



The future of *solar energy* is

Bright

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Why Us

| WHAT DIFFERENTIATES US



Our Presence

| ACROSS THE GLOBE

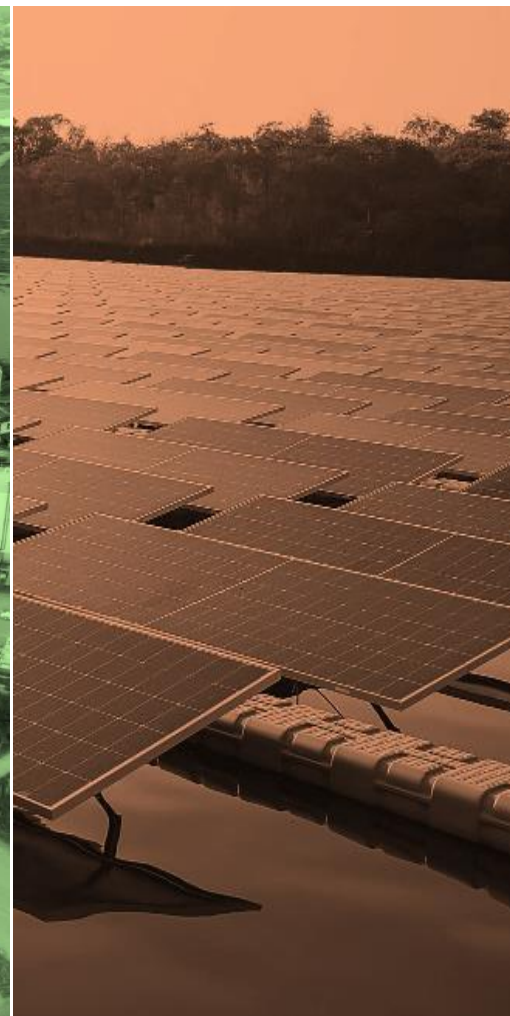
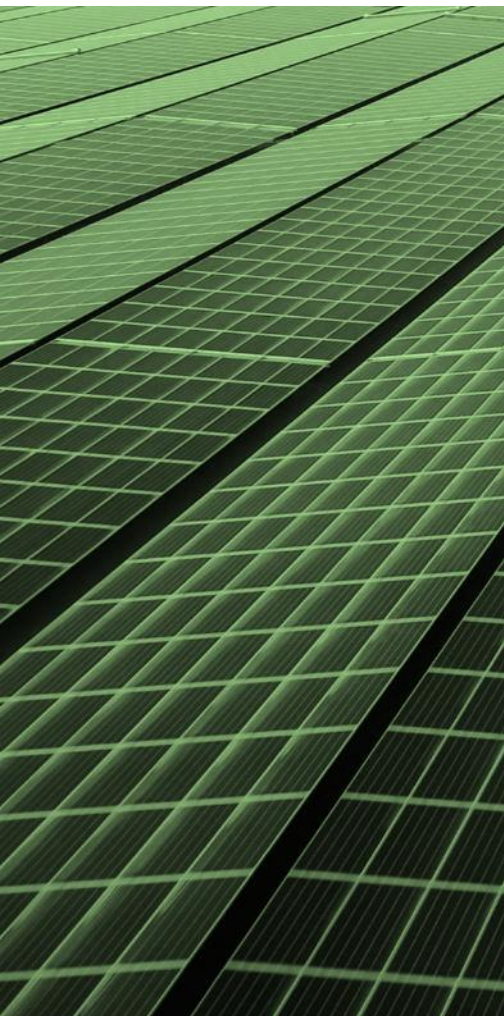


