November 12, 2026

To,
Corporate Relationship Department
BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400 001

Scrip Code: 532875

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor Plot No. C-1,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051

Scrip Symbol: ADSL

Sub: Transcript of Earnings Conference Call pertaining to Financial Results for the quarter and half year ended September 30, 2026

Dear Sir / Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting the Transcripts of Earnings Conference Call held on Wednesday, November 04, 2026, in respect of the financial results for the quarter and half year ended September 30, 2026.

The same can also be viewed at https://www.allieddigital.net/investors/

This is for your information and records.

Thanking you,

Yours faithfully,
For Allied Digital Services Limited

KHYATI NISHIL SHAH
Digitally signed by KHYATI NISHIL SHAH
Date: 2026.11.12 15:24:08 +05'30'

Khyati Shah
Company Secretary

Encl: as above

Allied Digital Services Limited

Q2 & H1 FY27 Earnings Conference Call

November 04, 2026

Call Duration	• 26 minutes and 25 seconds
Management Attendees	• Mr. Nitin D Shah, Founder, Chairman & Managing Director • Mr. Ramanan Ramanathan, Global Head of Strategy for Growth, Innovation and Partnerships • Mr. Nehal Shah, Joint Managing Director • Mr. Gopal Tiwari, Chief Financial Officer
Participants during Q&A session	• Rushil Katiyar – Choice Equities • Hitesh Kadam – Arihant Capital Markets Limited

Moderator: Ladies and gentlemen, good day, and welcome to Allied Digital Services Limited Q2 and H1 FY27 Earnings Conference Call.

As a reminder, all participants will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Mayank Vaswani from CDR India. Thank you, and over to you, sir.

Mayank Vaswani: Thank you, Danish. Good afternoon, everyone, and thank you for joining us on Allied Digital Services Limited's Earnings Call for the Second Quarter of FY 26-'27.

We have with us on the call today, Mr. Nitin Shah, Founder and CMD; Mr. Ramanan Ramanathan, Global Head of Strategy for Growth, Innovation and Partnerships; Mr. Nehal Shah, Joint Managing Director; and Mr. Gopal Tiwari, Chief Financial Officer.

We will begin with comments from Mr. Nehal Shah, who will cover recent developments across the business, including the operational performance and order wins, followed by Mr. Gopal Tiwari, who will walk us through the financial highlights. Thereafter, we will open the call for the Q&A session.

Before we begin, I would like to point out that some of the statements made in today's call may be forward-looking in nature, and a disclaimer to this effect has been included in the earnings documents that have been shared with all of you earlier.

I would now like to hand over the call to Mr. Nehal Shah for his opening remarks.

Nehal Shah: Thank you, Mayank, and good afternoon, everyone, and thank you for joining us today. I trust you have had the opportunity to review the financial results and earnings materials shared earlier.

We are pleased to report another quarter of healthy growth in consolidated revenues of Rs. 265 crores in quarter 2 FY27, representing an increase of 14% year-on-year. For the first half, revenue stood at Rs. 526 crores, growing 16% over the corresponding period last year, making the highest ever H1 revenues in Allied Digital's history. This is reassuring, given the challenging operating backdrop.

On the profitability front, EBITDA for the quarter stood at Rs. 27 crores with a margin of 10%, while profit before tax was Rs. 17 crores. Margins continue to reflect investments in talent, leadership and growth capabilities alongside the competitive pricing and operating cost pressures. Our focus remains on strengthening the business with progressively improving operational efficiency and profitability.

Let me turn to the industry landscape, which continues to evolve rapidly, particularly in the terms of accelerating pace of innovation. Even as enterprises remain committed to modernization, automation and digital transformation, they are becoming more deliberate in their investment decisions.

With new AI models and platforms emerging at a rapid pace and with each new model promising superior capabilities at lowering computing costs, customers are understandably cautious about committing to technologies that could quickly be superseded. Consequently, investment decisions are increasingly focused on flexibility, cost efficiency, measurable returns and long-term relevance. This means extended evaluation of approved cycles, particularly for larger transformation programs.

We are witnessing these trends within our business, too. Customer inquiries remain robust and engagements are becoming deeper and more strategic, but large contracts are taking longer to conclude as clients evaluate technology choices and commercial considerations more closely. Smaller and midsized opportunities, however, converting relatively faster and enabling us to sustain business momentum.

An important element of our strategy is to increase the contribution from direct customer engagements. Allied Digital has built a solid track record when participating in large partner-led projects, consortium-led projects, which provide scale and allow execution responsibility and risk to be shared. However, direct relationships give us greater ownership of the customer engagement and create more opportunities to expand our services, deepen relationships and increase our share of customer technology spending over time.

We are, therefore, strengthening our sales organization and go-to-market capabilities in order to build a healthier balance between partner-led, consortium-led and direct business. We are now starting to see renewed activity in the government segment as well.

