

Solex Energy

17 August 2026

Operator: Ladies and gentlemen, good day and welcome to Solex Energy Limited Q1 FY27 post-results earnings conference call hosted by Adfactors PR. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, you may signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rishabh Shah from Adfactors PR. Thank you, and over to you, Mr. Shah.

Rishabh Shah – Adfactors PR: Thank you. A very good morning to everyone, and a warm welcome to the Q1 FY27 earnings call of Solex Energy Limited. From senior management, we have with us Dr. Chetan Shah, Chairman and Managing Director; Mr. Vipul Shah, Non-Executive Director; and Mr. Hemal Kachchiwala, Chief Financial Officer.

Before we begin the earnings call, I would like to mention that some of the statements made during the call may be forward-looking in nature, and hence may involve risks and uncertainties, including those related to the company's future financials and operating performance. Please bear with us if there is any call drop during the conference call. We will ensure that it is reconnected at the earliest. I now hand over the call to Dr. Chetan Shah, Chairman and Managing Director, for his opening remarks. Thank you, and over to you, sir.

Dr. Chetan Shah – Chairman & Managing Director: Thank you very much, and hello to everyone. A very good day to all of you. On behalf of Solex Energy Limited, I welcome all our investors, analysts, and stakeholders on this call to discuss our Q1 FY27 results.

Let me begin with two developments that I am happy to share with you. First, we have completed our listing on BSE Limited. Solex Energy is now listed on both the NSE and the BSE. Primarily, this was a listing of existing shares on the BSE main board. No fresh capital was raised. This is a milestone we are proud of. It reflects the confidence that investors and stakeholders have placed in our vision, our governance, and our long-term growth strategy. As of today, Solex Energy is supported by a growing community of over 11,000 shareholders. With our presence on both exchanges, we look forward to further broadening our investor base, improving liquidity, and strengthening our shareholder profile.

Second, the company continues to strengthen its order inflow following a 628+ crore order received in July 26. In August 26, we secured a 42.47 crore new work order from a domestic private limited company in the power sector for the supply of n-type TOPCon 620-watt peak glass-to-glass solar PV modules, with execution scheduled to commence in October 2026. In addition, the company has received an LOI for a further 175 crore order, with the MSA currently at the signing stage. Together, these orders represent an executable order pipeline of 845.84 crore targeted for execution by December 31, 2026.

Before I take you through the quarterly performance, let me place Q1 in the right context, because I believe context is important for how one reads these numbers. As we consistently said in our previous interaction, our business is closely linked to the execution of utility-scale solar projects in India, and it is inherently H2-weighted. The first half of the fiscal year is seasonally softer, and the

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

second half is when the bulk of module dispatches, EPC completion, and revenue conversion happen. Q1 FY27 has unfolded along that same seasonal trend.

There are four factors worth highlighting. The first is ALMM, which is known as ALMM 2. Production flow, higher operating expenses, and shifting delivery schedules consequently cause customer offtake of modules to slow down in Q1 and Q2. The pipeline flowing into H2 is a structural feature of our industry, not a one-off. If you look at Solex's own trajectory over the last several years, the pattern of a softer H1 and a much stronger H2 has been consistent.

Second, ALMM. As you are aware, up to the middle of May, there was a broad expectation across the industry that the ALMM Phase 2, that is, ALMM 2, timeline for cells would be extended. On May 25, it was clarified that there would be no extension. In the weeks that followed, a number of upcoming projects were placed on hold, and the market as a whole moved into a wait-and-watch mode while developers assessed the implications for their project timelines and financing. This slowed down fresh decision-making and led to some customer-driven rescheduling of module deliveries during the quarter.

I want to be very clear on two points here: these are timing shifts and not cancellations. We do not currently see any orders at risk. Whether ALMM is extended at any stage or not, there is no impact on our order book because we are prepared for both scenarios. For ALMM-compliant orders, we have supply arrangements in place with domestic cell manufacturers, and for our other orders, we are fully secured on the imported cell supply chain.

Third, the cost base. With softer volumes in a seasonally weak quarter, our fixed costs and the full-quarter impact of depreciation and interest on our 4-gigawatt capacity are absorbed over a smaller revenue base.

Let me now turn to operations and order visibility, where I would like to focus most of your attention. Our 4-gigawatt module manufacturing capacity at Sarkhej, Gujarat, continues to operate as planned. The ramp-up of Line 3 and Line 4, which were commissioned in November 25 and reached full utilization by March 26, is now well behind us. For financial year 27, we are working with an average utilization assumption of around 55% across the year.

On order book visibility, it currently stands at approximately 3,400 crore. This is spread across three stages: confirmed purchase orders where deliveries are underway, signed MSAs where formal POs are awaited, and MSAs at the advanced stage of discussion. As I mentioned earlier, this visibility is not contingent on an ALMM outcome or an ALMM 2 outcome. Alongside this, we continue to see a healthy inquiry pipeline from both existing IPP relationships and new customers. We keep adding new orders even as we execute the existing book.

