ENDURANCE
Complete Solutions
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21st August, 2026

BSE Limited,
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Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051

BSE Code: 540153

NSE Code: ENDURANCE

Sub.: Transcript of Conference Call held in respect of the Company's Q1 FY27 financial results.

Ref.:
1. **Regulation 30 and Regulation 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").**
2. **Intimation of telephonic / virtual meeting with Analysts / Institutional Investors dated 4th August, 2026**

Dear Sir / Madam,

In continuation of the referred intimation and Listing Regulations, please find enclosed the transcript of the conference call held on 14th August, 2026 in respect of the Company's Q1 FY27 financial results.

The transcript has been hosted on the Company's website at:

https://www.endurancegroup.com/wp-content/uploads/2026/08/2026-08-21-Transcript-of-Earnings-Conference-Call-14-8-2026.pdf

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For **Endurance Technologies Limited**

SUNIL NARESH LALAI
Digitally signed by SUNIL NARESH LALAI
Date: 2026.08.21 15:41:06 +05'30'

Sunil Lalai
Company Secretary, Compliance Officer and Head - Legal
Membership No.: A8078

Encl.as above

Endurance Technologies Limited

Q1 FY 27 Earnings Conference Call

August 14, 2026

MANAGEMENT: **MR. ANURANG JAIN – MANAGING DIRECTOR**
MR. RAJENDRA ABHANGE – DIRECTOR AND CHIEF OPERATING OFFICER,
MR. MASSIMO VENUTI – DIRECTOR AND CHIEF EXECUTIVE OFFICER, ENDURANCE OVERSEAS
MR. RAJA GOPAL SASTRY – GROUP CHIEF FINANCIAL OFFICER,
MR. RAJ MUNDRA – TREASURER AND HEAD INVESTOR RELATIONS

MODERATOR: **MR. NISHIT JALAN – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY 27 Results Conference Call for Endurance Technologies. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Nishit Jalan from Axis Capital. Thank you, and over to you, sir.

Nishit Jalan: Thank you so much. Good morning, everyone. Welcome to Q1 FY 27 post-results conference call of Endurance Technologies. We are pleased to host the management team of Endurance today. We have with us Mr. Anurang Jain, Managing Director; Mr. Massimo Venuti, Director and CEO Endurance Overseas; Mr. Rajendra Abhange, Director and COO; Mr. Raja Gopal Sastry, Group CFO; and Mr. Raj Mundra, Treasurer and Head Investor Relations.

I'll now hand over the call to Mr. Anurang Jain for his opening remarks, post which we will have the Q&A. Over to you, Mr. Jain.

Anurang Jain: Thank you very much. Good morning everyone. As we close Q1 of FY 27, the business scenario presents a mixed picture with a steady domestic economy set against a more challenging global environment.

Domestic industrial activity held firm through the quarter. The Index of Industrial Production grew 5.1% in May 2026, with manufacturing at 5.5%, indicating continued growth in the industrial sector.

The global environment has become more difficult. The prolonged conflict in West Asia has kept energy prices raised and added to supply chain and freight costs. In August 2026, the RBI held the repo rate at 5.25% and retained a neutral stance. Earlier, RBI had raised its FY 27 inflation forecast to 5.1%, citing energy prices, West Asia conflict, and monsoon uncertainty. Now, RBI has lowered the inflation forecast to 5%, as Q1 actual number was below the earlier estimate.

In the Indian automotive sector, as per SIAM, two-wheeler sales reached 7.18 million units in Q1 FY 27, up 23.6% year-on-year, with motorcycles at 19.3% growth and scooters at 32.7% growth. Passenger vehicle sales increased by 23% to 1.5 million units, while three-wheeler sales rose 40% to 0.36 million units.

In the European Union, new car sales saw a year-on-year rise of 7.4% in Q1 FY 27, with each country recording high single percentage sales growth and Italy leading with 9.9% growth. In quarter one FY 27, new car volumes in Europe, there was a 21.9% share of battery electric vehicles, 10.1% share of plug-in hybrids, and 36.1% share of mild hybrids. So roughly two out of every three vehicles being sold in the European Union are either electric or hybrid.

In Europe, the operating environment was perhaps even more challenging, with sharp increase in energy costs, uncertainty around policies regarding electrification and localisation, and rising presence of Chinese OEMs.

In our Indian operations, our focus is to look at our core capabilities, including manufacturing, technology, and innovation, and accordingly look at new products through greenfield projects or through M&A, which meet the criteria of being technology-intensive, having a strong scalability of growth based on our OEM customer requirements, and most importantly, helping us to increase our margin percentage as compared to now.

