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Adani Electricity Mumbai Limited

Investor Presentation

August 2022



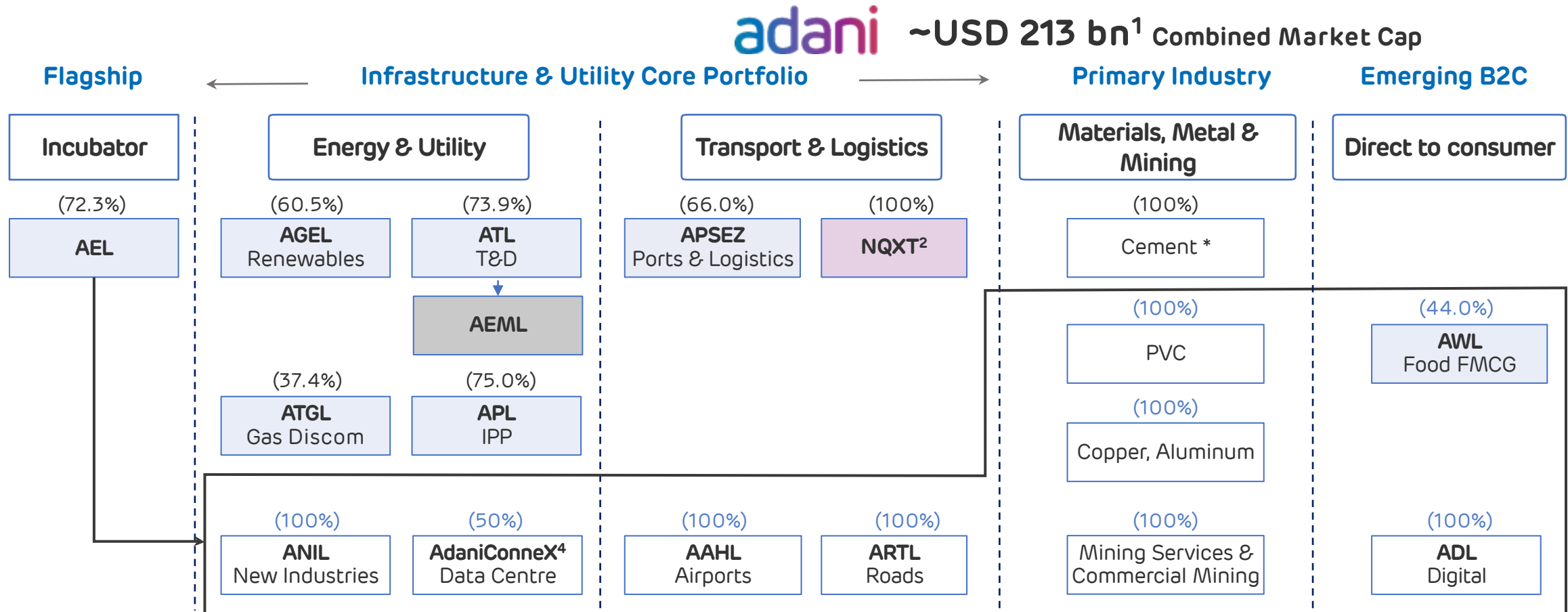
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1. Adani Group Overview

Adani Group: A World Class Infrastructure & Utility Portfolio



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

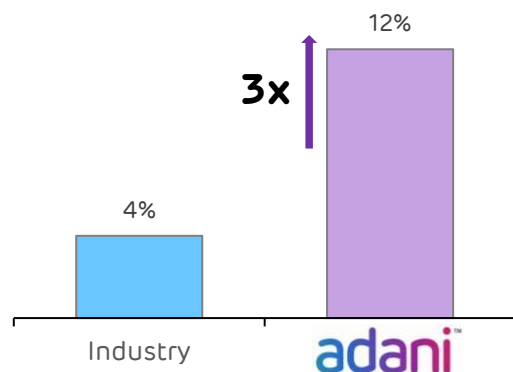
A multi-decade story of high growth centered around infrastructure & utility core

1. Combined market cap of all listed entities as on July 31, 2022, USD/INR – 79.34 | 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; **AEML**: Adani Electricity Mumbai Limited; **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

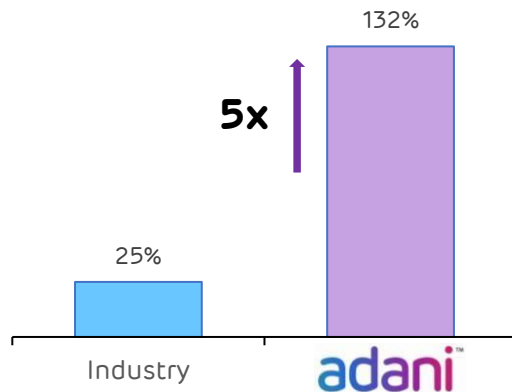
Adani Group: Decades long track record of industry best growth rates across sectors

