Chairman's Speech at the 40th Annual General Meeting of the Company

Dear Shareholders,

Good morning to all.

On behalf of Thejo, a warm welcome to all our Shareholders, Directors, colleagues and well-wishers.

The year under review was one of resilience, strategic progress and continued investment for the future. We remained committed to strengthening our position as a trusted engineering solutions provider serving customers across multiple industries and geographies.

Our growth over the years has been driven by innovation, customer-centricity, technical excellence and disciplined execution. The confidence reposed in us by our customers, employees, business partners and shareholders continue to inspire us to pursue higher benchmarks of performance.

Financial Performance

Despite a challenging global business environment characterised by geopolitical uncertainties, inflationary pressures, supply chain disruptions and volatility in commodity markets, the Company has shown reasonable growth in terms of standalone turnover and profitability. The turnover from Manufacturing Division has increased. The Services Division also witnessed a better performance with increase in turnover. The Company has also stepped up its Information Technology spending focussing on enhanced digitization and digitalization. With focus on digitization, corresponding increase is witnessed in related professional costs and computer maintenance expenses. Increase in other costs are commensurate to the increase in operations and services related activities. Exports registered a growth of about 21% compared to the previous year.

At standalone level, the revenue from operations during FY26 was Rs. 514.21 crore with an EBITDA (before exceptional items) of Rs. 88.70 crore and a net profit of Rs. 55.14 crore, registering a growth of 3.32% in terms of EBITDA and 10.27% in terms of net profit.

At consolidated level, the revenue from operations during the year was Rs. 632.08 crore with an EBITDA (before exceptional items) of Rs. 89.68 crore and a net profit (attributable to the Owners of Company) of Rs. 49.25 crore, registering a decline of 3.32% and 1.27% in terms of EBITDA and net profit (attributable to the Owners of the Company), respectively.

The order book position of the Company and its subsidiaries as at the end of June 2026 was about Rs. 380 crores out of which some of the medium-term contracts will spill over beyond the current financial year.

Our standalone net worth strengthened further to Rs. 316.54 Crores, while we continued to maintain a debt-free balance sheet, reflecting our strong financial discipline and prudent capital allocation.

The Board has recommended a dividend of Rs. 5 per equity share of face value of Rs. 10/- each, reaffirming our commitment to rewarding shareholders while retaining adequate capital to support future growth initiatives.

Building for the Future

The year was marked by continued investments aimed at strengthening our long-term growth platform.

We continued to invest in technology, digitalisation, manufacturing capabilities and human capital to enhance operational efficiency and support future business expansion.

Digital Transformation

The global industrial landscape is steadily evolving towards predictive maintenance, remote monitoring, and digital optimisation. The accelerated shift towards automated warehouses, IPCC-driven mining operations, and digitally enabled asset-management systems further expands long-term demand for technologically advanced and service-centric solutions. Recognising that the future belongs to those who embrace AI and digitalisation, the Company is keeping a close watch on the space and is prepared to build capabilities and competencies to cater to the requirements of the customers.

As part of the digital transformation, the Company has successfully completed the implementation of SAP S/4HANA, marking an important milestone in strengthening our digital infrastructure. The technology initiatives are expected to enhance operational visibility, enable more informed and data-driven decision-making, and drive greater efficiency and agility across the organisation.

We believe technology will remain a key enabler/accelerator in building a scalable, future-ready organisation.

Capacity Expansion

The second phase of the expansion of our manufacturing facilities with an investment of approximately Rs. 40 Crore is nearing completion. The expansion, upon completion, is expected to increase the production capacity to 6200 tonnes p.a., as against the existing capacity of 3600 tonnes p.a. This expansion will further strengthen our manufacturing capabilities and support the Company's growth objectives, catering to the growing requirements of customers across domestic and international markets.

We also look forward to completing construction of our new Administration Block at the plant premises during FY2026–27, with the design phase currently underway.

Human capital

We continue to believe that our people are the soul of the organisation, and we remain committed to devoting considerable time and resources towards enhancing the quality of our human capital through continuous training and development. We have also been focussing on capability building through lateral entry at the middle and senior management levels, thereby strengthening our talent pipeline.

Across manufacturing facilities, project sites, service centres and international operations, our teams have continued to demonstrate professionalism, customer focus and operational excellence. The achievements of the year would not have been possible without the dedication and commitment of our employees.

We believe that our continued investments in technology, manufacturing capacity, and human capital will further strengthen our capabilities and enable us to respond effectively to the evolving needs of our customers and fulfil their requirements in the years ahead.

Global Expansion and Strategic Investments

One of Thejo's key strengths today is its growing international presence.

Our operations across Saudi Arabia, Australia, Brazil, Chile and the UAE provide us access to some of the world's largest mining and industrial markets.

While certain subsidiaries faced temporary profitability pressures due to the global supply chain disruptions and local market conditions, we remain confident of their long-term growth potential. The investments undertaken in manpower, infrastructure and market development are expected to create sustainable value over the coming years.

The Board remains committed to ensuring that the Company is adequately equipped to capitalize on emerging opportunities in mining, mineral processing, bulk material handling, industrial services and other core sectors.

I now invite Mr. Manoj Joseph, Managing Director, to provide a detailed overview of the operations and performance of the Company and its subsidiaries during the year.

OVERVIEW OF OPERATIONS BY MR. MANOJ JOSEPH, MANAGING DIRECTOR

Respected Chairman, Members of the Board, Shareholders, colleagues and friends,

It is my privilege to address you at the 40th Annual General Meeting of your Company.

As highlighted by our Chairman, FY26 was a year of resilience, execution and strategic progress. While global markets witnessed periods of uncertainty, our teams remained focused on delivering value to customers, strengthening operations and building capabilities for long-term growth.

I would like to begin by giving a very brief background about how the Company had started, and our areas of operation, though many of you may be aware about the historical journey of the Company. Thejo began its journey as a service provider and is the pioneer for cold belt conveyor splicing in India. The service vertical of Thejo covers all related services like belt splicing, belt repairs, pulley lagging, etc. for installation, commissioning, and upkeep of various types of belt conveyors apart from Operations and Maintenance services.

Aided by the expertise and exposure in the components that gets into conveyor belt related services, and the reliance of customers on our capabilities, we initially started to manufacture various rubber related products used in our services offering.

As a natural progression of our business, with the knowledge and expertise that we gained by our continuous presence in the mining industry, we made inroads into manufacturing and supply of various engineered products for the mining, mineral processing, bulk material handling and corrosion protection industry.

Let me briefly provide an overview of our operational performance during the year.

Technical Services

Technical Services continues to remain one of our strongest businesses and a key customer engagement platform.

Leveraging our leadership position in conveyor maintenance services, we continued to expand our service offerings and deepen relationships with customers across mining, cement, steel, power and other core industries.

Our focus remains on enhancing customer productivity, reducing downtime and delivering measurable value through technology-driven service solutions.

We also continue to invest in developing skilled manpower, which remains a critical differentiator for our services business. In this regard, we have our in-house training and excellence centres to train new as well as existing personnel.

Operations & Maintenance Services (O&M)

We continue to view Operations & Maintenance services as a strategic long-term opportunity.

Our approach remains focused on securing value-accretive contracts where we can leverage our integrated capabilities in products, services and engineering expertise.

As customers increasingly focus on productivity and lifecycle cost optimisation, we believe the O&M business offers significant growth potential over the long term.

Manufacturing and Product Businesses

Our manufacturing business delivered reasonable growth during the year.

Thejo's product portfolio today spans Conveyor Care, Transfer Point Solutions, Wear & Abrasion Solutions, Filtration Systems and Corrosion Protection products. Barring very few, all the products have been designed by our R&D initiative and manufactured at our own manufacturing units. The manufacturing plants cater to rubber moulding and extrusions, polyurethane castings, industrial adhesives and coatings, metal fabrications, rubber lining activities, production of mill liners, rubber screens, diaphragms, shell lifter bars, pinch valves, splicing kits, rubber sheets, etc.

Customer preference for high-quality engineered solutions, coupled with our strong application expertise, continues to drive growth across product categories.

During the year under review, the production of moulded and extruded products was 2,799 tonnes, registering a growth of 11% over the previous year (2,533 tonnes). The production of adhesives during FY26 was 484 tonnes as against 562 tonnes last year, showing a dip of about 14% over the previous year. We expect the volumes to increase further in the medium term. Focus is on higher productivity and automation of processes, to gear up to meet the short and mid-term growth requirement. Our product sales registered a growth of about 10% during the year under review. Exports registered a growth of approximately 21%, reflecting increasing acceptance of our products and solutions in international markets.

Our ongoing manufacturing expansion and process automation initiatives will further strengthen our ability to support future growth.

Innovation and Research & Development

Innovation remains at the core of our long-term strategy.

Our R&D Centre continues to focus on developing differentiated products, improving operational efficiency and creating next-generation solutions for customers.

I am pleased to share that as of March 2026, the Company had filed 48 product patents and three design protections, of which 28 product patents and all three design protections have been granted.

These achievements reflect our commitment towards intellectual property development and technology-led differentiation.

Performance of Subsidiaries

Our international subsidiaries remain an important pillar of our long-term growth strategy. As on date, the Company has five overseas subsidiaries. These subsidiaries are located in Saudi Arabia, Australia, Brazil, Chile and Ras Al-Khaimah. Let me give a small brief about each of our five subsidiaries and their performance during FY26.

Saudi Arabia

Thejo Hatcon Industrial Services Company (Thejo Hatcon) is the Company's subsidiary located in Saudi Arabia. In this subsidiary, your Company holds 51% stake with the balance being held by Hatcon Industrial Services W.L.L. During FY26, Thejo Hatcon registered a turnover of SAR 10.67 million (Rs.25.62 crore) with a net loss of SAR 0.35 million (Rs.0.84 crore).

On the back of the investments made by Thejo Hatcon in terms of human resources and workshop facilities, there was increase in expenditure during the year and the expected increase in business did not materialize due to the recent geopolitical situation in the region. However, the subsidiary is poised to effectively leverage emerging business opportunities.

Australia

Thejo Australia Pty Ltd (Thejo Australia) is a wholly owned subsidiary of the Company in Australia. The Australian market remained challenging due to prevailing mining industry conditions. Nevertheless, we continued to strengthen customer relationships and operational capabilities while maintaining our long-term commitment to the market. During the year, Thejo Australia achieved a turnover of AUD 16.73 million (Rs.98.97 crore) with a net loss of AUD 0.59 million (Rs. 3.46 crore).

Brazil and Chile

Thejo Brasil Comercio E Servicos Ltda (Thejo Brasil) is a wholly owned subsidiary in Brasil. Thejo Brasil is primarily engaged in selling materials used in core sector industries for bulk material handling, mineral processing and corrosion protection. Thejo Brasil achieved a turnover of BRL 3.98 million (Rs. 6.53 Crore) and made a profit of BRL 1.03 million (Rs. 1.69 crore).

Thejo Engineering LatinoAmerica SpA (Thejo Chile) is a subsidiary located in Chile. Thejo Chile is primarily engaged in selling materials used in core sector industries for bulk material handling, mineral processing and corrosion protection. Thejo Chile achieved a turnover of CLP 2148.64 million (Rs.20.62 Crore) with a loss of CLP 110.48 million (Rs. 1.06 Crore).

Our Latin American operations continued to make steady progress. Growing customer acceptance, deeper market penetration and increasing brand recognition provide us confidence regarding long-term growth prospects in the region.

UAE

TE Global FZ-LLC (TE Global) is a wholly owned subsidiary incorporated at Ras Al-Khaimah in October 2023. TE Global is primarily engaged in selling various products that are manufactured by Thejo Engineering Limited to various customers in the Middle East and other nearby/ related geographies apart from rendering related services. During the year, TE Global registered a turnover of AED 1.81 million (Rs. 4.42 Crores) with a net loss of AED 0.35 million (Rs. 0.86 Crores). Our UAE operations continue to strengthen our access to customers across the Middle East and nearby markets and support our broader international growth ambitions.

I sincerely thank every member of the Thejo family for their contributions during the year.

With these remarks, I hand the proceedings back to our Chairman

---

CONTINUATION OF CHAIRMAN'S SPEECH

Thank you, Manoj.

Let me now turn to a dimension that is equally integral to our long-term value creation— our progress on ESG and CSR fronts, and our outlook for the year ahead:

Sustainability and ESG

Sustainability continues to remain an integral part of our long-term strategy.

The Company has undertaken various initiatives focused on energy efficiency, renewable energy adoption, water conservation and responsible waste management.

Our rooftop solar installations, recycled water systems and environmentally conscious manufacturing practices reflect our commitment towards responsible business growth.

We also continue to prioritize employee safety through robust safety systems, training programs and continuous monitoring across all our operations.

Corporate Social Responsibility

During FY26, the Company spent Rs.104 Lakhs towards Corporate Social Responsibility initiatives covering education, healthcare, nutrition, sports development and community welfare.

These initiatives reflect our belief that business success and societal development must progress hand in hand.

Future Outlook

The overall outlook for the future for our Company is one of cautious optimism, considering the high degree of uncertainty and unpredictability in the global environment. Notwithstanding current market disruptions and associated risks, the Company remains optimistic, agile and forward looking in pursuing opportunities that may arise from recovery-driven investments, rebuilding initiatives, and renewed development activity across markets.

The global industrial market is gradually evolving towards intelligent asset management, remote diagnostics, and digitally-driven operational efficiency. While the Company is strengthening capabilities in these areas, adoption rates among customers may be gradual, requiring sustained investment and posing risks related to technology integration and return on investment.

Though international subsidiaries in Australia, the Middle East, and Latin America are continuing to build operational strength and market presence, these regions carry exposure to geopolitical uncertainties, currency fluctuations, and differing regulatory environments, which could impact profitability and contract execution. The long-term outlook for mining, infrastructure, industrial services and material handling industries remains positive, supported by increasing investments in infrastructure development, industrialisation, energy transition and resource security. India continues to offer significant opportunities driven by manufacturing growth, mining expansion and supportive policy initiatives.

While short-term uncertainties may persist, our strong balance sheet, established customer relationships, differentiated product offerings and committed team provide us confidence in our ability to create sustainable long-term value.

We have built a strong foundation, established a respected global presence and created a culture rooted in excellence, integrity and innovation.

On behalf of the Board of Directors, I thank our customers for their continued trust, our business partners and bankers for their support, our employees for their commitment and our shareholders for their unwavering confidence in the Company.

We remain committed to creating sustainable value for all stakeholders while building a stronger, more innovative and globally competitive Thejo Engineering.

Thank you for your continued support and encouragement.

I wish all of you good health, happiness and success.

Thank you.

Chennai **V.A. George**

25th August, 2026 **Executive Chairman**

Note: This does not purport to be a record of the proceedings of the Annual General Meeting of the Company