

Independent Auditor's Report on the Quarterly and Annual Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**The Board of Directors of
AXISCADES Technologies Limited****Report on the audit of the Consolidated Financial Results****Opinion**

We have audited the accompanying statement of quarterly and annual consolidated financial results of AXISCADES Technologies Limited ("Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter and for the year ended March 31, 2026 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries and associate, the Statement:

- i. includes the results of the entities as stated in Note 12 of the Statement;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter and for the year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group and its associate in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results and financial information of the entities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Master Circular issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the financial statements and other financial information, in respect of:

- Eleven subsidiaries, whose financial results include total assets of Rs. 42,195.30 lakhs as at March 31, 2026, total revenues of Rs. 6,945.54 lakhs and Rs. 22,622.29 lakhs, total net loss after tax of Rs. 1,758.79 lakhs and Rs. 1,737.48 lakhs, total comprehensive loss of Rs. 1,755.37 lakhs and Rs. 1,736.64 lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 1,223.29 lakhs for the year ended March 31, 2026, as considered in the Statement which have been audited by their respective independent auditors.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- One associate whose financial results include Group's share of net loss of Rs. 16.93 lakhs and Rs. 17.95 lakhs and Group's share of total comprehensive loss of Rs. 16.93 lakhs and Rs. 17.95 lakhs for the quarter and for the year ended March 31, 2026 respectively, as considered in the Statement whose financial results and other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial results of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.


Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

The Statement includes the results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2026 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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Agarwal**  Digitally signed by Pradip Agarwal
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per Pradip Agarwal

Partner

Membership No.: 065537

UDIN: 26065537QFPOLG4043

Place: Bengaluru

Date: May 27, 2026

AXISCADES Technologies Limited			
CIN NO: L72200KA1990PLC084435			
Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India			
Website: www.axiscades.com, Email: info@axiscades.com, Tel: +91 80 4193 9000, Fax: +91 80 4193 9099			
(₹ in lakhs)			
Audited Consolidated Balance Sheet as at March 31, 2026			
SI No	Particulars	As at	
		March 31, 2026 (Audited)	March 31, 2025 (Audited)
	Assets		
A	Non-current assets		
	Property, plant and equipment	9,153.47	8,155.85
	Capital work in progress	4,422.04	17.64
	Goodwill	15,052.84	15,357.58
	Other intangible assets	3,916.65	2,421.53
	Intangible assets under development	910.74	821.43
	Right-of-use assets	17,815.83	13,828.89
	Investment in an associate	1,182.59	625.08
	Financial assets		
	Investments	89.15	101.37
	Other financial assets	1,232.56	1,638.62
	Deferred tax assets, net	2,891.22	3,239.74
	Non-current tax asset, net	2,014.08	2,089.67
	Other non-current assets	4,840.97	97.27
	Total non-current assets	63,522.14	48,394.67
B	Current assets		
	Inventories	7,896.72	6,086.95
	Financial assets		
	Investments	431.63	5,232.20
	Trade receivables	41,134.16	30,180.49
	Cash and cash equivalent	1,782.92	5,235.06
	Bank balances other than cash and cash equivalent	2,763.28	3,691.16
	Other financial assets	9,276.17	7,639.78
	Other current assets	19,814.10	6,250.97
	Total current assets	83,098.98	64,316.61
	Total assets (A+B)	1,46,621.12	1,12,711.28
	Equity and liabilities		
C	Equity		
	Equity share capital	2,127.40	2,126.41
	Other equity	70,627.04	62,779.30
	Non-controlling interests	689.38	673.23
	Total equity	73,443.82	65,578.94
D	Non-current liabilities		
	Financial liabilities		
	Borrowings	7,524.24	10,938.81
	Lease liabilities	9,300.85	5,000.13
	Other financial liabilities	-	516.31
	Provisions	1,820.88	1,279.02
	Deferred tax liabilities, net	273.46	366.48
	Total non-current liabilities	18,919.43	18,100.75
E	Current liabilities		
	Financial liabilities		
	Borrowings	20,120.09	8,009.54
	Lease liabilities	1,858.37	1,841.70
	Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	881.79	367.78
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13,459.27	5,453.06
	Other financial liabilities	4,163.89	2,439.40
	Provisions	3,710.05	3,107.19
	Current tax liabilities, net	1,190.70	1,078.33
	Other current liabilities	8,873.71	6,734.59
	Total current liabilities	54,257.87	29,031.59
F	Total liabilities (D+E)	73,177.30	47,132.34
	Total equity and liabilities (C+F)	1,46,621.12	1,12,711.28

For AXISCADES Technologies Limited

Sampath

Ravinarayana

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Place: Bengaluru
Date: May 27, 2026

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director

(₹ In lakhs)

Statement of Audited consolidated financial results for the quarter and year ended March 31, 2026					
Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 13)	(Unaudited)	(Audited) (refer note 13)	(Audited)	(Audited)
I. Income					
(a) Revenue from operations	27,300.93	34,317.85	26,797.26	1,15,895.24	1,03,072.37
(b) Other income (refer note 6)	429.39	194.80	388.96	2,278.11	2,084.90
Total income	27,730.32	34,512.65	27,186.22	1,18,173.35	1,05,157.27
II. Expenses					
(a) Cost of raw material and components consumed	7,803.03	7,580.40	4,646.13	25,335.92	18,805.66
(b) Purchase of traded goods	165.41	214.85	846.62	1,368.72	1,718.10
(c) (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	(3,284.71)	402.14	29.70	(2,928.37)	816.86
(d) Employee benefits expense (refer note 7)	13,746.79	14,967.99	12,932.63	55,439.95	51,641.66
(e) Finance costs	1,006.75	703.58	836.54	3,097.39	3,229.70
(f) Depreciation and amortization expense	1,381.48	1,099.30	955.98	4,437.80	3,959.88
(g) Other expenses	5,509.50	4,877.39	4,596.80	18,928.32	15,845.60
Total expense	26,328.25	29,845.65	24,844.40	1,05,679.73	96,017.46
III. Profit before share in loss of an associate, exceptional items and tax (I-II)	1,402.07	4,667.00	2,341.82	12,493.62	9,139.81
IV. Share in loss of an associate, net of tax	(16.93)	(0.49)	(0.77)	(17.95)	(2.37)
V. Profit before exceptional items and tax (III+IV)	1,385.14	4,666.51	2,341.05	12,475.67	9,137.44
VI. Exceptional items, net (refer note 5)	(334.70)	(782.14)	(199.28)	(1,116.84)	(385.87)
VII. Profit before tax (V+VI)	1,050.44	3,884.37	2,141.77	11,358.83	8,751.57
VIII. Income tax expense: (refer note 8)					
- Current tax	792.66	1,135.22	(29.68)	3,542.81	2,352.07
- Adjustment of tax relating to earlier years	88.57	9.75	(127.44)	(15.42)	(127.44)
- Deferred tax charge/ (credit)	127.85	(26.95)	(850.72)	624.94	(1,001.46)
Total income tax expense/ (credit)	1,009.08	1,118.02	(1,007.84)	4,152.33	1,223.17
IX. Profit for the period/ year (VII-VIII)	41.36	2,766.35	3,149.61	7,206.50	7,528.40
X. Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Remeasurement of (losses)/ gains on defined benefit plans	(54.84)	38.05	(97.81)	(107.69)	(222.64)
Income tax effect	14.88	(10.08)	21.99	27.68	56.34
Net other comprehensive income/ (loss) not to be reclassified to profit or loss in subsequent periods	(39.96)	27.97	(75.82)	(80.01)	(166.30)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Losses on cash flow hedges	(280.16)	(61.57)	(134.67)	(1,092.87)	(203.75)
Income tax effect	70.51	15.49	32.06	275.05	51.28
Exchange differences on translation of foreign operations	499.14	132.66	(92.80)	958.06	(6.83)
Income tax effect	-	-	-	-	-
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	289.49	86.58	(195.41)	140.24	(159.30)
Total other comprehensive income / (loss) for the period/ year, net of tax	249.53	114.55	(271.23)	60.23	(325.60)
XI. Total comprehensive income for the period/ year, net of tax (IX+X)	290.89	2,880.90	2,878.38	7,266.73	7,202.80
Total profit/ (loss) attributable to					
Owners of the Company	42.60	2,772.47	3,075.50	7,191.82	7,493.68
Non-controlling interests	(1.24)	(6.12)	74.11	14.68	34.72
Total other comprehensive income/ (loss) attributable to					
Owners of the Company	252.74	109.08	(269.67)	58.75	(324.04)
Non-controlling interests	(3.21)	5.47	(1.56)	1.48	(1.56)
Total comprehensive income/ (loss) attributable to					
Owners of the Company	295.34	2,881.55	2,805.83	7,250.57	7,169.64
Non-controlling interests	(4.45)	(0.65)	72.55	16.16	33.16
XII. Paid up equity share capital (of ₹ 5 each)	2,127.40	2,127.40	2,126.41	2,127.40	2,126.41
XIII. Other equity				70,627.04	62,779.30
XIV. Earnings per share ('EPS') (of ₹ 5 each)*					
Basic EPS (in ₹)	0.10	6.52	7.24	16.92	17.76
Diluted EPS (in ₹)	0.10	6.49	7.16	16.83	17.22

* EPS is not annualized for interim periods.

(₹ In lakhs)

Statement of Audited consolidated financial results for the quarter and year ended March 31, 2026

Notes

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid Statement of audited consolidated financial results for the quarter and year ended March 31, 2026 of AXISCADES Technologies Limited (the "Holding Company" or the "Company"), its subsidiaries (the Holding Company and its subsidiaries together hereinafter referred to as "the Group") and its associate has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 27, 2026. The aforesaid audited consolidated financial results for the quarter and year ended March 31, 2026 have been audited by the statutory auditors of the Company.

2. The audited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. The financial results of the Company on standalone basis is as follows:

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 13)	(Unaudited)	(Audited) (refer note 13)	(Audited)	(Audited)
Total revenue (including other income)	12,574.16	12,467.94	10,184.05	46,743.16	41,210.99
Profit before tax	270.06	535.11	286.67	1,735.84	3,117.52
Profit after tax	109.89	317.26	1,902.23	1,117.55	4,059.41
Total comprehensive income/ (loss)	(26.14)	284.12	1,785.56	338.17	3,813.24

4. The segment reporting of the Group has been prepared in accordance with Ind AS 108 on 'Operating Segments'. The business segments of the Group comprises of (a) "Technology Services and Solutions" and (b) "Defence".

Segment wise revenue, results, assets and liabilities

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 13)	(Unaudited)	(Audited) (refer note 13)	(Audited)	(Audited)
Segment revenue					
(a) Technology Services and Solutions	20,591.25	20,532.93	18,921.94	78,130.45	72,781.84
(b) Defence	6,714.92	13,784.92	7,875.32	37,770.03	30,290.53
Total	27,306.17	34,317.85	26,797.26	1,15,900.48	1,03,072.37
Less: Inter segment revenue	(5.24)	-	-	(5.24)	-
Net sales/income from operations	27,300.93	34,317.85	26,797.26	1,15,895.24	1,03,072.37
Cost of raw material and components consumed					
(a) Technology Services and Solutions	683.67	402.51	987.50	2,361.89	3,160.11
(b) Defence	4,000.06	7,794.88	4,534.95	21,414.38	18,180.51
Employee benefits expense (refer note 7)					
(a) Technology Services and Solutions	12,909.80	13,310.10	11,695.98	50,328.86	46,386.00
(b) Defence	836.99	1,657.89	1,236.65	5,111.09	5,255.66
Depreciation and amortisation					
(a) Technology Services and Solutions	498.76	688.89	626.33	2,592.20	2,615.61
(b) Defence	105.10	96.07	10.14	236.24	78.99
Segment results					
Profit before tax, interest and other income from each segment					
(a) Technology Services and Solutions	1,665.45	1,967.74	1,896.97	6,636.31	7,210.17
(b) Defence	1,091.60	3,522.34	1,212.74	8,285.95	4,340.52
Total	2,757.05	5,490.08	3,109.71	14,922.26	11,550.69
Less: i) Finance costs	(1,006.75)	(703.58)	(836.54)	(3,097.39)	(3,229.70)
ii) Share in net loss of an associate	(16.93)	(0.49)	(0.77)	(17.95)	(2.37)
iii) Exceptional items, net (refer note 5)	(334.70)	(782.14)	(199.28)	(1,116.84)	(385.87)
iv) Other unallocable expenditure	(777.62)	(314.30)	(320.31)	(1,609.36)	(1,266.08)
Add: i) Other income (refer note 6)	429.39	194.80	388.96	2,278.11	2,084.90
Total profit before tax	1,050.44	3,884.37	2,141.77	11,358.83	8,751.57
Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 13)	(Unaudited)	(Audited) (refer note 13)	(Audited)	(Audited)
Segment assets					
(a) Technology Services and Solutions	61,563.18	58,153.33	51,663.30	61,563.18	51,663.30
(b) Defence	57,712.46	52,661.67	38,217.89	57,712.46	38,217.89
(c) Unallocable assets	27,345.48	28,379.56	22,830.09	27,345.48	22,830.09
Total	1,46,621.12	1,39,194.56	1,12,711.28	1,46,621.12	1,12,711.28
Segment liabilities					
(a) Technology Services and Solutions	28,558.51	28,258.21	22,190.20	28,558.51	22,190.20
(b) Defence	34,348.56	29,292.92	21,240.79	34,348.56	21,240.79
(c) Unallocable liabilities	10,270.23	8,628.50	3,701.35	10,270.23	3,701.35
Total	73,177.30	66,179.63	47,132.34	73,177.30	47,132.34

(₹ In lakhs)

Statement of Audited consolidated financial results for the quarter and year ended March 31, 2026

5. Exceptional items, net comprises of the following:

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 13)	(Unaudited)	(Audited) (refer note 13)	(Audited)	(Audited)
Past service costs for Gratuity and Leave Encashment [refer note (i) below]	-	(782.14)	-	(782.14)	-
Impairment loss on goodwill [refer note (ii) and (iii) below]	(797.58)	-	(475.00)	(797.58)	(951.19)
Fair value adjustment of a contingent purchase consideration [refer note (ii) and (iii) below]	462.88	-	275.72	462.88	717.52
Additional purchase consideration paid [refer note (iv) below]	-	-	-	-	(152.20)
Total	(334.70)	(782.14)	(199.28)	(1,116.84)	(385.87)

i) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has assessed the financial implications of these changes which has resulted in increase in gratuity liability arising out of past service cost and increase in leave liability by ₹ 782.14 lakhs. The Group has presented such incremental impact as Impact of new Labour Codes under Exceptional Items in the statement of profit and loss during the quarter ended December 31, 2025 and year ended March 31, 2026.

ii) During the year ended March 31, 2025, the Group carried out an impairment assessment based on the impairment indicators and determined that the recoverable value of the goodwill was lower than their carrying values. Accordingly, the Group recognised an impairment loss on goodwill amounting to ₹ 475.00 lakhs and ₹ 951.19 lakhs for the quarter and year ended March 31, 2025, respectively. The Group also recognised a fair value gain of ₹ 275.72 lakhs and ₹ 717.52 lakhs for the quarter and year ended March 31, 2025, respectively on re-estimation of the contingent purchase consideration payable as per the terms of the Share Purchase Agreement ("SPA") for Add Solution GmbH, step-down subsidiary of the Company.

iii) During the year ended March 31, 2026, the Group carried out an impairment assessment based on the impairment indicators and determined that the recoverable value of the goodwill was lower than their carrying values. Accordingly, the Group recognised an impairment loss on goodwill amounting to ₹ 797.58 lakhs for the quarter and year ended March 31, 2026. The Group also has recognised a gain of ₹ 462.88 lakhs in the quarter and year ended March 31, 2026, due to change in fair value of contingent consideration on remeasurement of the contingent purchase consideration payable based on actual financial performance of the Epocgen Privage Limited, subsidiary of the Company.

iv) ₹ 152.20 lakhs represents additional purchase consideration paid to the shareholders of Mistral Solutions Private Limited, subsidiary of the Company, during the year ended March 31, 2025.

6. Other income for the year ended March 31, 2025, includes gain of ₹ 659.19 lakhs from sale of leasehold land and building for a consideration of ₹ 1,490.00 lakhs.

7. Due to non-fulfilment of certain vesting conditions, the Group had reversed the share based payments to employees, net of ₹ 265.90 lakhs and ₹ 1,504.82 lakhs for the quarter and year ended March 31, 2025, respectively through the Statement of Profit and Loss.

8. Pursuant to the final assessment order for AY 2023-24 received on March 23, 2025 thereby concluding the assessment of income for the aforesaid assessment year, the Company had set-off unutilised business losses of AY 2023-24 against taxable profits of the year ended March 31, 2025 and unutilised unabsorbed depreciation of AY 2023-24 against capital gains on sale of Asset held for sale during the year ended March 31, 2025 and based on the projections for future taxable profits, the Company had recognized deferred tax assets (net) of ₹ 855.44 lakhs on remaining unutilised losses as at March 31, 2025. Consequent to the completion of income tax assessment, current tax of ₹ 607.51 lakhs accrued in the first three quarters of the year ended March 31, 2025 had been reversed during the quarter and year ended March 31, 2025.

During the year ended March 31, 2025, the Company had exercised the option of availing the lower tax rate available under Section 115BAA of Income Tax Act, 1961, thereby lowering the tax rate from 28.72% to 25.168%. Accordingly, the Company had provided for income taxes for the year ended March 31, 2025 and re-measured the accumulated balance of deferred tax assets as at March 31, 2025, based on the rate prescribed under the aforesaid section. The resultant impact had been taken through the statement of profit and loss. The re-measurement of accumulated deferred tax assets had resulted in a one-time additional deferred tax charge (including reversal of MAT credit) of ₹ 131.56 lakhs for the year ended March 31, 2025.

9. During the quarter and year ended March 31, 2026, the Group entered into an Agreement with Studec SAS, the minority shareholder of its subsidiary, Cades Studec Technologies (India) Private Limited ("CSTI"), to acquire the remaining 24% equity shares held by Studec SAS for a total consideration of USD 1,500,000. Pending the completion of conditions precedent and transfer of shares as at March 31, 2026, no adjustments are made to these consolidated financial statements for the quarter and year ended March 31, 2026.

10. During the quarter and year ended March 31, 2026, the Group has invested ₹ 575.46 lakhs in the equity shares of its associate, Aero Electronics Private Limited ("Aero"). The shareholding of the Group has not changed due to additional investment made during the year by the holding company of Aero.

11. Subsequent event

Pursuant to approval of the Board of Directors of the Company on May 26, 2026, the Group has entered into a Master Framework Agreement and Business Transfer Agreement with Akkodis Group on May 26, 2026, to sell certain businesses engaged in rendering engineering services to customers in Heavy Engineering, Automotive and Energy industries of the Company and its subsidiaries viz. Axiscades Inc, Epocgen India Private Limited and Axiscades UK on a slump sale, for a fixed consideration of USD 23.23 million (including USD 5.81 million payable after 12 months) and an additional contingent consideration dependent upon earnings during the earn-out period. The sale of transaction is subject to completion of conditions precedent, including obtaining any statutory and regulatory approvals.

12. These quarterly consolidated financial results includes the results of the following entities:

- a. AXISCADES Technologies Limited
- b. AXISCADES Inc.
- c. Cades Studec Technologies (India) Private Limited
- d. AXISCADES Aerospace & Technologies Private Limited
- e. Enertec Controls Limited
- f. AXISCADES Aerospace & Infrastructure Private Limited
- g. AXISCADES UK Limited
- h. AXISCADES Technology Canada Inc.
- i. Axis Mechanical Engineering Design (Wuxi) Co., Ltd.,
- j. AXISCADES GmbH
- k. Mistral Solutions Private Limited
- l. Mistral Solutions Inc.
- m. Mistral Technologies Private Limited
- n. Explosoft Tech Solutions Private Limited
- o. Add Solution GmbH
- p. Epocgen Private Limited
- q. Aero Electronics Private Limited (associate company)

13. The figures of the last quarter ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2026 and March 31, 2025 and the published unaudited year-to-date figures up to December 31, 2025 and December 31, 2024, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.

14. The above audited consolidated financial results of the Group are available on the Company's website (www.axiscades.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.

For **AXISCADES Technologies Limited**

**Sampath
Ravinarayanan**

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Sampath Ravinarayanan
Date: 2026.05.27
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Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director

Place: Bengaluru
Date: May 27, 2026

AXISCADES Technologies Limited
CIN NO: L72200KA1990PLC084435

Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India
Website: www.axiscades.com, Email: info@axiscades.com, Tel: +91 80 4193 9000, Fax: +91 80 4193 9099

(₹ in lakhs)

Audited consolidated statement of cash flows for the year ended March 31, 2026

	Year ended	
	March 31, 2026	March 31, 2025
	Audited	Audited
A. Operating activities		
Profit before tax	11,358.83	8,751.57
Adjustments to reconcile profit before tax to net cash flows:		
Exceptional items, net:		
Impairment loss on goodwill (refer note 5)	797.58	951.19
Fair value adjustment of a contingent purchase consideration (refer note 5)	(462.88)	(717.52)
Additional purchase consideration paid (refer note 5)	-	152.20
Depreciation and amortization expense	4,437.80	3,959.88
Interest income (including fair value gain on financial instruments at fair value through profit or loss)	(748.47)	(1,085.35)
Dividend income from mutual funds	(45.37)	(31.83)
Gain on sale of units of mutual funds	-	(8.17)
Finance costs	3,097.39	3,229.70
Provision/liabilities no longer required written back	(566.03)	(71.05)
Share of loss of an associate	17.95	2.33
Provision for expected credit losses of trade receivables and contract assets	384.86	220.71
Provision for foreseeable loss on contracts	279.27	198.93
Share based payment expense (refer note 7)	588.00	(1,504.82)
Gain on sale of assets held for sale (refer note 6)	-	(659.19)
Loss on sale of property, plant and equipment, net	11.38	63.86
Net foreign exchange differences (unrealised)	(262.83)	124.44
Operating profit before working capital changes	18,887.48	13,576.88
(Increase) in trade receivables	(11,075.70)	(6,774.38)
(Increase)/ decrease in inventories	(1,809.77)	862.06
(Increase)/ decrease in other assets including financial assets	(14,871.40)	4,351.61
Increase/ (decrease) in trade payables, other liabilities and financial liabilities	11,415.35	(823.19)
Increase in provisions	657.63	78.26
Cash generated from operating activities	3,203.59	11,271.24
Direct taxes paid, net	(3,339.45)	(2,437.02)
Net cash flows (used in)/ from operating activities (A)	(135.86)	8,834.22
B. Investing activities		
Purchase of property, plant and equipment, capital work-in-progress, intangible assets under development and intangible assets including capital advance	(13,444.31)	(3,789.51)
Proceeds from sale of asset held for sale	-	1,043.87
Proceeds from sale of property, plant and equipment	73.15	53.06
Interest received	498.52	1,139.94
Payment of deferred purchase consideration	-	(212.26)
Redemption of/ (investment in) mutual fund units	5,086.80	(2,026.13)
Redemption of fixed deposits, net	1,288.12	4,654.69
Investment in shares of an associate	(575.46)	-
Net cash flows (used in)/ from investment activities (B)	(7,073.18)	863.66
C. Financing activities		
Repayment of principal portion and interest portion of lease liabilities	(2,685.17)	(2,343.58)
Proceeds from long-term borrowings	2,787.72	6,320.01
Repayment of long-term borrowings	(998.83)	(11,891.46)
Proceeds from short term borrowings, net	6,829.64	551.63
Proceeds from exercise of share options	10.15	338.72
Interest paid	(2,178.25)	(2,928.14)
Net cash flows from/ (used in) financing activities (C)	3,765.26	(9,952.82)
Net decrease in cash and cash equivalent (A+B+C)	(3,443.78)	(254.94)
Effect of exchange rate changes, net	(8.36)	(70.98)
Cash and cash equivalent at the beginning of the year	5,235.06	5,560.98
Cash and cash equivalent at the end of the year	1,782.92	5,235.06

Place: Bengaluru
Date: May 27, 2026

For AXISCADES Technologies Limited

Sampath
Ravinarayanan

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Sampath Ravinarayanan
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Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director