Date: 18.11.2026

To,
The Manager- Listing
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai, Maharashtra, 400051

Company Symbol: MADHURKNIT

Subject: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") – Management Commentary

Dear Sir/Madam,

Pursuant to Regulation 30 of the Listing Regulations, please find enclosed herewith the Management Commentary of the Company on the financial results for the half year ended September 30, 2026.

This intimation is also available on the Company's website at www.mkcpl.in.

Kindly take the above information on record.

Thanking you,
Yours faithfully,

For Madhur Knit Crafts Limited

PIYUSH GUPTA
Digitally signed by PIYUSH GUPTA
Date: 2026.11.18 18:44:21 +05'30'

(Piyush Gupta)
Whole-time director
DIN: 05141402

MADHUR KNIT CRAFTS LIMITED

H1 FY27 Management Commentary & Business Update

Date: 18th November, 2026

Dear Shareholders,

We are pleased to share our financial and operational performance for the half year ended September 30, 2026 (H1 FY27). This is our first set of results as a listed company. Following the announcement of our financial results, this communication provides an overview of our financial performance, key operating developments, strategic priorities and outlook as we progress through FY27.

H1 FY27 was a milestone half for Madhur Knit. We grew revenue by 26%, grew profit after tax by 20%, completed our Initial Public Offering and listed on the NSE Emerge platform on September 1, 2026. The IPO proceeds have significantly strengthened our balance sheet and reduced our debt.

All amounts are in ₹ lakhs unless stated otherwise.

1. Executive Summary & Headline Performance

Revenue Performance

Revenue from operations for H1 FY27 stood at **₹12,287.62 lakhs**, compared to ₹9,729.23 lakhs in H1 FY26, registering year-on-year growth of approximately **26.3%**.

Sequentially, H1 FY27 revenue was approximately 8.0% higher than the ₹11,374.22 lakhs reported in H2 FY26 (October 2025 – March 2026).

Profitability Performance

EBITDA for H1 FY27 stood at **₹1,533.32 lakhs**, compared to ₹1,402.55 lakhs in H1 FY26, up approximately 9.3%.

Profit Before Tax stood at ₹1,079.13 lakhs, compared to ₹898.97 lakhs in H1 FY26, up approximately 20.0%.

Profit After Tax stood at **₹803.65 lakhs**, compared to ₹669.44 lakhs in H1 FY26, registering year-on-year growth of approximately **20.0%**.

Margins

EBITDA margin improved to **12.5%** in H1 FY27 from 11.9% in H2 FY26, and gross margin improved to 26.7% from 25.8% over the same period. EBITDA margin for H1 FY26 stood at 14.4%.

Cost Efficiency

Other expenses reduced to 11.3% of revenue from 15.3% in H1 FY26, and employee cost to 2.9% from 3.5%, as revenue grew faster than fixed costs. Finance costs declined by approximately 13.8% to ₹317.71 lakhs from ₹368.65 lakhs.

Balance Sheet

Shareholders' funds increased to **₹10,092.83 lakhs** as of September 30, 2026, from ₹4,427.41 lakhs as of March 31, 2026, supported by the IPO proceeds and profit for the period. During the half year, the Company repaid ₹2,035.15 lakhs of borrowings from the IPO proceeds. The debt-to-equity ratio improved to **0.69x** from 1.66x.

2. Managing Director Commentary: Strategic & Operational Highlights

Mr. Arun Gupta – Managing Director

H1 FY27 has been an important period for Madhur Knit. Our listing on NSE Emerge on September 1, 2026 is a milestone in a journey that began with blanket manufacturing in 2013. We thank every investor who placed their trust in us, and we recognise the responsibility that comes with being a listed company.

A flexible, integrated textile platform

Our core strength is a fully integrated yarn-to-fabric facility in Ludhiana, with knitting, dyeing, printing and an in-house finishing and processing house under one roof. This infrastructure is flexible: the same machines can serve different products and end-use industries. It allows us to move with market demand rather than being tied to a single product, and we see this flexibility as a key part of how we create value.

Focus on man-made filament fabrics

Knitted fabrics made from man-made filament (MMF) yarns are the core of our business. Many of these fabrics have traditionally been imported, largely from China. We aim to offer Indian customers comparable quality at competitive prices and close delivery. The Government's GST rationalisation in September 2025, which reduced GST on man-made fibre from 18% to 5% and on man-made yarn from 12% to 5%, corrected the long-standing inverted duty structure in the MMF value chain. We believe this supports domestic MMF fabric manufacturers like us.

Product portfolio aligned to demand and margins

We regularly review our product mix and allocate capacity to products where demand and margins are stronger. In line with this, we are winding down our lower-margin blanket business and redeploying capacity to higher-value knitted fabrics. Our machinery remains capable of serving this segment if the opportunity improves.

Widening end-use applications

Our fabrics serve apparel, bedding, home furnishings and industrial applications. We are developing newer applications, including paint-roller fabrics for the paint industry and fabrics for saddle manufacturers, and we are building relationships with organised apparel manufacturers that supply global brands.

Our commitment as a listed company

We remain committed to strong governance, transparent communication with shareholders and responsible use of the capital entrusted to us.

3. CFO Commentary: Financial Performance & Balance Sheet

Mr. Piyush Gupta – Whole Time Director & Chief Financial Officer

Our H1 FY27 performance reflects strong revenue growth, better absorption of fixed costs and a much stronger balance sheet after the IPO.

Growth with operating leverage

Revenue grew approximately 26.3% year-on-year, while other expenses as a share of revenue reduced from 15.3% to 11.3%, reflecting better absorption of fixed costs. Gross margin improved to 26.7% in H1 FY27 from 25.8% in H2 FY26, and we will continue to focus on a richer product mix.

Lower finance costs and stronger balance sheet

Finance costs declined approximately 13.8% year-on-year to ₹317.71 lakhs. During the half year, we used ₹2,035.15 lakhs of IPO proceeds to repay a portion of our borrowings, as stated in the offer document. Long-term borrowings reduced to ₹1,907.83 lakhs from ₹2,953.42 lakhs.

With shareholders' funds of ₹10,092.83 lakhs, our debt-to-equity ratio improved to **0.69x** from 1.66x as of March 31, 2026. The full benefit of the debt repayment on finance costs will be visible from H2 FY27.

Financial priorities

Going forward, our financial priorities are effective working capital management, improved cash flow generation, reducing finance costs and disciplined capital allocation.

4. Business Update: A Sharper Product Portfolio

H1 FY27 marks a clear shift in what Madhur Knit makes and sells. Over the past year, we have concentrated our capacity on knitted fabrics and moved away from finished products where our value addition was limited.

Fabrics now drive almost the entire business

Fabrics contributed **₹12,207.85 lakhs** in H1 FY27, or **99.4%** of revenue from operations, compared to 96.5% for the full year FY26. Our in-house knitting, dyeing and finishing infrastructure is now focused almost entirely on producing fabrics for other manufacturers across apparel, home textiles and industrial uses.

Blankets and garments have been scaled down

In line with our decision to step back from lower-margin finished products, blanket sales stood at ₹16.11 lakhs in H1 FY27, compared to ₹341.73 lakhs in FY26. Garment sales stood at ₹63.66 lakhs, compared to ₹406.45 lakhs in FY26. Together, these products now account for less than 1% of revenue. The machinery used for these products is being redeployed towards fabric production.

New fabric applications are scaling quickly

The growth in our fabric business has come largely from newer products developed over the past year.

Paint-roller fabric, used by paint-roller manufacturers serving the paint industry, accounted for approximately 8% of fabric sales in H1 FY27, up from about 1% in FY26. Sales of approximately **₹977 lakhs** in H1 FY27 were nearly five times the approximately ₹204 lakhs achieved in the whole of FY26.

Faux cotton fabric, a cotton-feel fabric made from man-made yarns, accounted for approximately 28% of fabric sales in H1 FY27, up from about 8% in FY26. Sales of approximately **₹3,418 lakhs** in H1 FY27 were more than double the approximately ₹1,628 lakhs for the full year FY26.

Together, these two products contributed over one-third of our revenue in H1 FY27, compared to less than one-tenth in FY26. They reflect our approach of using a flexible, integrated plant to follow demand into new applications, including import-substitution opportunities in man-made fibre fabrics.

5. IPO and Post-Listing Developments

During H1 FY27, Madhur Knit completed its Initial Public Offering, a fresh issue of 53,26,800 equity shares of face value ₹10 each at an issue price of ₹100 per share, aggregating **₹5,326.80 lakhs**. The equity shares were listed on the SME platform of the National Stock Exchange of India Limited (NSE Emerge) on September 1, 2026, under the symbol MADHURKNIT. Following the IPO, the paid-up equity share capital of the Company stands at ₹1,900.92 lakhs.

Utilisation of IPO proceeds

As of September 30, 2026, the Company had utilised ₹4,832.50 lakhs of the ₹5,326.80 lakhs raised. This includes ₹2,035.15 lakhs towards repayment or prepayment of borrowings (against an allocation of ₹2,085.00 lakhs), ₹1,584.70 lakhs towards working capital requirements (against ₹1,591.65 lakhs), ₹690.00 lakhs towards general corporate purposes (against ₹790.00 lakhs) and ₹492.65 lakhs towards issue expenses.

Of the ₹367.50 lakhs allocated to the purchase of solar panels, ₹30.00 lakhs has been utilised so far. The total unutilised balance stood at ₹494.30 lakhs. There has been no deviation or variation in the use of the IPO proceeds from the objects stated in the offer document. Infomerics Valuation and Rating Limited is the monitoring agency for the issue.

6. Outlook and H2 FY27 Priorities

The Company has not provided specific revenue or margin guidance. For the second half of FY27, our focus will be on the following areas:

- **Financial discipline:** maintaining a disciplined approach towards working capital management, cash flow generation and prudent capital allocation.
- **Margin improvement:** shifting our product mix towards higher-value MMF and technical fabrics, completing the exit from lower-margin products and capturing the benefit of lower finance costs.
- **Capacity utilisation:** using our expanded capacity more fully through new customers and new end-use applications.
- **Technical textiles and new applications:** growing our presence in industrial fabrics such as paint-roller and laminated fabrics, which need specialised processing.
- **Geographic expansion:** expanding our B2B network beyond Punjab, including participation in trade fairs in southern India, as set out in our offer document.
- **Solar power project:** completing the solar panel installation funded from the IPO proceeds to reduce our power costs.
- **Governance and investor engagement:** maintaining clear and regular communication with shareholders as a newly listed company.

7. Closing Remarks

H1 FY27 was a milestone half for Madhur Knit. We grew revenue by 26% and profit after tax by 20%, completed our IPO and significantly strengthened our balance sheet.

We thank our shareholders, customers, suppliers, bankers, employees and all stakeholders for their continued trust and support. We look forward to sharing our progress regularly.

For Madhur Knit Crafts Limited
NSE: MADHURKNIT

Safe Harbour

This document may contain forward-looking statements about the Company's business, plans and prospects. These statements are based on current expectations and involve risks and uncertainties that could cause actual results to differ materially. Such risks include, among others, raw material prices, demand conditions, competition, changes in government policy and general economic conditions. The Company undertakes no obligation to update any forward-looking statements. This document does not constitute an offer or recommendation to buy or sell any securities.

Note: Figures for H1 FY26 have been compiled by management and approved by the Board of Directors, and have not been audited or reviewed by the statutory auditors. EBITDA is calculated as total income less total expenses, excluding finance costs and depreciation; margins are calculated on revenue from operations.