



Thermax Limited: Investor Presentation

Q4 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 those 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, encompassing 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

3,704 Employees Globally*



Operating Segment



- Thermanx has revised its reporting segments under Ind AS 108, considering the way the CODM (Chief Operating Decision Maker) reviews the performance of the businesses and key decisions are taken. The Company will be disclosing them in four segments - Industrial Products, Industrial Infra, Green Solutions and Chemical.
- The details of businesses covered under each of these segments is given below. The earlier disclosure under Energy, Environment and Chemicals is hence being discontinued.

Segment	Businesses Covered
Industrial Products	Boilers & Heating equipment (small capacity), Absorption Chillers / Heat Pumps, Air Pollution Control Equipment/Systems, Water & Waste Recycle. Including Associated Services and Engineering, Procurement and Construction (EPC).
Industrial Infra	EPC of Power Plants, Boiler & Heater (high capacity) Plants, Infra Projects, Flue Gas Desulphurisation Projects (Includes Associated Services)
Green Solutions	Build, Own and Operate (BOO) model of Green Solutions for Energy and Environment Utilities
Chemical	Ion Exchange Resins, Performance Chemicals, Construction Chemicals, Water Treatment Chemicals, Oil Field Chemicals, Paper Chemicals and Construction Chemicals and Related Services

Business Highlights – Industrial Products



Meeting Heat & Steam Needs of a Plywood Co.



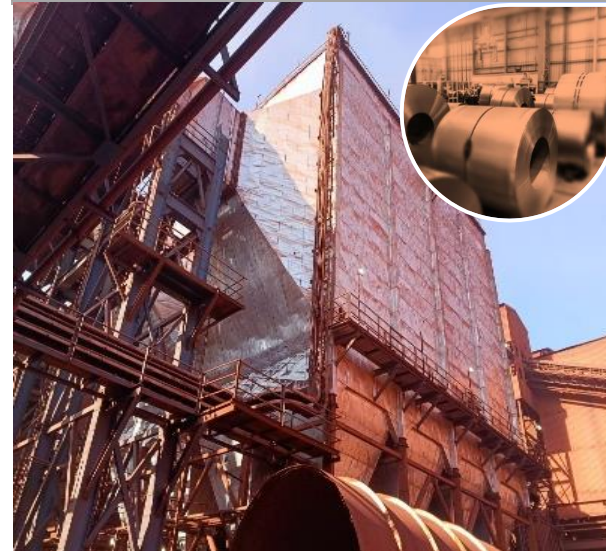
Commissioned an energy plant package of 32.5 MW capacity which includes thermic fluid heater and steam generator for India's largest plywood manufacturer located in Gujarat.

Meeting Process Needs of a Chemical Complex



Recently commissioned a double effect steam fired chiller for a reputed chemical complex in Bangladesh.

Helping an Indian Steel Major Manage Emissions



Commissioned an electrostatic precipitator (ESP) to manage emissions $<10 \text{ mg/Nm}^3$.

Treating Water for World's Largest Vaccine Maker



Commissioned a 1 MLD fully automatic WTP for treating raw water to IS 10500 and US Pharmacopoeia.

Business Highlights – Industrial Infra

Improving Efficiency of a Public Sector Steel Plant



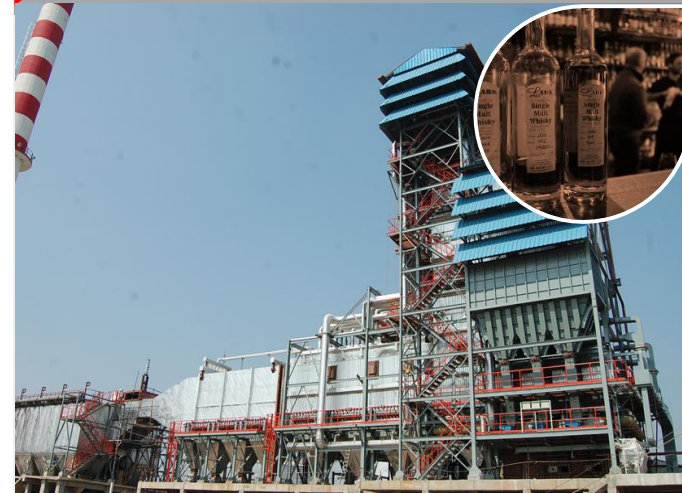
Synchronised 2 x 40 MW captive waste heat recovery power plant on an EPC basis.

Setting Up First Heat Recovery Waste to Energy Boiler in the UK



Successful mechanical completion of 3 X 26.05 TPH heat recovery waste to energy boiler for a 18 MWe Energy from Waste (EfW) plant.

First Waste to Energy Order Burning Rice Straw



Won an order for supply of a 46 TPH high pressure-temperature FlexiSource™ boiler combusting 100% rice straw along with other biofuels.

Business Highlights – Green Solutions

Aiding Tamil Nadu Industries with Green Power



FEPL commissioned a 16 MWp solar power project under open access in Tamil Nadu.

Green Power for Pharma and Chemical Companies in Maharashtra



FEPL commissioned a 11.5 MWp solar power project under open access in Maharashtra.

TOESL Helps Processing Veneer Waste to Energy



TOESL finalised a long term tie-up with veneer processing industries in Karnataka, for supply of veneer waste of cumulative capacity of more than 4,000 tonnes/month.

Business Highlights – Chemical

Healthy Order Pipeline for Construction Chemicals



A remarkable 21% year-on-year growth due to increased activity in construction space.

Cooling Water Treatment Growth in Domestic Market



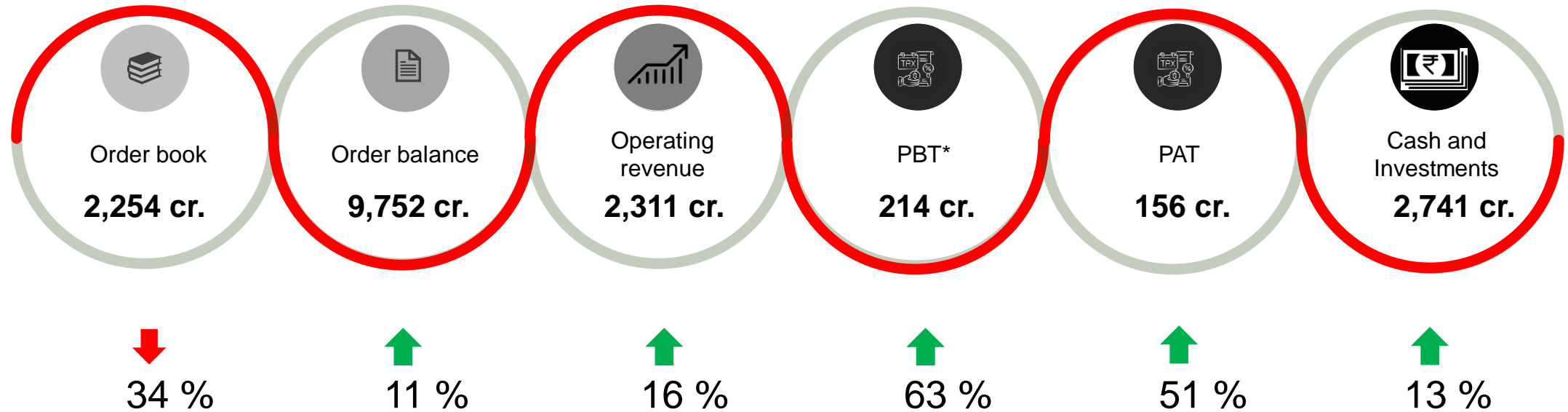
Demand seen for cooling water treatment products in domestic markets.

Good Traction for Resins Seen Across Markets



Increased focus on industrial resin sales in domestic markets, and specialty resins in Europe and MENA.

Thermax Q4 FY 2022-23 Results

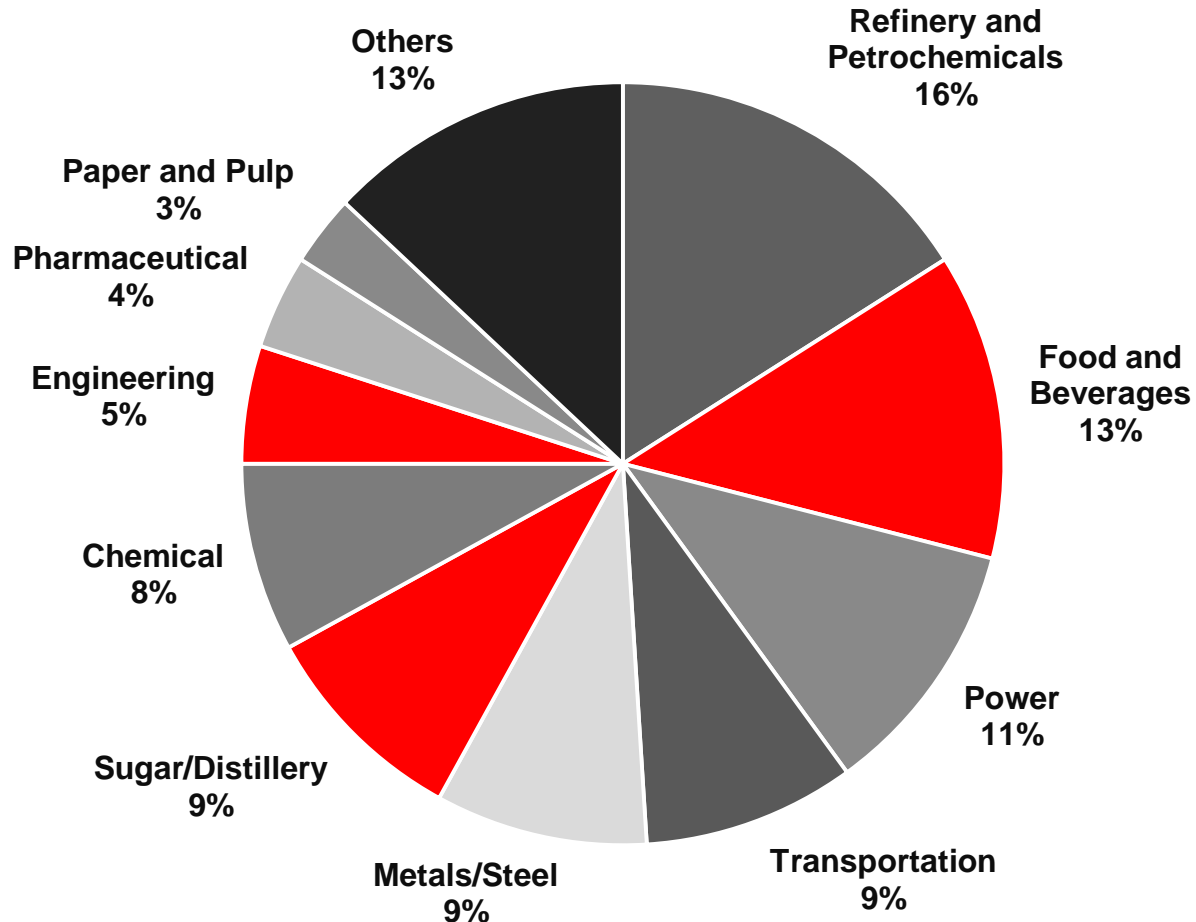


- Last year order book included two major orders from Industrial Infra segment - one for a sulphur recovery block system worth Rs. 1,176 crore in Q4, and flue gas desulphurisation (FGD) systems worth Rs. 546 crore.

* - Profit Before Tax and exceptional item

Note - % growth is with respect to Q4 FY 2021-22

Q4 – Order Book Status



- Enquiry pipeline from metal, sugar/distillery, food & beverages sectors continues to be strong
- Bagged EPC orders from petrochemical major
- Received an order from a public sector company to renovate and modernise ESP
- Received multiple orders to set up bio-CNG plants

Consolidated Performance Indicators



Q3, 2023	Performance Indicator	Q4, 2023	Q4, 2022
2,204	Order Booking	2,254	3,396
9,859	Order Balance	9,752	8,812
2,049	Revenue	2,311	1,992
165	Profit Before Tax (PBT) and Exceptional	214	132
8.0%	PBT before Exceptional %	9.3%	6.6%
-	Exceptional Item	-	-
165	Profit Before Tax (PBT)	214	132
8.0%	PBT %	9.3%	6.6%
126	Profit After Tax (PAT)	156	103
6.2%	PAT %	6.8%	5.1%

Note - Values are in Rs. crore

Consolidated Performance Summary by Segment



Segment	Order Booking		Order Balance	
	Q4, Mar 2023	YOY% Change	YTD Mar 2023	YOY% Change
Industrial Products	1,190	27 % ▲	2,842	42% ▲
Industrial Infra	858	-63 % ▼	6,308	-1% ▼
Green Solutions	45	28% ▲	493	66% ▲
Chemical	161	27 % ▲	109	-15% ▼
Total	2,254	-34 % ▼	9,752	11% ▲

- Last year's Q4 Industrial Infra segment had two major orders - one for a sulphur recovery block system worth Rs. 1,176 crore in Q4, and flue gas desulphurisation (FGD) systems worth Rs. 546 crore.

Note - Values are in Rs. crore

Business Performance Summary



	For Q4, FY2022-23			For Q4, FY2021-22			YTD Mar FY2022-23			YTD Mar FY2021-22		
Segments	Revenue	PBIT	PBIT %	Revenue	PBIT	PBIT %	Revenue	PBIT	PBIT %	Revenue	PBIT	PBIT %
Industrial Products	981	104	10.6%	872	74	8.4%	3,338	274	8.2%	2,576	182	7.0%
Industrial Infra	1,160	72	6.2%	986	46	4.7%	3,928	217	5.5%	2,988	131	4.4%
Green Solutions	85	2	2.1%	69	4	5.8%	363	15	4.1%	217	16	7.4%
Chemical	168	32	19.2%	132	4	2.8%	673	86	12.8%	539	62	11.6%
Total	2,394	210	8.8%	2,059	128	6.2%	8,301	592	7.1%	6,319	391	6.2%

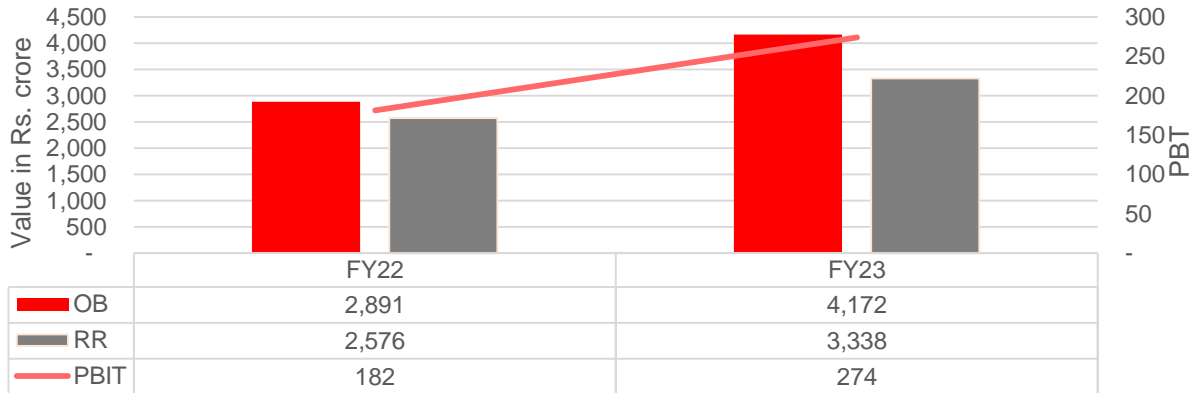
- Better performance due to increase in revenue and commodity cost stabilised post Q2, FY2022-23
- Green solutions margin are lower due to initial expenses of Solar business - First Energy Pvt. Ltd. (FEPL)

PBIT - Segment PBIT before exceptional and unallocated overheads
Revenue in crore

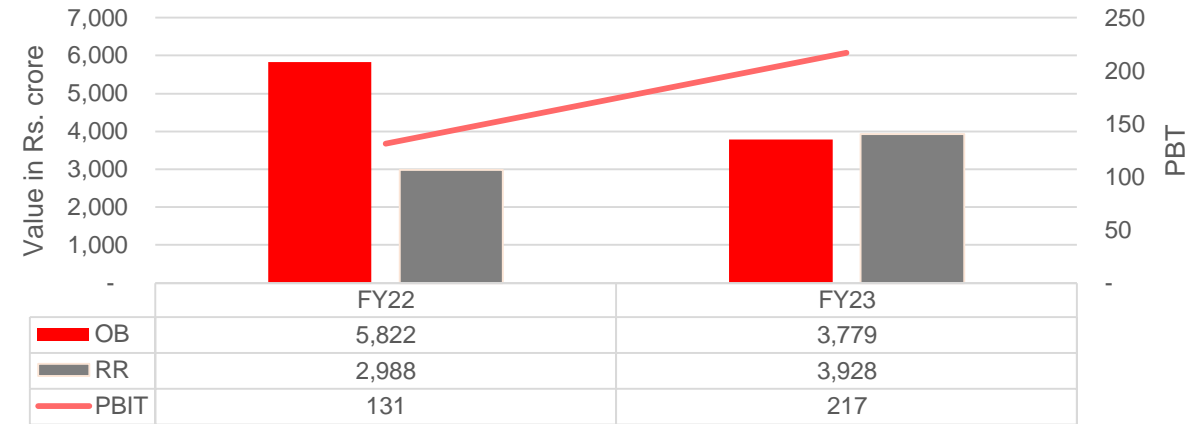
Business Segment Wise - Annual Trend



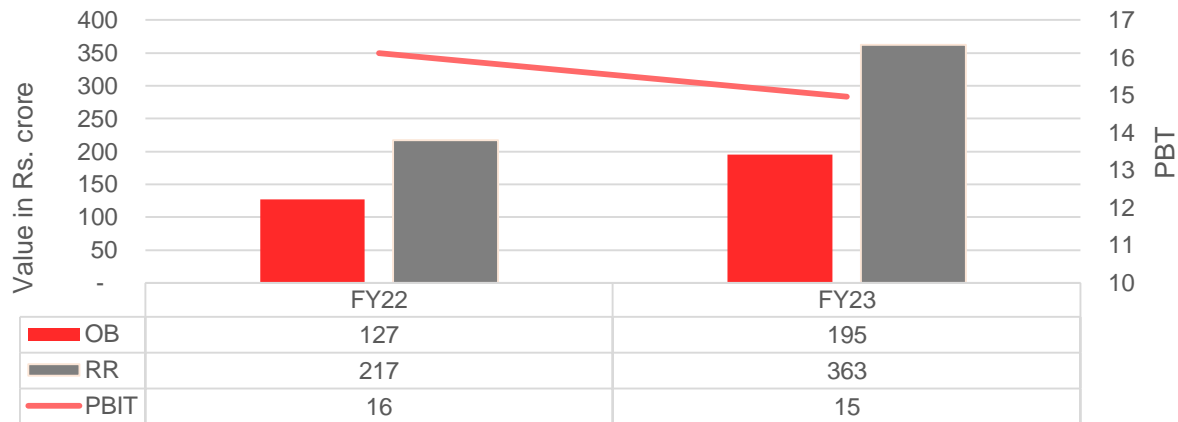
Industrial Products



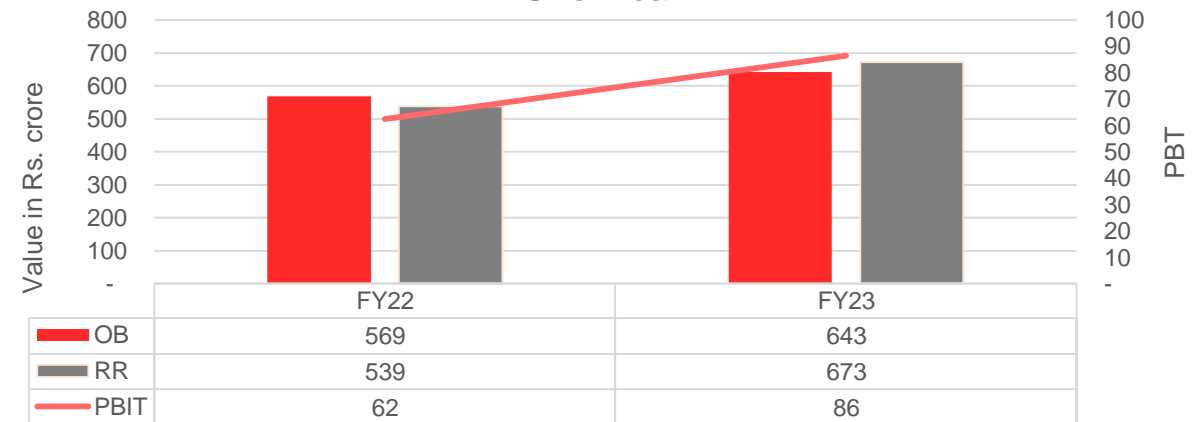
Industrial Infra



Green Solutions



Chemical



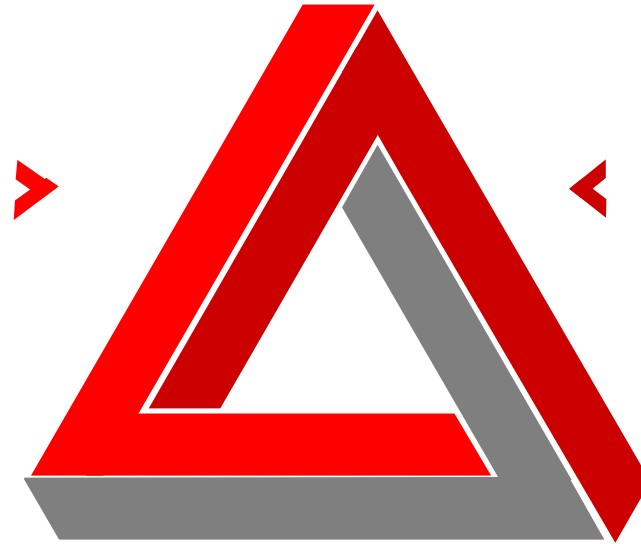
OB: Order Booking
 RR: Revenue Recognition
 PBIT: Segment PBIT before exceptional and unallocated overheads

Industry Outlook



Input Cost

- Steel, chemical and other commodity prices were stable.



Market Sentiments

- The S&P Global India Manufacturing PMI increased to a four-month high of 57.2 in April 2023 from 56.4 in the previous month as both output and new orders grew.
- The RBI has marginally raised its GDP growth projection for FY24 to 6.5% from earlier estimate of 6.4%.

Demand

- India's steel sector will experience good growth due to significant increases in government capital expenditures on infrastructure and transportation.
- Government policies and CAPEX outlays to support green technologies will spur the clean energy portfolio of Thermax.

Sources: MOSPI, S&P Global, RBI

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



Conserving Resources,
Preserving the Future.



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