

Earnings Call Presentation Q2 FY26

12th November 2025

kirloskar
Oil Engines

limitless

Kirloskar Oil Engines Limited
A Kirloskar Group Company



World's smallest 1000kva genset

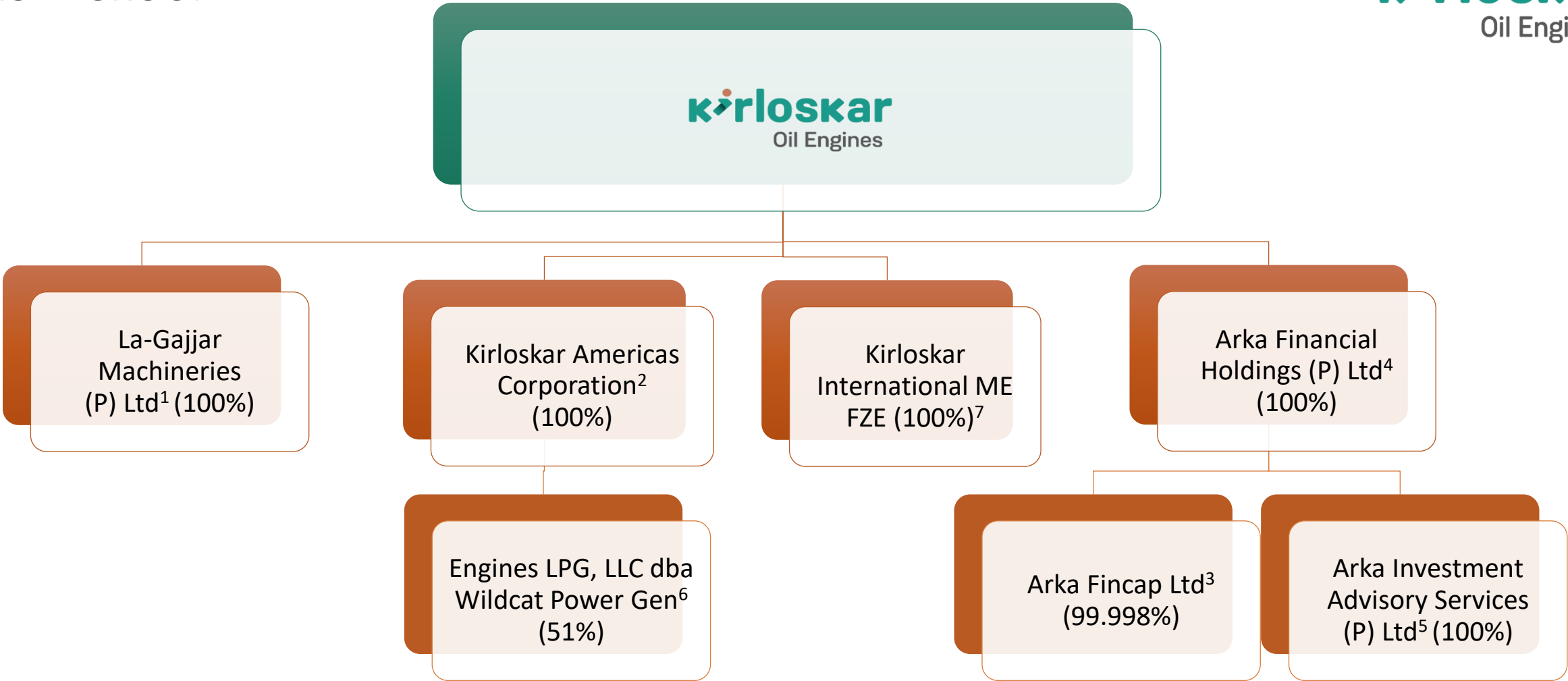
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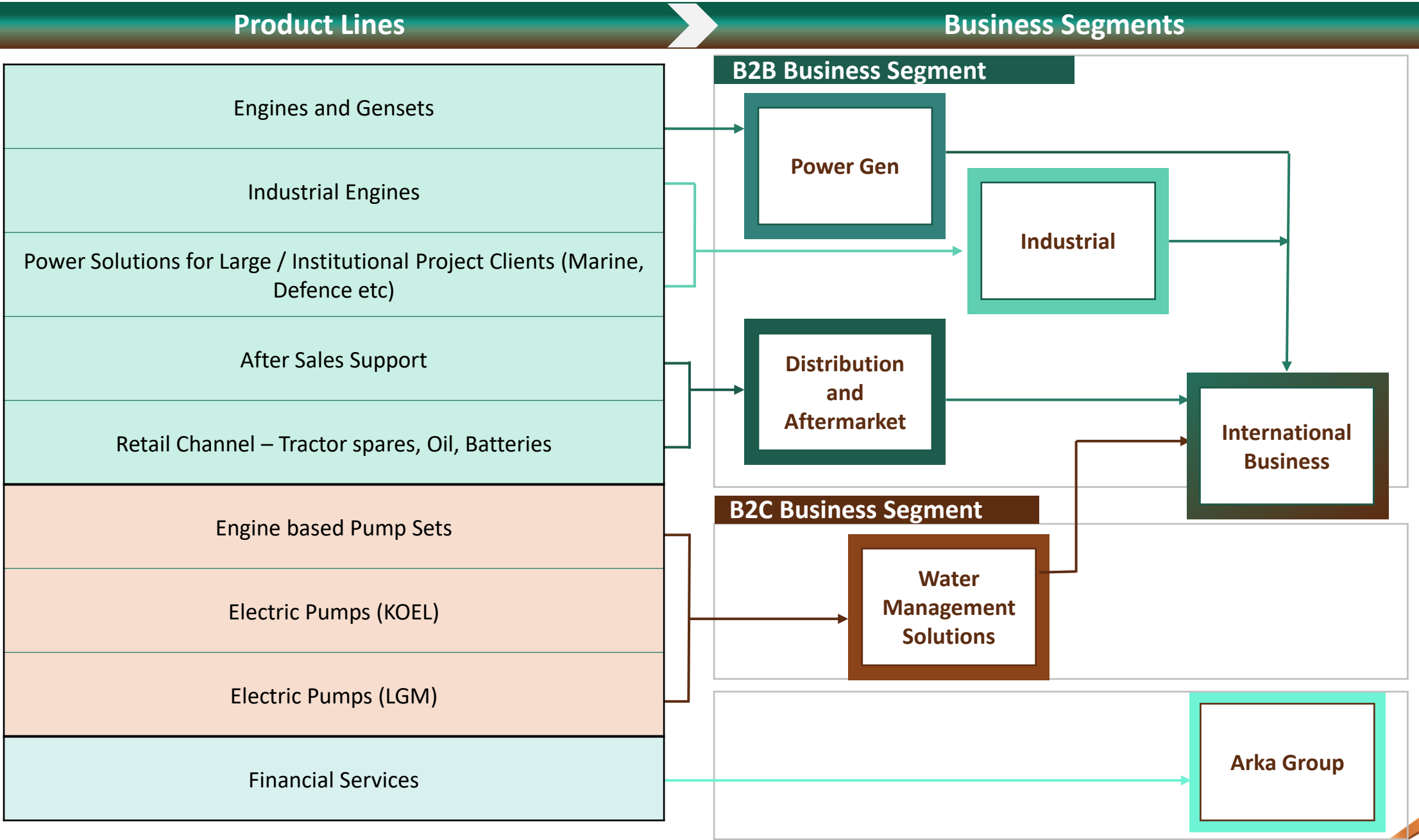
1 76% with effect from 1st August 2017 and 100% with effect from 26th September 2022. Includes share of profit of ESVA Pumps India (P) Ltd (49% JV) upto 28th September 2024
2 with effect from 1st July 2015.
3 with effect from 20th April 2018.
4 with effect from 13th July 2021.
5 with effect from 30th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



CONTENT

- **BUSINESS OVERVIEW**
 - STANDALONE
 - SALES HIGHLIGHTS
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Products to Business Segments...

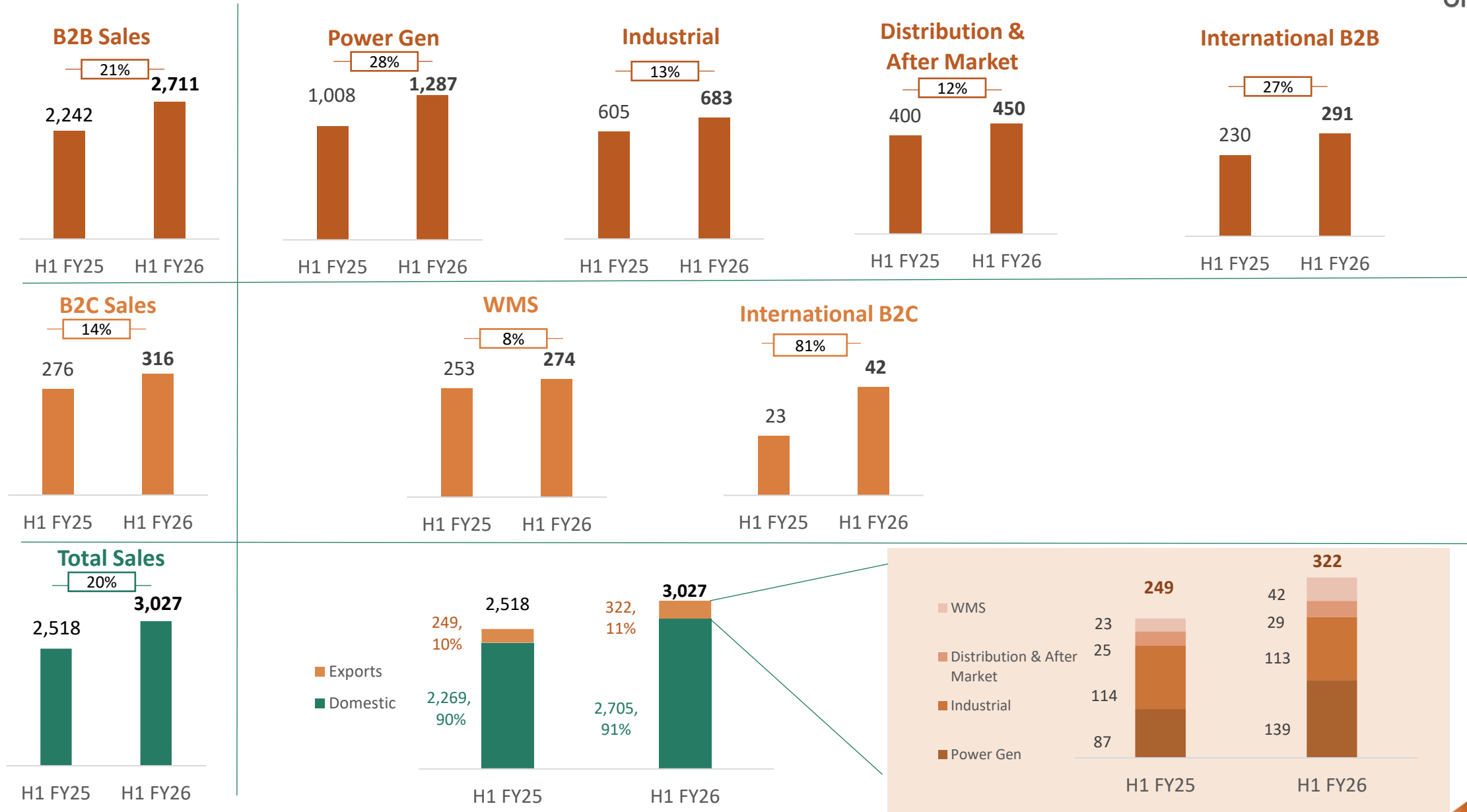


STANDALONE SALES HIGHLIGHTS – Q2 FY26 YoY



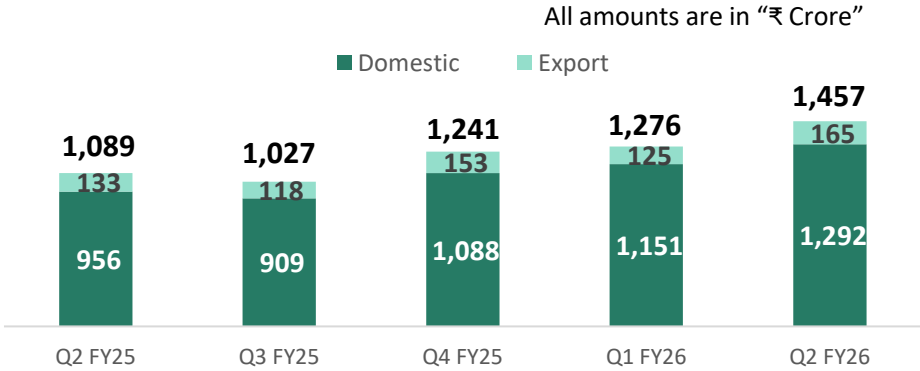
- Numbers reported are after considering the reorganisation of FMS business from B2C to B2B (Industrial). The previous periods have been regrouped to make them comparable with those of the current periods.

