
Dear Analyst,

I am pleased to share Sasken Group's performance for the quarter ended June 30, 2026. Certain statements in this note, and in our responses to questions concerning future growth, may constitute forward-looking statements. Please refer to the Safe Harbour statement at the end of this document.

Q1 FY27 provides an encouraging start to the year and reflects the momentum built over recent quarters as Sasken's business model continues to evolve. Revenue remained broadly stable sequentially, while Software Services delivered improved operating performance, supported by disciplined cost management, higher utilisation and the benefits of scale. Product Solutions remained resilient and performed ahead of our expectations despite continuing memory supply and pricing pressures.

The quarter reinforces our confidence in the direction of the business. With a strong balance sheet, a broader customer base and an expanding portfolio of strategic programmes, we are well positioned to invest selectively in talent, platforms and new capabilities while maintaining our focus on disciplined execution and sustainable long-term growth.

Software Services remained the principal growth driver in the quarter, increasing 4.8% sequentially and 24.3% year-on-year. Product Solutions moderated 3.9% sequentially following a strong Q4, while remaining 23.6% higher year-on-year. The performance reflects a more resilient operating model, while reinforcing the importance of business mix and disciplined execution as we work towards sustained margin expansion.

The quarter also highlighted continued progress on our 60×4×3 strategy. Our active customer base reached 93, with six customers in the US\$4 million-plus LTM revenue band. We continued to deepen strategic accounts while broadening the overall customer base.

Deal activity was healthy across hyperscaler engineering, semiconductor design, automotive connectivity, connected mobility, 5G infrastructure and AI-led engineering. New and expanded engagements included multi-year programmes with global technology companies, semiconductor and Open RAN work, telematics and connected-vehicle programmes, and AI-native engineering across agentic AI, LLM validation and intelligent testing. These wins reflect our progress in moving from support-led assignments towards more strategic, platform-led engineering programmes.

AI remains central to how we create value. We are embedding it into delivery, developing AI-enabled offerings and applying it internally to improve productivity, quality and decision making. The nature of the engagements secured during the quarter indicates that these investments are beginning to translate into more differentiated customer conversations.

Looking ahead, our priorities remain clear; convert recent wins into sustained revenue, deepen strategic relationships, improve the quality and profitability of the business mix, and continue investing selectively in talent, reusable platforms and automation. Utilisation improved to 85.1% during the quarter, strengthening our delivery readiness as programmes scale. We remain focused on building a more predictable, resilient and systems-led Sasken.

Key Financial Highlights

- Consolidated PAT for Q1 FY27 was at ₹ 23.52 crores, down by -18.9% over the previous quarter. PAT margin for Q1 FY27 was at 6.9%.

Performance Snapshot for the Quarter: Q1 FY27

- Consolidated Revenues for Q1 FY27 at ₹ 339.24 crores
 - Up 1.6% sequentially over the previous quarter
 - Up 24.0% YoY from Q1 FY26
- Consolidated EBIT for Q1 FY27 at ₹ 21.34 crore
 - Down 6.6% sequentially over the previous quarter
 - Up 289.8% YoY from Q1 FY26
 - EBIT margin for the quarter at 6.3%
- Consolidated PAT for Q1 FY27 at ₹ 23.52 crore
 - Down 18.9% sequentially over the previous quarter
 - Up 135.1% YoY from Q1 FY26
 - PAT margin for the quarter at 6.9%

Key business metrics

- Revenue contribution from the Top 5 customers stood at 50.8% and from the Top 10 customers at 66.1%.
- Consolidated EPS was at ₹ 16.37 for Q1 FY27.

New Deals and Order Book

Total contract value booked during the quarter stood at \$47.1 million, out of which \$33.7 million came from new business. We also added five new logos.

Below are the key order wins:

- Secured a multi-year, multi-million-dollar engagement with a global hyperscaler to expand engineering capacity for next-generation devices across multiple chipset platforms and support broader product development.
- Secured a strategic engagement with a global telecom company to develop Massive MIMO technology for Open RAN, including a chip-ready design optimized for power, performance and size.
- Secured a strategic engagement to establish dedicated product teams for a leading automotive technology provider, advancing 4G/5G telematics platforms and connected-car features across safety, navigation, tracking and remote services.
- Expanded our AI and automation engagement with a leading global technology and consumer electronics company across agentic AI, LLM validation and intelligent testing, moving the relationship towards AI-native engineering.

- Expanded our strategic engagement with a global technology hyperscaler, taking on wider operating-system sustenance responsibilities across connectivity, peripherals and security.
- Won an engineering engagement with a global provider of broadband network infrastructure solutions to deliver a 5G-based timing synchronization solution supporting next-generation network deployments in North America.
- Won a core engineering support engagement from a global IoT connectivity solutions provider, scaling 4G/5G modem protocol stacks and board support packages across a unified connected-vehicle ecosystem.

