HAPPY FORGINGS LIMITED

November 05, 2026

To

BSE Ltd, Corporate Relationship Department, Phiroze Jeejebhoy Towers, Dalal Street, Mumbai - 400 001 **Scrip Code: 544057**	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051 **Symbol: HAPPYFORGE**

Sub : Presentation of Investor Meet

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Investors' Presentation of financial results for the quarter and half year ended September 30, 2026.

Kindly take the above information on your record.

Thanking you,

For Happy Forgings Limited

Bindu Garg
Digitally signed by Bindu Garg
Date: 2026.11.05 17:02:12 +05'30'

(Bindu Garg)
Company Secretary & Compliance Officer,
M.N F6997
Happy Forgings Limited
B-XXIX-2254/1, Kanganwal Road,
P O Jugiana, Ludhiana- 141120

HAPPY FORGINGS LIMITED

INVESTOR PRESENTATION

Q2 & H1FY27







SAFE HARBOUR

HAPPY FORGINGS LIMITED

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INVESTOR PRESENTATION ROADMAP

HAPPY FORGINGS LIMITED

01 **Q2 & H1FY27 PERFORMANCE HIGHLIGHTS**
Delivering Growth With Strengthening Operational Performance

02 **COMPANY OVERVIEW**
Engineering Excellence Across Products, Customers & Markets

03 **FORGING SUCCESS: VALUE-CREATING TRANSFORMATION**
Building Scale, Efficiency & Sustainable Competitive Strength

04 **HISTORICAL FINANCIAL PERFORMANCE**
A Multi-Year Journey of Consistent Growth & Margin Expansion

05 **BEYOND FINANCIALS: CREATING LASTING IMPACT**
Driving Value Through Innovation, People, Sustainability & Governance



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MESSAGE FROM THE MANAGING DIRECTOR

HAPPY FORGINGS LIMITED



Mr. Ashish Garg
Managing Director

Commenting on the results, Mr. Ashish Garg, Managing Director, Happy Forgings Limited, said:

"We continue to build on the strong momentum of the previous quarter, with Q2 FY27 revenue crossing Rs. 500 Crs. for the first time, registering a growth of ~33% YoY. Growth was driven by an ~25% increase in finished goods sales volumes, while realisation improved by around 6% to Rs. 267/kg, reflecting a combination of raw material cost pass-through, conversion cost-linked price hikes, and progress in value addition and product mix. Gross, EBITDA and PAT margins remained healthy and broadly stable YoY despite cost headwinds, translating into absolute profitability growth that was broadly in line with revenue growth.

For H1 FY27, revenue grew ~30% YoY to Rs. 950 Crs, driven by a ~24% increase in finished goods volumes and ~5% improvement in realisation to Rs. 260/kg. Growth was broad-based, with domestic and export revenues increasing by ~30% and ~36%, respectively. Gross, EBITDA and PAT margins remained healthy at 60.8%, 30.9% and 19.9%, respectively. ROE improved to 17.1% and ROCE to 19.6%, reflecting stronger operational performance.

In terms of business mix, non-automotive segments delivered strong growth, led by higher contributions from Industrials and Off-Highway. Within automotive, Passenger Vehicles share has reached 9% as previously secured business ramped up, while Farm Equipment and Commercial Vehicle segments also registered robust growth, supported by healthy domestic demand. This reflects the continued diversification of our business across end markets and applications.

Our strategic investments remain on track, with the ultra-heavy component manufacturing facility and captive solar power project expected to be completed and contribute from FY28. We are also engaging with several OEMs for heavy components targeting data center and gas engine applications, with discussions expected to translate into orders by early FY28. Further, given strong demand visibility and order book, and existing capacity utilisation nearing peak, the Board has approved additional capex of ~Rs. 500 Crs., to enhance machining and supplement forging capacities. These investments will support growth across PV, Industrials and CV exports.

Our outlook for the remainder of FY27 remains optimistic. Improving industry demand and the ramp-up of recently secured business provide confidence in strengthening production and sales volumes, keeping us well positioned to meet or exceed our volume growth guidance. While higher raw material prices and near-term increases in shipment costs arising from the geopolitical situation may exert temporary pressure on margins, we expect full-year profitability to remain strong, supported by a better product mix and higher value addition, reinforcing our confidence in delivering sustained, profitable growth."

VOLUME GROWTH WITH IMPROVED REALISATION & MARGIN EXPANSION

HAPPY FORGINGS LIMITED

	FG Volume	Realisation/Kg	Revenue	Gross Profit	EBITDA	PAT
Q2FY27	18,754 MT *+24.8% yoy*	Rs. 267 *+6.3% yoy*	501 Crs *+32.7% yoy*	305 Crs *+33.8% yoy* Gross Margin: 60.8% *+52 bps*	153 Crs *+32.2% yoy* EBITDA Margin: 30.6% *(11) bps*	98 Crs *+32.8% yoy* PAT Margin: 19.5% *+1bps*
H1FY 2027	36,547 MT *+24.0% yoy*	Rs. 260 *+4.8% yoy*	950 Crs *+29.9% yoy*	577 Crs *+33.5% yoy* Gross Margin: 60.8% *+161bps*	294 Crs *+35.5% yoy* EBITDA Margin: 30.9% *+127bps*	189 Crs *+35.8% yoy* PAT Margin: 19.9% *+86bps*

VOLUME GROWTH WITH IMPROVED REALISATION & MARGIN EXPANSION

HAPPY FORGINGS LIMITED

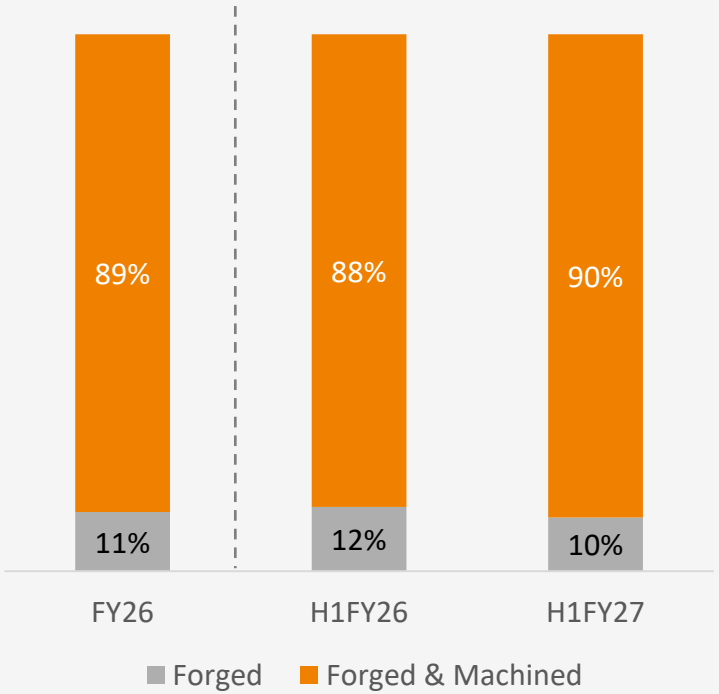
Strong Volume Growth Complemented by Higher Realisations and Improved per-unit Profitability, Reflecting Progress in Product Mix and Value Addition

Particulars		Q2FY26	Q1FY27	Q2FY27	YoY	H1FY26	H1FY27	YoY
Volume Performance	FG Volume (MT)	15,028	17,793	18,754	24.8% ↑	29,485	36,547	24.0% ↑
Unit Economics (Per Kg.)	Realisation/Kg (Rs.)	251	253	267	6.3% ↑	248	260	4.8% ↑
	Gross Margin/Kg (Rs.)	151	153	162	7.2% ↑	147	158	7.7% ↑
	EBITDA/Kg (Rs.)	77	79	82	6.0% ↑	74	80	9.3% ↑

