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Ports and
Logistics

Adani Ports and SEZ Limited

23rd Annual General Meeting

26 July 2022

Presented by : Mr. Karan Adani –CEO & Whole Time Director

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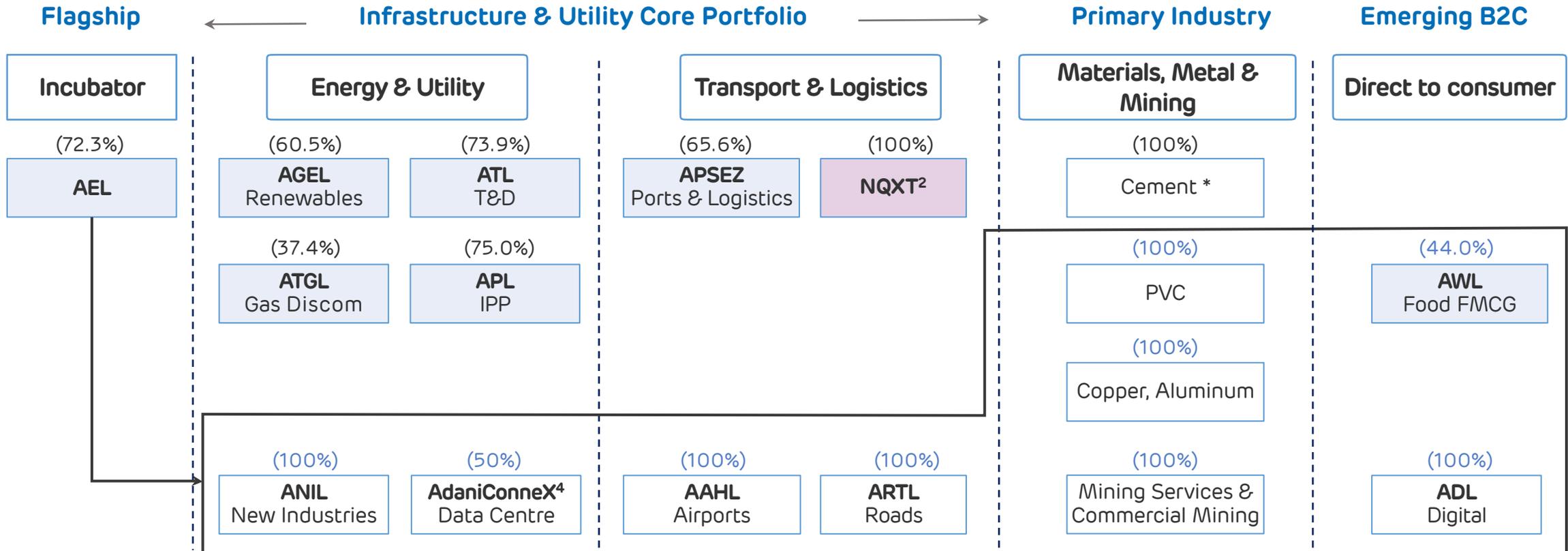
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A

Group Profile

Adani: A World Class Portfolio

adani ~USD 170 bn¹ Combined Market Cap



(%): Promoter equity stake in Adani Portfolio companies (%) : AEL equity stake in its subsidiaries

- Represents public traded listed verticals

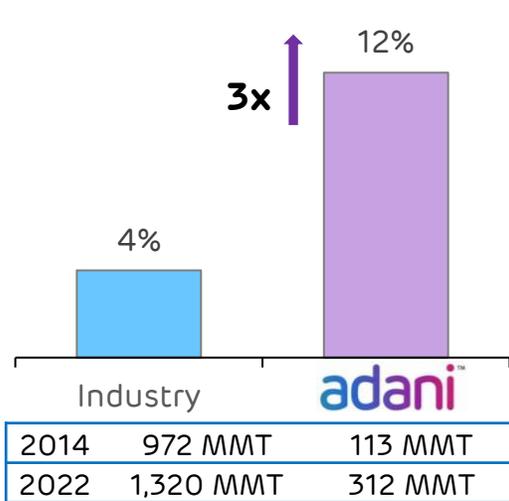
A multi-decade story of high growth centered around infrastructure & utility core

1. Combined market cap of all listed entities as on June 30, 2022, USD/INR – 78.90 | 2. **NQXT**: North Queensland Export Terminal | 3. **ATGL**: Adani Total Gas Ltd, JV with Total Energies | 4. Data center, JV with EdgeConnex, **AEL**: Adani Enterprises Limited; **APSEZ**: Adani Ports and Special Economic Zone Limited; **ATL**: Adani Transmission Limited; **T&D**: Transmission & Distribution; **APL**: Adani Power Limited; **AGEL**: Adani Green Energy Limited; **AAHL**: Adani Airport Holdings Limited; **ARTL**: Adani Roads Transport Limited; **ANIL**: Adani New Industries Limited; **AWL**: Adani Wilmar Limited; **ADL**: Adani Digital Limited; **IPP**: Independent Power Producer

* Acquisition of Ambuja Cements Ltd and ACC Ltd for ~66MTPA of capacity is under regulatory approvals and with this acquisition, Adani is now India's second largest cement manufacturer

Adani: Decades long track record of industry best growth rates across sectors

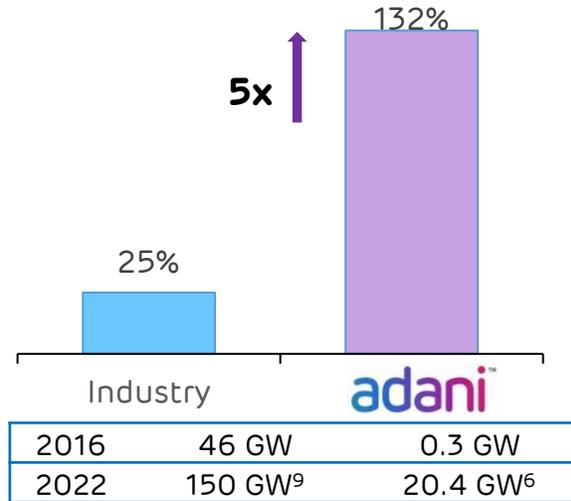
Port Cargo Throughput (MMT)



APSEZ

Highest Margin among Peers globally
EBITDA margin: 70%^{1,2}
 Next best peer margin: 55%

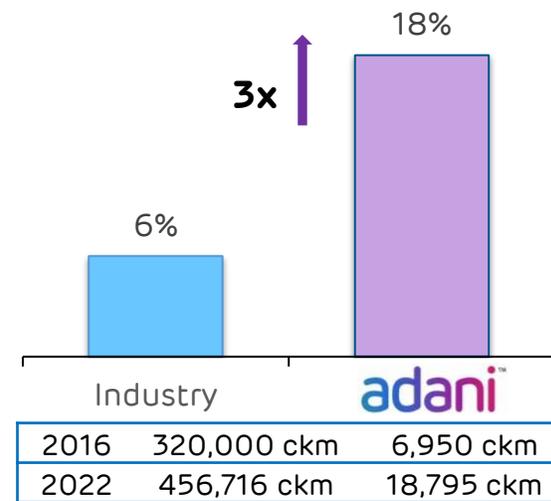
Renewable Capacity (GW)



