ESDS Reports Strong Q2FY27 Growth: Revenue Up 48% YoY, PAT Grows 40.7% YoY

H1FY27 Growth Momentum Continues: Revenue Up 25% YoY, PAT Grows 26.3% YoY

Mumbai, India – 2nd November 2026: ESDS Software Solution Limited (BSE: 544898 | NSE: ESDS), an AI ecosystem & end-to-end IT services company, today announced its financial results for the **Second Quarter and Half Year of FY27,** ended on 30th September 2026.

Piyush Somani, Chairman & Managing Director, ESDS Software Solution, said:

"We delivered a strong performance in Q2FY27, with Revenue from Operations growing 48% YoY and Profit After Tax increasing 40.7%. The quarter reflects sustained customer demand, deeper engagement across our key segments, and our continued focus on disciplined execution across the technology ecosystem.

AI infrastructure is entering a long-term global expansion cycle, with India still at an early stage of this opportunity. Industry estimates indicate that approximately US$5.2 trillion will need to be invested in AI-ready data centres globally by 2030. Within this rapidly expanding ecosystem, the global data-centre discrete GPU revenue alone is projected to exceed US$51 billion by 2028.

This investment cycle will be underpinned by AI factories, high-density compute and large-scale GPU clusters. It is being further accelerated by the growing strategic importance of sovereignty and control over mission-critical digital infrastructure across governments, BFSI institutions and enterprises.

ESDS has been building towards this convergence, with our investment priorities centred on AI factories, large-scale GPU clusters and our flagship AI-autonomous sovereign cloud ecosystem - SWARAJ Cloud.

Our efforts remain directed towards translating these investments into sustainable value creation for our customers and the broader ecosystem."

Nadukuru Sita Ramaiah, Chief Financial Officer, ESDS Software Solution, said:

"Q2FY27 reflects our continued focus on financial discipline, operational efficiency and sustainable growth. We reported revenue from operations of ₹1383.4 million, representing a YoY growth of 48%, while maintaining an EBITDA margin of 41.8%.

Our diversified revenue streams across Infrastructure-as-a-Service, Managed Services and Software-as-a-Service provide a foundation for long-term business stability, while our emphasis remains on maintaining healthy margins, optimising costs and strengthening cash flow management.

As we expand our capabilities across cloud, data centres and AI ecosystem, our capital allocation priorities remain focused on disciplined investment, operational scalability and long-term returns. Our focus remains on translating strategic investments into sustainable value for our shareholders."

KEY HIGHLIGHTS – Q2FY27

- Revenue from operation was at ₹1,383.4 million, a growth of 4% on a QoQ basis and 48% on a YoY basis.
- Continued to maintain momentum in its Service Line:
    - Infrastructure as a Service (IaaS) contributed 50.5% of the revenues.
    - Managed Services (MS) contributed 31.2% of the revenues.
    - Software as a Service (SaaS) contributed 18.3% of the revenues.
- EBITDA stood at ₹577.6 million, a growth of 18.3% on a YoY basis with a margin of 41.8%.
- Profit After Tax (PAT) stood at ₹310.9 million, a growth of 40.7% on a YoY basis with a margin of 22.5%.
- EPS stood at ₹2.83 for Q2FY27 as compared to ₹2.92 for Q1FY27.
- Existing customers contributed 86.7% of the revenues.
- IPO expense of ₹23.4 million related to marketing and advertising is debited to expenses in Q2FY27. If the same were not incurred, the profit before tax would have been ₹789.4 million for H1FY27 and ₹424.7 million for Q2FY27. Subsequently, EBITDA for H1FY27 would have been ₹1,161.0 million and Q2FY27 would have been ₹601.0 million.
- Launched SWARAJ Cloud platform, an AI-autonomous sovereign cloud platform built in India and engineered for organizations worldwide. Bringing together 52+ integrated services across cloud infrastructure, AI and GPU computing, cybersecurity and managed services, the platform features "Prompt to Production" as a key capability, enabling organisations to accelerate large-scale AI innovation, simplify development and deployment, and scale mission-critical workloads while maintaining greater control over their data, infrastructure and sovereignty.
- Expanded its sovereign product ecosystem with the launch of SWARAJ Nandi (Privileged Access Management), SWARAJ Hansa (AI-powered Agentic SIEM) and SWARAJ Sethu (Unified DevSecOps Platform). These sovereign platforms strengthen ESDS's integrated product portfolio, enabling organizations worldwide with advanced cybersecurity, intelligent threat detection, privileged access governance and streamlined software development and deployment capabilities, while reinforcing sovereignty.
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- Strengthened its strategic leadership with the appointment of Mr. Sushil Kadu as Chief Product Officer (CPO) to accelerate product innovation and further advance the SWARAJ Cloud platform. His mandate includes driving the development and launch of new products and services, enhancing existing offerings with advanced features and capabilities, and strengthening ESDS's integrated sovereign cloud, AI and enterprise technology ecosystem to address evolving domestic business needs and global market opportunities.

KEY HIGHLIGHTS – H1FY27

- Revenue from Operations stood at ₹2,720.0 million, a growth of 25.0% on a YoY basis.
- EBITDA stood at ₹1,137.5 million, a growth of 12.3% on a YoY basis with a margin of 41.8%.
- Profit After Tax (PAT) stood at ₹603.7 million, a growth of 26.3% on a YoY basis with a margin of 22.2%.
- EPS stood at ₹5.49 for H1FY27 as compared to ₹4.76 for H1FY26.
- Expanded its AI-enabled sovereign technology ecosystem with the launch of SWARAJ Cloud, an AI-autonomous sovereign cloud platform. Further strengthened its product portfolio with SWARAJ Garuda (Application Performance Monitoring), SWARAJ Jatayoo (Database Activity Monitoring), SWARAJ Nandi (Privileged Access Management), SWARAJ Hansa (AI-powered SIEM) and SWARAJ Sethu (Unified DevSecOps), bringing together comprehensive cloud, AI, security, observability and software delivery capabilities within one integrated ecosystem.
- Received rating upgrades from CRISIL Ratings and India Ratings & Research, with long-term ratings upgraded to CRISIL A-/Positive and IND A/Stable, respectively, reflecting an improved credit profile.

About ESDS Software Solution Limited

ESDS Software Solution Limited (BSE: 544898 | NSE: ESDS) is an AI ecosystem and end-to-end IT services provider enabling enterprise, BFSI and government verticals. Its portfolio brings together AI factories, GPU-as-a-Service, cloud services, data centres, colocation, cybersecurity, managed services and software solutions in one integrated ecosystem.

At the centre of its AI infrastructure strategy are large-scale AI factories and GPU clusters designed for demanding AI workloads. Its flagship SWARAJ Cloud platform is an AI-autonomous

sovereign cloud platform, with more than 52+ product offerings under one roof. ESDS is a MeitY-empanelled provider with 5 data centres in India and 3 patents for auto-scaling technology. Its infrastructure supports more than 720 banking branches, 9 Smart Cities and 5 million smart meters. ESDS also hosts major government programmes, including Mudra Yojana, that have benefited more than 60 million Indians.

Sovereignty is central to ESDS's purpose. The company enables organisations to build, run, secure and scale mission-critical digital services and AI workloads through one integrated ecosystem. https://www.esds.co.in/

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