

May 25, 2026

To,
National Stock Exchange of India Limited
Address: Exchange Plaza, C-1, Block G, Bandra
Kurla Complex, Bandra (E), Mumbai-400051,
Maharashtra, India.
NSE Scrip Symbol: OLAELEC

To,
BSE Limited
Address: Phiroze Jeejeebhoy Towers
Dalal Street Mumbai- 400001,
Maharashtra, India.
BSE Scrip Code: 544225

Subject: Submission of Transcript of Earnings Conference Call held on May 20, 2026.

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), please find enclosed herewith the transcript of the earnings conference call with analysts and investors held on May 20, 2026, in respect of the audited standalone and consolidated financial results of the Company for the fourth quarter and financial year ended March 31, 2026.

The above intimation will also be hosted on the website of the Company i.e., www.olaelectric.com.

We request you to take the above on your record.

Thanking you,
For **Ola Electric Mobility Limited**

Abhishek Jain
Company Secretary and Compliance Officer
Membership No.: A62027
Place: Bengaluru
Encl: As above



Ola Electric Mobility Limited
Q4 FY26 Earnings Conference Call
May 20, 2026

Management:

Mr. Bhavish Aggarwal - Founder, Chairman and Managing Director,
Ola Electric Mobility Limited

Mr. Deepak Rastogi - Chief Financial Officer
Ola Electric Mobility Limited

Mr. Abhishek Chauhan - Director, Corporate Communications & PR
Ola Electric Mobility Limited

Ola Electric Mobility Limited | Q4 & FY26 Earnings Conference
20th May, 2026

- **Moderator:**

- Hi everyone, good day and welcome to Ola Electric Q4 and FY26 Earnings Conference Call. As a reminder, all participants will be on the listen-only mode, and there will be an opportunity for you to ask questions after the opening remarks conclude. Please note that this conference is being recorded.
- Before we begin, a few quick announcements for the attendees. Anything said on this call which reflects our outlook for the future or which could be construed as a forward-looking statement, may involve risks and uncertainties. Such statements or comments are not guarantees of future performance, and actual results may differ from those statements.
- Now, I would like to request Shri Bhavish Aggarwal, Chairman and Managing Director, and Shri Deepak Rastogi, CFO, Ola Electric, to begin the conference. To begin, first I would request Deepak to start with opening remarks.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Before you start, Deepak, I just want to say welcome everybody. An important quarter for us. I hope everybody has had the chance to read our Shareholder's Letter. A bunch of nuances which we will cover through the Q&A. And definitely something we want to make sure we highlight some of the important turnarounds that the company has now gone through over the last couple of quarters. So, Deepak, you may carry on and then I'll add whatever I want to.

- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**

- Yeah. Thank you so much, Bhavish. So, good evening, everyone, and thank you for joining us.
- Financial Year 2026 was a year in which volumes were lower than where we wanted to be, but it was also a year in which the fundamentals of Ola Electric became materially stronger. We exited the year with industry-leading gross margins at 38.5%, a much lower cost base, sharply improved execution metrics, better product quality, our first operating cash flow positive quarter, and a Gigafactory which is now entering a scale-up.
- This progress comes at an important moment for India. The next few years will be defined by two structural shifts happening together, mobility moving from ICE to EV and energy moving from imported fuels to locally made batteries. Ola is building across both shifts, electric mobility, cell manufacturing, and energy storage on an integrated platform. So let me first start with the margins.
- In Q4 for 2025-26, consolidated gross margins reached 38.5%, up from 34.3% in Q3 and 13.7% in Q4, similar quarter as last year. Excluding PLI gross margins was 33.5%. This is now an industry-leading margin profile ahead of most two-wheelers OEMs, including ICE incumbents. It reflects the structural advantages we have built over the last few years, vertical integration, Gen 3 maturity, rising architecture, downstream control, and increasing integration of our own cells.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- On this point, Deepak, I'll just pause you. I think gross margins has been definitely one of the things we've been highlighting quarter-on-quarter, the last many quarters. And this actually shows the success of our vertically integrated approach on both, the manufacturing supply chain as well as on the front end. And many people frequently ask us about the sustainability of these gross margins. And one of the potential misconceptions is that this is because of incentives. So you can see without PLI also, gross margins are fairly high. So, we believe very strongly that our gross margins will remain a very strong structural advantage for us going into the future as we rebound our volumes. And, we are actually now even higher, much higher than ICE industry gross margins. So for EV competitors to catch up with us, it's going to take a lot of investments into technology and manufacturing, which is actually what has led to this meaningful strength.
- And over the longer term also, we can actually expect gross margins to incrementally keep going up. Obviously, in the short term, there will be commodity pressures, as well as some of this gross margin in the last month or two we've invested into aggressive growth. But still, gross margins will remain fairly healthy for us in the short term also. And in the long term, we can actually expect even more incrementally higher gross margins as we go along.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Thank you, Bhavish. So for FY26, consolidated revenue stood at 2,253 crores with 173,794 deliveries and consolidated gross margin improved to 30.6%. While volumes are impacted through the year, the improvement in margin shows the underlying strength of our product economics and operating model.
- I would now actually highlight the cash flows, this is the first time we actually have a positive cash flow. So I'll just talk about it and then I'll ask Bhavish to obviously add his comments.
- So Q4 was the first operating cash flow positive quarter. Consolidated CFO was 91 crores, supported by strong gross margins, PLI inflows, lower OpEx and tighter working capital discipline. The Auto business delivered 213 crores of CFO and 173 crores of free cash flow in Q4. This is an important milestone as Ola moves from a heavy build-out phase to a disciplined scale-up.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- So I think, Deepak, you covered. I think the only point I will accentuate here is that Q4 revenues were low because deliveries were low. But our gross margin leadership, as well as our OpEx reduction, both have actually now hit a new stride. And on OpEx, you can see there's a chart in the first few pages that from the same quarter last year to this quarter, our OpEx is actually half. And that includes all OpEx, including store lease rentals. And we are further saying that in the next couple of quarters, we'll actually get our OpEx down to about 100-120 crores a month; so further down while business rebounds.
- And the good thing about our business is that because we are so vertically integrated on both the back end and the front end, almost 90% plus of our OpEx is actually fixed. That means operating leverage is very high. So as we have reduced our operating costs through efficiencies and as now we are rebounding sales, a lot of it is translating into net margin for us.

- And this is specifically seen in the Auto business. So if you see segment financials, our Auto business like Deepak said... And we report different cash flows for both the segments because both segments are in very different stages of evolution. Auto is now very close to free cash flow generation. As soon as we get our volumes a little bit higher in this rebound period, we will generate meaningful, sustained free cash flow. Cell is still in the investment phase, but that also through this financial year will get into sustained revenue growth, and over time cash flow generation. If you see annually also compare our Auto segment FY25 versus FY26 on page 15, you can see how our CFO has actually meaningfully improved over this period. And for our Auto business, there is no more CapEx needed as we scale up. So CFO to free cash flow conversion will also be fairly high.
- I also want to bring in here a little bit of the macro context. While so far we've covered our internal financials, but what we are also seeing in the market now is demand for EVs is actually gone up meaningfully in the last few weeks. And while other competitors will need to do more CapEx as well as new product rollouts, we have our capacity on both automotive and Gigafactory covered because all the CapEx is now behind us. So we can easily scale up to a million units a year. We are focused on somewhere in the north. You also find that we are actually right now, not on 31st March, but right now in the current May period, running at a very low inventory level in our network. That's because demand has increased so much that people are buying whatever they can find in the network from us. Our inventory, free inventory days is actually down to 3-4 days and we have auto backlog now. So the company is highly focused on ramping up the supply chain quickly enough so that we can, we can fulfill these orders, the backlog also, and I actually expect as we improve our delivery timelines, volumes will go up another 10-20% in the near term. So very, very good signals from the demand growth in the market for EVs. And we are well positioned to capture it without any incremental capital required.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Thank you, Bhavish. So the third highlight which Bhavish also touched upon is on the OpEx cost reset. Consolidated OpEx, including lease expenses, have meaningfully reduced from 844 crores in Q4 FY2024-25, which is last year, to 428 crores during this Q4 FY2025-26. This reflects network rationalization, tighter sales and service costs, lower fixed overheads and stronger operating governance. We expect OpEx to move towards approximately 350 crores. We actually spoke about in our last year Shareholders' Letter also over the next couple of quarters, as the full benefit of 26 actions flow through.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- A couple of points on this also as on the rebound, I would like to add for everybody. If you see on page 6 and page 7, you can see how as we have improved service, the first chart on page 6, our service backlogs as they have gone down, our sales have rebounded almost in a V-shaped recovery. And the chart below that shows you week on week how our registration numbers are ramping up. And on page 7, you see the recovery for us has been broad-based. We are very strong in the north and east, which is actually a growing EV market, and we are gaining back our position in the south and west. So the recovery in market share is fairly broad-based. Yeah, back to you Deepak.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Yeah, so this reset creates a stronger operating leverage. The core Auto CapEx is already in place for up to one million. Bhavish just spoke about it for the Auto business of annual capacity, and

Gigafactory phase 1 infrastructure is in place for 6 GWh of scale up. Together, the asset base can support approximately 15,000 to 20,000 crores of annual revenue scale across Auto and Cell without needing meaningful incremental CapEx.

- With the reset OpEx base and current gross margin structure, adjusted operating EBITDA breakeven is achievable at around 20,000 to 25,000 units per month, subject to pricing mix and commodity conditions.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited.:**
- I want to just underline this. I know many people on the street, investors have asked us the question on the breakeven. So if you do the rough math... and all the financials here that we talk about right now are consolidated. In the past segment, financials have created some level of confusion. So today we are just giving the communication on a consolidated financials' breakeven. So if you see our gross margins of around 35% plus, 38% in this quarter, our average ASP is about 1.4 lakhs or so, thereabouts. So Rs. 50,000 gross profit per vehicle. And our consolidated OpEx cost, including lease rentals of about 300 - 350 crores in the next quarter or so. So, the adjusted EBITDA breakeven console comes to about 20,000 to 25,000 units a month.
- And in our rebound already, we are seeing us get there. You saw March, April registration numbers. May also, I'm sure most of you are tracking. Another thing we've added in this sheet for everybody now is, we are also going to show deliveries as well as registration, as well as orders. Because the Auto industry, the street tracks, wholesale and retail, typically for us, those are very different. We don't have a dealer model, so there's no wholesale-retail concept. Registration is what you guys consider as retail. Deliveries is what we book as revenue. Orders are what we get when the customer comes into the store and pays. And because of our unique B2C business model, these three metrics also we will publish for future clarity.
- Another point I want to add here is on page 8, you see how while this period had service challenges and we were focused on solving them, brand has actually held well. That's because our brand has a lot of fundamental strength from the quality and the performance of our product and the proposition of price value equation of our product, which is unparalleled in the EV two-wheeler industry. So you can see here a very reputed third-party survey on brand strength. Our brand recall is industry leading and our NPS is also above industry averages. And specifically, NPS where there are no service delays, is actually very, very healthy. So we remain very confident about the customer thinking and the customer sentiment on our business. And that's why we are seeing volumes ramp up quickly. As we have now largely solved service and as we are now ramping up our manufacturing and back end, the demand is growing along with it.
- We also have put that on page 9, a chart of Google searches. It's the Google brand dashboard itself. So you can see Ola is by far the highest search brand in the EV space in India. And all these are advantages and you know our business model does not have any spends on marketing, etc., so that also benefits when we think of operating costs.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Thank you. So on execution improvement, which Bhavish just talked about, I'll just add some more flavour to that. So execution improved meaningfully through the year. Product quality is improving with Gen 3, with warranty cost is 70% lower than Gen 2. Service metrics have also improved sharply, with service stats down 88%, same day closures at approximately 87% and part dependency down

69%. Execution improves, sales have started responding. April registrations were up 20% month-on-month, while the broader E two-wheeler industry declined by more than 22%.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- On warranty, Deepak, I would like to highlight for the team, for everybody on the call here, on page 6 of the Shareholders Letter, in the second paragraph, you can see how year-on-year our warranty costs have actually come down in a very material way. In FY25, we had a 500 plus crore of warranty costs, in FY26, it's only 60 crores, 59 crores to be accurate. So what we've been sharing with you guys on our Gen 3 platform being by far the industry leader, is validated by our warranty costs in FY26.
- And that also kind of tells you that some of the service challenges that we had, were largely linked to service network operations, which also in the KPIs, again, you can see that we have meaningfully improved. So looking at it, we feel very optimistic about our sales as well as customer sentiment.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Looking ahead to Q1 FY27, we expect 40,000 to 45,000 orders and consolidated revenue of 500 to 550 crores, nearly double of the Q4 level. As volumes recover, we expect the Auto business to move towards adjusted operating EBITDA and cash flow positivity through FY27.
- You know, there are a lot of questions on the bike, Bhavish. I wanted to make sure that we actually address this as part of our narration.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Let me give the headline here, Deepak. So we launched the bike about a year ago and we've been very consistent about our communication in the earnings calls that we are scaling it step-by-step. So now we are very, very happy to say, actually that we are seeing good traction, both on the EV bike industry, bike industry itself in the last six months or so, has more than tripled (of a very small base right now), but the trend is very aggressively growing. You know, think of it as where EV scooters were five years ago before Ola really entered the market in a big way and scaled it up. Bikes are also there and our market share in bikes is 50% plus. And bikes are a little different than scooters in terms of product. The customer expects more range in the bikes. And that's why our bike portfolio has slightly higher range than scooters for the customers. And specifically, at the top end, actually, only because of our own Bharat Cell, the 4680 cell, we can offer almost a 500 km certified range product. So there's very strong interest in the bike in customers. Again, we are constrained not by demand there, but by supply. We are seeing significant uptick in the Roadster product in the northern belt of India, which is the heartland of the bike market of India and I actually feel now, especially with the petrol prices in the macro, bike EV movement is here through the next couple of quarters, and we are fully ready to take best advantage of that.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- So Roadster is becoming our second auto growth engine. Motorcycles are India's largest two-wheeler category and EV penetration remains very low. Ola now has 50% market share in electric motorcycles, and bikes contributed 15% of April gross orders. With products going up to 9.1 kWh battery capacity and 500 plus kms certified range, Roadster is built around the core motorcycle customer needs of range, performance and reliability.

- The Gigafactory is now entering the scale phase. We currently have 2.5 GWh operational capacity. Installation up to 6 GWh is largely complete with commercialization expected to be completed by the end of this quarter.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Deepak, before we go into operational updates, macro commentary is also very important here because the way the country's energy security requirements and narrative is shaping up, Ola Electric is the only company which is actually straddling both of the critical domains: One is EVs and one is batteries. Now it's very clear from both customer sentiment as well as government sentiment that EV has to be encouraged. All of you have seen how EV policy today, there were some media articles that for buses, etc. there will be incentives, etc. So EV encouragement is from the government, as well as consumer side, going up.
- But also, along with EV growth, two other things are happening. One is the clarity in the policy stakeholders is very clear, that we will have to very quickly accelerate domestication of the battery supply chain, and your company there is the best positioned to do that. Then in the power grid itself, it's very clear that our solar rollout has kind of maxed out, unless we start deploying batteries along with it. And that's why you can see already some announcement on floating solar along with batteries. So the government sentiment as well as policy sentiment, whatever we read from media, seems like there will be more... just like ALMM in solar, there will be ALBM, ALCM. There will be hopefully some extension in the ACC PLI. There will be domestic procurement for BESS deployments mandates coming soon. And our battery business is actually right in the centre of that potential for growth.
- Now in our battery business, we have built our own domestic IP. And that's actually the reason why we have been able to create and productionize and scale up the Gigafactory and get commercially viable yields and prices. And we have 6 GWh already installed. 2.5 GWh is already done, the remaining 3.5 GWh is getting done this quarter. It was supposed to be done a month back, but due to the Iran war, some containers got delayed. But it's getting done in June. And we are actually going to be expanding that 6 to 20 GWh by next year, but only by raising capital separately at the cell entity, which also we have a lot of inbound interest from private equity players, given the leadership of this asset that we have created.
- So that's it. I just want to underline this important point on the macro side that our company is very well in position to really leverage the tide and really come, create this energy security stack for our country in a meaningful way and monetize it.
- And there is some commentary here on our technology. You know, we will probably skip that in our commentary. But another point I want to make in our Gigafactory business is that we have actually... Deepak gave you quick operating metrics. You can find that in page 12 and 13 also. But now we are focused on ramping up production to get revenue in the Gigafactory. And there are three engines of revenue built in this. If you go to page 13, you will see the chart there. We have our cells. The 46 series is already out there. We are also working on a prismatic cell, which will be out soon. We haven't yet released details of that.
- But there are three revenue engines now. First is Mobility, which is EVs. Obviously, our captive demand will eat up about 1.5 to 2 GWh by the end of this financial year. But we are also now in

conversations with external companies, Indian and global, who want to buy our cells, given that they are world-class and industry leading specs.

- The second demand engine, which is already built, is Shakti. Shakti, we had launched last quarter and we have already delivered some to customers. We are constrained by supply of our cells because we are prioritizing our own Auto business moving to our cells, in general, over Shakti production. But as Gigafactory ramps up through the next few months, Shakti will also meaningfully ramp up. And there we have a very strong demand from both retail as well as B2B customers, telecom towers, petrol stations, dark stores, and other organized retail chains. Everybody today has diesel generators and lead acid batteries, and all of them want to replace that with lithium.

- The third big pillar which we are now creating is the grid storage. So this product is called Mahashakti, which is bigger Shakti, more energy. So Mahashakti will be built on our Prismatic LFP platform. We are right now in product development. We have had conversations with many platforms there. We have shared specs. People are excited about our product there. And more details will follow through the next couple of quarters.

- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**

- Okay. So I just wanted to emphasize that around 15% of the orders are already on our product using Bharat Cells. And we plan to transition the full vehicle portfolio to our own cells by September 2026.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- I think I would underline that Deepak. This is a meaningful transition. Already 15% on our own 4680 cells in the market. Very good feedback from customers. And by end of next quarter, we plan to transition everything. So it's a meaningful ramp up of our Gigafactory happening as we speak.

- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**

- So to summarize, Ola is positioned across the two important pillars of India's energy future. Electric mobility and batteries, vehicles create captive demand for the Gigafactory. Cells improve our vehicles through range, cost and supply chain control, and the same platform opens up energy storage through Shakti and Mahashakti.

- Our Financial Year 2026-27 priorities are clear: Recover volumes, hold margin leadership, reduce OpEx, ramp up the Gigafactory, improve auto cash generation and scale Shakti and Mahashakti.

- Thank you so much. Now I will open the floor for questions and answers to the participants.

- **Question & Answer Session:**

- **Moderator:**

- Thank you, Bhavish and Deepak. Now we begin the Question & Answer session. Anyone who wishes to ask a question may use the raise-hand option. If you wish to remove yourself from the question queue, you will get the raise-hand option once again. Participants are requested to unmute themselves before asking the questions. Before asking the question, we request you to introduce

yourself with your full name and your organization. Now, we'll wait for a moment while the question queue assembles and then we'll begin with the Q&A.

- Thank you, everyone. We'll take the first question from Mr. Meet Doshi from White Oak Capital. Please unmute yourself and ask your question.

- **Mr. Meet Doshi – White Oak Capital:**

- Hello, am I audible?

- **Moderator:**

- Yes, you are.

- **Mr. Meet Doshi – White Oak Capital:**

- Thank you for giving me the opportunity to ask the question and first of all, congratulations to have a good number in terms of margins. So just I want to know that are we planning in last quarter, you told that in Quarter 4, we are going to have good revenue, but still it is not reflecting. Also, your team has given the data at the end of March and you have a very good number of sales, why is it not reflecting in terms of the number? That is my question.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Okay. Meet, I don't know what exactly you're referring to but, see, our registrations are public data, right. So, in March we did 10,000, in April we did 12,000 and May is trending towards 14,000-15,000. So, we are growing registrations. Our orders are growing ahead of registrations but, like I said, we have a production backlog now. So, some of that will come through in this quarter in terms of registrations.

- In terms of revenue, see, Q4 was lower revenue because Q4 was also, like we said, a quarter where we focused a lot on our operations, to fix the operations, and then scale again, both on cost as well as customer experience. And we started scaling volumes again in the middle of March onwards. And, you know, the good thing about our business is that you can publicly track our volumes daily, weekly and monthly, in terms of registrations. The cost and the gross margin improvement is what is once a quarter you guys are able to track over a period of time. So, what I can say now is our volume forecast for Q1 we have given in this is 40,000-45,000. These are orders, registrations might be a little up or down. Hopefully, it'll be in the same range. But orders, we're seeing good, healthy pull-in in terms of demand.

