

# Agility Earnings Call Presentation

Third Quarter and Nine Months 2022

November 2022

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# Agenda

- 1 Business Update
- 2 Company Overview
- 3 Group Financial Performance
- 4 Q&A

# Q3 Business Update



Focused on value investing and executing on our growth strategy for controlled businesses in established sectors

## Key Events

»»» Completed the acquisition of John Menzies in August for an equity value of £571 million.

The combined company will operate as **Menzies Aviation** and will be the world's largest aviation services company by number of countries and second largest by number of airports served.

Menzies Aviation will provide air cargo services, fuel services and ground services at airports on six continents.

The new company will have approximately 35,000 employees and operations at 254 airports in 58 countries, handling 600k aircraft turns, 2 million tonnes of air cargo and 2.5 million fueling turns per year.

»»» **Tristar** completed the 51% acquisition of HG Storage International Limited ("**HGSI**").

HGSI is a joint venture between HNA and Glencore Group Funding Limited, a wholly owned subsidiary of Glencore Plc ("**Glencore**")

Through this deal, Tristar will acquire a majority holding in a well-diversified portfolio of oil storage, distribution and retail assets owned by HGSI, comprising 8 operating assets across 4 key regions: Europe, the Americas, Middle East and Africa.

The transaction, valued at USD 215 million, will add in excess of 3 million cubic meters of fuel storage capacity to the Tristar portfolio and extend the company's global presence to 29 countries across the globe.



### Completed financing facility to fund future growth

# Transaction Completion



## Completion

Finalized the acquisition of 100% of UK-based John Menzies PLC on 4 August 2022 and combined the business with National Aviation Services (NAS). The combination will be operating as **Menzies Aviation** to create a world leader in aviation and unlock greater value together.

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## Accounting treatment

Menzies Aviation will now be part of Agility's controlled businesses.

This deal creates the largest owned and operated – “controlled” – business in Agility's portfolio by revenue, headcount, and global presence. On an annualized basis Menzies Aviation (the combined entity) is expected to contribute more than 40% of Agility's revenues and more than 35% of EBITDA.

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## Platform for growth

Create a business leader with scale and global reach to be a serious contender in the ground handling industry and position itself as a leading player globally.

Menzies aviation is focused on creating value through driving cost and commercial synergies and by building a competitive advantage through its brand name service offerings and geographic presence.

Today's aviation platform gives Agility the ability to create a strong growth platform for bolt-on or sizeable M&A . The Ground Handling sector is expected to witness a rebound in the medium to longer term.

