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August 7, 2026

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **BSE Scrip Code: 500067**	**National Stock Exchange of India Ltd** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 **NSE Symbol: BLUESTARCO**

Dear Sir/Madam,

Sub: Investor Update for the First Quarter ended on June 30, 2026

We are enclosing herewith the Investor Update for the First Quarter ended on June 30, 2026.

This intimation is also being made available on the website of the Company at www.bluestarindia.com

Kindly take the same on record.

Thanking you,
Yours faithfully,
For **Blue Star Limited**

RAJESH DIGAMBAR PARTE

Digitally signed by RAJESH DIGAMBAR PARTE
Date: 2026.08.07 11:20:51 +05'30'

BLUE STAR LIMITED

Rajesh Parte
Company Secretary & Compliance Officer

Encl.: a/a

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Blue Star Limited

Investor Update

Q1FY27

I. FINANCIAL HIGHLIGHTS

As we had indicated in the last earnings call as well as various media interactions, Q1FY27 was a challenging quarter with many headwinds, namely, unprecedented escalation in commodity prices, depreciation of the Rupee, delayed onset of the summer season and an abrupt end to the same, and huge inventory pile-up of old Room ACs in the trade. While the revenue growth for the Quarter was 13%, the margins were impacted. The silver lining is significant inflow of Data Center MEP project orders.

Financial highlights for the quarter ended June 30, 2026, on a consolidated basis, are summarized as follows:

- Revenue from operations for Q1FY27 grew 13.3% to Rs 3,377.92 cr as compared to Rs 2,982.25 cr in Q1FY26.
- EBIDTA (excluding other income) for Q1FY27 recorded at Rs 174.95 cr (EBITDA margin 5.2% of revenue) as compared to Rs 199.99 cr (EBITDA margin 6.7% of revenue) in Q1FY26.
- PBT before exceptional items dropped by 23.7% to Rs 125.62 cr in Q1FY27 as compared to Rs 164.64 cr in Q1FY26.
- Tax expense for Q1FY27 was Rs 32.07 cr as compared to Rs 42.41 cr in Q1FY26.
- Net profit for Q1FY27 de-grew to Rs 102.53 cr as compared to Rs 120.82 cr in Q1FY26.
- Carried-forward order book as of June 30, 2026, grew by 13.5% to Rs 7,764.38 cr, as compared to Rs 6,843.04 cr as of June 30, 2025. Carried-forward order book as of March 31, 2026, stood at Rs 6,922.99 cr.
- The capital employed as of June 30, 2026, stood at Rs 2,626.03 cr as compared to Rs 2,815.86 cr as of June 30, 2025. While we continue to invest in manufacturing capacity, Research & Development and Digitalization initiatives, the improved working capital levels as at the June 30, 2026 helped reduce capital employed compared to the previous corresponding period.
- The company reported a net cash position of Rs 900.25 cr as on June 30, 2026 as compared to a net cash position of Rs 370.92 cr as of June 30, 2025. As mentioned above, the improvement was driven by release of working capital during the quarter.

II. BUSINESS HIGHLIGHTS FOR Q1FY26

Segment I: Electro-Mechanical Projects & Commercial Air Conditioning Systems

Segment I revenue grew 15.1% to Rs 1,625.05 cr in Q1FY27, as compared to Rs 1,412.46 cr in Q1FY26. Segment result was Rs 110.62 cr (6.8% of revenue) in Q1FY27 as compared to Rs 111.62 cr (7.9% of revenue) in Q1FY26.

Order inflow for the quarter was Rs 2,434.78 cr in Q1FY27 as compared to Rs 1,963.43 cr in Q1FY26.

1. Electro-Mechanical Projects business

We recorded strong order bookings in the projects business during this quarter, driven primarily by data centers. While in the other market segments like commercial offices, factories and infrastructure, order inflow remained sluggish as cost escalations due to West Asia crisis led to deferment of order finalizations.

We experience strong enquiry momentum from data centers which gives us confidence in the medium-term prospect of this business.

Given the escalation of input material cost, we continue to exercise caution in this business. We are also in the process of accelerating the closure of large infrastructure projects.

