SIS Group Enterprises

A Market Leader in Security, Cash Logistics & Facility Management



Q2 & H1 FY27

EARNING UPDATE

4 NOVEMBER 2026

Results commentary from Group Managing Director

Q2-FY27 & H1-FY27

	Revenue	EBITDA	PAT	
Q2 FY27	₹4,816 cr. 28% ↑ Q2 FY26: ₹3,759 cr.	₹223 cr. 33% ↑ Q2 FY26: ₹168 cr.	₹111 cr. 37% ↑ Q2 FY26: ₹81 cr.	ROCE 16.5% ↑ H1 FY26: 14.3%
H1 FY27	₹9,420 cr. 29% ↑ H1 FY26: ₹7,307 cr.	₹430 cr. 34% ↑ H1 FY26: ₹320 cr.	₹212 cr. 22% ↑ H1 FY26: ₹174 cr.	ROE 16.0% ↑ H1 FY26: 14.5%



"In Q1, we called FY27 an inflection year. Q2 establishes the trend – record revenue of INR 4,816 cr. with y-o-y revenue growth of 28%, EBITDA growth of 33% and our highest-ever quarterly PAT of INR 111 cr. The major chunk of the Labour Code repricing benefit is still ahead of us."

Rituraj Sinha
Group Managing Director

Record revenue growth driven by volumes and minimum wage revisions

Consolidated revenue rose to a record INR 4,816 cr., up 28.1% y-o-y and 4.6% q-o-q, led by India. Security Solutions – India grew 7.0% q-o-q (15.7% y-o-y excluding APS) and FM 5.5% q-o-q, on both volumes and price increases after major minimum wage revisions in Haryana and Uttar Pradesh; other states are due.

Labour Codes support margin gains in India

India EBITDA grew to INR 151.5 cr., a 13.8% growth in last six months from Q4 FY26 since the introduction of New Labour Codes. India EBITDA margin has increased from 5.2% in Q4 FY26 to 5.4% in Q2 FY27 driven by both Security Solutions India and Facility Management Solutions segments. Higher wage and statutory costs are being fully passed through, resulting in both revenue and margin improvement.

INR 106 cr. open market buyback completed

SIS, among the first to announce an open market buyback, completed it in 45 trading sessions, buying back ~25 lakh shares worth INR 106 cr. resulting in the promoter holding rise from 71.9% to 73.1%. With this buyback, the total money returned to shareholders since listing stands at over ~INR 700 cr.

Labour Codes: a Big Positive

Labour Codes are a big positive for SIS and the state-by-state enforcement will take time. The Centre notified Code on Wages (Central) Rules on 8 May 2026, and our internal Labour Code compliance programme started on 1 June 2026. State Model Rules are pending to be published. A few states i.e., Karnataka, Haryana, UP and Uttarakhand have raised minimum wages and others are expected to follow, with the industry moving towards compliance. The gain is already starting visible in our P&L, and a large part is still to come as states notify Model Rules and revise state minimum wages.

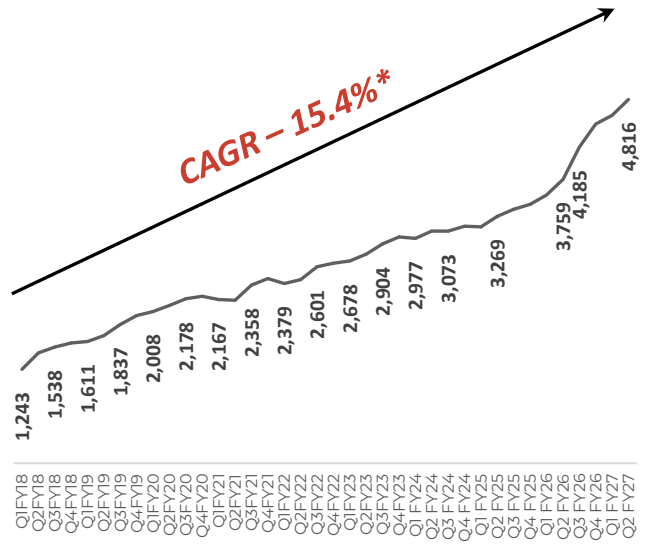
Net Debt to EBITDA

Net debt to EBITDA at 1.2x, has increased from 1.0x in Q1 FY27. This increase is mainly driven by the increase in the DSO in Security Solutions International and buyback payout. However, there is only a marginal increase in Gross debt from INR 1,993 cr. as of Q1 FY27 to INR 2,047 cr. in Q2 FY27.

Historical Financial Trends

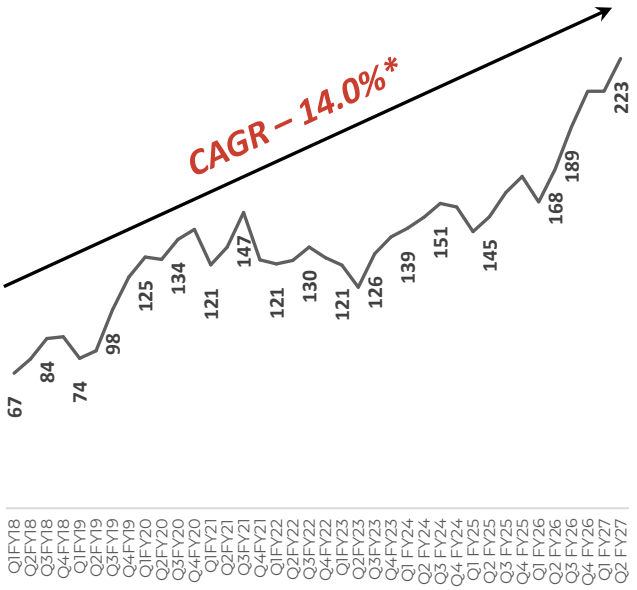
Quarterly Trend (₹ cr.)

