



"John Cockerill India Limited Q1 Calendar Year 2025 Earnings Conference Call"

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Moderator: Ladies and gentlemen, good day and welcome to the Q1 Calendar Year 2025 Earnings Conference Call of John Cockerill India Limited.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Francois David Martino, Chairman of John Cockerill India Limited. Thank you and over to you, sir.

Francois David Martino: Good evening, everyone. Thank you for joining us today for the Quarter 1 Fiscal Year 2025 Earnings Conference Call of John Cockerill India Limited.

I am pleased to welcome our Managing Director – Mr. Michael Kotas and our Chief Financial Officer – Mr. Marc Dumont, who are both with us on the call. We are also joined by our investor relations partner, Strategic Growth Advisors, SGA.

Our “Earnings Results” and “Investor Presentation” have been uploaded to the stock exchange and our website. We hope you have had a chance to review them.

As this marks our first ever earning call, I would like to take a moment to briefly introduce the John Cockerill Group, Share an Overview of the Industry Landscape and then walk you through JCIL's Performance Highlights for Q1 of Calendar Year 2025.

Headquartered in Belgium, the John Cockerill Group is a global provider of large scale technological solutions, operating in 29 countries, with an annual turnover of approximately Euro 2 billion.

Our solutions span across key sectors such as Defense, Industry, Energy, Hydrogen and Services.

Our innovation plays a critical role in enabling access to fossil-free energy, supporting sustainable industrial development, advancing clean mobility, enhancing security and resilience, facilitating the development of critical infrastructure.

Within the group's industrial vehicles, our metal business caters to steelmakers through three key segments.

1. Processing and Rolling - This segments deliver cutting edge technologies for downstream steel manufacturing, including pickling lines, annealing lines, galvanizing lines, acid regeneration plants and color coating lines.

We are also introducing Jet Vapor Deposition (JVD) technology into offering - a next-generation coating process that enables ultra thin, high performance metallic coatings with superior adhesion and environmental benefit.

JVD represents a significant leap forward, allowing our customers to achieve improved product quality while reducing environmental impacts, strengthening our position as a technology leader in advanced steel processing solutions.

2. Services and efficiency - Focused on enhancing plant performance, this segment provides maintenance, upgrades, energy optimization, spare parts and repair services, ensuring sustained productivity and operational excellence.

Third one is Iron & Steel making - The newest and most transformative addition to our portfolio. This segment is centered on enabling green primary steel production. It features Volteron, a breakthrough zero emission iron electrolysis technology that redefines how iron is produced by eliminating the need for traditional carbon intensive methods.

Volteron represents a significant leap forward in decarbonizing upstream steelmaking and positions the Group as a frontrunner in the global shift towards green steel.

JCIL is a strategic Center of Excellence for the Group's cold rolling mill complexes.

We are a market leader in the design, manufacturing and commissioning of advanced steel processing technologies. From reversible cold rolling mills to pickling, galvanizing and coating lines, we provide end-to-end solutions for some of India's most prominent steelmakers including Jindal, JSW, Tata and ArcelorMittal.

Operating out of Mumbai, JCIL has two manufacturing facilities in Maharashtra, our machining and assembly unit in Taloja and a fabrication facility in Hedavali.

Before we move to our long-term strategy, I want to make a moment to speak about our internal transformation, which is fundamental to how we create value going forward.

We view 2025 as a defining year for JCIL, a year of intentional, enterprise-wide transformation aimed at unlocking sustainable growth and improving return on capital. This transformation is not only

structural but also strategic and cultural focused on building a more agile performance driven and customer centric organization.

And here are the key areas where we are already making measurable progress.

Organizational realignment for efficiency and execution - We have completed a zero-based organization redesign for our engineering function and are extending this disciplined approach across sales, proposals, project management and operations. This initiative ensures we are fit for purpose, aligning to both our market opportunities and delivery capabilities.

