TEMBO
Powering Ahead

Date: August 25, 2026

To,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai-400051

SYMBOL: TEMBO/INE869Y01028

Subject – Regulation 30 - Transcript for the Earnings Call held on August 19, 2026

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is hereby submitting the text transcript of the Earnings Call held on August 19, 2026.

Kindly take the same on your record.

Thanking you,

For Tembo Global Industries Limited

SANJAY JASHBHAI PATEL
Digitally signed by SANJAY JASHBHAI PATEL
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Tembo Global Industries Limited
Q1 FY'27 Earnings Conference Call
August 19, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY27 Earnings Conference Call of Tembo Global Industries Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" and then "0" on your touchtone phone.

Please note that this conference is being recorded. I now would like to hand the conference over to Mr. Hiral Keniya from EY LLP. Thank you and over to you, Sir.

Hiral Keniya: Thank you, Sagar. Good evening, everyone. On behalf of Tembo Global Industries, I welcome you all to the company's Q1 FY27 Earnings Conference Call.

To discuss the performance of the company, we have with us the Management Team represented by Mr. Sanjay Patel – Managing Director, Mr. Shabbir Merchant – Director, and the finance team.

Before we proceed with this call, I would like to draw your attention to the fact that today's discussion will contain forward-looking statements that are subject to various risks, uncertainties, and other factors which would be beyond management control. We kindly request to bear in mind that there may be uncertainties while interpreting such statements.

We now start the session with an opening remark from the Management Team. Afterwards, we will open the floor for our interactive Q&A.

I will now hand over the conference call to Mr. Shabbir Merchant for his opening remarks. Thank you and over to you, Sir.

Shabbir Merchant: Thank you, Hiral. Tembo Global Industries Q1 FY27 Earnings Call. Good evening, everyone, and a very warm welcome to all of you joining us today for Tembo Global Industries Q1 FY27 Earnings Call.

On behalf of Tembo Global Industries, firstly, I thank the Almighty, all our shareholders, investors, analysts, customers, partners, and employees for their continued trust and support. FY27 has begun on a strong note with Tembo Global Industries reporting robust growth in both revenue and profitability during Q1 FY27. This performance was primarily driven by the sustained momentum in the high-margin engineering and EPC segment. It has recorded an impressive growth of 172.7% year-on-year. Revenue for the quarter rose by 21.9% year-on-year to INR 302 crores, while the PAT grew by 55.3% year-on-year to INR 31 crores. This has been supported by strong project execution, operational efficiencies, and disciplined cost management.

Encouraged by the strong start to the year and a healthy order pipeline, we remain confident on sustaining this growth trajectory and achieving our FY27 revenue guidance of INR 1,600 crores. The ongoing quarter reflects the successful execution of our strategy to transform Tembo into a diversified engineering-led industrial platform with a growth presence across engineering solutions and EPC, solar power, defense, and aerospace. Our focus remains on building scalable businesses, expanding addressable markets, improving profitability, and creating long-term value for stakeholders.

I would now highlight a glimpse of our key business verticals:

To start off with Engineering and EPC business:

Our Engineering and EPC business continued to be the primary growth driver during the quarter. In line with our strategic focus on value-accretive businesses, the contribution of Engineering and EPC to the overall revenue mix increased significantly to a ratio of 99:1 against Textiles in the Q1 FY27, compared to the ratio of 44:56 in Q1 FY26. This has been supported by INR 1,500 crores plus of order book of INR 2,400 crores plus of orders which are bidding in pipeline. We remain well positioned to drive growth across domestic and international markets.

The demand remains robust across oil and gas, water infrastructure, marine projects, refineries, industrial, construction, fuel farms, and other infrastructure segments. Over the last few years, we have consciously strengthened our EPC capabilities, expanded our project execution team, and increased our focus on larger and more complex projects. Today, as we stand, we are seeing the benefits of those investments to a healthy order pipeline and improve project profitability.

With this increased scale, improved operational efficiency, and greater product diversification, we believe our new Vasai facility will play an important role in driving our next phase of growth.

The next vertical would-be solar business.

Our renewable energy portfolio continues to advance steadily in line with planned milestones reflecting the company's commitment to building a diversified and sustainable growth platform, four solar project sites have already been commissioned and are operational, while the remaining sites are on track for commissioning in Q2 FY27. With commercial operations expected to commence in Q3 FY27, these projects are poised to become an important contributor to the company's revenue stream. Beyond strengthening revenue diversification, the renewable energy business is expected to generate stable and recurring cash flows.

It would enhance our earning visibility and reduce dependence on cyclical business segments. This strategic initiative aligns with our long-term vision of creating a balanced and resilient business portfolio, while supporting sustainable value creation for our stakeholders.

The next vertical would-be defense and aerospace business.

The most exciting development during the ongoing quarter came from our defense and aerospace initiatives, which represent significant long-term growth opportunities for the company. A landmark achievement was the receipt of the ammunition manufacturing license to our subsidiary Tembo Classic Engineering Pvt. Ltd. in Q1 of FY27. This marks a major step in establishing Tembo as a meaningful participant in India's defense manufacturing ecosystem. The acquisition of land in Amravati and the planned development of the defense manufacturing facility provides us with a strong foundation to build a fully integrated defense platform. As India continues its emphasis on indigenous, self-reliance, and domestic manufacturing under the Make in India and Atmanirbhar Bharat initiatives, we at Tembo believe is well-positioned to capitalize on these opportunities. In the aerospace, we announced a strategic international joint venture agreement with JR UAV Europe Italy and JR PROPO Japan to our company JR UAV Limited, aiming at bringing advanced UAV technologies to India. This collaboration combines global technological expertise with Tembo's engineering and manufacturing capabilities to develop and manufacture next-generation UAV systems.

We also expect to commence UAV component manufacturing from our Vasai facility in Q3 FY27. With a first calendar year revenue target of around INR 100 crores, the joint venture reflects the significant market potential of the business and growing trust among global customers in the platform, technological, engineering, and manufacturing sector.

As we look ahead, we remain highly optimistic about the opportunities across all our key business verticals. A strong order book, growing bidding pipeline, expanding manufacturing capabilities, upcoming solar revenues, and strategic entry into defense and aerospace provides a solid platform for sustained growth. Our objective remains clear – deliver profitable growth, strengthen operational excellence, diversify revenue streams, and create long-term value for all our stakeholders.

With that, I would now like to take you through the financial performance of the quarter:

The quarter was marked by strong growth across all key financial parameters. Reflecting both healthy businesses' momentum and the success of our strategic focus on engineering-led margin-accretive businesses.

Revenue from operations for Q1 FY27 stood at INR 302 crores, representing a growth of around 21.9% year-on-year. This growth was primarily driven by the continuous expansion of our engineering and EPC business, which remains a core contributor to the overall revenue.

Our business mix continued to improve significantly during the quarter. The engineering and EPC segment accounted for most revenues, reflecting a successful transition towards higher-value engineering businesses and a reduced dependence on legacy trading activity. This shift is not only strengthening revenue quality but is also driving sustainable margin expansion.

On the profitability front, the company delivered an excellent performance. The EBITDA increased by 74.8% year-on-year to INR 49.2 crores, while EBITDA margin expanded by 493 basis points to 16.3%. The margin improvement was driven by several factors, higher contribution from engineering and EPC projects, better product and project mix, improved operating efficiencies, increased utilization of manufacturing resources, disciplined cost management across operations.

As a result, profitability grew significantly outpaced revenue growth during the quarter. Profit before tax increased by 69.1% year-on-year to INR 43.7 crores, while profit after tax grew by 55.3% year-on-year to INR 31.2 crores. PAT margins improved to 10.3% compared to 8.1% in the corresponding quarter last year. This margin expansion demonstrates our ability to create operating leverage while continuing to invest in future good opportunities. Our balance sheet remains aligned to support the next phase of expansion. We continue to invest strategically in manufacturing capacity, EPC execution capabilities, solar projects, defense infrastructure and aerospace initiatives, while maintaining a disciplined approach to capital allocation.

Looking ahead, we remain confident about the company's growth trajectory. The strong engineering and EPC order pipeline provides revenue visibility, the solar assets are expected to begin commercial operations during the year, and our defense and aerospace initiatives are progressing according to plan. With a strong start to FY27, profitability trend and multiple growth drivers coming into play, we believe Tembo is well-positioned to deliver sustainable growth and creating significant shareholder value in the years ahead.

With that, we conclude our opening remarks and we would now be happy to take your questions. Thank you.

Moderator: Thank you. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Your first question comes from Deepak Poddar with Sapphire Capital. Please go ahead.

Deepak Poddar: Thank you very much for this opportunity. So, just first I wanted to understand what would be our engineering and EPC revenue mix this quarter?

Shabbir Merchant: The revenue mix is in consolidation basis. So, the bifurcation we will give you the later on, but it is coming into a total segment of manufacturing, engineering and all goods.

Deepak Poddar: Okay, understood. And regarding, can you just update on your status on your Amravati defence, the proposed manufacturing facility? So, what state is it right now and when you expect to start?

Shabbir Merchant: Deepak, what I understand is that the land has been acquired, the project planning consultant has been appointed and we are, there is already a plan which is being in place for the construction of the said manufacturing facility.

Deepak Poddar: And by when we expect the production or commercialization of the facility to start?

Shabbir Merchant: So, we are planning to manufacture the first batch to come out on the Q4 FY27.

Deepak Poddar: Okay.

Shabbir Merchant: Okay. For Q4 FY27?

Deepak Poddar: Yes.

Shabbir Merchant: So, the production and the prototypes and all will be starting in the Q3 of FY27. And this would spill over to Q4 of FY27.

Deepak Poddar: Okay. So, do we expect any kind of revenue to come in, come through in this year or it will start meaningfully?

Shabbir Merchant: So, we expect the revenue to come in this year because it is a buyback agreement with a performance guarantee attached to it. So, there will be, whatever production which takes place will be, of course, accounted in revenue coming in.

Deepak Poddar: And so how much, how much we are targeting?

Shabbir Merchant: So, it would be a percentage to, we look at around, in a range of around INR 70 crores to INR 100 crores of revenue in this particular quarter.

Deepak Poddar: INR 70 crores to INR 100 crores of revenue. Okay. Understood. And regarding the JV that we are planning at Vasai, so any contribution we are expecting from that JV this year?

Shabbir Merchant: Yes, there will be a revenue. So, I am talking about a combined revenue which comes in from both verticals and it will come from this JV as well and it will come from the manufacturing at the Amravati plant as well.

Deepak Poddar: Okay. So, total combined you are saying INR 70 crores to INR 100 crores?

Shabbir Merchant: Yes.

Deepak Poddar: Okay. Because I was just looking at the presentation. So, there it was mentioned that the commercial production of Amravati we are expecting to start from 1Q of FY28, right?

Shabbir Merchant: So, that would be, that would be the full capacity production. That would be in FY28. And of course, there will be commercial production starting in Q4 of FY27 and that will then of course be lower in the next year coming up.

Deepak Poddar: Okay. And what sort of margins we can expect in defence?

Shabbir Merchant: So, we are looking at around 30% to 35% of PAT. 30% to 35% PAT margins?

Deepak Poddar: Yes. Okay. And on the debt side, I mean, what would be our current debt and how much debt we would require for all this CAPEX?

Shabbir Merchant: In defence, currently we are looking for around INR 250 crores of debt for the 1st Phase.

Deepak Poddar: And what would be current debt levels?

Shabbir Merchant: So, in, sorry, in defence there is no debt right now.

Deepak Poddar: I was just trying to understand the company level. What would be our current debt and what would be additional debt we would require?

Shabbir Merchant: So, current debt is around INR 400 crores at consolidated level, outstanding. Because we have solar also, so it is also funded by debt, partially. Yes.

Deepak Poddar: And we would require INR 250 crores for defence and what for other projects?

Shabbir Merchant: Sorry? So, yes, so solar, for solar we have around INR 350 crores of debt.

Deepak Poddar: So, that INR 350 crores is additional debt requirement? This INR 250 to 350 crores you mentioned for defence, you will require additional debt.

Shabbir Merchant: Yes, right.

Deepak Poddar: And for INR 350 crores additional debt you require for solar?

Shabbir Merchant: No. So, for Solar, we already have INR 350 crores of debt.

Deepak Poddar: And any additional debt we would require?

Finance Team: No, we do not require any additional debt.

Deepak Poddar: Understood. And just one last thing, on the margin front EBITDA this year, what sort of EBITDA margin we should look at, at a company level? So, we are looking at around 16 to 18% of EBITDA.

Shabbir Merchant: So, we are looking at around 16% to 18% of EBITDA?

Deepak Poddar: Yes. Okay. That is very helpful, Sir. I mean, would like to wish you all the best. Thank you so much. That is it from my side.

Moderator: Thank you. Your next question comes from the line of Manan Vandur with Wallfort PMS. Go ahead.

Manan Vandur: Yes. Thank you so much for the opportunity. So, my first question would revolve around the defense ammunition part. So, just wanted to understand that from Q1 FY28 onwards, for the whole FY28, the ammunition part would add how much revenue and what would, what would the EBITDA margins be for them?

Shabbir Merchant: So, in the discourse, I will speak about the EBITDA. EBITDA would be around, around 45% to 50% of EBITDA that would come around. For the EBITDA, because I was speaking about PAT initially, so this would be 45% to 50% of EBITDA, right? And as you speak about the revenue towards the ammunition, not the arms, okay, I am talking about the ammunition right now, we look at around INR 200 crores of ammunition of revenue, which would be added.

Manan Vandur: Yes, when I say ammunition, I mean to say the defense part. I am not trying to go into the aerospace, which is why I said ammunition.

Shabbir Merchant: You are talking about arms and ammunition.

Manan Vandur: Yes, the defense arms and ammunition part.

Shabbir Merchant: Around INR 300 crores to INR 350 crores.

Manan Vandur: Okay, INR 300 crores to INR 350 crores for FY28. Okay, got it. And so the second question would be that, what is the share of Tembo in the aerospace venture? Because you said that it is a JV. So, can you explain the capital structure, please?

Shabbir Merchant: So, it is, basically, this is a collaboration. So, the structure is yet in process to be made. And in due course, it will be informed in the exchange.

Manan Vandur: Okay, understood. And so last question would be that, do we have a guaranteed offtake in the aerospace?

Shabbir Merchant: I guess one thing to add on, but it would come in the defense space only. And the defense vertical would have majority shareholding.

Manan Vandur: Okay, understood. Yes. So, the last question is that, do we have guaranteed offtake from the aerospace venture too, just like how we have for the defense?

Shabbir Merchant: So, what it is, basically, it is an expansion of the current manufacturing facility, which is operated by the Collaboration. And it would be a mirror effect coming out in India. And after that, the facilities which they are already manufacturing in Japan and Europe and in Malaysia would be transpired back to India. And the orders are already, so it is actually getting into larger manufacturing and larger production for orders which are already in place. And of course, there are certain products which we would get into, components getting into manufacture, which we would be the, and I can rightly say, we would be the only company in India to do this. And that would give us an edge of, of not even an edge, it would give us a complete advantage in the existing defense or this UAV platform or corridor which is existing in the country. But apart from that, as you say about a buyback, there is already business in place, which needs to be sufficed. So, there are already orders in hand. That is the reason we can give you guidance for revenues.

Manan Vandur: Understood. And just the last question along with this would be that same service for FY28, what could be the revenues and the EBITDA for the Aerospace Division, please?

Shabbir Merchant: So, as I said that there would be INR 100 crores of additional base from the time, we start up manufacturing. That would be INR 100 crores of additional revenue and approximately INR 100 crores of additional revenue and the EBITDA remains the same. About 45% to 50%.

Manan Vandur: Okay. Thank you so much. That is it from my side. God bless you. Thank you.

Moderator: Thank you. The next question comes from the line of Abhay from Shah Investment. Please go ahead.

Abhay: Yes, so my only question would be that what is our Tembo Global subsidiary in the Tembo defense sector?

Shabbir Merchant: So, Tembo Classic Engineering Private Limited is the subsidiary.

Abhay: Yes. And what is the percentage of holding Tembo Global has in subsidiary?

Shabbir Merchant: Around 76%. Around 75%-76%.

Abhay: 75%-76%. All right. Fine. Thank you.

Moderator: Thank you. Your next question comes from the line of Nachiket Kale, an individual investor. Please go ahead.

Nachiket Kale: My question is around the Vasai facility. So, could you talk us through how the capacity utilization is shaping up there? And what is the utilization currently? And by closure of FY27 somewhere would be target?

Shabbir Merchant: So, Nachiket, good evening. What you mean is the Vasai facility at the moment, we are looking at around 35%-40% of capacity utilization. And we by the year end of FY, we look at around 65%-70% of capacity.

Nachiket Kale: Okay. And the guidance which you have given for FY27 includes in sync with the 65%-70% utilization?

Shabbir Merchant: So, we look forward to overcome our guidance. The idea is always to go beyond what we are guided.

Nachiket Kale: Yes, I got it. And so by me, of course, this is commendable that we will almost double the utilization in a short period. So, what would be the peak utilization and by when do we target to reach?

Shabbir Merchant: So, idea is to get the peak utilization in around one and a half to two years. That is the idea. Okay. And of course, as a manufacturer, as an entrepreneur, we would like to capitalize as soon as possible.

Nachiket Kale: Yes, Sir. Of course. And we have around 1 lakh MTPA capacity split between ERW and strut channels. So, could you break down the split further as to what would be for the price? So, how is this 1 lakh capacity split between the ERW struts and other existing?

Shabbir Merchant: ERW would be the maximum component. Okay. Almost about 40% to 50%, but other businesses and other components are also increasing during this period and the last one. So, now probably ERW will become a little less contribution, but the other strut channels and other components, the business are also increasing. So, month on month, orders are coming to the peak level and every month is a better month than the month coming ahead. So, we expect that all of them to surpass a lot of things.

Nachiket Kale: Yes. And like the commercial sales for these products have already commenced or they are still on the horizon?

Shabbir Merchant: So, there are certain products for which commercial production has already come in and certain are in line to get.

Nachiket Kale: So, pipes are being sold already?

Shabbir Merchant: No, no. They are yet to contribute to the revenue. The channels and all have already come in.

Nachiket Kale: Okay. Understood. So, lastly, how is the margin, like EBITDA margin outlook on these products?

Shabbir Merchant: So, it is slightly better or almost at par at the current EBITDA what we are looking at.

Nachiket Kale: Okay. Like around 16% to 18%.

Shabbir Merchant: So, I do add to this particular comment, what we manufacture is also used in our EPC division. So, then that is how we leverage on better margins. Okay. So, a lot of engineering also comes in play. One is the physical side of a product and one is an engineering side. So, when you combine both of them, it always helps in your profitability and margin growth.

Nachiket Kale: Yes, absolutely. But Sir, our preference would be then to have more captive utilization, have value-added engineering upon it or to sell outright.

Shabbir Merchant: Captive utilization plus value-added engineering is the best combo which you kind of succeed in the long run because then you do not just become a person who is manufacturing, but you add value by putting engineering in place.

Nachiket Kale: Absolutely. Thank you so much.

Moderator: I will next question comes from the line of Nitin Babulal Gandhi with Inno Quest Advisors Private Limited. Please go ahead.

Nitin Babulal Gandhi: Yes, thanks for taking my question. As I understand the current debt is INR 400 crores out of which solar contribution is almost INR 350 crores. And some parties of solar will start flowing this year '27. So, can you share what is the overall game plan for solar? Where do you see the potential?

Shabbir Merchant: Sorry, your question is not clear. Can you please repeat it?

Nitin Babulal Gandhi: At present, we have a debt of INR 400 crores and we have deployed in solar business substantial money and INR 350 crores is outstanding against that, right?

