

August 02, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Scrip Code- 541019/ 973671

Dear Sir/Madam,

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400 051

Scrip Symbol- HGINFRA

Sub: Investor Presentation Q1FY23

Please find enclosed a copy of Investor Presentation on the Unaudited Financial Results of the Company for the quarter ended June 30, 2022.

The above information is also being uploaded on the Company's website at www.hginfra.com

This is for your information and records.

Thanking you,

Yours faithfully,

For H.G. Infra Engineering Limited


Ankita Mehra

Company Secretary & Compliance Officer
ICSI. M. No-A33288



Encl: as above



H.G. Infra Engineering Ltd.

**Investor Presentation
Q1 FY23**



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Financial Highlights Q1 FY23

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Operational Highlights

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HG Infra Our Journey So Far

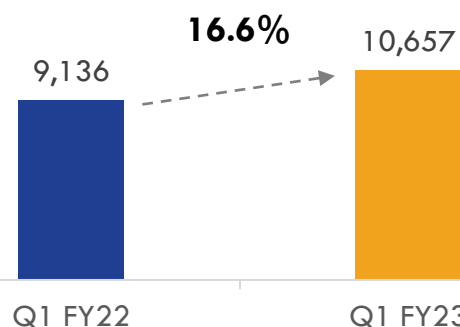


Consistent financial performance and growth

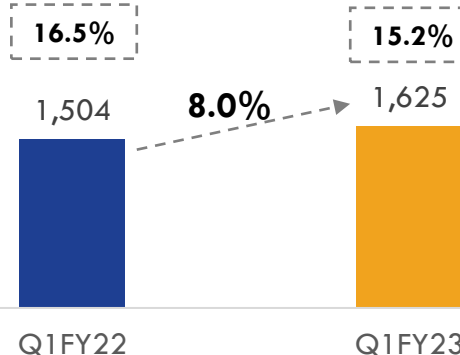


Quarter Highlights

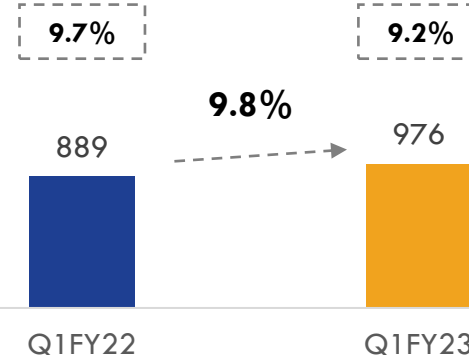
Revenue (Rs Mn)



EBITDA (Rs Mn) & EBITDA Margin (%)



PAT (Rs Mn) & PAT Margin (%)



Recent Developments

- **Awarded EPC Project in the state of Uttar Pradesh in the month of June 2022**
 - Development of six lane access controlled greenfield expressway of 151.700 km length
 - Project cost Rs. 4,970.99 crore
- **Appointment Date for**
 - (i) Raipur - Visakhapatnam OD-5 on 30.05.2022
 - (ii) Raipur - Visakhapatnam OD-6 on 01.06.2022
- **Financial closure of**
 - (i) Raipur - Visakhapatnam OD-6 on 06.05.2022

Standalone profit & loss statement



Particulars (Rs in mn)	Q1FY23	Q1FY22	YoY
Revenue from operations	10,657	9,136	16.6%
Cost of material consumed	5,515	4,567	
Contract and site expenses	3,055	2,669	
Employee expenses	376	310	
Other expenses	86	86	
Total Operating expenses	9,032	7,632	
EBITDA	1,625	1,504	8.0%
EBITDA margin	15.2%	16.5%	
Finance Cost	144	119	
Depreciation	202	203	
Other Income	33	15	
PBT	1,312	1,197	9.6%
PBT margin	12.3%	13.1%	
Tax Expenses (Credits)	336	308	
PAT	976	889	9.8%
PAT margin	9.2%	9.7%	
Other comprehensive income	-4	-1	
Total comprehensive income	972	888	



Consolidated profit & loss statement



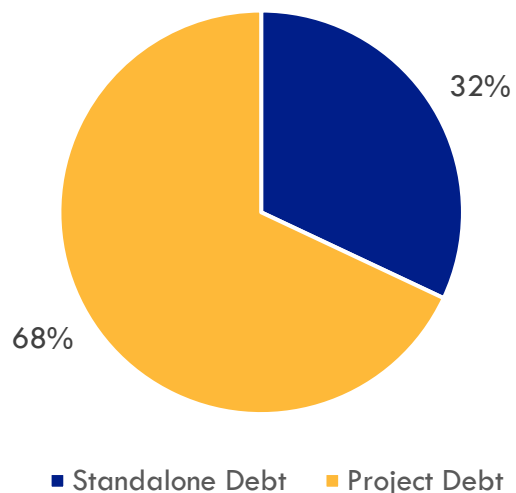
Particulars (Rs. in mn)	Q1FY23	Q1FY22	YoY
Revenue from operations	11,059	9,433	17.2%
Cost of material consumed	5,515	4,567	
Contract and site expenses	3,065	2,674	
Employee expenses	382	314	
Other expenses	108	100	
Total Operating expenses	9,070	7,655	
EBITDA	1,990	1,778	11.9%
EBITDA margin	18.0%	18.8%	
Finance Cost	339	258	
Depreciation	202	203	
Other Income	34	14	
Share of Net profit of Asso	2	-	
PBT	1,485	1,331	11.5%
PBT margin	13.4%	14.1%	
Tax Expenses (Credits)	390	321	
PAT	1,094	1,010	8.3%
PAT margin	9.9%	10.7%	
Other comprehensive income	-4	-1	
Total comprehensive income	1,090	1,009	



