

Welcome to Siemens

Analyst Call | Mumbai | 14.05.2024

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Resilience in Global economy; India maintains growth momentum

❑ Global Economy recovering well

❑ Indian Economy

- Maintains strong performance and **growth momentum**
 - GDP growth (FY25 - 7%) ¹, IIP (147.2) ², Manufacturing PMI (59.12) ³
 - Stable inflation: 4.9% ³, interest rates: 6.5% ³
- **Capacity utilization** of manufacturing industry steadily improving
- Prospects of **broad-based private capex** rising

1) RBI forecast 2) Feb 2024 3) Mar 2024

Siemens' Key Markets growing

❑ Strong Vertical market indicators:

- **Core Verticals:** Data Centers, Power Utilities (T&D), Metals, Cement, Automotive, E-Vehicles, Pharma
- **Railways** continue ordering Rolling Stock, Signaling and Electrification projects
- **Emerging Verticals:** Semiconductors, Batteries, Electronics, Green hydrogen

❑ Some **large Government projects** deferred

❑ Slowdown in ordering of industrial automation products due to normalization of demand following shorter delivery cycles



// **We strongly believe that India is really taking off. The last years have shown that the growth rates are amazing.**

You are attracting more high-quality products, more complex products are manufactured in India

Roland Busch
President and CEO, Siemens AG



Q2 FY 24: Strong revenue growth with high profitability

New Orders

(y-o-y)

-83.4%



Revenue

(y-o-y)

+19.3%



EBITDA

(% of revenue)

+15.0%



Profit before Tax

(% of revenue)

+22.2%



Profit after Tax

(% of revenue)

+17.1%



Earnings per Share

(in INR)

₹ 25.2



H1 FY 24: Strong performance with profitability above 12%, book-to-bill > 1, cash improved

New Orders

(y-o-y)

-69.5%



Revenue

(y-o-y)

+20.6%



EBITDA

(% of revenue)

+13.6%



Profit before Tax

(% of revenue)

+18.5%



Profit after Tax

(% of revenue)

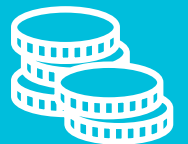
+14.1%



Cash from Operations

(in billion INR)

₹4.3



Siemens is investing: Expansion of the GIS Factory (SI) in Goa



- Localization, Sustainability, technology upgradation!
- Capacity expansion
- Investment: ~ **INR 3.3 billion**
- Go Live: Dec '26

Siemens is investing: Metro train manufacturing in MO, Aurangabad



- A global hub: will serve Australia, ME, Asia
- Investment: ~ **INR 1.9 billion**
- Go Live: FY 27

Proposed Demerger of Energy Business



Siemens Limited – An Overview

Proposed Demerger of Energy Business

Energy Business Highlights

Other Business Segments Highlights

Financial Overview



Businesses

Digital Industries



Smart Infrastructure



Mobility



Energy



Proposed to be demerged



New Orders

INR 47.5 Bn



INR 65.6 Bn



INR 283 Bn



INR 67.7 Bn



Sales

INR 43.4 Bn



INR 54.0 Bn



INR 19.7 Bn



INR 59.9 Bn



EBITDA Margin

14.8%



13.6%



3.5%



12.7%

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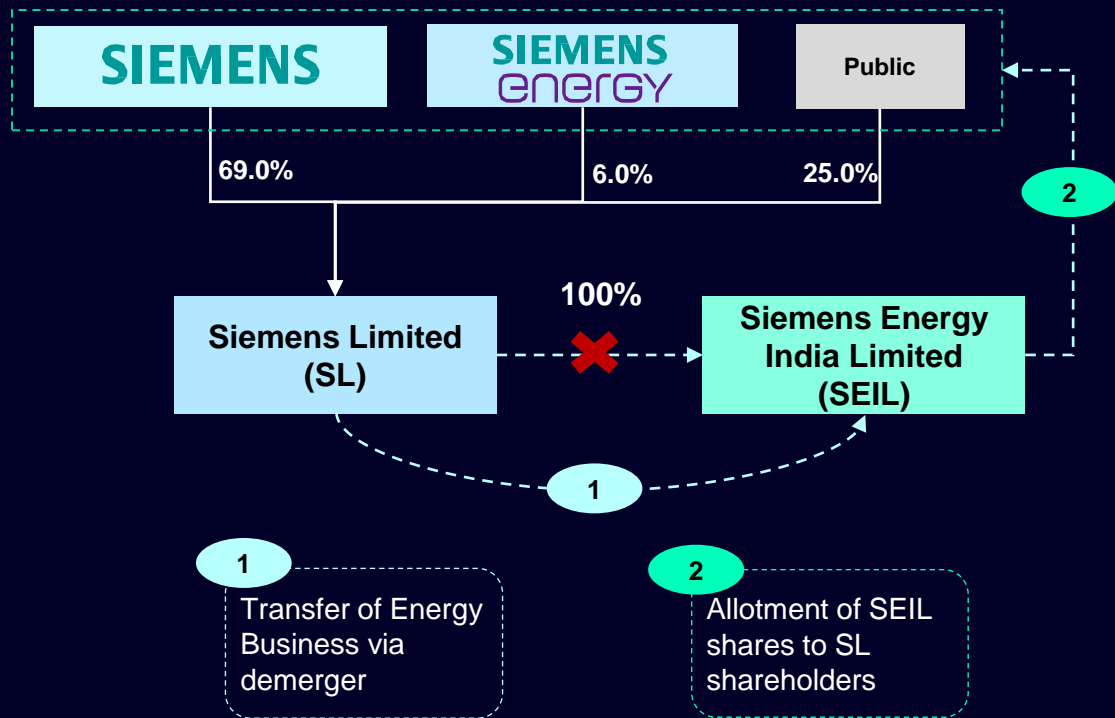
Financial Overview



