being there... ZEN TECHNOLOGIES

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November 05, 2026

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Symbol: ZENTEC

To
Dept. of Corp. Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Scrip Code: 533339

Dear Sir/Madam,

Sub: Transcript of the earnings Conference Call held on November 02, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call held on Monday, November 02, 2026.

This is for your kind information and records.

Thanking you

Yours faithfully,
For Zen Technologies Limited

SOURAV DHAR
Digitally signed by SOURAV DHAR
Date: 2026.11.05 13:43:03 +05'30'

Sourav Dhar
Company Secretary & Compliance Officer

Encl: as above

“Zen Technologies Limited
Q2 & H1 FY2027 Earnings Conference Call”

November 02, 2026

Management: Mr. Ashok Atluri - Chairman & Managing Director
Mr. Hari Haran Chalat - Chief Financial Officer
Ms. Abhilasha Atluri - Head of Investor Relations
Mr. Ravi Udeshi – Senior Manager Investor Relations

Moderator: Ladies and gentlemen, good day and a warm welcome to Zen Technologies Limited's Q2 FY 2027 Earnings Conference Call. Please note all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the management's opening remarks. Please note that this conference is being recorded. I now hand the conference over to Mr. Ravi Udeshi from Zen Technologies. Thank you and over to you, Sir!

Ravi Udeshi: Thank you, Swapnil. Welcome and thank you all for joining this Q2 and H1 FY2027 earnings conference call of Zen Technologies Limited. The results and the investor updates have been e-mailed to you and are also available on the Stock Exchanges. In case anyone does not have a copy of the same, please do write to us and we will be happy to send it over to you. To take us to the results for this quarter and to answer your questions, we have with us today, Mr. Ashok Atluri, Chairman and Managing Director; Mr. Hari Haran Chalat, Chief Financial Officer and Ms. Abhilasha Atluri, Head of Investor Relations. We will be starting the call with a brief overview of the performance, which will be followed by the question-and-answer session. Before we start the call, I would like to remind you that the Safe Harbor Clause applies. With that said, I now hand over the call to Mr. Hari Haran Chalat. Over to you, Sir!

Hari Haran Chalat: Thank you, Ravi. Good evening and warm welcome to all. Thank you for joining us on the Q2 and H1 FY2027 earnings call. I will take you through our financial performance for the quarter and half year ended September 30, 2026. Consolidated revenue from operations for Q2 FY2027 stood at Rs.345.1 crores, a highest ever quarterly revenue, representing a growth of 98.8% over Rs.173.6 crores in Q2 FY 2026 and more than double the Rs.141.6 Crores reported in Q1 FY2027. As we have consistently indicated in our earlier interactions, our revenue is expected to be weighted towards Q2 and Q3 and this quarter reflects the execution of the order book we have been building since last year. Operational EBITDA for the quarter stood at Rs.132 Crores at an operational EBITDA margin of 38.2% compared with 37.3% in Q2 FY2026 and 27.3% in Q1 FY2027. Profit after tax attributable to shareholders stood at Rs.89.5 Crores, a growth of 50.7% over Rs.59.4 Crores in Q2 FY2026.

We have committed in our previous earnings call that as the revenue increases and operating leverage kicks in, we would see the margins normalized towards the 35% EBITDA that we had guided, and this quarter confirms that. Taking the two quarters together, our H1 FY2027 operational EBITDA margin stands at 35.1%. This is in line with the mid-30s full year guidance we have shared. We continue to guide a full-year operational EBITDA margin in the mid-30s. I would like to spend some time on the increase expenses that you would have seen for the quarter. You will note that our employee benefit expense

and other expenses have increased in absolute terms this quarter. On the employee benefit side, it reflects performance incentives accrued towards during the quarter and the ramp up of our R&D team headcount, particularly in AI and emerging product areas. This is in line with our communication that we expect to see increasing R&D investments over the year.

On other expenses, the increase is primarily due to warranty provisioning, which varies depending on the product mix between ADS and simulators. This quarter, we had a higher mix of ADS resulting in Rs.9.3 Crores higher provision in Q2 FY2027, was in the same period last year. In addition to the warranty expenses, we have also seen an increase in consultancy and professional fees towards design and development of certain R&D products in the pipeline. Even after these increases, the employee and other expenses together with 24.4% of revenue this quarter compared with 26.3% a year ago, so our cost base has been efficient as we have scaled, even though the absolute numbers may seem to have increased. Coming to the half year, consolidated revenue from the operations for H1 FY2027 was Rs.486.8 Crores, a growth of 46.7% over Rs.331.8 Crores in H1 FY2026. Operational EBITDA for the half year was Rs.170.7 Crores and profit after tax attributable to shareholders was Rs.124 Crores compared with Rs.107.2 Crores in H1 FY2026.

Now coming to the order book, the consolidated order book stood at Rs.1375.7 Crores as of September 30, 2026, comprising an equipment order book of Rs.995 Crores and an AMC order book of Rs.380.7 Crores. During the quarter we executed Rs.345.1 Crores of orders and secured new order inflows of Rs.481.8 Crores. I would draw your attention to the fact that our order inflow during the quarter exceeded the revenue we executed, so the order book continued to grow even as execution accelerated, from Rs.1239 Crores at the start of the quarter to Rs.1375.7 Crores. This reflects the stable demand across our product categories and gives us visibility into the coming quarters.

