

Wednesday, 19<sup>th</sup> August 2020

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# Agility Earnings Call Presentation

1H 2020 Results



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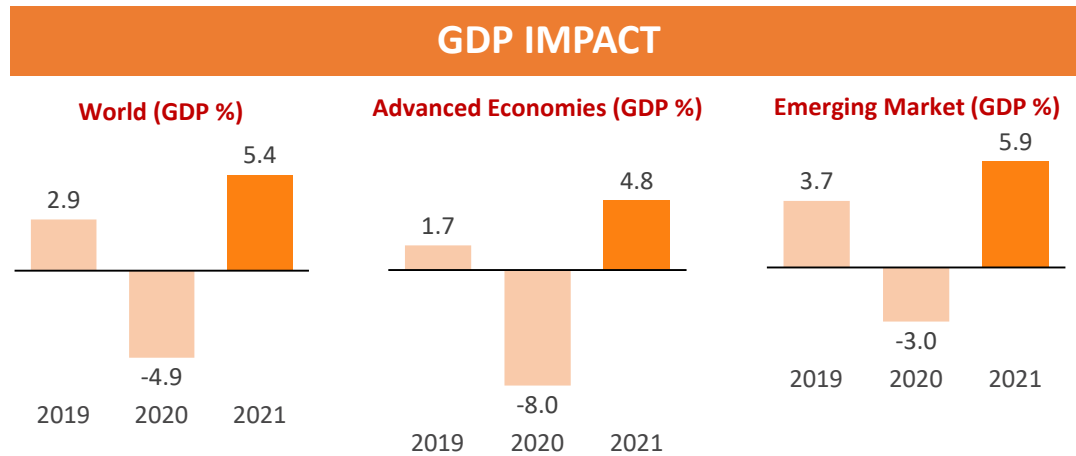
# Agenda



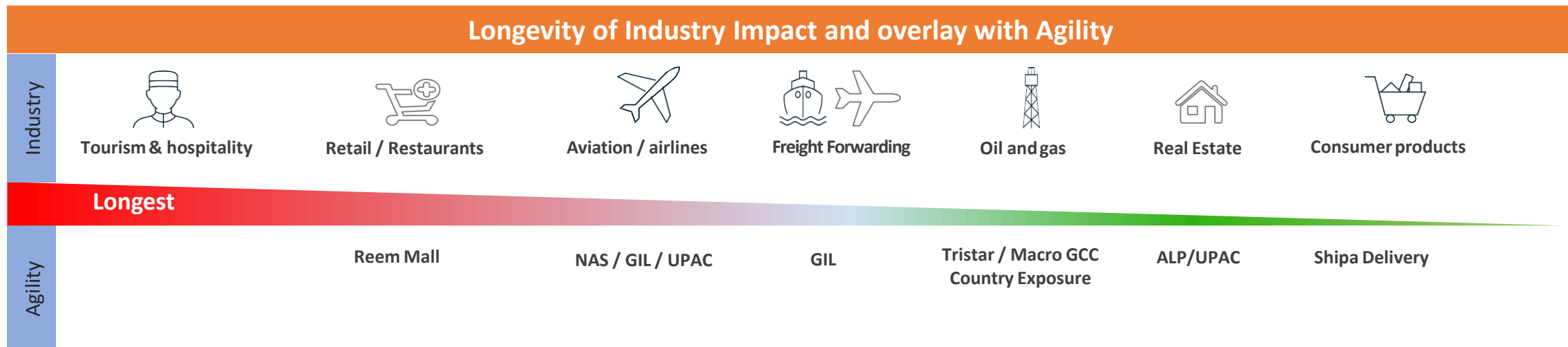
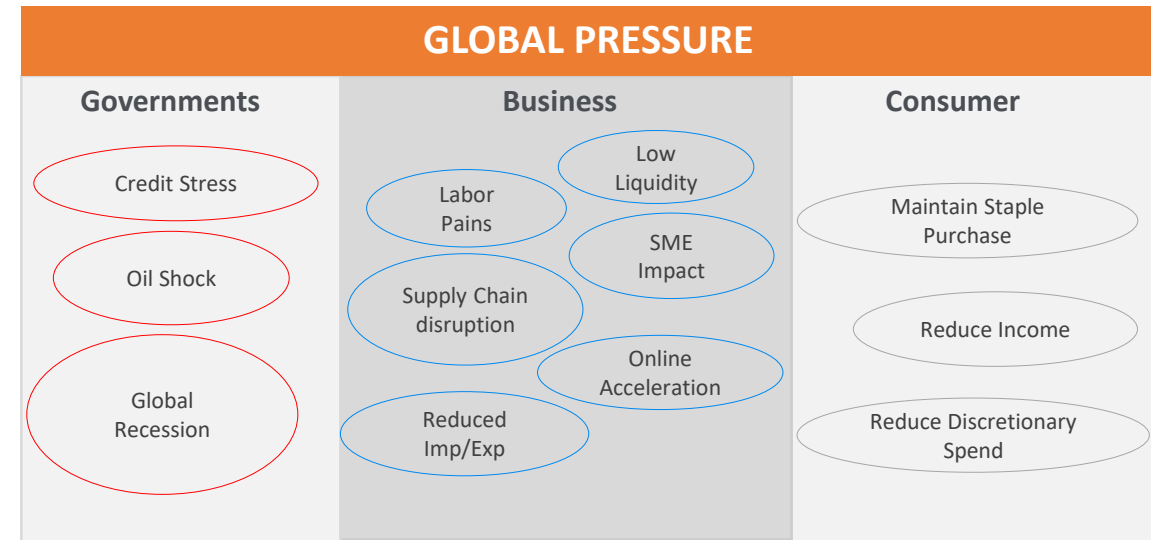
- 1 COVID-19 Response
- 2 Financial Highlights
- 3 Business Segments
- 4 Q & A



# Global Impact of COVID-19 as it relates to Agility



Covid-19 pandemic is having an unprecedented economic impact with uncertainty clouding all forecasts. Based on IMF World Economic Outlook, global economy is projected to shrink by 4.9% in 2020.



