August 20, 2026

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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 – Q1 FY27

Further to our intimation dated August 14, 2026, please find enclosed the transcript of the Earnings Webinar – Q1 FY27, which is available on the website of the Company at https://www.axiscades.com/investor-relation/

We request you to kindly take the above on record in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours truly,

For **AXISCADES Technologies Limited**

Sonal Dudani

Digitally signed by Sonal Dudani
Date: 2026.08.20 16:56:57 +05'30'

Sonal Dudani
Company Secretary & Compliance Officer

Encl: A/a

AXISCADES Technologies Limited
Q1FY27 Earnings Webinar Transcript

August 13, 2026

MANAGEMENT:

MR. SHASHIDHAR S. K. – GROUP CHIEF FINANCIAL OFFICER

MR. MUKUND SANTHANAM – CHIEF STRATEGY & GROWTH OFFICE AND HEAD – INVESTOR RELATIONS

MR. KP MOHANAKRISHNAN – DEPUTY CHIEF EXECUTIVE OFFICER & PRESIDENT (AEROSPACE)

MR. D. MURALI KRISHNAN – CHIEF OPERATING OFFICER & CHRO

MR. SHARADHI BABU – PRESIDENT (DEFENCE)

MR. MANIKANDAN C – PRESIDENT (ESAI)

MODERATOR:

MS. SHANKHINI SAHA – DIRECTOR OF INVESTOR RELATIONS, DICKENSON

Safe Harbour and Forward-Looking Statement

Certain statements made in this call may be forward-looking in nature. These statements are based on management's current expectations, assumptions and understanding of the business environment and are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied. Investors are requested to refer to the company's filings, investor presentation, press release and disclosures available on the company website and the recognised stock exchange(s).

This transcript has been prepared from the recording of the Earnings Webinar. It has been edited only for readability, grammar, formatting and obvious transcription errors. It should be read together with the official audio/video recording of the call.

Shankhini Saha: Good evening, everybody. Welcome to AXISCADES Technologies Limited Q1 FY27 earnings webinar produced by ElevEase. So I'm Shankhini. I'm the director of investor relations at Dickenson and I'll be moderating our call today. So joining us from the AXISCADES management team is the senior management group. I'll hand over to Mukund later to introduce the members who will be on the call today. To all our participants, 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 risk that could cause results to differ materially. You can download the AXISCADES investor deck and press release from the company website or the NSE. I'll now hand over to Mukund. He is the Chief Strategy & Growth Officer and Head of IR from the AXISCADES management team. I'll hand over to him for opening remarks. Over to you, Mukund.

Mukund Santhanam: Thank you, Shankhini. Good evening, everyone. Welcome to the AXISCADES Q1 FY27 earnings call. Thank you for joining us today. I hope all of you have the opportunity to review our results which have been filed with the exchanges.

I am the Chief Growth and Strategy Officer for AXISCADES and also Head of Investor Relations. On the call today, we have Shashidhar SK, our Group CFO. I also have members of the senior management team across the key business areas, aerospace, defence, electronics, finance, operations and strategy.

On behalf of the Chairman and Managing Director, I will begin the call. I will then hand over to Shashi who will take us through the financial performance and the key numbers related to this quarter. I will then call for the business heads to present their respective businesses and will close the formal presentation with the guidance for FY27. We will then open the floor for questions.

On behalf of the chairman, I'll read out the speech. Our Chairman had requested the management team in our last investor call, to take on the role of presenting to investors. So, let me just read the speech of the chairman: Dear shareholders, thank you for continued trust. Since I took on the role in February 2025. Our focus has been constant Sharpen the strategic direction, strengthen the execution, and rebuild the company's position for sustainable, high-quality growth. Six months in, we are firmly on course. Six quarters in, we are firmly on course. A sharper, more focused portfolio. The divestment of the non-core and services business is largely complete, only ADD solutions remain and its exit is under way.

Shankhini Saha: Looks like we've lost the line. Just give us a moment. We'll just get the management group back online.

Shankhini Saha: Hi, everybody. We're just dealing with a technical problem. Just give us a couple minutes. We'll just get it sorted. Please stay on the line. Thank you.

Mukund Santhanam: Can you hear me now?

Shankhini Saha: Hi, Mukund. We can hear you loud and clear. So thanks to all our participants for your patience. Mukund, you can go ahead and I think maybe restart with our opening remarks. That would be great. Thanks.

Hi, Mukund, are you on mute? Can you go ahead?

Mukund Santhanam: Hi, everyone.

Shankhini Saha: Yes, go ahead, Mukund.

Mukund Santhanam: Hi, everyone.

Just testing. Is it echoing?

Shankhini Saha: Yes.

Shashidhar SK: Thank you. In the interest of time, should I talk about the financials? And by the time, probably this technical issue would have been addressed.

Shankhini Saha: Shashi, you can go ahead. We'll get this sorted.

Shashidhar SK: Uh, sorry for that, and good evening again, uh, to everyone for joining, uh, the AXISCADES Ltd Q1 FY27 earnings call. Uh, DR SRN and Mukund, of course, will take you, uh, through, uh, the, the strategy and the, the position with respect to the various verticals, especially with respect to the retained business. And my task is to take you through the numbers what is reported, what sits inside it, and what tells you about the business we are building. So this quarter, uh, we have delivered the highest revenue in the company's history, and we also reported a net loss.

This is nothing but the arithmetic of doing two things inside the same quarter divesting one business and building another while the costs overlap. This is the first quarter of that transition, and it is the quarter in which the cost of transition is most visible and the benefit of it is least visible. The consolidated revenues for the quarter was 346 crores, up 42% year on year and 27% sequentially, the highest in the company's history. Of the 140 crores of revenue that shifted out of FY26 on supply chain and operational grounds, approximately 40% got converted in Q1, and the balance is planned across Q2 and Q3.

The Q1 FY27 results and the financial statements, as what you see, is a direct reflection of the treatment of divestment transaction under accounting standard Ind AS 105, where the Engineering Services business being divested to Akkodis is now shown as discontinued operations, splitting the quarter into 163 crores of discontinued operations and 183 crores of retained or continuing, uh, business, with comparative periods of Q4 FY26, Q1 FY26, and the full year FY26 are carved out on a like-for-like basis.

So just to talk about the retained business or the continuing operations, the now the, the one you are now invested in, uh, the business grew and the revenues grew by 94% year on year to 183 crores. From 94 crores in Q1 of FY26. Now coming to the profitability, as an inevitable consequence of the divestment transaction, the company is required to unwind certain balance sheet positions as per Ind AS 105 and has incurred cost with resultant impact on profitability. The reported EBITDA for the combined business of discontinued and continuing operations was 27.9 crores and the reported PAT loss is at 14.8 crores against 20.9 crores of PAT reported in Q1 of FY26.