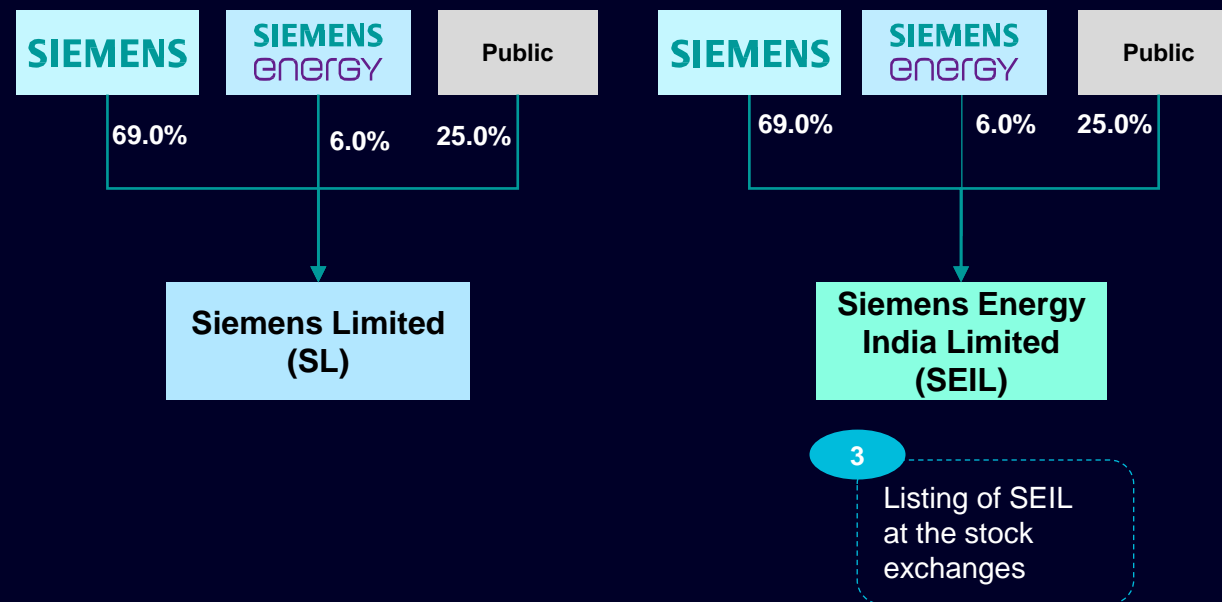
Transaction Overview

Siemens Limited (“SL”) to demerge its Energy Business into a separately listed entity, Siemens Energy India Limited (“SEIL”)

Transaction Structure



Structure Post Demerger



Share Entitlement Ratio

Shareholders of Siemens Ltd will get **1 (one) share of SEIL each for every 1 (one) share each held in SL**

- Identical shareholding of both companies post demerger
- Entire process expected to be completed within CY 2025

Strategic Rationale

Two strong and independent companies

Siemens Limited

- A leading technology-focused company in Industry, Infrastructure and Mobility
- Empowering customers to transform their industries and markets
- Combining the real and the digital worlds



Siemens Energy India Limited

- Aims to become the most valued energy technology company
- Supporting customers in transitioning to a more sustainable world

Business Focus



The proposed demerger will create two strong, independent companies, focusing on their core activities, portfolios and capital allocation

Market Focus



Both companies will be able to execute their own strategy, with a tailored go-to-market and operational approach to leverage the full potential of the Indian and export markets

Unlock Shareholder Value



The proposed demerger will unlock the value of both businesses for shareholders

Key Milestones and Indicative Timelines



SL expects to complete the demerger and listing in CY 2025

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The logo for Siemens Energy India Limited is a teal-colored semi-circle on the left side of the slide. Inside the semi-circle, the text "Siemens Energy India Limited" is written in white, stacked vertically.

Siemens Energy India Limited

- 1 India: Strong macros and mega reforms shaping the energy market**

- 2 Highly attractive growth opportunities in sustainable technology solutions**

- 3 Technology leadership and comprehensive product portfolio**

- 4 Prudent capital allocation to fuel growth**

1 India: Strong macros and mega reforms shaping the energy market

5th largest economy, expected to become the 3rd largest economy in the world, with a GDP of USD 5 Tn in next 3 years

Economy

7.0%

FY25 GDP forecast (Feb'24)

5.1%

Inflation¹⁾ in Feb'24

6.1% y-o-y growth (Apr-Dec)

IIP²⁾ in Dec'23
Manufacturing index grew 5.6% y-o-y (Apr-Dec)

Mega Reforms Shaping the Energy Market



National Infrastructure pipeline

~INR 110 Tn capex until 2025, 24% allotted to energy



Gati Shakti

Speed up Infrastructure projects, 11 industrial corridors



Production Linked Incentive Scheme

~INR 2 Tn outlay across 13 sectors
incl. BESS, Solar PV, EV, etc. to strengthen local mfg.



National Hydrogen Mission³⁾

Cabinet approved ~INR 197 Bn for production capacity of min.~5MMT of green hydrogen by 2030

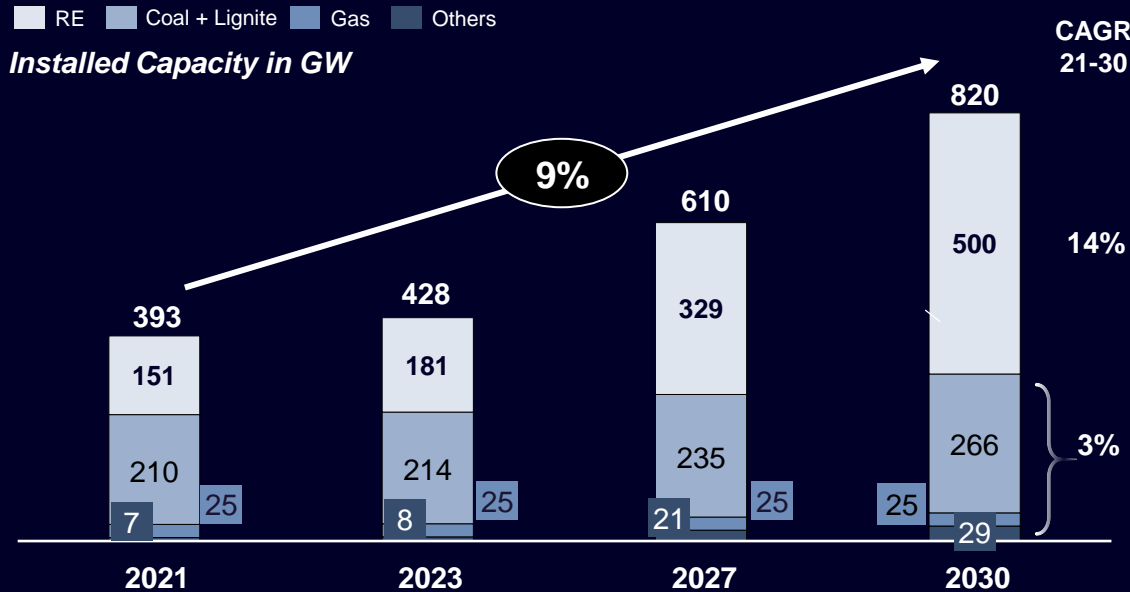


India's COP27 Strategy submitted to UNFCCC⁴⁾ reiterating COP26 five pledges⁵⁾ & Transmission plan 2030 was also released by CEA for creating transmission infrastructure to evacuate 537 GW of RE

1) Consumer Price Inflation; 2) Index of Industrial Production; 3) Published on 4th Jan'23; 4) United Nations Framework Convention on Climate Change; 5) COP26 pledges: by 2030: 500GW RE, meet 50% of energy requirement by RE, reduce 1BT CO₂, reduce carbon intensity of its economy by <45%; and by 2070: achieve Net Zero

