Waaree Energies

Operator: Ladies and gentlemen, good day, and welcome to the Waaree Energies Limited conference call hosted by MUFG InTime India Private Limited. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Nikunj Jain from MUFG InTime India Private Limited. Thank you, and over to you, Mr. Nikunj.

Nikunj Jain – MUFG InTime India Private Limited: Thank you, Siddharth. Good afternoon, ladies and gentlemen. I welcome you to the Q2 and H1 FY27 earnings conference call of Waaree Energies Limited. To discuss this quarter's performance, we have from management Mr. Jignesh Rathod, Whole-time Director and CEO; Mr. Abhishek Parekh, CFO; and Mr. Varun Goenka, President, Growth and Strategy. Before we proceed with the call, I would like to mention that some of the statements made in today's call may be forward-looking in nature and may involve risks and uncertainties. For a more detailed disclaimer, kindly refer to the investor presentation and other filings that can be found on the company's website and the stock exchanges. Without further ado, I would like to hand over the call to management for the opening remarks, and then we will open the floor for Q&A. Thank you, and over to you, sir.

Jignesh Rathod – Whole-time Director & CEO: Thank you, Nikunj. Good afternoon, everyone, and thank you for joining us on our Q2 and H1 FY27 earnings call. I hope you have had a chance to review our results and presentation. I will begin with our business updates and plans. Mr. Parekh, our CFO, will then take you through the financial and operating performance.

Let me first start with the industry updates. India installed approximately {? 38 GW ?} of solar in calendar year 2025, versus 35.3 GW in the first 9 months of calendar year 2026. In H1 FY27, it was 20.8 GW. The USA installed approximately 43 GW in calendar year 2025, versus 19.2 GW in H1 calendar year 2026.

Solar continues to dominate the energy transition across the world, and now, with BESS being an additional accelerator, solar PV will continue to dominate clean energy adoption.

In addition, we are seeing green shoots of new growth drivers involving solar plus battery renewables from data centers, green ammonia, and green hydrogen, all of which have significant business potential for the Waaree Group across multiple business segments.

We are building significant capabilities and capacities to serve both existing and future sources of demand across the entire new energy value chain.

I am delighted to share that since our first dispatch in February 2008, more than 37 GW of modules have been deployed in the field and are generating clean power.

In addition to that, we started the kit business in April 2025, and we reached the milestone of 1 lakh kits sold yesterday.

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Waaree Energies

Our H1 FY27 performance reflects the strength of our business fundamentals and consistent execution of our growth strategy. In H1 FY27, a 47% increase in revenue, coupled with 15% EBITDA growth and a significant improvement in operating cash flow of almost 5 times, demonstrated the resilience of our execution.

Our order book of 59,500 crores further reinforces our execution roadmap.

We are particularly encouraged by the strong momentum in our retail business revenue. It reached 5,753 crores in H1 FY27, almost 2 times year-on-year, and accounted for 37% of total revenue in H1 FY27, surpassing the total retail revenue of 5,515 crores in the entire last financial year.

Our dealer network, digital channels, and wider product range help us reach customers across the country.

Our domestic US manufacturing business recorded revenue growth of 113% in H1 FY27 on a year-on-year basis.

Both India retail and international businesses are becoming important to our growth trajectory and EBITDA contribution.

As we continue to expand our capabilities and strengthen our presence across the clean energy value chain, we expect our battery energy storage system, transformers, inverters, EPC, T&D, and green hydrogen businesses to contribute to future growth.

We have an installed module manufacturing capacity of 25.8 GW, including 1.6 GW in the USA. Module production in the USA continues to ramp up and reached 0.3 GW, achieving an annualized utilization of 71%.

In addition, 3.2 GW of module manufacturing capacity is being added in the USA. The two lines at the Brookshire factory are under trial production and are expected to be operational by March 2027, of which 1.6 GW will be operational in Q3 FY27 itself. Waaree Solar Americas will have 4.8 GW of module manufacturing capacity.

Turning to cell manufacturing, we currently have an installed cell manufacturing capacity of 5.4 GW in India. Our planned 10 GW expansion at the {? Unn ?} facility remains on track and is expected to be commissioned in this financial year.

Expansion of our ingot and wafer manufacturing capacity is progressing well, as can be seen from the photographs included in the presentation.

In our BESS business, we are looking at commissioning a 5 GWh containerization facility in Q3 FY27 and 3.5 GWh of battery cell manufacturing in this financial year.

Of our outlined capex program of approximately 30,000 crores, 35% has already been deployed, 28% is under execution, and 37% is at the planning stage.

As we enter FY28, Waaree will be fully ready to execute on capacities comprising 29 GW of solar PV, 15.4 GW of solar cells, 5 GWh of BESS packs and containers, 3.5 GWh of battery cell manufacturing, 4 GW of inverters, 20,000 MVA of transformers, and a larger integrated EPC entity.

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Waaree is at an inflection point of becoming vertically and horizontally integrated, with significant operating leverage potential ahead, driven by increased utilization of major capacities nearing completion.

With a clear strategic roadmap, expanding capacities and capabilities, and a strong focus on execution, we are confident in our ability to deliver sustainable long-term growth. We affirm our operating EBITDA guidance of 7,000 to 7,700 crores in FY27.