STANDALONE SALES HIGHLIGHTS – H1 FY26 YoY

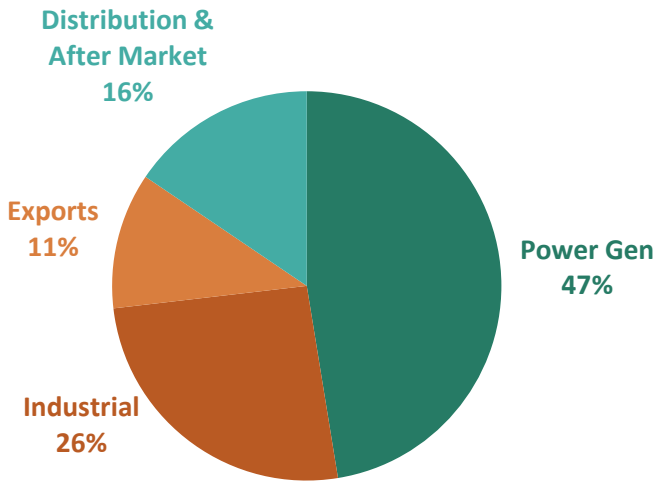


CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

Segment Revenue Trend*



Segment Revenue Composition For Current Quarter



Performance Updates

- The Power Generation Business Unit (PGBU) continues its strong performance, achieving a remarkable 41% year-on-year growth in the standalone business and further reinforcing KOEL’s market leadership

Domestic:

- Encouraging momentum in OptiPrime with key commercial wins — multiple 1500, 2000 & 2500 kVA orders reflecting strong customer confidence
- Industrial BU - Healthy traction in both the Defence and the Railway segment
- Detailed design submitted for the Indian Navy’s prestigious ‘Make 1’ initiative
- New product launches in the Railway segment for the 400HP engine for a Rail maintenance application

International:

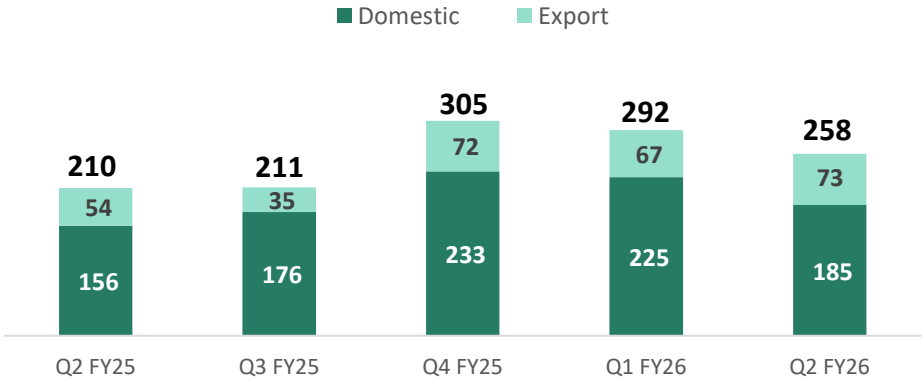
- Continued strong performance in Middle East and North Africa (MENA) region
- Exports (Standalone) for H1 FY26 up by 24% year-on-year

* 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

Segment Revenue Trend*

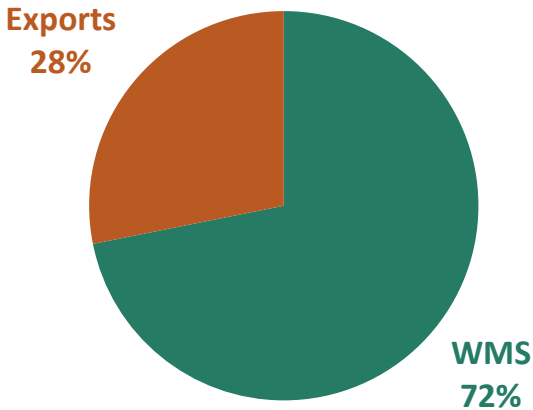
All amounts are in “₹ Crore”



Performance Updates

- Top line growth of 23% year on year
- Quarter-on-quarter degrowth was primarily due to lower sales volumes, which impacted fixed cost absorption
- Strategic restructuring of B2C operations announced on October 10th; business transferred to wholly owned subsidiary La-Gajjar Machineries Pvt. Ltd. through a slump sale

Segment Revenue Composition For Current Quarter

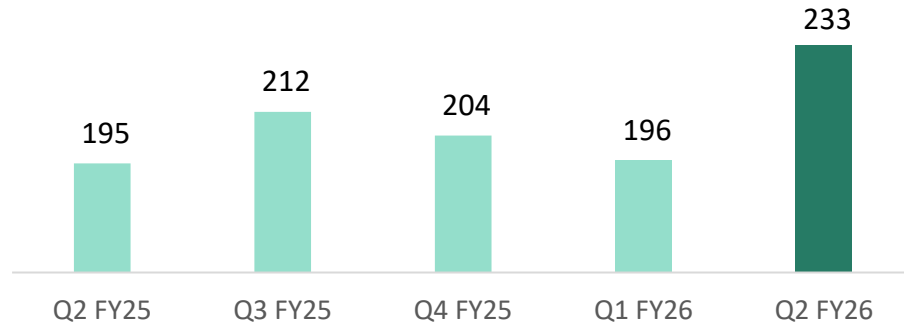


* Numbers reported are for continuing operations only as reported in unaudited results and after considering the reorganization of FMS business from B2C to B2B. The previous periods have been regrouped to make them comparable with those of the current periods.

