

Press Release

HCC Q2 FY23 Consolidated Net Profit at ₹319 cr HCC standalone net Profit at ₹312.8 cr

Mumbai: November 10, 2022: HCC reported consolidated revenue of ₹2,498.8 crore in Q2 FY23 versus ₹2,775.6 crore in Q2 FY22. The consolidated profit was at ₹319 crore in Q2 FY23 versus a net profit of ₹139.2 crore in Q2 FY22.

HCC E&C reported standalone turnover and EBITDA of ₹1,249.1 crore and ₹228.2 crore, respectively, in Q2 FY23, as against ₹932.5 crore and ₹44.4 crore, respectively, in Q2 FY22. The Company's order book stood at ₹13,784 crore as of 30 September 2022.

Financial highlights – HCC unaudited standalone results

- Turnover of ₹1,249.1 crore in Q2 FY23 versus ₹932.5 crore in Q2 FY22
- Net Profit of ₹312.8 crore in Q2 FY23 versus Loss of ₹159.3 crore in Q2 FY22
- EBITDA margins at 18% in Q2 FY23 compared to 5% in Q2 FY22

HCC's strong operational performance and earnings during the quarter was achieved by improved operational efficiencies through a leaner and efficient organizational structure. Major milestones were achieved on T13, T49A Tunnel projects and Anji Khad Cable Stayed Bridge in J&K. The tunnel breakthrough was achieved at India's third longest railway tunnel T13 (9.8 km) and two major bridges were completed on T49A tunnel project after achieving its tunnel breakthrough last quarter. An accelerated rate of launching of the segments and cable staying was achieved at Anji Khad Bridge, the longest cable stayed bridge being constructed for the Railways in India.

HCC successfully concluded its debt resolution plan during the quarter, duly supported by 23 banks and financial institutions. HCC has transferred ₹2,856 crore of lenders' liability along with beneficial economic interest in arbitration awards & claims of ₹6,508 crore as consideration to a Special Purpose Vehicle (SPV). The SPV debt is significantly over-collateralised and is expected to be fully serviced from its own receivables. This will address HCC's asset-liability timing mismatch, besides achieving a material de-leveraging, with the focus of the Company shifting to securing new orders for its growth phase. The Company has recorded an exceptional gain with respect to adjustment for the reduction/reconciliation in interest liabilities and waiver of penal interest on the issuance of NCDs in lieu of lenders liability transferred to SPV.

Performance of HCC subsidiaries:

Steiner AG:

Steiner AG reported revenues of CHF 145.9 million (₹1,183 crore) in the Q2 FY23 as compared to CHF 232 million (₹1,844 crore) in the Q2 FY22 and a net profit of CHF 6.2

million (₹49 crore) in the Q2 FY23 as compared to a net profit of CHF 28.2 million (₹223 crore) in the Q2 FY22. The Company secured fresh orders worth CHF 92 million (₹747crore) in Q2 FY23. The order book stood at CHF 907 million (₹7,365 crore) at the end of September 30, 2022.

HCC Concessions Ltd:

Baharampore-Farakka Highways Ltd (BFHL), a wholly owned subsidiary of HCC Concessions Ltd, registered a turnover of ₹31.8 crore in Q2 FY23 vs ₹26.2 crore in Q2 FY22, a y-o-y increase of 21%. HCC Concessions is in the final stages of concluding the sale of BFHL to Cube Highways at an enterprise valuation of ₹1,279 crore. The sale is expected to close in Q3 FY23.

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 360 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 ₹10,669 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.