

**Ambuja
Cement**

ACC

adani
Cement

Operational & Financial Highlights

For the Quarter Ended December 31, 2022

01

Adani Group Profile

02

Adani Cement

03

Ambuja Cement – Performance Highlights

04

ACC – Performance Highlights

05

Way Forward

06

ESG Update

07

Corporate Social Responsibility

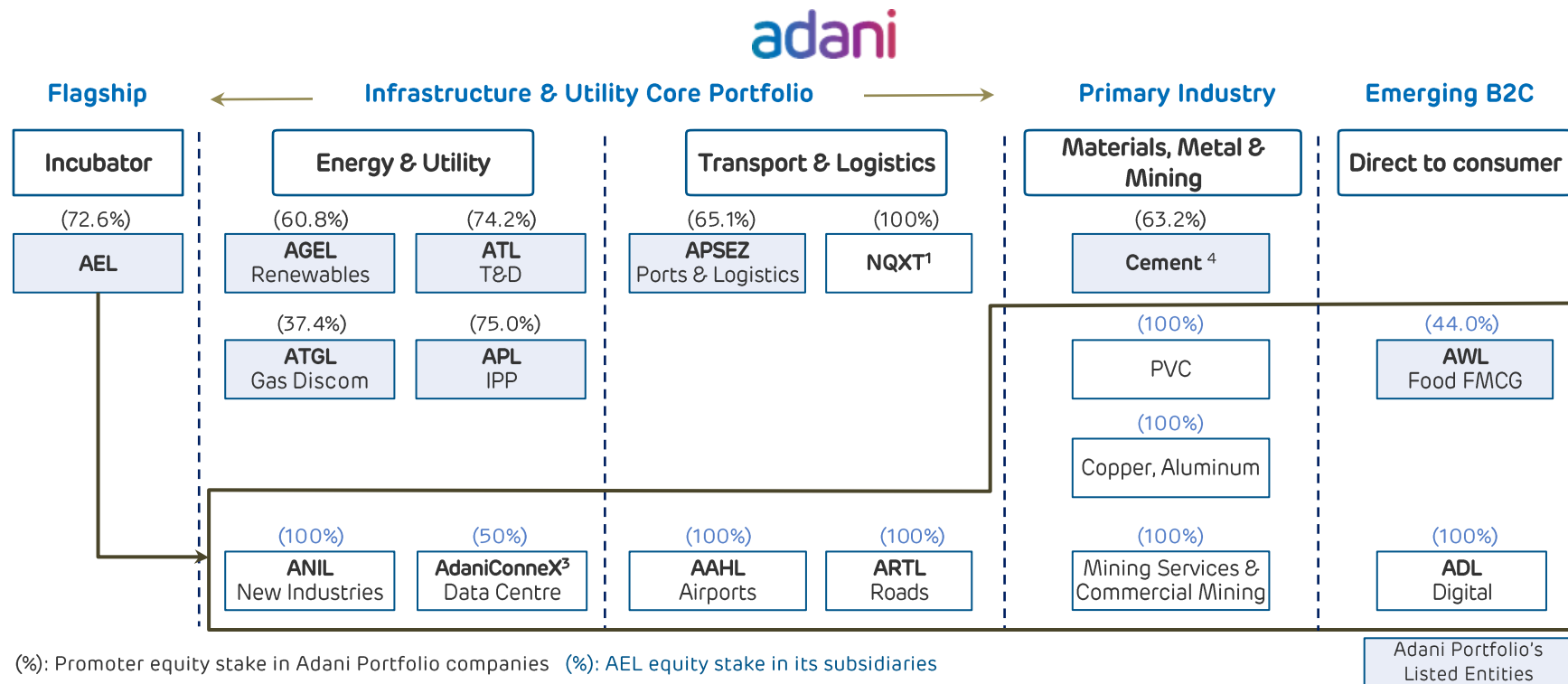
08

Accolades & Awards

Adani Group Profile

01

Adani: A World Class Infrastructure & Utility Portfolio



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

1. **NQXT**: North Queensland Export Terminal | 2. **ATGL**: Adani Total Gas Ltd, JV with Total Energies | 3. 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
4. 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}

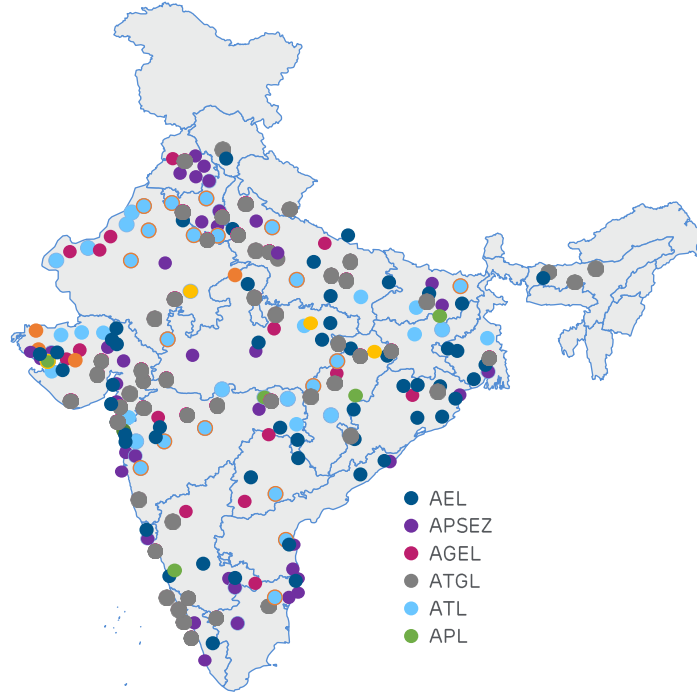
adani

Gas

Growth 1.4x

EBITDA 25%

National footprint with deep coverage



adani™

Core Portfolio

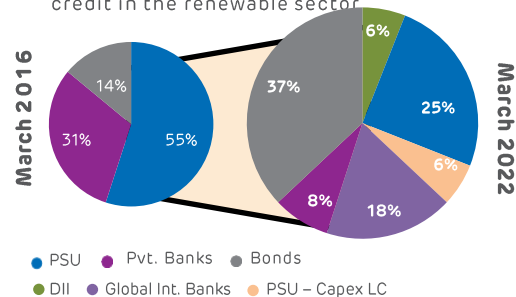
Utility 92%

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. 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.

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



Adani Cement (Ambuja + ACC)

02



Adani Cement: Accelerating our growth journey



67.5 MTPA
Cement Capacity

78,000
Channel partners across India

14
Integrated units

16
Grinding units

85
Ready-mix concrete plants

Ambuja Cement* – Performance Highlights

For the Quarter Ended December 31, 2022

03

Coal

- Reduced fuel cost with change in basket of Coal
- Maximise low cost domestic source, Nil import of US Petcoke
- Fixed price long term trade for part quantity to mitigate price volatility
- Expansion of owned coal mine - Gare Palma
- Group synergies on coal procurement

Kiln Fuel Cost reduced from Rs. 2.84 per'000 Kcal to Rs. 2.45 per '000 Kcal

Logistics

- Warehouse footprint optimization, T Points created
- Serving short lead markets directly to customers - 40% of sales volume <150 kms market
- Improved synergies between Ambuja & ACC to cater to natural market at lowest logistics cost
- Improvement in Rail - Road mix
- Capex planned to increase ownership Rakes
- Separate co created for shipping operations, improve coastal movement

Logistics cost reduced by INR 82 PMT QoQ (from INR 1,421 PMT to INR 1,339 PMT)

Plant Efficiency & Debottlenecking

- Reduction in Clinker Factor from 60.3% to 59.5% QoQ
- Higher consumption of Alternative Fuel , increase in Thermal Substitution Rate (TSR) from 6.5% to 8.2% QoQ
- ESG drive, higher share of WHRS power in total power mix (increase from 3.4% to 5.4%) QoQ
- Energy efficiency initiatives reduced power consumption cost by Rs. 32 PMT
- Increase in dispatch capability for higher evacuation
- Initiatives undertaken to reduce Packing Bag cost by 15%, with long term assured supplies
- Debottlenecking initiatives at various plants

Plant capacity expected to improve by 2-3 MTPA

Raw Material cost

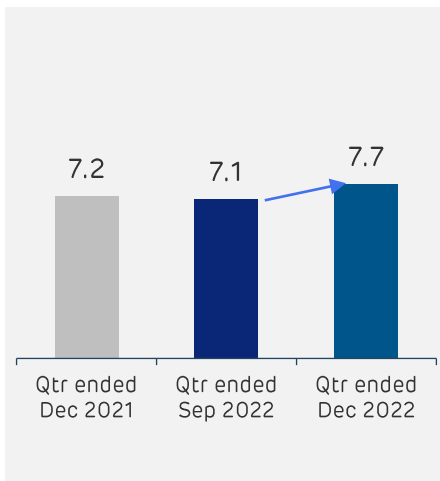
- Fly Ash dryer for usage of Wet Fly Ash
- Long term contract with Thermal power companies to bring down Fly Ash cost by 15%
- Replacing costly gypsum with low cost Phospo gypsum

Raw Material Cost expected to reduce by 5%

- Clinker & Cement Sales volume grew by 7% with capacity utilization of 81%
- Clinker & Cement Sales volume increased from 12.8 MioT to 13.7 MioT
- Better demand led to stable prices, which led to better sales realization by 3% QOQ
- RMX volume grew by 5% QoQ from 7.5 to 7.9 Lac Cubic Meter
- Per Ton EBITDA improved by 144% to INR 829 / Mt from INR 340/Mt QoQ
- ECOmaxX premier concrete product launched: 30%-100% lower embodied carbon content, expected to reach 20% of total RMX sales next year
- Trade Sales volume sustained at 79% of total sales volume QoQ, Premium products remained 22% of Trade Sales
- WHRS operational capacity increased to 80 MW & expected to reach 175 MW by July 2024, which will improve Renewable power mix from 3.4% to 35%
- Accelerating green products and solutions through usage of Renewables Energy, higher usage of AFR
- Higher focus on Circular Economy – geoclean (waste management arm) unveiled

