



TRANSITIONING WORLD
TO A MORE
**SUSTAINABLE
& LOW-CARBON
FUTURE**

Q2 and H1 FY2022
Earnings Presentation

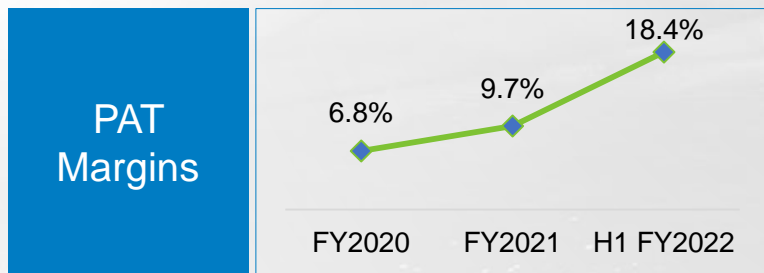
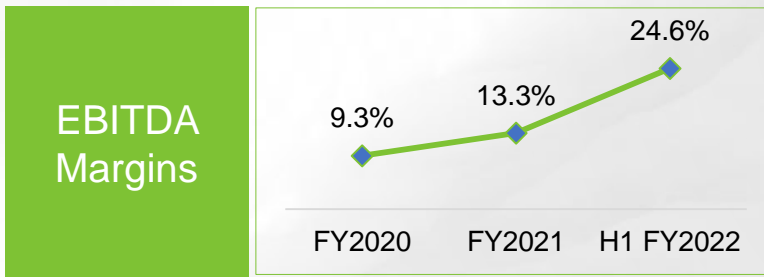
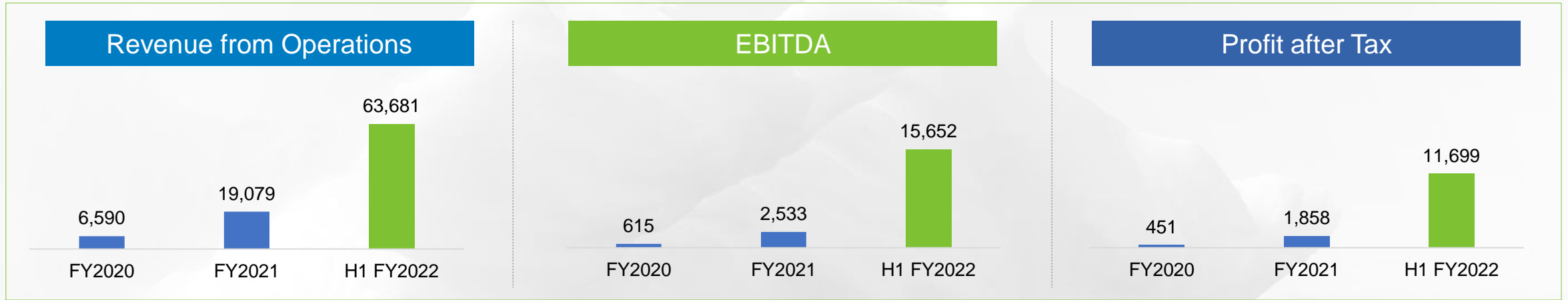
EnKing[®]
INTERNATIONAL
World's Largest Carbon Credit Developer & Supplier

EKI ENERGY
SERVICES LIMITED

www.enkingint.org

EXPONENTIAL GROWTH IN REVENUES AND PROFITABILITY

(Rs. in Lakhs)



Performance Snapshot

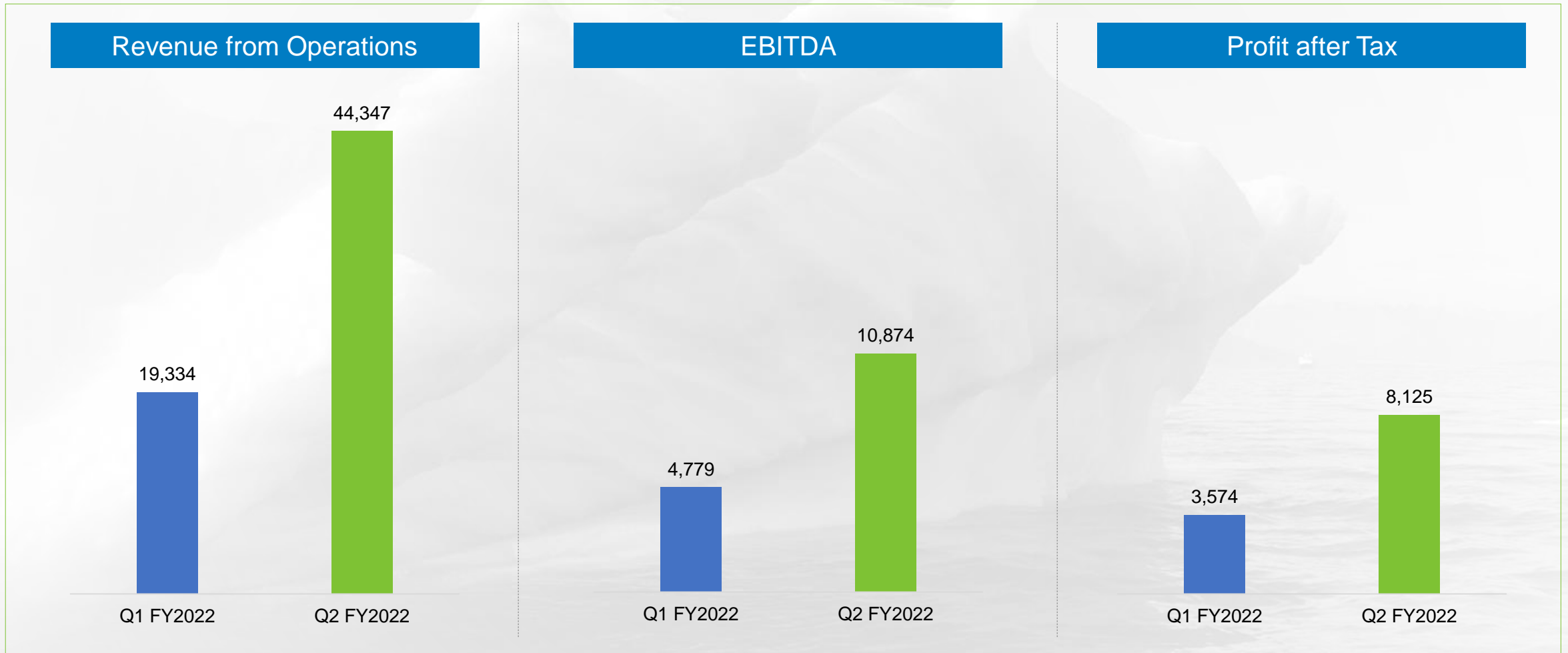
- Strong business performance supported by higher demand and pricing of carbon credits
- Increasing global awareness of GHG emissions and changing regulations to reduce environmental impact
- Carbon credit demand-supply gap widening
- EBITDA margins increased by over 11% to 24.6%
- PAT margins almost doubled to 18.4%

Notes:

1. Other income has been excluded from EBITDA calculations
2. All the figures has been rounded off to nearest lakhs

EXPONENTIAL GROWTH IN REVENUES AND PROFITABILITY

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MANAGEMENT PERSPECTIVE

Commenting on the results and performance, Chairman and Managing Director, Mr. Manish Dabkara:



Mr. Manish Dabkara
Chairman & MD

EKI Energy has reported another outstanding quarter with a robust business performance. This strong growth is supported by growing global carbon credit demand, increasing net-zero commitments by various countries and voluntary emission reduction pledges by corporates. During H1 FY22 our margins jumped to 24.6% as compared to 13.3% in FY21 supported by higher carbon pricing and effective cost control measures. Considering the higher demand for carbon credits and a widening demand-supply gap in the global markets, we had entered in a major deal to purchase carbon credits in H1 FY22.

As part of our business strategy of continuous expansion across different geographies and industries, we are also exploring new avenues of business. EKI Energy is exploring attractive business opportunities arising from the proposed Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The scheme is applicable from 2021 and voluntary for all countries until 2027 but many countries including the US and China have already implemented the scheme and other countries to follow in the near term. The implementation of CORSIA will increase global carbon credit demand substantially and will increase the demand-supply gap further.

With improving market dynamics, the current carbon offsetting demand is sustainable and expected to increase in future. We are positively looking forward to the scheduled COP26, which is expected to bring more stringent guidelines to control emission and increase emission reduction targets. The increasing awareness for reduction in global emissions and collective efforts of various regulatory bodies is expected to increase the pricing and scope of carbon pricing instruments over time.

Going forward, with strong business fundamentals, higher demand for carbon credits supported by evolving global carbon credit markets and economic recovery from the Covid-19 pandemic, we are confident of continuing strong growth momentum and maximizing shareholder value.