Our customer profile, which includes several of the largest IPPs in the country, is a source of strength and not a concentration risk. These are the most quality-conscious buyers in the industry. They conduct their own pre-dispatch inspections, and repeat business from this group has been the foundation of the Solex order book. We remain aligned with the FY27 revenue guidance and PAT margin in the range of 5% to 6%.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Let me now touch on the strategic priorities that we are executing in parallel with near-term delivery. Technology and manufacturing differentiation remain at the core of what Solex stands for. We were the first Indian manufacturer to launch a G12 TOPCon module. Our facility is fully automated and MES-driven, with complete unit-level traceability. Our in-house testing laboratory allows us to certify products against the most rigorous international climate conditions.

Our R&D partnership with ISC Konstanz, Germany, continues to progress on the next-generation back-contact and TOPCon-plus cell roadmap. Our engineering collaboration with {? TT Vision ?}, Malaysia, is helping us with automation and process optimization. These capabilities allow us to serve the IPP and C&I segments, and they are the reason our customers come back to us.

On cell manufacturing, our roadmap is intact. The 2.2-gigawatt n-type TOPCon-plus cell line, which is the first phase of our planned 5-gigawatt cell capacity, is on track for commissioning by the end of calendar year 2027. On land, we are at the closing stage for the identified parcel, with connectivity approval expected shortly. On funding, the debt component of approximately 700 crore is at an advanced stage of discussion with our lender, and the equity component of 350 crore, structured as a combination of NCDs and CCDs, is progressing through the due diligence stage.

We are also onboarding an experienced TOPCon cell manufacturer on a KPI-linked basis for line design, commissioning, and operations, which significantly de-risks the ramp-up phase. I want to be clear on one thing: cell manufacturing is not an incremental capacity for Solex. It is the platform on which the next phase of our margin trajectory is being built. Once operational and semi-stabilized, backward integration into cells is expected to support a meaningful uplift in profitability over the current range. Investors should see Q1 as the near-term operating cycle and cell manufacturing as the medium-term earnings inflection.

On BESS, or battery energy storage systems, we continue to progress with our evaluation of the technology partner identified for the containerized BESS manufacturing setup. As shared previously, BESS will be housed in a separate subsidiary. We will come back with more specifics as the plans take shape over the coming quarters.

All of this sits within our long-term Vision 2030, under which we intend to build 10 gigawatts of module capacity, 10 gigawatts of solar cell capacity, 10 gigawatts of BESS infrastructure, and 2 gigawatts of wafer and ingot capacity, while exploring further integration across the solar value chain. This is closely aligned with the Government of India's Atmanirbhar Bharat and Viksit Bharat initiatives. The 4,000 crore MoU we have signed with the Government of Gujarat is the first concrete step in that direction.

To close, our operating priorities for the remainder of FY27 are straightforward: ramping utilization across all four module lines, converting the advanced-stage order book into confirmed POs, closing out land, funding, and technology approvals on the cell project, building the export footprint, and preparing the balance sheet for the next capex cycle.

Solex has always taken a calibrated approach to growth. We announce capacity when technology, customer relationships, and funding are in place, and we deliver on what we announce. Q1 FY27 sits at the start of the H1-H2 curve that we have consistently spoken about. We remain confident in the

Report is AI-generated and may contain inaccuracies.

Solex Energy

shape of FY27 and in the medium-term opportunity in front of us. With that, I now hand over to our CFO, Mr. Hemal Kachchiwala, to take you through the financial performance in detail. Thank you.

Hemal Kachchiwala – CFO: Thank you, Chetan. Good day to all. Let me briefly walk you through the financial performance for Q1 FY27.

For Q1 FY27, total revenue stood at 265.6 crore as compared to 261 crore in Q1 FY26, a growth of 1.8% year-on-year. EBITDA for the quarter stood at 33.8 crore as against 42.7 crore in Q1 FY26, translating into an EBITDA margin of 12.7% for the quarter as compared to 16.4% in Q1 FY26.

Below the EBITDA line, there are two further items to note. Depreciation and amortization for the quarter was 10.2 crore as against 4.3 crore in Q1 FY26, reflecting the full-quarter impact of Line 3 and Line 4, which were commissioned only in November 25. Finance cost for the quarter was 12.5 crore as against 5.4 crore in Q1 FY26, reflecting the higher working capital deployment during the quarter and the fact that a larger share of our working capital requirement was met through fund-based limits rather than non-fund-based facilities.

Together, these two items account for a significant part of the year-on-year movement at the profitability level. Profit before tax for the quarter stood at 11.1 crore, and PAT stood at 8.3 crore in Q1 FY27 with a {? PAT of PAT margin ?} of 3.1%. Earnings per share for the quarter was 7.39.

To summarize, the year-on-year movement at the profit level reflects seasonally softer volumes and the full-quarter impact of depreciation and interest on our expanded capacity, and not anything in the underlying business. Our order book...

