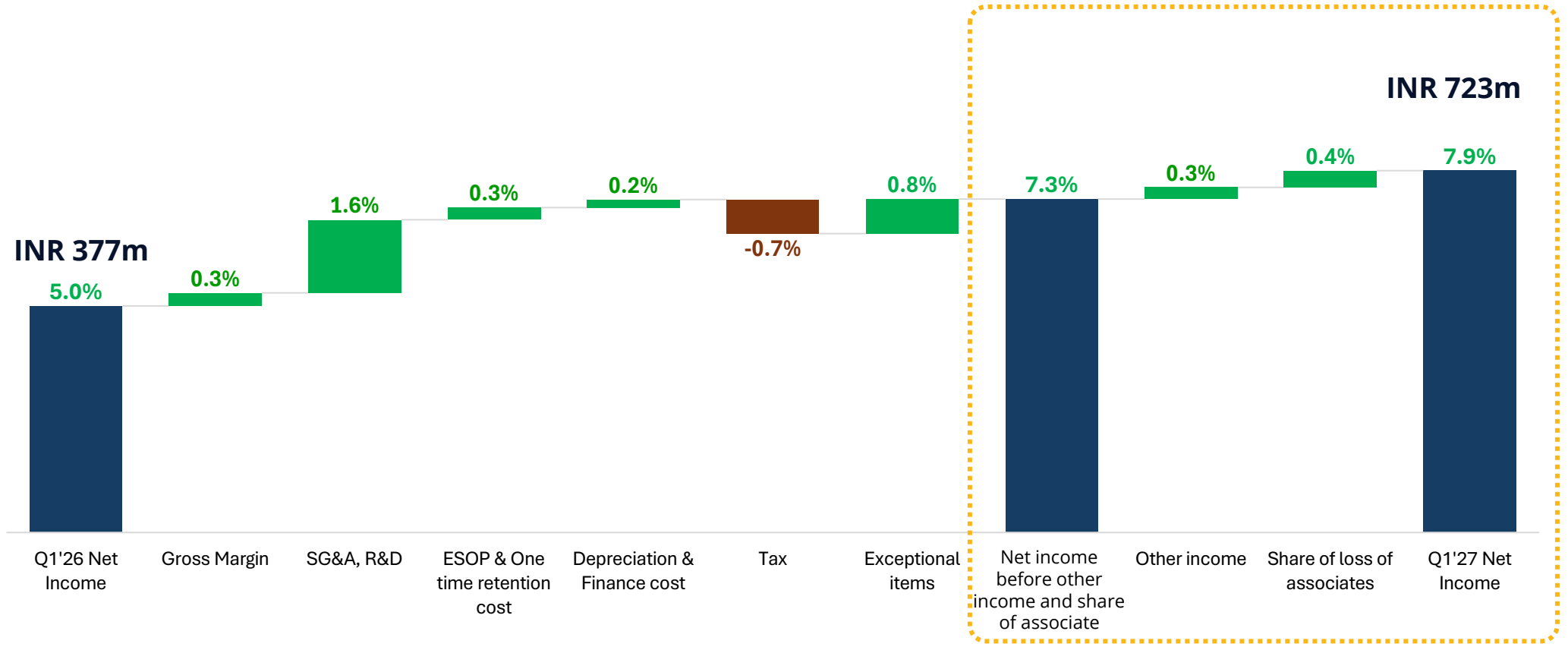
Adjusted segment results



To strengthen the AI for work and workforce pillar, we have integrated Iqigai and edtech related teams from fractal.ai into Fractal Alpha and segment numbers have been restated for FY26 to reflect this change

Fractal Group: Q1’27 Net Income at INR 723m, +92% growth YoY

All values in INR m, except %

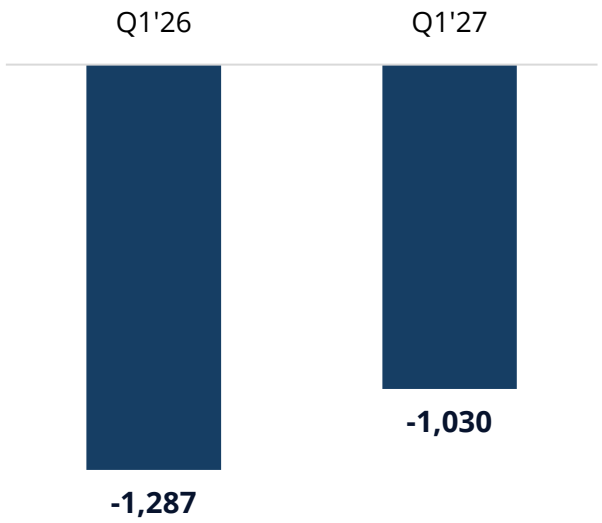


Excluding Share of loss of associates, Net Income is INR 957m, 10.5% in Q1’27

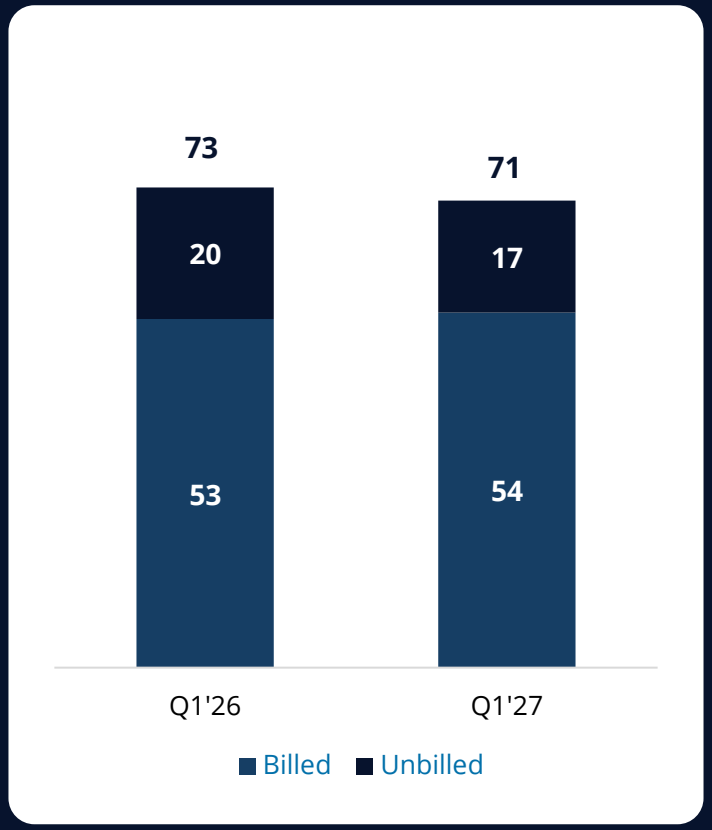
Fractal Group: Improvement in Balance sheet and Cashflow metrics