Sharper commercial focus on order visibility - We have strengthened customer proximity through structured key account management and increased engagement. This has enhanced order pipeline visibility, allowing us to reforecast order entry more accurately and action every enquiry with accountability.

Cost leadership through VAVE - Our Value Analysis Value Engineering (VAVE) initiative has already delivered material cost reduction in cold mill projects. The phase-II targeting processing lines is expected to unlock further savings and margin improvement.

Revenue conversion and cash discipline - Unbilled revenue has been brought down to a minimal - an important milestone in working capital discipline. Project closures discussions have resumed with key clients such as PHP in Bangladesh and Santander in Spain, targeting early financial closure and faster cash realization.

Procurement optimization and supplier consolidation - Our purchasing team has established hard savings targets for both backlog and new orders. We have standardized payment terms and begun supplier consolidation, with confirmed spend reallocation to improve leverage and resilience in our supply base.

Inventory reduction and EBIT improvement - We have launched a stock optimization drive, resulting in meaningful reduction in inventory and contributing directly to higher EBIT performance. These are foundational moves to improve capital productivity.

Asset monetization underway - We are actively exploring the rental of our Mehta House property as part of our broader asset efficiency agenda.

Safety and Compliance as a core value - We continue to maintain an exemplary safety and compliance records. As we scale, we are reinforcing these foundations through increased safety training, rigorous audits and digital monitoring systems - ensuring that governance, compliance and workforce well-being remain non-negotiable pillars of our operating model.

Together, these initiatives are driving a step-change in operational rigor, capital discipline and commercial execution, strengthening our core while creating the foundation for scalable, profitable growth.

Let me now talk you through our long-term strategy anchored on four pillars:

#1. Capitalizing on India's growth story:

We aim to harness the momentum of India's infrastructure expansion and industrial growth, supported by increased capital expenditure and proactive government initiatives. These factors are expected to drive strong domestic demand for steel, prompting major steel producers to invest further in expanding their capacities and technological capabilities. As the fastest growing steel market globally, India remains a strategic priority and JCIL is poised to be a key growth engine for the John Cockerill group metal business. The Indian Government has reaffirmed its ambitious target of achieving a steel production capacity of 300 mmt annually by 2030, which will necessitate substantial investments from steel producers. In parallel, the government has outlined a phase road map for reducing carbon emissions in the steel sector, with the ultimate aim of achieving net zero emissions. Priority areas include the adoption of green hydrogen in steel manufacturing and the deployment of carbon capture technologies.

#2. Driving innovation in Greenfield Solutions:

JCIL is committed to developing and introducing cutting-edge technologies, especially Volteron and Electrical Arc Furnace that allows the production of green steel and electrification of our solutions wherever it is possible in line with the reduction of CO2 emission up to 80%

#3. Expanding the revamps, spare parts and services business.

With the growing installed base and rising demand for maintenance upgrades and productivity enhancements, we see significant opportunity in expanding our revamps, spare and services offering across India and international markets. As customers are increasingly focused on improving line performance and extending equipment life, our ability to support them through tailored service packages has become a key differentiator. This is a recurring business that deepens long-term customer engagement while offering consistent value delivery. It also enables us to optimize resource utilization, leverage our technical expertise and maintain a strong presence throughout the lifecycle of our solutions. Beyond its strategic relevance, this high value, recurring business also delivers attractive returns, making it a strategic growth lever for us.

#4. New Rolls coating facility:

We are establishing a state-of-the-art Rolls coating facility at our Taloja plant in collaboration with Advanced Coating, a Belgium company. This initiative fills a critical market gap and enhances our after-sales value proposition. By combining Rolls coating services with our establishment processing expertise, we are creating a valuable new capability within JCIL - one that opens the door to delivering comprehensive value-added services to our Indian customers. The availability of coating roll suppliers in India is currently limited, with only a few players in the market, actually two. Given our extensive installed base and the rising demand for high-end processing lines, this facility strategically positions us to better serve our customers while offering significant value.

With these four strategic pillars at the Group level, we remain focused on disruptive innovation. Technologies like Jet Vapor Deposition (JVD) and Volteron - a pioneering zero emission electrolysis process for iron - position us as at the forefront of steel carbonization.

In India, these innovations support our efforts to modernize aging steel infrastructure, enable clean capacity additions.

At this point, I would like Michael to provide you short with deeper insight into these exciting developments and our project pipeline. I would now like to hand over the call to our Managing Director – Mr. Michael Kotas to share his perspective on the current business environment and the road ahead.

Michael Kotas:

Thank you, Francois. Good evening, everyone. Thank you for joining us.

The past year has undoubtedly been a challenging period for the global steel industry. A combination of economic uncertainties and geopolitical tensions led to a more cautious investment culture. This resulted in delays in project approvals and the temporary softening in domestic steel demand. Adding to this, a surge in steel exports from China, driven by overcapacity, created a supply glut in global markets. This puts significant downward pressure on prices, which fell to unsustainably low levels, compressing margins for domestic steel manufacturers and stalling new capacity expansion initiatives.

These headwinds impacted order inflows for John Cockerill India, JCIL over the past year. However, we believe this was a cyclical downturn rather than a structural shift and encouragingly, we are now beginning to see early signs of recovery.

In a positive development, the Government of India has taken firm action to protect the domestic industry by implementing anti-dumping duties on certain grades of steel imports and introducing a 12% safeguard duty. These measures aim to create a level-playing field for Indian producers and curb unfair pricing practices by overseas exporters. We believe this policy intervention will help stabilize

market dynamics, support local manufacturing and restore investor confidence in new capacity creation. In the long term, such proactive steps will contribute to a more resilient and self-reliance steel ecosystem in India.

While this resurgence is not yet reflected in the numbers, we are buoyed by a noticeable uptick in customer enquiries over the last couple of months, especially from a large domestic steel producers. We see this as a strong indicator of confidence returning for the sector.

India continues to stand out as a bright spot globally. With a robust domestic consumption base and an increasing focus on infrastructure development, the fundamentals remain sound. Now, with greater political clarity post elections, we expect infrastructure project approvals to gain momentum and unlocking fresh opportunities for capital expenditure.

More importantly, our clients remain committed to their long-term expansion roadmaps aligned with the Government of India ambitious vision to achieve 300 million metric tons of steel making capacity by 2030. This reinforces our belief in a sustained demand environment over the medium to long term.

Based on recent discussions with our customers, we anticipate a healthy pickup in order inflows going forward. As of 31st of March, 2025, our order book offers good visibility for the second half of the year and we remain confident in our ability to capture future growth.

Innovation continues to be a cornerstone of JCIL's strategy. We are proud to lead the transformation of steelmaking with technologies that deliver efficiency, performance and sustainability.

JCIL is at the core of the group strategy and will be the manufacturing center for the key equipments of the Jet Vapor Deposition, JVD, which is the next-generation alternative to conventional galvanization. JVD is a vacuum-based zinc coating process that enables precise, uniform and customizable coatings at higher speeds. In addition to enhancing surface quality, it also offers desired flexibility in coating thickness, making it especially suitable for automotive and high-end industrial applications.

ArcelorMittal has already produced over 1 million tons of coated steel at its Belgium facility using the JVD technology. John Cockerill has already signed in 2024 a first engineering contract for JVD with SSAB, Swedish steel maker.

Another transformative innovation is Volteron developed under the newly introduced iron and steel making segment in our Group. We expect the commercialization as early as 2026. And this technology is being developed in collaboration with ArcelorMittal and has the potential to play a pivotal role in decarbonizing primary steelmaking globally.

Third strategic focus for us is the expansion of all our revamps, spares and services business. Historically, this area has remained underleveraged, but now we see high potential to scale this vertical.

Our approach is to provide end-to-end lifecycle support to all customers from routine maintenance and plant upgrades to full scale modernization of older steel plants. As plants age and capacity is added, the need for efficiency enhancement and performance optimization becomes critical. This segment not only helps us create recurring, non-cyclical revenue streams but also deepens our engagement with customers by becoming long-term technology partners in their growth and transition journeys.

In summary, while the past year brought us its share of challenges, we are now better positioned with a strong order book, robust innovation pipeline and a clear strategy to benefit from the next wave of growth in India's steel sector.

I now hand over the call to our CFO, Marc Dumont to take you through the Financial Performance of the Quarter. Over to you, Marc.

Marc Dumont:

Thank you, Michael. Good evening, everyone.

Let me now take you through the financial performance for Quarter 1 of the Calendar Year 2025:

Our revenue for the quarter stood at INR 764 million reflecting a 48% year-on-year decline. As Michael mentioned earlier, the decline stems primarily from a slowdown in order inflows over the past few quarters. The slowdown in booking activity has added a cascading impact on revenue recognition, particularly for longer cycle projects. In fact, it was a temporary slowdown phase. We are already seeing early signs of recovery in customer engagement and enquiry levels.

More importantly, our sharpened strategic focus on the revamps, spares and services segment is beginning to gain traction. We expect this business to contribute meaningfully to revenue in the coming quarters, offering greater predictability and recurring income potential.

Supporting this outlook, our order book as of 31st of March 2025 stands strong at over INR 6 billion. This provides healthy forward visibility and reaffirms our belief in a gradual revenue recovery over the upcoming quarters.

From a profitability standpoint, our Quarter 1 2025 financial performance was EBITDA-positive by INR 9.1 million against Q3 2024 which was at minus INR 81.2 million and Q4 2024, which was at INR 6.3 million positive. Our cash position has also improved from INR 465 million in Q4 2024 to INR 748 million in Q1 2025.

What is encouraging, however, is a sequential improvement trend, despite revenue remaining subdued, we have steadily narrowed our losses over the last two quarters. We have also delivered notable gains in the gross margin and EBITDA margin compared to Q3 and Q4 of 2024.

This margin improvement is a result of multiple and deliberate actions.

As previously highlighted, we are intensifying our push into the revamps, spares and service space. We have established a focused team to deepen market coverage. We are reinvesting in our sales and proposal function to strengthen order pipeline development.

The lower top line in Q1 led to under absorption of fixed costs, which weighed on profitability. In response, we have launched a zero-based organization redesign, beginning with engineering and expanding across other functions to better align cost structure with business volumes.

We have also undertaken targeted cost rationalization and manufacturing efficiency improvement, which are already beginning to yield results.

Parallel to these operational efforts, we have maintained strong discipline on cash and working capital management. You would have noticed improvement in the past few quarters, driven largely by tighter control on receivables and inventory reduction. These efforts have helped us preserve liquidity during a low revenue phase.

Looking ahead, we expect continued benefits from this structural initiative. The ongoing rollout of a zero-based organization model across the rest of the company will enhance agility and efficiency. At the same time, the growing contribution of the revamps, spares and services business will not only diversify our revenue mix but also strengthen fixed cost absorption. Together, this will support a gradual improvement in both top line and bottom line performance.

Before we open the floor for Q&A a quick request to all participants. Please keep your questions brief and avoid repetition. As a listed company, we are bound by disclosure regulation and will respond only to matters that are already in the public domain. We kindly request you to limit your questions to one or two so that everyone has a chance to participate. Also, please note that we will not be able to share granular financial information such as product level profitability or margin data which remains confidential. We do not offer forward-looking financial guidance either.

Thank you. And we now look forward to your questions. Thank you very much.

Moderator:

Thank you. We will now begin the question-and-answer session. The first question comes from the line of Rohit Jain from The Golden Bird Capital Management LLC. Please go ahead.

Rohit Jain:

Hi, I am Rohit from Golden Bird Capital Management LLC. We run a US-based fund that pulls money from investors in the US and invest in India through FDI route. We are currently invested in John Cockerill India. My first question is last year you made changes to your clauses of memorandum and article of association regarding making components for green hydrogen. Separately, there was a major project signed between John Cockerill and Greenko and with the Indian government incentive, where you are going to install a big green hydrogen electrolyser. Does that mean that John Cockerill India will make components for this project? My second question is your profit margins have not increased for a long time now and despite that I see multiple expansions happening, right, and there is one mentioned in this quarter's representation as well. Is it just that are you planning on adding new products or is it just that you are expecting more orders, is there any plans for profit margins to grow further? Thanks.

Francois David Martino:

I will take your first question regarding electrolyzers. JCIL, the company you have invested in, is essentially focused on the steel industry. The hydrogen business is a separate business which has its manufacturing facilities mainly in France and China. So since it is a very specific and special manufacturing setup, you need to do electrolyzers. These are heavy investments which has been already developed in China and in France and require intensive assets. So, we are not in a position to produce components for these electrolyzers out of our Taloja workshop. Nevertheless, the group plan in the medium, long term, future to build an Indian facility to manufacture electrolyzers directly here on the market.

Michael Kotas:

Okay, alright.. I will take that second question and it was mostly on the profit margin and indeed me as Managing Director, I can speak on behalf of the whole board of JCIL. We are neither satisfied with the level of profit margins that we are seeing especially in 2024. And you have been asking of what do we do in order to improve that situation in the long run, and whether there will be products added to the portfolio. So my answer will be also covering these two sides. Improving profit margins has different elements and I can give you an example of the expansion of our value-added services activity. This is a higher margin business activity and we aim to grow, that overall share of value-added services in our total revenues be higher, the average cost margin and financial results will be. We have been hearing about further product additions like JVD or Volteron technologies. The business here in India will definitely also benefit from orders in these areas. And these are high technology, high-end solutions which we can bring to the market that very few to none of competitors are able to bring to the market. So I would expect that such orders have a potential of bringing in higher gross margins to start with and then of course we are in the project business, we are talking about execution timelines that can go anywhere from 1.5 to 3, 3.5 years, that means there is a lot of risk to lose margin on the way from signing the contract to accepting and that is the other element in professionalizing the way we handle project execution with a much more rigid system and with better control.

- Rohit Jain:** Yes, I guess maybe a quick follow up on that. I mean, I think from the parent company perspective, I am seeing there are two subsidiaries really in the industry segment, right, there is one in India, one in China, and I guess I am not seeing a lot of traction in terms of getting export orders either. I wonder if that is something that is also in the radar. I would imagine that will also increase your profit margins.
- Francois David Martino:** So in fact, in terms of legal entity reporting to the industry sectors, there are additional legal entities to the one you have mentioned. There is one additional in Germany, there is one in Belgium under JC SA and there is one in the US. We are running the operations through four regions -- India, China, Europe, US. And while every legal entity has their own local markets to develop, the central of technologies and knowhow is based mainly in Belgium. So basically, in terms of operating and growing, it is really depending on how volatile and how investments are driven across the regions. And giving you an example, we have been depending a lot on American orders last year and we expect that Asia, that means India and China will take off in the next years to come.
- Rohit Jain:** I see. Thanks. I am a little bit confused; however, parent company we are talking about more than a billion euro revenue, while the Indian entity is tiny compared to that. If the Indian entity is restricted in its own small geo, I guess I am curious like what is the strategic plan here then, like from the parent company's perspective, what is the strategic plan for the Indian entity?
- Francois David Martino:** So to that point, we are exploring possibilities to consolidate more operations in India. The group John Cockerill has a strategy called "Go to India," which means shifting majority of our operations in India. This is part of the exploration we are going through right now.
- Moderator:** Thank you. Our next question comes from the line of Anjana Shah from Shah Investments. Please go ahead.
- Anjana Shah:** Good evening and thank you for the opportunity, sir. A couple of questions from my end. So just to begin with, sir, what would be the aspiration for us for the upcoming one or two years in terms of revenue, is it possible for us to achieve like close to INR500 crores revenue number given that the order book as on March is about Rs.650 crores,?
- Francois David Martino:** So we cannot give right now projections. But we are extremely optimistic to the fact that we will be able to grow our revenue in the near future through implementation and contractualization of new technologies like JVD and Volteron.
- Anjana Shah:** Our EBITDA has been volatile. What steps are we implementing to improve the profitability?
- Marc Dumont:** . We are doing several things. First, we want to have more recurring business. And the rolls coating is one good example where we invest. That is why we are investing in Taloja to have more recurring

revenue, more stable revenue, and at the same time being able to be more closer to our clients by working on their maintenance. In parallel, we are working on the cost rationalization as mentioned to you. So we are looking through all the different level of the organization to really streamline and to be agile at the same time.

Anjana Shah: . And what would be a steady state EBITDA margin profile then that we can achieve?

Marc Dumont: As you know, we are not satisfied from 2024, but we are aiming quarter-by-quarter to improve our EBITDA. We cannot really comment on the future because that is our guidance now. But yes, clearly, we are going in that direction and yes improving our EBITDA percentage.

Moderator: Thank you. Our next question comes from the line of Kirtan Mehta from Baroda BNP Paribas Mutual Fund. Please go ahead.

Kirtan Mehta: Thank you sir for giving me the opportunity. You indicated that we have INR6 billion order book outstanding at this point of time. Would you be able to break across three business lines, some broad indication of how much is related to processing, rolling, how much is related to services and engineering efficiency, and how much of this order book we plan to convert into sales over the next year or so?

Francois David Martino: , we have over INR 6 billion, what we see is we have clearly right now all our historical business which is making the majority. But we see at least going forward and we see already our order book for value services has tripled in a year. And we are aiming to have at least 20% of value services going forward and even growing this further more on the order book.

Kirtan Mehta: Just to ensure that I understood right, we are saying that we would be in a position to execute this order book within a year, did I got that right?

Francois David Martino: So you need to understand our projects. It is at least in CY'24 all depends, value services is short term meaning six to 12 months, but the main projects this is a longer project, so it is over two years, two years and half, sometime even longer depending on the client. So all what we see here is a different perspective depending if you look at walls coating or value services.

Kirtan Mehta: Right. And in terms of the cold rolling mills large part of the order book relates to basically the order of cold rolling mill with Tata Steel as well as ArcelorMittal as well as the Jindal steel. Could you explain us a typical project execution cycle and how the revenue is booked across at various points of time? Just a sort of a general indication.

Michael Kotas: . So as Marc has explained, the large main projects as we call them CAPEX projects for new lines have a very long cycle, typically two to three years execution time. This execution is typically

following several steps. So we start as an engineering company to make the design. Designing a line of, take the example of AMNS, let us say six to eight months, then we go into procurement and manufacturing process before we ship out and shipping, let us say typically between 12 and 18 months, could be one month earlier, could be one month later, but that is the ballpark indication and then we follow the site installation and commissioning activities. In terms of revenue recognition you can figure that as a kind of gross distribution. So we start relatively slow during engineering. Why? Because we have engineering hours that that we account for mostly and then of course it goes into a peak when we manufacture and supply equipment and at that time we are typically looking at 75%, 80% completion of the project with a balance then spread over the site activity phase. That is a rough ballpark indication, but typically most projects follow this pattern with certain flexibility and shifts.

- Kirtan Mehta:** Thank you. I think they are quite useful. Would you be able to indicate the sort of the percentage completion status in the three large projects that you have been handling, and how much is targeted to be completed during this financial year? Some broad indications could be helpful.
- Michael Kotas:** You have been asking on what are the main projects statuses and execution. It depends really case-by-case and at this moment we are not able to provide you any specific percentage of completion of the individual projects.
- Kirtan Mehta:** Sure, sir. Any ballpark indication in terms of out of the total order book, how much percentage can get executed during this financial year and how much during the next financial year, any broad indication around that?
- Francois David Martino:** So this is our first call and we are not in a position to answer right away, but we will take discussion offline.
- Moderator:** Thank you. Our next question comes from the line of Aman Vij from Astute Investment Management. Please go ahead.
- Aman Vij:** Good evening, sir. Just one question. On slide 9, we have given a break up of carbon steel and silicon steel. So correct me if I am wrong, our contribution and order book from silicon steel is negligible as of today. So in the next one to two years, what kind of contribution do we expect from silicon steel both in order book or in revenue? And similarly on slide 11, you have talked about upstream projects, a lot of the projects where we have some contribution. So similarly what can be the contribution from this new segment which is upstream steel products in the next one to two years? This is the question.
- Francois David Martino:** So silicon steel has been significantly important for us. Last year has been the biggest part of our order book especially the contract we have won in the US with ArcelorMittal Calvert. I remind that silicon steel is the steel used to manufacture electrical motor for electrical vehicles. And it is already

part of our core portfolio, and we expect additional orders in the regions in India and US further in the next years to come. I hope this is answering the question.

Aman Vij: Yes, yes, there was second part to the question on the upstream steel products, which is slide 11 of the presentation. Could you talk about that how much that segment contributes to us in the next one to two years?

Francois David Martino: In the steel industry, the upstream investments represent the majority of the investments monetary wise. So we talk about 70% of the complete investments in steel being upstream. That is why it is a very important development of our portfolio. We expect with Volteron, Electrical Arc Furnaces and hydrogen to be able to ramp up the revenue in the upstream part. That being said, depending on the commercial success of the solutions, it might be a significant part of our revenue in the future.

Moderator: Thank you. Our next question comes from the line of Sajal Vats with Green Portfolio Private Limited. Please go ahead.

Sajal Vats: My question is in your presentation you mentioned doubling down on that spares and services business to build the stable portfolio. So my question can I get some specifics from the current contribution of this segment to overall revenue and its margin profile compared to the core business? And my second question is regarding the MoU with SAIL. So regarding the recently announced MoU with SAIL, could you please elaborate on the specific projects being explored, the potential order value and expected timeline for conversion from MoU to firm orders? These are my two questions.

Michael Kotas: I will take the first part of the question and Mr. Martino the second. So value services, as we have already explained in previous answers, we are not giving you precise numbers on profitability, segment wise, product wise. What is clear and we have said that in the speeches earlier, we expect two things. The value services segment in itself to be growing over proportionately thus in the middle to long run take a larger share in our total revenue distribution and typically and I am not saying anything that you cannot find in the public domain services is attentively potentially higher margin business than the activity with the new plants or lines where the competitive landscape is very competitive in India. So handing over to Francois for question two.

Francois David Martino: Regarding your question on the MoU with SAIL, we have signed this MoU last year in November. This MoU intends to strengthen our partnership with SAIL regarding green steel technologies, and we have a unique product portfolio which are interesting for SAIL. This is one part of the collaboration. The second part is common investigation between John Cockerill and SAIL of the common investments in India.

- Sajal Vats:** So you have highlighted technologies like JVD and Volteron as key differentiators. Now given India's steel sector traditional price sensitivity and that the Indian state manufacturers are historically being cost-conscious, so what specific adoption timeline do you foresee for these green technologies among Indian steelmakers and how are you addressing the cost benefit equation for these customers?
- Francois David Martino:** The JVD deposition or JVD technology is a technology which has a higher CAPEX than the traditional galvanizing line. But has significantly lower OPEX. Due to the fact that you can have a much, much simpler process to coat advanced high strength steels, hot roll coil and other material, because JVD is running at a higher speed. And overall what we have measured in the industrial scale plant in Belgium is that customers can save up to €100 to €120 per ton OPEX cost. Regarding Greenfield technologies, CO2 emissions have to be banned and they have been a nationwide decision that the steel mills has to commit to reduction. It is a must for every steel mill to invest in the future to lower emission solutions. Despite the fact that these solutions are currently costing slightly higher cost than traditional blast furnaces, we see improvements in terms of OPEX costs coming from these technologies, especially Volteron and Volteron today based on our calculation has much more cost advantage than direct reduction with hydrogen or even electrical arc furnaces.
- Sajal Vats:** Okay. Sir, could you please provide specific timelines for commercial deployment and quantify the expected revenue potential from these technologies named JVD and Volteron in the coming two, three years? What revenue potential can we expect from the commercial deployment part also? My question is, are these technologies helping us in generating revenue at this point?
- Francois David Martino:** . For the JVD technology, we expect contracts in 2025 and for the Volteron technology, the first contract is expected in 2026.
- Moderator:** Thank you. Our next question comes from the line of Sugandhi from Fedex Securities. Please go ahead.
- Sugandhi:** . So I wanted to understand upstream technologies that are developed in partnership with AMNS or even the processing line technology as you mentioned that the technological hub is in Germany. So how much license fee do we pay to our parent entity or to the joint venture, what do we expect to pay in case of upstream technology for the services that we provide to Indian steel companies, and if you could quantify the royalty fees as a percentage of revenues for the past year?
- Francois David Martino:** These are confidential information which we cannot provide.
- Sugandhi:** Could you give a ballpark range, is it in the range of 0% to 3% or higher?

- Francois David Martino:** Business model is different and cannot be evaluated in percentage. What I can tell you is that these technologies, net costs are more interesting than conventional and whatever other technology you can find on the market.
- Sugandhi:** To put it in another way, in the contracts on the upstream green steel side would generate a higher margin than our current margin profile.
- Francois David Martino:** This is what we believe so. Due to the unique added value that the technology is offering compared to the rest of competition. I remind you that JVD has no competition worldwide.
- Sugandhi:** Sure. And if you could give an idea about customer concentration, how much top three customers account for in your order book and also revenue for the last fiscal?
- Francois David Martino:** This remain confidential information. We apologize we cannot provide more detail on that.
- Sugandhi:** If I look at your historical financial performance, at the cycle peak when you were doing close to Rs.600 crores of revenue, you were reporting an EBITDA margin of 5%, is that something that we can expect if revenues were to revert to those levels, is that the kind of EBITDA margin profile that we can expect or has the cost structure changed significantly?
- Marc Dumont:** So yes, if the revenue comes, we are aiming to this.
- Sugandhi:** In this range?
- Marc Dumont:** Yes.
- Moderator:** Thank you. Ladies and gentlemen, due to time constraint, that was the last question for today. I now hand the conference over to the management for closing comments.
- Michael Kotas:** So I will conclude the call and in closing, I want to reaffirm that the management of the company and the management team of course remain fully committed to executing this transformation with utmost discipline and urgency. While the current quarter reflects the impact of the past year, the foundational changes we are driving across our organization, like cost structure and revenue mix are aimed at building stronger and more resilient JCIL. We see this as a critical inflection point and we are confident that the steps we are taking today will translate into improved performance and long-term value creation. Thank you, ladies and gentlemen. On behalf of John Cockerill India, we would like to thank you for joining us today for this first earnings call. We appreciate your continue trust and support as we stay focused on delivering sustainable growth. We hope this had addressed most of your queries and provided meaningful insights into our business and strategic direction. We remain committed to maintaining transparent and regular communication with the investor analyst



*John Cockerill India Limited
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community. Should you have any further questions or require additional information, please feel free to reach out to us directly or connect with our Investor Relations Advisors – Strategic Growth Advisors. Once again, thank you for your time and your participation. Bye-bye.

Moderator:

Thank you. On behalf of John Cockerill India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.