

Committed to create a  
**BETTER  
TOMORROW**

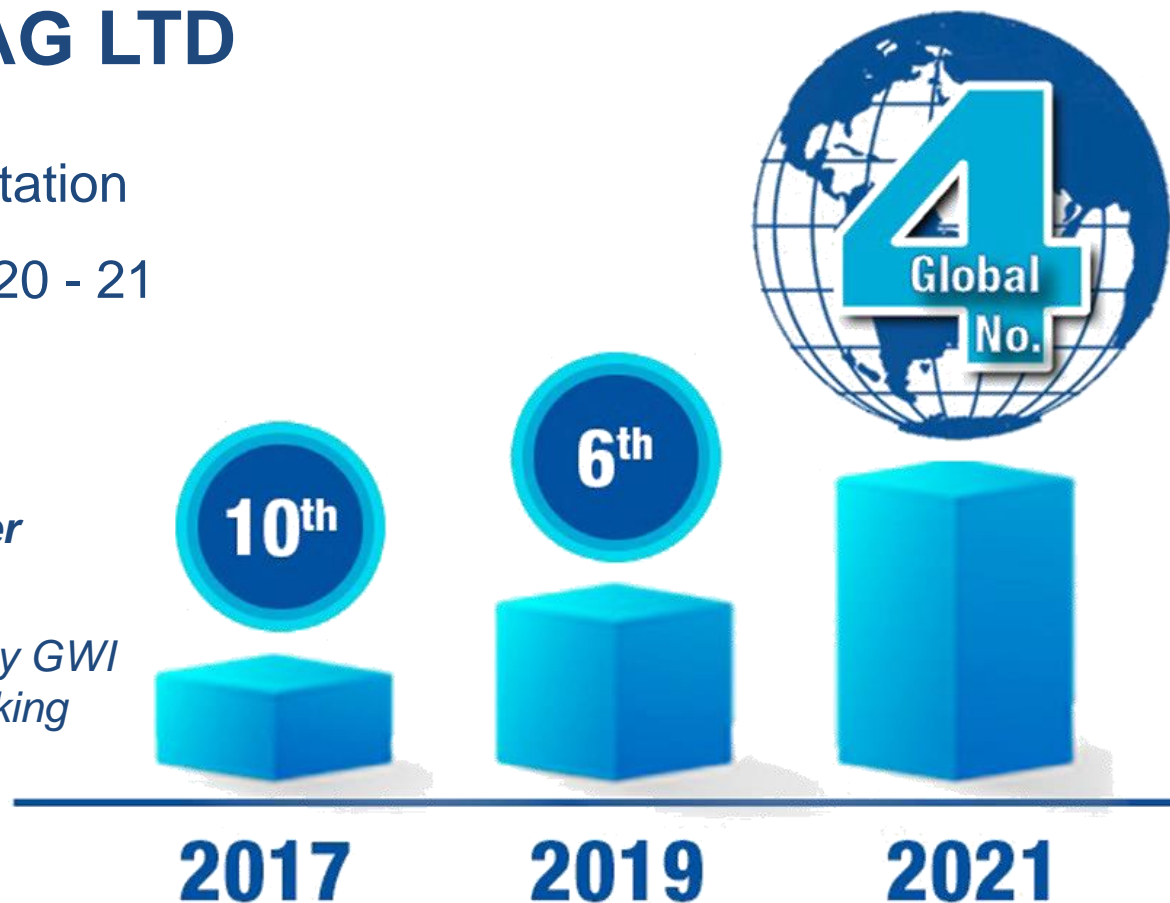
## VA TECH WABAG LTD

Results Update Presentation

Q4 & 12 months FY 2020 - 21

***World's Top 50 Private Water  
Operators***

*WABAG ranked 4th globally by GWI  
for ensuring safe & clean drinking  
water and sanitation*



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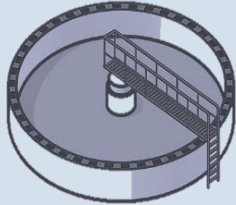
# Complete Water Treatment Solution Provider...

