

"Gretex Corporate Services Limited
Q2 & H1 FY27 Earnings Conference Call"
November 10, 2026

"Note - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange will prevail."

MANAGEMENT: **MR. ALOK HARLALKA – MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER – GRETEX CORPORATE SERVICES LIMITED**
MR. ARVIND HARLALKA – WHOLE-TIME DIRECTOR – GRETEX CORPORATE SERVICES LIMITED

Moderator: Good evening, everyone, and on behalf of Stock Knocks, I welcome you all to the Q2 and H1 FY27 Earnings Conference Call of Gretex Corporate Services Limited. I would like to thank the management team of Gretex Corporate Services Limited and all the investors and participants who have joined us today.

Before we begin, please note that this call is being recorded. The discussion may contain forward-looking statements based on the management's current views and expectations. These statements are subject to risks and uncertainties. Investors are requested to refer to the company's filings, exchange disclosures, financial results and other official communications before making any investment decisions.

All participants have been automatically placed on mute. During the question-and-answer session, participants who wish to ask a question may use the raise-hand option, and we will unmute participants one by one. Participants may also post their questions in the chat box and I will take those up with the management.

We have with us today Mr. Alok Harlalka, Managing Director and CFO, and Mr. Arvind Harlalka, Whole-Time Director. I will now request Mr. Alok Harlalka to introduce himself and share his opening remarks on the operational and financial highlights for the period under review. Over to you, sir.

Alok Harlalka: Good evening, everyone. Myself, Alok Harlalka, Managing Director of our company, Gretex Corporate Services Limited. Wishing you all a Happy Diwali and Happy Bhai Dooj, and thank you all for attending this call today. I welcome you all to the earnings call for Q2 and H1 FY27. Thank you all for taking the time to participate.

The financial results and investor presentation have been uploaded on the stock exchanges and are also available on our company's website. We trust you have had the opportunity to review the same.

The first half experienced a strong rebound and active deal-making momentum. Despite volatility in the broader equity markets and evolving global economic conditions, the primary market has demonstrated considerable resilience, although performance across the mainboard and SME segments has been somewhat divergent.

On the mainboard front, India witnessed record IPO fundraising during the first half of FY27, with approximately INR84,400 crores raised, representing an increase of around 30% over the corresponding period last year. A total of 71 companies accessed the mainboard during the period, compared with 55 companies in H1 FY26. The momentum was particularly strong during the second quarter, with September emerging as one of the strongest months for primary market activity.

The SME IPO segment, however, witnessed a more measured pace of activity. According to industry data, 137 SME companies got listed during H1 FY27, compared with 156 in the corresponding period last year. Funds raised through SME IPOs declined by approximately 11% to the tune of INR6,012 crores, reflecting a

moderation in activity following the strong performance witnessed in the previous financial year.

While the moderation in SME IPO listings and fundraising reflects a more measured market environment, we believe the segment continues to play an important role in providing growth capital to emerging enterprises. What is particularly evident during this period is the increasing selectivity among investors, with greater attention being given to business fundamentals, issue valuations and the quality of the underlying business.

The normalization in subscription levels also indicates a gradual shift towards a more disciplined market environment, where appropriate pricing and investor confidence will remain important determinants of successful IPO execution. While the industry continues to navigate headwinds arising from evolving geopolitical uncertainties, we remain confident in the long-term growth prospects of the Indian capital markets, and these structural trends remain well aligned with Gretex's integrated business model.

Coming to our operational and business developments during the period, we made progress across our merchant banking, broking and alternative investment businesses. During H1 FY27, we progressed 4 IPO mandates to the DRHP filing stage. These include Sky Alloys and Power Limited and Tenty Limited, proposed to be listed on the NSE and BSE mainboards, and Abacus Lifestyle Brands and Oremet Alloys, proposed to be listed on the NSE Emerge platform.

We also successfully completed the listing of Vama Wovenfab Limited on the BSE SME platform on September 22, 2026. In addition, we secured an underwriting mandate from Army Infotech Limited, further strengthening our transaction pipeline.

Another significant development during the period was the successful first close of the Celestial Chakra Momentum Fund at the tune of INR25 crores. The fund has been jointly sponsored by Gretex Corporate Services and Gretex Share Broking Limited through Bahutex Ventures, marking an important step in expanding the Group's presence in the alternative investment space.

On the broking side, our subsidiary, Gretex Share Broking Limited, expanded its geographical presence by opening a new branch office in Ahmedabad, Gujarat. This is aligned with its plans to strengthen its institutional broking, retail broking and market-making operations.

Overall, H1 FY27 was marked by progress in our IPO mandate pipeline, the successful execution of a listing, the expansion of our underwriting engagements, the first close of our jointly sponsored fund, and the continued development of our broking platform. We remain focused on building a more diversified and integrated capital markets business.

