TRANSCRIPT: ICE MAKE REFRIGERATION LTD

Q1 FY27 EARNINGS CONFERENCE CALL

18 AUGUST 2026

Good evening, ladies, and gentlemen. I am Rana Aryan, and I will be your moderator for today's conference call. A warm welcome to Ice Make Refrigeration Limited's Q1 FY27 Earnings and Investor Interaction for the quarter ended June 30, 2026. We are pleased to have with us investors, analysts, shareholders, lenders, business associates, media representatives, and other stakeholders.

Ice Make is an established provider of industrial and commercial refrigeration and cold-chain solutions, with offerings across cold rooms, commercial and industrial refrigeration, transport refrigeration, ammonia systems, PUF panels, cold storage infrastructure, and allied Solutions. The Company serves sectors including food processing, agriculture, pharmaceuticals, healthcare, hospitality, retail, dairy, seafood, and logistics. The Company has also created significant value for shareholders over the years, with the stock delivering over 3,000% in return over the past five years. The Company enters this phase with strong revenue momentum and an important strategic development: the proposed ₹180 crore investment by Japan's Galilei Holdings Co. Ltd (formerly known as Galilei Co. Ltd) (formerly known as Galilei Co. Ltd) (formerly known as Galilei Co. Ltd) and the proposed strategic joint venture.

Before we begin, please note that certain statements made during this interaction may be forward-looking and are subject to risks, uncertainties, and assumptions. Actual results may differ. Participants are advised to refer to the Company's regulatory filings for detailed information.

So, we have our management team with us. Mr. Chandrakant P. Patel, Chairman and Managing Director Mr. M. Srinivas Reddy, Chief Executive Officer, Mr. Nikhil Bhatt, Vice President Strategy, Mr. Ankit Patel, Chief Financial Officer and Mr. Mandar Desai, Company Secretary and Compliance Officer.

The format for today's session is the management will cover Q1 FY27 performance, financial priorities and business strategy followed by an interactive Q & A and closing remarks. So,, in the opening we will have our CEO Mr. M Srinivas Reddy followed by financial performance by our CFO Mr. Ankit Patel, business and strategy update by our VP Mr. Nikhil Bhatt, then will have Investor and Analyst Q & A session. And finally, we will have closing remarks by our CMD Mr. Chandrakant P. Patel. This conference call is being recorded. Questions are welcome in Hindi or English with reference to Hindi. We prefer that you ask questions in Hindi. For verbal questions please use the microphone icon which is seventh from the left. written questions may submit through the question icon which is if you see the question icon fifth from the right if you look at it. Please keep your questions concise and limited. Limit yourself to two initially so that more participants can be accommodated, with that said, let us begin. I invite Mr. M. Srinivas Reddy; Chief Executive Officer of Ice Make Refrigeration Limited to share his opening remarks. Over to you, Mr. Reddy

Opening Remarks – Mr. M. Srinivas Reddy, Chief Executive Officer

Thank you, Aryan. Good evening, ladies and gentlemen. Thank you for Ice Make Refrigeration Q1FY27 earnings interaction. Q1FY27 began with a strong revenue momentum. Consolidated revenue from operations increased about 60% year on year basis to Rs 178.88 crores from Rs 111.50 crores in Q1FY26. This builds on FY26 total revenue of Rs. 668.20 crores which is the company's highest annual revenue to date.

Growth was supported by healthy demand across refrigeration and cold chain segments. With newer categories such as chest freezers and continuous panels gaining excellent market acceptance.

The key issue for us now is profitability. Higher commodity and raw material costs together with investments made to build future capacity and capabilities impacted margins in the quarter. Our immediate focus is therefore on capacity utilization, operating efficiency, product mix and cost management.

As the assets and capabilities built over recent quarters are utilized more efficiently and effectively. We expect operating leverage to improve going forward.

A significant development is a proposed Rs 180 crores strategic investment by Galilei Holdings Co. Ltd (formerly known as Galilei Co. Ltd) (formerly known as Galilei Co. Ltd).

We view this as a strategic partnership that can combine Galilei's excellent technology and global expertise with Ice Make's manufacturing capabilities and Indian market presence and of course execution strength. The proposed 60:40 joint venture with Galilei holding 60% and Ice Make holding forty will initially focus on commercial refrigeration products such as the commercial upright and table refrigerators.

The proposed capital will also support capacity expansion and modernisation, the JV, completion of the Corporate Office, Centre of Excellence and Development & Testing Laboratory, balance-sheet strengthening and selected growth opportunities.

Our approach remains disciplined. The objective is profitable, sustainable and scalable growth, supported by strong execution, better utilisation, improved margins and careful capital allocation.

With that now I am handing over to our CFO Mr. Ankit Patel for a detailed financial review. Thank you.

Financial Performance Review – Mr. Ankit Patel, Chief Financial Officer

Thank you, Reddy sir. Good evening, everyone.

I will focus on key financial numbers of Q1FY27 and company's financial priorities.

Consolidated revenue from operations for the quarter was 178.88 crore by 60.4% year on year from 111.50 crore, profitability, however, we remain under pressure.

EBITDA was rupees 3.09 crore versus Rs 4.53 crore in Q1FY20 with EBITDA margin at 1.7% compared to 4.1%. profit before tax were a loss of 2.23 crore versus 1.84 crore loss previously, while profit after tax was a loss of 1.65 crore versus 1.47 crore in corresponding period.

The main margin pressure was elevated due to commodity and raw material prices and the cost related to investment in capability and organizational capability.

Financially, our priority is to convert the strong top line momentum into a healthier profitability. We are working on capacity utilization, cost discipline, product mix and operating efficiencies with high utilization expected to support operating leverage.

Our proposed Galilei transaction, Rs. 180 crores investment is proposed through a preferential issue with an additional Rs. 10 crores proposed to be raised from other investors.

The funds are intended for capacity expansion and modernization. The proposed JV, completion of corporate office and center of excellence, development and testing laboratory, repayment of certain borrowing and selective inorganic growth.

The capital deployment will be paid and disciplined with a focus on strengthening the operating platform and generating sustainable return. The transaction remains subject to applicable approvals and customary closing conditions. In conclusion, our three financial priorities are sustained revenue momentum, improving margin and operating cash generation. To deploy capital prudently while strengthening the balance sheet.

Now I hand over to Mr. Nikhil Bhatt, Vice President Strategy for the Business and strategy update. Thank you.

Business & Strategy Update – Mr. Nikhil Bhatt, Vice President – Strategy

Thank you, Ankit Ji, and good evening everyone.

I will focus on the business mix, market opportunities and the strategic directions for the next phase of growth.

Ice Make is building a broader refrigeration Solutions platform across commercial refrigeration, cold chain, food processing, hospitality, pharmaceutical, retail and industrial applications. Newer categories such as chest freezer and continuous panels are also gaining traction.

Our strategy has four priorities. First is capacity to expand and modernize manufacturing capability to support demand and improve service levels, second is products, broaden the portfolio and build sustainable positions in attractive segments. The third priority is technology where we want to strengthen product development through the center of excellence and development and testing laboratories. And fourth is a market reach to deepen our presence across India's refrigeration and cold chain ecosystems.

As mentioned by Mr. Reddy earlier, the proposed Galilei partnership is strategically important because it combines complementary strengths: Galilei's refrigeration technology, product development and manufacturing expertise with Ice Make's Indian market presence, manufacturing platform, customer relationships and execution capabilities.

We expect the benefits to build progressively as investment, product development, manufacturing setup and market development take place. Investors should therefore view the initiative with a long-term perspective.

The objective is not simply to add capacity or products, but to build businesses capable of generating sustainable revenue, stronger margins and attractive returns on capital.

Looking at the order book on hand is about 220 crores plus. We are quite confident about achieving our goal for the current financial year.

Thank you. Thank you. I now hand the session back to Aryan for the investor and analyst Q&A.

Investor & Analyst Q&A

Moderator: Thank you, Mr. Bhatt, lets now begin the Q&A session. There is this icon, a microphone icon. You can just click there and you are visible in the Q&A queue, and we will take your question. We will unmute you. Okay. We have first question from Mr. Kanishka Gupta. I will just unmute you sir. You can go ahead with your question. Kanishk ji, if you cannot unmute you can also type your questions in case you have any questions. I will just read one question that I have.

So, the first question is from Mr. Aneesh A, one of the investors from Ahmedabad. He says the company has reported revenue of 178 crore in Q1FY27. That is 60% growth from FY26 Q1. So, if I take this revenue split in FY26 percentage wise for each quarter and do a rough mathematical calculation the FY27 revenue comes to thousand crores. Can you confirm if this is a possibility while maintaining EBITDA level of 8 to 8.5%. For simplicity of understanding if you can. Sir, over to you.

So, what he is saying is, FY27 Q1 and if you have Rs 178 crore. Since Q1 normally contributes 16 to 16.7% of the full year revenue can we reverse calculate the implied full year revenue for FY27?

Management: Yes, the question is valid, of course. We have delivered excellent growth of 60% in Q1. But what investors must note is that last year (FY26) Q1 was low in terms of the new businesses. So,, if you look at the chest freezers and continuous final business for the first year from them. So,, the base was exceptionally low for them. So, obviously we posted excellent growth in the low base, going forward. Our guidance for the year continues to be the same as stated before. But having said that we will look at every possibility or opportunity to maximize the revenue.

As far as the EBITDA guidance is concerned, currently Q1 we are impacted on the profitability. We are giving a guidance of around 6 to 6.5 percent for the whole of the year this year.

Moderator: All right sirs. So, the question from Kanishka Gupta is, first, despite the price increases of 10 to 11% that management had indicated and the fact that a substantial part of the distribution and channel measurements were already made during FY26 Q1 FY27 EBITDA margins came in at only 1.7%. Could you help us understand the key factors behind this significant margin pressure in Q1 apart from raw material prices offset by our price hikes. This is the question from kanishka.

Management: The issue was related to raw material price hike only, couple of times we have increased our prices. But suddenly after the increase in our price, again due to war and dollar strengthening, there are some other impacts as well. So,, our peers have increased the prices more than couple of times, three times. But we have just raised our prices twice. There are few verticals where we have not fully transferred those prices, being our new vertical. So, we feel that in upcoming time from H2 (Second Half of FY27) we feel that the impact of our price revision and margin improvement will start showing. And for the entire year we feel that EBITDA margins Somewhere around 6 to 6.5% we are delivering comfortably this financial year.

Moderator: Okay. All right. So, the second question is from Swati Madnani and her question is: can you share the vertical wise revenue bifurcation and how much the new verticals have contributed to this quarter?

Management: Right. The cold room contributed around 42%. Industrial refrigeration is around 3%. commercial refrigeration 14%, transport refrigeration 6%, ammonia and project around 9%, Continuous panel around 14% and commercial freezers around 12%.

Moderator: Okay sir. So, another question from Kanishka Gupta is. So,, he is asking.

Whether what is the key rationale behind reducing EBITDA margins guidance Instead of again expecting a price hike to protect EBITDA margins.

Management: The main impact was due to war. Even our peers have been impacted due to the war. We had also, done one hike but the new verticals we had started, dealer network expansion and the new dealers also, had few hikes, and we did not want to have another (Back-to-Back) hike in this war affected situation and we did not think the war would prolong So, much, we kept a waiting period for the hike. But now we feel that was situation may continue. Now that our peers have increased their prices, we are also in process and from H2 (second half of FY27) we also have price hike and expect the margins to improve. Further to dollar increases impact, we have indirect import component of around 22-25 %, the total purchase composition that consists of importing indirect material, indirect import as well. So, their (Peers) import impact is also high, somewhere around fifty lakhs foreign exchange fluctuation loss we have booked. So, we will also pass on as we have ample order book as of now which is about Rs 222 crore currently and we have a strong funnel to grow our top line and once we are able to pass on the price impact. We have built a future ready capability. So, this quarter and next quarter (Q2and Q3) we are expecting 6 to 6.5 % EBITDA, So, after averaging out full year we can achieve 6 to 6.5 % EBITDA margins.

Moderator: Correct. The next question is from Kaustubh Yeole from Blue Bridge Capital. So, what he is saying is that he has three questions.

First on margins: you implemented 10 to 11% price increases yet zero Q1 margins decline. How much of the raw material inflation has been passed through and what is the current pricing lag that is one on Galilei JV. Ice Make is investing 35.3 crore in its 40% stake. Second: What revenue EBITDA and ROCE are you targeting for the JV over the next three years? And third question is on order book. What is the current order book and Q1 order book inflow versus the earlier Rs 230 to 237 crore order book in the last Q4 and Rs 50 to 60 crore monthly run rate?. So, these are the three questions from Kaustubh ji.

Management: Actually, what we have told was a price hike of around 11% but the overall impact from industry was Somewhere around 15 to 18%. Still, we lack somewhere around 6 to 6.5 percent price rise we have not passed on. I am talking about overall products mix and that margin we have not yet passed on.

The Question regarding Galilei investment, we have 40% stake in the JV and right now our business plan is to commence the production in the next 15-18 months. It is difficult to say the exact figure right now but we expect the real impact of the products in the business in the next 1+ years. We expect it to be a profitable business as there is vacuum for the product as of now and to cater to the market demand the manufacturing capacity as now is also, not much in India. We are confident that this would complement our existing verticals. Our partners have pleasant experience of the product segment and we will let you know after the detailed discussion with them.

What was the third question Aryan Ji?

Moderator: What is the current order book and Q1 order book inflow versus the earlier Rs 230 to 237 crore order book in the last Q4 and Rs 50 to 60 crore monthly run rate, which the management had spoken last time.

Management: Yes. Our total pending order book is Rs 222 crore, cold room is Rs 39 crore, commercial refrigeration is Rs. 29 crore, Industrial refrigeration Rs 5 crore, transport refrigeration is Rs. Four crore ammonia refrigeration is Rs. 87 crores, project is Rs 45 crore, commercial freezers (as per dealers estimate) and Continuous panel is Rs 11 crore.

Moderator: Okay. Good, the total order book is Rs 222 crore. There is another question from Kaustubh Ji, given you have taken fewer price hikes than peers. Have you seen any meaningful market share gains? Also, what is your expectation for the raw material cycle over the next 2 3 quarters, and what is our outlook for Material prices?

Management: Yes. So, it is difficult to quantify the market share gains. But otherwise, the demand was strong for all categories that we address. But I can comfortably say that we have made good strides in the continuous panels as well as chest freezers business. So, these two businesses have grown significantly while we maintain the market share. And even better of course by a few basis points in the cold room and other segments that we operate at raw material prices. We expect that the situation of volatility will continue over the next quarter. I mean this Q2 and So, me rub off on the Q3 as well. So, we do not see any hope that the raw material will become stabilized or the volatility will come down. We do not expect any of that possibility right now. Because you all know better. You share my opinion that global uncertainty continues as ever.

Moderator: Absolutely. So, we are now halfway through Q2 with the winter season approaching. Could you give us So, me sense of the demand environment so far and the outlook for the upcoming winter season? How should we think about seasonality in H2? This is a question from Swati Madnani.

Management: Swati it’s a good question. We have few business verticals which are season agnostic, especially cold rooms. The demand for cold rooms is season agnostic which will continue to grow because we operate across pharma food processing, feeds and couple of other segments which consume our cold room Solutions. And our new business line which is continuous panel, is also season agnostic. So, you will have So, me seasonality effect on the business. But I would confidently say these three, four lines that we operate with the season agnostic itself.

One business which is highly season centric is a chest freezer business. But that business, the demand for those products also, will start picking up from the festive season. As the festive season begins. So, the impact of seasonality also slowly wades away because festive drives so, demand for the chest freezes as well as we have seen in the market in the last two to three years time.

Moderator: Okay, So, now the next question. One more question from Manish Kela and that is on sponsored market. If you look at the sponsored market for Visi coolers, if not why we are not targeting this segment is a sponsored market, why are we not targeting?

Management: So, Aryan ji to cater the sponsored market you need to have a bigger capacity and for that you need a good, good amount of capital. And currently what we are trying to do is whatever we invested in last two years, we are trying to optimize it to the full capacity. And if you talk about the margins case, margin is lying in the retail market and not in the sponsored market. So, our first focus will be strongly dealer market and retail market where we want to establish our brand on the dealer channel and not on the name of any coke and Pepsi. Right.

First thing is it needs heavy capital and so much capital. And second thing is we want to establish the retail market first and then in the next case we will go for this sponsored market and mass scale. So, even though this is a new product for Ice Make, we are going to establish our product in a retail market, get the good margins and from this margin we want to expand into the next lines and this new market.

Moderator: Okay, sir. All right. The next question is from Kaushtubh ji for Chandrakant Patel Sir; Earlier utilisation was around 55–60% in the newer facilities. Where does utilisation stand currently, and how much revenue can the existing capacity support?

Management: Existing capacity, Existing capacity utilization has increased and that is correct. Both these products are seasonal and we book the maximum sales in the fourth quarter, So, to speak about the utilization until now it is difficult.

Moderator: Okay.

Management: In both the new verticals we have done about Rs. Sixty-two crore business which is about 35-36 % contribution and capacity utilization in the first quarter is 60% and second quarter for that product is slightly less because of seasonal impact.

Kanishk Gupta: Hello. Can I ask a question? Yes, please go ahead. Thank you. Coming back to the question that Manish asked on the sponsored market. Sir commented that our priority first is the dealer market. And secondly, we need capital to expand our capacities to cater to the sponsored market. So, now investments come from Galilei Rs. 180 crores. So, how do we plan to utilize that exactly? If you can throw some light on it.

Management: Rs. 58 Crore is for multiple objects. One of the objects is (Ice Make) capacity building. We will have funds available most probably in the next month. So, in phase wise manner we will be able to increase the installed capacity. Most probably in the next five to six months. It will take time to deploy or build capacity. Though specific objects may maybe a financial year and season time. So, the benefit is expected, most probably next financial year.

Kanishk Gupta: Apart from Rs. 58 crores, for what would be the rest of the capital used?

Management: Actually, there are multiple objects. We have upgradation plan for Continuous panel and Traditional verticals. So, there are various objects in this Rs. 58 crore fund allocation. Further there are some acquisition-related opportunities as well which are under discussion. We are still exploring it, so, we cannot comment exactly on the status. But once the things are finalized we will update you at the right time.

Kanishk Gupta: And sir as phase one has completed, can we consider this for phase two capex?

Management: Yes. This is for the second phase funded through Galilei Investment.

Kanishk Gupta: Last question is we have taken hit due to raw material prices and our revenue has increased significantly, So, sir, can we see operating leverage playing out because revenue is growing strongly but not converting in a bottom line?

Management: Due to the war situation it was difficult to predict for us and the impact will be visible to the ongoing first half of this financial year, however, as we said we are passing the margins in the second half and operating expense that you are talking about is, as we plan to grow our revenue not only to Rs 1,000 crore and beyond, the management of the company will be run professionally, independently, and for the desired top-line growth and margin improvement the cost will be there and we need to book it today. We need to focus and expect the margins to improve in the long run and the operating expense after a certain point, we expect will not increases beyond the equivalent amount .But that we see is the opportunity we have is, it is necessary to focus on building the operating capability, because we expect the future growth to be rapid and that time when we want to invest, it might be very late the, So, we believe this is the right time considering the benefits of rapid growth we are targeting in the 3-5 years. The benefit will come at vast levels and if look at the big payers, they have also done the same thing.

Kanishk Gupta: Okay sir. Thank you.

Moderator: Okay. Now we have Mr. Tej Patel. Sir, you can go ahead with your question. Can you unmute yourself? Tej, are you there? Can you unmute?

In the meanwhile, we will take one more question from pre-submitted section by Mr. Mosam Shah and his question is, what is the peak revenue potential from the existing capacity?

Management: After the first phase of capacity building, we can expect Rs 950 crore plus top line contribution. It is our installed capacity.

Moderator: You have another question for Chandrakant Sir, With the Galilei JV now in place, how has your strategy changed to compete with the larger players having all price/cost/strong market share in coming years? How has your competitive strategy evolved via large players in the sector.?

Management: Your question is on Galilei, right?

Moderator: Yes, Galilei

Management: In our JV product manufacturing segment, we have only one company and for a second player the gap is big and market is big, right now the market demand is catered by the unorganized players and supply from China.

Under JV with Galilei, we will be manufacturing and catering to the demand, we are having strong market understanding, capabilities, servicing network, dealer network, brand reputation, and presence in India. As second manufacturing player, we are well placed, and in this segment the product pricing does not matter much, as quality is an important component in this product. CF and visi coolers products are like a commodity segment where competitive pricing matters. So, we believe with our strong dealer network and Japanese Technology we can correlate strong market presence and customer value in the JV product also.

Moderator: Okay, any more questions please? You can unmute yourself or you can ask it in writing on the quick Q and A panel.

Swati Madnani: Sir, following the previous question can you quantify what the market capacity for the product with Galilei Market capacity is?

Management: There are many unorganized players in this segment and to speak about the exact market size in numbers is difficult. With our discussion with team, I believe the addressable market size could be around Rs 1200-1500 crore right now.

Moderator: Any other questions please? You can type it here. There is some issue with the audio today.

Tej Patel: Am I audible?

Moderator: Hello. Yes, you are, please go ahead.

Tej Patel: Yes, thank you so much for the opportunity. Sir in the first quarter, please help me understand I assume although we have taken at 11% price increases, there are orders, perhaps we had taken on old prices, and we have an order book of about 200 crore odd in Q1, so, if you can give an estimation of order book with older price where 11% price increases is not fully passed on?

Management: The guidance we are giving is, in this quarter we trying to pass on and the maximum visibility would be seen in H2 of this financial year, we do not expect that in H1 of this financial year, we can get much relief.

Tej Patel: No, sir my question was on the older order book of Rs 200 crore plus where 11% price increases are not applicable, So, how much of that order book was executed with older pricing in Q1?

Management: Ok, if you remove the projects pipeline, so, cold room, commercial, and PUF panel that would be around 70-75 crore, so, you can consider that it was booked at old prices and can have a hit on margins.

Tej Patel: what are you saying is project business that was booked at old prices?

Management: Projects work differently, we can consider them booked at older prices, because it is from a tender which takes time and there is not much room for good margins and value addition, and so, there will not be much impact due to price hike. The impact of price hike will be more on our regular business-like cold rooms etc.

Tej Patel: Understood. But sir, my question was on the Q4FY26 order book which must have been booked at older price, and which might have been executed in this quarter with no price hike, so, the Q1 order book must have been with price hike, because you had increased prices from April 2026?

Management: Yes, 50 % of the older order books (projects) which were booked on older prices worth around Rs 100 crore.

Tej Patel: So, the impact may come in the rest of older book order?

Management: Yes, it would have an impact.

Tej Patel: So, sir, the increased tariffs have been passed on for PUF Panels?

Management: Yes, we have passed on in certain products such cold rooms and preparing to pass on for the rest, all price hikes cannot be done at one go, right?

Tej Patel: Yes, can you tell how much margins came in PUF Panels?

Management: That is difficult to say, because of common operations and that would set an older price increase fully.

Tej Patel: Understood, no problem. So, in the current situation just trying to understand management perspective on raw material prices have increased 17-18% but we are not able to pass on incrementally, or are able to pass on only about 11%, and the third hike is also, not possible because we just started this new business and dealer cannot take the hit, So, in one hand the business is growing with great rate and on the other hand the conversion is not happening, So, there is no increase in the cash flow on incremental growth, so, every time we need capital for expansion because there no increase in cash flow, so, the growth is high, demand is good, So, are we taking a conscious decision to take few new orders to let current challenging phase pass, and we have only one inability to pass on the price impact and the prices are still elevated?

Management: This phase was a bit tricky for us, we could not anticipate the war would last for So, long and have So, much adverse impact on raw material prices, there was a short stability in between So, we kept the price hike decision on hold, expecting the prices would come be under control, then the war started again. Now I have made the price hike decision. Industry also cannot operate for a long time without price hike. For the distribution of new products the dealer network we have correlated, for their confidence we have kept the prices and so, we let got the orders, we are not thinking on those lines, but new orders that we take going forward would be on the basis of price hike pass on, that is our focus. If we let go of the business we might lose the connection, so, in business there are phases when we are not able to correlate good margins but that does not mean we lose the potential business. Now we have good funnels, pending order book and we are about to take benefit of price hike, our service is good, so, the comfort and trust of our customers is high with us, dealer also, has good confidence in us. So, it is just a matter of time, we will be able to show the positive impact of price hike in H2 of this fiscal year and our target of 6.5% margin improvement visibility by end of this FY will also help in gaining investor confidence.

Tej Patel: Understood. Great and Ankit sir, this question is for you, as we can see the Q1 other expense is Rs 30 crore almost, and if you look at the previous Q1 FY26 expense when the new business had not started, it was not capitalized also, so, the other expenses during that period is Rs 22 crore, so, it used be around 18-19 crore so, the Rs 9 crore increment in Q1FY27, if I understand this correctly our products lines are automated and running at a fixed cost nature, so, is it right to assume, not the plant operates to 30-40% utilization and if the plant run at 80% utilization, will the other costs will remain in the same range, Rs 9 Crore (assuming) may be at 12-13 crore ?

Management: No, this expenditure, we can say the fixed nature cost is majority; however, the variable nature expenditure will also be there. The company has decided that new business and products will need to be established, more branding and promotional activities will be needed and dealer network strengthening will also, require more investments, so, we do not see the cutting in this expenditure will benefit the company, what we are focusing on is recover this by passing on the price hike, grow the business with healthy rate and show the profit, this is our first focus. Otherwise, we remain prudent and flexible if there is any activity where we can control the expense. But we have also, look at the future growth opportunities and if one quarter or H1 has impact, our visibility is not low, and in the past the profit we have delivered, that showed us confidence that this expenditure will pay off in future. We are not just thinking about current year, we must also consider business growth in future, we need to take up new expansion and at that point in time this expense will prove to be a good investment.

Tej Patel: Ok sir, my purpose in asking this question was to understand the variable nature of expenses on the incremental revenue, which was my purpose. So, I understand you need to spend money on marketing but, if you can quantify the component, how much can it be fixed despite variable nature of the cost?

Management: We do not have this information handy; please mail us if we will revert on that later.

Tej Patel: Okay, sure. One more question on JV with Galilei, off course what Chandrakant sir said is it will take time, but the amount if investment is quite significant, both will invest Rs 88.19 crore which will give us a very good start, So, just want to understand when can we start seeing revenue from this JV and what is the timeline of these funds deployment?

Management: We have targeted production by February 2028. Our partner has given us a roadmap of 18 months. We need to design the set up and design the product keeping mind the Indian conditions, power and environmental rules, the product design and technology will come from them. So, in the next 12 + months we can expect to launch the product.

Tej Patel: Ok, interesting, so, are we targeting only Indian market or exploring export opportunities also?

Management: In the first phase we are targeting in Indian Market.

Tej Patel: Perfect, got it. So, sir, just not in JV, just wanted to understand their mindset of investing capital in Ice Make company also, how will this help us and what is the strategy behind this, just wanted to understand your perspective on this?

Management: Actually, they have also, invested in Ice Make from the long term relationship perspective, so, their principal company sitting in the Ice Make they believed can help the ensure the JV is well supported, they wanted a 20% controlling stake but we could not offer that, but the main reason is Ice Make has multiple product capability and that's why they came in to form a JV with us.

Tej Patel: Okay. Sir, understand, So, the product we are thinking in the segment, why does Ice make not making it, or will that completely second?

Management: We also make that product, but it is not our focus, but there is no comparison with Japanese technology as the numbers are not much, we will lose business because of this.

Tej Patel: The last question, I will join back in the queue, Sir, of course then. the JV would take 18 months, when will the acquisition will fructify?

Management: Acquisition open, we have given this in the objects, we have our own product expansion, to scale manufacturing capacity and geographical expansion to cut down on products logistic cost, we will need manufacturing facilities in two three other regions as well, and acquisition is one of them but we can say when this will happen and not happen.

Tej Patel: No problem sir. Got it. Thank you so much and all the best.

Management: Okay, thanks

Moderator: All right sir we have few more questions

Dhanesh Fulfagar: With what is happening in the market due to the FDA and how Mr. Munde is making businesses comply the rules, will that bring more demand for Ice make's products?

Management: See the rules under FSSI, it is more to do with the food quality part to do with the ingredients makes more to do with the standard operating process within the hotels all of that so, see we provide infrastructure, cooling infrastructure, refrigeration infrastructure I don't think that will have any impact either positive or negative with that kind of a rule that is coming in but probably it may help in some way or other to you know comply with norms much better in terms of the temperature, hygiene and standards.

Moderator: Correct all right so, now next question we have two-three questions

Mosam Shah: Are we planning to reduce debt from 180 Crores that came in the company?

Management: Rs. 40 crore repayment of debt is there in our preferential object and the other, Rs. 39 Crore is as a GCP is mostly towards the working capital need so, that is exactly where we are planning to pay the debt which is earlier used for the capex purpose.

Moderator: Okay, thank you. And there is a question from Ankur Gulati ji. Why is depreciation down in June 26 to 205 from 449 in March 2026?

Management: The company undertaking heavy capex in upcoming times, so, benefit of this capex going forward will gradually show in our business, whereas previous WDV policy of maximum depreciation, initially So, we felt that the benefit which company is going to get from the investment doesn't sync with the existing policy we have adopted so, suitably to match the benefit with the cost on our books we have decided to change our accounting policy which is thoroughly discussed in our board and then we have adopted the same so, just to match. The benefit of our investment in capex with the benefit of top line revenue which we are going to gain in the future and our competitors are also adopted similar policy. So, we thought it would be better to prepare our financials in a sync with our investment policy change.

Moderator: Correct. So, shall we close now? I mean, I just wanted to check. There are no further questions. Let us close.

I invite Mr. Chandrakant P. Patel, our Chairman and Managing Director for his closing remarks. Over to you, Sir.

Closing Remarks – Mr. Chandrakant P. Patel, Chairman & Managing Director

Thank you, everyone, for your questions and engagement.

Q1 FY27 demonstrates strong revenue momentum, while profitability remains our immediate area of focus. Management is working to improve utilisation, efficiency, product mix and cost discipline So, that the investments made for future growth translate into better operating performance.

The proposed Galilei transaction is an important strategic step, combining capital with technology and market opportunities. Subject to approvals and closing conditions, it can strengthen our commercial refrigeration capabilities and support the Company's next phase of growth.

Our focus will remain on execution, disciplined capital allocation, stronger margins and sustainable value creation. We will continue to keep the investment community informed as the proposed transaction progresses.

Thank you for your continued interest and confidence in Ice Make Refrigeration Limited.

Now I invite our CS Mr. Mandar to a vote of thanks.

Vote of Thanks – Mr. Mandar Desai

Thank you to all investors, analysts, shareholders, and other stakeholders for participating and for the constructive question and discussion.

Thank you. Have a very good day.