



August 13, 2026

**To
BSE Limited
Department of Corporate Services
Floor 25, PJ Towers,
Dalal Street, Mumbai- 400001**

**To
National Stock Exchange of India Limited
Listing Department
Plot No. C/1, G Block, Exchange Plaza,
Bandra Kurla Complex, Bandra(E),
Mumbai- 400051**

Scrip Code: 532740

Company Code: LOKESHMACH

Dear Sir/Madam,

Sub: Investors Presentation

Pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Investor Presentation in connection with the Un-Audited financial results of the Company for the Quarter ended on June 30, 2026. The copy of the same is also available on the website of the Company at <https://www.lokeshmachines.com>.

This is for your information and records.

Thanking You,

**Yours faithfully
For Lokesh Machines Limited**

**P. Kodanda Rami Reddy
Company Secretary & Compliance Officer**

Encl.: a/a



LOKESH MACHINES LIMITED

Q1 FY27 Results Presentation

■ Resilience

■ Reopening

■ Recovery

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The Company assumes no obligation to update any forward-looking statement contained herein, and does not adopt or take responsibility for forward-looking statements or projections made by any third party referenced in this Presentation.

Q1 FY2026-27 Highlights

Standalone results, quarter ended 30 June 2026

Financials

	Q1 FY27	Change
Revenue from operations	₹55.46 crore	up 15.4% YoY; down 6.6% QoQ
EBITDA	₹9.92 crore	up 11.6% YoY
EBITDA margin	17.79%	18.39% in Q1 FY26
Profit after tax	₹1.01 crore	up 121.7% YoY
Basic EPS	₹0.49	₹0.23 in Q1 FY26

The last sanctions-era quarter. OFAC delisted the Company on 30 June 2026, the final day of the quarter, so the entire quarter was operated under the sanctions regime. The reopened USD and EUR channels benefit the business from Q2 FY27 onwards.

Performance

Defense and Components division restored at scale, with revenue up 693% YoY to ₹15.55 crore and PBIT of ₹2.15 crore at a 13.8% margin, now 27.9% of revenue against 4.1% a year ago.

Machinery revenue at ₹40.22 crore, down 13.2% YoY, reflecting the blocked export channels through the final sanctions quarter; reopened markets position the division for recovery from Q2.

Margins held despite the input-cost spike: EBITDA margin of 17.79% against 18.39% a year ago, with pricing discipline and cost control containing a sharp rise in raw material costs.

Balance sheet strengthened: ₹23.62 crore of preferential equity infused during the quarter, with capital employed up 16.3% QoQ to ₹265.55 crore as Components production ramped.

Order book of ₹271 crore as of 12 August 2026, already ahead of the previous financial year's total revenue, excluding the first quarter's billings.

Financial Highlights for Q1 FY2026-27

Standalone results, quarter ended 30 June 2026

Total Income

₹55.77 Cr.

▲ 15.42% YoY

Q1 FY26: ₹48.32 Cr.

EBITDA

₹9.92 Cr.

▲ 11.61% YoY

Q1 FY26: ₹8.89 Cr.

EBITDA Margin

17.79%

▼ 60 bps YoY

Q1 FY26: 18.39%

Profit After Tax

₹1.01 Cr.

▲ 121.75% YoY

Q1 FY26: ₹0.46 Cr.

PAT Margin

1.81%

▲ 87 bps YoY

Q1 FY26: 0.94%

Basic EPS

₹0.49

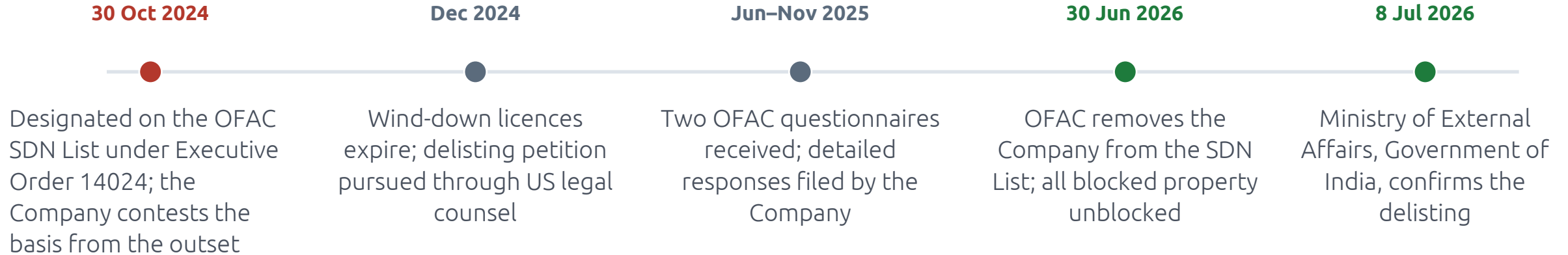
▲ 113.04% YoY

Q1 FY26: ₹0.23

EBITDA computed on total income before depreciation, finance costs and tax, consistent with the Performance Summary.

Regulatory Update: OFAC Delisting

From designation to removal, and what reopens for the business



What the delisting restores

Banking channels

USD and EUR banking channels reopen, restoring the Company's ability to transact with US persons and access the US financial system.

Counterparty confidence

Customers, suppliers and trade financiers no longer carry secondary-sanctions exposure in dealing with the Company.

Export markets

The European and US end-markets foreclosed during the designation become addressable again for the Machinery division.

The Company continues to work closely with legal counsel to maintain full, ongoing compliance with OFAC regulations and other applicable international trade laws.

Performance Summary

Standalone financial results, ₹ crore unless stated

Particulars	Q1 FY27	Q4 FY26	Q1 FY26	YoY %
Total income	55.77	59.77	48.32	+15.4%
Cost of goods sold	25.06	26.08	22.07	+13.5%
Gross profit	30.72	33.69	26.25	+17.0%
Employee benefit expenses	10.95	11.24	9.55	+14.7%
Other expenses	9.84	11.54	7.81	+26.0%
EBITDA	9.92	10.91	8.89	+11.6%
EBITDA margin (%)	17.79	18.26	18.39	-60 bps
Depreciation	3.86	3.93	3.77	+2.3%
EBIT	6.06	6.98	5.11	+18.5%
Finance cost	4.65	4.22	4.40	+5.7%
Profit before tax	1.41	2.76	0.72	+96.7%
Profit after tax	1.01	2.15	0.46	+121.7%
Basic EPS (₹)	0.49	1.08	0.23	+113.0%

Operating leverage: gross profit grew 17.0% YoY, ahead of the 15.4% revenue growth, and PBT nearly doubled to ₹1.41 crore.

Finance costs of ₹4.65 crore remain the largest item below EBITDA; the preferential equity raised in the quarter supports the deleveraging agenda.

Tax: the effective tax rate eased to 28.5% from 36.6% a year ago, with ₹0.35 crore of the ₹0.40 crore charge being deferred tax.

Segment Performance: A Two-Speed Quarter

Standalone segment results per the Q1 FY27 filing, ₹ crore

Segment	Metric	Q1 FY27	Q4 FY26	Q1 FY26	YoY %	QoQ %
Machinery	Revenue	40.22	52.75	46.36	-13.2%	-23.8%
	PBIT	5.15	8.14	6.19	-16.8%	-36.7%
	PBIT margin	12.8%	15.4%	13.3%	—	—
Defence & Components	Revenue	15.55	7.02	1.96	+693%	+122%
	PBIT	2.15	0.07	0.11	+1,854%	+2,971%
	PBIT margin	13.8%	1.1%	5.4%	—	—

Revenue mix

Machinery 72.1%

Components 27.9%

Components contributed 27.9% of revenue in Q1 FY27, against 4.1% in Q1 FY26 and 11.7% in Q4 FY26.

Machinery: revenue was constrained through the final sanctions quarter by blocked USD and EUR channels. With the delisting effective 30 June 2026, reopened export markets support recovery from Q2 FY27.

Defense & Components: the division returned to scale after supplies to its principal customer resumed, with revenue of ₹15.55 crore and a 13.8% PBIT margin, now the higher-margin segment.

Defence: order pipeline remains strong; defence revenue is reported within the segments above.

Cost Structure Against the Base

Expense lines as a percentage of revenue from operations

Cost component (% of revenue)	Q1 FY27	Q4 FY26	Q1 FY26
Cost of materials consumed	62.7%	60.2%	47.2%
Changes in inventories	(17.5%)	(16.3%)	0.4%
Employee benefits expense	19.8%	18.9%	19.9%
Manufacturing and other expenses	17.7%	19.4%	16.3%
Finance costs	8.4%	7.1%	9.2%
Depreciation and amortisation	7.0%	6.6%	7.9%
EBITDA margin	17.8%	18.3%	18.4%

Negative changes in inventories denote an inventory build. EBITDA margin computed on total income, consistent with the Performance Summary.

Raw materials at 62.7% of revenue, against 47.2% a year ago, on commodity cost pressure across the capital goods sector and a revenue mix shifting towards the higher material-intensity Components division.

Inventory build of ₹9.72 crore, 17.5% of the quarter's revenue, as production ran ahead of despatches; converting this stock to despatches is a focus area for Q2.

Margin held: EBITDA margin of 17.79% is only 60 bps below a year ago despite the input-cost spike, with employee costs steady at 19.8% of revenue and depreciation stable.

Capital Employed and Equity Infusion

Segment capital employed per the filing; preferential issue per Note 5

Capital employed (₹ crore)	Q1 FY27	Q4 FY26	Q1 FY26	QoQ %
Machinery division	173.89	159.56	154.57	+9.0%
Defense & Components division	91.67	68.74	70.50	+33.4%
Total	265.55	228.30	225.07	+16.3%

Components capital employed rose 33.4% QoQ as production ramped; the expansion is funded in part by the preferential equity raised during the quarter.

Preferential issue and warrants

- **During Q1 FY27:** 13.00 lakh equity shares and 27.78 lakh convertible warrants allotted on a preferential basis at ₹181.71 per share; ₹23.62 crore of equity received in the quarter.
- **11 July 2026:** 5.00 lakh warrants converted into equity shares, taking the paid-up share count to 2,17,96,770.
- **As of 12 August 2026:** 22.78 lakh warrants remain outstanding, convertible within 18 months of allotment; full conversion brings in a further ₹31.04 crore.

Equity strengthening

₹23.62 crore

preferential equity received during Q1 FY27

₹6.81 crore

on conversion of 5.00 lakh warrants in July 2026

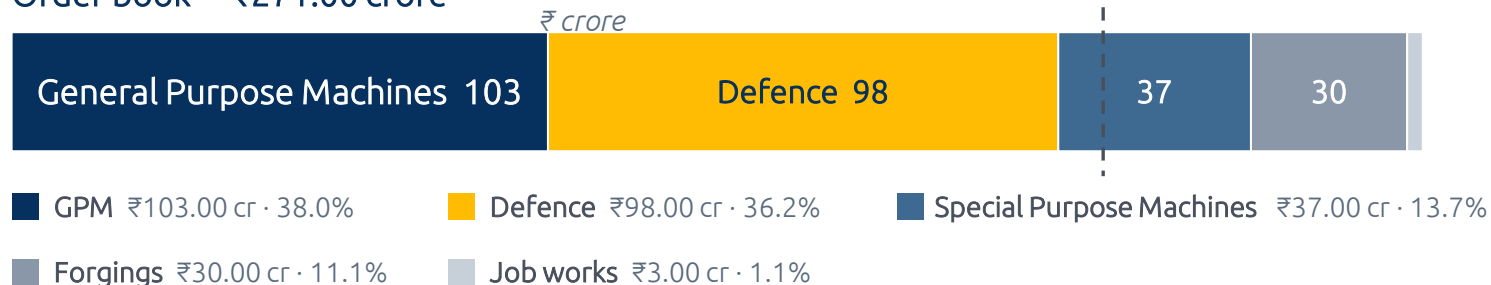
₹31.04 crore

contracted to follow on full conversion of the outstanding warrants

Order Book & Revenue Visibility

Order book as of 12 August 2026; FY26 revenue per the audited segment disclosure.

Order book · ₹271.00 crore



FY26 revenue · ₹209.62 crore



Order book exceeds FY26 revenue by ₹61.38 crore

Order book drivers. The GPM book adds up quarter on quarter as a low lead-time product; SPM remains steady on critical replacements at OEMs; and the Auto Components division is seeing new opportunities on the recently commissioned hot forging lines.

Order book exceeds annual revenue

The total order book of ₹271.00 crore provides strong multi-quarter revenue visibility, surpassing the total revenue of the previous financial year, over and above the first quarter's billings.

Defence order inflows

Defence comprises 36.2% of the order book, driven by indigenous small arms manufacturing orders from the Indian Armed Forces and security establishments, including a ₹58.21 crore order received on 15 July 2026 from the Ministry of Defence (Army) for 7.62 mm medium machine gun modification kits.

Low lead-time mix

GPM at 38% of the book converts to revenue within the year.

The World of Lokesh Machines Limited



Established in 1983, the Company ranks among India's leading machine tool manufacturers, with a strong position in cam and crank borers, fine borers, and finish milling machines.

43+

Years of legacy

₹766 Cr.

Market capitalisation on NSE
as of 10 August 2026

545+

Cumulative employee
strength

320+

Cumulative years of domain
expertise of Board and
senior management

6

State-of-the-art
manufacturing units across
Hyderabad and Pune

7+

Countries' export presence

5,000+

Happy clients

100+

Diversified offerings

Machine Tools Division

General Purpose

- CNC turning centres
- Vertical machining centers
- 4 & 5 Axis Machines
- Drill and tap centres
- Vertical turning lathes
- Horizontal machining centres
- Milling machines
- Drilling machines
- Boring machines

Special Purpose

- Special purpose machines
- Transfer lines
- Customisation of standard machines

Automation

- Gantry automation
- Robotic automation
- 4th-axis automation

Auto Components & Defence Division

Auto Components

- Cylinder blocks
- Cylinder heads
- Connecting rods
- Forgings

Defence

- 9x19 machine pistol (SMG)
- 7.62x51 LMG
- 7.62x51 GPMG
- 7.62x51 MMG



Design and Development

A comprehensive in-house design team, backed by dedicated Research & Development facilities, tackles the engineering challenges of Special Purpose Machines, General Purpose Machines and the Defence division.



Quality Assurance

AS 9100 and ISO 9000 certifications ensure every product undergoes rigorous quality checks throughout the manufacturing process, meeting the highest standards before approval for sale to end-user industries.



Manufacturing

Production facilities and processes leverage state-of-the-art machinery and manufacturing systems, ensuring efficient, high-quality and repeatable output.

Marquee Clientele

MACHINE TOOLS DIVISION

John Deere	Ashok Leyland	Volvo Eicher	Suzuki	Tata Motors
Mahindra	Honda	Caterpillar	Mahindra CIE	Wipro
Sonalika International	Craftsman Automation	Force Motors	Cummins	GNA Axles
Sundaram Clayton	Azad Engineering	Bajaj	Escorts	Hinduja Foundries
Koel Green				

DEFENCE DIVISION

Northern Command	Assam Rifles	CISF	SSB	NSG
BSF	DRDO	Small Arms Factory, Kanpur		

Way Forward

1

Maximising production capacities

Fully utilise expanded production capacity to enhance efficiency and meet growing demand across the Machine Tools and Auto Components divisions.

2

Expanding into new markets

Launch new products and enter new territories, including the export markets reopened by the OFAC delisting, to diversify the customer base and drive sustained growth.

3

Increasing Defence division revenue

Scale Defence division revenue by leveraging expanded capacity, introducing new product lines, and pursuing emerging opportunities.

4

Accelerating ESG initiatives

Fast-track environmental, social and governance initiatives to embed sustainability across operations.

Takeaways

- ✓ The Company held steadfast through the OFAC sanctions, with steady demand across automotive, railways and agriculture.
- ✓ Indigenisation initiatives in aerospace and defence, rising engineering exports and sustained infrastructure investment supported a broad-based order environment for the machine tool industry.
- ✓ Revenue for Q1FY27 rose 15.4% to ₹55.46 crore, led by strong growth in the Components & Defence division.
- ✓ Net profit more than doubled to ₹1.01 crore, with EPS rising to ₹0.49 from ₹0.23.



Mullapudi Lokeswara Rao
Managing Director



Resilience and comeback: despite the challenges following the OFAC sanctions, our Company remained resilient and consistent through adversity, and has now made a significant resurgence.”

- ✓ Capital employed strengthened to ₹265.55 crore, aided by the preferential equity infusion during the quarter.
- ✓ The Company deepened the localisation of its supply chains, and advanced cost efficiencies through process optimization across unit plants.
- ✓ With the OFAC delisting now behind us, a sound order book and a healthy order outlook, we remain confident of sustaining this momentum through FY27.



Building India's Precision Engineering & Defense Future

Thank you

Contact: Kodanda Rami Reddy | cosecy@lokeshmachines.com

BSE: 532740 | NSE: LOKESHMACH

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