Debt Breakup



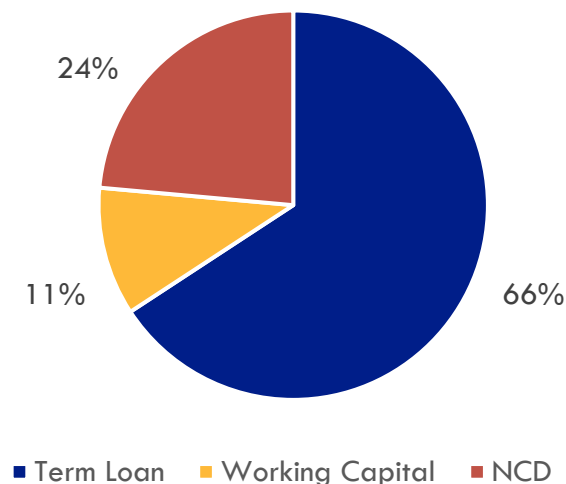
Consolidated Debt Breakup



Rs Mn	June-22
Standalone debt	4,475
Project debt*	9,586
Total consolidated debt	14,061
Consolidated Cash & Bank	169

*Net off loan fees (56.66 Mn) amortizable for HAM projects.

Standalone Debt Breakup



Rs Mn	June-22
Term loan + current maturities*	3,248
Working capital	1,227
Total standalone debt	4,475
Standalone Cash & Bank	88

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs 612.00 Mn and NCD 970 Mn for Juner'22.

Rating upgrade (ICRA) from A+ to AA- (Long term facilities) & from A1 to A1+ (Short term facilities)



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Operational Highlights

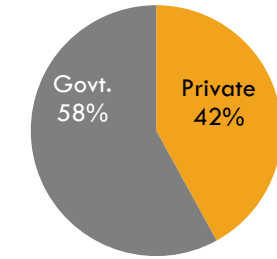
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HG Infra Our Journey So Far

Well diversified order book as on 30th June 2022

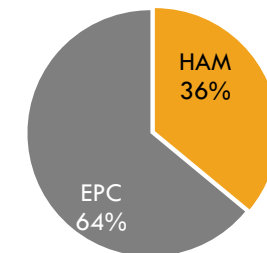
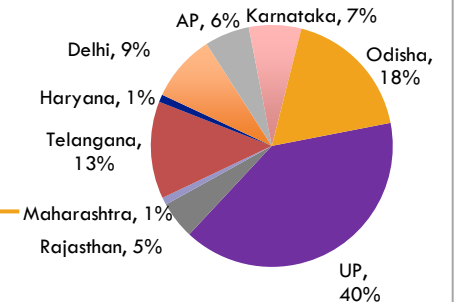


Project	Awarding Authority	Project Status	~Completion Progress as on 30 th June' 22	Unexecuted Value (Rs Mn)
Ganga Expressway	Adani	Under Execution	1%	44,058
Delhi Vadodara Pkg-9	NHAI	Under Execution	73%	3,344
Mancherial - Repallewa	Adani	Under Execution	64%	3,308
Delhi Vadodara Pkg-8	NHAI	Under Execution	84%	1,287
Hapur Morradabad	IRB - MRM	Under Execution	91%	774
Rewari Bypass Pkg-4	NHAI	Under Execution	74%	1,173
MoRTH Projects (MH)	MoRTH	Under Execution	92%	1,225
Rewari Ateli Mandi	NHAI	Under Execution	96%	185
Narnaul Bypass	NHAI	Under Execution	99%	58
Delhi Vadodara Pkg-4	NHAI	Under Execution	99.4%	53
Rajasthan (World Bank funded)	PWD	Under Execution	91%	538
Gurgaon-Sohna (Rajiv chowk)	NHAI	Under Execution	99.9%	5
Kerala-Kanjhawala UER	NHAI	Under Execution	14%	10,708
Raipur-Visakhapatnam AP-1	NHAI	Under Execution	10%	7,326
Khammam-Devarapalle Pkg-1	NHAI	Under Execution	1%	6,061
Khammam-Devarapalle Pkg-2	NHAI	Under Execution	0.2%	5,033
Raipur-Visakhapatnam OD-5	NHAI	Under Execution	5%	12,177
Raipur-Visakhapatnam OD-6	NHAI	Under Execution	6%	8,974
Neelmangala-Tumkur	NHAI	Under Execution	0.1%	8,429
Others		Under Execution	60%	361
Grand Total				1,15,077



