

HINDALCO

INDUSTRIES LIMITED

Q4 FY24 EARNINGS
PRESENTATION

24 May 2024



SAFE *Harbour*

Certain statements in this report may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The company assume no responsibility to publicly amend, modify or revise any forward-looking statement, on the basis of any subsequent development, information or events, or otherwise.

Q4 FY24 EARNINGS



SUSTAINABILITY *Updates*

Hindalco achieved the **Top 1%** S&P Global ESG score in the Aluminium Industry



Only 2 Indian companies are in the Top 1% S&P Global ESG score



2 Indian companies are in the Top 1% S&P Global ESG score

The S&P Global Sustainability Yearbook 2024 got released in Feb 2024

Sustainability Yearbook 2024

Celebrating 20 years of the Sustainability Yearbook. Discover which companies are this year's top performers.

Seek & Prosper

Hindalco Industries Limited
Materials, Aluminium Industry

Top 1%

S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 78/100
Score date: February 7, 2024
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modelling approaches.
Position and scores are industry specific and reflect exclusion screening criteria.
Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

S&P Global

Sustainable 1



Industry Statistics	
Number of companies assessed	20
Market capitalization of assessed companies (in USD billion)	83
Number of companies in Yearbook	3
Market capitalization of companies in Yearbook (in USD billion)	31

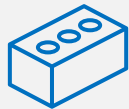
Recycling of industrial wastes for a circular economy



84% of total waste recycled & reused in FY24



109% of bauxite residue (excluding Utkal) and 108% of Ash was recycled and re-used in the cement industry



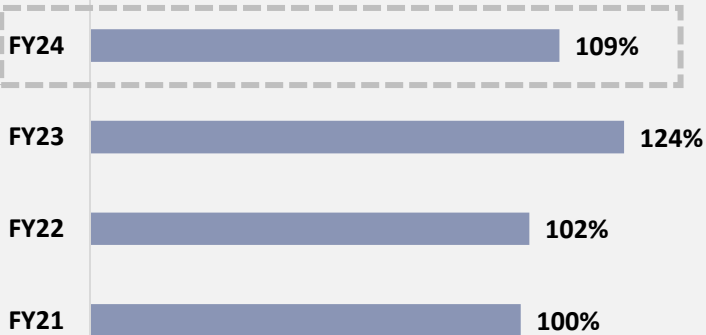
Zero Waste to landfill certifications for 3 plants (Belur, Hirakud Power & FRP) completed till FY24



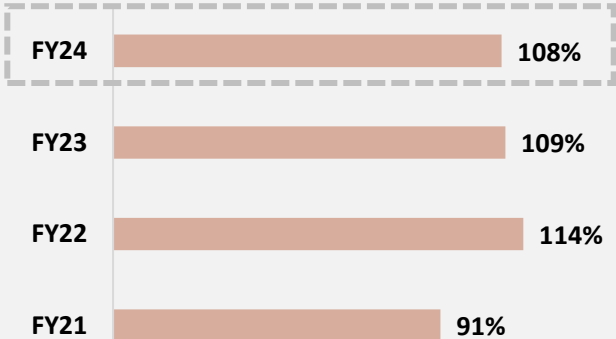
15 of our plants and 1 mine have been certified as single-use plastic free zones.

WASTE RECYCLING


% Recycling of Bauxite Residue/ Red mud (except from Utkal Refinery)




% Recycling of Ash




Hindalco has taken various initiatives to conserve precious *Water Resources*




Desalination project and Tertiary Water Recycling units at Dahej, enabled significant drop in freshwater consumption



ZLD (Recycling) Projects: Taloja and Silvassa ZLD Projects are now commissioned



Water Positivity: Total waste water Recycled and re-used across all locations: 18.91 Mn m3; this is 25% of total water consumed during the year

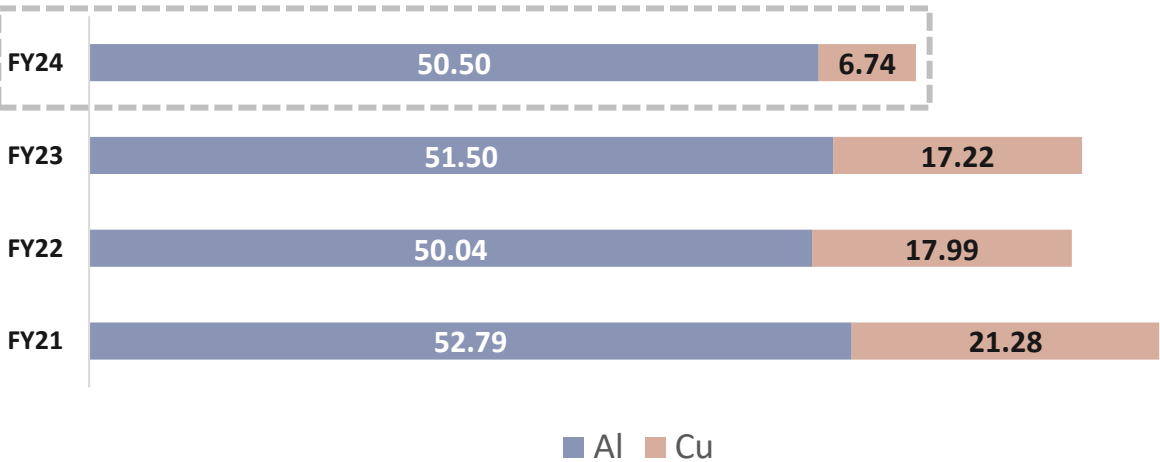


R&D Project : Dahej - Arsenic precipitation and Stabilization in Glass form; trials started, expected to be completed by August 2024



WATER MANAGEMENT

Specific freshwater Consumption (m3/T metal)





At Hindalco, our unwavering commitment to *Protecting Biodiversity* is intricately woven into our sustainability targets.

GREENBELT AND BIODIVERSITY



All season study under Biodiversity Management Plan (BMP) completed for **1 plant** in Q4FY24 taking total BMP study completed for **12 mines** and **9 plant locations** till date.



CII Biodiversity Index and Carbon Sequestration studies completed at **11 plants** at the end of FY24



Total 2,48,494 Tons of CO₂ sequestered till date.

We are rapidly making the shift to *Green Energy* across Hindalco

Sustainability updates

Sustainability Initiatives



173MW

21 MW of Wind based RE installed at Belagavi in Q4 FY24 taking the total RE capacity to 173 MW of solar and wind



29MW

29 MW Solar & Wind - to be operational by Q2FY25



100MW

100 MW Hybrid (with storage), to be commissioned in Q3 FY25

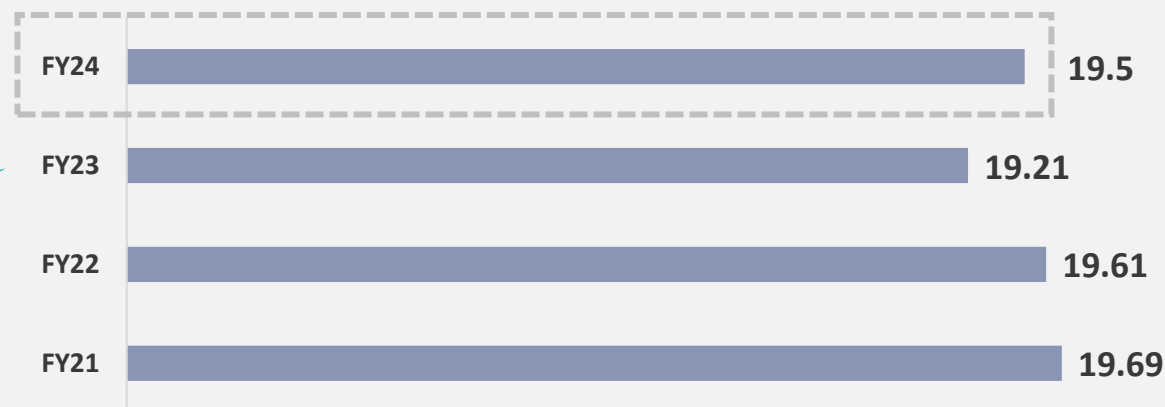


300MW

Target to reach 300 MW by FY2025

GREEN ENERGY & EMISSIONS CONTROL

Aluminium Specific GHG Emissions (t CO₂e/t)



Health and Safety of Hindalco's workforce is crucial to fostering a thriving and successful organisation



Successfully implemented **Contractor Safety Management (CSM)** software across all locations.

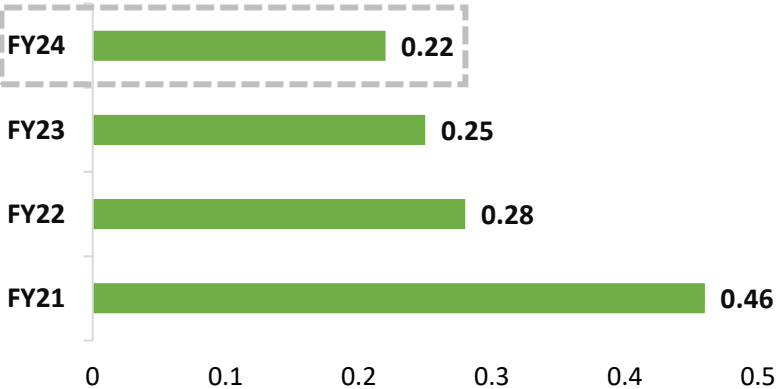
Introduced **Management of Change (MOC)** software for efficient tracking and management of safety related modifications

Developed a virtual reality-based **safety module** to enhance internal training effectiveness.

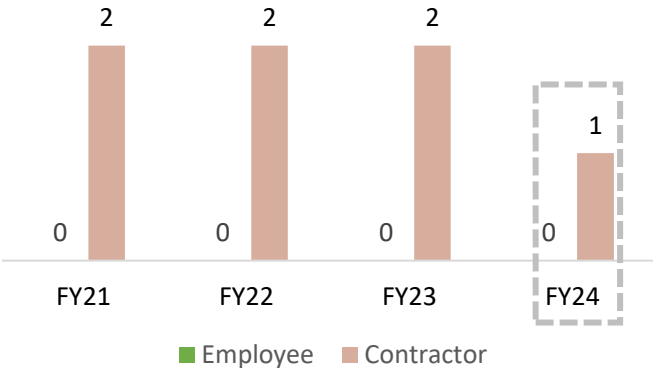
Serious Injury Fatality (SIF) prevention programme implemented across units.

WORKFORCE HEALTH & SAFETY

Lost Time Injury Frequency Rate (LTIFR)



Total Fatalities (Nos)





Q4 FY24 EARNINGS



QUARTERLY *Financial Snapshot*

Financial Snapshot

YoY (Q4 FY24 vs Q4 FY23)

Consolidated Financial Performance





Novelis, Aluminium and Copper Businesses



All Businesses Consolidated (₹ Crore)

Q4 FY24							
55,994	Flat	7,907	27%	7,201	24%	3,174	32%
Revenue	Business Segment EBITDA		EBITDA		PAT		
Q4 FY23							
55,857		6,216		5,818		2,411	

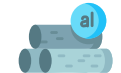
Hindalco (India) Businesses (₹ Crore)

Q4 FY24			
22,930  12%	3,637  25%	3,340  30%	1,963  67%
Revenue	Business Segment EBITDA	EBITDA	PAT
Q4 FY23			
20,444	2,902	2,576	1,172



Novelis*

Particulars	UOM	Q4 FY23	Q4 FY24	Change YoY
Shipments	KT	936	951	2%
Revenue	\$ Billion	4.40	4.08	-7%
Business Segment EBITDA	\$ Million	403	514	28%
EBITDA/t	\$/ton	431	540	25%



Aluminium Upstream

Shipments	KT	323	337	4%
Revenue	₹ in Cr	8,050	8,469	5%
Business Segment EBITDA	₹ in Cr	2,192	2,709	24%
EBITDA/t	\$/ton	825	967	17%



Aluminium Downstream

Shipments	KT	90	105	17%
Revenue	₹ in Cr	2,738	2,920	7%
Business Segment EBITDA	₹ in Cr	112	152	36%
EBITDA/t	\$/ton	152	174	15%



Copper

Shipments^	KT	117	135	16%
^Of which CCR Shipments	KT	95	98	3%
Revenue	₹ in Cr	11,206	13,424	20%
Business Segment EBITDA	₹ in Cr	598	776	30%