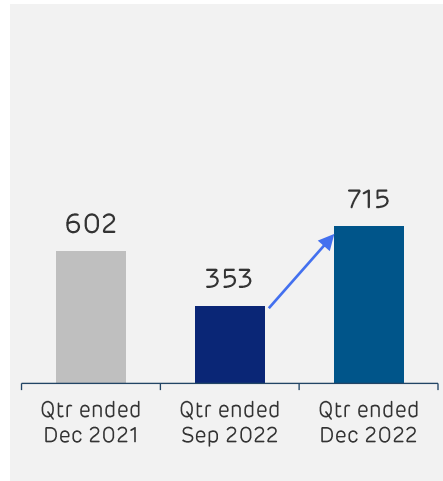
Ambuja Cement (Standalone): Performance Highlights

Sales volume – Clinker & Cement
(million tons)



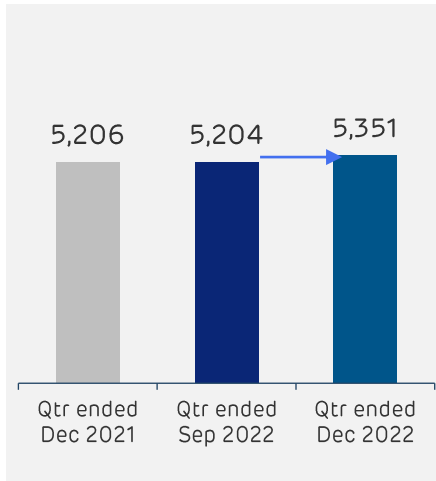
Sales volume growth of 9%. Favorable demand factors to help in higher capacity utilization

EBITDA
(INR/crore)



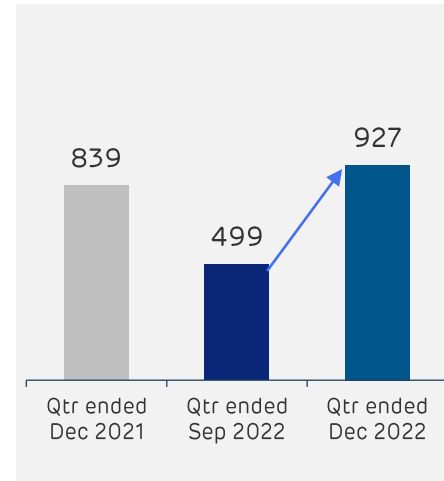
Cost reduction initiatives led to sizable improvement in EBITDA by 103%

Realisation
(INR/ton)



Realization up by 3%: Higher sales of premium products to help improve this further

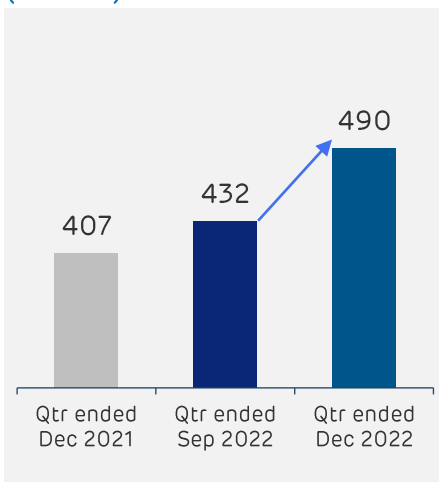
EBITDA
(INR/ton)



EBITDA PMT improved by INR 428 PMT due to various operational efficiency and synergies with Group. This helped to substantially improve EBITDA PMT

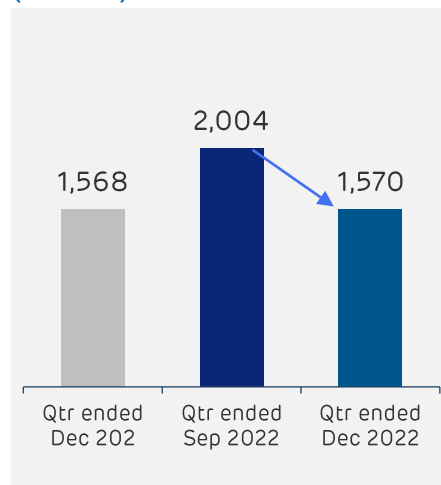
Ambuja Cement (Standalone): Performance Highlights

Raw Material Cost (INR/ton)



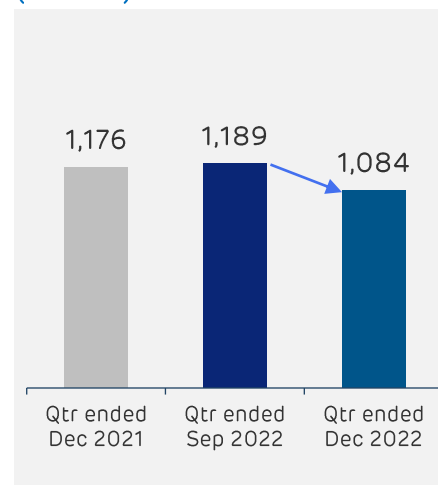
Increased due to higher clinker purchase

Power and Fuel Cost (INR/ton)



Change in Fuel basket and group synergies resulted in savings in fuel cost by Rs. 434 PMT. Reduction in power & fuel cost due to lower fuel cost & various synergy benefits with the Group. Downward trend expected to continue

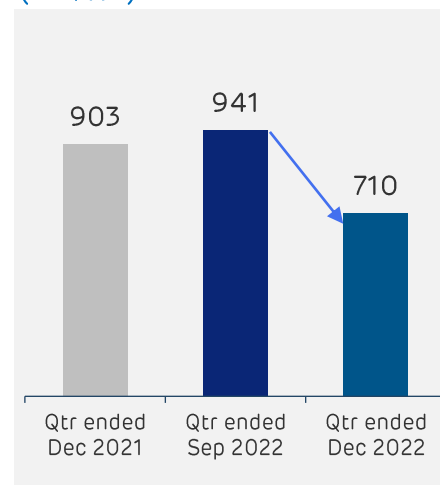
Freight and Forwarding Cost (INR/ton)



Better route planning, synergies between Ambuja & ACC, helped to reduce cost by Rs. 105 PMT.

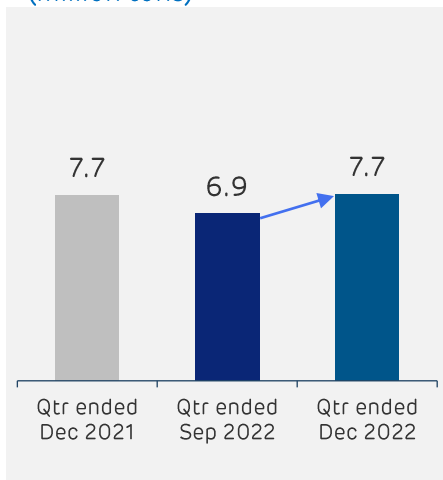
Lead reduced by 13 KM from 260 kms to 247 kms,

Other Expenses (INR/ton)



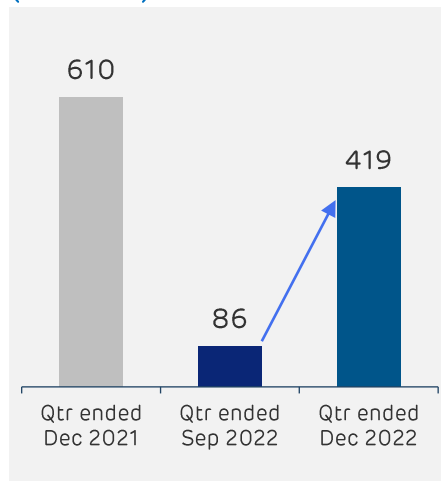
Other expense resulted in savings of INR 231 PMT due to various cost saving initiatives

Sales volume – Clinker & Cement
(million tons)



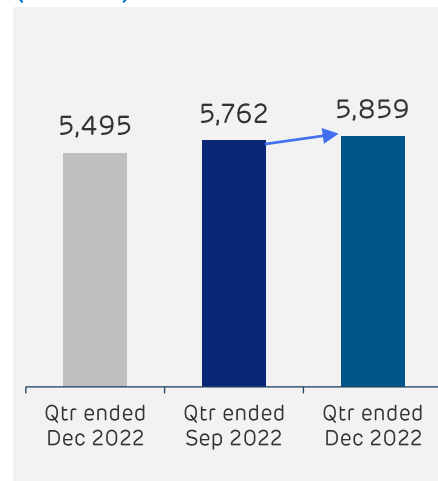
Sales volume growth of 12%. Favorable demand factors to help in higher capacity utilization

EBITDA - Consolidated
(INR/crore)



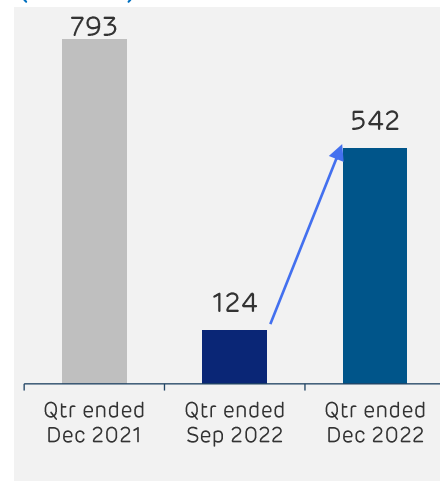
Improvement in EBITDA by 387% mainly driven by efficiency improvement initiatives, product mix optimization & source to market optimization

Realisation – Clinker & Cement
(INR/ton)



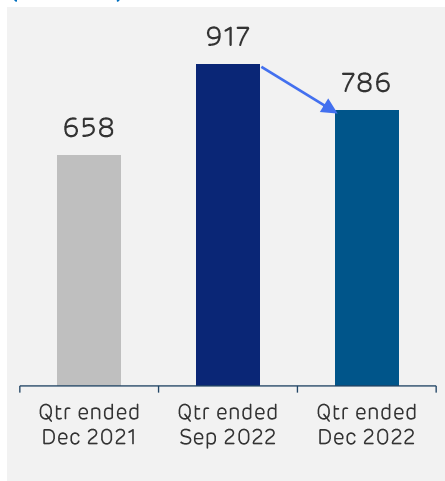
Realization up by 2%: Higher sales of premium products to help improve this further

EBITDA – Clinker & Cement
(INR/ton)