Client type break-up

Geographical break-up



Project type break-up

Expanding selective HAM projects



Project	Awarding authority	State	Kms Lanes	BPC (Rs. Mn)	Grant Amount (Rs. Mn)	Total Debt (Rs. Mn)	Invested Equity (Rs. Mn)	Debt as on 30 th June '22 (Rs. Mn)	Physical Progress on 30 th June '22 (%)
Gurgaon-Sohna (Rajiv chowk)	NHAI	Haryana	12.7	6,060	2,424	2,879	729	2,815	100%
Rewari Ateli Mandi	NHAI	Haryana	30.4	5,750	2,300	2,270	719	2,137	99%
Narnaul Bypass	NHAI	Haryana	40.8	9,521	3,808	4,060	1,235	3,433	100%
Rewari Bypass Pkg-4	NHAI	Haryana	14.4	5,220	2,088	2,200	557	1,258	74%
Khammam Devarapalle Pkg-1	NHAI	Telangana	33.6	7,721	3,088	3,100	4	-	-
Khammam Devarapalle Pkg-2	NHAI	Telangana	29.5	6,371	2,548	2,560	4	-	-
Raipur Visakhapatnam AP-1	NHAI	Andhra Pradesh	31.8	10,601	4,240	4,520	786	-	10%
Raipur Visakhapatnam OD-5	NHAI	Odisha	44.0	14,921*	5,968	6,670	1222	-	6%
Raipur Visakhapatnam OD-6	NHAI	Odisha	45.5	11,231*	4,492	5,150	39	-	6%

* Excluding GST



Status of new projects



	State	Project Type	BPC (Rs Mn)	LOA Received	Agreement Signed	Status of Land	Appointed Date
Ganga Express Way	Uttar Pradesh	EPC	49,709	06 th June 2022	Yet to be signed	~98% land is available	Awaited
Khammam Devarapalle Pkg-1	Telangana	HAM	7,721	15 th Sept 2021	To be signed	~52% land is available	After achievement of financial closure. (within 150 days from signing of Agreement)
Khammam Devarapalle Pkg-2	Telangana	HAM	6,371	15 th Sept 2021	25 th Feb 2022	~95% land is available	FC declared on 20 th July 2022. AD awaited
Raipur Visakhapatnam OD-5	Odisha	HAM	14,921*	25 th Oct 2021	14 th Dec 2021	~81% land is available	Declared w.e.f. 30 th May 2022
Raipur Visakhapatnam OD-6	Odisha	HAM	11,231*	25 th Oct 2021	14 th Dec 2021	~80% land is available	Declared w.e.f. 1 st June 2022
Neelmangala Tumkar	Karnataka	EPC	8,441	31 st Jan 2022	27 th May 2022	~90% land is available	Awaited

“BPC cost excluding GST”



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Operational Highlights

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HG Infra Our Journey So Far



Company overview



Leading Road/ Highway Construction Company

19

Years of execution

20+

Active Projects

9

HAM Projects



Strong Growth Trajectory

27%

Revenue CAGR
(4 years)

29%

EBITDA CAGR
(4 years)

42%

Profit CAGR
(4 years)



Pan India Presence

(Incorporation)

(Today)

8

States

100%

North India

North ~**20%**

South ~**40%**

East ~**28%**

West ~**12%**



Robust Business Model

2,000+

Fleet of Modern
Equipment

Multiple

Digital initiatives to
enhance processes

4,800+

Number of
Employees



What we promised vs what we delivered in FY22

Revenue (Rs Cr)

Target

$\geq 3,400$

Outcome FY22

3,615

Revenues increased by 43% year on year, maintaining our steadfast commitment towards execution and growth

Operating Profit (Rs Cr)

Target

≥ 550

Outcome FY22

585

16.2% EBITDA Margins remained in range despite input price inflation. We remain focused on our strategy of selective bidding with an emphasis on operational efficiencies to continue maintaining our margin profile

Order Inflow (Rs Cr)

Target

$\geq 5,000$

Outcome FY22

4,328

Order inflow was muted during the year given the increasing competition in EPC and HAM projects. Our focus continues to be on orders which meet our margin/IRR criteria. We are optimistic of the future given the strong bid pipeline

Debt (Rs Cr)

Target

≤ 300

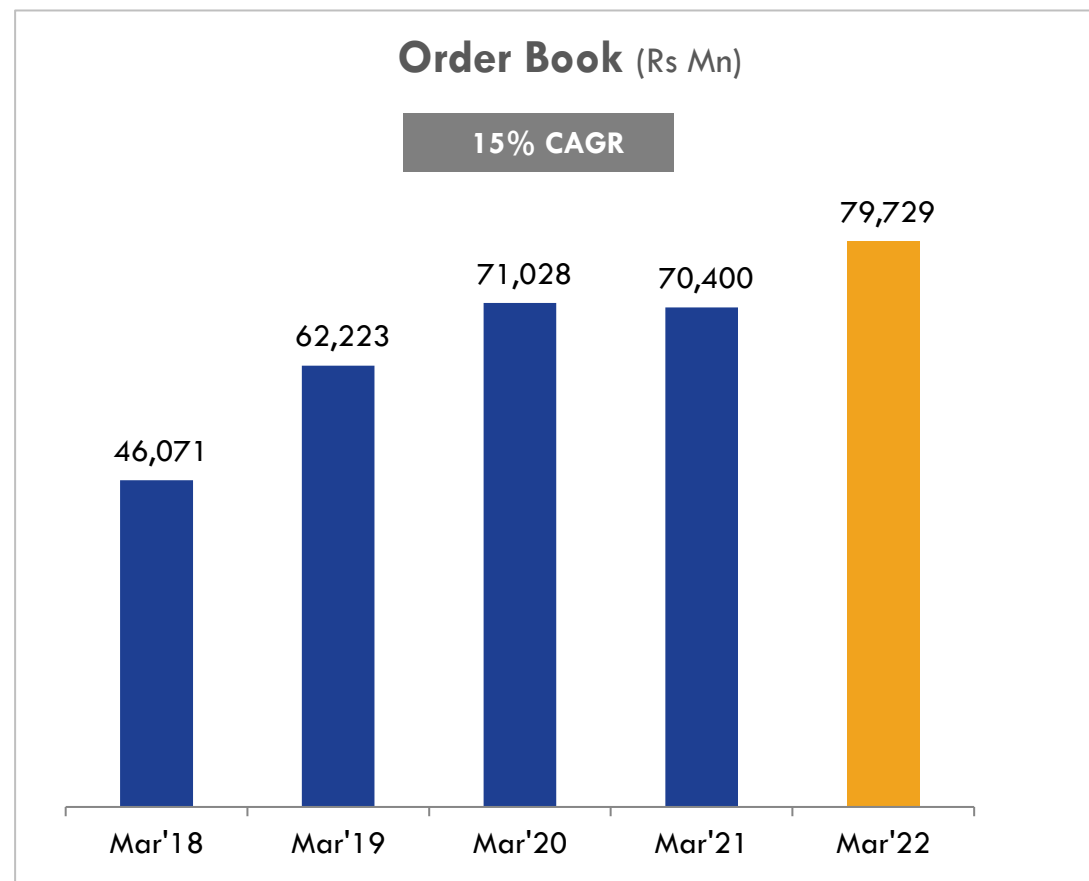
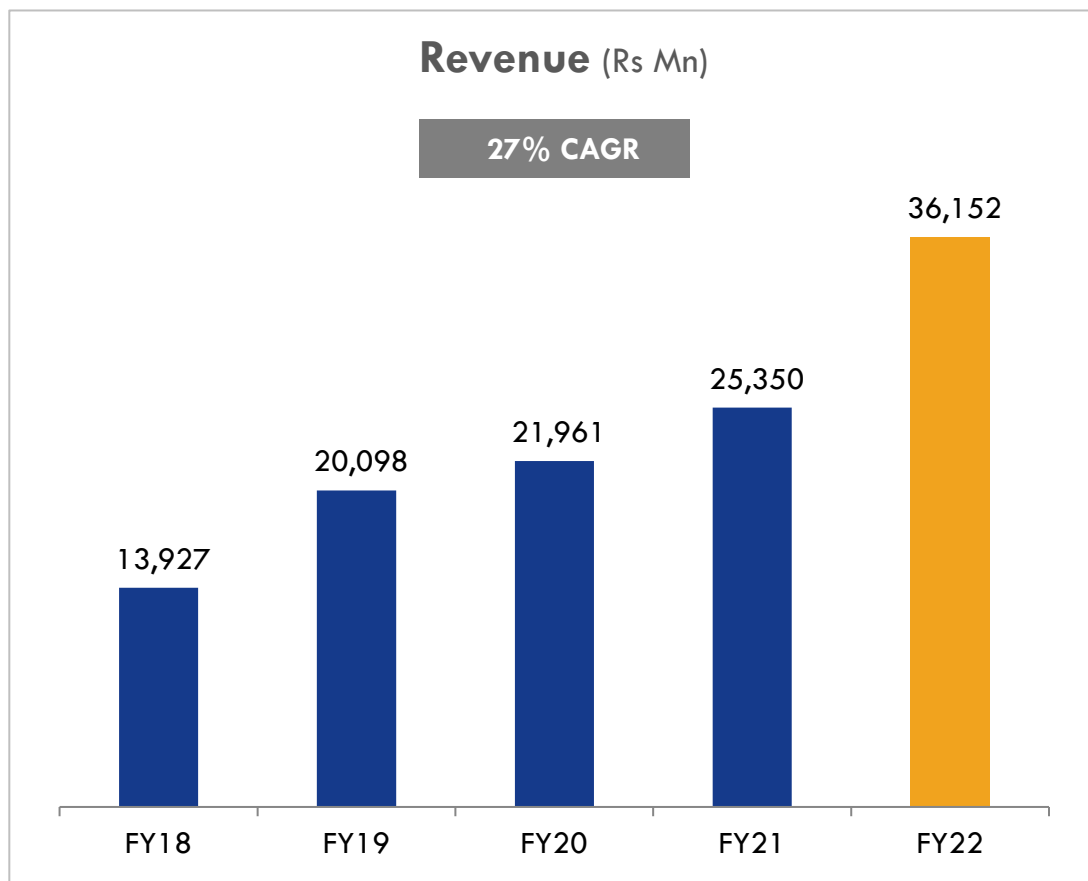
Outcome FY22

315

Debt remains within guided range, while we further improved Debt to Equity to 0.23x from 0.28x the previous year. Net debt stood at Rs 156 Cr as of year end



One of the fastest growing EPC companies

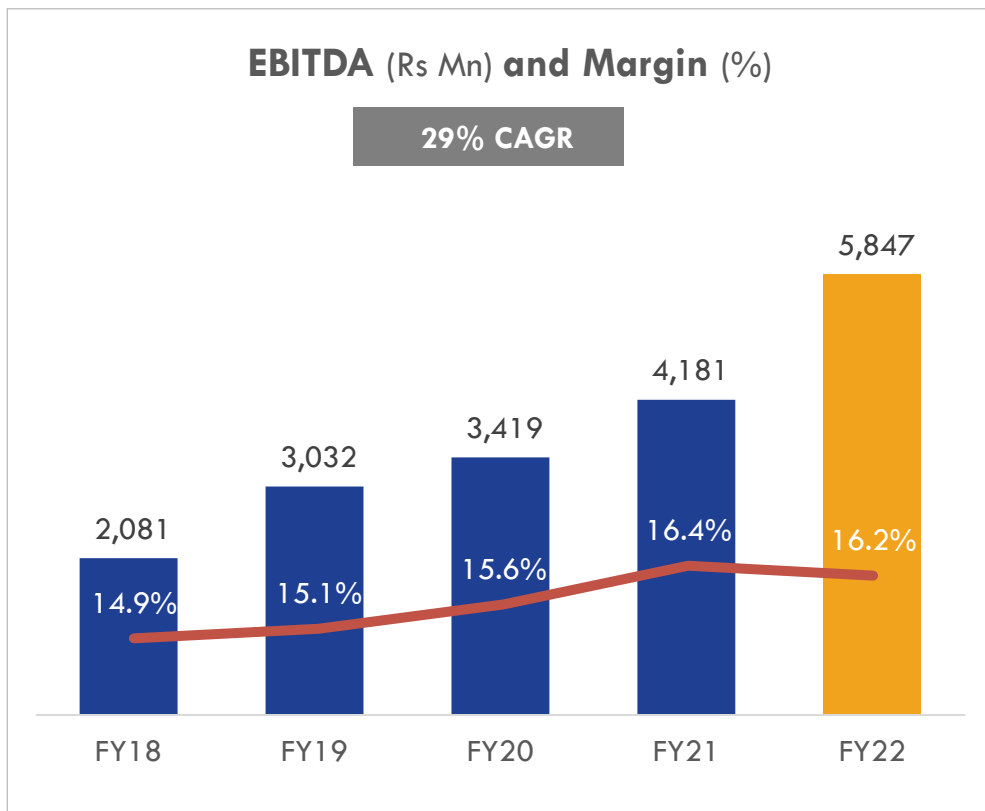


Timely execution of all projects with no delays in any project

Standalone financials

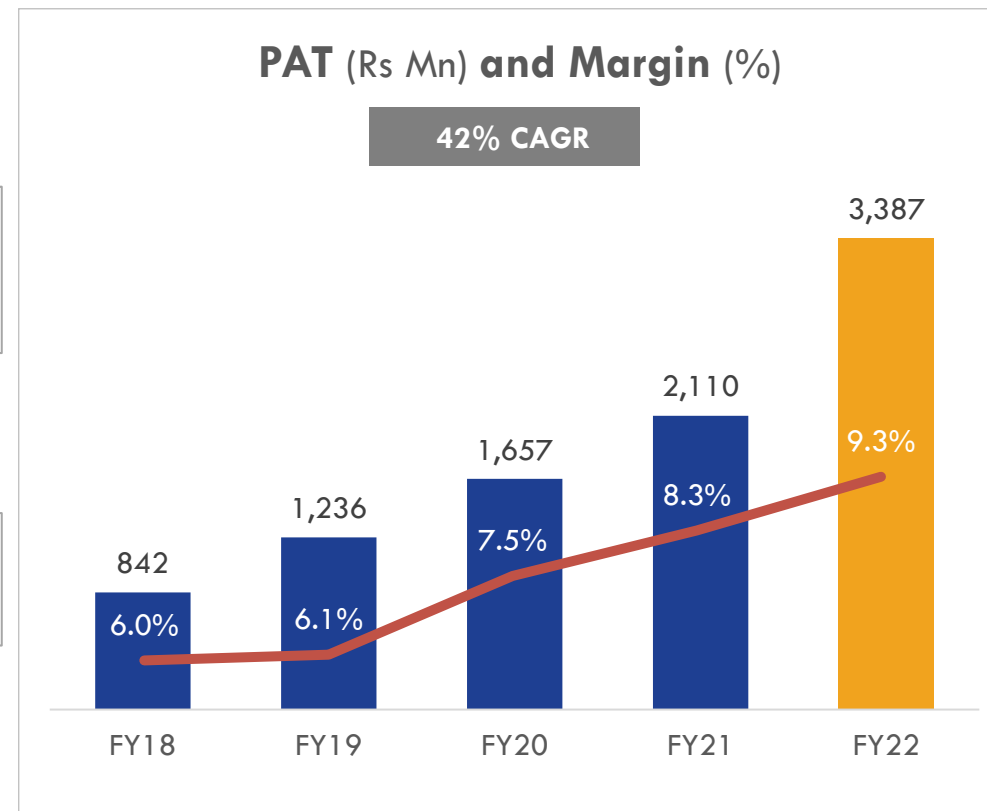


