R Systems Reports Robust Q1 2026 Performance with 30% YoY Growth in Revenue

Greater Noida, India – May 06, 2026: R Systems International Limited (BSE- 532735; NSE- RSYSTEMS), a leading digital product engineering company that designs and builds next-gen products, platforms, and digital experiences, empowering clients across various industries to achieve revenue growth and operational efficiency.

Highlights

Consolidated results for the quarter ended March 31, 2026

- Revenue Rs. 5,748 mn (US$ 62.8 mn); YoY Growth of 29.9% in INR terms and 22.9% in US$ terms

- Adj. EBITDA[#] Rs. 1,157 mn (US$ 12.6 mn) i.e. 20.1% as against 17.4% in Q1 2025; YoY Growth of 50.6%

- Adj. Net profit after taxes[^] Rs. 758 mn (US$ 8.3 mn); YoY growth of 74.8%

Nitesh Bansal, Managing Director and CEO said, "Q1 2026 underscores the momentum we have built as mid-market enterprises move from AI pilots to full-scale, production-grade deployments. Our revenue grew about 30% year-on-year driven by sustained demand for our engineering services and early traction from EXIQO, our AI Studio that integrates AI-native talent, the OptimaAI platform, and a governed delivery framework to deliver measurable gains in engineering velocity.

He added, "As highlighted in the Agentic AI 2026 Mid-Market Playbook by Everest Group, over 40% of mid-market enterprises are leapfrogging traditional AI adoption stages to stay competitive, yet only 15% have operationalised agentic AI at scale. This gap presents a significant opportunity. Through EXIQO, we are addressing integration complexity, governance readiness, and legacy constraints that hinder enterprise-wide adoption. Early deployments are already delivering 40-55% improvements in engineering velocity and up to 50% reductions in operational overhead, demonstrating that agentic AI is no longer aspirational, but executable, measurable, and scalable."

He further added, "We have entered Q2 2026 with strong deal momentum, a growing client base, and a clear mandate to help clients translate AI ambition into sustained business value."

Nand Sardana, Chief Financial Officer, stated, "During Q1 FY26, the Company reported revenue of INR 574 crore and an EBITDA margin of 20%, reflecting a significant improvement driven by enhanced efficiencies and operating leverage from its platform-led model, while maintaining disciplined investments in AI. The full-quarter consolidation of Novigo further strengthened our revenue and margin profile."

He added, "In line with our commitment to consistent shareholder returns, the Company has paid an interim dividend of INR 6 per share (600% of face value) in Q1 2026, reflecting confidence in our sustained earnings trajectory and robust cash generation."

Excluding cost of restricted stock units ("RSUs") granted to the employees
^ Before considering cost of RSU's granted to the employees, non-recurring and exceptional items net of tax

Key Deal Wins

A brief for few key wins is as follows:

A leading global technology research and advisory organization engaged R Systems to implement custom APIs and platform enhancements for its enterprise research data environment, resulting in improved security, enhanced AI enabled metadata processing, and stronger insights delivery.

A North America based technology company specializing in digital engagement solutions engaged R Systems to build a unified data foundation and establish trusted golden records, enhancing leadership visibility and enabling faster, data driven decision making across the organization.

A leading provider of best in class technology platforms and service solutions for the financial services industry has engaged R Systems to lead a large scale application modernization program, enhancing security, scalability, and long term supportability across a complex application landscape. Using a structured delivery model, R Systems is modernizing backend systems, user interfaces, and legacy reporting to enable a standardized, high performance, and future ready digital ecosystem.

R Systems has been selected by a leading global cloud services provider to deliver a hybrid cloud migration, leveraging its platform led approach to accelerate cloud adoption and improve performance and efficiency.

A global life sciences and aesthetics innovator has partnered with R Systems to deliver a next generation, end to end consumer loyalty program spanning both medical aesthetics treatments and retail product purchases.

