JINDAL STEEL & POWER

Q3FY'22

Key Performance Highlights

8th February,2022

DISCLAIMER

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The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance. We do not undertake to update our forward-looking statements.

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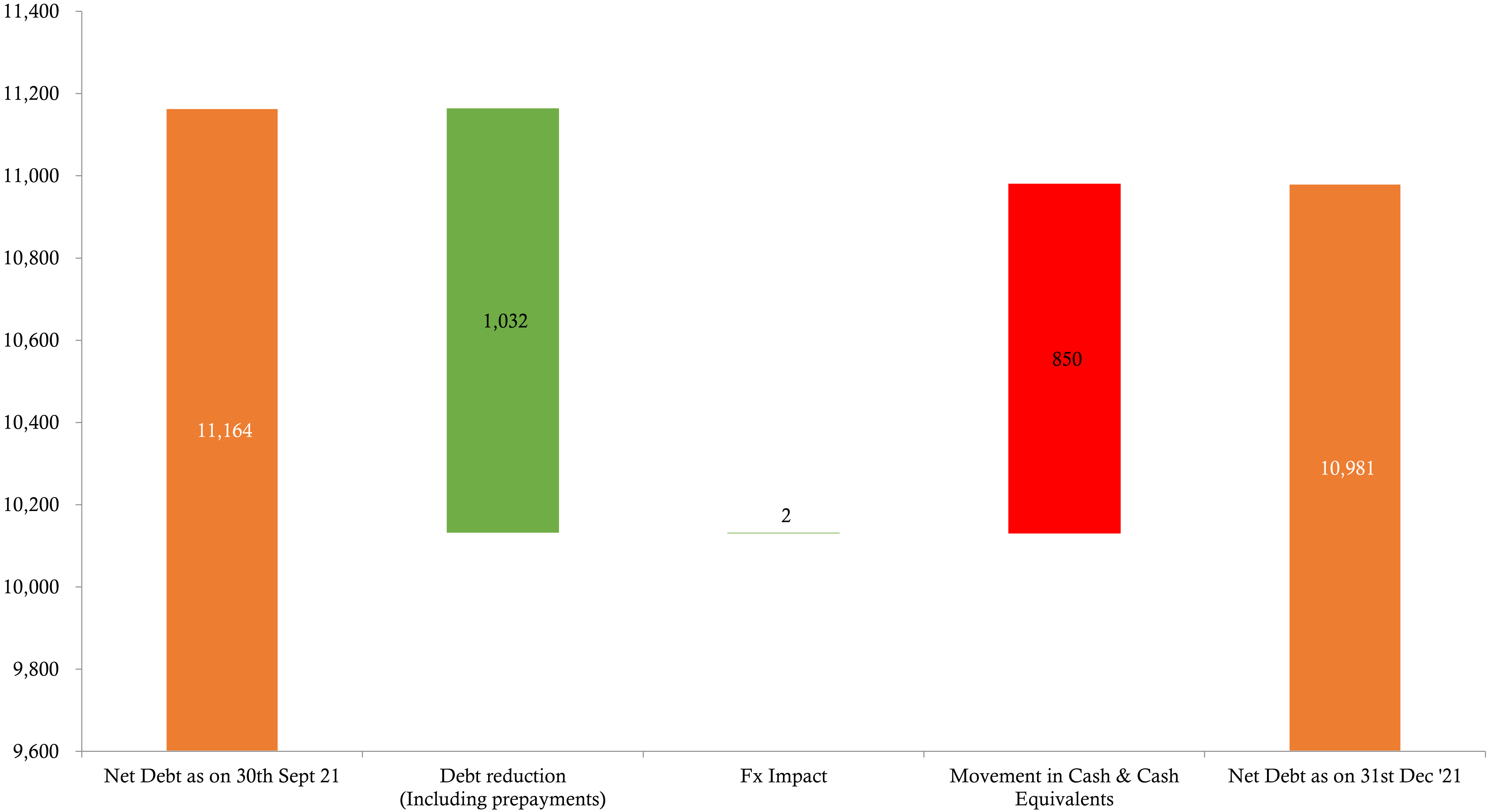
Highlights

JSPL CONSOLIDATED NET DEBT BRIDGE – 3QFY22[1]

(INR Crs)



Note: (1) Based on provisional nos.

Industry Update

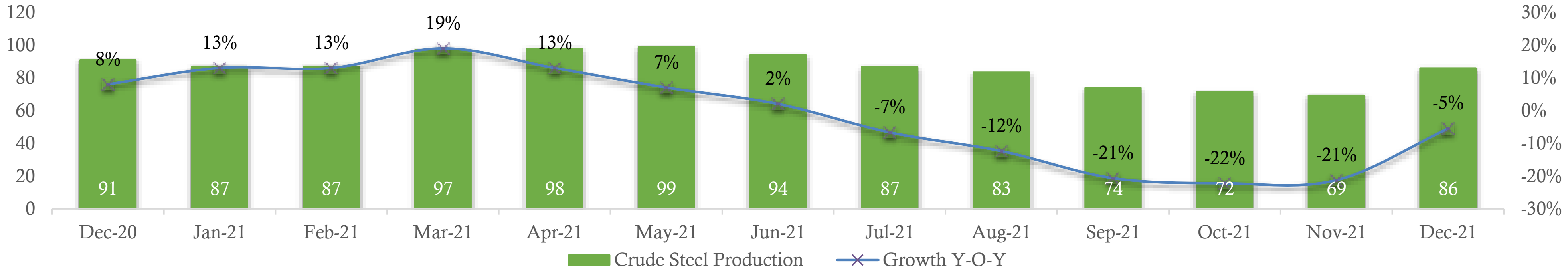
FUNDAMENTALS FOR GLOBAL STEEL INDUSTRY REMAIN STRONG

Healthy Steel Demand

1. Driven by Governments **Stimulus across the world**
2. Chinese government's policy to reduce steel production each subsequent year should keep supply in check
3. Export rebates have been eliminated and Chinese mills are moving away from exports
4. **Reduction in Steel supply from China bodes well for Indian Steel producers**

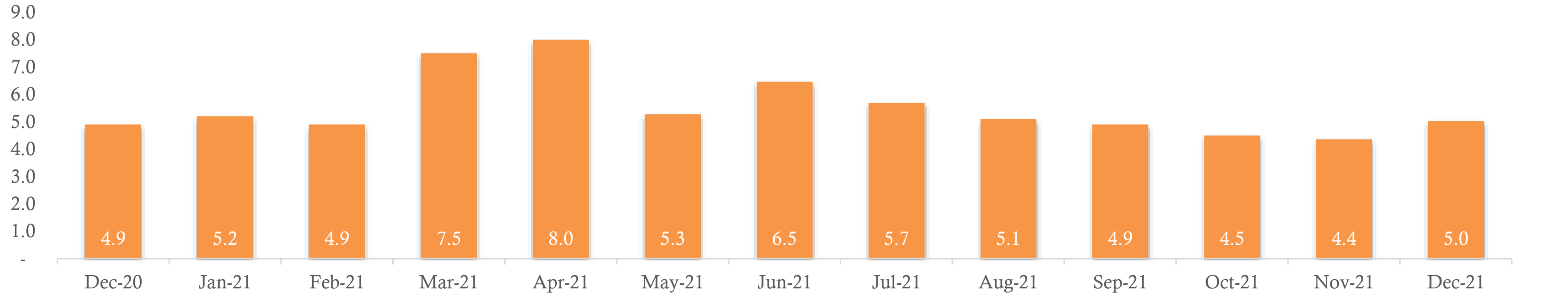
Chinese Crude Steel production growth has tapered

