Press Release January 28, 2025

Financial Results for the Quarter ended December 31, 2024

Mumbai, India: JSW Energy Limited ("JSW Energy" or the "Company") today reported its results for the quarter ("Q3 FY25" or the "Quarter") ended December 31, 2024.

Key Highlights of Q3 FY25

Strategic Transactions

O2 Power – 4,696 MW – One of the Largest RE Transaction in the Sector

- Signed definitive agreement on 27th Dec '24 to acquire 4,696 MW RE Platform,
- Transaction at Enterprise Valuation of ₹12,468 crores after adjusting for net current assets
- 2.3 GW to be operational by Jun'25 and additional 2.4 GW by Jun'27 reaching total capacity of 4.7 GW

Hetero Group RE Assets – 125 MW

- Completed the acquisition of 125 MW wind projects from Hetero Labs and Hetero Drugs Ltd on 10th Jan'25
- Transaction at Enterprise Valuation of ~₹630 crores excluding net current assets and other adjustments under SPA

KSK Mahanadi Power Company Ltd – 3,600 MW
Largest Thermal Transaction under IBC process

- Declared as successful applicant and received Letter of Intent from Resolution Professional for 3,600 MW KSK Mahanadi Thermal Power Plant on 13th Jan'25
- Presently, 1,800 MW (600 MW x 3 units) is operational which is 95% tied-up under long & medium-term PPAs
- The plant has a firm arrangement for water and coal transportation for the entire 3,600 MW

[1] TTM EBITDA [2] Includes unencumbered bank balances, FDs, and liquid mutual funds

Operational:

- Net Generation increased 10% YoY at 6.8 BUs driven by wind capacity additions, incremental generation at Utkal Unit-1 and hydro plants.
- Total RE generation is up by 18% YoY at 1.6 BUs driven by 38% YoY increase in wind generation and 14% YoY increase in hydro generation
- Total thermal generation is up by 8% YoY at 5.1 BUs
- Long Term PPA Generation: Up by 7% YoY to 5.6 BUs

Consolidated Financials:

- Reported EBITDA declined 9% YoY to ₹1,115 Cr primarily due to lower short-term spreads, despite higher overall generation
- PAT and Cash PAT stood at ₹ 168 Cr and ₹ 507 Cr respectively
- Robust Balance Sheet
    - (i) Net Debt to Equity at 1.0x, Net Debt to EBITDA[1] at 4.5x, Net Debt to EBITDA[1] (excl. CWIP) at 2.8x
    - (ii) Credit rating reaffirmed at 'AA/Stable' from ICRA and India Ratings, post the announcement of acquisitions of O2 Power and KSK Mahanadi
- Receivables on DSO basis stood at 96 days
- Cash & Cash Equivalents[2] stood at healthy ₹ 4,947 Cr

Growth Projects:

Generation: Total locked-in capacity of 28.3 GW

- 377 MW wind capacity commissioned in 3Q (872 MW in 9M), with SECI X fully commissioned, resulting in total installed capacity of 8,117 MW
- Utility Scale: Received letter of award for 400 MW ISTS connected solar capacity from NTPC in Dec-24
- C&I: Secured 344 MW of third party RE C&I capacity from marquee customers having presence in hard to abate sectors, resulting in locked-in RE C&I capacity of 3.1 GW

Products and Services

- BESS: Appealed in APTEL against the CERC order for non-adoption of tariff.
- Green Hydrogen: Construction in progress for the 3,800 TPA, expected commissioning by Mar-25
- Pumped Hydro Storage (PSP): Signed Energy Storage Facility Agreement for 12 GWh of PSP with MSECL, expected commissioning in 48 months.

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Consolidated Operational Performance

The net generation including LT and merchant volumes from various locations/sources is as follows: (Figures in Million Units)

Location/ Plant	Q3 FY25	Q3 FY24
Thermal		
Vijayanagar	1,042	1076
Ratnagiri	1,984	2,062
Barmer	1,487	1,564
Nandyal	21	27
Utkal (formerly Ind-Barath)	571	NA
Renewables		
Hydro	723	634
Solar	284	300
Wind	639	465
Total*	**6,751**	**6,128**

**Figures rounded off to the nearest unit digit*

Net generation for the quarter stands at 6,751 MUs, a 10% YoY increase, driven by wind capacity additions, incremental contribution from Utkal Unit-1 (350 MW) and hydro plants. Sale of power generated under long-term PPAs rose by 7% YoY due to higher generation from RE portfolio.

PLFs achieved during Q3 FY25 at various locations/sources are as follows.

- **Vijayanagar:** The plant operated at an average PLF of 59% (59%[1]) in the quarter vis-a-vis 61% (62%[1]) in Q3 FY24.
- **Ratnagiri:** The plant operated at an average PLF of 82% (96%[1]) in the quarter vis-a-vis 85% (100%[1]) in Q3 FY24.
- **Barmer**: The plant operated at an average PLF of 70% (77%[1]) in the quarter vis-a-vis 74% (77%[1]) in Q3 FY24.
- **Utkal**: The plant operated at an average PLF of 79% (79%[1]) in the quarter.
- **Hydro**: The plants operated at an average long term PLF of 24% for the quarter vis-a-vis 22% in Q3 FY24 due to better hydrology.

[1] Deemed PLF

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- **Solar**: The solar plants achieved an average CUF of 19% in the quarter vis-a-vis 20% in Q3 FY24.
- **Wind:** Wind portfolio achieved CUF of 13% in the quarter vis-a-vis 14% in Q3 FY24. Phase wise commissioning of the wind projects is underway.

Consolidated Financial Performance Review and Analysis:

Total revenue during the quarter decreased by 1% YoY to ₹2,640 Crore from ₹2,661 Crore in the corresponding period last year. EBITDA at ₹1,115 Crore in the quarter was lower by 9% YoY, primarily due to lower short-term sales contribution, despite higher overall generation.

Finance cost for the quarter rose to ₹565 Crore from ₹521 Crore in Q3 FY25 as a result of capitalisation of projects, with the weighted average cost of debt standing at 8.87%. Profit After Tax (PAT) was down to ₹168 Crore vis-à-vis ₹ 231 Crore in the same period last year. Cash PAT for the quarter was at ₹507 Crore.

The consolidated Net Worth and Net Debt as of Dec 31, 2024 were ₹27,152 Crore and ₹26,448 Crore respectively, resulting in a Net Debt to Equity ratio of 1.0x and Net Debt/EBITDA[1] of 4.5x, well within the guardrails of credit rating agencies. Receivables on DSO basis stood at 96 days.

Liquidity continues to be strong with cash balances[2] at ₹ 4,947 crore as of Dec 31, 2024.

[1] TTM EBITDA [2] Includes unencumbered bank balances, FDs, and liquid mutual funds

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Business Environment[3]:

- India's power demand grew by 2.6% YoY to 393 BUs in Q3 FY25, due to lower cooling demand and high base. However, power demand during 9M FY25 at 1,280 BUs grew by 4.5% YoY.
- All-India peak power demand of 224 GW was witnessed during the quarter in the month of December.
- In line with demand, overall generation during the quarter grew by 3.6% YoY to 426 BUs. Renewable power generation increased by 15% YoY, driven by solar generation which was up 26% YoY during the quarter. Hydro generation during Q3 FY25 at 30 BUs grew by 29% YoY.
- On the supply side, installed capacity stood at 462 GW as of Dec-24. In Q3 FY25, net installed capacity increased by 9.3 GW primarily due to renewable capacity additions.

Outlook:

- As per the IMF's latest 'World Economic Outlook' (Jan-25), global growth is likely to be 3.3% in both 2025 and 2026 due to declining inflation supporting economic stability and growth, along with structural reforms and stronger multilateral cooperation. For India, the IMF estimates GDP growth of 6.5% in both 2025 and 2026 driven by domestic demand, resilient services sector and stable macroeconomic environment.
- The Reserve Bank of India (RBI) estimates India's GDP grew by 6.2% in Q3 FY25 expecting recovery in economic growth in second half. India's latest macro-economic data reflect a resilient economy with both manufacturing (Jan-25: 58.0) and services (Jan-25: 56.8) PMI remaining strong. GST collections remained strong during the quarter with 7.4% YoY increase.

[3] Source: Central Electricity Authority and NPP

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- CPI inflation stood at 5.22% in Dec-24 showing a slight dip from 5.48% in November and remains within the RBI's tolerance mark. Over the medium term, the power sector outlook is healthy, as rapid urbanization, government led capex and a strong investment cycle are expected to boost overall power demand.
- However, as the increase in base load capacity (including round-the-clock storage) falls behind the growth in demand, the supply is expected to lag behind demand over the medium term, leading to tight demand-supply conditions.

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ABOUT JSW ENERGY: JSW Energy Ltd is one of the leading Private sector power producers in India and part of the USD 24 billion JSW Group which has significant presence in sectors such as steel, energy, infrastructure, cement, sports among others. JSW Energy Ltd has established its presence across the value chains of power sector with diversified assets in power generation, and transmission. With strong operations, robust corporate governance and prudent capital allocation strategies, JSW Energy continues to deliver sustainable growth, and create value for all stakeholders. JSW Energy began commercial operations in 2000, with the commissioning of its first 2x130 MW thermal power plants at Vijayanagar, Karnataka. Since then, the company has steadily enhanced its power generation capacity from 260 MW to 8,117 MW having a portfolio of Thermal 3,508 MW, Wind 2,543 MW, Hydel 1,391 MW and Solar 675 MW ensuring diversity in geographic presence, fuel sources and power off-take arrangements. The Company is presently constructing various power projects to the tune of 7.8 GW, with a vision to achieve a total power generation capacity of 20 GW before the year 2030.

Forward Looking and Cautionary Statements:

Certain statements in this release concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. 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, intense competition within Power Industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for Power, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which JSW Energy has made strategic investments, withdrawal of fiscal governmental incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

For more information/ queries:

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