Operator: Good afternoon, everyone. Thank you for joining us today. It gives me great pleasure to welcome all of you to our post-earnings conference call for the quarter and half-year ended March 31, 2026. Just to remind you, we follow an October to September financial year. I am Viral Rawal, and I have recently joined Siemens Energy India Limited as Head of Investor Relations. Accompanying me on this call are Mr. Guilherme Mendonça, our Chief Executive Officer, and Mr. Harish Shekar, our Chief Financial Officer. The management team had the opportunity to interact with you during our first analyst meet last December, and we cherish the opportunity to connect with you again today.

In today's call, we will begin with a 30-minute presentation to provide an overview of the company, discuss our strategy, highlight key developments, and review the business performance for the first half of FY26. This will be followed by a Q&A session. The total duration of the conference call will be 1 hour. Please note that this is an audio-only call. At the end of the presentation, you may use the raise hand option to ask your questions. We will unmute speakers one at a time. We request each participant to start by stating your name and your organization's name. Kindly limit yourself to one question at a time so that everyone has the opportunity to participate. I would also like to bring to your attention the safe harbor statement, which is available at the beginning of the earnings presentation uploaded on our website. Without further ado, I would now like to hand over to Guilherme to begin the presentation.

Management: Good afternoon from my side. I appreciate the opportunity to meet you again after our meeting in December to update you on our company businesses. Let us start with a recap from what we discussed last time so that we put everybody on the same page. I would like to start by putting Siemens Energy India Limited in context. We are a pure-play energy company acting across the entire value chain. Basically, we have our operations split between two main divisions: Power Generation and Power Transmission. We cover the entire spectrum of customers from power utilities, transmission, generation, and distribution, but also the industrial verticals, data centers, and infrastructure like railways.

When I go a little bit deeper, though not being repetitive from our last meeting in December, I would like to bring you again to what we do in each of the segments. In Power Generation, Siemens Energy and SEIL in India are very much focused on low-carbon or zero-emissions power generation. It means that fundamentally the company focuses on gas power generation and the related services. In India, beyond this, we provide steam turbines for the industrial area and all the services related to this fleet, including modernization, upgradation, efficiency increases, and everything we can do for our customers to improve the performance of our machines.

When we move to Power Transmission, we have a very broad portfolio. We basically cover the entire portfolio from high-voltage substations, grid stabilization, and products, be it transformers, power transformers, and switchgears, as well as a very comprehensive portfolio in terms of services. Here we are focusing on power utilities, be it power transmission or power distribution.

When we look at SEIL, Siemens Energy in India, we have a very large footprint in the country. We have 8 factories covering the entire portfolio. Basically, we locally manufacture everything in the country except gas turbines because we do not see a demand for gas turbines in the country at this

Report is AI-generated and may contain inaccuracies.

scale, and we do not locally manufacture electrolyzers for green hydrogen production as we still expect this demand to pick up. Otherwise, we manufacture everything across these 8 factories. We recently announced back in February during Q1 a new greenfield factory for power transformers; we are still in the phase of defining where we will locate this factory. We have around 4,500 people working fundamentally for the local business, but of course, we are also very active on the export piece, both for products and also supporting our global operations with export services out of India.

This is to put everybody on the same page. When we look forward now at how we have been doing so far and the current situation, I would like to start by talking a little bit about India and the global geopolitical situation. I am sure that everybody is aware of the Middle East crisis, especially the most recent developments, but also other geopolitical situations we face. We see India as a country that handles these crises well, weathering the situation with very good resilience, although this resilience will depend very much on how the situation in the Middle East progresses and especially how long it is going to take. So far, the country has been doing well, but of course, the longer it takes, the higher the challenges will be.

Nevertheless, we see that crisis also sometimes brings opportunities, and I will elaborate on this further. We see energy security as an important element. As countries go through these crises, there will be a clear intent to reduce dependency on external suppliers. In the case of India, the dependency on oil and gas is quite high. Oil is 88% imported and natural gas is more than 50%. We believe that a push for electrification and using local resources like sun and wind can help move electrification forward.

Moving to the electrification market, on slide 10 we have two pieces of important information. On the left side is the NITI Aayog report, which analyzed how India can achieve the net-zero target, which is driven seriously by the government. When this is translated into investments required to achieve this, NITI Aayog has indicated an amount of investment between 9 to 14 trillion dollars until 2070, depending on whether we follow current policies or the net-zero scenario. Irrespective of the scenario, we see a long road for electrification in this country. Today, India has a per capita consumption of electricity around 1,400 kilowatt hours, and the country wants to reach 13,000 kilowatt hours by 2070. That is more or less a factor of 10. To give you some flavor, this 1,400 kilowatt hours per capita is one-third of the global per capita consumption, which shows there is a way to go in terms of electrifying and increasing consumption.

When we look at the CEA table, someone might say these are too long-term prospects for the country, but this also boils down to mid-term targets. The CEA has recently upgraded the mid-term plan until 2030-2036. Out of this plan, we see an increase for the generation capacity from 1,000 gigawatts to more or less 1,200 gigawatts, meaning more than 200 gigawatts of new power will come until 2035-36. This is also important because when we look at transmission, there is another 800 GVA of transformation—meaning substations, grid stabilization, and HVDCs—that will support the evacuation of this power. It means that the story of electrification in India moves forward, both in the long term and the mid-term with the CEA plans.

When we look at the market drivers across the different areas we focus on, we see this happening across the board. In generation, we see opportunities for SEIL in the expansion of steam turbines and our service business. As you know, we are not in the coal business, but we offer services across

Report is AI-generated and may contain inaccuracies.

our existing fleet, which is the largest in the country. Here we do modernization and upgrades of the turbines, supporting our customers in increasing efficiency so that we can get more power out of the same infrastructure.

Transmission will offer important opportunities to us because, as we said, to increase generation capacity, more transmission will be necessary to evacuate that power. Green hydrogen is something that is still to pick up, as I said, but given the geopolitics and the price of natural gas, green hydrogen can step-by-step become an attractive alternative fuel, especially for refineries and fertilizers.

Nuclear energy is something India has definitely put on the radar. The country wants to grow from 8 gigawatts of existing nuclear power to 100 gigawatts by 2047. Siemens Energy is not in the reactor business, but we are definitely in the steam island, which is where the electricity is generated, offering us opportunities there. As the country grows, there is an expansion of base industries like cement, steel, oil and gas, and others where we will be a participant with our portfolio.

Another important element for us are data centers. Today, India has around 1 to 2 gigawatts of data centers, and the numbers for the future vary from 7 to 18 gigawatts. I do not know exactly what the number will be, but definitely data center is a major market that is growing in India, especially with the AI push that the government of India has put forward. This is where Siemens Energy can support with full energy solutions. Finally, in the maritime sector, we support our customers with green electrification for transport and other applications.

If I look now at how this is panning out in our numbers, this reflects our growth. You have seen that we have grown our order backlog by 22% in H1 FY26 against H1 FY25. This shows how the strength of the India market and exports are helping our company grow. Some important examples of our growth in H1 FY26 include a waste heat recovery solution for a cement company in the Northeast of India. Waste heat recovery is a solution where we use very hot flue gases from the process that are normally released into the atmosphere. We capture these gases, bring them back to a boiler to generate steam, and use that steam to generate electricity. This is a very important solution for the decarbonization of industries like cement and steel. This project is worth mentioning because it aligns with the net-zero direction of the country.

When I look at Power Transmission, I can call out many orders in the transformers space. We have been winning orders from utilities in the country, especially from the largest utility, where we received an order for thirteen 500 MVA and 765 kV transformers. This comes alongside the grid expansion in the country.

I also want to mention transformer orders for the US, where the market is booming with the expansion of data centers. One order is for a renewable company feeding a data center, but we also have orders coming directly from data center expansions, meaning SEIL is taking an active role in the US market as well.

Regarding projects we have delivered, we executed very important projects in the first half. One or two projects in the generation space involved refurbishing a 210 MW turbine for a thermal power plant in Odisha. This is an example of how we are participating in the modernization of the thermal fleet in India, despite it being a coal area. As I said, when it comes to service and increasing the

Report is AI-generated and may contain inaccuracies.

power generated from existing plants, we help our customers increase efficiency. Another project was a modernization of steam turbines for a large steel manufacturer in the eastern part of India. In Power Transmission, it is worth noting the supply of large power transformers for grid expansion in India and also for grid stabilization.

We supply transformers for the Statcoms, which are solutions used to stabilize power and manage the intermittency of renewable power. This is a very important solution that India needs as we target 900 gigawatts of renewables. I also want to mention offshore GIS exports to the Middle East from our Sambhaji Nagar facility to support oil and gas expansion there for offshore applications.

To cope with this tremendous growth in the market, we have to expand our capacities. These are investments we have already announced. Two are brownfield expansions of 7.4 billion rupees. One is in Kalwa, near Mumbai, where we are doubling the capacity from 15,000 to 30,000 MVA. The other expansion is in Sambhaji Nagar, where we are expanding our switchgear manufacturing capacity. Both investments and expansions are in full swing. The new one announced in May is 20.6 billion rupees for a new greenfield transformer factory. The location is not yet defined; we are discussing with several states to find the most suitable place, but this investment is approved and is in full swing to start construction.

Moving to my last slide, I cannot talk about these investments without mentioning our ESG angle. We take this very seriously and aspire to be a sustainability leader. I will highlight four elements we are working on. We are making efforts to reduce our CO2 footprint, aiming to be climate-neutral in our own operations by 2030. We are working hard to create an inclusive and diverse environment; our gender diversity has doubled to 15.3%, and we are focusing on this through our She in Energy Shine program. Zero harm is our license to operate, and we have a very strong, safe, and secure operation. Fortunately, thanks to the awareness of our team and contractors, we ran operations without any lost-time injuries.

Finally, regarding social responsibility, we launched our Energy for Good program. A key element is our external scholarship program, which has started operating with 75 underprivileged students. We are supporting their education so they can enter the labor market and support India's growth. Thank you for your attention, and I hand over to Harish for the financial performance.

Management: Thank you, Guilherme, and good afternoon, everyone. Thanks a lot for joining us. I'll now talk you through Siemens Energy India Limited's performance for the first half of fiscal 26. As Viral mentioned, bear in mind this is for the period from October 1, 2025, to March 31, 2026, as we follow a fiscal year from October to September. H1 FY26 has been a strong period for us, supported by a robust order pipeline and disciplined execution. Importantly, this has translated into improved operational performance and sustained profitability.

Looking at the financials, our order backlog has increased from 150 billion to 184 billion, which translates into a growth of 22.2%. This is an important indicator as it provides visibility on future revenues and reflects both robust market demand and our ability to convert opportunities into orders. Moving to revenue, we recorded 43 billion in H1 FY26 compared to 34 billion in H1 FY25, which translates to approximately 27% growth year-on-year. This demonstrates that we are not only building a healthy backlog but executing efficiently to convert it into revenue.

Report is AI-generated and may contain inaccuracies.

Regarding profitability, our profit from operations as a percentage of revenue improved from 19.1% in H1 FY25 to 20.7% in H1 FY26, an improvement of 160 basis points. This margin improvement is driven by two key factors. One is bettering our operating leverage; higher volumes enabled us to benefit from economies of scale, resulting in improved absorption of fixed costs. The second is higher export contribution; a favorable business mix, particularly increased export share, has supported overall growth in margin through better price realizations.

For clarity on the one-off items: in H1 FY25, there were one-time impacts of about 1.9% owing to accrual releases and stamp duty charges associated with the demerger. In H1 FY26, we benefited from foreign currency exchange and commodity gains to the extent of 1.1 billion, translating into 260 basis points of improvement. Adjusting for these factors, our underlying operational profit margin improved from 17.2% to 18.9%, reflecting an improvement of approximately 170 basis points.

Looking at the revenue mix, our results are diversified across segments, geographies, and business portfolios. From a segment perspective, Power Transmission continues to contribute a slightly higher share, which is in line with the strong demand in the environment. Regarding the geographic mix, we see a positive shift towards exports with an increase of around 500 basis points year-on-year. In our business mix, there is a marginal increase in our solutions business with a corresponding increase in our product portfolio. These improvements in the mix have contributed to a strengthening of our margins.

We have two primary segments: Power Transmission and Power Generation. Power Transmission continues to drive strong growth supported by a robust long-term market outlook. Power Generation remains a steady growth story backed by a large installed base and consistent industry demand.

In Power Transmission, the order backlog increased from 98 billion to 125 billion, reflecting a growth of 27.5% year-on-year. Revenue grew from 18.5 billion to 24 billion, representing approximately 30% growth year-on-year. PT is not only seeing strong order inflows but is executing efficiently. Profitability from operations remained stable year-on-year at 20.3%. Overall, PT is delivering robust growth supported by a strong order pipeline and improving demand outlook.

In Power Generation, the order backlog increased from 52.6 billion to 59.2 billion, representing a year-on-year growth of 12.4%. Revenue grew from 15.4 billion to 19 billion, translating to a 23% increase year-on-year. This indicates PG continues to be a steady performer. Margin quality improved significantly from 17.7% to 21.3%. Growth remains steady across utilities and industry segments. As volumes scale up, we are benefiting from improved operating leverage. Overall, both PT and PG segments are contributing well to the company's growth. With that, I'll hand it back to Guilherme.

Management: Thank you, Harish, for the overview on the financials. To finalize our presentation, I'd like to reiterate the priorities of our company. Number one is to create value for our shareholders. To create this value, we underpin our operations in four main pillars. One is zero harm; safety is not negotiable and is our license to operate. We focus on profitable growth, putting value before volume. We are very selective in choosing projects and business that bring value. We do our business based on a very strong team purpose in India, connected with our global operations, focused on talent development. Finally, we have customers at the center of our operations, trying to

Report is AI-generated and may contain inaccuracies.

exceed expectations and stay ahead of the competition. Thank you for your time and attention. Viral, I send it back to you for the Q&A session.

Operator: Thank you, Harish and Guilherme, for the comprehensive presentation. We will now unmute the speakers one after the other in the order of their hands being raised. First, we have Mr. Harshit Patel from Equiras. Why don't you go ahead?

Harshit Patel – Equiras: Hi, thank you very much for the opportunity. My first question is that we have seen intense ordering of combined cycle power plants globally, both for utility demand and data center demand. Our parent company has received a substantial share of these global orders. Do we have an opportunity to supply the steam turbine part of that from our Vadodara facility in India, or will this demand be catered by our global facilities only?

Management: I can take this up. Thank you for the question. The global demand for gas turbines is indeed going very high. Fortunately, Siemens Energy is a global leader in gas turbines. In Vadodara, our steam turbines are more focused on industrial steam turbines. Normally, when we talk about combined cycles for utilities or data centers, these are in a higher range, what we call large steam turbines. We do not manufacture large steam turbines in India because they are normally connected to gas turbines. As we do not have large gas turbines in the country, it makes less sense to have them localized. So, answering your question, we are not exporting steam turbines out of India for these global gas turbine combined cycles.

Operator: Thank you. We will move to the next participant, Umesh Rao. Please go ahead.

Umesh Rao: Hi team, good afternoon. Thank you for this opportunity. Maybe extending the question of the earlier participant on the export side: given the probability of an EU FTA being signed and your mention of the competitive edge in export markets, I want to understand your scope of growth in terms of exports for both business areas. First, on the transmission line, can you provide details on opportunities available for the India business? Can you cater to outsourcing packages from the parent side, especially for HVDC? Second, can you cater to demand coming from the North American data center market for power transformers? Third, in terms of Power Generation, do you have the ability to cater to the services business of turbines globally and in what particular range?

Management: I will start here, Harish. On the export side, thank you for the question. Regarding transmission, we have to bear in mind that the Indian entity and Siemens Energy are still different companies today. Siemens Energy is a shareholder in our company. SEIL has the sales rights and the responsibility to conduct business in South Asia—India plus Bhutan, Nepal, Sri Lanka, and Maldives. Whenever we sell to other territories, we do this through Siemens Energy itself and under their request. We do not access other markets outside of South Asia on our own; we do this when Siemens Energy asks us to.

Having said that, our exports are fundamentally based more on Power Transmission. As I showed, we have had nice projects coming out of the US market for data centers and renewables. We also have projects coming out of Europe, the Middle East, and other regions for switchgears, but this depends on how Siemens Energy wants to leverage our capacity for global markets. When I look at Power Generation, we locally manufacture industrial steam turbines, and here we have a smaller share of exports because Siemens Energy has been using its own factories more. Whenever we

Report is AI-generated and may contain inaccuracies.

have steam turbines out of Vadodara, we can provide the service related to that fleet, but it is not a large one currently.

Operator: We can move to the next participant, Parikshit Kandpal from HDFC Securities. Please go ahead.

Parikshit Kandpal – HDFC Securities: Can you hear me now?

Operator: Yes.

Parikshit Kandpal – HDFC Securities: So, my question is about the export mix, which has gone up and is largely on the transmission side. Despite that, we have seen weak ordering—if I compare H1 to H1, there has been a drop or degrowth in ordering. Also, regarding EBIT margins, despite the export mix going up, we are seeing a quite meaningful drop in EBIT margins. Can you help us understand what is happening on the ordering side? Even revenues look muted for H1 given the size of our order backlog, so it looks like execution has not meaningfully picked up. Are there any large, meaningful orders or is it the nature of the orders in the transmission book resulting in muted execution?

Management: Thank you. I will start with the order piece. Due to the nature of our infrastructure and energy business, order development is not uniform. It is different from other industries where you have steady growth. Our orders come as projects are finalized or as exports are required. It is not unusual to have fluctuations across quarters. That is why we look at our backlog development over a broader time field.

If you look at the numbers, we had 22% growth in our backlog and a book-to-bill of 1.5, which is a very healthy growth of orders in relation to revenue. Orders will always develop as per the market and ticket sizes. We should not expect steady growth, but looking at the backlog, there is a healthy development providing visibility.

Management: To add to that, Parikshit, exports have gone up by 500 basis points year-on-year, primarily in transmission because of the transformer and switchgear business. This brings in a healthy amount of profit when you look at price arbitrage between domestic and exports. Our focus remains the domestic market because we are a local player in India with vast space available. This has translated into healthy margins. The 170 basis point underlying improvement year-on-year comes from both PT and PG with the portfolio mix and exports kicking in.

Operator: Thank you. Next, we have Sameer Thakur from Ambit Capital. Sameer, can you hear us? I believe he is not able to hear us. Next participant, Amit Anwani from PL Capital.

Amit Anwani – PL Capital: Hi, am I audible? My first question is on the data center opportunity. You highlighted that you are sensing a very good opportunity. I wanted to understand our addressable market in data center capex and the current contribution in terms of either order book or revenue. Second, regarding the services business, we have seen it growing by 28-29% this year; what is the contribution from PT and PG and what steady-state growth can we expect? Third, on the order book, we have seen it go down from 72 billion to 65 billion for the half-year. What is the outlook for order intake for the remaining half?

Report is AI-generated and may contain inaccuracies.

Management: I'll start with the data center question. Globally, and specifically in India, there is a large implementation of data centers due to the AI race. In India, the journey is starting. India has 1 to 1.5 gigawatts of data centers, and market hear-say suggests this could reach 5 to 18 gigawatts. Our participation in India is related to Power Transmission, providing high-voltage substations, grid stabilization, and power distribution. In India, we do not see much captive power generation yet, unlike in the US where data centers generate their own power. Our participation will be limited to power transmission and grid connection stability for now.

Regarding service growth, in Power Generation, it is related to our existing fleet. In the utility scale, we have steam turbines associated with thermal plants, and projects depend on modernization and upgrade decisions. For industrial steam turbines, we have a broad installed base and are investing in new workshops, like the one in Raipur, to be closer to customers. Service grows along with our installed fleet, typically matching the 5-10% growth rate. On the transmission side, we are also investing in switchgear and transformer services. Finally, regarding the order forecast for the second half, we do not disclose those numbers or provide forward guidance.

Management: Just to add, Amit, in the 43 billion reported for H1, 27% is coming from services, which is about 12 billion. That comes from both PG and PT. In the PG space, apart from steam turbines and gas services, we also have the engineering research and development (ER&D) piece, which is local-for-global, providing good traction.

Operator: Thank you. Next, we have Mohit Kumar from ICICI Securities.

Mohit Kumar – ICICI Securities: Hi, thanks for the opportunity. Can you comment on our capability to produce synchronous condensers, and are you seeing any inquiries? Also, can you comment on the Statcom opportunity and pipeline? We haven't seen many Statcom announcements from you in the last 12 months.

Management: Thank you. Regarding synchronous condensers, we see this market shaping up. We are about to have our first project this calendar year. We do not have localization of this portfolio in India yet because the generators used are related to large generators used in gas turbines. Initial projects will likely use imported machines. We have to see how the market shapes and if volume justifies localization. Siemens Energy will localize once there is enough critical mass to justify the investment.

Regarding Statcoms, the market was muted in the first half of this fiscal year with fewer projects finalized. In fiscal year 2025, the Statcom market was very strong and we were successful. We are currently awaiting projects and finalizations. As India moves forward with renewables, more synchronous condensers and Statcoms will be required. The business is volatile, with orders depending on project needs and auctions.

Operator: Thank you. Next, we have Sudeep Mitra from Nuama.

Sudeep Mitra – Nuama: Hi, am I audible? Looking at the next 2 to 3 years across both segments: in Power Generation, judging by order inflow, it looks to be slower versus PT. Can there be something new that crops up there to add to growth? Second, on Power Transmission, we see growth in backlog and export opportunities. How large is the export piece in your backlog, and will growth

Report is AI-generated and may contain inaccuracies.

come primarily from exports or domestic opportunities? I ask because we understand the HVDC piece is likely the key growth angle, but Power Grid's capex might plateau at 800 billion to 1 trillion rupees annually.

Management: Siemens Energy is not playing the coal market for new plants due to sustainability targets. We only do service and efficiency improvements for existing coal plants. Our primary focus is gas, but India isn't developing new gas plants. A potential opportunity is nuclear, where India aims for 100 gigawatts by 2047. While we don't make reactors, we have the steam island for electricity generation. We are looking at that, but it is yet to be seen how the market shapes.

In transmission, India has a large expansion planned for the grid and stabilization. SEIL has clear leadership here and will participate as the market grows. Regarding exports, we do not control the growth; it depends on how our global operations want to leverage our local factories. While the global transmission market is growing, our participation is on a project basis determined at the parent level.

Operator: Thank you. Next, we have Amitosh Singh from 3Sixty One.

Amitosh Singh – 3Sixty One: Our exports have increased 500 bps and are primarily PT equipment, yet PT margins have remained the same. Does this mean domestic margins have declined or did the product mix neutralize the positive effect of exports? Second, regarding gas turbines, is there an export opportunity where Indian engineers could be used for servicing turbines installed abroad? Third, on Statcom and Syncon ordering: two HVDCs were planned but Bikaner-Baguniya was converted back to EHVAC. If more HVDC orders convert to EHVAC, would that require more Statcoms and Syncons?

Management: Regarding HVDC demanding more Syncons and Statcoms, it depends on the technology. LCC technology transfer power blocks from point A to point B but doesn't manage renewable intermittency well, requiring more grid stability investment. VSC technology, which Siemens Energy focuses on, has these features embedded. While we believe Statcoms and Syncons will be needed for India's grid, we think the market will slowly migrate to VSC as it is most suitable for renewable integration.

Regarding the export of services for gas turbines, we do local-to-global services in power generation, including R&D and some nuclear services in the US. We sell man-hours to support global operations, but we do not take responsibility for the full global service packages.

Operator: Thank you. Next, Renu Baid from IIFL.

Renu Baid – IIFL: Good afternoon. The US has typically not been an export market for Siemens Energy transmission products, so it is impressive to see a data center win there. How should we look at the Total Addressable Market (TAM) for Indian exports in these end markets? Second, what is the outlook for the rest of the year for PT inflows, and do you expect the trajectory to improve? Lastly, does Siemens Energy have MVDC technology and how do you see customer acceptance in India?

Report is AI-generated and may contain inaccuracies.

Management: The US data center market is growing strongly with high demand for equipment. We have had the chance to export power transformers to the US based on our capacity and project demands. Regarding Statcom exports, we focus on the domestic market only, except for some engineering services out of our local-to-global organization. We do not participate in the global Statcom market. The Indian transmission market is shaping up well, driven by renewables which demand transmission to evacuate power. As this market grows, our order intake should follow. Regarding Medium Voltage Direct Current (MVDC), this is a new market. We are having strategic discussions, but there are no concrete projects right now.

Operator: Thank you. Mahesh Patil from ICICI Securities.

Mahesh Patil – ICICI Securities: Can you help us with the breakup of the generation order book between equipment and services? Also, what is the duration of the services order book?

Management: We don't provide that level of granular detail; we keep it at segment reporting for transmission and generation. In generation, we have the steam turbine, gas service, and ER&D. There is good traction; new orders grew from 21 billion last year to 23 billion this year in H1. Profitability has also improved from 17.7% to 21.3% in H1.

Operator: Thank you. Shiram Kapoor from Jefferies.

Shiram Kapoor – Jefferies: My first question is on the parent company buying the stake in the Indian entity from Siemens as part of the demerger. What is the status, and could any stock come up for sale? Second, up to what megawatt range are steam turbines manufactured by the Indian entity, and what is the export potential? Third, T&D margins saw a year-on-year decline, while generation saw a huge uptick—what drove that? Finally, are we seeing any delays in power T&D orders that could push them to next year?

Management: Regarding the stake pickup, we cannot comment as this is between the two parent companies. Both have made general statements about how this will pan out, but we don't have further light to shed. On steam turbines, our Vadodara factory manufactures turbines from 1 MW up to 250 MW. Currently, that factory is focused mainly on the Indian market rather than exports.

Regarding T&D and the market outlook for the next 2 to 3 years, the market is structurally very strong. As I mentioned, development isn't linear. There are gaps between projects, but if you look at the 2036 CEA plan, there is very good visibility. The Indian market is really happening on the ground. India implemented a record 55 gigawatts of renewables last year and 15 gigawatts of solar in Q1 alone, which underpins future opportunities.

Operator: Thank you. Seif Kucher, please go ahead.

Seif Kucher: My question is on capacity. When do you expect the Kalwa transformer and switchgear expansions to come online? Also, is there localization for Statcoms?

Management: The 7.4 billion rupees of capex in Kalwa and Aurangabad is expected to gain traction and come on track by mid-year 2027. Regarding Statcoms, they are largely localized. We have a facility in Goa where we localize everything possible. Some components, like semiconductors and IGBTs, are not yet available in India, but as soon as the supply chain develops, we will be interested

Report is AI-generated and may contain inaccuracies.

in localizing those too.

Operator: Thank you. In the interest of time, we will take one last question from Jay Gandhi from Ambit Capital.

Jay Gandhi – Ambit Capital: My question is on transmission and generation margins. Was the margin decline in power transmission for the quarter due to a higher mix of projects? And for the generation business, the margins were surprisingly high—is that sustainable?

Management: On the Power Transmission side, looking at Quarter 2 specifically, our margins are at 20.3% for H1, which is in line with last year. In Quarter 2, we took certain provisioning required for accounts receivable. This was a seasonal and conservative call to provide for certain receivables in PT, which is why you see a dip quarter-on-quarter. Regarding PG, economies of scale kicked in as revenues went up, bringing fixed-cost synergies. Our H1 margin was 21.3% versus 17.7% last year, and the last few quarters are testimony to this performance.

Operator: Thank you. This concludes the call for today. I will now hand over to Guilherme to give his concluding remarks.

Management: Thank you, Viral, for coordinating this call. I would like to thank everyone for their participation and the interesting questions. We hope we have answered most of them as expected. We are available through our Investor Relations team to continue conversations so you have a right understanding of our company and performance. Thank you, and wish you all a nice weekend.

Operator: Thank you, Guilherme. Thank you to all the analyst and investor participants for joining us today. It was a pleasure interacting with you all. Thank you.

Report is AI-generated and may contain inaccuracies.