Date: 9th February, 2026

BSE Limited, Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	**National Stock Exchange of India Ltd.,** Listing Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Scrip Code: 540879 **Symbol: APOLLO** **ISIN: INE713T01028**

Subject: Updates – Communication to Shareholders by the Managing Director of the Company

Dear Sir/Madam,

Please find enclosed herewith a letter addressed to the shareholders of the Company from Mr. Baddam Karunakar Reddy, Managing Director of the Company. The said letter is being issued to communicate key updates and developments concerning the Company.

This update is provided for the information to our stakeholders.

We request you to kindly take the above on record.

Thanking You

Yours Faithfully

For Apollo Micro Systems Limited

BADDAM KARUNAKAR REDDY

Digitally signed by BADDAM KARUNAKAR REDDY
Date: 2026.02.09 10:40:54 +05'30'

Karunakar Reddy Baddam
Managing Director
DIN:0079139

apollo microsystems
"We Commit, We Deliver"

Chief Editor: A Krishna Sai Kumar
(SWAVALAMBAN)

swavalamban

A letter to shareholders by Apollo Micro Systems Limited

FY26/Feb/04

Date:- 09-02-2026

To: All Shareholders

Subject: Apollo Micro Systems Ltd Achieves Record Q3FY26 Performance and entered into a Strategic Investment in Hyderabad.

Dear Shareholders,

As we close another Quarter with highest ever Revenue registered, I am pleased to share additional acquisition by ADIPL, which is expected to be completed before the end of this financial year. This acquisition will significantly enhance our organic growth and overall strength.

Despite a dynamic and often challenging environment, our commitment to innovation, execution excellence, and national service has remained unwavering. It gives me immense pleasure to inform you that the Company has successfully completed the acquisition of IDL Explosives Ltd.

This strategic milestone marks a significant step forward in strengthening our market position and expanding our operational capabilities.

We are also delighted to share a pivotal development that marks a significant milestone in Apollo Micro Systems Limited's journey toward becoming a Tier-I Original Equipment Manufacturer (OEM) within the Indian defence and aerospace ecosystem, we have allotted Plot No. 4 and 5, admeasuring a total area of 22,988.00 Sq.mts, situated at the Industrial Park TSIIC- Hardware Park Phase-II. I thank Government of Telangana for allotting this land to AMS and its continual encouragement to Aerospace & Defence Industries.

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Purpose for the Expansion

We will be setting up the facility for manufacturing, assembly, integration and testing of Weapon System Platforms such as Grad Rockets, Anti-Submarine Warfare Rockets, Anti-Tank Mines, Artillery Munitions and other similar products, at the said location, with an estimated investment of ₹30,000 lakhs.

Significance

- This allotted land is adjoining the existing upcoming facility spread over 5 Acres making overall facility spread over 10.68 Acres.

RISING TELANGANA SUMMIT 2025

I would like to share that we have signed a Memorandum of Understanding (MoU) with the Government of Telangana we will establish a greenfield project in Telangana, reinforcing our commitment to strengthening the nation's capabilities in critical areas such as Defence and High-Energetic Explosives.

The proposed project, with an estimated investment of approximately ₹1500 Crores, is aimed at expanding the company's manufacturing and explosive filling capabilities.

AMS Value Proposition

Robust design and systems integration capabilities spanning a broad spectrum of defence products, including- but not limiting to- missiles, artillery, underwater mines, torpedoes, fuzes, and other strategic platforms.

- Decades of long and trusted track record of collaboration with DRDO laboratories, the Indian Armed Forces, and major Defence Public Sector Undertakings (DPSUs).
- Advanced R&D and engineering capabilities enabling rapid innovation and prototyping.
- Specialized expertise in underwater weapon systems with proven domestic and export applications.
- Significant manufacturing and testing facilities to support complete platform development and integration.

Tri- Party Alliance to accelerate Indigenous Defence Technology Development

I take this opportunity to highlight that we have formalised a Joint Development Memorandum of Understanding (MoU) with the Indian Navy represented by DGNAI, and IIT Chennai. The MoU was exchanged at Swavalamban 2025, in the presence of the Hon'ble Raksha Mantri, Shri Rajnath Singh, underscoring the 'Aatmanirbhar Bharat' vision.

- **IIT-Chennai:** The premier research institute shall serve as the Research Anchor, driving the initial, fundamental, and conceptual design phases. IIT-Chennai will focus on developing cutting-edge, future-proof technologies and intellectual property (IP) to tackle complex military challenges.
- We will act as the Technology Development and Manufacturing Partner. Utilizing its 40 Years of technological expertise and advanced manufacturing infrastructure, the company will undertake the complex task of converting laboratory-scale research into robust, battlefield-ready products.
- **Directorate General of Naval Armament Inspection (DGNAI):** DGNAI shall provide its crucial domain expertise and operational insights. Furthermore, DGNAI will assist in testing the developed products, ensuring that all systems meet stringent military specifications and are ready for integration into the Naval fleet and other defence platforms.

Strategic Alliance

This strategic understanding serves as a gateway to **addressing some of the most critical problem statements of our Armed Forces in a comprehensive, three-front manner.** The synergy between IIT-Chennai's research excellence, our proven manufacturing capabilities, and DGNAI's operational mandate creates a formidable ecosystem for indigenisation

Together, we are poised to deliver **next-generation solutions that enhance national security** and truly embody the spirit of **'Make in India' for the world.**

Fueling the Captive Demand of AMS with IDL Explosive

We have received an Industrial License under the IDR Act, 1951, authorizing the manufacture of Cyclotetramethylenetetranitramine (HMX) and Trinitrotoluene (TNT). This represents a significant strategic milestone for Apollo Micro Systems, enabling our entry into the critical domain of defence explosives. This milestone marks a timely and strategic transition from industrial explosives to specialised defence explosives, positioning the IDL Explosives as a domestic supplier of high-energy materials, supporting India's Atmanirbhar Bharat initiative, and creating potential opportunities in the export market.

The Road Ahead

Our near-term strategic priorities include:

- Seamless integration of IDL's manufacturing and R&D capabilities into AMS's ongoing and future defence programs.
- Expansion into aerial bombs, advanced warheads, and integrated munitions platforms.
- Strategic engagement with defence R&D and procurement agencies to co-develop next-generation technologies.
- Development and delivery of warheads for various rocket and missile calibres.
- Strengthening infrastructure for the design, production, and testing of rocket motors and propulsion systems.
- Establishing capabilities in composite motor design and static firing infrastructure to meet India's growing indigenous requirements.

We are also pleased to announce an additional acquisition by ADIPL, which is expected to be completed before the end of this financial year. This acquisition will significantly enhance our organic growth and overall strength. It positions Apollo Micro Systems Limited as a self-reliant, future-ready, and strategically critical defence OEM poised to play a key role in Atmanirbhar Bharat.

We deeply value your unwavering trust and support. Together, we will continue to shape a stronger, more self-sustaining defence ecosystem for the nation.

Sd/-

B. Karunakar Reddy

Managing Director