

WEL /SEC/2023

November 09, 2023

To,

BSE Limited 1 st Floor, Rotunda Bldg., Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 532553	National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. NSE Symbol: WELENT
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Dear Madam/Sir,

Subject: Press Release pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our letter with respect to Un-audited Financial Results for the quarter and half year ended September 30, 2023, kindly find attached Press Release of the Company.

Please take the same on record.

For **Welspun Enterprises Limited**

Nidhi Tanna
Company Secretary
ACS- 30465

Welspun Enterprises Limited

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Corporate Identity Number: L45201GJ1994PLC023920

EXECUTION EFFICIENCIES LEAD TO INCREASE IN PROFITABILITY BY 36% (YOY)

Mumbai, November 9, 2023: Welspun Enterprises Ltd. ("WEL" or "Company"), part of Welspun World, today announced its results for the quarter ended 30th September 2023 (Q2 FY24).

- Diversified order book stands at ~ Rs 91,000 mn, which includes ~Rs 18,000 mn allocated for O&M and asset replacement in the MCGM STP project. The order book is categorized as follows:
 - Water & Wastewater management segment constitutes 65%
 - Road projects constitutes 35%
- Net Cash of the Company stands at Rs. 8,800 mn on Standalone basis. This is post completion of Michigan Engineers Pvt. Ltd. acquisition
- H1FY24 Profit After Tax of Rs 1,434 mn has grown by 122% over same period last financial
- Received multiple accolades in recognition of our execution excellence

MANAGEMENT COMMENTS

Speaking about the performance, Mr. Sandeep Garg, Managing Director, Welspun Enterprises Limited, said, *"After a profitable start to FY'24 as demonstrated in Q1 performance, we have continued the momentum into Q2 as well. During the quarter under review, we saw an expansion in operating margin over the same quarter last year. We have successfully completed the acquisition of Michigan Engineers, a specialized technology-focused EPC company. This strategic move has opened the door for us to venture into the field of tunnelling and its related segments. Notably, this business segment boasts an impressive operating margin of ~24%."*

Outlook

We are well-positioned with a diverse order book encompassing both the Road and Water sectors. Additionally, our recent acquisition of Michigan Engineers brings with it an unexecuted order book of approximately Rs. 16,000 million, bolstering our optimism regarding our future performance. Our sustained efforts to enhance operational efficiencies instil confidence in our ability to sustain revenue growth and improve our margin profile.

Despite delays in calling of bids from various clients, we observe a robust bid pipeline in our core business. As a result, we maintain a bullish outlook on order inflows for the financial year, largely attributable to the government's continued emphasis on enhancing and advancing the country's infrastructure. Our unwavering commitment to creating value for our shareholders remains steadfast."

STANDALONE FINANCIALS

Particulars (₹ Mn)	Q2 FY24	Q2 FY23	YoY %	H1FY24	H1FY23	YoY %
Revenue from Operations	5,424	5,096	6%	12,231	11,840	3%
Other Income	287	108	165%	574	272	111%
Total Income	5,710	5,204	10%	12,805	12,112	6%
EBITDA	882	573	54%	2,201	1,070	106%
EBITDA margin	15.4%	11.0%	444 bps	17.2%	8.8%	836 bps
PBT Before Exceptional Item	769	378	103%	1,969	694	184%
Exceptional Item	0	53		0	53	
PBT	769	431	79%	1,969	747	164%
PAT	538	396	36%	1,434	646	122%
PAT margin	9.4%	7.6%	181 bps	11.2%	5.3%	587 bps
Cash PAT	565	335	69%	1,477	608	143%

Note: Cash PAT = PBTD- Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary.

CONSOLIDATED FINANCIALS

Income Statement Snapshot (Rs Million)						
Particulars	Q2FY24	Q2FY23	YoY %	H1FY24	H1FY23	QoQ %
Total Income	6,927	5,529	25%	14,427	12,684	14%
EBITDA	1,295	709	83%	2,862	1,320	117%
EBITDA margin	18.7%	12.8%	587 bps	19.8%	10.4%	943 bps
PBT Before Exceptional Item	969	399	143%	2,234	734	204%
Exceptional Item	0	667		0	667	
PBT	969	1,066	-9%	2,234	1,401	59%
Profit from discontinuing operations*	-31	318		-39	558	
PAT	690	1,330	-48%	1,618	1,821	-11%
Cash PAT	762	1,004	-24%	1,739	1,838	-5%

Note: Cash PAT = PBDT– Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary

* - Refers to projects which are being monetized

Standalone Balance Sheet Snapshot (Rs Million)	30 th September 2023	31 st March 2023
Net worth	22,788	24,652
Gross Debt	513	2,917
- Long Term Debt	0	2,917
- Short Term Debt (Working Capital Loan)	513	0
Cash & Cash Equivalents[#]	9,315	18,395
Net Debt / (Cash)	-8,802	-15,478
Other Long Term Liabilities	149	135
Total Net Fixed Assets (incl. CWIP)	231	325
Net Current Assets (Excl. Cash & Cash Equivalents) (adj.)*	1,883	-544
Other Long-Term Investments and Assets (adj.)	12,021	9,529

[#] Includes Fixed Deposits kept with banks & investments

* Mobilization advance has been included into Net Current Assets

Change in Net Debt by ~Rs. 6,676 mn is on account of payout for MEPL acquisition for ~Rs. 1,371 mn, buyback worth Rs. 2,890 mn, investments of Rs. 1,121 mn in ongoing project and rest in working capital

INVESTMENTS (AS ON 30TH SEPT 2023; RS MILLION)

Project	Investment	Additional funding for current portfolio
HAM Road Portfolio	3,439	~Rs. 2,700 mn in about 18 months
Road BOT Projects	1,040	
Oil & Gas Projects	4,411	
Water BOT Projects	913	
Other assets	316	
Michigan Eng	1371	
Total	11,490	

ABOUT WELSPUN ENTERPRISES LTD.

Welspun Enterprises Ltd. (WEL), part of Welspun World, is an infrastructure development company focusing on Road, Water and Wastewater segments. The Company also has investments in Oil & Gas Exploration. Backed by experienced management and strong parentage, WEL has a proven track record with the execution of water supply projects and over 1,000 kms of road projects.

ABOUT WELSPUN WORLD

Welspun World is one of India's fastest growing global conglomerates, with businesses in Line Pipes, Home Textiles, Infrastructure, Steel, Advanced Textiles and Flooring solutions. With the presence of over three decades, Welspun has been recognized as a global leader in Home Textiles and Line Pipes, with existence in over 50 countries backed by a strong team of 30,000+ employees. The Group enjoys a strong relationship with almost all Fortune 100 companies operating in the Retail and O&G sectors and has been continuously following global ESG practices as a responsible conglomerate.

Disclaimer

The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in Welspun Enterprises Ltd or any of its affiliates. Neither Welspun Enterprises Ltd, nor their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.

For further information please visit www.welspunenterprises.com or contact the Investor Relations team at: investorrelations_WEL@welspun.com