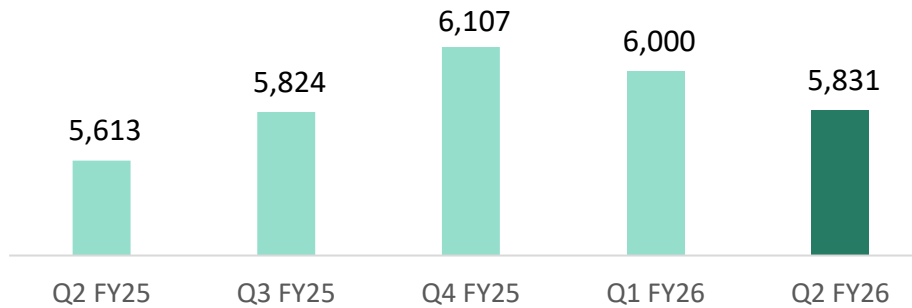
CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

Segment Revenue Trend

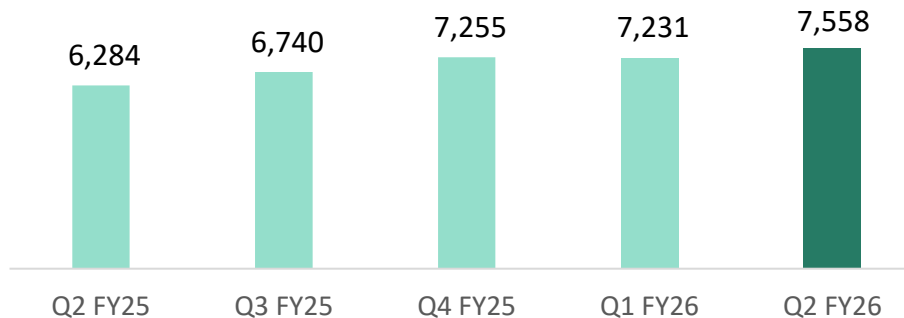
All amounts are in “₹ Crore”



Loan Book¹ Trend



AUM* Trend



Performance Updates

- KOEL's total investment in AFHPL as on 30th September 2025 stood at ₹ 1,053 Crore[#]
- AFHPL Consolidated revenue from operations stood at ₹ 233 Crore in Q2 FY26; a growth of 20% YoY
- AFHPL Consolidated PAT for Q2FY26 stood at ₹ 25.5 Crore
- Total Debt as on 30thSeptember 25 stood at ₹ 5,277 Crore
- Debt to Equity Ratio:
 - 30th Sep 25 - 4.0
 - 30th Jun 25 - 4.2
 - 31st Mar 25 - 4.4
 - 31st Dec 24 - 4.0
 - 30th Sep 24 - 4.1
- Total AUM* as on 30th September 25 at ₹ 7,558 Crore
- Drive to grow Secured granular retail business continues.

*Excludes treasury assets and includes off balance sheet loan book of AFL

[#] Includes profit of 53 Crore on holding structure change.

¹ Loan Book denotes On Balance Loan Book of AFL.

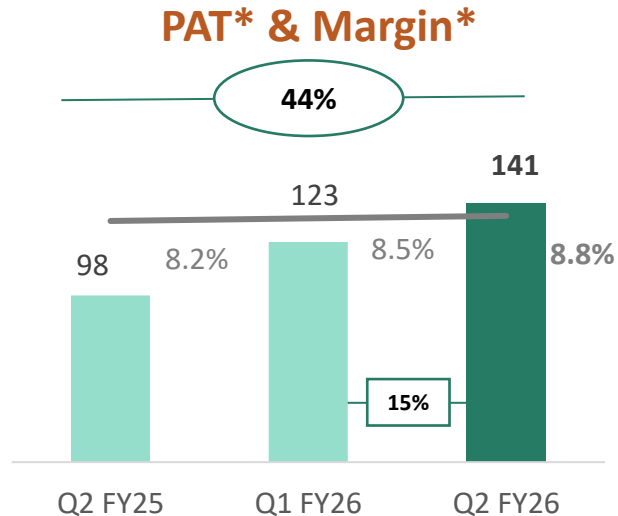
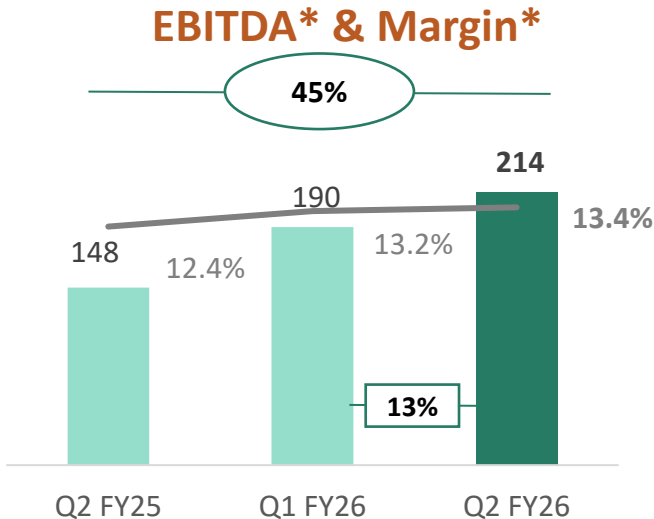
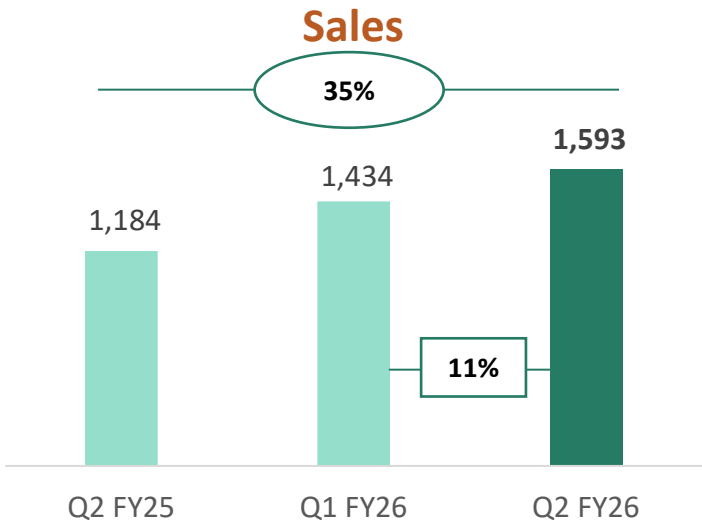
- Figures for the previous period have been regrouped and / or reclassified wherever considered necessary to conform to current period presentation

- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
 - **STANDALONE**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - WORKING CAPITAL AND NET CASH POSITION
 - **CONSOLIDATED**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - SEGMENT RESULTS

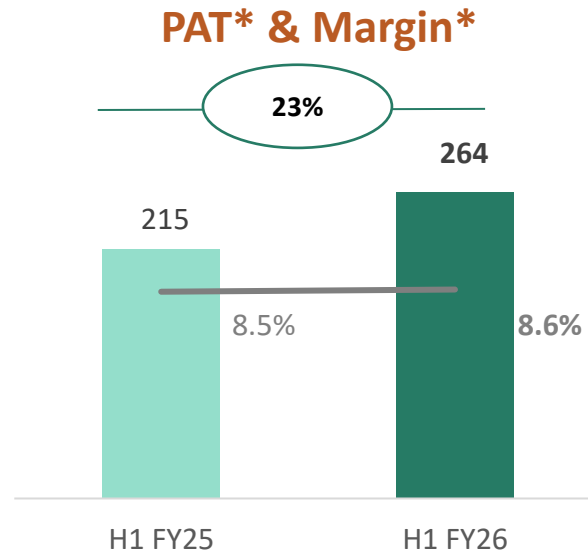
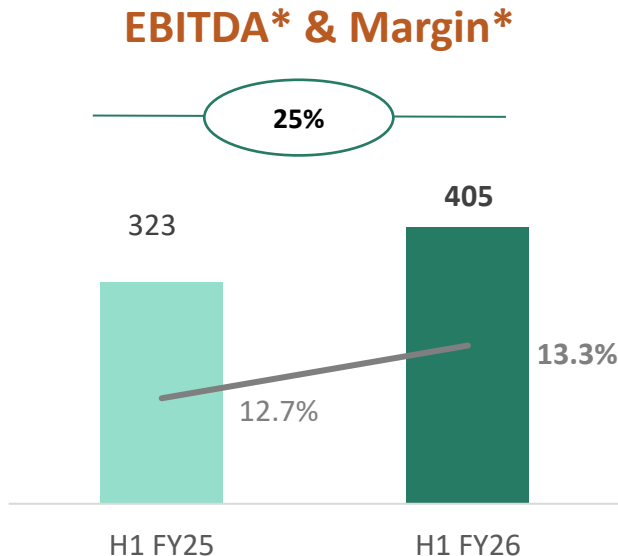
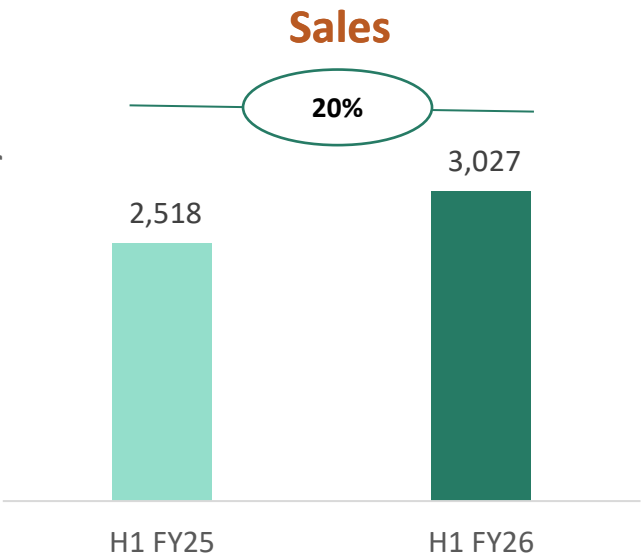
STANDALONE – PERFORMANCE HIGHLIGHTS

All amounts are in “₹ Crore”

Quarterly



Half Yearly



* 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, including reversal for overdue receivable provision was 13.9% & 14.4% for the previous period i.e current quarter and half year respectively. 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

