

Shaily Engg. Plastic

10 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Q1 FY27 Earnings Conference Call of Shaily Engineering Plastics Ltd. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

Before we begin, a brief disclaimer: this conference call may contain forward-looking statements about the company, which are based on the company's beliefs, opinions, and expectations as of the date of this call. These statements are not guarantees of future performance and may involve risks and uncertainties that are difficult to predict. I would now like to hand the conference over to Mr. Amit Shanghvi, Managing Director of Shaily Engineering Plastics Ltd. Thank you, and over to you, sir.

Amit Shanghvi - Managing Director: Thank you very much. Good afternoon, everyone, and thank you for joining Shaily Engineering Plastics Ltd.'s earnings call for Q1 FY27. I'm joined today by Sanjay Shah, our Chief Financial Officer, and SGA, our investor relations advisor. I hope everyone has had the opportunity to review our financial results and investor presentation, which have been uploaded on the stock exchange as well as the company's website.

The global operating environment remained challenging in the quarter, with continued uncertainty arising from the geopolitical situation in West Asia and its broader impact on supply chains as well as commodity markets. This led to volatility in key raw material prices, particularly polymers, alongside logistics disruptions, container availability constraints, and elevated freight costs. Despite these external headwinds, we remain focused on execution. With disciplined operational planning, supply chain management, and calibrated pricing actions, including pass-through mechanisms wherever applicable, we were able to effectively mitigate much of the impact and ensure business continuity.

Before I get into the highlights of the quarter, I'd like to take a minute to reflect on our healthcare journey and what we have achieved so far. Q1 has been exceptionally exciting, with multiple launches, so I thought I'd take a moment to reflect on it. When I look at where Shaily stands today, our position rests on two principles that we have not compromised on: quality and innovation. Our focus is consistently on delivering the best possible outcome for our customers and for the patients who depend on our devices. That standard has shaped every decision along a very difficult path, one we traveled for years, with much of the market unconvinced that we could deliver. We took on risks that few in our industry would accept, stayed focused on the objective, and treated our early failures as critical information, which we learned from, corrected quickly, and moved on from.

Combined with the deliberate effort to hire the best talent in the industry globally, this approach has produced measurable results for Shaily. Six of our eight device platforms are now fully commercial and sold across global markets, having been developed within 7-8 years. Over the same period, Shaily has delivered the world's first generic semaglutide launches in multiple markets and also secured the first-ever US FDA approval for generic semaglutide. Building on this, I'm pleased to announce that we have appointed dedicated heads of business development for both Europe and North America, our two priority growth markets. Both are senior industry leaders, and

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with them in place, we are in discussions and confident of securing a partnership with a major global pharmaceutical company over the near term.

The healthcare strategy is clear: continue to scale GLP-1 and insulin and simultaneously enter niche areas such as emergency-use devices, on-body injectors, and more sustainable reusable devices, as well as forge partnerships with global pharma to make it easier to take the next leap in Shaily's healthcare growth story.

Now coming to the quarter, as committed earlier, our additional 25 million pens of capacity are expected to become operational by the end of September, taking our total installed pen injector capacity to approximately 75 million pens per annum.

Moving to our segment-wise performance and key business development, healthcare continued to deliver robust performance during Q1 FY27. Segment revenue grew 85% year-on-year to 142 crores, contributing approximately 51% of consolidated revenue and becoming our largest business segment for the quarter. Growth continues to be led by our pen injector platform, including devices used for GLP-1 and other chronic therapies. During the quarter, we received orders for injector pen supplies following regulatory approvals secured for the sale of semaglutide in Canada and Brazil by our pharmaceutical partners. In addition, we have also signed two new platform projects, further strengthening our long-term product pipeline.

The consumer segment reported revenue of 116 crores during the quarter, accounting for around 41% of consolidated revenue. Performance reflected softer demand in home furnishings across Europe and the United States, our largest export markets for the business. During this period, however, we continued to expand customer relationships and add new programs that strengthen our future revenue pipeline. In Q1 FY27, we secured a global project from an FMCG customer and also won new business in the LED lighting segment.

The industrial segment maintained its healthy growth trajectory, with revenue increasing 25% year-on-year to 23 crores. Growth was supported by new customer additions and increasing opportunities across engineering applications, including consumer electronics. During the quarter, we received business confirmations for new projects from both appliance and automotive customers. We also onboarded a new customer with orders covering five consumer electronic components.

