

January 18, 2024

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Scrip Code: 542760	National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East), Mumbai – 400 051 Symbol: SWSOLAR
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Sub.: Investor presentation on the Unaudited Standalone and Consolidated Financial results of Sterling and Wilson Renewable Energy Limited (“the Company”) for the quarter and nine months ended December 31, 2023

Ref.: Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/ Madam,

Pursuant to the Listing Regulations, please find enclosed herewith a copy of the Investor presentation on the Unaudited Standalone and Consolidated Financial results of the Company for the quarter and nine months ended December 31, 2023.

Request you to take the same on record.

Yours faithfully,
For Sterling and Wilson Renewable Energy Limited

Bahadur Dastoor
Chief Financial Officer

Encl.: As above

Sterling and Wilson Renewable Energy Limited

(Formerly known as Sterling and Wilson Solar Limited)

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The future of *solar energy* is

Bright

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Forward looking statements are based on the current beliefs and expectations of the Company regarding future events, and are subject to various risks and uncertainties, many of which are difficult to predict. Actual results may differ materially from anticipated results due to factors beyond the Company's control. Such risks and uncertainties include, but are not limited to, challenges to intellectual property, competition from other products, adverse litigation or government action, and changes to laws and regulations applicable to our industry. This Presentation also contains certain financial and operational information relating to the Company that is based on management estimates. These estimates are based on management's past experience and subjective judgment, and the manner in which such estimates are determined may vary from that used for the preparation and presentation of similar information provided by other companies engaged in the sector in which our Company operates. Neither the Company nor its affiliates or advisors or representatives nor any of their respective affiliates or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements or management estimates are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this Presentation or the actual occurrence of the forecasted developments.. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions, regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

About Us

| WHO WE ARE

Leading Solar EPC and O&M Solutions Provider

We offer Design, Detailed Engineering, Procurement, Construction, Installation, Commissioning and Operations & Maintenance services under turnkey EPC and BoS (Balance of System) solutions for utility-scale, rooftop and floating solar power projects. We also offer solar plus storage solutions.

OPERATIONAL EXCELLENCE

EPC Portfolio
17.5 GWp

O&M Portfolio
6.4 GWp

Global Manpower
2,039

GLOBAL RECOGNITION

EPC and O&M of Abu Dhabi
1,177 MWp One of the world's largest single location PV plant

Regional presence across
28 countries Significant cost benefit and timely execution

DOMESTIC POWERHOUSE

EPC and O&M of NTPC
3GW+ in 2 projects
Executing one of India's largest PV plants at Khavda, Gujarat

