Intimation Letter to Shareholders

Dear Shareholder,

Subject: Proposed initial public offer of equity shares of Waaree Energies Limited ("Company")

This is to intimate you that the board of directors of the Company ("**Board**") is considering undertaking an initial public offering of the equity shares of the Company ("**Equity Shares**" and such offer, "**IPO**" or "**Offer**"), which comprises a fresh issue of Equity Shares ("**Fresh Issue**") and an offer for sale by certain existing shareholder(s) of the Company ("**Offer for Sale**", and such shareholder(s), "**Selling Shareholder(s)**"), pursuant to which the Equity Shares will be listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", and together with the NSE referred to as "**Stock Exchanges**").

The IPO will be undertaken in accordance with applicable laws, including the Companies Act, 2013 and the rules issued thereunder, each as amended (collectively, "**Companies Act**"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), and in consultation with the book running lead managers ("**BRLMs**") and other advisors appointed or which may be appointed for the IPO. As a part of the IPO process, in accordance with applicable laws, the Company will be required to file with the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") and the Stock Exchanges, as applicable, a draft red herring prospectus ("**DRHP**"), a red herring prospectus ("**RHP**") and a prospectus ("**Prospectus**", and collectively with the DRHP and the RHP, "**Offer Documents**").

All shareholders of the Company shall have the opportunity to participate in the Offer for Sale, subject to fulfilling the eligibility requirements in accordance with applicable laws. You may offer all or a part of your shareholding in the Company as part of the Offer for Sale, subject to the requirements set out below.

The decision to undertake the IPO remains subject to market conditions, regulatory, corporate and other approvals, consents, other commercial considerations and applicable laws. The price of the Equity Shares in the IPO will be determined in accordance with the book building mechanism specified under the SEBI ICDR Regulations. Please treat the contents of this letter as confidential and do not distribute or disseminate this letter in any form to any person except your professional advisers. Please ensure that any professional adviser you share this letter with or with whom you discuss the contents of this letter, also treats this letter and its contents as confidential.

Participation in the Offer for Sale

In order to participate in the Offer for Sale as a Selling Shareholder, you will be required to comply with certain requirements, provide certain documentation and undertake certain activities, in accordance with the SEBI ICDR Regulations and the Companies Act. Some of the key considerations are set out below, for your reference.

1. **Eligibility:** You have to be an Indian national resident in India to participate in the Offer for Sale, or if you are a non-resident, you shall need to confirm that you are eligible to participate in the Offer for Sale, in accordance with the laws of the country of your residence/location. In terms of the SEBI ICDR Regulations, the Equity Shares offered in the IPO ("**Offered Shares**") are required to be fully paid-up and are required to have been held by the concerned Selling Shareholder for a period of at least one year prior to filing the DRHP with SEBI, subject to certain exceptions, to the extent applicable, as prescribed under the SEBI ICDR Regulations. In case of joint holding of Equity Shares, the Offered Shares must be held by the joint-holders for a continuous period of at least one year prior to filing the DRHP with SEBI.

   In case of Equity Shares received on conversion or exchange (such conversion or exchange will be required to be undertaken prior to the filing of the updated DRHP filing with SEBI) of fully paid-up compulsorily convertible securities, the holding period of such convertible securities as well as that of the resultant Equity Shares shall together be considered for the purpose of calculation of the one-year holding period. Such holding period of one year shall be required to be complied with at the time of filing of the DRHP (which is currently expected to be around mid-October 2023). Please note that a full disclosure of the terms of conversion or exchange is required to be made in the Offer Documents.

It is clarified that Equity Shares issued by way of a bonus issue on securities held for a period of at least one year prior to the filing of the DRHP are eligible to be offered in the Offer for Sale subject to:

a) the Equity Shares being issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which the DRHP is filed with SEBI; and

b) the Equity Shares should not have been issued by utilisation of revaluation reserves or unrealized profits of the Company.