Our focus is on 2W proprietary products, 4W aluminium castings and forgings, and 4W proprietary products including suspension, braking, and driveshafts. In the non-auto products, our immediate focus is on solar suspension dampers and actuators, as well as on electronic products, including for auto and non-auto: Battery Management Systems, Motor Control Units, DC-DC converters, and our Battery Packs, for which we have just started SOP in June 2026.

1. You will recall the draft guideline by the government in June 2025 extending ABS requirements to lower engine CC vehicles. We welcome the intent behind this move, which will meaningfully improve rider safety across the 2W segment. In line with this, we are adding 9 lakhs ABS units per annum. Earlier, we had announced a figure of 12 lakhs units per annum to our existing ABS capacity of 6.4 lakhs units per annum.

   The reason for the decrease from 12 lakhs to 9 lakhs units of ABS is due to the strong demand in the brake assembly system business. We had to shift certain machinery from the ABS lines to take care of the large increase in the brake assembly orders from different OEMs. Our brake assembly share was 34.5% and our brake disc share in India was 42% in FY 26. I would like to mention that the brakes business in the last 4 years has grown with a CAGR of more than 30%. Though the government is yet to issue final guidelines, our ABS and CBS hydraulic brake expansion is progressing as planned, with SOP expected in September or early October 2026.

   For the dual channel ABS, SOP for Bajaj Auto with 120,000 units per annum is scheduled for this quarter. The SOP for a second programme of 120,000 units is expected to start in Q3 of FY 27. We are enhancing our ABS product offering with new features. We have already started the ride modes, and now we are adding the traction controls for improved stability. This will help in sales value and margin growth in our ABS business.

   In view of our plans to manufacture electronic control unit for ABS and with higher volumes of Battery Management Systems needs indicated by OEM customers, we had ordered a new surface-mounted technology line for which SOP is expected from next month. It may be noted that our civil infrastructure is in place not only for this new SMT line but also for further potential expansion.

2. At our new Chennai plant for disc brake assembly systems, civil construction is at its final stage. This new plant is in close proximity to certain prominent OEMs, enabling us to serve them better while also lowering our freight costs. The phase one key machinery is being shifted from Waluj, and the phase two will be completed in Q3 of this year. The SOP for Royal Enfield is expected by next month, with other OEMs following in Q3.
   This plant will have a capacity of 3 million disc brake assemblies per annum and 4 million discs per annum as a part of our total Endurance capacities of 9 million disc brake assemblies and 9.6 million brake discs per annum that we have planned by Q1 of FY 28.

3. In the previous call, we spoke of setting up assembly lines for 4W passenger vehicle foundation brakes for Tata Motors. We are on track as SOP is expected next quarter. We have also increased our three-wheeler brake assembly volumes from 0.6 million to 0.85 million per annum and are expected to increase the capacity to 1.5 million per annum by end of this financial year.

4. I'm happy to inform you that with the new KTM brakes technology, we have started the SOP for 390 cc and 790 cc motorcycles of KTM in Q1 of this financial year. These include export orders served from our brakes plant in Waluj. Also, to meet increased demand from Hero MotoCorp and TVS, we are adding capacity at our Waluj brakes plant, increasing our volumes by 1 million numbers per annum. This SOP is expected to be in this quarter.

5. With our focus on increasing 4W casting business at our AURIC Shendra plant at Chh. Sambhajinagar, order wins have continued to build, taking cumulative bookings to a peak annual business potential of ₹ 513 crores per annum. These include orders from a large USA EV OEM, for automotive and non-auto applications, from Jaguar Land Rover as well as from Valeo for their electric platforms of Mahindra and Tata. SOP will start in September 2026 and we expect significant pickup in this business by Q4 FY 27.

   Also, we are expanding our existing 4W casting operations at our Chennai plant where we have secured orders for hybrid models of Isuzu and we expect SOP in Q4 of this financial year. We have won orders from Hyundai and Kia for new parts with SOP already started in this month. The business value is ₹ 80 crores per annum and will reach peak sales in FY 28. The presence of multiple global OEMs based in the South India region enables deeper engagement and we are in active dialogue with new OEM players for which the plant is undergoing audits.

   At our Chakan die-casting plant, we are also expanding our 4W machined aluminium casting business for existing and new programmes of Tata Motors and Mahindra, with demand from these OEMs seeing a strong traction.

6. At our AURIC Bidkin alloy wheel plant, SOP for Bajaj began last year in October and for Royal Enfield, it is expected to start by end of this month, with peak volumes expected in Q3 of this financial year. The total capacity across our Chakan and Bidkin alloy wheel

plants is 48 lakhs wheel sets of front and rear wheels per annum and we will be serving Bajaj, Royal Enfield, Yamaha, HMSI, Ather, Suzuki, and Piaggio from our alloy wheel plants in Chakan and AURIC Bidkin.

7. Our battery pack plant near Pune commenced SOP for Hero MotoCorp in June 2026. With this large order won, the plant is in a ramp-up phase to reach peak volumes by Q3 of this financial year. We have also announced our entry into 4W battery packs from the same plant with a capex of ₹ 62 crores and we expect SOP by Q4 of this financial year. We will continue to leverage this capability to pursue opportunities across 2W, 3W, and other high-potential segments.
   The battery pack business will also help increase our battery management system and aluminium casting business as both these products are supplied from our plants.

8. In Q1 FY 27, our wholly-owned subsidiary Maxwell achieved a 21% quarter-on-quarter growth with total income of ₹ 56.5 crores as against ₹ 46.6 crores in the previous quarter. We have supplied more than 1 lakh numbers of BMS for scooters, 3W, tractors, e-bikes, and construction equipment this quarter. We are also in close engagement with a key electric 2W OEM for a BMS opportunity. We have been asked to give the prototypes, and this programme has a large annual business potential.
   At Maxwell, we have won ₹ 13 crores of new business in Q1, which has taken the total cumulative orders won to ₹ 238 crores per annum, which will peak in the quarter two of the next financial year. Further, we have a strong pipeline of request for quotes of more than ₹ 300 crores for trucks and for 2W applications.

9. Our suspension business continues to grow led by inverted front forks and mono shock absorbers, with wider adoption across OEMs and a steadily growing OEM customer base. With increasing uptake of inverted front forks by OEMs, we are adding assembly lines and are on track to reach a monthly 100,000 units by end of FY 27.
   At our Pantnagar plant, we have won new suspension orders, including the mono shock absorbers and inverted front forks for Bajaj Auto and we are investing to be able to start SOP of 25,000 sets per month from Q4 of this financial year.

   We are also happy to tell you that we will be starting SOP for our suspensions for Hero MotoCorp and Suzuki in quarter 3 of this financial year. This total order value is approximately ₹120 crores per annum.

10. The aluminium forging has become an increasingly strategic part of our portfolio, serving both rising captive demand from our inverted front fork business and a growing external customer base. To meet this demand and as we have shared earlier, we are adding a fifth forging press with SOP expected in the next quarter.

    Execution across our programmes is on track with supplies to Royal Enfield in Q2 and for Jaguar Land Rover in Q3 of this financial year, and SOP for a leading German OEM towards the second quarter of FY 28. Together, these programs deepen our presence with global marquee customers and widen the base of our aluminium forging business.

11. In the non-automotive segment, our state-of-the-art solar damper plant at Sanand is ready now and our SOP for our Spanish client from this plant has started earlier this month. For the US client, our internal validations have been completed and validations at customer end are in process.
    The SOP for the US client is expected in the second half of this financial year. We are also gearing up for the supply of solar actuators, and the SOP is expected in Q4 of this financial year.
    The total business won is ₹ 118 crores for the solar dampers and ₹ 227 crores for solar actuators, totalling ₹ 345 crores of business.

12. In the transmission segment, we have introduced our new technology, the assist and slip clutches from our Italian subsidiary Adler in the Indian market, with supplies to Royal Enfield and Kawasaki already started. For Bajaj Auto, SOP is expected in the next quarter.

13. In our 4W driveshaft program, SOP for Tata Motors is expected also in the next quarter, and the peak business will be reached by October 2026 itself. For 3W driveshafts, SOP has started for Bajaj, Mahindra, and TVS, and we remain on track to close ₹ 100 crores of business for these three OEMs in this financial year. We also are seeing an uptick in our Bajaj EV driveshaft program with volumes expected to grow for which additional balancing equipment will be installed in September this year.

14. A key focus area of our FY 27 capex budget is automation. We are undertaking these targeted investments across existing plants to enhance quality, improve consistency, and drive operating efficiency.
    Our India capex in FY 26 was approximately ₹ 800 crores compared to ₹ 611 crores in the previous year, driven by investments in new growth areas. We expect capital expenditure in FY 27 to remain similar to the FY 26 capex of ₹ 800 crores.

15. Under the Maharashtra Package Scheme of Incentives 2019, we had received an addendum taking our incentive up from ₹600 crores to ₹ 858 crores. These incentives will be availed through the Industrial Promotion Subsidy by way of a state GST refund, broadly over a seven-year period. We are well-placed to avail more incentives with several of our plants located in Chh. Sambhajinagar and serving OEM customers within the state of Maharashtra.

16. Let me now give you a gist of orders won during this quarter. Please note that the business value for new orders is without including new orders of Bajaj Auto.

The overall order win in Q1 FY 27 in the India business was ₹ 391.6 crores, of which ₹ 26.1 crores is new business and ₹ 365.4 crores is the replacement business.

The EV business won was ₹ 11.3 crores and the remaining ₹ 380.3 crores was ICE business. Similarly, ₹ 18.6 crores business wins were for four-wheelers while the remaining ₹ 373 crores was almost fully for 2W. We also have a total of ₹ 4,526 crores of request for quotes in hand.

In Q1 FY 27, out of this ₹ 391.6 crores business won, ₹ 336 crores of business was from HMSI and of this, ₹ 219.6 crores was for HMSI suspension facelift business which had better margins. Also, in Q1 FY 27, ₹ 35 crores of TVS brakes business was added, taking our total TVS brakes business to ₹ 250 plus crores per annum. ₹ 10.5 crores of business was won from a leading US EV OEM for our Shendra plant, taking their total business win to ₹ 223 crores per annum.

The cumulative India business wins for electric vehicles in the conventional product areas now stands at ₹ 1,496 crores without Bajaj Auto. This reaches ₹ 1,806 crores per annum of orders if we include Bajaj Auto.

The overall total orders won now in products other than Maxwell (but including battery packs) since FY 23 stands at ₹ 5,270 crores out of which ₹ 4,241 crores is new business.

In Europe, the industry continues as mentioned earlier to operate in a challenging environment shaped by the Middle East crisis, high energy costs and interest rates, duties imposed by USA, increased competition from Chinese OEMs, and muted automotive market growth. In spite of this backdrop, our European operations have continued to sustain profitable growth through both the existing business as well as through M&A.

In our Europe business, we have booked orders worth € 13.9 million in Q1 FY 27. This includes a large order from Mercedes for their hybrid program and an order from Stellantis for their internal combustion engine program.

17. Our aftermarket in India remains a strategic priority for us with ambitious growth goals set out till 2030, guided by a comprehensive capability focused blueprint built around the voice of our team, our channel partners, retailers, and mechanics.

    We are deepening our long-term partnership with distributors aligned to Endurance's vision while driving secondary demand generation with retailers and mechanics. Our mechanic loyalty program continues to gain traction through certification, trainings from BS4 to BS6, electric vehicles and product fitness trainings, health camps, and scholarships for the children of our top mechanics. We remain the first in the industry to deploy an AI-enabled tech platform to drive secondary order maximisation.

18. For aftermarket exports, we understand the voice of our stakeholders in each country and have translated it into a unique value proposition. Our customised offerings provide us a competitive edge in each geography. Our teams are based locally, close to our key stakeholders and able to build capabilities as their requirements evolve.

19. Coming to our financial performance, the information has been uploaded at the stock exchanges last evening along with our presentation explaining the numbers. I will however highlight some key numbers.

20. During Q1 of FY 27, the company recorded a standalone total income of ₹ 3,194.15 crores, a year-on-year growth of 35.9% from ₹ 2,350.7 crores in the previous year. EBITDA grew 17.1% from ₹ 305.61 crores to ₹ 357.78 crores with a margin at 11.2%. The PAT grew 17.4% from ₹ 165.82 crores to ₹ 194.62 crores. The PAT was at 6.1%.

    In Q1 FY 27, it has been a challenging quarter due to the geopolitical situation. This has led to huge increase in commodity prices like aluminium, steel, copper, rubber, and oils and fuels including diesel, PNG, and LPG gases, as well as consumables such as cutting tools.

    The commodity increase led to our 'RMC percentage to total income' going up to 68.4% as compared to 64.8% in Q1 FY 26. This commodity increase has no value add and passed on by most OEM clients to us. If we remove this non-value add commodity increase and then see EBITDA margin, it is at 13.33% as compared to our reported 11.2% in standalone financials.
    In spite of the conversion cost increase of fuels, gases, and cutting tools in quarter one FY 27, we could still post a healthy EBITDA amount increase of 17.1% at ₹ 357.78 crores compared to ₹ 305.61 crores in the previous year, and this was due to better operational efficiency and various cost controls across our plants.

    I would like to mention some of the key factors in Q1 on raw materials. Most purchase order amendments were not accounted in Q1 and will get effective in this quarter. So, the raw material base in Q1 has been considered mostly on the Q4 FY 26 raw material rate base.

