Kridhan Infra Limited

(Formerly known as Readymade Steel India Ltd)

21st February, 2018

To,
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.
Ref: Scrip Code: 533482

To,
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra(E),
Mumbai 400051.
Ref: Symbol: KRIDHANINF

Subject: Submission of Investors Presentation.

Dear Sir/ Madam,

We refer the above subject and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and submit herewith Investors Presentation.

Kindly take same on your record.

Thanking You,

Yours Faithfully,

For **Kridhan Infra Limited**

Jyoti Gade
Company Secretary

KRIDHAN INFRA LTD. MUMBAI

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Kridhan Infra Limited

INVESTOR PRESENTATION | FEBRUARY 2018

Disclaimer

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.

Q3FY18 Results Presentation

Strategic Update and Q3FY18 Highlights

- **Successful Business Transformation**
  - The company has successfully transformed its business model and moved up the value chain as a full fledged EPC player
- **Significant Expansion in India Business**
  - Successfully strengthened India foothold through strategic acquisition
  - India to contribute majority of revenue from FY19 onwards
- **Investment by marquee Investors via QIP**
  - Raised c.INR 1,280 million through marquee investors like GIC, HDFC AM, DSP Blackrock, HSBC AM

Order Book and New Order Wins

- Current order book of c.6,700 mn
- Kridhan's subsidiary, KH Foges, won order worth SG$ 52.4 mn in Singapore
- Strong bid pipeline in both Singapore EPC Business and VNC

Operational Highlights

- 80% of the work completed at the Bukit Brown Project
- Bidding for new projects in SG EPC; results awaited
- SG FE - Weak quarter due to slowdown at projects; on track to meet full year guidance driven by strong order inflows

Financial Highlights

- Revenue consolidation eliminates the work done by KH Foges for Swee Hong
- Interest cost was higher on account of temporary loans taken to meet working capital requirements.
- Tax rate were lower due to reversal of higher provisions made earlier

Update on FY19 Outlook

Maintaining FY 19 Outlook

- **Targeting more than 2x top-line growth, maintaining 13%-14% EBITDA margin**
  - Strong India foothold through VNC
  - New projects in Singapore EPC business
  - Steady growth in Singapore foundation engineering business

- **Singapore EPC Business (Swee Hong)**
  - Current constraints on bidding for higher value business to ease off as net worth crosses relevant thresholds
  - Already started bidding for new EPC projects; strong bid pipeline (have bid for 4 new projects; results awaited)

- **Singapore Foundation Engineering Business**
  - Regulator BCA forecasts Singapore construction demand to grow 7%+ to S$28-35bn range.
  - Kridhan's SG FE business should reflect similar growth.

Update on Strategic Stake in Vijay Nirman Construction Co.(VNC)

Transaction Update

- Shares issued to the investors of VNC for 31% stake - Allotment of 76,79,662 shares
- SSA signed for increasing stake to 50.5%

Company Overview

- A pedigreed private construction company with 35 years of operations
- Strong and growing order book of over INR 32 bn
- Completed over 400 projects – exceptional reputation in civil engineering design and project management skills
- Team of over over1,600 dedicated professional employees
- Fully equipped 20,000 Sqm Fabrication yard near VSEZ, Visakhapatnam

Key Business Activities

1. Roads, Bridges and Metros
2. Affordable Housing
3. Urban Infrastructure
4. Ports and Terminal

Strategic Fit

- Strengthens India Business by adding a strong execution team
- VNC business strongly complements Kridhan's global EPC skill set

Swee Hong Ltd. Update

Financial Highlights:

- 2QFY2018 revenue up 25% to S$17.4 million compared to 2QFY2017 mainly due to increase in the progress of the ER382 project
- 2QFY2018 gross profit decreased to S$1.2 million compared to 2QFY2017 mainly due to reversal in the accrual in 2QFY2017.
- 2QFY2018 other gains - net decreased to S$417,000 compared to S$535,000 in 2QFY2017 mainly due to scheme creditors write-off in 2Q2017
- Net Tangible Assets increased to S$9.6 million as at 31 December 2017 as compared to S$8.9 million as at 30 June 2017
- After successfully closing the Scheme Arrangement and improvement in execution capabilities for the projects, the Group has started tendering and is hopeful of being awarded new projects in near future.
- The Group has tendered for new projects and is waiting for the results of the tenders.