- ✓ 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 IP rights
- ✓ 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



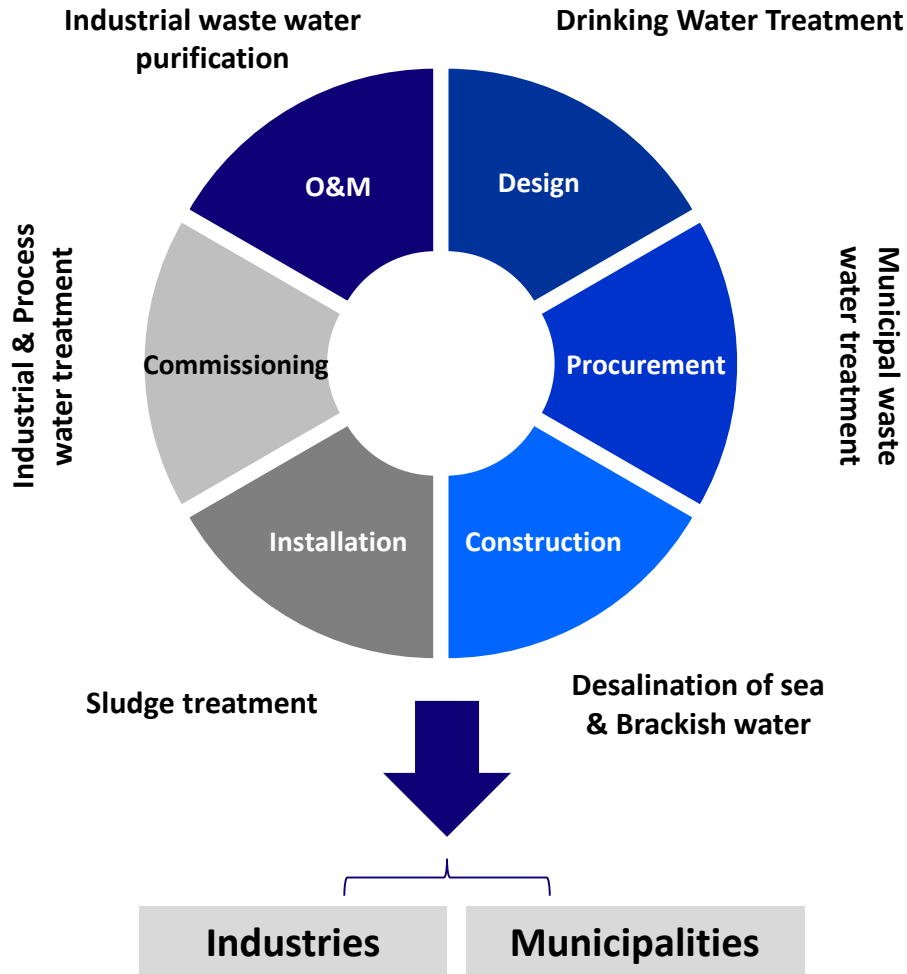
## Recycling

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



# Complete Water Treatment Solution Provider...

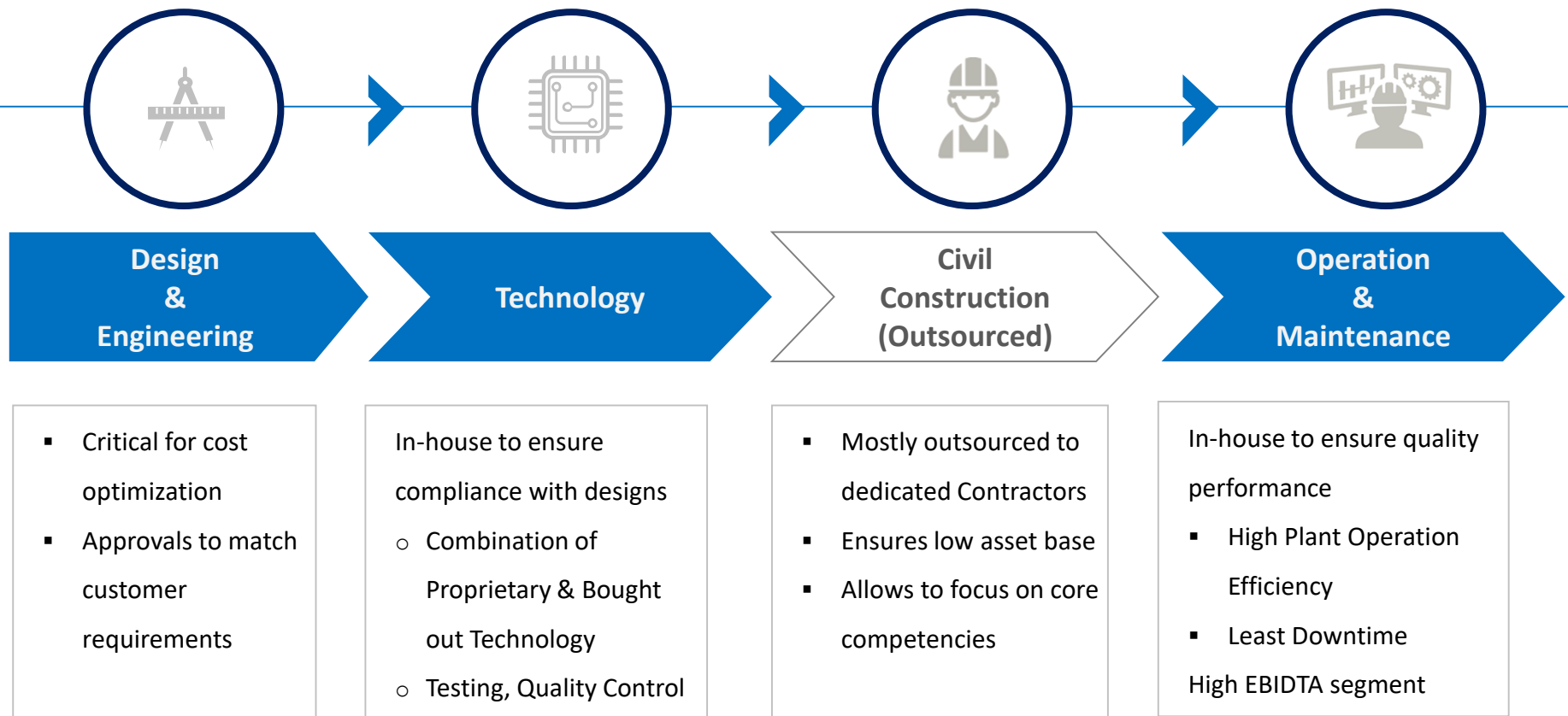
... With complete portfolio of Water Solutions with technological and operational expertise . .



