Date: November 04, 2026

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051
NSE Symbol: DIFFNKG

To,
The Manager
Corporate Relationship Department
BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code - 544264

Dear Sir/Madam,

Subject -: Outcome of Board Meeting held today i.e. Wednesday, November 04, 2026

Ref: Our Intimation Letter dated October 30, 2026

With reference to our earlier intimation and in accordance with Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors of the Company, at its Meeting held today i.e. Wednesday, November 04, 2026, *inter alia,* considered and approved:

1) **Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended September 30, 2026.**
   In terms of Regulation 33 of the Listing Regulations, we are enclosing herewith the following documents as **Annexure I:**
   a. Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended September 30, 2026;
   b. Statement of Assets and Liabilities as at September 30, 2026;
   c. Cash Flow Statement for the half year ended September 30, 2026; and
   d. Limited Review Report on the said financial results received from the Statutory Auditors of the Company.

2) **Appointment of Ms. Roopali Dhore as Company Secretary and Compliance Officer**
   Pursuant to Section 203 of the Companies Act, 2013 and Regulation 6(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Ms. Roopali Dhore, a Qualified Company Secretary (Mem. No. A69568) as the Company Secretary & Compliance Officer designated as Key Managerial Personnel of the Company with effect from December 01, 2026.

   Details with respect to change in Key Managerial Personnel (Appointment of Company Secretary and Compliance Officer) as required under Regulation 30 read with Part A of Schedule III of the SEBI Listing Regulations and SEBI Master Circular HO/49/14/14(7)2025-

CFD POD2/I/3762/2026 dated 30th January, 2026, as amended, are provided in **Annexure II** to this letter.

Further, pursuant to Regulation 30(5) of the SEBI Listing Regulations, as amended, read with the Company's Policy for Determination of Materiality of Events or Information, the Board of Directors of the Company has authorised CS Roopali Dhore, Company Secretary and Compliance Officer, along with the existing authorised Key Managerial Personnel (KMPs) of the Company, to determine the materiality of events or information and make necessary disclosures to the Stock Exchanges under Regulation 30 of the SEBI Listing Regulations.

Accordingly, the updated details of the KMPs authorised for the aforesaid purpose are as follows:

Sr. No.	**Name & Designation**	**Contact Details**
1	Mr. Prashant Garg Managing Director (DIN: 00049106)	Address: T-5 & 6, MIDC, Hingana, Nagpur, Maharashtra, India, 440016 Contact no: 9158317943 Email id: cs@diffusionengineers.com a.mehta@diffusionengineers.com prashantgarg@diffusionengineers.com
2	Mr. Abhishek Mehta Chief Financial Officer	
3	Ms. Roopali Dhore Company Secretary & Compliance Officer	

The above changes shall be effective from December 1, 2026.

The meeting of the Board of Directors of the Company commenced at 02:15 P.M. and concluded at 03: 02 P.M.

You are requested to take the above information on your records.

Thanking You,
Yours faithfully,
For Diffusion Engineers Limited

Chanchal Rajesh Jaiswal
Digitally signed by Chanchal Rajesh Jaiswal
Date: 2026.11.04 15:16:28 +05'30'

Chanchal Jaiswal
Company Secretary and Compliance Officer
Membership no. A67136
Encl.: A/a

ANNEXURE I

PGS & Associates

Chartered Accountants

301, Laxmi Krupa, 3rd Lokmanya Tilak Colony Road, Near Yogi Sabhagriha, Dadar (E), Mumbai 400014 • Telephone No: 86577 41103 / 87790 57086 •Email ID: info@pgsca.in

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Diffusion Engineers Limited
Nagpur.

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Diffusion Engineers Limited ("the Company"), for the quarter ended 30th September, 2026 and year to date results for the period 1st April 2026 to 30th September, 2026 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

PGS & ASSOCIATES ★ Chartered Accountants ★ FRN 0122384W MUMBAI

PGS & Associates

Chartered Accountants

301, Laxmi Krupa, 3rd Lokmanya Tilak Colony Road, Near Yogi Sabhagriha, Dadar (E), Mumbai 400014 • Telephone No: 86577 41103 / 87790 57086 •Email ID: info@pgsca.in

5. The figures for the quarter ended 30 September, 2026 are the balancing figures between the unaudited standalone figures upto the half year ended 30 September 2026 and unaudited, reviewed published standalone figures of quarter ended 30 June, 2026. The figures for the year ended March 31, 2026 extracted from the audited Financials Statement of that period. Our conclusion in respect of matter stated above is not modified.

6. Other Matters

The Standalone unaudited financial results include the one foreign branch which has not been reviewed by their auditor, whose interim financial results reflect total revenues of Rs. 4.42 million, total net Profit after tax of Rs. 1.12 million, total comprehensive Profit of Rs. 1.62 million and for the quarter ended 30th September, 2026 and total Assets Rs. 29.12 million , total revenues of Rs. 7.12 million, total net Profit after tax of Rs. 1.42 million, total comprehensive Income of Rs. 2.52 million and net cash flow Rs. -5.58 million for the year to date results for the period 1st April 2026 to 30th September, 2026 as considered in the Statement.

According to the information and explanations given to us by the Management, the aforesaid branch located outside India whose financial result and other financial information have been prepared in accordance with accounting principles generally accepted in respective countries. Company's management has converted the financial results of the branch located outside India for accounting principles generally accepted in their respective countries to accounting generally accepted in India. We have reviewed these changes made by the Company's management. Our conclusion is so far as it relates to the balances and affairs of such branch located outside India is based on the report of management certified accounts and conversion adjustments prepared by the management of the Company and reviewed by us.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the financial information certified by the Board of Directors.

For PGS & Associates
Chartered Accountants
Firm Registration Number: 122384W

PMGandhi

(Premal Gandhi)
Partner
Membership Number: 111592
Place: Nagpur
Date: 4th November, 2026.
UDIN: 26111592DYWZDL7446

PGS & ASSOCIATES FRN 0122384W MUMBAI Chartered Accountants

DIFFUSION ENGINEERS LIMITED

Standalone Statement of Assets and Liabilites as at Sep 30, 2026

(All amounts in rupees Million, unless otherwise stated)

Particulars	Half Year ended 30 Sep 2026 (Un-Audited)	Year ended 31 March 2026 (Audited)
ASSETS		
Non-Current Assets		
(a) Property, plant and equipment	1,069.84	1,076.16
(b) Capital work-in-progress	387.12	221.70
(c) Intangible assets	5.89	6.04
(d) Financial assets		
(i) Investments	493.95	421.70
(ii) Other financial assets	74.06	104.06
Total non-current assets	**2,030.86**	**1,829.65**
Current Assets		
(a) Inventories	1,093.83	673.63
(b) Financial Assets		
(i) Trade receivables	880.05	1,097.46
(ii) Cash and cash equivalents	759.82	939.64
(iii) Other bank balances	0.11	0.03
(iv) Loans and advances	139.58	145.04
(v) Others financial assets	29.40	12.12
(c) Other current assets	77.82	70.89
Total current assets	**2,980.62**	**2,938.81**
Total Assets	**5,011.48**	**4,768.46**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	374.26	374.26
(b) Other equity	3,667.31	3,470.61
Total equity	**4,041.57**	**3,844.87**
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	5.12	4.87
(b) Deferred tax liabilities (net)	56.15	58.86
Total non-current liabilities	**61.27**	**63.73**
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	291.32	274.79
(ii) Trade payables		
Total outstanding dues of micro, small and medium enterprises	106.10	67.83
Total outstanding dues of creditors other than micro enterprises, small and medium enterprises	305.28	318.80
(iii) Other financial liabilities	38.87	13.02
(b) Provisions	5.71	6.40
(c) Other current liabilities	159.22	169.52
(d) Current tax liabilities (net)	2.13	9.49
Total current liabilities	**908.64**	**859.86**
Total Equity and liabilities	**5,011.48**	**4,768.46**

The accompanying notes form an integral part of the standalone financial statements

For and on behalf of the Board of Directors of
Diffusion Engineers Limited

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 4th Nov, 2026

DIFFUSION ENGINEERS LIMITED

Standalone Financial Results for the Quarter / Half year ended Sep 30, 2026

(All amounts in rupees Million, unless otherwise stated except EPS)

