



Thermax Limited: Investor Presentation

Q1 FY22-23

To be a globally respected high performance organisation offering sustainable solutions in energy and the environment



Disclaimer



This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for Thermax. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates”, “targets”, “plans”, “outlook” or similar expressions.

There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others:

- Business risks associated with the volatile global economic environment and political conditions
- Costs associated with compliance activities
- Market acceptance of new products and services
- Changes in governmental regulations and currency exchange rates, and
- Such other factors as may be discussed from time to time in Thermax Ltd.'s filings with the Securities and Exchange Board of India (SEBI), including its Annual Report

Thermax at a Glance

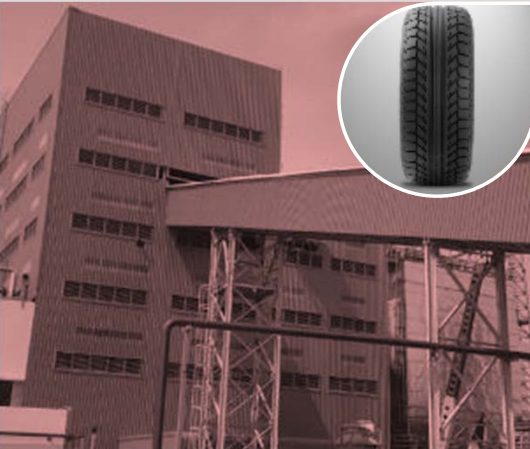
3,758 Employees Globally*



Business Highlights - Energy



Meeting Heating Needs of a Tyre Major



Commissioned 2*35 TPH fluidised bed combustion boiler at a tyre major in India.

Supplying Power to Oil and Gas Refining Major



Thermax has received an order for two units of 260 TPH high pressure utility boilers along with auxiliaries for their steam and power requirements.

Meeting Process Cooling Needs of a Chemical Plant



Commissioned a vapour absorption chiller for a chemical major at Germany.

Supplying Multi-utility to Agro-chemical Major



TOESL commissioned its first multi-utility plant which includes compressed air, steam, chilled water, treated water, effluent and sewage treatment and recycle.

Business Highlights - Environment



Helping a Steel PSU Co. to Manage Emissions for Sinter Application



Commissioned four electrostatic precipitators (ESP) for a Steel Public Sector Undertaking (PSU).

Helping a Palm Oil Company in Malaysia to Adhere to Emission Norms



Commissioned an ESP at a palm oil mill in Malaysia through virtual technical assistance.

First Pharma Grade Plant in South East Asia



Commissioned 21.67 m³/hr Pre-treatment and three units of RO and EDI.

Treating Effluents at Kenya's Edible Oil Refinery



Thermax has setup its first EPC in Kenya, East-Africa for 86 m³/hr WTP and 3 x 20 KLD STP (BioCask).

Business Highlights - Chemical



Automating Cooling Water Business by IoT Solutions



40% growth as compared to last quarter for automated IoT based systems for cooling water applications.

Growth in Oil Field Chemicals



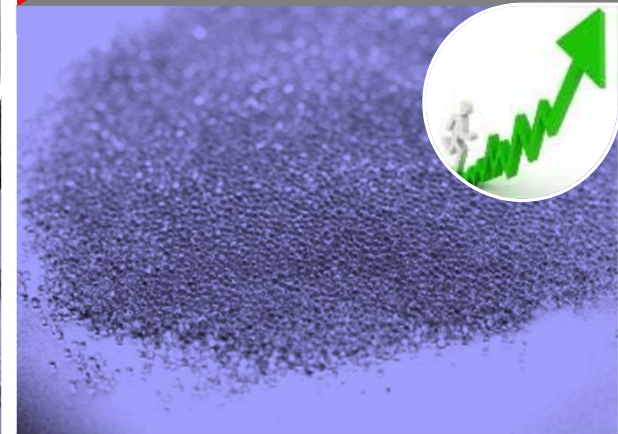
Oil field chemicals grew 49% Y-O-Y growth and have healthy order projections in coming quarters.