... 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

1

**Key Highlights FY 20 - 21**

2

**Quarterly Performance & Business Updates**

3

**Order Book Analysis**

# Key Highlights FY 21





## Cash and Working Capital:

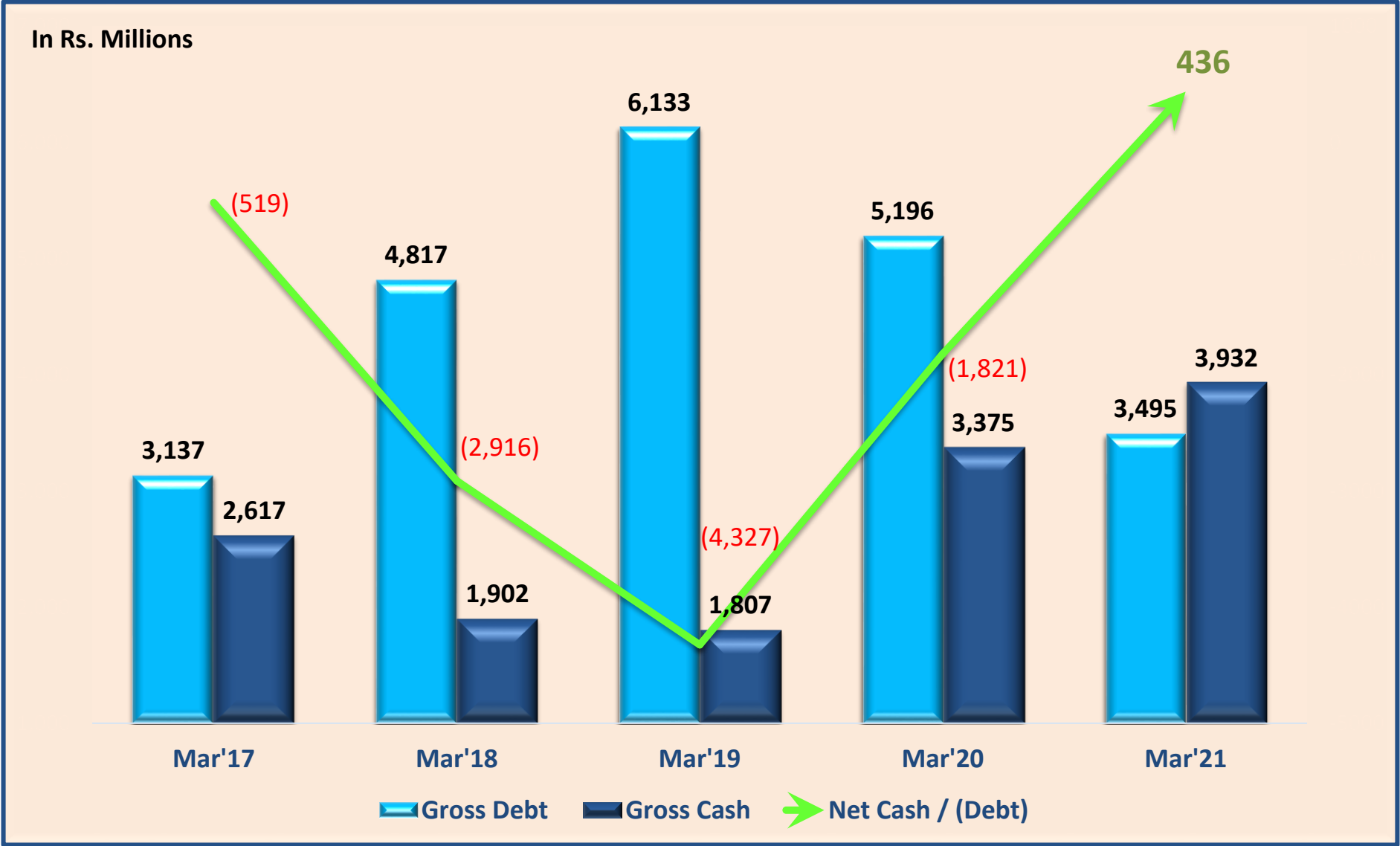
- **Second consecutive year of Free Cash Flow** generation of Rs. 960 Million on Consolidated and Rs. 686 Million on Standalone basis
- **Second consecutive year of positive operational cash flow** generation of Rs. 1,353 Million on Consolidated and Rs. 1,046 Million on Standalone basis
- Group **turnaround** from Net Debt to **Net Cash** of Rs. 436 Million; **Gross debt reduction** of 33% in FY 21
- **Net Working Capital improved** to 97 days

