Coforge
Investor Day
2026

Establishing Margin Leadership

SAURABH GOEL
Chief Financial Officer

1. Structural change in Margins & Cash Flow
    - Where we are
    - Key initiatives in last two years
    - Why this is sustainable
2. Capital Allocation framework
3. Performance of acquired businesses
4. ESG Initiatives

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01

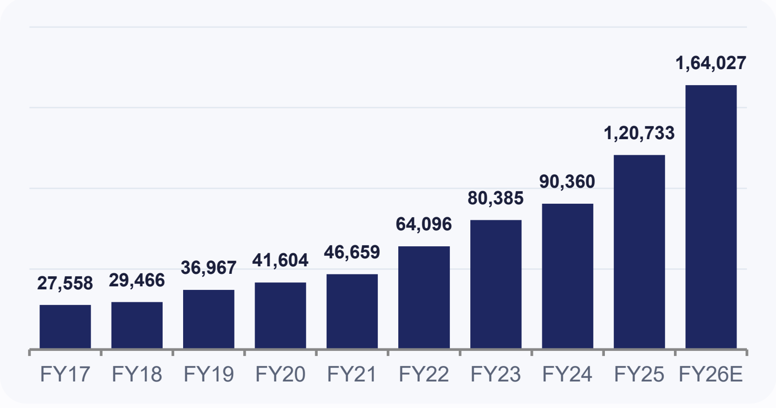
Structural change in Margins & Cash Flow

- Where we are
- Key initiatives in last two years
- Why this is sustainable

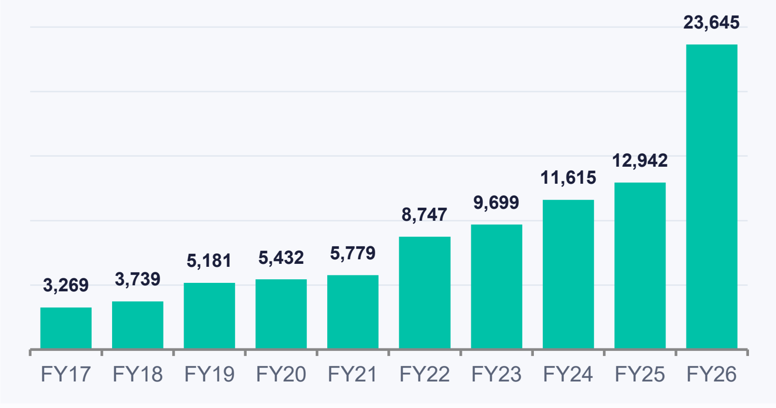
10-Year Financial Performance

Structural step-up in margins and cashflow in FY26

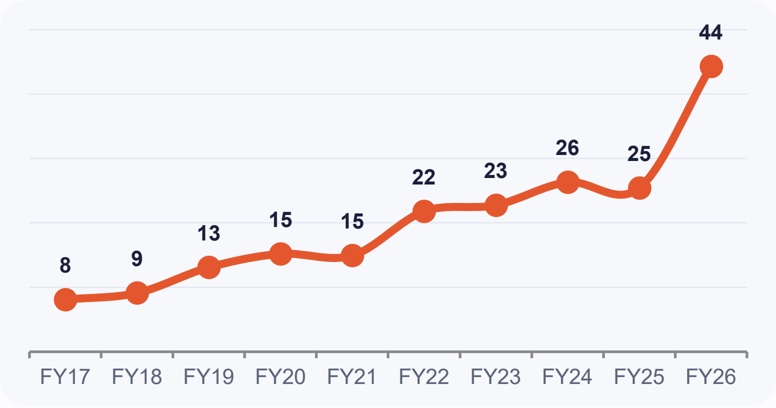
Revenue (₹ Mn) CAGR 20.3%



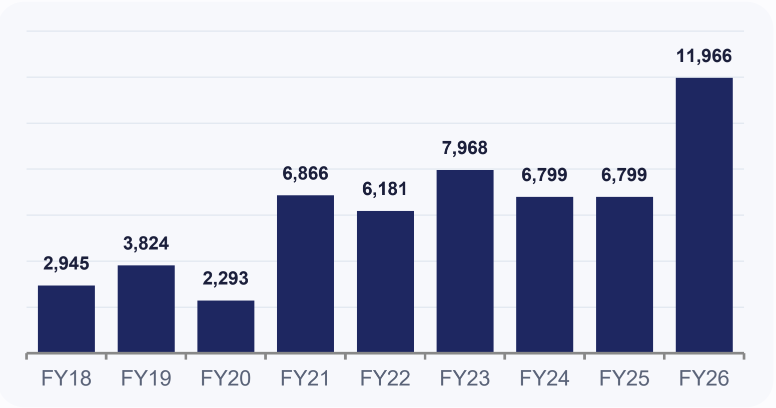
EBIT (₹ Mn) CAGR 24.6%



EPS (₹)* CAGR 22.0%



FCF (₹ Mn)** CAGR 18.9%



FY26 vs FY25:

Revenue	+36%
EBITDA	+77%
EBIT	+83%
EPS	+77%
FCF	+77%

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Key initiatives in last two years

Divested Advantage Go

- Exited loss-making, cash-negative business
- **+60 bps EBIT margin · +$10M free cash flow**

Embedded AI across Delivery & G&A

- Sustained gross margin despite market pricing pressure
- **Reduced G&A by 25–30%**
- **Revenue per employee at $72K per annum**

Exited India Government Business

- Wind-down from Q1FY27 (~$50M annual revenue)
- Low-margin; adverse working-capital impact

Completed Cigniti Merger

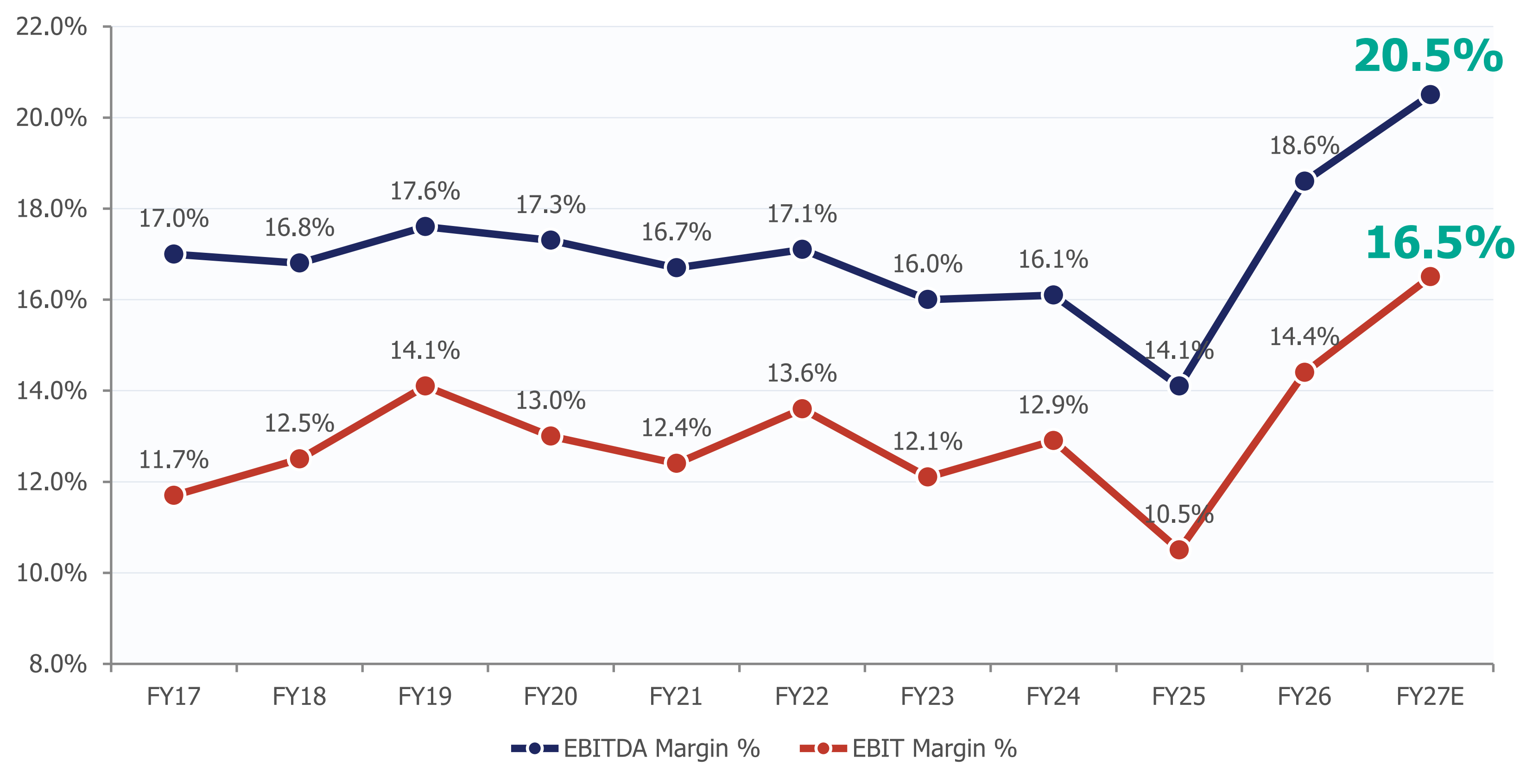
- Scaled top accounts in just two years:
  - Travel (NA): $15M → $45M+
  - Utilities (NA): $9M → $30M+
  - Healthcare (NA): $7M → $20M+
- **EBITDA margin 12% → 21% in 5 quarters**
- Cash-tax benefit on amortization of customer-relationship due to merger.