With that, I will hand over to our CFO, Mr. Parekh, to take you through the numbers and the progress of our investment plans. Thank you.

Abhishek Parekh – CFO: Thank you, Jignesh, and good afternoon, everyone.

I will take you through our financial results, revenue mix, order book, and manufacturing performance.

I will then cover the investment program and our plans for the rest of the year.

Our Q2 revenue was 7,517.7 crores, up 43.9% year-on-year.

Operating EBITDA was 1,335.2 crores, while the margin was 17.8%.

PAT was 753.6 crores.

For the first half, revenue was 15,449.5 crores, up 47.3%.

Operating EBITDA was 2,775.1 crores, up 14.5%, with a margin of 18%.

Profit after tax was 1,645.5 crores, compared with 1,651.1 crores in the same period last year.

We remain a net-debt-free company, with net cash of around 3,224 crores and a net debt-to-equity ratio of negative 0.2 times.

ROCE was 28.7%, and ROE was 24.2%.

Retail contributed 46.1% of Q1-Q2 revenues.

Utility, IPP, and C&I customers contributed around 22.9%.

The overseas market contributed 18.5%, and EPC, O&M, transmission and distribution, and other segments put together contributed 12.6%.

Retail was around 3,464 crores in Q2, up 252% year-on-year.

Module sales were 3 GW, up 47%.

The top five customers accounted for 14.2%, and the top 10 accounted for 20%, demonstrating a consistently diversifying revenue mix and risk profile.

Overseas revenue stood at 1,389 crores in Q2, compared with 2,875 crores a year ago.

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Within this, domestic US revenue increased to 1,300 crores from 732 crores.

Revenue from exports from India was 89 crores, compared with 2,143 crores last year.

Our total order book as of October 26, 2026, was around 59,200 crores.

The module order book was 25.6 GW.

As noted in the presentation, we have rationalized the order book. Orders that have not yet been terminated have been reported as deemed closed, as a major part of the export orders was affected by Section 232 in the US, without assuming any liability against us under these contracts.

The geographical mix of the order book is now 48.4% domestic India, 43.8% domestic US, and 7.8% exports from India.

Our cash-and-carry business continues to increase its wallet share in total revenue.

For the first half, total module production was 6.2 GW, and cell production was 1.9 GW.

The additional 10 GW cell facility is planned to start in the current financial year, with around 5 GW expected to start in Q3 and another 5 GW in Q4 this year.

Once this is completed, Waaree will achieve a total cell capacity of 15.4 GW, the largest in the country.

The ratio of cell to module capacity would rise from the current level of around 22% to around 65%.

This will help us use more of our own cells, as well as achieve healthy integration in terms of production from our own cells and a healthy mix of DCR and non-DCR orders.

For the second half, our focus is solely on delivering orders, completing the planned capacities, and improving operating efficiencies.

We are also keeping a close watch on our working capital and project spending.

If you look at our operating cash flow this quarter, as well as in H1, it has surpassed 5 times the total operating cash that we generated year-on-year.

If you also look at the total amount yet to be spent on the projects under three categories—projects that are already commissioned, projects that are under execution, and projects that are at the planning stage—the project which [cut off]

Abhishek: are already commissioned, projects which are under execution, and projects which are at the planning stage. Waaree has a sufficient cash balance at the gross level, which is sufficient to fund a major portion of the key projects that are under execution from its own capital without further borrowing.

As mentioned by Jignesh earlier, we are maintaining our FY27 operating EBITDA guidance of 7,000 to 7,700 crores.

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Thank you for your continued interest in Waaree Energies Limited. I would now request the operator to open the floor for questions.

Operator: Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question comes from the line of Shweta Jain from Anand Rathi Share and Stock Brokers Limited. Please go ahead.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Good afternoon, everyone. With the retail business now gaining traction, could you provide some color on distributor margins and the overall profitability of the channel? We do not see any increase in operating expenses related to the distribution-led model expansion in the numbers.

Could you explain how the distribution business is being managed?

Abhishek: Thank you, Shweta. If you look at the distribution model, we sometimes refer to it as the retail or cash-and-carry model. We currently have more than 775 retail channels, or retail centers, exclusively for Waaree across the country, with an additional 3,000-plus distribution points attached to them. More than 5,000 people work under the retail stores and distribution points exclusively for distributing, executing, designing, and servicing Waaree projects across the country.

This business has taken more than a decade to build since we started it. I think in 2016-17, when we started, the journey began with around 10 crores of revenue from this stream through three partners. We now have 775 partners and half-yearly revenue of around 5,700 crores. This year, we are looking at around 10,000 to 11,000 crores of revenue from this stream alone.

While you see the jump in the overall revenue mix from retail, almost 100% if you compare this H1 with the last full year, we also know that because of the operating leverage we have created, we are bound to benefit from operating leverage here. Any incremental onboarding of a franchisee versus the incremental revenue that we receive makes significant sense for us.

We also continue to work extensively on the distribution model. It is not just a channel sign-up, agreement, or contract. It is an arrangement wherein we supply the product, provide the technology, provide the service and skill set, and help these partners install projects as well as monitor their performance. At the same time, these retail channels continue to expand their networks and earn annuity income from the operation and maintenance work they perform on the ground. This is enhancing their stickiness to Waaree. There are also a few real partners whose revenue has grown from 1-2 crores a year to more than 50-75 crores annually.

This demonstrates the benefit of leverage that not only Waaree but also the retail distribution channel is receiving. As we grow and continue to introduce new products, such as the more than three new product models introduced recently at REI, including inverters, skids, and modules, we also continue to expand the portfolio with products such as batteries, small rooftop batteries, small

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transformers, and skid products. Each of these products will now be installed and supplied through these retail channels.

This represents a massive opportunity for us, not only to leverage the existing network while continuing to expand it, but also to increase the breadth of our product portfolio. Therefore, the magnitude of growth we see from this particular segment is massive.

I hope this answers your question.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Yes, Abhishek. Thank you so much for that. My next question is on the US markets. I think the deemed cancellations we are discussing are in the range of 2–2.5 GW for the quarter. Could we see further cancellations of this nature in the future as well? What is the outlook for the US business amid all these uncertainties?

Abhishek: Thank you, Shweta, for this question. I think it will help me clarify the overall scenario for the US business as well.

If you look at our reported order book last quarter versus this quarter, you would see that the percentage of export orders in the total order book has reduced from around 24% to less than 8% in one quarter. Despite that, the absolute order book has remained in the range of 59,200 crores and above.

What we have done exactly is this: as you are aware, Section 232 was enacted in the US last quarter, owing to which there is a minimum import price in the US for imports of panels starting December 4. We have completed whatever shipments could be made, factoring in the requirement that these products had to enter the US market and reach US shores before December 4. Anything beyond that would require MIP compliance as well as price adjustments.

Although the contracts and agreements have not yet been terminated, and we have not yet concluded on their termination or closure, as a fair and true disclosure, we have adopted a practice whereby, whenever we see a high risk of renegotiation or cancellation of these orders, we no longer report them in the order book.

Secondly, in terms of the overall gigawatts, broadly, yes, we have discontinued reporting orders worth around 3 GW or more. Hence, the ratio has declined from 24% to 7.8%.

However, the good news is that our US order book continues to rise because the ambiguity and noise around what is going to happen in the US market have cleared up significantly. The government has clarified the pricing of panels imported into the US. The price of a module is fixed at 38 cents plus 15% duty. The price of a cell is fixed at 22 cents plus 15% duty. The price of a wafer, based on the calculation, appears to be around 14–15 cents plus 15% duty. Polysilicon is priced at around $21 plus 15% duty.

This has set the tone for the US market for the next few years. Every order that we are now discussing with these customers, including the orders that we have discontinued reporting, is being discussed with the impact of Section 232 taken into account. This has certainly helped us enhance our realization per watt in the US from the current 26–27 cents to the 30-cent range, and potentially to around 35 cents or more going forward. The longevity of these orders, supply-chain

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risk, and geographical risk associated with these orders going forward are also working in our favor, with no further ambiguity in the US markets for the US facility.

I hope this is helpful.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Sir, just on this [cut off]

Hitesh: Shweta, Hitesh here.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Yes, go ahead.

Hitesh: You raised two very important business segments: retail and the US. I will highlight only one or two points.

Both of these require far-reaching planning in terms of building capacity and capability, which most other peers have not really invested in. It required an understanding of regulations and how markets evolve. So, just a few points.

First, on retail, Slide 24 covers the entire retail ecosystem. This is an ecosystem play; it does not mean you can simply have capacity and be ready for the market. The last mile is quite complex in India, with India being not just a country but a continent. As Abhishek said, it has taken us 8 to 10 years to build this. The servicing and customer experience are important because the customer is buying the equivalent of something like a car for 10, 15 years, or more. Retail is therefore a very different game from simply having manufacturing capacity for B2B. There is also a YouTube video on our retail business that was made at the May 7 event. I would encourage everybody to watch that video to understand how the business has evolved and what its potential is.

On the US side, again, we are the only ones to have ready capacity at scale, almost 4.8 GW, with significant orders and offtake agreements far ahead of anybody else. It required years of thinking, perhaps 2, 3, or 4 years in advance, while the regulations have only just come in. This part of the business, the US business, will see significant scale in FY28, particularly in terms of margins and ROIC, which are very strong.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Understood. Does this mean we would not see more cancellations from this US order book? Whatever deemed cancellations were expected to happen, have we written them off in this quarter?

Abhishek: Shweta, the total magnitude or size of the export order book has already been rationalized. We have retained only the orders for which dispatches have happened but revenue is yet to be recognized; revenue will be recognized only once delivery happens in the US. The rest are orders for which we are renegotiating or converting them into MIP-workable contracts.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Understood. If I may take one more question on the domestic front, may I?

Abhishek: Yes.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Great. On the domestic side, we have seen module production CUF at 45%. Is there any specific reason why we came down below 50%

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for this quarter, or is it only linked to the US order book cancellations?

Abhishek: [pause] I think we are talking about the capacity utilization of modules this quarter.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Yes, the domestic [cut off]

Abhishek: As you are aware, there has been a change or shift in policy, under which ALMM II was extended by approximately 6 months. Because of the supply-chain shift, replanning the supply chain toward non-DCR for a period of approximately 6 months took some time. Of course, during these 4 to 5 months, non-DCR supplies are bound to increase, resulting in higher volumes in Q3, and even higher volumes in Q3 until the extension ends.

Therefore, there was temporarily lower utilization owing to supply-chain planning, considering that ALMM II started in July this year.

Shweta Jain – Anand Rathi Share and Stock Brokers Limited: Got it. Thank you so much. I will join the queue again if I have more questions.

Operator: Thank you. A reminder to all participants: please restrict yourself to two questions. The next question comes from the line of Sumit Kishore from Axis Capital. Please go ahead.

Sumit Kishore – Axis Capital: Good afternoon, and thanks for the opportunity. I have two questions. First, could you explain the dynamics around the sequential EBITDA margin decline from 18.2% to 17.8% in Q2? We have seen cell production increase sequentially by almost 300 MW, and there were more local US sales versus exports from India. What is really driving this reduction in sequential EBITDA margin?

Abhishek: Sure, Sumit. Abhishek here. If you compare Q1 and Q2, there appears to be a decline in the overall EBITDA margin. However, if you look at what changed in Q2 versus Q1, in Q1 there was a refund from US duties that was recorded, leading to overall EBITDA of more than 18%. On a like-for-like basis, if you compare both quarters and consider what has changed, you will see a significant jump in EBITDA margins without considering the refund income, owing to higher utilization of cells, from around 800 MW a quarter ago to more than 1.1 GW in this quarter. This was supported by additional volume from the US module factory, which increased utilization from 60% to more than 70% this quarter. Going forward, we are still expanding the utilization of both cells and modules in the US from the existing facilities.

Management: Even if you look at the new capacities in the US that are going live—1.6 GW in this quarter and another 1.6 GW in the next quarter—they will support our supplies as well as margins. In the US, when you supply a panel, for every watt peak supplied, we receive around 7 cents of incentive. That also adds to the overall operating margins.

In addition, the 5 GW of cell capacity in India going live in Q3 this year, and the additional 5 GW of cell capacity in India going live in the next quarter, will help us. The entire 10 GW of cell capacity in India will help us use more owned and manufactured DCR cells instead of buying DCR cells from the market, producing DCR modules, and then shipping them out.

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Taken together, these are the three factors and engines that we are looking at over the next 2 quarters to expand our margin profile.

Sumit Kishore – Axis Capital: Very clear. Another related point is that the tariff refund mentioned in point number 6 of the notes to accounts was 349 crores in Q1, and that figure has moved to 360.4 crores in Q2. Should we interpret this to mean that the additional 11-odd crores has been recognized in Q2 and—

Management: Yes, exactly.

Sumit Kishore – Axis Capital: —and that this should be adjusted from the margin to assess the underlying margin performance?

Management: Yes. This is a pure-play margin this time, with hardly any adjustment or hardly any {? income ?} from the refund portion. From that perspective, there is a significant overall jump in the margin profile.

Sumit Kishore – Axis Capital: Given that you have reiterated your EBITDA guidance of 70 to 77 billion, and the first half has been around 27 billion plus, would it be fair to assume that, given the cell capacity you are adding will take some time to stabilize, there is going to be a lot of bunching in Q4?

Management: Partially, yes, because the existing cell capacity was at around 81% in Q2, and considering the ramp-up that has already happened, I think we are already running at around 90% or more with the existing capacity. Therefore, there is a 9% to 10% improvement in output from the existing facility, giving us more than 100 MW of additional cell production this quarter.

The new 10 GW facility will take some time to ramp up, but the first 5 GW going live this quarter will provide a reasonable volume in Q4. You should also add the additional volume from the US facility that is going live this quarter, with 1.6 GW, and another 1.6 GW in the next quarter.

Therefore, Q4 will be heavy. Q3 will also be loaded. H2 overall will be around 55% to 60% of the overall EBITDA guidance. This is what we are expecting.

Sumit Kishore – Axis Capital: Okay. So, at what utilization level should the new module and cell capacity be able to operate in Q4—30% to 40% utilization, or 30%?

Management: Module utilization will be much higher, but for cells you can assume around 30% to 40%.

Sumit Kishore – Axis Capital: Thank you so much, Abhishek. Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Praveen Sahay from PL Capital. Please go ahead.

Praveen Sahay – PL Capital: Thank you for the opportunity. My question is related to FY28. You have given module, cell, BESS, inverter, and transformer capacity expansions. Can you give us

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some indication of how much revenue contribution in FY28 will come from BESS, inverters, and transformers, which are the new businesses where capacities are being added?

Management: Sure. If you look at our investment in all these verticals, most of the capex will be completed this year, except for the second phase of the battery project, which is 6.5 and is at the planning stage, and the glass project, which is also at the planning stage. The ingot and wafer project is another one. However, most of these investments will start contributing revenue as well as bottom line from Q1 FY28. Throughout FY28, we will see support from these new investments, including transformers, T&D, new cell facilities, electrolyzers, and inverters.

As a percentage of overall revenue, we have not provided guidance on how much will come from these businesses. However, I can explain the direction in which we are moving. The solar panel module business used to account for around 95% to 96% of our revenues a few years ago. It has recently come down to around 80% to 85%. Going forward, with higher growth in the new business verticals in which we are investing around 30,000 crores over 2.5 years, the contribution from these businesses should rise from 15%-20% to around 30% to 35% over the next 2 to 3 years.

Over a longer period, the solar business share of total revenue in percentage terms may come down, although its absolute value will continue to increase because of higher utilization of volumes across our Indian and US facilities. The pure-play solar business revenue streams could remain at 50% to 60% of total revenue over the longer term, over 2 to 3 years. Around 40% to 45% could be the revenue range for these other segments, including battery energy storage predominantly, along with EPC and T&D businesses supported by transformers, inverters, and electrolyzers. I hope this provides some color.

Praveen Sahay – PL Capital: Thank you. Further to this question, the BESS facility, specifically the BESS cell capacity of 3.5 gigawatt-hours, is that also expected to be operational from Q1 FY28?

Management: The cell facility is expected to produce its first cell from Q4 this year itself. In FY28, we expect this line to continue operating on a commercial basis.

Praveen Sahay – PL Capital: Do you have an order book related to BESS as well?

Management: We are starting to receive orders. Our order book includes some portion from the supply of energy storage products. However, as we speak, we are in discussions with multiple customers in India and overseas for energy storage container packs as well as exports of cells from the facility. Multiple discussions are ongoing.

Praveen Sahay – PL Capital: Thank you, and all the best.

Management: Thank you.

Operator: Thank you. The next question is from the line of Aritra Banerjee from Nomura. Please go ahead.

Aritra Banerjee – Nomura: Thank you for the opportunity. My first question is regarding the margin differential between modules exported from India to the US and modules manufactured in the US and sold directly in the US. What is the margin differential between these two products?

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Second, according to recent news, if China restricts technology transfers, do you expect any disruption to the commissioning plan for your wafer and ingot plant? Also, regarding BESS plant commissioning, do you envisage any delays or disruptions in those segments? Those would be my first two questions.

Management: I will take up the first question on the margin difference between exports and local manufacturing in the US. In previous calls, we have guided that exports of modules from India provide EBITDA of broadly 3 to 4 cents per watt peak, at least. If we manufacture the same panel in the US, as we are currently doing, we receive an operating margin of around 2 to 3 cents at a utilization factor of 70% and above. In addition, there is an underlying 7 cents of EBITDA margin, which is added to this. Overall, this results in EBITDA margins of 8 to 9 cents in this business at a utilization factor of more than 70%.

We have already achieved the 70% mark. I am happy to share that the operating leverage of our existing facility, together with the new capacity at the same location, is giving us very positive signals of operating leverage from the US facility. This clarifies the margin difference between exports and local manufacturing in the US.

Management: Regarding China policy, we have secured all our equipment for both cells and batteries, so there is no impact. The ingot and wafer orders have also been secured, so there is no impact.

Aritra Banerjee – Nomura: Understood. Just one clarification: if you include the IRA benefits, are you saying that the margin realized from modules manufactured and sold in the US can be higher than the margin from modules exported from India? Is that understanding correct? And one extension—

Management: Yes, I think it will be more than double the export margins.

Aritra Banerjee – Nomura: And one extension to that question: this quarter, we have not booked any IRA benefits, correct? Or have we booked them? Please provide some clarity on that.

Management: No, of course. Since IRA is a cash incentive, we continue to book IRA against our dispatches. We are also selling these IRAs to other customers, even at this early stage.

Aritra Banerjee – Nomura: So, the reported numbers include some contribution from the IRA benefits as well, correct?

Management: Of course. That is what the US business model is all about.

Aritra Banerjee – Nomura: Understood. One last question regarding the pricing trends that you are seeing. Could you provide some color on DCR module prices and non-DCR module prices in the domestic market? Do you see any further competitive pressure or a decline in prices in the coming quarters? Please provide some clarity on that as well. Thank you.

Management: Naturally, as capacities continue to ramp up, solar cell facilities are now close to 40 GW. In the next 2 quarters, they will be around 70 GW, 60 GW. Naturally, some price correction will happen, but it will not affect us significantly because of our franchisee businesses, which directly use the modules in installations rather than pure-play trading of modules. Therefore, we are not

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seeing much impact, and we have already factored this into our business model.

Management: Also, to clarify the price differential between DCR and non-DCR, there are currently two different segments with two different pricing structures. For example, if you look at DCR, the spot price range for utility is around 20 to 21 cents, and for retail it is around 23 to 24 cents. Forward pricing for next year is around 17.5 to 18.5 cents, versus a retail price of around 20 to 21 cents.

There is a price delta when you work and distribute on a pure-play retail basis versus utility. However, in both segments, we are expecting broad price correction for next year, FY28. Those who have already ramped up capacity, are utilizing it at a higher level, and are deriving operating leverage will continue to benefit from economies of scale.

Aritra Banerjee – Nomura: Understood. Very clear. Those were my three questions. Thank you for answering them, and all the best for the coming quarters.

Management: Thank you.

Operator: Thank you. The next question comes from the line of Shubham Borade from ICICI Securities. Please go ahead.

Shubham Borade – ICICI Securities: Thank you for the opportunity. I have two questions. First, what is the status of the ingot and wafer plant, and when do we expect that capacity to be up and running? Second, why is EBITDA under the subsidiaries very low despite good revenue of 22 billion?

Management: The ingot and wafer plant is progressing well. Construction is in progress as planned, and it will be up and running according to the committed dates we have provided.

Management: In fact, we have also provided photographs of the manufacturing facilities under construction. You can refer to the presentation, which includes photographs of the {? Nagpur ?} ingot and wafer facilities.

Shubham Borade – ICICI Securities: What is the committed timeline for the plant?

Management: We are envisaging September 2027 as the date for starting commercial production at the 10 GW ingot and wafer facility. That has also been our earlier commitment.

Shubham Borade – ICICI Securities: On the margin—

Management: On the margin, I think I have already—

Shubham Borade – ICICI Securities: No, not margins—

Management: Yes, on the margin, I think I will take up the second—

Shubham Borade – ICICI Securities: No, not margins. Why is EBITDA under the subsidiaries very low despite higher revenues? I mean consolidated minus standalone.

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Management: You are referring to the listed subsidiary?

Shubham Borade – ICICI Securities: Yes.

Management: I think this has been discussed in the earnings call of the listed subsidiary company, but broadly, I can give you a sense. There has been an acquisition of a T&D entity under that subsidiary. While the subsidiary operates at around 17% to 18% EBITDA on a standalone basis, the T&D business generally generates 10% to 11% EBITDA. Therefore, the blended margin [cut off]

Management: of the pure-play renewable EPC and T&D businesses is working out to between 14% and 15%. I think the blended margins for the subsidiary were broadly in the range of 14% to 15%. However, because the T&D business is a very large and chunky business, the volumes are bound to result in a much larger order book being pursued by the subsidiary.

Sumit Kishore – Axis Capital: That is okay, sir. Thank you.

Management: Thank you.

Operator: Thank you. The next question comes from the line of Kaushal Sharma from Equinox Capital Venture Private Limited. Please go ahead.

Kaushal Sharma – Equinox Capital Venture Private Limited: Good afternoon. Am I audible?

Management: Yes, you are audible.

Kaushal Sharma – Equinox Capital Venture Private Limited: I want to understand and get an update on your solar glass facility. You have targeted spending around {? 3,900 ?} crores, of which 360 crores has been spent. How much has been spent on land, and how much on equipment? When do we expect to commercialize this facility? Where is the facility located?

Management: If you look at our presentation, we have provided the spending amount that you are referring to. Broadly, the spending so far has been on land acquisition, land filling, and related BOPs. We are in discussions with multiple technology partners. Our expectation is that this facility should go live in FY29. We continue to report updates on this facility in every earnings call.

Kaushal Sharma – Equinox Capital Venture Private Limited: Where have we procured the land? What is the location?

Management: In Gujarat, near Navsari.

Kaushal Sharma – Equinox Capital Venture Private Limited: Got it. Thank you.

Management: Thank you.

Operator: Thank you. The next question comes from the line of Prakhar Porwal from Singularity AMC. Please go ahead.

Prakhar Porwal – Singularity AMC: My question is on the US facility. What are the sales from the US facility, because the 3 GW number was mentioned? Is that the total number or India only?

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Management: The 3 GW number is a consolidated number, which includes the volume and supplies from the US facility. In Q2, revenue and supplies from the US facility were around 400 MW.

Prakhar Porwal – Singularity AMC: Of this 400 MW, would you have purchased 100 MW from another source?

Management: Of the 400 MW, 100 MW was purchased and roughly 300 MW was self-manufactured.

Prakhar Porwal – Singularity AMC: Understood. Secondly, can you provide some insight into the renewable power infrastructure business? I have seen that you have also bid for some projects under ISTS. Could you provide some insight into that business?

Management: As the name suggests, renewable power infrastructure is a business in which we see significant potential to address large customers, including large C&I customers and funds. Let me explain what we are doing in this business.

We have committed around 3,250-odd crores of capital to this business. At present, we have connectivity of around 10 GW or more. We have PPAs of around 2 GW, which also include FDRE PPAs of 700 MW from SECI, as well as other highly rated PPAs that we have received over the last 18 to 24 months. We are also looking at procuring land for these projects over the long term, involving 25,000 to 30,000 acres, which is under procurement.

Since this business requires EPC skills, development risk-taking, and the supply of capital goods, it also acts as a channel for sales for the Waaree Group. We are looking at multiple infrastructure funds, InvITs, and institutions that are seeking to create their own assets, but not through greenfield development. They are looking for mid-stage, post-development, or shelf-ready projects for their portfolios.

This business supplies all those projects with a commitment to supply equipment, EPC, transmission, and transformers together from the Waaree portfolio. Therefore, it is an additional sales channel for Waaree, as well as an end-to-end service for our large pool of clients that do not have a mandate to take connectivity or land-related risks.

We are catering to large C&I customers, multinational clients, and funds of funds that generally cannot acquire land or take the initial development risk as part of their mandate and portfolios.

Prakhar Porwal – Singularity AMC: Understood. Just one follow-up on that. Given that you have signed PPAs of around 2 GW, you would start building those projects and meanwhile seek acquirers over the construction timeline. If there is no buyer by then, would you operate the plant and transfer it after commissioning? Would that be the model?

Management: Exactly. However, since these are high-yielding assets, especially those involving energy storage and FDREs, we already have a pool of clients with whom we are in discussions to hand over these assets at a premium, while continuing to supply to these projects as a turnkey solution provider.

Prakhar Porwal – Singularity AMC: Understood. Thank you very much, and I wish you all the best.

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Management: For the benefit of everyone, this infrastructure business is what Abhishek explained. First, it creates a huge pipeline of orders for both our manufacturing and services businesses. Second, it builds close relationships with the large infrastructure platforms that are emerging now, including sovereign funds, private equity funds, InvITs, and annuity-income and asset-generating financial instruments.

These entities are all looking for a single partner to solve their land, connectivity, EPC, equipment supply, and O&M requirements, negotiate on their behalf, and provide control over timelines, quality, and, ultimately, IRR generation based on the generation of units possible depending on the quality of the plants.

These funds are looking for a partner like Waaree. Waaree is probably the only company able to provide end-to-end manufacturing and services while also solving grid connectivity and land issues. We are not looking to build these as hold-to-maturity annuity assets. We are looking to have, at most, minority equity in these assets, while they feed into our other manufacturing and services businesses.

Eventually, these assets can be sold off the books once they are fully commissioned and have been seasoned to some extent. That would provide an additional capital gain apart from the manufacturing and services opportunity.

Operator: Thank you. The next question comes from the line of Nitin Kaushik from {? ASN Capital Private Limited ?}. Please go ahead.

Nitin Kaushik – {? ASN Capital Private Limited ?}: Good afternoon. Am I audible?

Management: Hello.

Management: Yes, go ahead.

Nitin Kaushik – {? ASN Capital Private Limited ?}: In the last conference call, at the end you mentioned an ambition of reaching 1 lakh crore of top line in 4 to 5 years. How would this be achieved, and what portion would come from the solar business and new business segments such as BESS and inverters?

Management: In the previous question, Abhishek explained how the business will evolve over the next 3 to 4 years. Close to 45% would be solar. You can assume that the entire 29 GW capacity will produce 20 to 22 GW of modules. This includes India and solar modules. Backward integration into cells and wafers is not counted in solar revenue.

The next large business segment will be EPC. It is a listed entity, so all the information is available. There is also the merger of the acquired entity into it. The third segment is battery energy storage, followed by transformers, inverters, electrolyzers, and renewable power. Taken together, approximately 50% of the business could be non-solar over the next 4 years, even though all these businesses are complementary to and adjacent to solar.

These are not independent and parallel businesses. Solar plus BESS is now being sold together. The entire industry has moved away from plain-vanilla solar toward FDRE, RTC, and hybrid plants. Solar

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and BESS are therefore integrated. Similarly, the inverter is also part of our solar kit business, and eventually we will have utility-scale inverters as well. Overall, over the next 4 to 5 years, we are looking at almost equal contributions from the core module business and non-module businesses.

Nitin Kaushik – {? ASN Capital Private Limited ?}: Considering that all these new segments will account for around 50% of the entire business, this 1 lakh crore target seems achievable, correct?

Management: Yes, absolutely. If you do the math, even on a ballpark basis, with around 20 GW of module production, you can apply your realization. That alone would become 40,000 to 45,000 crores of solar business. I do not want to go into further details, but it is quite achievable to reach 90,000 crores to 1 lakh crore of revenue if you add up the capacity of all the business segments, assume a conservative utilization of around 75%, and consider the ability to reach anywhere close to 90,000 crores to 1 lakh crore of revenue. There will also be some new business segments and some contribution from M&A over the next 4 to 5 years.

Nitin Kaushik – {? ASN Capital Private Limited ?}: Okay. Also, what kind of utilization are we expecting...

Operator: Sorry for interrupting, Mr. Kaushik. Sorry for interrupting you in the middle. Please rejoin the queue for more questions.

Nitin Kaushik – {? ASN Capital Private Limited ?}: Okay. Thank you.

Operator: The next question comes from the line of Saurabh Arya from Oaklane Capital Management LLC. Please go ahead.

Saurabh Arya – Oaklane Capital Management LLC: Thank you for the opportunity. My first question is on your data center announcements. Could you explain in detail what exactly we will be doing? Will we enter the colocation business, or will we limit ourselves to supplying power? Second, how does this fit into our overall capital allocation strategy, and how much capital are we considering allocating to the data center business? The Waaree 2.0 capex plan you shared does not mention this.

My second question is on the retail business. Within retail, it is now 46% of sales. If we do the reverse calculation using the market size of approximately 3.3 GW for retail given in the presentation, and assume that 1.1 GW of all your DCR sales went into that market, are we saying that we have a 33% market share in that particular market? Or does the retail business include non-DCR sales, inverter sales, and other components? If you could divide that, it would help us understand it better. Thank you.

Management: These are two very sharp questions, Saurabh, and you are always well-informed. On data centers, for everyone's benefit, let me first explain their relevance and how they complement Waaree and fit into our business focus.

Most data centers in India and globally have announced a minimum of 51% renewable energy integration. In fact, most data center policies require them to have a minimum of 51% renewable energy. There is some disturbance; if somebody can go on mute.

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To give you an example, a 1 GW data center requires close to $8 billion of capex, of which $2 billion would be toward power infrastructure: $1 billion toward the core generation asset and $1 billion toward grid-related infrastructure. Therefore, data centers directly lead to renewable energy business across the entire value chain. Power is actually needed at the beginning, even before the GPUs or the tokenization engine starts.

Management: Yes.

Management: That is the first relevance of the data center business. Power is one of the largest OPEX costs for a data center, and in terms of CAPEX, it is an early-cycle CAPEX in the overall data center CAPEX.

Now, turning to Abhishek regarding what we intend to do in infrastructure and EPC, this 3,200 crore renewable power infrastructure commitment includes any kind of annuity or similar assets. It is not over and above that amount. Abhishek, if you can add to this.

Abhishek: I will reinforce what Hiren just mentioned: capital allocation is, of course, the key. Even in the presentation, if you look at the three categories in which capital has been mentioned, one is deployed, one is under deployment, and one is at the planning stage.

If you look at the total cash balance and liquid investments that we were holding as of September 2026, I think we had almost enough cash to fund the entire under-construction facilities as we speak. This number itself gives us confidence that Waaree's under-construction facilities, other than those under planning, are sufficiently funded from the existing cash balance.

Over and above this, over the next 6 months, whatever we earn, less the capex required to maintain our earnings, will create another cash balance buffer to take on the projects that are under planning.

Regarding the second question on the retail business, I have already provided some color on it, but I will try to add some more detail.

Hiren: Just one point on data centers: for every 1 GW of data center capacity, the renewable capacity required includes 5 GW of solar, 4 to 5 GW of BESS, and another 3 to 4 GW of wind. This is because of latency and the requirement for pure power, hybrid, and RTC solutions. You all know this. Renewable investment is one of the largest opportunities. I think I have already shared the data points with you.

On the retail part—

Abhishek: As you rightly pointed out, if you back-calculate the retail number, it gives you a remarkable figure. Waaree's overall share in the retail market is around 30%, which is what we also see.

With newer franchisees being onboarded and additional products launched recently, such as inverters, as well as new products such as batteries, small rooftop batteries, and C&I batteries, all these products together will continue to increase our wallet share on the retail front.

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It is not just a supply business or merely a channel anymore. It is a business in itself, where we are increasing the breadth of products that we can supply. We are also enhancing the service capabilities that can be provided through these franchisee networks. We are equipping the network with underlying digital infrastructure to service these contracts.

Even if you look at the data, you will see that installations by Waaree franchisees across the country over the last 12 to 18 months under the PM Surya Ghar Yojana are almost 3 to 4 times those of the nearest competitor in terms of the number of roofs covered. That itself speaks to the velocity at which this business unit is growing.

Hiren: Some of this market share data may differ. Why? Waaree is selling an integrated product, a complete kit, whereas many other companies are selling modules to EPCs and integrators, who then provide the BOS. Therefore, there can be different methods of measurement. There is also an off-grid market that is sometimes not captured.

To summarize, in terms of market potential, Waaree expects this business to become a multiple of its current size, given the increasing SKU value. Earlier, 1.5 kW was standard; now even 3.5 kW is selling well. Second is battery integration. Third, grid-forming or hybrid inverters will be needed for battery integration in rooftop systems.

There is significant traction from C&I rooftop systems, either for warehouses or small factories, which receive very good tax benefits. Therefore, rooftop is a very large business in the making.

Saurabh Arya – Oaklane Capital Management LLC: Perfect. This is really helpful. Thank you very much.

Hiren: In China, by the way, 120 to 150 GW of distributed solar was installed last year. This basically includes non-utility solar. In India, we are still at barely 15 GW.

Saurabh Arya – Oaklane Capital Management LLC: This is very encouraging. Having a 30% market share is very difficult to achieve, and it requires a very different mindset from selling only modules. I really appreciate this answer. Thank you.

Hiren: My pleasure.

Operator: Thank you. An announcement for all participants: please restrict yourself to one question. The next question comes from the line of Abhishek, who is an individual investor. Please go ahead.

Abhishek – Individual Investor: [inaudible]

Management: Please speak louder; we cannot hear you.

Abhishek – Individual Investor: Hello. Am I audible now?

Management: Yes, it is clear.

Abhishek – Individual Investor: My question was about the inverter, transformer, and electrolyzer capacities that are being established this year. What kind of revenue and margins can we expect from these three businesses?

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Management: The total committed capital for these three businesses is roughly 1,200-odd crores. This is for transformers, electrolyzers, and inverters. Inverters have already started 4 GW of production. The existing transformer asset has also started production, and the incremental capacity will go live by March.

The ballpark revenue from these three units and products put together could be around 7,000 to 8,000 crores. EBITDA margins are different across the three streams. For inverters and transformers, we expect EBITDA margins of around 18% to 22%. For electrolyzers, the expectation is around 13% to 15%.

Abhishek – Individual Investor: Thank you. That answers my questions.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, due to time constraints, we have reached the end of the question-and-answer session. I now hand the conference over to management for closing comments.

Management: I will add one point across the board. We are seeing many industry questions about how the industry structure is changing or evolving. One thing is very clear: driven by regulations and operating efficiencies, any player with less than 10 GW of scale or operating below scale, without backward integration and horizontal integration, is not well-positioned for the future.

With the ingot and wafer policy now coming in, the capex per gigawatt for ingot and wafer is very large, and the minimum capacities are 5 or 10 GW. Very few players will therefore be able to participate, and the industry will consolidate over the next 2 to 3 years. I will hand it over to you, Jignesh, to add more.

Jignesh: Thank you, everyone. Thank you for continuing to place your trust in Waaree, and let us achieve our goals.

Management: Thank you.

Operator: Thank you. On behalf of Waaree Energies Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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