

May 20, 2023

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

NSE Symbol: **WABAG**BSE Scrip Code: **533269**

Dear Sir/Madam,

Sub: Presentation on the Audited Financial Results of the Company for the quarter and year ended March 31, 2023

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), please find enclosed the presentation on the Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

The aforesaid presentation is also being hosted on the website of the Company, www.wabag.com in accordance with Regulation 46 of the SEBI Regulations.

Kindly take the same on record.

Thanking You,

For VA TECH WABAG LIMITED

Skandaprasad Seetharaman
Chief Financial Officer

Encl: as above

Sustainable solutions, for a better life



sustainable solutions. for a better life.



Passionering to Global Recognition

VA TECH WABAG LTD

Results Update Presentation FY 2022-23

Cleaner Solutions for a Greener World





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01

Our Business

02

Performance

03

Order Book Analysis

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Awards and Reference Projects



48 MLD Bhubaneswar, STP, India

Our Business

- 💧 Core Offerings
- 💧 Global Leadership



TECHNOLOGY FOCUS

- ◆ **125+ IP Rights** developed in-house for water treatment technology solutions
- ◆ **Global R&D centres** – in Vienna and Chennai
- ◆ **Pioneering, Reliable, Advanced, Sustainable, Green and Proven Technologies** – promoting **Circular Economy**

GLOCAL DELIVERY

- ◆ **99 years of presence in over 25 countries;** strong execution track record of **over 1,400 Plants since 1995**
- ◆ **World class technologies at competitive price;** Focused on projects funded by **Central Govt., Multi Laterals & G2G Funding**
- ◆ **Ranked 3rd Globally by GWI** for ensuring water & sanitation for over 88 Mn people
- ◆ **Ranked among Top 10 Global Desalination players by GWI**



EP SPECIALIST

- ◆ **Core expertise** focused on **Engineering and Procurement**; Civil activities outsourced
- ◆ Focus on **‘Advanced technology, Value-Added & High Margin’** projects
- ◆ Enables to remain **asset light**
- ◆ **Manufactured Water** through marquee references in **Recycle & Reuse, Desalination** and **Renewable energy** thru Biogas

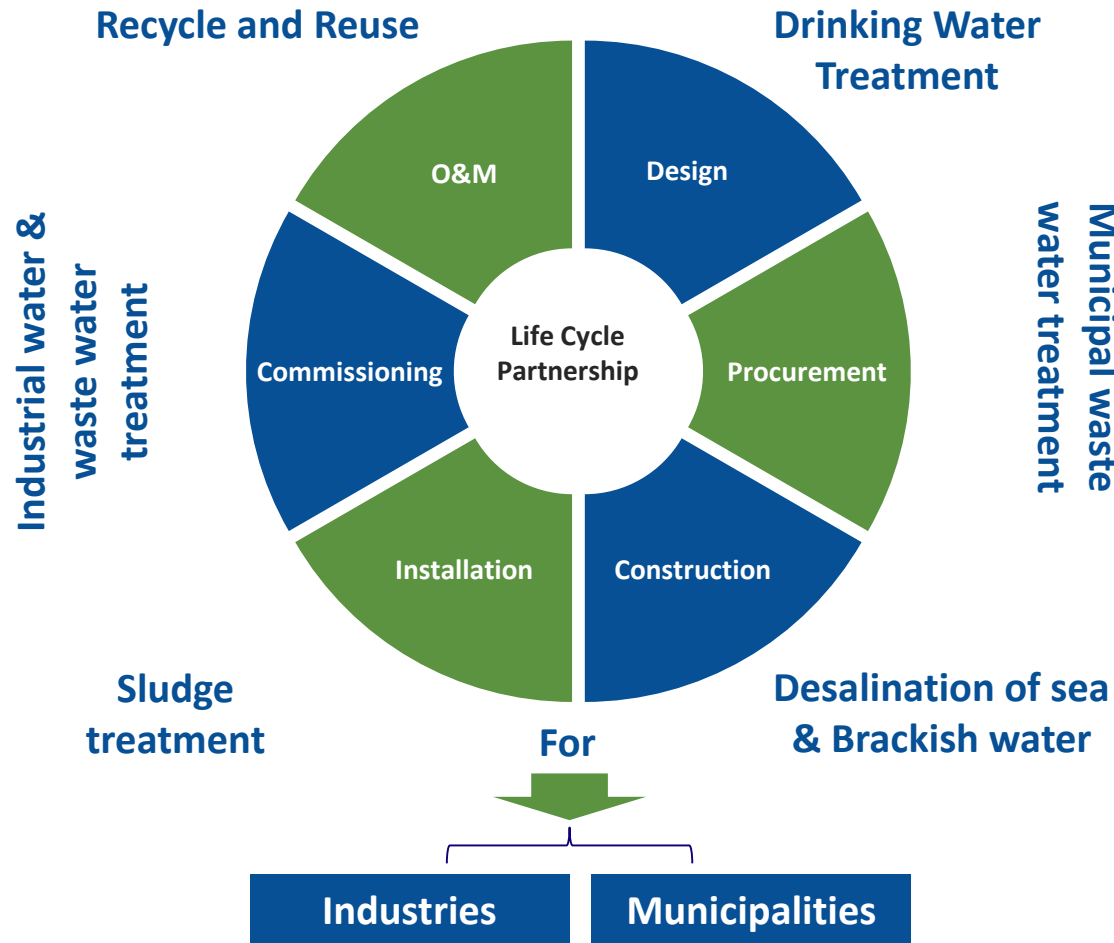
EXPERIENCED LEADERSHIP

- ◆ **Professional management** with avg. **30 yrs.** experience in the water sector
- ◆ **Independent Board** of Directors comprising **industry stalwarts** with diverse experience
- ◆ **Promoter** recognised among **TOP 20 Transformative Leaders** in Water sector, **TOP 3 Global Water Leaders** and **Global Asian of the year 2021-22**



Wabag is a leader in the Water space

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



... through various business/ delivery models

Engineering, Procurement & Construction (EPC)

