

November 18, 2025

To,
The Listing Compliance Department,
National Stock Exchange of India Limited,
'Exchange Plazza', C-1, Block G,
Bandra kurla complex (BKC),
Bandra (East), Mumbai-400 051,
Maharashtra, India

Symbol: MACPOWER**Series:EQ****ISIN: INE155Z01011****Subject: Submission of Conference call transcript.**

Dear sir/ Madam,

The Company had organized a conference call for the Investors on Friday, November 14, 2025 at 4:00 PM to discuss the financial results for the quarter and half year ended on September 30, 2025.

The transcript of the said conference call held with the Investors is enclosed herewith. The Company shall also disseminate the above information on the website of the Company- <https://macpowercnc.com/>

Request you to kindly take note of the same.

Thanking you

Yours Faithfully

For MACPOWER CNC MACHINES LIMITED

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Macpower CNC Machines Limited

Q2 & H1 FY26

POST EARNINGS CONFERENCE CALL

November 14, 2025 4:00 PM IST

Management Team

Mr. Rupesh Mehta - Chairman & Managing Director

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Vinay Pandit:

Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations team, I welcome you all to the Q2 and H1 FY26 Post-Earnings Conference Call of Macpower CNC Machines Limited.

Today on the call from the management team we have with us Mr. Rupesh Mehta, Chairman and Managing Director.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risk and uncertainty. Also, a reminder that this call is being recorded.

I would now request the management to brief us about the business and performance highlights for the period ended September 2025 and their plans for the coming year, post which we will open the floor for Q&A. Over to the management team.

Rupesh Mehta:

Good afternoon everyone. First of all, I earnestly welcome you all to quarter two FY26 post result conference call. We appreciate that you have taken out time from your busy schedule to attend this call. Thank you for being in this call. The financial results and presentation have been posted on the company's website, and hope you have had an opportunity to go through the same. Vinayji, congratulations. This presentation is the best, highest ever, just like Macpower's performance. So, I would quickly run you through quarter two FY26 results highlights first, then we will discuss more about our business.

This time your company reported its revenue, EBITDA and PAT in quarter two FY26 which is all-time highest ever in any year-on-year or any quarter in history of Macpower. So in the history of Macpower, this quarter two is the highest ever in terms of the revenue, in terms of the EBITDA and in terms of the PAT. So, revenue stand at INR85.71 crore, growth in quarter-on-quarter at 40.45% and y-o-y 20.55%. EBITDA stand INR14.16 crore, grown by quarter-on-quarter 78.76% and y-o-y 11.11%. PAT stand INR9.38 crore, grown quarter-on-quarter 105% almost double, and y-o-y 12.95% nearly 13%. So, this time CapEx is increased on quarter-on-quarter instead of INR4 crore last year, this quarter we added INR8 crore in this quarter for the CapEx. Therefore, depreciation is also increased by INR32 lakh on y-o-y due to CapEx.

Machine average price is also increased to INR20.19 compared to last year y-o-y INR18.48 just due to some higher end product. Now

production capacity is also increased from 10th November, instead of 2,000, now we have a capacity of 2,500 machines.

And this time, if you can go through the presentation, we already mentioned this data. Pending order book is INR350 crore. Defence and aerospace tender business is also this year highest ever in this financial year. We will book the revenue highest ever in this financial year. Domestic bid is also submitted INR627 crore. Tender bid under evaluation is INR360 crore and total bid submitted INR987 crore.

Some of the key points I would like to give the information about the new development by our R&D team. We developed the TOM Turning Cum Milling machine with Y-axis, 1.5 meter big machines. We already launched in the market. MONO 400 XL we developed. GX 100 Super we developed. 1066 APC automatic pallet changer and second machine of 5-axis machines we developed in a different design.

About the Germany exhibition, the name of the exhibition is EMO where Macpower is first time after long years we participated in international show and we display our machines and technology. So we successfully showcased and sold few machines in the European market. Some orders also we received from our new foreign dealers and we are actively in discussion with the other dealers for different countries to expand a global presence.

Meeting with some foreign players during the Germany exhibition for the technology transfer and collaboration. I would like to announce you that we already meet and do the MOU meeting with more than double digit companies from the various part of the world like Europe, Japan, Korea and Taiwan. So, in double digit for technology transfer and collaboration. From this, we selected five companies offering diverse product portfolio in sectors such as medical, semiconductor, EMS, die and mould and electronic parts manufacturing. Out of these five, we already signed the NDA with the three companies and the two companies from this -- out of five, two company's delegation is already visited Macpower.