The reported loss is nothing but an accounting consequence of the value-creating divestment transaction. Every rupee of that gap is identifiable. Firstly, we took a 13.1 crore one-off provision inside the EBITDA line, which essentially is about 9.62 crores of receivable provisioning largely on an aged defense transaction that we have chosen to provide for conservatively while we continue to pursue recovery with the Ministry of Defense. Plus, we also had to take a 3.5 crore hedge provision resulting from the unwinding positions as a result of the divestment, and that do not transfer, transfer to the divested business.

And most importantly, we took a 21.81 crore transaction cost in the Q1 pertaining to the divestment, which is taken below the EBITDA as an exceptional item, which is roughly half of the estimated 45 crores, about 2% of the total, you know, transaction value of the divestment. You know, this has been this will be accrued, and this will record the actual divestment transaction will now record an extraordinary gain of approximately 1,255 crores on the completion of the divestment transaction. In Q2, Q3.

Essentially, this is a timing issue. Normalized for these items, which is roughly around 34-odd crores, essentially about 21 crores, 21.81 crores of the transaction cost, which is sitting as an exceptional item below the EBITDA line, and about 13 crores of the provisioning which we took as a result of the transaction and a conservative provision as what we took on the receivables. The normalized for these items, EBITDA was at 41 crores at about 11.8% margin, up from 20.5% year on year. Normalized PBT was 23.1 crores and normalized PAT was 20.2 crores.

This is the business we actually ran, and it earned money while paying for its own transformation. The when you now let me talk about the retained business, and let me be equally direct about what is not yet in and where it needs to be. The retained business of defense Aerospace Manufacturing and XiDA posted 8.7 crores of EBITDA, which is 18.3 crores when you normalize it for the receivables charge which sits in the continuing business. The continuing business does not yet cover the 8.9 crores of finance cost and 8.8 crores of depreciation which it carries.

The divestment has been done on a cash-free and debt-free basis, so the earnings business so the earning business leaves which is of course the aerospace engineering services, the automotive, the energy vertical, and the heavy engineering. When the group's borrowings, the corporate cost, and the cost of building the replacement still stays in the continuing business AXISCADES Technologies Ltd, the listed entity, brings it out very clearly. 6.1 crores of revenue, which is the manufacturing aerospace revenue which we recorded in Q1, against 12.9 crores of operating cost and a 6.4 crores of finance cost, which is in fact about 72% of the overall retained finance cost.

Closing so as a result of which, you know, the, the numbers, uh, look the way it is looking. And closing the divestment on schedule, retiring the debt, and deploying the proceeds into capacity is therefore our single most important near-term priority. And the discipline is already visible. The employee cost fell from 53% of revenue to 44% of revenue, even as we hired for the manufacturing pivot, and Mistral delivered 122 crores of revenue at about 14.5% EBITDA margin while absorbing its own provisions.

The one clear drag is ADD Solutions, our non-core European unit, which recorded a 4.8 crore EBITDA loss and a 6.7 crore PAT loss, which sits in the continuing business, effectively constituting most of the continuous business loss of 7.04 crores for this quarter. It is loss-making, it is non-core, and it will be exited. An action plan is already underway with closure targeted by Q4 of FY27. Cash on the balance sheet meanwhile rose 78% to 81 crores ahead of the first tranche of divestment money, and the property, plant and equipment rose by 40 crores in one quarter as capacity is built on the ground for the Power 930 ramp-up.

The Akkodis transaction is valued at US$237 million, or approximately 2,256 crores, which the shareholders have blessed on July 27th and is in the process of closing in two phases. Phase 1 is targeted by August 31st, which is this month, with about 190 crores of post-tax cash coming in. And Phase 2, by November 30th, bringing a further 525 crores in cash. It funds the Power 930 vision and our planned acquisitions without any equity dilution. During the quarter, the defense business in the continuing business category delivered a record 125 crores in revenue, up 112%, with an underlying EBITDA of 13 crores, which is up 15% year on year.

And 8 design wins and order wins since April took the assured forecast visibility to 4,500 crores plus to be executed in the coming quarters and years. XiDA was the strongest stream, 49.5 crores, up 63% year on year in terms of revenue at a 33% EBITDA margin. And it added two marquee global technology customers as customer logos. Aerospace manufacturing capabilities are being built bit by bit, both in terms of talent and aerospace capabilities and certifications through planned acquisitions. To return to where I began, this quarter's reported loss is the cost of running two companies inside one set of accounts.

Every element of it is identified, quantified, and either is behind us or scheduled to close within the next quarter. The business we are building on to Power 930 earned a normalized EBITDA of 18.3 crores despite carrying the strategic cost which I talked about in terms of the, you know, the manufacturing pivot which is taking place, which are still to turn into revenue on a platform that grew 95% year on year with about 4,500 crores plus of assured defense visibility and 1,255 crores of gain on the divestment still to be recorded in the profit and loss statement.

In closing, I will say the results declared are expensive for a quarter but will compound for the next 40 quarters. Thank you. Now, uh, of course I've dealt with all of this. I would now hand over to Mukund to take this forward.

Mukund Santhanam: Thank you very much, uh, Shashi, and thanks for stepping in. Apologies to everyone on the call, uh, we had a technical issue at the Just checking if everyone can hear us clearly. Yeah, apologies that we seem to have had a technical issue at our end. However, thank you, Shashi, for stepping in and for covering the aspects that I wanted to cover. Let me, let me, let me now move on forward from here. I'll cover the continuing operations. Which, as you know, is a business that will define the future of AXISCADES.

This business has performed very strongly this quarter. We have had a continuing revenue of 180.7 crores. This includes our defense business, and this includes our ESAI business, and this includes our aerospace business. It excludes the businesses that are being divested away, both engineering services as well as aerospace services. It also excludes ADD Solutions, the business that Shashi has already referred to, where we will be finding a solution in terms of divesting that by the end of this financial year.

Defence. Before I hand over to each of the Defence, ESAI, XiDA, and the Aerospace business heads, let me just give you a broad overview of how the business has performed in this quarter. Defence. Over 111% year-on-year growth. Clearly, this is over two-thirds of our continuing revenue as of this quarter. Our reported EBITDA was weaker at 2.6 crores, and this was because of certain one-time costs that we had to absorb of about 9.6 crores this year- this quarter. The underlying EBITDA is at 11.2 crores, a 9.7% margin, a 9.7% margin, And further on defense, in terms of our wins, in terms of our, uh, what, what else we have looking forward, uh, I will hand over the defense business soon.

The ESAI business, the ESAI business, as you know, has been now rebranded as XiDA. What we have done is headquartered this out of the United States because that is where our customers are, that is where the technology is, that's where the capital is, and that's where the resources are. Clearly, this business has performed wonderfully with the new domiciling of the business. Revenues were at 49.5 crores with EBITDA at 14.7 crores of EBITDA, giving an EBITDA percentage of almost 30%. Where did this come from?