Carried-forward order book of the Electro-Mechanical Projects business was at Rs 5,483.73 cr as on June 30, 2026, as compared to Rs 5,080.36 cr as on June 30, 2025, a growth of 7.9%.

2. Commercial Air Conditioning Systems

During the quarter, this business reported growth on the back of reasonable demand from industrial, retail and health care segments. All key product categories like ducted systems, VRF and chillers registered growth during the quarter. From the enquiries and order inflow, growth prospects for the rest of the year appear reasonably good. However, escalating commodity prices and a depreciating currency will continue to put pressure on margins in the business.

3. International Business

As we have been sharing, we are pursuing Custom Design and Manufacturing (CDM) of heat pump solutions for OEMs in the US and Europe. With product approvals in place for a few customers, we are looking to scale this business to generate additional export revenue of USD 100 million per annum from FY28.

In spite of supply chain and logistics disruptions, the international business witnessed a good growth in Q1FY27. While demand is good, the future prospect of US business is largely dependent on US trade tariffs.

Middle East markets are experiencing uncertainty due to the ongoing West Asia crisis and we will need some more time to stabilize and grow the operations.

Segment 1 margins at 6.8% for Q1FY27 vs 7.9% in Q1FY26. The margin for this segment is influenced by the projects and products mix and hence it may vary compared to previous period.

Segment II: Unitary Products

Segment II revenue grew by 12.8% to Rs 1,689.31 cr in Q1FY27 as compared to Rs 1,499.37 cr in Q1FY26. Segment result was Rs 49.69 cr (2.9% of revenue) in Q1FY27 as compared to Rs 87.47 cr (5.8% of revenue) in Q1FY26.

1. Cooling Products business

As you may recall, we performed well in Q4FY26 and owing to the delayed onset of the summer season there was pressure to liquidate the inventory pile up with the trade. As far as primary sales are concerned, we were attempting to pass on at least part of the cost escalation impact, but market operating prices remained low.

In a short summer window, with investments in advertising, trade schemes and consumer finance offers, while we succeeded in good performance in tertiary sales we could not succeed in terms of achieving desirable primary sales volume growth, which in turn impacted the margins.

With input costs continuing to escalate and the Indian Rupee remaining weak, we expect margins to be under pressure. Our brand salience continues to be high, and we have a diverse and deep dealer network penetration. We are known as a brand offering highly reliable and world-class quality products designed for Indian conditions. In the current market conditions, our endeavor will be to further tweak the product portfolio with a basket of competitive entry-level products to accelerate revenue growth and improve profitability.

2. Commercial Refrigeration business

The Commercial Refrigeration business witnessed degrowth during the current quarter as demand for deep freezers from Ice cream OEMs was muted. We expect the demand to pick up during the festival season.

Consequent to the above, this segment reported margin of 2.9% in Q1FY27 as compared to 5.8% of Q1FY26.

Segment III: Professional Electronics and Industrial Systems

Segment III revenue de-grew by 9.7% to Rs 63.56 cr in Q1FY27 as compared to Rs 70.42 cr in Q1FY26. Segment result was Rs 9.57 cr (15.1% of revenue) in Q1FY27 as compared to Rs 7.62 cr (10.8% of revenue) in Q1FY26.

The segment revenue declined mainly due to continued challenges in the Med Tech business. However, the Industrial Solutions business continued to grow steadily supported by manufacturing and testing demand.

Segment margins were at 15.1% for Q1FY27 vs 10.8% in Q1FY26. This improvement was majorly due to favorable change in product and service mix and cost optimization measures.

III. BUSINESS OUTLOOK

Despite multiple headwinds, the Company reported robust revenue growth in Q1FY27. The Electro-Mechanical Projects business will benefit from strong inflow of orders for data center MEP projects. Commodity prices and exchange rates continue to be highly volatile, and our endeavor will be to balance volume growth and margins prudently in our products businesses.

Our R&D investments will be directed towards value analysis and value engineering and other product optimization efforts. Further, we will continue to focus on controlling operating costs and keeping the balance sheet strong.

While the fundamentals of Blue Star and the medium-term outlook for the HVAC&R industry continue to be strong, in view of the West Asia conflict and consequent market uncertainties, we remain cautious about the outlook for this financial year.

For more information contact

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SAFE HARBOUR

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.