With profitability growth outpacing revenue growth



33%
Return on Capital
Employed
FY22

25%
Return on Equity
FY22



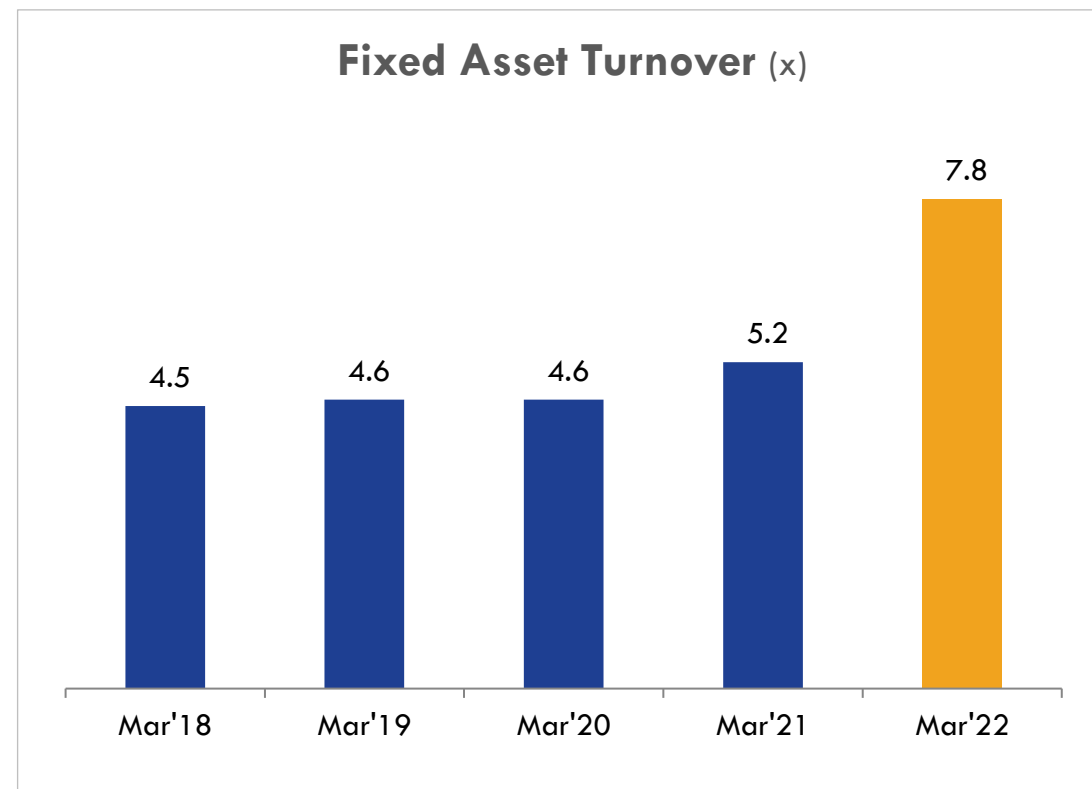
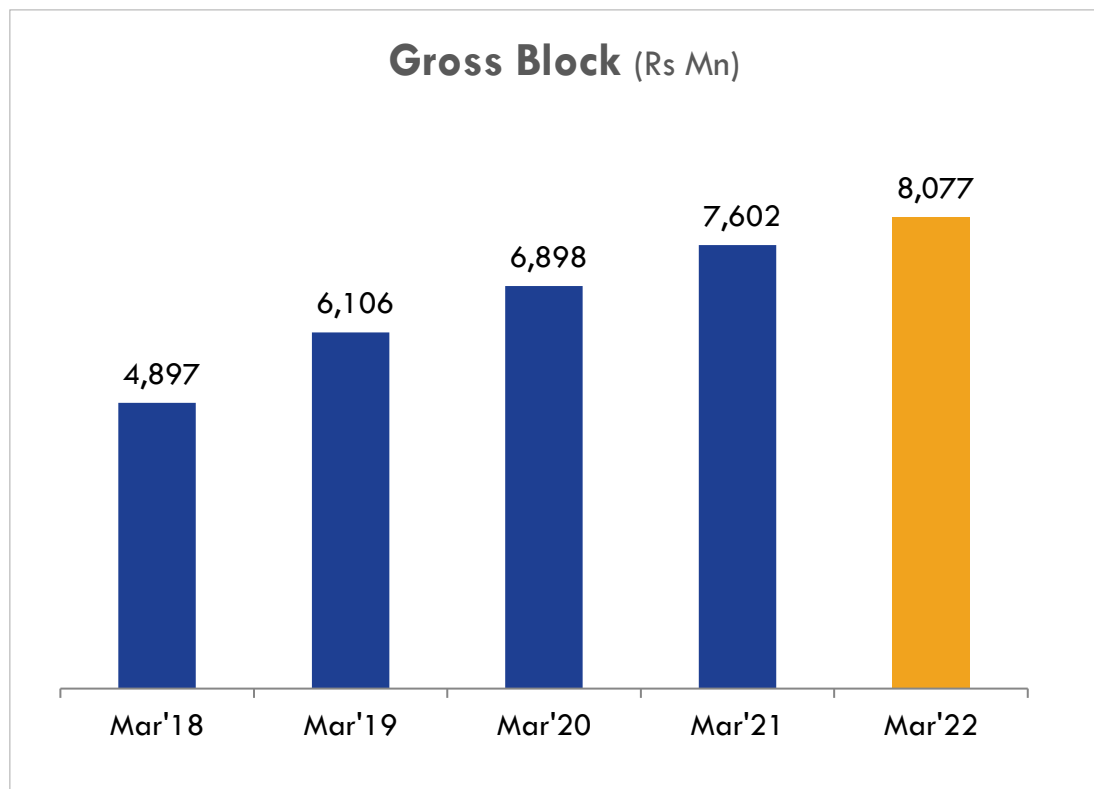
Standalone financials

Strict discipline in selecting and executing orders translating into robust margins and return profile

*ROCE = EBIT/Total Assets – Current Liabilities | ROE = Net Income/ Shareholder's Fund



Strong repository of assets promoting efficiencies

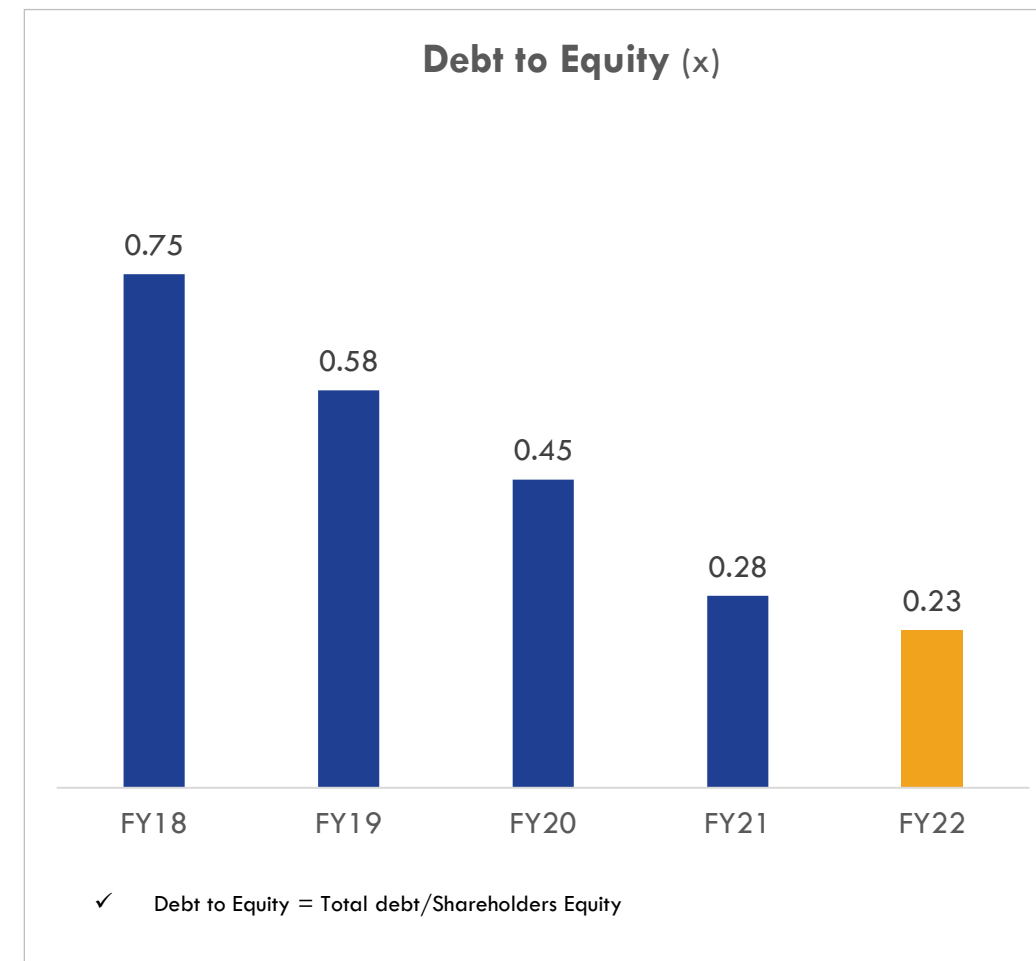
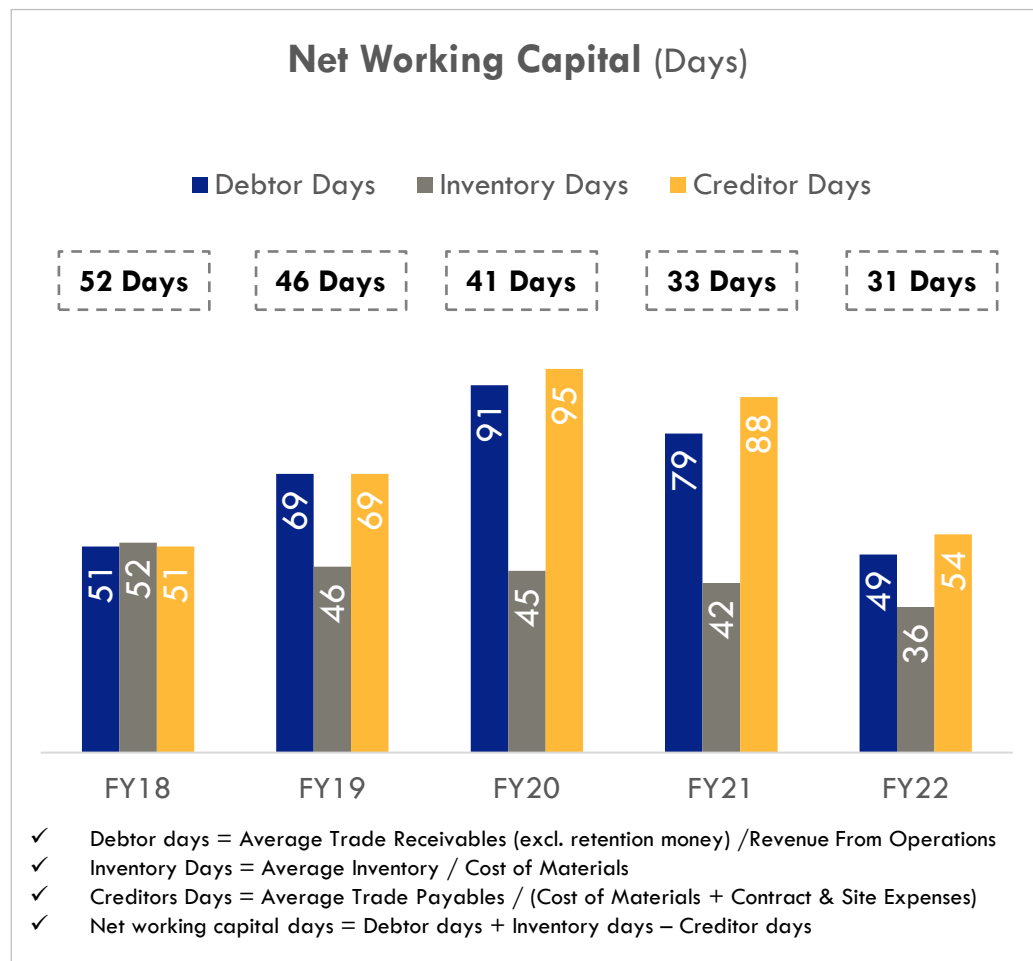


