Adani Enterprises Ltd

Q2 FY21 Performance Highlights

November, 2020
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Group Profile
Adani Group: A world class infrastructure & utility portfolio

Transport & Logistics Portfolio

- APSEZ Port & Logistics (63.5%)
- SRCPL Rail (100%)
- AAPT Abbot Point (100%)

Energy & Utility Portfolio

- ATL T&D (75%)
- AGEL Renewables (75%)
- APL IPP (75%)
- AGL Gas DisCom (37.4%)

AEL Incubator

- AAHL Airports (100%)
- ARTL Roads (100%)
- AWL Water (100%)
- Data Centre (100%)

~USD 42 bn\(^1\) Combined Market Cap

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group.

Adani

- Marked shift from B2B to B2C businesses –
  - AGL – Gas distribution network to serve key geographies across India
  - AEML – Electricity distribution network that powers the financial capital of India
  - Adani Airports – To operate, manage and develop eight airports in the country
- Locked in Growth 2020 –
  - Transport & Logistics - Airports and Roads
  - Energy & Utility – Water and Data Centre

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1. As on October 30, 2020, USD/INR – 74.5 | Note - Percentages denote promoter holding
Highlighted cells represent public traded listed verticals

APSEZ – Adani Ports and SEZ
AAPT – Adani Abbot Point Terminal
SRCPL – Sarguja Rail Corridor Pvt Ltd
AAHL – Adani Airports Holdings Ltd
ATL / APL / AGEL / AGL – Adani Transmission / Power / Green Energy / Gas Ltd
ARTL – Adani Road Transport Ltd
AWL – Adani Water Ltd
T&D – Transmission and Distribution
IPP – Independent Power Producer
Adani Group: Decades long track record of industry best growth rates across sectors

Note: 1 Data for FY20; 2 Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power sales and exclude other items; 5 FY20 data for commercial availability declared under long term power purchase agreements; 6. EBITDA margin of transmission business only, does not include distribution business. 7. Contracted capacity 8. CGD = City Gas distribution GAs 9. Geographical Areas GAs2 - Including JV
Adani Group: Repeatable, robust & proven transformative model of investment

<table>
<thead>
<tr>
<th>Phase</th>
<th>Development</th>
<th>Operations</th>
<th>Post Operations</th>
</tr>
</thead>
</table>

### Activity

- **Origination**
  - Analysis & market intelligence
  - Viability analysis
  - Strategic value

- **Site Development**
  - Site acquisition
  - Concessions and regulatory agreements
  - Investment case development

- **Construction**
  - Engineering & design
  - Sourcing & quality levels
  - Equity & debt funding at project

- **Operation**
  - Life cycle O&M planning
  - Asset Management plan

- **Capital Mgmt**
  - Redesigning the capital structure of the asset
  - Operational phase funding consistent with asset life

### Performance

- **India’s Largest Commercial Port** (at Mundra)
- **Highest Margin among Peers**
- **Longest Private HVDC Line in Asia** (Mundra – Dehgam)
- **Highest availability**
- **Largest Single Location Private Thermal IPP** (at Mundra)
- **High declared capacity of 89%**
- **648 MW Ultra Mega Solar Power Plant** (at Kamuthi, Tamil Nadu)
- ** Constructed and Commissioned in 9 months**

In FY20, issued 7 international bonds across the yield curve totalling USD481n.

All listed entities maintain liquidity cover of 1.2x-2x as a matter of policy.

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March 2016
- PSU
- Pvt. Banks

March 2020
- Bonds

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**AEL: A Successful Incubator**

### Value Creation
- **Successful Incubator**
  - Created 5 infrastructure unicorn since inception
  - Demerged AGL and AGEL in last 3 years.

- **Value to Shareholders**
  - Delivered returns at 30% CAGR since listing in 1994
  - Unlocked value at CAGR of 66% in last 3 years

- **Capital Management**
  - Robust Leverage Profile with debt to equity ratio of 0.7x
  - Strong Debt to EBITDA ratio of 4x

### Operations
- **Core Portfolio**
  - IRM continues to maintain leadership position in India
  - 50%+ market share in Mining Services space

- **Solar Mfg**
  - India’s largest manufacturing facility of 1.2 GW capacity

- **ESG**
  - Embedded ESG framework for enhanced value creation
  - Strong focus on sustainability initiatives

### Development
- **Natural Resources**
  - Mining portfolio of 127.2 MMT
  - End-to-end logistics capabilities

- **Incubating Businesses**
  - Order book of construction of 200+ Km of roads
  - Making significant progress in Water and Data Center

- **Entry in B2C**
  - Won bids for Six Airports thereby entering into B2C
  - Took over Mangalore & Lucknow Airports. Ahmedabad Airport to be taken over in Nov 20

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AGL – Adani Gas Ltd  
AGEL – Adani Green Energy Ltd  
IRM – Integrated Resources Management  
CAGR – Compounded Annual Growth Rate

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AEL Incubation story so far

Creating infrastructure unicorns

- A successful incubator since 1994
- Created 5 infrastructure unicorns and the process continues...
- Successfully converting infrastructure startups into thriving businesses
- Providing shareholders multifold returns and direct exposure
- Providing strong cash flow support to the startups during its initial capex cycle

Year of original listing:

- APSEZ USD 10 Bn 2007
- APL USD 2 Bn 2009
- ATL USD 4 Bn 2015
- AGEL USD 18 Bn 2018
- AGL USD 3 Bn 2018

Demerged from 2015

Demerged from 2018
Company Profile
AEL: Tried & tested model poised for growth beyond 2020

1. **Divisions**
   - AEL directly holds IRM and Mining Services as business divisions

2. **Independent Structure**
   - All businesses have independent organisation structure in place with CEOs and CFOs

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**AEL and its Incubation Portfolio**

- **Resources**
  - Mining Services
  - IRM

- **Transport & Logistics**
  - Airports
  - Road
  - Rail / Metro

- **Utility**
  - Water
  - Data Centre

- **Strategic**
  - Solar Mfg
  - Adani Wilmar Ltd

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**Incubating new wave of Infrastructure & Utility Assets**
AEL : Update on COVID-19 and AEL's response

**Impact on Indian Economy**
- As per IMF India’s GDP to contract 10.3%* in 2020.
- To bounce back from FY22 due to measures taken by govt. to boost demand, with a expected growth of 6-7%.

**Impact on Volume**
- Volumes across our segments witnessed significant recovery due to phased unlocking and government initiatives.

**Safety Response**
- Hygiene, sanitization of workplaces & sites ensured uninterrupted operations.
- Majority of our administrative staff are working from home.

**Operational Response**
- Relying on technology to improve cost efficiencies.
- Invoked Force majeure clause in contracts wherever applicable.

**Financial Response**
- Focus on maintaining adequate liquidity and conserving cash.
- Recalibration of Capex under evolving situation.

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Operational & Financial Highlights
AEL – Business Highlights

IRM

- IRM volumes in Q2 FY21 increased by 112% at 15.7 MMT vs 7.4 MMT in Q1 FY21
- H1 FY21 volume stood at 23.2 MMT during H1 FY21 vs 34.4 MMT in H1 FY20

Mining Services

- Coal production in Q2 FY21 increased by 17% to 3.5 MMT vs 3.0 MMT in Q2-20
  - PEKB – 3.2 MMT vs 3.0 MMT in H1 FY20
  - Gare Pelma III - 0.2 MMT
  - Talabira II & III - 0.1 MMT
- Volumes in H1 FY 21 stood at 5.7 MMT vs 5.8 MMT in H1 FY20
- Coal dispatch volume during H1 FY21 was at 5.6 MMT vs 4.7 MMT in H1 FY20

Solar Mfg.

