Date: November 02, 2026

To,

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Maharashtra, India.
Symbol: FABTECH

BSE Limited
Listing Department
Floor 25, P J Towers,
Dalal Street, Mumbai – 400001
Maharashtra, India.
Scrip Code: 544558

Dear Sir/Madam,

Sub: Transcript of Earnings Conference Call held on Friday, October 30, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Conference Call held on Friday, October 30, 2026, at 02:00 p.m. (IST) to discuss the Company's Unaudited Standalone and Consolidated Financial Results for the quarter and half- year ended September 30, 2026.

Request you to take the above information on record.

Thank you.

Yours faithfully,
For Fabtech Technologies Limited

Hemant Mohan Anavkar
Digitally signed by Hemant Mohan Anavkar
Date: 2026.11.02 15:20:54 +05'30'

Hemant Mohan Anavkar
Executive Director
DIN: 00150776

Encl.: As mentioned above

Fabtech Technologies Limited

Q2 & H1 FY27

POST EARNINGS CONFERENCE CALL

October 30, 2026 2:00 PM IST

Management Team

Mr. Ashwani Singh - Chief Executive Officer

Mr. Aman Anavkar - Chief Growth Officer

Mr. Chirag Doshi – Non - Executive Director

Mr. Arihant Dhariwal - Head Investor Relations & Finance Strategy

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 FY27 Post Earnings Conference Call of Fabtech Technologies Limited.

Today on the call from the management team we have with us, Mr. Ashwani Singh, Chief Executive Officer; Mr. Aman Anavkar, Chief Growth Officer; Mr. Chirag Doshi, Non-Executive Director; and Mr. Arihant Dhariwal, Head Investor Relations and Finance.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements, which may involve risk and uncertainties, 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 2026, the growth perspective and vision for the coming year, post which we will open the floor for Q&A. Over to the management team.

Ashwani Singh: Thank you. Thanks. Thanks, Vinay. Good afternoon, everyone. And thank you for joining Fabtech Technologies Limited Q2 and H1 FY27 earnings call. The first half of FY27 has reinforced our confidence in the direction we have chosen and the business we are building.

In Q2, consolidated revenue grew 22.8% sequentially to INR 92.09 crore and EBITDA more than doubled to INR 15.57 crore and the profitability strengthened significantly. Our order book remains robust at over INR 900 crore with a strong pipeline of opportunity across our core international market. We have navigated geopolitical disruption, protected our customer commitments and continued investing in the capabilities required for our next phase of growth.

Our strategy is clear. We have established the infrastructure, strengthened our regional operations and positioned the organization to execute at a significantly larger scale. Our focus now is on accelerating execution, improving operating efficiencies and translating our order visibility into sustainable and profitable growth. We know where we are going and we have built the capabilities to get there and we are focused on delivery.

With that, I invite Aman Anavkar, our Chief Growth Officer to take you through our business, global growth strategy and the opportunity shaping Fabtech's future. Over to you Aman.

Aman Anavkar: Thank you. Good afternoon, everyone and thank you for joining us today. I am Aman Anavkar, Chief Growth Officer of Fabtech Technologies Limited. And I'll take you through our Q2 and H1 FY27 performance and how we see the rest of the year. And then we'll open up for your questions. For anyone that is new to Fabtech, here's the simplest way to understand us. Every vaccine, IV solution, tablet, capsule, biotech product is made inside a certified compliant facility. We are the ones responsible for designing, engineering, building and validating these facilities: start to finish, design and build for pharma companies, vaccine institutes, governments and private industries.

We are a design and build organization focused in the pharmaceutical, healthcare and biotech industries, offering our in-house solutions where process, air and water is manufactured and designed under one roof. This gives us entire control over quality, speed and cost. We've worked in over 62 countries over the last three decades, have over 2,000 installations, more than 500 projects designed and built and we have a strong order book of INR 900 crores-plus. Our regional focus is in the pharmaceutical emerging markets. This is the Middle East, Africa, GCC and eco zones where pharmaceutical capability is needed.

Now, jumping directly into the performance highlights, we've had an extremely strong EBITDA. I would say there are five things to take away from the quarter. Number one, the EBITDA more than doubled quarter on quarter to INR 155.7 million which is INR 15.57 crores in quarter two of FY27. We know and expect the revenue and margins to improve in H2 as the project milestones move into execution. Number three, we've started exploring and entering new markets with a new turnkey design and build project in the CIS region.

Number four, we remain confident of an adjusted PAT margin of 8% to 9% at the end of FY27. And number five, we continue our participation in the largest stores globally such as CPHI Milan which is one of the most important platforms to engage with the industry stakeholders and have new conversations that will build our pipeline for the future.

An operational update, H1 wasn't an easy environment. We dealt with geopolitical uncertainty and freight volatility across the GCC market. But that being said, we are proud that our UAE team kept every site running and every customer commitment on track. And we kept winning orders. This came at a cost. We put enhanced security and protective measures in place for our people on site which added to the

installation costs this half. We'd make the same call again in the future. But the commitments remain on track and the performance goes steady.

On the visibility, our order book stands at INR 900 crores and that's about 2.2 times last year's revenue. On top of the INR 900 crores, we're working on another INR 800 crores to INR 850 crores of added revenue over the next one year. We expect Africa and Saudi Arabia to be significant contributors to our pipeline. The initiatives are growing, advanced technology capabilities are increasing. We're focused on developing our cell and gene therapy capabilities, advanced high-tech facilities and data centre infrastructure. We're maintaining the execution, the cost control and the customer commitments and each region is being ring-fenced to further grow.

That being said, I would like to hand over to Arihant for the detailed numbers. Over to you, Arihant.

Arihant Dhariwal: Thanks, Aman. Move the slide to the next one. Let me take you through our financial performance for the second quarter of financial year '27 with a focus on sequential improvements over quarter 1. We have delivered a strong recovery in Q2 with improvement across revenue, EBITDA and profitability levels.