AGEL

World's largest developer
EBITDA margin: 92%^{1,4}
 Among the best in Industry

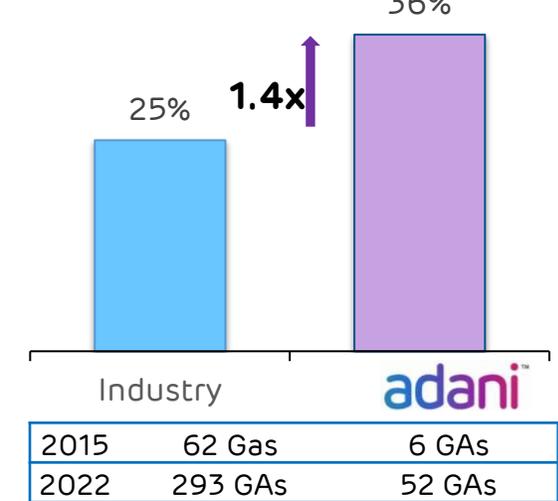
Transmission Network (ckm)



ATL

Highest availability among Peers
EBITDA margin: 92%^{1,3,5}
 Next best peer margin: 89%

CGD7 (GAs8 covered)



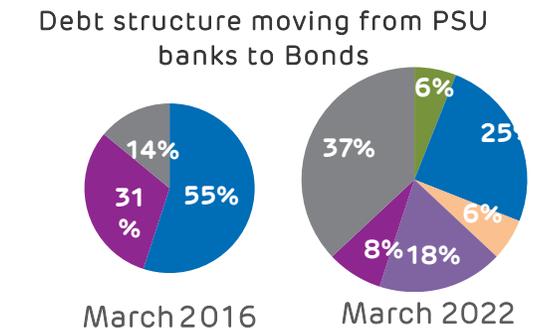
ATGL

India's Largest private CGD business
EBITDA margin: 41%¹⁰
 Among the best in industry

Transformative model driving scale, growth and free cashflow

Note: 1. Data for FY22; 2. Margin for ports business only, Excludes forex gains/losses; 3. EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4. EBITDA Margin represents EBITDA earned from power supply; 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD: City Gas distribution 8. GAs - Geographical Areas - Including JV | Industry data is from market intelligence 9. This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed' 10. Data for FY21

Adani: Repeatable, robust & proven transformative model of investment



O&M: Operations & Maintenance, **HVDC:** High voltage, direct current, **PSU:** Public Sector Undertaking (Public Banks in India), **GMTN:** Global Medium Term Notes **SLB:** Sustainability Linked Bonds, **AEML:** Adani Electricity Mumbai Ltd. **IG:** Investment Grade, **LC:** Letter of Credit, **DII:** Domestic Institutional Investors, **COP26:** 2021 United Nations Climate Change Conference; **AGEL:** Adani Green Energy Ltd.

● PSU ● Pvt. Banks ● Bonds ● DII ● Global Int. Bank ● PSU - Capex LC

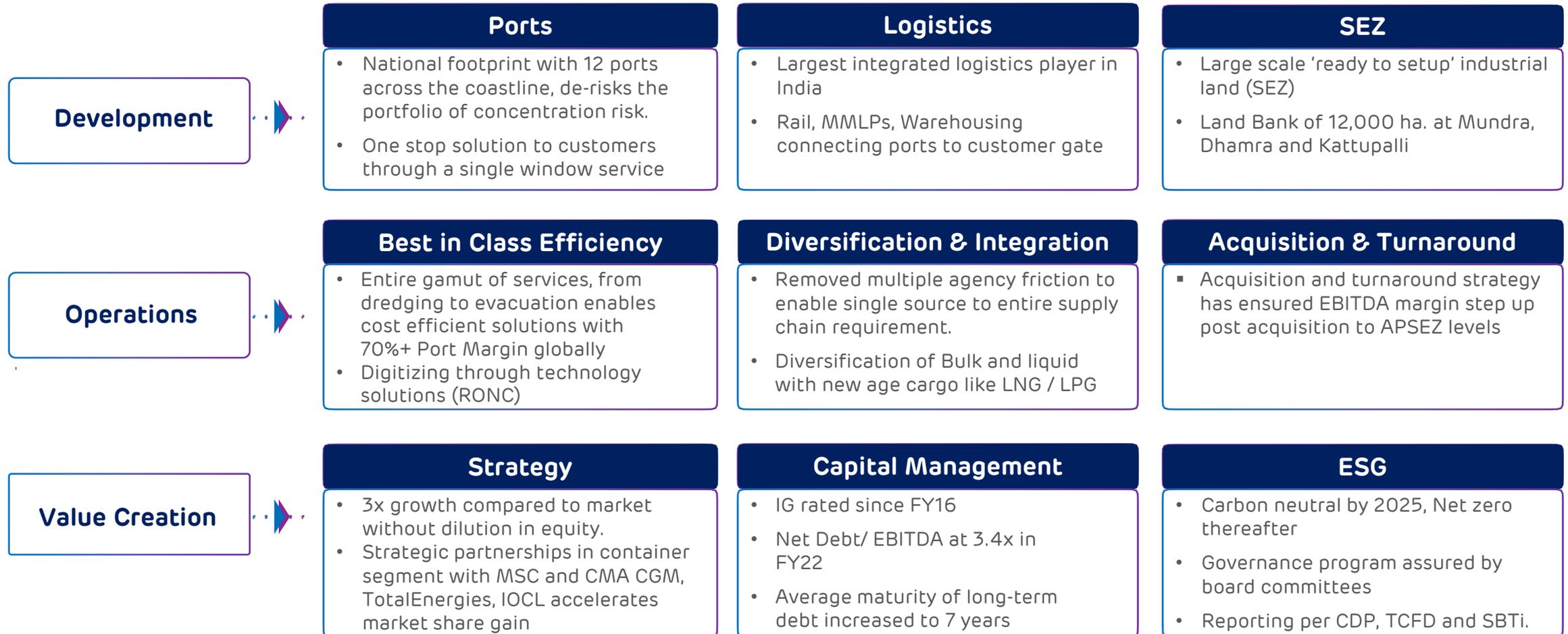
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Company Profile

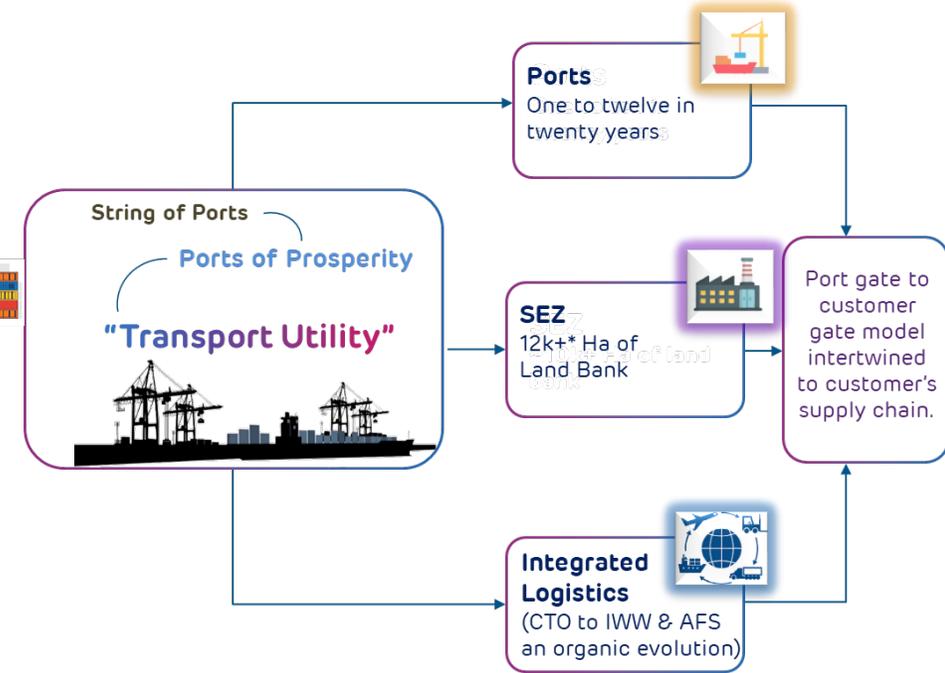
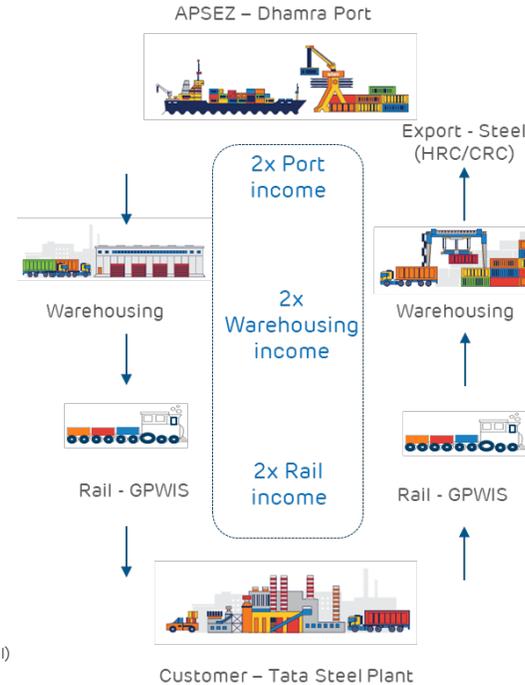
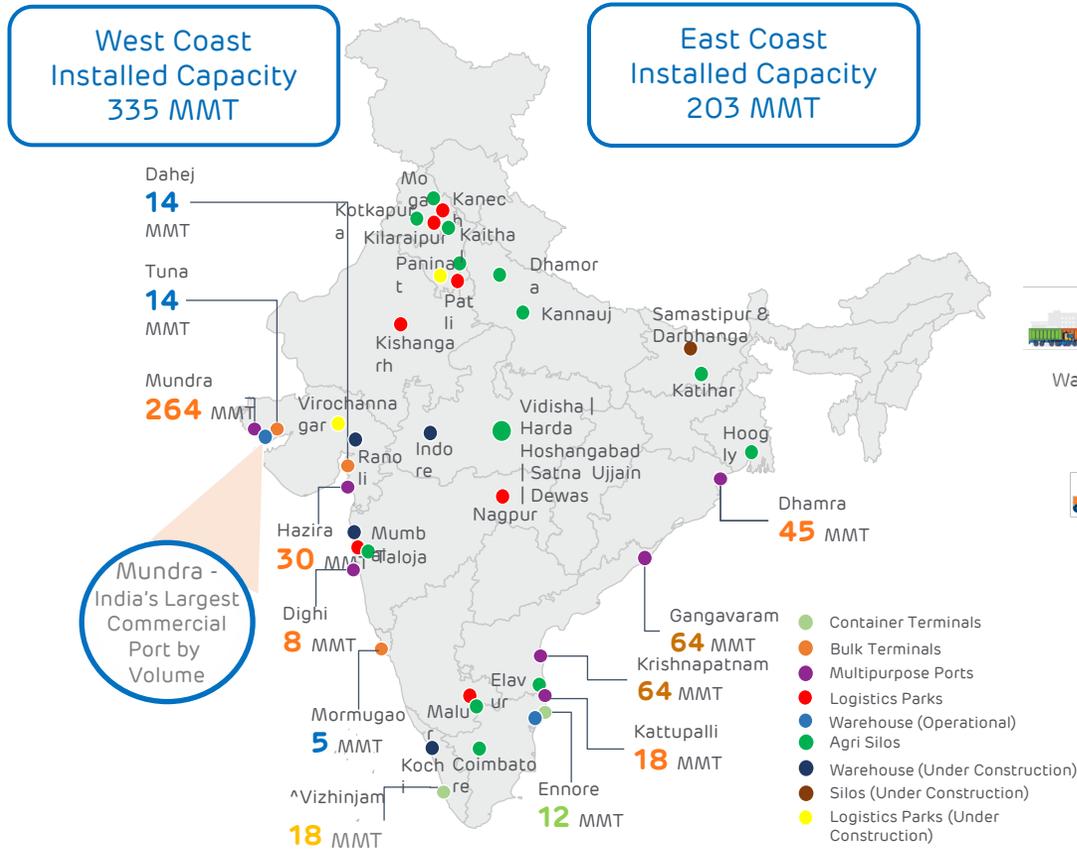
APSEZ: Transformational Business Model



Growth in non Mundra Ports, traffic parity in coasts and reaching customer gate builds the largest Transport Utility

MMLP : Multimodal logistics Park | SEZ : Special Economic Zone | LNG : Liquefied natural Gas | LPG : Liquefied petroleum Gas | CDP : Carbon disclosure project | TCFD: Task Force on climate related financial disclosure | SBTi : Science Based Targets initiative | RONC: Remote Operating Nerve Center | IG: Investment Grade | ESG: Environmental, Social, and Governance

APSEZ: A transport utility with string of ports and integrated logistics network

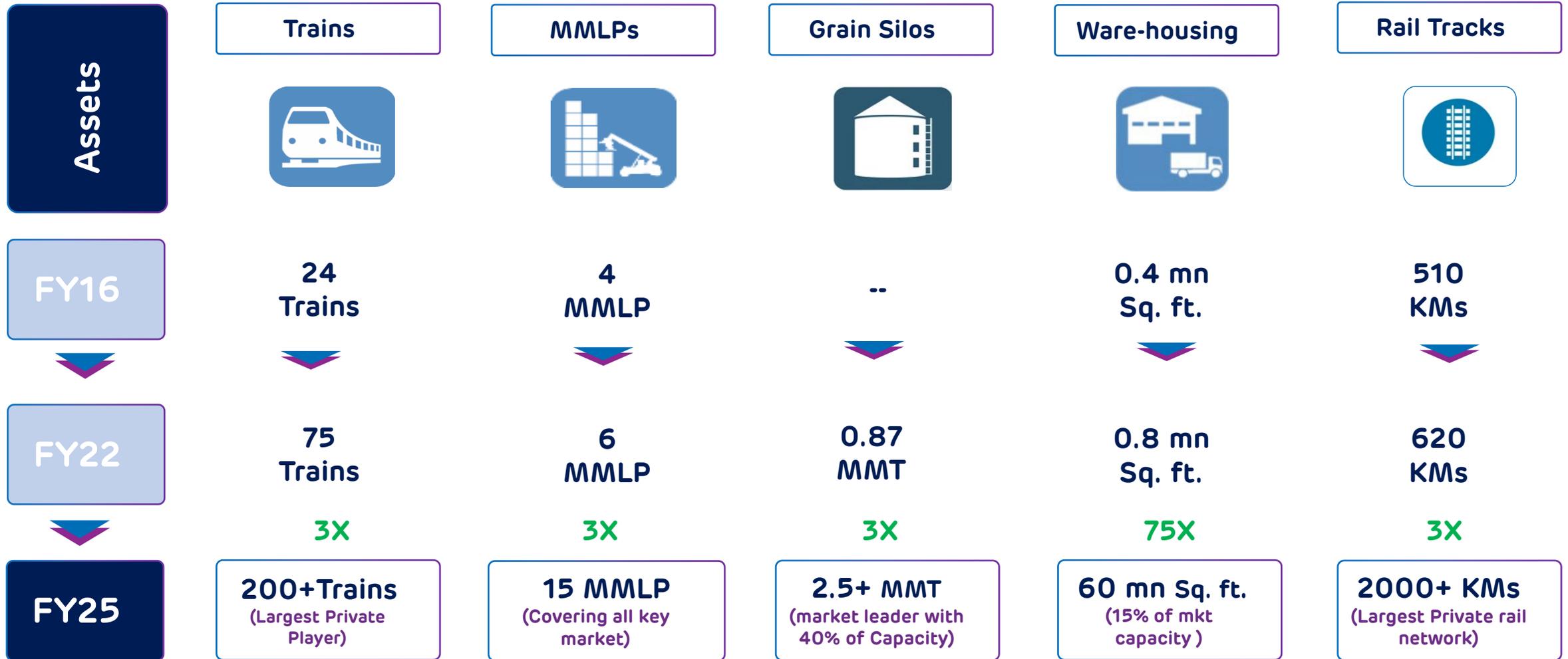


Grown from a single port to Twelve Ports ~538 MMT of Installed capacity

An integrated approach through Ports, SEZ and Logistics enables presence across value chain

*Includes both SEZ and non SEZ land | SEZ : Special economic zone ! ^under construction
GPWIS – General Purpose Wagon Investment Scheme | CTO – Container Train Operator | IWW –Inland Water Ways | AFS – Air Freight Stations | HRC : Hot Rolled Coil | CRC : Cold Rolled Coil | MMT : Million Metric Ton

APSEZ: Logistics to provide growth impetus & help reaching customer's gate



Integrated logistics allows for a single window service for the customer

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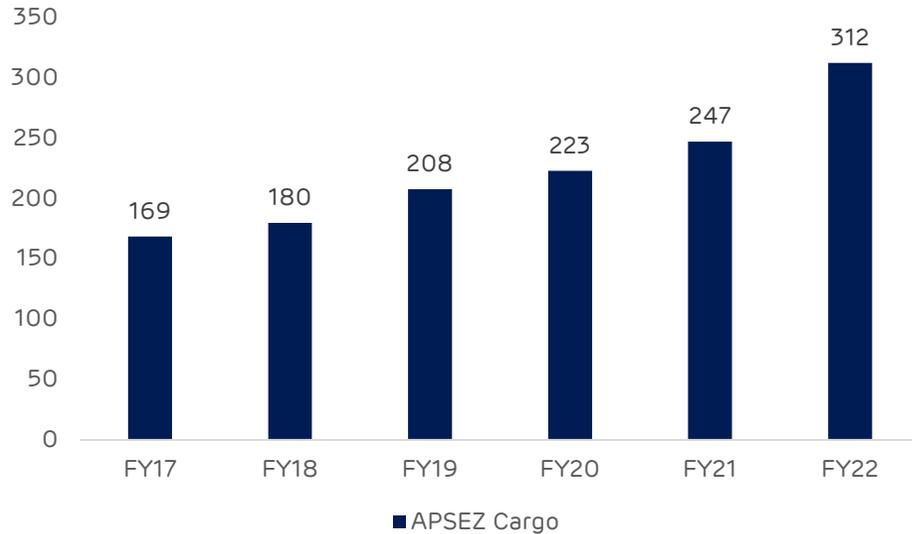
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Growth Journey

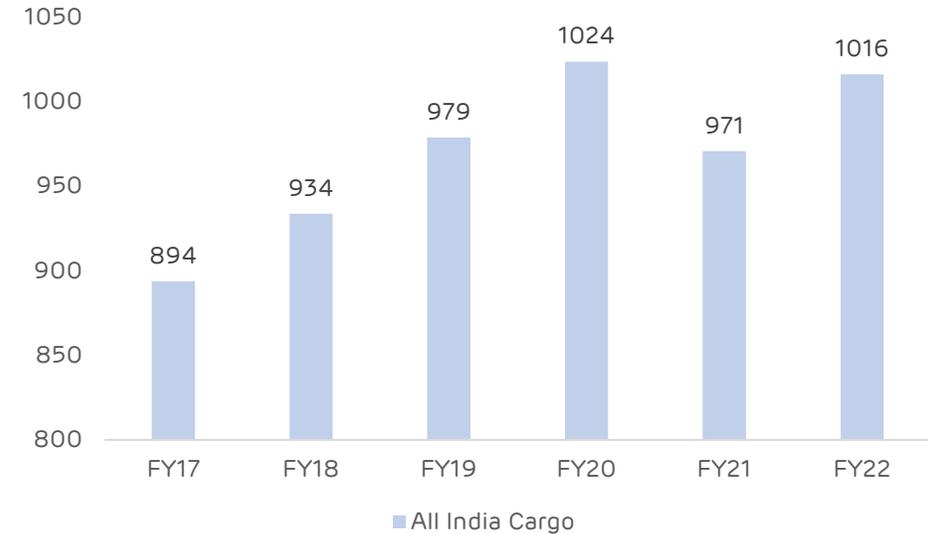
APSEZ: Sequential cargo volume growth beats industry

(in MMT)

APSEZ Cargo Throughput



All India Cargo Throughput*



APSEZ CAGR – 13%

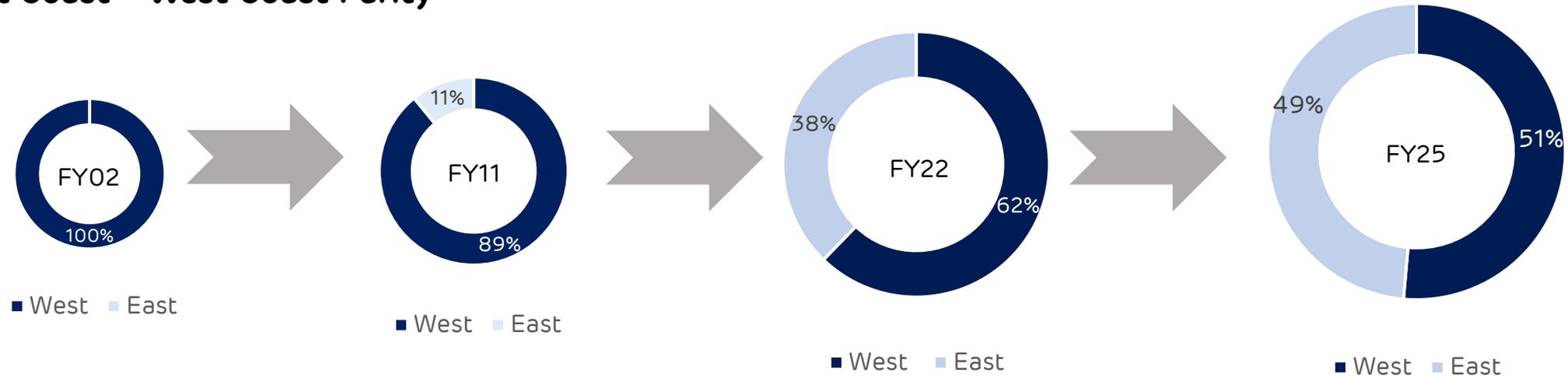
All India CAGR – 3%

~4x growth

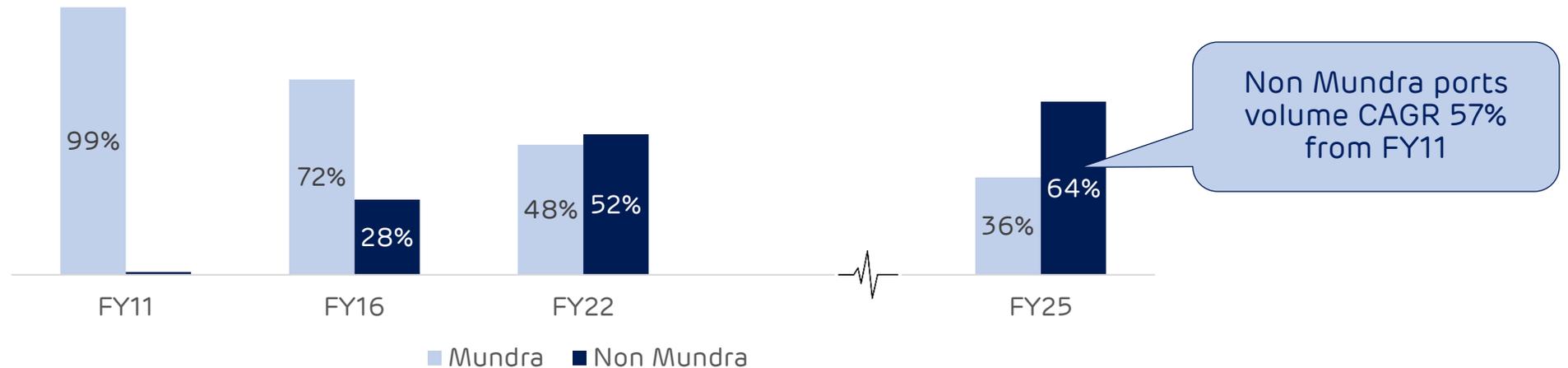
Achieved a CAGR of 13% based on capacity addition ahead of demand, cargo & geographical diversification

APSEZ: Growth driven by parity among coasts & share of non-Mundra ports

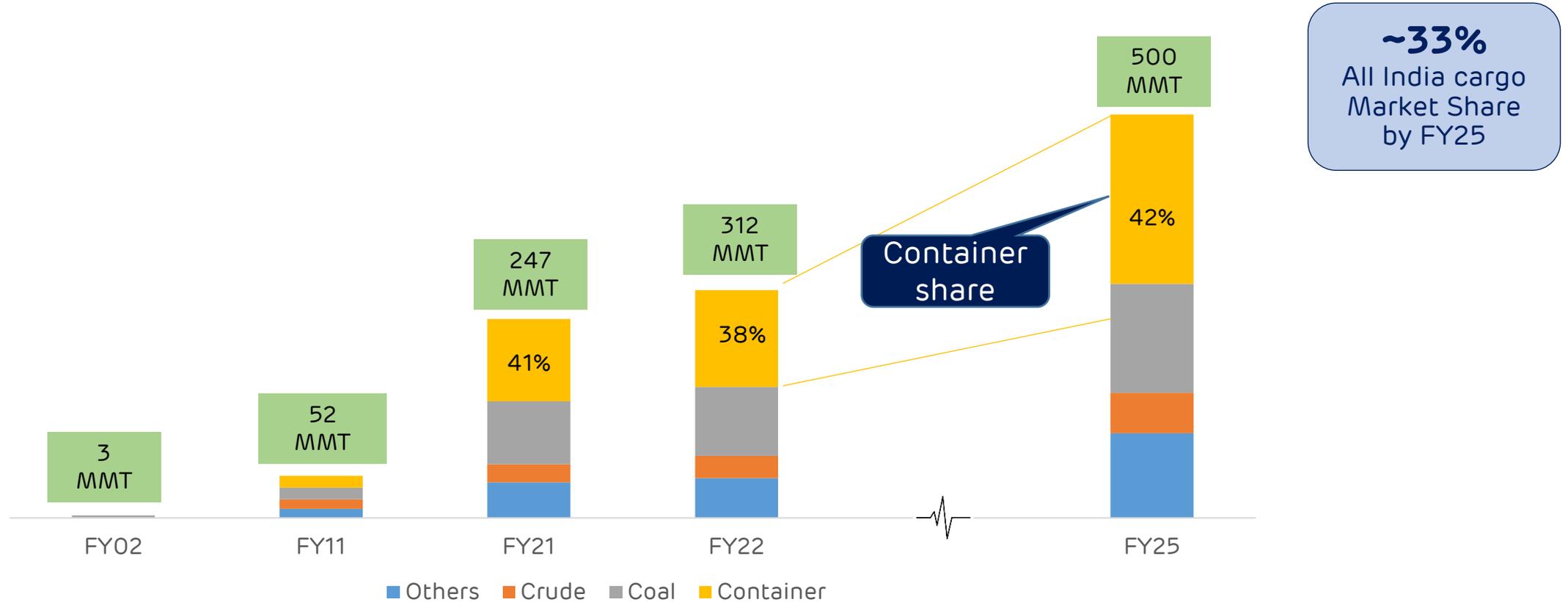
East Coast – West Coast Parity



Growing share of non Mundra Cargo



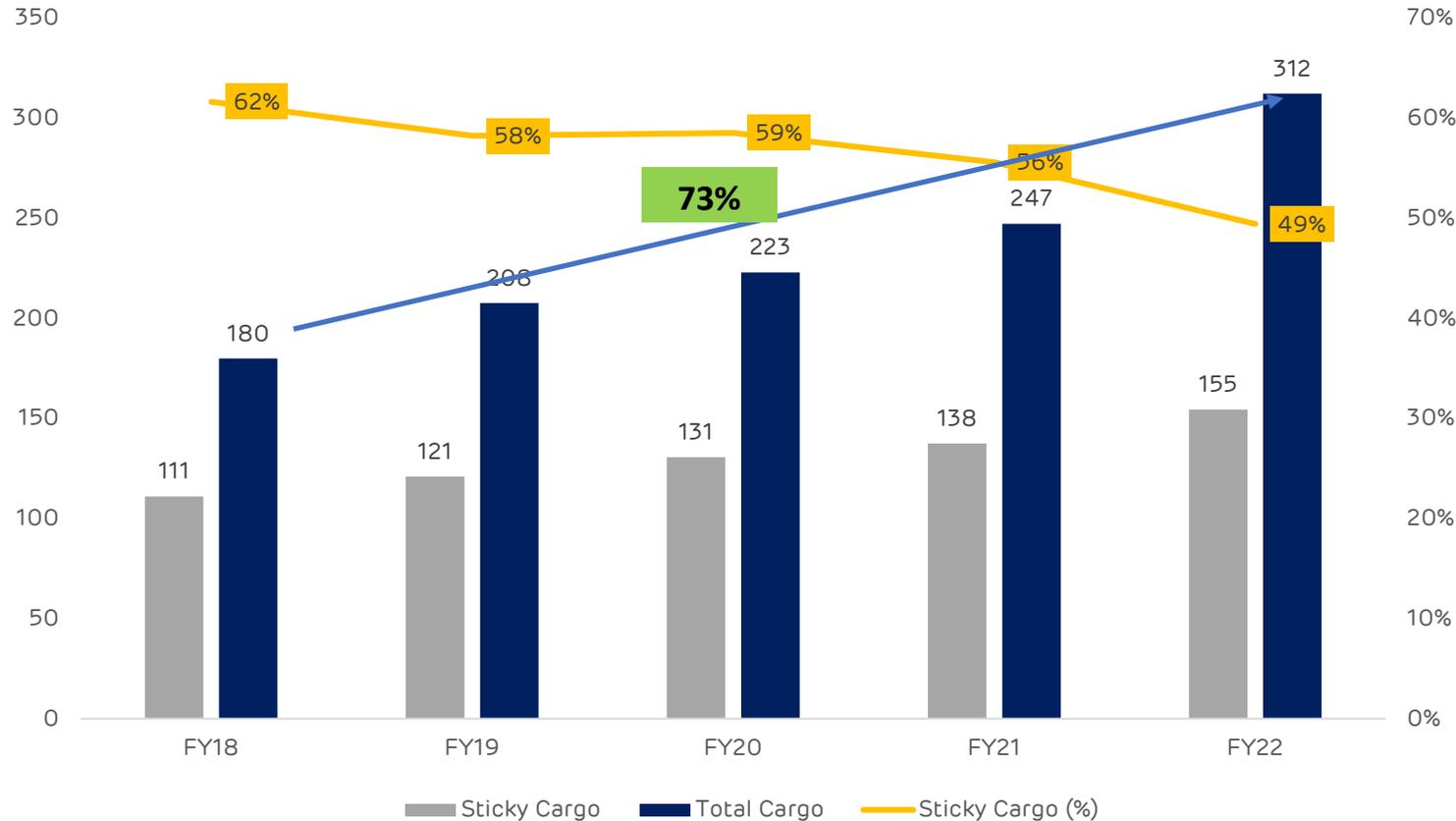
APSEZ: Growth in cargo throughput led by change in mix



Diversification of cargo started from FY10, with container being dominant with ~42% share by FY25

APSEZ: Sticky cargo ensures resilience

(YoY, in MMT)



- Sticky cargo volumes continue to grow
- Sticky cargo constitutes ~49% of total cargo with a higher base
- Sticky cargo grew by 12%
- 70% of sticky cargo at Mundra Port
- Container constitutes 53%, and liquid 15% of total sticky cargo

Note – APSEZ FY22 sticky volume includes sticky volume handled by Gangavaram port

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Strategic, Operational, Financial & ESG Highlights

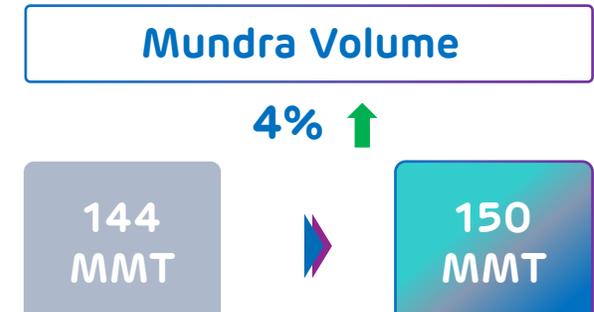
APSEZ: Strategic Highlights FY22

- Acquisition of Sarguja Rail Corridor and Krishnapatnam port were completed during the year
- Gangavaram acquisition was initiated with purchase of 41.9% stake; expecting acquisition of remaining stake in the first half of FY23, once regulatory approvals are obtained
- APSEZ won bids for mechanization of a bulk terminal at Haldia Port Trust and greenfield deep-sea port project at Tajpur
- Announced plans for developing 60 million sq. ft of warehousing capacity in 5 years
- Initiated construction of 6 new warehousing facilities, 2 MMPLs and 5 agri logistics projects
- Placed order for additional 19 bulk rakes (under GPWIS), which are to be delivered in FY23
- Entered into an agreement with IOCL to augment crude oil capacity by constructing 9 new tanks at Mundra
- In May 2022, APSEZ acquired 100% stake in Ocean Sparkle Ltd, India's leading third-party marine services provider
- We recently won the bid to acquire 100% shares of the company operating Israel's largest Port Haifa

APSEZ: Operational Highlights FY22

(YoY)

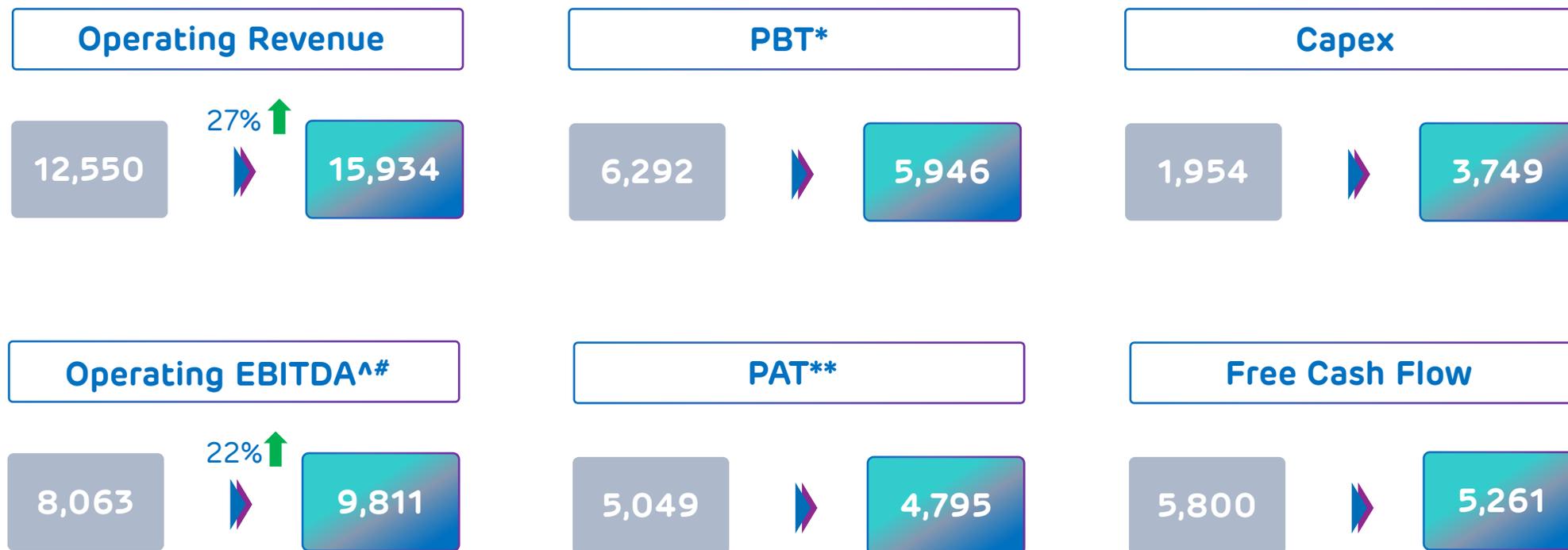
FY21 FY22



APSEZ's journey from 200 MMT to 300 MMT achieved in record three years time

APSEZ: Financial Highlights FY22

(YoY, in INR Cr)



- The Board recommended a dividend of Rs.5 per share, which works out to a payout of Rs.1,056 Cr and is 22% of reported PAT

■ FY21 ■ FY22

Financial numbers does not include Gangavaram port numbers

^EBITDA excludes forex loss of INR 872 cr. in FY22 vs. forex gain of INR 715 cr. in FY21

#FY21 EBITDA excludes one time donation of Rs.80 cr. and that of FY22 excludes on time transaction cost of Rs.60 Cr wrt SRCPL acquisition | * Profit before exceptional items and tax

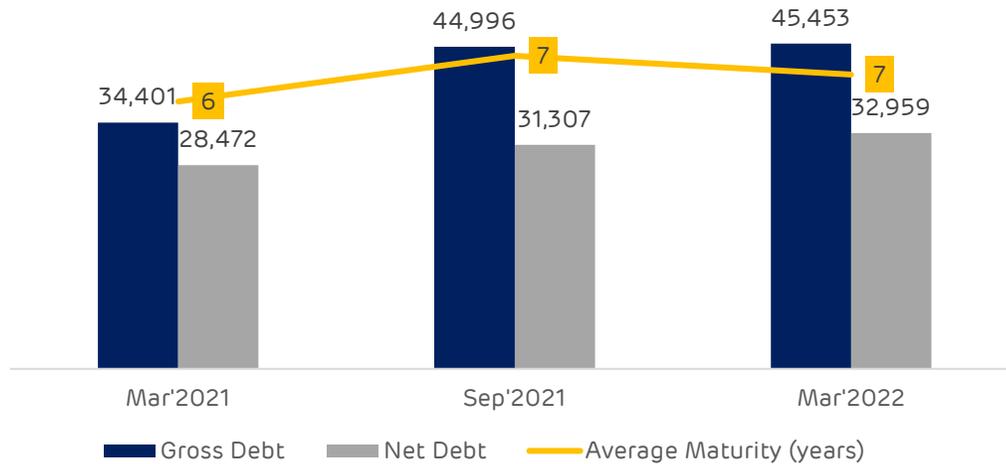
**PAT : After considering Rs.352 Cr (net of tax) on account of SEIS reversal; Excluding SEIS impact PAT grew by 2%

All these figures are without Gangavaram port

APSEZ: Improving debt profile

(YoY, in INR Cr)

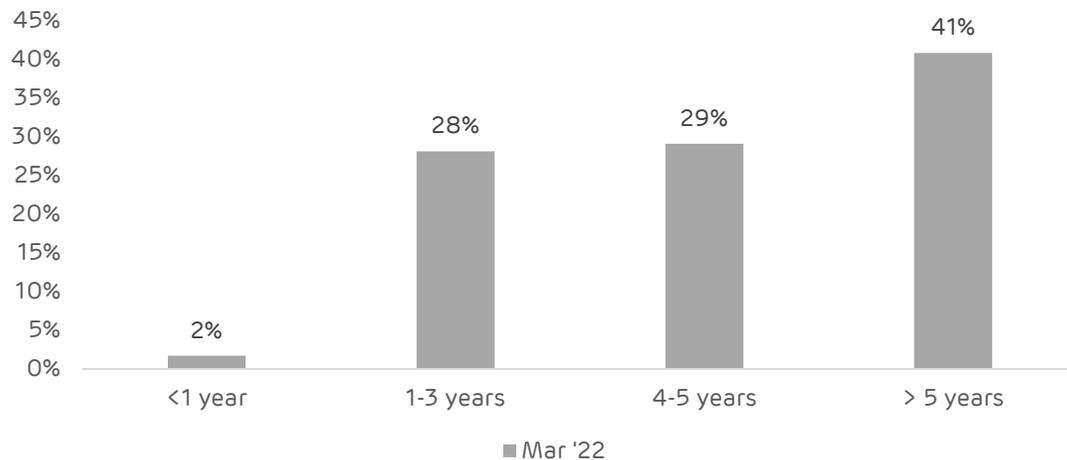
Gross Debt, Net Debt & Average Maturity



Net debt to EBITDA[^]



Maturity profile of Long Term Debt



- Average maturity of debt increased to ~7 years with issuance of USD 750 Mn bonds having average maturity of 16 years
- Average cost of borrowing has decreased by 70 bps to 6.36% due to new issuances and refinancing with lower coupons
- Over 40% of long-term debt is maturing post 5 years
- Net debt to EBITDA stands at 3.4x & including GPL it is at 3x

APSEZ: Environmental performance FY22

- Over achievement against targets on most indicators

Indicator	FY25 Target	FY22 Target	Status: FY22
Energy & Emission			
RE share in total electricity*	100%	15%	20%
RE share in total energy*	25%	6%	7.7%
Energy intensity reduction*	50%	30%	38%
Emission intensity reduction*	60%	35%	45%
Water and Waste			
Water consumption intensity reduction*	60%	55%	59%
Zero waste to landfill	12 Ports	6 Ports	3 Ports (completed) + 3 Ports (certificate awaited)
Single use plastic free sites	12 Ports + 4 ICDs + 14 AL sites	11 Ports + 4 ICDs	9 Ports (completed) + 4 ICDs (in progress)
Forest conservation & Afforestation			
Mangrove afforestation	5000 Ha	3230 Ha	3239 Ha
Terrestrial plantation	1200 Ha	1000 Ha	975 Ha (completed) + 25 Ha (in progress)
Social			
Safety	Zero Incidents	Zero Incidents	3 Fatal + 16 LTI
Voluntary attrition	<4%	<4%	10.4%

Intensity based on operational revenue (INR in Crore)
 *Base year FY16

APSEZ: Targeting ESG leadership

ESG Ambition

- Carbon neutral by 2025
- Ensure biodiversity conservation
- To touch one million lives by 2025 through CSR initiatives

Actions Taken

- **Material progress on Carbon Neutrality target**
 - Retrofitting of RTGs completed and of Quay Cranes to be completed this year
 - Order already placed for 100 Battery-operated EITVs and for the balance quantity in FY23
 - Discussions ongoing with OEMs for low-carbon solutions for other equipment
 - Around 42 MW of renewable capacity / supply agreements are in place; Efforts ongoing for a firm tie-up of another 300+ MW REN capacity
 - Targeting Mangrove afforestation on another 2000 Ha
- **Biodiversity initiatives yielding concrete results**
 - Total Mangrove conservation and afforestation area now exceeds 6000 Ha
 - Average turtle nesting near Dhamra port has more than doubled since APSEZ's ownership
 - Reported Dolphin count around Dhamra port has seen a significant jump
- **Our CSR initiatives extending to villages with total population count of ~0.8m**
 - Livelihood support to over 26,000 individuals (SDG 01, SDG 10)
 - Community infrastructure built to benefit over 10,000 individuals (SDG 06)
 - Free /subsidized education to ~4500 students annually in 6 schools (SDG 04)
 - Health services /treatment to ~260,000 people across 5 locations

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Immense Value Creation

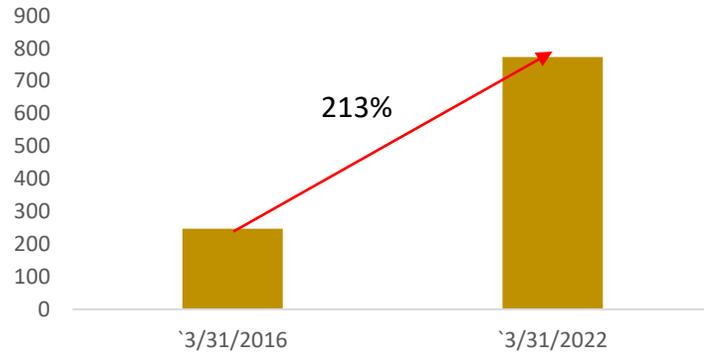
APSEZ: Immense value creation

	FY16		FY22		FY25	
CARGO (INR bn)	152	2x	312	~1.6x	500	Another 60% growth from 2022 levels
EBITDA (INR bn)	46	2x	104	~1.8x	187	To almost double in 3 years
Return on Capital Employed (ROCE)	11%		11%		~20%	With improved asset utilization & maturing of assets ROCE at major ports to reach ~20%
Net Debt / EBIDTA	4.4x		3.4x		Maintain IG Rating	EBITDA growth in steady state to enable deleveraging reducing Net Debt / EBIDTA

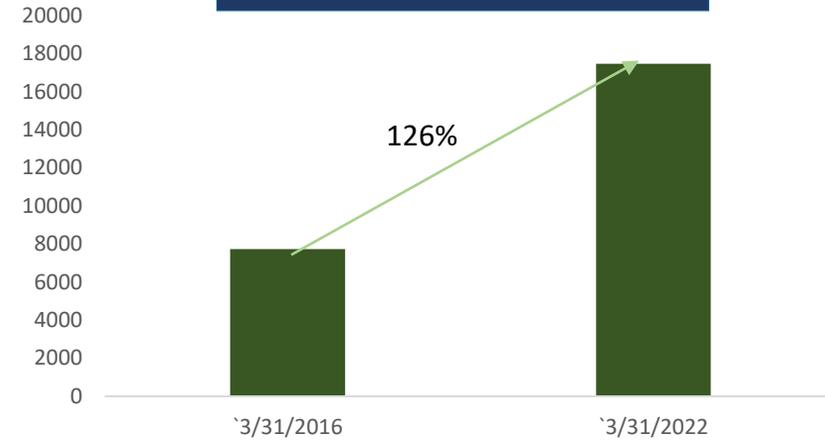
*Capital Employed = Net Worth + Total Debt-Cash - Cash Equivalents

APSEZ: Immense value creation

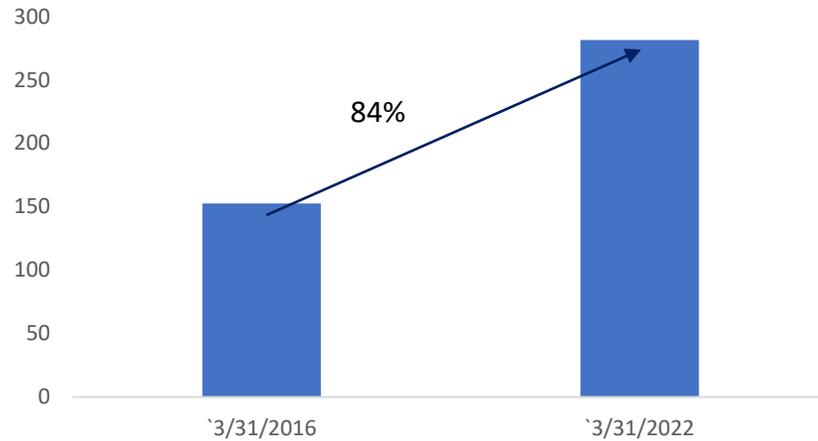
APSEZ



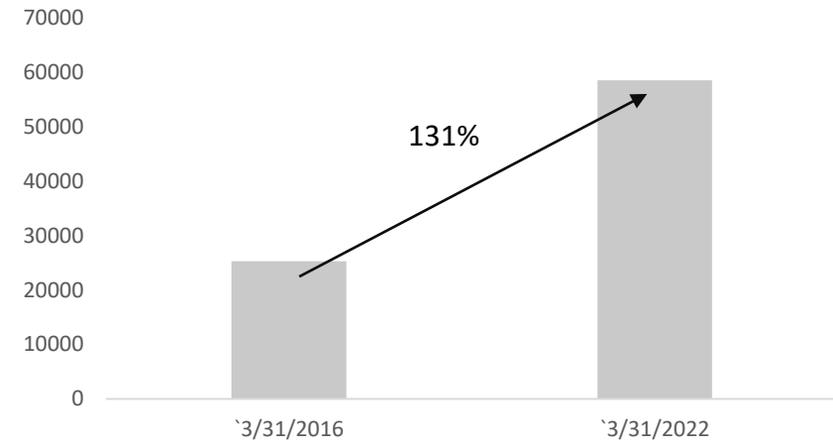
NIFTY 50



S&P BSE India Infrastructure Fund



BSE SENSEX



Thank You

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