Ref No: MSAFE/SE/2026-27/62 Date: 04.11.2026

To,
Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400001

BSE Scrip Code: 544695

Subject: Transcript of the Investors/Analysts Earning Call for the unaudited financial Results of Q2 and HY1 of FY 27

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of investors/analyst earning call held on Monday, November 02, 2026 at 11:00 A.M. (IST) for un-audited financial results of the Company for the quarter and half year ended September 30 2026.

The said transcript will also be available on the Company's website at www.msafegroup.com.

Kindly take note of the same in your records.

Thanking You,

For Msafe Equipments Limited

RENUKA UNIYAL
Digitally signed by RENUKA UNIYAL
Date: 2026.11.04 17:34:14 +05'30'

Renuka Uniyal
Company Secretary & Compliance Officer
M No. A71663

Msafe Equipments Limited

Q2 & H1 FY27 Earnings Conference Call

02 November 2026

MANAGEMENT:

Mr. Pradeep Aggarwal – Chairman and Managing Director

Mr. Ajay Kanoi – Whole-time Director

Organized by: Moonwalk Capital

Msafe Equipments Limited

Q2 & H1 FY27 Earnings Conference Call Transcript

Moderator: Good morning, everyone. Welcome to the Q2 FY27 earnings conference call of Msafe Equipments Limited. On behalf of Moonwalk Capital, I thank the management for giving us the opportunity to host this call. Please note that this call may contain forward-looking statements, which should be read in conjunction with the risks and uncertainties applicable to the Company. The call is being recorded. Representing the Company today are Mr. Pradeep Aggarwal, Chairman and Managing Director, and Mr. Ajay Kumar Kanoi, Whole-time Director. I now invite Mr. Pradeep Aggarwal to make his opening remarks

Mr. Pradeep Aggarwal: Good morning, everyone. I am pleased to share the Company's performance for the quarter. We delivered healthy revenue growth, strong profitability and continued progress in our rental-led business model.

In Q2 FY27, revenue from operations increased by 53% year-on-year to approximately Rs. 40 crore. EBITDA increased by 49% to Rs. 15.61 crore, with an EBITDA margin of 38.65%. Profit after tax increased by 55% to Rs. 8.49 crore.

For H1 FY27, revenue from operations increased by 47% year-on-year to approximately Rs. 72 crore, while profit after tax increased by 50% to Rs. 15.76 crore. Rental contributed approximately 51.5% of Q2 revenue, strengthening the contribution from recurring income.

We expanded our warehouse network from 21 to 24 locations, improving our pan-India reach and customer service capabilities. We have also expanded our MS scaffolding capacity. An increase from 3000 tonnes to 6000 tonnes which was post ipo expansion, then 9000 tonnes is current capacity expansion, and subsequently a target of 15,000 tonnes per annum.

The capacity for aluminium scaffolding and ladders is being increased from 1,500 tonnes to 2,500 tonnes. Work on our integrated manufacturing facility at Mathura is in progress, and the facility is expected to become operational in May 2027.

These developments reflect our focus on strengthening manufacturing capabilities and building a scalable business. I will now hand over to Mr. Ajay Kumar Kanoi, Whole-time Director, to discuss our aluminium scaffolding, formwork and strategic outlook.

Mr. Ajay Kumar Kanoi: Thank you, Pradeep ji, and good morning to everyone. I will take you through our business expansion initiatives, our entry into aluminium formwork and our growth outlook.

We are expanding our product portfolio into aluminium formwork solutions for high-rise construction, mass housing and infrastructure projects. The planned initial production capacity is 500 tonnes annually at a rented facility. Trial runs have commenced, and we are targeting commercialisation in December 2026.

We believe this business will enable us to leverage our existing customer relationships, address new market opportunities and broaden our presence in innovative building materials. Our key priorities are to scale up our rental asset base, ramp up manufacturing capacity, improve asset utilisation and deepen relationships with existing customers. The integrated Mathura facility is expected to support our expansion plans.

We continue to target approximately 50% revenue growth in FY27, driven by capacity expansion, growth in the rental business, improved operating leverage and the gradual commercialisation of aluminium formwork. This is in line with the annual guidance provided earlier.

Mr. Pradeep Aggarwal: I would like to clarify that we have surpassed the guidance provided earlier.

Mr. Ajay Kumar Kanoi: Alongside growth, we remain focused on maintaining healthy profitability, disciplined capital allocation and sustainable long-term value creation. Thank you for joining us. We look forward to discussing our performance and answering your questions.

Moderator: We will now begin the question-and-answer session. Participants are requested to limit themselves to two questions.

The first question is from Mr. Surya Kalagarla of Phillip Capital

Mr. Surya Kalagarla: Could you provide a breakdown of revenue from leasing and product sales for H1 FY27? How do you expect this mix to evolve over the coming quarters and half-year?

Mr. Ajay Kumar Kanoi: The mix remains broadly similar, with a variation of one or two percentage points. In the previous financial year, sales contributed approximately 49% and rentals 51%. This year, sales contributed around 48% and rentals around 52%. Rental is our core focus because the rental business is more profitable.

Mr. Surya Kalagarla: How do you see this mix progressing going forward?

Mr. Ajay Kumar Kanoi: We expect the mix to remain broadly on the same trajectory. Our focus is to maintain at least 50% contribution from sales

Moderator: The next question is from Mr. Siddharth S of NAFA Asset Managers

Mr. Siddharth S: You have indicated a growth outlook of around 50%. Could you explain the key drivers behind this guidance, including customer expansion? Also, with other players like Teamtech formwork expanding capacity in aluminium formwork, do you anticipate oversupply or pressure on margins?

Mr. Ajay Kumar Kanoi: The expected growth of 50% is driven by a combination of new customer additions, growth in aluminium sales and rental revenue, and the contribution from our other businesses. Last year, our steel scaffolding rental revenue was approximately Rs. 3.5 crore. In the first half of the current financial year, we have already generated approximately Rs. 10 crore from steel scaffolding rentals.

The formwork market is growing rapidly. There are more than 10 – 15 new players entering the market, but we see a significant demand opportunity. With the increase in high-rise buildings, formwork offers faster execution and can help reduce project

costs. The market is currently concentrated in around five major metros but is expected to expand into Tier 1 and Tier 2 cities and more than 100 cities over time.

Mr. Siddharth S: Do you intend to cross-sell formwork to your existing scaffolding customers?

Mr. Ajay Kumar Kanoi: A small proportion of customers will be common, particularly infrastructure and civil contractors. We will seek to build on our existing customer relationships.

Mr. Siddharth S: When do you expect formwork to contribute meaningfully to revenue, and what contribution could it reach?

Mr. Ajay Kumar Kanoi: As this is a new segment for us, we have not factored in a significant contribution from aluminium formwork for the current financial year. Trial production has started, and the cycle from enquiry and order conversion to execution is relatively long. The contribution this year may therefore be modest. From next year onwards, we expect aluminium formwork to contribute at least 15% of the total business.

Mr. Siddharth S: What growth rates should investors consider?

Mr. Ajay Kumar Kanoi: We maintain our guidance of 50% – 70% annual top-line growth annually and 40% – 50% bottom-line growth.

Moderator: The next question is from Mr. Paras Chheda of Purpleone Vertex Ventures.

Mr. Paras Chheda: Do you expect to maintain PAT margins above 20% in FY27 and beyond?

Mr. Ajay Kumar Kanoi: There may be a variation of around one percentage point. From the next financial year, aluminium formwork sales may contribute 15% – 20% of total revenue, and the margins on formwork sales

may differ from those of the existing business. If we are able to achieve a healthy rental contribution, we should be able to maintain similar PAT margins.

Mr. Paras Chheda: What PAT margin range are you targeting for FY28 and beyond?

Mr. Ajay Kumar Kanoi: We will endeavour to achieve the same margins on both Topline and Bottomline.

Mr. Paras Chheda: What is the expected peak debt requirement for the ongoing capex? Current short-term and long-term debt is approximately Rs. 44 crore. What level could peak debt reach?

Mr. Ajay Kumar Kanoi: Mr. Pradeep Aggarwal would be better placed to answer the debt-related question.

Mr. Pradeep Aggarwal: We are looking at an additional debt requirement of approximately Rs. 20 crore to Rs. 25 crore for completing the factory and meeting working capital requirements.

Mr. Paras Chheda: Would this be additional to the existing debt, taking total debt to approximately Rs. 65 crore to Rs. 70 crore?

Mr. Pradeep Aggarwal: Yes. This would be over and above the existing debt. In the rental model, we first invest in the assets and then generate rental income from them.