Invested ~Rs 3180 Mn in plant and machinery in last 4 years

Fleet of modern construction equipment totaling 2,000+ for large scale execution



Maintaining a healthy balance sheet



Standalone financials



Standalone Balance Sheet



Rs Mn	Mar'22	Mar'21
Share Capital	652	652
Reserves	12,992	9,670
Shareholders' Funds	13,644	10,322
Secured Loans	1,598	945
Other liabilities	95	864
Total Non-Current Liabilities	1,693	1,809
Trade Payables	4,320	4,146
Other Current Liabilities	146	131
Current Tax Liabilities	144	74
Other Financial Liabilities	199	144
Contract Liabilities	2,108	3,236
Short Term Borrowings*	1,549	1,945
Total Current Liabilities	8,466	9,676
Total Liabilities	23,803	21,807

Rs Mn	Mar'22	Mar'21
Fixed Assets incl. CWIP	4,494	4,813
Other Financial Assets	3,892	2,771
Other Non Current Assets	242	181
Total Non-Current Assets	8,628	7,765
Inventories	1,836	1,680
Sundry Debtors	6,953	6,534
Cash and Bank	1,585	2,584
Other Financial Assets	307	91
Contract Assets	3,512	2,654
Other Current Assets	972	499
Total Current Assets	15,165	14,042
Assets classified held for sale	10	-
Total Assets	23,803	21,807

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs. 623.28 Mn for Mar'22 (Rs 754.11 Mn in Mar'21)



Consolidated Balance Sheet



Rs Mn	Mar'22	Mar'21
Share Capital	652	652
Reserves	13,708	9,974
Shareholders' Funds	14,360	10,626
Secured Loans	9660	5,570
Other liabilities	300	899
Total Non-Current Liabilities	9,960	6,469
Trade Payables	4,320	4,146
Other Current Liabilities	158	132
Current Tax Liabilities	144	74
Other Financial Liabilities	254	336
Contract Liabilities	1,549	2,959
Short Term Borrowings*	2,172	2,095
Total Current Liabilities	8,598	9,742
Total Liabilities	32,918	26,837

Rs Mn	Mar'22	Mar'21
Fixed Assets incl. CWIP	4,499	4,818
Other Financial Assets	9,148	4,241
Other Non Current Assets	1,292	311
Total Non-Current Assets	14,939	9,370
Inventories	1,836	1,680
Sundry Debtors	6,354	5,817
Cash and Bank	1,645	2,626
Other Financial Assets	3,158	3,326
Contract Assets	3,587	2,654
Other Current Assets	1,390	1,364
Total Current Assets	17,969	17,467
Assets classified held for sale	10	-
Total Assets	32,918	26,837

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs. 623.28 Mn for Mar'22 (Rs 754.11 Mn in Mar'21)



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Thank You

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