Operation & Maintenance (O&M)

Design Build Operate (DBO)

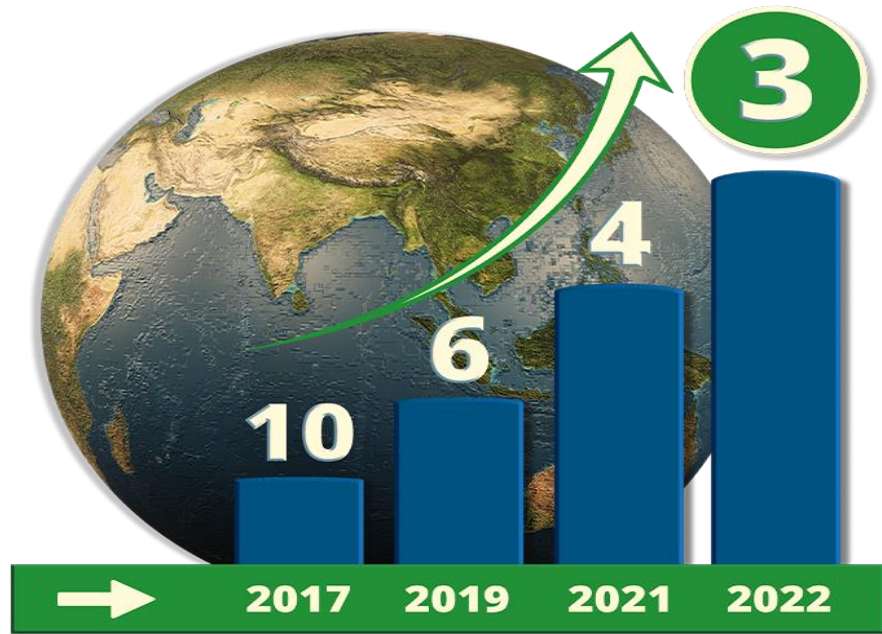
Build Own Operate Transfer (BOOT)

Hybrid Annuity Model (HAM)

WABAG brand is trusted and respected globally for its know-how and domain expertise built over 9 decades

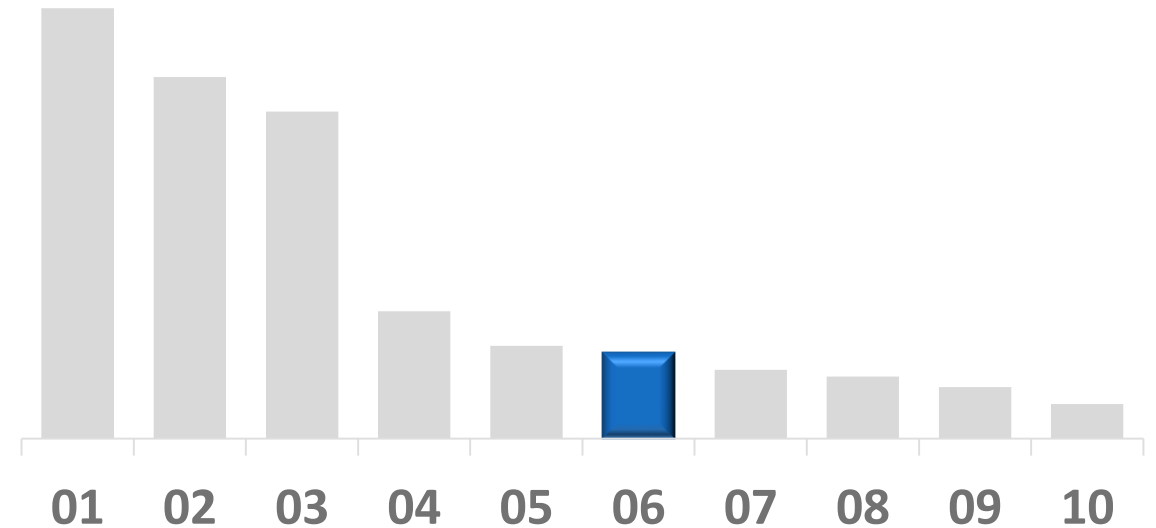


WABAG ranked 3rd Globally by Global Water Intelligence (‘GWI’), United Kingdom for ensuring **safe and clean drinking water and healthy environment for over 88 million people**



WABAG recognized amongst the **Global Top 10 desalination players.**

Ranked 6th globally in the recently published annual survey for the FY 2021-22 by GWI



Performance

- 👉 Highlights
- 👉 Key Performance Metrics
- 👉 Profit & Loss Statement
- 👉 Balance Sheet
- 👉 Cash Flow



Wabag continues its “ Profitable Growth ” journey.....

- ◆ **Consolidated Total Income of Rs. 30 Billion**
- ◆ **Consolidated EBITDA (before exceptional items) of Rs. 3.5 Billion YoY up by ~43%**
- ◆ **Consolidated PAT (before exceptional items) of Rs. 2.3 Billion; YoY up by ~74%**
- ◆ **Order book at over Rs. 132 Billion** including Framework contracts, a growth of ~31% YoY; Provides **Robust Revenue Visibility**

Cash and Working Capital focus remains intact.....

- ◆ **Another consecutive year of positive operational cash flow generation of Rs. 850 Million** on Consolidated basis and **Free Cash Flow of Rs. 861 Million**
- ◆ **Group continues its turnaround from Net Debt to Net Cash of Rs. 1,007 Million; Significant reduction in Gross Debt YoY from Rs. 4,285 Million to Rs. 2,132 Million**
- ◆ **Net Working Capital remains in control at 78 days; 10% reduction YoY**
- ◆ **Credit Rating Upgrade to A1+** received during this financial year; **Reaffirms strong business fundamentals**



- 💧 *Largest Order in the History of Wabag; JICA Funded Project*
- 💧 *Largest Desalination Plant in South East Asia*
- 💧 *Project makes Chennai the Desalination Capital of India; almost 750 MLD of Desalinated water to be produced.*
- 💧 *With the 400 MLD SWRO plant, Wabag will be responsible for about 70% of the water production through Desalination in Chennai.*



- 💧 *Breakthrough order from the new geography - Bangladesh*
- 💧 *Funded by World Bank & AIB Bank under Dhaka Sanitation Improvement Project (DSIP)*
- 💧 *Won this contract in Public tender against strong international competition*
- 💧 *New anaerobic sludge treatment technology with Biogas utilization*
- 💧 *Project will generate Green Energy from Biogas which will be used in plant operations*



Order book remains robust....

- ◆ Order Book of over Rs. 132.2 Bn *including Framework Orders*
- ◆ Order Intake of ~Rs. 68 Bn

Sustaining Profitable Growth....

Q4 FY 23:

- ◆ Consolidated Revenue at Rs. 9.3 Bn
- ◆ Consolidated EBITDA* at Rs. 1.1 Bn;
- ◆ Consolidated PAT* at Rs. 710 Mn;

FY 23:

- ◆ Consolidated Revenue at Rs. 29.6 Bn
- ◆ Consolidated EBITDA* at Rs. 3.5 Bn; **YoY growth of ~ 43%**
- ◆ Consolidated PAT* at Rs. 2.3 Bn; **YoY growth of ~ 74%**

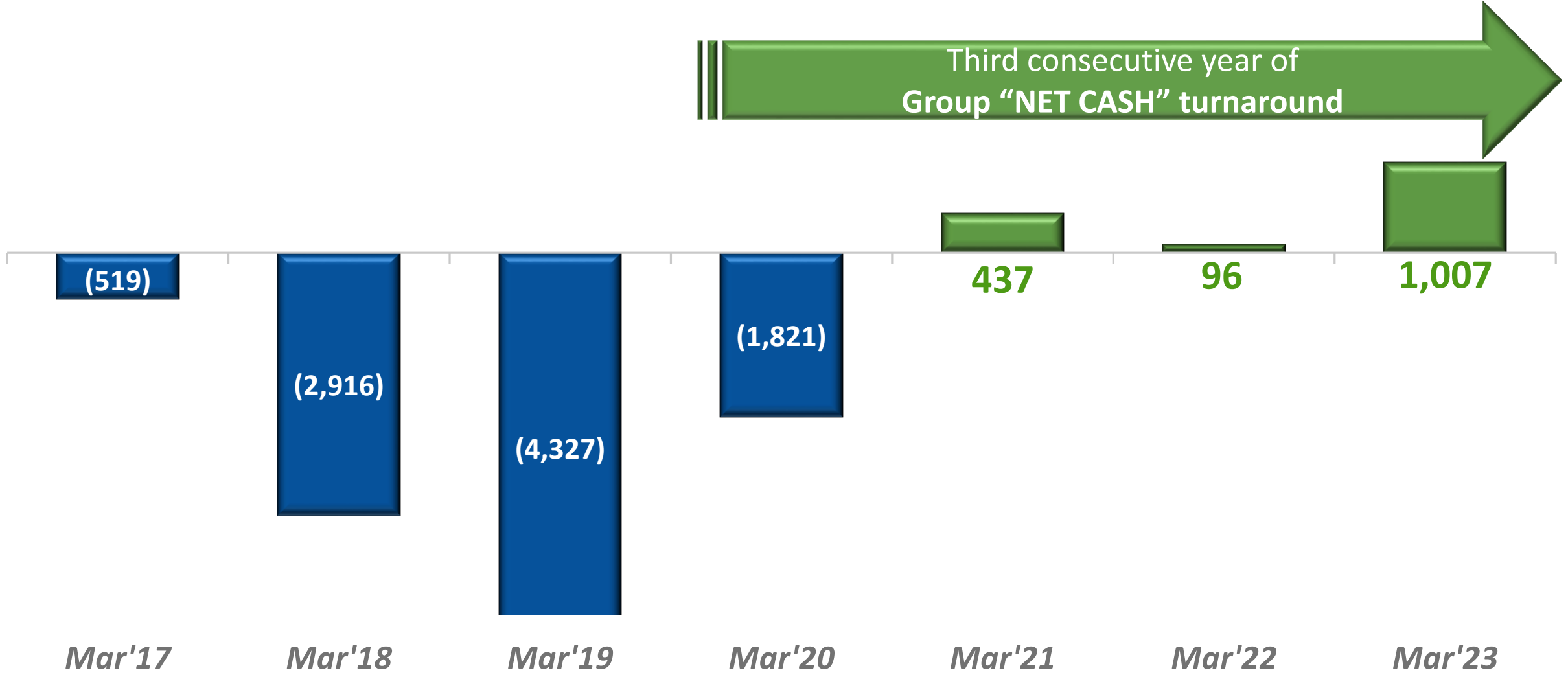
** Before exceptional items*



Marafiq STP, Kingdom of Saudi Arabia



Group continues of Net Cash Positive path...



In Rs. Millions



RoCE
18.5%

*Driven by Asset Light
Business Model*

EBITDA*
12.0%

*Driven by EP,
International,
Industrial &
Technology Projects*

PAT*
7.7%

*Driven by debt control
& improving operating
margins*

WC
78 Days

*Driven by efficiencies
in business operations*

Strong Business parameters in line with Long Term Strategy

** Before exceptional items*



- ❖ Receivables and other current assets pertaining to GENCO projects written off to the tune of Rs. 2,892 Million
- ❖ Write off due to Prolonged delays driven by external factors like delay in conclusion of legal cases, State split and Project extensions driven by customer needs etc.
- ❖ Improved results and metrics reflecting real performance of the Business
- ❖ Recurring ECL provisions for GENCO will be avoided in the future
- ❖ Historic high Profitability during the year enabled to absorb the Write off
- ❖ Company will continue to pursue efforts to recover the receivables



RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q4		YOY %	Q4		YOY %
	FY 23	FY 22		FY 23	FY 22	
Total Income	9,345	9,015	3.7%	30,141	30,117	0.1%
Revenue from operations	9,269	8,919	3.9%	29,605	29,793	(0.6%)
Cost of Sales	7,020	6,830	2.8%	22,695	23,057	(1.6%)
Total Cost of Operations (TCO)	1,165	1,358	(14.1%)	3,363	4,253	(20.9%)
EBITDA	1,084	731	48.1%	3,547	2,483	42.8%
EBITDA margin	11.7%	8.2%		12.0%	8.3%	
Net Interest Cost	40	99	(60.1%)	185	299	(38.2%)
Dividend Income	(5)	(4)	17.5%	(11)	(70)	(84.2%)
Bank Charges	103	137	(25.2%)	370	514	(28.2%)
Gain on Sale/Liq. of Inv.	(52)	(77)	(31.8%)	(52)	(77)	(31.8%)
Depreciation & Amortization	22	25	(15.4%)	88	101	(13.0%)
Exceptional items	2,434	-		2,892	-	
Tax	(299)	105	(384.9%)	59	363	(83.8%)
Share of Profits / MI (Net)	(46)	17	174.0%	(112)	(33)	(437.5%)
Profit After Tax						
<i>Before Exceptional Items</i>	710	463	53.4%	2,293	1,319	73.8%
PAT margin						
<i>Before Exceptional Items</i>	7.7%	5.2%		7.7%	4.4%	
Profit After Tax (Reported)	(1,111)	463	(340.0%)	129	1,319	(90.3%)
PAT margin	(12.0%)	5.2%		0.4%	4.4%	

- Flat topline driven by higher EP project mix and muted Europe growth in line with current geopolitical situation & Group's long term strategy
- Sustainable Annual Operating margins driven by execution efficiencies / mix of new projects
- Lower Finance Cost driven by lower debt levels and efficient management of cash and Bank lines
- PAT and EBITDA at historic high levels (before exceptional items)



RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q4 FY23	Q4 FY 22	YOY %	FY23	FY 22	YOY %
Total Income	7,509	6,655	12.8%	23,859	21,709	9.9%
Revenue from Operations	7,486	6,531	14.6%	23,253	21,426	8.5%
Cost of Sales	5,356	5,093	5.2%	17,856	16,994	5.1%
Total Cost of Operations (TCO)	835	809	3.2%	1,926	2,513	(23.4%)
EBITDA	1,295	629	105.9%	3,471	1,919	80.9%
EBITDA margin	17.3%	9.6%		14.9%	9.0%	
Net Interest Cost	37	89	(58.1%)	190	292	(34.7%)
Dividend Income	(5)	-		(5)	(62)	(91.7%)
Bank Charges	96	105	(7.9%)	334	415	(19.6%)
Gain on sale of FA	(2)	-		(2)	-	
Depreciation & Amortization	10	13	(26.1%)	42	53	(22.0%)
Exceptional items	2,434	-	-	2,892	-	-
Tax	(319)	101	(417.7%)	8	299	(97.4%)
Profit After Tax Before Exceptional Items	866	321	169.4%	2,177	922	136.2%
PAT margin Before Exceptional Items	11.6%	4.9%		9.4%	4.3%	
Profit After Tax (Reported)	(955)	321	(397.1%)	13	922	(98.6%)
PAT margin	(12.8%)	4.9%		0.1%	4.3%	

- Revenue growth driven by New projects which are now picking up pace; Higher EP mix enabling improvement in execution pace
- Improved EBITDA driven by execution efficiencies, mix of projects and International projects
- Lower Interest Cost and Bank charges reflecting effective utilization of Bank Lines.



RESULTS OVERVIEW – Balance sheet

Rs. Millions	Consolidated		Standalone	
	Mar'23	Mar'22	Mar'23	Mar'22
Total Equity (Net Worth)	15,746	15,259	12,615	12,603
Non-Current Liabilities	2,136	3,071	1,969	2,801
Trade Payables	10,697	9,853	8,695	7,764
Short Term Borrowings	1,582	3,349	1,582	3,251
Other Current Liabilities	10,730	8,491	5,861	4,465
Total Equity & Liabilities	40,892	40,023	30,722	30,884
Fixed Assets	755	800	595	632
Other Non-Current Assets	9,420	9,586	7,868	8,327
Trade Receivables	15,068	13,255	13,916	11,900
Cash & Bank Balances	2,754	4,286	1,662	2,150
Other Current Assets	12,895	12,096	6,681	7,875
Total Assets	40,892	40,023	30,722	30,884

- Efficient execution driving consecutive years of Net cash positive status and control over Net working capital



Rs. Millions	FY 23	
	Consolidated	Standalone
Net cash generated from operations	850	2,183
Net cash generated from/(used) in investing activities	158	(495)
Net cash used in financing activities	(2,401)	(2,272)
Cash and cash equivalents at the end	2,066	861

- Focus on project execution ensured Positive Group operational cash-flow of Rs. 850 Million and Free Cash Flow of Rs. 861 Million
- Turnaround from Net Debt to Net Cash continues – Net Cash Positive as of FY 23 at Rs. 1,007 Million
- Significant reduction in Gross Debt YoY from Rs. 4,285 Million to Rs. 2,132 Million





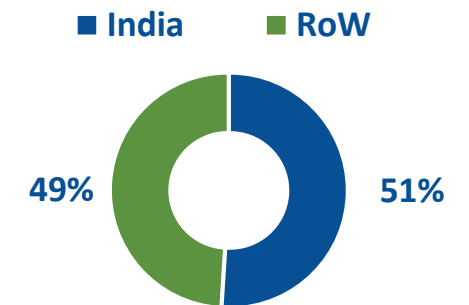
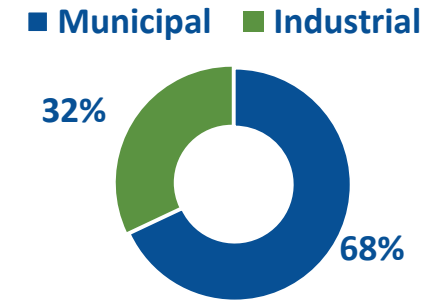
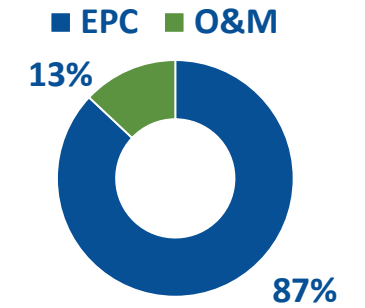
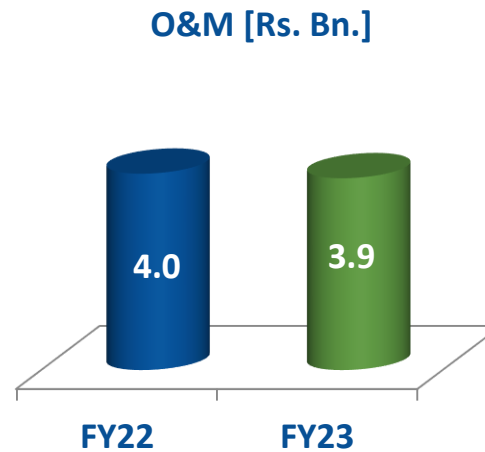
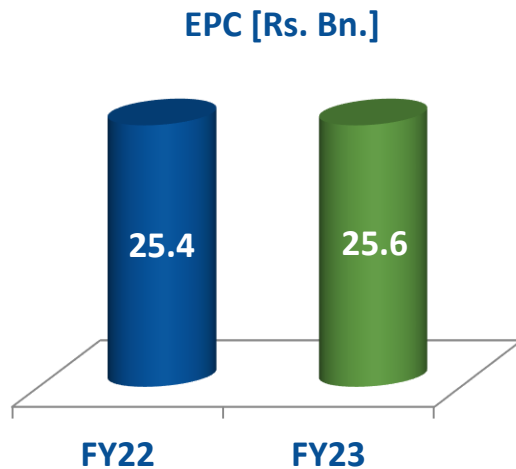
Order Book Analysis

- 💧 Revenue
- 💧 Order Intake
- 💧 Order Book



By Business Offering & Customer Segment			
Rs. Millions	Municipal	Industrial	Total
EPC	16,814	8,737	25,551
O&M	3,346	566	3,912
Total	20,160	9,303	29,463

By Geography	
Rs. Millions	Total
India	15,149
Rest of the World (RoW)	14,314
Total	29,463



By Business Offering & Customer Segment

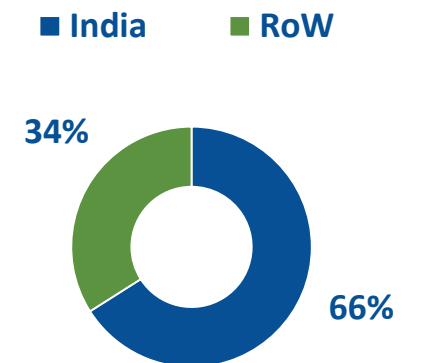
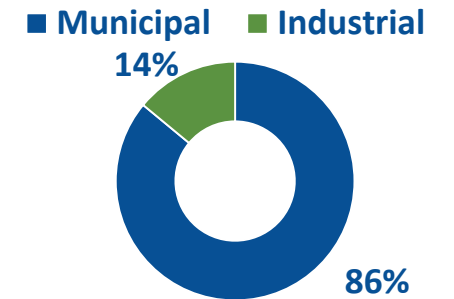
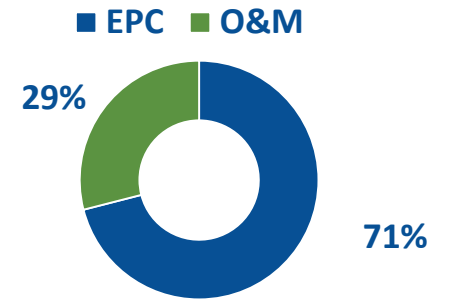
Rs. Millions	Municipal	Industrial	Total
EPC	41,783	6,773	48,556
O&M	16,976	2,909	19,885
Total	58,759	9,682	68,441

By Geography

Rs. Millions	Total
India	45,402
Rest of the World (RoW)	23,039
Total	68,441

Key Orders Received during FY 23

Key Orders Received during FY 23	Nature	Order Value (Rs. Mn.)
400 MLD Perur, Chennai – Desal	EPC	36,779
200 MLD Pagla, Bangladesh – STP	EPC	6,844
53 MLD RIL, Jamnagar – Desal	EPC	4,275
50 MLD Senegal – Desal	EP	3,813
Purolite Victoria WWTP, Romania – ETP	EP	2,579
Ceramic Membranes for Chestnut Waterworks, Singapore	EP	1,313



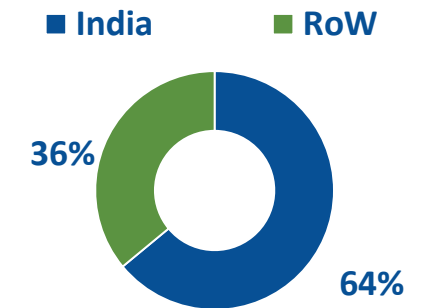
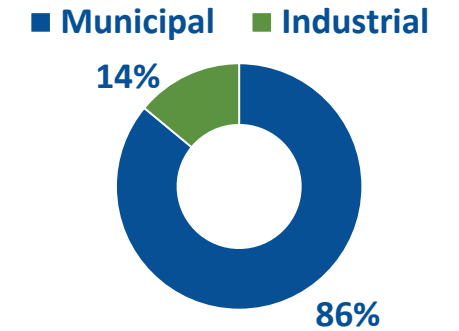
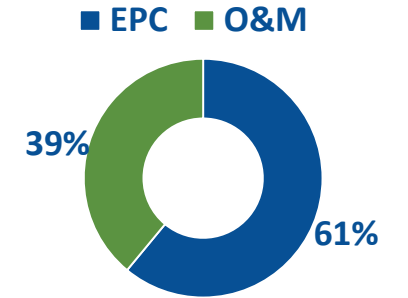
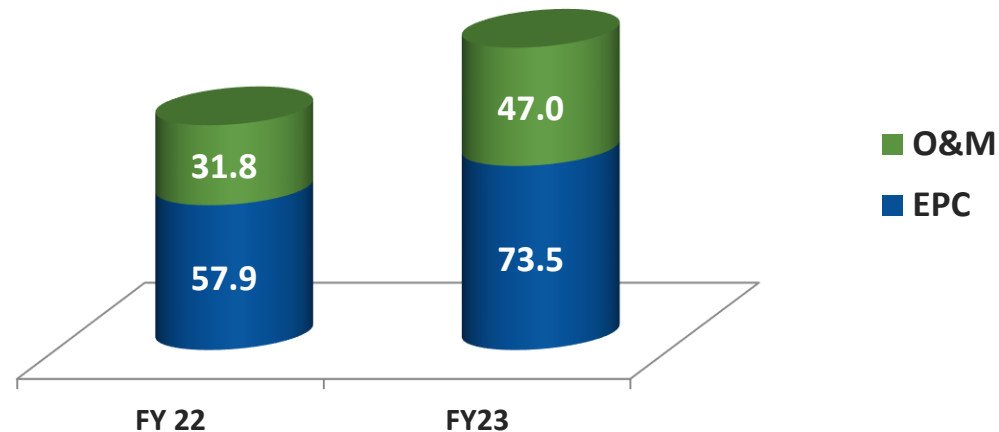
Order Book Composition