- **Mr. Meet Doshi - White Oak Capital:**

- Thank you, Bhavish Sir. And with regards of follow-up question, just I want to know that are we still focusing on electric two-wheeler? How you are thinking to main focus like for the new products of Shakti and that kind of UPS systems or two-wheeler will still remain in the focus for the business?

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Our company has two segments, two business segments, right. So, two-wheeler is the core business because that generates 100% revenue today. But our Gigafactory was also always built with the vision of building cells and ESS, Battery Energy Storage Solution, right. So, the Shakti product is already built. It has actually a lot of carryover and platform from the two-wheeler platform. So, in that sense, very low cost of CapEx and R&D to build the Shakti product. We will be ramping that up over the next couple of quarters.
- But, like I said, our priority is to make our own cells go into our automotive business first and then as the Gigafactory ramp becomes beyond our automotive requirement then we start scaling up Shakti next. But demand for Shakti also is very high, given that battery storage is a very, very fast-growing thing.
- **Mr. Meet Doshi - White Oak Capital:**
- Okay. Thank you, Bhavish Sir. And last time you said that you trust your business, so we also have the same amount of trust on your business. Thank you so much.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Thank you, Meet Bhai. On our shareholder letter, on top we have written Gita shloka, some of you may have read that, that means we ourselves have to correct our mistakes and we ourselves have to make our future.
- **Mr. Meet Doshi - White Oak Capital:**
- Wishing you all the best. All the best, Sir ji. Thank you so much.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Thank you.
- **Moderator:**
- Thank you, Mr. Doshi. We'll take the next question from Mr. Arvind Sharma of Citi. Please unmute yourself and ask a question.
- **Mr. Arvind Sharma - Citi:**
- Hi, Sir, good evening. I hope you can hear me.
- **Moderator:**
- Yes, we can.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Hi, Arvind. Hi.

– **Mr. Arvind Sharma - Citi:**

– Hi, Bhavish. Hi, good evening. Thank you for taking my question. On the demand front, since you said the breakeven is around 20,000 odd a month, what is a bridge from the current levels to that? Is it driven by motorcycles or driven more by service? What would be the key drivers for the volume? That would be the first question.

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

– So, Arvind, firstly, we are still in our rebound phase in terms of volumes because what volumes in Q4 were not our steady-state volumes, right. It was impacted by our internal operations. But you have seen the recovery since that, now it's the third month of recovery. And we are actually not just recovering, we are growing month on month on top of that rebound, right. So, I believe another couple of months, most likely June, July also, we will see a continuing rebound of our volumes. The rebound itself should get us to about 17,000-18,000 units a month. Now, that'll be a mix of both scooter and bike. Bike is about 15% of our volumes now. Beyond that, like I said, now we're running a production backlog. As we are ramping up our supply chain, the factory anyways has capacity, so we don't need to do CapEx. But as we are ramping up our suppliers, as our suppliers are getting production scaling up again for us, demand is also, you know, ramping up. So, I do expect just better stability on service and improved inventory availability will lead us to closer to that 20,000-22,000 number over the course of next quarter.

– **Mr. Arvind Sharma - Citi:**

– Got it, thank you. And if you may just give us some more granularity in terms of your own cells versus what you import. If you can share even directionally what is the cost advantage that you are getting right now and would it increase further when you move to 6 GWh?

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

– Good question, Arvind. So, actually, all of you know that lithium has entered an upcycle in the industry. So, our advantage of our own cells is actually improved. So, even at this low volume production, where we are today, it is cheaper for us to make our own cell versus buy a cell from outside, as far as BOM cost is concerned. Obviously, the overheads on the Gigafactory right now, with more scale will get factored in but on just pure BOM cost alone it is cheaper for us to build versus import. And that's at these low volumes. I do expect, as we scale up our Gigafactory towards the 6 GWh over the course of this year, we will get a 10%-15% advantage on building our own cell, including the operational overheads of the Gigafactory. So, the advantages of making in India are actually coming out to be very true already in our business model.

– **Mr. Arvind Sharma - Citi:**

– Got it. Thank you so much for answering the questions, that's all from my side. Thanks so much.

– **Moderator:**

– Thank you. We'll take the next question from Mr. Venkatesh of Motilal Oswal. You may unmute yourself and ask a question.

- **Mr. Venkatesh - Motilal Oswal:**
- (Audio unclear 33.39-33.42), Bhavish Sir. Sir, you told you will be scaling up to 6 GWh wherein we see there is (Audio unclear 33.49-33.50), talk about this.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Venkatesh, we didn't hear you clearly, it got garbled up. Can you please repeat your question? Or if you're not here, you can even type it into the chat box. Oh! There's no chat box, so you can please repeat your question. Could you please repeat your question?
- **Mr. Venkatesh - Motilal Oswal:**
- Yeah. Sir, what I said is when you are in the battery segment, Yeah, when you...(Audio lost 34.22-34.32)
- **Moderator:**
- Okay, I think we'll move on to the next question which is from Mr. Amod Khanorkar of CRISIL. Please unmute yourself and ask a question.
- **Mr. Amod Khanorkar - CRISIL:**
- Yeah, hi. Congratulations on the margin expansion, Bhavish. My question is twofold –
- One, is the battery capacity currently that you have and currently that is operational, is it now 100% being consumed in the scooter segment itself and you do not have anything for Shakti? That was my first question.
- Second is about marketing and advertising. Any specific reason as to why you do not advertise big time in a print media?
- Thanks, these are the two questions.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Okay, Amod, I'll answer the second one first. See, as a philosophy, we believe that our product speaks for itself and all along in our journey, we have been able to succeed with that philosophy and as a result our costs are also controlled. So, it's not like we have anything against print media, we don't even do TV actually. You will not see us sponsor any IPL team or any boardings or anything because our product is so far ahead of competitor products, it delivers great word of mouth. Now, that doesn't mean we will not do advertising. You know, we might do some advertising in the coming months as we see opportunity for including a larger mass of customers on the benefits of EV as well as about how our brand has turned around from some service challenges in the past. So, we might do something. As of now, we don't see the need to do anything immediately.
- On your first question, see the 6 GWh, out of this roughly rule of thumb, you can assume 3 is already commissioned, 3 is getting commissioned by end of next month. Now, the 3 that is commissioned already is in a ramp-up phase. So, the way Gigafactory and Gigafactories are very complex, you have to commission...First, you have to install the equipment then you commission the equipment and

then you ramp up with improving yields. So, the 3 GWh that we have already commissioned is in a ramp-up phase with good yields. So, as we are ramping up, and we also have to ramp up supply chains, people who send us the cathode powder, anode powder, electrolyte in India, all of that. So, as our whole supply chain is ramping up, we are increasing our productivity and our output of the Gigafactory.

- So, by end of next quarter, which is September, we expect our Gigafactory to be producing about 2+ GWh already. And, for the whole year, the allocation of capacity is 2 GWh to our in-house business, maybe 1+ GWh to external auto sales and the remaining is focused on Shakti and Mahashakti.

- **Mr. Amod Khanorkar - CRISIL:**

- Yeah, thanks for that. And one last quick question. In terms of monetizing, if you may want to call it that way, the cell business, I mean, there were media articles in between that about ₹2,000 crore monetization and money should flow into the company and so on. I understand you cannot speak much about it unless you make a public disclosure on that but are things moving on that direction?

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Amod, I can't share too much but we have a lot of interest from people on that front and, like I said, our ambition in our cell business is to be the largest in the country. Today, we are the first and the largest but that space is going to expand fast and we will be absolutely focused on leading that space being the largest in capacity and revenue. And for that, we will have to expand beyond 6 GWh. But we will do that when we raise capital in the subsidiary and that will be in due course. We will let you know.

- **Mr. Amod Khanorkar - CRISIL:**

- Great, Bhavish, thanks a lot. Congrats on the increasing delivery numbers. Best luck.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Thank you.

- **Moderator:**

- Thank you. We'll take the next question from Apurva Desai of Kotak. Please unmute yourself and ask the question.

- **Mr. Apurva Desai - Kotak:**

- So, hi, Bhavish. So, two quick questions from me, okay. So, the first question is in regards to the ASP calculation that you have given, okay. So, what you've mentioned is that there's a one-time change in the revenue recognition policy.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Yes.

- **Mr. Apurva Desai - Kotak:**
- So, could you maybe elaborate on that?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yeah. So, Apurva, what we did was we sell some, let's call it, care packages or extended warranty packages which is a, let's say, 3-year product, 5-year product but we were recognizing the revenue up front. So, this time with our auditors we decided that we will not recognize it upfront. So, that's about a ₹20-₹30 crores hit in this product.
- Is that correct?
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- Yes. Yes, Bhavish.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yeah, I'm not the financial expert but this is what it is. So, hence, you see the ASP has come down but actually that revenue will come every quarter, right, because we have already done the sale.
- **Mr. Apurva Desai - Kotak:**
- Okay, so this was more of a one-time thing, is that correct?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- It'll be a one-time correction. So, every quarter now you will see this revised approach.
- **Mr. Apurva Desai - Kotak:**
- Okay. So, would that be the case for the earlier quarters as well? Would the numbers be revised or would that not be the case?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- No, or maybe, Deepak, you can answer.
- **Mr. Deepak Rastogi - Chief Financial Officer, Ola Electric Mobility Limited:**
- No, so, you know, whatever was the impact, we've already taken, baked in already in these numbers. And, hence, there is no one-time effect which you would see. It will be already baked in the number, so whatever numbers we publish, we'll continue with the same numbers.
- **Mr. Apurva Desai - Kotak:**
- Okay, okay. So, coming to my second question, okay. So, it's regarding the Gigafactory. So, from what your shareholder's report told, so I understand that you want to ramp it up to 20 GWh. So, I want to understand two things, okay.

- So, first is I want to understand the rationale behind going for a ramp-up pretty quickly.
- And the second question is if you could maybe shed more light on the order pipeline or something.
- I think, you know, that is all from my end.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Sure, Apurva. So, like we said in the report, in the letter also, we will not be ramping up beyond 6 right now from a capital allocation perspective, right. We will first grow into the 6 GWh capacity. But the industry demand in India is growing faster, so just to be able to lead the industry, we will expand capacity, especially around the prismatic cell capacity. Today, our capacity is the cylindrical cell. We will expand capacities into the prismatic cell capacity but only when we raise capital at a subsidiary level. And that is in our plans for this financial year.
- **Mr. Apurva Desai - Kotak:**
- Sure.
- **Moderator:**
- We'll take the next question, from Mr. Vipul Agrawal of HSBC. Please unmute yourself and ask your question.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Hi, Vipul, good to see you.
- **Mr. Vipul Agrawal - HSBC:**
- Yeah, hi, Bhavish. Thank you, thank you for taking my question. Typically, three questions. First is, you talked about lower CapEx, like how should we see the total CapEx for the next 2-3 years perspective? Like we see that you already have 1 million capacity in vehicle and, I guess, you will be having just couple of quarters remaining for the CapEx in battery plant.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes.
- **Mr. Vipul Agrawal - HSBC:**
- So, how should we see our CapEx in next 2-3 years?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Good question. Vipul, in Auto, on an annual basis you should expect very incremental CapEx, maybe ₹50-odd crores that's about it. Just maintenance CapEx because we have a very large capacity already built out. So, that means the conversion of EBITDA to free cashflow will be fairly high.
- On Cell business also, like I said, we have done all the CapEx for 6 GWh. Payouts are happening in this current Q1 and a little bit in Q2. Beyond that, you will not see any more CapEx till we get some capital

into the cell company separately. So, from that sense, actually the business's CapEx cycle is behind it and now focus is on scaling up, utilization and monetization.

– **Mr. Vipul Agrawal - HSBC:**

– So, if you can quantify, if it is possible to quantify, like what kind of outflow we are looking in FY27? And what kind of maintenance CapEx we are looking in FY28? if possible, if you can quantify?

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

– Vipul, again, I will tell you rule of thumb maintenance CapEx will be some ₹50 crores annually. I'll just add one more nuance. We do have some R&D which we capitalize, about 20%-30% of our overall R&D expenses. That will keep coming in. But in terms of PPE CapEx, that'll be below ₹50 crores a year.

– **Mr. Vipul Agrawal - HSBC:**

– Okay, yeah. My next question was on R&D only. So, how should we like you are largely done with your product development as well and your Gen 3 is also doing pretty well, so, how should we see the R&D expense as well in coming years?

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

– See, Vipul, we are a technology company and we've always maintained that our competitive advantage comes from both our manufacturing depth of vertical integration as well as our technology depth of owning all key technologies in-house. And you can see how that has played out in terms of gross margin, product proposition, all of that stuff. So, we will continue to invest in R&D across both auto as well as cell business. Right now, obviously, as a percentage of revenue, it is high because revenue was subdued in Q4 but generally it should be in the mid-single digits of revenue going ahead as revenue ramps up.

– **Mr. Vipul Agrawal - HSBC:**

– That makes sense, thank you. My second question is on the cash position right now. Basically, since you talked about lower CapEx right now and your OpEx is pretty low, so are we looking at any major cash burn in FY27 or we should be maybe be at par? How should we look at that part of the business?

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

– Yeah. See, on 31st March we had about ₹1,550-₹1,600 crores of gross cash and about ₹2,500 crores of debt. So, we had a net debt of about ₹950-odd crores. We don't expect any...So, there will be about ₹300-₹500 crores of operating cashflow burn over the course of this year as the volumes go up. It could be lower if volumes rise faster. But, generally, operating cash burn, like I said, after 20,000-25,000 orders a month will be positive. We'll be making operating cashflow. And on free cashflow, the CapEx is minimal going forward.

– We do have some debt servicing and debt repayments coming up. I think through this year, we'll have about ₹400 plus crores of debt repayments and we might also choose to accelerate some because right now our cost of debt is slightly higher.

- **Mr. Vipul Agrawal - HSBC:**
- Thank you, that was a pretty detailed answer. Just last one on, the qualitative aspect of the business. So, like what we have seen in the last 3 years, when you started your new stores, the store experience was pretty very good and eventually deteriorated. But what we are seeing right now, it has improved but again not to the extent what we have seen 2 years back.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes.
- **Mr. Vipul Agrawal - HSBC:**
- So, maybe if you can talk a bit on your store strategies. Like do you plan to get new dealers or maybe it will be like company-owned company-driven? How do you plan to improve the whole experience for the customers?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- So, Vipul, our experience has improved from, let's say, 2 quarters or 1 quarter ago. And we expect in the next 1-2 quarters it will be ahead of industry standards in all key metrics that matter, be it service turnaround time, be it the quality of the people we have there, the sales process, etc. We are focused on improving experience. We've spent a lot of time building the right backend processes to make the frontend experience better.
- We don't plan to have any dealerships in our auto business, we believe our strategy is correct. We had some execution slip-ups through last year but now the company has meaningfully overcome that. That said, there is still some work to be done, like you correctly pointed out, and the good thing is our volumes are ramping up in parallel. So, as we work through all the improvements in the frontend of the business over the next quarter or two, further you will see customer sentiment and sales ramp up.
- **Mr. Vipul Agrawal - HSBC:**
- Thank you for that answer. That's all from my side.
- **Moderator:**
- Thank you. We'll take the next question from Mr. Tribhuwan Singh Sonalika Family Office. Please unmute yourself and ask your question.
- **Mr. Tribhuwan Singh - Sonalika Family Office:**
- Hi guys, thank you for taking my question and very congratulations on the solid results you guys have. I just want to understand the research and development part of Ola's battery business. Like I read somewhere that you guys are focusing on solid-state batteries and sodium ion batteries. So, how are we progressing on these long-term initiatives, I would say?

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes, very, very good question. I never thought I'd be asked a technical question in an investors meet. But, actually, you read it in our letter itself, on Page 12, the cell technology roadmap shows you that our roadmap ladders, on the performance side, solid state, and on the cost side, sodium. So, we have these technologies already at a lab scale, already working. We are not focused on spending a lot of capital on getting them manufacturing ready right now. Our focus is to ramp up our 46 series NMC. We have, though, brought in our LFP cell also. Through the next quarter, it'll start ramping up in our factory. But we are ready and as the industry matures for solid state and sodium, we will be bringing those products to market also.
- **Moderator:**
- Sorry, is there a follow-up question or does that answer your question?
- All right, we'll move to the next question from Mr. Jaineel Jhaveri of JNJ Holdings. Please unmute yourself and ask your question.
- **Mr. Jaineel Jhaveri - JNJ Holdings:**
- Yeah, hi, Bhavish. Thank you for taking my question. I had a couple of questions. One was relating to the service issues. Of many videos that I've watched online, the service issue seems to be with part unavailability.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes.
- **Mr. Jaineel Jhaveri - JNJ Holdings:**
- So, I just wanted to understand that why is that happening? Like even if it is Gen 1 or Gen 2 scooter, how is it that parts are unavailable?
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- So, you caught it well, Jaineel. See, firstly, some of the videos on social, obviously, are old videos and they keep recirculating online due to competitive pressures. But, you're right, one of the challenges we did face was parts supply chain. See, as we had ramped up our network, because in a dealer model the dealer buys the parts and the OEM distributes it through traditional distributor chains. Now, we don't do that. We send our parts directly to a service center. So, earlier we were not stocking any parts in our service center that led to, even for a brake pad replacement, the guy had to wait 10 days. And our parts procurement from our suppliers was also after a part requirement came, so actually it led to a 20-30 day fulfillment time-wise.
- So, now we've streamlined a lot of that. So, now parts are stocked in the service center as well as part procurement is done basis forecasts. So, all of this is just execution fixes that we have done and now parts have improved. There's still some work to be done, some parts we still have to because, like I said, we are still ramping up our supply chain, some parts are common between our production and service, so we are prioritizing production but we are ramping up the supply chain so that we can fulfill part requirements better in service also.

– **Mr. Jaineel Jhaveri - JNJ Holdings:**

- Okay, thanks. And one question regarding BESS, why have we selected NMC to go into BESS when we have LFP? And also, like mostly around the world it has only been LFP, so anyone getting LFP cells from China and putting into a BESS product in India would
- start off much cheaper than our Shakti products, so why would we ?

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- So, Jaineel, we haven't selected NMC. The Shakti product will move to LFP once our LFP product comes out next quarter. We had started with NMC for our Auto business and that's why, you know, even now we have decided to ramp up Shakti slower because we're focusing our NMC 46 series into our Auto business through next quarter. But we wanted to be in the market with Shakti, so many customers actually are okay with paying the price of Shakti with the NMC product today. So, we are starting to take that business. But by next quarter, Shakti will have LFP so that we can ramp it up faster.

– **Mr. Jaineel Jhaveri - JNJ Holdings:**

- Okay. And my last question, I've noticed that there has been a slipup in terms of some products moving into future quarters or maybe even future years like the Gig product and...

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Jaineel, yeah, I understood your question. See, we decided, and I think we made a public statement of this also, maybe you missed that, that we have a product roadmap and in our shareholder's letter also you can see it somewhere in the slide pages, but we decided we will not launch new products till our volumes get back up because we wanted to be more disciplined on new capital allocation for new products. Now, as we have stabilized our frontend operations, as volumes are ramping up again we will actually go back to some new product launches over the course of this year.

– **Mr. Jaineel Jhaveri - JNJ Holdings:**

- Okay. And just one last comment. I mean,.

– **Moderator:**

- Jaineel, I think, in the interest of time we will...

– **Mr. Jaineel Jhaveri - JNJ Holdings:**

- No-no, it's a positive comment.

– **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**

- Okay.

– **Mr. Jaineel Jhaveri - JNJ Holdings:**

- I just wanted to say that there was a video from some Gareeb Scientist or some Twitter handle in terms of the technology that goes into your batteries and I was very pleasantly surprised at the

amount of work that you all have done. But just would like to say that I think you'll need to even show the investors maybe, you know, in terms of maybe some kind of an Analyst Meet over there and stuff like that.

- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes.
- **Mr. Jaineel Jhaveri - JNJ Holdings:**
- Because it seems like you'll are doing the hard work but in terms of the market it's not coming even through analyst notes.
- **Mr. Bhavish Aggarwal - Founder, Chairman & Managing Director, Ola Electric Mobility Limited:**
- Yes. Very fair point, Jaineel. We are planning an Analyst and Investor Day in our Gigafactory sometime maybe in a month or two. That's on our agenda. So, thank you so much for seeing that technical video and appreciating it.
- **Mr. Jaineel Jhaveri - JNJ Holdings:**
- Thank you.
- **Moderator:**
- Thank you.
- All right, I think with this, we come to the conclusion of the session here. We appreciate your time and all of your questions during the call today. Thank you so much for joining us and we look forward to meeting you all during our next Earnings Conference. Thank you for joining us. You may now log out from the conference call. Good evening.

END OF TRANSCRIPT