# Group Financial Performance

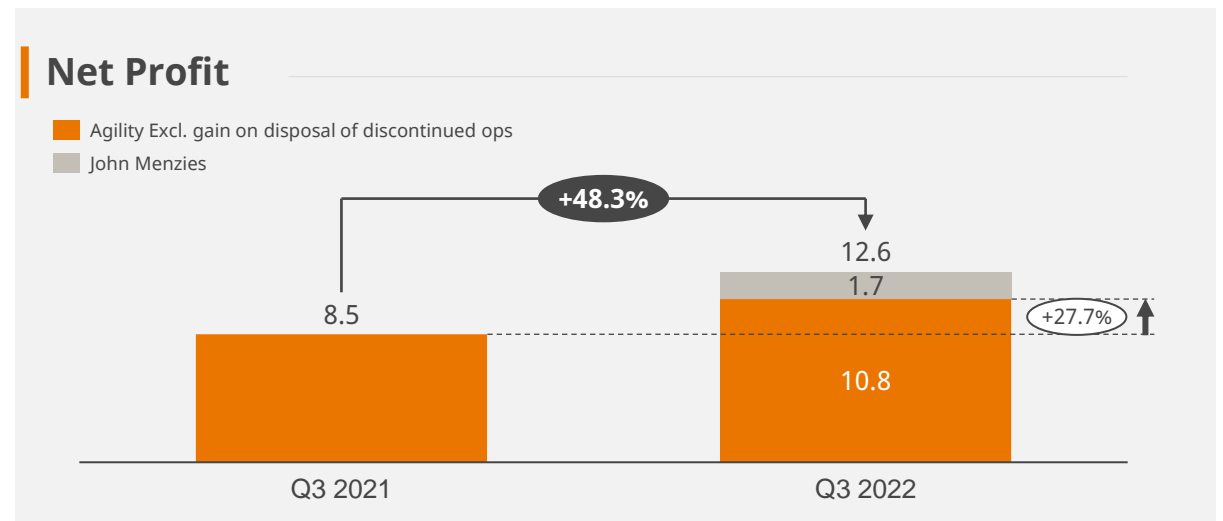
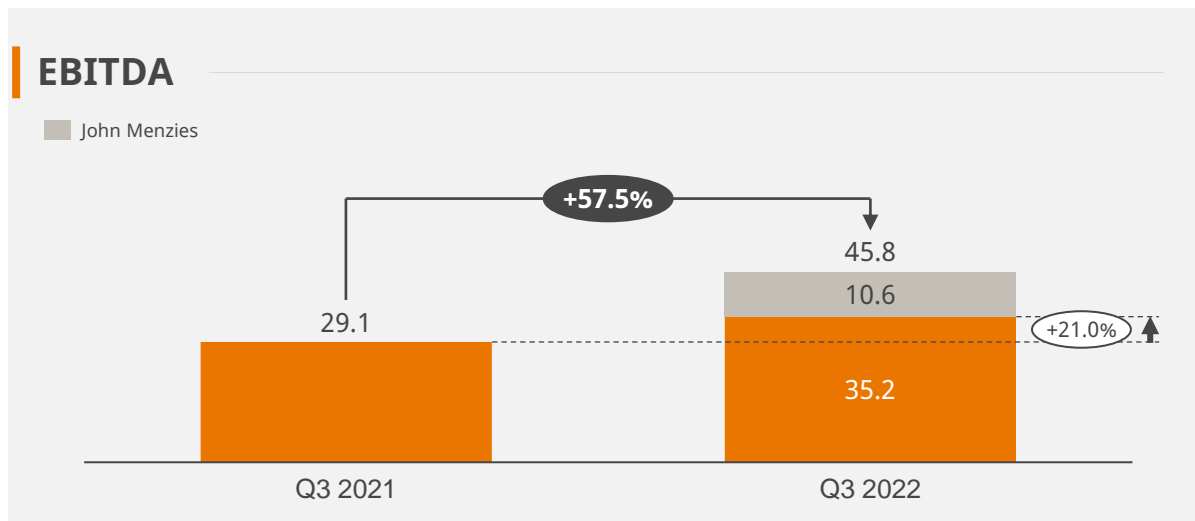
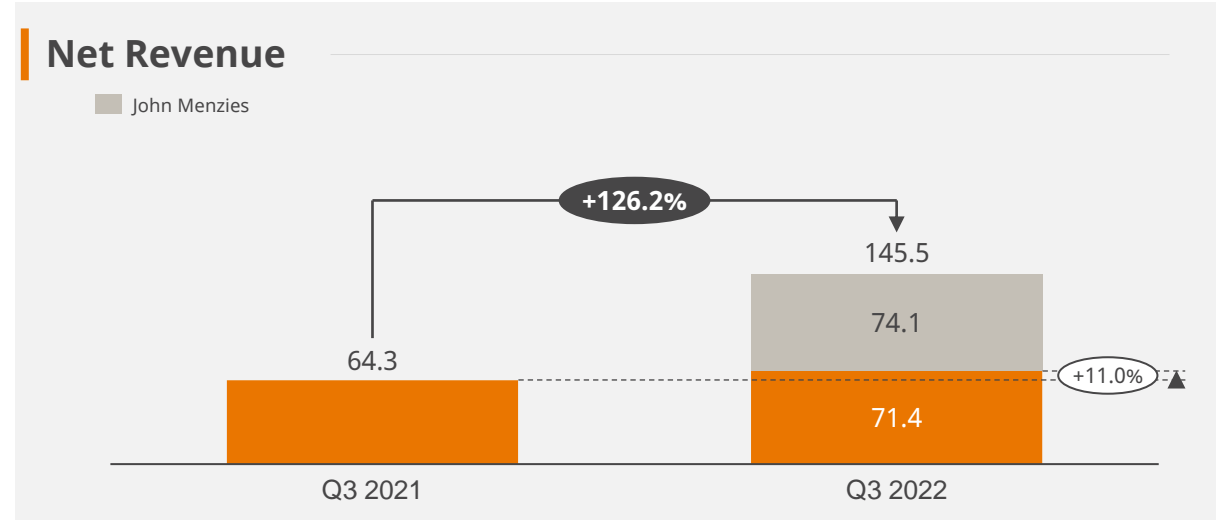
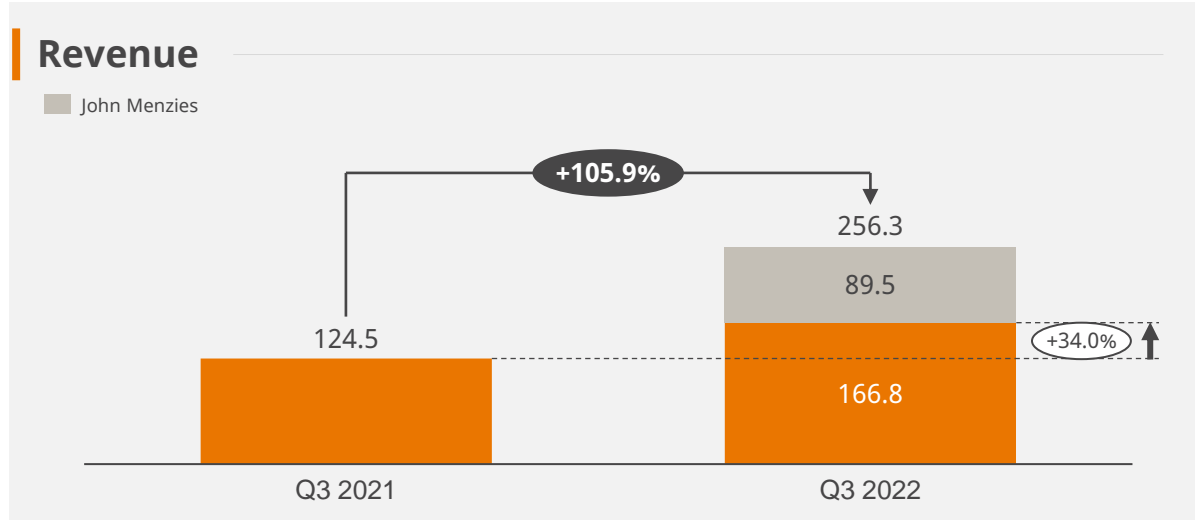
## Financial Highlights Q3 and 9M 2022



# Agility Income Statement – Q3 2022 (KD Mln)



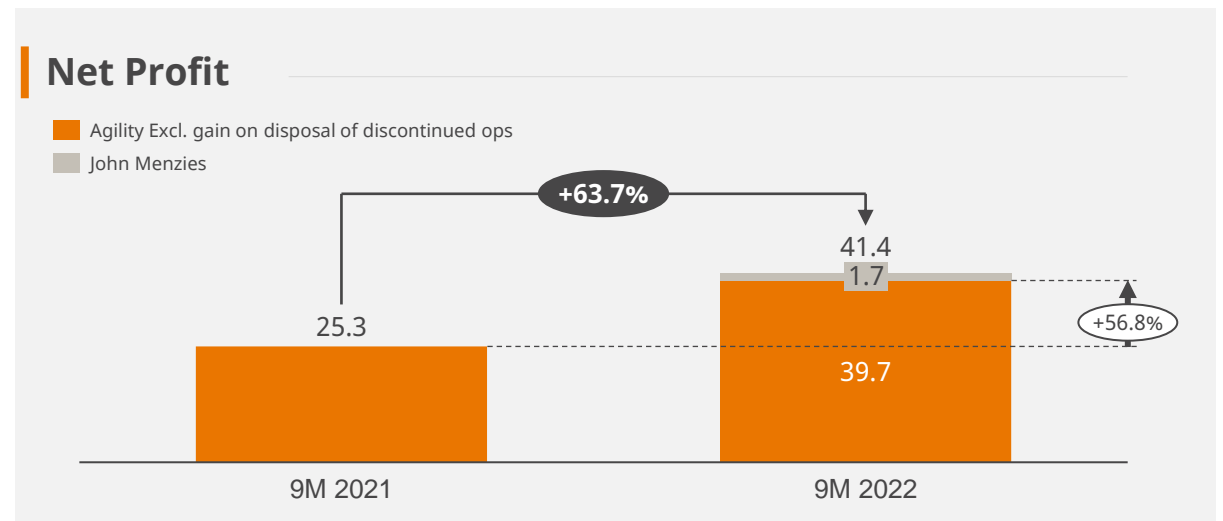
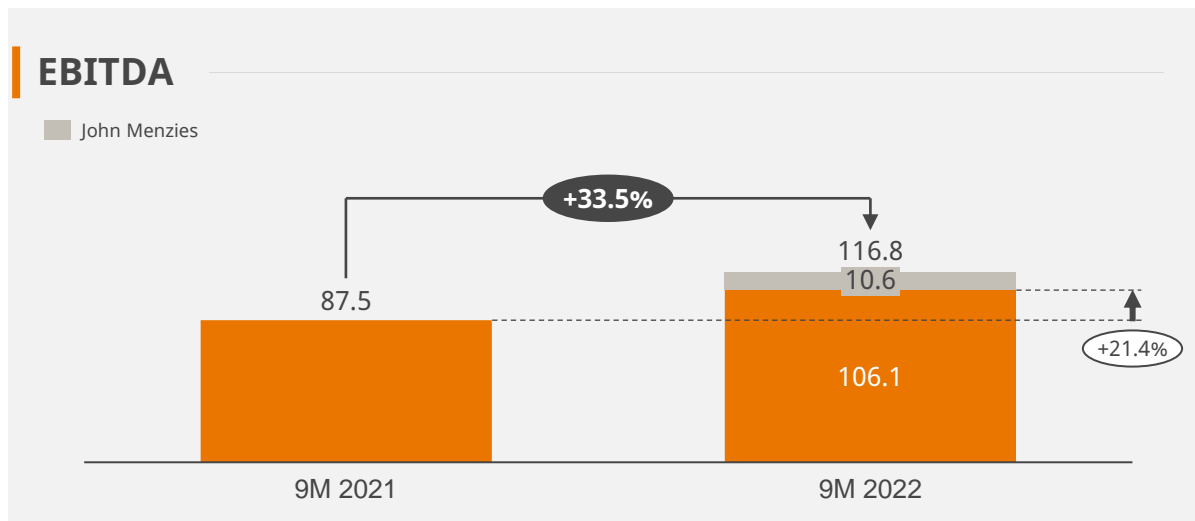