Shabbir Merchant: No, I think it is a little bit. See, my current debt is INR 400 crores on a consolidated basis which also includes solar and that. So, solar as a division, total debt would be INR 400 crores, right? Now, ask me the question.

Nitin Babulal Gandhi: So, how is the solar business revenue contribution going to be?

Shabbir Merchant: So, solar would work out at an IRR between 15 to 16%. That is how the revenue contribution would work out to be. And there is a subsidy also attached to it which is not calculated while deciding.

Nitin Babulal Gandhi: And what will be asset turnover from this business?

Shabbir Merchant: Sorry, I cannot. Can you be a little loud?

Nitin Babulal Gandhi: What will be the revenue contribution coming from this division?

Shabbir Merchant: Of course, there will be a revenue contribution coming from this division as well. So, there will be around… So, in current year, what we are looking at around INR 50 crores to INR 60 crores of revenue contribution coming in this year. And at peak level, what will be the contribution? Around INR 80 crores to INR 90 crores.

Nitin Babulal Gandhi: And that will be somewhere around FY28, right?

Shabbir Merchant: Yes. Okay. It is a 25-year PPA.

Nitin Babulal Gandhi: And coming to the defense business, INR 300 crores is additional borrowing required or it is going to be the total project cost which is INR 300 crores? You said INR 300 crores is going to be the revenue…

Shabbir Merchant: So, there will be two phases, okay? We intend to grow this defense on the initial first 2-3 years at a INR 1,000 crore basis, okay? The first set of investment would be around INR 550 crores and second would be around 400-INR 450 crores, that would be. So, in that, there will be debt also and internal accruals and equity participations.

Nitin Babulal Gandhi: For the 1st Phase, out of INR 550 crores investment, INR 300 is going to be the debt which you are going to borrow in subsequent phases?

Shabbir Merchant: Around INR 200 crores to INR 250 crores.

Nitin Babulal Gandhi: Okay. And what would be the asset turnover coming from this business? What would be the? Asset turnover. So, it will be the top revenue possible from this division.

Shabbir Merchant: Okay, revenue. So, as we mentioned earlier in our question, the first year in FY28, we look at around 300 to INR 350 crores of revenue by FY28.

Nitin Babulal Gandhi: No, I am asking what is the peak potential, maximum what we can show from this?

Shabbir Merchant: Peak potential, it will keep on increasing, dear. We are going to put in… there will be a lot of that we would…that you will come to know during the course of time.

Nitin Babulal Gandhi: Okay. Out of INR 1,600 crore guidance, you are saying INR 50-60 for Solar and INR 100 for the other business. So, the rest will come from EPC, right?

Shabbir Merchant: So, from EPC engineering and a part would come from textile as well because there are orders already in hand which we have to fulfill and… but of course, as you have seen over the trend, the textile is getting plateaued and would be plateaued.

Nitin Babulal Gandhi: Okay. Can it give breakup of order book of INR 1,500 crore division-wise and pipeline also?

Shabbir Merchant: It is not possible. Honestly, it is not possible at the moment. So, during the next guidance and the next quarter, it would be very much visible how we are going to act.

Nitin Babulal Gandhi: Okay. Thank you. And do you arrange for a visit personally?

Shabbir Merchant: More than welcome. You can connect with investor relations people and they can guide you further. Okay.

Moderator: Thank you. Thank you. Your next question comes from Isha Shah with Malhotra Family Office. Please go ahead.

Isha Shah: Thank you for the opportunity. So, what were the company's working capital days as of the end of Q1 FY27 and by when do you expect a meaningful improvement in the working capital efficiency?

Shabbir Merchant: So, we are looking at around 90 days of working capital at the moment and we look forward to get more efficient to between 80 to 90 in the coming days and that is how our plan is.

Isha Shah: Okay. And so, my second question is what led to textile revenue contributing just 1% to the overall revenue mix of Q1 FY27?

Shabbir Merchant: So, our current EPC and manufacturing, we had a lot of contribution from the EPC and manufacturing base and textile, the contribution of textile was because of the current total expansion towards the EPC and we had certain orders to fulfill in this quarter. That gave us the efficiency and the proper management of productivity towards our manufacturing gave us this boost towards expansion towards the EPC and manufacturing division.

Isha Shah: Okay. Thank you so much. That is all from my side. Thank you.

Moderator: Thank you. Your next follow-up question comes from the line of Manan Vandur with Wallfort PMS. Please go ahead.

Manan Vandur: Yes. Thank you so much for the opportunity again. So, my question was on the Vasai plant where we have expanded to 1 lakh metric tons. Just wanted an understanding that how are we going to use that because we are doing now defense also, then aerospace also, but we have capacity over there for ERW pipes and strut channels. So, that is how we will capitalize for defense or if not for defense, then how are we going to capitalize as much of extension?

Shabbir Merchant: So, at the moment, defense would be mirrored to immediately suffice the current orders, which are already there and the collaboration. Okay. And this would expand to our facility going back to Amravati and we would get into a new facility for the JR UAV. This is what it is. And as and when we require the additional space for expansion, we will get into that and we will make sure that the capital production reaches this level.

Manan Vandur: Okay. But then what will happen of the 1 lakh metric ton that we have made for strut channels and ERW?

Shabbir Merchant: So, that we already have a facility in place. So, that is why I said that we have a facility where we can accommodate these things. And apart from that, as this is a temporary arrangement to suffice the ongoing orders in hand and in future, as I said, we would expand to a new facility and take this division over there.

Manan Vandur: Okay. Understood. Okay. Thank you, sir.

Moderator: Thank you. Your next question comes from Disha with Sapphire Capital. Please go ahead

Disha: Yes. Thank you so much, Sir, for this opportunity. Just a couple of questions, Sir. Firstly, on your FY28 revenue, we just want to get a sense of how much revenues are we targeting? What would be the mix between solar, engineering, and defense? And what sort of PAT margins do we look up?

Shabbir Merchant: So, this guidance will come in due course of time for FY28. This guidance will come to you, but it will come in due course of time. But as we, if you see CAGR in the last five years, and you can, we have positively looking at growing. And every time we come up with a figure, which is actually, which surprises. So, the Almighty is kind and we look at this positive growth going forward as well.

Disha: But the overall contribution from defense, we are expecting INR 300 and 350 crores around from the ammunition and INR 100 crore from the aerospace division. Is that correct?

Shabbir Merchant: This is coming from in FY28, in the defense.

Disha: And that will be at a 30%-35% sort of PAT margin.

Shabbir Merchant: That will be EBITDA at a 45%-50% of EBITDA.

Disha: And 30%-35% PAT margin.

Shabbir Merchant: Yes. As mentioned as well. Okay.

Disha: Okay. And just the next thing for our overall pipeline that we are currently looking at, what sort of order book target are we looking at?

Shabbir Merchant: So, we have, see, this is an ongoing thing. So, there are a lot of projects for what we have bided. And as mentioned, so there are around INR 2,400 crores plus of projects in pipeline. And current order book is INR 1,500 crores. So, this is an ongoing process. So, every quarter on quarter, we have certain targets of orders and to come in place and all. So, we are working towards that.

Disha: Okay. That is it for my side. Thank you.

Moderator: Thank you. Thank you. The next follow-up question comes from Nachiket Kale, an individual investor, please.

Nachiket Kale: Thanks for the opportunity again. Just a small follow-up. We have raised funds around three times in the last two years. So, I just wanted to know, like, we are on this ambitious growth track. So, do we need another fundraise or the funding part is taken care of?

Shabbir Merchant: Sorry, I could not hear you before.

Nachiket Kale: So, since you have already raised funds thrice in the last two years, do we need another fundraise to fund our growth plans ahead?

Shabbir Merchant: So, as of now, this is a strategic decision which will come in place only after a management discussion. And as and when required, we would notify the exchange accordingly.

Nachiket Kale: Okay.

Moderator: Thank you. That was the last question for today's call. And on behalf of Tembo Global Limited, that concludes this conference. Thank you for joining us. And in case of any further queries, please reach out to Tembo's investor relations team at cs@tembo.in. I repeat, that is cs@ tembo.in. You may now disconnect your lines. Thank you.