

Kridhan Infra Limited

INVESTOR PRESENTATION | Q3FY19





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Q3FY19 Highlights & Strategic Review





1. Introduction

Slide No. 5

2. Q3FY19 & 9MFY19 Highlights

Slide No. 6-12

3. Guidance & Company Overview

Slide No. 13-17

4. Appendix – Company Highlights

Slide No. 18-23

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 Foundation Engg.

Strategic Acquisitions Expand Opportunities

VNC – 35+ years of operations in India
Swee Hong – Singapore EPC company with strong pedigree

Strong workforce

2,300+ (incl. VNC)

Large Fleet of Equipment

Piling Rigs, Cranes, Excavators, Micro-tunnelling machines

Kridhan Infra Limited
(Listed on BSE and NSE)

41.47%

India EPC
(Vijay Nirman)

- Pedigreed EPC player with more than 3 decades of experience & a strong management team
- Completed 400+ projects

48.98%

Singapore EPC
(Swee Hong)

- Premier home-grown Singaporean EPC company
- Listed on Singapore Stock Exchange
- Completed marquee projects like Gardens By the Bay

100%

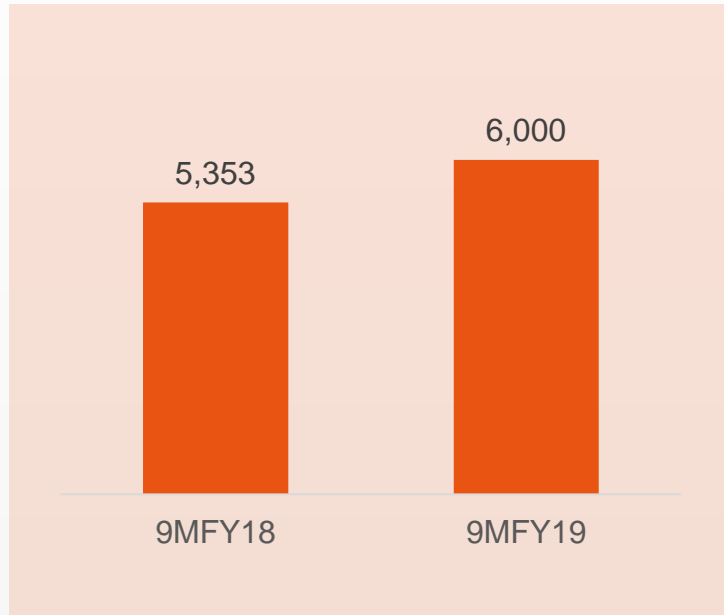
Singapore FE
(KH Foges)

- 2nd Largest Foundation Engineering Company in Singapore
- Prestigious L6 certification

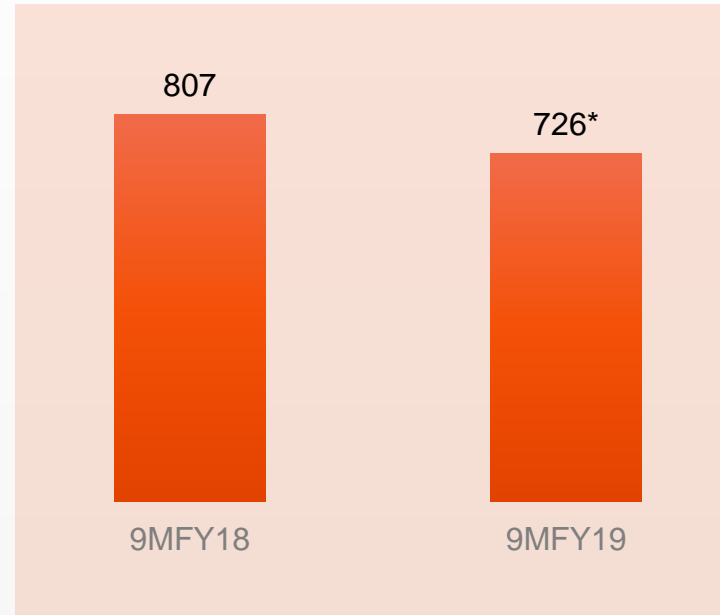
9MFY19: Financial Highlights



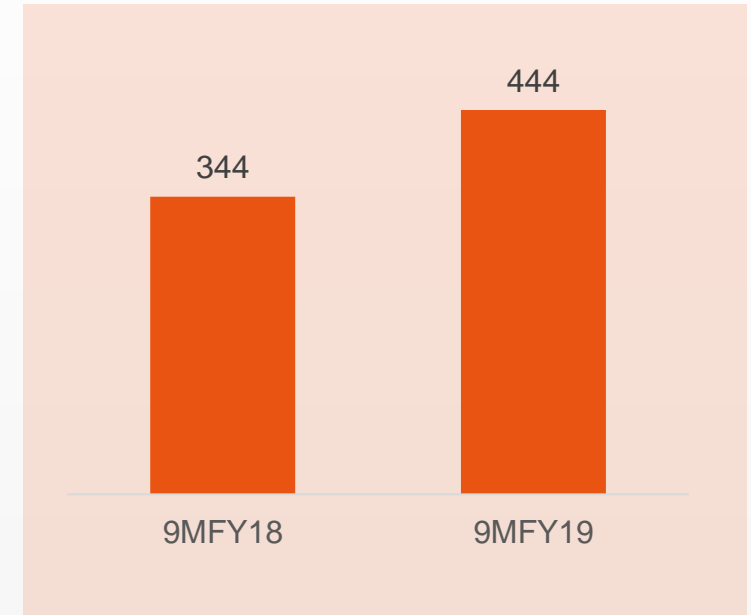
Revenue (INR Mn)



EBITDA (INR Mn)



Pre Exceptional PAT MI (INR Mn)



- Reported 9M Revenue and EBITDA numbers do not include contribution from India EPC Business;
 - PAT MI includes VNC numbers as an associate

*Q3 cost of goods sold includes 1.63mn SGD\$ (INR 86 mn) back charge for a job which was completed last year but accounts were finalised in this quarter. This was a piling job executed for client “Chip Eng Seng” at Woodlands, Singapore. This contributed to 27% YoY drop in EBITDA for Q3 FY19.

- Consolidated Order book for Kridhan Infra stands at INR 38 Bn
- Strong bid pipeline of INR 50+ Bn

Q3 FY19 Financial Performance



INR Mn	Q3FY19	Q3FY18	Y-o-Y%
Revenue	2,353	1,379	71%
Expenses	2,163	1,120	93%
EBITDA	190	259	-27%
<i>EBITDA Margin</i>	8%	19%	-57%
Depreciation	95	88	8%
Finance Cost	63	67	-6%
Other Income	54	18	200%
Exceptional Items		-	
PBT	85	122	-30%
Tax	9	4	125%
Share of Profit/Loss from Associate	22	-	
Minority Interest	-1	-10	-90%
Attributable Profit	96	108	-11%

9M FY19 Financial Performance



INR Mn	9MFY19	9MFY18	Y-o-Y%	FY18
Revenue	6,000	5,353	12%	7,125
Expenses	5,274	4,546	16%	6,030
EBITDA	726	807	-10%	1,095
<i>EBITDA Margin</i>	<i>12%</i>	<i>15%</i>		<i>15%</i>
Depreciation	295	339	-13%	408
Finance Cost	149	139	7%	162
Other Income	112	72	56%	77
Exceptional Items	-66	-4		-163
PBT	328	398	-17%	439
Tax	24	36	-33%	48
Share of Profit/Loss from Associat	84	-		4
Minority Interest	-9	-21		-24
Attributable Profit	444	344	29%	531



Strong Growth

Total Order Book

INR 38.6 bn

Order Wins in Q3FY19

INR 5.95 bn

Order wins since end of Q3 FY19

INR 1.7 bn

India EPC Book to Bill

3.2x

Solid Execution – Proforma Consolidated Numbers.*

Revenue

INR 13,151 mn

EBITDA

INR 1,494 mn

Pre Exceptional PAT MI

INR 471 mn

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 0.70–0.75 billion

*In calculating proforma numbers, Kridhan is assumed to hold 50.5% stake in VNC

Strong Order Inflows Across Businesses



India: VNC

INR 2,700+ million

IN Q3FY19

- Purvanchal Expressway in Uttar Pradesh (Package – 5) worth INR 1,670 million
- Mumbai – Nagpur Super Communication Expressway in Maharashtra worth INR 1,050 million

Singapore

INR 4,950+ million

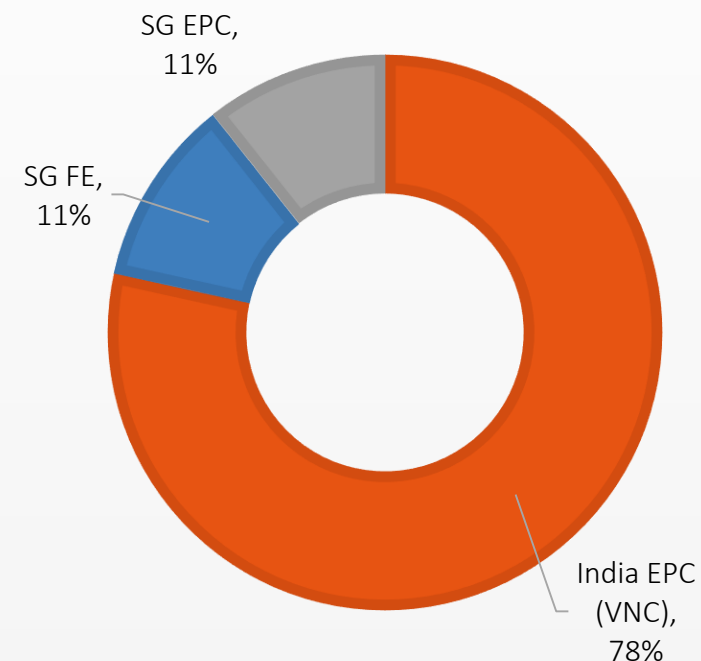
IN Q3FY19

- KH Foges: Piling contract worth INR 1,042 million (SG\$ 19.85 million)
- KH Foges: Piling contract worth INR 250 million (SG\$ 4.78 million)
- Swee Hong: Public Utilities Board contract worth INR 1,953 million (SG\$ 37.2 million)

POST Q3FY19

- Swee Hong: Public Utilities Board contract worth INR 1,706 million (SG\$ 32.5 million)

Current Order Book Break-up (Proforma Basis: INR 38 billion)



New order wins since end of the quarter
INR 1.7 bn



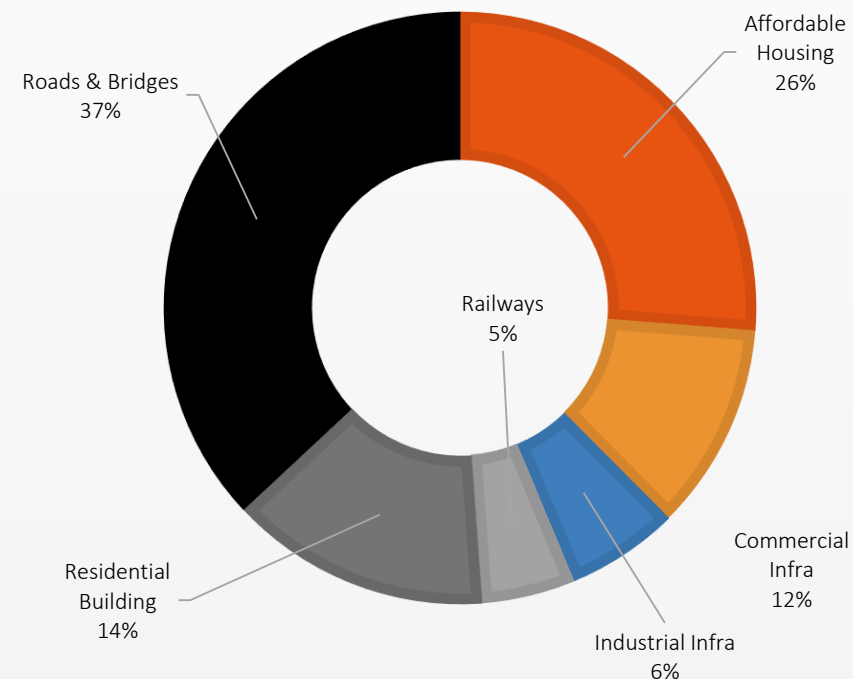
Operational Highlights

- Won new orders worth INR 2.7 bn during Q3FY19
- Significantly strengthened Balance Sheet after equity infusion from Kridhan Infra

Way Forward

- On track towards achieving INR 12-13 billion in revenue in FY19
- Working towards consolidating Kridhan's stake in the business

VNC Order Book Breakup (INR 30+ billion)



INR Million	Q3FY19	Q3FY18	% YoY
Revenue	2,429	1,873	30%
EBITDA	246	228	8%
EBITDA Margin	10.1%	12.2%	-
PAT	53	43	25%



KH Foges

- Strong order book growth; Won new piling orders worth SG\$ 24.6 million in Q3FY19
- Commenced construction at key projects
- Bid pipeline of INR 31.3+ Bn

Swee Hong

- Pre-acquisition legacy orders are nearing completion
- Phase I of legacy large contract at Swee Hong commissioned on 28th Oct 2018.
- Won new orders worth SG\$ 69.7 million in Q3FY19 & after

9MFY19 (INR Mn)	KH Foges (FE)	Swee Hong (EPC)
Revenue	4,828	1,146
EBITDA	425	107
EBITDA Margin	9%	9%
PBT	292	19



