kotak Securities

Dated: 11 Nov 2025

# Signature Global (SIGNATUR)- BUY

## Q2FY26 Result Update

| Current Market Price (CMP) | Fair Value (FV) |
|---|---|
| **Rs.1021** | **Rs.1275** |

## Rationale:

- Reported uninspiring performance, hopeful of better prospects.
- Modest but expected pre-sales in the absence of launches.
- H1FY26 pre-sales to Rs4650cr (-21% yoy), clocking 38% of its FY26E guidance of Rs12500cr (+21% yoy).
- Management remains optimistic of pickup in H2FY26E, aided by Rs13000cr of launches.
- Valuations at 6.3X EV/EBITDA (2026E) are attractive.
- Retain BUY with a revised FV of Rs1,275 (Rs1,400 earlier).

### Positives:

- Management reaffirmed its guidance of Rs12500cr of pre-sales, Rs6000cr of collections and Rs4800cr of revenues.
- Management is targeting 35% embedded EBITDA margin in FY26.

### Negatives:

- Reported modest but expected Q2FY26 pre-sales of Rs2000cr (-28% yoy, -24% qoq) in the absence of major launches.
- Collections were soft at Rs940 cr (+2% yoy, +1% qoq) and lagged full-year guidance.
- Reported weak Q2FY26 revenue of Rs338.5 cr (-55% yoy, -61% qoq).
- EBITDA margin turned negative on weakness in execution & smaller revenue base.
- Net debt increased a tad to Rs970cr, impacted by land payments
- We highlight that execution slippages and geographical concentration are the key risks.

(EV: Enterprise Value, EBITDA: Earnings before Interest, tax, Depreciation and Amortization)



Holding Period: 12 months

## Rating Scale (Private Client Group)

### Definitions of ratings

| | | |
|---|---|---|
| **BUY** | – | We expect the stock to deliver more than 15% returns over the next 12 months |
| **ADD** | – | We expect the stock to deliver 5% - 15% returns over the next 12 months |
| **REDUCE** | – | We expect the stock to deliver -5% - +5% returns over the next 12 months |
| **SELL** | – | We expect the stock to deliver < -5% returns over the next 12 months |
| **NR** | – | **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only. |
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| **NA** | – | **Not Available or Not Applicable.** The information is not available for display or is not applicable |
| **NM** | – | **Not Meaningful.** The information is not meaningful and is therefore excluded. |
| **NOTE** | – | Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark. |

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