

Jindal Steel & Power Limited

4QFY23 & FY23 Earnings Presentation
16th May 2023



Safe Harbour Statement

This presentation may contain certain forward looking statements concerning steel sector, economy and JSP's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. 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. This presentation is not intended, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in JSP or any of its subsidiary undertakings or any other invitation or inducement to engage in investment activities, neither shall this presentation nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. Few numbers in this presentation are purely indicative & provisional and could change later. Estimates regarding economy, steel & power sector, company and related areas are purely indicative and could change with market conditions and host of other factors.

Building a nation of our dreams

OVER 3 DECADES OF EXCELLENCE

JSP is focused towards building world-class capabilities to make India self-reliant and a global economic powerhouse



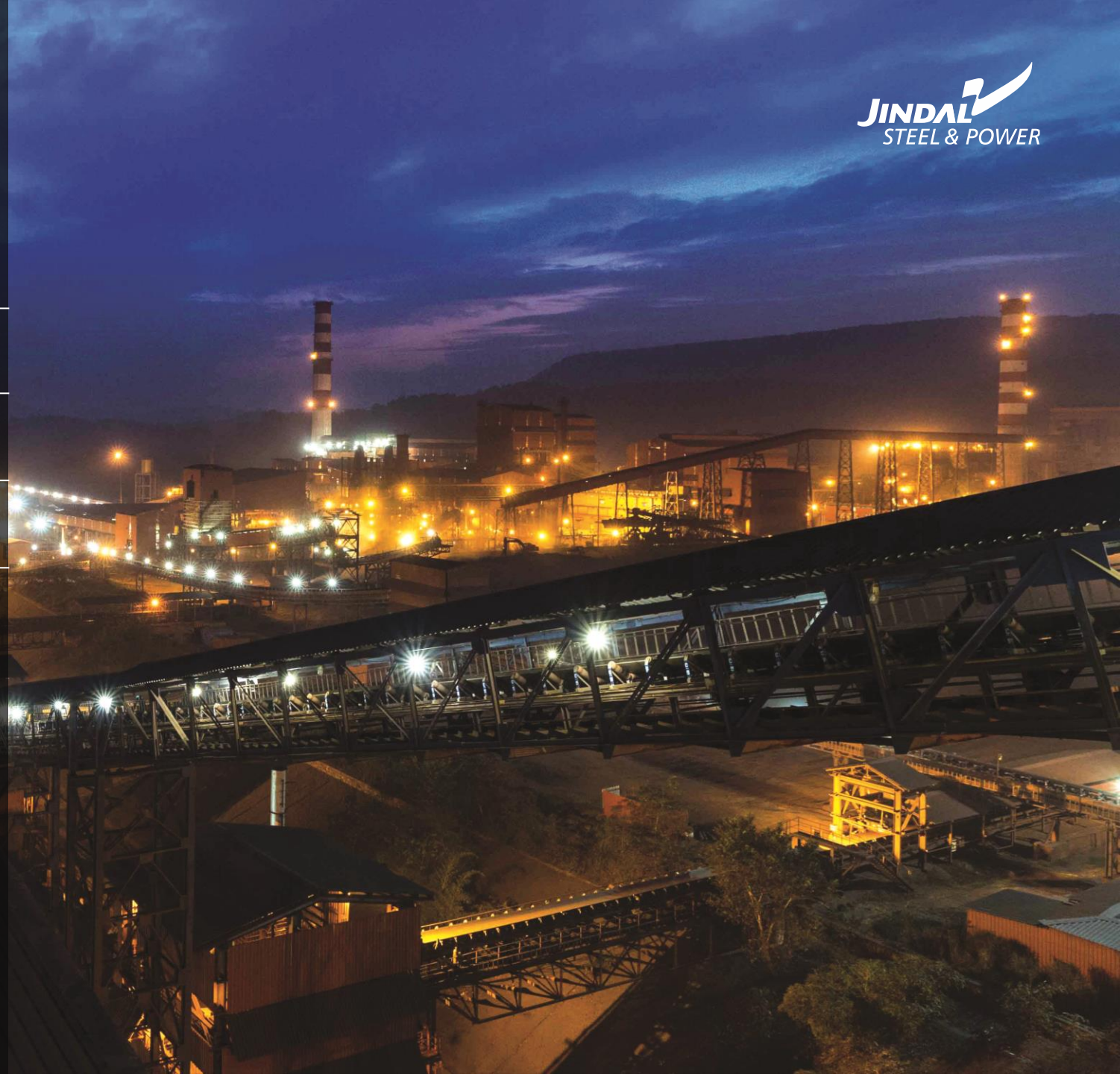
Company Snapshot

Macro and Sectoral Update

Business Update

Social Initiatives

4QFY23 & FY23 Results



JSP at a Glance



Growth Focussed

Scaling up world-class, integrated steel production capacity

Innovative, value-added products to support India's infrastructure creation

High performance, customer-centric culture

Strong Balance Sheet

Net Debt/EBITDA at 0.7x

Expansion programme to boost FCF

Targeting Net Debt / EBITDA < 1.50x across commodity cycle

Sustainability Driven

World's first and largest coal gasification plant for steel-making

200 km eco-friendly slurry pipeline

Positively impacting 2.5 million lives



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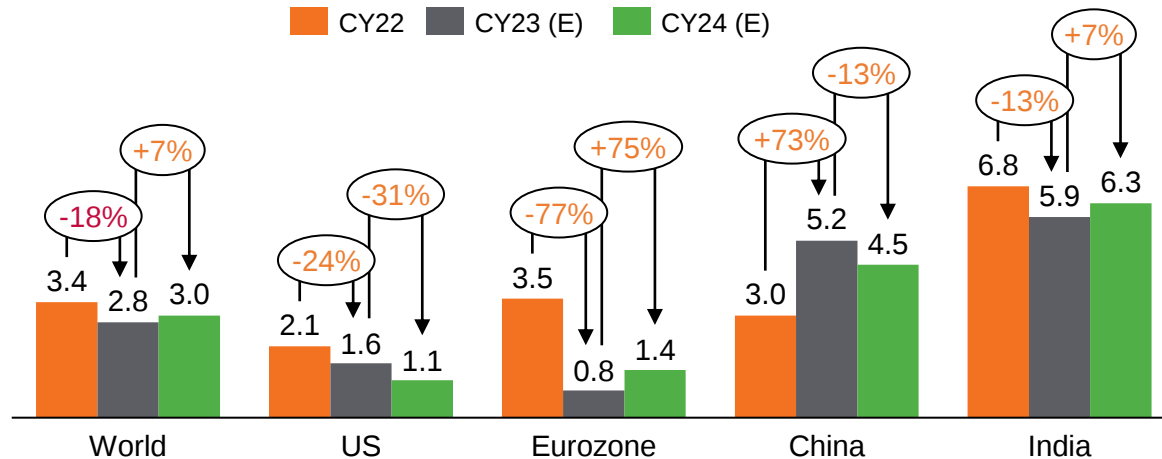
4QFY23 & FY23 Results



World Economic Outlook

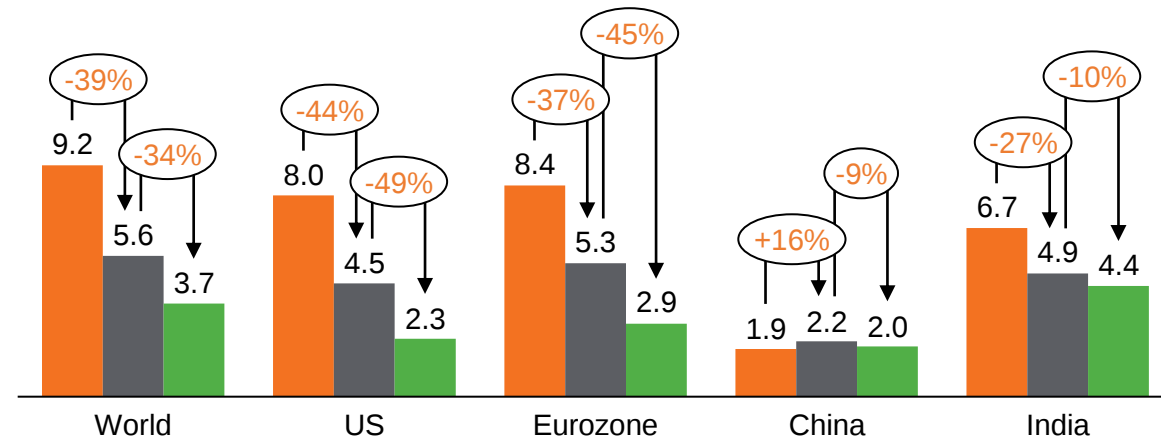
Global GDP Growth Rate (%)

■ CY22 ■ CY23 (E) ■ CY24 (E)



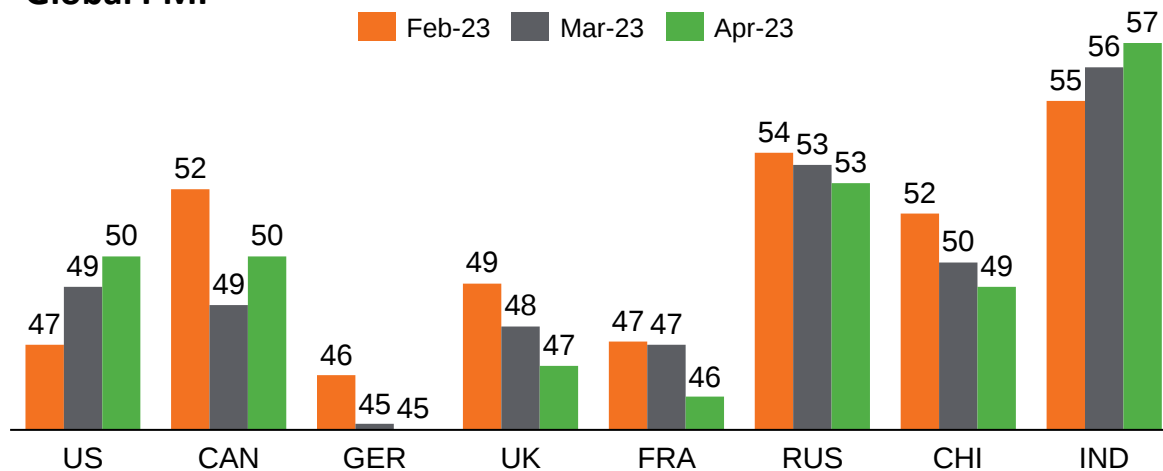
Global Inflation (%)

■ CY22 ■ CY23 (E) ■ CY24 (E)



Global PMI

■ Feb-23 ■ Mar-23 ■ Apr-23

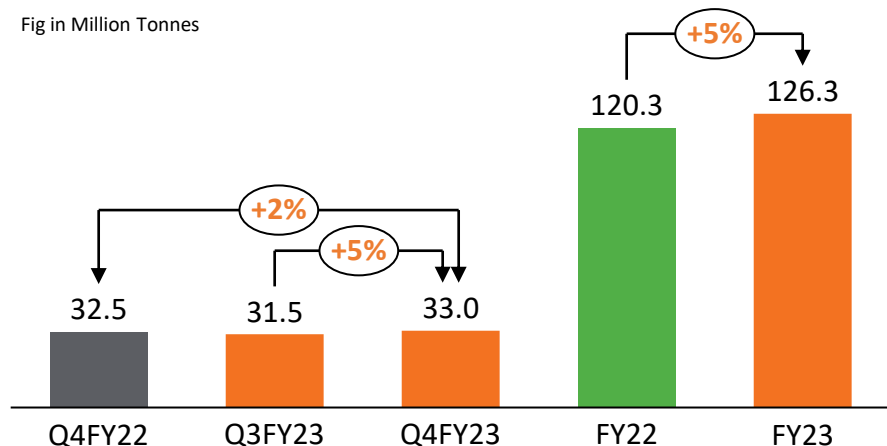


- Estimated growth rate for CY22 was 0.2% below the forecasted rate. The global growth forecast reduced by 0.1% for both CY23 and CY24 by IMF
- The banking system In US & Eurozone continues to remain under pressure with 3 banks announcing bankruptcy in the US recently and a forced takeover of Credit Suisse by UBS
- Core Inflation remains high in major economies barring China, though, there is a reduction in headline inflation

India Steel Scenario

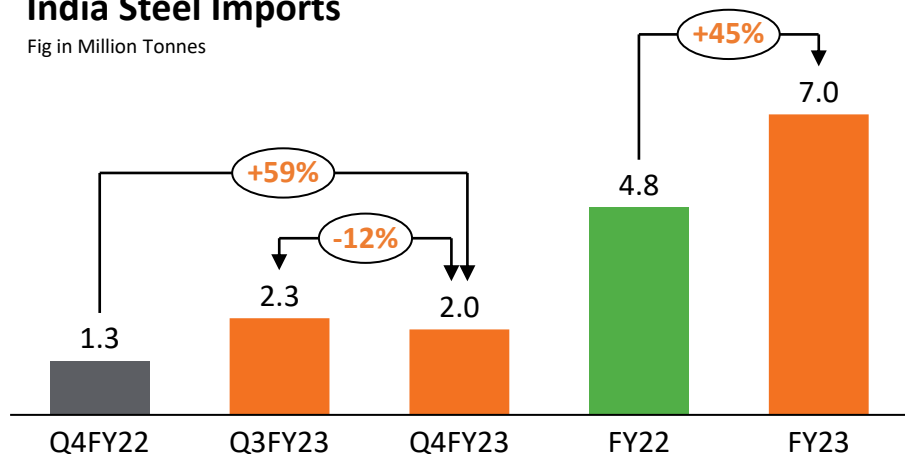
Indian Crude Steel Production

Fig in Million Tonnes



India Steel Imports

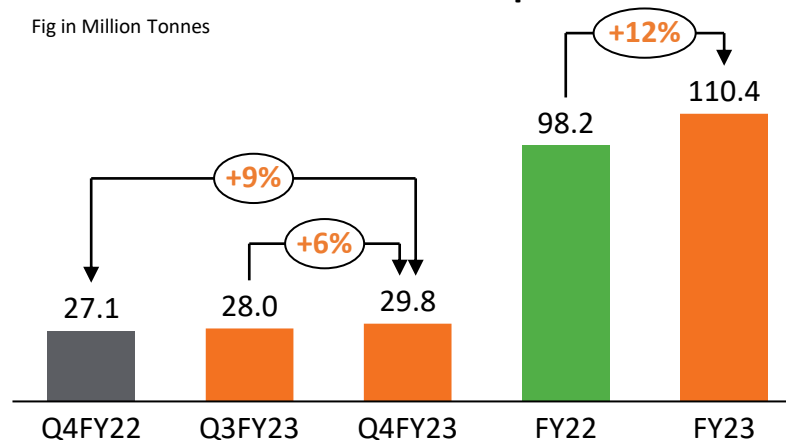
Fig in Million Tonnes



Exports/import data includes semis
Jindal Steel & Power

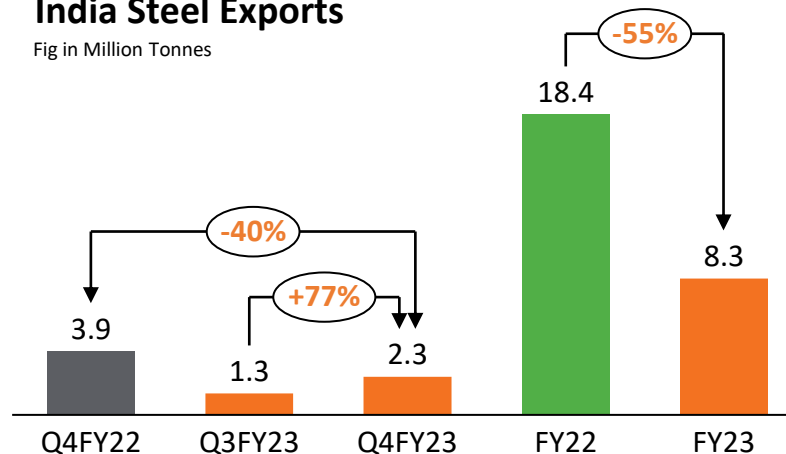
Indian Finished Steel Consumption

Fig in Million Tonnes



India Steel Exports

Fig in Million Tonnes



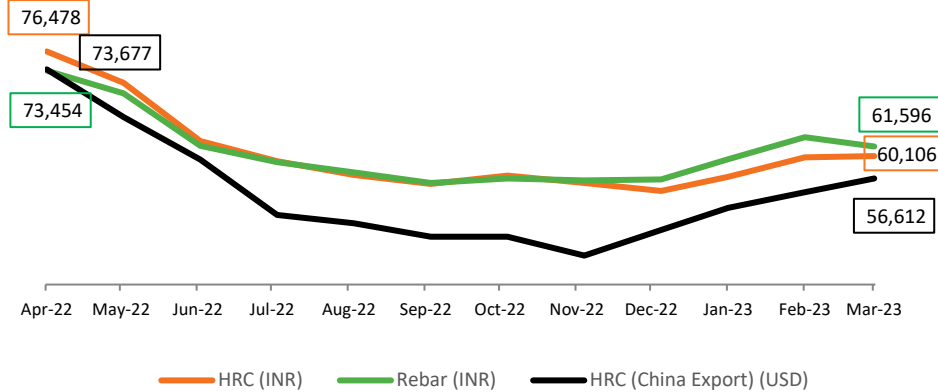
Source: JPC

- During the year, imposition of export duty led to a 64% reduction in FG exports, overall steel exports were down by 55%
- However, domestic demand fuelled by government infrastructure demand lead to a strong 13% yoy growth
- India's Monetary policy & Govt initiatives supporting domestic demand, localisation and import substitution.
- Imports increased by 45% in FY23 as domestic demand remains better amidst weak global economic conditions
- Share of China increased from 18% in FY22 to 23% during FY23 reflecting a slowdown in demand in China and a robust demand scenario in India. Exports to China were down 99% in FY23
- JKT continues to dominate India's import market with a 66% share in total imports
- India lost 5mt export opportunity in FY23 to countries like China, Nepal, Belgium, UAE, Turkey Indonesia, and Sri Lanka for factors like imposition of export duty, the slowdown in the export market and country-specific issues

Key Steel and RM Prices Trend

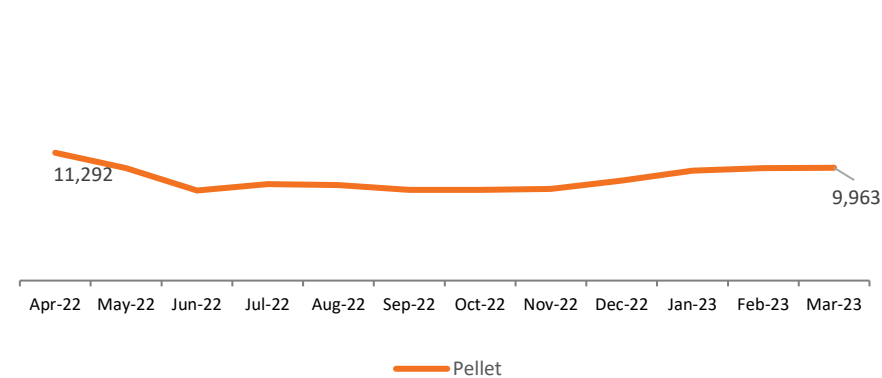
India HRC vs Rebar

Fig in ₹/tonnes



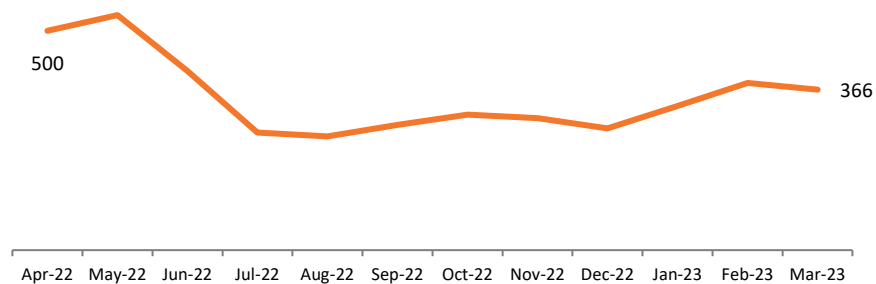
Domestic Pellet prices - up 19% qoq

Fig in ₹/tonnes



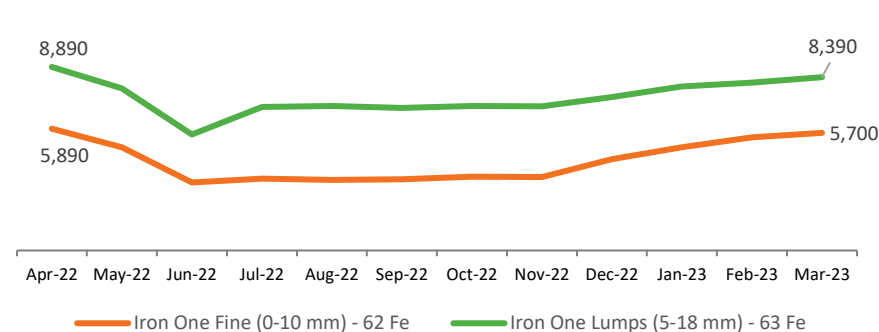
Coking Coal: Premium HCC CFR India up 21% qoq

Fig in USD/tonnes



Iron Ore fines up 40% and lumps up 14% qoq

Fig in ₹/tonnes



- China's reopening resulted in an uptick in steel demand and consequently prices
- However, overproduction in China with lower demand led to a correction in prices
- In the domestic market both flat and long steel prices have risen on the back of strong domestic demand
- Raw materials prices moved in response to increased steel production remained elevated

Source: :Steelmint

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World-class Assets

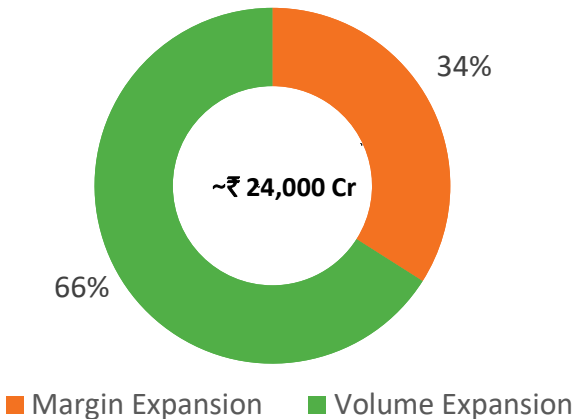
Mining		Iron Making (10.42 MTPA)	Liquid Steel (9.60 MTPA)	Finished Steel (6.65 MTPA)
Iron-ore: Tensa 3.11 MTPA Kasia 7.5 MTPA	Coal: Utkal-C 3.37 MTPA Utkal-B1 & B2 8 MTPA Gare Palma IV/6 4 MTPA Mozambique 5 MTPA South Africa 1.2 MTPA Australia 1.2 MTPA	Direct Reduce Iron (DRI) 3.12 MTPA	Steel Melting Shop (SMS) 9.60 MTPA	Wire Rod Mill (WRM) 0.60 MTPA
		Blast Furnace (BF) 7.30 MTPA		Rail Mill 0.75 MTPA
				Beam & Structure Mill (BSM) 0.70 MTPA
				Plate Mill 2.20 MTPA
				Bar Rod Mill (BRM) 2.40 MTPA
Raigarh (Chhattisgarh)		Angul (Odisha)	Barbil (Odisha)	Patratu (Jharkhand)
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		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 CPP- 1050 MW#	Pellet Plant 9 MTPA	WRM 0.60 MTPA BRM 1.0 MTPA

■ Power
 ■ Hot Metal
 ■ Liquid Steel
 ■ Finished Steel

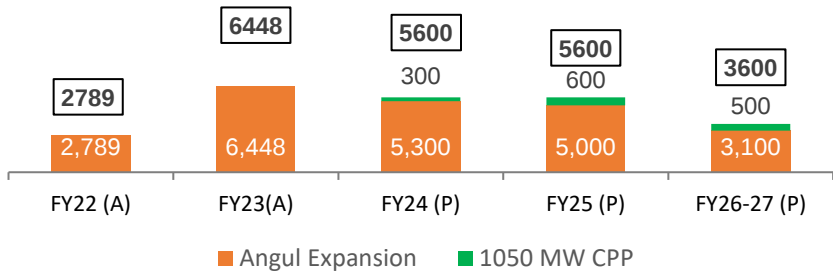
- CMDPA for all three Coal Mines was signed on August 17, 2022
- (#) Acquired 1050MW thermal power plant under construction in slump sale under IBC

Scaling-up for Market Leadership

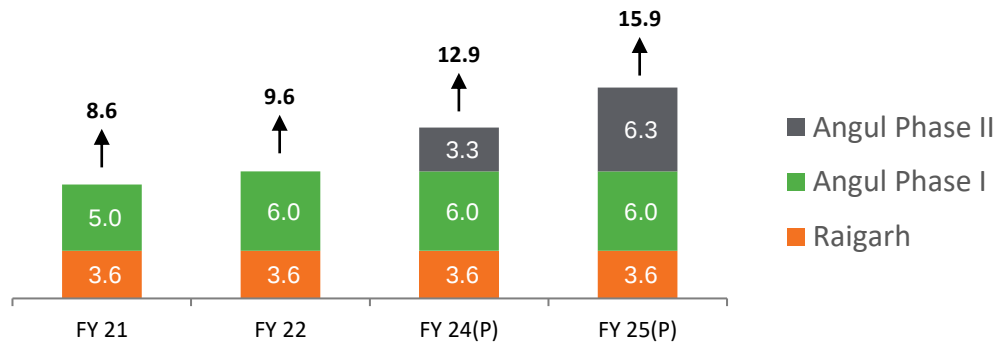
Capex Spend breakup
(₹ in Crs)



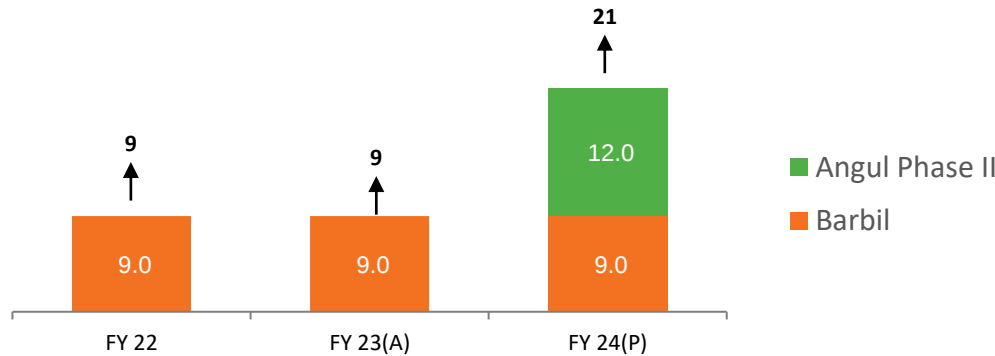
Growth capex - total outlay of ~₹ 24,000 crore through FY 2026-27 (₹ in Crs)



Crude Steel Capacity
(in MTPA)



Pellet Capacity
(in MTPA)



Doubling Capacity at Angul by FY25

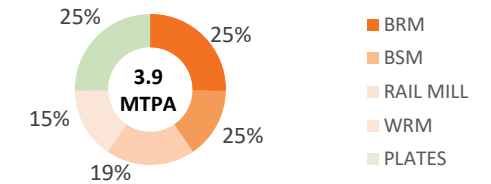
EXPANSION PLANS TO BOOST VOLUMES & EARNINGS

Angul Phase-II : Timeline

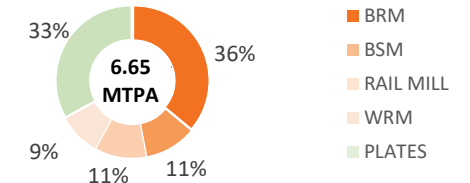
	FY22	FY23	FY24	FY25	Expected COD
Margin Expansion: ₹ 8,100Cr.	Angul Pellet Plant #1: 6MTPA →				1QFY24
	HSM Phase #1: 3MTPA →				2QFY24
	Angul Pellet Plant #2: 6MTPA →				2QFY24
	Slurry Pipeline →				2QFY24
Capacity Expansion: ₹ 15,900Cr.	Oxygen plant, Coke oven , RMHS →				2QFY24
	HSM Phase #2 Expand to 5.5 MTPA →				2QFY24
	Blast Furnace #2: 4.25 MTPA →				3QFY24
	Angul BOF #2 : 3.3 MTPA →				3QFY24
	CPP:1050 MW * →				2QFY25
	Angul EAF #2 : 3 MTPA →				4QFY25
	TSCR : 3 MTPA →				4QFY25
	DRI #2: 2.7 MTPA →				4QFY25

FINISHED STEEL CAPACITY

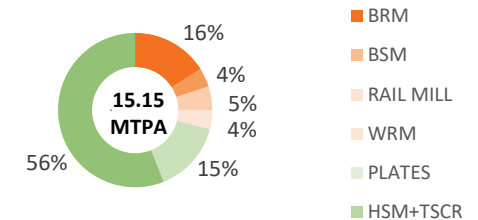
Past (FY11)



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 |

* Acquired 1050MW thermal power plant under construction in slump sale under IBC.

Innovating to Meet ‘Significant Unmet Needs’ of Customers

Business Update



Initiatives

Largest domestic supplier of quenched & tempered plates for applications that withstand severe impact and abrasion

60E1 1175 HT rails suitable for high-speed & high axle load application. Head Hardened 1080 HH Rails & Asymmetric rails for Critical Railway application.

Fire Resistant Steel: JSP has received India’s first BIS certification to manufacture Fire-Resistant Structural Steel

Special profiles such as triple grouser track shoe

Customer group

Yellow goods and Construction equipment

High-speed corridors, bullet trains and heavy haul routes of Indian Railways

Used for high-temperature or fire-prone areas can withstand temperatures up to 600 degrees Celsius for a max. duration of 3 hours.

Excavator and mining equipment

Result

Import substitution
Value added exports under Make in India

Import substitution
Critical for infrastructure development in India

Import substitution
This will increase the usage of Steel in Commercial & residential buildings

Import substitution
Sole producer in India

Enhancing Brand Equity and Consumer Connect



Onboarded Hardik Pandya as Brand Ambassador for Panther

TVC campaign “Speed, Strength, Flexibility” featuring Hardik Pandya showcases our high product quality

Reach

- **7.4 + million** views on **YouTube**
- Significant traction on social media with launch of digital bytes with Hardik Pandya promoting panther TMT Rebars

Title Sponsor for IPL 2023 Cricket Live on Star Sports

Jindal Panther Cricket Live **breaks all past viewership records** this season

- 300 million reach on TV in just 3 weeks.
- 46% growth in TVR vs 2022.

Platinum sponsorship of Indian Super League’s Odisha FC



Engagement of **Channel partners** at Cricket Live on live TV

Associate Sponsor for IPL 2023 on Jio Cinema:

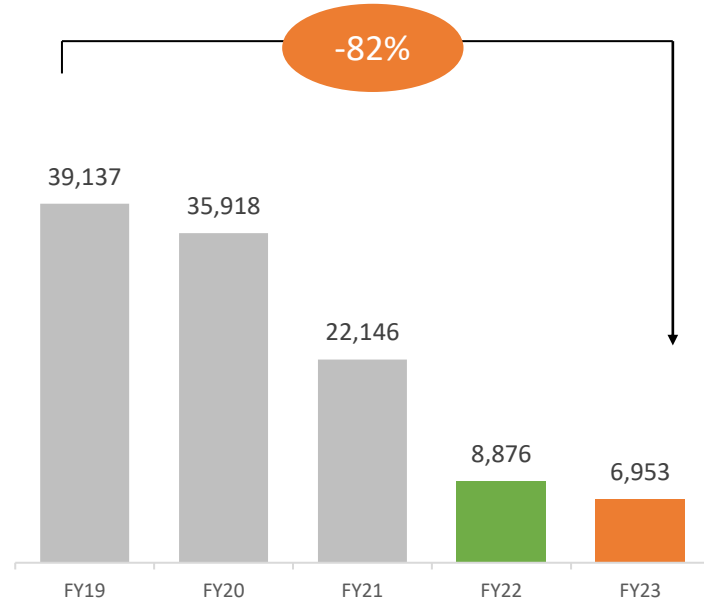
Our TVC has over 223 Cr impressions on the Jio Cinema application till 8th May’23

- **Presenting Partner for ICC Women’s Cricket World Cup 2023**
- **Presenting Partner for FIH Men’s Hockey World Cup 2023**

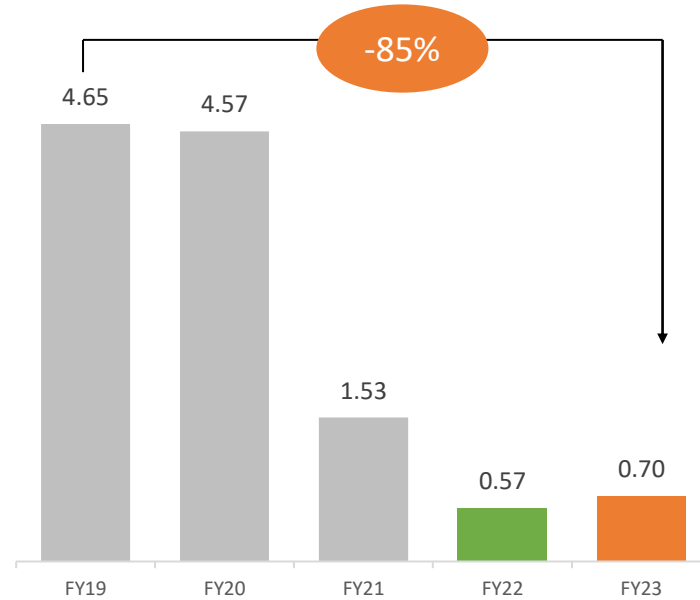
Strengthening Fundamentals to Drive Sustainable Growth

Consolidated Performance

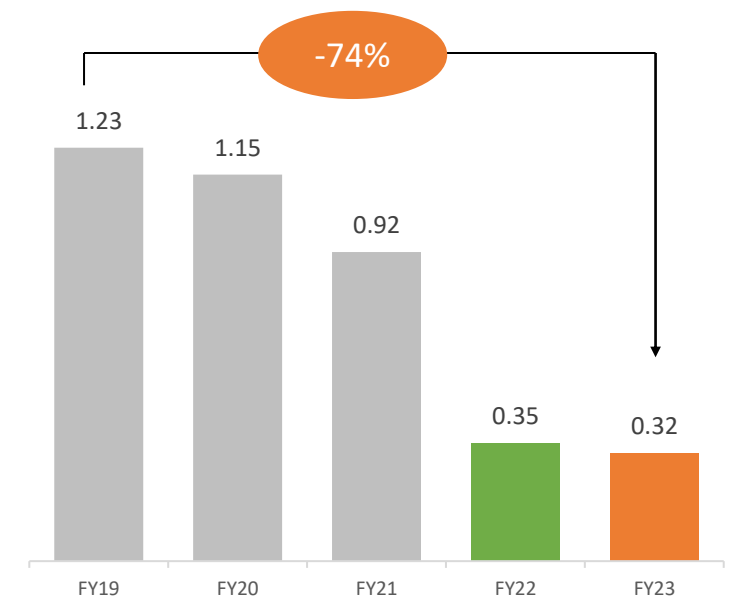
Net Debt (₹ in Crs)



Net Debt/EBITDA (x)



Debt/Equity (x)



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Empowering our Communities



HEALTH & NUTRITION

VATSALYA aims to reduce Infant Mortality Rate and Maternal Mortality Rate. Benefitted **978** women and children in Q4 and **32452** women and children in FY 2022-23. 5 lakh+ women & children benefitted so far.

KISHORI EXPRESS addresses adolescent anaemia among adolescent girls. Benefitted **7356** adolescent girls in Q4 and **29000+** adolescent girls in FY 2022-23. (3.2 lakh+ girls benefitted so far).

PM'S TB MUKT BHARAT Under Ni-Kshay Poshan Yojna of NTEP **1030** TB patients in Q4 **3000+** TB patients are continuously supported with monthly nutrition

BLOOD DONATION Under this initiative, **1193** units of blood collected in FY 2022-23



EDUCATION

YASHASVI aims to educate on professional, technical & skill-based courses for women and girls from an underprivileged background

- 5630** girls and women enrolled in more than 350 educational institutes across 10 states during FY 2022-23

ASHA THE HOPE is a program for the rehabilitation and empowerment of children with special needs and differently-abled persons. **396** children enrolled in FY 2022-23

- Special education for **5000+** differently-abled children



SKILL EDUCATION

O.P. JINDAL COMMUNITY COLLEGES are open-access college established at Angul, Punjipanthra, and Patratu that impart skills to rural and underprivileged youths in 14 various trades

- Contributed **1.5 lakh+** youths to national skill pool and **2000+** trainers and assessors

LIGHTHOUSE empowers and educates young boys and girls in a participative, inclusive, and expressive manner

- 1000+** youth from rural, semi-rural background are imparted industry, market and employability-specific skills



RURAL INFRASTRUCTURE

- Construction and renovation of **12+** kms roads in FY 2022-23 and **250+** kms road
- Electrification of more than **50** villages so far
- Construction of culverts and major bridges

PROJECT AASHIANA aims to provide financial assistance to homeless people for building houses for their families

- 529** homeless people from 13 Indian states are benefitted in FY 2022-23.



SOCIAL INCLUSION

JINDAL PRAYAS CENTRE OF EXCELLENCE provides state-of-art facilities for holistic care and nourishment for

- 200+** abandoned and impoverished children

JINDAL SHOWS ELDERLY CARE AND WELLNESS CENTER

Centre-based nourishment, clothing, physical, spiritual, mental health, and rehabilitation facilities to old age persons

- 500+** senior citizens are provided nourishment care in FY 2022-23

NUTRITION SUPPORT TO DESTITUTE AND ABANDONED CHILDREN, WOMEN AND ELDERLY

5000+ underprivileged children, women, orphans and destitute, leprosy patients, slum dwellers, and differently abled children are supported with hot cooked food, dry ration.

Awards & Recognitions



National CSR Award, by Ministry of Corporate Affairs, GoI (announced in Aug 22)

- CSR in Aspirational Districts/Difficult Terrains in Eastern India
- Contribution in National Priority Areas and support to differently-abled

FICCI CSR Award 2022 for the fight against COVID-19

Golden Peacock Award 2022 for Corporate Social Responsibility by the Institute of Directors

Best Social Impact Award during COVID-19 by World Sustainability Federation

Best Women Empowerment Initiative by Interview Times

Times Business Award for Sustainable Rural Health Care by Times of India

CSR Journal Excellence Award 2022, for "Education & Skill Development: Special Education Programme, "Asha The Hope".

Odisha CSR Excellence Award 2022 by Odisha CSR Forum

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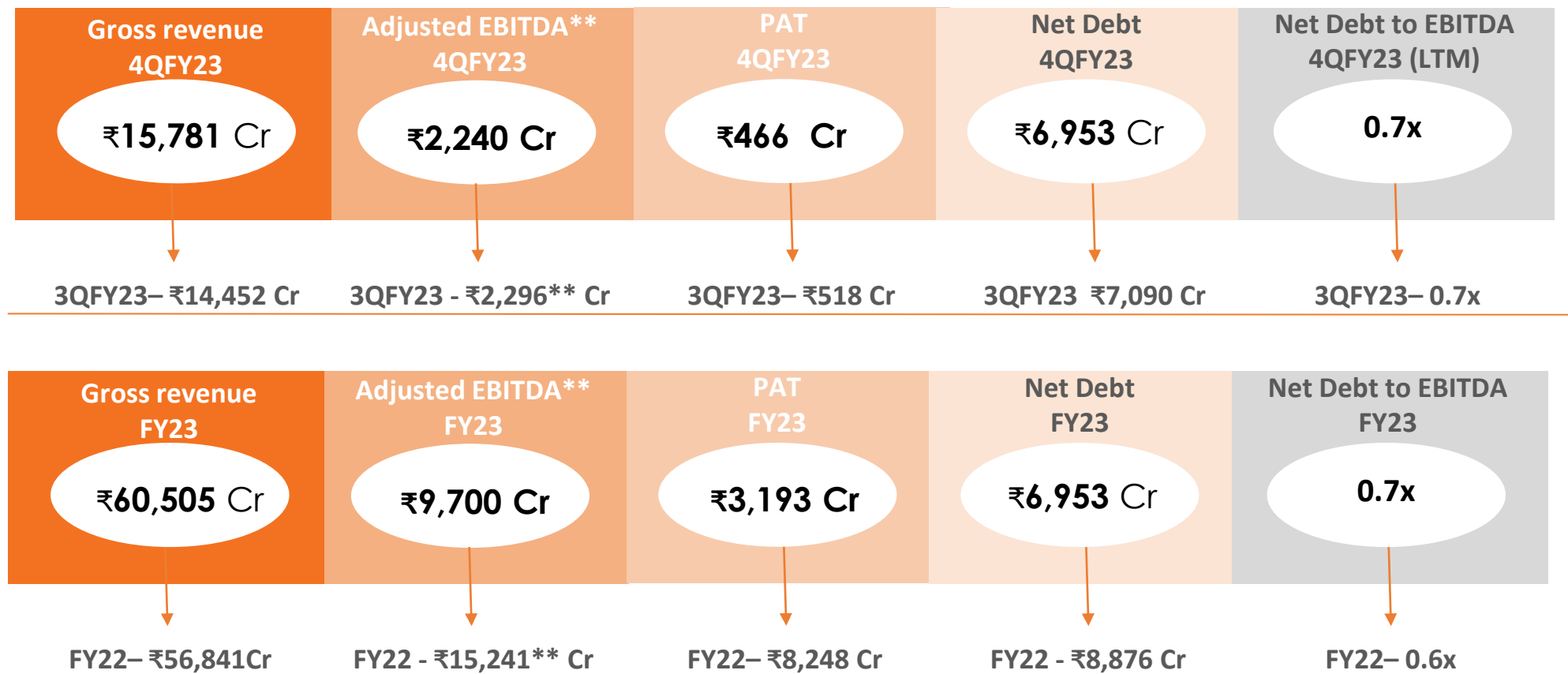
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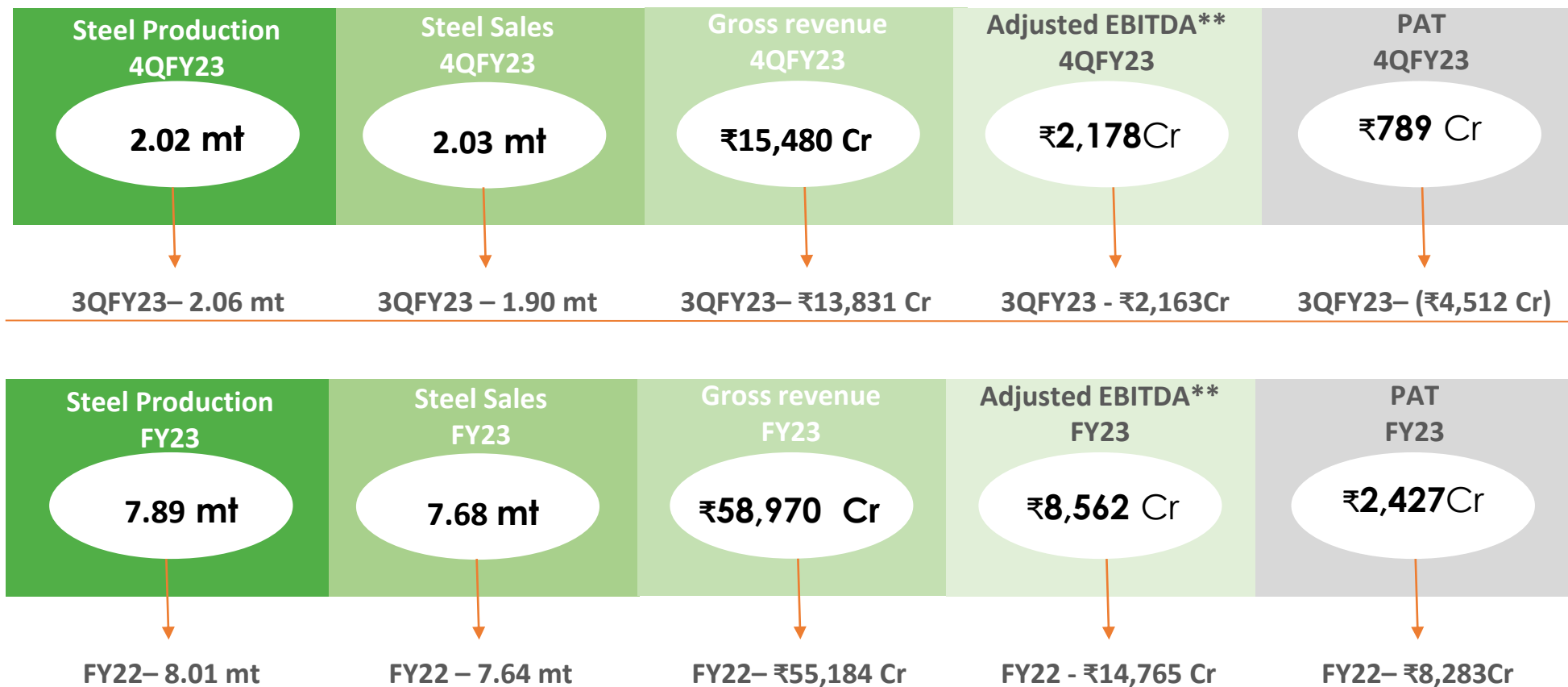


4QFY23 & FY23 Highlights - Consolidated



** *Adjusted for one-off FX loss of INR 53 Cr in 4QFY23 & Fx gain of INR82Cr in 3QFY23, INR 171Cr in 4QFY22, INR 235 Cr in FY23 & INR 272Cr in FY22

4QFY23 & FY23 Highlights - Standalone



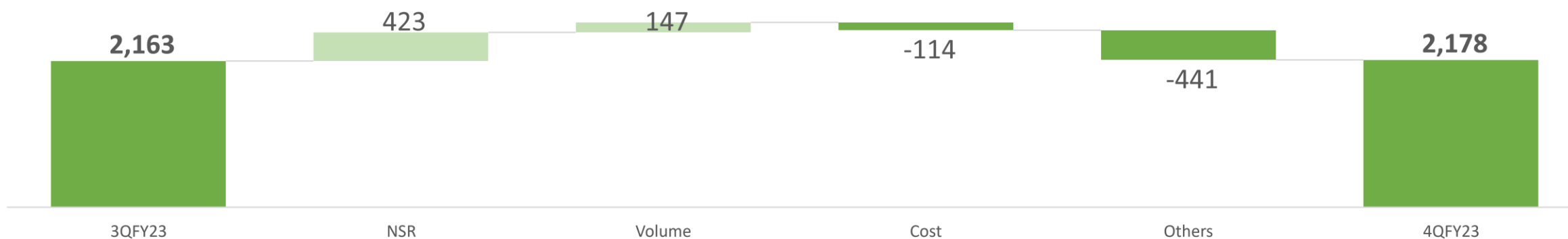
** Adjusted for one-off FX loss of INR 38 Cr in 4QFY23 & Fx gain of INR 82 Cr in 3QFY23, INR 171 Cr in 4QFY22, INR 971 Cr in FY23 & INR 272 Cr in FY22

Net Debt and EBITDA bridge (4QFY23)

Consolidated Net Debt Movement (QoQ) (₹ in Crs)



Standalone Adjusted EBITDA Movement (QoQ) (₹ in Crs)



Financial Performance - Standalone

4QFY23 & FY23 Result

Rs Crore	Quarterly performance			Annual performance	
Particulars	4QFY23	3QFY23	4QFY22	FY23	FY22
Gross Revenue*	15,480	13,831	15,579	58,970	55,184
Net Revenue	13,392	11,832	13,831	51,180	49,431
Adjusted EBITDA**	2,178	2,163	2,655	8,591	14,765
Depreciation + Amortization	538	544	551	2,166	2,232
Finance Cost(net)	365	343	295	1,286	1,415
PBT (before Exceptional)	1,248	1,366	2,009	6,130	11,492
Exceptional Gain/(loss)	(146)	(7,253)	(324)	(3,258)	(324)
Reported PAT /(Loss)	789	(4,512)	1,198	2,427	8,283

*Incl. GST (goods and service tax) ** Adjusted for one-off FX loss of INR 38 Cr in 4QFY23, Fx Gain in INR 82Cr in 3QFY23, INR 171 Cr in 4QFY22, INR 971Cr in FY23 & INR 272Cr in FY22

Financial Performance - Consolidated

Rs Crore	Quarterly performance			Annual performance	
Particulars	4QFY23	3QFY23	4QFY22	FY23	FY22
Gross Revenue*	15,781	14,452	16,089	60,505	56,841
Net Revenue	13,692	12,452	14,339	52,711	51,086
Adjusted EBITDA**	2,240	2,296	2,899	9,700	15,241
Depreciation + Amortization	873	608	272	2,691	2,097
Finance Cost(net)	371	346	373	1,446	1,888
PBT (before Exceptional)	959	1,441	2,428	5,855	11,579
Exceptional Gain/(loss)	(153)	(378)	(406)	(1,369)	(406)
Reported PAT /(Loss)	466	518	1,527	3,193	8,248

*Incl. GST (goods and service tax) ** Adjusted for one-off FX loss of INR 53 Cr in 4QFY23, Fx Gain in INR 82Cr in 3QFY23, INR 171 Cr in 4QFY22, INR 235Cr in FY23 & INR 272Cr in FY22

Thank you