- Solar Module volume in Q2 FY21 increased by 50% at 418 MW vs 278 MW in Q2 FY20 on account of increased sales in DCR and EPC segment
- Volumes in H1 FY21 stood at 497 MW vs 515 MW in H1 FY20

IRM – Integrated Resources Management
DCR – Domestic Content Requirement
EPC – Engineering Procurement and Construction
AEL – Key Consolidated Financials (Q2 FY21 and H1 FY 21) (Rs Cr)

Revenue

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY21</th>
<th>Q2 FY20</th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>9,312</td>
<td>8,627</td>
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EBIDTA

<table>
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<th>Q2 FY21</th>
<th>Q2 FY20</th>
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<tr>
<td>EBIDTA</td>
<td>951</td>
<td>540</td>
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Normalised PAT*

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<tr>
<td>Normalised PAT*</td>
<td>362</td>
<td>362</td>
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Exceptional Item

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<td>Exceptional Item</td>
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Revenue

<table>
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<tr>
<th></th>
<th>H1 FY21</th>
<th>H1 FY20</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>14,814</td>
<td>19,313</td>
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EBIDTA

<table>
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<tr>
<th></th>
<th>H1 FY21</th>
<th>H1 FY20</th>
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<tr>
<td>EBIDTA</td>
<td>1252</td>
<td>1437</td>
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Normalised PAT*

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<th>H1 FY20</th>
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<tbody>
<tr>
<td>Normalised PAT*</td>
<td>392</td>
<td>651*</td>
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Exceptional Item

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<tr>
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<th>H1 FY20</th>
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<tbody>
<tr>
<td>Exceptional Item</td>
<td>199</td>
<td>452</td>
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*Profit after tax attributable to owners

@ PAT is not comparable as it includes one time exceptional loss of Rs. 130 crores

# PAT is not comparable as it includes net exceptional gain of Rs. 199 crores
# AEL – Important Segments Consolidated Financials

<table>
<thead>
<tr>
<th></th>
<th>IRM</th>
<th>Mining Services</th>
<th>MSPVL</th>
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<tr>
<td></td>
<td>H1 FY21</td>
<td>H1 FY20</td>
<td>H1 FY21</td>
</tr>
<tr>
<td>Volume</td>
<td>23.2 MMT</td>
<td>34.4 MMT</td>
<td>5.7 MMT</td>
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<tr>
<td>Revenue</td>
<td>8,191</td>
<td>13,666</td>
<td>923</td>
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<tr>
<td>EBIDTA</td>
<td>201</td>
<td>476</td>
<td>542</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY21</th>
<th>Q2 FY20</th>
<th>Q2 FY21</th>
<th>Q2 FY20</th>
<th>Q2 FY21</th>
<th>Q2 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>15.7 MMT</td>
<td>16.0 MMT</td>
<td>3.5 MMT</td>
<td>3.0 MMT</td>
<td>418 MW</td>
<td>278 MW</td>
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<tr>
<td>Revenue</td>
<td>5,092</td>
<td>5,582</td>
<td>508</td>
<td>342</td>
<td>965</td>
<td>569</td>
</tr>
<tr>
<td>EBIDTA</td>
<td>145</td>
<td>121</td>
<td>328</td>
<td>197</td>
<td>350</td>
<td>92</td>
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</tbody>
</table>
AEL – Adani Wilmar: Steady overall performance [50:50 JV]

- Fortune brand continues to dominate the domestic retail consumer pack market with 20% market share
- Q2 FY20 was impacted due to M2M loss on commodity hedging
# AEL – Robust Leverage Profile

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sept-20 LT Debt</th>
<th>Sept-20 ST Debt &amp; WC</th>
<th>Sept-20 Total</th>
<th>Mar-20 LT Debt</th>
<th>Mar-20 ST Debt &amp; WC</th>
<th>Mar-20 Total</th>
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</thead>
<tbody>
<tr>
<td>IRM</td>
<td>369</td>
<td>3,762</td>
<td>4,131</td>
<td>725</td>
<td>4,601</td>
<td>5,326</td>
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<tr>
<td>Mining Services</td>
<td>1,424</td>
<td>516</td>
<td>1,940</td>
<td>507</td>
<td>581</td>
<td>1,088</td>
</tr>
<tr>
<td>Solar Manufacturing</td>
<td>1,613</td>
<td>271</td>
<td>1,884</td>
<td>1,191</td>
<td>426</td>
<td>1,617</td>
</tr>
<tr>
<td>Shipping</td>
<td>496</td>
<td>-</td>
<td>496</td>
<td>608</td>
<td>-</td>
<td>608</td>
</tr>
<tr>
<td>Incubating Businesses</td>
<td>1,163</td>
<td>1,369</td>
<td>2,532</td>
<td>827</td>
<td>1,388</td>
<td>2,215</td>
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<tr>
<td>Others</td>
<td>1,248</td>
<td>1,006</td>
<td>2,254</td>
<td>424</td>
<td>1,141</td>
<td>1,565</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td><strong>6,313</strong></td>
<td><strong>6,924</strong></td>
<td><strong>13,237</strong></td>
<td><strong>4,282</strong></td>
<td><strong>8,137</strong></td>
<td><strong>12,419</strong></td>
</tr>
</tbody>
</table>

| Net Worth (Incl NCI)     | 18,097          | 18,210               |
| **Debt : Net Worth**     | **0.7x**        | **0.7x**             |

NCI – Non-Controlling Interest
ESG Performance
AEL: ESG performance

- **10% ↓**
  - Energy Intensity
  - 7860 GJ/MMT

- **Emission Intensity**
  - 0.20 tCO2/MT

- **3% ↓**
  - Water Intensity
  - 187 Litres / MT

- **99%**
  - Waste Managed through 5R Waste Management

- **4.93 Lakh**
  - Trees Planted
  - Terrestrial Plantation

- **3797 Ha - C Afforestation**
  - 206 Ha - Reclamation
  - CA Land & Excavation Area

Focus Areas

- Efficient use of water and energy
- Reduction of emission levels
- Zero tolerance for fatalities at mine sites
- Biodiversity Conservation

**Mining Certification**


**Solar Mfg. Certification**

IEC 61215, IEC 61730, UL61730, IEC 62716, IEC 61701, BIS/IS 14286, IEC 62804, IEC 62759, IEC 60068, MCS, PVEL-PQP, Black & Veatch

*Compared to Base year FY'18

IEC – International Electro Technical Commission
ISO – International Organization for Standardization

#Current Capacity
AEL: Sustainability – Social Footprint

Our CSR Philosophy

- Health & Sanitation
- Skill Development & Entrepreneurship
- Sports Promotion
- Improvement in Education level
- Infrastructure Development
- Increasing Farmer’s productivity

Flagship Initiatives Undertaken at project site

Kaushal Vikas Kendra
Empowering the youth to be financially independent and self-sufficient

Adani Vidya Mandir
Cost-free quality education to children of project affected village families

Rural Infrastructure Development
Solar power as an alternative of conventional energy to villagers

Skill Development and Entrepreneurship
State of the Art Vocational Training Centre for local villagers

As a Group, social upliftment is key to our approach

Healthcare
- Free medical assistance and healthcare available at the doorstep of villagers

Education
- 10+2 CBSE school set up to impart quality education to tribal children

Employment
- More than 400 tribal people employed at the PEKB mines

Sports
- Adani Surguja Football Academy at Ambikapur to nurture aspirations of tribal youth
AEL : CSR Activities

**Education**
Adani Vidya Mandir- Free Educational support to students from LKG to Class IX to **672 students**

Project Sankalp- Special Coaching Classes for **78 students** of Class X and XII appearing for Board Exams.

**Community Health**
Project SuPoshan **operational in 22 locations in 12 states** have benefitted 55% families which are below poverty line.

Sanginis have done **1400+ village level events**, covered 35000+ families under counselling.

**Sustainable Livelihood**
Training regarding the process of turmeric plantation was imparted to the members of Women Cooperative Group, MUBSS. **1020 turmeric plants** were planted

In order to generate livelihood, a pickle making training session was organized at salhi village in surguja district

**Community Infrastructure**
**40 handpumps** were repaired in mine peripheral villages to enable the village community to have easy access to clean drinking water. The villagers also ensured social distancing measures while using handpumps.
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Investor Relations Team

MR. D. BALASUBRAMANYAM
Group Head - Investor Relations

d.balasubramanyam@adani.com
+91 79 2555 9332