

Date: 4th November, 2025

BSE Limited, Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd., Listing Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
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Scrip Code: 540879

Symbol: APOLLO

ISIN: INE713T01028

Sub: Investor Presentation for the Quarter ended 30th September, 2025

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing a copy of investor presentation for the quarter ended 30th September, 2025.

The copy of the disclosure is available on the website of the Company i.e. [https://apollo-micro.com/disclosures-under-regulation-30\(8\).html](https://apollo-micro.com/disclosures-under-regulation-30(8).html)

This is for your information and records.

Thanking You

Yours Faithfully

FOR APOLLO MICRO SYSTEMS LIMITED

KARUNAKAR REDDY BADDAM
MANAGING DIRECTOR
DIN: 00790139

APOLLO MICRO SYSTEMS LIMITED

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cs@apollo-micro.com, www.apollo-micro.com
CIN No: L72200TG1997PLC026556

APOLLO MICRO SYSTEMS LTD

We Commit, We Deliver

FROM CONCEPT TO MASS PRODUCTION

EARNINGS PRESENTATION- H1FY26 & Q2FY26



BSE: 540879



NSE: APOLLO

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These risks and uncertainties include, but are not limited to Company's ability to successfully implement its strategy, the Company's growth and expansion plans, the performance of the Indian economy and of the economies of various international markets, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, income or cash flow projections, the performance of the industry in India and world-wide, exposure to market risks as well as other risks.

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Note: Figures in previous periods might have been regrouped or restated, wherever necessary to make them comparable to current period. For the ease of presentation, certain financial information herein has been rounded off to one decimal place or two decimal places or whole numbers, as the case may be.

INSIDE THE PRESENTATION

- Then v/s Now: A Legacy of Innovation
- Quarterly Result Highlights
- Half Yearly Result Highlights
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- Grateful for the Opportunity
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- Setting the Record Straight
- Skin in the Game/ Leadership-Led with Long Term Commitment





HIGHLIGHTS



THEN V/S NOW: A LEGACY OF INNOVATION

FROM SYSTEMS/SUBSYSTEMS

TO

COMPLETE WEAPONS



And the Products are numerous from Sub-Systems to Complete Systems

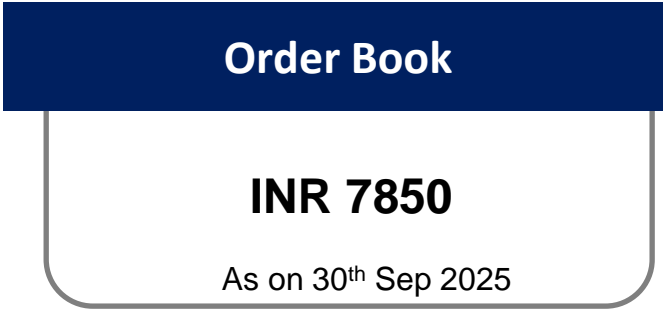
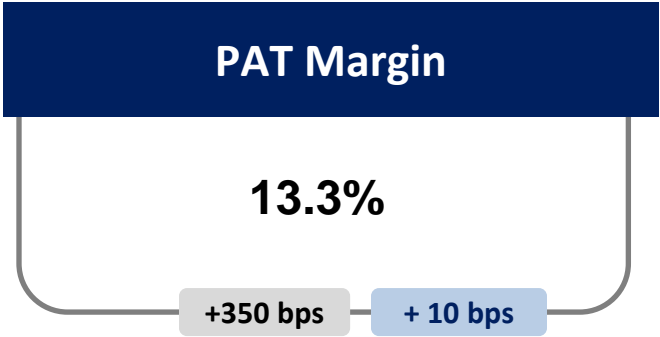
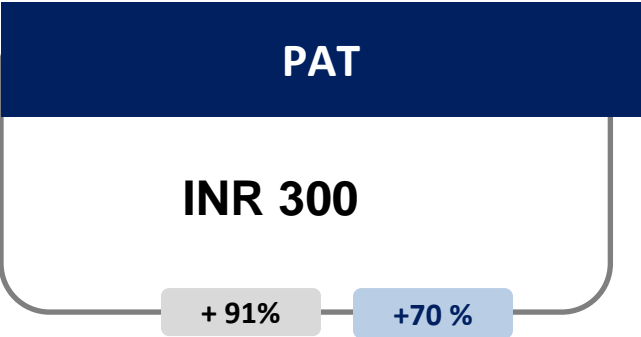
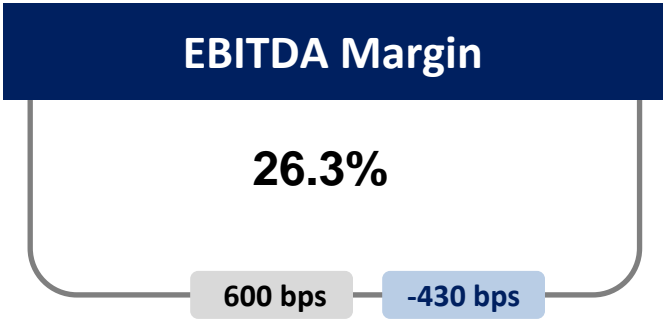
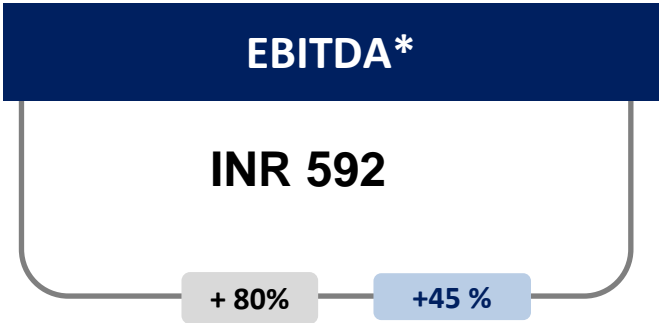
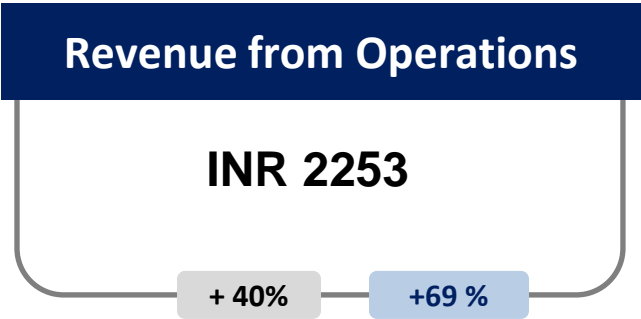


EXTENDING OUR STREAK OF STRONG PERFORMANCE- QUARTERLY RESULT

(All Figures in Millions)

YoY

QoQ



* Excluding Other Income



EXTENDING OUR STREAK OF STRONG PERFORMANCE- HALF YEARLY RESULT

(All Figures in Millions)

Semi annually

Revenue from Operations

INR 3588.5

+42 %

EBITDA*

INR 1001.3

+ 81%

EBITDA Margin

28%

+ 600 bps

PAT

INR 477.1

+ 97%

PAT Margin

13.3%

+ 330 bps

* Excluding Other Income



01

The only company with Highest Participation in Indigenous Missile Programs of DRDO

02

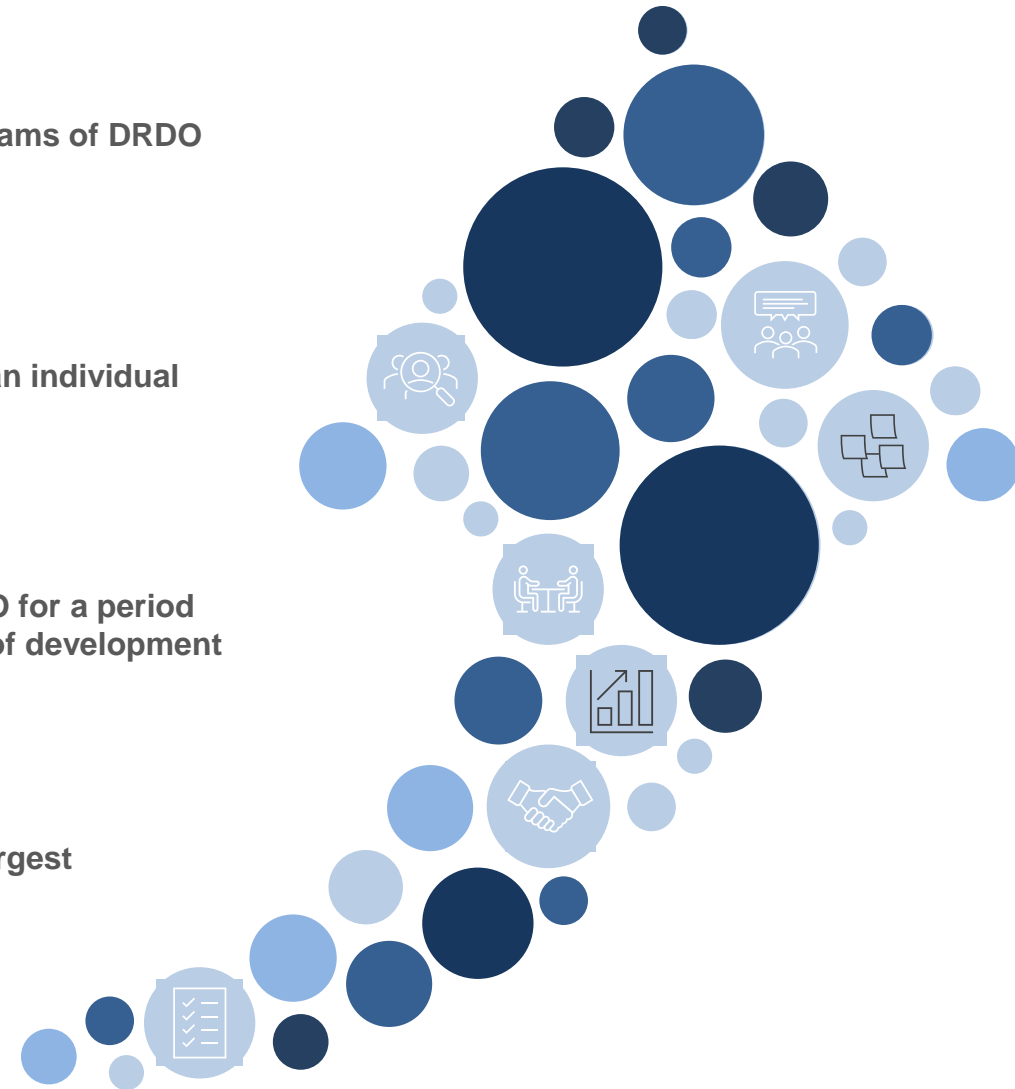
The only company in India with a proven track record of supplying from an individual systems to complete platforms, including explosives

03

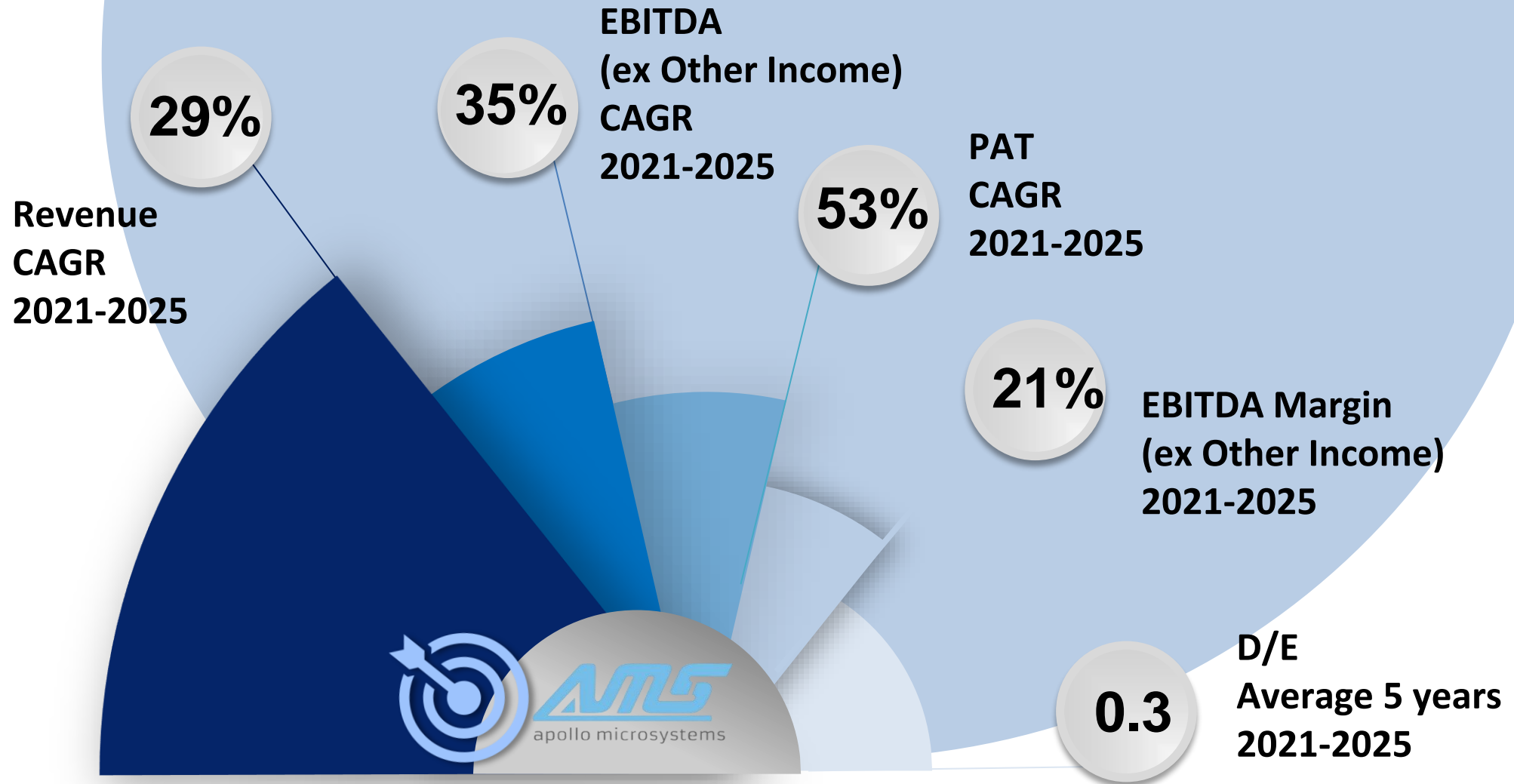
The only company in India working for weapon system platforms of DRDO for a period spanning over 40 years enriched with rich legacy of technical know how of development and manufacturing curve of Weapon System Platform

04

The only private public listed company in Indian defense sector having largest infrastructure including R&D capabilities



LEGACY OF TRUST, VISION FOR ATMANIRBHAR BHARAT



THE BIG PICTURE- INDIGINIZATION

We Indigenize- Systems/ Subsystems/ Weapons. India Builds Its Own Future.

700+

On board
Technologies

RFP Type to name some

Make 1 Program
Make 2 Program
IDMM
Buy Indian
Buy and Make (Indian)
Emergency
Procurement

150+

Indigenous
Program
Participation

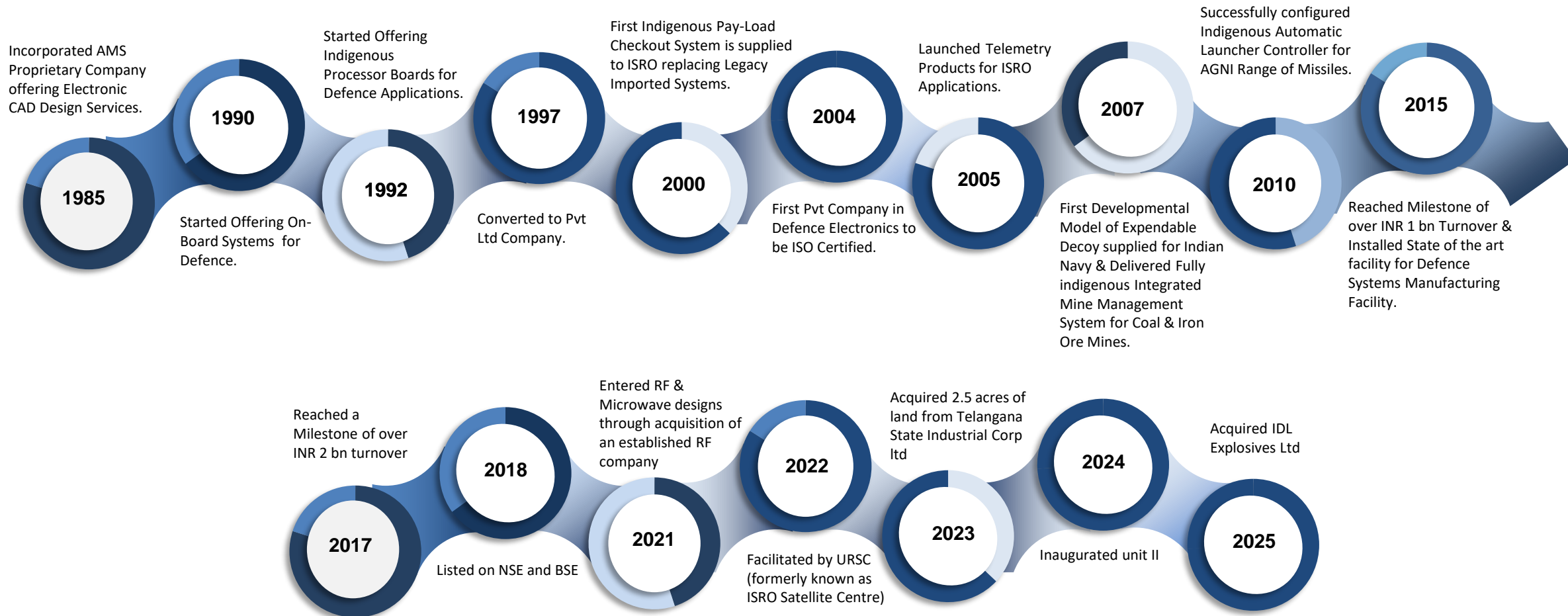
Presence in **all**
Missiles Programs

Presence in **all**
NAVAL Warfare
Programs

**Approved
Vendor for
DRDO and
DPSU**

40+
years of
experience

THE ROAD WE HAVE WALKED





VISION

To emerge as a world-class company
and a unique solution provider with
Total Solutions Under One Roof

MISSION

Convert your
Concepts into Reality





BUSINESS OVERVIEW

WE MAKE DEFENCE WEAPONS

- Apollo Micro Systems Limited (AMS), established in 1985 and headquartered in Hyderabad, is a **leading technology provider of high-performance, mission-critical solutions for the defence sector. Building on 40 years of technological excellence we are poised to evolve into a multidisciplinary defence systems powerhouse to drive next-generation innovation.**
- With over **40 years of established presence** in the Aerospace and Defence sector, we bring **over 700+ on-board technologies** to the table. Our **expertise** encompasses **weapon electronic systems for Ground Defence, Missile Defence and Naval Defence. We build its 'brain' that makes decisions mid-flight, its 'nerves' that sense and respond, and its 'eyes' that track targets. Without this internal intelligence, it's just a flying shell. We build the missile's brain, eyes, and nerves. We make it smart.**
- With a strong focus on providing comprehensive **end-to-end integrated services under one roof**, we offer **R&D, design, development, assembly, testing facilities and mass manufacturing** tailored to meet the diverse needs of our clients. Given the demanding nature of defence & space applications, our offerings are designed to endure **harsh environmental conditions, requiring expertise in advanced technology development and engineering excellence that eliminates the chances of failure at the time of critical defence operations.**
- In addition to our robust hardware and engineering expertise, we deliver integrated, **technology-driven solutions** across secure **communications, underwater electronic warfare, and air defence.** These advanced systems are engineered to equip our defence clients with reliable, mission-ready capabilities tailored to their operational needs. Furthermore, we offer custom-designed Commercial Off-the-Shelf (COTS) solutions, precisely configured to meet the specialized requirements of both defence and space sectors.



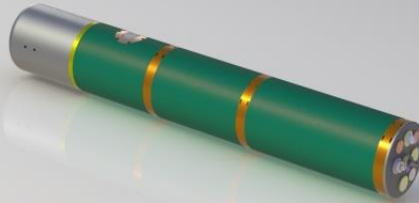
WHERE WE ARE- FROM SUBSYSTEMS/ SYSTEMS TO COMPLETE WEAPONS (1/8)

The existing portfolio includes complete weapon systems that have either achieved qualification or are in advanced stages of the qualification process

Underwater Mines



Underwater Moored Mines



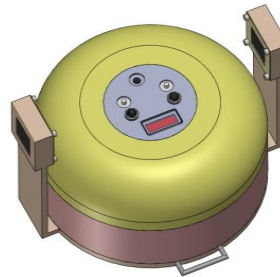
Anti Submarine warfare Rockets



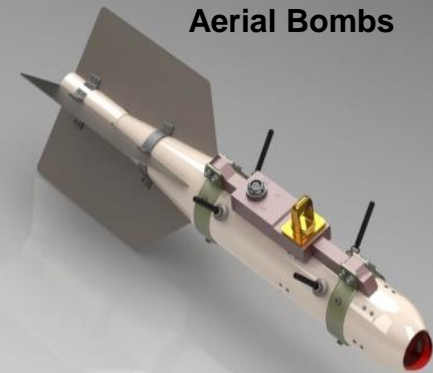
Medium Range Aerial Rockets



Limpet Mines



Aerial Bombs



These weapons systems have been indigenously developed and produced entirely in-house.



MIGM



- A mine is a terrible thing that waits.” It waits and waits till it destroys/damages a naval vessel or is destroyed by the naval mine hunters.

- Naval mines are an invisible enemy which allows any maritime nation to defend itself, regardless of its naval capability. They deter and push underwater and surface navy to move away from the shoreline towards the open sea.

- MIGM is designed to enhance the Indian Navy's capabilities against modern stealth ships and submarines.

This weapons system have been indigenously developed and produced entirely in-house.



MOORED MINE

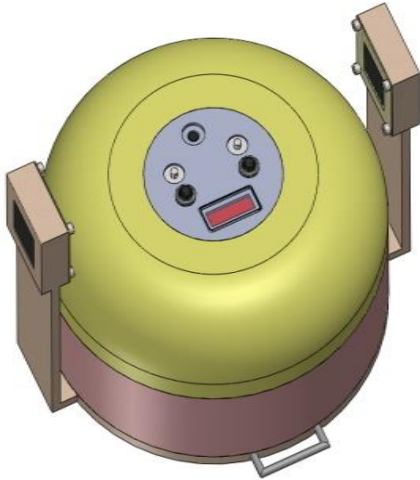


- The moored mine is deployed where water is too deep for bottom mines and normally uses a combination of acoustic, magnetic and pressure sensors or even more sophisticated optical shadows or electro potential sensors.
- The Moored Mines have a weight attached to them which keep them anchored to a certain point. Moored mines remain at a particular depth and thus can target different types of vessels such as submarines and surface ships.

This weapons systems have been indigenously developed and produced entirely in-house.



LIMPET MINE



- These mines are manually attached to the target by magnets

- These man-portable and multiple variations are developed for different missions

These weapons systems have been indigenously developed and produced entirely in-house.



ANTI SUBMARINE WARFARE ROCKETS(ASW)

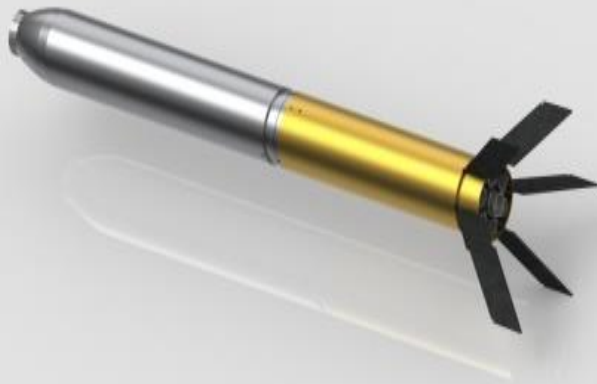


- ASW is fully developed In-House. It is a Ship to Submarine Launched Rocket

These weapons systems have been indigenously developed and produced entirely in-house.



MEDIUM RANGE AERIAL ROCKETS

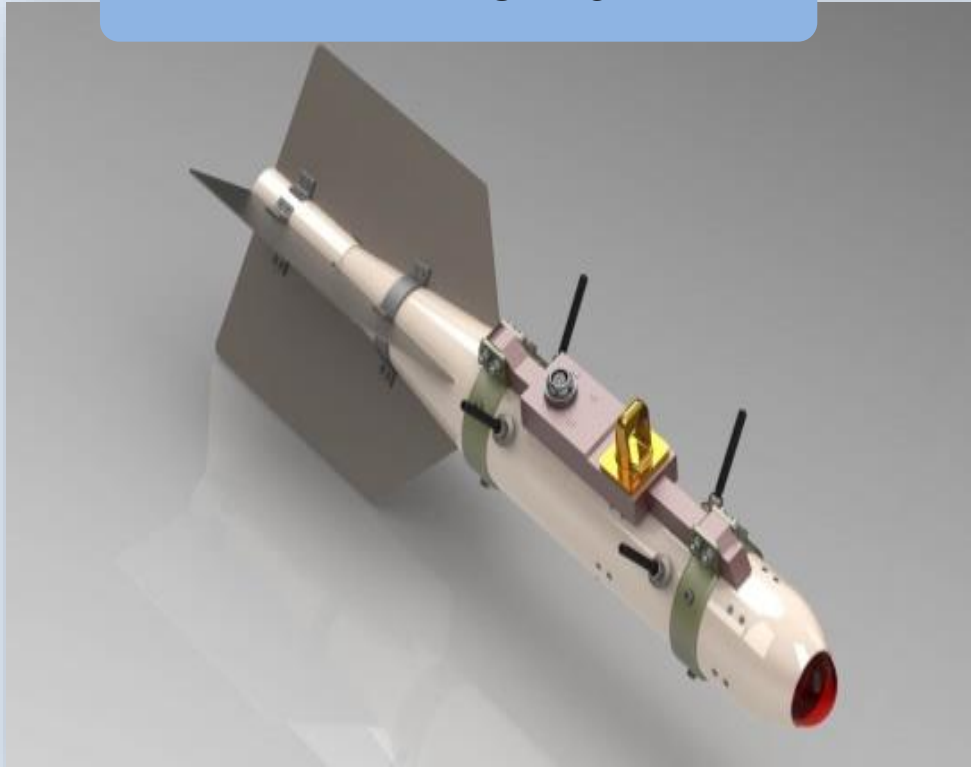


- Ground to Air Launch Developed for attacking Drones/ Swarm of Drones

These weapons systems have been indigenously developed and produced entirely in-house.



AERIAL BOMBS



- Nine Variants of Aerial Drop Bombs developed for dropping from aerial platforms like drones

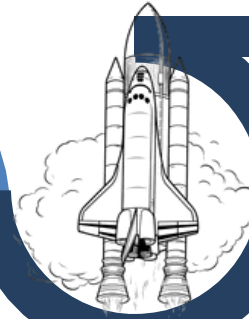
These weapons systems have been indigenously developed and produced entirely in-house.



FORTIFYING OUR PRODUCT PROFILE IN MUNITIONS SYSTEMS (8/8)

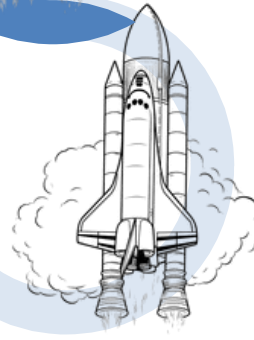
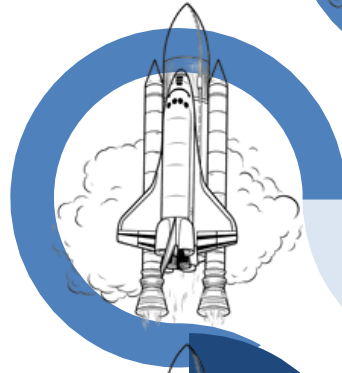
Awarded Transfer of Technology (TOT) by the Defence Research and Development Organization (DRDO) in **Explosive**

Warheads for Ulpqm- V2
(UAV Launched Precision
Guided Missile V2)



Safety Arming
Mechanisms

Exploder Mechanism
for Naval Warheads



Prachand Munition
Hardware

ESAD based Fuze for Mini
Depth Charge (MDC)



APPLICATION OF PRODUCTS AND SERVICES OFFERINGS (1/2)

WE POWER THE AIRSPACE WITH ADVANCED SAFETY CRITICAL PRODUCTS



TORPEDO
CONTROL PANEL



PCM ENCODER &
DECODER



TORPEDO
INTERFACE UNIT

AVIONICS



LAUNCHER VEHICLE
RELAY UNIT



CRUISE VEHICLE
RELAY UNIT

PIONEERS IN WEAPON SYSTEM ELECTRONICS



AEROSPACE

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

WE EMPOWER GROUND DEFENCE WITH RUGGEDISED & RELIABLE ELECTRONIC SYSTEMS

GROUND DEFENCE

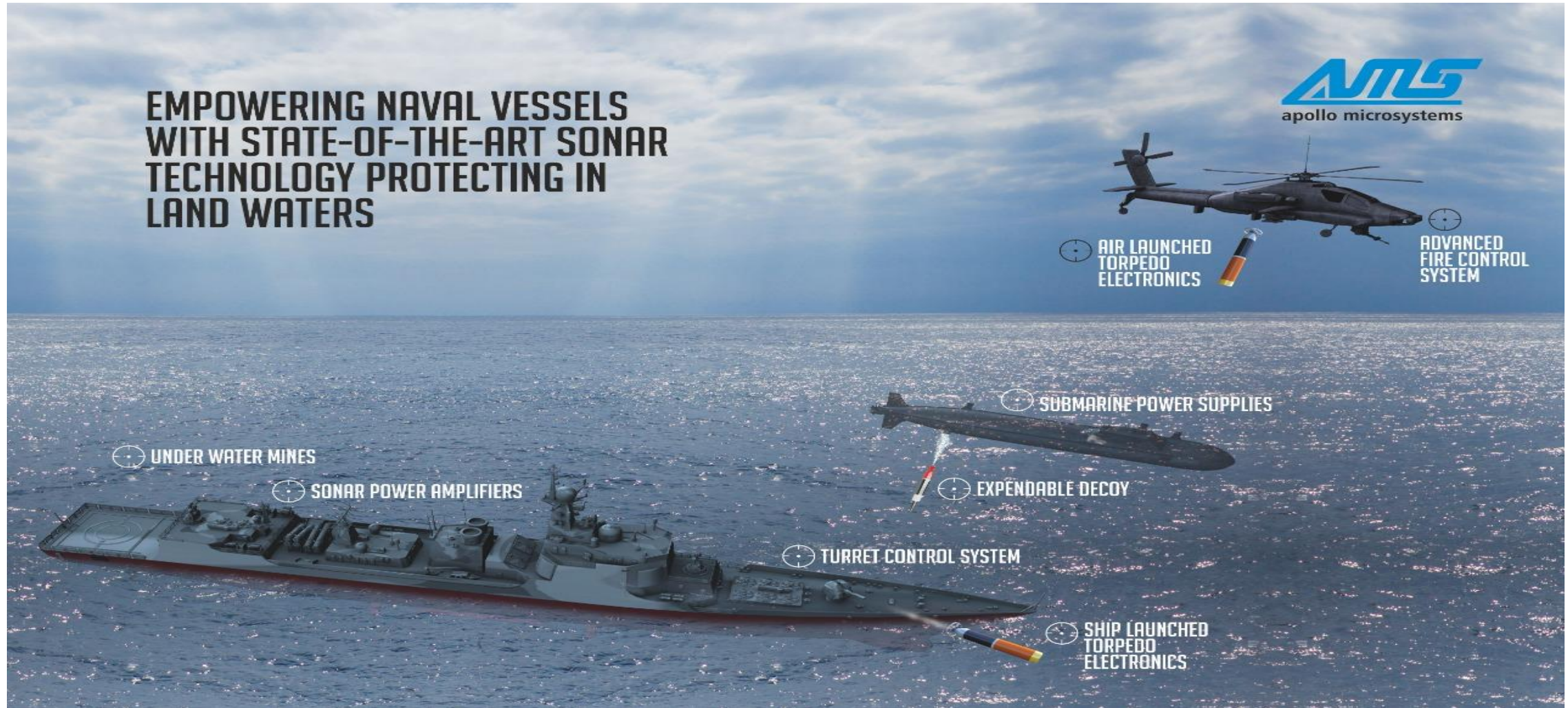


NAVAL

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY



APPLICATION OF PRODUCTS AND SERVICES OFFERINGS (2/2)



BUSINESS MODEL CANVAS

Key Activities

We focus on the design and development of defence systems/subsystems/weapons/platforms, followed by scaled manufacturing upon successful completion of the development phase.

Value Proposition

Delivering advanced indigenous technologies for missile, naval defence system and explosive at lower cost of ownership and in less time leading to end to end weapon/ platform development in house.

Customer Relationship

Long-term customer relationship of over 40 years, with a track record of zero customer attrition.

Key Resource

A standardized definition is not applicable, as each product is customized to meet the specific requirements of individual Clients.

Customer Segments

Public Sector Undertakings (PSUs) Defence Research and Development Organization (DRDO) Private Defence Companies

Key Partners

Strategic Suppliers
PSUs/ Private Cos
Finance Institution
DRDO

Cost Structure

R&D and Testing costs vary based on product mix & is substantial Semiconductors are imported, including from Texas Instruments, ST, DDC etc.

Revenue Stream

Product Sales: Proprietary defense and aerospace solutions tailored to client needs
Services: Maintenance, support, and lifecycle management offerings
System Integration: End-to-end integration of complex systems across platforms and technologies.

Channels

Marketing Participation in Industry Exhibitions and Trade Shows
Engagement Through Published Tenders and Procurement Portals.

OUR MARQUEE CLIENTELE (1/2)

We largely caters to / collaborates with the Ministry of Defence, Government controlled Public Sector Undertakings and Private Companies.



BHARAT FORGE



OUR MARQUEE CLIENTELE (2/2)

We largely caters to / collaborates with the Ministry of Defence, Government controlled Public Sector Undertakings and Private Companies.



and many more



We are an AS 9100D & CEMILAC (Centre for Military Airworthiness & Certification) certified Organization.

CEMILAC CERTIFIED



GREENFIELD AND BROWNFIELD EXPANSION- SCALING OPERATIONS TO 3X CAPACITY

- Our manufacturing units are located in **Hyderabad** and **Rourkela (Odisha)** with its lab area confirming electrostatic discharge requirements with ESD-safe furniture & a controlled environment. It has a full-fledged ESS testing facility, & the inspection is in line with DGQA standards.
- As part of our backward integration focus, we commenced construction of our Integrated Plant for Ingenious Defence Systems (IPiDS). It will not only help us grow our presence in the defence space but also enabled us to strengthen our in-house capabilities. Once operational, this facility will significantly boost our production capacity and solidify our position as a **leading Tier- I end to end OEM manufacturer**, enabling us to scale up production and better meet the rising demand.
- We've invested in a new weapon integration facility at Unit-III. Unit I will be dedicated to R&D activities, while all production operations will be carried out in Unit II and Unit III. Moreover, Unit III will serve as the **consolidated manufacturing hub**, streamlining and integrating operations.



55,000 sq ft, Hyderabad
IDA Mallapur, Unit-I



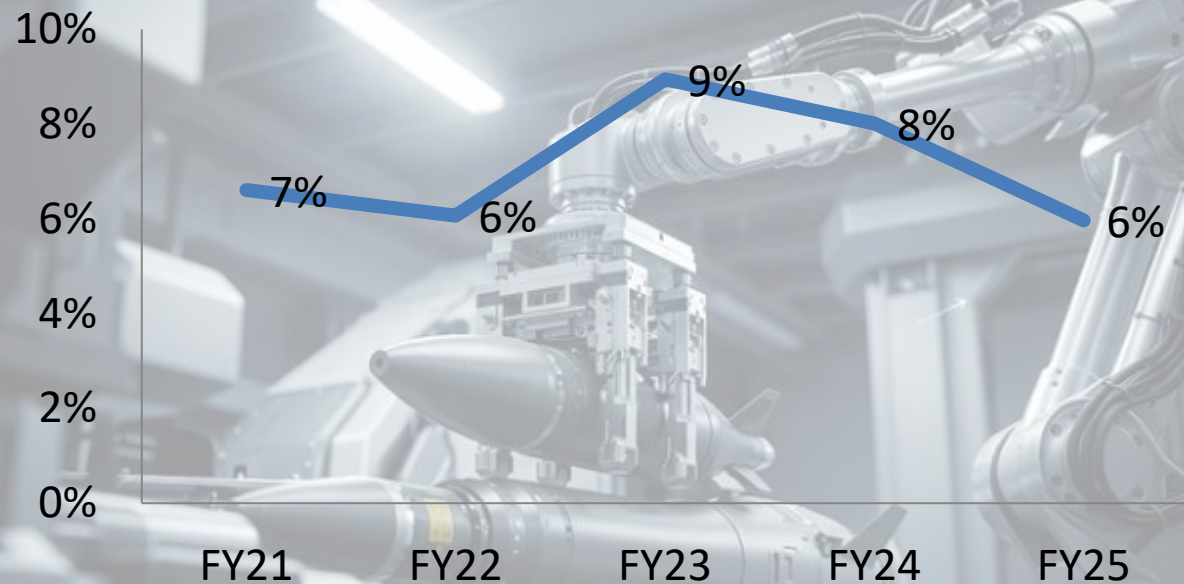
3,50,000 sq ft, Hyderabad,
Hardware Park-II, Unit- III



40,000 sq ft, Hyderabad,
Adibatla, Unit- II

OUR DEDICATED R&D- DRIVEN BY INNOVATION AND INDIGENIZATION DNA

In FY25, our rigorous efforts in Research and Development culminated in the successful development of **Aerial Bombs, Underwater Acoustic Sensors, Critical Actuation Systems, Secured Data links and many other products. We are currently working on critical and advanced solutions.**



— R&D as a % of Revenue

- Our dedicated R&D team, comprising experienced engineers with core expertise in **embedded hardware and software development**, plays a pivotal role in our strategy. Their extensive knowledge spans **Aerospace, Avionics, Space, Naval, On-Board Systems, and Ground Support Equipment**, enabling advance engineering solutions and effective problem-solving.

- We are honored to be recognized as a **Collaborative R&D Partner** by **Bharat Electronics Limited**.






















- An allocation of **INR 100 Crores** has been earmarked for FY26.











- There has been **no attrition in the R&D team** during FY25



INDIGENIZATION AND MODERNIZATION OF DEFENCE ECOSYSTEM- OUR PARTICIPATION

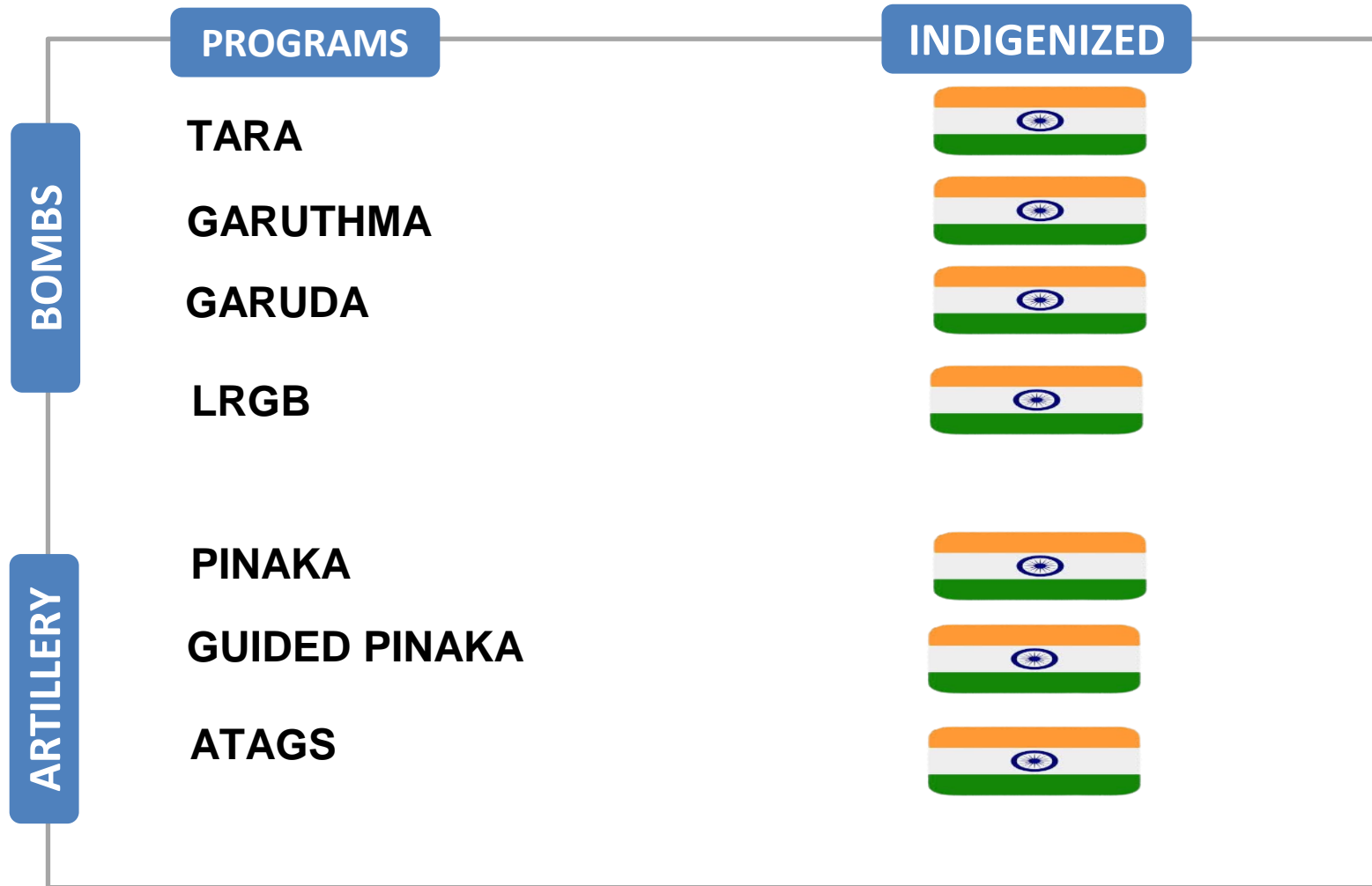
MODE	MISSILES	INDIGENIZED
 Air to Surface Missile (ASM)	 RUDRAM	
 Surface to Air Missile (SAM)	VLSRAM (ASTRA VARIANT), AKASH/ NGRAM,QRSAM,SANT	
 Anti Radiation Missile	RUDRAM, STAR, NGRAM	
 Anti Tank Missile	NAG, AMOGHA 2, HELINA, IMPATGM	
 Anti Ship Missile	LRAHSM, NASM	
 Cruise Missiles	NIRBHAY, SLCM	
 Ballistic Missile	K4, PRALAY	
 Anti Submarine Missile	SMART	
 Nuclear Missile	AGNI	

INDIGENIZATION AND MODERNISATION OF DEFENCE ECOSYSTEM – OUR PARTICIPATION

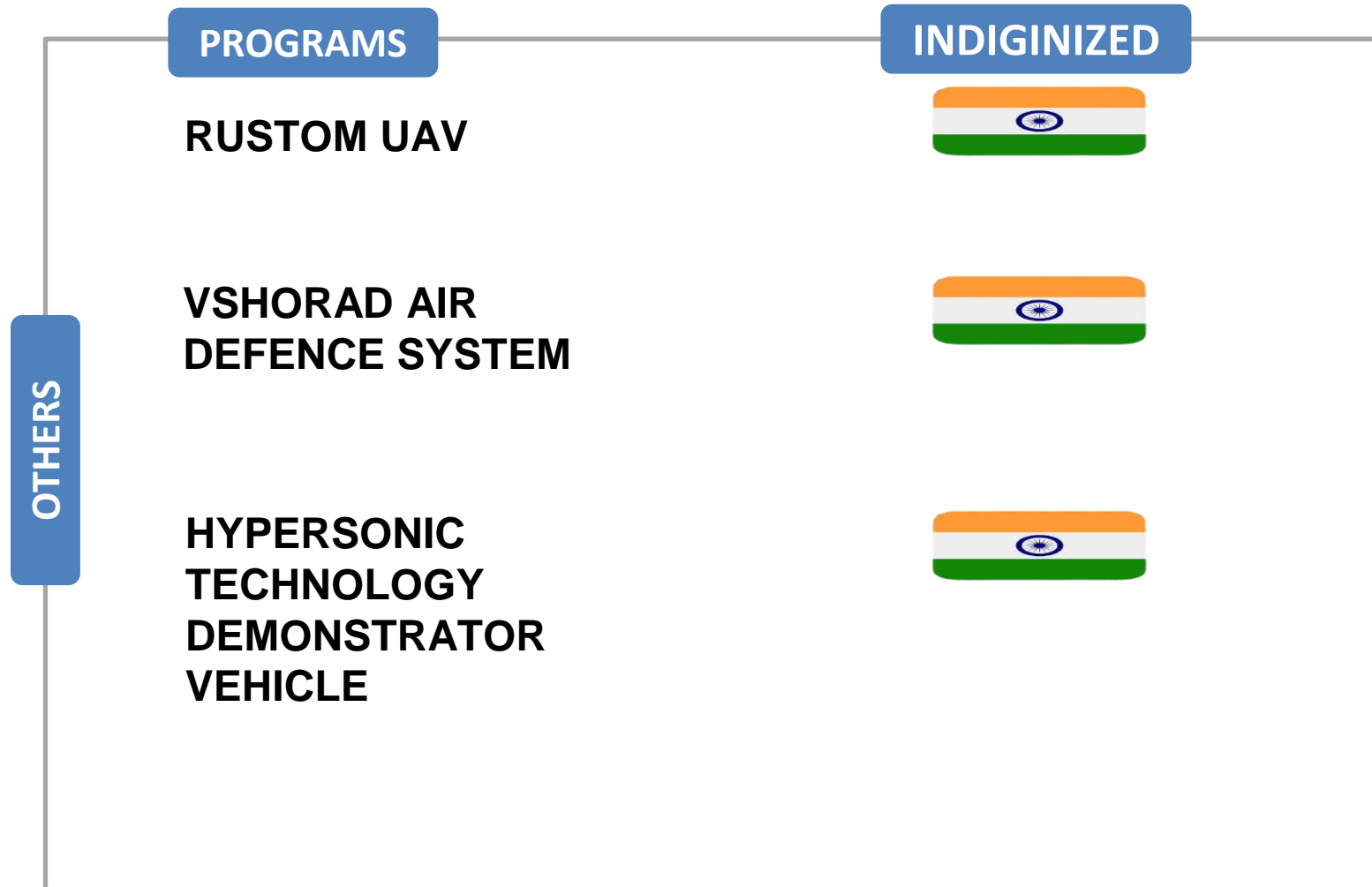
NAVAL PROGRAMS	TYPE	PROGRAMS	INDIGENIZED
	NUCLEAR SUBMARINE	Arihant	
		Aridhaman	
	TORPEDO	TAL	
		Varunastra	
		ALWT	
	SUBMARINE LAUNCHED TORPEDO	EHWT	
	UNDERWATER MINE	MIGM	
		Moored Mines	
	EXPANDABLE DECOYS	MAREECH	
		MOHINI	



INDIGENIZATION AND MODERNIZATION OF DEFENCE ECOSYSTEM - OUR PARTICIPATION



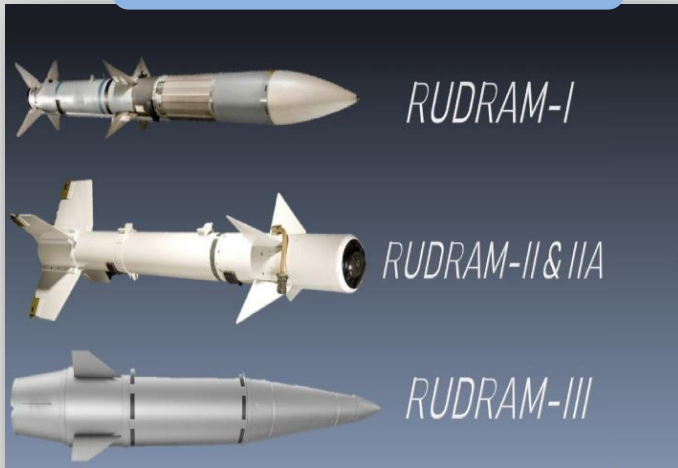
INDIGIZATION AND MODERNIZATION OF DEFENCE ECOSYSTEM - OUR PARTICIPATION



MISSILE PROGRAMS



AIR TO SURFACE MISSILE



NUCLEAR MISSILE



AGNI

ANTI SUBMARINE MISSILE

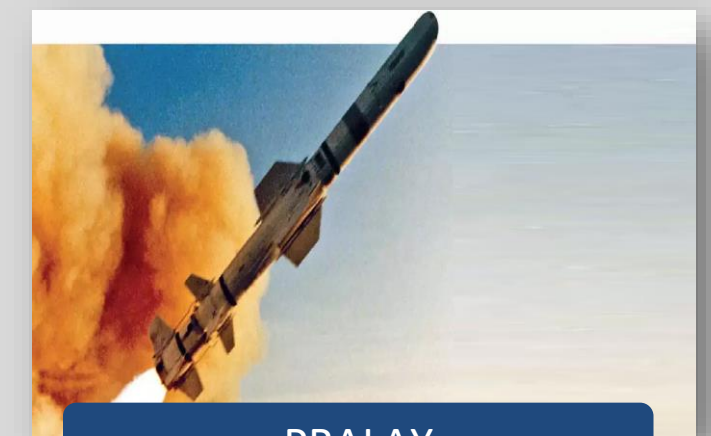


SMART

BALLISTIC MISSILE



K4



PRALAY

CRUISE MISSILE



NIRBHAY

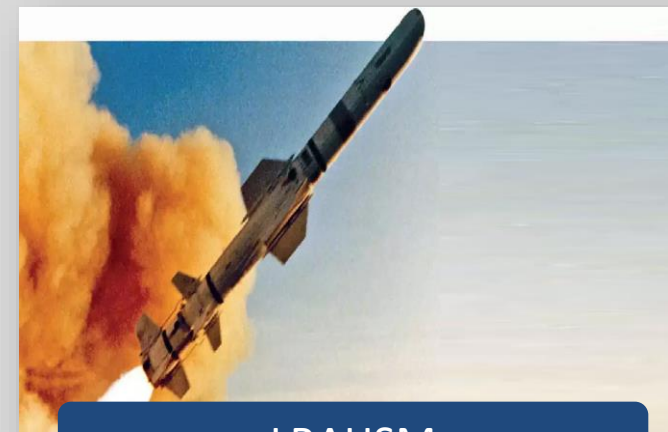


SLCM

ANTI SHIP MISSILE



NASM



LRAHSM



AKASH

SURFACE TO AIR MISSILE



VLSRAM



NGRAM

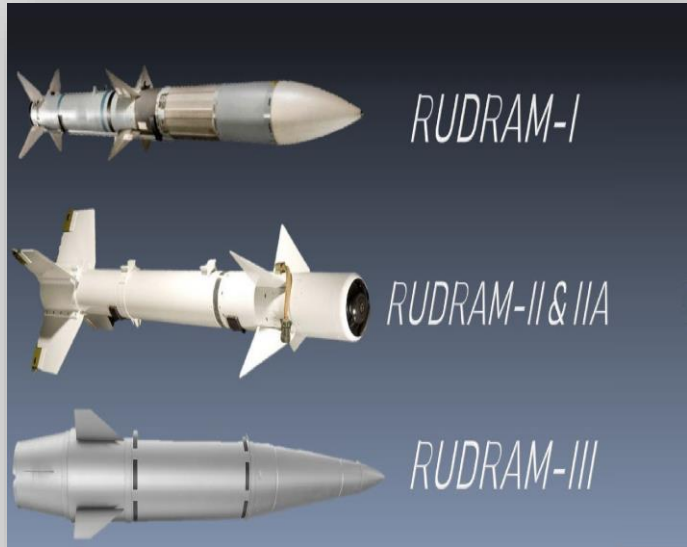


QRSAM



SANT

ANTI RADIATION MISSILE



STAR



NGRAM



AMOGHA 2

ANTI TANK MISSILE



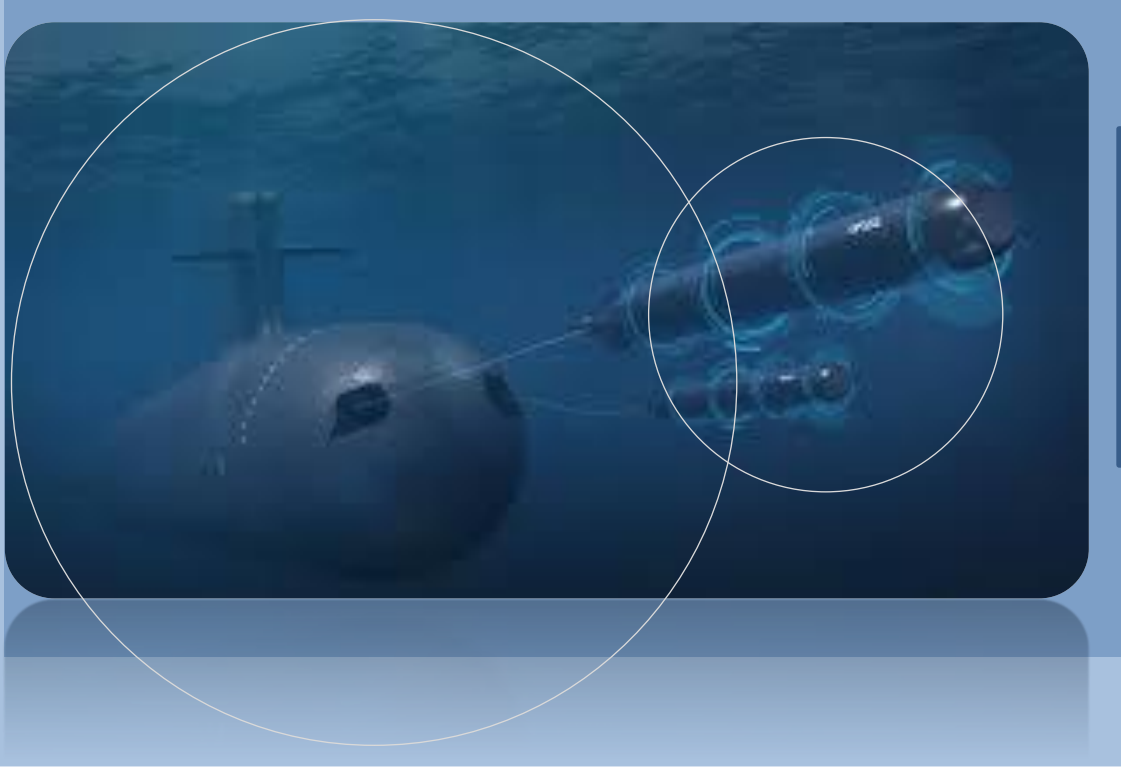
HELINA



NAG



MPATGM



NAVAL PROGRAMS



NUCLEAR SUBMARINE



ARIHANT

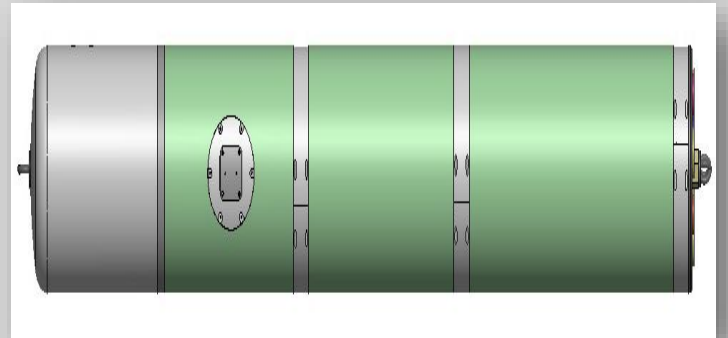


NAG

UNDER WATER MINES

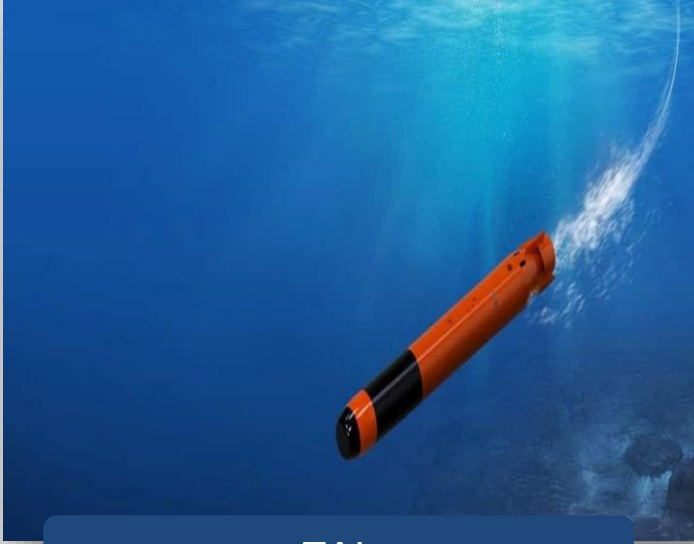


MIGM



MOORED MINE

TORPEDOES



TAL

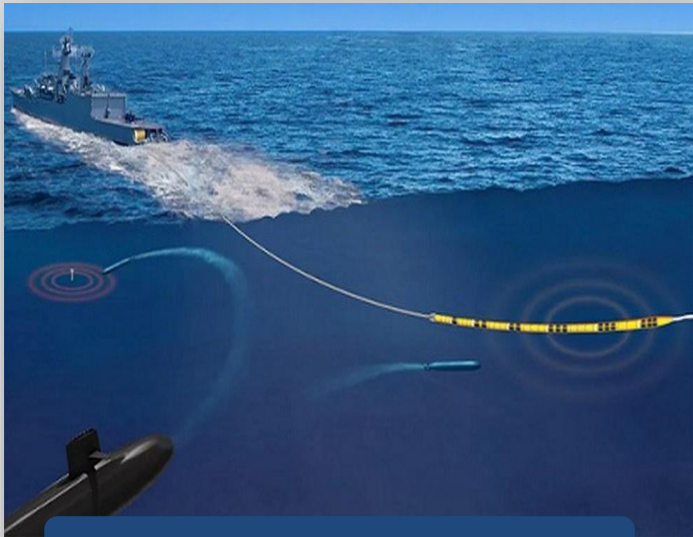


ALWT



VARUNASTRA

EXPENDABLE DECOYS



MAREECH

MOHINI

C303

SUBAMRINE LAUNCHED TORPEDOES

EHWT

OTHERS



OTHERS



RUSTOM UAV



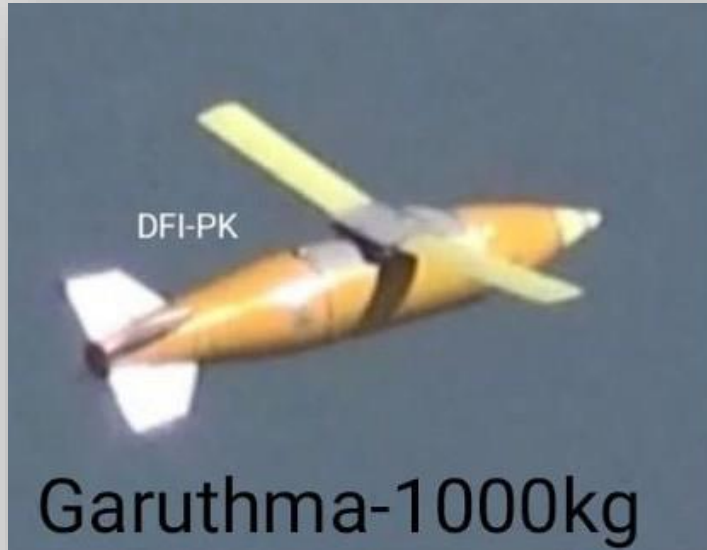
VSHORAD AIR DEFENCE SYSTEM

HYPERSONIC TECHNOLOGY
DEMONSTRATOR VEHICLE

ARMS AND AMMO



BOMBS



TARA

ARTILLERY



PINAKA



GUIDED PINAKA

ATAGS



INDIA- YEAR OF REFORMS

BUSINESS ENVIRONMENT



NATIONS ARE GEARING UP (1/4)

- Global military expenditure increased to \$2718 billion in 2024, the 10th year of consecutive rises. The world's 15 largest spenders in 2024 all increased their military expenditure. The global military burden—the share of global gross domestic product (GDP) devoted to military expenditure—increased to 2.5% in 2024.
- Revenues from sales of arms and military services by the 100 largest companies in the industry reached \$632 billion in 2023, a real-terms increase of 4.2% compared with 2022.

DRIVERS- ENTIRE WORLD

- European spending surge drives up global total



Military spending in Europe (including Russia) rose by 17% to \$693 billion and was the main contributor to the global increase in 2024.

With the war in Ukraine in its third year, military expenditure kept rising across the continent, pushing European military spending **beyond the level recorded at the end of the cold war.**



Germany's military expenditure increased **by 28% to reach \$88.5 billion**, making it the biggest spender in Central and Western Europe and the fourth biggest in the world.



Poland's military spending **grew by 31% to \$38.0 billion** in 2024, representing **4.2% of Poland's GDP.**






Spending in a record number of **NATO members reaches 2% of GDP. European NATO members spent \$454 billion in total**, representing **30% of total spending across the alliance.**

- Military spending by the **USA rose by 5.7% to reach \$997 billion**, which was **66% of total NATO spending and 37% of world military spending in 2024. A significant portion of the US budget for 2024 was dedicated to modernizing military capabilities and the US nuclear arsenal in order to maintain a strategic advantage over Russia and China.**



NATIONS ARE GEARING UP (2/4)

- Military expenditure in the **Middle East** reached an estimated **\$243 billion in 2024**, an increase of **15% from 2023** and **19% more than in 2015**
- China continues military build-ups
 -  **China, the world's second largest military spender**, increased its military expenditure **by 7.0% to an estimated \$314 billion**, marking three decades of consecutive growth. China accounted for **50% of all military spending in Asia and Oceania**, investing in the continued modernization of its military and expansion of its cyber warfare capabilities and nuclear arsenal.
 -  **Japan's** military spending rose **by 21 per cent to \$55.3 billion in 2024**, the **largest annual increase since 1952**. Its military burden **reached 1.4% of GDP, the highest since 1958**.
 -  Spending by **Taiwan** grew **by 1.8% in 2024 to reach \$16.5 billion**.
- Military spending by **Myanmar** **surged by 66% in 2024** to an **estimated \$5.0 billion**—the highest rate of increase in Asia and Oceania—as internal conflicts intensified.

PROLIFERATION AND USE OF MISSILES

- The developments were shaped both by the continued and extensive use of such weapons in conflict—especially in **the Russia–Ukraine war** and in **Iran's missile attacks on Israel** linked to the **Israel– Hamas war**—and by the underlying and explicit use of missiles for signalling and leverage in these conflicts and elsewhere. **Together with the need to replenish stockpiles, states' perceptions of the military value and utility of missiles, air and missile defence systems contributing to growing demand for current missile.**
- Russia continued to use conventionally armed ballistic missiles, cruise missiles and one-way attack UAVs in large numbers against Ukrainian forces, critical infrastructure and civilians in 2024. Between January and September 2024, **Ukraine reported that almost 5500 such systems were launched at Ukraine, averaging more than 20 launches every day.**



NATIONS ARE GEARING UP (3/4)

- A build-up of missile arsenals in Europe
There is a **growing demand for missiles in Europe to replace those supplied to Ukraine as well as to expand stockpiles in line with the prevailing threat environment** and to address perceived gaps in capabilities through the development of new offensive and defensive systems.
- An estimated 3912 of those warheads were deployed with missiles and aircraft and the rest were in central storage. Around 2100 of the deployed warheads were kept in a state of high operational alert on ballistic missiles. Nearly all of these warheads belonged to Russia or the USA, but China may now keep some warheads on missiles during peacetime.

World Nuclear Forces	Deployed Warheads	Stored Warheads	Military Stockpile		Retired Warheads		Total Inventory	
	2025		2024	2025	2024	2025	2024	2025
USA	1770	1930	3708	3700	1620	1477	5328	5177
Russia	1718	2591	4380	4309	1200	1150	5580	5459
United Kingdom	120	105	225	225			225	225
France	280	10	290	290			290	290
China	24	576	500	600			500	600
India		180	172	180			172	180
Pakistan		170	170	170			170	170
North Korea		50	50	50			50	50
Israel		90	90	90			90	90
Total	3912	5702	9585	9614	2820	2627	12405	12241



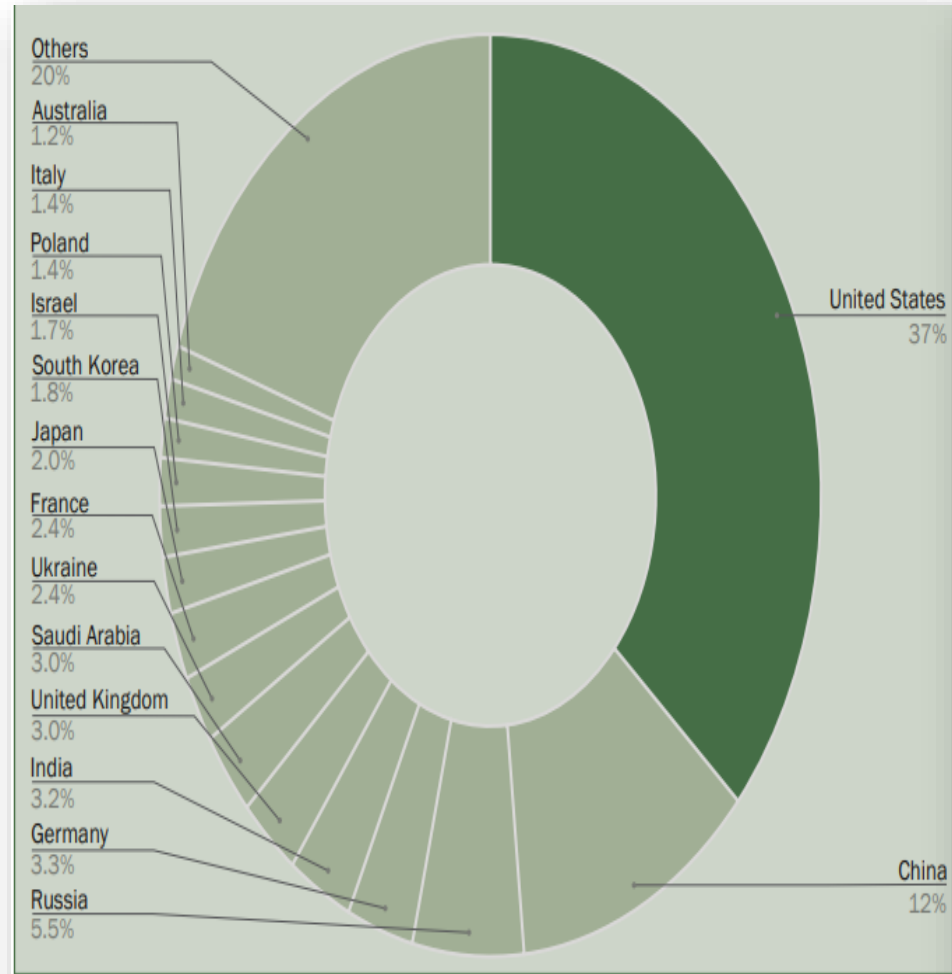


Figure 2. The share of world military expenditure of the 15 countries with the highest spending in 2024

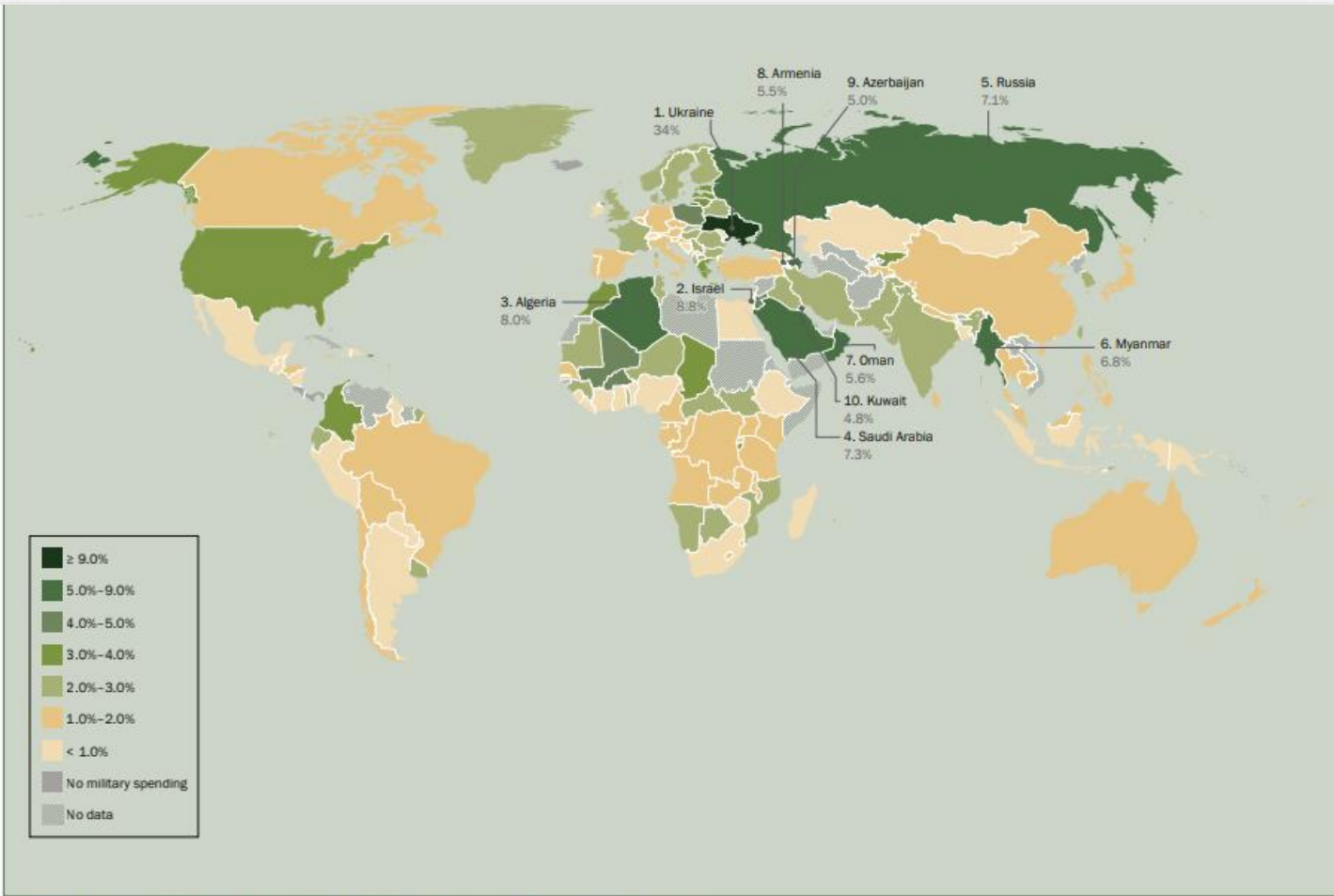


Figure 3. Military spending as a share of gross domestic product, by country, 2024

Note: The 10 countries with the highest military spending as a share of gross domestic product are labelled.

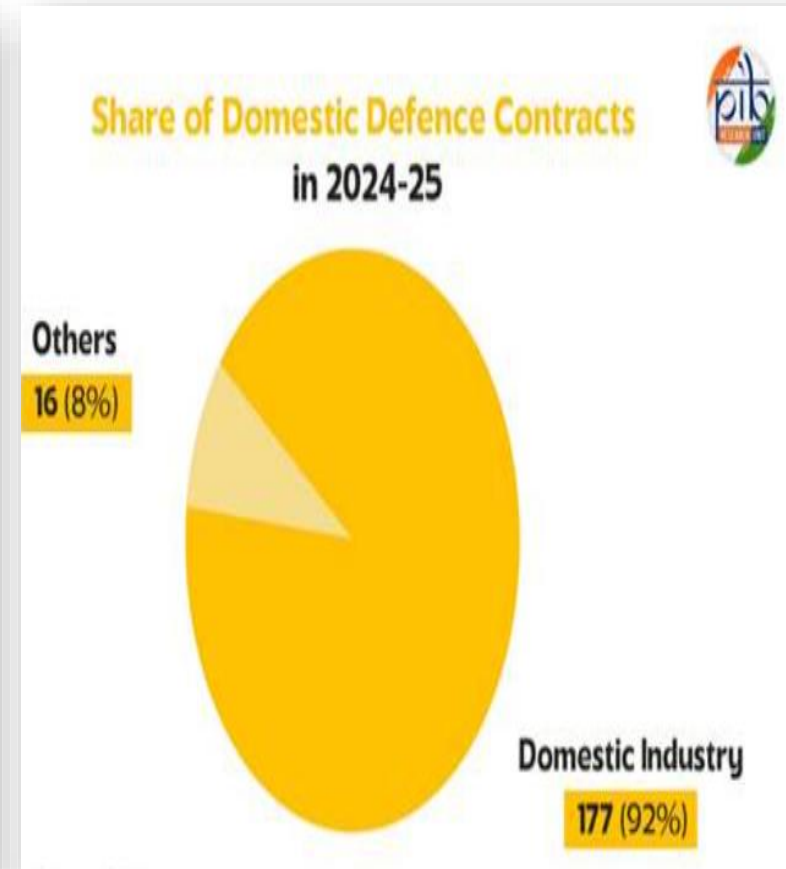
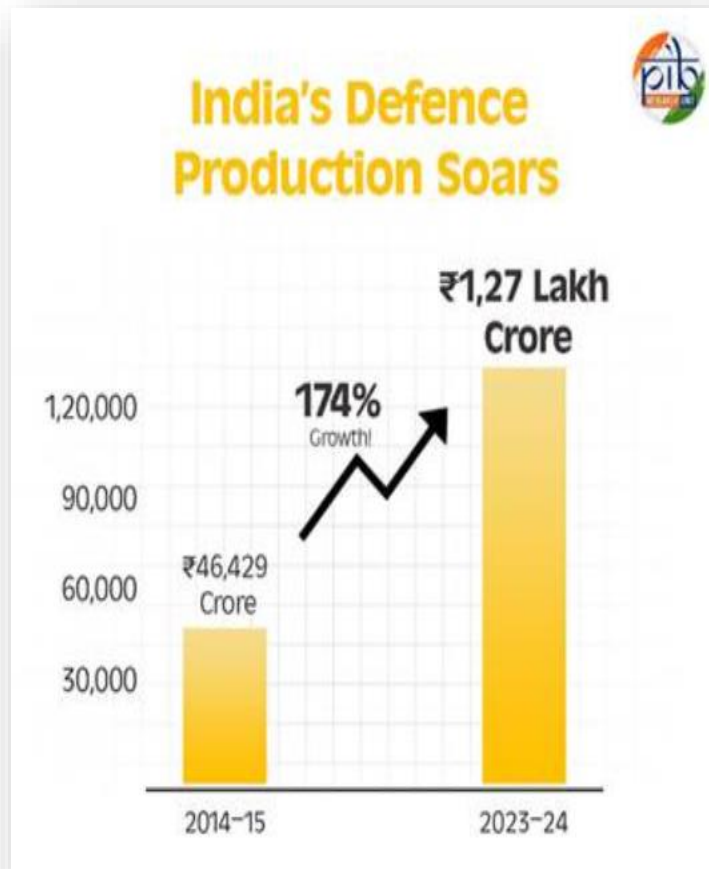
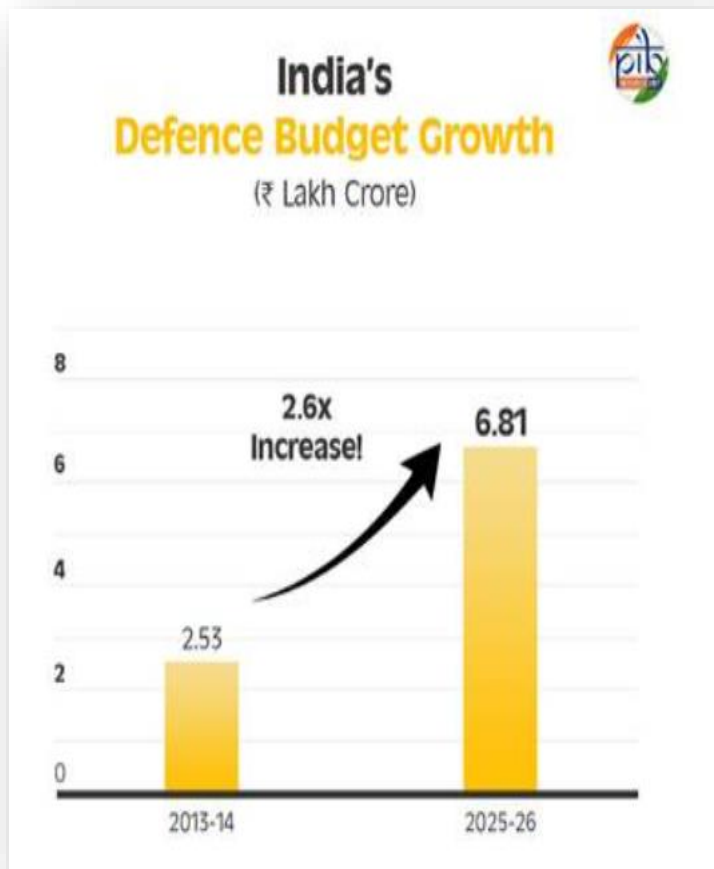
The boundaries used in this map do not imply any endorsement or acceptance by SIPRI.

Source: SIPRI Military Expenditure Database, Apr. 2025.



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (1/10)

Story in Charts



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES

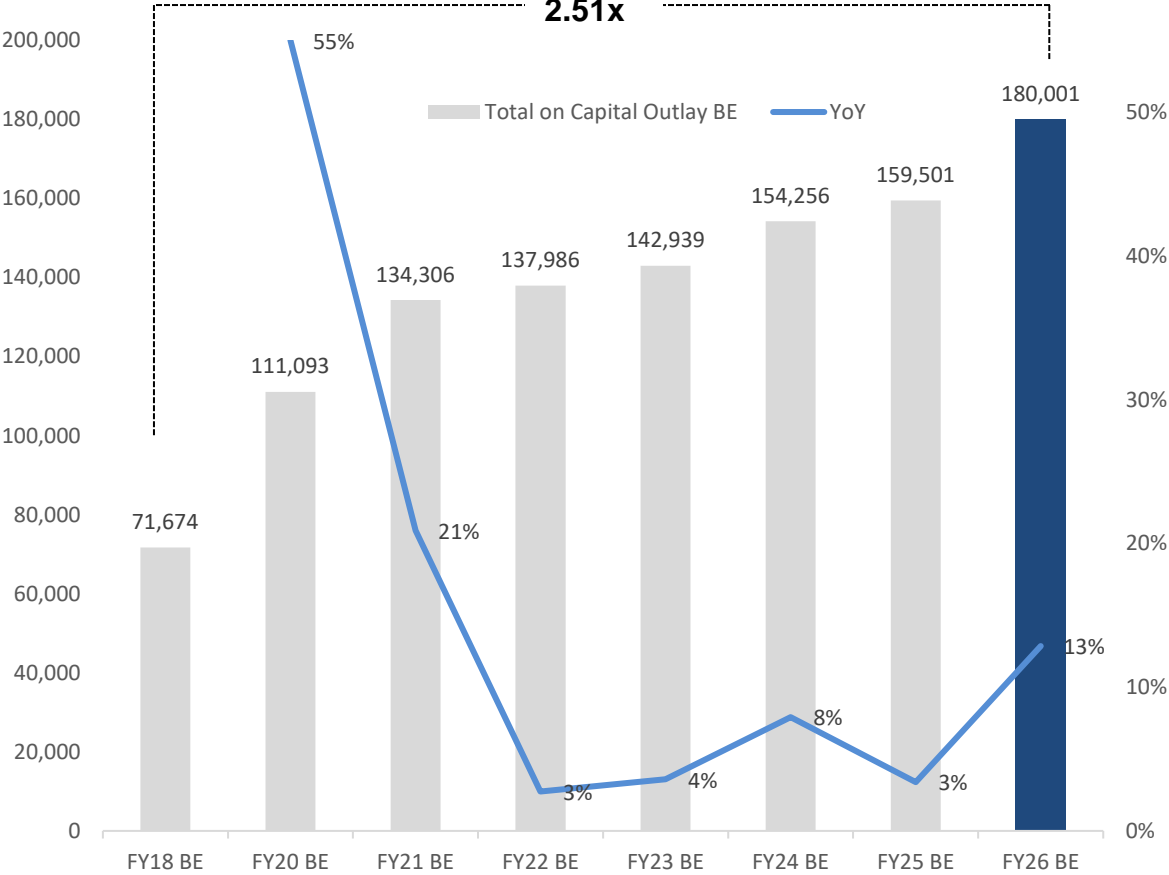
(2/10)

All Figures in INR Crores

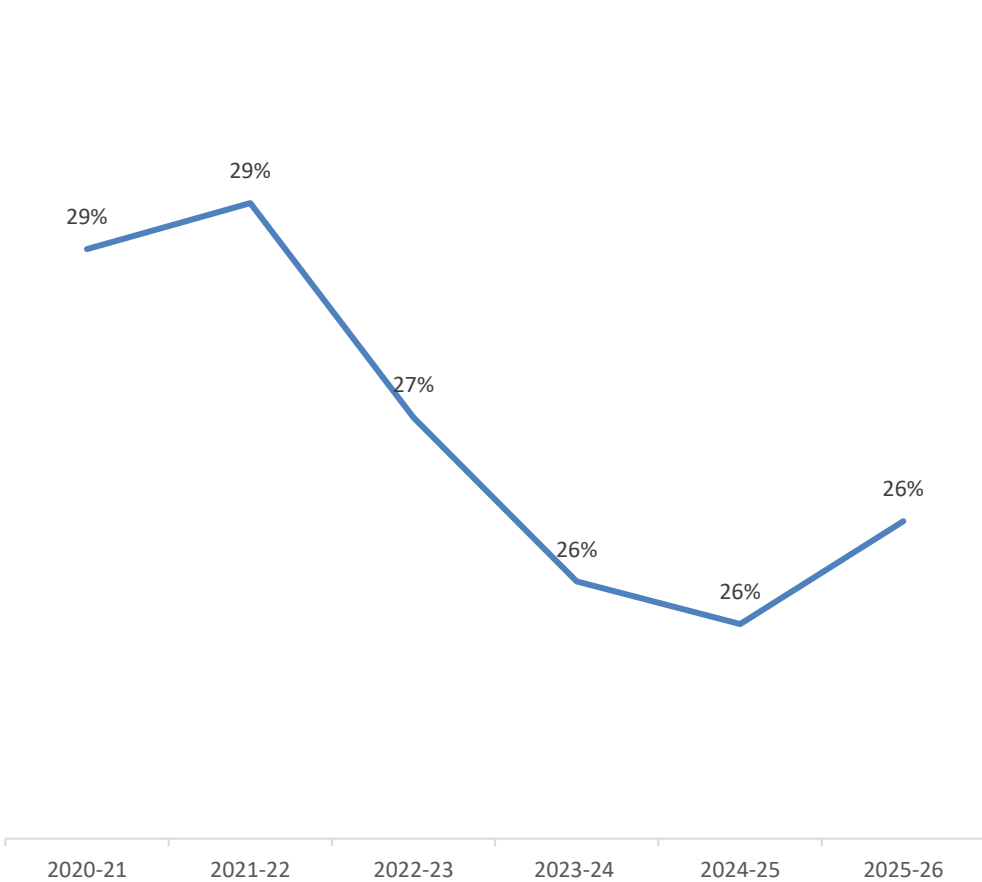
Story in Charts

Capital Acquisition Outlay

2.51x



Capital Outlay as a % of Defence Budget

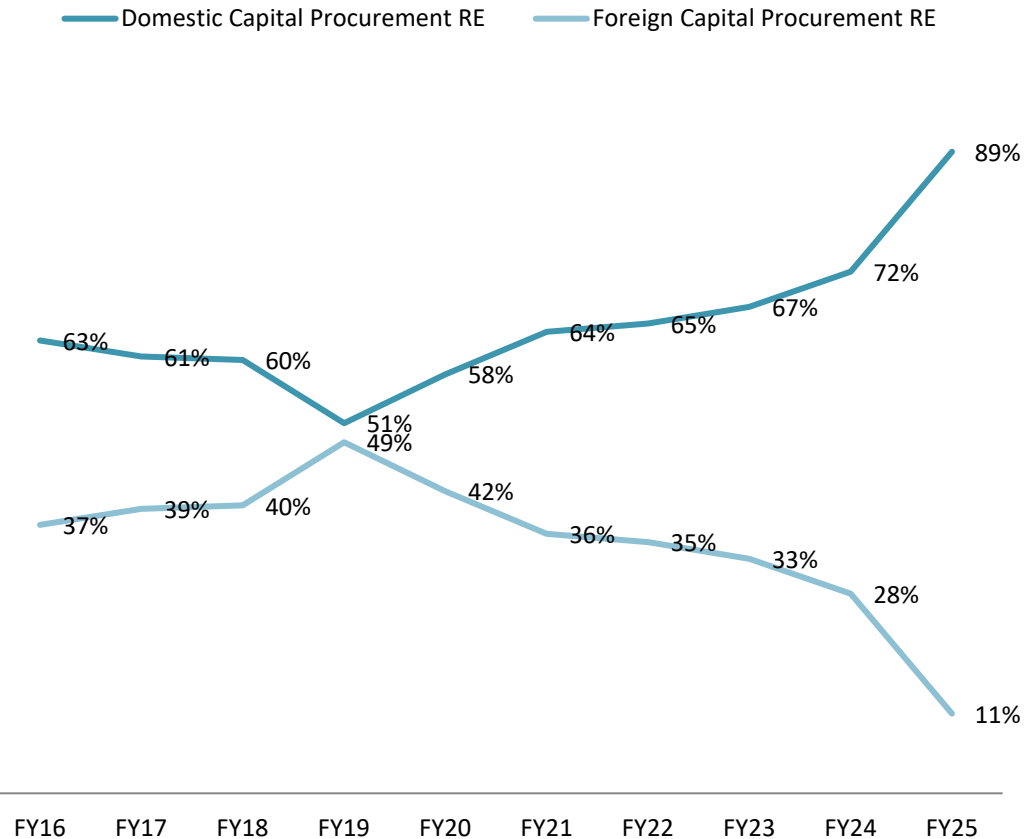


MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (3/10)

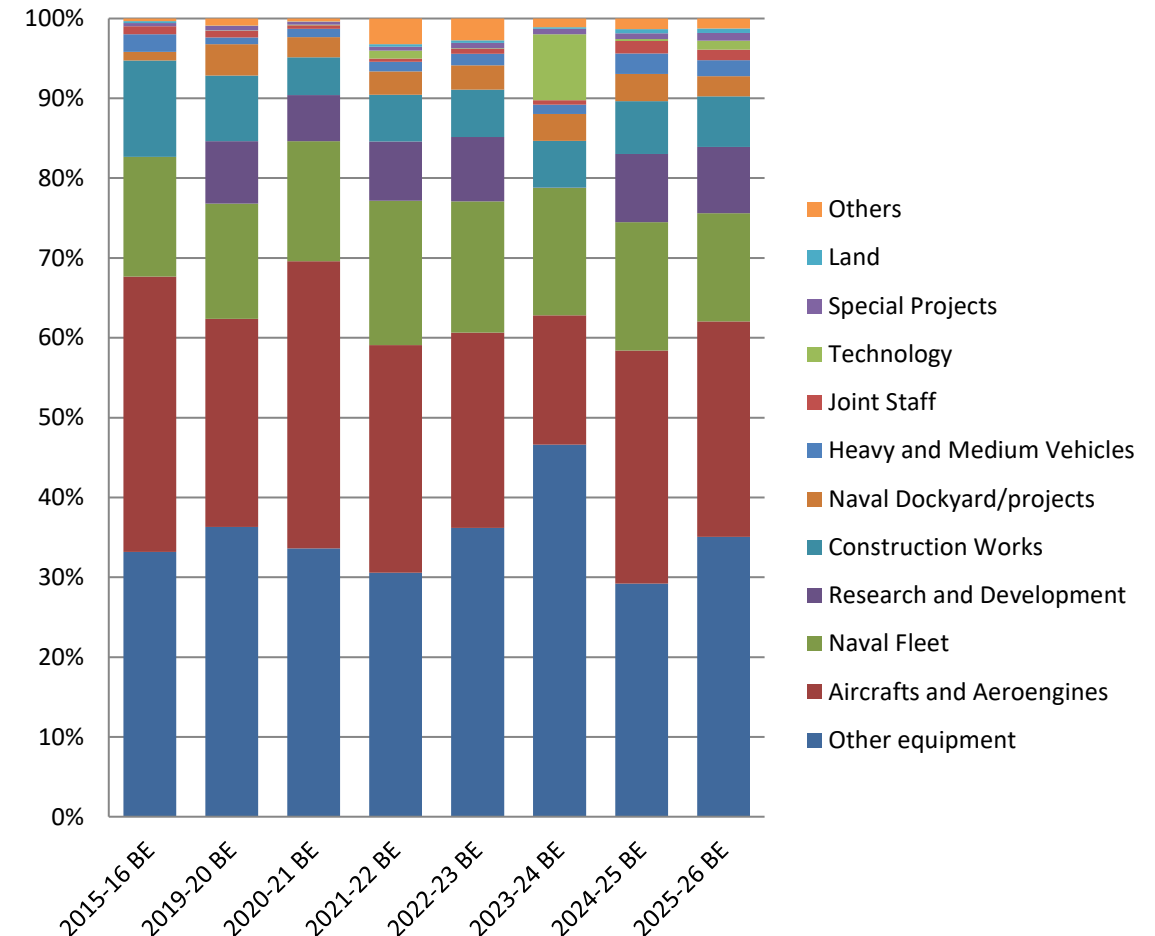
All Figures in INR Crores

Story in Charts

Breakup of Total Capital Acquisition Outlay



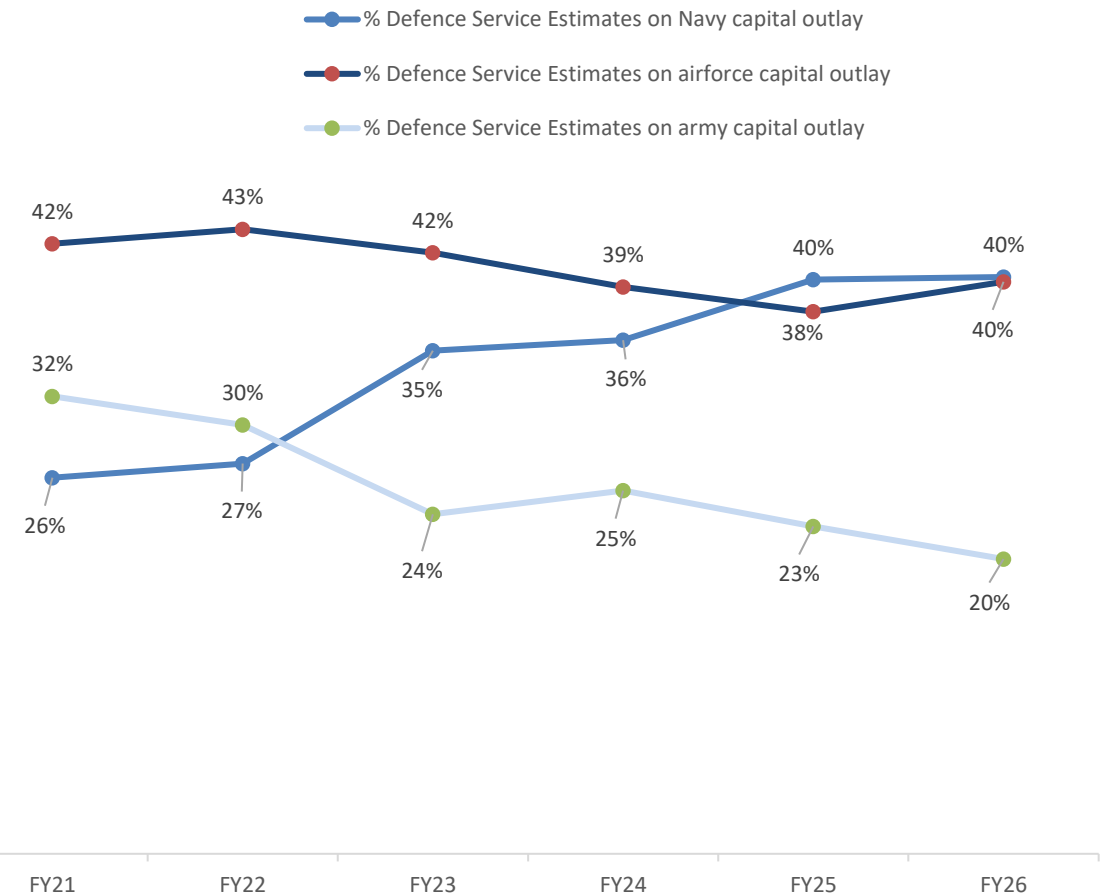
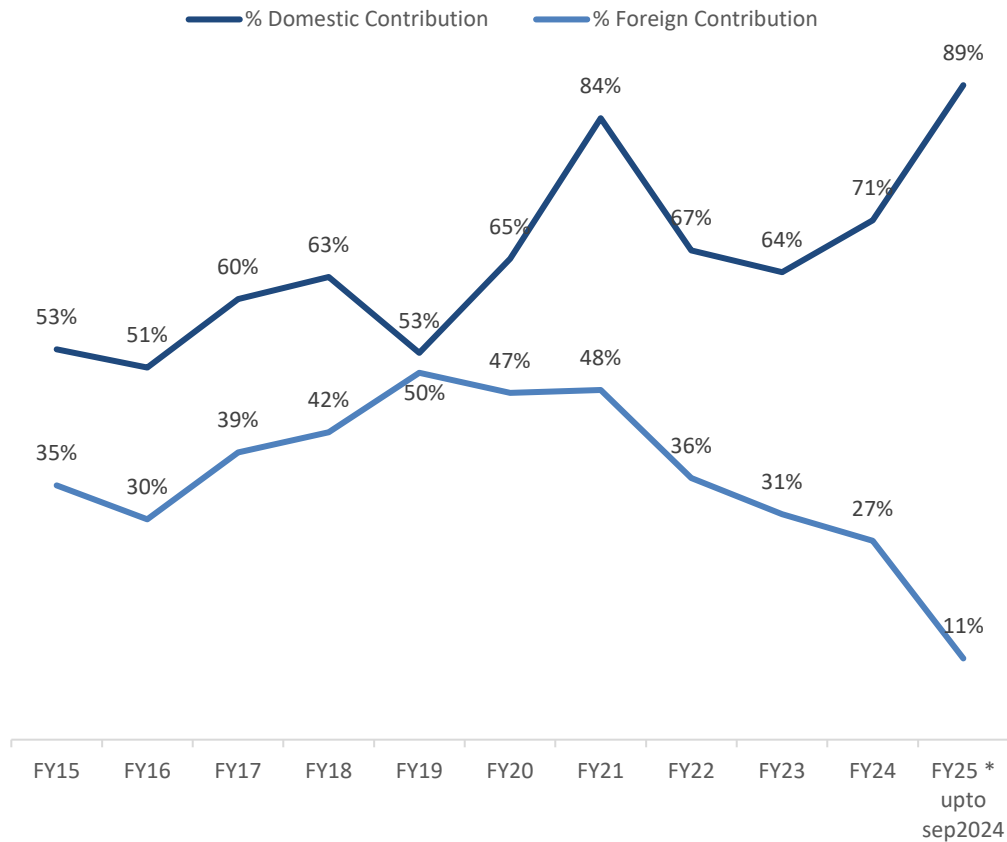
Composition of Capital Acquisition Outlay



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (4/10)

Story in Charts

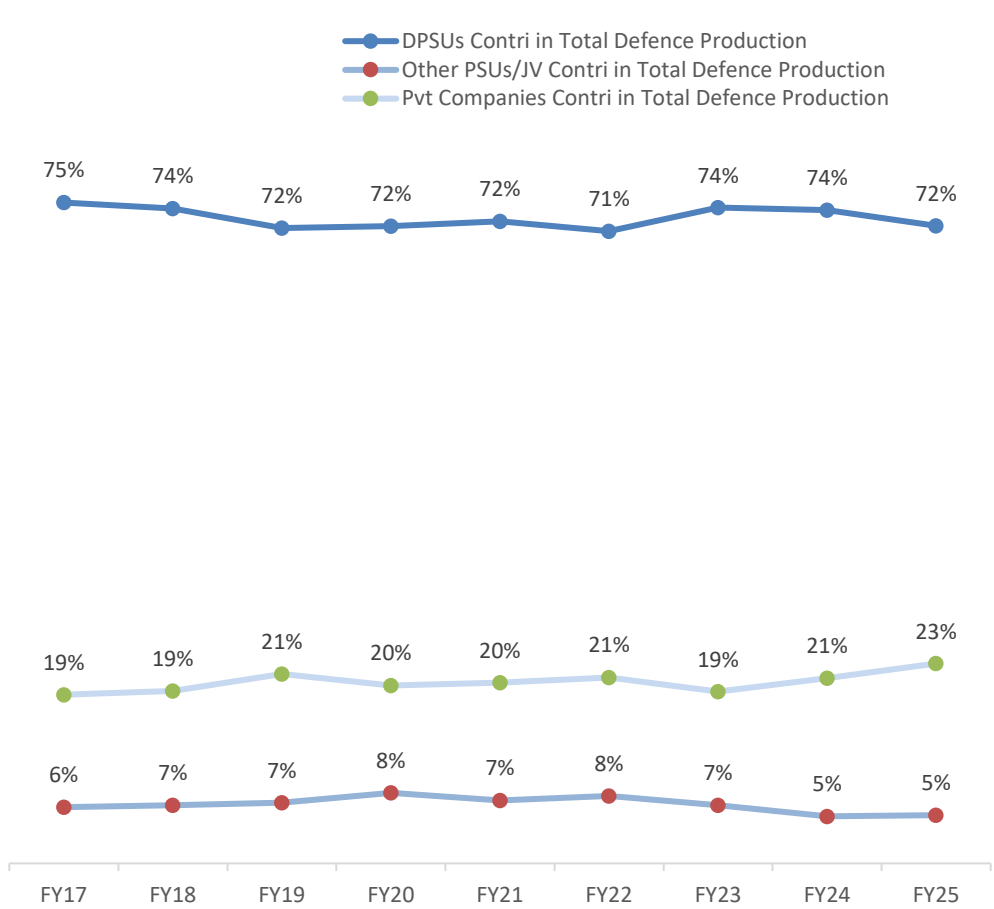
Breakup of Total Capital Outlay in Modernization



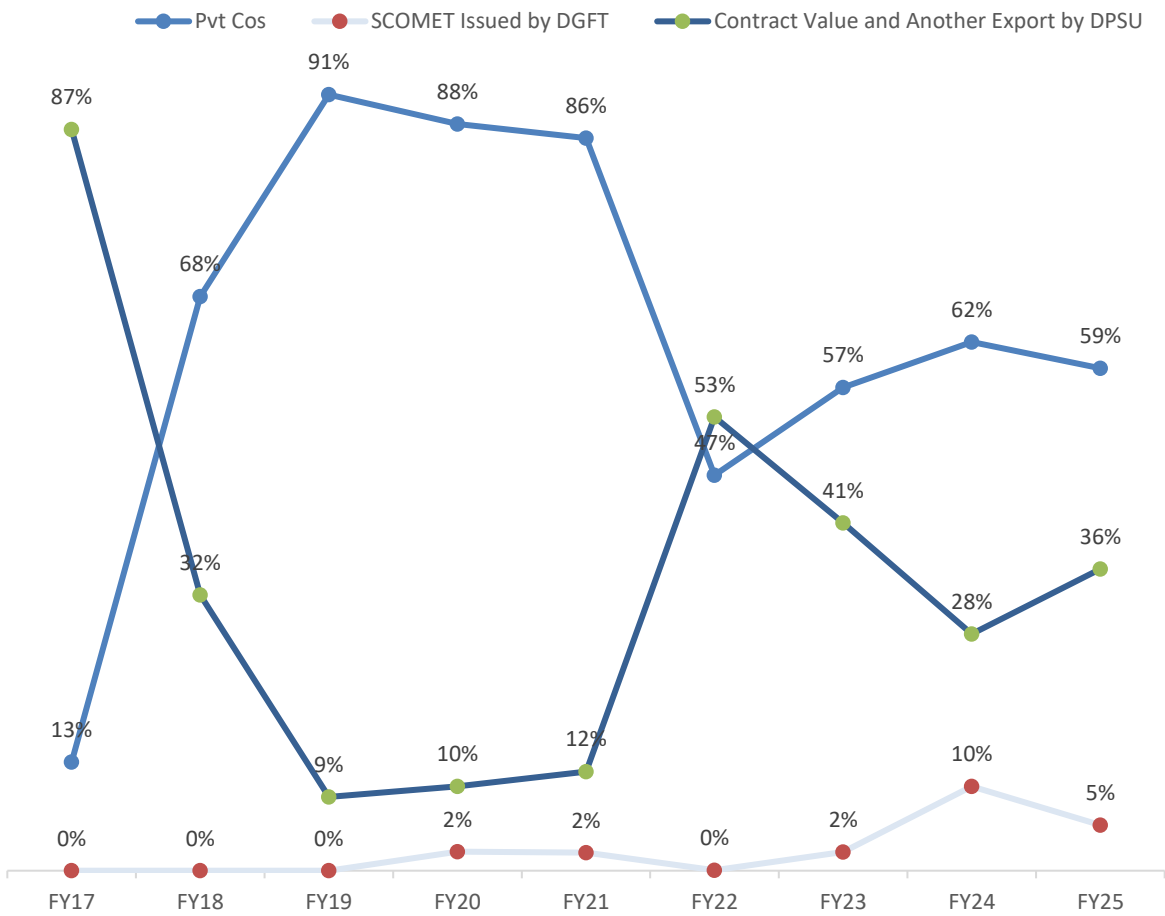
MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (5/10)

Story in Charts

Composition of Defence Production



Composition of Export Production



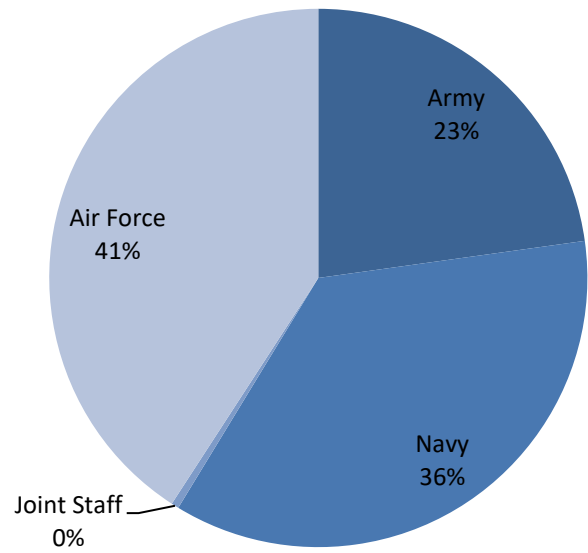
MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES

(6/10)

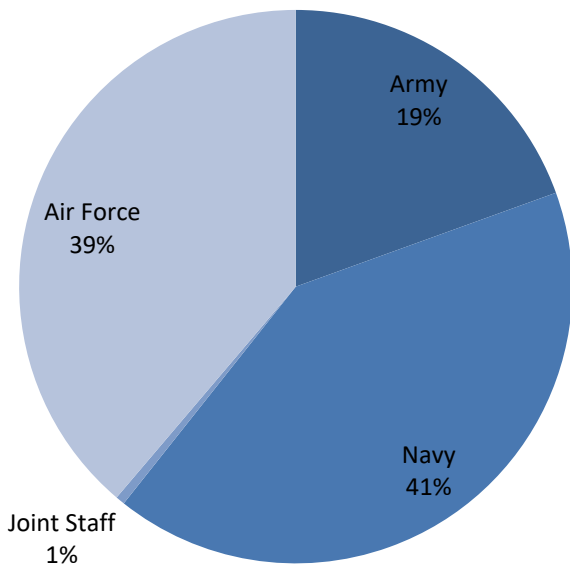
Story in Charts

Composition of Capital Acquisition Outlay among Services*

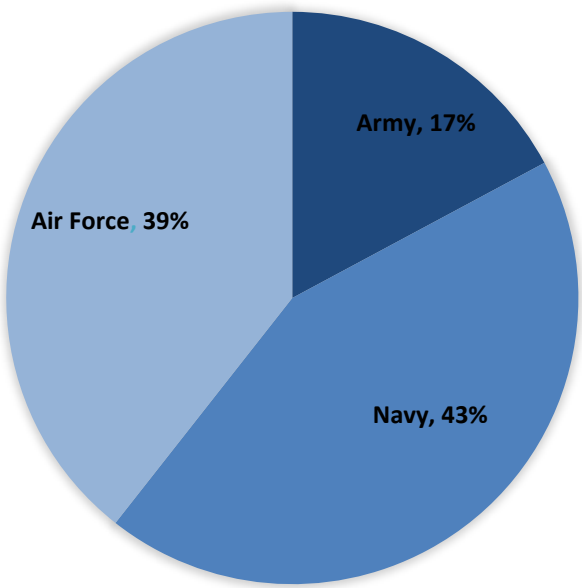
FY24



FY25



FY26



*excludes other than Capital Acquisition and DRDO, DGQA etc



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (7/10)

India

In pursuance of Prime Minister **Shri Narendra Modi**-led Government's vision of '**Viksit Bharat @ 2047**' with technologically-advanced and '**Aatmanirbhar**' Armed Forces, **Union Budget of India** has made a provision of **Rs 6,81,210.27 crore for Financial Year (FY) 2025-26** for the Ministry of Defence (MoD). This allocation is **9.53% more than** the Budgetary Estimate of FY 2024-25 and stands at **13.45% of Union Budget**, which is **highest among the Ministries**.

- Out of this, **Rs 1,80,000 crore i.e. 26.43%** of total allocation will be spent on **Capital Outlay** on Defence Services.
- The Ministry has taken a decision to **observe 2025-26 as 'Year of Reforms'** which will further strengthen the resolve of the Government for modernization of Armed Forces and is aimed for simplification in the Defence Procurement Procedure to ensure optimum utilization of the allocation.
- In order to encourage the private sector for manufacturing and technological development in the defence sector, a notable percentage of domestic share is further earmarked for acquisition from domestic private industries. Accordingly, for **FY 2025-26, Rs 1,11,544.83 crore i.e. 75% of modernization budget has been earmarked for procurement through domestic sources and 25% of domestic share i.e. Rs 27,886.21 crore** has been provisioned for procurement through domestic private industries.

As the nation aims for **₹3 lakh crore in defence production and ₹50,000 crore in exports by 2029**, these achievements highlight India's emergence as a reliable defence partner worldwide. By leveraging innovation, strategic partnerships, and indigenous capabilities, India is well-positioned to play a pivotal role in the future of global defence manufacturing and security.



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (8/10)

Triggers

- In recent years, the global geopolitical landscape has witnessed multiple instances of **armed conflict and rising tensions, including but not limited to the Russia–Ukraine war, Armenia–Azerbaijan conflict, China–Taiwan tensions, Israel–Iran issues, and India–Pakistan skirmishes.**
- India, in particular, **is in the process of modernizing its defence capabilities, as approximately two-thirds of its military equipment is currently classified as vintage.**

A Timely boost from the Government of India

- Amid the ongoing Operation Sindoor against Pakistan, the defense forces set to **get big boost of around INR 40,000 crores to buy arms and ammunition. The approval for the acquisitions under emergency powers was granted recently by the Defence Aquisition Council** in its meeting attended by top defence ministry and military brass, defence officials told ANI
- **DAC clears 10 capital acquisition proposals worth approx. Rs 1.05 lakh crore under Buy (Indian-IDDM) category.**
- **India Opens Missile And Ammunition Manufacturing To Private Sector for Long-Term Firepower Readiness**
- **DAC clears proposals worth Rs 67,000 crore to enhance operational capability of the Armed Forces**
- **Defence ministry clears procurement of equipment worth Rs 79,000 crore for armed forces**



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (9/10)

Strategic Response:

- The Ministry of Defence **has decided to observe 2025 as the 'Year of Reforms'**. According to the Ministry, this would aim to transform the armed forces into a technologically advanced and combat-ready force. The areas identified for focused intervention in 2025 include:
 - (i) bolstering **jointness and integration to facilitate setting up of integrated theatre commands**,
 - (ii) focusing on new domains such as **cyber and space, artificial intelligence, and robotics**,
 - (iii) **simplifying acquisition procedures**, and
 - (iv) facilitating **technology transfer and knowledge sharing between the defence sector and civil industries**.
- **Structural Reforms Driving 'Atmanirbhar Bharat'**- The Government of India has initiated several strategic reforms aimed at enhancing **self-reliance in defence production and reducing dependency on imports. The Make-in-India, Atmanirbharta, in defence is being aggressively pushed at the highest levels. Defence imports not only take away large chunks of foreign exchange but also perennially put the nation at the mercy of foreign powers.**

Key initiatives include:



Positive Indigenization Lists: The Ministry of Defence has released its fifth Positive Indigenization List (PIL), comprising 98 high-complexity systems, sensors, weapons, and ammunition. These items will be procured exclusively from domestic sources under the Defence Acquisition Procedure (DAP) 2020 within a defined timeline.



Dedicated Budget Allocation for Domestic Industry: In FY 2023–24, a record 75% (approximately ₹1 lakh crore) of the defence capital procurement budget has been allocated for domestic industry, up from 68% in the previous fiscal year.



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (10/10)



Enhanced Foreign Direct Investment (FDI) Limits: FDI in the defence sector has been liberalized—up to 74% is permitted under the automatic route, and up to 100% under the government route.



Establishment of Defence Corridors: Two dedicated Defence Industrial Corridors have been established in Uttar Pradesh and Tamil Nadu, with the objective of minimizing imports and boosting defence exports.



The 'Make in India' initiative of the Government of India, aims to promote the manufacturing sector and increase the contribution of manufacturing output to 25% of GDP. **Defence sector is prominent among the 25 sectors of industry covered under the 'Make in India' initiative. The provision of 'Make' category of capital acquisition is a vital pillar for realizing the vision behind the 'Make in India' initiative.**



Government has notified the **'Strategic Partnership (SP)' Model in May 2017**, which envisages establishment of **long-term strategic partnerships with Indian entities through a transparent and competitive process**, wherein they would tie up with **global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.**



DPP-2016 has been revised as Defence Acquisition Procedure (DAP)- 2020, which is driven by the tenets of Defence Reforms announced as part of 'Aatmanirbhar Bharat Abhiyan.



GST removed on missiles launched from ship-launched missiles, underwater vessels, >100 mm calibre rockets etc. GST on UAVs has been sharply cut to 5 per cent from 28–18 per cent.

India ranks approximately 4th to 7th globally in missile technology, excelling in ICBMs, cruise missiles, and ABM systems, with hypersonic advancements closing gaps with leaders. Its indigenous focus and strategic deployments make it a regional powerhouse, though scaling production and mastering hypersonic systems are critical for climbing higher.



MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (1/2)

The **explosive market size** is expected to see strong growth in the next few years. **It will grow to \$9.37 billion in 2029 at a compound annual growth rate (CAGR) of 8.8%.** The surge in government spending on the defense sectors in various countries including The USA, China, India, Russia, The UK and France is projected to be a major driver for the growth of the explosive market during the period. The growth in the forecast period can be attributed to an increase in territorial and political conflict, global population growth and urbanization, increasing infrastructure development expenditure by governments and increasing construction activities.

Trigger

- Blessing in Disguise: Geopolitical tensions and global trade restrictions have intensified supply chain disruptions, resulting in delayed production timelines and critical shortages of explosives.

Results

- Ministry of Defence has inked contracts with Economic Explosive Limited (EEL) and Munitions India Limited (MIL) for the procurement of Area Denial Munition (ADM) Type-1 (DPICM) and High Explosive Pre Fragmented (HEPF) Mk-1 (Enhanced) rockets respectively for PINAKA Multiple Launch Rocket System (MLRS) at a total cost of Rs 10,147 crore.
- The New Anchor Mega Project entails an investment of INR 12780 crores and falls under the “Thrust Sector Incentive Scheme” of the Government of Maharashtra in the Defence and Aerospace category.



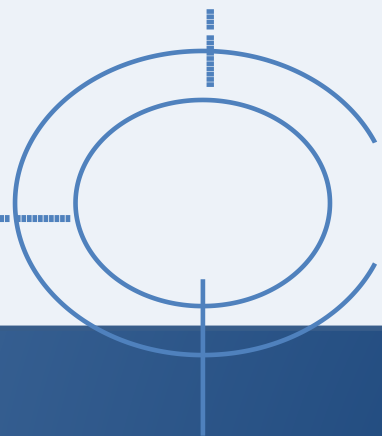
MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (2/2)

- A surge in global demand for explosives and ammunition, fed by ongoing conflicts in Europe and West Asia, has resulted in record Indian defence exports, with the figure crossing ₹23,622 crore in 2024-25.
- State-owned defence public sector units have recorded a 42.8% surge in exports, reaching a high of ₹8,389 crore in the financial year. A large part of these too are for explosives and parts for ammunition, particularly for artillery which is in big demand in Europe.

Sources

[https://www.thebusinessresearchcompany.com/report/explosives-global-market-report#:~:text=What%20is%20The%20Explosives%20Market,\(CAGR\)%20of%208.7%25.](https://www.thebusinessresearchcompany.com/report/explosives-global-market-report#:~:text=What%20is%20The%20Explosives%20Market,(CAGR)%20of%208.7%25.)
<https://pib.gov.in/PressReleasePage.aspx?PRID=2100335>
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<https://www.sipri.org/media/press-release/2025/nuclear-risks-grow-new-arms-race-looms-new-sipri-yearbook-out-now>
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<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2152742>
<https://www.newindianexpress.com/nation/2025/Oct/23/defence-ministry-approves-procurement-proposals-worth-rs-79000-crore>





INORGANIC GROWTH



RECENT STRATEGIC ACQUISITION- UNLOCKING VALUE (1/2)

Apollo Defence Industries Pvt Ltd (ADIPL), a subsidiary of Apollo Micro Systems Ltd, has entered into a Share Purchase Agreement to **acquire** 100% equity stake in IDL Explosives Ltd for a total consideration of **INR 107 crore**, in an **all-cash transaction**.

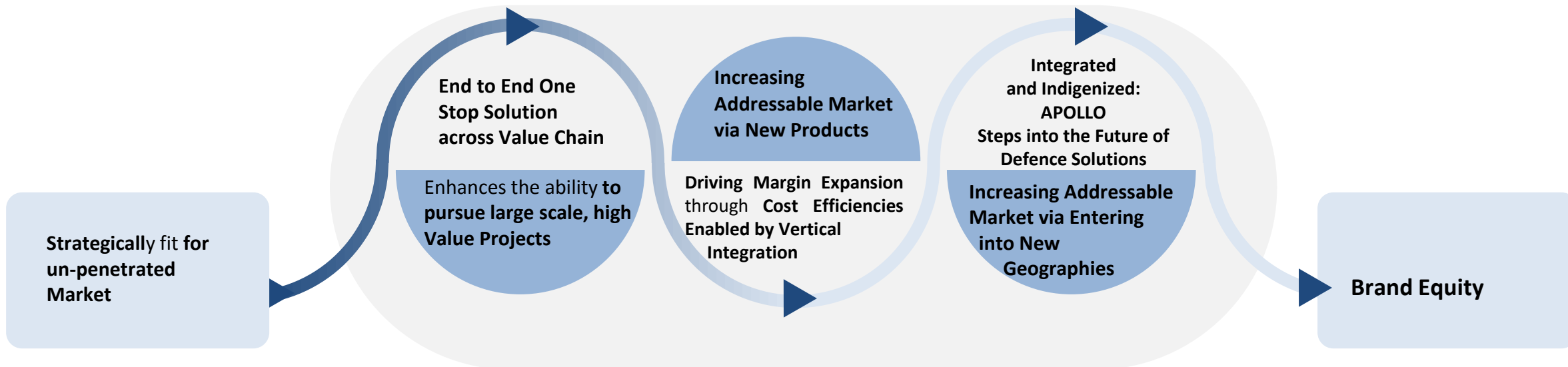
The company is engaged in the manufacture full range of packaged and bulk explosive specifically engineered for mining and infrastructure projects. Moreover, it also offers an extensive range of cartridge explosives

GOCL Corporation Limited (GOCL), formerly Gulf Oil Corporation Limited, was incorporated in 1961 as Indian Detonators Ltd. (IDL), in Hyderabad. The company is the **First Indian owned explosive company and is a part of the “Hinduja Group”** which is one of the largest diversified transnational conglomerates with investments across **several sectors and a presence in over a 100 countries**.

GOCL is a **Star House exporter of energetic and commercial explosive products to over 20 countries**.

The acquired entity possesses a substantial land bank comprising of which **only around 40% has been utilized**. This provides significant potential for brownfield expansion, enabling **future capacity enhancement with minimal incremental capital expenditure and considerable scope for our defence requirement**.

The company is **engaged in the manufacture full range of packaged and bulk explosive specifically engineered for mining and infrastructure projects**.



TURNING NEAR TERM CHALLENGES INTO OPPORTUNITIES (2/2)

While the near term presented headwinds — including volatility in gross margins, a temporary ban by our highest revenue-contributing customer, and underutilized capacity — each of these challenges is being actively transformed into a driver of future growth.

Securing alternative procurement of key raw materials
for balanced approach, cost fluctuations, local security
of supply

**Implementing vigilant tracking of raw material price
movements** to protect margins

**Gross Margin recovery through better cost control and
pricing discipline**

Removal of Ban from Coal India

**A growth surge fueled by the return of significant
orders from Coal India**, which has historically been the
largest contributor to IDL's revenue.

**Entering into military explosives manufacturing ,
expanding our addressable market**

**Capacity conversion into revenue generating
production through long term contracts and new
military segment wins.** Defence license for explosives
has been applied for.





OUR CIRCLE OF COMPETENCE

OUR STRATEGIC ATTRIBUTES (1/4)

The only Indian company with a demonstrated, proven track record of supplying solutions from small systems to complete platforms — including explosives.

The only company in India that has been associated with DRDO's weapon system platforms for over four decades, enriched with a rich legacy of technical know how expertise in the development and manufacturing curve of weapon system platforms

The only company with highest participation in Indigenous Missile programs of DRDO

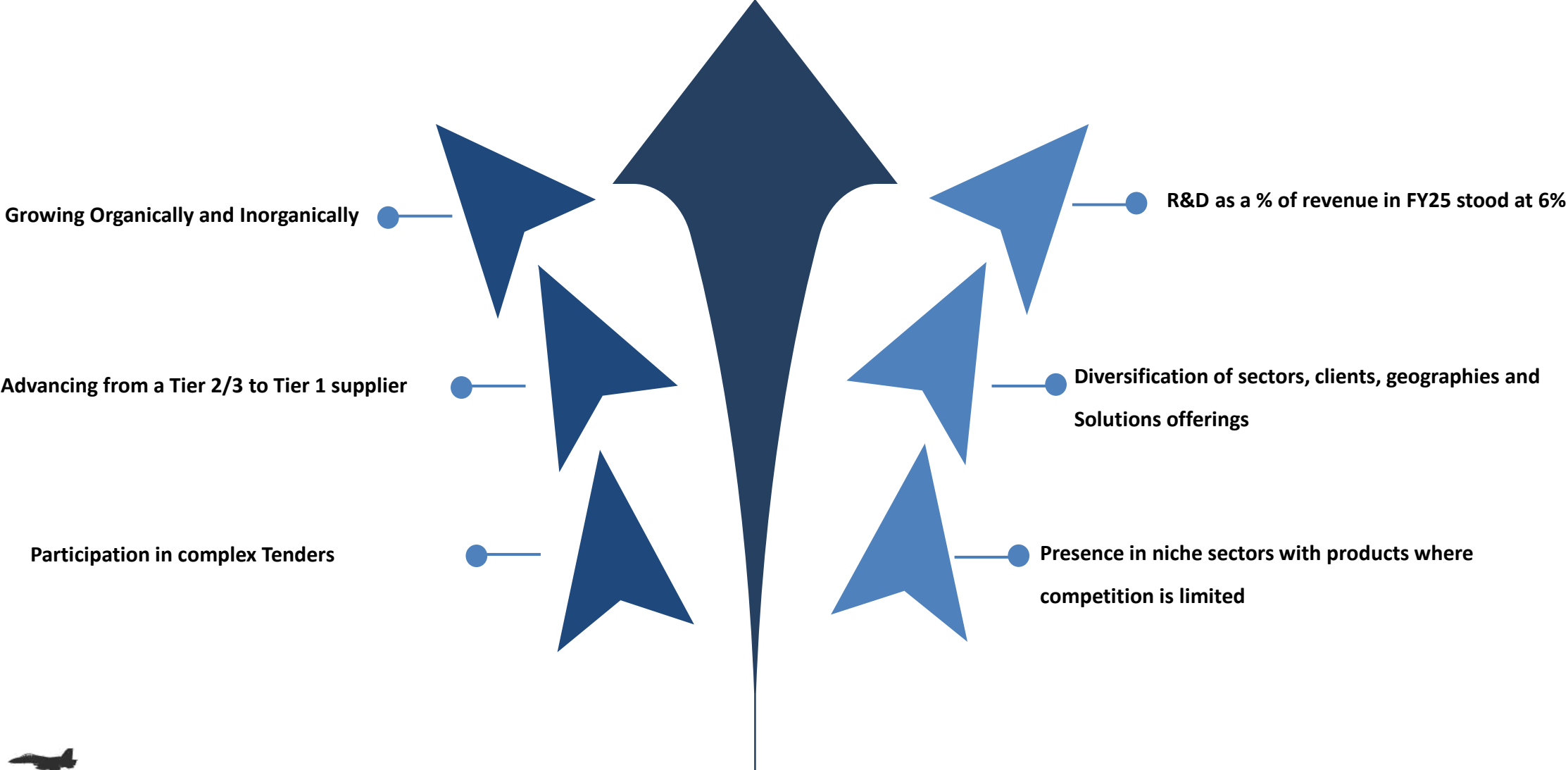
We design and manufacture systems, subsystems and weapons using in-house engineering from initial concept through production. No reverse engineering of third-party products is performed or relied upon. All designs are documented with traceable requirements, source artifacts, and verification records; IP ownership is retained by our company or explicitly assigned to the customer under contractual terms. This practice minimizes legal and export compliance risk, ensures repeatable manufacturing, and enables tailored lifecycle support and upgrades.

We ensure comprehensive protection of the nation against multi-domain threats—airborne, terrestrial, and maritime.

The only private public listed company in India having largest infrastructure including Research and Development capabilities



OUR STRATEGIC ATTRIBUTES (2/4)



OUR STRATEGIC ATTRIBUTES (3/4)

Backward and forward integration enabled through greenfield and brownfield expansions, along with a recent acquisition

High Entry Barrier

Significant Order Book Pipeline

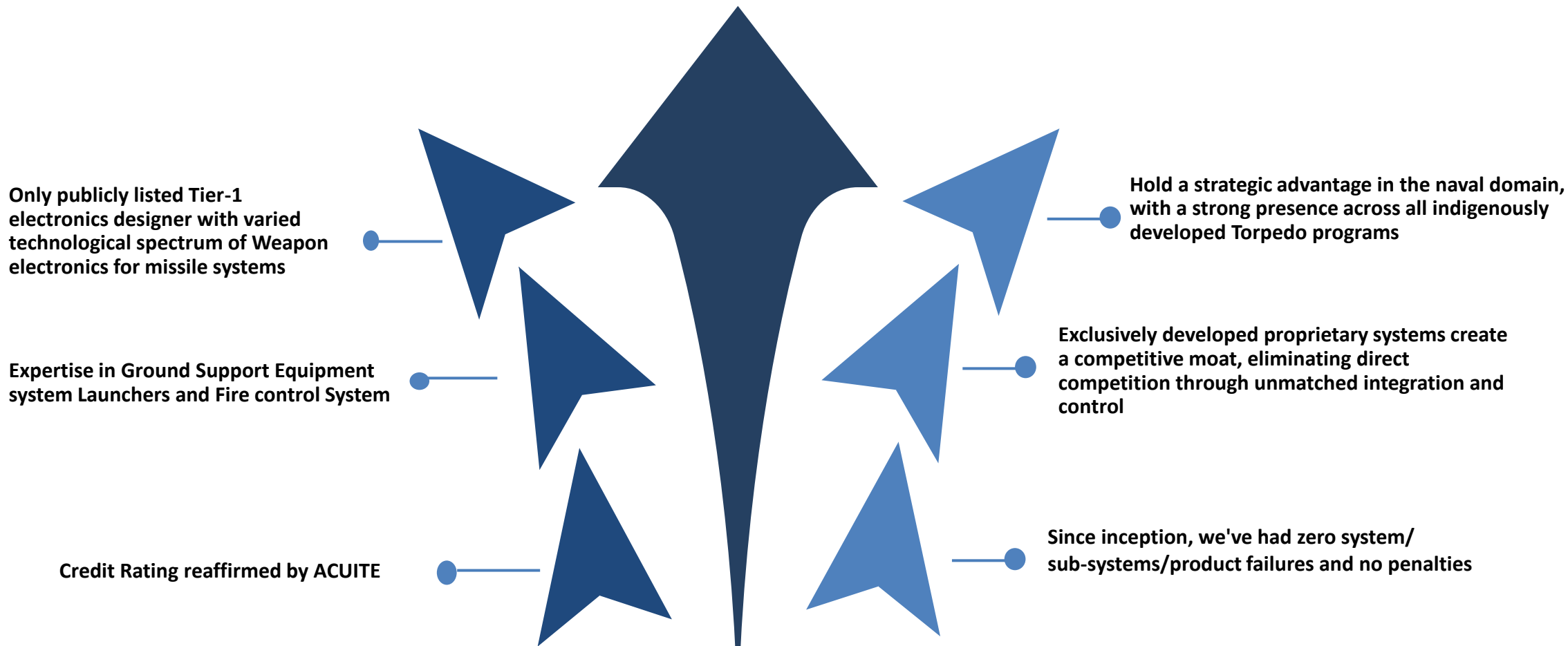
Entering production unlocks economies of scale

First Company to contribute to Indian Weapon Systems. Significant market share in development of Weapon System and Electronics.

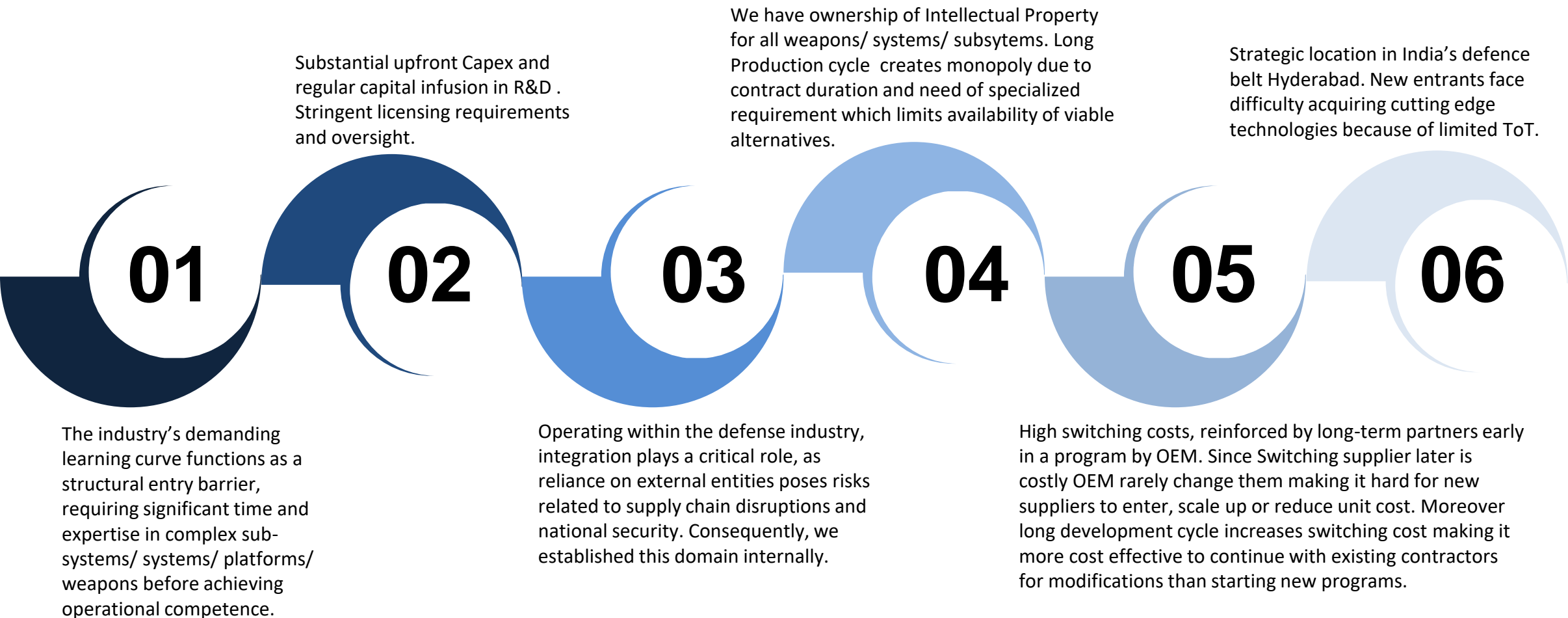
Research- Retention -Results mantra for 100% customer retention



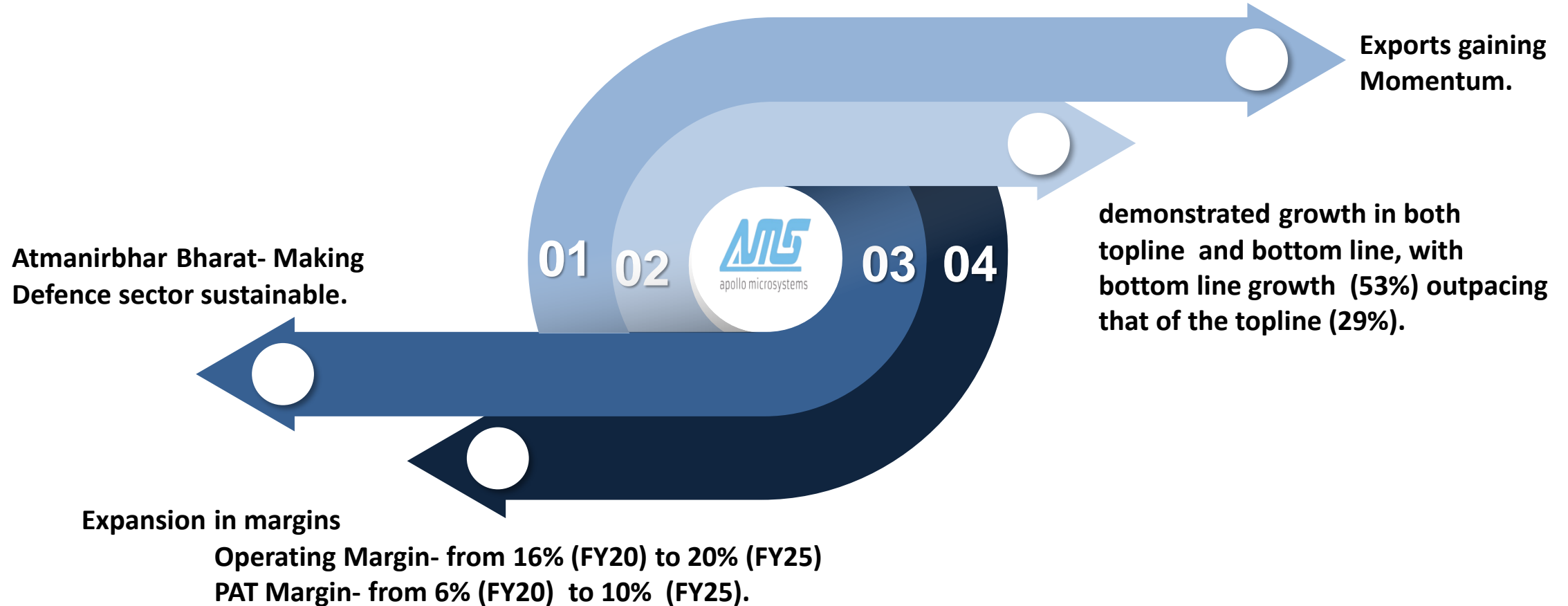
OUR STRATEGIC ATTRIBUTES (4/4)



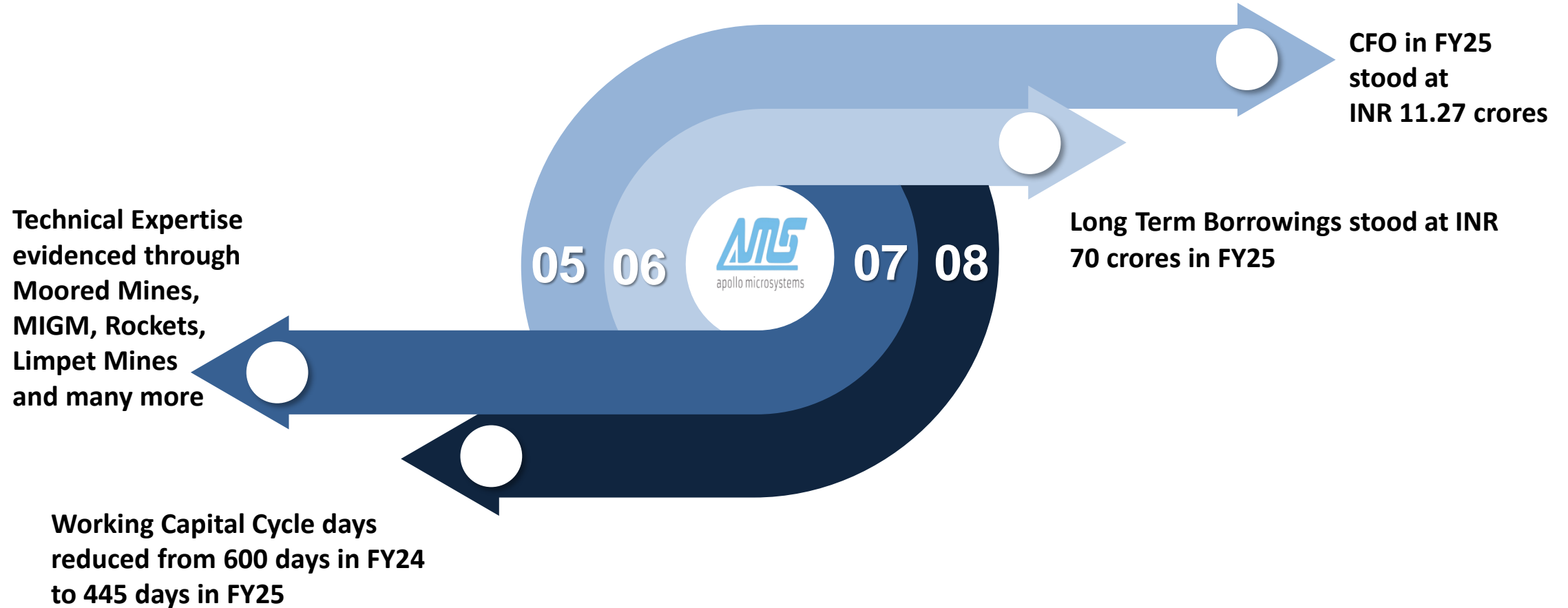
SIGNIFICANT ENTRY BARRIER EXPLAINED



DRIVERS, FINANCIAL RESILIENCE, REINFORCING MOMENTUM (1/2)



DRIVERS, FINANCIAL RESILIENCE, REINFORCING MOMENTUM (2/2)



CATALYST



**Reliance on INDIGENISTAION
for NATIONAL SECURITY**

**Export Opportunity.
Platform with long life creates
aftermarket opportunity.
Military Modernization programs.**



**WORLD Dynamic is CHANGING.
Alliances Are Pivotal in Shaping
Defense Spending.**

DEMAND Outpacing SUPPLY



DRIVING MUTUAL GROWTH



PUBLIC SECTOR PARTNERSHIPS: DRIVING MUTUAL GROWTH

- **Approved Collaborative R&D Partner for Bharat Electronics Limited**
- **Participation in 60+ programmes of DcPP as sub-system partner**
- **As a trusted partner of DRDO, we play key role in various active defence programs**

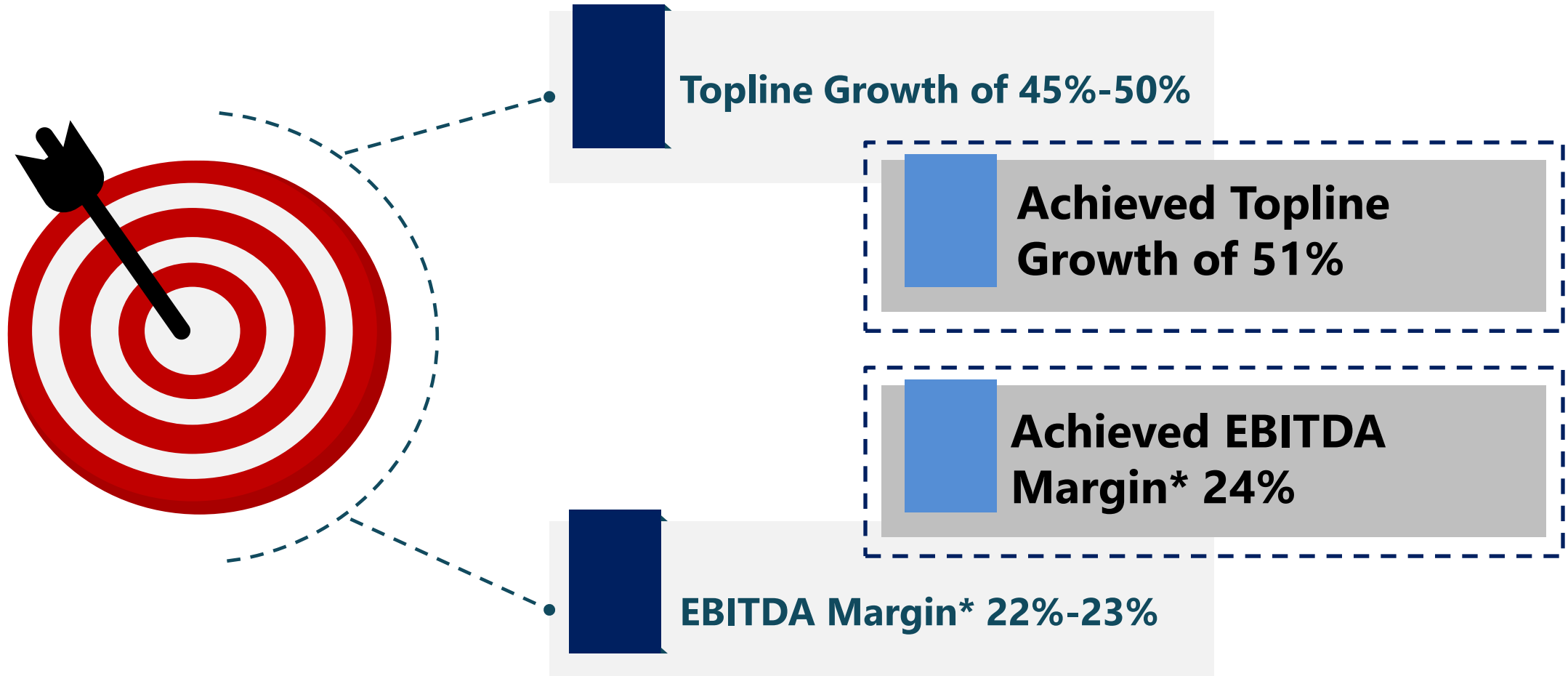




FINANCIAL PERFORMANCE



DELIVERING ON EVERY PROMISE- FY25

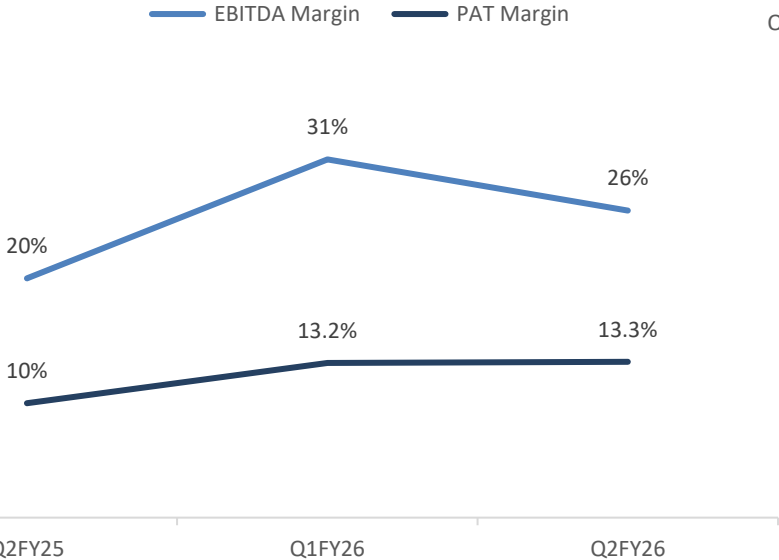
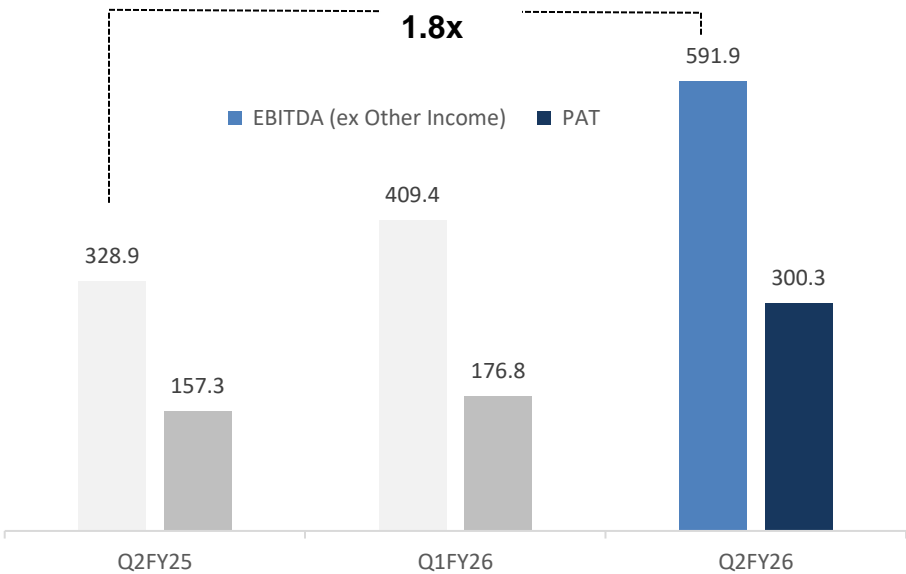
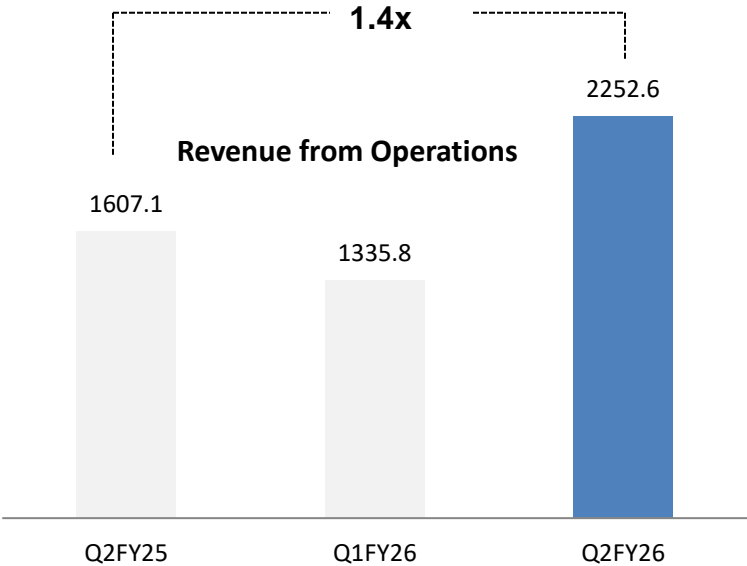


* Includes Other Income



FINANCIAL HIGHLIGHTS- Q2FY26 (CONSOLIDATED FIGURES)

(All Figures in Millions)

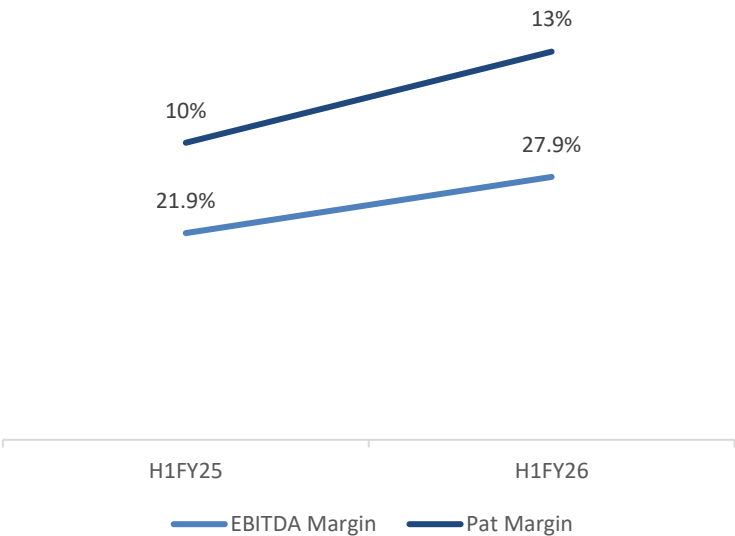
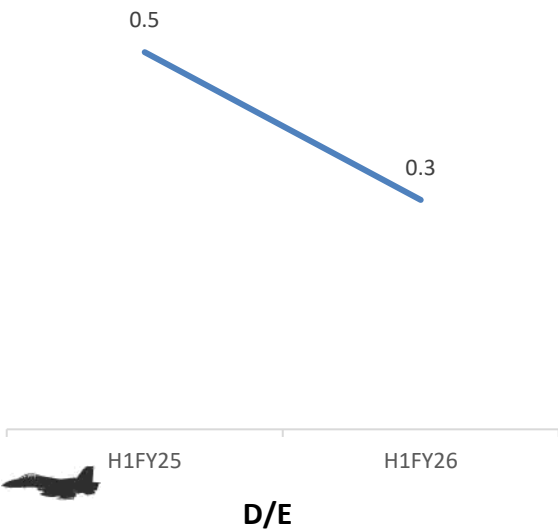
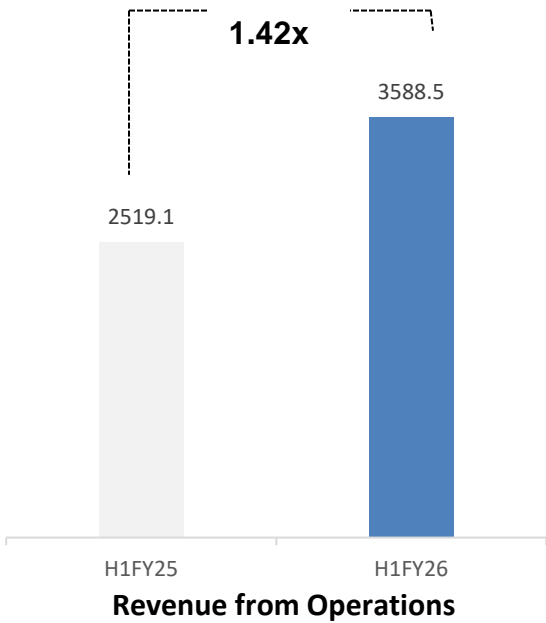


**Delivering Our Strong
SECOND Quarter
Performance**

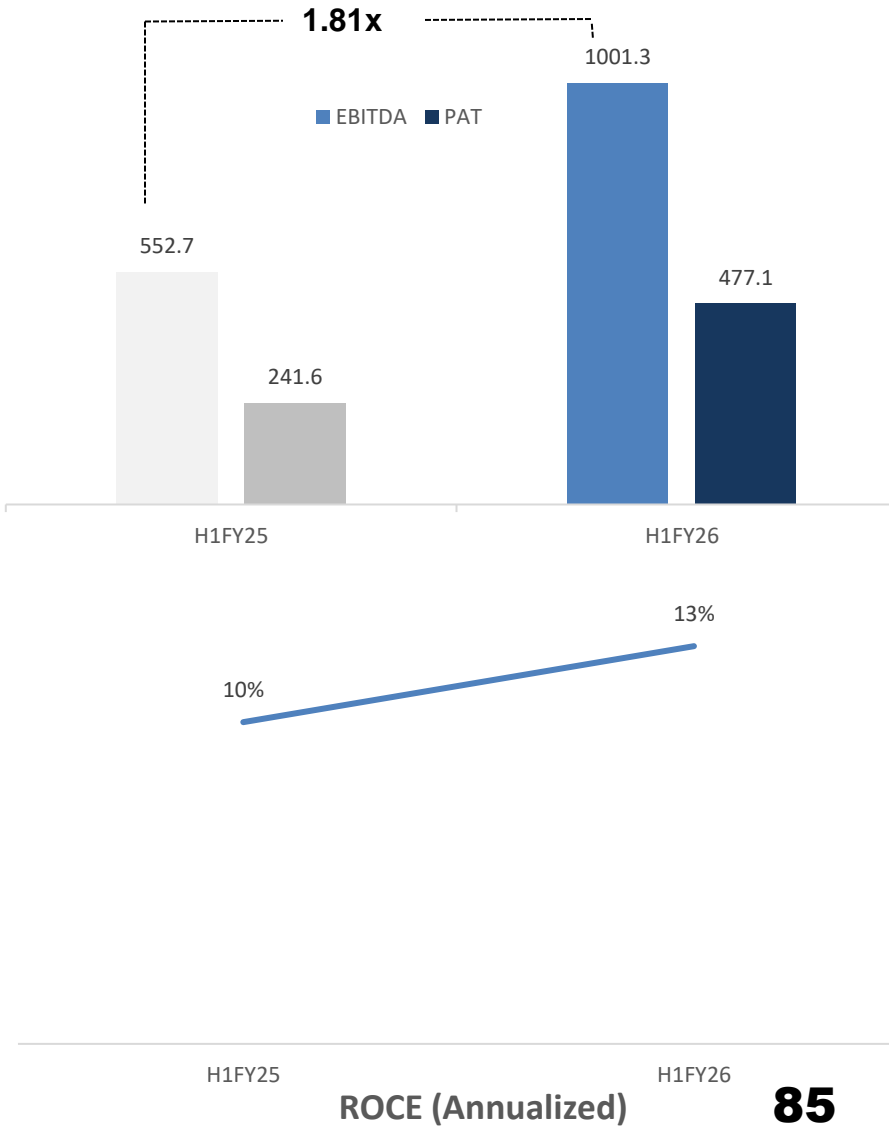


FINANCIAL HIGHLIGHTS- H1FY26 (CONSOLIDATED FIGURES)

(All Figures in Millions)



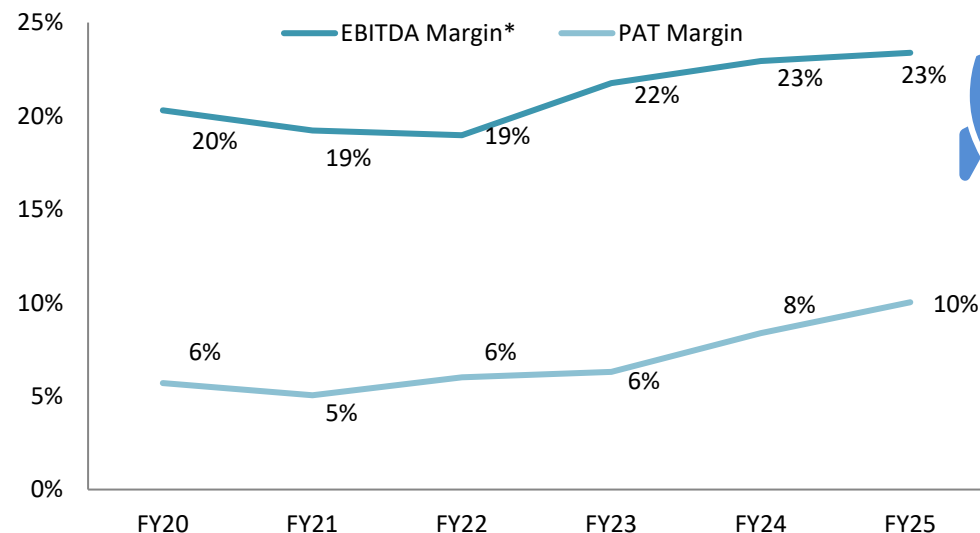
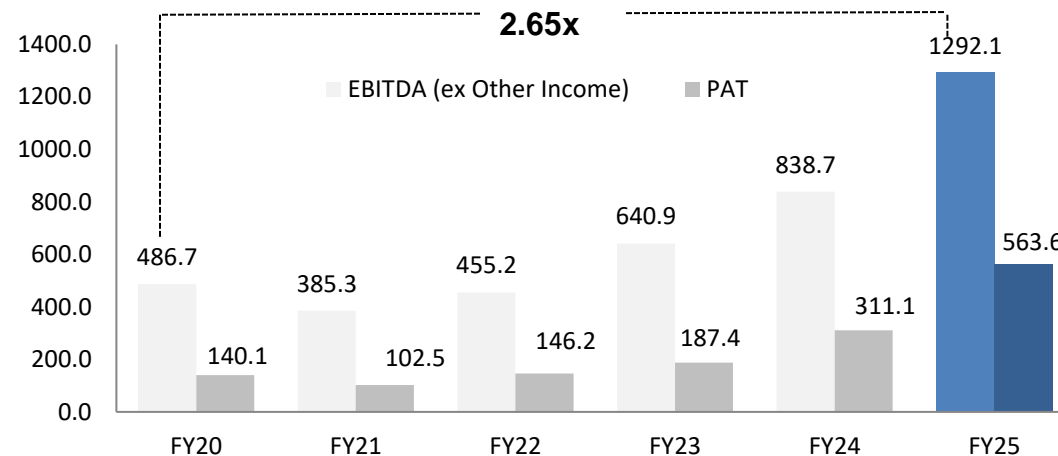
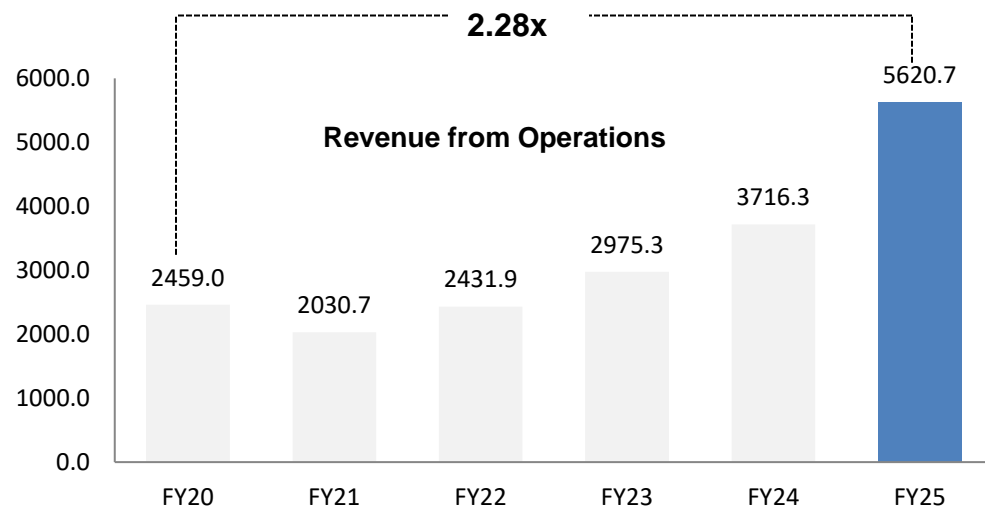
Delivering Strong Performance with improved Financial Metrics



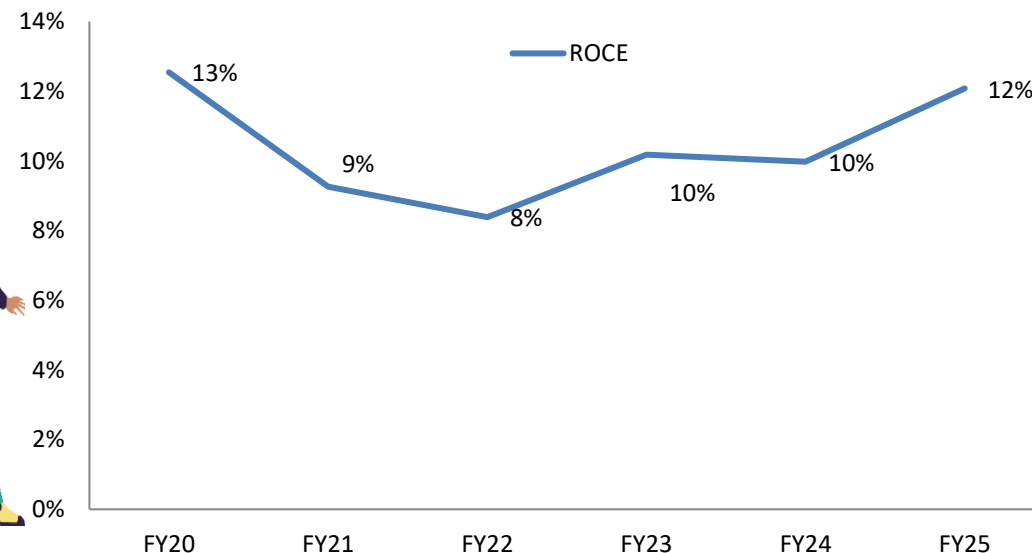
* Excluding Other Income

FINANCIAL HIGHLIGHTS- HISTORICAL (CONSOLIDATED FIGURES)

(All Figures in Millions)

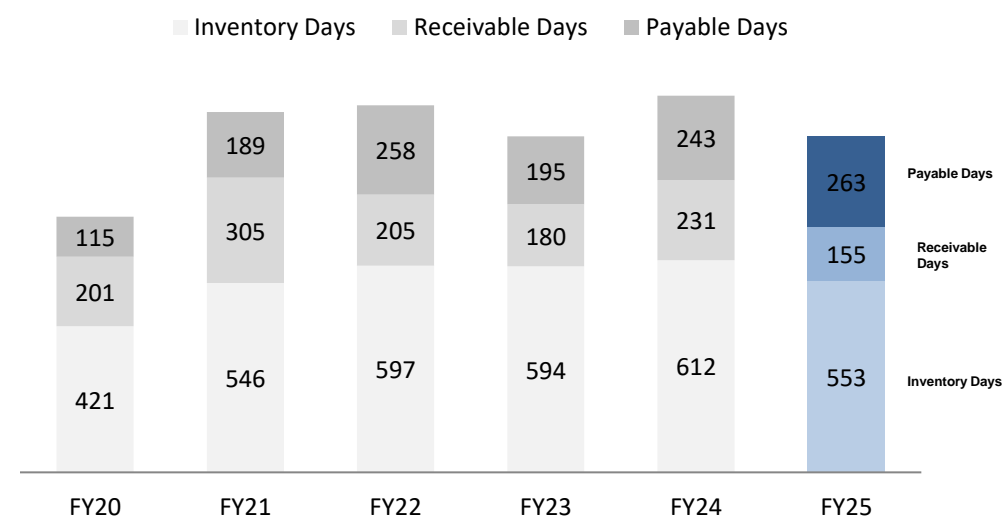
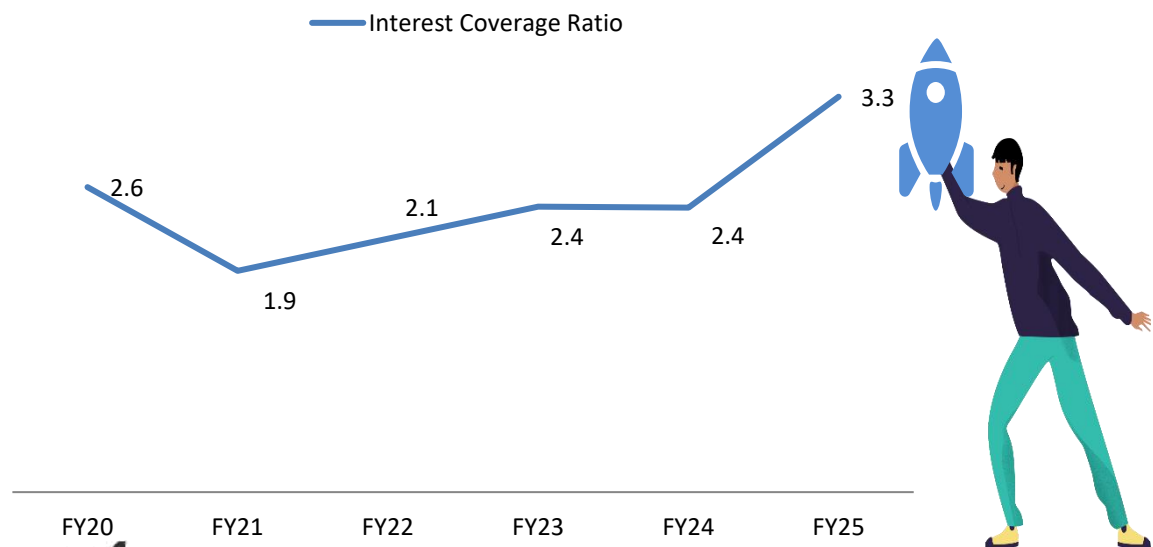
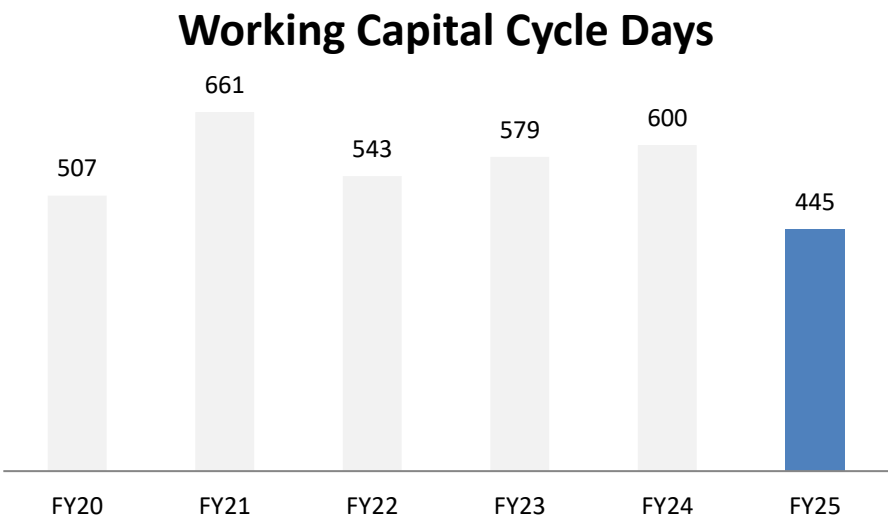
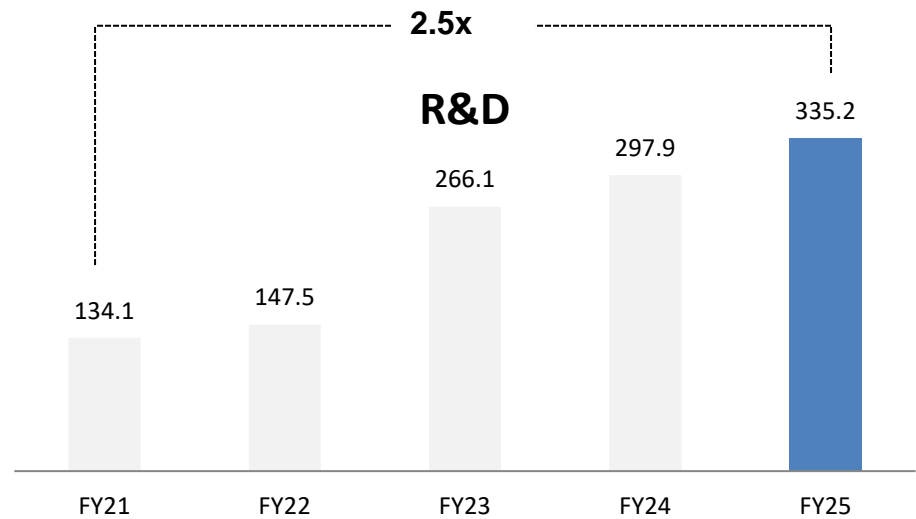


* Includes Other Income



FINANCIAL HIGHLIGHTS- HISTORICAL

(All Figures in Millions, otherwise stated)



CONSOLIDATED INCOME STATEMENT- H1FY26 & Q2FY26

Particulars (Rs in Mn)	Q2FY26	Q1FY26	QoQ	Q2FY25	YoY	H1FY26	H1FY25	YoY
Revenue from Operations	2252.6	1335.8	69%	1607.1	40%	3588.5	2519.1	42%
Other Income	13.0	8.7		5.9		21.7	11.8	
Total Revenue	2265.7	1344.6	69%	1613.0	40%	3610.2	2530.9	43%
Total Expenses except Depreciation, Amortization and Finance Cost	1660.8	926.5		1278.1		2587.2	1966.4	
EBITDA (ex Other Income)	591.9	409.4	45%	328.9	80%	1001.3	552.7	81%
EBITDA Margin	26.3%	30.6%		20%		27.90%	21.9%	
Finance Cost	126.0	120.3		72.8		246.2	148.8	
Depreciation	47.5	44.9		37.5		92.4	72.0	
PBT	431.5	252.9	71%	224.6	92%	684.4	343.6	99%
Tax	131.2	76.0		67.3		207.3	102.0	
PAT	300.3	176.8	70%	157.3	91%	477.1	241.6	97%
PAT Margin	13.3%	13.2%		9.8%		13.30%	10%	
Diluted EPS	0.9	0.5		0.5		1.4	0.8	



Delivering Yet Another Strong Quarter

CONSOLIDATED BALANCE SHEET STATEMENT- H1FY26

Key Balance Sheet Items in Rs Mn	As on 31 st March 2025	As on 30 th Sep 2025
Equity Share Capital	306	336
Reserves	5769	10447
Long Term Borrowings	698	1262
Short Term Borrowings	2610	2309
Trade Payables	2799	2548
Total	12995	17819
Net Block	1723	1956
CWIP	723	1071
Cash	625	674
Inventories	6006	7051
Trade Receivables	2383	3596
Other Current Assets	1201	1511
Total	12995	17819



Delivering Yet Another Strong Quarter

CONSOLIDATED CASH FLOW STATEMENT- H1FY26

Particulars (Rs in Mn)	As on 31 st March 2025	As on 30 th Sep 2025
Cash Flow From Operating Activities	102	-1896
Cash Flow From Investing Activities	-913	-2565
Cash Flow From Financing Activities	1211	4240
Net Change in Cash and Cash Equivalents	401	-221



Delivering Yet Another Strong Quarter

CONSOLIDATED INCOME STATEMENT - HISTORICAL

Particulars (Rs in Mn)	FY20	FY21	FY22	FY23	FY24	FY25
Revenue from Operations	2459.0	2030.7	2431.9	2975.3	3716.3	5620.7
Other Income	16.0	6.4	7.6	8.2	18.3	28.9
Total Revenue	2475.0	2037.1	2439.5	2983.5	3734.6	5649.5
Total Expenses except Depreciation, Amortization and Finance Cost	1972.4	1645.5	1976.7	2334.3	2877.7	4328.6
EBITDA (ex Other Income)	486.7	385.3	455.2	640.9	838.7	1292.1
EBITDA Margin	20%	19%	19%	22%	23%	23%
Finance Cost	151.0	160.2	170.5	223.7	303.0	342.2
Depreciation	99.0	86.9	89.8	103.7	113.0	153.3
PBT	252.6	144.6	202.5	289.6	440.9	825.5
Tax	112.5	42.1	56.4	102.2	129.9	261.9
PAT	140.1	102.5	146.2	187.4	311.1	563.6
PAT Margin	6%	5%	6%	6%	8%	10%
Diluted EPS	0.7	0.5	0.7	0.6	1.2	1.9



CONSOLIDATED BALANCE STATEMENT - HISTORICAL

Key Balance Sheet Items (Rs in Mn)	FY20	FY21	FY22	FY23	FY24	FY25
Equity Share Capital	207.6	207.6	207.6	207.6	282.4	306.5
Reserves	2751.6	2851.7	2992.7	3634.4	4909.8	5769.2
Borrowings	132.0	162.2	1157.8	1436.5	2080.4	3353.5
Other Liabilities	990.7	1313.2	353.4	524.9	632.4	793.9
Trade Payables	569.4	783.0	1280.6	1122.9	1657.4	2771.9
Total Liabilities	4651.2	5317.7	5992.1	6926.3	9562.4	12994.9
Net Block	502.6	490.8	858.8	1048.1	1407.0	1722.7
Capital Work In Progress	365.2	522.1	296.2	316.4	348.4	722.8
Other Assets	224.3	218.9	349.0	539.8	911.3	1534.9
Trade Receivables	1354.8	1695.0	1364.1	1466.0	2352.7	2383.3
Inventory	2079.5	2256.9	2961.6	3415.3	4335.6	6006.4
Cash and Cash Equivalents	124.8	134.0	162.3	140.8	207.4	624.8
Total Assets	4651.2	5317.7	5992.1	6926.3	9562.4	12994.9



CONSOLIDATED CASHFLOW STATEMENT - HISTORICAL

Particulars (Rs in Mn)	FY20	FY21	FY22	FY23	FY24	FY25
Cash Flow From Operating Activities	469.1	73.8	431.8	-162.9	-784.9	112.7
Cash Flow From Investing Activities	-186.9	-238.6	-243.0	-347.6	-587.9	-952.4
Cash Flow From Financing Activities	-360.3	165.1	-186.7	509.5	1372.3	1240.4
Net Change in Cash and Cash Equivalents	-78.1	0.4	2.2	-0.9	-0.5	400.7



UPDATE ON CORPORATE ACTIONS

CAPEX

- **Unit 3** will be developed in **phases**. Civil work has started in **Phase 2**.
- Production will start in **stages**. **First stage commenced** and **final stage** to commence in **June CY 2026**.
- The total capital expenditure allocated is **INR 150 crores for Phase 1**, and an additional **INR 100 crores for Phase 2**.



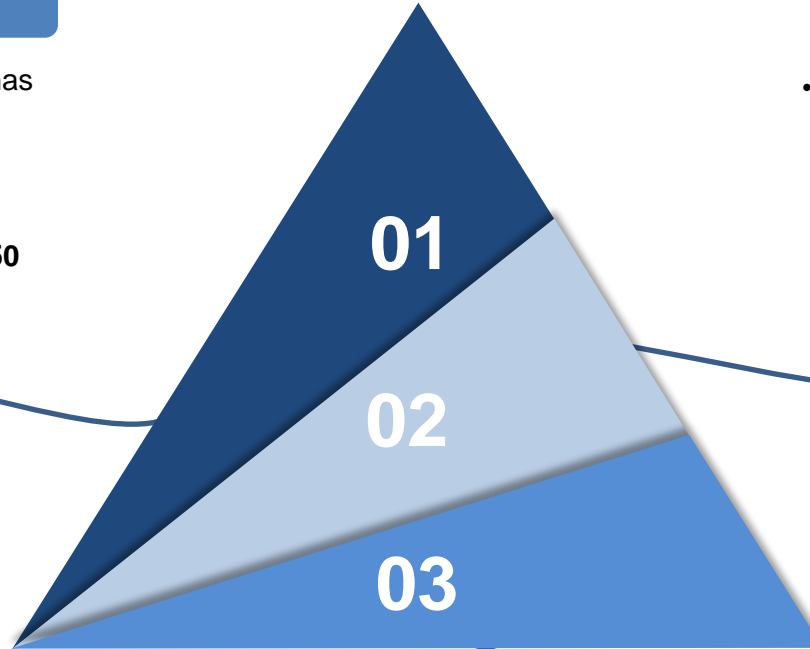
WORKING CAPITAL CYCLE

- Working capital cycle days are expected to reduce by approximately **100–120 days from FY27 onwards, as several programs transition into the production phase**.



ACQUISITION

- Consolidation of results from **Q3FY26**.

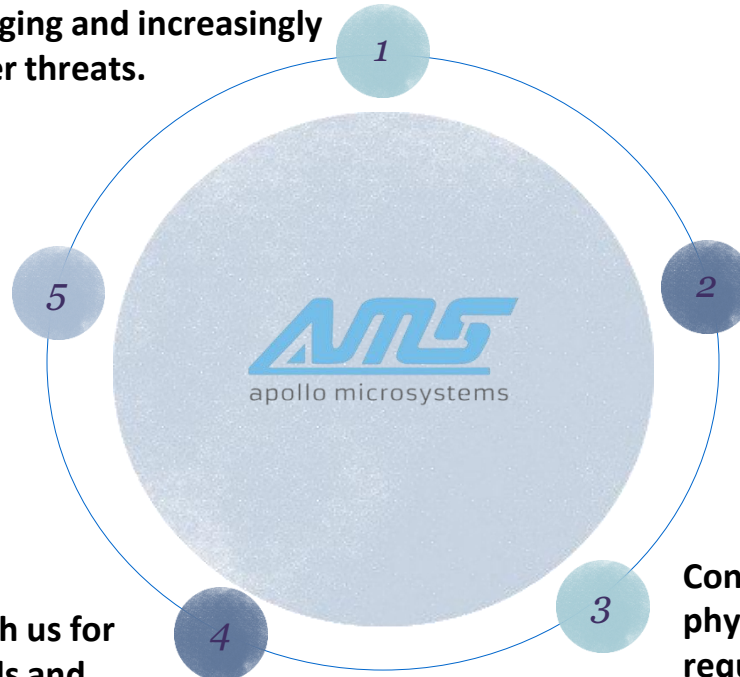


OPPORTUNITIES ALIGNED AND READY: HERE'S WHY WE'RE POSITIONED TO WIN

There is a critical need to advance the development of Anti-Submarine Warfare (ASW) rockets to effectively counter emerging and increasingly sophisticated underwater threats.

The requirement of missile systems is envisaged to grow significantly in the upcoming years with the induction of a large number of ships, submarines and aircrafts.

There exists a larger opportunity with us for indigenous development of warheads and exploders.



Presently, IN holds a large number of torpedoes imported from western origin countries and of eastern origin. There is a huge opportunity to contribute in indigenous development of the Homing System where we have significant presence.

Conventional weapons like bombs and missiles cause physical (kinetic) damage, but modern threats often require non-kinetic responses—especially where civilians or infrastructure are involved. This highlights the need for smart munitions with enhanced precision and the ability to distinguish targets and deliver directional lethality.



READY TO SERVE THE COUNTRY

We anticipate a sharp increase in AMS's internal demand for explosives and propellants as several of our matured munition platforms will be entering large-scale production, including:

1.

Underwater Mines

2.

Anti-Submarine Warfare Rockets

3.

Short- and Medium-Range Rockets

4.

Other Critical Munitions Systems



STRATEGY FOR YEARS AHEAD

Strengthening core R&D



- We aim to **strengthen our R&D foundation to drive innovation and develop cutting-edge technologies in defence and strategic electronics**. An allocation of **INR 100 Crores** has been earmarked for FY26.

Pursue Large Ticket Size and Complex Orders



Focus on pursuing **large Value and complex projects** that match our capabilities
Target technically complex projects in specialized area that offers better margin with few competitors.

One Stop Solution under one roof



End-to-end solutions across the munitions and weapons value chain from manufacturing of **high energy materials and propellants, advanced storage, testing facilities to munitions and integrated platform**.

Rooting in Bharat and Expanding Geographical footprints



We are committed to **expanding our presence in the Indian market by leveraging indigenous capabilities aligning with national defence initiatives**.
We seek to **grow our footprint in international markets by offering advanced, export-ready systems**. This integrated approach positions us for sustainable growth, technological leadership, and global competitiveness in the years ahead.

Building tomorrow Global OEM



Our strategy focuses on **moving up the value chain to become a Global Original Equipment Manufacturer (OEM)**, delivering complete, high-reliability solutions.

Growing Organically and Inorganically



We are committed to enhancing our market presence through a combination of **organic expansion and strategic acquisitions**.

We are strategically positioned to seize the domestic and global demand and lead the new era of Atmanirbhar Bharat



MANAGEMENT COMMENTARY

Mr. Baddam Karunakar Reddy, Managing Director, Apollo Micro Systems Limited, said:

“I’m pleased to share that Apollo Micro Systems has **carried its exceptional momentum into FY26**, delivering our **strong Q2 performance** — a testament of our **strategic focus, operational excellence, and the unwavering dedication of our team.**

In Q2 FY26, we achieved a remarkable 40% year-on-year revenue growth, reaching ₹ 2252.6 Mn, up from ₹ 1607.1 Mn in the same quarter last year. This growth has been driven primarily by the robust execution of our order book and the seamless transition of several high-value systems into production.

Our EBITDA (excluding Other Income) grew by 80% to ₹ 591.9 Mn, compared to ₹ 328.9 Mn in Q2 FY25. More notably, **our EBITDA margin expanded by 630 basis points, standing at 26.3% in Q2 FY26, compared to 20% in Q2 FY25** — a clear indication of strong operating leverage and improved efficiency. This momentum also translated into the bottom line. Our **Profit After Tax (PAT) grew by 91% year-on-year to ₹ 300.3 Mn, up from ₹ 157.3 Mn in Q2 FY25. PAT margin expanded by 350 basis points year-on-year, reaching 13.3% in Q2 FY26, as against 9.8% in Q2 FY25.** Our sustained investments in indigenous technologies, coupled with our alignment to national defence priorities such as *Atmanirbhar Bharat*, continue to strengthen our position as a trusted partner in India’s evolving defence ecosystem.

We are also pleased to announce a significant strategic milestone — the acquisition of IDL Explosives Ltd has been completed. This marks a new chapter for Apollo Micro Systems as we move closer to becoming a fully integrated Tier-1 defence OEM. The acquisition not only enhances our manufacturing capabilities but also broadens our solutions portfolio across critical areas of India’s defence supply chain. It is a proud moment and a feather in our cap that positions us for greater impact and scale.

Looking ahead, we expect revenue to grow at a **CAGR of 45% to 50% over the next two years — driven solely by the core business, excluding any contribution from the recent acquisition.** This growth is underpinned by a healthy order book and multiple products entering the production phase.

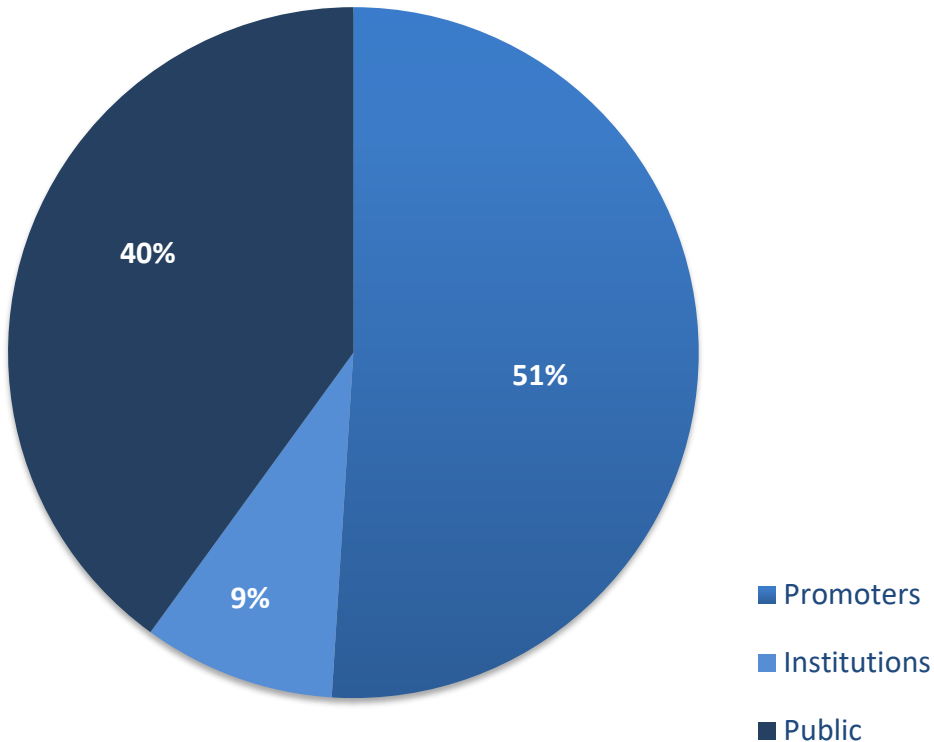
The current geopolitical climate, along with the Government of India's strong push for 'Atmanirbhar Bharat', underscores the need for increased indigenous development. Moreover Recent geopolitical developments — particularly the India–Pakistan conflict — have further accelerated demand for indigenous defence solutions. Several of our systems were successfully tested and demonstrated during this period, generating significant interest and engagement across the defence value chain.

As we move forward, our focus remains steadfast: to innovate with purpose, deliver with precision, and deepen our strategic partnerships. At Apollo Micro Systems, we are not only setting new performance benchmarks — we are actively shaping the future of a self-reliant, secure, and technologically advanced defence infrastructure for our nation.

Thank you for your continued trust and support”



SHARE HOLDING PATTERN



* As on 31st Oct 2025

INSTITUTIONS NAMES

- Morgan Stanley Asia Singapore PTE. ODI
- Societe Generale- ODI
- EAM Emerging Markets Small Cap Fund
- Goldman Sachs Bank Europe SE- ODI
- Citi Group Global Markets Mauritius Pvt Ltd
- BOFA Securities Europe SA
- SPDR Portfolio Emerging Markets ETF
- SPDR S&P Emerging Markets Small Cap ETF
- BNP Paribas Financial Markets
- O' Neil Capital Management INC
- Nuvama India Opportunities Fund
- LIC MF Flexi Cap Fund
- LIC MF Small Cap Fund
- Trust MF Small Cap Fund
- Motilal Oswal BSE 1000 Index Fund
- Union Active Momentum Fund

and many more





DRDO & Indian Navy conduct combat firing (with reduced explosive) of indigenous Multi-Influence Ground Mine.



Other nations that have developed seabed mines similar to DRDO's MIGM include the **United States, Russia, China, and Italy**. With this achievement, **India joins the league of technologically advanced nations in undersea warfare capabilities.**

Source- <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2127155>



Ministry of Defence

DRDO & Indian Navy conduct combat firing (with reduced explosive) of indigenous Multi-Influence Ground Mine

Posted On: 05 MAY 2025 8:19PM by PIB Delhi

Defence Research and Development Organisation (DRDO) and Indian Navy have successfully undertaken combat firing (with reduced explosive) of the indigenously designed and developed Multi-Influence Ground Mine (MIGM). The system is an advanced underwater naval mine developed by the Naval Science & Technological Laboratory, Visakhapatnam in collaboration with other DRDO laboratories - High Energy Materials Research Laboratory, Pune and Terminal Ballistics Research Laboratory, Chandigarh.



MIGM is designed to enhance the Indian Navy's capabilities against modern stealth ships and submarines. Bharat Dynamics Limited, Visakhapatnam and Apollo Microsystems Limited, Hyderabad are the production partners for the system.

Complimenting DRDO, Indian Navy and the Industry, Raksha Mantri Shri Rajnath Singh stated that the system will further enhance undersea warfare capabilities of the Indian Navy.

Secretary, Department of Defence R&D and Chairman DRDO Dr Samir V Kamat said, with this validation trial, the system is now ready for induction into the Indian Navy.

SR/Savvy

(Release ID: 2127155)

Read this release in: Gujarati, Urdu, Marathi, Hindi, Bengali

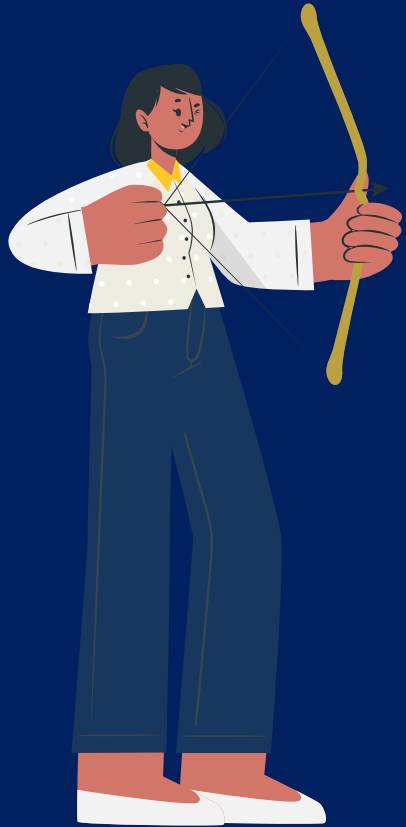
SUCCESSFUL RESPONSE IN THE AEROSHOW



Aero India is a premier event in the aerospace and defense industry, and our participation aligns with our strategic goals. It provides an excellent platform to showcase our products, engage with key stakeholders, and strengthen business partnerships . We have signed **an MoU with TCL** which shows our commitment and confidence in the business by delivering the future need based products.



SETTING THE RECORD STRAIGHT



Dilution of Equity-

All equity dilution to date has been strategic and prudent. The current preference round is intended to reinvest in the business, with a focus on leveraging growth opportunities in the defence sector.

Quarterly Result Is Not The Correct Yardstick-

In a business defined by tailored, complex, and mission-critical solutions, sequential (Q-o-Q) comparisons often fail to reflect the true picture. Product mix and delivery cycles vary significantly based on client-specific requirements. Accordingly, annual performance remains the most meaningful benchmark for evaluating our financial and operational progress.

On High Working Capital Days-

Due to the nature of the industry in which we operate, our working capital cycle tends to be high. This is primarily driven by the need to maintain adequate inventory levels for defence-critical and mission-critical systems, ensuring uninterrupted supply in line with the Ministry of Defence requirements and operational readiness standards. In the development phase, inventory is held longer due to prototyping and testing. As we are entering the production phase, inventory turnover improves with faster conversion to finished goods, higher order fulfillment, and quicker revenue realization. Finalized specifications reduce rework and holding time, streamlining the working capital cycle.

SKIN IN THE GAME/ LEADERSHIP- LED WITH LONG TERM COMMITMENT



**Mr. Baddam Karunakar Reddy
(Managing Director)**

He founded Apollo Micro Systems in 1985 and has been instrumental in driving innovation in defence electronics. Renowned for his expertise in engineering and miniaturization techniques, he has significantly enhanced the performance of various weapon systems. Under his visionary leadership, the company has emerged as a key supplier of weapon system electronics in India. His long-term vision is to establish Apollo as a world-class defence systems provider.



**Mr. Addepalli Krishna Sai Kumar
(Whole Time Director- Operations)**

He is an Engineer with 24 years of experience in Sales & Marketing, Administration & Finance, serving Apollo Micro Systems Ltd for past 22 years. He has strong expertise in financial engineering and cash flow optimization, contributing to the company's financial robustness and strategic initiatives. As Director (Operations), he manages day-to-day operations, business acquisition, new vertical development, and investor relations, driving the company's growth and market leadership.



**Mr. Chandrapati Venkata Siva Prasad
(Whole Time Director- Technical)**

He is a Post Graduate in Electronics. He handles Design & Development with 28 years of experience working on variety of technologies. He is serving AMS for past 24 years. His Design expertise, and product development capabilities are the best available in the industry. He is a core design architect for complex weapon system electronics of major Indigenous Defence programs.

H1FY26 & Q2FY26 EARNINGS CALL INVITE

Apollo Micro Systems Limited announced its results for the quarter and half year ended Sep 30th, 2025, on Nov 4th, 2025. Following the announcement, the management team will host a conference call for investors and analysts on Nov 5th, 2025, at 11:30 AM IST. The call will commence with a brief discussion on the previous quarter's performance followed by an interactive question and answer session. Call details are below:

Day and Date	Wednesday, 5th Nov, 2025
Time	11:30 am IST
Duration	60 minutes
Universal Dial In	+91 22 6280 1144 / +91 22 7115 8045
International Toll Free	Hong Kong- 800964448 Singapore- 8001012045 UK- 08081011573 USA- 18667462133
Diamond Pass Link	<u>Link</u>

Note: Please dial in at least 10 minutes prior to the schedule to ensure that you are connected in time.

For further information, please contact- **+91 72888 92228** or write to us at investors.relations@apollo-micro.com



THANK YOU

Email: investors.relations@apollo-micro.com



+91 72888 92228



<https://in.linkedin.com/company/apollo-microsystems-limited>



https://x.com/apollo_micro?t=ciDytB8PmvlekKn28EYOGQ&s=08



<https://www.youtube.com/@apollomicrosystemslimited>