

# Agility Earnings Call Presentation

FY 2021

March 2022



# Forward-Looking Statements Disclaimer



This presentation is strictly confidential and is being shown to you solely for your information and may not be reproduced, retransmitted, further distributed to any other person or published, in whole or in part, for any purpose.

This presentation has been prepared by Agility Public Warehousing Company KSCP ("Agility") and reflects the management's current expectations or strategy concerning future events and are subject to known and unknown risks and uncertainties.

Some of the statements in this presentation constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect Agility's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside Agility's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Agility undertakes no obligation to revise any such forward-looking statements to reflect any changes to its expectations or any change in circumstances, events, strategy or plans. Because actual results could differ materially from Agility's current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this presentation with due care and caution and seek independent advice when evaluating investment decisions concerning Agility.

No representation or warranty, express or implied, is made or given by or on behalf of Agility or any of its respective members, directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in or discussed at this presentation.

# Agenda

- 1 Company Overview
- 2 Group Financial Performance
- 3 Agility Business Profile
- 4 Shareholders' Return
- 5 Q&A

# Company Overview



# Agility is a multi business operator in supply chain services and innovation



Agility has grown shareholder value by 5x in the last decade

## Company Overview

### Business Profile

multi-business operator and investor with a diversified cross-sectoral strategy, targeting high growth and returns through active portfolio management

Agility manages a portfolio of:

#### Controlled Businesses (Owned and Operated)

In supply chain services, and Industrial Infrastructure, and Aviation services

#### Non-Controlled Businesses (Minority Stakes)

Minority stakes in established sectors and ventures start ups

### Market Capitalization of KD 2.1 billion (31 Dec 21)

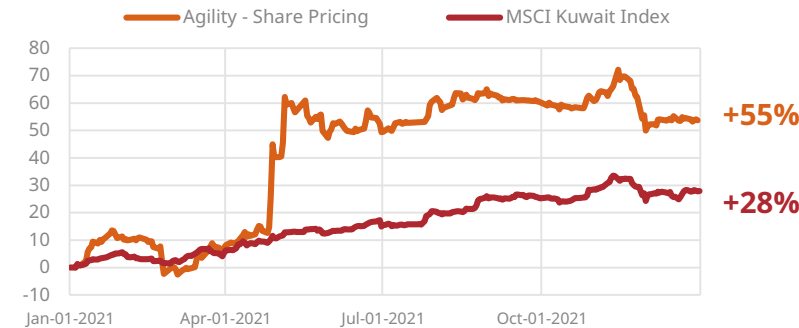
Dividend Yield (2020) **2%**

Shares O/S **2.1bn shares**

Total shareholders' Return since 2011 grew **5X**

## Stock Performance

### Stock Outperforms Market (31 Dec 2021)



### 5<sup>th</sup> Largest Stock in Kuwait Premier Market Index

Top 8 Companies	Mcap (KD Mln)	3M ADTV (Mln)
National Bank of Kuwait S.A.K.P.	7,233	5.4
Kuwait Finance House K.S.C.P.	7,023	7.2
Mobile Telecommunications Company	2,828	3.6
Boubyan Bank K.S.C.P.	2,512	0.9
<b>Agility Public Warehousing Company</b>	<b>2,107</b>	<b>3.2</b>
Mabane Company K.S.C. P.	929	0.9
Gulf Bank K. S.C.P.	850	7.3
Burgan Bank K.S.C.P.	786	3.1

## Shareholder Info

### Listings

- Bursa Kuwait (ticker: AGLTY)
- Dubai Financial Market (ticker: AGLTY)

### Global Indices Inclusion



FTSE

MSCI

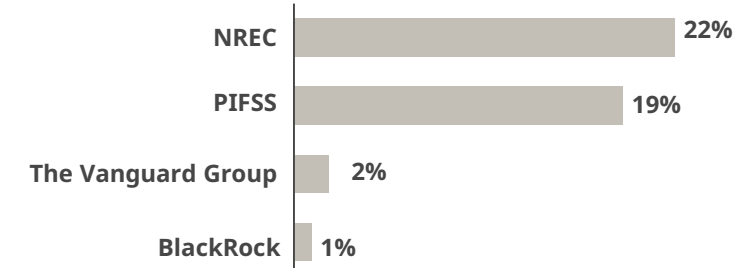


S&P Dow Jones

### Liquid stock

- Agility is classified under the Premier Market Index according to Bursa Kuwait segmentation
- Value of Agility shares traded represents 9% of the premier market traded value during the period

### Major Shareholders



# Two decades of value growth and scaling businesses

Maximizing shareholder value through organic and inorganic growth



	<b>Starting as a local warehouse player</b>  <b>1997-2002</b>	<b>Becoming a global logistics player</b>  <b>2003-2010</b>	<b>Resilient portfolio and value creation across diversified lines of business</b>  <b>2011 – 2020</b>	<b>Repositioning for future growth</b>  <b>2021</b>
--	---	---	--	---

## Revenues\*

KD 15 Mln	KD 1.6 Bln	KD 1.6 Bln	KD 486 Mln
-----------	------------	------------	------------

## EBITDA\*

KD 10 Mln	KD 80 Mln	KD 162 Mln	KD 109 Mln
-----------	-----------	------------	------------

## Market Cap\*

KD 123 Mln	KD 544 Mln	KD 1.4 Bln	KD 2.1 Bln
------------	------------	------------	------------

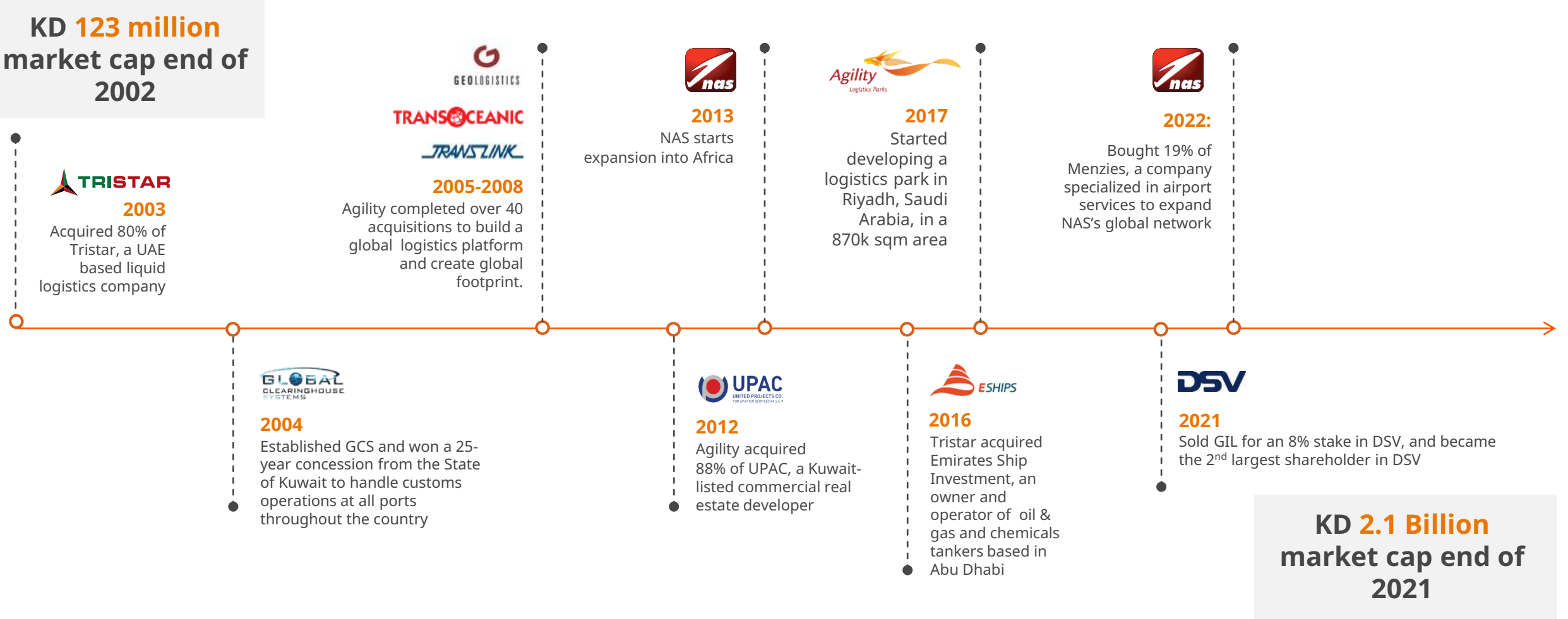
## Key events

- |  |  |  |  |
|--|--|--|--|
| <ul style="list-style-type: none"> <li>Privatized in 1997</li> <li>Sold non core assets and focused on growing core operations</li> <li>Grew the infrastructure and warehousing business across the Middle East</li> </ul> | <ul style="list-style-type: none"> <li>Diversified across regions and businesses through acquiring 40+ companies around the world;</li> <li>Restructured to a strategic controller of different business in supply chain services and infrastructure and focused on optimizing profitability and ROIC</li> <li>Integrated under a single brand, "Agility"</li> </ul> | <ul style="list-style-type: none"> <li>Portfolio Business optimization through internal transformation, and building on our competitive edge and scale.</li> <li>Grew highly profitable portfolio of businesses</li> <li>Invested in new technologies and ventures; including digital freight, ecommerce enablement and ESG</li> </ul> | <ul style="list-style-type: none"> <li>Sold GIL in exchange for 19.3M shares representing an ~8% stake in DSV, the third largest global freight forwarder</li> <li>Reinvest in core businesses and agencies to continue to drive shareholders' returns and generate historical high TSR in the future</li> <li>EBITDA represents continuing operations as reported [excludes GIL]</li> </ul> |
|--|--|--|--|

# Significant organic investment and M&A activities supported Agility's development and global reach



## Timeline of Major M&A Activity



# Agility Today: A Recap



Services and investments spanning a range of sectors

## Global Overview



Publically listed in  
Kuwait and Dubai

**KD 2.1 billion**  
market capitalization\*

**40+**  
markets

**15,500+**  
employees

## Focus areas



Supply chain services



Industrial Infrastructure



Commercial Real Estate



Aviation Sector



Ventures investing

## Guided by our



Experienced Management

Disciplined governance and  
investment strategy with ESG  
embedded principles.

Commitment to shareholder  
value creation

# Group Financial Performance

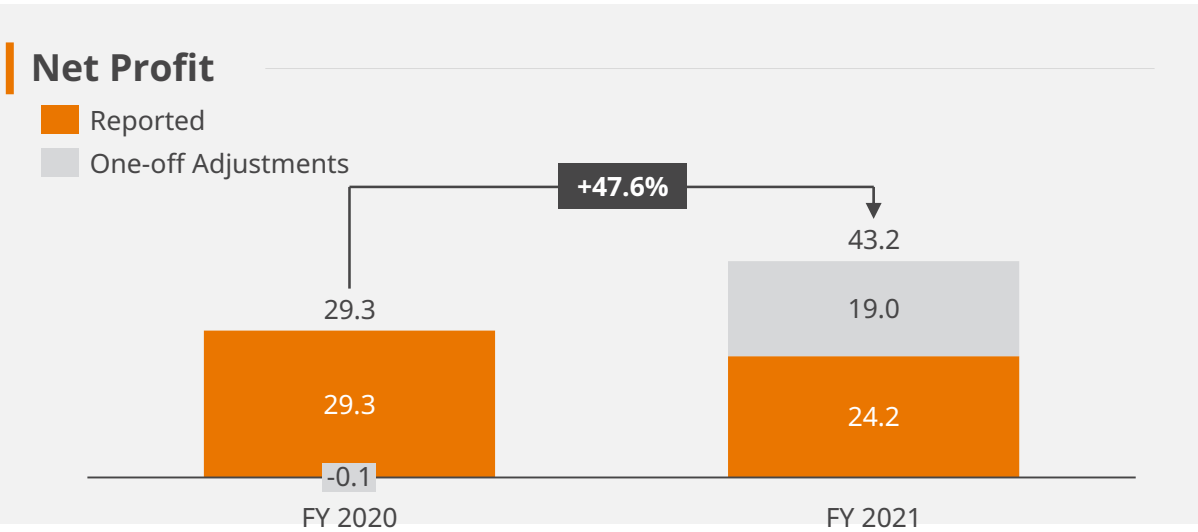
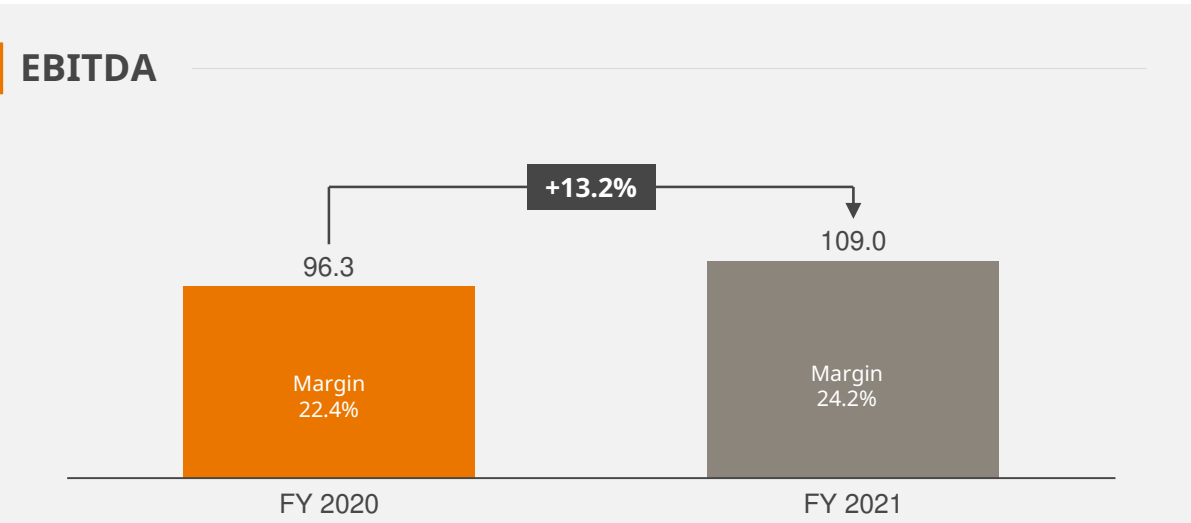
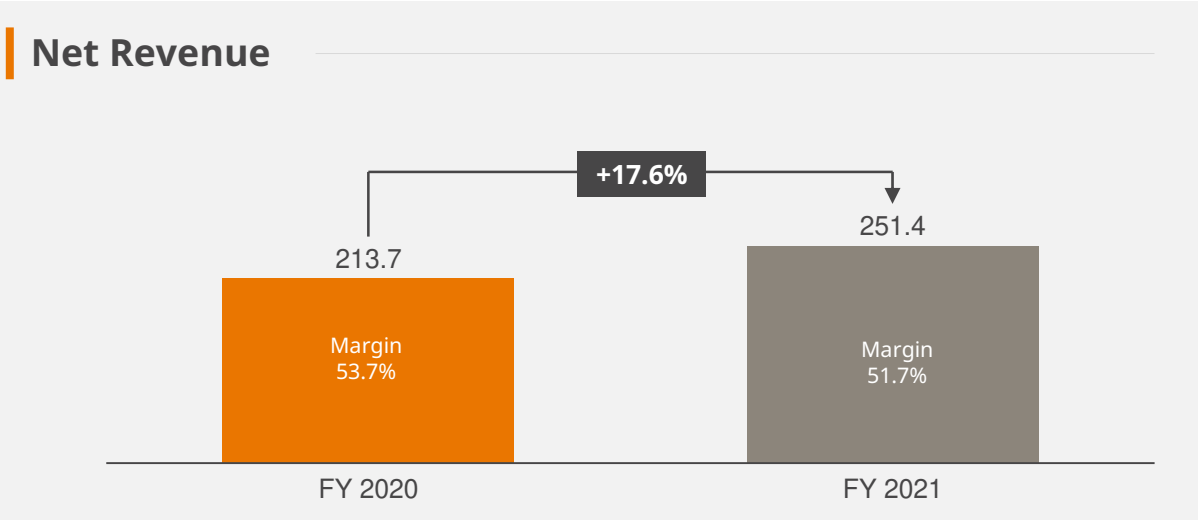
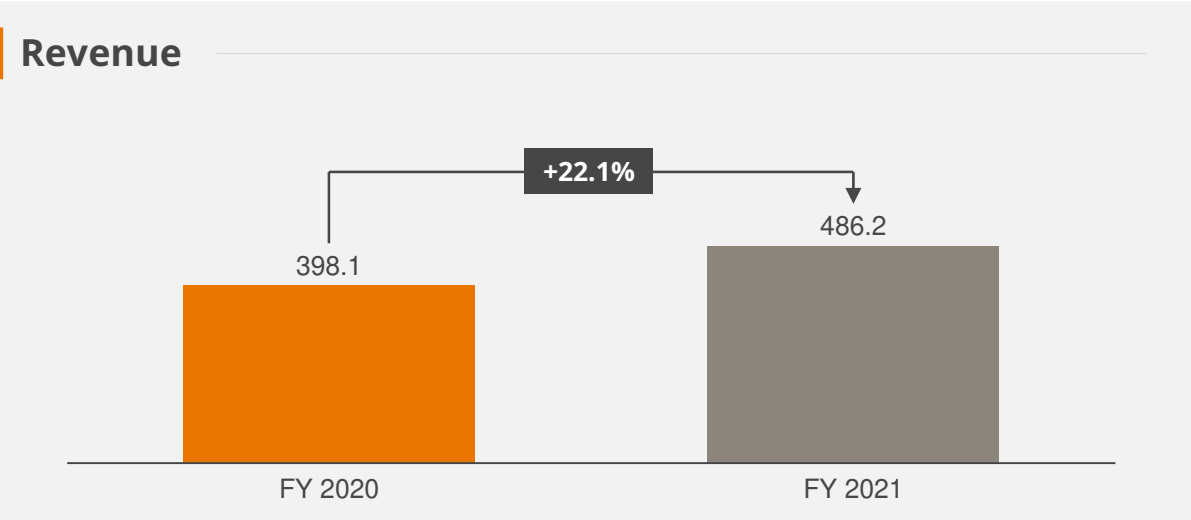
## Financial Highlights FY 2021