Port Cargo Throughput (MMT)



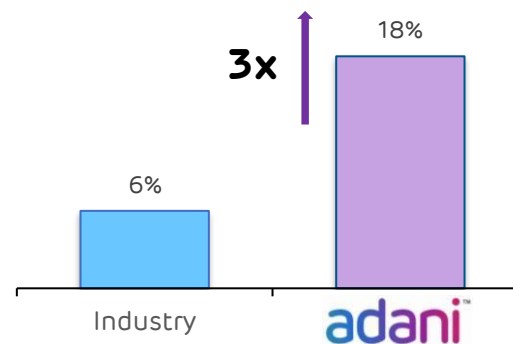
2014	972 MMT	113 MMT
2022	1,320 MMT	312 MMT

Renewable Capacity (GW)



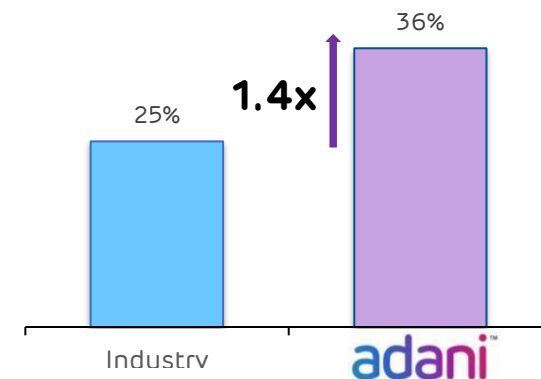
2016	46 GW	0.3 GW
2022	150 GW ⁹	20.4 GW ⁶

Transmission Network (ckm)



2016	320,000 ckm	6,950 ckm
2022	456,716 ckm	18,795 ckm

CGD⁷ (GAs⁸ covered)



2015	62 GAs	6 GAs
2022	293 GAs	52 GAs



APSEZ

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



AGEL

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



ATL

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



ATGL

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

Transformative model driving scale, growth and free cashflow

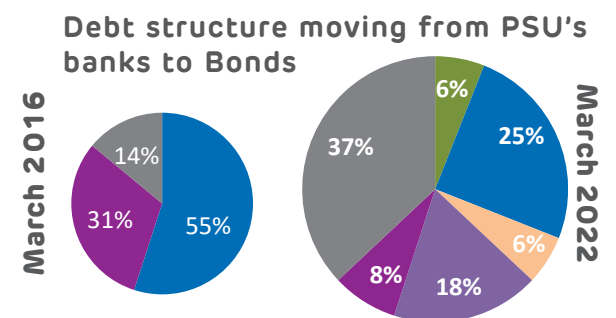
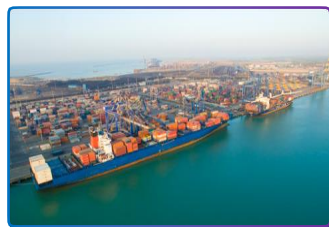
Note: 1 Data for FY22; 2 Margin for ports business only, Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs - Other Income; 4 EBITDA Margin represents EBITDA earned from power supply 5. Operating EBITDA margin of transmission business only, does not include distribution business. 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 Group: Repeatable, robust & proven transformative model of investment