Now, we are waiting for another three companies. After that we will select some companies from this. So we have right now good options for the various part of the world and various product basket. Our selection strategy focus on achieving multiple objectives introducing import substitute product for sales and service in India through our sales and service network and exporting our product to other countries and the manufacturing some of the product which India is not producing.

Update about our new projects. I informed during the quarter one concall that payment would be made shortly. So now I would like to happily announce that we have already paid the token money for the land acquisitions and almost all the formalities from the government side is completed. I informed in my quarter one concall we expected acquire the land by end of December. Now, major approval from the all relevant department have been obtained. So same thing is here in December end, maybe we will receive this land. So, these are all the major highlights.

Now, Vinayji if you have any question we can discuss.

Moderator: Thank you sir. We will now begin the question-and-answer sessions. [Operator Instructions].

Vinay Pandit: Sir, until the question queue assembles there are two interesting points that you have spoken about in your initial remarks. One is about the EMO exhibition that you attended in Germany and the second is about talking to international players collaboration and subsequently your expansion. Can you throw some more light on how this will change the dynamics of your business going forward?

Rupesh Mehta: As we already discussed and you already mentioned in your presentation very nicely that now our capacity is 2,500 machines. With the new land we required a 30 acre minimum but our demand is more than 30 acre to the government. So definitely we will get the minimum this much land. Maybe we can get some more. So in phase one we are starting some backward integration component like foundries and some of the component which we are buying from our suppliers and supply chains. So, phase one we are adding another 2,500 machines capacity.

So total 5,000 machine capacity will start from this new plant and now we have our foreign technical collaboration and joint venture types of discussion is going on. So maybe we will add the separate line for our foreign partners for their product. So these are the ideas in phase one and phase two is another 2,500 machines and in phase three another 2,500.

So totally, we are planning a 10,000 machines capacity we are planning in coming five years. And according to the demand and according to the requirement of our foreign partners we will construct and we will establish the facility. These are the major developments after new land development.

Moderator: Thank you, sir. We'll take the first question from Mr. Dhaval Shah. Please go ahead.

Dhaval Shah: Yes, Rupesh bhai. Very good results. Am I audible?

Rupesh Mehta: Yeah, you are audible, Dhaval bhai.

Dhaval Shah: Yes, yes, yes. So now we are going for a big expansion plus even collaboration. So and we have developed newer machines, higher end machines. So if you can help us understand how have we progressed in terms of newer client acquisitions? If you can name some clients or without naming, which industries have we got into. So what I'm trying to understand is that a lot of investors I speak to and who do the plant visit, they generally say that a lot of large companies like to use machines which are made out of -- which are imported machines. Okay.

So and given this CNC machine is from an investment perspective, it's a story of import, replacing the substitution of imports. So which are the clients whom we have gained, whom we have signed up the bigger names or the midsize SME names which we have signed up and we are expanding our client base to understand that how we are progressing, going ahead in terms of our capability, how will we be -- what are our plans to sell such a large capacity which we are building going forward.

So 2,500 capacity we have now we are building another 2,500, next five years, you want to take it up to 10,000 machines. So if you can just give us what is your strategy to sell machines, whom are you going to sell so much so many machines, and everything around it? Yes.

Rupesh Mehta: First of all, selling strategy and selling techniques should not be discussed in public platform, and we are focusing as in my last concalls, you, I think attend all the concalls. First of all, we don't have capacity. So, we are focusing on tier 3 and tier 4. And our market share is just 4.5% right now. Previously, it was just 4%. So we are not focusing the segment we are focusing on the area and client right now.

But now, we are starting in last concall, I had, I think mentioned that we supplied and we got the good numbers of order from the big players, like the one biggest tire company, second is the Kirloskar.

Dhaval Shah: Okay.

Rupesh Mehta: Graphite India. So we have -- I think it is not good to discuss about the customer in this forum.

Dhaval Shah: Correct. Correct.

Rupesh Mehta: But now we are focusing in tier 2 also. Previously, we are not focusing because their requirement is huge, their requirement is bulk. And they are asking for some credits and some discounts also. But we have a short of the production capacity. So now we are focusing and we have a good client base with the MNC also, I had given you the few names. So, we developed the graphite machining machine because now India is developing the graphite also. And their machining is a different type of the capabilities required to machine the graphite. So we already supplied and developed this series also.

And mainly we are now focusing on the defence and aerospace. And right now, our major client base is tier 3 and tier 4. But for the sampling now every month, we are supplying double column VTL, HMC by 4 to 6 machines. That's why compared to last year, our average price is gradually increasing. So with this new plant, about your import questions, some of your manufacturer told you about the imported machine they are buying. But right now, India is producing turning machines just like a two-wheeler, VMC machines like a car. So HMC, VTL and double column. This kind of machine is not that much import. Turning machine almost 90% India's production compared to consumption. VMC is almost 80%. HMC is 60% now Indian players are supplying. 10 years back, our market share of Indian player was just 5%.