(Fig in Mn MT)



Chinese Steel Exports have remained c.5mt despite higher production in Dec'21

(Fig in Mn MT)



Source: MB/Trading Economics/WSA/My Steel/Research Reports

INDIAN STEEL DEMAND REMAINS ROBUST SUPPORTED BY GOVT STIMULUS

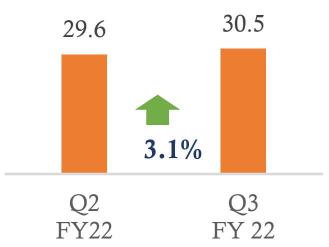
India's GDP Growth is projected to rebound to 9.5% during FY 22

- At 9.5%, India's GDP growth in FY 22 will be the **fastest in at least 17 years**
- Healthy economic outlook due to **aggressive vaccination**, Govt **Stimulus**, **low base** during FY 21 and supported by **good Monsoon**

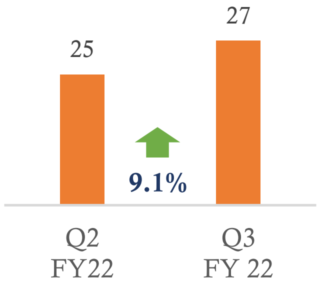
9.5% (FY 22)	**8-8.5%** (FY 23)	**9.5%** (FY 23)
RBI	RBI	IMF

Indian Steel Consumption was up c.9% Q-o-Q during Q3 FY22

Crude Steel Production

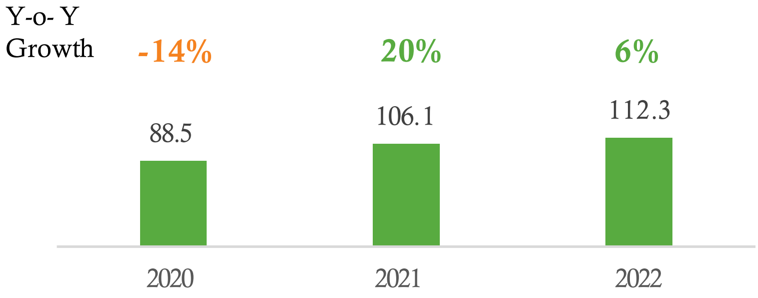


Steel Consumption



Indian Finished Steel Consumption Growth Outlook

Fig in Million MT



Government's Key Initiatives which are likely to support steel demand, boost manufacturing & infrastructure sector

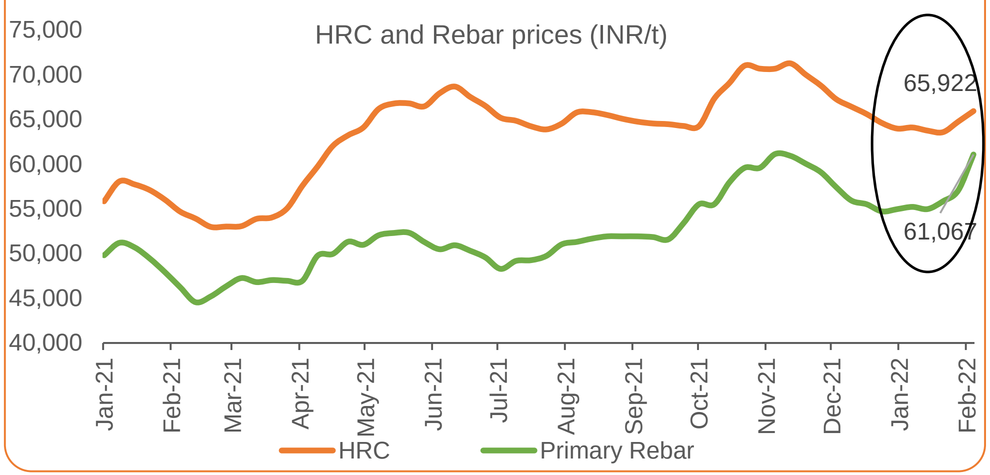
Govt. initiatives and benign longer-term trends supporting revival of investment growth

- **Govt. initiatives (NIP, Gati Shakti, PLI scheme, etc.) supportive of steel demand**
- **Demand from Construction, infra and renewable energy expected to be healthy**
- **Low interest rate supporting Residential real estate recovery**
- **Healthy GST and other Tax collection allowing higher government expenditure**
- **RBI stance is accommodative**

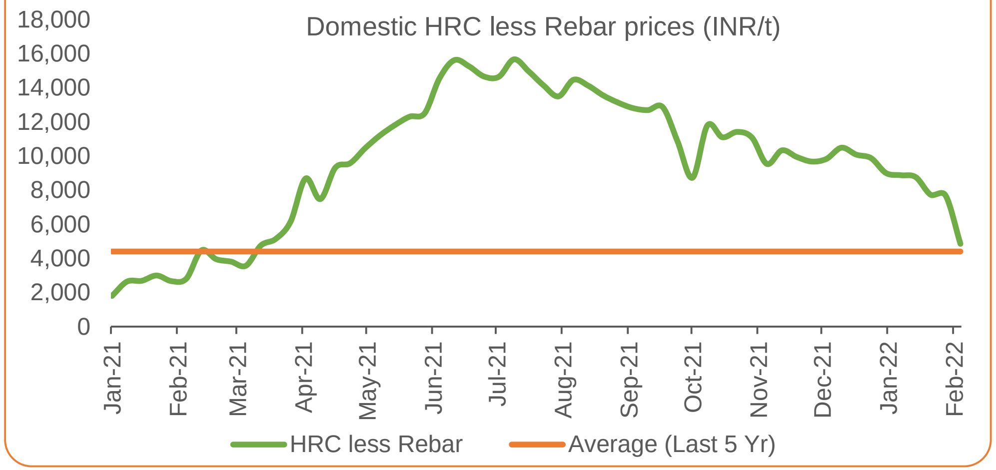
Source: IHS Markit/JPC/Trading Economics/MB/RBI/IMF/World Bank

KEY PRICING TRENDS

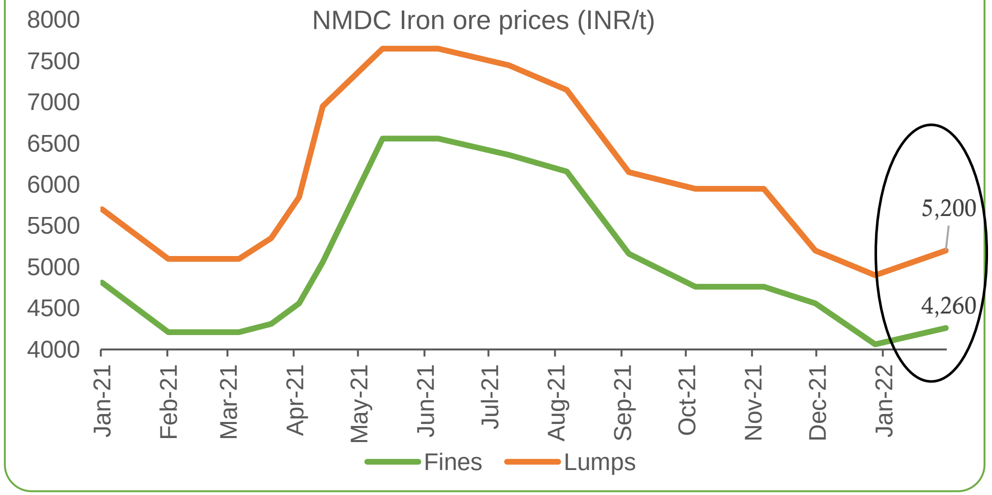
HRC & Rebar Prices have been trending up in the past 15 days



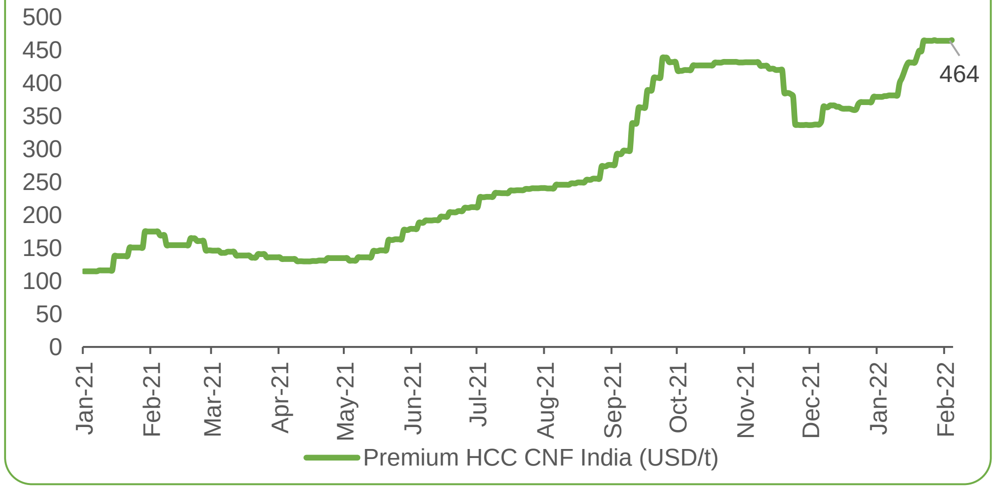
Long prices have significantly outperformed Flat prices in the past 6 months



Domestic Iron Ore prices have started moving up in the past 15 days after 7 months



Coking Coal Prices continue to surge



Source: Steelmint

Company Update

BUSINESS SEGMENTS

STEEL

MINES & MINERALS

9.6 MTPA Steel
9 MTPA Pellet Plant

India:
Iron Ore
Kasia, Odisha
Tensa, Odisha

Global:
Coking Coal
Mozambique
Australia

Anthracite
South Africa

STEEL CAPACITIES ACROSS LIFE CYCLE

IRON MAKING

(10.42 MTPA)

DRI 3.12 MTPA
(Direct Reduced Iron)

BF 7.30 MTPA
(Blast Furnace)

LIQUID STEEL

(9.60 MTPA)

SMS 9.60 MTPA
(Steel Melting Shop)

FINISHED STEEL

(6.65 MTPA)

WRM 0.60 MTPA
(Wire Rod Mill)

Rail Mill 0.75 MTPA

BSM 0.70 MTPA
(Beam & Structure Mill)

Plate Mill 2.20 MTPA

BRM 2.40 MTPA
(Bar Rod Mill)

INDIA CAPACITIES

Raigarh (Chhattisgarh)

- BF 3.05 MTPA
- DRI 1.32 MTPA
- SMS 3.6MTPA
- Plate Mill 1.00 MTPA
- Rail Mill 0.75 MTPA
- BSM 0.70 MTPA
- CPP 824 MW

Angul (Odisha)

- CGP 225,000 Nm3/Hr
- BF 4.25 MTPA
- DRI 1.8 MTPA
- SMS 6 MTPA
- BRM 1.4 MTPA
- Plate Mill 1.2 MTPA
- CPP 810 MW

Barbil (Odisha)

- Pellet Plant 9 MTPA

Patratu (Jharkhand)

- WRM 0.60 MTPA
- BRM 1.0 MTPA

Mining

- Tensa 3.11 MTPA
- Kasia 7.5 MTPA

🟥 Power 🟧 Hot Metal 🟦 Liquid Steel ■ Finished Steel

JSPL STANDALONE KEY FINANCIALS

(INR Crores)

