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SHOP FITTINGS
BY SAFE ENTERPRISES

Date: July 14, 2026

To,
National Stock Exchange of India Limited
Listing and Compliance Department,
Exchange Plaza, 5th floor, Plot No. C/1,
Block-G Bandra Kurla Complex, Bandra(E),
Mumbai-400051.
NSE Symbol: SAFEENTP

Subject: Voluntary Clarification regarding Media Articles/Reports and Speculations under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is issuing a clarification voluntarily in view of certain media articles/reports commenting on the Company's financial performance for the financial year ended March 31, 2026, particularly with reference to the Company's Free Cash Flow ("FCF") and related observations.

The Company has noted that the said reports contain certain statements and information which are factually incorrect, misleading and do not accurately reflect the affairs of the Company. In order to ensure dissemination of correct information to the investors and to avoid any speculation or misinformation in the market, the Company is issuing the enclosed clarification.

This may kindly be taken on record and disseminated on the website of the Exchange.

Thanking you,

Yours sincerely,
For and on behalf of
Safe Enterprises Retail Fixtures Limited

MOHINI RAJU WAGHADE
Digitally signed by MOHINI RAJU WAGHADE
Date: 2026.07.14 18:29:58 +05'30'

Mohini Waghade
Company Secretary & Compliance Officer

Encl: As above

Clarification

1. Positive Cash Generation from Core Operations

During the financial year ended March 31, 2026, the Company generated net cash from operating activities amounting to ₹33.87 crore, reflecting continued cash generation from its core business operations and the underlying strength of its operating performance.

2. Cash Flow Position During FY2025-26

FY2025-26 marked a significant milestone in the Company's growth journey following the successful completion of its Initial Public Offering and the commencement of its long-term capacity expansion program. During the year, the Company strategically deployed capital towards expanding its manufacturing capabilities, strengthening its operational infrastructure and prudent treasury management.

The Company incurred capital expenditure of approximately ₹65.21 crore towards expansion of its manufacturing infrastructure, including the development of its new manufacturing facility and acquisition of other long-term productive assets.

Further, the Company deployed approximately ₹101.87 crore towards Fixed Deposits and Recurring Deposits, as reflected under investing activities in the audited Cash Flow Statement. Such deployment represents treasury management and allocation of surplus funds and forms part of the Company's investing activities in accordance with the applicable Accounting Standards.

Accordingly, the Company's audited Cash Flow Statement for FY2025-26 reflects the following:

Cash Flow Particulars	**FY2025-26 (₹ Crore)**
Net Cash Generated from Operating Activities	**33.87**
Capital Expenditure	**(65.21)**
Deployment into Fixed Deposits & Recurring Deposits	**(101.87)**
Other Investing Activities (Net)	**(16.82)**
Net Cash Used in Investing Activities	**(183.90)**
Net Cash Generated from Financing Activities	**151.21**
Net Increase in Cash & Cash Equivalents	**1.18**

The financing cash flows primarily comprise proceeds received pursuant to the Company's Initial Public Offering, net of issue-related expenses and other financing transactions.

3. Context for Interpretation of Free Cash Flow

The Company wishes to clarify that Free Cash Flow is a commonly used analytical measure and is not a financial measure prescribed under the applicable Accounting Standards. The metric is generally derived from cash generated from operating activities after capital expenditure and, by its nature, does not incorporate cash flows arising from financing activities.

Accordingly, the reported Free Cash Flow for FY2025-26 does not reflect the financing inflows received by the Company pursuant to its Initial Public Offering, notwithstanding that such funds were raised for the Company's expansion program and other objects of the issue as disclosed in the Prospectus.

The Company believes that assessment of its cash flow position should therefore be undertaken with reference to the complete Cash Flow Statement, together with the Company's capital allocation strategy, financing structure and stage of business expansion.

4. Strategic Investment Cycle

FY2025-26 represents a planned investment phase for the Company.

The investments undertaken during the year are directed towards expansion of manufacturing capacity, strengthening operational infrastructure and creating long-term productive assets that are expected to enhance operational efficiencies and support future business growth.

Accordingly, the Company's cash flow profile for FY2025-26 should be viewed in the context of these strategic investments and its long-term value creation strategy.

5. Commitment to Transparent Disclosures

The Company remains committed to maintaining the highest standards of corporate governance, prudent financial management and transparent disclosures.

The Company's audited financial statements for FY2025-26 present a true and fair view of its financial position, cash flows and results of operations in accordance with the applicable Accounting Standards.

This clarification is being issued solely to provide additional factual context to shareholders and investors in relation to information already available in the public domain and should not be construed as modifying, supplementing or restating the Company's audited financial statements or any disclosures previously made by the Company.

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