Reliance
Industries Limited

2Q FY23 Financial Results Presentation

21 October 2022

Forward Looking Statement

Reliance Industries Limited

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Consolidated Financial Results

2Q FY23 – Highlights

1. Consolidated EBITDA at ₹ 34,663 crore, up 14% YoY led by consumer businesses and upstream
2. Net profit at ₹ 15,512 crore, up marginally YoY
   - ✓ Earnings impacted by lower O2C contribution YoY, sharper impact on QoQ
3. O2C earnings impacted by volatile product margins, subdued downstream demand and introduction of SAED
4. Robust Retail Revenues and EBITDA with growth across consumption baskets, sharp rebound in footfalls and strengthening of digital channels
5. Record Digital Services segment performance - total subscriber base at 427.6 Mn, improving ARPU
6. Oil and Gas business benefited from sustained production through operational excellence and better realization with increase in ceiling price for domestic gas by GoI

Diversified earnings streams cushion impact of volatile energy markets

SAED : Special Additional Excise Duty

2Q FY23 – Key Segment Highlights (1/2)

Reliance Industries Limited

Retail

Revenue ₹ 64,936 crore

EBITDA ₹ 4,414 crore

1. Revenue up 43% YoY; EBITDA up 51% YoY
2. Total store count crossed 16,000 mark, added 795 new stores in 2Q FY23
3. >250 Mn transactions across Retail channels, up 45% YoY
4. Record 180 Mn footfalls across formats, up 23% over pre-covid period
5. Launched JioMart on WhatsApp - 37% of orders from customers new to JioMart

Digital Services

Revenue ₹ 29,558 crore

EBITDA ₹ 12,291 crore

1. Revenue up 21% YoY; EBITDA up 29% YoY
2. ARPU at ₹ 177.2 with improving subscriber mix
3. Continuing customer traction - net add of 7.7 Mn subscribers
4. Strong data traffic growth at 28.2 Exabytes, up 22.7% YoY
   - ✓ per capita data consumption crossed 22 GB / user

Operating leverage driving improved margins in consumer businesses

2Q FY23 – Key Segment Highlights (2/2)

Reliance Industries Limited

O2C

Revenue ₹ 159,671 crore

EBITDA ₹ 11,968 crore

1. Revenue up 33% YoY; EBITDA down 6% YoY
   - ✓ Strong middle distillate cracks with tight supply in Europe on gas to oil switching
   - ✓ Weak polymer margins amid volatile feedstock prices, lower demand; stable polyester chain deltas
   - ✓ Higher crude procurement cost with increased OSPs, freight and insurance
   - ✓ Introduction of SAED on transportation fuels
   - ✓ Lower volumes with planned turnaround
2. QoQ EBITDA down 40% - impact of sequential decline in margins and SAED

Oil & Gas

Revenue ₹ 3,853 crore

EBITDA ₹ 3,171 crore

1. Revenue up 134% YoY; EBITDA up 3x YoY
2. Avg. gas price realization for KGD6 at $9.9/MMBTU, significantly below avg. Asian LNG price of $ 46 /MMBTU
3. Production stable at 19 MMSCMD, >20% of India's domestic gas production
4. On track to commission MJ field by year-end

Consolidated Financial Results : 2Q FY23

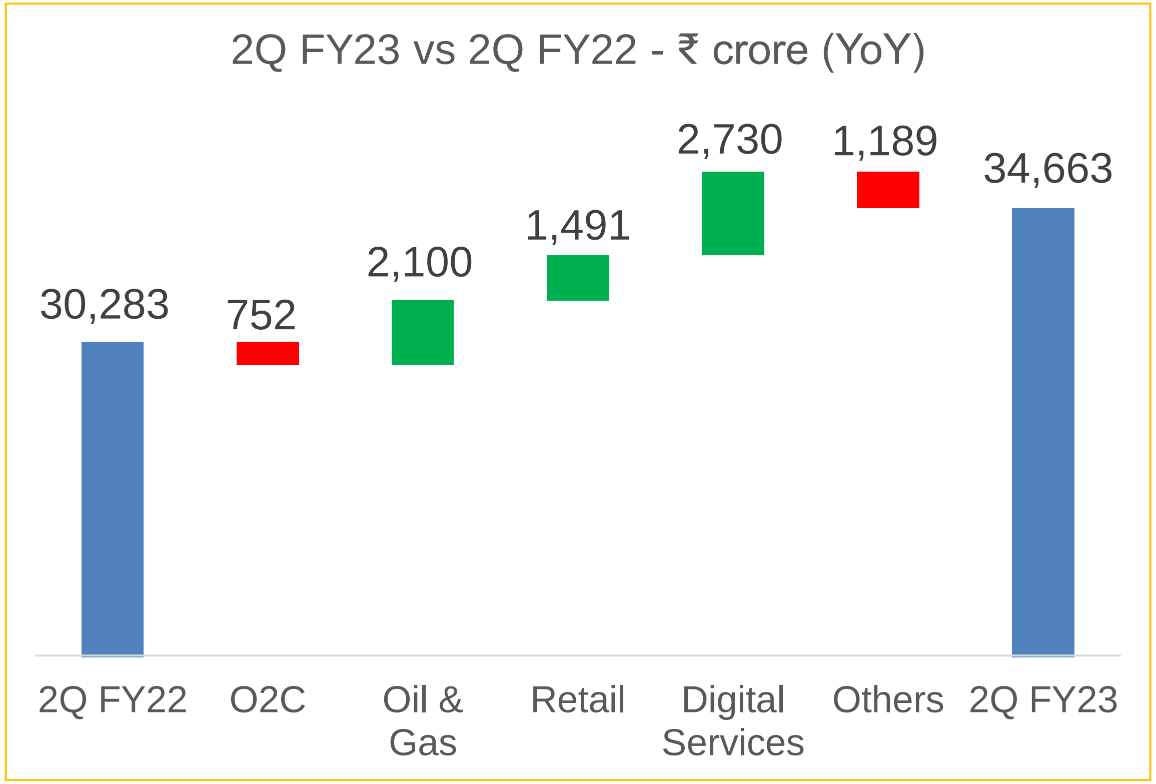
(₹ crore)	2Q FY23	1Q FY23	Change QoQ	2Q FY22	Change YoY
Revenue	**253,497**	242,982	4.3%	191,532	32.4%
EBITDA	**34,663**	40,179	-13.7%	30,283	14.5%
Finance Cost	**4,554**	3,997	13.9%	3,819	19.2%
Depreciation	**9,730**	8,946	8.8%	7,230	34.6%
PBT	**20,379**	27,236	-25.2%	19,234	6.0%
Tax	**4,867**	7,793	-37.5%	3,755	29.6%
Net Profit	**15,512**	19,443	-20.2%	15,479	0.2%

✓ Standalone net profit at ₹ 6,915 crore, down 25.1% YoY

1. YoY Revenue growth in all operating segments with normalised economic activity and high energy price
2. YoY EBITDA growth led by Retail, Digital Services and Oil & Gas segment
   - ✓ Subdued O2C contribution - weaker downstream chemical margins and SAED
3. Net profit flat YoY
   - ✓ Higher finance cost on the back of Central Bank tightening Monetary Policy globally
   - ✓ Increased depreciation with expanded asset base, higher network utilisation and upstream production
4. QoQ earnings growth impacted by sharp decline in O2C segment

Strong growth in operating profits led by consumer businesses

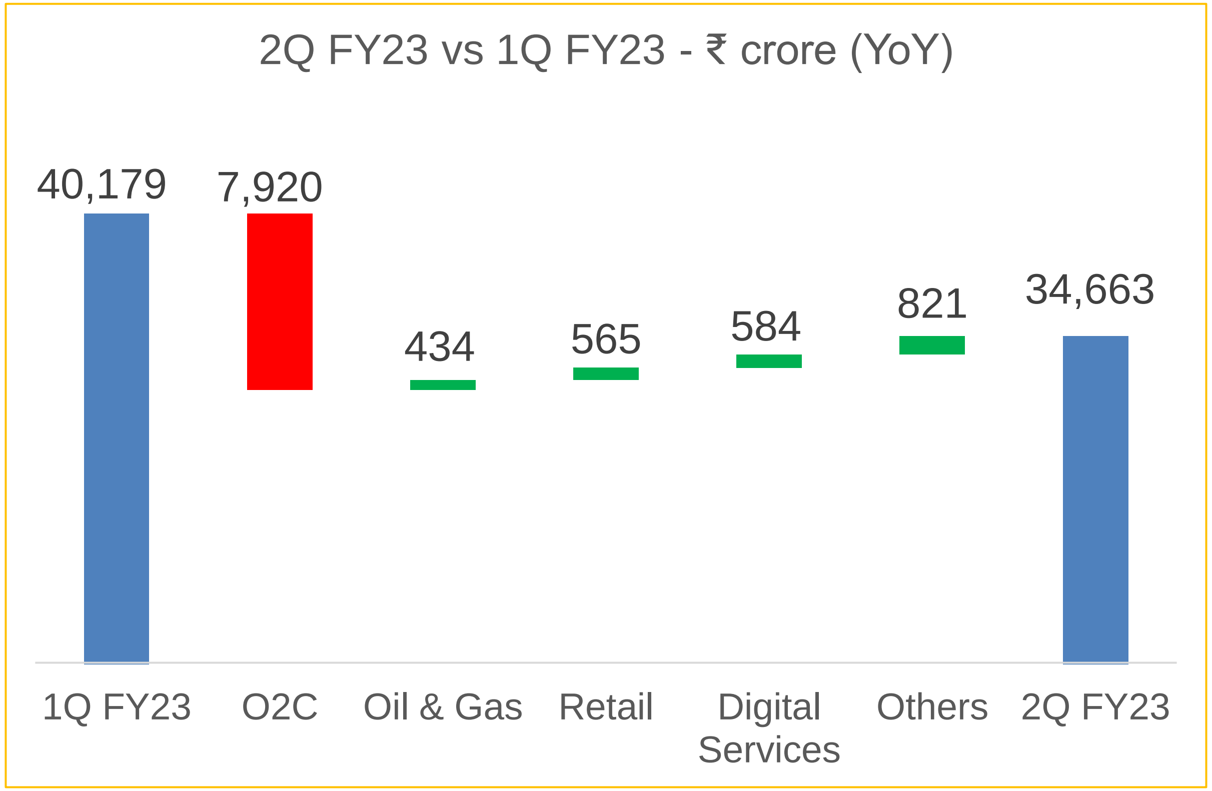
Contributing Factors to Change in EBITDA (YoY)



1. Weak polymers and aromatics margins, and introduction of SAED weighed on O2C segment performance
2. Strong growth across formats and digital commerce aided sharp increase in Retail contribution
3. Stabilization in subscriber base and improved ARPU on tariff hike boosted Digital Services segment
4. Stable production and higher realization with tight energy markets supported Oil & Gas earnings

Strong traction in consumer business and upstream segment helped achieve 14% YoY growth

Contributing Factors to Change in EBITDA (QoQ)