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 0.70–0.75 billion



9M FY19 Proforma Financial Performance

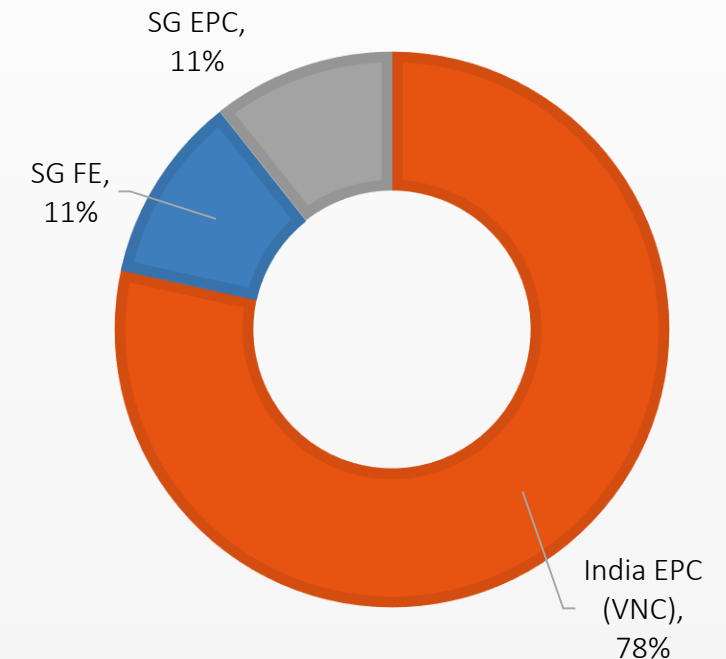
Assuming 50.5% stake in VNC

Proforma (INR Mn)	9MFY18 (Actual)	9MFY19 (PF)	Y-o-Y%
Revenue	5,353	13,151	146%
EBITDA	807	1,494	85%
EBITDA Margin	15.1%	11.4%	
PAT MI (Pre-exceptional)	344	470	37%

Proforma calculation:

- Proforma numbers are calculated using line by line consolidation of Revenue and EBITDA.
- 9MFY18 Actuals are Kridhan numbers pre-VNC acquisition, the transaction was closed in Feb 2018
- Pre – exceptional PAT (of Kridhan) which is attributable to shareholders is net of minorities

Current Order Book Break-up (Proforma Basis: INR 38 billion)





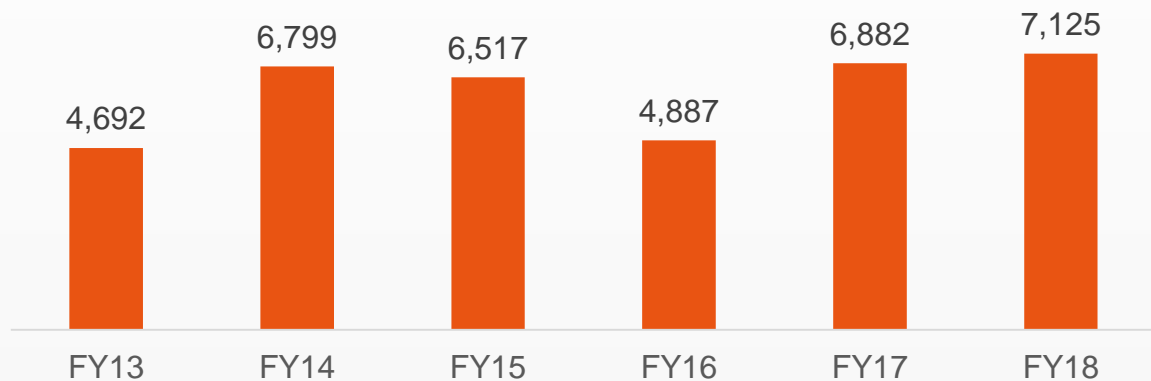
Kridhan Infra vigorously pursuing the issue of NOC by VNC lenders so as to be able to increase its stake in VNC beyond 50%

- 5 of 9 VNC Lenders have already issued the NOC to allow Kridhan Infra to raise its stake to beyond 50%, subject to all others lenders agree.
- IDBI Bank, current lead bank of the VNC banking consortium, has been delaying issue of NOC as it doesn't want to continue as the lead bank.
- IDBI has cited RBI's Prompt Corrective Action framework as the reason for it wanting to avoid being lead bank in infrastructure sector banking consortiums.
- 3 other lenders are holding back their NOCs for want of lead banks approval.
- We are hopeful of resolving the situation soon.

