Power Ventures Plc

INVESTOR PRESENTATION

11 February 2020

SHARES CENKOS

Growth and Innovation FORUM

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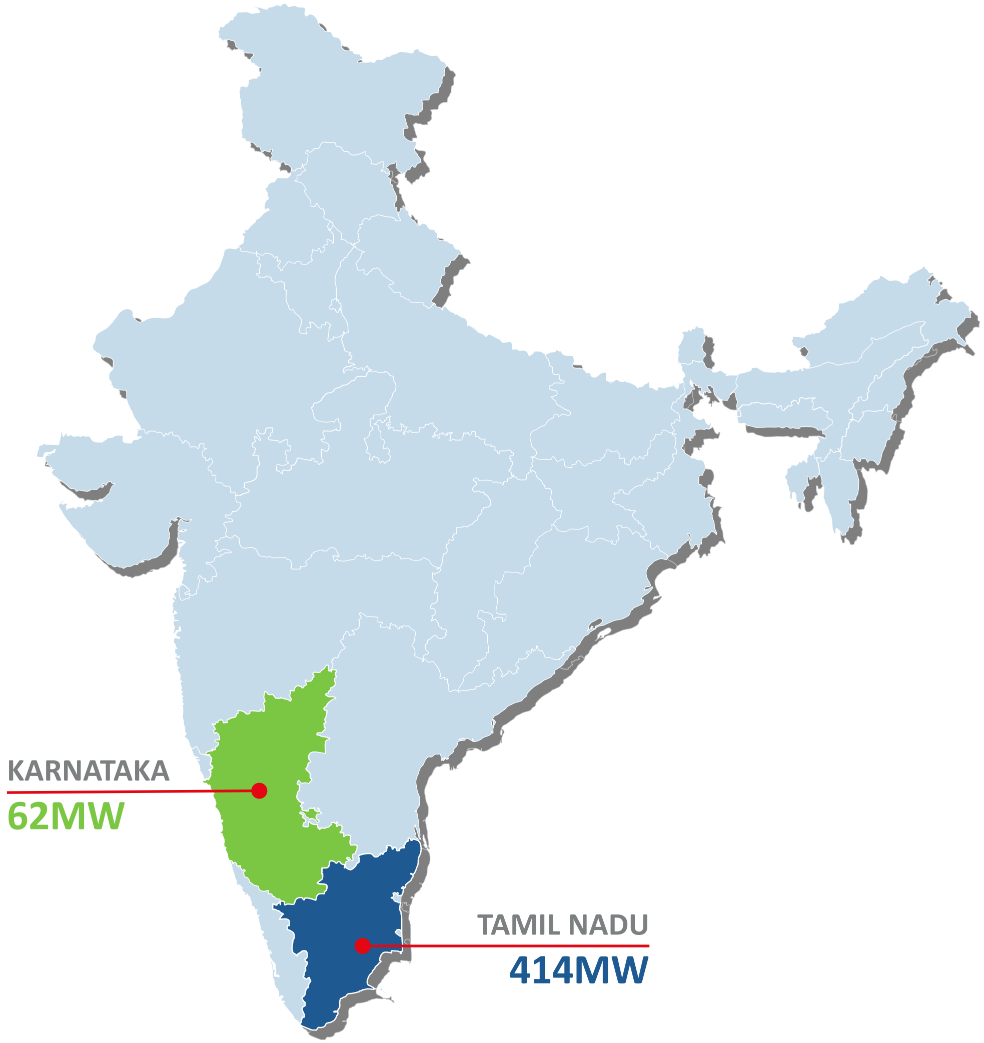
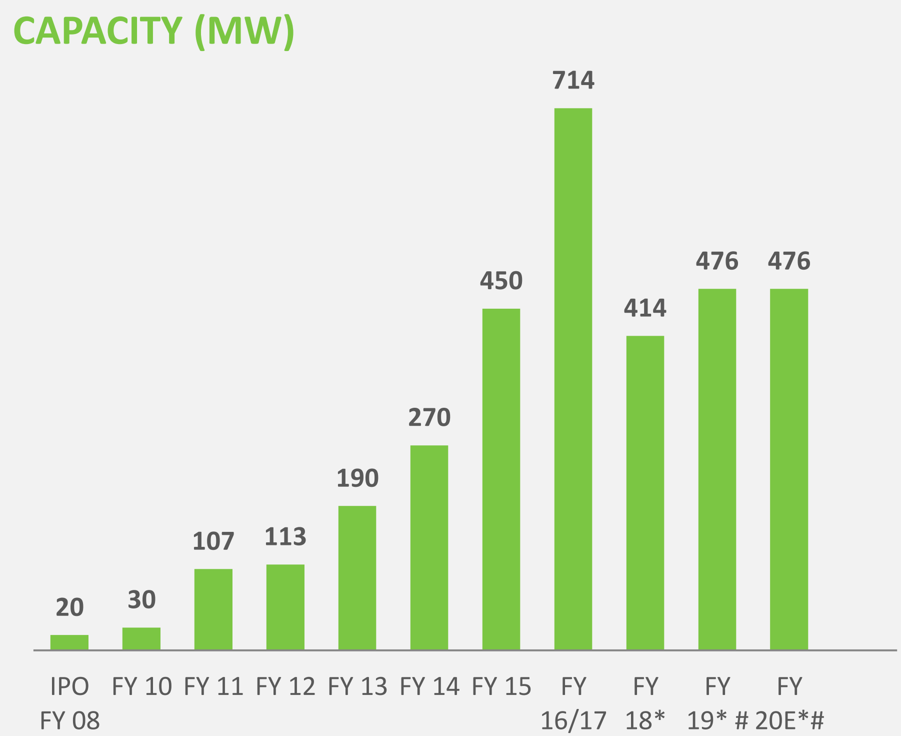
A DEVELOPER AND OPERATOR OF POWER PLANTS





