

July 30, 2025

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai-400051
Company Symbol: SIS

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001
Company Code: Equity: 540673
Debt: 976573

Dear Sir/Madam,

Sub: Earning Note for the quarter ended June 30, 2025

Please find enclosed the updated Earnings Note for the quarter ended June 30, 2025. Kindly note the following changes: on page 7, the current tax figure has been updated from 7.3 to 7.6, and the deferred tax effect in timing differences has been revised from (2.1) to (2.5).

Kindly take note of the same.

Thanking you.

Sincerely,
For **SIS Limited**

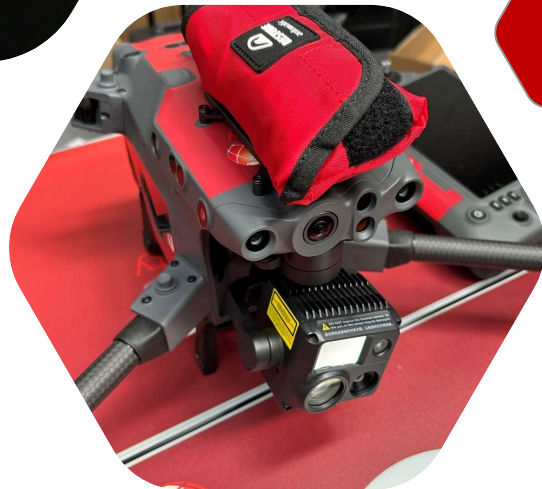
Pushpalatha Katkuri
Company Secretary and Compliance Officer

SIS Limited

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CIN: L75230BR1985PLC002083



A Market Leader in
Security, Cash Logistics
& Facility Management



Q1 FY26 EARNINGS UPDATE

30 July 2025

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Q1 FY26

Revenue
₹3,548.5 cr.



13.4% Y-o-Y

EBITDA
₹152.1 cr.



10.7% Y-o-Y

PAT
₹92.9 cr.



44.7% Y-o-Y



"SIS achieves robust quarterly revenue and PAT growth in Q1-FY26, with the consolidated monthly revenue run rate exceeding INR 1,200 cr. with all three segments reflecting promising momentum. We are honored to have been ranked among the top 10 employers in the country for 2025 by the Great Place to Work Institute."

Rituraj Sinha
Group Managing Director

Solid start to FY26, 3.5% q-o-q growth and 13.4% y-o-y growth

SIS is accelerated its growth with both Security Services - India and Security Services - International achieving a monthly revenue rate of ₹504 cr. and ₹514 cr. respectively. Facility Management – India achieved a monthly revenue rate of ₹208 cr. With this the monthly revenue run rate for the India business was at INR 712 cr., crossing the INR 700 cr. mark for the first time. All three segments continue to show strong topline momentum.

Consolidated EBITDA impacted by a drop in Security Services – International EBITDA

The consolidated EBITDA of INR 152.1 for Q1-FY26 was up 10.7% y-o-y but down 7.7% q-o-q. The EBITDA for Facility Management was up both on a q-o-q and y-o-y basis. While the EBITDA for Security Services – India and Security Services - International was up on a y-o-y basis, it declined q-o-q. The EBITDA for Security Services – International was impacted primarily on account of SXP restructuring costs. Additionally, the international business received grants (INR 6.4 cr.) and had high-margin events business during Q4 which was not available in Q1-FY26. Certain one-time contract start up-costs in MSS and SXP further impacted the EBITDA. Normalized EBITDA margin for Security Services – International (without one-off costs and grants) has increased from 2.9% in Q1 FY25 to 3.3% in Q1 FY26.

Healthy bottom line with a PAT of over INR 90 cr.

The consolidated PAT for Q1-FY26 was INR 93 cr. up 45% y-o-y driven by topline growth, increase in other income and 80JAA benefits.

Robust cash conversion efficiency with high OCF/EBITDA

SIS achieved strong OCF / EBITDA at 105.7% as of Q1-FY26. Net debt for Q1-FY26 is at INR 540 cr., a decline of ~INR 483 cr. from June '24, resulting in a Net Debt / EBITDA of 0.87 as of Q1-FY26.

With its 4th buyback now complete, SIS has returned over INR 500 cr. to shareholders since listing.

SIS has returned INR 80 cr. via dividends through FY18 to FY21 and has completed 3 buybacks worth INR 420 cr. till FY25. With the latest buyback an additional ~INR 150 cr. was returned. This tender-offer mechanism buyback was offered at a price of INR 404 per share and ~2.57% of the paid-up share capital was bought back.

Cash JV – DRHP approval received: On track on the path to unlocking shareholding value

SIS-Prosegur, our Cash JV, has now received approval for its IPO from SEBI, BSE and NSE. SIS-Prosegur now has a one-year window to list. The funds raised through the sale of shares will help SIS Limited reduce its debt further.