Acquired Encora

- $1.9B all-stock swap @ INR 1,815/share (23x 1-yr fwd P/E)
- $550M funding @ 4.6% to repay target debt; QIP cancelled to avoid dilution.
- **Closing on Apr 23, 2026. Consolidation from May 1, 2026**

Structural changes led to step increase, rather than incremental increase in margins

FY26 Revenue (₹ Cr)	FY26 EBITDA Margin	FY26 EBIT Margin	Q4FY26 EBIT Margin
16,403	**18.6%**	**14.4%**	**16.6%**
+35.9% YoY	*+430 bps vs FY25*	*+370 bps vs FY25*	*A new normal*



With Q4FY26 exit margin, Coforge is well positioned for not only being a growth leader but also margin leader in the mid cap segment

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02

Capital allocation framework

A disciplined capital allocation framework that has consistently created shareholder value

Investment in Clients & Alliances: 1

- Pursuing transformation, transition, re-badge, and co-sell opportunities
- Continued investment in building an alliance ecosystem with leading LLM providers

Mergers & Acquisitions: 2

- Acquired and successfully transformed acquired businesses, such as:
  - Incessant, Whishworks, SLK, Cigniti, and Encora

Debt Repayment: 3

- Repayment of term-loan of $550 million loan over a three-year period, with the first tranche commencing in Q3 FY27.
- Interest rate is fixed @4.6% pa for next three years.

Dividends: 4

- As a growth-oriented organization, Coforge's share price has appreciated approximately 16x over the past nine years.
- The dividend yield has averaged approximately 1% over this period.

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03

Performance of acquired businesses

Management has a proven track record of turning around acquired businesses

Company	Revenue CAGR	EBITDA CAGR	Margin Exp.	Comments
Incessant 10 years since acquisition	26%	31%	+10pp*	Scaled revenue from $11.5M to $120M and diversified a single-account APAC base into a balanced APAC, EMEA and Americas footprint.
Whishworks 6 years since acquisition	17%	20%	+7pp	Grew revenue from $27M to $70M and expanded a UK-centric business into a global delivery franchise across all major regions.
SLK Global 5 years since acquisition	15%	17%	+6pp	Reduced single-account concentration in mortgage and broadened across the US, UK and APAC and into multiple verticals.
Cigniti 2 years since acquisition	15%	51%	+9pp	Acquired at a 12% EBITDA margin and constrained by one service line; expanded capabilities to lift both margin and revenue.

* pp – percentage points

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04

ESG Initiatives

ESG Initiatives – Monitored by the Board through ESG & CSR committee

ENVIRONMENT

Net zero by 2040

- 3 campuses on green energy; internal carbon price adopted at $18/t$CO_2$e

Water positive by 2040

- 100% wastewater recycling; targeting 110% replenishment

Zero waste to landfill by 2040

- 97.9% waste diversion; composting & e-waste recycling

SOCIAL

- CSR spend of **₹24 crore in FY26; ₹34 crore estimated in FY27 — a ~7x increase over the last 10 years**
- 4 Coforge Public libraries operational (Built & Managed inhouse by Coforge) across Delhi, Noida, Gurugram & Hyderabad
- More underway in partnership with Delhi and UP Government

GOVERNANCE

- 55% independent directors — five out of nine board members are independent
- Audit Committee — 80% independent
- NRC — 75% independent
- 100% of ESOP vesting is performance-linked
- Internal Auditor – Big4 accounting firm - KPMG
- ESG framework embedded in procurement

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Let's
engage!