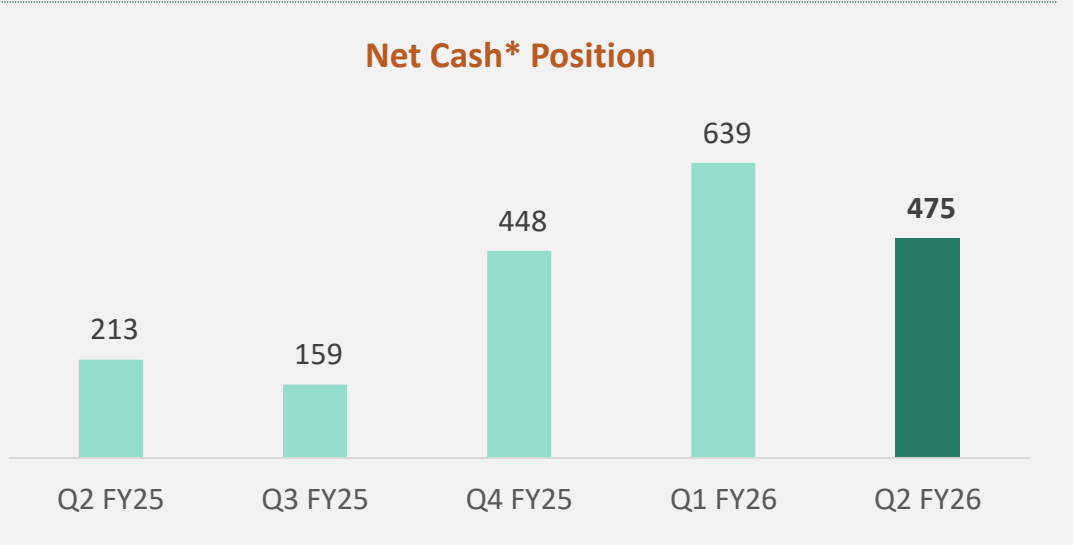
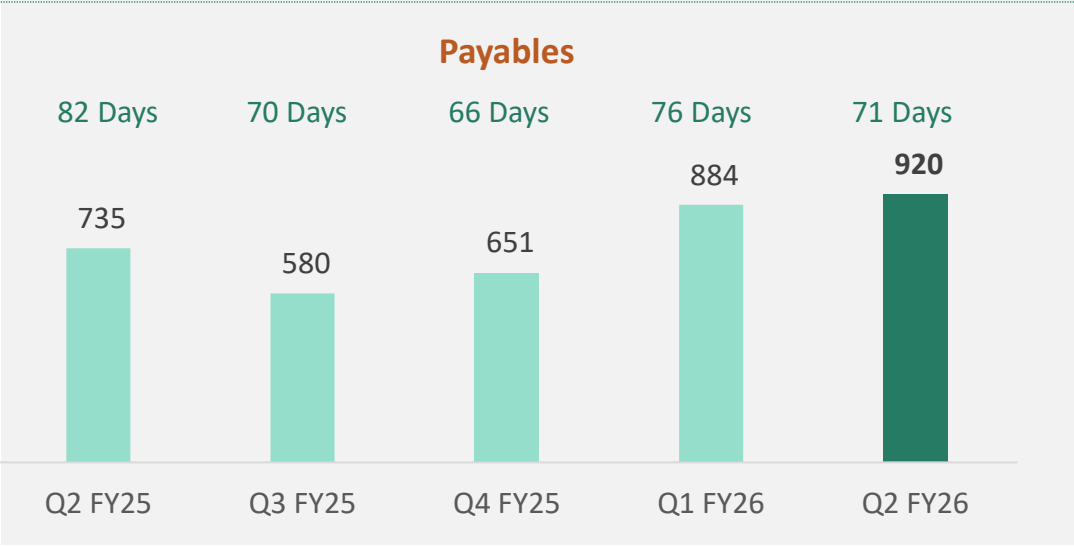
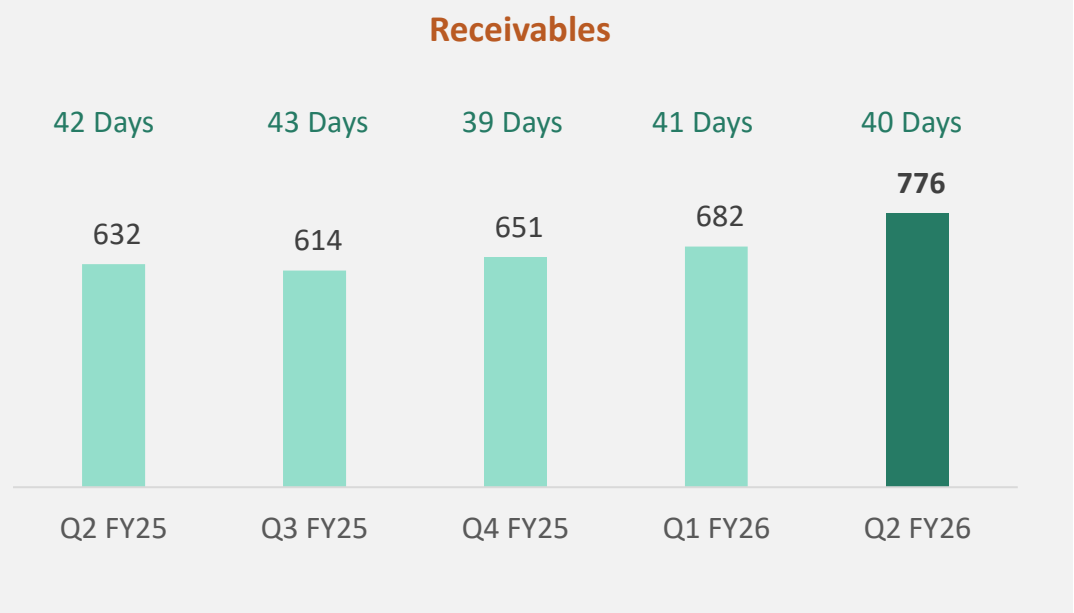
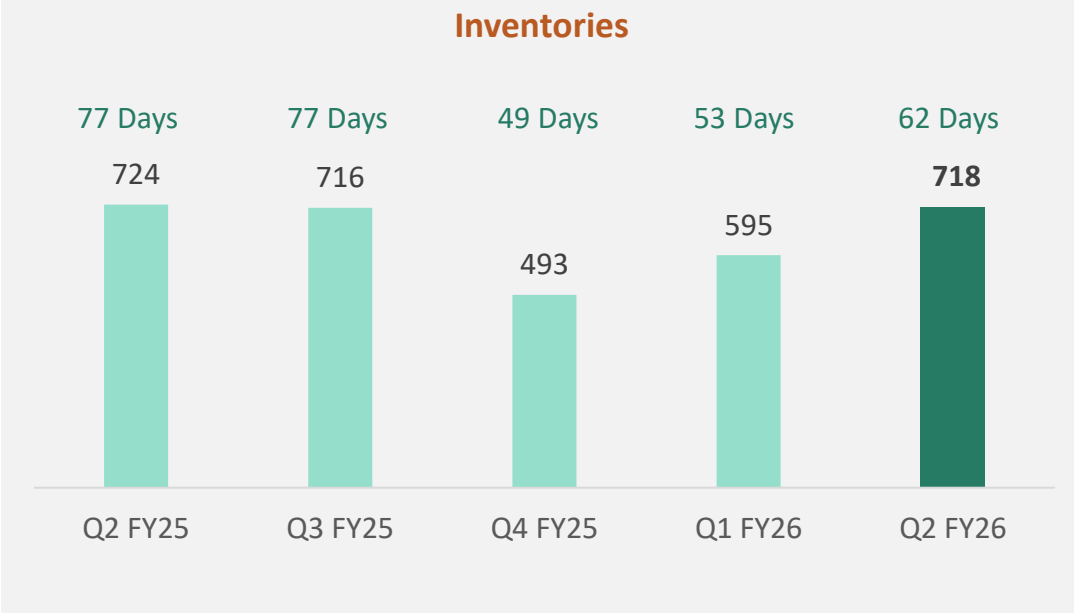
All amounts are in "₹ Crore"

Particulars	Q2 FY26	Q1 FY26	Q-o-Q	Q2 FY25	Y-o-Y	H1 FY26	H1 FY25	Y-o-Y
Net Sales	1,592.9	1,434.0	11%	1,184.1	35%	3,026.9	2,517.8	20%
Other Operating Income	11.6	10.6	10%	10.3	13%	22.3	19.5	15%
Revenue From Operations	1,604.5	1,444.6	11%	1,194.4	34%	3,049.2	2,537.3	20%
Raw Material	1,047.2	951.0	10%	754.4	39%	1,998.2	1,640.8	22%
Employee Costs	96.9	86.3	12%	91.2	6%	183.2	172.7	6%
Other Expenses	246.1	217.2	13%	183.0	34%	463.3	359.0	29%
EBITDA #	214.4	190.2	13%	165.7	29%	404.6	364.8	11%
EBITDA Margin %	13.4%	13.2%	1%	13.9%	-4%	13.3%	14.4%	-8%
Other Income	11.9	12.3	-3%	10.8	10%	24.2	20.1	21%
Depreciation	35.7	34.0	5%	26.6	34%	69.6	51.3	36%
Interest	2.9	3.2	-10%	2.4	18%	6.1	5.0	20%
PBT Before Exceptional Items	187.8	165.3	14%	147.6	27%	353.1	328.5	7%
Exceptional Items - (Expenses) / Income	-	-	0%	-	0%	-	-	0%
PBT	187.8	165.3	14%	147.6	27%	353.1	328.5	7%
Tax	47.0	42.5	11%	36.5	29%	89.5	82.7	8%
PAT #	140.8	122.8	15%	111.1	27%	263.6	245.8	7%
PAT Margin (%)	8.8%	8.5%	3%	9.3%	-6%	8.6%	9.7%	-11%

#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 i.e quarter and half year excluding reversal for overdue receivable provision was 12.4% & 12.7% respectively. 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



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.

