

July 28, 2025

<p>To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. BSE Scrip Code: 543932</p>	<p>To, The National Stock Exchange of India Limited "Exchange Plaza", Bandra - Kurla Complex, Bandra (EAST), Mumbai - 400 051 NSE SYMBOL: IDEAForge</p>
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Sub: Transcript of Earnings Call for the quarter ended June 30, 2025 of ideaForge Technology Limited ("the Company").

Dear Sir/Ma'am,

This is further to our letter dated July 23, 2025, whereby the Company had submitted the link to the audio recording of the Earnings Call hosted by the Company on Wednesday, July 23, 2025 at 11.00 a.m. (IST) post announcement of Unaudited Financial Results (Standalone & Consolidated) for the quarter ended June 30, 2025.

Pursuant to the Regulation 30 and 46 read with clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find enclosed the transcript of the Earnings call held on Wednesday, July 23, 2025. The Transcript is also available on Company's website at below link:

Link: <https://ideaforgetech.com/uploads/Other/Transcript-Q1.pdf>

Kindly take the same on your records.

Thanking you,

Yours faithfully

For ideaForge Technology Limited

Nilesh Ranjan Jaywant
Company Secretary
Membership No. A26554

Encl: as above

ideaForge Technology Limited.

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“ideaForge Technology Limited
Q1 FY '26 Earnings Conference Call”
July 23, 2025



**MANAGEMENT: MR. ANKIT MEHTA – CHIEF EXECUTIVE OFFICER -
IDEAFORGE TECHNOLOGY LIMITED
MR. VIPUL JOSHI – CHIEF FINANCIAL OFFICER –
IDEAFORGE TECHNOLOGY LIMITED**

**MODERATOR: MR. PARTH PATEL – MUFG INTIME INDIA PRIVATE
LIMITED**



Moderator: Ladies and gentlemen, good day, and welcome to the ideaForge Technology Limited Q1 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone telephone. Please note that this call is being recorded.

With this, I now hand the conference over to Mr. Parth Patel. Thank you, and over to you, sir.

Parth Patel: Thank you, and good morning. On behalf of MUFG Intime, I welcome you all to ideaForge Technology Limited Q1 FY '26 earnings conference call. From the management side, we have Mr. Ankit Mehta, Chief Executive Officer; Mr. Vipul Joshi, Chief Financial Officer. I hope everyone had an opportunity to go through our investor deck and press release that we have uploaded on our exchanges and company's website.

A short disclaimer I would like to say before we begin the call. This call may contain some of the forward-looking statements, which are completely based upon our beliefs, opinion and expectations as of today. These statements are not a guarantee of our future performance and may involve unforeseen risks and uncertainties.

With this, now I hand over the call to Mr. Ankit Mehta. Over to you, sir.

Ankit Mehta: Thanks, Parth. Good morning, everyone. Thank you for joining us today for the Q1 FY '26 earnings conference call for ideaForge Technology Limited. I have my colleague, Vipul Joshi, who is our Chief Financial Officer with me, along with our Investor Relations partner on the call with us.

As we begin this call, I am reminded of the fact that we had our last call right after the Pahalgam terror attacks and while the Operation Sindoor had just begun. And therefore, I wanted to reflect on how resilience has taken centre stage in our national security conversations, especially after Operation Sindoor, where drones were extensively deployed on the electronic warfare-rich battlefield, which essentially means jamming or spoofing of both communication with the drone and its GPS position to carry out a variety of missions by our armed forces to gain a competitive advantage over our adversaries.

Conversations across different echelons in the armed forces clearly point towards increasing focus on electronic warfare resilience of the drone platforms, they are looking to procure now. This was further evidenced during one of the largest field evaluations carried out by the Army post Operation Sindoor, where EW-resilience was made a primary evaluation criteria.

I'm happy to share that we had identified the need for EW-resilience platforms a few years back by looking at and learning from global conflicts. And as we have been informing you in our quarterly calls regularly, we have developed a suite of features and capabilities that make our drone platforms exactly what the customer needs in this scenario.

Over the years, we have developed the ability to identify customers' unstated requirements, considering their operations, advancements in technology and global events. And we've successfully built products and solutions to meet these requirements well before the actual need arises. When the hand-launched UAVs dominated the defence landscape, we took an uncharted approach and developed India's first hybrid fixed-wing VTOL UAV for surveillance, the SWITCH UAV, considering that our defence forces and their operational requirements needed that adjustment.

Today, SWITCH has the highest deployment with the armed forces in its category, being the only platform with the "Fit for Indian military use certification". This ability to look beyond the noise and identify real needs and build cutting-edge technology and products keeps ideaForge ahead of the curve.

For the national drone narrative, the conversation on resilience is recent. However, for ideaForge, it has been one of the core pillars of our philosophy and the work we do. Resilience in fact defines the nature of our business and the technology and products that we build.

Over the last two decades, we have navigated policy and procurement uncertainties, supply chain and technology disruptions and nuances and challenges of being in a deep-tech industry, primarily through resilience.

Last year, India's drone industry saw a slowdown in demand due to various factors that we discussed during our earlier calls. Defence companies in general, and more so the drone players with large contributions from defence sector, were affected because no large procurement happened in the major part of the year.

However, the situation has started to improve with the fifth cycle of emergency procurement being initiated in the last quarter of the year. We are proud to share with the audience that as a part of this cycle, ideaForge secured INR137 crores contract for its mini-UAVs.

This order followed a rigorous technical evaluation and a double validation on the country of origin and IP integrity of our systems, which reflects the elevated standards expected from vendors in this new era, and ideaForge is flourishing in this.

The selection of ideaForge is a testament not just to our product capabilities, but also to our resilience as a business with standing policy delays, geopolitical uncertainties and procurement inertia, and emerging as a trusted partner for the Indian armed forces.

Now we are seeing an accelerated and focused approach from the government in high-tech defence procurement. This is evidenced by the imminent initiation of the sixth round of emergency procurement, for which the government had already allocated INR40,000 crores to replenish and modernize the armed forces with cutting-edge solutions, out of which INR9,000 crores have been allocated to the Indian Army.

Intelligence, surveillance, reconnaissance (ISR) and counterinsurgency and counterterrorism (CI-CT) applications are now the top priority acquisition areas for the India Army. Also, in

addition to central procurement, command level procurement will also add to the overall demand.

Coming to our efforts and initiatives, we demonstrated long-range surveillance through ZOLT and EW-resilience capabilities through all our platforms at one of the largest 3D evaluation trials conducted by the Indian Army in some of the harshest environments.

Our next generation of quadcopter and hybrid fixed-wing VTOL platforms, Q6 V3 and SWITCH V2 are undergoing final evaluations before moving to pilot production. Also, NETRA 5 is in the final stages of the industrialization process. All these platforms have garnered interest during the Aero India 2025 from visitors all over the world, and we are working actively to create relevant opportunities for these platforms.

On the larger platform side, we are in the process of building multiple UAVs for testing and prototype readiness review for the Make-2 opportunities for ZOLT. Also, for our middle-mile logistics platform, YETI, the integration of the first technology demonstrator is underway. We are also in the process of designing the second technology demonstrator. For both these platforms, ZOLT and YETI, we are on track for development.

Our joint development of the Synthetic Aperture Radar payload with GalaxEye for fog penetration is also on track and we are in the final stages of prototyping. We have also built a suite of AI features for our Drone-as-a-Service (DaaS) and FLYGHT Cloud initiatives to improve the solutions' effectiveness and to augment customer experience.

Coming to the international front. In the United States, we have made significant inroads with our Early Adopter Program with multiple customers, and we have concluded successfully demonstrations with U.S. Homeland Security and the Department of Defence. Africa has started to show structural movement, especially in the context of border security and infrastructure projects.

We have recently conducted a product demonstration in front of Defence and Homeland Security customers in a few countries. The European market has also opened up due to ongoing geopolitical scenarios and initiatives as a part of NATO's expanded budget for battlefield resilience. We also signed a letter of intent with HFCL, a major player involved in telecom and defence equipment industry. Through this collaboration with HFCL, we plan to take ideaForge's world class UAVs to select geographies.

I would also like to acknowledge the push from the Government of India to boost deep-tech sector in general and drones in particular. The announcement of the INR1 lakh crores research, development and innovation (RDI) fund for companies working on cutting-edge technologies, including drones, is a strong policy signal that deep-tech is a strategic priority for the country. We are also expecting PLI 2.0 for the drone industry, which will further capitalize domestic innovation and manufacturing. As one of India's earliest deep tech ventures, we are well positioned to benefit from both these initiatives.

Let me now walk you through our financial performance for Q1 FY '26. Revenue for the quarter stood at INR12.78 crores compared to INR20.24 crores in Q4 FY '25. Gross profit stood at INR7.89 crores compared to INR7.29 crores in the previous quarter, with a gross margin of 61.7% in this quarter and 35.9% in the previous quarter.

EBITDA stood at negative INR15.4 crores compared to negative INR17.41 crores in quarter 4 FY '25. Our order book as of June 30th, 2025, stood at approximately INR144.8 crores. The renewed focus of the government in this sector is both encouraging and promising to deliver meaningful opportunities for us. Looking forward to question and answers now.

Moderator: Thank you very much. We will now begin the question and answer session. The first question comes from the line of Balasubramanian from Arihant Capital. Please go ahead.

Balasubramanian: Good morning, sir. Thank you so much for the opportunity. Sir, I want to understand about the product development at the innovation side. And this ZOLT and YETI progress, like these are the next generation drone, like these prototypes is in testing phases. When will we expect commercialization and what kind of TAM we can expect?

Ankit Mehta: See, in terms of finishing product development, we are timing it according to the timelines of several MAKE-II programs as well as certain opportunities that are going to come up post the Operation Sindoor. So that is well on track and is expected to complete in the next few quarters with respect to ZOLT. With respect to YETI, it may take a little bit longer because it's a much larger platform that we are building.

In terms of the overall market opportunity and market expansion that happens due to these platforms, I think in both the cases, as we understand, particularly for ZOLT at this point in time, the opportunity in terms of the overall expectation of the opportunity that we're tracking runs into several thousands of crores. We are tracking those opportunities closely preparing for the MAKE-2 programs and other capabilities on that platform.

Balasubramanian: Yes, sir. Sir, our field test demonstrated electronic warfare resilience and is this like a kind of USP for military contracts in coming quarters? And how do we compare with global peers? And secondly, I think our AI driven features like target tracking, LLM chatbots, they enhanced competitiveness, like how will we monetize this going forward?

Ankit Mehta: So, when we look at the EW-resilience capabilities, I think I would say that we were actually very comforted by the fact that we have been investing behind those areas over the last couple of years, we've been reporting regularly on our progress on those areas. And when we were required to demonstrate those capabilities, we were able to demonstrate those capabilities based on the testing parameters that were laid out in front of us.

And in most cases, we were successful in demonstrating that capability, which is only possible if long-term preparation meets the opportunity, which is what happened in our case. In terms of AI capabilities, I'm glad to report, and we have mentioned this earlier as well, our GPS denied solution is based on AI capability.

That is something that we are very proud of, and we are working more in improving that capability further. And in terms of our overall usage of artificial intelligence, we have been partnering with a lot of partners who are enabling us to offer this technology along with internal capabilities to create significant motion.

Recently, there was a scenario where we were deployed in one of the large religious congregations and our AI capability was very helpful in helping manage that situation on ground.

Balasubramanian: Okay. Sir, my last question -- hello.

Ankit Mehta: Yes.

Balasubramanian: Yes. Sir, this emergency...

Moderator: Sorry to interrupt. May I request you to join the question queue again.

Balasubramanian: Okay. Thank you.

Moderator: Thank you. The next question comes from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Good morning, sir. Thank you so much for taking my question. Hopefully, I'm audible.

Ankit Mehta: Yes.

Darshil Jhaveri: Hi, sir. So, sir, I just wanted to ask about our order book inflow. So, I think we have mentioned we won a INR137 crores order, but I think in our order book in our presentation, it's showing around INR145 crores, I think, as an order book. So, is the new order reflected in this order book? Or is it a separate stand-alone?

Ankit Mehta: No, it is reflected in this order book.

Darshil Jhaveri: Okay. Okay. So current capabilities, so when do we like -- what will be our execution timeline for this order?

Ankit Mehta: Typically, any emergency procurement order comes with a 12-month timeline for delivery. And of course, in our case, we will -- we are accelerating the delivery to the best extent possible. So, we are already on the top on that.

Darshil Jhaveri: Okay. Okay. That helps a lot, sir. And I just wanted to know like in a bookkeeping way, so our revenue is recognized like when we -- so how do we recognize the revenue, as a drone sells completely to the end of the full order completion? How does that work, sir?

Ankit Mehta: See, in most of these contracts, we are scheduled to deliver in various, I would say, various chunks, the deliveries broken into various chunks. So, we have to deliver on the basis of those chunks, and we get paid on the basis of delivery of those chunks as well. And apart from that, there are advanced payments as well from the end customer.

- Darshil Jhaveri:** Okay. Okay. Fair enough, sir. So, if I could infer like, so currently, our complete order book is basically from new emergency procurement, right? So other than that, we have -- what's our order bid status? So, what -- how do we see this going ahead, sir?
- Ankit Mehta:** See, the L1 pipeline in general that we've been speaking about earlier is relatively intact. So, we continue to expect more closures from, more closures happening. And that's what we're tracking right now. Some of them will happen earlier and some of the others we are expecting to happen sometime later.
- Darshil Jhaveri:** Okay. So, what was our -- how much have we bid for sir? And like could you just quantify that? And like the tenders are going to open in H1 or H2, so I know it's very difficult to give an exact timeline, but rough like so we can anticipate it's going to happen in like which half, if that could be given, sir?
- Ankit Mehta:** So typically, we haven't spoken of anything more than our L1 pipeline. And from within that, some of the conversions will happen within this or the next quarter and some others we are expecting towards -- more towards the end of the year.
- Darshil Jhaveri:** Okay. Okay. Fair enough, sir. And sir, like I think you were mentioning...
- Moderator:** Sir, sorry to interrupt. May I request to join the question queue again.
- Darshil Jhaveri:** Yes. Thank you.
- Moderator:** Thank you. The next question comes from the line of Hardik Rawat from IIFL Capital. Please go ahead. As there is no response from the participant. The next question comes from the line of Rhea Bhatia from CNBC TV. Please go ahead.
- Rhea Bhatia:** You've spoken about the L1 opportunity pipeline of INR400 crores. So, is the entire thing for FY '26? Or is this over the next 2, 3 years?
- Ankit Mehta:** Typically, the expectation is for it to close within this and the coming financial year.
- Rhea Bhatia:** Within this or the coming financial year? And how much of it would be in FY '26 roughly?
- Ankit Mehta:** That I'm not fully in a position to share right now. And we do expect more to get added to this. So, it's an evolving vector.
- Rhea Bhatia:** Okay, alright, sir. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Hardik Rawat from IIFL Capital. Please go ahead.
- Hardik Rawat:** Thanks for the opportunity. I had a couple of questions with regards to the order that we have received. Just to be sure this INR137 crores order that you received wasn't captured in the L1 pipeline that we were working with, right? The INR400 crores did not include this INR137 crores order.

- Ankit Mehta:** So, it was a part of that L1 pipeline and then more has come in as well.
- Hardik Rawat:** Got it. So, what would be the L1 pipeline as on date for us?
- Ankit Mehta:** Similar to what we had reported last time.
- Hardik Rawat:** Guidance for the current year now that we have this INR137 crores worth of order with an execution timeline of roughly 12 months. Should we expect that a large part of this contract should get concluded within this fiscal itself, roughly 90-95% should be booked towards the revenue for this fiscal.
- Ankit Mehta:** I would let Vipul answer that question.
- Vipul Joshi:** So, since it's been about a month that we received the order, we are right now assimilating a certain timeline for there will be certain parts which are unique to this particular order. Basis that we should be able to build the overall inventory and the pipeline of delivery.
- Since any of these MOD orders as well as part of any emergency procurement, there are multiple stages before the deliveries can be scheduled wherein there's an inspection, which also gets done from the user side and there's a QA agency review as well which impacts the recognition of the revenue, but we are hoping that we should be able to build a large part of this within this financial year.
- Hardik Rawat:** Got it. And the current order book of INR144-odd crores - excluding the INR137 crores worth of order for the EP-5 that you've gotten - the balance order book is just INR7 crores. Do you anticipate the receipt of any orders during the year, which will again get executed within the same year?
- Ankit Mehta:** Yes, we do expect conversions from the L1 pipeline. Some of them we expect in this or the coming quarters, and some of them will happen a little bit later.
- Hardik Rawat:** Got it. That's helpful. My second question was with regards to the gross margins. We have seen gross margins trend down continuously from FY '22 to FY '25 from 76-odd% to 33% in the last fiscal, and now there's a healthy increase in the gross margin in this current quarter to about 61-62%.
- Just wanted to understand, is it because we have booked a lot of service revenue? Or were there product deliveries that have led to such a jump in the gross margins on a Y-o-Y basis?
- Vipul Joshi:** So, this is due to a mix of deliveries and service orders, both getting executed within this quarter. And largely as how we have been enumerating that -- it also depends on which order is getting executed in a particular timeline and what mix of products are getting dispatched impacts the overall gross profit.
- Hardik Rawat:** Okay. One last question was with regards to...

- Moderator:** Sorry to interrupt sir, may I request you to join the queue again. The next question comes from the line of Isha Murthy from MI Capital. Please go ahead.
- Isha Murthy:** Our company has like recently secured a substantial order value, which was at -- am I not wrong, it's around INR137 crores. So, like could you please clarify the expected delivery schedule and associated payment cycle?
- Ankit Mehta:** Vipul, would you like to go ahead?
- Vipul Joshi:** Sure. So, emergency procurements carry a cycle of 12 months for delivery timeline from the order executed, will be also parcel supplies, which are broken down between 3 to 4 deliveries of the total quantities received as part of the order.
- Isha Murthy:** Okay. Additionally, is there any possibility of expediting the delivery like potentially reducing the original 12-month time frame outlined in the agreement?
- Ankit Mehta:** Yes, like I was explaining to Hardik in last question as well. Right now, we're assimilating the overall supply chain. How much time would it take to gather the complete unique parts to this particular order. And basis that, we will be able to overall look at the timelines of deliveries. And since there are also factors dependent on external agencies, in execution. We are hoping that we should be able to make the timelines better than the 12 months.
- Isha Murthy:** Okay, sir. Also, I wanted to ask like what are your projections on how the U.K. FTA agreement will influence your duty framework and competitive positioning within European market? Like over in coming 12 months, I would say.
- Ankit Mehta:** I think our foray in the European market is relatively new. We are seeking partnerships and potential collaboration opportunities there. So, I'll probably be able to comment on that once we have substantial motion on that side.
- Isha Murthy:** Okay, sir. Thank you.
- Moderator:** The next question comes from the line of Nilesh from JM Financial. Please go ahead. As there is no response, we'll move to the next question. The next question comes from the line of Shaurya Yadav from PinPointX Capital. Please go ahead.
- Shaurya Yadav:** Sir, would Operation Sindoor and recent MOD emergency procurement, I'm assuming that there has been a reasonable reduction in time taken for different order, right? But if you can tell what the typical timelines for contract finalization are, like post testing, once we have done the testing, how much time it would take to get the order from MOD? Before I'm asking for Operation Sindoor and emergency procurement, in terms of months or years, how much time it takes before this?
- Ankit Mehta:** See in the last cycle, they have taken about 6 months to give the order. So that's the previous experience I can quote in so far as the EP procurement has been concerned.
- Shaurya Yadav:** And sir, post this operation and emergency procurement?

- Ankit Mehta:** Sorry, I can't hear you.
- Shaurya Yadav:** And post this Operation Sindoor and EP that we are saying like how much time now government is taking?
- Ankit Mehta:** See, there's always obviously an expectation of acceleration, but I cannot comment on the actual timelines immediately.
- Shaurya Yadav:** And sir, my second question is, I wanted to understand that post this operation, that they have observed a promising surge in defence drone players, including start-ups, which is very good -- but specifically for the Kamikaze drone, which we have used in Operation Sindoor, there has been a scarcity of players who are capable of developing Kamikaze above the range of 300 and 400 kilometres.
- Like could you elaborate on the key technicals or development challenges that is preventing the Indian manufacturing from tracking this Kamikaze drones above 300 and 400 kilometres. And are we looking to venture into this segment?
- Ankit Mehta:** So, I think it's bit very technical to answer that question for the audience here. So, I'll probably refrain from going into too much detail. And I'm aware of some efforts being made in that direction as well. In terms of ideaForge, looking at that vector, at this point in time, we are not directly looking at building a Kamikaze system. We are largely focused on ISR capabilities. And always, we're looking at multi-role assets that can also do precision payload delivery and other capabilities.
- Shaurya Yadav:** Okay. And sir, how do you see the future for players who are working on Kamikaze, specifically for India?
- Ankit Mehta:** See it's very clear that post Operation Sindoor, the country will require drones, both of ISR nature because they are the ones that will give any targets in most cases that will be required to be looked at during any such mission, whereas there will also be a need for doing a kinetic vector on the other side.
- And I think kinetic vector has both the aspect of what is known as loitering munitions or has also got the aspect of products that can drop payloads or release payloads that can neutralize the target. So, both of those capabilities are going to be critical going forward, all three, in fact.
- Shaurya Yadav:** Okay, got it, sir. Thank you.
- Moderator:** The next question comes from the line of Nilesh from JM Financial. Please go ahead.
- Nilesh:** Thank you for the opportunity. I have one question. Can you throw some light on the competitive intensity in this space where we are operating? And are there any incidents where we have lost the order to our competitors in the last 2 quarters or so?
- Ankit Mehta:** So, Nilesh, in terms of competitive intensity, what I can definitely share is that -- it is going to be -- it is usually very tough to build these resilient systems, right? It takes time, it takes effort,

it takes a lot of development activity as well. So that is definitely an advantage that we have at this point in time, because we have been prioritizing that as a developmental vector for ideaForge.