Starting with our Q2 financial performance, on a consolidated basis, revenue from operations stood at the tune of INR75.60 crores, compared with INR79.60 crores in the corresponding quarter last year, representing a decline of 5%. However, revenue grew by 101.6% sequentially, compared with Q1 FY27. EBITDA for the quarter stood at INR9.6 crores, as against INR31.7 crores in Q2 FY26. EBITDA margin was 12.70%, compared with 39.82% in the corresponding period last year. Profit after tax stood at INR7.1 crores, compared with INR12.8 crores, while PAT margin was 9.39%.

For H1 FY27, the performance presents a more encouraging picture in terms of revenue and net profitability. Revenue from operations increased by 11.4% year-on-year to INR113.1 crores, compared with INR101.5 crores in H1 FY26. EBITDA stood at INR26.6 crores, compared with INR33.5 crores in the previous year, with EBITDA margin at 23.52%. Profit before tax increased by 30.1% to INR26.8 crores, while profit after tax grew by 43.2% to INR19.9 crores, compared with INR13.9 crores in H1 FY26. PAT margin improved to 17.60% from 13.69%.

The improvement in H1 profit after tax, despite the moderation in EBITDA, was supported in part by the movement in other income, which stood at INR1.5 crores, compared with negative other income of INR11.5 crores in H1 FY26.

Moving to our growth outlook and future roadmap, I would like to emphasize that our strategy is centered on building upon the core strength of Gretex, which is SME IPO management. This is where we have established our strongest track record and market recognition. At the same time, we have executed select mainboard mandates, and we intend to progressively deepen this capability. Our objective is to build a broader merchant banking franchise without diluting the strengths of our established SME business.

Historically, the value generated from an IPO mandate was largely transaction-led, with the engagement tapering after listing. Going forward, we are working towards extending the issuer relationship beyond the listing transaction and creating multiple opportunities to generate value from each client relationship. There are 3 key areas through which we intend to achieve this.

First, post-listing advisory retainers. We are working towards establishing recurring advisory relationships with our issuer clients after listing. Our initial target is to build monthly advisory retainers in the range of INR10 lakhs to INR50 lakhs, or INR1 crore, as these relationships mature.

Second, participation in alternative investments through Bahutex Ventures and our journey as a sponsor to a Category II AIF platform. We aim to participate in investment opportunities alongside the businesses and promoters with whom we have established relationships. The successful first close of the Celestial Chakra Momentum Fund at INR25 crores is an important milestone in this direction.

Third, generating future mandates from existing relationships. As our engagement with clients deepens, it creates opportunities for follow-on fundraisers, preferential issues, debt syndication and other strategic financial transactions. Our recent execution of a preferential issue mandate for Taurian MPS Limited is an example of the opportunity that can emerge from these relationships.

Through this initiative, we are looking to evolve from a transaction-led merchant banking business into a more integrated capital markets platform, where an issuer relationship can generate opportunities across advisory, investments, execution and future fundraising. Overall, our focus remains on strengthening our established SME IPO franchise, expanding selectively into mainboard mandates, and developing complementary recurring and investment-led revenue streams.

We believe this approach will help us build deeper client relationships and create a more diversified business over the long term. With the continued evolution of India's capital markets, we believe the operating environment remains favorable, and Gretex is well positioned to capitalize on emerging opportunities.

We appreciate the continued support of our stakeholders and remain focused on maintaining open and transparent engagements. Thank you for your time, and we will now be happy to take your questions.

Moderator: Thank you, sir. We will now open the floor for the question-and-answer session. Participants who wish to ask a question may please use the raise-hand option, and the host will unmute participants one by one. Before asking a question, participants are requested to briefly introduce themselves by stating their name and organization. Participants may also submit their questions through the chat box, which will be read out to the management by the moderator. We request all participants to keep their questions brief and restricted to the company's business.

Moderator: We have a question in the chat box. What is the reason for the significant decline in margins?

Alok Harlalka: See, according to me, there is no decline in the margin. There is a decline in terms of the top line; turnover is not much there compared to the last quarter — you may say the first quarter or the first half of last year. This time we had a lower turnover because most listings were not done; only one listing was done. That is the only reason we had a lower turnover, and that is the reason the margin is lower.

Moderator: Thank you, sir, for the answer. We have one more question. The question is from Mr. Diptesh Kanoria. Can we have any idea on the kind of transactions in the pipeline?

Alok Harlalka: Yeah. Today, we have 4 approvals in our hand which are supposed to be listed. So, we hope that maybe this quarter or the next quarter, all the listings will be done.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Alok Harlalka for the closing comments. Over to you, sir.

Alok Harlalka: Thank you so much, everyone, for joining today's earnings conference call and for your continued interest in our company. We hope we have addressed your questions and provided useful insights into our business. If you have any further queries, please feel free to reach out to our investor relations team - Stock Knocks. Thank you once again for your participation. Have a great day ahead.

Moderator: Thank you. This concludes this conference call. You may now disconnect your lines. Thank you.