Further, if the Offered Shares held by such Shareholder, together with any of the rights attached thereto, are subject to any restraining order of any court or tribunal or any other regulatory authority, any charge, lien, encumbrance or transfer restriction of any kind whatsoever, including any 'lock-in' (other than any arrangement entered into with the BRLMs for the purpose of the IPO), such Equity Shares cannot be offered in the Offer for Sale.

Please also note that you should have acquired and held the Equity Shares in compliance with applicable laws and should have a clear, marketable and unencumbered title to the Equity Shares proposed to be offered by you in the Offer for Sale and any such Equity Shares should form part of the issued and paid-up capital of the Company. Please note that any Equity Shares tendered, which are subject to any dispute, whether or not of a legal nature, including in relation to its title, shall not be accepted for participation in the Offer for Sale.

2. **Other eligibility conditions**: In terms of the SEBI ICDR Regulations, you should not: (a) have been debarred or prohibited from accessing the capital markets or from buying, selling or dealing in securities under any order or direction by SEBI or any securities market regulator in any other jurisdiction or by any other authority or court; (b) have been declared a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India; or (c) have been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, in case of individual Selling Shareholders; and (d) non-compliant with the provisions of the Companies (Significant Beneficial Owners) Rules, 2018, as amended.

   Please note that if you are required to seek any approval from any regulator or third party to sell the Equity Shares in the Offer for Sale or if any other approvals, including any corporate approvals, are required, such approval shall be obtained by you and a copy of such approvals shall be sent to the Company prior to filing of the DRHP.

3. **Dematerialization and deposit of shares in escrow demat account**: Pursuant to the Companies Act, the Offered Shares proposed to be sold by the Selling Shareholders in the IPO are required to be held in dematerialized form and your demat account should be active. To avoid any delays further on in the process, the dematerialization of Equity Shares should be undertaken prior to the filing of the DRHP, in accordance with the Depositories Act, 1996, as amended, and the regulations made thereunder, read with the depositories' respective bye-laws.

   The dematerialized Offered Shares will have to be credited into certain escrow accounts opened by the registrar to the IPO or a share escrow agent - the 'Special Depository Accounts', at such time as may be intimated separately by the Company, in accordance with the share escrow agreement to be entered into between the Company, share escrow agent and the Selling Shareholders. These accounts are demat accounts specifically opened for the purpose of conducting the Offer for Sale and will be operated by the registrar to the IPO or a share escrow agent. Non-resident Selling Shareholders may be required to comply with additional approval requirements pursuant to applicable foreign exchange regulations for deposit of Equity Shares in an escrow account.

4. **Costs and Expenses**: In accordance with applicable laws, all costs and expenses pertaining to the IPO (other than (i) listing fees, audit fees of statutory auditors (to the extent not attributable to the IPO), and expenses in relation to product or corporate advertisements, i.e. any corporate advertisements consistent with past practices of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the

Offer) which shall be solely borne by the Company; and (ii) fees for counsel to the Selling Shareholders, if any, which shall be solely borne by the respective Selling Shareholders) are required to be shared amongst the Company and the Selling Shareholders in proportion to the number of Equity Shares allotted by the Company in the Fresh Issue and the number of Equity Shares sold by each of the Selling Shareholders in the Offer for Sale, subject to applicable laws. Accordingly, Selling Shareholders participating in the IPO would be required to bear their portion of the IPO expenses for offering their Offered Shares, in accordance with applicable laws. The applicable IPO expenses shall be deducted from the proceeds of the Offer for Sale prior to being disbursed to the Selling Shareholders. Please note that the Selling Shareholders shall be required to reimburse the applicable IPO expenses to the Company (proportionate to their Offered Shares), even if the Offer is withdrawn or is not completed for any reason.

The IPO related expenses would broadly include fees and expenses of the BRLMs, legal counsels to the IPO, auditors, advisors, other intermediaries, advertising and marketing expenses in relation to the IPO, printing, underwriting commission, procurement commission (if any) and brokerage and selling commission. Such expenses shall be deducted from the proceeds of the IPO as set forth above, prior to being disbursed to you. Please note that applicable taxes would be deducted from the proceeds of the IPO. These may include securities transaction tax or tax on capital gains (if applicable) or such other taxes as applicable on the date of disbursement.

5. **Decision making**: The Board or the committee of the Board duly constituted in relation to the IPO ("**IPO Committee**"), in consultation with the BRLMs, is typically entitled to take all decisions in relation to the IPO, including decisions in relation to the timing of the IPO, the size of the IPO including the size of the Fresh Issue and the Offer for Sale and the price and price band for the IPO, allocation and allotment of Equity Shares, withdrawal of the IPO, appointment of intermediaries, in accordance with applicable laws. The Board reserves the right to determine the quantum of the IPO, including the size of the Offer for Sale component of the IPO. Further, the Company reserves the right, at its sole discretion, to modify or vary the terms and conditions of the participation of the Selling Shareholders in the IPO, including where any relevant approvals are not obtained in a timely manner or at all. The Company also reserves the right to settle all questions, difficulties or doubts that may arise regarding the Offer for Sale process, and to take all incidental and ancillary steps in this regard, in accordance with applicable laws.

6. **Documentation**: Shareholders participating in the Offer for Sale will be required to execute various agreements, certificates, consent letters and other documentation in relation to the IPO. At different stages of the IPO process, the Company and the Selling Shareholders will need to enter into various transaction agreements, including the offer agreement, registrar agreement, amendments to the shareholders' agreement (as applicable and to the extent required to facilitate the IPO), syndicate agreement, share escrow agreement, cash escrow and sponsor bank agreement, underwriting agreement, engagement letter and power of attorney (as applicable). The IPO related agreements customarily require the Selling Shareholders to provide representations and warranties to the BRLMs in relation to the Selling Shareholders and their respective Offered Shares. Further, the IPO related agreements will also require the Selling Shareholders to provide customary indemnities to the BRLMs. Please note that in addition to the above, you may be required to (i) provide additional certifications, confirmations, documents and information, as may be required in relation to the IPO; and (ii) comply with additional terms, requirements or such other directions as may be specified by SEBI, stock exchanges and/or other regulatory or statutory authorities. Shareholders who opt to participate in the Offer for Sale will also be required to provide KYC documents as required by the BRLMs. Please note that in the case of any joint ownership over Equity Shares that are proposed to be sold in the OFS, the consent of all joint owners will be required for participation in the IPO.

7. **Publicity restrictions**: By consenting to participate in the IPO, the Selling Shareholders will be required to comply with the publicity restrictions applicable to initial public offerings, a copy of which is attached herewith as **Annexure B**, including the provisions of the SEBI ICDR Regulations, and the applicable provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

8. **Lock-in**: Please note that in terms of the SEBI ICDR Regulations, the pre-IPO share capital of the Company held by the promoters is required to be locked-in from the date of allotment/ transfer of Equity Shares pursuant to the IPO, in terms of Regulation 16 of the SEBI ICDR Regulations. Further, subject to such applicable exemptions if any as prescribed under Regulation 17 of the SEBI ICDR Regulations (such as Equity Shares allotted to

employees/ex-employees under an employee stock option or employee stock purchase scheme of the Company, Equity Shares transferred to employees/ ex-employees by an employee stock option trust pursuant to exercise of options by employees and equity shares held by a venture capital fund or alternative investment fund of Category I or Category II or a foreign venture capital investor provided that such Equity Shares are required to be locked-in for at least six months from the date of their purchase), the pre-IPO share capital of the Company held by all the non-promoter shareholders is required to be locked-in for a period of six months from the date of allotment/ transfer of Equity Shares pursuant to the IPO.

