

Committed to create a
**BETTER
TOMORROW**



sustainable solutions. for a better life.



VA TECH WABAG LTD

Results Update Presentation

Q2 & H1 FY 2020 - 21

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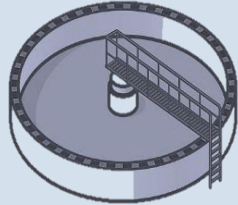
Complete Water Treatment Solution Provider...

- ✓ 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



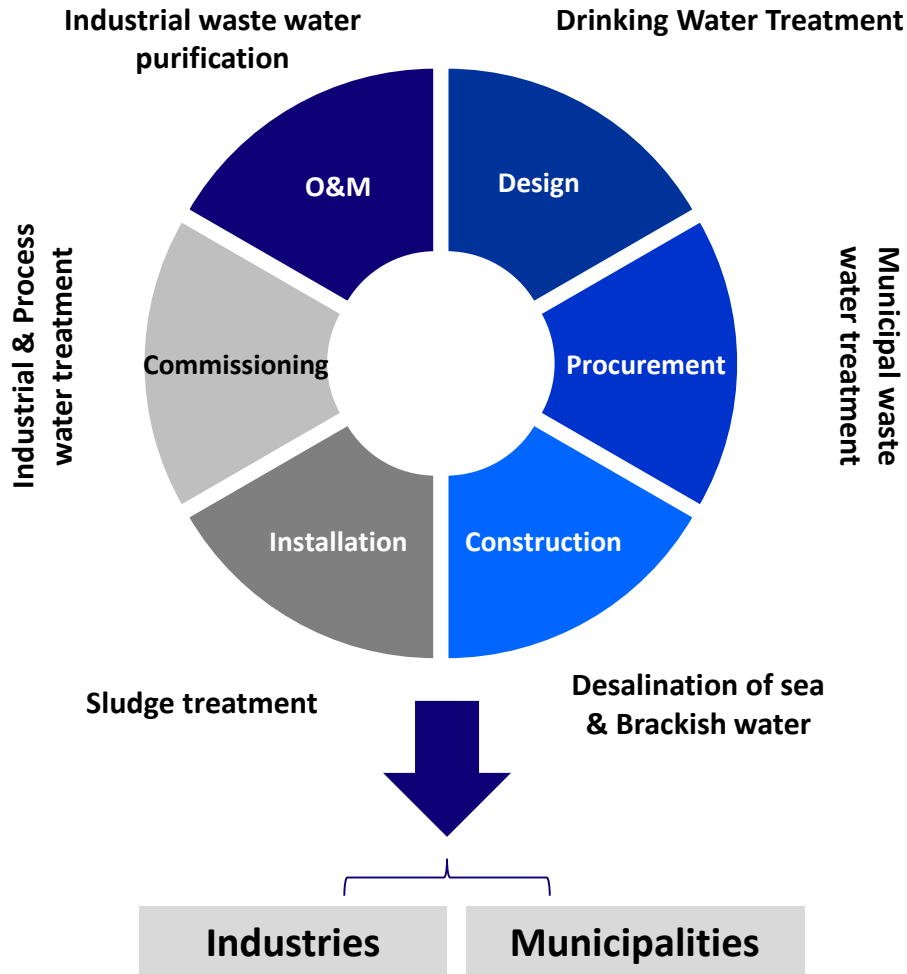
Recycling

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



Complete Water Treatment Solution Provider...