# Agility Response

Responded quickly to COVID 19



Experienced  
**Management**  
Team

- **Core leadership team** that has weathered 2008 Financial crisis

- **Crisis Response:** Focus on the safety of our employees, customers and communities

- Established a **Response Team** to monitor and coordinate our global response

- Activated **COVID-19 BCP** for each entity



**Healthy**  
Liquidity

- **Ensuring resilience** by managing revenue, cost and risk during a time of significant disruption

- **Solid** asset base

- **Healthy** Net Debt /EBITDA

- **Diverse** banking lines and groups



**Diversified**  
Business  
Model

- **Global Company diversified** by business, region and customer with relative impact on each

- Operations continue; **logistics** designated an essential industry during this crisis

- Benefitted from investments in Last mile delivery and **e-commerce initiatives**



Advanced  
**IT**  
Network

- **Global IT setup** implemented to support BCP since March and to accommodate work-from home.

- We added 8,000 new VPN users within just a few weeks as 95% of our office-based staff started working from home



Committed to  
**Sustainability**

- Dedicated page on our website for Proactive **Customers' updates**

- **Community Support** by being part of the Pandemic Supply Chain Network

# Financial Highlights

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# Highlights First Half 2020



## Agility



**Quick response to the global pandemic crisis, all entities activated their BCPs with strong focus on cost alignment measures**

- Priority to protect employees, customers, and communities, including providing donated logistics support for local governments and NGOs around the world
- Pandemic had an uneven effect on Agility businesses
- Streamline operating expenses in line with the new environment

## Global Integrated Logistics



**Lower volumes in Freight Forwarding**

- Strong Contract Logistics, Project Logistics, and Air Freight results
- Higher yields in AF due to capacity shortages and a spike in demand for urgent shipments of PPE and other medical equipment.
- Sharp focus on containing costs and operational efficiency

## Infrastructure



**Profitability was impacted due to businesses significantly effected by the lockdowns**

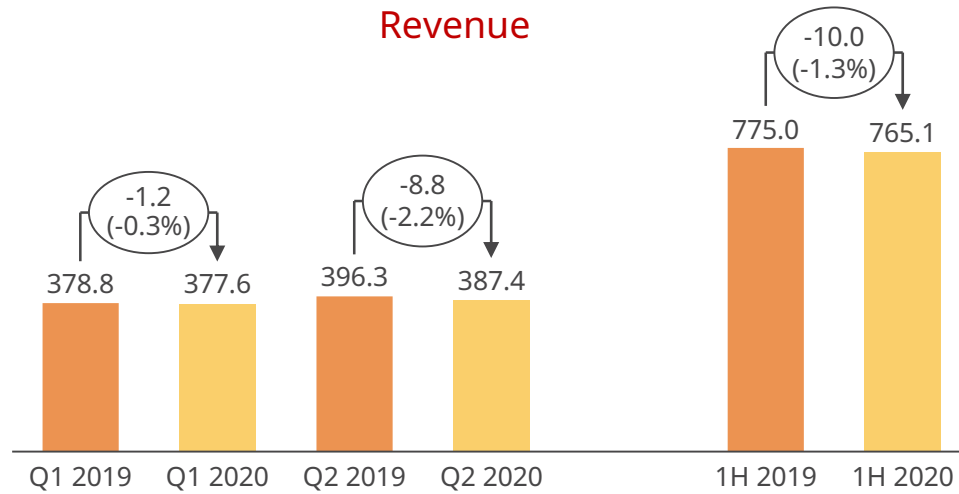
- Negative impact was driven mainly by UPAC, NAS and GCS entities, which experienced significant declines as a result of the pandemic.
- Agility Logistics Parks (ALP) and Tristar proved to be resilient during the first half of the year.

# Group Financial Performance

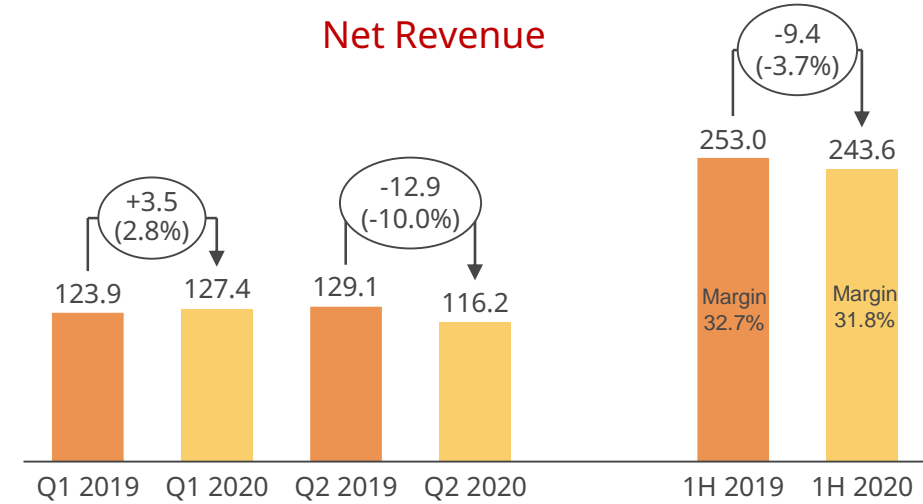
## KD Mn



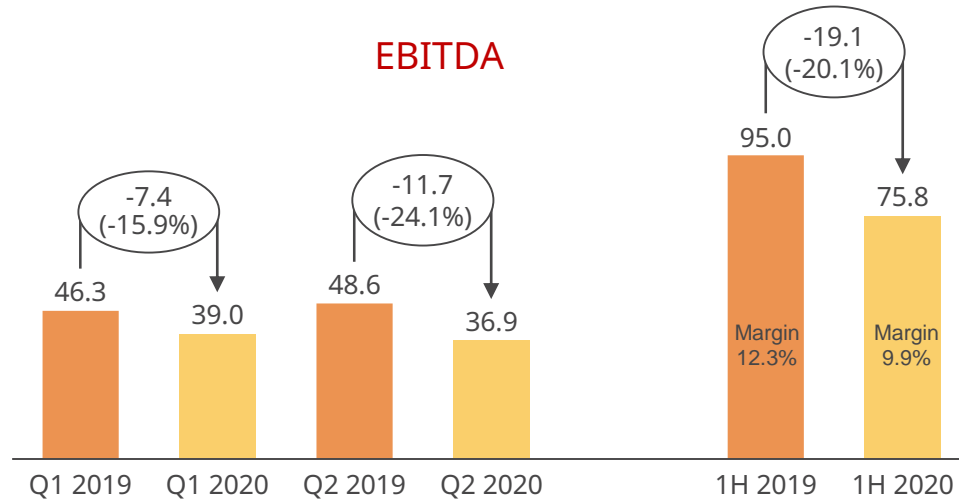
### Revenue



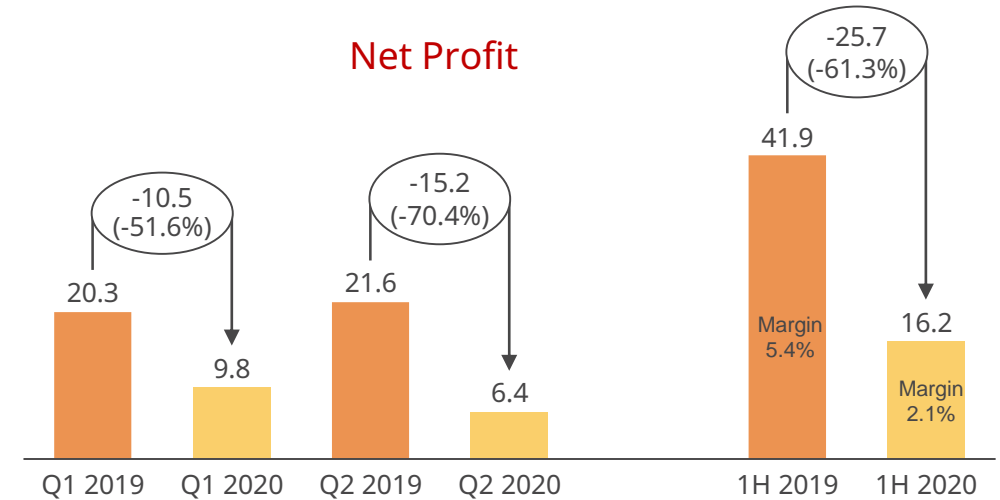
### Net Revenue



### EBITDA



### Net Profit



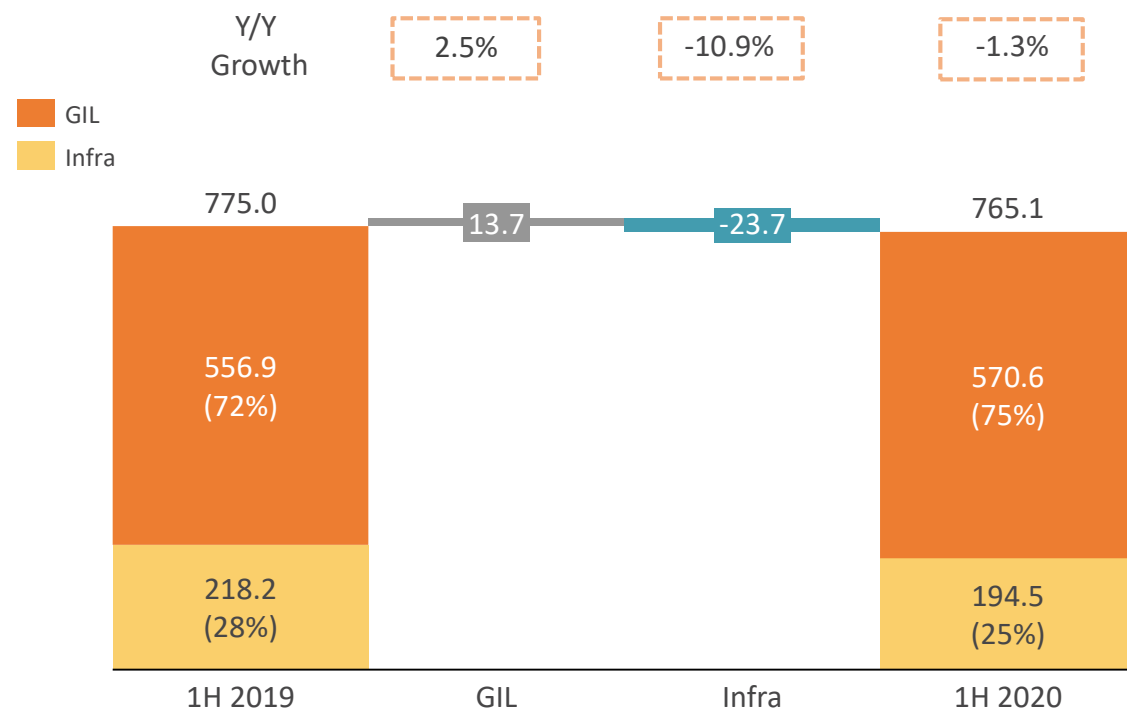


# Agility Financial Performance 1H 2020

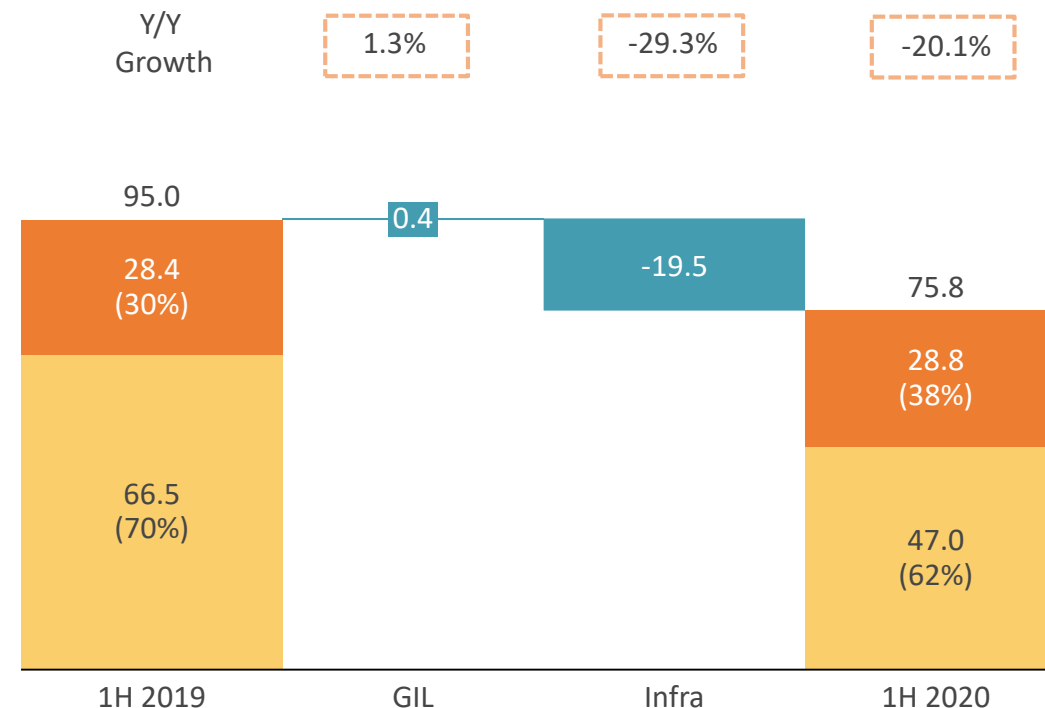
## KD MIn



**Revenue<sup>1</sup> contribution by Business Group**



**EBITDA<sup>2</sup> contribution by Business Group**



- GIL revenue increased by 2.5% in H1 2020 due to strong results in Air Freight, Contract Logistics and Project Logistics
- Infra declined 10.2% as the businesses operating in the aviation industry were significantly impacted

- GIL EBITDA posted an increase of 1.3% as a result of the cost reductions measure implemented
- Infra alone declined by 18% driven by the decline in revenues.

<sup>1</sup> Includes Eliminations

<sup>2</sup> Includes Corporate Adjustments

# Balance Sheet

KD Mn



Balance sheet	1H 2020	1H 2019	Variance	%
Current assets	664.0	568.5	95.5	16.8%
Non-Current assets	1,552.8	1,398.6	154.2	11.0%
<b>Total assets</b>	<b>2,216.7</b>	<b>1,967.1</b>	<b>249.7</b>	<b>12.7%</b>
Current liabilities	524.5	511.5	13.0	2.5%
Non-current liabilities	536.2	375.9	160.3	42.7%
<b>Total liabilities</b>	<b>1060.7</b>	<b>887.4</b>	<b>173.4</b>	<b>19.5%</b>
<b>Shareholders' equity</b>	<b>1,110.9</b>	<b>1,031.0</b>	<b>79.9</b>	<b>7.8%</b>

## Highlights

Net Debt	143.1	155.7
Net Debt / EBITDA	1.9X	1.6X

- Consistently maintaining a strong balance sheet
- Controlled debt levels with the ability to leverage future growth
- Committed to our stakeholders:
  - Shareholders
  - Banks
  - Internal Businesses

# Statement of Cash Flows

KD Mn

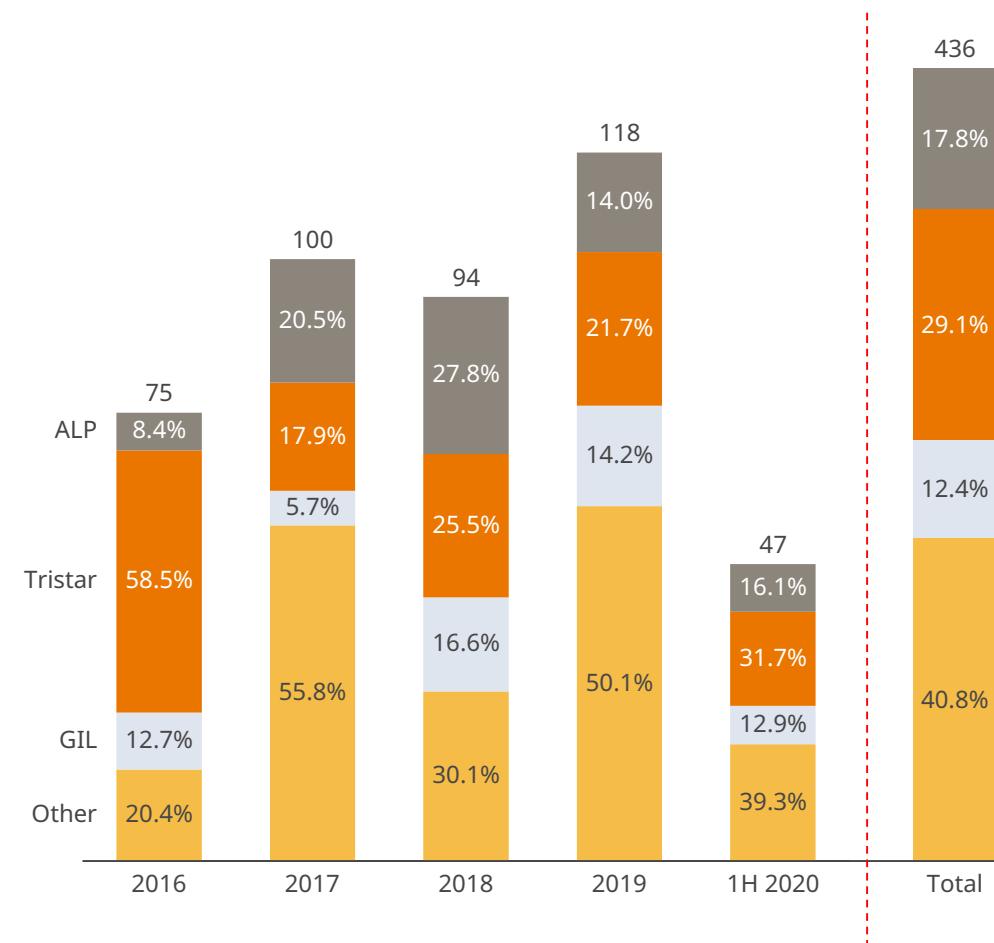


Cash Flow Statement	1H 2020	1H 2019	Variance	%
Cash from Operating activities before changes in working capital	81.6	96.7	-15.0	-15.6%
Changes in working capital	23.0	-43.7	66.6	152.7%
Other Items	-11.0	-11.9	0.8	-7.1%
<b>Net Cash flow from operating activities</b>	<b>93.6</b>	<b>41.0</b>	<b>52.6</b>	<b>128.2%</b>
CAPEX + Investments	-46.8	-55.9	9.0	-16.2%
<b>Net Cash flow from investing activities</b>	<b>-49.9</b>	<b>-57.9</b>	<b>8.0</b>	<b>-13.8%</b>
<b>Free Cash Flow</b>	<b>43.7</b>	<b>-16.9</b>	<b>60.6</b>	<b>359.5%</b>

## Highlights

Conversion ratio (OCF/EBITDA)	123.4%	43.2%
CAPEX as % of Revenue	6.1%	7.2%

## Capex Allocation



<sup>1</sup> Capex + investments net of proceeds

<sup>1</sup> Others include Reem mall investment

# Business Segments

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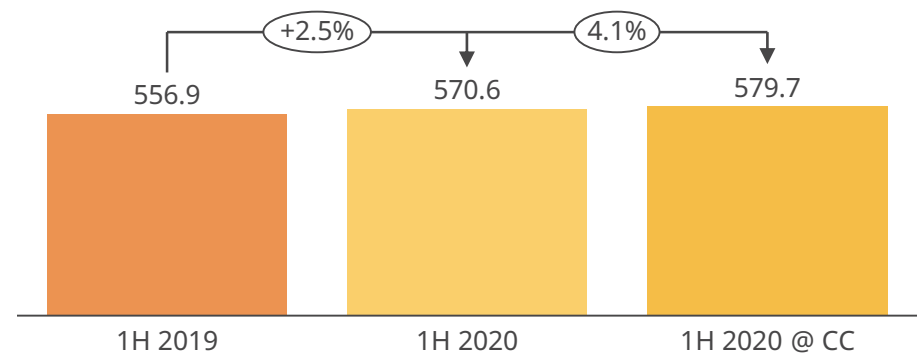


# GIL Financial Performance 1H 2020

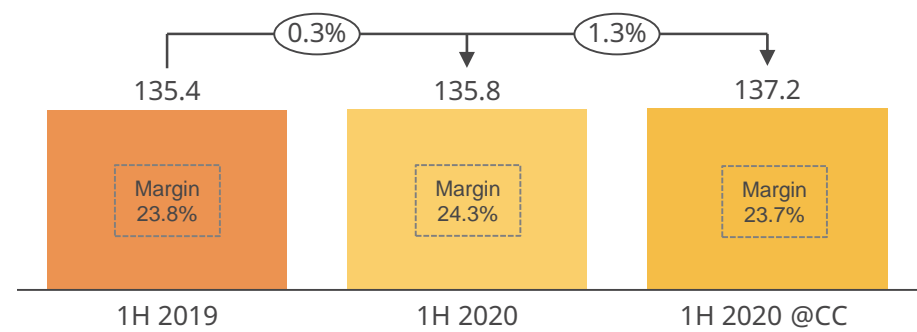
## KD Mn



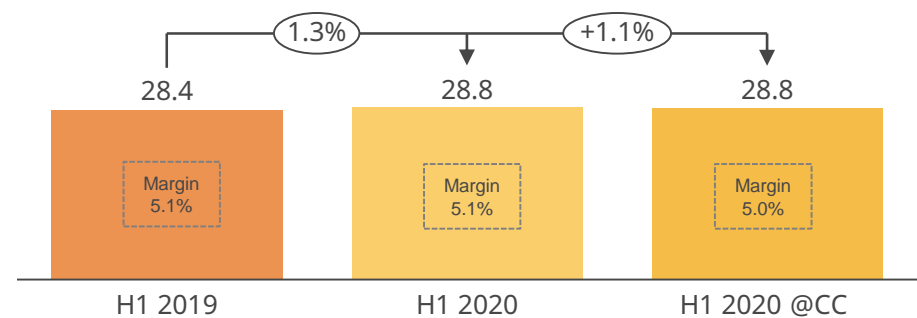
Revenue



Net Revenue & margins



EBITDA & margins



### Product Performance

Product	1H 2020	
	Net Revenue growth	Volume



17.3% -23.6%



-16.2% -14.8%

Product	1H 2020
	Net Revenue growth

Fairs and Events -46.1%

Project Logistics 25.3%

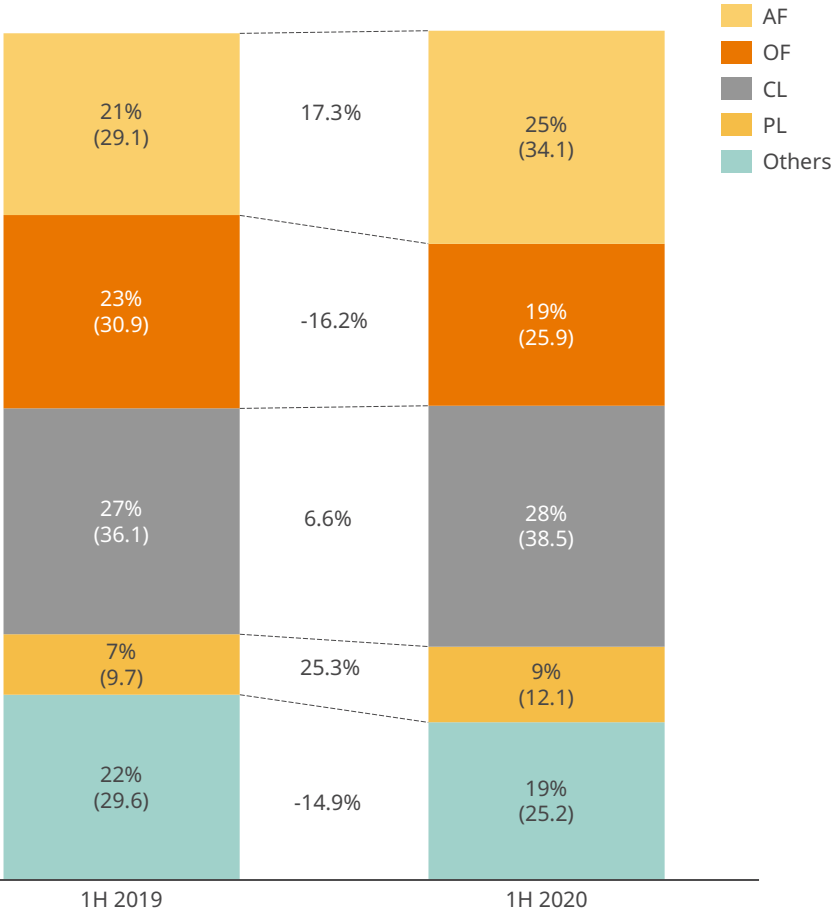
Contract Logistics 6.6%





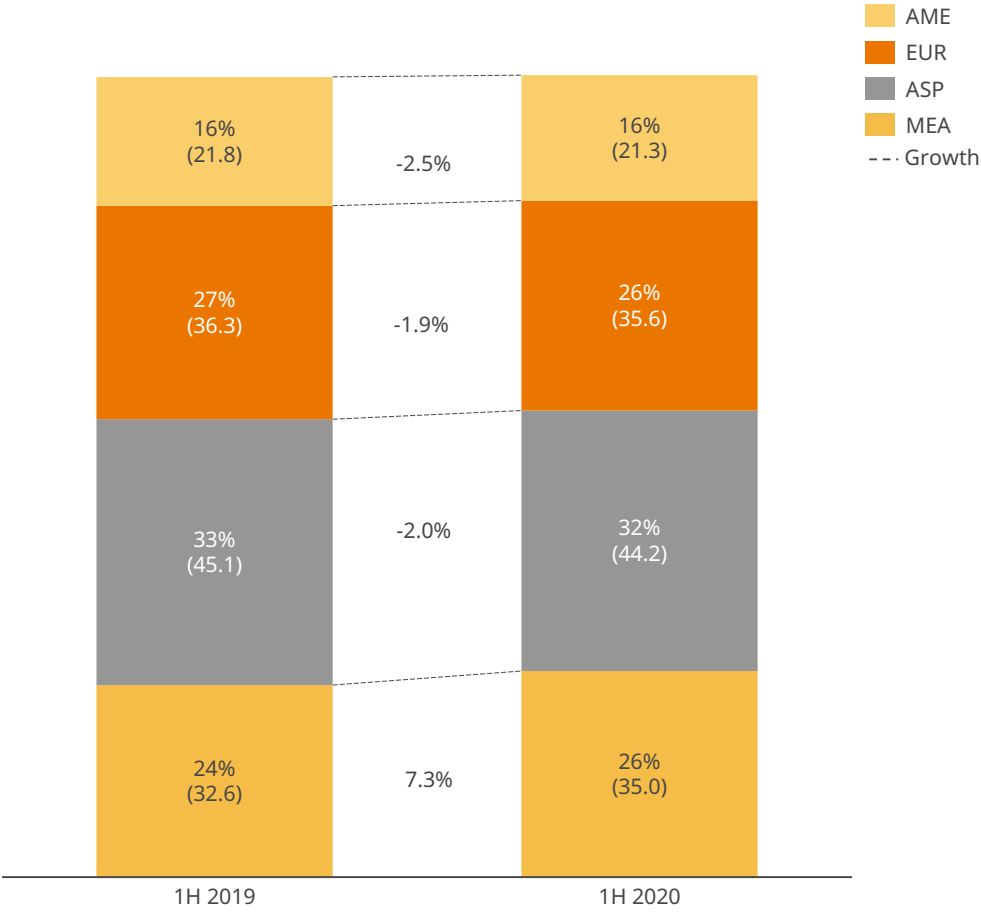
### Product Net Revenue Contribution

(% & absolute)



### Regional Net Revenue Contribution

(% & absolute)

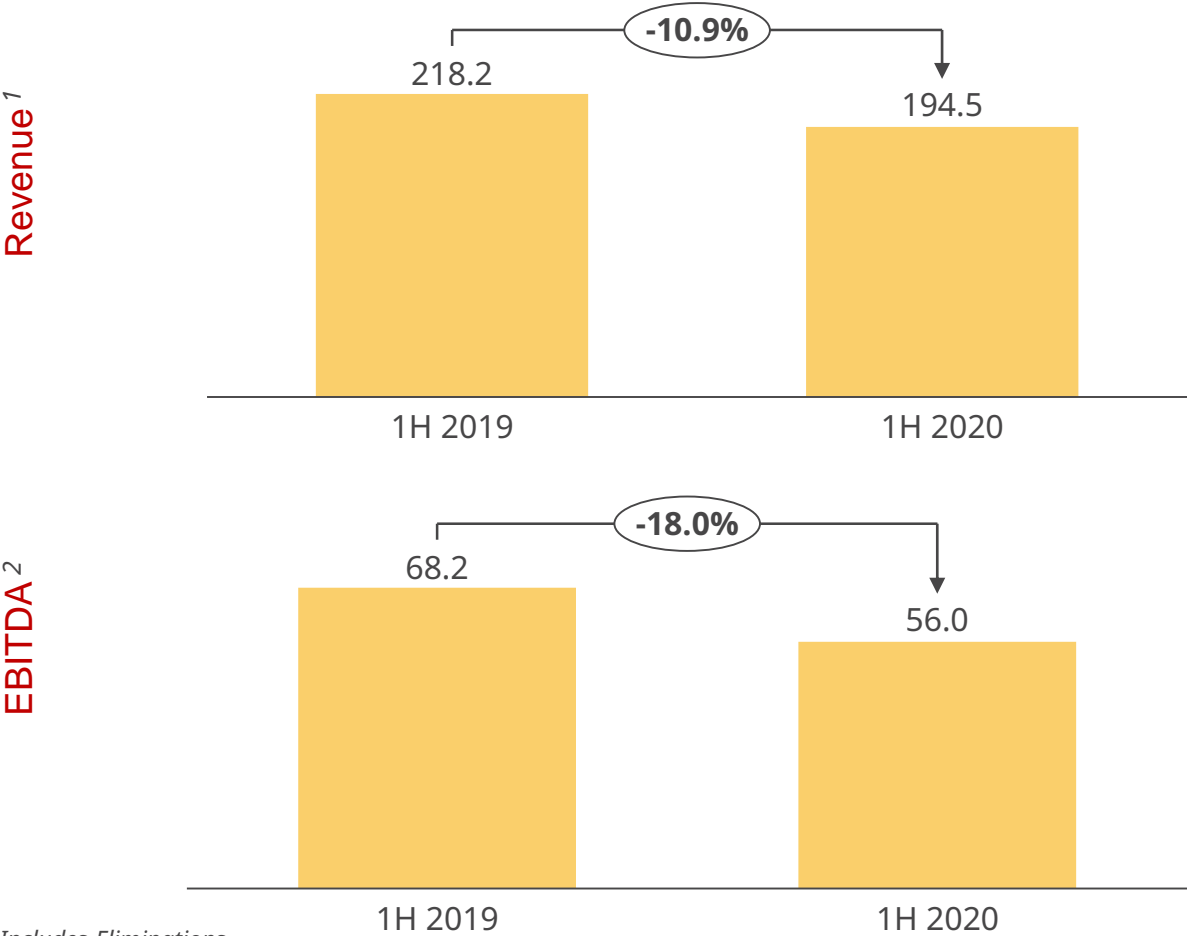


# Infrastructure Group Financial Performance

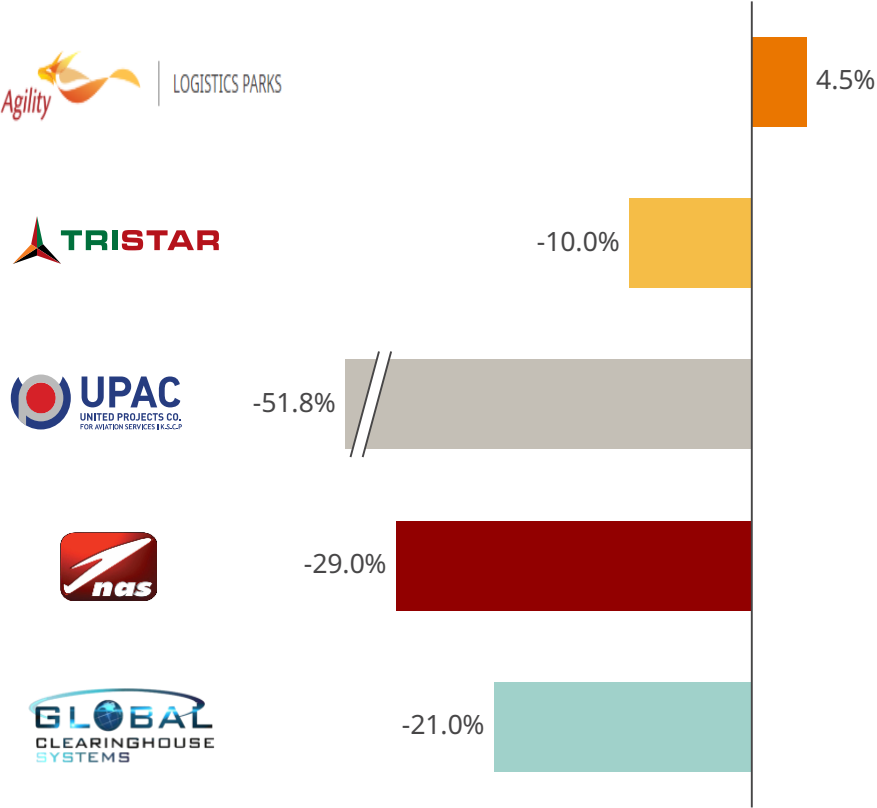
KD Mn



H1 Financial Results

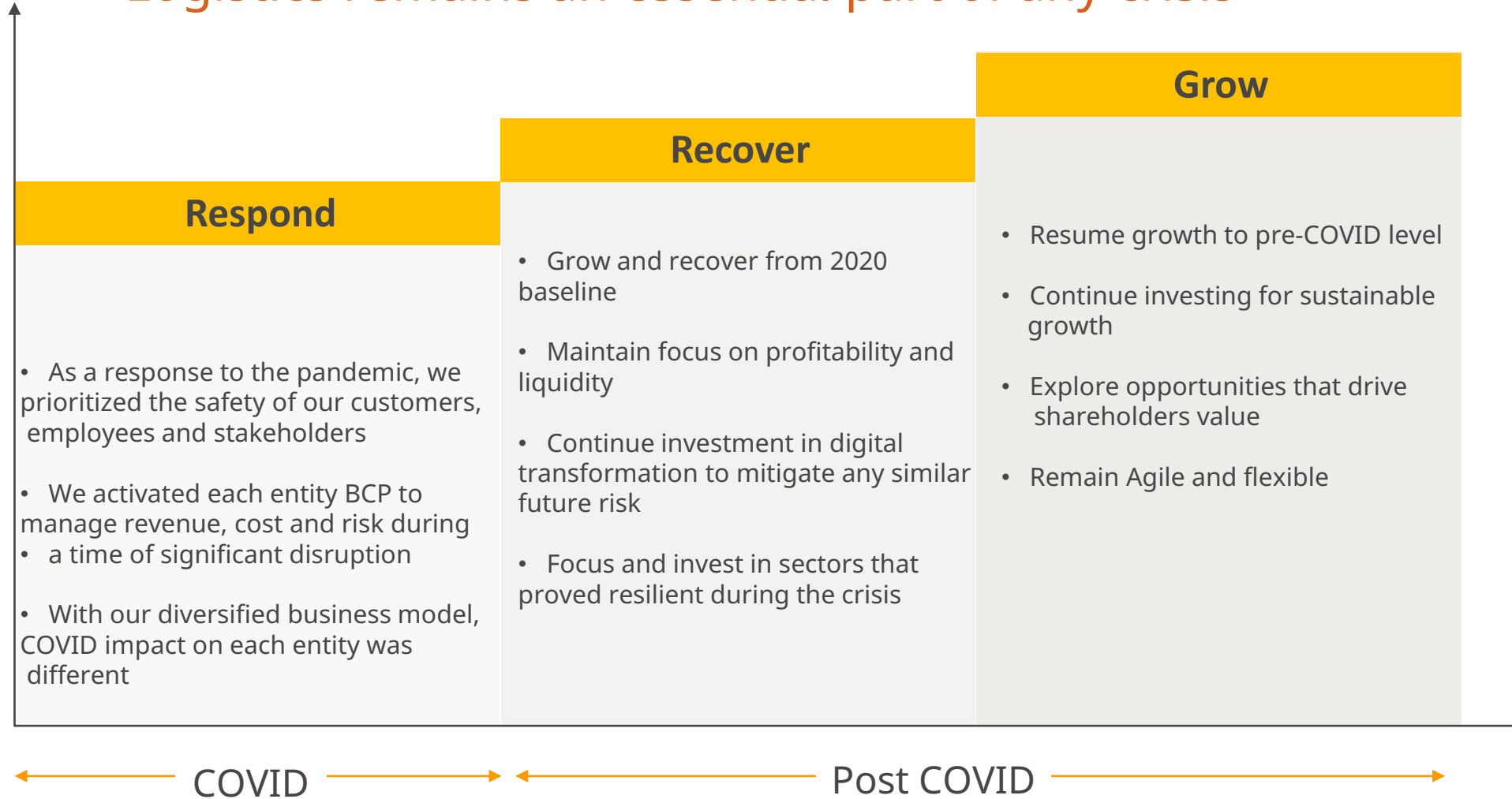


H1 Revenue Growth per Entity



<sup>1</sup> Includes Eliminations  
<sup>2</sup> Excludes Corporate and Adjustments

## Logistics remains an essential part of any crisis



# Q&A Session

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