

Investor Presentation

Adani Ports and SEZ Ltd.

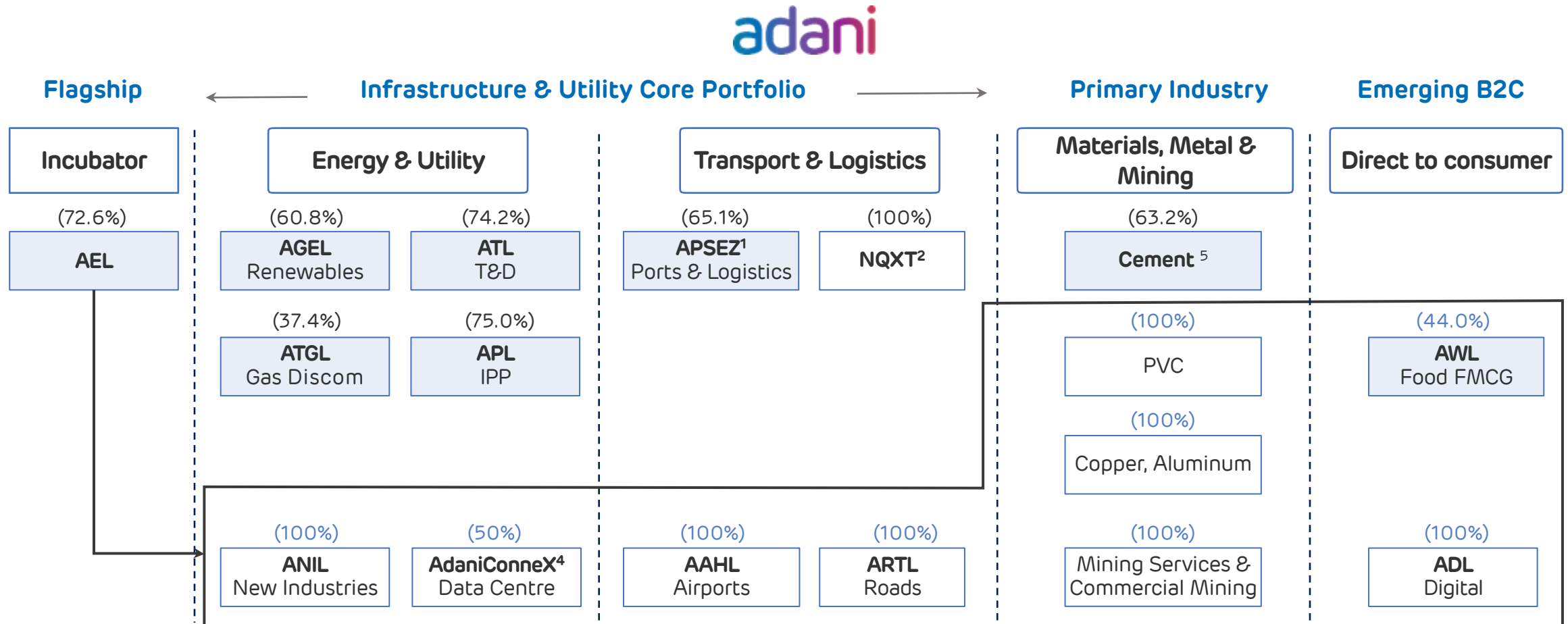
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Group Profile

Adani: A World Class Infrastructure & Utility Portfolio



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

Adani Portfolio's
Listed Entities

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

1. Gangavaram Port acquisition completed and consolidated 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

5. Cement business includes 63.15% stake in Ambuja Cement which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited

Adani Portfolio: Decades long track record of industry best growth with national footprint

Secular growth with world leading efficiency

adani

Ports and
Logistics

Growth 3x

EBITDA 70% ^{1,2}

adani

Renewables

Growth 5x

EBITDA 92% ^{1,4}

adani

Transmission

Growth 3x

EBITDA 92% ^{1,3,5}

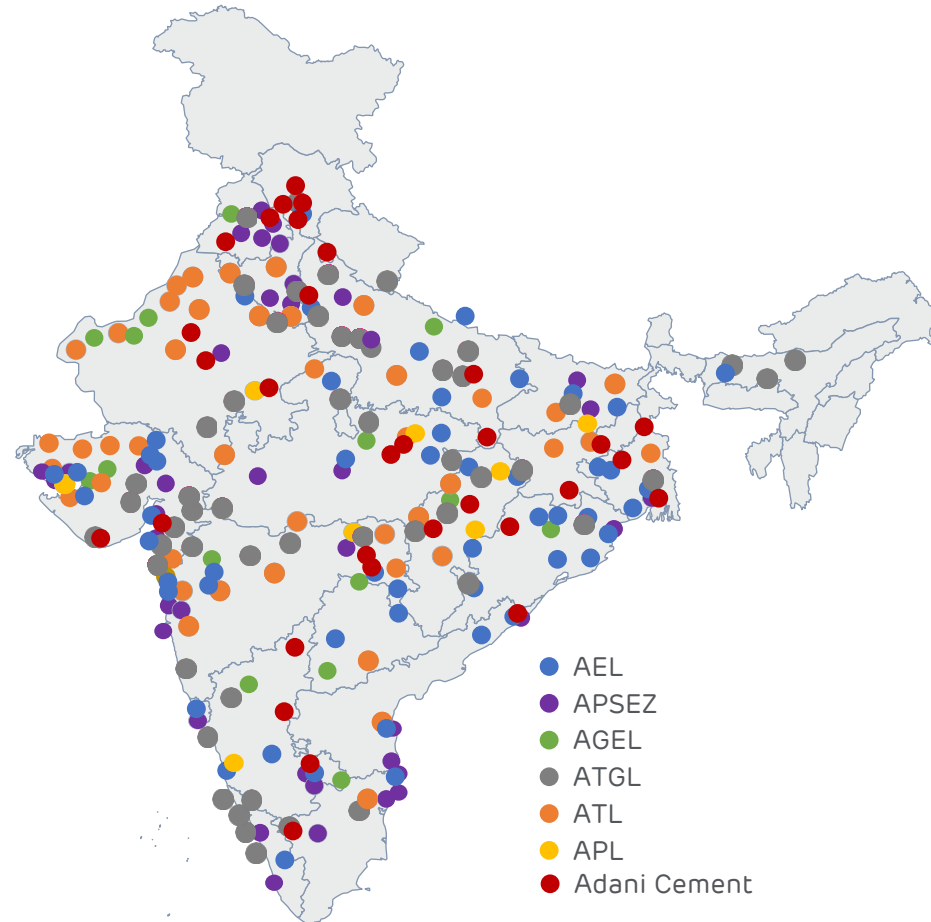
adani

Gas

Growth 1.4x

EBITDA 25% ^{1,3}

National footprint with deep coverage



adani

Core Portfolio

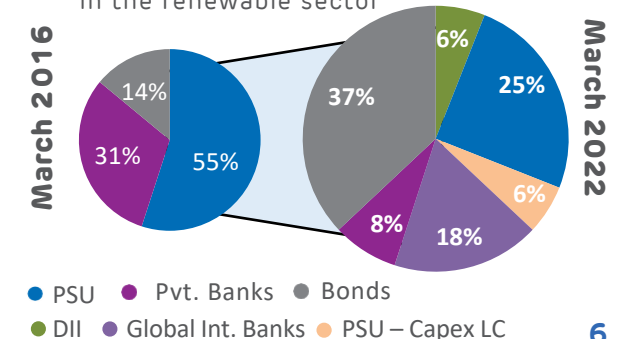
Utility 92%

Transport 85%

Consumers Served ~400 mn

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.

