KALYANI FORGE

August 12, 2026

To

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai-400001 Scrip Code**: 513509**	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 Symbol: **KALYANIFRG**

Sub: **Press Release on unaudited standalone financial results for quarter ended on June 30, 2026.**

Dear Sir/Madam,

Please find enclosed the press release titled "**Kalyani Forge Reports Q1 FY27 Results: PAT Surges Over 200% YoY; EBITDA Margin 16.2%, ROCE Crosses 20% Target for the First Time".**

The above press release will also be available on the website of the Company at www.kalyaniforge.com

Kindly take the same on record and acknowledge.

Thanking you,

For **Kalyani Forge Limited**

ANUP DILIP SANCHETI

Digitally signed by ANUP DILIP SANCHETI
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Anup Sancheti
Company Secretary & Compliance Officer
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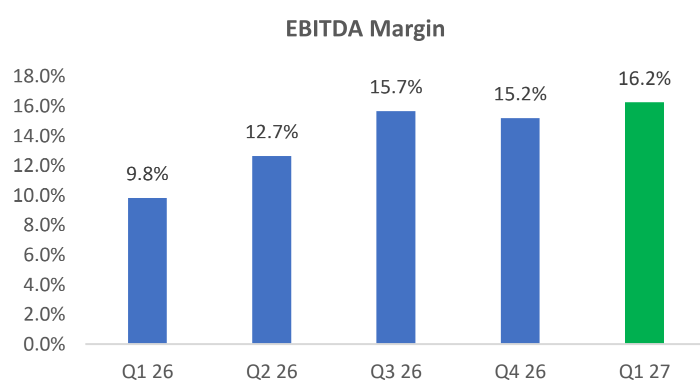
Press Release

Kalyani Forge Reports Q1 FY27 Results: PAT Surges Over 200% YoY; EBITDA Margin 16.2%, ROCE Crosses 20% Target for the First Time

PUNE, INDIA — August 11, 2026: The Company today announced its financial and operational results for the quarter ended June 30, 2026. Demonstrating resilient operational execution amidst sector shifts, the Company reported significant bottom-line growth, expanding margins, stringent cost controls, and continued progress on its capital efficiency goals.

Q1 FY27 Financial Highlights (Unaudited)

- **Total Income:** ₹6,707.28 Lakhs, compared to ₹6,452.67 Lakhs in Q1 FY26 and ₹5,924.24 Lakhs in the preceding quarter
- **Profit Before Tax (PBT):** ₹615.33 Lakhs, up over 203% compared to ₹202.57 Lakhs in Q1 FY26, and marginally ahead of ₹612.94 Lakhs in the preceding quarter
- **Profit After Tax (PAT):** ₹447.96 Lakhs, up over 218% compared to ₹140.65 Lakhs in Q1 FY26
- **EBITDA Margin:** Expanded to 16.2%, up 640 basis points year-on-year
- **Return on Capital Employed (ROCE):** Improved to 22%, crossing the Company's 20% target for the first time
- **Earnings Per Share (EPS):** Basic and Diluted EPS for the quarter stood at ₹12.31



Management Commentary

Commenting on the results, Mr. Viraj Kalyani, Managing Director and CEO, Kalyani Forge Limited, said:

"Q1 FY27 marks our strongest opening quarter in recent years. We more than tripled our profit after tax year-on-year and crossed the 20% ROCE threshold for the first time — proof that the operational and financial discipline we've built over the past several quarters is compounding. Our new inventory policy, tighter cost controls, and continued focus on our top strategic accounts are translating directly into margin and capital efficiency gains.

We are equally focused on the road ahead. New order wins in our wheel hub business — representing an incremental ₹20 crore of annual revenue potential with marquee global customers — are progressing alongside a disciplined, low-capex approach to capacity expansion. We are also strengthening our balance sheet foundations through a comprehensive clean audit roadmap and enhanced receivables governance, including weekly ageing reviews and dedicated recovery mechanisms for legacy accounts.

Our priorities for Q2 are clear: improve Overall Equipment Effectiveness in our Forge Shop, accelerate collections, and convert our strengthening order pipeline into revenue."

Operational & Strategic Highlights

- **Cost Reduction & 'Vriddhi Council' Initiatives:** A primary focus remains on comprehensive cost reduction and Overall Equipment Effectiveness (OEE) improvement. The internal 'Vriddhi Council' has realized ₹19.1 Crores in savings to date, positioning the Company to pursue its annual target of ₹50 Crores.
- **Working Capital Optimization:** The Cash Conversion Cycle improved significantly to 148 days from 168 days in the preceding quarter, with an ongoing target to reduce this further to 120 days. Trade receivables stand at ₹124.21 Crores. To accelerate realization and maintain liquidity, management is leveraging bill discounting frameworks and enforcing recovery policies within applicable legal parameters, alongside strengthened credit control and collection monitoring to improve receivable performance on a sustained basis.
- **Conservative Capital Expenditure:** Continuing a disciplined approach to capital allocation, the Company commissioned its second conrod production line for a key customer program, utilizing existing infrastructure and requiring zero additional capex. Similarly, the Company's ongoing wheel hub line expansion is being executed by redeploying existing machining assets, reducing planned capital outlay from an initial ₹10 Crores to approximately ₹2 Crores.
- **Order Book & Market Outlook:** The Company secured key new orders from marquee global customers for engine and wheel hub components, amounting to approximately ₹20 Crores in annual revenue potential. While acknowledging a recent reduction in the driveline business segment, management is actively tracking and developing prospective growth areas to diversify the revenue base.

About the Company

Kalyani Forge Limited is a leading manufacturer of precision forged and machined components serving automotive and industrial customers in India and overseas markets. It is growing as a world-class supplier of high-precision forgings, machined components, and sub-assemblies. It has deep expertise in high-precision metal forming from over 40 years.

For further information, please contact:
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Safe Harbour Statement