Awarded two projects of 1,570 MWp and 1,500 MWp in FY23



Market Leader

Leading Solar EPC solutions provider in the world

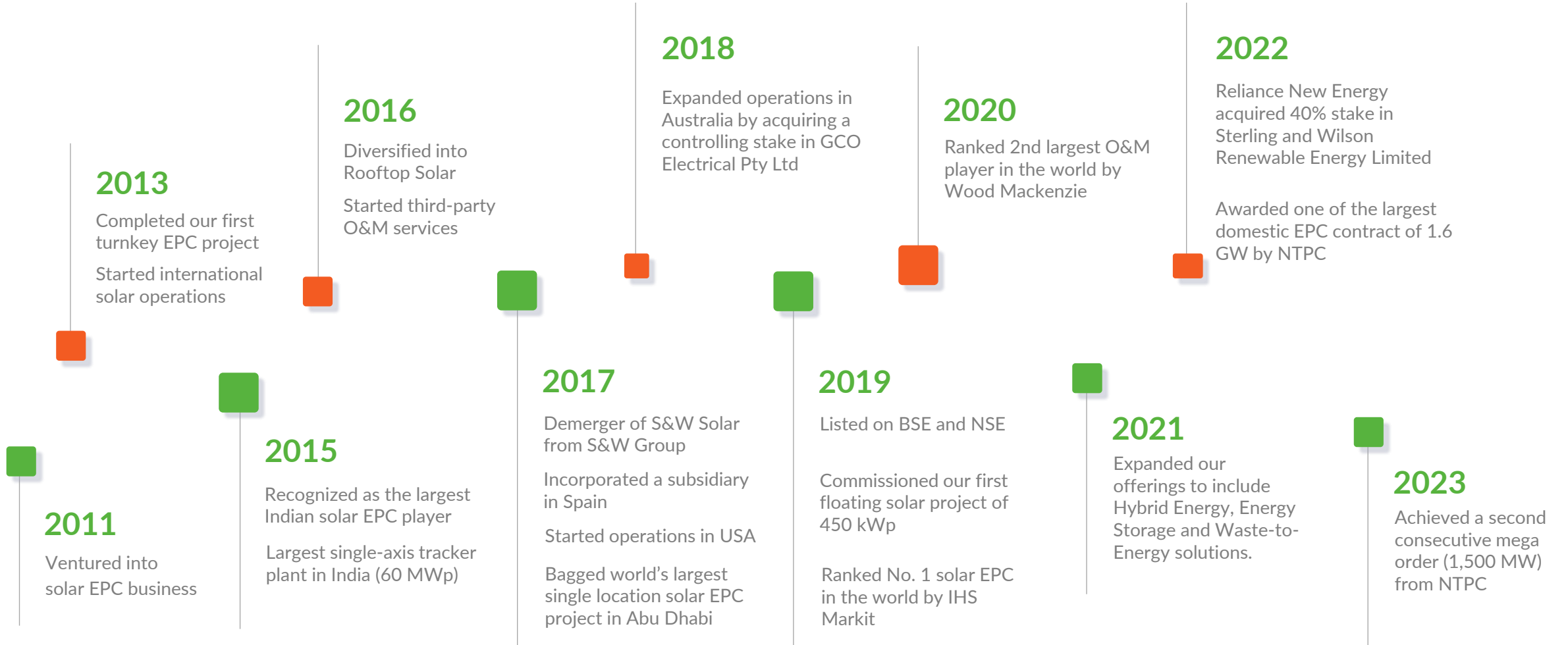
Leading Solar O&M player globally

No. 1 Solar EPC player in Australia

End-to-end **"concept to commission"** solar EPC

Journey

| A GLOBAL LEADER IN SOLAR EPC IN 8 YEARS



Why Us

| WHAT DIFFERENTIATES US



Our Presence

| ACROSS THE GLOBE

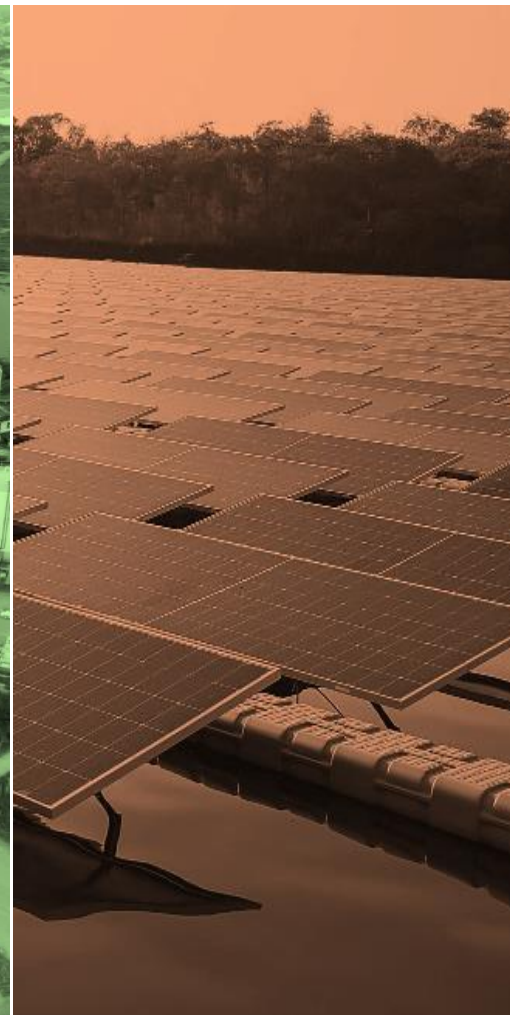
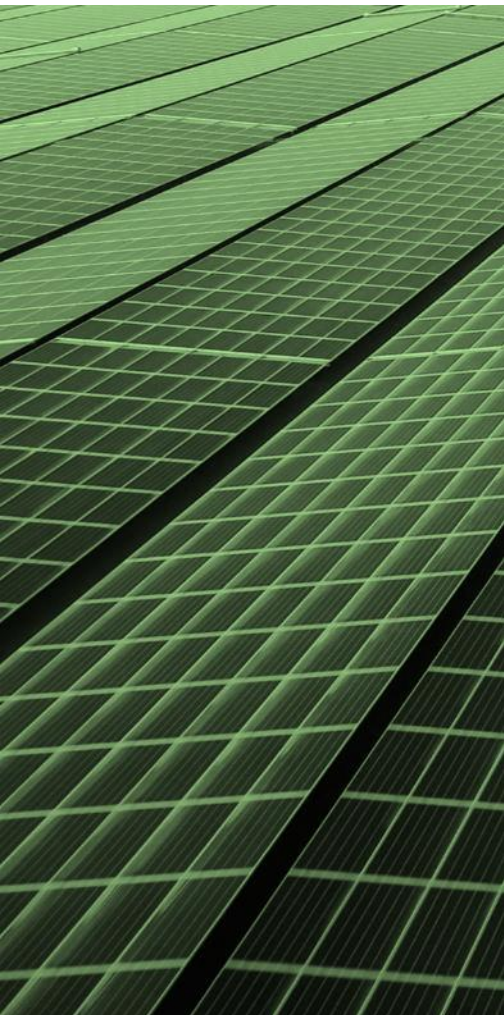


 Offices in
28 Countries

 Projects in
20 Countries

Financial Highlights

| 3Q FY 2024



Financials

| KEY HIGHLIGHTS FOR 3Q FY24

- Company has received new orders / LOIs in five projects worth ~INR 2,421 crore during the quarter including being declared L1 for one of the largest floating solar module projects in the country
- We have received total orders / LOI in 11 projects worth INR 5,527 crore in 9MFY24
- Bagged our first international order in 3 years from Plenitude (part of ENI group) for a BOS project in Spain amounting to ~EUR 112 mn (inclusive of O&M for 3 years)
- P&L of the company has remained steady despite challenges in Q3 arising from tight working capital conditions which affected ongoing operations
 - Achieved positive consolidated EBITDA in 3QFY24
 - Domestic EPC gross margins continue to operate within our target range
- The company has significantly de-leveraged the balance sheet during the quarter aided by
 - QIP inflows of ~INR 1,500 crore
 - Promoter indemnity receipts, and
 - Inflows from settlement with customers
- Consequently, net debt of the company has reduced to ~INR 27 crore as of December 31, 2023 from ~INR 2,079 crore as of September 30, 2023
 - Loans due for next 12 months have been paid off and/or funds earmarked against them

Financials

CONSOLIDATED PROFIT & LOSS – 3Q FY24

INR Crore	Q3FY24	Q3FY23	Q2FY24	FY2023
Revenue from Operations	583	410	759	2,110
Gross Margin	65	(30)	66	(651)
Gross Margin %	11.2%	(7.2%)	8.6%	(30.9%)
Other Income	18	4	1	36
Recurring Overheads	81	93	71	365
Recurring Overheads %	14.0%	22.7%	9.4%	17.3%
Non-recurring Overheads	0	3	0	17
Forex gain / (loss)	8	68	22	(26)
Reported EBITDA	10	(53)	18	(1,023)
EBITDA Margin %	1.7%	(13.0%)	2.3%	(48.5%)
EBIT	6	(59)	14	(1,038)
EBIT Margin %	1.0%	(14.3%)	1.8%	(49.2%)
PBT	(61)	(95)	(50)	(1,178)
PBT Margin %	(10.4%)	(23.2%)	(6.6%)	(55.9%)
PAT	(62)	(99)	(54)	(1,175)
PAT Margin	(10.7%)	(24.2%)	(7.2%)	(55.7%)

INR Crore	Q3FY24	Q2FY24	Q1FY24	FY2023
Revenue from Operations				
- International EPC	56	141	159	1,400
- Domestic EPC	470	567	308	516
- Operation and Maintenance	57	51	47	190
Total	583	759	515	2,107
Gross margin				
- International EPC	12	(3)	12	(710)
- Domestic EPC	44	57	40	50
- Operation and Maintenance	9	12	7	10
Total	65	66	59	(651)
Gross margin %	11.2%	8.6%	11.3%	(30.9%)

- ▶ Revenue has improved YoY but was subdued sequentially due to execution challenges faced in Q3FY24 due to tight financial conditions.
 - ▶ Execution pace is expected to improve from Q4 onwards with ample liquidity back in the system
- ▶ Company has reported third consecutive quarter of positive gross margins with higher revenue contribution from the domestic EPC segment.
- ▶ Reported EBITDA has remained positive for second consecutive quarter aided by forex gains
- ▶ Domestic EPC margins continue to remain above 9%. Our unexecuted order book which largely comprises Domestic projects currently is likely to help sustain gross margins going forward

Financials

| CONSOLIDATED BALANCE SHEET – 3Q FY24

INR Crore	Dec-23	Sep-23
Sources of Funds		
Shareholders Funds	982	(415)
Borrowings from Banks (net)	27	2,079
	1,009	1,664
Application of Funds		
Fixed assets (including right to use assets)	61	64
Core Working Capital	(586)	(701)
Deferred tax, direct and indirect tax assets (net)	483	469
Other assets / (liabilities)	1,051	1,832
Total	1,009	1,664

Breakdown of Core Working Capital (INR Crore)	Dec-23
Current Assets	1,840
Inventories	1
Receivables	1,672
<i>Receivable days</i>	262
Advances to suppliers	167
Current Liabilities	2,426
Trade payables	1,331
<i>Payable days</i>	232
Advances from Customers	1,095
Core Working Capital	(586)

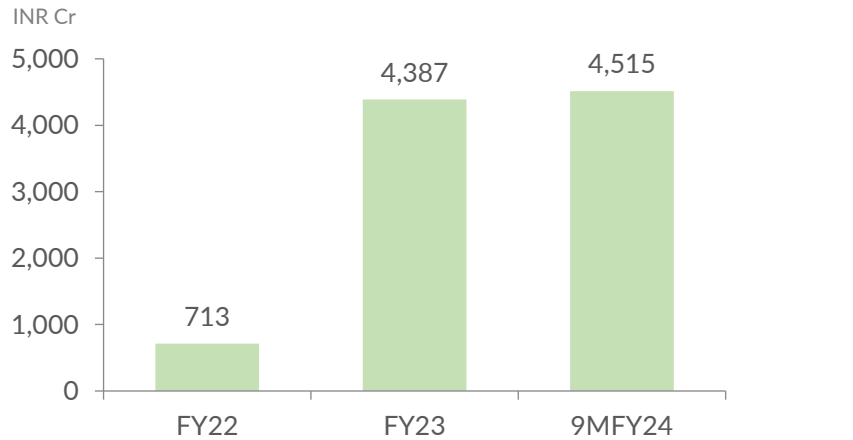
Breakdown of Net Debt (INR Crore)	Dec-23	Sep-23
Cash and Bank Balances	(550)	(99)
Add: Term debt	428	1,418
Add: Working capital related debt	-	337
Add: Commercial Paper	100	97
Add: BG Invocation Loan	-	277
Total Net Debt	(22)	2,030
Add: Suppliers Credit	49	49
Net Debt	27	2,079

- ▶ Increase in shareholders' funds is mainly on account of the INR 1,500 crore QIP, reduced marginally by net loss during the quarter
- ▶ Excluding suppliers credit, the company has turned net cash positive in December 2023 from over INR 2,000 crore net debt in September 2023. This has been achieved through proceeds from the QIP, indemnity inflows and proceeds from settlement with customers
- ▶ Loans due for next 12 months have been paid off and/or funds earmarked against them
- ▶ Core working capital continues to remain negative at Rs 586 crore as at December 2023

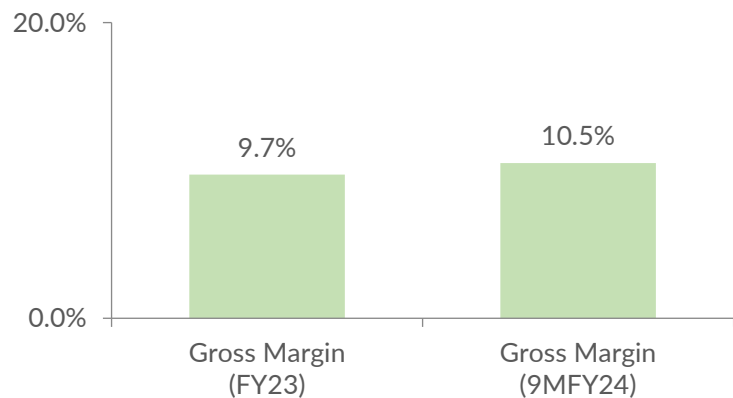
Outlook

| DOMESTIC EPC MOMENTUM GAINING TRACTION

India Order Inflow



Domestic EPC has remained profitable in challenging times



- LOI for Module + BOS package of ~375 MW DC in 2QFY24



- Received new BOS order of ~530 MW DC in 3QFY24



- Received new BOS order of ~140 MW DC in 3QFY24



- GIPCL BOS package of ~750 MW DC in 2QFY24



- Received order of ~490 MW DC in 2QFY24



- Received order of 319 MW DC in 1QFY24



- Received order of 72.5 MW DC in 1QFY24

SWREL received new orders totaling ~INR 4,515 cr in 9MFY24 from the Domestic market

Outlook

| INTERNATIONAL ORDER SIGNED



- SWREL bagged its first international order in 3 years with a BOS package for a 221 MWdc project in Spain
- Through this project, SWREL has achieved a key breakthrough in the European solar market
- The scope of work includes design, engineering, supply (excluding the PV modules and Transformer), construction, erection, testing, and commissioning



SWREL signed a 221 MW BOS order for ~EUR 112 mn including O&M for 3 years

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

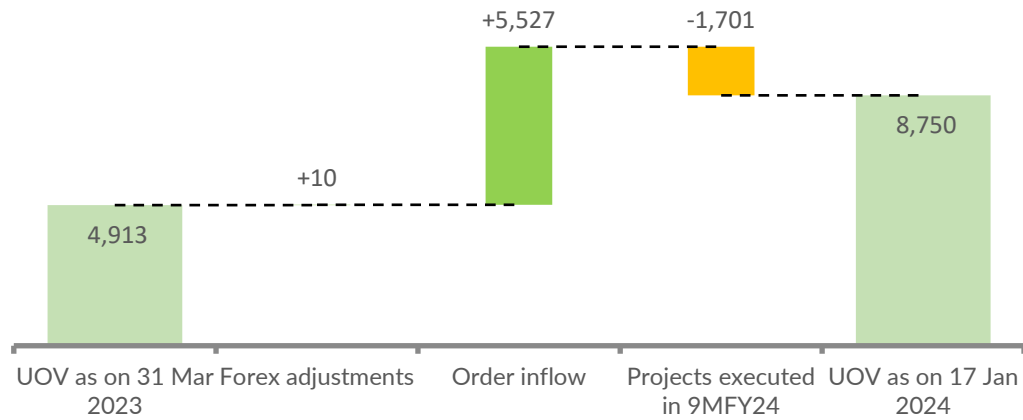


SWREL signed a MOU with Nigerian government & Sun Africa to design and construct 961 MW

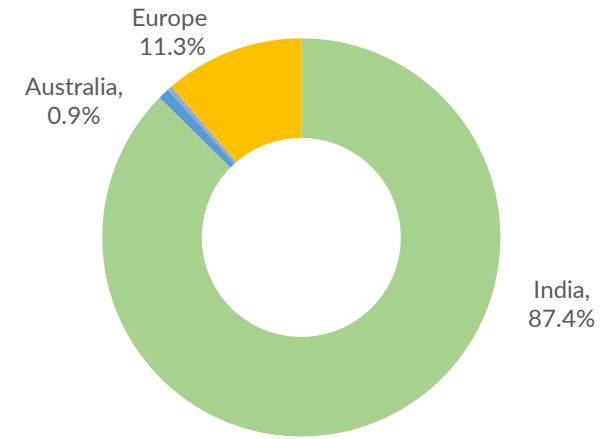
Outlook

| ORDER BOOK & PIPELINE

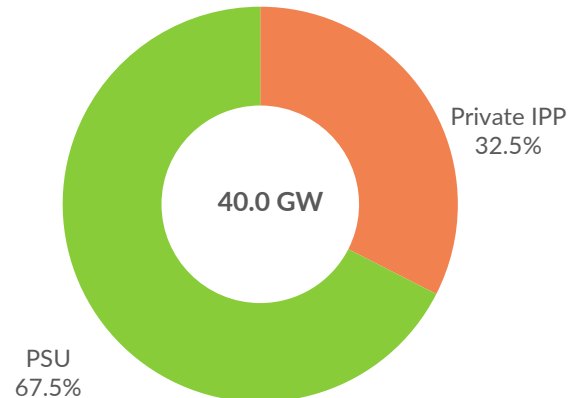
Unexecuted Order Value Movement



Gross UOV as on 17 January 2024



India Solar EPC bid pipeline* till FY25 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	2,421	-	5,527

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

Note: UOV includes a domestic floating solar project where the company has been declared L1



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