Our revenue from operations have increased by 22.8% quarter on quarter from INR 749.8 million to INR 920.9 million in quarter 2. This reflects an improvement in project execution during the quarter. Total income grew by 24.8% from INR 781.5 million to INR 975.4 million. Moving to EBITDA, we reported INR 155.7 million in quarter 2 compared to INR 74.1 million in quarter 1 representing a growth of 110% quarter on quarter. Our EBITDA margin expanded by 647 basis points from 9.5% to 16%. This improvement reflects the benefit of higher revenue, improved operating leverage and better absorption of our cost base as execution picked up during the quarter.

At the reported PAT, we achieved INR 150.2 million compared to INR 42.1 million in quarter 1. However, quarter 2 reported PAT includes an exception item of INR 65.9 million which is net of tax. Excluding the exception item, adjusted PAT for quarter 2 stood at INR 84.5 million almost double the INR 42.1 million reported in quarter 1. Adjusted PAT margins improved from 5.6% to 9.2% an expansion of 354 basis points. Overall, quarter 2 represents a meaningful sequential improvement in our financial performance, while H1 performance reflects the impact of the slower execution in quarter 1 and the operating environment, the

quarter 2 recovery provides a positive base as we move to the second half of FY27.

As highlighted earlier by Aman, our focus for H2 remains on accelerating in project execution, converting a healthy order book into revenue and improving profitability while maintaining disciplined execution in the cost control. So, this is update on our financial performance. Now, I hand it over to Aman to take it ahead.

Aman Anavkar: Thank you, Arihant. So, a stronger profit trend and clear visibility into H2. Let me now talk about where we are putting our focus.

Our priorities for the rest of the year are simple. Number one, accelerate delivery and business development in Africa and the UAE while we carefully manage Saudi project timelines. Number two, move up the value chain into cell and gene therapy facilities, other high technology facilities, advanced tech facilities and data centre infrastructure.

Number three, we're exploring an operational opportunity in Europe targeting Q4 FY27 or Q1 FY28 which is subject to due diligence and approvals and in process. Number four, we maintain the disciplined execution, cost control and customer commitments like our management has been focused on. Now when we talk about deepening our local presence market by market, this slide shows how diversified the business has become.

Saudi Arabia is our largest market at INR 462 million, up 18.5% year-on-year. Africa across Morocco, Kenya, Algeria contributed about INR 470 million combined and India, our home base is now 16% of that revenue. That reflects a real turnaround in our core standalone business. No single market carries us and that is deliberate. We are diversified so that the exposure is across multiple markets. Even if geopolitical turmoils increase, we are still balanced. And then talking about CPHI Milan which is the industry's global biggest event in the pharmaceutical healthcare and biotech industries.

Our international team met clients and partners from Europe, Africa and Middle East and several of those conversations are already turning into inquiries. This and these exhibitions are responsible for the lead pipeline and the inquiry or pipeline that grows over the next few years.

Now, talking about FAPTECH 4.0 and the growth flywheel that you see on the screen. This slide explains our business compounds. Walking you around the circle, it starts with successful execution which leads to

in the regulated pharma industries, a client cannot risk on an unproven contractor. When a vaccine plant or a sterile line fails validation, the client loses years. So, the first thing that every tender asks is show me where you have done this before. That is the reference projects. That is what Fabtech already has.

Every project we deliver becomes that proof of reference. More references lead us to enter more geographies. While we win in Saudi Arabia or Nigeria or Kenya or Morocco, that site becomes the reference that we show to the next client in the same region. More geographies bring larger projects because clients now trust us with full turnkey scopes, not just a clean room package. Large projects build deeper customer trust and that trust brings the next round of projects. And this is the loop, this is the cycle, each time from a higher base.

We call this FABTECH 4.0 because we are now adding technology at every step of that loop. Digital engineering lets us design faster. Integrated global procurement lowers our costs. Real-time execution tracking keeps the project on schedule. And each of these makes the flywheel spin faster and protects our margins at scale. You can see the result today.

The INR 900 crore order book-built project by project, reference by reference and because our international projects are backed by line of credits and letter of credits, this growth comes with payment security. The five structural drivers. The five forces that are working in our favour is the pharmaceutical healthcare Capex that is growing across emerging markets. Countries want to make their own medicines and clients prefer one partner for process, air and water. That is the integrated capability. New categories are opening up, including cell and gene therapy, high containment, data centres and veterinary and medical devices.

The large revenue possibility that we already have, the visibility of INR 900 crores-plus as of September 2026 and the emerging infrastructure opportunities that are growing. Adding on to that, because we are a global but a local player in the emerging geographies, we have something called in-country value that is a preferred project partnership for most of the projects locally. We are positioned at the intersection of healthcare infrastructure, manufacturing localization and specialized engineering.

And the real moat. The natural question for any investor is what stops someone from copying this cycle? And our answer is our competitors

always come in three types. Clean rooms or HVAC contractors is one piece. Equipment machine manufacturers is one piece, but they don't build the facility. And the large global engineering companies that can do everything, but at a price and pace that does not work for most of the emerging market clients. They also don't have the teams on the ground in Africa or the Gulf. Fabtech combines these five capabilities and this is the most hard part to put together. The global execution that we already have in 62 plus countries and growing further, the in-house validation capability which matters the most because a plant isn't completed until a regulator accepts it. The in-house engineering know-how and the in-house manufacturing know-how for process air and water. So we control the quality, cost, timeline and the entire scope. And the integrated execution, meaning one partner and one point of accountability for the client. Any competitor can have one or two of this. Very few have all five.

The hardest one to copy is the time. Over 500 projects, over 2,000 installations and the reference is built in over 62 countries. This is very difficult to replicate. Building local execution ecosystems in high growth healthcare markets is what Fabtech is focusing on and that is why our clients have trusted us to build the order pipeline for INR 900 crores-plus.

The core capabilities. There are six capabilities in our domain that focuses on in-house. As the slide says, we don't build buildings. We build the most critical infrastructure inside it. The clean rooms, the HVAC, the MEP, the utilities, the electromechanical works, the water systems, the utilities, the pure water generation, WFI generation, all the clean room equipment, transfer of material equipment, process for OSD and process for injectables from lab scale to production scale, the containment and isolators of negative and positive pressure. And each of the solution is custom built for each individual client's requirement. This is what our in-house capabilities covers. That is what allows us to perform for projects not just in tablets, capsules, but also sterile liquids, vaccines, anti-cancer, hormonal, biosimilars, veterinary, medical devices, and more.