# Income Statement from continuing operations (In KD Millions)



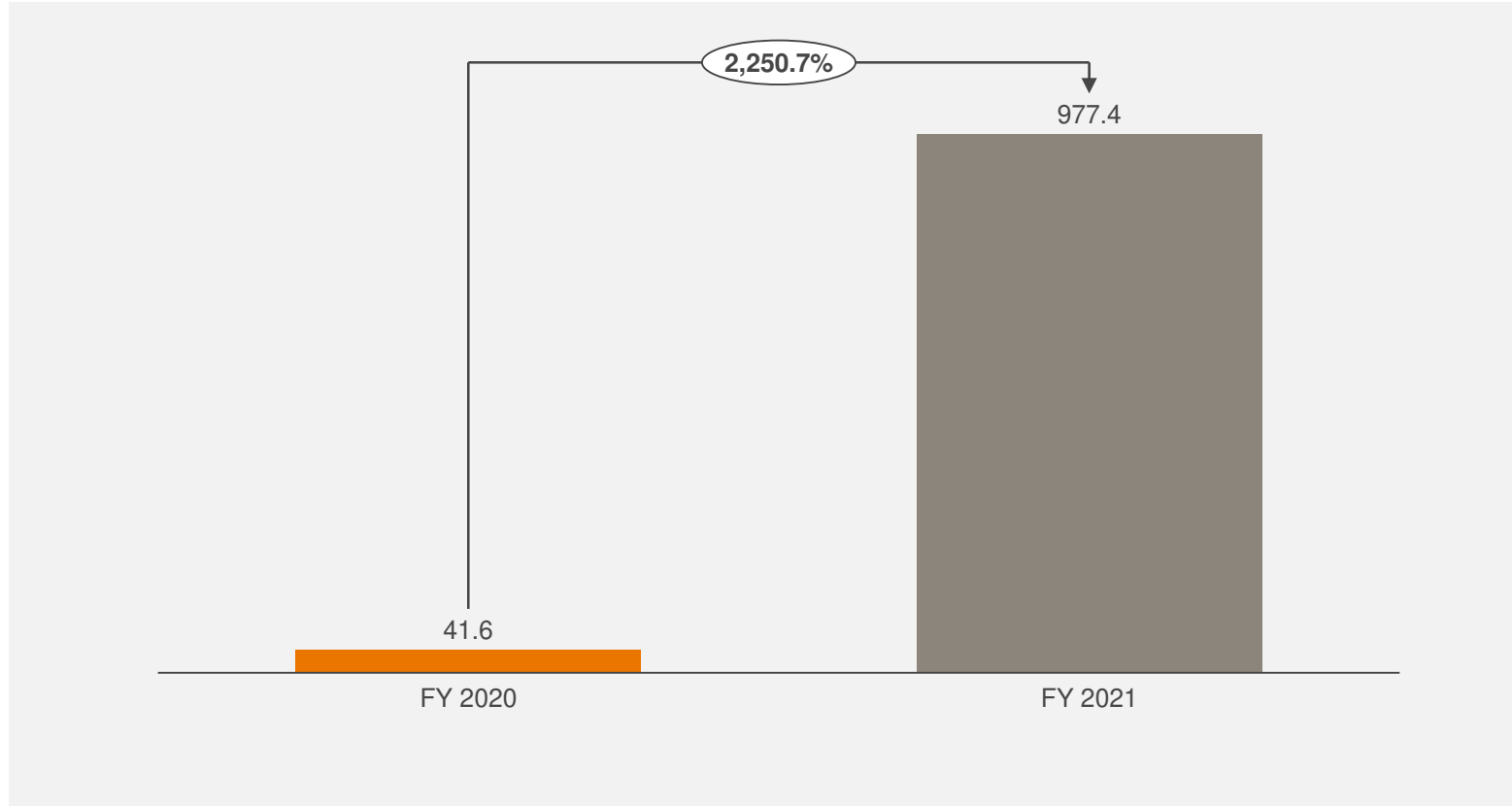
Our portfolio of businesses performed well, returning to pre-COVID profitability levels



Adjusted include non recurring items and IP revaluation and investment revaluation

## Net Profit as reported (In KD Millions)

2021 reflects an extraordinary gain of almost KD 1 billion because of the sale of the logistics business



### Highlights

- On 16 August 2021, Agility sold its entire equity interest in GIL to DSV with effect from 31 August 2021 resulting in an exceptional gain of around KD 1 billion
- Continued operations also performed well in 2021 and we will be looking to accelerate growth in these businesses as they contribute to our core operations and EBITDA

# Balance Sheet (In KD Millions)

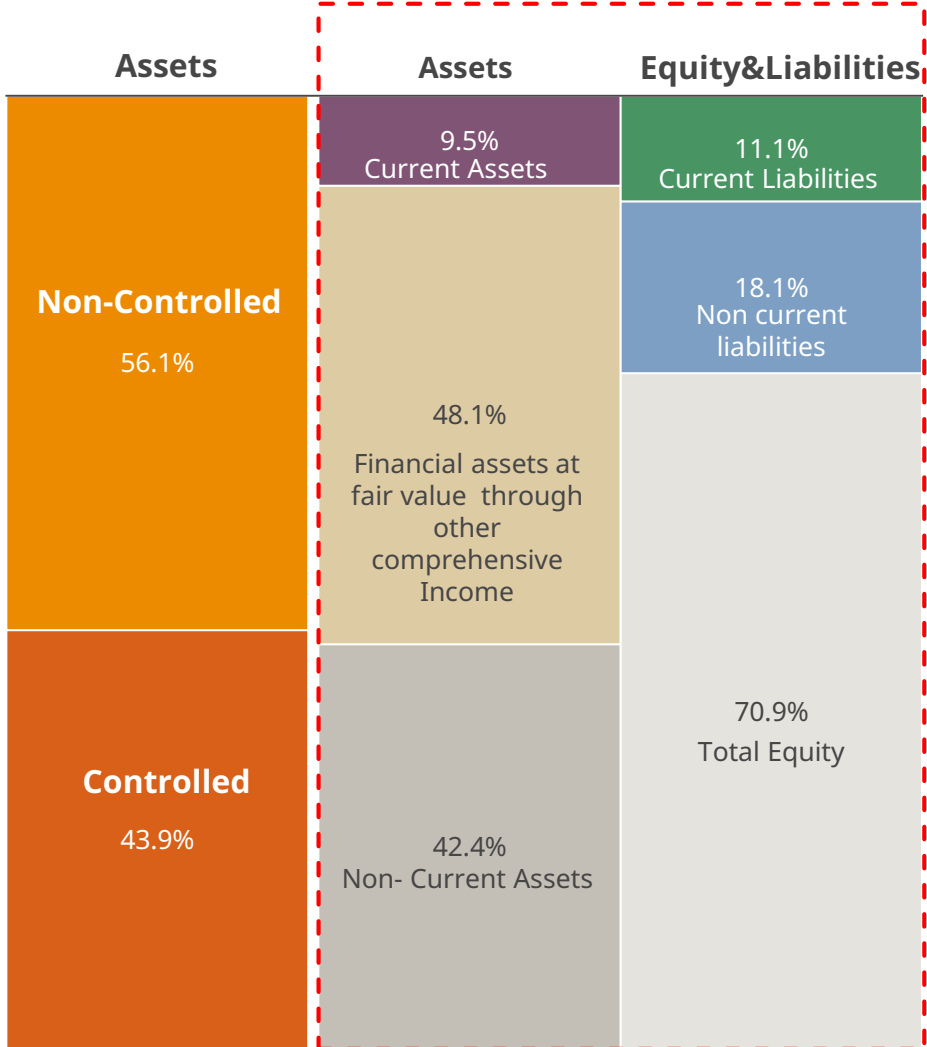


The majority of Agility's assets today are investments in non-controlled businesses

Balance sheet	FY 2021	FY 2020	Variance	%
Current assets	274.8	661.4	-386.6	-58.5%
Non-Current assets	2,630.5	1,610.7	1,019.8	63.3%
<b>Total assets</b>	<b>2,905.3</b>	<b>2,272.1</b>	<b>633.2</b>	<b>27.9%</b>
Current liabilities	321.8	548.0	-226.2	-41.3%
Non-current liabilities	524.5	533.0	-8.5	-1.6%
<b>Total liabilities</b>	<b>846.2</b>	<b>1,080.9</b>	<b>-234.7</b>	<b>-21.7%</b>
Shareholders' equity	2,012.6	1,143.0	869.6	76.1%

## Key Financial Metrics

Net Debt	324.4	185.3
Net Debt / EBITDA	3.0X	1.9X



# Cash Flow Statement from Continuing Operations (In KD Millions)

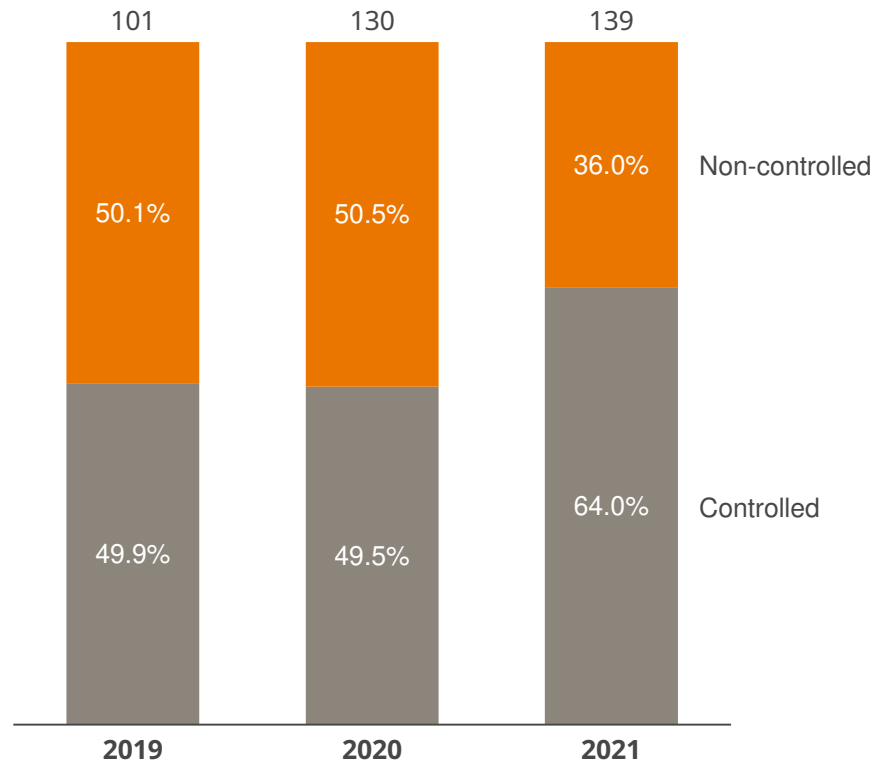


Agility has a healthy cash flow of KD 129 and will continue to reinvest in its businesses

Cash Flow Statement	FY 2021	FY 2020	Variance	%
Cash from Operating activities before changes in working capital	112.7	78.3	34.5	44%
Changes in working capital	26.5	29.6	-3.0	-10.3%
Other Items	-10.1	-7.6	-2.5	32.6%
<b>Net Cash flow from operating activities</b>	<b>129.2</b>	<b>100.2</b>	29.0	29%
CAPEX	50.2	64.3	-14.0	-21.8%
Net Investments	89.2	65.6	23.7	36.1%
<b>Net Cash flow from Investing activities</b>	<b>139.5</b>	<b>129.9</b>	9.6	7.4%
<b>Free Cash Flow</b>	<b>-10.3</b>	<b>-29.6</b>	-19.3	-65.4%

Financial Metrics		
Conversion ratio (OCF/EBITDA)	118.6%	104.1%
CAPEX as % of Revenue	10.3%	16.2%

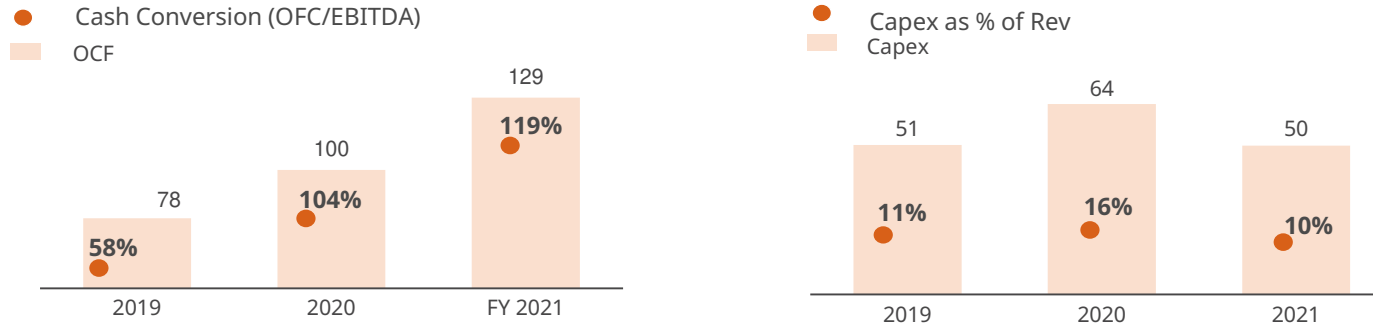
## Capex and Investment Allocation



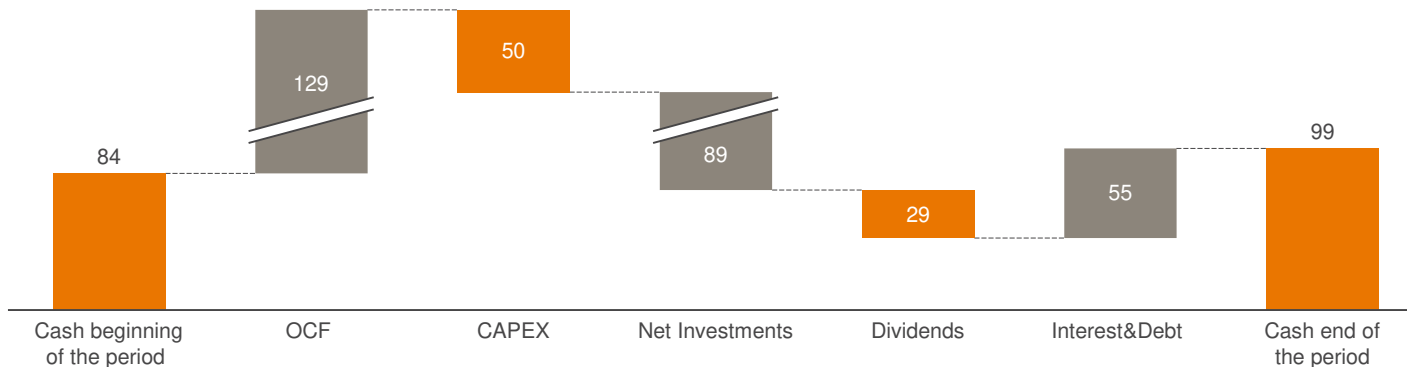
# Cash Flow Overview for Continued Operations (In KD Millions)



## Agility Group



## Uses of Cash FY 2021



## Highlights

- Operating cash flow generation has been broadly stable throughout the years and has provided an adequate liquidity buffer to cope with uncertainty.
- Capex is inline with previous years, used to fund the growth strategy of controlled businesses mainly ALP and Tristar
- Net investments are related mainly to Reem mall funding and other tech ventures
- Agility has always been committed to a balanced dividends distribution approach that rewards its shareholders without inhibiting growth
- Agility ended 2021 with a cash position of KD 99 million

# Agility's Business Profile



# Agility's portfolio of companies are split into two main segments

Agility is executing a growth strategy for its controlled business, and value-investing in established sectors and technology ventures.








# Agility's Controlled Businesses Financial Performance FY 2021



# Agility's controlled businesses

Focus on the intrinsic value of the business generating longer term growth in earnings to the group



Industry	Subsidiary	Ownership	FY 2021 Performance	Revenue growth FY 2021 vs 2020
<b>Industrial Real estate</b>		(100%)	<ul style="list-style-type: none"> <li>Revenue in 2021 was roughly in line with 2020 results, which benefitted from increased demand for warehousing facilities as companies and government entities continued to store more goods in the face of ongoing supply chain disruption.</li> <li>ALP is optimizing its existing land bank and adding to its supply of available land to meet customer demand.</li> <li>In 2021, ALP added roughly 150k sqm of built-up storage area. Operations in Kuwait, Saudi Arabia and Africa have performed well, and ALP is looking at new markets for additional growth.</li> </ul>	<b>-1.5%</b>
<b>Supply Chain Solutions</b>		(61%)	<ul style="list-style-type: none"> <li>The increase was driven by higher trade volumes and company growth initiatives.</li> <li>GCS is pursuing opportunities to sustain future growth and diversify its sources of income.</li> </ul>	<b>32.1%</b>
<b>Supply Chain Solutions</b>		(65%)	<ul style="list-style-type: none"> <li>Performance is driven by strong recovery in international oil prices, good performance in the Road and Transport segments, and favorable dry bulk charter rates in the Maritime segment.</li> </ul>	<b>16.5%</b>
<b>Airport Services</b>		(100%)	<ul style="list-style-type: none"> <li>The increase reflects the broad recovery in commercial aviation as flights, passengers and cargo volumes grew.</li> <li>NAS undertook cost-cutting measures that had a positive impact on overall performance, and added new operations in the Democratic Republic of Congo, South Africa, Iraq (Baghdad) and Kenya.</li> <li>NAS's performance also benefitted from its launch of technology solutions and applications intended to support governments and passengers by enhancing travel health and safety.</li> <li>In 2022, NAS and Agility publically reported that they are in discussions for the potential acquisition of John Menzies, one of the world's largest providers of aviation services.</li> </ul>	<b>65.4%</b>
<b>Commercial real estate</b>		(94%)	<ul style="list-style-type: none"> <li>The increase was driven by a rebound in airport-related services and parking, following the phased reopening of Kuwait International Airport in Q3.</li> <li>UPAC expects a gradual increase in airport traffic in 2022 and beyond, and a favorable outlook for its business.</li> </ul>	<b>14.0%</b>

# Agility's Non-Controlled Businesses



# Non-Controlled Businesses



Investments in businesses reflected in the Income statement through share price movements, dividends and exits.

## Listed Investments (% ownership)



(8%)

- World's top three freight forwarding company with more than 75,000+ people spread across 90+ countries
- DSV A/S is listed on NASDAQ Copenhagen (Denmark) and included in the C25 index as one of the 25 most actively traded shares on the Copenhagen stock exchange.



(22%)

- GWC is the leading provider of logistics and supply chain solutions in Qatar (3PL and 4PL).
- Established as a Qatari shareholding company in 2004 with 2,600+ employees; the company offers the full spectrum of high-quality solutions to a variety of industry verticals.




(20%)



- Established in Kuwait in 1973, National Real Estate Company K.P.S.C. (NREC) is a listed real estate and investment company
- The company has a portfolio of real estate properties located in the Middle East and North Africa








## Non Listed Investments






- GCC's first smart retail center, leisure and entertainment destination with over 2 million sq. ft. of leasable space
- Designed to enable retailers to tap into e-commerce and last mile logistics to streamline their businesses



# Shareholders' Return



# Agility has created more than \$8 billion in value for shareholders over the last decade

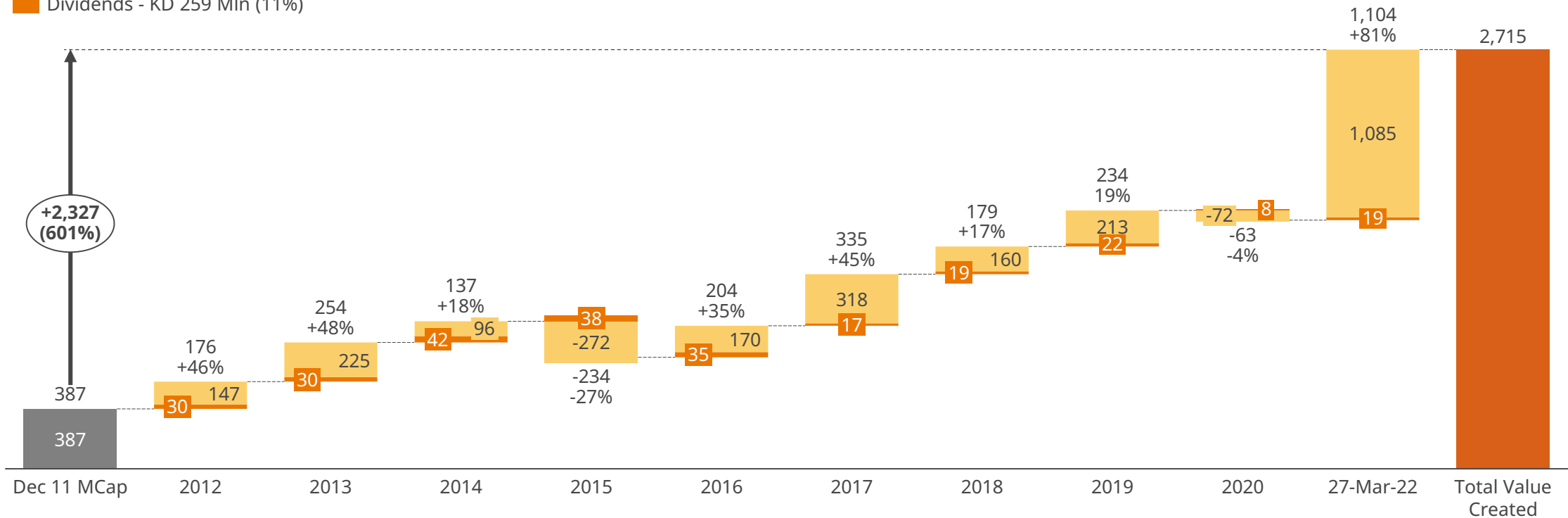


Value for shareholders has increased more than 5x since 2011 with a 24% IRR.

## Value creation since 2011 is KWD 2.3 billion

Value Growth - KD 2,068 Mln (89%)

Dividends - KD 259 Mln (11%)

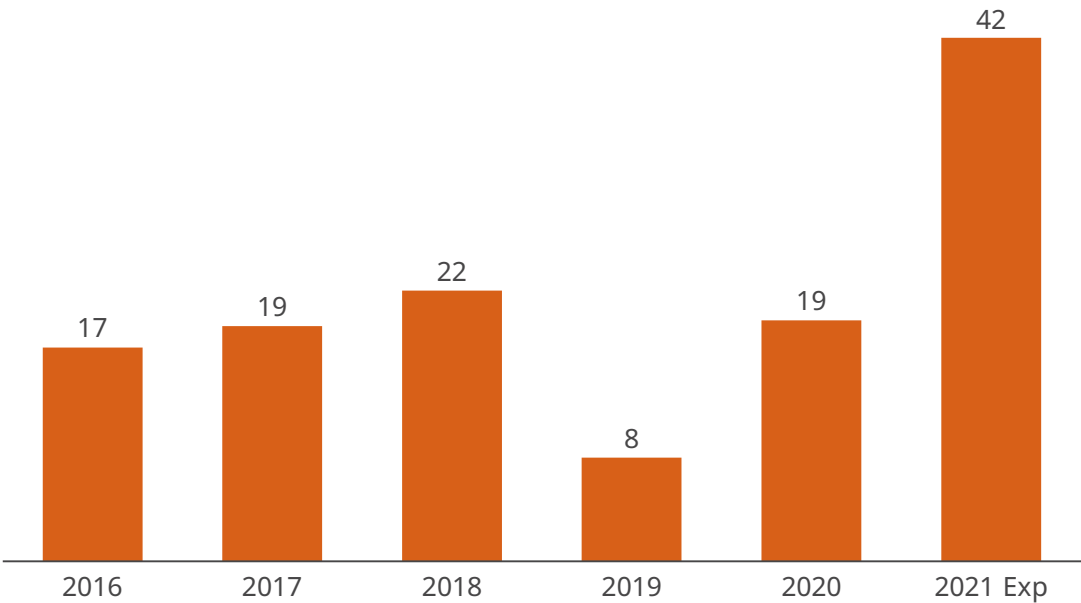


# Dividends and Market Statistics (KD Million)



Agility has a balanced distribution strategy that rewards our shareholders without inhibiting growth

## Cash Dividends (KD mln)



## Agility has paid KD 85 Million in dividends over the last 5 years

	2017	2018	2019	2020	2021 (subject to AGM approval)
Cash Dividends	15 fils	15 fils	5 fils	10 fils	20 fils
Bonus Shares	15%	15%	15%	10%	20
Yield <sup>2</sup>	2%	2%	1%	2%	2%
Payout	28%	27%	10%	46%	4.3%

The board has approved a forward looking minimum cash distribution policy recommendation of 20 fils per share for the coming 3 years (2021, 2022, 2023)

<sup>1</sup>Dividends Declared for the year

<sup>2</sup>Price as of end of December

# Q&A Session