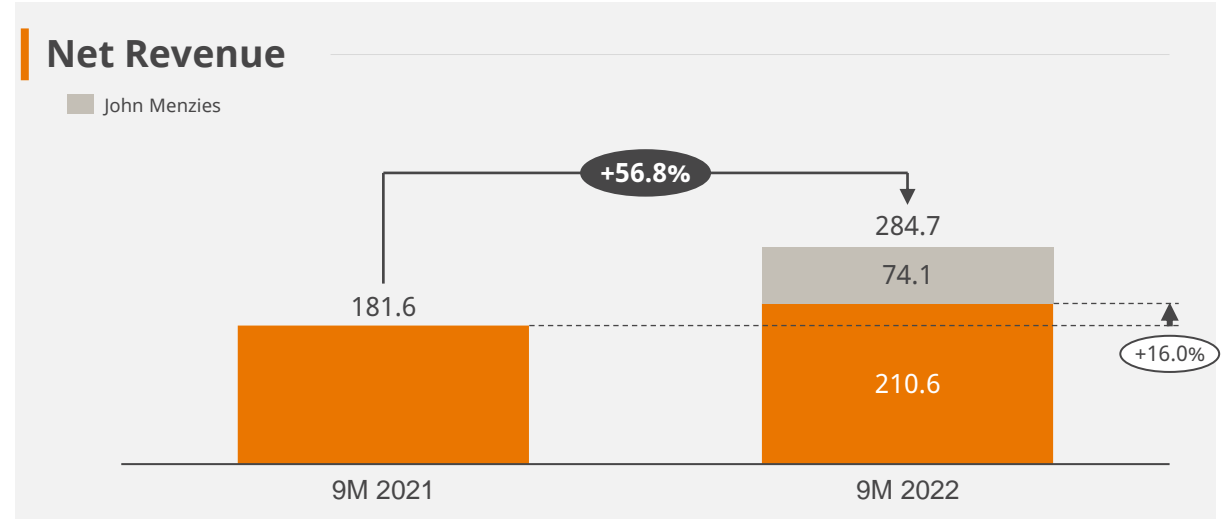
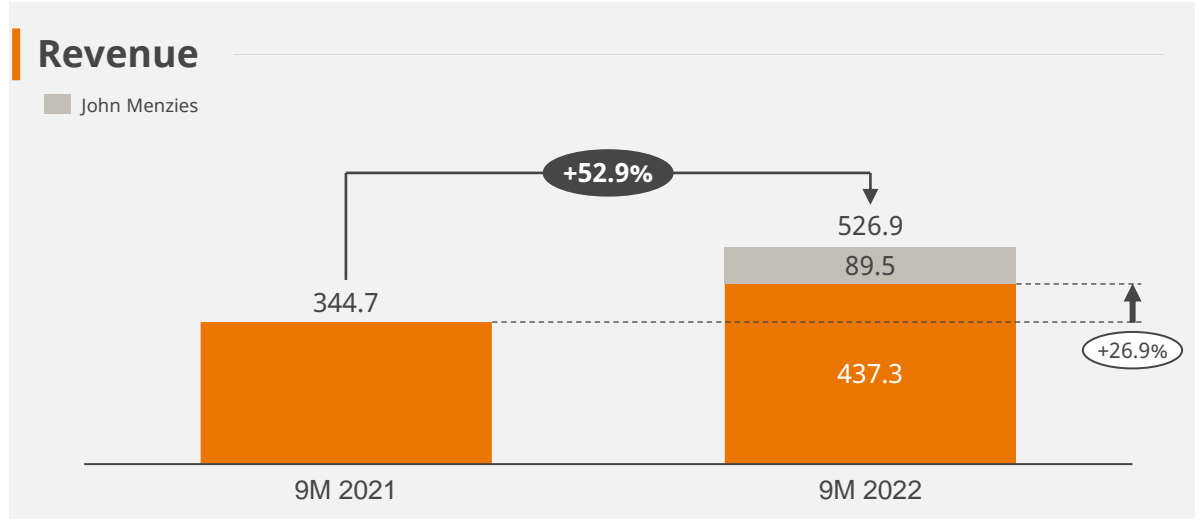
Healthy growth in organic and inorganic portfolio of businesses