FINANCIAL PERFORMANCE

Rs. In Lakhs	Q2 FY2022	Q1 FY2022	% QoQ Change	H1 FY2022	FY2021
Revenue from Operations	44,347	19,334	129.4 %	63,681	19,079
Other Income	21	15	47.5 %	36	23
Total Revenue	44,368	19,349	129.3 %	63,717	19,102
Direct Expenses	31,218	13,998	123.0 %	45,216	14,967
Gross Profit	13,150	5,350	145.8 %	18,501	4,135
<i>Margins</i>	29.6 %	27.7 %		29.0 %	21.6 %
Employee Benefit and Other Expenses	2,255	557	304.8 %	2,812	1,579
EBITDA*	10,874	4,779	127.5 %	15,652	2,533
<i>Margins</i>	24.5 %	24.7 %		24.6 %	13.3 %
Depreciation and Amortization	10	9	8.3 %	19	39
EBIT	10,885	4,784	127.5 %	15,669	2,517
<i>Margins</i>	24.5 %	24.7 %		24.6 %	13.2 %
Finance Cost	30	8	257.6 %	38	25
Profit Before Tax	10,855	4,776	127.3 %	15,631	2,492
<i>Margins</i>	24.5 %	24.7 %		24.5 %	13.0 %
Tax Expenses	2,730	1,202	127.2 %	3,932	634
Profit After Tax	8,125	3,574	127.3 %	11,699	1,858
<i>Margins</i>	18.3 %	18.5 %		18.4 %	9.7 %
Basic EPS (Rs.)	118.20	51.99	127.4 %	170.20	36.79

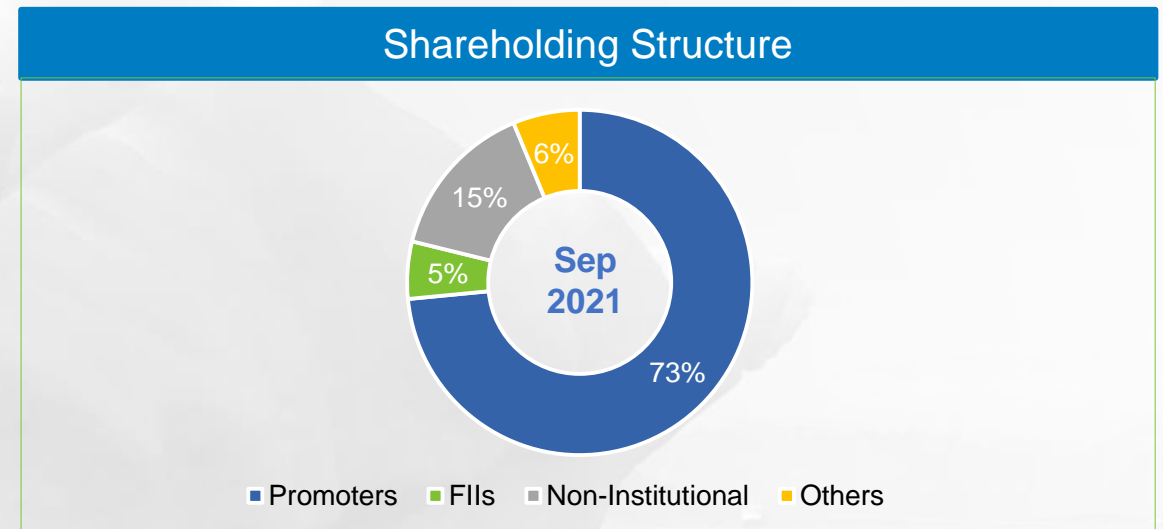
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CAPITAL STRUCTURE

A net cash positive balance sheet reflects strong business fundamentals

(Rs. Lakhs)	Mar-2021	Sep-2021
Long Term Borrowings	76	69
Short Term Borrowings (including current maturities)	67	2
Total Borrowings	143	71
Cash and Cash Equivalents	1,560	2,401
Net Debt	(1,417)	(2,330)
Shareholder Equity	2,490	15,691
Debt to Equity	0.06x	0.00x



Total Borrowings (Rs. Lakhs)



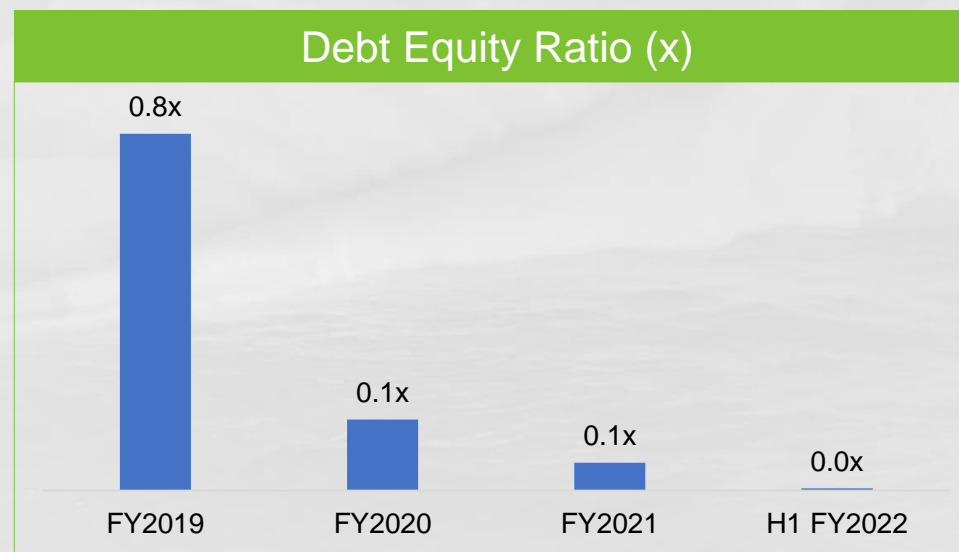
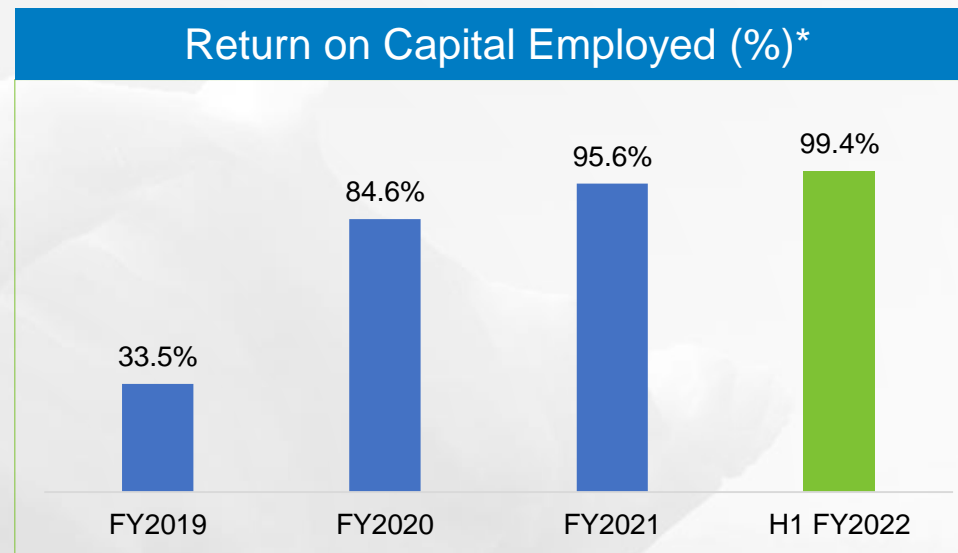
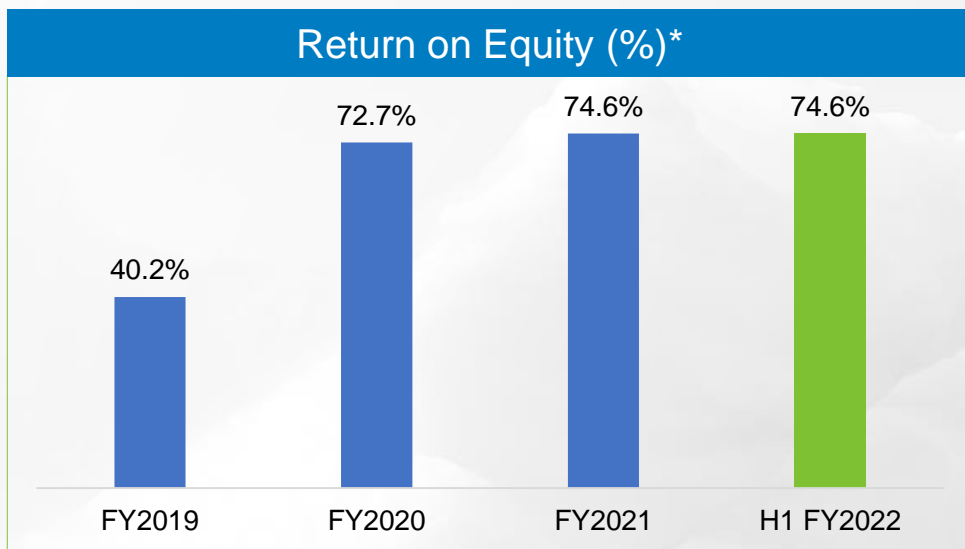
FY2020

FY2021

H1 FY2022

- In FY2021, raised Rs. 18.6 Cr through IPO. Issued new equity shares of 18.24 lakh
- Continues to strengthen balance sheet through debt reduction and effective working capital management

CASH FLOW GENERATION WITH NEGLIGIBLE DEBT



BALANCING ECONOMIC DEVELOPMENT AND ENVIRONMENT GLOBALLY



Climate Change, Sustainability Advisory and Carbon Offsetting Service

We offer climate sustainability advisory services that includes advisory in respect of climate change, GHG policy, low-carbon transformation strategy, GHG emissions inventory & registry, appropriate mitigating actions as well as climate change action plan. We also provide carbon offsetting service that involves the validation, registration, monitoring, verification, issuance and supply of eligible carbon credits.

Business Advisory and Other Services



ISO Advisory

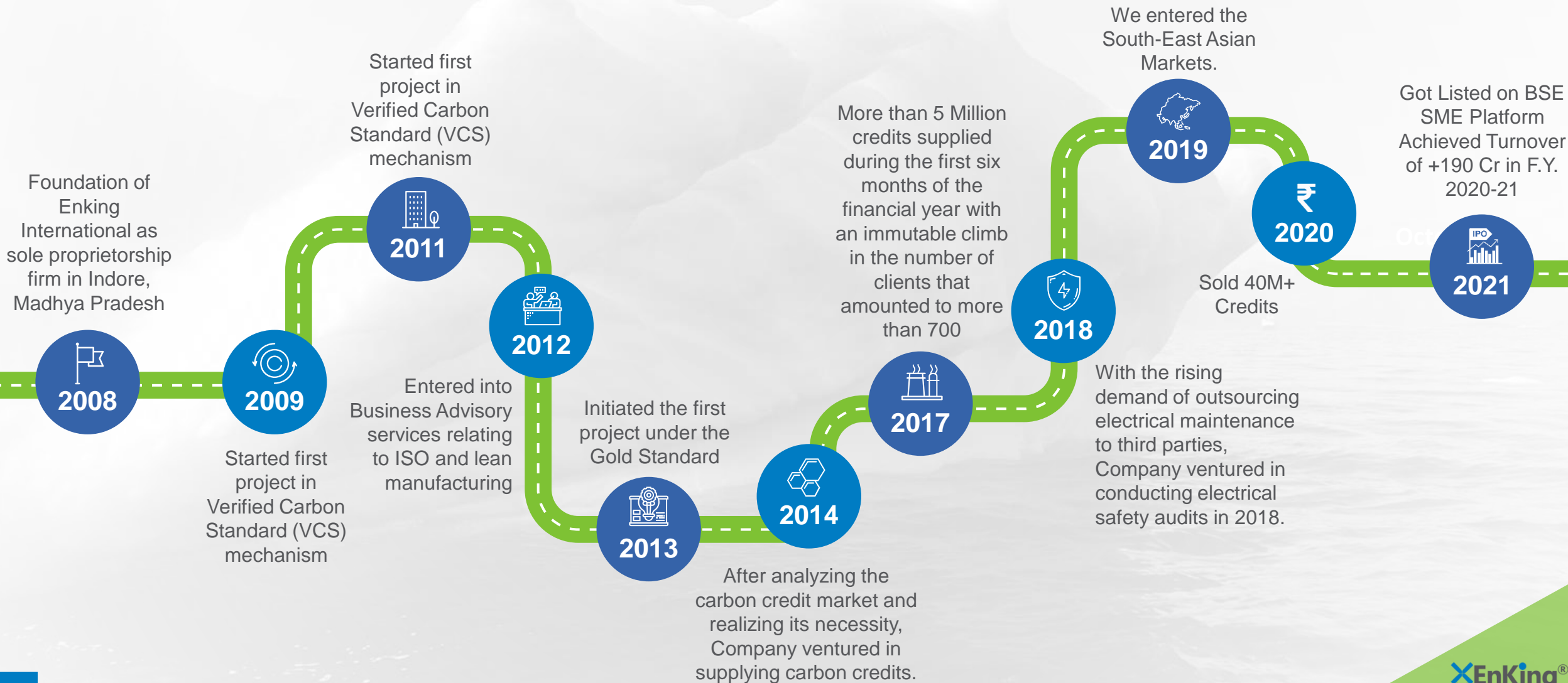
We provide integrated solutions for ISO standards implementation.



Electrical Safety Audits

We offer a systematic approach to evaluate potential hazards and recommend corrective measures for improvement in electrical installations.

OUR STORY OF UNLOCKING TRUE POTENTIAL AND GROWTH



OUR BUSINESS PROCESS

We offer carbon sustainability advisory services to a wide range of projects such as bio-methanation, renewable power, waste management, energy efficiency and water purification. We provide advisory services for the validation, registration, monitoring, verification and issuance and supply of eligible carbon credits.

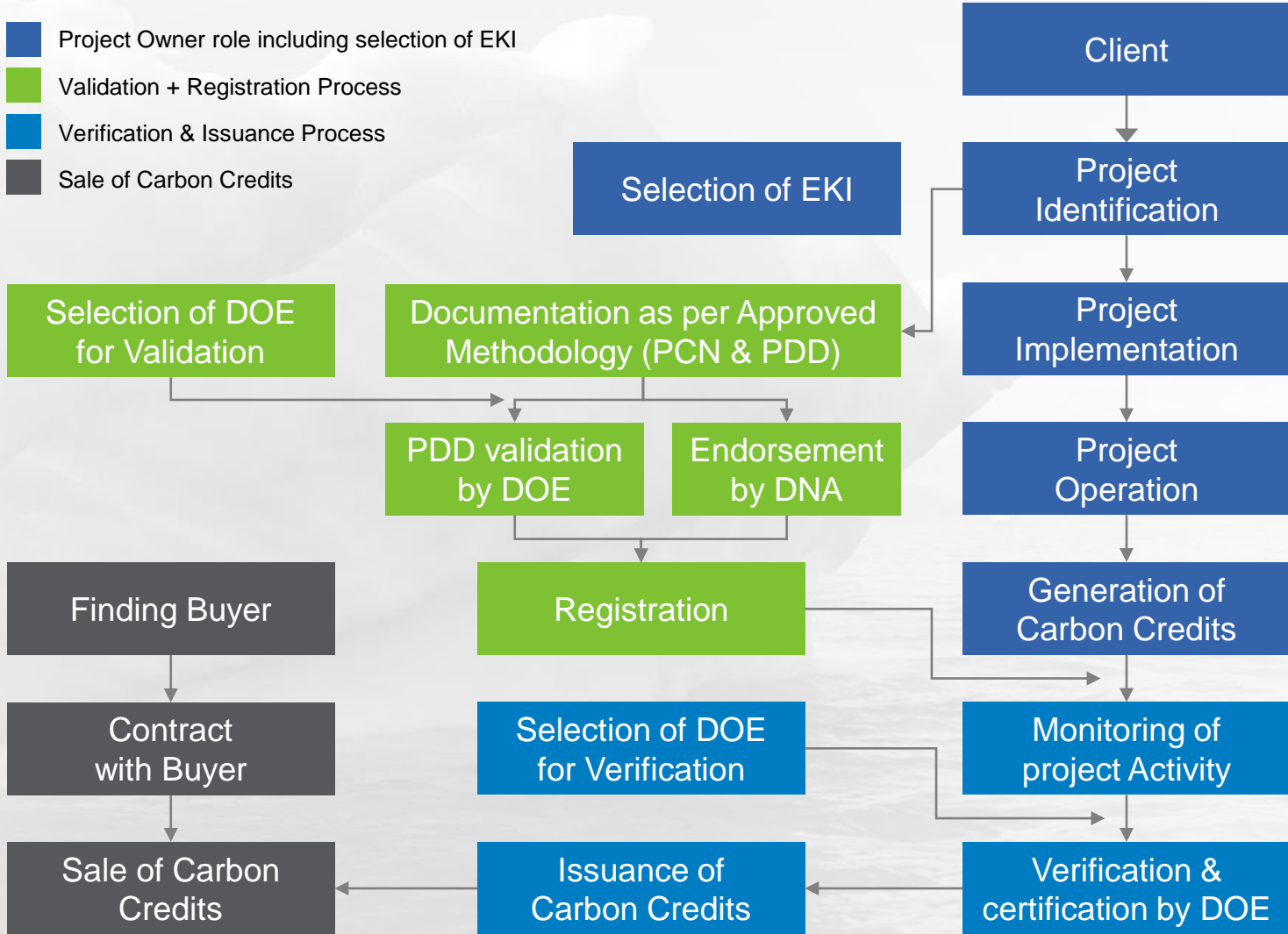
A carbon credit is a tradable certificate, which permits its holder, a right to emit, over a certain period, carbon dioxide or other greenhouse gases. One carbon credit is equal to one ton of carbon dioxide.

Once companies have decided to acquire carbon offsets to achieve their carbon neutrality goals, the next decision is to select the appropriate type of carbon offset.

We identify purchasers of carbon credits across countries and corresponding suitable supplier. The company studies the project requirements, credibility, quantum and profile of the buyer to offer the suitable credits at a competitive price and complete the transaction.

We also locate sellers internationally with the requisite carbon credits. Before executing any contract, it is ensured that the credits are quantifiable and verified by a third party.

- PCN : Project Concept Note
- PDD : Project Design Document
- DOE : Designated Operational Entity
- DNA : Designated national authority (MOEFCC in India)
- CER : Certified Emission Reduction

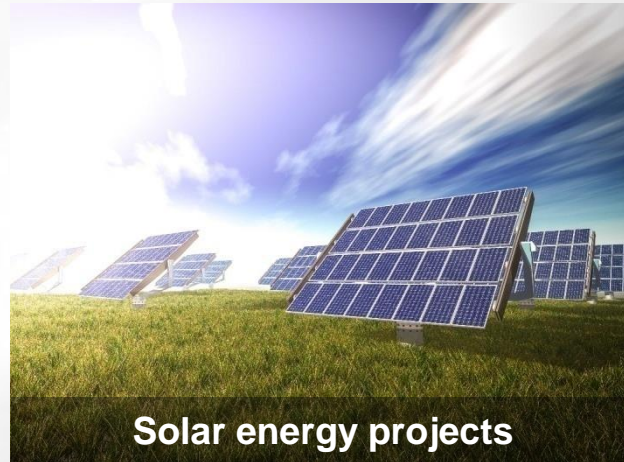


TRANSFORMATIVE PROJECTS IN PORTFOLIO

Company is constantly identifying projects within & outside Indian territory that reduce carbon emissions, protect biodiversity, and deliver measurable benefits aligned with the aims of the Kyoto Protocol, Paris Agreement and the UN Sustainable Development Goals.

+1,000

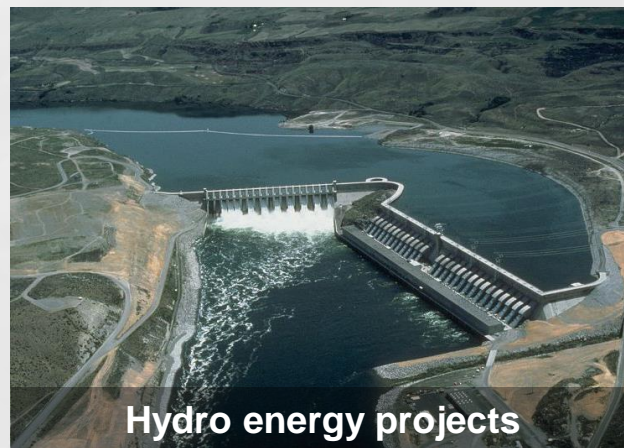
Carbon credit projects in the portfolio as on date, consisting of



Solar energy projects



Wind energy projects



Hydro energy projects



Other energy efficient projects

The large portfolio and on-the-ground support allow organizations to choose projects aligned with their brand, business, and the sustainable development goals

WORKING WITH LEADING BRANDS AND PUBLIC LEADERS ACROSS THE WORLD

Our Presence



Total clients served so far

+2,000

PROMINENT ASSOCIATION AND EMPANELMENT

International partnerships provides us a platform for product innovation



Membership with IETA (International Emissions Trading Association)



Global Gold Consultant of Carbon Disclosure Project (CDP)



Confederation of Indian Industry

Membership with Confederation of Indian Industry(CII)



Member of UNFCCC CNN

INTERNATIONAL CLIENTS



THE WORLD BANK

World Bank Group



International Monetary Fund (IMF)

International Monetary Fund



UNOPS

The United Nations Office for Project Services

SIEMENS

Ingenuity for life

Seimens AG, Germany



KenGen

Energy for the nation

Kenya State Electricity Generation Company, Kenya



TRANS-ASIA
RENEWABLE ENERGY

Transa Asia Renewable, Philippines



Hedcor
HYDRO ELECTRIC DEVELOPMENT CORP.

Hedcor Sibulan Philippines



e n e r g y
DEVELOPMENT CORPORATION

Burgos Wind Farm, Philippines



PacificLight

Pacific Light, Singapore



XUAN THIEN GROUP

Xuan Thien Group



HALCOM

Halcom Vietnam JSC



Southern Hydropower JSC

NATIONAL CLIENTS



RG Sonthalia Group



SB Energy



Acme Solar Group



Mytrah Energy Limited



Fortum India



Hero Future Energies



GMR



Polyplex Hydro



IDFC (Vector Green)



Indian Railways



Greenko Group



Aditya Birla group



JSW



Hira Group



Torrent Power



LANCO



Baidyanath Renewable Energy



GVK



Adani



SEMB Corp (Green Infra Group)



Hindustan Zinc Limited



CK Birla Group



Mahindra Susten



Emami Group



Jakson Solar



RSPL



Renew Power



Avaada Energy



Azure Power



Jaypee Group



Rajasthan Gum Private Limited



Hetero Wind (Hetero Pharmacy group)



Panama Renewable Energy

NATIONAL PSU'S CLIENTS



Bharat Petroleum
Oil & Gas
Company



Balmar Lawrie &
Co. Limited



Gail Limited



India
Meteorological
Department



Oil and Natural
Gas Corporation
Limited



M.P. Paschim
Kshetra Vidyut
Vitaran Co.
Limited



Moil
Limited



Rajasthan State
Mines and
Minerals Limited



Hindustan
Petroleum
Corporation
Limited



Indian Oil
Corporation
Limited



Housing & Urban
Development
Corporation
Limited



India Tourism
Development
Corporation
Limited



Kerala State
Electricity Board
Limited



Maharashtra State
Board of Technical
Education



National Research
Centre on Camel



NHPC
Limited



Airports Authority
of India



Central Water &
Power Research
Station



Uttarakhand
Power Corporation
Limited



NTPC
Limited



Khadi and Village
Industries
Commission



Ministry of New
and Renewable
Energy



Ordinance
Factory



Indore Smart City
Development
Limited

INDUSTRY GROWTH DRIVERS

Net Zero Emissions by 2050

More than 70 countries have committed to work toward net zero emissions by 2050 and to enhance their international climate pledges under the Paris Agreement

Growing Usage

A growing number of companies are using internal carbon pricing to reduce emissions across their value chains. In 2019, about 1,600 companies disclosed that they currently use internal carbon pricing or that they anticipate doing so within two years

India's International Climate Commitments

India's international climate commitments include a reduction goal in greenhouse gas (GHG) emission intensity of GDP by 33-35% until 2030 (compared to 2005 levels) and a target to increase the share of non-fossil fuel energy sources to 40% by 2030.

High Volume of Carbon Credits

More than 14,500 registered crediting projects to date, generating almost 4 billion tCO₂e of cumulative carbon credits



Benefits of buying carbon credits to Organizations

- › Meeting the regulatory compliances
- › Building a reputation for leadership on climate and sustainable development
- › Winning new customers and increasing brand loyalty among existing ones by enhancing brand and product differentiation
- › Increasing brand awareness and positioning products in key markets
- › Attracting investors

ENVIRONMENTAL AND SOCIAL INITIATIVES

Environment

- Our projects are aligned with Kyoto Protocol, Paris Agreement and the UN SDGs
- Committed to protect land, natural resources and biodiversity
- Initiated plantation drive program along with its employees within the nearby community
- Focused on transition to renewable energy; Placed solar panel located at the rooftop of its corporate office
- Introduced “Green Initiative” policy across its business division and departments to reduce paper waste.
- Introduced Cloud based applications to transfer and store files/data

Social

- Developed a feedback mechanism for collects employee feedback about infrastructure and work culture
- For employee engagement organized various events such as annual day, Kite Day competition and festival celebrations
- Prepared three days employee training program to develop skill and knowledge
- In FY21 spent Rs 1.59 lakhs on employee training and development
- 100% employees were given safety and skill up-gradation training
- Provided a grant towards promoting education, healthcare, environment and livelihood
- In FY21 granted Rs. 5 lakhs on vocational training project through registered Trust
- Introduced various employee benefit programs such as Medical insurance, health check-up and webinars

EXPERIENCED AND VISIONARY LEADERS

Manish Kumar Dabkara Chairman & Managing Director

12+ years of experience in carbon credit, climate change & allied services

Instrumental in the development of more than 1000 projects

Master of Technology in Energy Management, Bachelor of Engineering in Electrical & Electronics Engineering & Certified Energy Auditor



Naveen Sharma Whole Time Director

10+ years of experience in carbon credit, climate change & allied services

Supplied more than 50 million credits till date

Bachelor of Engineering in Mechanical, MBA



Sonali Sheikh Whole-time Director

9+ years of experience in HR, Admin, finance, compliance and bidding process

Expert in ISO implementation, business advisory and electrical safety audits

MBA & BSc



Priyanka Dabkara Non –Executive Director

10+ years of experience in finance & investments

Expertise in Fund Management

MCA & BCA



Pankaj Sengar VP – Sales (Climate Change)

29+ years of experience in business development, after sales support and CRM in field of business automation, industrial sales and renewable energy

Graduate in Electronics Engineering



Ramkrishan Patil Head – Operations

15+ years of experience in carbon asset management, sustainability services, climate change mitigation programmes and allied field.

M.Tech. and B.E. (Mechanical)



KEY STRATEGIES OF THE COMPANY



Addition of new clients & projects across the Globe

With the acquisition of new talent pool, Company is aiming to enter into new geographies across the Globe, where it see huge potential for climate change advisory services & acquisition of carbon credits.



Backward integration to Project owners

Company has plans to do backward integration of its carbon credit business by investing in low-cost environmental projects in India i.e. Cook stove, Biogas, tree plantation etc., so that it can generate and sell carbon credits as Project owners.



Increasing our international presence in carbon footprint management

Company intends to continue to expand its end-users client base in the developed countries such as Germany, U.S.A, Australia etc. Its strategy to sell directly to the end-users will result in elimination of middlemen and higher profit margins to the Company.



Increasing tender participation

Going forward, Company plans to expand the electrical safety audit and business excellence advisory services by increasing its participation in tenders and by building relationship with private & public players, particularly, banks and oil & gas sector companies, where huge potential lies for electrical safety audits.



Focus on brand building & marketing initiatives

Company has plans to continue investing in various brand building & marketing initiatives i.e. sponsorship in national & international industrial events, media advertisements, enhancing social media presence and creating awareness on carbon credits in public.

INVESTMENT RATIONALE



Over 12 years of advisory experience in the innovative and high growth climate change industry



Well established network of 600+ greenhouse gas efficient projects



Year 2035: global corporate commitment to becoming net carbon zero companies



Fully integrated end to end solutions for clients to achieve their carbon neutrality goals



Experienced management team leading 120+ professionals across continents



Proven track record of shareholder value creation:

FY2021 Revenues Rs. 191 Cr, EBITDA Margins 13.3% and 4 year Revenue CAGR of 201%



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