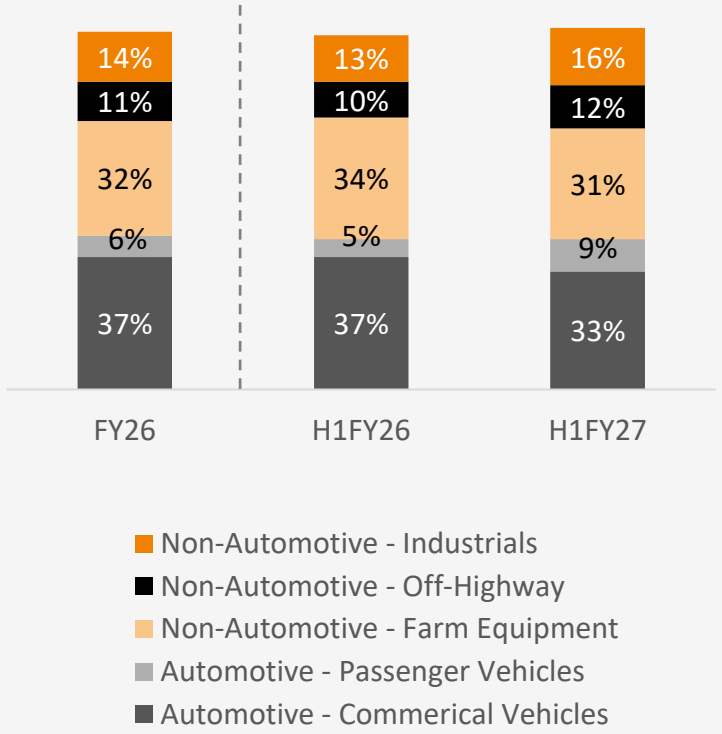
HIGHER VALUE ADDITION, BROADER REVENUE MIX

HAPPY FORGINGS LIMITED

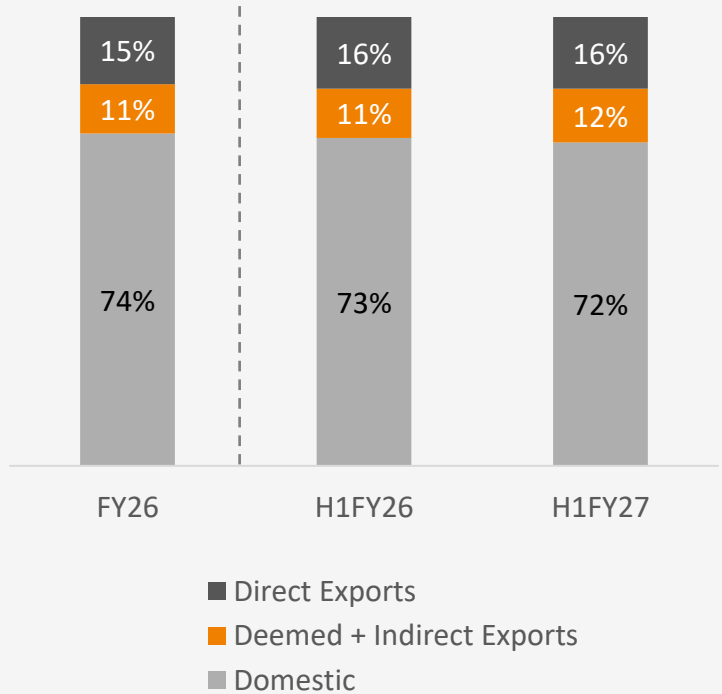
PRODUCT MIX



SECTOR MIX



GEOGRAPHY MIX

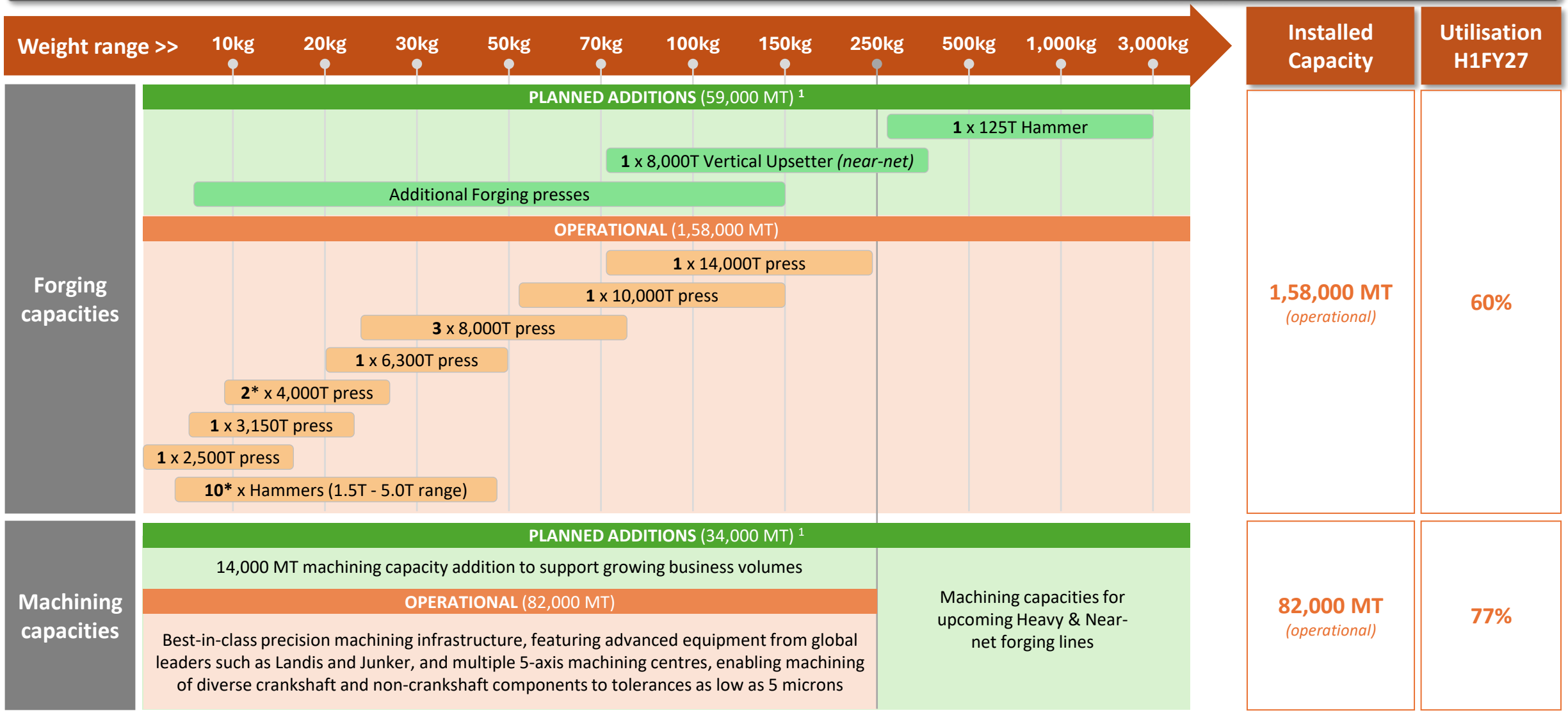


Note: Percentages are rounded off. Totals may not add up to 100%

EXPANDING CAPABILITIES ACROSS THE WEIGHT SPECTRUM

HAPPY FORGINGS LIMITED

Progressively Extending Capabilities Into Heavier and Complex Components to Unlock New Growth Opportunities

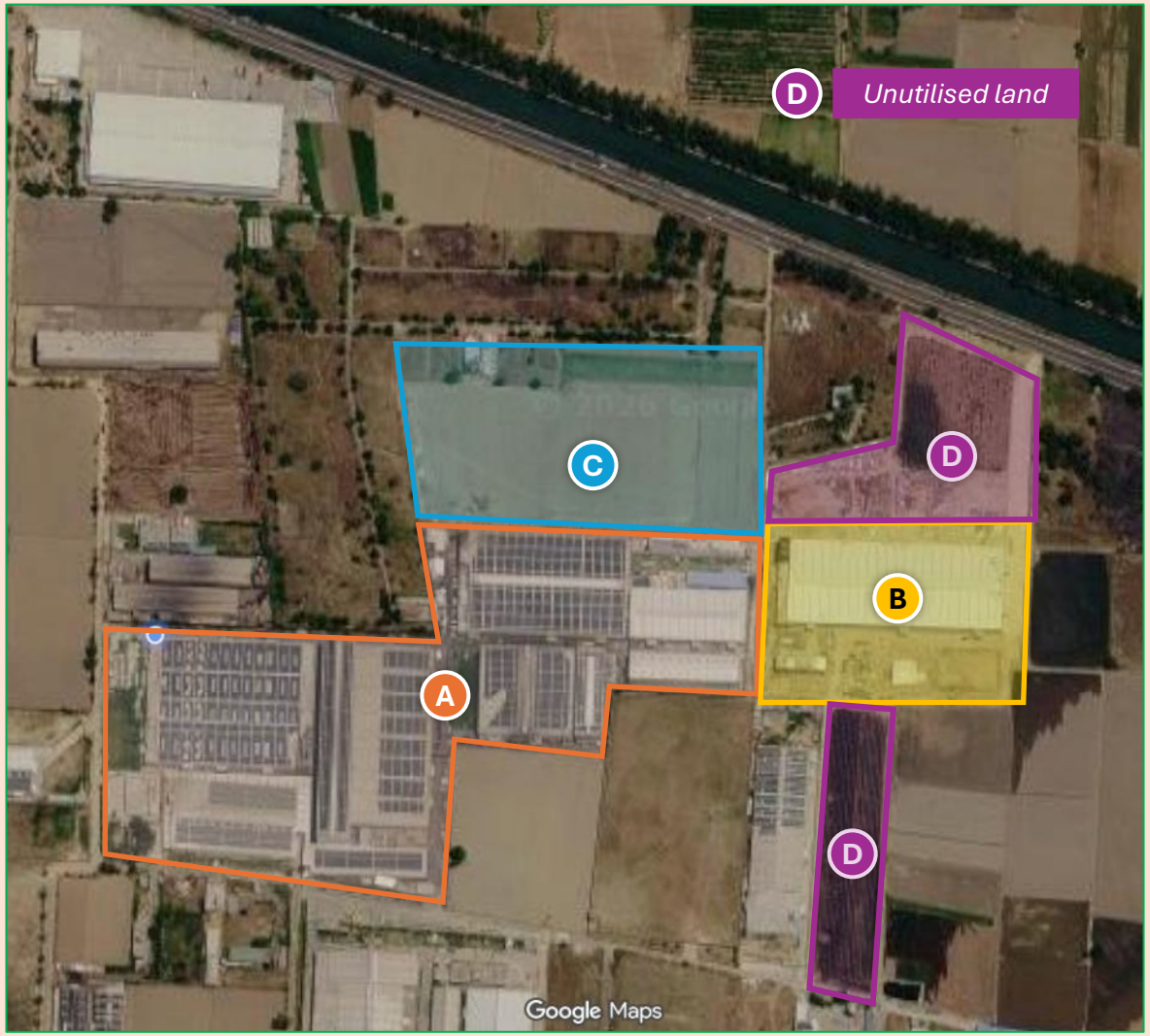


*[1] Planned additions for ultra-heavy components to be operational by FY28 while other capacity additions will be added in a phased manner in FY28 and FY29; * One Press commissioned in Q1FY27 and one hammer commissioned in Q2FY27*
Note: Capacity represents annual installed capacity as on the last date of relevant financial period. Capacity utilisation is based on the average available capacity for the period.

CAPACITY ADDITION PLAN AT NEW PLANT IN DUGRI

HAPPY FORGINGS LIMITED

Manufacturing Facility Layout at Dugri, Ludhiana



Note: Satellite image for representation only. Does not reflect the current on-ground status of facilities accurately

Operational

Installed & Operational Capacity – H1FY27		
Location	**Forging**	**Machining**
Kanganwal	67,000	29,500
A Dugri	91,000	52,500
TOTAL	**158,000**	**82,000**
Utilisation Rate *(H1FY27)*	60%	77%

Particulars	B Heavy Components	C Additional New Expansion
Description	Advanced heavy forging capabilities, including one of the world's largest forging hammers to manufacture large, complex forged components weighing 300–3,000 kgs	Additional Forging and machining capacities to support anticipated growth in business volumes across the existing and target end markets
Capex	Rs. 650 Crs - primarily financed through internal accruals	Rs. 500 Crs. financed through debt and internal accruals
Operations	To commence in FY 2028	In phases in FY28 and FY29
Sectors Served	To serve a range of industrial segments such as Power generation *(incl. backup power for data centers)*, Marine, Mining, High-horsepower farm equipment, Wind Energy and Oil & Gas	Mainly, Passenger Cars, Industrials and CV *(exports)* segments

PROFIT & LOSS STATEMENT

HAPPY FORGINGS LIMITED

Consolidated P&L (Rs. Crs)	Q2FY27	Q2FY26	YoY	Q1FY27	QoQ	H1FY27	H1FY26	YoY	FY 2026
Revenue from Operations	**501**	**377**	**32.7%**	**449**	**11.4%**	**950**	**731**	**29.9%**	**1,546**
Raw Material Cost & Change in Inventories	196	150		177		373	299		632
Gross Profit	**305**	**228**	**33.8%**	**273**	**11.7%**	**577**	**433**	**33.5%**	**915**
Gross Profit Margin	**60.8%**	**60.3%**	**52 bps**	**60.7%**	**15 bps**	**60.8%**	**59.2%**	**161 bps**	**59.1%**
Employee Cost	41	34		39		80	66		137
Other Expenses	111	78		93		204	150		307
EBITDA	**153**	**116**	**32.2%**	**141**	**8.7%**	**294**	**217**	**35.5%**	**471**
EBITDA Margin	**30.6%**	**30.7%**	**(11) Bps**	**31.3%**	**(76) Bps**	**30.9%**	**29.7%**	**127 bps**	**30.4%**
Depreciation	28	22		26		54	42		89
EBIT	**125**	**94**	**32.9%**	**115**	**9.3%**	**240**	**175**	**37.2%**	**382**
Other Income	8	6		11		19	17		31
EBIT Incl. Other Income	**134**	**100**	**32.9%**	**126**	**6.3%**	**259**	**191**	**35.4%**	**412**
Finance Cost	3	2		3		6	4		10
Profit Before Tax	**131**	**99**	**32.5%**	**123**	**6.5%**	**253**	**187**	**35.2%**	**402**
Profit Before Tax Margin	**26.1%**	**26.1%**	**(5) Bps**	**27.3%**	**(121) Bps**	**26.7%**	**25.6%**	**104 bps**	**26.0%**
Tax	33	25		31		64	48		100
PAT	**98**	**73**	**32.8%**	**91**	**6.6%**	**189**	**139**	**35.8%**	**302**
PAT Margin %	**19.5%**	**19.5%**	**1 bps**	**20.4%**	**(88) bps**	**19.9%**	**19.0%**	**86 bps**	**19.5%**
EPS (Diluted)	10.32	7.78		9.68		19.99	14.73		31.92

CAPITAL EMPLOYED AND CASH FLOW MOVEMENT – H1FY27

HAPPY FORGINGS LIMITED

Capital Employed and Funding Structure

Figures in Rs. Crs.		Mar 31, 2026	Sep 30, 2026
Capital Employed	Net Worth	2,128	2,285
	Borrowings & Lease Liabilities	330	543
	Capital Employed	**2,458**	**2,829**
Asset Composition	Gross Fixed & Intangible Assets *(Incl. CWIP)*	1,725	2,074
	Net Fixed & Intangible Assets *(Incl. CWIP)*	1,346	1,646
	Net Working Capital	568	647
	Creditors	*59*	*76*
	Inventory	*233*	*235*
	Receivables	*395*	*488*
	Cash & Bank	53	43
	Investments & FDs	378	304
	Net Assets *(Other Assets Less Other Liabilities)*	113	190
	Total Net Assets	**2,458**	**2,829**