When we talk about the single stop solution for the entire life cycle, it is one platform, one accountable partner. The project cycle starts with the first step, which is the design and engineering. The advisory and consulting, identifying which products need to be produced by a country or a customer.

Moving into the BOQ preparation and detailed engineering. Then the process system, which is the procurement, vendor and partner selection, equipment and system procurement, identifying the clean rooms, HVAC utilities, all the user points, and then moving into the entire construction management and project control. And this covers greenfield projects, brownfield projects, technology transfers, auditory training and validation, annual maintenance contracts, project management, post-project support, and most important, regulatory compliance.

Customers reduce coordination and complexity by working with one integrated engineering partner like us. Designing, engineering, and delivering the complete solution. That is what our scope of work and our experience is. That is how we need to be looked at by the investors and by the market, because that is how the clients perceive us.

Now, what is the need for Fabtech's experience and expertise? The growing critical infrastructure layer in the global pharmaceutical manufacturing, we need to understand that the industry is changing structurally. Customers have a real coordination problem and we have the capability to solve it. That shows up in a global order book, financial inflection and a scalable model. In summary, the integrated execution that we have, it's not just a slogan. It means single point accountability, control over critical systems, faster and more predictable timelines, and integrated quality and compliance. Each step that you see in this slide is one of the most critical aspects that Fabtech provides to the customer, which gives us the advantage over controlling the entire project lifecycle.

Now, the next three slides that we're talking about is individually processed air and water and what we manufacture in this. When we talk about the solutions for air, any pharmaceutical plant requires clean rooms, HVAC, and utilities. We manufacture it with our partners. We manufacture the isolators, which is a negative and positive pressure isolators for aseptic and non-aseptic applications, sterility filling and dispensing, and these isolators are used in the most critical facilities, just as anti-cancer, vaccines, hormonals, insulin, biosimilars. Having these solutions in-house gives us the benefit of having prerequisite intenders and clients trust companies from the start that manufacture these critical solutions. So later on, controlling the entire project and delivering the entire project is far easier for Fabtech.

The same goes for each pharmaceutical plant. It requires clean water to be added to the formulations, be it tablets or capsules or liquids and IV

solutions, especially for vaccines and biosimilars, pure water, steam, process vessels, chilled water piping, cleaning in place, sterilization in place systems, and all the utility systems. That is what we design and manufacture. And for processes, the heart, which is the manufacturing side of the finished formulation itself, be it for tablets and capsules with the fluid bed dryers, granulation equipment, suites, auto-coaters, and other ancillaries, or the injectable lines for prefill syringes, vials, ampoules, or dental cartridges, we manufacture it. This gives us the edge over all the individuals in the market where they would piece by piece develop a project.

In the business overview, we scale through our own arms in the UAE and India. Our joint venture in Saudi Arabia is the one that we will talk about later and our strategic partners. Most of our ecosystem focuses on the growth of Fabtech Technologies Limited for delivering as a local organization.

Now talking about the global presence, we're a global engineering company with local execution. Our engineering and manufacturing base is in India. We have a regional headquarters in the UAE, an in-country team, and a joint venture in Saudi Arabia, and local teams in Egypt, Algeria, Nigeria, and Jordan. Being local is how we win government projects and in-country value tenders. And being local is the reason that we are preferred because our team is always on-site, developing the market.

Now when we talk about turnkey projects, these are just a snapshot of an injectable and pharma facility for fits and healthcare in Nigeria, which is one of the largest pharmaceutical manufacturing brands in Nigeria and West Africa, where we delivered over a 15-month cycle, six blocks that produce injectables, tablets, capsules, liquids, syrups, ointments, disinfectants, and other pharmaceutical finished formulation. The entire turnkey scope delivered in a 15-month cycle gave us our pipeline in Nigeria.

Talking about Himalaya Wellness that all Indians have consumed at one point of time in their life, we built one of their largest projects for producing nutraceutical tablets, liquids in Dubai, which was delivered over a span of 12 months -- under 12 months, which was a turnkey project. And we were able to deliver this because of our on-ground teams and operations in UAE. Mechnikov, Nicaragua, which was the first influenza human vaccine pill-finished facility in Nicaragua, which was invested by the European Investment Bank and other international

agencies approved by the WHO GMP, an end-to-end project management and commissioning from our side.

Or let's talk about Sudair Pharma, which was the first oncology tablet capsule facility for which we did the Phase 1 and Phase 2, an anti-cancer plant in Saudi Arabia, which has made anti-cancer medicines and healthcare available in the region of GCC. From facility infrastructure to commissioning, we have executed complex turnkey projects across regulated pharma markets. These are some of the clients that all of India or all of the world knows about, and these are our references already. This becomes the USP for a customer-choosing Fabtech.

Now, what is the way forward? Let me talk about where we're going. The opportunity is large and it's structurally funded. Turnkey pharma and biotech projects are about a $180 billion market globally. It is growing at close to 8% compounding. And in our four geographies, the GCC, Africa, and MENA, the serviceable markets is $28 billion to $30 billion. Two pipelines stand out, which is Saudi Arabia, which plans over $15 billion of pharmaceutical manufacturing investment, which is the Vision 2030, and Africa, which plans over $60 billion of total medicine production investment until 2040. Much of this is backed by the WHO, the Global Fund, and other grant agencies. On a typical project, our scope covers close to 50% of the spend. The pharma reliance cycle is growing. Globally, during COVID, every country wants to make its own medicines and vaccines. That means new plants and biotech facilities are growing. And at the core of each of these are clean rooms, HVAC utilities, and process, which is exactly what we do.

Beyond that, data centres, renewable energy, cell and gene therapy projects are growing in the GCC using the same engineering skills. These are the natural adjacencies for Fabtech. Talking about driving growth, glocalization has translated for us into numbers. Due to the optimization of tax and cost in these local markets, greater local execution capability, which made us our preferred partner.

