

Rating: Subscribe for Listing Gain

Issue Offer

Fresh Issue of 22,75,000 equity shares amounting to INR 29,970 Mn and Offer for sale of INR 4,00,000 equity share amounting to INR 5,600 Mn

Issue Summary

Price Band INR	133-140
Face Value INR	10
Implied Market Cap INR Mn.	1,409
Market Lot	1,000
Issue Opens on	Nov 28, 2025
Issue Close on	Dec 2, 2025
No. of share pre-issue	7,790,371
No. of share post issue	10,065,371
Listing	BSE SME

Issue Break-up %

Market Maker	5.01%
QIB Portion	47%
Retail Portion	14%
NII Portion	33%

Registrar

Kfin Technologies Ltd.

Book Running Lead Managers

GYR Capital Advisors Pvt.Ltd.

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	75.85%	54.73%
Public & Others	24.15%	45.27%

Objects of the issue

- Funding working capital requirements
- Investment in product development
- Repayment / prepayment of certain borrowings
- General Corporate Purposes

Exato Technologies Ltd. is a Noida-based digital transformation and AI-driven customer experience (CX) solutions provider offering an integrated portfolio across CX & Analytics, Unified Communications & Infrastructure, and its proprietary Exato IQ suite. The company leverages advanced technologies such as AI, automation, omnichannel CX platforms, and cloud-native communication solutions to serve clients across BFSI, Healthcare, Retail, Telecom, Manufacturing, and IT/ITeS sectors. With wholly owned subsidiaries in the USA, Singapore, and India, and strong global partnerships with NICE, Mitel, and Acumatica, Exato has built a wide delivery presence, recognized through multiple Partner of the Year awards from NICE and Mitel. Its business model combines long-term managed services, subscription revenues, perpetual licenses, and maintenance contracts, enabling a scalable and sticky revenue profile.

Investment Rationale

Strong Positioning in High-Growth AI, CX & Automation Segments : The company is strategically positioned in some of the fastest-growing technology domains AI-led CX transformation, workflow automation, analytics, and cloud-native communication which continue to see rising enterprise adoption globally. The company's proprietary AI accelerators (Autopilot, Copilot, Orchestrator) create a unified intelligent CX layer that drives automation, real-time agent assistance, and predictive insights. This integrated tech stack helps clients achieve measurable improvements in service quality and operational efficiency.

Scalable Business Model with High Recurring Revenue (ARR) Visibility : The company operates a robust and scalable dual-revenue model powered by long-term recurring contracts across CXaaS, AI-as-a-Service, managed services, and automation frameworks. With ARR contributing nearly ~80% of revenue in H1 FY25, company benefits from predictable revenue visibility, high customer stickiness, and improved lifetime value (LTV). These recurring engagements typically span 3–5 years, ensuring sustained relationships and continuous cross-sell and up-sell opportunities.

Strong Global Technology Partnerships Enhancing Competitive Advantage : Company's long-standing alliances with global OEMs including NICE (CXOne platform), Mitel (unified communications), and Acumatica (cloud ERP) give the company access to world-class technologies, early product roadmap insights, and specialized implementation expertise. These partnerships significantly strengthen company's value proposition, enabling it to serve as a full-stack transformation partner rather than just a point-solution provider. This ecosystem-driven approach enhances customer trust, accelerates deployment cycles, and supports seamless integration across CX, AI, cloud, and communication platforms.

Valuation and View: Exato Technologies presents a compelling growth story driven by its strong positioning in high-growth AI, CX, and automation segments, backed by proprietary accelerators and deep technical capabilities. Its scalable business model, with nearly 80% revenues coming from long-term recurring contracts, provides strong visibility, stability, and customer stickiness. Strategic partnerships with global leaders like NICE, Mitel, and Acumatica further enhance technological depth and strengthen competitive differentiation. Additionally, the company's diversified sector presence across BFSI, healthcare, telecom, retail, and manufacturing, along with its expanding global footprint in the USA and Singapore, reduces concentration risks and opens up high-margin international opportunities. Together, these factors position Exato for sustained, profitable, and structurally resilient growth over the medium to long term. **At the upper band of INR 140, the issue is valued at a P/E ratio of 9.70x, based on Annualized PAT of FY26 EPS of INR 14.43. We are recommending a "Subscribe for listing gain" for this issue currently.**

Financial Information

Particulars (INR Mn.)	FY23	FY24	FY25
Revenue	72762.7	113907.3	124229.5
Growth Rate YoY %	73.56%	56.55%	9.06%
EBITDA	6115.8	9071.9	15952
EBITDA %	8.36%	7.89%	12.64%
PAT	5057.8	5305.6	9748.4
PAT %	6.95%	4.66%	7.85%

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Stock Rating Scale**Absolute Return**

BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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