 Offices in
27 Countries

 Projects in
19 Countries

Financial Highlights

| 2Q FY 2024



Financials

| KEY HIGHLIGHTS FOR 2Q FY24

- Company has received new orders / LOIs worth ~INR 2,640 crore during the quarter. We have received total orders / LOI worth INR 3,106 crore in 1HFY24 from India
 - Key orders / LOIs include NTPC (375 MW DC with modules), GIPCL (750 MW DC), Engie (490 MW DC)
- Reported P&L of the company has begun to improve both sequentially and YoY
 - Achieved positive consolidated EBITDA in 2QFY24
 - Domestic EPC gross margins continue to operate above 10%
 - O&M margins have begun to move towards our target range of ~20-25%
- Net debt of INR 2,123 crore as of September 30, 2023
- Promoters (SP/KYD) have been issued an indemnity claim of INR 418 crore for indemnity amounts crystallized as of September 30, 2023, which are due on or before 30th November 2023
- Board of Directors of the company has passed a resolution for a fund raise of upto INR 1,500 crore
 - Shareholder approval has been sought and the results are scheduled for October 28, 2023

| RATINGS DOWNGRADE ACTION & DEBT STATUS

- The Company and its subsidiaries had loan payments of INR 329 Cr to various banks in the month of September 2023. Out of the above, the Company made payments of INR 194 Cr
- Company had availed INR 250 Cr short term loan for working capital for 1 year which was due on September 30, 2023. Company was able to repay only INR 115 Cr from internal accruals and an amount of INR 135 crore remains overdue as of October 25, 2023
 - Rating downgrades post our BG invocation in July 2023 made sourcing loans more expensive and difficult
- Rating downgrades
 - India Ratings downgraded our bank facilities rating from BB- to D
 - Acuite Rating in line with long-term ratings downgraded our short-term facility ratings from A3 to A4
- Emphasis of Matter
 - Auditors have made certain observations in Consolidated and Standalone reports as Emphasis of Matter

Breakdown of Net Debt (INR Crore)	Sep-23
Term debt	1,418
Working capital related debt	385
Commercial Paper	97
BG loan outstanding	277
Total Debt	2,178
Less: Cash and Bank balance	(55)
Net Debt	2,123

Financials

CONSOLIDATED PROFIT & LOSS – 2Q FY24

INR Crore	Q2FY24	Q2FY23	Q1FY24	FY2023
Revenue from Operations	759	403	515	2,110
Gross Margin (post project MTM)	66	(170)	59	(651)
Gross Margin %	8.6%	(42.1%)	11.3%	(30.9%)
Other Income	1	4	3	36
Recurring Overheads	71	86	89	365
Recurring Overheads %	9.4%	21.5%	17.3%	17.3%
Non-recurring Overheads	0	-	0	17
Operational EBITDA	(4)	(252)	(28)	(997)
EBITDA Margin %	(0.5%)	(62.5%)	(5.4%)	(47.2%)
Forex gain / (loss)	22	(23)	(6)	(26)
Reported EBITDA	18	(275)	(34)	(1,023)
EBITDA Margin %	2.3%	(67.9%)	(6.5%)	(48.5%)
EBIT	14	(278)	(37)	(1,038)
EBIT Margin %	1.8%	(68.9%)	(7.1%)	(49.2%)
PBT	(50)	(308)	(95)	(1,178)
PBT Margin %	(6.6%)	(76.3%)	(18.5%)	(55.9%)
PAT	(54)	(299)	(95)	(1,175)
PAT Margin	(7.2%)	(74.1%)	(18.5%)	(55.7%)

INR Crore	Q2FY24	Q2FY23	Q1FY24	FY2023
Revenue from Operations				
- International EPC	141	200	159	1,400
- Domestic EPC	567	165	308	516
- Operation and Maintenance	51	38	47	190
Total	759	403	515	2,107
Gross margin				
- International EPC	(3)	(182)	12	(710)
- Domestic EPC	57	17	40	50
- Operation and Maintenance	12	(5)	7	10
Total	66	(170)	59	(651)
Gross margin %	8.6%	(42.1%)	11.3%	(30.9%)

- ▶ Revenue has improved substantially both sequentially and YoY aided by higher contribution from Domestic EPC segment
- ▶ **Company has reported positive gross margin of ~10% in 1HFY24** aided by the higher contribution from Domestic EPC segment and improving margins in our O&M business. Our unexecuted order book continues to largely comprise of Domestic projects
- ▶ Company achieved positive reported EBITDA in 2QFY24
- ▶ Domestic EPC margins continue to remain above ~10% for a second straight quarter and higher than FY23 margin of 9.7%
- ▶ O&M constituted 6.7% of revenue in Q2FY24. O&M margin trajectory has begun to improve and was ~23%

Financials

| STANDALONE PROFIT & LOSS – 2Q FY24

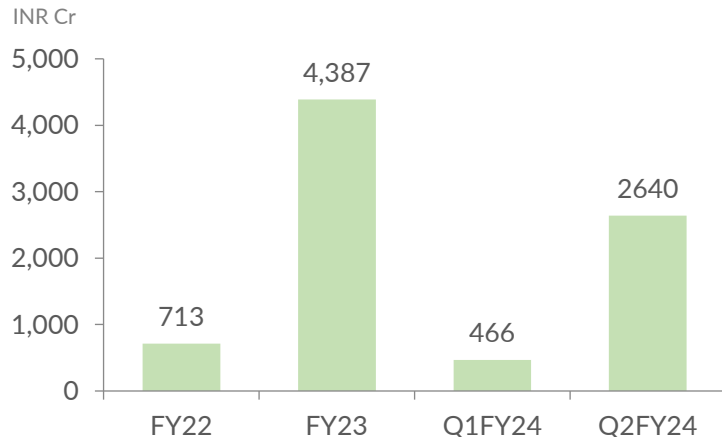
INR Crore	Q2FY24	Q1FY24	FY2023
Revenue from Operations	641	384	1,554
Gross Margin (post project MTM)	43	48	(36)
Gross Margin %	6.7%	12.5%	(2.3%)
Other Income	4	9	40
Recurring Overheads	42	56	210
Recurring Overheads %	6.6%	14.6%	13.5%
Non-recurring Overheads	5	0	71
Operational EBITDA	0	1	(277)
EBITDA Margin %	-	0.0%	(17.8%)
Forex gain/ (loss)	31	(10)	(8)
Reported EBITDA	31	(9)	(285)
EBITDA Margin %	4.8%	(2.3%)	(18.3%)
EBIT	28	(11)	(292)
EBIT Margin %	4.4%	(2.8%)	(18.8%)
PBT	17	(23)	(347)
PBT Margin %	2.7%	(6.0%)	(22.3%)
PAT	14	(23)	(355)
PAT Margin	2.2%	(6.0%)	(22.8%)

- ▶ Revenue increased sequentially aided by higher domestic EPC segment contribution
- ▶ Standalone Gross margin was 6.7% during the quarter. Higher margins on domestic EPC segment and O&M businesses were offset with negative standalone margins of international EPC
- ▶ **Operational EBITDA (ex-Forex gain/loss) achieved break-even** in the Standalone segment for second consecutive quarter in Q2FY24
- ▶ Company turned PAT positive in Standalone segment

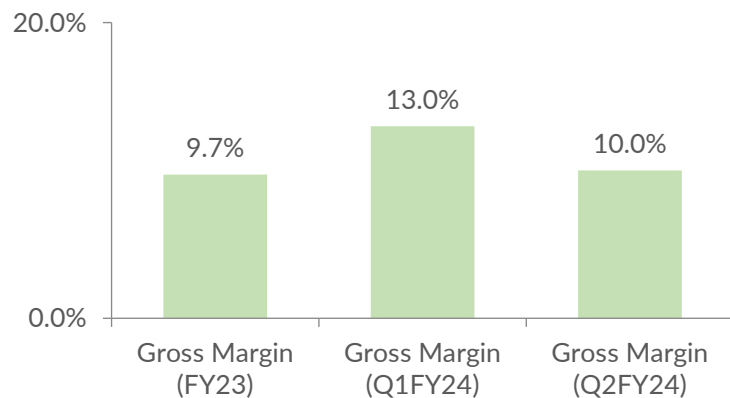
Outlook

| DOMESTIC EPC MOMENTUM GAINING TRACTION

India Order Inflow



Domestic EPC has remained profitable in challenging times



- NTPC – I, II, III
 - BOS package of ~1,570 MW DC
 - BOS package of ~1,500 MW DC
 - LOI for Module + BOS package of ~375 MW DC in 2Q
- GIPCL
 - BOS package of ~750 MW DC in 2Q