2 Highly attractive growth opportunities in sustainable technology solutions

India Energy Market Outlook¹⁾ (in GW)



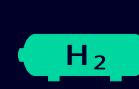
SE India opportunities until 2030



RE Transmission²⁾



RE – 500 GW
Wind – 140GW
PV – 280GW



Green Hydrogen – 5 MMTPA
BESS – 208GWh³⁾



Industrial turbines – 16GW



Economy
\$3.94 trillion
GDP
\$5 trillion by 2026-27



Peak **Demand**
243 GW
Peak **Demand deficit**
1.4% (2023-24)



Generation
428 GW installed
grow to **~820 GW** by 2030



Transmission
1,251 GVA⁴⁾
grow by +576 GVA
to **1,827 GVA** by 2026-27⁵⁾

1) CEA, IMF, Global Data Report; 2) CEA; 3) Post COP26 announcement; 4) Ministry of Power; 5) Draft NEP of CEA, Dec 2023

GW: GigaWatt; MMTPA: Million metric tonnes per annum; GVA: Giga-Volt Ampere

3 Technology leadership and comprehensive product portfolio

Grid Technologies, 66 kV-800 kV



High Voltage GIS¹⁾



High Voltage AIS²⁾



High Voltage Power transformers



High Voltage Substations, AC & DC

Transformation of Industry



Electrification, Automation & Digitalization solutions



Industrial Steam Turbines

Gas Services



Services Gas Turbines



Modification & Upgradation Steam Turbines

Project Management Hub



Generation, Transmission & Industrial projects

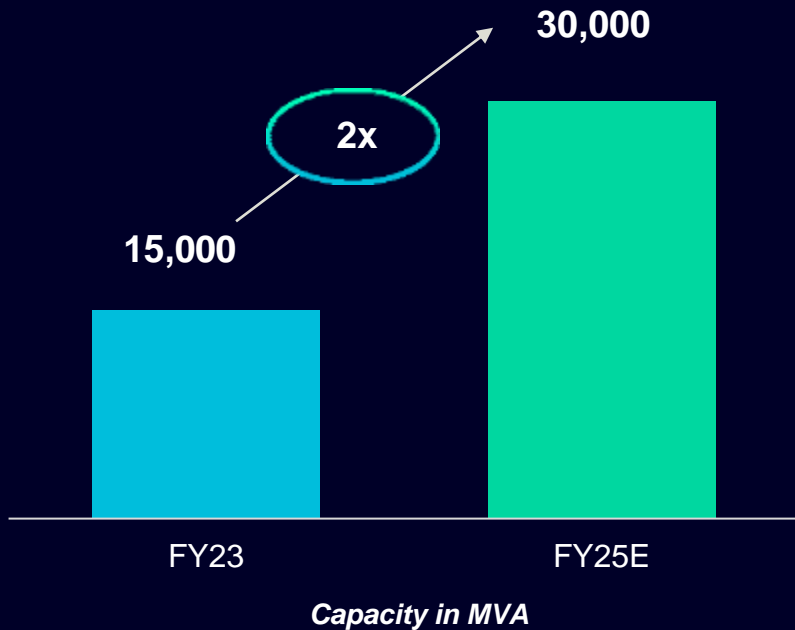
1) Gas Insulated Switchgear

2) Air Insulated Switchgear

4 Prudent capital allocation to fuel growth

Announced Capex

Energy business plans to **double its power transformer production capacity** at a cost of INR 3,600 Mn



Q1 Key Projects



Leading oil explorer and producer

SGT A-20 turbines
Modernization & Upgradation of Gas turbines



Leading power producer

400 KV GIS
EPC project for construction of S/s

Q2 Key Projects



Leading oil company

220 KV GIS
EPC project for construction of S/s



Power Company outside India

400 KV GIS
Supply of product

Order Book for Energy Business as of March 31, 2024 stood at INR 97.4 Bn

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Siemens Limited | Business Overview



Digital Industries

Consulting and supporting customers from the discrete and process industries in their digital transformation.



3-Year Revenue CAGR ¹⁾

32.9%



3-Year Average EBITDA % of Revenue ²⁾

11.6%



Smart Infrastructure

Intelligently connects energy systems, buildings and industries, enhancing the way we live and work to significantly improve efficiency and sustainability.



28.1%



11.3%



Mobility

Shaping connected mobility for rail and road, enabling mobility operators worldwide to make infrastructure intelligent and increase value sustainably.



32.9%



7.3%

1) FY20 to FY23; 2) Average of FY21, FY22 and FY23

Siemens Limited | Product spectrum and Opportunities across businesses accelerating growth

Digital Industries



Factory Automation



Process Automation



Motion Control



Customer Services

Opportunities:

- Announced outlay by Gov of ~INR 2 trillion for implementing PLI Schemes for 14 key manufacturing sectors
- Industry 4.0 adoption
- High-end machine building and digitalization

Smart Infrastructure



Electrification and Automation



Electrical Products



Regional Solutions and Services



Building Products



Grid Software



eMobility

Opportunities:

- Investments in Data Centers, Commercial buildings
- Industrial infrastructure; growth in Metals, Cement, O&G, E-Mobility
- Upgradation of distribution utilities

Mobility



Rail Infrastructure



Rolling Stock



Turnkey



Customer Services

Opportunities:

- E-locomotives
- Propulsion systems
- Trainsets
- Metro projects
- Bogies

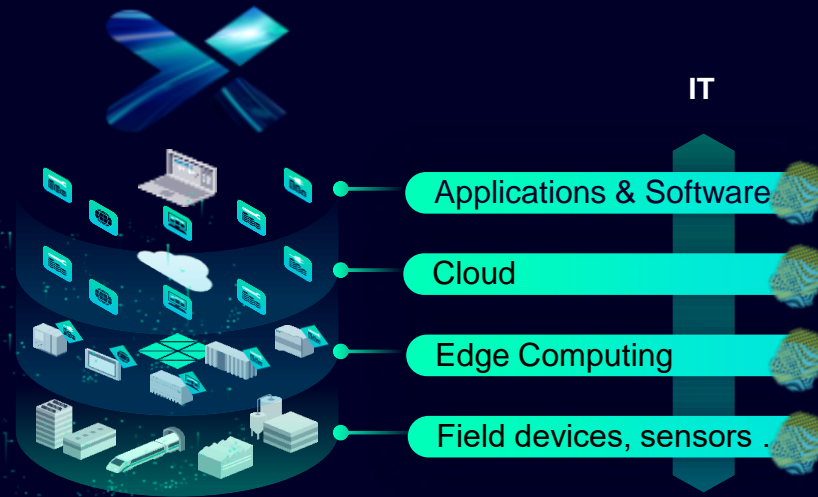
Siemens India will drive Digitalization of Industrial business via Siemens Xcelerator

By combining the real and the digital worlds, we support our customers along key impact areas.



Real Digital

- Interoperable
- Flexible
- Open
- As a service
- Cybersecure



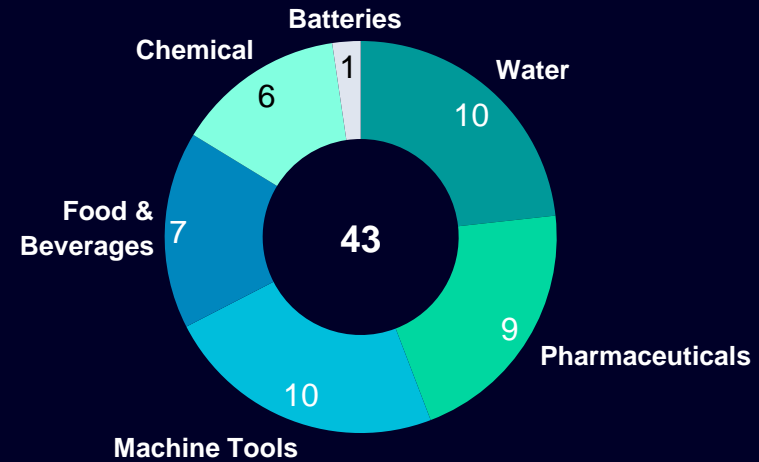
Easy

Fast

Scalable

108x Use cases across enterprises & verticals

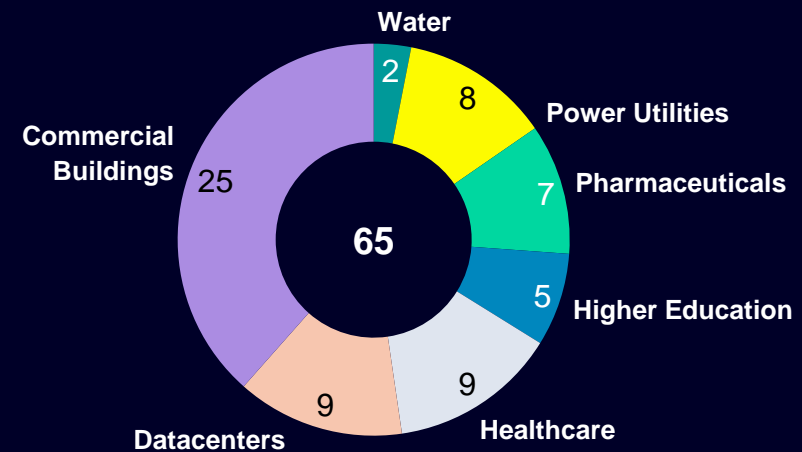
Digital Industries



Ecosystem Partners



Smart Infrastructure



SIEMENS

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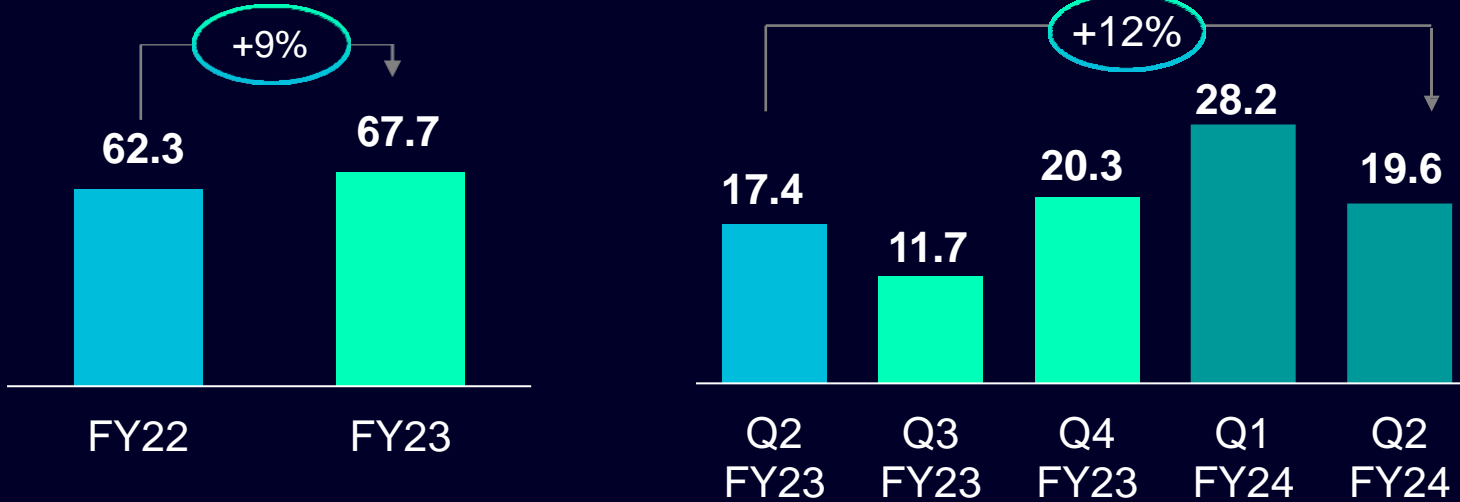
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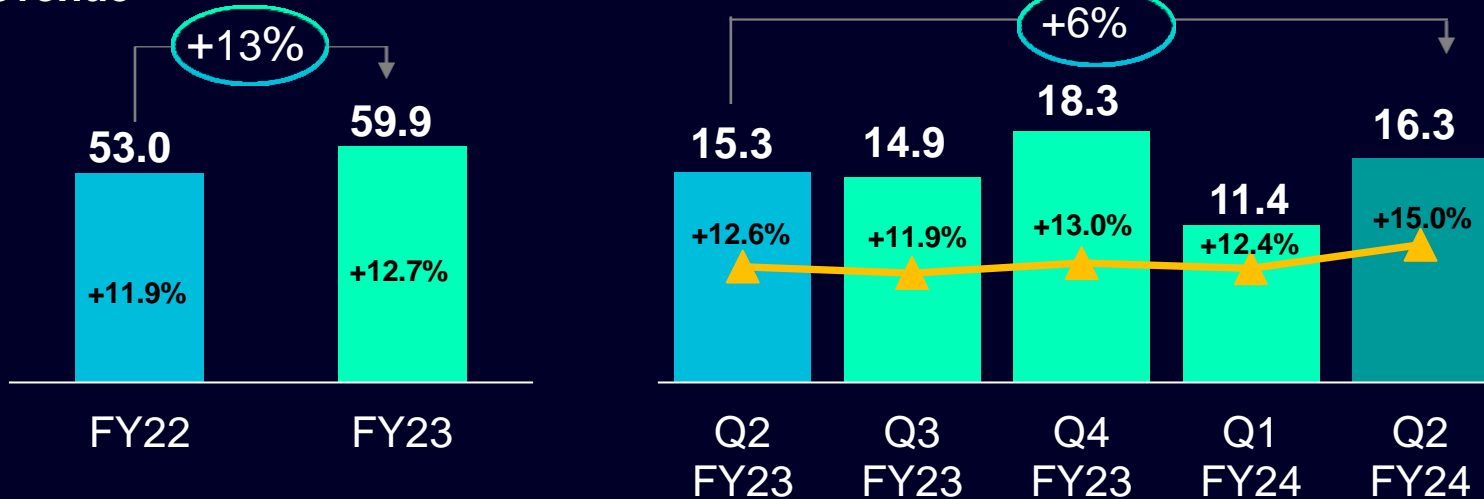
Energy: Robust financial performance

figures in billion INR

New Orders



Revenue



- Book-to-bill at 1.20
- Double digit growth in orders for Q2 FY 24 due to growth in Grid Technologies and Gas services
- Stable Revenue growth and improved profitability on account of stringent Order backlog execution and lower NCC

— xx.x% EBITDA % of revenue

Financial Overview | Digital Industries, Smart Infrastructure and Mobility

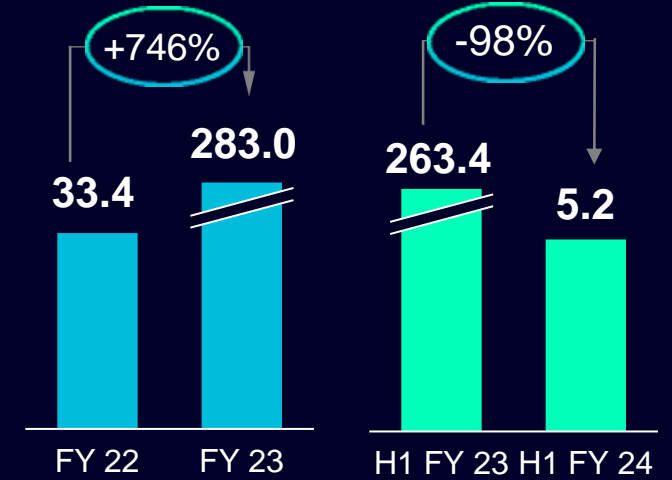
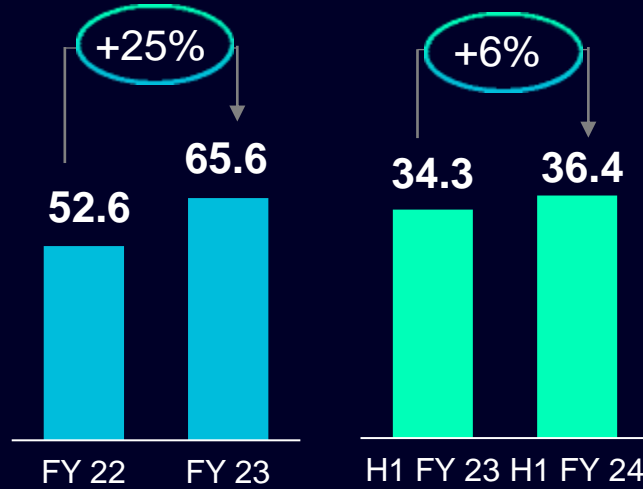
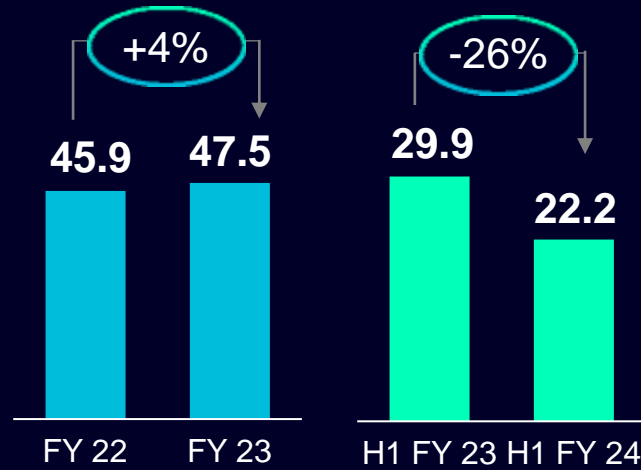
figures in billion INR

