

## Acquisition of O2 Power – a 4.7 GW Renewable Energy Platform

JSW Neo Energy Limited (“JSW Neo”), a wholly owned subsidiary of JSW Energy Limited (“The Company”), has signed a definitive agreement to acquire a 4,696 MW renewable energy (“RE”) platform from O2 Power Pooling Pte. Ltd. (“O2 Power”), a platform jointly established by EQT Infrastructure & Temasek. The transaction entails acquisition of O2 Power Midco Holdings Pte. Ltd. and O2 Energy SG Pte. Ltd and is subject to approval of the Competition Commission of India (CCI) and other customary approvals standard to a transaction of this size.

The transaction values the platform at an Enterprise Valuation of approximately ₹12,468 crores (~ US\$ 1.47 bn), after adjusting for net current assets.

O2 Power is a renewable energy platform with a capacity of 4,696 MW – where 2,259 MW will be operational by June 2025, 1,463 MW is currently under construction, and an additional 974 MW are in the pipeline, all scheduled for commissioning by June 2027. The platform has a blended average tariff of ₹3.37/KWh with remaining life of ~23 years. The capacities are spread across seven resource-rich states of India. This acquisition will leapfrog the Company’s locked-in generation capacity by 23%, from 20,012 MW to 24,708 MW.

**Sharad Mahendra, Joint Managing Director and CEO of JSW Energy, said:** *“We are thrilled to announce the acquisition of O2 Power’s 4.7 GW renewable energy platform which is JSW Energy’s largest acquisition since inception. This landmark acquisition strengthens our positioning as a leading player in India’s energy sector. These high-quality assets strengthen our operational footprint across key resource-rich states. It gives me a great joy to welcome the experienced management team and employees of O2 power to JSW Energy family. By combining our strengths, I am confident that we will deliver exceptional value to our stakeholders.”*

**Pritesh Vinay, Director (Finance) and CFO of JSW Energy, said:** *“The acquisition of O2 Power’s renewable energy platform is significantly value accretive to the shareholders of JSW Energy. This is a very attractive acquisition – both from ‘Build vs Buy’ trade off as well as from a quality and value perspective when compared to all acquisitions in this space over recent times, and is consistent with our long track record of being prudent in capital allocation and focusing on high cash returns projects above our hurdle rate of mid-teen Equity IRR. This gives us an opportunity to leapfrog our growth ambitions. JSW Energy remains focused to pursuing value-accretive opportunities that support our ambitious growth objectives in the power sector.”*

The platform boasts a majority of the capacity tied-up under long-term power purchase agreement (“PPA”) with quality off-takers with high credit rating. Further, the C&I capacity of the platform stands at 596 MW which takes the Company’s total C&I capacity to 3,694 MW (including JSW Group C&I capacity of 2,653 MW).

PWC were the transaction advisor to the company, while Khaitan & Co and Herbert Smith were the legal advisors, KPMG carried out financial and tax due diligence and Wind Guard carried out the technical due diligence.