

May 24, 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: Presentations made at the Investors' Conference call/meet of VA Tech Wabag Limited - "Company's Business & Outlook post Q4 & FY23 Results" with Investors/Analysts/ Several funds**

**Ref : Our earlier communication dt. May 23, 2023**

Pursuant to Regulation 30(6) read with Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the video and presentation made at the Investors' Conference call/meet organized on Tuesday, May 23, 2023, post declaration of the Audited Financial Results (both Standalone and Consolidated) for the quarter and year ended March 31, 2023, which is uploaded in the website of our Company.

Web link: <https://www.wabag.com/wp-content/uploads/2023/05/Manufactured-Water.mp4>

Kindly take the same on record.

Thanking You,

For VA TECH WABAG LIMITED

**Anup Kumar Samal**  
**Company Secretary & Compliance Officer**  
Membership No. F4832

Encl : As stated above

Sustainable solutions, for a better life



sustainable solutions. for a better life.



Passionering to Global Recognition

# Annual Investor Meet FY 23

23-May-2023

*Cleaner Solutions for a Greener World*





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# A CENTURY OF WATER LEADERSHIP

Senegal



Sri Lanka



Romania



Russia



Austria



Bangladesh



Libya



Singapore



Tunisia



Algeria



Nepal



Malaysia



Thailand



KSA



Oman



Iran



Namibia



Macau



Qatar



Tanzania



Egypt



Nigeria



Bahrain



Turkey



2024 WILL BE OUR  
CENTENARY YEAR

Philippines



UAE



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## 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 3<sup>rd</sup> 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