## Sales and Profitability:

- **Consolidated Revenue** of Rs. 28,345 Million; YoY **up by 11%**
- **EPC sales up** by 10% and **O&M sales up** by 17%
- **Consolidated PAT** of Rs. 1,101 Million; YoY **up by 21%**

**Order book** of over Rs. 95 Billion including Framework contracts; > **3x revenue visibility**

# Group turns Net Cash Positive



- **In 2021, WABAG was ranked 4th globally** among the “**World’s top 50 private water operators**” as per Global Water Intelligence (GWI), for ensuring safe drinking water and clean environment for over 71 million people across the globe
- **Credit rating upgrade** on the backing on strong performance – **A+ (Long term) / A1 (Short term), with Stable Outlook**
- **Equity fund raise of INR 120 Crores** from Marquee investors; Company grew 3 times since IPO in 2010
- Successful **financial closure** of **first HAM project** achieved in partnership with global financial institutions like International Finance Corporation (IFC), Tata Cleantech Capital Limited and EverSource capital owned Kathari Water
- Successful **financial closure** of **second HAM project** achieved in partnership with PTC India Financial Services Limited
- Bagged **4 Prestigious recognitions** at the **Environment Health Safety (EHS) Excellence Awards** organized by Confederation of Indian Industry (CII)

# Quarterly & 12 month Performance



# RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q4 FY 21	Q4 FY 20	YOY %	FY 21	FY 20	YOY %
<b>Revenue from operations</b>	<b>9,993</b>	<b>7,851</b>	<b>27.3%</b>	<b>28,345</b>	<b>25,572</b>	<b>11.0%</b>
Gain on Divestment	-	193	~	-	193	~
Cost of Sales	7,991	6,075	31.6%	22,331	19,352	15.4%
Total Cost of Operations (TCO)	1,237	1,222	1.3%	3,827	3,952	(3.2%)
<b>EBITDA</b>	<b>764</b>	<b>748</b>	<b>2.2%</b>	<b>2,188</b>	<b>2,461</b>	<b>(11.1%)</b>
<i><b>EBITDA margin</b></i>	<i><b>7.6%</b></i>	<i><b>9.5%</b></i>		<i><b>7.7%</b></i>	<i><b>9.6%</b></i>	
<i><b>EBITDA margin excl. Divestment Gain</b></i>	<i><b>7.6%</b></i>	<i><b>7.1%</b></i>		<i><b>7.7%</b></i>	<i><b>8.9%</b></i>	
Net Interest Cost	40	97	(58.8%)	284	541	(47.6%)
Bank Charges	166	159	4.7%	537	489	9.9%
Depreciation & Amortization	27	40	(32.4%)	121	154	(21.2%)
Tax	107	141	(23.9%)	295	486	(39.3%)
Share of Profits from Associates / MI (Net)	42	(6)	(783.9%)	150	118	27.7%
<b>Profit After Tax (Owners)</b>	<b>466</b>	<b>304</b>	<b>52.9%</b>	<b>1,101</b>	<b>910</b>	<b>21.0%</b>
<i><b>PAT margin</b></i>	<i><b>4.7%</b></i>	<i><b>3.9%</b></i>		<i><b>3.9%</b></i>	<i><b>3.6%</b></i>	