Great Place to Work Institute recognizes SIS as among India's Best Companies to Work for 2025

We are humbled to be recognized by the Great Place to Work Institute as among India's top 10 Workplaces at #9 for 2025. We are committed to fostering fair and inclusive people practices while ensuring a consistent and positive workplace experience. At SIS, we cultivate a participative culture that empowers individuals and fuels business excellence through active employee engagement.

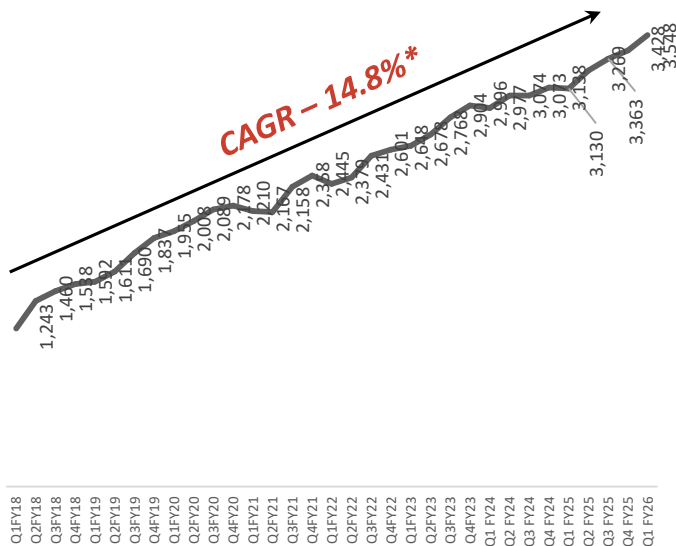
SIS Limited invests INR 6 cr. in Adhikosh Financial Advisory

As part of the SIS Ventures initiative, we invested INR 6.0 cr. in Adhikosh Financial Advisory (Kosh), a fintech platform focused on providing joint liability group (JLG) loans to blue-collar workers across Tier 2–4 towns in India. This investment falls under our employee-focused strategy, aimed at supporting our employees with access to early salary and on-demand credit solutions. Founded by former IIT Delhi and Goldman Sachs alumni, Mr. Sahil Bansal and Mr. Aayush Goel. The partnership reflects SIS's continued commitment to enabling financial access and wellbeing for front-line employees.



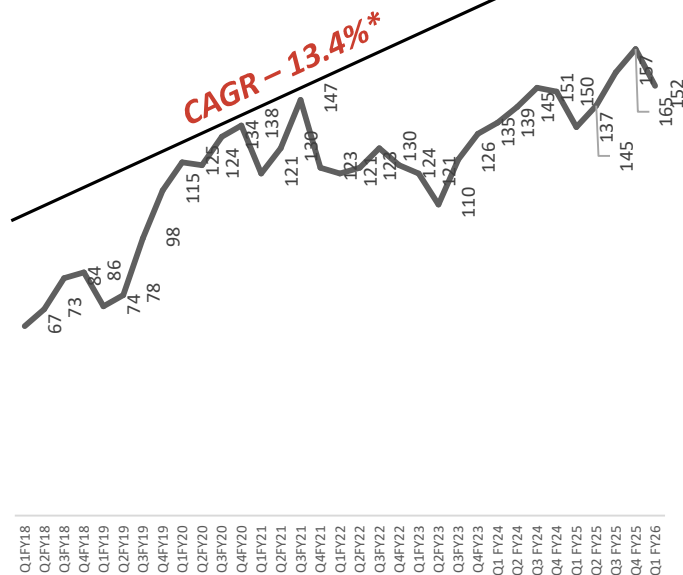
Quarterly Trend (₹ cr.)

Revenue

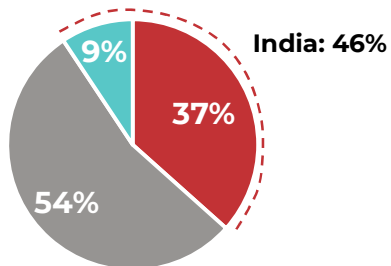


*FY17-25 CAGR%

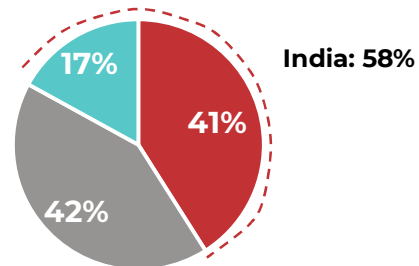
EBITDA



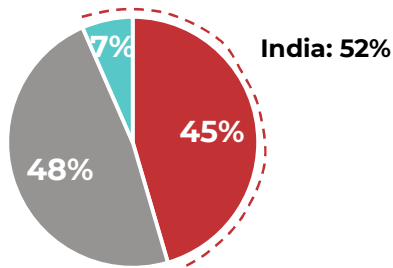
FY17 Revenue Contribution



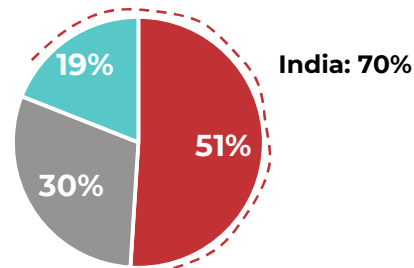
Q1 FY26 Revenue Contribution



FY17 EBITDA Contribution



Q1 FY26 EBITDA Contribution



■ Security Solutions - India

■ Security Solutions - International

■ Facility Management Solutions



| Particulars (In ₹cr.) | Quarterly Numbers | | Change % | | Change % |
|---|-------------------|---------|--------------------|---------|--------------------|
| | Q1 FY26 | Q1 FY25 | Q1 FY26 vs Q1 FY25 | Q4 FY25 | Q1 FY26 vs Q4 FY25 |
| Revenue | 3,548.5 | 3,129.9 | 13.4% | 3,427.9 | 3.5% |
| EBITDA | 152.1 | 137.4 | 10.7% | 164.8 | -7.7% |
| EBITDA Margin% | 4.3% | 4.4% | | 4.8% | |
| Depreciation | 41.6 | 42.7 | -2.7% | 38.4 | 8.4% |
| Finance Costs | 40.9 | 42.2 | -3.0% | 37.6 | 8.7% |
| Other income & share of profit/(loss) in associates | 26.0 | 18.7 | | 22.8 | |
| Earnings Before Taxes (Operating) | 95.6 | 71.2 | 34.3% | 111.6 | -14.3% |
| EBT Margin% (Operating) | 2.7% | 2.3% | | 3.3% | |
| – Goodwill Impairment | 0.0 | 0.0 | | 305.8 | |
| Earnings Before Taxes (Reported) | 95.6 | 71.2 | 34.3% | -194.2 | 149.2% |
| EBT Margin% (Reported) | 2.7% | 2.3% | | -5.7% | |
| Tax expense | 2.7 | 7.0 | | 29.1 | |
| Profit After Taxes (Reported) | 92.9 | 64.2 | 44.7% | -223.4 | 141.6% |
| Reported PAT Margin% | 2.6% | 2.1% | | -6.5% | |
| Profit After Taxes (Operating) | 92.9 | 64.2 | 44.7% | 82.5 | 12.7% |
| Operating PAT Margin% | 2.6% | 2.1% | | 2.4% | |
| EPS | 6.4 | 4.5 | 44.4% | -15.5 | |
| OCF | 160.8 | -42.4 | | 287.9 | |
| OCF to EBITDA% | 105.7% | -30.9% | | 174.8% | |
| Net Debt | 540.3 | 1,023.0 | | 428.7 | |
| Net Debt to EBITDA | 0.87 | 1.76 | | 0.71 | |

Revenue, EBITDA, and PAT Growth Development by Business Segment

| Business Segments | Revenue Growth | | EBITDA Growth | | Operating PAT Growth | |
|---|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| Total Growth - % | Q1 FY26 v/s Q1 FY25 | Q1 FY26 v/s Q4 FY25 | Q1 FY26 v/s Q1 FY25 | Q1 FY26 v/s Q4 FY25 | Q1 FY26 v/s Q1 FY25 | Q1 FY26 v/s Q4 FY25 |
| Security Solutions – India | 9.2% | 1.7% | 8.5% | -2.3% | 148.7% | 239.5% |
| Security Solutions – International (on a constant currency basis) | 18.9% | 5.3% | 6.1% | -21.4% | -18.5% | -52.5% |
| Facility Management Solutions | 12.1% | 1.2% | 28.2% | 3.7% | 109.1% | 10.2% |
| SIS Group Consolidated | 13.4% | 3.5% | 10.7% | -7.7% | 44.7% | 12.7% |



Revenue Development

Consolidated revenue for Q1 FY26 was INR 3,548.5 cr.; grew by 13.4% over Q1 FY25. Consolidated revenue for Q1 FY26 grew by 3.5% on a q-o-q basis.

Security Solutions – India reported a 9.2% growth y-o-y on the back of new wins of around INR 38 cr. of monthly revenue during the quarter with major contributions from the E-commerce, Construction, Manufacturing, BFSI, and Retail sectors.

Facility Management Solutions reported a 12.1% growth y-o-y on the back of new wins of around INR 25 cr. of monthly revenue during the quarter with major contributions from the Energy, Automobile, Construction, and Manufacturing sectors.

Security Solutions – International reported a 18.5% growth y-o-y in revenues. On a constant currency basis, the International Security segment reported revenue growth of 18.9% on a y-o-y basis. This growth was primarily driven by new wins in the Energy and Airport sectors.

Business segment wise reported revenue growth for Q1 FY26 is as follows:

| Particulars (in %) | Growth % Q1 FY26 vs. Q1 FY25 | Growth % Q1 FY26 vs. Q4 FY25 |
|------------------------------------|---------------------------------|---------------------------------|
| Security Solutions – India | 9.2% | 1.7% |
| Security Solutions – International | 18.5% | 6.2% |
| Facility Management Solutions | 12.1% | 1.2% |

Earnings Before Interest Tax Depreciation & Amortization (EBITDA)

Consolidated EBITDA for Q1 FY26 at INR 152.1 cr. was a 10.7% increase compared to Q1 FY25.

Security Solutions – India reported an EBITDA margin of 5.4% in Q1 FY26; EBITDA margin in Security Solutions - International decreased to 3.0% driven by lower Events business and certain one-off costs; and the EBITDA margin in Facility Management Solutions increased to 4.8%, driven by margin improvement initiatives and solutions business.

Business segment wise reported EBITDA movement for Q1 FY26 is as follows:

| Particulars (in %) | Q1 FY26 | Q1 FY25 | YoY Change | Q4 FY25 | QoQ Change |
|------------------------------------|---------|---------|------------|---------|------------|
| Security Solutions – India | 5.4% | 5.4% | (3) Bps | 5.6% | (22) Bps |
| Security Solutions – International | 3.0% | 3.4% | (37) Bps | 4.0% | (103) Bps |
| Facility Management Solutions | 4.8% | 4.2% | 60 bps | 4.7% | 12 Bps |

Earnings Before Taxes (Reported)

The reported Earnings Before Taxes for the Group were at INR 95.6 cr. for Q1 FY26, compared to INR 71.2 cr. for Q1 FY25, an increase of 34.3%.

Other income & share of profit/(loss) in associates for the quarter is comprised of:

- The effects of unrealized currency translation amounting to INR (3.8) cr. in respect of the RDBs issued by the parent to its Australian subsidiary.
- Interest income; and the Group's share of the profit/(loss) in its associates and other gains and losses.



The Group's consolidated **Depreciation & Amortization** amounted to INR 41.6 cr. for Q1 FY26, which was lower than INR 42.7 cr. for the same quarter last year.

Finance costs for the Group amounted to INR 40.9 cr. which was lower compared to the same quarter last year of INR 42.2 cr. driven by decrease in interest rates.

Taxes & Profit after Tax (PAT)

The reported Profit after Tax for the Group was at INR 92.9 cr. for Q1 FY26, grew by 44.7% compared to INR 64.2 cr. for Q1 FY25.

| Particulars (in ₹cr.) | Q1 FY26 | Q1 FY25 | Q4 FY25 |
|-------------------------------------|-------------|-------------|-------------|
| Reported PAT | 92.9 | 64.2 | -223.4 |
| Less: Effect of Goodwill impairment | - | - | 305.8 |
| Operating PAT | 92.9 | 64.2 | 82.5 |

Accounting for the benefits under Section 80JJAA of the Income Tax Act, 1961

The key qualifying criterion for availing the tax benefits under section 80JJAA is an increase in the number of employees during the year and eligible employees completing a period of employment of at least 240 days in the year either in the year of recruitment or in the immediately succeeding financial year.

We continue to receive, and account for, the tax benefits under section 80JJAA which have accrued to the Group during FY24 and FY25. In FY26, the Group is also eligible to claim benefits in respect of those eligible employees employed in FY25 and completing a period of employment of at least 240 days in FY26.

The current tax rate reflects the amount of tax on a standalone basis the Company is expected to pay when preparing and filing its tax returns. The real effective tax rate reflects the current tax plus the deferred tax effect on timing differences. The current tax rate and real effective tax rate, is computed below:

| Particulars (in ₹cr.) | Q1 FY26 | Q1 FY25 | Q4 FY25 |
|---|-------------|---------------|--------------|
| PBT | 96.3 | 29.3 | 41.3 |
| Current tax | 7.6 | -0.1 | 0.0 |
| Deferred tax effect on timing differences | -2.5 | -3.4 | 9.1 |
| Total tax items | 5.2 | -3.5 | 9.1 |
| Current tax rate | 7.9% | -0.4% | -0.1% |
| Real Effective tax rate | 5.4% | -12.0% | 22.0% |



Cash flows, Leverage (Net Debt) and Return Ratios

Net Debt / EBITDA was **0.87** as of end of Q1 FY26, which increased compared to 0.71 as at end of Q4 FY25. This was mainly due to the buy-back of INR 150 Cr. completed during the quarter.

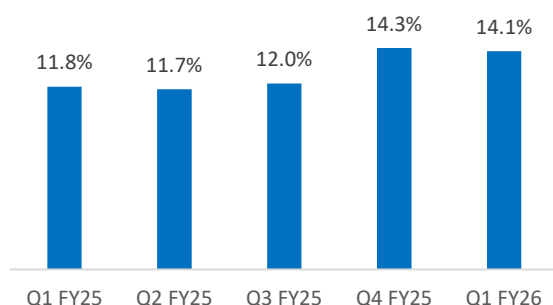
OCF/EBITDA on a consolidated basis was **105.7%** for the quarter due to better working capital management in International and tax refunds received in India during the quarter.

Return Ratios: Our Consolidated Return on Capital employed (ROCE), which is a reflection of the operating earnings as the percentage of operating capital is **14.1%**. Our Return on Equity (RoE) post adjusting the impairment charge is **14.2%**

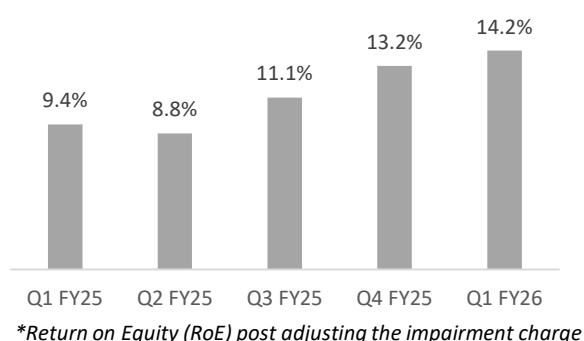
Q1 FY26 Cash Flow:

| Particulars (in ₹cr.) | IND – SEC | INT - SEC | FM | Consolidated |
|---------------------------------|---------------|---------------|--------------|---------------|
| PBT | 99.6 | 19.5 | 22.3 | 95.6 |
| Cash Profit | 87.5 | 45.9 | 30.2 | 163.9 |
| Changes in working capital | -106.8 | 76.1 | -0.8 | -31.7 |
| Taxes paid | 47.9 | -6.4 | -12.9 | 28.6 |
| Net Operating cash flows | 28.6 | 115.6 | 16.6 | 160.8 |
| Capex | -19.4 | -25.2 | -17.9 | -62.6 |
| Investments made/realised | -6.0 | 6.0 | 0.0 | -6.0 |
| Other items | 50.2 | 0.0 | 0.0 | 0.0 |
| Net Investing cash flows | 24.8 | -19.2 | -17.9 | -68.6 |
| Borrowings, net | -123.6 | 7.2 | -0.5 | -116.9 |
| Lease liability | -8.9 | -7.9 | -2.7 | -19.3 |
| Interest paid | -8.1 | -5.0 | -0.3 | -13.4 |
| Other items | -166.6 | -6.3 | -35.0 | -151.5 |
| Net financing cash flows | -307.2 | -12.0 | -38.5 | -301.1 |
| Net change in cash flows | -253.7 | 84.4 | -39.8 | -208.9 |
| EBITDA | 78.2 | 45.7 | 28.4 | 152.1 |
| OCF/EBITDA% | 36.7% | 253.1% | 58.3% | 105.7% |

RoCE



RoE*

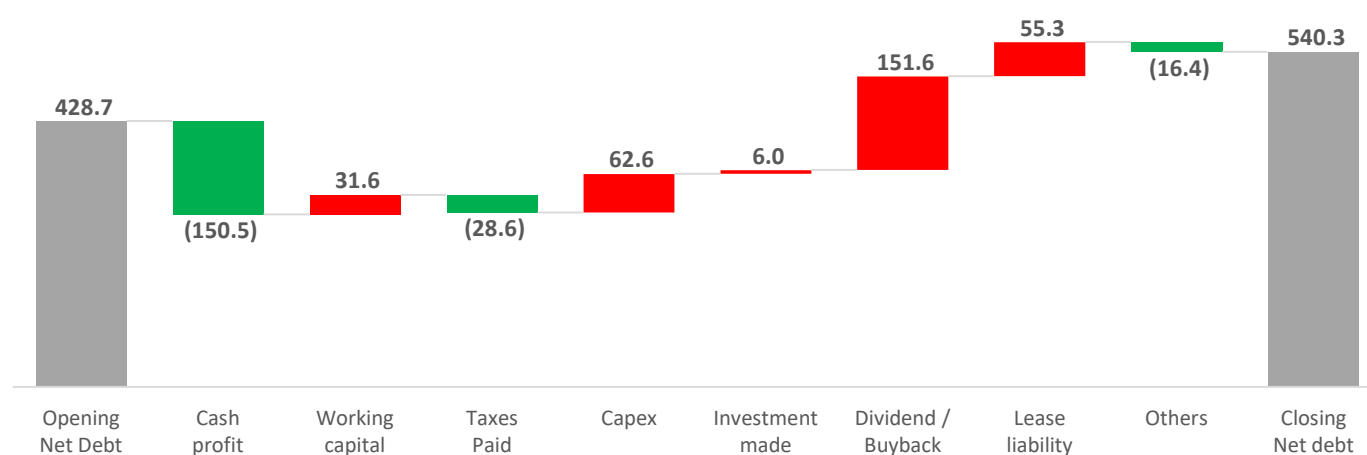


Leverage (Net Debt)

The movement in Net debt for Q1 FY26 is provided in the table and chart below:

| Particulars (in ₹cr.) | June 2025 | | | March 2025 | | |
|---------------------------------|--------------|------------|--------------|--------------|------------|--------------|
| | India | Intl | Total | India | Intl | Total |
| Long-term borrowings | 358 | 539 | 898 | 481 | 503 | 984 |
| Working capital borrowings | 551 | 2 | 553 | 516 | 2 | 517 |
| Add: Lease liabilities | 119 | 61 | 180 | 100 | 44 | 144 |
| Gross Debt | 1,028 | 602 | 1,631 | 1,097 | 548 | 1,645 |
| Less: Cash and Cash Equivalents | 458 | 632 | 1,090 | 701 | 515 | 1,217 |
| Net Debt | 570 | -30 | 540 | 396 | 33 | 429 |

Net Debt Bridge (in ₹cr.) – Q1 FY26 (31st March '25 – 30th June '25) :





The Security Solutions - India business comprises of five entities.

We continue our leadership position as the largest security solutions company in India.

The business currently operates across 171 branches and has 194,497 employees.

Highest ever quarterly revenues

The segment has reported the highest ever quarterly revenues of INR 1,459.9 Cr. for Q1 FY26 which was a 9.2% growth over Q1 FY25 and 1.7% growth over Q4 FY25, continuing the growth momentum.

Our new order wins during the quarter were around INR 38 cr. of monthly revenue. Major wins during the quarter came from the E-commerce, Construction and Manufacturing sectors.

Our VProtect business now services over 24,888 customer connections.

EBITDA margin at 5.4% despite annual compensation review (ACR) impact

The segment has reported a quarterly EBITDA of INR 78.2 Cr. in Q1 FY26 an 8.5% increase y-o-y. EBITDA margin remained stable at 5.4% compared to Q1 FY25. EBITDA margins were slightly impacted due to the ACR of back-office employees. Margin improvement continues to be the key focus of management.

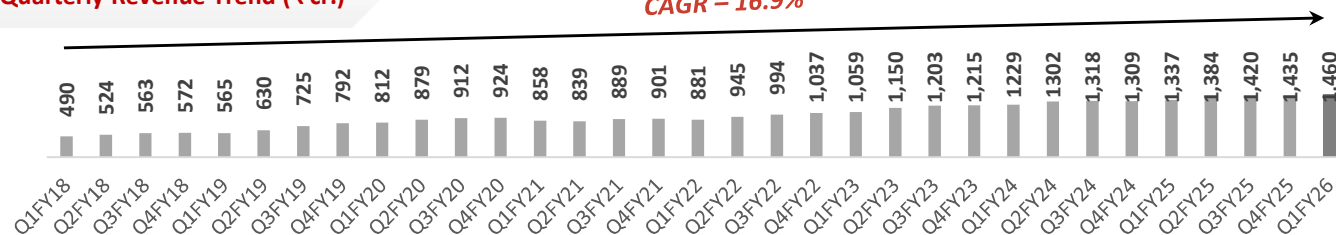
DSO increased in line with past trends

DSOs increased by 8 days to 76 days at the end of June 2025 compared to Q4 FY25, however it is still 6 days lower compared to Q1 FY25. The business reported an OCF/EBITDA of 36.7% during the quarter, driven by increase in DSO days.

| Particulars (in ₹cr.) | Q1 FY26 | Q1 FY25 | Y-o-Y Change % | Q4 FY25 | QoQ Change % |
|-------------------------|---------|---------|----------------|---------|--------------|
| Revenue | 1,459.9 | 1,337.5 | 9.2% | 1,435.1 | 1.7% |
| EBITDA | 78.2 | 72.0 | 8.5% | 80.0 | -2.3% |
| EBITDA% | 5.4% | 5.4% | | 5.6% | |
| Share of group Revenue% | 41.1% | 42.7% | | 41.9% | |
| Share of group EBITDA% | 51.4% | 52.4% | | 48.5% | |

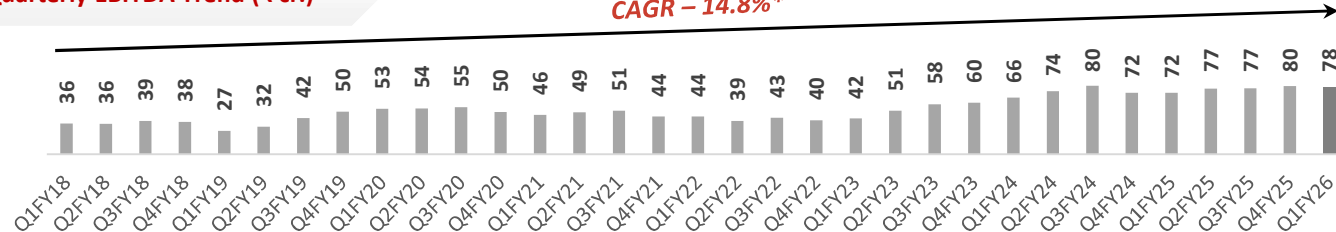
Quarterly Revenue Trend (₹ cr.)

CAGR – 16.9%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 14.8%*



*FY17-25 CAGR%



The Security Solutions - International business comprises four entities.

We continue to be the market leader in Australia and a top 3 player in New Zealand.

The International Security business currently has 10,832 employees.



Highest ever quarterly revenues and Strong growth momentum

The segment has reported the highest ever quarterly revenues of INR 1,512.5 cr. for Q1 FY26, which was an 18.5% growth over Q1 FY25 and 6.2% over Q4 FY25, continuing the growth momentum. Major wins during the quarter came from the Airports and Energy sectors.

One-offs impacting margins

The segment has reported quarterly EBITDA of INR 45.7 Cr. for Q1 FY26, which was a 5.6% growth over Q1 FY25. The EBITDA margin for Q1 FY26 was 3.0% compared to 3.4% in Q1 FY25. The EBITDA margin was impacted due to certain one-off costs during the quarter and grants received last year. Normalized EBITDA margin without one-off costs and grants has increased from 2.9% in Q1 FY25 to 3.3% in Q1 FY26. Margin improvement continues to be the key focus of management.

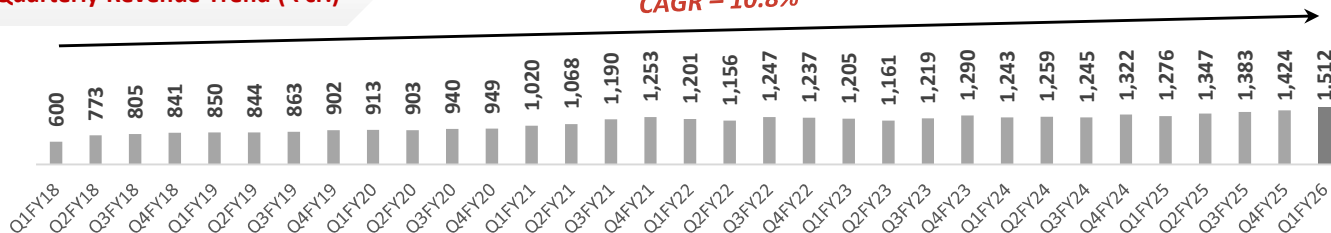
Strong Cashflows

DSOs decreased by 2 days to 49 days at the end of June 2025 compared to March 2025. The business reported a strong OCF/EBITDA of 253% during the quarter, driven by reduction in DSO days and efficient management of working capital.

| Particulars (in ₹cr.) | Q1 FY26 | Q1 FY25 | Y-o-Y Change % | Q4 FY25 | QoQ Change % |
|-------------------------|---------|---------|----------------|---------|--------------|
| Revenue | 1,512.5 | 1,276.0 | 18.5% | 1,423.6 | 6.2% |
| EBITDA | 45.7 | 43.2 | 5.6% | 57.6 | -20.7% |
| EBITDA% | 3.0% | 3.4% | | 4.0% | |
| Share of group Revenue% | 42.6% | 40.8% | | 41.5% | |
| Share of group EBITDA% | 30.0% | 31.5% | | 35.0% | |

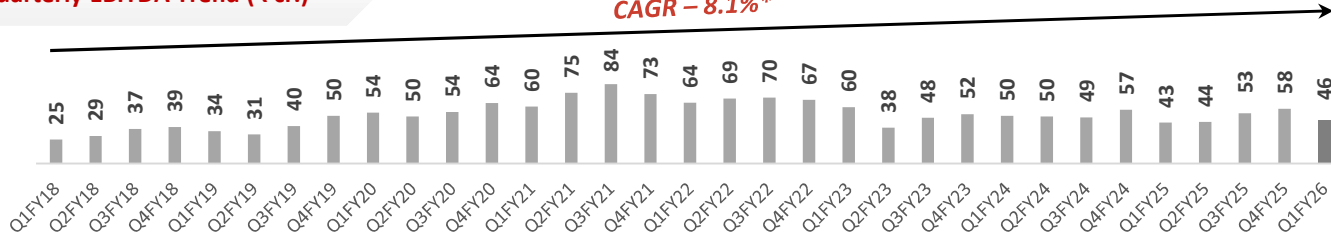
Quarterly Revenue Trend (₹ cr.)

CAGR – 10.8%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 8.1%*



*FY17-25 CAGR%



The Facility Management business comprises of five entities.

The Group operates the largest FM business in India.

The FM business currently operates across 90 branches and has 85,407 employees.



Highest ever quarterly revenues

The segment has reported the highest-ever quarterly revenues of INR 594.3 Cr. for Q1 FY26, which was 12.1% growth over Q1 FY25 and 1.2% over Q4 FY25, continuing the growth momentum.

Our new order wins during the quarter were more than INR 25 cr. of monthly revenue. Major wins during the quarter came from the Energy, Manufacturing, Construction and Automobile sectors. One SIS gained strong momentum in Q1 FY26, reaching an annualized revenue run rate of ₹100 cr.

Highest ever quarterly EBITDA

The segment has reported the highest-ever quarterly EBITDA of INR 28.4 Cr. for Q1 FY26, which was a 28.2% growth over Q1 FY25. The EBITDA margin for Q1 FY26 was 4.8% compared to 4.2% in Q1 FY25. The EBITDA margin improvement was driven by the focused execution of margin management initiatives and a gradual increase in the solutions business.

Driving Innovation and Sustainability

As the market leader, we had propelled meaningful progress by embedding technology at the heart of operations and championing sustainability across the service landscape. These initiatives reflect our commitment to smarter and more responsible growth, delivering both operational excellence and lasting impact. Clients are preferring Integrated Facility Management (IFM) service providers, underscoring the continued market shift toward comprehensive service solutions. ESG continues to be the focus.

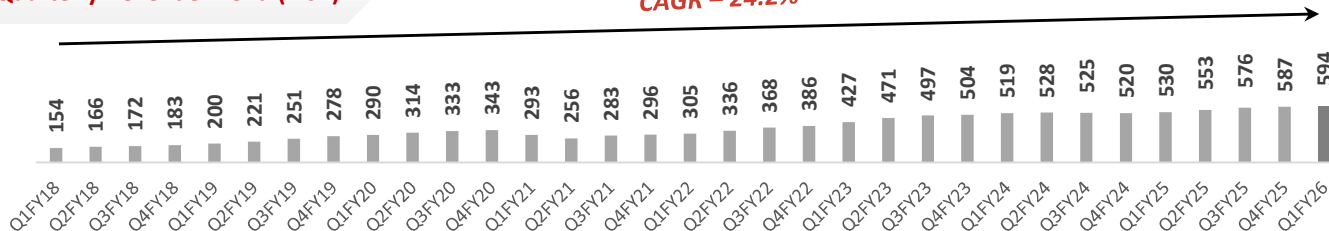
TERMINIX SIS rebranded as PESTX

Effective 1st July 2025, our Pest business underwent a major rebranding exercise to PESTX as a brand and SIS PESTX India Private Limited as the company name. This was done in line with the agreed-upon arrangements with Terminix following SIS's full acquisition of the company in Q1 FY23.

| Particulars (in ₹cr.) | Q1 FY26 | Q1 FY25 | Y-o-Y Change % | Q4 FY25 | QoQ Change % |
|-------------------------|---------|---------|----------------|---------|--------------|
| Revenue | 594.3 | 530.3 | 12.1% | 587.0 | 1.2% |
| EBITDA | 28.4 | 22.2 | 28.2% | 27.4 | 3.7% |
| EBITDA% | 4.8% | 4.2% | | 4.7% | |
| Share of group Revenue% | 16.7% | 16.9% | | 17.1% | |
| Share of group EBITDA% | 18.7% | 16.1% | | 16.6% | |

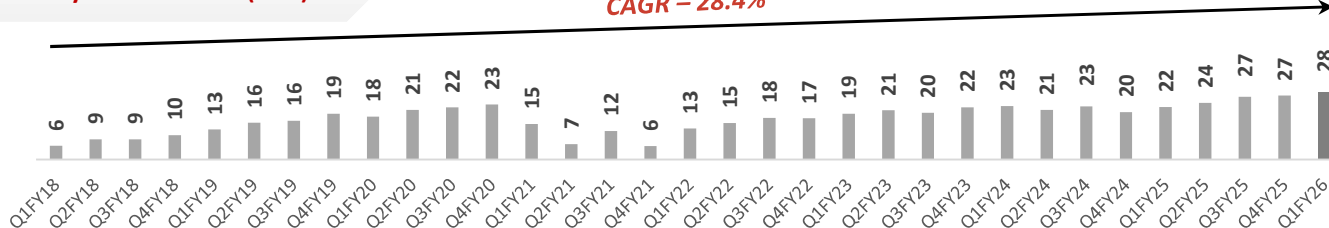
Quarterly Revenue Trend (₹ cr.)

CAGR – 24.2%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 28.4%*



*FY17-25 CAGR%