Particulars	Quarter Ended			Half Year Ended		Year ended
	30 Sep 2026 (Unaudited)	30 June 2026 (Unaudited)	30 Sep 2025 (Unaudited)	30 Sep 2026 (Unaudited)	30 Sep 2025 (Unaudited)	31 March 2026 (Audited)
Revenue						
Revenue from operations	1,080.78	959.13	799.61	2,039.91	1,533.33	3,542.03
Other income	64.97	32.75	29.14	97.72	130.59	191.68
Total revenue	**1,145.75**	**991.88**	**828.75**	**2,137.63**	**1,663.92**	**3,733.71**
Expenses						
Cost of materials consumed	644.76	624.76	357.47	1,269.51	700.41	1,791.34
Purchases of stock-in-trade	78.15	39.65	81.16	117.80	108.98	257.03
Changes in inventories of FG and WIP	-100.16	-107.98	-17.94	-208.14	17.29	(56.49)
Manufacturing expenses	145.53	99.27	96.48	244.80	180.32	401.74
Employee benefit expenses	121.23	120.08	113.78	241.31	223.80	455.23
Finance costs	7.52	6.66	4.69	14.18	7.56	20.22
Depreciation and amortization expenses	16.24	16.48	14.28	32.72	28.61	59.93
Other expenses	65.14	61.81	56.80	126.95	104.13	223.89
Total expenses	**978.40**	**860.73**	**706.72**	**1,839.13**	**1,371.10**	**3,152.90**
Profit/(loss) before Exceptional Items and Tax	**167.35**	**131.15**	**122.03**	**298.50**	**292.83**	**580.81**
Exceptional Items	-	-	-			7.00
Profit/ (loss) before Tax	**167.35**	**131.15**	**122.03**	**298.50**	**292.83**	**573.81**
Tax expenses						
- Current tax	19.54	29.51	23.00	49.05	46.00	124.50
- (Excess)/Short provision of tax relating of previous years	-	-	-	-	-	-
- Deferred tax	-4.57	1.85	-0.10	-2.71	5.66	2.88
Total tax expenses	**14.97**	**31.36**	**22.90**	**46.34**	**51.66**	**127.38**
Net profit for the year	**152.38**	**99.79**	**99.13**	**252.17**	**241.17**	**446.43**
Other comprehensive income						
(i) Items that will not be reclassified subsequently to profit or loss						
Remeasurements of the defined benefit plans	-1.72	(0.60)	0.40	-2.32	0.51	(3.61)
Income tax effect on above	0.43	0.15	(0.10)	0.59	-0.13	0.91
(ii) Items that will be reclassified to profit or loss in subsequent periods						
Gain / (Loss) on Items designated as Fair Value Through Other Comprehensive Income	-	-	-	-	-	-
Income tax effect on above	-	-	-	-	-	-
Other comprehensive income for the year, net of tax	-1.29	-0.45	0.30	-1.74	0.38	-2.70
Total comprehensive income / (loss) for the period	**151.09**	**99.33**	**99.43**	**250.43**	**241.55**	**443.72**
Earnings per equity share						
Earnings per equity share [nominal value of share Rs. 10/-]						
Basic (not annualized except for year end)	4.07	2.68	2.65	6.75	6.44	11.98
Diluted (not annualized except for year end)	4.07	2.68	2.65	6.75	6.44	11.98

The accompanying notes form an integral part of the standalone financial results

For and on behalf of the Board of Directors of
Diffusion Engineers Limited

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 4th Nov, 2026

DIFFUSION ENGINEERS LIMITED

Standaone Cash Flow Statement for the Period ended Sep 30, 2026

(All amounts in rupees Million, unless otherwise stated)

