

# Kridhan Infra Limited

INVESTOR PRESENTATION | Q1FY19





This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.



1. Q1FY19 Highlights

Slide No. 5-10

2. Guidance & Company Overview

Slide No. 12-16

3. Appendix – Company Highlights

Slide No. 18-22



# Q1FY19 Highlights & Strategic Review



# Moving Towards Strong Growth



## Strong Growth

Q1 FY19 Order Inflows	INR 3.7+ bn
India EPC* Order book	INR 34+ bn
Book to Bill ratio**	2.4x
Order Wins since Q1FY19	INR 5.3+ bn

## Solid Execution

EBITDA Growth	12%
EBITDA Margin	14.6%
PAT Growth	35%

\*India EPC refers to VNC

\*\* Book to bill for India EPC is 4x

## FY19 Guidance

Consolidated Revenue: INR 18-20 billion

- India EPC revenue: INR 12-13 billion
- SG EPC revenue: INR 1.5-2 billion
- SG FE revenue: INR 4-5 billion

Consolidated EBITDA: INR 2.1-2.5 billion

- EBITDA Margin: 12%-13%

Consolidated PAT: INR 0.75–0.9 billion

# Order Win Trajectory - FY19



## India: VNC

INR 7,151 million

### IN Q1FY19

- o Structural work for Vishakhapatnam Road worth INR 1,800 million

### SINCE Q1FY19

- o Construction order at IGI Airport worth INR 742 million
- o In 51% JV, won order worth 2,226 million for NH 167
- o Civil works order for Gorakhpur Fertiliser Plant worth 1,326 million
- o Commercial complex at Vijaywada worth INR 430 million
- o Central Public Works Department worth INR 1,740 million

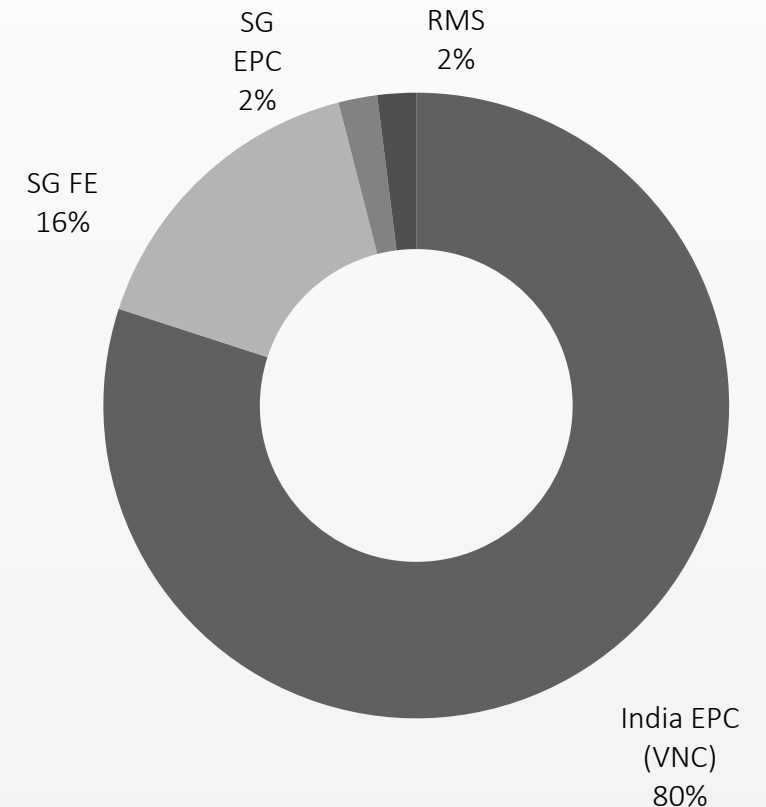
## Singapore

INR 1,906 million

### IN Q1FY19

- o KH Foges: Piling contract worth INR 1,340 million (SG\$ 27 million)
- o Swee Hong: Public Utilities Board contract worth INR 566 million (SG\$ 11.3 million)

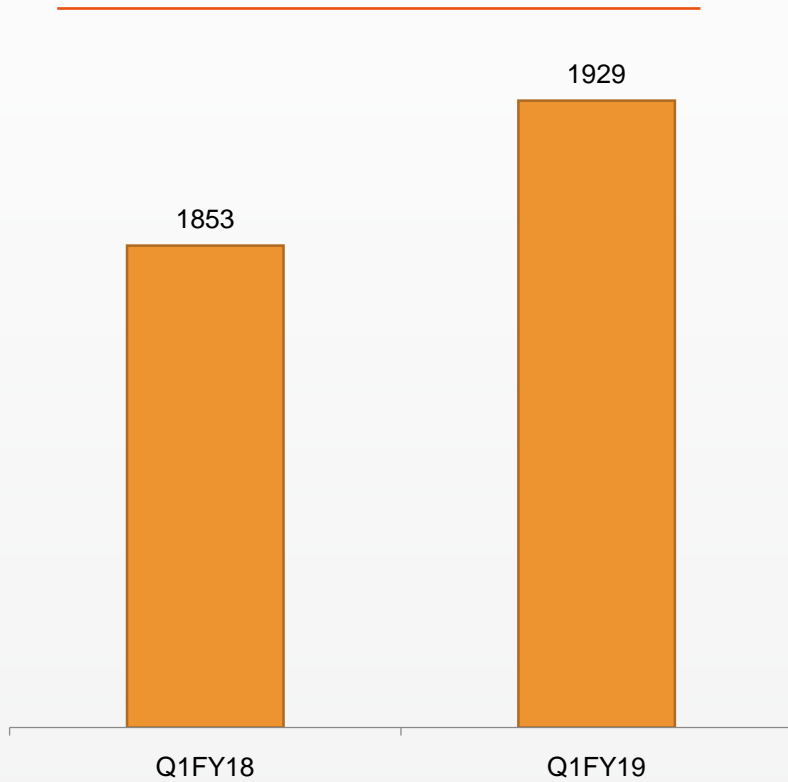
## Consolidated Order Book Break-up (Proforma Basis: INR 37+ billion)