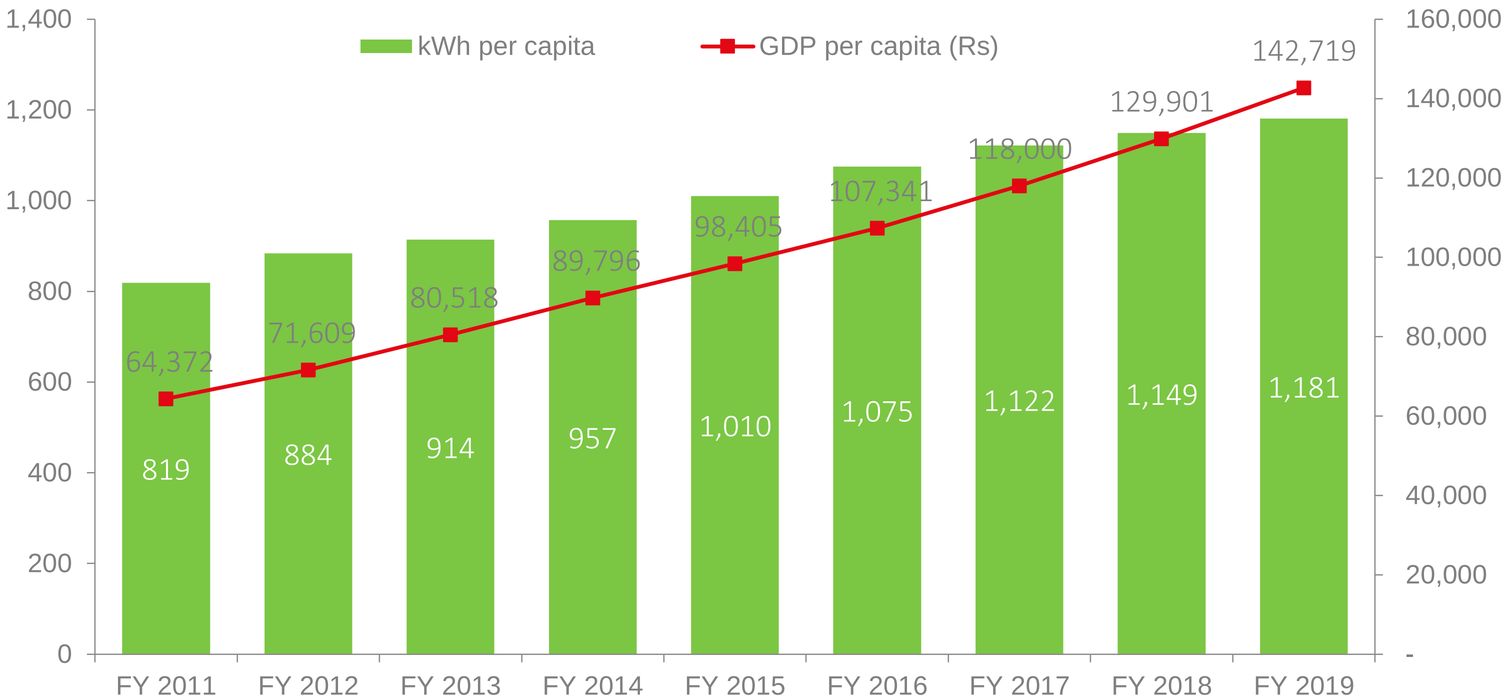
* Excluding 300MW Gujarat plant which was deconsolidated in FY18