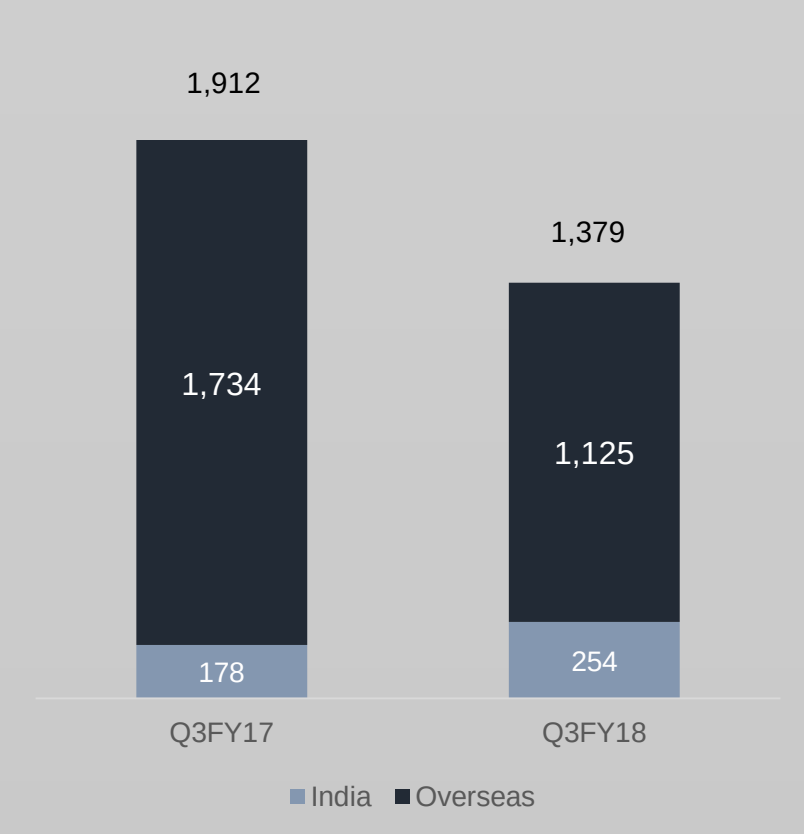
Current Projects being Undertaken

- The Bukit Brown Project (ER 382) - Road between Adam Road Flyover & MacRitchie Viaduct
- Nee Soon Tunneling Projects

Note: Swee Hong follows a July to June financial year

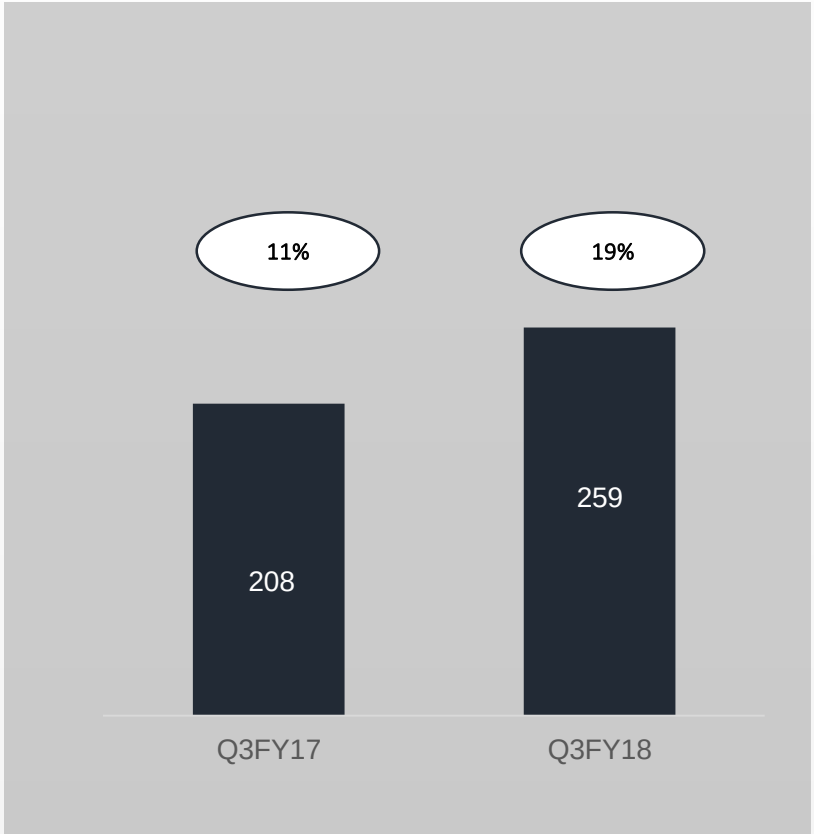
Results Summary – Q3 FY18

Revenue Break Up (INR Mn)



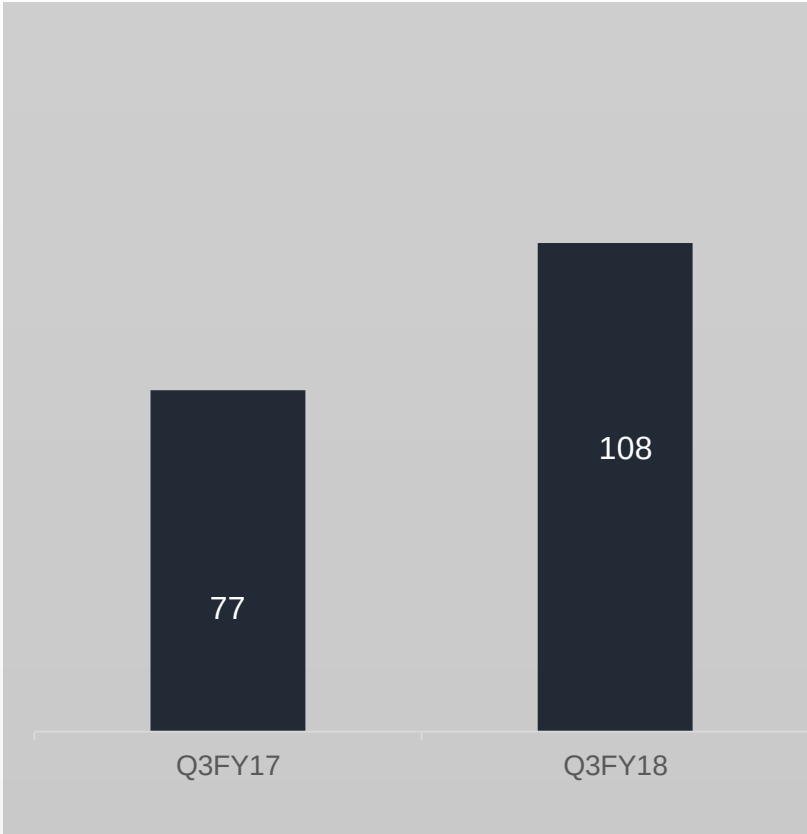
- Revenue consolidation eliminates the work done by KH Foges for Swee Hong

EBITDA (INR Mn) and EBITDA Margin (%)



- Sustainable margins expected to be in the range of 13%-14%

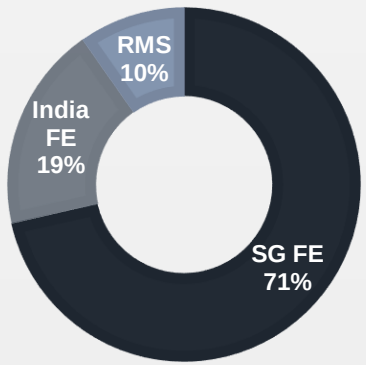
PAT (INR Mn)



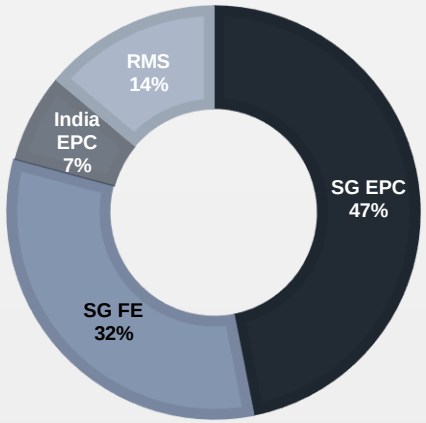
- PAT positively impacted due to lower tax rate on account of reversal of higher provisions
- Tax rate expected to be in the range of 9%-10% for SG operations