Let me now turn into working capital and the balance sheet. Our consolidated working capital cycle stood at 379 days as of September 30, 2026, compared with 255 days at the end of Q1. The increase is driven primarily by two factors, first debtor days increase, which is a direct consequence of our revenue being weighted towards Q2 FY2027. These are recent receivables from the execution ramp. Second, advances to suppliers increased as we procure to execute the order book scheduled for delivery through the remainder of the year. Inventory days reduced over the quarter. This also explains the operating cash flows for the half year. The net operating cash flows for the half year was negative, but this is a function of the working capital build I described earlier. The increase in receivables from our back-ended revenue and the inventory and advance is deployed to execute the order book. The receivables are recent and largely by government and defense contracts, where collection risk is low and this build has been funded entirely from our own resources. We remain debt free with approximately Rs.968 Crores of cash and bank balances. The business is

profitable and cash generating at the operating level. The cash is currently deployed in working capital that supports our execution. This is the brief on our financial performance for the quarter and the half year. We can now take questions. Thank you.

Moderator: Thank you so much. Ladies and gentlemen, we will now begin with the question-and-answer session. Anyone who wishes to ask a question may click on the raise hand icon from the participants tab on your screen. We request participants to keep their questions as brief and precise as possible. We will wait for a few minutes until the question queue assembles, requesting participants to please remain connected. We will take our first question. We have Mr. Amit Dixit of GS Commercials. Amit, please unmute your microphone and go ahead.

Amit Dixit: Good evening everyone and thanks for the opportunity. Congratulations for a good set of numbers. A couple of questions from my side. The first one is on the R&D part as covered by Hari in his opening remarks, so just wanted to understand where is typically we are going to deploy the R&D efforts incrementally, whether it is the new product development or certain subsidiaries that we have acquired over the recent times, we want to scale up operations over there, so just wanted to get a broad sense and the kind of your R&D expense as a percentage of revenue is already industry leading, so just wanted to understand what is the ultimate objective with this, where some certain benchmark if you have set for the management? That is my first question.

Hari Haran Chalat: Thanks Amit. So to answer your question, the R&D efforts basically the expenses that we are incurring right now are towards the future products and also upgradation of our existing offerings to the customers, so there is a lot of R&D which is going on, as we communicated earlier, into the next-gen defense technologies, especially robotics, AI, and also anti-drone systems and new solutions in the products that we are in right now and that is where the R&D efforts are going into. Some of these R&D expenses, as you already know, some of the subsidiaries do the R&D for us and do the execution as well, but the IP is owned by Zen, so the R&D expenses indirectly also are funded through the subsidiaries. To answer your question on the percentage or the amount of R&D expenses we expect to incur, frankly we do not put an internal target on the R&D. We are very opportunistic when it comes to R&D expenses, if we see there is any kind of development, which we think is a huge opportunity and which the country needs we go all in and we do not mind investing our own money and that has been the USP of Zen till now and to answer your question, last year FY2026 the R&D expenses were 12% of the topline, even though internally, we, like I said, we do not keep any benchmark like that and this year also, we should be in a similar range.

Amit Dixit: That is helpful. The second one is…

Ashok Atluri: Amit, I would like to add another point, the thing is, when we invest in companies, like acquire a new Company, it is typically more than the Company, there is a lot of IP in that Company, so it is actually an R&D expenditure in that sense, that this Company has already done 10, 12, 15 years of R&D, and they have huge IP, whether they file patent or not, etc., the right through, we call it IP or whether they are filed patents or not, it is secondary, but overall, our investment typically go into companies that already have a lot of hidden IP or on which they can build a lot of products. So, the actual figure that you see in terms of just the percentage is one and the second is every acquisition that we do is also actually an IP purchase. Sorry, Amit, go ahead.

Amit Dixit: Thank you, that is quite helpful. The second question is essentially on the C-UAS system or the counter drone system, now we have our own product, our own IP. We have seen a lot of AoNs pointing to the same, but there have been a lot of AoNs but no orders unfortunately, so I just wanted to get your perspective on how you see the ordering cycle currently, ordering environment currently, because it is not only about Zen it is about the entire ecosystem that we are seeing that orders have suddenly dried up, particularly on the counter drone system for which there has been a lot of hue and cry raised by the government, but we have seen very little action, so just wanted to get your perspective on that.

Ashok Atluri: Two things, Amit one is that the orders are coming two routes, mostly two routes one is the FTP, the Fast Track Procurement, and the second is the capital acquisition. As you have seen that FTP approvals have happened now and we expect maybe a month, two months the tenders, the RFPs will be floated and responses will be given. Typically, the deadline is to finish by March, the procurement again or whatever the delays have happened, but I think there is a lot of changes that are happening and the government really wants to be very wise in framing the specs and it is a very evolving thing. Even if they were to buy something today, tomorrow they would want it to change and that is where, is the Company buying from an Indian Company with the Indian IP or are they buying from some collaborator, who is reselling the foreign goods, so that will be the biggest challenge there. The evolving thing has delayed, of course, the FTP itself has delayed, so those tenders will come in. I think there will be a bunch of orders that will be coming to the Indian players at that point in time. Second is the capital acquisition that I think is going to take at least a couple of years or two to three years to play out and the orders being placed, so that is the second thing. As you have correctly guessed, there is a huge requirement for this counter drone systems and Zen has proven systems, including well proven in Operation Sindoor, so we think that we should also get a fair share in the tenders that come, but again, what tenders come, what will be the specifications, which tenders will be won by Zen, what is the amount. We are not able to put any names till the tenders are floated then we may get some sense of which are the tenders we will bid for and what is the likelihood of our getting those orders, but yes, you are right the C-UAS tenders have not come so there are no orders been placed.