As we highlighted in the earlier calls, the sharp increase in equipment and hardware costs had affected the commercial viability of certain projects, leading to delays and being more selective towards the bidding approach. While costs remain elevated, prices have shown signs of stabilization, and we are beginning to see projects return to active consideration. Given our expertise in safe cities, smart cities, surveillance projects, command and control systems and integrated digital infrastructure, we remain encouraged by the opportunity in the pipeline in this segment.

Coming to operational developments. We secured over Rs. 74 crores in new orders and renewals during the quarter. Among the key developments was strategic partnership in the U.S. to deliver infrastructure cloud and cybersecurity services through our offshore delivery center. We also secured an engagement in the U.S. leading healthcare service provider to implement and support 24/7 AI-powered service desk.

In India, we were selected by MIDC to be the system integrator for implementation, maintenance and support of its Internet leased line connectivity solution across Maharashtra. This marks an order win from a government agency after a gap of 3 quarters, validating our view that domestic government ordering activity is set to pick up again. Additionally, we renewed several long-standing customer engagements

across pharmaceuticals, BFSI, real estate and medical devices, reinforcing the strength of our customer relationships.

Internally, we continue to build on the leadership augmentation taken up earlier this year. Our priorities are to strengthen sales execution, expand direct customer relationships, enhance delivery capabilities and accelerate the integration of AI across our services. We recognize that these investments will take time to translate into results but believe they are essential to building a more competitive and scalable organization. FY27 is, therefore, also a period of consolidation and institutional strengthening as we prepare the business for its next stage of expansion.

With that, I would like to hand over the call to our CFO, Mr. Gopal Tiwari, who will take you through the detailed financial performance for the second quarter and the first half of FY27. Over to you, Gopal.

Gopal Tiwari: Thank you, Nehal, and good afternoon, everyone. I will take you through the key financial highlights for the quarter and the first half, along with some important developments relating to working capital and the balance sheet.

As Nehal mentioned, revenue for Q2 stood at Rs. 265 crores, growing 14% year-on-year, while H1 revenue reached Rs. 526 crores, an increase of 16% over the corresponding period last year. Having crossed Rs. 500 crores in first half revenues, we have established a healthy revenue run rate and remain well positioned to sustain our annual revenue milestone of Rs. 1,000 crores.

A notable feature of our performance has been the strength of our services business, which represents predictable multi-year annuity contracts, which grew 31% year-on-year in Q2. International revenues also increased by 36% this quarter, more than offsetting the softness in domestic government projects. These trends reinforce the resilience of our diversified business model and the progress we have made in scaling our global operations.

Coming to profitability. EBITDA for Q2 stood at Rs. 27 crores, improving subsequently from Rs. 25 crores in Q1, with margins remaining stable at 10%. On a year-on-year basis, EBITDA was marginally lower compared with Rs. 28 crores in Q2 FY26. Margins continue to reflect the investments we have made in strengthening our sales engine over the past year.

Alongside prevailing cost pressures, we remain focused on optimizing our cost structure, improving delivery productivity and enhancing resource utilization to progressively strengthen profitability. Importantly, we have also adopted a disciplined approach to new business acquisitions, which clearly define profitability and commercial thresholds for evaluating prospective engagements. We remain selective in pursuing opportunities and have declined to take on contracts that do not meet our return expectations. Our focus is to deliver profitable and sustainable growth.

Profit before tax for Q2 stood at Rs. 17 crores, broadly stable subsequently, while profit after tax improved to Rs. 13 crores from Rs. 12 crores in the Q1. For H1 FY27, PBT stood at Rs. 34 crore and PAT at Rs. 25 crores. While profitability continues to absorb the impact of growth investments and cost pressures, our focus is on increasing business scale into stronger earnings. With the significant one-time accounting adjustments undertaken in FY25 and FY26 now behind us, we are placing greater emphasis on operational efficiency, consistency in financial reporting and sustainable margin improvement.

Turning to the balance sheet. I would like to highlight some encouraging developments in our working capital position. Despite the increasing scale of our operations and execution of larger contracts, trade receivables declined to Rs. 264 crores as of 30th September compared with Rs. 320 crores as at end of the March 2026. Debtor days also improved to approximately 84 days from 96 days at the end of FY26, reflecting our continued focus on timely milestone billing and collection efficiency.

On the liquidity front, cash and cash equivalents stood at Rs. 185 crores as of September 30, 2026, compared with Rs. 162 crore a year earlier. Gross borrowings increased from Rs. 98 crores to Rs. 167 crores over the

same period, largely reflecting the higher funding requirements associated with the growing scale of our business. Importantly, we continue to maintain a positive net cash position.

On governance and financial reporting, we had shared a detailed update during our previous calls regarding the resolution of legacy audit observations. Having addressed those matters, our emphasis is now on maintaining the strengthened controls and reporting practices as part of regular financial processes.