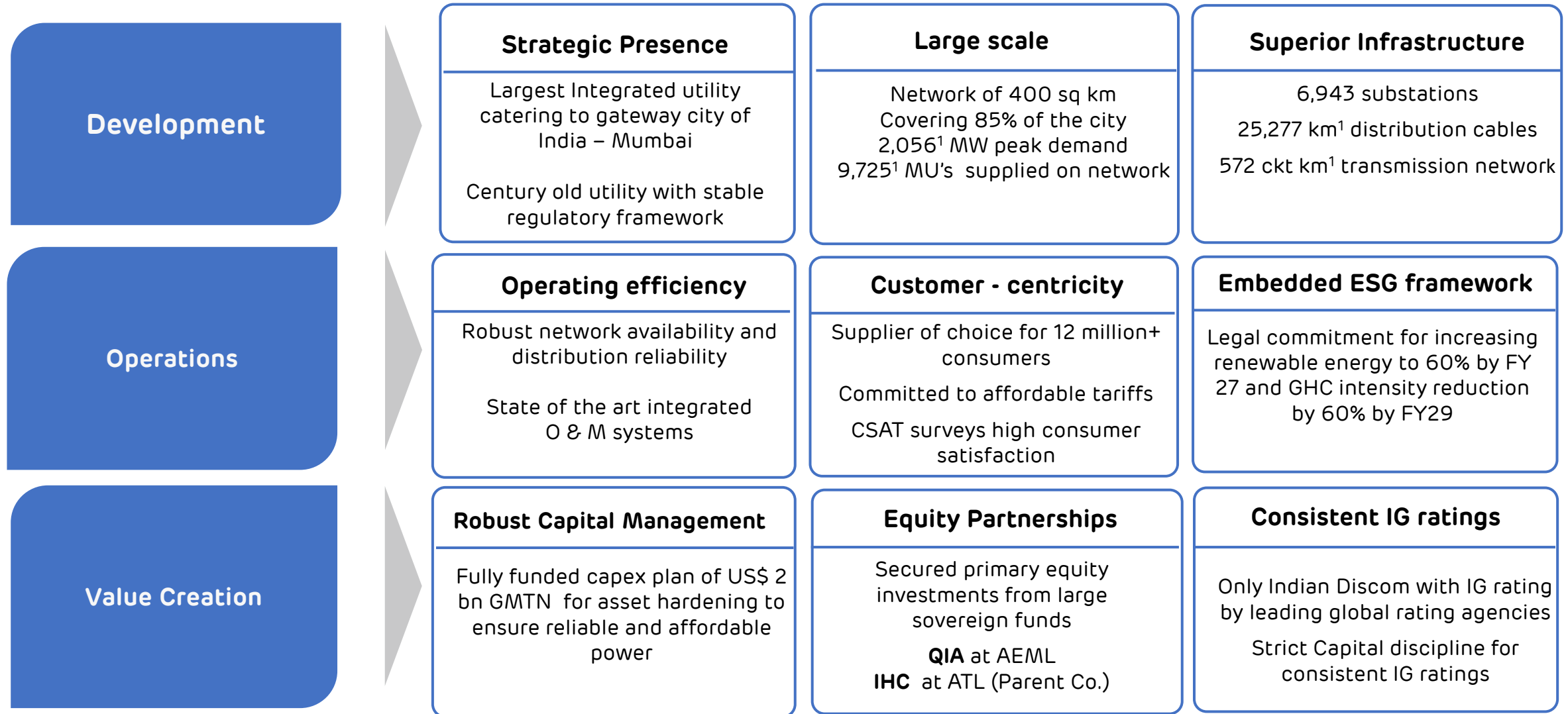
Activity	Origination	Site Development	Construction	Operation	Capital Mgmt
	<ul style="list-style-type: none"> Analysis & market intelligence Viability analysis Strategic value 	<ul style="list-style-type: none"> Site acquisition Concessions & regulatory agreements Investment case development 	<ul style="list-style-type: none"> Engineering & design Sourcing & quality levels Equity & debt funding at project 	<ul style="list-style-type: none"> Life cycle O&M planning Asset Management plan 	<ul style="list-style-type: none"> Redesigning capital structure of assets Operational phase funding consistent with asset life

Performance	Origination	Site Development	Construction	Operation
	<p>India's Largest Commercial Port (at Mundra)</p> <p>↓</p> <p>Highest Margin among Peers</p>	<p>Longest Private HVDC Line in Asia (Mundra - Mohindergarh)</p> <p>↓</p> <p>Highest line availability</p>	<p>648 MW Ultra Mega Solar Power Plant (at Kamuthi, TamilNadu)</p> <p>↓</p> <p>Constructed and Commissioned in nine months</p>	<p>Energy Network Operation Center (ENOC)</p> <p>↓</p> <p>Centralized continuous monitoring of plants across India on a single cloud-based platform</p>



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.

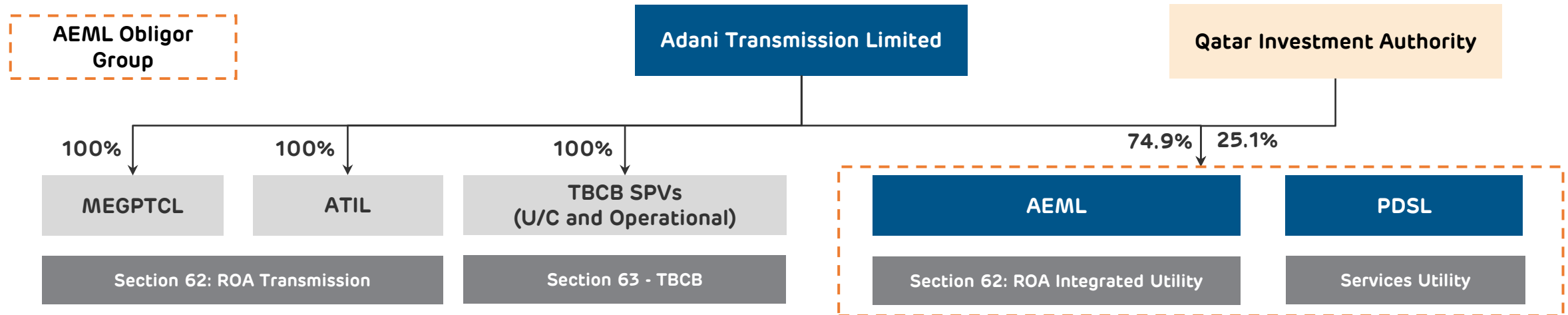
AEML: Emulating Group Philosophy



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2. Obligor Group

Structure and asset description



Brief Asset Description

Adani Electricity Mumbai Limited (AEML) is an **integrated utility with the following businesses** ;

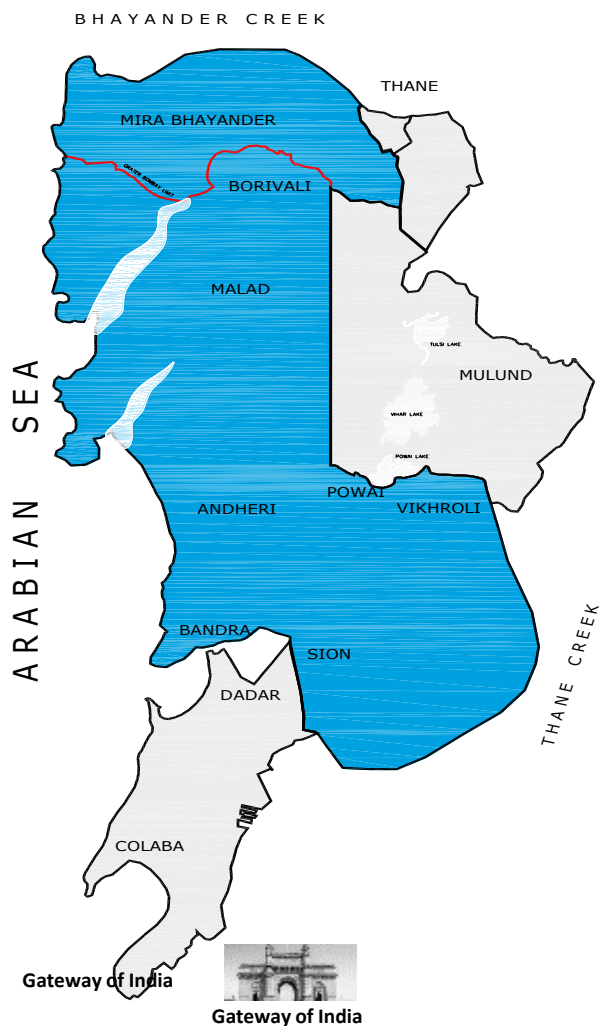
- **Generation** – Embedded generation critical for electricity supply for Mumbai consumers
- **Transmission** – Transmission lines forming part of the Maharashtra intra-state transmission system
- **Wires** – Electricity supply infrastructure serving over 400 sq. km
- **Retail** – Supply of electricity to ~ 12mn consumers of Mumbai as of March 31, 2022

AEML business operates under **Rate of return Asset model** as per Section 62 of Electricity Act, 2003.

Qatar Holding LLC, a wholly owned subsidiary of **QIA** acquired 25.1% equity stake in each of AEML and PDSL in Feb 2020

AEML is a high-quality ROA consumer-based business with minimal to no throughput risk

Century old utility serving the "Gateway" city of India through Resilient Business Model

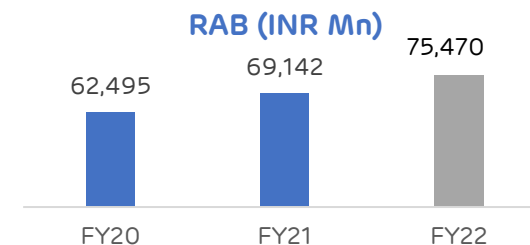


adani Electricity		
Households		~3.08 mn
Network Consumers		~12.0 mn
Distribution network area		400 sq. km.
Peak Demand		2,056 MW*
MUs sold - Network		9,725 ¹

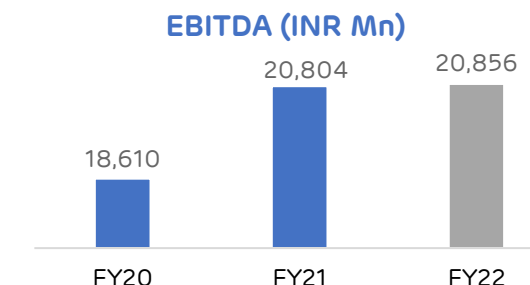
Servicing 85% of Mumbai, touching 2 / 3 households of Mumbai

Key Highlights

Regulated Asset base (RAB) increased by **INR 6,328 million** during FY 22



Continuous growth in EBITDA since **last three years**



Committed to UN SDGs and Sustainability Linked Bond (SLB) targets covenanted



SPT 1: Attain at least 60% of renewable power procurement mix by end of FY2027.

SPT 2: Reduce GHG Emission Intensity (Scope 1 and 2) by 60% by end of FY2029, compared with FY2019.