Cash Flow Generation & Movement

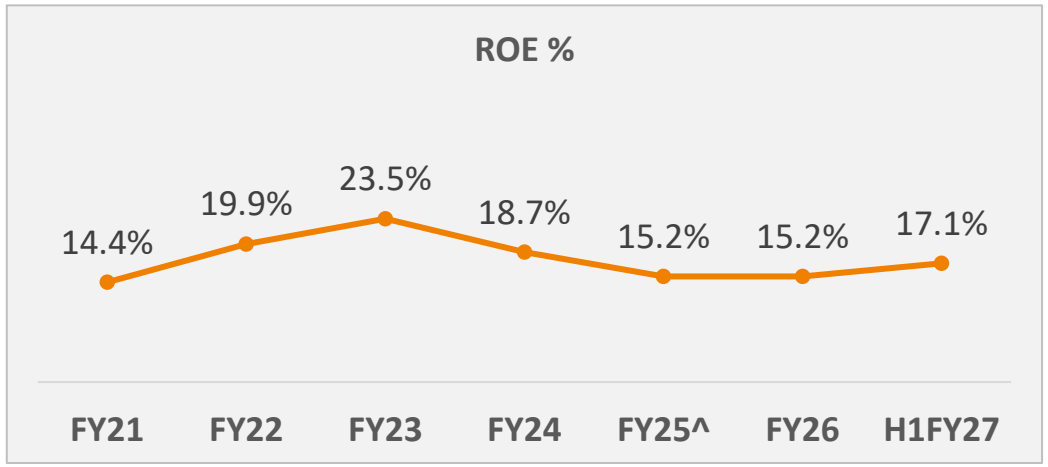
Figures in Rs. Crs.	Sep 30, 2026
Profit before tax	**253**
Adjustments for depreciation and other items	39
Operating profit before working capital changes	**292**
Changes in working capital & other current assets & liabilities*	-110
Cash generated from operations	**182**
Direct taxes paid (net of refund)	-57
Net cash from operating activities	**124**
Net cash from investing activities	**-291**
Net cash from financing activities	**156**
Net change in cash and cash equivalents	**-11**

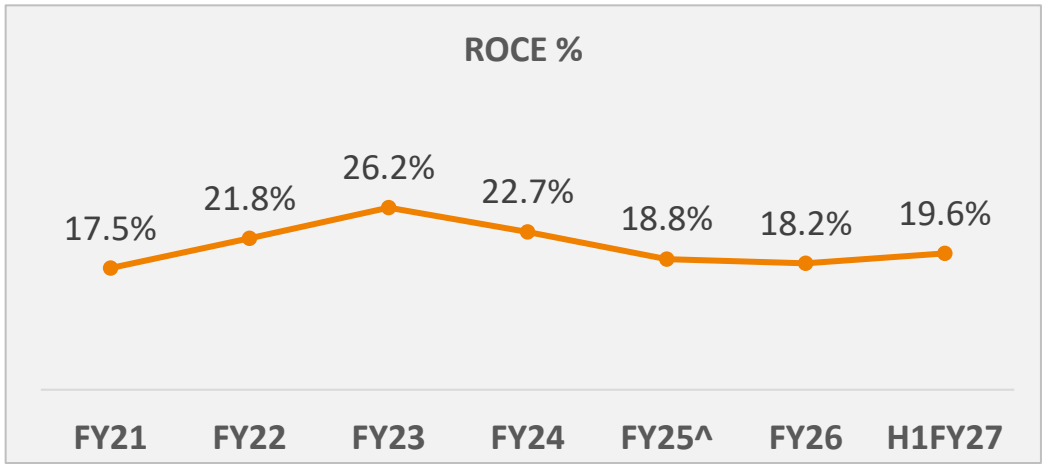
** Changes in working capital for H1FY27 include an outflow of Rs. 35 Crs. on account of advances to raw material suppliers*

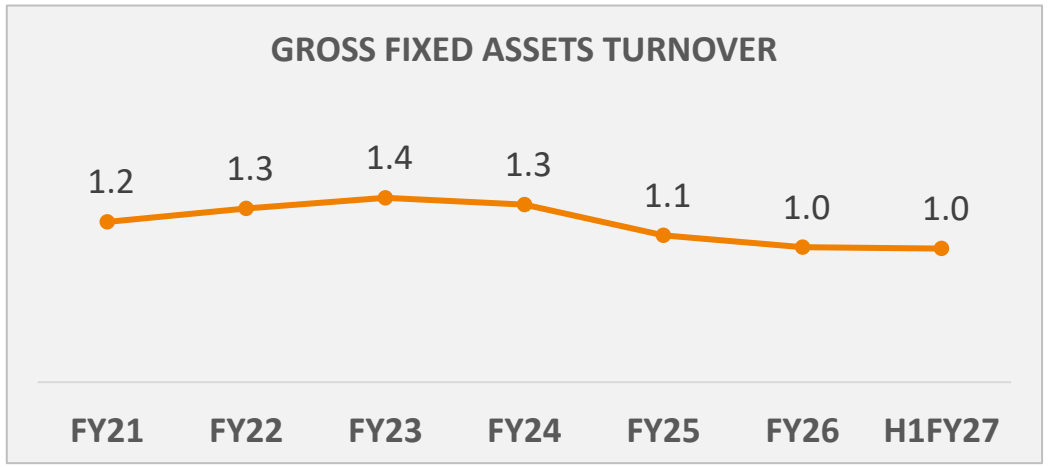
STRONG FUNDAMENTALS WITH HEALTHY RETURNS & LOWER LEVERAGE

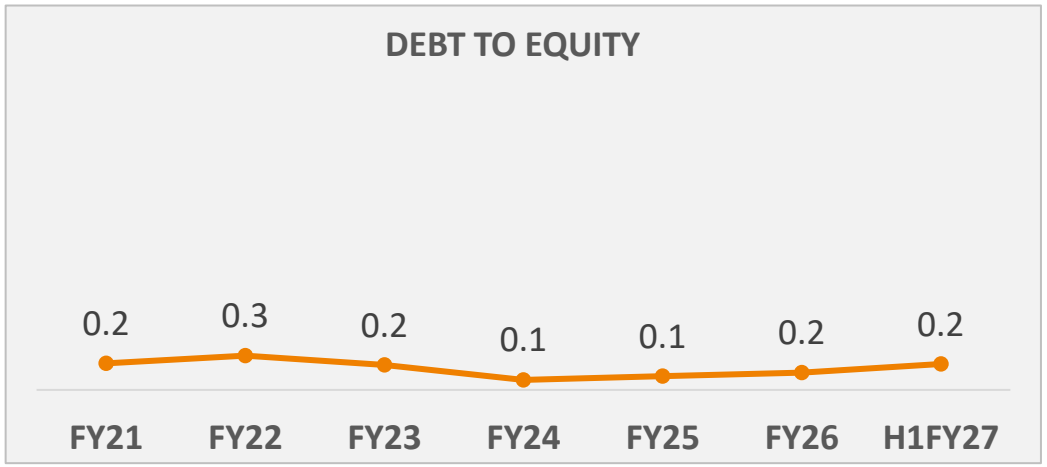
HAPPY FORGINGS LIMITED

Healthy Internal Cash Accruals Support Organic Growth With Minimal Reliance on External Funding

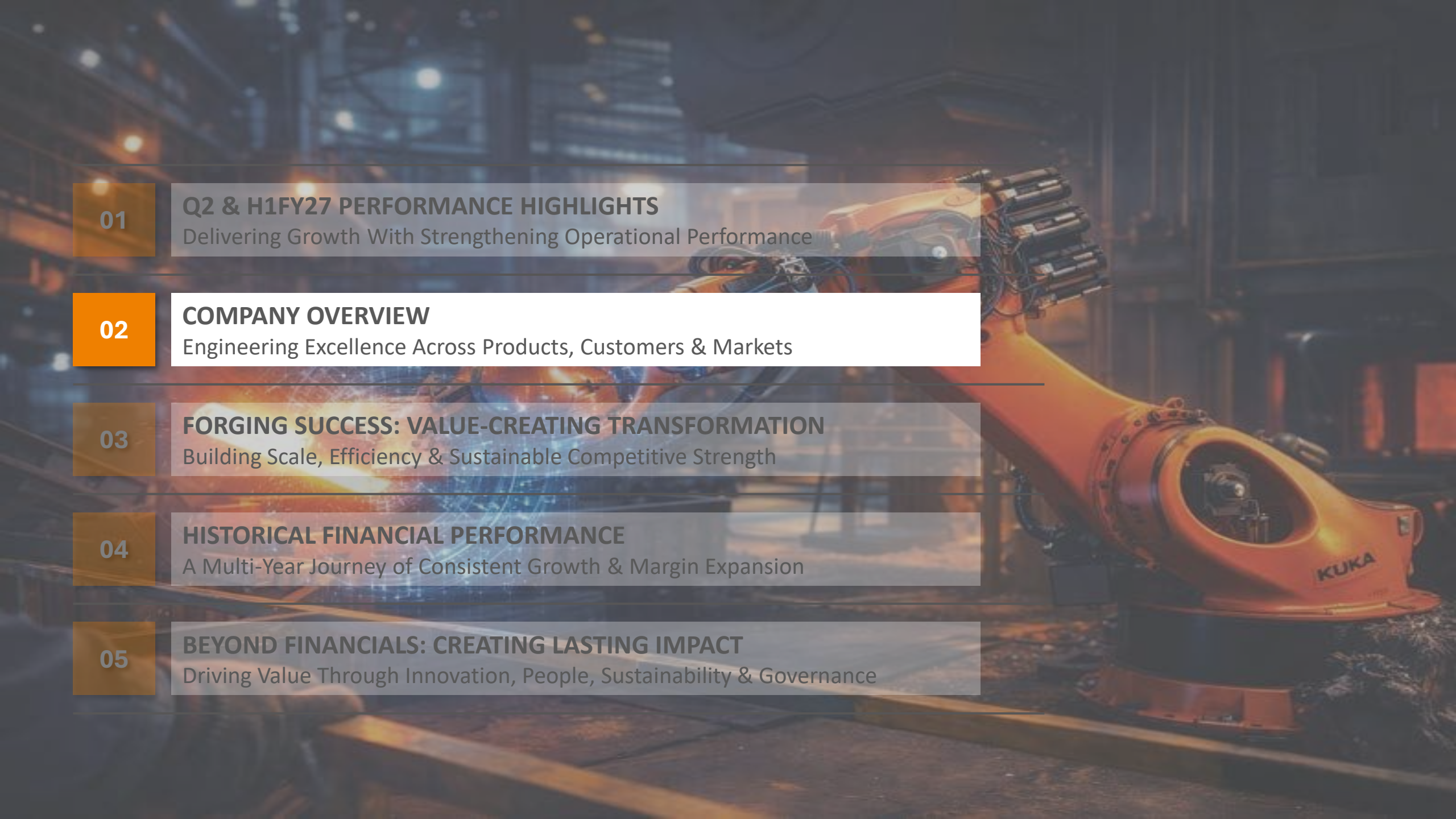








^ *Excluding post-tax insurance income of Rs. 4.8 Crs*



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A LEGACY OF EXCELLENCE

HAPPY FORGINGS LIMITED



About Us

Incorporated in July 1979, Happy Forgings Limited is an Indian manufacturer specializing in designing and manufacturing heavy forgings and high-precision machined components

Manufactures high precision products such as crankshafts, front axle carriers, steering knuckles, differential housings, transmission parts, pinion shafts, suspension products and valve bodies catering to different industries and customers

47+ years
of Manufacturing Excellence

2nd Largest
Producer of commercial vehicle and high horse-power industrial crankshafts in India

3rd Largest
Engineering-led manufacturer of complex and safety-critical, heavy forged and high-precision machined components in India

3
Manufacturing Facilities

1,58,000 MT
Forging capacity*

82,000 MT
Machining capacity*

Diversified Customer Base
Across Indian & Global OEMs

Rs. 1,546 Crs
FY26 Revenue

30.4%
FY26 EBITDA Margin

AA/STABLE
CRISIL and ICRA Credit Rating

OUR VISION

To be amongst the top 10 forging and machining companies globally

OUR MISSION

- State-of-the-art Technology
- Deliver more than promised
- Respect and encourage people
- Inspire innovation and creativity
- Care for the environment and society

** Installed capacity as on Sep 30, 2026*

BUSINESS EVOLUTION SPANNING 4 DECADES

HAPPY FORGINGS LIMITED

1979
Established with a single unit for manufacturing crank arms

2005
Heavy-duty hammers installed for oil engine and motor parts production

2006
Commenced operations at Kanganwal Facility II

2007
Crossed ₹100 Crs in revenue.

2008
Initiated installation of 8,000 tonne forging press and model grinding for 4/6-cylinder crankshafts



2010-15
Expanded machining capacity and entered commercial vehicles and industrial segments

2017
Commissioned the second 8,000-tonne forging press.

2018
Crossed ₹500 Crs In Revenue
Secured funding through the financial sponsor route from the India Business Excellence Fund III