This came from a business transfer that we acquired the business of another, another partner- And that contributed a stupendously high 46% EBITDA margin, clearly giving us a 30% EBITDA margin combined with the legacy business that we do in the, in the XiDA business. Aerospace, which is our upcoming manufacturing business, post exiting the servicing business, manufacturing now becomes the future of the aerospace business. Even before we have actually added capacity, we already have a team in place.

We have invested well ahead in terms of leadership and in terms of, uh, in terms of having the right people. And that has already shown in terms of a 6 crore revenue for this quarter, EBITDA being negative, which reflects the investments that were made into this business going forward. So to close before I hand over to the defense, uh, business, clearly two streams chugging on at full steam and very, very profitable. One funded out, well, the other one, the, the aerospace business, yet to show over the next few quarters.

Over to you, Babu. Thank you.

Sharadhi Babu: Thank you, Mukund. Uh, this is Sharadhi Babu. I'm head of defense. I will handle the presentation for both defense and XiDA today. And as Mukund mentioned, the defense, uh, this quarter has recorded a very strong growth quarter on quarter and year on year. And I would like to update the audience that we had several wins and we have added quite significant pipeline to our forecast visibility. And here, number one, on the technology side, or defense, we have moved on, on both our strategic initiatives, which includes our presence in directed energy weapons and missile systems.

So we have been, uh, technically selected and approved for the transfer of technology for 30-kilowatt laser directed energy weapon. And we have received orders, uh, from, uh, uh, on the missile systems, which includes, uh, the subsystems, the electronic subsystems, and also certain select high-end mechanical subsystems. Here we are developing and developing a mobile firing platform and also a mobile mast system for the long-range, uh, missile system. And we have said we have been now we have received the development order, cum production order, for the onboard electronics on for the anti-tank missile and also on the BrahMos missile.

And we have also received orders for the ERP for the helicopters and also the antenna beam control systems for the Uttam radar. And with all these wins, we have added The forecast visibility about 332 crores. Overall, our visibility stands now at assured forecast visibility stands at 4,557 crores. Any further questions, I would be glad to answer at the end of the session. I will also cover the XiDA business, which is, uh, which I know Mukund has given the financials. Here, I'm very glad to inform the audience that we have added two of the world's largest technology companies as customers.

This business transfer which Mukund has mentioned, so we have now, uh, based on our legacy ESAI business, we are now supplying the most, uh, you know, modern and innovative semiconductor equipment for the largest of the customers. One of them is semiconductor equipment manufacturer, and the other one is the world's largest AI and hyperscale technology company. And here, and already this is visible in the current quarter, and it is poised for a strong growth quarter on quarter. And this platform is held through the wholly owned US company, and which is giving us the complete customer proximity and also the engineering talent.

And, you know, the India is the mirror architecture for supplying of the equipment. So this, uh, and this arrangement also gives us a strong visibility on a new customer portfolio which will be which we will be serving over the next few quarters, and which is based out of the US. And again, here on the XiDA, I would be glad to answer any further questions. And now I'll hand over the, uh, the mantle to, uh, Mohan, who will brief you on the aerospace business. Thank you all.

KP Mohanakrishnan: Good evening everyone, this is Mohan. Let me turn to Aerospace. Our manufacturing story is now becoming real. We have signed a non-binding offer for an AS9100 certified precision manufacturing company. Our due diligence is in the advanced stages of completion and is expected to complete in Q2. This transaction, when completed, On an annualized basis, the FY27 revenue would be about 180 crores with an EBITDA of 39 crores and with a 22% margin. This single transaction jumps our aerospace manufacturing capability and becomes the metallic manufacturing backbone for our defense and electronic businesses.

And we are not building this in isolation. We are building a world-class infrastructure around it. The Center for Advanced Manufacturing, 240,000 square feet on 20 acres at Devanahalli, designed as a quad-use facility for aerospace, defense, space, and electronics. One campus and four growth engines. You would have noticed aerospace manufacturing revenue clocking at 6.1 crore in Q1. We have built a team in advance to make it happen. We have put a 30-member aerospace leadership team in place ahead of the acquisition and ahead of the revenue, because aerospace qualification runs in years, not quarters.

We are front-loading the team so that when the acquisition closes, we execute from day one instead of spending a year building capability we could have built today. Put together this acquisition, we are currently evaluating a second transaction, and together with an organic growth, we are targeting an annualized run rate worth of 375 crores in revenue and 84 crores in EBITDA by Q4 FY27. With this, we would have replaced the lost EBITDA due to the divested business. And the platform we are building here is the one that takes towards 1,000 crores by FY29.

And our approach is invest ahead of the curve and leverage the opportunity. We shall share further excitement in the next quarter call. Thank you. I'll pass on to Mukund.

Mukund Santhanam: Yeah. Thank you, everyone. Thanks, Mohan. An update on where we stand on our infrastructure. As you're very well aware, we have the DAL, the Devanahalli AeroLand Complex, which has been commissioned and on schedule. We have moved our existing supply chain and logistics capability setup. We also have set up testing labs, we have set up SMT lines, and this facility is fully functional. Many of you have visited this facility at various points over the last year and have seen how it has developed over the last 18 months or so.

We also have the Devanahalli Atmanirbhar Complex, which is a 20-acre plot just a stone's throw away from DAL and very close to the Bangalore International Airport. This is going to be a flagship aerospace and defense and space manufacturing hub. It also we have started building the satellite, uh, manufacturing, assembly, integration, and testing facility for the space business. The third, third complex that you've been hearing about is the Missile Atmanirbhar Complex. This is in Hyderabad. The land had been acquired this quarter.

We had actually done the groundbreaking in early July of this year. Construction has begun on this, on this, on this complex. This complex will support missile subsystems as well as strategic electronics. The location of Hyderabad is deliberate. This sits very well within the missile ecosystem that is being developed in that city. The new facility that we're setting up, which Mohan had referred to in his, uh, in the aerospace coverage, is a center for advanced manufacturing, again in Devanahalli.

The land allocation is well in progress. We are it's a 240,000 square foot and 20 acres of land, and this is just a few kilometers away from DAC and DAL. This will house manufacturing capabilities not just for the Aerospace business, but for all the other 3 businesses having a common platform servicing 4 businesses. Let me now move on to the guidance. As you know, ever since this new management has been in place, we have made several commitments to the markets. We have committed and we have delivered against each of the commitments.

Most important of the commitments was the fact that we would grow into a manufacturing and a product and solutions company while divesting our services portfolio. And we would do all this without actually without any equity dilution or any material long-term debt. The divestments are well underway. We had divested, as you are aware, we had divested the Engineering Services business in the month of May. And the Aerospace Services business in the month of June. Both these, both of these are progressing well towards closing.

