Investor Presentation

January 2022

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Section 1: Introducing Jindal Steel and Power ("JSP")

JSP at a glance

US$4.5bn
FY21 Revenue

US$3.2bn
1H22 Revenue

c. 27%
Revenue growth from FY20 to FY21

Achieved 0.5x 1H22 Net debt / LTM EBITDA already

US$1,758mn
FY21 EBITDA(1)

US$1,218mn
1H22 EBITDA

c. 126%
EBITDA growth from FY20 to FY21

US$766mn
FY21 Cash Balance(2)

US$500mn
1H22 Cash Balance

Well defined liquidity policy (aims to maintain c. US$ 300mn cash)

JSP aims to be net debt free by FY23

0.9x
FY21 Net debt / EBITDA

0.5x
1H22 Net debt / LTM EBITDA

Net debt reduced by c. 41% from FY20 to 1H22
c. 64% reduction in net debt since FY18 on consolidated basis

U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.
All numbers are on standalone basis, unless stated otherwise
(1) EBITDA is calculated as profit/(loss) for the year/period + net finance income (expenses) +(-) depreciation and amortization expenses +(-) income tax and social contributions + exceptional items – other income
(2) Cash Balance = Cash and cash equivalents + Bank balances

JSP – An Infrastructure Steel Company

Making in India – Producing for the World

- **Fourth largest company** in the iron and steel sector in India in terms of crude steel capacity in FY 2021

- Goal of reducing **carbon emissions** below **2TCO2/TCS by 2030**

- **1 of only 2 suppliers (sole private producer)** of rails in India

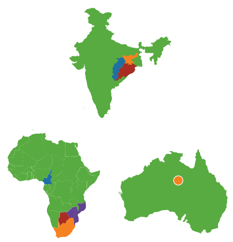
- Operates India's **most advanced plate mill** capable of producing up to 5-meter wide plates – the widest built in India

- Captive iron ore, linkage and preemption ensuring **iron ore security**

- Extensive sales and distribution network with **exports to over 30 countries.**

- **FY21 saw increase in exports by c. 225%**

- **Strategically located assets** in resource-rich regions – **fully integrated operations** in India supported by iron ore and coal mines in Africa and Australia



- Diversified products portfolio with **66% high-value added products**

- **Diversified customer base** with top 10 customers constituting only 10.4% of sales in FY21

Sources: Company filings, JPC Indian Steel

JSP: Progress & Promise

	Scale	Raw material security	Product Mix	Focus	Liquidity management
JSP today	9.6 MTPA capacity as of Nov'21	Plants based in iron ore rich region + iron ore preemption + coking coal 50% hedged	Diversified product mix (long + flat)	Focus across geographies on both steel and power	Ample cash balance (~USD 500mn as of 1H22)
JSP 2.0	15.9 MTPA capacity	Iron ore security greater than 50% hedged on coking coal	Most diversified product mix with HRC and other products	Vibrant steel player catering to domestic and international markets	Well defined liquidity policy (aims to maintain ~US$ 300mn cash)

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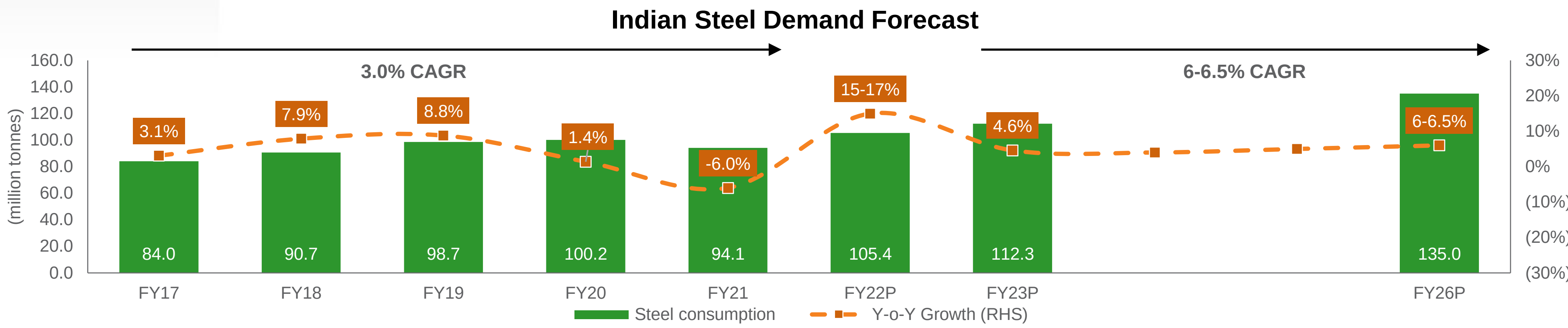
Source: Company's website

Section 2: Industry Outlook

Focused on Leading India's Growth Story



A healthy 6-6.5% growth in India's steel demand is expected in the long-term

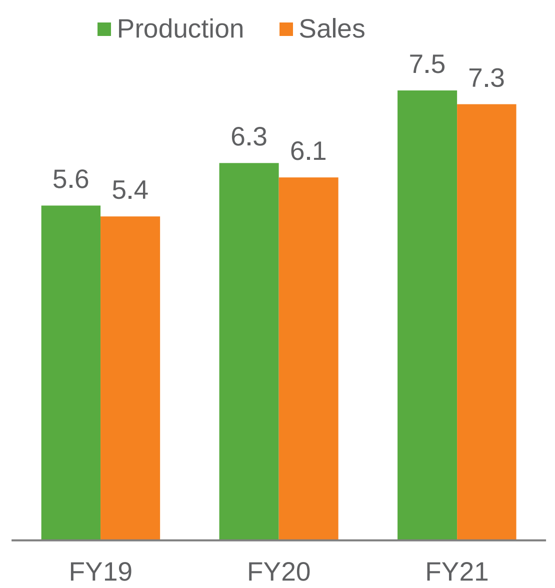
Long term drivers intact

	Housing For All	Bharatmala	Sagarmala	Freight Corridor
Objective	PMAY-U (11.2 mn houses to be constructed); PMAY-G (29.5 mn houses constructed till 2023-24)	Bharatmala Pariyojana of 65,000 kms with total outlay of 6.9 trillion	Rs. 8.5 trillion for port modernization through >577 projects during 2015-2035	Rs 815 billion planned construction capex in 2 freight corridors (3,360 km)
Status	PMAY-U: 4.05 mn houses constructed (up till Dec 20) PMAY-G: 12.4 mn houses constructed till Dec 2020	~10,237 km of roads constructed in FY20 against 10,855 km in FY19, Phase 2 likely to be completed by FY25	As of Sept 19, 121 projects completed and 210 projects under implementation	As of Sep 2020, ~physical & financial progress of 63% & 61% achieved under EDFC and WFC respectively; ~98% of land is acquired
Potential Steel Demand for entire project	50-60 MT	18-20 MT	13-15 MT	6-7 MT