By Business Offering & Customer Segment

Rs. Millions	Municipal	Industrial	Total
EPC	61,946	11,595	73,541
O&M	42,298	4,715	47,013
<i>Framework</i>			11,638
Total	104,244	16,310	132,192

By Geography

Rs. Millions	Total
India	76,919
Rest of the World (RoW)	43,635
<i>Framework</i>	11,638
Total	132,192



Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
400 MLD Perur, Chennai – Desal	36,763
UPJN, O&M of Agra & Ghaziabad	13,429
AGCC, Russia – Integrated Industrial ETP	8,573
150 MLD Digha & Kankarbagh – STP & Network	7,325
200 MLD Pagla, Bangladesh – STP	6,829
50 MLD Senegal – Desal	3,298
Purolite Victoria WWTP-ETP	2,587
53 MLD RIL, Jamnagar – Desal	2,085
40 MLD GNN, Ghaziabad – TTRO	1,744

Key Framework Contracts *

- *Libya STP of Rs. 6,114 Mn*
- *Bomba MED, Libya of Rs. 5,524 Mn*

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





Awards and Accolades



Water Digest Water Awards 2022-23



Best Water Treatment Solution Provider: Conferred with the “Best Water Treatment Solution Provider” at the Water Digest Water Awards 2022-23 for ensuring Water Security and Environment Sustainability for millions of people across the globe

Energy Globe Award



National Winner: Conferred with the prestigious Energy Globe Award 2022 for its sustainable wastewater treatment and water recycling plant at Madinaty, Cairo, Egypt



Construction Times Awards 2023



Desalination Project of the Year: Won “Desalination Project of the Year” award at Construction Times Awards 2023 for 30 MLD SWRO plant built for MRPL at Mangalore, Karnataka

CII - EHS Excellence Awards 2022



Received two Bronze Awards for 140 MLD Dinapur STP, Varanasi and One City One Operator initiative at Agra, Uttar Pradesh.



The Economic Times Infra Focus Awards 2022



Wabag has been conferred with “Emerging Infrastructure Company in the Water Infrastructure Sector” at The Economic Times Infra Focus Awards 2022

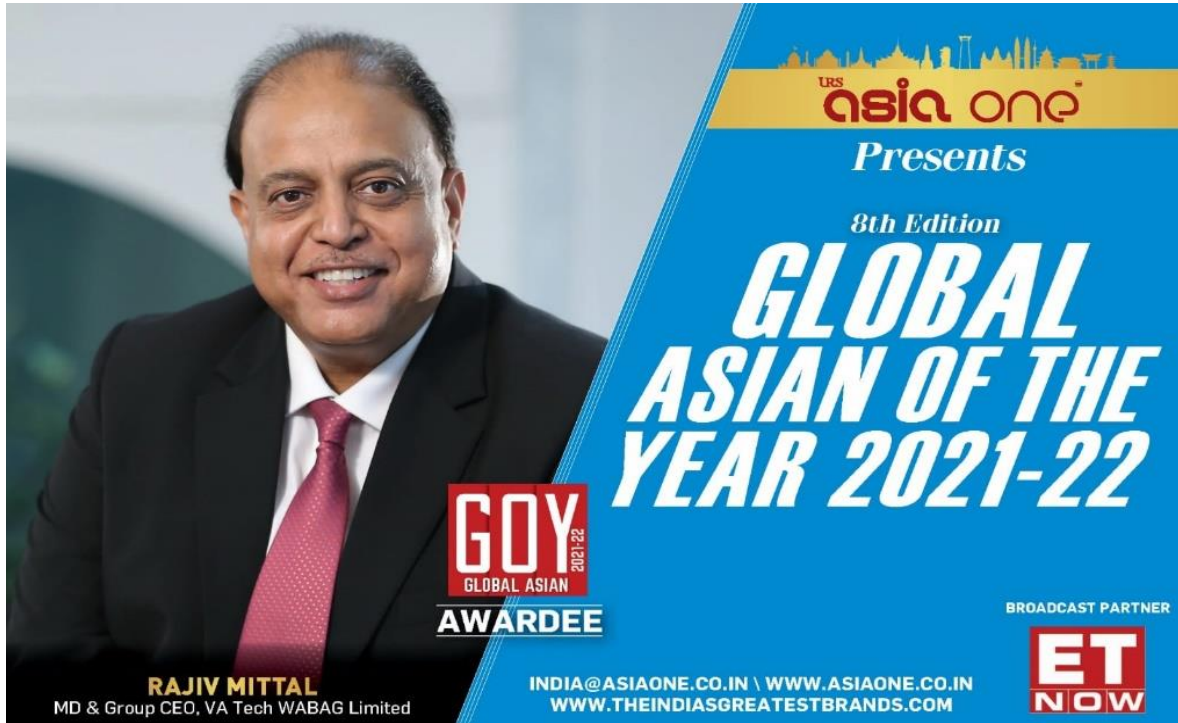
IWA Fellow Community



Mr Rajiv Mittal (Chairman & MD - VA Tech WABAG) has been conferred IWA Fellow for his outstanding contribution to the Water sector around 4 decades.



Global Asian of the Year 2021-22



Mr Rajiv Mittal (Chairman & MD - VA Tech WABAG) has been recognized as “Global Asian of the Year 2021-22” by Asia One Magazine for his 3 decades of dedication to the water industry.

Water Digest Water Awards



WABAG was conferred with “Desalination Project of the Year” for our 30 MLD SWRO plant for Mangalore Refinery and “Best Water Management – Private Sector” for our One City One Operator Initiative at Agra and Ghaziabad, UP



For further information, please contact



sustainable solutions. for a better life.

Company

Investor Relations Advisors

VA Tech Wabag Ltd.

CIN - L45205TN1995PLC030231

Mr. Skandaprasad Seetharaman,

Chief Financial Officer

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CIN - U74900MH2014PTC259212

Mr. Gaurang Vasani,

Managing Director

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Cleaner Solutions for a Greener World





Annexures



(Select Landmark Projects)



Al Madina Al Shamaliya 40 MLD Sewage Treatment Plant, Bahrain
Awarded Wastewater Project of the Year at Global Water Awards, 2019



191 MLD SWRO (Desalination) Plant, Al Gubrah, Oman
Largest desalination plant in the country of Oman



54 MLD Effluent Treatment and recycling plant, for Indian Oil Corporation Limited, Paradip, Odisha, India
India's largest industrial water recycling plant



110 MLD SWRO (Desalination) Plant, Nemmeli, Chennai, India
India's largest operational desalination plant till date



102 MLD Industrial Effluent Treatment Plant for PETRONAS, Malaysia
Largest industrial Effluent Treatment Plant in South East Asia



140 MLD Sewage Treatment Plant, Dinapur, Varanasi, India
First and largest STP to be inaugurated under 'Clean Ganga' mission



32 MLD Drinking Water Treatment Plant, Dambulla, Srilanka
Integrated water supply scheme with transmission, distribution and water treatment



50 MLD BWRO (Desalination), for Reliance Industries, Dahej, India
Turnkey project executed in record 8 months 24 days

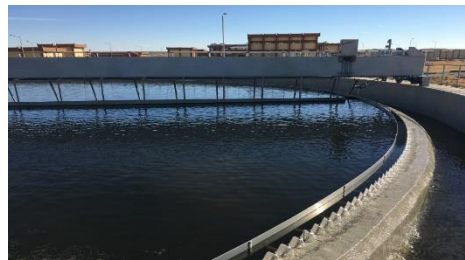


(Select Landmark Projects)



110 MLD Sewage Treatment Plant, Kodungaiyur, Chennai, India

One of the most energy efficient and energy neutral STPs in the country



40 MLD Madinaty Waste Water Treatment Plant, Cairo, Egypt

Water reclamation plant for new satellite city near Cairo



Total City Water Management, Istanbul, Turkey

Managed 124 units catering to 16 million population in the Asian and European districts of Istanbul



5 MLD Industrial Water Reclamation Plant, Ujams, Windhoek, Namibia

First plant of its kind in Namibia, treating effluents from five different production facilities

21 MLD New Goreangab Water Treatment Plant, Windhoek, Namibia

First worldwide direct potable water reuse plant.



130 MLD Drinking Water Treatment Plant, Tanzania

First water project in Africa to be commissioned under EXIM India funding



14 Sarneraatal WWTP, Alpnach, Switzerland

First plant in Switzerland to be commissioned with NEREDA® technology



Industrial Effluent Treatment Plant for Phillip Morris, Otopeni, Bucharest, Romania

Treatment of effluents from tobacco production

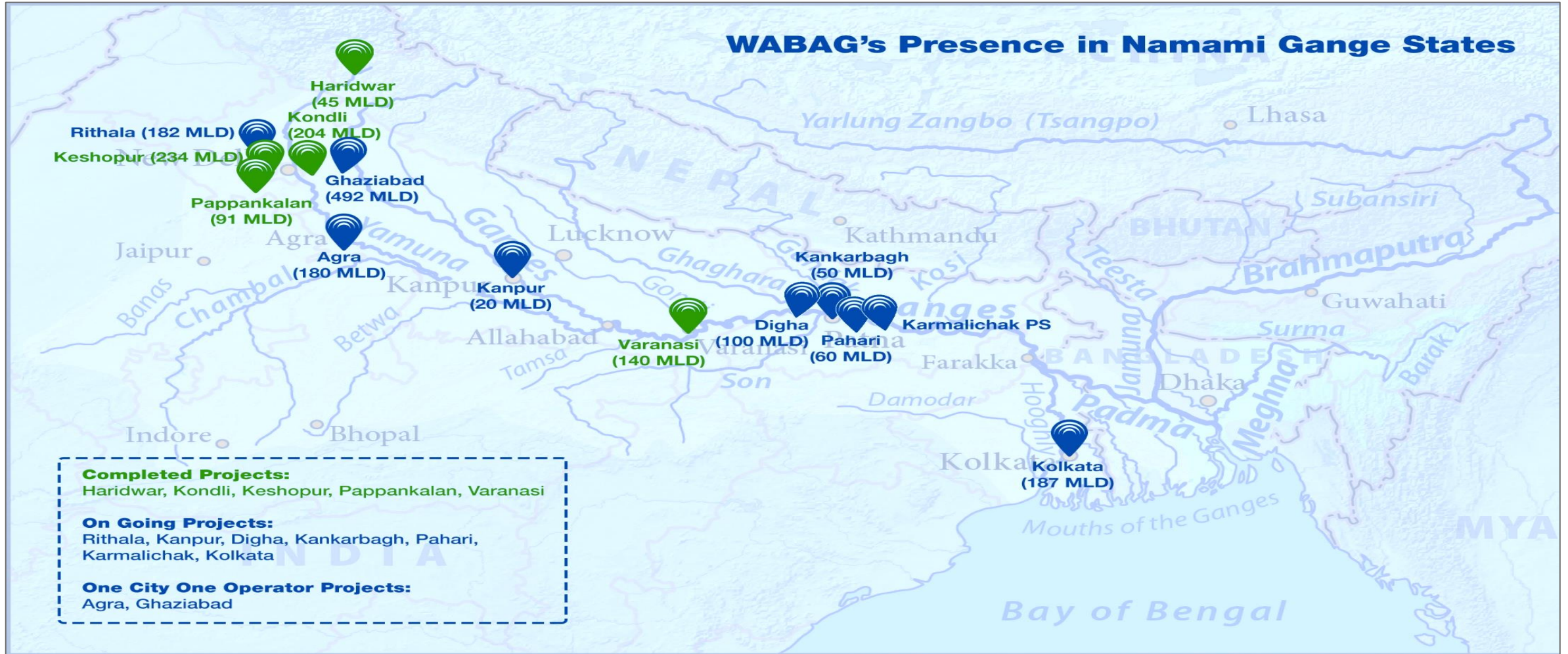


45 MLD Koyambedu TTRO Recycle Reuse Plant, Chennai, India

One of the largest and technologically most advanced water reuse plants in India ensuring Chennai's Water security



Increasing contribution in cleaning the Holy River



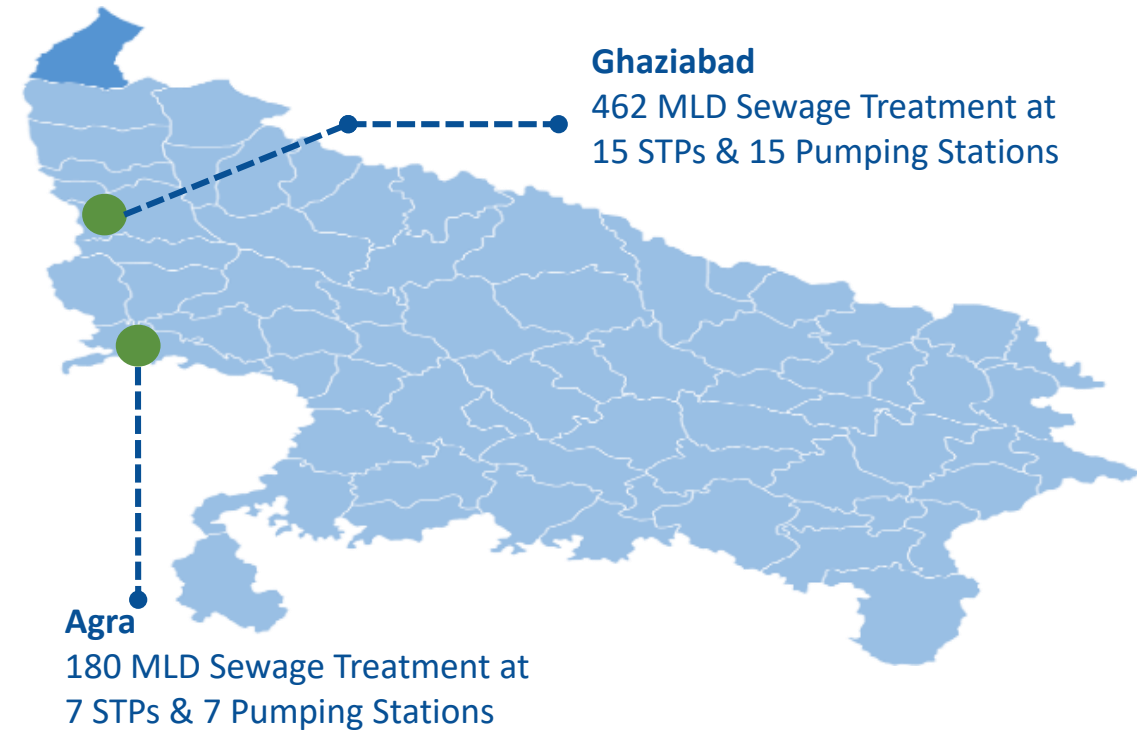
Committed to managing over 195 crore liters each day to rejuvenate Aviralta & Nirmalta of River Ganga



Pioneering the One City One Operator Model

Ensuring sustainable and healthy Environment for the citizens of Agra and Ghaziabad, India

- Resolving SEWER NETWORK issues promptly and ensuring customer satisfaction
- Ensuring functioning of the PUMPING STATIONS efficiently, round the clock
- Operating and Maintaining the STPs for SAFE DISCHARGE of treated sewage into River Yamuna



Municipal



Industrial



Funding Agencies



Serving clients in...

- Municipal Water & Waste Water
- Oil & Gas
- Power plants
- Steel
- Food & Beverages
- Fertilizer
- Industrial parks



Reshaping the Sector for a Greener Tomorrow

Our Path To Net Zero



Reducing GHG emissions through our sustainable solutions

Water Neutral



Effective usage of Recycled Water

Waste To Energy



Generating green energy for 25 years

Resource Recovery



Generating valuable resources from waste

Circular Economy



Contributing to Circular Economy

WABAG's Contribution to Water & Environment over last 2.5 decades

1.2 million m³



Desalinated Water per day

2.5 million m³



Recycled Water per day

> 40 MW



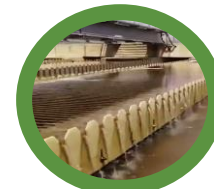
Green Energy per day

27 million m³



Wastewater treated per day

26.5 million m³



Clean Water per day

Saving > INR 6.5 Mn



Power Cost per day

Reducing > 630 Tonnes



GHG Emission per day





22 CSR Projects benefiting

3,500+
Farmers

6,000+
School Kids
& teachers

5,000+
Urban Poor

CSR Focus on Water, Sanitation & Skill Development



Thank You !

