

New Delhi, 26th October 2023:

Jindal Saw Limited, a leading global manufacturer and supplier of Iron & steel pipe, pipe- accessories and pellets, with manufacturing facilities in India, Abu Dhabi (United Arab Emirates) and USA, today announced its financial results for Q2 FY24 and H1 FY-24.

THE FINANCIAL HIGHLIGHTS (STANDALONE) ARE AS FOLLOWS:

| Particulars (Standalone financials) | Q2 FY24 | Q2 FY23 | H1 FY24 | H1 FY23 | FY23 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| | (Rs in Million) | (Rs in Million) | (Rs in Million) | (Rs in Million) | (Rs in Million) |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Total Income (#) | 46,113 | 33,670 | 84,425 | 63,860 | 1,57,031* |
| Total Expenditure: | | | | | |
| Total Raw Material Cost | 27,713 | 21,151 | 49,242 | 39,743 | 98,213 |
| Staff Cost | 2,806 | 2,026 | 5,516 | 3,983 | 8,771 |
| Other Expenses (#) | 8,080 | 7,487 | 16,006 | 14,580 | 31,774 |
| EBITDA | 7,513 | 3,006 | 13,661 | 5,554 | 18,273 |
| Financial Costs (#) | 1,599 | 1,263 | 2,922 | 2,568 | 5,291 |
| Depreciation | 1,170 | 934 | 2,253 | 1,810 | 3,737 |
| Profit before Tax (PBT with exceptional items) | 4,744 | 809 | 8,486 | 1,176 | 9,245 |
| Exceptional Items | | | | | - |
| Profit before Tax (PBT after exceptional items) | 4,744 | 809 | 8,486 | 1,176 | 9,245 |
| Provision for Tax | 1,261 | 198 | 2,236 | 284 | 2,152 |
| PAT | 3,482 | 611 | 6,250 | 892 | 7,093 |
| RATIOS | | | | | |
| EBITDA to total income | 16.29% | 8.93% | 16.18% | 8.70% | 11.64% |
| PBT to total income | 10.29% | 2.40% | 10.05% | 1.84% | 5.89% |
| PAT to total income | 7.55% | 1.81% | 7.40% | 1.40% | 4.52% |

Notes:

(#) Total Income, Other Expenses and Finance Costs are net of the impact of foreign exchange fluctuations. The Company follows a policy and strategy of natural hedging of foreign exchange exposures.

(*) The Company had previously invested Rs. 2,010 Mio in redeemable preference shares of Jindal ITF Limited (its subsidiary). On due date, the terms of the preference shares have been modified resulting into recognition of Rs 1,978 Mio as other income for FY 2023 only.

JINDAL SAW: CONSOLIDATED FINANCIALS

| Particulars (Consolidated financials) | Q2 FY24 | Q2 FY23 | H1 FY24 | H1 FY23 | FY23 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | (Rs in Million) | (Rs in Million) | (Rs in Million) | (Rs in Million) | (Rs in Million) |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Total Income | 54,889 | 40,669 | 99,368 | 75,773 | 1,80,464 |
| EBITDA | 8,268 | 3,547 | 14,728 | 6,253 | 18,439 |
| Financial Costs | 1,887 | 1,479 | 3,482 | 3,079 | 6,376 |
| Depreciation | 1,425 | 1,173 | 2,757 | 2,270 | 4,708 |
| Profit before Tax (PBT) | 4,956 | 895 | 8,488 | 904 | 7,355 |
| Exceptional Items | - | (251) | - | (251) | (251) |
| Share of profit/(loss) of JV and associate | (5) | - | (5) | (2) | (4) |
| Profit before Tax (PBT) after Excep. Items & Share of profit/(loss) of JV/ associate | 4,951 | 644 | 8,483 | 651 | 7,100 |
| Provision for Tax | 1,396 | 434 | 2,493 | 598 | 2,674 |
| PAT | 3,555 | 210 | 5,990 | 53 | 4,426 |

OPERATIONAL & FINANCIAL HIGHLIGHTS

In Q2 FY24, the Company reported growth in volumes in almost all product categories resulting into improved turnover and margins on YoY basis. Raw material prices during the period under review remained range bound to sustain the operations and profitability.

