August 13, 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 ended June 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 Friday, August 07, 2026, in respect of the financial results for the quarter ended June 30, 2026.

The same can also be viewed at https://www.allieddigital.net/in/earning-conference-call

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: 2026.08.13 18:55:57 +05'30'

Khyati Shah
Company Secretary

Encl: as above

Allied Digital Services Limited

Q1 FY27 Earnings Conference Call

August 07, 2026

Call Duration	• 31 minutes and 05 seconds
Management Attendees	• Mr. Nitin D Shah, Founder, Chairman & Managing Director • Mr. Nehal Shah, Joint Managing Director • Mr. Paresh Shah, Chief Innovation Officer • Mr. Gopal Tiwari, Chief Financial Officer
Participants during Q&A session	• Vishal Pandya – Individual Investor • Shreya Mehra – Choice Equities

Moderator: Ladies and gentlemen, good day, and welcome to Allied Digital Services Limited's Q1 FY27 Earnings Conference Call.

As a reminder, all participant lines 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, Mayank.

Mayank Vaswani: Thank you, Rayo. Good afternoon, everyone and thank you for joining us on Allied Digital Services Limited's Earnings Call for the First Quarter of Financial Year 2026-27.

We have with us on the call today, Mr. Nitin Shah, Founder and CMD; Mr. Nehal Shah, Joint Managing Director; Mr. Paresh Shah, Chief Innovation Officer and Mr. Gopal Tiwari, Chief Financial Officer.

We will begin with comments from Mr. Nehal Shah, who will cover recent developments across the business. Mr. Paresh Shah, who was CEO for the quarter under review, will discuss 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. Over to you, Nehal.

Nehal Shah: Thank you, Mayank. Good afternoon, everyone, and thank you for joining us for Allied Digital Services Earnings Call for the First Quarter of FY27. I hope all of you had an opportunity to review our financial results and investor presentation that we have shared earlier.

I will start with some recent developments. Last month, we announced augmentation of our senior leadership team, reflecting the company's evolution as we prepare for the next phase of growth. In the new role, I have been entrusted with the responsibility of Joint Managing Director. Paresh Shah has transitioned into a newly created role of Chief Innovation Officer to lead our AI and technology transformation agenda. And we are delighted to welcome Arun Pathak as CEO of Cloud Infrastructure Services for India and Middle East.

Together, these changes are designed to sharpen execution, deepen customer engagement and strengthen our ability to capitalize on the significant opportunities emerging across AI, cloud, cybersecurity and managed services.

The first quarter marks an important milestone in Allied Digital's journey. On a trailing 12-month basis, our revenues have crossed Rs. 1,000 crore mark, an aspiration we had set ourselves nearly 3 years ago. Achieving this milestone reflects the steady evolution of our business. And while we take satisfaction in reaching it, our focus is already on building the next phase of sustainable growth.

Now coming to the quarter 1 numbers, we are pleased to report another quarter of resilient performance with revenues of Rs. 260 crore in quarter 1 FY27, representing growth of 19% year-on-year. EBITDA increased by 18%, while PBT, that is profit before tax grew by 19% to Rs. 17 crore. These results reflect disciplined execution, healthy customer engagement and the continued strength of our diversified business model.

The global economic environment continues to evolve rapidly, while macroeconomic and geopolitical uncertainties have made customers more measured in their spending decisions. Investments in AI, Cloud, Cybersecurity and Digital Infrastructure remain strategic priorities. Procurement cycles have become longer and more rigorous with greater emphasis on governance, business outcomes and return on investment.

However, we see this as a shift in the timing of decisions rather than underlying demand. Our opportunity pipeline remains healthy. Customer engagement is robust, and we are increasingly participating in larger and more strategic transformation programs, including opportunities beyond our traditional partner ecosystem.

These trends play directly to Allied Digital's strength. Our integrated capabilities across managed services, cloud, cybersecurity, digital infrastructure and AI-enabled operations position us well to support customers through their end-to-end transformation journey. Whether it is enterprises accelerating automation and cloud adoption or governments investing in smarter and more connected infrastructure, we believe our addressable opportunity continues to expand.

