

Suzlon Energy Limited Investor Presentation Q2, FY25

28th October 2024

SUZLON
POWERING A GREENER TOMORROW



Suvarna Wind Farm, Gujarat, India

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INDUSTRY OUTLOOK

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STRENGTHS

FINANCIAL
PERFORMANCE



Industry in an upcycle with long term structural tailwinds

Strong domestic demand outlook



India's \$5 trillion vision by 2030

- Urbanization, data centers, and electric vehicle adoption are driving demand.



India's energy demand growth^

- Projected CAGR of 7% from FY24 to FY30, surpassing the historical 5%



Projected capacity additions

- India aims for 122 GW of wind energy by 2031-32



Accelerated C&I demand

- C&I sector requires 78 GW of renewable energy by FY30^^



Strong wind bidding pipeline

- 35 +GW wind pipeline by Central , State Utilities and C&I^^^

Key demand drivers for Wind

1. Onshore wind potential: 695 GW (120m HH) and 1,164 GW (150m HH)
2. Lower Renewable LCOE resulting in strong C&I growth
3. Wind bids with state specific sub-bids and pooling* of tariff
4. ISTS charges waiver for 25 yrs. for RE projects COD till 30th June 2025**
5. India's ₹9.15 Lakh Crore National Electricity Plan: Enhancing Power Grid and Energy Security (2023-2032)
6. Potential as export hub for wind components for global markets
7. GH2 Mission targets 5 MMT p.a. requiring RE of 125 GW by 2030
8. SECI's auction for Green-Hydrogen and electrolyser manufacturing
9. Repowering potential estimated by NIWE: ~25.4 GW
10. VGF scheme with INR ~7,500 crore outlay for 1 GW of offshore wind

Source: GWEC Global Wind Report 2024,

^Nomura report on Power utilities

^^ICRA Indian Renewable Energy Sector – Mar 2023

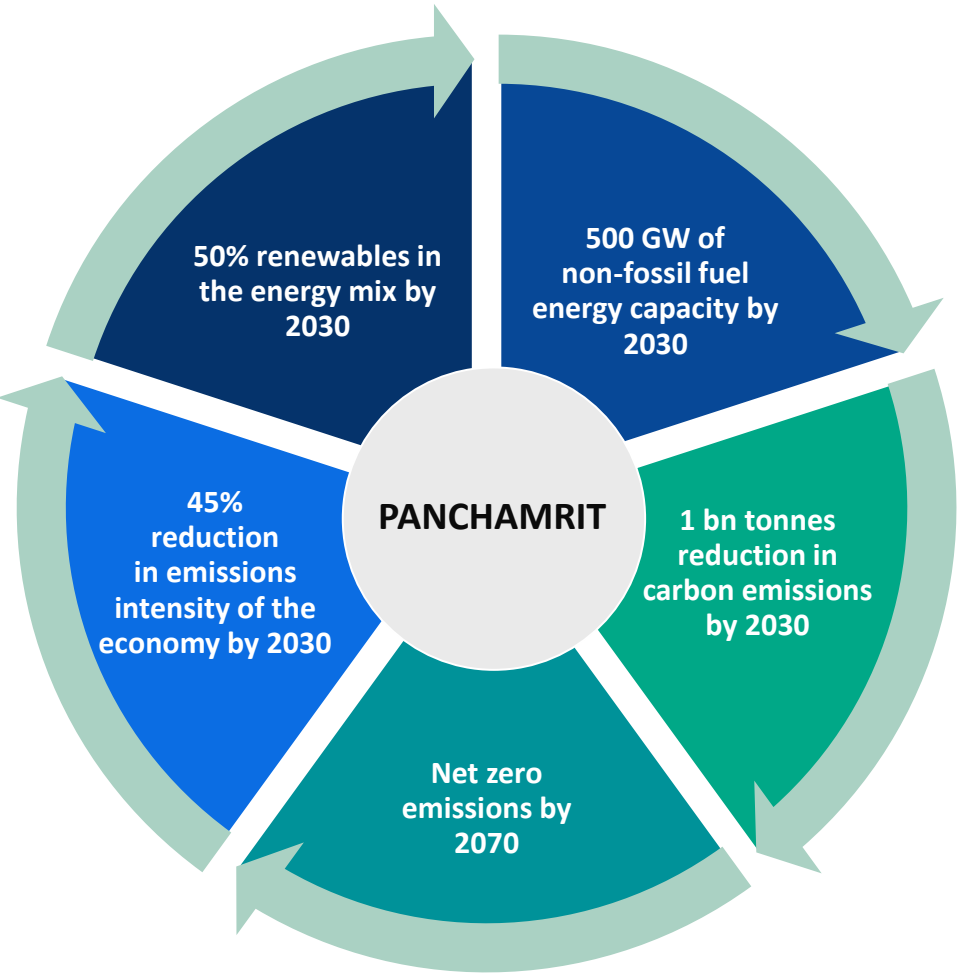
^^^India RE Navigator (<https://www.india-re-navigator.com/wind>)

*policy for determination of uniform RE tariff announced on 25th Oct'23

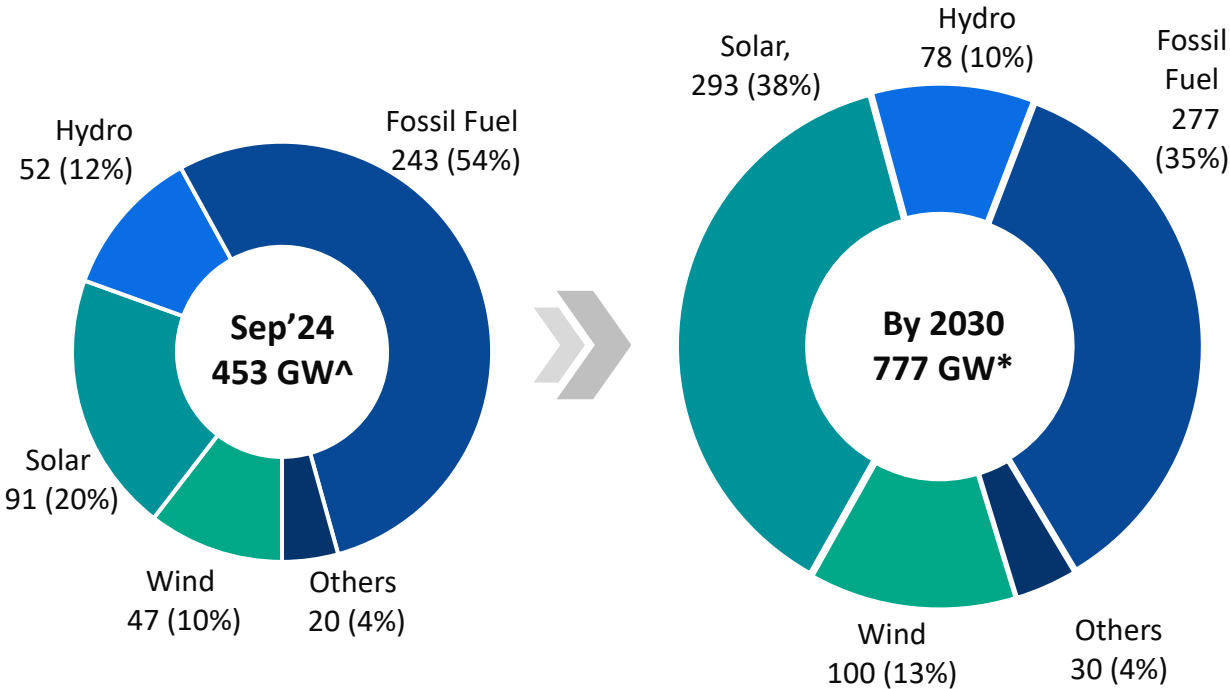
**thereafter gradual reduction of waiver by 25% each year till Jun'28 (Refer link below)

