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1st November 2022

VEDANTA RESOURCES LIMITED
(Vedanta or the Company)

Vedanta Resources Ltd is extremely disappointed to note the rating action by Moody's Investor Services (Moody's) on 31st October 2022 and completely disagrees with the articulations and inconsistent views of Moody's.

Vedanta is in a very comfortable position to address all its debt maturities with a strong balance sheet, robust liquidity at its operating subsidiaries and strong track record of raising funds through relationship banks. Even after applying Moody's criteria, we see no rationale for a downgrade along with a Negative outlook. Moody's assumptions around refinancing is excessively pessimistic and ignores Vedanta's superior track record of raising funds from multiple sources across domestic and international markets.

The concerns raised are far-fetched and unreasonable and we see no credence having been given to:

- ~\$1.3 bn debt reduction during the H1FY23, which is well ahead of the committed plan to deleverage by \$4 bn over the next three fiscals
- Strong track record of long-term fund raising (~\$1 bn at Vedanta and ~\$1.5 bn at VEDL in H1FY23) even during current challenging macro environment
- A firm plan in place to address all upcoming debt maturities for the next 12 months
- Strong operating profitability underpinned by our diversified and low-cost tier 1 assets. This is also demonstrated by robust free cash flow generation (pre-capex) of \$1.1 bn at operating subsidiaries in Q2
- Robust liquidity with consolidated cash balances at ~\$3.5 bn as on 30th September 2022 which would further be augmented through healthy free cash flow generation in H2FY23

Moody's has ignored Vedanta's repeated explanations and liability management plans and made its rating action based on unreasonable and subjective assessment. There have also been new expectations created in the current release which were not previously discussed with our leadership team. Further, the release is inconsistent with Moody's own previous articulations which are in the public domain.

Vedanta believes that Moody's current rating action is completely unwarranted and has unnecessarily created confusion amongst investors, whereas Vedanta remains well positioned with an outstanding track record of proactive balance sheet management and creating value for all its stakeholders.

Vedanta Resources Ltd

Registered Office: 8th Floor, 20 Farringdon Street, London, EC4A 4AB

Registered in England & Wales No. 4740415



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About Vedanta Resources

Vedanta Resources Limited (“Vedanta”) is a diversified global natural resources company. The group produces aluminium, copper, zinc, lead, silver, iron ore, oil & gas and commercial energy. Vedanta has operations in India, Zambia, Namibia and South Africa. With an empowered talent pool globally, Vedanta places strong emphasis on partnering with all its stakeholders based on the core values of trust, sustainability, growth, entrepreneurship, integrity, respect and care. For more information on Vedanta Resources, please visit www.vedantaresources.com

Disclaimer

This press release contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “should” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and/or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different that those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements

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