Date: August 11, 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: Investor/Result Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Investor/ Result Presentation on the Un-Audited Financial Results of the Company for the quarter ended June 30, 2026.

The said presentation will also be disseminated on the Company's website at https://diffusionengineers.com/investors-relation/

Thanking You.
Yours faithfully,

For Diffusion Engineers Limited

Chanchal Rajesh Jaiswal

Digitally signed by Chanchal Rajesh Jaiswal
Date: 2026.08.11 19:27:15 +05'30'

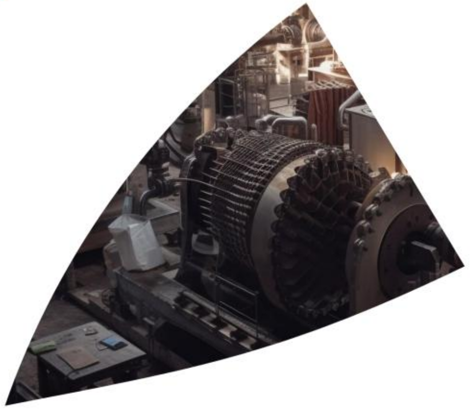
Chanchal Jaiswal
Company Secretary and Compliance Officer
Membership no. A67136

Enclosed as above.

DIFFUSION ENGINEERS LIMITED

August 2026



Safe Harbor

This presentation contains "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Diffusion Engineers Limited (DEL) and its group companies' future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, government and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Diffusion Engineers Limited undertakes no obligation to periodically revise any forward-looking statements to reflect future/likely events or circumstances.

DIFFUSION
Innovative superconditioning solutions

Company Overview

Business Overview

Industry Overview

Financial Highlights

COMPANY OVERVIEW

About Us - Overview

Note: Please use "Ctrl + Click" to watch the video

About Us

DIFFUSION
Innovative Superconditioning Solutions

DIVERSIFIED PRODUCT PORTFOLIO ACROSS INDUSTRIES

- Special welding consumables, wear plates and heavy engineering equipment

INCORPORATED IN 1982

- Established as private limited Company
- Over 4 decades of Experience

5 YEAR CONSOLIDATED REVENUE CAGR : 21%

- Consistent growth in terms of revenues   and profitability

ORDER IN HAND AS ON 30th June 2026

- Rs. 2,096.60 Mn

TRUSTED PARTNERSHIPS

- Trusted, long-term partnerships with leading players across multiple geographies.

STRATEGICALLY LOCATED MANUFACTURING FACILITY

- 5 manufacturing units located at Nagpur
- Proposed expansion is expected to commence in Q2 FY27.

EXPANDING GLOBAL FOOTPRINT

- 35+ Countries served
- Regions that we Export - Middle East, Far East, South Asia, Africa, Eastern Europe, Russia, North America etc.

11,000+ PROJECTS COMPLETED

- Across Cement, Steel, Power, Engineering, Sugar, Defense, Railways, Mining and Oil & Gas.

"Providing innovative engineering solutions for enhanced industrial performance and efficiency"

Vision, Mission & Core Values

Vision

Dedicated to driving the World's Engineering progress with our solutions that transform industries. By building trust and absolute reliability, we aim to be the go-to partner for industries facing high stakes and complex challenges where success is paramount

Mission

We empower the industrial sector to overcome wear, reduce downtime, and future-proof their operations. By mastering the science of super conditioning, metallurgy, and heavy engineering, we deliver top-tier welding consumables, proprietary alloys, wear parts, services and fully integrated solutions — all under one roof. Driven by speed, precision, and customer centricity, we don't just solve problems — we engineer possibilities

Core Values

Reliability
Our promise is our performance.

Precision
Excellence is engineered, not improvised.

Speed with Clarity
Fast, but never frantic.

Growth Mindset
The future is built by learners.

Integrity & Sustainability
We do what's right, not what's easy.

Journey So Far

Innovative Superconditioning Solutions

1982 - 93

- Incorporated as Private Limited Company
- Commenced manufacturing of welding electrodes

1994

- Acquired land (in part) for manufacturing facility at Unit I

1995

- Converted from Pvt. Ltd. to Public Ltd. Company
- Acquired land (in part) for manufacturing facility at Unit I
- Acquired a subsidiary Company, Diffusion Super Conditioning Services Pvt. Ltd.

1997 - 2000

- Commencement of production of flux cored wires and wear plates
- Acquired land (N-78) for manufacturing facility at Unit II

2006 - 2011

- Acquired land (N-79) for manufacturing facility at Unit II
- Acquired land (Khasra no. 35 & 36) for manufacturing facility at Unit IV

2012

- Acquired land (Khasra no. 38/1, 38/2 and 38/3) for manufacturing facility at Unit IV
- Established subsidiary company, Diffusion Hernon Adhesive and Sealant Private Limited
- Invested in overseas joint venture Company LSN Diffusion Limited (United Kingdom)

Journey So Far

2013
- Established subsidiary Company in Singapore Diffusion Engineers Singapore Pte Ltd.
- Invested in associate subsidiary in Singapore Mecdiff Sdn Bhd (Malaysia)

2014
- Established a step- down Subsidiary Company of Singapore Subsidiary in Philippines, Diffusion Wear Solutions Philippines Inc

2015
- Acquired land for manufacturing facility at Unit III

2016
- Set up and commenced operations at Unit IV

2022
- Undertook expansion of manufacturing facility at Unit IV

2024
- Acquired leasehold land (Plot Nos. 33-B/1/1/ & 33-B/1/1/ Part, MIDC, Hingna, Sonegaon District, Nagpur, Maharashtra) for the Proposed Facility
- Listed on NSE and BSE through successful IPO

2025
- Incorporated a new subsidiary in the UAE
- Received domestic order worth Rs. 48 Cr for Supply of High-Pressure Grinding Rolls (HPGRs) for Cement industry

Strong & Experienced Management Team

Mr. Prashant Garg
Chairman and Managing Director

Dr. Nitin Garg
Non-Executive Director

Mrs. Chitra Garg
Non-Executive Director

Mr. Anil Trigunayat
Independent Director

Mr. Sherry Oommen
Independent Director

Mrs. Deepali Bendre
Independent Director

Mr. Abhishek Mehta
Chief Financial Officer

Key Strengths

SYNERGISTIC BUSINESS MODELS FOCUSED ON FORWARD INTEGRATION

- Transitioning from a manufacturer of special welding electrodes to producing flux-cored wires, wear plate, wear parts and now heavy engineering leads to broadened scope and expertise in the industry

SERVING INDUSTRY MAJOR PLAYERS DIRECTLY AS WELL AS THROUGH OEMS

- Serves a diverse clientele, including both OEMs in the cement, steel, power, mining, engineering sectors as well as direct customers. This significantly adds to our credibility

CONSISTENT FINANCIAL PERFORMANCE

- Achieved CAGR of 21.23% for operating Income 22.48% for EBITDA and 32.28% for PAT over 5 years on consolidated Basis.

LONG - STANDING RELATIONSHIPS WITH CUSTOMERS ACROSS INDUSTRIES

- Over four decades of business operations with a strong and diverse customer base with more than 80% repeat customers

EXPERIENCED PROMOTERS AND STRONG MANAGEMENT TEAM

- Over 20 years of experience in this business supported by team of professionals having knowledge of our various business functions

STRATEGICALLY LOCATED MANUFACTURING FACILITIES

- Our operations in Nagpur, Maharashtra, benefit from a central location that ensures streamlined logistics, reduced transit times and efficient service to industries nationwide including urban and remote areas

DIFFUSION
Innovative superconditioning solutions

BUSINESS OVERVIEW

Business at a Glance

DIFFUSION
Innovative Superconditioning Solutions

USED IN INDUSTRIES

- CEMENT
- POWER
- STEEL
- ENGINEERING
- MINING
- SUGAR
- DEFENCE
- OIL & GAS

Key Raw Materials include

- **FERRO ALLOYS,**
- **POWDERED METALS** like Chromium, Molybdenum, Manganese, Nickel etc,
- **STEEL PLATES,**
- **METAL WIRES**
- **OTHER ALLOYS**

Our Products

Special Purpose Electrodes

A welding electrode is a coated metal wire or rod that conducts electric current from a welding machine to a workpiece to create an arc, melting both the electrode and the base metal to form a strong joint.

Flux Cored Wires

A flux-cored wire is a continuously fed consumable tubular electrode used in Flux-Cored Arc Welding (FCAW). It consists of an outer metal sheath surrounding a hollow center packed with a core of granulated flux, deoxidisers, and alloying elements.

When heated by an electric arc, the internal flux melts to generate its own shielding gas or forms a protective slag layer to shield the molten weld pool from oxygen, nitrogen, and atmospheric contamination.

Wear Plates

Wear plates or abrasion resistant plates protect equipment surfaces from abrasion, impact corrosion and high-temperature wear ensuring durability in harsh industrial environments.