So, it will take time 2 to 3 years because -- so still we are importing 50%. But the 50% we are importing is India is not producing. Out of 50%, 40% import is India is not producing. In terms of the numbers, India is producing 30,000 machines and import is just 4,000. But the value of this 4,000 is too high. Maybe INR5 crore, INR10 crore, INR3 crore, INR2 crore like that. So, my idea is to produce this kind of the machines which India is not producing because of technical gap, technology gap and some kind of the good brands.

So, we are adding these new names from foreign partners and we will manufacture with their design, their technical capability with the new plant. Right now, I'm not worried till date about it.

Dhaval Shah: So Rupesh bhai, these 30,000 machines which India is producing, what will be the average selling price of those machines?

Rupesh Mehta: Average selling price, I don't have that much idea. But in terms of the -
- there are so many machines. Because this company are not manufacturing this. Somebody is not manufacturing this. But almost in terms of the consumption, we are just producing 50%. Till date, we have lots of opportunity. If we develop the import substitute product, then market is open. Because of the duty and the logistic cost, the imported machines price is almost 2.5 times. So India developed this kind of machine. That's why these foreign partners are also eagerly looking the India manufacturing. They don't trust China. And they are also facing same problem because of the cost and their European and Korean and Japanese manufacturing cost is three times, four times higher than us.

So, that's why they are also looking the good partners in this country. And out of these top five players, almost everybody is busy with someone, either acquisition or collaboration or something. So we are only available right now for this kind of thing. In our development history, we never bought any design, we never do the collaboration and everything we develop with our own R&D team. So these are the ideas.

Dhaval Shah: Yeah. And last question, Rupesh bhai, with growing capacity and bigger customers, do you think the receivable days will increase for us going forward? So if we see last two years, there is an increase from 33 days to around 45, 46 days for March. So in FY25, they were around 30 days.in March, in FY25, they have gone to around 45, 46 days. And as you mentioned, the bigger client wants credit and the payment terms are -- they want more relaxed payment terms. So going forward, should this be the normal or we can come back to 35 days of receivable days?

Rupesh Mehta: I think once you focus on the defence sector, their payment terms is -- margin is good, but the payment terms is almost 90 days.

Dhaval Shah: Okay.

Rupesh Mehta: So, it may increase but I'm not worried about that. Because right now we have a surplus, I think if you can see we are not utilizing our cash credit also. So this quarter we are planning to give some kind of the against LC some credit to the big client and which is the normal practice for this industry.

Dhaval Shah: Industry. Okay. Great. And wish you good luck as the order book is very strong and you only have a INR130 crore inventory. And it's just one month into the third quarter. So shows that the growth is going to be very strong for second half of the current financial year.

Rupesh Mehta: Yeah, it is a phenomenon, Dhaval bhai. As we discussed many times that 40-60, first six months 40, another six months 60. This is the trend of this industry.

Dhaval Shah: Yes. I mean, you have done in second quarter, you've done the sales, which you did in the fourth quarter. Great. Thank you. Good luck.

Moderator: Thank you, Dhaval. We'll request the participants to limit their questions to two per participant. We'll take the next question from Runit Kapoor. Please go ahead.

Runit Kapoor: Yeah. Hi, sir. Congratulations on the great set of numbers.

Rupesh Mehta: Thank you very much.

Runit Kapoor: So I want to know like our order received has decreased 5% year on year. Like last year in Q2, we received INR93 crores of order. This year we received INR88 crores and like I think we had quite a few exhibitions in quarter one and quarter two. So what is the reason for that?

Rupesh Mehta: Maybe we executed some more compared to last quarter, if you can see our execution. So this time, our execution is more than last quarter.

Runit Kapoor: No, I'm not talking execution. I'm talking of the order received like the new orders which came in like order of inflow.

Rupesh Mehta: Maybe sometimes it's because of holiday, it may be forwarded to -- if you can go through the six months versus six months then it's increased by... So I think because of this, I have to check this. I will come back to you after checking the data, Runitji. If you have any second question, I will give you.

Runit Kapoor: So just want to understand like in one more aspect of last year in Q3, we had seen some degrowth because Diwali holidays came and then you had not supplied for the Bangalore exhibition was there. So you had not supplied to certain customers. So, this year, are we expected to see the same or like?

Rupesh Mehta: I think quarter three, are you asking about this quarter?

Runit Kapoor: Yeah, quarter three.

Rupesh Mehta: I think this is the trend of this industry. First quarter is a little bit down, second is up and third is also a little bit up. So as I told you, first six months is 40%, 45% business, second is 55% to 60% business. So this quarter three, I think we'll prove same kind of the figures and quarter four is all time high. So this time I think we are expecting INR50 crore EBITDA and we'll achieve this. There is no any doubt about it.

Runit Kapoor: Quarter three is usually better than quarter two, right?

Rupesh Mehta: Maybe because of some holidays, maybe it's equivalent or maybe plus, but no doubt.

Runit Kapoor: And lastly, I want to understand like if I see the industry right now, there's a demand supply shortage right now, because like if I see Jyoti is coming up with capacity, it will take one more year. Lokesh Machines has been sanctioned. So, despite that, I feel like the company has a great capacity, but we are being too conservative in our growth. So, why aren't we taking like moving to tier one, tier two clients because we know player like Lokesh Machines was dealing directly with auto companies rather than auto anc's. So I mean, a company has so much capability. So, why aren't we doing that? Like if we give some credit, we can focus more on growth.

Rupesh Mehta: These are the biggest headaches to collect the payment from the tier three and tier four. And sometimes without margin, if you are just throwing the production that is also a not good strategy according to my experience that if you are not earning a good margin, then why to supply the machine to just trade the top line. I'm focusing always on the bottom line and the credit system we are giving right now, but not directly through some partners, just like some financial company, they are giving the loans to the customer and they will pay us after three months or two months.

So this kind of system we are working right now and we already executed, but to give the credit to directly to the customer, it is a very dangerous thing. So that's why if you can see my five years balance sheet, Runitji, there is no bad debt.

Runit Kapoor: Balance sheet is very strong, but I'm saying if you focus on tier one, tier two, like we can gain a market share right now because we see there's more demand than supply. So I mean, in terms of like it will help us gain market share and tier one, tier two, and we don't have a current borrowings also. I mean, so if you see like we can take a sort of working

capital loan and gain a market share for the short term that would help the brand image in the long term, I feel.

Rupesh Mehta:

No, there is no issue to give the credit to tier one and tier two with the letter of credit and we are giving right now because that is their primary demand. We can encash this LC anytime, but to tier three and tier four also we are working with some financial institute. There is no problem for the Runitji orders. The problem is for the executions payment because right now tier three and tier four customer is getting the loan from the PSU and bank because they are getting 25% subsidy and interest subsidy. That's why this month billing is jumped to next month, next month billing is jumped to next month. So that's why we create the one kind of the facility for our customer that finance institute will give the loans and finance institute loan is lesser than bank loan.

Say for example, 7%, 8% and what they will earn? They will earn that finance institute will give us the PDC check for 60 days, 90 days. So, we are working on this to increase the billing because right now previously we don't have that much capacity, but now we are adding the capacity and that is why you can see the result in Q2. Unexpected result in our all time history in year-on-year and quarter-on-quarter and this history and journey will be continuing in coming years and coming quarters.

Runit Kapoor:

Thank you. The last question is what is the Nexa order book and how much Nexa order was executed in this quarter?

Rupesh Mehta:

We have 27%.

Runit Kapoor:

Of the current order book is Nexa?

Rupesh Mehta:

Already we executed. 27% executed.

Runit Kapoor:

Okay, fine. Thank you.

Moderator:

Thank you, Runit. Thank you. We'll take the next question from Khush Nahar. Please go ahead.

Khush Nahar:

Yeah, thank you for the opportunity, sir. So, my first question is now, so what would be the first the timelines to close the transaction with the JV partner and consequently what would be the timelines now since we are more confident on the new CapEx? Till when can we expect the revenues from the additional 2,500 machine capacity that we will have? So timeline on that. And second, the recent addition that we have done

of 500 machines, when can we -- so considering the demand and the order book, when do we expect this to be fully utilized?

Rupesh Mehta:

First, your first question for the JV, Khush bhai. We don't have that much rush to sign the JV right now. These all are the activity we are doing as a primary exercise for the new plant.

Whatever the facility they require to produce the machine in plant, we don't have that facility in existing plant and we don't have space also. So we are doing everything too early because next EMO is in 2027. So that's why we participated. Our objective was to meet the few foreign bidders, foreign players for the joint venture. So we are on this way. We don't have that much hurry to complete this agreement.

We are comparing all the products, we are comparing the terms and conditions, what they are thinking about investment, products, everything. So maybe we can finalize this thing before we are starting the new construction in new plant. From the new plant production, I think if we can start worst come worst from the next financial year in April or May, we can start the construction, it will take one year to complete the project. So, after 15 to 16 months, we can start generating the revenue and adding the capacity.

Khush Nahar:

Right. So on the new capacity utilization, when do we expect the 500 units which we recently added?

Rupesh Mehta:

500 we already added. That premises is also in working condition right now and all the CapEx and the recruitment is already completed. So from the 10th November, we already added 500 machines. From 10th November, according to last five months, you can calculate our plant capacity for this year is 2,200 or 2,250 and next year is 2,500 because already seven months is passed.

Khush Nahar:

So, in FY27, we expect that optimum we can use this entire 2,500?

Rupesh Mehta:

Yeah, 2500. And the top line may be 500 crores we can utilize.

Khush Nahar:

That will be the revenue potential.

Rupesh Mehta:

Yeah, revenue potential.

Khush Nahar:

Okay. And sir, this average realization INR20 lakhs. So, now we expect this to continue considering the order book mix since we're adding more on the high-end machine and execution will be more on that side.

- Rupesh Mehta:** Sometimes -- right now, we don't have a separate line. So, as I told you Khush bhai in last concall also that if we produce INR15 lakh machines, then 10 numbers. If you produce INR30 lakh machines, then it is 5 numbers. If you produce INR1 crore machine, then 10 machine capacity is reduced. So that's why but right now, we have a good order book from the Nexa. So, I think average price will continue in quarter three also. And maybe in quarter four, we'll increase the average price from INR20.19 lakhs. So, compared to last year-on-year, quarter-on-quarter, we already increased the average price. But this journey may show the more increment in average price.
- Khush Nahar:** Right, sir. Pretty good to hear. And sir, lastly what was the expenses for the Germany exhibition? Because I think that other expenses have an effect of that. It has increased more than that.
- Rupesh Mehta:** That's a good question. That is, it's already in this quarter two balance. It is 1.5 plus 25. So, INR1.5 crore to INR2 crore in between INR1.5 crore to INR2 crore is the expense. It's already booked in the quarter two.
- Khush Nahar:** Correct. And sir lastly, any guidance if you would like to give for '26 and going ahead, considering we have the capacity now, 2,500 units, what kind of CAGR, revenue and sustainable EBITDA margins we can see considering order book and capacity?
- Rupesh Mehta:** So, same thing as last year, we had already discussed that 20% to 30% growth in year-on-year. So, same growth we are expecting maybe 25%, maybe 30% in this financial year. And same planning we are doing for the next financial year for 25% to 30% growth. And after that, you can understand once your new project will be in operation, we can add the more revenues.
- Khush Nahar:** And then margins will be sustainable...
- Moderator:** Khush, may I request you to rejoin the queue, please?
- Rupesh Mehta:** Margin may be slightly increased because there is no big exhibitions and the revenue may will try to keep the remaining minimum same and there is no other expense in this quarter. So this year, margin will be also increased in a quarter-on-quarter.
- Khush Nahar:** Thank you so much.

Moderator: Thank you, Khush. I request the participants to limit the questions to two. We will take the next question from Prateek Kothari. Please go ahead.

Prateek Kothari: Hi, sir. Congratulations on a good set of numbers.

Rupesh Mehta: Thank you very much, Prateek bhai.

Prateek Kothari: And so I just wanted to ask you about our bidding pipeline. You know what is the expected timelines for receiving any awards and what are we expecting in terms of conversion ratio?

Rupesh Mehta: Sometimes -- I think average is I think 12% to 13% whatever you had given the quotation. Maybe it is another thing is forwarded in a next quarter. But normally, these are the practice to submit the quotation. But sometimes in your Mumbai city, nobody wants the quotation. In first meeting, they finalize. They don't have that much time. They have already all the companies and all the references, all the job throughout. They have done all the exercise before they are inviting to the sales people. So some cities are not asking for the quotation. Directly they invite and they select the model compared to your competitor and your model. And then finally, they discuss about technical, commercial and the deliveries.

So, whatever the quotation and bid we had submitted, that is not that much criteria to receive the numbers of order. But whatever the projection our sales team is giving region to region and branch to branch. So every week, we have a weekly meeting where they are submitting their strong inquiry who are in the buying platform. And according to that data, we projected the order received in this month or this quarter.

Prateek Kothari: Right, sir. Sir, and on our capital strategy, just wanted to understand, given now that we are at advanced stages of receiving the land parcel, plus we are expecting, like you mentioned, a 25%, 30% growth rate, which will also have maybe in the future, some defence orders. And defence orders typically 90 to 180 day timeline is also there. So how we are expecting -- are we expecting to raise any equity or do some dilution to raise some funds to look at our future growth?

Rupesh Mehta: For the working capital, we have a INR30 crores cash credit. We are not utilizing that credit only for the bank guarantee and LC for the import component. So because it's 90 days, 120 days credit, so that's why utilizing the bank guarantee and this LC. We have a INR30 crore

CC facility available with us. Maybe we'll use this CC facility if we require the cash flow.

And second thing is, our renewal is due. So we are adding the INR20 crores new facility. If in this kind of we get the good bulk order and the credit system will be 90 days, 100 days, so we can utilize this working capital. But in this kind of the scenario, many times it's happened that your outstanding is more than 30 days or 40 days. That time our 90% supplier will support to the company that your payment you can give us after four months, five months, six months, whenever is possible. But in emergency, we have a good credit facility right now, as you know, that your company is debt-free company. And we rarely use our working capital, but to get the growth, as somebody told me, Runitji, that why we are not giving the credit to get the tier two or tier one customer. So, we are doing on this thing, but I don't think so for cash flow, we have any problem.

So for fundraise also, we are not thinking for the new plant also. In phase one, we will get the debt, because right now we have zero debt. So first phase, we will complete our first phase from the debt, or maybe our foreign collaboration company required some stake, we will give it to them as a strategical partner. But right now, we are thinking and creating the project report for the SIDBI or our bank.

Prateek Kothari: Understood, sir. And sir, any estimate on the CapEx for this phase?

Rupesh Mehta: Phase one, we are expecting INR125 crore including land.

Prateek Kothari: Understood, sir. All the best, sir. Thank you so much.

Moderator: Thank you, Prateek. We'll take the next question from CA Garvit. Please go ahead. We'll move on to Mr. Tushar Gupta. Please go ahead.

Tushar Gupta: Hello, sir. Sir, how we are looking into demand coming from automobile sector as there is too much sales from automobile?

Rupesh Mehta: I think, Tusharji, you analysis people are very well known about the automobile market. After reducing the 10% GST, from my data, there is no inventory available with the leading player of auto manufacture and auto component manufactures. Because you can see the jump on October business in the automobile market. So it's good growth in the automobile market right now. And there is one new policy as yesterday government announced for the capital goods and I think for the industries, INR45,000 crore for the exporters. So when we are

exporting, and we already start exporting, so this kind of benefit is government giving. So automobile industries will, I think, grow by good numbers in this quarter and this year.

Tushar Gupta: Okay, sir. That's nice. And one more thing, you are talking about car case business. Is there any update on that?

Rupesh Mehta: We are discussing with two big giant players for the car case business. So when we have an extra spare capacity in new plant, so we can supply the car case. We'll start the sampling in a quarter four and after that in their bulk requirement will we fulfil by the new plants.

Tushar Gupta: Okay, sir. Thank you so much. That's it from my side.

Moderator: Thank you, Tushar. So we'll take the next question from Samarth Nagpal. Please go ahead.

Samarth Nagpal: Hi, Rupesh sir. How are you?

Rupesh Mehta: Welcome Samarthji. I am good. How are you?

Samarth Nagpal: I am great, sir. Sir, congratulations for a great set in this quarter. I just wanted one clarity. What is our target for the order book by this year end? Last year there was IMTEX etc., also. So what closing are we looking at? Only on the order book for next year.

Rupesh Mehta: This year there is no IMTEX. But my target is to close between 300 to 330 and definitely achieve INR50 crore EBITDA. This is more our executions plan rather than order book. We do not worry about order book at any time. We are worried about supply chain because we are maintaining more than 19,000 component inventory. So, in one machine, more than 1,000 component we are adding. So, supply chain, man power, and customer fund, the payment system. We are focusing on this. So, this year, we are targeting this much amount.

Samarth Nagpal: Okay, sir. Sir, second, I think we have 2,500 machines and the expansion will happen when it happens, when we get the land. So I think business wise, the business is going in the direction of become a big business. So leadership team or within the company, the talent in the industry, is there anything being established in the leadership team? Sir, any idea?

Rupesh Mehta: In leadership, I have four Vice President level people. In HR team, I have almost 15 people. CA, CS, QMS, Quality Management System.

So, there are lots of seniors already. And we are adding. But mainly, we are adding technology design side, automation side, and IOT 4.0 side. And the rest we need is technology. We will do that after the new plant. So it's a very basic practice. Without that, you can't reach this level. So, here the biggest challenge is talent, skill and retention program. So we have many good programs.

Recently, we have started a clinic, for free. We get 25 patients daily. Their families and employees get medical and health care check-ups, injury check-ups. So we have to do many things. Food is free. Transport is free. Uniform is free. Insurance is free. So these are the normal practices, Samarthji.

Samarth Nagpal: Sir, the last small question I have, whenever the land is announced, there will be a design phase, whatever the CapEx we want to do, we will have to do a design, that we want to do INR100 crore CapEx, INR125 crores. That designing will be after the land allotment or that work has started, because that will also take 3, 4 months of time, how the factory has to be designed, the first phase. So has that implementation started or we will wait for the closing?

Rupesh Mehta: We won't do it now, because on what basis and what angle, it is too early. In designing, the basic requirements are already there. We will hire consultants and give them work. So they will ask for the big fees also. Once we have the idea of peer's companies' infrastructure or foreign companies' infrastructure, their needs, videos, our needs, we have the preparation for that. But in professional architects' team, we can also do that in the current trend of Turnkey basis, in which you will get 12, 15 months with penalty they will give you the keys in hand, that idea is fine. If you make the designing and civil separate, it will take too much time. So we will move ahead with big companies who work on projects, in which design to handover the keys is our own idea.

Samarth Nagpal: Okay sir. All right, Rupesh sir. I will fall back in the queue. And congratulations sir.

Rupesh Mehta: Thank you so much.

Moderator: Thank you Samarth. We will take the next question from Shrey Gandhi. Please go ahead.

Shrey Gandhi: Thank you for the opportunity and congratulations on a good set of numbers. Most of my question got already answered but just a small

colour if you can give on the tech transfer which you have entered into with European companies and Japanese companies in the exhibition.

Rupesh Mehta: Shrey bhai, I am not getting your voice. Can you please repeat your question?

Shrey Gandhi: I just have a small question on the tech transfer which you have done with few foreign companies in the recent exhibition. If you can share some colour on that.

Rupesh Mehta: No, that we cannot discuss because we already signed the NDA with everyone and we have not selected any of them. I told you that some of the Japan, Germany maybe Europe and Korea. We already discussed with the 10. Out of that we shortlisted 5, and 3 companies came forward for NDA and now we are waiting for another 2 companies. Otherwise, from this 5 we will select 1. Some of the things I think it is not good to share in this public platform.

Shrey Gandhi: Okay. Thank you, sir. That's all from my side. All the best for your future growth.

Moderator: Thank you, Shrey. We will take the next question from Arnav Sakhuja. Please go ahead.

Arnav Sakhuja: Hi. Thank you for taking my questions. My first question is I think on the call you had mentioned something along the lines of 25%, 30% growth as a guidance. So just to clarify are you talking about revenue growth or volume growth or what was it? I didn't fully catch that.

Rupesh Mehta: Arnavji, this is revenue growth. I am giving you the indication according to our order book and now plant capacity. And there is no much more extra cost. Right now there is no big exhibition in this Q3 and Q4. So I think margin-wise also same growth we will achieve. I give you the indication about EBITDA, that INR50 crores. So compared to last year, if you can go through. So in terms of EBITDA, in terms of PAT, because we are adding the more CapEx. So our depreciation cost is increased as our friends suggest about the credit. So our little bit financial cost may be increased. But then also 20%, 30% growth we are expecting in terms of the EBITDA, PAT and top line.

Arnav Sakhuja: Right, and you were also mentioning that in that additional 7,500 units that you would like to develop over the next 5 years. We are also looking at backward integration with components like foundry. So is

there a significant margin saving that we can have through this backward integration?

Rupesh Mehta: Definitely because when you are buying from the other suppliers and when you are manufacturing everything in-house. So definitely your manufacturing cost and your EBITDA margin will increase because there is no logistic cost. We can reduce the rejections and you can save your assembly time also and simultaneously your margin will improve. So definitely, we can get the sustainable growth in the margin also after new plant and we can increase our EBITDA margin.

Arnav Sakhuja: Okay. Congratulations and best luck.

Moderator: Thank you, Arnav. We will take the next question from Sarosh Sethna. Please go ahead.

Sarosh Sethna Hi, good afternoon sir. Can you hear me?

Rupesh Mehta: Good afternoon Saroshji.

Sarosh Sethna Sir, I just had a question regarding your now getting into the aerospace and defence sector as well.

Rupesh Mehta: Saroshji, you are doing right now some kind of difficult component from the ballast part industries and the medical industries. For aerospace and I think for aerospace and aeronautics component, mostly people are using 90% imported machines. They are not using India's machines. This is a trend in India when we started manufacturing horizontal machining centre, first year, second year our market share -- I am talking about Indian place. It's just 5%, 10%. Now, horizontal machining centre, we are almost 60% to 70% domestic. So creditability, reliability and people doesn't want to take the big risks. So this market is growing in coming 5 years. This market is not that much grown for the domestic players. So that's why if we have any joint venture and proper infrastructure from the new plant and then and then you have to focus on aeronautic industries.

Right now, we are focusing on tier 2, tier 3 supplier for the aeronautic component but directly to supply the machines is right now not possible with our capacity also and with our capability also.

Sarosh Sethna Right, okay. So in the last quarter, you had mentioned that you have gotten to an MOU with the Gujarat government. I just wanted to know

if there was -- is there any update on this or like what you said, you still can't -- you can't manufacture.

Rupesh Mehta: I already, I think, informed in my speech and in some of the questions that we already paid the token charges and now we with this MOU only, they are offering. And in December end, I think we'll get the allotment. Maybe it can extend to January. They have 14 January, 15 January, they have vibrant Gujarat in Gandhi Nagar. So maybe they invite us in Gandhi Nagar to hand over this document but I'm expecting in December, maybe they can hand over in front of the thousands of people in the vibrant Gujarat show.

Sarosh Sethna Okay, so production for this, we'll begin once. I'm sorry, I'm a little confused on this that's why I'm asking you about this.

Rupesh Mehta: I'm talking about the MOU with the Gujarat government for the manufacturing of the defence and aeronautics and aerospace and defence policy. So they will give this kind of the facility to us and we already completed all the parameters and we already paid the amount also.

Sarosh Sethna Okay, so then it'll take you about 15 months to set up the facility and then you can start production? Is that it?

Rupesh Mehta: After receiving, I think I'm targeting 12 months but maybe with this kind of our Indian facilities available, it may give us 13 months to 15 months maximum but we will give the contract to the contract manufacturing company who can hand over us in 12 months.

Sarosh Sethna Okay, sir. I look forward to interacting with you in the next quarter to see what you have about this. Thank you. All the best, sir.

Rupesh Mehta: Thank you.

Moderator: Thank you, Sarosh. Sir, we'll take the next question from Kamal Jeswani. Please go ahead.

Kamal Jeswani Yeah, hi. Thank you for the opportunity and congratulations on the good set of numbers.

Rupesh Mehta: Thank you very much, Kamalji. Thank you very much.

- Kamal Jeswani** Sorry if there's a repetition. I got disconnected in between. What is the capacity utilization of our plant which is like, I think 2,500 is the current capacity, right? What is the capacity utilization?
- Rupesh Mehta:** I think with the 2,000 machines, we produced almost 85% machines and we are keeping some running model in our warehouses in various branches and in our ready inventory also because right now we are getting 10% to 12% customer who required the machine in same day. So some of the fastest moving model we are keeping in our inventory. We have more than 100 plus ready machines inventory and we are refilling that. So in terms of the production, we are utilizing right now 85%.
- Kamal Jeswani** Got it. Thank you. And secondly, regarding the CapEx of this INR125 crore which we are planning, how are we planning to fund this through internal accruals or we are going for...?
- Rupesh Mehta:** For new planning, Kamalji, it is INR125 crore and we are going to get the debt from the SIDBI or our bank and in phase one maybe we completed our strategic partner from foreign global partner. So maybe we can give some stake as a technology partner as a strategic partner. But right now we are not planning to raise the fund in phase one for the new expansion.
- Kamal Jeswani** Got it. Thank you so much.
- Moderator:** Thank you, Kamal. Sir, we will take the last follow-up question from Khush Nahar. Please go ahead.
- Khush Nahar:** Thank you for the opportunity again, sir. Sir, could you tell us the number of machines we sold in Q2 and in Q1 FY26?
- Rupesh Mehta:** We mentioned this figure in our presentation and in concall also but it is helping our peers' company to mapping the area-wise and total number of machine-wise. So you can calculate the revenue versus average price.
- Khush Nahar:** Okay. Thank you.
- Moderator:** Thank you, Khush. Sir, since that was the last question, would you like to give any closing comments?
- Rupesh Mehta:** Thank you very much, Mohsinji. Thank you very much, Team Kaptify and Vinayji for making the excellent presentation. I think this time your

presentation for Q2 is same like our result, the all-time best presentation you Kaptify team prepared. And thank you very much everyone for joining in Q2 result and I hope that in Q3 we'll meet again for the same kind of success story we'll discuss and thank you very much everyone.

Moderator:

Thank you, sir. Thank you to the management team and thank you to all the participants for joining on this call. This brings us to the end of today's conference call. Thank you.