# Q1FY19: Financial Highlights

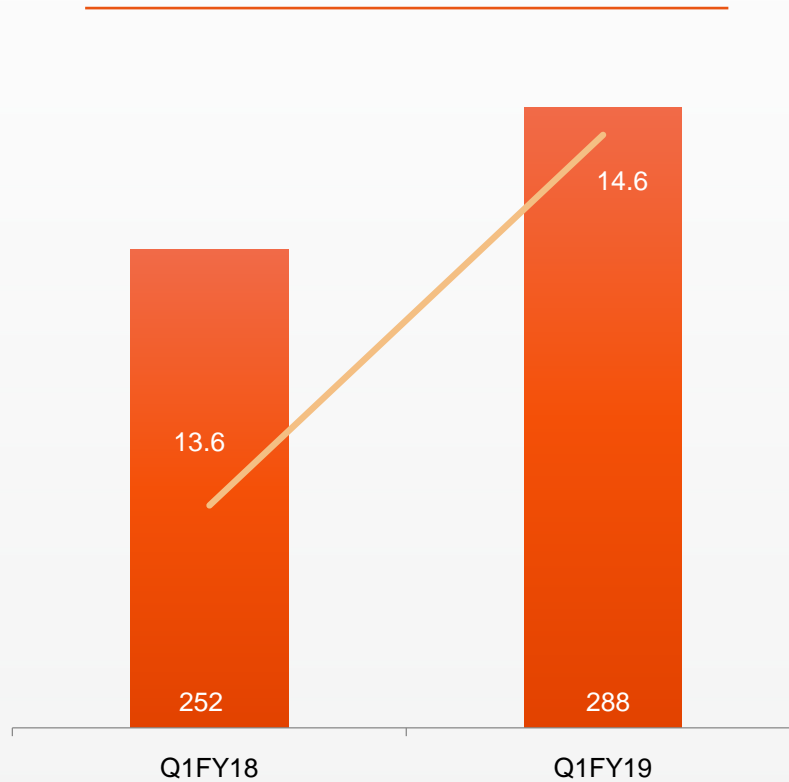


### Revenue (INR Mn)



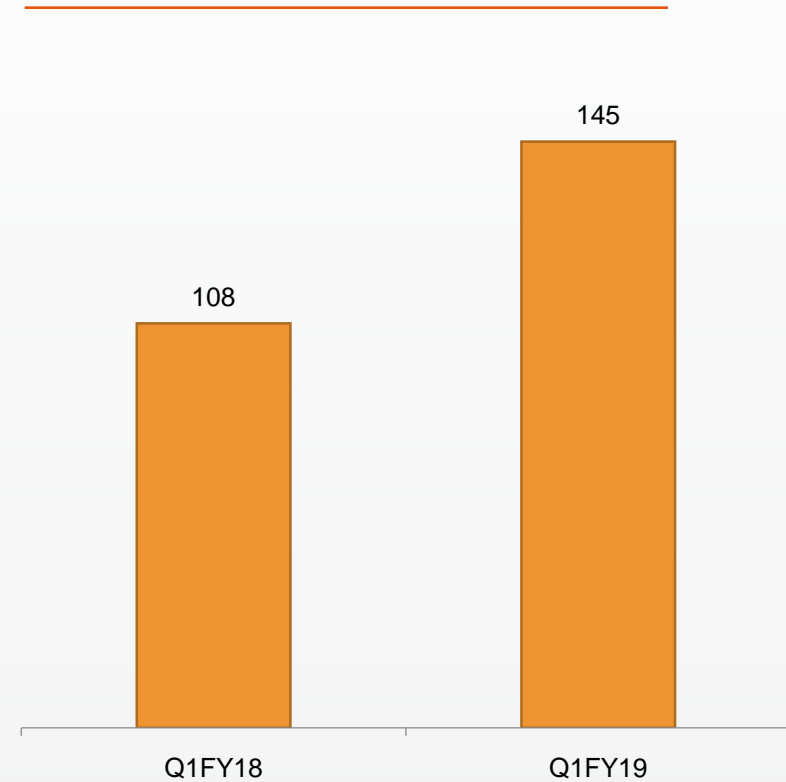
4%

### EBITDA (INR Mn) & EBITDA Margin (%)



12%

### PAT (INR Mn)



35%

# Q1FY19 Financial Performance



INR Mn	Q1FY18	Q1FY19	% Change
<b>TOTAL REVENUE</b>	<b>1,853</b>	<b>1,929</b>	<b>4.1%</b>
Bill of materials & Services	(600)	(447)	
Change in Inventory	(7)	4	
Construction Expenses	(862)	(1,004)	
<b>GROSS PROFIT</b>	<b>384</b>	<b>482</b>	<b>25.5%</b>
<b><i>GPM (%)</i></b>	<b><i>20.7%</i></b>	<b><i>25.0%</i></b>	
Employee benefits	(83)	(114)	
Other Expenses	(49)	(86)	
<b>EBITDA</b>	<b>252</b>	<b>282</b>	<b>11.9%</b>
<b><i>EBITDA Margin (net of fx losses) (%)</i></b>	<b><i>13.6%</i></b>	<b><i>14.6%</i></b>	
Net Finance Costs	(30)	(53)	
Depreciation & Amortization	(121)	(96)	
Other Income	23	28	
<b>Exceptional items</b>	<b>(3)</b>	<b>(38)</b>	
PBT	120	123	
<b>Associate Accounts</b>		<b>37</b>	
Total Tax	(12)	(15)	
<b>PAT</b>	<b>108</b>	<b>145</b>	<b>34.2%</b>