We expect to close the Engineering Services, uh, divestment in, in this quarter itself, with the money coming in a week later. We will expect to close the Aerospace Services business in the next quarter, with again the proceeds coming in shortly after that. Both of these would give us almost 920 crores of proceeds, uh, proceeds that we'll be using for our manufacturing build, manufacturing acquisition build-out. More importantly, what happens to the revenue that we have, that we have divested away?

We clearly have committed to replacing these revenues both organically as well as inorganically. Organic revenue growth will happen through the, the kind of, uh, growth that you've seen already on our defense and our ESAI businesses. Inorganic growth would happen through acquisitions, one of which Mohan already referred to, some several more that are in the pipeline and are likely to close this quarter. We are, we are committing back to our guidance that we had made originally at the, at the beginning of this financial year, which is of 1,377 crore revenue in FY27 on a continuing operations on an annualized pro forma basis.

EBITDA, the EBITDA that you've divested away, as Mohan has clearly referred, is being brought back at a price that is at a fraction of what we sold it for. The, the acquisition in the aerospace, as well as the organic growth, as well as further acquisitions in, in the XiDA business, will help us bring back this EBITDA by FY27 on a normalized pro forma basis. So both on revenue, EBITDA, as well as earnings per share, we are well on track towards achieving our Power 930 goals. We have, we have committed to several specific activities that we'll be doing over the next 3 quarters.

One of them that I already referred to is closing the divestment across the next 2 quarters. The other is, as you're aware, we had deferred certain revenues due to supply chain logistics. We are well on track to have recovering that this quarter. Out of 142 crore, uh, deferral, we had recovered over 60 crores, and we'll be recovering the rest over the next 2 quarters. Acquisitions, again well on track. We are committed to, uh, delivering on the Aerospace acquisition by this quarter and XiDA acquisition by this quarter, with closings within this quarter and early next quarter.

We have several more in the pipeline and we expect the third and the fourth to close within the next two quarters. ADD Solutions, which you know is a business that has been a drag on our businesses across the last 5-6 quarters, we are working towards a sale which could realize over the course of FY27. On the space business, which is a fledgling business, as I've already mentioned, we have already set up and are working on the manufacturing and the integration and the testing facilities as part of our new DAC complex.

We will also be entering into strategic partnerships and we'll announce these partnerships during the course of this quarter, both at the Bangalore Space Expo as well as the World Space Business Week in Paris. And finally, scaling up of our businesses. We expect our defense businesses on the back of extremely strong 4,500+ assured forecast visibility to grow at over 75% year-on-year over the next several years. We also expect our ESAI business to grow by over 100% this year on the back of both organic growth as well as the acquisitions and business partnerships we have in place.

This is a commitment that we are making to our shareholders, and we believe that each of these commitments is something that we will be able to deliver to in the timelines indicated. Thank you very much. That brings a close to my presentation. I will now hand over back to Shankhini, who will then open up the floor for Q&A.

Shankhini Saha: Thanks, Mukund. Just a reminder to all our participants, if you want to ask questions, you'll have to raise your hand to join the question queue. Just a quick reminder on how to do that on this platform. If you're on desktop or laptop, look for the reactions button at the bottom of your Zoom window. Click on it, then select raise hand. Your name should appear in the queue and I'll call on you in order. If you're on mobile or tablet, tap on the more dot dot dot button at the bottom right of your screen, then select raise hand from the menu. Perfect. So we'll go ahead with the Q&A session. We'll take the first question from Deepak Poddar. Hi, Deepak. You can go ahead and ask your questions.

Deepak Poddar: Yes, am I audible?

Shankhini Saha: Deepak, go ahead.

Deepak Poddar: Thank you very much for this opportunity. So just first, I wanted to understand, I mean, what is the thought process behind, I mean, this aerospace division, uh, divestment? I mean, it's kind of giving you 70-80 crores kind of EBITDA on an annual basis. Um, so, so I understand that you have aspiration for aerospace manufacturing, right? But can't we have done it both together? So what would be the thought process behind that?

Mukund Santhanam: Thanks, Deepak. I'll probably answer the question also. I'll ask Mohan to pitch in as and when required. Clearly for us, in the 4 core areas that we focus on is aerospace, defense, the XiDA business, which is electronic semiconductors, the AI, and the space business. But we also clearly indicated that part of our Power 930 program, we would move from being a services-focused company to being a product and solutions company. And it is this path that we have set out on. As part of this Power 930 goal, we had indicated, we had indicated obviously a sale of the engineering services business, but we also felt that it was the right time to be actually moving away from aerospace services into aerospace manufacturing.

We had indicated the reasons why we had done that at the previous call that we had in the previous quarter. But let me, let me again clarify on those aspects. One, we do see many of our services OEMs looking for consolidation in this market. So the options for us is really to grow further by acquiring other businesses, other businesses in the same services area. Or by selling to a global leader who will be able to take this business and grow it further. Why did we choose the latter? Because we found the price at which we could offer the latter, as well as the deployment of the proceeds from that into our core Power 930 vision, would enable us to do that without any incremental equity dilution.

Mohan, would you like to add anything more on this?

KP Mohanakrishnan: Absolutely. Uh, so the value that we are able to generate by this is what is a differentiator, number one. Number two, the manufacturing aspect, which you also asked, is more of a sticky business. So we are getting into long-term contracts, a highly predictable business, and that is actually leveraging some of the activities that we are doing in defense, space, and electronics. So it means that we are able to consolidate and leverage all of our business verticals and provide a total end-to-end solution to our customers.

I hope we have answered your question.

Deepak Poddar: Yeah, you have answered. So couldn't we have done it both simultaneously? I mean, wouldn't that, that be an option?

KP Mohanakrishnan: I mean, being a hypothetical question, yes, but, uh, but when we look at the strategy, the idea was to grow more into a product-based business. So hence the decision is, is purely based on that.

Deepak Poddar: Okay, okay. And regarding the provisions that you mentioned about, I mean, 22 crores, I mean, where are these accounted? 10 crores the provision for receivables, 3.5 crores for hedge, and 22 crores for deal cost. Where has been this accounted in this balance sheet?

Mukund Santhanam: Shashi, can I hand it over to you?

Shashidhar SK: Yeah, so if you, if you look at, if you look at the financial statements as what has been filed, the 21 crores of the, the transaction-related cost is sitting in discontinued operations as an exceptional item. It does not come out specifically on the face of it. If you go to the notes to accounts, you'll be able to find that. And with respect to the provisions which I'm talking about, which is about 6.5 crores for a provision with respect to an order which we executed for the Ministry of Defense- And another, you know, 3.14 for a defense PSU.