- 11% YoY sales improvement despite challenging pandemic year, with curtailed activities both in supply chain and site works
- EBITDA margin excluding forex gain / (loss) remains intact
- Net Finance cost reduction mainly driven by debt reduction

# RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q4 FY 21	Q4 FY 20	YOY %	FY 21	FY 20	YOY %
Revenue from Operations	6,997	4,914	42.4%	18,431	17,463	5.5%
Cost of Sales	5,663	3,809	48.7%	14,508	13,201	9.9%
Total Cost of Operations (TCO)	718	817	(12.1%)	2,229	2,497	(10.8%)
EBITDA	616	288	113.6%	1,695	1,766	(4.0%)
<i>EBITDA margin</i>	8.8%	5.9%		9.2%	10.1%	
Net Interest Cost	52	66	(20.8%)	235	402	(41.4%)
Bank Charges	109	92	19.0%	420	319	31.6%
Depreciation & Amortization	15	16	(5.6%)	61	67	(9.1%)
Tax	112	102	10.2%	248	390	(36.4%)
Profit After Tax	328	14	~	730	588	24.3%
<i>PAT margin</i>	4.7%	0.3%		4.0%	3.4%	

- EBITDA margin excluding forex gain / (loss) has improved
- Reduction in Net Interest Cost as a result of continued focus on debt reduction
- Increase in bank charges driven by guarantees for higher order book

# RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Consolidated		Standalone	
	Mar'21	Mar'20	Mar'21	Mar'20
Total Equity (Net Worth)	13,963	11,722	11,679	9,766
Non-Current Liabilities	3,997	2,665	3,518	2,545
Trade Payables	16,578	16,269	11,375	11,607
Short Term Borrowings	1,732	4,528	1,653	3,738
Other Current Liabilities	5,342	5,052	3,145	2,575
<b>Total Equity &amp; Liabilities</b>	<b>41,612</b>	<b>40,236</b>	<b>31,370</b>	<b>30,231</b>
Fixed Assets	863	863	683	738
Other Non-Current Assets	7,701	6,065	6,690	5,720
Trade Receivables	13,496	15,894	12,819	12,458
Cash & Bank Balances	3,713	3,205	2,170	1,596
Other Current Assets	15,839	14,208	9,008	9,719
<b>Total Assets</b>	<b>41,612</b>	<b>40,236</b>	<b>31,370</b>	<b>30,231</b>

Significant debt reduction across the Group

- Gross debt reduction of 33% in FY 21
- Turned around from net debt to net cash position in FY 21

YoY 6% reduction in total billed receivables despite a 11% increase in top line

# Cash Flow Statement

Rs. Millions	Consolidated		Standalone	
	FY 21	FY 20	FY 21	FY 20
<b>Net cash generated from/(used in) operations</b>	<b>1,353</b>	<b>2,448</b>	<b>1,046</b>	<b>1,319</b>
Net cash generated from/(used) in investing activities	(41)	297	228	(389)
Net cash generated from financing activities	(858)	(1,354)	(410)	(386)
<b>Cash and cash equivalents at the end</b>	<b>2,997</b>	<b>2,489</b>	<b>1,729</b>	<b>882</b>

- Consecutive years of free cash flow and operational cash flow generated
- Free Cash Flow generation of Rs. 960 Million on Consolidated and Rs. 686 Million on Standalone basis in FY 21