62 MW Solar power plant became fully operational

STRONG FUNDAMENTALS FOR INDIAN ECONOMY & POWER SECTOR

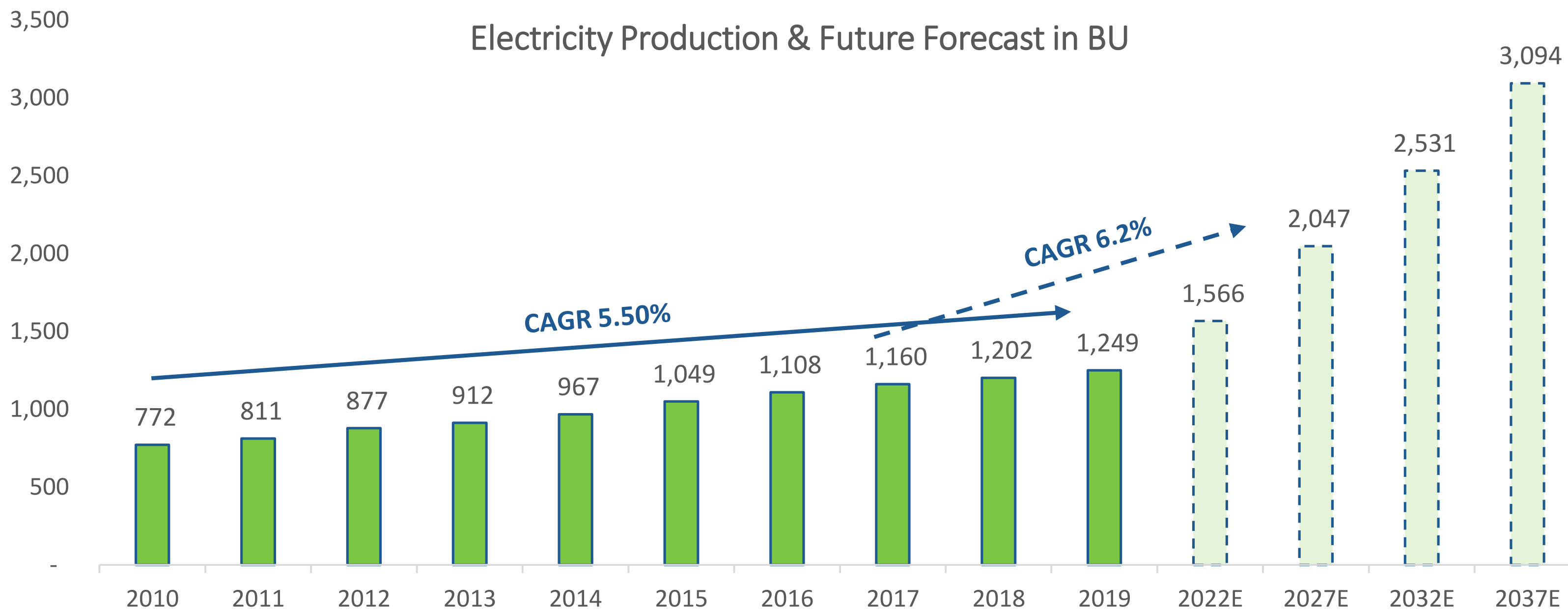
DEMAND FOR POWER IS DIRECTLY PROPORTIONAL TO GDP GROWTH

- In India, overall GDP per capita and electricity consumption is related to each other (see the chart below).
- YoY GDP growth estimated to be c5% for FY20 and picking up to c5.8% during FY21.
- Indian average per capita electricity consumption continue to be less than half of the world average per capita electricity consumption.



INDIAN POWER DEMAND

- From CY10 to CY19, electricity production in India grew at a CAGR of 5.50 %.
- As per Central Electricity Authority report, demand for electricity is expected to increase at a CAGR of 6.2% to 1,566 BU from FY17 to FY22.
- There is a clear gap between future demand and current supply level.
- There must be robust growth to meet the increasing power demand of the country.

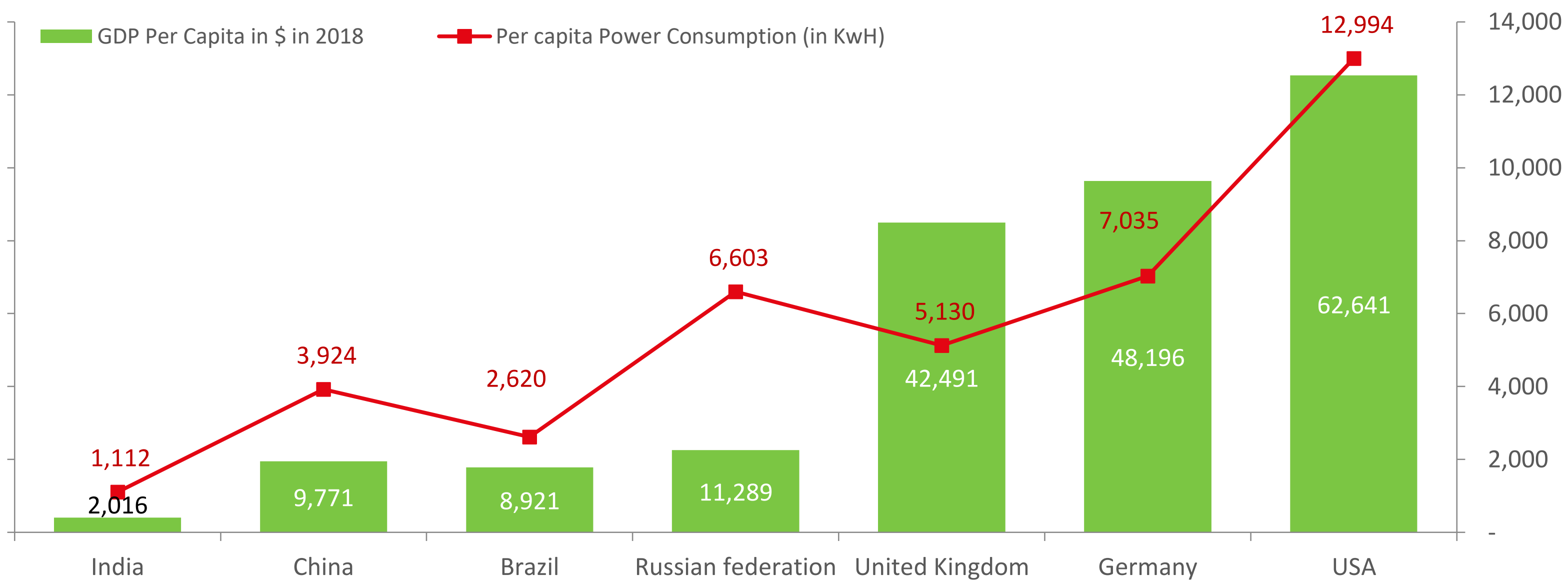


Source: CEA

OVERVIEW OF THE INDIAN POWER SECTOR

INDIA'S PER-CAPITA POWER CONSUMPTION WAS MUCH LOWER THAN HALF OF THE WORLD'S AVERAGE IN 2017

- The strong growth potential of the Indian power sector is due to:
  - India's relatively low per-capita electricity consumption of 1,112 kWh (2017), despite being among the top three power producers and consumers in the world.
  - In comparison to the world average of 3,126 kWh, India's consumption is significantly lower.
  - India continues to remain a power deficit country, during FY19, the energy deficit was 0.6% and peaked at 0.8%.



