

Suzlon Energy Limited

Investor Presentation
Q1, FY 23-24

25th July 2023



Suzlon Wind Farm, Nakhatrana, Kutch, Gujarat

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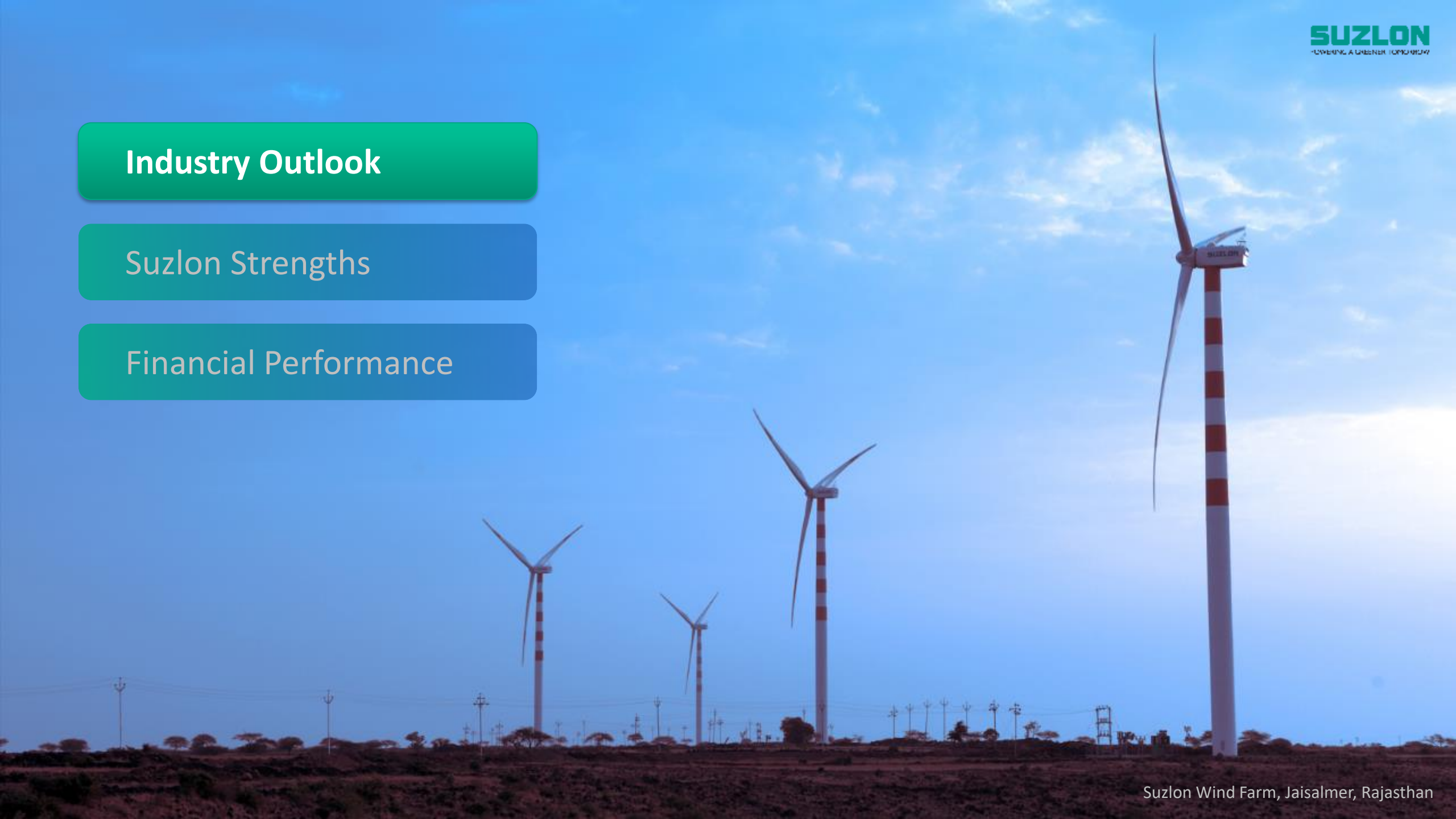
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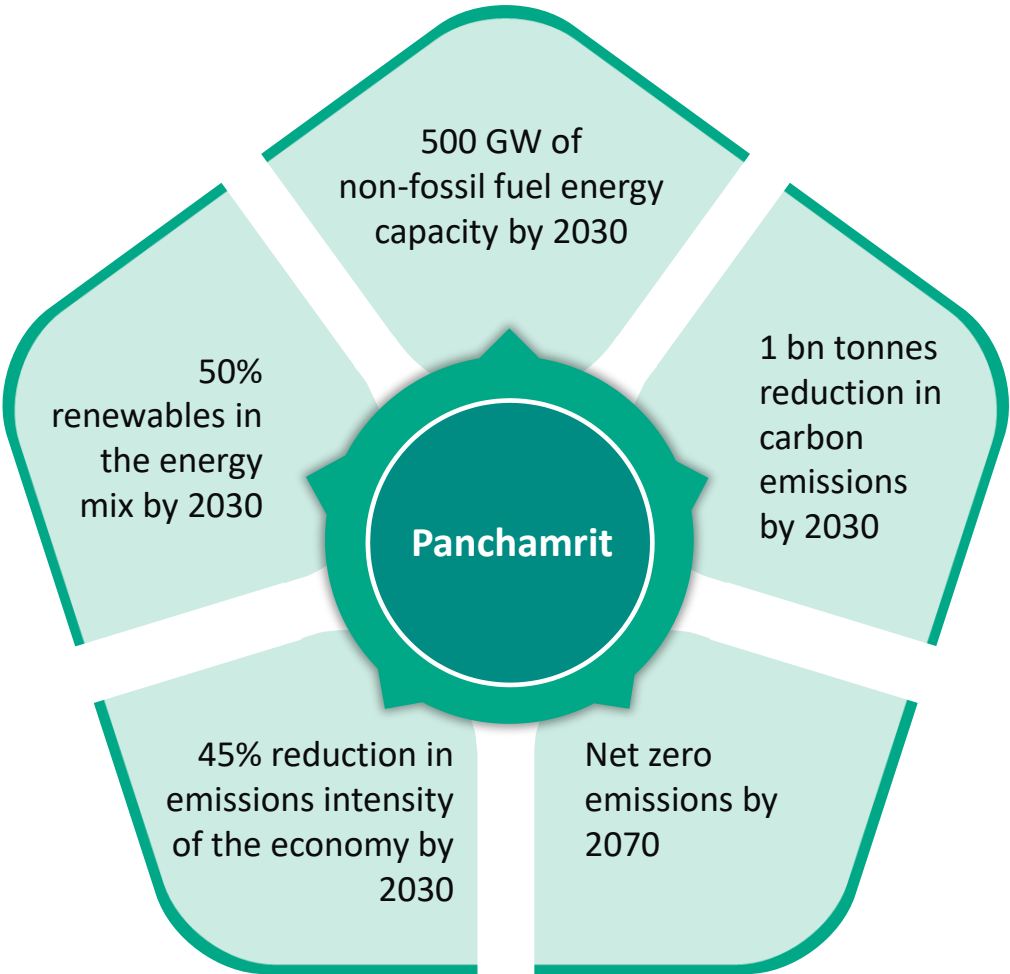
Industry Outlook