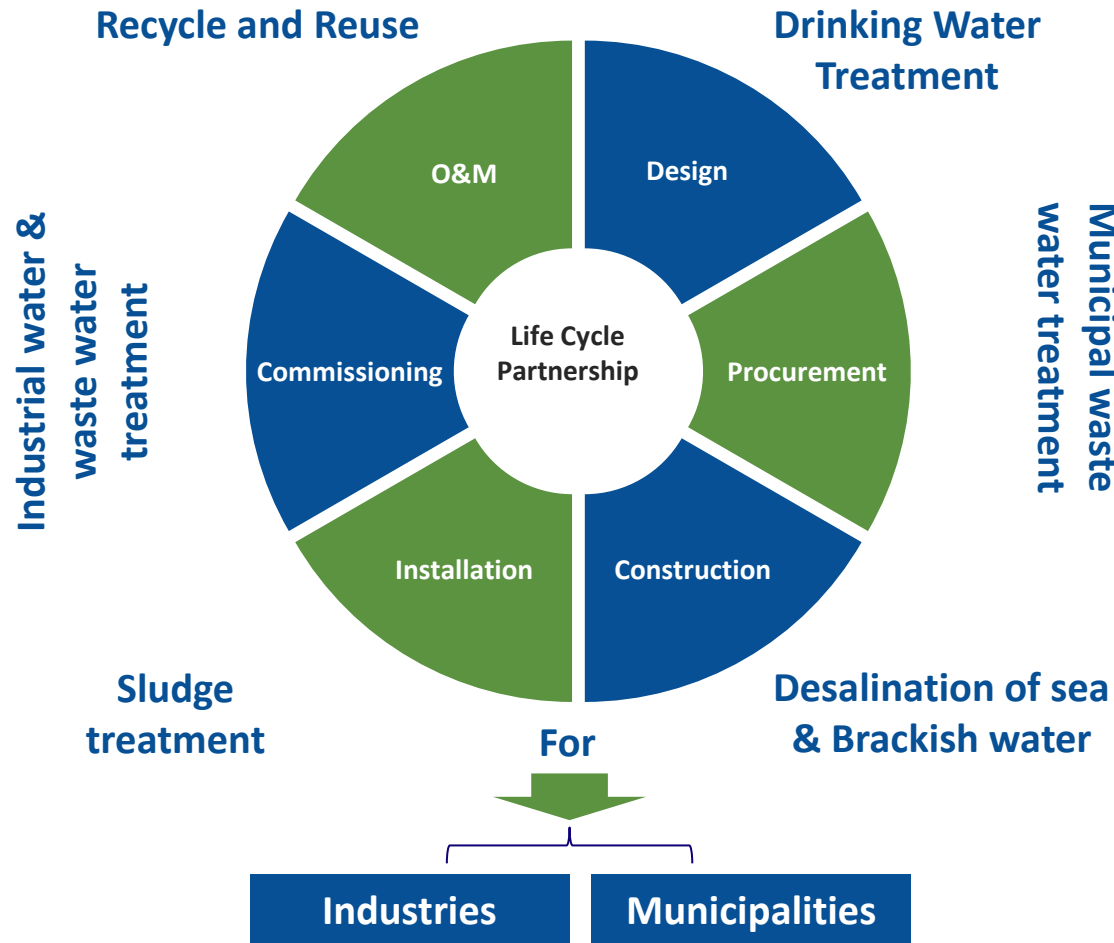
## EXPERIENCED LEADERSHIP

- ◆ **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)

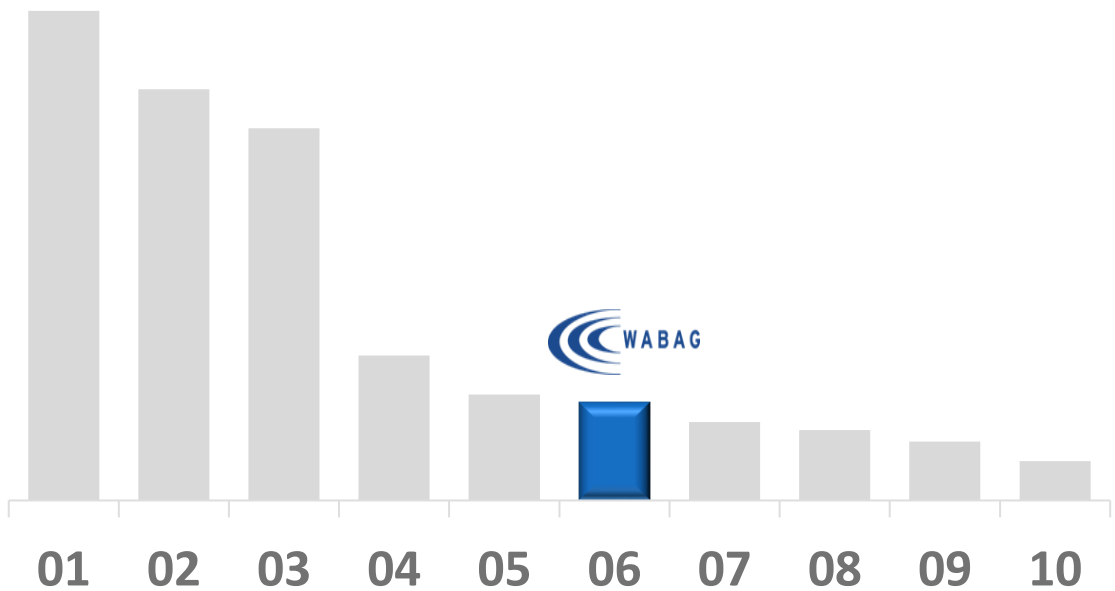
WABAG brand is trusted and respected globally for its know-how and domain expertise built over 9 decades



# Globally Recognized Water Leader

WABAG ranked 3<sup>rd</sup> 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





# Leadership Team

## Board of Directors



**Rajiv Mittal (Promoter)**  
Chairman & Managing Director



**S. Varadarajan (Promoter)**  
Director & Chief Growth Officer



**Milin Mehta**  
Independent Director



**Vijaya Sampath**  
Independent Director



**Ranjit Singh**  
Independent Director



**Amit Goela**  
Non Independent, Non Executive Director

## Executive Leadership Team



**Pankaj Malhan**  
Deputy Managing Director & Group CEO



**Skandaprasad Seetharaman**  
Chief Financial Officer



**Shailesh Kumar**  
CEO – India Cluster



**Mahmut Gedek**  
CEO – Europe Cluster



**Rajneesh Chopra**  
Head – Global Business Development



# The Water Market & Green Energy



# Overview of Global Water Market

Massive outlay under Govt. schemes shall continue to drive opportunities in India