1. This includes the changeover and the open access consumers, * Peak Demand as on 26th April 2022,

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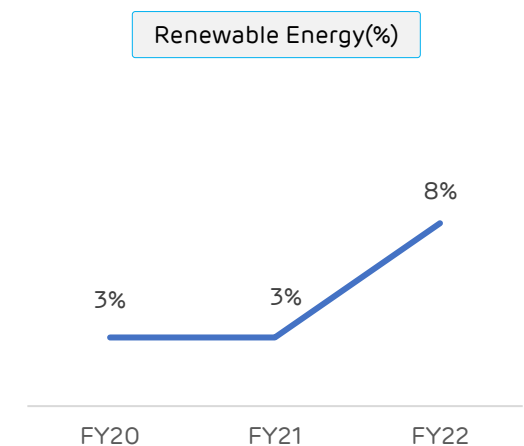
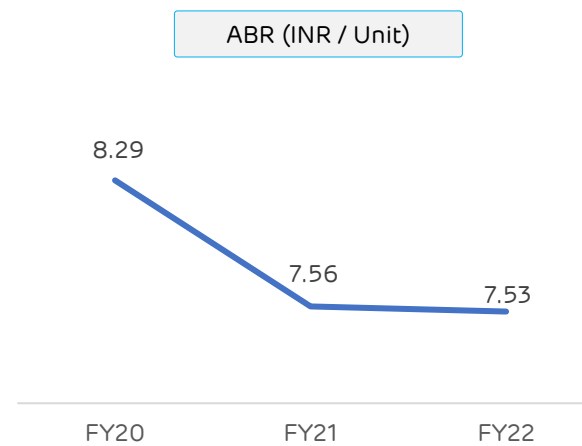
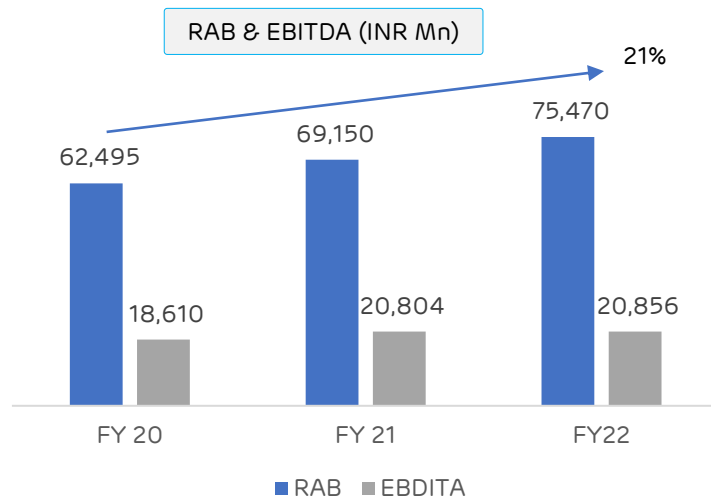
3. Business Updates

Key Business Update_1/3

Details	Particulars
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Unique Business Model

- AEML earnings are based on Rate of return on Regulated Asset Base (RAB) build up resulting in no throughput risk
- Despite the pandemic restrictions the Company has achieved **consistent increase of its RAB** through its prudent Capital Management policy
- The earnings of the company are thus protected and the **EBIDTA has increased by 12%** in last 2 years
- Increase in share of renewable energy and stable O & M costs has resulted **in reduction of tariffs** to its consumers.
- Thus, while EBDITA of AEML has grown the tariffs to its consumers continue to be consistent without any Government subsidy
- AEML **unique world class model** works on the core principle of Reliability, Affordability and Sustainability



Achieving renewable commitment with affordable tariff and high reliability asset base

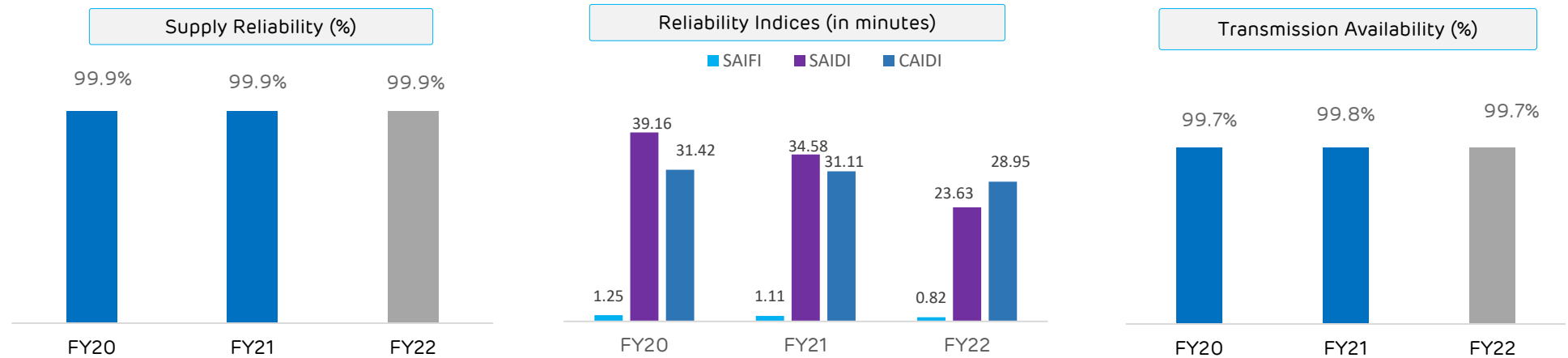
Key Business Updates_2/3

Particulars	Details
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Operational and Business Updates

- **Sales Volume** increased to 7,972 MU's during FY 22 (11% - YOY) and further increased by 26% during Q1 of 2022-23.
- Mumbai city and AEML recorded an **all-time high demand of 3,851 MW and 2,056 MW** respectively in April 2022.
- Despite significant increase in demand, severe climate conditions and natural disasters, **supply reliability maintained at 99.99%**.
- **Acquisition** of consumption intensive customers like Data Centers, EV Charging stations, Mumbai Metro - Rail, Mumbai Airport
- **Smart Metering Ecosystem** is being gradually implemented. 1 lakh smart meters have been installed and about 7 lacs meters will be installed during FY 2023-24.

Network Reliability

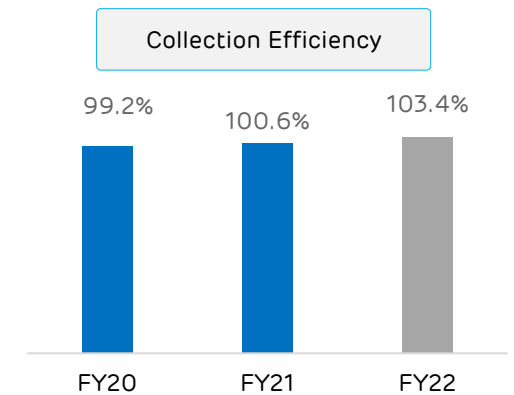
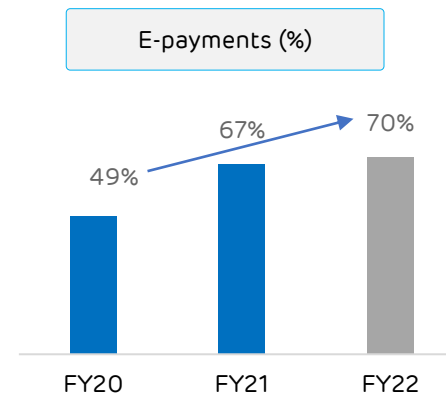
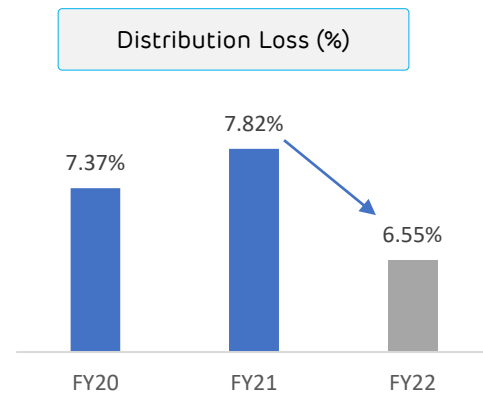


Key Business Updates_3/3

Particulars	Details
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Supply & Distribution Parameters

- Distribution Loss of less than 7% due to focused mitigation activities.
- Bill payment facility available to all consumers within 1 KM area.
- E-Payment penetration increased by 1.4x from FY 20 to FY 22.
- Above 100% collection efficiency



Regulatory Updates

- Due to increase in energy prices, the Regulator has, from July 2022 allowed levy of the Fuel Adjustment charges (FAC) to be recovered from the consumers, thereby reducing the Regulatory Deferral Account.
- Tariffs are scheduled to be revised by March 2023 which will enable recovery of the Regulatory Deferral Account under the Regulatory framework.

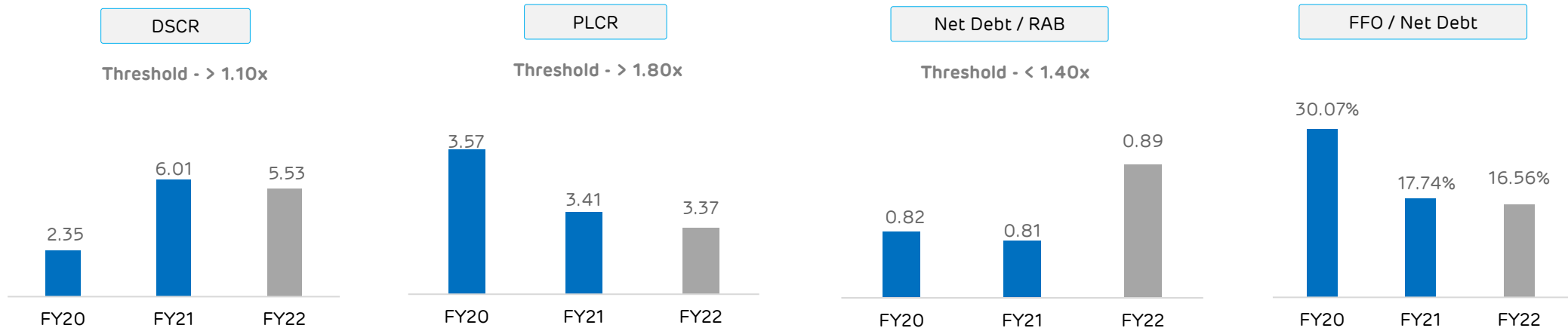
Particulars	Details						
	YEAR	Achieved		Committed Targets			
Sustainability Linked KPI's		FY 2019	FY 2022	FY 2023	FY 2025	FY 2027	FY 2029
<p>KPI 1 : Increase Renewable power mix. SPT 1 : 60% of renewable power procurement by end of FY27</p>		3%	8%	30%		60%	
<p>KPI 2 : Reduction in GHG Emission Intensity (Scope 1 and 2) SPT 2 : by 60% by end of FY2029, compared with FY2019</p>			31%		40%	50%	60%
<p>Assurance Report on GHG emissions by DNV.</p>	<ul style="list-style-type: none"> Percentage of procurement of electricity from the eligible renewable energy sources has increased from 3.01% in FY 18-19 to 8.12% in FY 21-22. Emission intensity (tCO2 e/ EBDITA) has reduced from 2,254 in FY 18-19 to 1,554 in FY 22-23 						
<p>Social & Community Welfare</p>	<ul style="list-style-type: none"> Skill Development Program such as Project SAKSHAM and SANGINI for self employment for women. Swachhagraha Program in 2,269 schools for cleanliness and Hygiene awareness. Development of vaccination center and distribution of Oxygen cylinders. Conduct of Electrical Safety awareness among consumers 						
<p>Governance Framework</p>	<ul style="list-style-type: none"> AEML Board governance comprises of Audit committee, Nomination & Remuneration committee, and Corporate Responsibility committee with 2/3rd strength of Independent Directors. 						

Financial Performance

Details	Particulars
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Financial Ratios & Covenants

- Business performance is insulated from disruptions due to predictable regulatory returns.
- Despite drop in energy consumption (FY21) or increase in energy prices (FY22), all the financial ratios were maintained.
- Covenants maintained well above the threshold limits.
- Graded DSCR Helps maintain adequate cash flows in case of volatility in collection, capex or O&M expenses.
- Creates a “self-check” mechanism to ensure optimal capital expenditure in case of delays in capitalization.
- 100% Cash Sweep / Lock up to downsize debt in case of breach of the thresholds of PLCR.
- Regulated Rate of Return used to determine EBITDA forecasts captured in PLCR linked to Debt Sizing.
- Capex Reserve increased from INR 2,308 Mn to 5,355 Mn during FY22.



RAB – Regulated Asset Base, Amount mentioned in INR Crores, DSCR – Debt Service Coverage ratio, PLCR – Project Life Coverage ratio, FFO – Funds from operations, FFO / Net Debt is calculated before changes in the Working Capital Loan outstanding, FFO is calculated as – EBITDA minus Cash taxes paid and adjusted for any positive or negative adjustments in working capital minus cash net interest

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Appendices

Financials Summary

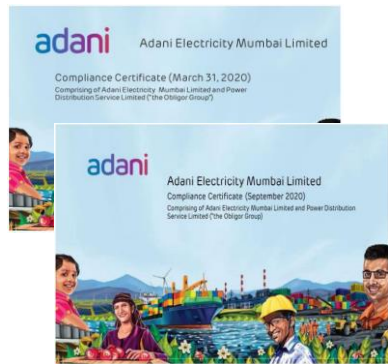
Amount in USD mn

Profit & Loss Summary	FY 2020	FY 2021	FY 2022
Revenue	1,017	798	912
Add : Other Income	22	56	54
Total Income	1,039	854	966
Less : Cost of Power Purchases	355	253	361
Less : Cost of Fuel	134	128	141
Less : Transmission Charges	53	62	63
Less : Employee Benefit Expenses	118	113	105
Less : O&M Expenses	100	100	110
Add / (Less) : Net Movement in Regulatory Deferral Balance	(31)	77	90
EBITDA	248	275	276
Less : Tax Expenses	7	7	6
Cashflow Available for Debt Servicing	241	268	270
Balance Sheet Summary	FY 2020	FY 2021	FY 2022
Total Equity	597	622	620
Borrowings & Trade payables (Non - Current)	1,343	1,395	1,570
Financial Liabilities (Non - Current)	20	15	12
Other Non Current Liabilities	76	119	132
Total Non Current Liabilities	1,439	1,529	1,714
Borrowings & Trade payables (Current)	332	278	196
Financial Liabilities (Current)	117	114	131
Other Current Liabilities	48	41	47
Total Current Liabilities	497	433	374
Regulatory Deferral Account – Liabilities	67	36	36
Total Equity & Liabilities	2,600	2,620	2,744

Resilient & Reliability: Case Studies

COVID-19	Grid Failure	Lights Out Event	Power Tripping	Highest Peak Demand
Complete Lock-down in Mumbai	Unprecedented Mumbai power outage on 12th October, 2020	COVID Solidarity Event - 9 pm 9 minutes on 5th April 2020	Power outage – 10:08 am for 80 min. on 26th April 2022	Peak Demand of 2056 MW on 28th April 22 – 15:15 p.m.
Challenges	Challenges	Challenges	Challenges	Challenges
<ul style="list-style-type: none"> Occupational Health & Safety hazard Capex Execution (RAB Enhancement) Disruption in Consumer Interface Impact on Operational Parameters 	<ul style="list-style-type: none"> Snapping of Line-2 and manual tripping of Line in MSETCL s/s. Load affected in Maharashtra 3,500 MW out of which 2,200 MW in Mumbai 	<ul style="list-style-type: none"> Maintaining Grid stability Demand - Supply mismatch High voltage surge & Tripping 	<ul style="list-style-type: none"> Maintaining Grid stability Demand - Supply mismatch Restoration of the supply in coordination with SLDC 	<ul style="list-style-type: none"> Highest Peak Demand since last 3 year and after COVID Stress in Distribution network due to sudden peak on account of Heat wave in Mumbai
Outcome	Outcome	Outcome	Outcome	Outcome
<ul style="list-style-type: none"> PPE kit usage & followed COVID-19 norms Decentralized work locations Multiple SCADA locations for Secure Operations 24X7 call centre and virtual interface Increased online footprint Special task force, Auto allocation process Ensured Highest ever regulated asset development 	<ul style="list-style-type: none"> Embedded Plant operated in islanded mode within an hour. Supplied critical load when no other power source was available Ensured uninterrupted power supply to all essential services including hospitals, schools, public utilities. 	<ul style="list-style-type: none"> Reviewed the Load Shedding schemes to ensure grid stability Resource arrangement i.e., DG sets, Back up system Simulation for Islanding scheme Operational Guidelines drafted for control room Efficient Demand Side Management Demonstrated Network Strength 	<ul style="list-style-type: none"> Reviewed the Load Shedding schemes to ensure grid stability Coordination with SLDC for equitable load curtailment Efficient Demand Supply Management Demonstrated Network Strength 	<ul style="list-style-type: none"> Reviewed and managed the load increase by efficient planning and management and purchase of additional power in Real Time market. Efficiently managed and optimal network loading to ensure steady supply and 100 percent uptime

Compliance Certificate snapshot



- Published 2 compliance certificates (since the last issuance) well in advance of stipulated timelines
- Consistent compliance track record with stipulated covenants across business cycles
- Providing Key Industry Developments & Business-related updates
- Transparent disclosure standards covering EBITDA and RAB projections provided for the next 5 years

Compliance Certificate – Sep'2021

- Successfully set up GMTN program for USD 2 billion. Debut USD transaction in the ESG format by an Adani Group entity.
- First SLB issuance of USD 300 million from Indian utility space, and first with 2 KPIs from India. Issuance of Assurance Reports on GHG Emission by BSI
- MERC approval for INR 10,940 Mn for BKC-EHV substation DPR
- Green Power initiative for Mumbai consumers by switching to renewable energy
- Initiative towards Upgradation of consumer meters to “Smart Meters”
- Forming Strategic partnership to promote electric mobility (Ex ; YULU Bikes)

Compliance Certificate – Mar'2022

- Issuance of third party Assurance Reports on GHG Emission by DNV
- Achieve Renewable Power Mix of 8% as of FY 2021-22
- EV charge facility to car fleet provider, Installed public EV stations
- Smart metering eco system is being gradually implemented with installation of 1 lac smart meters.
- Support given in COVID – 19 by way of distribution of Oxygen Cylinders, Vaccination programs, distribution of PPE kits,

Status of Conditions Subsequent since last bond issuance

	Details	Status
Security and collateral package	Pledge over 100% shares of issuer	Completed
	Charge over movable assets (except monies in Excluded A/C)	Security is created and perfected by the First Security Long stop date.
	Charge over all project accounts (except Excluded Accounts which include Debenture Liquidity Account , AEML PPRA Account and AEML Post Distributions Cash Flows Account)	Completed
	NDU over certain immovable assets of Issuer which are not being mortgaged	Completed
	NDU over 100% shares, immovable and movable assets of PDSL	Completed
	Charge over identified immovable assets and & transmission and distribution licenses.	For US\$ 1 bn Bond : Completed For \$ 300 Mn Bond: Security shall be created and perfected within second security long stop date.