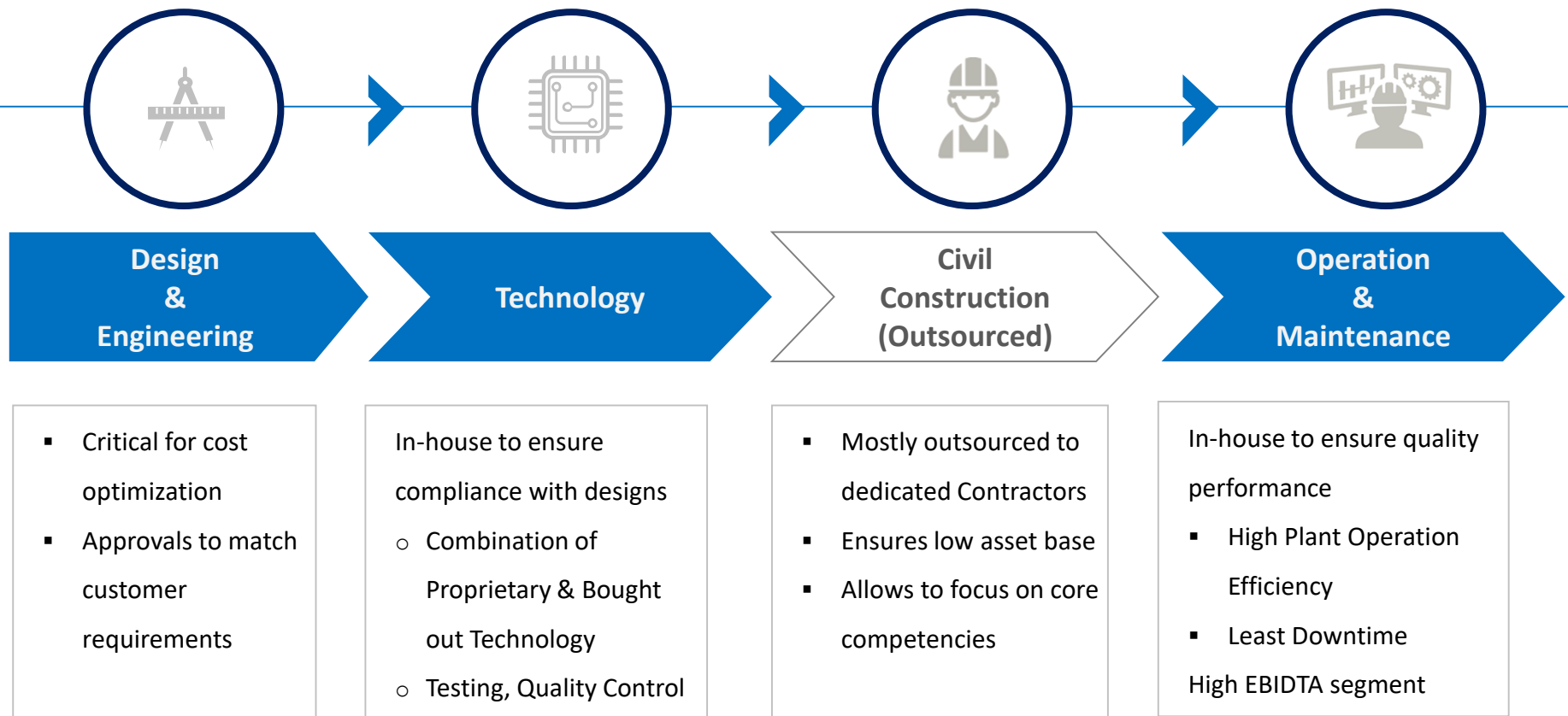
... With complete portfolio of Water Solutions with technological and operational expertise . .



... 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

1

Key Highlights H1 FY 20 - 21

2

Quarterly Performance & Business Updates

3

Order Book Analysis

Key Highlights H1 FY 21



- **Order Book of INR 105.9 Bn**
including framework orders
- **Order Intake of over INR 6,289 Mn**
- **Consolidated Revenue at INR 10,392 Mn**
- **Consolidated EBITDA at INR 724 Mn**
- **Consolidated PAT at INR 218 Mn**



**Industrial Effluent Treatment Plant,
Petronas, Malaysia**

Quarterly & Half Year Performance



RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q2 FY 21	Q2 FY 20	YOY %	H1 FY 21	H1 FY 20	YOY %
Revenue from operations	6,084	6,361	(4.4%)	10,392	10,927	(4.9%)
Cost of Sales	4,735	4,768	(0.7%)	7,991	8,035	(0.5%)
Total Cost of Operations (TCO)	914	940	(2.8%)	1,677	1,864	(10.0%)
EBITDA	435	653		724	1,028	
<i>EBITDA margin</i>	7.1%	10.3%		7.0%	9.4%	
Net Interest Cost	87	152	(42.7%)	186	287	(35.2%)
Bank Charges	134	94	42.5%	237	220	7.7%
Depreciation & Amortization	35	43	(18.2%)	64	78	(17.8%)
Tax	45	128	(65.4%)	68	213	(68.5%)
Share of Profits from Associates / MI (Net)	33	35	(6.2%)	49	67	(26.6%)
Profit After Tax (Owners)	167	271		218	297	
<i>PAT margin</i>	2.7%	4.3%		2.1%	2.7%	

- Overseas EPC revenues have started progressing after the initial effect of COVID-19 and expected to improve further in H2
- O&M continued to operate at full capacity
- Lower TCO driven by reduced levels of business operation
- Reduction in Net Interest Cost as a result of continued focus on debt reduction

RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q2 FY 21	Q2 FY 20	YOY %	H1 FY 21	H1 FY 20	YOY %
Revenue from Operations	3,525	4,428	(20.4%)	6,342	7,668	(17.3%)
Cost of Sales	2,680	3,481	(23.0%)	4,815	5,679	(15.2%)
Total Cost of Operations (TCO)	539	456	18.3%	980	1,035	(5.4%)
EBITDA	306	491		547	954	
EBITDA margin	8.7%	11.1%		8.6%	12.4%	
Net Interest Cost	73	123	(40.6%)	157	225	(30.2%)
Bank Charges	116	74	56.7%	202	146	38.3%
Divestment Gain	6	-	-	6	-	-
Depreciation & Amortization	15	18	(15.2%)	31	35	(12.3%)
Tax	28	98	(71.6%)	42	170	(75.6%)
Profit After Tax	80	180		121	378	
PAT margin	2.3%	4.1%		1.9%	4.9%	

- EPC revenues driven by slower execution due to COVID-19; expected to progressively improve in H2
- O&M continued to operate at full capacity
- Q2 TCO includes forex translation loss of ~ 77 Mn
- Reduction in net interest cost due to reduction in borrowings, Increase in bank charges due to high levels of order book

RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Consolidated		Standalone	
	Sep'20	Mar'20	Sep'20	Mar'20
Total Equity (Net Worth)	13,171	11,722	11,065	9,766
Non-Current Liabilities	2,749	2,665	2,568	2,545
Billed Payables	8,467	8,188	7,150	6,081
Short Term Borrowings	3,571	4,528	3,148	3,738
Other Current Liabilities *	12,096	13,133	7,386	8,101
Total Equity & Liabilities	40,055	40,236	31,317	30,231
Fixed Assets	1,078	1,016	708	738
Other Non-Current Assets	6,385	5,913	5,950	5,720
Trade Receivables	13,882	15,894	12,434	12,458
Cash & Bank Balances	3,400	3,205	2,129	1,596
Other Current Assets	15,309	14,208	10,095	9,719
Total Assets	40,055	40,236	31,317	30,231

- Trade Receivables at Standalone stable remains flat and lower at Consolidated level due to collection of Q4 client billing in a key overseas project
- Short Term Borrowings reduction at both Standalone and Consolidated basis