Amit Dixit: Okay Sir.

Ashok Atluri: Thank you Amit. Please go ahead.

Moderator: Vikash Singh from ICICI securities. Vikash, would you like to please go ahead.

Vikash Singh: Thank you. Good afternoon Sir and thank you for the opportunity. First of all, very congratulations on a very good set of numbers. Sir just wanted to understand that our two years guidance of roughly about Rs.4000 Crores of topline we need to exit this year with a pretty FD order book because our execution timelines are usually 15-16 months kind of a thing, so next five to six months, what kind of order winning pipeline you are envisaging at this point of time and does the counter drone system also includes in that thought process?

Ashok Atluri: The thing is, we have started doing is we are saying that it is very difficult to predict how much turnover we will be doing in the next one year or next two years or something. What we are very sure about is the ability to execute the order that we have already got. So, that Rs.4000 Crore that we made for two financial years was based on the government processing the orders and we getting the orders in hand. So, we expect those things to happen, but we do not know when they will happen. So, there may be some delay in the placement of orders. Once the orders are placed, we will feel very, very sure about execution and it included both simulators and counter drone systems, but as we are seeing, there are some delays which are happening, but again, once our order book builds up, typically the FTP needs to be concluded by March 31, 2027 and if we have a good order book by then we should be able to achieve what we are set out to do, but again, look at the order book more than anything else.

Vikash Singh: Noted, Sir. My second question pertains to our long-term strategy. As we have seen in the last two years, we have acquired a lot of companies collaborating them into a certain kind of the capability infrastructure; however, our recent acquisition does not seem to fit the match of the drones or your simulation kind of the thing, we just wanted to understand going forward are we going to explore in a non-related segment as well, just to build up our capabilities for diversification purpose and this new acquisition which we have taken, if I am not wrong, it is largely related to tank guidance, etc., if you could give us some more insight on your strategy through acquisition led build up.

Ashok Atluri: The strategy that then has is this, that you are absolutely right that the first thing is the simulation segment that we want to do. We acquired a Company, ARI, which was into adjacent for the naval simulation and we acquired that. Then we, of course, EW, we had UTS, a counter drone system we started. Then we acquired AI Turing, then we acquired Vector, so, all connected companies. So, your question was this acquisition of Cogknit,

where does it actually come in that? So, the strategy of Zen is this. That we are assuming that there are some Pareto technologies that we really need to get grip on for if India has to become unbeatable in war and we have identified certain technologies and out of them, command and control is one such area that we really think is going to go. In addition to space is another area that we think is going to play a very, very big role. Another product that is seemingly, even though connected with robotics and automation, which is which through Bhairav Robotics we are doing, so these are all connected in the sense that the question that we need to, that we ask is, is this a Pareto technology that will really, really impact future? Again, when I say Pareto, I mean, 20% of the technology that will have 80% of the outcome in the war. For example, we say that the Israeli-Iran war was won by the Shahed drones. So this is, almost 0.1% of the equipment won 99% of the war, so what are those technologies that we need to focus on as we go into the future? So this, again, Cogknit is, I do not know, if you just do some Google search on Cogknit, they are one of the most advanced guys in AI. They have done a lot of work in AI, they have done this command and control stuff, this is absolutely cutting edge and I think the work that they are doing is not only applicable to India but worldwide. How do you become aware of where your tank is in a war? Actually, almost all the older tanks do not have that facility to be aware where they are in a war. So, these guys have developed the technology and this can be scaled across the infantry and AD, etc. So, I think what they have is, we really, really feel that it is one of the best acquisitions that we have done and we think that as we go ahead at least five years from now this would be a significant contributor of revenues to our portfolio. Again, they are all connected in the sense, these people use sensors to sense and get a common picture-by-picture, which can be used across Board for our other simulators also, including simulators.

Vikash Singh: Noted Sir. Thank you and all the best for future.

Ashok Atluri: Thank you Vikash.

Moderator: Thank you. Moving to our next participant. We have Mr. Dipen Vakil of Phillip Capital. Dipen, please go ahead.

Dipen Vakil: Thank you for the opportunity and congratulations on a great set of execution. Sir, my first question is, I wanted to understand, you have been looking at your export market as well as increasing your international presence, so can you throw some light as to how that is moving and when it will start contributing significantly to the revenue and where is the expansion into US that we were looking at?

Ashok Atluri: Again, the exports market, there were some discussions going on, but this war is actually kind of putting a dampener on that and so there is almost on the verge of signing or very,

very advanced stage of negotiation, but the Iran-Israel war has caused some gaps there, but I think overall we do expect some orders to come through in the next few months in exports area and not only from Middle East but also CIS countries and probably Southeast Asia. These are the areas that we are focusing on, but again, I am not able to put a number there. Second is the USA, again, the compliance, we are working very hard because it is one of the most difficult markets to penetrate the US market. There are a lot of compliances to do, so we are undergoing the process of meeting those compliances and of course, we are also looking at collaborating with primes where we can co-operate with the prime and within the legal framework of the US defense, how much of value add can we do from India and of course we would like to meet the requirements to do it in US also, but as we speak we are talking to a couple of big primes and we expect something to happen probably next year in this regard.

Dipen Vakil: Got it, Sir. Sir, any traction coming in from Europe especially for anti-drone system side of it considering the entire rearmament process that is going on over there?

Ashok Atluri: Again, Europe is also, they have been insisting that it should be a Europe-made product and they have a regulation, there is a procurement called SAFE that is happening and the requirement is 65% of the procurement should be local that means it should remain in the economy, so we are talking to some of the large players in that field, how do we meet the requirement that is there and we do expect it is in both the fields not only C-UAS but even in simulators because they have not been really trained for the kind of equipment they will be dealing with. Fortunately, we make simulators for the Russian equipment, so, they are very much interested in that part of that deal. So, both C-UAS and simulators are something that Europe is looking to and we are talking to some people there and expect some positive developments to happen by next year at least in the beginning of the next year.

Dipen Vakil: Got it, Sir. Second question is mainly on the so right now, whichever tenders that would be live or RFPs that will be going on so when do you expect some translation to happen, do you think that it will happen in third quarter or more towards the fourth quarter when we will see some major contract signings or award winnings happening?

Ashok Atluri: The earliest is fourth quarter. What I see, some simulator order may come much, I think I have been saying that some about Rs.400 Crores worth of simulator orders are expected, but they are taking time to materialize, but they will happen much earlier, but C-UAS, the FTP, that is the earliest they will happen in the fourth quarter, but for some reason, if they do not conclude the FTP process, which is typically the scheduled deadline is March 31, 2027 that may spill over into the first or maybe worst case, second quarter also, but it has never really gone beyond the second quarter, but typically, if they were to stick to their deadlines, we should have the orders by Q4.

Dipen Vakil: Got it, Sir. That is helpful, Sir. Thank you so much and all the best for the second half.

Ashok Atluri: Thanks, Sir.

Moderator: Thank you, Dipen. Moving to our next participant. We have Abhijeet Singh of Systematix. Abhijeet, please go ahead. Sorry, please unmute your microphone and go ahead with your question we are unable to hear you now.

Abhijeet Singh: Thank you for the opportunity and congratulations on a very strong set of results. Just wanted to understand what led to such strong execution in Q2. I think we have reported our highest ever quarterly revenue that is a very positive sign, but what is the execution if you can talk about the product, some color on that, what led to this kind of strong execution in Q2?

Ashok Atluri: I think one thing we have done is extreme streamlining of the operations themselves. Today, I think even if you were to double the size of the orders to be executed, we should be able to execute also easily, so I think the systems have been streamlined. We have now extreme visibility. Where are we stuck? We know, identify the bottlenecks, so the execution has really, really increased the thing and second was, there was some gap in the Q1 that also was spilled over into the Q2. I think that also kind of help in getting these good numbers, but we expect, H2 also to be reasonably good, but again, I think the credit should go to the operations team, they have really installed new process and procedures in the whole system by which we are able to, I would say almost effortlessly executing and getting this and when we expect the Q2 to be also very heavy, but we do not think any challenge in execution. I think that is actually a good thumbs up to the operations team.

Abhijeet Singh: Okay Sir and what would be the quantum of that revenue that got deferred in Q2?

Ashok Atluri: No. Q1 to Q2 there was some deferment, but no deferment in Q2. I think we executed whatever was promised in Q2.

Abhijeet Singh: In terms of our capability in countered UAS category, let us say if there are tenders of Rs.100 so how many tenders do we generally participate in it from whatever product capability that we have right now?

Ashok Atluri: I will reframe the question, are there any categories of C-UAS that we do not bid for? Yes, there are very low-end, some very low-end counter drone system we do not bid, for example, there is a gun for individual shops or something or farmhouses we do not make that kind of a thing, so we make for the armed forces and I think I would say almost 70% to 80% of the market would be addressable by us, but again, within that, what kind of capabilities do they ask for? We really, really build very, very high-end, made for war kind

of counter drone systems and typically we have instruction that we want to make counter drone system for war not for winning a particular tender. So, again, the Zen was the first Company probably one of the very, very one or two companies in the world to make a similar counter drone system that could jam wideband incoming drones. Everybody who made for a counter drone system for commercial drones and we said, listen, if a terrorist or enemy were to attack they will not follow your commercial frequency guidelines and exactly that is what turned out in Operation Sindoor and we were able to effectively do it. So, we are doing many other things, obviously cannot disclose everything, but we are doing many other things which are actually meant to defend India in a war and be successfully avoiding any kind of damage. So, if the tenders come with those real war specs will be substantial part of that, but if for some reason the specs are not very stringent, maybe there will be other people who will win some of the contracts, but the whole game is that we are really making our systems for India to be really, really impenetrable.

Abhijeet Singh: I think last time I met Hari Sir, I think he mentioned about 150 billion of TAM over the next two to three years for C-UAS. So that that number still stands for us?