Leveraging backward integration with flux-cored wire production, we manufacture wear plates using open arc welding process offering superior hardness, wear resistance and cost efficiency

Wear Parts

We manufacture ready to fit wear parts for quality, cost effective and higher performance

Integrated Manufacturing Capability: Our self- sufficient facility enables us to produce wear parts using wear plates, forgings, castings and hard - facing consumables ensuring complete solution for user

Coating & Cold Repairing Compounds

We manufacture cold repair compounds based on polymer chemistry and ceramic composites that withstand extreme wear and tear

These products are used for maintenance coatings, anti-corrosive coating, electrical insulation coating, structural coatings and floor coatings

Our Services

Service Welding

Diffusion Engineers is a pioneer in offline, in-situ, and emergency breakdown reconditioning. Our expertise restores the life of worn-out components, reducing replacement costs and downtime.

Typical Components Reconditioned:

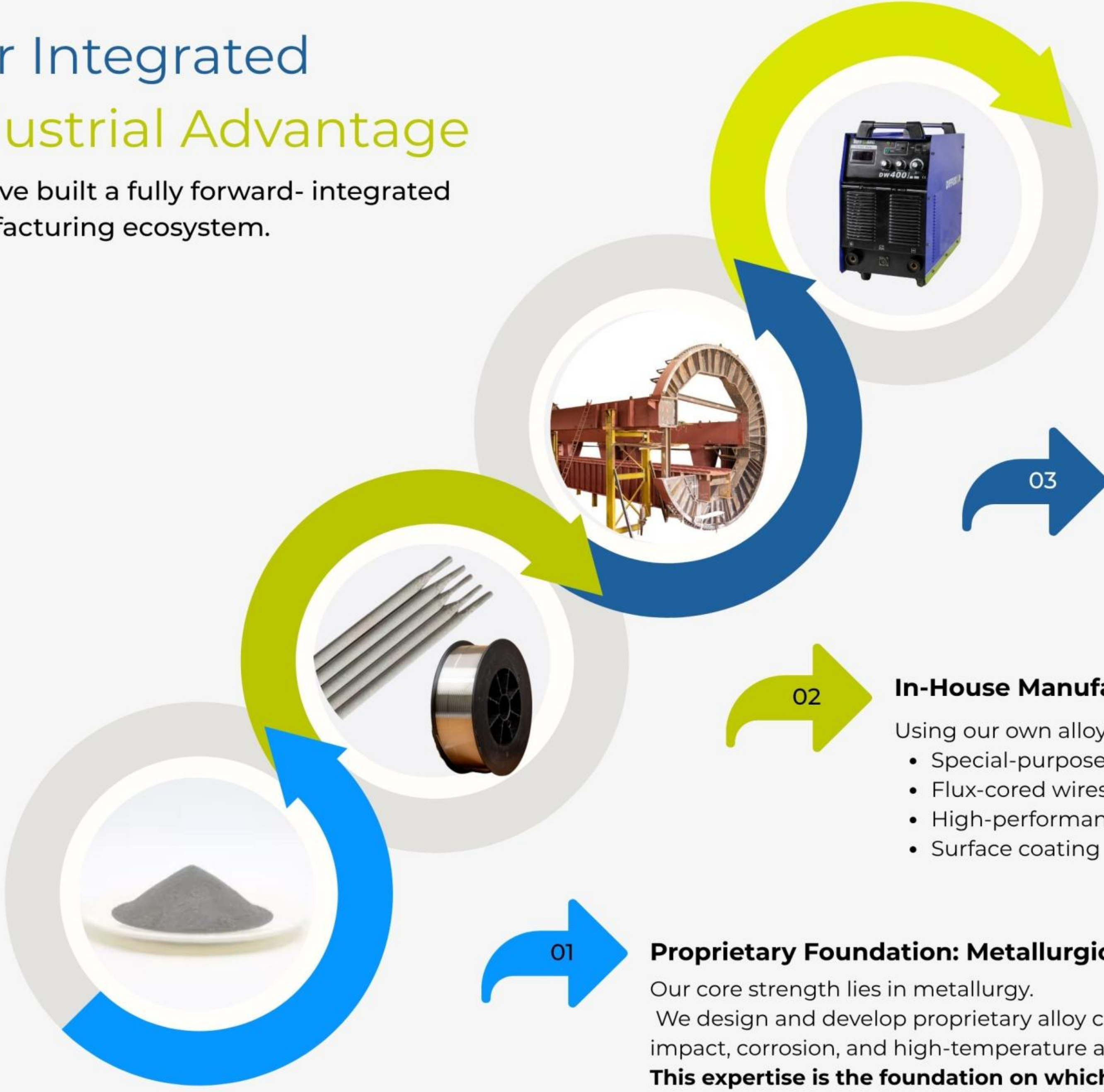
- VRM Tyres · CCS Rolls Cladding · Roller Press Rolls
- Crusher Hammers · Sinter Spikes · Grinding Rolls · Loco Wheels
- Bucket edges · Crusher Rotors · Fan Refurbishments

Kiln- consultancy and fabrication

Our Kiln Consultancy and Fabrication Services are designed to keep rotary kilns running in perfect alignment—smoothly, safely, and efficiently—without interrupting production. We combine advanced optoelectronic alignment systems, in-situ machining, and deep field-engineering expertise to prevent failures before they escalate, reduce energy losses, and extend the life of critical components.

Our Integrated Industrial Advantage

We have built a fully forward- integrated manufacturing ecosystem.



04 Complementary Trading Portfolio

Trading of allied industrial products like welding equipment, powders, industrial sprays and sealants that complement our core offerings, deepen customer relationships, and enhance wallet share — without diluting our manufacturing focus.

03 Closed-Loop Integration

Our own products are then deployed for:

- Equipment reconditioning and life-extension services
- Heavy engineering and fabrication projects
- Ready-to-use wear parts

02 In-House Manufacturing

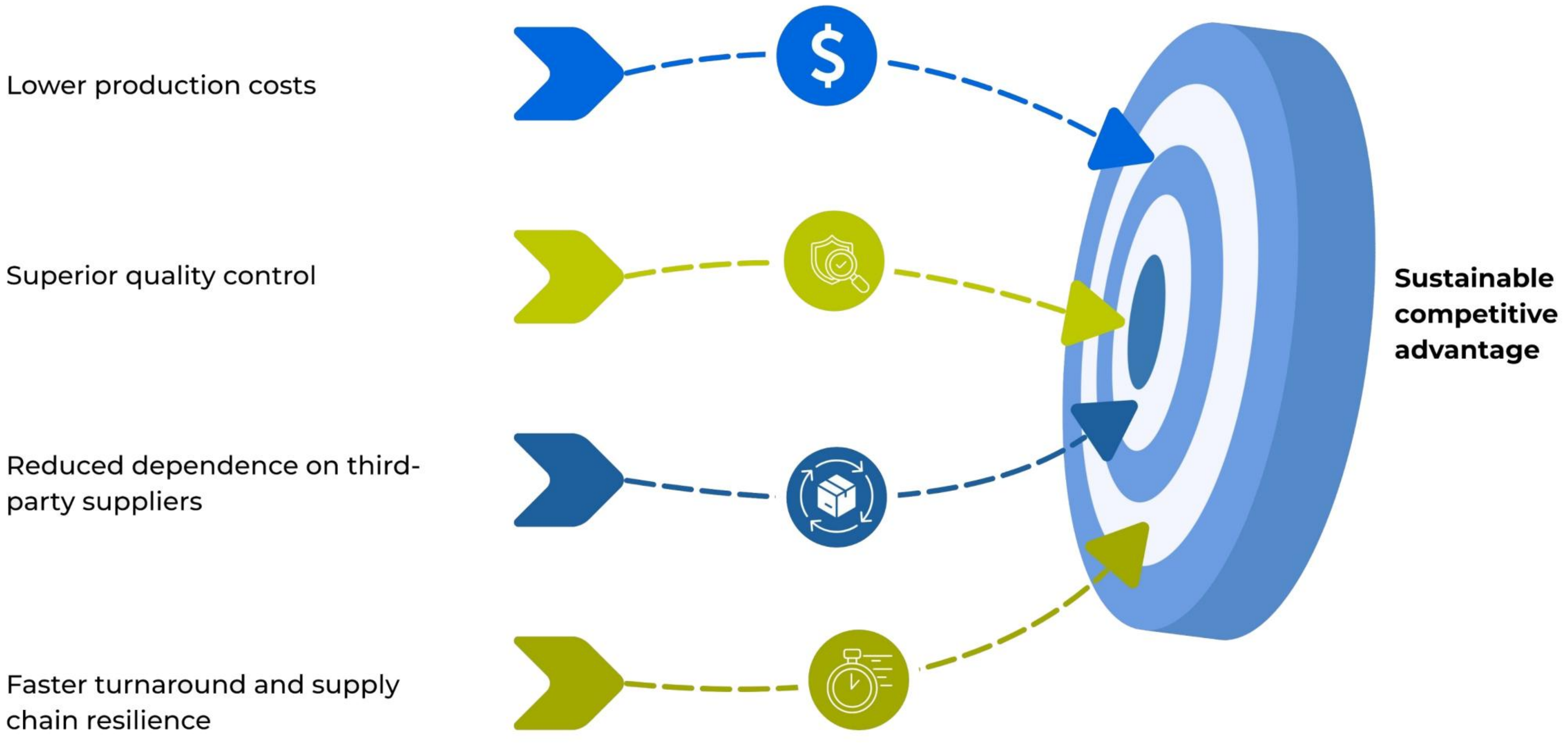
Using our own alloys, we manufacture:

- Special-purpose welding electrodes
- Flux-cored wires
- High-performance wear plates
- Surface coating and anti-wear welding consumables

01 Proprietary Foundation: Metallurgical & Alloy Expertise

Our core strength lies in metallurgy.
We design and develop proprietary alloy compositions engineered against wear, abrasion, impact, corrosion, and high-temperature applications.
This expertise is the foundation on which all downstream products and services are built.

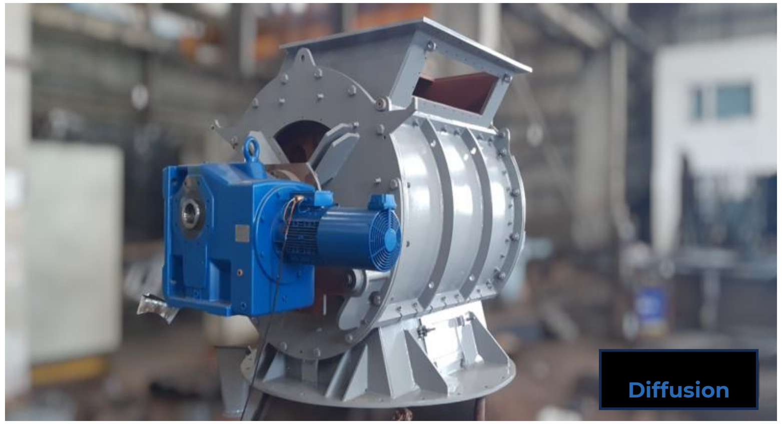
A Closed - Loop Engineering Model



Heavy Engineering Equipment

We specialize in manufacturing and fabrication of heavy engineering equipment for cement, steel, power, sugar, and other core industries. Our dedicated Unit IV in Khapri (Uma), Nagpur – 441501, Maharashtra, ensures high-quality production and precision engineering

Rotor



Rotary Air Feeders

Material Hopper for Blast Furnaces

Drive Arrangements

Tandem Tippler

State of the Art – Manufacturing Facilities

Unit I

Operational since **1994**

Special Purpose
welding electrodes

T-5, T-6, Nagpur Industrial Area, MIDC,
Hingna, Nagpur

Area – 2,000 sq. mtrs
On lease

Unit II

Operational since **2000**

Flux cored wire, wear plates and wear part

N-78, N-79, Nagpur Industrial Area, MIDC,
Hingna, Nagpur

Area – 13,068 sq. mtrs
On lease

Unit III

Operational since **2015**

Anti-wear Consumables

T-12, Nagpur Industrial Area, MIDC, Hingna,
Nagpur

Area – 1,000 sq. mtrs
On lease

Unit IV

Operational since **2016**

Flux cored wires, wear plates and heavy engineering

Khasra No. 35, 36, 38/1, 38/2, 38/3,
Khapri (Uma), Nagpur

Area - 89,197* sq. mtrs
Owned

Unit V

Commenced from Nov. 25

Special purpose electrodes and wire strips

Plot No. 33-B/1/1 & 33-B/1/1 Part, MIDC Hingna
Nagpur

Area - 10,850 sq. mtrs
On lease

The total area stands reduced to the extent of approx. 3191 sq. mtrs pursuant to acquisition of land by National Highway Authority of India for public purpose in 2018.

Robust R&D set up

01 DSIR approved R&D facility at Unit I

02 Equipped with laboratory infrastructure for various developmental activities - process refinement, finished products testing and other raw materials analysis

03 We hold accreditation by the National Accreditation Board for Testing and Calibration Laboratories – ISO/ IEC 17025:2017 for General Requirements for the Competence of Testing & Calibration Laboratories

04 Environment Management System (EMS) certification by TÜV SÜD South Asia Private Limited, Quality Management System (QMS)-ISO 9001:2015, Occupational Health and Safety Management systems – ISO 45001:2018 and Environment Management System – ISO14001:2015

A Suite of Marquee Clientele

ADITYA BIRLA GROUP
एनटीपीसी NTPC
LARSEN & TOUBRO
बी एच ई एल BHEL
adani
UltraTech CEMENT The Engineer's Choice
Shree Cement

JSW Steel
SMS group
Metso
KHD HUMBOLDT WEDAG
सेल SAIL
DANIELI
DANIELI CORUS

Metso:Outotec
INDIAN RAILWAY
JINDAL STEEL & POWER
Dalmia Bharat
TATA STEEL
vedanta transforming for good
AVADI

SHREE RENUKA SUGARS
HOLCIM
GEBR. PFEIFFER
SKYROOT AEROSPACE
Howden A Chart Industries Company
Bajaj Hindusthan Ltd.
HNG
Balrampur Chini Mills Limited

LOESCHE
FLSMIDTH
HCL हिन्दुस्तान कॉपर लिमिटेड
EAGLE CEMENT
Piramal Glass
LNV TECH
AM/NS INDIA ArcelorMittal Nippon Steel India

Strong Global Presence since 1982

We have Tie-ups with over **95 distributors** in domestic market and **9 distributors** in the overseas market

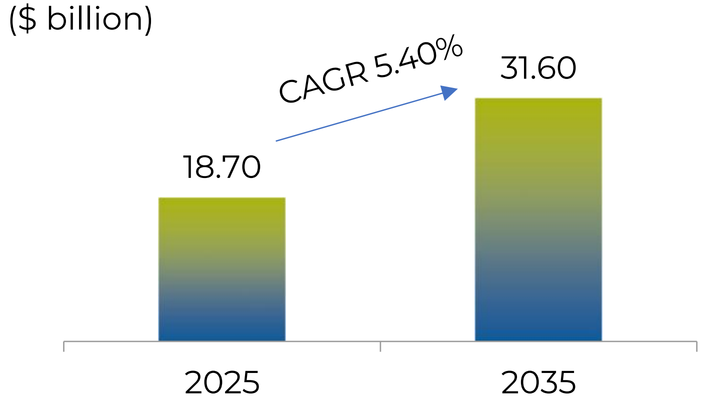
INDUSTRY OVERVIEW

Welding Consumables Market

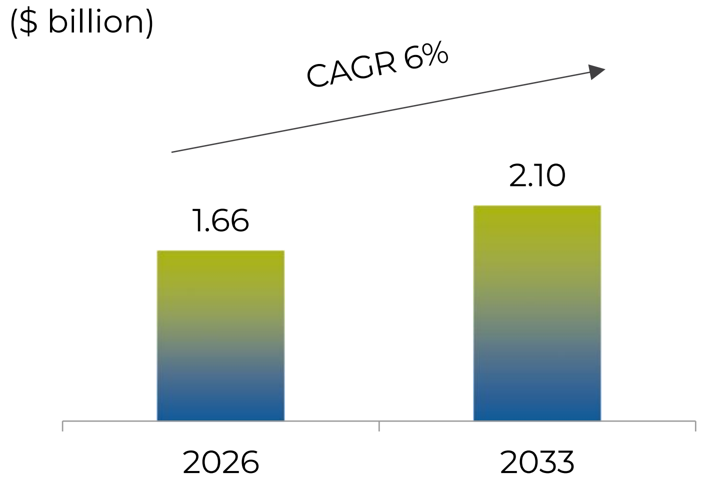
- The global welding consumables market size reached USD 18.7 bn in 2025. Looking forward, Market Business Insights expects the market to reach USD 31.60 Billion by 2035,

  exhibiting a growth rate (CAGR) of 5.40% during 2025-2035
  - ✓ Asia-Pacific region has the highest share, with around 47% contribution
  - ✓ North America has the second biggest market after Asia, due to presence of large automotive and component manufacturers
- The India welding consumables market size reached USD 1.66 bn in 2026. Looking forward, Fortune Business Insight expects the market to reach USD 2.1 bn by 2033, exhibiting a growth rate (CAGR) of 6% during 2025-2033
- **Industrial Expansion and Manufacturing Growth:**
  - ✓ Growth of industries like heavy engineering, energy, oil & gas, Railways, shipbuilding, power, transportation, and automotive drives demand
  - ✓ As India aspires to become a global manufacturing hub, manufacturing sector's expansion will further bolster this demand
- **Government Initiatives and Infrastructure Investments:** The Indian government's significant infrastructure spending is a key factor, with allocations like INR 12.22 trillion in 2026-2027 in sectors such as roads, urban infrastructure, and railways, along with reforms under 'Make in India' and 'Atmanirbhar Bharat,' are expected to significantly boost welding consumables sector