Revenue

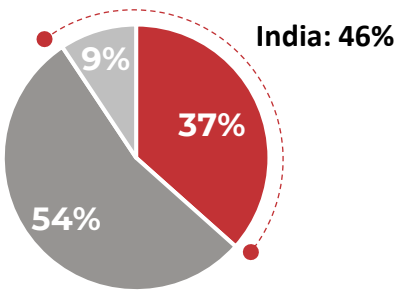


*FY17-26 CAGR%

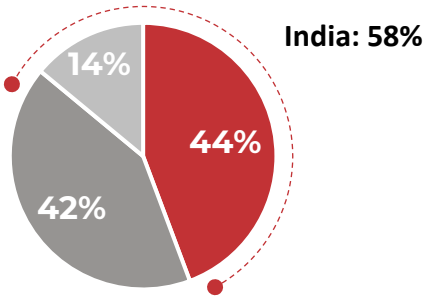
EBITDA



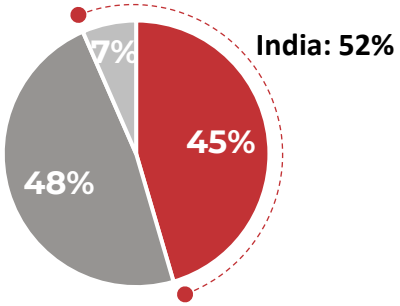
FY17 Revenue Contribution



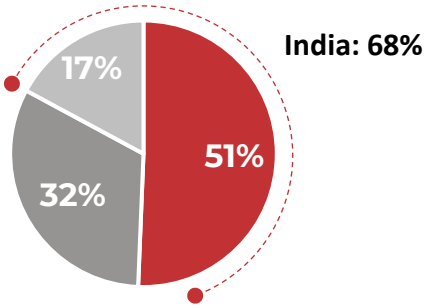
Q2 FY27 Revenue Contribution



FY17 EBITDA Contribution



Q2 FY27 EBITDA Contribution



Facility Management Solutions | Security Solutions - India | Security Solutions - International

Consolidated Financial Results & Commentary

Particulars (In ₹cr.)	Quarterly Numbers			Change %		6M Numbers		Change %
	Q2 FY27	Q2 FY26	Q1 FY27	Y-o-Y	Q-o-Q	H1 FY27	H1 FY26	Y-o-Y
Revenue	**4,816.0**	**3,758.5**	**4,603.6**	*28.1%*	*4.6%*	**9,419.6**	**7,307.0**	*28.9%*
EBITDA	**223.3**	**168.3**	**207.1**	*32.7%*	*7.8%*	**430.4**	**320.3**	*34.4%*
EBITDA Margin%	*4.6%*	*4.5%*	*4.5%*			*4.6%*	*4.4%*	
Depreciation	60.0	47.6	54.7	*26.0%*	*9.7%*	114.7	89.2	*28.6%*
Finance Costs	50.5	36.8	50.3	*37.3%*	*0.4%*	100.8	77.7	*29.8%*
Income from treasury operations	4.7	0.0	1.7			6.4	0.0	
Other income & share of profit/(loss) in associates	20.6	19.6	18.2			38.7	45.6	
Less: Acquisition related costs / (income)								
Depreciation	7.9	0.0	*7.8*			15.7	0.0	
Finance Costs	8.2	0.0	*7.8*			16.0	0.0	
Earnings Before Taxes	**122.0**	**103.5**	**106.4**	*17.8%*	*14.6%*	**228.4**	**199.1**	*14.7%*
EBT Margin%	*2.5%*	*2.8%*	*2.3%*			*2.4%*	*2.7%*	
Tax Expenses	11.2	22.8	4.7			16.0	25.5	
Profit After Taxes	**110.7**	**80.7**	**101.7**	*37.1%*	*8.9%*	**212.4**	**173.7**	*22.3%*
Reported PAT Margin%	*2.3%*	*2.1%*	*2.2%*			*2.3%*	*2.4%*	
EPS	7.9	5.7	7.2			15.1	12.2	
OCF	-99.2	10.6	87.7			-11.5	171.4	
OCF to EBITDA%	***-44.4%***	***6.3%***	***42.3%***			***-2.7%***	***53.5%***	
Net Debt	1,025.6	663.1	807.1			1,025.6	663.1	
Net Debt to EBITDA (LTM EBITDA)	***1.24***	***1.03***	**1.05**			***1.24***	***1.03***	

Revenue, EBITDA, and PAT Growth Development by Business Segment

Business Segments	Revenue Growth		EBITDA Growth		PAT Growth	
Total Growth - %	Q2 FY27 v/s Q2 FY26	Q2 FY27 v/s Q1 FY27	Q2 FY27 v/s Q2 FY26	Q2 FY27 v/s Q1 FY27	Q2 FY27 v/s Q2 FY26	Q2 FY27 v/s Q1 FY27
	Y-o-Y	Q-o-Q	Y-o-Y	Q-o-Q	Y-o-Y	Q-o-Q
Security Solutions – India	38.9%	7.0%	37.2%	10.4%	25.3%	206.8%
Security Solutions – International (on a constant currency basis)	6.3%	1.3%	14.2%	2.8%	-9.3%	7.2%
Facility Management Solutions	7.6%	5.5%	17.8%	8.9%	95.6%	13.6%
SIS Group Consolidated	**28.1%**	**4.6%**	**32.7%**	**7.8%**	**37.1%**	**8.9%**

Revenue Development

Consolidated revenue for Q2 FY27 was INR 4,816.0 cr.; grew by 28.1% y-o-y and 4.6% q-o-q.