All Equity Shares, whether offered as part of the Offer for Sale or not, will be required to be kept free from any encumbrance in order to initiate lock-in.

9. **Responsibility and liability**: Certain information about the Selling Shareholders is required to be included in the Offer Documents, which may include statements and undertakings pertaining to the Selling Shareholders and the Offered Shares as per the provisions of the SEBI ICDR Regulations, price at which specified securities were acquired by the Selling Shareholders in the immediately preceding three years, average cost of acquisition of the Equity Shares held by the Selling Shareholders, weighted average price at which the Equity Shares were acquired for certain periods, by the Selling Shareholders and other relevant information. Further, some of the information mentioned above, pertaining to the Selling Shareholders, will also be required to be included in the statutory advertisements required to be issued in relation to the IPO at different stages. If you participate in the IPO by way of the Offer for Sale, please note that you will be subjected to all statutory liabilities that sellers in transactions of such nature may be subjected to, including but not limited to the Companies Act, which imposes both criminal and civil liability on Selling Shareholders for misstatements in the Offer Documents, punishment for fraudulently inducing persons to invest money in the Company, or action by persons, or group of persons or association of persons affected by any misleading statements or the inclusion or omission of any matter in relation to the Selling Shareholder and the Offered Shares in the Offer Documents. Please also note that if you become a Selling Shareholder, you shall not be able to submit bid applications in the IPO as an investor. The Company, the BRLMs appointed in relation to the IPO, their respective legal counsels and other professional advisors shall not be responsible or liable to you, any other Selling Shareholder or to any other persons in relation to the Offer for Sale, including in relation to any bad faith, negligence, default or misconduct by any Selling Shareholder in such regard.

   Please note that if you are a non-resident shareholder, you will be required to ascertain your eligibility to participate in the Offer for Sale under the laws of the jurisdiction where you are situated. The Company, the BRLMs appointed in relation to the IPO, their respective legal counsels and other professional advisors shall not be undertaking any independent checks to ascertain your eligibility in any country. You will be required to represent, warrant and confirm your eligibility to participate in the Offer for Sale as well as provide suitable opinions and confirmations from local counsel from the country you are located in confirming your eligibility. Further, the Company, the BRLMs appointed in relation to the IPO, their respective legal counsels and other professional advisors shall not be responsible for any filing or registration requirement in any country to enable your participation in the Offer for Sale.

10. **Legal Counsel:** Each Selling Shareholder may appoint their own domestic and foreign legal counsel, as applicable to them in connection with the IPO, and such counsel, will provide an opinion to the BRLMs on, *inter alia*, the title to Equity Shares being offered for sale in the IPO, due incorporation, corporate authority and if you are a non-resident, your eligibility to participate in the Offer for Sale. The costs of such legal counsel would be borne by the respective Selling Shareholders.

    In the event you are interested in participating in the IPO, please indicate your intention to participate, along with your name, correspondence address, number of Equity Shares held as on date**,** DP/Client ID, PAN No., telephone number, email ID and confirming that you unconditionally accept the terms and conditions of this letter, through an e-mail addressed to Mr. Rajesh Gaur, Company Secretary and Compliance Officer, at rajeshgaur@waaree.com on or before 5.00 p.m. on Monday, 25th September, 2023. A draft format of the response is provided in **Annexure A1 and A2**, as applicable.

    In the event the Company does not receive an intimation from you within the above timeline, it shall be presumed that you are not interested in participating as a selling shareholder in the IPO.

A detailed docket of the applicable conditions, requirements and activities to be undertaken by a Selling Shareholder offering their Equity Shares in the IPO will be shared separately, at the appropriate stage, with the shareholders who express their intention to participate.

In addition to the indicative list mentioned above, you may be required to comply with additional terms, requirements or such other directions as may be specified by SEBI, stock exchanges and / or other regulatory and statutory authorities, the details of which shall be set out in the Offer Documents and/or the IPO-related agreements/certifications. We would advise you to seek your own legal and tax advice to take a decision to sell in the IPO, and neither the Company nor the BRLMs nor their respective advisors will be responsible for your decision.

Obligations as a shareholder of the Company in relation to the IPO

Please note that, irrespective of your eligibility to participate in the OFS, or participation in the OFS, you will, as a shareholder of the Company, be subject to the following:

(i) *Lock-in:* All pre-IPO Equity Shares held by you will be locked-in for a period of six months (subject to certain conditions and exceptions) in accordance with applicable regulations. However, in the event of an Offer for Sale, any Equity Shares sold in the IPO as part of such Offer for Sale will not be subject to lock-in; and

(ii) *Publicity restrictions:* You will be required to comply with the publicity restrictions applicable to initial public offerings. A copy of the publicity guidelines setting out such restrictions is attached hereto as **Annexure B**.

Whilst the Board has provided an approval for the IPO and the Shareholders have approved the Fresh Issue component of the IPO, the Board reserves the right to determine the quantum of the IPO including the Offer for Sale component of the IPO. Post filing of the DRHP with SEBI but prior to filing of the RHP with SEBI and RoC, in order to comply with the minimum dilution requirements for the IPO in terms of applicable laws, the Company reserves the right and shall have absolute discretion to include additional eligible Equity Shares of the Company held by any existing shareholders of the Company, in the Offer for Sale, subject to such shareholder's consent.

Please note that offering your shares does not guarantee that they will be sold through the IPO, as it will depend on the investor response to the IPO. Accordingly, any of the Offered Shares which remain unsold in the IPO, will be credited to your demat account and will be subject to the lock-in applicable under the SEBI ICDR Regulations, as stated above.

Please also note that the Company may continue to engage with you on various other aspects related to the IPO, including amendment to the existing shareholders agreement entered with you, if any, and other actions as may be required.

Further, please note that this letter is being sent to only those shareholders of the Company whose names appear in the register of members / register of beneficial owners of the Company, as on October 14, 2022.

In case you need any clarification / assistance in relation to your participation in the Offer, you may contact Mr. Rajesh Gaur, Company Secretary and Compliance Officer at rajeshgaur@waaree.com.

Please consider this communication in its entirety, including the proposed IPO, strictly confidential and do not disclose these contents to any third parties. Please note that as a shareholder, you are requested to take note of the above and act accordingly.

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Yours faithfully,

For and on behalf of **Waaree Energies Limited**

Rajesh Ghanshyam Gaur
Digitally signed by Rajesh Ghanshyam Gaur
Date: 2023.09.14 13:17:48 +05'30'

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Rajesh Gaur
Company Secretary and Compliance Officer
M.No. ACS-34629

Date: September 14, 2023

Disclaimer: This letter is prepared by the Company for the exclusive use of the addressee and may not be distributed or used without the express consent of the Company for any purpose other than as disclosed in this letter. The documents may not be copied, distributed, reproduced or passed on, directly or indirectly, in whole or in part, or disclosed by or published in whole or in part, for any purpose or under any circumstances.

This letter is for information purposes only and is neither an offer nor invitation to buy nor a solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This letter is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Company or the BRLMs to any new or additional registration requirements. Recipients of the letter resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements.

This letter does not create any obligation on the Company to undertake the IPO within any specific time period or at all. Neither this letter nor any other information supplied in connection with this letter should be considered as a recommendation by the Company or the BRLMs, or any of their respective affiliates, to any of the shareholders to offer their Equity Shares in the Offer for Sale. Your intention to participate or your participation in the IPO does not create any obligation on the Company or the BRLMs, or any of their respective affiliates, to purchase any Equity Shares. This letter is not intended to be a prospectus or offer document under the applicable laws of any jurisdiction, including India. Further, this letter is not an offer for sale of securities in the United States.

The Company, the BRLMs and their respective legal counsel and other professional advisors shall not be responsible or liable to the shareholder(s) or to any other persons in relation to the Offer for Sale, including in relation to any bad faith, negligence, default or misconduct by any shareholder(s) in this regard. The shareholders must rely on their own tax, financial and legal advisors, in relation to their participation in the Offer for Sale.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares will only be offered and sold (i) within the United States, only to persons reasonably believed to be "qualified institutional buyers", as defined in Rule 144A of the United States Securities Act of 1993, as amended ("U.S. Securities Act"), ("Rule 144A") in transactions exempt from the registration requirements of the U.S. Securities Act and (ii) outside the United States in "offshore transactions" as defined in and in reliance upon Regulation S ("Regulation S") under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

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Annexure A1

In-principle confirmation Email format for participating in the OFS

Sub: Proposed initial public offer of equity shares of Waaree Energies Limited

Dear Sir/ Madam,

This is in relation to your email/letter dated September 14, 2023 ("**OFS Notice**") in relation to the Offer. I/we would like to inform you that **[I/we] [am/are] interested** in participating in the Offer for Sale. I/ we hereby acknowledge and unconditionally accept all terms and conditions set out in the letter with respect to my/ our Offered Shares and confirm that I/ we comply with all the eligibility conditions as provided under the SEBI ICDR Regulations and the Companies Act. Kindly send the detailed set of instructions and documents as indicated in the OFS Notice so that we can take appropriate steps to participate in the Offer for Sale.

My/ our details are as follows –

Name of holder of Equity Shares: [**Note**: Please include names of joint holders, if applicable]
Correspondence address:
Number of Equity Shares held as on date:
Number of Equity Shares proposed to be sold in the Offer:
DP/Client ID/Folio No.:
PAN No:
Telephone number:
Email ID:

Capitalised terms which are not defined herein have the same meaning as referred to in the OFS Notice.

This email may be shared by the Company with, and relied upon, by any representatives and professional advisors of the Company including BRLMs and their affiliates in connection with the Offer, as well as any regulatory or statutory authority as required under applicable laws.

Signature:

Name:

Date:

WAAREE Energies Ltd.
Registered Office:
602, Western Edge-I, Western Express Highway, Borivali (E), Mumbai - 400 066, INDIA.
Tel: +91-22-6644 4444 | Fax: +91-22-6644 4400 | Email: waaree@waaree.com | Website: www.waaree.com
Corporate Identity Number: U29248MH1990PLC059463

Annexure A2

In-principle confirmation Email format for NOT participating in the OFS

Sub: Proposed initial public offer of equity shares of Waaree Energies Limited

Dear Sir/ Madam,

This is in relation to your email/letter dated September 14, 2023 ("**OFS Notice**") in relation to the Offer. I/we would like to inform you that **[I/we] [am/are] not interested** in participating in the Offer for Sale and hereby acknowledge and accept that the Company, BRLMs and their affiliates shall not be responsible in respect to our decision of not participating in the Offer for Sale.

My/ our details are as follows –
Name of holder of Equity Shares: [**Note**: Please include names of joint holders, if applicable]
Correspondence address:
Number of Equity Shares held as on date:
DP/Client ID/Folio no.:
Telephone number:
Email ID:

[I/We] consent to lock-in the entire pre-Offer Equity Share capital held by **[me/us]**, for a period of six months from the date of allotment of Equity Shares pursuant to the Offer in accordance with the SEBI ICDR Regulations, or for such other time as may be required under the SEBI ICDR Regulations.

Capitalised terms which are not defined herein have the same meaning as referred to in the OFS Notice.

This email may be shared by the Company with, and relied upon, by any representatives and professional advisors of the Company including BRLMs and their affiliates in connection with the Offer, as well as any regulatory or statutory authority as required under applicable laws.

Signature:

Name:

Date: