

August 06, 2026

To
The Manager,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001
Scrip Code: 544277

To
The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G,
Bandra - Kurla Complex, Bandra (East)
Mumbai - 400 051
Trading Symbol: WAAREENER

Dear Sir/ Madam,

Sub: Transcript of the Analysts/Institutional Investors Meeting/Call on Unaudited Financial Results for the Quarter ended June 30, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the conference call on Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2026 held on Thursday, July 30, 2026 at 11:00 a.m. (IST).

The above information is also available on the website of the Company i.e. www.waaree.com.

Kindly take the information on record.

Thanking you,

Yours faithfully,

For Waaree Energies Limited

Rajesh Ghanshyam Gaur
Company Secretary & Compliance Officer
M.No. A34629

WAAREE Energies Ltd.

Registered Office:

602, Western Edge – 1, Western Express Highway, Borivali (E), Mumbai – 400 066, INDIA.

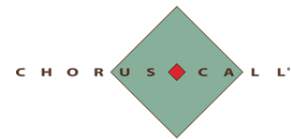
Tel: +91-22-6644 4444. Fax: +91-22-6644 4400.

Email: waaree@waaree.com. Website: www.waaree.com

Corporate Identity Number: L29248MH1990PLC059463



“Waaree Energies Limited
Q1 FY27 Earnings Conference Call”
July 30, 2026



**MANAGEMENT: MR. JIGNESH RATHOD – WHOLE TIME DIRECTOR AND
CHIEF EXECUTIVE OFFICER – WAAREE ENERGIES
LIMITED**

**MR. ABHISHEK PAREEK – CHIEF FINANCIAL OFFICER
– WAAREE ENERGIES LIMITED**

**MR. VARUN GOENKA – PRESIDENT, GROWTH AND
STRATEGY – WAAREE ENERGIES LIMITED**

**MODERATOR: MR. IRFAN RAEEN – MUFG INTIME INDIA PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Waaree Energies Limited Q1 FY27 Earnings Conference Call hosted by MUFG Intime. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Irfan Raean from MUFG Intime. Thank you, and over to you, sir.

Irfan Raean: Thank you, Nithya. Good morning, ladies and gentlemen. I welcome you all for Q1 FY27 Earnings Conference Call of Waaree Energies Limited. To discuss this quarter's performance, we have from the management, Mr. Jignesh Rathod, Whole-Time Director and CEO; Mr. Abhishek Pareek, Chief Financial Officer; Mr. Varun Goenka, President, Growth and Strategy.

Before we proceed with this 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 more detailed disclaimer, kindly refer to the investor presentation and other filings that we have uploaded on company's website and stock exchanges.

Without further ado, I would like to hand over the call to Mr. Jignesh Rathod ji for his opening remarks. Over to you, sir. Thank you.

Jignesh Rathod: Thank you, Irfan. Good morning, everyone, and thank you for joining us in this earnings call. Our Q1 FY27 results were announced yesterday, and I hope you had a chance to go through them. I will share a broad view of the environment on our business and Mr. Pareek, our CFO, will take you through the financial performance in detail.

Let me say one thing upfront because it frames everything that follows. Our order book stands at approximately INR61,500 crores, the highest in our history, up from INR50,000 crores just a quarter ago, with about INR16,000 crores in new orders won in this quarter alone. Whatever else we discuss today, that is in markets verdict on Waaree.

Let me start with the world around us. The global energy transition is no longer a projection. It is the single largest capacity addition story the power sector has ever seen and solar sits at very center of it. At the same time, the map of solar manufacturing is being redrawn in real time.

The U.S.A. and Europe are moving decisively to derisk their supply chains and their policies, increasingly reward suppliers who are trusted, transparent and non-China. Very few companies anywhere in the world can serve that demand with proven scale, bankable quality and clean verified supply chain standing behind every single module. Waaree is one of them.

Today, the largest non-Chinese module manufacturer in the world. What reads as trade turbulence in the headlines is for us is the structural tailwinds. At home, the momentum is even stronger. India's energy demand keeps rising with its economy and the Government of India's

push for solar is consistent, deliberate and long term from domestic content requirement in ALMM to its rooftop program, carrying solar into crores of households.

India is at the very same time becoming a serious manufacturing base for the world. Policy, demand and manufacturing depth are all moving in one direction, and that is exactly the direction we have been investing in for years. This is not a cycle we are riding. It's a runway we helped to build.

Against this backdrop, Waaree enters the year on its strongest ever foundation. We carry India's largest module manufacturing capacity and India's largest cell capacity will be once our 10 gigawatt cell line will be up and running. Our backward integration into cells is as per plan.

Our manufacturing platform in the United States is growing and our quality is independently validated year after year by the toughest names in the business like RETC, PVEL. Our brands today stands for one thing above all, quality and reliability.

In the market that is maturing quickly, customers want a supplier who is on the ground, proven and will be there for the life of the asset. And that is precisely why the Waaree brand strengthened visibility again this quarter. And this trust has been earned through the technology leadership, not just the scale.

We were first to commercialize flexible modules way back. We were among the earliest anywhere to commercialize 700 watt plus modules. We built HJT modules back in 2019 just before rest of the industry turned that way. We own world-class laboratory which lets us test, validate and certify to the most demanding global standards in-house on our terms and our timelines. And the ultimate proof is not just the lab report, it is in the field.

Over 35 gigawatt of Waaree modules deployed and performing every single day in every kind of terrain and climate. This is a difference between a vendor and a partner. It is why the customers do not just buy from Waaree once they stay with us.

Let me share the key strategic initiative of the quarter. On the capacity, we commissioned an additional 3 gigawatt of module capacity at our SMS plant, Samakhiali, Gujarat in April '26. Waaree Energy Storage Solutions commenced the automated BESS container production at 5.15 gigawatt hours, nearly 1.5x the 3.5 gigawatt hours we had originally planned.

Waaree Transpower commenced commercial production of its 17.6 MVA inverter duty transformer, taking that business from qualification to revenue. WRTL completed the acquisition of an approximately 55% stake in Associated Power Structures for approximately INR1,225 crores, extending our reach decisively into transmission and distribution and separately won a 1.5 gigawatt in our BESS EPC orders and signed the early contractor involvement agreement for utility scale solar plus BESS project in Australia and New Zealand market. In the United States, WSA secured a 125-megawatt orders of HJT modules, which will be supplied from Arizona plant. This is one more validation of our technology leadership in the market where quality and traceability matters as much as price.

These are not isolated wins. They are proof points across the capacity, storage, transmission, EPC and international markets, all moving in the same direction in the same 90 days. The breadth of execution is why our conviction in the coming quarters is not sentiment, it is evidence. I'm pleased to inform you that we are standing at highest ever order book in the history of Waaree of INR61,500 crores. Two engines deserves the special mention here.

Our retail revenue more than doubled this quarter, up 130% year-on-year, and our franchisee and channel partner network widens and deepens taking Waaree into towns and villages where solar demand is not only just beginning and where brand trust alone decide the sale. We expect retail to be INR10,000 crores business this year. Alongside it, our e-commerce business is scaling fast, reaching households, installers and small businesses directly with the convenience this industry has never offered before.

Together, those two engines give us a granular high-quality demand base that is genuinely hard to replicate, and they come with the better realization and deeper stickier customer relationship. And remember, our cash and carry retail orders are largely not even counted in the INR61,500 crores order book. This is how a market leader compounds its lead.

On execution side, Waaree has consistently delivered its key expansion projects in line with its strategic road map, and I'm glad to report our projects are on time. New cell capacity at Unn plant is ramping as per plan and expected to be operational within this current financial year. All 10-gigawatt equipment are in our premises now.

Our cell to module integration is expected to grow roughly threefold, which contributes directly to the profitability in the coming quarters. Our further backward integration into ingot and wafers rises the capital barrier around our position and deepens our competitive advantage. Our new lines in the United States are expected to begin commercial production in the next few months and our transformer electrolyser inverter facilities are on track to their stated time lines.

Now let me equally direct about what did not go our way this quarter and more importantly, why each of this reverses in the quarters ahead. First, raw material costs rose globally driven by the metal indices and price movement out of China, and that compressed margin across our industry, and we were not immune. The structural answer is already running.

Our captive cell lines nearly doubled output within the quarter. Every captive cell replaces the purchased one at a meaningful saving and structural company-wide cost leadership program is in execution with a dedicated program office. Its first initiative is being implemented this quarter, not next year.

Second, our export mix were softer as some shipments and clearances took longer than we would have liked. The hardest part behind us -- from August our new U.S. lines also mean a growing share of American demand is served from American soil.

Third, a portion of our capacity ran ahead of dispatch ready orders since this year's book is weighted to the second half. Here the recovery is contractual, not hopeful. The order book you see in our presentation converts into the confirmed dispatch schedules that take capacity

coverage to near full level throughout the second half. Inventory build in Q1 is mapped into those firm schedules.

So let me close where I begin. The world needs trusted solar manufacturing at scale. India is its natural home and Waaree is India's most proven name in it. Waaree Energies is not merely participating into energy transition, we are enabling it building the manufacturing scale, technology capabilities and integrated value chain needed to accelerate the adoption of clean energy.

Our integration across the entire energy value chain along the structural demand is expected to double our total addressable market from approximately \$1 trillion today to approximately \$2 trillion by 2030. It is on this trend that we affirm and reaffirm our 2027 operating EBITDA guidance, what we have stated in our last call. Demand tailwinds are strong. Our record order book keeps building. Our retail and e-commerce engines are compounding. Our expansion projects are on schedule and the actions on cost and mix are in motion, not nearly planned. Every quarter of rapid growth brings its own challenges. This one was no exception. But the direction of this business and the scale of the opportunities in front of us has never been clearer.

With that, I will hand over to our CFO, Mr. Pareek, to take you through the financial performance in depth. Thank you so much.

Abhishek Pareek:

Thank you, Jignesh sir, and good morning to everyone on the call. Let me take you through our quarterly performance in detail with our strategic road map and way ahead. To start with, I would request you all to have your presentation uploaded on exchange handy. Starting from Slide number 4. I'm pleased to share that our Q1 FY27 consolidated highlights.

Our revenue from operations for the quarter grew 79.2% year-on-year to INR7,932-odd crores worth of revenue. Operating EBITDA came in at INR1,440-odd crores, up 44.4% year-on-year at an operating EBITDA margin of 18.2%. Our profit after tax for the quarter stood at INR892 crores, up 15.4% year-on-year at a margin of 11%.

Our order book stands strong at approximately INR61,500-odd crores. Our module capacity continues to be at ~26 gigawatts, making us the largest non-Chinese module manufacturer in the world. And our cell manufacturing capacity remains at 5.4 gigawatts, looking ahead to add another 10 gigawatt over the next 6 months of time, making us the largest cell manufacturer as well outside of China. And on our return ratios, we continue to run a net cash balance sheet with a net debt to equity of minus 0.08x as on 30th of June, an ROCE of 28.5% and ROE of 24.8%.

On Slide number 5, we look at the quality of our revenue mix, which continues to be healthy and well diversified quarter-on-quarter. In Q1 FY27, utility IPP, C&I contributed around 39.7%, retail 30.2%, overseas 21.2% and EPC and O&M services 8.9%. Our module volumes sold during the quarter grew 89% over the prior period from 1.9 gigawatts to 3.6 gigawatts. Within our overseas revenue of INR1,609-odd crores, our domestic U.S. business is INR1,322 crores and direct export at INR287 crores, a direct reflection of the ramp-up of our U.S. manufacturing footprint. On retail specifically, the traction in our B2C segment continues to be very strong. Retail grew 130% year-on-year from INR995 crores to INR2,289-odd crores of revenue this

quarter. And we are looking at this segment heading towards a range of INR9,000 crores to INR10,000 crores for the full year FY27.