Mr. Para Chheda: The Company generated positive operating cash flow in the first half. Do you expect operating cash flow to remain positive for the full financial year?

Mr. Pradeep Aggarwal: That is our basic objective. We want to remain cash-flow positive. We are cautious about debt and earnings. Cash is the most important part of the business; accounting profit alone is not sufficient.

Mr. Paras Chheda: So, should investors expect positive operating cash flow for the full year?

Mr. Pradeep Aggarwal: We want to remain positive.

Moderator: The next question is from Ms. Akhand Singh of JM Financial Asset Management.

Ms. Akhand Singh: What revenue can the expanded capacity generate?

Mr. Ajay Kumar Kanoi: Before the issue, our MS scaffolding capacity was approximately 3,200 tonnes per annum. We had initially planned to increase it to 6,285 tonnes by the end of the year, but we brought forward the plan and achieved that level in April. We then targeted 9,000 tonnes for the next financial year, but we have already reached that level. Last month, production capacity exceeded 750 tonnes per month. We have now revised the target from 9,000 tonnes to 15,000 tonnes. Demand in both the rental and sales businesses has been very strong.

Ms. Akhand Singh: Are you currently operating at peak utilisation?

Mr. Ajay Kumar Kanoi: We are operating at high utilisation, which is why we have had to increase capacity repeatedly.

Ms. Akhand Singh: What rental yields do you earn?

Mr. Ajay Kumar Kanoi: Rental yields are approximately 32% – 38% for MS scaffolding and 60% – 66% for aluminium scaffolding.

Ms. Akhand SIngh: Does the business generally recover its investment within one to two years or two to three years? What is the economic life of these products?

Mr. Ajay Kumar Kanoi: We consider the economic life of MS scaffolding to be approximately 15 – 20 years and that of aluminium scaffolding to be approximately 5 – 7 years.

Ms. Akhand Singh: Could you explain the asset utilisation and rental duration?

Mr. Ajay Kumar Kanoi: We are operating at nearly 80% utilisation in aluminium scaffolding. An average aluminium scaffolding rental order is for approximately four months, after which the assets are returned, serviced if required and redeployed. Orders can range from one day to one or two years. In MS scaffolding, the average rental tenure is approximately one year, although individual contracts may range from three months to two years.

Ms. Akhand Singh: Can the Company sustain its growth guidance over the next four to five years?

Mr. Ajay Kumar Kanoi: It is difficult to make a prediction over such a long period. However, for at least the next two years, we expect to maintain the same guidance.

Ms. Akhand Singh: Would the margin outlook also remain similar?

Mr. Ajay Kumar Kanoi: As indicated, our expectation is 50% – 70% growth in the top line and 40% – 50% in the bottom line.

Moderator: The next question is from Mr. Prem Sagar of Tapprs Ventures

Mr. Prem Sagar: Between aluminium and MS scaffolding, aluminium has a higher rental yield, while MS has a lower yield. Does this mean MS scaffolding is more capital-intensive?

Mr. Ajay Kumar Kanoi: The yield on MS scaffolding is slightly lower, but its useful life and rental durations are longer. These factors compensate for the lower yield.

Mr. Prem Sagar What is the approximate value per tonne of each type of scaffolding?

Mr. Ajay Kumar Kanoi: MS scaffolding is valued at approximately Rs. 65,000 – Rs. 70,000 per tonne, while aluminium scaffolding is approximately Rs. 5 lakh – Rs. 6 lakh per tonne. Aluminium is much lighter, approximately one-third the weight of MS scaffolding and the applications are different, so a direct comparison by tonne may not be appropriate.

Mr. Prem Sagar: If the same amount of capital is deployed in each business over five years, would the economics be comparable?

Mr. Ajay Kumar Kanoi: I have not carried out the exact calculation, but over a five-year period I believe the margins would be broadly similar. Aluminium is a softer metal and may require repairs after deployment, whereas steel is harder and generally requires fewer repairs. MS scaffolding may generate a slightly lower yield, but its addressable market is significantly larger.

Mr. Prem Sagar: Would the capital intensity of the new formwork business be similar to aluminium scaffolding?

Mr. Ajay Kumar Kanoi: Yes. The capital intensity would be similar. Margins should also be approximately similar if the business is operated on a rental basis.

Mr. Prem Sagar: Will the formwork product be composite, with a steel frame, or predominantly aluminium?

Mr. Ajay Kumar Kanoi: The product we are initially introducing will be approximately 95% aluminium and 5% MS. Some support systems are generally made of MS, but the product will predominantly be aluminium.

Mr. Prem Sagar: What is the useful life of aluminium formwork?

Mr. Ajay Kumar Kanoi: The life of aluminium formwork is determined by the number of usage cycles. We estimate approximately 150 – 200 cycles. One cycle may take around 10 days at peak utilisation.

Mr. Prem Sagar: One Last Question. If I have 1 crore of capital deployed in Aluminium Scaffolding and 1 crore of capital deployed in MS Scaffolding. Based on their yield 60 to 66 lakhs recovery in year 1 in case of Aluminium Scaffolding and 30 to 38 lakhs in MS Scaffolding. Whereas the life is 5 years for Aluminium and 15 to 20 years for MS Scaffolding right?

Mr. Ajay Kumar Kanoi: There are various other factors. Economic life is a factor, rental yield is a factor. 1 year duration is not right to compare. The 5 year duration is right to compare.

Mr. Prem Sagar: What residual value can be expected at the end of the useful life?

Mr. Ajay Kumar Kanoi: For both MS and aluminium, the scrap residual value is approximately 50% or more.

Moderator: A follow-up question was raised by Ms. Akhand Singh of JM Financial Asset Management regarding exports, export approvals and the markets being targeted

Ms. Akhand Singh: What are the Company's export plans, and what approvals or certifications are required in different countries? How much exports are contributing?r

Mr. Ajay Kumar Kanoi: From day 1 we are manufacturing our products as per EN 1004 European Standard. Recently, I have received some orders from Middle Eastern Countries. Exports are expected to contribute approximately 7% – 8% of total revenue in the current financial year.

Ms. Akhand Singh: Are you planning to enter Australia or other geographies beyond the Middle East?

Mr. Ajay Kumar Kanoi: Demand in India has been very strong, and we have not been able to focus extensively on exports. However, next year we are planning to approach Europe and Australia, as we believe our quality standards are aligned with the requirements of these markets.

Ms. Akhand Singh: Do you already have the necessary certifications and approvals?

Mr. Pradeep Aggarwal: We have already obtained the required approvals for Europe. Australia has somewhat different requirements, so we intend to approach Europe first and then Australia.

Ms. Akhand Singh: What orders do you expect from Europe, and will overseas business follow a rental or sales model?

Mr. Ajay Kumar Kanoi: It is too early to comment on orders from Europe, as we are still at the planning stage. At present, we are exporting to certain Middle Eastern countries where demand has been strong. For overseas markets, we are currently selling products rather than following a rental model, as overseas rentals involve additional complexities.

Ms. Akhand Singh: How are the margins on Middle Eastern orders compared with India, and which countries are you exporting to?

Mr. Ajay Kumar Kanoi: The margins are reasonably good. We cannot disclose the specific countries for commercial reasons, as we do not want to draw competitors' attention to those markets. These markets provide an additional opportunity, although the margins are not directly comparable with India.

Moderator: The next question is from Ms. Ritika Shed of Ananya Wealth Advisors.

Ms. Ritika Shed: What EBITDA margins are you targeting for FY27 and FY28?

Mr. Ajay Kumar Kanoi: In our earlier conference calls, we provided guidance of 50% – 70% growth in the top line and 40% – 50% growth in PAT. We have achieved or exceeded the commitments made so far, and we do not currently see a threat to achieving the guidance.

Moderator: The next question is from Mr. Vishal Kumar, an individual investor.

Mr. Vishal Kumar: Which end-user segments are currently driving demand for the Company's products?

Mr. Ajay Kumar Kanoi: Demand for aluminium scaffolding is being supported by the development of data centres and semiconductor plants. The Navi Mumbai International Airport and Bhogapuram Airport have also been significant contributors. Over the coming years, more than 100 large data centres and around 10 semiconductor plants are under construction. Demand is also coming from malls, hotels and ongoing infrastructure development across government and private-sector projects. We therefore see a strong demand environment.

Mr. Vishal Kumar: Dynamics for Preparation of Business?

