"BLUE PEBBLE LIMITED INVESTOR/ANALYST MEETING HELD ON MAY 17, 2025"

Nalin Gagrani: Good morning everyone. We'll just wait for another 2-3 minutes and maybe then we can start. Maybe just another minute and then we can start.

Nalin Gagrani: Okay, maybe we can just start and people can join in as and when everybody joins in. We just waited for five minutes for all.

Nalin Gagrani: Hi everyone, I'm Nalin Gagrani. I head the setup at Blue Pebble. We'll quickly run you through the last year's performance and few key indicators. And what we could do is if there are question answers, let's run through the full presentation. Once the presentation is over, maybe then we can take the questions from each of you all.

Nalin Gagrani: I'll just quickly run you through. So broadly, we are going to take this up in terms of giving us the overall summary of what has happened, the trends of the last few years, current year's performance, the mix of revenue, which verticals it is coming from, some of the key projects, which is one as awards. And last year when we had presented, we had actually also told you that how are we looking at the current year. And we've done those few strategic diversification and discussion on that. Obviously, the money which came in and we have done some interesting investments because of which we have got this growth. And how does the order book look like in terms of the first month of operation for the coming year? Certain activities which we have done for brand building, the whole aspect of about the culture and what we do, some awards, CSR and the outlook for 2026. This is broadly what we will capture.

Nalin Gagrani: I'll just take you through a quick video, which will give you a perspective of what the depth of our work is. A minute and a half video, I'll just take you through that.

Nalin Gagrani: Just coming to broadly the last year's performance, we've actually grown almost more than 100% in terms of the revenue side. We were roughly about 22.4 odd crores last year. We've built into 45.6 crore. EBITDA margins have grown by a 27% increase, PAT by 34, 35%. As of April, just the month of April, we have 10 crs. of orders with us. And overall, CAGR, if you see, is about 82% odd that we've grown in.

Nalin Gagrani: This is just the revenue table which talks about how we started off from a 4 crore now to build up to a 45 odd crore in terms of trajectory. How is it grown in? Last year, obviously, we diversified and that's been the key in terms of moving forward. And we assume that that trend, if it continues, it will be a healthy trend going forward.

Nalin Gagrani: These are the financial numbers in terms of the revenue from operations is 45. EBITDA is about 6.5 crore. Margins have obviously a little bit dropped because we diversified into two new verticals which are slightly wooden volume, but the margins are slightly lesser. And there was a learning curve that we had in terms of the new business vertical. But we've entered into that as the first of its kind for our kind of industry. And we assume that that business will take us to a larger pie and we'll be able to stabilize the margins going forward.

Nalin Gagrani: PAT, obviously, in terms of the first six months was much better. The second six months is slightly lower because of the two large diversifications that we took. And those

are new learning curves for us. And I believe that the team now will be built up and our learnings on those curves will be able to effectively grow in the next this coming year. Margins, as I'm telling you, obviously has been affected because of this reason. So it's about 11 percent. And net worth obviously is larger because of the capital that we raised.

Nalin Gagrani: If you see the structure that we have, the 45 crore consists of broadly three, four broad verticals:

1. Our spatial branding is the one which we have been doing over the past seven years, which is roughly gone about 10 to 12 percent over the last year, which is about 24 CR.
2. The design and build vertical is the new vertical which we have diversified into. We'll further talk about it. But this is contributing to 30 percent of our revenue.
3. On the digital immersive side, which is another piece, we have almost about 15 percent of our revenue coming from there. And it is an interesting platform which we have been developing and we've invested on that. We'll talk about it further, which will possibly give us some revenue speed coming in in the coming year. So it was under development.

I will share about you what's the current project on that.

Nalin Gagrani: There is an interesting project that we did for Bank of America, which has won us award in the last year. And it is phenomenal. It was a million square feet and we had done a full execution of our branding facility there. Then we talk about the rest of the verticals later on. I've got a small video to show you of that. Maybe I'll quickly run you through that also.