On Slide number 6, we look at how we are growing scale while deconcentrating at the same time. Our revenue mix continues to shift with the utility, IPP and C&I share moderating from 52.1% in FY25 to 39.7% this quarter, retail rising to 30.2% from 20.8% in FY'26. Alongside our customer concentration continues to reduce. Our top 5 customer share has now come down from 33% in FY26 to around 27.1%. Our top 10 customer sales came down from 47% to around 37.1% in Q1 FY27. This is a very healthy sign of broadening and derisking customer base. Rather than just depending on a handful of large accounts, it supports the stability of both revenue and margin over time. I should also speak about the DCR integration, which Waaree is undergoing and is going to play a big role over next 2 to 3 quarters for current financial year, taking to next financial year as well.

On Slide Number 7, our order book continues to stand. Our total order book has grown from approximately INR47,000 crores at end of FY25 to INR53,000 crores last financial year and now INR61,500 crores as on 28th of July 2026, taking our total order book of module in gigawatts terms to 25.2 gigawatts. In terms of geographical mix, it is well spread with domestic India at approx 40% domestic U.S. at approx 36% and exports from India at approx 24%. And in terms of movement during the quarter, we added net INR16,000 crores of new orders while executing around INR7,300 crores of orders. New order inflow comfortably outpaced our execution, which is exactly what you see in a growing franchise.

On Slide Number 8, now let me walk you through the strong capacity ramp-up that continues to power our growth. Our modules in India capacity stands at 24.2 gigawatts running at an annualized utilization of around 50% this quarter. On cell manufacturing in India, installed capacity of 5.4 gigawatts running at an annualized utilization of 62% at quarter level. In the U.S., our modules capacity of 1.6 gigawatt is running at an annualized utilization of around 59%, which expected to move between 75% to 80% in upcoming quarters. This ramp-up in utilization, particularly in cells and in the U.S. is central to the margin trajectory we are building towards. Since we have meaningful headroom to grow, output from these assets we have already built and paid for. If you look at the current run rate, we are manufacturing around 400 megawatt of cell every passing month, which gives us a headroom of 1,100 to 1,200 megawatt worth of cell output in the current quarter, moving towards 1,500+ megawatt output over next Q3 and going ahead, more about that.

On Slide Number 9, let me walk you through some of our key company updates from this quarter. On capacity, we commissioned additional 3 gigawatt of module capacity at Samakhiali in Gujarat in April '26.

Waaree Energy Storage Solutions, our subsidiary has started automated container capacity at 5.15 gigawatt hours. Waaree Transpower received approval and started production of 17.6 MVA inverted duty transformer. Our EPC and service arm Waaree Renewable Technologies received 1,520 megawatt hours of BESS EPC order also signed an ECI agreement for utility scale solar PV project with BESS in New Zealand. This is in line with our strategy to penetrate newer markets.

On the other update, the Waaree Group secured its first large-scale HJT order of 125 megawatt under Waaree Americas and Waaree Renewable Technologies acquired 55% stake in Associated Power Solution for approximately INR1,225-odd crores, extending our reach in T&D sector as well.

Taken together, these are proof points across capacity, storage, transmission, EPC and international markets. It is exactly this best of execution that gives us the confidence to reaffirm our operating EBITDA guidance of INR7,000 crores to INR7,700 crores of FY27.

On Slide Number 13, we have already discussed in the previous call about our journey from Waaree 1.0 to Waaree 2.0, and we will discuss about the progress of this journey in the next couple of slides.

On Slide Number 14, let me walk you through how we deploy capital because this discipline is what anchors our margin recovery and our margin expansion in the upcoming quarters. Our announced capex programs total around INR31,500 crores, of which we have already deployed around INR9,450-odd crores as of 30th of June. It is around 30% in FY27, roughly 40% in '28 and around 30% in FY29, which is milestone gated, ROCE and ROE accretive and backed by strong order visibility.

We are not just deploying capital in one large risky way. We are actually phasing it out in the demonstrated markets and clear policy visibility, the same deployment is precisely what drives our margin improvement and let me be very specific about it. As our cell capacity comes on stream, our cell production ramped sharply through the year from around 800 megawatts in Q1 FY27 to around 1.2 gigawatts in Q2, around 1.5 gigawatt in Q3 and over and above in Q4.

Our module ramp-up of around 3.6 gigawatts we did in Q1, and we are expecting this capacity utilization going ahead in Q3 and Q4, reaching in the range of 70 to 75-odd percent of the nameplate capacity. With rising captive cell throughput, it moves a progressively larger share of our volumes into higher realization DCR market. Which is the single biggest lever on the margin in this year. Alongside our new lines carry the latest, more efficient technology as they ramp up, they lower our unit cost conversion and lift yields in cell manufacturing as well.

On Slide Number 15. Now let me take you through this phasing completely by showing you exactly what gets built in each of next few years because this is what converts the capital story into margin story. In FY27, which absorbs around 30% of overall capex. We shall be adding 2.6 gigawatt of module capacity in Waaree Americas. 10 gigawatt solar cell capacities in India, 100 KTPA of T&D EPC is already acquired, 20 GVA of transformer capacity, 4 gigawatt of inverter and 1 gigawatt of electrolyzer capacity.

All of this coming through loud and clear in FY27, giving us great headroom for FY28 and onwards. FY28 also captures around 40% of the further incremental capex anchored by 10 gigawatt of ingots and wafer. The capacity construction has already started in Nagpur in Maharashtra. The deep backward integration step, which shall also add up, which shall be followed by solar glass and BESS capacity. FY29 completes the program with 2,500 tons per

day of solar glass and 16.5 gigawatt-hour of BESS plant supported with equivalent capacity of BESS cell and BESS pack and BESS containers.

So, this strategic intent is very clear. We are not just adding capacity, but we are integrating deeper into the solar value chain and adjacent value chain ahead of demand. The cell and Ingot-wafer line strengthens our supply security, enhances cost competitiveness, help us to expand on our margin fronts, positions us to capture a larger share of India's rapidly expanding solar opportunity and benefits becoming increasingly visible as the capacity ramp up.

Slide Number 17, on solar demand, the long-term outlook is set for sustainable stability. Globally, the annual additions are expected to grow from 698 gigawatt in 2025 to 993 gigawatt by 2035, roughly 4% to 5% CAGR. With global capacity having crossed 3 terawatt already in 2026, India additions are growing much faster from 38 gigawatt in '25 to around 100 gigawatt by 2035, are 10% CAGR over next 10 years. India adding around 26 gigawatts in first half of this calendar year against 18 gigawatt a year earlier. Energy transition, data center, grid investments are the common drivers on both the sides.

Slide Number 18. On policy, the tailwinds continue to favour integrated local manufacturing. In India, the PLI incentive the ALMM List ALMM I, II and now III, at 20% custom duty on imports, demand schemes like PM Surya Ghar yojana, PM-KUSUM yojana, all of this support domestic manufacturing and integration. Globally, in our U.S. facilities, the IRA, the UFLPA, FEOC rules combined together are driving traceable non-Chinese supply chain for our U.S. clients, which plays directly to our U.S. footprint. While Europe remains a structural opportunity for competitive manufacturing outside of China, we are looking towards these markets and looking forward for large order pipeline from Europe, Middle East as well as Australia and New Zealand markets.

On Slide Number 19. If you look at our domestic positioning, we are differentiated by depth of our vertical integration. We already have our largest module capacity outside of China, a track record of expanding ahead of competition, scale that act as a moat, driving procurement advantages, operating leverages and bankability. Critically, our integration runs from module and cell to ingots and wafers and a strategic polysilicon stake in United Solar Holdings in Oman for traceable FEOC-compliant supply chain.

On Slide number 20, our cell integration, this is the single largest lever for margin expansion in the business in current financial year. As our Indian cell capacity scale up from 5.4 gigawatt current to 15.4 gigawatt against 24.2 gigawatts of module capacity in India. Our cell-to-module integration ratio is going to rise from roughly around 20% currently to around 65% in next two to three quarters, close to a threefold increase. Every gigawatt of module we supply from our own cells rather than buying externally adds margins. And the remaining 4 to 6 gigawatts of supply chain of module help us to sales through the export markets, supplying the non-DCR markets, supply to markets like Europe, Middle East, Africa and Australia.

Thank you so much for your continued interest and for being with us on this journey. With that, I would now like to request the operator to open floor for questions.

Moderator: Thank you. We will now begin question-and-answer session. The first question is from the line of Vishal from ValueQuest. Please go ahead.

Vishal: Thanks for the opportunity. So basically, we wanted to understand your expansion plan in a bit detail. So what we understood, we are coming up with 10 gigawatt of cell and wafer along with batteries. So if you can give some guidance in terms of how to think about when this commissioning will happen, how production ramp-up will happen in FY'28, '29 to understand more long-term journey about Waaree, it will be really helpful.

Varun Goenka: Yes, Vishal, this is Varun here. Thank you for asking this question. And I know all of us are bound to have questions around this quarter and all that, but I think we shouldn't miss forest for the trees and this is very important that we understand that at the end of FY'27, Waaree completes a very large portion of the entire capex plan so at the end of FY'27, we will be close to 28 gigawatt of solar module, close to 15.4 gigawatt of solar cell.

We will complete our first phase of inverters, 4 gigawatt of inverter and it doesn't stop there. 20,000 MVA of transformers, 1 gigawatt of electrolyzers so that you know. And this itself provides us a very big step jump in FY'28. So FY'27, you could say is capex, working on operating efficiencies. And later during the call, we'll also share as to what we are working in terms of efficiencies. But '28, if we are talking about close to INR7,000-odd crores of EBITDA this year as guidance, ballpark, this is when our cell capacity, the 10 gigawatt additional includes barely like a gigawatt contribution from there. '28 is when the entire 15.4 gigawatt will be operational. And we could look at close to 10 gigawatt of production from cell. So close to 16-odd gigawatt of module -- 16 to 18 gigawatt of module and 10-odd gigawatt of cell production is what we are looking at in FY'28 as a very big step jump. I wouldn't get into realizations. I think that you understand very well.

So this is the core module and cell business and then you have the other equipment, power electronics business, plus EPC will also have a big step jump because of the APSPL acquisition, right? But Abhishek, please add -- and '29, of course, we have -- so battery also goes live, 5 gigawatt hour goes into full production. The second phase 16 gigawatt hour is in '29. So let's focus first on '28 and then we can discuss '29.

Vishal: Abhishek, you were saying something.

Abhishek Pareek: No, I just wanted to add that on 10 gigawatt cell capacity, the equipments are already gated in the factory. We have also applied for the ALMM-II for the cell capacity. So we are very near to going live on the commercial production for entire 10 gigawatt cell facility there.

Vishal: Understood. Second question on margins. If you can give some idea of what happened in this particular margin as our gross margins has gone down at the module business level. If you can give us some understanding more on it.

Abhishek Pareek: Yes, Vishal. So to explain it, I think we'll have to look into different segments. For example, we have manufactured around 800 megawatts worth of DCR cell this quarter. Balance of the sales in India includes non-DCR, small component from export and U.S. local manufacturing. The cell integrated lines continue to show the margin profile of 35% to 40%.

The U.S. local manufacturing now going up quarter-on-quarter. However, in Q1, a major portion of U.S. dispatches have also come in from the OEM manufacturing in U.S., leading to a lower IRA realization. So in Q2 onwards, when our 1.6 gigawatt capacity additional in U.S.A. goes live, this should add up to our ability to generate more IRA incentive as well as structurally cut down on our operating cost in the U.S.

In India also, the non-DCR market where the ALMM-II facility came in 1st of June. The order came in effect 1st of June. And now the government has given a window of around next five to six months of time, we are looking at large offtake from the customers. There was a delay in offtake from many developers in this quarter, leading to a lower realization on the on-spot market supplies that we have done.

However, in Q2 and Q3 onwards, we are looking large offtake against those contracts for which we are building inventory. So this will again structurally land up in a point where we'll be able to get benefit of higher realization as well as get the benefit from the current spot prices of the cell and other equipments.

On export front also, this quarter, the dispatches are softer because the clearance in the U.S. took more than required time than it would generally take. Going ahead, from August itself, we are again starting our export supplies from Indian facilities. So this should also add up to the revenue profile and the margin accretiveness.

In terms of DCR also, as I mentioned earlier, that 800 megawatt of capacity production of DCR in Q1 expected to go up from 1.1, 1.2 gigawatt in Q2 and moving towards 1.5 gigawatt quarterly trajectory going ahead from Q3 and Q4 could be a little higher. So these are three to four levers.

The most important is the DCR production. Second is the U.S. local production scaling up with the new capacity 1.6 gigawatt. Third is export starting off from Q2 and the fourth is non-DCR market offtake going to increase from Q2 onwards with the six month window.

By the time we land up in December till which the extension is live, we should also be having start of with our facility of 10 gigawatt in Gujarat solar cell manufacturing, which should give us complete integration of module with the cell capacity for Indian markets. And that is where the structural change of margin happens.

Vishal:

Understood. And last question from my side. So our current 5.4 gigawatt of cell capacity, for which conversion was going on, I think that we have already completed and our ramp-up already started in the month of June and July also, we can see. So how we can see the production number from this particular facility, if you can give some idea?

Abhishek Pareek:

As I mentioned just now that from the same facility, we are already starting to see around 400 megawatts of monthly production. Going ahead, this can go between 420 to 430 megawatt of monthly production leading to a quarterly ramp up of around 1.3 to 1.4 gigawatt from the same facility. On top of it, the 10 gigawatt facility should start adding up from Q3 itself.

Vishal:

Understood. All the best for future. Thank you.

- Moderator:** Thank you. The next question is from the line of Harshita Surana from UBS. Please go ahead.
- Harshita Surana:** Yes. Thank you for the opportunity. My first question was, could you help us with the module realizations across DCR, non-DCR and exports for this quarter? And next would be like while we understand that Q1 was the first quarter where we have seen a meaningful ramp-up in the modules manufactured in the U.S. Going ahead, how should we think about the profitability in the U.S. operations and also the cash flow from operations for this quarter?
- Abhishek Pareek:** So, if you look at the realization across DCR, non-DCR and export market, the export market, whatever we have exported, the realization is between \$0.25 to \$0.26 cents per watt peak basis. The DCR market continues to stand across \$0.20 to \$0.25 per watt peak basis on realization terms. And non-DCR markets continue to range between \$0.13 to \$0.14 per watt.
- In terms of the cash flow, like quarter one itself, our operating cash flow has been far better because of controlled inventory that has continued. Our production also now moving to a scenario wherein the offtake has started happening from the non-DCR community which was a little softer in Q1. With the extension of six months for the non-DCR market, we are starting to see larger offtake starting from Q2 itself.
- Moderator:** Miss Harshita, I would request to re-join the queue for a follow-up question. The next question is from the line of Kunal Shah from DAM Capital. Please go ahead.
- Kunal Shah:** Thanks for a lot of clarification. Just wanted to understand post the tariff implementation by U.S., our commentary was around that the business, the export business would remain unaffected as you sort of procure cells from non-tariff nations and sort of service that piece of order book. Yet the revenues today are like one-third on a Y-o-Y basis, right?
- So you did give some clarity that clearances took more time, but what gives us the confidence that, that would be expedited going ahead? And just a related question here is today, 25% of our order book is U.S. exports. Like again, what is the confidence to sort of service this piece and at what margins?
- Abhishek Pareek:** Thank you for that question. If you look at the overall export right, in terms of megawatt, it's lower compared to previous but the good news here is that our 1.6 gigawatt local capacity in U.S. is ramping up and catching up soon. This gives us confidence that the dispatches to our local U.S. clients can continue to happen from our local facility.
- Also in terms of the wider supply chain that we have been able to adopt, we have been able to now start shipments to U.S. markets from Q2 itself. Since there were some orders leading to delays in supplies across U.S. markets and with the newer supply chains that we have been able to tap in our dispatches start from Q2 itself.
- Varun Goenka:** Just to add here, if you track the U.S. market, there was a lull for six months in terms of installations because of a lot of tariff confusion, developers and utilities were trying to wait it out before.

But if you see recently, Waaree itself has got a lot of orders in the last few weeks itself. You'll suddenly find either related to data centers or otherwise, other alternate sources of energy have very long backlogs, long lead times. So the focus has again shifted back to solar plus BESS. So again, order flows and interest and inquiries in U.S. have significantly gone up.

Kunal Shah: Understood. And just one, if I could squeeze in. Now the module production that has sort of declined to 3.2 gigawatts this quarter versus, let's say, 4.2 in last quarter. This decline, would it be largely attributable to the domestic non-DCR market? And is that the piece that has been under margin pressure during the quarter? I mean, would that be right to assume?

Abhishek Pareek: Offtake by the clients in India certainly has got deferred by a quarter, leading to lower offtake in this quarter. Also, comparatively lower export in this particular quarter led to lower offtakes -- but the important point here to understand is from quarter 3 onwards, our cell integration is going up from around 20% currently to around 65-odd percent, which is more than sufficient for our overall domestic market supply that we have been doing. I just try to complete -- also the 6-month extension by the government on the non-DCR markets gives us the confidence that the offtake is now going to ramp starting from next month.

Moderator: Mr. Kunal Shah, I would request you to rejoin the queue for a follow-up question. The next question is from the line of Sahil Sheth from Anand Rathi Institutional Equities.

Sweta Jain: Wanted to understand the margin profile for the U.S. business. One is when you're exporting it from India and the second is when you're actually manufacturing in the U.S. and then selling it there. And the second is the retail segment that you are operating in India.

Abhishek Pareek: Sure, Sweta. Like if you look at the pure-play exports market, in terms of the cents per watt peak basis, around \$0.25 is realization on a stand-alone basis against that \$0.04 to \$ 0.05 worth of EBITDA margin or margin is a good number to assume. In terms of the local manufacturing in the U.S. to the similar set of customers, there are 2 points.

One is the margin from the operation, which with the new capacity in the U.S. is bound to go up. ready as well as there is USD0.07 per watt peak of incremental realization under the U.S. IRA program. Put together around USD0.07 to USD0.08 worth of margin per watt peak basis in U.S. from local U.S. facility is a reasonable assumption against USD0.04 to USD0.05 of exports from India.

Sweta Jain: So USD0.07 of margin is completely a side benefit that's adding up to the margin then?

Abhishek Pareek: Yes, so out of USD0.07, there are expenses that has to be borne you get the net realization around \$0.055 to \$0.06 only and balance is the operating margin. But when we see 1.6 gigawatt of new capacity in U.S. adds up, our structural cost of USD0.06 per watt peak of conversion in U.S. is expected to go cut down by USD0.01 to USD0.02, which will give us an additional flip in the margin profile for the U.S. local manufacturing. That means our overall realization and net EBITDA margin from U.S. facility can range somewhere between USD0.07 to USD0.08 per watt peak basis.

- Moderator:** Sorry to interrupt you, ma'am. I would request you to rejoin the queue for follow-up questions. Ladies and gentlemen, I request you to limit your question to one per participant. The next question is from the line of Praveen Sahay from PL Capital. Please go ahead.
- Praveen Sahay:** My only question is related to the cell pricing. If you can give the imported cell price versus the local India manufactured cell prices currently?
- Abhishek Pareek:** If you look at the current import price of around USD0.04 to USD0.045 per watt peak basis in local markets, our manufacturing cost is around USD0.07 to USD0.08 and the market pricing in terms of the DCR market is around USD0.12 to USD0.13 per watt peak.
- Praveen Sahay:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Sabri Hazarika from Emkay Global.
- Sabri Hazarika:** Yes. Good morning. Just wanted to get some color on the BESS business, how much volumes you are expecting this year or any meaningful earnings contribution from the same
- Abhishek Pareek:** Thanks for the question. If you look at the 5.15 gigawatt worth of container line, which has gone live this year, we are starting to add up our order book as well. In FY27, '28, we are looking at a reasonable output from this facility because we are also adding 3.5 gigawatt of BESS cell in current financial year and 5.15 gigawatt of pack capacity.
- So that will integrate our entire BESS facility where 3.5 gigawatt of cell and 5.15 gigawatt of pack and container is going to start the dispatches -- we are starting to see the commercial supplies from starting from this quarter itself. And we are already started to build our order book as well for the energy storage projects.
- We are not just limiting our markets to domestic. In fact, there's a large traction from the overseas markets as well, like the large set of markets in U.S., which is asking for FEOC compliance supply chain for energy storage. Also, the market from Europe, we are asking for non-Chinese supply chain for larger orders to supply for.
- Recently, the subsidiary has recently entered into an ECI agreement to supply large-scale projects delivered with best supplies in New Zealand and Australia. That also gives us confidence that BESS market in terms of the market diversification has larger markets to serve for apart from India, U.S., Europe, Australia and New Zealand markets seem to add up a lot for our best offtakes.
- Sabri Hazarika:** Thank you.
- Moderator:** Thank you. The next question is from the line of Suyash Kela from Singularity AMC.
- Suyash Kela:** Thank you for the opportunity. First of all, thank you for the disclosures incrementally that you're doing bring a lot of clarity as we are understanding the business a little bit better. If you can talk about the planned QIP, what was the strategy behind it? What kind of amount is actually needed which is the requirements of the business? And what are more methods of strengthening the balance sheet, that understanding will be very helpful.

Abhishek Pareek: Suyash, if you look at the approval that we have taken from Board and shareholders to have around INR10,000 crores worth of fund raised through various channels, including equity. Right now, our balance sheet stands at around INR7,000 crores worth of cash available as of 30th of June. capex outflow is around 30-odd percent. Majority of portion is already happened over the next 2 to 3 quarters, we'll have incremental outflow. Our total balance capex of INR22,000 crores over the next 3 years, if we dissect it year-on-year level, around 40% is happening in FY28 and around 30% balance is happening in FY29.

Our own EBITDA guidance which we have given at the start of this year is broadly sufficient to fund for these projects. However, in order to strengthen our balance sheet, we continue to look out and wait for the right time to hit the market in terms of the approvals that we have for the QIP.

Moderator: The next question is from the line of Nirmal from Aditya Birla Sun Life.

Nirmal: Hello, thank you for taking my question. Sir, I had a question. So, we had an effective installed module capacity of 16.7 gigawatt in FY26, but the capacity utilization was 71%. I assume it was the result of gradual ramp-up that happened from 11 gigawatt to 16.7 gigawatts throughout the year. Is this understanding, correct?

And now that we have an effective capacity of 24 gigawatts in place, do we expect it to run at full capacity? Or how much of the existing order book of 25 gigawatt would be able to deliver this year? Thank you.

Abhishek Pareek: On an ongoing basis, module capacity if you look at track record also on basis around 70%, 75% utilization has been there. We assume the same to continue. But with more cell integration happening over next 2 to 3 quarters, we are also assuming module offtake going up from 70%, 75% to around 80%, 85% over next 2 to 3 quarters of time. So that not just help us to expand in terms of module offtake in India and as well as to expand on our margin profile with more cell capacity coming up in Q3 and Q4.

Moderator: Thank you. The next question is from the line of Prakhar Porwal from Ambit Capital.

Prakhar Porwal: Yes. Thank you for the opportunity. My question is on the U.S. IRA incentives. So you are booking the USD0.07 of incentives what would be the cycle for payment of these incentives by the U.S? Just a color on that.

Abhishek Pareek: So, like there are 2 options, either you file the return and take the refund from the government. Other way to sell the higher incentives. We are already in discussion with large players in the U.S. to sell the IRA incentives. You can assume that on a quarterly basis, we can start receiving the IRA incentives starting from Q3 and Q4 onwards. So that will result into an ongoing cash flow basis the accruals that we do every quarter.

Prakhar Porwal: Okay. Thanks.

Moderator: Thank you. The next question is from the line of Anupam Goswami from SUD Life.

- Anupam Goswami:** Sir, 2 questions. One is that on the export front, this quarter, we had a little lower softer export. So going forward, when we have U.S. plant now ramped up, how do we see the margins going forward in the overseas market? Should we take lower margins because from India export is going to be lower and more on U.S. domestic will ramp up? That is first.
- Abhishek Pareek:** As I've explained earlier also that U.S. domestic margins are far superior because of the local incentives also U.S. IRA incentives which is at USD 0.07 per watt peak basis while we are accounting at around USD 0.055 to USD 0.06 only net of expenses. In our U.S. manufacturing, like this quarter, we have around USD12 million to USD13 million worth of IRA incentives on account of roughly 230 -odd megawatts of production.
- Going ahead, we are looking at the same production go up between 400 to 500 megawatts starting from Q3 onwards. So that gives us a big headroom to accumulate more incentives and enhance our margin profile for the U.S. business. Our exports continue to sell around USD0.04 to USD0.05 worth of margin.
- Though dispatches were lower in Q1, but starting from August and September, we are seeing larger dispatches because of the wider and spread supply chain that we have established for the U.S. market. Not just about U.S. going ahead alone anymore.
- In fact, there are new markets which have opened for us to supply. Recently, we have signed contracts are in process to finalize contract for supply into European markets also. So the moment that adds up to our export, you can see a further enhancement in the overall export supply quarter-on-quarter basis.
- Anupam Goswami:** Okay. Sir, next question is on the -- now that the ALCM has also been extended under conditions, but do we see any pricing movement or discounting any disruption in the prices of non-DCR?
- Abhishek Pareek:** If we look at the order book also, like this quarter, we have added a substantial order book and largely on account of the DCR-driven order book as well as the export order book, when we see the realization for this order book also, the realization still ranging between USD0.24, USD0.25 for next couple of quarters. For long-range DCR orders, we are looking at price of around USD0.21 to USD0.22-odd, so we don't see much of change in this realization at least for the next few quarters.
- Moderator:** Mr. Anupam, I would request you to rejoin the queue for a follow-up question. Ladies and gentlemen, I request you to limit your questions to one per participant. The next question is from the line of Venkatesha RJ an individual research analyst.
- Venkatesha RJ:** My only question is, suppose if we don't have PLI, DCR, ALMM, how are we ready to compete with other markets like China and others? That is the only question I have, sir.
- Varun Goenka:** I'll try and address that. I understand where you're coming from, but I think that question was probably relevant maybe 4 or 5 years back, where we used to have this concern. But let me take you back into a little bit of history of Waaree. So, all these regulations with respect to ALMM came in, in June '22.

But if you see Waaree has a 10-year financial track record publicly available. And in our investor event, Abhishek had also shown in one of the slides, our last 10-year financial history that's available on the exchanges. So even before these policies came in, Waaree was doing over 20% CAGR in terms of growth and in terms of return on capital, which was very healthy, not as high as today, but still very, very healthy.

While theoretical, but if you say India is today already competing with respect to module cost with China. Our real competition is not China, though. It's more Southeast and other nations which are able to either export to Europe and U.S. Within India, India is landlocked and India is one of the largest markets. Today, if India did 60 gigawatts of solar and let's say, approximately INR2 crores per megawatt realization, that's around INR120,000 crores of domestic market available for domestic manufacturers only. So, it's hypothetical that, you know, we have to really compete with China, not really. But even if I have to answer that, India is at a barely USD0.025 to USD0.03 differential in module cost versus China because it is one of the largest manufacturing capacities out of China.

In cells, also, we will move towards at par or near about cost to China. But the third point most important is with respect to dealing with exports. Today, with U.S. and Europe, FEOC compliance becomes important. In U.S. FEOC compliance -- in Europe soon, the non-Chinese demand is also opening. And mind you, in FY '29, which is post '28, entire India market becomes, so to say, DCR. So, entire module, entire cell and eventually, when wafer policy comes in from June 28, even wafer integration. So, India becomes almost completely self-dependent and fully backward integrated.

Abhishek Pareek:

Also, to add up to this, what Varun said is, if you look at Waaree's the presentation also, we have got PLI approval of INR1,920 odd crores also for the full integrated wafer cell model capacity. Once the wafer capacity goes live next year, we're also eligible for this INR2,000 crores worth of PLI incentive over the next 4 years to 5 years. On top of it, there are other state incentives also which adds up. However, in our internal decision-making for any project, we really don't account for these subsidies. But certainly, there are optionality of adding up on top of our own guidance of margins and EBITDAs. So, this continues as a upside for our guidance.

Varun Goenka:

You know, for the benefit of larger audience, just one point. These tariffs that you see are not -- or non-tariff barriers also, like ALMM or they are not temporary measures. They are measures to create the whole ecosystem for manufacturing independence. This has nothing to do with renewables. The same policies are happening across defence, electronics, across all critical manufacturing areas. So, I wouldn't say these are protection.

And not only India, even other countries are directing these tariff barriers or non-tariff barriers for home production. In fact, in inverter, there has been a recent policy where the data that was flowing to countries which share border with India, now is getting restricted. So, one is manufacturing independence. Second is data integrity. And the third is supply chain independence. You do not want to be completely dependent on time lags and supply chain dependence on foreign countries. You want to have just-in-time supply chain here.

- Moderator:** Thank you. The next question is from the line of Nithin Kaushik from Afin Capital Private Limited. Please go ahead.
- Nitin Kaushik:** Good evening, everyone. And thanks for the opportunity. Sir, my question was after this ingot and wafer and all that cell capex, what kind of margin expansion should we expect since after all that, we would be completely backward integrated. So, should we expect any margin expansion from here on?
- Abhishek Pareek:** As we have earlier discussed also on the call that when the cell integration comes up, it really help us -- one is to look at the margin expansion because of the further integration in upstream manufacturing, as well as it also help us to support more offtake through various channels that we have. To answer your question, of course, yes, the cell integration certainly adds up to the margin profile and that will be a very wide range.
- Nitin Kaushik:** Sir, could you quantify that extension?
- Abhishek Pareek:** So, we don't guide on segment specific margin. But one thing that I can tell you is compared to module only suppliers in India, let's say, module plus cell integrated supply, the margin profile generally is between 35% to 41%.
- Nitin Kaushik:** Okay, sir. That's it from my side. Thanks a lot, sir.
- Moderator:** Thank you. The next question is from the line of Kaushal Sharma from Equinox Capital Venture. Please go ahead.
- Kaushal Sharma:** Hi, sir. Very good afternoon. Am I audible?
- Abhishek Pareek:** Yes.
- Kaushal Sharma:** Yes. So, my question is on your solar glass capacity expansion, like we have a plan of 2500 TPD investment of INR3,900 crores. So, is it a greenfield plant or we are looking to an acquisition?
- Abhishek Pareek:** Like, we have already taken an approval from the Board to look out for the 2500 TPD worth of glass capacity all-in for captive purposes. At the same point in time, we remain positive on the capex, as well as signing up for the overall supply for glass that we have for next 2 years. Our intent here is only to look at the -- and supply chain for our manufacturing in India, as well as manufacturing in U.S. So, to secure a supply chain, we are looking at this capex.
- Our next one quarter, you should expect some update on the capex, as well as on the supply chain security that we are looking out for our glass supply, because apart from solar cell, glass is the second largest element in terms of the value of the module.
- Kaushal Sharma:** I just want to get the clarification on this. We are open acquisition as well in this regard, right? Since we have got plenty of lucrative options?
- Abhishek Pareek:** So, right now, as I said, our Board has approved to look for the greenfield expansion, and we continue to remain open for the supply security for our glass through various channels.

- Moderator:** Mr. Kaushal, I would request you to rejoin the queue for a follow-up question. The next question is from the line of Sumit Kishore from Axis Capital. Please go ahead.
- Sumit Kishore:** Hi. Thanks for the opportunity. I wanted to understand your BESS capital allocation progression between Phase 1 and Phase 2 better. So, what exactly has been achieved with the odd INR1,400 crores capex so far for your 3.5 gigawatt hour Phase 1? And what sort of contract visibility are you sort of building up in terms of initial revenue bookings that could pan out here in the next fiscal.
- Varun Goenka:** So, what I've been seeing is believing, we need to come down to our factory to see and let's plan its soon.
- Sumit Kishore:** Okay. Yes, sir.
- Varun Goenka:** Yes. I think that is required, but maybe, you know, for the time being.
- Abhishek Pareek:** Sure. So, maybe I'll answer that. Our capex of BESS cell manufacturing along with pack and container is well in shape and as per plan. We are already at the verge of starting our cell production over the next 2 quarters. So, within FY '27, our entire 3.5 gigawatt hour of cell of BESS facility is expected to start commercially. We have done more than 90% -- 95% of site construction. All the equipments have already arrived either at the site or are lying at the ports. So, we have control of all the equipment, which is the BESS news here.
- We have recently started the container line, which should also follow the pack line over 60 days at the same facility. In terms of market for this particular line, I think I'll take a step back and try to explain it in a deeper way. So, one is the container and BESS solution available for the Indian market, you know, at large scale for utility. Second is the retail kits for the rooftop program. Recently, PM Surya Ghar Yojana also gave a signal that it could be PM Surya Ghar along with the BESS pack manufacturing.
- So, pack and container line have a larger market offtakes in Indian market. We have like, for example, our Waaree Renewable Technology Subsidiary has recently got an opportunity of 1,500 megawatt hour worth of EPC contract for the BESS supply. So, this gives a clear indication that a single order in BESS itself can take care of the entire year's production.
- For the cell manufacturing specifically, we are building this line for the global markets, including the U.S. and Europe, where the FEOC compliant supply chain is very lucrative and margin accretive. In terms of the realization per megawatt hour basis for the cell -- for the FEOC compliant, the numbers are around 25% to 30% higher than Chinese cell pricing. Currently, USD50 -- USD55 per kilowatt hour is the price of Chinese cell against it, the non-FEOC market is ranging between USD75 to USD80, so the margin profile for FEOC combined market also is very, very superior compared to pure-play BESS solution and the pack manufacturing.
- So, there are two markets for Waaree. One is Make in India for overseas market from the cell manufacturing. Second is Make in India for BESS solution for India and rooftop as well as export from India. So, two different revenue streams for the BESS cell manufacturing. Hope this helps.

- Sumit Kishore:** See for the Make in India for India, is it getting any sort of incentives from the government that you're expecting?
- Abhishek Pareek:** Right now, there are no announced incentives as such. But certainly, there are indications that Make in India campaign or Make in India likes of policy for BESS is already expected soon.
- Sumit Kishore:** Okay. Thank you so much. And I'll take on the offer to visit the plant. Thank you.
- Abhishek Pareek:** Thank you, Sumit.
- Moderator:** Thank you. Ladies and gentlemen, in the interest of time, that was the last question. I would now like to hand the conference over to management for the closing comments.
- Varun Goenka:** Yes. I'll just add a few points and continuing from what we left the previous -- what Abhishek said, Waaree is building for five major markets: Make in India, sell to utilities, sell to C&I. C&I is a very, very large budding market, basically for large corporates and midsized corporates, they add for captive renewables or grid captive. And the third being retail. I think in this call, we haven't got too many questions on retail. But like Jignesh Bhai and Abhishek emphasized, our retail business is going to be north of INR9,000 crores, INR10,000 crores.
- How many consumer companies have this kind of size, scale, depth distribution, and this is just a beginning. Our retail is yet to see the benefit of battery getting added that would add to a whole new growth lever. The second being there are significant industry consolidation tailwinds that are available ahead of us.
- We saw the benefit of ALMM, then now ALCM. The entire market will become FY '29 onwards DCR. And the way things are happening on the data center side, hopefully, it should add -- and this is a guess estimate, 15 gigawatt to 20 gigawatt of additional solar and BESS demand driven by data center. And FY '28, June '28 ballpark is when the wafer policy is supposed to come in.
- This will, like China, become a 10 - 12 or a few player market. So, such a large domestic market plus the ability to export. So, make in India for utilities, C&I, retail -- and there are two additional markets, which very few companies like Waaree are building for and ready at scale is exports and make in U.S. and sell in U.S. Final point, like Abhishek emphasized, our FY '27 guidance that remains. But then more important point is our aspiration, vision and execution towards in less than -- or maybe in 4 years or less than 5 years, the near INR1 lakh crore vision is what Waaree is building towards. Jignesh Bhai, if any closing comments?
- Jignesh Rathod:** Thank you so much, everyone, for trusting us and continue the trust. Thank you so much. Have a good day.
- Moderator:** On behalf of Waaree Energies Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.