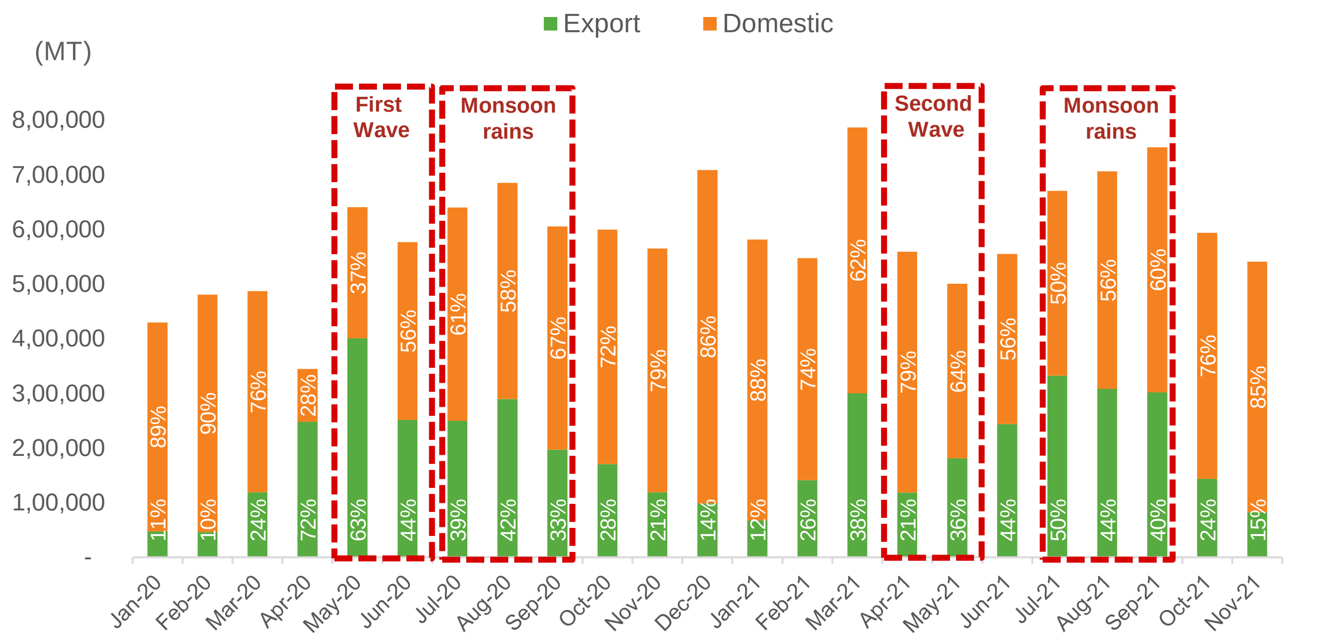
Source: CRISIL report, Research reports and public domain information

Improving Realizations and Demand Triggering Expansions

Scale-up in Standalone operations



Resilience in sales mix for JSP



Indian Steel expected to post double-digit growth

- **The Indian steel sector is slated to post double-digit demand growth of 15-17% in fiscal 2022** after dropping by 6% in fiscal 2021
- With respect to steel end use segments, the double-digit recovery expected in FY22 is to be driven by 16-18% rise from infra, healthy rise in housing led by real estate construction and 12-15% increase in auto production

Source: CRISIL report, Research reports and public domain information

Section 3: Key Credit Highlights

JSP: A continuously improving credit

- Raw material security
- Presence in resource rich regions
- Superior connectivity

- Well-positioned to capitalize on marquee customer base as well as retail customers

- Stable cash flows
- Strengthened financials in the past few years

- Long track record in the steel business and considerable technical expertise

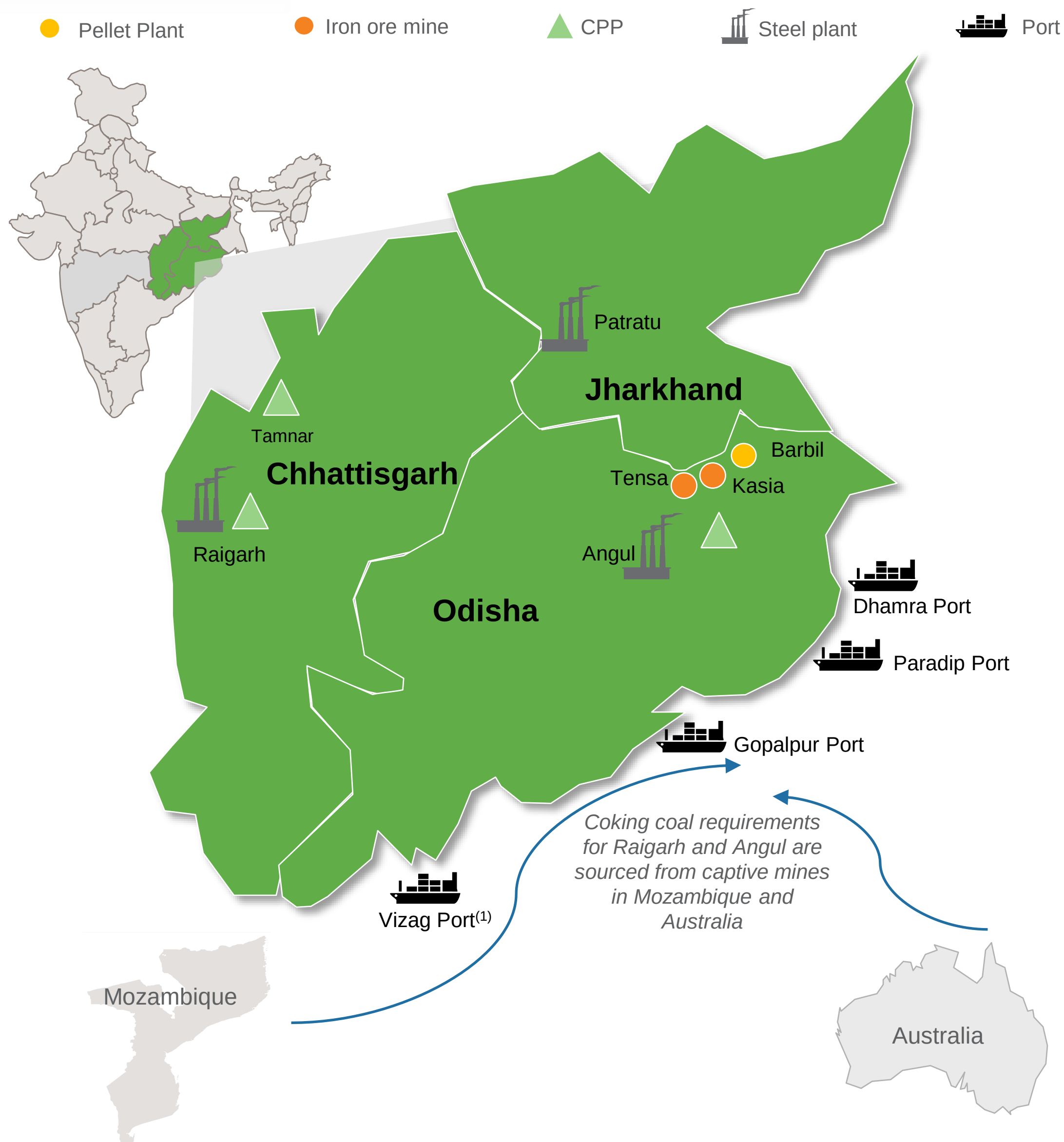
- Favourable & flexible product mix
- Presence across the steel value chain
- Focus on export sales

- Higher profitability
- Superior EBITDA margin and optimal capacity utilization

- Focus on strong balance sheet and liquidity position

1 Strategically located integrated operations with raw material security

Presence in resource rich regions with superior connectivity



Key Assets Located in Vicinity of Critical Infrastructural Assets

- **Logistically well connected** through **ports, national road highways and major rail networks**, which act as distribution enablers.

Raw Material Security

- Steel plants in **iron ore rich regions** and power plants near steel plants
- JSP's captive iron ore mines meet ~60% of its total iron ore requirement
- The company also has Odisha based plant with iron ore pre-emption
- JSP is one of the most backward integrated companies in terms of coking coal
- Australia and Mozambique mines to provide ~50% of the coking coal requirements for JSP's operations.

Iron Ore Production	
Tensa	3.11 MTPA
Kasia	7.50 MTPA

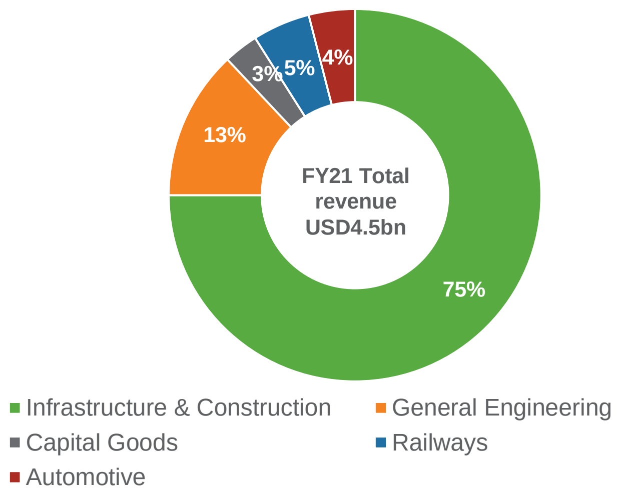
Coking Coal Production	
Australia	1.2 MTPA
Mozambique	1.2 MTPA

Note: [1] Vizag Port is in the state of Andhra Pradesh, but has been represented as shown above to illustrate proximity
Source: [2]https://www.dailypioneer.com/2019/state-editions/JSP---s-barbil-pellet-plant-achieves-rare-production-feat.html
https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/jindal-steels-pellet-plant-clocks-record-annual-production/articleshow/69061528.cms?from=mdr

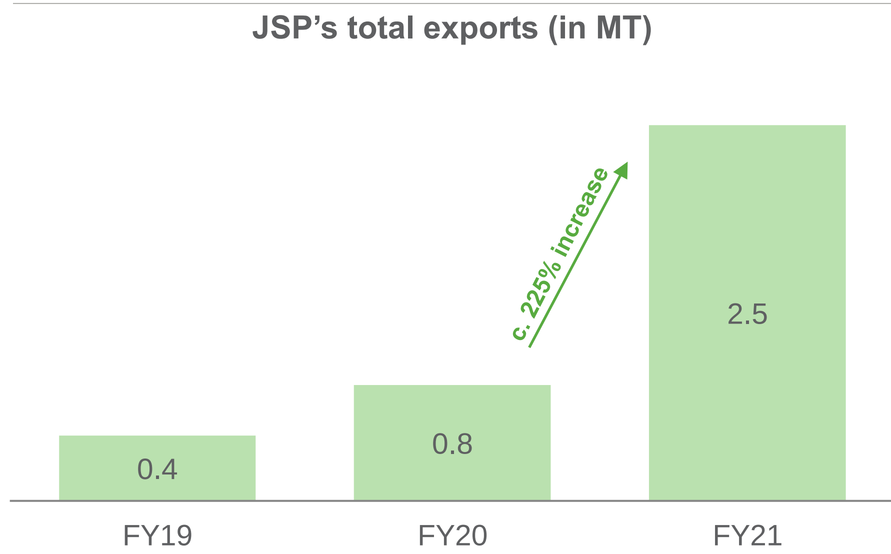
② Favourable and flexible product mix to stay attuned to macro megatrends

Focus on export sales and right product mix

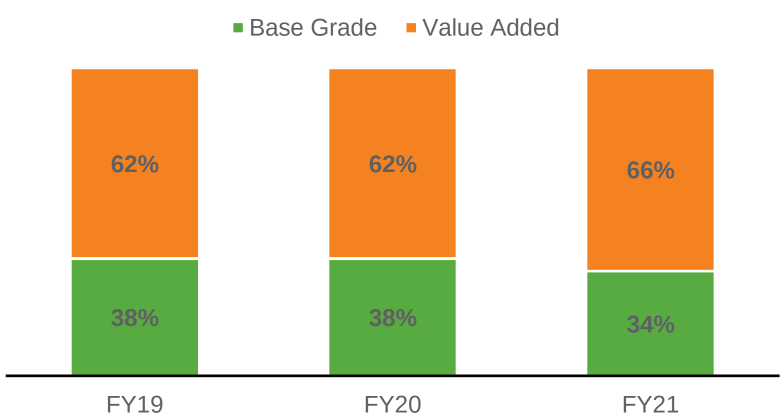
JSP is not only a leading supplier to infrastructure-linked sectors with leading steel demand domestically…



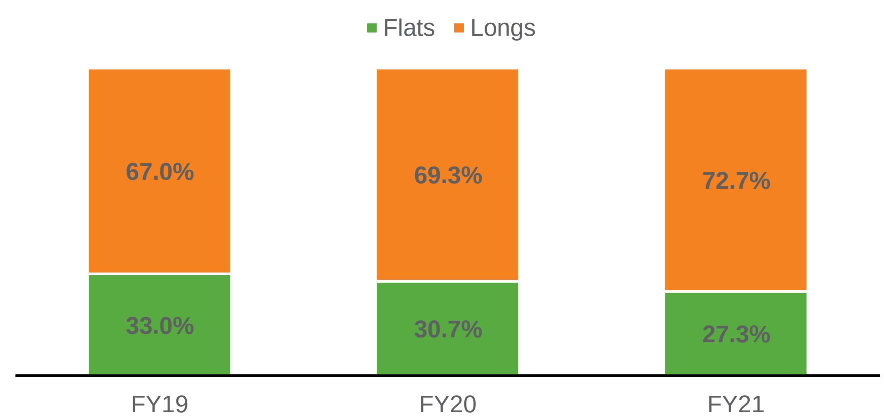
… but has also successfully pivoted to focus on increasing exports when domestic demand was soft



66% of JSP's sales derived from high-margin value added products…



… and company proactively manages its product mix to align with the demands of the broader market



JINDAL STEEL & POWER

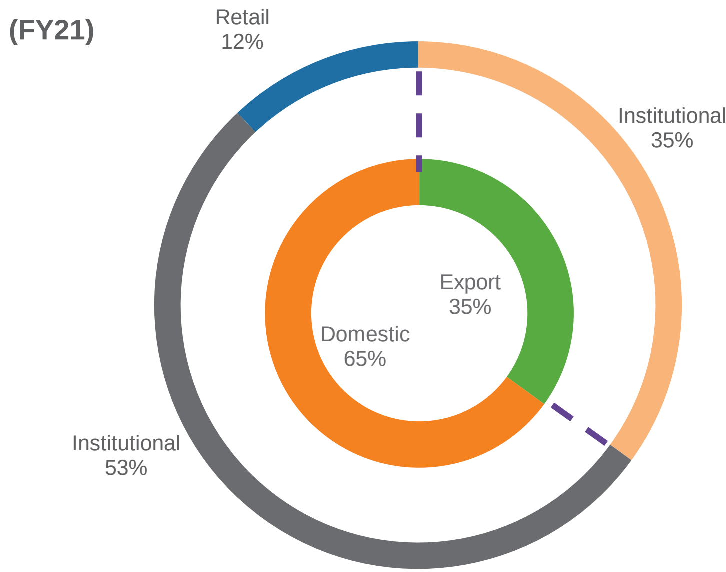
3 Well-positioned to capitalize on marquee customer base

Key supplier to multiple well-respected institutions across the country…

- **Presence across 450 districts**, with 3,000+ dealers has resulted in a portfolio of marquee clients
- **Preferred Indian supplier of Rails** (Including Specialty Rails) to Indian Railways and its controlled entities including Dedicated Freight Corridor Corporation of India Limited (DFCCIL) and metro projects
- Indigenous **supplier of plates to defence** for various Applications – Special plates Quench and tempered, Shot blasted and Primer Plates
- Approved supplier **empaneled with respectable institutions like Caterpillar, Komatsu, Tata Hitachi, METSO**
- JSP High Strength Steel Customized Plates supplied for **marquee bridge projects**

… yet no customer concentration in its sales mix ensures the bargaining power remains with JSP

Export sales accounted for c. 35% of the total revenues for FY21



<6%

Contribution of Top 2 customers in FY21 Revenues

<11%

Contribution of Top 10 customers in FY21 Revenues

JINDAL STEEL & POWER

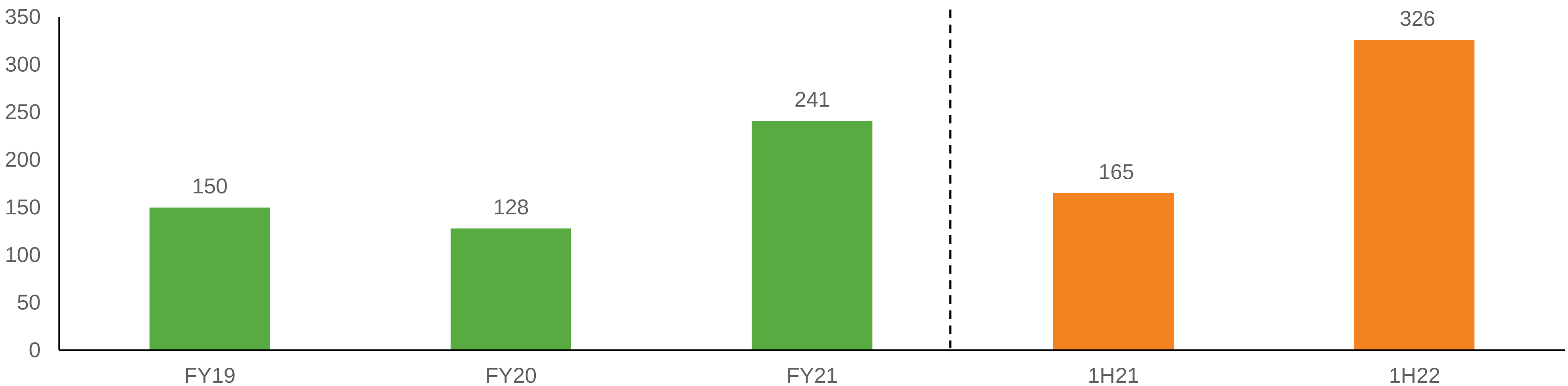
4 Operational excellence translating into higher profitability

Superior EBITDA margin and optimal capacity utilization

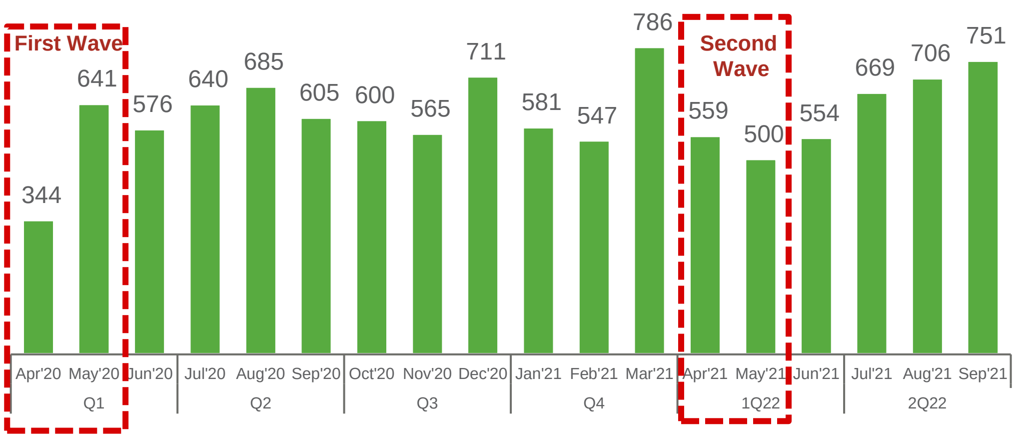
Demonstrating resilience in COVID period

EBITDA/t[1] (USD/t) metric

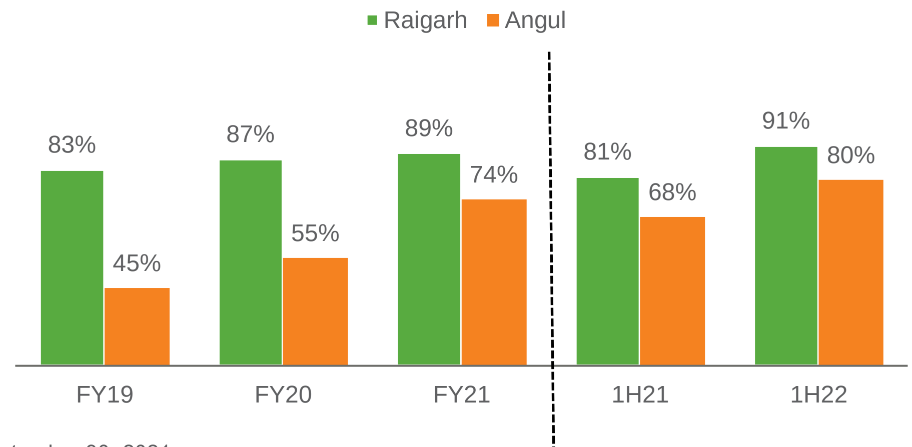
EBITDA margin (%)	FY19	FY20	FY21	1H21	1H22
JSP	22%	22%	39%	30%	38%



Sales volume ('000 tonnes)



Capacity utilization (%)



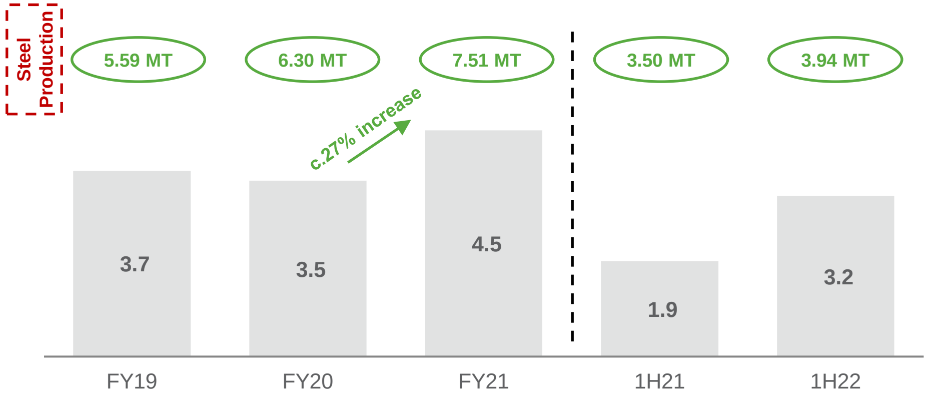
Source: Company Data; U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021

Notes: [1] Derived by dividing EBITDA / Adjusted EBITDA by steel sales

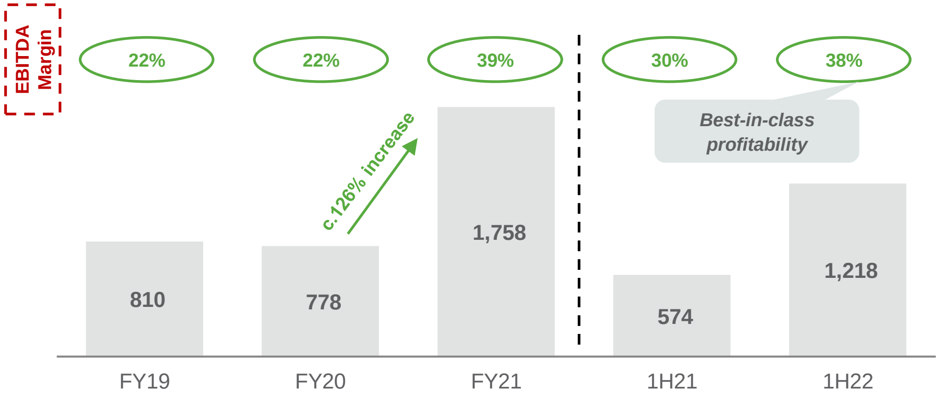
5 Robust financial profile and stable cash flows

