

Committed to create a
**BETTER
TOMORROW**



sustainable solutions. for a better life.



VA TECH WABAG LTD

Results Update Presentation

Q3 & 9 months FY 2020 - 21

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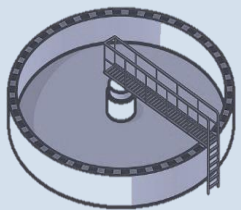
Complete Water Treatment Solution Provider...

- ✓ Provides a complete range of Water and Waste Water Treatment solutions
- ✓ Offering spanning across Municipal Drinking Water, Municipal Sewage, Industrial Water, Industrial Effluents, Desalination and Recycle
- ✓ Technology focused company - Owns more than 90 patents
- ✓ R&D centers located in India, Austria and Switzerland
- ✓ Indian Multinational player in the water treatment industry
- ✓ Strong execution track record - More than 2300 projects in last 3 decades
- ✓ Professionally managed Company with Promoters having an average of 30 years work experience in the industry

Range of Solutions offered in Water Space

Sewage Water Treatment

- Activated Sludge Process
- Sequential Batch Reactors
- Membrane Bed Bio Reactor
- Upflow Anaerobic Sludge Blanket Reactor
- Bio Active Fixed Film Technology
- Submerged Membrane System
- Stabilization Pond



Drinking Water Treatment

- Aeration
- Sedimentation
- Filtration
- Disinfection
- Sludge Dewatering



Industrial Water Treatment

- Raw water pre treatment
- Filtration Plants
- Nano / Ultra Filtration
- Softening Plants
- Thermal Desalination of sea water treatment
- Demineralization
- Tertiary Treatment System/ Effluent Recycling



Industrial Wastewater Treatment

- Physico Chemical Treatment
- Neutralization and primary sedimentation and grit removal
- Biological anaerobic treatment
- Tertiary Treatment – activated carbon/ sand filtration, disinfection
- Zero Liquid Discharge



Desalination

- Multi Stage Flash
- Multi-effect distillation
- Thermal Vapor Compression
- Mechanical Vapor Compression
- Reverse Osmosis and Electro dialysis



Recycling

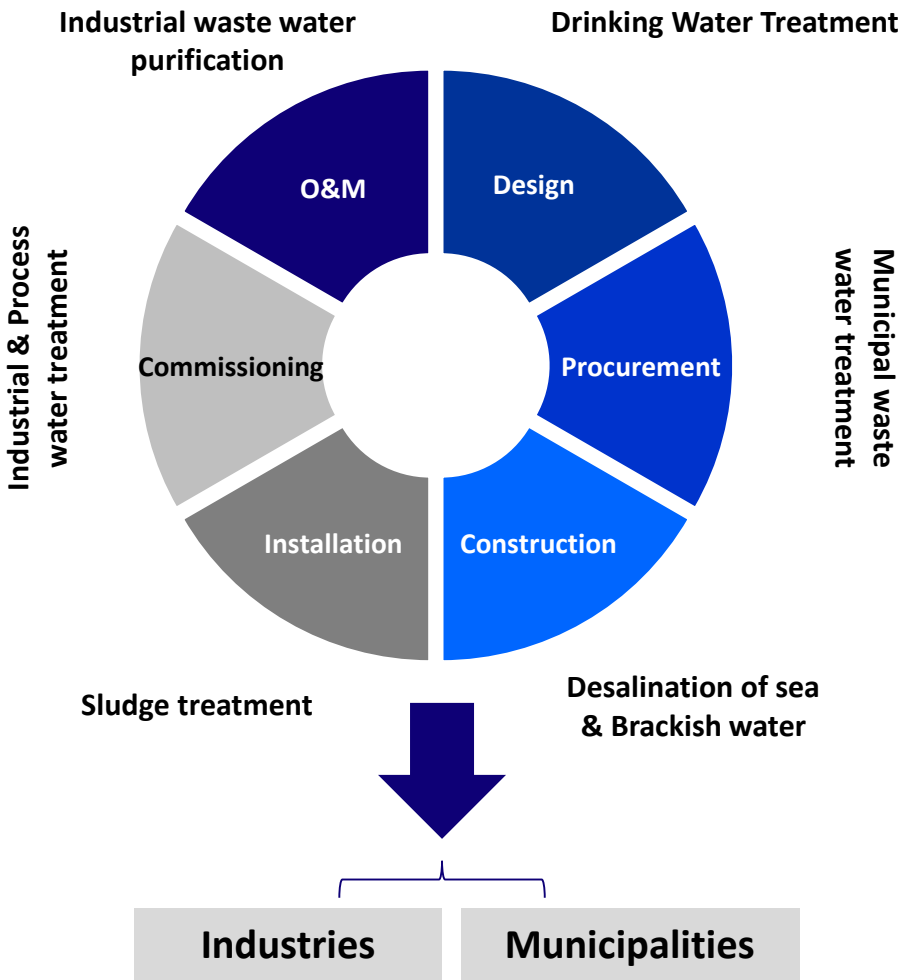
- Micro filtration
- Membrane Bio Reactors
- Ultra Filtration
- Reverse Osmosis
- Zero Liquid Discharge



Complete Water Treatment Solution Provider...

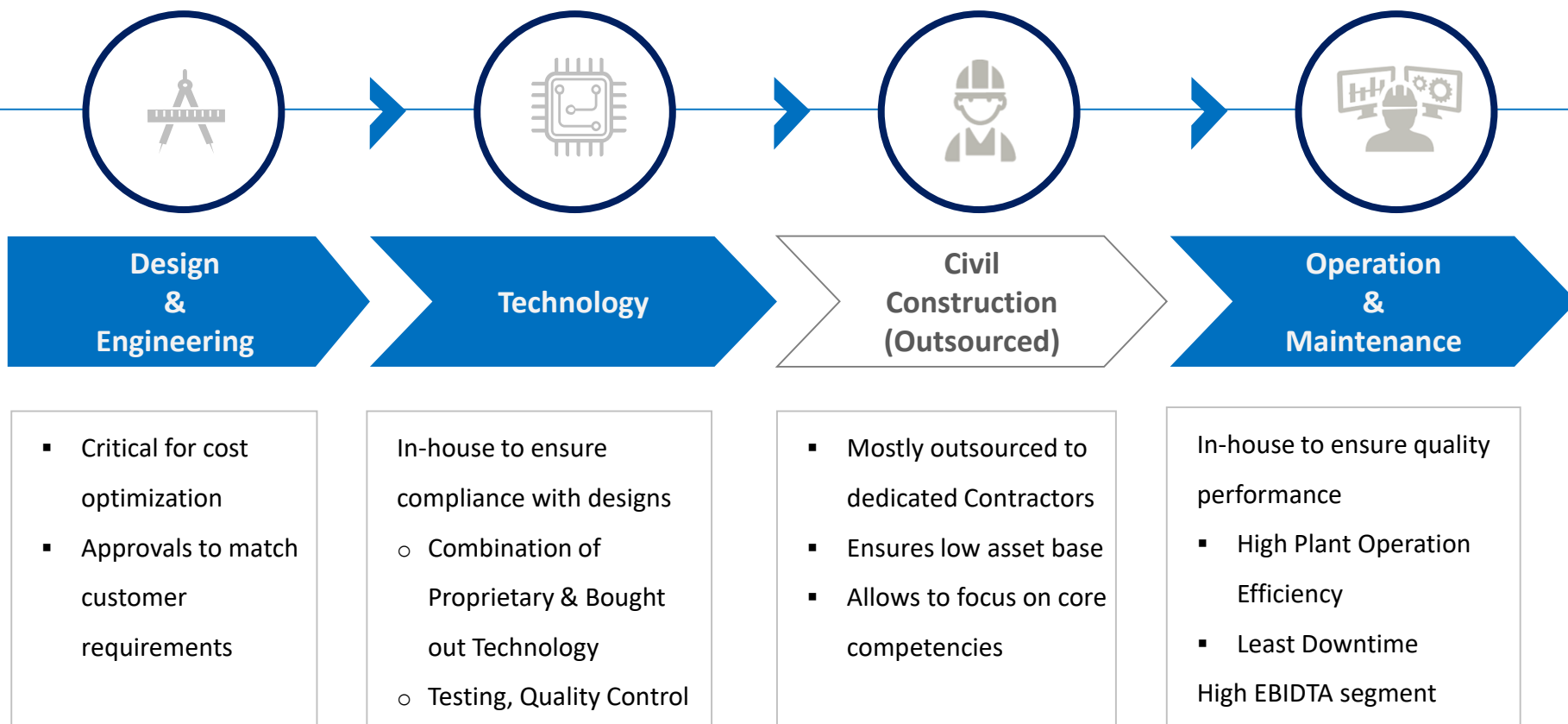
... With complete portfolio of Water Solutions with technological and operational expertise . .

... through various business/ delivery model



- Engineering, Procurement, Construction (EPC)
- Operation & Maintenance (O&M)
- Design Build Operate (DBO)
- Build Own Operate Transfer (BOOT)
- Hybrid Annuity Model (HAM)

Asset light business model



Focus on 'Value-Added & High Margin' work processes; Limits investment in Asset Base

Water Focus: Opportunities under Various Government Schemes



Jal Jeevan Mission

Total Outlay of over ₹ **2.87 lakh crores** by 2025

Expansion of Household tap connection coverage to increase water demand, opens avenue for Source Augmentation



Swachh Bharat, Swasth Bharat

Focus on complete faecal sludge management and waste water treatment

To be implemented over 5 years with a total budgetary allocation of ₹ **1.42 lakh crores**



Improved focus on Recycle & Reuse

State Reuse Policies for Karnataka, Maharashtra, Gujarat, Tamil Nadu & Haryana

To Reuse 70% of TWW by 2025, 100% of TWW by 2030



Desalination – Leveraging the Vast Coastline

Projects with cumulative capacity of almost 1000 MLD under active consideration

Major Growth Driver, with a CAGR of 7.9%



Namami Gange & NRCP

NMCG – Allocation of ₹ **21,000 crores** over next 5 years

NRCP - NMCG model to be replicated across 8 rivers with budgetary allocation of ₹ **4,801 crores**

Total Outlay under Central Government Schemes over next 5 years: INR 4.5 Lakh Crores

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Key Highlights 9M FY 20 - 21

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Quarterly Performance & Business Updates

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Order Book Analysis

Key Highlights 9M FY 21



Business Highlights – 9M FY 21

- ✓ **Order Book of INR 107.1 Bn**
including framework orders
- ✓ **Order Intake of over INR 9.7 Bn**
- ✓ **Consolidated Revenue at INR 18.4 Bn**
- ✓ **Consolidated EBITDA at INR 1.4 Bn**
- ✓ **Consolidated PAT at INR 0.6 Bn**
- ✓ **YoY Q3 growth of 17% in revenue and 36% in PAT**



Guheshwori WTP, Nepal

- ∞ **Equity fund raise of INR 120 Crores** from Marquee investors; Last capital raise INR 120 Cr in IPO 2010 – Company grew 3 times in last 10 years
- ∞ **Credit rating upgrade** on the backing on strong performance – **A+ (Long term) / A1 (Short term), with Stable Outlook**
- ∞ **O&M Business** continued to operate during COVID lockdown as ‘essential services’
- ∞ **Gross Debt reduction of 26%; Net Debt reduction of 31%** since March 2020
- ∞ Robust Order backlog of **INR 10,500+ Crores** providing **> 3x revenue visibility**
- ∞ Promoter **share pledge released** during the year

Quarterly & 9 month Performance



RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q3 FY 21	Q3 FY 20	YOY %	9M FY 21	9M FY 20	YOY %
Revenue from operations	7,960	6,794	17.2%	18,352	17,721	3.6%
Cost of Sales	6,349	5,242	21.1%	14,340	13,277	8.0%
Total Cost of Operations (TCO)	909	867	4.9%	2,588	2,731	(5.2%)
EBITDA	702	685	2.5%	1,424	1,713	(16.9%)
<i>EBITDA margin</i>	8.8%	10.1%		7.8%	9.7%	
Net Interest Cost	59	156	(63.4%)	243	443	(45.1%)
Bank Charges	134	110	21.8%	371	330	12.4%
Depreciation & Amortization	30	36	(15.9%)	94	114	(17.2%)
Tax	120	132	(8.7%)	188	345	(45.6%)
Share of Profits from Associates / MI (Net)	59	57	3.0%	108	124	(12.9%)
Profit After Tax (Owners)	418	308	35.7%	636	605	5.1%
<i>PAT margin</i>	5.2%	4.5%		3.5%	3.4%	

- Higher revenue as a result of improvement in execution pace witnessed with COVID-19 relaxations across geographies
- Reduction in Net Interest Cost as a result of continued focus on debt reduction
- Increase in Bank charges driven by higher order book

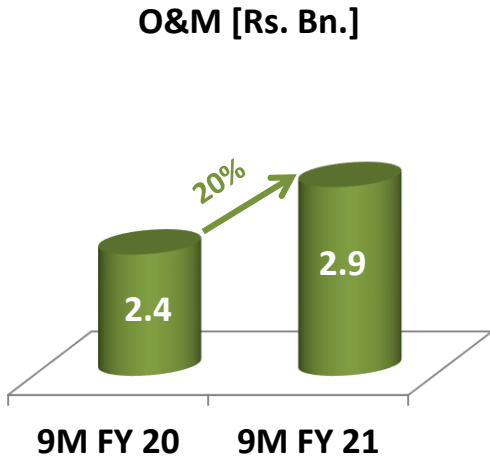
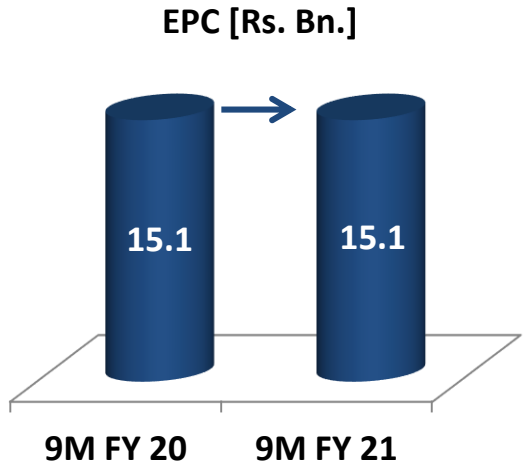
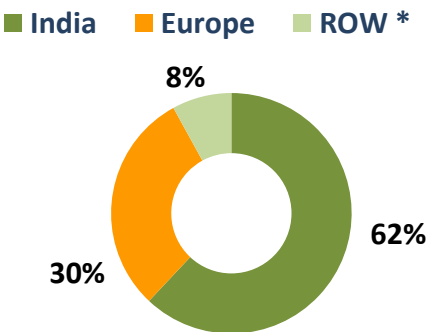
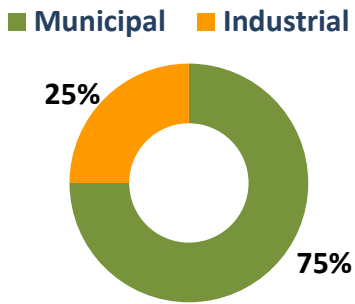
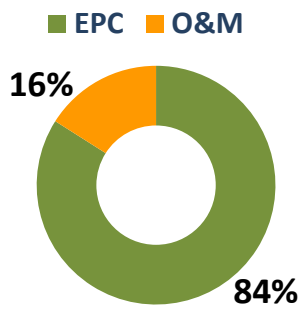
RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q3 FY 21	Q3 FY 20	YOY %	9M FY 21	9M FY 20	YOY %
Revenue from Operations	5,092	4,881	4.3%	11,434	12,549	(8.89%)
Cost of Sales	4,029	3,712	8.5%	8,845	9,391	(5.8%)
Total Cost of Operations (TCO)	531	646	(17.8%)	1,510	1,681	(10.1%)
EBITDA	532	523	1.7%	1,079	1,477	(27.0%)
<i>EBITDA margin</i>	10.4%	10.7%		9.4%	11.8%	
Net Interest Cost	31	111	(75.6%)	190	336	(45.2%)
Bank Charges	110	82	31.3%	311	228	36.4%
Divestment Gain	-	-	-	(6)	-	-
Depreciation & Amortization	15	16	(8.1%)	46	51	(10.3%)
Tax	95	118	(20.1%)	136	289	(52.8%)
Profit After Tax	281	195	44.0%	402	574	(29.9%)
<i>PAT margin</i>	5.5%	4.0%		3.5%	4.6%	

- Momentum in EPC execution witnessed with relaxation of lockdown restrictions
- Lower TCO driven by cost optimization
- Net Interest Cost includes dividend from Group entity of 41 MINR
- Interest cost reduction driven by lower borrowings

Revenue Breakup – 9M FY 21

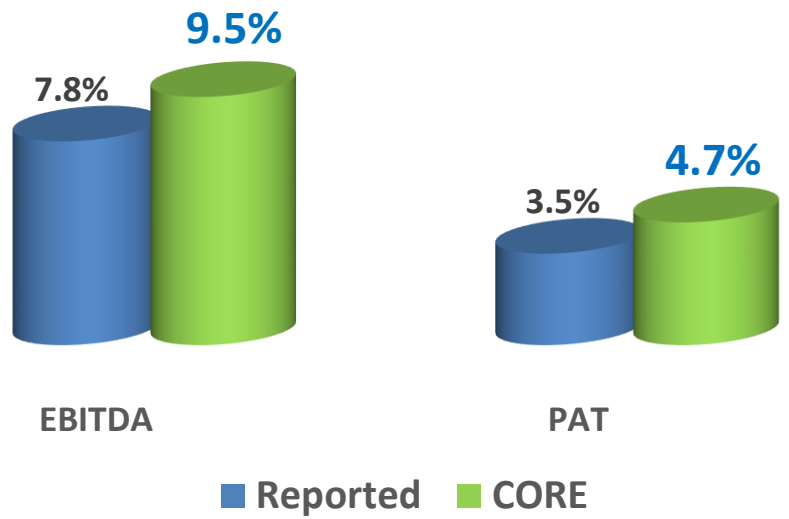
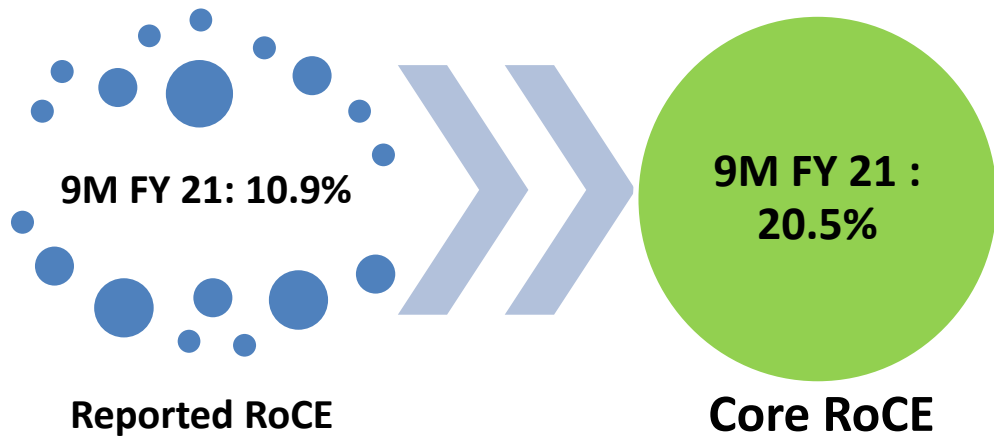
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	6,195	2,937	1,787	330	11,249
Wabag Overseas	4,830	1,160	773	95	6,858
Total	11,025	4,097	2,560	425	18,107



Key Projects Contributing to Revenue – 9M FY 21

Project Details	Revenue recognized [Rs. Mn]
▪ Expansion SWTP 9, Jubail, KSA – STP	2,185
▪ South Doha, Qatar – STP	1,601
▪ Dangote, Nigeria - ETP & RWTP	972
▪ MRPL, Karnataka – Desal	918
▪ 50 MLD Zarat, Tunisia – Desal	837
▪ Purolite, Romania – ETP	822
▪ UPJN, O&M of Agra & Ghaziabad	819
▪ Polgahawela, Srilanka – WTP	778
▪ Ismailia, Egypt – STP	378
▪ JAJMAU, Kanpur – CETP	373

Robust Core Performance – 9M FY 21



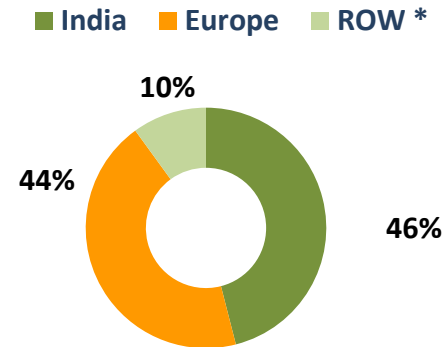
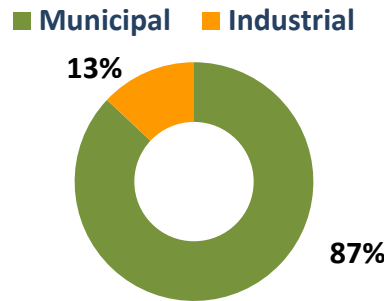
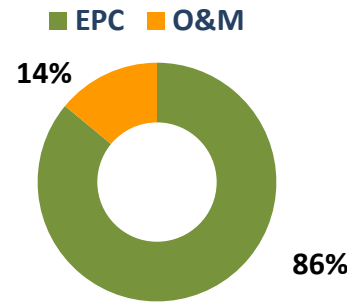
Order Book Analysis



Order Intake Breakup

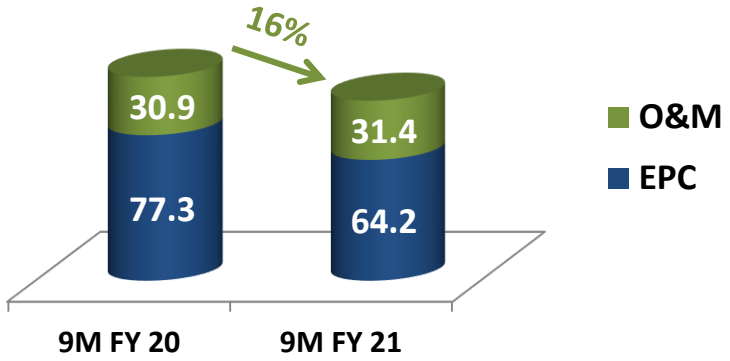
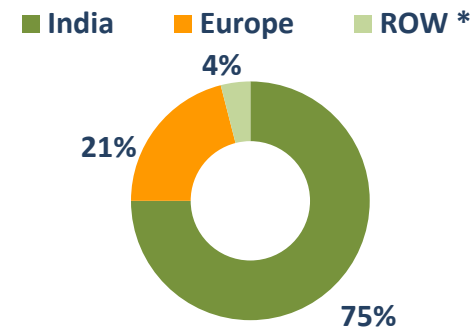
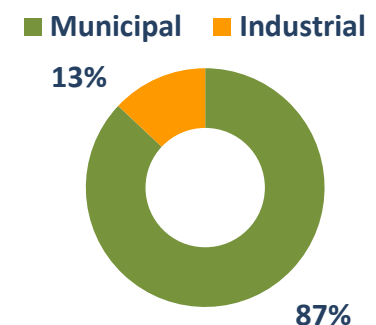
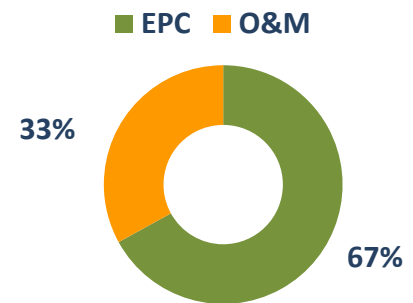
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	4,047	16	405	22	4,490
Wabag Overseas	3,096	1,195	920	13	5,224
Total	7,143	1,211	1,325	35	9,714

Key Orders Received	Order Value (Rs. Mn.)
Jeddah Airport – STP, Saudi Arabia	3,614
Ipsach Biel SWW – WTP, Switzerland	2,261



Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	20,759	8,001	23,861	1,640	54,261
NMCG (SPVs)					
- EPC	7,745	-	1,453	-	9,198
- HAM	5,869	-	2,358	-	8,227
Wabag Overseas	19,572	2,295	2,077	64	24,008
Framework Contracts					11,425
Total	53,945	10,297	29,748	1,705	107,120



Order Book of Rs. 95.6 Bn & Framework Contracts of Rs. 11.4 Bn

Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ UPJN, O&M of Agra & Ghaziabad	13,594
▪ BUIDCO, Digha & Kankarbagh – STP & Network	11,676
▪ KMDA, Howrah – STP	5,748
▪ 50 MLD Zarat, Tunisia – Desal	4,313
▪ Expansion SWTP 9, Jubail, KSA – STP	4,163
▪ JAJMAU, Kanpur – CETP	3,729
▪ Jeddah Airport, KSA – STP	3,219
▪ Ipsach Biel SWW – WTP, Switzerland	2,261
▪ Water Supply System, Bhagalpur, India – WTP & Network	2,303
▪ MRPL, Karnataka – Desal	1,959

Key Framework Contracts *

- Libya STP of Rs. 6,114 Mn
- Bomba MED, Libya of Rs. 5,312 Mn

* Contracts wherein Advance Monies / LC awaited, hence not taken in Order Book

Global Recognition to WABAG's Journey of Excellence

Year 2020

Global Water Awards 2020



Distinction Award under "Wastewater Project of the Year" from the Global Water Intelligence for our Koyambedu TTRO Plant, Chennai

National Water Awards 2019



National Water Awards 2019 for 'Best Research / Innovation / Adaptation of New Technology for Water Conservation'

Global Water Awards 2020



Highly Commended Award under "Industrial Project of the Year" from the Global Water Intelligence for our Petronas IETP, Malaysia

Water Digest Awards 2019 – 20



Bestowed with 'Best Water Treatment Project – Industrial' & 'Excellence Award for Best CSR in Water Sector' at the Water Digest Water Awards 2019-20



Global Recognition to WABAG's Journey of Excellence

Year 2019

World's top 50 private water operators



WABAG ranked 6th globally among the "World's top 50 private water operators" by Global Water Intelligence

IDA World Congress Awards 2019



Received the "Most Innovative Company" award at the International Desalination Association World Congress 2019

Dun & Bradstreet Infra Award 2019



Honoured with the Dun & Bradstreet Infra Award 2019 for the 140 MLD Dinapur WWTP, Varanasi

Global Water Awards 2019



Distinction Award under "Wastewater Project of the Year for our AMAS WWTP, Bahrain

Water Digest Water Awards 2019



"Best Water Treatment Project - Industrial" at the Water Digest Water Awards 2018-19



Global Recognition to WABAG's Journey of Excellence

Year 2018

Water Management Excellence Awards 2018



Water Management Excellence Award for “Outstanding Contribution in Water Efficiency & Conservation” by ASSOCHAM

Water Digest Water Awards 2018



“Best Water Treatment Project - Industrial” at the Water Digest Water Awards 2018-19

Year 2017

Top 10 Global Water Companies



Ranked among the Top 10 Global Water Companies by GWI for serving over 20 million people globally

Dun & Bradstreet Infra Award 2017



Honoured with the Dun & Bradstreet Infra Award 2018 for the K&C Valley WWTP, Bengaluru



Global Recognition to WABAG's Journey of Excellence

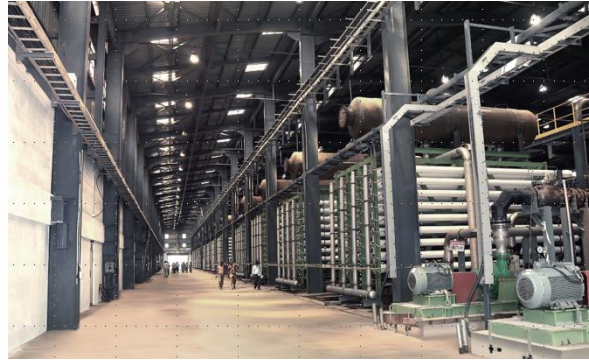
Year 2016

Global Water Awards 2016



Highly Commended Award under "Water Company of the Year"

Dun & Bradstreet Infra Award 2016



Best Infra Project Award for 100 MLD Nemmeli SWRO Desalination Plant

Global Water Awards 2016



Highly Commended Award under "Industrial project of the Year" for our Dahej Effluent Treatment Plant, India

Year 2015

Global Water Award 2015



"Industrial Water Project of the Year" for Ujams Industrial Water Reclamation Plant, Namibia

Year 2014

Global Water Award 2014



Distinction Award for "Water Company of the Year"





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