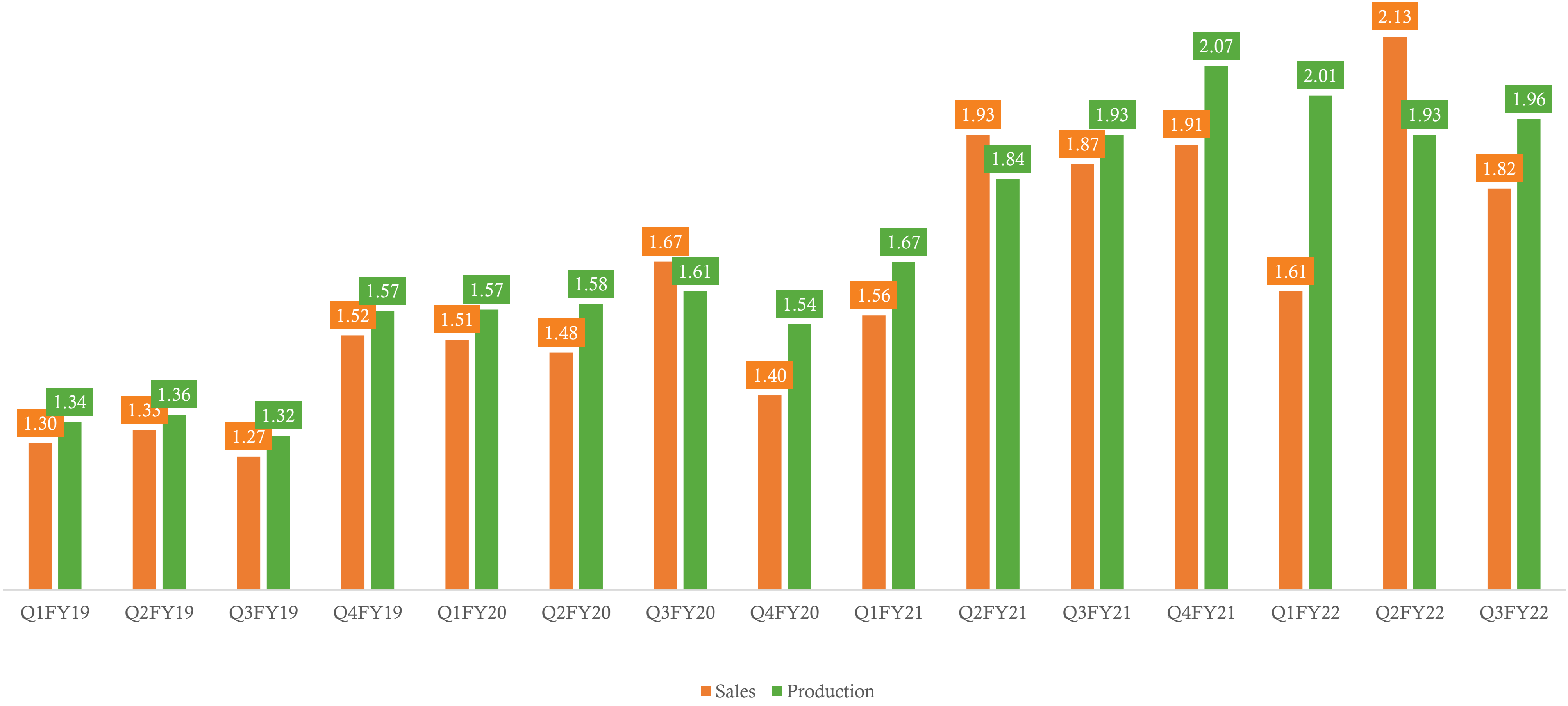
Q2 FY 22	Q3 FY 22	PARAMETER	Q3 FY 22	Q3 FY 21
14,550	13,581	Gross Revenue*	13,581	9,906
13,261	11,955	Net Revenue	11,955	8,738
4,519	3,168	EBITDA	3,168	3,908
562	563	Depreciation + Amortization	563	566
350	325	Interest	325	529
3,626	2,303	PBT (Before Exceptional)	2,303	2,815
2,711	1,714	PAT (Continuing Operations)	1,714	2,226

PARAMETER	9M FY22	9M FY21
Gross Revenue*	39,605	25,314
Net Revenue	35,601	22,878
EBITDA	12,210	8,171
Depreciation + Amortization	1,682	1,696
Interest	1,120	1,686
PBT (Before Exceptional)	9,482	4,802
PAT (Continuing Operations)	7,086	3,728

*Incl. GST (goods and service tax)

OPERATIONAL PERFORMANCE

Steel Production & Sales*



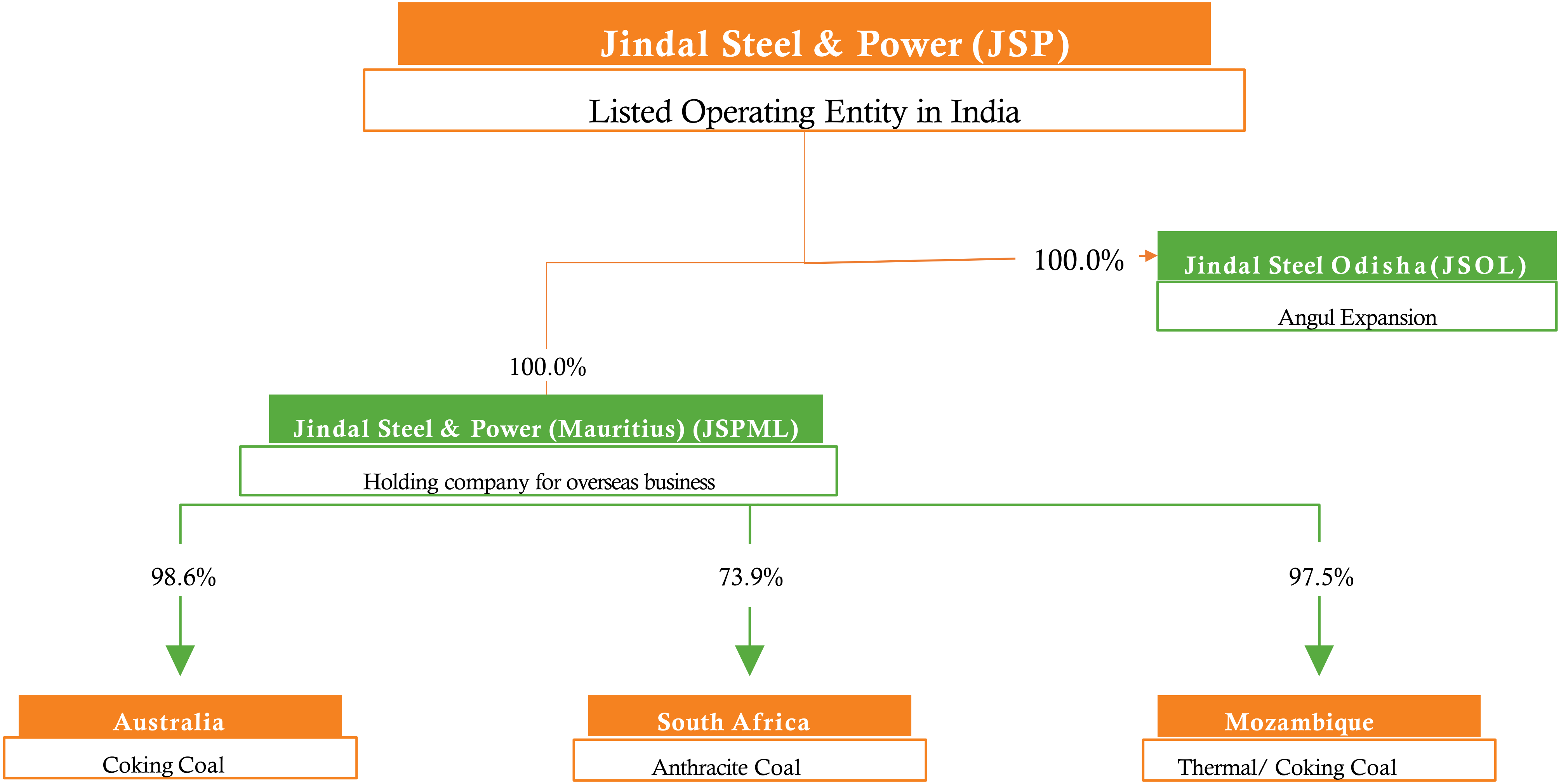
*(*Incl .Pig iron)(Figures in Million Tonnes)*

KEY CUSTOMERS & ADDING…

CPWD	NPCIL	कोंकण रेलवे कॉर्पोरेशन लिमिटेड KONKAN RAILWAY CORPORATION LTD.
Bureau of Indian Standards	पावरग्रिड	भारतीय रेल INDIAN RAILWAYS
एनटीपीसी NTPC	इंडियनऑयल IndianOil	रेल विकास निगम लिमिटेड Rail Vikas Nigam Limited
JUSCO A TATA Enterprise		ircon
SIMPLEX INFRASTRUCTURES LTD	ADITYA BIRLA UltraTech	Indiabulls Indiabulls Power Limited.
LARSEN & TOUBRO It's all about Imagineering	vedanta	JSW ISPAT STEEL LIMITED
	山东电力建设第一工程公司 SEPCOI Electric Power Construction Corporation	JAYPEE GROUP
नालको NALCO A Navratna Company	बी एण्ड आर B AND R	DG MAP In Pursuit of Excellence

दिल्ली मेट्रो रेल कॉर्पोरेशन लिमिटेड DELHI METRO RAIL CORPORATION LTD.		भा रा रा प्रा NHAI
बी एच ई एल BHEL	RELIANCE	IMMA
	LANCO	GL GL Group
viraj projects	Punj Lloyd	HP
FLSmidth	BANSAL INFRATECH SYNERGIES INDIA LTD FORMERLY BANSAL CONTRACTORS INDIA LTD (Powered by Professionals)	LODHA BUILDING A BETTER LIFE
ESSAR	MAHARASHTRA SEAMLESS LIMITED	ABG
इंजीनियर्स इंडिया लिमिटेड ENGINEERS INDIA LIMITED Delivering Excellence through People	Indian Boiler Regulations - 1950	mbe McNally Bharat

CONSOLIDATED STRUCTURE



Jindal Steel & Power (JSP)

Listed Operating Entity in India

100.0%

Jindal Steel Odisha (JSOL)

Angul Expansion

100.0%

Jindal Steel & Power (Mauritius) (JSPML)

Holding company for overseas business

98.6%

Australia

Coking Coal

73.9%

South Africa

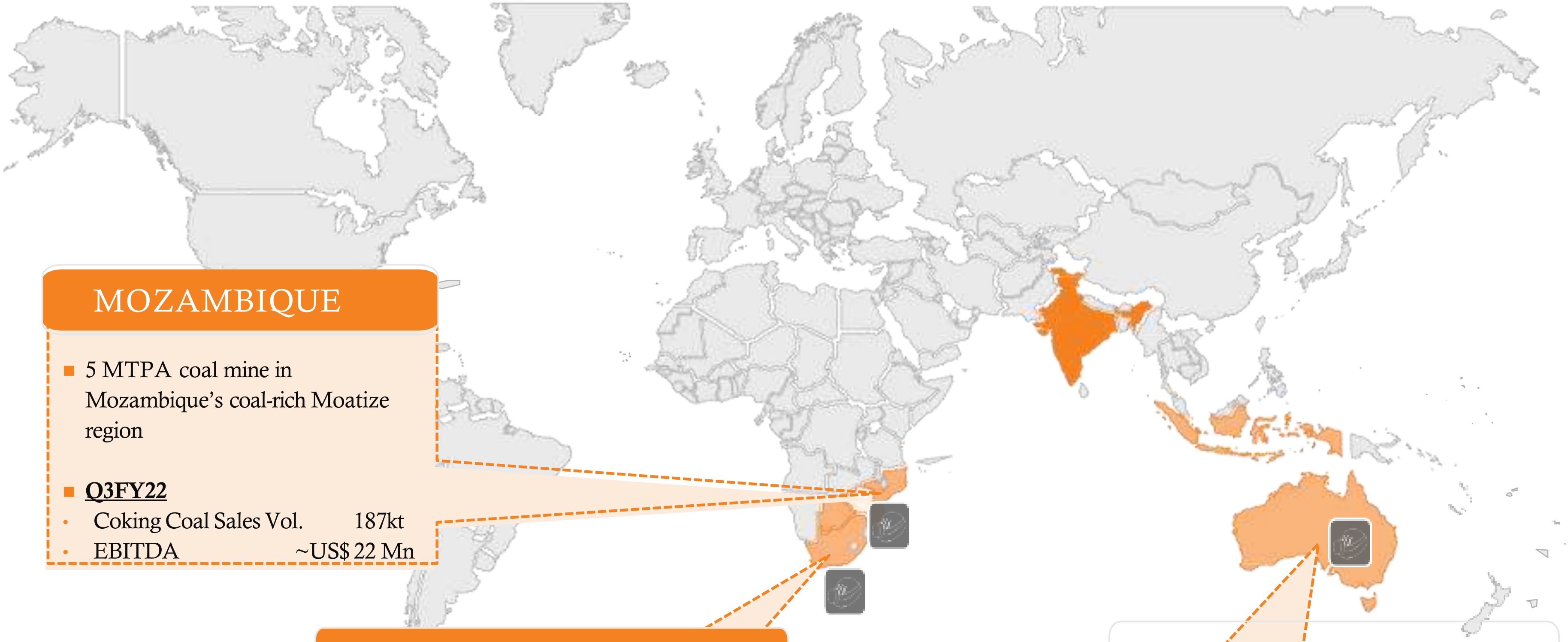
Anthracite Coal

97.5%

Mozambique

Thermal/ Coking Coal

SUMMARY OF INTERNATIONAL OPERATIONS



MOZAMBIQUE

- 5 MTPA coal mine in Mozambique's coal-rich Moatize region

- **<u>Q3FY22</u>**

Coking Coal Sales Vol.	187kt
EBITDA	~US$ 22 Mn

SOUTH AFRICA

- JSPL's Kiepersol Colliery produces Anthracite coal,
  sold domestically and internationally.

- **<u>Q3FY22</u>**

Anthracite Coal Sales Vol.	54 kt
EBITDA	~US$ 3 Mn

AUSTRALIA

- WCL comprises of two coking coal mines – Wongawilli and Russel Vale

- **<u>Q3FY22</u>**

Coking Coal Sales Vol.	95 kt
EBITDA	~US$ 9 Mn

JSPL CONSOLIDATED KEY FINANCIALS

(INR Crores)

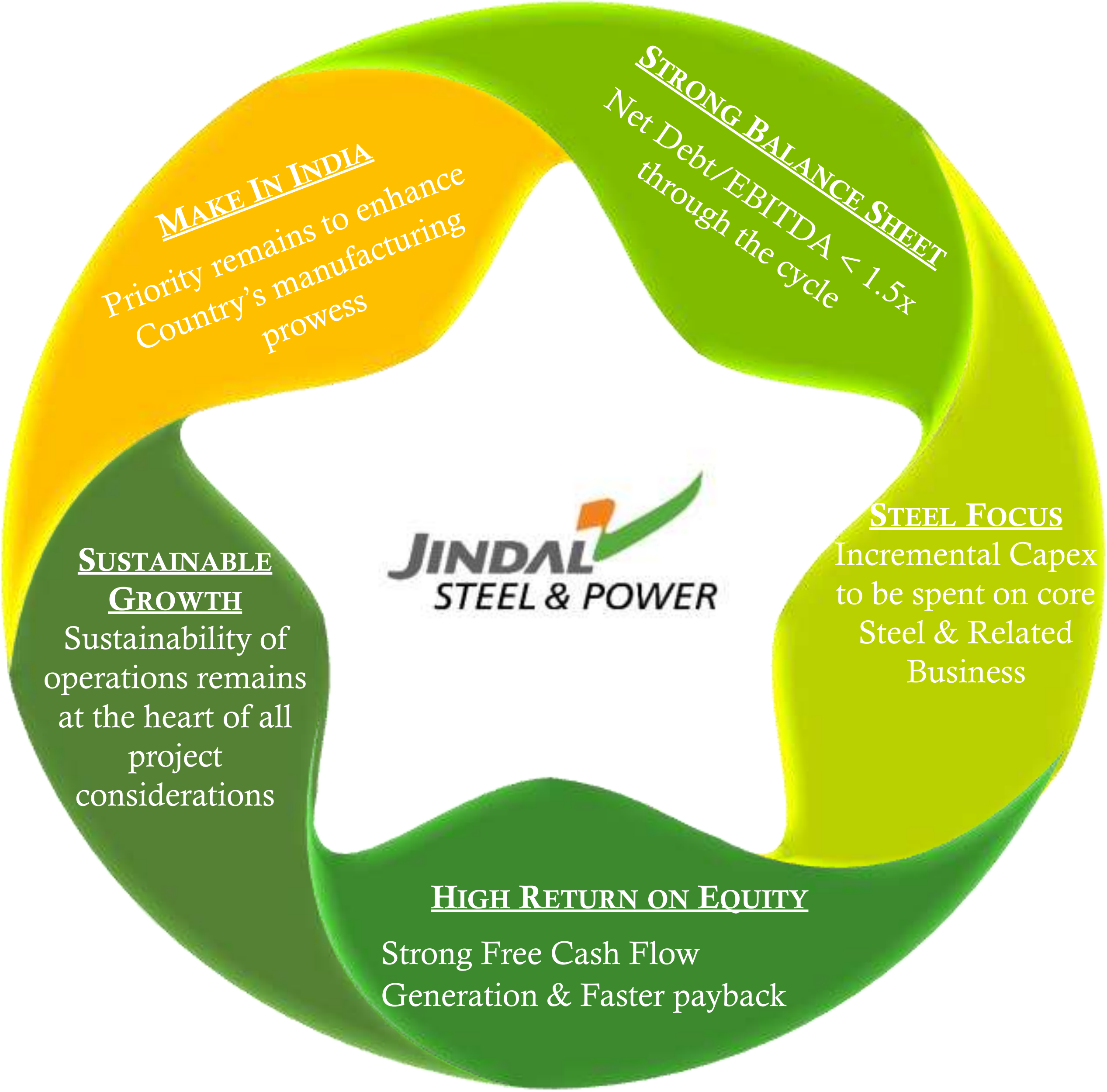
Q2 FY 22	Q3 FY 22	PARAMETER	Q3 FY 22	Q3 FY 21
14,902	14,152	Gross Revenue*	14,152	10,449
13,612	12,525	Net Revenue	12,525	9,281
4,594	3,310	EBITDA	3,310	3,923
610	613	Depreciation + Amortization	613	608
482	472	Interest	472	643
3,507	2,236	PBT (Before Exceptional)	2,236	3,035
2,584	1,622	PAT (Continuing Operations)	1,622	2,440

PARAMETER	9M FY22	9M FY21
Gross Revenue*	40,752	26,383
Net Revenue	36,746	23,947
EBITDA	12,443	8,128
Depreciation + Amortization	1,825	1,826
Interest	1,514	2,178
PBT (Before Exceptional)	9,152	4,635
PAT (Continuing Operations)	6,721	3,573

Incl. GST (goods and service tax)

Way Forward

JSP : STRATEGIC GROWTH FRAMEWORK



Make In India

Priority remains to enhance Country's manufacturing prowess

Strong Balance Sheet

Net Debt/EBITDA < 1.5x through the cycle

Steel Focus

Incremental Capex to be spent on core Steel & Related Business

High Return on Equity

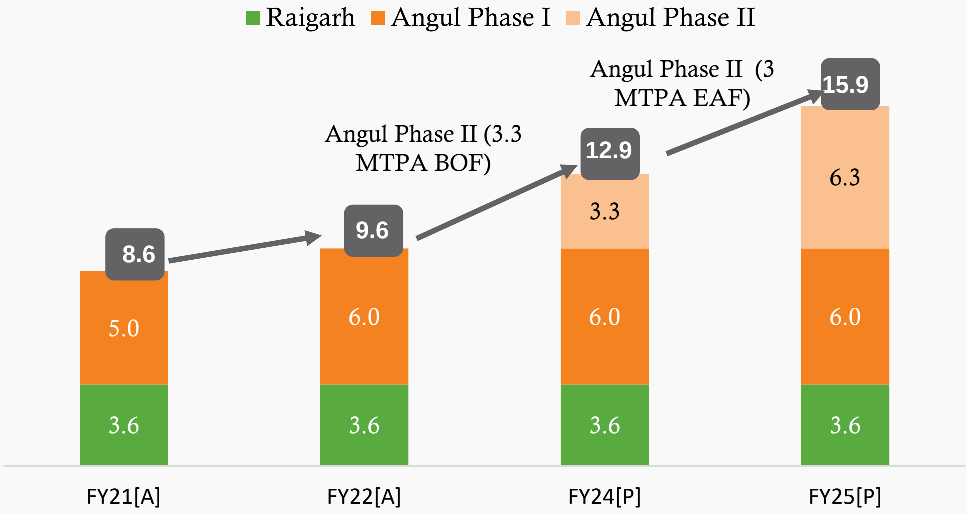
Strong Free Cash Flow Generation & Faster payback

Sustainable Growth

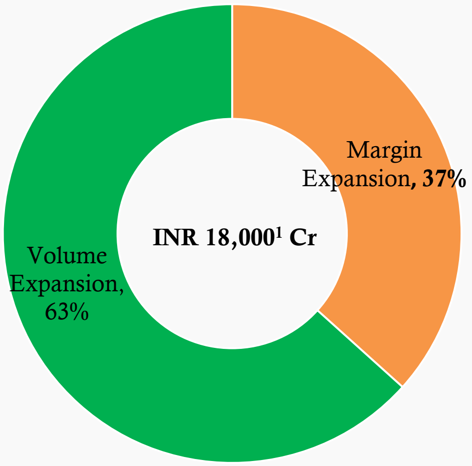
Sustainability of operations remains at the heart of all project considerations

PHASE II- CAPACITY ADDITION TO BOOST VOLUMES

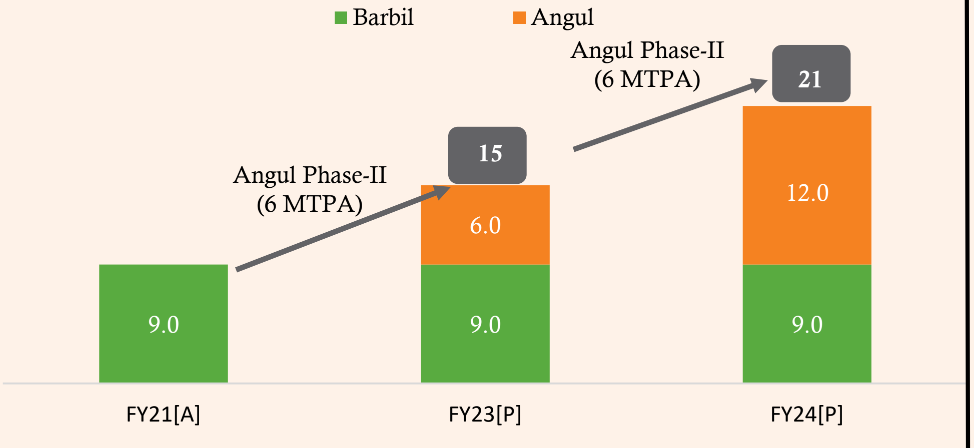
CRUDE STEEL CAPACITY (MTPA)



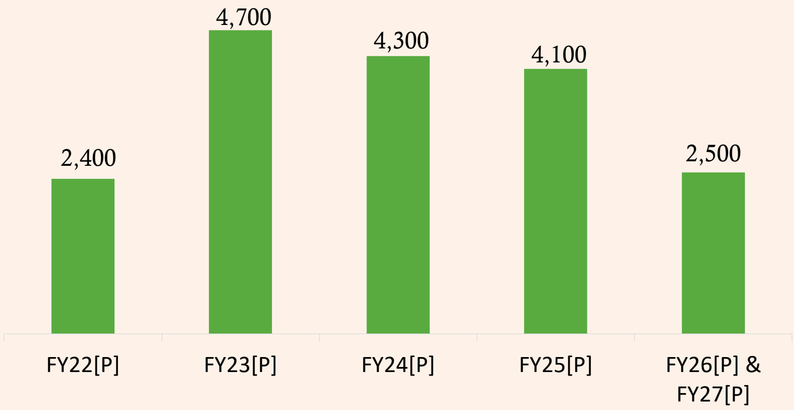
CAPEX BREAKUP



PELLET CAPACITY (MTPA)

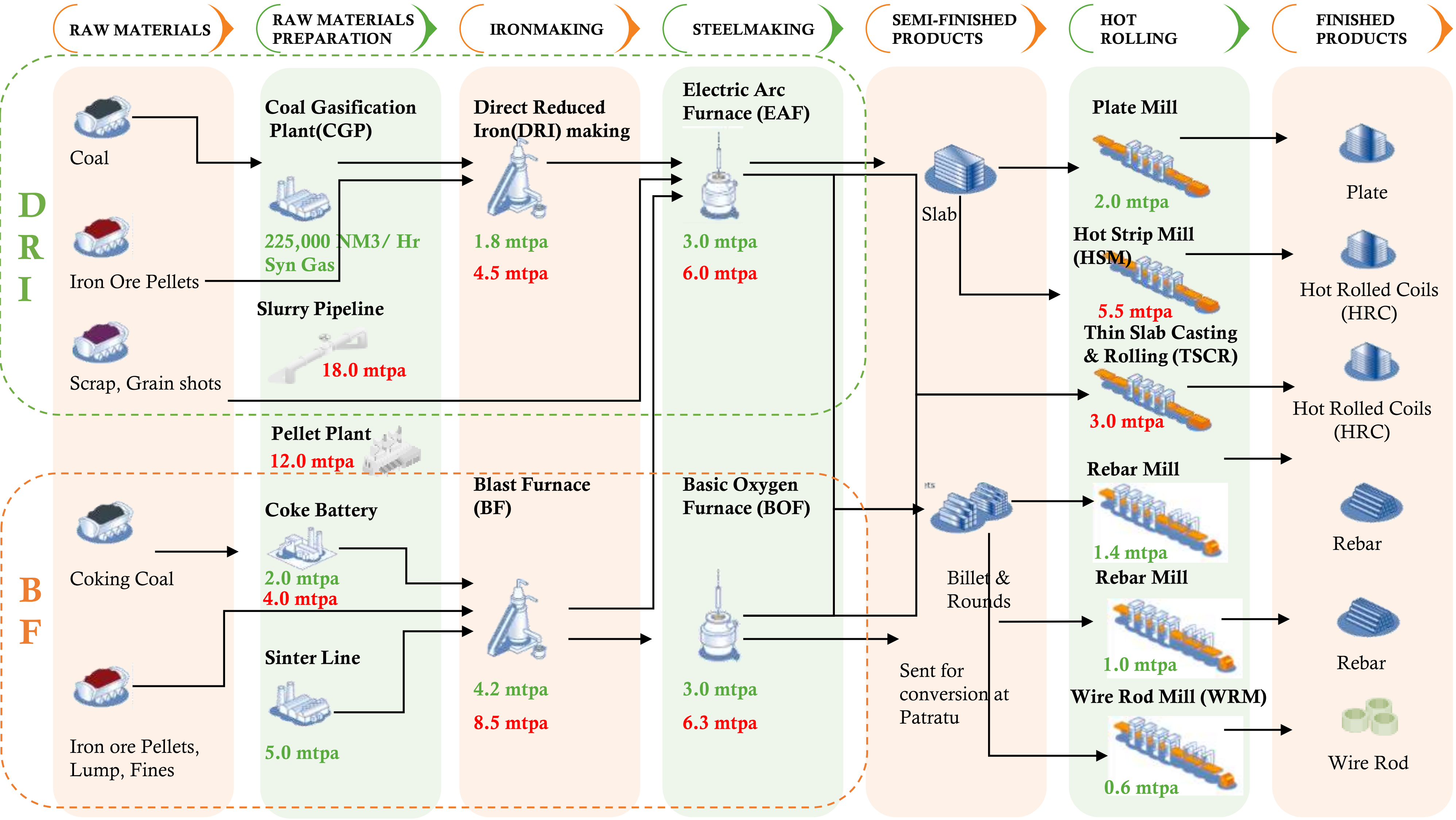


ANNUAL CAPEX (INR CRS)



Note: (1) CAPEX Nos. excludes G.S.T, Contingencies , etc.

PHASE II: ANGUL CRUDE STEEL CAPACITY TO DOUBLE TO 12 MT BY MAR 2025



RAW MATERIALS

RAW MATERIALS PREPARATION

IRONMAKING

STEELMAKING

SEMI-FINISHED PRODUCTS

HOT ROLLING

FINISHED PRODUCTS

D R I

Coal

Iron Ore Pellets

Scrap, Grain shots

Coal Gasification Plant(CGP)

225,000 NM3/ Hr Syn Gas

Slurry Pipeline

18.0 mtpa

Direct Reduced Iron(DRI) making

1.8 mtpa

4.5 mtpa

Electric Arc Furnace (EAF)

3.0 mtpa

6.0 mtpa

Slab

Plate Mill

2.0 mtpa

Hot Strip Mill (HSM)

5.5 mtpa

Thin Slab Casting & Rolling (TSCR)

3.0 mtpa

Plate

Hot Rolled Coils (HRC)

Hot Rolled Coils (HRC)

Pellet Plant

12.0 mtpa

B F

Coking Coal

Iron ore Pellets, Lump, Fines

Coke Battery

2.0 mtpa

4.0 mtpa

Sinter Line

5.0 mtpa

Blast Furnace (BF)

4.2 mtpa

8.5 mtpa

Basic Oxygen Furnace (BOF)

3.0 mtpa

6.3 mtpa

Billet & Rounds

Sent for conversion at Patratu

Rebar Mill

1.4 mtpa

Rebar Mill

1.0 mtpa

Wire Rod Mill (WRM)

0.6 mtpa

Rebar

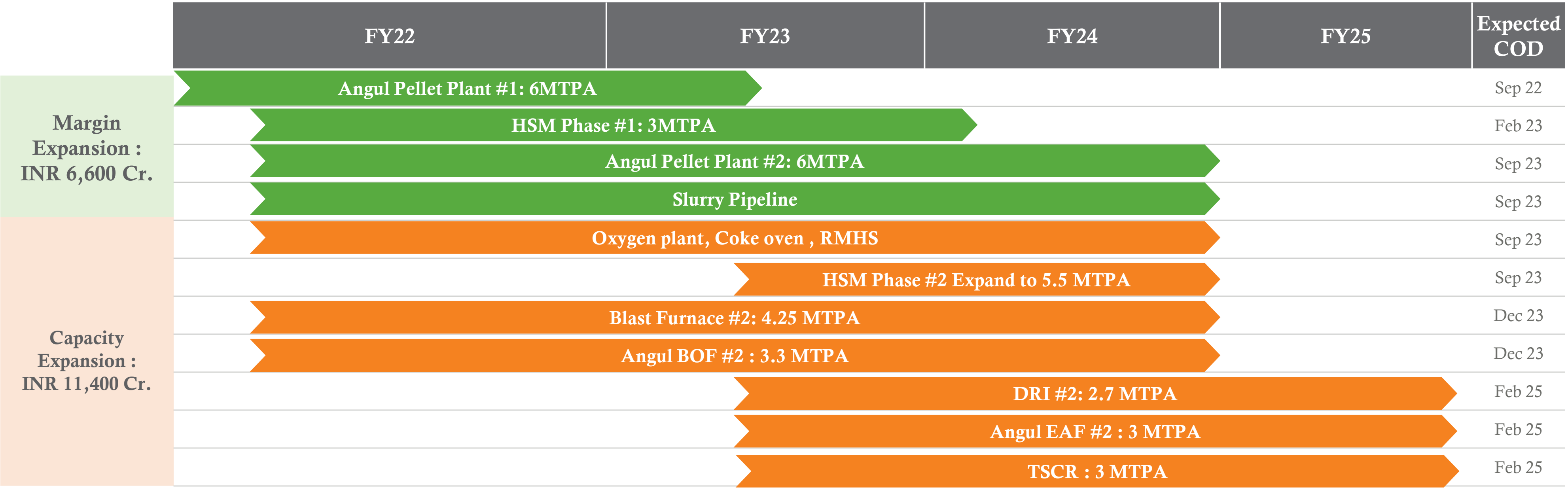
Rebar

Wire Rod

CURRENT CAPACITY

FUTURE CAPACITY

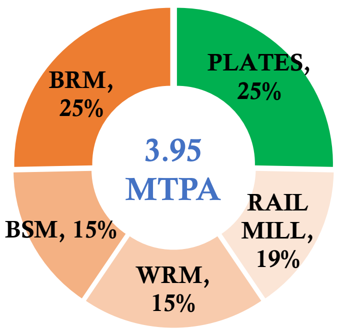
ANGUL PHASE-II : TIMELINE



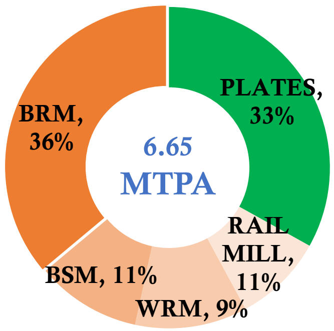
		Expected COD
Margin Expansion : INR 6,600 Cr.	Angul Pellet Plant #1: 6MTPA	Sep 22
	HSM Phase #1: 3MTPA	Feb 23
	Angul Pellet Plant #2: 6MTPA	Sep 23
	Slurry Pipeline	Sep 23
Capacity Expansion : INR 11,400 Cr.	Oxygen plant, Coke oven , RMHS	Sep 23
	HSM Phase #2 Expand to 5.5 MTPA	Sep 23
	Blast Furnace #2: 4.25 MTPA	Dec 23
	Angul BOF #2 : 3.3 MTPA	Dec 23
	DRI #2: 2.7 MTPA	Feb 25
	Angul EAF #2 : 3 MTPA	Feb 25
	TSCR : 3 MTPA	Feb 25

JSP FINISHED STEEL CAPACITY

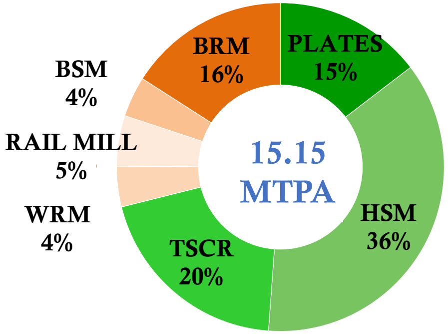
Past (FY11)



Present



Future (FY25)



| DRI- Direct Reduced Iron | BF- Blast Furnace | WRM- Wire rod mill | BSM- Beam & structure mill | BRM- Bar rod mill (rebar) | HSM- Hot Strip Mill | TSCR – Thin Slab Caster & Rolling |

ODISHA

INTEGRATED STEEL PLANT, ANGUL

PELLET PLANT, BARBIL

CHHATTISGARH & JHARKHAND

INTEGRATED STEEL PLANT,RAIGARH

STEEL FABRICATION PLANT, PUNJIPATRA

HEAVY MACHINERY DIVISION, RAIPUR

WRM & BRM, PATRATU ,JHARKHAND

THANK YOU !