

Vedanta Resources Limited

S&P Global Upgrades Vedanta Resources to 'B-' from 'CCC+' On Improving Capital Structure & Liquidity

- *VRL has been significantly deleveraging its balance sheet leading to robust a capital structure that supports sustainable growth over the long-term.*
- *S&P estimates Vedanta Resources Limited (VRL) EBITDA for fiscals 2025 and 2026 to be in the range of US\$5.5 billion - US\$6.0 billion annually.*
- *Upgrade in Credit Rating factors that VRL has sufficient internal resources to meet debt maturities until December 2025*
- *Estimate that the debt at the Vedanta Resources level could decline by another US\$1 billion to about US\$4.5 billion over the next 12 months: S&P*

London, July 25: Vedanta Resources Limited (“VRL or the company”), world’s leading natural resources, energy and technology conglomerate today announced that S&P Global Ratings (“S&P”) has upgraded its ratings from 'CCC+' to 'B-' citing the company’s improving capital structure and liquidity while assigning a stable outlook.

The rating upgrade reflects VRL’s strong credit profile with a long-standing record of delivering superior performance and healthy free cash flows. VRL has been significantly deleveraging its balance sheet leading to a robust capital structure that supports sustainable growth over the long-term. S&P revised its estimates on VRL’s earnings, estimating the EBITDA for fiscals 2025 and 2026 to be in the range of US\$5.5 billion - US\$6.0 billion annually.

The ratings agency also estimates the debt at the Vedanta Resources level to decline by another US\$1 billion to about US\$4.5 billion over the next 12 months. It also estimates interest expenses at the Vedanta Resources level to drop to US\$550 million–US\$600 million by the end of fiscal 2025 (ending March 31, 2025).

S&P noted in its research update that VRL has adequate internal funds to meet US\$1.4 billion of debt maturities due by end 2025. The stable outlook reflects our view that the company will proactively address the maturity of US\$1.2 billion of debt in April 2026, the firm said in its research update.

Key factors noted by S&P in its research update include:

- VRL's strengthening cash flow position and the recent increase in the valuation of Vedanta Ltd. shares improve funding flexibility.
- VRL’s earnings are benefitting from favorable product prices and cost reduction initiatives, particularly in the aluminum business.
- S&P expects zinc EBITDA to increase about 25% and that for aluminum almost 50% in fiscal 2025.



Vedanta Resources Ltd.
30 Berkeley Square
London, W1J 6EX
Tel: +44 (0) 20 7499 5900
Fax: +44 (0) 20 7491 8440
www.vedantaresources.com

About Vedanta Resources Limited:

Vedanta Resources Limited (“Vedanta”), headquartered in London, and a former FTSE 100 company is a diversified global natural resources, energy and technology company spanning across India, South Africa, Zambia, Saudi Arabia, UAE, South Korea, Taiwan, Japan, Namibia and Liberia. Its portfolio includes Zinc (world’s largest integrated producer), Aluminium (India’s largest producer of primary aluminium), Oil & Gas (India’s largest private producer of crude), Silver (3rd largest producer globally), Copper, Iron Ore & Steel, battery metals: Nickel (India’s sole nickel producer) & Cobalt and Commercial Energy.

For more information on Vedanta Resources, please visit www.vedantaresources.com

For any media queries, please contact:

Sukanti Ghosh,
President Global Policy and Communications, Vedanta Resources:
E: sukanti.ghosh@vedantaresources.com /
M: +44.7455.778.164

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