

To
The Manager- Listing Department,
BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai- 400001, Maharashtra, India.

Scrip ID/Code: DESCO/544387

Sub: Revised Press Release - Unaudited Financial Results of the Company for the Half Year ended 30th September, 2025.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company has announced the Unaudited financial results for the half year ended 30th September, 2025. The Revised Press release with reference to the same is enclosed herewith.

Kindly take the afore-mentioned submission on your records.

Thank You!

Yours faithfully,
For DESCO INFRATECH LIMITED
(Formerly known as Desco Infratech Private Limited)

Malhar Desai
Whole-time Director
DIN: 07293599

PRESS RELEASE

Desco Infratech Limited Announces H1 FY2025-26 Results; Confidently Reaffirms Robust Outlook for H2

Integrated Infrastructure EPC & O&M Company Positions for Strong Turnaround in Second Half

Desco Infratech Limited (BSE: 544387), an integrated infrastructure EPC and O&M company, recently announced its unaudited financial results for the half year ended September 30, 2025 (H1 FY2025-26).

While the first half reflected an intensive phase of project mobilization and strategic working capital investment, the Company reaffirms its robust growth trajectory and anticipates improved liquidity for the second half of FY 2025-26 (H2). This confidence is supported by strong execution momentum, enhanced banking facilities, and steady order-book conversion.

Particulars	H1 FY2025-26 (₹ Lakhs)	H1 FY2024-25 (₹ Lakhs)	% Change YoY
Revenue from Operations	4,203.96	2,263.46	85.74%
EBITDA	898.89	496.68	80.96%
EBITDA Margin	21.38%	21.94%	(56 bps)
Profit After Tax (PAT)	617.14	324.93	89.93%

Clarifying the Cash Flow Context

The Company explained that H1 operating cash flow was in an outflow position, reflecting the timing of strategic investments and collections ahead of expected inflows in the near future.

Key drivers for the temporary working capital deployment include:

- Front-loaded material procurement and mobilization for large EPC contracts awarded in Q4 FY2024–25 and Q1 FY2025–26.
- Sectoral payment cycles, where receipts are typically realized post-certification and RA-bill approvals, lead to a temporary timing mismatch.
- Strategic inventory buildup and advance payments to secure input costs and ensure project continuity, especially during the monsoon season.

The Company explained that the operating cash flow for H1 was in an outflow position, reflecting the inherent nature of the Engineering, Procurement & Construction (EPC) business, wherein substantial material procurement, site mobilization, and working capital deployment occur before the realization of client payments.

“These are temporary timing mismatches essential for rapid growth and execution scale-up in the near future. The Company’s business model inherently involves such working capital cycles; however, Desco maintains a strong financial position with sufficient capital and receivables to support ongoing and future growth. Most project receivables have been subsequently realized post-September, materially improving liquidity in October–November 2025,” the Company noted.

Furthermore, the Company’s debt-to-equity ratio stands at a healthy 0.10:1 as of September 30, 2025, compared to 0.19:1 in the previous year, reflecting a conservative leverage profile and strong balance sheet fundamentals.

Liquidity Strengthening Measures Underway

To enable scalable execution and effective working capital deployment, Desco is implementing key balance sheet strengthening measures.

Strong Growth, Visibility, and Margin Expansion in H2

Desco enters the second half of FY2025–26 with significant execution visibility across its core business verticals:

Growth Driver	Outlook for H2 FY2025–26
Order Book Visibility	Exceeding ₹345 crore across CGD, Power Transmission, and Water Infrastructure projects.
Execution Momentum	Multiple high-margin turnkey EPC and O&M projects entering peak execution phase.
New Business Verticals	CBG (Compressed Biogas) subsidiary expected to begin contributing from FY27.
Margin Improvement	Cost rationalization and operational efficiency initiatives in place, supporting sustained margins in H2.

With a disciplined approach to execution and financial management, Desco anticipates significant double-digit topline growth and margin sustainability in H2 FY2025–26.

Management Commentary

Pankaj Pruthu Desai, Chairman & Managing Director, Desco Infratech Limited. **Stated that** our operating cash flow in the first half reflects deliberate, strategic investment to accelerate growth rather than a sign of financial strain. The resources deployed have established a strong operational foundation, positioning us for rapid execution in the second half. With several institutional clients scheduled to release payments, expanded banking facilities underway, and new verticals coming online, we anticipate a significantly stronger H2 marked by solid profitability and Decent cash generation.

About Desco Infratech Limited

Desco Infratech Limited is a diversified infrastructure EPC and O&M company engaged in City Gas Distribution, Water Pipeline, and Power Transmission projects across India. The Company emphasizes technology-driven execution, sustainable infrastructure creation, and transparent governance to deliver long-term value to stakeholders.

For Further Information:

Company: Desco Infratech Limited

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