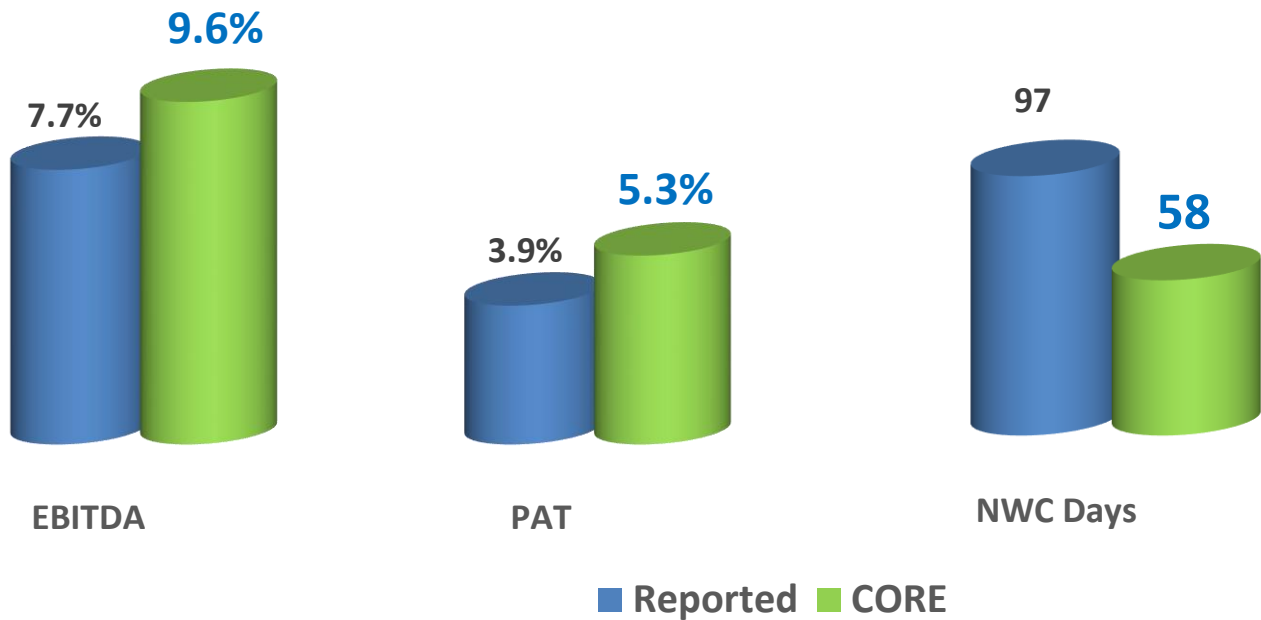
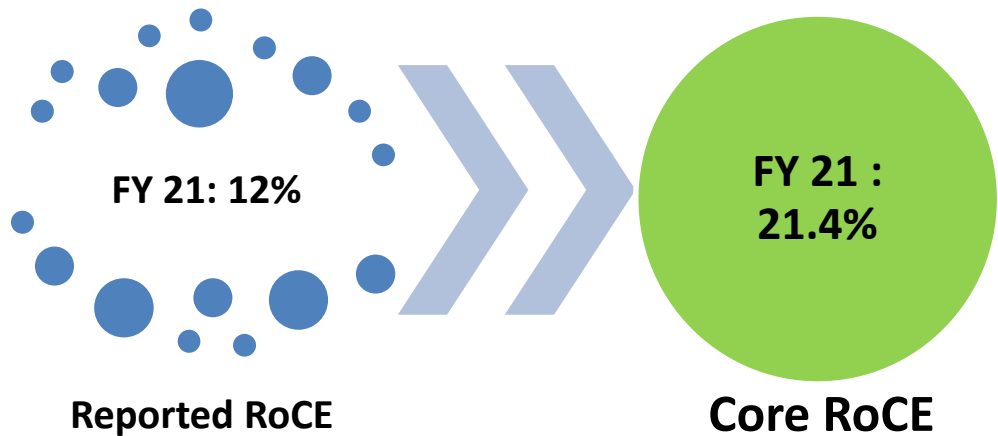


# Working Capital Highlights

Rs. Millions	Mar'21	Mar'20
Inventories	297	264
Trade Receivables	13,496	15,894
Loans and Advances	793	494
Other Current Assets	14,748	13,450
<b>Total Current Assets (A)</b>	<b>29,335</b>	<b>30,102</b>
Trade Payables	16,578	16,269
Other Current Liabilities and Provisions	5,342	5,052
<b>Total Current Liabilities (B)</b>	<b>21,920</b>	<b>21,321</b>
<b>Net Working Capital (NWC) (A-B)</b>	<b>7,415</b>	<b>8,781</b>
<b>Net Working Capital (No. of Days)</b>	<b>97</b>	<b>127</b>
<b>Core Net Working Capital Days</b>	<b>58</b>	<b>83</b>

- Working Capital levels reduction driven by improved focus on collections and cash management
- 16% reduction in working capital base and 30 days reduction in NWC days, during this challenging pandemic year
- Current trade receivables down by 15% YoY despite 11% higher sales