Accordingly, our priorities for FY27 remain clear. Alongside pursuing growth opportunities, we are also strengthening the foundations required for our next phase of expansion by growing a sales engine, refreshing our delivery organization, deepening customer relationships and embedding AI across our service portfolio. These initiatives are aimed to improve execution at scale, increasing our share of direct customer engagement, enhancing long-term competitiveness.

Another important milestone this quarter is the completion of our governance transformation. For the first time since the comprehensive review commenced, the audit report carries no qualifications or observations. This reflects the successful resolution of all matters identified in earlier periods and reinforces the significant progress we have made in strengthening our governance standards, financial reporting framework and internal controls.

As we augment our leadership team and continue to build a stronger institutional foundation, we believe Allied Digital is entering the next phase from a position of greater strength than ever before. While the near-term environment may remain dynamic, the long-term demand drivers for our industry remain compelling, and we remain focused on executing consistently, expanding our enterprise presence and creating sustainable long-term value for our stakeholders.

With that, I will now hand over the call to Mr. Paresh Shah, our Chief Innovation Officer, who will take you through the operational developments, key order wins and strategic initiatives during the quarter. Over to you, Paresh.

Paresh Shah: Thank you, Nehal.

Before I speak about the progress we made during the quarter, I would like to take a moment to acknowledge my transition into the role of the Chief Innovation Officer. I am excited to take on the new responsibility at a time when AI is fundamentally reshaping how technology services are delivered. My focus going forward will be on driving innovation, accelerating AI adoption across our offerings and developing next-generation capabilities that enable our customers to realize greater value from the technology investments.

The order wins during the quarter reflect the continued confidence that customers place in Allied Digital's capabilities and execution. Beyond the diversity of customers and industries, these engagements demonstrate our ability to deliver across the entire technology services spectrum.

During the quarter, we expanded our presence with global enterprises, strengthened our position in the government and public sector and added new enterprise customers across key industries. Collectively, these engagements span workspace services, enterprise applications, managed services, digital infrastructure, IT asset management and integrated command and control solutions. They reflect the breadth of our capabilities and reinforce our position as a trusted partner to end-to-end digital transformation.

During the quarter, ADSL has booked orders for Rs. 120-plus crore towards new wins as well as renewals for multiyear contracts. A few key wins this quarter include:

- Won an Enterprise Application Services engagement with a leading NYSE-listed electronics design and testing solutions company to provide application maintenance and support to core enterprise platforms, including ServiceNow, Jitterbit and Boomi. This engagement marks Allied Digital's entry into Enterprise Application Services space in the U.S.

- Secured an end-to-end Workspace Service Management Solution with a leading customer-owned mutual bank in Australia, delivering desk-side support services across its corporate offices and retail branches in Melbourne, Sydney and Adelaide to enhance end-user experience and operational efficiency.

- Awarded a turnkey System Integration project by the Department of School Education, Government of Punjab, for the design, build, commissioning, operations and maintenance of an Integrated Command and Control Center, enabling centralized monitoring and management capabilities.

- Secured a managed services and implementation support engagement with the Government of India's prestigious organization under the Ministry of Commerce to provide comprehensive IT managed services, supporting critical business applications and ensuring seamless day-to-day technology operations.

- Won an IT asset management engagement with a leading international property consulting firm to manage the lifecycle of enterprise IT assets, enabling manpower important assets, visibility, governance and operational efficiency.

- Secured an IT Infrastructure Support engagement with one of the India's leading FMCG companies to provide end-to-end IT infrastructure services, ensuring reliable IT operations across the customers' enterprise environment.

Renewed multiple strategic customer engagements across the pharmaceuticals, chemicals, real estate, BFSI, medical devices and the retail design sectors, reflecting continuous customer confidence in Allied Digital service capabilities and long-standing customer relationships.

Equally encouraging is the continued renewal of our long-standing customer engagements across multiple industry verticals. This reflects the trust our customers place in Allied Digital and reinforces the strength of our execution and long-term partnerships.

As we continue to embed AI across our services and solutions, we are not only enhancing operational efficiency but also creating differentiated outcome-driven offerings that will define the next phase of Allied Digital's growth.

I look forward to leading this innovation journey and working closely with our customers and teams as we build the future of Allied Digital. Together with our strengthened leadership team, we remain committed to deliver innovation-led growth, deepening customer partnerships and creating sustainable long-term value for all our stakeholders.

With that, I would now like to hand over the call to our Chief Financial Officer, Mr. Gopal Tiwari, who will take you through the financial performance of the quarter in greater details. Thank you.

Gopal Tiwari: Thank you, Paresh bhai, and good afternoon, everyone. I will briefly take you through the financial performance for the quarter and highlight the key financial developments.

Before turning to the numbers, I would like to touch upon 2 important milestones achieved during the quarter. First, I am pleased to share that all the observations and qualifications raised by our auditors in earlier periods have now been fully addressed. The necessary accounting interventions, process enhancements and governance improvements have been implemented to the satisfaction of the auditors. And the audit report for the quarter is unmodified with no further qualifications. This marks an important milestone in our ongoing efforts to strengthen governance, financial reporting and internal controls.

The second milestone is equally significant. Our trailing 12 months revenue have now crossed the Rs. 1,000 crore mark, reaching to Rs. 1,009 crore. Many of you will recall that we had articulated these aspirations nearly 3 years ago. While Rs. 1,000 crore is simply a milestone and not a destination, it reflects the steady progress Allied Digital has made in scaling the business and provides a strong foundation for the next phase of growth.

Coming to our financial performance. We delivered another quarter of strong double-digit growth despite a measured demand environment and elongated customer decision cycles. Revenue for the quarter stood at Rs. 260 crore, higher by 19% on a year-on-year basis, supported by healthy execution across our existing customer base. EBITDA for the quarter stood at Rs. 25 crore with an EBITDA margin of 10%. During the quarter, employee cost reflects the impact of annual wage revisions and continued investments in strengthening our talent base and leadership team.

Finance costs also increased modestly due to higher working capital deployment and as large projects moved into the execution phase. Other income was lower during the quarter, primarily due to reduced foreign exchange gains. As part of the governance and accounting measures completed during FY26, funds deployed in our U.S. subsidiary were reclassified from debt to equity.

Under the earlier accounting treatment, these balances were revalued every quarter, resulting in foreign exchange gains or losses being recognized in our other income. Following the conversion to equity, this quarterly revaluation no longer applies, making reported earnings more reflective of the underlying operating performance of the business. These factors were partly offset by continued cost optimization initiatives across the businesses, resulting in lower operating overheads.

Consequently, profit before tax increased to about Rs. 17 crore, demonstrating the resilience of our operating model despite the cost headwinds during the quarter. These headwinds were partly offset by continued cost optimization initiatives across the business, resulting in lower operating overheads. Consequently, profit before tax increased to about Rs. 17 crore, demonstrating the resilience of our operating model despite the higher employee and finance costs during the quarter.

At the PAT level, it is important to note that the comparison with the corresponding quarter last year is influenced by taxation. During Q1 FY26, the company has recognized a gain in tax provision due to recognition of deferred tax asset, resulting in a net tax benefit of Rs. 0.3 crore for that period.

In contrast, the current quarter reflects a total tax provision of about Rs. 4.5 crore. Despite the significantly higher tax outgo of nearly Rs. 5 crore in this quarter, profit after tax stood at Rs. 12 crore compared to Rs. 14 crore in the corresponding quarter last year, highlighting the underlying improvement in operating profitability.

Overall, the financial performance for the quarter reflects the continued strengthening of the business. Our focus remains on improving the quality of earnings through disciplined execution, tighter cost management and prudent capital allocation while continuing to invest in leadership, delivery capabilities and AI-led service offerings that will support long-term growth.

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

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from Vishal Pandya, who is an individual investor. Please go ahead.

Vishal Pandya: Thank you for the opportunity I just wanted to understand if there is some kind of competitive pressure because we have seen that the EBITDA margins and the PAT margins are on a declining trend from last 3 to 4 years. So can you throw some highlight on that? And how can we kind of improve that?

Nehal Shah: So yes, you are right. There is certain competitiveness that is there in the business from the last 4 to 8 quarters. With that, I would also want to say that we are investing as well while we are growing. So, if you see us consistently over the last 4, 5 years, we have been growing at 20%. And to do that, we have done a lot of investments with respect to hiring new people, getting the leadership in place, getting the mid-level leadership in place. So, one side, we are investing. We are investing on people. We are investing on technology where we are doing a lot of investments on AI to make sure that our service portfolio is AI ready.

And third is with the global scenario, specifically in the U.S. market, we have seen a lot of competitiveness happening because of the war issue that was there over the last 3, 4 quarters. Of course, the business actually is growing, but there is a lot of demand when it comes for margin reduction or bettering the bottom line from a service perspective. So that has been a little bit of a challenge.

To counter that, what we are doing is that while we are investing in the AI, we expect that once we start implementing all this automation to our clients on a broader basis, we should be able to improve or optimize our service delivery and get better margins over the next few quarters.

Vishal Pandya: Okay. Let me put it on another way. Is AI being a beneficiary to our business? Or is AI a threat to our business? Because of AI, are we losing that competitive edge in the market or something like that? Can you throw some light?

Nehal Shah: So, AI or any other technology that is always next-gen tech, we always consider it as an opportunity, an opportunity to go to customers and acquire more customers. Of course, the rule of the game changes, it is not going to be as easy as it was for the last couple of years, but the new challenge also gets us new opportunities. And with both our open hands are welcoming AI and making sure that our service portfolio, our people get realigned towards AI and the requirement that the customer has.

So that way, I will consider that as an opportunity, not at all a threat. But yes, up to what extent is only when we start implementing and start getting cost optimization done at the customer level is when we will be able to give you an exact strength at which we can get an output from AI implementation.

Vishal Pandya: So as of now, can we understand that there is some kind of revenue deflation because of AI that we are facing?

Nehal Shah: So, revenue deflation is happening because of 2 reasons. One is in India, specifically, if you recollect, due to this war situation, a lot of the product prices have gone up. So, we have stayed away, in the last quarter of the last financial year and the first quarter of this year, from going too aggressive on acquiring customers at a relatively lower margin. The reason for that is the speculation in the price changes from the hardware side that is happening. So, things have slowed down a bit there.

But having said that, I think from this quarter onwards, we are seeing that a lot of stagnancy is coming in that as well. Prices are getting bottomed out. We are seeing a lot of positive feedback coming in from OEMs to go and bid for it. So probably one more quarter and after that, when the RFPs are out and then we start bidding again, we will see a lot of newer deals coming in.

So, if not in the second quarter, third quarter, I am pretty confident that we will have some good announcements coming up from the pipeline that we see on hand. So, that is one of the reasons where I feel the top line has been declining a bit quarter-over-quarter.

Nitin Shah: But I will add here. I think your question I understood. AI is a boon to us actually. We would want the AI to spread more because I do not think so every company will be able to cope up with the change that is going to happen. However, we have been in the industry for the last 42 years and always taken up new challenges, and we are going to be far ahead. And with the new initiative that we have taken by focusing a lot on innovation, I think we will be ahead of the curve. So, the answer is yes, AI is good for us. It is a matter of time that you will see a change that is going to happen.

Vishal Pandya: Okay. So when can we expect the margin pressures to bottom out? And from when can we see an increasing trajectory on the margins? And what will be your sort of guidance for FY '28?

Nitin Shah: So, I will give you answer. See, right now, situation is not as solid as going to happen later on. Every large company is also facing the cost pressure because every customer wants in anticipation of the automation norm, they are trying to discount the pricing from the now itself. So, margins are definitely under pressure for everybody. But once AI gets settled and more and more mature platforms and products are going to be available, the margins would certainly be increased by those companies who have been ahead in terms of deploying that kind of automation. So right now, in a very flux situation, I cannot tell you when, but I think very soon, you will see a change that is going to happen. And in the competitive market, we will fare much better than others.

Vishal Pandya: Okay. And any guidance you would like to highlight for next couple of years?

Nitin Shah: I think, guidance we have already given. We have already made up our mind for 10x kind of a growth.

Nehal Shah: So, we are seeing 10x growth in 10 years, which turns out to be about 20% a year is what we are looking at. Some quarters here and there based on the macroeconomics. But otherwise, from a strategy perspective and customer acquisition perspective, I think we are on the right track. That should be what we should be aiming at 10x in 10 years, yes, which turns out to be about 20% a year.

Moderator: Thank you. The next question is from Shreya Mehra from Choice Institutional Equities. Please go ahead.

Shreya Mehra: I want to understand that, given the pipeline we see that and we have explained in the opening remarks. I would like to understand what are the constraints we are facing in the revenue conversion specifically for this year? And when should we expect these to translate into meaningful growth inflection. Can you throw some light on that?

Nehal Shah: Thanks, Shreya, for your question. Voice was a little feeble, but what I understand is you are asking why there has been a little bit delay in the revenue recognition. As I previously told in my last con call also, the scenario in India was a little difficult from a product pricing perspective. We had won a couple of orders in the railways, which were in the tune of about Rs. 180 crore to Rs. 200 crore. Unfortunately, while we were in the bidding phase, the pricing of the products went up by 25%, 30%. And eventually, we had to bow out of the project because we did not want to take losses in our books.

So having said that, we become a little cautious when it came to bidding for such kind of projects where the whole cycle of decision-making is a bit elongated. And because of that, the price confirmation from the OEM was not that great.

So, 2 quarters, we had a little bit of silence with respect to larger order wins from the government side in India. However, as we speak today, the scenario is changing, and we are seeing a lot of positive feedback coming in from the OEMs with respect to the consistency in the pricing and the guarantees of the pricing being normal. So, this has entrusted that we keep on bidding for most such projects now. And I feel in the next couple of quarters, we will see some good announcements coming in from that side as well, which would, of course, get us back to the growth track that we were looking at. It is a matter of time before we start announcing some good order wins.

Shreya Mehra: Okay. Thank you. Also, if I can ask a follow-up question. How should we think about the margin trajectory in FY27?

Nehal Shah: So, the margin trajectory right now, we are anywhere between 10% to 11% EBITDA. While we are focusing on growth, we are also focusing on a lot of changes that we are doing internally to better our governance, better our service delivery, and we are doing a lot of investment on AI. We feel that in a couple of quarters when large deals kick in is when we will get to improve our EBITDA margins to a considerable level by a couple of bps, like 12% or 13%.

Shreya Mehra: Okay. And this is in consideration with the AI investment as well?

Nehal Shah: Yes. Yes.

Moderator: Thank you. I would now like to hand the conference over to the management team for closing comments.

Nehal Shah: Thank you once again for your participation and engagement during today's call. We remain encouraged by the direction of our business and the significant opportunities emerging across the evolving global technology landscape. Having achieved the Rs. 1,000 crore revenue milestone on a trailing 12-month basis, we believe Allied Digital is entering a new phase of growth and evolution.

As we have indicated, our aspiration is to scale the business 10x over the next decade. Over the past few years, we have undertaken a comprehensive transformation across multiple dimensions of the organization, including governance, transparency, leadership development, human capital delivery capabilities in our sales and go-to-market framework. We believe these initiatives have significantly strengthened the foundation of the company and created a more agile, scalable and resilient platform capable of supporting sustained long-term growth.

Should you require any further information or have any 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 Services Limited. Thank you.

Moderator: Thank you very much. On behalf of Allied Digital Services Limited, that concludes this conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines. Thank you.