Liquidity and Shareholder Funds

Cash and bank balances, net of short-term borrowing as of March 31, 2026, were Rs. 2,497 mn compared to Rs. 2,726 mn as of December 31, 2025. Total equity attributable to shareholders as of March 31, 2026, was Rs. 10,372 mn compared to Rs. 10,323 mn as of December 31, 2025.

Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended March 31, 2026 (*As per Ind AS*)

(Rs. in mn, except per share data)

Sr. No.	Particulars	Quarter Ended		
		March 31, 2026	December 31, 2025	March 31, 2025
1	**Income**			
(a)	Revenue from operations	5,747.68	5,551.09	4,424.65
(b)	Other income	201.51	29.84	22.79
	Total income	**5,949.19**	**5,580.93**	**4,447.44**
2	**Expenses**			
(a)	Employee benefits expense @	3,597.49	3,543.97	2,985.48
(b)	Finance costs	95.91	68.19	14.90
(c)	Depreciation and amortisation expense	215.07	193.43	146.01
(d)	Other expenses	1,144.40	1,071.76	733.77
	Total expenses	**5,052.87**	**4,877.35**	**3,880.16**
3	**Profit before exceptional item and tax (1-2)**	**896.32**	**703.58**	**567.28**
4	**Exceptional Item #**	-	245.83	-
5	**Profit before tax (3-4)**	**896.32**	**457.75**	**567.28**
6	**Tax expense**			
(a)	Current tax	193.24	124.51	156.70
(b)	Deferred tax credit	48.94	(30.84)	24.65
	Total tax expense	**242.18**	**93.67**	**181.35**
7	**Net profit for the period (5-6)**	**654.14**	**364.08**	**385.93**
8	**Earnings per share (not annualized) (Equity share of par value of Re. 1/- each)**			
(a)	Basic *	5.52	3.08	3.26
(b)	Diluted	5.29	2.94	3.12

@ including share-based payment expense of Rs. 64.14 mn in Q1 2026, Rs. 70.17 mn in Q4 2025 & Rs. 62.48 mn in Q1 2025 w.r.t. RSUs.

On account of increase in employee benefit obligation arising from past services, pursuant to the recent notification of the new Labour Codes.

*Adj. Basic Earnings per share excluding RSUs expense, non-recurring and exceptional items net of tax is Rs. 6.40 in Q1 2026, Rs. 5.10 in Q4 2025 & Rs. 3.66 in Q1 2025.

^ Effective 1 January 2026, the Company designated certain foreign currency forward contracts as cash flow hedges under Ind AS 109. The effective portion of changes in fair value amounting to Rs. 180.40 million (accumulated fair value loss) has been recognised in the Hedge Reserve under equity which will be reclassified to profit and loss account when the corresponding hedged transactions occur.

Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended March 31, 2026
(Contribution Analysis Format – Non-GAAP)

(Figures in mn)

Particulars	Q1 2026		Q4 2025		Q1 2025	
	INR	US$	INR	US$	INR	US$
Revenues	**5,747.68**	**62.83**	**5,551.09**	**62.51**	**4,424.65**	**51.11**
Cost of revenues	3,677.05	40.19	3,390.42	38.14	2,800.49	32.35
Gross margin	**2,070.63**	**22.64**	**2,160.67**	**24.37**	**1,624.16**	**18.76**
	36.03%		*38.92%*		*36.71%*	
SG & A Expenses	913.98	9.99	1,143.41	12.90	856.07	9.89
	15.90%		*20.60%*		19.35%	
Adj. EBITDA	**1,156.65**	**12.65**	**1,017.26**	**11.47**	**768.09**	**8.87**
	20.12%		*18.33%*		*17.36%*	
Cost of RSUs	64.14	0.70	70.17	0.79	62.48	0.72
EBITDA	**1,092.51**	**11.95**	**947.09**	**10.68**	**705.61**	**8.15**
	19.01%		*17.06%*		*15.95%*	
Depreciation and amortisation	215.07	2.35	193.43	2.18	146.01	1.69
EBIT before non-recurring cost	**877.44**	**9.60**	**753.66**	**8.50**	**559.60**	**6.46**
Non-recurring expense / (income) #	15.90	0.17	247.84	2.88	-	-
EBIT	**861.54**	**9.43**	**505.82**	**5.62**	**559.60**	**6.46**
Interest expense	(95.91)	(1.05)	(68.19)	(0.78)	(14.90)	(0.17)
Other income (net)	130.69	1.43	20.12	0.23	22.58	0.26
Income before income tax	**896.32**	**9.81**	**457.75**	**5.07**	**567.28**	**6.55**
Tax expense	242.18	2.65	93.67	1.02	181.35	2.09
Net profit*	**654.14**	**7.16**	**364.08**	**4.05**	**385.93**	**4.46**

Q1 2026 consists of severance payment and Q4 2025 consists of impact on account of increase in employee benefit obligation arising from past services, pursuant to the recent notification of the new Labour Codes along with legal costs incurred on account of acquisition.

* Adjusted Net Profit after tax amounting to Rs. 758.10 mn (US$ 8.29 mn) for Q1 2026, Rs. 604.14 mn (US$ 6.82 mn) for Q4 2025 and Rs. 433.72 mn (US$ 5.01 mn) for Q1 2025

^ Effective 1 January 2026, the Company designated certain foreign currency forward contracts as cash flow hedges under Ind AS 109. The effective portion of changes in fair value amounting to Rs. 180.40 million (accumulated fair value loss) has been recognised in the Hedge Reserve under equity which will be reclassified to profit and loss account when the corresponding hedged transactions occur.

Financial Performance

Consolidated Balance Sheet as at March 31, 2026 (As per Ind AS)

(Rs. in mn)

	Particulars	As at	
		March 31, 2026	December 31, 2025
		Unaudited	Audited
	ASSETS		
A.	**Non-current assets**		
	(a) Property, plant and equipment	659.32	673.67
	(b) Capital work in progress	1.50	1.34
	(c) Investment property	12.63	12.99
	(d) Right-of-use assets	690.08	736.56
	(e) Goodwill	6,959.86	6,956.74
	(f) Other intangible assets	2,766.15	2,867.35
	(g) Financial assets		
	(i) Investment	0.03	0.03
	(ii) Other financial assets	84.81	88.94
	(h) Deferred tax assets (net)	601.14	608.47
	(i) Non-current tax assets (net)	61.50	81.41
	(j) Other non-current assets	32.60	40.74
B.	**Total non-current assets (A)**	**11,869.62**	**12,068.24**
	Current assets		
	(a) Financial assets		
	(i) Trade receivables	4,409.65	4,106.61
	(ii) Cash and cash equivalents	2,935.84	3,084.49
	(iii) Bank balances other than cash and cash equivalents	48.32	56.64
	(iv) Other financial assets	790.65	870.25
	(b) Other current assets	815.47	835.62
	Total current assets (B)	**8,999.93**	**8,953.61**
C.	**Assets held for sale**	**-**	**-**
	Total assets (A+B+C)	**20,869.55**	**21,021.85**
	EQUITY AND LIABILITIES		
A.	**Equity**		
	(a) Equity share capital	118.48	118.40
	(b) Other equity	10,253.08	10,204.83
	Total equity attributable to equity shareholders of the Company	10,371.56	10,323.23
	(c) Non controlling interest	1,923.88	1,923.88
	Total equity (A)	**12,295.44**	**12,247.11**
	Liabilities		
B.	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	2,695.70	2,691.75
	(ii) Lease liabilities	768.29	788.60
	(iii) Other financial liabilities	16.63	15.28
	(b) Provisions	602.51	576.39
	(c) Deferred tax liabilities (net)	-	0.17
	Total non-current liabilities (B)	**4,083.13**	**4,072.19**
C.	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	520.03	454.39
	(ii) Lease liabilities	142.87	163.09
	(iii) Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	15.80	12.94
	- total outstanding dues of creditors other than micro enterprises and small enterprises	809.70	1,128.28
	(iv) Other financial liabilities	1,342.36	1,366.22
	(b) Other current liabilities	956.83	848.58
	(c) Provisions	575.55	556.99
	(d) Current tax liability (net)	127.84	172.06
	Total current liabilities (C)	**4,490.98**	**4,702.55**
	Total liabilities (B+C)	**8,574.11**	**8,774.74**
	Total equity and liabilities (A+B+C)	**20,869.55**	**21,021.85**

Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Revenues	100.00	100.00	100.00
Gross margin	36.03	38.92	36.71
SG & A	15.90	20.60	19.35
Adj. EBITDA #	20.12	18.33	17.36
EBITDA #	19.01	17.06	15.95
EBIT #	15.27	13.58	12.65
EAT ^	13.19	10.88	9.80

Before non-recurring and exceptional items
^ Before RSU's expense, non-recurring and exceptional items net of tax

Revenue from Top 10 Clients	Quarter ended		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Top 10 Clients	23.96%	26.87%	24.80%
Top 5 Clients	16.00%	18.17%	17.69%
Top 3 Clients	11.49%	13.20%	13.01%
Largest Client	5.80%	5.90%	6.15%

Revenues by Geographies	Quarter ended		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Americas	69.34%	68.47%	74.78%
APAC	17.51%	18.96%	15.86%
Europe	9.56%	9.71%	8.89%
MEA	3.59%	2.86%	0.47%
Total	100.00%	100.00%	100.00%

Utilization (including trainees)	Quarter ended		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Onsite	96.25%	96.55%	96.37%
Offshore	78.23%	78.90%	81.96%
Blended	80.44%	81.01%	83.86%

Consolidated Operational Data (Un-audited)

Human resources	As at		
	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Technical	**4,741**	**4,778**	**3,844**
Software services			
Onsite	588	583	501
Offshore	3,249	3,270	2,481
KS			
Offshore	867	883	845
Trainees	37	42	17
Support	**562**	**581**	**525**
Total count	**5,303**	**5,359**	**4,369**

(Rs. in mn, except DSO)

Key Balance Sheet Data	As at	
	Mar 31, 2026	Dec 31, 2025
Receivable including unbilled	5,428	5,268
Receivable in days (“DSO”) * – Billed	62	56
Receivable in days (“DSO”) * – Billed & Unbilled	74	73
Cash and bank balance #	2,497	2,726
Total equity attributable to shareholders	10,372	10,323

* DSO is based on TTM and excluding the new acquisition of Novigo
# net of short-term borrowing

Notes:

1. US$ equivalent figures are derived by converting the Rupee figures using average rates for profit & loss items and closing rate for balance sheet items.
2. Previous period's figures have been regrouped wherever applicable, to the extent possible, to conform to the current period presentation.

About R Systems

R Systems is a leading digital product engineering company that designs and builds next-gen products, platforms, and digital experiences, empowering clients across various industries to overcome digital barriers, put their customers first, and achieve higher revenues and operational efficiency. Further, our knowledge service offerings cover revenue cycle management, back-office service, technical support, and customer care using multi-lingual capabilities and global delivery platform.

We constantly innovate and bring fresh perspectives to harness the power of the latest technologies like cloud, automation, AI, ML, analytics, Mixed Reality, etc. Our 5,300+ technology expeditioners across Twenty-Two (22) development and service centres are driven to explore new digital paths, leaving no stone unturned in our quest to deliver services and solutions that drive meaningful impact.

Our product mindset and engineering capabilities allow us to partner with the key players in the Tech industry, including ISVs (independent software vendors), SaaS companies, and product companies in Telecom, Media, Fintech, Insurtech, and Healthtech verticals.

Safe Harbor:

Investors are cautioned that this presentation contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation publicly to update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performance, or achievements could differ from those expressed or implied in such forward-looking statements.

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