Global Welding Consumables Industry



Welding Consumables Industry In India

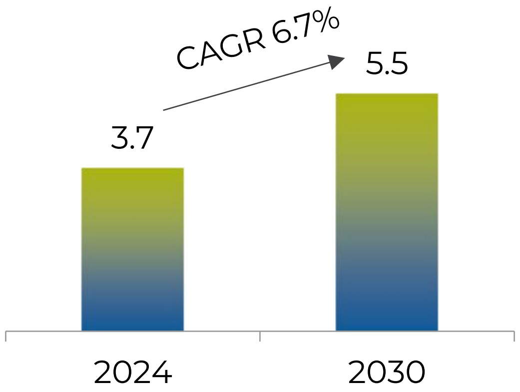


Source: Fortune Business insight ,CRISIL MI&A, IMARC Group, Pib Govt

Wear Plates & Heavy Engineering Market

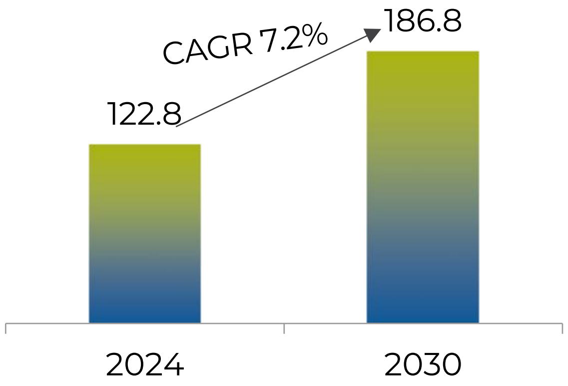
Global Wear Plate Market

($ billion)



Indian Wear Plate Market

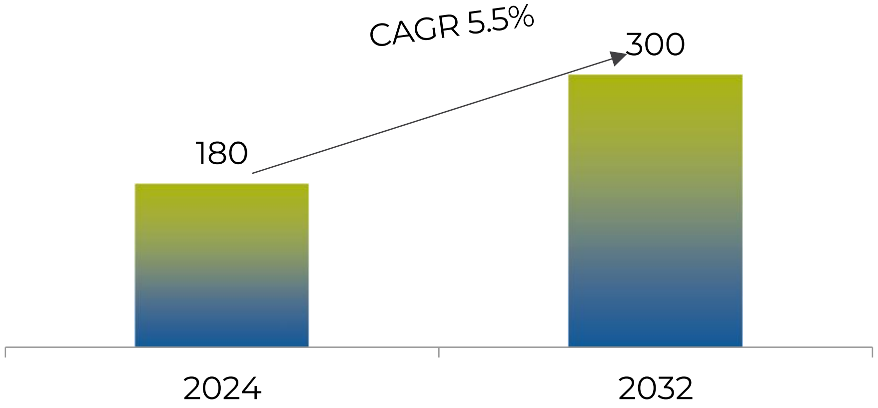
($ million)



- The global wear plate market is anticipated to expand from $3.7 bn in 2024 to $5.50 bn by 2030, reflecting a CAGR of 6.7% over the half decade
  - **Asia** contributes highest consumption – rapid industrialisation, expanding mining activities
  - **Europe** – Transportation Sector and mining activity for minerals
- The Indian wear plates market was valued at USD 122.8 million in 2024 and is expected to reach USD 186.8 million by 2030, expanding at a CAGR of 7.2% during 2025–2030
- Wear plates are an essential part of various industries, such as power plants, steel mills, quarrying and cement, as these plates protect key components of these industry

Heavy Engineering Industry in India

($ billion)



- Heavy electrical engineering, earthmoving, construction and mining machinery, and process plant equipment are the largest segments
- Industry is expected to continue to expand on the back of rising manufacturing and construction activities
- Technological advancements, FDI, and strong government initiatives drive manufacturing sector and boost heavy engineering capital goods industry
- Growth is further supported by ease of doing business, the PLI scheme, infrastructure investments, and favorable policies

Source: Grandview Research Ministry of Heavy Industries, IEEMA, CRISIL MI&A, IMARC Group

DIFFUSION
Innovative superconditioning solutions

FINANCIAL OVERVIEW

Chairman's Message

Prashant Garg

Chairman & Managing Director
Diffusion Engineers Limited

"The Company commenced FY27 on a strong note, delivering healthy growth across key financial parameters. Total Revenue from Operations stood at ₹1,101.08 Mn, registering a 36.50% year-on-year growth over Q1 FY26. EBITDA increased by 33.76% to ₹141.54 Mn, while Profit Before Tax grew by 29.87% to ₹201.36 Mn. Profit After Tax stood at ₹166.77 Mn, up 35.98% year-on-year, reflecting the continued strength of the Company's underlying business performance.

The Company's order book remained robust and diversified, providing strong revenue visibility for the coming quarters. As of 30 June 2026, the order book stood at ₹2,096.60 Mn, compared with ₹1,741.09 Mn as of 31 March 2026, representing a sequential increase of approximately 20.4%.

The broad-based growth across these segments reflects sustained customer demand and continued confidence in the Company's products and execution capabilities. During the quarter, the Company continued to strengthen its position across high-performance welding consumables, wear protection solutions, and specialized engineering services. The healthy order inflow across Heavy Engineering, Wear Plates and Wear Parts, and Welding Consumables demonstrates the Company's ability to address diverse customer requirements across industrial applications.

The Company's focus on operational efficiency, disciplined cost management, and execution excellence supported healthy profitability, with EBITDA margin remaining strong at 12.85% despite the ongoing input-cost environment. The Company remains focused on converting its strong order pipeline into sustainable revenue growth while maintaining execution discipline. The healthy order book, coupled with a diversified product portfolio and strong customer relationships, provides a solid foundation for continued growth.

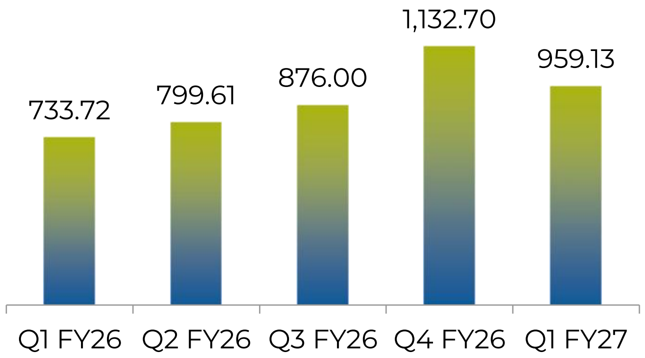
Management remains optimistic about the medium to long-term outlook and will continue to focus on capacity utilization, operational efficiencies, timely execution of projects, and expanding its presence across existing and new markets. Looking ahead, the Company remains committed to delivering sustainable and profitable growth. With continued investments in capabilities, a strong and diversified order pipeline, and an increasing focus on value-added products and specialized solutions, the Company is well positioned to capitalize on emerging opportunities across the industrial and infrastructure sectors.

Management will remain focused on strengthening customer relationships, enhancing operational performance, and creating long-term value for all stakeholders. We extend our sincere appreciation to our employees, customers, creditors, bankers, financial institutions, and all other stakeholders for their continued trust and support. We remain committed to maintaining this momentum and delivering sustainable value in the periods ahead.

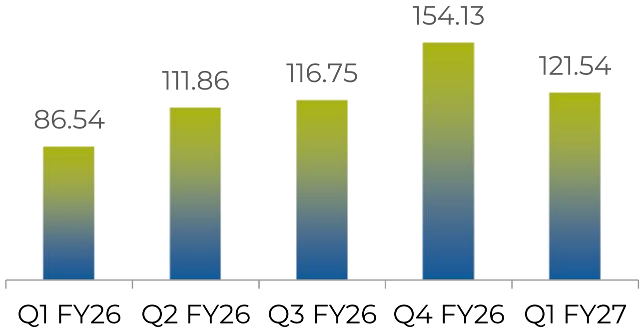
Standalone Financial Highlights - Quarterly

(Rs In Mn)