Nalin Gagrani: In terms of the strategic diversification, we broadly, as I told you, have diversified into a design and build vertical, digital immersive vertical. I will hand it over to my colleague, Shlok, who's managing the setup on the design and build side. And he'll take you through the assignments that we have done recently.

Shlok, over to you.

Shlok Gagrani: Yeah, thanks. So hi, good morning, everyone. So before we go ahead and talk about this prestigious project that we handled for 3M in Bangalore, I'll just maybe give you a quick understanding of what we did in principle in terms of diversification for our design and build vertical.

Shlok Gagrani: So earlier in our spatial branding vertical, we used to come in as a partner where we design and beautify the office space for all of our clients. This was the first time in the history of our company where we engulfed the entire scope of the office fit out, meaning the office, which I will show you in the video here, was a complete bare shell. There was nothing done. And within a record timeline of about 90 days, we handed over the entire ready to use office space to the client.

Shlok Gagrani: So this was a phenomenal feat in terms of an achievement that was done to us. Our team, in fact, very nicely handled about 14 to 15 vendor partners, and we were able to deliver this office space before contractually obligated timelines.

Shlok Gagrani: So before just talking about the next project, I can just quickly take you to the video.

Nalin Gagrani: Also, this is just to add to what Shlok has mentioned. This is obviously 3M. All of us are aware it's a $2 to $2.5 to $21 trillion company across. And to get a brand like us to start with this vertical itself was a tremendous achievement for our company.

Nalin Gagrani: I'll just quickly run you through the video also.

Shlok Gagrani: So moving on to another project that we executed was for the Adani Group. So this is the second project under this vertical which we managed to deliver again before contractually obligated timelines. So this was a back office that we did an interior turnkey fit out for in Mundra in Gujarat.

Shlok Gagrani: So if any of you guys know Mundra is basically a very very remote location within Gujarat which is operated by Adani Ports and Trusts. So here about the closest airport to Mundra is Bhuj which is about 200 kilometers away. And basically it's an SEZ zone.

Shlok Gagrani: So you know getting material in maintaining compliances for all our labors making sure that everything is done as per specifications of Adani is a very very tedious process. We again managed to deliver this in about 120 days. And this was a facility where people were you know forced to work under very difficult conditions. So we managed to kind of make sure that the quality is delivered again.

Shlok Gagrani: And just to showcase you what we achieved is another video here.

Nalin Gagrani: Just run you quickly on that so that we can have.

Nalin Gagrani: So in terms of compliments we got both from the clients 3M their top management MD and all of the people from US. clients, 3M, the top management, MD and all of the people from US had also come down. And for Adani also, this is one of the best projects in that area that they have been able to develop. And the senior management at Adani is also pretty happy in terms of the way we had structured the professional approach and the quality of outputs that we had done.

Nalin Gagrani: In terms of talk about strategic investments, quickly I'll ask my colleague Manoj to take up the overall thing. Obviously we've diversified so as well as some key elements of self-reliance we've been able to do through some interesting stuff that we did last year. One was on the platform, I'll take this up. So I was telling you that last when we presented to you all six months back, we were in the process of developing this platform. And we are happy to tell you that there were about 25 software engineers working on this platform. And this is one of its kind, actually a part of our industry. But since we have got connected, almost all facilities had, all contractual firms, all architects, this is a next good extension as one of the things on the software digital side, where it predominantly there are six other 20 modules, there are key six modules which are required on a daily basis for architects and facilities heads and operations heads, which are kind of ready. We have test piloted it in at least about 20 architects at the moment. We are expecting it to be launched in July. We will give you a demo eventually,

which is there coming in, but it streamlines operations, enhances efficiencies, helps people to work, and we have got it integrated with recent AI modules.

Nalin Gagrani: Just to give you an example is this, if it's a CAD layout, which an architect uses on a daily basis, you can actually do a 3D render without actually asking for the 3D modules to be created. And visually the client can be seeing it on the same platform at an almost minuscule amount of time. So with AI coming in and with the chat GPT and other integrations that we are doing the visual modules, this will be effectively a very, very interesting tool to come out in the market. So you will see this growth and this module getting up and running in some time. This could be another revenue channel for us. So this is one which we are looking at.

Nalin Gagrani: I'll give this to Manoj, my colleague, to talk about what we have done on the factory and in the investments here. Manoj, please take it up.

Manoj Tiwari: Yeah. Hi. Good morning, everybody. Good morning, all dear shareholders, investor community. Up to now you have seen what we have done, you know, some wonderful offices which we created. Now I will take you to the backdoor where we work, the factory. Post our IPO, we, you know, went ahead and established a 7,500 square feet factory, wherein we took the best of the machines. We took an EFI UV machine, which is hardly around 8 or 10 machines in whole of India. It gives me the precision and at a very fast speed, we are able to work. Plus recently, 15 days back, we commissioned a UV Braille machine. It's the first machine in the whole of country, the first machine in India to be installed. It's 100% made in Japan by Numaki. This machine has been installed because now what's happening, all our customers are basic multinationals. And for them, Braille is mandatory. Under the then compliance, we have to do it. So earlier it used to take a long time, but now with this machine, our speed of production is very fast and we are able to deliver the perfect Braille that is required. And in addition, we have already have the CNC machines. We have our laser machines. We have the best of the printing machine, which is 100% green and sustainable. This is from the house of HP, the latex machine. We have our own painting booth. So this gives us a lot of strength, you know, to move ahead and we are able to cut down a lot of timeline. That is the reason as Shlok said that we could deliver a project of Adani and a project of 3M much before the timeline. What the contractors has asked us, what the company had done. So that is one thing wherein we are going very strong.

I have a quick video to show what, Manoj, you can just quickly talk about the UV print machine and brief description, but a quick video also to showcase that.

Yeah. Yeah, we have a quick video.

Over to you, Nalin. Continue, please.

Nalin Gagrani: Thanks, Manoj. Thank you. The very first month of operations, we've been able to kind of garner about 10 cr, 10.5 cr order, which is broadly broken out into:

- Citi coming in
- Visa
- Air India is a continuous client of ours

- A hospital, which is one of the largest in North Delhi
- Infosys, which is a regular client
- Others which are already in the pipeline, two and a half crores

Nalin Gagrani: There is a decent visibility that we assume to have in the next two to three months. There are certain large discussions happening with some majors where we expect a decent amount of buildup on revenue coming in.

Nalin Gagrani: Also, to give you a perspective, what had happened was last to last year, we had a dependency on three or four large clients, Infosys being one, HDFC being the other one. So this year, what has happened is that we've kind of, Infosys had slightly slowed down, so did HDFC. But we luckily got in a bit of newer clients which came in the portfolio last time. So that's been an excellent one.

Nalin Gagrani: Within the fraternity, we've been able to grow in the environmental branding side. As Shlok and both mentioned, the other vertical kicked in, which is the design and build vertical and immersive verticals also kicked in for us. So those are the two verticals which we've been able to grow revenue.

Nalin Gagrani: If you see the current spread also, it is fairly large. We've kind of worked with about almost 80 different brands, which are all leading brands. They are now coming back to us on an ongoing basis. We will be proud to say that we are one of the largest and the biggest in the fraternity of this niche sector.

Nalin Gagrani: Also, we've been doing certain activities on brand building, which we will go more aggressive this year. We've been kind of participating in last industry engagement where we were one of the sponsors of the 22nd Smart Office Summit, where we met a lot of architects and senior industry leaders participating. We showcased our products and what we've done for different clients. This gives an immense amount of visibility to us in various forums, and we will continue doing that.

Nalin Gagrani: We were also present in ET as leaders of tomorrow. They had a capsule of about 20 minutes, which covered what we have done, the question and answer session. They covered our factory and talked about the future. This was one big thing for us in terms of being visible in one of the national television.

Nalin Gagrani: Obviously, also the fact that we have a building culture of growth and innovations. We do a lot of things which we have done internally to boost morale and to make sure that the employees are up and running in terms of their attitude, positive culture, all of that. There are a lot of new people who have come on board. We do these quarterly events, monthly pat on the back, and all of those which are done in any of the large firms. We make sure that employees are taken care of in all regards.

Nalin Gagrani: We've also been one of the only companies in this sector getting an award, a gold award, which was done by the CII. This was a World Design Council Award, which was won in a very large forum in Bangalore for about more than 500 large people who had attended this. We won the India's 500 Business and Winner Visionary Entrepreneur Award and 3M's National Largest National Sales Awards.

Nalin Gagrani: This brings us to every year we've been kind of bringing in newer and newer awards and making sure that we are up and running. As I talk to you, we have a lot of consultancy firms who are with us. We are doing work for BCG, we are doing work for PWC just now, and we finished a Moody's assignment just now. So there are certain things in the pipeline with large fraternity. This gives us immense amount of potential and revenue buildup in the next year.

Nalin Gagrani: Since we've moved into design and build, we've got this BIFMA certification, ISO certification, which will help us to register with large companies like JLL, CBRE, who will help us to kindof bring in more RFPs into us. Then we can go and compete in the larger fraternity of the overall sector, which is available to us. Obviously, as a goodwill and as an overall sector, we did participate in CSR programs so that that also is a healthy practice as far as we are concerned.

Nalin Gagrani: In terms of the outlook, as I mentioned, we would grow aggressively in our own environmental branding side which is a decent healthy margin return business. There is a competing business which we are into design and build with capabilities building in and what we have learnt over the last year I'm sure we'll be able to capture a newer business and the immersive side of it. With the platform coming in, we are hopeful this is maybe the first of its kind in India. Few people have attempted that. We have evaluated all of that and we are building much more capabilities for people and ease of working which I'm assuming that if we can get and spread it to the market this could be another decent revenue channel and it will be spread across India as and when we go. And we're building our team strength also so that will be an interesting aspect.

Nalin Gagrani: This is what I had from my side. Happy to kind of take in questions from all of you. Please feel free and maybe we can have one by one people coming in and then we can answer to each of your queries. You can just raise your hand and maybe we can ask questions from if there are any from any one of you all.

Manoj Tiwari: You can also put your questions in the chat box. If there are any questions you can also put it in the chat box please. Thank you.

Nalin Gagrani: If there are none, maybe we can call it a day. Another maybe a minute if there are any questions.

Manoj Tiwari: Investor has something to say. Yeah. Go ahead. Just a few questions.

Investor: First of all, a very in-depth presentation. Yeah, so my first question is regarding the clients. So how much does top 5 or top 10 clients contribute to our revenue?

Nalin Gagrani: See now luckily, as I told you, we've been able to kind of there are deeper we're going deeper with individual clients but last year it was contributing to almost 50 percent. This year it would be about 25-30 percent. So we have spread ourselves into more clients more revenue and the chunk of 30 percent and 15 percent of revenue is coming from newer verticals and that's the reason we've been able to kind of almost multiply it by double in terms of our revenue side. Obviously, there has been an impact on profits but that is obviously as I explained it to you. But this is the way we are kind of expanding and we'll make sure that the dependency

on few of the clients which are regular to us is not there. We spread ourselves more into other verticals and other business side. And the work which we are doing it is just if we show this work to more number of people are really excited and luckily for us if you see any assignment which we do on design and build this comes as a natural instinct to us. So we will be able to decorate much better than any other competing guys to us in this vertical of design and build. So that is the USP that we bring to table when we are competing with other guys.

Investor: Got it. And sir, I think in our November's presentations we have mentioned that our order book is around 10 crores. So as of now what's our order book size?

Nalin Gagrani: This is as of April. Just for the month of April we are sitting with 10 crores and I said there are a lot of pipeline which I can't tell you now because they are still under discussion. But we are very positive in terms of the closures of some of these which are very big numbers.

Investor: Okay got it sir. And so final question like what sort of guidance we would like to give for 26, 27 in terms of top line as well as margins?

Nalin Gagrani: See numbers I will not be able to disclose but with the confidence that we have of the last year imagine we were nowhere there in a immersive digital side and in the D&B side you are aware that there are so many players in D&B. When we were pitching for 3M we had got 3 or 4 parallel competing guys who were having 25-30 years of experience. It is sheer tremendous amount of relationship as well as the work which we have done we were able to do it. Adani being such a big conglomerate would not give any assignment to a person who has not done anything. They saw our work, they saw our previous work and they have given it. So with these 2-3 large assignments and with the relationship and with people on board who are very senior people in the D&B industry, I think we'll be able to capitalize on those two credentials of ours and we'll be able to take it to the business which would be growing tremendously. Numbers I don't have at the moment, I cannot tell you, but we are working on those and we'll be able to deliver those numbers with a decent amount of profit margin.

Investor:Got it. And so just last question, so any reason, what was the reason for major drop in EBITDA margins in our H2?

Nalin Gagrani: I told you, if you have, I mean, in terms of the D&B industry, though the volumes are large and India is growing phenomenally, if you see GCCs are coming to India. So all the global majors are making their back-end centers in India, almost all of them. Recently we have seen a drop, but that's, I don't see that drop will continue. In fact, the markets have revived back again. On-ground investments are happening tremendously. The next four to five years are a tremendous amount of growth for us, but there is enough and more competition in this area.

Nalin Gagrani: So we bring in value to our environmental branding side because of the fact that we entered new, the margins were very less. We wanted to test, we wanted to learn. So hence we entered this vertical, but this vertical had to come in because it gives a tremendous amount of scale. In the environmental branding, it's a lot of efforts, but the margins are very healthy, but the volumes aren't there that much. So hence for us to keep growing in, we have to expand ourselves into the core areas. And hence you see the platform also coming in. That

platform in my side, after seeing the development, what has happened is this could be another big one for us. We've still to test it in the market, but from the architects that we have tested it, it is a first good positive sign. And if you take it across India with experience, with the connects that we have, I think that will be another revenue channel which we can develop.

Manoj Tiwari: Nalin, if you can just see the chat from Mr. Gopi, you can just reply to him, please. What is it? What do we anticipate that my Hinder ability to achieve our goals in the upcoming fiscal year?

Nalin Gagrani: Nothing, I think. Which is I just now said, Mr. Gopi, we are, as you see, these two or three newer verticals apart from the core competency that we already have, we'll be able to drive revenues as well as healthy margin. Because we are into a competing world on the D&B side, obviously the margins are slightly shrunk, but this will, so a healthy revenue mix if we carry, we'll be able to take it to the next levels in a decent manner.

Manoj Tiwari: There is one more from Ramya. Yeah, go ahead.

Manoj Tiwari: Yeah, I'd say that other expenses have doubled, which has led to lower P&H VAT. Could you give more details about that?

Nalin Gagrani: Yeah, so as I told you, expenses have been there in terms of hiring people, in terms of this, and we've invested a lot of that, plus the fact that whatever we had done in terms of D&B, there were a lot of expenses towards that. So those are the ones which we have got, and hence the impact on the profitability part.

Shlok Gagrani: If I can just add to that, maybe a little bit about the expenses, is that we've recently just set up our factory. At an initial stage, we did encounter a lot of expenses, but going forward, since we now take up more of the stuff in-house, we can see that these expenses would be going down.

Nalin Gagrani: Yeah, as well as we are also marketing ourselves in terms of these forums and places. So as a brand, we are very new. We are pretty young as a brand at the moment. And as we grow into other verticals, we need to be visible. And those are some of the expenses which are also there, which any company would have to do to kind of scale its business.

Manoj Tiwari: Nalin, if there are no more questions, let's say thanks to them and close it.

Nalin Gagrani: Last question, maybe we can take up. Sagar, you had something?

Investor: Yeah. So, hi Nalin, how are you? Nalin, I wanted to know what are your current employees right now?

Nalin Gagrani: We have 70 people on board at the moment. Offices at all four metros. Core is Bombay, obviously, where we have the entire setup here in Bombay.

Investor: So this tech team is also in-house or outsourced?

Nalin Gagrani: This tech team is outsourced, and we are going to partner it as we go along. There is an understanding of memorandum with them in terms of going forward, a back-end thing. As and when the market demands, there will be an upgrade on the product which is there. So there is a strategic partnership we are working on. Today we have invested in it, but we are partnering, going to partner with them going forward so that we have a stability on the product. As and when we move in, there is an upgrade which keeps happening on the product.

