Date: 09th February, 2026

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

Scrip Code: 540879 **Symbol: APOLLO** **ISIN: INE713T01028**

Sub: Investor Presentation for the Quarter ended 31st December, 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 31st December, 2025.

The copy of the disclosure is available on the website of the Company i.e. https://apollo-micro.com/financial-reporting.html?tab=financial-presentations#tabs-section

This is for your information and records.

Thanking You

Yours Faithfully

FOR APOLLO MICRO SYSTEMS LIMITED

BADDAM KARUNAKAR REDDY
Digitally signed by BADDAM KARUNAKAR REDDY
Date: 2026.02.09 17:41:37 +05'30'

KARUNAKAR REDDY BADDAM MANAGING DIRECTOR
DIN: 00790139

APOLLO MICRO SYSTEMS LTD

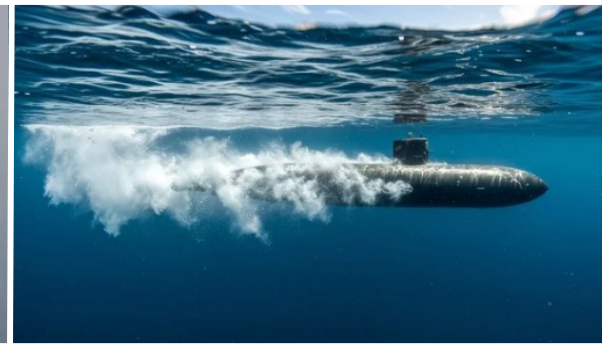
We Commit, We Deliver

FROM CONCEPT TO MASS PRODUCTION

HIGHEST EVER QUARTER AND 9 MONTHS REVENUE DELIVERED

EARNINGS PRESENTATION- Q3 FY26 & 9M FY26










WHO WE ARE,
WHERE WE ARE GOING


AMS
apollo microsystems
AMS IS PROUD
TO CONTRIBUTE


AMS
AKASH
AMS
IS PROUD TO CONTRIBUTE


AMS
IS PROUD TO CONTRIBUTE
DRDO

THEN V/S NOW: A LEGACY OF INNOVATION

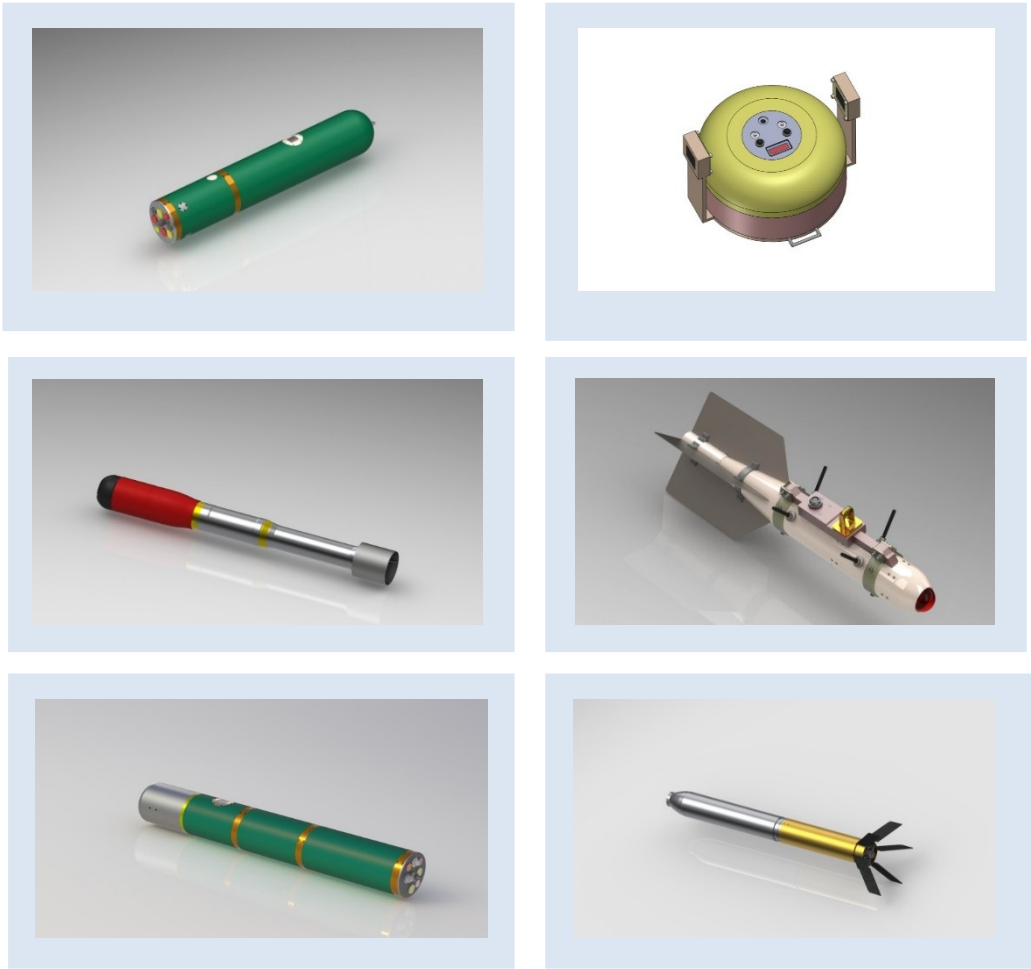
FROM SYSTEMS/SUBSYSTEMS



And the nos are countless for such systems and subsystems

TO

COMPLETE WEAPONS





WEAPONS INDIGENIZED BY US

MULTI INFLUENCE GROUND MINES

- **We are the approved production agency for Multi-Influence Ground Mine (MIGM) –Vighana, under DcPP by DRDO.**
- **Only United States, Russia, China, and Italy, With this achievement, India joins the league of technologically advanced nations in undersea warfare capabilities.**
- **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.**



FIRST INDIGENIZED MINE

"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."





FIRST INDIGENIZED LIMPET MINES

- A Limpet mine is a type of Naval mine that is usually manually placed by a diver on the upside of a ship's hull.
- These mines are manually attached to the target by magnets.
- These man-portable and multiple variations are developed for different missions by us.

MOORED MINES

- 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.



FIRST INDIGENIZED MINE

"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."



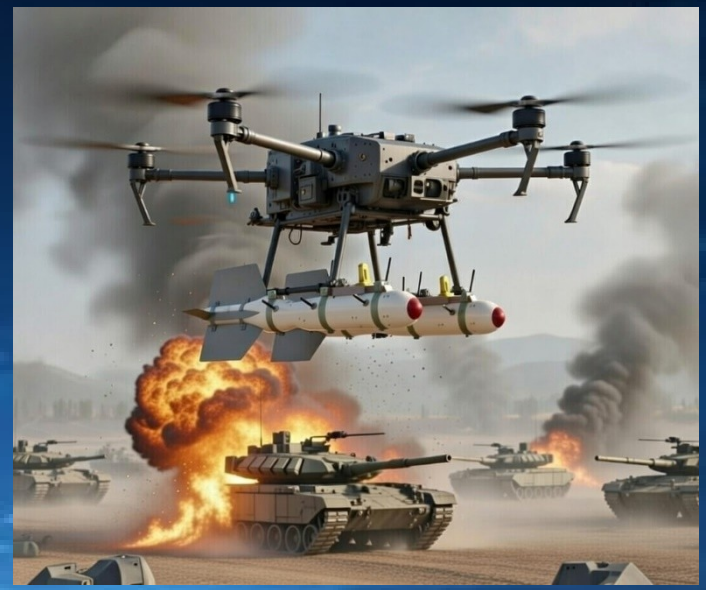
ANTI SUBMARINE WARFARE ROCKETS

- Because of the specialized nature of submarines, a distinct military strategy called anti-submarine warfare, or ASW, was created to counter them. Its primary objective is to defend ships and allied assets by identifying, locating, and eliminating enemy submarines, using sonar, aircraft, dedicated submarines, and formidable weaponry.
- One of the most effective armaments used are anti-submarine rockets, which is known as a "Standoff" weapon. A Stand Off weapon is built to hit targets from a distance, allowing the launch platform the ability to evade the targets' defenses.
- Because of the threat submarines pose, several of the most powerful navy destroyers in the world are armed with anti-submarine rockets.

AERIAL BOMBS

- These Aerial Bombs are fitted onto Unmanned Areal Vehicles (Loitering Munitions) that are designed to provide unprecedented levels of flexibility and precision in modern warfare and will be delivered to inflict damage to the targets.

- The Aerial Bombs can be used as Anti-personal / Anti – tank / Anti- Bunker.
- Nine Variants of Aerial Drop Bombs developed for dropping from aerial platforms like drones.



MEDIUM RANGE ROCKETS



- **Its compact form factor ensures compatibility with vehicle-mounted launch systems while maintaining the required aerodynamic stability, structural integrity, and operational effectiveness for counter-drone missions.**
- **Ground to Air Launch developed for attacking Drones/ Swarm of Drones.**

TORPEDO

- **Torpedoes are the most preferred lethal underwater weapons for naval platforms such as submarines, surface vessels, aircraft and helicopters.**
- **The torpedo is a weapon specifically designed to sink ships, regardless of ownership or contents.**



GRAD ROCKETS

SHOOT & MOVE

The BM-21 Grad rockets (122 mm Global Standard) remain among the most widely demanded unguided rockets in the global defence market.

- Successfully developed the 122mm rocket warhead inhouse.
- Integrate indigenously developed warheads with domestically produced rocket motors.
- Remains in Service across dozens of countries, valued for its simplicity, reliability and overwhelming firepower.
- The rocket motor is the primary propulsion system of a rocket and comprises the propellant, casing, nozzle, and ignition system. It is the most critical subsystem in determining the range, stability, thrust, and accuracy of artillery rockets.



WEAPONS/ SYSTEMS

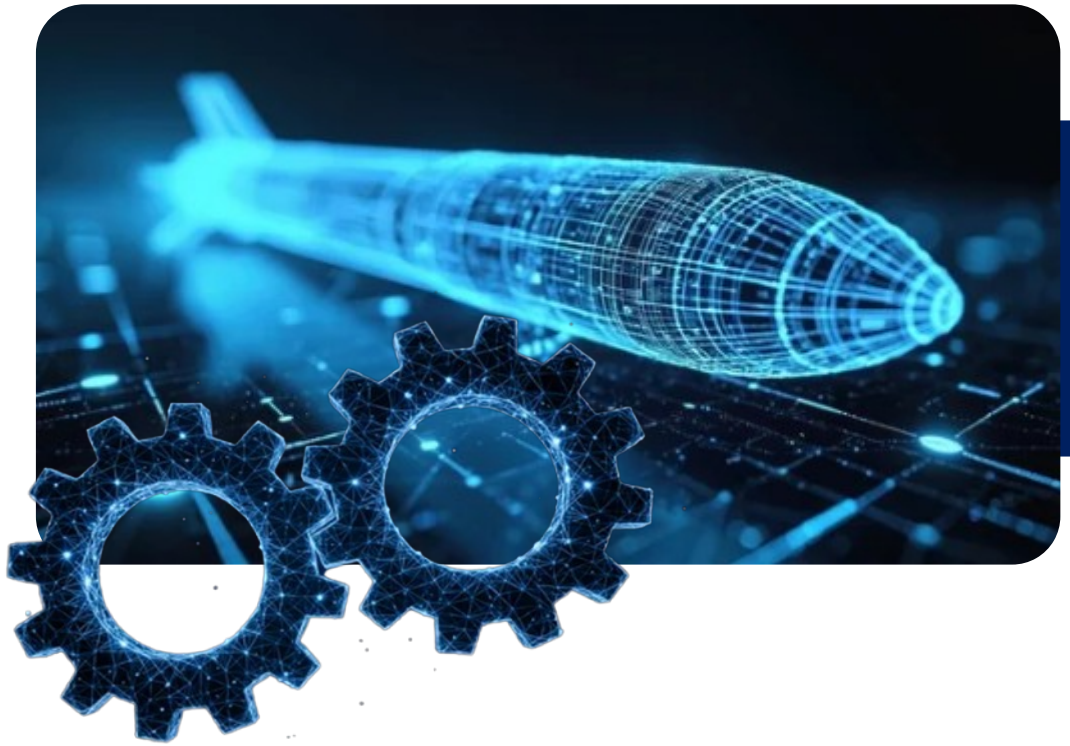
- The existing portfolio includes complete weapon systems that have either achieved qualification or are in advanced stages of the qualification process.

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

- In the Under Water Mines we are the only company in INDIA with complete offerings of Shallow Water, Deep Water and Limpet Under Water Mine.

- Considering indigenized missile programmes, including those undertaken by DRDO, we are responsible for approximately 60% of the electronics, electromechanical and mechanical systems.





SYSTEMS/ SUBSYSTEMS INDIGENIZED BY US

ARMAMENT SYSTEMS

- The Exchange of the MoU at Swavalamban 2025, the Indian Navy's flagship event for innovation and indigenization, among IIT Chennai, Indian Navy and Apollo Micro Systems Ltd highlights the shift towards a collaborative R&D model. This partnership is expected to focus on **high-technology areas critical to modern warfare, including advanced Electronic Warfare systems, precision guidance and control systems, and high-energy armament solutions and not limited to them.**

- Indigenization of armament will not only propel the IN to be self-reliant but also cut down costs and reduce dependence on foreign vendors.

- Indigenization of ship borne weapons/ armament is very challenging and complex in nature.





CRITICAL SYSTEMS/ SUBSYSTEMS

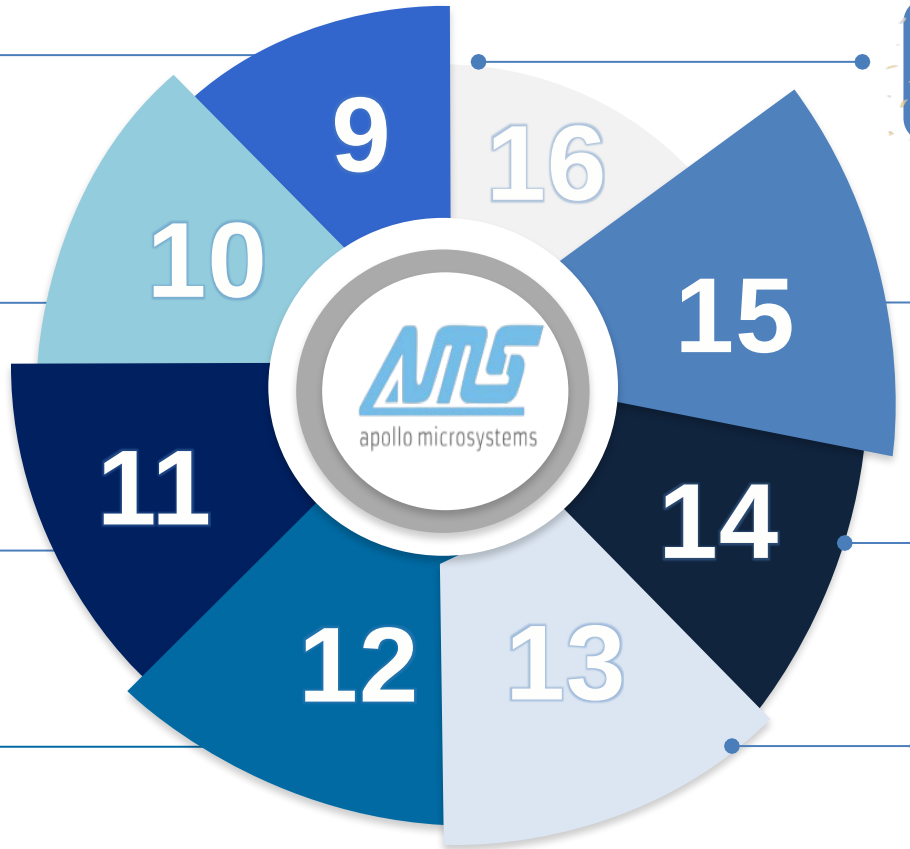
- Homing Systems
- Guidance, Navigation and Control Systems
- On Board Computer Systems
- Fuzes
- Actuation System
- Power Distribution Systems
- Safety Arming Mechanism
- Warhead





CRITICAL SYSTEMS/ SUBSYSTEMS

- Actuation Systems
- Signal Processing Units
- Radome
- MIRV

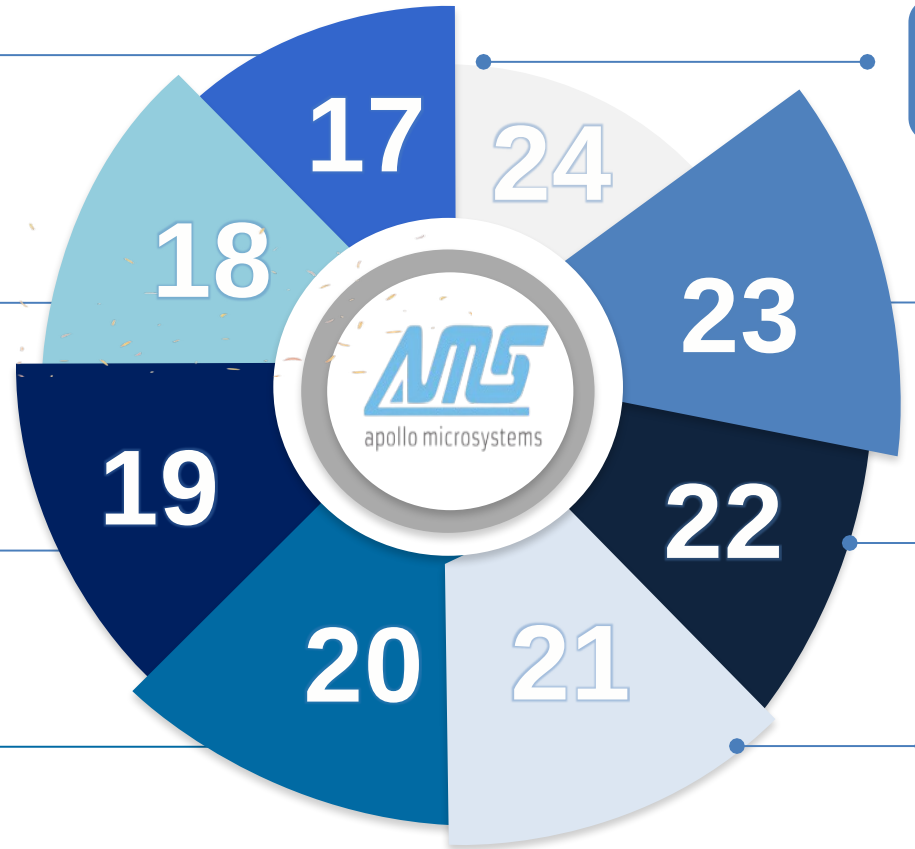


- Digital RF Seeker
- Data Link Systems
- Rocket Motors
- Launcher Systems



CRITICAL SYSTEMS/ SUBSYSTEMS

- Ruggedized Computer Module
- Fire Control System
- Critical Ground Handling System
- Combination of Camera, Laser, GNSS Module



- Propulsion Systems
- Inertial Navigation Systems
- Telemetry Systems
- Weapon Dispensing Systems

And many more



HOMING SYSTEMS

Universal Homing System for Heavy Weight Torpedoes, This first-of-its-kind technology was developed in collaboration with DRDO.

We are the only qualified vendor for Homing Systems of Heavy Weight Torpedoes.

Heavy Weight Torpedoes are included in the Ministry of Defence Embargo List, which encourages the induction of indigenous systems into the Indian Armed Forces.

We invested last six years in developing this specific Universal Homing System.

We are fully prepared to meet the demand for large-scale production, with our Unit-III facility.



UNMANNED AERIAL SYSTEMS

We hold a license to manufacture Unmanned Helicopters Unmanned Aerial Systems (UAS).

We are collaborating with several domestic and international partners for the development of logistics and delivery UAV systems as well as offensive/attack-class unmanned systems.



Large Payload capable Aerial Bombs dispensing UAS.

Long Endurance High Altitude UAS ability to work in GPS denied environment.



INERTIAL NAVIGATION SYSTEMS AND RADAR EQUIPMENTS

- We hold a license to manufacture Inertial Navigation Systems (INS) and is presently engaged in the development of multiple navigation solutions.
- In parallel, we are collaborating with selected domestic and international partners to accelerate technology development and subsystem integration. To support these activities, we have initiated procurement of critical test and calibration equipment required for the evaluation of advanced navigational systems. The product portfolio under development includes:

  MEMS-based Inertial Navigation Systems
  Fiber Optic Gyro (FOG) based Navigation Systems
  Ring Laser Gyro (RLG) based Navigation Systems

- The license also authorizes us to manufacture complete Radar Equipment along with all associated and allied subsystems integral to radar technology. This includes the development, production, testing, and integration of radar assemblies, signal processing units, antennas, transmit– receive modules, and other related components essential to modern radar systems.

- MEMs based INS is in the advance stage of development
- RF Seeker development has initiated



DIRECTED ENERGY WEAPONS (DEW)

DEW SYSTEMS

As the name suggests, they use high-powered lasers to inflict damage on targets. Compared to traditional weapons, which mainly rely on physical impact and kinetic energy, DEW uses directed energy to heat up and destroy or damage the target. It has diverse military applications, offering rapid and precision strikes against threats such as UAVs, missiles, and small vehicles. The most important aspect of DEW is that it can be used in all warfighting environments These technologies will enable Apollo Micro Systems to design, manufacture, and support critical DEW subsystems for defence applications, enhancing indigenous capability in advanced weapon systems.

01 Transfer of Technology for Multi-Channel 10 kW Laser Directed Energy Weapon System from DRDO-CHESS, Hyderabad, subject to execution of a Licensed Agreement for Transfer of Technology (LAToT) and fulfillment of regulatory requirements.

02 Transfer of Technology for EO Tracking System with EO Sensors for DEW from DRDO-IRDE, Dehradun.



LAND MINES

PRACHAND

PRACHAND is an Anti-Tank Munition with full width attack capability.

First line of defence against enemy infantry and armoured columns or terrorist trying to infiltrate into our territory.

We produced Hardware for this anti tank munitions.

It comes under new family of Munitions in India.

New Variants of Anti Tank Mines are under Development, with AI sensor Fusion.



VEHICLE MOUNTED COUNTER DRONE SYSTEMS

(VMCSDS)



- Under Make II Category.
- It is currently in the development stage.
- From First quarter of next financial year the trials will be initiated.

MUNITION SYSTEMS

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

Fuzes

- ESAD based Fuze for Mini Depth Charge (MDC)
- Mechatronic Fuze for Grenade

Warhead

- Omni Directional Multi-EFP Warhead for NASM-SR Missile
- Exploder Mechanism for Naval Warheads
- Warheads for Ulpgm- V2 (UAV Launched Precision Guided Missile V2)

Land Mine

- Prachand Munition Hardware

Safety Arming Mechanism







INDUSTRIAL EXPLOSIVES

DEFENCE EXPLOSIVES

1 Under the IDR Act, 1951, authorizing the manufacture of Cyclotetramethylenetetranitramine (HMX) and Trinitrotoluene (TNT).



2 This marks a timely and strategic addition of both industrial explosives and specialised defence explosives, positioning the IDL Explosives as a domestic supplier of high-energy materials, supporting India's Atmanirbhar Bharat initiative, and creating potential opportunities in the export market.



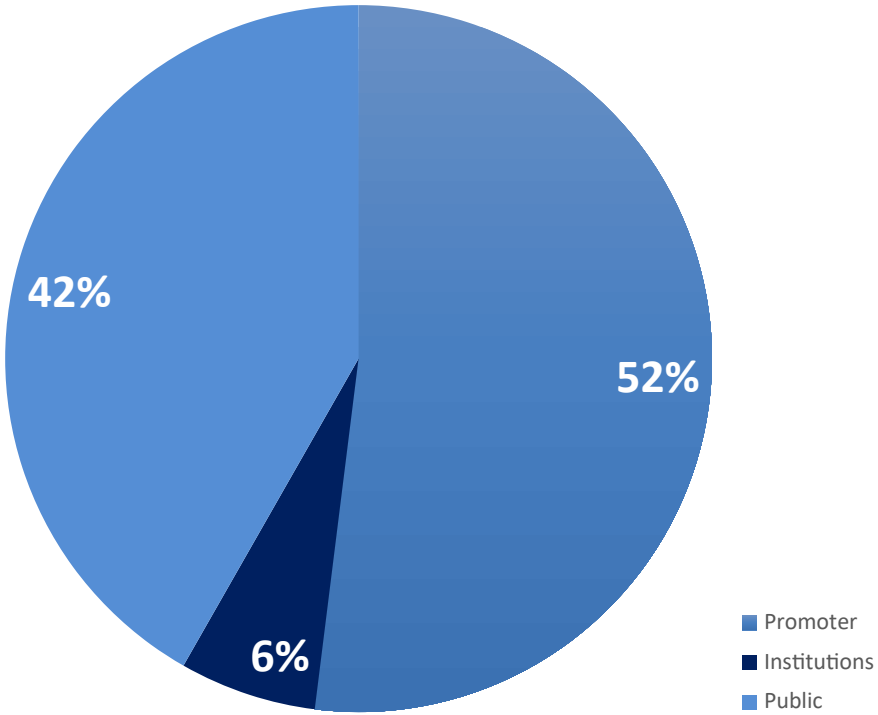
3 Development opens up the opportunity for us to meet its captive requirements of high-energy defence explosives while also addressing the growing demand in both domestic and export markets.

4 HMX: 50 MTPA
TNT: 500 MTPA
License valid upto 15 years.



HIGHLIGHTS

SHARE HOLDING PATTERN



* As on 31st Dec 2025

INSTITUTION NAMES

- LIC MF Flexi Cap Fund
- Zeal Global Opportunities Fund
- AL Maha Investment Fund- Onyx Strategy
- Magnifica Global Opportunities VCC- MGO High Conviction Fund
- Minerva Ventures Fund
- LIC MF Small Cap Fund
- SPDR Portfolio Emerging Market ETF
- SPDR S&P Emerging Market Small Cap ETF
- Gorbiz SME Opportunity Fund
- Smart Horizon Opportunity Fund
- Societe Generale
- Samvitti Capital Alpha Fund
- BOFA Securities Europe
- Emerging Market Ex China Core Equity Portfolio of DFA Investment Dimensions Group Inc.

and many more

EXTENDING OUR STREAK OF STRONG PERFORMANCE- NINE MONTHS

(All Figures in Millions)

CONSOLIDATED

YoY

Revenue from Operations	EBITDA*	EBITDA Margin
INR 6111	INR 1505	24.6%
+ 53%	+61 %	134 bps

PAT	PAT Margin	Order Book
INR 706	11.6%	INR 13050 Mn
+67 %	+100bps	As on 31st Dec 2025

* Excluding Other Income



EXTENDING OUR STREAK OF STRONG PERFORMANCE- NINE MONTHS

(All Figures in Millions)

STANDALONE

YoY

Revenue from Operations	EBITDA*	EBITDA Margin
INR 5596	INR 1535	27.4%
+ 40%	+65 %	415 bps

PAT	PAT Margin
INR 831	14.9%
+94 %	+413 bps

* Excluding Other Income



EXTENDING OUR STREAK OF STRONG PERFORMANCE- QUARTERLY RESULT

(All Figures in Millions)

STANDALONE

YoY

Revenue from Operations	EBITDA*	EBITDA Margin
INR 2008	INR 533	26.5%
+ 35%	+40 %	94 bps

PAT	PAT Margin
INR 307	15.3%
+66 %	+284 bps

* Excluding Other Income



EXTENDING OUR STREAK OF STRONG PERFORMANCE- QUARTERLY RESULT

(All Figures in Millions)

CONSOLIDATED

YoY

Revenue from Operations	EBITDA*	PAT
INR 2522	INR 504	INR 229
+ 70%	+33 %	+25%

EBITDA Margin	PAT Margin
20%	9.1%

* Excluding Other Income

DISTINCT. DETERMINED. AHEAD.

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

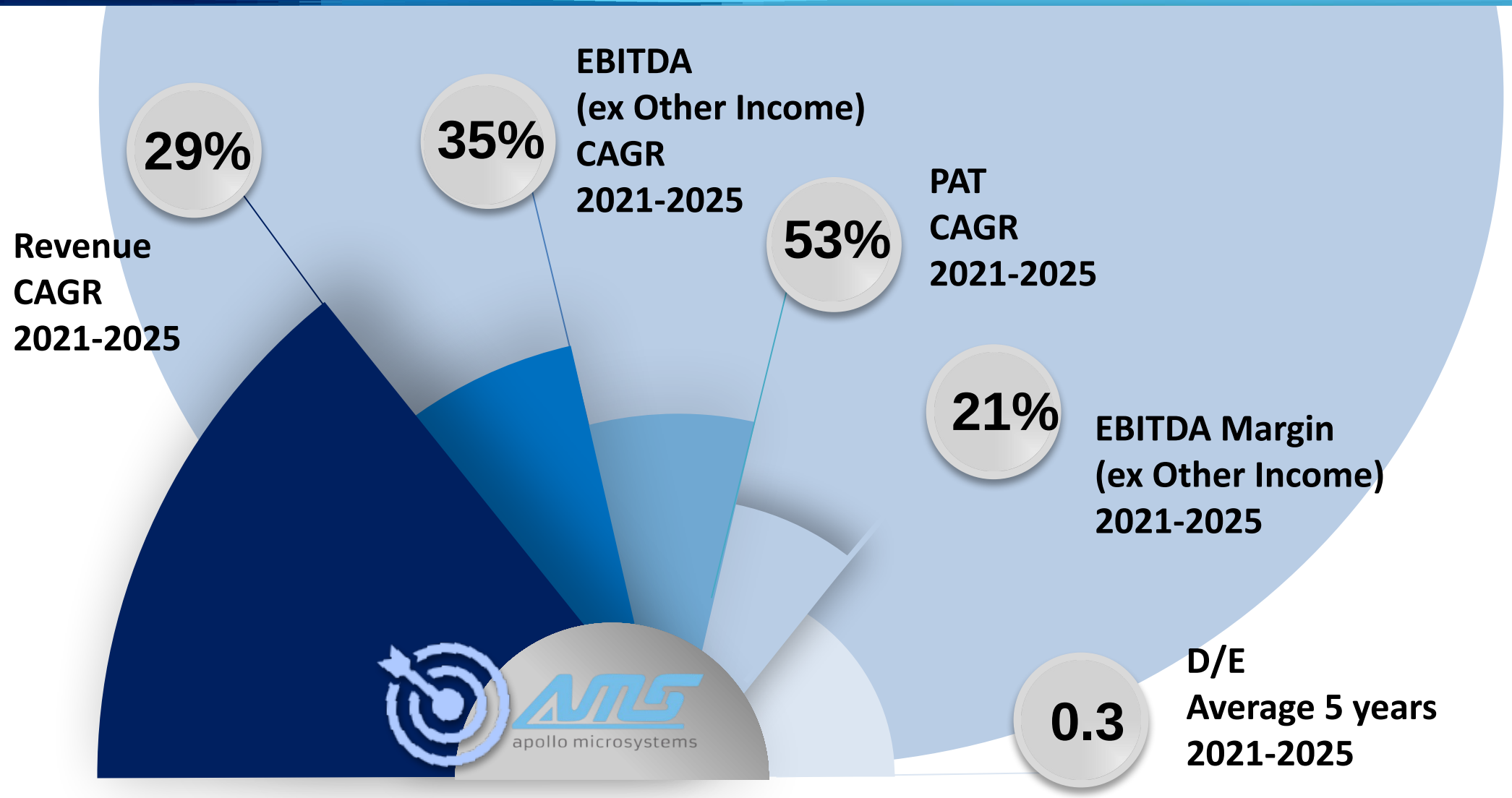
02 The only company in India with a proven track record of supplying from an individual systems to complete platforms, including explosives.

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

1985 — Incorporated AMS Proprietary Company offering Electronic CAD Design Services.

1990 — Started Offering On-Board Systems for Defence.

1992 — Started Offering Indigenous Processor Boards for Defence Applications.

1997 — Converted to Pvt Ltd Company.

2000 — First Indigenous Pay-Load Checkout System is supplied to ISRO replacing Legacy Imported Systems.

2004 — First Pvt Company in Defence Electronics to be ISO Certified.

2005 — Launched Telemetry Products for ISRO Applications.

2007 — First Developmental Model of Expendable Decoy supplied for Indian Navy & Delivered Fully indigenous Integrated Mine Management System for Coal & Iron Ore Mines.

2010 — Successfully configured Indigenous Automatic Launcher Controller for AGNI Range of Missiles.

2015 — Reached Milestone of over INR 1 bn Turnover & Installed State of the art facility for Defence Systems Manufacturing Facility.

2017 — Reached a Milestone of over INR 2 bn turnover.

2018 — Listed on NSE and BSE.

2021 — Entered RF & Microwave designs through acquisition of an established RF company.

2022 — Facilitated by URSC (formerly known as ISRO Satellite Centre).

2023 — Acquired 2.5 acres of land from Telangana State Industrial Corp ltd.

2024 — Inaugurated unit II.

2025 — Acquired IDL Explosives Ltd.



OUR VISION AND MISSION



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.



INORGANIC GROWTH

RECENT STRATEGIC ACQUISITION- UNLOCKING VALUE (1/5)

Apollo Defence Industries Pvt Ltd (ADIPL), a subsidiary of **Apollo Micro Systems Ltd**, has completed 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 Company has 7 plant spreading across 6 states of India. The main plant is located in Rourkela (Odisha).**

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.**

Strategically fit **for un-penetrated Market.**

End to End One Stop Solution across Value Chain.

Enhances the ability **to pursue large scale, high Value Projects.**

Increasing Addressable Market via New Products.

Driving Margin Expansion through **Cost Efficiencies Enabled by Vertical Integration.**

Integrated and Indigenized: APOLLO Steps into the Future of Defence Solutions .

Increasing Addressable Market via Entering into New Geographies.

Brand Equity.



SUCCESSFUL CONCLUSION OF THE ACQUISITION (2/5)



Successful completion of the 100% purchase of IDL Explosives Ltd

TURNING NEAR TERM CHALLENGES INTO OPPORTUNITIES (3/5)

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 and increasing to expand in higher margin exports market.**

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.



TESTAMENT OF OUR EFFORTS (4/5)

Our focused and proactive actions have led to the successful removal of the ban by Coal India

This is further to our earlier communication dated May 05, 2025. IDL Explosives Limited (IDLEL) has since then resolutely pursued the matter in the Hon'ble High Court of Calcutta and with CIL. The Hon'ble High Court of Calcutta has subsequently articulated specific guidelines for CIL to apply while reviewing its earlier order.

We are now informed by IDLEL that CIL has vide their letter dated 9th September 2025 communicated that they, after careful consideration of legal and factual aspects as recorded by the Hon'ble High Court and in the light of judicial directions, have **reduced the ban period from 2 years to 1 year.**

As the aforesaid ban period has already ended on 2nd July 2025, IDLEL becomes eligible to participate in future CIL and all other PSU tenders.

Thanking you,



TESTAMENT OF OUR EFFORTS (5/5)

From Cash Cow Business to Growing Business- Removal of Coal India Ban

Our first order was secured immediately following the acquisition, marking a decisive return to stable operations.



apollo micro systems

MAKE IN INDIA

Date: 31st December, 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

Scrip Code: 540879 **Symbol: APOLLO** **ISIN: INE713T01028**

Subject: General Update.

Dear Sir/Madam,

This is to inform you that M/s. IDL Explosives Limited, a step- down subsidiary of the Company in the ordinary course of its business has been granted a Running Contract (RC) for supply of bulk explosives to Subsidiaries of Coal India Limited amounting to INR 4193.96 Million and an export order value of INR 15 Million for supply of cartridge explosives.

The cumulative value of orders received amount to INR 4208.96 Million.

This update is being provided for the information of our valued shareholders.

We kindly request you to take the above on record.

Thanking You

Yours Faithfully
For Apollo Micro Systems Limited

BADDAM KARUNAKAR REDDY
Digitally signed by BADDAM KARUNAKAR REDDY
Date: 2025.12.31 09:08:41 +05'30'

Karunakar Reddy Baddam
Managing Director

- **Recent Order Won from Coal India worth of INR 421 crores (approx.).**
- **Back in Business with Coal India.**
- **Annuity Business catering to both domestic and exports market.**



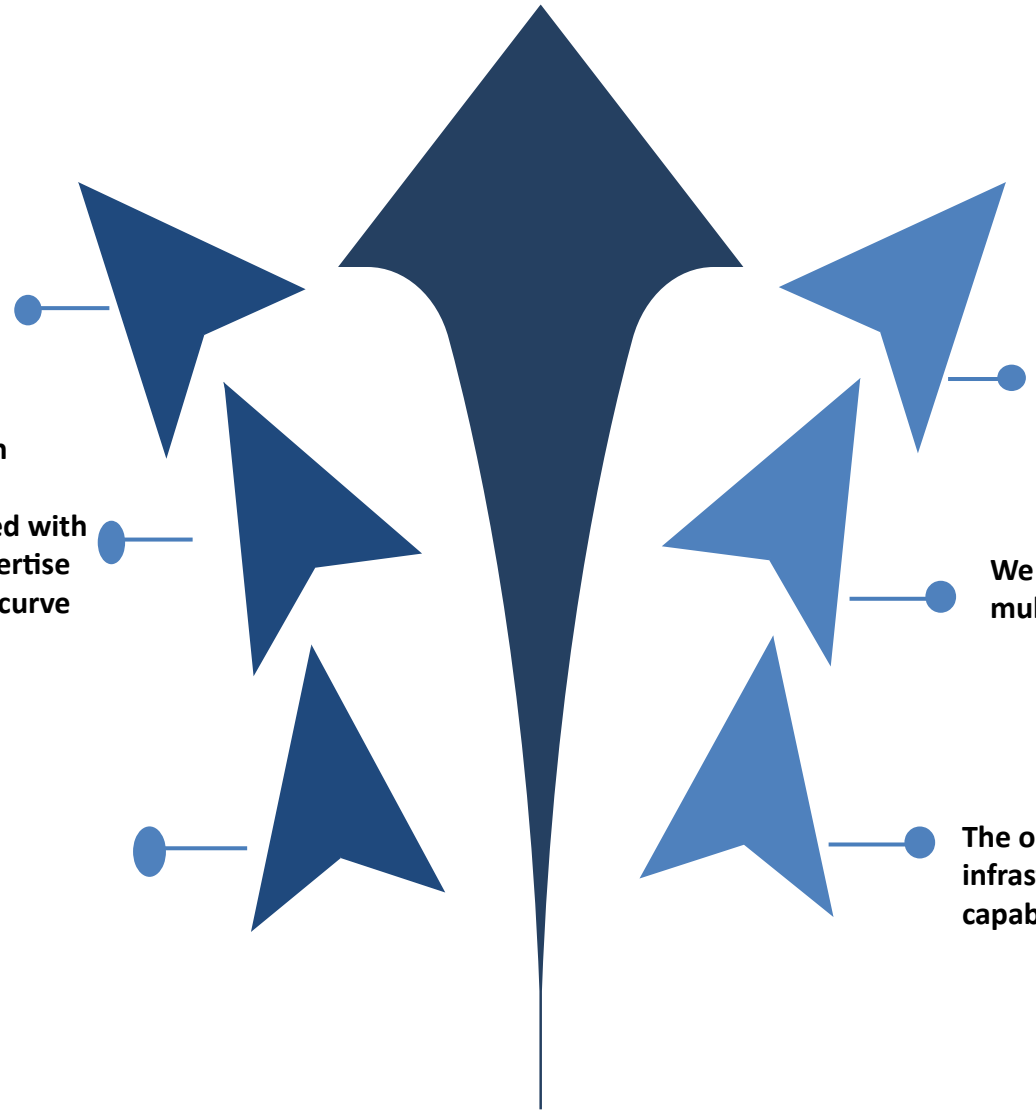
OUR CIRCLE OF COMPETENCE

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.



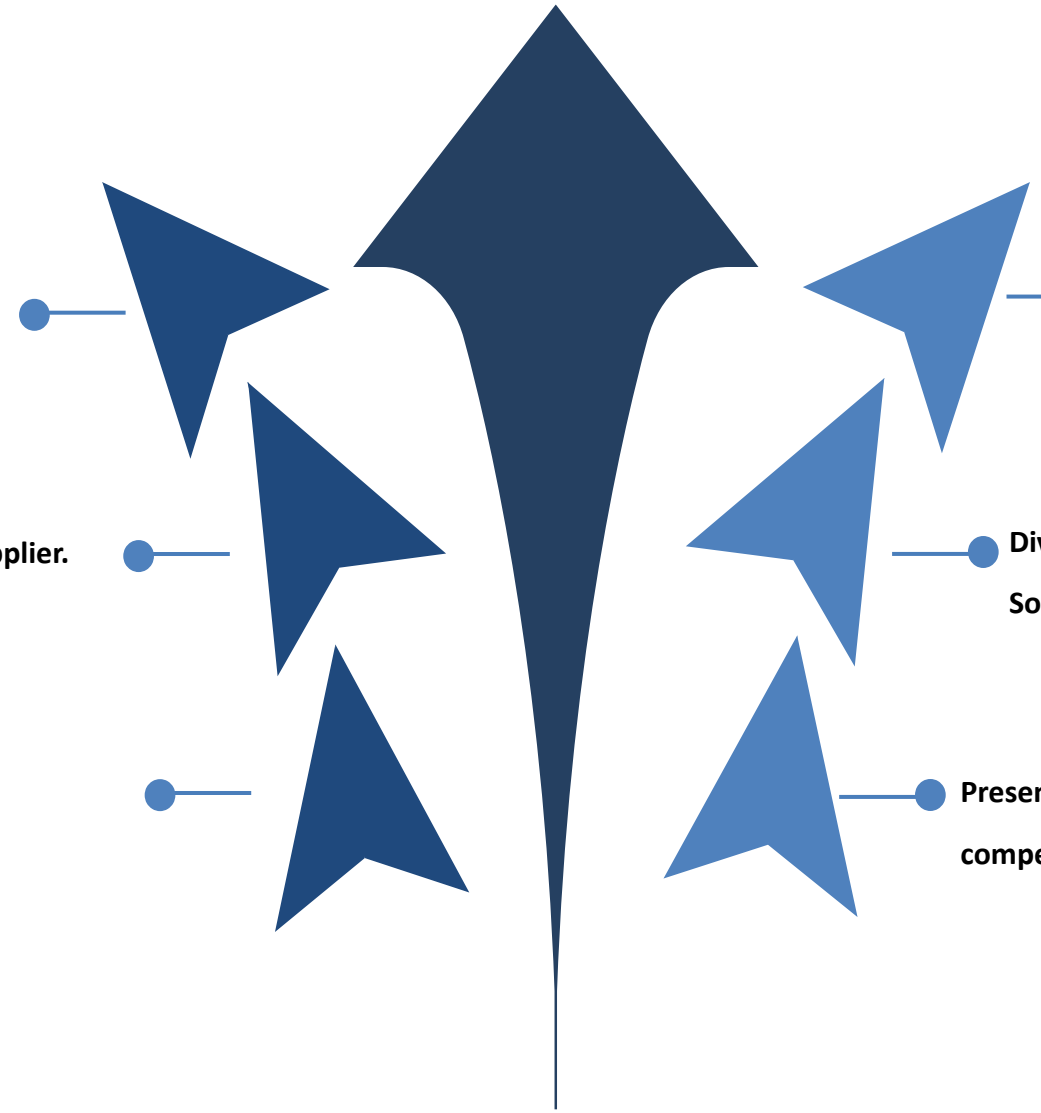
We design and manufacture systems, subsystems and weapons using in-house engineering from initial concept through production. No reverse engineering of third-party products is performed or relied upon. All designs are documented with traceable requirements, source artifacts, and verification records; 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)



Growing Organically and Inorganically.

Advancing from a Tier 2/3 to Tier 1 supplier.

Participation in complex Tenders.

R&D as a % of revenue in FY25 stood at 6%.

Diversification of sectors, clients, geographies and Solutions offerings.

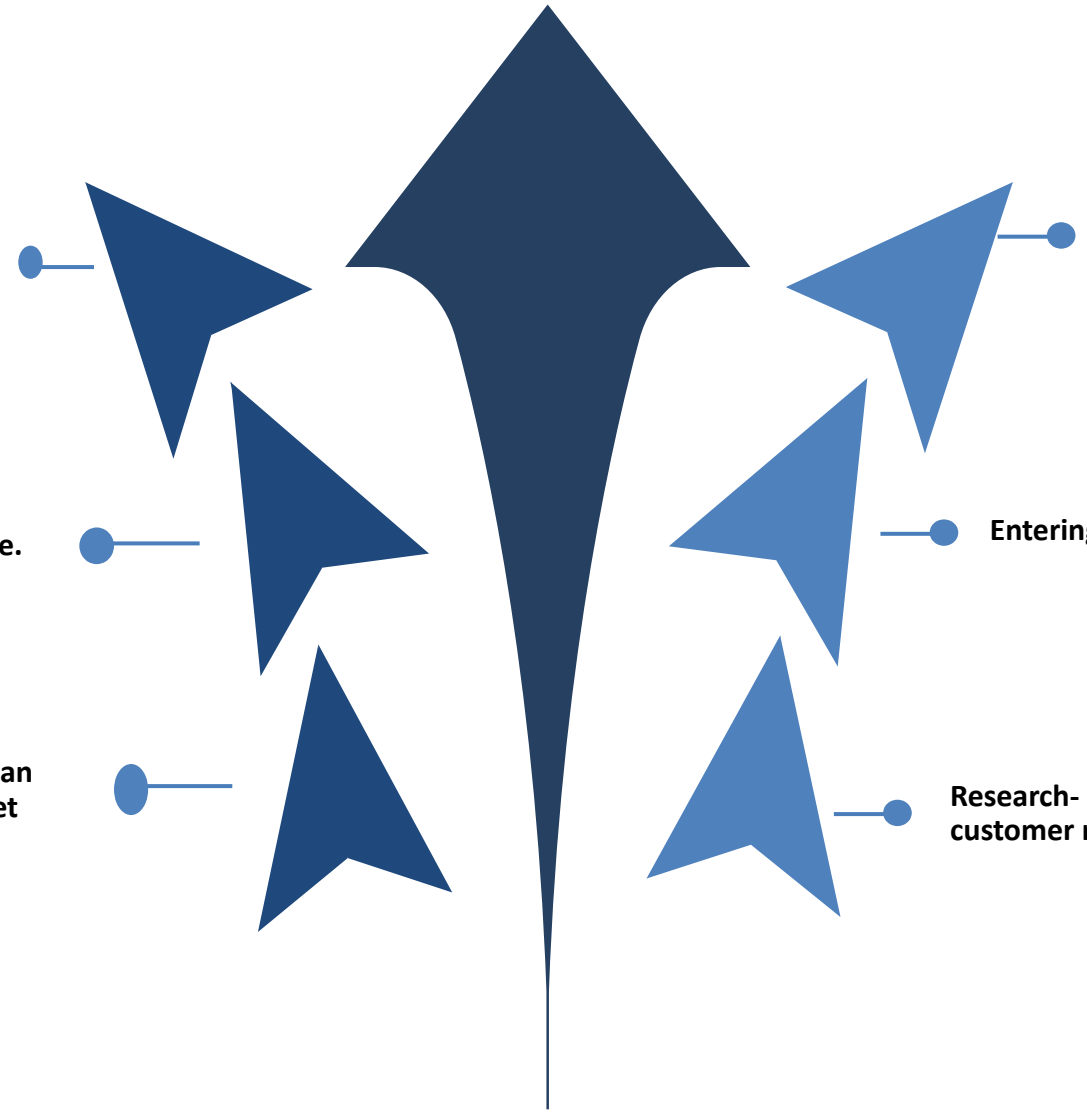
Presence in niche sectors with products where competition is limited.

OUR STRATEGIC ATTRIBUTES (3/4)

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

Significant Order Book Pipeline.

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



High Entry Barrier.

Entering production unlocks economies of scale.

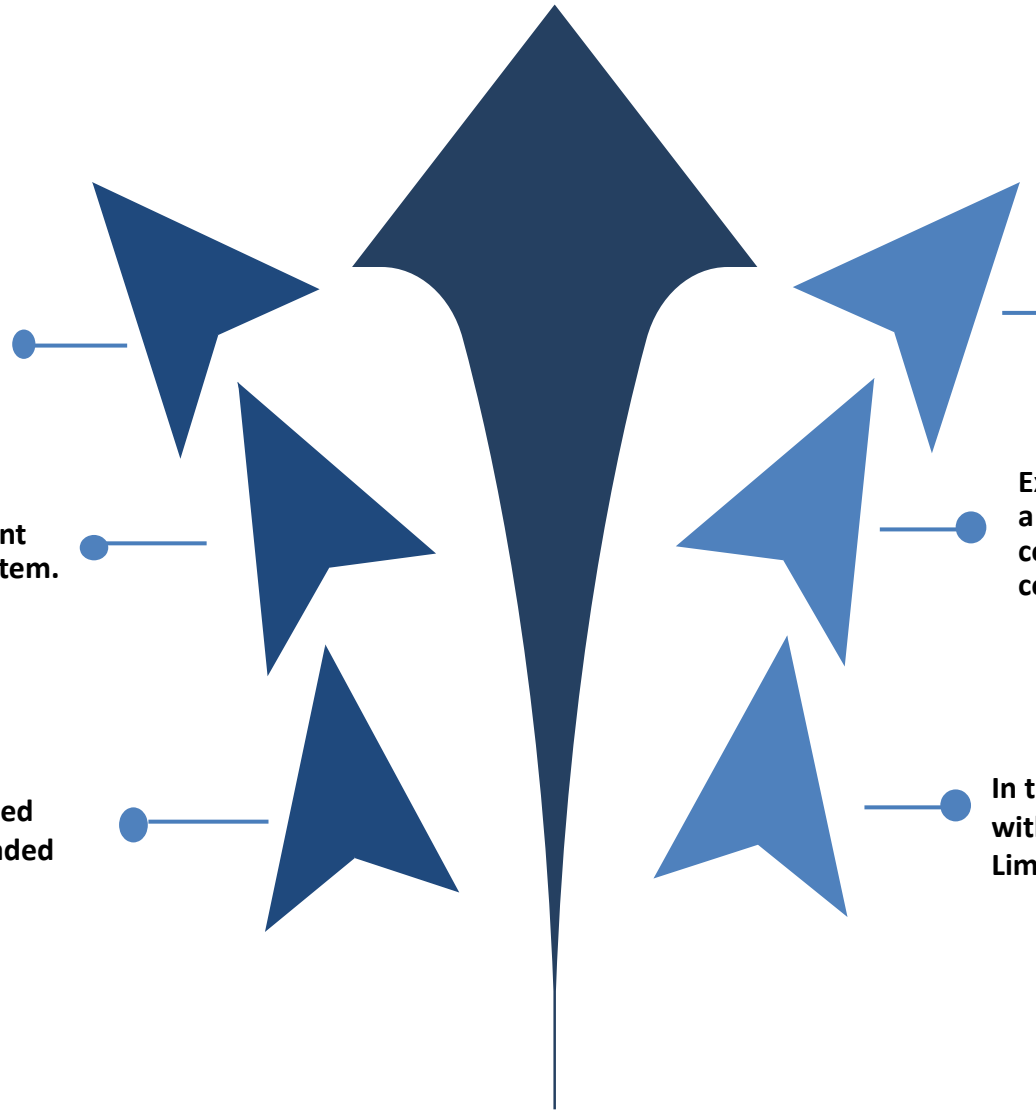
Research- Retention -Results mantra for 100% customer retention.

OUR STRATEGIC ATTRIBUTES (4/4)

Only publicly listed Tier-1 electronics designer with varied technological spectrum of Weapon electronics for missile systems.

Expertise in Ground Support Equipment system Launchers and Fire control System.

Credit Rating on Long Term Upgraded to ACUITE A- and Short Term Upgraded To ACUITE A2+.



Hold a strategic advantage in the naval domain, with a strong presence across all indigenously developed Torpedo programs.

Exclusively developed proprietary systems create a competitive moat, eliminating direct competition through unmatched integration and control.

In the Under Water Mines we are the only company in INDIA with complete offerings of Shallow Water, Deep Water and Limpet Under Water Mine.



SIGNIFICANT ENTRY BARRIER EXPLAINED

01

The industry's demanding learning curve functions as a structural entry barrier, requiring significant time and expertise in complex sub-systems/ systems/ platforms/ weapons before achieving operational competence.

02

Substantial upfront Capex and regular capital infusion in R&D . Stringent licensing requirements and oversight.

03

Operating within the defense industry, integration plays a critical role, as reliance on external entities poses risks related to supply chain disruptions and national security. Consequently, we established this domain internally.

04

We have ownership of Intellectual Property for all weapons/ systems/ subsytems. Long Production cycle creates monopoly due to contract duration and need of specialized requirement which limits availability of viable alternatives.

05

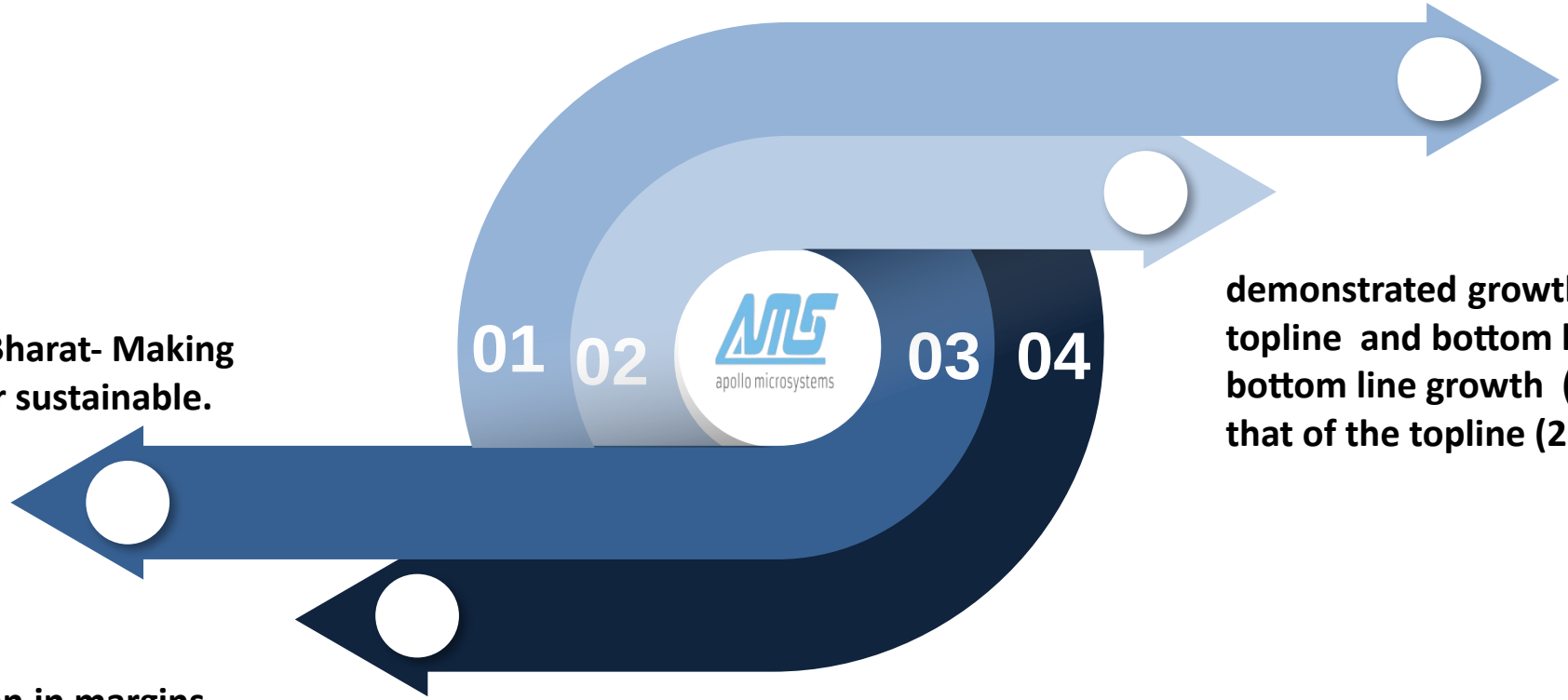
High switching costs, reinforced by long-term partners early in a program by OEM. Since Switching supplier later is costly OEM rarely change them making it hard for new suppliers to enter, scale up or reduce unit cost. Moreover long development cycle increases switching cost making it more cost effective to continue with existing contractors for modifications than starting new programs.

06

Strategic location in India's defence belt Hyderabad. New entrants face difficulty acquiring cutting edge technologies because of limited ToT.



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



Exports gaining Momentum.

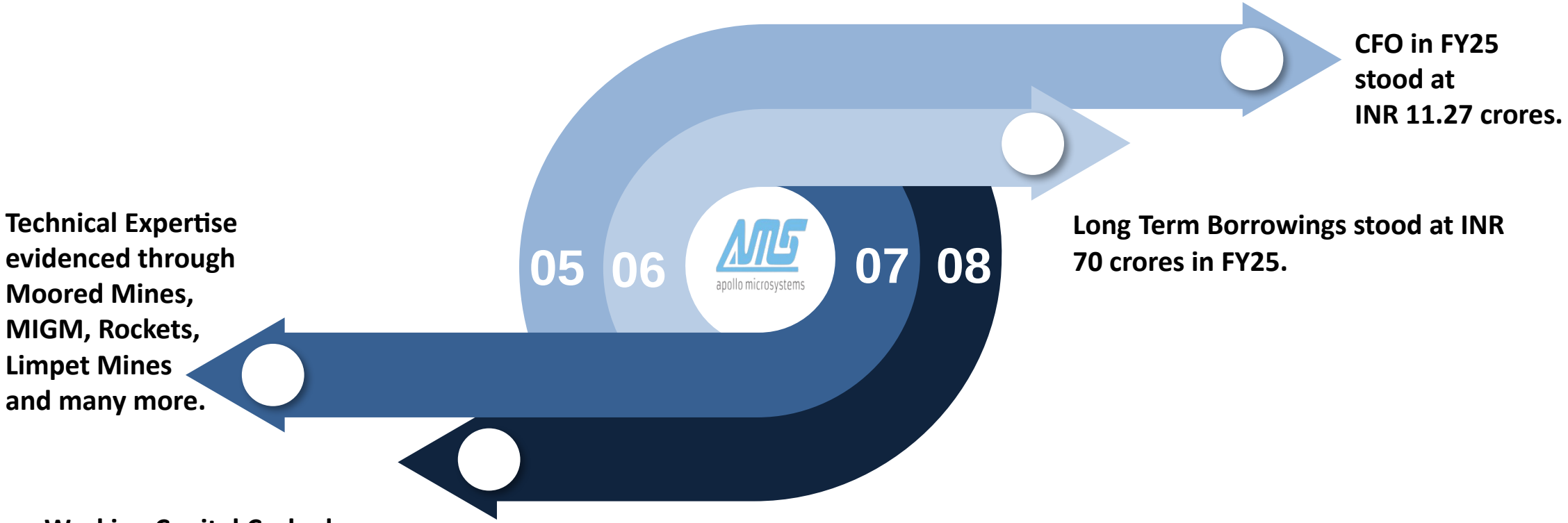
demonstrated growth in both topline and bottom line, with bottom line growth (53%) outpacing that of the topline (29%).

Atmanirbhar Bharat- Making Defence sector sustainable.

Expansion in margins

Operating Margin- from 16% (FY20) to 20% (FY25)
PAT Margin- from 6% (FY20) to 10% (FY25).

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



CFO in FY25 stood at INR 11.27 crores.

Long Term Borrowings stood at INR 70 crores in FY25.

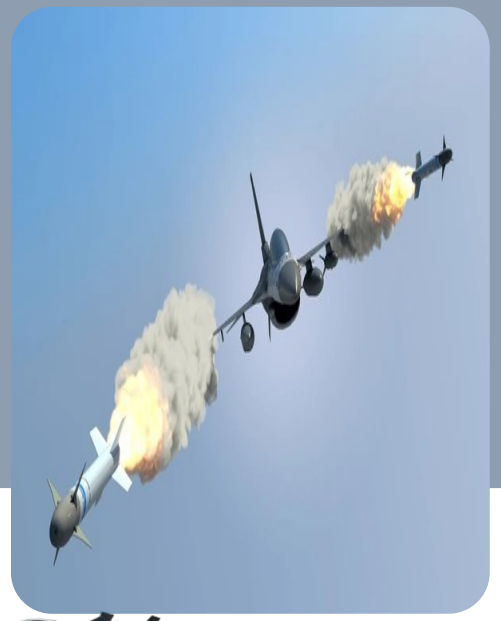
Technical Expertise evidenced through Moored Mines, MIGM, Rockets, Limpet Mines and many more.

Working Capital Cycle days reduced from 600 days in FY24 to 445 days in FY25.











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 41 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.



APPLICATION OF PRODUCTS AND SERVICES OFFERINGS (1/2)

AVIONICS

WE POWER THE AIRSPACE WITH ADVANCED SAFETY CRITICAL PRODUCTS



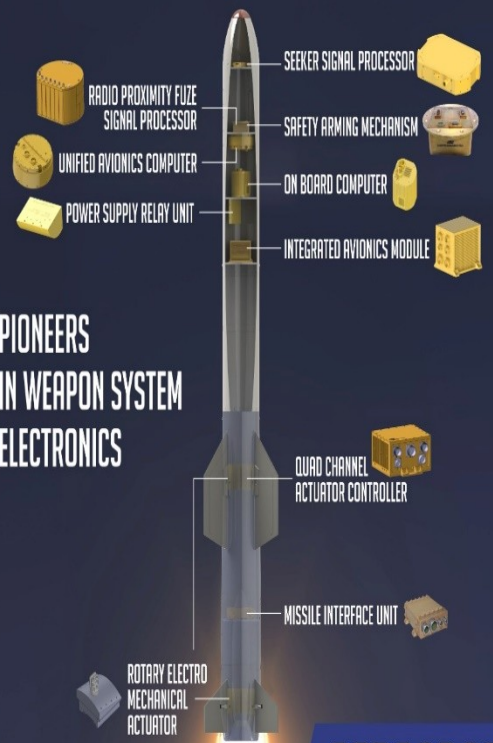




AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

AEROSPACE

PIONEERS IN WEAPON SYSTEM ELECTRONICS



AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

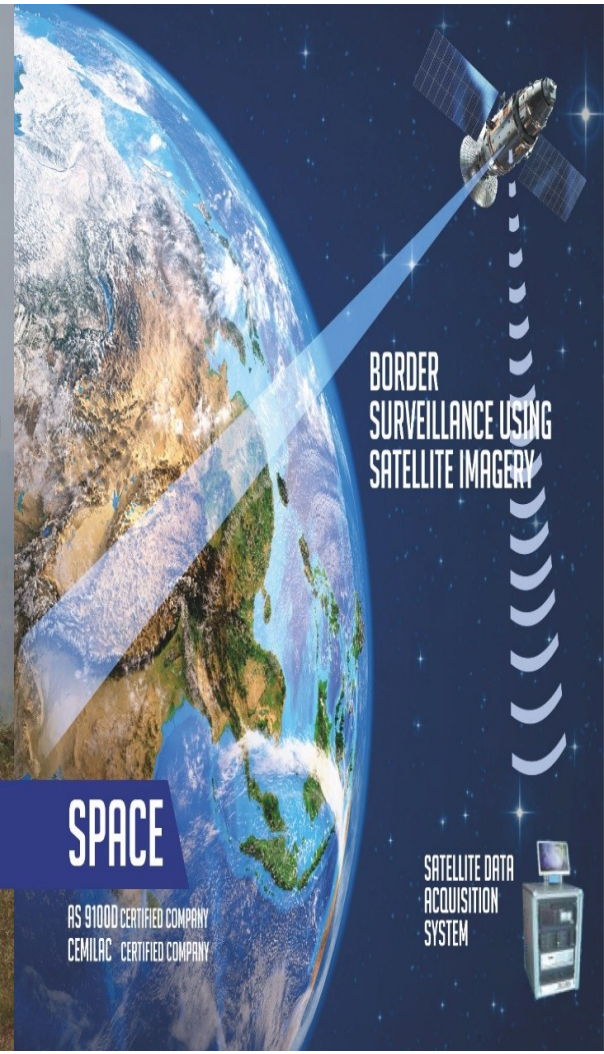
GROUND DEFENSE

WE EMPOWER GROUND DEFENCE WITH RUGGEDISED & RELIABLE ELECTRONIC SYSTEMS



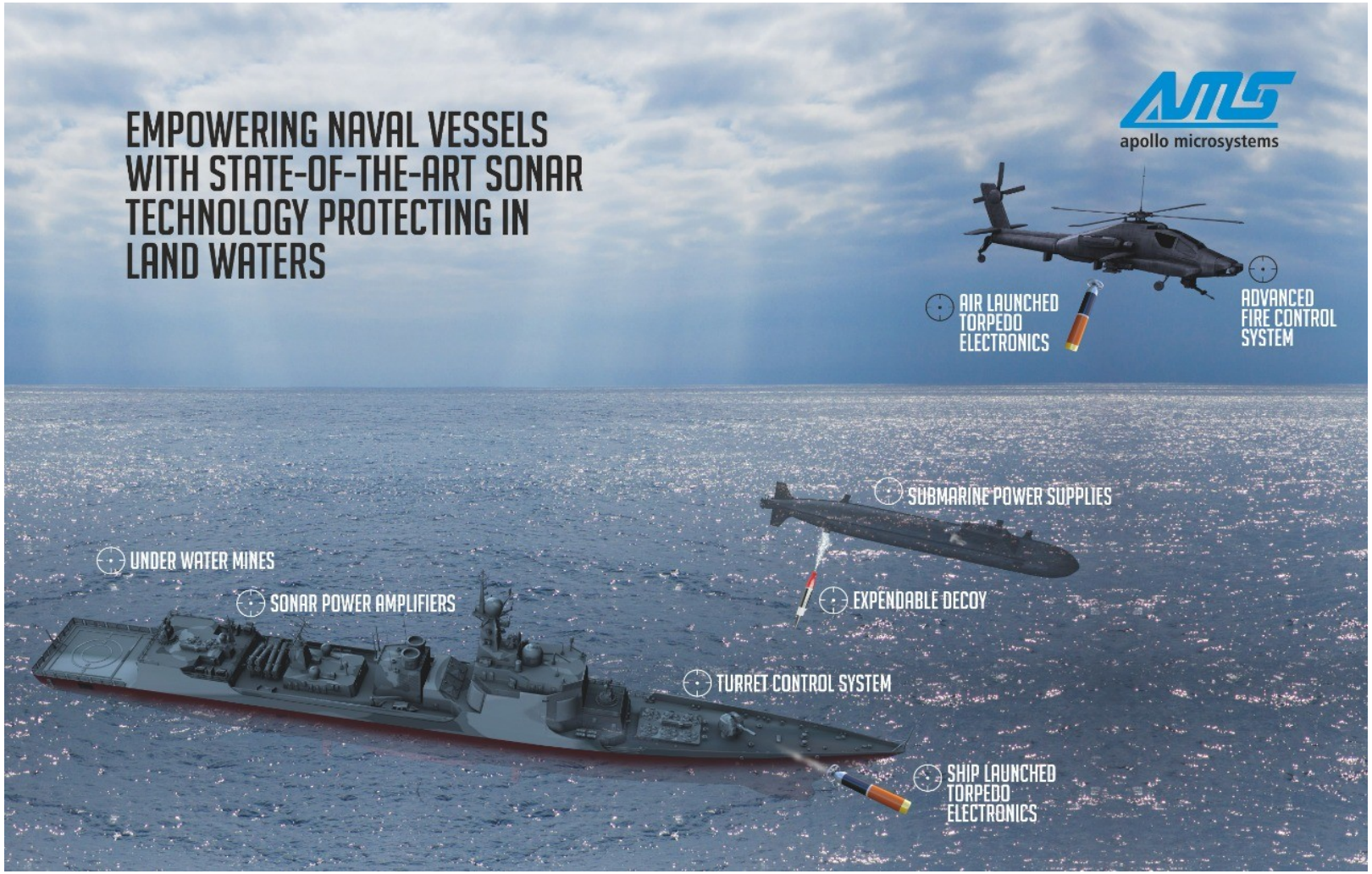
AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

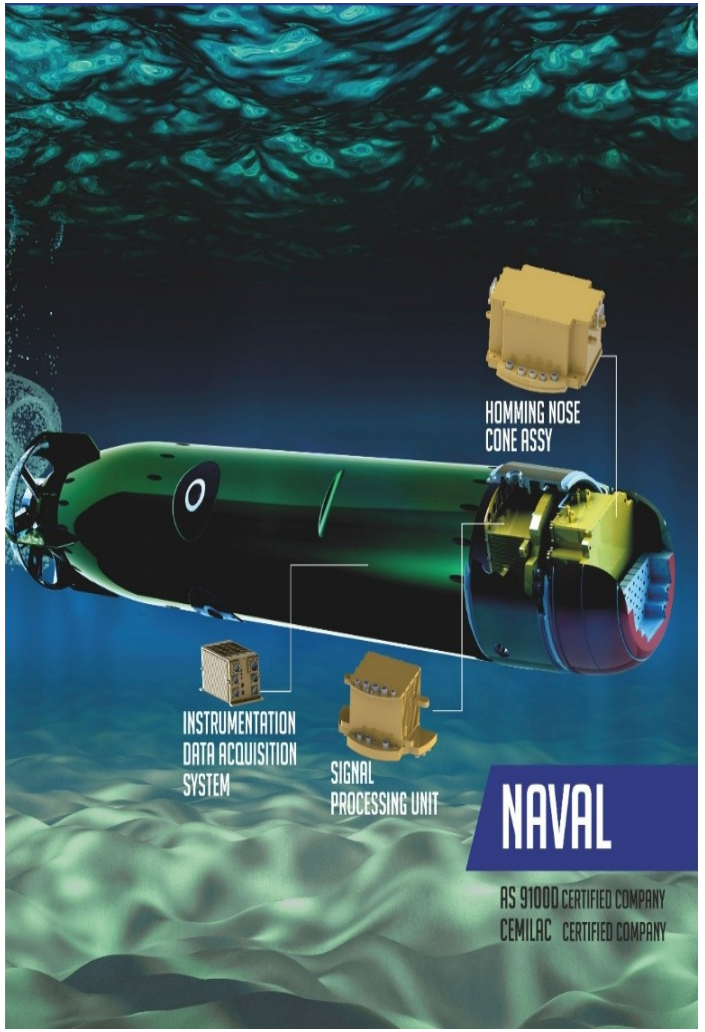
SPACE



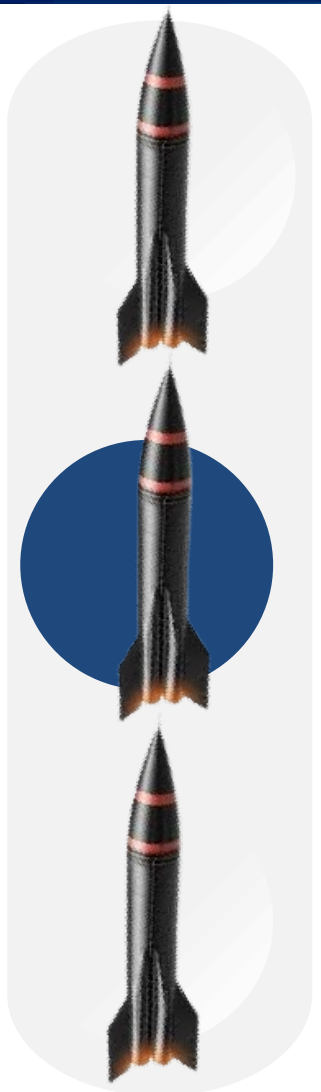
AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

APPLICATION OF PRODUCTS AND SERVICES OFFERINGS (2/2)





BUSINESS MODEL CANVAS



Key Activities

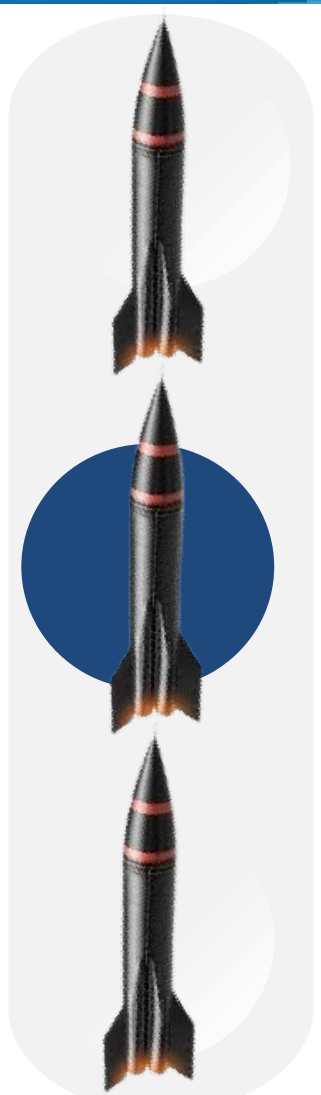
We focus on the design and development of defence systems/subsytems/weapons/platforms, followed by scaled manufacturing upon successful completion of the development phase.

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

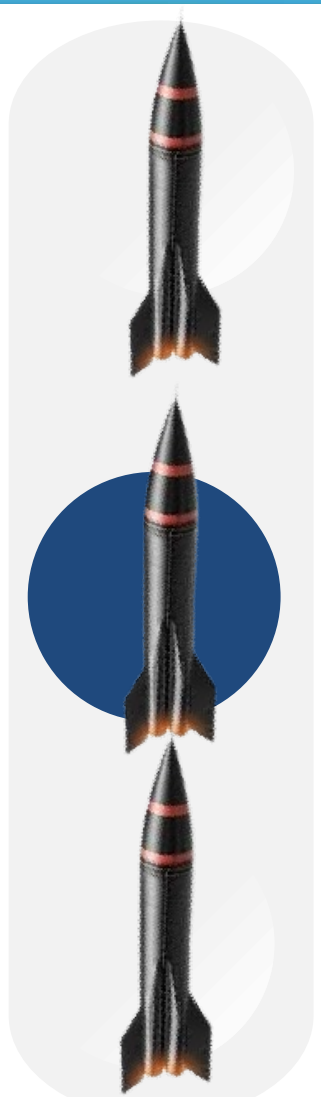
A standardized definition is not applicable, as each product is customized to meet the specific requirements of individual Clients.

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.



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



CERTIFICATIONS

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

CEMILAC CERTIFIED









GREENFIELD EXPANSION



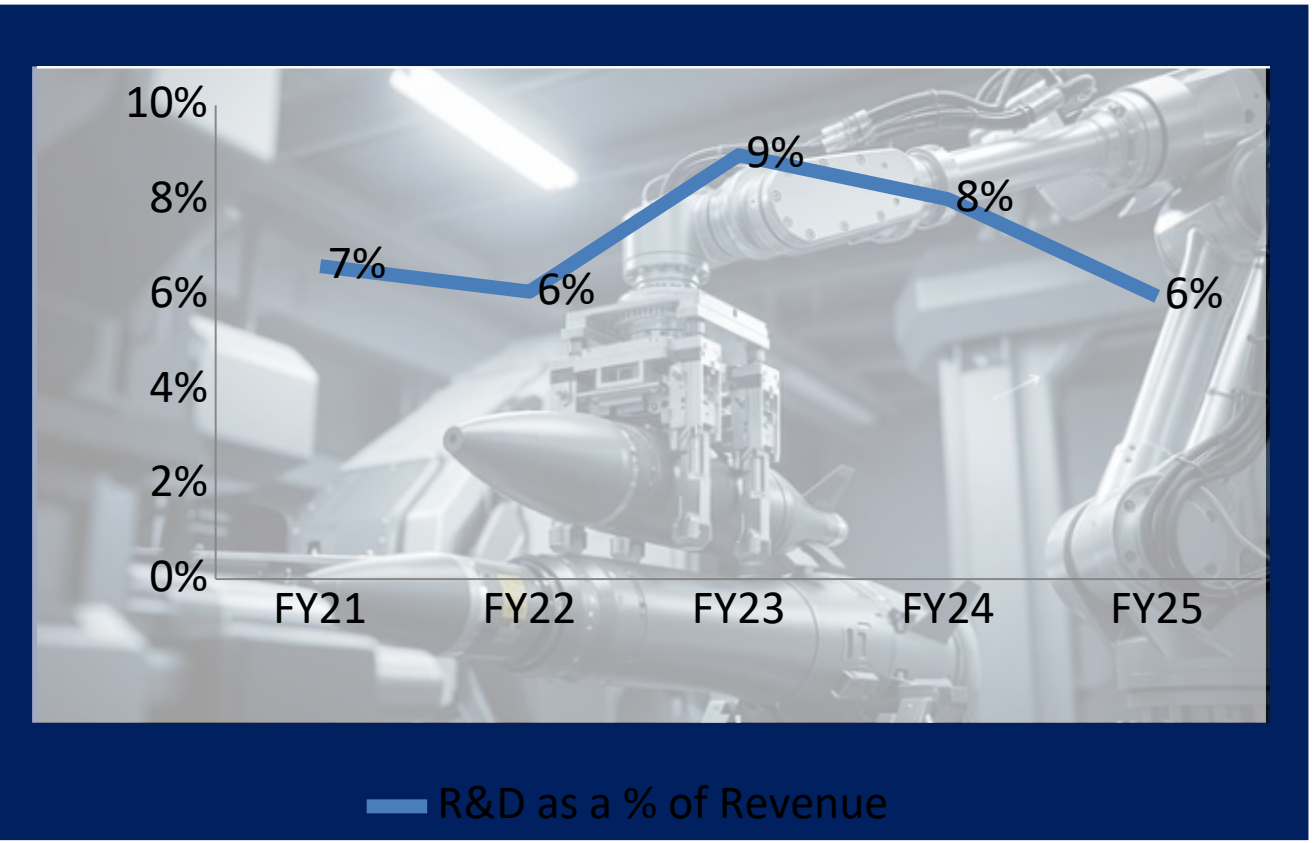
01 Scaling Operations to 12x capacity.

02 Total investment of INR 300 crores which also includes a land bank of approx. 2,47,441 sq ft strategically located adjacent to Unit 3 at the Industrial Park, TSIIC Hardware Park, Phase 2, Hyderabad.

03 The facility is planned to support the manufacturing, assembly, integration, and testing of a range of weapon systems, including Grad rockets, anti-submarine warfare rockets, anti-tank mines, artillery munitions, and other similar weapon systems.

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.**



- 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, KUSHA	
Anti Radiation Missile	RUDRAM, STAR, NGRAM	
Anti Tank Missile	NAG, AMOGHA 2, HELINA, IMPATGM	
Anti Ship Missile	LRAHSM, NASM	
Cruise Missiles	NIRBHAY, SLCM, BRAHMOS NG	
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	
SUBMARINE LAUNCHED TORPEDO	ALWT	
	EHWT	
UNDERWATER MINE	MIGM	
	Moored Mines	
EXPANDABLE DECOYS	MAREECH	
	MOHINI	



INDIGENIZATION AND MODERNIZATION OF DEFENCE ECOSYSTEM - OUR PARTICIPATION

	PROGRAMS	INDIGENIZED
BOMBS	TARA	
	GARUTHMA	
	GARUDA	
	LRGB	
ARTILLERY	PINAKA	
	GUIDED PINAKA	
	ATAGS	



INDIGIZATION AND MODERNIZATION OF DEFENCE ECOSYSTEM - OUR PARTICIPATION

OTHERS

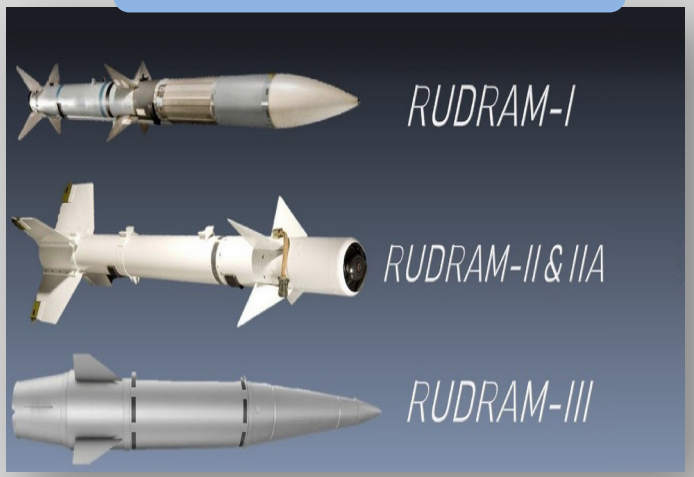
PROGRAMS	INDIGINIZED
RUSTOM UAV	
VSHORAD AIR DEFENCE SYSTEM	
HYPERSONIC TECHNOLOGY DEMONSTRATOR VEHICLE	



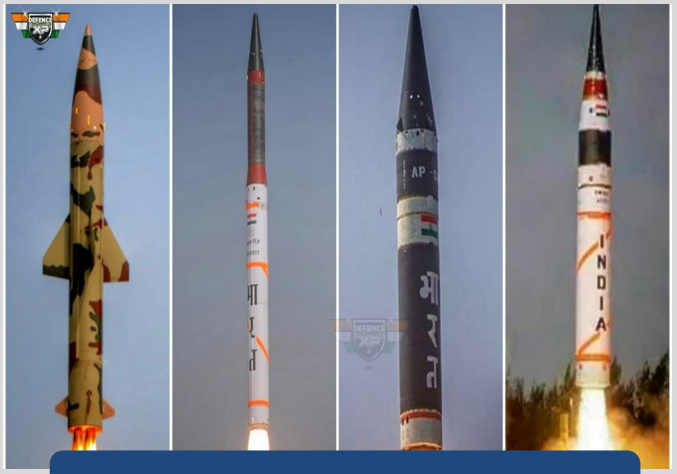


MISSILE PROGRAMS

AIR TO SURFACE MISSILE



NUCLEAR MISSILE



AGNI

ANTI SUBMARINE MISSILE



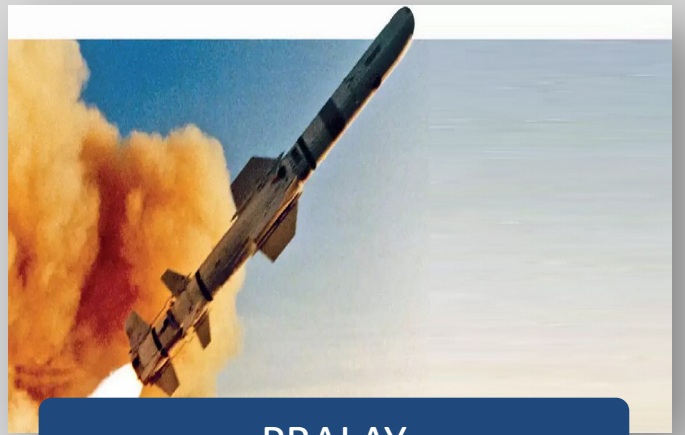
SMART

BALLISTIC MISSILE





K4



PRALAY

CRUISE MISSILE



NIRBHAY



SLCM

ANTI SHIP MISSILE



NASM

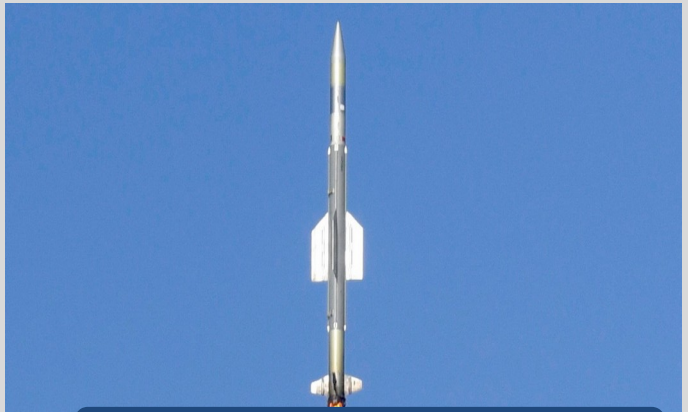


LRAHSM

SURFACE TO AIR MISSILE



AKASH



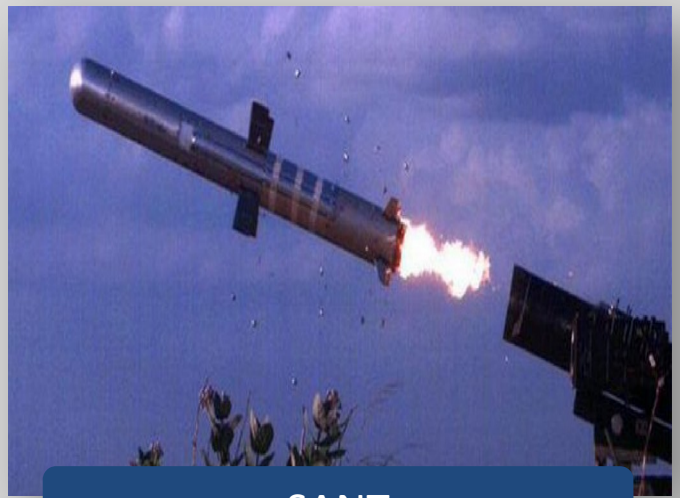
VLSRAM



NGRAM

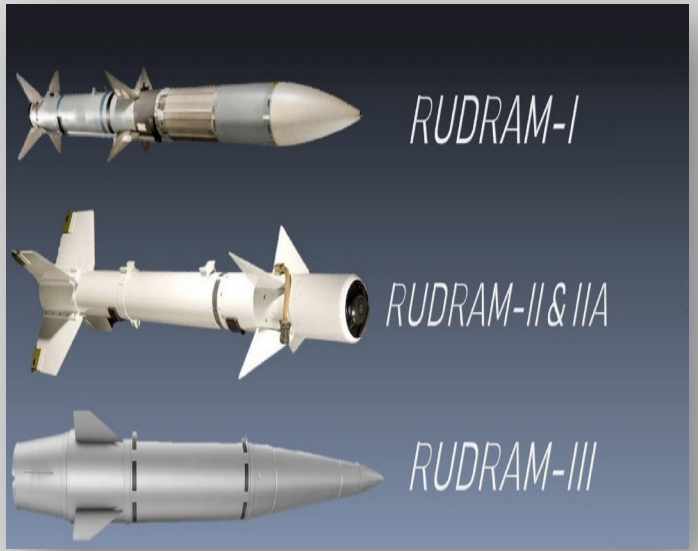


QRSAM



SANT

ANTI RADIAITION MISSILE





STAR

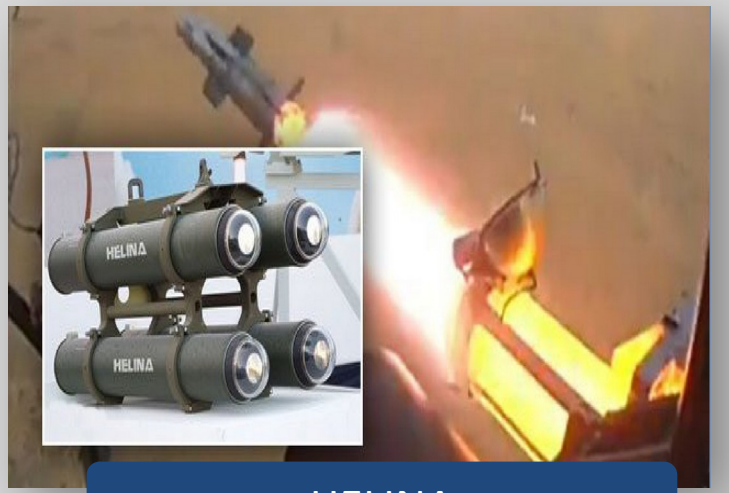


NGRAM

ANTI TANK MISSILE



AMOGHA 2



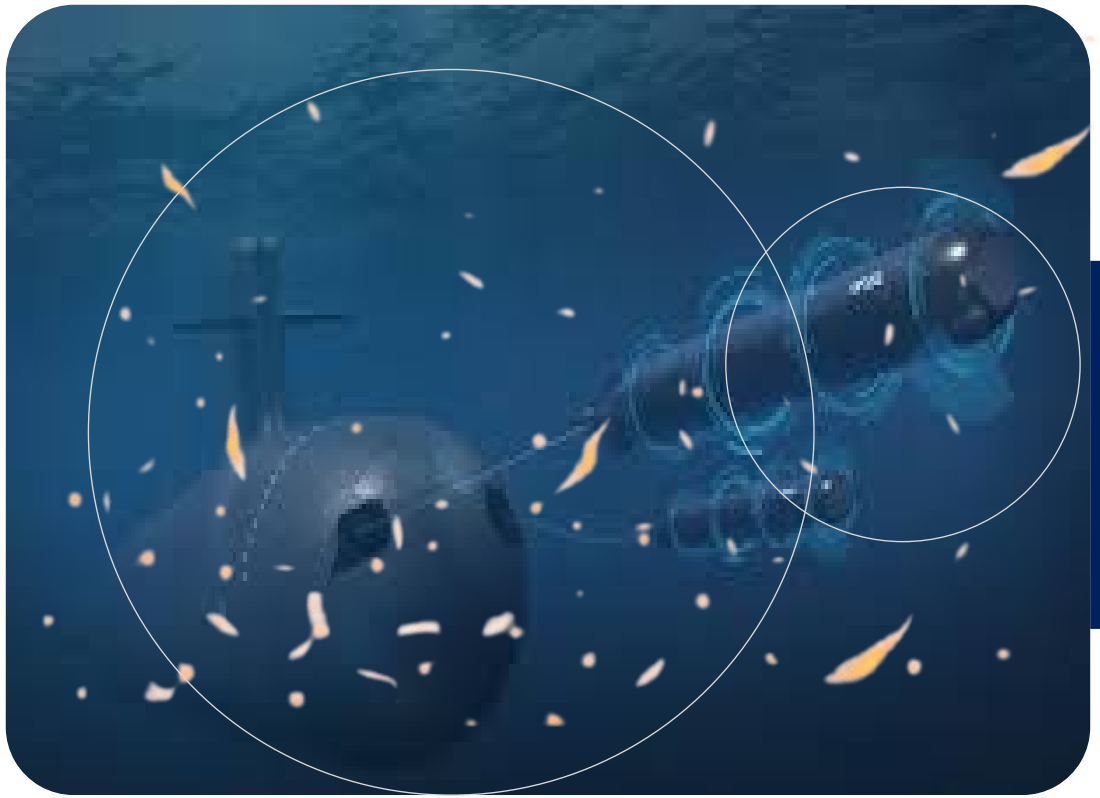
HELINA



NAG



MPATGM



NAVAL PROGRAMS

NUCLEAR SUBMARINE



ARIHANT

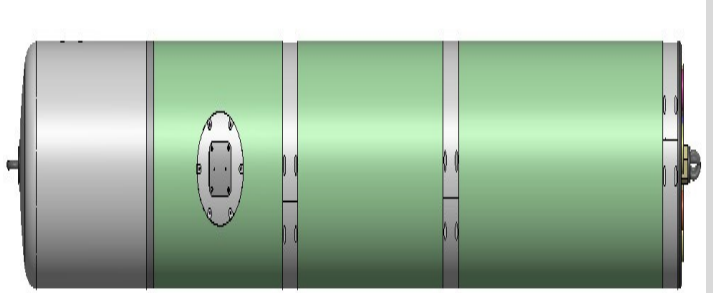


NAG

UNDER WATER MINES

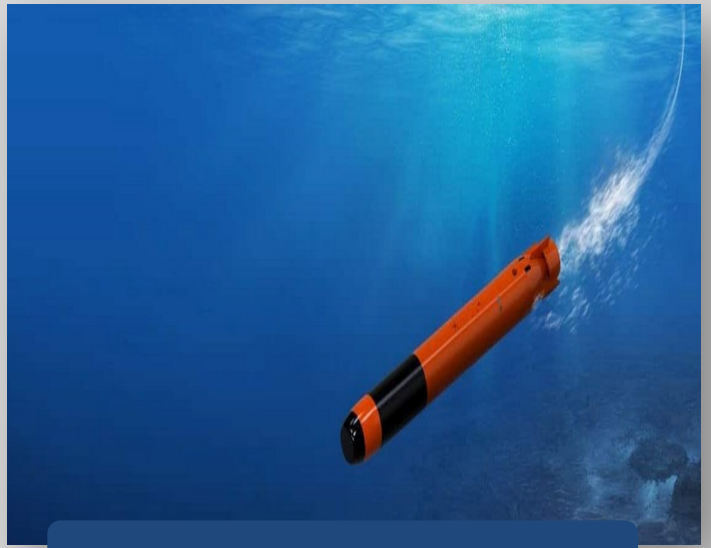


MIGM



MOORED MINE

TORPEDOES



TAL



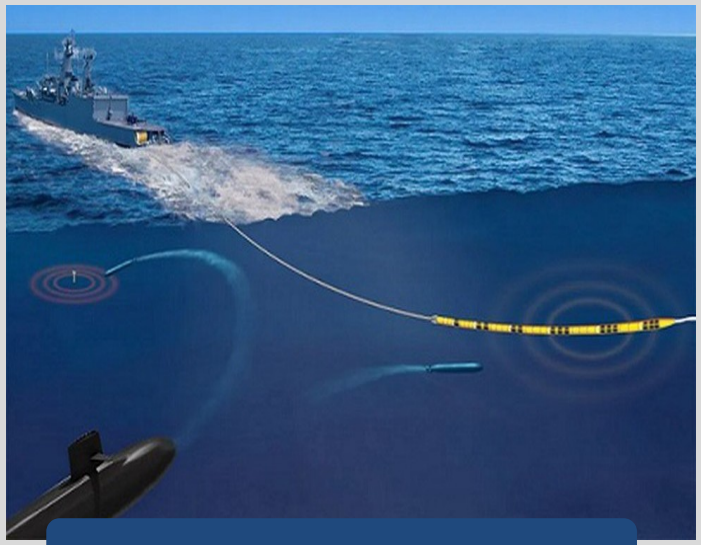
ALWT



VARUNASTRA



EXPENDABLE DECOYS



MAREECH

MOHINI

C303

SUBMARINE LAUNCHED TORPEDOES

EHWT



OTHERS

OTHERS



RUSTOM UAV



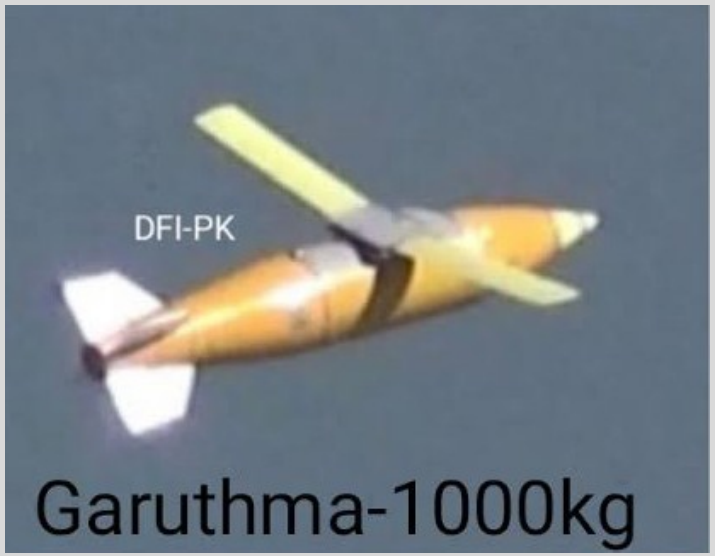
VSHORAD AIR DEFENCE SYSTEM

HYPERSONIC TECHNOLOGY DEMONSTRATOR VEHICLE



ARMS AND AMMO

BOMBS





LRGB



TARA

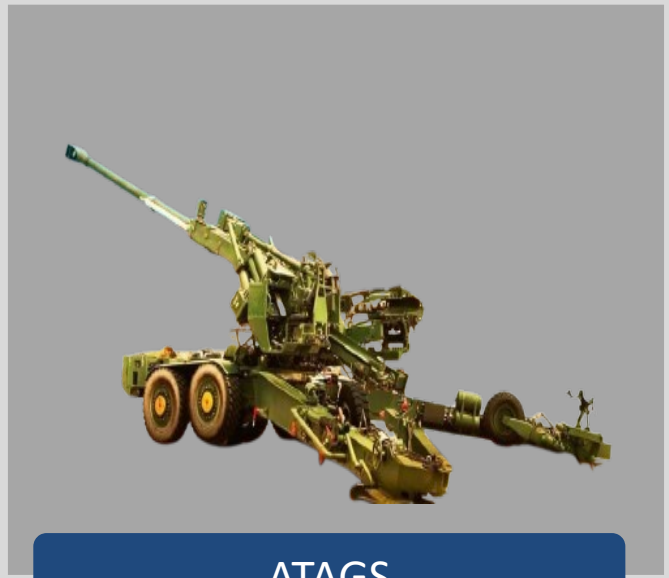
ARTILLERY



PINAKA



GUIDED PINAKA



ATAGS



BUSINESS ENVIRONMENT

INDIA

2027- ERA OF TRANSITION
2027-2037- ERA OF CONSOLIDATION
2037-2047- ERA OF EXCELLENCE

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

- Approximately **35 countries currently possess operational ballistic missiles of various ranges and approximately 25 countries have operational cruise missiles with a range greater than 150 km (90 miles).**

- 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**



NATIONS ARE GEARING UP (4/4)

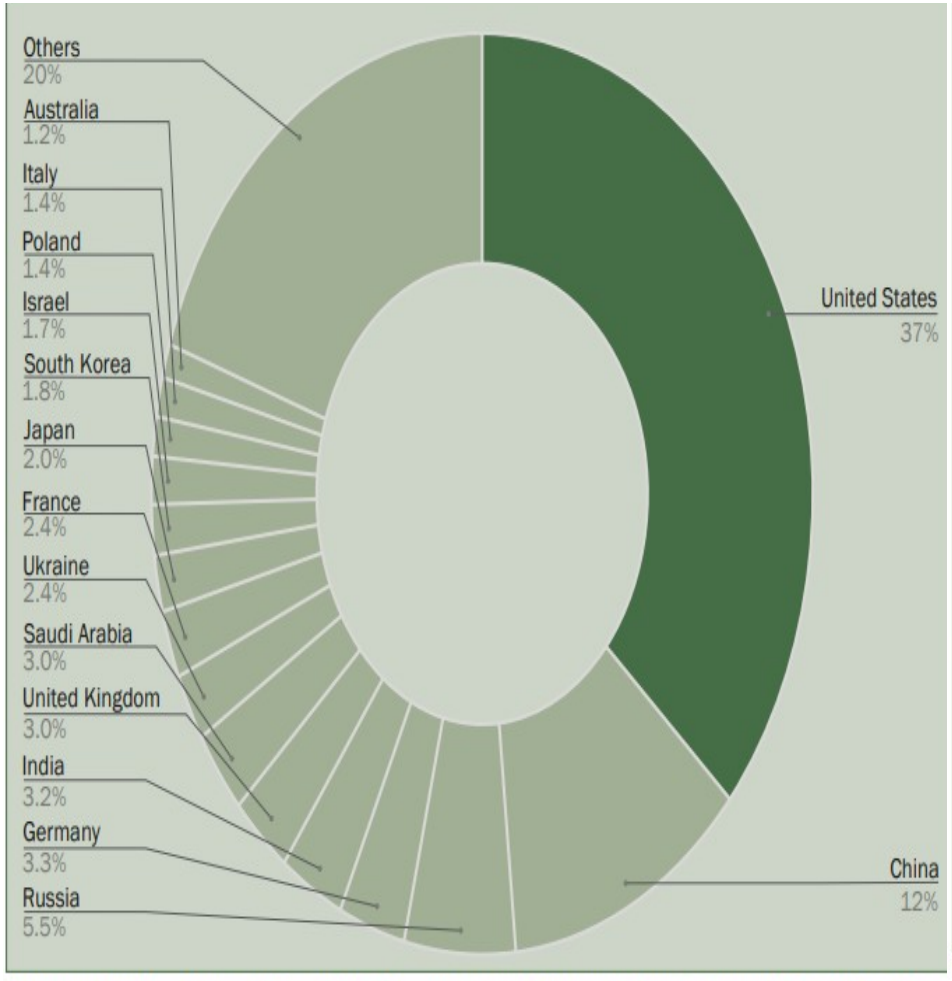


Figure 2. The share of world military expenditure of the 15 countries with the highest spending in 2024

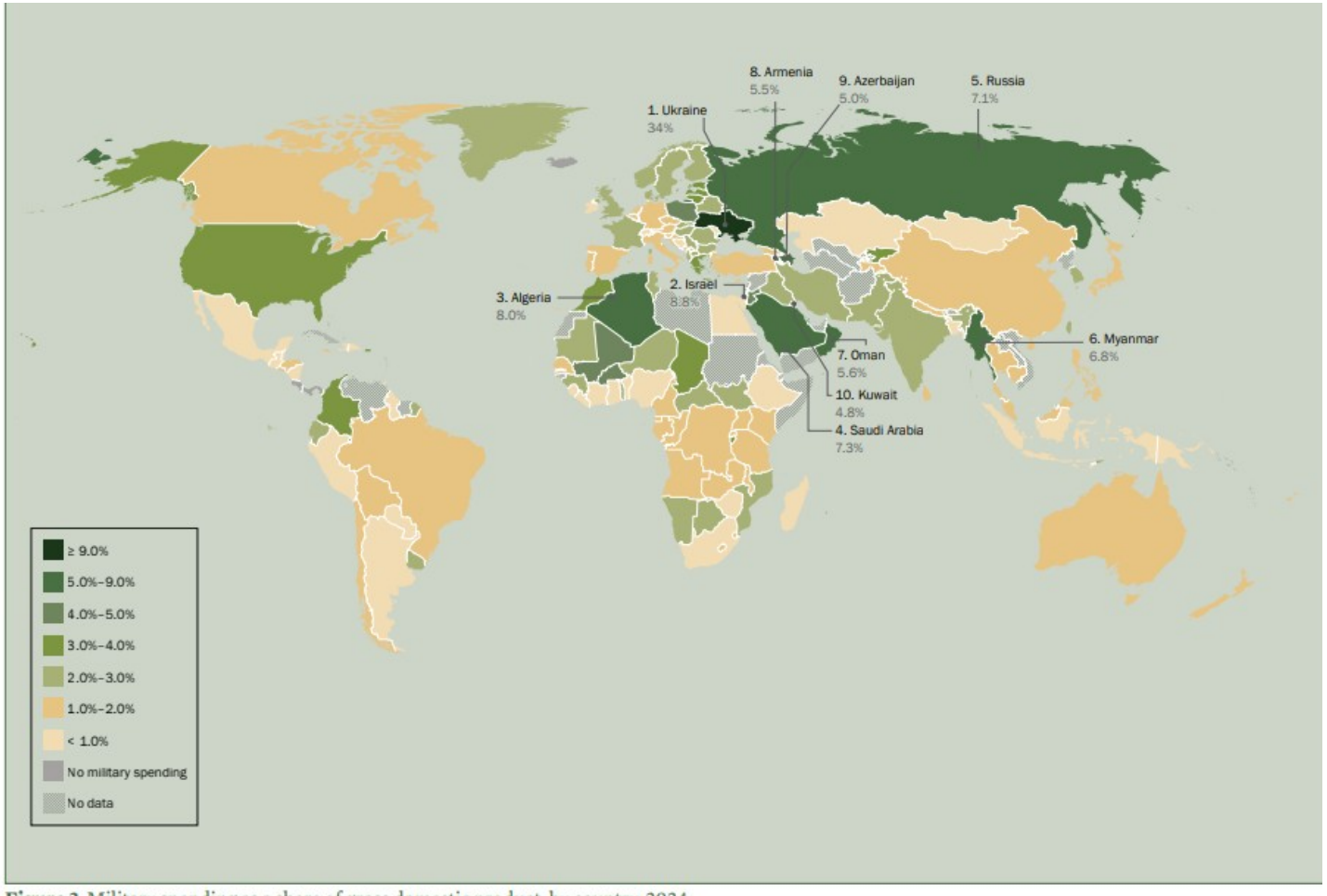


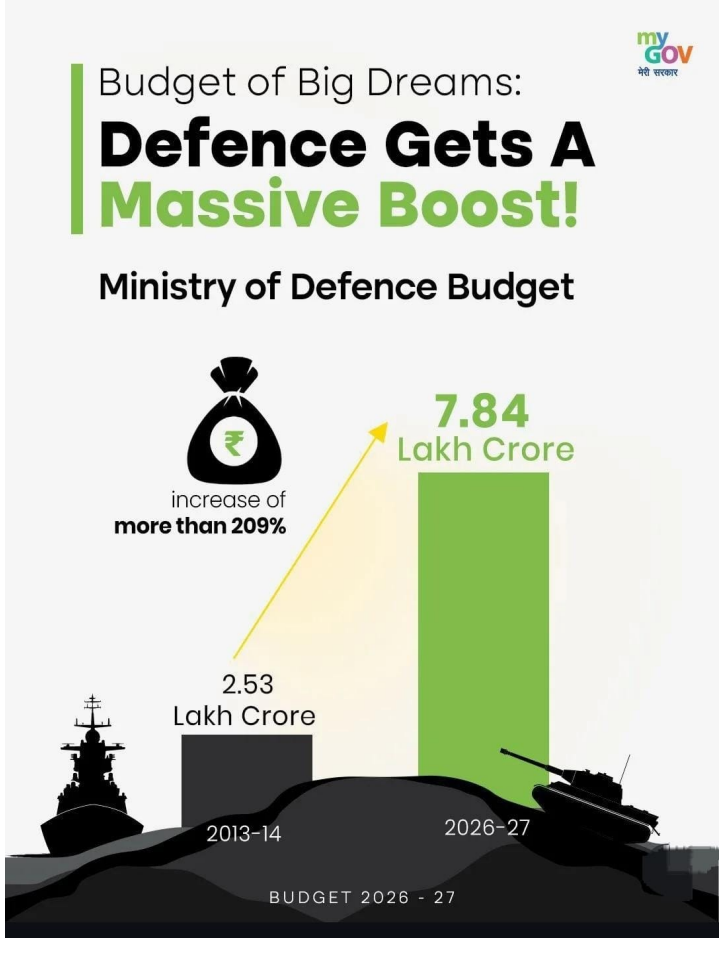
Figure 3. Military spending as a share of gross domestic product, by country, 2024

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.

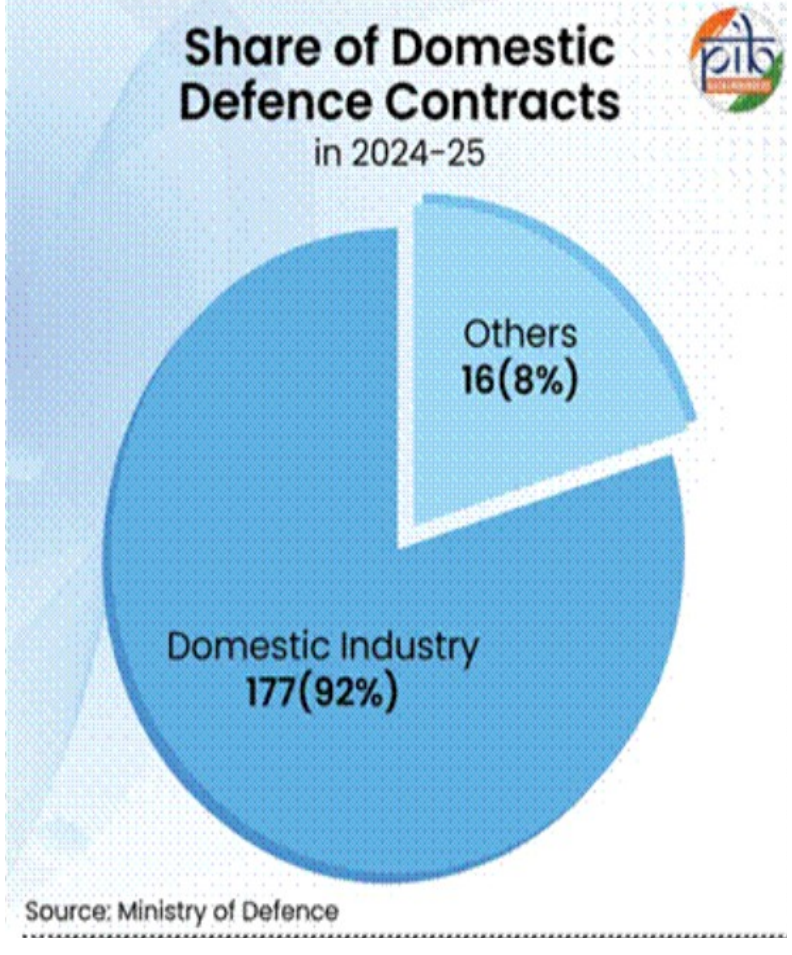
Source: SIPRI Military Expenditure Database, Apr. 2025.

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

Story in Charts



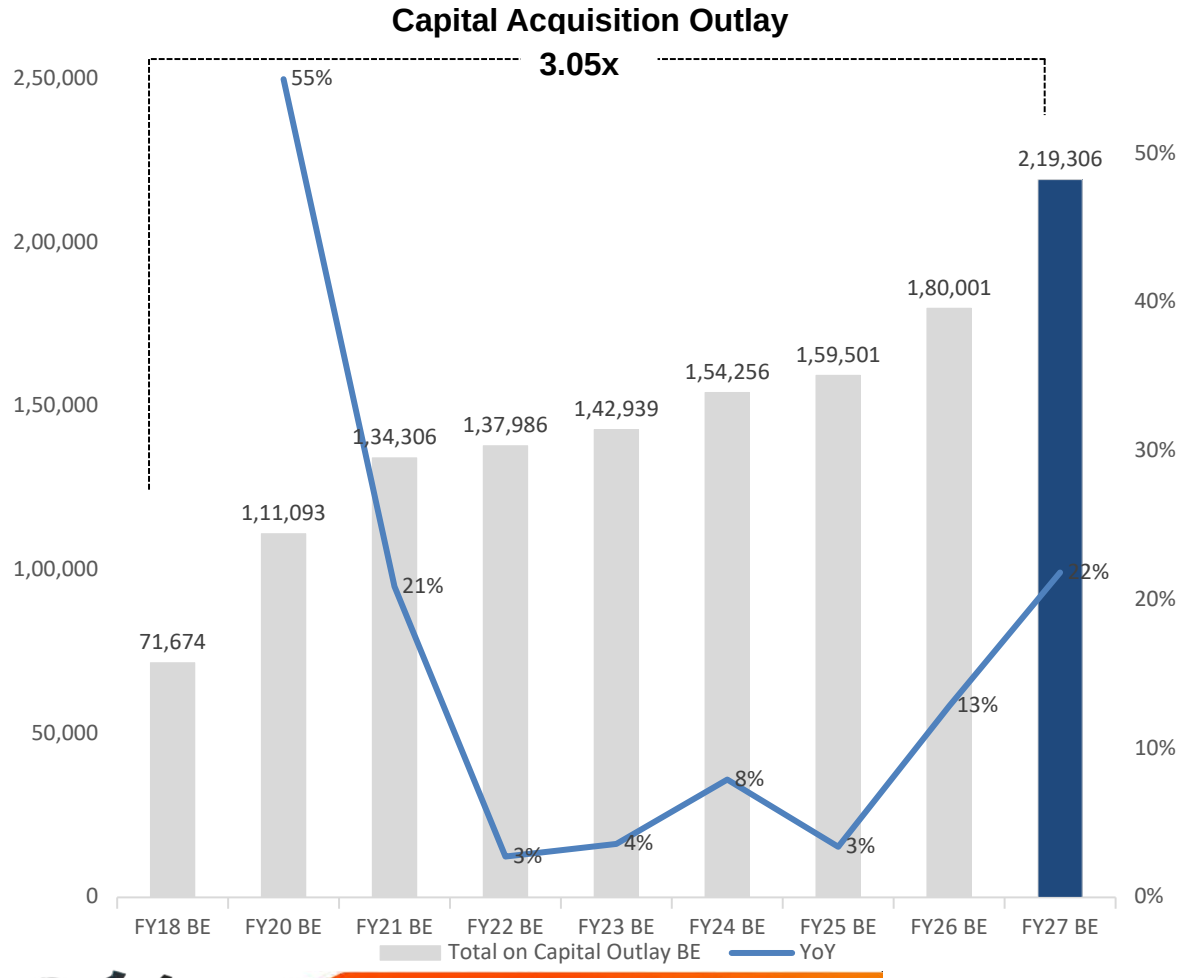


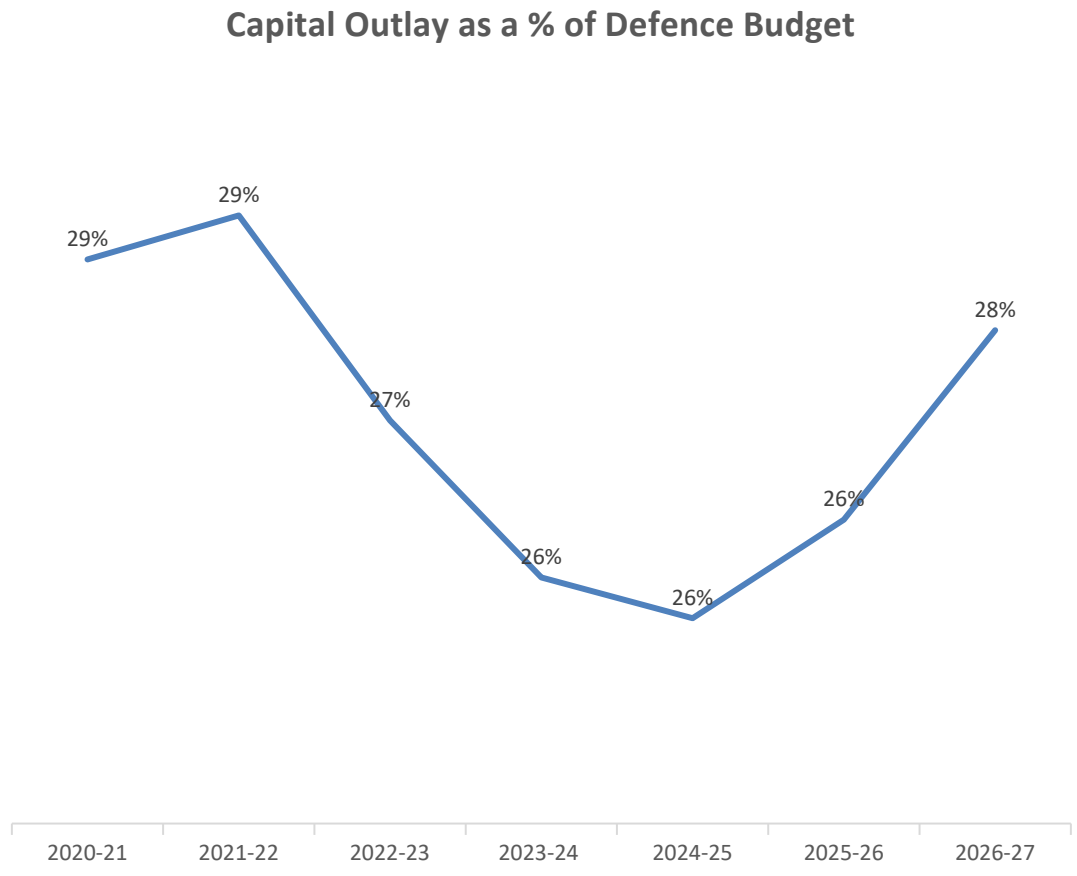


MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (2/10)

All Figures in INR Crores

Story in Charts

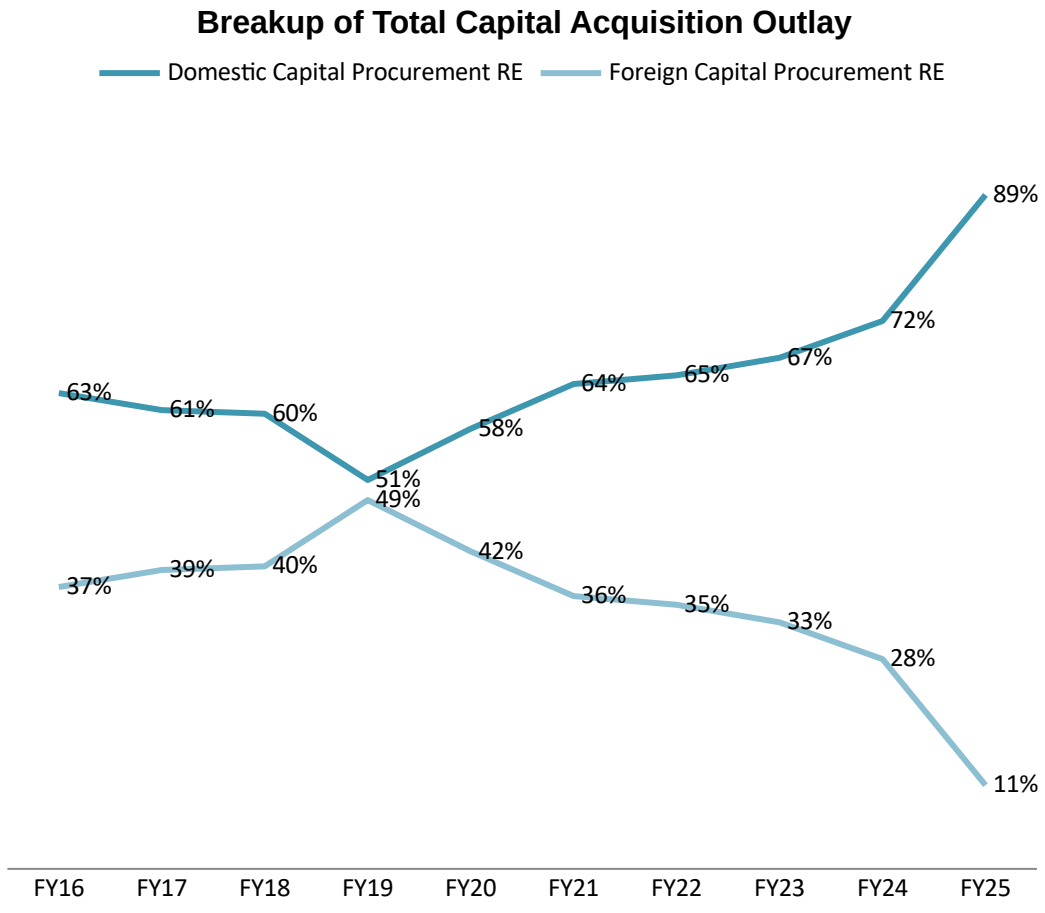


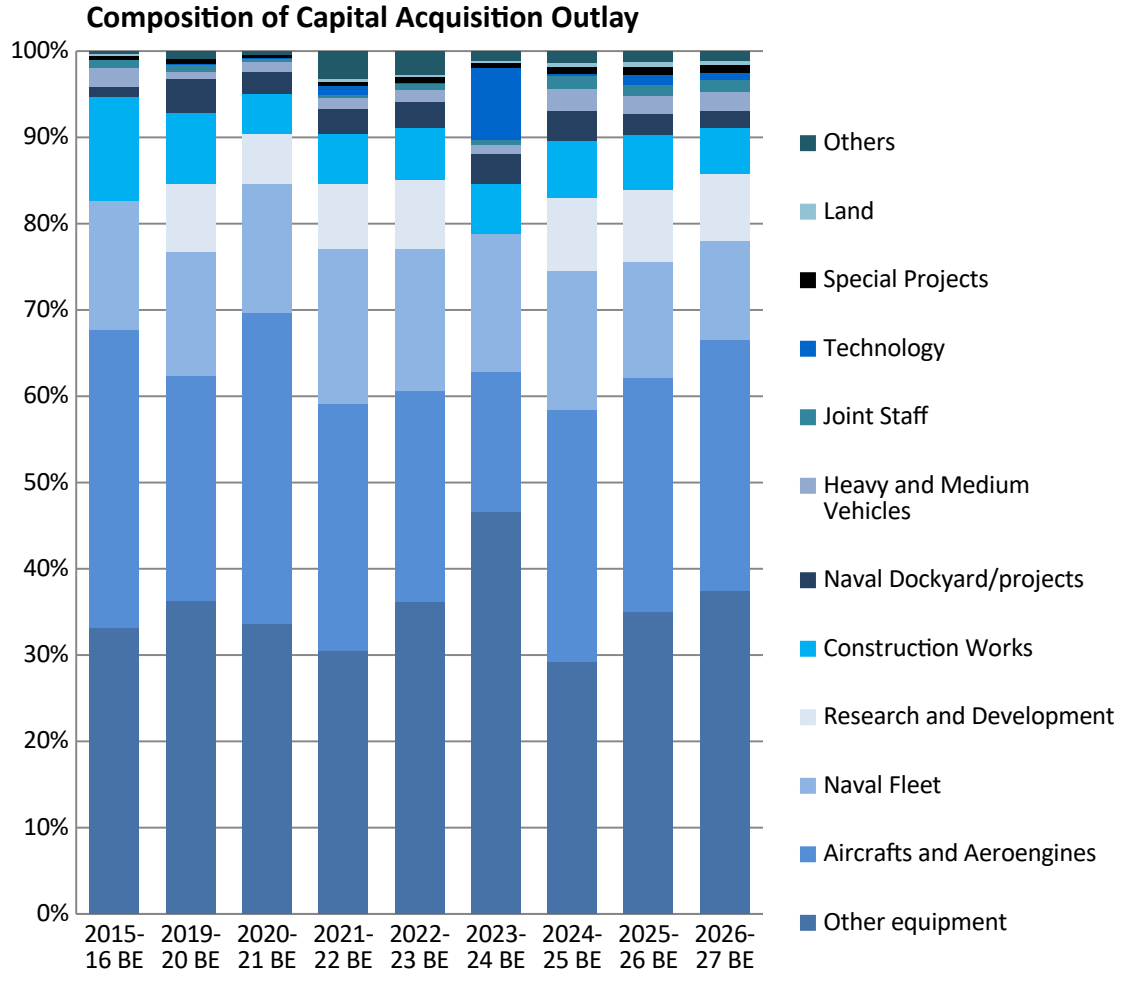


MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (3/10)

All Figures in INR Crores

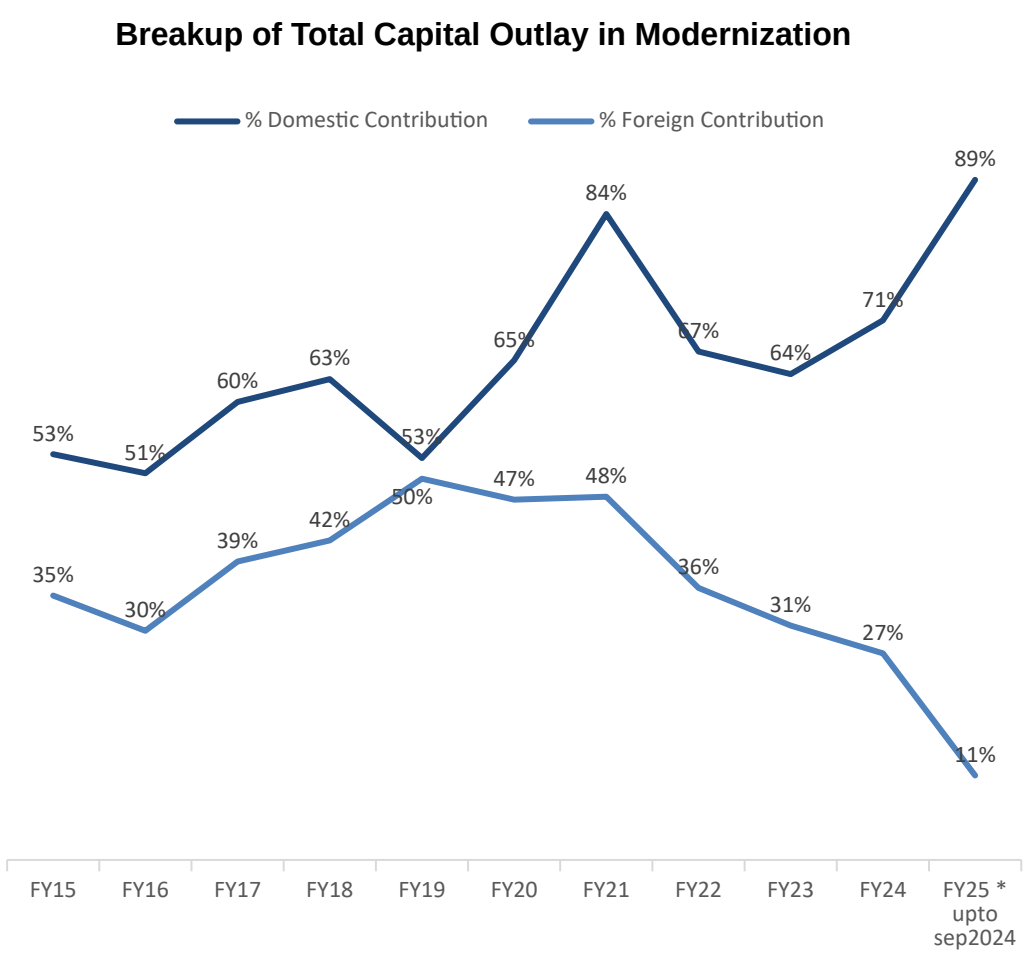
Story in Charts

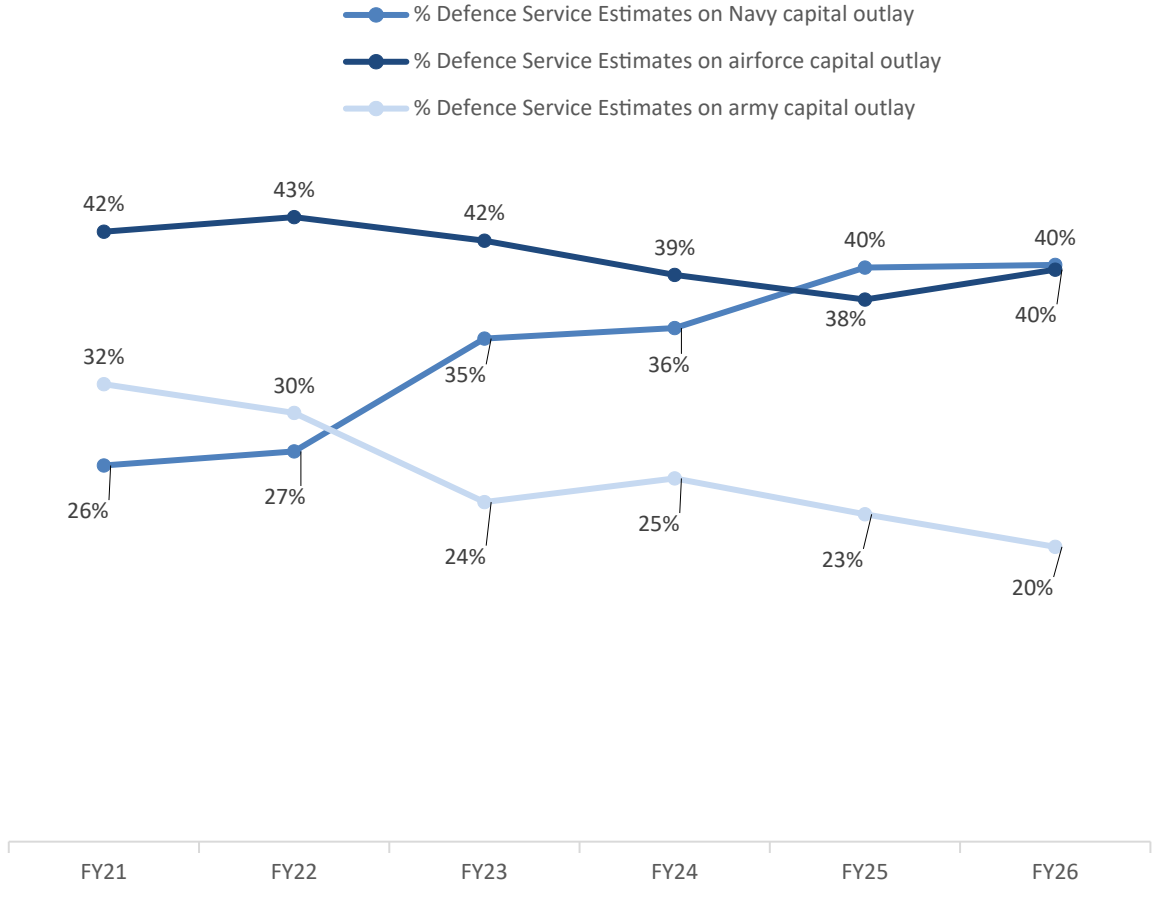




MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (4/10)

Story in Charts

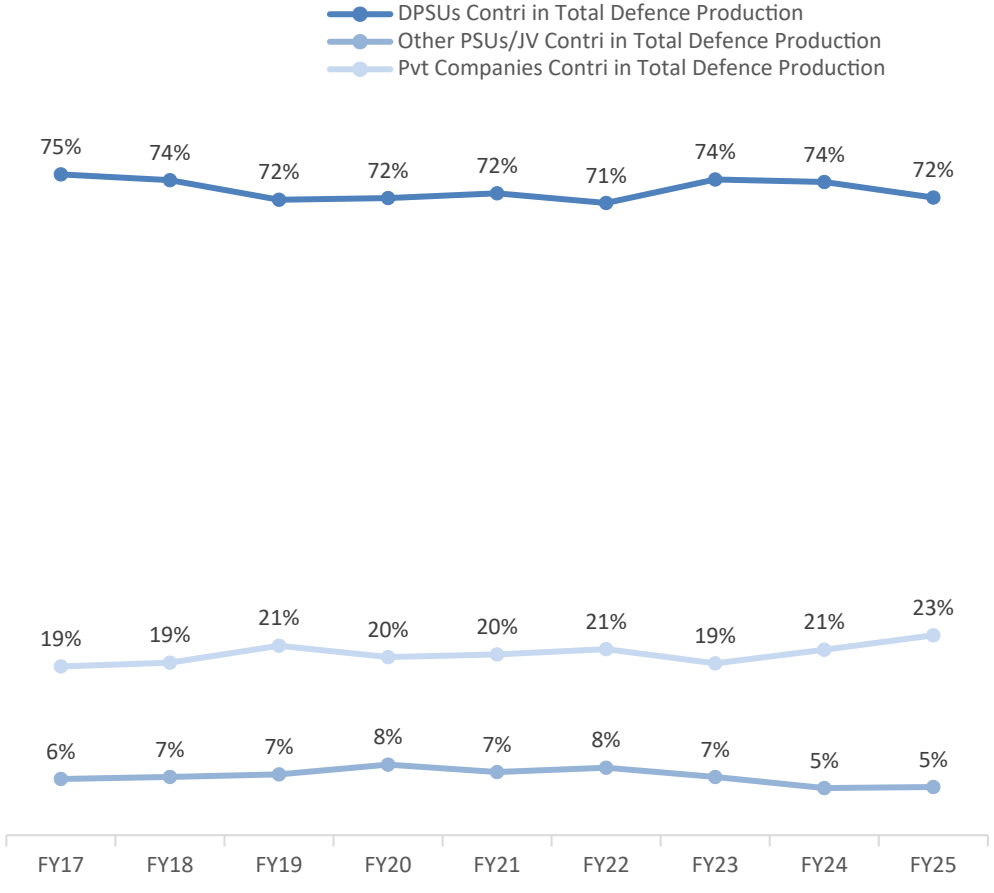




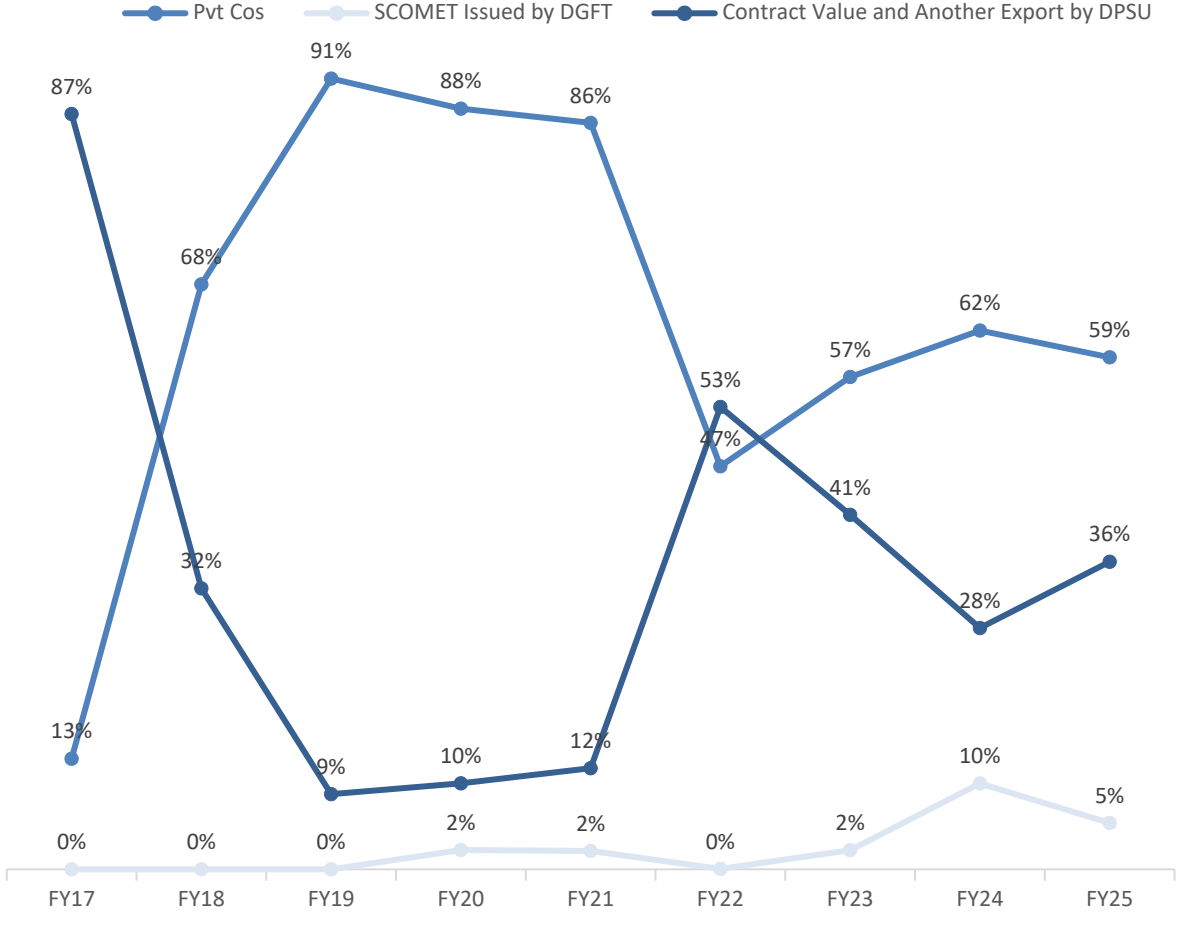
MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (5/10)

Story in Charts

Composition of Defence Production



Composition of Export Production

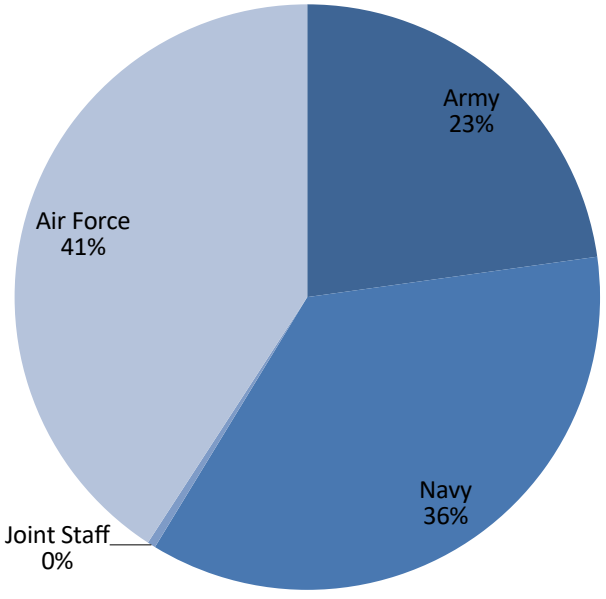


MARKETS WITH MACRO TAILWINDS PROVIDE CONSIDERABLE GROWTH OPPORTUNITIES (6/10)

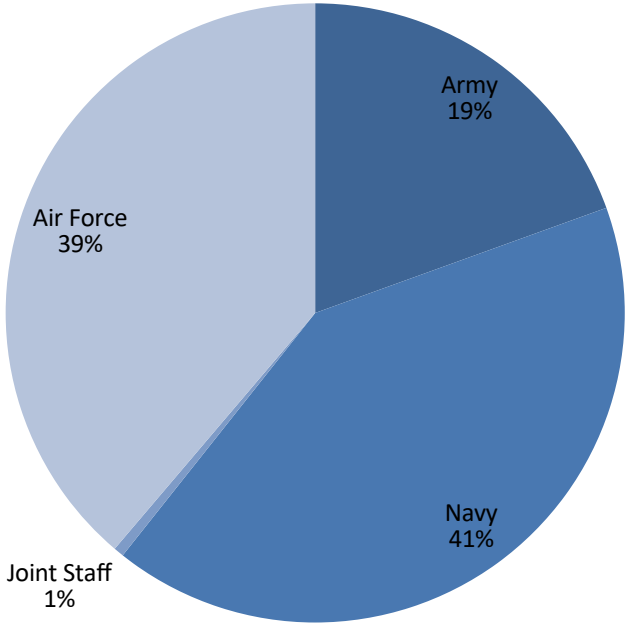
Story in Charts

Composition of Capital Acquisition Outlay among Services*

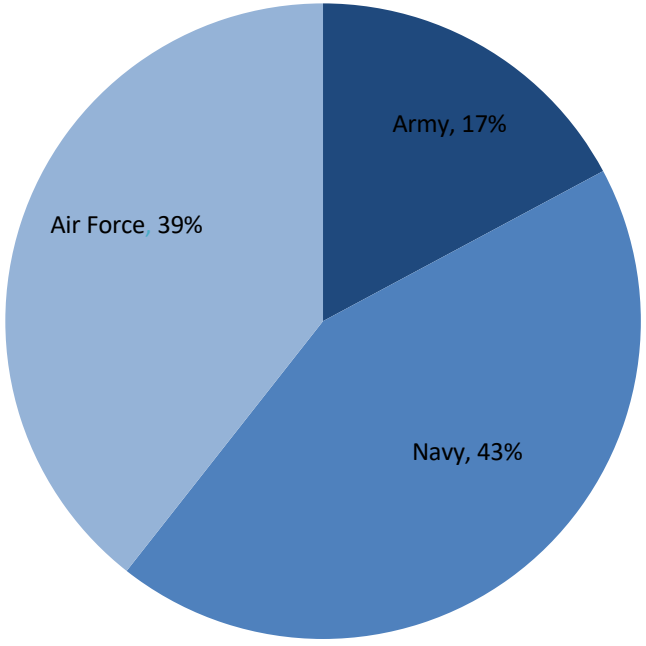
FY24



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 7.8 Lacs crore for Financial Year (FY) 2026-27** for the Ministry of Defence (MoD), accounting or 14.28% of the Total National Budget.

Out of this, **Rs 2,19,306 crore i.e. 28%** of total allocation will be spent on **Capital Outlay** under 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

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CATALYST

INDIA'S TIME IS NOW

Reliance on INDIGENIZATION 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

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.



Signed MoU with **Munitions India Ltd** for identified select opportunities.

Signed MoU with **TCL** for defense products.

Signed MoU at Swavalamban 2025 with IIT Chennai and Indian Navy.

MoU Partner to **BDL** for Joint Development of Naval Platforms.

MoU partner to **GRSE** for joint development and supply of advanced Weapons and Electronic Systems.



FINANCIAL PERFORMANCE



DELIVERING ON EVERY PROMISE- FY25



Topline Growth of 45%-50%

Achieved Topline Growth of 51%

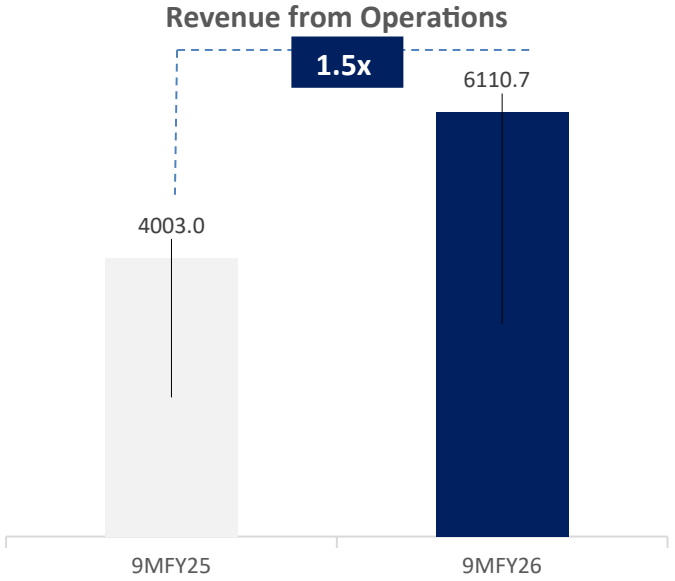
Achieved EBITDA Margin* 24%

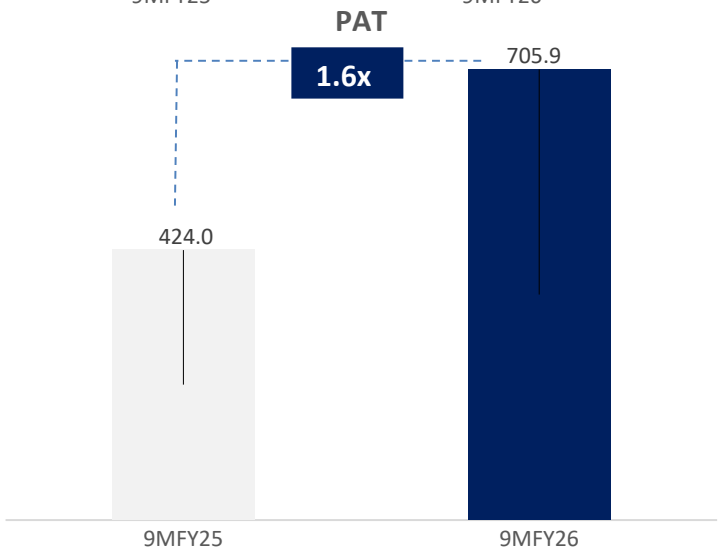
EBITDA Margin* 22%-23%

* Includes Other Income

FINANCIAL HIGHLIGHTS- 9MFY26 (CONSOLIDATED FIGURES)

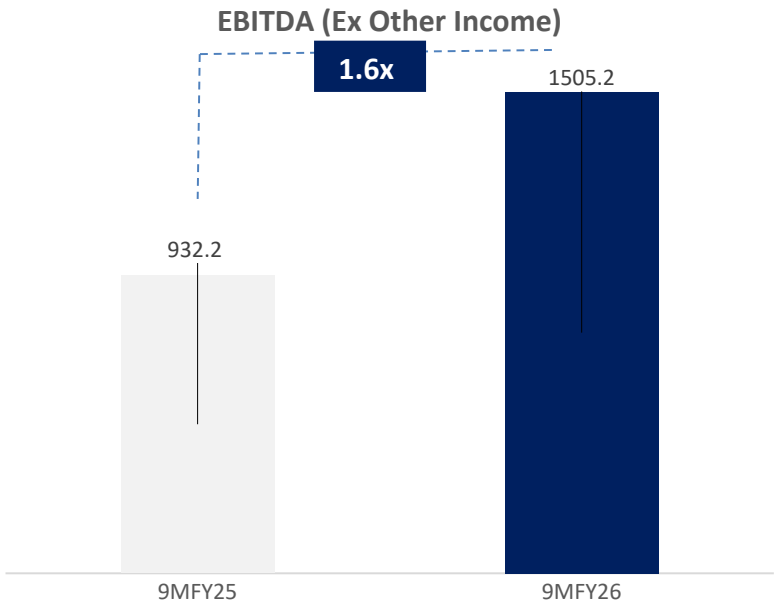
(All Figures in Millions)

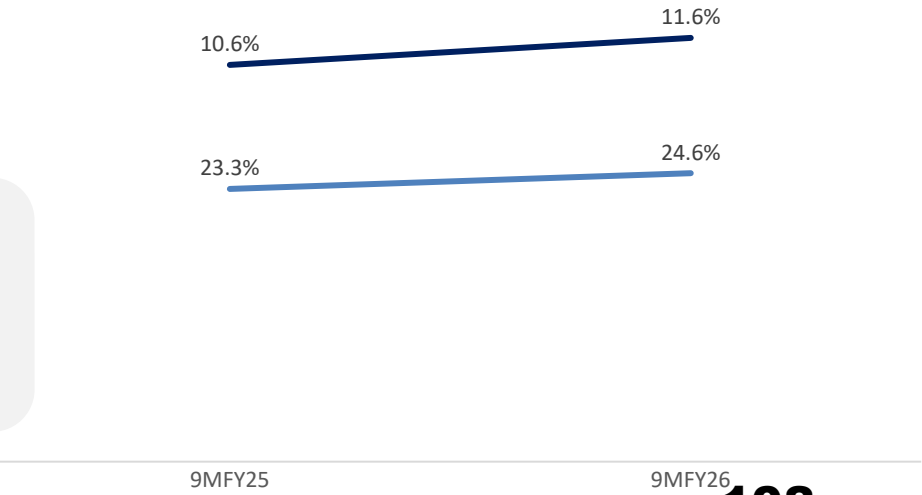






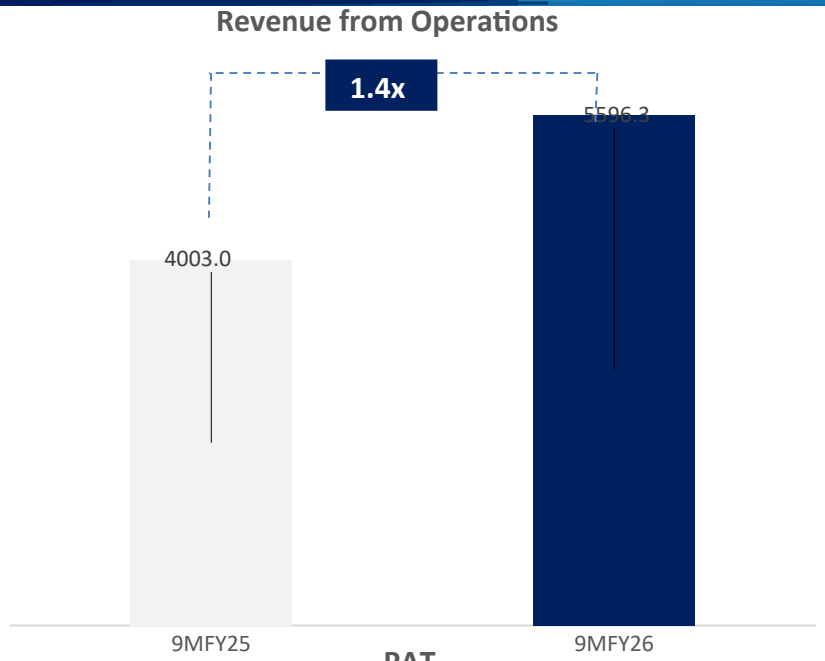
Delivering Strong Performance with improved Financial Metrics

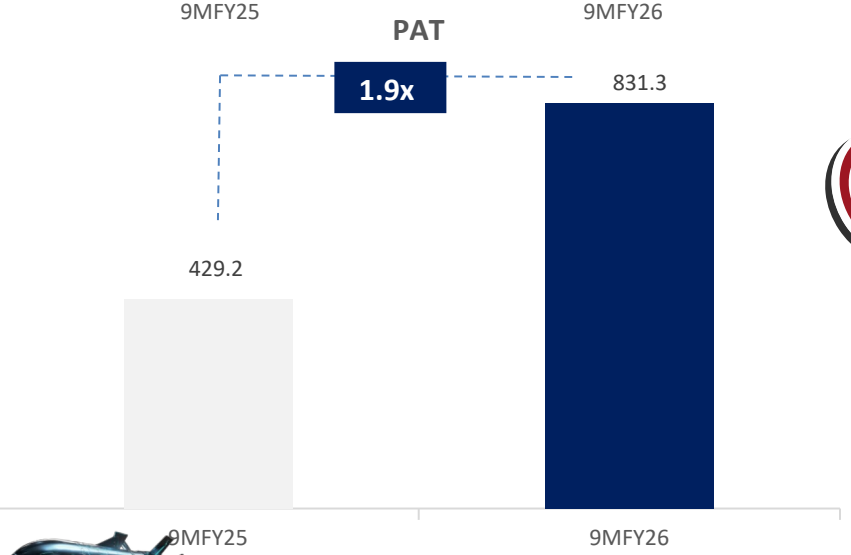




FINANCIAL HIGHLIGHTS- 9MFY26 (STANDALONE FIGURES)

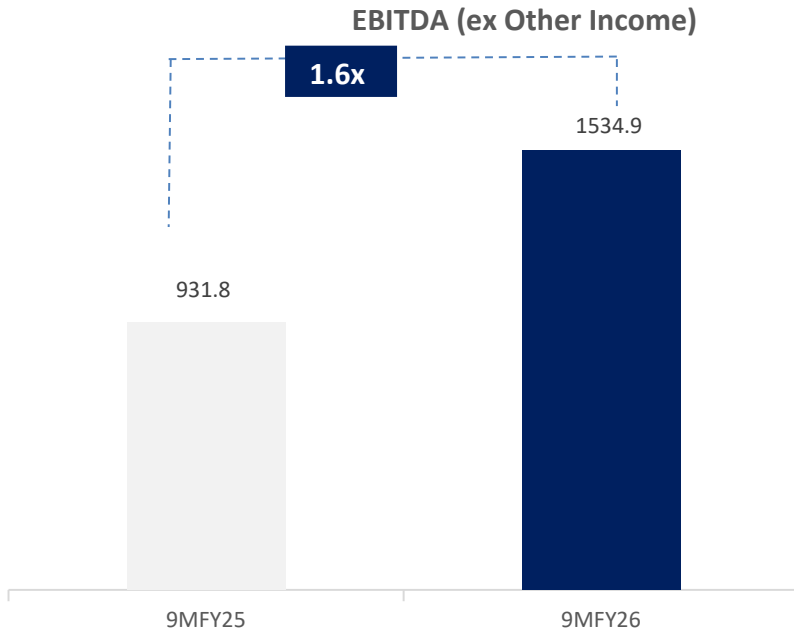
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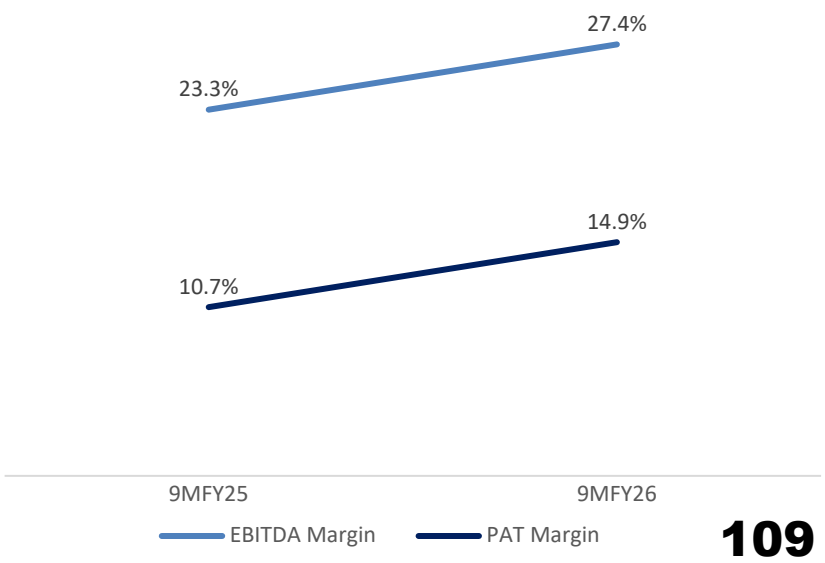






Delivering Strong Performance with improved Financial Metrics

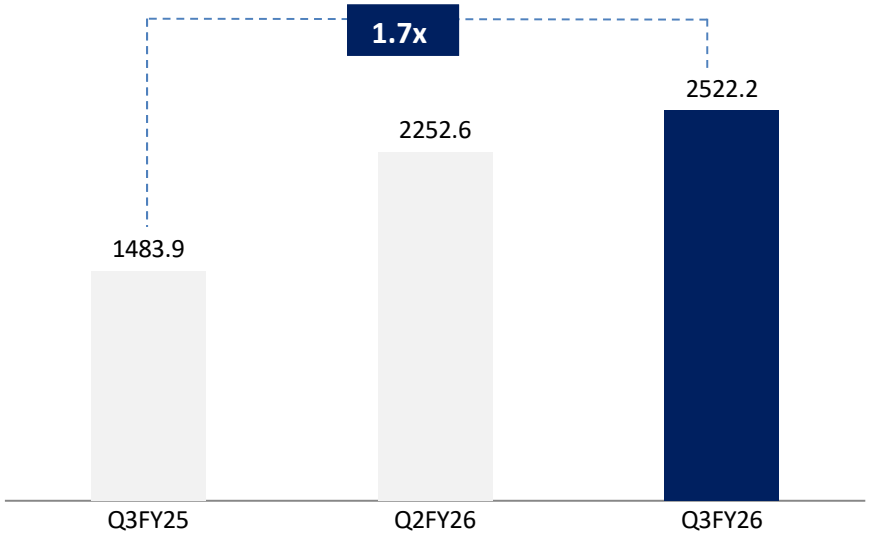




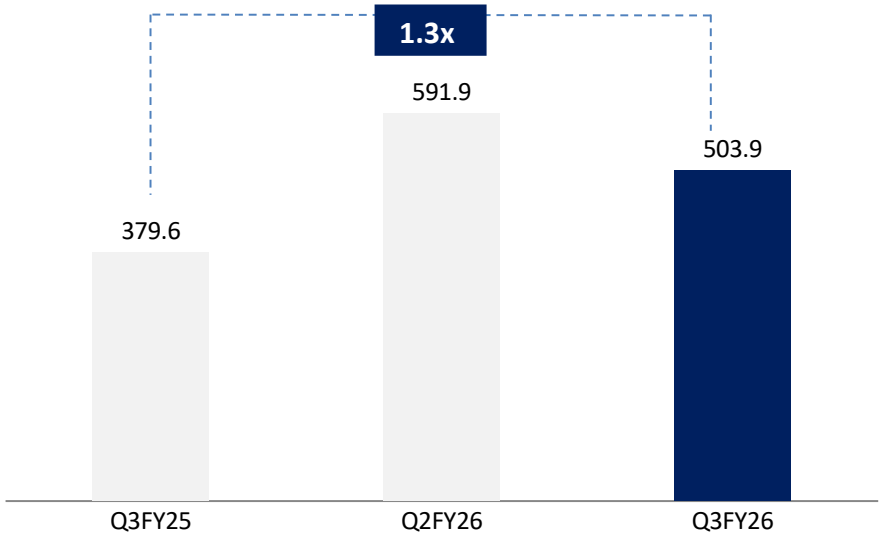
FINANCIAL HIGHLIGHTS- Q3FY26 (CONSOLIDATED FIGURES)

(All Figures in Millions)

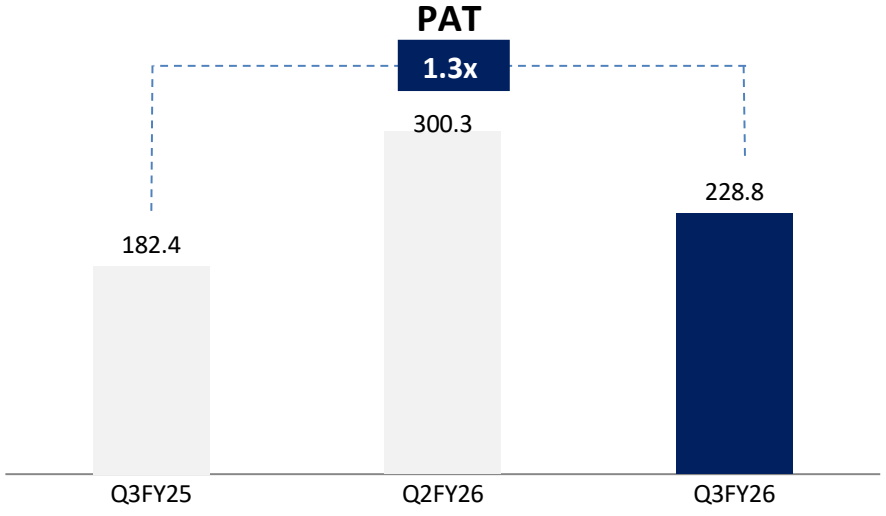
Revenue from Operations



EBITDA (ex Other Income)



PAT



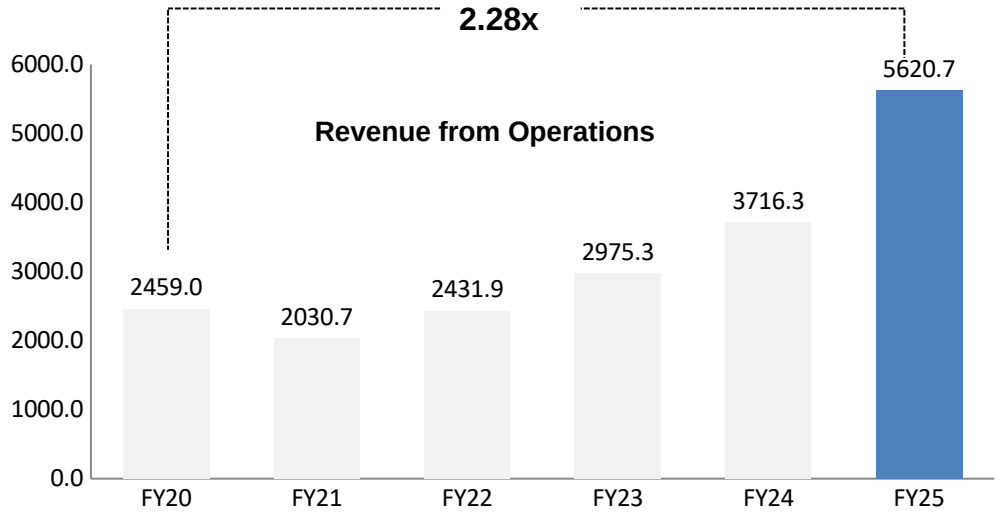


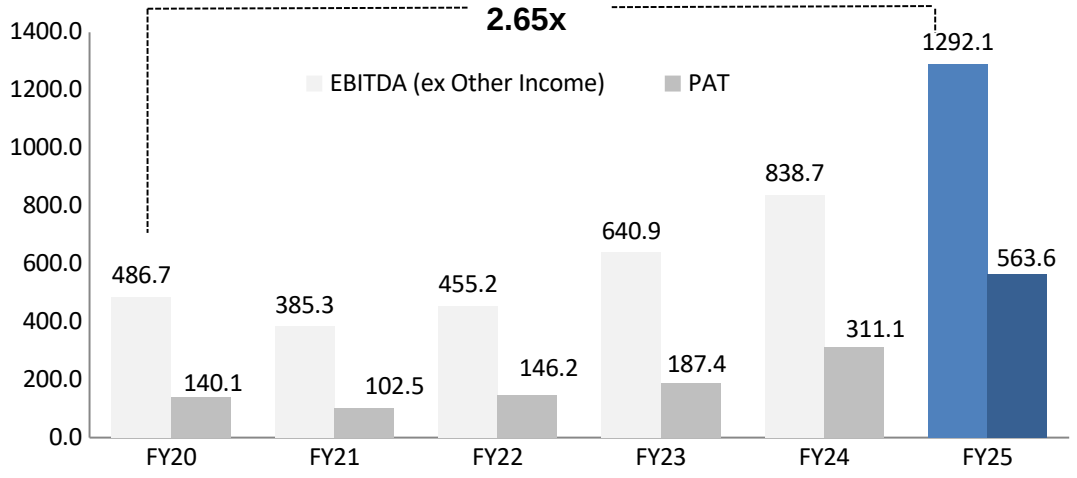
Highest Ever Quarter Revenue Registered

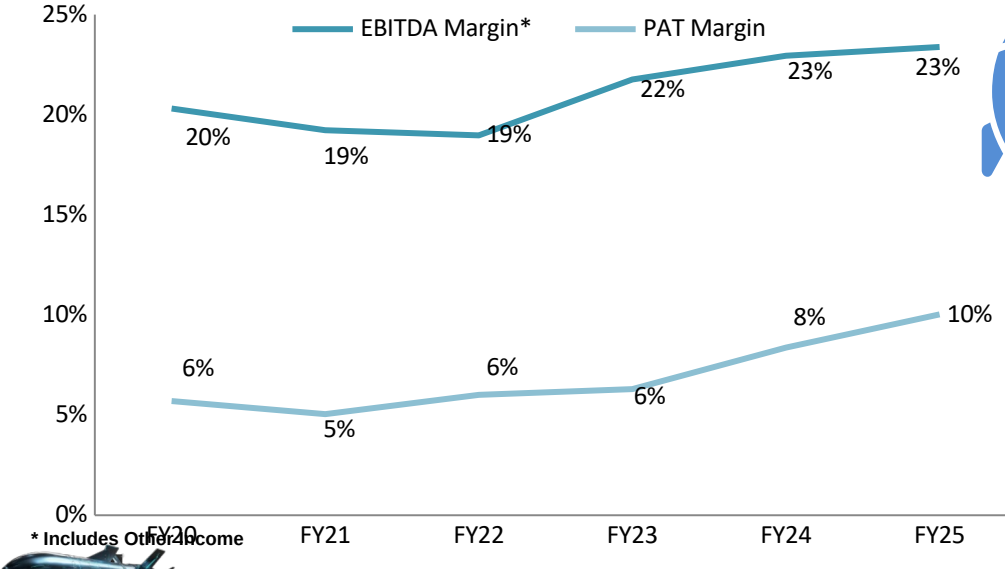


FINANCIAL HIGHLIGHTS- HISTORICAL (CONSOLIDATED FIGURES)

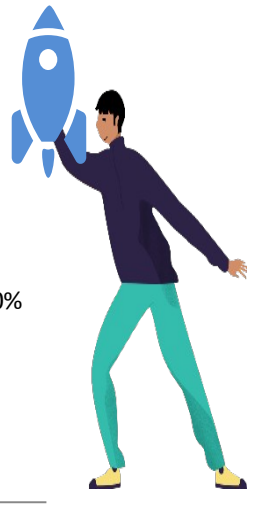
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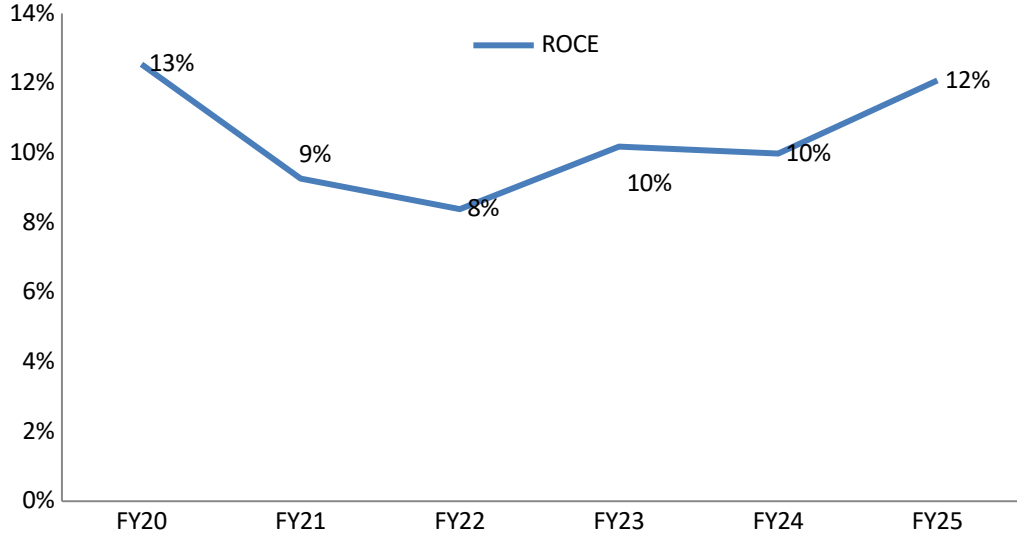






* Includes Other Income

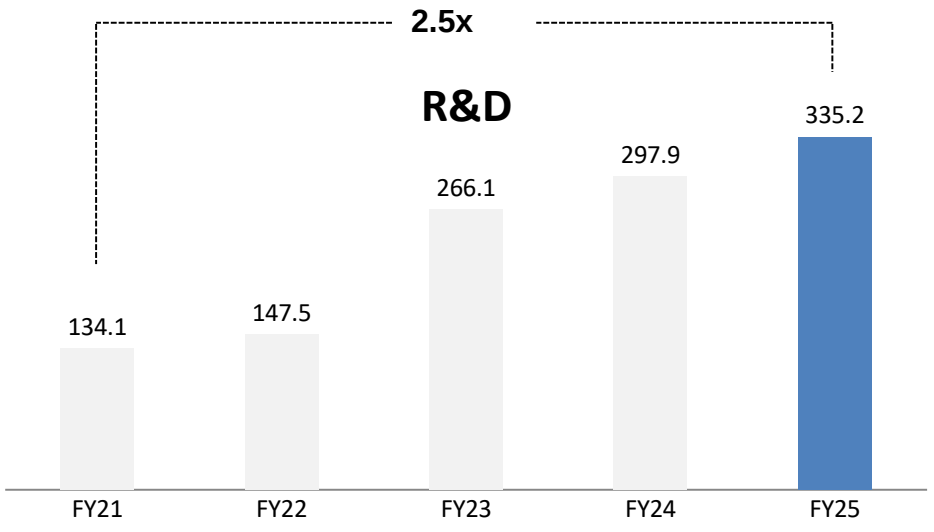




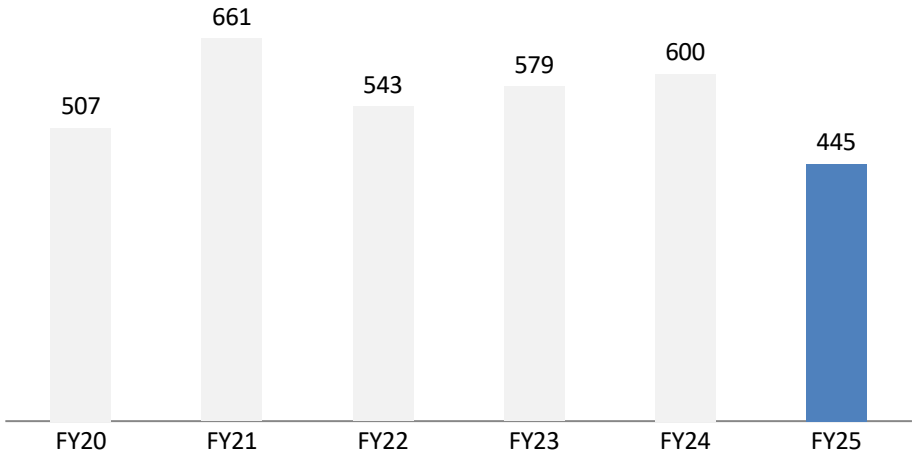


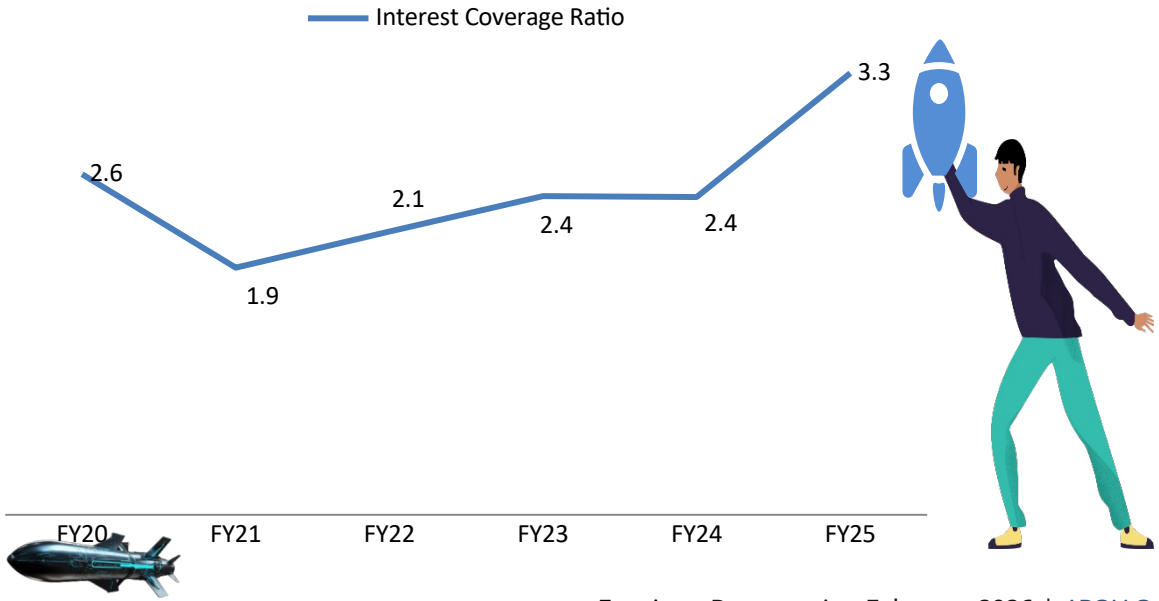
FINANCIAL HIGHLIGHTS- HISTORICAL

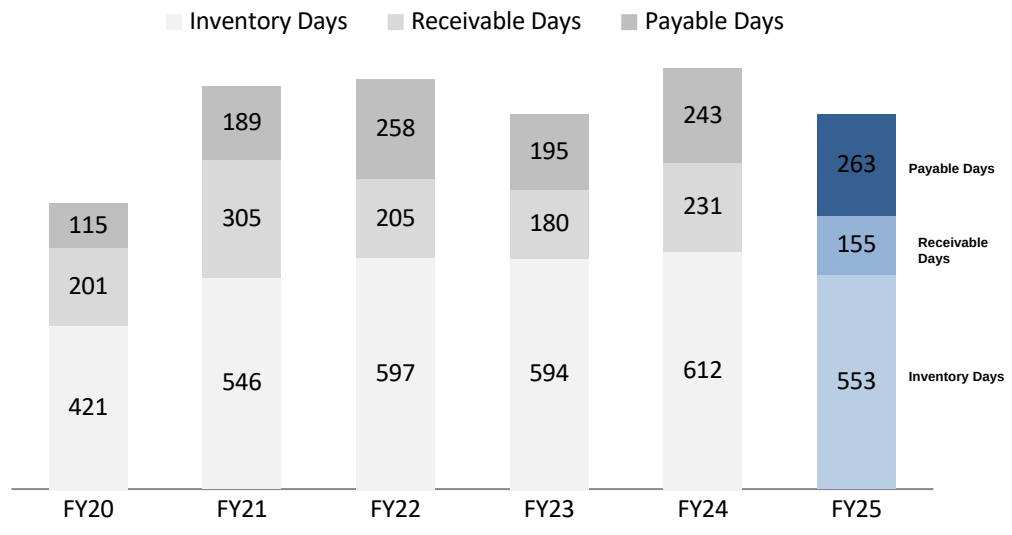
(All Figures in Millions, otherwise stated)



Working Capital Cycle Days







CONSOLIDATED INCOME STATEMENT- Q3FY26 & 9MFY26

Particulars (Rs in Mn)	Q3FY26	Q2FY26	Q3FY25	YoY	9MFY26	9MFY25	YoY
Revenue from Operations	2522.2	2252.6	1483.9	70%	6110.7	4003.0	53%
Other Income	9.1	13.0	9.8		30.8	21.6	
Total Revenue	**2531.3**	**2265.7**	**1493.7**	**69%**	**6141.5**	**4024.6**	**53%**
Total Expenses except Depreciation, Amortization and Finance Cost	2018.3	1660.8	1104.4		4605.5	3070.8	
EBITDA (ex Other Income)	**503.9**	**591.9**	**379.6**	**33%**	**1505.2**	**932.2**	**61%**
EBITDA Margin	20.0%	26.3%	26%		24.63%	23.3%	
Finance Cost	136.3	126.0	87.6		382.5	236.4	
Depreciation	61.1	47.5	39.9		153.5	111.9	
PBT	**315.7**	**431.5**	**261.9**	**21%**	**1000.0**	**605.5**	**65%**
Tax	86.9	131.2	79.5		294.1	181.5	
PAT	**228.8**	**300.3**	**182.4**	**25%**	**705.9**	**424.0**	**67%**
PAT Margin	9.1%	13.3%	12.3%		11.6%	10.6%	
Diluted EPS	0.7	0.9	0.6		2.1	1.4	

NOTE- Earnings per share (EPS) has declined due to an increase in the number of shareholders resulting from the issuance of preference shares.



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**

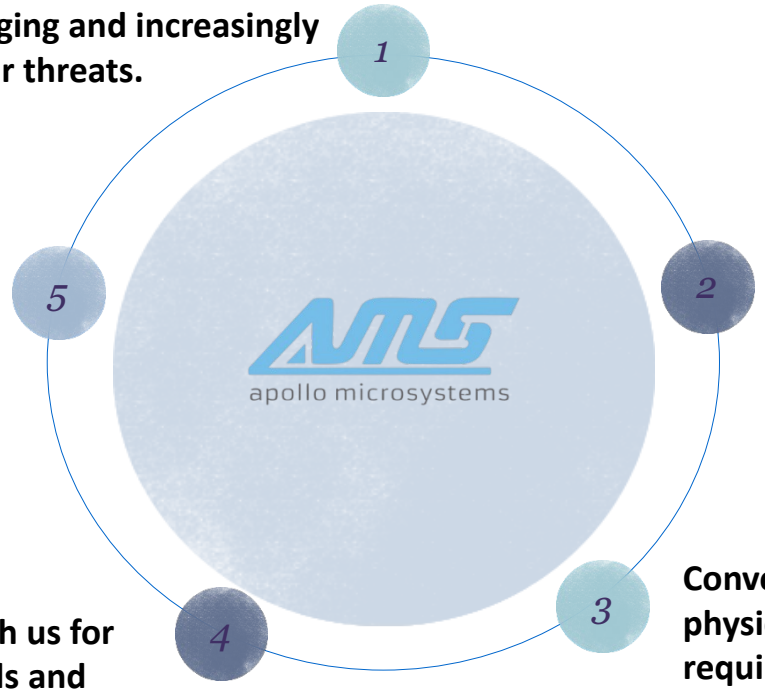
CONSOLIDATED CASHFLOW STATEMENT - HISTORICAL

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**

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.



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.

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

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 our 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, Armament Systems**



STRATEGY FOR YEARS AHEAD

Strengthening core R&D

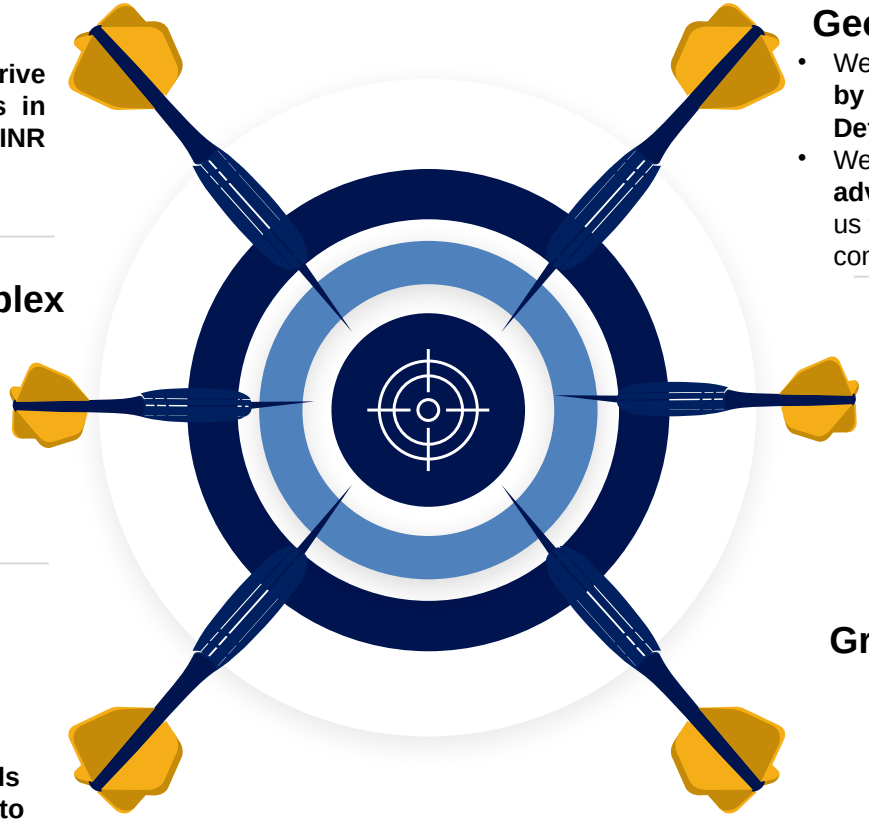
We aim to **strengthen our R&D foundation to drive innovation and develop cutting-edge technologies in defence and strategic electronics.** An allocation of **INR 100 Crores** has been earmarked for FY26.

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 **highest Quarter and 9 Months revenue ever,** a testament of our **strategic focus, operational excellence, and the unwavering dedication of our team.**

In Q3 FY26, we achieved **a remarkable 70% year-on-year** revenue **growth, reaching ₹ 2522 Mn, up from ₹ 1484 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 33% to ₹ 504 Mn, compared to ₹ 380 Mn in Q3 FY25. Our **Profit After Tax (PAT) grew by 25% year-on-year to ₹ 229 Mn, up from ₹ 182 Mn in Q3 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.

Considering **9M FY26**, our revenue from operations has spiked **53%** to **₹ 6111 Mn** up from **₹4003 Mn** in 9MFY25. This trend has been continued in the EBITDA (ex Other Income) which has increased by **61%** to **₹1505 Mn** compared from **₹932 Mn** in 9MFY25. EBITDA Margin has been expanded by **134 bps** in 9MFY26. Our PAT has climbed by **67%** to **₹ 706 Mn** up from **₹ 424 Mn** in 9MFY25.

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 three 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.

We are also pleased to announce an additional acquisition by ADIPL, which is expected to be completed before the end of this financial year. This acquisition will significantly enhance our organic growth and overall strength.

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."



GREATFUL FOR THE OPPORTUNITY AND PROUD TO CONTRIBUTE

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

Azadi Ka Amrit Mahotsav

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.

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SR/Savvy

(Release ID: 2127155)
Read this release in: Gujarati , Urdu , Marathi , Hindi , Bengali

CREATING IMPACT IN INDIAN DRIVE OF ATMANIRBHAR BHARAT



Enters into a Strategic Greenfield Expansion with Government of Telangana (GoT) at “Rising Telangana Summit 2025”

SUCCESSFUL RESPONSE IN THE AEROSHOW







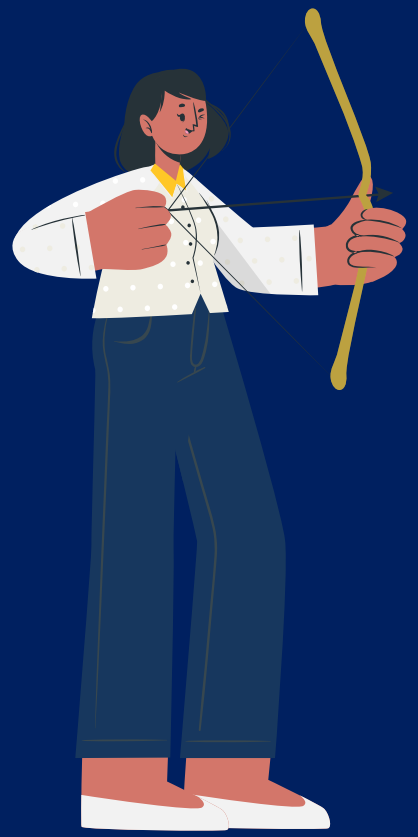






Aero India is a premier event in the aerospace and defense industry, and our participation aligns with our strategic goals. It provides an excellent platform to showcase our products, engage with key stakeholders, and strengthen business partnerships . We have signed **an MoU with TCL** which shows our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

Q3FY26 EARNINGS CALL INVITE

Apollo Micro Systems Limited announced its results for the quarter ended Dec 31st 2025, on 9th Feb 2026. Following the announcement, the management team will host a conference call for investors and analysts on Feb 9th 2026, at 6:00 PM IST. The call will commence with a brief discussion on the previous quarter's performance followed by an interactive question and answer session. Please find the Call details given below:

Day and Date	**Monday, Feb 9th, 2026**
Time	**6:00 pm 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	**Link**

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**

SAFE HARBOR

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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.



THANK YOU

Email: investors.relations@apollo-micro.com **+91 72888 92228**