Management: ...our customer relationships and the balance sheet position remain intact. With an H2-weighted execution calendar ahead, we remain confident of delivering on our FY27 guidance. With that, we now open the floor for questions. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Participants connected on the Zoom app may click on the raise-hand icon to ask their questions. Kindly turn on your audio, announce your company name, and proceed with your question. Anyone connected on the audio bridge may press star and one to ask a question, and may press star and two to remove themselves from the question queue. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from Rishi. Kindly announce your name, your company name, and proceed with your question.

Rishi: Hello.

Operator: Yes, Rishi, go ahead.

Rishi: I hope I am loud and clear. First of all, thank you for the opportunity. My first question is regarding the total capex plan of 1,500 crore that you referred to in November, if I am not mistaken: 1,100 crore for the cell line, 200 crore for modules, and 100 crore for working capital. This was funded by 1,000 crore in debt and 500 crore through a QIP. However, in May, the reference changed from 1,500 crore to {? 1,050 crore ?}, comprising 700 crore in debt and 350 crore from

Report is AI-generated and may contain inaccuracies.

Solex Energy

equity. I just want to know what led to this change and which figure the investor community should use as a reference for FY27 modelling.

Management: Rishi, this vision was there when we were planning to add an additional 2.5 gigawatts of module capacity. Looking at the current market dynamics, we have decided not to proceed with the additional module capacity because we foresee that a lot of module capacity will be available in the market as and when Solex requires it.

Therefore, almost 200 crore has been reduced because there is no urgent capex plan for the module line. In addition, while working with the vendors and our team, we determined that the project cost is around 1,050 crore. At present, 1,050 crore will comprise 700 crore from the principal banks and 350 crore as our margin. Therefore, at present, you can consider 1,050 crore for the 2.2-gigawatt cell line. That is the immediate expansion plan as of now.

Rishi: Understood. One last question: inventory grew significantly in FY26, from 1,795 million to approximately 2,905 million. Alongside the finished-goods pile-up you have discussed, is there any risk of inventory obsolescence or a write-down, given the pace of change in module technology?

Management: This is a seasonal impact. Technological change is not an issue because we have the latest generation of modules manufactured by us, mostly the G12R. This is a seasonal impact, and all the inventory is affected by it. If you see last year, the same pattern continued, and similarly, the same thing is happening in the current quarter and the current half year.

Once the monsoons are over and the fields are ready for installation, all this inventory pile-up will be cleared. This is also the reason you see the huge difference between the first half and the second half. If you look at the Solex trajectory, the difference is 1 to 3, which is a huge gap in the way Solex is performing.

Rishi: Understood. Thank you. That is all from my side.

Management: Thank you.

Operator: Thank you. The next question is from the line of Mandira. Kindly announce your company name and proceed with your question.

Mandira – Investo: Thank you for the opportunity. This is Mandira from Investo. I have a couple of questions. With India's BESS order pipeline of around 50 GW expected to be awarded over the next 24 months, which is likely to double the addressable solar market size, what gives Solex the credible right to win despite having no manufacturing track record?

Management: BESS is an exciting journey in India. Currently, there is a dependency on imported BESS technology. In India also, those setting up BESS manufacturing currently are much more dependent on importing the whole technology.

Solex has already announced its BESS manufacturing expansion. The total capacity will be 10 gigawatts, which we will execute in two phases of 5 gigawatts each. We have already started evaluating technology on multiple fronts for BESS. We would like to participate in the Indian BESS journey as well as the overseas BESS journey in the days to come.

Report is AI-generated and may contain inaccuracies.

Solex Energy

At present, there are very few BESS manufacturing setups in India, and they are only on a trial basis. Those projects that have already been awarded have their own timelines for completion and commissioning. We will be able to participate in this journey once we reach the stage of adding BESS to the existing plant, a new plant, or an upcoming plant.

Management: Mandira, to add to what Chetan mentioned, if you look at the Solex journey, we closely work with top-tier solar manufacturers in China. The same approach was followed for the module line. As Chetan mentioned, we are in a technological tie-up with one of the most reputed cell manufacturers in China. We will follow the same approach for BESS.

We are at an advanced stage of discussions with some of our technical partners regarding which technology partner we should onboard and how the entire setup should be developed. As and when the plans are finalized, we will not simply jump into BESS as opportunists. Whenever we do so, it will be very calibrated.

Mandira – Investo: Understood. That is great. Secondly, how do your cost structure and product quality compare with Chinese competitors in the targeted export markets, particularly given that India's higher-revenue modules are reflected in ASPs?

Management: Are you referring to solar modules or BESS?

Mandira – Investo: Solar modules.

Management: Chinese companies have their own business strategy, and they are very aggressive in overseas markets. Solex is finding markets where there is some preference for Indian module manufacturers. We enter markets very strategically where there is a preference for Indian modules.

Indian modules are not that expensive in terms of pricing. We are competitive, but Chinese companies strategically place prices in markets where it is very difficult to compete with them. As I said, we focus on markets where there is a preference for Indian modules.