And then the unwinding of the hedge provision of 3.5 crores is actually sitting in the continuing business, which is a part of the other expenses which you see here in the continuing operations.

Shankhini Saha: Thanks, Shashi. Thanks, Deepak, for your questions. You can keep your hand raised to join the question queue. We'll take the next question from the line of Kaushik Mohan. Hi, Kaushik, you can go ahead and ask your questions.

Kaushik Mohan: Uh, hi sir, this is Kaushik I just wanted to understand, uh, what will be our number as come to the PAT level? Because I can understand on the EBITDA level one side, but can you give a clarity on the PAT level?

Shashidhar SK: You're talking about the normalized PAT?

Kaushik Mohan: Yes, normalized PAT with, uh, our 1,377 top line this year closing is what we are talking about. Uh, I just wanted to understand what will be our PAT.

Shashidhar SK: You're talking about the full-year guidance?

Kaushik Mohan: Guidance for FY27.

Mukund Santhanam: Yeah. Can I take it?

Kaushik Mohan: Yes.

Shashidhar SK: Yeah, please.

Mukund Santhanam: Yeah. So as you have indicated, uh, you know, we'll be replacing the EBITDA through both inorganic and organic growth and inorganic acquisitions. Uh, we have indicated an EBITDA of 270 crores.

We expect PAT to be broadly around about 50% of that number. It could be higher because we'll actually have a lesser we'll have proceeds from the divestment that would be available to us that will help us pay down some of our debt and reduce our interest costs.

Kaushik Mohan: So we are talking about 135 crore as our PAT, am I right?

Mukund Santhanam: Broadly around those regions, yes.

Kaushik Mohan: Okay, so we have a lot of acquisitions and a lot of disinvestment of the businesses are going on, right? So this number will be not impacted. So I can think that Q2, Q3, Q4 will be ramping up and these numbers will be coming at you, right? Is what my understanding, right?

Mukund Santhanam: That's correct.

Kaushik Mohan: Perfect.

Mukund Santhanam: We expect the acquisitions to kick in over the next few quarters, which will actually contribute to the top line and the bottom line.

Kaushik Mohan: Perfect. And my second question, I just wanted to understand what is the update on the acquisition side. I can understand in the Q3 we'll be having one settlement of the money. On Q1 this, this year, this quarter will be having one settlement of the money. With that, we are going for an acquisition. What will be our acquisition status? Uh, here in the presentation it is not maintained very clearly for me.

Okay. Can you give me the dates, like by this, this is the time that we are in the line.

KP Mohanakrishnan: Yeah, it is covered in multiple slides. One, of course, I'll cover from an aerospace perspective. The aerospace, uh, we are talking in Q2, and, uh, which is, uh, coming out very clearly in, in my slide. Uh, so we would be completing the it's NBO is issued and we are the advanced, uh, DD phase. Our expectation is that we will complete, uh, the activity by before the end of Q2. And we all we also have one more which we are evaluating, and if it go if everything goes as per our plan, that also we should be completing it by Q4.

So these are the two, uh, opportunities that we are pursuing in aerospace.

Mukund Santhanam: Maybe I can just cover on the, on the XiDA side. On the XiDA, as you know, we already, uh, already underway with the business transfer agreement, and the business will, as an acquisition, will happen to us by this quarter. Again, we are committing to doing that by this quarter. So we'll have two acquisitions in place generating revenues and generating bottom line by the end of this quarter. We do have a few other acquisitions which we cannot disclose at this stage because they're still in the non-binding stage.

As we get to a binding agreement and board approvals we will come back to the markets and announce those acquisitions.

Kaushik Mohan: Okay. And, uh, just on a clarity basis sorry, I can just clarify,

Mukund Santhanam: I can just also clarify that Q3 and Q4, as we have clearly committed in our, in our guidance, uh, we will have one of those coming into in Q3 and one coming into Q4.

Kaushik Mohan: Perfect. I just want another clarity, uh, how about our next year is looking like? Because a lot of things are happening this year. I can understand this is the transforming stage of the year for the entire life of what we are talking about, FY 2030, uh, top lines of the guidance. So how is the next year looking like? Do we have this kind of replica effects in next year also, or this is the year that everything will be settled properly?

Mukund Santhanam: When you say I think we settled properly, you're talking about the cost as

Kaushik Mohan: Operations, cost , as well as the employees and everything, whatever we have everything here.

Mukund Santhanam: A majority of our acquisitions will be in place by the end of this, this financial year, which, which and they'll start generating revenues and EBITDA for us. We will continue scouting the market for acquisitions. And why, why are we looking for acquisitions? Because we do see very interesting opportunities where we can quickly scale up in terms of capabilities, in terms of customer access, and in terms of getting in a specific order book or a specific certification that an existing target already has.

So we will be in the market for it, but these acquisitions will be much smaller in scale compared to what we're doing this year.

Shankhini Saha: Thanks, Mukund. We'll move on to the next question. We'll take the next question from the line of Praful Rai. Hi, Praful, you can go ahead and ask your questions.

Praful Rai: Yeah, I have two questions. One is on the defense order, which is of 4,500 odd crores. I wanted to get a sense of what is the timeline for execution of this order. Can you give a broad time frame that this is the that this is the n number of years in which you are going to do that? That is question one. Uh, second question is, what is the defense order pitch pipeline we have? If you have a target of, uh, the, the order intake for the year as a whole. These are the two questions I have. Thanks.

Sharadhi Babu: I think, uh, first one, uh, I would to answer your question, we are covering this entire forecast visibility before FY30, which is approximately about 3 years. There could be some spillover in the fourth year. And to address the second question, I think Mukund already gave the FY27 guidance, so we have that well in place.

Praful Rai: You see, because this order

Mukund Santhanam: to clarify, it's a 75%, uh, revenue increase year on year in FY27 in defense.

Praful Rai: Okay, 75% year. But this is a this is a finite time frame order, so you'll have a very strong growth for next year also.

Sharadhi Babu: Absolutely.

Praful Rai: And my second question was on the pipeline, uh, of, uh, defense. Can you throw some light in terms of what is the kind of pipeline we are building? Because we are adding capacities to just get a sense of what kind of size of business we are expecting in addition to what we already have?

Sharadhi Babu: The pipeline, the pipeline is quite, quite huge. As you know, we are, we are covering pipeline across the unmanned systems, the missiles, and also the radar and DW are our core area. We have almost the visibility that we have is exceeding about 24,000 crores. But that is a huge pipeline which actually converges into the forecast visibility which we have stated.

Praful Rai: Uh, last question, this 930, uh, the target which we have, we have been stating that for a while, uh, given the restructuring of the business we are doing, are we still maintaining that, uh, that objective or there is a change in the

Sharadhi Babu: I will let Mukund answer that.

Mukund Santhanam: Sure. Uh, our Power 930 objective was in terms of had several components to it. One was in terms of a focus on certain sectors which we are well on track on. Other was in terms of moving us from being a services to a manufacturing company, which you are well on track on. You can see that happening right now. And the third, of course, was the revenue targets as well as the PAT targets. We did at the time of formulating Power 930 said today's revenue will be tomorrow's PAT, and that was the FY24 revenue of 960 crores, which we believe would be the PAT target by FY30 of 960 crores.

We believe all these acquisitions, these divestments, the capital that's come in, and, and the growth that we have in the organic business will help us achieve those targets. So our Power 930 targets remain still, still absolutely, uh, firm.

Praful Rai: If time permits, can I ask one more question?

Shankhini Saha: Yes, go ahead.

Praful Rai: Yeah, on this, on this 930 we are talking of, uh, and this is all contingent on the acquisition which we are taking, doing now. Uh, is there any reason for us to believe that some of these acquisitions because acquisition is a binary event, right? It can happen or it may not happen that some of these acquisitions may slip out?

Mukund Santhanam: Uh, you're perfectly valid question there. Uh, in terms of, uh, aerospace acquisition, we clearly at a very advanced stage, which is why we have indicated that will actually be closed by this quarter itself. In terms of a XiDA acquisition, the business transfer acquisition, again at a very advanced stage. We already are working with that partner and we will be again closing that within this quarter. In terms of the other acquisitions, we are at we have, we have few acquisitions across the various segments we work in.

We are at non-binding offers moving in through due diligence, yet to move into a binding offer. So your point out there about they being valid, about they falling off is there, but the fact remains that we have a pipeline of these acquisitions, and these acquisitions in effect help us achieve a common objective, which is an objective of getting a capability or getting access to a customer in a particular geography.

Shankhini Saha: Thanks, Mukund. We'll move on to the next participant. So our next participant asking a question is Mahek Talati. Hi, Mahek. You can go ahead and ask your question.

Mahek Talati: Hi sir, good evening. So my first question is with respect to Project Kusha. What is the update over there?

Sharadhi Babu: I think we have, uh, I've covered, uh, we are going deeper into, you know, Kusha project. We are in, uh, we are already, uh, we have the orders for developing multiple systems. It includes the, uh, the mobile mast and also it includes such an, you know, the electronics. And, uh, we are already there in the digital beamforming unit for the radar. And also, uh, we are getting into there are many more, you know, uh, uh, RFPs are in progress. So we'll be quite deeper into Kusha. Also, probably I'll take this occasion that, uh, we are also quite deep into BrahMos.

Mahek Talati: And, uh, the LUH Maritime order that you have mentioned on the screen as well, we were expecting that to deliver upwards of 150-170 crores for this year. Where are we on that?

Sharadhi Babu: Uh, yes, this has the visibility of, uh, approximately, uh, 150 to 170 crores is the visibility is the, is the one which we have, you know, uh, is the one which we are addressing. Yes, we are well on track on that.

Mahek Talati: And is it backed by confirmed orders or is it a visibility?

Sharadhi Babu: No, no, this is backed by confirmed order.

Mahek Talati: And for Kusha, we were supposed to qualify, uh, in this quarter. Where are we on that? How many are competing? What's the competitive landscape over here?

Sharadhi Babu: A competition landscape, obviously I'll not be able to discuss here, uh, but we are on, uh, 4 different, uh, you know, uh, platform, 4 different, you know, modules for Kusha, and it is, you know, and it is growing.

Mahek Talati: And for MBDA, what is the forecast on test bench that we will be supplying this year? And what is the revenue that we can expect from that? Also for the launcher maintenance part.

Sharadhi Babu: Sure. So the test benches, as you mentioned, already last year itself we received a significant portion I mean, one good start for our entire, you know, center of excellence for the test benches. And we are growing across no, we were working on the MICA and Meteor platforms. Now we are going across the CAMM and Aster platforms. So this year also will be every year we are, you know, we are working on about delivering about 5 test benches here on for next 3 years. So that is fully intact. And addressing the, uh, addressing the larger, this thing, MBDA, as we mentioned, our relationship is going quite deep and we will be addressing certain Make in India efforts for, you know, going forward.

Probably very soon you will hear those, you know, uh, announcements.

Mahek Talati: Okay. And what about launcher maintenance over there?

Sharadhi Babu: Launcher maintenance is in different phases, okay, that is, you know, carrying on. And, uh, actually there is a, you know, there's a new, you know, set of activities that we are, we have initiated, uh, you know, on behalf of, you know, uh, which is resulting as part of a large order being placed on, you know, this, you know, the, you know, uh, on the Rafale. So we will be much more deeper into multiple, you know, activities with MBDA.

Shankhini Saha: Thanks. And thanks for your questions. We'll move on to the next participant. Our next participant asking a question is from the line of Piyush Sarawagi. Hi, Piyush. You can go ahead and ask your questions.

Piyush Sarawagi: Yeah. Hi. Can you give I know you touched upon this a few minutes ago on the MBDA's broader expansion. Um, we had very large plans on expanding the MBDA partnership. What is the specific update on it, and when do we start seeing first set of orders and work?

Sharadhi Babu: Uh, I think we covered partially in the previous question. MBDA, as I said, test bench, we are growing, and our 3-year plan is intact, and it is already the delivery is going on. And we have also now spreading across the new Make in India initiatives as part of the Rafale program, and it is across, uh, you know, uh, local assembly of missiles, and also, uh, which is also we will be also taking, undertaking certain, you know, uh, production of large electronics. So much of the details cannot be, you know, uh, stated here, but we are very well on track, and you will certainly see us in the announcements.

Piyush Sarawagi: Certainly. And secondly, uh, Dr. SRN spoke about seekers of BrahMos, I think couple of calls ago, last call. What is the update on that?

Muralikrishnan D: So, uh, we are in the advanced stage of realizing a prototype seeker for BrahMos NG, and we have received the acknowledgement and endorsement from the customer on that. We are also part of the EOI on the topic. We have NCNC process and EOI process. We are doing two things in the seeker. One, uh, we are developing the seeker, uh, using the current specs in the AESA technology. We are also incorporating our proprietary direct RF technology onto the seeker. So two types of seekers we are developing, which will be the next generation after the gimbal seekers are being phased out. So in addition to BrahMos, we are also developing the seeker for one more missile. So seeker will continue to be, uh, the technology that AXISCADES would deploy for various missiles in future.

Piyush Sarawagi: And so when do we start seeing business from, from seekers?

Muralikrishnan D: Next financial year onwards.

Piyush Sarawagi: Okay, sure. Thank you.

Shankhini Saha: Thanks, Piyush, for your questions. Uh, we'll take the next line of questions from Mayur Parkeria. Hi Mayur, you can go ahead and ask your questions.