Source: World Bank

KEY DRIVERS FOR POWER DEMAND

KEY DRIVERS OF DEMAND

- *24x7 Power for All initiative*
- *Development of 'smart cities'*
- *'Housing for All' scheme*
- *Industrial push through 'Make in India'*
- *Increasing urbanization*
- *Infrastructure requirements*
- *Government push on electric mobility, and overall strong economic growth*

FY 2020 FIRST HALF HIGHLIGHTS

H1 FY20 HIGHLIGHTS

REVENUES

£78.4 million

(H1 FY19: £77.9 million)

Increase of 0.7%

ADJUSTED EBITDA

£18.0 million

(H1 FY19: £17.6 million)

EBITDA margin 23.0% & increase of 2.7%

PROFIT AFTER TAX

£8.2 million

(H1 FY19: 6.5 million)

Increase of 27%

FY19 GENERATION

1.4 TWH*

(H1 FY19: 1.5 TWH)

* Including 0.1 Bn of Deemed Generation

GEARING

27% (FY19: 34%)

Principal debt repayment of £9.6m during H1 FY19 (2.48 pence per share)

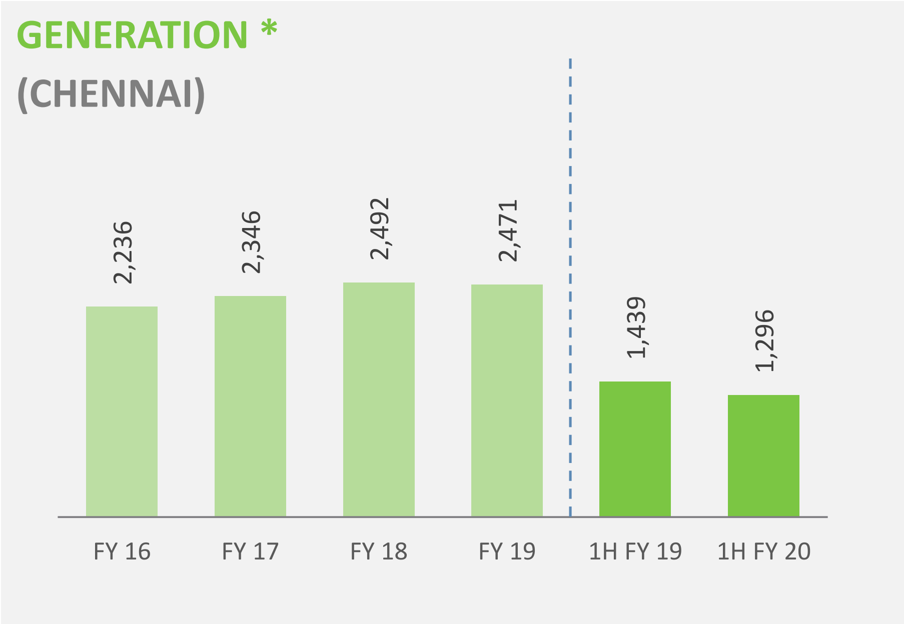
TARIFF FOR INDUSTRIAL & COMMERCIAL CUSTOMERS

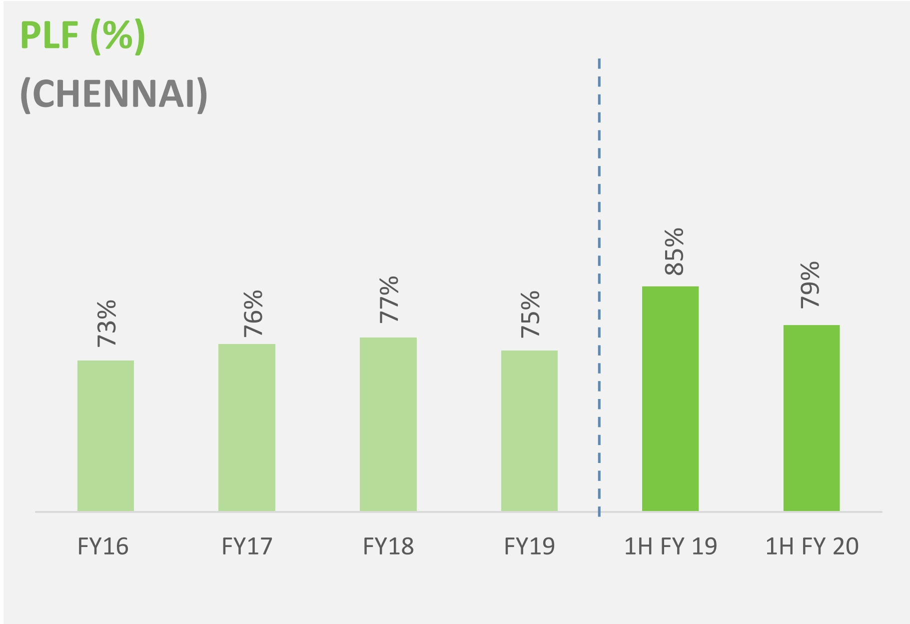
Rs 5.66 per kWh

(H1 FY19: Rs 5.20 per kWh)

Increase of 8.7%

MAXIMISING EXISTING ASSETS – CHENNAI OPERATIONAL PERFORMANCE





*Excluding deemed generation

Decrease in generation in H1 FY20 as compared with 1H1 FY 19 was primarily due to decreased demand by industrial customers as the Indian economy growth is slowing down.

SAFETY & ENVIRONMENT PERFORMANCE

ENVIRONMENTAL STRATEGY & FOCUS

Strategy

- Improved efficiency and emission reduction
- Operational excellence
- Internal standards exceed Ministry of Environment and Forestry (MoEF) standards

Focus areas

- Zero Liquid Discharge (ZLD)
- Training and education
- Zero Accident
- Reduced Water Consumption and recharge ground water table.

RESULTS

Environment

- No depletion of ground water table with the base line data of 2015.
- No exceedances report of emissions from statutory departments.
- All statuary approval are up to date.

Safety

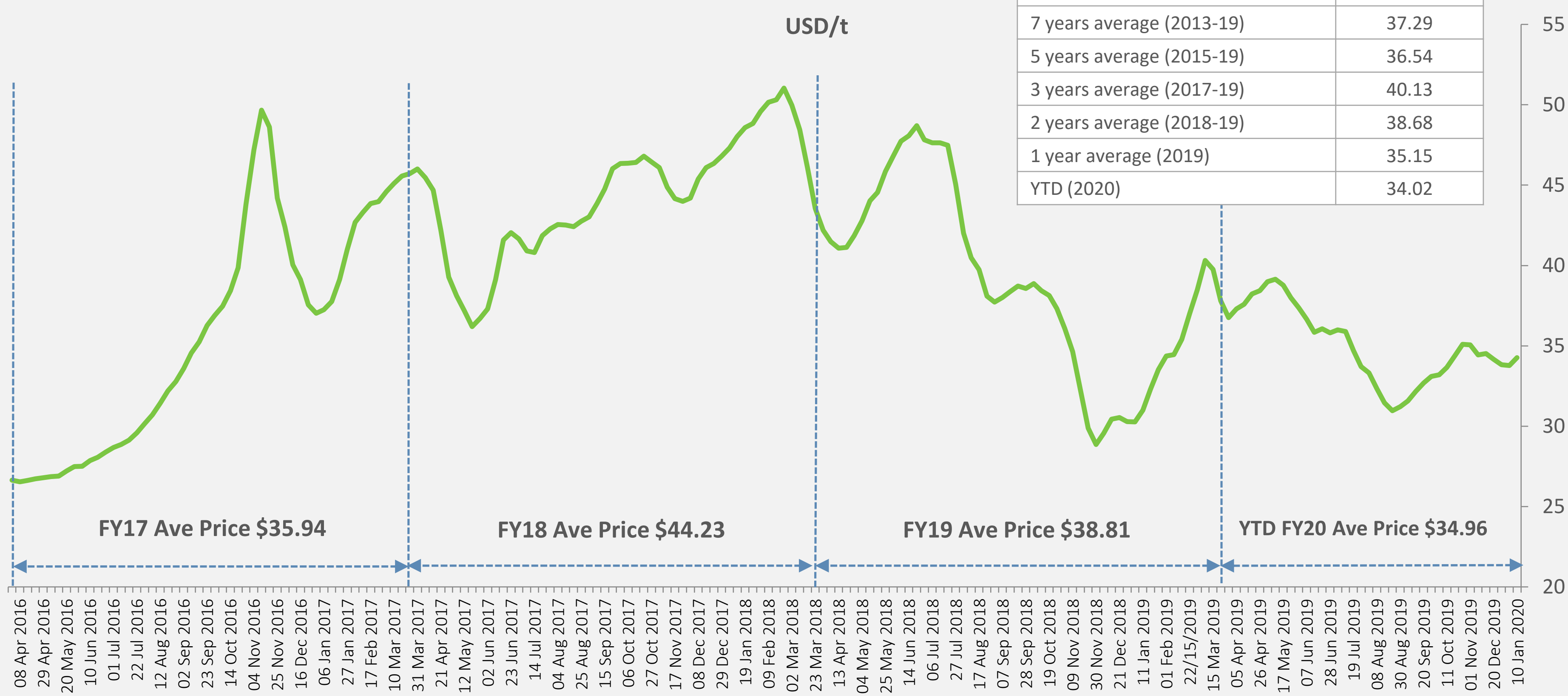
- Safety culture among the OPG family
- "Near Zero" TRIR* in Chennai,
  FY19: 0, FY 18: 0.87

*Total Recordable Incident Report

INTERNATIONAL COAL PRICE TREND

THERMAL COAL PRICE: INDONESIAN COAL 4200 GAR

4200 GAR	USD/T
9 years average (2011-19)	39.56
7 years average (2013-19)	37.29
5 years average (2015-19)	36.54
3 years average (2017-19)	40.13
2 years average (2018-19)	38.68
1 year average (2019)	35.15
YTD (2020)	34.02

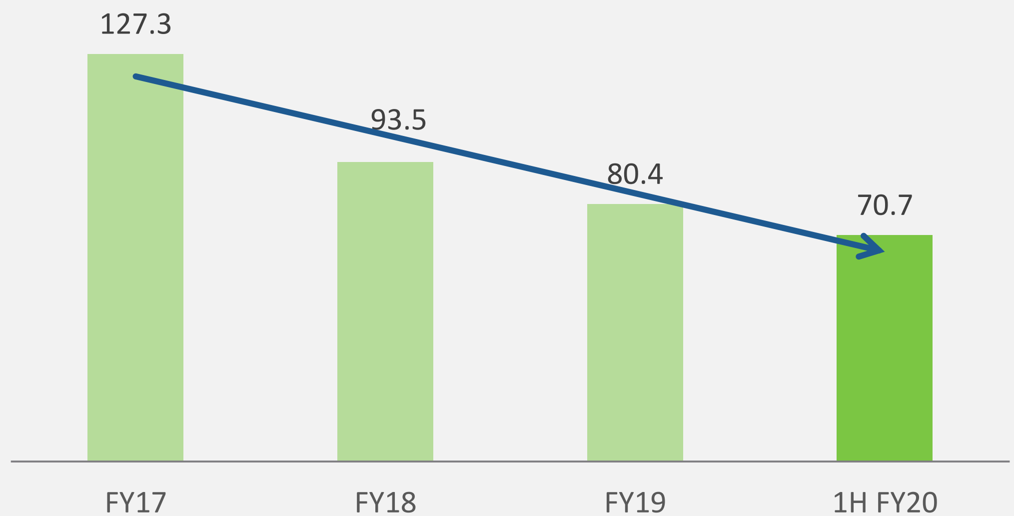


Source: Argus

GROSS DEBT: CHENNAI

- Term loans principal repayment in H1 FY20 is £9.6m (2.5pence per share).
- We have repaid term loans principal of £42.9 million, representing additions of 11.1p per share to shareholders' value over FY18 and FY19.
- We will add a further 2.5p per share to shareholders' value during H2 FY20 and a further 4.6p in FY 21 by way of repaying the term debt.
- Chennai Unit 1 became debt free from Dec 18.
- Chennai plant is scheduled to be debt free by CY23.

GROSS DEBT £ MILLION



Gross debt of £70.7 million is comprised of term loans of £63.2 million and working capital loans of £7.5 million.

FY 2020 FIRST HALF FINANCIALS

RESULTS
KEY PERFORMANCE HIGHLIGHTS

Year ended 31st March (£m)	H1 FY20	H1 FY19	Change %
Operational			
Units produced* (in MU)	1,440	1,545	
Average PLF (%)	79%	85%	
Financial			
Revenue	78.4	77.9	0.7%
Adjusted EBITDA	18.0	17.6	2.7%
Net finance costs	(4.7)	(6.9)	-31.6%
Profit before tax	**9.7**	**7.6**	**27.8%**
Tax expense	2.3	0.8	182.8%
Profit from continued operations	**7.4**	**6.8**	**9.3%**
Gain/(Loss) from discontinued Operations	0.9	(0.3)	
Profit / (Loss) for the year	**8.2**	**6.5**	**27.0%**
Key metrics			
Cash flow from operations	27.2	12.8	112.6%
Gross Debt	70.7	85.9	-17.6%
Gross Debt/Adjusted EBITDA annualized	2.0	2.4	
EPS	1.97	1.60	23.1%

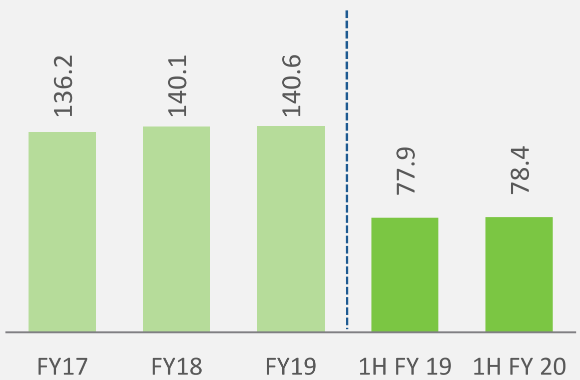
* Including deemed generation

Increase in PBT primarily due to higher tariff and lower net finance costs during H1 FY20 in comparison with H1 FY19

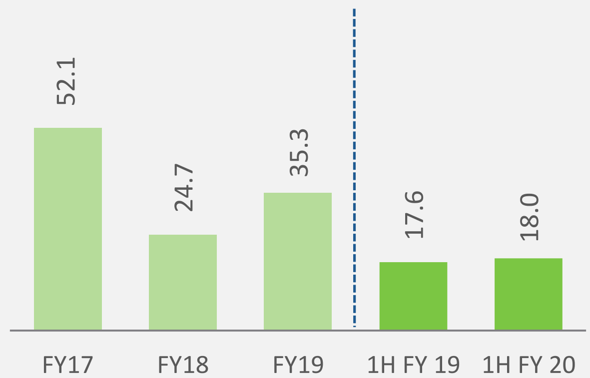
Decrease in borrowings on account of repayment of debt as per schedule

EARNINGS FROM CONTINUING OPERATIONS

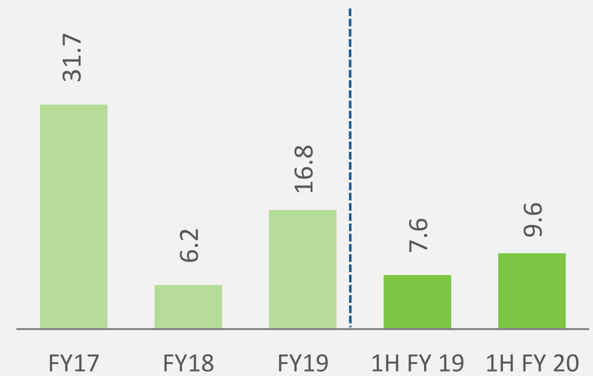
REVENUES (£M)



ADJUSTED EBITDA (£M)*

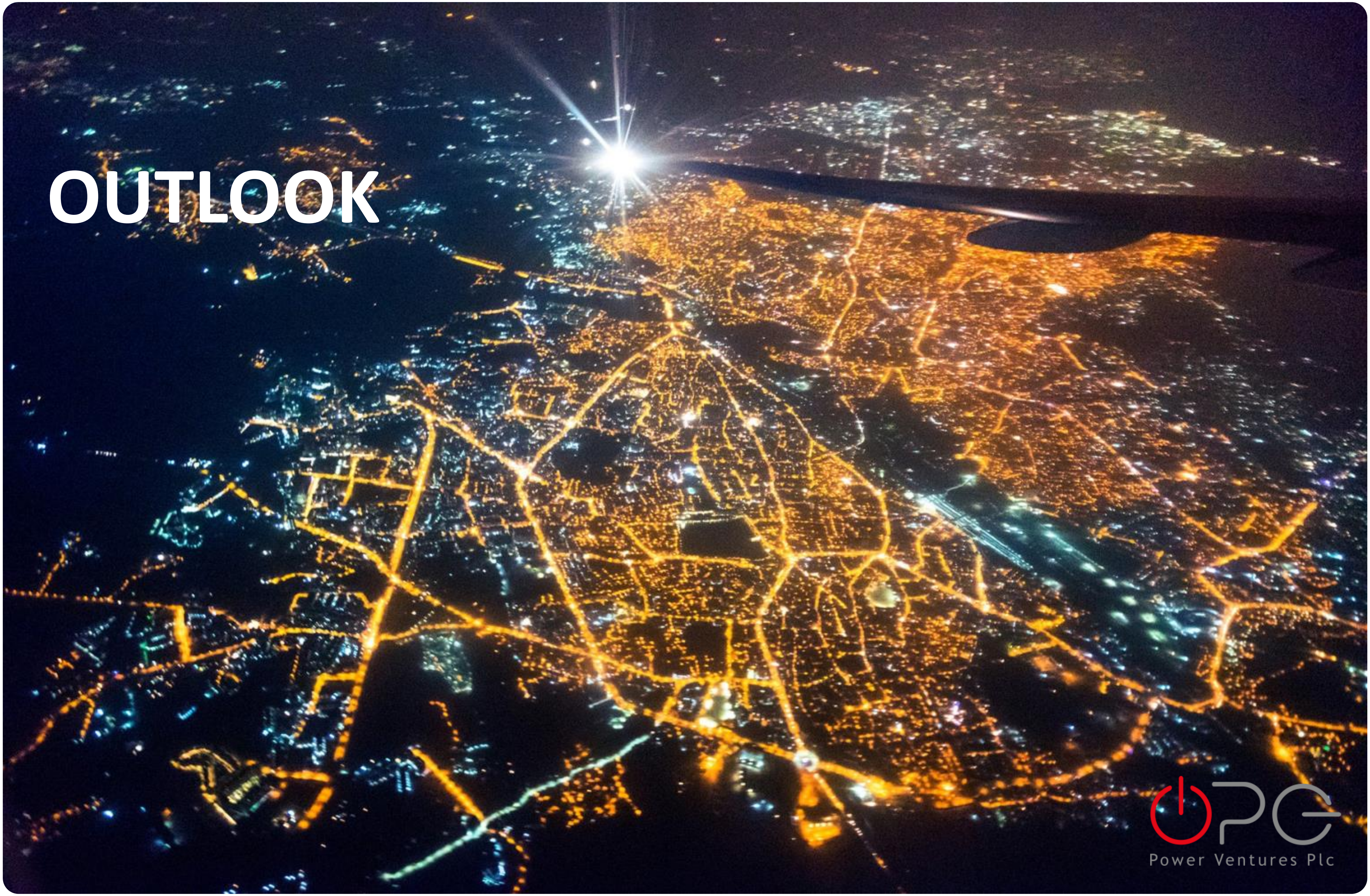


PROFIT BEFORE TAX (£M)

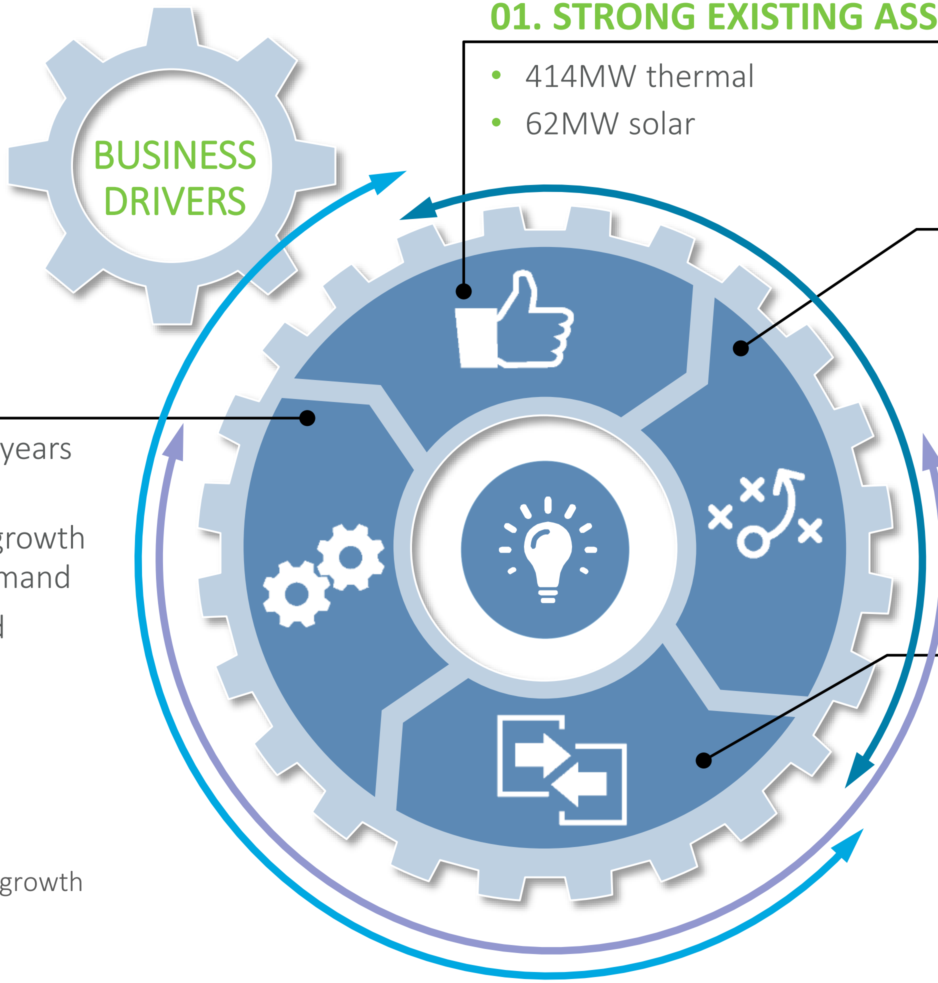


- Increase in EBITDA is due to higher tariff rate.

*Adjusted EBITDA is a measure of a business' cash generation from operations before depreciation, interest and exceptional and non-standard or non-operational changes.


OUTLOOK
Power Ventures Plc

CONSISTENT DELIVERY ON POTENTIAL



01. STRONG EXISTING ASSET BASE

- 414MW thermal
- 62MW solar

02. WELL POSISTIONED

- Strong electricity demand in India
- Per capita consumption is low
- YoY increase in demand is proportional to GDP growth (6.1% in 2019)
- OPG thermal assets are performing at high Plant Load Factor

03. DECREASING DEBT PROFILE

- Decreasing gross debt
- £70.7m H1FY20 from £80.4m FY19, £93.5m FY18 and £127.3m FY17
- Unit 1 of Chennai became debt free during FY 19.
- Chennai plant debt free by CY23.
- One of the lowest gearing ratio in the industry

04. POTENTIAL

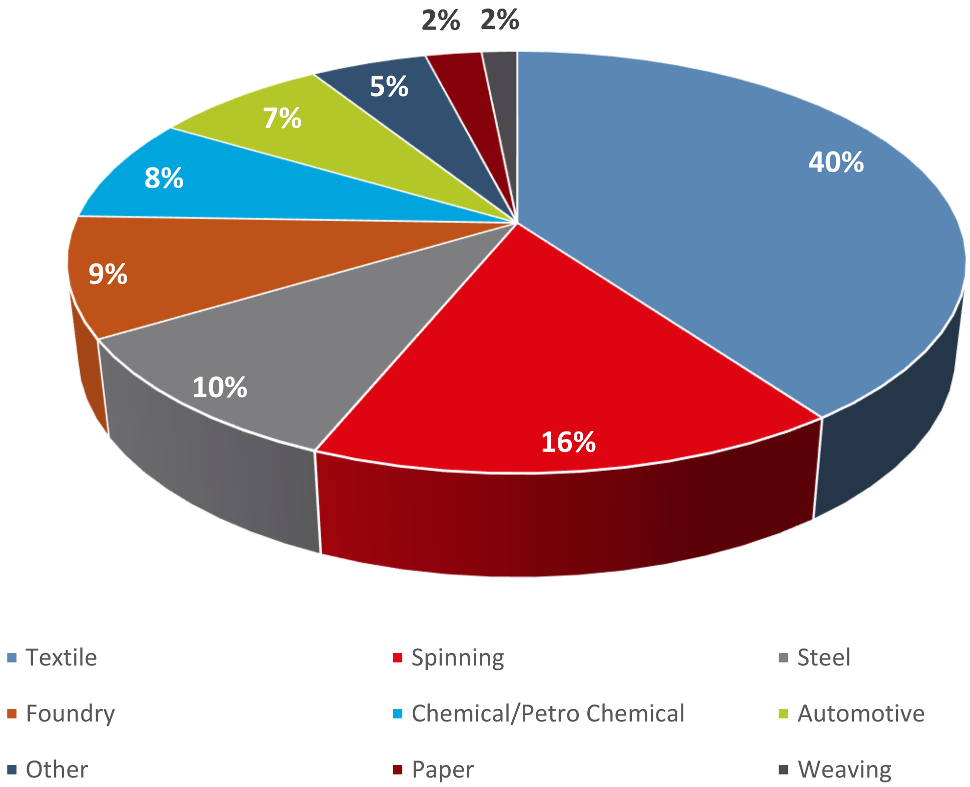
- Track record of three years of dividends
- Potential for further growth due to increase in demand
- Increased EBITDA and profitability

Starting position
Delivery and stable growth
Moving forward

A DIVERSE INDUSTRIAL CUSTOMER BASE & MULTI-YEAR CONTRACTS

Pioneer in Group Captive Model

- Attractive tariffs
- Multi-year sales contracts
- Improved cash cycle
- Largest Group Captive player in Tamil Nadu



OUR PRIORITIES

Areas	Plan	Actions during the year
Cash flows	• Maximise cashflows from existing assets	• Robust PLF & generation • Healthy tariff • Coal prices are expected to continue downwards trend. Approx. 60% of FY20 coal requirements are hedged with a fixed price contract
Safety & Environment Performance	• Maintain internal standards – exceeding regulatory norms • Continued improvement in Total Reported Injury Rate	• Exceeding in most parameters • Near Zero TRIR
Sustainable & Deleveraged	• Consistent repayment of debt • Maintain discipline and position for attractive growth opportunities	• £9.6m term loan principal repaid in H1 FY20 • Debt Free: Unit I in Dec 18, Unit II & III in CY22 and Unit IV in Q3 CY23 • FY19 scrip dividend of 0.6p was paid in January 2020

MARKET CAPITALISATION & MAJOR HOLDERS

Market Capitalisation*

£67.2 million

* As at close, 6 February 2020

Major Holders**

Directors & Related	52.1%
M & G Investment Management Ltd.	13.0%
Premier Asset Management Limited	3.8%
River and Mercantile Asset Management LLP	3.6%
Pensions Services Limited	3.6%

** As at 31 December 2019


THANK YOU
Power Ventures Plc