In terms of economies of scale in India and overseas, and in terms of quality, I think Indian modules are at par with Chinese modules. Sometimes Indian modules are better in terms of quality and reliability. It is simply a strategic placement of pricing and the grants available to Chinese manufacturers in overseas markets, which the Chinese government is now removing. The real competition and the real situation regarding Chinese pricing will become clear in a few quarters.

Our focus, as far as overseas markets are concerned, is primarily the Middle East, Africa, and Europe, and we are trying to establish ourselves in the US market as well. Currently, our major focus is on Europe, the Middle East, and Africa, apart from India.

Management: Mandira, in our projections, our export revenue is on the lower side for FY27. We are making our presence felt, and we have identified a full-fledged team to represent Solex in the European market. As and when the right opportunity arises, Solex will be ready to take it.

Mandira – Investo: Understood. All the best for the coming quarter. This answers my question. Thank you very much.

Solex Energy

17 August 2026

Management: Thank you very much.

Operator: Thank you. The next question is from the line of Manan Shah. Kindly announce your company name and proceed with your question.

Manan Shah – Moneybee: Hi, Manan here from Moneybee. Thank you for the opportunity. Historically, we have seen that Q1 is not as weak as our performance this quarter. What resulted in such a weak performance in Q1 despite having so much capacity available?

Management: As we mentioned, the entire Line 3 and Line 4 were operating in Q1. Therefore, all the interest, depreciation, and other expenses were incurred. Comparatively, revenue was not at the same level.

Secondly, there was some EPC government revenue that was booked in the first quarter of FY26, which is not present this year because Solex has stopped undertaking government projects, except perhaps on an urgent basis or very selectively.

Manan Shah – Moneybee: I was referring to the module side. Generally, in April, May, and June, the monsoon was also delayed this time. Therefore, I would have assumed that execution would have been stronger than what we reported.

Management: Because of the announcement regarding ALMM II, most of the orders were outside ALMM. There was a mix of ALMM and non-ALMM orders. Therefore, people slowed down.

June 1 was a very tight schedule for people to implement their projects. Suppose my solar farm is ready but I do not have grid connectivity for any reason on the part of the grid. Then the whole project will be affected.

When the government made the announcement, it provided a limited window for people who were stuck. Around 4,500 applications were received where projects were stuck for various reasons. Around 9,500 applications were received where the projects were almost ready, or the majority of the modules and other items had already been delivered.

The industry did not have clarity. Secondly, people were not clear whether they had to buy ALMM-compliant modules or non-compliant modules. Therefore, people thought it was better to wait and watch.

Now, with the clarity that the government has provided through a selective extension, people have gained clarity and orders are being converted. A lot of orders had their deliveries put on hold. As Chetan mentioned, the deliveries were held back, but the orders were not cancelled; they were extended. Therefore, you will see us cover this number in the second half.

Management: Manan, I will explain the order situation. There are orders relating to projects that are already grandfathered. The ALMM impact does not apply to those orders, as you correctly mentioned. Those orders are H2 orders, with deliveries to be converted into revenue. These are utility-scale projects, and they are executed only after the monsoon.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Another set of orders relates to captive projects, where there was a lot of confusion because of ALMM. This resulted in a deferment of the delivery schedule and timing. The mandate came into effect immediately without a timeline, and the government ultimately received 9,500 applications for commissioning and granting extensions.

Against this background, the government has extended the deadline until December for commissioning. Meanwhile, the announcement came in the middle of July, which was the peak monsoon season everywhere. Those who were granted extensions are now waiting for the monsoon to end before executing their projects.

This situation applies to everyone. The situation will improve once the monsoon ends, and there will be significant pressure to execute projects and deliver modules for both segments: the grandfathered projects and the captive projects that were granted extensions.

Manan Shah – Moneybee: Okay. Out of the order book or pipeline that you have described as {? 3,000 to 3,500 ?}, how much of this could be impacted by ALMM II?

Management: The majority consists of grandfathered projects. Approximately 20% of the orders could be vulnerable to this issue. However, because of the extension, that problem has now also been resolved.

Manan Shah – Moneybee: You also mentioned in your commentary that you have tied up with some cell manufacturers if ALMM is implemented. Can you highlight with whom you have tied up and what sort of arrangement ensures the availability of cells to you?

Management: We are already working with three cell manufacturers in India, and we are buying domestically manufactured cells from them for DCR supply, which is currently at a very small volume.

We have signed MOUs with a couple of upcoming cell lines. One of them has already started partially and is in the ramp-up phase. I am unable to announce the names because of the NDAs signed with them. We have to work with multiple cell manufacturers.

Once one of them completes its ramp-up phase, it has already committed 1 gigawatt of cell supply per annum to us. There are two other manufacturers that are already on the verge of starting their production lines.

Once we are done with this, we will have clear visibility for domestically available cells in Q4, the last quarter of this financial year. Right now, we are fully tied up with grandfathered projects, and therefore we have limited space available to take on DCR-mandated projects.

Next year, we will have sufficient supply, when the majority of these projects will have a DCR mandate. We will have sufficient supply from those with whom we have signed the MOUs, with a quantity of almost 2.5 gigawatts of cells per annum.

These are all G12R cells. Currently, G12R cells are not available, and those with whom we have signed contracts are producing only G12 cells. They are converting their production lines to G12R. Once the conversion takes place, we will have supply.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Moreover, the majority of FY27 revenue is coming from non-DCR, or non-ALMM-listed, projects. Solex will mainly require DCR cells from April onward, that is, April 27. We believe that by the time our requirement arises, a lot of capacity will be available in the market because many lines are in the installation or ramp-up phase. By the time Solex requires DCR modules, there will be significant cell availability in the market.

Manan Shah – Moneybee: In your commentary, you mentioned confirmed POs of around 800 to 900 crore. Is this the execution that can be expected until December, and how do you see the balance order book being converted into POs?

Management: These are to be executed by December this year.

Manan Shah – Moneybee: From your inquiry pipeline, is there a possibility of further orders being converted into POs by December, or is this the execution that you are expecting from Solex?

Management: These are the orders we have already closed, which is why we have mentioned them. There are many orders in the second phase. As I mentioned, there are different phases of orders. Some MSAs have already been signed, and we are waiting for the timeline and for them to be backed by firm POs. These are the orders that we will announce as we close them one by one.

Manan Shah – Moneybee: Do you have any update on the cell line project? We have been discussing the closing of the land deal for the past several quarters, as well as the funding arrangement, and there is still no conclusion on either.

Management: There are two answers. First, we have already procured the land and applied for an electricity connection in Gujarat. This has its own timeline because of the availability of electricity and the huge requirement for it.

We have applied for a 30-megawatt connection. We are waiting for the government to provide the approval in writing. In-principle approval and verbal approval have already been given. We are waiting for written approval. Once we have written approval, all the other documentation will be processed. That is the first part.

The second part relates to a change in strategy. Initially, our plan was to raise equity through a QIP and a preferential round. However, market conditions were not favorable for this round, so we changed the structure to debt.

To raise funds through this route, due diligence and everything else have been completed, and the matter is at the final stage of evaluation with the investor and the funding agency. These are the two major factors that have caused us to take slightly more time than expected.

However, I think we are on track. Our preparation and groundwork are such that we will ensure that whatever time we have consumed in this phase, we will recover in terms of execution. Almost everything has been designed, and the agencies are aligned.

We will announce everything once the finance closure is completed and we receive confirmation regarding the electricity connection. These are the two major points that we want to close before we come openly to the market with our announcements, timelines, details of whom we are working

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

with, and everything else. Thank you, Manan.

Manan Shah – Moneybee: I have one last question, if you permit me.

Management: Sure.

Manan Shah – Moneybee: Initially, we used to say that we would manufacture for the world and not only for the Solex brand. Are such opportunities still available in the market, or have those opportunities dried up? Our utilization is fairly low, so has there been a shift in strategy such that we will now manufacture only for the Solex brand?

Management: It is a good question. The facility that we designed and operate is in line with global standards. In the previous year, we had already manufactured for the world's leading brand, which was the world's number one brand.

We are already in discussions and at the agreement stage with other brands as well, and we will manufacture for them. These will be Solex-branded modules for their clients.

In India, foreign brands cannot sell because they do not have their own manufacturing facilities. Therefore, they cannot sell under their own brands and have adopted the Solex brand. Other companies are also in discussions and are waiting for confirmation of timelines and other details from their clients and from our side.

This journey is continuing. Since we have already done this for two companies that are among the global top five, our past track record has made other companies quite open to working with us. As far as OEM contract manufacturing for global brands is concerned, we are now focused on that segment as well.

Until now, our capacity was limited. Our capacity was expanded in December, and it was backed by orders. We now have some visibility for taking contract manufacturing orders from global brands, so we will evaluate that segment as well.

Currently, until December, we do not have visibility to take on such work because our capacity is fully backed by existing orders. In Q4, we will evaluate whether, if we are able to fill the entire available capacity with domestic orders, we can focus on contract manufacturing in the next financial year.

However, for Indian projects from global brands, discussions have already taken place, and we are likely to close something for Q4 for Indian projects from those brands. Thank you, Manan.

Manan Shah – Moneybee: Okay, sure. Thanks. I will get back in the queue.

Operator: Thank you very much. The next question is from the line of Bhavya Agarwal from Share India Securities. Please go ahead.

Bhavya Agarwal – Share India Securities: Hi, sir. Good morning. Am I audible?

Management: Yes, go ahead.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Bhavya Agarwal – Share India Securities: How much of the current order book is with the top three customers, and what is your single-largest customer concentration?

Management: Sorry, can you please repeat your question? There was some voice break.

Bhavya Agarwal – Share India Securities: How much of your current order book is with the top three customers, and what is your single-largest customer concentration?

Management: As of now, for the closed orders, the single largest order is of 600+ crore. That is the single largest order that we have closed.

The second-highest order is 175 crore, for which we have already prepared and agreed on the documentation. Only the signing is pending, and it is also backed by an LOI. The third order I mentioned is a 42 crore module order from domestic captive projects. These are the three orders that I have already mentioned in my commentary.

Apart from that, we have an inquiry for almost 2 gigawatts. We are committing approximately 400 megawatts in this financial year and the rest in the next financial year. These are the order sizes we are working with, apart from some domestic orders in the range of 5 megawatts to 50 megawatts, which are captive orders.

To provide some perspective on the orders we are completing by December, our order book consists of a mix of clients. Secondly, at Solex, we have many repeat orders.

Last year also, on an ongoing basis, we had inquiries worth almost 4,000 crores. These were not merely speculative inquiries; they were backed by audits or by audits of our facilities that had already been completed. However, the delivery schedule and price mechanism were under discussion.

There is a complete flow of new orders. Since we are comfortable with our existing customers, we see repeat orders as well.

Bhavya Agarwal – Share India Securities: Understood. How is the EPC order book trending separately from the module order book, and what margin differential exists between the two?

Management: As we mentioned previously, EPC is not a major focus. We target around 100–150 crores of business from the EPC segment. These orders are generally from the C&I segment, ranging between 1 megawatt and 5 megawatts, along with some rooftop orders.

At Solex, our major business comes from IPPs. We do not want to compete with our customers. Therefore, at Solex, our approach is to remain very minimal in EPC. We have a target of approximately 100–150 crores from the EPC business. The margin is around 10% to 12%.

Bhavya Agarwal – Share India Securities: Understood. One last question: module capacity utilization for FY26 averaged around 70%, but your FY27 guidance is based on a more conservative 55% utilization assumption despite the incremental 2.5 gigawatts coming online. Why is the assumption more conservative for a larger base?

Report is AI-generated and may contain inaccuracies.

Solex Energy

Management: As capacity has increased, we were previously operating with 1.5 gigawatts, and we are now at 4 gigawatts. Looking at the scale and everything else, the average capacity utilization is 50% plus.

Because of the disruption caused by ALMM and other factors, this year can be described as a turbulent year for the industry, due to uncertainty about whether ALMM would be introduced. Many people adopted a wait-and-watch approach. This is why we have been somewhat conservative, and this is the target we have set for the current year.

There was a lot of focus on projects using domestically manufactured cells. We all know that there has been a delay in building cell capacity. The entire module manufacturing segment was dependent on domestic cells, but they are not sufficiently available at this moment and are likely to become available within a year.

There is significant dependency on grandfathered projects, which has created a great deal of confusion. From May through July, there was considerable confusion, and there is now some clarity from August onward. After the monsoon, the situation will recover.

Therefore, we are being very conservative about capacity utilization, considering all these factors and the loss of production, or slowdown in production, that we experienced during those 2 months.

Bhavya Agarwal – Share India Securities: Thank you for the opportunity.

Operator: Thank you very much. The next question is from the line of Ashish Kolecha. Kindly announce your company name and proceed with your question.

Ashish Kolecha – B Ventures LLP: Hello, sir. Ashish from B Ventures LLP. Am I audible?

Management {? Chetan ?}: Yes, Ashish. Please go ahead.

Ashish Kolecha – B Ventures LLP: I wanted to understand this because, like many of your peers, those entering cell manufacturing, such as Jupiter and Waaree, and many others, you would know that the 8 to 10 names in India are facing significant issues relating to execution and availability. You also understand that cell manufacturing is not as easy as other streams and parts of the value chain.

I wanted to understand how you are addressing the execution risk relating to availability factors and the {? plant power ?} and water. I also wanted to understand whether your scope is 5 gigawatts or 2 gigawatts. If you could provide some details on your cell manufacturing plans, that would be very helpful. Thank you.

Management {? Chetan ?}: Good question, Ashish. I will answer this in parts. The second question you asked was whether the project is 2.2 gigawatts or 5 gigawatts. Our project is 5 gigawatts, which we are executing in two phases: 2.2 gigawatts and 3 gigawatts. We will have a single site with 5 gigawatts of cell manufacturing capacity. That answers your second question.

The first question relates to the operational challenges you mentioned. You are correct that India faces many challenges in terms of operations. I will take a deeper look at this question because, as far as the cell manufacturing capacity currently available in India is concerned, most of those

Report is AI-generated and may contain inaccuracies.

Solex Energy

capacities use old technology, which is Mono PERC.

There are very few players operating TOPCon lines. There is sizeable capacity, almost to the tune of 5 gigawatts, using proprietary technologies such as HJT and Thin Film. If we do not consider those proprietary technologies, then we have only Mono PERC and TOPCon available.

For TOPCon, the majority of the capacity—around 80%—is manufacturing M10-size cells. Only a couple of players are manufacturing G12 or G12R cells. This is the breakdown of the cell capacity currently available.

As far as the technical challenges are concerned, there are two parts. One is infrastructure, including water and electricity connections. This is manageable, although it takes its own time depending on the location where the plant is being established. Gujarat is a highly industrialized state, so there are somewhat greater challenges in terms of time.

However, as far as the operational aspect and the availability and consistency of this infrastructure are concerned, Gujarat has a very good track record.

As far as operating a cell line is concerned, once the infrastructure is available, the major challenge is operating the cell line because it is highly recipe-driven and chemically driven manufacturing. It requires significant expertise, and TOPCon in particular is more challenging than Mono PERC.

Understanding these challenges, other companies that have already installed lines and are facing ramp-up challenges are trying to address everything themselves or by bringing a consultant on board. They are the first movers.

We are addressing these challenges by working with ISC Konstanz, with which we have collaborated and which we have brought on board. As you heard in my commentary, we are also bringing in a very professional cell manufacturer to operate this line.

This manufacturer will not only operate the line. It is involved right from the design phase through construction and operations. These challenges are currently specific to India. Chinese manufacturers are not facing these operational challenges because they already have deep experience and are producing very high-efficiency cells.

We are bringing them on board to deliver a similar output with our cell line. To overcome the limited availability of manpower with knowledge of TOPCon cells, we are bringing in experts. This is the different strategy we are pursuing, Ashish. Thank you.

Management: Ashish, as Chetan mentioned, although we are proceeding slowly and according to our targets, we do not want to lose out on these two fronts. We have seen companies struggling with water, with almost 150 to 200 container tankers being delivered daily for water. Companies have also had to upgrade their power infrastructure and have faced many problems.

Infrastructure in Gujarat takes time, but we are ensuring that we do not face these hurdles. We have addressed the technical aspect in the same way. Thank you, Ashish.

Operator: Ashish, do you have any follow-up question?

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Ashish Kolecha – B Ventures LLP: No, sir. Thank you very much.

Operator: Thank you very much. The next question is from the line of Kunal Patel, individual investor. Please go ahead.

Kunal Patel – Individual Investor: Hello, sir. Good morning. Some independent power producers are waiting for DISCOM approvals because grid stability is not ready. Is this the actual situation?

Management {? Chetan ?}: In Gujarat, yes, there is such a situation, mainly because a lot of generation is taking place in Gujarat and is intended to be consumed in Gujarat. As a result, a load-curtailment issue is occurring, and there are also connectivity challenges in some parts of the country, although not everywhere.

These are temporary challenges. Once the national green grid from Khavda and other grid lines, which are being developed on a very fast track, become operational, these challenges will also be resolved. As BESS develops, it will also be a major step toward solving the grid stability issue. I think this is temporary and will be resolved in a few months.

I will additionally explain why we ended up in this situation. In FY25, India completed 25 gigawatts of solar installations, and in FY26, we ended up with almost 50 gigawatts of solar installations. The sudden surge in solar generation, particularly in a concentrated pocket of Western India, has put everyone in this situation.

However, other states are now also aggressively developing their own projects, while Gujarat and the western part of the country are aggressively working on additional grid availability, national grid availability, and BESS. These two developments will change the situation.

Kunal Patel – Individual Investor: Until the end of FY27, India's TOPCon cell capacity will be more than 70 to 80 gigawatts because all the underlying cell capacity will be executed. Will the price be equivalent to imported Chinese cells for existing module manufacturers?

Management {? Chetan ?}: No, it will be higher. Tenders that have already been bid with domestic cells were bid at higher prices, considering the high cost of cells. The cost of Indian cells will currently be higher compared to imported cells.

However, by that time, imports will not be permitted. Therefore, the available cell price will be the same across the entire market. As such, this will not impact any module manufacturer because the price will be the same for everyone.

Kunal Patel – Individual Investor: So can only existing module manufacturers survive in this market because the cell price for module manufacturers will be higher, as you said?

Management {? Chetan ?}: I do not see any significant survival challenge for standalone module manufacturers. Given the way the market is growing, the retail and captive markets are also growing rapidly, including small rooftops, industrial and commercial projects, and residential rooftops. These are the segments where standalone module manufacturers will be able to capture business.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

However, there may be some consolidation in the days to come, and that would basically be positive because having many small players with limited capacity will always be a challenge.

Both things will happen. First, there will not be any major challenge to the survival or existence of standalone manufacturers. Second, a lot of cell capacity will become available. It is not the case that only companies with cell manufacturing capacity will have all the business. There are companies with their own market connections that can capture business and procure cells from existing cell manufacturers.

The MNRE is also very sensitive to the availability of merchant cells in the market. It is continuously discussing this with cell manufacturers to make cells available to standalone module manufacturers.

After that, there will be some consolidation. Those that are not suitable or are unable to execute will merge with other existing players. This market shift will definitely take place.

Management: In addition, there are certain units that only manufacture cells and do not have module manufacturing capacity. A lot of capacity is being developed by companies that are not involved in module manufacturing and are starting directly with cell manufacturing. I think they will also bridge this gap.

Kunal Patel – Individual Investor: This will happen because some module manufacturers are not adding solar module manufacturing lines but are adding more cell manufacturing lines. New players will also do the same.

For independent power producers, they are waiting for DISCOM approvals, as we discussed. Grid instability will be resolved in the coming months or years. In the meantime, will excessive daytime solar power be converted into green ammonia because BESS lines are not currently fully operational? BESS projects have comparatively higher costs because BESS has been added by MNRE. Is the ammonia market likely to develop in the near future for this excess solar power resulting from grid instability and the high cost of BESS projects?

Management {? Chetan ?}: As far as ammonia and hydrogen are concerned, everything is gradually developing. These are somewhat complex manufacturing processes, and they will take their own time, particularly because India places significant importance on commercial viability. These initiatives are in the pipeline and will take their own time.

I think BESS will develop very quickly because it is an established technology and is commercially viable. India will move very quickly in terms of BESS, followed by other sources of renewable energy.

However, apart from BESS, ammonia, and hydrogen, solar will be the main source of energy for producing whatever these technologies are intended to produce. Solar has a very bright future, and that future is also long-term.

Apart from that, there will be significant technological shifts, some of which have already taken place. There will be projects that undertake repowering and replace old, outdated modules with new TOPCon modules. Therefore, there will be continuous movement in the module market in India, and the overseas market will continue as well.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Operator: Kunal, I will request you to come back for a follow-up question.

Kunal Patel – Individual Investor: Okay, sir. This is my last question. Thank you very much.

Operator: The next question is from the line of Jitendra Rathore. Kindly announce your company name and proceed with your question.

Management {? Chetan ?}: Hello, Jitendra.

Operator: Jitendra, can you hear us? Yes, go ahead.

Jitendra Rathore – {? [unclear] ?}: My question was regarding the distribution strength that you currently have. I would like to know more about that.

Management {? Chetan ?}: Sorry, can you please repeat?

Jitendra Rathore – {? [unclear] ?}: The distribution strength that you currently have.

Operator: Jitendra, sorry to interrupt you. Can you please speak closer to the phone?

Jitendra Rathore – {? [unclear] ?}: My question is regarding...

Jitendra Rathore – {? [unclear] ?}: Regarding the distribution strength that you have right now, I would like to know more about that.

Management {? Chetan Shah ?}: You are referring to our sales distribution channel, correct?

Jitendra Rathore – {? [unclear] ?}: Yes. What is the go-to-market strategy?

Management {? Chetan Shah ?}: We are primarily focused on the IPP business. Most of our customers are large-scale IPP power producers, with whom we interact directly without any channel in between. That represents the majority of our business.

The second-largest business comes from the C&I segment, which again consists of captive projects, more like utility-scale or large-scale rooftop projects. Here also, our sales team interacts directly with the clients.

As such, we have not developed a distribution network because we do not primarily focus on the retail segment, particularly residential rooftops, where there is a requirement for a distribution channel. Our focus area is different, so we have not concentrated on developing a distribution channel or a go-to-market strategy of that kind. We are already present in this market.

As I said, our major focus will remain on IPP and utility-scale projects. In the immediate future, we do not have any aggressive plan to enter distribution because we are not focusing on that segment.

Once our cell line is up and running, based on that, perhaps after 2028, we will consider this.

Jitendra Rathore – {? [unclear] ?}: Thank you, sir.

Report is AI-generated and may contain inaccuracies.

Solex Energy

17 August 2026

Operator: Thank you very much. As there are no further questions, I will now hand the conference over to Dr. Chetan Shah for closing comments.

Chetan Shah: Thank you, friends, for your questions and for your understanding of the industry and solar energy.

I want to mention that renewable energy, particularly solar, is not a quarter-to-quarter business. This is what we have seen for more than 2 decades: H2 sees a very significant movement in terms of revenue, deliveries, shipments, and the order book. In the balance sheet and P&L as well, we focus primarily on H2.

In H1, irrespective of the efforts made, there are many challenges, primarily climatic challenges. This year, we also experienced some policy developments, which caused some disruption.

The industry is growing very rapidly, and the challenges are also increasing because this is one of the fastest-growing industries. Please have patience and keep faith in the company, as you have already done.

We are now available on both the NSE and the BSE. We foresee significant visibility and flexibility as a result. Our expansion plans are time-driven. Once we announce something, we will have a clearer idea of the relevant details.

We have also been very conservative in providing guidance in terms of numbers. Last year's performance also showed the difference between H1 and H2, and we are expecting a similar pattern this year.

Thank you very much. Whenever anything arises in the future, we will always be available to answer. Thank you.

Operator: Thank you very much. On behalf of Solex Energy Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

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

Report is AI-generated and may contain inaccuracies.