Business segment wise reported revenue growth for Q2 FY27 is as follows:

Particulars (Q2 FY27)	YoY Change %	QoQ Change %
Security Solutions – India	38.9%	7.0%
Security Solutions – International	25.7%	1.9%
Facility Management Solutions	7.6%	5.5%

Earnings Before Interest Tax Depreciation & Amortization (EBITDA)

Consolidated EBITDA for Q2 FY27 at INR 223.3 cr. was a 32.7% increase compared to Q2 FY26.

Security Solutions – India reported an EBITDA margin of 5.3% in Q2 FY27, broadly in line with Q2 FY26 (5.3%) and up from 5.1% in Q1 FY27. EBITDA margin in Security Solutions – International was 3.6% in Q2 FY27, an increase from 3.3% in Q2 FY26 and 3.5% in Q1 FY27. The EBITDA margin in Facility Management Solutions increased to 5.7% in Q2 FY27 from 5.2% in Q2 FY26 and 5.5% in Q1 FY27, on the back of cost discipline and Labour Code-linked rate revisions.

Business segment wise EBITDA movement for Q2 FY27 is as follows:

Particulars (in %)	Q2 FY27	Q2 FY26	YoY Change	Q1 FY27	QoQ Change
Security Solutions – India	**5.3%**	5.3%	-	5.1%	*20 bps*
Security Solutions – International	**3.6%**	3.3%	*30 bps*	3.5%	*10 bps*
Facility Management Solutions	**5.7%**	5.2%	*50 bps*	5.5%	*20 bps*

Earnings Before Taxes (Reported)

The reported Earnings Before Taxes for the Group were INR 122.0 cr. for Q2 FY27, compared to INR 103.5 cr. for Q2 FY26, primarily due to higher EBITDA, including the contribution from the APS acquisition.

The Group's consolidated **Depreciation & Amortization** amounted to INR 67.9 cr. for Q2 FY27, which was higher than INR 47.6 cr. for Q2 FY26 mainly due to an increase in capex deployed at customer sites, acquisition related depreciation of ₹7.9 cr. (nil in Q2 FY26) and higher depreciation on ROU assets of ₹18.7 cr. (Q2 FY26: ₹12.4 cr.) related to a new office multi-year lease within the Security Solutions – International segment.

Finance costs for the Group amounted to INR 58.7 cr., which was higher compared to Q2 FY26 of INR 36.8 cr. primarily due to an increase in interest cost on lease liabilities to ₹8.9 cr. (Q2 FY26: ₹4.7 cr.) for a new office multi-year lease and acquisition related finance cost of ₹8.2 cr. (nil in Q2 FY26). The breakup of finance cost with lease liabilities split is placed below:

Particulars (In ₹ cr.)	Quarterly Numbers			Change %	
	Q2 FY27	Q2 FY26	Q1 FY27	Y-o-Y	Q-o-Q
Interest on lease liabilities	8.9	4.7	9.7		
Other Finance Cost	49.8	32.1	48.4		
Total Finance Cost	**58.7**	**36.8**	**58.1**	*59.6%*	*1.0%*

Taxes & Profit after Tax (PAT)

The reported Profit after Tax for the Group was INR 110.7 cr. for Q2 FY27 compared to INR 80.7 cr. for Q2 FY26.

Ind AS 116 requires lessees to bring most lease arrangements onto the balance sheet, recognising a Right-of-Use asset and a corresponding lease liability for all leases exceeding 12 months. This replaces the straight-line rent expense with depreciation on the ROU asset and interest expense on the lease liability. Consequently, lease rentals are now reflected as depreciation and finance cost rather than as an operating expense, which inflates reported EBITDA and affects comparability with historical trends and industry peers.

The Company therefore continues to present non-Ind AS (pre-Ind AS 116) financials alongside the statutory Ind AS numbers, providing a like-for-like view of underlying operating performance consistent with the basis on which the business is managed and evaluated.

Particulars (In ₹cr.)	Quarterly Numbers		
	Q2 FY27	Q2 FY26	Q1 FY27
Reported EBITDA	**223.3**	**168.3**	**207.1**
Rent expense (A)	-22.7	-13.8	-18.7
EBITDA (w/o Ind As 116)	**200.5**	**154.5**	**188.4**
Depreciation – ROU (B)	18.7	12.4	17.8
Interest expense on lease liability (C)	8.9	4.7	9.7
Total Impact (A+B+C)	**4.9**	**3.3**	**8.8**
Reported PAT	**110.7**	**80.7**	**101.7**
PAT (w/o Ind As 116)	**115.6**	**84.0**	**110.5**

Accounting for the benefits under Section 80JJAA of the Income Tax Act, 1961 (currently, Section 146 of the Income Tax Act, 2025)

As a Group, we continue to receive, and account for, the tax benefits under section 80JJAA which have accrued to the India business during FY25 and FY26. In FY27, the Group is also eligible to claim benefits in respect of those eligible employees employed in FY26 and completing a period of employment of at least 240 days in FY27.

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.

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.