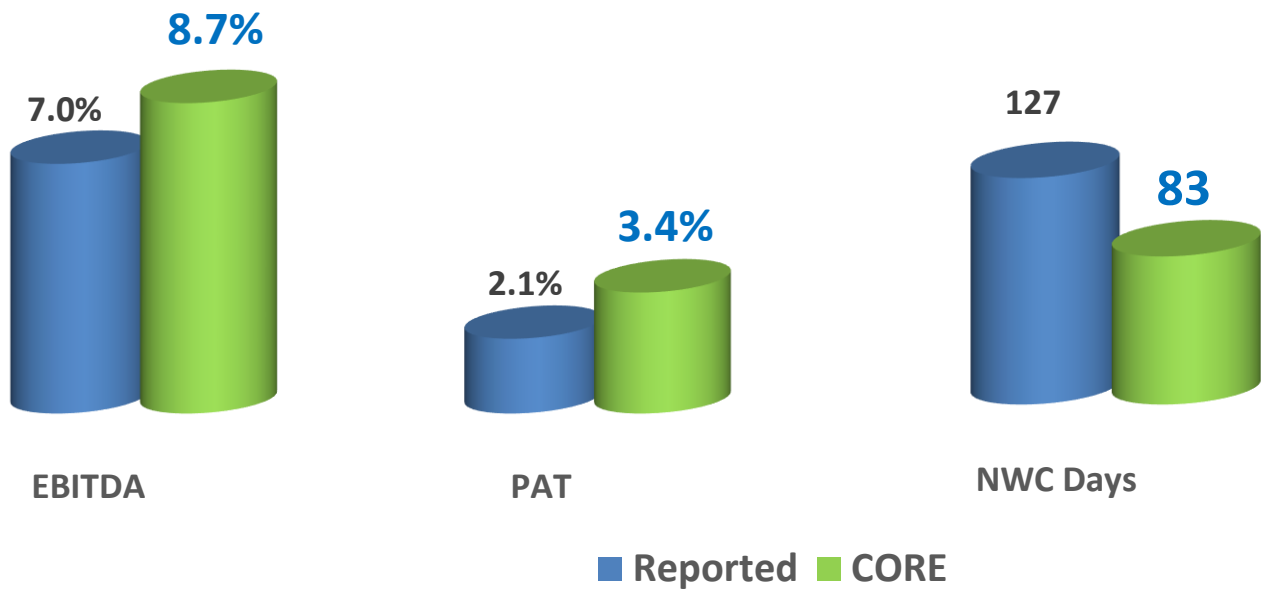
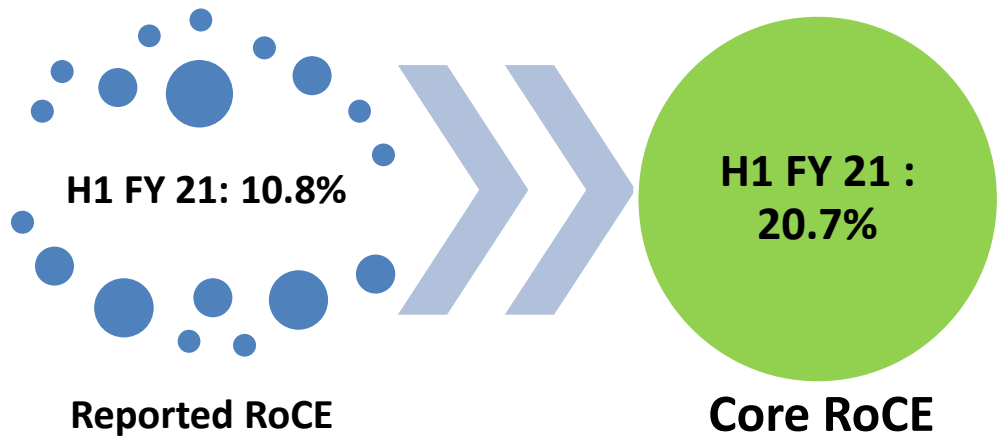
* Progress cost reclassified under Other Current liabilities for better comparability

Cash Flow Statement

Rs. Millions	H1 FY 21	
	Consolidated	Standalone
Net cash generated from/(used in) operations	14	8
Net cash generated from/(used) in investing activities	(15)	98
Net cash generated from financing activities	221	537
Cash and cash equivalents at the end	2,727	1,459

Continuing trend in gross debt reduction of 16% from March 20

Robust Core Performance



GENCO Projects

TSGENCO Rs. 1,381 Mio

- Tecpro is endeavoring to initiate arbitration with TSGENCO
- The Company and TSGENCO have challenged the same in Supreme Court and obtained an interim injunction order and expect quashing in the next hearing

Tecpro Rs. 695 Mio

- Pursuing legal action to recover dues from Tecpro held under trust
- Expect to recover these dues through National Company Law Tribunal post the ruling in National Company Law Appellate Tribunal

APGENCO Rs. 2,529 Mio

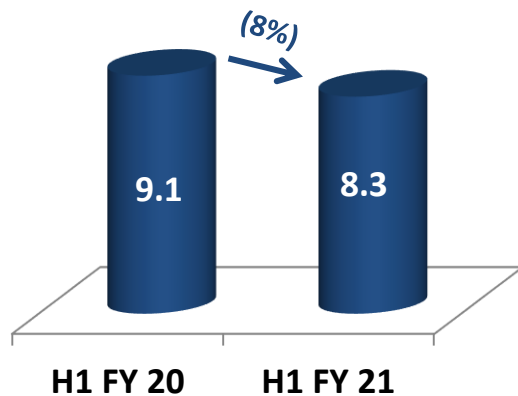
- Receivables and retentions relating to APGENCO project are recoverable progressively upon satisfactory completion of the contractual milestones

The COVID-19 pandemic and the lockdown imposed by the Governments, resulted in delays in NCLT & legal proceedings and also impacted the project progress and collection

