



OM Metals Infraprojects

**Investor Presentation
September 2018**



Construction



Infrastructure



Real Estate

Company Overview

Leading Engineering Construction company with a strong presence in the Hydropower sector and experience spanning more than 4 decades

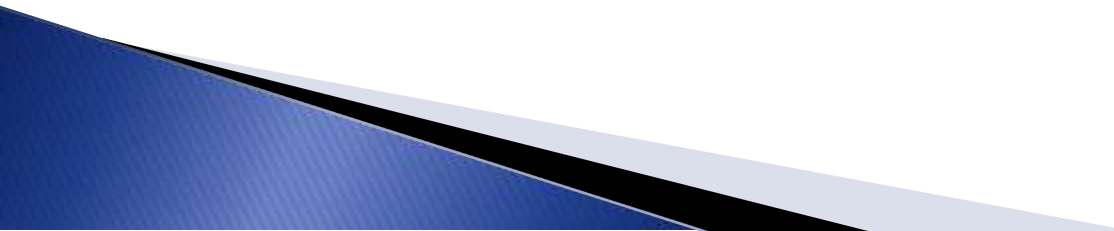
- ❑ Engaged in diversified activities such as execution of turnkey Hydro-mechanical and EPC contracts for Hydropower & Irrigation projects, Foray into Real Estate development & Infrastructure EPC projects
- ❑ Successfully executed more than 60 Hydro-mechanical contracts for Hydro-power & Irrigation projects across the country
- ❑ Robust Orderbook of Rs. 834 crores as on date
- ❑ Diversification in varied structural steel design & fabrication works in bridges, large building constructions & heavy engineering works

Key Orders received in Q1FY19

- ❑ **The company has secured letter of Acceptance (LOA) from SJVN Arun-3 power development company**
 - The project is “All hydro-Mechanical works including Pressure Shaft Steel liner of Arun-3 Hydroelectric Project (900 MW) located in Sankhuwasabha Distt. In Nepal”.
 - The value of the contract is Rs. 156.98 crore

- ❑ **The company in a JV with Patel engineering has bagged a contract on upstream of power house pertaining to phase I of Kundah Pump storage Hydro Electric project (1x125 MW) in Nilgiri District from TANGEDCO .**
 - The scope of work includes “Design engineering supply transport execution and commissioning of all components of Hydro Mechanical works and steel liner for pressure shaft and penstocks”.
 - The value of the contract is Rs. 92 crore (company's share)

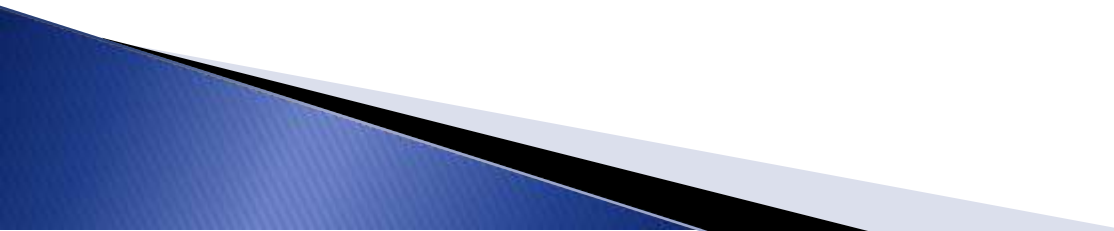
Strong order book pipeline

- ❑ **The company has been exploring bid for projects worth of USD 60 million in International markets**
 - ❑ **In India, the company on the verge of bid for orders worth of Rs 2000 crore**
 - ❑ **The company is expected to close its order book at Rs.1500-1800 crore by FY19**
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Focus on execution of core EPC & real estate projects

- ❑ Company focus is on core business – EPC (Engineering Procurement & Construction) division, which contributes over 80% to the revenues**
- ❑ Higher margins in Irrigation & Hydro space augurs well for company**
- ❑ Moreover, improved execution and efficient measures led EBIT Margin improvement for Engineering division to 24.2% in QIFY19 (as against 18.4% in QIFY18). The EBIT margin for FY18 stood at 28.6% (as against 17.5% in FY17)**
- ❑ With balance sheet remains healthy, Om Metals is well placed to execute more orders in EPC space leading to more revenue & earnings contribution from this segment**
- ❑ Execution of the two key real estate projects; Om meadows (Kota) and Palacia (Jaipur) are going well. In the next three years, considering that the realty market to do considerably well, we expect about Rs 100 crore revenue from Kota project and about Rs 400 crores from Palacia**

Monetisation of non-core assets

- ❑ Non core assets – Jaipur hotel property (100% owned by Om Metals) and Jaipur industrial land (50% owned by Om Metals associate) is on block and ready for monetization if a reasonable value is achieved**
 - ❑ Company has already given mandate for sale of Packing division**
 - ❑ Assets of road project is on restructure/refinance mode**
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Execution road map of projects and revenue recognition

Project Description	Unexecuted Orderbook (Rs Cr)*	Tentative Revenue Recognition in FY19 (Rs Cr)	Tentative Revenue Recognition in FY20 (Rs Cr)
Kachh Canal Power - SSNL (Gujarat)	110	70	40
Rampur UP*	77	59	18
Ujjain smart city*	108	70	38
Vyasi	40	35	05
Tapovan	35	10	25
Africa Rawanda (Mpanga)	52	30	22
Kpong Irrigation (Ghana)	108	27	75
North Koel (Bihar)	38	10	28
Kameng	17	0	17
Kundah	92	5	50
Arun 3	157	5	70
Total	834	321	388

* Due to some scope of work changes – the order book value is subjected to change

Execution road map for real estate projects and revenue recognition

Project	Location	Partner	Project Type	Number of Units	Project Area Sq Ft. (OMIL Share)
Om Meadows	Kota	-	Housing	450	4,50,000
Palacia	Jaipur	-	Housing	150	6,30,000
Bandra MHADA	Mumbai	DBRealty & Others	Housing	-	2,50,000
Asvita	Hyderabad	Mahindra Lifespaces	Housing	52	88,000

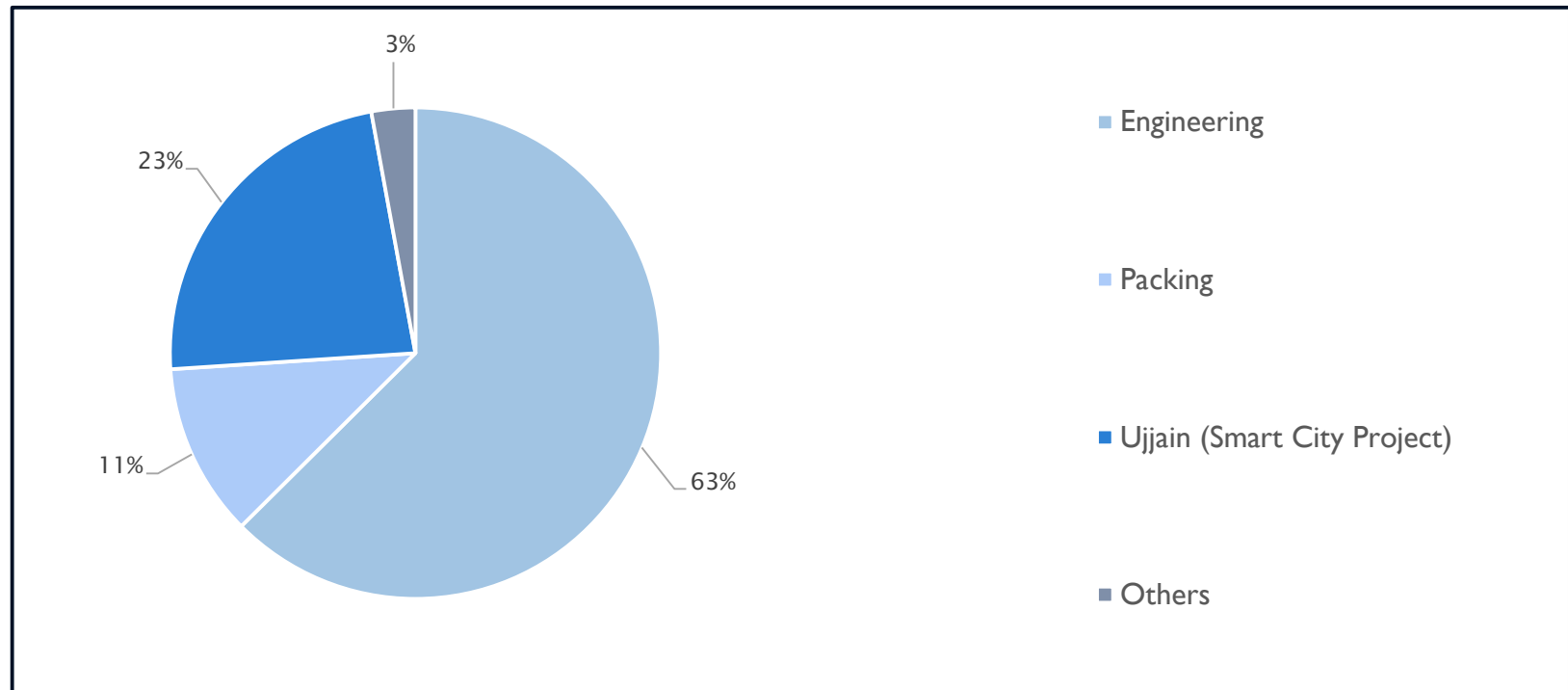
Real Estate Project	Sold in sq.ft	Unsold in sq.ft.	Total realisable value of revenue (Rs Cr)	Total sold revenue recognised (Rs Cr)	Total unsold revenue to be recognised (Rs Cr)
Om Meadows	180,000	2,70,000	110	30	80
Palacia	1,90,000	4,40,000	661	120	541
Bandra MHADA*	-	2,50,000	750	0	*750
Asvita	56,000	32,000	40	23	17
Total			1,561	173	1,388

- Note: *Bandra Mhada project is subjected to finalization of drawing plan and FSI approval
- The revenue projections are subjected to growth in real estate markets and sale of units (at decided rate and time)

Profit & Loss Statement (Q1 FY19 – Standalone)

Rs Crore	Q1FY19	Q1FY18	YoY
Net Sales	53.7	105.3	-48.99%
Expenses	42.6	87.0	-51.10%
EBITDA	11.1	18.2	-38.95%
<i>EBITDA Margin</i>	<i>20.73%</i>	<i>17.32%</i>	<i>+341 bps</i>
Other Income	3.6	2.6	38.60%
Depreciation	2.6	3.0	-12.45%
EBIT	12.1	17.8	-32.23%
Interest expenses	5.1	4.4	16.51%
Profit before Tax	7.0	13.4	-48.10%
Tax	2.6	2.5	2.26%
Profit after Tax	4.4	10.9	-59.62%
<i>Net Profit Margin</i>	<i>8.22%</i>	<i>10.38%</i>	<i>-216 bps</i>
Earnings per Share (Rs)	0.46	1.13	-59.62%

Segmental Revenue Break-up (Q1FY19 - Standalone)



*Others include Real estate division and Kameeng Project (Arunachal Pradesh)

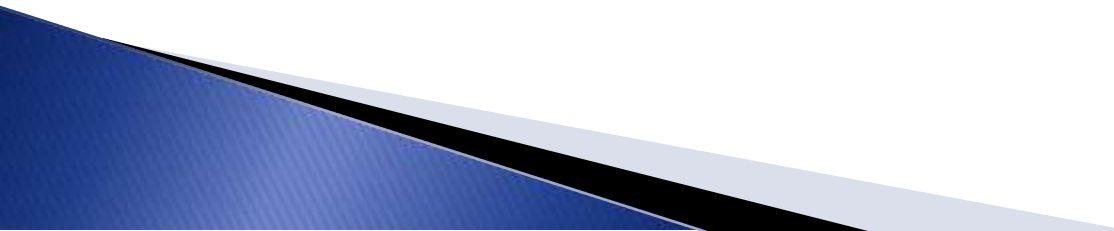
Please Note: Irrigation projects – at Rwanda (Africa) and Kpong (Ghana) have also started contributing to revenues from July 2018 onwards.

Execution kick started at the two large international projects

- ❑ \$ 16.5 million project at Rwanda – Africa (50% JV with SPML) is for Irrigation and Watershed Development in Mpanga Sector.
- ❑ Africa government officials laid out the foundation.



Execution picks up at Ghana Project

- ❑ Another international project at Ghana is for 'Rehabilitation & completing of Kpong Left Bank Irrigation project'. The total cost of the project is \$ 32 million (50% Om Metals share)
 - ❑ The President of Ghana Mr. Nana Akufo- Addo, has laid the foundation for Kpong Left Bank Irrigation Project (KLBIP), at Torgome in the North Tongu constituency of the Volta region, marking the beginning of Om Metals international foray in to infrastructure projects particularly irrigation projects.
 - ❑ The project is funded by the World Bank and is implemented by Ministry of Food and Agriculture, Republic of Ghana
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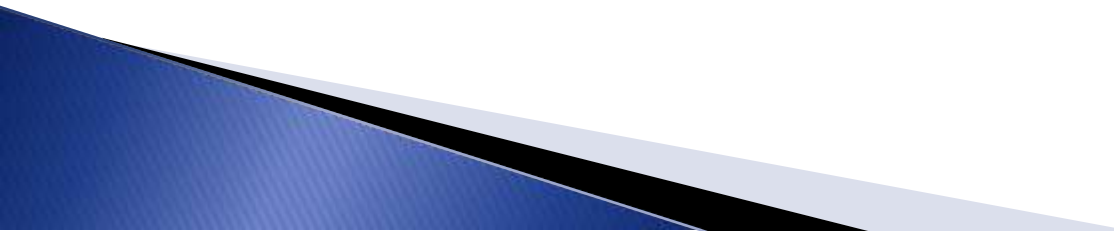
Jaipur Pallacia – Company's key real estate project



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Important developments that could affect the company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations. Om Metals Infraprojects Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



For Further Information, Please contact:

Company :	Investor Relations Advisors:
Om Metals Infraprojects Ltd. CIN: L27203RJ1971PLC003414 Mr. S.K. Jain skjain@ommetals.com www.ommetals.com	Intellect Mr. Vijay Goel vijay@intellectpr.com 9920124357