Number two, alternative sourcing, which is smarter and potentially increasing our margin opportunities by 2% to 3%. And thirdly, Green Shield, which is the solar and the pre-engineered buildings and execution, which is increasing our ticket sizes and improving our execution efficiency because we will be responsible for the entire project cycle from start to finish, including the pre-engineered buildings and then sustainable energy. Over the next 3 to 5 years, we look at 25% to 30% growth. And the margin expansion is expected to be driven by these three factors purely.

Now, I would like to thank everyone for the time while I was talking and I would love to open the floor for questions so that we can take it into the next phase and make it more interactive.

Moderator: Thank you. All those who wishes to ask the question, may use the option of raise hand, in case you are unable to raise hand you can drop a message on chat window and we will invite you to ask the question. We'll take the first question from Milan Deep Jain. Milan, you can go ahead.

Milan Deep Jain: Hi, thank you for the opportunity. My first question is about that the Q2 revenue is down 24% year-on-year and the H1 is down about 12% year-on-year. So to reach the guidance of FY27, which is guided at around 20%, 25% growth, we are looking at H2 to grow around roughly 50% year-on-year, if my calculation is right. So, I want to understand from the management perspective, is the guidance still intact? And what are we expecting from H2 in terms of year-on-year revenue growth and margin growth?

Aman Anavkar: Perfect. I'll take this up. Last year's Q2 had a concentration of a lot of large milestones, Milan. Very good question to ask. This year, the execution is weighted to H2 and our INR 900 crore order book and Africa ramp up is supporting that. Now, our guidance remains the same. We are very confident of the coming two quarters and our performance will speak. But if you look at last quarter and H1 of last year, we were clearly told that we need to understand how our market moves. And that is what we have done this quarter.

We have understood what direction the global geopolitical condition is moving in and where we need to add more weightage to reduce the exposure in difficult markets, I would say. And that being said, our quarter performance is actually sustainably better than last quarter and that is what we are ramping up. As previously mentioned, our business is a lumpy business. Quarter 4 is maximum weightage and that is going to happen. But this year, we were able to perform quarter-on-quarter unlike last year, where we were beaten a little bit by the investors and the market for performing exceptionally well in Q2 and then dipping in Q3. We are avoiding that.

Milan Deep Jain: Got it sir. Also like, would you share some more colour about what are we expecting H2 year-on-year growth like?

Aman Anavkar: As mentioned previously, we are looking at an 8% to 9% path at the end of the year. What we are expecting, I can tell you in terms of qualitative, there are lots of new high-tech projects that we are currently closing in Middle East and Africa. We are also entering some new geographies with our new references in the CIS region and that is helping us expand our markets while also reinforcing the existing markets. The presentation was there and the numbers have spoken for itself in terms of what we are looking at H2 to close at, the entire year to close at. And as previously mentioned, 25% to 30% is the year-on-year growth that we are targeting.

Milan Deep Jain: All right, sir. My second question is about in the previous presentations, they mentioned about the INR 400 crore of PEB bids in Africa and the Middle East and the SACE's first civil order in Saudi. So, what revenue do you expect from the PEB and civil works in FY27, FY28 and how do the margins on this work compare with the core pharma projects?

Aman Anavkar: I would say if we are looking at absolute numbers, our entire project pipeline, only 20% would be focused on the PEB scope of work because customers still prefer to have their own local partners because they are able to kind of manage the civil infrastructure locally and issue those as standalone contracts. But the 20% that adds on to our project pipeline, that is a significant number and it is also a significant milestone for us because these would be our first few projects in the PEB space. As the reference is built, like we mentioned, the first PEB or the civil infrastructure contract in Saudi Arabia, our references will bring in more contracts for general contracting purposes. So, that is related to PEB.

Milan Deep Jain: So sir, could you share some?

Ashwani Singh: Mr. Milan, I would like to add here. Last time when we projected our PEB and the civil, this is now in an incubation period right now. So, the more clarity, once we run through a year, because we have to educate our client, we have to align with our supply chain, it will take one year to get matured to answer specific numbers on this. I hope this is understandable.

Milan Deep Jain: Okay, sir. So, some addition in the PEB side, we are expecting not from FY27 but maybe from FY28 onwards, do you mean?

Ashwani Singh: This is in process right now, under consideration, depending on the geopolitical situation that can come in H2 FY27 or in H1 FY28.

Milan Deep Jain: Okay, sir. Thank you. My third question was about the Italy acquisition. On the last call, management said that the due diligence on the Italian acquisition was underway. So I want to understand what is the status of it as of now and when do you expect to close it?

Aman Anavkar: The European acquisition is moving positively. We expect to close it within the next six months or in the first quarter of next year.

Milan Deep Jain: Okay. And also, could you share some more colour about that? We are looking for further more Saudi acquisitions in JV. So apart from the sales and the Fabtech Life Care. So, what is the size and the kind of business we are targeting in the Saudi side and how far the discussions have progressed till now?

Aman Anavkar: The discussions have progressed really well. We're already through on the JV front and that is helping us enter the critical electromechanical and the non-pharmaceutical sectors for projects such as Saudi Aramco and SABIC and the government projects as well. These are very large ticket orders that we're currently bidding for and it is a new market entrant for us apart from the pharmaceutical sector which we've already established in Saudi Arabia. That being said, we're looking at -- I would be very honest the feasibility is strong. We're already taking up orders from these projects. Like we mentioned, there is already a civil contract that we've undertaken and now with the new bids that we have, we're looking at a very strong pipeline from the non-pharmaceutical sector in Saudi Arabia as well.

Milan Deep Jain: So how soon can we expect the disclosure about the JV?

Aman Anavkar: I would say another quarter, because before we announce the JV what we're trying to do is we're establishing the entire model and the human resource aspect of it. So while we announce the JV and our new position in the markets we have to also and we must make sure that the right people are associated and the right pipeline is already intact so that we can start delivering because right after we announce the JV the next question by the investors is okay, when can we expect the results? So we're working in an engineering fashion where we're driving the results through each step of the way.

Ashwani Singh: So in a nutshell, Mr. Milan in a nutshell, every JV will be announced with a clear vision for the next three years at a specific growth rate.

Milan Deep Jain: Okay, thank you. Just one last question was about in FY25 I could see that there's a INR 3.6 crore commission was paid as sales commission

to G7 Universal LLC, a related party. So I want to understand what services have we taken from them and should we expect such payments to continue?

Aman Anavkar: Yes. In the future also there are certain sales commissions which will come up because there's a lot of partnerships that many of our international partners bring on the table through their influence in project introductions and the partnerships and consultancies that they bring to us -- there is no free lunch, right? So we have to keep all of those sales commissions in mind and they will be coming up in the future as well and it's a reward it's not a just out of introduction or a finder's fee. It's a conversion fee that is practically paid.

Milan Deep Jain: All right Aman, just one last thing I want to understand there is also a land being bought at the Khalapur so for INR 18.6 crore I want to understand what do we plan to use it for?

Ashwani Singh: I hope you will get a clear visibility by H2 result. That is in process right now.

Aman Anavkar: There are some things that we're waiting to announce because the land is going to be utilized for the right ecosystem build for Fabtech.

Milan Deep Jain: Okay. All right, that's all from my side. Thank you so much.

Aman Anavkar: Thank you Milan. Thank you for your questions.

Vinay Pandit: Thank you Milan. We'll take a few questions from the chat Q&A box, right? So Chandrasekhar Daga is asking what is the impact of West Asia geopolitical situation on the company and any thoughts on receivable? And on the same lines Raju Pathak has also asked a similar question given the focus on liquidity, could you outline the specific milestone on your roadmap to accelerate receivable collection and what target day sales outstanding or working capital efficiency matrices are you aiming for over the next three to five years?

Aman Anavkar: Okay. AS, you can take this.

Ashwani Singh: I think Arihant can you respond to this?

Arihant Dhariwal: Yes. So with respect to receivables, I would say that most of our receivables are secure because most of them are LC backed and you might see that the receivables would have increased but that is mainly because of increase in revenue and there is a bit of slowness on

collection because of the geopolitical uncertainty but we are very confident that most of the or a lot of collections would be realized by quarter 3 and quarter 4.

So from receivable perspective we are very much secured because all are mostly LC backed. So from liquidity from cash flow perspective we are a bit secured on that side.

Aman Anavkar: And to talk about the West Asia geopolitical issue situation on the company, everybody is correct to assume that there has been an impact, right, in terms of freight, in terms of raw material prices, in terms of volatility of the markets, there has been a significant impact but it has not cancelled or impacted our pipeline. There has been a delay in conversions as you have rightly seen or I am sure the investors have seen. There has definitely been an impact on the raw materials and the freight and the security measures that we talked about so that our people could perform and execute the projects smoothly. But each and every situation we have dealt with and there is a deliberate action that we are taking to ensure that our investors are secure, our company is secure and our people most important on site are secure. And seeing this the clients are also further interacting with us and discussing new projects with us because our people are on site which is giving them client confidence. So I hope that answers your question Chandrasekhar.

Moderator: Thank you, sir. We will take next question from Maitri Shah. Maitri, you can go ahead.

Maitri Shah: Hello, am I audible?

Ashwani Singh: Yes.

Maitri Shah: Hello, good afternoon. Firstly, on the gross margins since you just mentioned that we have had impacts on raw material and freight and also there has been volatility, we have taken security measures. And you I think last quarter in the call mentioned that we have been sourcing more from China and we have seen a significant improvement in our gross margin happening. So do you see this improving any further? Do you see these margins kind of stabilizing? Yeah, just some colour on that.

Ashwani Singh: Yes, definitely. Yeah, Aman please.

Aman Anavkar: Sorry. I would say yes, Maitri. Firstly, thank you for the question. And secondly, yes, I would like to say and the entire management is working

towards that direction for not just stabilizing it, but also scaling it. When we talked about the pooled resource and the optimization of the procurement, that was one. But the localization was one of the most important factors which is allowing the procurement strategy to be driven more powerfully. So the margins that we are looking at is 2%, 3% each strategy to add on to our ending paths through the next 2 to 3 years. And every strategy is an incubation, Maitri?

I'm sure you've seen all businesses grow in the same way. Every strategy that we appoint takes a year or two to drive the results. But then that is the compounding factor. So the management is moving in the right direction. Like I said, each action and each strategy is deliberate. And we're looking at scaling margins, not just actualizing them again.

Maitri Shah: That is great because once this geopolitical situation probably normalizes, we'll see better freight costs and better raw material prices. I think the impact will be even more significant coming in on the gross. And then how do you see that incrementally flowing to our EBITDA margins maybe 2, 3 years down the line?

Aman Anavkar: I would say I think this is something which I would love for the investors to also ponder over. When we were booking orders let's say 2 years back, we got Forex gain. Right now the raw material costs are extremely high and we're closing orders based on these current prices. So later on when the war actualizes, freight goes down, RMC goes down, what kind of impact do you think will be on the margins for us? So I hope it kind of adds light because we're not just trying to secure the RMCs or the prices for ourselves or our clients but we're also trying to look at all strategies that will add up to our EBITDA and PAT margins.

Maitri Shah: Any quantification of how do you see the direction going 2, 3 years down the line?

Ashwani Singh: See, I'll take this question, Aman. See, Maitri it's not related to only the profitability because in the entire supply chain every function works as a profit centre right now. After having so many earning calls we also learned that every function if they are giving a profit that helps us to acquire an economical market. When we have an optimized COGS, definitely we can go in a very economical or you can say weaker countries or geographies where we can also participate. So that helps us to increase our market acquisition globally.

Maitri Shah: Okay, got it. And you also did mention that we're looking at a non-pharma audible kind of increasing. Other than data centre, what other

opportunities are we kind of adding here and also on the data centre side how do you see the opportunity especially in the MENA region?

Aman Anavkar: The MENA region opportunities for data centres is quite strong. A lot of European companies, South African companies and American companies are entering the Saudi Arabian, Omani and UAE based markets. That being said our bids are already ongoing with data centre projects for critical infrastructure.

Apart from data centres, what we're also looking at is the food and beverage space, the electrical industries, also lens manufacturing, diaper manufacturing, baby products, anything that requires critical infrastructure. And by the way with our acquisition of FTS two years back, we already have the references in the UAE that speak for themselves. So we have already entered the reference base in the reference markets for these industries.

Maitri Shah: Okay, and the data centre now, if you could help me out with what are we kind of helping them out? What are we offering on the project side? What percentage of our contract value will be of the total data centre opportunity size? Just some quantification on that. So maybe it's a INR 100 crore project. What percentage of value or work can Fabtech receive on that end?

Aman Anavkar: I would say 30%. That is the scope of work that Fabtech can execute because like in data centres, the data management systems, the AI integration securities, civil is not executed by Fabtech. But all the critical infrastructure which is the clean rooms, HVAC, MEP, coordination, project management, integration is executed by Fabtech.

Maitri Shah: Got it. That's all from my side.

Aman Anavkar: So that is close to 30%.

Maitri Shah: Thank you so much.

Aman Anavkar: Thank you, Maitri.

Moderator: Thank you, Maitri. We'll take the next question from Harleen Kaur. Harleen, please go ahead.

Harleen Kaur: Hello. Am I audible?

Ashwani Singh: Yes. Yes.

Harleen Kaur: Sir my first question is, can you throw some light on what steps you are taking on streamlining revenue execution on the quarterly basis? And how much time would it take to streamline?

Arihant Dhariwal: So we're working on that methodology. We are working with our auditors and consultants to ensure -- so right now our billing is basically on shipment basis. We're trying to move towards project completion but we still have to understand the impact, what would be the prospective impact on our old contracts and the new contracts. How could we enter? So we are right now working with our auditors and our consultants towards that. So mostly I can say as also communicated in the previous earning calls somewhere in financial year '28 we're looking towards that.

Harleen Kaur: Sir my next question is, would this also mean stability of margins through these quarters?

Arihant Dhariwal: Obviously yes because once you know, this will help us giving the sequential growth on the quarter-on-quarter on the revenue, the margins automatically will keep on improving and though we are also doing some additional factors on how we can improve our gross margins through alternate vendor procurements optimizing cost that will definitely give us a better margins on EBITDA as well as on the PAT line.

Harleen Kaur: Okay, sir. Sir, I have one more question. The company is currently sitting on cash in bank of more than INR 200 crores. What is the plan for utilizing this cash and bank balance?

Arihant Dhariwal: So basically out of INR 200 crores as you are aware that we got listed last year. So we have IPO proceeds which have its utilization plan which includes working capital, general corporate purpose and inorganic activity. So those utilization will more or less fall and get completed by end of financial year '27 which is there. The balance cash which is the free cash will be used more towards maybe acquisition or internal working capital purpose and towards optimizing cost or increasing the revenues.

Harleen Kaur: Okay, sir, thank you so much for answering my questions.

Arihant Dhariwal: Thanks, Harleen.

Moderator: Thank you. We'll take the next question from Niraj Chhajer. Niraj, you may go ahead.

Niraj Chhajer: Hi, thanks. Thanks for the opportunity. One question, this INR 900 crore of unexecuted order book, this is across how many projects and against how many projects we have received advance and how many projects have received the notice to proceed where we have started work?

Ashwani Singh: So, Mr. Niraj, generally, you know, we have a mix of orders that helps us to execute. So, for example, like 70% value we distribute for the large project and 30% value, there are multiple small orders which can give you the faster run rate execution. So right now, all out of INR 900 crore, approximately INR 700 crore are commercially cleared and on the floor for detail engineering and having the client requirement to plan the execution and all.

In last six months, we added good number of orders and in case if you see, even after executing our order, we are still maintaining INR 900 crore. We are looking futuristic approach by adding approximately INR 500 crore or INR 600 orders which will help us to keep the run rate 30% or 25% to 30% growth run rate for the next year.

Niraj Chhajer: Got it. So another one is coming from the first speaker, the Milan question, which is with regards to 25% growth, if I do the maths correctly, we are looking for almost 2x of our revenue in H2. Is this understanding correct? Because if you have to have a 25% growth compared to the previous year, we are looking at a INR 510 crore to INR 515 crores kind of top line. So then we need to do about INR 340 crore, INR 335 crore consolidated on that one in H2. And if you have to maintain a 9% of PAT margin, I assume this is excluding the extraordinary profit from TSA process equipment sale. So then we are looking at close to 9.8% of profit margin in H2. Is this understanding correct?

Ashwani Singh: Yes, in case if you see, we already discussed that we are maintaining sequential growth quarter-on-quarter and this is the learning from last all earning calls which we have. And for H2, in case if you see the total target, approximately 30% WIP material is already ready with our associate company and within the organization. So definitely we are adhering to our agreed target as annualized. So I hope this answers your question.

Niraj Chhajer: And last is can you give a qualitative impact where is this European acquisition and where it's going to add the value to the company whether it's going to bring certain skill set that the company is looking to develop or more of project references of the projects that they have already executed, like what exactly we are looking to acquire, or local manufacturing capability in Europe is what we are acquiring? What exactly we are doing with this European acquisition?

Aman Anavkar: I think Niraj, 50% of that you've answered yourself. We're looking at the local manufacturing capability, we are looking at the diversification of the product profile. We're looking at the image and the references that they have already built in the European market. But adding on to that in our pharmaceutical emerging markets, the budgets we talked about in the presentation, close to $6 million in Africa, $18 million in Saudi Arabia and so on, many of this investment comes directly from Europe.

The prerequisite of a European investment bank investing in a project in the Middle East or Africa is that the procurement also needs to happen from Europe. That is one of the clauses. So having this acquisition allows us to increase our success rates from 10% to 20%, increase the pipeline that we already have, because I'm sure you've noticed I'm Indian. If I'm white, if I'm blue-eyed and blonde-haired, when I'm Western-looking, when I sit across the table with a customer in Middle East and Africa, the conversation is not about negotiation or margins or profitability. The negotiation and the discussion is about when do you need the money and how can we deliver it. So we're trying to acquire that as an image through the European acquisition.

Niraj Chhajer: Okay. So this acquisition will come with also the employees.

Aman Anavkar: Absolutely 100%. We could have just opened an office, but that is not feasible. That's not impacting our build.

Niraj Chhajer: And will it be EPS Accretive Day 1 or no?

Ashwani Singh: Can you repeat?

Niraj Chhajer: Will it be EPS Accretive Day 1 or you have to build some synergy to have an EPS?

Vinay Pandit: That's a forward-looking statement, I think. We will avoid answering that.

Niraj Chhajer: You wanted to add something, Ashwani ji. Please go ahead.

Ashwani Singh: So the long vision of the company is that European acquisition is going to be the gateway to US market as well. Although we are present, we executed in past some Indian driven US project, but Europe will be the gateway to the US market which is an ocean in pharma and health care.

Niraj Chhajer: Any number you can give for your hot pipelines like in terms of new orders because only the major one gets announced but if you can give a broad number of hot pipeline that you are in in advance stage of bidding or those things?

Aman Anavkar: The hot pipeline I would say is between INR 3,600 crores to INR 4,000 crores and the conversion cycle that we are seeing in the next 12 months is close to INR 800 crores to INR 850 crores that will add on to our order pipeline. And yeah I hope that answers and the leads is leads so we don't talk about leads much.

Niraj Chhajer: But INR 800 crores to INR 850 crores you are talking from just Saudi itself in your presentation so--

Aman Anavkar: No, it's a Middle East and Africa.

Niraj Chhajer: It's Middle East and Africa. Thank you all the rest.

Aman Anavkar: Thank you Niraj.

Moderator: Thank you. We'll take the next question from Tanya Kalra. Tanya, you can go ahead.

Tanya Kalra: Good afternoon, sir. Thank you for the opportunity. Sir how much of the H2 recovery is dependent on UAE operations normalizing and how much is expected to come from Saudi Arabia and the African markets?

Aman Anavkar: I would like to change one bit in the question, the recovery when we keep saying recovery it means that we're trying to manage. We're not looking at recovery. We know where it is coming from. So it's managing expectations of the customers that we're doing. So we're not recovering the H2 we're moving towards H2. Right, that's first thing. AS, please you can go ahead.

Ashwani Singh: No, you are right because that is what I wanted to say. And secondly when we are looking at the annualized guidance we are not looking at who is going to participate for what. Every associate and every related

revenue is already given some target. So we generally go as a cumulative number. So this is already there. As Aman said, we are following our scheme and targets, simple.

Tanya Kalra: Sir, what is the average EBITDA margin embedded in the current order book? So has the company consciously moved towards high margin projects or is the current order book largely similar in profitability to the historical portfolio?

Ashwani Singh: So Tanya when you have a diversified geography you always average out. So you cannot say that high margin, low margin, it's a blend. Each and every time it's a blend. So every month there is a management meet where finance department, ops team they know the availability which order going first which order -- it's like sometime we follow the FIFO method. Sometime we go as per the availability during this geopolitical disruption each and every time something we take immediate action and move forward.

Tanya Kalra: Ok Sir, Fabtech is positioning itself as an integrated design and build engineering solutions provider. How much of the company's current revenue is generated from design, engineering, in-house manufacturing and specialized process solutions as opposed to conventional project execution?

Ashwani Singh: We never divided like this. Arihant, can you answer it because we never thought of it.

Arihant Dhariwal: No, we have never thought about it. Actually we are only segmenting it through the geography wise.

Ashwani Singh: Because we are integrated. Yes. Yes, Aman.

Aman Anavkar: Just to kind of add some light, Tanya, when we are doing a design and build project, I would say 30% of the entire project is what is manufactured in-house by us, number one. The rest of the scope of the critical infrastructure, turnkey project, more process machines, we buy from different vendors, partners that we choose from. If you are looking at the cost of design, that is part of our revenue cycle. I would say when we are closing a design and build project, 10% which is the advance, after the advance that we get from detail design approval, I would say would add on to the value or the assumption that it is attributed to designing services and engineering services.

But we don't do and to add on to this, we don't do standalone design and designing projects. So it's always a collective design and build project. And then there are terms internally. So that's why when Mr. Ashwini Singh , and Mr. Arihant say that we have never gotten into that conversation, it's because we have never split design cost, project execution, project management fees, we don't do standalone scopes like that.

Tanya Kalra: That's it from my side. Thank you so much for taking my questions. All the best.

Ashwani Singh: Thank you. Thank you.

Moderator: We take the last question from Amit Mehendale. Amit, you can go ahead, please.

Amit Mehendale: Thank you. Am I audible?

Ashwani Singh: Yes.

Amit Mehendale: Great. Thanks. I just want to confirm the earlier comment on the order inflow. Is my understanding correct that we are expecting about INR 800 crores of fresh orders in the next 12 months?

Aman Anavkar: Yes, Amit.

Amit Mehendale: Right. And sir, what type of EBITDA margins will be -- I mean, I understand it's something in the future we will probably have not won, but when we bid, are we bidding with an expectation of having similar EBITDA that we are reporting now or will it be slightly better? Any comment on that?

Ashwani Singh: Arihant?

Aman Anavkar: Some projects -- sorry just to add one part before I hand over to Arihant, there are some projects that we are taking on that are extremely vital projects for the market. These are reference projects for us. So as previously also mentioned in one of our filings, our margins were affected because there was a very major important vaccine project that we took up in India for which we took it at a lower margin. Arihant, you can go ahead.

Arihant Dhariwal: Yes, I was about to say that, it depends upon the project by project because some projects are reference-based where our margin would be

comparatively lower but that is very important for us to enter into other geographies and get other projects and some would be routine where our margins would be higher. So blend wise I think we will be close to our current margins, but yeah, project it would differ based on the reference and not reference.

Ashwani Singh: So Mr. Amit, as we said earlier, that profit definitely we are maintaining a good increase. There is no problem but the market acquisition and the reference, what we create today, it's like an investment for the company. I hope you understand because each and every reference where we take at cost, that is available for all the customer to look at and that is a kind of investment out of profit.

Amit Mehendale: Right, sir. I just wanted to understand a little bit on the competitive intensity. When we are bidding for these new projects, who are we competing with? Any Indian or Middle East names or if not names, any colour on competitive intensity will be great.