Ashok Atluri: 150 billion, that is a very huge number, but I would say, yes, definitely the market is growing, extremely growing at this point in time and the world market is very, very huge and we are actually, as we speak, we have started talking to some foreign countries also, but again, as you know, a couple of years back we won an order in this regard and we expect some more orders to come through, but the exports have been a little slow in the regard of C-UAS, but again, from what the feedback we are getting from the Indian Armed Forces is that these systems are working in very, very high altitude and very, very successfully. In fact, this was the recent feedback and we are very happy that the armed forces are really, really satisfied with what we have supplied. So, I think we should get based on what the feedback that we are getting from customer they are very happy and we should get really good orders from them, even when the FTP process happens.

Abhijeet Singh: Sir lastly on the command and control side of a C-UAS how much of it is are we outsourcing and how much of it can we do in-house for the command and control of C-UAS?

Ashok Atluri: The whole system, whether it is the detector, whether it is the radar, whether it is the jammer, whether it is the camera, whether it is the remote controlled weapon station, everything, and of course, everything that switches together the command and control is completely homegrown, completely 100% owned by Zen and their subsidiaries there is nothing that is outsourced in this. The command and control center is ours and it is working very effectively. As we speak, there are a lot of improvements going on, there is a big team sitting to make all these things AI native. As we speak, we are trying to make them AI

native, so, I think the product that the armed forces see from three months from now, six months from now, will be completely different from what they are seeing today.

Abhijeet Singh: Thank you so much, Sir, and I will get back in queue.

Ashok Atluri: Thank you, Abhijeet.

Moderator: Thank you. We will take our next question. We have Jatin Jadhav of Sahasrar Capital. Jatin, you can unmute your microphone now.

Jatin Jadhav: First of all, congratulations on a good set of numbers and thank you for the opportunity. Most of my questions have been answered, but out of curiosity I just wanted to know since the entire counter unmanned or counter unmanned aerial system, radar is a very important component of it, so, in the entire radar system, do we manufacture and own the entire design architecture of master clocks, RF synchronizer, butler matrix and the subcomponents? That is my first question.

Ashok Atluri: Yes, so this is 100% the radars and we are making including AESA radars, all are being made in-house and, one of the subscribers, UTS, is actually iDEX project winner for that and they are building it and it is actually working with the way ahead of the time, but the original radars are also built by us. Everything, all the algorithms have been developed by us and as we speak, we are trying to improve those algorithms to give us better results. Yes, so to your question, is the radar completely in-house developed and designed and developed and manufactured? The answer is yes.

Jatin Jadhav: Got it, Sir. Sir, on my second question, the acquisition on Cogknit, I have actually met the promoters and they are very passionate people and I actually like the Company, so, I believe it is a very good add-on for the Zen Bouquet. When can we see a smaller counter unmanned system for the tanks because that will be the natural progression, I assume and many companies are definitely working on it?

Ashok Atluri: Yes, so tanks, I think the counter drone system for the tank is very, very important and even at the infantry level they will be required. So, yes, I think the team is busy with meeting the requirements of the armored core and developing counter drone system for tanks also. Yes, we are in the race for that.

Jatin Jadhav: Are we seeing some good traction from the army side also for this or good interest?

Ashok Atluri: Absolutely. All the tanks are sitting ducks if they do not have counter drone systems, a small drone can come and destroy a tank, so they are very, very seized of the matter and,

listen, our armed forces are one of the most futuristic and smartest people that we know of, so they are absolutely on track with that now, so we do not have to worry about that, yes.

Jatin Jadhav: Got it, Sir. Thank you so much and all the best.

Ashok Atluri: Thank you, Jadhav.

Moderator: Thank you. Moving to our next participant. We have Nipun Sharma of VLS Finance. Nipun, please go ahead.

Nipun Sharma: Good evening. Sir, first of all, a hearty congratulations on good set of results. Sir, my question being that in this quarter you earn a very good amount of revenue, so will this be continued for the upcoming quarters, as you know, you have been earning good amount of orders in the last second half of FY2026 as well as your trade receivables and inventories have also risen up by almost 2 to 2.5 times and considering this do you think that the next upcoming quarters will be generating the same amount of revenue?

Ashok Atluri: Based on what we have, again, I was saying that, we have an order book that we need to execute. I think the next couple of quarters should be healthy is what my expectation is based on the order book that we have and with respect to the orders, again, we are reasonably sure about some simulator orders about Rs.400 plus crores, but with respect to counter drone systems we are not so sure because that is a process that is taking time and if the government acts fast I think we should be getting those orders also, but yes, I think revenues look reasonably assured of and orders will have to wait and see for non-simulator products.

Nipun Sharma: Okay understood. Sir talking about this, do the Fast Track Procurement orders are still in place for you or is the government placing the normal order, the regular procurement right now?

Ashok Atluri: Both are going on at this point in time. FTP is to, they have to start publishing the RFPs and actually go for the process, but the old acquisitions that were happening, those are the orders that we have got till now. So, those are happening in parallel and again FTP as I said we expect the RFPs to come in the next few weeks actually if not months.

Nipun Sharma: Considering you still have FTPs as your orders as of now, so, I understand that you would not be able to comment upon the yearly revenue guidance, but still Sir, as I have heard from your Q3 FY2026 concalls as well as for Q4 as well you are targeting Rs.4000 Crores for the upcoming financial years as a revenue and as one participant asked you and assured you, you said that it is expected that you might earn Rs.1500 Crores in FY2027 and Rs.2500 in FY2028. If the order book position by the end of FY2027 is around Rs.2500 Crores to

Rs.3,000 Crores, so, is the guidance in place or is there, some slight changes in the guidance?

Ashok Atluri: I think we should be able to guide better, as we get the order book improves, the closer to Q4 we will probably be able to say that of the orders that we have how much we will be able to execute. At this point in time, we are not able to say what will be the turnover next year, but, I think if the order book, as you said, if it is Rs.3000 Crores or something probably it should be a good ground for us to give very good numbers.

Nipun Sharma: I guess last quarter you guided for 2500 at the end of FY2027, so is that guidance still in place?

Ashok Atluri: What happened is that I have predictions because after my predictions astrologers are looking good, so, I start predicting now completely. Again, ability to execute is there, we get the order book and we will execute it, but to be fair, the government also has a lot of process and procedure to be followed and that is why it is getting delayed. We expect that government will accelerate the procurement and our order book position should be very well padded so that we can achieve not only the numbers we have promised maybe more than that.

Nipun Sharma: Okay understood. My last question is that do you see any signs of temporary deferment in the upcoming quarters?

Ashok Atluri: Sorry, I did not understand your question. What do you mean by temporary deferment?

Nipun Sharma: Deferment as in that was witnessed in Q1 of FY2027, so, do you see any sort of deferment in the upcoming quarters?

Ashok Atluri: Of the order book execution?

Nipun Sharma: Yes, Sir.

Ashok Atluri: I think we are reasonably confident that the orders that are there will be executed and at least I do not foresee any deferment or delays in execution of the orders at this point in time.

Nipun Sharma: Okay, Sir. Thank you very much and all the best for your future endeavors.

Ashok Atluri: Thank you Nipun. Thank you so much.

Moderator: Thank you. Taking our next question now we have Vidyadhar Ginde of Sohum Asset Managers Private Limited. Please go ahead with your question Vidyadhar.

Vidyadhar Ginde: Thank you. My first question is that so you have much better color or clarity on the current year so do you expect revenue to be in the range of Rs.1200 Crores to Rs.1300 Crores which I think you had guided earlier this year for 2027?

Ashok Atluri: Sorry, how many crores did you say?

Vidyadhar Ginde: Rs.1200 Crores to Rs.1300 Crores.

Ashok Atluri: I think we should be able to achieve a little more than that number, but yes, we are comfortable with that number very easily to achieve that number.

Vidyadhar Ginde: My second question is that you seem to be optimistic to receive up to your order book to be about Rs.2500 Crores to Rs.3000 crores in March 2027 so what would be the new orders which you are likely to get by March 2027 if you could give us some color on that?

Ashok Atluri: No, first of all, I am not very sure at all that the order book will be at Rs.2500 Crores to Rs.3000 Crores what I did say was that if the FTPs are concluded there is a possibility that we will get some orders I am not putting a number to that and if those numbers do come in we should be able to execute it in the next 12 to 18 months. Whenever the orders come through, our execution time has typically been 12 to 18 months. What you look at the order book position and you should be able to guess, typically you should be able to guess that what will be the turnover based on the equipment orders we have at any point in time.

Vidyadhar Ginde: So, let us not say March 2027, but even if orders are delayed over the next say 6 to 9 months or a little longer, which are the orders you hope you are likely to get?

Ashok Atluri: I think it is majorly going to be counter drone systems.

Vidyadhar Ginde: Okay, that will be the bulk of the new orders is it and plus I think the simulator you have been talking of Rs.400 Crores?

Ashok Atluri: That is right yes.

Vidyadhar Ginde: My last question is on this hyper strike if you could give us some update on what is happening there, do you expect to get some orders either this year or next year than that and your plans regarding that?

Ashok Atluri: The product is undergoing internal trials at this point in time. We expect definitely some significant contribution to happen by the next year from hyper strike.

Vidyadhar Ginde: Thank you.

Ashok Atluri: Thank you, Vidyadhar. Thank you.

Moderator: Thank you so much. We will take our next question now. We have Sohan Joshi of ASC Consultants. Sohan, please go ahead.

Sohan Joshi: Congratulations for great execution. Sir my first question is how are we seeing the traction from the Middle East because in the recent West Asia war a lot of the critical assets like oil refineries or airports have been targeted, so do we see any fast-track procurement from the Middle East side to protect those vital assets for the counter drone systems?

Ashok Atluri: We are in talks with some of the Middle East governments and especially those friendly to us, but it is strange that there is not a sense of that urgency with them that, they are spending abnormally high amount of money to protect the assets as we call, but a very bad arithmetic of, they send a $20,000 Shahed and these people are spending $4 million to block it, but yes, the arithmetic also, but again, we have been talking to them, but strangely no orders have come through to us and there is nothing in advanced stage with the Middle East governments at this point in time.

Sohan Joshi: Okay Sir. Sir my second question is with regards to the FTP let us say the FTP gets spillover to the next year let us say Q1 since we have improved our execution cycle so even if it gets spillover to the next year will we be able to execute the entire FTP in the next year itself so that we can get Rs.4000 Crores cumulative?

Ashok Atluri: Again, definitely what we would have executed two years back to now is significantly improved. I am saying 12 months to 18 months. If we get it in September will we be able to execute something by the next six months, maybe some part of it can be executed and I think execution definitely speed has increased, and some part of it if it is in Q1 definitely some part will be executed, maybe a major part of it will be executed, but if it is Q2 we start getting the orders, maybe lesser part will be executed, but all those orders will be executed within the next 12 to maybe most probably within the 12 months, but maybe spillover little couple of months beyond that, but you are right in the sense that even if you get the orders late we now have the capability to execute faster.

Sohan Joshi: One last question, out of the financial numbers, the modern warfare, I have seen a lot of attacks through drones how are we seeing the seriousness from the government to protect, apart from the border areas, let us say, Golden Temple, which was a threat during the operations to protect all those assets, so are the government seeing to deploy the counter drone system in the other parts of the country as well apart from the border areas?

Ashok Atluri: Yes, they are trying to protect key installations and yes, there is effort and we are aware of those efforts and the government is really, really serious of the matter. So yes, to your

question, the government is not only thinking about the border but even about the key infrastructure projects, key installations, yes, they are, in fact, we are interacting with a few of the customers in this regard.

Sohan Joshi: Thank you, Sir. That is it from my side. All the best for the upcoming quarters.

Ashok Atluri: Thank you so much.

Moderator: Thank you. We will take the next question. We have Dhaval Yadav of IVIK Securities. Please unmute your microphone. Yes, Dhaval, please go ahead with your question. Sorry, Dhaval, we are unable to hear you. We do not have a response from Dhaval. Moving to our next participant we have Smita Mohta of Samriddhi. Smita, please go ahead.

Smita Mohta: Few questions I wanted to ask Ashok Atluri Sir that he was saying that the naval acquisition that he had made which was a Hyderabad or a Bengaluru-based Company, which he had done earlier and for that we were very gung-ho about the same that it was a technology which nobody other than Zen had acquired and they would have a very good opportunity to have good order book from them, so, I wanted an update on the same what is the update there on that acquisition and what about the patent and the licensing, have we got any new patents and licensing done and third of all what about the capex for the next year that we are expecting to do? So these are all my questions Ashok Atluri, Sir.

Ashok Atluri: Thanks, Smita. Thanks for asking. The naval acquisition, we had two acquisitions in Navy one was ARI, which was a major acquisition, and the other was Anawave, so these two acquisitions together we got a complete suite, of course they were merchant navy simulators, but marine simulators, but we are able to now complete transform them as naval simulator, so, this is a new market that has completely opened up for them and for us together and Anawave has some very, very rare simulators like submarine simulators, fast attack craft simulators, etc. So, together we are actually offering something called as a combat training node for Navy. So naval CTCs we call them. So this is a big, big ticket item that we have started talking to various navies in the world. Again, order is yet to come, but there is a lot of interest, especially with sudden shift to the choke points, the training that is required, how to overcome, how do you handle sea mines, all these things have become really, really important. How do you actually handle threat of a drone, the counter drone simulator on attack on the naval ships have become very important. So, this I think is growing really, really big as we speak in terms of the pipeline at a very, very top level. So, I think that we are very positive about that in the next three to four years, it is going to grow really big. With respect to the patents and licensing, we keep applying, we have applied for more than 235 patents and every month, actually we used to do a press announcement, now we have stopped doing press announcements for patent grants because it is almost like

every 10 days we are getting one patent and I think we are worried that there will be investor fatigue with these announcements. So, we come down a little late, but we probably will make a consolidated announcement with respect to that. With respect to the capex, again, capex, one is capex towards the actual infrastructure that we need to have, second is the R&D that we do, but I will ask CFO to talk about the capex for the next year so that he has the figures on his fingertips.

Hari Haran Chalat: So Smita, for this financial year, which is FY2027, we budgeted to do around Rs.150 Crores of capex. For next financial year, which is FY2028, also we budgeted a similar amount of capex to be done.

Smita Mohta: Okay. Next, I wanted to ask that out of this Rs.995 Crores of order book that we have, which is, Sir said that they will be able to do it in the next six months, so out of this Rs.995 Crores is there a potential for the order book to be consumed and the orders to be executed?

Hari Haran Chalat: You mean this financial year or?

Smita Mohta: Yes, this financial year till March.

Hari Haran Chalat: Like we answered one of the earlier participants Rs.1200 Crores to Rs.1300 Crores is what we are comfortable as a topline for this financial year. We have already done 485, so the remaining should be done in the next two quarters.

Smita Mohta: You were talking about margins, Sir, that your margins will be approximately near around 30% or so. Yes, 35%, so what I am seeing is that from 48% you are continuously downgrading the margins part, was that 48% was one of a kind order book post your Sindoor or like you are comfortable constantly going in at the near around 30% to 35% margin band?

Hari Haran Chalat: No, we have always guided long term it will be around 35% that is the long-term margin guidance that we have given to our investors and usually the margin keeps varying based on the mix between ADS and simulators, so simulators usually have a higher margin profile, so as the product mix changes, so last year, I think you are referring to the last year 48% that we achieved that is primarily because last year we had a more favorable mix towards the simulator products and as the mix keeps changing that is why we have guided a long-term margin of 35%.

Smita Mohta: Got it. Looking at constantly that we saw this kind of a backfire on the water especially near around the Indian Ocean and all of that where we had a missile attack from Iran and all, so how serious is our government on manning the seaport side, which is the Arabian Sea and all of that, which falls into a lucrative position whereby we can help them because of that,

the navy simulator and all, so, are we not seeing any traction by the government in this to restrict attacks there?

Ashok Atluri: I think I am not aware of Iran attacking India at all and this is a strange news to me, but overall the Government of…

Smita Mohta: Not India, it was that base of US which they attacked Iran.

Ashok Atluri: Yes, that I think they have again stated even recently yesterday or today they have again said that everything is a fair target. Yes, so definitely the Government of India has shifted earlier it used to be just the eastern border, but now we are thinking about the east-west. Much beyond that, now we are looking at the whole peninsula, that is the Indian Ocean now in a very, very serious way. The assets are being created for that. Of course, we are also focusing on all the naval simulators in that and again, we are trying to get into most deeper technology into naval products also, not only simulators. So, as we go into the future, we will be announcing that again, the thing is, we are focusing on is this a Pareto technology that will determine the future of the war or not? So, if it is a Pareto technology, we think, can we build world's best product in that regard in this particular space? If the answer is yes, we would make the bet on that, but yes, the Government of India is very, very serious about these threats that are being faced and they want to get trained on that and also build enough protection to ensure that we do not get damage if and when the war happens.

Smita Mohta: Thank you, Sir and all the best for H2 FY2027.

Ashok Atluri: Thank you, Smita.

Moderator: Thank you. We will take our next question. We have Bhavya Gandhi of Bajaj Alternate Investments. Bhavya, please go ahead.

Bhavya Gandhi: Thanks for the opportunity. Sir, I just wanted to understand on the hyper strike interceptor, is there any orders at this point in time in the order book or will it be more like FY2028-29 phenomena and how big this opportunity could be if you can just quantify this as well?

Hari Haran Chalat: On hyper strike, currently there is nothing in order book we discussed in the question for one of the earlier participants we expect the revenue from hyper strike to come from starting FY2028. The capacity that we are building currently for hyper strike is close to 15,000 units per month and obviously we will do a phased execution, there will be a slow ramp up in production, but once the entire production is ramped up, the capacity of building is 180,000 units per annum. At an average price that we assume is around $10,000, it seems that the capacity of building is close to a billion, billion-and-a-half dollars worth of capacity, but

again, the ramp will be slowed during FY2028 we should see majority of the orders coming through in FY2029.

Bhavya Gandhi: Sorry, I did not get it. You said $10,000 per piece and you are building a capacity of 1,80,000 is that the right understanding?

Hari Haran Chalat: That is correct.

Bhavya Gandhi: 1,80,000 per annum. Fair enough and this will flow through in FY2028, post 2028.

Hari Haran Chalat: Not the whole thing. Like I said, Bhavya, there will be a slow ramp up. The initial plan is to start off with around 600 units per month and then ramp up to the full capacity. The 15,000 units per month that we told you is on three shifts. So again, the capacity depends on the order inflows and all, but like I said on FY2028-29, in FY2028 you should do the first order and the ramp up should happen in FY2029.

Bhavya Gandhi: Got it and second question I think slightly you have answered it earlier but just wanted some clarity on this, I think around March 31, 2026 our order book was closer to Rs.36 Crores and of that we were supposed to deliver Rs.1000 Crores of equipment in Q2 and Q3 whereas in Q2 you have already done closer to 345 right, so can we assume that closer to Rs.600 Crores to Rs.700 Crores will be the execution in Q3?

Hari Haran Chalat: Like I answered for one of the earlier participants, we said the full year will be between Rs.1200 Crores to 1300 Crores we have done Rs.485 Crores in the first half, so the remaining should be executed spread over Q3 and Q4.

Bhavya Gandhi: Fair enough and on the order visibility, I know Ashok ji alluded that, you have built on the execution orders will come through, but slightly, if at all, you can provide some sort of delayed, what could be the maximum delayed when you can see this order inflows coming in, to reach Rs.4000 Crore topline guidance that you had given earlier worst case you believe in your experience?

Ashok Atluri: For the FTP orders, we have seen that they have spilled over to Q2 that is the best I can do in this regard and we will try to execute whatever we get the orders as you know, the execution capability has significantly got improved, so, we will try to execute whatever we can in the next seven to eight months once we get the orders and the rest will spill into FY2028.

Bhavya Gandhi: Thank you so much. That is it from me. Thank you.

Moderator: Thank you. Ladies and gentlemen, due to paucity of time, we will take this as the last question. I will now hand it over back to Mr. Ashok Atluri for his closing remarks. Over to you, Sir.

Ashok Atluri: Yes. Thank you everyone for your questions. Again, very broadly, we think that we will be doing very well in this year, the execution capabilities have gone up, whatever the orders that we have are not very difficult orders to execute, but we are also looking at the upcoming FTP, the Fast Track Procurement, and we are pretty excited that we have a large scope to get large amount of orders there. Second is that, as somebody asked a question about Europe and America, I think in the long term, these are going to be really, really good and interesting markets for us and if we get a crack there that would be a very, very pleasant positive black swan for us, so we are looking forward to those and the R&D team is really, really busy developing some cutting edge technologies whatever products that we are working on are not the best of just made for the best Indian product, but they are aimed to be the best world products because, as they say, there are no runners up in war, so we do not want to create a product that is second best in the world, so it has to be the best in the world. So with that, I would like to thank you for supporting us and wish you a happy Diwali.

Moderator: Thank you. On behalf of Zen Technologies Limited, that concludes today's conference call. Thank you all for joining us and you may now click on the leave icon to exit the meeting. Thank you for your participation.