

June 04, 2026

The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai- 400051  
NSE Symbol : AXISCADES

The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
BSE Scrip code: 532395

Dear Sir/Madam,

**Sub: Transcript of the Earnings Webinar - Q4 & FY26**

Further to our intimation dated May 30, 2026, please find enclosed the transcript of the Earnings Webinar - Q4 & FY26, which is hosted on the website of the Company at <https://www.axiscades.com/investor-relation/>

We request you to kindly take the above on record as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours truly,

For **AXISCADES Technologies Limited**

**Sonal Dudani**  
**Company Secretary & Compliance Officer**

Encl: A/a

**AXISCADES Technologies Limited**

(formerly AXISCADES Engineering Technologies Limited)

CIN No.: L72200KA1990PLC084435



## Transcript: AXISCADES Technologies Limited Q4 & FY26 Earnings Webinar

30<sup>th</sup> May 2026, 4:00PM

Hosted by **AXISCADES Technologies Limited**  
Webinar Execution: **ElevEase**. (by Dickenson)  
Contact: [axiscades@dickensonworld.com](mailto:axiscades@dickensonworld.com)

### AXISCADES Technologies Limited Q4 & FY26 Earnings Transcript

**Ms. Shankhini Saha:** Ladies and gentlemen, good afternoon. Welcome to AXISCADES Technologies Limited's Q4 and FY26 earnings webinar produced by ElevEase. I am Shankhini, Director of Investor Relations from Dickinson IR, advisors to AXISCADES, and I will be moderating our call today. Please note that this conference is being recorded and that some statements in this call may be forward-looking, based on current expectations and subject to risks that could cause results to differ materially. You can download the AXISCADES investor presentation and press release from the links in the chat, the company website, or the NSE. I will now hand the conference over to Mr. Mukund Santhanam, Chief Growth Officer and Head of IR, to begin with opening remarks. Take it away, Mukund.

**Mr. Mukund Santhanam:** Thank you, Shankhini. Thanks, everyone, for joining us today. I hope all of you have had the opportunity to review our results, our investor presentation, and the press release filed with the exchanges. FY26 has been a very eventful and important year for AXISCADES. It has been a year in which we delivered full-year growth, but more importantly, it has also been a year of strategic transition. We have taken decisive steps to sharpen the portfolio, to strengthen our focus on our core areas of aerospace, defense, space, deep tech, electronics, and AI, and to build the foundation for the next phase of growth under the Power 930 roadmap.

At the same time, we recognize that you will have questions regarding our latest quarterly results and the bridge into FY27. The management team will address these areas directly today. Our object is to be transparent on the quarter, to be clear on the bridge into next year, and to be disciplined in explaining how we are approaching execution in FY27. On the call today, we have Dr. Sampath Ravinarayanan, Founder, Chairman, and Managing Director of AXISCADES; Mr. Shashidhar S.K., Group CFO; and other members of the senior leadership team across key business areas of aerospace, defense, and electronics, as well as leaders across finance, operations, and strategy.

The structure of the call will be as follows: I will now first hand over to Dr. Ravinarayanan for opening remarks on the strategic direction of the company and the transformation underway. After that, Shashi will take us through the financial performance, the Q4 bridge, and key balance sheet, income, and cash flow points. After that, we will open the floor for questions. During the Q&A, I will moderate the answer flow and route questions to relevant members of the

management team. As you can imagine, some of the areas that we work in, particularly defense programs, are extremely commercially and program sensitive; therefore, certain customer-specific matters or live strategic initiatives will be answered at the appropriate level of disclosure. With that, I now invite Dr. Ravinarayanan to share his opening remarks. Dr. Ravinarayanan, over to you.