*All the figures mentioned are as per the US GAAP

Financial Snapshot

FY23 Vs FY24

Consolidated Financial Performance

Novelis, Aluminium and Copper Businesses



All Businesses Consolidated (₹ Crore)

FY24			
2,15,962 ▼ 3%	27,857 ▲ 8%	25,728 ▲ 7%	10,155 ▲ 1%
Revenue	Business Segment EBITDA	EBITDA	PAT
FY23			
2,23,202	25,825	24,131	10,097

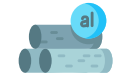
Hindalco (India) Businesses (₹ Crore)

FY24			
85,029 ▲ 8%	12,350 ▲ 9%	11,195 ▲ 6%	5,379 ▲ 6%
Revenue	Business Segment EBITDA	EBITDA	PAT
FY23			
78,570	11,282	10,574	5,075



Novelis*

Particulars	UOM	FY23	FY24	Change YoY
Shipments	KT	3,790	3,673	-3%
Revenue	\$ Billion	18.49	16.21	-12%
Business Segment EBITDA	\$ Million	1,811	1,873	3%
EBITDA/t	\$/ton	478	510	7%



Aluminium Upstream

Shipments	KT	1,319	1,346	2%
Revenue	₹ in Cr	33,010	32,382	-2%
Business Segment EBITDA	₹ in Cr	8,402	9,161	9%
EBITDA/t	\$/ton	792	822	4%



Aluminium Downstream

Shipments	KT	354	370	5%
Revenue	₹ in Cr	11,009	10,531	-4%
Business Segment EBITDA	₹ in Cr	627	573	-9%
EBITDA/t	\$/ton	221	187	-15%



Copper

Shipments^	KT	439	506	15%
^Of which CCR Shipments	KT	347	389	12%
Revenue	₹ in Cr	41,702	49,321	18%
Business Segment EBITDA	₹ in Cr	2,253	2,616	16%

**All the figures mentioned are as per the US GAAP

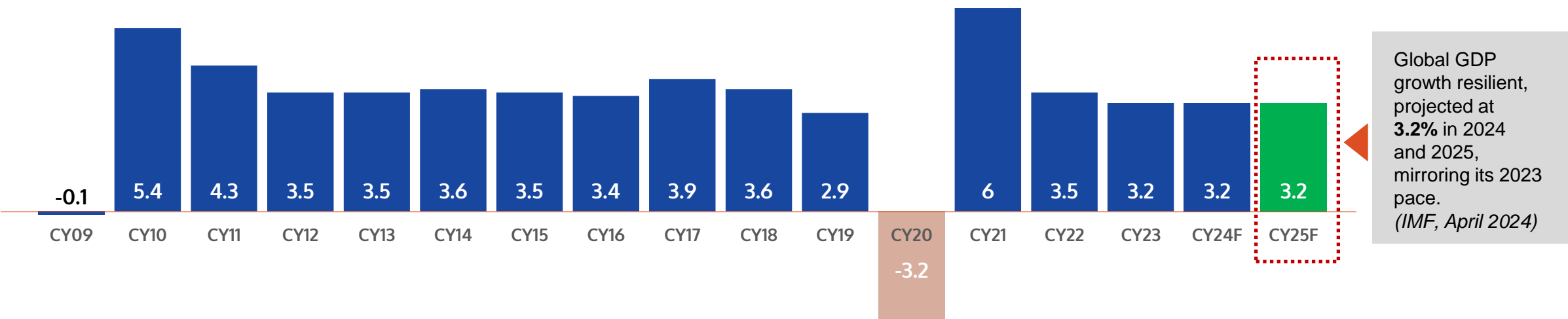
Q4 FY24 EARNINGS



ECONOMY & *Industry Updates*



GDP Growth (% YoY)



Outlook

US growth to accelerate, **Eurozone to gradually pick up, and moderate economic growth in China expected in 2024**

Global disinflation to continue and projected to **moderate** from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025

Improving manufacturing sector momentum, **reduction in supplier delivery times** and rebound in global trade bode well for growth outlook

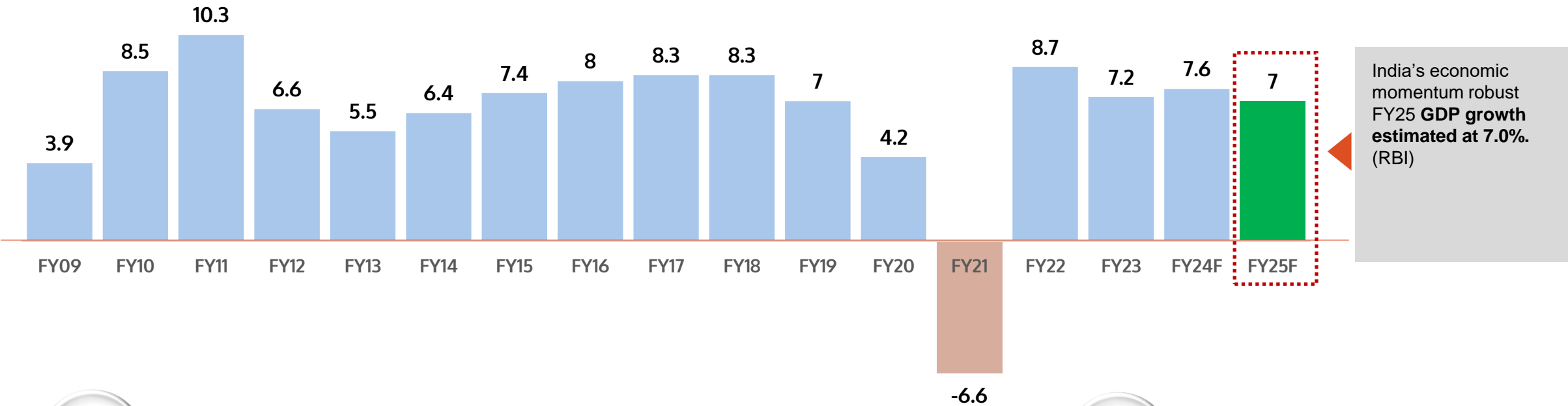


Risks

Delayed interest rate cuts due to persisting inflation concerns and **worsening geopolitical conditions**



GDP Growth (% YoY)



Outlook

Broad-based pick-up in **private capex cycle and strengthening private consumption** to drive growth

Inflation expected to moderate to 4.5% in FY25 from 5.4% in FY24

The RBI MPC **held the policy repo rate stable at 6.5%** .
Inflation concerns dominate MPC rate decisions



Risks

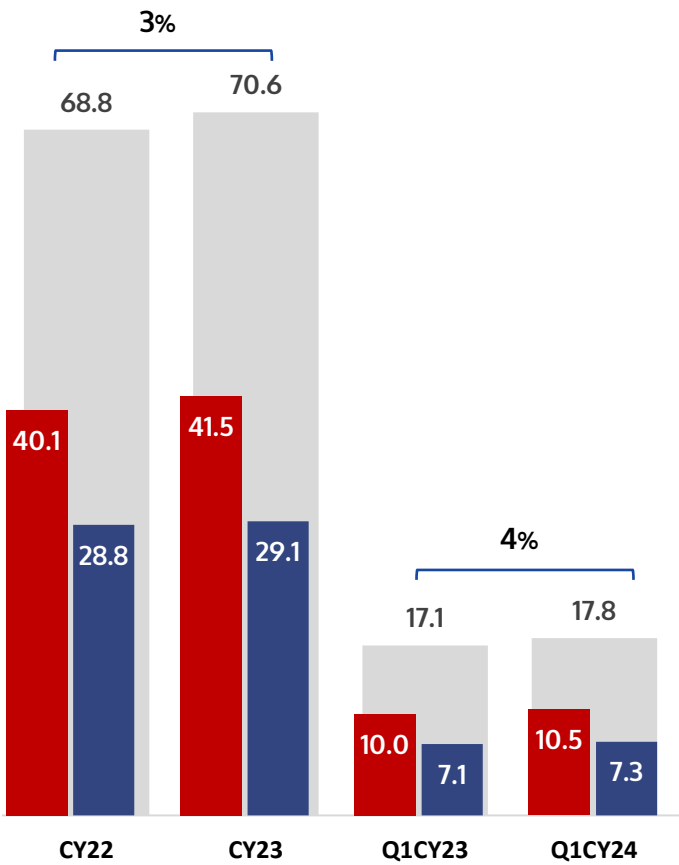
Continuing geopolitical tensions pose a downside risk to the ongoing disinflation process

Global Aluminium Demand & Supply Balance

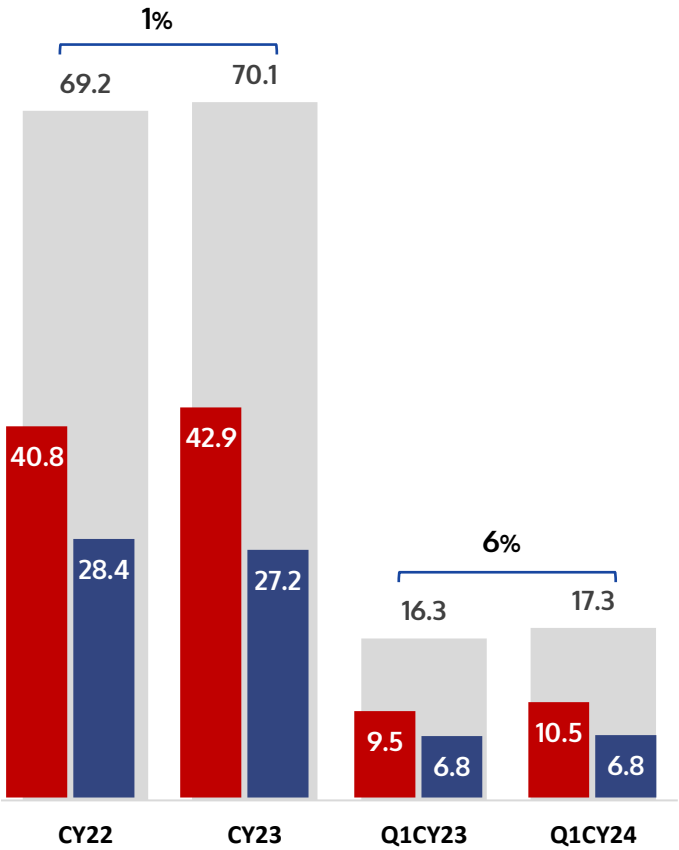
(In Million Tons)



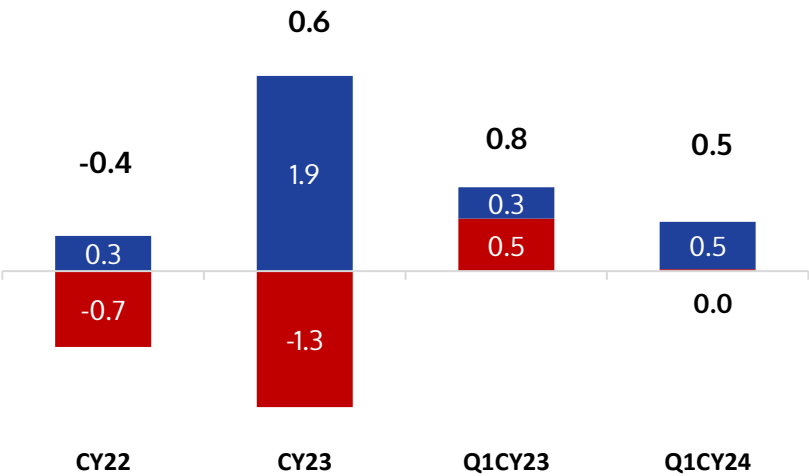
Production



Consumption



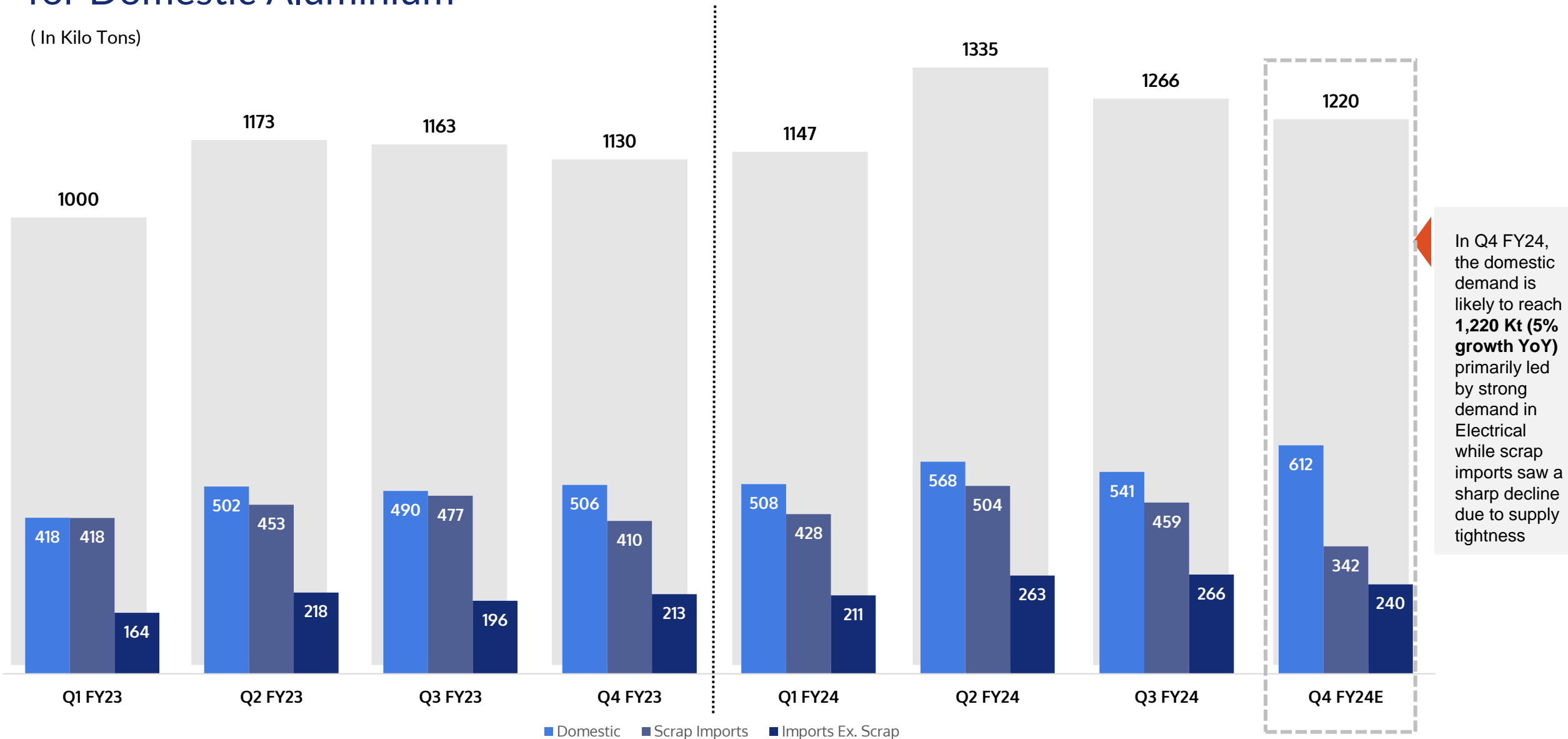
Metal Balance



China Rest of the World

Industry demand for Domestic Aluminium

(In Kilo Tons)



Industry demand

Aluminium Flat Rolled Products

Global FRP Demand is estimated to grow by ~4% in CY24.



Beverage Packaging

CAGR 4% - CY23-31 (Ex China)

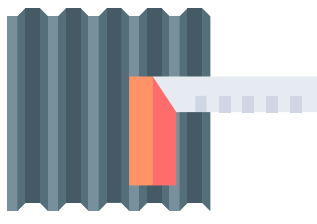
- Supply chain inventory reduction complete
- US market remains strong and solid demand in Brazil
- Cautiously positive outlook in Europe, Asia



Automobile

CAGR 7% (CY23-28)

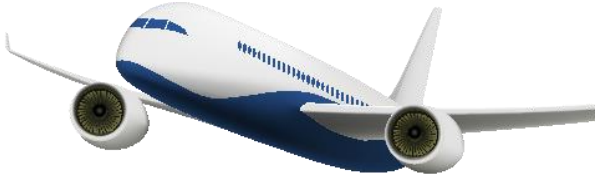
- Demand broadly remains stable due to increased durability of supply chains and favorable vehicle mix



Specialty

Growth Rate @Global GDP%

- Sustained headwinds from inflation & interest rates as demand broadly moves with economic conditions
- Increasing competitive activity from lower-cost containers



Aerospace

CAGR 5% (CY23-30)

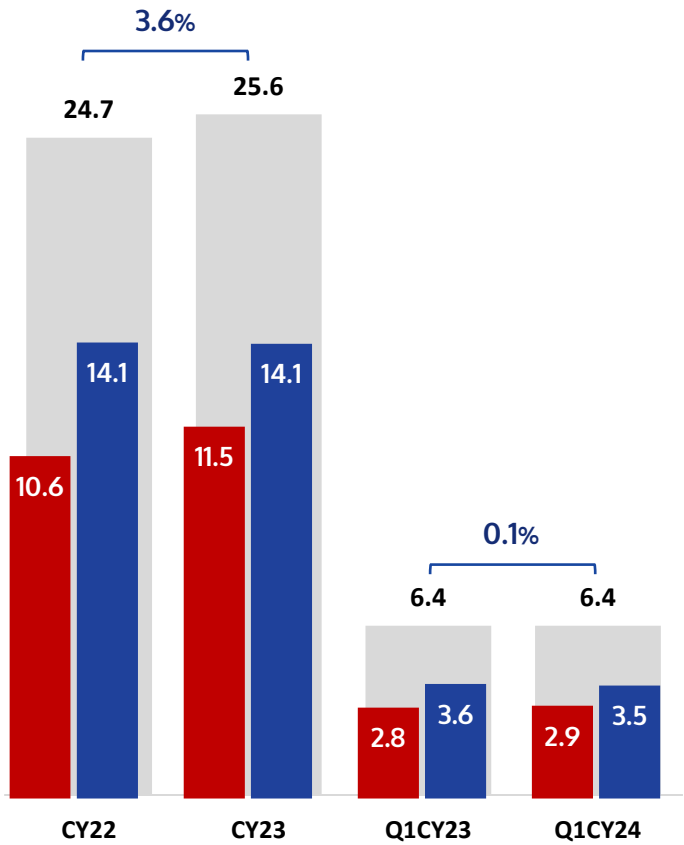
- Demand remains solid with high order backlog driven by fleet replacement and route expansion

Global Copper Demand & Supply Balance

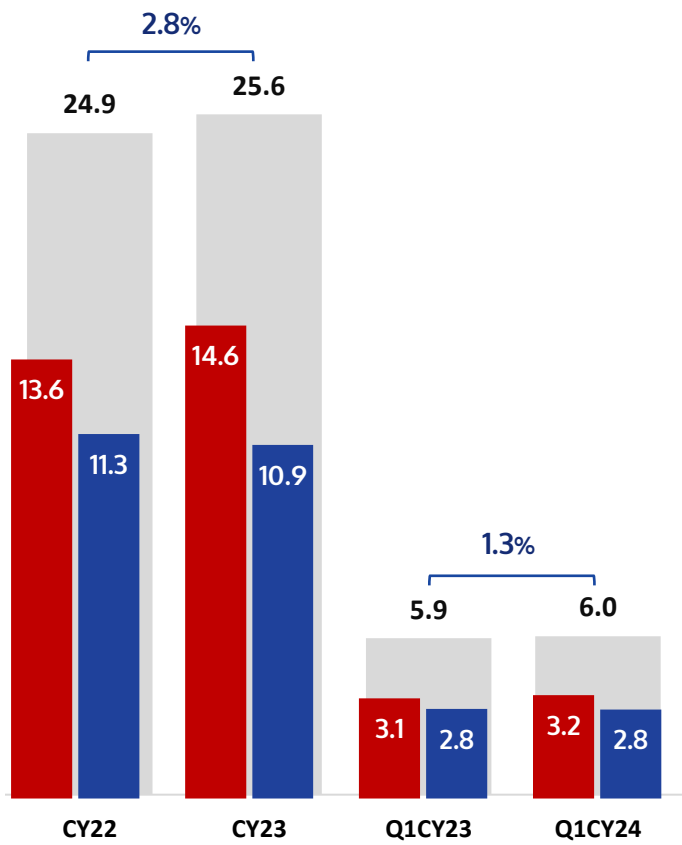
(In Million Tons)



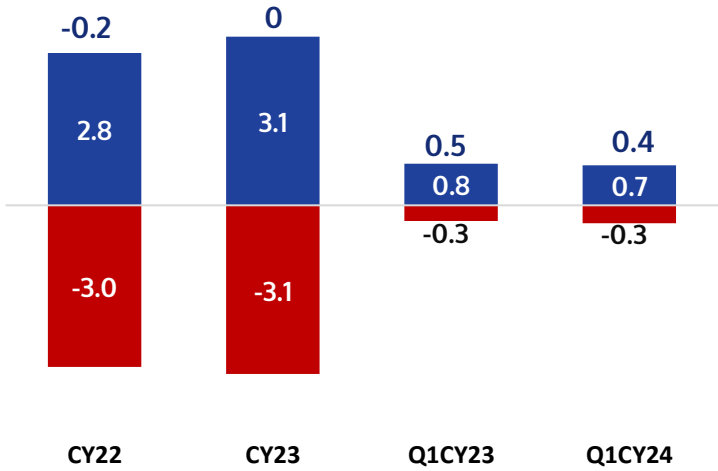
Production



Consumption



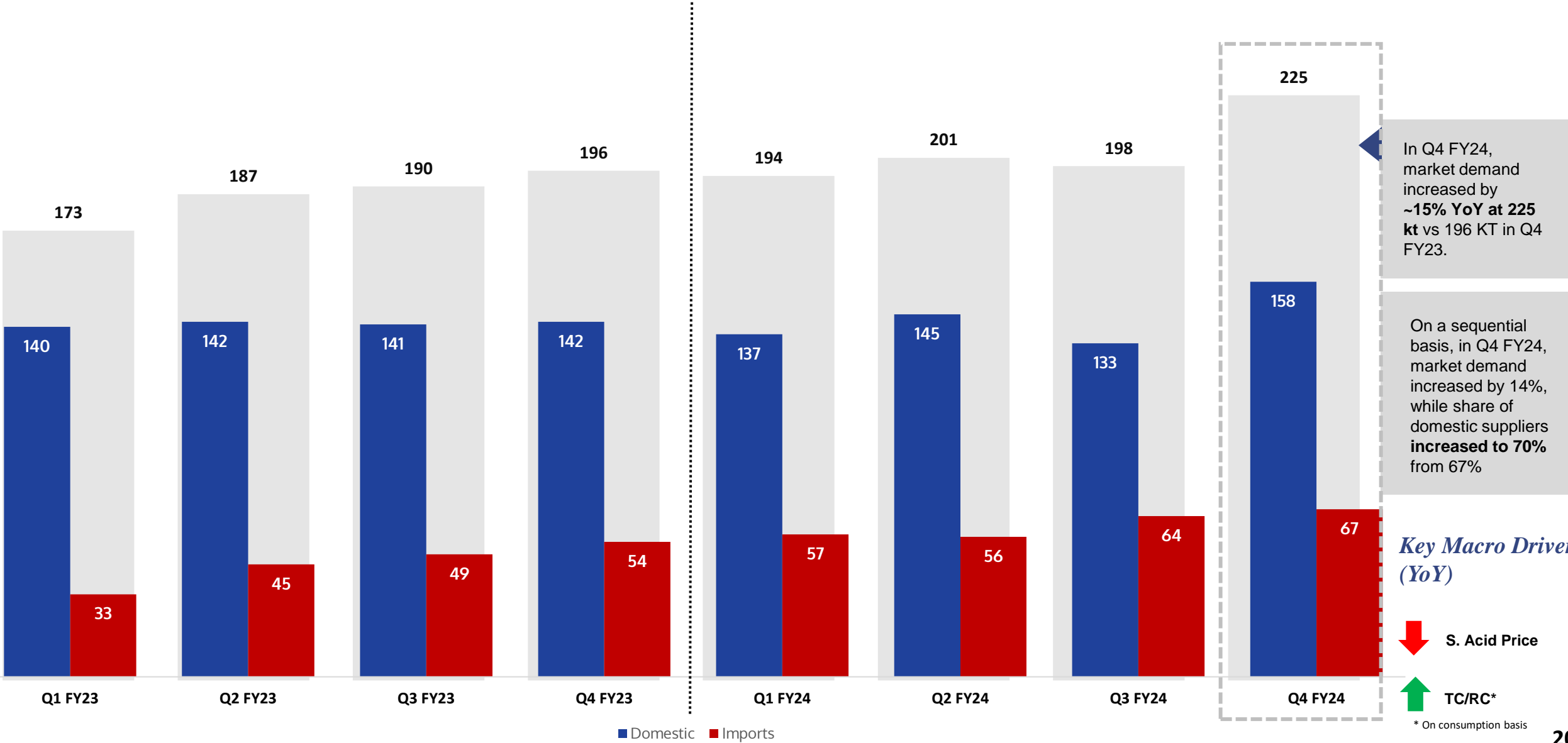
Metal Balance



China Rest of the World

Domestic Refined Copper Demand

(In Kilo Tons)



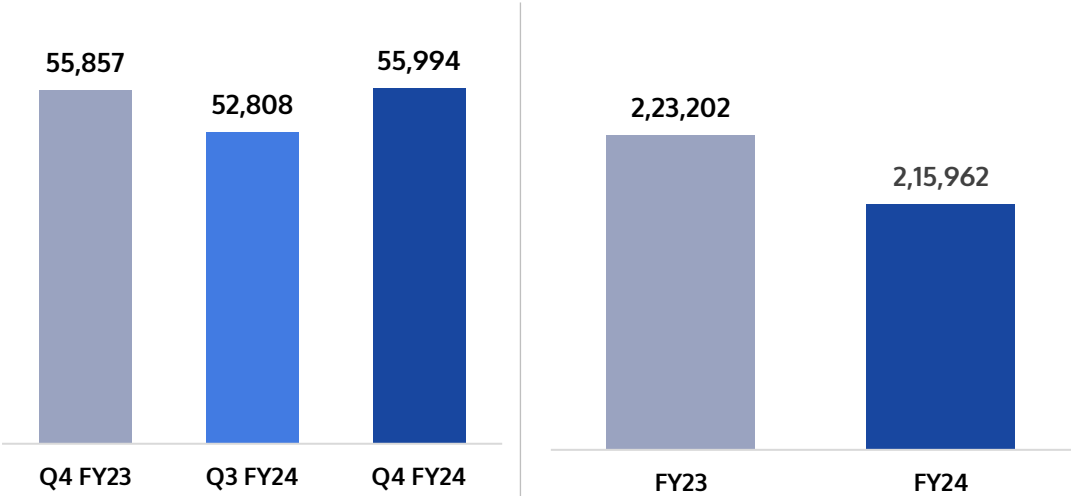
Q4 FY24 EARNINGS



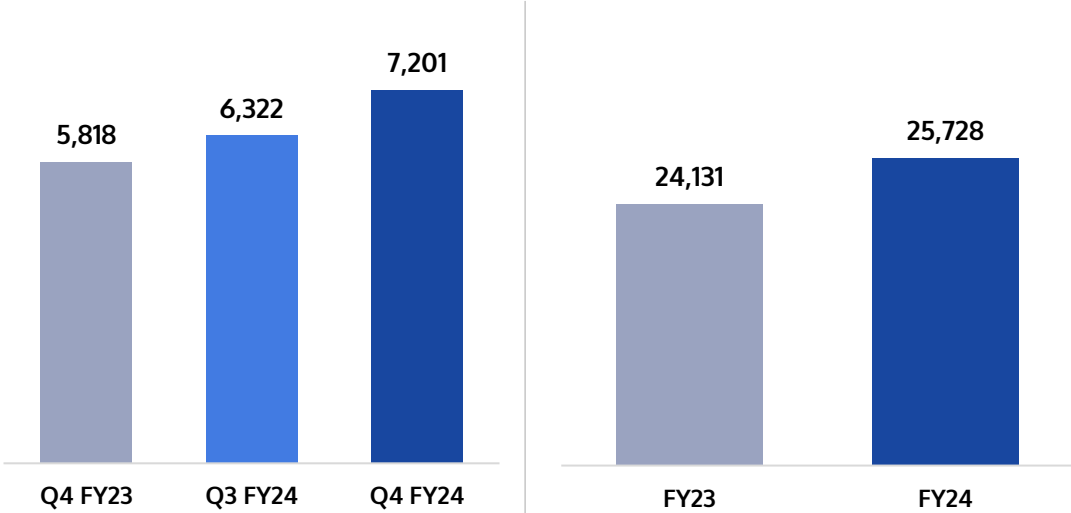
Consolidated *Financial Performance*



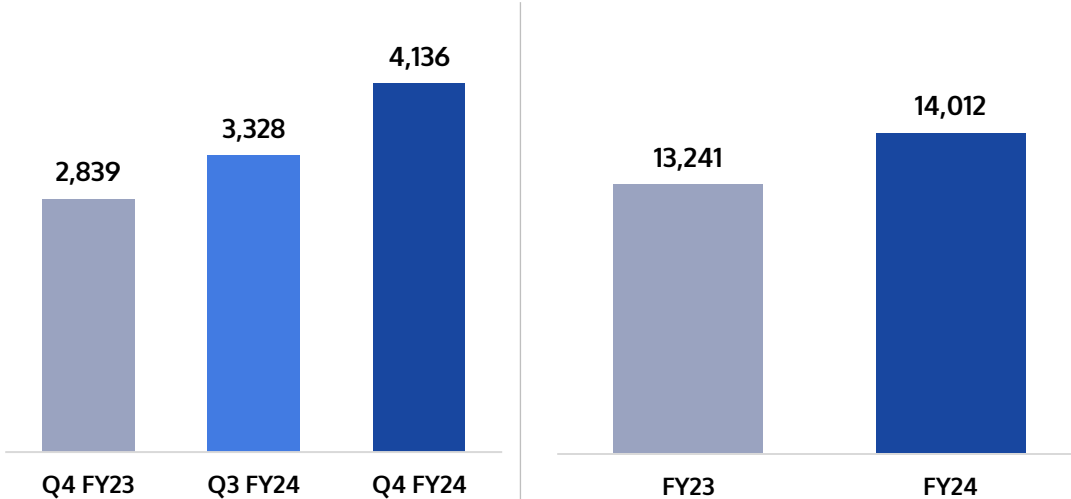
Revenue (₹ Crore)



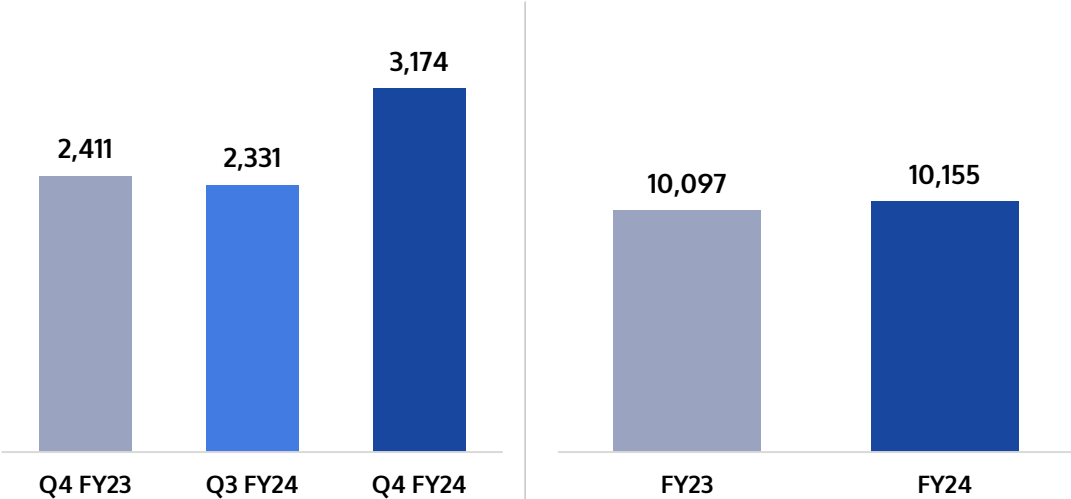
EBITDA (₹ Crore)



PBT after Exceptional Items (₹ Crore)



Profit after Tax (₹ Crore)

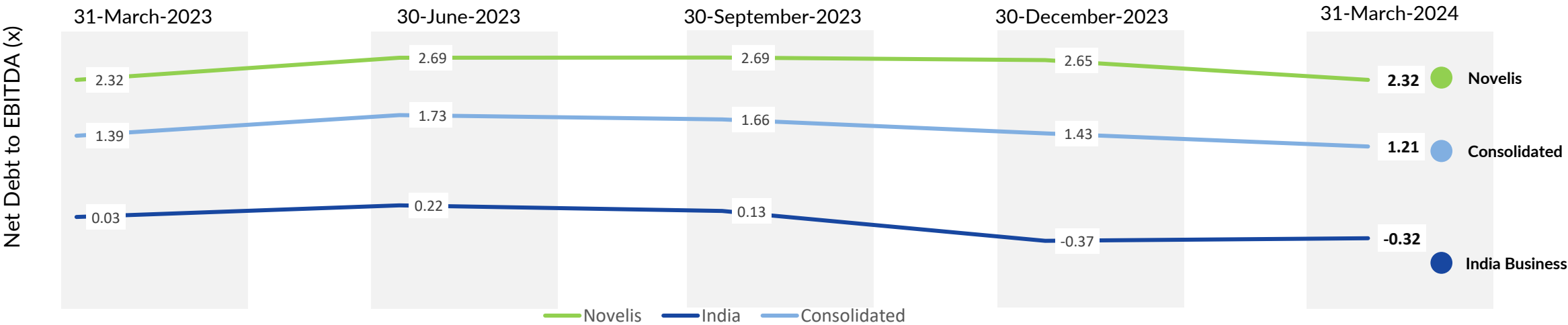




Consolidated Debt (₹ Crore)

Particulars (Consolidated)	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24
Gross Debt	58,337	57,382	56,578	53,402	54,501
Treasury Balance	24,378	18,919	18,965	18,566	22,965
Net Debt	33,959	38,463	37,613	34,835	31,536
TTM Adjusted Segment EBITDA	24,484	22,218	22,658	24,430	26,121

Leverage (x)



Q4 FY24 EARNINGS



Novelis *Performance*

Novelis has made significant progress across all it's business segments



Shipments at 951 KT ,up 2% YoY primarily due to increased demand for beverage packaging sheet



Increased Recycled content in FY24 at 63% vs 61% in FY23



Overall steady to improving demand trends across all product segments



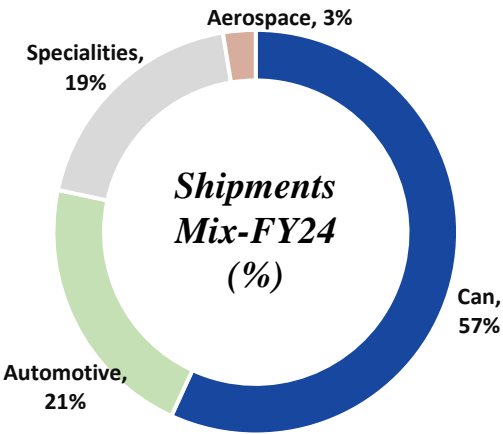
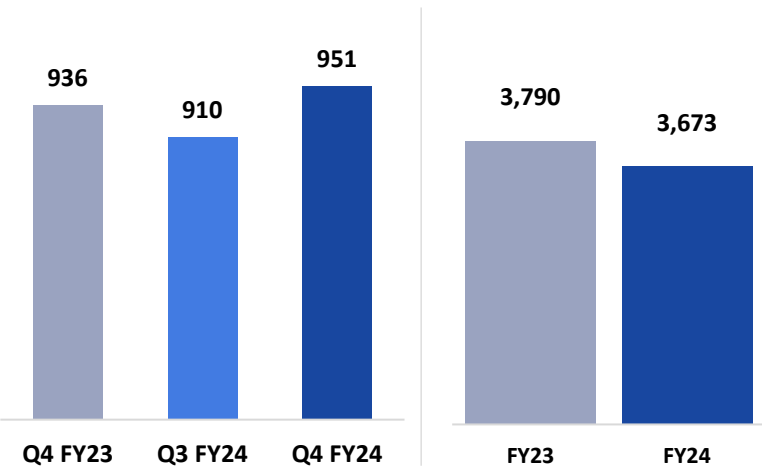
Record full year automotive shipments at 21% of overall shipments

Expansion projects on track*



- \$4.1 billion**
Greenfield rolling & recycling facility
Bay Minette, US
- \$365 million**
Automotive recycling centre
Guthrie,US
- \$65 million**
Recycling expansion
Ulsan, South Korea
- \$150 million**
Debottlenecking & rolling capacity release investment at Logan

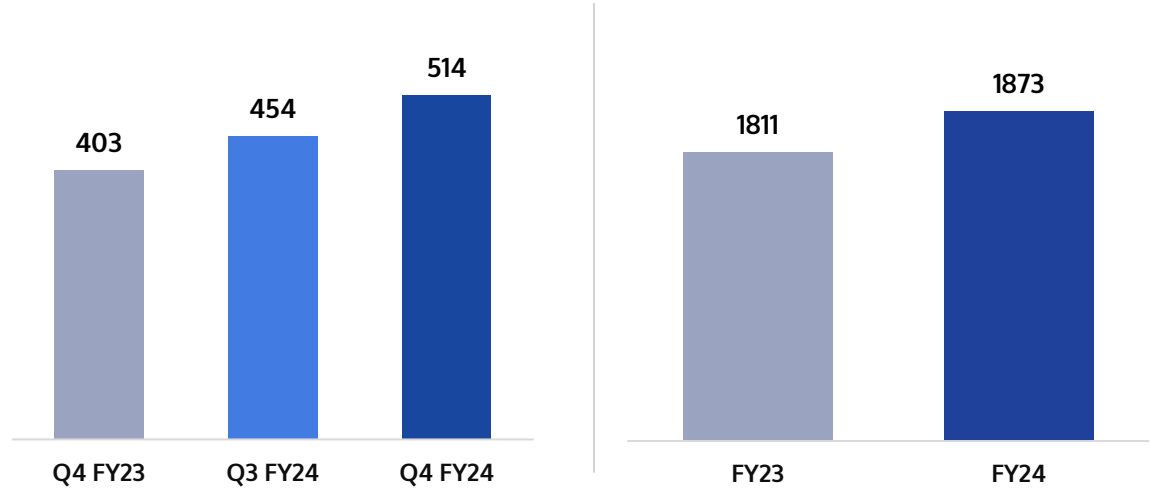
Overall Shipments (KT)





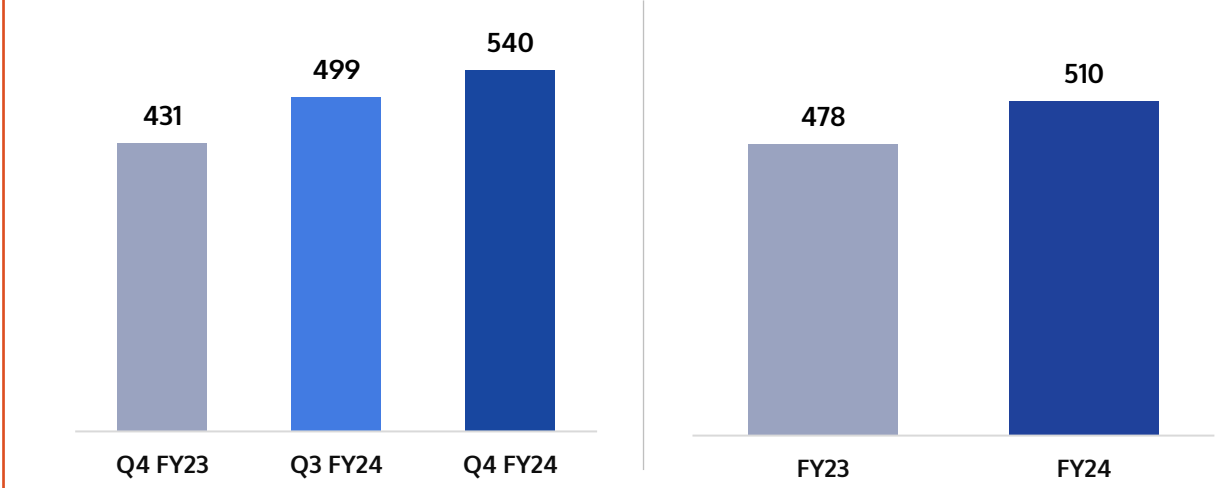
Adjusted EBITDA (\$ Million)

In Q4 FY24, up 28% YoY, significant improvement was driven by favorable metal benefit from recycling and lower operating costs



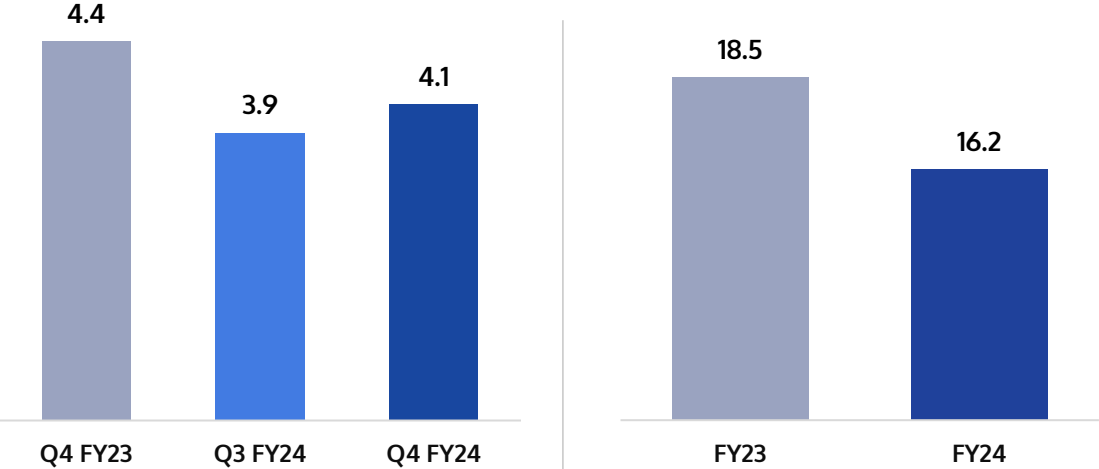
Adjusted EBITDA per tonne (\$/tonne)

Q4 FY24, up 25% YoY



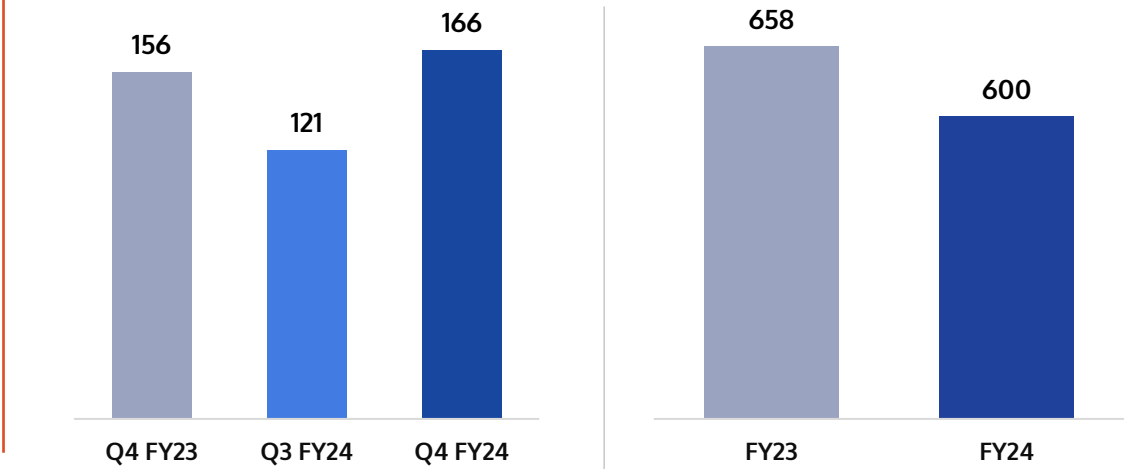
Revenue (\$ Billion)

In Q4 FY24, down 7% YoY, impacted by lower average aluminum prices and partially offset by higher total shipments



Net Income attributable to common shareholder (\$ Million)

In Q4 FY24, up 6% YoY



Note: All the figures mentioned are as per the US GAAP



Q4 FY24 EARNINGS

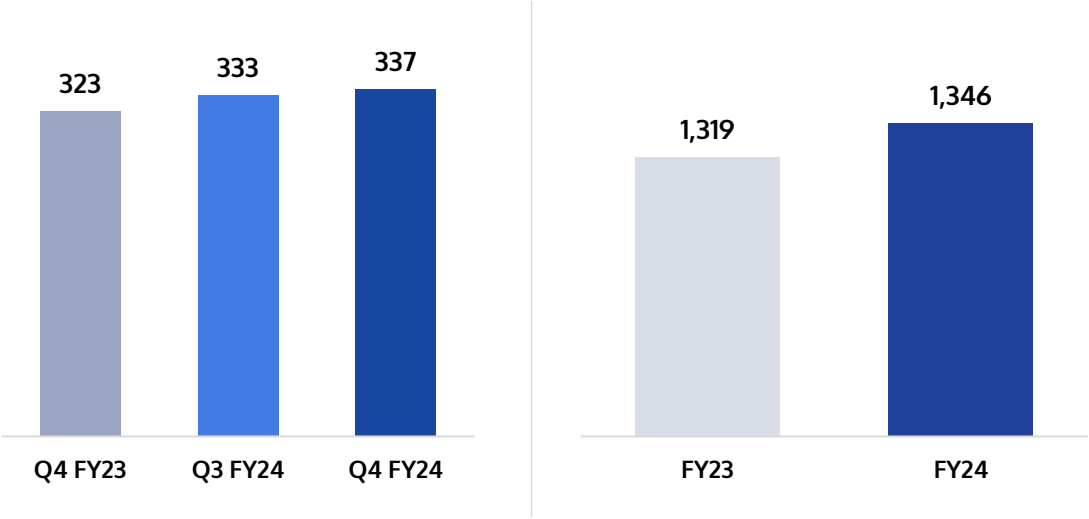


Aluminium *Upstream Performance*



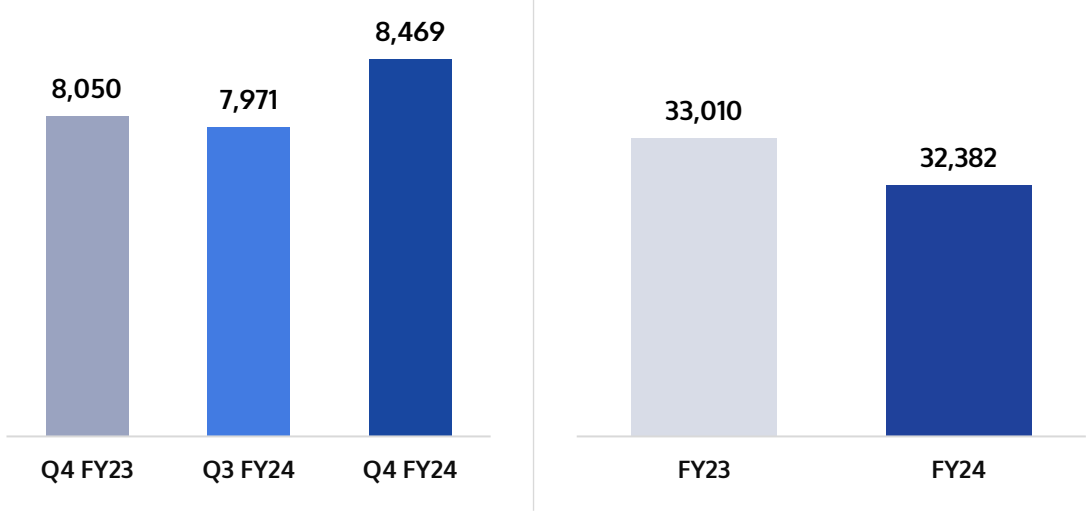
Shipments (KT)

In Q4FY24 up 4% YoY



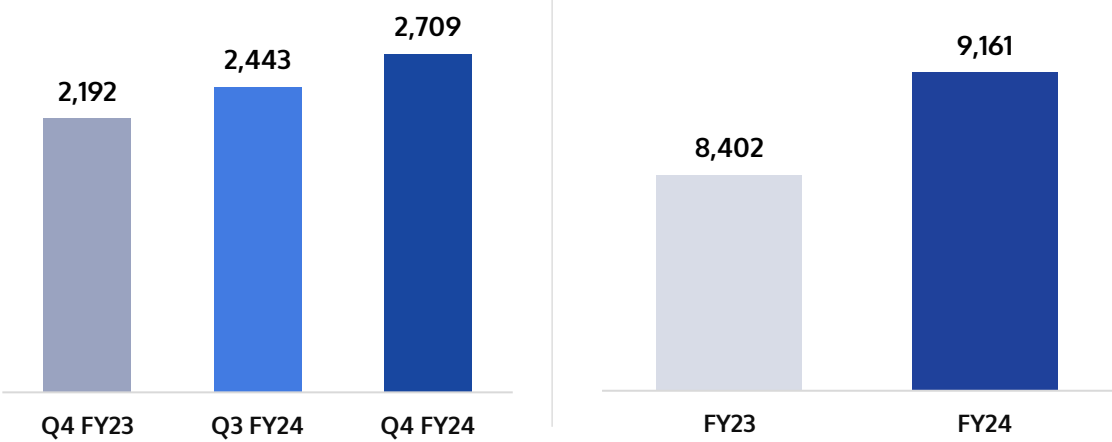
Revenue (₹ Crore)

In Q4FY24 up 5% YoY due to higher shipments



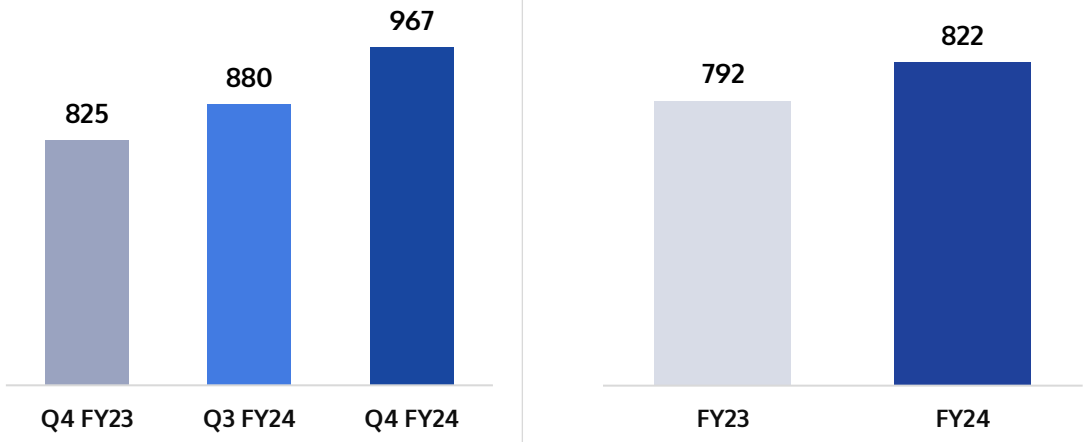
EBITDA (₹ Crore)

In Q4FY24 EBITDA, up 24% YoY backed by lower input cost and higher shipments, Margins at 32% Vs 27.2% in Q4FY23



EBITDA (\$/Ton)

In Q4FY24, up 17% YoY





Q4 FY24 EARNINGS



Aluminium *Downstream Performance*

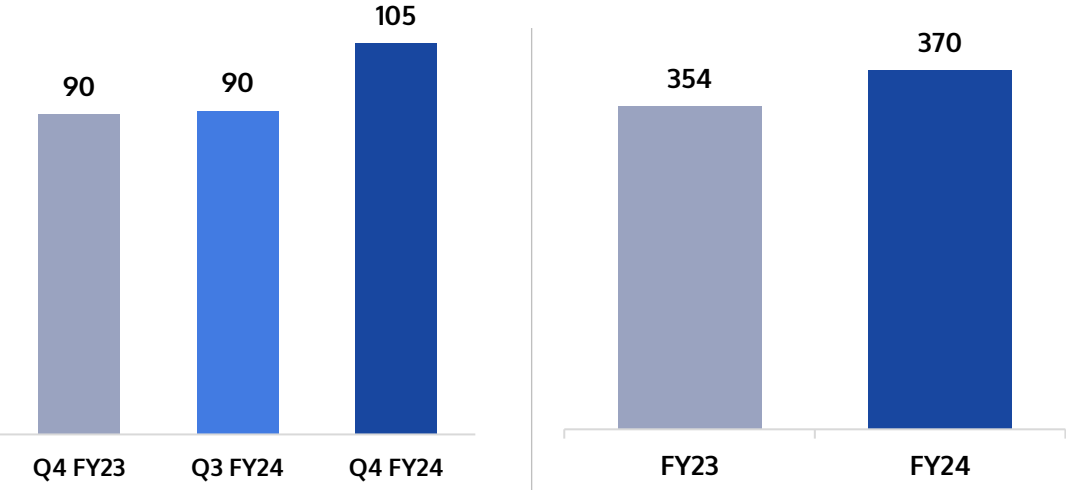
includes Flat Rolled Products, Foils & Extrusions

Operational and Financial Performance



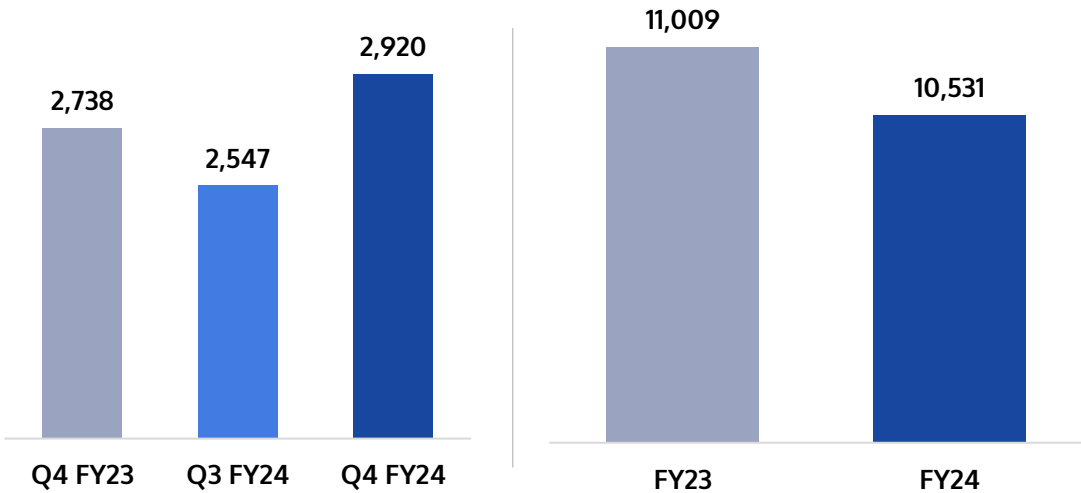
Shipments (KT)

In Q4 FY24, up 17% YoY on account of market recovery



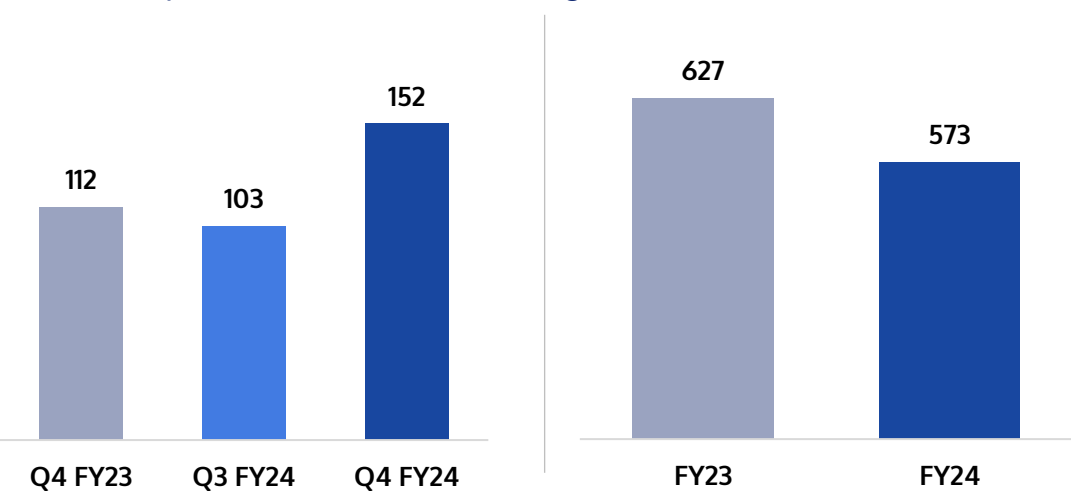
Revenue (₹ Crore)

IN Q4 FY24, up by 7% YoY on account of higher volumes.



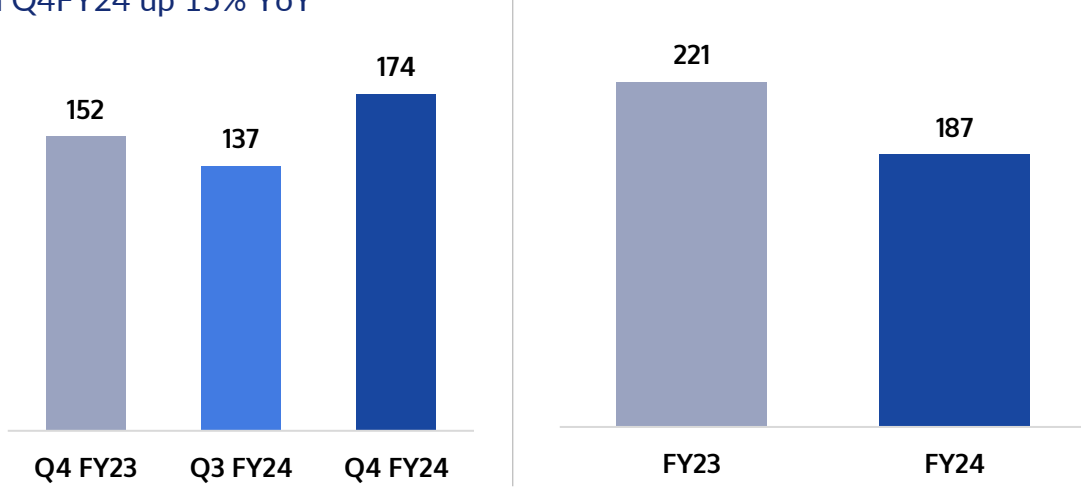
EBITDA (₹ Crore)

In Q4FY24, up 36% YoY, on account of higher volumes



EBITDA (\$/Ton)

in Q4FY24 up 15% YoY



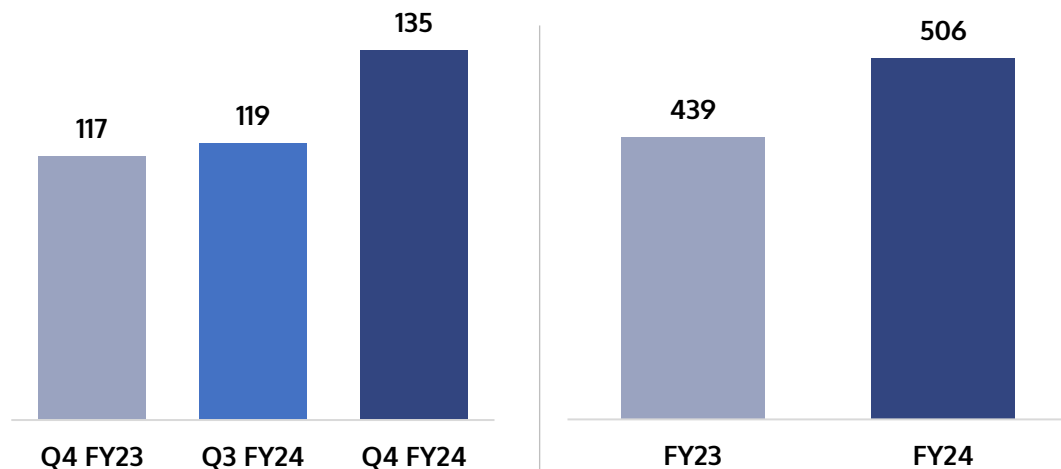
Q4 FY24 EARNINGS



Copper *Performance*

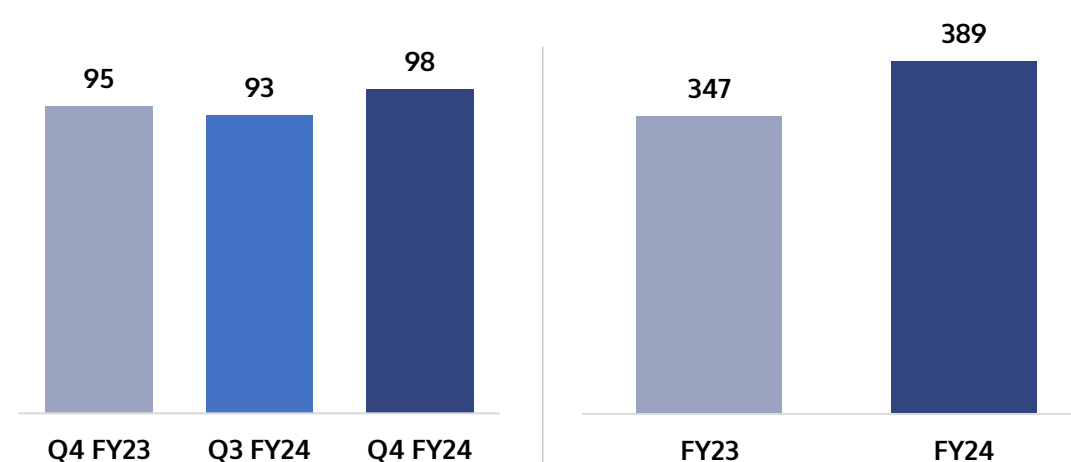
Shipments: Metal (KT)

In Q4FY24 metal shipments was at record 135 KT up 16% YoY



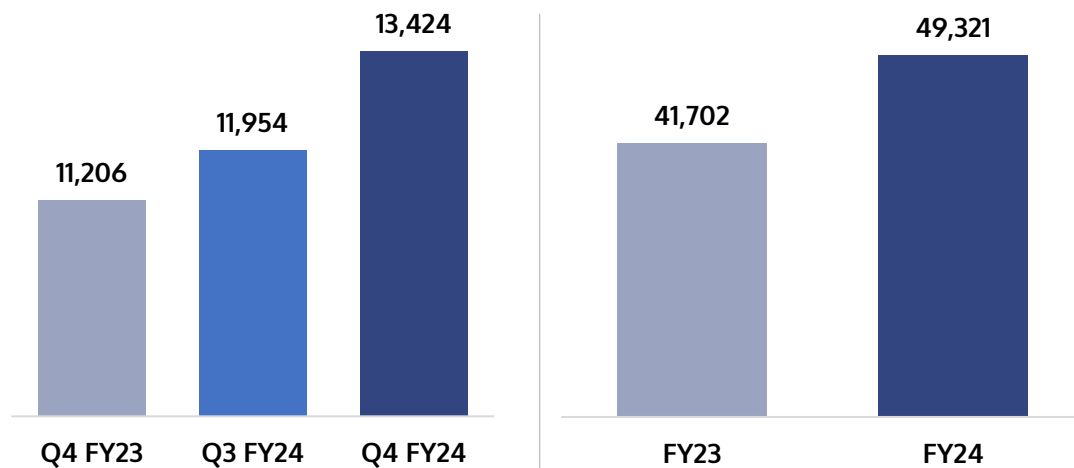
Shipments: CC Rods (KT)

in Q4 FY24, up 3% YoY



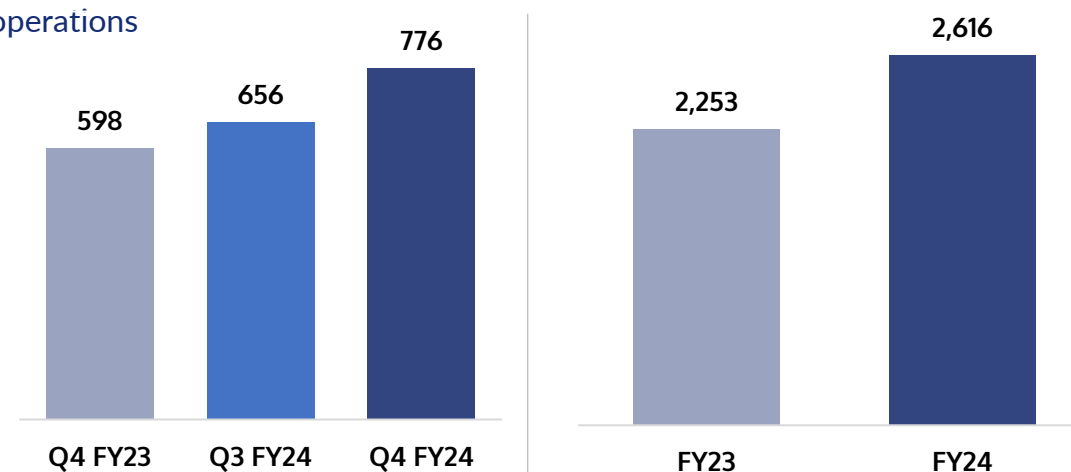
Revenue (₹ Crore)

in Q4FY24 up 20% YoY, on account of higher shipments and realisation



EBITDA (₹ Crore)

Record EBITDA in Q4 FY24, up 30% YoY on account of higher volumes and stable operations





Q4 FY24 EARNINGS



Awards & Recognition

Awards & Recognitions FY 2023-24

Awards &
Recognitions



Hindalco is in Top 10 of the 'Great Place to Work' list in Health and Wellness for 2024



Hindalco recognised among India's Best Workplaces™ in Manufacturing 2024 in Top 50



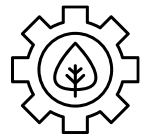
Hindalco is the Most Sustainable Aluminium Company in the world 4th year in a row as per S&P's DJSI ranking



Hindalco wins Energy Transition Changemaker Award at COP28 held in Dubai



Samri & Bagru Bauxite Mines awarded International Safety Award by British Safety Council, UK



Aditya bags F&S Sustainability 4.0 award (Platinum certificate of merit in sustainability) from Frost & Sullivan



Renukoot bags 1st prize in National Energy Conservation Award 2023



Belagavi bags Gold in India Green Manufacturing Challenge 2023 (IGMC) from International Research Institute for Manufacturing



Q4 FY24 EARNINGS



Key Takeaways

Novelis

*delivered
\$540 EBITDA/ton in Q4*



Novelis reflecting a stronger recovery
Record full year automotive shipments



Bay Minette project is on track and to be completed in 2H CY26



All time high EBITDA in Q4 FY24



Focus on VAP expansion with its India's first Upcoming Inner Grooved Tubes facility



India's first Copper and E-waste recycling project on track

Copper continues to deliver record performance





Resilient
India
Business



Strong balance sheet,
an enabler for organic
growth



Resource securitization and
India downstream expansion
for enhanced margins in focus



Consolidated Net Debt
to EBITDA at 1.21x as
on 31st March 2024



Achieved 57% target of
2025 with Renewables
reaching 173 MW in
India

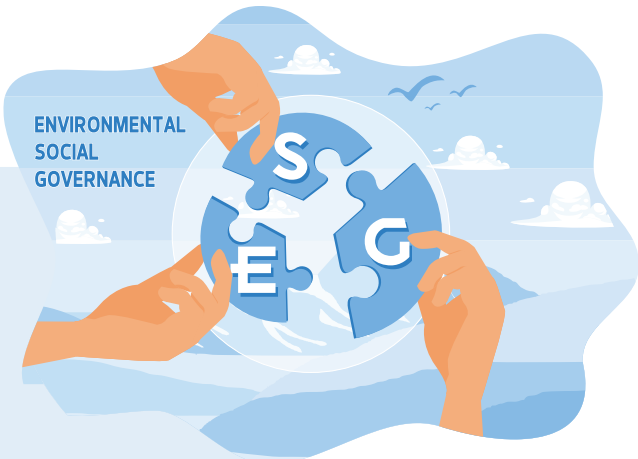


Hindalco listed among the top
1% in the aluminium industry in
The S&P global (DJSI)
Sustainability Yearbook 2024



Won Energy Transition
Changemaker Award at
COP28

Focus
on ESG





*All Organic
Expansion
Projects on
track*

All committed organic growth projects of ~\$4.9 billion in Novelis & ~\$2.0 billion projects in Hindalco India are on track



Shift from metal manufacturer to a solution provider



Committed to maintain strong balance sheet



Continue to focus on shareholder value creation



Our way forward...

HINDALCO

INDUSTRIES LIMITED

*Thank
You*



Corporate Identity No.
L27020MH1958PLC011238

For Further Queries Please Contact :

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- 🌐 E mail: hindalco@adityabirla.com

Consolidated : Key Financials

Financials

Consolidated



Particulars (₹ Crore)	Q4 FY23	Q3 FY24	Q4 FY24	Change YoY %	QoQ Change %	FY23	FY24	Change YoY %
Revenue from Operations	55,857	52,808	55,994	0%	6%	2,23,202	2,15,962	-3%
Earning Before Interest, Tax, Depreciation & Amortisation (EBITDA)								
<i>Novelis*</i>	3,314	3,783	4,270	29%	13%	14,543	15,507	7%
<i>Aluminium Upstream</i>	2,192	2,443	2,709	24%	11%	8,402	9,161	9%
<i>Aluminium Downstream</i>	112	103	152	36%	48%	627	573	-9%
<i>Copper</i>	598	656	776	30%	18%	2,253	2,616	16%
Business Segment EBITDA	6,216	6,985	7,907	27%	13%	25,825	27,857	8%
<i>Inter Segment Profit/ (Loss) Elimination (Net)</i>	(58)	(47)	(2)			414	(60)	
<i>Unallocable Income/ (Expense) - (Net) & GAAP Adjustments</i>	(340)	(616)	(704)			(2,108)	(2,069)	
EBITDA	5,818	6,322	7,201	24%	14%	24,131	25,728	7%
Finance Costs	986	944	888	-10%	-6%	3,646	3,858	6%
PBDT	4,832	5,378	6,313	31%	17%	20,485	21,870	7%
Depreciation & Amortisation (including impairment)	1,995	2,051	2,176	9%	6%	7,294	7,881	8%
Share in Profit/ (Loss) in Equity Accounted Investments (Net of Tax)	2	1	(1)			9	2	
Profit before Exceptional Items and Tax	2,839	3,328	4,136	46%	24%	13,200	13,991	6%
Exceptional Income/ (Expenses) (Net)	-	-	-			41	21	
Profit Before Tax (After Exceptional Item)	2,839	3,328	4,136	46%	24%	13,241	14,012	6%
Tax	428	997	962			3,144	3,857	
Profit/ (Loss) After Tax	2,411	2,331	3,174	32%	36%	10,097	10,155	1%
<i>EPS (₹/Share) - Basic</i>	<i>10.85</i>	<i>10.50</i>	<i>14.29</i>			<i>45.42</i>	<i>45.71</i>	

* As per the US GAAP

Hindalco (India) Business : Key Financials

Particulars (₹ Crore)	Q4 FY23	Q3 FY24	Q4 FY24	YOY Change %	QoQ Change%	FY23	FY24	Change %
Revenue from Operations	20,444	20,766	22,930	12%	10%	78,570	85,029	8%
EBITDA								
Aluminium - Upstream	2,192	2,443	2,709	24%	11%	8,402	9,161	9%
Aluminium - Downstream	112	103	152	36%	48%	627	573	-9%
Copper	598	656	776	30%	18%	2,253	2,616	16%
Business Segment EBITDA	2,902	3,202	3,637	25%	14%	11,282	12,350	9%
Inter Segment (Profit)/ Loss Elimination (Net)	(58)	(47)	(2)			414	(60)	
Unallocable Income/ (Expense) (Net)	(268)	(338)	(295)			(1,122)	(1,095)	
EBITDA	2,576	2,817	3,340	30%	19%	10,574	11,195	6%
Finance Costs	339	319	264	-22%	-17%	1,381	1,276	-8%
PBDT	2,237	2,498	3,076	38%	23%	9,193	9,919	8%
Depreciation	617	591	604	-2%	2%	2,352	2,381	1%
Profit before Exceptional Items and Tax	1,620	1,907	2,472	53%	30%	6,841	7,538	10%
Exceptional Income/ (Expenses) (Net)	-	-	-			41	21	
Profit Before Tax (After Exceptional Item)	1,620	1,907	2,472	53%	30%	6,882	7,559	10%
Tax	448	673	509			1,807	2,180	
Profit/ (Loss) After Tax	1,172	1,234	1,963	67%	59%	5,075	5,379	6%