Robust Order Book: More diversified, More India Focused

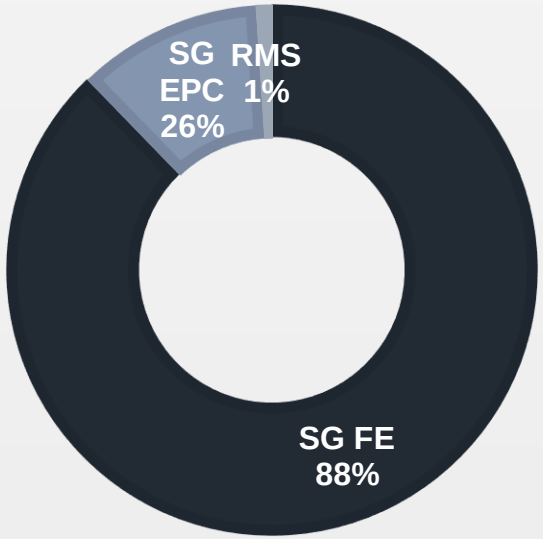
Order Book FY16
Rs 6,660 Mn



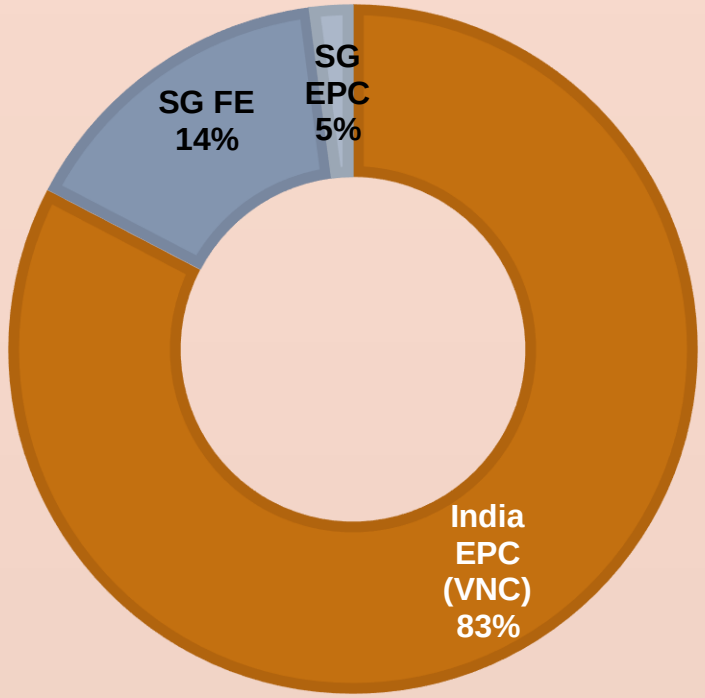
Order Book March'17
INR 7,915 Mn



Current Order Book
INR 6,700+ Mn



PROFORMA ORDER BOOK (with VNC)
INR 39+ billion



Competitive Advantage

Strong Technical Skill Set

- Vast Industry Experience and niche technical skill set with experience in foundation engineering, micro tunnelling, overhead bridges, affordable housing, metros, ports and airports
- High precision work with superior quality
- Executed projects in toughest soil conditions

Significant Value Addition

- Superior Alternative Design
- Cost Effective Solutions

Superior Project Execution Skills

- Unparalleled on time project execution
- Competitive price and safe working conditions

High Safety Standards

- We have high safety standard and low accident frequency

Consolidated Financial Highlights – Q3FY18

INR Mn

	Q3FY18	Q3FY17	Change	Q2FY18	FY17
Revenue	1,379	1,913	-28%	2,121	6,882
Total Expenditure	1,275	1,834	-31%	1,955	6,228
EBITDA	259	208	25%	297	1,046
EBITDA Margin (%)	19%	11%	-	14%	15%
Interest	67	43	54%	42	176
Depreciation	88	86	2%	131	392
Other Income	18	17	5%	31	186
PBT	122	103	19%	155	664*
Tax	4	5	-22%	20	5
PAT	118	97	22%	136	659
PAT Margin (%)	9%	5%	69%	6%	10%
Minority Interest	10.1	20	-	9	201
Attributable PAT	108	77	40%	127	457
EPS (Rs/Share)	1.45	1.04	39%	1.83	13.28

Consolidated Financial Highlights – 9MFY18

INR Mn

	9MFY18	9MFY17	Change
Revenue	5,353	5,058	6%
Total Expenditure	5,024	4,609	9%
EBITDA	807	812	-1%
EBITDA Margin (%)	15%	16%	-
Interest	139	107	30%
Depreciation	339	256	33%
Other Income	72	29	150%
PBT	401	1,503	-73%
Tax	36	37	-2%
PAT	361	1,466	-75%
PAT Margin (%)	7%	29%	-77%
Minority Interest	20.7	658	-
Attributable PAT	340	809	-58%
EPS (Rs/Share)	4.58	10.91	-58%

Balance Sheet

INR Mn	H1FY18	FY17
Share Capital	148	148
Reserves and Surplus	3,710	2,775
Minority Interest	198	169
Non Current Liabilities	1,676	1,219
Long Term Borrowings	*1,092*	*686*
Deferred Tax Liabilities	*106*	*112*
Other Long Term Borrowings	*478*	*421*
Current Liabilities	3,673	4,227
Short Term Liabilities	*1,519*	*1,684*
Trade Payables	*1,910*	*1,898*
Other Current Liabilities	*181*	*645*
Total Equity and Liabilities	**9,405**	**8,538**

INR Mn	H1FY18	FY17
Non Current Assets	4,464	4,285
Fixed Assets	*2,151*	*2,374*
Goodwill on Consolidation	*1,876*	*1,437*
Non Current Investment	*19*	*38*
Other Non Current Assets	*419*	*436*
Current Assets	4,941	4,253
Inventories	*201*	*265*
Trade Receivables	*1,176*	*2,178*
Cash and Cash Equivalents	*103*	*297*
Short Term Loans and Advances	*439*	*440*
Other Current Assets	*2,867*	*1,063*
Total Assets	**9,405**	**8,538**

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

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