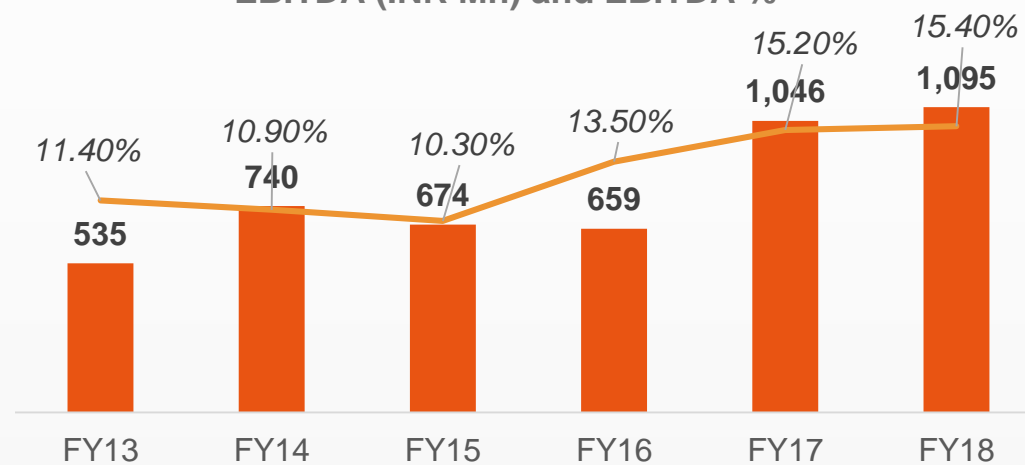
Strong Financial Position



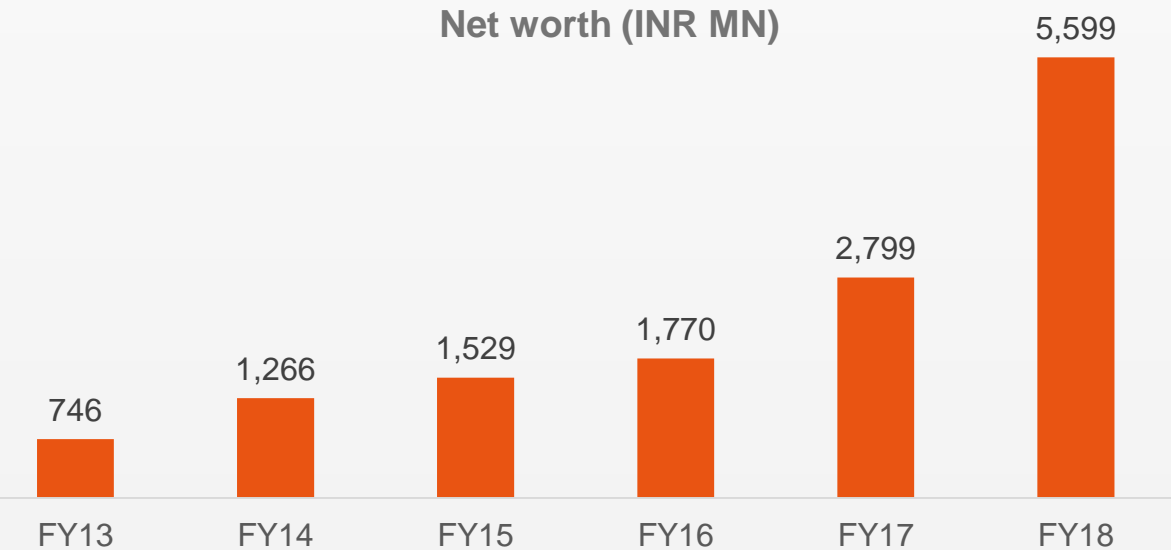
Total Revenue (INR Mn)



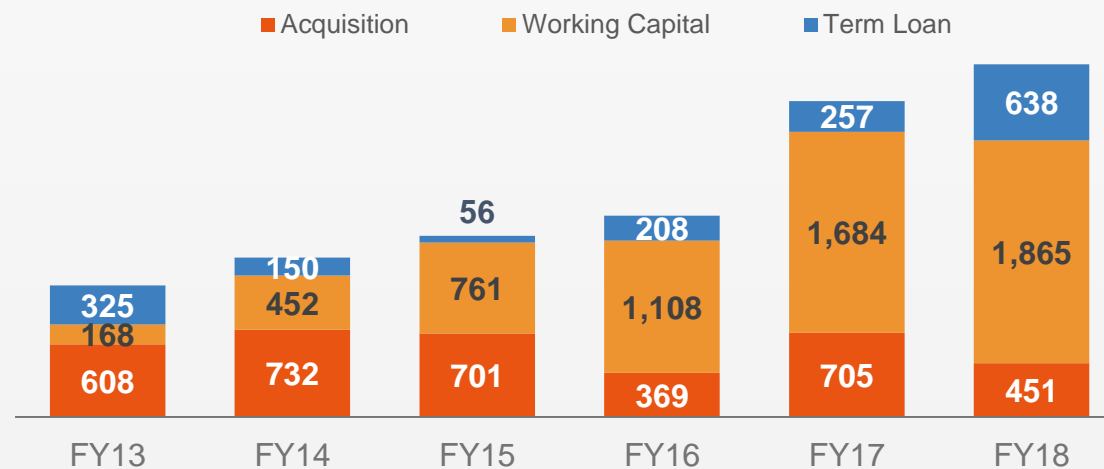
EBITDA (INR Mn) and EBITDA %



Net worth (INR MN)



Debt (INR Mn)





Appendix

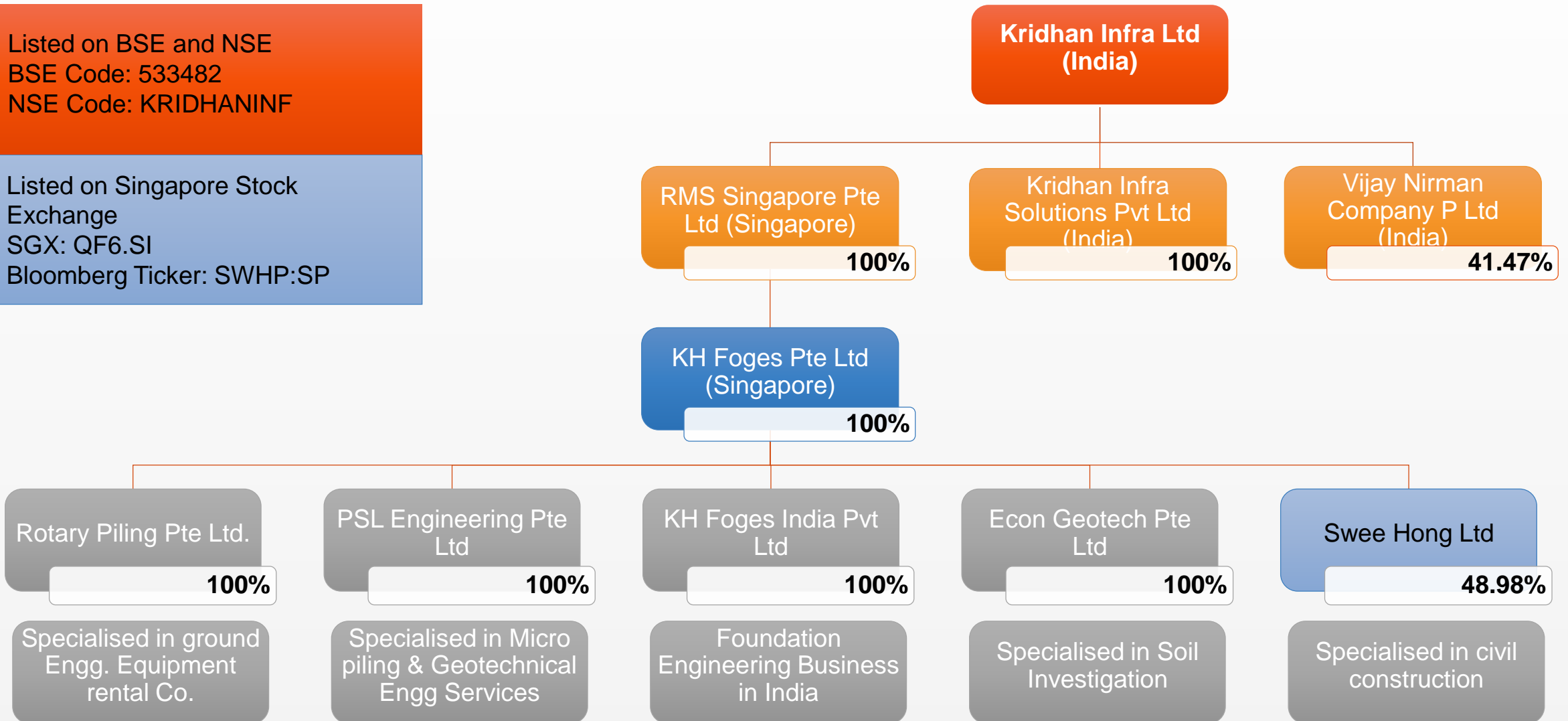


Group Structure

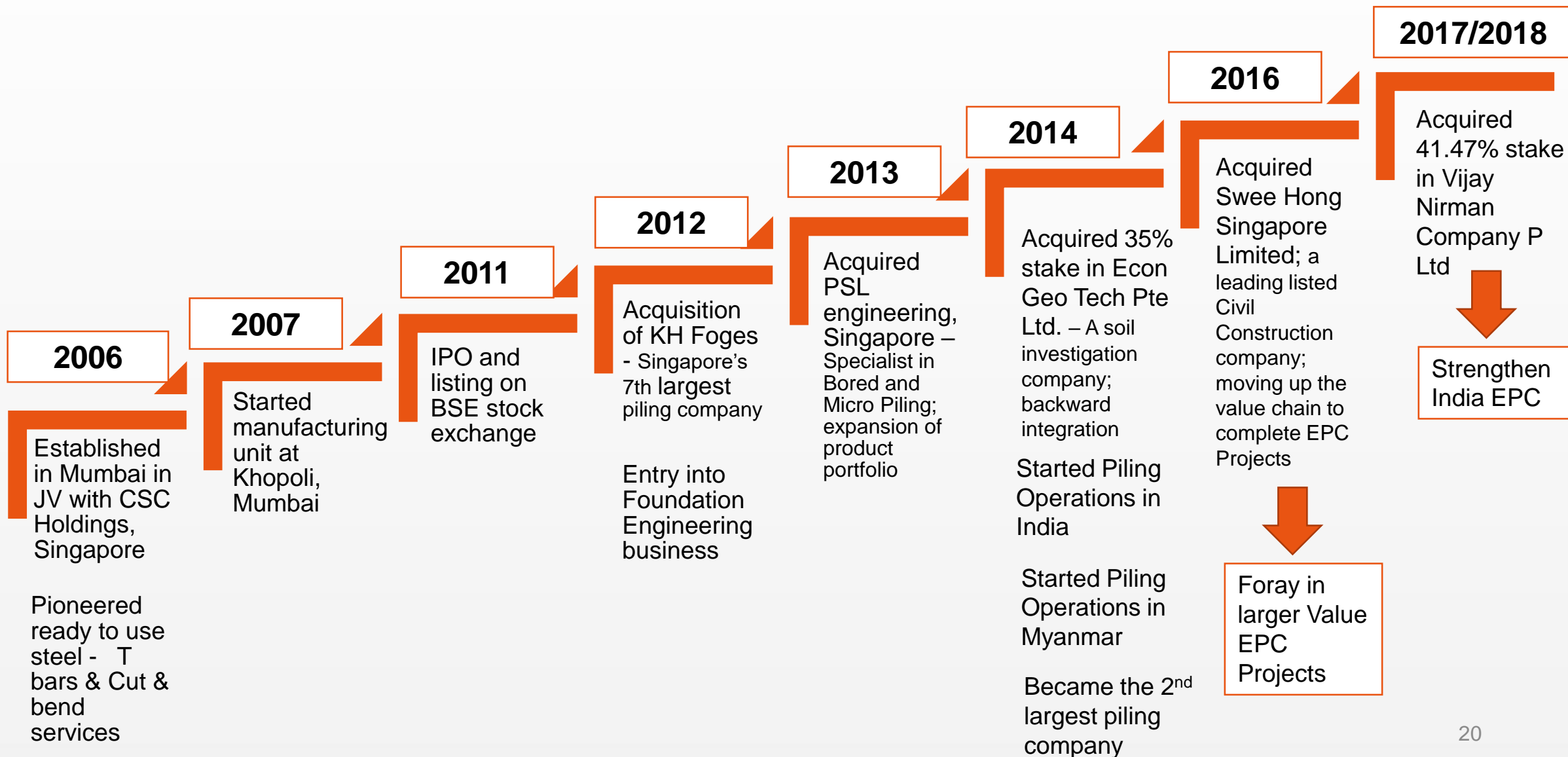


Listed on BSE and NSE
BSE Code: 533482
NSE Code: KRIDHANINF

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



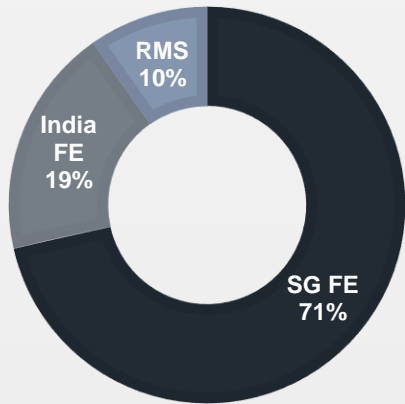
Grown Fast through Well -Timed Acquisitions



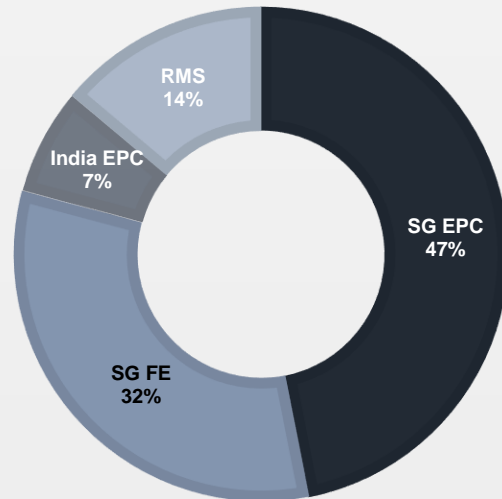
Robust Order Book: More diversified, More India Focused



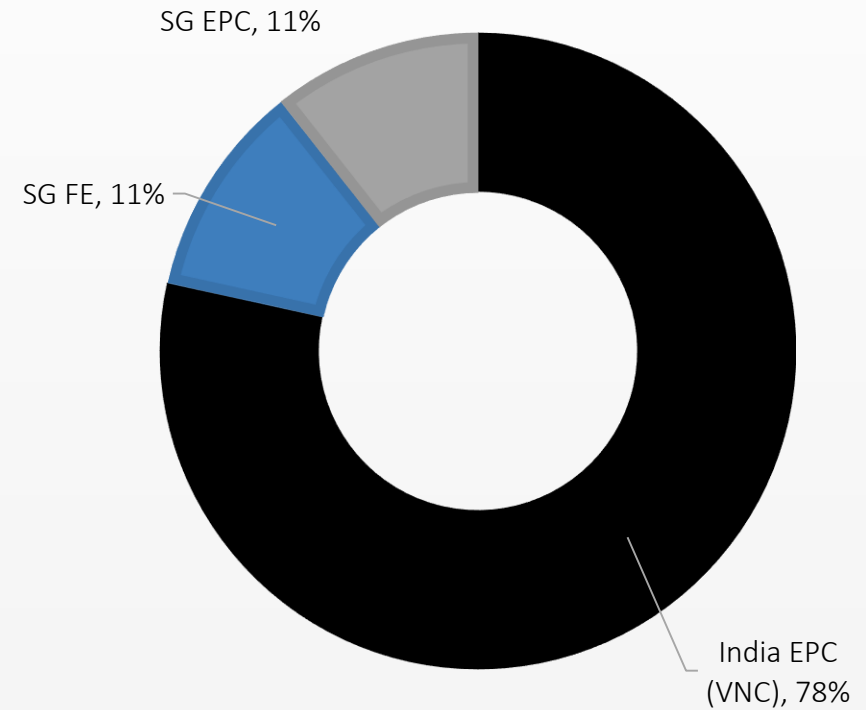
Order Book FY16
Rs 6,660 Mn



Order Book March'17
INR 7,915 Mn



**DECEMBER'18
PROFORMA ORDER BOOK
INR 38+ billion**



Profit & Loss Statement



INR Mn	FY18	FY17	FY16
Revenue	7,125	6,882	4,887
Total Expenditure	-6,599	-6,404	-4,228
EBITDA	1,095	1,046	659
EBITDA Margin (%)	15.40%	15.20%	13.5%
Interest	-162	-176	-119
Depreciation	-408	-392	-327
Other Income	77	186	69
PBT	602	664	282
Tax	-48	-5.1	-58
PAT (pre-exceptional)	554	659	225
Minority Interest	-24	-186	-23
Adjusted PAT (pre-exceptional)	531	473	202

Balance Sheet



INR Mn	FY18	FY17	FY16
Share Capital	190	148	148
Reserves and Surplus	5,409	2,650	1,622
Share & Warrant Application Money	506	0	0
Minority Interest	205	169	156
Non Current Liabilities	1,190	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	4,183	4,229	2,609
<i>Short Term Liabilities</i>	1,901	1,684	1,108
<i>Trade Payables</i>	1,388	1,898	836
<i>Other Current Liabilities</i>	894	634	616
Total Equity and Liabilities	11,228	8,440	5,390

INR Mn	FY18	FY17	FY16
Non Current Assets	4,927	4,190	2,659
<i>Fixed Assets</i>	1,994	2,275	1,848
<i>Goodwill on Consolidation</i>	1,517	1,437	223
<i>Non Current Investment</i>	1,023	38	53
<i>Other Non Current Assets</i>	393	439	536
Current Assets	6,301	4,250	2,731
<i>Inventories</i>	153	265	187
<i>Trade Receivables</i>	2,937	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>	1,893	1,065	1,223
Total Assets	11,228	8,440	5,390

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



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