

**HINDUSTAN OIL
EXPLORATION COMPANY LTD.**



HOEC[®]

EARNINGS PRESENTATION | 9M / Q3-FY21



First private company in India to enter the field of oil and gas exploration



Proved and Probable (P+P) reserves on working interest basis stood at 26.65 MMBOE as on FY20



Low Cost and Fast Track execution capabilities that differentiates it from other players



HOEC has 10 blocks with discoveries producing or ready to be developed and 1 exploratory block in its portfolio



Strong management team with experienced industry professionals



Able to fund capex from inner accruals and raise funds as needed for growth



Gross Production stood at 7,869 boepd and Net Production stood at 3,163 boepd for FY20



Presence in 4 out of 7 sedimentary basins in India



Awarded the Oil & Gas production & development company of the year in 2018-19 (Small Category) from FIPI

Geographical Presence



Legend

- Onshore Oil Well
- Offshore Oil Well
- Onshore Gas
- Offshore Gas
- Onshore Exploration

Asjol
Cambay
North Balol
Palej

INDIA






Kherem
Dirok
Umatara
Assam Arakan
Greater Dirok
Kharsang

Mumbai High
B-80

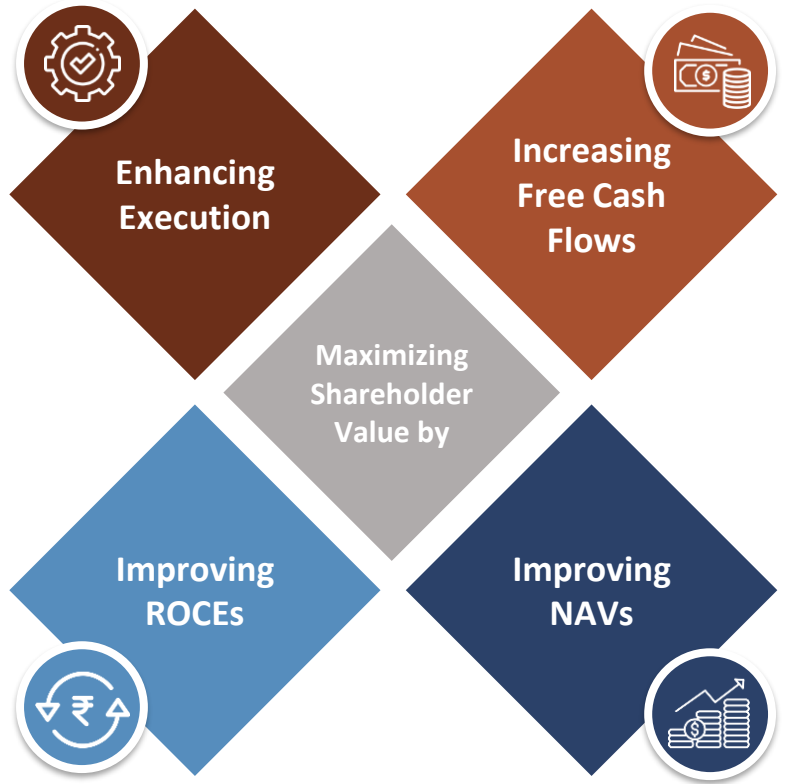
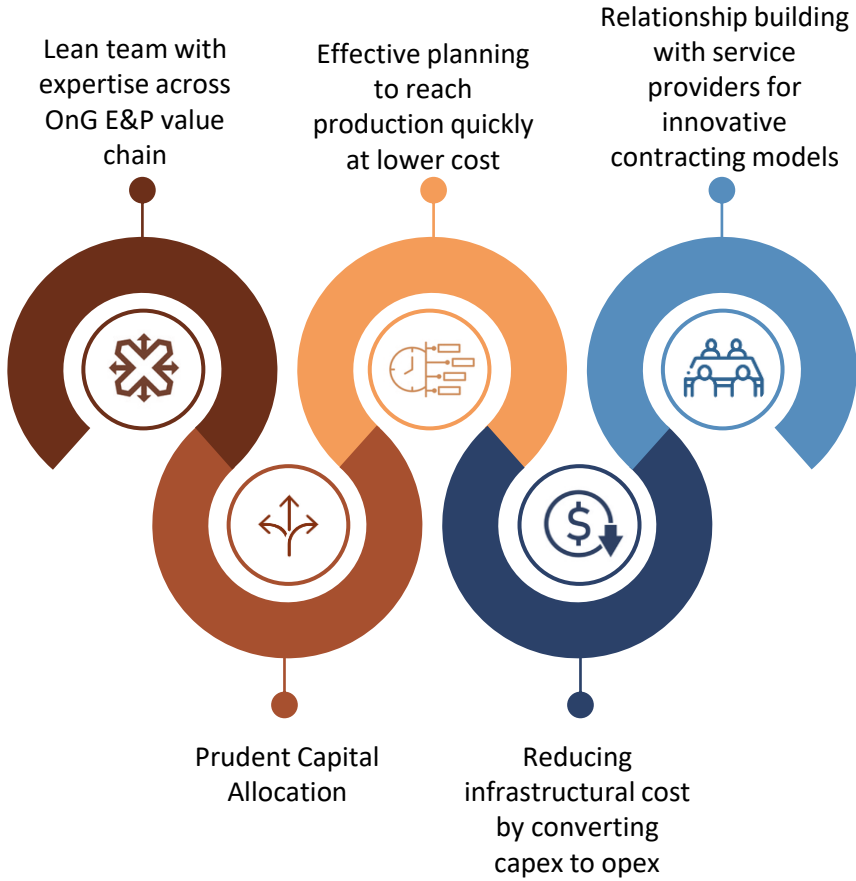
Cauvery
PY-1
PY-3

Competitive Advantages

Uniquely placed with a strong organization and a quality asset portfolio. HOEC will take advantage of its position to deliver superior returns and value to all stakeholders, through a 5-pronged strategy

Focus on Discovered Resources 	Light Asset Model 	Low cost operating model 	Growing responsibly 	Growth strategy 
<p>Focus on discovered oil and gas resources to reduce the risk involved in exploration</p> <p>Fast track execution to bring resources to monetization at the earliest</p>	<p>Follow light-asset model in an otherwise capital-intensive industry</p> <p>Focus on our core operations (Drilling for Oil/Gas) and outsource other associated tasks to expert partners</p>	<p>Follow a low-cost operating model</p> <p>Self-funding company with sustainable cash flows from its key producing assets. Ability to raise growth capital</p>	<p>Create long-term stakeholder value while ensuring that we 'Grow Responsibly'</p> <p>Continue to build its portfolio with a focus on respect and care for individuals, the community and the environment</p>	<p>Focus on the North-East region while also focusing on its offshore resource base</p> <p>Take advantage of existing infrastructure, and add attractive assets with synergies to its current asset portfolio</p>

Clear strategy to lower costs and maximize value





9M/Q3-FY21 Operational Highlights

Gross Production (BOEPD)

Q3 FY21 : 9,370
FY20: 7,869

Net Production (BOEPD)

Q3 FY21 : 2,653
FY20: 3,163

Gross Production - PY-1 (BOEPD)

Q3 FY21 : 188
FY20: 736

Gross Production - Dirok (BOEPD)

Q3 FY21 : 8,444
FY20: 6,351

Dirok is consistently producing at full capacity through Q3 FY21. Average Production – 39 mmscfd in Q3 FY21. Statutory clearances in progress for laying of pipeline for Dirok Phase – II. First lot of pipes have arrived. E-bidding for Dirok Gas planned in March

For B-80, flexibles & umbilicals are in transit from USA, UK & Brazil

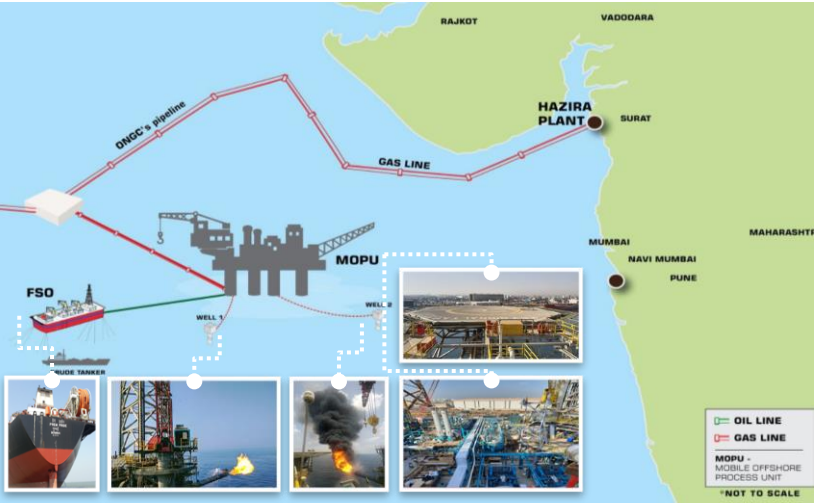
Calm buoy mooring system mobilized to India. MOPU works completed & Class certificate obtained to move
Contract awarded to execute installation works

