

## Media Release

# Adani Green Energy Ltd announces 9M FY23 Results

**Robust growth in revenues, EBITDA and Cash Profit**

**Operational Capacity increases by 35% YoY to 7,324 MW; on track to complete ~ 8,300 MW, the largest in India, by end of FY23**

**EBITDA from Power Supply increases by 44% YoY to Rs.3,570 Cr with high EBITDA margin of 91.7%**

### EDITOR'S SYNOPSIS

#### Capacity addition & Operational Performance:

- Commissioned 1,915 MW renewable projects in 9M FY23:
  - ✓ 1,440 MW solar-wind Hybrid plants in Rajasthan, India's first and World's largest
  - ✓ 325 MW Wind Power Plant, the largest in Madhya Pradesh
  - ✓ 150 MW Solar Power Plant in Rajasthan
- PPAs signed for 450 MW wind and 50 MW solar projects with SECI in Q3 FY23 and Jan 2023 respectively further strengthening the firm pipeline
- Solar portfolio CUF at 24.0% with 140 bps improvement YoY
- Wind portfolio CUF at 27.1% with 610 bps reduction YoY primarily due to one-off disruption in transmission line (*force majeure*) for 150 MW plant at Gujarat, which is now fully restored
- Newly commissioned Hybrid portfolio CUF stands at strong 34.0% backed by cutting-edge tech
- Sale of Energy increases by 59% YoY at 10,235 Mn units

#### Financial Performance:

- Revenue from Power Supply increases by 39% YoY to Rs 3,695 Cr
- Realized 3.8 Mn Carbon Credits generating revenue of Rs. 153 Cr
- Cash Profit increases by 41% YoY to Rs 1,827 Cr
- Run-rate EBITDA stands at a strong Rs. 7,380 crore with Net Debt to Run-Rate EBITDA of 5.6x as of Dec 2022 well within stipulated covenant of 7.5x for holdco bond

#### Other Key Updates:

- 97% of AGEL's rated credit facilities are rated between 'A' to 'AAA' equivalent credit rating scale (India) <sup>1</sup> and rating affirmations are received from majority of the rating agencies in the last few days
- Credit Rating for 648 MW Kamuthi solar plants increased from 'A+' to 'AA-' by India Ratings backed by improved receivables further improving liquidity cover
- AGEL continues to maintain a strong counterparty profile with 89% sovereign/ sovereign equivalent rated counterparties
- AGEL's entire operating capacity is now 'Zero Waste to Landfill' certified
- Won 'Leaders Award' at the Sustainability 4.0 Awards, conferred jointly by Frost & Sullivan and The Energy & Research Institute (TERI)
- Honored with the 'Platinum Award' at The Asset ESG Corporate Awards 2022

**Ahmedabad, 7 February 2023:** Adani Green Energy Ltd (AGEL), the renewable energy arm of the diversified Adani Group, today announced financial results for the third quarter and nine months ended 31 December 2022.

The performance snapshot for the period is as follows:

**Operational Performance – Q3 & 9M FY23:**

Particulars	Quarterly performance			Nine month performance		
	Q3 FY23	Q3 FY22	% change	9M FY23	9M FY22	% change
Operational Capacity	7,324	5,410	35%	7,324	5,410	35%
- Solar	4,913	4,763	3%	4,913	4,763	3%
- Wind	971	647	50%	971	647	50%
- Solar-Wind Hybrid	1,440	-	-	1,440	-	-
<b>Sale of Energy (Mn units)<sup>2</sup></b>	<b>3,621</b>	<b>2,504</b>	<b>45%</b>	<b>10,235</b>	<b>6,456</b>	<b>59%</b>
- Solar	2,507	2,300	9%	7,585	5,380	41%
- Wind	300	204	47%	1,392	1,076	29%
- Solar-Wind Hybrid	814	-	-	1,258	-	-
Solar portfolio CUF (%)	23.3%	21.9%		24.0%	22.6%	
Wind portfolio CUF (%)	14.0%	18.6%		27.1%	33.2%	
Solar-Wind Hybrid (%)	32.9%	-		34.0%	-	

The Solar CUF and Sale of Energy has improved with integration of high-quality SB Energy portfolio having a CUF of 26.0% in 9M FY23, consistent high plant availability, improved grid availability and improved solar irradiation. Sale of Energy for Wind portfolio has increased significantly backed by strong capacity addition, though, the Wind CUF has reduced primarily due to one-off disruption in transmission line (*force majeure*) for 150 MW plant at Gujarat, which is now fully restored while.

The newly commissioned solar-wind hybrid plants of 1,440 MW deploy latest technologies such as bifacial PV modules and horizontal single-axis tracking (HSAT) technology to capture maximum energy from the sun as well as technologically advanced Wind Turbine Generators leading to a high hybrid CUF.

*"We are making steady progress in our endeavor to lead the way towards large-scale adoption of affordable clean energy in India and we are on track to achieve our long-term renewable capacity addition target. The relentless efforts of our people have enabled development of large-scale hybrid capacities, which are not only the first in India but also the largest in the world. These capacities deploy cutting-edge technologies to harness the power of the sun and enable cost effective power extraction from the wind resources as also they make India future ready with better stability and integration into the national grid."* said **Mr. Vneet S. Jaain, MD & CEO, Adani Green Energy Ltd.**

## Financial Performance – Q3 & 9M FY23:

(Rs. Cr.)

Particulars	Quarterly performance			Nine month performance		
	Q3 FY23	Q3 FY22	% change	9M FY23	9M FY22	% change
Revenue from Power Supply	1,260	973	29%	3,695	2,655	39%
EBITDA from Power Supply <sup>3</sup>	1,174	895	31%	3,570	2,474	44%
EBITDA from Power Supply (%)	91.9%	91.2%		91.7%	92.4%	
Cash Profit <sup>4</sup>	546	432	26%	1,827	1,292	41%

The robust growth in revenues, EBITDA and Cash Profit is primarily driven by greenfield commissioning of 1,915 MW. Further, the state-of-the-art Energy Network Operation Center (ENOC) enables real time monitoring of our entire renewable portfolio with information access to the minutest level and automated alerts. With the analytics driven O&M approach, the plant availability is maximized, enabling higher electricity generation and higher revenues. It also helps curtail O&M costs, in turn enabling high EBITDA margins.

*"The continued strong performance demonstrates the resilience of AGEL's business model supported by a robust capital management program with leverage well aligned with the business model. We appreciate that, in the last few days, this has further been reaffirmed by the rating agencies, equity and credit research analysts and various banks, financial institutions, long term investors and other key stakeholders have also reassured their confidence in AGEL's strong business model."* said **Mr. Vneet S. Jaain, MD & CEO, Adani Green Energy Ltd.** He further said, *"I am also proud of the continued progress towards our ESG commitment and we are determined to continue our journey forward in this direction."*

### OTHER KEY HIGHLIGHTS

Over the years, AGEL has emerged as the largest renewable player in India and one of the largest in the world backed by its focus on four key pillars (i) project development excellence by way of advance planning, (ii) analytics driven O&M and (iii) a disciplined yet innovative capital management program while also (iv) contributing to the world's endeavor to adopt sustainable ways of living. Key updates in this regard are given as follows:

#### 1. On track to reach ~ 8,300 MW commissioned capacity, the largest in India, by end of FY23:

- Commencing its renewable journey with commissioning of 648 MW in Kamuthi, Tamil Nadu, then the largest single location plant in the world in the year 2016, AGEL's operating capacity is now set to increase to ~ 8,300 MW, the largest in India, by end of FY23.
- AGEL follows a unique project development philosophy that has enabled this fast-track growth and completion well within budgets in turn enabling high project returns:
  - ✓ 3 years of advance resource planning, supply chain planning & engineering; land tied up with renewable capacity of ~ 40 GW

- ✓ Gigawatt scale development with cluster based approach leading to significant scale efficiencies
- ✓ Centralized and standardized project execution through Project Management and Assurance Group (PMAG) enabling simultaneous execution of projects across multiple states
- ✓ Long term relationships with Bloomberg Tier 1 suppliers enabling cost-cutting on equipment procurements and on-time delivery
- ✓ Early adoption of cutting-edge technologies such as Bifacial modules and horizontal single-axis tracking (HSAT) technology

## **2. Data analytics driven Energy Network Operation Center (ENOC) continues to enable best-in-class O&M:**

AGEL's intelligent Energy Network Operation Center (ENOC) has continued to enable real time monitoring of all plants across 12 states enabling ~ 100% plant availability (solar) and industry leading EBITDA margins of ~ 92%. The capabilities include:

- Remote management of all sites from single location to help rapid scale up of capacity
- Cutting-edge advanced analytics cloud based platform:
  - ✓ Provides predictive maintenance inputs optimizing frequency of scheduled maintenance and optimizing mean time between failures (MTBF)
  - ✓ Automatically recommends smart corrective actions in real time optimizing mean time to repair (MTTR)
  - ✓ Detailed insights into plant and portfolio performance with access across multiple devices /locations
  - ✓ Backend machine learning and artificial Intelligence for continuously improving insights
- AGEL has taken up in-house O&M of Wind Turbine Generators developed by various globally renowned OEMs by up-skilling the manpower and this would probably be the first time that any renewable developer is conducting O&M of WTG.
- ENOC is a 'plug and play' and scalable platform which can seamlessly integrate any new platform housing even a third party portfolio.

AGEL's O&M practices are being further improved with enhanced integration of Internet of Things (IOT) and Artificial Intelligence (AI) for module level monitoring that would in turn lead to further improvement in CUF and curtailment of O&M costs.

### 3. Disciplined yet innovative Capital Management Program:

While ensuring the best-in-class execution and O&M, AGEL has always been focused on maintaining a strict discipline in its debt management. Some of the key highlights are as follows:

- AGEL has a diversified financing pool that includes access to domestic banks/ FIs, international banks, domestic bond markets and global bond markets.
- AGEL has set up a revolving construction facility of USD 1.64 bn with 26 international lenders to ensure availability of project financing. The facility won an award from Project Finance International (PFI) for its unique revolving structure and alignment with the global green loan framework.
- Two international bonds issued at operating SPV level and one holdco bond have strict financial covenants and cash flow waterfall mechanism to protect the interest of bond holders and maintain a complete cashflow discipline. The bond covenants have continued to remain well within the stipulated covenants over time. Some of the key ratios are given as follows:

#### Covenants for Two International Bonds at Operating SPVs

Particulars	RG1 - Covenants		RG2 - Covenants	
	Stipulated	Sep 22	Stipulated	Sep 22
Debt Service Coverage Ratio (DSCR) *	1.55	1.76	1.55	2.41
FFO / Net Debt	6%	8.13%	6%	14.51%
Project Life Cover Ratio (PLCR)	1.6	1.71	1.6	1.85
EBIDTA from Sovereign Equivalent Counterparty	55%	61.45%	65%	74.61%

\* For maximum distribution level

#### Covenants for International Bond at Holding company

Holdco Bond - Covenants		
Particulars	Stipulated	Sep 22
Cash Flow Coverage Ratio	>1.10	2.64
Net Senior Debt Sizing		
a) Discounted FCFE / Net Senior Debt (times)	>1.6	3.59
b) Net Senior Debt / Forecasted FCFE (times)	<5	2.98
Consolidated Net Debt/ Run Rate EBITDA	<7.5	5.93

The bonds are further aligned with the global green loan/ bond frameworks.

### 4. Continued ESG commitment:

AGEL has adopted an ESG framework that is guided by globally accepted ESG principles such as United Nations Global Compact, UN SDGs and Science Based Targets Initiative (SBTi). Further, ESG disclosures are published in line with several

globally accepted disclosure standards such as TCFD, GRI Standards, CDP Disclosure and so on.

Some of the key ESG commitments and progress towards the same given below:

ESG Commitment	FY25 Target	Status: 9M FY23
Water neutral operating capacity (MW) for plants > 200 MW	100%	42%
Zero waste to landfill operating capacity (MW)	100%	100%
Single use plastic free operating capacity (MW)	100%	100%* (already achieved in FY22)

\* Certification in progress for plants commissioned in 9M FY23.

In order to improve the governance practices, in Q2 FY22 board meetings, AGEL adopted several changes in board committees leading to (i) increase in the percentage of independent directors in various board committees including Audit Committee well beyond the statutory thresholds, (ii) creation of new committees to monitor specific aspects such as M&A, Information Technology & Data security, Legal Regulatory and Tax matters and also (iii) creation of a new committee i.e. Corporate Responsibility Committee (CRC). CRC is a voluntarily formed committee constituted to monitor and assure on the progress towards the company' ESG commitments. The detailed board committee charters are available on the website.

Some of the ESG ratings assigned to AGEL and recent awards are given below:

#### ESG Ratings:

ESG Ratings	AGEL's Rating
CSRHUB (Consensus ESG Rating)	Ranking of 89 percentile, with consistent ranking above Alternative Energy global industry average
Sustainalytics	ESG Risk Rating of 'Low Risk' with a score of 14.7, the significantly better than global Utilities sector average of 33.5
DJSI-S&P Global Corporate Sustainability Assessment	Scored 66/ 100, 2 <sup>nd</sup> best in Indian Electric Utility sector and significantly better than average World Electric Utility score of 38/ 100
MSCI	ESG Rating of 'A'
ISS ESG	Prime Band
CDP	2021 score of 'B'
FTSE	ESG rating of 3.2 and constituent of 'FTSE4Good' index series
CRISIL	ESG score of 66/ 100, the highest in Power sector

#### ESG Awards in 9M FY23:

- ✓ Won 'Leaders Award' at the Sustainability 4.0 Awards, conferred jointly by Frost & Sullivan and The Energy & Research Institute (TERI)
- ✓ Honored with the 'Platinum Award' at The Asset ESG Corporate Awards 2022
- ✓ Won CII's Climate Action Program (CAP) 2.0° 'Committed' Award that signifies identification of primary risk, GHG management, targets decided and participatory culture at AGEL

## About Adani Green Energy Limited

Adani Green Energy Limited (AGEL), a part of India-based Adani Group, has one of the largest global renewable portfolios with overall portfolio of 20.4 GW including operating, under-construction and awarded projects catering to investment-grade counterparties. The company develops, builds, owns, operates and maintains utility-scale grid-connected solar and wind farm projects. Key customers of AGEL include Solar Energy Corporation of India (SECI), National Thermal Power Corporation (NTPC) and various State Discoms. Listed in 2018, AGEL is a listed renewable company helping India meet its COP26 goals.

For more information, visit: [www.adanigreenenergy.com](http://www.adanigreenenergy.com)

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### Notes:

1. The international rating scales of BBB, BB and B have been considered as equivalent to India credit rating scales of AAA, AA and A respectively for this purpose.
2. This includes sale of energy of towards non-capitalized plants (410 mn units in 9M FY23 and 109 mn units in 9M FY22).
3. EBITDA from Power Supply = Revenue from Power Supply + Carbon credit income (part of Other Operating Income) + prompt payment discount - Employee Benefit Expenses – Other Expenses excluding loss on sale of assets and such one-off expenses.
4. Cash Profit = PAT + Depreciation + Deferred Tax + Exceptional Items + Distribution to TOTAL (part of finance cost as per IndAS).