16th November, 2026

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Symbol: 532934

The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
Symbol: PPAP

Subject: Transcript of earnings conference call for the quarter and half year ended 30th September, 2026

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosing herewith transcript of earnings conference call held on Wednesday, 11th November, 2026 to discuss financial results for the quarter and half year ended 30th September 2026.

The transcripts are also available on Company's website at:
https://www.ppapco.in/financials#conference_call_transcript

This is for your information and record.

Thanking you,

Yours faithfully,
For **PPAP Automotive Limited**

PANKHURI AGARWAL

Digitally signed by PANKHURI AGARWAL
DN: c=IN, o=Personal, title=9927, pseudonym=wjyp69bo1vn7x2dfthvm8rkqic3z045la, 2.5.4.20=1604d2976e249f5c48b13a49ffd67cf5420826ff accb064656016608cc8c030, postalCode=201017, st=Uttar Pradesh, serialNumber=3c5cb42087c3255c3ff07a4e4fc771f8f08c 0796ee464df8b34d770d694aa473, cn=PANKHURI AGARWAL
Date: 2026.11.16 17:23:20 +05'30'

Pankhuri Agarwal
Company Secretary & Compliance Officer

"PPAP Automotive Limited

Q2 & H1 FY27 Earnings Conference Call"

November 11, 2026

"E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on November 11, 2026 will prevail."

MANAGEMENT: **MR. ABHISHEK JAIN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**
MR. SACHIN JAIN – CHIEF FINANCIAL OFFICER
STRATEGIC GROWTH ADVISORS – INVESTOR RELATIONS ADVISOR

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 and H1 FY27 Earnings Conference Call of PPAP Automotive Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Jain, Managing Director and CEO of PPAP Automotive Limited. Thank you, and over to you, sir.

Abhishek Jain: Good afternoon, everyone, and a very warm welcome to all of you. Thank you so much for joining us for PPAP Automotive Limited's Quarter 2 and First Half of Financial Year '27 Earnings Conference Call. I'm joined today by Mr. Sachin Jain, our Chief Financial Officer, along with our Investor Relations Advisor, Strategic Growth Advisors. I hope all of you have had an opportunity to go through our financial results and investor presentation, which have been uploaded on the stock exchanges as well as on our company's website.

Let me begin today's call with a brief overview of the industry. The Indian automobile industry continued its strong growth momentum during the second quarter of financial year '27, recording its highest ever second quarter sales across all major vehicle segments.

Domestic sales grew by 18.2% year-on-year basis to 83.88 lakh units, which is supported by improved affordability following the GST 2.0, healthy demand across rural and urban markets and a gradual pickup in vehicle replacement demand.

Looking ahead, the outlook for the industry remains encouraging. SIAM expects the positive growth momentum to continue in the second half of financial year '27 as well, which will be primarily supported by festive demand, new vehicle launches, infrastructure development, fleet replacement and increasing demand for last mile mobility.

At the same time, we remain mindful of the evolving macroeconomic landscape, particularly inflationary pressures, the possibility of interest rate hikes and the ongoing geopolitical uncertainties, which may pose challenges to the broader operating environment.

The broad-based recovery across vehicle segments provides a favorable environment for automotive component manufacturers like us. With our established relationships across leading OEMs, expanding product capabilities and increasing participation in the new vehicle programs, we believe we are well positioned to benefit from all these new opportunities.

Coming to our business performance, quarter 2 financial year '27 witnessed sustained business momentum supported by favorable industry dynamics, higher vehicle production and healthy demand across our key customers' platforms.

Successful new model launches and broad-based growth across passenger vehicles, commercial vehicles and 2-wheelers provided further impetus to our performance. Our strong execution capabilities and focus on operational efficiencies enabled us to capitalize on these opportunities and deliver record quarterly revenue alongside an improvement in overall profitability.

Consolidated revenue for quarter 2 financial year '27 grew by 29.8% year-on-year to INR177.8 crores, while the first half of financial year '27, revenue increased by 31.8% year-on-year to INR334.2 crores, again, supported by the strong execution of our order book and the growth in the automobile industry.