**Dr. Sampath Ravinarayanan:** Thank you, Mukund. Good evening and thank you for joining us today. Let me begin with a direct and honest assessment. In FY26, we did everything we set out to do, except two things which got deferred - not cancelled, but deferred. First, a portion of our revenue shifted due to global supply chain disruptions. That revenue is not lost; the orders are intact and the products are getting ready. We will deliver them after our customers confirm their acceptance plots and conduct inspection; this is a matter of scheduling, not demand. Second, phase two of our disinvestment, which is central to our restructuring plan, has delayed a bit. It will happen soon; the strategic rationale is unchanged, the process is active, and it remains a priority for H1 FY27.

Everything else - every capacity investment, every design win, every new initiative, and every customer relationship - happened as planned. I want that to be absolutely clear before we go any further. FY26 has been the most consequential year in the 20-year history of AXISCADES, not because of one quarter's numbers, but because of what we built. We did not have a bad year; we had a building year. There is a fundamental difference. We set out on PAR 930 with a clear, non-negotiable target of 9,000 crores of revenue by FY2030. Delivering that demands deliberate, significant, and disruptive shifts across the company, and every one of those shifts was initiated in FY26.

Earlier this week, we signed the divestment of Phase 1 of our engineering services business - heavy engineering, energy, and automotive. This is only the beginning; further restructuring is underway and planned for H1 FY27. We are not shrinking; we are sharpening. Every rupee of revenue we remove from engineering services gets reinvested into businesses with structurally higher margins, longer life cycles, and stronger strategic moats. Our Devanahalli campuses and our Missile Atmanirbhar Complex (MAC) in Hyderabad will become operational through FY27, and we have initiated expansion beyond them. Together, they give us a far larger and more capable manufacturing, testing, and MRO footprint. We are also in advanced stages of finalizing an aerospace manufacturing acquisition that will jumpstart high-value manufacturing activities in Q3 of FY27. To fill this capacity, FY26 was our strongest year yet for building relationships with global OEMs, and we carry a powerful pipeline into FY27.

We have initiated the creation of Xida Inc. Xida Inc. is an American-led, Silicon Valley-headquartered deep tech and AI company. It is a subsidiary of AXISCADES but designed from day one to think, operate, and scale like a U.S. technology company. It features American leadership, American speed, and American ambition, with Indian and Vietnamese engineering depth as a competitive advantage. Xida is designed to be a hardware electronics-driven AI company operating inside the "Golden Triangle" of data centres, generative AI, and physical AI. This Golden Triangle is what the whole world is investing into. It is American-led, autonomously run, and strengthened by two acquisitions we are evaluating. Our existing ESAI business is not a

new company; all our existing ESAI business and the AI team will move into Xida, giving it immediate revenue, customers, and credibility.

We have established a Space Division. Our Space Situational Awareness initiative with Aldoria is underway, and we are evaluating strategic partnerships for space-related manufacturing, especially space bus and space payload manufacturing, at our Devanahalli campus. We have already started building infrastructure for the same. What emerges from these shifts is not incremental improvement; it is a transformation - sharper in focus, higher in margin and value, global in reach, and scalable in foundation. AXISCADES is operating at the cutting edge of the domains that matter most to India and the world: defense, aerospace, space, and deep tech.

The company is built not on ambition alone, but on the foundation, we laid brick by brick in FY26. To every shareholder, customer, employee, and partner, I want to reiterate this: we built the runway in FY26; FY27 is the take-off. Before I complete my speech, I want to set one frame of reference that is essential to understanding where AXISCADES stands today. FY26 and FY27 are not two separate chapters; they are two acts of the same story. Think of *Bahubali*: Part 1 ended with a question that only Part 2 could answer. Think of *Dhurandhar*: the first part built a position so intricate that only a sequel could reveal what it all meant. In both cases, judging the first part in isolation would miss the entire point. That is exactly where we are; FY26 and FY27, viewed together, will provide the answers.

I am here today to lay out the full picture. There is a famous saying attributed to Benjamin Graham, the father of value investing: "In the short run, the market is a voting machine. In the long run, it is a weighing machine". I would urge every investor in this room to weigh what we have built, not vote on one quarter. Like every great two-part story, the second act will make the first one worth it. I ask you to stay with the full story. The best of AXISCADES is not behind us; it is directly ahead. Thank you for all your support. Over to you, Shashi.

**Ms. Shankhini Saha:** Hi Shashi, we can start with your opening remarks.

**Mr. Shashidhar S.K.:** Yeah, sorry, I was on mute. Thank you, Dr. Ravinarayanan. Good evening, everyone. Dr. Ravinarayanan gave a very apt description of taking FY26 and FY27 together. Let me start on that note and say that FY26 was a strong operating year and a demanding transition year. We had three quarters of very strong, exceptional performance, and Q4 may be an outlier in terms of how we ended the year.

Talking about the full year, revenue grew 12.4%, EBITDA grew 24.6%, and EBITDA margin expanded 150 basis points to 15.3%. The reported PAT did not reflect that operating progress. I will explain the bridge in three parts: a material Q4 revenue recognition deferment, one-time transaction and exceptional items linked to the portfolio restructuring, and a tax base that is not comparable with FY25. Then I will explain why FY27 starts from a different operating base, with a cleaner portfolio, stronger core domain mix, and tighter focus on cash, working capital, and execution.

At the full-year level, the operating results are unambiguous. Revenue was at 1,159 crores (12.4% growth year-on-year), and EBITDA was at 178 crores (24.6% growth year-on-year) with margins at 15.3%, which is 150 bps more than last year. PBT before exceptional items was 125 crores (36.5% growth year-on-year), and PBT after exceptional items was 114 crores (29.8% growth year-on-year). Normalized PAT came at 83 crores (27.6% growth) versus normalized FY25 PAT of 65 crores. The reported PAT at 72 crores showed a 4.3% degrowth year-on-year, which we will explain. For Q4 specifically, reported revenue was 273 crores, EBITDA was 34 crores, pre-exceptional PBT was 14 crores, and PAT was at 0.4 crores.

Before we move into questions, I want to directly bridge the difference between the underlying operating performance and the reported PAT outcome. At the operating level, revenue, full-year EBITDA, EBIT, and pre-exceptional PBT all grew. However, reported PAT did not reflect the trajectory because three items affected the quarter and the year-end reported number. First, the Q4 revenue recognition shift of 142 crores, which carried an EBITDA impact of more than 40 crores. Second, portfolio restructuring and exceptional impacts linked to the strategic divestment process. Third, a non-comparable tax base versus FY25. We had earlier worked with an EBITDA expectation of around 215 crores and a PAT expectation of around 110 crores. The shortfall against that expectation is explained by these bridge items. Importantly, the revenue recognition movement is a scheduling issue, the restructuring impact is linked to a deliberate portfolio action, and the tax comparison is affected by the FY25 base. The reported PAT number should be read with this bridge rather than as a reflection of the underlying operating direction.

Regarding Factor 1 - the Q4 revenue deferral of 142 crores - the issue was timing and execution, not demand erosion. The underlying contract values remain intact, and customer relationships remain unaffected. The revenue has moved into FY27 visibility, with recognition expected across Q1 and Q2, subject to delivery, inspection, customer acceptance, and applicable criteria. To break down that 142 crores:

- **45 crores:** A defense manufacturing program. Supply chain disruption to a critical input material affected production timelines on land systems ordered for the Ministry of Defense. This constraint has since been resolved.
- **84 crores:** Pertinent to our strategic electronics program. A monopolistic hardware supplier redirected output to war-related priority programs, impacting production. Those materials have since been secured.
- **12.6 crores:** An aerospace and defense contract where deferral arose directly from the divestment transaction transition.

The broader learning is clear: as AXISCADES moves from an engineering-led model to manufacturing-linked execution, we need stronger supply chain buffers, acceptance slot planning, and program management discipline. These are being built into the FY27 cadence.