Overall, our priorities for the remainder of FY27 are clear: maintaining cost discipline, supporting growth investments and progressively strengthening profitability. While the business environment remains competitive, we believe a greater contribution from managed services, better utilization of resources and increased automation can support operating efficiency over time.

With that, I will now hand the call back to moderator for the question-and-answer session. Thank you.

Moderator: Thank you so much, sir. The first question comes from the line of Rushil Katiyar from Choice Institutional Equities. Please go ahead.

Rushil Katiyar: We see order book has declined from Rs. 120 crores to Rs. 74 crores. And you indicated in the last call that OEM pricing stabilization will enable to participate more aggressively in large government tenders. So, I wanted some colour on that. And what is the status on Noida Smart City project?

Nehal Shah: Thanks, Rushil, for the question. You are correct. In fact, in my previous calls also, I had said that we are going slow on government orders due to the price increase and viability of those projects becoming difficult. However, having said that, I think this quarter, post the mid of October, we have seen a lot of stability coming in the prices. OEMs have come down and are backing us to go after projects and pick them up. So that gives us a lot of encouragement.

With respect to the Noida Safe City, I think the bid submission is on the 6th of November. So, we are going ahead with the RFP. And hopefully, if things

go in the right way, we might turn out to be winning it as well. Other than that, there are other projects also that we have already bidded for in the last couple of days and a couple of weeks, for which we would be able to have some kind of results in the next 2 to 4 weeks.

Other than that, the pipeline also looks very, very encouraging. A lot of case studies are moving from the initial requirement to the RFP stage. And once they move on to the RFP stage is when we become very active and we bid for it and we can figure out or expect the results to be in our favour.

Moderator: Thank you. Our next question comes from the line of Hitesh Kadam with Arihant Capital Markets Limited. Please go ahead.

Hitesh Kadam: Hello. Thank you for the opportunity. So, my question is, sir, on government revenue dropped from 23% to 13% in Q2. So, given the recent Punjab and MIDC wins, so how do you expect the government versus enterprise order mix to evolve? And how are these contracts structured to protect against payment cycle risk and hardware inflation?

Nehal Shah: Thank you for the question, Hitesh. So, as I told before also that we are being very picky and choosy on the accounts and the customers that we go after. So typically, the orders that we have won in the ILL with the MIDC and other projects, all the pricing have been blocked with the OEM, and we are absolutely okay on the margin that we are going to get in with respect to the product pricing. Having said that, I think there is a lot of stability coming in as well with respect to the pricing of other products as well. And a lot of these OEMs are asking us to go and bid for larger projects.

With respect to the project pricing, I mean to say, the billing and other things, typically, any project that we get is a combination of product and services. So typically, any safe city, smart city or any implementation projects work about 6 to 8 months is the implementation phase, which we build and give the solution to our customer. And the remaining is about 3 to 5 years of maintenance that we have to do. The revenue split is about 60-40. So, 60% during the build phase and 40% during the services phase.

And with respect to the government money recognition, yes, there could be sometimes a little bit of delay here and there. But overall, we have seen that the payments have come by, and we have not seen any large money getting stuck or not getting delivered to us. So that gives us a lot of confidence to go after these projects.

The biggest plus point of going with government project is the kind of the size that they give us. Any large government project will be of the size of anything between Rs. 100 crores to Rs. 500 crores, Rs. 700 crore single-ticket order. So that gives us a lot of delta jump that we need and a lot of growth and optimization opportunity at a longer range.

We are also making sure that while the government side of the projects keep on increasing, but we are also putting a lot of focus on acquiring enterprise customers because enterprise customers might take a little bit of more time, maybe smaller in size, but they give us a lot of longevity with them. It is not very bound to external circumstances like elections or government being changed or decisionmakers being changed. It is much more structured in that way and very stable.

So, while the ticket size is smaller, but the longevity and the continuity of business with direct customer cross-selling also increases. You do not always have to go through the RFP phase. So, it is striking a right balance between the government, and the enterprise business is what is our focus on.

Nitin Shah: Here, I would like to add, the market, especially the product price point of view, is so volatile and highly unpredictable. And that is why we are doing a lot of cautious decision. And probably we are not aggressive to take any and every business. So, we do a lot of assessment. And I would say that I am happy that there are no sticky issues with our company in terms of corrections right now.

Hitesh Kadam: Okay, sir. That helps. And one more question. Given the 32% L1 ticket deflection and 21% of cost to serve from our AI desk, so when will internal AI savings outpace the revenue deflation caused by client discount demands?

Nehal Shah: So, Hitesh, you could come back on the question. I could not get the question clearly.

Hitesh Kadam: Actually, I am asking given that 32% of L1 ticket deflection and 21% of cost-to-serve cut from your AI desk. So, when will internal AI savings outpace the revenue deflation caused by client discount demands?