JSP Standalone financials have strengthened in the past few years

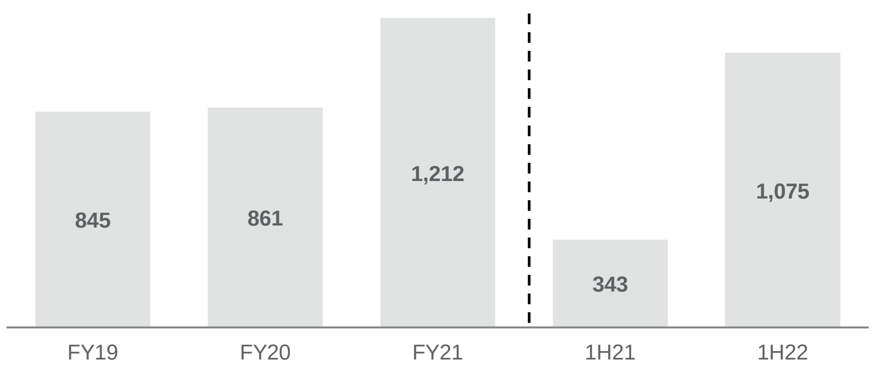
Revenue[1] (USD bn)



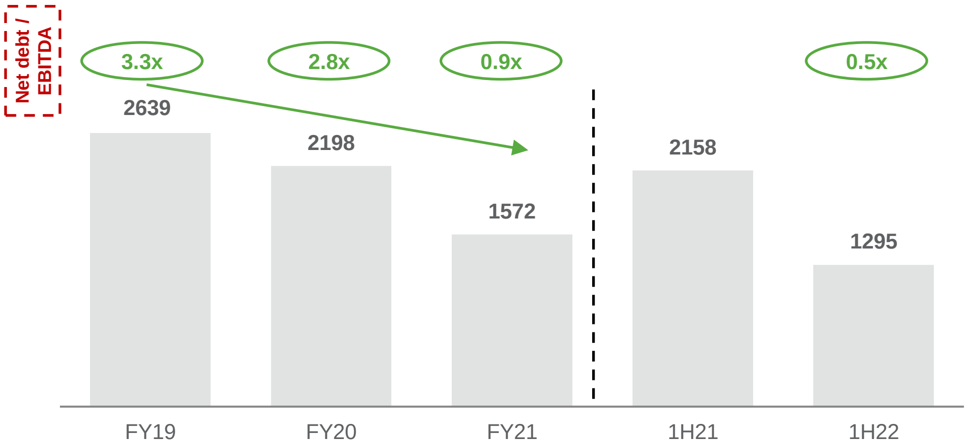
EBITDA[2] & EBITDA Margin (USD mn,%)



Free Operating Cash Flow[3] (USD mn)



Net debt (USD mn)



Note: [1]Revenue from operations; Steel Production shown is only for India operations and includes Pig Iron; [2] EBITDA is calculated as profit/(loss) for the year/period + net finance income (expenses) +(-) depreciation and amortization expenses +(-) income tax and social contributions + exceptional items – other income

[3]Free operating cash flow = cash flow from operations – capex;

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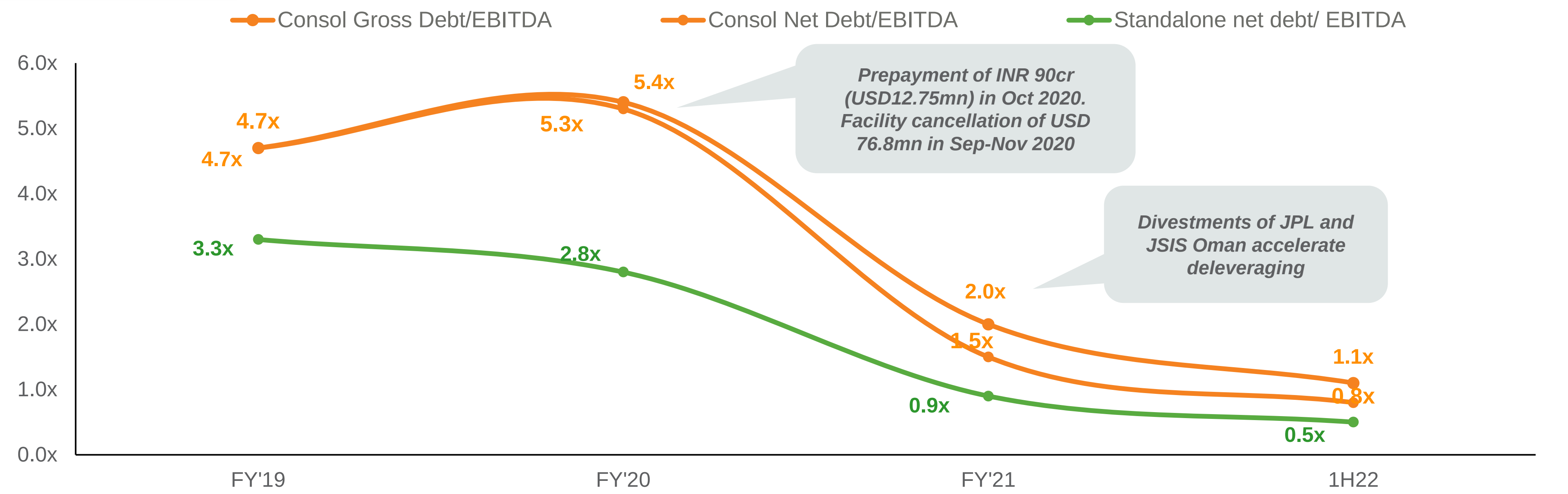
All numbers are on standalone basis, unless stated otherwise

6 Prudent financial policy focused on proactive leverage management and strong liquidity position

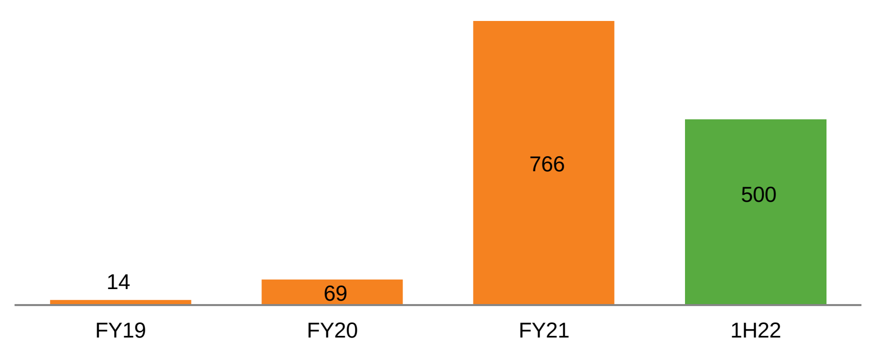
Evolution of JSP's historical leverage over the years



Liquidity Policy

- JSP aims to maintain US$ 300mn cash at all times
- JSP has unutilized CC limit available
- Regularly monitoring cash blockage through ToC concepts (ToC sessions conducted every Saturday by external agency and attended by CFO)

Cash Balances[1] (US$mm)



Source: Company filings
U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021
2020 consolidated numbers are reinstated numbers
(1) Cash Balance includes Cash and cash equivalents + Bank balances

7 Experienced board of directors and best in class management

Board of Directors

Naveen Jindal
Chairman
- President - Flag Foundation of India
- Qualification: MBA (University of Texas)

Shallu Jindal
Director
- ex-Chairperson of the National Bal Bhavan
- Founder President of Young FICCI Ladies Organisation

Bhaskar Chatterjee
Independent Director
- Former IAS officer
- Post graduate in History, M.Phil, M.B.A., Ph.D. & LLB

Anil Wadhwa
Independent Director
- Member of IFS
- Former Indian Ambassador and permanent Representative to FAO, IFAD, WFP UNESCAP

Shivani Wazir Pasrich
Independent Director
- Actor, activist
- Founder of the Commonwealth Cultural Forum

Kanika Agnihotri
Independent Director
- Managing Partner – SKV Associates
- LLB

VR Sharma
Managing Director
- Experience: >36 years.
- Qualification:. Mech. Engineering , MBA (marketing)

Dinesh Saraogi
Chief Operating Officer - Chhattisgarh Operations, JSP
- Qualification: Mechanical Engineering

Sunjay Kapur
Independent Director
- Chairman – SONA Comstar Ltd.
- Member of CII

Management

VR Sharma
MD – JSP
- Experience: >36 years

Vijaya Gupta
Acting CFO – JSP
- Experience: c. 20 years

JSP derives its strength from its promoters' and management's long track record in the steel business, considerable technical expertise and commercial acumen garnered through several cycles

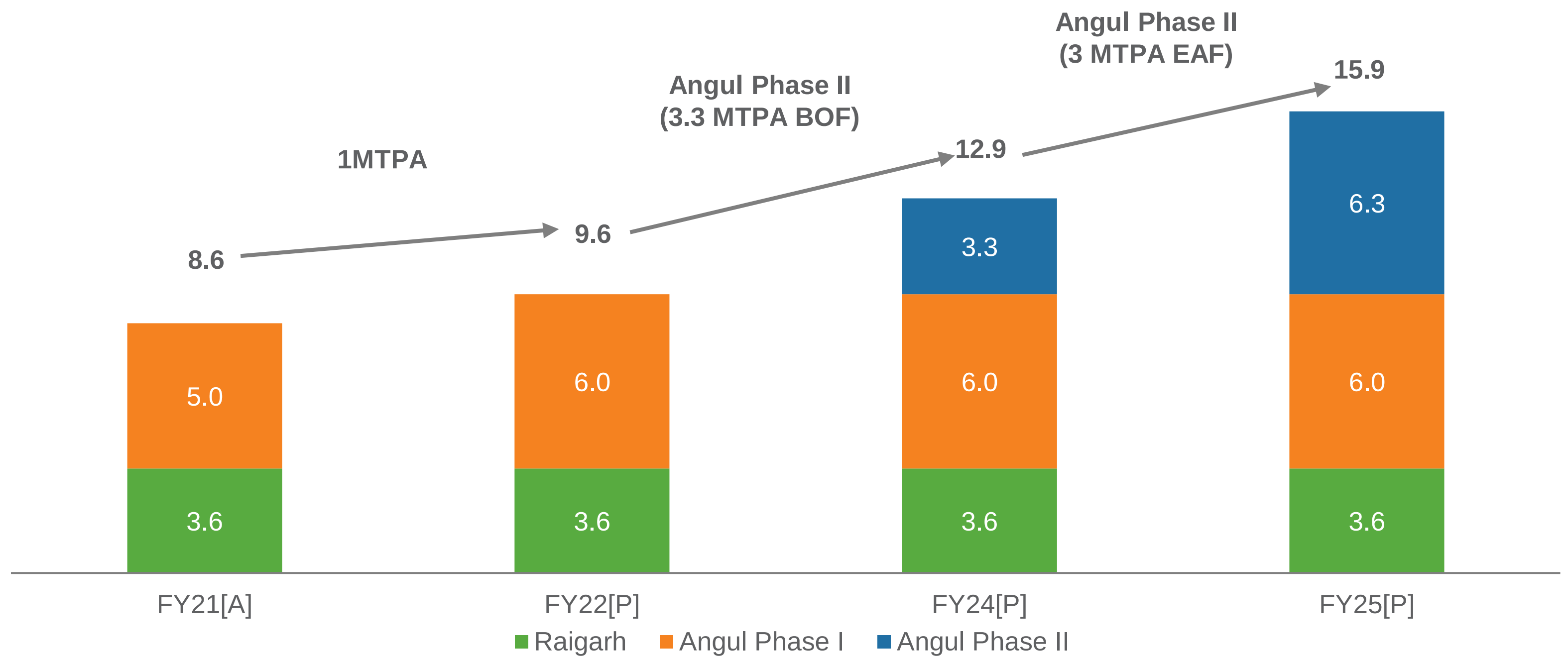
Section 4: Future Plans

Capacity Ramp up plan : Steel & Pellets

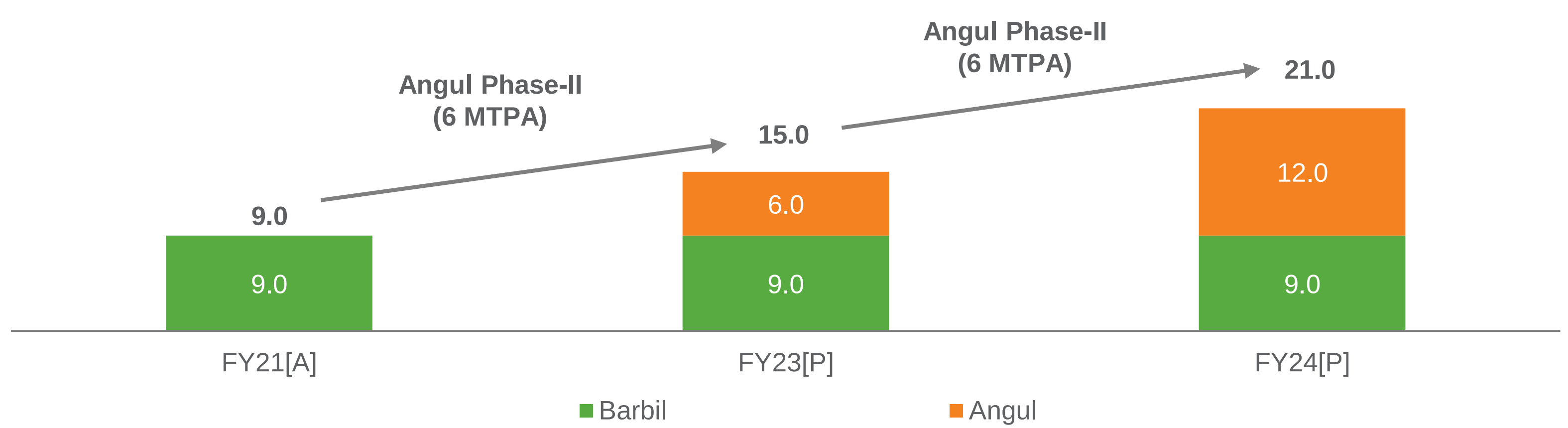
Planned Expansion : Steel capacity up 66% and Pellet by 133%

Capacity Expansion

Crude Steel Capacity (MTPA)



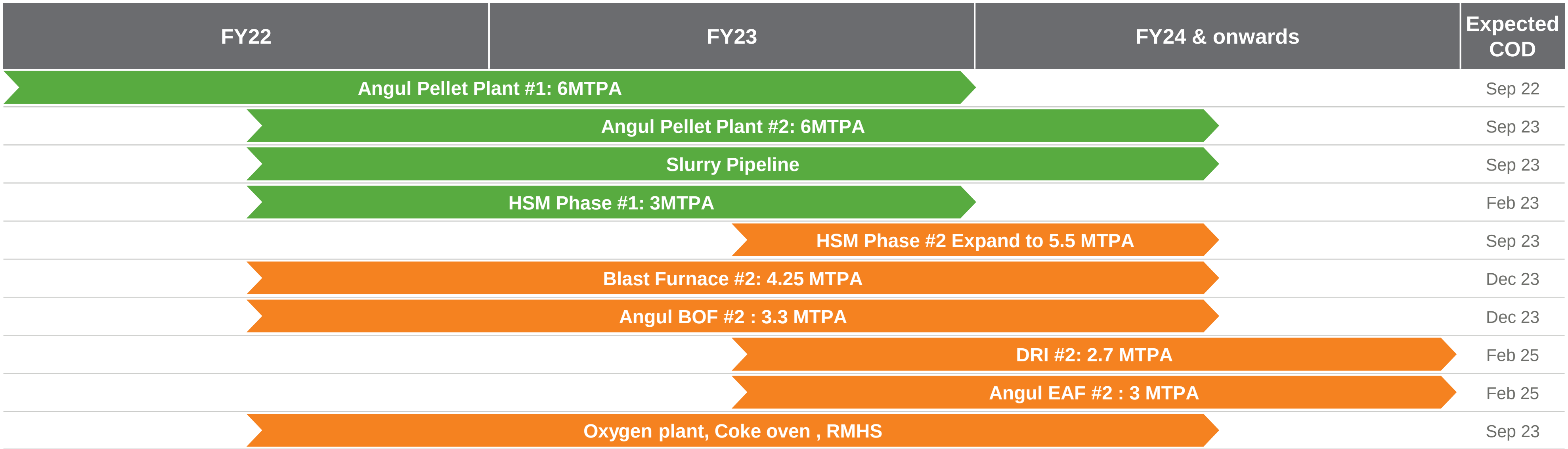
Pellet Capacity (MTPA)



Source: Company's website

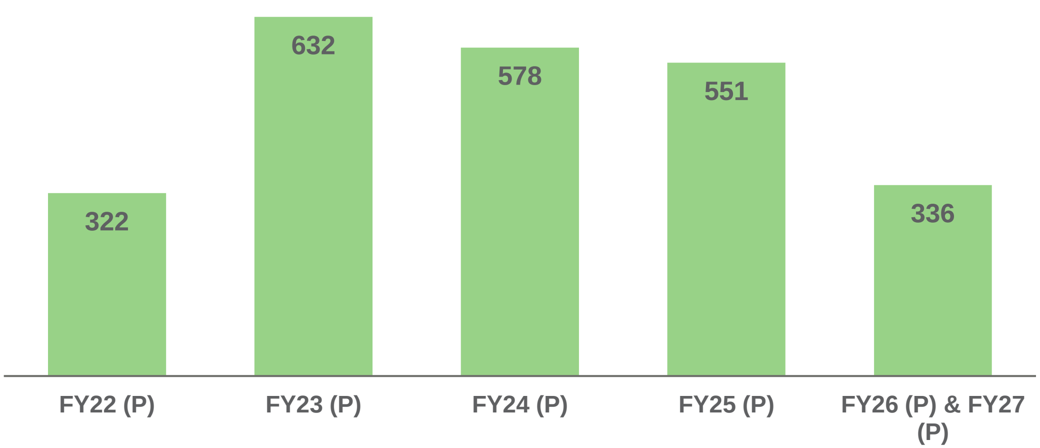
Angul Phase II : Disciplined capex approach over next 5 years

Major projects' timeline



Margin Expansion Projects (Total capex: USD 888 mn) Capacity Expansion Projects (Total capex: USD 1,532 mn)

Expansion Capex (USD Mn)



- On the back of strong cash flows, JSP Group has announced a round of growth capex to propel its steel capacity from 9.6MT to 15.9MT (+66%) through brownfield expansion
  - The **6.3MT expansion** is proposed at a modest capex of c. **US$400/t**, among the lowest in the industry, driven by its Blast Furnace and Electric Arc Furnace
  - The expansion also includes investment in cost saving projects like pellet plant, slurry pipeline, etc.
- The projects, which are expected to increase steel capacity by 66% and pellet by 133%, will be commissioned in a modular fashion from Sep 2022 to Feb 2025, thereby largely self-funding the cash flow needed for the capex

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Section 5: ESG Update

Steadfast commitment to the community

Environment

- Adopted goal of reducing carbon emissions below $2TCO_2$/TCS by 2030
- The company is in process of divestment of Jindal Power Limited, coal fired power plant
- Reduce road/rail transport and hence diesel consumption by way of -
  - Slurry pipeline
  - Pellet plant
- To make operations more carbon-efficient, installation of
  - Top Pressure Recovery Turbine (TRT) at the Blast Furnace
  - Waste Heat recovery boilers for power generation
  - Modification of Electric Arc Furnace to Neo-Oxy furnace
- Installing a vertical DRI (as against horizontal DRI) to consume waste gas from Coke oven

Social

- Lifesaving liquid Medical Oxygen continuously supplied across the country through Cryogenic Tankers and Oxygen Express
- In fiscal year 2020, our Company contributed INR250 million contributed to PM CARES Fund andINR20 million to Chhattisgarh Chief Minister Relief Fund for COVID-19
- Established a COVID-19 vaccination Centre (“CVC”) that covers all employees and family members as per the Government notification for different categories
- Regular and periodic screening of employees, workforce and community are being carried out to address the containment of the pandemic.
  - The Company is providing free COVID-19 testing in all villages around the periphery of our plants

Governance

- Maintain highest standards of corporate governance with 5 out of 9 board members being independent
- High Female representation in the Board in India steel industry
- JSP endorses diversity with Board members having distinguished careers across various sectors (financial, operations, marketing, administration, Social, Environment, arts etc.)
- Focus on building a long term sustainable business with JSP constituting a Health, Safety, Corporate Social Responsibility and Environment Committee

Section 6: Roadmap for the Future

JSP's key focus areas

01 High Return on Capital Employed

Strong FCF Generation & faster payback

02 Sustainable Growth

Sustainability of operations remains at the heart of all project considerations

03 Make In India

Expand India's manufacturing prowess and capitalize on strong demand tailwind

04 Steel Focus

Incremental Capex to be spent on core Steel Business

05 Strong Balance Sheet

<1.5x net debt / EBITDA across all cycles
+
Strong Liquidity

Appendix

Jindal Power Limited divestment will help the company go green

Process for divestment of JPL is on track and committed towards transparent value unlocking for JSP

A competitive bidding process to realize the highest value possible from the JPL stake sale, using the Revised Offer of USD 1,007 mn as the base offer

The transparent bidding process was advertised in the public domain and presented an equal opportunity for interested bidders from around the world to come forward and improve or better the present Revised Offer of USD 1,007 mn. Bidding process is now completed

The move is a part of the group's commitment to its primary goal of value maximization from the JPL divestment and protecting the interests of all its stakeholders, including its minority shareholders

The competitive bid process for the proposed sale of Equity Shares and RPS would be undertaken by the Company through Grant Thornton Advisory Pvt. Ltd., the process advisor for the bid process. The details of the bid process will be advertised and made available in the public domain

Original Proposal from WorldOne	Revised Proposal			
	Equity			Debt
USD ~408 mn payable in cash for equity	**USD ~408 mn payable in cash**	+	**c. USD ~599 mn by takeover of liabilities of JSP w.r.t ICDs & advances**	**Additionally USD ~898 mn debt also moves out of JSP consolidated balance sheet**

- JSP to become pure-play India steel story where capacity expansion can be funded with the operating cash flows
- In the revised structure international operations complement the domestic business with critical coal supplies and hence part of the strategic focus. This has achieved fruition from commitment to actuality in less than a year
- WCL and JMML to **provide 50% of the coking coal requirements** for JSP's operations thus making it appropriately hedged private steel player in coking coal supplies in India

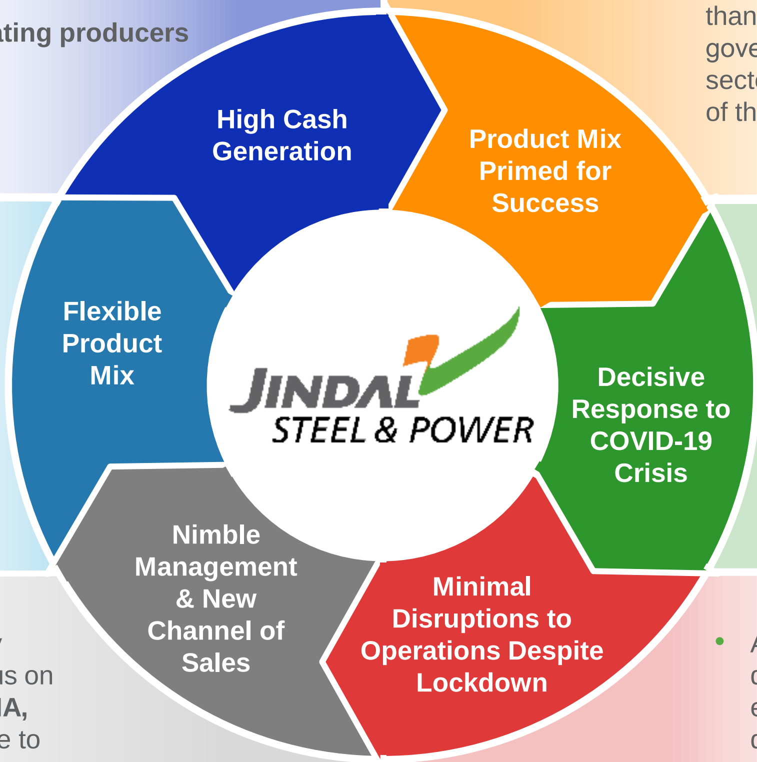
India: Superior performance by technology-enabled plants

Plant (Location / Capacity)	Angul Steel Plant (Odisha / 5.0 MTPA for SMS)	Raigarh Steel Plant (Chhattisgarh / 3.6 MTPA for SMS)
Technological Specifications	• 3.25 MTPA blast furnace, one of the largest in India.One of the largest 5 MTPA sinter plants • 1.2 MTPA plate mill that produces plates of up to 5 meters in width • 1.5 MTPA bar mill that produces a wide range of the Jindal Panther branded TMT rebars • 6.5 MTPA coal washery, 2 x 500 TPD lime and dolomite plant	• Blast furnace (3.05 MTPA) • 1.32 MTPA DRI plant the world's largest coal-based sponge iron manufacturing facility • Head-hardened rail manufacturing facility that produces up to 121m long rail pieces • State-of-the-art plate mill (1.0 MTPA) • Medium and light structural mill (0.6 MTPA) • Modern rail and universal beam mill (0.75 MTPA)
Product Mix	• Plate, TMT, Billet	• Rail, Structures, Plates, HRC, Bloom, Billet, Rounds
Raw Materials Sourcing	• Iron ore from captive mine in Kasia (Odisha), Tensa (Odisha) and open market • Pellet from Barbil plant • Coking coal sourced from Australia, Mozambique mine and merchant mining groups	• Iron ore from captive mine in Kasia (Odisha), Tensa (Odisha) and open market • Pellet from Barbil plant • Coking coal sourced from Australia, Mozambique mine and merchant mining groups
Power / Coal Preparation	• 810 MW captive power plant • Coal washery (6.5 MTPA)	• 284 MW coal and waste heat captive power plant • 540 MW coal captive power plant at Dongamauha
FY21 Utilization	• 73.6% (SMS)	• 88.7% (SMS)

Plant (Location)	Barbil (Odisha / 9.0 MTPA)	Patratu (Jharkhand / 0.6 MTPA for WR and 1.0 MTPA for TMT)
Technological Specifications	• 4.50MTPA dry-grinding and 4.50MTPA wet-grinding palletisation unit • Barbil Plant has emerged as pellet exporter in recent years • 9 MTPA Pelletization complex	• Finished steel installed capacity of 1.6 MTPA, including a 1 MTPA bar mill and a 0.6 MTPA wire rod mill
Product Mix	• Pellet	• TMT, Wire Rod
Raw Materials Sourcing	• Iron ore from captive mine in Kasia (Odisha), Tensa (Odisha), and open markets	• Billet for WRM and TMT from Angul and Raigarh Plant
Power / Coal Preparation	• Maximum sourced from 810MW captive power plant; remaining sourced from grid	• Entire power requirements from DVC – Damodar Valley Corporation
FY21 Utilization	• 80.8%	• 72.6% (WR), 21.1% (TMT)

JSP has adeptly navigated the challenges brought on by the COVID-19 pandemic

- One of the **highest cash generating producers** in the **Indian steel industry**
- JSP's **product mix is more focused on longs** than flats. With limited impact on the government spending committed to India's infra sector, JSP has seen a boom in demand as one of the leading longs producers in the country
- JSP offered a **flexible product mix** that catered to its **new clientele**, and ensured that **operations remained unaffected across the period**
- **Strict compliance** with **Government regulations** resulted in minimal impact on production

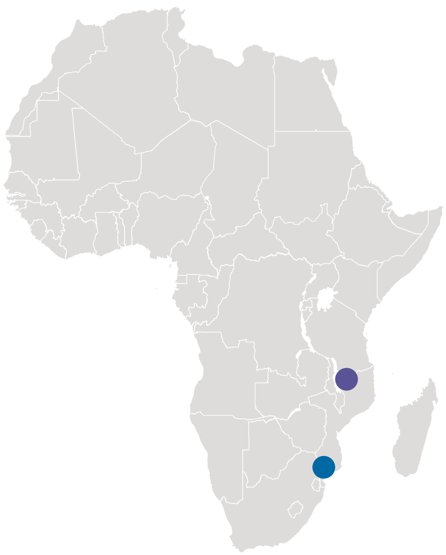


- Management was able to **swiftly change the book orders** to focus on **export markets** across the **MENA, SEA, and China** which were able to absorb the products
- An **"Essential"** government designation coupled with a shift to export markets led to minimal disruption to operations – in fact, sales increased during the period

Best ever performance in terms of EBITDA achieved during COVID. FY21 the best year ever despite the devastating COVID impact

Global Footprint - Providing raw material security

Africa



South Africa

- Own and operate an underground anthracite coal mine located in Kiepersol, South Africa through step-down subsidiary Jindal Mining SA (Pty) Limited
- Anthracite coal mine, the Kiepersol Project, produces high grade Anthracite Coal (max.1.2 MTPA)
- Private railway siding enables the mine to dispatch orders directly to customers and to shipping ports for export

Mozambique

- Open cast coking coal mine in Chirodzi
- The mining area is under a lease period valid until 2035
- According to a third party report from 2012, the mine has resources of approximately 1,708.65 MT, with a mine reserve life of approximately 15 years
- The current capacity of the mine is 5 MTPA

Australia

Russell Vale Mines

- The mining approval from NSW Department of Planning, Industry and Environment (DPIE) and the Independent Planning Commission (IPC) was received in Dec'20 and the company received clearances for extraction of 3.7MT of coal over five years from Russell Vale mine.
- The company commenced mining in September 2021


JINDAL
STEEL & POWER
Thank you!