Growth in Construction Chemicals



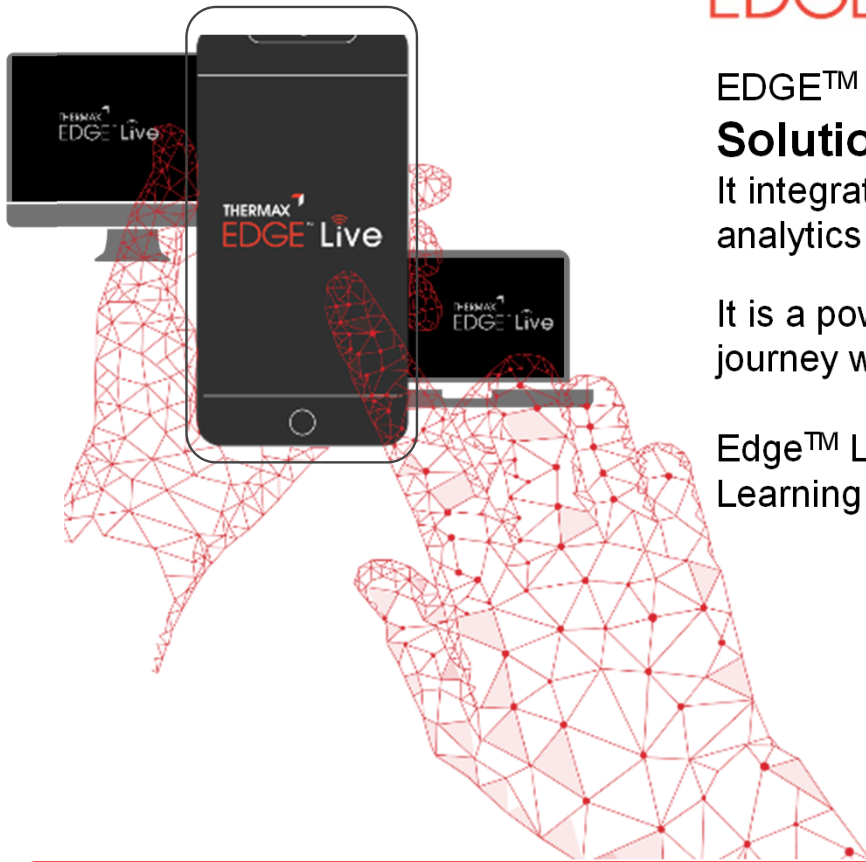
86% Y-O-Y growth seen in construction chemicals business.

Growth of Ion Exchange Resins in US & Europe



Substantial orders for ion exchange resins for specialty and water applications from US & Europe Markets.

Launch of Digital Solution



EDGE™ Live is an **Enterprise Asset Performance Enhancement Solution**

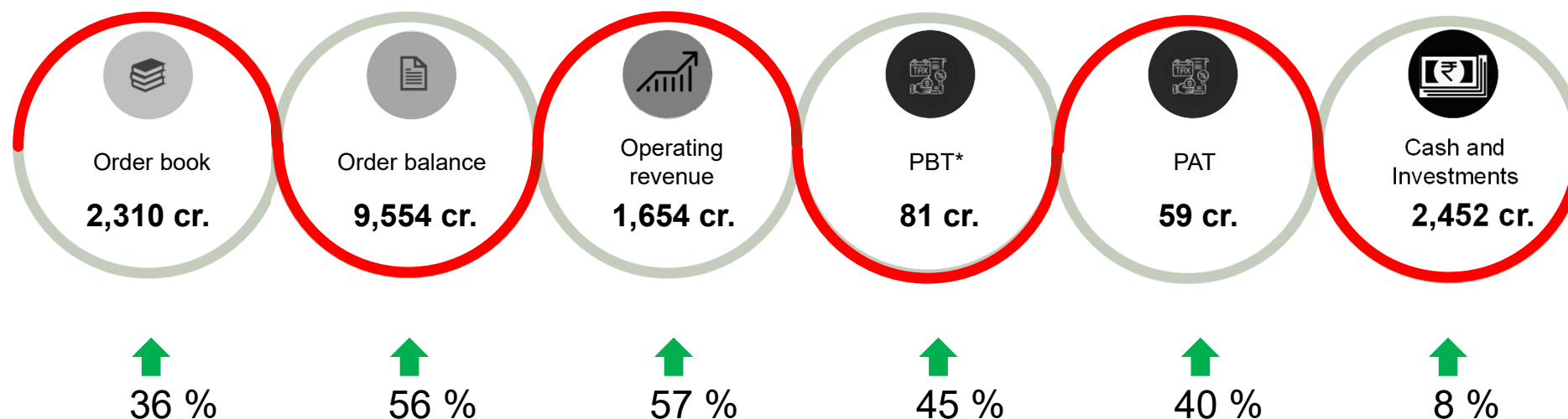
It integrates all your industrial assets across the globe and can perform data analytics at the click of a button

It is a powerful platform that allows you to tread your energy optimisation journey with great flexibility and versatility without compromising on quality

Edge™ Live is powered with Artificial Intelligence, Machine Learning and Thermax engineered algorithms.



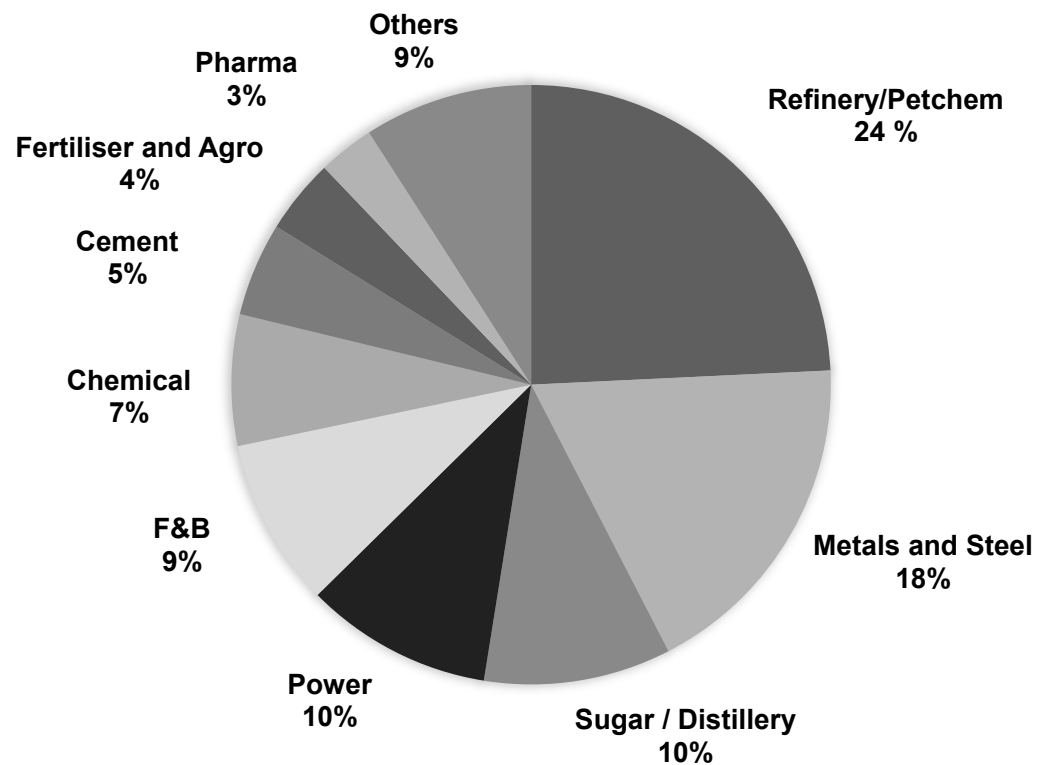
Thermax Q1 FY2022-23 Results



- Order booking includes a Rs. 522 crore order concluded in Q1 for utility boilers and associated systems for a petrochemical complex in Rajasthan.
- Growth in order balance and revenue is due to better order booking in Q3 and Q4 of FY2021-22, major orders booked includes sulphur recovery unit and flue gas desulphurisation systems.

* : Profit Before Tax and exceptional item
Note: % growth is with respect to Q1 FY 2021-22

Q1 – Order Book Status



- Bagged Rs. 522 crore order for utility boilers and associated systems for a petrochemical complex in Rajasthan
- Healthy mix of orders from diverse industry sectors
- Strong enquiry inflow from refinery, steel, power and chemical segments. Export duty on steel may slowdown the capex plans in the coming quarters
- Upward trend in enquiry inflow from sugar/distilleries, paper and pulp industries for the green offerings

Consolidated Performance Summary by Segment



Segment	Order Booking		Order Balance	
	Q1, 2023	YOY% Change	YTD Jun 2022	YOY% Change
Energy	1,758	40 % ▲	6,506	46% ▲
Environment	404	35 % ▲	2,918	86% ▲
Chemical	147	5 % ▲	129	33% ▲
Total	2,310	36 % ▲	9,554	56.4% ▲

Note: Values are in Rs. crore

Consolidated Performance Indicators



Q4, 2022	Performance Indicator	Q1, 2023	Q1, 2022
3,396	Order Booking	2,310	1,696
8,812	Order Balance	9,554	6,109
1,992	Revenue	1,654	1,052
131	Profit Before Tax and Exceptional (PBT)	81	56
6.6%	PBT before Exceptional %	4.9%	5.3%
-	Exceptional Item	-	-
132	Profit Before Tax (PBT)	81	56
6.6%	PBT %	4.9%	5.3%
103	Profit After Tax (PAT)	59	42
5.1%	PAT %	3.6%	4.0%

Business Performance Summary



Segments	For Q1, FY2022-23			For Q1, FY2021-22		
	Revenue	PBIT	PBIT %	Revenue	PBIT	PBIT %
Energy	1,227	75	6.1%	763	28	3.7%
Environment	292	5	1.7%	180	3	1.5%
Chemical	150	6	3.7%	123	22	17.6%

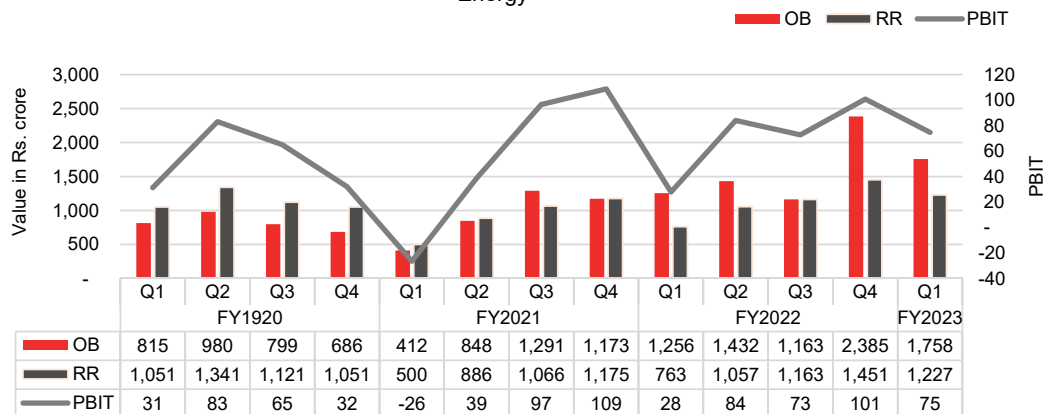
Chemical segment profitability is impacted due to higher commodity and freight costs.

PBIT - Segment PBIT before exceptional & unallocated overheads

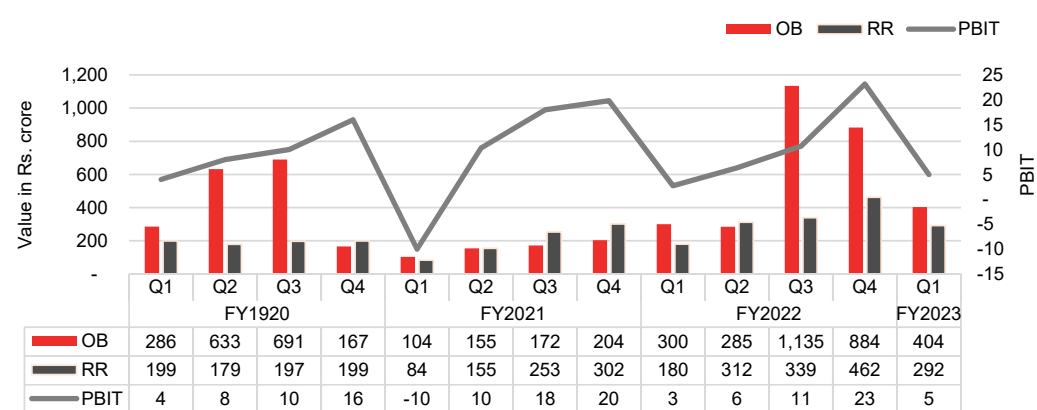
Business Segment Wise - Quarterly Trend



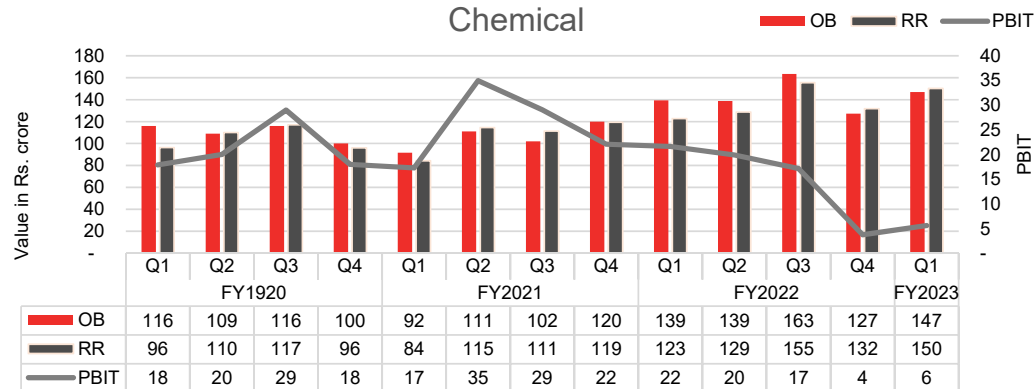
Energy



Environment

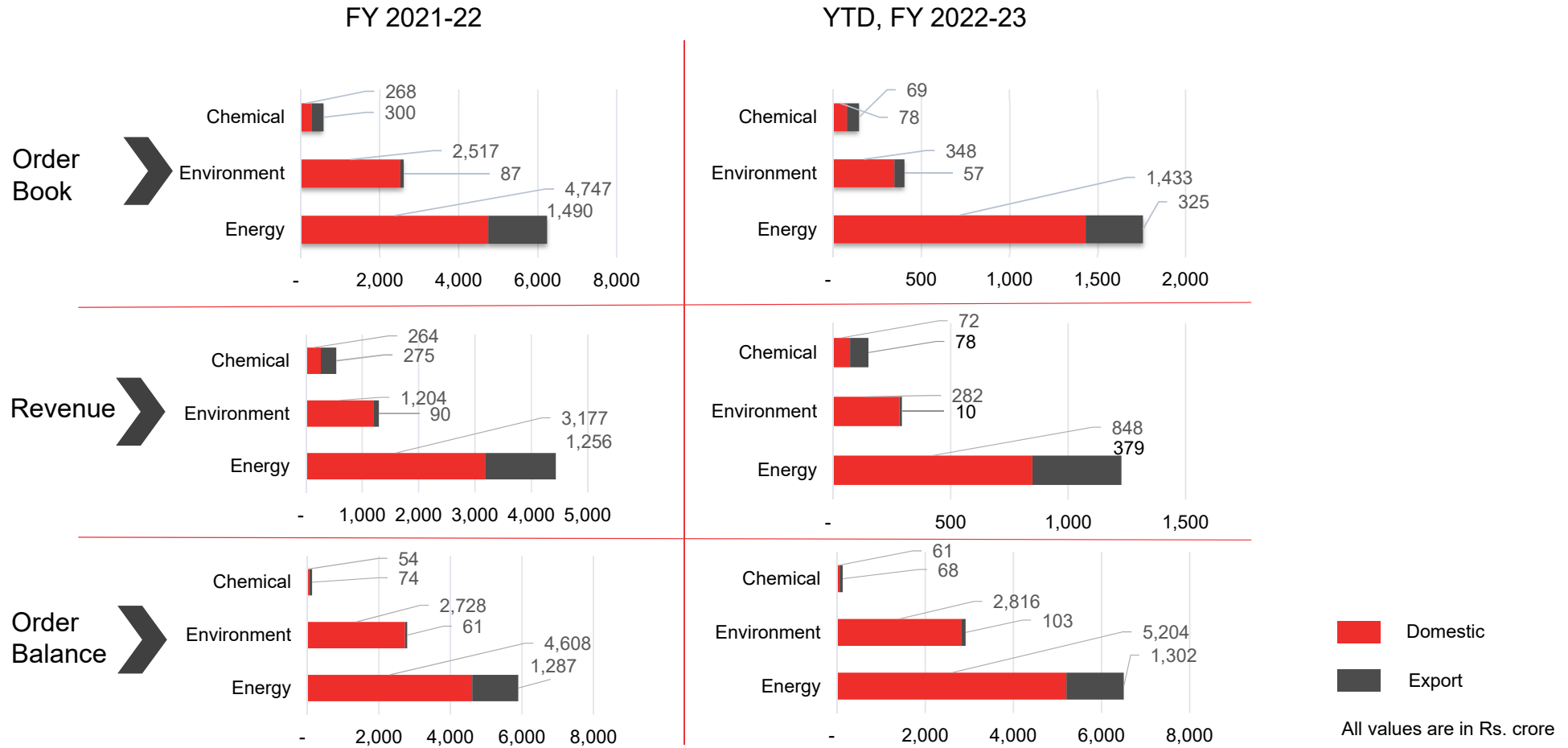


Chemical



OB	Order Booking
RR	Revenue Recognition
PBIT	Segment PBIT before exceptional & Unallocated Overheads

Domestic – Export Business Performance

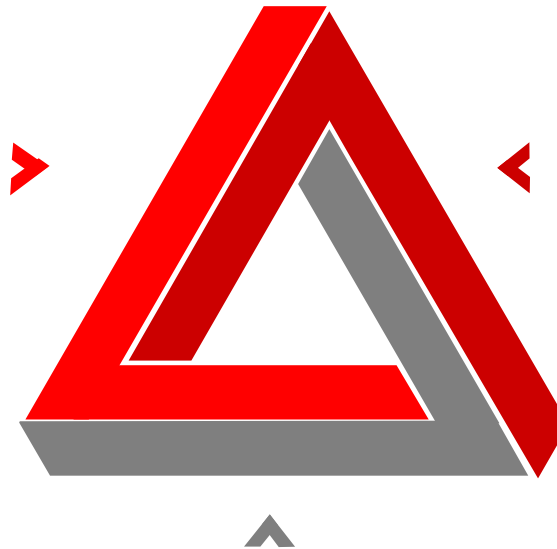


Industry Outlook



Input Cost

- Steel price have seen correction; government increased tax to 15% on export to ensure more availability in the domestic market. Bringing price stability.
- Raw material costs volatility has reduced as compared to last quarter, and expect to remain stable in coming quarter.
- Weakening of Rupee against USD has put pressures on input cost.



Market Sentiments

- In spite of seeing growth, India's PMI for manufacturing reduced slightly to 53.9; amid concerns over inflationary pressures.
- PMI for other South East Asian countries seen under pressure, but managed to be in expansion zone.
- The GDP forecast for FY 2022-23 was cut to 7.4% from previously declared 8.2% due to policy tightening and less favourable economic conditions.

Demand

- Industrial sectors such as steel, power, sugar, F&B and chemicals have shown growth.
- Improved prospects of orders from steel, chemical and refinery and petrochemical sector.

Sources: MOSPI, WHO, IMF

Environmental consciousness has been at the core of our products and services offerings. The focus will continue strengthening our green portfolio as we chart the decarbonisation path.

Conserving Resources,
Preserving the Future.



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