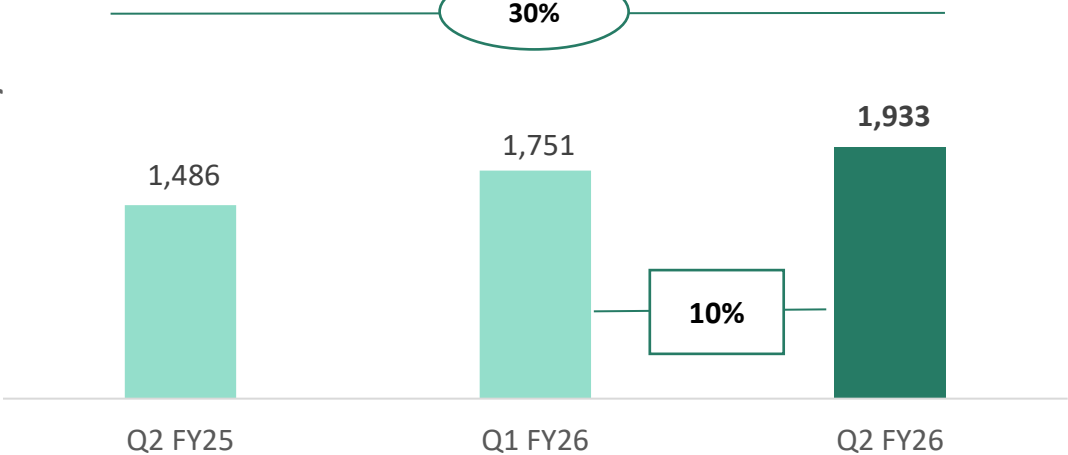


CONSOLIDATED – PERFORMANCE HIGHLIGHTS

Quarterly

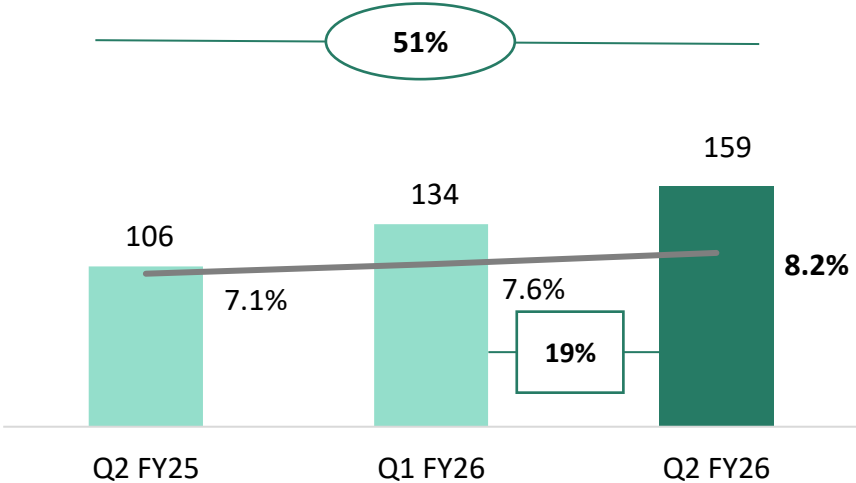
Sales

30%



PAT* & Margin*

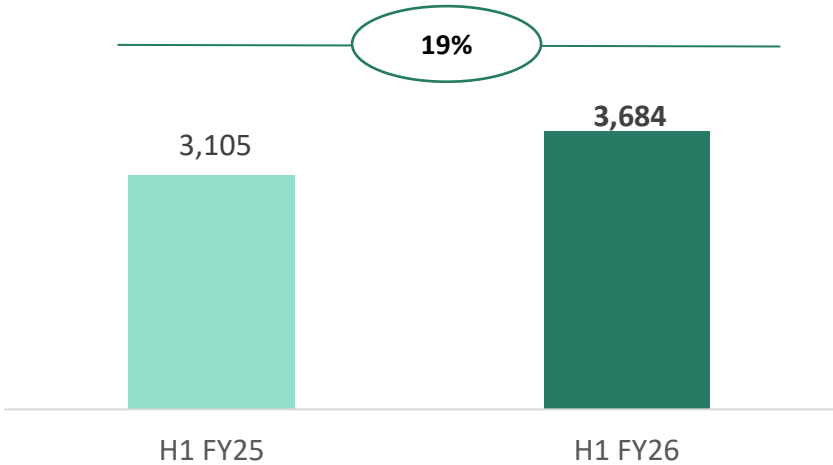
51%



Half Yearly

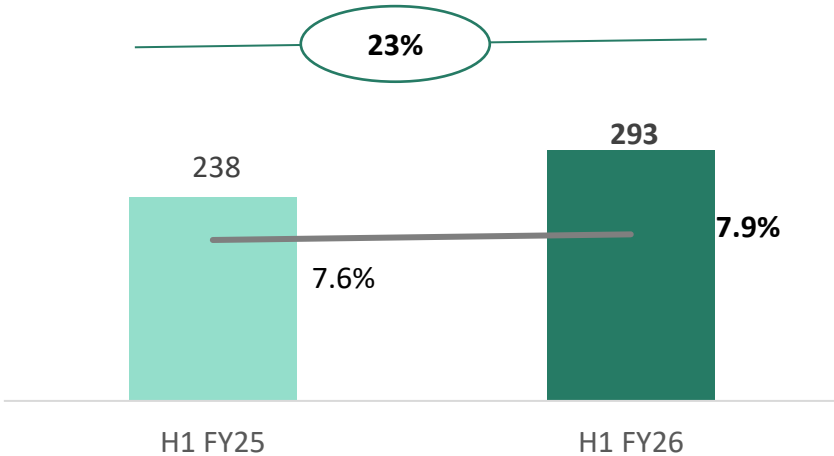
Sales

19%



PAT* & Margin*

23%



^ 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 i.e quarter and half year excluding exceptional items and including reversal for overdue receivable provision was ₹ 125 Cr & ₹ 281 Cr respectively. 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	Q2 FY26	Q1 FY26	Q-o-Q	Q2 FY25	Y-o-Y	H1 FY26	H1 FY25	Y-o-Y
Net Sales*	1,933.1	1,750.9	10%	1,485.8	30%	3,683.9	3,105.3	19%
Other Operating Income	15.3	13.0	18%	12.8	19%	28.3	25.2	12%
Revenue From Operations	1,948.4	1,763.8	10%	1,498.6	30%	3,712.2	3,130.5	19%
Other Income	12.6	34.7	-64%	11.5	9%	47.3	20.9	126%
Total Income	1,960.9	1,798.5	9%	1,510.1	30%	3,759.4	3,151.4	19%
Raw Material	1,110.6	1,018.9	9%	819.2	36%	2,129.5	1,767.4	20%
Employee Costs	151.1	137.1	10%	136.3	11%	288.2	261.0	10%
Other Expenses	305.0	281.2	8%	245.9	24%	586.1	480.3	22%
Depreciation	42.0	39.7	6%	32.8	28%	81.7	63.0	30%
Finance Cost	136.0	139.4	-2%	117.5	16%	275.4	218.6	26%
Share of net profit/(loss) of joint venture accounted for using the equity method (net of tax)	-	-	-	0.0	-100%	-	0.7	-100%
PBT Before Exceptional Items from continuing operations	216.3	182.3	19%	158.4	37%	398.6	361.9	10%
Exceptional Items - (Expenses) / Income #	-	-	-	7.87	-100%	-	15.29	-100%
PBT from continuing operations	216.3	182.3	19%	166.3	30%	398.6	377.2	6%
Tax	57.1	48.1	19%	41.5	38%	105.2	96.3	9%
PAT # from continuing operations (A)	159.2	134.2	19%	124.8	28%	293.4	280.9	4%
PAT Margin from continuing operations (%)	8.2%	7.6%	7%	8.3%	-2%	7.9%	9%	-12%
PAT from discontinuing operations (B)	-	4.7	-100%	0.1	-100%	4.7	0.5	837%
PAT # from continuing and discontinuing operations (A+B)	159.2	138.9	15%	124.9	27%	298.1	281.4	6%

*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 i.e. quarter and half year excluding exceptional items and excluding reversal for overdue receivable provision was ₹ 106 Cr & ₹ 238 Cr respectively. 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

All amounts are in "₹ Crore"

Particulars	Q2 FY26	Q1 FY26	QoQ	Q2 FY25	YoY	H1 FY26	H1 FY25	YoY
Segment Revenue								
B2B	1,456.6	1,276.3	14%	1,089.1	34%	2,733.0	2,262.2	21%
B2C	258.4	291.8	-11%	210.1	23%	550.2	503.4	9%
Financial Services	233.3	195.7	19%	199.4	17%	429.0	364.8	18%
Revenue From Operations	1,948.4	1,763.8	10%	1,498.6	30%	3,712.2	3,130.5	19%
Segment Results[#]								
B2B	163.2	139.3	17%	128.4	27%	302.5	278.0	9%
B2C	18.2	27.7	-34%	(0.8)	2291%	45.8	32.9	39%
Financial Services ^{##}	33.5	13.7	145%	30.7	9%	47.2	49.7	-5%
Unallocated	6.8	7.5	-9%	5.5	24%	14.3	10.8	32%
Total	221.7	188.1	18%	163.8	35%	409.8	371.4	10%
Less:								
Finance Costs*	5.4	5.8	-6%	5.3	2%	11.2	9.5	18%
Exceptional items- (income)/expense	-	-	0%	(7.9)	-100%	-	(15.3)	100%
Profit Before Tax from continuing operations (A)	216.3	182.3	19%	166.3	30%	398.6	377.1	6%
Profit Before Tax from discontinuing operations (B)	-	4.5	-100%	0.1	-100%	4.5	0.6	661%
Profit Before Tax for the period (A+B)	216.3	186.9	16%	166.3	30%	403.2	377.7	7%

- Numbers reported are for continuing operations only as reported in unaudited results and 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.

[#] 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.

^{^^} Segment results for B2B excluding reversal for overdue receivable provision for Q2 FY 25 was ₹ 111 Crore (47% Y-o-Y growth) and for H1 FY 25 was ₹ 236 Crore (28% Y-o-Y growth). In the current periods 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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