Mr. Ajay Kumar Kanoi: The moment one enters in business only then one can understand, only talking does not work. We work very cautiously but the kind of response we saw accordingly we reacted and waited for the new factory. Over renting, taking and losing opportunities is not being done. In any new business starting 4 to 6 months can be slow but from next financial year there is no

slowdown.

Mr. Vishal Kumar: Revision of Guidance?

Mr. Ajay Kumar Kanoi We believe in under committing and over delivering.

Moderator: The next question is from Ms. Samruddhi Shinde of Phillip Capital.

Ms. Samruddhi Shinde: Rental yields are approximately 60% – 66% for aluminium scaffolding, and rental revenue has increased. However, EBITDA margin has declined from 39.67% to 38.65%. Could you explain the reason?

Mr. Ajay Kumar Kanoi: The change is due to product mix. Sales of aluminium and steel products have increased, and these sales carry margins of approximately 5% – 6%, which has reduced the overall EBITDA margin. The depreciation charge is calculated using the written-down value method. As the book value of the assets reduces each year, the reported profitability can improve over time, while the revenue generated by the assets may remain broadly similar.

Mr. Pradeep Aggarwal: The movement is primarily due to product mix. We had initially guided for an EBITDA margin of around 35%, whereas the margin is currently 38.65%. A difference of around one percentage point due to product mix does not change the fact that we remain on track.

Ms. Samruddhi Shinde: Trade receivables were approximately Rs. 24 crore in FY26. How much has been recovered so far?

Mr. Pradeep Aggarwal: Trade receivable days have reduced by around 15 days, from approximately 90 days earlier to around 75 days currently. The

exact amount is not immediately available. Receivables are approximately Rs. 30 crore compared with around Rs. 23 crore last year, but revenue has also increased. On a days-outstanding basis, collections have improved.

Moderator: The next question is from Mr. Sanket Kulkarni, an individual investor.

Mr. Sanket Kulkarni: What differentiates Msafe from competitors and supports its profitability? Given the attractive margins, how do you expect to sustain them as competition increases?

Mr. Ajay Kumar Kanoi: A key differentiator is our organised, pan-India approach. Steel scaffolding is a commodity business with hundreds of players, and there are also many participants in aluminium scaffolding. Our approach is to build a pan-India presence, operate in an organised wholesale manner and serve the retail market at scale. This is a key difference between us and many competitors.

Mr. Sanket Kulkarni: With current debt of approximately Rs. 44 crore and a possible additional Rs. 25 crore, does the Company have a plan to become debt-free over the next two to three years?

Mr. Ajay Kumar Kanoi: Our business is rental-heavy and asset-intensive. To increase revenue, we need to continue investing in assets and inventory. Given our growth guidance of 50% – 70%, the business will have continuing funding requirements. We are reinvesting profits into the Company, but becoming debt-free in the very near term may be difficult.

Mr. Sanket Kulkarni: How do you see the business evolving over the next three to five years? Do you expect to add further business lines?

Mr. Ajay Kumar Kanoi: The MS scaffolding business has grown rapidly and, in the current financial year, its contribution is expected to reach approximately 40% – 50% of the aluminium business level.

Aluminium formwork also has significant potential. Going forward, we will allocate more capital to whichever segment offers the better return on investment.

Moderator: The next question is from Mr. Love Gupta of Counter Cyclical PMS.

Mr. Love Gupta: What is the current quarterly revenue run rate from aluminium formwork? Are you on track to generate Rs. 30 crore – Rs. 40 crore for the year? What rental yield do you expect, and is the product depreciated over five years?

Mr. Ajay Kumar Kanoi We have only recently started trial production of aluminium formwork. Commercial production is expected to commence in approximately a month. The expected rental yield is similar to aluminium scaffolding, at around 60% – 66%.

Moderator: We have completed the question-and-answer session. Ajay sir, would you like to make any closing remarks?

Mr. Ajay Kumar Kanoi: Thank you, everyone, for your interest in Msafe and for attending the conference call. We are pleased that we have been achieving what we committed to, and we are confident that we will continue to deliver on our commitments, or do better, in the future. Thank you.

Mr. Pradeep Aggarwal: Thank you, everyone, for this interaction. Msafe is committed to meeting its commitments. We value the trust that investors have placed in us and will work to fulfil that trust. Thank you.

Moderator: Thank you, everyone, for joining the call. If you have any further questions, please contact Moonwalk Capital Advisors. Thank you.