Particulars (in ₹ cr.)	Q2 FY27	Q2 FY26	Q1 FY27
PBT	**156.2**	**128.0**	**51.3**
Current tax	14.1	13.6	5.3
Less: Tax on Capital Gains and dividends	-8.5	-13.6	-
Adjusted current tax	**5.6**	**-**	**5.3**
Adjusted Current tax rate	10.2%	0.0%	10.4%

Leverage and Financing

Cash flows, Leverage (Net Debt) and Return Ratios

Net Debt / EBITDA was **1.24** as at end of Q2 FY27, compared to 1.05 as at end of Q1 FY27, primarily due to a working capital outflow of INR 273 cr., largely in Security Solutions International, and buyback payouts of INR 92 cr.

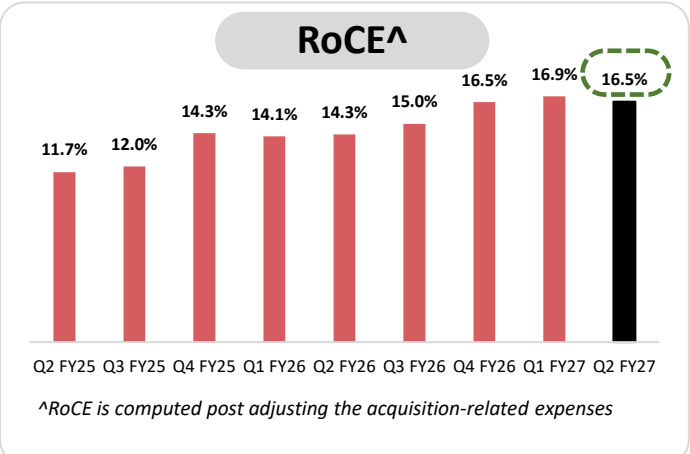
OCF/EBITDA on a consolidated basis was **-44.4%** for the quarter (Q1 FY27: 42.3%), driven by a working capital outflow of INR 216 cr. in International.

Return Ratios: Our Consolidated Return on Capital employed (ROCE), which is a reflection of the operating earnings as the percentage of operating capital is **16.5%**. Our Return on Equity (RoE) is **16.0%**.

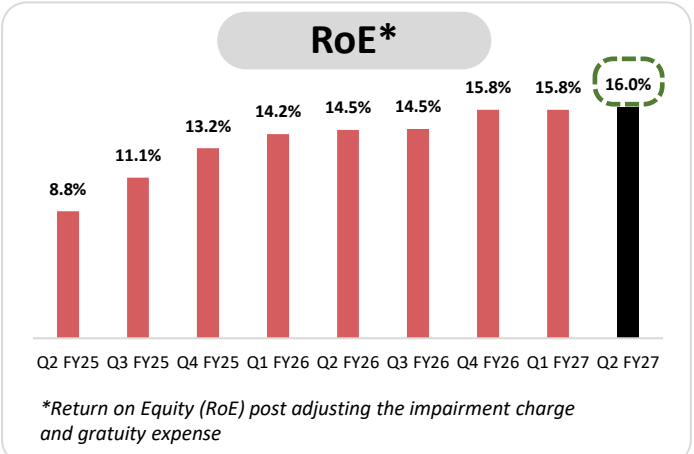
Q2 FY27 Cash Flow:

Particulars (in ₹ cr.)	IND – SEC	INT - SEC	FM	Consolidated*
PBT	168.4	38.4	26.6	122.0
Cash Profit	**121.3**	**73.5**	**40.3**	**235.6**
Changes in working capital	-32.0	-216.3	-24.6	-273.5
Taxes paid	-25.1	-36.2	-0.1	-61.35
Net Operating cash flows	**64.2**	**-179.0**	**15.6**	**-99.2**
Capex	-14.3	-15.9	-6.7	-37.2
Investments made/realised	21.0	4.3	0.0	-83.0
Net Investing cash flows	**6.7**	**-11.5**	**-6.7**	**-120.1**
Borrowings, net	-4.3	-2.2	-5.0	-11.5
Lease liability	-11.6	-10.3	-2.7	-24.3
Interest paid	-19.2	-9.4	-1.6	-30.2
Buyback / dividend & other items	-93.9	-40.7	-66.0	-93.9
Net financing cash flows	**-129.0**	**-62.6**	**-75.2**	**-159.8**
Net change in cash flows	**-58.1**	**-253.1**	**-66.3**	**-379.2**
EBITDA	**113.2**	**72.0**	**38.3**	**223.3**
OCF/EBITDA%	**56.7%**	**-248.5%**	**40.7%**	**-44.4%**

*Consolidated cashflows is post inter-company eliminations.