Mayur Parkeria: Thank you for taking my questions and wishes to all the entire team of AXISCADES. And clearly, am I audible?

Shankhini Saha: Yes, Mayur, go ahead.

Mayur Parkeria: So, you know, clearly many, many things going on in the company, and as financial analyst, it becomes it's very easy for us to just look at numbers, but hats off to the entire team for pulling off all the required and the key long-term milestones in terms of divestment, in terms of monetary aspects, in terms of, you know, services to manufacturing and many other milestones which are there. So great, you know, it's a great effort and we can understand that. So congratulations to the entire team on that side.

I just had one question We had plans for strategic partnership at the subsidiary level for our, you know, and the entire CapEx program. In the light that now we have huge revenues, huge more, you know, funds available after divestment of the Aerospace Services also, uh, is that still on cards? Uh, is it, uh, will it be slightly now not, um, since we are is it on priority? Will it come a little later? Just around that, if you can give some understanding around the, uh, you know, the, the strategic partnership side.

Thank you.

Mukund Santhanam: Thank you. Shashi, would you like to take that, or do you want me to take it?

Shashidhar SK: Please take that.

Mukund Santhanam: Yeah, sure. Uh, you're right that we do have significant resources arising from the divestment, but we do have plans for these resources. But remember, our strategic investments in the joint ventures through our OEM partners was not just about capital. It was about a commitment, and for us also providing a commitment to our JV partners that we will have dedicated facilities, at times dedicated access, dedicated, uh, IP for what we do for them out here. So we still continue having conversations with these OEM partners.

Many of them are very interested, as you're very aware, precision manufacturing as well as precision electronics. India is a global supply chain provider. Many, many of our global OEMs are now looking at India as being a source for supplying for their global supply chains, and they'd like to have a stake in that. So these conversations still are very much ongoing. They're ongoing with our existing OEM clients, they're ongoing with some of our newer OEM clients that we're talking to right now.

We are very open to that.

Mayur Parkeria: Sir, any timeline which we would like to call out right now, or it's slightly early in this?

Mukund Santhanam: I think it's quite early right now, not because we aren't ready for it. It's more a factor of some of these do take time. The way we work through it is some of the OEM partners start working with us, they become our customers, we become their partners, and then we graduate to becoming a more strategic partner through a JV.

Mayur Parkeria: Okay, uh, sorry,

Mukund Santhanam: you will hear more on this space from us.

Mayur Parkeria: Okay, okay. Can I just squeeze in one more question?

Shankhini Saha: Sure, Mayur, go ahead.

Mayur Parkeria: Yeah, thank you. Uh, so on the space side, uh, you know, while we have been mentioning space as the focus vertical, uh, will you be comfortable, uh, sharing any details right now, or do you think, uh, as, as things turn out, apart from the fact of acquisition, or which we have mentioned, or the partnership. Uh, anything else would you be okay sharing? Because these are this can be little, you know, competitive and strategic in nature. So anything on the space would you like to uh, can you give us some understanding how to look at that?

Mukund Santhanam: You know, as we clearly mentioned, we do have quite a few things on the anvil. We will be announcing some of these in two big events that's happening not very far away, just a month down the line. One is the Bangalore Space Expo, for those of you know that, and the other one is in Paris, World Space Business Week in Paris. Both of that, watch out for the announcements that we'll make. These will be strategic partnerships, strategic relationships with some of the global space players that will give us, provide us with technology, provide us with, uh, with, uh, order and provide us with the right kind of leg up that we need to make a successful business.

Mayur Parkeria: Thank you, sir. Wish you all the best.

Shankhini Saha: Thanks for your questions, Mayur. We'll take the next participant from the line of Balasubramanian. Hi, Bala, you can go ahead and ask your questions.

Balasubramanian: Good evening, sir. Thank you so much for the opportunities. Sir, my first question is on the defense side. I think this 140 crore, uh, earlier the revenue was deferred to Q2 and Q3. So like, what are the key operational and customer-specific milestones must be met to ensure this timely recovery? And whether it's related to, uh, land systems program, I think it was earlier called mentioned about 20 units were ready and 85 in production. Is that, that related, that one? And like, uh, I'm just trying to understand, uh, the deferrals and delays in terms of deliveries.

Sharadhi Babu: I think the deferred delivery, we have already, you know, committed that it will be completed in 2 quarters. And you see that in the Q1, we have already recovered the most of it, and Q2 will complete it. It is not related to those 20 systems, but I think those things have already covered, and it is the, you know, uh, is the, uh, the remaining spillover which should be covering. But we are covering in 2 quarters.

Balasubramanian: Okay, sir. Sir, I think you have provided that, uh, the divestment timeline in Phase 1, and it's around Q2, around 192 crore. In Phase 2, it's around 718 crore net proceeds. I think right now maybe you are in the right position to give, uh, year-wise CapEx guidance. I think earlier it's broadly mentioned 1,600 crore for facilities and 600 crore for acquisition cost. If you could share the year-wise guidance in terms of CapEx deployment, and this 1,255 crore extraordinary gain expected from that Phase 1.

You could specify that calculation numbers when it's going to realize, and I think this Phase 1 and Phase 2, it's going to happen, the divestment, it's going to happen Q2 and Q3. Maybe what kind of related cost we are going to, or like, like realize in Q2 and Q3.

Mukund Santhanam: Shashi, can I hand it over? Yeah,

Shashidhar SK: I'll just talk about the, you know, the extraordinary gain. Maybe you can talk about the CapEx in terms of the yearly split. So essentially, uh, you know, the extraordinary gain is nothing but the differential value between the divestment proceeds and the fair value of, uh, you know, these businesses sitting in the balance sheet. And the differential, uh, which is the, you know, extraordinary gain is that 1,250 crores (*correction from disclosures- extraordinary gain is at 1,255 crores)*, and that is going to be recorded on the, on the actual closing of the transaction when we get the first dollar with respect to the, the, the divestment program.

Like for example, in the, in the, in August, the first phase, uh, you know, of the *Zeffo* is going to get done, for which we'll receive the proceeds. And in the, in the, in second quarter itself, we are going to recognize about 200+ crores of extraordinary gain. The bigger piece is in the, uh, you know, is in the November closing which we are trying to push back, uh, to about, you know, September. So between, between September, between Q2 and Q3, early Q3, you will see that this 1,255 crores of extraordinary gain is going to come into the P&L.

Balasubramanian: On that CapEx side, sir,

Mukund Santhanam: so let me just take that. Um, our CapEx plans, uh, you know, as we said, we, we, we will be timing the CapEx to, to a great extent to the inflows that will be coming in. We have these two inflows during Q2 and Q3, and then we have the next set of inflows happening in FY28, and finally the last set of, again, a larger inflow coming in FY29. Our broadly, our CapEx plan will match the inflows that come in, with whatever bridging amounts that are there being covered through short-term, uh, bridge, bridge financing.