Nitin Shah: Is it something that you captured from our information or you are talking in general from the market point of view. 32% and 16%, is this parameter from our information?

Nehal Shah: No, Hitesh, you are correct. So, while you are right that we are seeing a lot of deflection on L1 tickets, but what we are right now focusing on is making sure that we have a parallel run of doing that before we take an eventual decision of reducing the direct cost of people and replacing it with AI models. So, we are on the right path.

Nitin Shah: So that is the trend that is going on. We say Level 0 kind of tickets would be taken care by itself. So that will reduce the number of tickets, and we do not have to deploy people for that. And that is the trend which is going on and every company is doing that, where the people cost is getting reduced.

Ramanan R: If I can add to that, Ramanan here. The strategy for managed services for us is, one, how do you increase automation wherever it is possible. Second, how can you use AI for preventive or anticipative problem solving, not just correction. And the third is how do we also develop the agentic ecosystem in terms of better agent or chest ration for AI-driven managed services.

So, all of these things are happening and different organizations' needs are different from the point of view of the nature of tickets that come, the nature of technologies that they have already within their systems, and the nature of sensor technology that are getting integrated into many of their devices. So, it is not a one-size-fits-all approach. It is driven by customer analysis, the analysis of the trends of tickets that are coming

and a basic framework of an automation that can be equally applied to multiple scenarios. So that is the approach.

And I think with the Digital Desk that we already have in place, the UM automations that we already have in place, we are in a very good situation to leverage innovation in all of this to be able to provide much more cost-effective and reliable managed services.

Nitin Shah: So, you might have seen our strategic decision that our old CEO, Mr. Paresh Shah, is technically very brilliant. So, we have given him a new task of doing only innovation. So, he is very busy in handling a team of innovations. So, you will hear a lot of things coming from that side, innovation. Innovation can reduce the cost also in AI environment.

Hitesh Kadam: Okay, sir. And one last question. To achieve our 20% of CAGR ambition, what is the target ratio of direct enterprise sales versus partner-led sales over the next 24 months?

Nehal Shah: So, Hitesh, as I told previously, we have not kept a target of going direct and indirect. We are going after the right contracts, the right ticket size and the customer stability. So, while we are okay to do the partner-led business, it does give us the scale that we want to go after large customers. With the help of the partner, we can serve them. And most of those contracts are for a larger period of time. We are targeting the midsize and the small-sized customers to go direct where we can start small and expand eventually.

And the third bucket is the government business, where we are going after a lot of the large RFPs coming in for safe cities, smart cities, metros, airports and all of it, where we fit correctly with a lot of case studies that we have in the background. So putting 3 strategies, I think 1 of the 2 buckets of them will successfully fire and that should help us in giving us the revenue jump of 20% CAGR year-over-year. That is the strategy that we are looking at right now.

Moderator: Thank you. Our next question comes from the line of Rushil Katiyar with Choice Institutional Equities. Please go ahead.

Rushil Katiyar: Hi, thanks for the opportunity again. Just wanted to understand, are we exploring any partnerships with the large caps to gain new contracts? And are we planning to have any acquisition plans also?

Nehal Shah: So, there are a lot of partnerships that we have already done. We are going ahead and doing a lot of OEM partnerships as such due to an increased demand in the product sales as well. So, a lot of these OEM partnerships are also being taken into place.

Regarding M&A, M&A has always been in our eye. We are constantly looking at some of the other companies. But unfortunately, for us, we have not reached a stage where we could give you updates that we have shortlisted certain companies. But the line of sight from an acquisition perspective is something on AI or cybersecurity. So, these are the 2 things that we are looking at from an acquisition perspective, which would help us from a delivery as well as sales perspective.

Moderator: Thank you. Ladies and gentlemen, as there are no questions from the participants, I now hand the conference over to the management for the closing remarks. Thank you, and over to you, team.

Nehal Shah: Thank you again for your participation and engagement during today's call. Over the past few years, we have made considerable progress in scaling Allied Digital, expanding our capabilities and strengthening the organization.

As we look ahead, our focus is shifting increasingly towards the quality and sustainability of growth. This means building deeper and more direct customer relationships, expanding our share of their technological spending and create a business with a greater revenue visibility and operating leverage. We remain excited about the opportunities ahead.

Before I sign off on behalf of the entire Allied Digital family, I would like to convey wishes for a Happy Diwali and a prosperous New Year to all of you and your families. Should you require any further information or have additional questions, please feel free to reach out to our team or connect

with CDR India. We sincerely appreciate your continued support and confidence in Allied Digital. Thank you.

Moderator: Thank you so much sir. Ladies and gentlemen, on behalf of Allied Digital Services Limited, that concludes today's call. Thank you for joining us, and you may now disconnect your lines.

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