Order book position has remained consistent in last few quarters indicating improved conversion rate of enquiries into confirmed orders and good market conditions. The present pace of execution affords visibility of performance for the coming 12-15 months with further order enquiries building up indicative of sustained momentum.

The Company's product mix comprises of Iron & Steel Pipes and Pellets which provides a natural hedge against volatile commodity market conditions.

Given below is the update on the Business of the Company:

The quantitative Production & Sales break-up for the Q2 FY24 is given below:

| Products | Production | | | Sales | | |
|-------------------------------|------------|----------|----------------------|-----------|----------|----------------------|
| | Q2-FY24 | Q2-FY23 | % change (~)Y-o-Y | Q2-FY24 | Q2-FY23 | % change (~)Y-o-Y |
| | (~) MT | (~) MT | | (~) MT | (~) MT | |
| Iron & Steel Pipes | 4,38,000* | 2,79,000 | 57% | 4,26,000* | 2,64,000 | 61% |
| Pellets | 3,92,000 | 2,64,000 | 48% | 4,00,000 | 3,94,000 | 1% |

* Including South India DI division production ~49000 MT and sales ~44000 MT in Q2 FY24

ORDER BOOK POSITION

- The current order book for Iron & Steel pipes and pellets is ~US\$ 1.44 billion, the break-up is as under:
 - *Iron & Steel Pipes: US\$ 1,408 million*
 - *Pellet: US\$ 31 million*

The order book includes ~30% orders from global markets, which reflects good opportunities for exports. The Company is mainly catering to the esteemed customers from MENA region where market conditions are thriving due to these countries' enduring commitment to infrastructure spendings in line with their long-term vision. These orders are to be executed in next 12-15 months. We expect the business scenario to remain positive in the coming quarters despite the volatile geopolitical situation in the MENA and GCC region.

The above order book does not include the order book of subsidiaries of the Company including Jindal Saw Gulf LLC (UAE Subsidiary).

FINANCING AND LIQUIDITY - UPDATE ON DEBT POSITION

As of 30th September 2023, net institutional debt of the Company (at standalone level) was ~Rs. 42,413 million (~Rs. 43,963 million on 30th June 2023) including long term loans and fund based working capital borrowings. This includes Net working capital borrowings (short term) of ~Rs. 23,347 million on 30th September 2023 (~Rs. 23,988 million on 30th June 2023) and Long-term Rupee Loans / Rupee NCDs of ~Rs. 19,066 million on 30th June 2023 (~Rs. 19,975 million on 30th June 2023).

Company has sufficient liquidity and banking lines to execute the orders in hand.

| Particulars (Rs. in Million) | As on September 30, 2023 | As on June 30, 2023 |
|--|--------------------------|---------------------|
| Standalone Debt | 42,413 | 43,963 |
| - Long Term Debt | 19,066 | 19,975 |
| - Net Short Term/ Working Capital Debt | 23,347 | 23,988 |
| | | |
| Consolidated Debt | 49,940 | 52,099 |
| - Long Term Debt | 23,319 | 24,207 |
| - Net Short Term/ Working Capital Debt | 26,621 | 27,892 |

The above table demonstrate reduction in the long-term debt at standalone as well as at consolidated level. The long-term debt shall be paid as per the repayment profile of respective loans.

OTHER HIGHLIGHTS:

Jindal Hunting Energy Services Limited (Joint Venture):

To establish India's first "state-of-the-art" premium Oil Country Tubular Goods (OCTG) threading facility, Jindal SAW entered into a Joint Venture with Hunting Energy Services Pte Limited Singapore (where JSAW holds 51% shareholding and balance 49% is held by Hunting). With the help of this JV, Hunting will offer its patented premium connection technology, which will be used to thread premium connections on seamless casing and tubing primarily used for deep drilling operations in the oil and gas industry. It will

also become the first company to have such a manufacturing facility in India which shall offer premium connections for OCTG from India to different regions of the world. It would also serve as a substitute for imports thereby enabling India to become self-reliant in this market. The JV is in line with the goal of the nation to become 'AatmaNirbhar Bharat'.

Commercial production of the JV has commenced in September 2023.

UAE operations:

Jindal Saw Gulf LLC (UAE subsidiary) in Abu Dhabi (UAE) has witnessed improvement in execution of orders resulting in higher sales of DI Pipes at ~ 59,000 MT in Q2-FY24 (~ 43,000 MT in Q1-FY24). The UAE subsidiary has an order book of ~ 124,000 MT which is slated to be executed in next 9-12 months.

Jindal ITF Ltd. v/s NTPC:

Jindal ITF Limited (JITF), a 51 per cent subsidiary of Jindal SAW Limited, is in the business of trans-shipment and waterborne transportation. In the matter of the dispute on contractual terms with NTPC Limited, on 27th January 2019, the final arbitration award was pronounced by the Hon'ble Arbitral Tribunal in favour of JITF, allowing various claims to the tune of Rs. 1,891 crores plus interest and applicable taxes. At present, NTPC and Jindal ITF have filed petitions which are being heard by the Hon'ble High Court of Delhi. The case proceedings are being heard by Hon'ble High Court of Delhi and the hearings have been deferred on a number of occasions. The next hearing is scheduled in December 2023.

Update on Sathavahana Ispat Limited:

The Hon'ble Hyderabad bench of NCLT vide its order dated March 31, 2023, approved the resolution plan submitted by the Company for Sathavahana Ispat Limited (SIL). The conditions precedents as per the said Plan were achieved on April 26, 2023, thereby Sathavahana Ispat Limited stands merged with the Company on the said date. The cost to the Company for acquiring the assets net of assumed liabilities is Rs. 1098.42 crores. As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in recognizing a provisional capital reserve of Rs. 530.53 crores.

Update on Merger of Subsidiaries and Affiliates:

JSAW has filed the Scheme of amalgamation of Jindal Quality Tubular Limited ("JQTL"), Jindal Tubular (India) Limited ("JTIL") and Jindal Fittings Limited ("JFL") with NCLT, Allahabad bench for their approval. Shareholders and creditors of Jindal Saw Limited and all the merging entities have already approved the Scheme. The same is subject to the approval of Hon'ble NCLT Allahabad Bench. Next hearing is scheduled for 31st October 2023.

Credit Ratings:

- I. CARE Ratings has reaffirmed "CARE A1+ (A One Plus)" for Short-term debt facilities including commercial papers and revised the Long-term debt facilities rating from "CARE AA- (Outlook "Stable")" to "CARE AA (Outlook "Stable")" in September 2023.
- II. Brickwork Ratings has reaffirmed "BWR AA with Stable Outlook" for Non-Convertible Debentures of Rs. 5 billion in October 2023.

-ENDS-

ABOUT JINDAL SAW LTD.

Jindal Saw (NSE – JINDALSAW, BSE - 500378) has a business model that is well diversified in terms of strategic locations, markets, products, industries, and customers. The business model is designed to create a hedge against simultaneous risks and adverse macros, which allows it to operate and perform in difficult economic and geopolitical circumstances. The Company's domestic and exports markets are well balanced, and its businesses profile includes manufacturing of iron & steel pipes and pellets.

Its offerings include the widest product range of pipes and tubes made of iron and steel, across the globe. The product range includes helically submerged arc-welded pipes ("HSAW"), longitudinally submerged arc-welded pipes ("LSAW"), ductile iron pipes, HDPE Pipes, seamless pipes and tubes made of carbon, alloy and stainless steel. The Company also has all varieties of anti-corrosion and protective coating facilities along with the necessary ancillaries like fittings, bends, flanges etc. to make it a total pipe solution provider in the world.

JSAW has geographically diversified operations spread across Kosi Kalan (Uttar Pradesh), Mundra (Gujarat), Nashik (Maharashtra), Indore (Madhya Pradesh), Harisamudram (Andhra Pradesh) and Bellary, (Karnataka). The Company also has its presence in Bhilwara (Rajasthan), where, apart from having low grade iron ore mine, it also has an iron ore beneficiation and a pellet plant at the mine head.

JSAW has strong presence in overseas market and most of the exports take place with Latin American countries and MENA region. Substantial contribution to revenue is coming from drinking water supply and sanitation (WSS) which is growing rapidly in India and globally. Company's exposure to Oil & Gas sector accounts for only one fourth of the total revenue. JSAW has government as well as private sector clients in sectors and have strong domestic and international presence across brands.

For more information, please visit <http://www.jindalsaw.com> OR contact:

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Forward Looking Statements

This document contains statements that constitute "forward looking statements" including, without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance. Jindal Saw undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances.