FOREWORD

UMAR A K BALWA

Managing Director

To Our Esteemed Shareholders

Fiscal Year 2026 has been a transformative period. Persistent geopolitical volatility, particularly the ongoing conflict in the Middle East, has reshaped global trade dynamics and introduced new headwinds for decision-makers, customers, and suppliers worldwide. However, these disruptions also create new avenues for strategic advancement. Despite these challenges, we successfully achieved our annual guidance and maintained a very decent profitability. Furthermore, we have laid a robust foundation for long-term success through targeted initiatives designed to drive future growth, operational excellence, and sustained profitability.

Sealmatic's High-Performance Mechanical Seals For Essential Process Industries Globally

This is the core of our business model: empowering essential industries with sustainable, engineered sealing solutions to optimize energy systems and other critical rotary assets.

We partner with core sectors—including oil & gas, refining, petrochemicals, power, fertiliser, pulp & paper, pharmaceuticals, marine and aerospace —to boost efficiency, safety, and operational reliability. Above all, we deliver cost-effective sealing technologies that actively minimize unplanned downtime, reduce maintenance costs, and maximize operational productivity.

We are unlocking our company's full potential to secure a position among the top ten global sealing companies. By prioritizing excellence and profitable growth along every step of the value chain, FY 2026 highlighted the tangible impact of our strategies. We have made significant strides, and our momentum is only just beginning.

Our business demonstrated strong resilience this year. Business was fuelled by robust after market performance and a high volume of mid-size project wins, alongside sustained demand for our Engineered Sealing Solutions. After two years of double-digit expansion, order intake growth moderated as larger projects were postponed. However, these opportunities remain in our pipeline, positioning us to capitalize on future market recovery.

Turning Strategy Into Sustained Progress

Our 3D (Discipline, Devotion, and Dedication) strategy guided our growth in focused markets throughout FY 2026. Strong demand across these areas highlights the resilience of our portfolio and the global relevance of Sealmatic's solutions. As customers navigate complex operational and energy challenges, we remain well-positioned to deliver reliable, differentiated sealing solutions & technology that meet immediate needs while preparing for the future.

This strength is particularly evident in end markets where reliability and lifecycle performance are paramount. In sectors such as Oil & Gas, Nuclear Power, and Defence (Marine), Sealmatic's technical depth, extensive installed base, and aftermarket strength align perfectly with evolving customer demands. These critical industries remain key drivers of our continued growth.

Outlook For FY 2027

Embracing our future, the “SealMagicians” mindset drives everything we do. We go beyond being just a vendor; we act as a true partner, providing integrated sealing solutions that elevate our portfolio. Through unified processes, we are building a foundation of seamless collaboration, resource efficiency, and agile processes. We will continue to scale, building a faster, simpler organization rooted in our shared values and vision.

FY 2026 demonstrated our organization's resilience. Despite challenging headwinds, we successfully executed our strategic initiatives, resulting in significant improvements in efficiency. None of this would be possible without unified, cross-border collaboration. We extend our sincere gratitude to our SealMagicians worldwide for their relentless effort and adaptability.

SEALMATIC
VISION 2030

Sanjeev Vange
Senior Vice President - Global Sales & Marketing

Expanded our vision and strengthened our brand presence across multiple markets, focusing on innovation and long-term sustainability.

VISION

Samir Mullaji
Vice President - Business Development

VISION 2030

This is the cornerstone of Sealmatic's Strategy, establishing a unified framework that drives consistent, high-impact performance across all business units. Its primary purpose is to accelerate above-market organic growth, elevate operational excellence, and align our people, processes, and systems to deliver cutting-edge sealing solutions for essential industries.

Zakir H Chaudhary
Vice President - Engineering

Sumit Chanda
Asst. Vice President - Sales (North & East)

Outline The Strategic Outcomes Sealmatic Strives To Deliver

We drive long-term performance by building a culture of operational reliability, commercial focus, and innovation relevance. To embed this vision into daily workflows, we translate these goals into measurable outcomes structured across four core organizational pillars:

PILLARS

- **Pillar 1: Operational Excellence —** Optimizing processes for consistent, reliable execution.
- **Pillar 2: Commercial Leadership —** Strengthening market focus and revenue growth.
- **Pillar 3: Adaptive Innovation —** Continuously translating new ideas into relevant solutions.
- **Pillar 4: Supply Chain Management -** Efficiently balancing strategy, service, and cost.

Thirumalai Chandran
Asst. Vice President - Sales (South Zone)

Sales increased by around 2%, supported by operational excellence and a strong book-to-bill ratio. Order intake grew steadily, despite turbulent market conditions. Profitability was reasonable considering the investments made to secure various API sealing projects, with the EBITDA margin at around 17%.

FOCUS

Growth-Focused - Record-Setting Sales Performance

FY26 was characterized by persistent macroeconomic uncertainty and mixed market demand. Despite these conditions, Sealmatic increased sales, maintained pricing discipline, and continued to invest in strategic priorities that support long-term value creation.

Looking Ahead

As we build on our current momentum, we are actively shaping the future of Sealmatic. We are translating our proven strategy into sharper focus and bold long-term ambitions to provide ultimate clarity for our partners, customers, and shareholders. This evolution honours the strategies that are already delivering results, reinforcing our commitment to sustainable performance and lasting value creation.

The Next Chapter

1. **SealMagicians:** Established a first-of-its-kind industry identity through the "SealMagicians" program, which has fostered immense pride, camaraderie, and a shared vision across our workforce.
2. **Global Standing:** We are steadily advancing our mission to rank among the ten largest sealing technology companies in the world.
3. **Breaking the Box:** Reiterating our signature philosophy: *"Do not think outside the box—break the box!".*

Talent, Culture & Social Responsibility

Our people are the force behind our success. Whether designing complex sealing systems or supporting customers in the field, our dream team works tirelessly to drive Sealmatic forward. We extend our deepest gratitude to every one of our **SealMagicians.**

Beyond our core operations, we remain deeply invested in building a better future. Through our CSR initiatives—spanning education, destitute care, women's empowerment, and healthcare—we are committed to uplifting our communities and creating lasting social value.

Gratitude & Commitment

Ultimately, our success is the result of a collective effort. We want to express our sincere thanks to:

1. **Our Shareholders:** For their continued trust and belief in our long-term strategy.
2. **Our Customers:** For the privilege of serving them and partnering in their growth.
3. **Our Employees:** For the creativity, dedication, and ingenuity they bring to work daily.
4. **Our Partners:** For their invaluable collaboration and for walking this journey with us.

The year ahead presents a unique blend of opportunities and challenges, but Sealmatic stands ready. We are prepared to lead, adapt, and drive meaningful impact. Our dedication to serving as a sealing technology leader, a responsible corporate citizen, and a trusted global partner remains steadfast.

While we may not have the vast scale of our multinational competitors, we match their capability while offering greater agility, personalized service, and alignment with our core vision, and we outperform the international competition when it comes to specialized sealing technology.

Thank you for your continued partnership on this incredible journey.

With Warm Regards,

Umar A K Balwa
Managing Director

Date: 24th July 2026