



Executive Summary

OVERVIEW

- Ion Exchange (India) Ltd (Ion Exchange), formed in 1964, is a pioneer in water, waste water treatment & environment solutions and caters to various industries, institutions, homes & communities.
- Headquartered in Mumbai, the company has seven manufacturing & assembly facilities across India, and one each in Bangladesh, UAE, Bahrain and Indonesia. It also has presence across other key geographies.

FY22 REVENUE & BUSINESS MIX (%)*

- **Engineering (58%)** – Provides comprehensive and integrated services and solutions in water & waste water treatment including Sea Water desalination, Recycle and Zero liquid discharge plants to diverse industries.
- **Chemicals (34%)** – Provides a comprehensive range of resins, speciality chemicals and customized chemical treatment programmes for water, non-water and specialty applications.
- **Consumer Products (8%)** – Caters to individuals, hotels, spas, educational institutions, hospitals, laboratories, railway and defence establishments providing safe drinking water and a clean environment.

MARQUEE CLIENTS

- **Industrial** – NTPC, NPC, Reliance, IOCL, JSW, CPCL, L&T, Arcelormittal Nippon Steel, Nayara Energy, IRCTC, BHEL, Tata Group.
- **Institutional** – Leela, Military Engineering Services, Taj Hotels, Holiday Inn, Hyatt Regency, Oberoi Hotels, Apollo Hospitals, Escorts Heart Institute, DLF, Puravankar.
- **International** – Cargill, Technip France, Unilever Group, Jurong, Thyssenkrupp (Uhde), Jacobs, Kawasaki, Mitsubishi, PDO Oman, Emirates Steel, IKPP Indonesia.

FY22: Operating
Income*

INR 15,769 Mn

FY22: Operating
EBITDA*

INR 2,132 Mn

FY22: PAT*

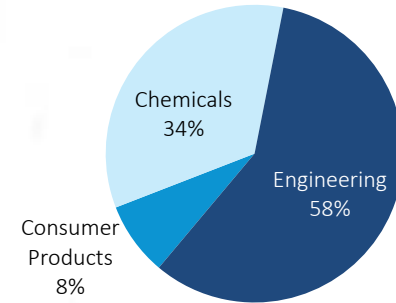
INR 1,617 Mn

*Consolidated

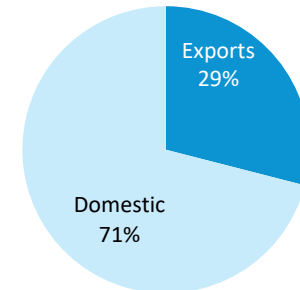
Company Overview

- Ion Exchange was originally formed as a subsidiary of Permutit, UK in 1964. It became a wholly owned Indian company in 1985. The company is currently in its 59th Year of operations.
- The company has expanded its footprints globally and possesses a diversified product range. It offers one stop water and non-water treatment solutions catering to diverse segments like infrastructure, industry, institutions, municipalities, homes and communities, urban and rural.
- The company offers a wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc.
- The company is also engaged in manufacturing ion exchange resins, membranes, speciality chemicals for water and waste water treatment as well as non-water applications.
- It has two facilities for in-house R&D and two applications and testing centers.
- The company has over 50 patents to their credit and 100+ products commercialized.
- The company has a global presence apart from presence in major cities in India with 36+ sales & service centers and 100+ Channel Partners.
- The company exports to Africa, Japan, Middle East, Russia, South East Asia, Europe, UK, USA, Canada and neighbouring countries.

REVENUE BREAKUP (FY22)*



GEOGRAPHICAL BREAKUP (FY22)*



*Consolidated

Q1-FY23 Financial Highlights

Q1-FY23 Performance (Standalone)

INR 3,580 Mn
Operating Income

INR 329 Mn
Operating EBITDA

9.19%
Operating EBITDA
Margins

INR 311 Mn
Net Profit

8.69%
PAT Margins

INR 25.31/Share
Diluted EPS

Q1-FY23 Performance (Consolidated)

INR 3,824 Mn
Operating Income

INR 329 Mn
Operating EBITDA

8.60%
Operating EBITDA
Margins

INR 274 Mn
Net Profit

7.17%
PAT Margins

INR 23.64 /Share
Diluted EPS

Q1-FY23 Operational Highlights

ENGINEERING

- The company witnessed robust order flows both in domestic and international market.
- Regarding Sri Lanka order, the execution progressed at slow pace due to the current political uncertainties and commodity shortages.
- Execution of the UP Jal Nigam Project is progressing satisfactorily, and revenue has been recognized based on work completion.
- Margin in this segment was impacted because of the following:
 - The Company has strengthened the infrastructure on the back of the increased order backlog. We expect increased pace of execution in the subsequent quarters.
 - Rise in input cost in earlier quarters affected the segment margin in the current quarter.

CHEMICALS

- The sales in the domestic segment continued to record steady growth.
- Whilst there was reduced volatility in the raw material costs, the sharp appreciation of the US\$ kept the input cost under pressure.

CONSUMER PRODUCTS

- Steady improvements in the volumes driven by acceptance of our new products launches. We expect segment to sustain its growth momentum.

ENGINEERING ORDER BOOK AND PIPELINE (As on 30th June, 2022)

Engineering projects^

~ INR 1,529 Cr

Outstanding Sri Lanka

~ INR 245 Cr

Outstanding UP SWSM

~ INR 1,138 Cr

Total Orderbook

~ INR 2,912 Cr

Bid Pipeline

~ INR 8,000 Cr

[^]Excluding Sri Lanka Order & UP SWSM

Quarterly Standalone Financial Performance

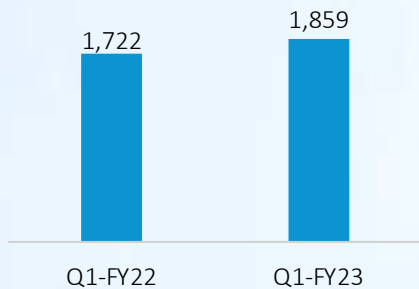
INCOME STATEMENT (INR MN)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Operating Income	3,580	3,006	19.1%	4,657	(23.1)%
Expenses	3,251	2,641	23.1%	3,875	(16.1)%
Operating EBITDA	329	365	(9.9)%	782	(57.9)%
<i>Operating EBITDA Margins (%)</i>	<i>9.19%</i>	<i>12.14%</i>	<i>(295) Bps</i>	<i>16.79%</i>	<i>(760) Bps</i>
Depreciation	68	67	1.5%	67	1.5%
Finance Cost	16	21	(23.8)%	19	(15.8)%
Other Income	179	98	82.7%	193	(7.3)%
PBT	424	375	13.1%	889	(52.3)%
Tax	113	100	13.0%	227	(50.2)%
Profit After Tax	311	275	13.1%	662	(53.0)%
<i>PAT Margins (%)</i>	<i>8.69%</i>	<i>9.15%</i>	<i>(46) Bps</i>	<i>14.22%</i>	<i>(553) Bps</i>
Other Comprehensive Income	(3)	2	NA	(20)	85.0%
Total Comprehensive Income	308	277	11.2%	642	(52.0)%
Diluted EPS (INR)#	25.31	22.33	13.3%	53.86	(53.0)%

#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 23,73,614)

Quarterly Standalone Segmental Breakup

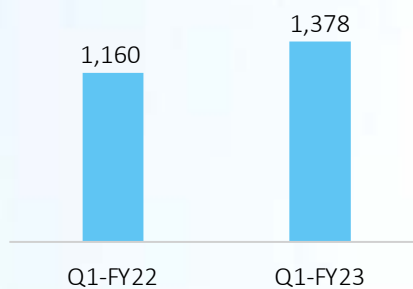
ENGINEERING (INR MN)

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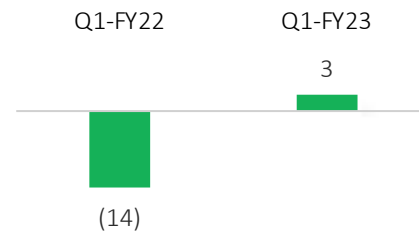
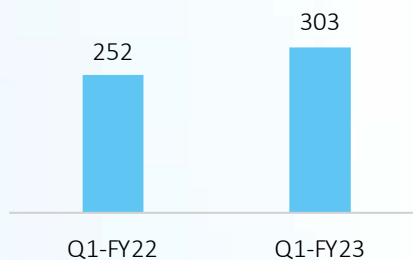
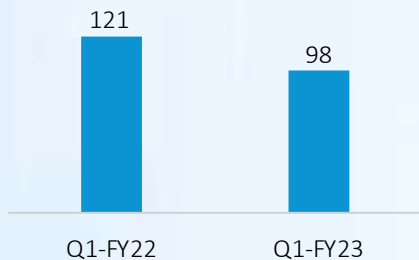
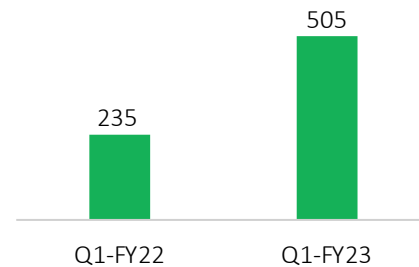


CHEMICALS (INR MN)

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CONSUMER PRODUCTS (INR MN)



Quarterly Consolidated Financial Performance

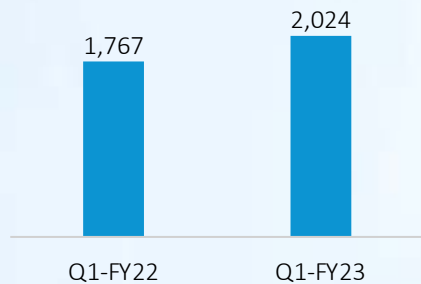
INCOME STATEMENT (INR MN)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Operating Income	3,824	3,141	21.7%	4,964	(23.0)%
Expenses	3,495	2,783	25.6%	4,013	(12.9)%
Operating EBITDA	329	358	(8.1)%	951	(65.4)%
Operating EBITDA Margins (%)	8.60%	11.40%	(280) Bps	19.16%	NA
Depreciation	71	70	1.4%	71	NA
Finance Cost	22	28	(21.4)%	25	(12.0)%
Other Income	149	72	106.9%	212	(29.7)%
PBT	385	332	16.0%	1,067	(63.9)%
Share of Profit of equity accounted Investee	5	2	150.0%	(2)	NA
Tax	116	102	13.7%	233	(50.2)%
Profit After Tax	274	232	18.1%	832	(67.1)%
PAT Margins (%)	7.17%	7.39%	(22) Bps	16.76%	(959) Bps
Other Comprehensive Income	5	3	66.7%	(21)	NA
Total Comprehensive Income	279	235	18.7%	811	(65.6)%
Diluted EPS (INR)#	23.64	20.14	17.4%	70.07	(66.3)%

#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 23,73,614) and shares held by Subsidiary companies: (No. of Shares- 4,37,874)

Quarterly Consolidated Segmental Breakup

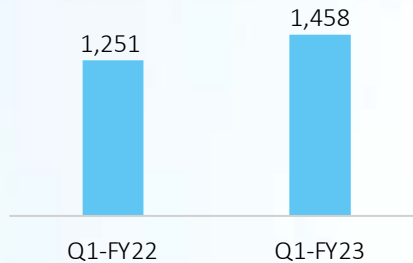
ENGINEERING (INR MN)

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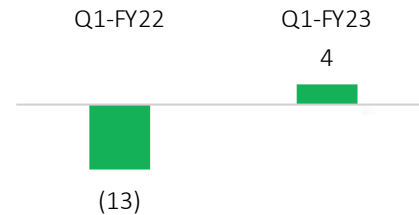
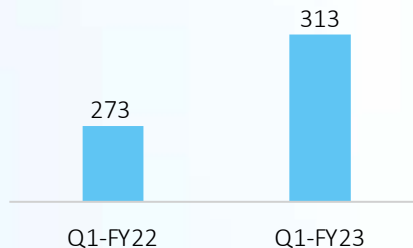
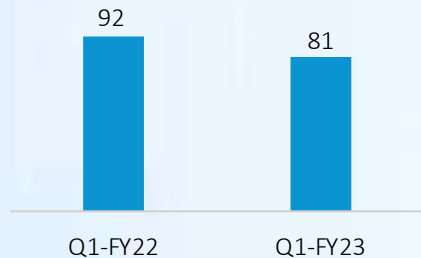
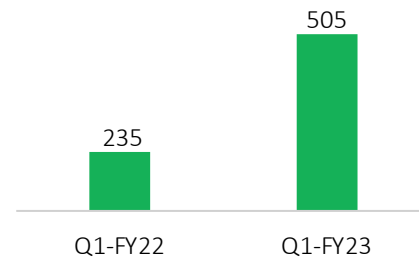


CHEMICALS (INR MN)

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CONSUMER PRODUCTS (INR MN)



HISTORICAL FINANCIAL OVERVIEW

Historical Standalone Financial Performance

INCOME STATEMENT (INR MN)	FY19	FY20	FY21	FY22	Q1-FY23
Operating Income	11,023	14,072	14,018	15,094	3,580
Expenses	10,110	12,862	12,067	13,123	3,251
Operating EBITDA	913	1,210	1,951	1,971	329
Operating EBITDA Margins (%)	8.28%	8.60%	13.92%	13.06%	9.19%
Depreciation	181	221	261	268	68
Finance Cost	162	132	99	76	16
Other Income	441	485	368	461	179
PBT	1,011	1,342	1,959	2,088	424
Tax	345	351	499	545	113
Profit After Tax	666	991	1,460	1,542	311
PAT Margins (%)	6.04%	7.04%	10.42%	10.22%	8.69%
Other Comprehensive Income	(5)	(9)	9	(15)	(3)
Total Comprehensive Income	661	982	1,469	1,527	308
Diluted EPS (INR)	55.47*	81.85 [#]	118.75 [@]	125.44 [@]	25.31 [@]

*Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. No. of Shares- 26,62,914

[#]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. No. of Shares- 23,68,939

[@]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 23,73,614)

Historical Standalone Balance Sheet

PARTICULARS (INR MN)	FY20	FY21	FY22	PARTICULARS (INR MN)	FY20	FY21	FY22
EQUITIES & LIABILITIES				ASSETS			
Equity				Non-Current Assets			
(A) Equity Share Capital	147	147	147	(A) Property, Plant and Equipment	1,385	1,421	1,389
(B) Other Equity	4,668	6,123	7,527	(B) Capital Work-in-progress	115	146	200
Total Equity	4,815	6,270	7,674	(C) Right-of-Use Assets	368	298	364
Non-Current Liabilities				(D) Other Intangible Assets	16	22	19
(A) Financial Liabilities				(E) Financial Assets			
(i) Borrowings	187	79	117	(i) Investments	620	625	640
(ii) Lease Liabilities	101	46	26	(ii) Trade Receivables	29	12	12
(iii) Other financial Liabilities	81	85	89	(iii) Loans	420	335	220
(B) Provisions	140	148	166	(iv) Other Financial Assets	-	85	86
(C) Liabilities for Non-Current Tax (Net)	19	-	-	(F) Other Non-Current Assets	54	35	165
Total Non – Current Liabilities	528	358	398	(G) Deferred Tax Assets	6	42	82
Current Liabilities				Total Non – Current Assets	3,013	3,021	3,177
(A) Financial Liabilities				Current Assets			
(i) Borrowings	504	228	196	(A) Inventories	1,180	1,024	1,462
(ii) Lease Liabilities	95	59	40	(B) Financial Assets			
(iii) Trade Payables	4,706	5,045	4,859	(i) Investments	1	2	3
(iv) Other Financial Liabilities	394	263	280	(ii) Trade Receivables	5,137	4,528	5,088
(B) Other Current Liabilities	3,118	2,441	3,014	(iii) Cash & Cash Equivalents	846	1,813	1,536
(C) Provisions	49	46	64	(iv) Bank Balances	2,691	3,057	3,590
(D) Liabilities for current tax (Net)	158	246	142	(v) Loans	472	531	763
Total Current Liabilities	9,024	8,328	8,595	(vi) Other Financial Assets	224	99	115
GRAND TOTAL - EQUITIES & LIABILITIES	14,367	14,956	16,667	(C) Other current assets	803	881	933
				Total Current Assets	11,354	11,935	13,490
				GRAND TOTAL – ASSETS	14,367	14,956	16,667

Historical Consolidated Financial Performance

INCOME STATEMENT (INR MN)	FY19	FY20	FY21	FY22	Q1-FY23
Operating Income	11,623	14,798	14,495	15,769	3,824
Expenses	10,557	13,453	12,472	13,637	3,495
Operating EBITDA	1,066	1,345	2,023	2,132	329
Operating EBITDA Margins (%)	9.17%	9.09%	13.96%	13.52%	8.60%
Depreciation	196	235	277	280	71
Finance Cost	190	160	126	100	22
Other Income	333	354	331	417	149
PBT	1,013	1,304	1,951	2,169	385
Share of Profit of equity accounted Investee	5	5	(1)	4	5
Tax	359	367	517	556	116
Profit After Tax	659	942	1,433	1,617	274
PAT Margins (%)	5.67%	6.37%	9.89%	10.25%	7.17%
Other Comprehensive Income	1	2	(2)	(10)	5
Total Comprehensive Income	660	944	1,431	1,607	279
EPS Diluted (INR)	56.99*	80.22 [#]	121.41 [@]	137.30 [@]	23.64 [@]

*Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. No. of Shares- 26,62,914

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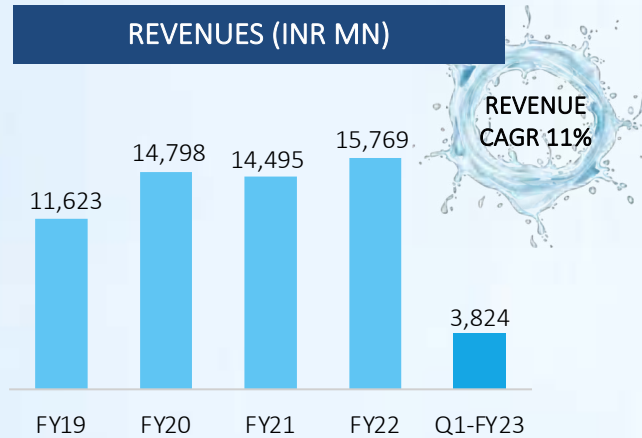
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Historical Consolidated Balance Sheet

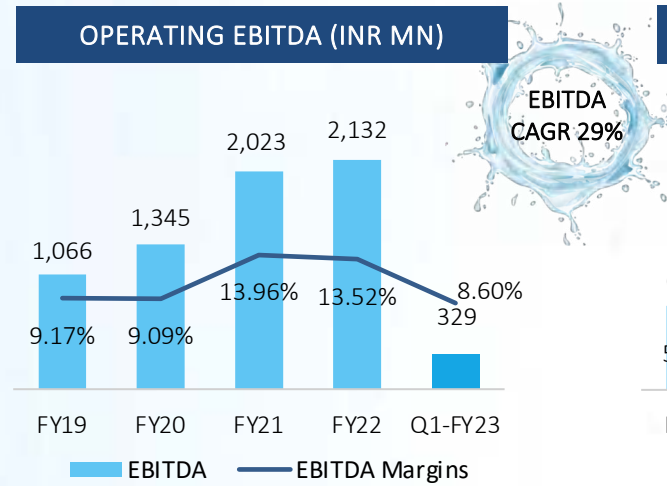
PARTICULARS (INR MN)	FY20	FY21	FY22	PARTICULARS (INR MN)	FY20	FY21	FY22
EQUITIES & LIABILITIES				ASSETS			
Equity				Non-Current Assets			
(A) Equity Share Capital	142	142	142	(A) Property, Plant and Equipment	1,459	1,486	1,446
(B) Other Equity	3,489	4,916	6,414	(B) Capital Work-in-progress	115	146	200
Equity attributable to owners	3,631	5,058	6,556	(C) Right-of-Use Assets	379	303	370
Non Controlling Interest	20	(1)	(8)	(D) Other Intangible Assets	16	22	19
Total Equity	3,651	5,057	6,548	(E) Goodwill	86	86	86
				(F) Investment accounted using Equity Method	37	36	40
Non-Current Liabilities				(G) Financial Assets			
(A) Financial Liabilities				(i) Investments	7	7	44
(i) Borrowings	187	79	117	(ii) Trade Receivables	62	45	45
(ii) Lease liabilities	106	48	29	(iii) Other Financial Assets	183	177	171
(iii) Other Financial Liabilities	81	85	89	(H) Deferred Tax Assets (Net)	15	54	93
(B) Provisions	157	171	191	(I) Other Non-Current Assets	165	135	257
(C) Deferred Tax Liabilities (Net)	5	-	2	(J) Non-Current Tax Assets	5	6	14
(D) Other Non-Current Liabilities	5	5	5				
(E) Liabilities for non-current tax (Net)	19	-	-	Total Non – Current Assets	2,529	2,503	2,785
Total Non – Current Liabilities	560	388	433	Current Assets			
				(A) Inventories	1,345	1,276	1,810
Current Liabilities				(B) Financial Assets			
(A) Financial Liabilities				(i) Investments	1	2	3
(i) Borrowings	723	434	364	(ii) Trade Receivables	5,019	4,489	5,077
(ii) Lease liabilities	97	61	42	(iii) Cash & Cash Equivalents	1,015	1,972	1,691
(iii) Trade Payables	4,936	5,353	5,235	(iv) Bank Balances	2,716	3,082	3,668
(iv) Other Financial Liabilities	438	311	324	(v) Loans	173	142	201
(B) Other Current Liabilities	3,190	2,518	3,085	(vi) Other Financial Assets	237	117	137
(C) Provisions	56	53	73	(C) Current Tax Assets (Net)	15	7	3
(D) Liabilities for current tax (Net)	171	258	150	(D) Other Current Assets	772	843	879
Total Current Liabilities	9,611	8,988	9,273	Total Current Assets	11,293	11,930	13,469
GRAND TOTAL - EQUITIES & LIABILITIES	13,822	14,433	16,254	GRAND TOTAL – ASSETS	13,822	14,433	16,254

Consolidated Financial Performance

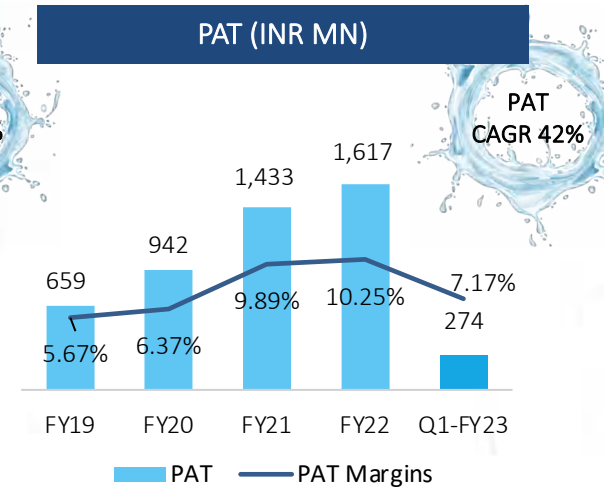
REVENUES (INR MN)



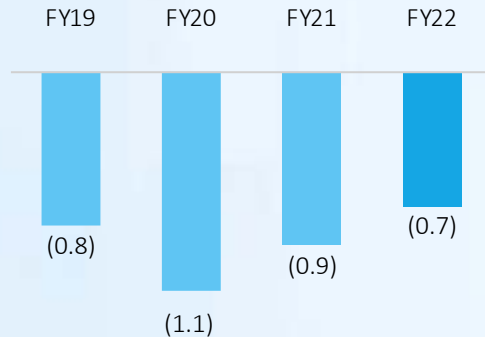
OPERATING EBITDA (INR MN)



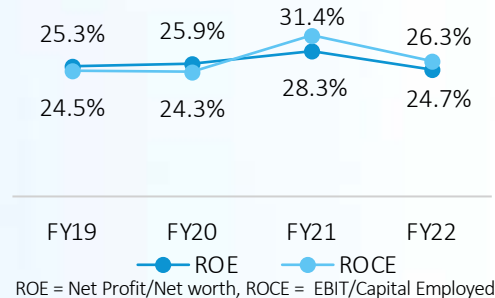
PAT (INR MN)



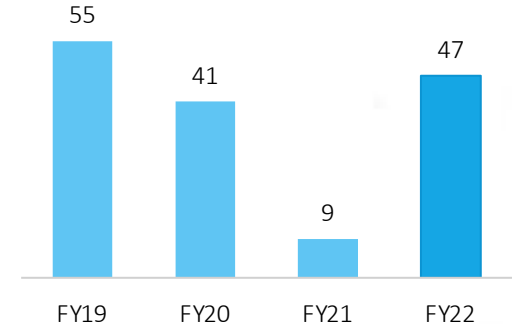
NET DEBT/ EQUITY



ROE and ROCE

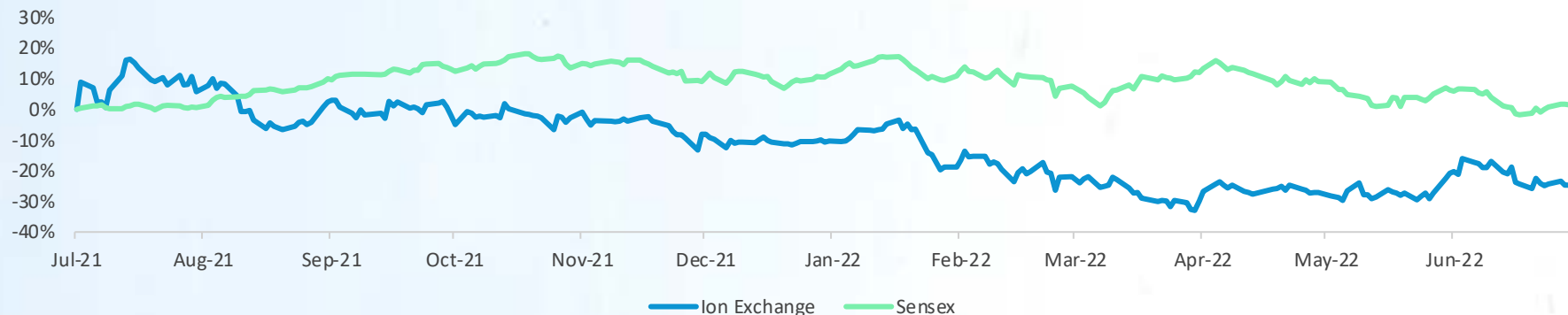


WORKING CAPITAL DAYS



Market Data (Bloomberg – ION IN, Reuters – IONX.BO)

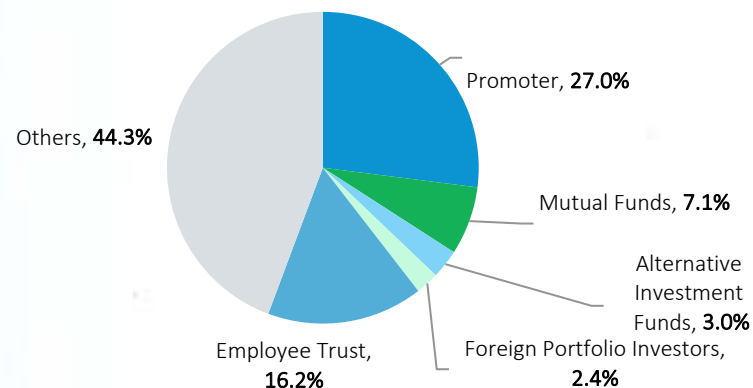
1 YEAR SHARE PRICE MOVEMENT (UP TO 30th June, 2022)



PRICE DATA (As on 30th June, 2022)

Face value (INR)	10.0
Market Price (INR)	1,754.2
52 Week H/L (INR)	2,947.0/1,562.0
Market Cap (INR Mn)	25,787.5
Equity Shares Outstanding (Mn)	14.7
1 Year Avg. trading volume ('000)	29.5

SHAREHOLDING PATTERN (As on 30th June, 2022)



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Ion Exchange (India) Limited

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VALOREM ADVISORS

Mr. Anuj Sonpal

Tel: +91-22-49039500

Email: ion@valoremadvisors.com

THANK YOU

