TURBINES

Registered office: A-44, Hosiery Complex, Phase-II, NOIDA 201 305, Uttar Pradesh
Corporate office: Express Trade Towers, 8th floor, Plot No.- 15-16, Sector 16A, Noida 201301
Manufacturing Facility: 12A, Peenya Industrial Area, Peenya, Bengaluru 560 058
CIN : L29110UP1995PLC041834

For immediate release

Q1 FY'22 (Consolidated) Key Highlights:

- ***Net Income from Operations at ₹ 1.84 billion, an increase of 11.4% y-o-y***
- ***EBITDA at ₹ 413 million, lower by 4.6% y-o-y***
- ***EBITDA margins at 22.4%, lower by ~380 bps y-o-y***
- ***PAT at ₹278 million, an increase of 1.8% y-o-y***
- ***Record order booking of ₹ 2.73 billion – highest in last 4 years***
- ***Outstanding carry forward order book as on 30th Jun 2021 – ₹ 7.28 billion***

NOIDA, August 13, 2021: Triveni Turbine Limited (TTL), the market leader in steam turbines up to 30 MW, today announced the performance for the first quarter ended 30th June, 2021 (Q1 FY 22).

The Company has prepared the Financial Results for the first quarter based on the Indian Accounting Standards (Ind AS) and has been publishing and analyzing results on a consolidated basis. While the consolidated result includes the three 100% subsidiaries of TTL, based on the Ind AS, only the share of profits of the JV, GE Triveni Limited (GETL) is considered in the consolidated net profit.

PERFORMANCE OVERVIEW (Consolidated):

Apr 2021 – Jun 2021 v/s Apr 2020 - Jun 2020
(Q1 FY 22 v/s Q1 FY 21)

- Net Income from Operations at ₹ 1.84 billion in Q1 FY 22 as against ₹ 1.65 billion in Q1 FY 21, an increase of 11.4%.
- EBITDA of ₹ 413 million in in Q1 FY 22 as against ₹ 433 million in Q1 FY 21, a decline of 4.6%
- Profit before Tax (PBT) at ₹ 361 million in Q1 FY 22, a decline of 5.0% over Q1 FY 21
- Profit after tax (PAT) at ₹ 278 million in Q1 FY 22 as against ₹ 273 million in Q1 FY 21, an increase of 1.8%
- EPS for Q1 FY 22 at ₹ 0.86 per share

Commenting on the Company's financial performance, Mr. Dhruv M. Sawhney, Chairman and Managing Director, Triveni Turbine Limited, said:

"In the last 15-18 months, the COVID-19 pandemic has affected public health, livelihoods and has decimated economies across the world. While the situation in India and in many parts of the world, seems to have improved from the peak breakout periods, threats of newer and more perilous variants causing further disruption still prevail. Meanwhile the vaccination drives are continuing, which may help contain the spread and the severity of the virus.

For the quarter under review, the Company also continued to face restrictions in terms of travel and disruptions at customer end especially in international markets. However, with more vaccinated work forces, increased domestic travel, Q1 FY 22 was relatively better than Q1 FY 21. The Company continues to work closely with all stakeholders such as employees, customers, suppliers, etc. keeping health and safety as its top priority.

In Q1 FY 22, the international market is estimated to have declined by 5% YoY while the domestic market increased by 117% YoY, in MW terms. This is also reflected in the Company's performance this quarter in terms of both order booking and enquiry. As a result, the Company has maintained its leadership position both in Indian market and internationally.

Revenue for the Company grew 11.4% YoY to ₹ 1.84 billion driven by domestic sales which grew 38% YoY to ₹ 1.23 billion. EBITDA was lower by 4.6% YoY at ₹ 413 million. Lower share of exports led to lower EBITDA margins which declined by ~380 bps YoY to 22.4%. Profit after tax grew 1.8% YoY to ₹278 million. Profit margin declined by ~140 bps YoY to 15.1% in Q1 FY 22.

Total consolidated outstanding order book stood at ₹ 7.28 billion as on June 30, 2021 which is higher by 14% when compared to beginning of the year. The Company achieved a total order booking of ₹ 2.73 billion in Q1 FY 22 as against ₹ 1.44 billion during Q1 FY 21, an increase of 89%. Both domestic and exports order booking contributed to this growth.

The domestic order booking during the quarter was ₹ 2.00 billion, higher by 91% as compared to last year. The domestic outstanding order book stood at ₹ 5.25 billion, up 24% as on June 30, 2021 as compared to ₹ 4.23 billion in the corresponding period of previous year.

The export order booking during the quarter was ₹ 734 million, higher by 83% as compared to last year. However, COVID-19 continued to impact export sales, which declined by 20% as compared to last year, to ₹ 608 million during the quarter. The export outstanding order book stood at ₹ 2.03 billion, down 20% as on June 30, 2021 as compared to ₹ 2.54 billion in the corresponding period of previous year.

On the Product side, order booking improved significantly to ₹ 2.17 billion, which was higher by 108% when compared with the corresponding period of previous year. The product segment turnover was ₹ 1.33 billion during the quarter, an increase of 9% over previous year.

Aftermarket segment registered order booking of ₹ 561 million, which was higher by 40% when compared with the corresponding period of previous year. While international travel is very limited, the Company has been able to garner positive results domestically with more in-person interactions as and when travel was feasible. The aftermarket turnover was ₹ 507 million, a growth of 19% over previous year driven by refurbishment and spares. Aftermarket contributed to 28% of the total turnover in Q1 FY 22, up from 26% in the previous year.

Enquiry generation during Q1 FY 22 remains strong in domestic and international market both on a sequential basis and year-on-year. This we believe, is likely to support order booking in the coming quarters. During Q1 FY 22, the enquiry generation in the domestic market grew by 136% as compared to corresponding period last year. These have been driven by steel and process co-generation including distillery and cement.

During Q1 FY 22, the enquiry generation in the international segment grew by 21% as compared to corresponding period of last year. These were dominated by Biomass and other renewable IPP as well as process co-generation.

As regards the JV, GETL, as communicated, Triveni had filed a petition in the National Company Law Tribunal and the matter is sub-judice.

Overall, while we await travel restrictions to be lifted to pre-COVID levels, the Company continues to focus extensively on virtual meetings to conduct business. We also remain positive on contribution from new segments such as API, which has witnessed an exponential increase in terms of enquiry generation.

These have already translated into order booking though are expected to pick up pace in the coming quarters. Overall, the outlook for the year is more constructive as we are witnessing strong enquiries, industries resuming investments after a subdued year in terms of activity and a better response to COVID-19 with increased vaccinations and learnings from previous surges."

- ENDS -

Attached: Details to the Announcement and Results Table

About Triveni Turbine Limited

Triveni Turbines is one of the largest manufacturers of industrial steam turbines in >5 to 30 MW range globally. The Company designs and manufactures steam turbines up to 100 MW, and delivers robust, reliable and efficient end-to-end solutions.

Triveni Turbines manufactures steam turbines at its world-class manufacturing facilities in Bengaluru, India and assists its customers with their aftermarket requirement through its global servicing offices. With installations of 4000 steam turbines across over 20 industries, Triveni Turbines is present in over 70 countries around the world. Triveni Turbine Limited offers steam turbine solutions for Industrial Captive and Renewable Power. It was demerged from its parent Company, Triveni Engineering and Industries Limited which holds 21.85% equity capital of TTL, in 2010 to emerge as a pure play turbine manufacturer.

The Company provides renewable power solutions specifically for Biomass, Independent Power Producers, Sugar & Process Co-generation, Waste-to-Energy and District Heating. Its steam turbines are used in diverse industries, ranging from Sugar, Steel, Textiles, Chemical, Pulp & Paper, Petrochemicals, Fertilisers, Solvent Extraction, Metals, Palm Oil to Food Processing and more. Apart from manufacturing, the Company also provides a wide range of aftermarket services to its own fleet of turbines as well as turbines of other makes supported by its team of highly experienced and qualified service engineers that operate through a network of service centers.

Triveni Turbines market leadership has been built on a foundation of strong and continuously evolving research, development and engineering capabilities. The customer centric approach to R&D, along with a keen focus on delivered product and life-cycle cost has allowed Triveni Turbines to set benchmarks for efficiency, robustness and up-time of the turbine. A strong internal team, strengthened by collaborative associations with globally leading design and research institutions, has placed Triveni at the forefront of a technically challenging field dominated by large multi-nationals.

GE Triveni Limited (GETL) is a subsidiary of Triveni Turbine Limited (TTL) and a joint venture with General Electric. GETL is engaged in design, supply and service of advanced technology steam turbines with generating capacity of above 30 to 100 MW. Headquartered in Bengaluru, GETL turbines are manufactured at state-of-the-art plants of Triveni Turbine Ltd. The products are marketed under "GE Triveni" brand globally.

For further information on the Company, its products and services please visit **www.triveniturbines.com**

Surabhi Chandna
Triveni Turbine Limited
Ph: +91 120 4308000
Fax: +91 120 4311010, 4311011
E-mail: ir@triveniturbines.com

Gavin Desa / Rishab Brar
CDR India
Ph: +91 22 6645 1237 / 6645 1235
Fax: +91 22 6645 1213
E-mail: gavin@cdr-india.com / rishab@cdr-india.com

Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Triveni Turbine Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

Q1 FY 22: PERFORMANCE REVIEW

TTL is the domestic market leader in steam turbines up to 30 MW. It has maintained its dominance consistently over the years and is the second largest manufacturer worldwide in high and low-pressure turbines in this range. The Company's ability to provide high-tech precision engineered-to-order solutions has made it one of the most trusted names within the sector.

The consolidated result of the Company includes the results of fully owned subsidiary, Triveni Turbines (Europe) Pvt. Limited (TTE) based in UK with a 100% step down subsidiary called Triveni Turbines DMCC (TTD), located in Dubai with a 100% step down subsidiary called Triveni Turbines Africa (Pty) Ltd in South Africa. As per the Ind AS, the consolidated revenue does not include the sales of GETL while the share of TTL's profits in JV is added in the net profit. Details of order booking also do not include GETL.

Performance Summary (Consolidated)

(All figures in ₹ million, unless otherwise mentioned)

	Q1 FY 22	Q1 FY 21	% Change
Revenue from Operations	1,841	1,652	11.4%
EBITDA	413	433	(4.6%)
EBITDA Margin	22.4%	26.2%	
Depreciation & Amortisation	50	51	
PBIT	363	383	(5.2%)
PBIT Margin	19.7%	23.2%	
Finance Cost	2	3	(33.0%)
PBT	361	380	(5.0%)
PBT Margin	19.6%	23.0%	
PBT after share of JV income	365	365	
Consolidated PAT	278	273	1.8%
Consolidated PAT Margin	15.1%	16.5%	
EPS (₹/share)	0.86	0.84	

- During the period under review, the performance was impacted due to the COVID-19 pandemic
- During the quarter, revenue from operations was higher by 11% as compared to corresponding period of previous year, with domestic sales showing an increase of 38% while the export turnover declined 20%
- The mix of domestic and export sales was 67:33 in Q1 FY 22 as compared to 54:46 in Q1 FY 21.
- During Q1 FY 22, the Aftermarket registered an order booking of ₹ 561 million, which grew by 40% when compared with the corresponding period of previous year. The aftermarket turnover was ₹ 507 million, a growth of 19% over previous year driven by spares and refurbishment.
- The mix of aftermarket business in the total sales improved by 180 bps to 28% during Q1 FY 22.
- EBITDA margin declined by ~380 basis points in Q1 FY 22 in comparison to previous year.
- The decline in EBITDA margin is largely attributable to the lower contribution of exports this year at 33% as compared to 46% last year. Further, these were also impacted by lower margin on the domestic product side.
- Employee costs increased 8.1% to ₹ 235 million due to annual increments, while other expenses grew 35.5% to ₹ 249 million driven by higher travel expenses, as restrictions were somewhat eased in Q1 FY 22 as compared to previous year which was characterized by global lockdowns.
- The overall consolidated closing order book as on 30th Jun 2021 stood at ₹7.28 billion.

Summary of Consolidated Order book (without GETL)

(All figures in ₹ million, unless otherwise mentioned)

Particulars	Consolidated		
Opening Order Book	**Q1 FY 21**	**Q1 FY 22**	**% Var**
Domestic	4085	4486	10%
Exports	2899	1903	-34%
TOTAL	**6984**	**6389**	**-9%**
Mix of Exports	*42%*	*30%*	
Product	5753	5057	-12%
After market	1231	1332	8%
Total	**6984**	**6389**	**-9%**
Mix of After market	*18%*	*21%*	
Order booking			
Domestic	1043	1997	91%
Exports	401	734	83%
TOTAL	**1444**	**2731**	**89%**
Mix of Exports	*28%*	*27%*	
Product	1043	2170	108%
After market	401	561	40%
Total	**1444**	**2731**	**89%**
Mix of After market	*28%*	*21%*	
Sales			
Domestic	895	1232	38%
Exports	756	608	-20%
TOTAL	**1652**	**1841**	**11%**
Mix of Exports	*46%*	*33%*	
Product	1226	1333	9%
After market	426	507	19%
Total	**1652**	**1841**	**11%**
Mix of After market	*26%*	*28%*	
Closing Order book			
Domestic	4233	5251	24%
Exports	2544	2029	-20%
TOTAL	**6777**	**7280**	**7%**
Mix of Exports	*38%*	*28%*	
Product	5570	5894	6%
After market	1207	1386	15%
Total	**6777**	**7280**	**7%**
Mix of After market	*18%*	*19%*	

Outlook

The Indian economy, after a massive contraction of GDP by about 7.3% in FY 21 due to the impact of COVID-19, is expected to show a V-shaped recovery in FY 22 and beyond. The Union Budget 2021-22 envisages accelerating the pace of structural reforms under Ātmanirbhar Bharat. The Budget intends to achieve a growth rate of 8.5% in FY 22, reversing the negative growth by about 7.3% in FY 21. Manufacturing is expected to contribute to this growth. This along with continued urbanization will drive the energy requirements for the nation in FY 22 and beyond, which bodes well for companies like ours.

While the threat of COVID-19 still persists, with lifting of lockdowns in most parts of the country and even in international market coupled with extensive vaccination programmes, further impact is expected to be limited. The Company is also well prepared to encounter any further threats.

From an industry perspective, we have witnessed positive trends in the quarter gone by. The domestic market is estimated to have grown 117% YoY in Q1 FY 22 (in MW terms). However, the international market in which the Company operates is estimated to have declined 5% YoY (in MW terms) in Q1 FY 22. The Company has continued its market leadership status in both domestic as well as in international markets.

With a strong enquiry pipeline particularly on the product side and continued efforts on virtual customer connect across both product and aftermarket segments, we expect good recovery in turnover for FY 22.

There has been a substantial increase in commodity prices which may impact margins especially in the short-term. We expect the margins to return to normalized levels during the course of the year. The Company is actively negotiating corresponding price increases with customers to limit the margin impact.

On the technology side, the Company continues to develop cost-competitive and increasingly efficient models, with enhanced profiles and steam path to meet the global requirements. These include drive turbines for the petrochemical industry (API) market and turbines validated according to API standards. Our R&D also continues to be focused on alternative energy technologies, such as CO2 based cooling solutions and Supercritical CO2 power blocks, as compact footprint solutions for the energy market. These initiatives include SCO2 micro size Turbo machinery development for shipping and a test loop setup in association with a leading scientific institution in India.

With aggressive value engineering, cost-effective product development and efficiency improvement, the Company is well positioned to maintain its market leadership position.

GE Triveni Limited

In June 2019, Triveni has filed a petition before the National Company Law Tribunal and the matter is sub judice. Due to the pandemic, the NCLT hearing is getting postponed. During the pendency of the Company Petition, TTL has filed a Contempt Petition before the NCLT, Bengaluru alleging willful violation of certain directions of the Court. The NCLT vide its detailed judgment dated 20 April 2021 has held GE, BH, NP, DI and their key officials guilty of contempt. The NCLT vide the said judgment has also stayed the effect of the letters by NP terminating its ancillary agreements with GETL. For further details please refer to the Notes to the audited financial results.

Note: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Triveni Turbine Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance.