

K.P. ENERGY LIMITED
CIN: L40100GJ2010PLC059169



KPEL/INV/PPT/Q2FY23/370

October 19, 2022

To,
Bombay Stock Exchange Limited,
P.J. Towers,
Dalal Street,
Mumbai - 400 001

Ref: Scrip Code: 539686

Sub: Investor Presentation/Key highlights of Q2FY23 performance

Dear Sir,

Apropos the captioned subject, please find attached herewith the Investor Presentation along with the key highlights of the quarter and half year ended September 30, 2022 performance.

This is for your information and records.

Thanking You,

Yours faithfully,
For **K.P. Energy Limited**



Karmit Sheth
Company Secretary & Compliance Officer

Encl.: a/a

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ISO 14001:2015, ISO 9001:2015 and ISO 45001: 2018 Certified Company

BSE Listed Company



KP ENERGY LIMITED



Earnings Presentation Q2FY23

OCTOBER, 2022



Glossary

BOP	Balance of Plant
O&M	Operations & Maintenance
WTG	Wind Turbine Generators
EPCC	Engineering, Procurement, Construction and Commissioning
IPP	Independent Power Producers
MW	Mega Watt
GW	Giga Watt
KV	Kilovolt
BSE	Bombay Stock Exchange
ROW	Right of Way
CPP	Captive Power Consumers

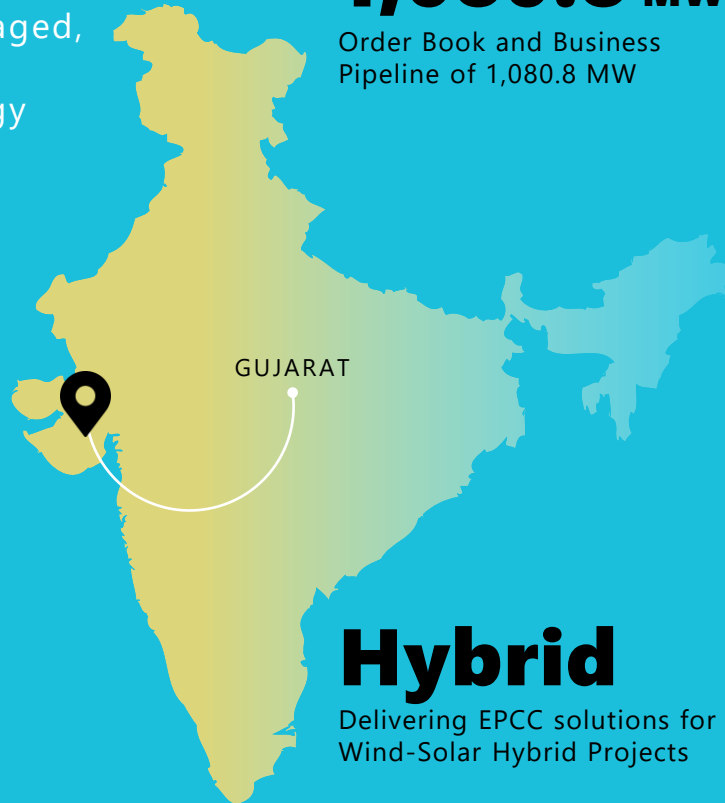


Company Snapshot

KP Energy Limited is **Gujarat's** prominent balance of plant solution provider in Wind Industry engaged, from conceptualization till the commissioning of a wind energy project.

#1

Gujarat's #1 BOP solutions provider for Wind Farms



1,080.8 MW

Order Book and Business Pipeline of 1,080.8 MW

+200 MW

Over 200 MW capacity energized till date with 100% O&M under purview

~8.4 MW

Operational wind energy assets owned by the Company

463 CR

Market Capitalization as of 18th October 2022

209

Qualified and experienced team of 209 people, across technical, commercial and corporate functions

Hybrid

Delivering EPCC solutions for Wind-Solar Hybrid Projects

Diversified

Diversified revenue streams across EPCC, IPP and O&M segments

BSE Listed

Scrip Code: 539686

Business Model

EPCC

KPEL offers a unique value proposition that has been designed to address all the issues that WTG manufacturers, IPPs, and CPPs face when setting up a wind farm. We provide end-to-end BOP solutions for WTGs, from idea to commissioning.

VALUE DELIVERED

KPEL acts as a one-stop solution provider for its client, the entire responsibility and accountability for execution of a utility-scale wind farm is transferred to the Company.

OUTCOME

Projects are executed on-time and at desired costs.

O&M

For the BOP section of the project, KPEL provides comprehensive operations and maintenance services.

VALUE DELIVERED

KPEL undertakes O&M services for the BOP portion, for its projects, so that its clients don't have to engage in the same.

OUTCOME

Energised wind assets are maintained for smooth functioning over their lifecycle.

IPP

At wind farms developed by KPEL, the company owns power generation assets with a total capacity of 8.4 MW.

VALUE DELIVERED

Recurring, annuity revenue stream for the Company.

OUTCOME

Stability of cash flows, in periods with lower capacity additions.

EPCC Scope of Services



SITE IDENTIFICATION & ACQUISITION

Our key competence is identifying and acquiring good windy sites for utility scale wind farms



SITE PREPARATION

We construct access roads and fetch ROWs in tough and challenging situations



CONSTRUCTION & ERECTION

WTG civil foundation, 33kv USS & internal network as well as logistics, installation & erection of WTG



POWER EVACUATION

We undertake EPCC of 33/66 & 33/220 kv windfarm pooling substation and EHV lines



PERMITS & APPROVALS

We obtain all requisite permits & approvals from government authorities for the project execution and its operational life thereof



OPERATIONS & MAINTENANCE

O&M services for the entire BOP portion of wind farm for its operational life



Supplementing Verticals

INDEPENDENT POWER PRODUCERS (IPP)



8.4 MW

KP Energy has its own power generation assets of 8.4 MW (4*2.1 MW) capacity at its own wind farms



Dual Objectives of becoming an IPP

- Strategic set-up: providing assurance to clients about the quality of assets
- Annuity based income

OPERATIONS & MAINTENANCE (O&M)



O&M services

Provides O&M services for Balance of Plant portion of windfarms



Over 200 MW

As of date, KP Energy has an O&M portfolio of over 200 MW



EPCC directly drives the growth of this segment.

EPCC directly drives the growth of this segment. However, the existing portfolio creates an annuity-based revenue stream for the Company.

Income Statement Summary

(Standalone)

(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23	Q2 FY22	YOY% change
	Unaudited	Unaudited	Unaudited	
REVENUE FROM OPERATIONS	55.3	123.9	51.4	8%
TOTAL INCOME	56.8	124.1	51.6	10%
TOTAL OPERATING EXPENSE	44.9	107.2	42.3	6%
EBITDA (EXCLUDING OI AND EI)	10.5	16.6	9.1	15%
EBITDA MARGINS %	18.9%	13.4%	17.8%	6%
INTEREST COST	1.0	1.0	1.2	-13%
DEPRECIATION AND AMORTISATION	1.2	1.3	1.1	11%
PROFIT BEFORE TAXES	9.7	14.6	7.0	39%
PROFIT AFTER TAXES	6.5	9.9	5.2	26%
EPS (₹)	6.3	8.4	5.9	7%

8%

Q2FY23 Revenue from Operations at ₹55.3 Crore as compared to ₹51.4 Crore in Q2FY22

15%

Q2FY23 EBITDA at ₹10.5 Crore as compared to ₹9.1 Crore in Q2FY22

26%

Q2FY23 PAT at ₹6.5 Crore as compared to ₹5.2 Crore in Q2FY22

Balance Sheet Summary

(Standalone)

(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23
	Unaudited	Unaudited
SHAREHOLDERS FUND	98.0	92.3
NON CURRENT LIABILITIES	79.2	79.7
CURRENT LIABILITIES	81.1	85.0
TOTAL	258.3	256.9
NON CURRENT ASSETS	130.1	130.9
CURRENT ASSETS	128.2	126.0
TOTAL	258.3	256.9

Segment Results

(Standalone)

(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23	Q2 FY22
REVENUES			
EPCC	52.6	121.6	45.1
IPP	2.7	2.3	3.1
O&M	0.0	0.0	3.2
PROFIT BEFORE TAX			
EPCC	8.8	14.2	2.7
IPP	1.9	1.4	2.5
O&M	0.0	0.0	3.0
CAPITAL EMPLOYED			
EPCC	71.2	75.8	46.9
IPP	26.4	24.2	23.3
O&M	0.0	0.0	0.2

Income Statement Summary

(Consolidated)

(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23	Q2 FY22	YOY% change
	Unaudited	Unaudited	Unaudited	
REVENUE FROM OPERATIONS	56.4	124.8	51.4	10%
TOTAL INCOME	57.9	125.0	51.6	12%
TOTAL OPERATING EXPENSE	45.2	107.6	42.3	7%
EBITDA (EXCLUDING OI AND EI)	11.1	17.2	9.1	22%
EBITDA MARGINS %	19.7%	13.8%	17.7%	12%
INTEREST COST	1.0	1.3	1.2	-13%
DEPRECIATION AND AMORTISATION	1.4	1.2	1.4	-2%
PROFIT BEFORE TAXES	10.2	15.0	6.7	53%
PROFIT AFTER TAXES	6.7	10.0	4.5	49%
EPS (₹)	6.5	8.5	5.3	22%

10%

Q2FY23 Revenue from Operations at ₹56.4 Crore as compared to ₹51.4 Crore in Q2FY22

22%

Q2FY23 EBITDA at ₹11.1 Crore as compared to ₹9.1 Crore in Q2FY22

49%

Q2FY23 PAT at ₹6.7 Crore as compared to ₹4.5 Crore in Q2FY22

Balance Sheet Summary

(Consolidated)

(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23
	Unaudited	Unaudited
SHAREHOLDERS FUND	102.3	95.7
NON CURRENT LIABILITIES	84.6	85.0
CURRENT LIABILITIES	81.7	85.2
TOTAL	268.6	265.9
NON CURRENT ASSETS	131.2	141.3
CURRENT ASSETS	137.5	124.6
TOTAL	268.6	265.9

Segment Results

(Consolidated)

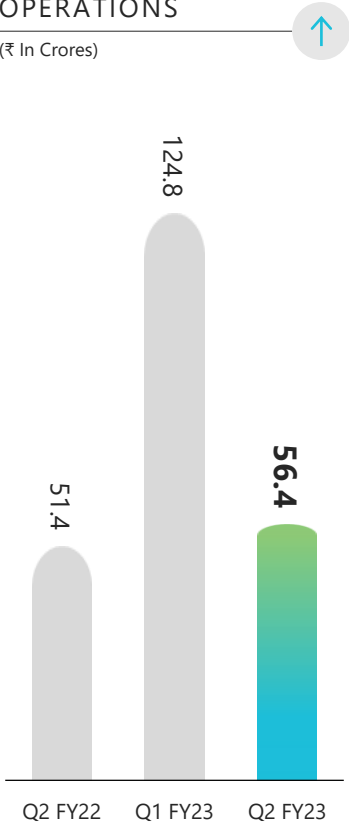
(₹ In Crores)

Particulars	Q2 FY23	Q1 FY23	Q2 FY22
REVENUES			
EPCC	52.6	121.6	45.1
IPP	2.7	2.3	3.1
O&M	1.0	0.9	3.2
PROFIT BEFORE TAX			
EPCC	8.7	14.0	2.3
IPP	1.9	1.4	2.5
O&M	0.6	0.6	3.0
CAPITAL EMPLOYED			
EPCC	72.5	69.0	68.0
IPP	26.4	24.2	23.3
O&M	3.4	2.6	0.2

Q2FY23 Financial Highlights

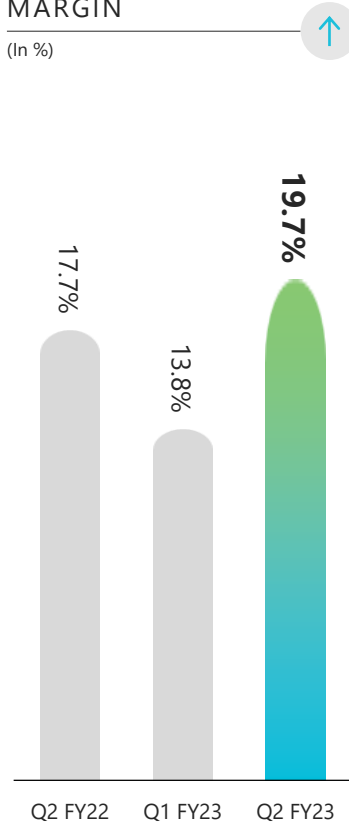
REVENUE FROM OPERATIONS

(₹ In Crores)



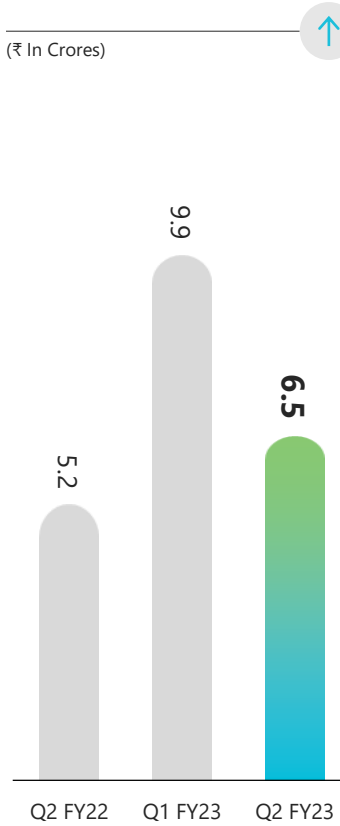
EBIDTA MARGIN

(In %)



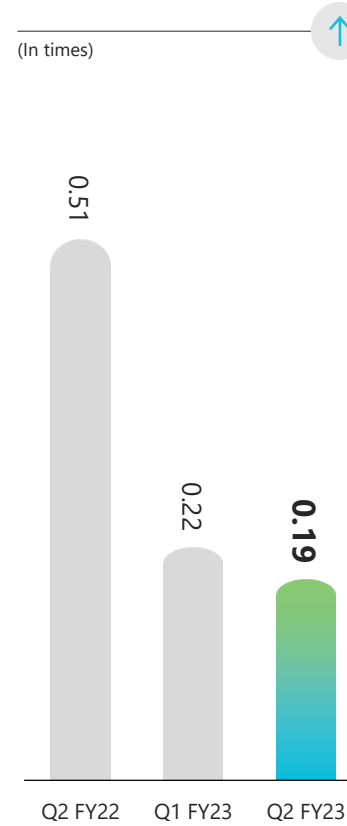
PAT

(₹ In Crores)



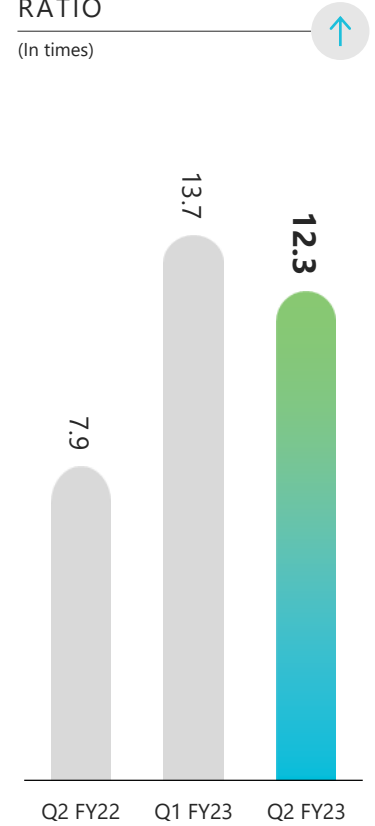
DEBT TO EQUITY

(In times)



INTEREST COVERAGE RATIO

(In times)



Execution Performance

(1/3)

Sidhpur Project of 252MW for Apraava Energy (erstwhile CLP India) at Devbhoomi Dwarka, Gujarat

The cumulative numbers depicting status at the end of the quarter ended September 30, 2022, is as below:



220Kv EHV LINE

- RoW for 100% tower locations have been acquired
- 100% Tower foundation work has been completed
- 99% Tower erection work has been completed
- 96% of stringing work completed



300 MW WINDFARM POOLING SUBSTATION

- All major activities have been completed including:
- Control room building construction
 - Foundation works for 220 Kv and 33 Kv Equipment
 - Major equipment supplies
 - 150MVA Power Transformer erection
 - Commissioning of Pooling Substation shall be completed by Q3FY23



33 KV INTERNAL NETWORK

- 55% Pole Erection work completed
- 50% Stringing work completed
- All critical material including the RSJ Pole received at site



ACCESS ROADS

- Civil Road work completed for 100% of locations and Mechanical Roads already completed for first phase of locations where erection activities are initiated



WTG FOUNDATION AND ERECTION

- WTG foundation works for 75% locations have been completed
- Company has as per the Project schedule deployed the logistics for completion of the erection activities. 27% WTG erection work is completed.

Execution Performance

(2/3)

Mahuva-Bhungar Site, 60MW Wind-Solar Hybrid Project at Bhavnagar, Gujarat

The Company has 60MW hybrid power evacuation permission at Mahuva-Bhungar Site. It has initiated development activities and executed contracts with customers. The status of the Project is as below:



66Kv EHV LINE

- RoW for 35% tower locations have been acquired
- 20% Tower foundation work has been completed
- 20% Tower erection work has been completed
- Stringing material completed



60 MW HYBRID POOLING SUBSTATION

- PSS land acquisition is completed
- Designing of the Project has been concluded
- Power Transformer order has been placed
- All Major equipment order has been placed
- 25% of the Control room building civil works completed
- 32% switch yard works completed



33 KV INTERNAL NETWORK

- 30% Pole Erection work completed
- 10% Stringing work completed
- 75% RSJ Pole received at site



ACCESS ROADS

- Civil Road work completed for 35% of locations
- Mechanical Roads completed for 20% locations.



WTG FOUNDATION AND ERECTION

- WTG foundation works for 38% locations have been completed
- Company has as per the Project schedule deployed the logistics for completion of the erection activities. Erection activities has been initiated from Q3FY23 onwards.

Execution Performance

(3/3)

Mahuva-Fulsar Site, 140MW Wind-Solar Hybrid Project at Bhavnagar, Gujarat

The Company has 140MW hybrid power evacuation permission at Mahuva Fulsar Site. It has initiated development activities and executed contract with customer. The status of the Project is as below:



66Kv EHV LINE

- RoW for 40% tower locations have been acquired
- 40% Tower foundation work has been completed
- 6% Tower erection work has been completed
- Stringing material has been received at the site



140 MW WINDFARM POOLING SUBSTATION

- PSS land acquisition is completed
- Designing of the Project has been concluded
- Power Transformer order has been placed
- All Major equipment order are work in process
- Approach road for PSS is work in progress



33 KV INTERNAL NETWORK

- Pole Erection work has been started
- 25% RSJ Pole received at site



ACCESS ROADS

- Civil Road work and Mechanical Roads activities shall start from Q3FY23



WTG FOUNDATION AND ERECTION

- WTG foundation works shall start from Q3FY23
- Logistics for erection activities shall be deployed and erection activities are scheduled to be started Q3FY23

DHANDHALPAR PROJECT OF 9.2 MW FOR HI-BOND AT SURENDRANAGAR, GUJARAT

The Company has successfully completed the 9.2MW Dhandhalpar project for Hi-Bond Cement.

Result Discussion

The Company undertook a special business of sale of the turbine during Q1FY23 to facilitate its clients. The Revenue from infrastructure development for the quarter stood at ₹ 52.6 Crore as compared to 79.4 Crore (Excluding the revenue from the sale of the turbine) in the previous quarter. The reduction in turnover is predominantly due to the seasonal effect of excessive rains witnessed by us during the current quarter thereby slowing the execution and material movement. The Company has reported an increase of 17% in revenue Y-o-Y basis and of 108 % on a half-year basis (H1FY23- Excl. sale of turbine- ₹ 132.06 crore vis-vis H1FY22- ₹ 63.64 crores).

NUMBERS ON BOARD ITSELF SIGNIFY THE PRESENT-DAY STATISTICS FOR THE COMPANY

Lower sales due to seasonal effect

The reduction in turnover is predominantly due to the seasonal effect of excessive rains witnessed by us during the current quarter thereby slowing the execution and material movement.

Revenue growth of 17% YoY

The Company has reported an increase of 17% in revenue Y-o-Y basis and that of 108 % on half year basis (H1FY23- Excl. sale of turbine- ₹ 132.06 crore vis-vis H1FY22- ₹ 63.64 crore).

Sale of Power grew 20%

The revenue from sale of power has shown a 20% increase from ₹ 2.27 crore in Q1FY23 to ₹ 2.72 crore in Q2FY 23. An increase of 13% was also reported on H1 comparisons of FY23 & FY22

O&M Revenue grew 15%

O&M revenue stood at ₹ 1.02 Crores, reported growth of 14.90 % compared to previous quarter.

EBITDA margin at 24%

During the quarter, the company reported an EBITDA of 24% as against that of 21% during the previous quarter (Excl. that pertaining to sale of turbine).

EBITDA growth of 36%

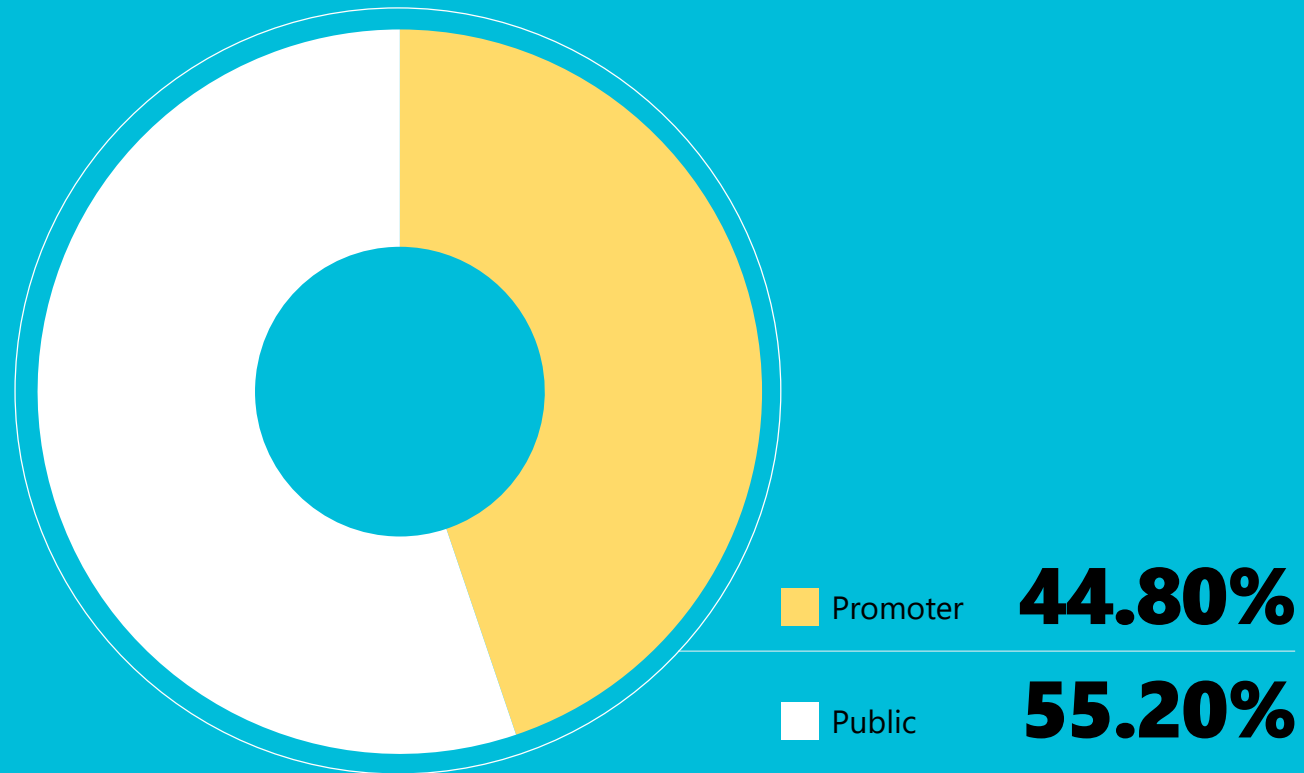
A 36% increase has been reported with Q2FY23 EBITDA at ₹12.62 crore compared to ₹ 9.25 Crore in Q2FY22. The H1 comparisons during FY23 and FY22 has registered a growth of 112%.

EPS at ₹ 6.50

EPS for the reporting quarter stood at ₹ 6.50 as compared to the last quarter i.e., ₹ 8.51.

Market Statistics

SHAREHOLDING SUMMARY FOR KP ENERGY LIMITED



Shareholding Data as on 30th September 2022

CURRENT MARKET PRICE	₹ 416
52 WEEK HIGH/LOW	₹ 489/98
MARKET CAPITALIZATION	₹ 462 Cr
SHARES OUTSTANDING	1.11 Cr
BSE SCRIP CODE	539686

Market Price Data as on 18th October 2022

Contact Us

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