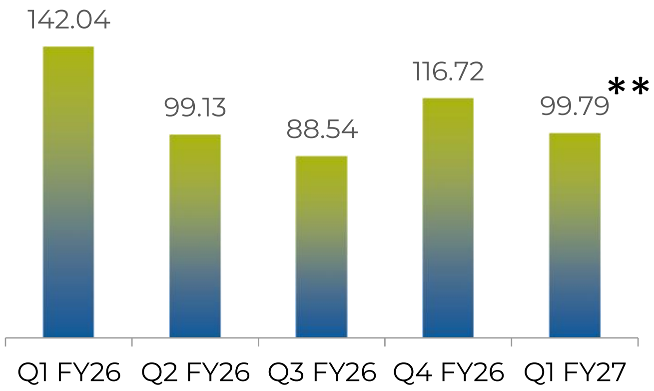
Revenue from Operations



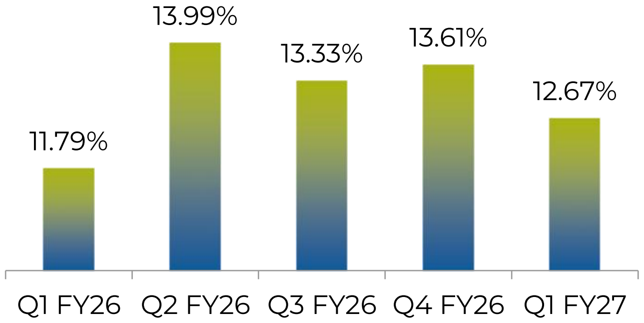
*EBITDA



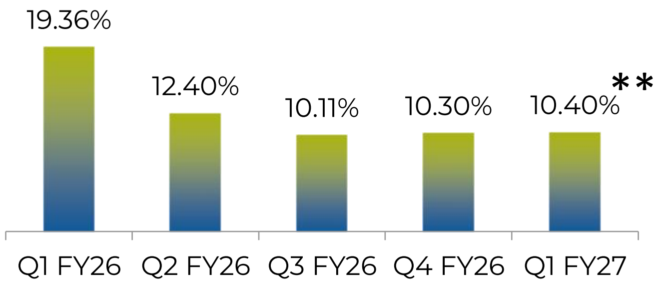
**PAT



*EBITDA Margins %



**PAT Margins %



*Excluding other income

**The decline in reported PAT and PAT margin of Standalone Financials is primarily attributable to one time dividend income of ₹50.67 Mn received from a Wholly Owned Subsidiary in Q1 FY26, which resulted in a higher base in the previous year.

Quarterly Financial Highlights - Standalone

Rs. in Mn

Particulars	Q1 FY27	Q1FY26	Y-o-Y%	Q4 FY26
Total Income from Operations	**959.13**	**733.72**	**30.72%**	**1,132.70**
*Raw Materials	655.70	489.83		808.64
Employee Cost	120.08	110.02		114.31
Other Expenses	61.81	47.33		55.61
Total Expenditure	**837.59**	**647.18**		**978.57**
EBITDA (Excl. Other Income)	**121.54**	**86.54**	**40.44%**	**154.13**
EBITDA Margin (%)	**12.67%**	**11.79%**		**13.61%**
Other Income	32.75	101.45		26.25
Depreciation	16.48	14.33		16.04
Interest	6.66	2.86		6.45
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
Profit Before Tax	**131.15**	**170.80**	**-23.21%**	**157.89**
Tax	31.36	28.76		41.17
Profit After Tax	**99.79**	**142.04**	**-29.75**	**116.72**
Profit After Tax Margin%	**10.40%**	**19.36%**		**10.30%**
EPS (In Rs.)	**2.68**	**3.80**		**3.09**

Total Income from Operations increased by 30.72% YoY due to healthy demand across core industrial segments, improved execution capabilities and a strong order book

EBITDA grew by 40.44% YoY on account of higher operating volumes and better execution, supported by operating leverage.
EBITDA margin improved to 12.67% from 11.79%, driven by improved absorption of fixed costs and operating efficiency.

Other Income declined significantly to ₹32.75 Mn from ₹101.45 Mn in Q1 FY26, mainly due to the non-recurrence of dividend income from a wholly owned subsidiary of ₹50.67 Mn received in the Q1 FY26. Profit Before Tax declined by 23.21% YoY despite strong operating growth, as the sharp reduction in other income more than offset the improvement in EBITDA.

Profit After Tax declined by 29.75% YoY for the same reason as above, though the business delivered stronger operational performance.

PAT margin reduced to 10.40% from 19.36%, primarily due to lower other income in the current quarter compared with Q1 FY26

*Including Manufacturing expenses
PAT Margin (%) = Profit After Tax / Total Income from Operations × 100

Full Year Financial Highlights - Standalone

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Rs. in Mn

Particulars	FY26	FY25	Y-o-Y%
Total Income from Operations	**3,542.03**	**3,160.87**	**12.06%**
*Raw Materials	2,393.62	2,151.90	
Employee Cost	455.23	399.15	
Other Expenses	223.89	200.2	
Total Expenditure	**3,072.74**	**2,751.25**	
EBITDA (Excl. Other Income)	**469.29**	**409.62**	**14.57%**
EBITDA Margin (%)	**13.25%**	**12.96%**	
Other Income	191.68	89.98	
Depreciation	59.93	44.39	
Interest	20.22	21.95	
Exceptional Item (Gain) / Loss	7.00	0.00	
Profit Before Tax	**573.81**	**433.27**	**32.44%**
Tax	127.38	95.74	
Profit After Tax	**446.43**	**337.53**	**32.27%**
Profit After Tax Margin%	**12.60%**	**10.68%**	
EPS (In Rs.)	**11.98**	**9.02**	**32.82%**

Growth in Total Income from Operation, EBIDTA and PAT was driven by healthy demand across core industrial segments, improved execution of engineering orders and higher order inflows.

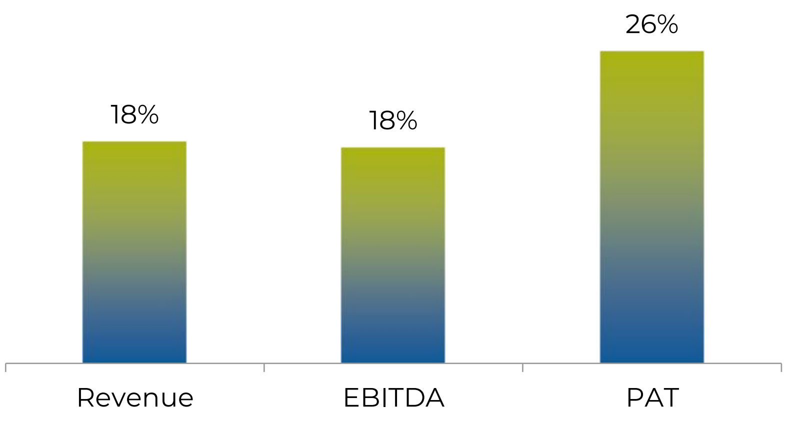
During Q3 FY26, the Company recognized a one-time expense of ₹7.00 million was recognized towards estimated impact of New Labour Codes on employee benefits

*Including Manufacturing expenses

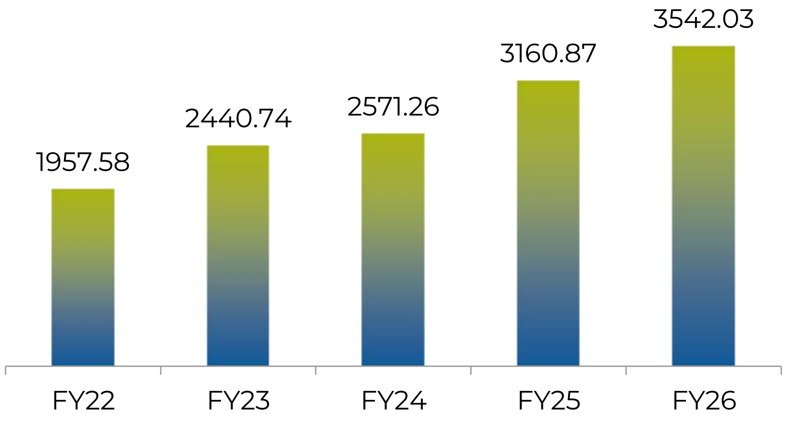
5 years Standalone Annual Financial Highlights

(Rs In Mn)

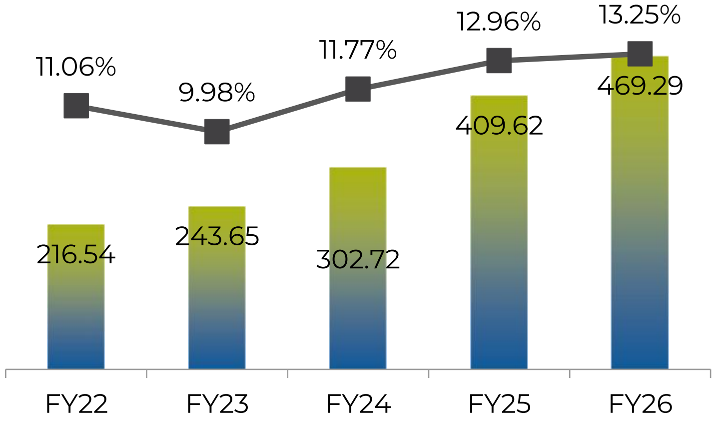
5 Years CAGR (%)



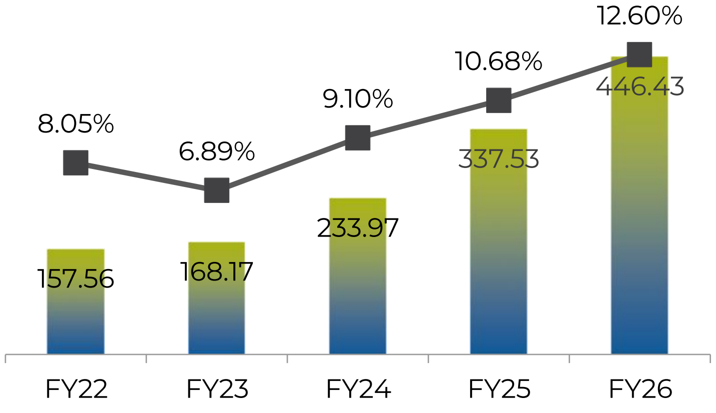
Revenue (Rs. Mn)



*EBITDA (Rs. Mn) EBITDA Margin (%)



PAT (Rs. Mn) PAT Margin (%)

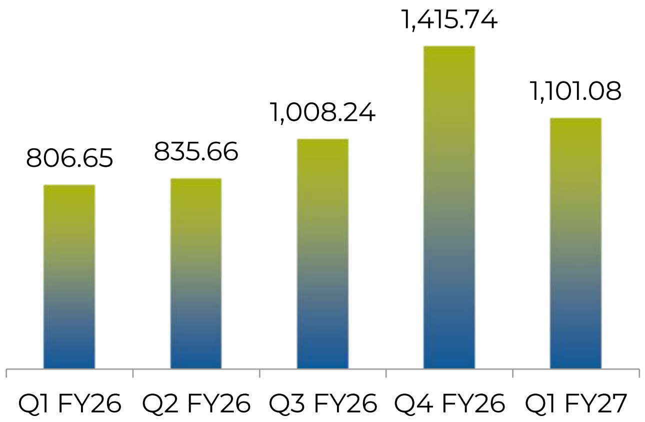


*Excluding other income & share of profit/ Loss of Associates and Joint ventures

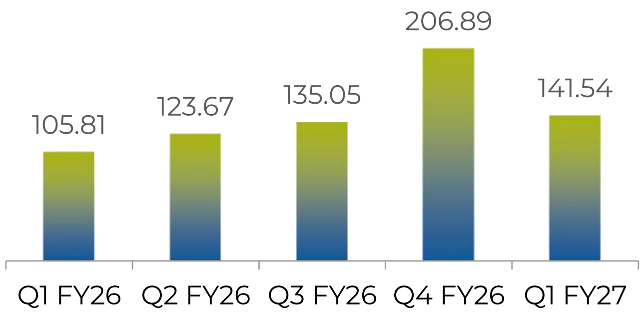
Consolidated Financial Highlights - Quarterly

(Rs In Mn)

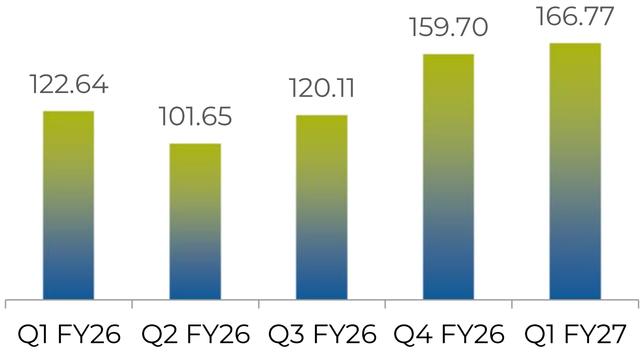
Revenue from Operations



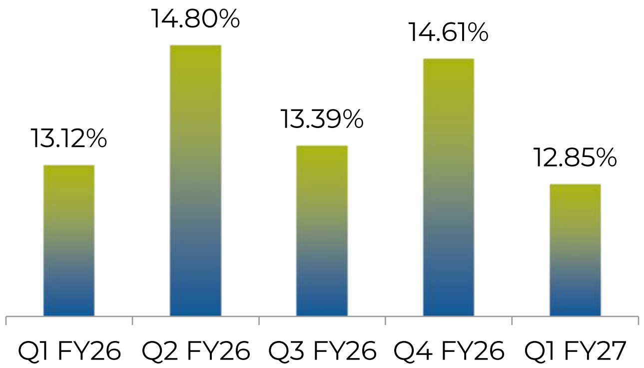
*EBITDA



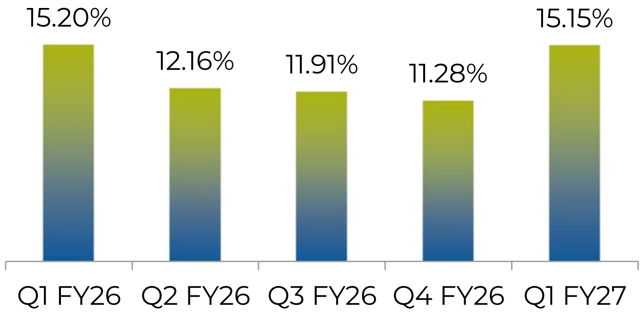
PAT



*EBITDA Margins %



PAT Margins %



*Excluding other income & share of profit/ Loss of Associates and Joint ventures

Quarterly Financial Highlights - Consolidated

DIFFUSION
Innovative Superconditioning Solutions

Rs. in Mn

Particulars	Q1 FY27	Q1 FY26	Y-o-Y%	Q4 FY26
Total Income from Operations	**1,101.08**	**806.65**	**36.50%**	**1415.74**
*Raw Materials	753.30	527.25		1008.43
Employee Cost	126.09	114.94		124.92
Other Expenses	80.15	58.65		75.51
Total Expenditure	**959.55**	**700.84**		**1208.86**
EBITDA (Excl. Other Income)	**141.54**	**105.81**	**33.76%**	**206.88**
EBITDA Margin (%)	**12.85%**	**13.12%**		**14.61%**
Other Income	40.98	54.89		29.13
Depreciation	18.78	16.23		18.54
Interest	6.97	3.20		6.54
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
Share of P/L of associates	44.59	13.77		0.42
Profit Before Tax	**201.36**	**155.04**	**29.87%**	**211.35**
Tax	34.59	32.40		51.66
Profit After Tax	**166.77**	**122.64**	**35.98%**	**159.70**
Profit After Tax Margin%	**15.15%**	**15.20%**		**11.28%**
EPS (In Rs.)	4.47	3.26		4.29

Total Income from Operations increased by 36.50% YoY on the back of strong demand across core industrial segments, higher execution levels and a healthy order book.

EBITDA grew by 33.76% YoY, supported by operating leverage from higher volumes, improved execution efficiency and better absorption of fixed costs. EBITDA margin moderated slightly to 12.85% from 13.12%, primarily due to higher raw material and employee cost as a percentage of sales.

Other Income declined to ₹40.98 Mn from ₹54.89 Mn in the same quarter last year, reflecting lower treasury income Share of profit from associates increased significantly to ₹44.59 Mn from ₹13.77 Mn, which positively supported PBT and PAT.

PBT rose by 29.87% YoY, aided by improved operating performance and higher contribution from associates, partly offset by lower other income and higher finance and depreciation charges.

PAT increased by 35.98% YoY, reflecting stronger operating performance and a higher share of profits from associates, despite the moderation in other income and margin pressure. EPS improved to ₹4.47 from ₹3.26, in line with the growth in net profit.

*Including Manufacturing expenses
PAT Margin (%) = Profit After Tax / Total Income from Operations × 100

DIFFUSION
Innovative Superconditioning Solutions

Full Year Financial Highlights - Consolidated

Rs. in Mn

Particulars	FY26	FY25	Y-o-Y%
Total Income from Operations	**4,066.28**	**3,352.76**	**21.28%**
*Raw Materials	2,736.09	2,228.57	
Employee Cost	483.88	419.02	
Other Expenses	274.88	233.61	
Total Expenditure	3,494.86	2,881.20	
EBITDA (Excl. Other Income)	**571.42**	**471.56**	**21.18%**
EBITDA Margin (%)	**14.05%**	**14.06%**	
Other Income	149.92	92.47	
Depreciation	68.45	52.75	
Interest	21.47	22.74	
Exceptional Item (Gain) / Loss	7.00	0.00	
Share of P/L of associates	25.93	(19.51)	
Profit Before Tax	**650.36**	**469.03**	**38.66%**
Tax	146.26	108.63	
Profit After Tax	**504.10**	**360.40**	**39.87%**
Profit After Tax Margin%	**12.40%**	**10.75%**	
EPS (In Rs.)	**13.50**	**9.59**	**40.77%**

Growth in Total Income from Operation, EBIDTA and PAT was driven by healthy demand across core industrial segments, improved contribution from overseas operations and associates, and higher order inflows.

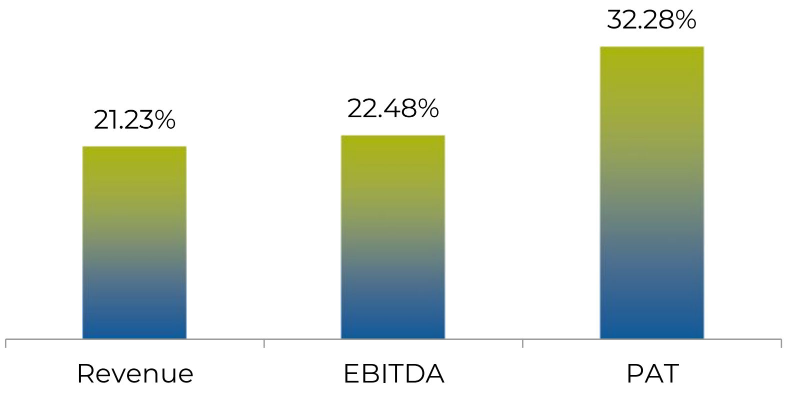
During Q3 FY26, the Company recognized a one-time expense of ₹7.00 million was recognized towards estimated impact of New Labour Codes on employee benefits.

*Including Manufacturing expenses

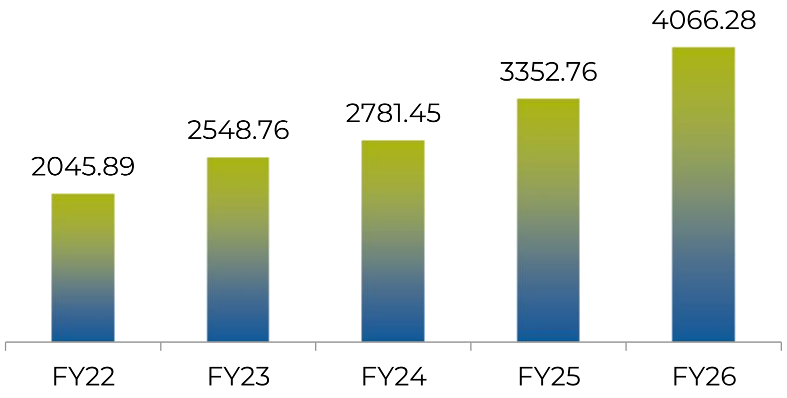
5 years Consolidated Annual Financial Highlights

(Rs in Mn)

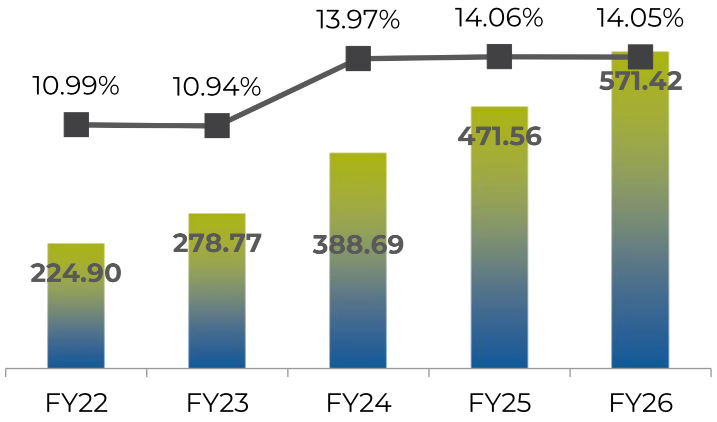
5 Years CAGR (%)



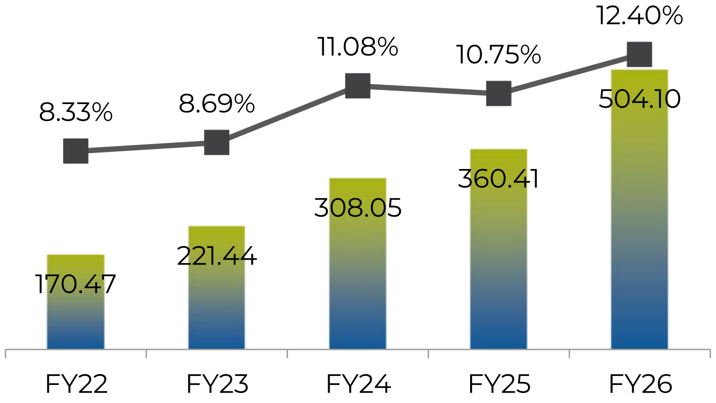
Revenue (Rs. Mn)



*EBITDA (Rs. Mn) EBITDA Margin (%)



PAT (Rs. Mn) PAT Margin (%)

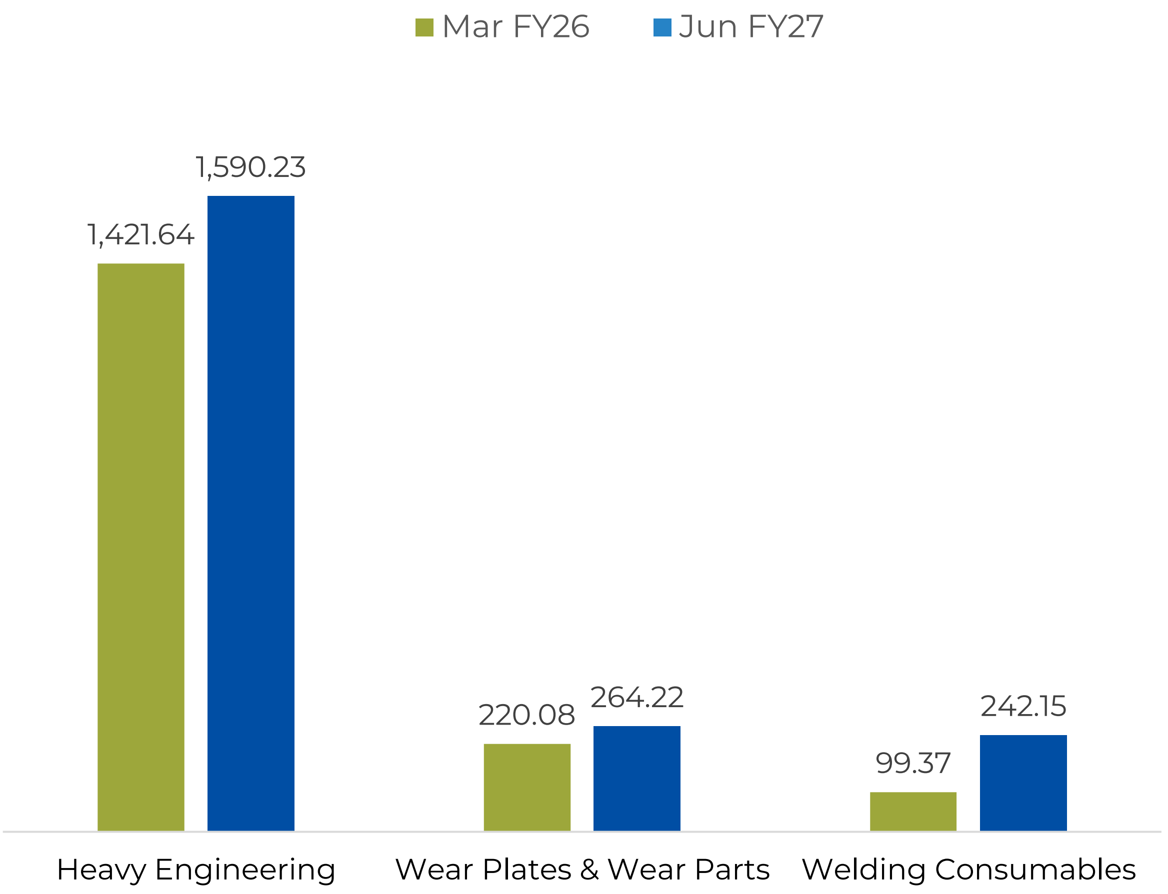


*Excluding other income & share of profit/ Loss of Associates and Joint ventures

Order Book

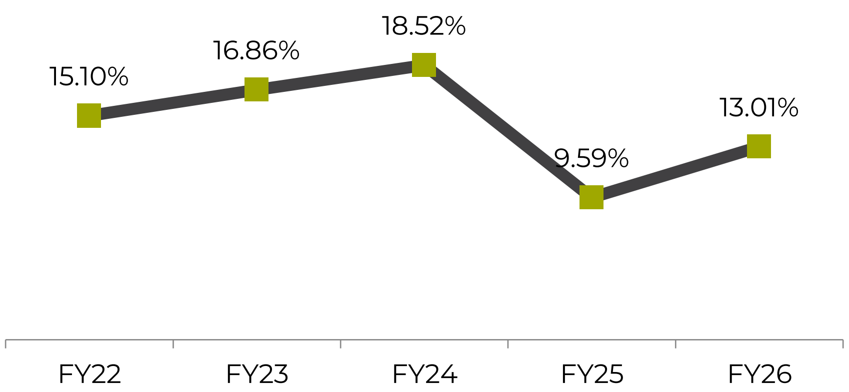
Rs. in Mn

Type	Mar-26	Jun-26
Heavy Engineering	1,421.64	1,590.23
Wear Plates and Wear Parts	220.08	264.22
Welding Consumables	99.37	242.15
Grand Total	**1,741.09**	**2,096.60**

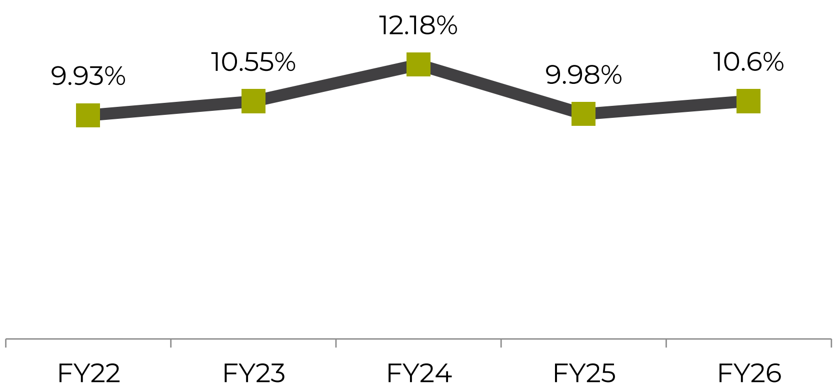


Key Ratios

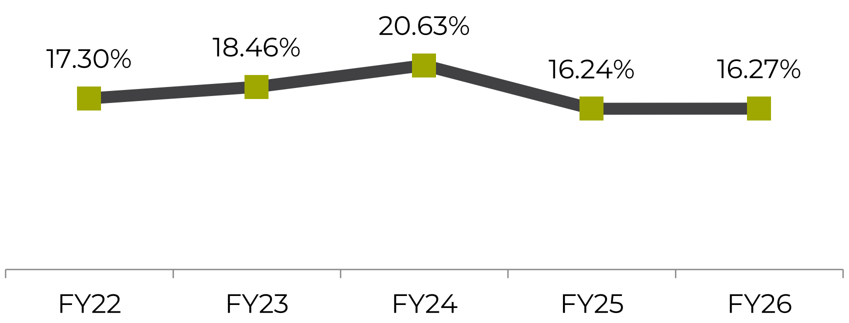
RoE(%)



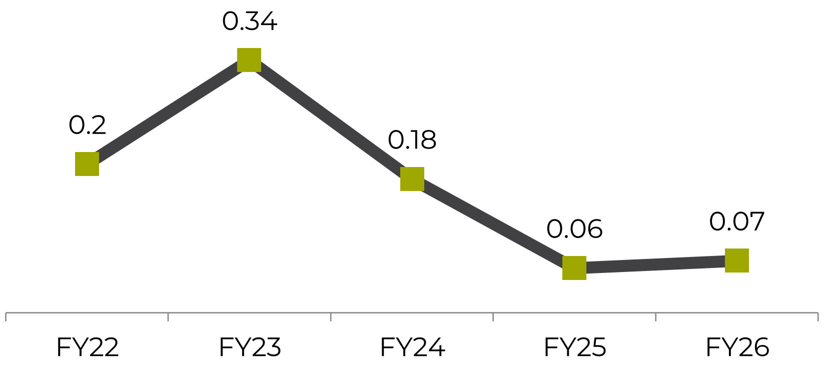
RoA(%)



RoCE(%)



Total Debt to Equity Ratio (X)

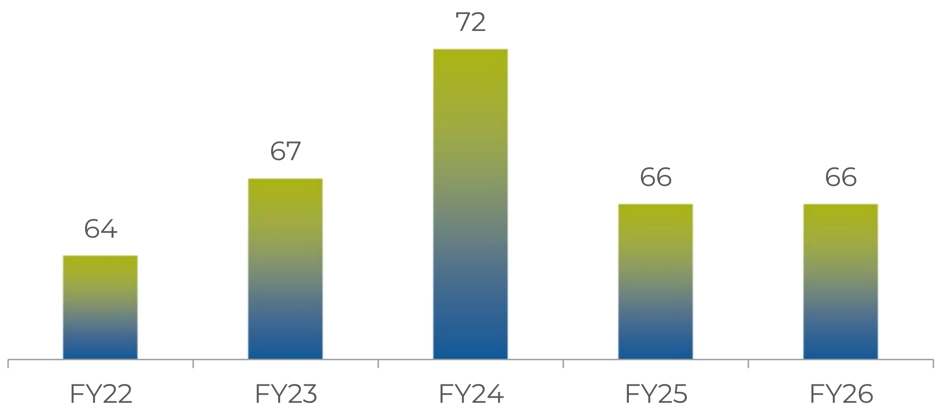


The decline in ROE and ROCE in FY25 is primarily attributed to the increase in equity base following the IPO

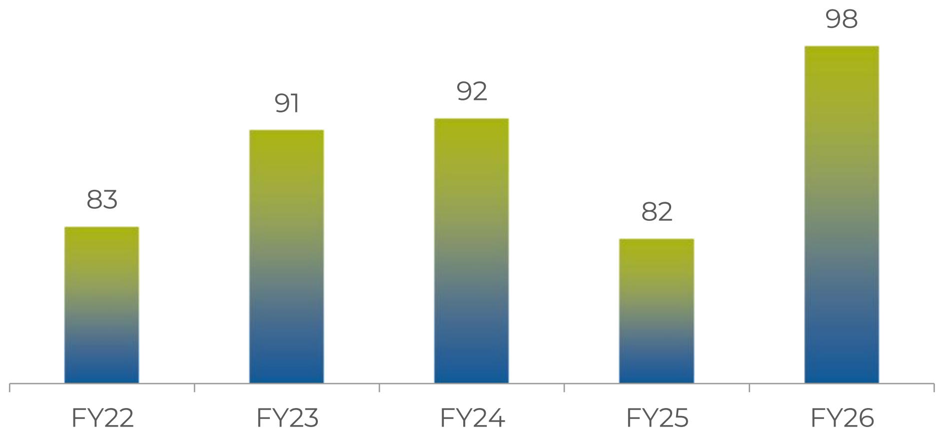
RoE = Net Profit/Average Total Equity | RoA = Net Profit/Average Total Assets | RoCE = EBIT/Average Capital Employed | Total Debt to Equity = Total Debt/Total Equity Source : Ace Equity

Working Capital Analysis (Days)

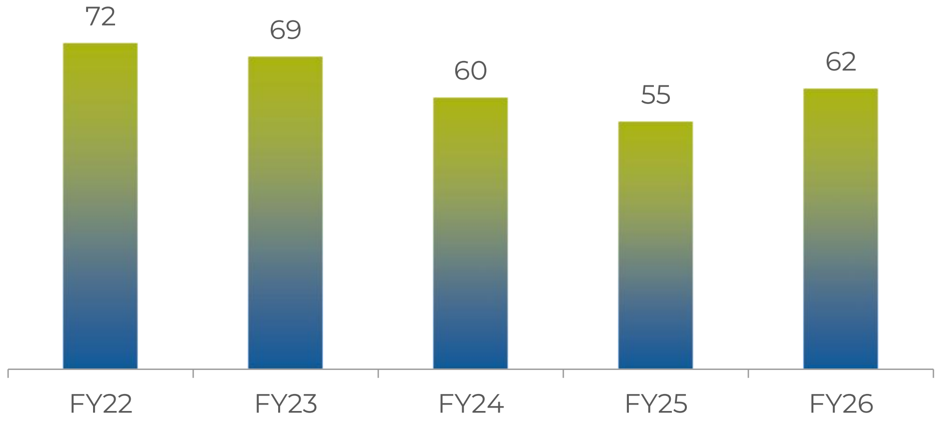
Inventory



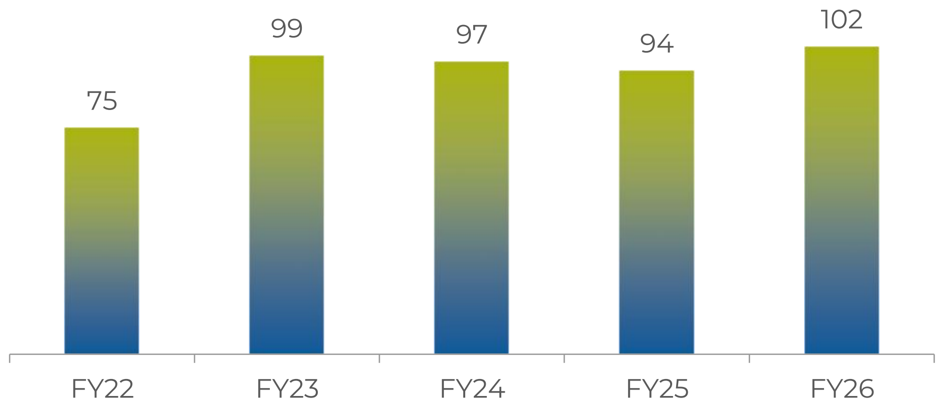
Receivables



Payables



Net Working Capital



DIFFUSION

Innovative superconditioning solutions

Thank You

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