2021
Commenced operations at the Dugri facility
Installed the 3rd 8,000-tonne forging press line

2022
Installed eight dedicated crankshaft manufacturing lines.
Commissioned the first 14,000 tonne forging press line



2023
Crossed ₹1,000 Crs in revenue.
Completed IPO and public market listing

2024
Commenced supply of crankshafts for SUVs

2025
Installed and began operations of the 6,300-tonne press along with expansion in machining capacity

2026
Commissioned the 10,000-tonne forging press line

FULLY INTEGRATED CAPABILITIES

HAPPY FORGINGS LIMITED



Forging

Fully automated forging press lines and hammers to produce high-quality forged products



Machining

Advanced software and equipment to ensure that our machining processes adhere to stringent tolerance levels



Die Design & Manufacturing

Latest technology and tools to offer a wide range of services, including design, prototyping, testing and manufacturing



Metallurgical Facilities

Equipped with a range of advanced metallurgical testing & analysis equipment to ensure highest quality in the forging manufacturing process



Heat Treatment Facilities

Equipped with the latest technology and equipment to provide precise and effective heat treatment processes for our products



Inspection and Quality Control

World class and most advanced metrology room to ensure the highest standards of quality

COMPLETE PROCESS FLOW

HAPPY FORGINGS LIMITED



Covered Raw Material Yard



Billet Cutting Section



Metallurgical Testing Lab



Forging



Control Cooling



Heat Treatment



Machining



Standard Room



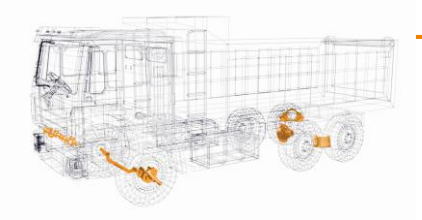
Final Inspection



Packaging & Dispatch

MULTI-PRODUCT AND MULTI-INDUSTRY OFFERINGS (1/2)

HAPPY FORGINGS LIMITED



Commercial Vehicles



Rear Axle Component



Suspension Products





Front Axle Components



Crankshaft



Differential Case



Farm Equipment





Crown Wheel

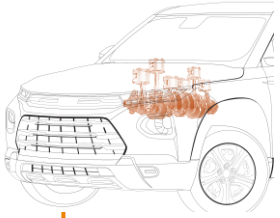


Axle Shaft

Crankshaft



Pinion



Passenger Vehicles



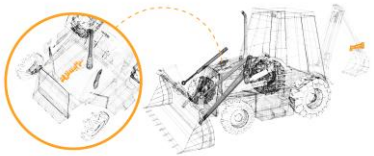
Crankshaft



Brake Flange



E Axle Components



Off-highway Vehicles



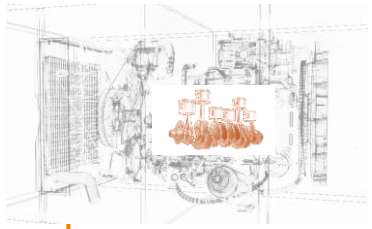
Crankshaft



Bucket Link

MULTI-PRODUCT AND MULTI-INDUSTRY OFFERINGS (2/2)

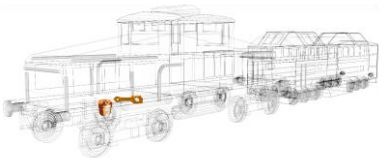
HAPPY FORGINGS LIMITED



Power Generation



Crankshaft



Railways



Piston Pin



Connecting Rod



Windmill Applications



Housing



Output Shaft



Planetary Carrier



Oil & Gas



Valve Bodies

PAVING OUR PATH TOWARDS ACCELERATED VALUE CREATION

HAPPY FORGINGS LIMITED











Transition from a forging led player to a leading manufacturer of machined components in India

In-house design capabilities & fungible production lines have led to a diverse product offering, continuous value addition

Increasing global presence through increase in direct & indirect exports

Increased wallet share from customers by offering additional products to existing customers

Track record of consistently building capabilities and infrastructure with a focus on capital efficiency

HIGH ENTRY BARRIERS

HAPPY FORGINGS LIMITED



CAPITAL INTENSIVE BUSINESS

Capital-intensive business that involves complex technology, machinery and systems acting as an entry barrier for smaller and unorganized players



STRATEGIC RESILIENCE

Lengthy customer and product approval processes



SELECTIVE SUPPLIER DYNAMICS

Difficulty in acquiring new customers without existing relationships



PRODUCT RELIABILITY

Global industry leaders are highly selective in qualifying new suppliers with respect to critical products given the high costs and risks of switching suppliers, especially where product reliability is critical



PRECISION IN PRACTICE

Importance of implementing and sustaining quality systems while providing critical & high precision components involving tight tolerances (e.g. tolerance for machined products ranges between 0.005 mm & 0.2 mm)

EXPERTISE IN HIGH-TONNAGE PRESSES AND PRECISION MACHINING

HAPPY FORGINGS LIMITED

1,58,000 MT
Total Forging Capacity*

82,000 MT
Total Machining Capacity*

47+ Years
of Engineering Excellence

2nd Largest
Producer of Crankshafts
in India for Commercial Vehicle and High Horsepower Industrial applications

Kanganwal I, Ludhiana (Started in 1995)



Continuous Investment in in-house infrastructure

- **Second company in India to have 14,000 Tonne press**
- The **ability to forge heavier and complex parts** up to 250 kgs to cater to different industries which require heavy and complex parts

Kanganwal II, Ludhiana (Started in 2006)



Strategic Location of Facilities

- Facilities located **near inland container depot facility** in Ludhiana and **Dedicated Freight Corridor** (DFCs) provides cost and logistical advantages

Dugri, Ludhiana (Started in 2021)



Operating Efficiencies

- **Fungible product lines** along with **vertically integrated facilities** helps drive diverse product offering, reduced operating costs and improve productivity

** Installed capacity as on Sep 30, 2026*

ARCHITECTS OF PROGRESS

HAPPY FORGINGS LIMITED

Executive Directors



Paritosh Kumar
Chairman & Managing Director

- **47+** Years of experience
- Founded Happy Forgings in **1979**
- B.A. from S.C. Dhawan Government College, Ludhiana (P.U.)



Ashish Garg
Managing Director

- **19+** Years of experience
- Joined Happy Forgings in **2006**
- Bachelor's degree in science (accounting and finance) & a Master's degree in science (manufacturing systems engineering), University of Warwick, UK



Megha Garg
Whole-time Director

- **10+** Years of experience
- Joined Happy Forgings in **2016**
- Bachelor's degree in science (economics) from the University of Nottingham, UK

Senior Management



Narinder Singh Juneja
Chief Operating Officer

- **50+** Years of experience
- Postgraduate diploma in mechanical engineering, Y.M.C.A. Institute of Engineering, State Board of Technical Education, Haryana



Patwinder Singh
Chief Operating Officer

- **~30** Years of experience
- Joined Happy Forgings in **2016**
- Bachelor's Degree in Science, Guru Nanak Dev University and MBA from CSM Institute of Graduate Studies



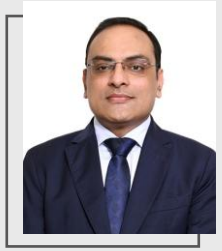
Brijender Singh
Chief Operating Officer

- **30+** Years of experience
- Joined Happy Forgings in **2026**
- B.SC. II (N.M) & Mechanical Engineering from Y.M.C.A. Institute of Engineering



Mangesh Shantaram Purandare
Chief Marketing Officer

- **30+** Years of experience
- Joined Happy Forgings in **2019**
- Bachelor's degree in Engineering and MBA from University of Pune



Pankaj Kumar Goyal
Chief Financial Officer

- **~24** Years of experience
- Joined Happy Forgings in **2013**
- Fellow Member of Institute of Chartered Accountants of India



G.S. Sandhu
Chief Human Resource Officer

- **30+** Years of experience
- Joined Happy Forgings in **2019**
- MBA in HR and Alumnus of ISB (Future CHRO Programme)

NAVIGATING THE PATH TO SUSTAINABLE GROWTH

HAPPY FORGINGS LIMITED

Growth at Happy Forgings has never been about chasing momentum.
It is about making deliberate choices that create value over the long term.

Use in-house capabilities for product development to tap into industrial market opportunities

Enter lightweight forging and machining for passenger vehicle sector

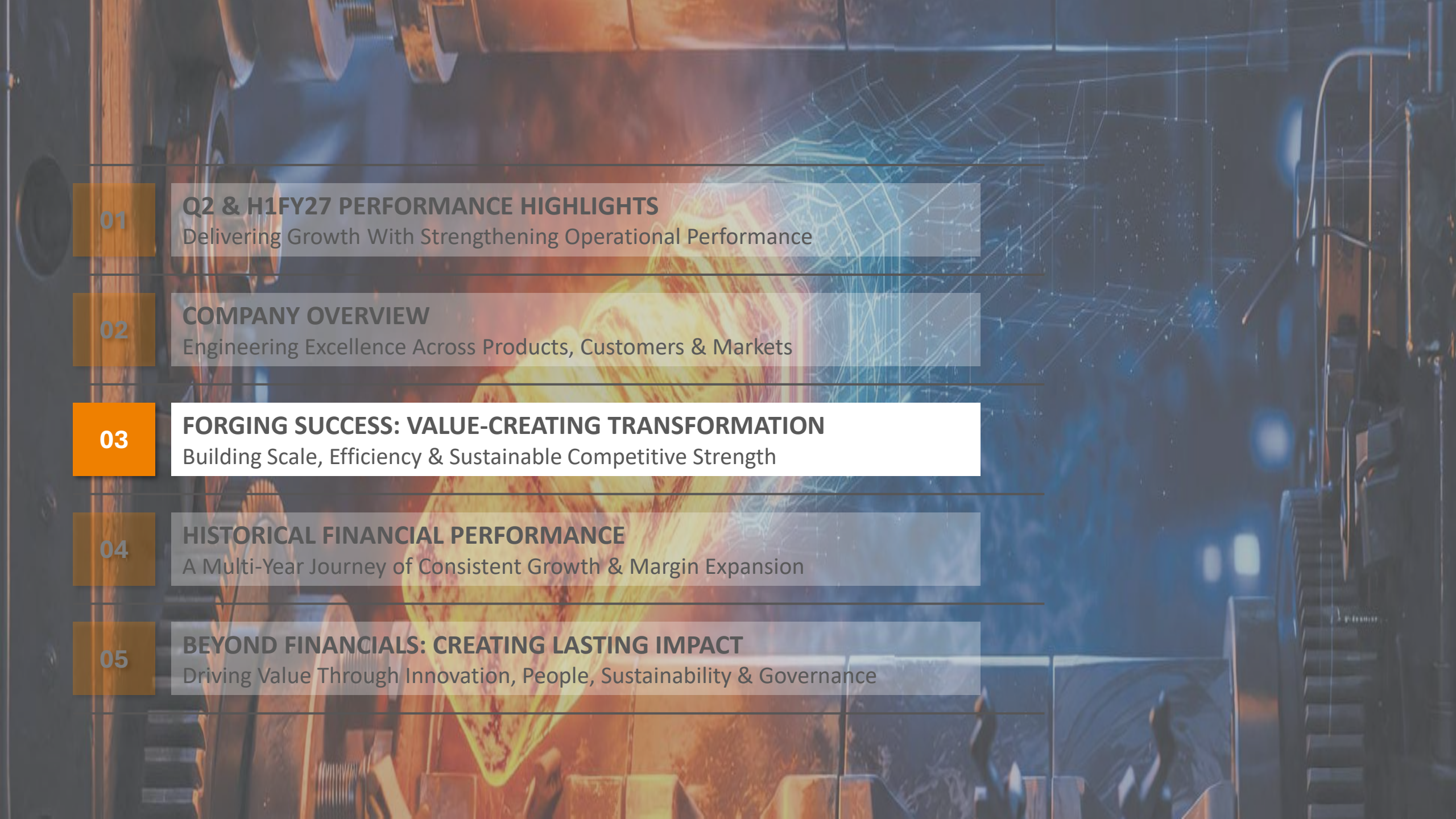
Expand wallet share and acquire new business by leveraging existing OEM relationships and adding new customers