Going forward, we remain focused on building sustainable revenue streams in this segment, particularly through consumer electronics and the semiconductor space. As we look ahead to FY27, we aim to strengthen and ramp up our newly commissioned capacities, deepen strategic customer relationships, accelerate innovation through our IP-led platform, and maintain operational excellence while delivering sustainable and profitable growth. With that, I now hand over to Sanjay, who will take you through the operating and financial highlights in more detail. Thank you very much. Over to you, Sanjay.

Sanjay Shah – CFO: Thank you, Amit. Good afternoon, everyone. Let me now take you through the financial and operating highlights for the quarter. Machine utilization improved to 55.2% during Q1 FY27, compared with 48.7% in Q1 FY26, reflecting a gradual improvement in capacity utilization. Exports accounted for approximately 58% of consolidated revenue during the quarter, compared

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with 76% in the corresponding quarter last year. The change is primarily due to the growing contribution of the healthcare business, where products are supplied to global markets through our Indian pharmaceutical customers.

Coming to the consolidated financial highlights for Q1 FY27, revenue for Q1 FY27 stood at 281 crores, compared with 247 crores in Q1 FY26, registering year-on-year growth of 14%. EBITDA increased to 83 crores from 70 crores, reflecting growth of 18%. Our EBITDA margin improved by 120 bps to 29.7%. Profit after tax stood at 48 crores, compared with 41 crores in Q1 FY26, representing growth of 17%. PAT margin improved to 17.1%, an expansion of 40 basis points year-on-year.

Coming to the segmental revenue base for Q1 FY27, consumer revenue stood at 116 crores, compared with 151 crores in Q1 FY26, reflecting a decline of 24%, largely due to softer demand across Europe and the US. Healthcare revenue increased to 142 crores from 77 crores, representing year-on-year growth of 85%. Industrial revenue grew to 23 crores from 18 crores, registering healthy growth of 25%. That concludes the update from my side. We will now open the floor for questions. Thank you.

Operator: Thank you very much, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we'll wait for a moment while the question queue assembles. We have our next question from the line of Shalin Kumar from UBS India. Please go ahead.

Shalin Kumar – UBS India: Hi. Thanks. Hi, Amit. Hi, Sanjay. Congratulations on a good set of numbers. My first question is, can we know how many pens we have produced in Q1?

Amit Shanghvi – Managing Director: Across all delivery devices, we've done close to 9 million in the first quarter.

Shalin Kumar – UBS India: Right. Amit, what will be the ballpark proportion of insulin and GLP-1 in that?

Amit Shanghvi – Managing Director: There is probably slightly more insulin than GLP-1, although there are other therapies in the mix. A rough ballpark would be 50-60% GLP-1s, with the rest being insulin plus other molecules.

Shalin Kumar – UBS India: Got it. I would also like to know the status of the new line, which we set up at the beginning of the previous quarter. We were facing some issues in setting it up and getting to optimal levels. Where do we stand on that?

Amit Shanghvi – Managing Director: We've increased efficiencies and yield on that line by about 9%. It still needs further improvement, so we have a plan. Some additional equipment is needed on the line, which Shaily has not received yet. As soon as that is installed, that line should be able to see another 30% jump.

Shalin Kumar – UBS India: Right, okay. What is the timeline for that?

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Amit Shanghvi – Managing Director: It's a constant struggle right now, Shalin, but we're looking at it being completed before the end of this quarter.

Shalin Kumar – UBS India: Right. And the next line, which we are getting next month, do you think you will face similar challenges, or have we gained some learnings from the current line so that the upcoming line will be much smoother?

Amit Shanghvi – Managing Director: One thing we've made sure of is that we have delayed getting the second line that is coming in. It is not beyond what we had anticipated, but if I look at the overall program, the line was to come in and then go through a ramp-up. Instead, we've switched that strategy. We're going to complete the ramp-up and get to 80%+ efficiency at the supplier before we do the FAT and then ship the line. We're not doing any R&D here.

Shalin Kumar – UBS India: So effectively, once the line is here, maybe in a month or two, we should be able to achieve...

Amit Shanghvi – Managing Director: ...similar efficiencies. We are talking about 80%.

Management: Absolutely. Absolutely.

Shalin Kumar – UBS India: So, Amit, on that basis, you have produced 9 million in Q1 despite all the challenges. In Q2, your efficiencies will improve, and in Q3 and Q4, your line will be double and operate at a much higher efficiency. Your full-year guidance is 36 million. Mathematically, you will be beating your guidance even with a single line operating at a much lower efficiency. Is it safe to believe that you will be doing much better than your guidance?

Management: It is an evolving situation because it is not just delivery. It is also about our partner and customer partners having some short-term potential supply chain issues as well. But, yes, I think we should be able to go beyond 36 million. The short answer is that we should.

Shalin Kumar – UBS India: So effectively, if no other variable changes, demand remains strong, and you are able to execute the strategy, we should be in a comfortable position to beat our guidance of 36 million. Is that the right way to put it?

Management: Yes.

Shalin Kumar – UBS India: Right. A bit on consumer electronics, and then I'll rejoin the queue. Any status update on the new plant? Where do we stand? Have we started supplying commercially to a customer, and how many parts have been qualified? Any update on that?

Management: We have started commercial supply. We were also awarded five new components, as I mentioned in my earlier speech, from some key customers in consumer electronics. We should be able to put them into supply just before the end of the financial year. In terms of starting up the new plant, we are looking at it, and I think you will receive an update in the next quarter's earnings call. The plans are quite solid and moving forward as projected.

Shalin Kumar – UBS India: Have you secured the land at the location?

Management: The short answer is yes. We haven't announced it, but yes, we have.

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Shalin Kumar – UBS India: All right. That's great. I have a number of additional questions, but I would rather rejoin the queue. Thank you so much.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in the conference, please limit your questions to two per participant. Should you have a follow-up question, we request you to rejoin the queue. I repeat, please limit yourself to only two questions per participant. Should you have a follow-up question, we request you to rejoin the queue. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah – Investec: Hi. Thanks for the opportunity, and congratulations on a good set of numbers. My first question is on the sequential decline in gross margin. It is a bit perplexing, given that the healthcare share of revenue has actually increased. I wanted to understand the pricing and the cost-plus arrangements that we have on insulin and GLP-1 devices. Related to that, could you provide any color on pricing for these devices, taking into account the two large Chinese companies that are also likely to enter the supply curve? How should we look at overall pricing, margins, and cost-plus? I think that is the first question. Thank you.

Management: Ritesh, on gross margin, what you would have seen is that after March, because of the war, commodity prices increased substantially. In addition to that, freight prices also went up. We also had some premium freight incidents where we had to airlift material. As part of this, some customer deliveries would have been delayed. This would have basically happened between May and June, and for some customers, the cycle would probably have been in July. That was the reason why you see some gross margin decline. We expect gross margin to return to normalized levels by Q3.

Ritesh Shah – Investec: That's great. On the pricing side?

Management: Your question was quite vague on pricing, Ritesh.

Ritesh Shah – Investec: I kept it vague by design. I just wanted to understand your sense on pricing for GLP-1 devices specifically, with potentially Chinese competition also entering the supply curve.

Management: Chinese competition—I mean, as far as my knowledge goes, the Chinese companies are potentially putting their products on the market at somewhere around \$1.50–\$1.70. These are copycat products, so they are not really anything novel, but rather 20-year-old technology. Some products that the Chinese have put on the market infringe not only our patents but also those of other key suppliers globally. We are looking at a strategy for how to deal with that, but we are not too concerned about Chinese pricing, to be very honest. It is not that their price is half of ours. There is a gap. Ours are, I think, somewhere above the \$2 mark. So there is certainly a gap, but...

Ritesh Shah – Investec: I just wanted to understand the frequency of price renewal. Typically, these are long-gestation volume contracts. Do you fix a certain cost-plus arrangement with a 2-year tenure, or is it based on certain volumes? How does it work?

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Management: These are not cost-plus contracts. They are basically volume- and market-driven pricing contracts, with a mechanism to conduct a price review annually. It all depends on the type of agreement. It is not a cost-plus business, first of all. It is an intellectual-property-led business, so it is never going to be a cost-plus business. We look at a base index for various factors, including inflation and potentially polymers. More importantly, we look at the longevity of the contract and the commitment, and that is how pricing is decided.

Ritesh Shah – Investec: Perfect. My second question is on the press release we issued regarding Dr. Reddy's 423 crores order a few quarters ago. We understand that they have issues relating to impurities in Canada. Brazil is also stuck due to technical issues. In these circumstances, how comfortable are we with our guidance of 36 million? If not for DRL, do we have another biotech company or somebody else who can comfortably take over the shipments? In the current context, given that there are certain issues with DRL, is the offtake ongoing, or are some other companies actually taking our products?

Management: Ritesh, I don't think we named the customer. We have secured business with a pharmaceutical customer, but we do not want to name the customer. On the volume side, I'll let Amit answer the question.

Amit Shanghvi – Managing Director: With whatever is happening with a particular partner, the fact is that we actually need to supply more. There is a gap, and the gap needs to be filled. Right now, we still have most of the approvals in various markets across the world for one of our partners to sell. We still remain confident of the guidance.

Ritesh Shah – Investec: This helps. I'll rejoin the queue. Thank you so much for the answers. All the very best.

Operator: Thank you. We have our next question from the line of Harsha from JM Financials. Please go ahead.

Harsha – JM Financials: Hi, team. Thanks for the opportunity. I have a few questions. Amit, if you could provide some color on the visibility, or rather the type of conversations that you are having with your customers regarding the Abu Dhabi capacity. Obviously, it is some time away, but I would appreciate some color on the type of conversations that are taking place.

Management: We have said that roughly 50-55% of that capacity has commitments and indications. We are working on the rest. The plant is supposed to start selling by the end of FY28. We should get into commercial sales by the end of FY28, which means that the capacity is really for the markets opening up in Europe in 2028, plus insulin, as well as the markets that will open up globally in 2030 and 2031.

Harsha – JM Financials: Got it. Secondly, on the consumer electronics vertical, if I join some dots based on the commentary that you have been giving for the past few quarters, and also this time when you mentioned the new win from a customer, how should one think about the type of scale you can reach in the next 2-3 years? Or, to put it another way, when do you think Sahasra as a company can realistically reach \$10 million in revenue? I am looking for some ballpark guidance and color for the investing community and our financial models.

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Management: What we are doing is building up the portfolio and adding products to it as customers add products. We will continue to do that. The short answer is 24–30 months. Again, this is not guidance; this is what our projections look like. We think we can reach that number between 24 and 30 months.

Harsha – JM Financials: Got it. To appreciate this customer win, could you provide some qualitative details regarding the time taken for you to get qualified for the customer? Anything on that aspect?

Management: Harsh, some of these details will be confidential, so it will be difficult for us to comment on that.

Harsha – JM Financials: Sure. Lastly, regarding the UK subsidiary, if we calculate consolidated revenue minus standalone revenue, that includes both the UK and UAE subsidiaries. However, if I do a normalized calculation, I see a decline in the UK subsidiary's revenue. Is that more of a timing issue for the subsidiary?

Management: Yes, it is a timing issue. There are certain milestones that were achieved at the very end of the month. However, we do not raise an invoice until we receive confirmation from a customer that the milestone has been achieved. It is a timing issue, and it will come back over the next 3 quarters.

Harsha – JM Financials: Is it safe to assume that for the full year we can achieve at least 15% growth in the UK subsidiary?

Management: Harsh, we are not giving guidance here.

Harsha – JM Financials: Sure. No worries. Thank you. That's it from my side. I'll get back in the queue.

Operator: Thank you. We have our next question from the line of Nirali from Unique PMS. Please go ahead.

Nirali – Unique PMS: Hi. Thank you for the opportunity. I have two sets of questions. One is on consumer electronics. I understand that you don't want to name the customer, but on the product side, can you qualitatively share how critical or complex your products are? Is it only one customer, and are we in talks with more customers? I would appreciate some qualitative direction on the consumer electronics business.

Management: Nirali, what we have said is that, if you look at the presentation and what Amit mentioned in his speech, it is one customer for whom we have five components for the new customer. In consumer electronics, these are still fairly complicated and very complex components that we are producing. Put simply, as we move to diversify in this way, everything that we do would be internal components. As we move forward, we are going to look at adding components for very small devices or small consumer electronic appliances. They are very complex, by the way. A lot of these components would be more complex than what we actually manufacture in our pens and auto-injectors.

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Nirali – Unique PMS: Interesting. Secondly, on the healthcare side, do you have any update on the discussions we were having with innovators? Directionally, how are we progressing on that side? In your opening comments, you also mentioned that, apart from GLP-1 and insulin, you are working on a few other healthcare products. Could you spend some time on that?

Management: What we are actively working on is emergency use. Emergency use typically has a very high reliability requirement mandated by the US FDA. We are working on emergency-use auto-injectors that can support customers across the world for molecules such as epinephrine. It is not just epinephrine, but there are some molecules that are under confidentiality, so I will not name them.

Second, we are looking at sustainable solutions for auto-injectors. Essentially, close to 1 billion auto-injectors end up in landfills every year, based just on semaglutide and tirzepatide therapy. We are trying to develop a solution, and we are looking at launching our reusable [inaudible]

Amit Shanghvi – Managing Director: ...injector, and the third therapy we are working on is on-body injectors. On-body injectors are typically used in oncology treatment. We are looking at a molecule and developing the program further, again involving biologics or biosimilars, but the delivery range is from 3 ml to about 23 ml. We are not sure if we can do 23 ml, but from 3 ml to 15 ml is like {? [unclear] ?} to be done on our platform. These are currently under discussion.

Nirali – Unique PMS: And on the innovator side?

Amit Shanghvi – Managing Director: On the innovator side, as I said, I actually made it part of my speech. I am quite confident that we will get somewhere over the next 4–6 quarters. We now have dedicated staff who are senior industry leaders, both in the US and Europe. We are very hopeful that we can make some sort of announcement in the next 6 quarters.

Nirali – Unique PMS: Okay. One last clarification: semiconductor-side revenue should start from Q4 of this financial year, right?

Amit Shanghvi – Managing Director: Yes, that is the current {? Q4 semicon revenue ?}. Yes.

Nirali – Unique PMS: Thank you so much for answering my questions.

Amit Shanghvi – Managing Director: All right, thank you.

Operator: Thank you. We have our next question from the line of Akhil Parikh from 361 Capital. Please go ahead.

Akhil Parikh – 361 Capital: Thanks for the opportunity, and many congratulations to the entire team for the solid execution. Amit, in your opening remarks, you highlighted that you have appointed two heads based in Europe and the US, probably to obtain contracts from innovator brands. Would you be able to share some color on their backgrounds and on the internal discussions regarding what their key roles would be? That is the first question.

Amit Shanghvi – Managing Director: Our European business head has completed his master's at HEC Paris and his business education at Burgundy School of Business. He has long experience in

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medical devices, particularly drug delivery, but he has also worked in other industries. Our US head comes from some of my competitors and potentially from West, Phillips Medisize, {? [unclear] ?} Aptar Pharma, and Daikyo.

Akhil Parikh – 361 Capital: And regarding their roles, could you provide some color on what they are supposed to do?

Amit Shanghvi – Managing Director: Could you repeat that? It was on—

Akhil Parikh – 361 Capital: I am asking about the internal discussions regarding what their roles or KRAs would be.

Amit Shanghvi – Managing Director: They are heads of their respective regions and heads of business development for those regions. The role is as follows: when you work with an innovator, there is a great deal of technical discussion. Therefore, while they are commercial roles, they are fully responsible for liaising with customers, getting projects scoped out, and spending the time and resources needed with the development teams to meet the customers' objectives. It will be an end-to-end role.

Akhil Parikh – 361 Capital: Good to hear that. My second and last question is regarding our consumer segment. It has been on a declining trend for some time, and its contribution is reducing on a quarter-on-quarter basis. How should one view it from a 3-year perspective? You are now getting more and more into high-end technology and {? [unclear] ?} developed precision engineering manufacturing. Will it make sense to have a large portion of the business in 3 or 5 years? That's it from me.

Amit Shanghvi – Managing Director: The way we look at it is that, in terms of Shaily's overall performance, I don't think it is going to make much of a difference. We don't know what will happen in 3 years or over a period of 3 years. Essentially, Europe and North America need to see growth for the home furnishings business to do well. We are also adding new customers, and we think we are in a fairly decent position. We're not... yes.

Sanjay Shah – CFO: Also, just for your information, if you look at Q4 and Q1, the business has grown. When you look at Q1 versus Q1 year-on-year, there is a decrease in the business, but from what we have seen in Q4 and Q1, the business has grown.

Akhil Parikh – 361 Capital: From a full-year perspective, how should we look at it?

Amit Shanghvi – Managing Director: It is difficult. I don't think we will be able to give you an answer, but I don't think it will make a difference to Shaily's overall bottom line.

Sanjay Shah – CFO: I also specifically said during the Q4 call that this business would probably not grow in the current year. We are essentially looking at what we did in FY24.

Akhil Parikh – 361 Capital: Sure. Thank you so much, and best of luck for the upcoming quarters.

Sanjay Shah – CFO: Thank you. Thank you.

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Operator: Thank you. I remind all participants to please restrict yourselves to only two questions per participant. Should you have a follow-up question, we request you to rejoin the queue. We have our next question from the line of Sanjay Kumar from iThought PMS. Please go ahead.

Sanjay Kumar – iThought PMS: Hi, sir. My first question is on consumer electronics. Our industrial business segment has grown 15%. Have you started supplying the five parts for this customer? Given the current capacity, what revenue can we generate in consumer electronics from our existing capacities?

Sanjay Shah – CFO: Sanjay, we have just taken on the business. Amit mentioned earlier that we will start supplying these components by the end of the year. We are therefore looking at a ramp-up from next year onwards.

Sanjay Kumar – iThought PMS: Okay. That will be from existing capacities, is that correct? Because our new... we have just—

Sanjay Shah – CFO: It will be from the existing facility. However, some investments will be required in tooling, automation, and other areas, which we will undertake.

Sanjay Kumar – iThought PMS: What will be the capex for consumer electronics and semiconductor trays, and what are the timelines for this capex?

Sanjay Shah – CFO: For semiconductor trays, as we mentioned earlier, we are looking at investing about 5 crores in our existing facility, which would meet the initial requirements. Once we start supplies and understand how the market develops, including how customers in India start scaling up, we will have a better idea of the further investments required.

For consumer electronics, we have said that once we set up a plant in the south, we would be looking at an investment of somewhere between 80 and 100 crores in that facility.

Sanjay Kumar – iThought PMS: For consumer electronics, Amit mentioned that it is a small device, but the customer also has other devices. Can we get into these other devices, or is our scope limited to this particular device?

Sanjay Shah – CFO: We are looking at entering the entire ecosystem. It will be a process that we need to go through step by step with the customer, which is what we expect to do.

Sanjay Kumar – iThought PMS: Okay, sure. Got it. Thank you.

Sanjay Shah – CFO: Thank you.

Operator: Thank you. We have our next question from the line of Rupesh Tatia from Long Equity Partners. Please go ahead.

Rupesh Tatia – Long Equity Partners: Thank you for the opportunity, and congratulations, Amit, on the fantastic results in healthcare. In semiconductor trays and packaging, what is our right to win? What is the complexity of these trays? I assume they are consumables. A bit more qualitative color would be very helpful.

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Sanjay Shah – CFO: These are very specialized trays. They are not trays that are like, let's say... We call them trays, but they are very specialized. The dimensional tolerances are extremely critical. They use very specialized raw material, conductive plastics, and have a lot of critical features. Not too many players will be able to produce them. Even from a global perspective, there are fewer than a dozen companies that conduct this business globally. As the semiconductor manufacturing ecosystem develops in India, this requirement will increase, and we are trying to be part of it.

Rupesh Tatia – Long Equity Partners: Do these trays get used once and then thrown away? Is it like that? What would be the annual requirement in India? Is it in the hundreds of thousands or in the millions?

Sanjay Shah – CFO: It will be in the millions. As I said, these are consumables. This depends on the type of capacity being set up in India. They would be required in very large quantities. There is enough information available online that you could research to understand the potential size of this market.

Rupesh Tatia – Long Equity Partners: Okay. The second question is whether there are any plans to enter other pharma consumables. Pipette tips and many other products have significant barriers to entry. Are we looking at any other pharma consumables?

Sanjay Shah – CFO: No, we are not looking to enter that area at this point.

Rupesh Tatia – Long Equity Partners: Okay. Thank you for answering my question.

Sanjay Shah – CFO: Thank you very much.

Operator: Thank you. We have our next question from the line of Vinay Shah from Dalal & Broacha. Please go ahead.

Vinay Shah – Dalal & Broacha: Thank you for taking my question. Most of my questions have been answered. I will share one query. Could the management speak about the quantified opportunity, the incremental TAM that has opened up for us with the approvals received for {? [unclear] ?} in Canada and Brazil?

Amit Shanghvi – Managing Director: Could you speak a bit louder? We cannot hear you or your question.

Vinay Shah – Dalal & Broacha: Sure. Is it better now? I wanted to know whether the management could shed some light on the opportunity and the incremental TAM that has opened up for us following the approvals received for {? [unclear] ?} in Canada and Brazil.

Amit Shanghvi – Managing Director: It is a very generic question, I mean—

Vinay Shah – Dalal & Broacha: I just wanted to understand what the opportunity is for us.

Sanjay Shah – CFO: It is difficult to answer that question without more specificity. If you are looking to understand the size of the market in Brazil or Canada, there are research reports that quantify those markets. I don't think we are competent to call or discuss the size of that market because we are going to be just one of the participants in it.

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Vinay Shah – Dalal & Broacha: Okay, sir. Thank you.

Operator: Thank you. We have our next question from the line of Aman Vats from Astute Investment Management. Please go ahead.

Aman Vats – Astute Investment Management: Good evening, Amit and Sanjay. My question is on the pen business. Given that we are already supplying 5–10 million pens, what has been the initial feedback on both the main platforms, particularly from Saudi Arabia and Canada? This is the first time we are scaling this to a very large number. Could we discuss the feedback from the customer and the final end customers over the last few months? How has the experience been with the two platforms?