Digital Industries*

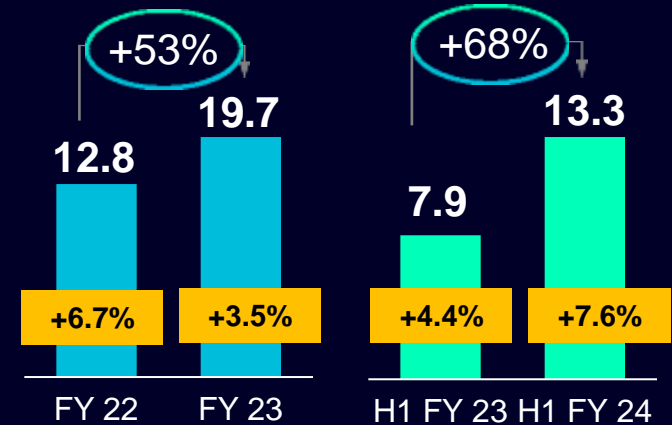
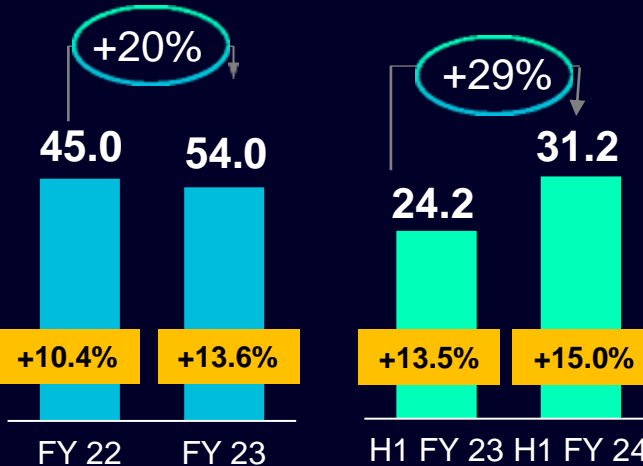
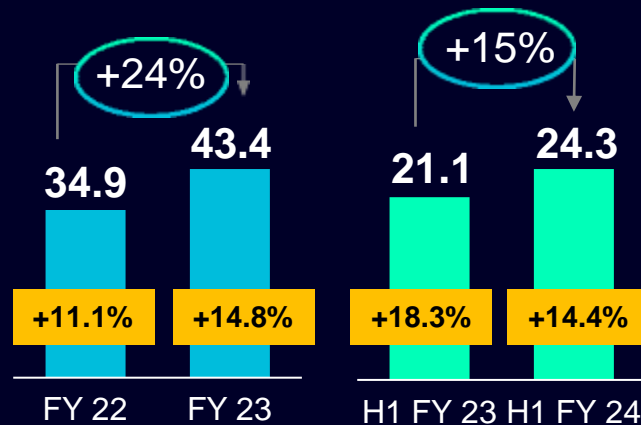
Smart Infrastructure

Mobility

New Orders



Revenue



* Including Portfolio Companies

-- xx.x% EBITDA % of revenue

Carve-Out Financials | SL (ex-Energy Business) and Energy Business for H1FY24

figures in billion INR

Particulars	Siemens Ltd. (Pre-Demerger)	
	FY23	H1 FY24
Order Book	455.2	469.8
New Orders	463.8	111.5
Revenue	177.0	96.4
EBITDA	22.4	13.1
EBITDA Margin %	12.7%	13.6%
Net worth	130.2	139.1

Particulars	SEIL / Energy Business (Post-Demerger)		SL excl. Energy Business (Post-Demerger)	
	FY23	H1 FY24	FY23	H1 FY24
Order Book	77.2	97.4	378.0	372.4
New Orders	67.7	47.8	396.1	63.7
Revenue	59.9	27.7	117.1	68.7
EBITDA	7.6	3.9	14.8	9.2
EBITDA Margin %	12.7%	14.1%	12.6%	13.4%
Net worth	28.7	28.3	101.5	110.8

Order Book refers to Total Outstanding Orders as of the respective period

In summary ...

- Global economy recovering; Indian economy robust; **Vertical markets on growth path** with major investment by large players
- Base effect in new orders due to Mega Project in H1 FY23; Year end **Order Income growth** plans intact
- **Robust revenue and profitability** in H1 FY24
- **CAPEX of over INR 10 Billion**
- **Proposed Energy Business Demerger**
 - Will create two **strong, independent companies**, focusing on their core activities, portfolios and capital allocation
 - Both companies will be able to execute their **own strategy**, with a **tailored go-to-market and operational approach** to leverage the full potential of the Indian and export markets
 - Consequently, the proposed demerger will **unlock the value** of both businesses for shareholders

SIEMENS