    In this quarter, we will get the raw material rates of quarter one average. As far as the aluminium alloys are concerned, which are 60% of our Q1 raw material purchase, we are seeing softening of the aluminium alloy rates in this quarter which will be a gain to us. Other raw materials including steel, plastic, rubber, and oil are in the final stages of settlement.

    On the Q1 gas, fuel, and manpower rate increases, we hope to settle these rate increases in this quarter with each of our OEM clients and we should see these rates being effective in this quarter or in the next quarter. Also, our alloy wheel plant at Bidkin and the battery pack plant in Mindewadi are still at a ramp-up phase and have not reached optimum sales which should happen in Q3 of this financial year.

I would like to mention that in Q1 FY 27, the commodity increases in excess of ₹ 300 crores were paid upfront by Endurance, as most commodity increases come with a quarter lag. We still closed the quarter with a standalone net cash balance of ₹ 415.7 crores.

21. In Q1 FY 27, our consolidated total income grew 29.6% over Q1 FY 26, from ₹ 3,354.53 crores to ₹ 4,348.28 crores. The EBITDA grew 18.7% from ₹ 479.51 crores to ₹ 569.21 crores, our margin was at 13.1%. The consolidated PAT grew 8% from ₹ 226.35 crores to ₹ 244.52 crores at 5.6% PAT margin. I would like to mention that our subsidiary Maxwell for the first time achieved PAT positive in quarter one FY 27, with an 85% growth in total income from ₹ 30.53 crores in Q1 FY 26 to ₹ 56.52 crores in Q1 FY 27.

22. I would like to inform you that our electric vehicle sales in India standalone for Q1 FY 27 grew by 87.6% from ₹ 69.2 crores in Q1 of last year to ₹ 129.7 crores in quarter one of this year, while our overseas EV and plug-in hybrid sales increased by 14.4% from ₹ 701.4 crores to ₹ 802.2 crores in Q1 of this year. The consolidated growth of the electric vehicle and plug-in hybrid sales was 20.9%, from ₹ 770.6 crores to ₹ 931.9 crores.

We are happy to inform you that CRISIL has upgraded our ESG rating to a strong score of 68 for FY 26 up from 59 in the previous financial year. Our progress on ESG is being recognised consistently also across other agencies. Earlier, our FY 25 ESG score for SES and NSE had also improved year-on-year to 74.9 and 69, reflecting our Company's continued focus on ESG.

Endurance continued to receive recognition from industry forums for quality, innovation, and sustainability. We won the Economic Times AutoTech Innovative Ride Technology Award 2026. We also won the Platinum Award for sustainable materials and supply chain at CII's National Excellence Practice Competition, along with one platinum and three gold awards at the CII National Competition on low-cost automation and industry 4.0. With these opening remarks, I would now like to invite questions from all of you.

We will first take the questions from the European management team as they will be travelling. So, we can start with questions for the European team. Mr. Venuti is on the line. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Aditya Jhawar from Investec.

Aditya Jhawar: My first question is on Europe order win. So, at about € 14 million for this quarter, the quarterly run rate is quite encouraging as compared to last few quarters. Please comment on the quality of the order win, what are the different types of orders we are getting in terms of powertrain as well as customers.

Massimo Venuti: This was a very important acquisition because we are speaking about a component as it is for a transmission component of a hybrid vehicle of Mercedes. They decided to assign the business to Endurance as we already had this part in our product portfolio. However, we had 60% of the total volume, rest 40% was with a competitor of ours that went in bankruptcy and so the decision was made to quickly move the production capacity 100% to Endurance. We will have the SOP in January 2027.

But here, we are speaking about a component that we know very well. This was the only component in the transmission hybrid engine of Mercedes where we had a second source. But this competitor will stop the production at the end of the year, and we will take 100% of the business.

Aditya Jhawar: How is the integration of Stöferle progressing? We understand the core strength of Stöferle was on machining but clearly the backward integration with Endurance would mean that there could be significant value that we can generate. So how is the integration progressing with Stöferle?

Massimo Venuti: The integration is 100% complete on the managerial and commercial side.

As you know Stöferle is buying raw parts from the market. We hope to give you positive news about the process of integration in this area. We are looking at production capacity available in the market and hope to reach an agreement by January 2027 for higher casting capacity. But the integration with the company is ongoing in an absolutely positive way.

Aditya Jhawar: So the full impact of this positive integration would be seen in FY 28?

Massimo Venuti: Absolutely yes, starting from September 2027.

Moderator: Thank you. The next question is from the line of Arvind Sharma from Citigroup.

Arvind Sharma: On the European business, if you could just let us know the European revenue and EBITDA and PAT in Euros. And what is the demand outlook now in Europe? Mr. Jain alluded to some challenges in the first quarter, but now given the order wins, specifically for Endurance, how does the outlook look in the European business?

Massimo Venuti: We closed the Quarter with a € 104.3 million turnover compared to € 103.2 million of the previous financial year, an increase of € 1.1 million or 1.1%. In terms of EBITDA, we closed with € 18.9 million as compared to € 18 million of the previous financial year. In terms of percentage, we closed with 18.2% as compared to 17.4% of the previous financial year, with 5.5% increase in terms of EBITDA.

In terms of net result, we closed at € 4.4 million or 4.2% compared to € 6.4 million in the previous financial year, a reduction of 31%. This is because the depreciation went up from € 8.5 million to € 11.6 million. We decided to depreciate 100% of the residual fixed assets linked to specific internal combustion engine projects that will phase out over the next 18 months.

Setting depreciation aside, the positive EBITDA effect in the quarter shows in cash profit, which reached € 16 million against € 14.8 million in the previous financial year, an increase of 7.9%.

Speaking about the market, as Mr. Jain told you, the market in Europe closed with 7.4% of increase compared to the previous year. We reached a peak of 22% in the BEV registration, but please consider that the production compared to the previous year went down 5%. It means that in this quarter there was an exceptional performance of the Chinese OEMs. To give you an idea;

SAIC grew 32%, BYD 167%, Geely 7%, Chery 272%, Leapmotor 500% compared to the previous year. And so, if I offset the registration of the Chinese brands, the market was absolutely flat. But, there was a reduction in the production numbers and so it means that at present they are running down dealer stock.

The situation continues to remain very difficult. As you know, newspapers are reporting restructuring plans at OEMs like Mercedes and Volkswagen, and they also will close specific platforms because they want to close the plants.

But to be honest, at this point, we don't see important reduction in volume, and we continue to grow compared to the previous financial year, as in the first quarter.I am speaking about Endurance. On top of this, the business we have taken on over the last few months, components that are not new but are moving to Endurance from a company in bankruptcy, is a clear positive for us.

Moderator: Thank you. The next question is from the line of Aditya Jhawar from Investec.

Aditya Jhawar: My question is on India. Starting with the margins- this quarter, we clearly had a commodity headwind. You mentioned that some part of that would be covered as a negotiation from customers in the subsequent quarter. Is there a way to quantify that? Second- incremental cost inflation in Q2, how much of that you think is on the cards? What are the offsetting factors for these commodity headwinds?

Anurang Jain: Aditya, we are surely going to get all the raw material increases from every OEM in this quarter. So basically, we'll get the Q1 FY 26 rates in this quarter. As I mentioned, we are seeing softening of the aluminium alloy rates, not the Q4 base, but lower, by 12-17 ₹ per kg is what we are seeing as of now in this quarter, which will be a gain to us. So basically, we were operating in the Q4 base in Q1 largely.

Now in Q2, we'll be operating on the Q1 base which is definitely much higher than the Q4 base and that should improve the EBITDA margin and percentage. I don't know what that percentage is because right now, we have settled aluminium alloy adjustments with OEMs. Steel, rubber, plastics- this is being talked to all the OEMs. We will conclude in this quarter which will also be effective in this quarter. So that will be a gain for us.

And third, like I mentioned, is on the conversion cost increases also. We are in touch with every OEM and we hope to settle these conversion cost increases also in this quarter. We may get partly this quarter, partly next quarter. So definitely, we see a better Q2 and Q3 for sure. But if you tell me to give an amount, to be honest, there are so many variables around it that I cannot give a figure right now. But I can definitely say - it will be better than Q1.

Aditya Jhawar: On 4W, if you can give some sense that last few years, how has been our journey in the 4W die-casting? In this you can also give some colour on the Shendra facility that we have set up for 4W die-casting, that also includes some of the export. So how has been the progress in the last few years? Which are the OEMs that we have started engagement with, and where we are seeing a good acceleration? That would also include exports and EV?

Anurang Jain: Almost ₹ 180 crores was our business for 4W in Q1. Our four-wheeler share is 6%. This is largely for castings. Now of course AURIC Shendra sales are not in this because the SOP is starting next month. It's for a leading US EV OEM, for Jaguar Land Rover, and for Valeo. So that will add to the sales and the profitability.

In Shendra we have won an order of almost ₹ 513 crores per annum, but that will reach peak in early FY 29 because these are long lead programmes and we have to be certified for these orders much earlier, when it comes to these foreign OEM players.

