

11th July, 2025

To,

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| The Manager (Listing), The BSE Ltd. Mumbai | The Manager (Listing), National Stock Exchange of India Ltd. Mumbai |
| Company's Scrip Code: 505700 | Company's Scrip Code: ELECON |

Sub. : Press Release of Board Meeting held on Friday, 11th July, 2025
Ref. : Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In terms of the subject referred Regulation, please find enclosed herewith Press Release giving highlights on the performance of the Company for the quarter ended on 30th June, 2025.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,

For Elecon Engineering Company Limited,



Bharti Isarani
Company Secretary & Compliance Officer

Encl.: As above



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

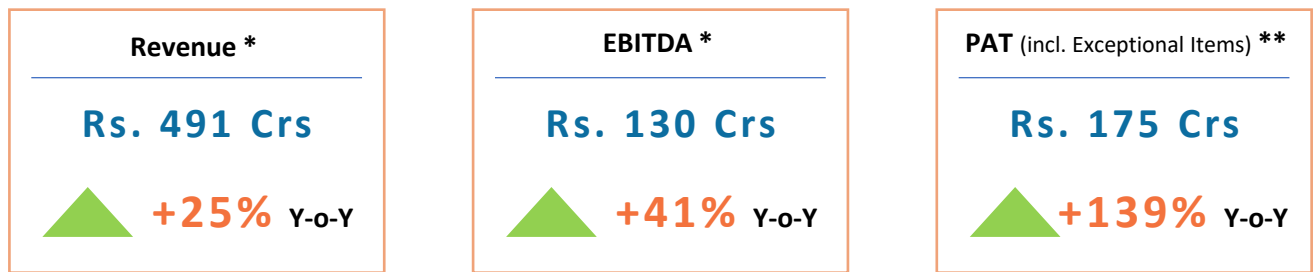
Gearing industries. Gearing economies.

ELECON ENGINEERING COMPANY LIMITED

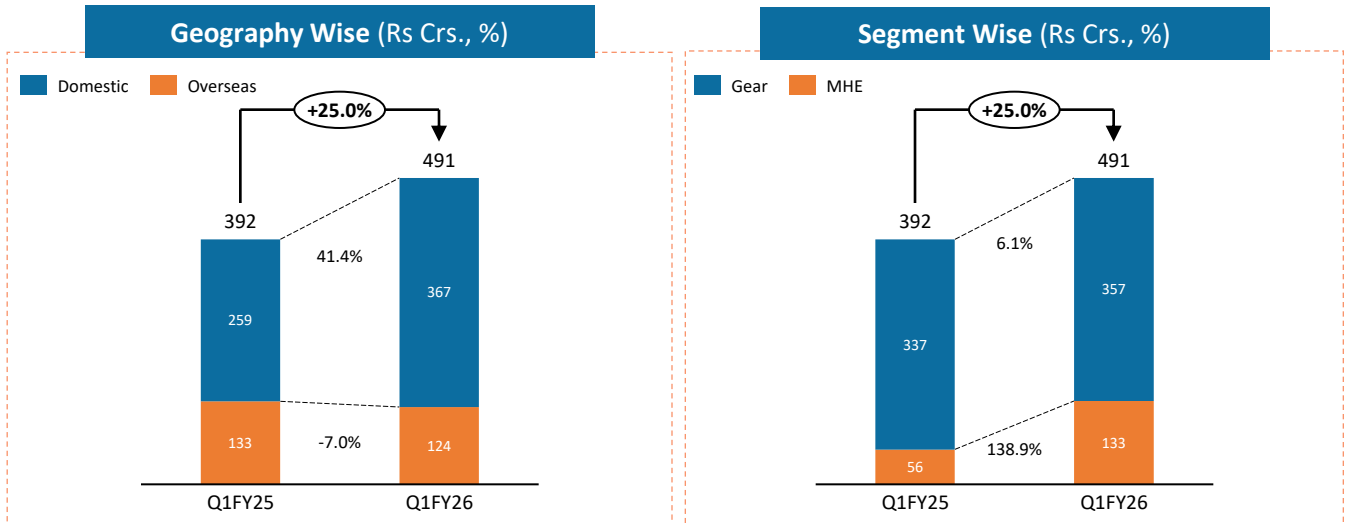
Q1FY26 Financial & Operational Performance Highlights

Vallabh Vidyanagar, Gujarat, 11th July 2025 – Elecon Engineering Company Limited, one of the largest Industrial Gear solution providers in Asia along with Material Handling Equipment, announced its Unaudited Financial Result for the quarter ended 30th June 2025.