Adani Portfolio: Repeatable, robust & proven transformative model of investment

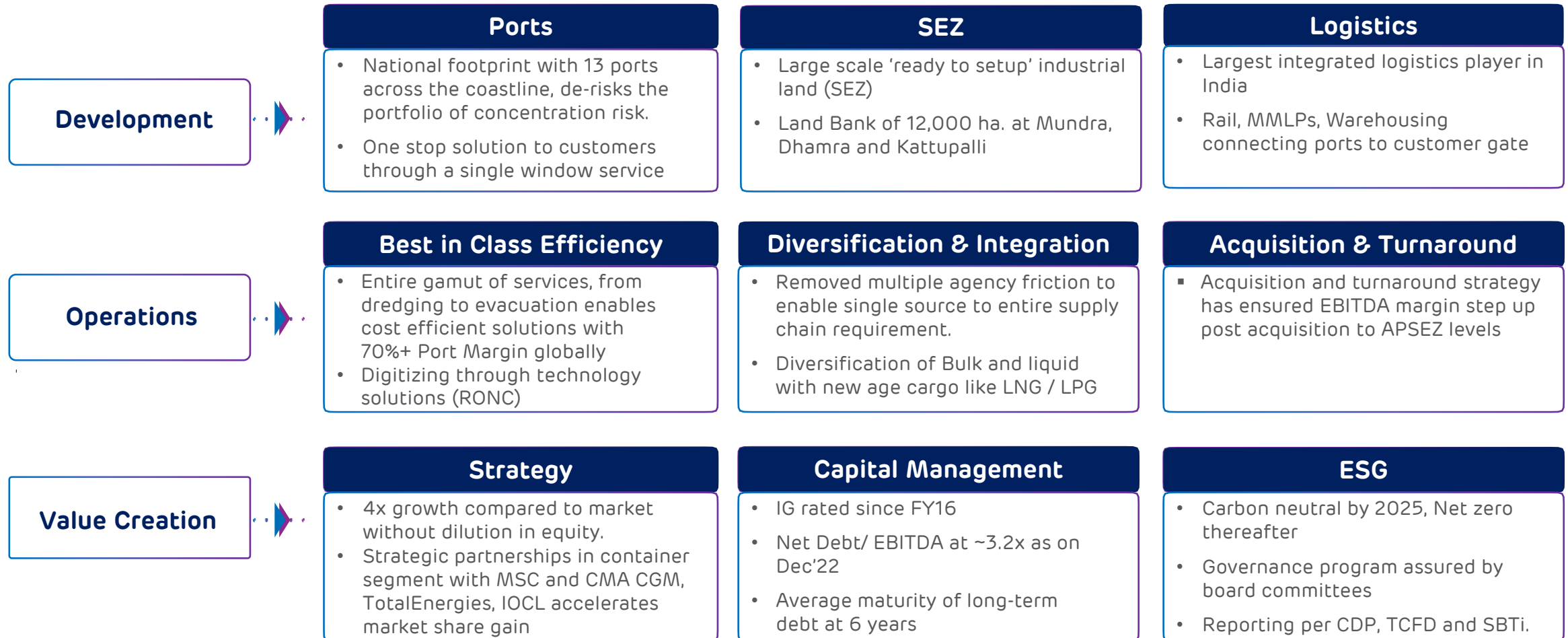


O&M: Operations & Maintenance, **HVDC:** High voltage, direct current, **PSU:** Public Sector Undertaking (Public Banks in India), **GMTN:** Global Medium-Term Notes **SLB:** Sustainability Linked Bonds, **AEML:** Adani Electricity Mumbai Ltd. **IG:** Investment Grade, **LC:** Letter of Credit, **DII:**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