# India EPC (VNC) in Q1FY19 – On a Strong Growth Path



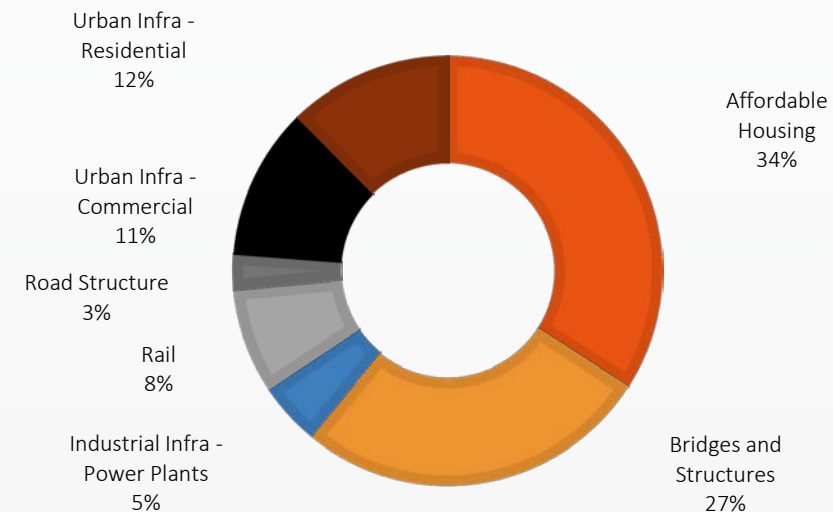
## Operational highlights

- Won orders worth INR 1,800 million during Q1FY19
- Bagged orders worth ~INR 5,000 million since Q1FY19
- Significantly strengthened Balance Sheet after equity infusion from Kridhan Infra

## Way Forward

- Kridhan Infra's additional equity infusion to help strengthen balance sheet further
- On track towards achieving INR 12-13 billion in revenue in FY19

## VNC Order Book Breakup (INR 34,546 Mn)



INR Million	Q1FY19	% Growth (YoY)
Revenue	2,114.7	4%
EBITDA	300.7	35%
EBITDA Margin	14.2%	330 bps
PAT	89.3	109%



## KH Foges

- Commenced construction in 3 key projects: Singapore General Hospital with contract value of SGD 23.6 million; Mixed commercial & residential development at Bidadri Park with contract value of SGD 28.8 million & Piling at Micron Fab Factory with contract value of SGD 27 million
- Construction work worth SGD 21.1 million completed on the above projects in Q1FY19

## Swee Hong

- Q1FY19 revenues declined slightly due to lower revenue recognised for ER 382 project
- Gross profits increased to SGD 574,000 on back of increased activities and operational efficiency in ER 382 project
- Strong bid pipeline + existing relationships with marquee firms bode well for future growth

INR Million	KH Foges (FE)	Swee Hong (EPC)
Revenue	1,679	357
EBITDA	184.5	56.7
EBITDA Margin	11%	16%
PBT	122.7	15.9



# Guidance & Overview





## Strategic Priorities

Consolidate VNC as a majority owned  
Subsidiary

Strengthen India EPC

Grow Singapore EPC business

## FY19 Guidance

**Consolidated Revenue: INR 18-20 billion**

- India EPC revenue: INR 12-13 billion
- SG EPC revenue: INR 1.5-2 billion
- SG FE revenue: INR 4-5 billion

**EBITDA: INR 2.1-2.5 billion**

- EBITDA Margin: 12%-13%

**PAT: INR 0.75–0.9 billion**

# Proforma Financial Performance and Order Book



## Q1FY19 Proforma Financial Performance

*Assuming 50.5% stake in VNC*

	Q1FY18 (Actual)	Q1FY19 (PF)
Revenue	1,853	4,044
EBITDA	252	582
EBITDA Margin	13.6%	14.4%
PAT (Pre-exceptional)	108	166

Revenue Growth  
1.2x

EBITDA Growth  
1.3x

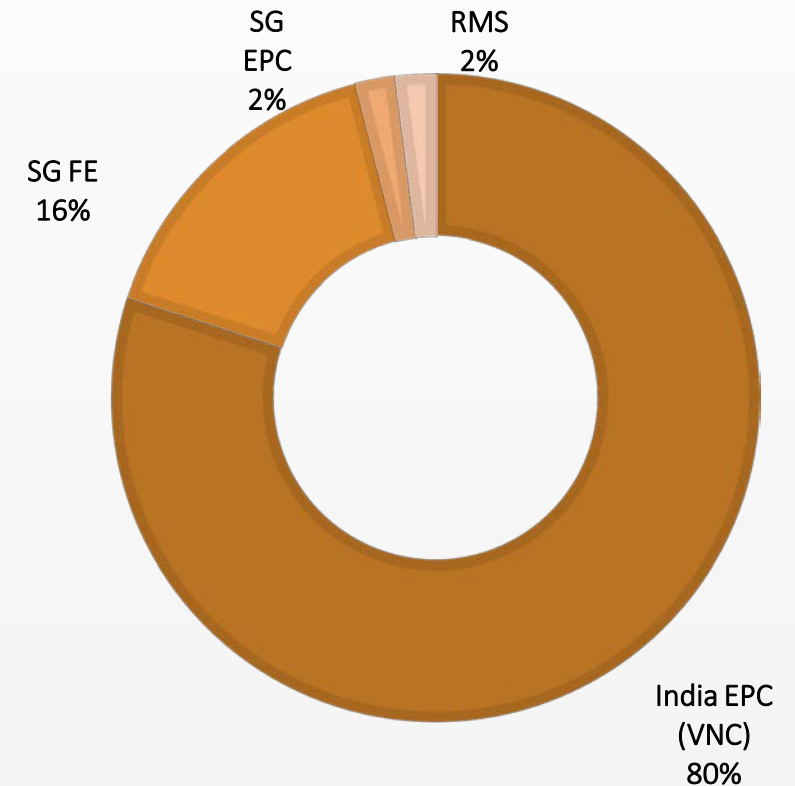
PAT Growth  
53.7%

### Proforma calculation:

- Proforma numbers are calculated using line by line consolidation of Revenue and EBITDA.
- Pre – exceptional PAT (of Kridhan ) which is attributable to shareholders is net of minorities

## Q1FY19 Proforma Order Book

INR 37+ bn



# Proforma Financial Performance and Order Book



## FY18 Proforma Financial Performance

*Assuming 50.5% stake in VNC*

	FY17 (Actual)	FY18 PF
Revenue	6,882	15,896
EBITDA	1,046	1,928
EBITDA Margin	15.2%	12.13%
PAT (Pre-exceptional)	473	583

Revenue Growth  
2.3x

EBITDA Growth  
1.8x

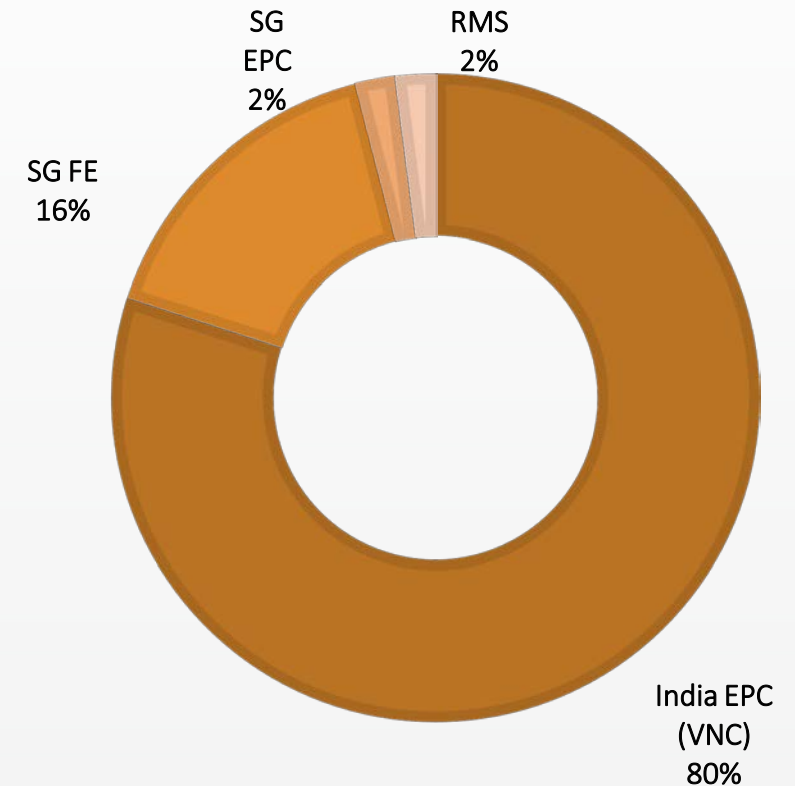
PAT Growth  
1.2x

### Proforma calculation:

- Proforma numbers are calculated using line by line consolidation of Revenue and EBITDA.
- Pre – exceptional PAT (of Kridhan ) which is attributable to shareholders is net of minorities
- FY18 PF of VNC is including exceptional

## FY18 Proforma Order Book

INR 35+ bn



# Kridhan: Strategically Positioned EPC company



A Leading Engineering, Procurement and Construction Company in Asean

Singapore, India, Malaysia, Indonesia

Strong Project Execution Skill

300+ Projects Completed

Prestigious L6 Certification from BCA

Bid for unlimited value of projects in FE

Strategic Acquisitions Expands Opportunities

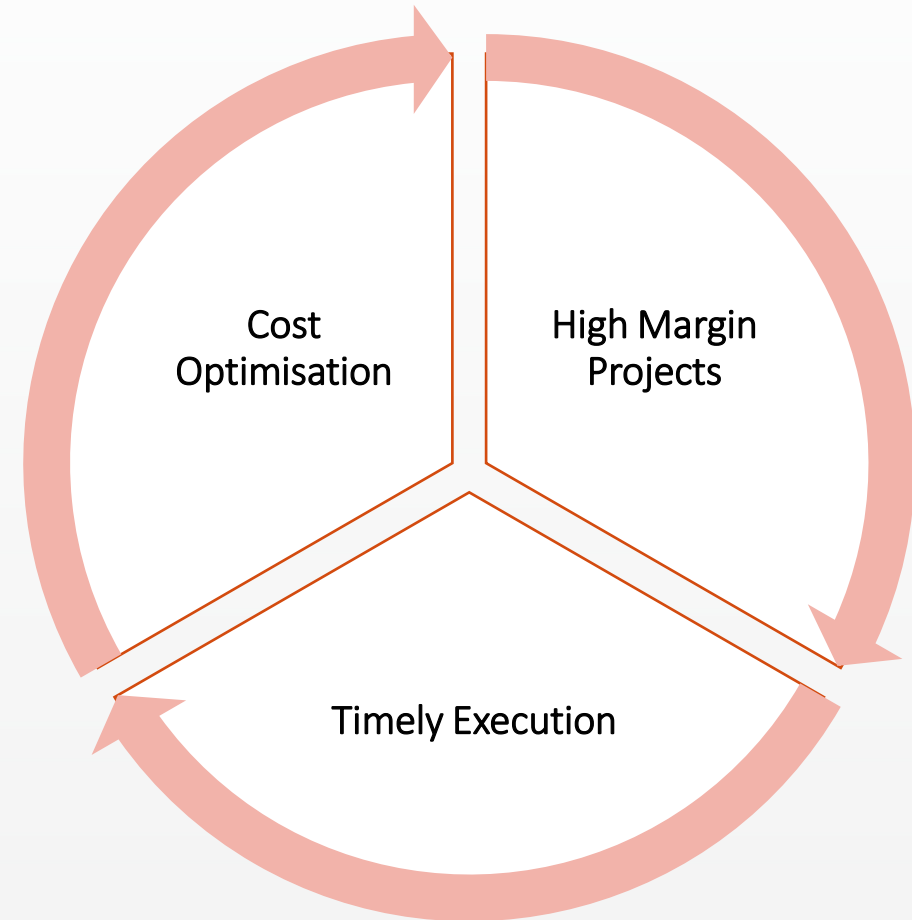
Swee Hong – One of the largest EPC co. in Singapore  
VNC – 35+ years of operations in India

Strong workforce

2,300+ (incl. VNC)

Large Fleet of Equipment

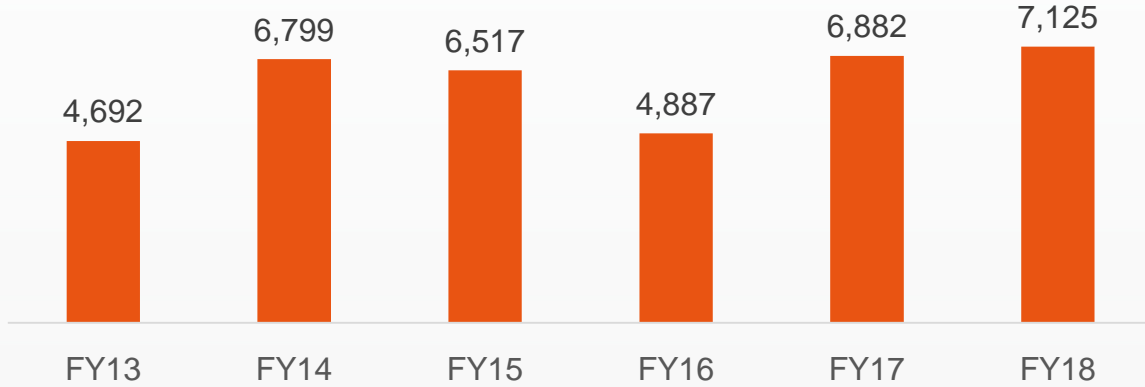
Piling Rigs, Cranes, Excavators, Micro-tunnelling machines



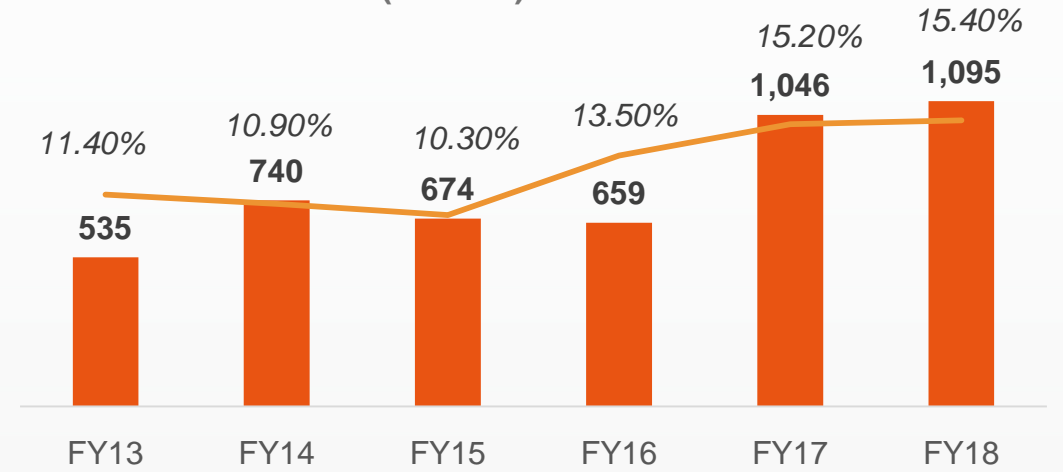
# Strong Financial Position



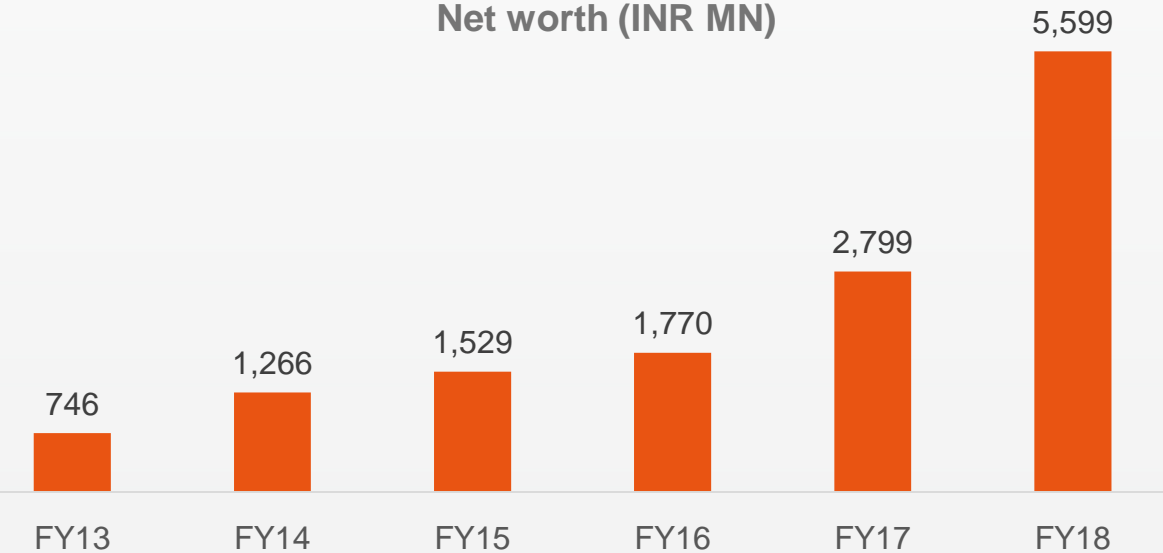
Total Revenue (INR Mn)



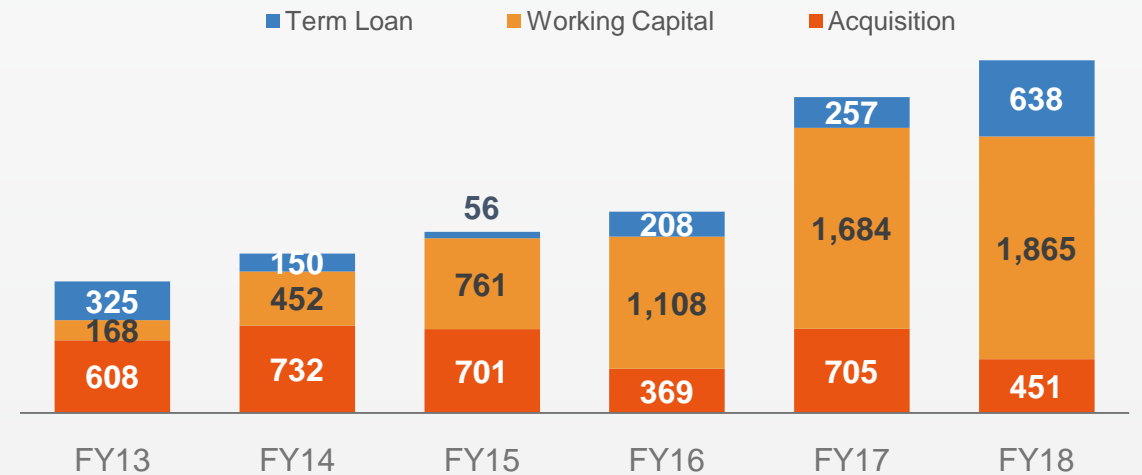
EBITDA (INR Mn) and EBITDA %



Net worth (INR MN)



Debt (INR Mn)







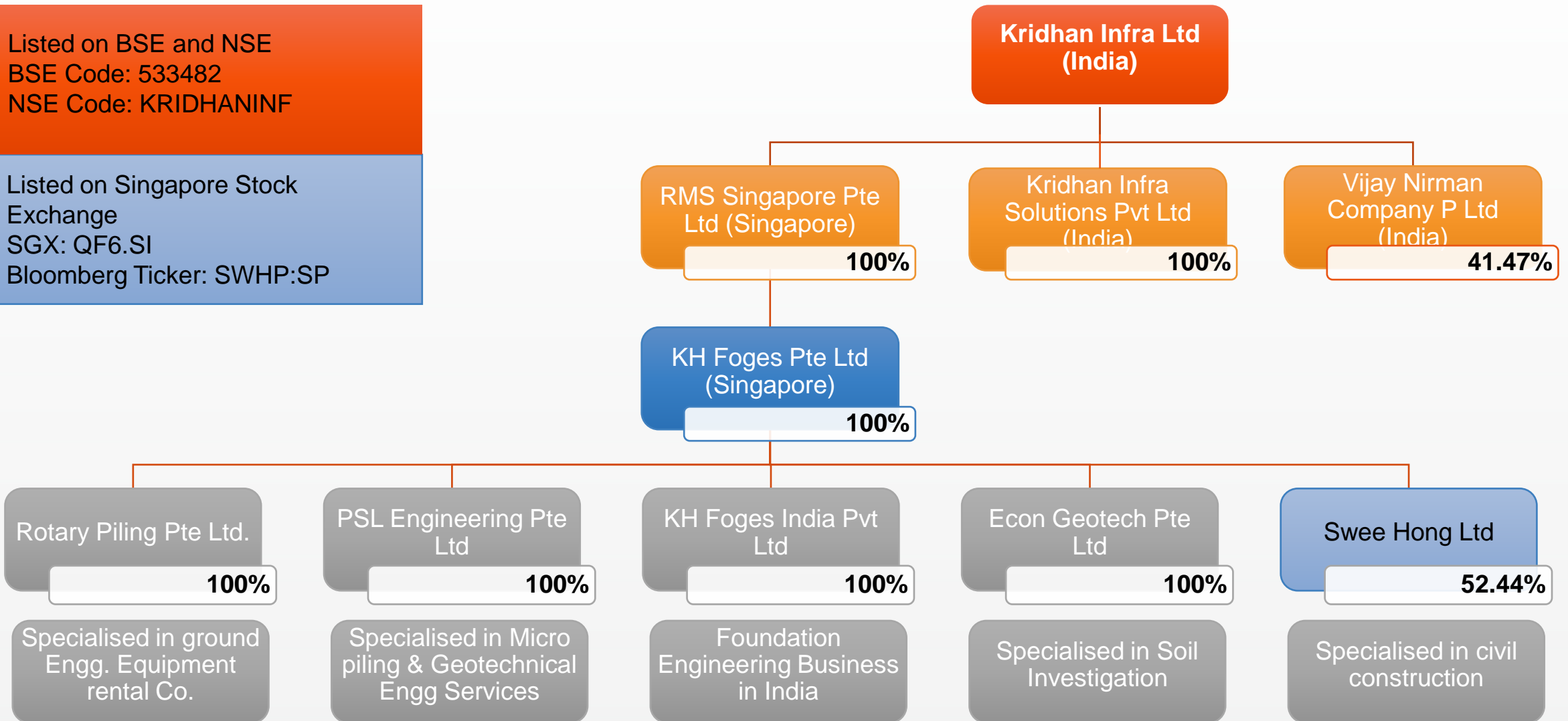
# Appendix

# Group Structure

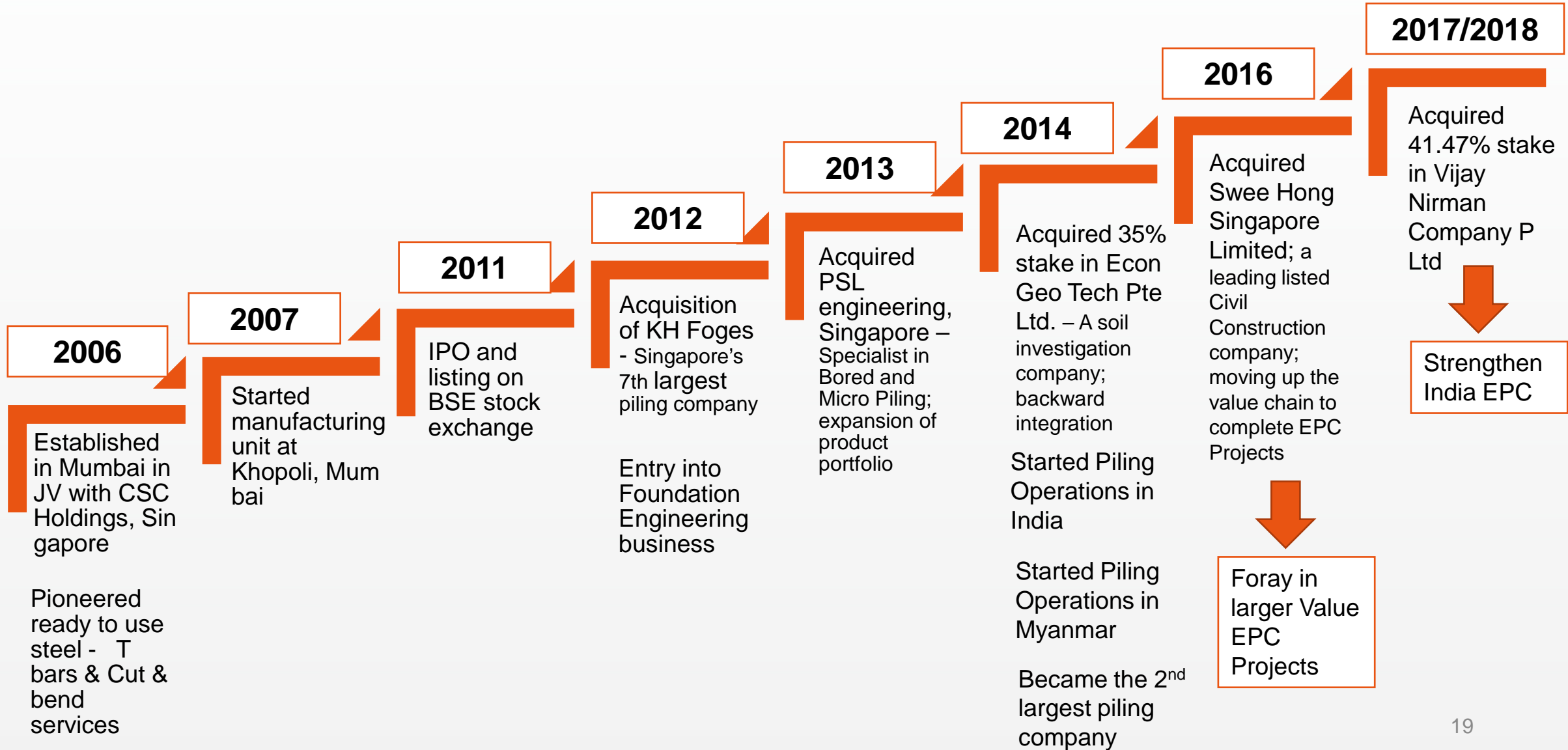


Listed on BSE and NSE  
BSE Code: 533482  
NSE Code: KRIDHANINF

Listed on Singapore Stock Exchange  
SGX: QF6.SI  
Bloomberg Ticker: SWHP:SP



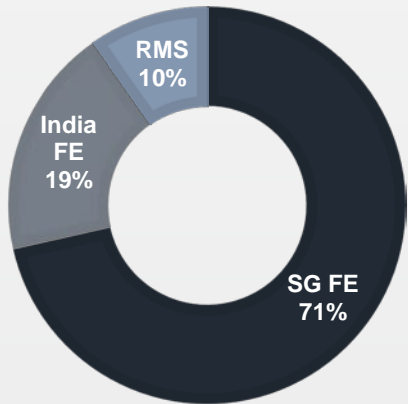
# Grown Fast through Well -Timed Acquisitions



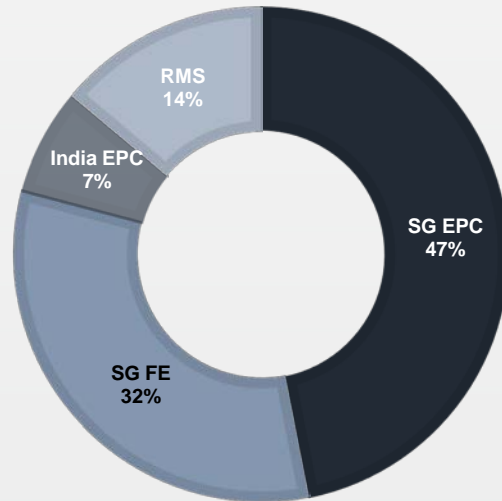
# Robust Order Book: More diversified, More India Focused



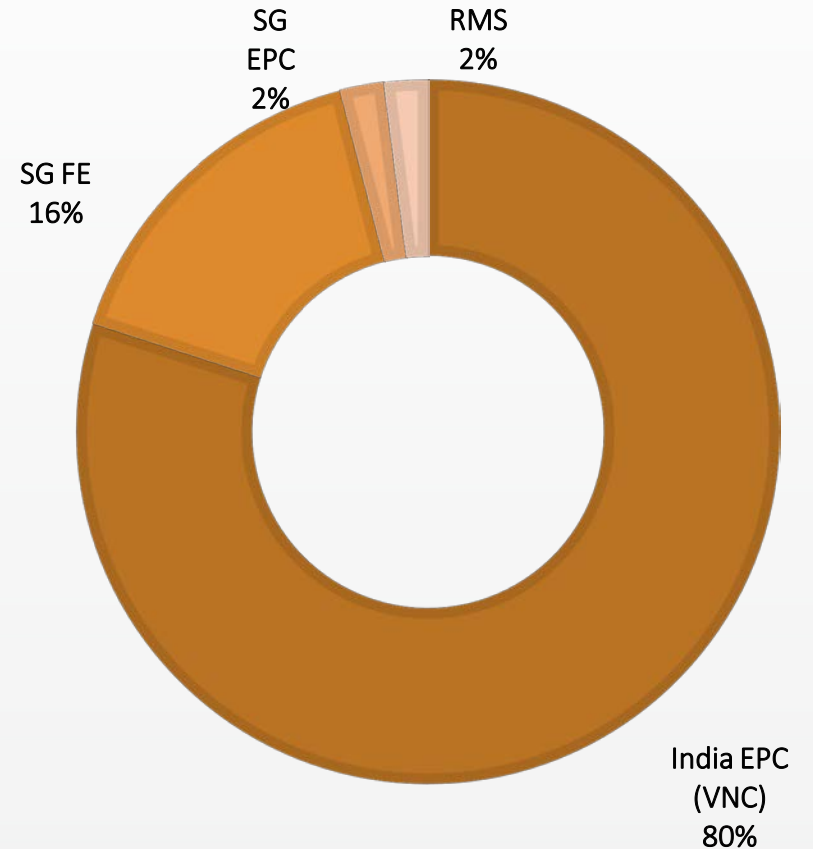
Order Book FY16  
Rs 6,660 Mn



Order Book March'17  
INR 7,915 Mn



**MARCH'18  
PROFORMA ORDER BOOK  
INR 35+ billion**



# Profit & Loss Statement



INR Mn	FY18	FY17
Revenue	7125	6882
Total Expenditure	-6599	-6404
EBITDA	1095	1046
EBITDA Margin (%)	15.40%	15.20%
Interest	-162	-176
Depreciation	-408	-392
Other Income	77	186
PBT	602	664
Tax	-48	-5.1
PAT (pre-exceptional)	554	659
Minority Interest	-24	-186
Adjusted PAT (pre-exceptional)	531	473

# Balance Sheet



INR Mn	FY18	FY17	FY16
Share Capital	190	148	148
Reserves and Surplus	5409	2,650	1,622
Share & Warrant Application Money	506	0	0
Minority Interest	205	169	156
Non Current Liabilities	1190	1,243	855
<i>Long Term Borrowings</i>	642	712	577
<i>Deferred Tax Liabilities</i>	110	112	109
<i>Other Long Term Borrowings</i>	438	418	169
Current Liabilities	4183	4,229	2,609
<i>Short Term Liabilities</i>	1901	1,684	1,108
<i>Trade Payables</i>	1388	1,898	836
<i>Other Current Liabilities</i>	894	634	616
<b>Total Equity and Liabilities</b>	<b>11228</b>	<b>8,440</b>	<b>5,390</b>

INR Mn	FY18	FY17	FY16
Non Current Assets	4927	4,190	2,659
<i>Fixed Assets</i>	1994	2,275	1,848
<i>Goodwill on Consolidation</i>	1517	1,437	223
<i>Non Current Investment</i>	1023	38	53
<i>Other Non Current Assets</i>	393	439	536
Current Assets	6301	4,250	2,731
<i>Inventories</i>	153	265	187
<i>Trade Receivables</i>	2937	2,178	770
<i>Cash and Cash Equivalents</i>	417	302	243
<i>Short Term Loans and Advances</i>	901	440	308
<i>Other Current Assets</i>	1893	1,065	1,223
<b>Total Assets</b>	<b>11228</b>	<b>8,440</b>	<b>5,390</b>

Note: The figures for the FY 2017 include the figures of Swee Hong Limited, Singapore acquired during the financial year and hence are not strictly comparable with the figures of FY.2016



## Contact Detail

Ms. Sheetal Khanduja

Go India Advisors

+91 9769364166

[sheetal@goindiaadvisors.com](mailto:sheetal@goindiaadvisors.com)

Ms. Tanya Khosla

Go India Advisors

+91 9769387813

[tanya@goindiaadvisors.com](mailto:tanya@goindiaadvisors.com)