

# VEDANTA

## Investor Presentation

August 2024



DESH KI ZAROORATON KE LIYE



OIL &  
GAS



ZINC, LEAD  
& SILVER



ALUMINIUM



COPPER



IRON, STEEL &  
FERRO ALLOYS



NICKEL



POWER



ELECTRONICS



DISPLAY  
GLASS

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# Executive Summary

**01** Vedanta, a **Global Champion of Critical Minerals**, focussed on High Growth India Market

**02** Diversified Natural Resources Company with **15+ commodities**; structurally placed as **lowest cost producer globally** with **irreplaceable assets**

**03** **ESG leadership** Recognized as the Global leader in S&P Global CSA<sup>2</sup>; VEDL ranked 3<sup>rd</sup> and HZL ranked 1<sup>st</sup> among 238 peers

**04** Ramp up EBITDA to \$10bn from current run-rate 6-7 Bn\$

**05** Best in class Balance Sheet; Group Leverage<sup>1</sup> to improve to 1x in near term

**06** Demerger to drive **Extraordinary Returns** for Shareholders with Large Value creation

	Recent Past	Current	Near term
EBITDA	\$ 3bn	\$ 6-7bn	\$ 10bn
Group Leverage <sup>1</sup>	3.3x	2.2x	1x
Parent Debt	\$ 9.7bn	\$ 5.2bn	< \$ 3bn

1. At Vedanta Resources  
2. Corporate Sustainability Assessment

# Empowering India's Growth with focus on Critical Minerals, delivering sustainable returns for all stakeholders

	Revenue <sup>1</sup>	Group EBITDA <sup>1</sup>	Group Net Debt <sup>1</sup>
FY 25e	\$22 bn	\$ 6 - 7 bn	<\$11 bn
Medium Term Vision	\$50 bn	\$18 bn	Zero

Asset Base		Committed Net Zero Carbon by 2050		Contribution to Nation Building		Consistent Shareholding returns <sup>2</sup>	
<b>15+</b>	Presence in commodities segments	VEDL	<b>3<sup>rd</sup></b> in S&P Global CSA diversified group	<b>1.5%</b>	Contribution to India's GDP	<b>65%</b>	5-years Total dividend yield
<b>25+</b>	Years of mine R&R	HZL	<b>1<sup>st</sup></b> in S&P Global CSA diversified group	<b>90,000</b>	Total Workforce		
<b>1<sup>st</sup></b>	Decile global cost position	Vedanta Aluminium	<b>1<sup>st</sup></b> in S&P Global CSA Aluminium peer group	<b>\$ 50bn+</b>	National Exchequer Contribution over last 8 years	<b>276%</b>	5-years Total Shareholding return (TSR)

# Transforming for Good

## Topped the charts in S&P Global Corporate Sustainability Assessment (CSA) 2023



**RANKED 1<sup>ST</sup>**  
**Hindustan Zinc Limited**  
among 238 companies in Metal and Mining Industry Sector



**RANKED 3<sup>RD</sup>**  
**Vedanta Limited**  
among 238 companies in Metal and Mining Industry Sector



**RANKED 1<sup>ST</sup>**  
**Vedanta Aluminium**  
in Aluminium Sector peer group

### Social Impacts



Impacted lives of over 17 Cr people



Investment ~ ₹ 5000 crores towards Social Impact in next 5 year



Over 7000+ Nand Ghar centers in 14 states

# Unparalleled and irreplaceable asset base with substitution cost > \$50 billion, 25+ years of R&R and 1st decile cost position

## Zinc – Lead - Silver

India's sole producer and amongst the largest in the world

## Iron Ore

India's 4th Largest Merchant Miner + Country's Largest Exporter

## Oil and Gas

India's largest private sector producer of oil

## Electronics

Manufacturer of Display and Glass

## Copper

KCM being one of the highest copper deposits globally

## Technology

leading global optical and digital solutions company

## Aluminium

India's largest producer of aluminium

## Steel & Ferro Alloys

Strategically Located, Highly Scalable, Integrated Steel Platform

## Power

One of India's largest generators of power

## Nickel

India's sole producer of Nickel

## Renewables

India's leading renewable green energy company

## Transmission

Integrated power transmission developer & solutions provider

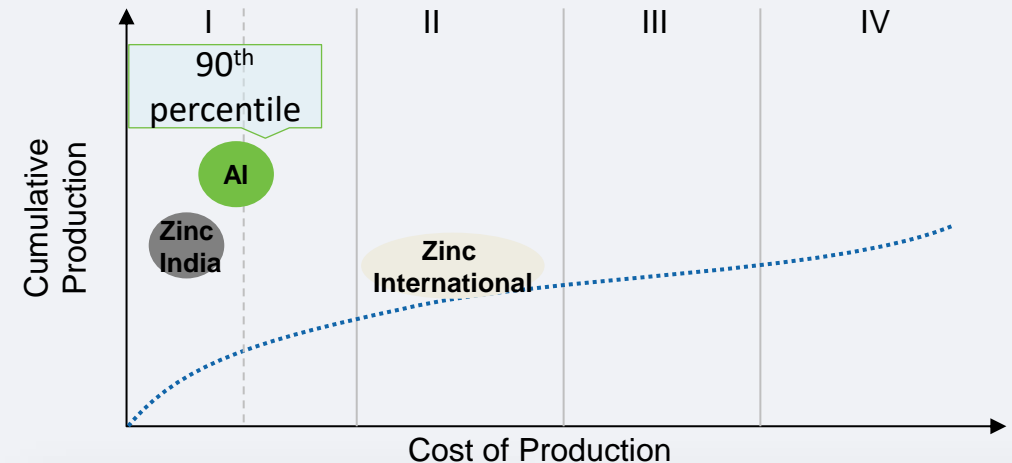
## Under VRL

Long-life assets with exploration upside

# 25+ Years

Mines R&R

1<sup>st</sup> decile position on Global Cost Curve, Only player globally to achieve aggressive cost reduction during last 1.5 years

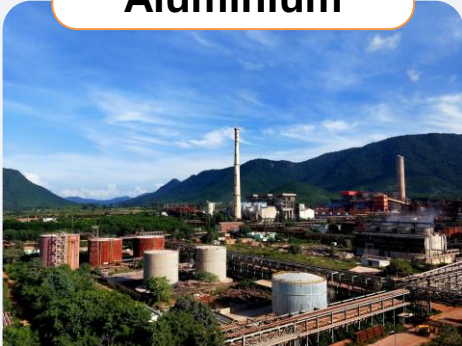


COP reduction in Aluminium from 2650 to 1700 \$/t (~35%↓)

COP reduction at Zinc India from 1300 to 1050 \$/t (20%↓)

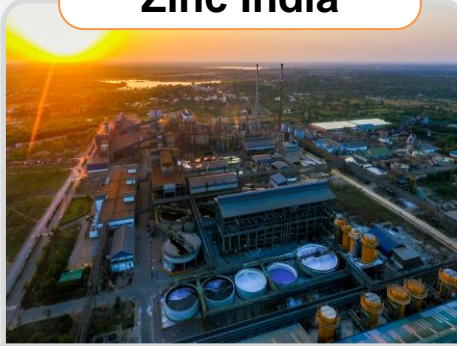
# Vedanta's world class, lowest cost assets with growth projects to deliver \$ 10+ bn annual EBITDA and \$5 bn Free Cashflow

## Aluminium



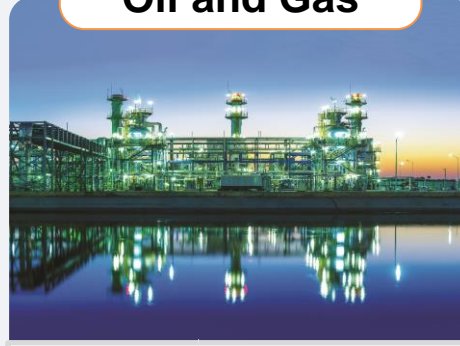
<b>Volume</b>	3.1 MTPA
<b>LME</b>	2700 \$/t
<b>NEP</b>	300 \$/t
<b>Cost</b>	1650 \$/t
<b>EBITDA</b>	\$ 4.2 bn

## Zinc India



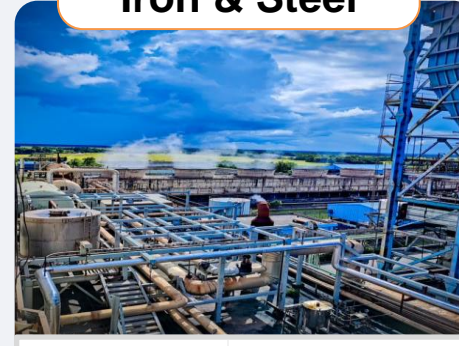
<b>Zinc Vol.</b>	1.2 MTPA
<b>Silver Vol.</b>	800 tonnes
<b>Zn LME</b>	3000 \$/t
<b>Zn NEP</b>	250 \$/t
<b>Zn Cost</b>	1000 \$/t
<b>Zn EBITDA</b>	\$ 1.7 bn
<b>Ag EBITDA</b>	\$ 1 bn

## Oil and Gas



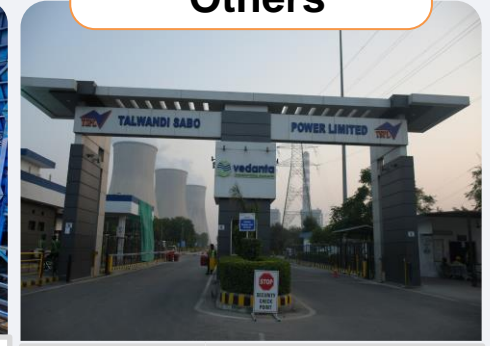
<b>Volume</b>	150 kboepd
<b>Brent</b>	85 \$/boe
<b>Cost</b>	12 \$/boe
<b>EBITDA</b>	\$ 0.9 bn

## Iron & Steel



<b>Iron Ore Vol.</b>	30 MTPA
<b>Price</b>	115 \$t
<b>Iron Ore EBITDA</b>	\$ 0.9 bn
<b>Steel Vol.</b>	3 MTPA
<b>Steel EBITDA</b>	\$ 0.4 bn

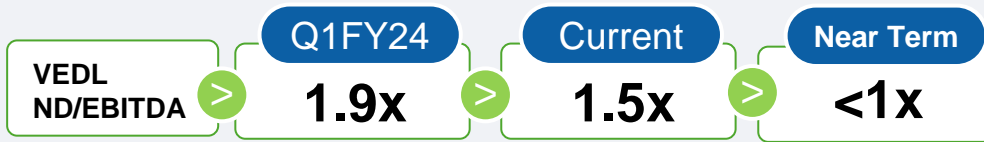
## Others



<b>ZI EBITDA</b>	\$ 0.3 bn
<b>Merchant Power EBITDA</b>	\$ 0.4 bn
<b>FACOR EBITDA</b>	\$ 0.1 bn
<b>Others EBITDA</b>	\$ 0.2 bn

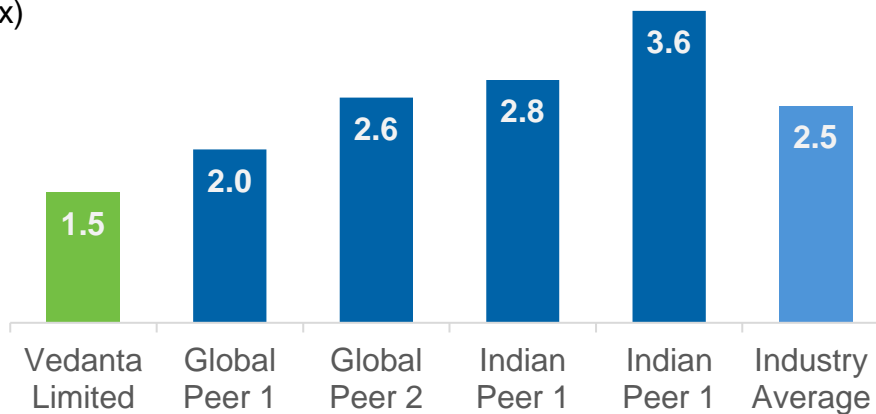
# Best in class Net Debt to EBITDA– Continued deleveraging, healthy cashflow generation and fresh capital raise

## Vedanta Limited



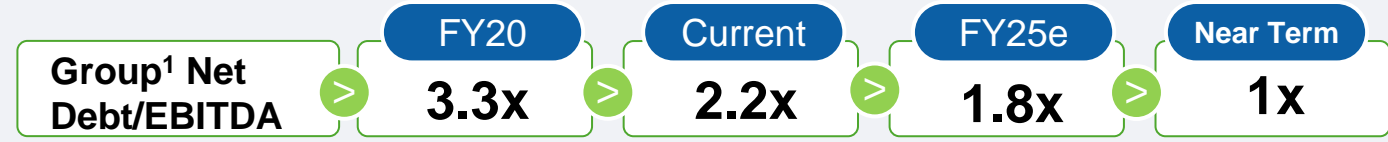
### Current Leverage Ratio at Vedanta Limited<sup>1</sup>

(x)

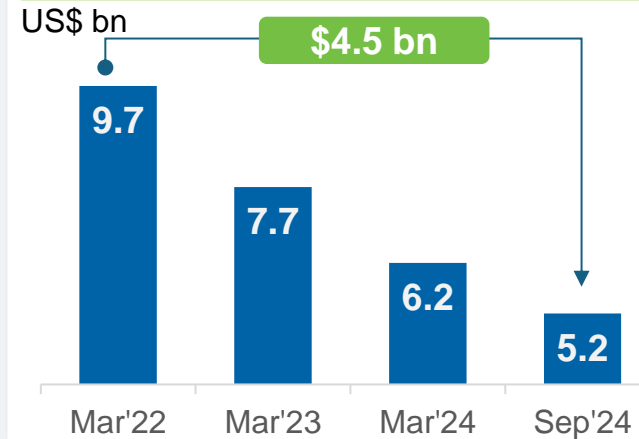


- Vedanta Limited leverage ratio – best in the industry
- Leverage ratio to further improve **to below 1x**
- Vedanta Limited Cash flow pre growth capex is estimated to be ~5 \$Bn in near term

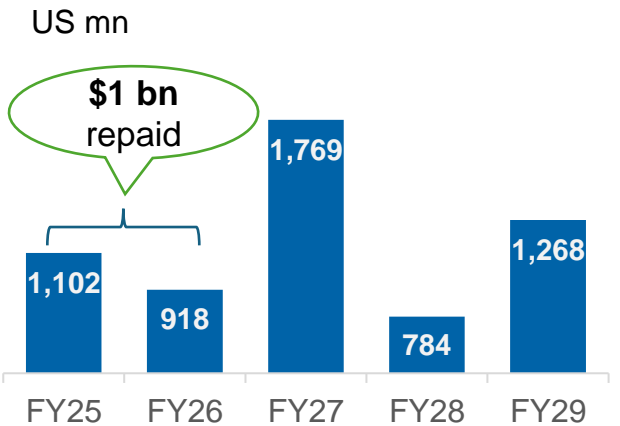
## Vedanta Resources



### Debt at VRL Standalone



### Streamlined Debt maturity at VRL



- Vedanta Resources (Parent) has de-leveraged by \$4.5 Bn in last 2 years
- Raised \$1 billion via QIP and additional \$ 0.4 Bn via HZL OFS; Proceeds to drive deleveraging
- VRL is committed to further deleverage itself by \$ 3bn in next three years



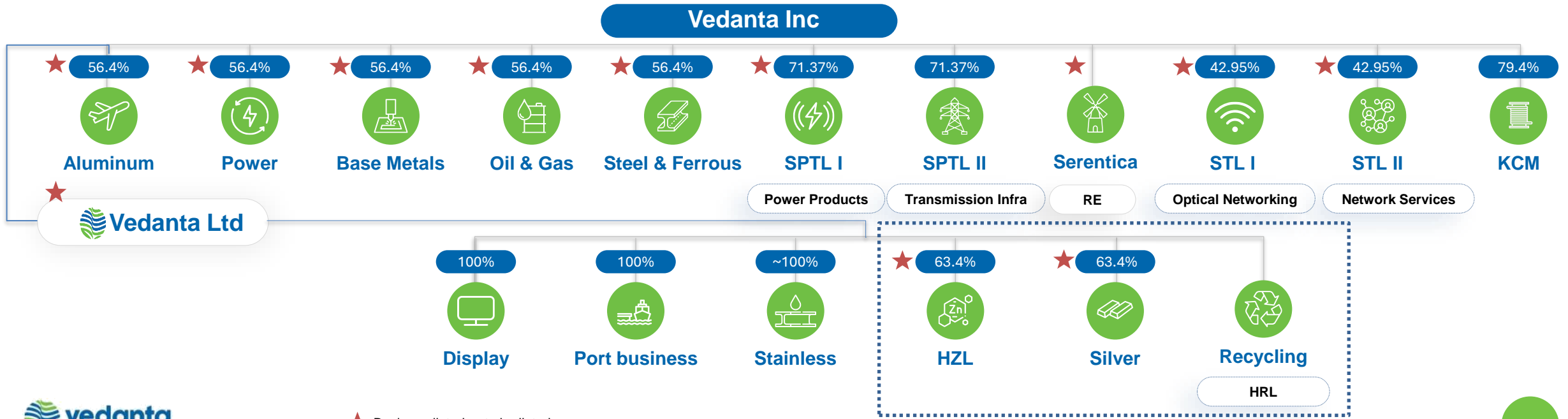
# Demerger: Creating industry-leading, focused entities with pure-play investment opportunities

Demerger will create pure-play companies – unlocking significant value for all our businesses

Creating world-class, sector leading companies to drive next phase of Vedanta's growth

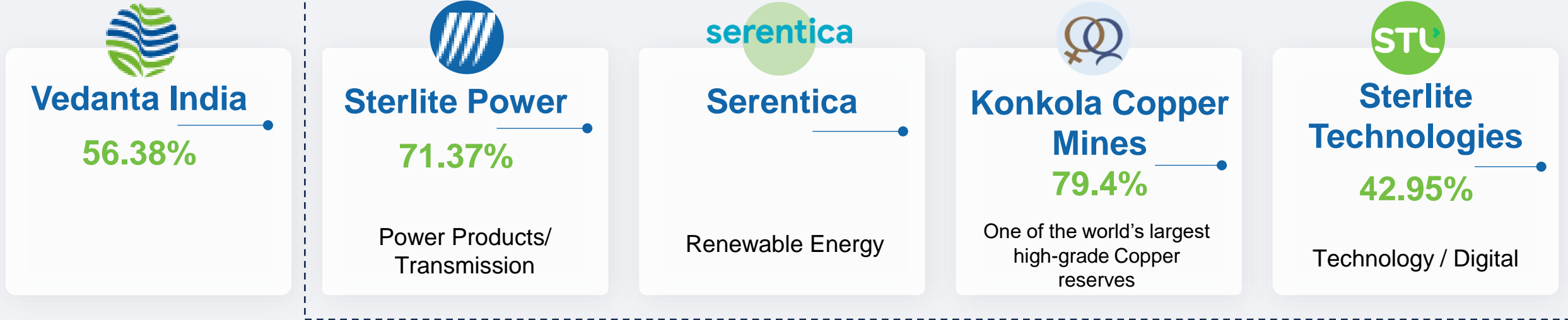
Post Demerger, Shareholders To Receive Shares In 5 New Listed Entities Demerged From Vedanta Limited

## Vedanta Group Structure of 17 companies post VEDL demerger



# Vedanta Inc (Parent co) – A bouquet of world class diversified assets

## Vedanta Inc (Parent Co)



### Outcome of VRL's balanced business decisions

- Strong Return on Capital
- Recent realignment of debt, uptick in bond prices and strong demand during block trade as well as QIP demonstrates confidence of investors in the portfolio of assets
- VRL's debt incentivised investments in 'value-enhancing' futuristic assets leading to **investment efficiency**



### Indicative combined near-term valuation

**Vedanta's parent holds SPTL, Serentica, KCM, STL in addition to 56.4% in VDL & brand fees rights from VEDL @ 1.5-3%**

# Vedanta's Growth engine – Powered by proven leadership team

## Our CEOs



### Arun Misra

#### Executive Director

35+ years of experience of leading in various strategic positions



### Navin Jaju

#### CEO- Iron Ore

18+ years of experience across multiple businesses in Vedanta Group



### John Slaven

#### CEO- Aluminium

37+ years of Metals & Mining experience with BHP, Alcoa, BCG, De Beers



### Ashish Gupta

#### CEO- Steel

30+ years of rich experience in TEX Rail, TMILL, TMK India



### Steve Moore

#### Deputy CEO- Oil & Gas

37+ years of experience in Energean, Shell, Maersk, Global Oil & Gas specialist



### YJ Chen

#### CEO- Displays

23+years of experience in display industry at HKC Corp, Innolux, Xiamen, GIP



### Chris Griffith

#### CEO- Base Metals

30+ years of rich experience in Mining sector across geographies



### Hugo Schumann

#### Advisor – Silver Value Creation

Diverse experience in mining, energy and metal industries- Jetti Resources, Apollo Group



### Vibhav Agarwal

#### CEO- Power

24+ years of experience in Power & Infrastructure sector



### A Sumathi

#### COO – Tuticorin

20+ years of exp operations, energy management, ESG, business excellence, maintenance practices



### Pankaj Sharma

#### CEO- FACOR

25+ years of leadership experience across industries

## Our Functional Heads



### Ajay Goel

#### Chief Financial Officer

24+years of rich leadership experience with global companies



### Ritu Jhingon

#### Director - Group Comm & CEO Nandghar

30+ years of experience, Featured in 'Top 100 Global Influencers'



### Ajay Agarwal

#### President - Finance

23+ years of rich experience in Taxation, M&A and strategy



### Rohit Agarwal

#### Director - MAS

18+ years of experience across multiple businesses in Vedanta Group



### Madhu Srivastava

#### CHRO

25+years of experience in Human resource, Sales, Marketing and Operations across industries



### Purna Halwasiya

#### Company Secretary & Deputy Head IR

15+ years of exp in multidisciplinary areas of secretarial function and IR



### Rahul Sharma

#### Strategy & Advocacy

25+ years of experience across various verticals in manufacturing industry



### D Srikanth

#### Director - Projects

31+years of rich and diverse experience in various strategic positions



### Shrikant Saboo

#### Director - Group Commercial, Marketing & Risk

30+ years of multicultural experience across functions across industries

# Redefining Tomorrow with our Bold actions

1

Delivery



Near term EBITDA of **10 \$bn**

2

Deleveraging



Deleveraged VRL by 4.5 bn in the last 2 years.  
Moving towards Group ND/EBITDA of 1x.

3

Demerger



Application filed with NCLT  
Extraordinary value creation

# VEDANTA

**Thank you**