1. O2C segment impacted by weak margins led by collapse in gasoline cracks ($ 8.9 bbl vs. $ 29.8/bbl)
   - ✓ SAED further suppressed profitability
2. Retail segment benefited from higher footfalls, new store rollout and broad-based growth across consumption basket
3. Digital Services maintained stable subscriber addition with higher ARPU
4. Oil & Gas segment gained with higher volumes and improved realisations

Sharp fall in O2C earnings led to overall decline in Consolidated EBITDA

Robust Balance Sheet to Support Growth Objectives

Reliance Industries Limited

(in ₹ Crore)	Sep-22	Mar-22
Gross Debt	**294,859**	266,305
Cash & cash equivalent	**201,606**	231,490
Net Debt	**93,253**	34,815

1. 1H FY23 capex (excl. spectrum) funded by cash profits
   - ✓ Investments across businesses in line with plan to capture growth opportunity
2. Increase in net debt attributed to,
   - ✓ Higher working capital with dislocation in energy markets
   - ✓ Translation impact on FCY liabilities
   - ✓ First installment of 5G spectrum payment acquired during the quarter

Focus on building platforms for sustainable value creation

Digital Services

Industry Leading Operating Metrics

Jio

Metrics underlining the scale & strength

~45%	#1 in AGR market share
~36%	#1 in Wireless Subs market share
428 million	Customers
> 28bn GBs	Data Traffic in a quarter
> 13bn mins	Daily Voice Traffic
> 22 GBs	Per Capita Data usage per month
~6 Hrs	Daily Usage on JioSTB

Source: TRAI

Jio TRUE 5G

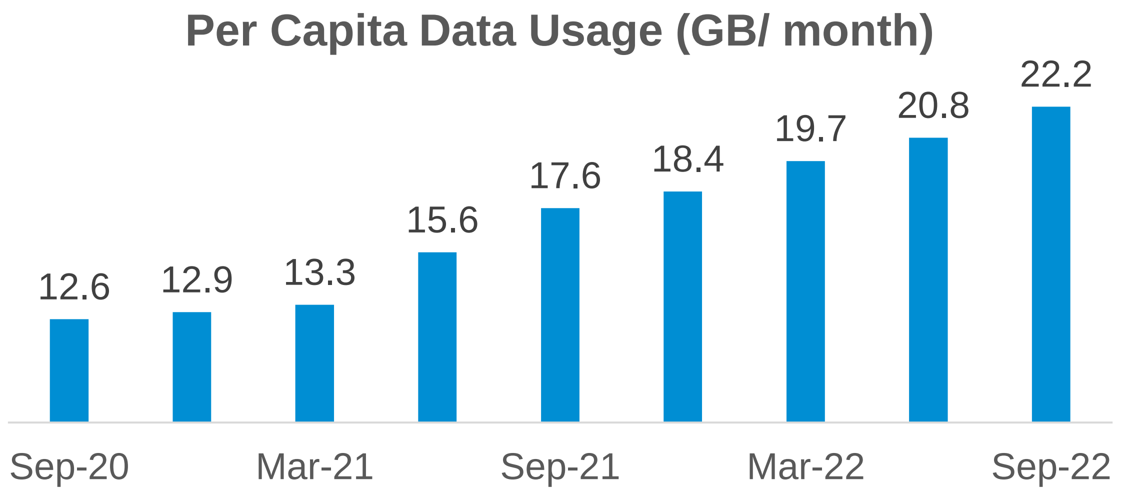
Jio Fiber

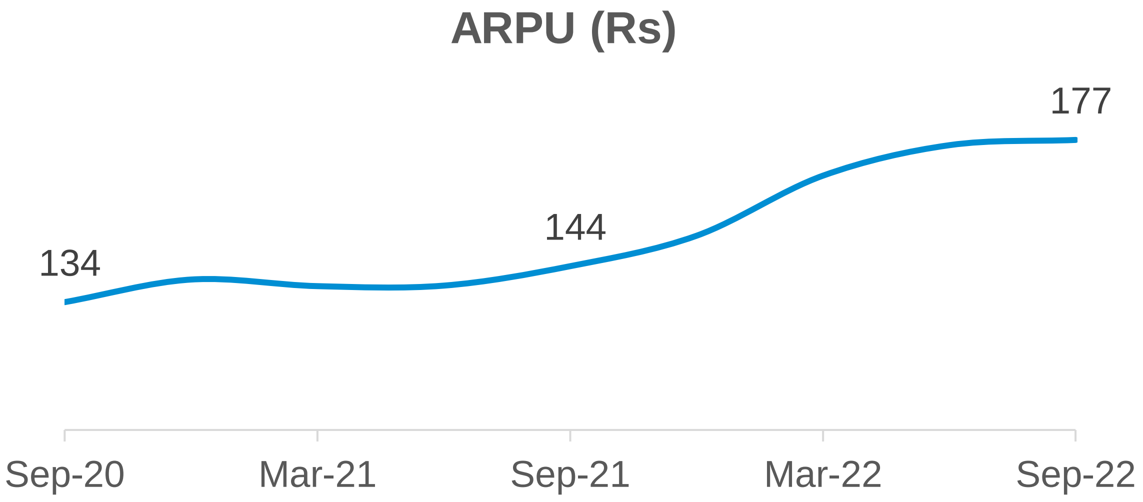
Jio Business

Jio Things

Focused on leadership across customer segments

Customer Engagement Remains Strong





Per capita data usage increased to 22.2 GB/ month with consistent improvement across Mobility and FTTH platforms

Industry leading ARPU of Rs177 on a like-to-like basis

5G rollout to further improve subscriber mix and per capita metrics

World's leading data network continues to scale up

Jio's 5G Differentiators

1. Pure 5G: Standalone Architecture
2. Unique 5G Spectrum Footprint
3. Carrier Aggregation
4. Ecosystem Partnerships

Jio will deliver the best 5G experience globally

1 Pure 5G: 5G in Stand Alone (SA) Mode

Jio

How is SA architecture different from NSA?

- 5G SA network is independent of 4G Network while 5G NSA operates on legacy 4G LTE core

What differentiated capabilities does it provide to Jio?

1. **Low latency**, enabling use cases like **cloud gaming, AR / VR and enterprise use cases**
2. **Better speeds,** giving actual 5G experience
3. **Only SA architecture provides Network Slicing** ability, enabling unique enterprise use cases
4. **Enables massive machine to machine communication** to bring in transformations in Industry 4.0, immersive e-commerce, connected cars and more
5. **More power efficiency**

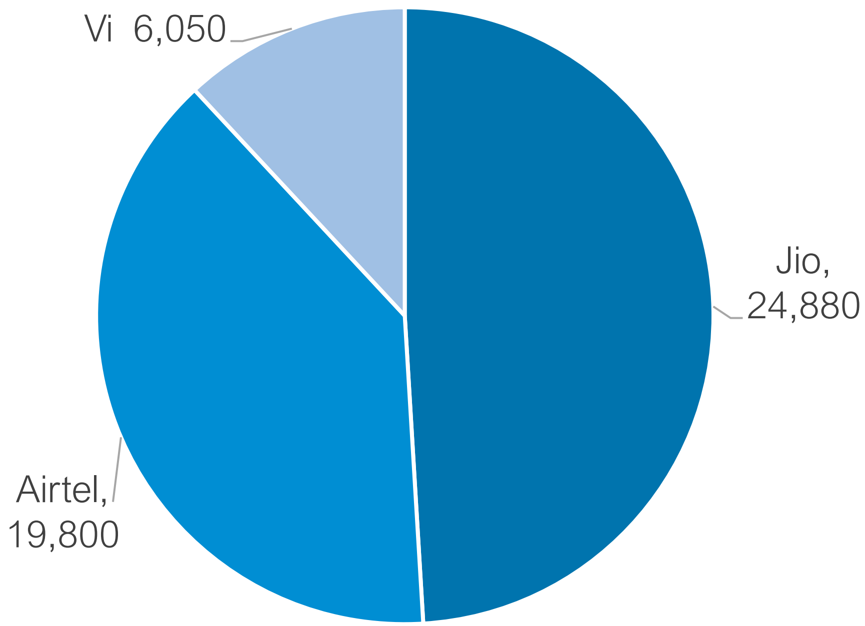
Enhanced customer experience and enterprise capabilities

2 Unique 5G Spectrum Footprint

Jio

- **Largest 5G spectrum holding** across all operators;
  - Jio's spectrum holding is almost equal to combined holdings of other 2 private operators
- **Unique combination** of sub-GHz (700 MHz band), mid band (3.5 GHz band) and mmWave (26 GHz) bands

5G Spectrum Holding MHz (UL+DL)



What differentiated capabilities does it provide to Jio?

1. **Deep indoor coverage:** Only Jio has the 700 MHz low-band spectrum
2. **Superior speeds:** Jio has largest holding in mmWave band

Superior coverage and throughput advantage

3 Carrier Aggregation (CA)

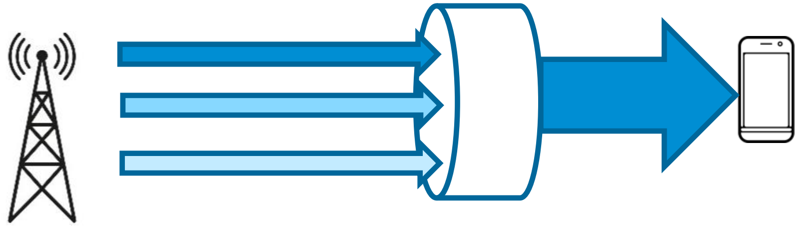
Carrier Aggregation seamlessly combines multiple frequencies into a single powerful 'data highway', enabling higher throughputs

What differentiated capabilities does it provide to Jio?

1. **Superior indoor download speeds:** Unique sub-GHz spectrum enables deeper penetration of 3500 MHz
2. **Higher coverage:** By leveraging the uplink carrier of sub-GHz band

5G without CA

5G with CA



Carrier Aggregation improves indoor experience significantly

4 Partnerships With Global Tech Leaders

Qualcomm	➢ Partnership to work on cloud-native, scalable, and flexible 5G infrastructure, in both mmWave and sub-6GHz, to develop a 5G ecosystem
Meta	➢ Creating immersive technology and 5G use cases
Google	➢ Leverage Google Cloud to offer Jio's Private 5G stack and other 5G-enabled solutions
intel	➢ Partnership for technologies used in Jio's cloud-scale data centers and 5G Edge locations, and infrastructure for cutting-edge applications like Artificial Intelligence
NOKIA, SAMSUNG, CISCO, ERICSSON	➢ Network technology partnership

Deep partnerships creating differentiated advantage

Jio TRUE 5G Strategy

Homes	Mobile Consumers	Small Merchants and Businesses	Enterprises
Disrupt "on premise" internet usage and TV consumption	**Accelerate market share gains in mobility customer market**	**Deliver broadband with business solutions for small merchants and businesses**	**Enable the digital transformation of large enterprises**

Jio's 5G offering to focus on all customer segments

Quarterly Highlights

Jio

1 **Healthy financial performance** by Jio Platforms Limited
- Consolidated **Revenue** at **Rs. 24,275 Cr**, growth of **22.7% YoY**
- Consolidated **EBITDA** at **Rs. 12,011 Cr**, growth of **29.2% YoY**

2 **Strong data traffic growth** during the quarter to 28.2 Exabytes, up 22.6% YoY
- Per capita data consumption crossed 22GB/ user
- 5G rollout to accelerate data growth further

3 Customer acquisition continues to show healthy traction across mobility and homes with **total subscriber base of 427.6 million** as of September 2022

4 **ARPU increased to Rs 177.2** with better seasonality and improving subscriber mix

5 **Geared up to complete 5G rollout by December 2023**

5G to drive business momentum and extend market leadership

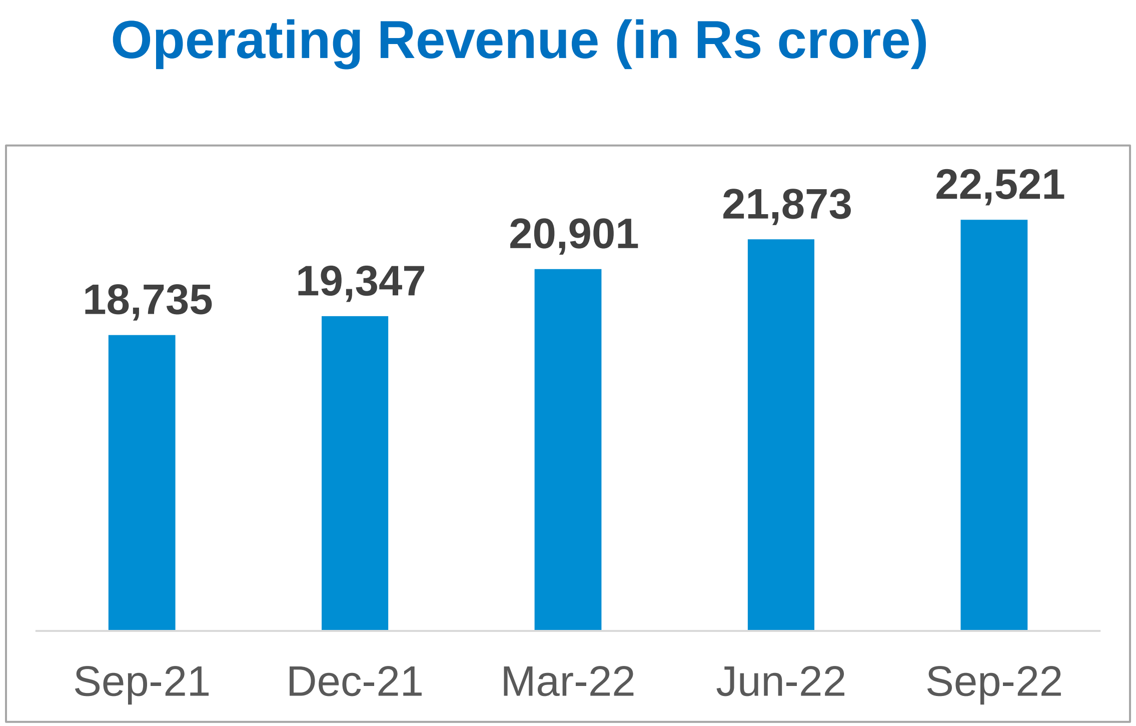
RJIL: Key Operating Metrics

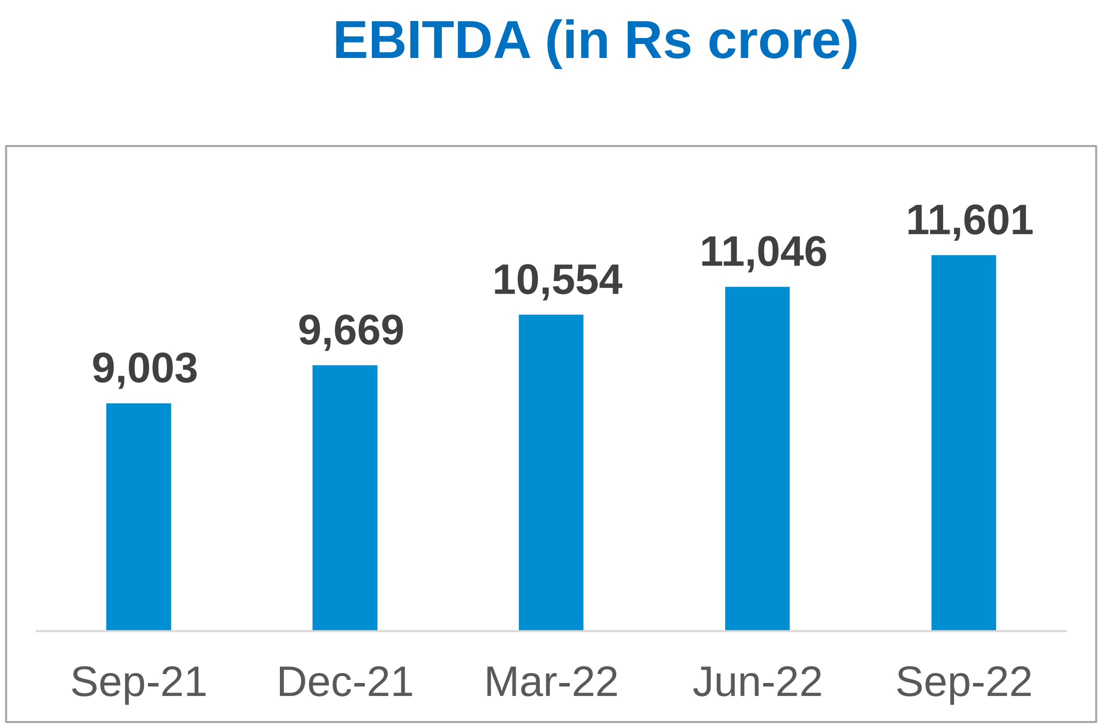
	2Q' 22-23	1Q' 22-23	2Q' 21-22
Total Customer base (million)	427.6	419.9	429.5
Net Customer addition (million)	7.7	9.7	(11.1)
ARPU (Rs/ month)	177.2	175.7	143.6
Total Data Consumption (crore GB)	2,823	2,587	2,300
Per Capita Data Consumption (GB/ month)	22.2	20.8	17.6
Voice on Network (crore mins per day)	1,339	1,370	1,192
Per Capita Voice Consumption (mins/ month)	969	1,001	840

- Healthy gross addition and net customer addition of **32.7 million and 7.7 million, respectively**
- ARPU grows 23% YoY to **Rs 177.2** in Q2FY23
- Data traffic up **23% YoY to 28.2 Exabytes** during the quarter
- Per capita data and voice usage at **22.2 GB** and **969 min** per month

Continued strong growth in data traffic

RJIL – Key Financials





- **RJIL revenue** up 3.0% QoQ; **YoY growth at 20.2%**
- **EBITDA margins increase to 51.5%** leading to EBITDA growth of **28.9% YoY**

Margin increase driven by SUC benefit and operating leverage

Jio Platforms Limited: Key Financials

	JPL Consolidated		
	2Q' 22-23	1Q' 22-23	2Q' 21-22
Gross Revenue*	28,506	27,527	23,222
Operating Revenue	24,275	23,467	19,777
EBITDA	**12,011**	**11,424**	**9,294**
EBITDA Margin	49.5%	48.7%	47.0%
D&A	4,625	4,329	3,240
EBIT	**7,386**	**7,095**	**6,054**
Finance Costs	1,021	1,000	1,086
Profit before Tax	6,363	6,093	4,968
Profit after Tax	**4,729**	**4,530**	**3,728**

**Gross Revenue is value of Services*
figures in Rs crore, unless otherwise stated

- **Operating revenue growth at 23% YoY** driven by connectivity platform tariff increase and subscriber additions
- **EBITDA growth of 29% YoY**
- **27% YoY** increase in reported net profit

Strong growth in Revenue and EBITDA

Reliance RETAIL

Reliance Retail

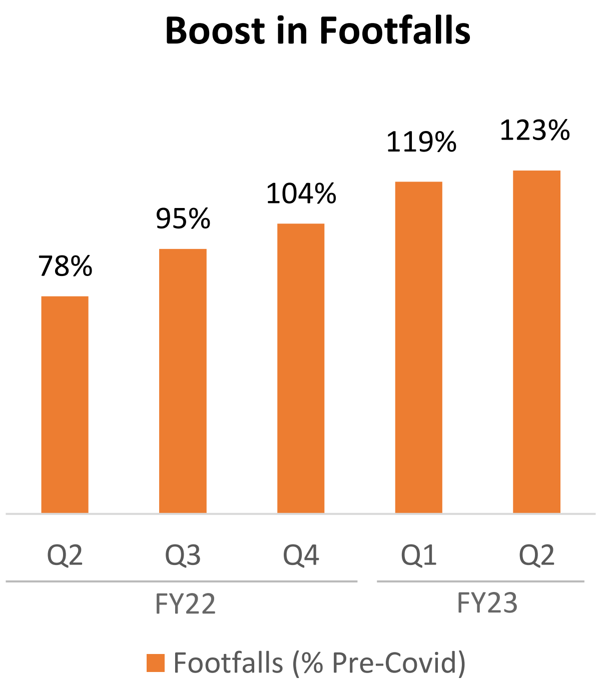
Operating Context

1. Operating environment maintained at normative levels as the impact of pandemic wanes

2. Highest ever footfall at ~180 million across consumption baskets

3. Growth across town classes in stores and digital commerce channels

4. Consumer sentiments upbeat; spends on discretionary categories grow



Strong demand with onset of early festive buying

2Q FY23: Key Messages

1. Business delivers all-time high revenue led by broad based growth across consumption baskets
2. Records highest ever EBITDA; Operating leverage and efficiencies drive margin improvement
3. Serving customers at scale – registered customers at 221 mn, up 28% YoY; >250 mn transactions, up 45% YoY
4. Continued expansion with addition of 795 new stores; added 9.2 mn sqft, crossing a milestone of 50 mn sqft area
5. Digital and new commerce deliver strong performance – Daily orders up 53% YoY and merchant base scale up 2x over LY
6. Strengthened capabilities with partnerships & acquisitions – Jiomart Whatsapp integration, Insight Cosmetics

Well rounded growth across all baskets and channels

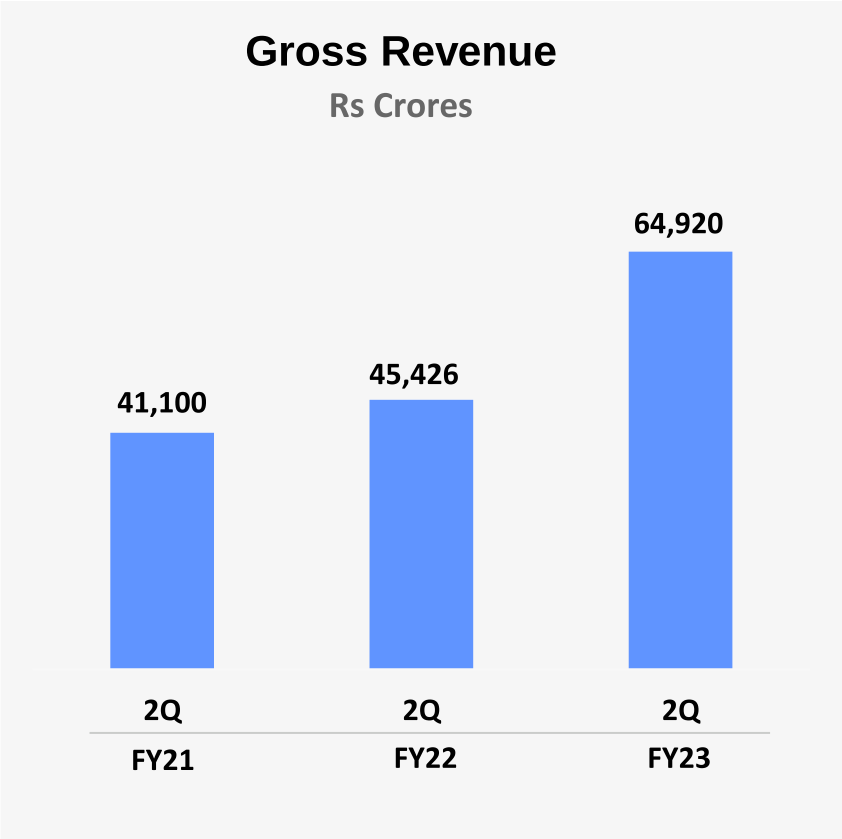
Revenue: Robust Growth

1. Business continues to scale new highs, revenue up 43% YoY

✓ Grocery and Pharma business doubles

✓ Consumer Electronics and Fashion and Lifestyle grows over 40%

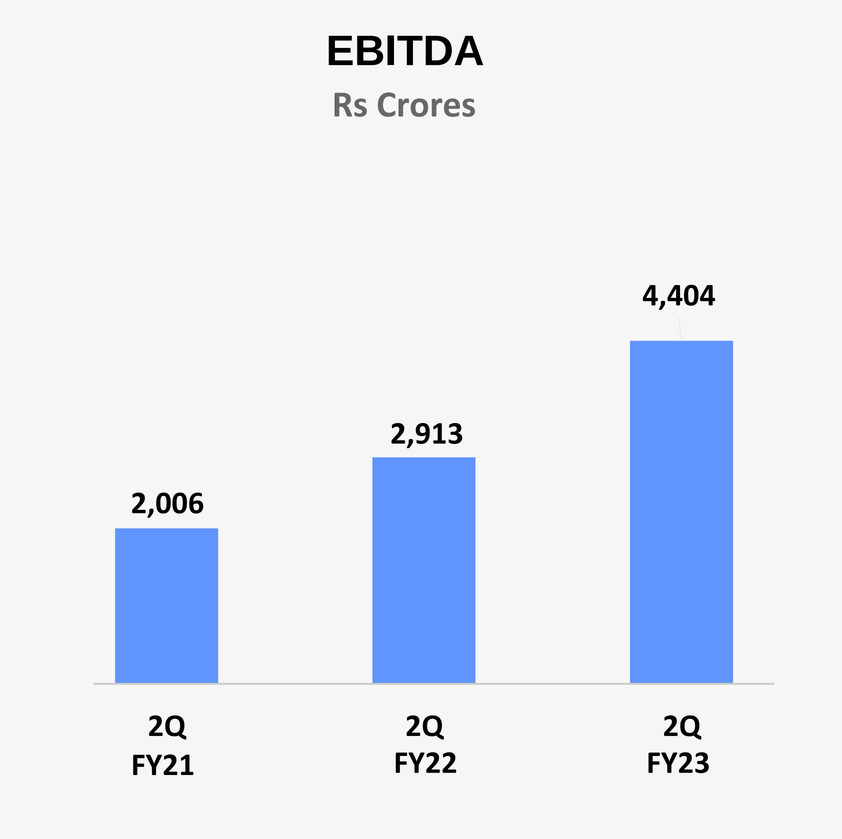
✓ Digital + New Commerce grows 60% YoY; contribution at 18% of revenue



Broad based growth across all consumption baskets

Profit: Resilient Delivery

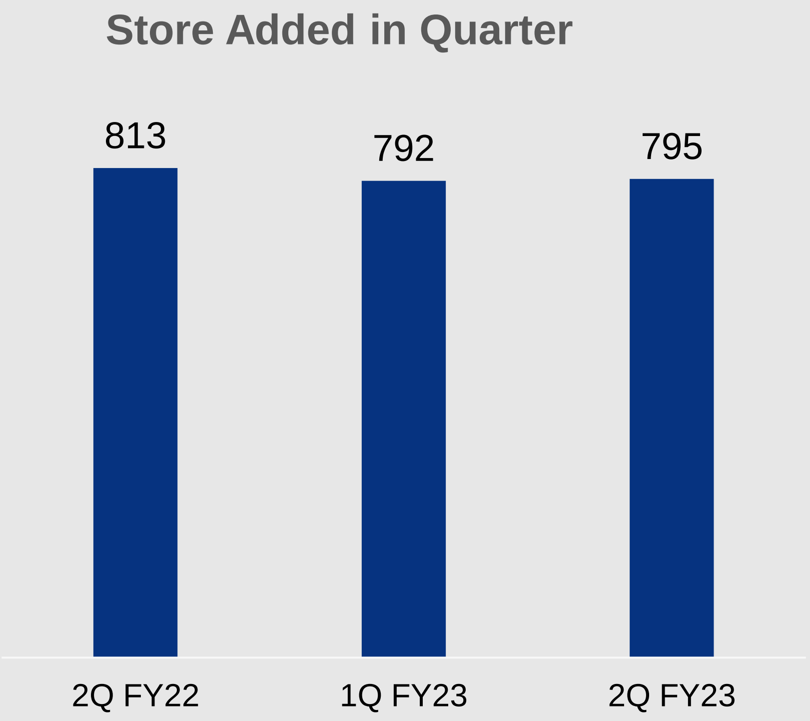
1. Robust EBITDA performance; up 51% YoY
   - ✓ EBITDA margin at 7.6% up 30 bps YoY
2. EBITDA margin from operations at 7.4%, up 130 bps YoY led by:
   - ✓ Favorable mix, operating leverage and efficiencies drive margin improvement
   - ✓ EBITDA in Grocery, F&L and Consumer Electronics up ~2X YoY



EBITDA at a new high

Rapid Store Footprint and Infrastructure Expansion

1



Gross Area Addition (Mn Sqft)	2Q FY22	1Q FY23	2Q FY23
	2.8	**4.3**	**9.2**

Total store count at 16,617 as of 30th Sep 2022

2. Warehousing and fulfilment area up by 5.4 million sqft, total area at 31.4 million sqft

3. Employee base crosses 4L, total employee base at ~414K

Serving consumers pan-India

Financial Summary

In Rs Crore

1Q FY23	% Growth Q-o-Q	Parameter	2Q FY23	2Q FY22	% Growth Y-o-Y
58,554	11%	Gross Revenue	**64,920**	45,426	43%
51,582	12%	Net Revenue	**57,694**	39,926	45%
3,897	10%	EBITDA from Operations	**4,286**	2,436	76%
7.6%	*-20 bps*	*EBITDA Margin from Operations (%)*	***7.4%***	6.1%	*+130 bps*
-60	-	Investment Income	**118**	477	-75%
3,837	15%	Total EBITDA	**4,404**	2,913	51%
2,061	12%	Profit After Tax	**2,305**	1,695	36%

**EBITDA Margin from Operations is calculated on net revenue*

Strong revenue and profit performance delivered

Performance Highlights – Consumer Electronics

1. Strong sales performance driven by higher footfalls and ABVs; highest quarterly sales for ResQ
2. Best-ever 15th Aug sale, up 60% YoY led by instant discounts, affordability schemes, cross promotions
3. New product launches – iPhone 14, OnePlus 10, Samsung Flip/Fold, Samsung UHDTV, HP Victus laptop
4. Broad based growth across categories with phones, TVs and washers up by 30%+ YoY
5. Own brands / PBG sales up 2.3x YoY; increased merchant base by 10% QoQ
6. JMD grew 25% QoQ led by phones & large appliances; merchant base up 25% QoQ

Industry leading performance delivered

Performance Highlights – Fashion & Lifestyle (1/2)


Apparel & Footwear

1. Offline business posts best-ever quarter, delivers high double-digit LFL growth led by festive events
2. Launched new formats to leverage the mid-premium and mass category opportunities
3. Strong broad-based growth across categories - Men’s formal and women’s western wear does well

AJIO

1. AJIO continues its highest quarterly revenue track record; all operational metrics show healthy growth
2. Catalogue grows 64% YoY, crosses one million options; 85 new brand launches this quarter

New Commerce

1. Continues to expand merchant network across geographies, merchant base up 42% YoY
2. Strengthen product portfolio; added 60k+ new SKUs and 427 new brands

Relevant assortment and design freshness drives growth

Performance Highlights – Fashion & Lifestyle (2/2)

Partner Brands

1. Strong performance with 80% YoY revenue growth led by higher footfalls, new store openings
2. AJIO Luxe booked revenue up 3.5x YoY; over 450 brands with 42k+ options live
3. Launch of Rowan toy store, Starter apparel line and extension of Gas brand into kids wear

Jewels

1. Strong festive sales and network expansion drives 16% YoY revenue growth
2. Launched 7 collections during the quarter including “Mahalaya” Collection to celebrate the festive season

Lingerie

1. Broad based revenue growth across brands – Zivame, Amanté, Clovia
2. Strong execution of ‘Grand Lingerie Festival’; delivered double digit volume growth
3. Product innovation – expanded shapewear line, sustainable product line using bamboo-based fabric

Impactful festive events drive strong performance

Performance Highlights – Grocery

Offline

1. Grocery delivers best-ever quarter, high double-digit LFL growth driven by higher footfalls and ABVs
2. Full Paisa Vasool & Tyohaar Ready sales set new highs, up 65% and 96% YoY respectively
3. Focus on premiumization and localization of assortment to improve customer experience
4. Broad based growth across categories led by Sweets & Confectionaries, Staples, F&V, Dairy
5. Own brand product launches - Sure Packaged Water, Masti Oye Noodles, Meister/Jive Deo extension

New Commerce

1. Records highest ever revenue; merchant base up 4x YoY
2. Strengthen fulfilment capabilities - 57 new facilities commissioned
3. Merchants with >1 year vintage on the platform order 4x more than newer merchants (0-90 days)

Strong execution drives business to a new high

Performance Highlights - JioMart and Milkbasket

1. JioMart continues its growth journey; catalogue width and seller base grows multi-fold
2. ‘JioMart on Whatsapp’ launched in Aug; expands customer base with 37% first-time buyers
3. Strong performance for ‘Tyohar Ready Sale’ registers 2.5x growth in traffic and 3x app installations
4. Milkbasket doubles daily subscription orders over LY; capitalized on regional festivals and events

Building capabilities to drive growth

Performance Highlights – Other Businesses

Pharma

1. Revenue up ~2.5x YoY driven by growth across channels
2. Digital commerce orders up 95% YoY; 85%+ stores hyperlocal enabled
3. New Commerce business on a steady growth path; operations expanded to 2,500+ cities

Urban Ladder

1. Strong revenue growth over last year with increased footfalls, conversions and new store openings
2. Flagship event - ‘Full House Sale’ drove 30% YoY growth in online traffic and revenues
3. Growth across all categories – bed, dining, living room seating & essentials

Business scales across all channels

Looking Ahead

Growth momentum continues with focus on:

1. Larger India opportunity through continued store expansion and digital commerce
2. Expanding new commerce business by accelerating merchant onboarding & increasing share of wallet
3. Enhance supply chain infrastructure and drive efficiencies
4. Build portfolio of leading own brands across categories, strengthen product and design capabilities
5. Strengthen people capabilities; continued focus on skill improvement through training

Scaling up business through focused initiatives

Oil & Gas

Oil and Gas Segment Performance – 2Q FY23

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(in ₹ Crore)	2Q FY23	1Q FY23	Change QoQ	2Q FY22
Revenue	3,853	3,625	6.3%	1,644
EBITDA	3,171	2,737	15.9%	1,071
EBITDA Margin(%)	82.3%	75.5%		65.1%
Production (RIL Share) (BCFe)				
KGD6	41.2	40.8	1.0%	39.2
CBM	2.4	2.4	1.3%	2.6
Price Realization				
KGD6 (GCV) $/MMBTU	9.9	9.7		3.6
CBM (GCV) $/MMBTU	23.3	22.5		6.6

1. QoQ EBITDA up 16%
   - ✓ Higher Gas Price realization and favourable move in exchange rate
2. Sustained Production
   - ✓ KGD6 average ~19 MMSCMD
   - ✓ CBM average ~ 0.75 MMSCMD

Higher EBITDA driven by improved realization and sustained production

KG D6 - MJ Field Project Updates

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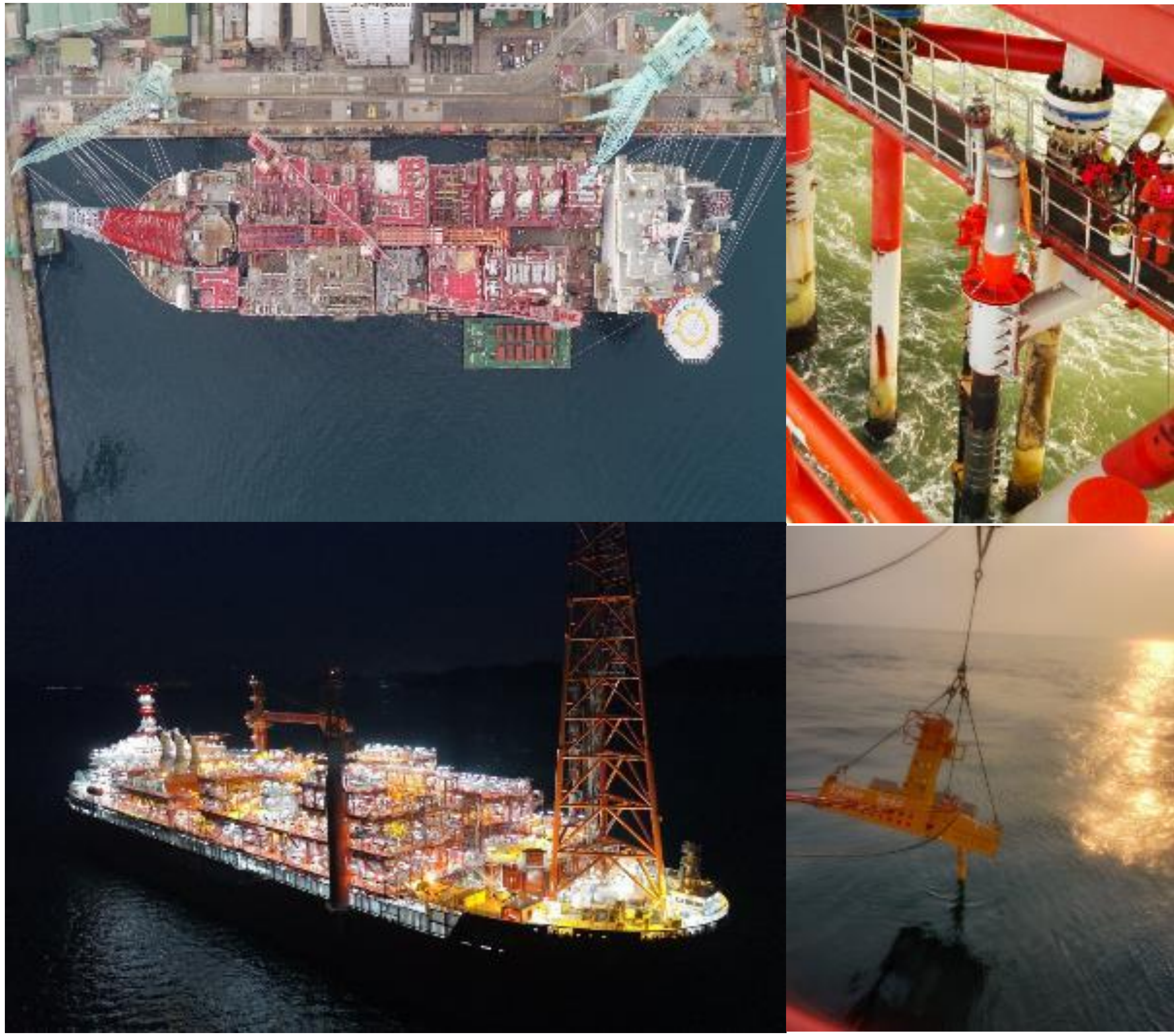
1. Offshore installation campaign successfully completed
2. Phase-II Drilling & Completion campaign for Production hole drilling, Lower & Upper Completions in progress
3. FPSO currently at Kakinada anchorage after completion of sea-trials
   - ✓ Preparation for Hook-up, Offshore Testing, Pre-commissioning and Commissioning activities ongoing
4. Production expected to commence by year-end

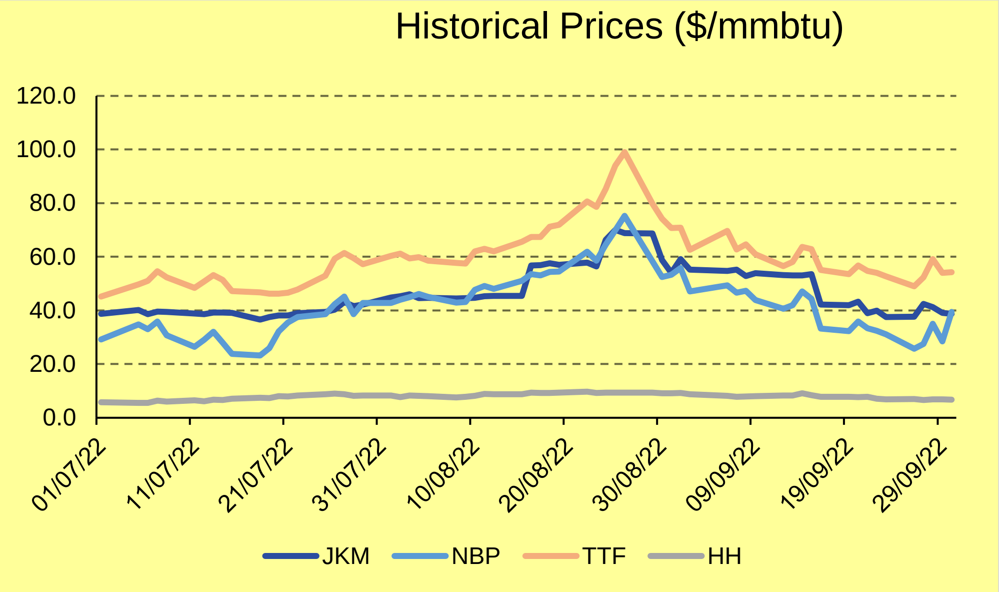


MJ: FPSO & Field Installation Pictures

With incremental production from MJ field - on track to deliver 30% of India's Gas Production

Global Gas/LNG Outlook

1. Global gas prices driven by EU amid geopolitical uncertainty
   - ✓ 2Q FY23 EU LNG demand up 93% YoY with lower Russian supplies
   - ✓ Gas prices peaked at historic high of $98/MMBtu, currently $45/mmbtu
   - ✓ EU initiated policy “Save Gas for Safe Winter” to tackle crisis
   - ✓ JKM prices tracked EU prices as Asia competed for LNG cargoes
2. India gas market remains resilient
   - ✓ Gas consumption at ~163 MMSCMD during July-Aug’22 (-3% YoY)
   - ✓ LNG import reduced to ~80 mmscmd in this period (-11% YoY) due to higher domestic gas availability and lower demand
3. Indian Domestic Gas Prices
   - ✓ Government appointed Dr Kirit Parikh Committee to review domestic natural gas pricing, upstream industry represented through AOGO
   - ✓ Ceiling price applicable for KGD6 (R-Series/Sats) revised to ~$12.46/MMBtu for H2FY23



$/MMBtu	Avg. DES West India LNG #	Domestic Ceiling Price
April’20 to Sept’20	2.39	5.61
Oct’20 to Mar’21	7.58	4.06
April’21 to Sept’21	9.83	3.62
Oct’21 to Mar’22	28.09	6.13
April 22 to Sep’22	32.54	9.92

 # Average Settled Prices for assessment period for the relevant months

Geopolitical uncertainty and constrained supply to keep gas prices firm in the near term

Oil to Chemicals (O2C)

Energy Markets Remained Volatile (1/2)

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1. Significant volatility in energy markets
   - ✓ Crude prices varied between $85-$125/bbl; LNG prices varied between $35-$71/mmbtu
2. Crude prices eased through the quarter despite firm demand
   - ✓ Record SPR releases from the US and increased output from Saudi Arabia
   - ✓ Resilient Russian supply
3. Uncertainty over supply and strong demand led elevated EU and Asian LNG prices
4. US Ethane prices eased 6.5% QoQ tracking lower US gas prices, weak petrochemicals demand
   - ✓ US gas exports impacted by extended outage at Freeport LNG terminal
5. Benchmark regional refining margins moved from historic highs in June to negative territory for a brief period during 2Q FY23

Avg. Price (QoQ)

Brent	LNG (JKM)	Ethane
$ 100.9/bbl ↓ 11.4%	**$46.4/mmbtu** ↑ 70.5%	**$ 0.55/gal** ↓ 6.5%

Macro and geopolitical uncertainties underpinned energy market volatility

Energy Markets Remained Volatile (2/2)

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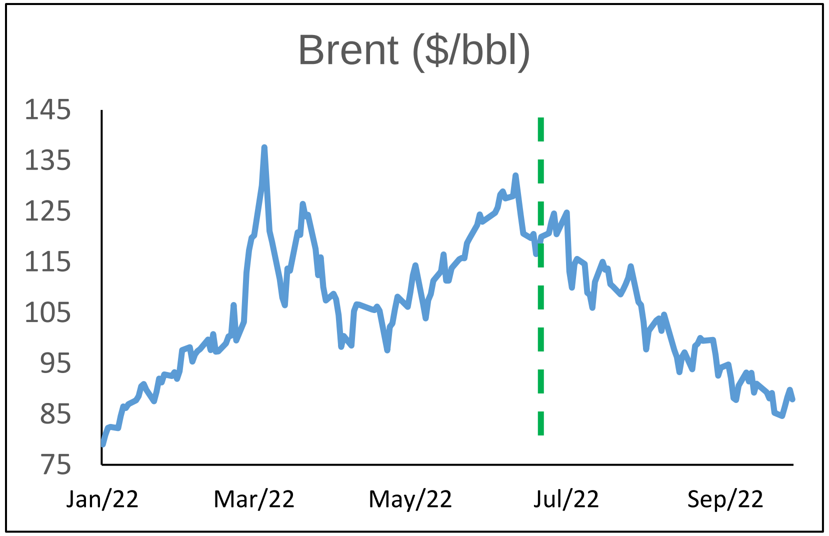

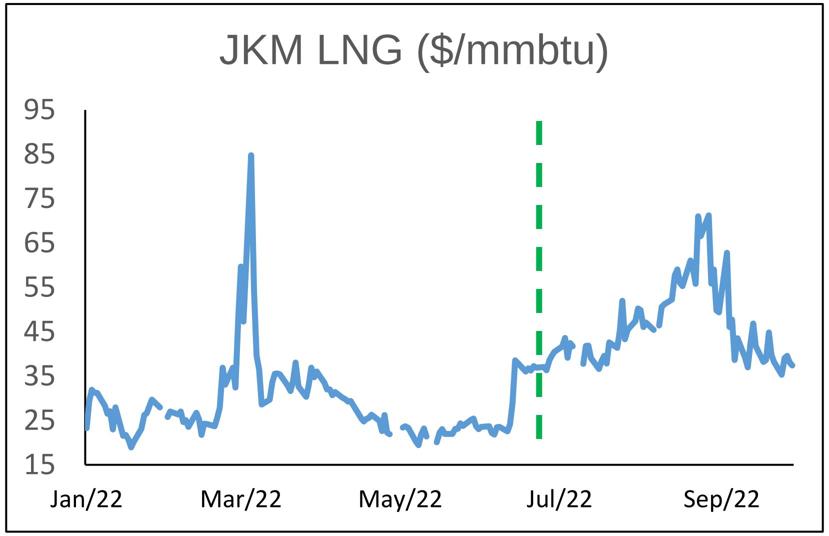

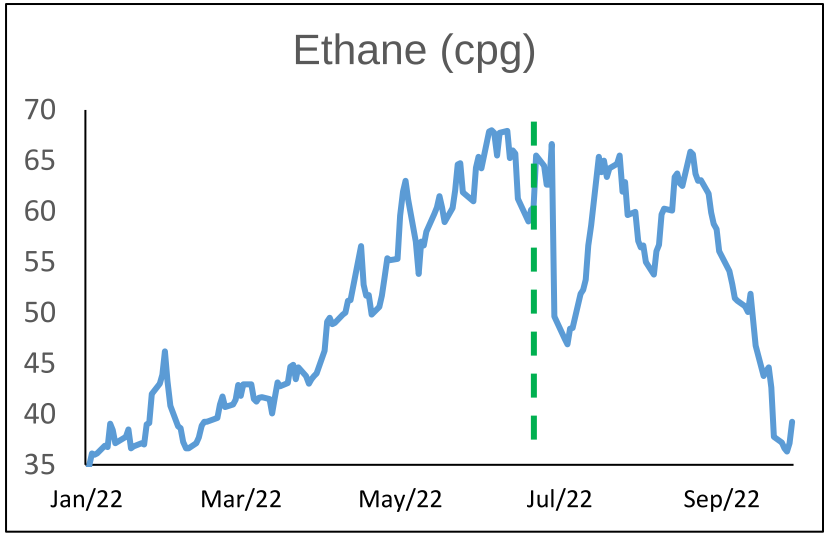

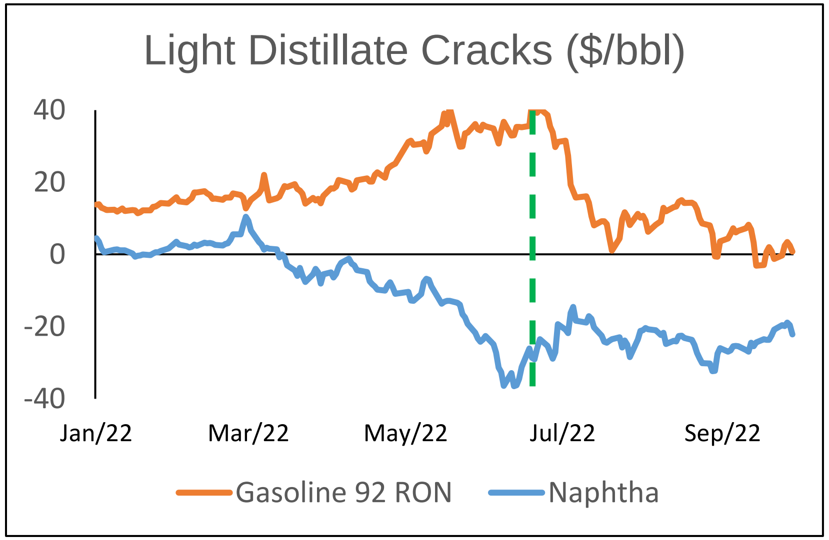

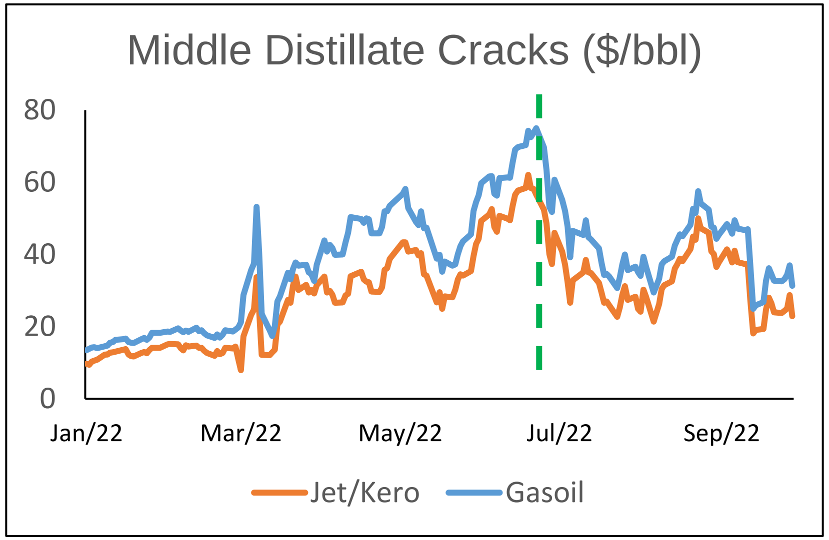

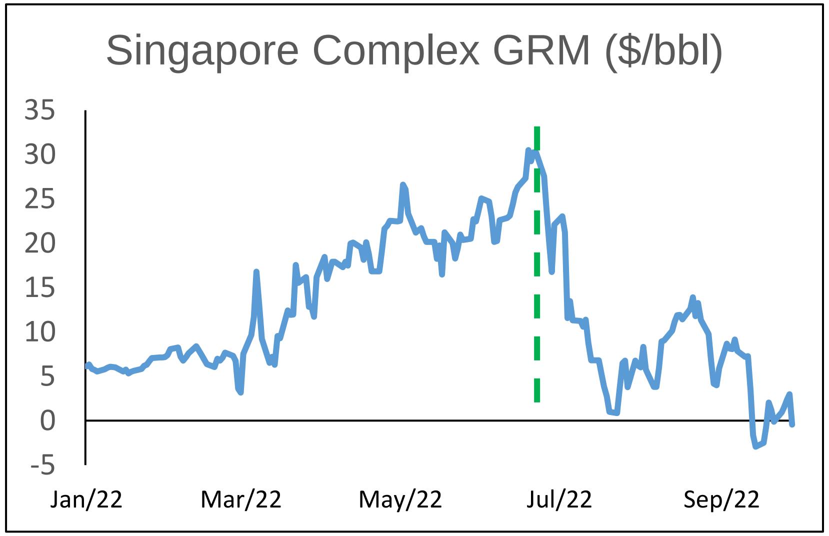

Dislocation in energy markets led to unprecedented volatility in prices and margins

O2C Operating Performance

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(in ₹ Crore)	2Q FY23	change YoY	change QoQ
Revenue	159,671	32.5%	-1.3%
EBITDA	11,968	-5.9%	-39.8%
EBITDA Margin (%)	7.5%	-310 bps	-480 bps

1. QoQ fall in EBITDA due to:
   - ✓ Lower fuel and downstream chemical margins
   - ✓ Introduction of SAED

1. YoY EBITDA lower by 6%
2. YoY strength in middle distillate cracks offset impact of weak downstream chemical margins
   - ✓ Introduction of SAED on transportation fuels impacted earnings by ₹ 4,039 crore
3. Key downstream chemical product margins declined YoY
   - ✓ Polymer margins declined 15-30% YoY with subdued demand from China and India
   - ✓ MEG margins remained weak with supply overhang
4. Production meant for sale lower by 3.6% YoY with planned turnaround in refinery units

Strong middle distillate cracks cushioned impact of weak downstream margins and SAED

Business Environment - Demand and Utilization Levels

Reliance Industries Limited

Global Oil Demand	India Oil Demand
100.0 mb/d ↑ 1.2 mb/d YoY	**52.6 MMT** ↑ 10% YoY

India Polymer Demand	India Polyester Demand
4.0 MMT ↑ 1.0% YoY	**1.6 MMT** ↑ 2.0% YoY

1. Global oil demand up YoY
   - ✓ QoQ demand growth also strong at 1.5mb/d
   - ✓ Increased seasonal mobility and removal of curbs
   - ✓ Gas to oil switching on high gas prices
2. YoY India's polymer and polyester demand improved marginally
   - ✓ Stable demand from agriculture, health and hygiene, consumer durables, food packaging and beverages

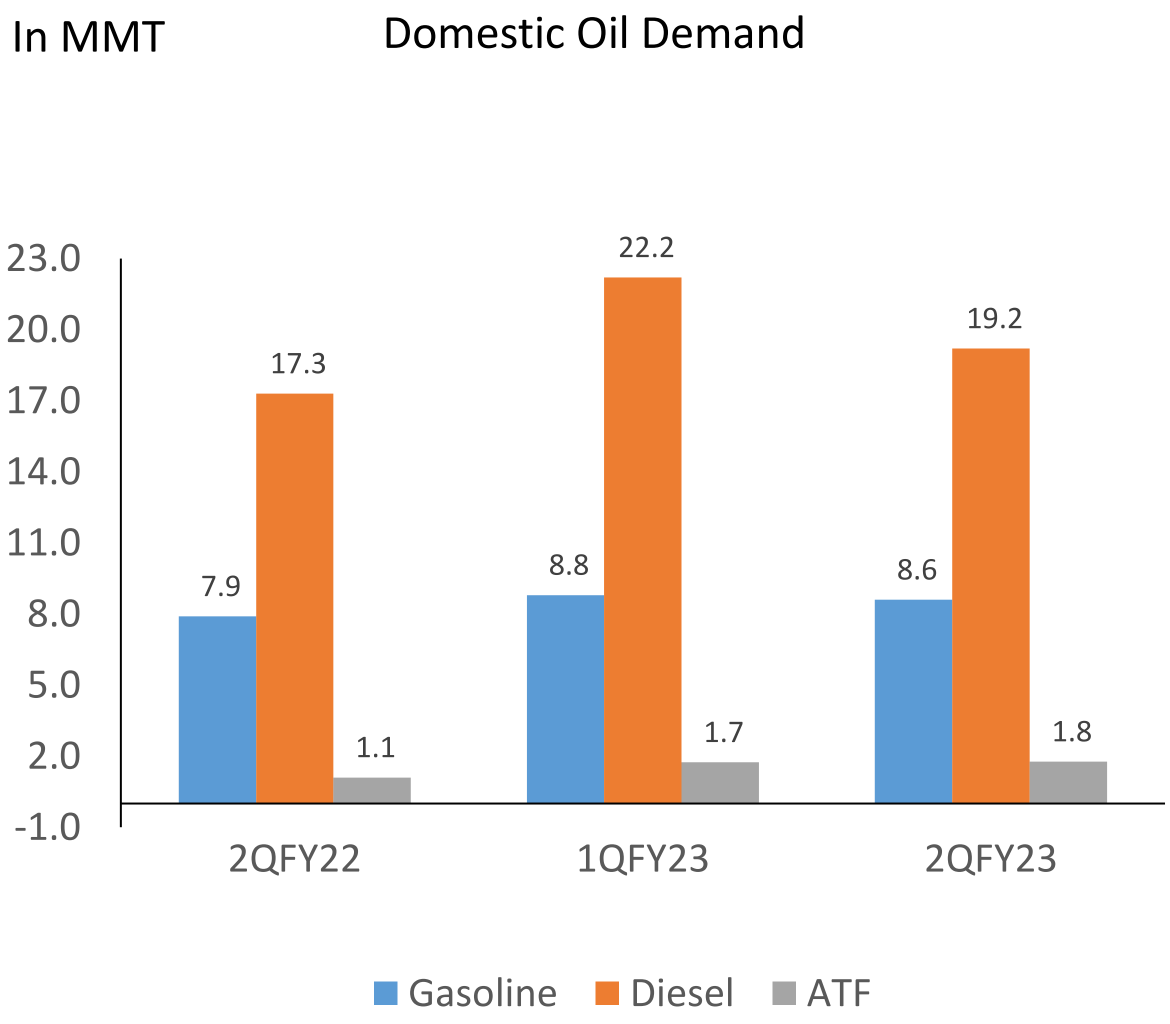
Global Refinery Operating Rate	Global Cracker Operating Rate
78.2% ↑ 210 bps QoQ	**84.4%** ↑ **98** bps QoQ

1. Global refinery operating rate up 210 bps QoQ due to strength in middle distillate demand and cracks
2. Global cracker operating rates improved marginally with restart of crackers post turnaround

Oil and product markets remained well supplied with higher utilization

Source : IEA, Platts, JBC, HIS, PPAC, RIL internal estimates

Domestic Environment – Oil Demand



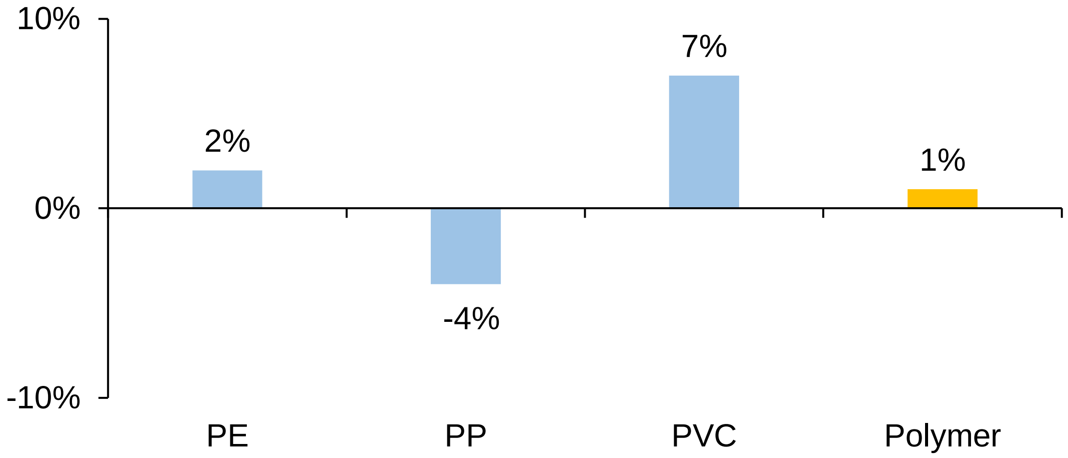
1. Oil demand at 52.6 MMT, up 10% YoY, down 4.6% QoQ
2. Gasoline demand up 9% YoY with higher automobile sales and continuing momentum in tourism
3. HSD demand up 11% YoY
   - ✓ Normalized economic activities
   - ✓ Resilient farm sector demand due to harvesting season
   - ✓ Positive momentum in commercial vehicles sales
4. ATF demand up 64% YoY on a low base
   - ✓ Domestic air traffic above pre-covid level with daily average flyers crossing 400,000 mark in early Oct-22
   - ✓ Load factor of 84% in Sep-22 (vs. 73% in Sep-21)

Sharp rebound in oil product demand with normalized economic activities

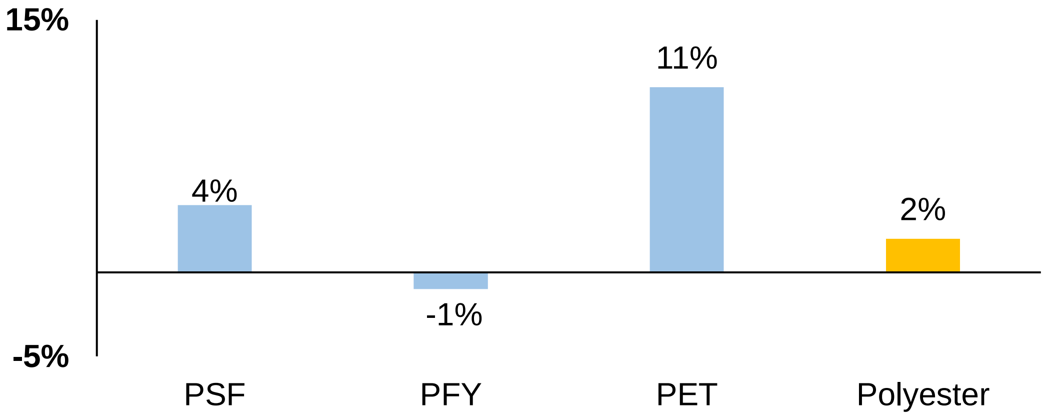
Source : PPAC

Domestic Environment – Polymers and Polyester Demand

Polymer India Demand Growth YoY



Polyester India Demand Growth YoY



1. Polymer demand grew by 1% YoY
   - ✓ PVC demand remained strong with good monsoon
   - ✓ PP demand impacted due to lower end product export demand from EU and US
   - ✓ Supply constraint due to planned outage by Indian Producers

1. Polyester demand improved by 2% YoY
   - ✓ PSF demand was supported by strong cotton conversion
   - ✓ PET demand led by strong pull from beverage segment

Stable domestic consumption despite supply constraints

Business Environment – Polymers and Polyester Chain Deltas

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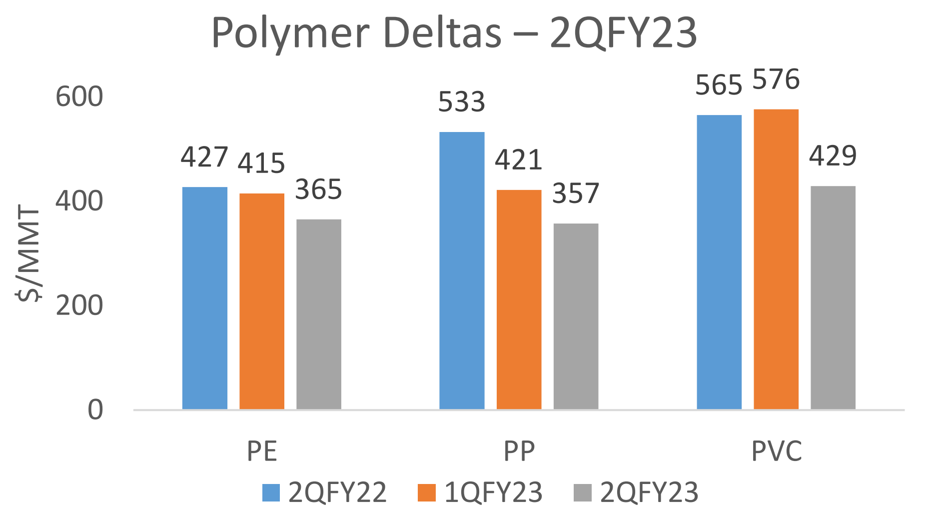
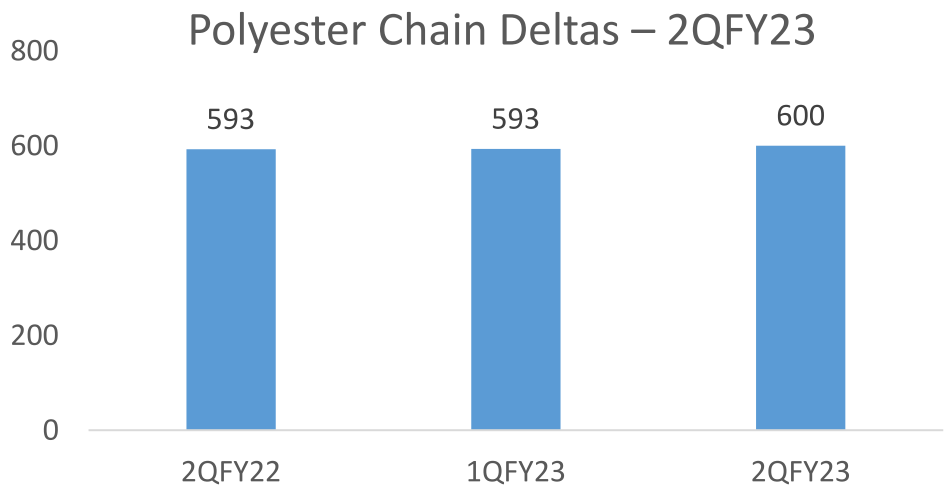


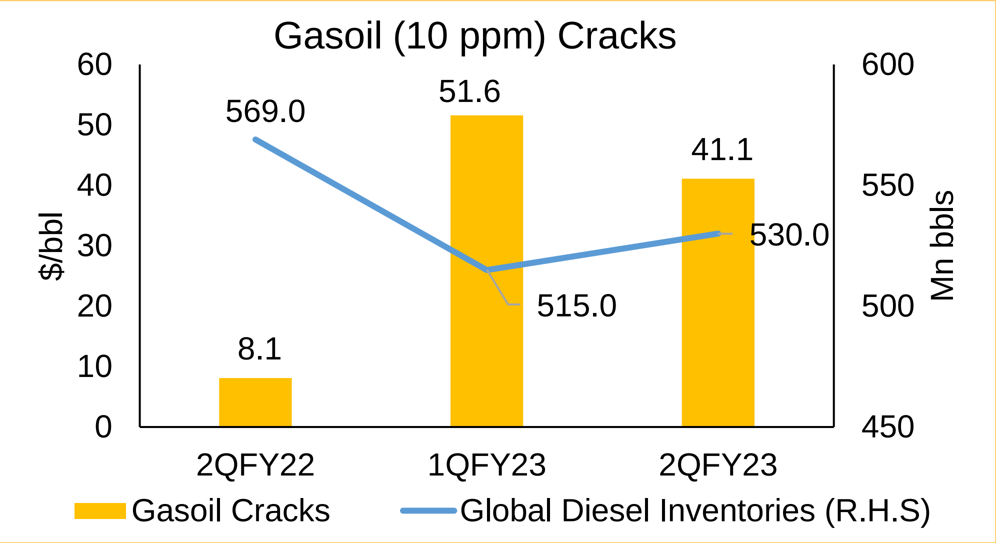


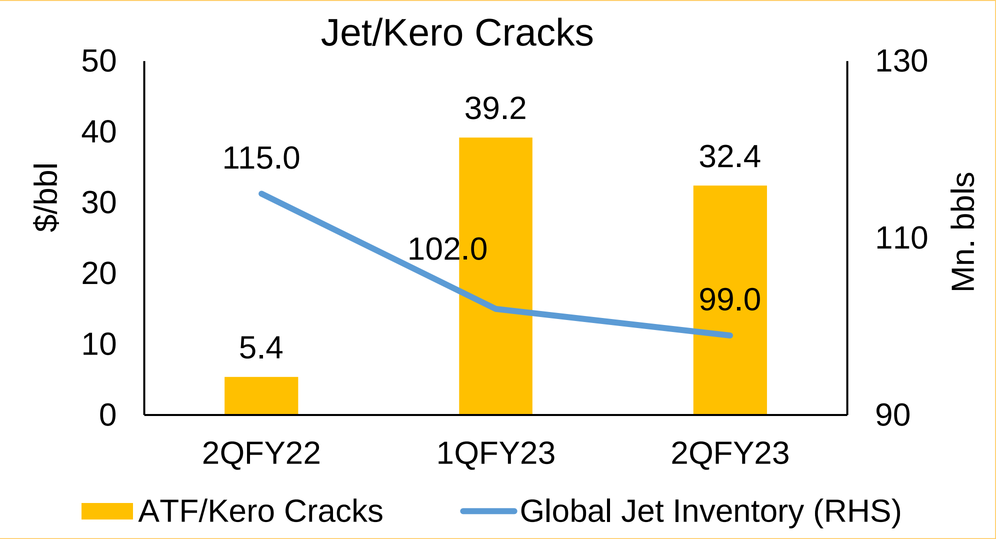
1. QoQ polymers deltas down 12%-26%
   - ✓ Polymer prices softened 17-31% on weak market sentiments
   - ✓ Sharper absolute decline in product prices compared to Naphtha (-19% QoQ) led to margin contraction
   - ✓ Ethane cracking economics remained subdued with firm prices
   - ✓ Ease of logistics constraints led to reduction in ocean freight and lower domestic realizations

1. QoQ polyester chain delta marginally up 1%
   - ✓ Downstream polyester margins (up 25-30%) offset by weak PTA and MEG margins
   - ✓ PX margins firm as integrated players optimized PX production to capture higher gasoline margins
   - ✓ MEG delta continue to remain weak amid capacity overhang

Stable polyester chain margin; subdued demand and price volatility impacted polymer margins

Regional Business Environment – Transportation Fuels





Gasoil

1. Global demand increased by 0.4 mb/d QoQ to 28.8 mb/d
2. Gasoil cracks remained elevated but declined QoQ
   - ✓ Gas to oil switching supported higher cracks
   - ✓ Inventory levels higher QoQ, but below 5-year average
   - ✓ Higher utilization and increased China export quota eased supply concerns

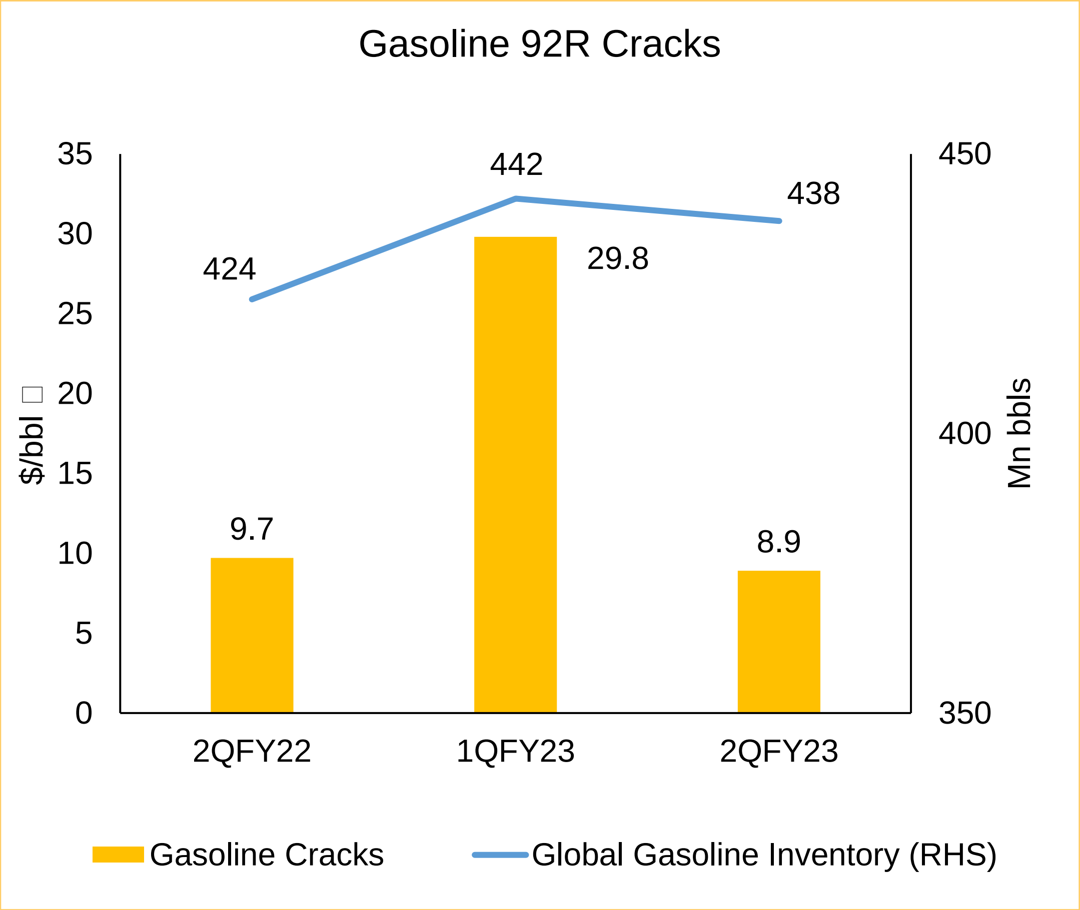
ATF/Kero

1. Global ATF demand rose sharply QoQ by 0.9 mb/d to 6.9 mb/d.
   - ✓ Led by 0.6 mb/d growth in Asia-Pacific with China reopening
2. Cracks remained elevated but declined QoQ
   - ✓ Average nos. of flights up ~20% YoY in July/August
   - ✓ Lower inventory levels supported the cracks

Middle distillate markets remained tight despite improved supply

Source: Platts, Energy Aspects

Regional Business Environment – Transportation Fuels



Gasoline

1. Global gasoline demand rose by 0.9 mb/d QoQ to 26.7 mb/d
   - ✓ Led by Asia-Pacific with 0.5 mb/d demand growth
2. Gasoline cracks fell sharply QoQ
   - ✓ Underwhelming US demand due to lower discretionary spending amid high pump prices
   - ✓ High refinery utilization rates to meet gasoil demand boosted gasoline supply
   - ✓ Higher tanker freight rates weighed on gasoline export, leading to inventory build and pressurizing cracks

Subdued US demand in well supplied markets led to sharply lower cracks

Source: Platts, Energy Aspects

O2C Operating Performance

Feedstock	2Q FY23	1Q FY23
	(Vol in MMT)	
Throughput	18.6	19.8
Production meant for sale	**2Q FY23**	**1Q FY23**
	(Vol in MMT)	
Transportation fuels	9.9	10.5
Polymers	1.4	1.4
Fibre Intermediates	0.9	0.8
Polyesters	0.6	0.7
Chemicals and others	3.4	3.5
Total	**16.2**	**16.9**

1. Lower throughput QoQ – planned turnaround of primary and secondary processing units of SEZ refinery in Sept'22 for M&I
2. Naphtha sourcing increased to capture strong reforming margins
3. Gasoil export optimized to improve netbacks with regional arbitrage opportunities
4. Sustained Gasifier performance ensured elimination of LNG sourcing
5. Aromatics production rationalized with favorable gasoline economics available to integrated O2C player

Prudent feedstock management and product placement helped navigate through volatile markets

O2C Business Dynamics

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Macro

1. Oil demand is expected to average 99.6 mb/d in 2022, up 1.9 mb/d YoY
2. EU sanctions on Russian products from Feb.'23 to provide opportunity for Asian/ME refiners

Margin

1. Middle distillate cracks likely to remain firm with high gas price in EU and winter demand
2. Polymer margins expected to improve with opening of China economy, lower feedstock prices

Demand Drivers

1. Fuel demand expected to remain stable with full impact of reopening of economies
2. Gas to oil switching to support the oil demand as winter sets in
3. Polyester / Polymer domestic demand expected to improve on account of festive season

Challenges

1. Weaker global GDP growth, high inflation and interest rates to weigh on demand
2. Freight rates remain high for both crude and product tankers
3. Increased Chinese export quotas keeping markets well supplied

Source: IEA, Platts.

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Summary

Summary

1. Resilient performance amid challenging macro environment and volatile energy markets
   - ✓ O2C earnings impacted by weaker margins and SAED
2. Robust growth across consumer platforms
   - ✓ Rapid store expansion and omni-channel retail strategy to maximise reach across consumers
   - ✓ Healthy net subscriber additions and improving customer engagement metrics in Jio
3. Jio started beta trial for 5G services, making rapid progress to create world's most advance 5G network
4. KG D6 on track to commission MJ fields by year-end – target to deliver 30% of India's gas production

Thank You