Particulars	Half Year ended 30 Sep 2026 (Un-Audited)	Year ended 31 March 2026 (Audited)
Cash flows from operating activities		
Profit /(loss) before tax	298.50	573.81
Adjustments:		
Depreciation and amortisation	32.72	59.93
Bad Debts & ECL	6.71	8.73
OCI - Gain / (Loss) on remeasurements of the defined employee benefit plans	-1.74	-2.70
Net (Gain)/Loss on financial instruments at fair value through profit or loss	-15.62	12.48
Interest and Finance Charges	14.18	20.22
Interest & Dividend Income	-81.82	-149.20
Loss / (Surplus) on Sale of Fixed Assets / Investments (Net)	-0.17	-26.81
Exceptional Item		7.00
ESOP adjustment	2.97	1.54
Operating cash flows before working capital changes and other assets	**255.73**	**505.01**
(Increase) / decrease in inventories	-420.21	-51.77
Decrease/ (increase) in Trade and Other Receivables	210.70	-260.14
Decrease / (increase) in other current assets	28.13	-8.45
(Decrease) / increase in Trade and Other Payables	24.74	66.81
(Decrease) / increase in other current liabilities	-10.30	31.18
(Decrease) / increase in other current provisions	24.69	2.17
Cash generated from operations	**113.50**	**284.80**
Income taxes refund / (paid), net	-55.77	-110.08
Net Cash Flow From/(Used In) Operating Activities (A)	**57.73**	**174.72**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/ Sale of property, plant and equipment	-26.40	-185.30
Purchase/ sale of intangible assets	0.15	-1.20
Purchase of CWIP	-165.42	-190.26
Non Current investments/other Financial Assets	-26.63	-87.73
Interest & Dividend Income	81.82	149.20
Advance for capital	-46.89	-18.55
Profit/(loss) on sale of Investments	0.17	26.81
Net Cash Flow From/(Used In) Investing Activities (B)	**-183.20**	**-307.04**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings(Net)	16.53	58.49
Finance Cost paid	-14.18	-20.22
Dividend Paid (including Tax)	-56.06	-56.11
Dividend ESOP Trust	0.45	-
Acquisition of Treasury Shares	-	-89.66
Issue Expenses	-1.02	-5.01
Net Cash Flow From/(Used In) Financing Activities (C)	**-54.28**	**-112.51**
Net increase / decrease in cash and cash equivalents	-179.83	-244.86
Cash and cash equivalents at the beginning of the period	939.64	1,184.50
Cash & Cash Equivalents at the End of the Period(A+B+C)	**759.82**	**939.64**

For and on behalf of the Board of Directors of

Diffusion Engineers Limited

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

PRASHANT N. GARG

Chairman & Managing Director

DIN :- 00049106

Place : Nagpur

Date : 4th Nov, 2026

Notes to unaudited standalone financial results for quarter and period ended 30th September, 2026

1. These unaudited standalone financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act.2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The above unaudited standalone financial results for the quarter and period ended 30th September 2026 in respect of Diffusion Engineers Limited have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 4th November 2026. The Statutory auditors have expressed unmodified opinion on unaudited financial results for the quarter and period ended 30th September 2026.

3. The unaudited standalone Financial Results for the quarter ended 30the September 2026 is the balancing figures between unaudited standalone figures in respect of the quarter ended 30th June 2026 and period year ended 30th September, 2026. The figures for the year ended 31st March, 2026 are extracted from the audited Financials Statement of that period.

4. As a result of the Management review mechanism, the Company has one segment "Welding Fabrication Technology and Engineering" which includes Manufacturing, Trading and Job Work.

5. During the quarter and period ended 30th September, 2026 the Company has received dividend of USD 5,00,000 from its wholly owned subsidiary - Diffusion Engineers Singapore Pte. Ltd.

6. **Exceptional item in the year ended 31st March, 2026**
   On November 21, 2025, the Government of India notified the New Labour Codes, rationalizing employee benefit definitions. The Group has assessed the financial impact and, considering its materiality and non-recurring nature, recognized the one-time impact primarily on long-term benefits (gratuity and compensated absences) as an exceptional item in the financial results for the year ended March 31, 2026. The Group continues to monitor further developments.

7. The Company has instituted the Diffusion Engineers Limited – Employee Stock Option Scheme 2025, approved by shareholders on June 29, 2025, for issuing up to 7,00,000 options via the Diffusion ESOP Trust. On December 25, 2025, the Nomination and Remuneration Committee approved a grant of 3,00,000 options at ₹325 per option (face value ₹10), of which 1,00,000 options were accepted by eligible employees on December 27, 2025. These options vest in four equal tranches of 25% each subject to vesting

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

conditions, and the Trust holds 3,00,000 equity shares acquired through secondary market acquisition funded by a company loan.

The fair value of stock options (at grant date) is recognised as an expense in the Statement of Profit and Loss within employee benefits as employee compensation cost over the vesting period, with a corresponding increase in ESOP Reserve (a component of equity). Dividend received by the Trust has been recognised in ESOP Reserve.

The Company's equity shares held by a trust, which is consolidated as a part of the Company, are classified as Treasury shares. Treasury shares are carried at acquisition cost and presented as a deduction from total equity as "Treasury share reserve"

8. The figures of previous periods / year are reclassified, regrouped and rearranged wherever necessary so as to make them comparable with current period's figures

For and on behalf of the Board of Directors
Diffusion Engineers Limited

Prashant Garg

Managing Director

DIN – 00049106

Place – Nagpur

Date – 4th November 2026

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

PGS & Associates

Chartered Accountants

301, Laxmi Krupa, 3rd Lokmanya Tilak Colony Road, Near Yogi Sabhagriha, Dadar (E), Mumbai 400014 • Telephone No: 86577 41103 / 87790 57086 •Email ID: info@pgsca.in

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Diffusion Engineers Limited
Nagpur.

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Diffusion Engineers Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter ended 30th September, 2026 and year to date results for the period 1st April 2026 to 30th September, 2026 ("the Statement") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI).). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement A review of interim financial information consists of making inquiries, primarily of Holding Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Master Circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
   Subsidiaries:
   a. Diffusion Super Conditioning Services Private Limited
   b. Nowelco Industries Private Limited

PGS & ASSOCIATES FRN 0122384W MUMBAI Chartered Accountants

c. Diffusion Hernon Adhesive and Sealant Private Limited
d. Diffusion Engineers Singapore Pte. Ltd.
e. Diffusion Wear Solutions Philippines Inc.
f. Diffusion Eurasia Mühendislik Sanayi Ve Ticaret Anonim Sirketi
g. Diffusion Wear Solutions Middle East for Welding Wire Rods Electrodes and Similar Products Manufacturing LLC – S.P.C

Associates:

a. Mecdiff Sdn Bhd
b. LSN Diffusion Ltd

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The figures for the quarter ended 30 September, 2026 are the balancing figures between the unaudited Consolidated figures upto the half year ended 30 September 2026 and unaudited, reviewed published standalone figures of quarter ended 30 June, 2026.
The figures for the year ended March 31, 2026 extracted from the audited Financials Statement of that period.

7. **Other Matters**

We did not review the interim financial results of 7 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. 258.37 million, total net profit after tax (before consolidation adjustments) of Rs. 28.92 million and total comprehensive income (before consolidation adjustments) of Rs 27.67 million for the quarter ended 30th September, 2026, as considered in the Statement. These financial statements have been reviewed by other auditors and conversion adjustments prepared by the management of the Holding Company.

We did not review the interim financial results of 7 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total assets (before consolidation adjustments) of Rs. 419.24 million as at September 30, 2026, total revenues (before consolidation adjustments) of Rs. 454.15 million, total net profit after tax (before consolidation adjustments) of Rs. 51.31 million and total comprehensive income (before consolidation adjustments) of Rs. 49.91 million for the year to date results for the period 1st April 2026 to 30th September, 2026 and cash inflow (before consolidation adjustments) (net) of Rs. -3.27 million for the period from 1 April 2026 to 30 September 2026. These

PGS & ASSOCIATES ★ FRN 0122884W MUMBAI ★ Chartered Accountants

PGS & Associates

Chartered Accountants

301, Laxmi Krupa, 3rd Lokmanya Tilak Colony Road, Near Yogi Sabhagriha, Dadar (E), Mumbai 400014 • Telephone No: 86577 41103 / 87790 57086 •Email ID: info@pgsca.in

financial statements have been reviewed by other auditors and conversion adjustments prepared by the management of the Holding Company.

The Statement also includes the Group's share of net profit after tax (before consolidation adjustments) of Rs. -6.02 million and total comprehensive income (before consolidation adjustments) of Rs. -6.02 million for the quarter ended 30 September 2026 and net profit after tax (before consolidation adjustments) of Rs. 38.58 million and total comprehensive income (before consolidation adjustments) of Rs. 38.58 million for the period ended from 1 January 2026 to 30 September 2026 respectively as considered in the Statement, in respect foreign associates, based on their interim financial information which have not been reviewed by their Auditors.

The Independent Auditor's reports on interim financial results and other financial information of these entities have been furnished to us by management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of matters stated in para above is not modified with respect to our reliance on the work done and the reports of the other auditors.

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For PGS & Associates
Chartered Accountants
Firm Registration Number: 122384W

PGandhi

(Premal Gandhi)
Partner
Membership Number: 111592
Place: Nagpur
Date: 4th November, 2026.
UDIN: 26111592TUCXOV9862

PGS & ASSOCIATES FRN 0122384W MUMBAI Chartered Accountants

DIFFUSION ENGINEERS LIMITED

Consolidated Statement of Asset and Liabilites as at Sep 30, 2026

(All amounts in rupees Million, unless otherwise stated)

Particulars	Half Year ended 30 Sep 2026 (Unaudited)	Year ended 31 March 2026 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,089.11	1,097.35
(b) Capital work-in-progress	395.39	229.75
(c) Intangible assets	5.89	6.04
(d) Financial assets	-	-
(i) Investments	549.01	429.86
(ii) Other financial assets	74.36	104.41
Total non-current assets	**2,113.76**	**1,867.41**
Current Assets		
(a) Inventories	1,164.26	736.74
(b) Financial Assets	-	-
(i) Trade receivables	992.38	1,281.79
(ii) Cash and cash equivalents	792.50	975.60
(iii) Other bank balances	0.11	0.03
(iv) Loans and advances	154.40	108.96
(v) Others financial assets	32.92	14.11
(c) Other current assets	101.63	119.68
Total current assets	**3,238.21**	**3,236.91**
Total Assets	**5,351.97**	**5,104.31**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	374.26	374.26
(b) Other equity	3,913.61	3,676.26
Equity attributable to equity holders of the Parent	**4,287.87**	**4,050.53**
(c) Non-controlling interests	5.69	5.33
Total equity	**4,293.56**	**4,055.86**
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	5.37	5.12
(b) Provisions	-	-
(c) Deferred tax liabilities (net)	56.15	56.80
Total non-current liabilities	**61.52**	**61.91**
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	307.17	286.24
(ii) Trade payables	-	-
Total outstanding dues of micro, small and medium enterprises	110.25	68.37
Total outstanding dues of creditors other than micro enterprises, small and medium enterprises	343.62	397.45
(iii) Other financial liabilities	42.70	20.12
(b) Provisions	23.06	25.96
(c) Other current liabilities	170.09	188.41
Total current liabilities	**996.89**	**986.54**
Total Equity and liabilities	**5,351.97**	**5,104.31**

The accompanying notes form an integral part of the consolidated financial statements

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

For and on behalf of the Board of Directors of
Diffusion Engineers Limited

PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 4th Nov, 2026

DIFFUSION ENGINEERS LIMITED

Consolidated Financial Results for the Quarter / Half year ended Sep 30, 2026

(All amounts in rupees Million, unless otherwise stated)

Particulars	Quarter Ended			Half Year Ended		Year ended
	30 Sep 2026 (Unaudited)	30 June 2026 (Unaudited)	30 Sep 2025 (Unaudited)	30 Sep 2026 (Unaudited)	30 Sep 2025 (Unaudited)	31 March 2026 (Audited)
Revenue						
Revenue from operations	1,259.34	1,101.08	835.66	2,360.42	1,642.31	4,066.28
Other income	18.73	40.98	30.37	59.70	85.26	149.92
Total revenue	**1,278.07**	**1,142.06**	**866.02**	**2,420.13**	**1,727.56**	**4,216.20**
Expenses						
Cost of materials consumed	817.25	691.47	333.88	1,508.72	674.79	1,805.05
Purchases of stock-in-trade	6.92	54.32	104.01	61.24	144.82	532.69
Changes in inventories of FG and WIP	(106.99)	(109.42)	(32.53)	(216.41)	14.51	(80.23)
Manufacturing expenses	165.23	116.94	121.44	282.17	219.94	478.58
Employee benefit expenses	127.93	126.09	120.66	254.02	235.60	483.88
Finance costs	8.35	6.97	5.30	15.32	8.50	21.47
Depreciation and amortization expenses	18.51	18.78	16.30	37.29	32.53	68.45
Other expenses	82.65	80.15	64.52	162.81	123.17	274.88
Total expenses	**1,119.85**	**985.30**	**733.58**	**2,105.15**	**1,453.84**	**3,584.78**
Profit/(loss) before Exceptional Items and Tax	**158.22**	**156.76**	**132.44**	**314.98**	**273.72**	**631.43**
Exceptional Items						7.00
Profit before Tax and share of profit / (loss) of associates and joint ventures	**158.22**	**156.76**	**132.44**	**314.98**	**273.72**	**624.43**
Share of profit / (loss) of associates and joint ventures	**(6.02)**	**44.59**	**(5.92)**	**38.58**	**7.84**	**25.93**
Profit/ (loss) before Tax	**152.20**	**201.36**	**126.52**	**353.56**	**281.56**	**650.36**
Tax expenses						
- Current tax	29.24	32.73	24.99	61.97	51.66	144.42
- (Excess)/Short provision of tax relating of previous years	0.02	-	-	0.02	-	0.07
- Deferred tax	(4.59)	1.85	(0.12)	(2.73)	5.61	1.76
Total tax expenses	**24.67**	**34.59**	**24.87**	**59.26**	**57.26**	**146.26**
Net profit for the year	**127.53**	**166.77**	**101.65**	**294.30**	**224.30**	**504.10**
Other comprehensive income						
(i) Items that will not be reclassified subsequently to profit or loss						
Remeasurements of the defined benefit plans	(1.72)	(0.60)	0.40	(2.32)	0.51	(3.61)
Income tax effect on above	0.43	0.15	(0.10)	0.59	(0.13)	0.91
(ii) Items that will be reclassified to profit or loss in subsequent periods						
Foreign currency translation of foreign operations	(0.97)	(0.15)	1.13	(1.12)	0.60	10.50
Other comprehensive income for the year, net of tax	**(2.26)**	**(0.60)**	**1.43**	**(2.86)**	**0.98**	**7.79**
Total comprehensive income / (loss) for the period	**125.27**	**166.17**	**103.08**	**291.43**	**225.28**	**511.89**
Profit attributable to:						
Owners of the Parent	127.87	166.07	100.85	293.94	222.78	503.23
Non-Controlling Interest	(0.34)	0.70	0.80	0.35	1.52	0.87
Other Comprehensive Income attributable to:						
Owners of the Parent	(2.01)	(0.85)	1.51	(2.86)	1.04	7.77
Non-Controlling Interest	(0.25)	0.25	(0.08)	-	(0.06)	0.02
Total Comprehensive Income attributable to:						
Owners of the Parent	125.86	165.22	102.37	291.08	223.82	511.01
Non-Controlling Interest	(0.59)	0.95	0.72	0.35	1.46	0.90
Earnings per equity share						
Earnings per equity share [nominal value of share Rs. 10/-]						
Basic	3.39	4.47	2.69	7.84	5.95	13.50
Diluted	3.39	4.47	2.69	7.84	5.95	13.50

The accompanying notes form an integral part of the consolidated financial statements

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

For and on behalf of the Board of Directors of
Diffusion Engineers Limited

PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 4th Nov, 2026

DIFFUSION ENGINEERS LIMITED

Consolidated Cash Flow Statement for the year ended September 30, 2026

(All amounts in rupees Million, unless otherwise stated)

Particulars	As at Sep 30, 2026 (Un-Audited)	As at March 31, 2026 (Audited)
A Cash flows from operating activities		
Profit /(loss) before tax	**314.98**	**624.43**
Adjustments:		
Depreciation and amortisation	37.29	68.45
Bad Debts & ECL	6.71	6.11
OCI - Gain / (Loss) on remeasurements of the defined employee benefit plans	(1.74)	(2.70)
Net (Gain)/Loss on financial instruments at fair value through profit or loss	(23.48)	12.75
Interest and Finance Charges	15.32	21.47
Interest & Dividend Income	(27.93)	(75.84)
ESOP adjustment	2.97	1.54
Unrealised exchange (gain)/loss	(1.12)	10.50
Exceptional Item	-	7.00
Operating cash flows before working capital changes and other assets	**323.00**	**673.69**
Decrease / (increase) in inventories	(427.52)	(54.01)
Decrease/ (increase) in Trade and Other Receivables	282.70	(430.11)
(Decrease) / increase in other current assets	0.68	(51.54)
(Decrease) / increase in Trade and Other Payables	(11.94)	179.83
(Decrease) / increase in other current liabilities	4.44	50.97
Deferref Tax	(0.64)	(0.90)
(Decrease) / increase in other current provisions	(2.90)	4.46
Cash generated from operations	**167.82**	**372.40**
Income taxes refund / (paid) net	(59.26)	(144.49)
Net Cash Flow From/(Used In) Operating Activities (A)	**108.55**	**227.90**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/ Sale of property, plant and equipment	(29.05)	(191.79)
Purchase/ sale of intangible assets	0.15	(1.21)
Purchase of CWIP	(165.64)	(198.31)
Non Current investment	(65.63)	(96.60)
Interest & Dividend Income	27.93	75.84
Share of profit / (loss) of associates and joint ventures	38.58	25.93
Advance for Capital Asset	(46.89)	(18.55)
Net Cash Flow From/(Used In) Investing Activities (B)	**(240.55)**	**(404.69)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings		-
Proceeds from short-term borrowings(Net)	20.93	54.10
Finance Cost paid	(15.32)	(21.47)
Dividend Paid	(56.03)	(56.11)
Dividend ESOP Trust	0.45	
Proceeds from Issue		-
Treasury Shares		(89.66)
Issue Expenses	(1.02)	(5.01)
Net Cash Flow From/(Used In) Financing Activities (C)	**(50.99)**	**(118.15)**
Net increase / decrease in cash and cash equivalents	(182.99)	(294.94)
Cash and cash equivalents at the beginning of the period	975.60	1,270.54
Cash & Cash Equivalents at the End of the Period(A+B+C)	**792.62**	**975.60**

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

For and on behalf of the Board of Directors of
Diffusion Engineers Limited

PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 4th Nov, 2026

Notes to unaudited consolidated financial results for quarter and period ended 30th September, 2026

1. These unaudited consolidated financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act.2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The above unaudited consolidated financial results for the quarter and period ended 30th September 2026 in respect of Diffusion Engineers Limited have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 4th November 2026. The Statutory auditors have expressed unmodified opinion on financial results for the quarter and period ended 30th September 2026.

3. The unaudited consolidated Financial Results for the quarter ended 30the September 2026 is the balancing figures between unaudited consolidated figures in respect of the quarter ended 30th June 2026 and period year ended 30th September, 2026. The figures for the year ended 31st March, 2026 are extracted from the audited Financials Statement of that period.

4. As a result of the Management review mechanism, the Company has one segment "Welding Fabrication Technology and Engineering" which includes Manufacturing, Trading and Job Work.

5. During the quarter and period ended 30th September, 2026 the Company has received dividend of USD 5,00,000 from its wholly owned subsidiary - Diffusion Engineers Singapore Pte. Ltd., which has been eliminated while consolidating the above financial result as per IND- AS 110.

6. **Exceptional item in the year ended 31st March, 2026**
   On November 21, 2025, the Government of India notified the New Labour Codes, rationalizing employee benefit definitions. The Group has assessed the financial impact and, considering its materiality and non-recurring nature, recognized the one-time impact primarily on long-term benefits (gratuity and compensated absences) as an exceptional item in the financial results for the year ended March 31, 2026. The Group continues to monitor further developments.

7. The Company has instituted the Diffusion Engineers Limited – Employee Stock Option Scheme 2025, approved by shareholders on June 29, 2025, for issuing up to 7,00,000 options via the Diffusion ESOP Trust. On December 25, 2025, the Nomination and Remuneration Committee approved a grant of 3,00,000 options at ₹325 per option (face value ₹10), of which 1,00,000 options were accepted by eligible employees on December 27, 2025. These options vest in four equal tranches of 25% each subject to vesting

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

conditions, and the Trust holds 3,00,000 equity shares acquired through secondary market acquisition funded by a company loan.

The fair value of stock options (at grant date) is recognised as an expense in the Statement of Profit and Loss within employee benefits as employee compensation cost over the vesting period, with a corresponding increase in ESOP Reserve (a component of equity). Dividend received by the Trust has been recognised in ESOP Reserve.

The Company's equity shares held by a trust, which is consolidated as a part of the Company, are classified as Treasury shares. Treasury shares are carried at acquisition cost and presented as a deduction from total equity as "Treasury share reserve"

8. The figures of previous periods / year are reclassified, regrouped and rearranged wherever necessary so as to make them comparable with current period's figures.

For and on behalf of the Board of Directors
Diffusion Engineers Limited

DIFFUSION ENGINEERS LTD. T-5/6, MIDC, Nagpur-16 NAGPUR

Prashant Garg

Managing Director

DIN – 00049106

Place – Nagpur

Date – 4th November 2026

Annexure II

The particulars required as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 are given below:

Sr. No.	Particulars	Details
1.	Reason for change viz. appointment, ~~resignation, removal, death or otherwise~~	Appointment of CS Roopali Dhore, a Qualified Company Secretary (Mem. No. A69568) as the Company Secretary and Compliance Officer designated as Key Managerial Personnel of the Company.
2.	Date of Appointment and Term of Appointment	December 01,2026. Term: Not Applicable
3.	Brief Profile (applicable in case of appointment)	CS Roopali Dhore is an Associate Member of the Institute of Company Secretaries of India. Further, she also holds a Diploma in Business Management and has experience in dealing with matters of the Companies Act and allied laws.
4.	Disclosure of Relationships between directors (Applicable in case of appointment)	Not Applicable