So, I think a large increase will be seen from Q4 of this year in Shendra. Then also we are growing in a large way with Tata and Mahindra in Chakan plant, where we see a strong traction from both Tata and Mahindra and as you all know they are both doing well.

As far as, I mentioned we won this new Hyundai and Kia order of ₹ 80 crores per annum, which has already started during this month, and will only increase. And we are talking to other South-based also OEMs, with Isuzu we have started for their hybrid model product. So, there's a lot happening in this space.

And if you ask me, our focus now will be more on 4W and non-automotive castings and not that much on the 2W castings space going forward. Because we are very very focused on improving our margins. I have no control on the raw material percentage, but if you look at absolute margins, definitely we want to increase them. If the raw material percentage goes lower, then the margin percentage will go up. But we are very focused on the four-wheeler auto as well as the non-auto casting space. So to just tell you, we did about ₹ 180 crores in the first quarter of business, and this will only grow, because Shendra is not included in this.

Aditya Jhawar: We are seeing encouraging progress in the 2W battery pack. How should we look at the profitability of this and will we be using our own BMS for the 2W as well as the 4W battery pack- customer that we are engaging? Is it a high single-digit, low double-digit margin or is it close to company average margin, the battery pack assembly with our BMS or without our BMS?

Anurang Jain: This is as you know, a very high-value business. We have started on a certain pricing. There is a lot of work to be done on the raw material and the BOM, and this is something which we are working on to increase the margin percentage. I'll be better positioned to tell you what kind of margin percentage we can do and reach in our next call, there I'll be much clearer.

But definitely the volumes are going to be very good on the two-wheeler. In fact, our whole assembly line which has got a capacity of almost 17,000 to 18,000 battery packs a month will be fully used up by October.

Even for the 4W, the new investment we are doing, I cannot name the company but of course that will also come with a good margin. Our target would be to try and reach margins which we are doing today on an average. That is our target, but you must keep in mind this is very high-value business.

When you talk for a car business, a battery pack can be as high as about ₹ 1 lakh . Those are the kind of pricing you're seeing, when we talk about a margin on that. It's a very exciting space to be, it is related to electric vehicles. As you all know there's a lot of traction for EV happening in 2W, 3W of course is the fastest, and now we are seeing even in the four-wheeler space, a lot of traction of EVs and hybrids happening. So, this is the future.

So for us in Endurance, to be a part of this journey is very important. Sometimes you enter at a price, but we are very confident that we will be able to make good margins on this and that's our focus. But we have to enter and that's very, very important. And this, as you all know, was a forward integration from our battery management system.

For the existing 2W order, the BMS is ours and the aluminium casting is ours, that implies incremental margin on this business.

As far as the four-wheeler is concerned, here also both these products should be ours and I think that is almost finalised because we want to start by Q4 of this financial year. So step by step we are finding other customers also approaching us, but this is something we'd like to do step by step. We don't want to go so fast. But the opportunity is huge.

Moderator: The next question is from the line of Ravi Gupta from InCred.

Ravi Gupta: Firstly on capex, our key customers like Bajaj, RE, TVS are announcing very big capex, and even some of them have upgraded their capex in Q1. So what's stopping us to improve our capex, like we are giving stable capex guidance? Where is the gap?

Anurang Jain: There's no gap because we already have the capacities. And at the same time, we as a company have a mix of outsourcing as well as doing it in-house. So we have some strong Tier-2 vendors.

So when we go in for capex, it's not only capex being done at Endurance, it's being done by our strong Tier-2 suppliers also.

If you account for that capex, then of course it will be higher than the ₹800 crores. But this is a very dynamic situation. But today, if we get some very large opportunities, which we feel may happen, the capex will increase.

So, we are not falling behind. You're seeing our growth of 35.9%. If you take out the raw material content increase of 12.9%, we've still grown about 23.5% to 24%. And that's the kind of growth we are sustaining.

So, we continue to grow, we are not going to lose any orders from any OEMs and like I mentioned in my opening remarks, we are focused on the 2W, 4W proprietary business, the focus on the non-auto space, the focus on the electronics space. These are areas we really want to grow. So, we are not lagging behind in capex, that I can assure you.

Ravi Gupta: Secondly on our business mix, around 70% of our standalone business I believe comes from motorcycle and 50% of the business on consolidated basis is from motorcycle. We are seeing scooterisation happening in two-wheeler space, is that reducing your TAM for two-wheeler space or how is it to look at it?