Capitalise on increasing demand from **international markets** to grow exports

Expand capacity at existing manufacturing facilities

Grow inorganically through strategic acquisitions and alliances

Continue to **reduce operating costs and improve operational efficiencies**



01 **Q2 & H1FY27 PERFORMANCE HIGHLIGHTS**
Delivering Growth With Strengthening Operational Performance

02 **COMPANY OVERVIEW**
Engineering Excellence Across Products, Customers & Markets

03 **FORGING SUCCESS: VALUE-CREATING TRANSFORMATION**
Building Scale, Efficiency & Sustainable Competitive Strength

04 **HISTORICAL FINANCIAL PERFORMANCE**
A Multi-Year Journey of Consistent Growth & Margin Expansion

05 **BEYOND FINANCIALS: CREATING LASTING IMPACT**
Driving Value Through Innovation, People, Sustainability & Governance

FORGING SUCCESS: VALUE-CREATING TRANSFORMATION

HAPPY FORGINGS LIMITED

A Snapshot of Building Scale, Efficiency & Sustainable Competitive Strength (FY21 to FY26)

Scale With value

FY21 to FY26

FG Volume	63,105 MT ↑ 1.8X
Realisations	₹ 245/Kg ↑ 1.5X

Increasing value addition supported by stronger engineering capabilities and product mix

Profitable Growth

FY21 to FY26

Sales CAGR	21%
Gross Profit CAGR	22%
EBITDA CAGR	24%
PAT CAGR	28%
Δ Gross Margin	↑ 215 Bps
Δ EBITDA Margin	↑ 330 Bps
Δ PAT Margin	↑ ~470 Bps

Focused on profitable growth through value addition and operating efficiency

Financial Strength

FY21 to FY26

Cumulative OCF/EBITDA	64%
ROCE	18.2% ↑ ~70 Bps
ROE	15.2% ↑ ~80 Bps
Debt/Equity	0.15x ↓ 0.08x
Credit Rating	AA Stable

Strong cash generation supporting balance sheet strength and strategic growth flexibility

Capacity Transformation

FY21 to FY26

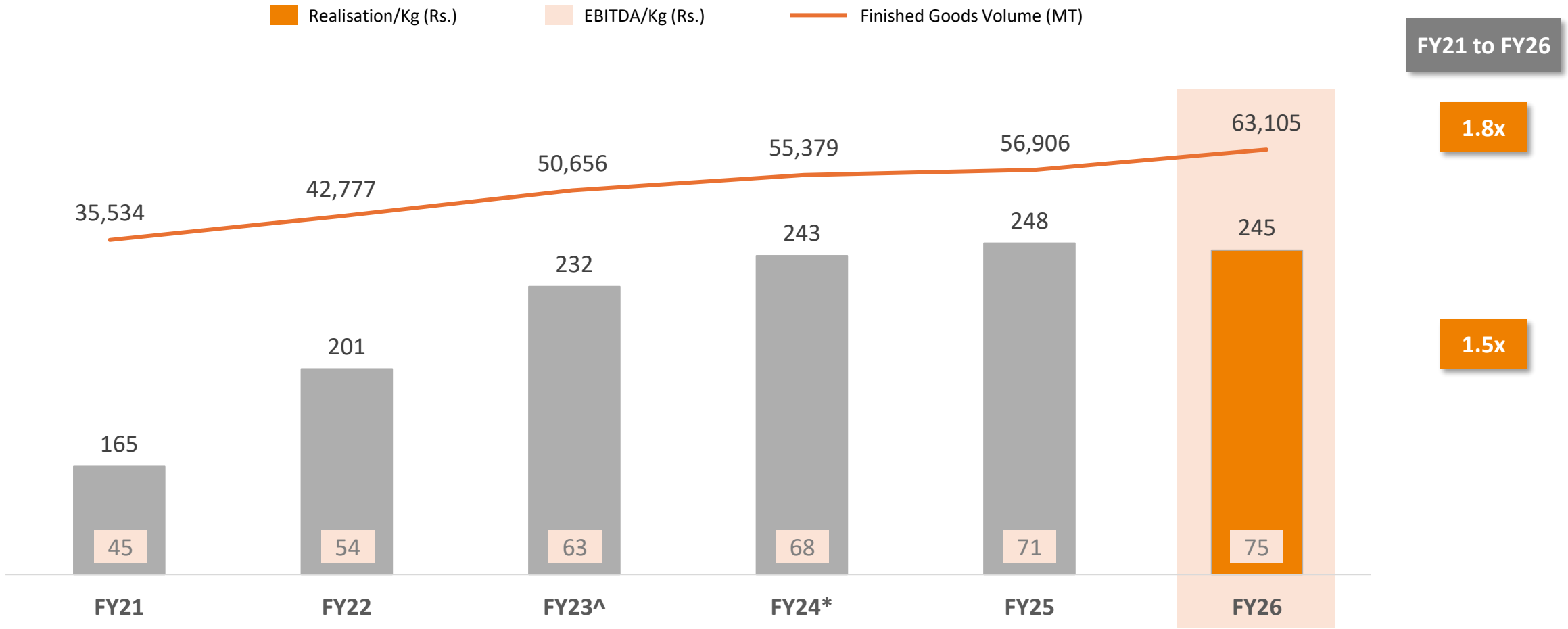
Forging Capacity	148,000 MT ↑ 2.2X
Machining Capacity	68,000MT ↑ 2.3X
Capex Earmarked for Heavy Forgings Capacity	~ ₹ 650 Crs.

Expanding scalable capabilities across high-value and heavy forging opportunities

SCALING VOLUMES WHILE ENHANCING VALUE ADDITION & REALISATIONS

HAPPY FORGINGS LIMITED

Growth Driven by Increasing Penetration In High-value and Precision-engineered Components



Realisations Remained Broadly Stable and Range-bound in FY26 Despite Softening Raw Material Prices

^ FY23 realisation excludes prior period income
** FY24 adjusted for higher realization on account of air freight costs recovery on one order*

DELIVERING STRONG & STEADY GROWTH ACROSS FINANCIAL METRICS

HAPPY FORGINGS LIMITED

21% CAGR (FY21-26)
10 Year CAGR – 15%^

FY21-26 **2.6x**

22% CAGR (FY21-26)
10 Year CAGR – 17%^

FY21-26 **2.7x**

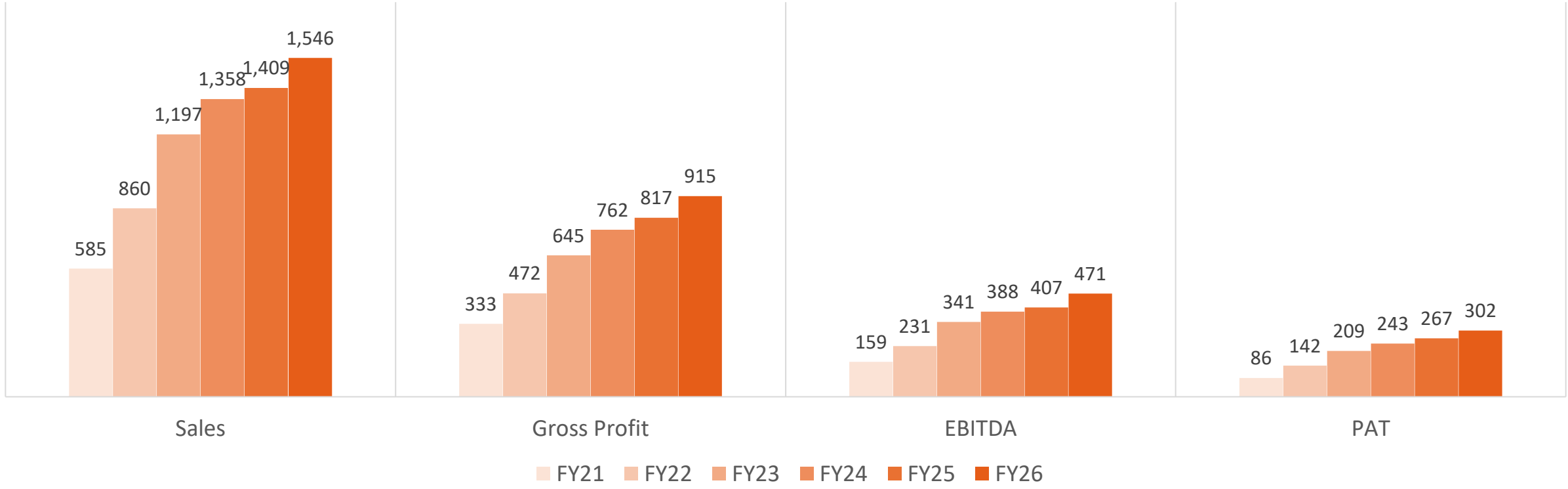
24% CAGR (FY21-26)
10 Year CAGR – 20%^

FY21-26 **3.0x**

28% CAGR (FY21-26)
10 Year CAGR – 33%^

FY21-26 **3.5x**

Rs Crs.



^ 10 Year CAGR for the period FY16 – FY26

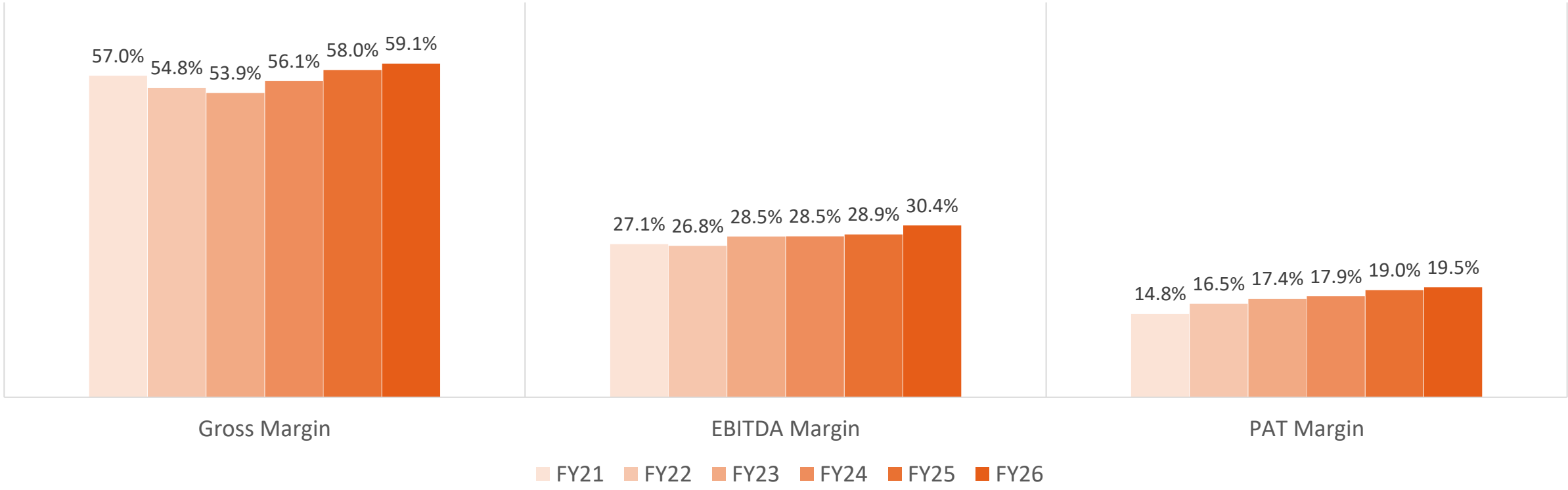
MARGIN EXPANSION DRIVEN BY VALUE ADDITION AND EFFICIENCY

HAPPY FORGINGS LIMITED

↑ **215** bps (FY21-26)

↑ **330** bps (FY21-26)

↑ **473** bps (FY21-26)



Improving Product Mix and Execution Driving Sustained Profitability Expansion

STRONG CASH GENERATION FUNDING CAPACITY BUILD-UP

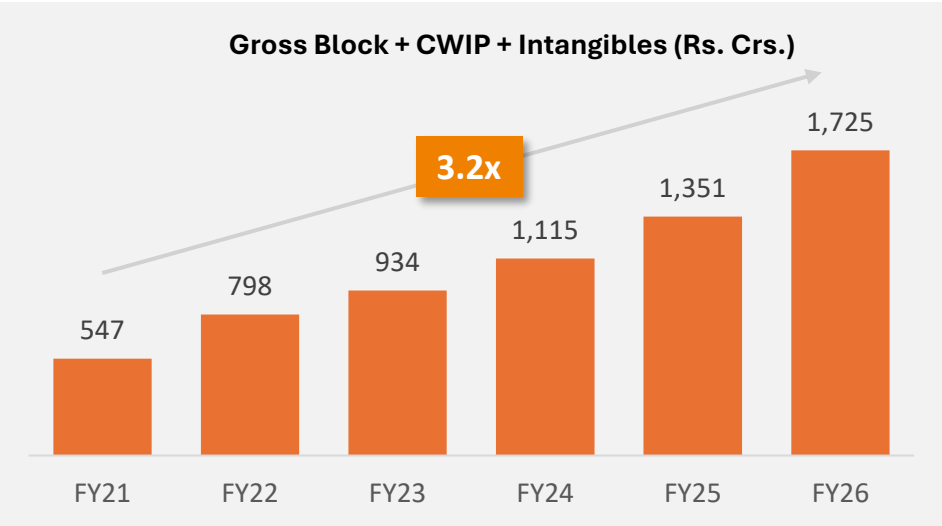
HAPPY FORGINGS LIMITED

Strong Cash Accruals Driven by High Margins and Working Capital Efficiency Supporting Capacity Expansion

Cash Accrual and Deployment in Capex

Particulars (Rs. Crs.)	FY21	FY22	FY23	FY24	FY25	FY26	∑ (FY21-FY26)
EBITDA	**159**	**231**	**341**	**388**	**407**	**471**	**1,995**
EBITDA Margin (%)	27.1%	26.8%	28.5%	28.5%	28.9%	30.4%	
Operating Cash Flow	**50**	**92**	**209**	**189**	**292**	**445**	**1,277**
Op. Cash Flow/EBITDA (%)	31%	40%	61%	49%	72%	94%	64%
Capex	**92**	**191**	**175**	**194**	**281**	**461**	**1,393**

Gross Block and Capacity Build-up Since 2021



Capacity (in MT)	FY21	FY26
Forging	67,000	148,000
Machining	29,500	68,000

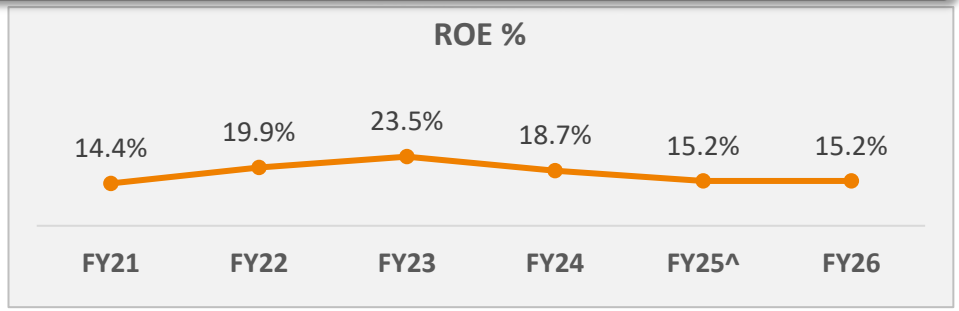
- ✓ Healthy operating cash accruals have largely funded capex
- ✓ Enabled rapid scaling of manufacturing capacities
- ✓ Current liquidity surplus of ~Rs. 350 Cr.
- ✓ Current liquidity exceeds primary capital raised during IPO

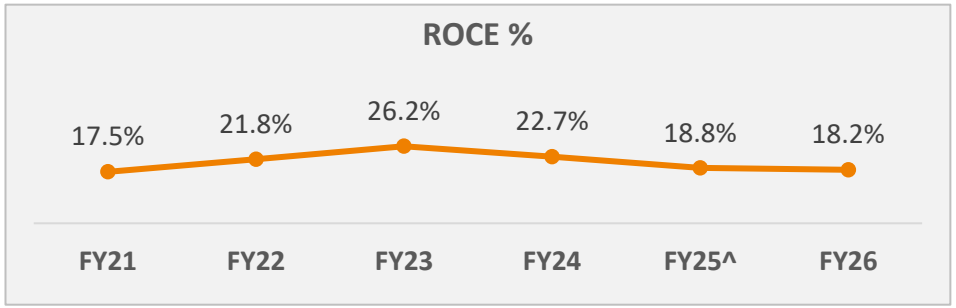
FORTRESS BALANCE SHEET SUPPORTING LONG TERM GROWTH

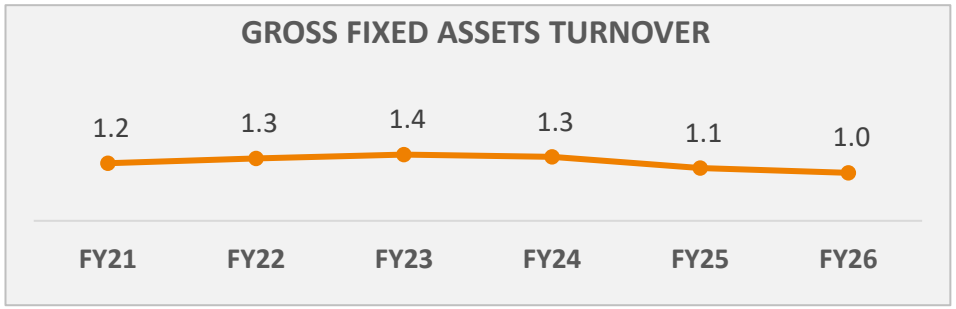
HAPPY FORGINGS LIMITED

Strong Return Ratios Maintained Through Disciplined Capital Allocation With Further Upside From Utilisation Ramp-up

Particulars (Rs Crs.)	Mar 31, 21	Mar 31, 22	Mar 31, 23	Mar 31, 24	Mar 31, 25	Mar 31, 26
Net Worth	645	788	988	1,612	1,850	2,128
Borrowings	153	240	219	143	228	330
Trade Payables	38	44	48	56	45	59
Other Liabilities	38	55	71	75	92	116
Total Liabilities	**874**	**1,127**	**1,326**	**1,886**	**2,215**	**2,633**
Net Block + CWIP + Intangibles	455	668	753	870	1,031	1,346
Inventories & Receivables	287	406	478	581	659	628
Cash & Bank + Curr. Liquid Assets	28	1	0	122	226	421
Other Assets	104	52	95	313	299	239
Total Assets	**874**	**1,127**	**1,326**	**1,886**	**2,215**	**2,633**
Debt / Equity	**0.24x**	**0.31x**	**0.22x**	**0.09x**	**0.12x**	**0.15x**
Net Debt/EBITDA	**0.79x**	**1.03x**	**0.64x**	**0.06x**	**0.00x**	**-0.19x**







Robust Balance Sheet with AA Stable Credit Rating

Provides flexibility to pursue organic and inorganic growth opportunities

Focus on judicious capital allocation and maintaining a strong balance sheet to create value

** Net debt computed by including short term liquid mutual fund investments and short-term fixed deposits along with cash and bank balances*

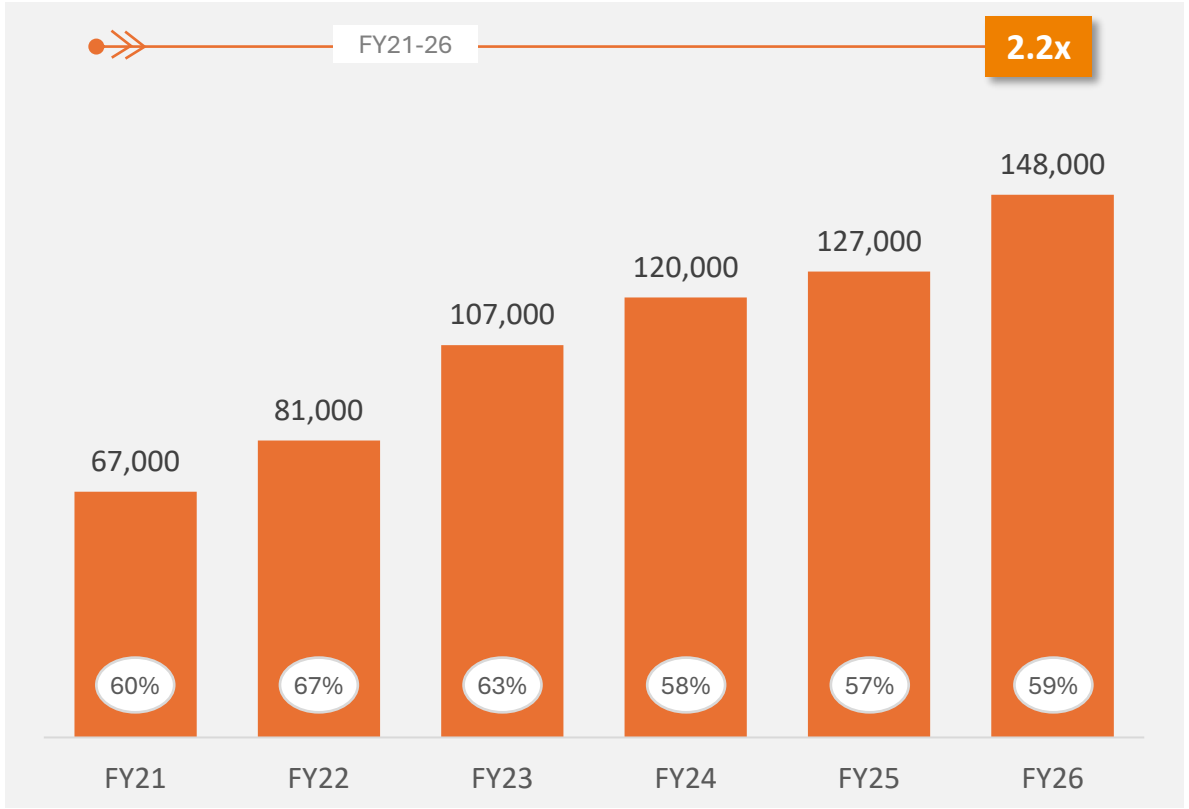
^ Excluding post-tax insurance income of Rs. 4.8 Crs

BUILDING CAPACIITIES FOR RESILIENT AND SUSTAINABLE GROWTH

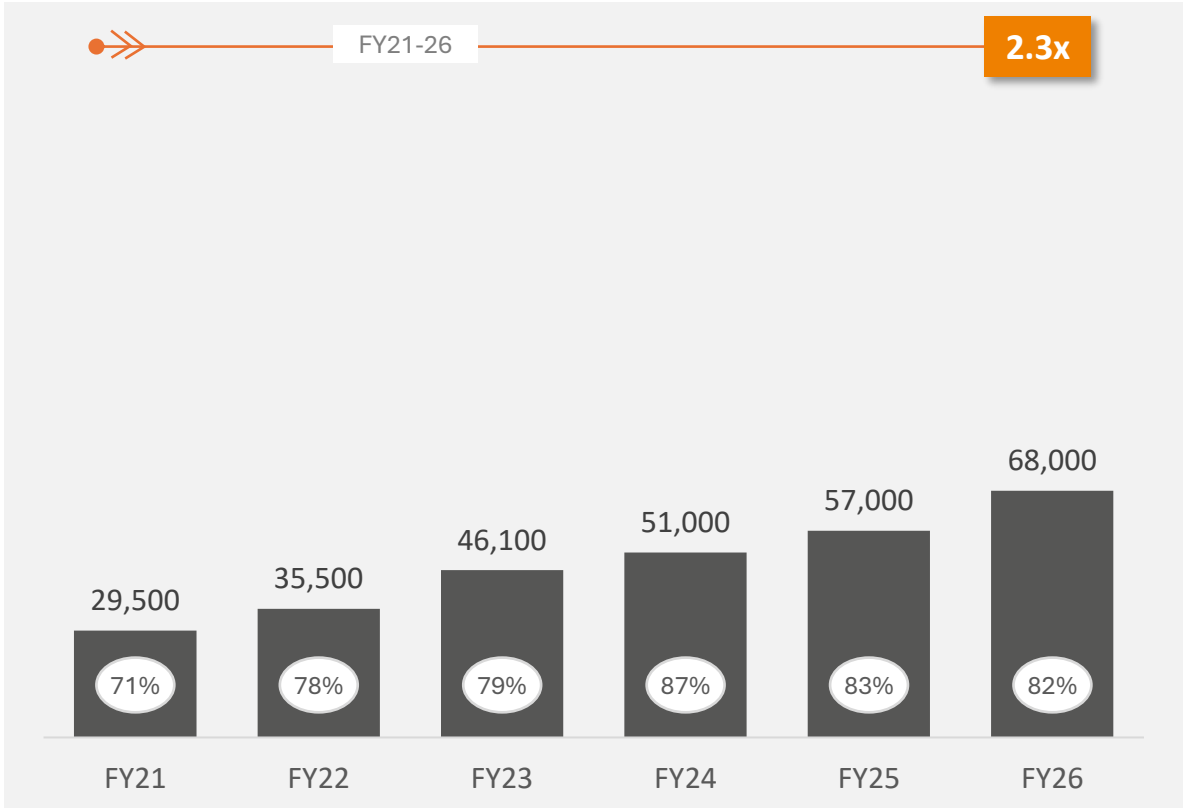
HAPPY FORGINGS LIMITED

Installed Capacity and Utilisation

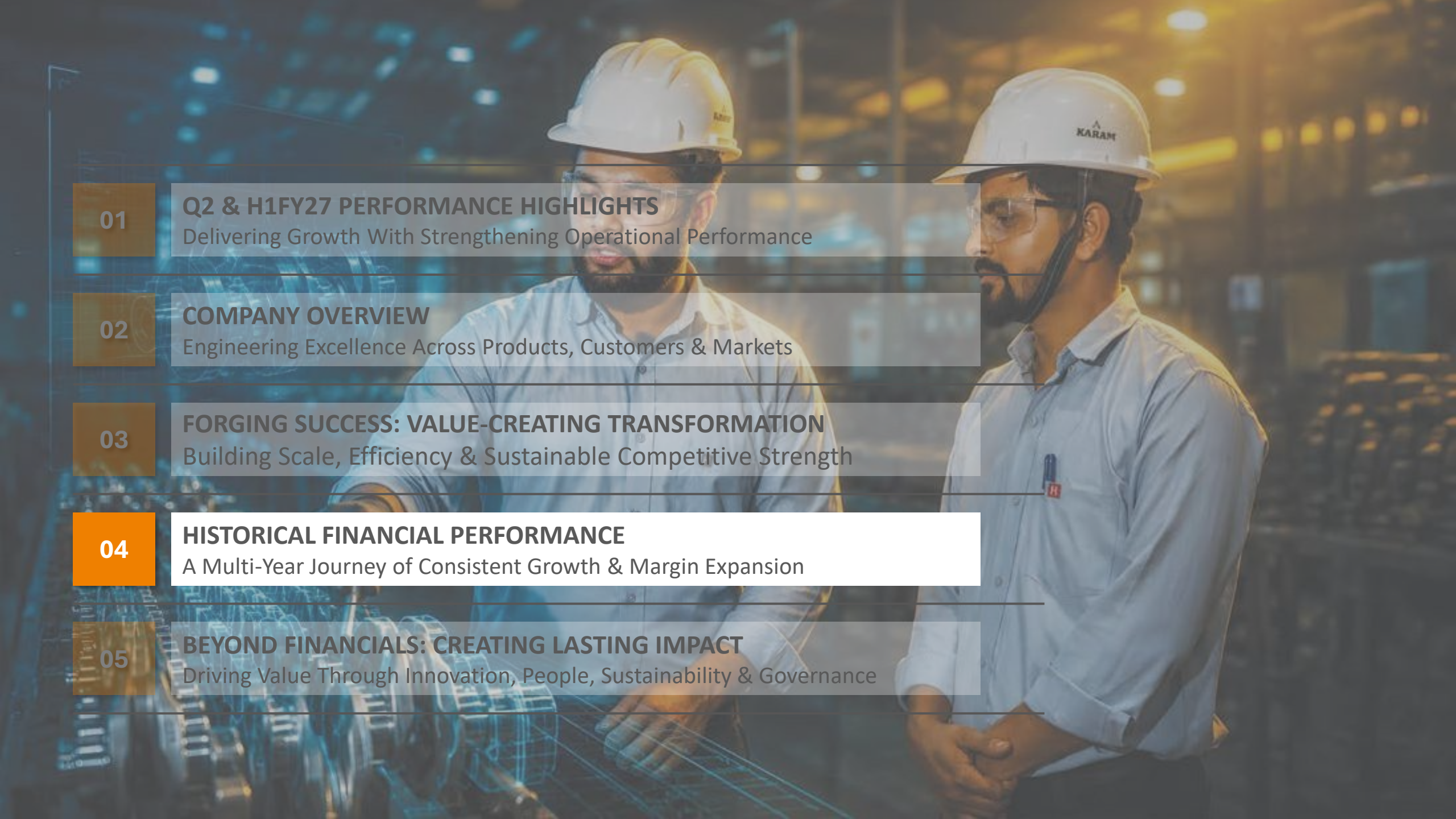
Forging Capacity (in MT)



Machining Capacity (in MT)



Note: Figures represent Annual Installed Capacity as on the last date of the relevant period. Capacity utilisation is based on the average available capacity for the period.



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PROFIT & LOSS STATEMENT

HAPPY FORGINGS LIMITED

Profit and Loss (Rs. Crs)	H1FY27	FY26	FY25^	FY24	FY23	FY22	FY21
Revenue from Operations	**950**	**1.546**	**1,409**	**1,358**	**1,197**	**860**	**585**
Raw Material Cost & Change in Inventories	373	632	592	597	551	388	252
Gross Profit	**577**	**915**	**817**	**762**	**645**	**472**	**333**
Gross Profit Margin (%)	**60.8%**	**59.1%**	**58.0%**	**56.1%**	**53.9%**	**54.8%**	**57.0%**
Employee Cost	80	137	125	114	88	69	49
Other Expenses	204	307	286	260	217	172	126
EBITDA	**294**	**471**	**407**	**388**	**341**	**231**	**159**
EBITDA Margin (%)	**30.9%**	**30.4%**	**28.9%**	**28.5%**	**28.5%**	**26.8%**	**27.1%**
Depreciation	54	89	77	65	54	38	36
EBIT	**240**	**382**	**330**	**323**	**287**	**193**	**123**
Interest	6	10	8	12	12	7	12
Other Income	19	31	37	13	6	6	6
Profit Before Tax	**253**	**402**	**360**	**324**	**280**	**192**	**117**
Tax	64	100	92	81	71	50	31
PAT	**189**	**302**	**267**	**243**	**209**	**142**	**86**
PAT Margin (%)	**19.9%**	**19.5%**	**19.0%**	**17.9%**	**17.4%**	**16.5%**	**14.8%**
EPS (Diluted)	19.99	31.92	28.37	26.75	23.32	15.90	9.7

^ In FY25 other income includes insurance income of Rs. 6.4 Crs. (Rs. 4.8 Crs on a post-tax basis included in PAT)

BALANCE SHEET

HAPPY FORGINGS LIMITED

Assets (Rs. Crs)	Sep 30, 2026	Mar 31, 2026	Mar 31, 2025	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Non-Current Assets	**1,905**	**1,562**	**1,297**	**1,144**	**836**	**704**
Property, Plant and Equipment	1,241	1,097	900	742	677	455
Capital work-in-progress	370	229	116	122	75	212
Intangible Assets	11	11	8	1	1	2
Intangible assets under development	10	8	6	5	-	-
Right of Use Assets	14	-	-	-	-	-
Other Financial Assets & investments	29	41	151	204	31	8
Other Non-Current Assets	230	175	115	70	52	28
Current Assets	**1,140**	**1,071**	**919**	**742**	**489**	**423**
Inventories	235	233	232	224	170	184
Trade Receivables	488	395	427	357	308	222
Cash and Cash Equivalents	15	26	13	0.6	0.01	0.02
Bank Balances	28	27	124	121	0.3	1
Other Financial Assets	319	376	109	8	1	3
Other current assets	54	15	14	31	10	12
Assets Held for Sale	-		-	-	**1**	**1**
Total Assets	**3,044**	**2,633**	**2,215**	**1,886**	**1,326**	**1,127**

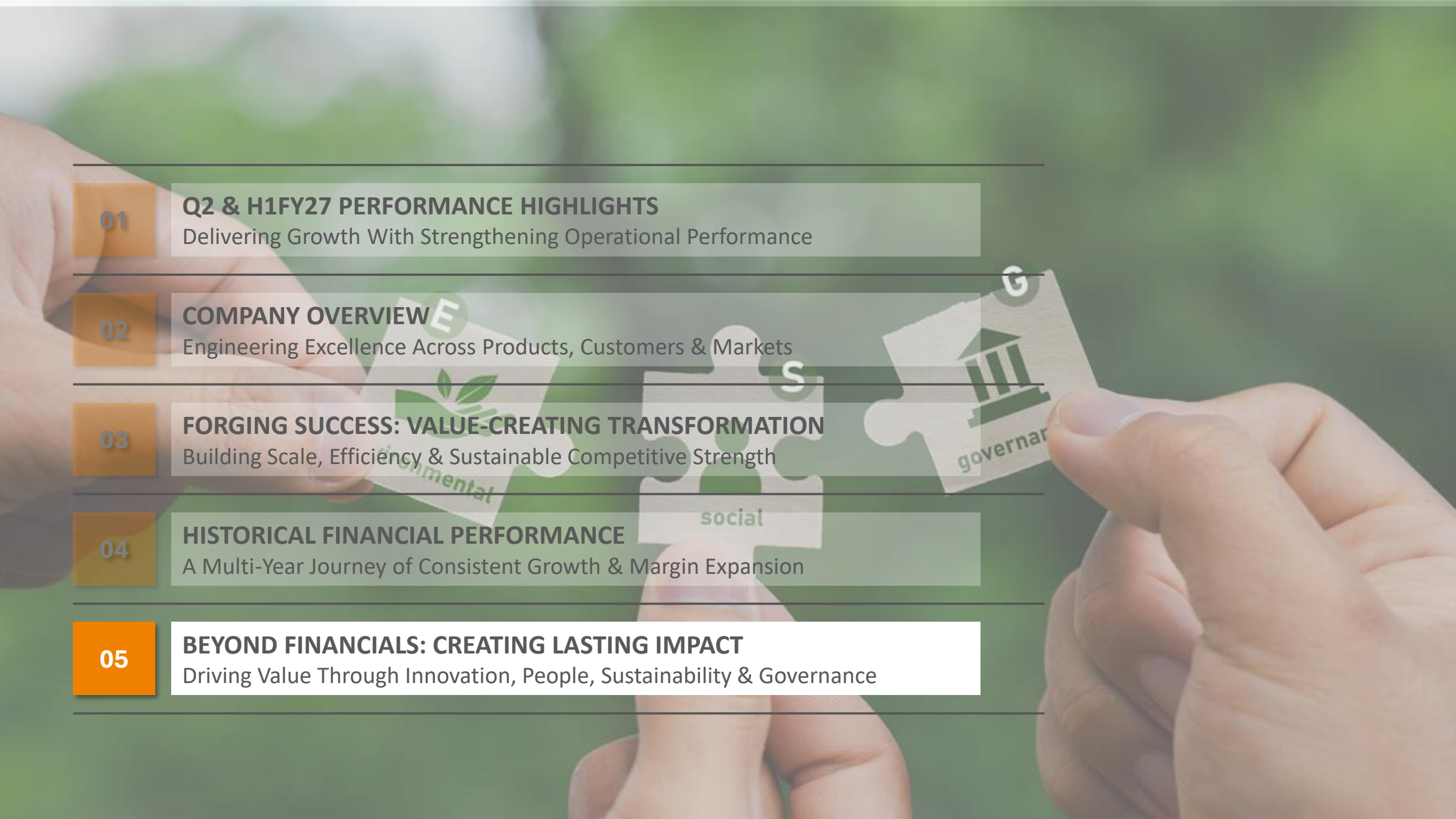
Equity & Liabilities (Rs. Crs)	Sep 30, 2026	Mar 31, 2026	Mar 31, 2025	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
EQUITY	**2,286**	**2,128**	**1,850**	**1,612**	**988**	**788**
Equity Share Capital	19	19	19	19	18	18
Other Equity	2,267	2,109	1,831	1,594	970	770
Non-current liabilities	**169**	**49**	**39**	**32**	**81**	**97**
Borrowings	100	-	-	-	58	74
Lease Liabilities	15	-	-	-	-	-
Deferred tax liabilities	54	49	39	32	23	23
Current liabilities	**589**	**456**	**326**	**242**	**257**	**243**
Borrowings	429	330	228	143	160	166
Trade Payables	76	59	45	56	48	44
Other Financial Liabilities	46	37	25	28	26	18
Other Current Liabilities	31	26	19	9	8	5
Provisions	5	3	5	4	4	3
Liabilities for current tax (net)	2	0	4	2	11	6
Total Equity & Liabilities	**3,044**	**2,633**	**2,215**	**1,886**	**1,326**	**1,127**

CASH FLOW

HAPPY FORGINGS LIMITED

Cash Flow Statement (Rs. Crs)	Sep 30, 2026	Mar 31, 2026	Mar 31, 2025	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Profit before tax	**253**	**402**	**360**	**324**	**280**	**192**
Adjustments for depreciation and other items	39	77	65	72	71	40
Operating profit before working capital changes	**292**	**479**	**424**	**396**	**351**	**232**
Changes in working capital & other current assets & liabilities	-110 *	58	-49	-123	-78	-98
Cash generated from operations	**182**	**538**	**376**	**273**	**273**	**135**
Direct taxes paid (net of refund)	-57	-93	-83	-84	-64	-43
Net cash from operating activities	**124**	**445**	**292**	**189**	**209**	**92**
Net cash from investing activities	**-291**	**-497**	**-320**	**-470**	**-172**	**-177**
Net cash from financing activities	**156**	**65**	**40**	**281**	**-37**	**83**
Net change in cash and cash equivalents	**-11**	**13**	**12**	**0.6**	**-0.01**	**-3**

** Changes in working capital for H1FY27 include an outflow of Rs. 35 Crs. on account of advances to raw material suppliers*



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GOVERNANCE: DIVERSE BOARD WITH STRONG INDEPENDENT DIRECTORS

HAPPY FORGINGS LIMITED

Director (Name, Age, Experience)	Atul Behari Lall Independent Director 64 / 30+	Rajeswari Karthigeyan Independent Director 55 / 30+	Ravindra Pisharody Independent Director 70 / ~40
Area of Expertise	• Business Strategy & Operations • Electronics manufacturing services industry	• Credit Ratings & appraisal • Financial and economic research	• Sales & marketing • Strategy development • Diverse industry experience
Key Board Memberships	• **Current**: Dixon Technologies (MD & Vice Chairman), Max Estates Limited and Aditya Infotech Ltd. • **Past**: Member of Technical Evaluation Committee for Electronic Manufacturing Services	• **Current**: Craftsman Automation, Sunbeam Lightweighting Solutions Pvt. Ltd. and Belstar Microfinance • **Past Role**: Associate Director – CRISIL Ratings	• **Current**: Savita Oil Technologies Ltd., Muthoot Finance, Bonfiglioli Transmissions and Kwality Walls (India) Limited • **Past**: Tata Motors Ltd., Castrol India and Kinara Capital

Key Board Highlights

Diverse Board in terms of professional and industry experience, age and gender

50% Independent Directors (3 out of 6)

2 Female Directors out of 6

3 committees out of 5 headed by Independent Directors (Audit, NRC and SRC)

~100% attendance of the Board members in Board meetings in FY 2026

~175+ years of collective experience of Board Members

~100+ Years of collective experience of Independent Directors

~57 years average age of the Board Members

Age | Years of Experience

ESG: KEY INITIATIVES

HAPPY FORGINGS LIMITED

Director's Statement



"As we continue our journey as a listed organisation, we are strengthening the integration of Environmental, Social and Governance (ESG) principles into our strategy and operations. During the year, we formalised our ESG roadmap with clear priorities and governance structures to guide execution.

Our focus is now on institutionalising ESG practices by strengthening systems, policies, and processes to ensure consistent implementation and accountability. As a key partner to global OEMs, we remain committed to meeting evolving regulatory and customer expectations through high standards of compliance and responsible business conduct.

On the environmental front, we are advancing initiatives to improve resource efficiency, increase the use of cleaner energy, and reduce emissions and waste. These efforts are being undertaken alongside a significant capex cycle, with new capacities under ramp-up. The progress achieved reflects this transition phase, with further gains expected as utilisation stabilises.

We continue to foster a safe and inclusive workplace, invest in employee development, and strengthen governance oversight. Our endeavour remains to embed ESG as a core pillar of sustainable growth and long-term value creation."

14

Material Topics identified

ENVIRONMENT

- Energy Management
- Emissions Management
- Climate Strategy & Governance
- Waste Management & Product Stewardship
- Water Management

SOCIAL

- Labour Practices
- Health & Safety
- Human Rights
- Diversity & Inclusion
- Community Relations

GOVERNANCE

- ESG/Corporate Governance
- Supply Chain Management
- Risk Management
- Data Protection & Security

ESG TARGETS AND COMMITMENTS

HAPPY FORGINGS LIMITED

Environment

- Reduce Scope 1 and Scope 2 emissions by 50% by 2030#
- Achieve 100% Zero Liquid Discharge implementation across all sites
- Lower freshwater consumption by 35% by 2031-32#
- Install a 20 MW solar plant by 2028

20 MW
Captive Solar Power Capacity being built

98,300 tCO_2e
7% reduction in Total GHG Emissions (Scope 1 & 2) YoY

9.4 GJ/MT
4% reduction in Energy Intensity YoY

Social

- Cover 100% of our workforce with skill development programs
- Lower LTIFR by 50% by 2030#
- Provide human rights and safety training to all raw material suppliers

Rs. 23.7 Crs
Cumulative CSR Expenditure For FY2021-26

~22,160 Hours
Cumulative Employee Training Hours

0.64
LTIFR

100%
- Workforce Medical Coverage
- Employees covered under PF, ESI and Gratuity
- Grievance closure rate in 2024-25

Governance

- Screen suppliers for sustainability alignment
- Strengthen policies on ethical conduct and compliance
- Link ESG performance to Board evaluation KPIs
- Introduce an ESG risk management framework

~30 Years
Average Experience of Directors

3
Independent Directors

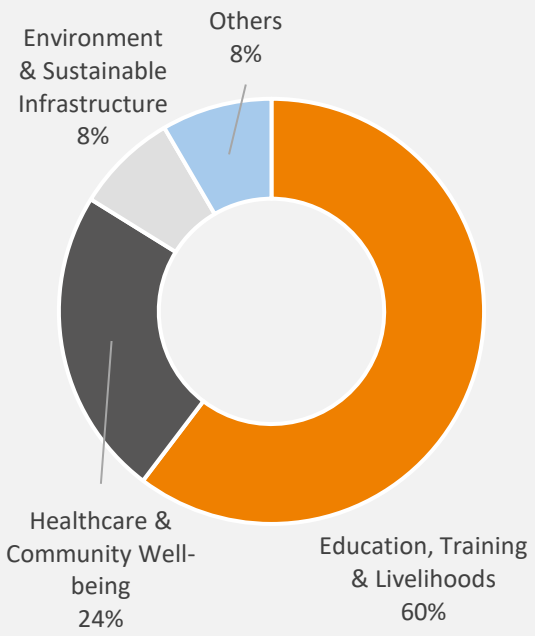
2/6
Board Directors are Women

From Baseline values;

SOCIAL – CSR ACTIVITIES

HAPPY FORGINGS LIMITED

Total CSR Spend – FY2021-2026



Cumulative Spend – Rs. 23.7Cr

CSR Spend Details

Category	Key Projects / Organizations funded
Education, Training & Livelihoods	▪ Developed vocational college for underprivileged girls with Bal Vikas Trust ▪ Constructed Primary Government School at Kanganwal, Ludhiana ▪ Built Government Primary School at Umedpur to improve rural education access ▪ Supported training for hearing-impaired children through Ludhiana Education Society ▪ Supported education for underprivileged children through Noble Foundation ▪ Providing nutrition and care support for students at Ekjot Viklang Bachhon Ka School ▪ Enabled vocational rehabilitation for visually impaired students
Healthcare & Community Well-being	▪ Installed dialysis machines and provided free kits for critical care patients ▪ Installed gene sequencing machine at DMC Ludhiana ▪ Provided seven vehicles for emergency and mobile healthcare services ▪ Installed Colour Doppler machine at Nav Durga Charitable Trust ▪ Installed X-ray machine at Bhagwan Ram Charitable Trust for underserved communities ▪ Donated eye testing machine to Saarthi Welfare Society
Environment & Sustainable Infrastructure	▪ Contributed to flood relief efforts in Punjab ▪ Maintained a 2.5-acre public park in Sarabha Nagar ▪ Installed solar panels at Jagannath Mega Kitchen ▪ Supported environmental initiatives at Punjab Agricultural University ▪ Set up two bio-compost machines in Leh for the Army
Others	▪ Dhyan Foundation – Animal Welfare ▪ Krishan Balram – Animal Welfare

Pictures Gallery



AWARDS, ACCREDITATIONS AND RECOGNITIONS

HAPPY FORGINGS LIMITED

2026	***Best Supplier Award*** *for delivery performance –* ***TAFE*** *Supplier Meet 2026*
2025	***Best Quality Performance Award 2025*** *– By* ***Dana Incorporated***
	Dun & Bradstreet 'Business Excellence Awards 2025': *Automobiles - OEM & Components (Mid-Corporate)*
	Special Appreciation Award *at* ***Mahindra*** *Supplier Excellence Awards - March 2025*
2024	***Quality Performance Award FY24*** *for excellent performance in incoming parts quality by* ***Ashok Leyland***
	Gold award *for "Superlative Performance in Agility" – 2024* ***Ashok Leyland Supplier Summit***
	Received ***Next Level Quality award*** *by* ***Generac*** *– 2023 (Received in 2024)*
	Received ***Best Quality Award*** *by* ***Escorts Kubota*** *Limited (2024)*
	Received ***Supplier Excellence Award*** *for "Quality Performance" by* ***American Axle & Manufacturing*** *- 2024*
	*Received '****Best Supplier Award****' at the Global supplier meet 2024 from* ***TAFE***
2023	*'****Supplier Excellence Award****' for delivery performance* ***at AAM (American Axle Manufacturing)*** *India Supplier Event 2023*
	'Award for ***Outstanding Contribution in Gear Business****' at the Annual Supplier Conference 2023 organised by* ***Eicher Engineering Components, VE Commercial Vehicles***
	ISO 14001:2015 & ISO 45001:2018 *accreditation for manufacture of forged & machined components excluding product design- Dugri Facility*
	*Received '****The Entrepreneur & Leadership Award****' at the* ***JCB Annual Supplier Conference*** *2023*
	Received a ***certificate of appreciation*** *for supplier Agri machinery under 'Business Excellence Process/ Digitalisation' by* ***Escorts Kubota Ltd***
2022	***IATF 16949:2016*** *accreditation for manufacture of forged and machined components and excluding product design Dugri Facility*
	"Excellence Award" *by* ***Escorts Kubota Limited***
2021	***ISO 45001: 2018 & ISO 14001: 2015*** *accreditation for manufacture of forged and machined components Kanganwal Facility I*
	IATF 16949:2016 *accreditation for manufacturing of forged and machined components without product design responsibility and with the extended manufacturing site(s) for Kanganwal Facility I*

CERTIFICATIONS

HAPPY FORGINGS LIMITED

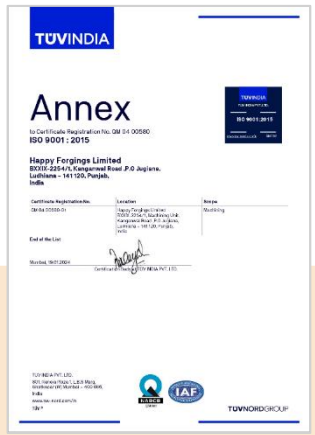




IATF 16949:2016
Quality Management System
Certification for Automotive Suppliers







ISO 9001:2015
Quality Management System





ISO 45001:2018
Occupational Health & Safety
Management System





ISO 14001:2015
Environment Management System



ISO 9100:2018
Aerospace Quality
Management System

FOR FURTHER INFORMATION, PLEASE CONTACT

HAPPY FORGINGS LIMITED

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