Earnings Call Presentation Q1 FY26

7th August 2025

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Kirloskar Oil Engines

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All amounts in ₹ Crore
All numbers are rounded off to the nearest unit

KOEL GROUP

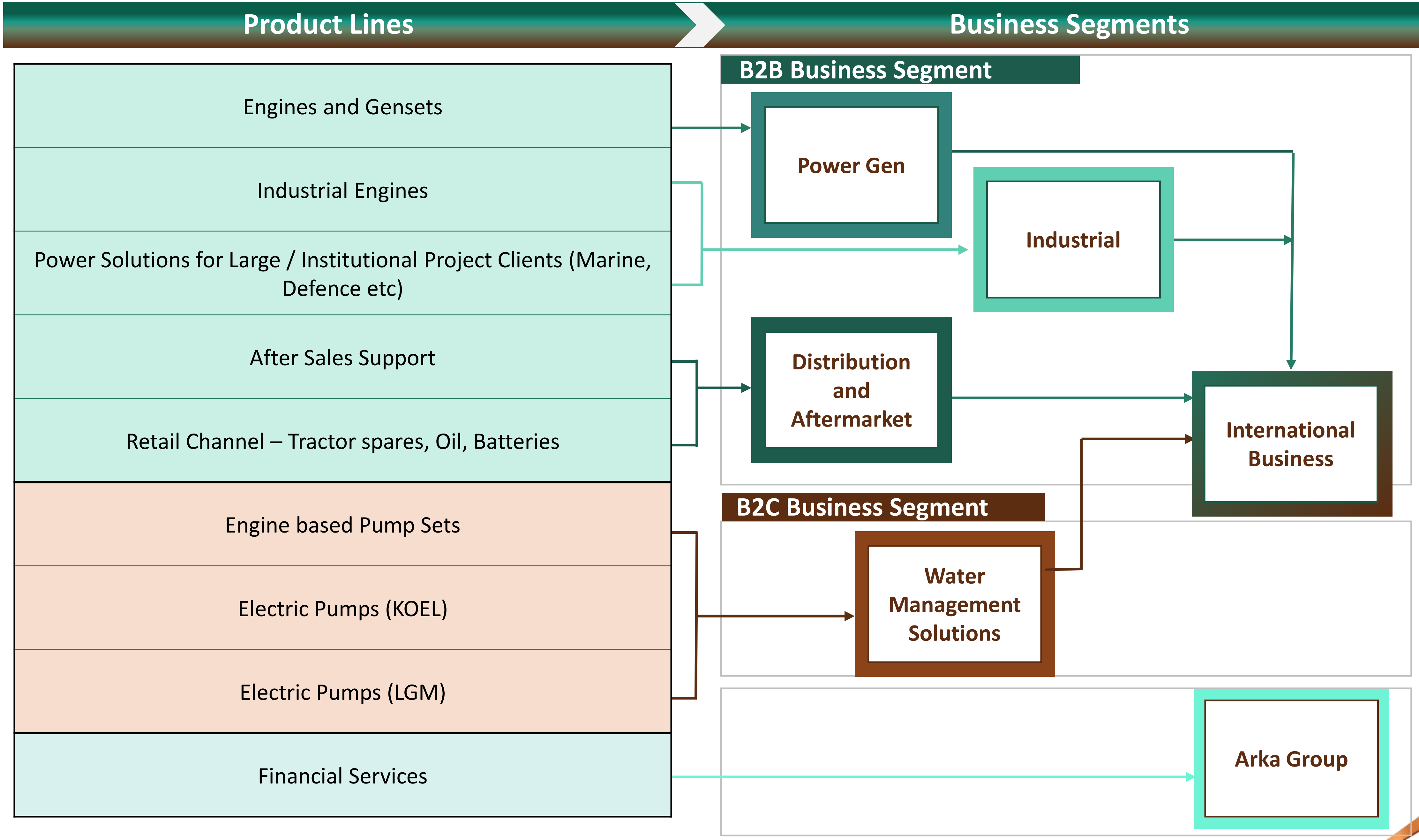
Kirloskar Oil Engines

- Kirloskar Oil Engines
  - La-Gajjar Machineries (P) Ltd[1] (100%)
  - Kirloskar Americas Corporation[2] (100%)
    - Engines LPG, LLC dba Wildcat Power Gen[6] (51%)
  - Kirloskar International ME FZE (100%)[7]
  - Arka Financial Holdings (P) Ltd[4] (100%)
    - Arka Fincap Ltd[3] (99.998%)
    - Arka Investment Advisory Services (P) Ltd[5] (100%)

1 76% with effect from 1st August 2017 and 100% with effect from 26th September 2022. Includes share of profit of ESVA Pumps India (P) Ltd (49% JV) upto 28th September 2024
2 with effect from 1st July 2015.
3 with effect from 20th April 2018.
4 with effect from 13th July 2021.
5 with effect from 30th March 2022.
6 with effect from 29th November 2023.
7 with effect from 7th January 2025.