Investor: And what is your long term sustainable EBITDA margins, if you can guide? Because the margin fluctuation is there.

Nalin Gagrani: Yeah, it is there. As I told you, we move from a plain vanilla vinyl to a 3D to an immersive. These are environmental branding. Does give you a scope of decent margins. But as you move into other verticals, we will be able to kind of slightly scale the thing. But I'm saying that margins should hover around 15%, 15-17% is what our assumption is.

Investor: Okay, so the design and build up. So you do the design and all the setup of it. You said that these margins are lower in this segment, but don't you think this margin should be higher because it's kind of integrated operations?

Nalin Gagrani: No, no, some of these are if you go into the industry, these are very straight and cut. People are aware about what a chair costs, what a table costs, what is a painting costs, what is a carpet costs. These are all given. So that not too much of play is there. You can add value to the environment, your branding, you can add value to on the CJI side, you can add value in terms of the service side that you're doing. So these are all given aspects which are there. So there are not too much of margins to play around there. It's about efficacy, driving volumes and what you can do internally.

Investor: So on that front, so how is our debtors are going to be? Like the recently your debtors have increased 200 days. So we can expect this kind of intense working capital going forward also or do you see that?

Nalin Gagrani: I will ask my colleague Anil to kind of pitch in on this.

Anil Kabra: Sagar, actually this debtors as you are reflecting in terms of ratios around 100 days. But basically I would like to admit that in the month of March itself we have crossed the turnover of around 9 crores. So effectively if we look at the debtors part which is around 12 crores is for 2 months only.

Investor: Okay.

Nalin Gagrani: And some of these are actually getting in. So some of them are 45 days kind of thing so which comes back to us immediately. So I don't see that as an issue at all. And then luckily for us is that we also have credits from the vendors that we get. So it's a cycle which keeps us healthy in that sense.

Investor: And when you enter into the manufacturing, so are you going to use that manufacturing facility for in captive use only or you will be expanding and supplying to other players also?

Nalin Gagrani: No, no. So currently we have enough and more volume for our own captive consumption. If there is a need and we believe that it is required to be done, obviously we have state of art facility. And if there is anybody else who wants to use the facility, obviously we will not be shying away from that and we will take that up. To ensure capacities are utilized.

Investor: Can you just share how the whole process of getting a tender to how much time it takes to build up and what is the payment cycle works in this industry?

Nalin Gagrani: This industry typically obviously once the tender comes in, it is floated in with various other people also. Then there is either an L1, L2, L3 process which comes in and if you win the bid, typically it takes about depending upon the scale of operations. We are targeting ourselves to be there less than 50,000 square feet and below. So there are enough and more projects on that. We don't want to go into high end projects because we've just kind of entered into that site. It typically takes about 120 days to finish off this end to end from scratch to everything and provided the sign off from the client happens. And that's the industry norm which happens on this site.

Investor: And the payment, how does it?

Nalin Gagrani: Payment is also it's regular. So once you pick up the project, there is an initial advance, deployment advance and then once you are signed up, there are three tranches, R1, R2, R3. As and when you submit the bills or whatever has been done, it is audited, signed off and the bills are released. And so it's a 45, 50 days kind of a scenario from the last bill onwards. And your regular payments keep coming in. So that's, I don't see that as a problem. If you're working with good clients and good people, that's not an issue.

Manoj Tiwari: Thank you Sagar for your questions.

Investor: Thank you.

Manoj Tiwari: Let's wind up. You can just say thanks to everybody.

Nalin Gagrani: Thanks everybody and we are happy to kind of have this engagement going forward. We'll announce it maybe every three months or four months or six months, whatever, we anyway have this. But we are happy to kind of have that all of you took out time and heard this. I have that all of you took out time and heard this and I'm sure that we'll be able to do such a tremendous amount of work which we are already doing, scale to a further level and make sure that we are amongst the best in this industry on the verticals that we are managing.

Thanks a lot for all of your time once again. Thank you. Bye bye.