<https://powermin.gov.in/sites/default/files/uploads/Orders/B.4.3.pdf>

Renewable Energy growth to be driven by Wind & Solar



Installed power generation capacity mix (GW)



^CEA All India Installed Capacity as on 30.09.2024
 *CEA's Report On Optimal Generation Capacity Mix for 2029-30 issued in Apr 2023 – Base Case scenario

Wind is vital to the energy transition, with India's renewable sector growth heavily reliant on wind installations

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Suvarda Wind Farm, Gujarat, India

Suzlon's competitive edge



20.9 GW*
Global installed Wind energy capacity



32%
Cumulative market share in India



7,700+
Global workforce**



Own WTG Technology & in-house R&D, well established product portfolio



*Includes installed capacity of 15 GW in India
**Increase in the global workforce attributed to Renom's workforce addition

Suzlon's strength



No.1 OEM in India's Renewable Sector



End-to-end
service provider



Pan India
presence



Technology
leadership



Best-in-class
service capabilities



Strong customer
relationship



29 Years
track record

Strong presence across value chain & customer segments



As on 30th Sep 2024

Key clientele among marquee customers globally

ACC

adani
Renewables



ampin energy
Powering renewable energy transition

APRAVA
ENERGY



BLACKROCK

Brookfield
Renewable Energy Partners

Clearway

enel
Green Power

edf
renewables



Greenko

HERO FUTURE ENERGIES
planet positive power



JINDAL
RENEWABLES

JUNIPER
Green Energy

Leap Green Energy
We Partner Your Tomorrow

susten
BY mahindra



OYSTER
RENEWABLE

Reliance
Industries Limited

RELIANCE

ReNew
POWER



serentica



Shree
Cement



torrent
POWER

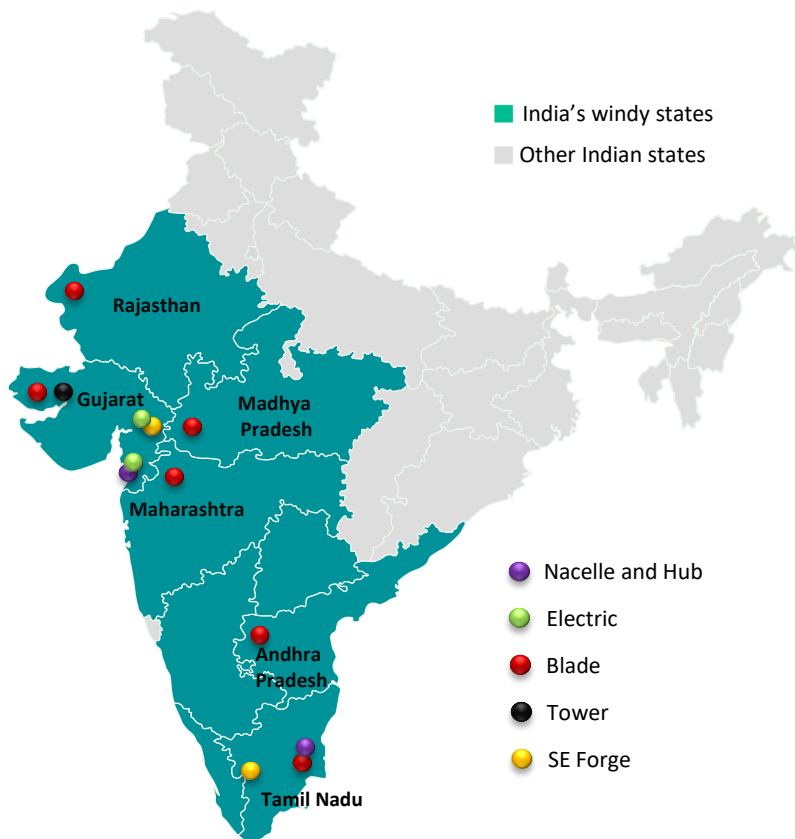


And many more customers.....

Footprint across India: Boosting manufacturing capabilities

Best-in-class manufacturing capability

Manufacturing locations across India*

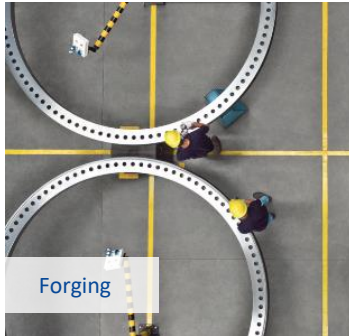


*Map not to scale

Vertically integrated low-cost supply chain

India manufacturing capacity ~3,150* MW

Sufficient & flexible manufacturing capacity to cater to the market



*SEL has a ramp up/ramp down capacity. Capacity of 3,150 MW is for 2.1 MW WTGs. With 3+ MW WTGs, capacity is being ramped up to 4,500 MW

S144: Made in India, Made for India

S144 Major Update



Product designed for the Indian market to capitalize on low wind conditions



Over 4.7 GW of firm orders, making it the preferred turbine for Indian customers



Production is in full swing to meet a robust order book



Accounted for a significant portion of H1 FY25 deliveries



Overview of India OMS* capabilities

Key Numbers

15.0 GW Installed base	9,900+ Turbines	USD 10 Bn Assets under management
1,900+ Customers	94 Sites	4,000+ Team

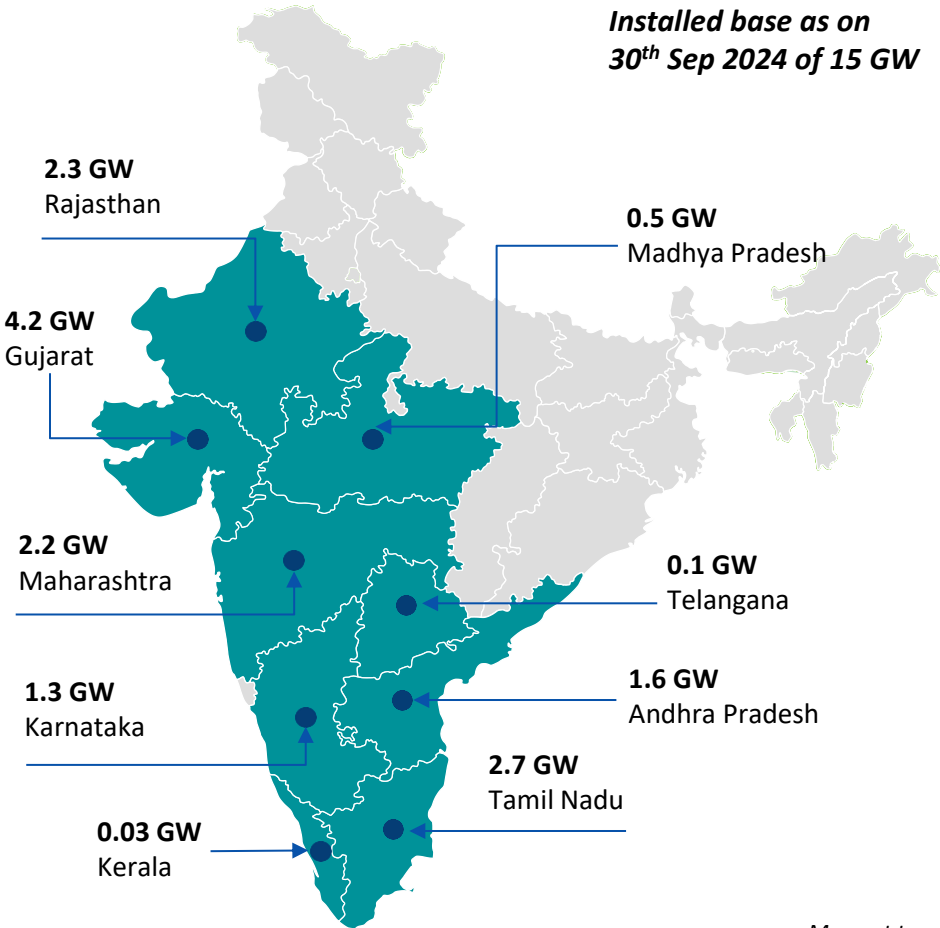
32% share of all India installed wind capacity