Large scale Desalination projects announced in Saudi Arabia & Egypt over next 3 years

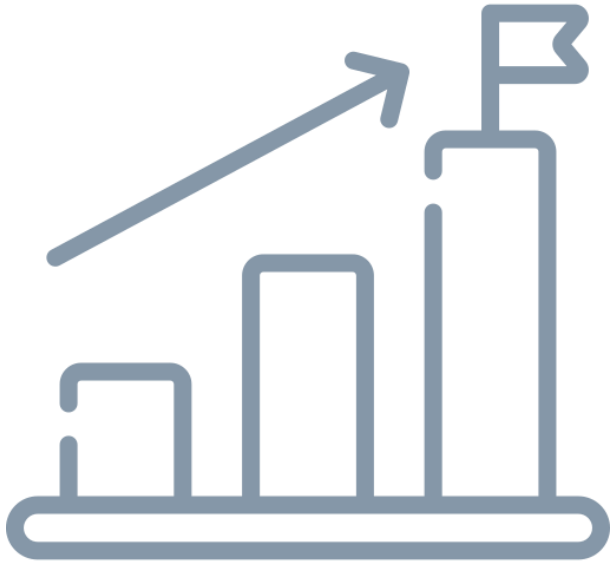
Recycle & Reuse (R&R) is projected to be the key growth driver in India and globally

Growing Semiconductor and Green hydrogen market shall drive the demand for Industrial projects

Increased regulatory compliances with regard to discharge norms in Industrial Segment

Russia emerges as focus market for Oil & Gas projects, Sanctions on country shall benefit





**Bilateral, Multilateral,  
Sustainability & Green  
Funding in Water Sector**

- ❑ Financial Institutions all across the globe looking at **Water Sector** with renewed interest
- ❑ Sustainable Development Goals (**SDG**) & Environment, Social, Governance (**ESG**) driven initiatives attracting interest from Sustainability & Green Funds
- ❑ Renowned Financial Institutions such as **World Bank, ADB, JICA, EXIM, KfW** offering **Grants & Loans** at minimal interest rates to boost Sustainable Infrastructure
- ❑ Notable **allocation amounting to over \$4 Billion** under Active, Proposed & Pipeline stage from various Financial Institutions globally.





## India Cluster

- Massive outlay under Govt. Schemes like **AMRUT 2.0, Jal Jeevan Mission, Namami Gange and Swachh Bharat Mission 2.0** shall boost opportunities in the sector.
- 5 state SRTW(Safe Reuse of Used Water) policy shall promote opportunities for **Recycle & Reuse**.
- **Singapore, Philippines, Vietnam, Indonesia and Thailand** has announced some large scale projects in Wastewater Treatment and Desalination in EPC and BOOT models.

## MEA Cluster

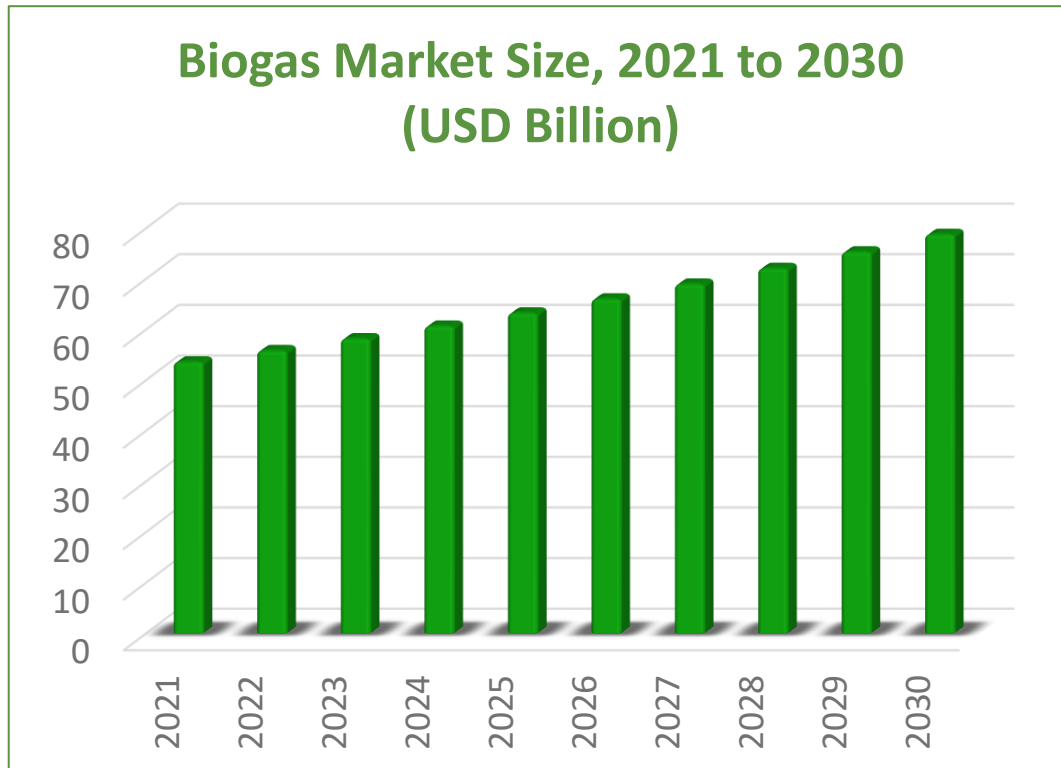
- Govt. of Saudi Arabia allocated **USD 28 billion** to support new waste water projects.
- In view of vision 2030 **Wastewater reuse** is seeing significant interest in Saudi Arabia, target for **35% of the country's used water to be recycled** by 2030.
- Egypt's strategy for setting up large scale desalination plants in conjunction with Renewable energy. Planned **21 Projects for 3,300 MLD** with **USD 3 Billion** Investment.
- **Urban, Rural & Climate resilience programs in Africa** to drive opportunities & funding for the sector.

## Europe Cluster

- EU planning to **overhaul contaminant and nutrient removal standards in Europe** in a revision to the **Urban Waste Water Treatment Directive (UWWTD)**, with over **USD 4 Billion** a year of Capex & Opex by 2040.
- Spanish Government assigned around **30% of the USD 24.13 billion** water budget for plugging deficiencies in wastewater treatment, with irrigation improvements, desalination, and reuse the other priority areas.
- Proposed Multilateral funding of over **USD 1 Billion** for Europe, majorly focusing on **Croatia, Italy, Poland and Belgium**.



## Biogas: Market Development and Potential, Worldwide



Global Biogas Market Potential of **USD 78.8 Billion** by 2030

Global Bio-methane Market Potential of USD 4 billion by 2031

**Green Energy (Bio-CNG) potential of STPs based on ASP and UASB technology is around (Installed capacity - 199,939 Tons per year)**

## Green Hydrogen: Water Demand

<b>India Cluster</b>	Hydrogen Production Target <b>5 MMT /Year</b>	Requires Ultra Pure Water <b>50,000 Million Litres</b>
<b>MEA Cluster</b>	Hydrogen Production Target <b>11 MMT /Year</b>	Requires Ultra Pure Water <b>110,000 Million Litres</b>
<b>Europe Cluster</b>	Hydrogen Production Target <b>10 MMT /Year</b>	Requires Ultra Pure Water <b>100,000 Million Litres</b>