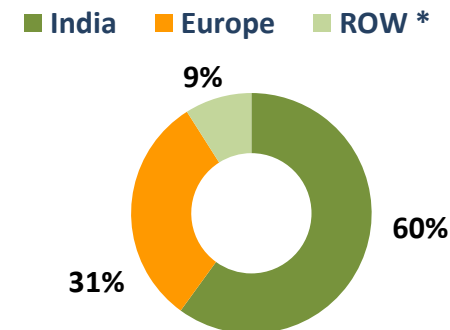
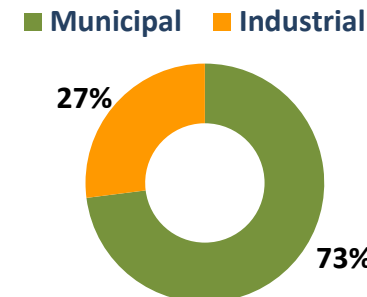
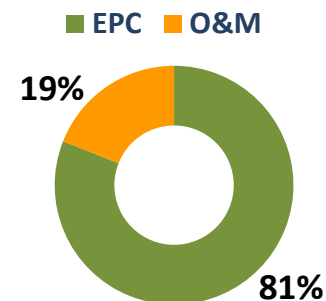
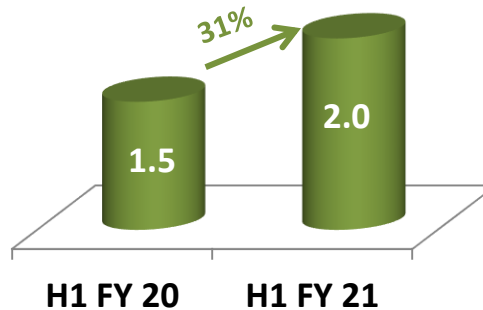
Revenue Breakup – H1 FY 21

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,114	1,645	1,202	224	6,185
Wabag Overseas	2,711	788	501	59	4,059
Total	5,825	2,433	1,703	283	10,244

EPC [Rs. Bn.]



O&M [Rs. Bn.]



Key Projects Contributing to Revenue – H1 FY 21

Project Details	Revenue recognized [Rs. Mn]
▪ Expansion SWTP 9, Jubail, KSA – STP	1,265
▪ South Doha, Qatar – STP	926
▪ Dangote, Nigeria - ETP & RWTP	688
▪ Purolite, Romania – ETP	569
▪ UPJN, O&M of Agra & Ghaziabad	544
▪ MRPL, Karnataka – Desal	362
▪ 50 MLD Zarat, Tunisia – Desal	349
▪ Ismailia, Egypt – STP	270
▪ JAJMAU, Kanpur – CETP	217
▪ NMDC Nagarnar, India – ZLD	196

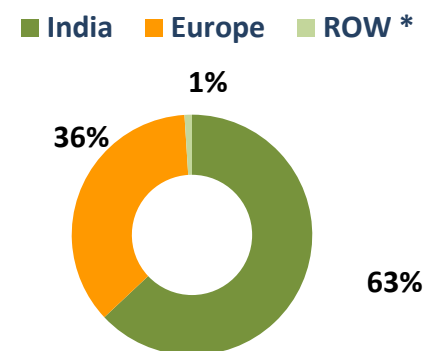
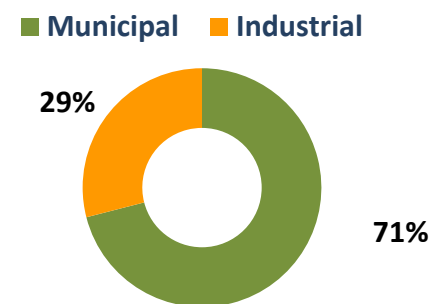
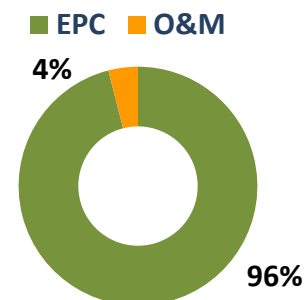
Order Book Analysis