All values in INR m, except %

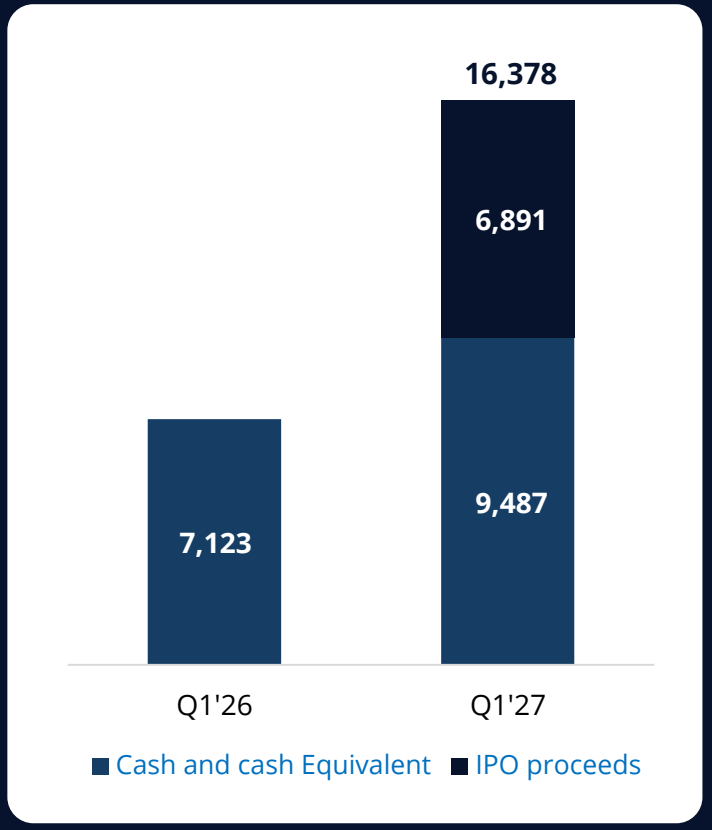
Cash flow from operations



Days of sales outstanding (DSO)



Cash and cash equivalents



Cash flow from operations is negative in Q1 owing to payouts of variable pay for FY26, this is in line with our historical numbers and methodology

Cash (including MFs and FDs) as of June-26 end is INR 16,378m including IPO proceeds of INR 6,891m (net of offer expenses), we repaid the debt of INR 2,887 Mn as planned in use of proceeds in April 2026

Business Highlights

R&D backed products: Diversified suite gaining traction

cogentiq by fractal

$4m
Qualified Pipeline[1]

10+
Clients globally

10+
Industries

asper a fractal company

$9m (+59% YoY)
Annual Run Rate (Q1'27)

20
Clients globally

$60Bn+
Total portfolio revenue managed

Analytics Vidhya
Learn Everything About Analytics

$4m (+40% YoY)
Revenue[2] TTM June-26

9
Clients globally

90
NPS Q1'27

R&D Investments: 6.7% of revenue[2] | Granted Patents: 40 (Pending 33)[1]

[1]As of 30th June 2026 | [2]For Q1'27

Partnerships: Gaining momentum in driving enterprise AI adoption

Anthropic
Preferred Services Partner
Claude Partner Network

OpenAI
Advanced Partner

Databricks
Gold Partner

AWS
Premier Tier Services Partner

Google Cloud
Premier Partner

Microsoft
Solutions Partner

42 **Joint engagements**
TTM (Jun '26)

~1,900 **Certifications**
Across 7 partner programs
as of 30 Jun '26

Top collaborative deal wins in Q1 FY27

	Client	Solution	Partner Category
1	F100 Global food and beverage major	Implementation of Collaborative Commerce	Hyperscaler
2	Global snack & beverage giant	Demand forecasting platform	Cloud Platform
3	F5 retail client	Scaled agentic AI infrastructure deployment	Frontier Lab
4	Major Australian natural gas producer	Agentic Business Transformation	Hyperscaler
5	F100 Global food and beverage major	AI sales agent for optimizing field sales	Hyperscaler
6	F50 US Payer	AI platform learning and enablement	Frontier Lab

Partner list mentioned above is indicative, and not exhaustive

Underwriters at a leading US housing finance institution were spending about a week to underwrite a multifamily deal (1/2)

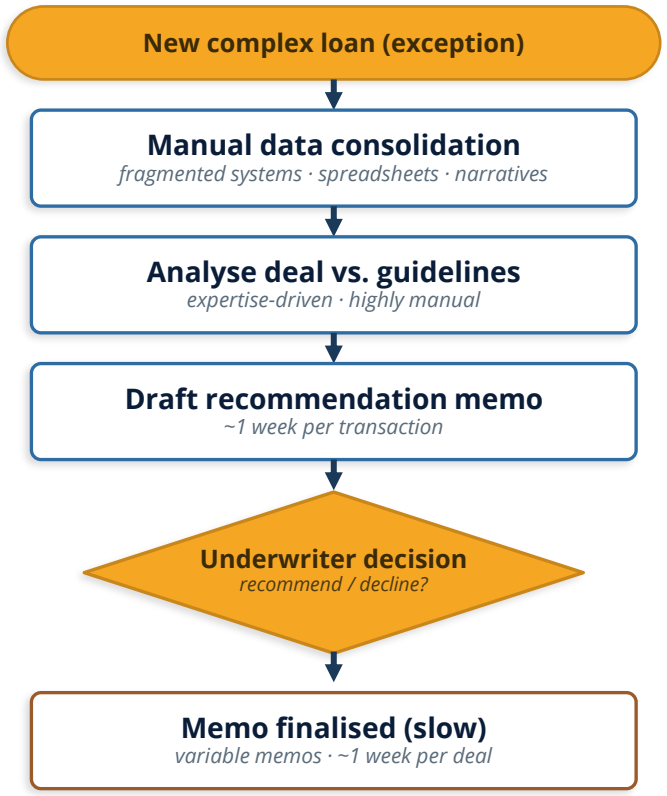
Fractal built an AI-powered underwriting system that accelerates consistent, evidence-backed, and fully auditable lending decisions

The platform unifies loan documents, guidelines, transaction history, and risk signals into one workflow, generating source-cited recommendation memos and cutting prep time by ~50%.

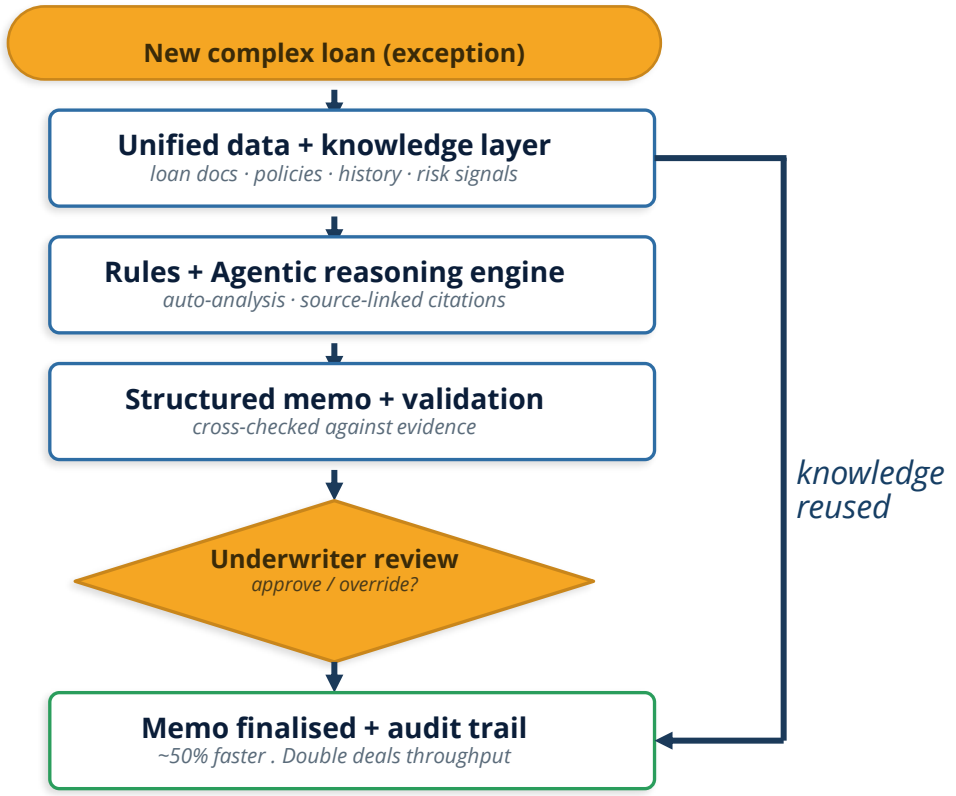
This has roughly doubled throughput and standardized decisions across hundreds of reviewers, strengthening governance in a highly regulated environment.

Underwriters at a leading US housing finance institution were spending about a week to underwrite a multifamily deal (2/2)

Before · Manual Underwriting (~1 week)



After · AI-Driven Underwriting (~50% faster)



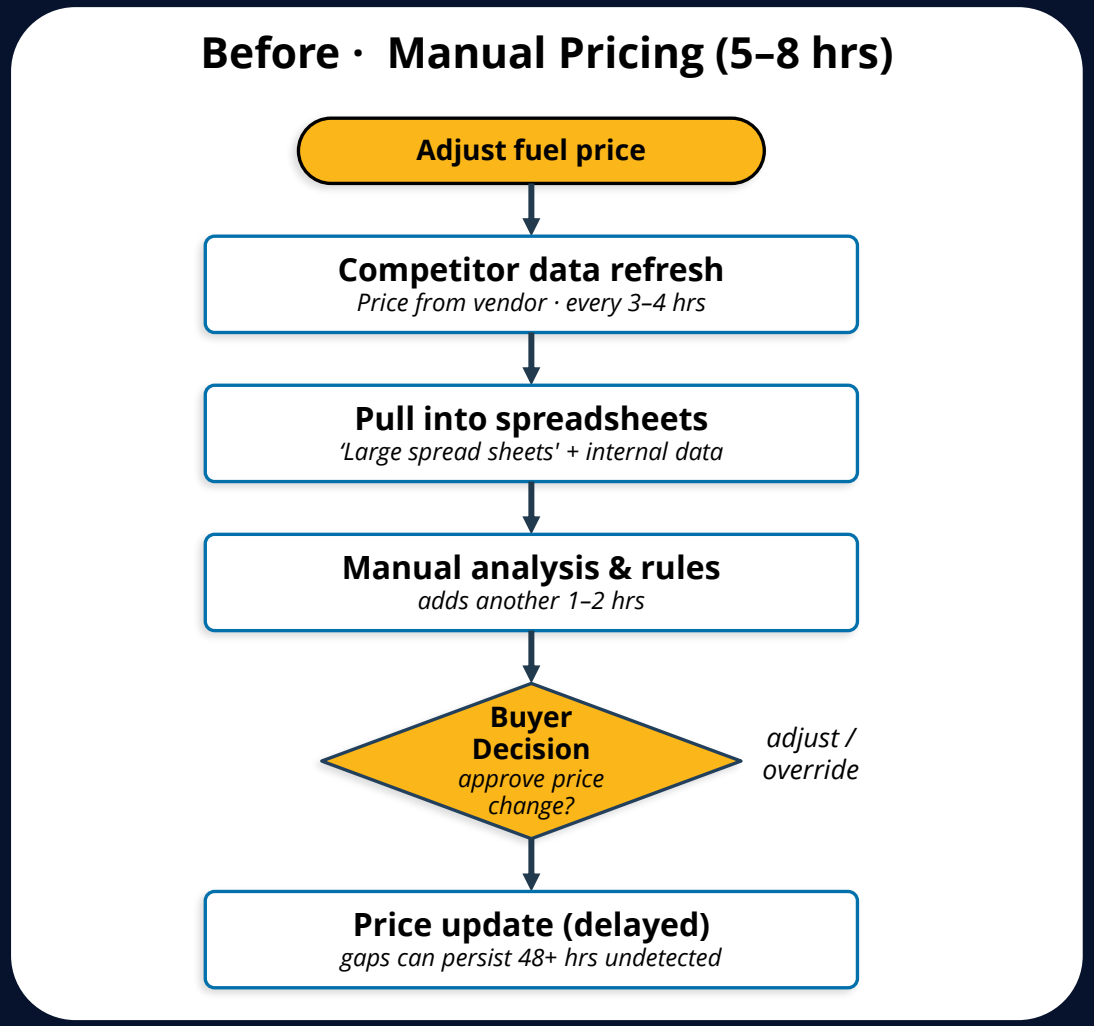
Fortune 50 US retailer was taking 5-8 hours to adjust fuel price across hundreds of gas stations (1/2)

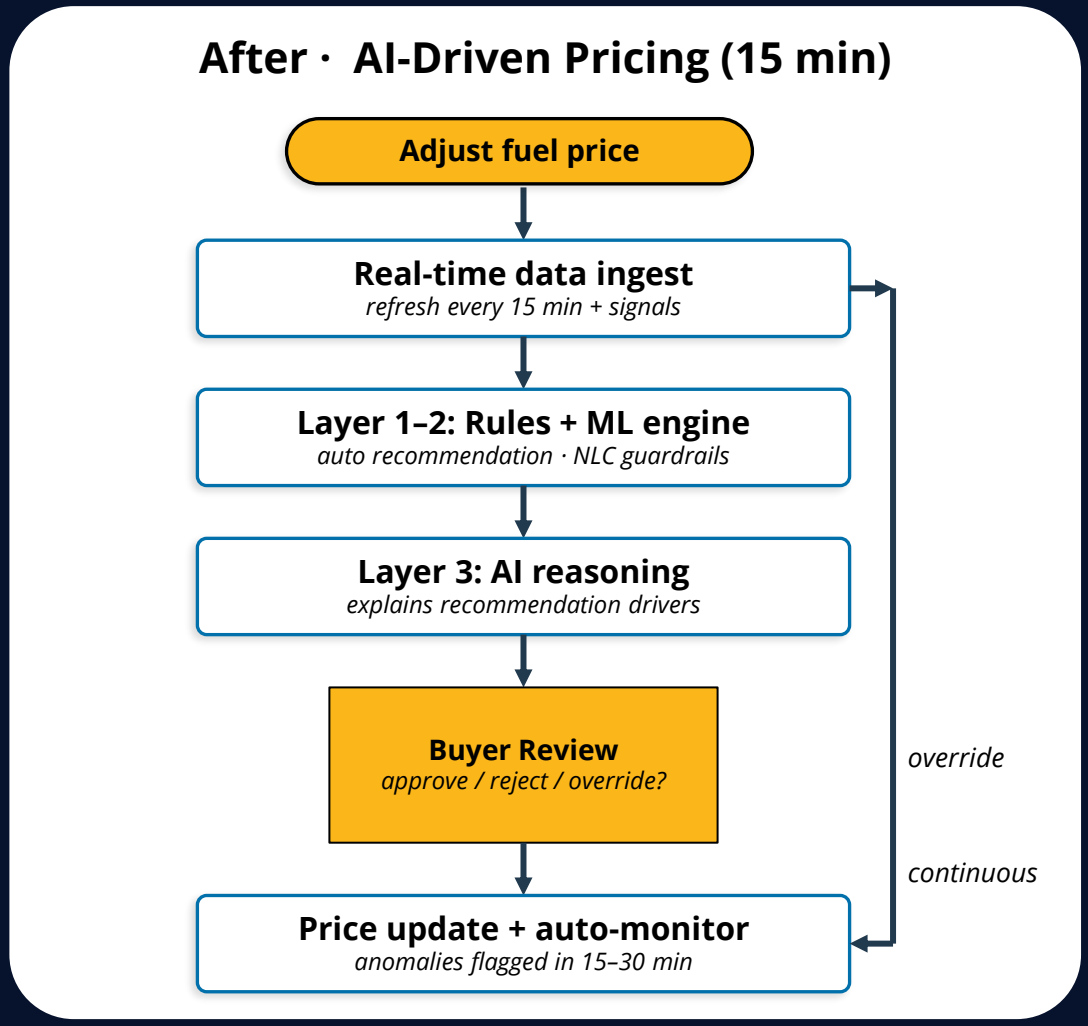
Fractal built an AI-powered fuel pricing engine that turns pricing from reactive to proactive in near real time

The platform refreshes competitor and internal data across hundreds of gas stations every 15 minutes and automatically detects gaps and recommends prices in the same cycle - collapsing reaction time from 5–8 hours to about 15 minutes.

By anticipating competitor moves and other conditions, it protects the retailer's lowest-price promise and reduces the risk of lost sales volume - now standardized across every warehouse, with a global rollout planned.

Fortune 50 US retailer was taking 5-8 hours to adjust fuel price across hundreds of gas stations (2/2)





A Fortune 50 US Payer wants to transform its top engineering talent into AI-native FDEs to drive client value acceleration

Fractal built a hands-on program to turn engineers into deployment-ready FDEs in three weeks

The program combines highly contextualized learning, client-interaction situations and AI-enabled evaluation at scale, to build **technical depth, communication and delivery readiness in three weeks.**

Delivered across multiple small group cohorts, the program is redefining how FDEs are trained and deployed at scale.

Cogentiq Data Science: The Data Scientist at scale

pievolve

A PE firm wants to generate faster, explainable insights into the business performance of their portfolio companies to support strategic discussions

Cogentiq Data Science automates the machine learning workflow end-to-end: from data preparation through model development to recommendation generation.

Initial use cases are sales estimation using first-party and third-party data for the portfolio company, and performance decomposition i.e. explaining drivers of variation in each locations' performance over time.

Cogentiq Data Science generates and refines hypotheses, identifies new features to improve prediction quality, and produces documented outputs that makes insights consumable for business leaders.

Cogentiq Health: Mumbai's health intelligence layer with BMC

Improving citizen access, doctor preparedness and public health visibility

vaidya.ai by fractal

Reimagine
Patient-Doctor Interactions

16 million+ OPD visits *per year*

Simplify
Lab Reports related Experiences

3 million+ lab reports *per year*

Create
Health Intelligence Dashboards

200+ *BMC Health facilities*



Corporate Overview

We are fractal

We are a globally recognized pure-play enterprise AI company trusted by 100+ Fortune 500®-sized enterprises to power decision-making through AI services, solutions, and products, anchored by Cogentiq, our flagship agentic AI platform.

Fractal at a glance

34,517	47%	9%	58	6.7%	6,029	73
+19% YoY					+12% YoY	
Revenue (INR m)	Gross Margin	Net Income	Clients with $1m+ annual revenue	R&D (% of revenue)[1]	Total Employees[2]	Patents granted & applications[2]

[1]For Q1'27| [2]As of June 30, 2026 | All numbers are shown for TTM June-26 unless indicated otherwise

Three pillars. One platform. One Go To Market.

Our client proposition is organized around three integrated AI pillars - interpreting the AI-native enterprise across people, process, and technology - all powered by Cogentiq.

AIT AI-led Transformation

The Process dimension

Reimagine every business workflows with AI to drive measurable outcomes.

Domain specific expertise	Function specific expertise
CPGR, TMT, BFSI and HLS	Supply Chain, Marketing, Finance, Sales & CX

For business and functional CXOs

AIF AI Foundations

The Technology dimension

Driving higher performance of models with enterprise data.

AI Foundation specific expertise

Agentic AI powered build of ontological layer of knowledge, governance, responsible AI, tech stack migration and golden datasets

For CIO, CTO, and CAIO organizations

AIW AI Work & Workforce

The People dimension

Redesign work, talent, and workforce capability for the AI-native enterprise.

Work & Workforce specific expertise

Agentic AI powered hiring, staffing, evals, upskilling and coaching at scale

For CHROs and business leaders

Cogentiq powers every product and solution across the three pillars

Integrated, end-to-end AI capabilities

DOMAIN CAPABILITIES

Banking, Financial Services and Insurance

Retail

Consumer Packed Goods

Healthcare & Life Sciences

Technology, Media & Telecom

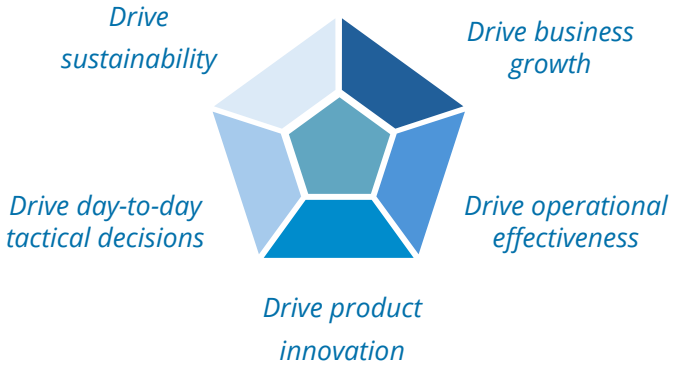
SOLUTION TOWERS

AIT
AI-led Transformation

AIF
AI Foundation

AIW
AI Work & Workforce

CLIENT PRIORITIES



AI PRODUCTS

AGENTIC AI

cogentiq
Platform & Products

Flyfish
Win more deals

vaidya.ai
by fractal

pievolve

iqigai.ai
by fractal

GENERATIVE AI

MARSHALLGOLDSMITH.ai

CLASSICAL AI

asper
a fractal company

qure.ai

Analytics Vidhya

Our strategy: How to win



Help Must Win Clients (MWCs[1]) transform their business with AI



Accelerate this journey with Cogentiq and other reusable assets



Partner with winning AI platform companies



Continue to build an AI-native “great place to work”



Accelerate our success through M&A

[1]MWCs are defined as clients with over US$10B in revenue, or over US$20B in market cap, or serving 30M+ end consumers

Help MWCs[1] transform their business with AI

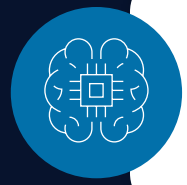


Focus on serving MWCs[1] in target geographies
US, UK, Europe, Australia & Middle East

- Help CXOs reimagine every **workflow** and **business process** with **AI**
- Help CIOs and CAIOs **modernize tech** and build an **ontological layer** on their **data**
- Help CLOs and CHROs **reimagine work** and **upskill workforce** with AI
- **Build AI foundations and agentic systems** as the default solution architecture
- Anchor engagements at the **CXO level** and deliver through **platform-led, outcome-driven execution**

[1]MWCs are defined as clients with over US$10B in revenue, or over US$20B in market cap, or serving 30M+ end consumers

Accelerate client success with Cogentiq and reusable assets



Reimagine every delivery
with PiEvolve and Cogentiq

pievolve

cogentiq
by fractal



Commercialize functional and vertical
AI products on Cogentiq

cogentiq
e-commerce

cogentiq
cx

asper
a fractal company



Demonstrate frontier AI results
PiEvolve, Vaidya & IndiaAI Mission

vaidya.ai
by fractal

pievolve

Partner with leading technology companies

Partners

- **Frontier AI Labs**
- **Hyperscalers**
- **Cloud and Data Platforms**
- **Enterprise Software Providers**

A **Build relationships with partner teams** in our mutual clients/customers and leverage partner resources to enhance client acquisition, expansion and lead generation

B **Incorporate existing partner offerings** in our services and products and **upskill our teams on partner offerings**.

C Perform **joint planning with our partners** to identify funding and growth opportunities to drive deal velocity

D **Understand the clients' technology roadmap** with a keen eye on their Hyperscaler/data & AI platforms strategy

Continue to build a Great Place to Work



Hiring Principles

Fractal First
All hires are for Fractal first, and then for the specific team/role

Raise the Bar
Strive to hire talented employees thereby continually raising our overall work quality and standards

Build the Fractal Brand
Demonstrate the brand values in every hiring interaction

Hire for Potential
Focusing on attitude, learning agility and aptitude for learning

Champion Diversity
Welcome diverse points of view and promote inclusivity

Hire talent through robust & scalable channels

- **Iqigai.ai:** Our AI powered hiring assessment platform
- **Imagineer Program:** Our campus recruitment program
- **Crossover Program:** Our career change program
- **Lateral hiring program** and **return from career break program**

1

Continuous learning and specialization for our employees

by leveraging our internal training academy (FAA) and Analytics Vidhya and various leadership programs across employee levels

2

3

Enhance operational efficiencies

AI powered talent allocation software, various coding productivity tools, own AI coding agents into our workflows

4

Fostering a culture of trust, transparency & freedom

Guided by our values and people principles

Complement our growth & expand capabilities inorganically

Our acquisition principles

ORIGINATION

Expansion of our AI and engineering expertise, vertical depth & capabilities + new technologies + potential growth synergies

INTEGRATION

Collaborate with founders, retain key talent and structure the organization & processes to realize synergies

OPTIMIZE PROCESSES

De-risk the capital allocation process and derive the benefits and synergies expected from transactions

CLIENT CENTRICITY

Strengthen our client focus and our commitment to client centricity by enhancing our existing technical and functional capabilities and our domain expertise across the industries we operate in

Our key acquisitions

finalmile. senseforth.ai asper a fractal company NEAL ANALYTICS Analytics Vidhya Learn Everything About Analytics

Capital structure: Strong balance sheet to fund future growth

INR 16,378m
Cash and cash equivalents[1]

Positions us to move faster, fund early-stage bets, and accelerate deal timelines

70%
CFO as % of Adj. EBITDA[2]

Strong cash conversion ensures self-funded growth, and sustains reinvestment capacity

Zero
Long term debt[3]

Creates significant headroom to fund larger strategic acquisitions

[1]Cash (including MFs and FDs) as of June-26 end is INR 16,378m including IPO proceeds of INR 6,891m (net of offer expenses), we repaid the debt of INR 2,887 Mn as planned in use of proceeds in April 2026 | [2]Calculated basis TTM June-26 | [3]IPO proceeds utilized to retire long term debt completely in April, 2026

Fractal’s ESG focus and milestones

Environmental Sustainability

- Aiming for net zero emissions by or before 2040
- GHG Emissions, in the operational boundary, assured by independent 3rd party auditor every year since FY 20
- Mumbai and Bengaluru offices built to global green-building standards
- Major offices run on clean energy; continued switching of company cars to electric
- Strong climate rating from CDP for 3 years in a row, Fractal scored a ‘B’

Social Impact, Equity and Inclusion

- Certified a Great Place to Work for 10 years in India (and multiple years in UK, USA, UAE)
- 2025 recognition: among India's best companies, best for women, and best for diversity & inclusion
- 12+ years of community work: helping kids learn, supporting women, improving healthcare, building safer homes, and protecting nature

Key Governance Frameworks

- Strong IT systems that follow global security standards
- Hold top global certifications for security and data handling
- Follow major privacy laws worldwide (GDPR, CCPA, DPDPA)
- Clear rules against bribery, fraud, and unethical behavior
- Legal team named "Legal Team of the Year" in India, 2025

Awards and Recognition

Industry Recognition

Leader

Supply Chain Analytics 2026- **ISG**
Two years in a row

Data Engineering Service Providers 2026 - **AIM**
Three years in a row

Generative AI 2026 - **AIM**
Four years in a row

Key Vendor

Enterprise Intelligence Services 2026 - **IDC**

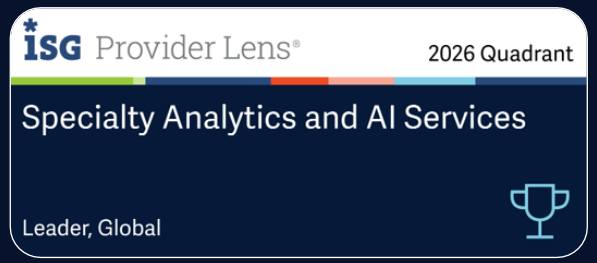
Microsoft for Industry Partner Ecosystem, 1Q26 - **IDC**

Enterprise Innovator 2026 - **HfS Research**

Representative Vendor

Retail Assortment Management 2026 – **Gartner**

Hype Cycle for Consumer Goods 2026 - **Gartner**













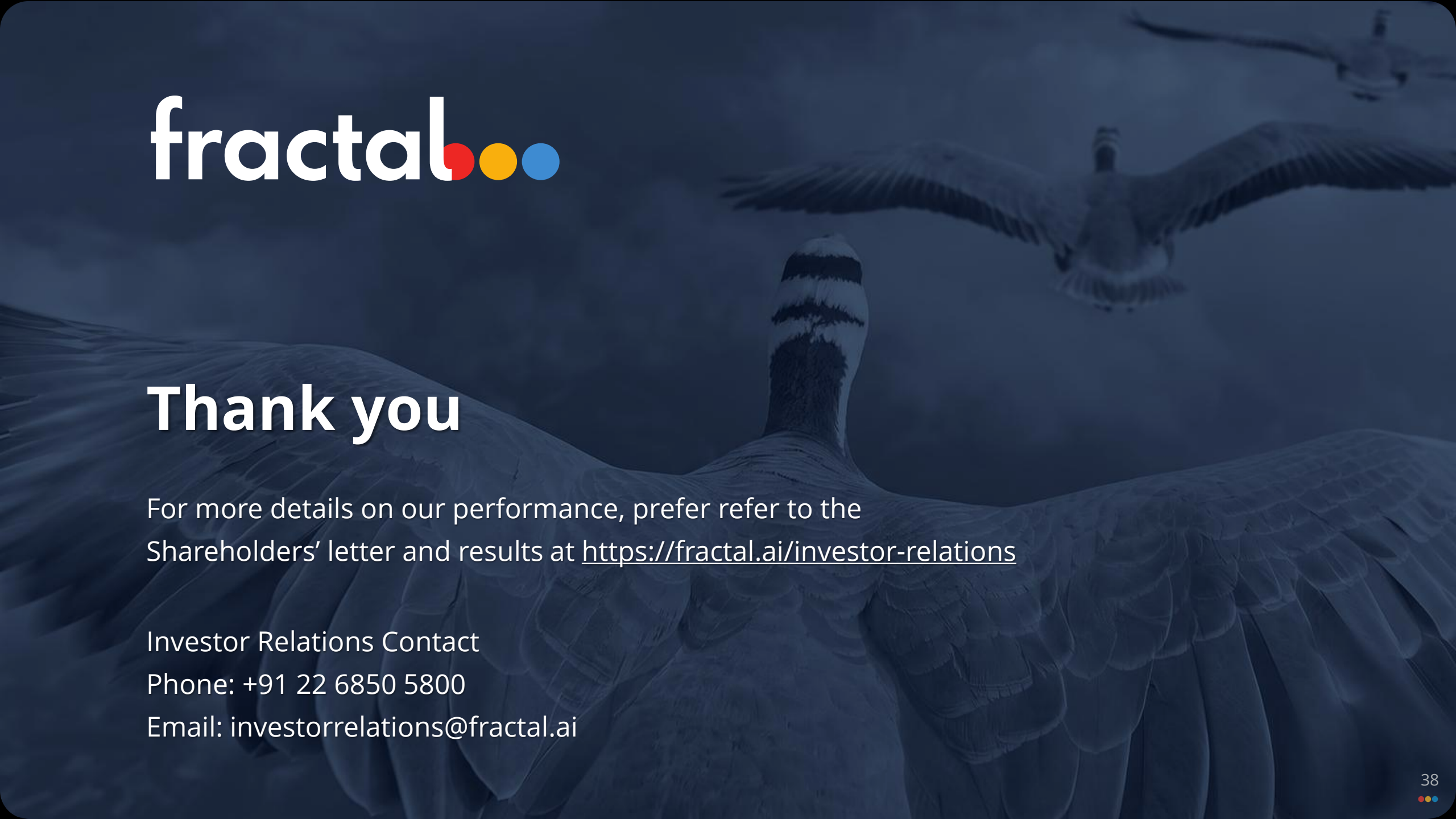
Industry Recognition

In Top 100



Gold for Best Certification Program





Thank you

For more details on our performance, prefer refer to the Shareholders' letter and results at https://fractal.ai/investor-relations

Investor Relations Contact
Phone: +91 22 6850 5800
Email: investorrelations@fractal.ai

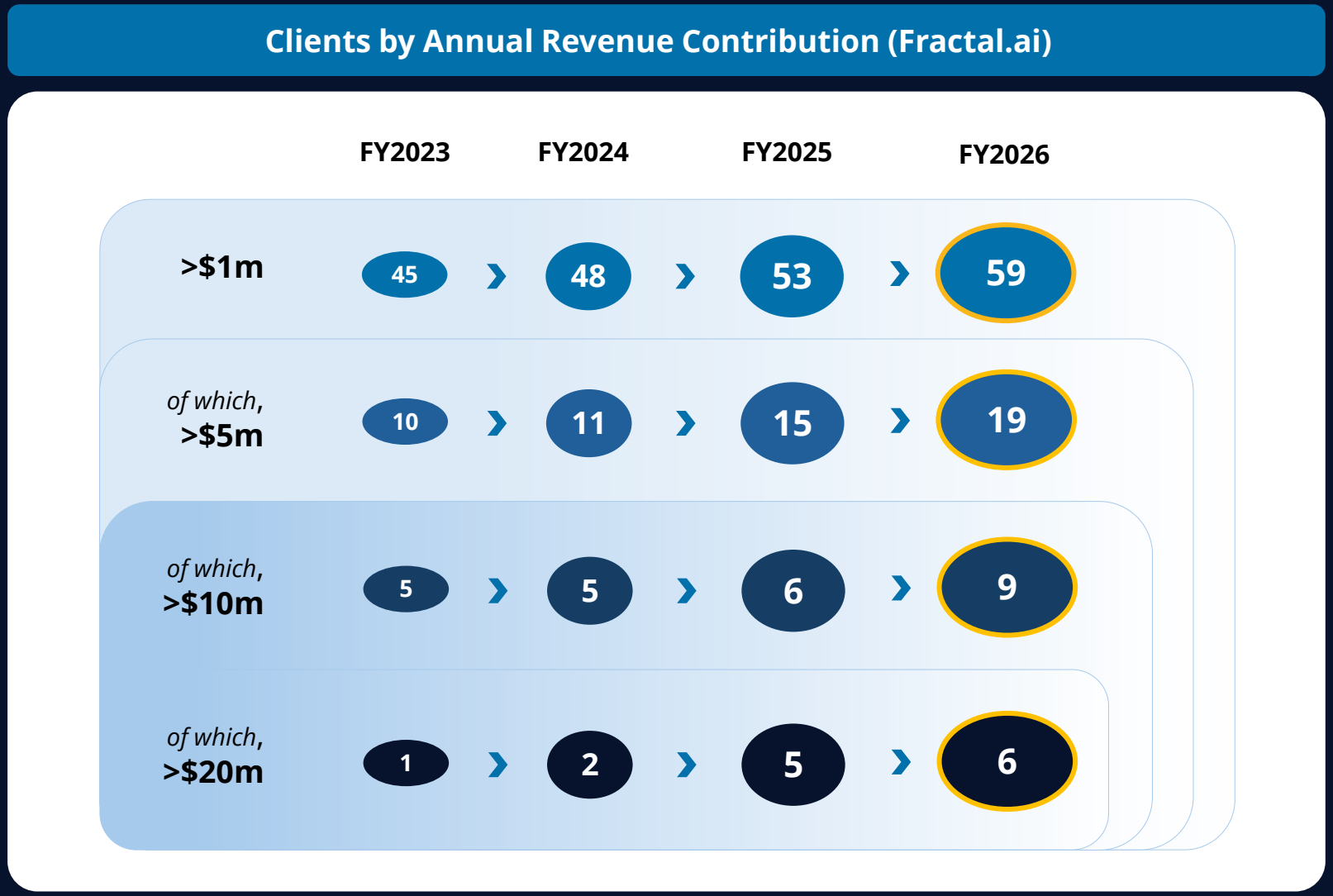
Fractal Group: Key financials

All values in INR m, except %

Particulars	Q1 FY27	Q1 FY26	Growth
Revenue	**9,125**	**7,605**	**20%**
Cost of Solutions	4,955	4,152	19%
Gross Profit	**4,170**	**3,454**	**21%**
Gross Profit Margin	***45.7%***	***45.4%***	***0.3pts***
SG&A	2,220	1,995	11%
R&D	413	322	28%
Adjusted EBITDA	**1,537**	**1,137**	**35%**
Adjusted EBITDA margin	***16.8%***	***15.0%***	***1.9pts***
ESOP and retention bonus	108	110	-2%
Exceptional items (gain) / loss	-69	-	NA
Other Income	-196	-144	36%
Share of loss of an associate	234	223	5%
EBITDA	**1,460**	**948**	**54%**
EBITDA Margin	***16.0%***	***12.5%***	***3.5pts***
Depreciation & Amortization	398	300	32%
Finance Cost	88	118	-25%
Tax	251	153	64%
Net Income	**723**	**377**	**92%**
Net Income Margin	***7.9%***	***5.0%***	***3.0pts***
Earnings per Share (INR)	4.31	2.41	79%

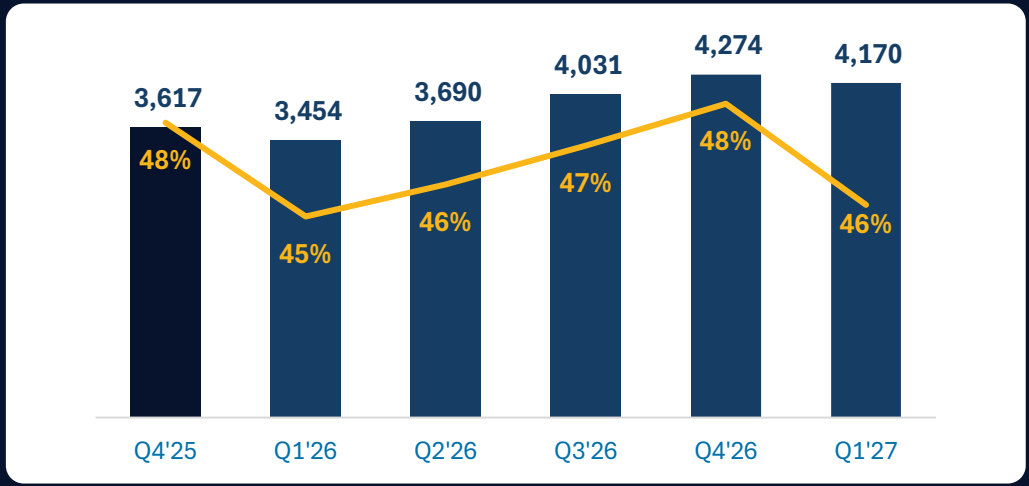
Fractal.ai: Growth in every bracket shows deepening client relationships

Fractal has scaled client relationships with significant headroom for growth

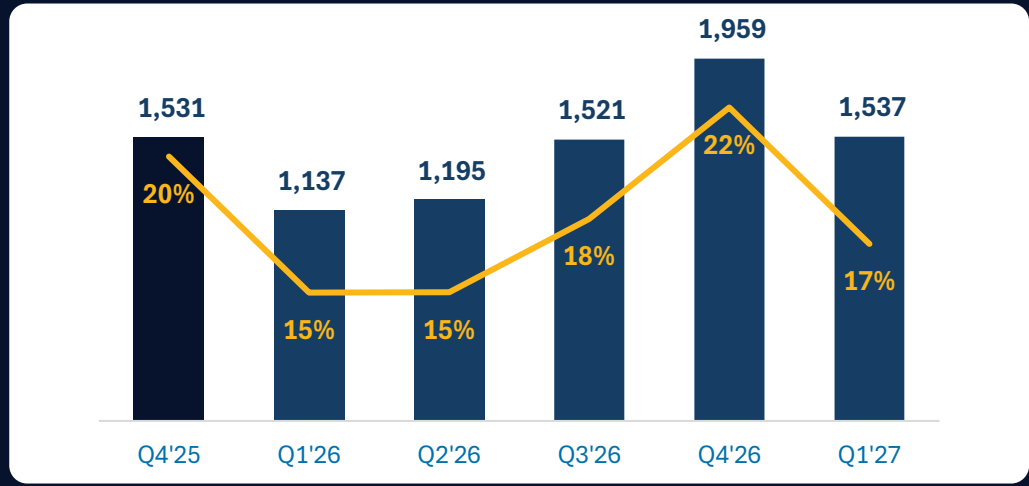


Fractal Group: Steady YoY improvement in profitability

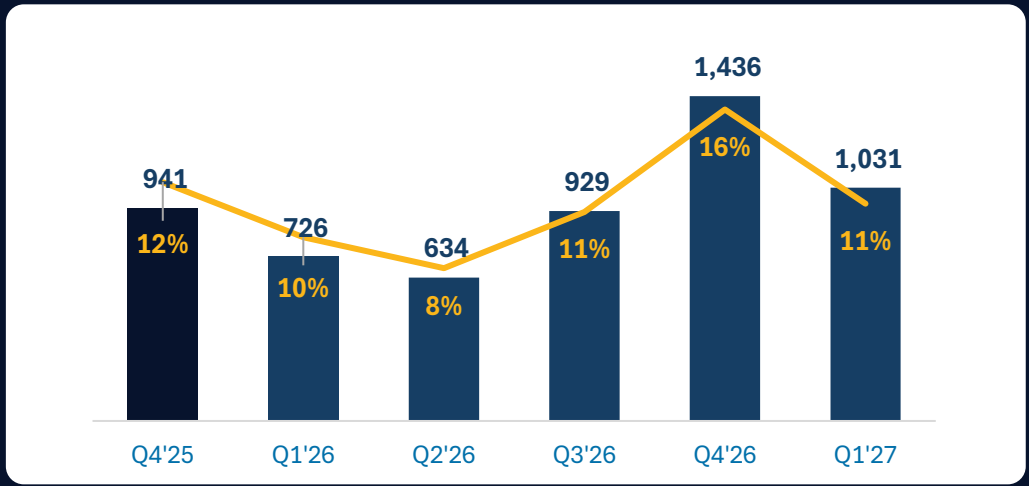
Q1'27 Gross Margin (INR Mn) +21% YoY, +29 bps ▲



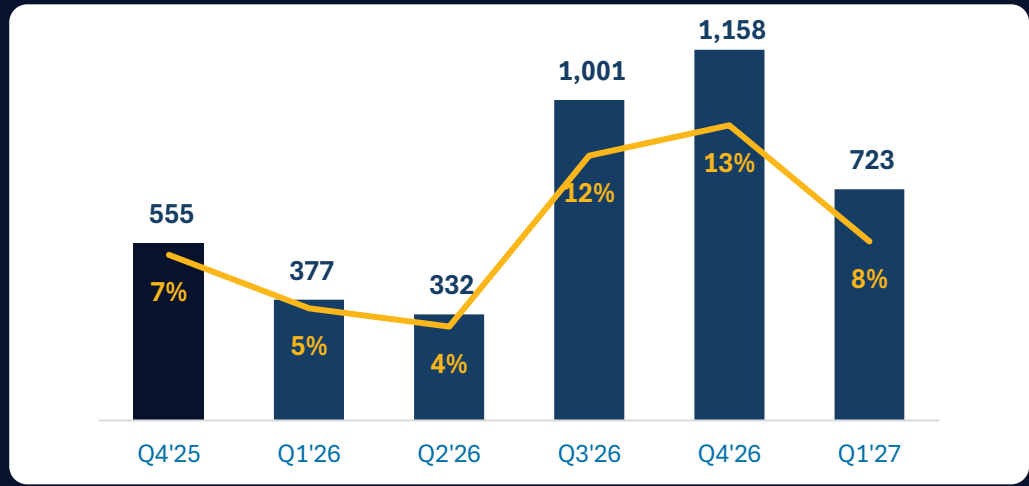
Q1'27 Adjusted EBITDA (INR Mn) +35% YoY, +189 bps ▲



Q1'27 Operating EBIT* (INR Mn) +42% YoY, +175 bps ▲



Q1'27 Net Income (INR Mn) +92% YoY, +296 bps ▲
Net Income (INR m) excl. associate +59% YoY, +260 bps ▲

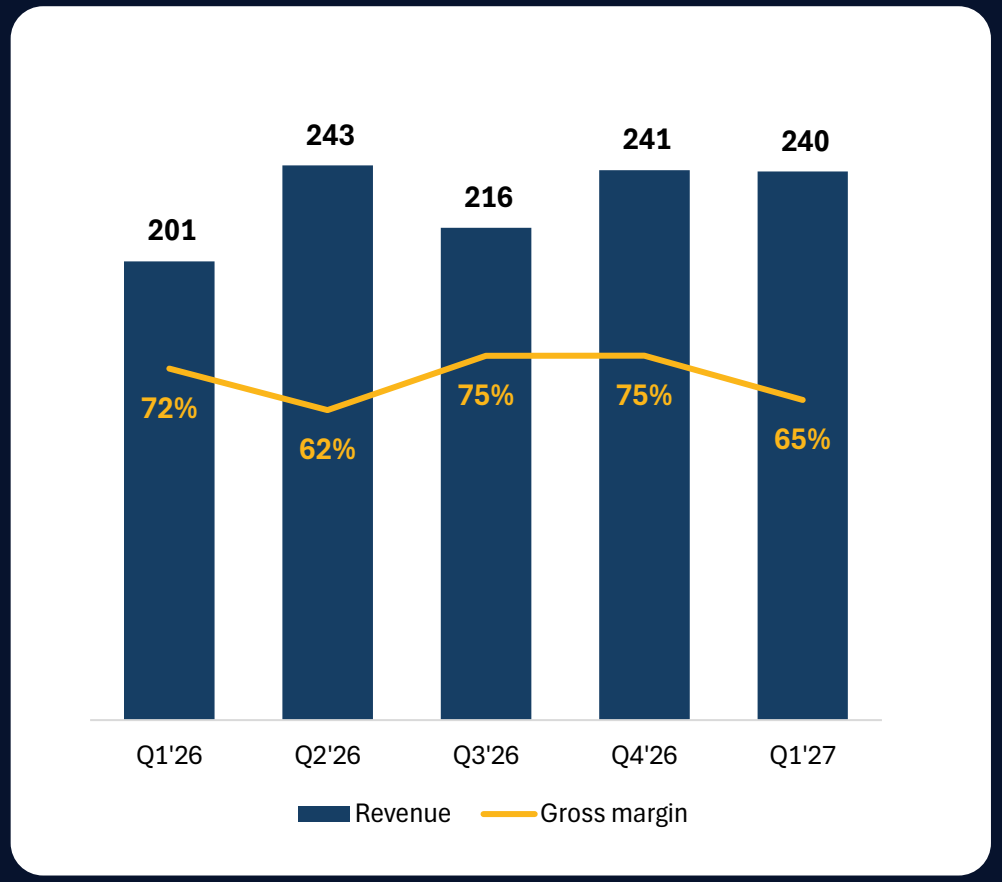


*Operating EBIT is without Other income, Share of loss of associates and Exceptional items

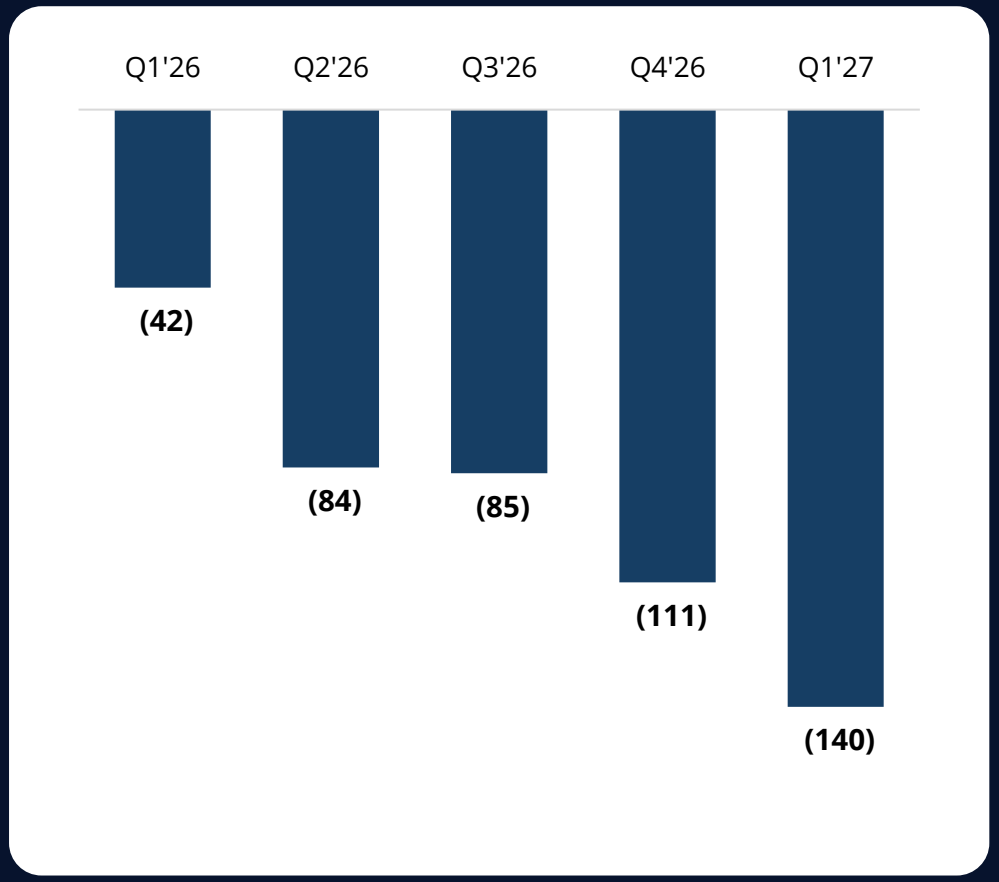
Q1’27 Fractal Alpha: Continued investments in Alpha

All values in INR m, except %

Revenue & Gross Margin



Adjusted segment results



To strengthen the AI for work and workforce pillar, we have integrated Iqigai and edtech related teams from fractal.ai into Fractal Alpha and segment numbers have been restated for FY26 to reflect this change

Shareholding

Category	Count	Weighted avg. strike price	Cash inflow on exercise (INR Mn)
Outstanding shares	171,965,112		
ESOP 2007 & 2019	13,496,342	447	6,035
MIP Time based	2,635,235	205	540
MIP Performance based	9,730,817	198	1,925
Fully diluted shares*	**197,827,506**		**8,500**

*Excludes reserved, not granted count of 1,592,448, including the same fully diluted shares are 199,419,954