# Robust Core Performance



# Order Book Analysis

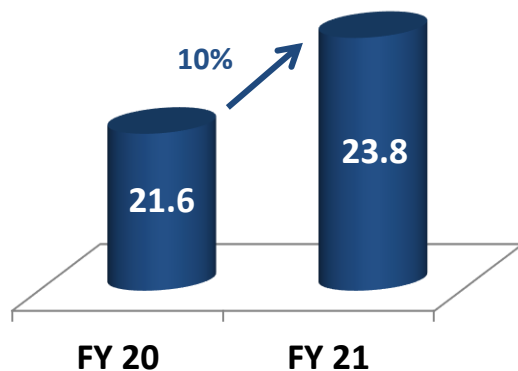


# Revenue Breakup – FY 21

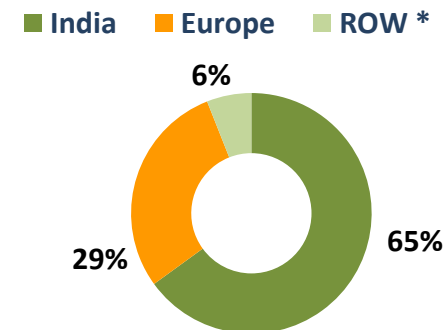
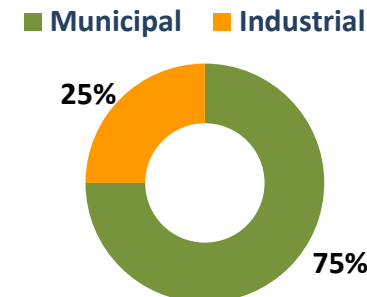
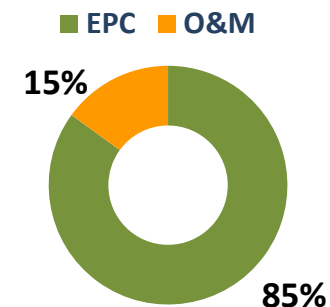
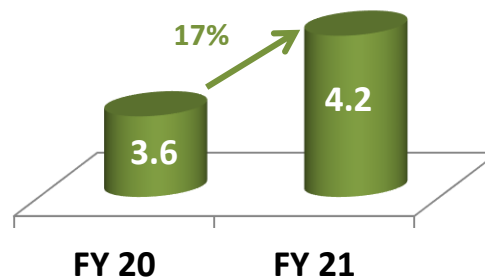
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India #	10,419	4,920	2,391	489	18,219
Wabag Overseas	7,069	1,422	1,150	134	9,775
<b>Total</b>	<b>17,488</b>	<b>6,342</b>	<b>3,541</b>	<b>623</b>	<b>27,994</b>

# Includes HAM SPVs

EPC [Rs. Bn.]



O&M [Rs. Bn.]



# Key Projects Contributing to Revenue – FY 21

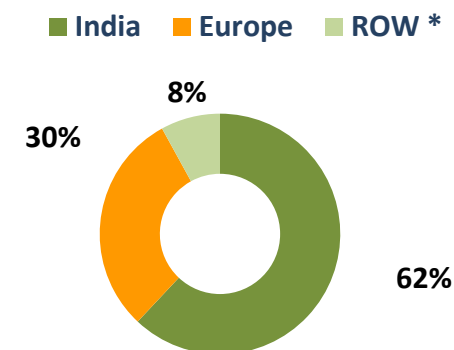
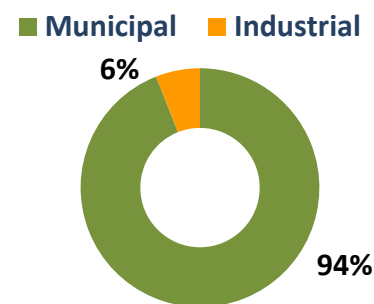
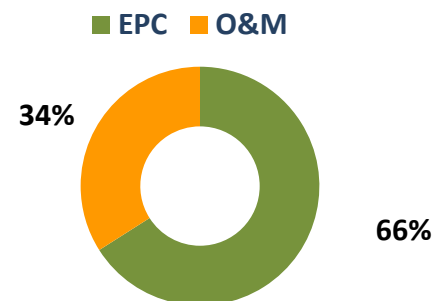
Project Details	Revenue recognized [Rs. Mn]
▪ Expansion SWTP 9, Jubail, KSA – STP	3,296
▪ South Doha, Qatar – STP	2,180
▪ 50 MLD Zarat, Tunisia – Desal	1,938
▪ MRPL, Karnataka – Desal	1,750
▪ Dangote, Nigeria - ETP & RWTP	1,678
▪ Polgahawela, Srilanka – WTP	1,436
▪ UPJN, O&M of Agra & Ghaziabad	1,131
▪ Purolite, Romania – ETP	935
▪ Al Kharj Stage 3, KSA - WWTP	644
▪ JAJMAU, Kanpur – CETP	522

# Order Intake Breakup

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India #	4,583	16	3,485	60	8,144
Wabag Overseas	3,309	706	948	14	4,977
<b>Total</b>	<b>7,892</b>	<b>722</b>	<b>4,434</b>	<b>74</b>	<b>13,121</b>

# Includes HAM SPVs

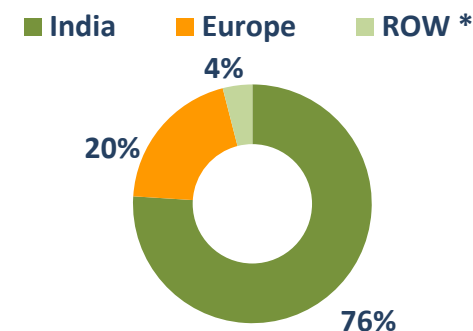
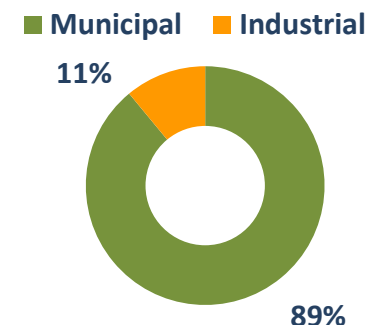
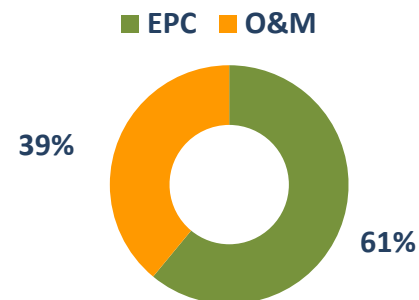
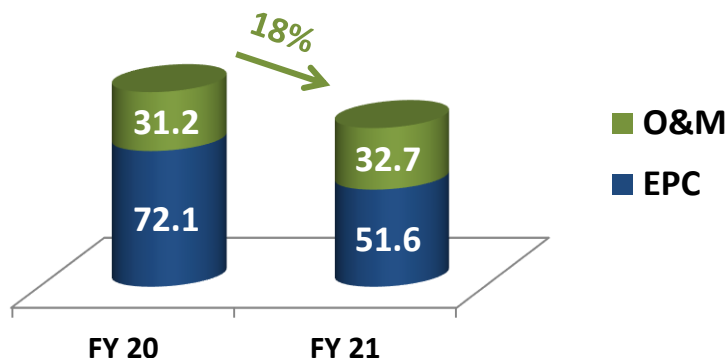
Key Orders Received	Order Value (Rs. Mn.)
Jeddah Airport – STP, Saudi Arabia	3,614
Ipsach Biel SWW – WTP, Switzerland	2,261



# Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India #	28,259	6,067	28,606	1,441	64,372
Wabag Overseas	16,736	587	1,758	961	20,043
Framework Contracts					11,426
<b>Total</b>	<b>44,995</b>	<b>6,654</b>	<b>30,364</b>	<b>2,402</b>	<b>95,841</b>

# Includes HAM SPVs



# Order Book of Rs. 84.4 Bn & Framework Contracts of Rs. 11.4 Bn

## Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ UPJN, O&M of Agra & Ghaziabad	16,656
▪ BUIDCO, Digha & Kankarbagh – STP & Network	9,526
▪ KMDA, Howrah – STP	3,879
▪ JAJMAU, Kanpur – CETP	3,581
▪ 50 MLD Zarat, Tunisia – Desal	3,205
▪ Jeddah Airport, KSA – STP	3,058
▪ Expansion SWTP 9, Jubail, KSA – STP	2,904
▪ Ipsach Biel SWW, Switzerland – WTP	2,054
▪ Water Supply System, Bhagalpur, India – WTP & Network	2,130
▪ Koyambedu O&M, Chennai – TTRO	1,955

## 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



# Awards and Accolades



# Global Recognition to WABAG's Journey of Excellence

Year 2021

## Environment Health Safety (EHS) Excellence Awards



Received 4 Prestigious Recognitions at the Environment Health Safety (EHS) Excellence Awards organized by Confederation of Indian Industry (CII) South Zone

## World's Top 50 Private Water Operators



WABAG ranked 4th globally by GWI for ensuring safe & clean drinking water and sanitation for over 71 million people across the globe



# 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

## Global Water Awards 2020



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

## National Water Awards 2019



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

## 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

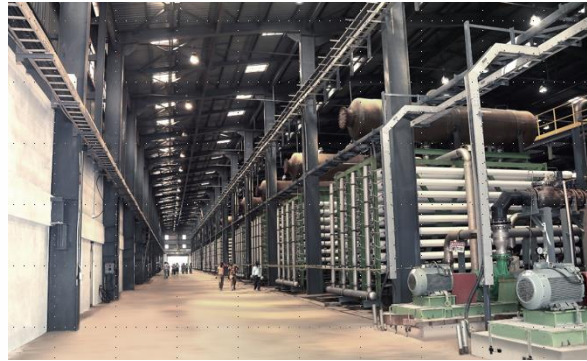
## Year 2016

### 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"





**For further information, please contact**

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