Consolidated Financial Highlights – Q1FY26



Consolidated Operational Highlights – Q1FY26



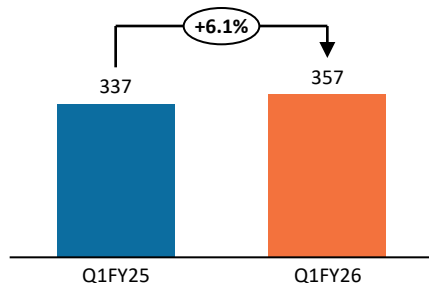
* Revenue and EBITDA for Q1FY26 includes Rs 25 crores of one-time income from arbitration claim settlement in MHE division.

** PAT for Q1FY26 includes the above Rs 25 crores (pre-tax) as well as further Rs 10 crores (pre-tax) of arbitration claim settlement booked under Other Income and Rs 80 crores (net of tax) of unrealised mark-to-market gain on reclassification of investment booked as Exceptional Income.

Resilient performance in the quarter...
On track to reach Rs. 2,650 crores Revenue for FY26...

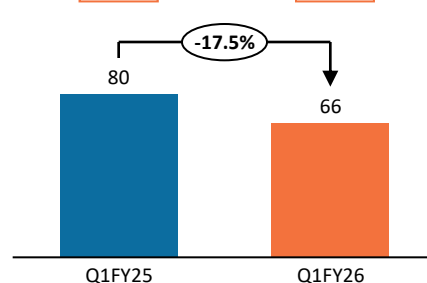
Gear Division

Revenue (Rs. Crs)



Margins (%)

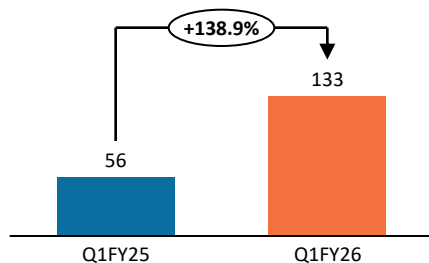
EBIT (Rs. Crs)



- Revenue for Q1FY26 stood at **Rs. 357 Crs.** compared to Rs. 337 Crs. in Q1FY25, **growth of 6.1% Y-o-Y.** Trend of growth momentum slowing down after a strong previous quarter has played out in Q1. We are seeing steady demand coming from domestic power, steel and cement industries. Enquiry levels remain encouraging across domestic and international markets.
- EBIT for Q1FY26 stood at **Rs 66 Crs.** compared to Rs 80 Crs. in Q1FY25. EBIT Margin for the quarter stood at **18.4%.** EBIT Margin was impacted by increased employee cost and brand building activities in overseas markets, as well as accelerated depreciation on recently capitalised asset.

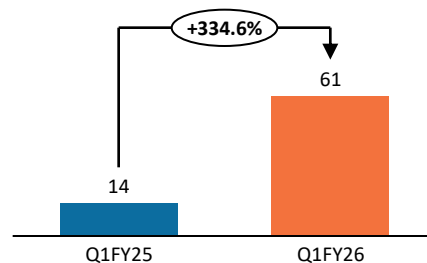
MHE Division

Revenue (Rs. Crs)



Margins (%)

EBIT (Rs. Crs)



- Revenue for the quarter including Rs 25 crores one-time arbitration settlement income stood at **Rs 133 Crs.** compared to Rs 56 Crs. in the corresponding quarter last year, a **growth of 138.9% Y-o-Y.**
- EBIT for Q1FY26 stood at **Rs 61 Crs.** registering a **growth of 334.6% YoY.** The EBIT margin stood at **46%** as against 25.3% in Q1FY25.
- Reported revenue and margin are higher, aided by the arbitration claim settlement amount of Rs 25 crores recognized during the quarter.
- Company is consistently securing new orders in the domestic market and making inroads into international markets. We are also capitalizing on growing opportunities in the after-market business. Our continued focus on MHE segment will support overall growth in coming years.

Commenting on the results, **Shri Prayasvin B. Patel, Chairman & Managing Director of Elecon Engineering Company Ltd.** Said,

“For Q1FY26, Elecon reported consolidated revenue of ₹ 491 crores, reflecting a healthy growth of 25% on a Y-o-Y basis. EBITDA stood at ₹ 130 crores, with EBITDA margin at 26.6%. We have recognized ₹ 35 crores as income from the arbitration settlement (₹ 25 crores in Revenue and ₹ 10 crores in Other Income) as well as ₹ 80 crores as exceptional gain pertaining to reclassification of investment in EIMCO Elecon (India) Limited. Including these, the PAT for the quarter stood at ₹ 175 crores.

Elecon continues to maintain its leadership position in the Indian market for both Industrial Gear Solutions and Material Handling Equipment. Our competitive edge is driven by advanced manufacturing capabilities, a comprehensive portfolio of high-quality products, and the ability to deliver custom-engineered solutions with optimized lead times, ensuring consistent and quality products for our diversified customers.

In Q1FY26, our Material Handling Equipment (MHE) division continued to deliver a strong performance, with robust growth in revenue and uptick in margin. Performance in the MHE division was aided to some extent by the arbitration settlement income recognized in this quarter. With our pivot towards product supply and aftermarket services, we expect steady momentum in the MHE division in the coming years. Our Gear division delivered a resilient performance during the quarter, with a growth of 6.1% in revenue and EBIT margin at 18.4%. Margin was impacted on account of accelerated depreciation charge for assets which were capitalized in Q4FY25. Once capacities ramp up and revenue starts building up from the new capex, we expect the recovery in margin going forward.

We are seeing healthy demand in both, domestic and overseas markets. In the domestic market, we are seeing healthy capacity addition activities in our core sectors of steel, power, and cement which will drive the growth. The overseas business too remains on a solid footing, with consistent traction seen across geographies. The enquiry levels from our customers are encouraging.

We are steadily advancing towards our strategic objective of generating 50% of our consolidated revenue from international markets by FY30. Strengthening relationships with global OEMs and sustained brand-building initiatives continue to reinforce our confidence in achieving this milestone.

Our growth strategy is supported by strategic alliances with international partners, ongoing investments in R&D and product innovation, and a focused push within the high-growth MHE division. These efforts collectively position us to outperform broader industry trends and accelerate our domestic & global footprint. Our priority is to attain sustainable profitable growth and creating long-term value for all our stakeholders.”



About Elecon Engineering Company Limited:

Elecon Engineering Company Limited (ELECON) was established in 1951 and is one of the largest manufacturers of Industrial Gears and Material Handling Equipment with seven decades of experience and expertise in Asia. The company has been able to establish its position as one of Asia's largest and India's largest Industrial Gear Manufacturing Company, having manufacturing facility spread over 3,35,000 Square Meter. The company has a strong global presence serving 95+ countries through a network of distributors, dealers and customer representatives. The product solutions include designing, manufacturing, supply, erection and commissioning of the products and are majorly used in Cement, Sugar, Defense, Steel, Mining and Power sector along with other sectors

Safe Harbor

This document may contain forward-looking statements about Elecon Engineering Company Limited and its Subsidiaries, which are based on the beliefs, opinions, and expectations of the company's management as on the date of this Investor release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

For more information, please contact



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CIN: L29100GJ1960PLC001082

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For updates and specific queries, please visit www.elecon.com

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