Amit Shanghvi – Managing Director: The feedback has been specifically above average and pretty good. We are not seeing any very significant issues. There are issues, and I am not saying there aren't, but there is a great deal involved beyond Shaily's device manufacturing that goes into the market. We have had very few issues in terms of device performance. We now have trending data on all the batch releases we conduct, and batch release goes through very extensive testing. We have not seen even a statistical decline in any of our numbers. Statistically, the performance of the device is very strong.

Aman Vats – Astute Investment Management: That's helpful. My second question is on the scaling up of our other customers in Brazil and Canada and in other large geographies such as Turkey. Is my understanding correct that, as of today, there are only 5–7 players apart from India? In India, many of our customers have launched, but in Canada and Brazil, perhaps fewer than half a dozen customers have launched. In the next 2–3 quarters, is it expected that at least another half a dozen will launch and that we will see good scaling from Q2 or Q3 onwards?

Amit Shanghvi – Managing Director: Once a market has already shifted to a generic, taking that same patient and shifting them to another generic is difficult. I think we will be quite dominant in Canada. In Brazil, we are actually number two in terms of launches. We should still control a very significant share in Brazil as well. If I look at what is coming up in both Canada and Brazil, I think we will continue to hold a majority position. Regarding India, I don't know what is going on here, to be honest. I really don't know whether the market is increasing or decreasing, or whether someone is taking share from someone else.

Amit Shanghvi – Managing Director: Everything is playing out for them; it is a consolidation. I think it is a good market to be in.

Aman Vats – Astute Investment Management: Is there any light you can throw on the other large geographies that might open up soon, such as Turkey, Mexico, and Saudi Arabia?

Amit Shanghvi – Managing Director: Mexico, Turkey, and the Middle East, particularly Saudi Arabia—let's see, Aman, I don't have more information right now, but Mexico can obviously be a big market.

Aman Vats – Astute Investment Management: Do you expect to be among the top three in all three of the major geographies where markets are opening up?

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Amit Shanghvi – Managing Director: Why top three? I think we should be the largest player.

Aman Vats – Astute Investment Management: For the demand side, not only for this year—which you have discussed and for which you are confident of {? 36 million ?}—but also next year, are you quite confident of scaling up?

Amit Shanghvi – Managing Director: The short answer is yes.

Aman Vats – Astute Investment Management: Fair enough. These are my questions. Thank you.

Amit Shanghvi – Managing Director: Thanks a lot.

Operator: Thank you. We have our next question from the line of Ishika Garg from VJX Research. Please go ahead.

Ishika Garg – VJX Research: Hello.

Amit Shanghvi – Managing Director: Hi.

Ishika Garg – VJX Research: I have two questions. First, our revenue from the consumer segment has declined as a percentage. I would like to understand the primary reason behind this decline. Is it due to a decline in the furniture market in Europe and the US? What is your view on India? Is the decline also driven by India, or is the Indian furniture segment performing well?

Amit Shanghvi – Managing Director: The share of our customers in India, or the share of the products we supply to our customers for the Indian market, is probably 2%. It is very negligible, so it makes no difference whether the Indian market picks up or does not. The reality is that our share in Europe and North America has declined. That is where we are.

Ishika Garg – VJX Research: Thank you for that. My second question is on the decline in revenue from the export segment. In absolute terms, what is the situation? Is export revenue still greater than domestic revenue, or has the domestic segment grown faster or at a higher rate than the export segment?

Amit Shanghvi – Managing Director: As I mentioned in the speech, our healthcare sales have increased significantly. While healthcare sales are for the overall global market that we supply to, a lot of those sales go to domestic pharmaceutical companies, which then put the drug into the device and export it. That is one reason for the change in the mix. Second, we have seen some decline in our consumer business, which is mainly export-oriented, and consumer business revenue has come down. That is the other reason for the lower export percentage.

Ishika Garg – VJX Research: What do you see for the future? Even in Q1 FY27, the majority of our revenue is still coming from the export segment. What is your outlook? In the future, will domestic revenue overtake export revenue?

Amit Shanghvi – Managing Director: As we move forward, our healthcare business is going to grow, and we are going to look for more growth in our semiconductor and consumer electronics businesses, which will again be more domestically focused. I think the domestic business will grow overall as a percentage.

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Ishika Garg – VJX Research: Thank you for your insight.

Amit Shanghvi – Managing Director: You are most welcome. Thank you.

Operator: Thank you. We have our next question from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah – Investec: Thanks for the opportunity again. I have two questions. First, how are we growing at such a fast pace? Aman, this question is specifically for you. How are we looking at retaining employees? Do we have any further plans for ESOP schemes? That is one question. Second, you indicated emergency-use auto-injectors, reusable auto-injectors, and on-body injectors. At what stage of development are we for all three? What is the moat that we bring to the table with respect to these three products? Thank you.

Amit Shanghvi – Managing Director: I will take your last question first, Ritesh. Regarding the reusable auto-injector, we have reached a point where we have tested, or will be testing, performance during the current month or early next month. We will be showcasing it for the first time at CPHI in Milan. So, it is quite advanced.

Regarding the emergency-use auto-injector, it is a program that we have been working on for roughly 18 months. We will bring it to closure by the end of FY27. It is a device based on the Shaily auto-injector but with key design changes. It has automatic needle insertion into the patient. You have to understand that with emergency use, a patient must receive the drug or they will die. It involves automatic injection, stroke delivery, and retraction, with a very high level of reliability. We have to statistically prove through testing and performance that we meet 99.999% reliability on activation of the device. It is going to be a very novel device and something that we feel not many of our competitors are doing. In fact, I am not seeing any of our competitors developing a single emergency-use device.

The on-body injector is more about entering into a partnership and moving forward with the development of the {? Mira ?}, something that we prototyped about 2–3 years ago.

Now to your first question on talent: I think we are quite well respected in the industry. We know people who want to come and work for us. That is how we recruited our business development personnel in both the US and Europe. In terms of retaining and training talent, we are spending a lot of money on training our employees. Since Joe has come on board and become fully active, there have also been new ideas, or ideas from someone with many years of experience in manufacturing quality and automation. We are on that journey and doing well. I think we can retain our talent.

It is not so much about ESOPs; we pay well. There are ESOP schemes for which other employees will become eligible in the coming years. For now, I do not see a challenge in retaining or hiring new employees. Our culture, Ritesh, is a fun environment to work in. You should try it out.

Ritesh Shah – Investec: Thank you. Just to go back to the first question, how large can these three products become? GLP-1 is huge. There are also products in the market for these three areas. How are we looking at them from a scale perspective? Could they become the new GLP-1-type cash flow generator, or what is the thought process from a profitability and scale standpoint?

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Amit Shanghvi – Managing Director: Think of it this way: something like emergency use would be mid-single-digit millions to high-single-digit millions, perhaps low-double-digit millions. Given the complexity of the therapy, the device cost would be \$6-\$10 per device. It is an expensive therapy and an expensive proposition to design and manufacture, but with the risk comes the reward.

An on-body injector would be in the range of {? \$15-\$25 ?} or {? \$35 ?}, for example. Again, you would be looking at low millions, very low millions, perhaps 1 or 2 million, but it would be a high-value, high-margin therapy.

Regarding the reusable auto-injector, we do not know. It is our view of what the industry needs. We will find out as we showcase the product. We do not know what the market could look like.

Ritesh Shah – Investec: This is useful. Just two quick follow-ups. Is there anything incremental on Cipla? We were working on inhalers there. Is there any progress? Second, regarding the Abu Dhabi facility, what timelines are we looking at? Have orders been placed for the machinery? Has civil construction started? How should we look at it, given that it would impact FY29 volumes for sure?

Amit Shanghvi – Managing Director: I don't think we have ever said anything about Cipla in inhalers, to be very honest. We are not doing any inhalers at the moment. As far as Abu Dhabi is concerned, the site needs to be in production by the end of FY28.

Ritesh Shah – Investec: This is very useful. Thank you so much. All the very best.

Amit Shanghvi – Managing Director: Thanks a lot.

Operator: Thank you. Ladies and gentlemen, that was the last question of the day, and I now hand the conference over to the management for closing comments.

Amit Shanghvi – Managing Director: Thanks very much. As we move through FY27, we remain encouraged by the momentum in our healthcare business and the progress we are making across our strategic growth initiatives, such as consumer electronics and toys. While certain end markets continue to experience near-term demand softness, our diversified business model, expanding healthcare platform, and disciplined execution position us well for the future.

Thank you, everyone, for joining today's call and for your continued interest and support. Should you have any further questions, feel free to reach out to SGA, our investor relations advisor. Thank you very much, and have a great evening.

Operator: Thank you, sir. On behalf of Shaily Engineering Plastics Ltd., that concludes the conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.