Alongside the growth in revenue, consolidated gross profit increased by 13.4% year-on-year to INR70.8 crores in quarter 2 and by 18.1% year-on-year to INR136 crores in the first 6 months. However, gross margins stood at 39.8% in quarter 2 and 40.7% in the 6 months period compared with 45.6% and 45.4%, respectively, in the corresponding periods last year.

The moderation in gross margins was primarily attributable to elevated raw material costs and a higher contribution from tooling and battery businesses to the overall revenue mix. It is important to note that the pass-through of increased raw material costs to customers results in a corresponding increase in reported revenue without a proportionate increase in gross profit. Consequently, this leads to a mechanical dilution in the gross margin percentage even when the underlying cost increase is fully recovered.

The OEM pricing and cost pass-through mechanism involves an inherent time lag in recovering increased input cost. We expect the pressure on margins to ease progressively as pending price revisions are approved and the corresponding cost recoveries are realized. Despite the pressure on gross margins, our focus continued on improving the operational efficiencies, cost optimization and improved operating leverage helped mitigate us the impact at the EBITDA level.

Consolidated EBITDA increased by 23% year-on-year to INR15.7 crores in quarter 2, while in the first 6 months, EBITDA grew by 27.4% year-on-year to INR28.1 crores. EBITDA margin stood at 8.8% in quarter 2 and 8.4% in H1 financial year '27, reflecting a sequential improvement in operating performance.

Capacity utilization also improved significantly to approximately 78% in quarter 2 compared with 73% in quarter 1 of financial year '27 and 68% in quarter 2 of financial year '26. Our net finance costs also declined meaningfully during the first half of financial year '27. The proceeds from the divestment of our stake in the joint venture have been prudently invested in short-term funds pending their strategic deployment.

The treasury income generated from these investments contributed to a reduction of approximately 28% in consolidated net finance costs to INR6.12 crores in the first 6 months compared with INR8.5 crores in the first half of previous financial year.

At the bottom line, the company reported a significant turnaround in profitability with consolidated PAT of INR2.5 crores in quarter 2 compared with a marginal loss of INR5 lakhs in the corresponding quarter last year. For the first half of this financial year, consolidated PAT stood at INR3.3 crores against a loss of INR2.3 crores in the previous financial year, marking a clear return to profitability.

This improvement reflects the benefits of higher business volumes, enhanced operational efficiencies and improved operating leverage. Our stand-alone business continued to deliver healthy growth with revenue increasing by 24.4% year-on-year to INR165.1 crores in quarter 2 and 26.7% increase to INR309.3 crores in H1 of financial year '27.

Stand-alone EBITDA grew by 11.7% to INR14.9 crores in Q2 and 16.8% to INR27.0 crores in H1 of financial year '27 with margins of 9.0% and 8.7%, respectively. At the bottom line, PAT increased by 78.9% year-on-year to INR3.5 crores in quarter 2, while H1 financial year '27 PAT rose 3.7x to INR5.8 crores compared with INR1.6 crores in the previous first 6 months of the previous financial year.

Let me now briefly discuss the performance and developments across our key business verticals. Starting with our automotive parts business, which continues to remain the largest contributor to our overall revenues. The business continued to benefit from healthy demand across key vehicle segments, higher customer production schedules and the continued ramp-up of new vehicle programs.

Our focus remains on strengthening our relationship with existing OEM customers, expanding our presence across new vehicle platforms and increasing our product offerings through technology-led solutions.

Order inflows witnessed a significant acceleration during the first half of financial year '27, reflecting strong customer confidence in our capabilities and our expanding product portfolio. We secured lifetime order wins of approximately INR300 crores in quarter 2 financial year '27, taking our cumulative H1 financial year '27 order wins to INR429 crores.

Particularly encouraging has been the substantial growth in EV-related order wins, which increased to INR156.5 crores in H1 financial year '25 from approximately INR27 crores in H1 financial year '26, representing a nearly 6x growth in the new orders received.

Coupled with the healthy pipeline of opportunities in the non-EV segment, these wins reinforce our strengthening presence across conventional and electric vehicle programs, enhance our order book visibility and provide a strong foundation for sustained and derisked growth over the coming years.

There is also meaningful progress on our new technology partnership with Hutchinson for advanced automotive body sealing system. We continue to engage with all customers and are hopeful to achieve a breakthrough in quarter 4 of financial year '27.

The new plant in Chennai is progressing well with the investments made expected to become fully operational by quarter 3 of financial year '27. Further capacity expansion investments will be evaluated in quarter 3 based on the order book position, business growth prospects and capacity utilization levels.

We are also expanding our presence in Sambhaji Nagar, which is rapidly emerging as an important automotive manufacturing hub, attracting leading manufacturers such as JSW, Ather and Toyota. This presents opportunities to deepen our customer relationships and expand our business footprint in this new region.

In parallel, we are developing approximately 400 new SKUs, which are expected to enter production over the next 12 months, further strengthening our product portfolio and growth opportunities. We expect this business to strengthen further as pending customer claims and cost recoveries are realized. I'm confident that the improved recoveries, coupled with growing business volumes will contribute to a higher profitability in the coming quarters.

Moving to our aftermarket business. We continue to make steady progress in expanding our product portfolio and strengthening our distribution reach. During quarter 2 of financial year '27, revenue from the aftermarket business grew by 24% year-on-year, supported by the expansion in products and distribution network.

During the second quarter of this financial year, we launched 79 new additional products in the aftermarket segment, further broadening our offerings across 5 broad categories that we operate in: spare parts, service parts, car accessories, car care and car perfume. Our product portfolio currently comprises of active 1,337 SKUs, reflecting our continued efforts to address a wider range of customer requirements.

Alongside product expansion, we have also been strengthening our distribution network, which currently stands at 154 distributors. Going forward, our focus will remain on expanding our product portfolio, strengthening our distribution network and deepening our presence across online and offline channels.

By quarter 4 of financial year '27, we plan to further strengthen our team and establish 2 additional regional warehouses to enhance supply chain efficiency and ensure faster and more effective servicing of our distributors.

Currently contributing approximately 5% to the group sales, this business has significant growth potential. We are building the necessary capabilities and infrastructure to increase its contribution to approximately 10% of group sales over the coming years.

Coming to our tooling business, we continue to focus on strengthening our precision engineering capabilities and expanding our presence across automotive and nonautomotive applications. During the second quarter of this financial year, we secured orders for 50 new molds, taking our total mold order book to 196 molds valued at approximately INR40 crores.

Capacity utilization stood at 86% during the quarter, while revenue from our Meraki tooling business grew by approximately 60% year-on-year to INR8.3 crores, reflecting strong business momentum. As communicated earlier, we have been working towards creating a more focused operating structure for the tooling business under a 100% owned subsidiary of PPAP, which is called as Meraki Precision Tool Engineering Limited.

This initiative is aimed at improving operational flexibility, strengthening the customers' engagement and creating a very clear and dedicated platform for future growth in the tooling business. The slump sale is expected to be completed by the end of quarter 3 of this financial year, subject to the requisite approvals.

Moving to our Industrial Product business. We continue to leverage our existing expertise in plastic and rubber extrusion along with injection molding capabilities to develop products for a wider range of industrial applications. During this quarter, the business recorded revenue growth of about 64% to INR2.8 crores, albeit on a relatively small base, but contributing around 2% to the group revenue.

We see significant potential to scale this vertical through new product development, expanding of applications and deeper customer engagement with the objective of building it into a stronger and more meaningful contributor to the group's overall business. Coming to our lithium-ion battery business, our focus continues to remain on strengthening our presence in ESS applications while improving the operational performance of the business.

During the second quarter, the business recorded a significant increase in revenue to INR6.6 crores compared with INR1 crores in the previous quarter -- previous year second quarter, encouragingly the EBITDA loss narrowed substantially to INR30 lakhs from INR1.2 crores in the corresponding quarter last year, reflecting improved operational performance.

Plant capacity utilization also improved to about 15%. The business continues to navigate a competitive environment with volatility in cell prices, consistency of cell quality from suppliers, market pricing pressures and shorter customer delivery time lines posing as key challenges. We are working closely with our customers and supply chain partners to strengthen sourcing efficiencies, optimize the inventory and therefore, improving our cost competitiveness.

The proposed merger of Avinya Batteries Limited with PPAP is on course and is expected to be completed by the end of this financial year, probably by the end of quarter 4, again, subject to the requisite regulatory and statutory approvals. The merger will further simplify our corporate structure and allow the battery business to be integrated more closely with the rest of the company.

Overall, we are encouraged by the progress made during the first half of financial year '27. The healthy growth in revenues, improvement in operating performance and significant increase in lifetime order wins reflect a very positive momentum across all our businesses.

It gives me immense pleasure to share that the Board of Directors has declared an interim dividend of INR1.5 per equity share, reaffirming our commitment to rewarding our shareholders and sharing the benefits of the company's growth and performance.

As we enter the second half of financial year '27, the outlook continues to remain encouraging. We will continue to build momentum across all our business verticals, while advancing the group's structural transformation, strengthening operational efficiencies and enhancing organizational capabilities to drive sustainable and long-term growth.

While raw material price movements and geopolitical uncertainties remain important factors to monitor, we remain focused on operational excellence, cost optimization and sustained margin improvement. We will continue to proactively engage with our customers, so that we can get timely cost pass-throughs and effectively manage the impact of input cost fluctuation.

With favorable industry dynamics, a healthy pipeline of new business opportunities and an increasingly diversified business portfolio, we are confident of sustaining our growth momentum. Our focus will remain on building a stronger, more resilient and future-ready group, creating sustainable value for all our stakeholders.

With that, I conclude my opening remarks and open the floor for questions. Thank you very much for your kind listening, and I hand over the call to the moderator.

Moderator: Thank you very much, sir. We will now begin with the question-and-answer session. The first question is from the line of Mihir from MB Securities.

Mihir: So sir, the company has reported a lifetime order wins of around INR429 crores, right, in H1, which is quite encouraging. So could you help me understand how these orders are expected to translate into revenues over like next few quarters?

Abhishek Jain: These order books generally are executed on a period of 2 to 4 years now. Because if you look at the development cycle of a vehicle, it generally ranges used to be around 3 years. Now they're coming -- bringing it down to 2 years. And some orders, we are even executing within a period of 1 year. So it ranges between 1 to 3 years, broadly 2 to 4 years.

Mihir: Okay. Understood, sir. And are we -- will we be able to see a gradual ramp-up for a more significant contribution towards the second half with this?

Abhishek Jain: It will be -- please Sachin.

Sachin Jain: So in H1, the progress is broadly as we expected and we have the higher customer production schedule with the ramp-up programs, particularly from the Maruti and Tata Motors. And around

10% of the top line is contributed from the new orders, from the SOPs, which we have at the start of the year or the Q4 of FY26.

Same way in H2 also, the key assumption that there's a ramp-up of programs, which started at the start of the year, and certain SOPs are also lined up in Q4 and Q3. So that contribution we are expecting to grow from 10% to 15% in H2. So that momentum would continue in H2 also.

Mihir: Understood, sir. And we have seen some gross margin pressure like this quarter. So could you update us on the discussion with the OEMs regarding cost pass-through? And have most of the pending price revision have been addressed? And when can we expect these margins to start recovering?

Sachin Jain: About the gross margin reduction, so primarily there are 2 reasons of that. First is the raw material prices increases, which we are having from the Q4 and the sales mix contribution because in H1, we have more tool sales and the battery sales, the first reason of that. And the part side, we have the reduction of the gross margin of around 380 basis points.

So out of that, 68% we have already recovered from the customer and balance is in process because when we have the price increases, with that kind of price increases, so our first priority is that we need to uninterrupted supplies to our customer. We need to buy the material whatever price it is available in the market.

And our negotiations are going on with all the customers for these price increases. There is a time lag. It will take another 6 months to settle these. So we are pushing with the customers. So we are expecting that these price increases to be settled during H2.

Mihir: Okay. Understood. So means by Q1 of next year, we would have the margin start recovering?

Sachin Jain: Yes, yes, definitely.

Mihir: And one last is on the Hutchinson technology partnership that we had, so during the previous call, you had mentioned that the company is working on developing advanced sealing solutions, particularly the glass run channels. So could you share if there has been any progress in discussion with the OEMs? And like when can we expect the first commercial programs to start contributing to our revenue?

Abhishek Jain: As I have already mentioned in the opening call commentary, so in quarter 2, we've had a lot of discussions with all the customers. We've had technical presentations with them. A lot of explanation has been done to them about what Hutchinson offers and how we can use those kind of technologies in the new programs which are coming out. What we are expecting is that in quarter 4, we should be able to achieve some breakthrough in the first order win using Hutchinson technology.

Right now, whatever order wins we are getting, like this order book in the quarter 2 also, quarter 1 also, this is all based on our own product offering. But with the additional Hutchinson product

offering, we should be able to achieve breakthrough in the quarter 4 of this financial year, so that will further add to the order book.

Moderator: The next question is from the line of Payal Shah from Billion Securities.

Payal Shah: Just one question from my side. Just wanted to understand that despite there has been pressure on gross margins, we have managed to deliver healthy EBITDA growth because of operating efficiency. So I just want to understand like going forward, as the new programs ramp up and the capacity utilization improves, do we see scope for further improvement in the EBITDA margins? And if yes, can you please quantify the same?

Sachin Jain: As of now, quantification is quite difficult because of the dynamic situation. So in H2, the margin would improve due to the two reasons. One is the more demand in quarter 2 and the SOPs, which are coming into the H2. And it will also further -- the margin improvement will further strengthen by the price recovery, which we will have from the customer.

If you there are -- still because of the Western disturbance, there are a lot of fluctuation in the raw material prices is still there. Daily, there is changes in the raw material prices and the base crude oil prices. So it is continuing. So as of now, it is very difficult to give any numbers on the EBITDA margin improvement, but we are sure that there would be significant improvement in the margins due to those two reasons in H2.

Moderator: The next question is from the line of Vanshi Shah from EVNA Financial Advisory.

Vanshi Shah: So my first question is on the Industrial Products business. If you could give us some sense of the customer traction you are seeing in the non-automotive applications? Also with the company looking to increase exports, how do you see this segment scaling up over the medium term?

Abhishek Jain: So thank you very much for that question. I'll tell you, first, let me give you a brief background of why this Industrial Products is important for us. If you look at our history, we've always focused on the automotive industry and that also on the passenger vehicle OEM business only.

So when we started our derisking process of business, that time we've started focusing on aftermarket business, which is going on -- which is getting developed at a good pace now. Then we established the tooling business. Even for the tooling business, almost today also around 30% of the revenue comes from nonautomotive customers.

Then this Industrial Products business is also a very important derisking strategy for us to derisk ourselves from nonautomotive through nonautomotive customers. In this, our basic play is that we have a very good knowledge of plastic extrusion, rubber extrusion and plastic injection molding.

These are the 3 fundamental technologies that are there in the company. And we are developing sealing systems for nonautomotive applications like air handling units and your electric panels and all these kind of applications.

Now like you see a lot of data centers are going to come up, which require very effective cooling to be done. So we see a lot of air handling unit market getting expanded in future. And our sealing system is ready for those markets, and we are engaging with the customers to develop business in that area.

Industrial Products also, we have done -- started exports to U.S., again, for a sealing system solution for a U.S. customer. And we've done some exports to the African market also for, again, a sealing system application, for a body sealing application for diesel gensets.

When you talk about exports for the entire group, so Industrial Products business is one area where we are focused on export market. Aftermarket is another second area where we want to develop the export business.

And even in the main automotive parts business of our company, we are anyways exporting almost 10% of our revenues as CKD exports to other countries. And this will further increase as we are getting more order wins from the customers. So these 3 areas are going to be important for us for exports going forward, Industrial Products business, aftermarket business and even the main automotive parts business.

Vanshi Shah: Sir, my next question is on the battery business. So in the previous call, you had mentioned that the focus was on improving execution and reducing losses. Could you share how the business has progressed during the first half? And what are the key milestones we should look at before the segment starts moving towards breakeven?

Abhishek Jain: See, we've already reduced our losses substantially from -- in this first half of financial year. Even the EBITDA loss, which was of almost INR1.2 crores in the previous quarter, that has come down to mere INR30 lakhs. And I am quite hopeful that in this quarter 3 also, we should be able to achieve a zero EBITDA kind of a situation, thereby eliminating all the losses at least on the operating level of the company.

Moderator: The next question is from the line of Jigar Shah from Elevate Research.

Jigar Shah: Sir, I have a couple of questions. So firstly, I think we have seen new order wins from customers such as JSW and MG, so along with your existing -- so could you just share how the company is progressing in terms of increasing its customer base and whether these new relationships could open up opportunities for larger share of business going forward?

Abhishek Jain: See, JSW, we've already received business. MG -- see, JSW has 2 relationships in India and the third one is getting under progress now with the Volkswagen. For their stand-alone company, JSW independent company, we have orders. For JSW MG Motors also, we've received new orders for this Windsor vehicle, which is there. Volkswagen, we don't know yet.

They have not announced any platform together with JSW. But as soon as they announce, we'll engage with them for the new business. VinFast is also one new customer, which is there in the

Indian market, and we are already supplying to VinFast, and we are in process of negotiating for the new business as well. Tata Motors, a lot of new platforms are coming in, and we are present there as well.

Jigar Shah: Sir, secondly, I think on the aftermarket business, you had earlier indicated an ambition to increase its contribution to around 10% of our overall revenues over the next 2, 3 years. So I think could you share how the company is progressing towards the targets, particularly in terms of expanding product portfolio and distribution network?

Abhishek Jain: So this year, as I've said in my opening commentary, it contributes around 5% to the overall revenues. And our target is to make it as a 10% contributor to the overall revenues. We are adding our distribution network. So we have 154 distributors right now.

And in quarter 3 and quarter 4 also, we have a road map of adding further distribution network so that we are present across all the major markets in India. On the product side, we've broadly categorized our business into 5 different verticals; spare parts, service parts, car accessories, car care and car perfume.

So there is a separate sales team, development team. Everything is there now to promote all these different products in these broadly 5 segments. Distribution network we have set up is both offline distribution network through these distributors, and we are strengthening our online presence also through our own website, through Amazons and Flipkarts and we are exploring further opportunities where we can expand our online presence and drive more business from those things.

Distribution side, we currently have one warehouse, which is located in Greater Noida region here in North India. And by end of this year, we are planning to have 2 additional warehouses, mostly one in the West region and the third in the South region.

So these 3 warehouses, in North, in West, in South, and then next year, we'll probably put one in East, will further improve our supply chain efficiency and we can then service our distributors in a much-reduced lead time for delivery.

So all these things we are doing to further expand our presence there. One big challenge which we were facing in last 6 months was counterfeiting of our products have started in the market. So we have also addressed that issue. We've sent out notification to all our distributors in the newspapers as well.

We try to make more -- taking some countermeasures on the packing as well so that it cannot be copied. So a lot of -- we're doing everything basically possible to make this business a substantial business for us. It's a very important business for us to focus on.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Abhishek Jain: Thank you, everyone, for joining us on this call today. We hope we have been able to address all your questions effectively. In case you have any further questions or clarifications, please do reach out to us or to our Investor Relations Advisors, Strategic Growth Advisors. Thank you very much, and we look forward to interacting with you again in the coming quarter. Thank you.

Sachin Jain: Thank you.

Moderator: Thank you. On behalf of PPAP Automotive Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.