India OMS financial strengths

- Annuity like stable cash flow business model
- Impressive contract retention with satisfied customers
- Annual O&M fee escalation of 4-5%

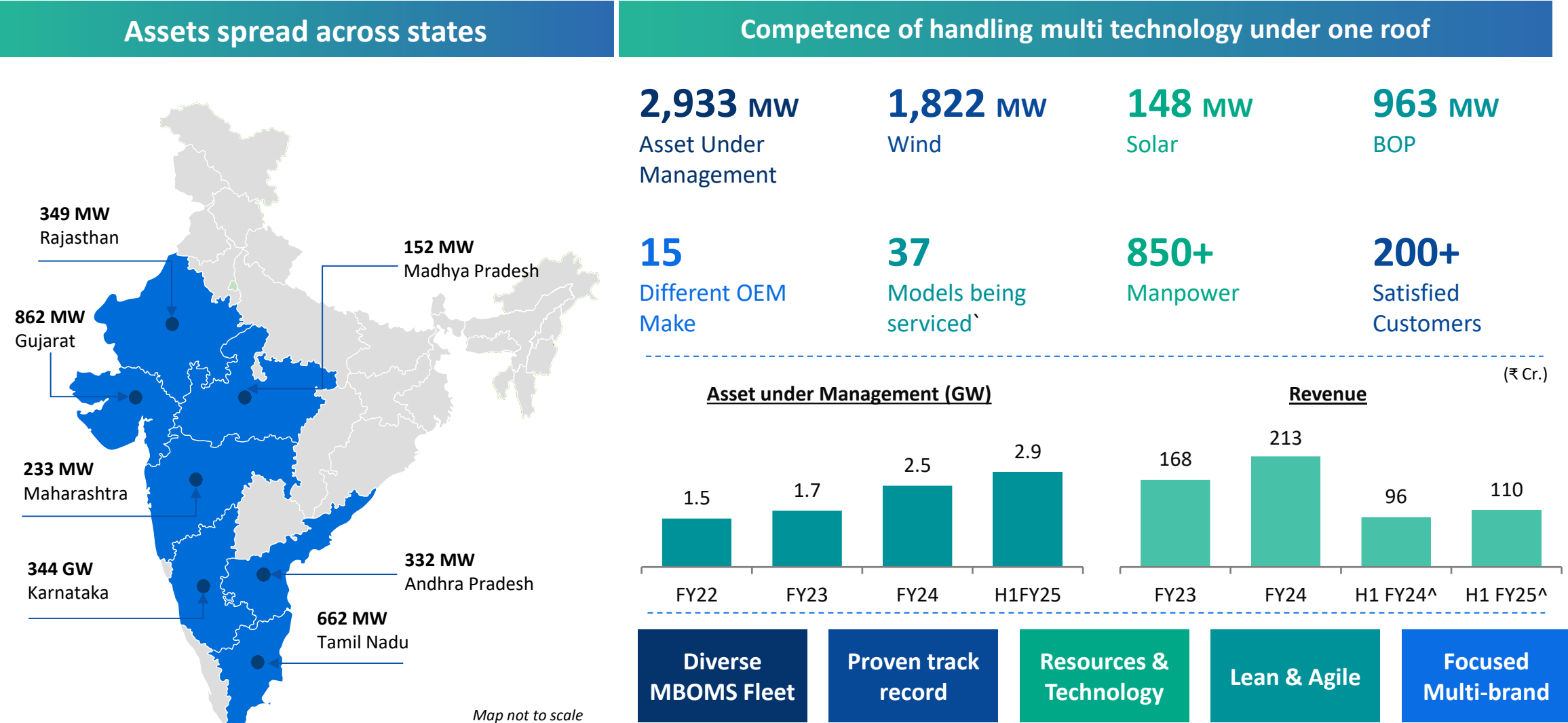
*Information on this slide pertains solely to Suzlon make turbines. Renom information is on next slide

Presence in all windy states in India



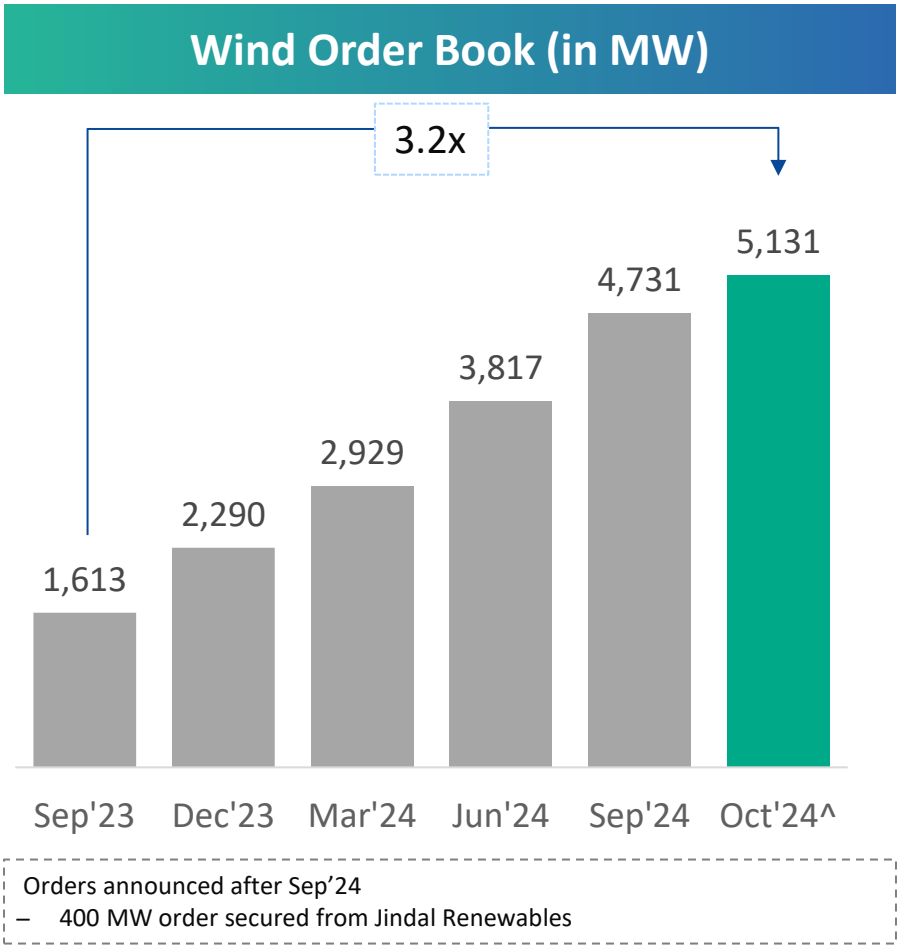
Map not to scale

Renom: The ultimate Multi-Brand O&M solution

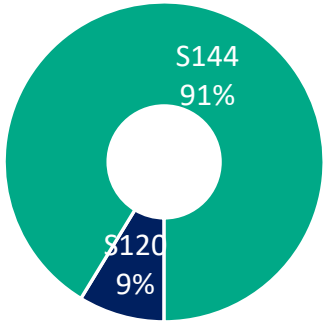


^H1FY24 and ^H1FY25 numbers are unaudited

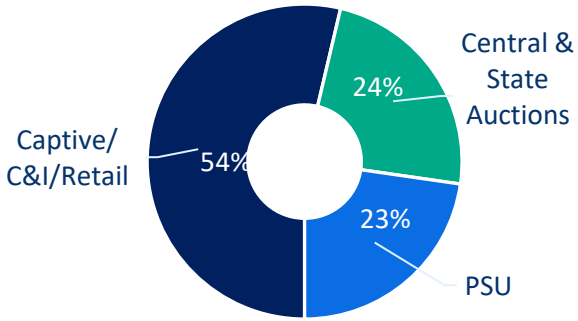
Wind Order Book



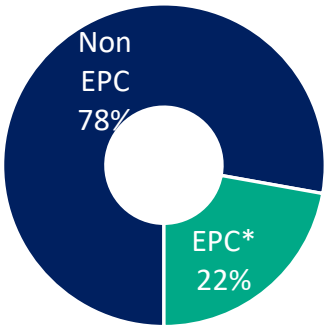
WTG model mix



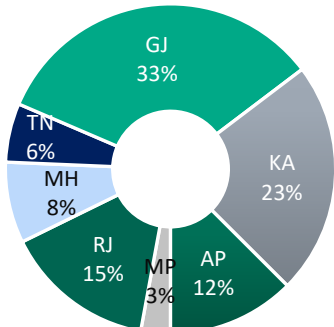
Project segment mix



Scope mix



State mix



Highest ever domestic Order Book of 5.1 GW and strong pipeline provide clear revenue outlook

^Order book as on 30th Sep 2024 plus orders announced in Oct '24

*EPC scope may differ from contract to contract | Note: Mix based on 5,131 MW

Leaders Steering our Future



Tulsi Tanti
*Founder,
Late Chairman
and Managing
Director*



Vinod Tanti
Chairman &
Managing Director



Girish Tanti
Vice Chairman



JP Chalasani
Group CEO



Himanshu Mody
Group CFO



Rajendra Mehta
Group CHRO



Bernhard Telgmann
Group CTO



Sandeep Chowdhury
Group General Counsel



Vivek Srivastava
CEO WTG Business



Gurpratap Boparai
CEO Manufacturing



Sairam Prasad
CEO India OMS



Ishwar C Mangal
CEO New Business



Kamlesh Bhadani
MD SE Forge



Venkat Subramaniam
CEO SE Forge

Professional senior management team backing the rich experience of the Board

Note: Detailed profile of the management team and the board of directors is available on website/Annual Report

Awards and Recognition



GWEC Board

Suzlon Group's Girish Tanti elected as the Vice-Chairman, Board of GWEC. He is also the Chairman, GWEC India and Co-Chairman, CII National Committee on Renewable Energy



CII CFO Excellence

CFO Excellence Awards 2023-24 under the category 'Excellence in Turnaround' by Confederation of Indian Industry



Great Indian Plant Leaders

Great Indian Industry of the Year Sustainability (Renewable Sector) From Great Indian Plant Leaders Summit & Awards 2024



PHDCCI

4th International Climate Summit award from PHD Chamber of Commerce and Industry for contributions to decarbonization with green energy



The Asian Business

Suzlon Energy Australia wins Australia Service Experience of the Year - Renewable Energy at the Asian Experience Awards, 2024

INDUSTRY
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STRENGTHS

**FINANCIAL
PERFORMANCE**

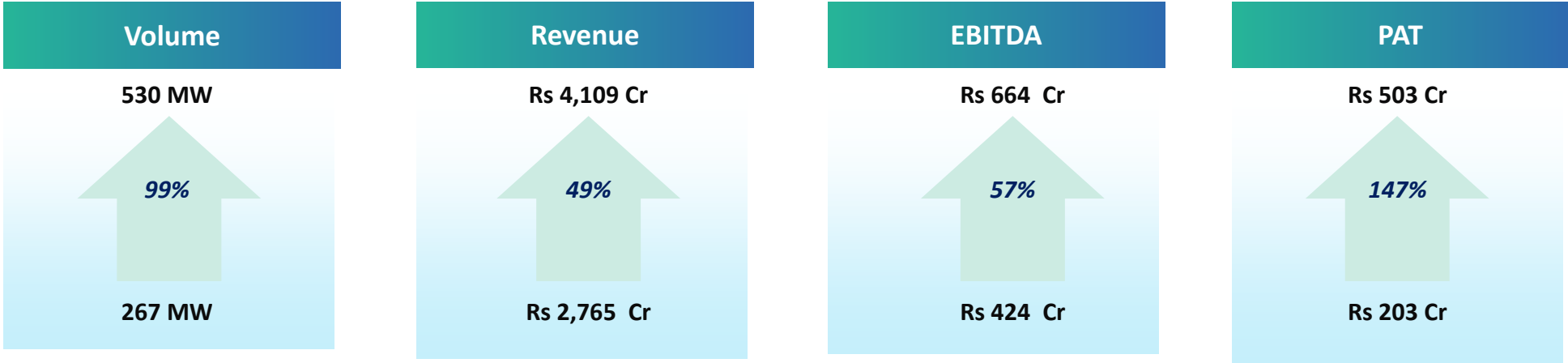
Key highlights of financial performance

- ✓ Achieved remarkable quarterly performance with year-on-year growth in all key parameters
- ✓ EBITDA of Rs 664 crore for H1 FY25, and Rs 294 crores for Q2 FY24
- ✓ H1 FY25 PAT surges 147% to Rs 503 crore
- ✓ Net cash position of Rs 1,277 crores as on 30th Sep 2024
- ✓ Received the largest single order of 1,166 MW from NTPC
- ✓ Acquired Renom, marking a significant entry into multi-brand Operations & Maintenance (O&M)
- ✓ Monetization of non-core asset 'One Earth' for Rs 440 crore

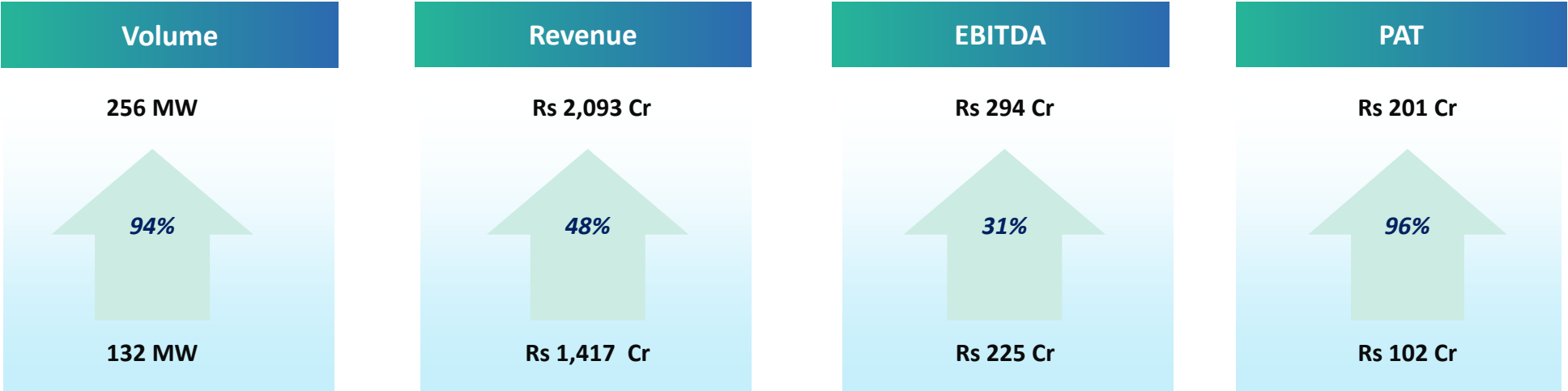
Stronger balance sheet and robust performance positions the Company to meaningfully participate in ongoing energy transition

Exceptional performance, marked by impressive YoY growth

Half Yearly

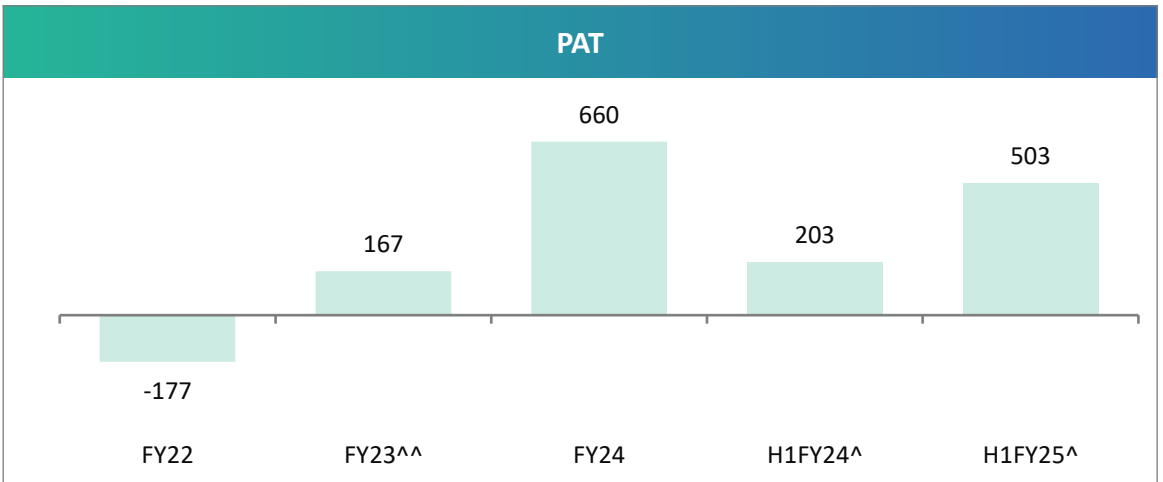
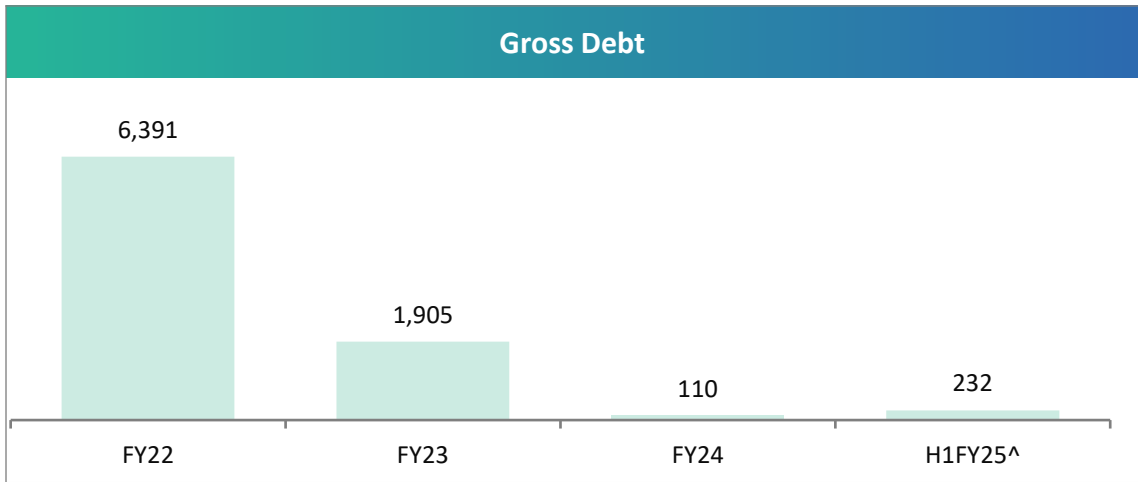
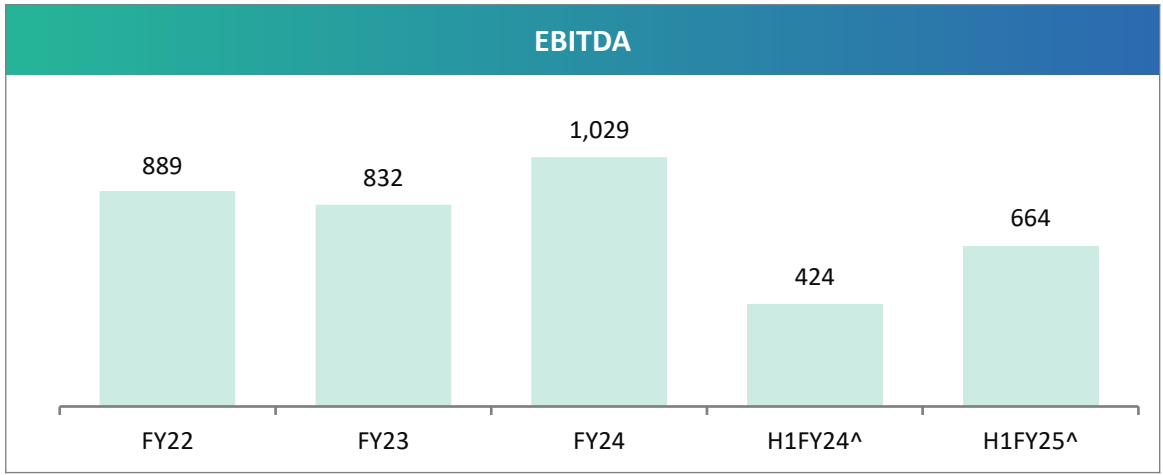
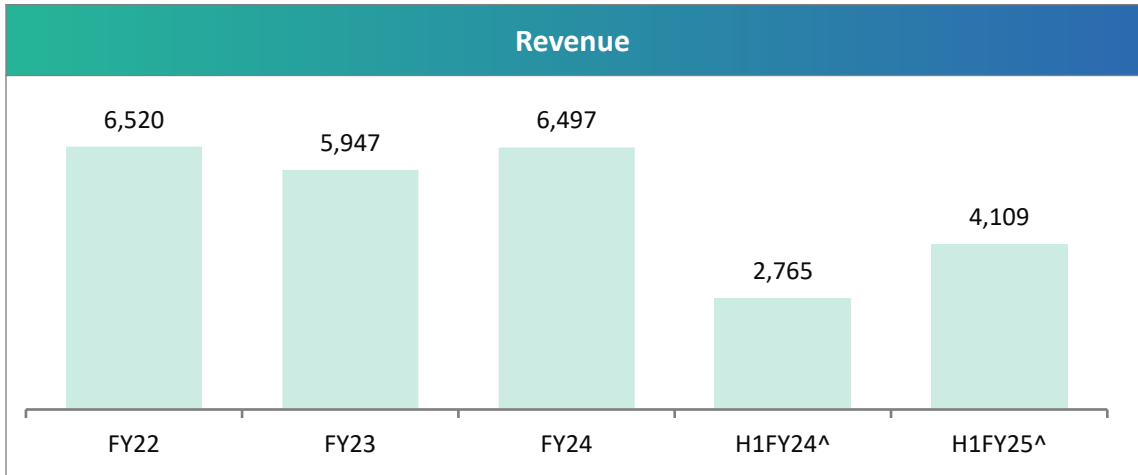


Quarterly



Core Business: Consistently delivering business performance

(₹ Cr.)

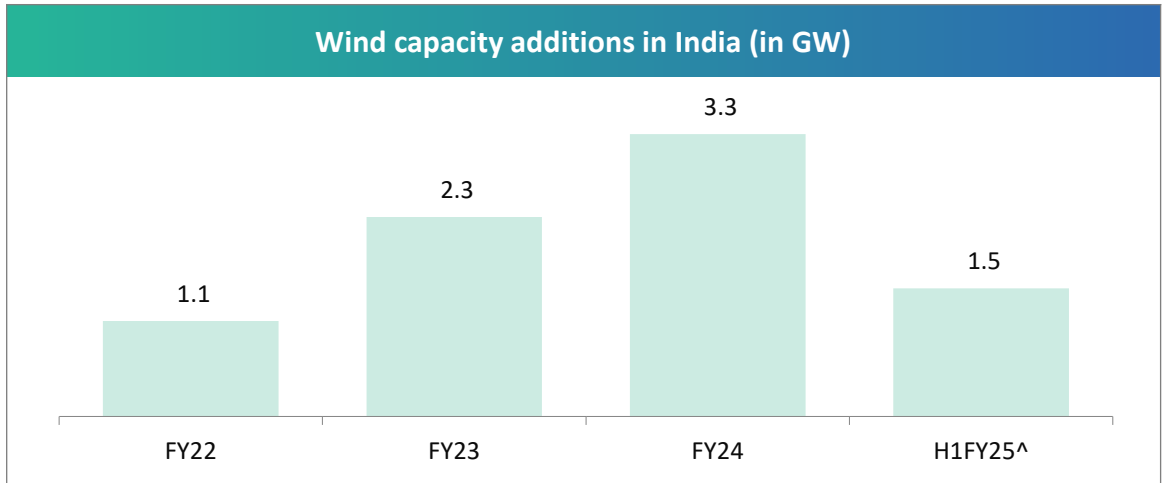


Note: Consolidated numbers used | ^H1FY24 and ^H1FY25 numbers are unaudited |
H1 FY25 Gross Debt of 232 Cr inclusive of Renom

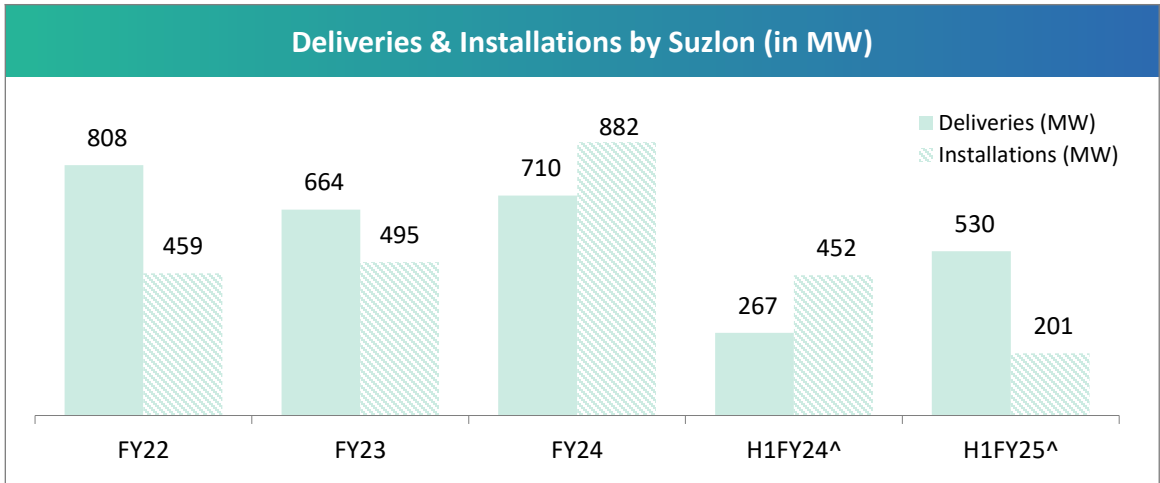
^^ For FY23, 167 Cr is PAT before exceptional items

Strong improvement across all financial parameters as deliveries rise significantly

WTG Division – Key performance indicators



Source: Directory Indian Wind Power, 2024 (CECL)



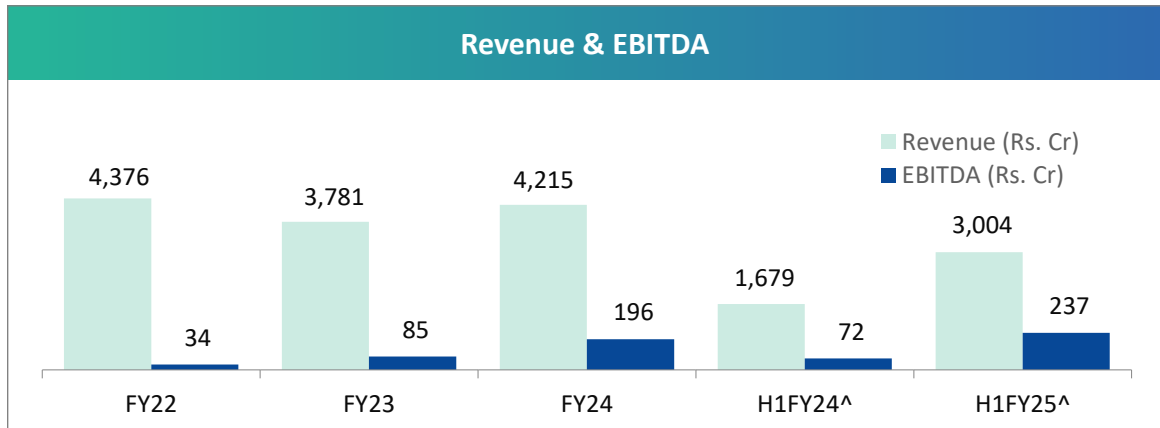
Suzlon has an installed base of 15 GW, representing a 32% market share of India's total wind capacity of 47.4 GW

Robust performance on back of structural improvements

- Driven by strong commercials fundamentals, lower LCoE driving C&I demand
- Wind tariffs at sweet spot for all key stakeholders; customers, OEMs, Financial Institutions, etc.
- Fortified balance sheet with adequate working capital helped delivery growth of 99% on YoY basis.
- Contribution Margin for WTG division improves to 22.1% in H1 FY25 from 20.5% in H1 FY24

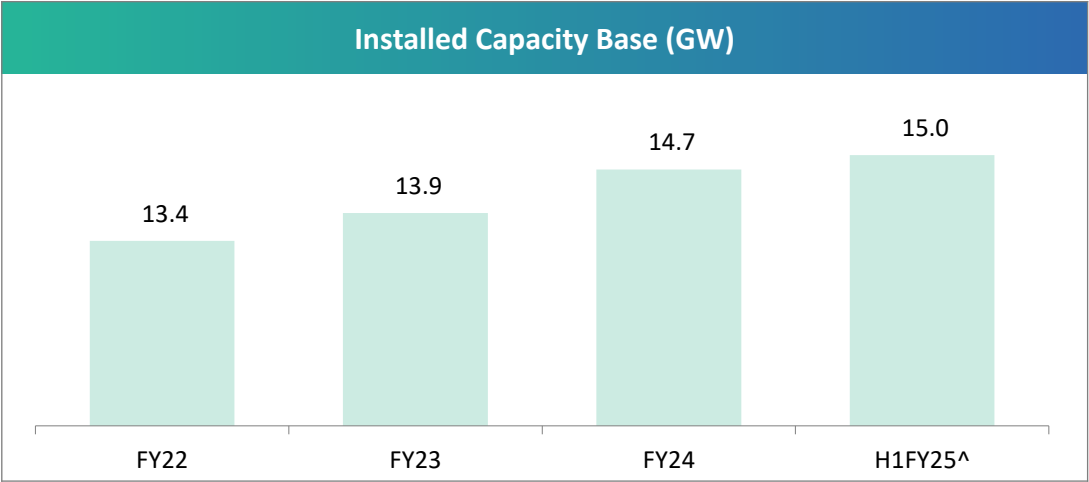
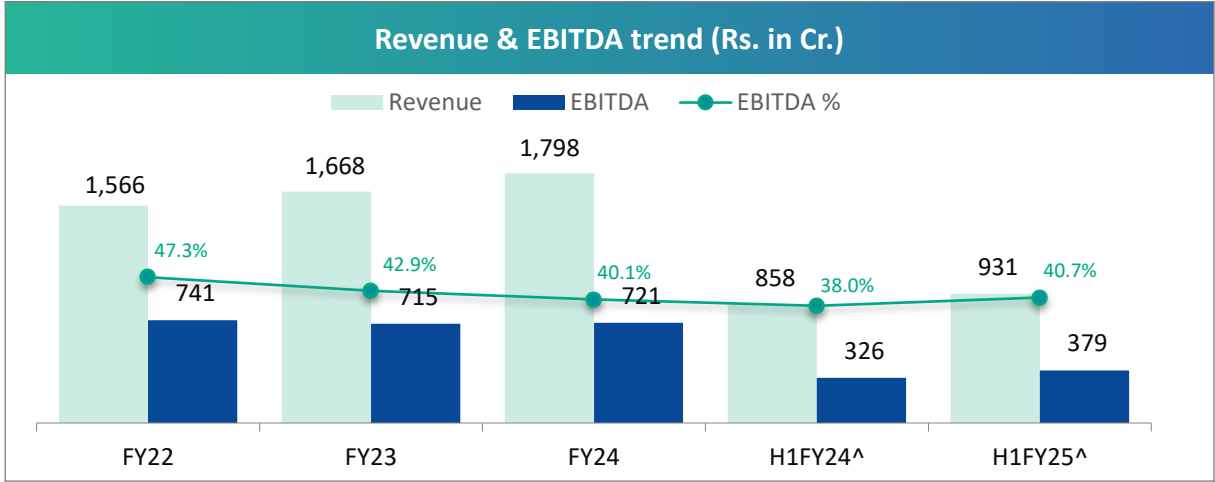
^ H1FY24 & H1FY25 numbers are unaudited

Note: The revenue numbers are from statutory segment reporting



WTG Division well poised to capture the opportunity in wind sector with strong order book

OMS India Division¹ - Key performance indicators



Key Strengths

1. Over 2 decades of best-in-class practices

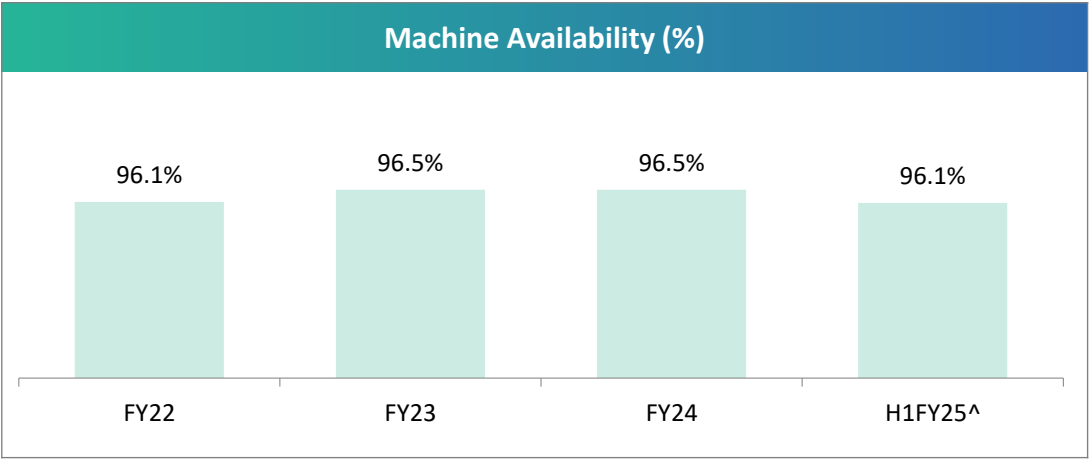
2. High double-digit margins and stable cashflows

3. Strong customer base across all segments

4. Diversified supplier and vendor network

5. Highly experienced management team

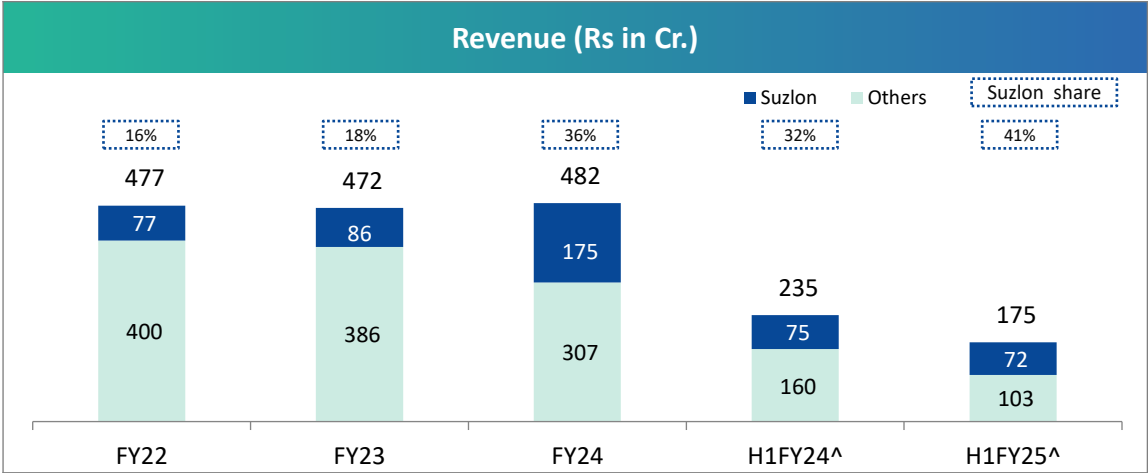
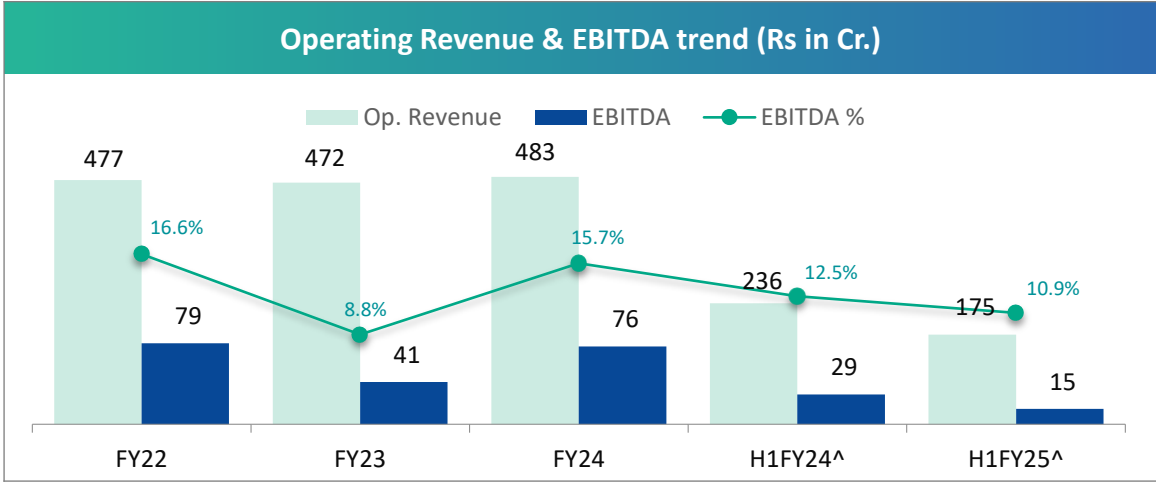
6. Legacy positioning and sizeable presence in all eight windy states