Anurang Jain: No. In scooters also, we are really increasing our presence and here the main thing is not only on the ICE but also the EV is gaining a lot of traction, and in fact with most OEMs and that's why you see our share is 14.3% for scooters. So, in our business, scooters which was less than 10% a few years ago, has now gone up to 14.3%. That content is increasing. Especially from September of last year, the combined growth in motorcycles and scooters has been more than 20%, with scooters much higher.

So we are not losing but at the same time with this high growth like I mentioned last quarter, scooters has grown around 32.7%, but still our share is 14.3%. So we are growing this share. We are not going to lag behind in two-wheeler space, that I can assure you.

Ravi Gupta: Lastly on the order book. I'm seeing European business order book declining. What is the reason and which products have seen major decline in European business?

Anurang Jain: In the European Union, there are a lot of Chinese OEMs increasing their presence. Massimo told you about the growth of these OEMs in Europe. And right now, they are importing the powertrains from China. Of course, we are in touch with them and, once they start sourcing the parts in Europe, there we have a great opportunity because part of this growth which is happening in Europe is also because of the Chinese vehicle selling well. This has also been explained in our uploaded presentation which carries our order values from the last 5 years.

And also there are imports from Korea, brands like Kia are doing very well there. So when you see growth, you have to account that it includes the sales of both China and Korea. In Europe we are amongst very few players who are financially strong and that's why you see this 100% SOB coming from Mercedes, which is starting in January 2027. And such kind of businesses will keep coming, but at the same time, I think it's most important in Europe to also look at the M&A area. So, in future you will see certain M&As happening both in the automotive as well as the non-automotive field which we will talk to you, we'll have more clarity in the next investor call.

Even these sales you see now are after the acquisition of Stöferle in April 2025. Europe will grow a lot in M&A because there are good companies available at good prices. These are opportunities we will take for our group. But at the same time, when I see a new business acquisition like we did, that is really a bonus. In the market, if you see technically the German OEMs are not doing that well. Their exports to China and the sales have come down. But, we at Endurance have our own strategy for growth and to make money and that's what we are doing in a very difficult environment in Europe.

So we are very focused on Endurance, but to answer your question, definitely the opportunities of getting orders has definitely come down. But whatever opportunities are there, Endurance is one of the first to get them.

Moderator: The next question is from the line of Nishit Jalan from Axis Capital.

Nishit Jalan: We have gained further market share in suspension and brakes side. Just wanted to understand where are we now in 2W market share for your different product categories, suspension, brakes, and your aluminum castings?

Second, you already highlighted that you have won orders for battery pack for EVs and you're supplying your existing products to EVs. Just wanted to understand if there is any plan to get into other EV-specific products, which are not required in ICE, but are required in EVs, so that we are able to grow faster than the overall industry?

And the third question is on alloy wheels. Where is our capacity now after the expansion? And what would be the utilisation level right now? Because you mentioned that your recently started plant has not yet reached the optimum capacity?

Anurang Jain: I would say that on the 4.8 million wheel sets, which is 9.6 million wheels per annum- the Chakan plant is about 3 million sets per annum and is fully used up. At the Bidkin plant, where we have balance capacity of 1.8 million sets, we are using capacity of 60% right now. We are starting with Royal Enfield, Ather, Suzuki and Piaggio. We should see from now to Q4, these customers coming in. And then we'll be at full capacity in Bidkin also. So, I would say by end of this financial year, we should be at full capacities for as far as alloy wheels is concerned.

Except for the clutch assembly, which is now 3.5% of our India sales, all our products are required for EVs. So, we have to see that we make entry into scooters, three-wheelers for all our products very fast. That itself is a huge business for us. And one of the largest OEMs in the country are coming to meet us on 17th August to finalise some new business.

The BMS is also a big opportunity in Maxwell. Of course, in electronics, we are doing even the non-EV products, like motor controller units. But you have the DC-DC charger, which is an EV product. And we'll be looking out for many other such products. And, battery pack itself is a very high value product.

We have our own traditional business, which is EV agnostic. We have the battery packs with huge potential. Maxwell, huge potential for EVs. So, we are going step-by-step, right now.

Our market share for brake systems, as I already told you was 34.5%. For front fork, it was 44% and for shock absorbers, it was 37%.

Nishit Jalan: This battery pack business that you have won and you will supply, that will be part of standalone or that will be part of Maxwell?

Anurang Jain: That is a part of standalone. Battery pack is a part of Endurance, produced at a plant at Mindewadi near Chakan.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for closing comments. Over to you, sir.

Anurang Jain: I just want to thank everybody for taking their time out to be on this call. Thank you.

Moderator: Thank you. On behalf of Axis Capital Limited, that concludes this conference.