Regarding Factor 2 - exceptional items of 11.17 crores - on May 26th, 2026, AXISCADES signed definitive agreements to divest the heavy engineering, energy, and automotive practice to

Akkodis for USD \$30.63 million in cash pre-tax. The transaction is expected to close in Q2 FY27. This portfolio sharpening releases capital and bandwidth for our core priorities. The transaction entailed restructuring costs of 9.8 crores and a fair value adjustment of 7.98 crores on the divested business, pertaining to Epcogen, which was sold at less than book value. These are portfolio reset costs and not recurring. On closure, the divestment is expected to result in an extraordinary gain of approximately 175 crores, translating to 41 rupees per share EPS. The costs recognized in FY26 were one-time to unlock this larger value.

Regarding the tax charge, FY26 was 42 crores against 12 crores in FY25. FY25 included a one-time reversal of 10.01 crores from a favourable order; FY26 reflects a normalized position. The average rate is higher at 36% as profits in some overseas entities carry higher rates and we could not recognize deferred tax assets in a loss-making German entity.

Regarding the balance sheet, closing receivables were 411 crores with a DSO of 130 days. Since March, we have collected 154.5 crores, bringing the DSO down to 81 days. Negative operating cash flow was driven entirely by 100 crores of land systems WIP, classified under "other assets". This is contracted with the MoD, with 20 units ready for dispatch, 25 at assembly stage, and 85 in production. Invoicing is scheduled for H1 FY27. When these deliver, 120 to 140 crores of cash will be released. Gross borrowings increased by 87 crores to 276 crores for project-specific working capital for land systems; this retires as invoices are issued.

Regarding domain mix, the core domains of aerospace, defense, and ESAI generated 904 crores in revenue (78% of consolidated revenue):

- **Aerospace:** 388 crores revenue (21% growth) with 17.3% EBITDA margin.
- **Defense:** 379 crores revenue (25% growth) with 22.9% EBITDA margin.
- **ESAI:** 136 crores revenue (9% growth) with 26.1% EBITDA margin.

FY27 is structurally different; the 142 crores of deferred revenue enters FY27 as hard orders in the dispatch queue. Consolidated FY27 revenue is trending towards 1,377 crores (52% growth on the retained business base). This includes 927 crores in orders currently under execution (including the 142 crores from Q4), 285 crores in assured forecast visibility from design wins, and 165 crores of acquisition-linked visibility. Thank you.

**Ms. Shankhini Saha:** Thanks, Shashi. We will now start with questions. Our first question is from Nikhil Chandak.

**Nikhil Chandak:** Thank you. I have one question regarding your FY2030 vision of billion-dollar revenues. From 900 crores to 9,000 crores is a 10x jump in the next 4 years. Is this still organically achievable?

**Dr. Sampath Ravinarayanan:** When we move from design-based revenue to manufacturing, it is automatically a 10x to 20x jump. If I convert all design wins to manufacturing, it is very high value. We are sticking to the 9,000-crore target; this is a foundational year. For example, ESAI

used to take only design work; today we are insisting on design-cum-manufacturing. Gearing up as a manufacturing partner automatically ensures a 10x scale-up. The real momentum will start happening this year as our infrastructure in Devanahalli and Hyderabad becomes ready.

**Rohan Mehta:** Adjusting for the deferment, normalized EBITDA margins are around 17-18%. In Q3, you indicated a potential 300 bps margin improvement; are we moving towards the 20% mark for FY27? And can you quantify the order book and pipeline post-FY27?

**Mr. Shashidhar S.K.:** The non-core verticals were margin-dilutive. What remains are the core verticals where the average EBITDA is already at 20% plus, and we aim for a 150 to 200 bps improvement year-on-year.

**Dr. Sampath Ravinarayanan:** We are building a strong pipeline in defense, focusing on very large programs like swarm drones and CLRTS. We are shortlisted for most of these. On the ESAI side, we are positioning ourselves as a US company with operations in Silicon Valley, Vietnam, and India. We recently got a \$3.5 million order from Qualcomm. In aerospace, we are acquiring companies to jumpstart manufacturing.

**Mayur Parkeria:** Regarding the sale of the engineering division, will the business transfer immediately, or will we run it until June 2027? And is the PAT target for FY30 underscoring the total potential?

**Mr. Shashidhar S.K.:** It is structured as a slump sale to the Akkodis entity in India. We will transfer people and contracts and handhold them for one year to grow synergies. There is a guaranteed portion of \$23.4 million and an earnout of another \$7.4 million based on FY27 targets.

**Dr. Sampath Ravinarayanan:** Regarding PAT, we require only 7,200 crores of revenue to achieve our goal at a 25% plus EBITDA margin. We are keeping both the 9,000-crore revenue and the PAT target as our goals.

**Jatin Raghuwanshi:** How is the expansion funded beyond the Akkodis cash, given the negative cash flow? And is there still no equity dilution?

**Dr. Sampath Ravinarayanan:** Phase 2 of the disinvestment is coming very soon and will fund us totally for DAC, DAL, MAC, and our acquisitions. We are planning to acquire four companies once this is through. OEM relationships are strong, although government policy shifts towards "Make in India" have required us to change our proposals. Everything is subject to government approval, and we are on track.

**Mr. Mukund Santhanam:** We have no plans for equity dilution or incremental long-term debt.

**Suman Gupta:** What is the end product and TAM for space and hyperscalers?

**Dr. Sampath Ravinarayanan:** Xida (formerly ESAI) is involved in data centres and test equipment for hyperscalers and semiconductor giants. We see a 10x revenue possibility here. In

space, we are focusing on space bus, space payloads, and synthetic aperture radar. India has 50–60 active satellites, while Elon Musk is launching 350 per year; there is a huge global demand for space bus. We are partnering with the best in the world.

**Disha:** To reach 9,000 crores by FY30, wouldn't that require a 90% CAGR from FY28? And would a 30% EBITDA mean the PAT could be higher than guided?

**Dr. Sampath Ravinarayanan:** We expect margins to saturate around 25-27%. Regarding revenue, think of it like this: an architect charges 3%, while the builder charges 97%. By taking on serial production, revenue scales up automatically. Acquisitions help us "buy time" - roughly two to three years - to acquire certificates and manufacturing skills.

**Gaurav Shukla:** Any plan for ESOPs?

**Dr. Sampath Ravinarayanan:** We have 3.8 million shares kept for ESOPs. We plan to align the provisioning with the 175-crore extraordinary income from the divestment. By Q2, we should be able to award the entire pool as the restructuring will reduce our headcount to roughly 1,200 people.

**Bala Subramanyam:** What is the total Capex program?

**Dr. Sampath Ravinarayanan:** DAC is 1,200 crores, MAC is 300 crores, and DAL is 120 crores (of which 100 crores is already spent). Acquisitions will cost roughly 600 crores. The total investment plan is between 2,100 to 2,250 crores, which will be totally self-funded through the restructuring phases.

## **Closing Remarks**

**Mr. Mukund Santhanam:** Thank you for engaging with us. Our focus for next year is disciplined execution - converting backlog, improving working capital, and bringing capacity online. We will keep you updated through consistent disclosures and plan to host an open day at our new facilities.

**Dr. Sampath Ravinarayanan:** I sincerely request every participant to visit us. Seeing is believing. We will allocate slots from the last week of June and first week of July. Our aim is to ensure you have no ambiguity on our path. You have to see the groundwork to understand. Thank you.

**Ms. Shankhini Saha:** Thank you to the entire AXISCADES team and all participants. For follow-up questions, please write to us at the address provided in the investor deck. Have a good evening.