Aluminium Business EBITDA

Particulars (in Rs Cr)	Q4 FY23	Q3 FY24	Q4 FY24	FY23	FY24
EBITDA - Upstream	2,192	2,443	2,709	8,402	9,161
EBITDA - Downstream	112	103	152	627	573
Intersegment Profit /(Loss) Elimination (Net)	(58)	(47)	(2)	414	(60)
Metal Price Lag*	(17)	(9)	(29)	(393)	(171)
Aluminium Business EBITDA	2,229	2,490	2,830	9,050	9,503

* Part of the Unallocable Income/(Expense) (Net)

Aluminium Sales Reconciliation

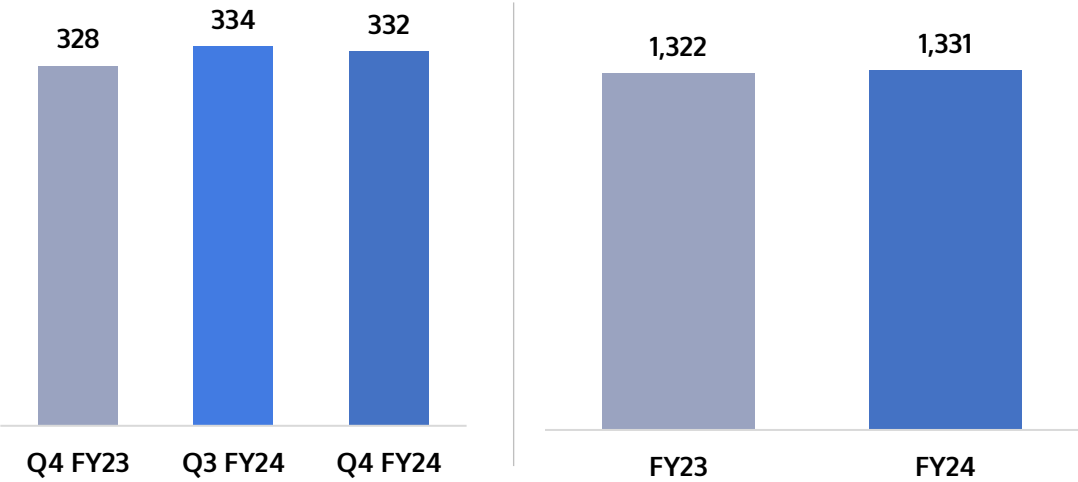
Particulars (in Kt)	Q4 FY23	Q3 FY24	Q4 FY24	FY23	FY24
Upstream - Sales Third Party (A)	251	254	248	996	1,002
Intersegment Sales #	72	79	89	323	344
Total Upstream Shipments	323	333	337	1,319	1,346
Downstream Third Party Sales (B)	90	90	105	354	370
Total Third Party Sales (A)+(B)	341	344	353	1,350	1,372

#Note : The numbers of prior quarters have been re-instated accordingly for a comparative analysis

Production Trends

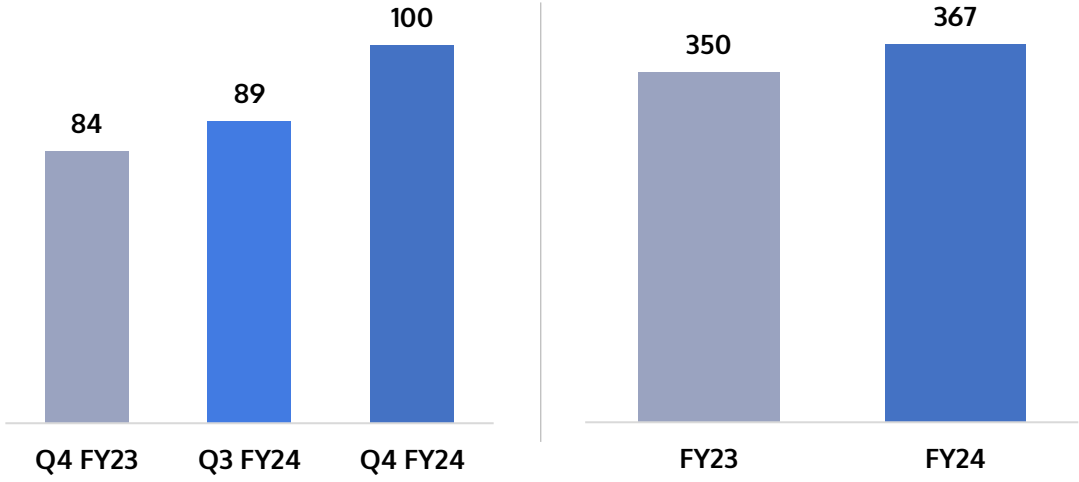
Aluminium Upstream (KT)*

In Q4FY24, down 1% YoY



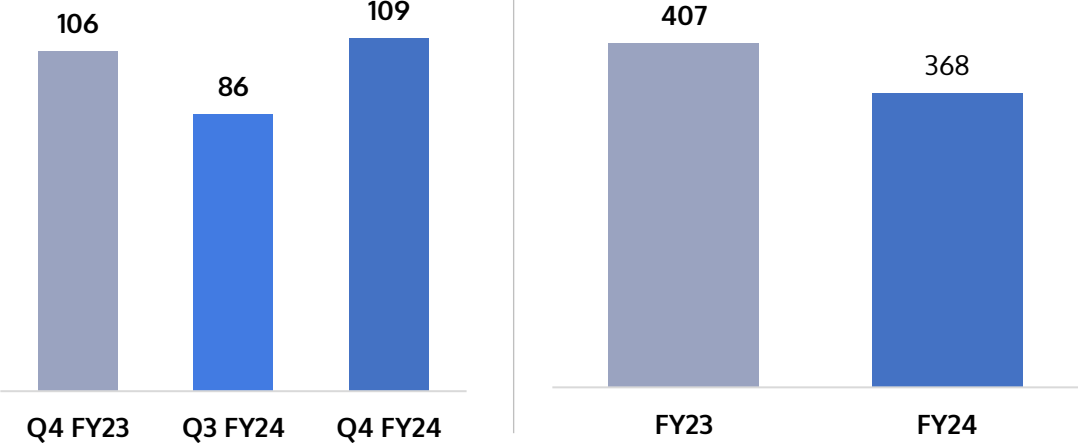
Aluminium Downstream# (KT)*

In Q4FY24, up 18% YoY



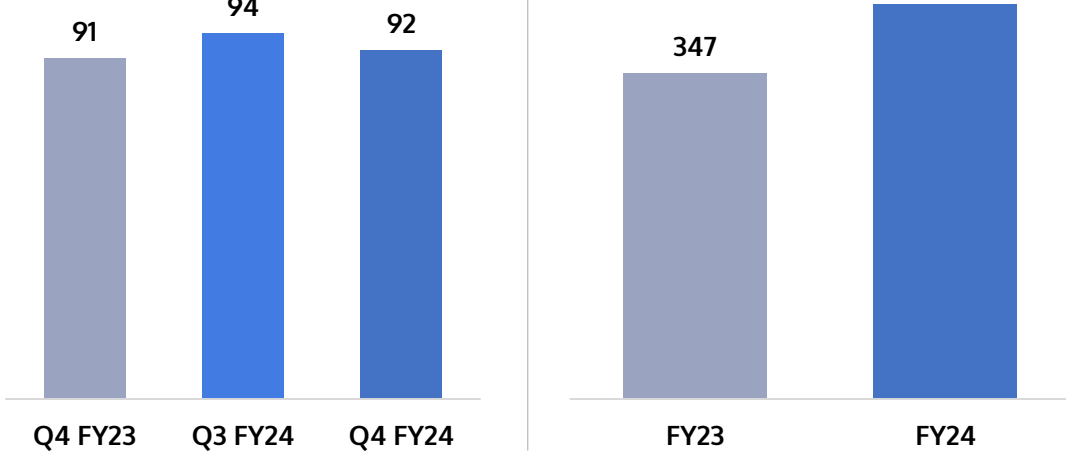
Copper Cathode (KT)

In Q4FY24, up 4% YoY



Copper Rods (KT)

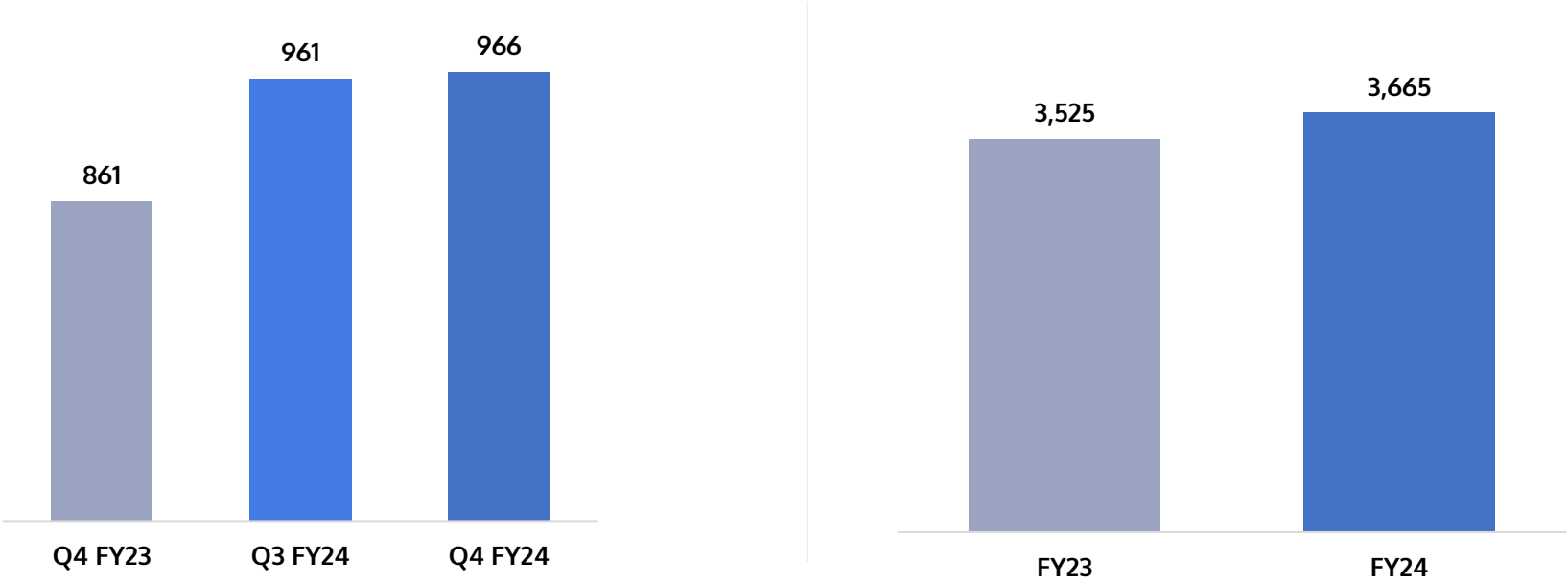
In Q4FY24, up 1% YoY



includes Flat Rolled Products & Extrusions
*Note : The numbers of prior quarters have been re-instated accordingly for a comparative analysis



Alumina* (KT)



- Total Alumina production was up 12% YoY
- Of this production at Utkal Alumina refinery at 648 KT in Q4 FY24, up 16% YoY

*Hydrate as Alumina

Q4 FY24 : Earnings Concall

Earnings Conference Call is scheduled at 4:00 PM (IST) on May 24, 2024. The dial in numbers for the call are given below

Location:	ACCESS NUMBER
<u>Universal Access (India)</u>	
Primary Number	(+) 91 22 6280 1303
Secondary Number	(+) 91 22 7115 8204
<u>International TollFree Numbers</u>	
USA	(+) 1 866 746 2133
UK	(+) 080 810 11573
Singapore	(+) 800 101 2045
Hong Kong	(+) 800 964 448
<u>Online Pre-Registration Link</u>	
Click Here	
Investor Presentation post announcement of the results (link)	
Reports and Presentations – Hindalco	
Post Earnings Call Recording (link)	