Our People

Building an organization where our people can thrive and perform continues to guide our approach to talent. Workforce stability remained a priority during the quarter. At the close of Q1 FY27, global headcount stood at 2,658, while last-twelve-month (LTM) attrition was 9.8%. We consider this a healthy level and remain focused on sustaining it through closer, more personalized engagement, better visibility into account-level talent requirements, and timely interventions across compensation, career development and leadership access.

The inauguration of the Sasken Silicon Incubation Centre at Hubballi marked a strategic milestone, strengthening our ability to attract and nurture emerging talent while deepening collaboration with universities and students across North Karnataka. The quarter also marked the first anniversary of the Borqs acquisition. By bringing together the complementary strengths of our teams and enabling collaboration across customer accounts, we are creating new opportunities for innovation, growth and customer value, while reinforcing a shared platform for the future.

We continued to invest meaningfully in learning, recognition and culture. Our diversity agenda also continued to progress. Women represented 32% of global hires during the quarter. Structured platforms for mentorship, development and career progression continue to strengthen the pipeline of women leaders across the organization.

At a time when talent decisions across the industry remain cautious, we continued to stand by our commitment to our people. Keeping with Sasken's established practice, annual increments process is being rolled out across all levels in July. In Q1 we also welcomed freshers to the team and subsequent batches are expected to join in the coming months, strengthening our long-term talent pipeline

Our people, workplace and sustainability practices also received external recognition during the quarter. Sasken received a Diamond rating at the iNFHRA Awards for Environmental Impact Reduction, recognition at the BCIC Conclave on Advancing Sustainability, and the Solution Strategy Award at GWFM's Innovation Hackathon 6.0. Together, these recognitions further strengthened our employer brand and reflected the progress being made across the organization.

As we look ahead, what gives me real confidence is the character of the organization we are building. An organization that rewards merit, invests in its people and becomes more diverse and resilient with each passing quarter. This is the foundation on which Sasken's next phase of scale and growth will be built.

Business Highlights

The global engineering R&D landscape continues to be reshaped by AI-enabled systems, software-defined platforms, connected devices and intelligent automation. Customers are increasingly seeking integrated engineering partners that can combine silicon, embedded software, devices, cloud and intelligence across the product lifecycle.

This shift aligns closely with Sasken's Chip-to-Cognition portfolio and domain depth across semiconductors, automotive, communications, industrials and digital engineering, positioning us to support increasingly intelligent, connected and software-driven products.

Automotive

The global automotive industry is undergoing a software-led reinvention, with Software-Defined Vehicles (SDVs), centralized HPC architectures, 5G, and V2X reshaping how vehicles are built and experienced. AI is elevating user experience through dynamic feature enablement while accelerating development cycles without compromising long-term upgradability.

Sasken is capitalizing on this shift with chipset-agnostic Digital Cockpit and Connectivity platforms, enabling OEMs and Tier-1s to reduce variant complexity and total cost of ownership through V-Model automation. Our AI-assisted KenQual platform enhances quality, compliance, and lifecycle integration.

The integration of Borqs Technologies extends our telematics and connected-mobility capabilities from design through post-market support. In India's electric two-wheeler ecosystem, we support digital clusters, connected navigation and cloud services. Partnerships with AWS, Arm, BlackBerry and AMD, together with recent cockpit, ADAS and connectivity engagements, strengthen our position as vehicles become increasingly software-defined.

Satellite Communications

The satellite communications market is advancing as Non-Terrestrial Network (NTN) services converge more closely with terrestrial 5G. Narrowband NTN support is broadening across chipsets and devices, while the evolution towards 5G NR-NTN is opening higher-data-rate opportunities across mobility, enterprise and remote-connectivity applications.

Direct-to-device services and multi-orbit architectures are broadening use cases across mobility, enterprise and remote connectivity. Automotive, aviation and advanced air mobility are also increasing demand for resilient, low-latency integration between satellite and terrestrial networks.

Sasken is well positioned as an ODM and engineering partner with deep 3GPP NTN expertise across devices, terminals, and gateways. With strong modem SoC experience and active engagements with satellite operators and system integrators, we enable scalable, future-ready narrowband and broadband satellite solutions end-to-end.

Cellular Communications Industry

The cellular communications market is moving from broad 5G deployment to a more value-led phase, shaped by 5G Standalone, 5G-Advanced, cloud-native networks and open APIs. Operators are increasingly focused on enterprise services, private networks, network slicing and edge applications, while standardized network APIs are opening new avenues for monetizing

network capabilities. Non-terrestrial networks are also extending connectivity to new devices, industries and locations.

AI is becoming an integral part of how networks are planned, operated and maintained. The AI and machine-learning frameworks being advanced by 3GPP and O-RAN are enabling greater automation across radio optimization, fault prediction, energy management and service assurance. This is creating sustained demand for protocol engineering, cloud-native network software, intelligent network applications, interoperability testing and continuous validation.

Radio and physical-layer engineering remain important areas of opportunity as operators seek higher capacity, uplink performance and energy efficiency. Massive MIMO, beamforming, timing synchronization and multi-vendor Open RAN integration are therefore gaining relevance.

6G is progressing from research into formal study and standards preparation. 3GPP's first 6G radio study is being developed under Release 20, while Release 21 is expected to carry the first normative specifications aligned with the ITU's IMT-2030 process. AI-native communication, ubiquitous connectivity and Integrated Sensing and Communication (ISAC) are emerging themes, creating early opportunities in standards-led research, prototyping and pre-commercial engineering.

These shifts align well with Sasken's strengths across 3GPP protocol software, embedded and cloud-native network engineering, AI-led automation, semiconductor design, Massive MIMO and NTN. Our focus is to convert this depth into larger, longer-duration programs with operators, equipment providers and semiconductor companies, while developing reusable solutions that improve network performance, energy efficiency and service quality.

Smart Devices

The smart devices market is being reshaped by on-device AI, 5G and satellite-enabled connectivity, alongside tight memory supply as AI infrastructure absorbs a larger share of DRAM and NAND capacity. These pressures are raising device costs and accelerating the shift towards premium, enterprise and specialized products.

Looking ahead, our focus is on building a more diversified and scalable devices business across ODM and device software services. We expect growth to be driven by higher-value enterprise and specialised devices, deeper software ownership, disciplined management of component costs and a broader mix of customer programmes.

In the United States, renewed engagement with major carriers and long-standing customers is improving access to relevant RFPs and expanding the opportunity pipeline. We are also pursuing new customers across enterprise, consumer and specialised smart-device categories to reduce dependence on individual programmes.

Within device software services, we are progressing from capacity support towards sustained product responsibility across MediaTek and Qualcomm platforms, including broader ownership of the MediaTek-based portfolio. The Hyderabad centre will support this transition by adding delivery capacity, strengthening access to talent and enabling us to scale strategic programmes with greater consistency.

In India, we are making selective investments in point-of-sale devices, automotive Network Access Device modules, non-terrestrial-network products and computer-vision camera platforms. Standards-based 5G NR-NTN is moving closer to commercial device adoption,

creating opportunities across satellite-ready consumer devices, IoT, mobility and remote-connectivity applications.

As we move through FY27, our focus will remain on diversifying the customer base, improving the mix of enterprise and specialized devices, increasing platform reuse and managing supply-chain risk with discipline. The early momentum across ODM and software services gives us confidence in the opportunity ahead, while we remain measured in how we scale.

Digital

Enterprises are accelerating adoption of Generative AI and Agentic AI to drive revenue growth, compress product lifecycles, and embed intelligence into core offerings. Enterprises are also challenged by increasing cost of AI tokens as AI initiatives move to production and face high usage volume. In response, Sasken is investing in GenAI-led accelerators to streamline the software development lifecycle enable differentiated, AI-native products and optimize token usage.

Within automotive, momentum is building around connected vehicle platforms, software-defined architectures, digital twins, and enhanced rider experiences supported by DevOps, CloudOps, and AI-driven Site Reliability Engineering. As EV adoption rises, AI-based Remaining Useful Life prediction and battery analytics are becoming critical, alongside robust data governance to ensure reliable, hallucination-free AI outcomes.

Across communications, networking, and smart devices, customers are investing in operational data platforms and AI-enabled automation to improve release velocity and operator efficiency. In industrial and manufacturing sectors, demand is growing for predictive maintenance and GenAI-powered factory knowledge systems.

Sasken's AI-led engineering, observability platforms, and deep domain expertise position us strongly to capitalize on this cross-industry digital transformation opportunity.

Semiconductor

The semiconductor industry continues to see sustained investment across AI, edge computing, automotive electronics and intelligent connectivity. As chip architecture becomes more complex and development cycles shorten, customers are engaging engineering partners earlier from architecture and IP development to physical design, verification, validation and embedded software.

This shift aligns closely with Sasken's capabilities and our Chip-to-Cognition strategy. We are strengthening reusable IP, advanced verification frameworks and system-level engineering to deepen our participation in higher-value, longer-duration programs across compute, connectivity and automotive platforms.

During the quarter, we secured a strategic engagement with a global telecommunications operator, in collaboration with a leading semiconductor company, to support the development of Massive MIMO IP for Open RAN. Our scope includes physical design and power, performance and area optimization, culminating in a tapeout-ready design on an advanced process node. This is a meaningful proof point for our strategy to build differentiated capabilities at the intersection of silicon and communications.

India's growing semiconductor design ecosystem presents a significant long-term opportunity. Our focus is to scale this business with discipline, broaden the customer base and progressively increase the contribution of IP-led and system-level engagements.

My team and I sincerely appreciate the confidence you have shown in us, and we remain fully committed to acting in the best interests of all our stakeholders and delivering on the responsibilities entrusted to us.

Sincerely,

RAJIV C
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Rajiv C. Mody

Digitally signed
by RAJIV C MODY
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Chairman, Managing Director & CEO