^RoCE is computed post adjusting the acquisition-related expenses



**Return on Equity (RoE) post adjusting the impairment charge and gratuity expense*

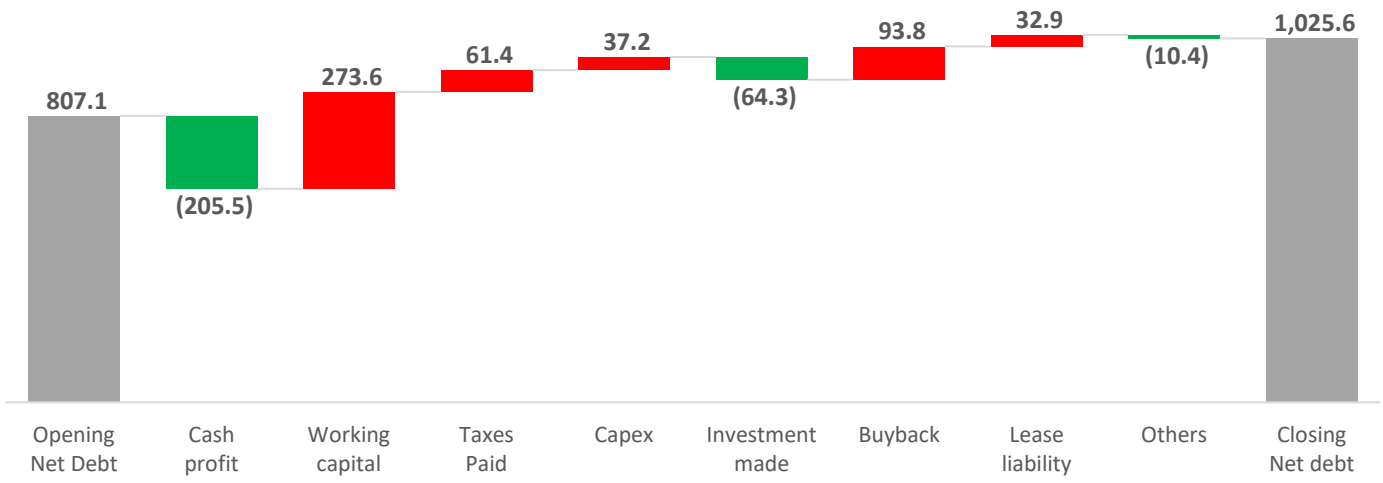
Leverage and Financing

Leverage (Net Debt)

The movement in Net debt for Q2 FY27 is provided in the table and chart below:

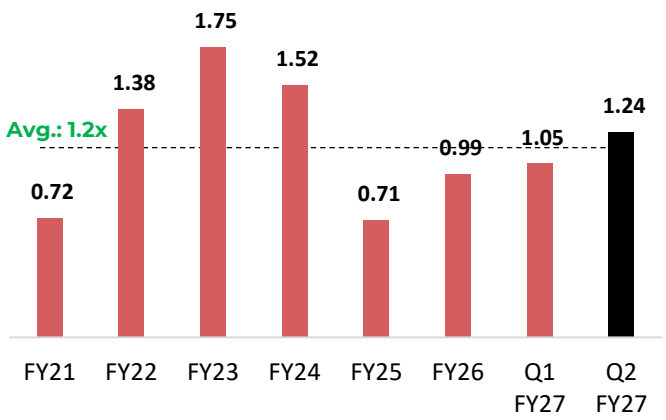
Particulars (in ₹ cr.)	September 2026			June 2026		
	India	Intl	Total	India	Intl	Total
Long-term borrowings	321	527	848	333	519	852
Working capital borrowings	791	29	820	744	28	772
Add: Lease liabilities	145	234	379	140	230	370
Gross Debt	**1,257**	**789**	**2,047**	**1,216**	**777**	**1,993**
Less: Cash and Cash Equivalents	488	533	1,021	420	766	1,186
Net Debt	**769**	**256**	**1,026**	**796**	**11**	**807**

Net Debt Bridge (in ₹ cr.) – Q2 FY27 (1st July '26 – 30th September '26):

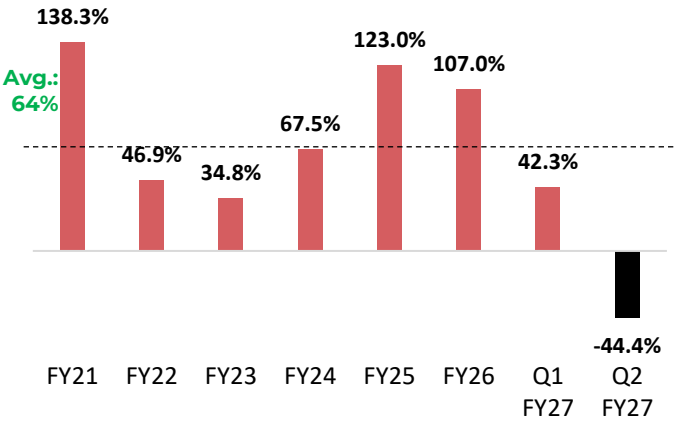


KPIs – Consolidated

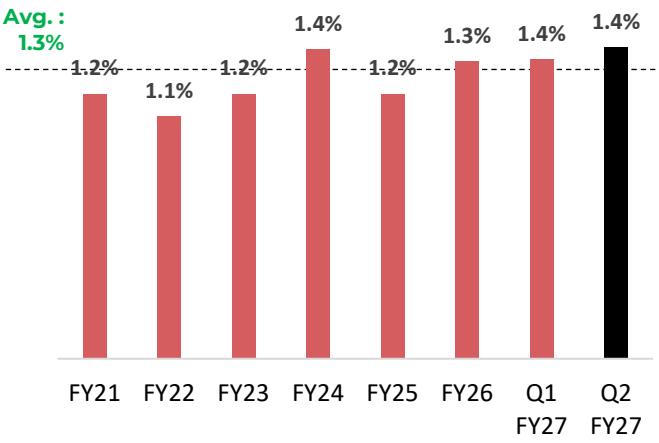
Net Debt / EBITDA (x)



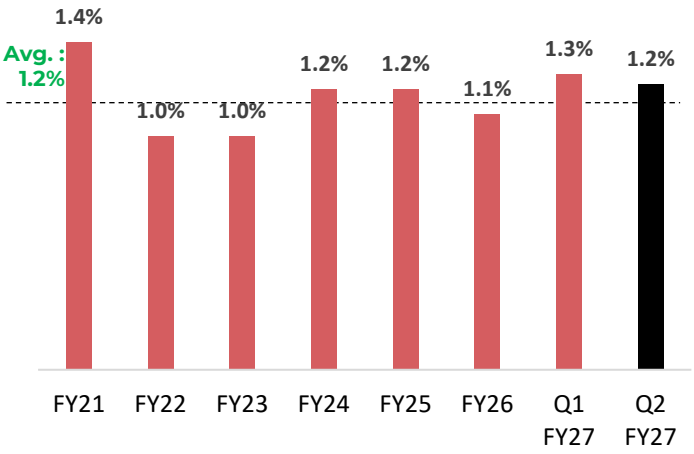
OCF / EBITDA (%)



Depreciation as a % revenue



Finance Cost as a % revenue



Security Solutions – India

The Security Solutions - India business comprises six entities.