Suzlon Strengths

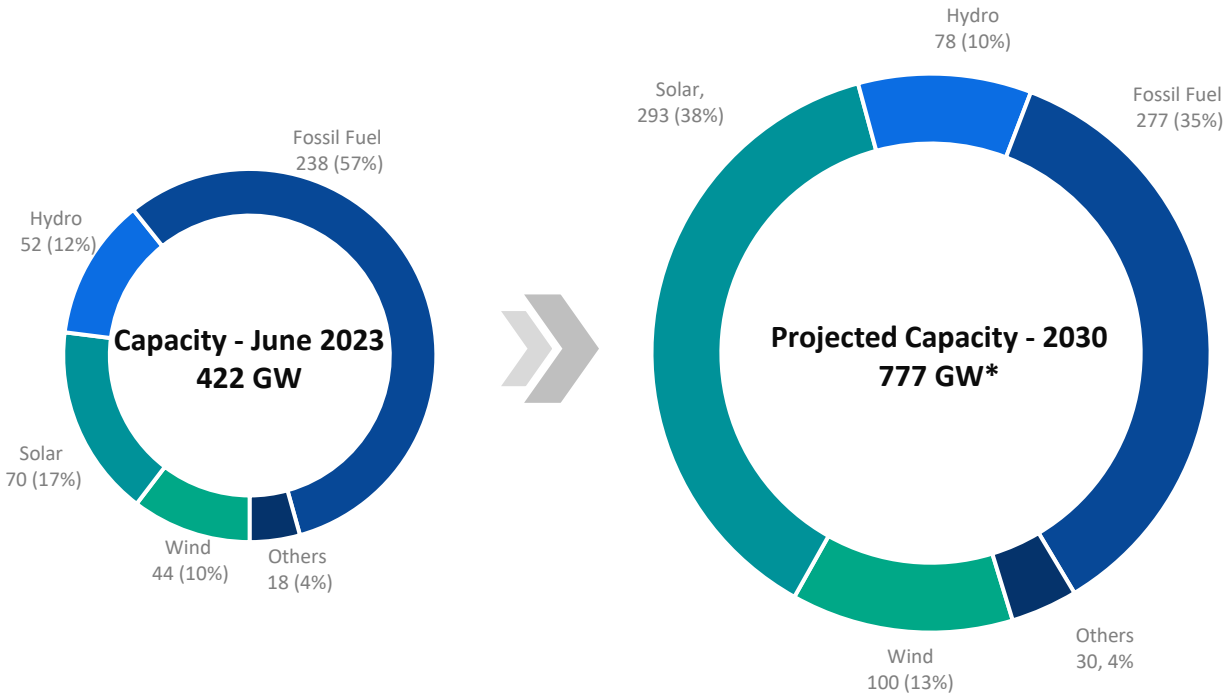
Financial Performance



Renewable Energy growth to be driven by Wind & Solar



Installed Power Generation Capacity Mix (GW)



**CEA's Report On Optimal Generation Capacity Mix for 2029-30 issued in Apr 2023 – Base Case scenario*

Share of renewable in the overall power capacity mix to substantially increase by 2030 with both Wind & Solar co-existing

Opportunities: Favorable market conditions & strong demand outlook



Suzlon well positioned to capture the market opportunity from energy transition

* https://powermin.gov.in/sites/default/files/Waiver_of_inter_state_transmission_charges_Order_dated_21_June_2021.pdf

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

Industry Outlook

Suzlon Strengths

Financial Performance



Suzlon Wind Farm, Dhule, Maharashtra

Suzlon Strengths



20.1 GW*

Global installed Wind
Energy Capacity



~33%

Cumulative Market
Share in India



5,900+

Global Workforce



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



**Includes installed capacity of 14.2 GW in India*

As on 30th June 2023

Suzlon's Strengths in Indian Wind Energy Market



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



28 Years
Track
Record

Strong presence across value chain & customer segments

As on 30th June 2023



Key clientele among marquee customers globally

ACC

adani
Renewables



APRAVA
ENERGY

Brookfield
Renewable Energy Partners

BLACKROCK



 Clearway

enel
Green Power



Greenko

Hero

HYATT



Leap Green Energy
The Partner to your Sustainability



Reliance
Industries Limited

RELIANCE

ReNew
POWER

SBI



Shree
Cement



torrent
POWER



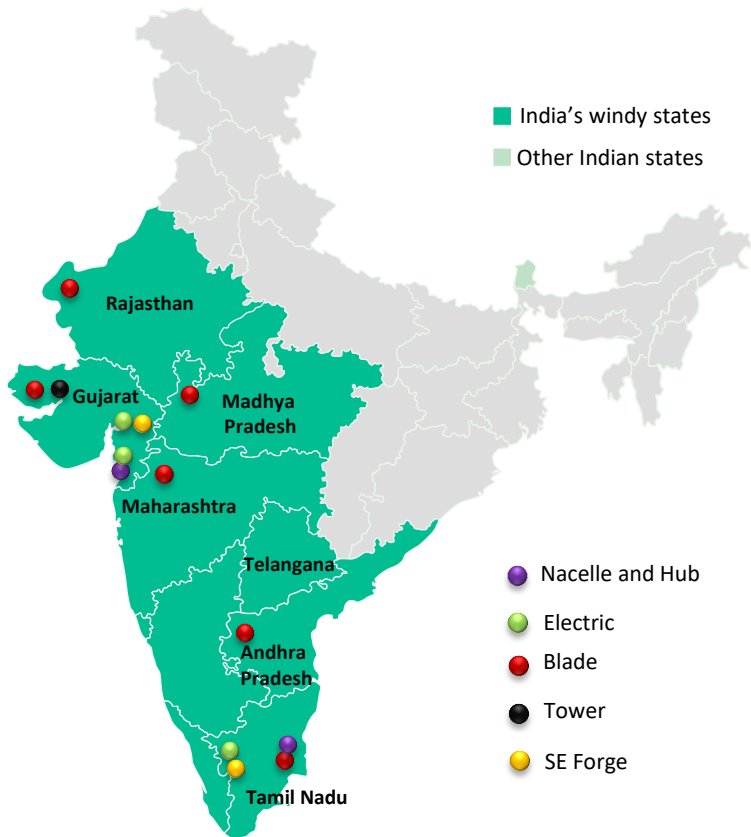
vedanta

And many more customers.....

Geographically diversified manufacturing base

Best-in-class manufacturing capability

Manufacturing locations across India*



Vertically integrated low-cost supply chain



India Manufacturing Capacity
~3,150¹ MW



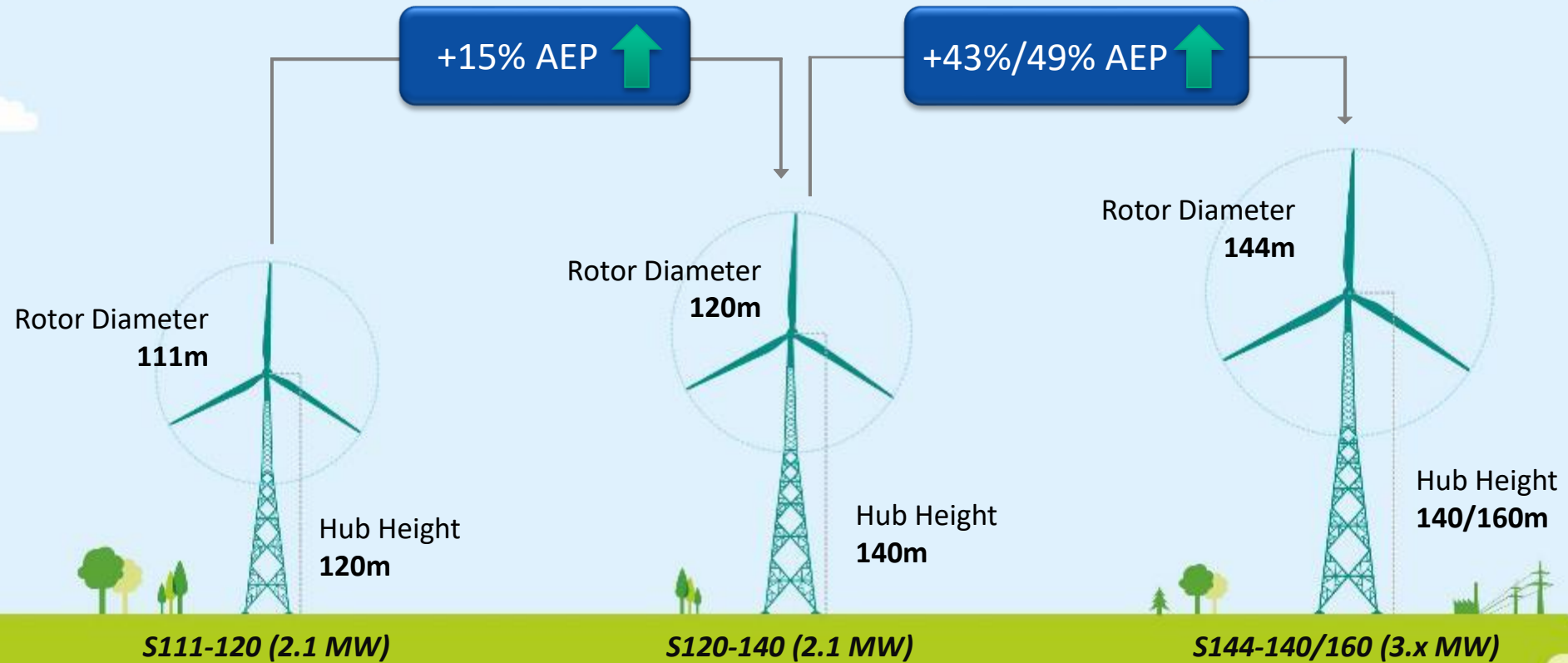
Sufficient & flexible manufacturing capacity
to cater to the market



*Map not to scale. All data, information and map are provided "as is" without warranty or any representation of accuracy or completeness

Note: ¹ SEL has a ramp up/ramp down capacity. Capacity of 3150 MW is for 2.1 MW WTGs. When Suzlon manufactures 3+ MW WTGs, capacity can be ramped up to 4500 MW in phased manner

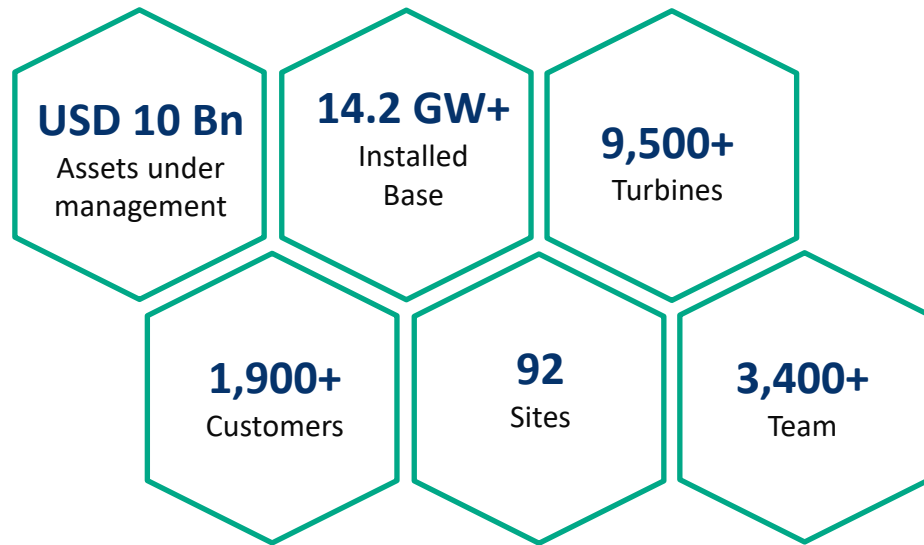
Product Optimized for Higher Energy Output



Consistent Reduction of Levelised Cost of Energy (LCoE)

Overview of asset management capabilities in India

Overview of India OMS

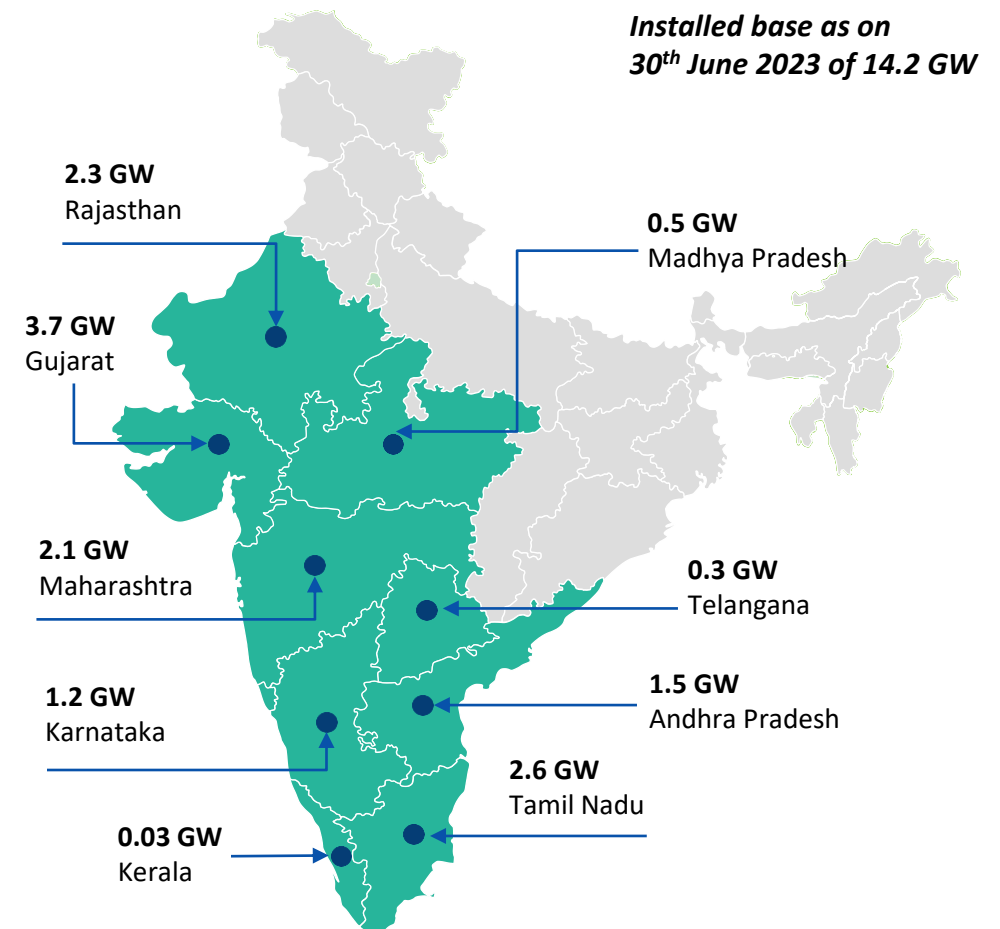


~33% share of all India installed wind capacity

Impact of clean energy:

- Over 3.02 Bn trees absorbing CO2 per year
- Over 9.20 Mn households powered p.a.
- Over 36.32 MT of CO2 emissions prevented p.a.

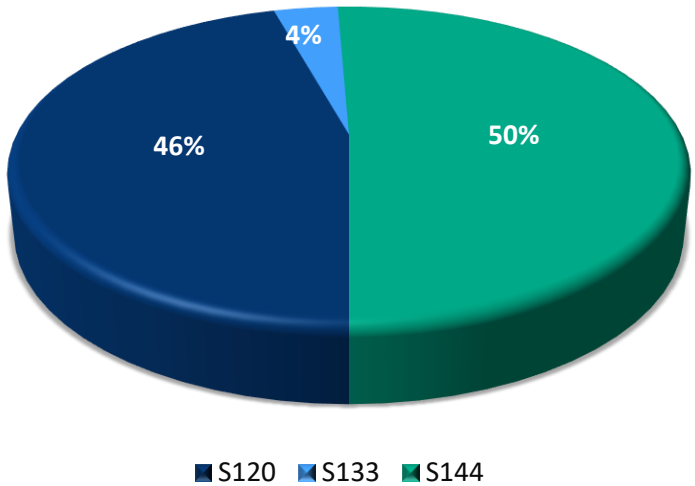
Presence in all windy states in India



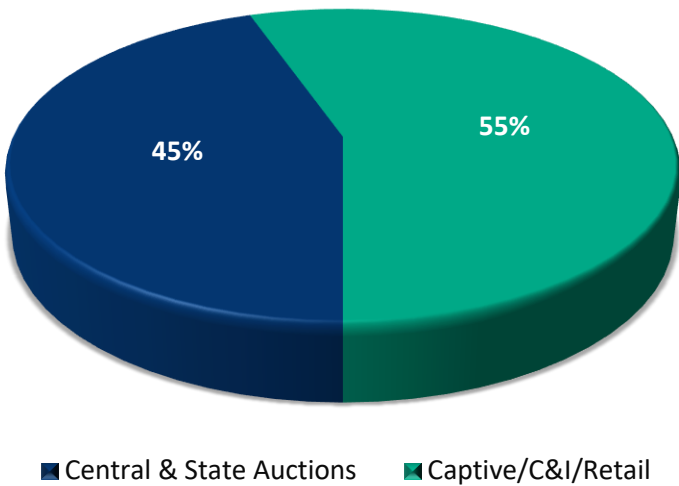
Wind Order Book

Particulars	Total (in MW)
Order Book as on 30 th June 2023	1,433
Orders announced post 30 th June 2023	149
Cumulative Orders	1,582

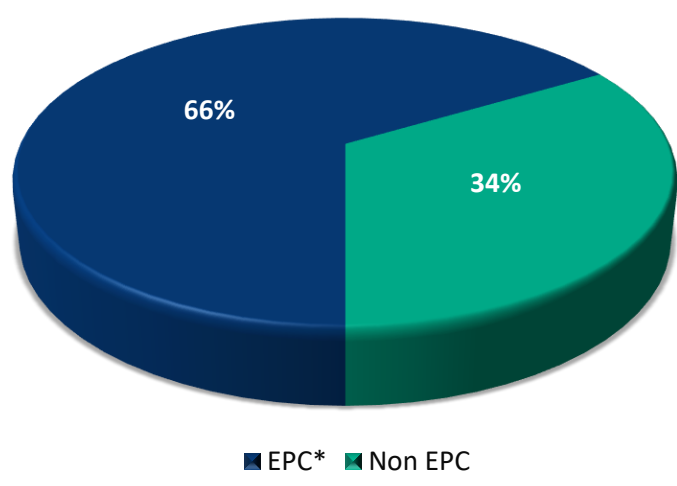
Split based on WTG type



Split based on category



Split based on scope



*EPC scope may differ from contract to contract

Healthy order book provides revenue visibility

Management Profile



Tulsi Tanti
Founder, Late Chairman and Managing Director



Vinod Tanti
Chairman and
Managing Director

- Over 34 years experience
- Founding member - Suzlon
- Established its technology & service leadership
- Deep experience in wind resource evaluation, product-design, prototyping, comprehensive SCM, project execution & lifecycle management through OMS
- Education: BE Civil



Girish Tanti
Vice Chairman

- Over 27 years experience
- Founding member - Suzlon
- Instrumental in establishing global business operations & corporate development
- Established technology development centres in Europe & India, set up the global supply chain & developed wind markets across India
- Led various functions - IT, communications, HR & CSR
- Education: BE Electronics & Communication, MBA (UK)



JP Chalasani
Group CEO

- Over 40 years of experience across entire gamut of power sector in India
- Renowned for his project management & people leadership skills
- Joined Suzlon Group in April 2016 as CEO, transitioned to a Strategic Advisor role with the group in July 2020 and re-appointed as CEO in April 2023
- Worked earlier with NTPC, Reliance Power and Punj Lloyd.



Himanshu Mody
Group CFO

- More than 22 years experience in Finance & Strategy with focus on Corporate Finance, M&A, Fund Raising and Financial Restructuring
- Earlier worked with Essel group for 20 years of which over one decade was as Group CFO managing fund raising, M&A activities & business entry/exit decisions
- Joined Suzlon as Group CFO in Aug'21



Bernhard Telgmann
CTO

- More than 28 years of experience across engineering, thermal power plants, consulting in fuel cells & wind energy.
- Expert in global technology driven plant engineering & construction business
- Joined Suzlon 2017
- Prior to Suzlon, he held leadership roles in IAC, Servion & Siemens



Ishwar C Mangal
CEO Global OMS

- More than 27 years of professional experience mainly with Suzlon
- Played significant role in growth of Suzlon & development of wind power market in India
- Headed Business Development, Sales, Projects and OTC
- Currently responsible for Global OMS & Sales in Emerging Markets
- Joined Suzlon in 1996

Professional senior management team backing the rich experience of the Board
Succession planning was in place ensuring smooth transition after demise of the Founder
ESOPs granted to eligible employees in order to retain, attract and reward talent

Profile of the Independent Directors



Gautam Doshi
Independent Director

- Practicing Chartered Accountant with over 40 years experience
- Director on boards of listed & unlisted companies
- Rich experience in M&A, Direct, Indirect & International Taxation and Corporate Laws
- Education: Chartered Accountant and Masters in Commerce



Marc Desaeleer
Independent Director

- Worked as a Partner & member of Executive Committee of TRG (The Rohatyn Group), retired in July 2018
- Was CIO of Citigroup Venture Capital International (CVCI) Growth Funds. Led CVCI's business in CEEMEA and India from 2001 to 2005
- Was senior manager of Citibank's Corporate Banking covering 20+ countries in Central Europe & Russia
- Education: M.B.A. from Carnegie Mellon University and MS degree from University of Louvain (Belgium)



Per Hornung Pedersen
Independent Director

- More than 40 years experience in senior positions in construction, packaging, wind & telecom Industry
- Served as CFO of NEG Micon/Vestas & CEO of Repower
- Senior advisor to MCF Corporate Finance, Hamburg, Atrium Partners, Copenhagen & Apricum CleanTech Advisory, Berlin
- Education: MBA, BSc Accounting and Finance, Diploma in Audit and Tax



Sameer Shah
Independent Director

- Over 35 years of experience
- Was the CFO and Head of ICT for Petroleum, Chemicals & Mining Company for 5 years
- Worked in senior roles with Deutsche Bank, SABIC, Ontario Hydro and TCS
- Education: Qualified Treasurer (Association of Corporate Treasurers in London, UK); MBA (University of Rochester, New York) and holds a diploma in Securities Law from the Government Law College, Mumbai



Seemantinee Khot
Independent Director

- Has nearly four decades of experience in the development sector
- Experience of 20 years of direct implementation with NGOs, 12 years of Bilateral Aid and UN assignments and 8 years in CSR and sustainability consulting
- Education: Bachelor of Arts (Psychology, Pune University) and MASW (Tata Institute of Social Sciences, Mumbai)

Diverse and rich experience of Independent Directors offering strategic guidance to management

Industry Outlook

Suzlon Strengths

Financial Performance



Suzlon Wind Farm, Dhule, Maharashtra

Highlights of the Performance



Uptick in order book with rolling out of the highly competitive 3MW WTG series providing revenue visibility



Strong Net worth position at Rs 1,297 Crore



PAT (before exceptional items) for Q1FY24 of Rs 93 crores V/s a Loss (before exceptional items) for Q1FY23 of Rs 37 crores

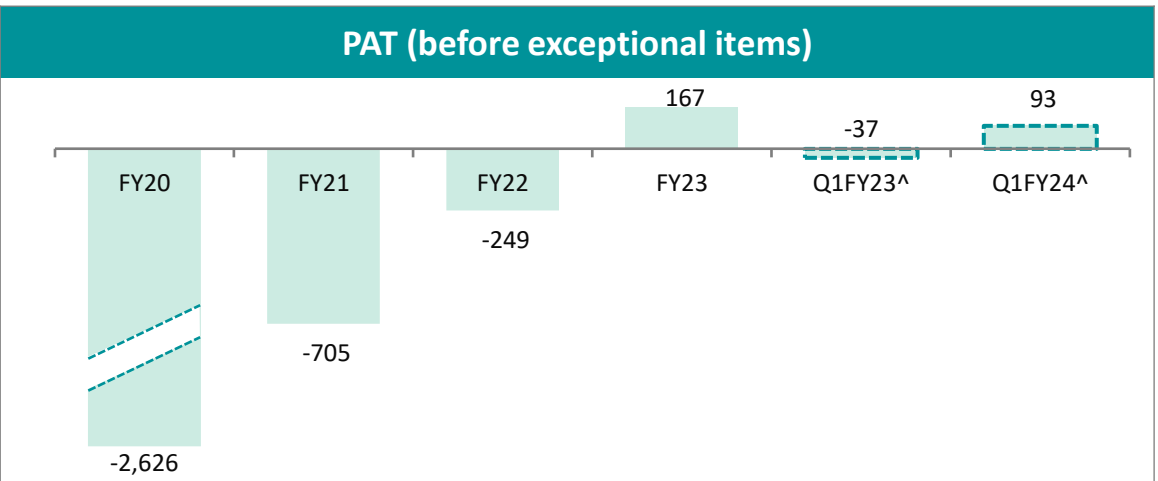
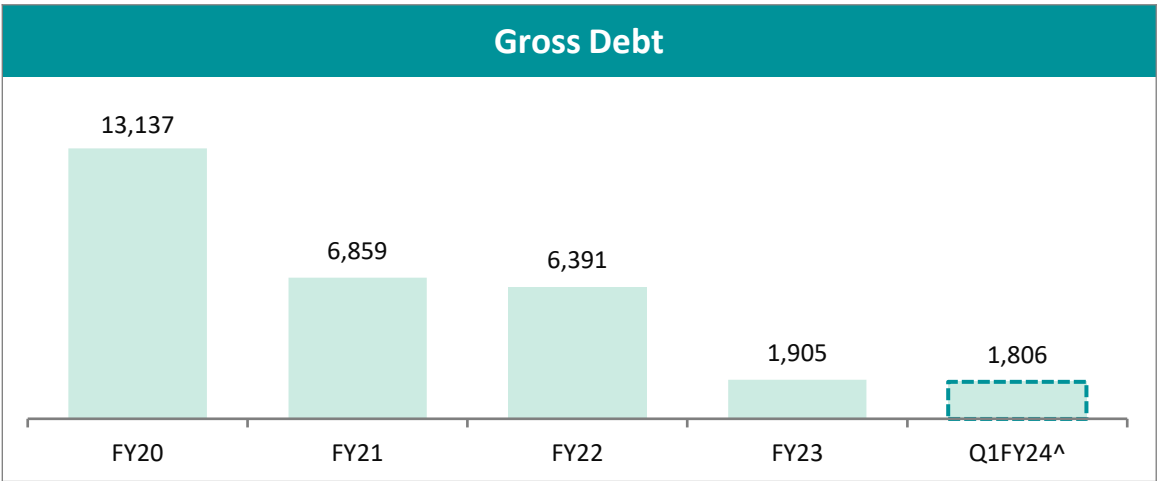
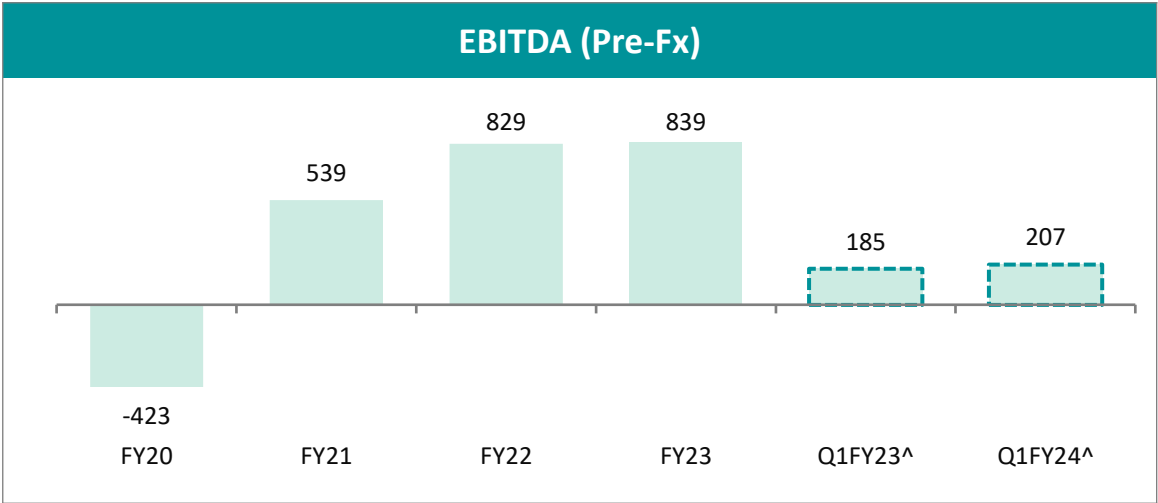
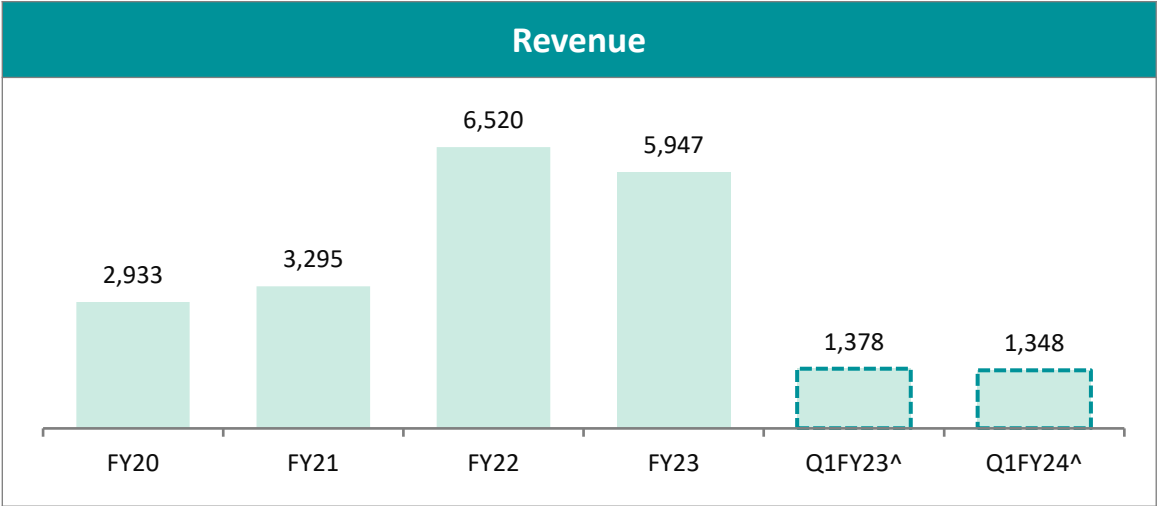


Substantial reduction in quarterly net finance costs by ~66% on YoY basis

Stronger balance sheet brings ability to meaningfully participate in growth amid ongoing energy transition

Transformation...

(₹ Cr.)

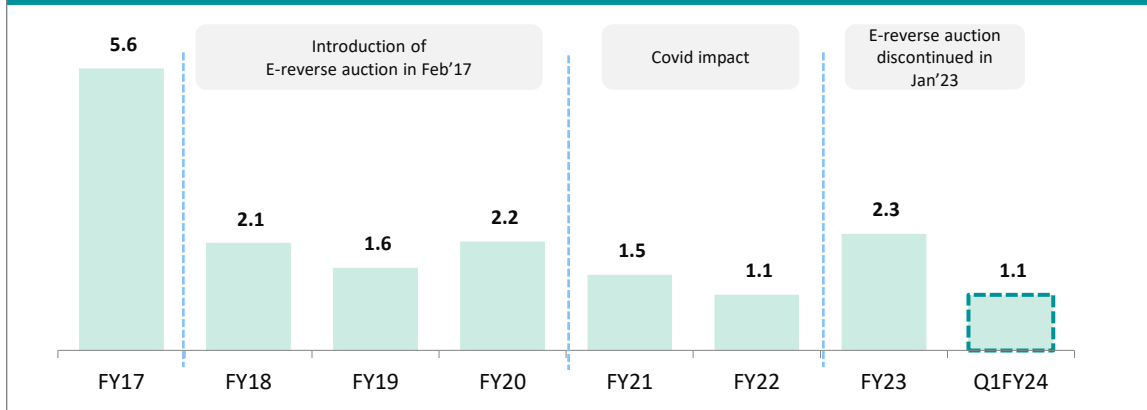


Note: Consolidated numbers used | ^Q1FY23 and Q1FY24 numbers are unaudited

Substantial improvement in financial parameters

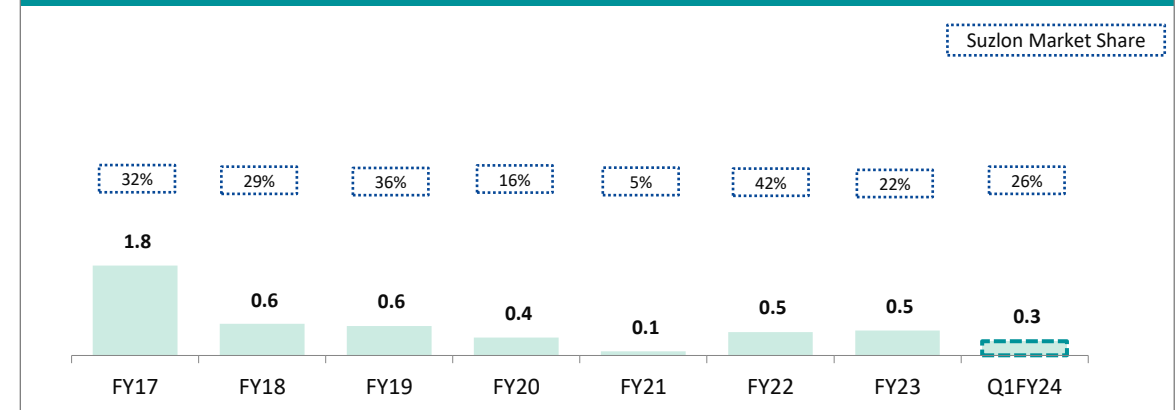
WTG Division – Key Performance Indicators

Wind capacity additions in India (in GW)



Source: Directory Indian Wind Power, 2022 (CECL)

Installations by Suzlon (in GW)



Suzlon has an installed base of 14.2 GW out of total wind installed base of 43.7 GW in India – a cumulative market share of ~33%

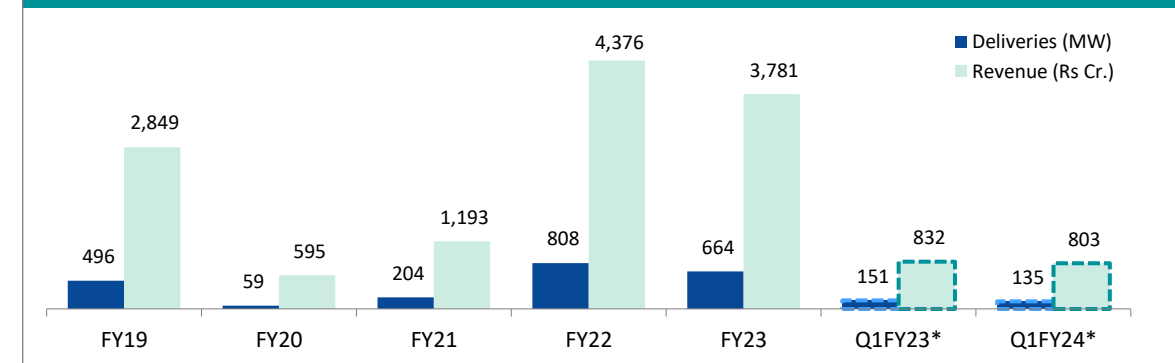
Key reasons for lower capacity additions in past

- 1 GOI's shift from FIT regime to e-reverse auction system of awarding projects
- 2 Unrealistic tariffs discovered leading to unviable & unexecuted projects
- 3 Covid impact
- 4 Debt restructuring issues of Suzlon during FY21 and consequent restrictions

*Q1FY23 & Q1FY24 numbers are unaudited

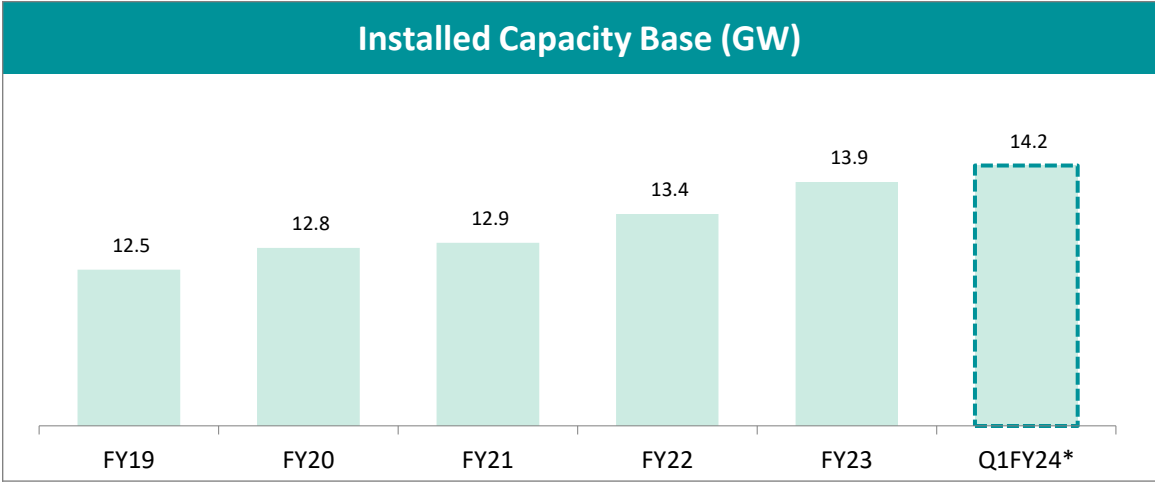
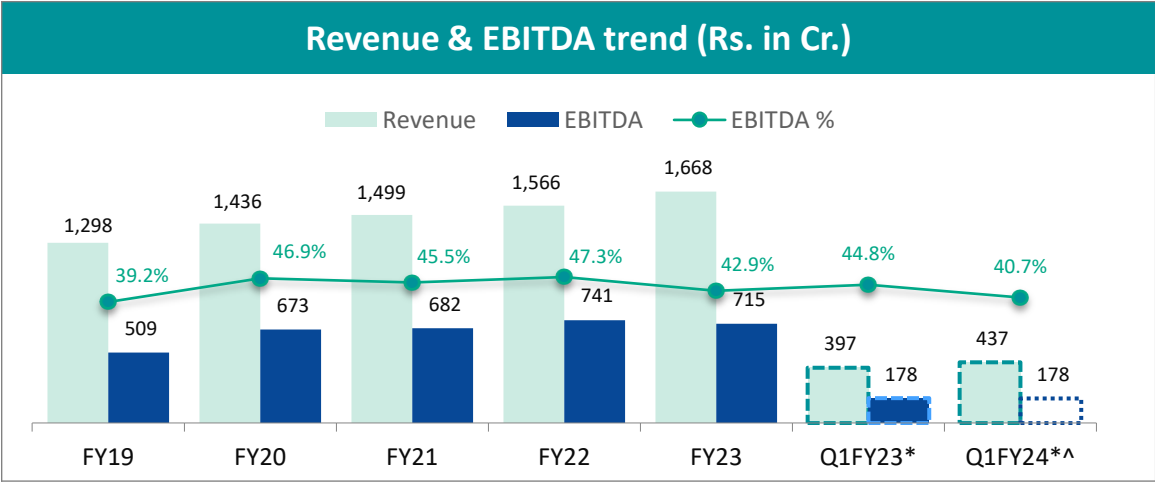
Note: The revenue numbers are derived from statutory segment reporting

Deliveries & Revenue



WTG Division well poised to capture the market opportunity

OMS India Division¹ - Key Performance Indicators



Key Strengths

1 Over 2 decades of best-in-class OMS practice

2 High double-digit margins and stable cashflows

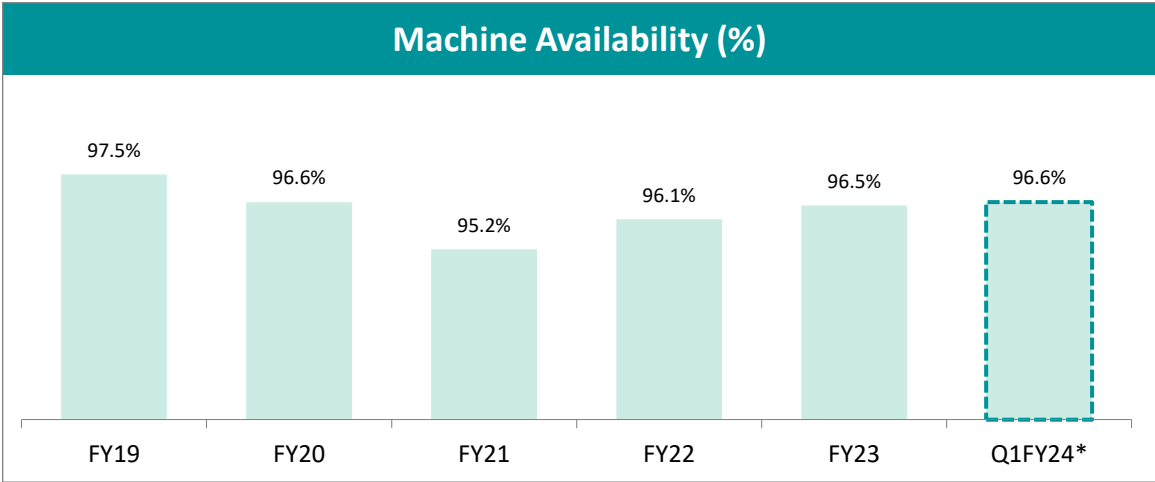
3 Strong customer base

4 Diversified supplier and vendor network

5 Highly experienced management team

6 Favorable industry dynamics

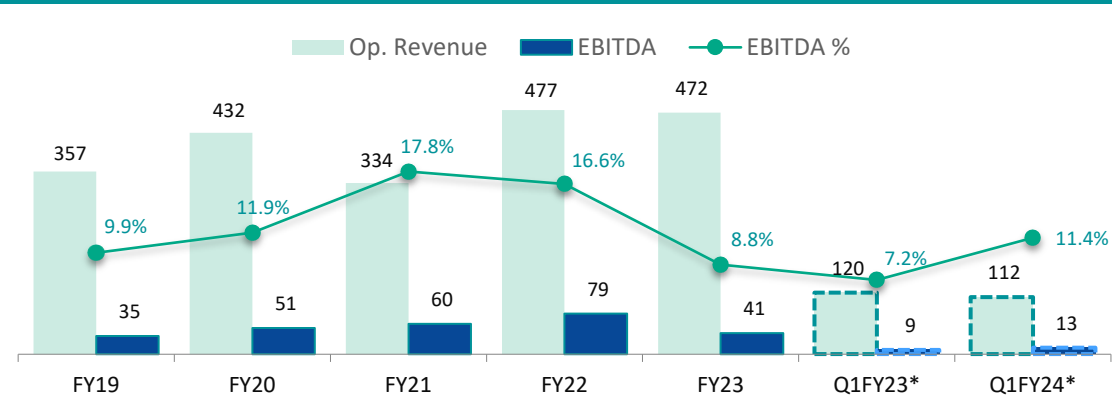
7 Legacy positioning and sizeable presence in all eight windy states



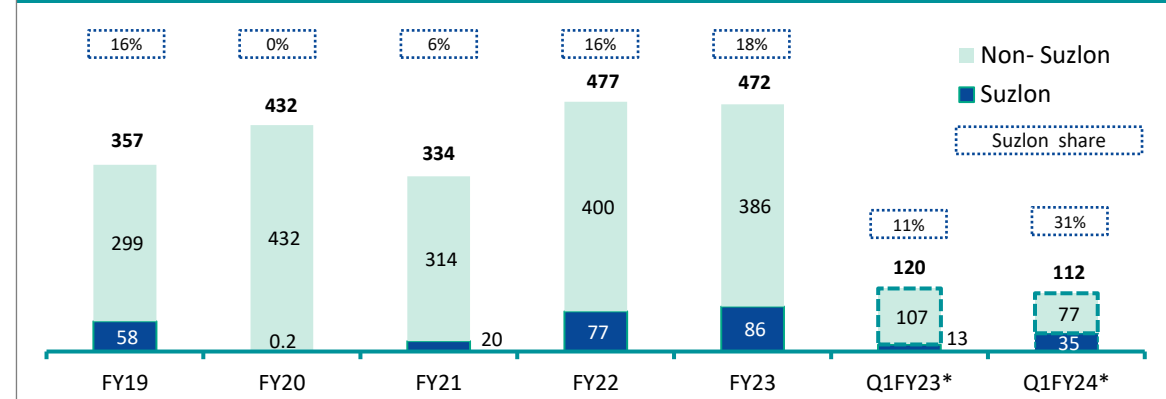
*Q1FY23 & Q1FY24 numbers are unaudited | ^ represents normalized EBITDA without the impact of one-time costs of Rs 20 Cr on account of cyclone Biparjoy in Gujarat
 Note 1: The above numbers are for OMS India division only derived from statutory segment reporting. These numbers exclude the overseas OMS business

Foundry & Forging Division – Key Performance Indicators

Operating Revenue & EBITDA trend (Rs in Cr.)



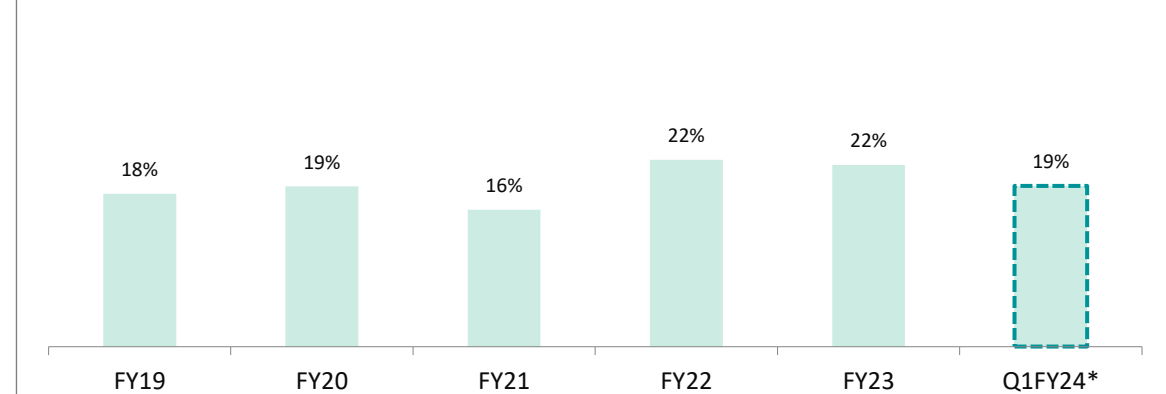
Revenue (Rs in Cr.)



Key Strengths

- 1 Independently operating business with low breakeven levels
- 2 Annual manufacturing capacity of 122,000 MT
- 3 Favorable wind power market conditions
- 4 Availability of skilled manpower & working capital
- 5 Robust & lean manufacturing systems
- 6 Lower level of capacity utilization provides headroom for growth

Capacity Utilization (%)



*Q1FY23 & Q1FY24 numbers are unaudited | Note: The numbers are derived from statutory segment reporting

Foundry & Forging Division well poised to capture the market opportunity from increasing demand for wind power

Consolidated Income Statement

(₹ Cr.)

Particulars	Q1 FY24	Q4 FY23	Q1 FY23	FY23	FY22
	Unaudited	Unaudited	Unaudited	Audited	Audited
Net Volumes (MW)	135	182	151	664	808
Net Revenue	1,348	1,690	1,378	5,947	6,520
Contribution	506	526	436	1,965	1,877
Contribution Margin	37.5%	31.1%	31.7%	33.0%	28.8%
Employee Expenses	161	157	142	609	545
Other Expenses (net)	138	135	109	517	503
EBITDA (Pre FX)	207	233	185	839	829
EBITDA Margin (Pre FX)	15.4%	13.8%	13.4%	14.1%	12.7%
Depreciation	55	81	59	260	260
Net Finance Cost	51	81	148	401	712
Taxes	-	3	44	4	167
Net Profit/(Loss) (Pre Fx and Ex. Items)	101	69	(66)	174	(310)
Exchange Loss / (Gain)	8	1	(29)	7	(61)
Exceptional Loss / (Gain)	(8)	(252)	(2,469)	(2,721)	(83)
Net Profit After Tax	101	320	2,433	2,887	(166)

Consolidated Balance Sheet

(₹ Cr.)

Particulars	June-23	Mar-23	Mar-22
	Unaudited	Audited	Audited
Equity & Liabilities			
Net Worth	1,297	1,099	(3,526)
Non-controlling interests	-	—	(36)
Borrowings (non-current and current)	1,806	1,905	6,391
Non-current Liabilities	202	206	210
Current Liabilities	2,169	2,313	3,436
Total equity and liabilities	5,474	5,523	6,475
Assets			
Non-current Assets	971	988	1,295
Inventories	1,815	1,827	2,208
Trade Receivables	1,338	1,170	1,377
Other current assets	767	813	1,000
Cash and cash equivalents	583	725	595
Total assets	5,474	5,523	6,475
Net Debt	1,223	1,180	5,796

Glossary

1. BOP – Balance of Plant
2. BESS - Battery Energy Storage System
3. C&I – Commercial and Industrial
4. CEA - Central Electricity Authority
5. COD – Commercial Operations Date
6. EBITDA – Earnings before Interest, Tax, Depreciation and Amortizations
7. GoI – Government of India
8. GH2 – Green Hydrogen
9. GW – Gigawatt
10. KPI – Key Performance Indicators
11. LCoE – Levelized Cost of Energy
12. MNRE – Ministry of New And Renewable Energy
13. MW – Megawatt
14. OEM - Original Equipment Manufacturer
15. OMS – Operations and Maintenance Services
16. PLF – Plant Load Factor
17. PSA – Power Sale Agreement
18. PSU – Public Sector Undertaking
19. RE – Renewable Energy
20. REIA – Renewable Energy Implementing Agency
21. RGO -- Renewable Generation Obligation
22. RPO – Renewable Purchase Obligation
23. RTC – Round The Clock
24. SCoD – Scheduled Commissioning Date
25. WTG – Wind Turbine Generator
26. Y-o-Y – Year on Year

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!

Contact for Investor Relations: Mr. Punit Dave
Phone: +91 20 67022347 | E-mail: investorrelations@suzlon.com