[^]H1FY24 & H1FY25 numbers are unaudited | FY24 EBITDA is after net impact of one-time costs of Rs 47 Cr on account of cyclone Biparjoy in Gujarat
 Note 1: The above numbers are for OMS India division from statutory segment reporting without Renom

OMS India Division is a stable and resilient business model

SE Forge (Foundry & Forging) – Key performance indicators



Key Strengths

1. Independently operating business with diversified customer base

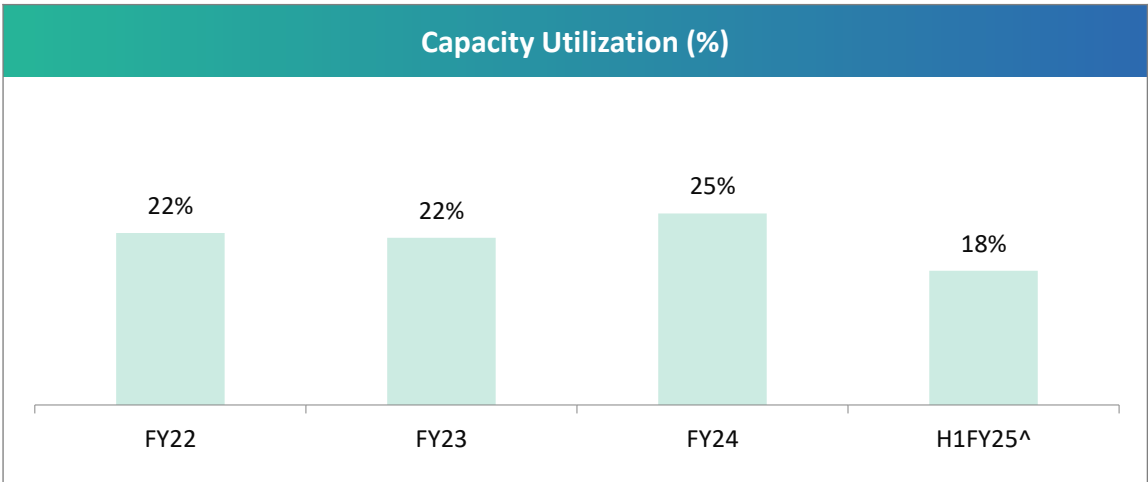
2. Annual manufacturing capacity of 120,000 MT

3. Favorable wind power market conditions

4. Lower level of capacity utilization provides headroom for growth

5. Availability of skilled manpower & working capital

6. Robust & lean manufacturing systems



^ H1FY24 & H1FY25 numbers are unaudited
Note: The revenue numbers are from statutory segment reporting

SE Forge (Foundry & Forging) is well poised to capture the market opportunity from increasing demand for wind power

Consolidated Income Statement

(₹ Cr.)

Particulars	Q2 FY25	Q2 FY24	Q1 FY25	H1 FY25	H1 FY24	FY24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Volumes (MW)	256	132	274	530	267	710
Net Revenue	2,093	1,417	2,016	4,109	2,765	6,497
Contribution	734	546	712	1,446	1,052	2,348
Contribution Margin	35.1%	38.5%	35.3%	35.2%	38.0%	36.1%
Employee Expenses	242	183	196	438	344	703
Other Expenses (net)	198	138	146	344	284	617
EBITDA	294	225	370	664	424	1,029
EBITDA Margin	14.1%	15.9%	18.4%	16.2%	15.3%	15.8%
Depreciation	54	51	46	100	106	190
Net Finance Cost	38	36	22	60	88	126
Taxes	1	0	0	1	0	(1)
Net Profit/(Loss) (before exceptional items)	201	137	302	503	230	714
Exceptional Loss / (Gain)	0	35	0	0	27	54
Net Profit After Tax	201	102	302	503	203	660

Consolidated Balance Sheet

(₹ Cr.)

Particulars	Sep-24	Mar-24	Mar-23
	Unaudited	Audited	Audited
Equity & Liabilities			
Net Worth	4,495	3,920	1,099
Non-Controlling Interests	198	-	-
Borrowings (non-current and current)	232	110	1,905
Non-current Liabilities	821	200	206
Current Liabilities	3,902	2,948	2,313
Total equity and liabilities	9,649	7,179	5,523
Assets			
Non-current Assets	1,952	1,061	988
Inventories	3,189	2,292	1,827
Trade Receivables	2,149	1,830	1,170
Other current assets	849	739	813
Cash and cash equivalents*	1,508	1,258	725
Total assets	9,649	7,179	5,523
Net Cash/(Net Debt)	1,277	1,148	(1,180)

*including Non-Current Bank balances

Glossary

- | | |
|---|---|
| 1. AEP – Annual Energy Production | 17. LCoE – Levelized Cost of Energy |
| 2. BOP – Balance of Plant | 18. MNRE – Ministry of New And Renewable Energy |
| 3. BESS – Battery Energy Storage System | 19. MT – Metric Ton |
| 4. C&I – Commercial and Industrial | 20. MW – Megawatt |
| 5. CEA - Central Electricity Authority | 21. NIWE – National Institute of Wind Energy |
| 6. COD – Commercial Operations Date | 22. OEM - Original Equipment Manufacturer |
| 7. EBITDA – Earnings before Interest, Tax, Depreciation and Amortizations | 23. OMS – Operations and Maintenance Services |
| 8. GoI – Government of India | 24. PLF – Plant Load Factor |
| 9. GH2 – Green Hydrogen | 25. PSA – Power Sale Agreement |
| 10. GW – Gigawatt | 26. RE – Renewable Energy |
| 11. GWEC – Global Wind Energy Council | 27. RGO -- Renewable Generation Obligation |
| 12. HH – Hub Height | 28. RPO – Renewable Purchase Obligation |
| 13. IRIM – International Research Institute for Manufacturing | 29. RTC – Round The Clock |
| 14. ISTS – Inter-State Transmission System | 30. SCoD – Scheduled Commissioning Date |
| 15. IWTMA – Indian Wind Turbine Manufacturers Association | 31. WTG – Wind Turbine Generator |
| 16. KPI – Key Performance Indicators | 32. Y-o-Y – Year on Year |

References

<https://www.seci.co.in/>

<https://cea.nic.in/>

<https://mnre.gov.in/>

<https://niwe.res.in/>

<https://powermin.gov.in/>

<https://www.mercomindia.com/>

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<https://gwec.net/globalwindreport2023/>

<https://gwec.net/india-wind-energy-market-outlook-2023-2027-report/>

<https://www.crisil.com/en/home/sectors-we-cover/energy.html>

A photograph of four Suzlon wind turbines standing on a grassy hill. The turbines are white with red and white striped towers and blades. The background shows a hilly landscape under a cloudy sky.

Thank You!

Email contact for queries:
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