In terms of competitive pressures, there are businesses across the world, particularly in the Ukraine and Russia conflict, which have looked at a lot of such similar scenarios and have been observing those over the last few years. So, there are capabilities globally that are working towards EW-resilience as well. And there are going to be competitive opportunities or competitive businesses who will look at those aspects.

But at the same time, there is a deep requirement for us to build such capabilities and technologies in the country to have our own intellectual property for the obvious reason of strategic autonomy and superiority that we need to have. And therefore, -- we believe that we will continue to see advantage to Indian players. And therefore, I think both of these vectors do overall position as well.

But we have to continue to track opportunities very closely. And we are not present in all possible capabilities that the customer would want to look at. That's also something to be kept in mind.

Moderator: Thank you. The next question comes from the line of Nayan from Xylem PMS. Please go ahead.

Nayan: Yes. So, I want to ask two questions. So, the first thing is, are there any plans for a fresh fundraise in the near term?

Ankit Mehta: Nothing is presently being looked at.

Nayan: Okay. And could you share the approximate quarterly cash loss figure and based on the cash reserves, how many quarters of runway do we have?

Ankit Mehta: I'm not sure if we have been able to report that at this juncture. But Vipul, go ahead if you have any feedback on it.

Vipul Joshi: So basically, since the balance sheet numbers are not out, cash reserves and non-numbers right now at this juncture cannot be shared, but we can assure that we have self-sufficient numbers runway in terms of cash reserves as well as debt facilities in place for execution of any orders that get built in this year.

Nayan: Okay. Thank you.

Moderator: Thank you. The next question comes from the line of Dipen Vakil from Phillip Capital. Please go ahead.

Dipen Vakil: Hello. Thank you for the opportunity and congratulations on the emergency procurement order. My first question is, can you throw some light on the defence as your service vertical and non-defence side of the operations, like how -- when we can expect some uptick coming in from

those segments also? And what is the progress in the mining and the other areas and the non-defence areas for you?

Ankit Mehta: Sure, Dipen. I believe you wanted to say Drone-as-a-Service.

Dipen Vakil: Yes. Sorry.

Ankit Mehta: Yes, no worries. So, I think it's actually an area that we are seeing a lot of very useful progress. We had always believed that it's going to be important for this service to become critical for our customers to retain its presence on ground. And we have started to see green shoots of the fact that once we deliver this kind of a service and if there is any reason for which there is a pullback, even experimentally we see that the need arises very quickly of that service to return.

So, I think the thesis with which we started our Drone-as-a-Service capability building is, I would say, is panning out really well. We have had many success stories of how our Drone-as-a-Service capability is helping our end customers almost on a daily basis, prevent theft, do better management of their overall plants and assets, including, for example, in mining, where we are able to look at many inefficiencies that otherwise get reported in large numbers over the end of the year. We are able to predict those inefficiencies today, and we are able to help them reduce those inefficiencies with respect to theft and many other situations on ground with respect to lost equipment, looking at stockpile measurements, etcetera.

So, there is a very wide variety of solutions that we are able to deliver to end-customers, particularly if you look at any physical infrastructure, particularly if it is large, we are able to help them do security, safety and governance in, I would say, in an unprecedented way as compared to what was happening earlier and it can reduce the overall risk for any facility and improve productivity by a good margin.

Dipen Vakil: So, can you help us understanding as to what kind of contribution can we expect them from the Drone-as-a-Service business maybe in FY '26 or '27 because this year's execution likely is coming entirely from the pending order book, which was there in the fourth quarter of last year. So maybe if we can get some clarity into the kind of execution from the number point of view?

Ankit Mehta: Drone-as-a-Service is currently in a lot of scale-up mode. It's showing up in 2 ways. In some cases, there are partners in service contracts, where we win product contracts on the back of that. So, that's one part of where it shows up. And the second part where it shows up, is where we are present either by our franchisee or directly, we are offering Drone-as-a-Service as a capability to end customers.

So that vector is going to be a much smaller percentage of the overall revenue in the short-term. But it's a very robust vector and proves the ability to build a very strong presence for the asset wherever it is deployed.

So, our firm belief is that this technology will get deployed almost everywhere for safety, security and governance, including in cities, states, coastline and also in enterprises. So, that is

an area that we are developing very fast. But it will show up in two ways, like I said, product sales as well as in doing direct services.

Dipen Vakil: Got it. Got it. Sir, last question. Sir, you mentioned that your order pipeline continues to be INR400 crores even now. So, I wanted to understand what would be your -- so even does that the future EP projects are part of this INR400 crores or the INR400 crore is the non-EP pipeline?

Ankit Mehta: Yes, yes. It is presently not included.

Moderator: Thank you. The next question comes from the line of Preeti Agarwal from SK Associates. Please go ahead.

Preeti Agarwal: Yes. Hello, sir. I wanted to understand what the primary differentiators in our company's proposal are as compared to our competitors during the bidding and prior stages particularly in technical evaluation, live demonstration and assessment phases.

Ankit Mehta: Typically, you have to meet the thresholds set by the customer in terms of the minimum performance and as the solutions become more complex, it is difficult to have new entrants or late entrants have all the pieces of the puzzle sorted because it takes time for building all the elements that are required by an end-customer.

And secondly is the reliability of the systems because in most cases, in a physical evaluation where the system has to be flown, it has to be reliable enough that it can deliver the performance on the given day. So, both of these things end up being a huge advantage.

Our customers have done over 700,000 flights on our systems. And all of that experience goes into building the reliability onto the platforms, and that is carried over to not just our existing products, but also our future product developments. So that brings an edge to what we are doing. Apart from that, of course, many patents that we have filed, which give us unique capabilities and the technology development work that we do differentiates us from our competition.

Preeti Agarwal: Okay. Understood. And could you also provide insights into the level of engagement and potential order volumes generated through your early adopter program with U.S. police department?

Ankit Mehta: The early adopter program in the U.S. is a program where we gave early access to our platforms, and we gained a lot of insights into what customers would really need. It's a large market opportunity. And we have been building progressively towards making sure that we have the right product-market fit. It takes time because of competing priorities as well as very specific requirements. And therefore, we are inching very close to the finish line in most cases, but we are hopeful that we will start getting orders soon in the market as well.

Moderator: Thank you. The next question comes from the line of Nikhil Gupta from Vayu Capital. Please go ahead.

Nikhil Gupta: Good morning, Ankit. My question is more specific to Tech Eagle. I think they were recently making headlines with respect to medicine deliveries in partnership with Apollo Hospitals and

some other names. So, can you describe our investment and investment terms, specifically there? And strategically, are we helping them in any operations and what's all happening in that front?

Ankit Mehta:

See, I think drone delivery remains a very critical vector with respect to building not just the drone hardware, but to solve the customer solution wherein the order booking, the execution of the leg of doing drone delivery and final customer service, and all of that happens seamlessly.

So, most of our focus in this investment has been around gaining early access to a team that is doing that capability development and also making sure that we can partner with each other based on our mutually you can say, exclusive platforms or complementary platforms that can allow us to build a more complete supply chain solution in the future.

So, that's the focus on that investment for us, and they continue to build in that direction, and we are tracking it closely. And as we build some of these larger capability platforms of ours, there are a lot of opportunities in the future where our platforms could be cross leveraged.

Nikhil Gupta:

Okay. And the exact investment terms we don't want to disclose it, if that's the case?

Ankit Mehta:

I think we had disclosed the amount we had invested, but I'm not sure of what are the exact investment terms if we had disclosed them or not. We are presently not in a position to disclose further.

Nikhil Gupta:

Okay. My last question is with respect to our FLYGHT Cloud platform. I think my limited understanding is that earlier you mentioned that we are also trying to build a marketplace of analytics where, let's say, any other company or platform or any other firm wants to use their own drone data and want to get insights.

They can use our platform automatically, upload and just get inside whatever they want to. So basically, the drone data is not specifically to our ideaForge drones, but they have some own drone data, and they can get insights using our platform. So, are we working on that direction as well?

Ankit Mehta:

Yes. So, what we're doing is that with our platforms the entire process becomes very seamless because we can do a lot of automation on the data uploading, data validation, curation part on the ground level itself before it gets uploaded on the cloud. But, yes, we do want to leverage the platform that we are building to make sure that we are able to gain access to more customers using that platform.

And also, it allows us to scalability-test the analytics and other capabilities that we have built, which will be another entry point for us to service more number of customers in this space, who can again be future customers for many of our hardware platforms as well.

Nikhil Gupta:

Right. And do we at this point of time, have any customers?

Moderator:

Sorry to interrupt. May I request...

- Nikhil Gupta:** Just a follow-up question. This is not a new question.
- Moderator:** Okay, sir.
- Ankit Mehta:** Yes. So, there is work happening with end customers on this. And just to sort of highlight that we've added a new capability on FLYGHT Cloud, wherein we are also enabling upload of our surveillance or the video data that we capture using our drones and have given customers the ability to one - do better data management, and two - we have given them the ability to analyse or post analyse the information, create necessary, you can say, insights for the consumption of the leadership in their hierarchy. And we've also progressively going to add AI capabilities that can do a lot of this activity in aid of the operator who is going to be looking at that information. So, we are building more capabilities on the platform, live customer engagements in that to make sure that we are testing it and prototyping it.
- Nikhil Gupta:** Thank you, Ankit. Best of luck.
- Moderator:** Thank you. The next follow-up question comes from the line of Darshil Jhaveri from Crown Capital. Please go ahead.
- Darshil Jhaveri:** Sir, just wanted to know like are our drones capable of being used in geospatial mapping area and have we pursued that opportunity, sir?
- Ankit Mehta:** Yes, absolutely. In fact, for the Svamitva scheme where the government of India is mapping all the 660,000-odd villages in the country using drones, we are proud to say that we are a key provider of the drone technology for that opportunity. And apart from that as well we have developed a very robust geospatial capability, and we have been reporting that we are not just building capability for regular colour camera or what is known as RGB mapping, we are also doing work on LiDAR, multispectral, hyperspectral and also on oblique camera. So, we can sort of help our end-users create a very wide spectrum of geospatial data that can be very helpful in operations and governance aspects of many of these scenarios.
- Darshil Jhaveri:** Sir, have we like bid for any contracts or are there any ongoing contracts for those, like how would those work like, will we be providing drones to them as on a rental basis or do they just procure and buy it out like how does that part of business work, sir?
- Ankit Mehta:** Again, it shows up in two ways presently. It shows up as direct product sales or it shows up as a sale to a partner who would then be using the technology to deliver a service to the end-customer.
- Darshil Jhaveri:** Okay. So, any like orders that we can expect this year from that segment or like how would you see that opportunity currently?
- Ankit Mehta:** Yes. There is momentum on that direction as well. So, we are tracking opportunities there.
- Darshil Jhaveri:** Any active contract that you've bid for or is just like it's a tendering process or something like is happening on that?

- Ankit Mehta:** There are some active contracts we've bid for, but we also have more opportunities building in the pipe.
- Darshil Jhaveri:** Okay. That's it from my side. Thank you so much, sir.
- Moderator:** Thank you. The next question comes from the line of Riya Bhatia from CNBC TV. Please go ahead.
- Riya Bhatia:** Sir, I had a couple of questions about your numbers. So, the company has been reporting – so that the EBITDA and the net level in the last four quarters. But in this quarter, we've seen some improvement sequentially. So, are you expecting it to turn profitable at a certain revenue scale or is there a timeline to it?
- Ankit Mehta:** I mean definitely, I think at the right scale we would expect, but I'll let Vipul answer the question.
- Vipul Joshi:** So, Riya since we are not giving any forward-looking numbers on what is the top line that we are targeting for the year, but it will be our endeavour to reach the profitability numbers in the near term. Lot will depend on what order book and timeline we close in which it's Q3 or Q4 and that will determine our deliverables as well as realization of the revenue as well for the year.
- Riya Bhatia:** Right. And so, are you expecting to improve your working capital cycle?
- Vipul Joshi:** Definitely, as we continue to participate in some of these EP opportunities and all where we will get an opportunity to have bifurcated milestone-based payments. There will be advances also as part of these contracts. So, we are hoping that we will be able to realize all of this in time. And with that in turn impact our net working capital cycle as well.
- Riya Bhatia:** Got it. And my last question is....
- Ankit Mehta:** And that's consistent with our past experience.
- Riya Bhatia:** Okay. All right. And sir, the last question is about the order pipeline. You mentioned that the current INR400 crores pipeline doesn't include emergency procurement. So, can you quantify the opportunities from EP?
- Ankit Mehta:** We are not in a position to quantify that right now still, because the RFPs and what will come out is still in the making.
- Riya Bhatia:** Okay. Got it. Thank you so much.
- Moderator:** Thank you. We'll take this as a last question for today. I would now like to hand the conference over to Mr. Ankit Mehta for closing comments.
- Ankit Mehta:** Thank you. Let me close by returning to the initial part of today's call. I think resilience -- this quarter, I would say, is not about turnaround instead it was about validation. Validation that drones are not auxiliary, but they are central to modern defence. Validation that the government is serious about drones, as evidenced by the announcement of EP-6 and the corresponding



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budget allocation. Validation that indigenous EW-resilient platforms are no longer optional, but they are essential. And most importantly, validation that companies like ideaForge built on conviction not convenience, will endure and lead when the going gets tough in every battle, be it on the international borders or in our own boardroom, resilience wins and that is the very reason why we are positioned to win. Thank you for joining today's call and for your continued support and belief in ideaForge.

Moderator:

On behalf of ideaForge Technology Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.