Order Intake Breakup

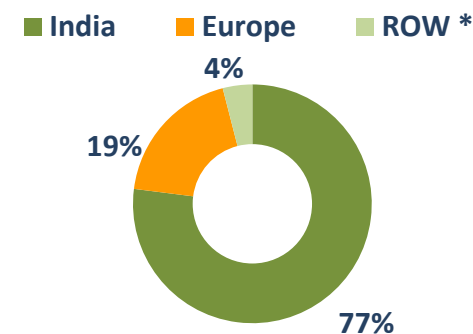
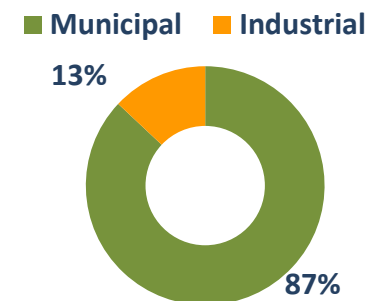
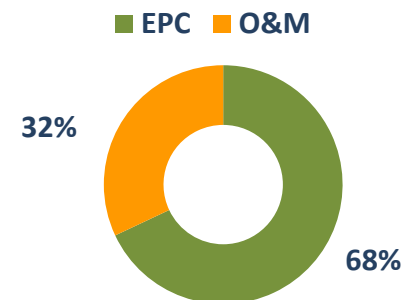
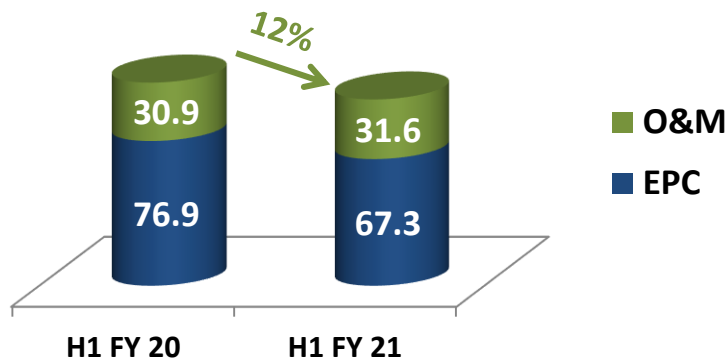
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,746	12	210	15	3,983
Wabag Overseas	523	1,762	10	11	2,306
Total	4,269	1,774	220	26	6,289

Key Orders Received	Order Value (Rs. Mn.)
Jeddah Airport, Saudi Arabia - STP	3,614



Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	23,596	9,304	24,250	1,740	58,890
NMCG (SPVs)					
- EPC	7,947	-	1,453	-	9,400
- HAM	5,869	-	2,358	-	8,227
Wabag Overseas	18,411	2,225	1,739	75	22,450
Framework Contracts					6,966
Total	55,823	11,529	29,800	1,815	105,963



Order Book of Rs. 98.9 Bn & Framework Contracts of Rs. 6.9 Bn

Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ UPJN, O&M of Agra & Ghaziabad	13,869
▪ BUIDCO, Digha & Kankarbagh – STP & Network	11,878
▪ KMDA, Howrah – STP	5,748
▪ Expansion SWTP 9, Jubail, KSA – STP	4,923
▪ 50 MLD Zarat, Tunisia – Desal	4,426
▪ JAJMAU, Kanpur – CETP	3,885
▪ Jeddah Airport, KSA – STP	3,413
▪ MRPL, Karnataka – Desal	2,515
▪ Water Supply System, Bhagalpur, India – WTP & Network	2,434
▪ South Doha, Qatar – STP	2,147

Key Framework Contracts *

- Libya STP of Rs. 6,114 Mn
- Koye Fetcche, Ethiopia of Rs. 882 Mn

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

Guidance for FY 21

We are monitoring the economic situation globally and will update at an appropriate time

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" for our Petronas IETP, Malaysia



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

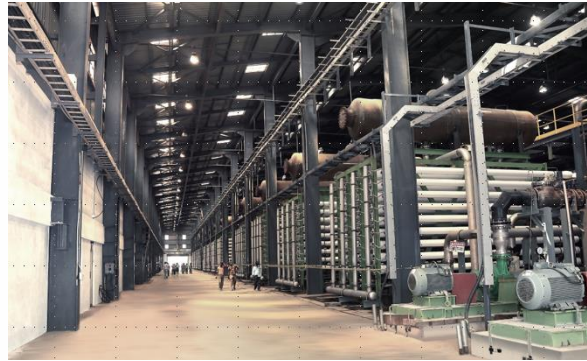
Year 2016

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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