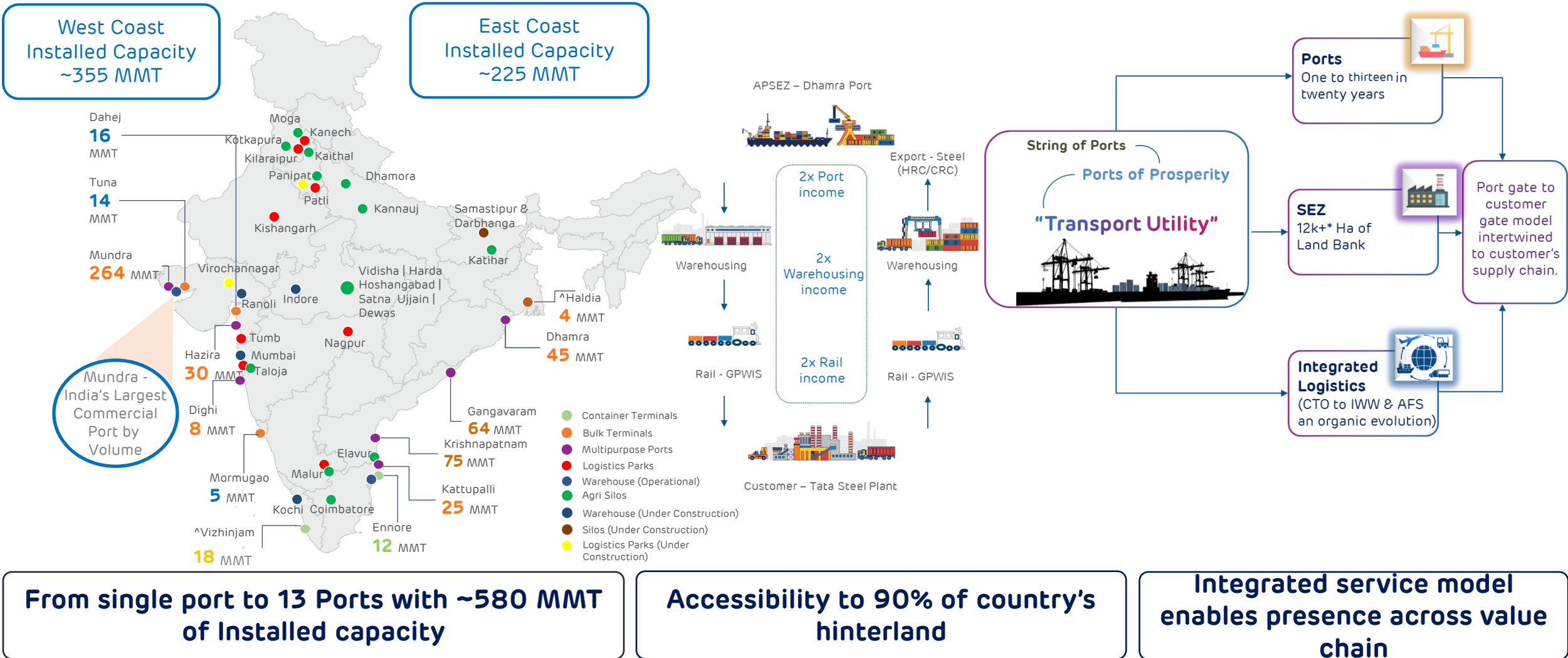
APSEZ: Company Profile

APSEZ: Transformational Business Model



Building India's largest transport utility






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



*Includes both SEZ and non SEZ land | SEZ : Special economic zone

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

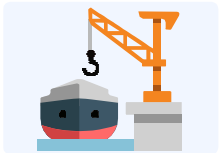
APSEZ: Logistics to provide growth impetus & help reaching customer's gate

Assets	Trains	MMLPs	Grain Silos	Ware-housing	Rail Tracks
					
FY20	58 Trains	5 MMLP	0.88 MMT	0.4 mn Sq. ft.	540 KMs
9M FY23	87 Trains (76 more getting added)	9 MMLP	1.1 MMT	1.5 mn Sq. ft.	620 KMs
	2.5X	1.7X	2.5X	40X	3X
FY26	200+Trains (Largest Private Player)	15 MMLP (Covering all key market)	2.5+ MMT (market leader with 40% of Capacity)	60 mn Sq. ft. (15% of mkt capacity)	2000+ KMs (Largest Private rail network)

Logistics integration supported by a digital platform

APSEZ: Digital platform ITUP - building end-to-end connectivity

- With end-to-end connectivity, the platform will measure productivity of activities and record deviations in real-time
- Marketplace for customers and suppliers, with visibility on consignment movement, logistics cost options, delivery time and carbon footprint
- Launch in the current financial year in phases starting with modules for Marine first, followed by Bulk (liquid, and dry) cargo; and Container module thereafter



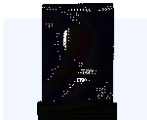
Marine Module



Caters to all marine activities
Vessel Arrival to Vessel Departure.



The Vessel Agents can use this system for any services required for timely updates on the service completion statuses.



Maintains the digital compliance of the Voyages at various locations based on government norms.



Cargo Module



Gives visibility to customers on their inventory at the port and other storage locations



Track delivery requests of their import and export jobs through the system.



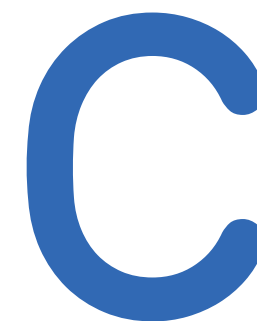
The Stock and Truck Dashboard further allows customers to check real-time inventory with notifications.



Port Users can plan their resources and forecast blockage due to high load.

APSEZ: Targeting ESG leadership

- **APSEZ ranked 1st** in the Transport & Logistics sector globally across all the Emerging Markets for its ESG performance in 2022 by Moody's
- **APSEZ ranked 1st** among 59 Indian companies and 9th among 844 companies globally across sectors in Emerging Markets for their ESG performance in 2022 by Moody's
- **APSEZ ranked amongst top 10** of the 300+ companies in the Transport & Transport Infra sector globally for its ESG performance in 2022 by S&P (DJSI)
- **APSEZ classified as 'low ESG risk company'** with a score of 12.4 out of 100 by Sustainalytics in 2022 (a low score reflects healthy performance on ESG risks management)
- APSEZ is targeting Carbon Neutrality and working on its net zero plan

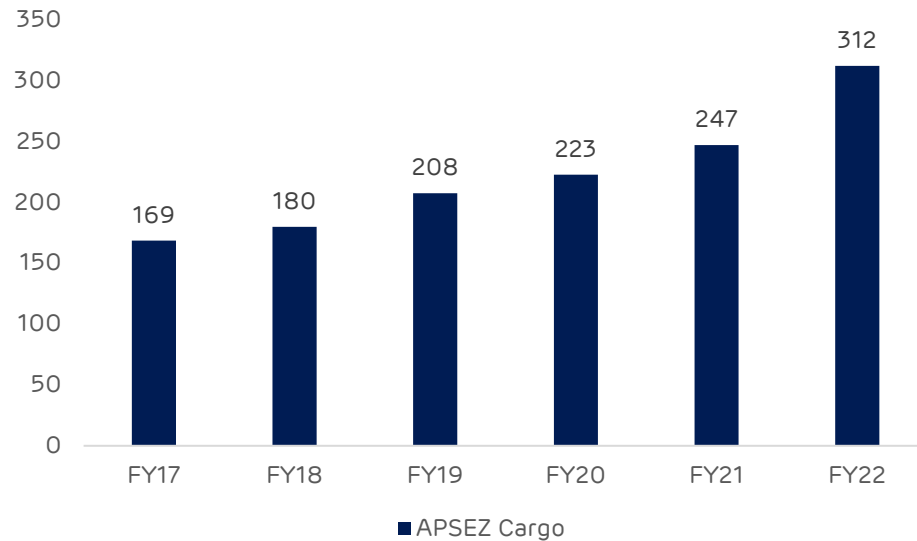


Operational & Financial Highlights

APSEZ: Sequential cargo volume growth beats industry

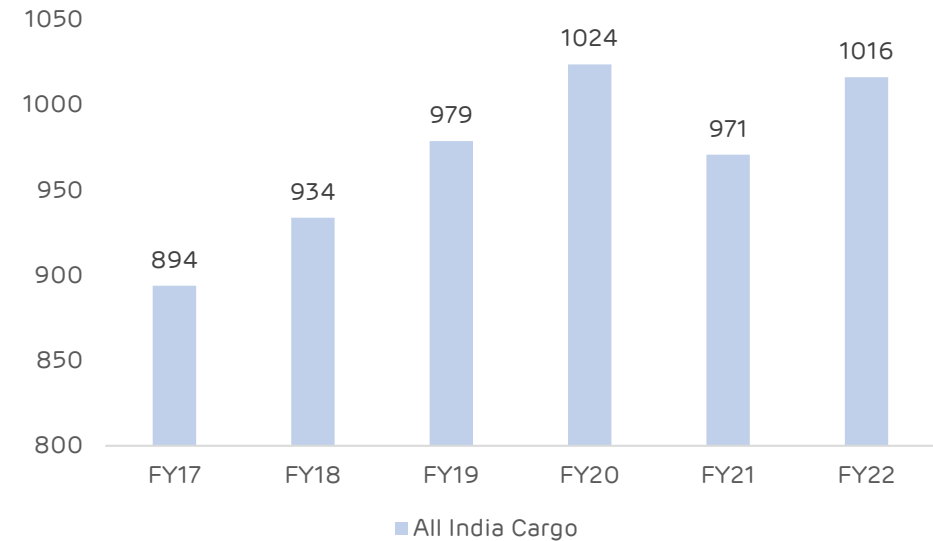
(in MMT)

APSEZ Cargo Throughput



APSEZ CAGR – 13%

All India Cargo Throughput*

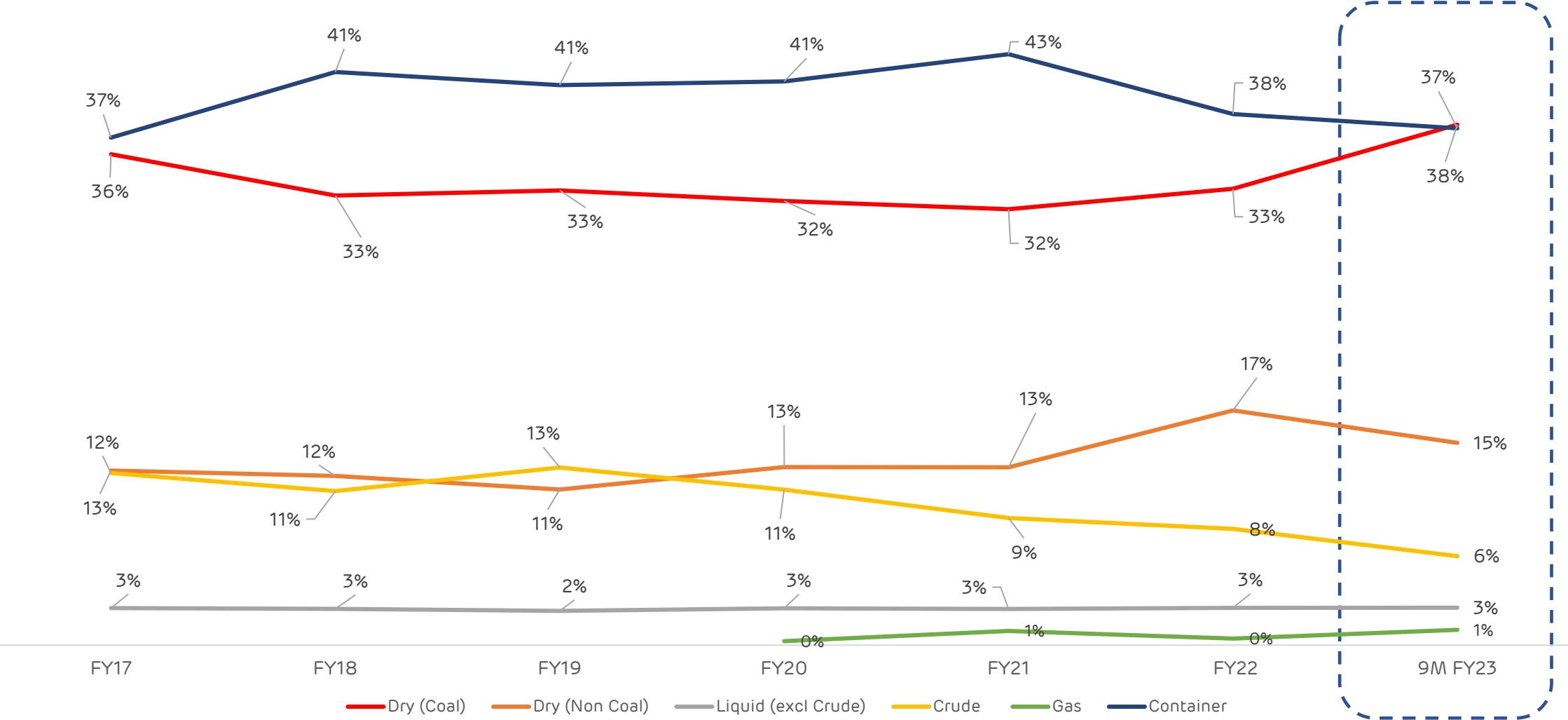


All India CAGR – 3%

~4x growth

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

APSEZ: Diversifying cargo portfolio



APSEZ: Financial Performance

(in INR Cr) (YoY)

**FY21
vs
FY22**

Revenue

36%↑

12,550



17,119

EBITDA*

32%↑

8,063



10,607

Capex

91%

1,954



3,749

Revenue

16%↑

12,978



15,055

EBITDA*

19%↑

8,026



9,562

Capex

135%

3,019#



7,112

**9M FY22
vs
9M FY23**

APSEZ: Financial performance – 9M FY23

(in INR Cr)

	9M FY22			9M FY23		
Particulars	Revenue	EBITDA^	PAT#	Revenue	EBITDA^	PAT#
APSEZ Consolidated*	12,978	8,026	3,842	15,055	9,562	4,252
JVs						
<i>AICTPL (CT-3), JV with MSC</i>	986	527	185	1,115	582	85
<i>ACMTPL (CT-4), JV with CMA-CGM</i>	456	262	72	556	321	41
Total	14,420	8,815	4,099	16,726	10,465	4,378

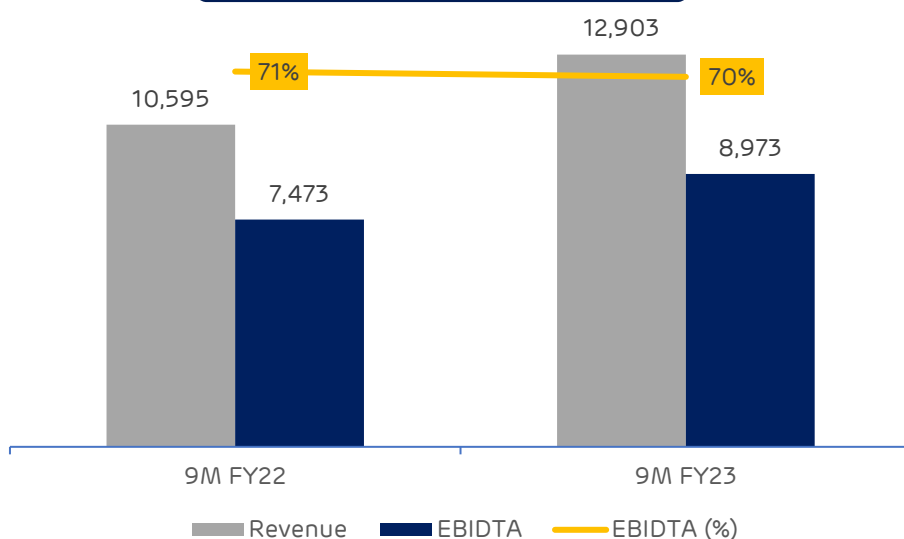
^EBITDA excludes forex loss of INR 1,886 cr. in 9M FY23 vs. forex loss of INR 348 cr. in 9M FY22

PAT – 9M FY23 PAT includes Rs 1,886 Cr impact of forex rate changes after transfer of Rs 859 Cr in the designated instrument account, while 9M FY22 PAT includes Rs 348 Cr of forex rate changes
9M FY 22 EBITDA excludes INR 210 Crore of SRCPL/GPL transaction cost

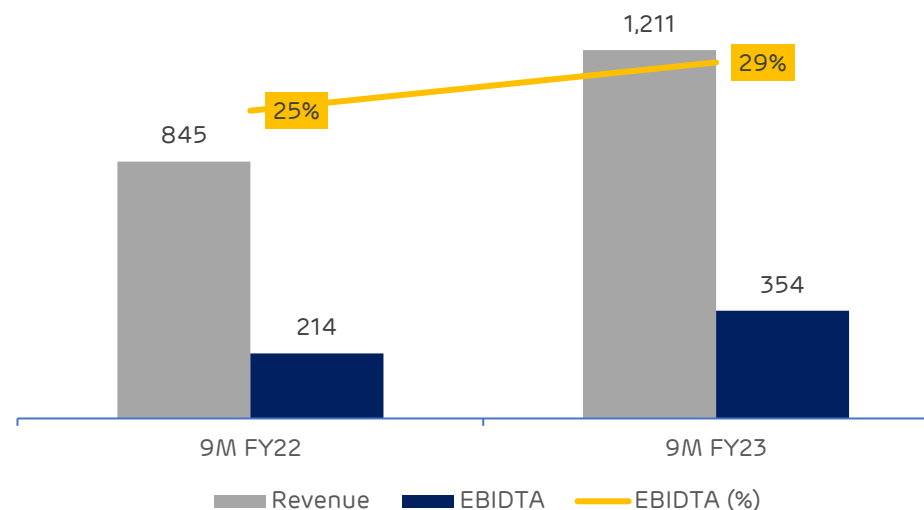
APSEZ: Key segment wise Operating revenue & EBITDA – 9M FY23

(YoY, in INR Cr)

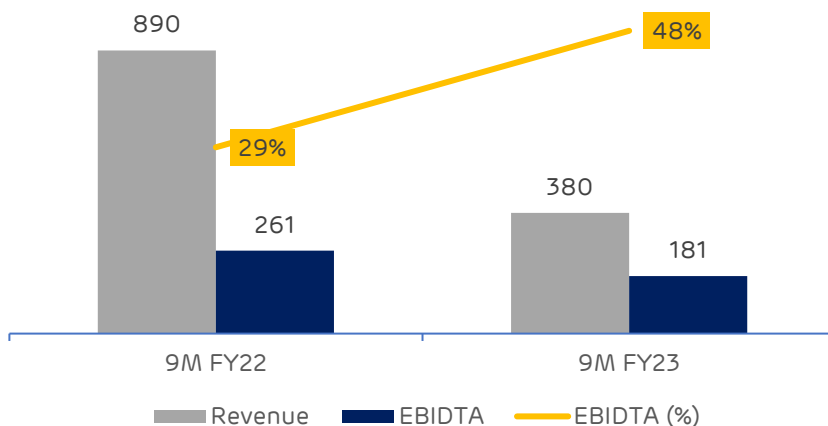
Ports



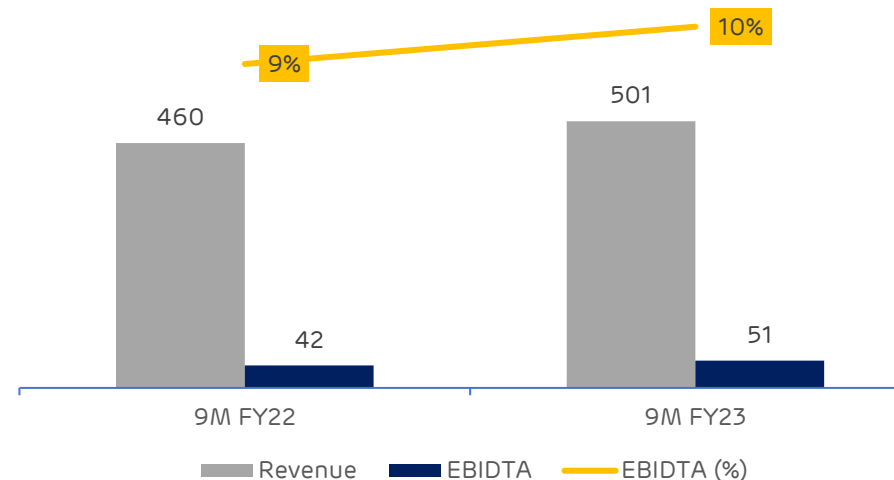
Logistics



SEZ & Port Development

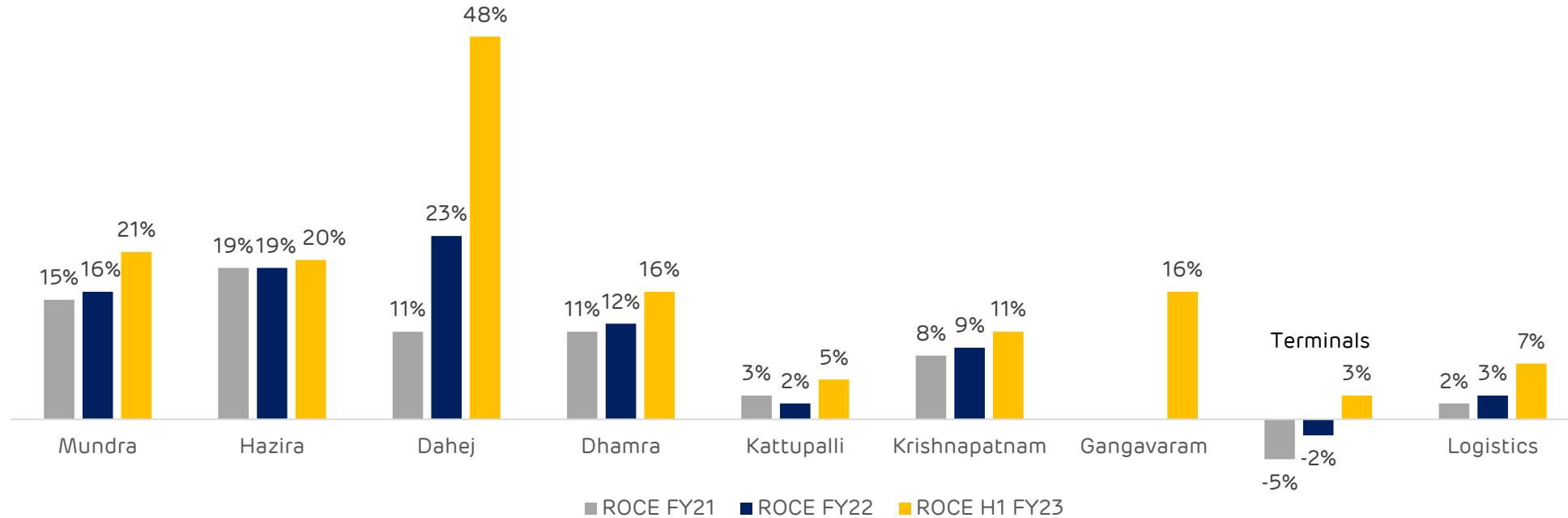


O&M



^EBITDA excludes forex loss of INR 1,886 cr. in 9M FY23 vs. forex loss of INR 348 cr. in 9M FY22

APSEZ: Port wise returns

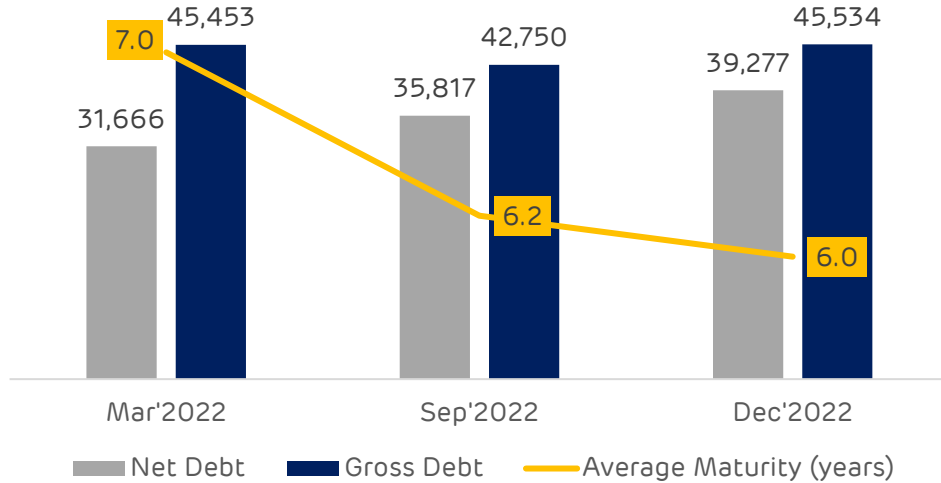


- ROCE continuously improving at matured ports with better capacity utilization and given the focus on efficiency
- ROCE of logistics business more than doubled vs. FY22
- Operational ramp up at ports acquired in the last few years will drive their ROCE to ~20%

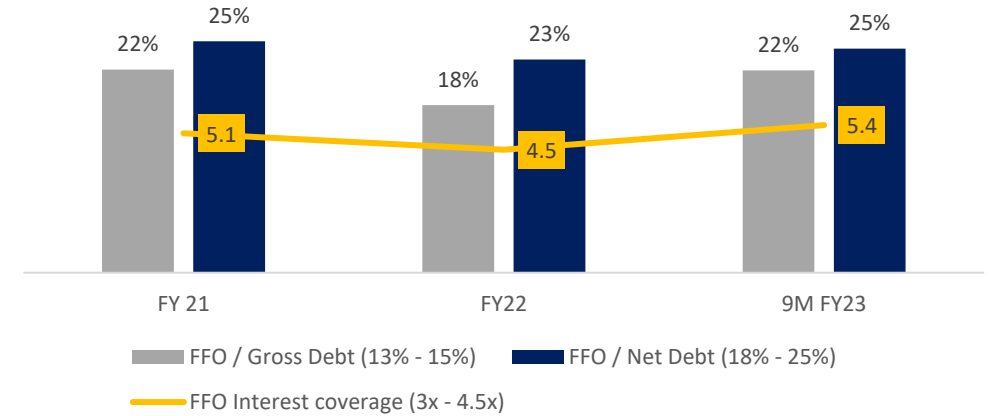
APSEZ: Debt Ratios

(YoY, in INR Cr)

Gross Debt, Net Debt & Average Maturity

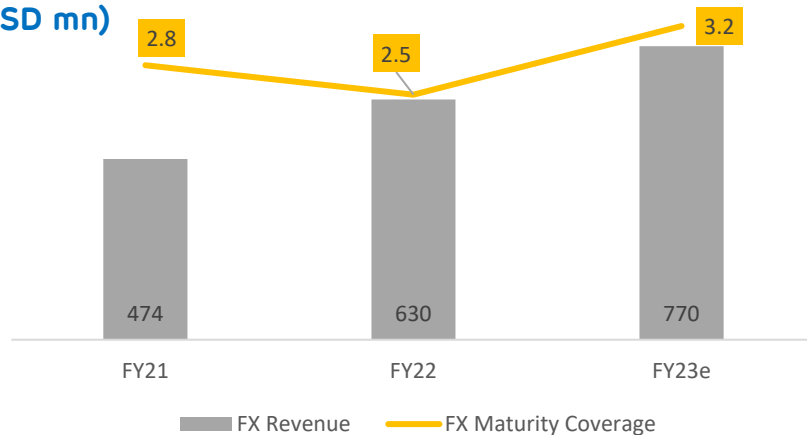


Rating Ratios*

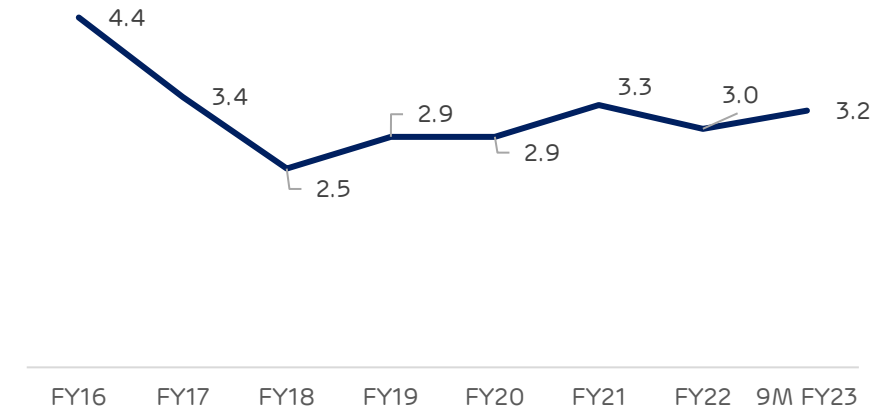


FX Revenue and FX Debt Coverage

(in USD mn)



Net Debt to EBITDA



APSEZ: Debt Maturity Profile

Debt Maturity Profile

Year	Rupee Debt (in Rs Cr)	Foreign Debt (in Rs Cr)	Total Debt (in Rs Cr)	Foreign Debt Repayment Details
FY 22-23	191	-	191	
FY 23-24	1,946	293	2,239	EUR 5 mn
FY 24-25	2,190	5,916	8,106	USD 650 mn bond in Jun-24; EUR 5 mn
FY 25-26	1,341	507	1,848	EUR 5 mn
FY 26-27	1,661	85	1,746	EUR 5 mn
FY 27-28	563	10,426	10,989	USD 1,250 mn bond between Jun-27 and Jul-27; EUR 5 mn
FY 29-30	-	6,204	6,204	USD 750 mn bond in Jun-29
FY 30-31	1,500	4,136	5,636	USD 500 mn bond in Jan-31
FY 31-32	-	2,482	2,482	
FY 41-42	-	3,723	3,723	
Total	9,391	33,772	43,164	

Breakup of Debt (Dec'22)

Particulars	Amount (Rs Cr)
Long Term Debt	43,164
Short Term Debt & Others	2,370
Total Gross Debt	45,534

APSEZ: Movement of Debt and Cash

Movement of Debt

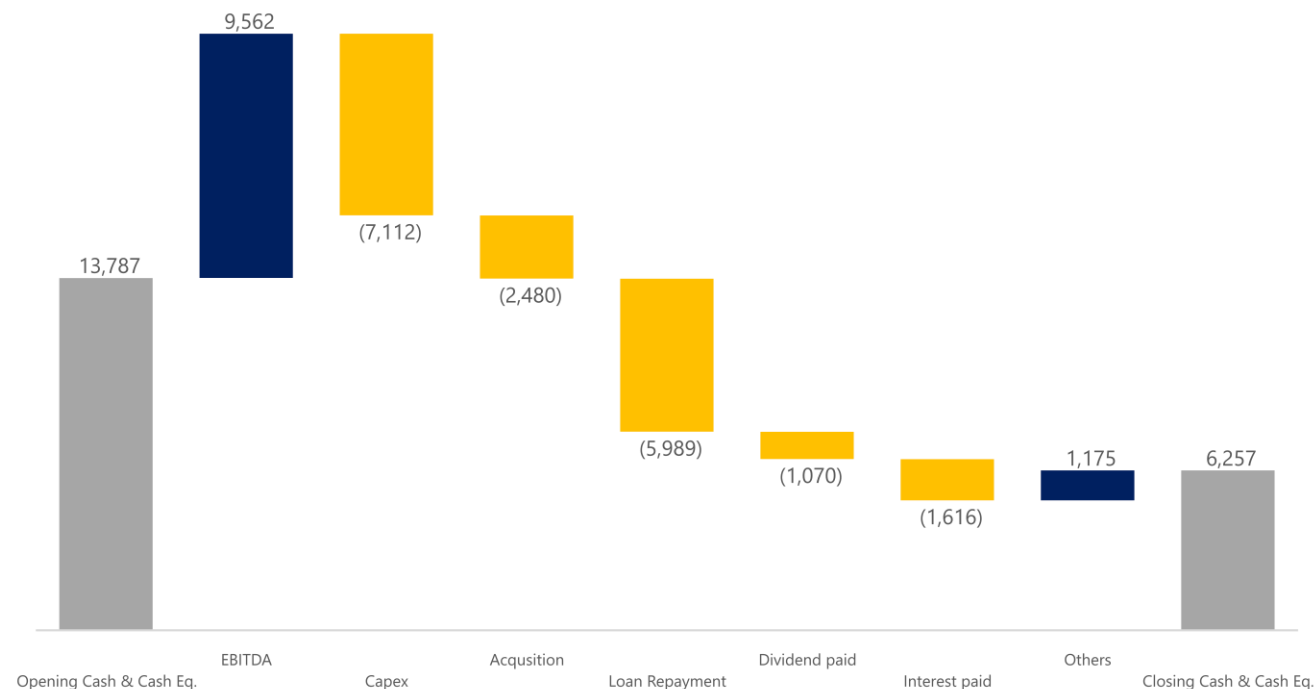
Particulars	Amount (Rs Cr)	Reference in Q3 FY23 Published Investor Presentation
Gross Debt (Mar 22)	45,453	Page 29 of PPT
(+) Addition (Incl. ST Debt)	3,276	
(-) Repayment (Incl. ST Debt)	(5,989)	
(+) Fx MTM	2,744	Refer note 1 & 2 below
(+) Amortisation of upfront costs on the Debt	50	
Gross Debt (Dec 22)	45,534	Page 29 of PPT

Note 1: Fx MTM Breakup

Particulars	Amount (Rs Cr)	Reference in Published Income Statement (9M FY23 column)
a) Foreign Exchange Loss	1,886	Sr. No. 2 (e)
b) Effective portion of loss on designated portion of cash flow hedge (net of tax)	642	Sr. No. 10
c) Income Tax on item b) above	216	
Total Fx MTM (a+b+c)	2,744	

Note 2: Fx MTM is mainly due to INR/USD movement from 75.7925 (as on 31st Mar'22) to 82.7250 (as on 31st Dec'22)

Strong Cashflow from Operations



- Strong internal cash flow generation supporting organic, inorganic growth and repayments
- Cash and cash equivalent as of 31st December 2022 is at Rs 6,257 Cr

APSEZ: Credit Ratings

International

Company	Rating
APSEZ	BBB- (S&P, Fitch) / Baa3 (Moody's)
Adani International Container Terminal Private Limited (AICTPL)	BBB- (S&P, Fitch) / Baa3 (Moody's)

Domestic Ratings

Company	Domestic Rating Agency	INR Ratings
APSEZ	ICRA	AA+/Stable
APSEZ	India Ratings	AA+/Stable

Moody's: Baa3 (Sovereign Equivalent)

The affirmation of APSEZ's issuer ratings considers the company's strong market position as the largest port developer and operator in India by cargo volume and its strong liquidity and financial profile. The stable outlook on the ratings reflects Moody's expectation that APSEZ would continue to generate relatively steady cash flow over the next 12-18 months and would be able to realign its capital spending plans in the event of a liquidity squeeze.

S&P: BBB- with negative outlook

We believe the Adani companies we rate have long-established infrastructure assets with strong fundamentals and cash flows. This rating action does not impact the rated debt issued by Adani International Container Terminal Pte. Ltd. (BBB-/Stable). These debts are fully secured and have cash flow waterfalls that prioritize operating expenditure and debt service over distributions. Given the ring-fenced assets, in our view the structure of these financings currently sufficiently protects investors.

Fitch: BBB- (Sovereign Equivalent)

We continue to assess APSEZ's underlying credit profile at 'BBB'. APSEZ's underlying credit profile reflects its status as India's largest commercial port operator, with best-in-class operational efficiency.

Source: https://www.moodys.com/research/Moodys-takes-ratings-actions-on-8-Adani-Group-entities--PR_473652, <https://www.fitchratings.com/research/infrastructure-project-finance/fitch-affirms-adani-ports-at-bbb-outlook-negative-07-06-2022>, <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/2944357>



Guidance

FY23 Guidance

Rs 12,200 Cr – Rs 12,600 Cr

Rs 8,600 Cr

3.0-3.5x

EBITDA

Capex

Net Debt to EBITDA

FY24 Guidance

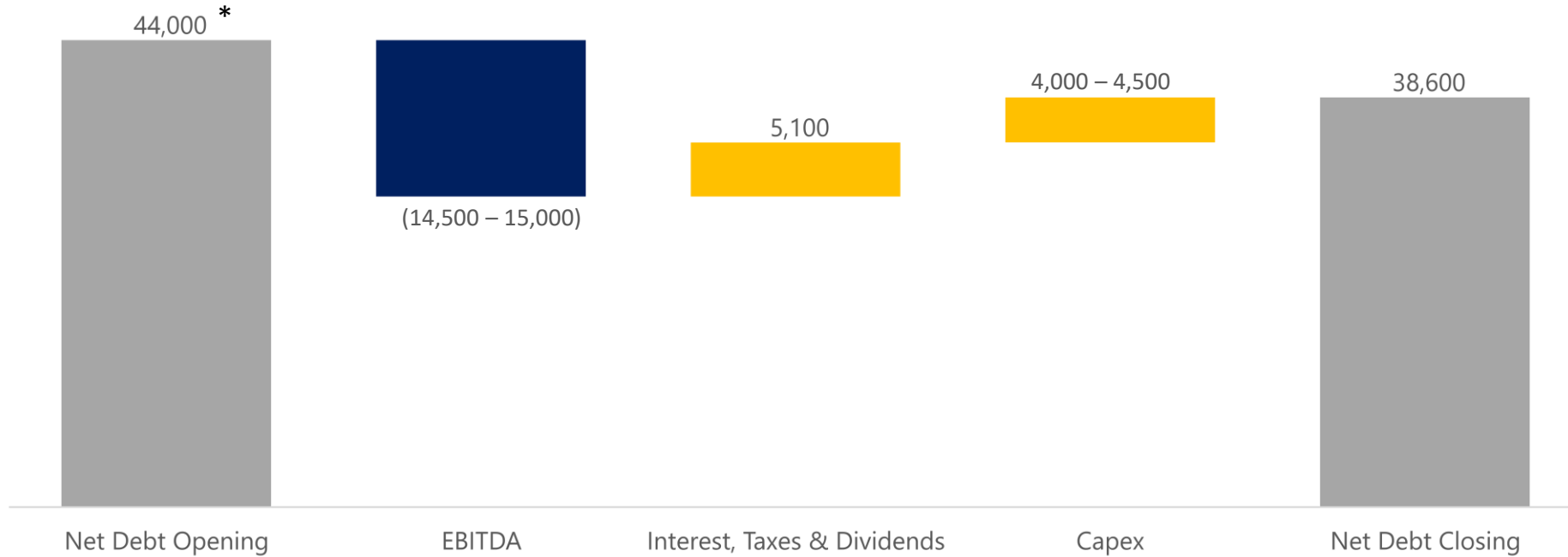
Rs 14,500 Cr – Rs 15,000 Cr

Rs 4,000 Cr – Rs 4,500 Cr

~2.5x

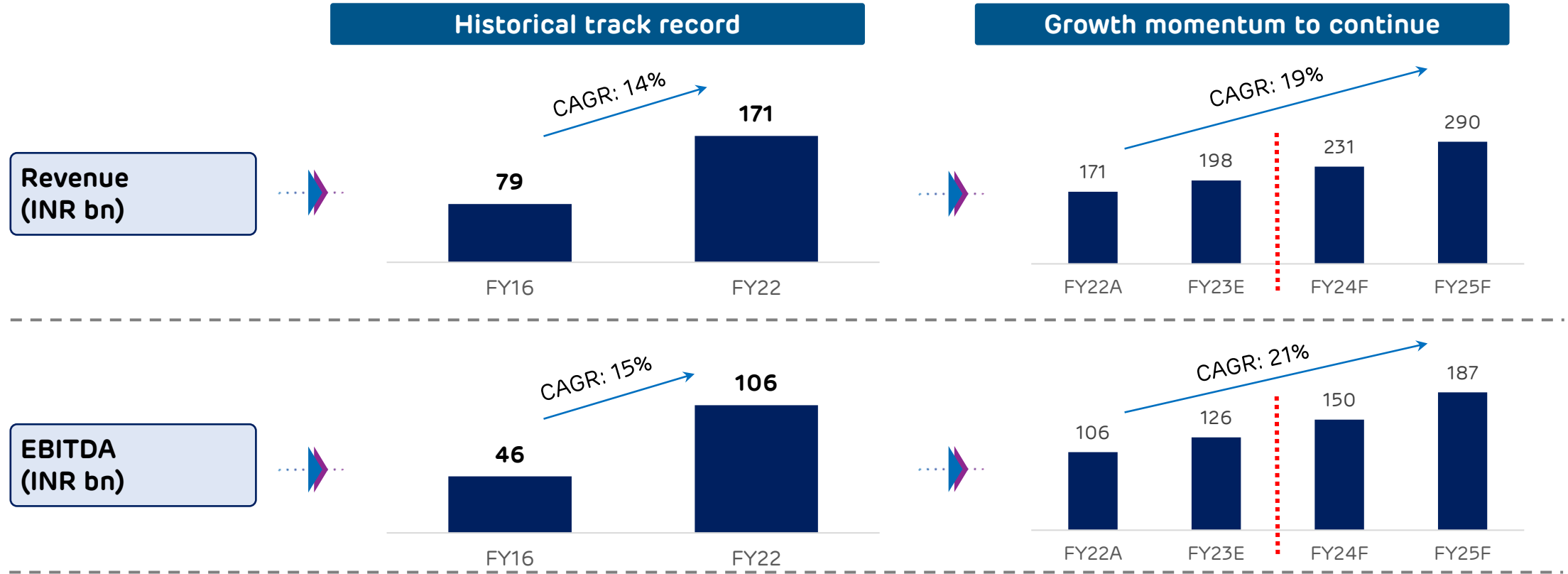
APSEZ: FY24 Net Debt Guidance

Movement in Net Debt during FY24



Cash Surplus generated through operations during FY24 would be used to re-pay / pre-pay loans of Rs 5,000 Cr, resulting in reduction of Net Debt to EBITDA ratio to ~2.5x

APSEZ: Growth to accelerate going forward



Accelerated growth to continue resulting in significant increase in earnings

Disclaimer

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