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

The business currently operates across 197 branches with
- **Billable employees: 2,55,384**
- **Non-billable employees: 3,486**

Continued Growth Momentum with Record Revenue

The segment has achieved a new revenue milestone of INR 2,144.1 cr. for Q2 FY27, 38.9% growth y-o-y and 7.0% q-o-q, continuing the growth momentum. H1 FY27 revenue was INR 4,148.2 cr., up 38.1% y-o-y.

Our new order wins during the quarter were around INR 32 cr. of monthly revenue. Major wins during the quarter came from the Ecommerce, Metals & Mining, and IT/ITES sectors.

Strong EBITDA Growth with Stable Margins

The segment has reported a quarterly EBITDA of INR 113.2 cr. in Q2 FY27, a 37.2% growth y-o-y. EBITDA margin was 5.3% in Q2 FY27, in line with Q2 FY26 and up from 5.1% in Q1 FY27.

Margin improvement initiatives

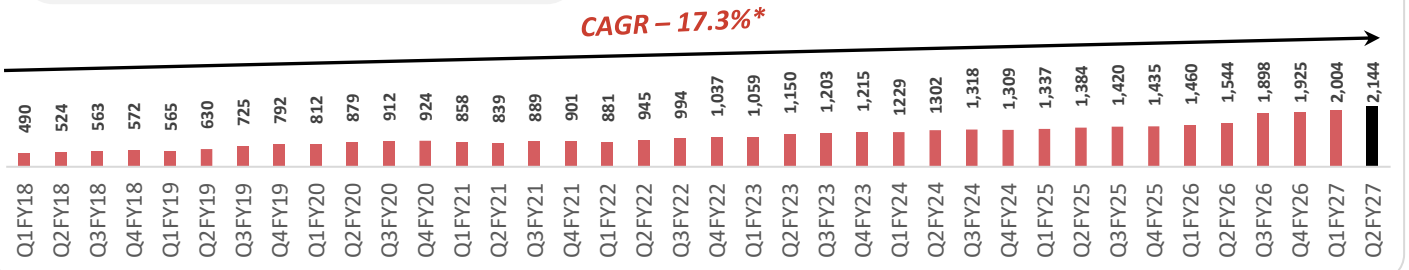
Margin moved up from 5.1% in Q1 FY27 as higher wage and statutory costs under the Labour Codes were passed through to customers, gross margin held stable and operating leverage improved. The team continues to review low-margin contracts and control operating expenses.

Improved Working Capital Efficiency

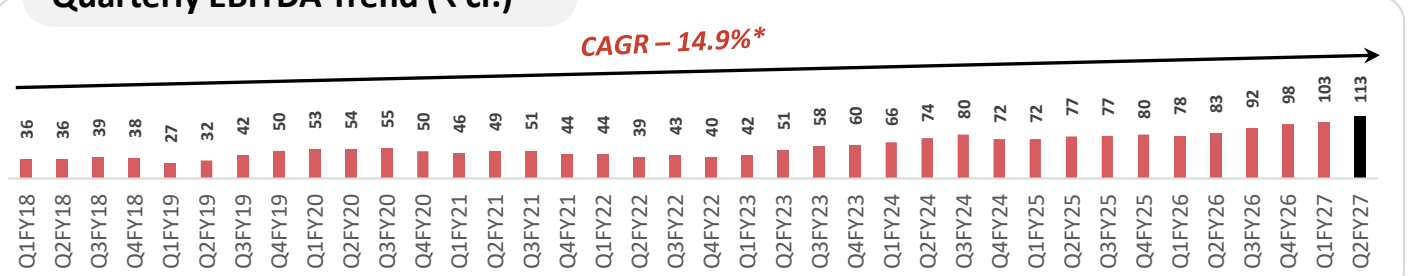
DSO for the quarter stood at 73 days – 3 days better than 76 days at the end of September 2025 and 1 day better than 74 days at the end of June 2026.

Particulars (in ₹ cr.)	Q2 FY27	Q2 FY26	Y-o-Y Change %	Q1 FY27	QoQ Change %
Revenue	**2,144.1**	1,543.6	**38.9%**	2,004.1	**7.0%**
Reported EBITDA	**113.2**	82.5	**37.2%**	102.5	**10.4%**
Reported EBITDA%	**5.3%**	5.3%		5.1%	
Share of group Revenue%	**44.5%**	41.1%		43.5%	
Share of group EBITDA%	**50.7%**	49.0%		49.5%	

Quarterly Revenue Trend (₹ cr.)



Quarterly EBITDA Trend (₹ cr.)



#FY17-26 CAGR%

Case Study: Security Solutions – India

AI-led Surveillance for Distributed Industrial Sites

Client Profile

Maruti Suzuki India Ltd having a **multiple large land parcels** across **distributed locations**, needing smarter surveillance with better control over every site.

Challenge:

- **Distributed footprint** – securing multiple large, dispersed land parcels from the ground was a constant operational challenge.
- **Manpower-heavy model** – more guards and more supervision, yet **limited visibility** across sites.
- **Fragmented monitoring** and **delayed response** to incidents.
- **Significant operational costs** of maintaining 24×7 guarding for such assets.
- The challenge was not just security – **it was efficiency**.

Intervention

VProtect India stepped in with an AI-powered Video Management System (VMS), designed for smarter, more efficient surveillance. It shifted security from manpower-heavy operations to intelligence-led monitoring, optimising manpower rather than eliminating it. Key elements of the solution:

- **Centralised command centre:** One surveillance ecosystem connecting multiple locations into a single control framework, with real-time visibility for head office and regional teams.
- **AI-enabled surveillance:** Virtual perimeters that detect intrusions in real time.
- **24×7 centralised monitoring:** One team managing multiple sites, reducing dependence on constant manual observation.
- **Rapid on-ground response:** Every alert triggers SIS Quick Response Team services, moving from detection to action within defined response timelines.

Outcomes → Intelligence over Manpower.

11 real incidents detected – 100% response success rate.

Multi-site control from one centralised team and command centre.

Real-time visibility across head office and regional teams – data-driven security.

Delivering better value to clients through technology

Zero loss or damage across all incidents detected.

An AI-powered VMS securing Maruti Suzuki's distributed sites – intelligence-led monitoring delivering a 100% response success rate and zero loss.

Security Solutions – International

The Security Solutions - International business comprises four entities.

We continue to be the market leader in Australia.

The International Security business currently has
- **Billable employees: 11,147**
- **Non-billable employees: 407**

Record Quarterly Revenue Driven by Strong New Business Wins

The segment has reported the highest ever quarterly revenues of INR 2,019.6 cr. for Q2 FY27, 25.7% growth y-o-y (constant currency: 6.3% y-o-y and 1.3% q-o-q), continuing the growth momentum on the back of new wins. New order wins during the quarter primarily came from Energy and Hospitality sectors. H1 FY27 revenue was INR 4,001.5 cr., up 28.3% y-o-y (constant currency: 6.7%).

Strong EBITDA Growth with Continued Margin Expansion

The segment has reported quarterly EBITDA of INR 72.0 cr. for Q2 FY27, 34.8% growth y-o-y. EBITDA margin for Q2 FY27 was 3.6%, compared to 3.5% in Q1 FY27 and 3.3% in Q2 FY26; H1 FY27 margin was 3.5% compared to 3.2% in H1 FY26. Margin improvement remains the key focus of management and the team is focused on implementing margin improvement initiatives to enhance profitability through FY27.

Contractual Price Escalations Mitigate Wage Inflation Impact

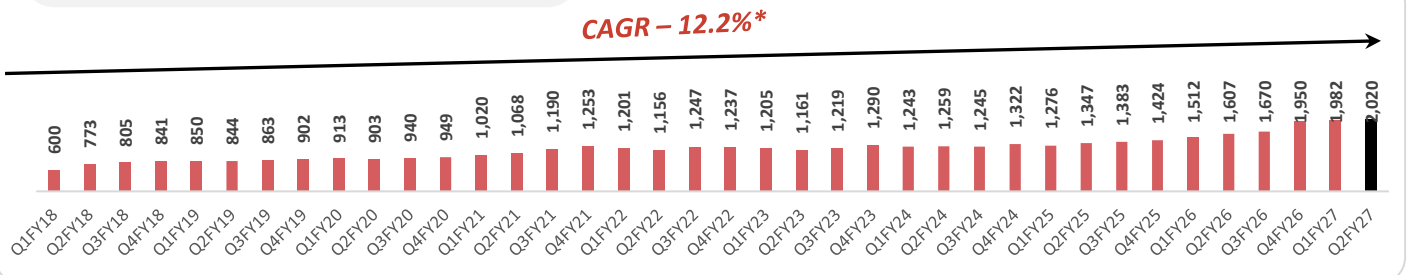
Following the Fair Work Commission's 4.75% minimum wage increase in Australia, effective 1 July 2026, wage revisions were implemented from 13 July 2026. Price revisions under a number of client contracts are linked to contract anniversaries, which results in a temporary lag between cost and price pass-through and a short-term impact on margins.

Temporary impact on working capital

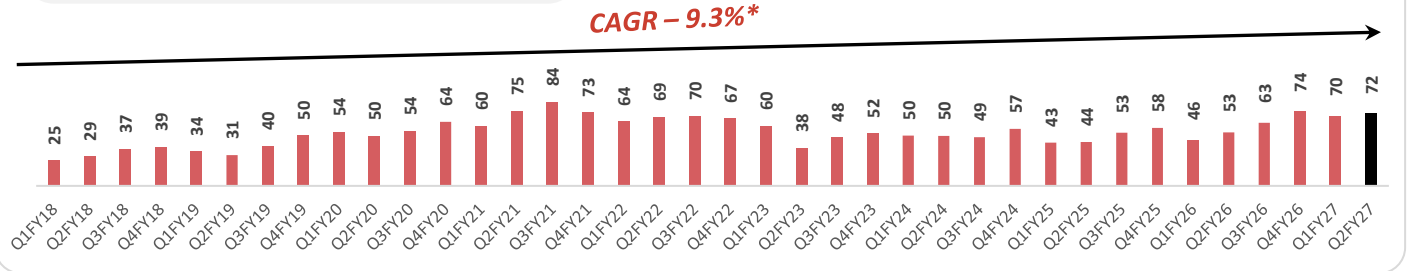
Due to delay in collection of some large accounts has resulted in temporary increase in DSO during the current quarter. DSO for the quarter stood at 57 days, 3 days higher than 54 days at the end of September 2025 and 48 days at the end of June 2026.

Particulars (in ₹cr.)	Q2 FY27	Q2 FY26	Y-o-Y Change %	Q1 FY27	QoQ Change %
Revenue	**2,019.6**	1,607.2	*25.7%*	1,981.9	*1.9%*
EBITDA	**72.0**	53.4	*34.8%*	69.6	*3.5%*
EBITDA%	**3.6%**	3.3%		3.5%	
Share of group Revenue%	**41.9%**	42.8%		43.1%	
Share of group EBITDA%	**32.3%**	31.8%		33.6%	

Quarterly Revenue Trend (₹ cr.)



Quarterly EBITDA Trend (₹ cr.)



#FY17-26 CAGR%

Facility Management Solutions

The Facility Management business comprises five entities.

The Group operates the largest FM business in India.

The FM business currently operates across 82 branches with
- **Billable employees: 84,609**
- **Non-billable employees: 857**

Sustained Growth with Strong Traction in Core Sectors

The segment has reported its highest ever quarterly revenues of INR 677.3 cr. for Q2 FY27, 7.6% growth y-o-y and 5.5% q-o-q, continuing the growth momentum.

Our new order wins during the quarter were more than INR 13 cr. of monthly revenue. Major wins during the quarter came from the Healthcare, Material, Steel and Consumers sectors.

Strong EBITDA Growth. Margin improvement trend continues

The segment has reported the highest ever quarterly EBITDA of INR 38.3 cr. for Q2 FY27, a 17.8% growth y-o-y. The EBITDA margin for Q2 FY27 was 5.7% compared to 5.2% in Q2 FY26 and 5.5% in Q1 FY27. Margins improved on the back of cost discipline and Labour Code-linked rate revisions.

Margin improvement initiatives

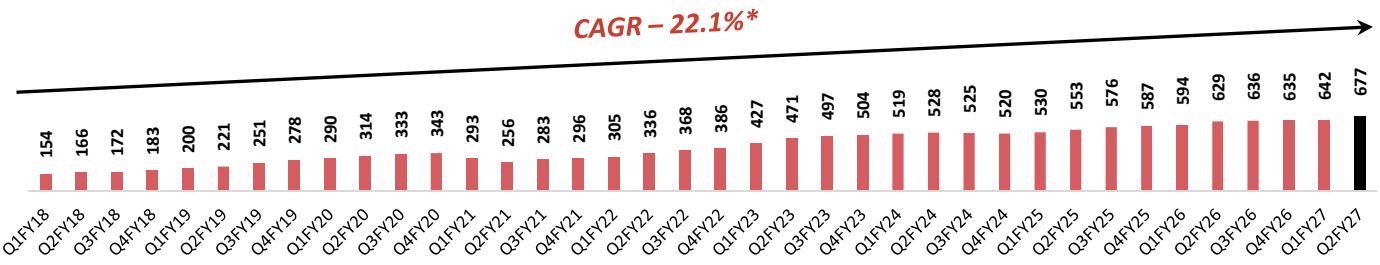
The company continues to strengthen commercial terms through client negotiations and contract revisions aligned with the new Labour Codes. The focus continues to increase the solution contracts to improve the overall margin.

Stable Working Capital

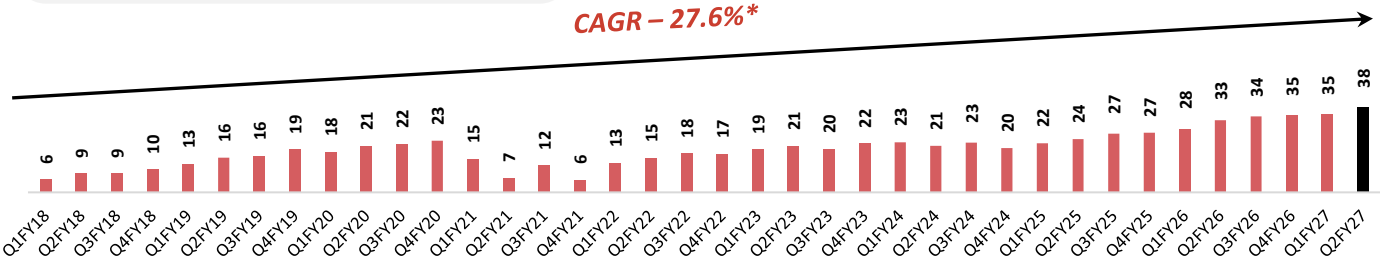
DSO for the quarter stood at 93 days, in line with 93 days at the end of September 2025 and 92 days at the end of June 2026.

Particulars (in ₹ cr.)	Q2 FY27	Q2 FY26	Y-o-Y Change %	Q1 FY27	QoQ Change %
Revenue	677.3	629.2	7.6%	642.0	5.5%
EBITDA	38.3	32.5	17.8%	35.2	8.9%
EBITDA%	5.7%	5.2%		5.5%	
Share of group Revenue%	14.1%	16.7%		13.9%	
Share of group EBITDA%	17.1%	19.3%		17.0%	

Quarterly Revenue Trend (₹ cr.)



Quarterly EBITDA Trend (₹ cr.)



#FY17-26 CAGR%