So that's broadly the plan. We still the reason we don't have a specific year-on-year or quarter-on-quarter CapEx plan is because, as you are aware, two things. One, the timing of our acquisitions is a function of various aspects, including the, the, uh, the timing of when the readiness of the partner to actually sell the business out to us, and we know that can take its own time. Secondly, in terms of, okay, uh, the CapEx The CapEx that we are building is in response to specific requirements of many of our partners.

So we will time it so that we can build it at the time when it's actually required from our partners. And our CapEx is, as you know, is going to be broadly around DAC, which is already up and, you know, which is already construction is ongoing right now, MAC, which construction is just going to start quite soon, and of course a new CAM which will be set up and will also have a share of CapEx. Yeah, please remember also some of the inflows will be coming in are also earmarked for the acquisition that we have in place.

And we already spoken about the acquisitions, 2 in this quarter and then a few more in the pipeline to close by the end of the year.

Balasubramanian: The right way to understand, 20-30% of like CapEx through the short-term bridge Through debt?

Mukund Santhanam: Shashi, can I hand it over to you?

Shashidhar SK: Yeah, yeah, see, basically we are raising, you know, a facility, you know, pending this divestment process coming in, because as what Mukund was saying, you know, the MAC construction is going to start very, very soon, and the DAC construction is already going on as per a plan. So the objective is to kind of have this bridge facility till the time the divestment proceeds comes in. And that would be, uh, in the region of, uh, you know, actual drawdown would not be more than 100 to 150 crores.

Balasubramanian: Okay, sir. Okay, got it. Thank you. Yeah,

Shashidhar SK: yeah.

Shankhini Saha: Thanks for your questions, Bala. Uh, we have time for one more question, and to all those who are in our queue, please do write to us and we'll make sure your questions are answered. Uh, we'll go with the line of Jatin Chaddha. Hi Jatin, you can go ahead and ask your question.

Jatin Chaddha: Uh, hello, am I audible?

Shankhini Saha: Yes, Jatin, go ahead.

Jatin Chaddha: Uh, thank you for the opportunity. Uh, actually I had two questions. Uh, first one is, uh, congratulations on getting the order on antenna beam controller. Uh, regarding that, I wanted to understand, I was just, uh, I was curious to know how the entire, uh, value chain works. Do we also manufacture the Butler matrix required for that, and do we own the entire architecture of it right from the circuit diagram, or how does that work exactly? When we get an order for an antenna beam control, how do we execute it?

Uh, could you explain it from a value chain perspective?

Sharadhi Babu: It is, uh, uh, yes, we do, we do cover the complete, you know, design of the antenna beam controller. That is where the complete our value addition and, uh, the, the entire, you know, uh, uh And one is the design qualification and also the production of the few, you know, production which is already going on. As far as the exact architecture is concerned, it goes into a bit of, you know, technical. But certainly we are, you know, we take care of the entire, you know, module. And we are, you know, and the digital part of it, the digital, you know, the other I mean, part of it is quite, quite complex.

So Probably architecture and those discussions are out of scope for this, uh, this call.

Jatin Chaddha: Oh, okay, got it. So maybe probably in a more private setting I would get more answers.

Sharadhi Babu: Sure, sir. Absolutely.

Jatin Chaddha: So on the second part, I wanted to understand, so regarding directed energy weapons, I'm just getting a feel of the entire, uh, market and possibly the, uh, future requirements. Uh, I was speaking to a couple of people who are into this space or basically researching. What their issue is, like, as in we grow the energy sorry, the output the energy requirements becomes very challenging. So this will become a point solution because or it will become a mobile solution.

As far as I remember, the CILAS' product which we have has the opportunity or has the capability of becoming a mobile solution also. So how are we positioning this for ourselves or, or as a product for the company?

Sharadhi Babu: See, there are two things that we are looking at. It's a very good question. Uh, it will be, uh, in the right now the current power requirement and other things are all driving I mean, we are the solution is being driven for a mobile solution where we need the complete power plant also accompanying the, you know, entire system. Okay, but, uh, over, you know, there are certain, uh, you know, strategic aspects where we are actually optimizing the power output versus the intended range and the power actually, you know, consumed, really required.

And certainly a portable solution which is, you know, which is also on the cards. And we have certain modules, you know, specifically being, you know, internally being designed and developed to ensure that we have these things, you know, in, in this, in, you know, coming up in future. So we will be covering both the, the beginning. It will be a portable, it will be a mobile-based solution And going forward, then it will be a portable solution.

Jatin Chaddha: So you don't see it, see the power hurdle as a major obstacle, or is it solvable? With time it will get solved. What is your sense on that?

Sharadhi Babu: Power? No, power already, the solutions already are in, you know, the complete optimization path is actually in front of us. So we are, you know, we are already well on the way towards that. So it will be, you know, it will be handled. Appropriately.

Muralikrishnan D: So there are different versions, different power requirements of places.

Sharadhi Babu: Yeah.

Muralikrishnan D: So we are talking about 30 kilowatt. So, and they are all not one single source carrying 30 kilowatts, producing 30 kilowatts. They are modular also. The size will vary depending on the power requirement and the combination.

Shankhini Saha: Thank you. And thanks to Jatin for your questions. To all our participants in the queue, please do write to us. And we'll make sure we get all your questions answered to your satisfaction. I'll now hand over back to Mukund for closing remarks. Over to you, Mukund.

Mukund Santhanam: Thank you, Shankhini. Thanks everyone for all the questions and for engaging with us through a quarter of transition. My sincere apologies for the technical glitch that we had on our side and the time that we lost on that. I do hope that we have managed to cover adequate ground post that. As you all know, Q1 FY27 is the first of the few quarters of transition where the company has already built the teams, the capability, the, uh, and the infrastructure to be the company that we want to be at the end of this financial year.

Our focus for the rest of the year will continue to be disciplined execution. We will progress with our acquisition pipelines. We will bring new capacity online. And we'll deliver on our customer commitments. And our aim is to, is to build AXISCADES Technologies Ltd as a higher-value aerospace, defense, electronics, AI, and, and space business. We will continue keeping you updated through consistent and compliant disclosures going forward in the future. Thank you again very much. Thanks, Shankhini, and your team too.

Shankhini Saha: Thank you.

Thanks, Mukund, and thanks to the entire management team from AXISCADES Technologies Ltd and to all our participants here for spending the evening with us. Please do feel free to write to our IR team to, you know, get back to you on any other further questions you may have. Thank you all for being with us this evening. We can now disconnect our lines. Thank you and have a good evening. Cheers.

Mukund Santhanam: Thank you.

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