

Press Release

HCC Q3 FY22 Standalone Net Profit at 27.8 cr Baharampore Farakka SPV sale to Cube Highways for 1,279 cr

Mumbai: February 03, 2022: HCC reported consolidated net profit of Rs 64.4 crore in Q3 FY22, versus Rs 118.6 crore in Q3 FY21. Consolidated revenue stood at Rs 2,670.7 crore in Q3 FY22 versus Rs 2,406 crore in Q3 FY21.

HCC E&C registered standalone revenues of Rs 1,155.2 crore in Q3 FY22, compared with revenue of Rs 814.7 crore in Q3 FY21 registering y-o-y growth of 42%. Standalone E&C net profit stood at Rs 27.8 crore in Q3 FY22, compared to a net loss of Rs 79 crore in Q3 FY21. The total order book stood at Rs 15,799 crore by December 31, 2021.

Financial highlights – HCC unaudited standalone results

- Total revenue of Rs 1,155.2 crore in Q3 FY22 versus Rs 814.7 crore in Q3 FY21
- Net profit of Rs 27.8 crore in Q3 FY22 versus Net loss of Rs 79 crore in Q3 FY21
- EBITDA of Rs 283.9 crore in Q3 FY22, compared to Rs 116 crore in Q3 FY21.
- EBITDA margin at 24.6% in Q3 FY22 compared to 14.2% in Q3 FY21

HCC's debt Resolution Plan (RP) has significantly advanced and is in the final stages of implementation. Delay in RP closure has resulted in the accrual of higher interest cost during the quarter. The Company is simultaneously focusing on securing new orders for business growth to capitalise on tremendous opportunities in the infrastructure space and expects the pace of order acquisition to pick up in FY23.

HCC Concessions Ltd has executed a binding term sheet in respect of 100% stake sale of its subsidiary Baharampore-Farakka Highways Ltd to Cube Highways and Infrastructure V Pte. Ltd, at an enterprise value of Rs.1,279 crore, reflecting an equity valuation of Rs.600 crore. In addition to the equity value, Rs.200 crore of earnout is payable in May 2024 contingent on achieving revenue thresholds. Furthermore, HCON will be entitled to a material revenue share for the life of the concession. HCON will be securitising part of these future BFHL receivables via a loan of Rs.300 crore, resulting in a total liquidity to the Group of up to Rs.900 crore. The transaction is subject to closing adjustments, customary due diligence and approvals, including from the NHAI.

Mr. Arjun Dhawan, HCC's Director & Group CEO, said, "HCC is proud of its PPP track record, having developed & operated Rs.7,000 crore of value generating BOTs. The sale underscores our commitment to create liquidity that will bolster both operations and future business growth."

Performance of HCC subsidiaries:

Steiner AG: Steiner AG reported revenues of CHF 186.1 million (Rs 1,492.8 crore) in Q3 FY22 as compared to CHF 196.2 million (Rs 1,587.5 crore) in Q3 FY21 and a profit of CHF 6.4 million (Rs 51.8 crore) in Q3 FY22 as compared to CHF 26.1 million (Rs 206.9 crore) in

the Q3 FY21. The Company secured fresh orders worth CHF 98.6 million (Rs 791.3 crore). The order book stood at CHF 1,073 million (Rs 8,610.8 crore) at the end of Q3 FY22. In addition to this, the Company has secured orders for CHF 33 million (Rs 264.8 crore), where contracts are yet to be signed.

HCC Concessions Ltd.: Baharampore-Farakka Highways Ltd registered a turnover of Rs 28.3 crore in Q3 FY22 vs Rs 47.4 crore in Q3 FY21, a decline of 40.2% due to COVID19 restrictions in West Bengal continuing in Q3 FY22.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 26% of India's Hydro Power generation and 60% of India's Nuclear Power generation capacities, over 4,036 lane km of Expressways and Highways, more than 365 km of complex Tunnelling and 395 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of Rs 9,437 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.