## 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 m<sup>3</sup>



Desalinated Water per day

2.5 million m<sup>3</sup>



Recycled Water per day

> 40 MW



Green Energy per day

27 million m<sup>3</sup>



Wastewater treated per day

26.5 million m<sup>3</sup>



Clean Water per day

Saving > INR 6.5 Mn



Power Cost per day

Reducing > 630 Tonnes



GHG Emission per day



# Group Strategy - Wriddhi (वृद्धि)





## Profitable Growth | Success | Market Leadership | Free Cash-flow | Quantum Leap | Improved Valuation

### Go to Market

Deploy **agile Go to Market teams** across focus markets

Focus on **Developing jobs; Competitiveness** to remain **intact**

The Wabag differentiator – **Passioneering !**

### O&M Focus

Focus on **Standalone O&M** along with DBO/HAM

**One City One Operator**, a game changer – **Replication** to remain the focus

**O&M leadership** → Medium term target of **20% revenues from O&M business**

### EP, Industrial, International

Enables to remain an **advanced technology player**

**Diversification of risk** → Geographic, better working capital

Better **cash-flows** and better **time control**

### Partnerships

Essential to remain **Asset Light**

**Performance based projects** are the future; enhanced presence in Capital projects

**Construction, Developer & Tech partnerships** → **de-risking & leadership essentials**

### Global Delivery Centers

Focusing on **GLOCAL approach** to execution through a **hub and spoke model**

**Collaboration and Synergies between Clusters**

**Strong Order book** and **Larger ticket size projects** – **Continued Execution Efficiency**



# Business Metrics



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

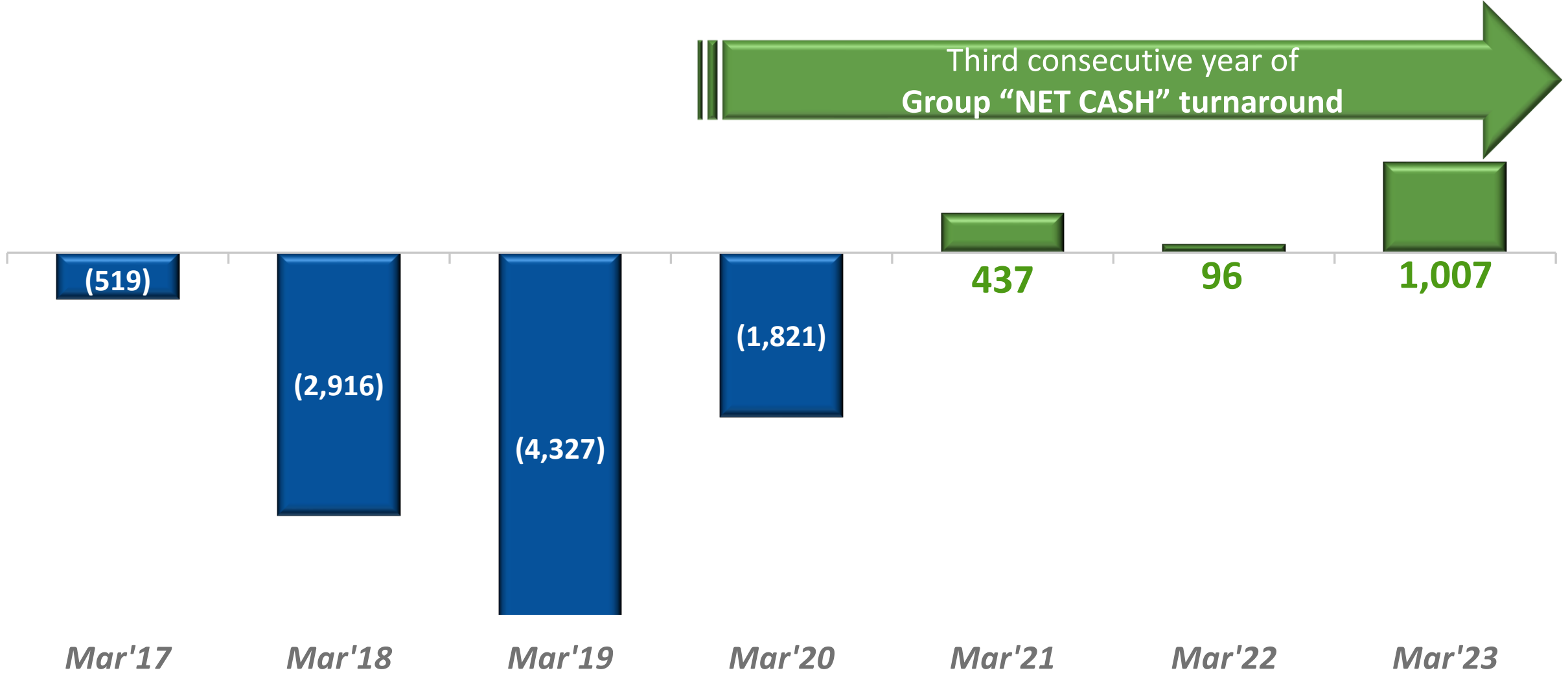
- ◆ **Consolidated Total Income of Rs. 30 Billion**
- ◆ **Consolidated EBITDA (before exceptional items) of Rs. 3.5 Billion YoY up by ~43%**
- ◆ **Consolidated PAT (before exceptional items) of Rs. 2.3 Billion; YoY up by ~74%**
- ◆ **Order book at over Rs. 132 Billion** including Framework contracts, 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. 2,133 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**



# Group continues of Net Cash Positive path...



In Rs. Millions





- 💧 *Largest Desalination 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*





**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*

*\* Before exceptional items*



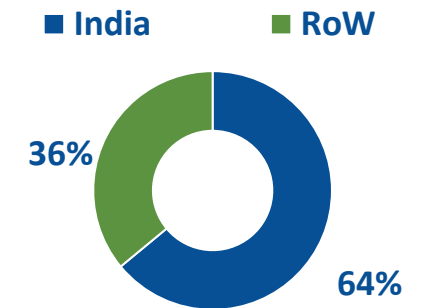
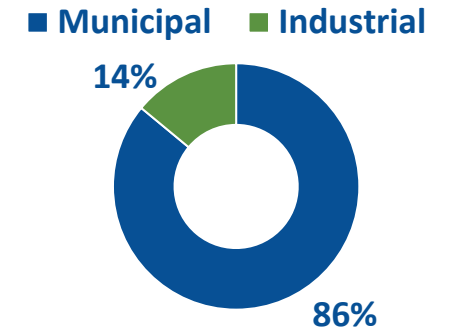
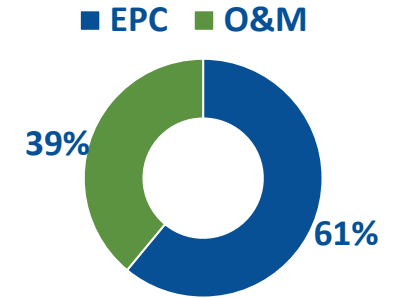
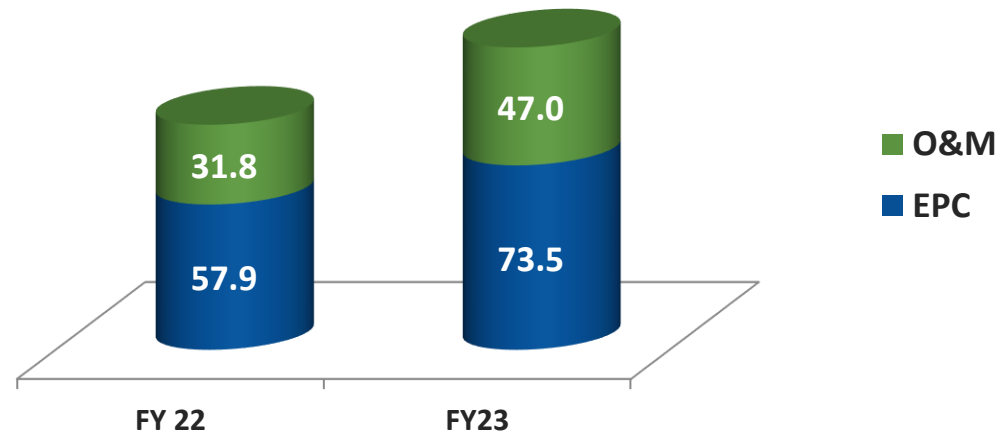
# Order Book Composition

## 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
Framework			11,638
<b>Total</b>	<b>104,244</b>	<b>16,310</b>	<b>132,192</b>

## By Geography

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





**Protecting  
Environment,  
Powering  
Economy**

**Desalination,  
Recycle &  
Reuse,  
Industrial  
Water  
treatment**

**Promoting  
Circular  
Economy**





sustainable solutions. for a better life.



Passionering to Global Recognition

# Thank You



*Cleaner Solutions for a Greener World*