All key project material mobilized and in transit. Installation works are to commence in March for completion in the west coast weather window

Plans for executing a coordinated cost-effective drilling campaign in Cambay block being formulated. Pending for execution of R2 PSC in Palej. EC clearance process initiated for Asjol & North Balol

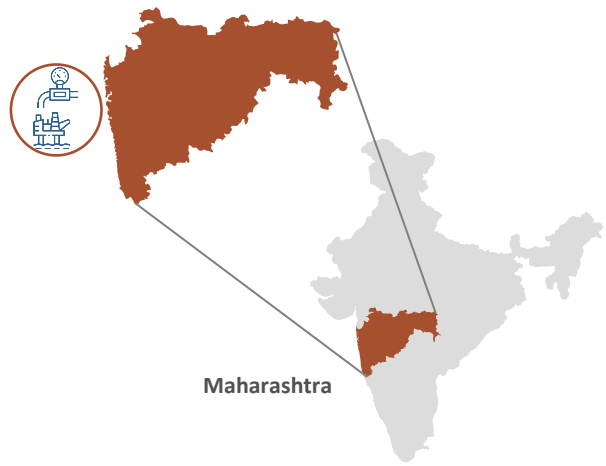
Umatara FDP is approved and planning in progress; Kherem Forest Clearance in final stages and PML in process

B-80: Positioned for Final leg of Project Execution – 60% PI*



8,000 boepd
(Barrel of oil equivalent per day)
Expected Total Production
(Phase I)

13% to 30%
Share of Oil to increase in production mix



B-80 Development

- MOPU works completed & Class certificate obtained to move
- Drilling & completion of 2 subsea wells
- Successful testing of two wells with potential to produce > 8000 boepd
- Procured FSO 'Prem Pride' with storage capacity of 900,000 barrels

Project is on track for 'First Oil' post installation of export facilities

*- Awaiting Govt. approval

New Lead

- New lead in Deccan Trap formation of a 6m interval
- This interval can potentially produce oil and gas which needs to be tested
- The new lead can potentially increase the value of the block. This is to be taken up in the subsequent drilling program

Final leg of Project Execution ongoing

✓ MOPU ready to sail -out of Sharjah to Mumbai



✓ Flexibles are in transit from USA and UK



✓ Calm buoy mooring system undergoing dry dock at Lavgan shipyard, Ratnagiri



✓ For gas export through ONGC pipeline, equipment ordered. Contractor finalised to execute



✓ Marine spread for installation sourced and under mobilisation



Target Pre-monsoon

- Installation & Commissioning of all facilities
- 'First Oil' from B80

All key project material mobilized and in transit. Installation works are to commence in March for completion in the west coast weather window

Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q3-FY21	Q2-FY21	FY20	FY19
INCOME				
Revenue from operations	24.18	30.16	179.84	236.89
Other income	2.53	3.09	21.58	10.06
Total revenue	26.71	33.25	201.42	246.95
EXPENSES				
Expenses from producing oil and gas blocks	5.68	5.83	26.00	28.23
Royalty, Cess and NCCD	5.32	7.40	20.64	19.69
Decrease / (Increase) in stock of crude oil and condensate	(0.57)	0.09	(0.12)	3.92
Employee benefits expense	0.15	0.12	5.18	3.96
Finance costs – unwinding of discount on decommissioning liability	1.40	1.40	5.18	1.40
Depreciation, depletion and amortization	4.97	5.14	23.92	35.06
Other expenses	1.97	2.94	6.00	7.11
Total expenses	18.92	22.92	86.80	99.37
Profit before tax and exceptional items	7.79	10.33	114.62	147.58
Exceptional items - Income	-	-	26.21	2.31
Profit before tax	7.79	10.33	140.83	149.89
Net tax expenses	-	-	-	0.93
Net profit for the period	7.79	10.33	140.83	148.96
Other comprehensive income	0.04	0.04	0.16	(0.16)
Total comprehensive income	7.83	10.37	140.99	148.80
Earnings per equity share of Rs 10 each - Basic	0.59	0.78	10.71	11.42
- Diluted	0.59	0.78	10.71	11.32

Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY21	FY20	FY19	PARTICULARS (INR Cr)	H1-FY21	FY20	FY19
EQUITY AND LIABILITIES				ASSETS			
Equity	688.25	665.08	522.34	Non-Current Asset	585.69	584.44	463.61
(a) Equity share capital	132.26	132.26	130.51	(a) Property, Plant and Equipment			
(b) Other equity	555.99	532.82	391.83	(i) Oil & gas assets	297.27	305.04	325.52
Non-Current Liabilities	106.36	103.73	120.80	(ii) Others	2.83	2.86	2.81
(a) Financial liabilities				(b) Capital work-in-progress	148.13	139.24	2.13
(i) Trade payables	-	-	22.11	(c) Investment property	4.05	4.15	4.36
(ii) Other financial liabilities	0.13	0.31	0.31	(d) Intangible assets	9.60	9.82	10.27
(b) Provisions	106.23	103.42	98.28	(e) Financial assets			
(c) Other non-current liabilities	-	-	0.10	(i) Investments in subsidiary	59.46	59.46	59.46
				(ii) Deposits under site restoration fund	64.23	62.41	58.98
				(f) Other non-current assets	0.12	1.46	0.08
Current Liabilities	87.10	132.48	41.33	Current Assets	296.02	316.85	220.86
(a) Financial liabilities				(a) Inventories	28.17	22.02	22.71
(i) Trade payables	10.97	12.69	10.76	(b) Financial assets			
(ii) Other financial liabilities	72.01	117.39	27.76	(i) Investments	59.15	91.89	111.29
(b) Provisions	0.14	0.14	0.10	(ii) Trade receivables	35.79	35.21	39.09
(c) Other current liabilities	3.98	2.26	2.71	(iii) Cash & bank balances	27.05	48.71	17.40
				(iv) Other bank balances	15.46	15.25	7.79
				(v) Loan to subsidiary	83.02	65.96	12.11
				(vi) Other financial assets	12.23	4.19	5.22
				Income tax assets (net)	4.24	4.35	4.51
				Other current assets	30.91	29.27	0.74
GRAND TOTAL - EQUITIES & LIABILITIES	881.71	901.29	684.47	GRAND TOTAL - ASSETS	881.71	901.29	684.47

Consolidated Statement of Profit or Loss



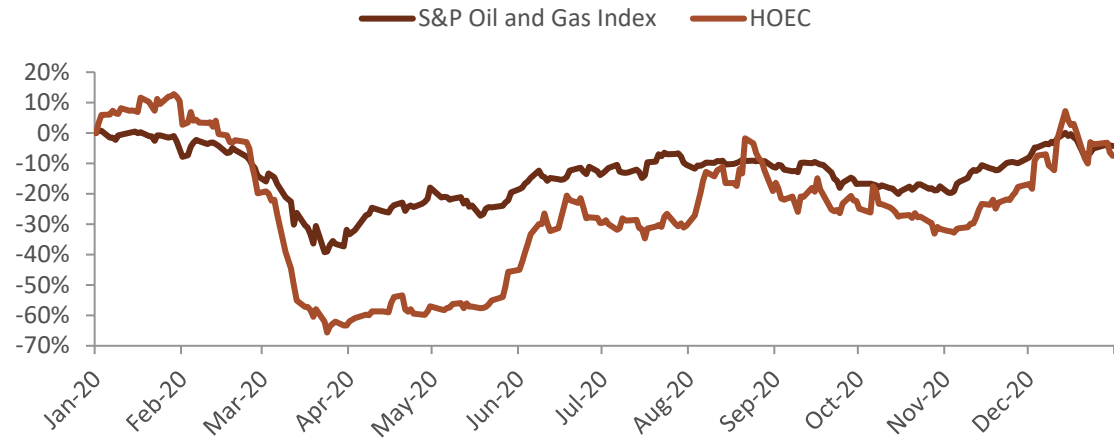
PARTICULARS (INR Cr)	Q3-FY21	Q2-FY21	FY20	FY19
INCOME				
Revenue from operations	27.81	33.18	202.05	265.14
Other income	2.70	2.67	21.76	11.19
Total revenue	30.51	35.85	223.81	276.33
EXPENSES				
Expenses from producing oil and gas blocks	7.20	7.45	35.34	37.21
Royalty, Cess and NCCD	6.66	8.57	21.82	20.84
Decrease / (Increase) in stock of crude oil and condensate	(0.60)	(1.13)	0.43	4.18
Employee benefits expense	0.16	0.13	5.56	5.32
Finance costs - unwinding of discount on decommissioning liability	1.44	1.44	5.36	1.57
- Others	-	-	1.04	0.10
Depreciation, depletion and amortization	6.18	6.32	29.38	43.80
Other expenses	1.53	1.64	14.31	10.48
Total expenses	22.57	24.42	113.24	123.50
Profit before tax and exceptional items	7.94	11.43	110.57	152.83
Share of profit from associate	0.23	0.37	0.52	1.42
Exceptional items - Income	-	-	26.21	2.62
Profit before tax	8.17	11.80	137.30	156.87
Net tax expenses	(0.23)	0.10	(0.26)	0.13
Net profit for the period	8.40	11.70	137.56	156.74
Other comprehensive income	0.04	0.04	0.16	(0.16)
Total comprehensive income	8.44	11.74	137.72	156.58
Earnings per equity share of Rs 10 each - Basic	0.63	0.88	10.46	12.01
- Diluted	0.63	0.88	10.46	11.91

Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	H1-FY21	FY20	FY19	PARTICULARS (INR Cr)	H1-FY21	FY20	FY19
EQUITY AND LIABILITIES				ASSETS			
Equity	703.61	679.71	540.24	Non-Current Asset	781.80	769.13	489.00
(a) Equity share capital	132.26	132.26	130.51	(a) Property, Plant and Equipment			
(b) Other equity	571.35	547.45	409.73	(i) Oil & gas assets	322.43	331.78	355.71
Non-Current Liabilities	152.93	142.07	128.11	(ii) Others	10.74	11.57	13.52
(a) Financial liabilities				(b) Capital work in progress	349.48	327.37	26.18
(i) Long term borrowings	41.17	31.97	0.18	(c) Investment property	4.04	4.15	4.36
(b) Trade payables	-	-	22.11	(d) Intangible assets	9.72	9.82	10.27
(c) Other financial liabilities	0.14	0.31	0.31	(e) Financial assets			
Provisions	109.66	106.77	101.46	(i) Investments in associate	18.14	17.73	17.22
Other non-current Liabilities	-	-	0.10	(ii) Deposits under site restoration fund	67.08	65.18	61.60
Deferred tax liability	1.96	3.02	3.95	(iii) Other financial assets	0.05	0.07	0.06
				(f) Other non-current assets	0.12	1.46	0.08
Current Liabilities	152.04	214.06	65.80	Current Assets	226.78	266.71	245.15
(a) Financial liabilities				(a) Inventories	34.02	26.59	27.83
(i) Short term borrowings	29.15	12.82	11.76	(b) Financial assets			
(ii) Trade payables	32.30	65.89	16.28	(i) Investments	59.16	100.48	119.74
(ii) Other financial liabilities	72.22	117.58	27.95	(ii) Trade receivables	37.39	36.36	40.93
(b) Provisions	13.20	13.47	6.81	(iii) Cash & bank balances	50.48	70.60	27.64
(c) Other Current liabilities	5.17	4.30	3.00	(iv) Other bank balances	23.99	15.24	7.79
				(v) Other financial assets	10.79	3.47	10.55
				Income tax assets (net)	6.79	9.88	9.68
				Other Current Assets	4.16	4.09	0.99
GRAND TOTAL - EQUITIES & LIABILITIES	1,008.58	1,035.84	734.15	GRAND TOTAL - ASSETS	1,008.58	1,035.84	734.15

Capital Market Data

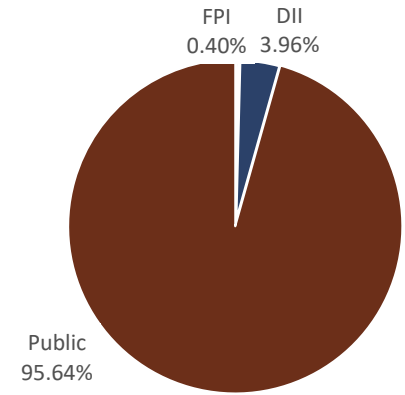


Price Data (31st December, 2020)

CMP (INR)	86.30
52 Week H/L (INR)	109.4/30.55
Avg. Net Turnover (INR Mn)	36.97
Market Cap (INR Mn)	11,412.3
Equity Shares Outstanding (Mn)	132.24

Marquee Investors	% Holding
Housing Development Finance Corporation Ltd (HDFC)	10.65%
Kotak Small Cap Fund	2.47%

Shareholding Pattern (31st December, 2020)



No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management Hindustan Oil Exploration Company Limited ("Company" or "HOEC") which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from. This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.



For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: hoec@valoremadvisors.com

Investor Kit Link: <http://www.valoremadvisors.com/hoec/>



THANK YOU