CONTENT

Products to Business Segments…



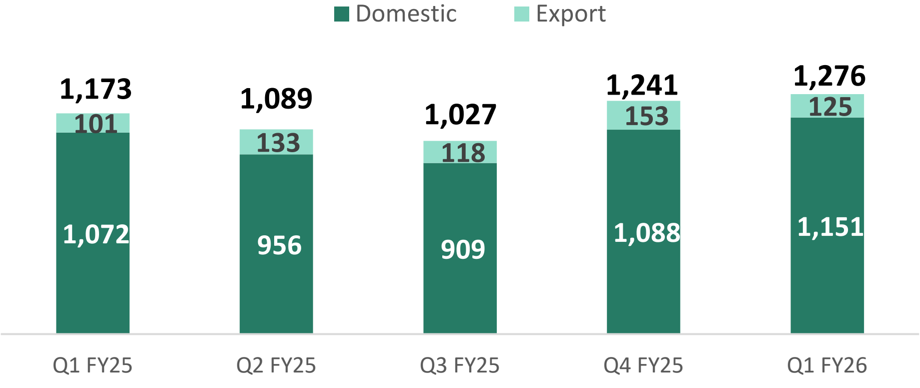
STANDALONE SALES HIGHLIGHTS – Q1 FY26 YoY

- Numbers reported are after considering the reorganisation of FMS business from B2C to B2B (Industrial). The previous periods have been regrouped to make them comparable with those of the current periods.

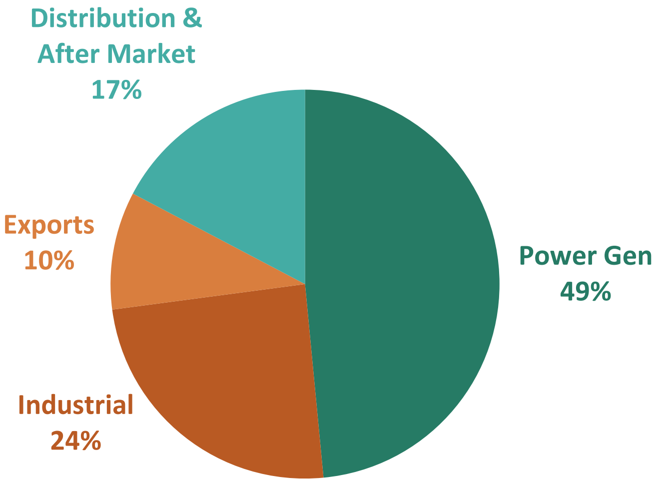
CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

Segment Revenue Trend*

All amounts are in "₹ Crore"



Segment Revenue Composition For Current Quarter



Performance Updates

- Demand revival in power generation business
- New milestones in Industrial business

Domestic:

- Seamless BS V transition for industrial engines
- Strong demand defence segment continues with 'Make 1' gaining priority
- High horsepower gensets gaining momentum; Sentinel series finding application in different end uses
- Restructuring in Distribution and After Market business ongoing

International:

- Worlds smallest 1,000kVA unveiled at MEE-2025
- Focused on developing new channel for MENA region

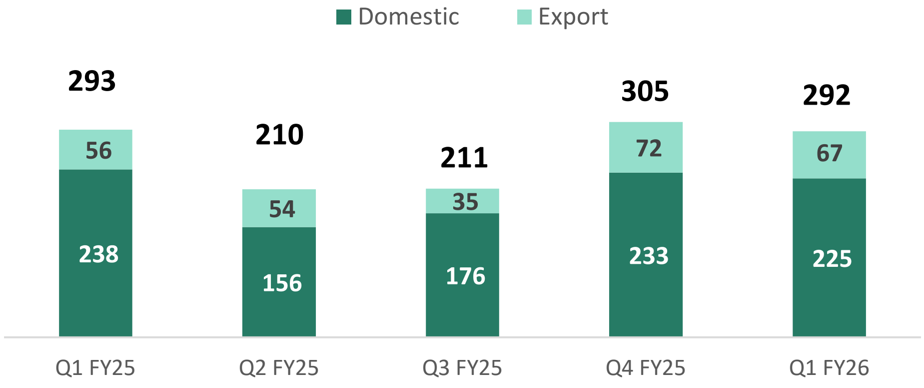
* Numbers reported are after considering the reorganisation of FMS business from B2C to B2B. The previous periods have been regrouped to make them comparable with those of the current periods.

CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2C

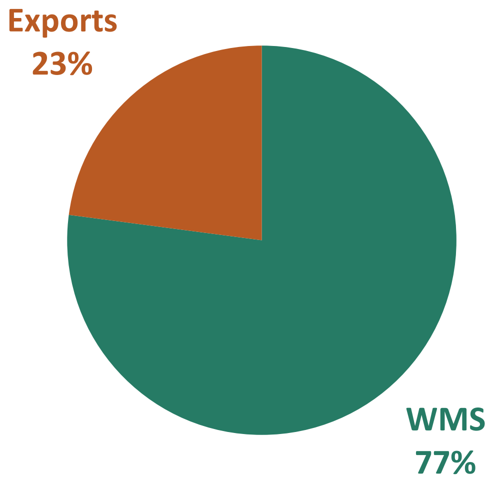
Kirloskar Oil Engines

Segment Revenue Trend*

All amounts are in "₹ Crore"



Segment Revenue Composition For Current Quarter



Performance Updates

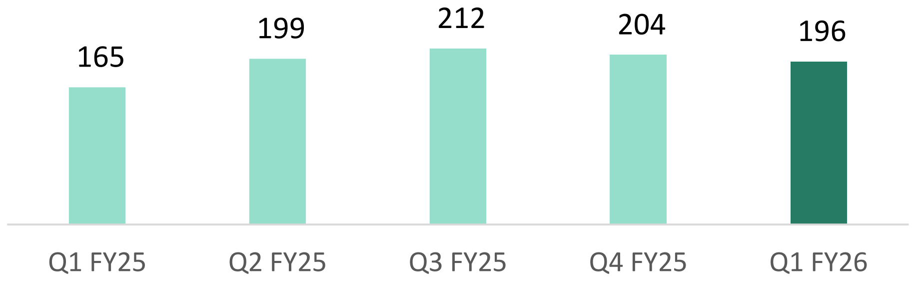
- Strong demand in domestic market
- Surge in Agri market demand for submersible pumps
- B2C exports gaining traction despite political instability
- Strong demand from MENA region

* Numbers reported are for continuing operations only as reported in unaudited results and after considering the reorganization of FMS business from B2C to B2B. The previous periods have been regrouped to make them comparable with those of the current periods.

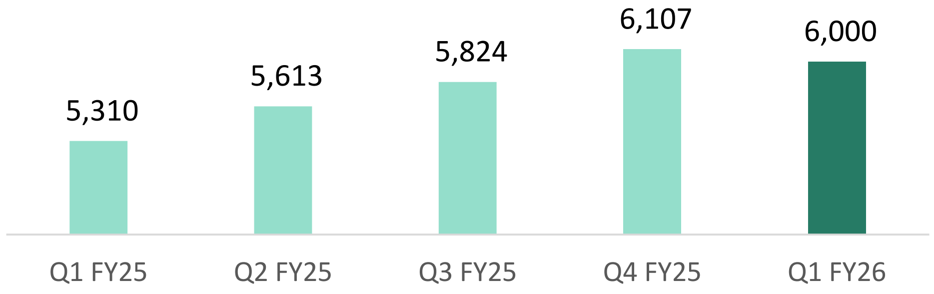
CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

Segment Revenue Trend

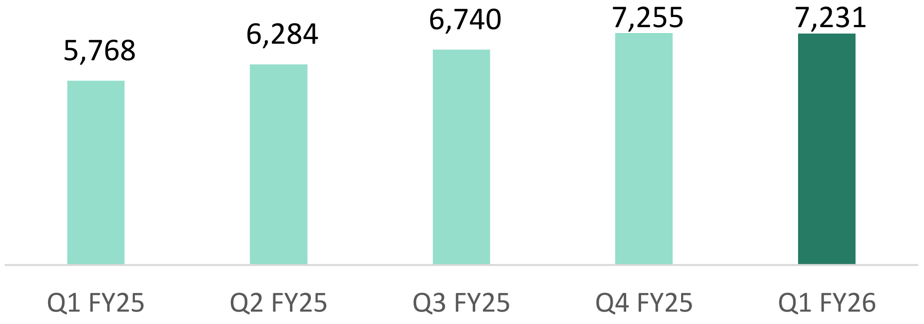
All amounts are in "₹ Crore"



Loan Book Trend



AUM* Trend



Performance Updates

- KOEL's total investment in AFHPL as on 30th June 2025 stood at ₹ 1,053 Crore.#
- AFHPL Consolidated revenue from operations stood at ₹ 196 Crore in Q1 FY26; a growth of 18% YoY
- AFHPL Consolidated PAT for Q1FY26 stood at ₹ 10.1 Crore
- Total Debt as on 30th June 25 stood at ₹ 5,365 Crore
- Debt to Equity Ratio:
  - 30th Jun 25 - 4.2
  - 31st Mar 25 - 4.4
  - 31st Dec 24 - 4.0
  - 30th Sep 24 - 4.1
  - 30th Jun 24 - 3.5
- Total AUM* as on 30th June 25 at ₹ 7,231 Crore
- Drive to grow Secured granular retail business continues.

*Excludes treasury assets and includes off balance sheet loan book
Includes profit of ₹ 53 Crore on holding structure change.

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    - PROFIT AND LOSS STATEMENT
    - WORKING CAPITAL AND NET CASH POSITION
  - **CONSOLIDATED**
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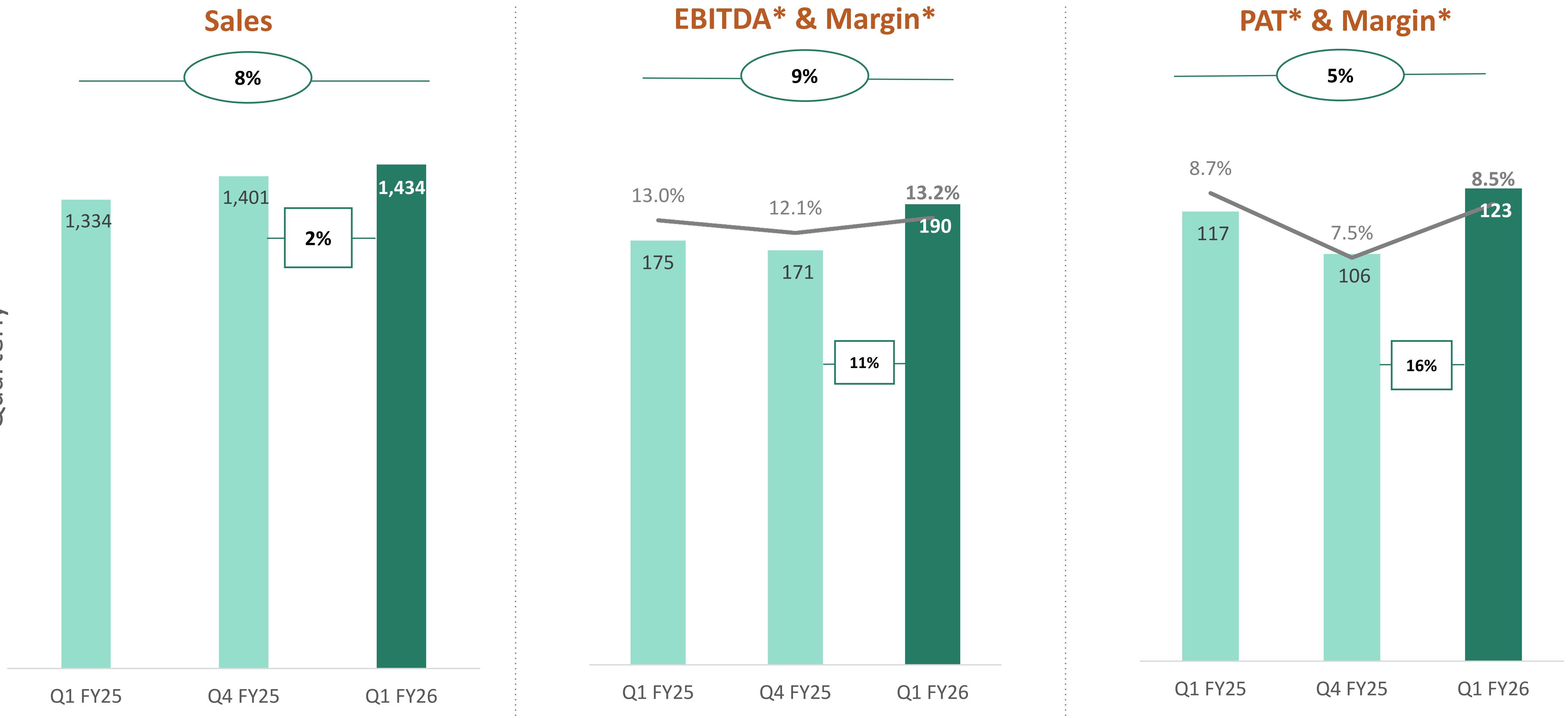
    - PROFIT AND LOSS STATEMENT
    - SEGMENT RESULTS

STANDALONE – PERFORMANCE HIGHLIGHTS

All amounts are in “₹ Crore”

Quarterly



* Numbers for the previous period are excluding reversal of provision for overdue receivables made for a customer towards sales made in earlier years. EBITDA Margin, at standalone level, for the previous period including reversal for overdue receivable provision was 14.8%. In the current period there is no such reversal. For details, please refer ‘Note to the unaudited financial results’ published on the stock exchanges.

- Numbers for the previous quarters have been regrouped wherever required to make them comparable with those of the current quarter.

STANDALONE - PROFIT AND LOSS STATEMENT

All amounts are in “₹ Crore”

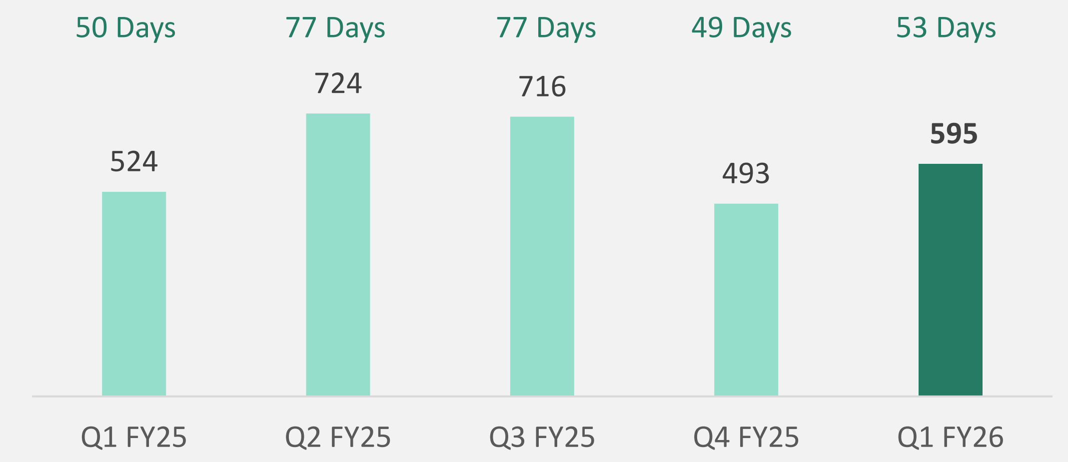
Particulars	Q1 FY26	Q4 FY25	Q-o-Q	Q1 FY25	Y-o-Y
Net Sales	**1,434.0**	**1,401.1**	**2%**	**1,333.8**	**8%**
Other Operating Income	10.6	11.4	-7%	9.2	16%
Revenue From Operations	**1,444.6**	**1,412.5**	**2%**	**1,342.9**	**8%**
Raw Material	951.0	937.0	1%	886.4	7%
Employee Costs	86.3	88.0	-2%	81.5	6%
Other Expenses	217.2	216.9	0%	176.0	23%
EBITDA #	**190.2**	**170.6**	**11%**	**199.1**	**-4%**
EBITDA Margin %	**13.2%**	**12.1%**	**9%**	**14.8%**	**-11%**
Other Income	12.3	8.5	44%	9.2	33%
Depreciation	34.0	33.7	1%	24.7	37%
Interest	3.2	3.5	-9%	2.6	22%
PBT Before Exceptional Items	**165.3**	**141.9**	**17%**	**181.0**	**-9%**
Exceptional Items - (Expenses) / Income	**-**	**20.9**	**-100%**	**-**	**-**
PBT	**165.3**	**162.8**	**2%**	**181.0**	**-9%**
Tax	42.5	41.6	2%	46.2	-8%
PAT #	**122.8**	**121.1**	**1%**	**134.7**	**-9%**
PAT Margin (%)	**8.5%**	**8.6%**	**-1%**	**10.0%**	**-15%**

#Numbers for the previous period are including reversal of provision for overdue receivables made for a customer towards sales made in earlier years. EBITDA Margin, at standalone level, for the previous period excluding reversal for overdue receivable provision was 13%. In the current period there is no such reversal. For details, please refer ‘Note to the unaudited financial results’ published on the stock exchanges.
- Numbers for the previous periods have been regrouped wherever required to make them comparable with those of the current periods.

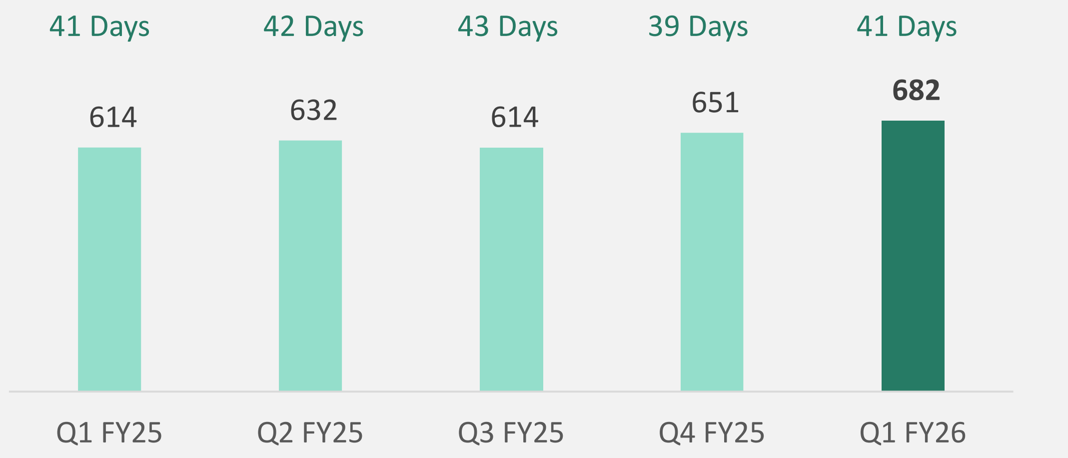
STANDALONE WORKING CAPITAL AND NET CASH POSITION

All amounts are in "₹ Crore"

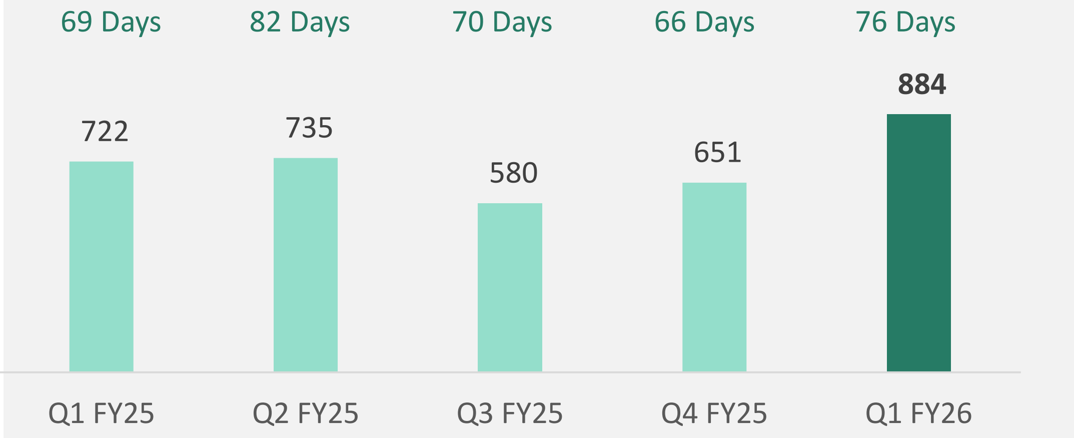
Inventories



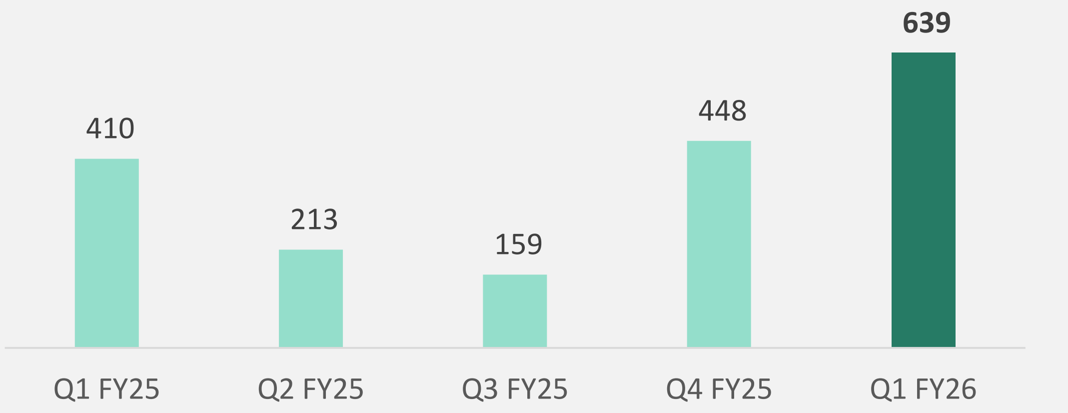
Receivables



Payables



Net Cash* Position

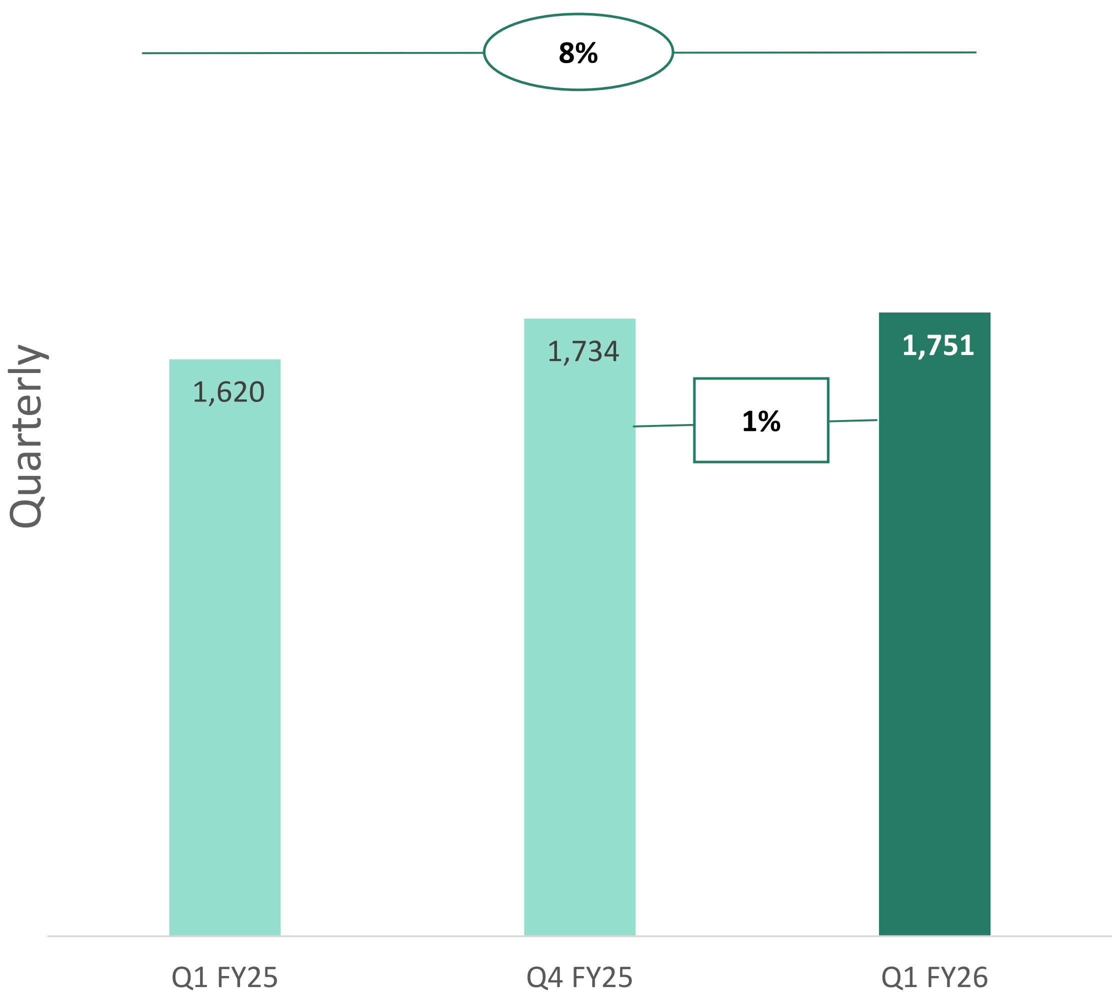


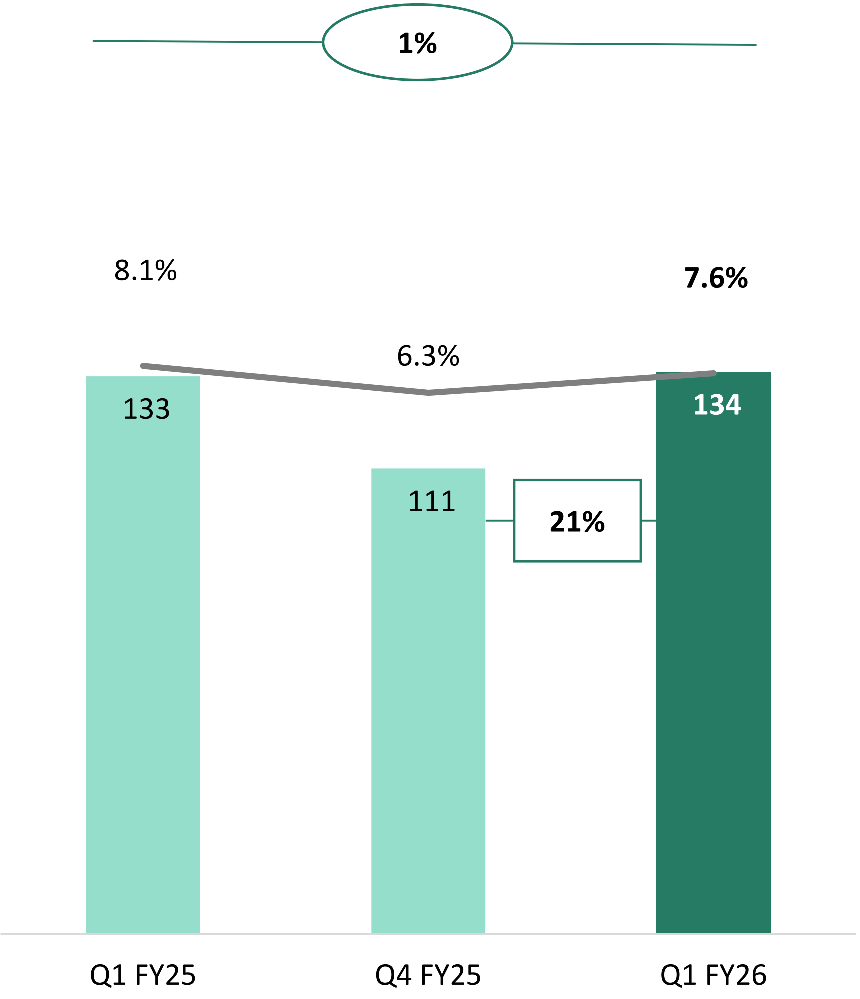
Notes :

1) No. of days has been calculated using average value and TTM (Trailing Three Months method).
2) *Net of debt; includes treasury investments and excludes unclaimed dividends.

CONSOLIDATED^ – PERFORMANCE HIGHLIGHTS

All amounts are in "₹ Crore"





^ Numbers reported are for continuing operations only
* Numbers for the previous period are excluding exceptional items and reversal of provision for overdue receivables made for a customer towards sales made in earlier years. Net Profit for the previous period excluding exceptional items and including reversal for overdue receivable provision was ₹ 151 Crore. In the current period there are no such exceptional items and reversals. Please refer 'Note to the unaudited financial results' published on the stock exchanges
-Numbers for the previous quarters have been regrouped wherever required to make them comparable with those of the current quarter.

CONSOLIDATED - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q1 FY26	Q4 FY25	Q-o-Q	Q1 FY25	Y-o-Y
Net Sales*	**1,750.9**	**1,734.1**	**1%**	**1,619.5**	**8%**
Other Operating Income	13.0	15.3	-15%	12.4	5%
Revenue From Operations	**1,763.8**	**1,749.3**	**1%**	**1,631.9**	**8%**
Other Income	34.7	15.1	129%	9.5	266%
Total Income	**1,798.5**	**1,764.4**	**2%**	**1,641.3**	**10%**
Raw Material	1,018.9	1,011.4	1%	948.1	7%
Employee Costs	137.1	142.0	-3%	124.7	10%
Other Expenses	281.2	283.4	-1%	234.4	20%
Depreciation	39.7	39.1	1%	30.2	31%
Finance Cost	139.4	130.6	7%	101.1	38%
Share of net profit of joint venture - equity method (net of tax)	-	-	-	0.7	-100%
PBT Before Exceptional Items from continuing operations	**182.3**	**157.8**	**16%**	**203.5**	**-10%**
Exceptional Items - (Expenses) / Income	-	20.9	-100%	7.42	-100%
PBT from continuing operations	**182.3**	**178.7**	**2%**	**210.9**	**-14%**
Tax	48.1	52.6	-8%	54.8	-12%
PAT # from continuing operations (A)	**134.2**	**126.1**	**6%**	**156.1**	**-14%**
PAT# Margin from continuing operations (%)	**7.6%**	**7.2%**	**6%**	**9.6%**	**-20%**
PAT from discontinuing operations (B)	4.7	0.4	1K%	0.4	1K%
PAT # from continuing and discontinuing operations (A+B)	**138.9**	**126.6**	**10%**	**156.5**	**-11%**

*Net Sales includes revenue from financial services business.

Numbers for the previous period are excluding exceptional items and including reversal of provision for overdue receivables made for a customer towards sales made in earlier years. Net Profit for the previous period excluding exceptional items and excluding reversal for overdue receivable provision was ₹ 133 Crore. In the current period there are no such exceptional items and reversals. For details, please refer 'Note to the unaudited financial results' published on the stock exchanges.

- Numbers reported are for continuing operations only as reported in unaudited results
- The previous periods have been regrouped to make them comparable with those of the current periods.

SEGMENT RESULTS - CONSOLIDATED

Kirloskar Oil Engines

All amounts are in “₹ Crore”

Particulars	Q1FY26	Q4FY25	Q-o-Q	Q1FY25	Y-o-Y
Segment Revenue					
B2B	1,276.3	1,240.7	3%	1,173.1	9%
B2C	291.8	304.7	-4%	293.3	-1%
Financial Services	195.7	204.0	-4%	165.5	18%
Revenue From Operations	**1,763.8**	**1,749.3**	**1%**	**1,631.9**	**8%**
Segment Results#					
B2B^^	139.3	112.7	24%	149.6	-7%
B2C	27.7	36.3	-24%	33.7	-18%
Financial Services##	13.7	11.0	25%	19.1	-28%
Unallocated	7.5	4.1	81%	5.3	42%
Total	**188.1**	**164.1**	**15%**	**207.6**	**-9%**
Less:					
Finance Costs*	5.8	6.2	-7%	4.2	37%
Exceptional items**- (income)/expense	-	(20.9)	-100%	(7.4)	-100%
Profit Before Tax from continuing operations (A)	**182.3**	**178.7**	**2%**	**210.9**	**-14%**
Profit Before Tax from discontinuing operations (B)	4.5	0.6	710%	0.5	743%
Profit Before Tax for the period (A+B)	**186.9**	**179.3**	**4%**	**211.4**	**-12%**

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Profit/(Loss) before exceptional items, tax and interest from each segment

##Profit/(Loss) before exceptional items, tax and after interest.

*Other than the interest pertaining to the "Financial Services" segment.

** For details of Exceptional items, please refer ‘Notes to the unaudited financial results’ published on the stock exchanges.

^^ Segment results for B2B for the previous period excluding reversal for overdue receivable provision was ₹ 126 Crore and the Y-o-Y growth is 11%. In the current period there are no such exceptional items and reversals. For details, please refer ‘Note to the unaudited financial results’ published on the stock exchanges.

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