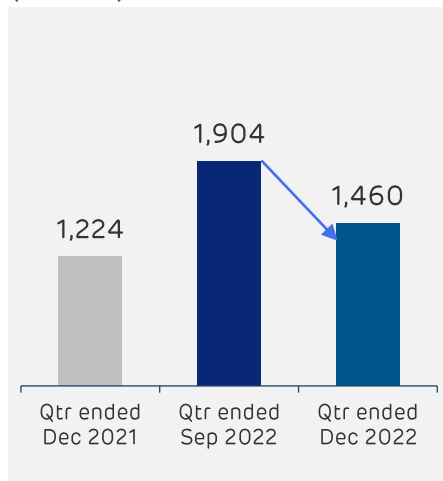
EBITDA PMT improved by INR 418 PMT due to various operational efficiency and synergies with Group. This helped to substantially improve EBITDA PMT

Raw Material Cost (INR/ton)



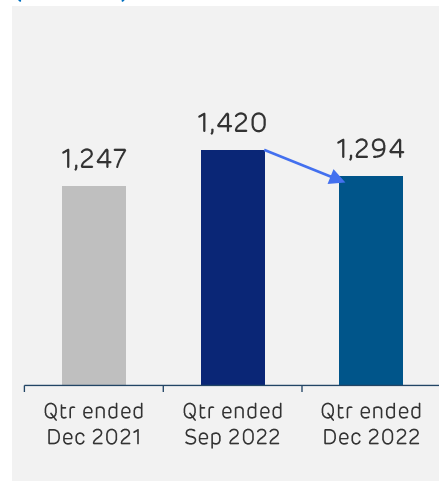
Raw material cost reduced by INR 131 PMT mainly due to lower clinker purchase, raw mix & source mix optimization, replacement of costlier Fly Ash by cheaper Conditioned Fly Ash, higher consumption of cost competitive Gypsum

Power and Fuel Cost (INR/ton)



Kiln Fuel Cost came down from Rs. 3.17 per '000 Kcal to Rs. 2.61 per '000 Kcal, TSR reached at 10%, led to lower fuel & cost of INR 444 PMT

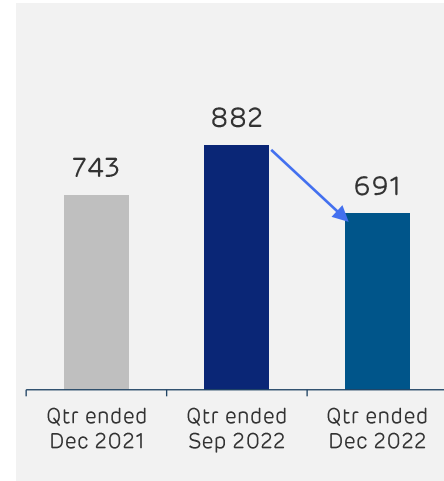
Freight and Forwarding Cost (INR/ton)



Synergies between Ambuja & ACC, warehouse footprint optimization, reduction in lead resulted in lower freight & forwarding cost by 126 PMT

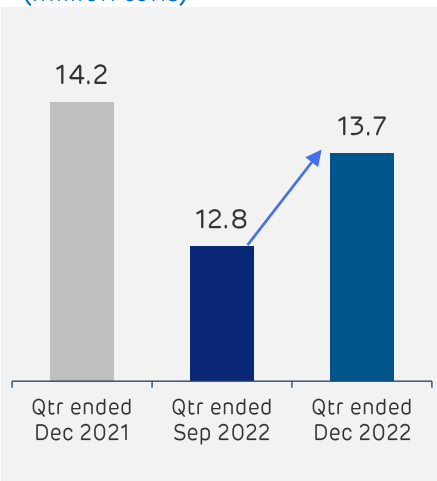
Logistics cost reduced from Rs. 2.93 to Rs. 2.86 ptpk

Other Expenses (INR/ton)



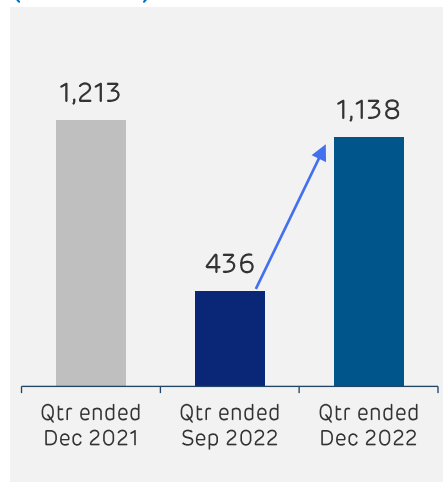
Other expense per ton is declining trend due to various cost saving initiatives

Sales volume – Clinker & Cement
(million tons)



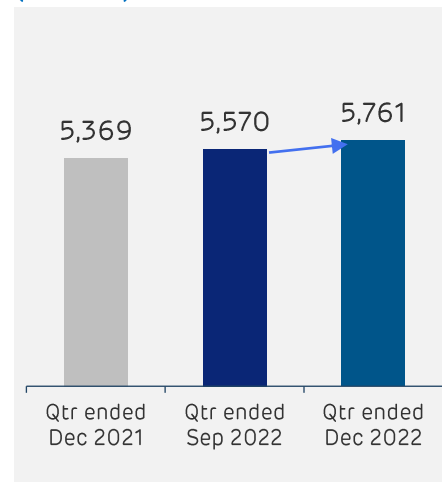
Sales volume growth of 7%

EBITDA
(INR/crore)



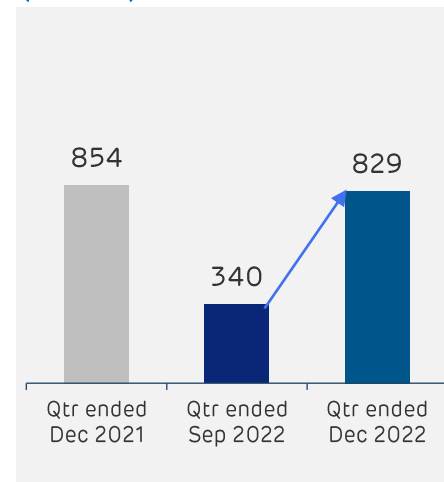
Cost reduction initiatives led to sizeable improvement in EBITDA by 161%

Realisation
(INR/ton)



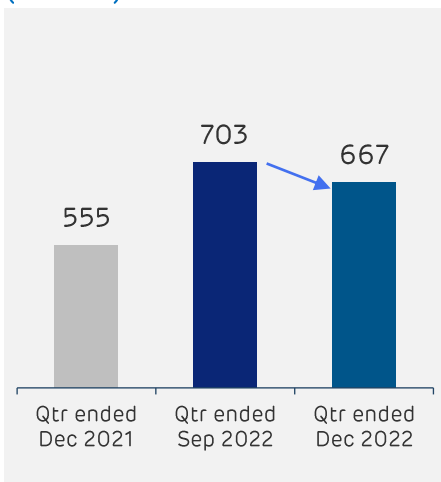
Realization up by 3%. Higher sales of premium products to help improve this further

EBITDA
(INR/ton)



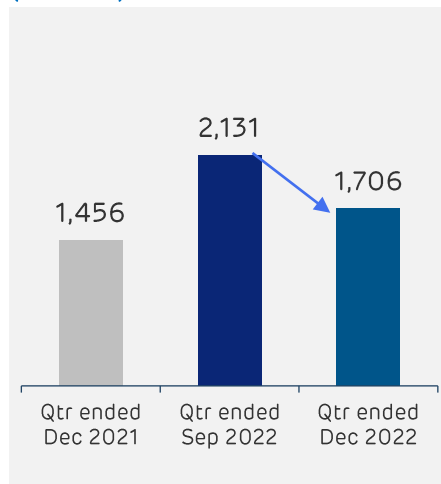
EBITDA PMT improved by Rs. 489 PMT. EBITDA PMT expected to be in four digits in coming months

Raw Material Cost (INR/ton)



Raw material cost reduced by Rs. 36 PMT, expected another 15% reduction in FY 23-24

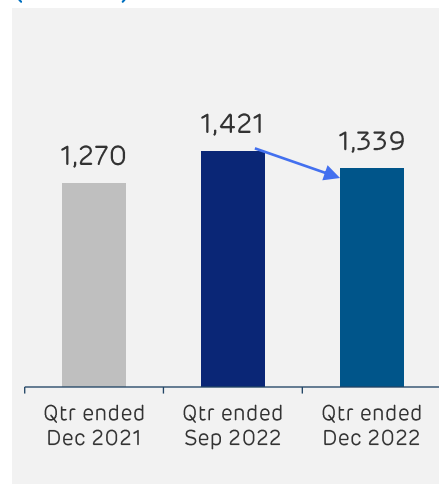
Power and Fuel Cost (INR/ton)



Change in Fuel basket and group synergies resulted in savings in Fuel Cost by Rs. 425 PMT. Downward trend expected to continue

Kiln fuel cost reduced from Rs 3.17 per '000 kCal to Rs 2.61 per '000 kCal

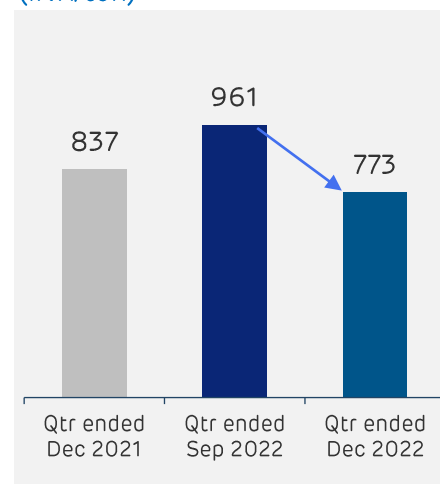
Freight and Forwarding Cost (INR/ton)



Better route planning, synergies between Ambuja & ACC, optimized warehouse footprint and Lowest Cost to Serve (LTS) strategy helped save Rs. 82 PMT in Logistics cost. Synergies with Group's logistics business expected to reduce this further.

Lead distance reduced from 263 kms to 248 kms,

Other Expenses (INR/ton)



Other expense resulted in savings of INR 188 PMT due to various cost saving initiatives

Ambuja (Standalone) - Financial Results

	Quarter Ended			
(All amounts in INR Crore)	Dec 2022	Sept 2022	Change %	Dec 2021
Revenue from Operation	4,129	3,676	12%	3,740
EBITDA	715	353	103%	602
EBITDA (%)	17.3%	9.6%		16.1%
Profit after Tax	369	139	166%	253
Earning Per Share	1.86	0.70	166%	1.27

	Quarter Ended			
(All amounts in INR Crore)	Dec 2022	Sept 2022	Change %	Dec 2021
Net Sales	4,537	3,987	14%	4,226
EBITDA	419	86	387%	610
EBITDA (%)	9.3%	2.2%		14.4%
Profit after Tax	113	(87)	230%	281
Earning Per Share	6.03	(4.65)	230%	14.95

	Quarter Ended			
(All amounts in INR Crore)	Dec 2022	Sept 2022	Change %	Dec 2021
Revenue from Operation	7,907	7,143	11%	7,625
EBITDA	1,138	436	161%	1,213
EBITDA (%)	14.4%	6.1%		15.9%
Profit after Tax	488	51	851%	431
Earning Per Share	2.19	0.47	366%	1.46

Cash & Cash Equivalent for the last four quarters

Cash Balance	Rs. Cr	Remarks
Dec 21 Quarter	11,358	Under Holcim
June 22 Quarter	8,142	
As on Closing of 15th Sept 2022	7,488	
Opening balance as on 16th Sept 2022 when the new Promoter took over	7,488	Under new Promoter
Sep 22 Quarter	7,267	
Dec 22 Quarter	9,454	

Synopsis of the changes in the Cash & Cash Equivalent

Cash Balance	Rs. Cr
Opening Balance as on 1 st Jan 2022	11,358
(+) Cash flows from operations before change in Working Capital	3,697
(+) net Treasury income & others	230
(+) Cash received against issue of warrants ²	5,000
(-) Changes in working capital ¹	(3,593)
(-) Income tax paid	(937)
(-) Dividend paid during Holcim period (net) ³	(1,795)
(-) Capex (incl advance) ⁴	(4,506)
Closing Balance as on 31st Dec 2022	9,454

1. Changes in the Working Capital

From 1 st Jan 2022 till 31 st Dec 2022	Rs. Crore
Inventory	(611)
Debtors	(604)
Trade payables	(182)
Payment for coal contract *	(1,824)
Other regular business items	(372)
Total	(3,593)

* It includes advance given under Long Term Agreement for supply of 14.7 lacs MT of Coal at a price capped at USD 157 (CIF port of discharge). This contract has helped to bring down fuel cost wherein the Kiln fuel cost has reduced as under:

Company	Sept 22 Qtr (‘000 / Kcal)	Dec 22 Qtr (‘000 / Kcal)	% Reduction
Ambuja	2.72	2.32	14.70%
ACC	3.17	2.61	17.66%

The contract takes care of approx. 25% of cumulative coal requirement of both Ambuja and ACC for the year. The Management team estimates that the supplies will be completed at the latest by June 2023.

2. Share Warrant

Basis approvals, Promoter Group entity has committed Rs. 20,001 Crores to subscribe towards ~47.75 Crores Warrants of Ambuja @ 418.87, out of which Rs. 5,000 Cr has already been received on 18th October 2022.

3. Dividend payout

In the month of April 2022, Ambuja paid dividend of Rs. 6.6 per share and ACC paid dividend of Rs. 58 per share, resulting in a total outflow of Rs. 1,795 Cr (net of intercompany receipt).

4. Capex

The amount of capital expenditure incurred on the key projects are as under:

- Setting up the Clinker Unit at Ametha (Kiln capacity of 3.30 MTPA Capacity, EC approvals in hand for 2.75 MTPA). This is expected to be commissioned in July 2023.
- 1 MTPA Grinding Unit (GU) in Ametha, from expansions in Bhatinda, Sankrail & Farakka, 2 additional locations in pipeline
- Upgradation of Line 1 at Bhatapara & Line 1 at Rabriyawas
- Efficiency projects including WHRS, Fly Ash Dryers.

Way Forward





05

- Demand growth expected to remain positive, facilitate higher capacity utilization
- Cost reduction drive will continue, supported by synergies with the Group
- Debottlenecking and efficiency improvement initiatives to unlock potential of existing infrastructure
- Expedite WHRS & AFR projects to benefit in lower power & fuel cost
- Cost efficient capacity augmentation
- EBITDA base achieved, expected to improve in coming quarters

ESG Update

06





Our sustainability strategy led by our Sustainable Development (SD) 2030 Plan

	 Climate and energy	 Circular economy	 Environment	 Community
Target 2030	Net specific CO ₂ emissions* 453 kg /t of cementitious materials	Use 21 million tons of waste derived resources per year	Fresh water consumption 62 Ltrs / T of Cementitious material	3.5 million Number of new beneficiaries
Performance Jan-Dec 22	Net specific CO ₂ emissions 519 kg /t of cementitious materials	Consumed 9 million tons of waste derived resources	Fresh water consumption 50 Ltrs / T of Cementitious material	2.2 million people benefited through community development projects

- TSR has been improved by 1%
- Commissioned 31.4 MW of WHRS & 22.2 MW under commissioning
- Specific Electrical Energy has been reduced by 1.58%
- Specific Net CO₂ emission has been reduced by 2%
- Higher proportion of blended cement ~90%
- Specific freshwater consumption has been reduced by 11%

* CO₂ emissions are excluding emissions from Captive Power Plants

Our sustainability strategy led by our Sustainable Development (SD) 2030 Plan




	 Climate and energy	 Circular economy	 Environment	 Community
Target 2030	Net specific CO ₂ emissions* 400 kg /t of cementitious materials	Use 30 million tons of waste derived resources per year	Water Positive Index 5 (number of times)	3.5 million Number of new beneficiaries
Performance Jan-Dec 22	Net specific CO ₂ emissions 477 kg /t of cementitious materials	Consumed 11 million tons of waste derived resources	2 (number of times)	0.5 million people benefited through community development projects

- TSR has been improved by 2% by maximizing the usage of alternative fuels
- Commissioned 22.4 MW of WHRS @ Jamul & Kymore and 16.3 MW under commissioning at Ametha
- Specific Electrical Energy has been reduced by 1.21%
- Specific Net CO₂ emission has been reduced by 2.16% vs Previous year
- Higher proportion of blended cement ~90%
- Accelerating green products & solutions – Launching of ACC ECOMaxX an Expert Green Concrete
- Specific freshwater consumption has been reduced by 10.5%

* CO₂ emissions are excluding emissions from Captive Power Plants

TSR-Thermal Substitutions Rate WHRS-Waste Heat Recovery System; MW-Mega Watt

ESG Ratings

			
Ambuja Cement	80	B	B
ACC	73	A-	B
Industry Max score	89	A	A
Best Possible Score	100	A	A

geoclean

New Brand identity launched
for waste management arm of
Adani Cement



Adani Cement launches revolutionary cutting-edge green concrete solution 'ACC ECOMaxX' in Mumbai, Delhi, Punjab, Chennai, Gujarat, Kolkata, Bengaluru, Hyderabad, Cuttack, Patna, Nagpur, Pune and other cities

Adani Cement : Corporate Social Responsibility

07

Segment	Initiatives
Water Governance & Management	<ul style="list-style-type: none"> • 71 MCM Water Storage Capacity Created • 522 Check Dams Built • 12652 Family supported for Roof Rain Water Harvesting Structure. • 1,00,000+ households Impacted in revival of drinking water sources • Salinity ingress prevention has led to major transformation in agricultural practices with salinity pushback
Sustainable Livelihoods	<ul style="list-style-type: none"> • 95,000 Youth Trained till date across 35 centres of 10 states • 75% Placement Rate with average Salary of Rs. 10,500 • 20,000 Entrepreneurs • Provide access to Employers and promote entrepreneurship • Promoted women employment
Social Inclusion	<ul style="list-style-type: none"> • Expansion of Malnutrition program in 10 geographies • Major Support during the Nationwide lockdown and COVID-19 reaching over 34.41 lakh beneficiaries • WASH infrastructure provided to 30 schools in 4 locations • Action Research Project on NCD interventions in Bhatinda is in final stage with Harvard TH Chan School of Public Health
Agriculture	<ul style="list-style-type: none"> • Working with 2.50 lakh farmers across locations • 17 Farmer Producer Organizations (FPOs) formed in 8 states with a turnover of Rs. 231.6 million • 1633 farm ponds to improve availability of irrigation water • Better Cotton Initiative • Initiated Better Cotton Initiative in 2010 in partnership with Better Cotton, Geneva for sustainability for Cotton • Focus on – Crop Protection, Soil Health, Biodiversity, Water Stewardship, Fibre Quality,

Accolades & Awards

08

Accolades & Awards



ESG India Leadership Awards 2022



Platinum Award at the IconSWM-CE Excellence Awards 2022



FICCI CSR Award 2022



The Economic Times Iconic Brands of India 2022



Financial Reporting Awards 2022 by ICAI



National Award for Energy Excellence - Roorkee Unit



Occupational Safety and Health India Award 2022 - BCT Cochin



Best CSR Health Award 2022 - Bhatapara



Gare Palma Coal Mines recognised for Rescue & Recovery work in 51st AIMRC



10th Global Safety Summit National Safety Award 2022



National Indian Chamber of Commerce OHS Gold Award, 2022 - Thondebhavi

Certain statements made in this presentation may not be based on historical information or facts and may be “forward-looking statements,” including those relating to general business plans and strategy of Ambuja Cements Limited (“Ambuja”), the future outlook and growth prospects, and future developments of the business and the competitive and regulatory environment, and statements which contain words or phrases such as ‘will’, ‘expected to’, etc., or similar expressions or variations of such expressions. Actual results may differ materially from these forward-looking statements due to number of factors, including future changes or developments in their business, their competitive environment, their ability to implement their strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in India. This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer, or a solicitation of any offer, to purchase or sell, any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of Ambuja’s shares. Neither this presentation nor any other documentation or information (or any part thereof) delivered or supplied under or in relation to the shares shall be deemed to constitute an offer of or an invitation by or on behalf of Ambuja.

Ambuja, as such, makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein. The information contained in this presentation, unless otherwise specified is only current as of the date of this presentation. Ambuja assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent development, information or events, or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results. Ambuja may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes.

No person is authorised to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of Ambuja.

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of this presentation should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration therefrom.

For Further info please contact:

MR. Nishant Vyas

Investor Relations Team

✉ Nishant.Vyasi@adani.com