Aman Anavkar: Names are also okay. There are companies like Telstar, Jacobs, Exyte Engineering based out of Europe that are accounted for as the main competitors and these companies are already in the multi-billion dollar valuation ranges because they are doing projects in that European space and the Western market for the last 50 years. Like I said, the entry barrier is extremely difficult for a design and build scope and the risk is too high for a customer to piece by piece arrange a project for himself.

That is why the competitive advantage is always with Fabtech, because we do these in-house. We do the manufacturing of process, air and water in-house, we do the designing and detail engineering in-house and the entire project management and execution in-house. And when the customers ask us where are your references to show, the customers that I can speak to, we give the customer the number of any of our previous references. And the reference always speaks for itself.

So we have never approached the market. And what I'm trying to say is we've never approached our market, with competition how will the competition be and what are the competitors trying to do. We are very well aware of who our competitors are. But we focus more on what we have to deliver to make sure that the brand value of Fabtech remains strong and the references keep getting stronger.

Amit Mehendale: Yeah, great, that's great. Just want to understand a little bit on the pricing side. When we are bidding for this right, how is it, how is the pricing intense -- I mean is it really cutthroat you know that customer

will negotiate for 1%, 2% or it is more on the quality side that that you have good references. I mean how is it from a customer side, what are they looking to do?

Aman Anavkar: This is entirely dependent on the culture and the region that we're operating in. People are people, everybody loves to negotiate. If I'm dealing with an Indian customer who's setting up a project internationally, the culture is to negotiate. If I'm dealing with a European customer who's setting up in the emerging market, the relation is more about what value am I getting. I don't want to talk more about price, but what am I getting for that price, right. So yes, it is cutthroat because there are times where the customer knows what he wants and how much he wants it for, and there are certain areas where the customer is offering a premium to Fabtech because he knows the kind of service and experience Fabtech will provide.

Amit Mehendale: Understood great. And my last question --

Aman Anavkar: It's very subjective. Yeah.

Amit Mehendale: Yeah. Great. Thanks. Understood. Thanks for that. My last question is when we look at, say, two, three years out or three, four years out, do we have any ROE metrics that, any North Star or any internal goal that we want to return on equity, what type of ROE that we want to maintain at either the company level or when we're bidding for the projects, what type of IRR, any colour on that?

Ashwani Singh: Arihant?

Arihant Dhariwal: So if you're asking from, I think, more from project based, it's different. Currently our ROE is somewhere around 9%. And as in when we'll grow, the ROE will definitely will grow for the company. But I don't know if Aman or Ashwani can answer on the project wise IRR, if we have anything specific in mind because I don't think so we have specific IRR fixed for any specific customer or a project.

Amit Mehendale: Well, even at the company level, typically, I mean, I'm just kind of speculating but people will love to have from an investor side and even from a company side, typically people would prefer to have a 15% plus or in that range ROE. So I was just checking if we have any plan that we reach that point, that number at certain point of time.

Arihant Dhariwal: So obviously we want to grow more than 20% and 30% and we want to see that type of return on equity and that's what our target is also to

reach to those levels. So that's when we'll see two year, three year down the line, maybe we will be very close to 30% or more than 30% on return on equity.

Amit Mehendale: Okay, sir. Thank you. Thank you very much.

Ashwani Singh: Thank you. Thank you, Amit.

Moderator: Thank you, Amit. Since there are no further questions.

Aman Anavkar: There were two questions that were in the chat box which was related to the customer collections. If I may just put it to Arihant, the group's receivables stood at approximately INR 235 crores at September end. Could you clarify how much was overdue beyond the agreed payment terms and how much of this balance has been collected since then?

Arihant Dhariwal: Yeah, so I will answer the first one. So out of -- so INR 235 crores are the gross receivables. If we remove the ECL provisioning from it, the net is almost INR 226 crores. Out of which not due is almost INR 145 crores and overdue is somewhere around INR 81 crores of which almost INR 25 crores pertains to retention. The balance INR 50 crores is what we are continuously working on and ensuring that we get the collection against those INR 50 crores in the next few months.

Aman Anavkar: And related to the operating cash flow, there was a question, the group reported an operating cash flow of approximately INR 41 crores for the first half while the other current assets increased from INR 35 crores to INR 75 crores. Could you explain the main reasons for this outflow and what makes up the increase in other current assets and when you expect the operating cash flow to turn positive? The question was by Sobhit Jaiswal.

Arihant Dhariwal: Okay, so the increase in other current assets is mainly because of vendor advances, since our focus is more toward higher revenue in H2, we have to give advances to vendors for supply of materials and equipments. That's how we are planning to build our H2. So there's almost INR 38 crores is towards -- the increase is towards vendor advances. That answers the current assets increase.

With respect to when it will turn positive, that's a more forward looking statement but you can see as in March 26, we were positive operating cash flow so our target is to again go to a positive operating cash flow by March. So that's what I would say on that.

Aman Anavkar: Okay. I don't see any other questions. If not, then I'd like to just say something and before we can conclude. Vinay, is that okay, Kaptify team?

Moderator: Yeah, I request the management team to give their closing comments.

Aman Anavkar: Perfect. I'd like to leave everyone with one thought. Every country that we are working in is asking the same question. Can we make our own medicines? After COVID, that's no longer a policy. It's a national priority with real money behind it. Fabtech and we exist to answer this question. We build the heart of these plants, the process, the air, the water. We design it, we make it, and we validate it under one roof.

This H1 tested us, but our teams kept every site running through real uncertainty. Profitability more than doubled in the quarter. And we carry INR 900 crores of work into H2. We're not building buildings. We're building the capacity and the capability for countries to look after their own people. That's a long runway and we intend to execute it with discipline. I'd like to thank everyone who's joined here and for their questions. And we look forward to the next one.

Ashwani Singh: Thank you.

Moderator: Thank you. Thank you to the management team for your valuable time and thank you to all the participants for joining on the call. This brings us to the end of today's conference call. You may all disconnect now. Thank you.

Ashwani Singh: Thank you very much.

Aman Anavkar: Thank you everyone and happy Diwali in advance. Take care of you. Goodbye.