# Agility Income Statement – 9M 2022 (KD Mln)



Solid performance and growth YTD across all businesses





# A strong portfolio of controlled businesses and minority investments



We are actively managing our controlled businesses to deliver growth while being a long-term strategic investor in our minority investments targeting high-growth and returns



## Controlled Businesses



Mln KD	2019	2020	2021	9M 2022
Gross Revenue	455	398	486	526
EBITDA	135	93	125	123
EBITDA margin	30%	23%	26%	23%
EBIT	104	58	86	88
ND*	74	101	80	512
Lease Obligations	79	98	103	168

\* ND doesn't include lease obligations

## Investments (minority stake)



Value of Quoted Investments (Q3 2022)	Value of Unquoted Investments (Q3 2022)	Total
KD 786 Mln	KD 376 Mln	KD 1.2 Bln
Less Debt		KD 283 Mln
<b>NAV</b>		<b>KD 879 Mln</b>

# Agility Reported Income Statement - YTD



EBITDA reflects mostly the controlled businesses segments performance, and the investment segment is mainly accounted for as per IFRS9

KD MIn	Controlled			Investments			Consolidated		
	9M 2022	9M 2021	%	9M 2022	9M 2021	%	9M 2022	9M 2021	%
Revenue	<b>526.9</b>	344.7	52.9%	-	-	-	<b>526.9</b>	344.7	52.9%
Net Revenue	<b>284.7</b>	181.6	56.8%	-	-	-	<b>284.7</b>	181.6	56.8%
EBITDA	<b>123.5</b>	97.8	26.2%	<b>(6.7)</b>	(10.3)	35%	<b>116.8</b>	87.5	33.5%
EBIT	<b>88.6</b>	70.0	26.6%	<b>(6.7)</b>	(10.3)	35%	<b>82.0</b>	59.7	37.3%

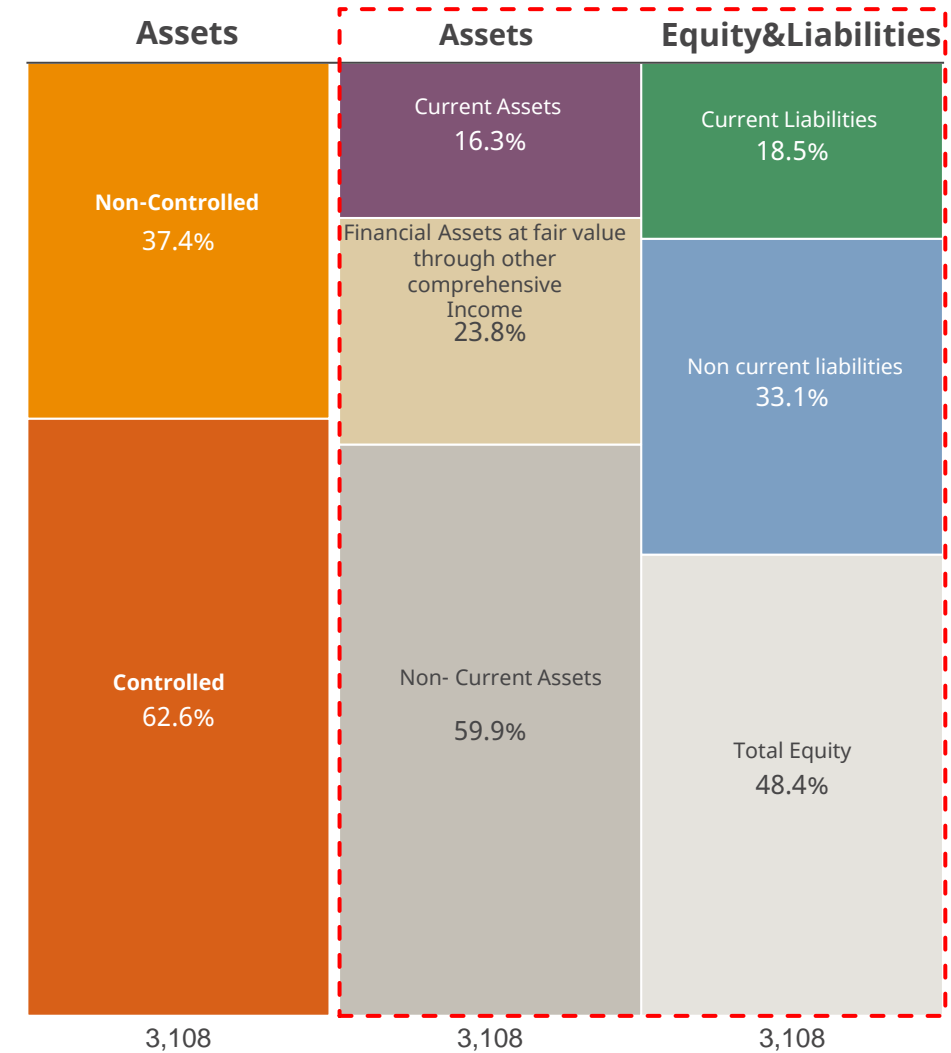
# Balance Sheet (KD Mln)

Strong Asset and Equity base to support our future growth plan



Balance sheet	9M 2022	9M 2021	Variance	%
Current assets	506.7	288.0	218.7	75.9%
Non-Current assets	2,601.5	2,668.1	(66.6)	(-2.5%)
<b>Total assets</b>	<b>3,108.2</b>	<b>2,956.1</b>	<b>152.1</b>	<b>5.1%</b>
Current liabilities	574.2	366.7	207.5	56.5%
Non-current liabilities	1,030.1	489.2	541.0	110.6%
<b>Total liabilities</b>	<b>1,604.4</b>	<b>855.9</b>	<b>748.5</b>	<b>87.5%</b>
Equity attributable to equity holders of the Parent Company	<b>1,380.3</b>	<b>2,059.6</b>	<b>(679.3)</b>	<b>(33.%)</b>

Balance Sheet reflects acquisitions undertaken in Q3

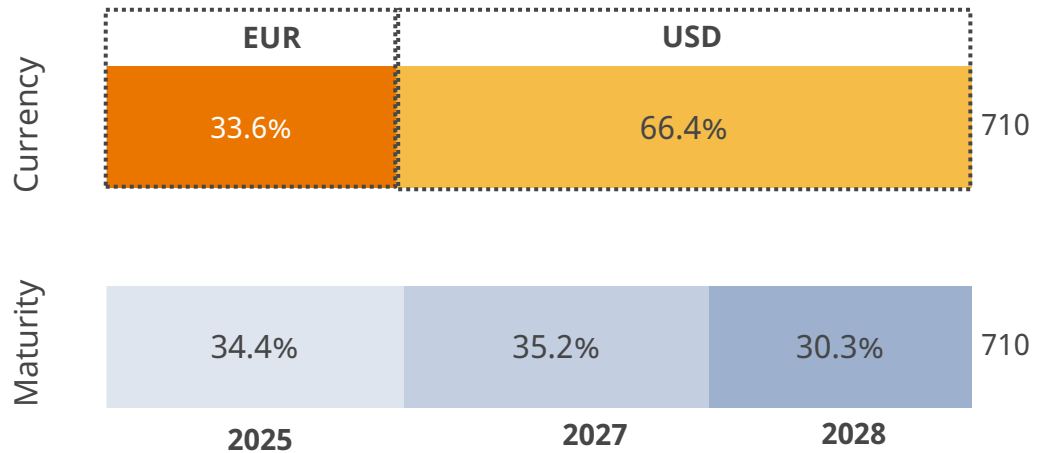


# Liquidity Profile (KD Mln)

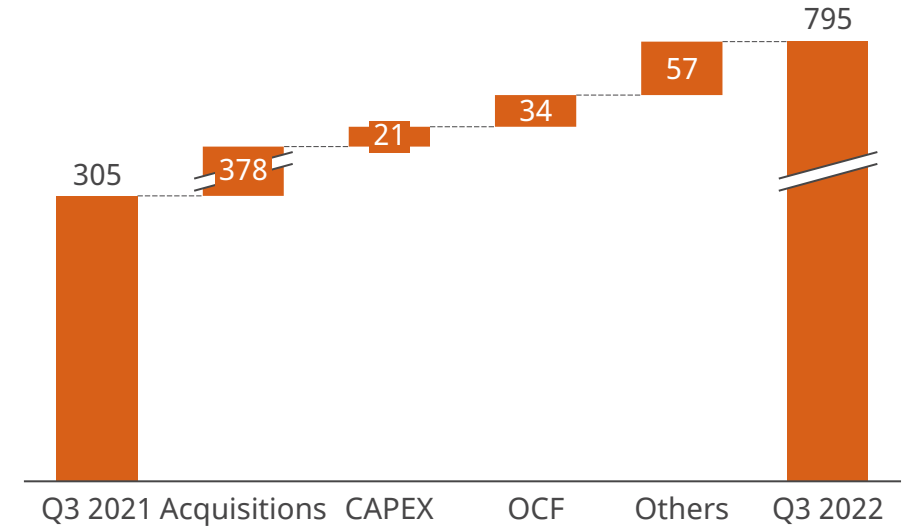
Refinanced and increased credit facilities with medium to long term maturities



## Corporate Debt Profile



## Group Net Debt Bridge



- Agility has refinanced and increased its credit facility through local, regional and international banks to fund its growth plans including the financing of the John Menzies plc acquisition.
- The maturity of Agility's corporate debt facilities range between 3 to 6 years, mostly with extension options.
- Agility over the years has maintained a low ND/EBITDA ratio.

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



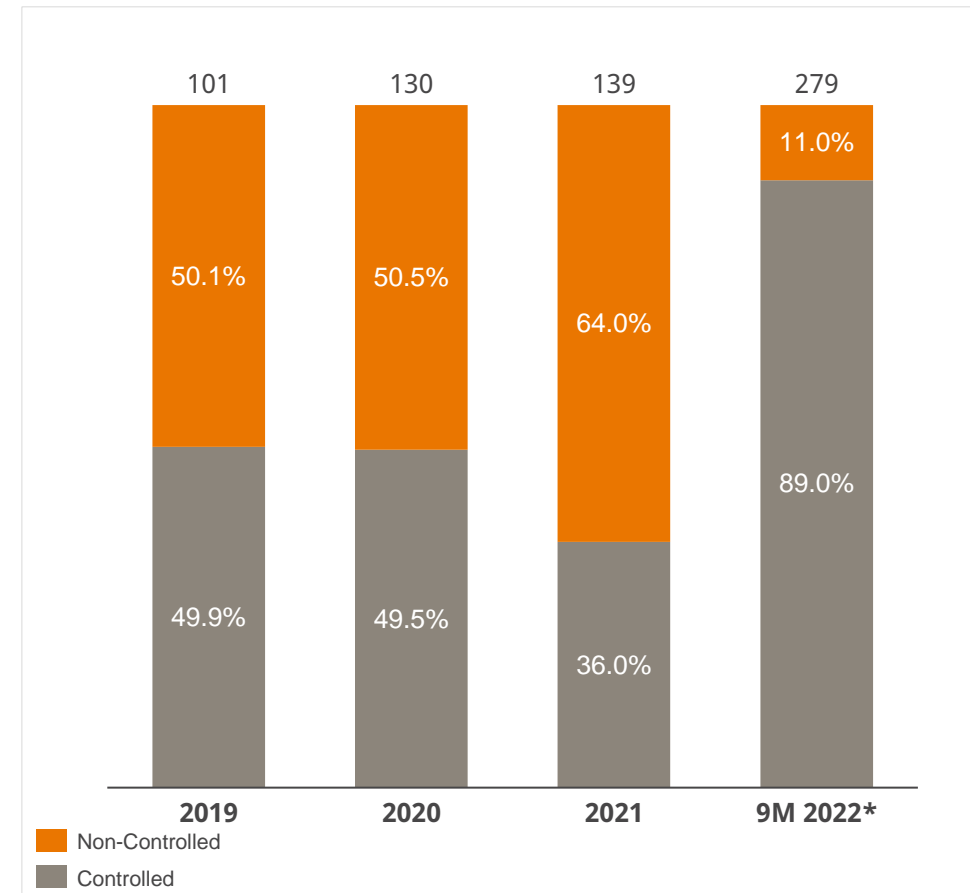
Agility has a healthy cash flow generation and will continue to reinvest in its businesses

Cash Flow Statement	9M 2022	9M 2021	Variance	%
Cash from Operating activities before changes in working capital	115.3	114.9	0.4	0.4%
Changes in working capital	(60.5)	(14.9)	(45.6)	306.9%
Other Items	(9.0)	(5.9)	(3.1)	52%
<b>Net Cash flow from operating activities</b>	<b>45.9</b>	<b>94.2</b>	<b>(48.3)</b>	<b>(51.3%)</b>
Net Organic Capex	(27.1)	(39.6)	12.5	(31.6%)
Net Investments*	(252.1)	(56.8)	(195.4)	344.3%
Others	20.5	0.3	20.2	5895.3%
<b>Capex + Investments</b>	<b>(279.2)</b>	<b>(96.4)</b>	<b>(182.9)</b>	<b>189.8%</b>
<b>Free Cash Flow</b>	<b>(233.4)</b>	<b>(2.2)</b>	<b>(231.2)</b>	<b>(10,527.1%)</b>

## Financial Metrics

Conversion ratio (OCF/EBITDA)	39.3%	107.7%
Organic CAPEX as % of Revenue	5.1%	11.5%

## Capex and Investment Allocation



\* Investments & Acquisitions

\*9M 2022 controlled capex includes HG Storage and John Menzies acquisition

# Agility's Operating entities are delivering healthy growth YTD 2022



## Menzies



**+29%**

revenue growth\* Vs last year



### Growth Drivers

Leveraging the strong network of the combined entity to create a business leader in the aviation industry with global reach

## ALP



**+6%**

revenue growth Vs last year



### Growth Drivers

Geographical expansion of our land portfolio and world-class warehousing services in the MEA

In addition to its existing operations, ALP has signed a 25 years agreement to develop a logistics park in Jeddah, and is currently developing the S2 project in Kuwait

## Tristar



**+45%**

revenue growth Vs last year



### Growth Drivers

Expansion of Tristar's shipping and fuel storage capacity

Its recent acquisition of HG storage will add in excess of 3 million cubic meters of fuel storage capacity to the Tristar portfolio and extend the company's global presence to 29 countries across the globe

## GCS



**+3%**

revenue growth Vs last year



### Growth Drivers

Geographical expansion of operations out of Kuwait & diversifying sources of income by introducing value-added services related to customs modernization

# Non-Controlled Investments

Investments in businesses in growing sectors aimed at creating future value and optionality



## Listed Investments



- 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.



- 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.



- 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



# Q&A Session