- Received new order of ~490 MW DC in 2QFY24

- Received new order of 319 MW DC

- Received new order of 72.5 MW DC

SWREL received new orders totaling ~INR 2,800 cr in 2QFY24

Outlook

| MOU ANNOUNCED IN FY23



- Sterling and Wilson Solar Solutions, Inc (SWSS), the US step down subsidiary signed a MOU with the Government of the Federal Republic of Nigeria, along with its consortium partner Sun Africa in September 2022
- MOU is for the development, design, construction, and commissioning of solar PV power plants aggregating 961 MWp at five different locations in Nigeria along with battery energy storage systems (BESS) with total installed capacity of 455 MWh
- D&EPC agreement under negotiation
- Deal finalization awaited

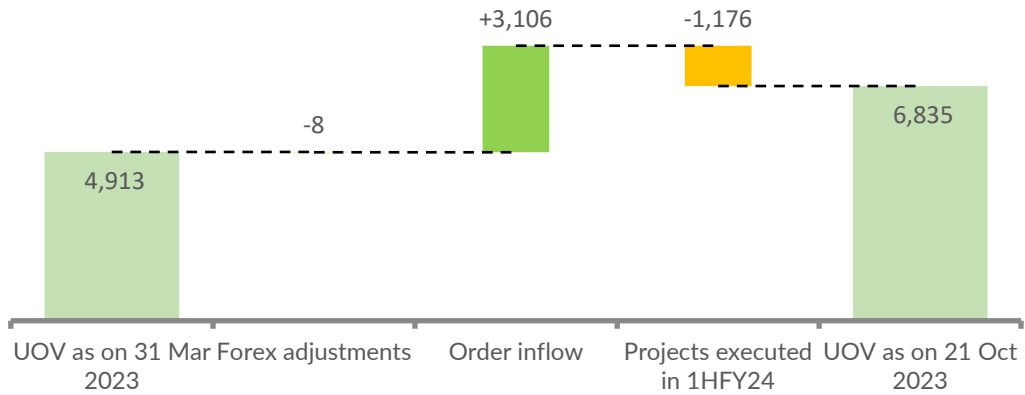


SWREL signed a MOU with Nigerian government & Sun Africa to design and construct 961 MW

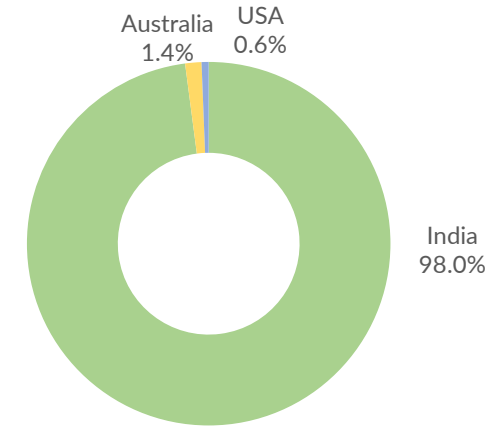
Outlook

| ORDER BOOK & PIPELINE

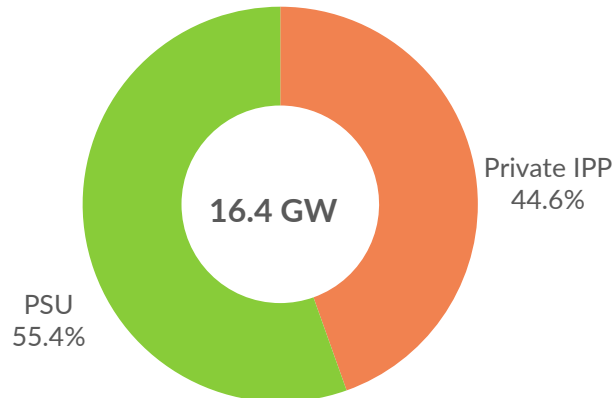
Unexecuted Order Value Movement



Gross UOV as on 21 October 2023



India 2HFY24 Solar EPC bid pipeline* is growing



New order inflows are lumpy – Impacted by cyclicity and seasonality

INR Cr	Q1	Q2	Q3	Q4	Total
FY20	1,629	1,057	1,070	987	4,743
FY21	3,353	1,601	-	1,820	6,774
FY22	221	254	-	244	719
FY23	-	1,858	364	2,165	4,387
FY24	466	2,640			3,106

* Domestic bid pipeline refers to solar projects where BOS / BOS + module scope of work is anticipated to be awarded by the solar project developers



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