

# Agility Earnings Call Presentation

Full Year 2022

April 2023



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# Agenda

- 1 FY 2022 Business Update
- 2 Group Financial Performance
- 3 Q&A

# FY 2022 Business Update

Focused on value investing for the long-term and executing on our growth strategy despite the challenges



## Key Events



### Completed 2 major acquisitions :

- The acquisition of John Menzies in August for an equity value of £571 million. The integration process of NAS within the Menzies organization is nearing completion. The process has been straightforward since the businesses complement one another's geographic footprint and operations.
- The 51% acquisition of HG Storage International Limited ("HGSI") valued at USD 215 million. Through this deal, Tristar acquired a majority holding in a well-diversified portfolio of oil storage, distribution and retail assets owned by HGSI.
- Signed an agreement with Saudi Arabia's State Properties General Administration (SPGA) to build a large logistics park for storage and distribution on a 576,760 SQM parcel near Jeddah.



### Refinancing Program:

- Agility has raised ~\$3 billion of credit facilities as part of its refinancing program to fund the company's future growth plans including the long-term funding of John Menzies Plc acquisition.



### Legal Dispute:

- Agility is facing some uncertainty related to the land contracts leased from the Public Authority for Industry, Agility believes its contracts have been legally renewed and has filed several legal cases. Agility will continue to pursue those claims to protect its rights and the rights of its shareholders.

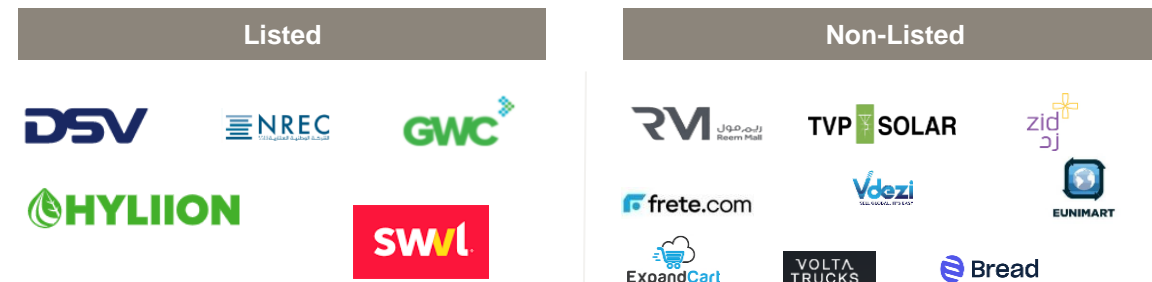
***Agility is a diversified global business driving operational excellence and financial growth***

# A strong portfolio of controlled businesses and minority investments



## Controlled Businesses

## Investments



Mln KD	2019*	2020*	2021*	2022
Gross Revenue	455	398	486	863
EBITDA	135	93	124	195
EBITDA margin	30%	23%	26%	23%
EBIT	104	58	86	143
ND**	74	101	80	507
Lease Obligations	79	98	103	168

	Quoted Investments	Unquoted Investments	Total
Value	KD 1.0 Bln	KD 386 Mln	KD 1.4 Bln
Debt			KD 294 Mln
NAV			KD 1.1 Bln

\*From continuing operations  
 \*\*ND doesn't include lease obligations

# Group Financial Performance

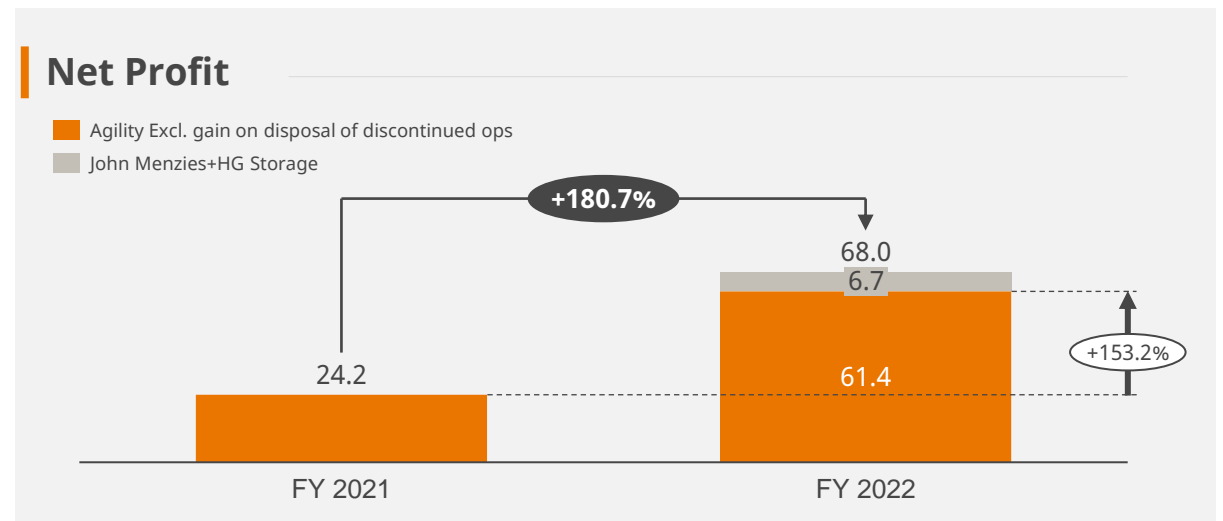
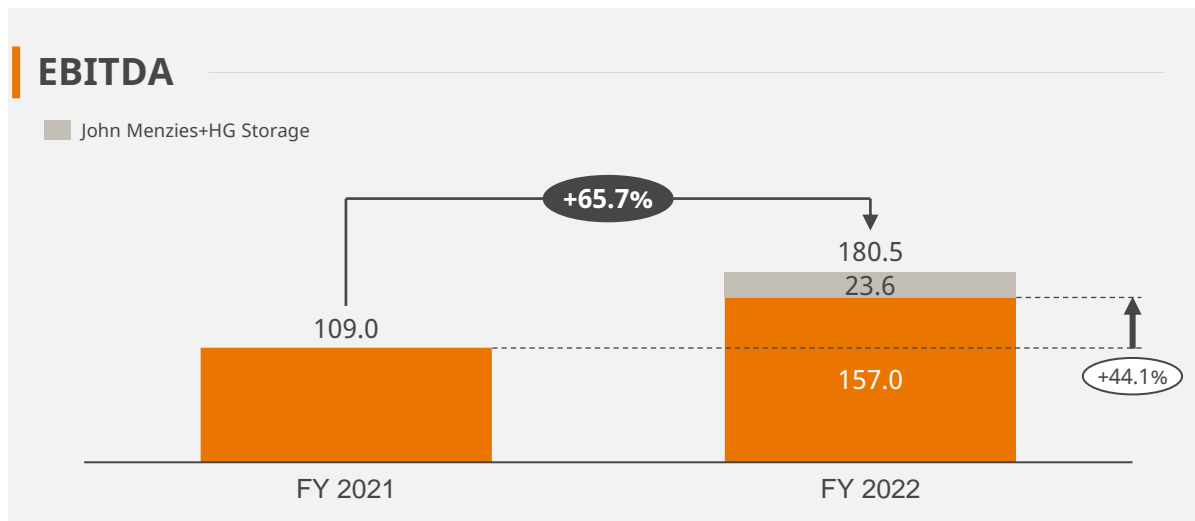
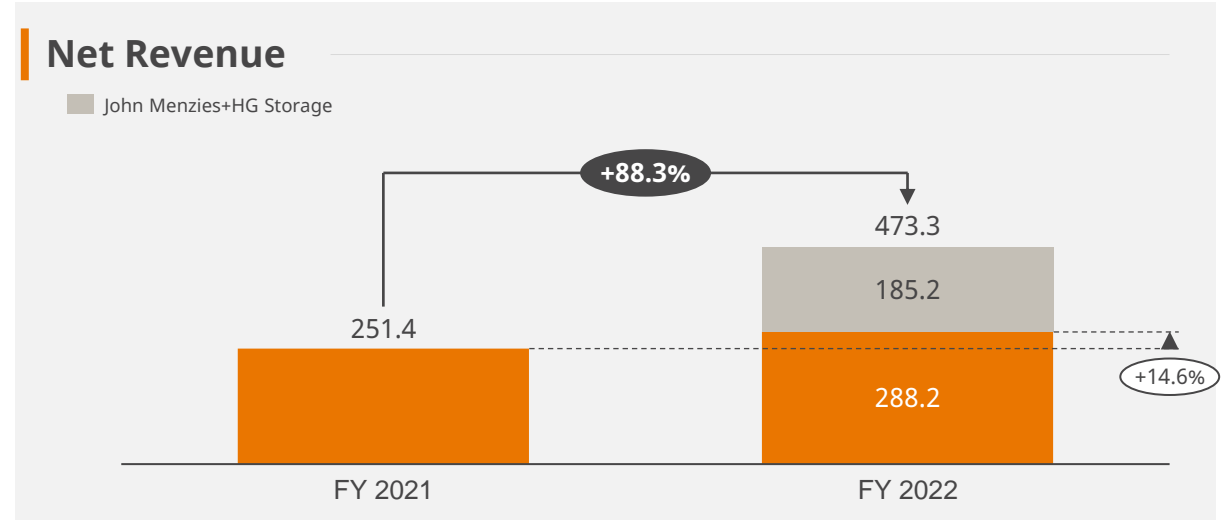
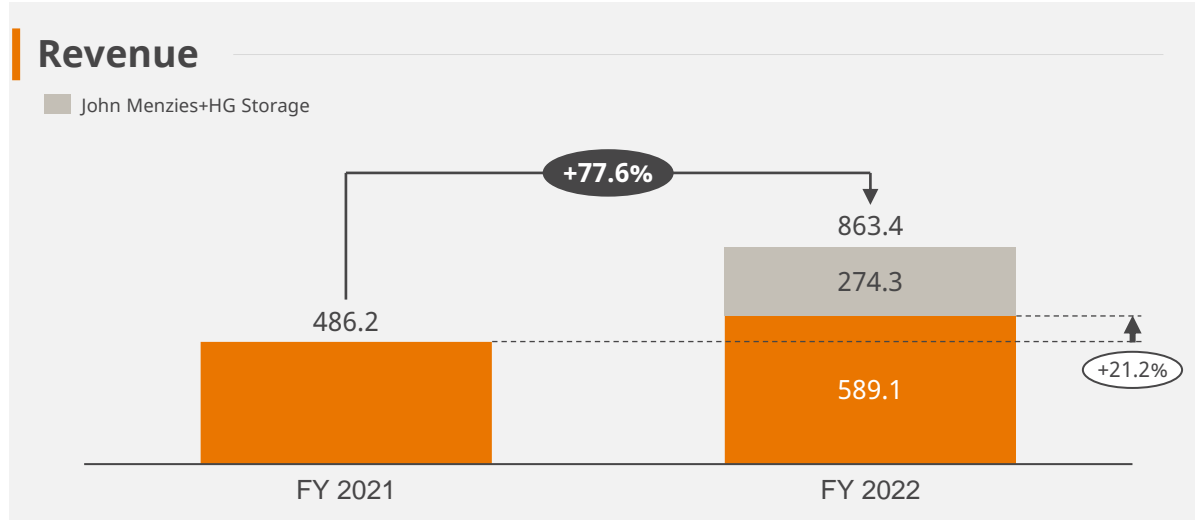
## Financial Highlights FY 2022



# Agility Income Statement – FY 2022 (KD Mln)



Solid performance and growth across all businesses



# Agility Reported Income Statement - YTD



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

KD MIn	Controlled			Investments			Consolidated		
	FY 2022	FY 2021	%	FY 2022	FY 2021	%	FY 2022	FY 2021	%
Revenue	<b>863.4</b>	486.2	77.6%	-	-	-	<b>863.4</b>	486.2	77.6%
Net Revenue	<b>473.3</b>	251.4	88.3%	-	-	-	<b>473.3</b>	251.4	88.3%
EBITDA	<b>195.1</b>	124.2	57%	<b>(14.6)</b>	<b>(15.3)</b>	4.8%	<b>180.5</b>	109.0	65.7%
EBIT	<b>143.1</b>	85.6	67.2%	<b>(14.6)</b>	<b>(15.3)</b>	4.8%	<b>128.6</b>	70.3	82.9%

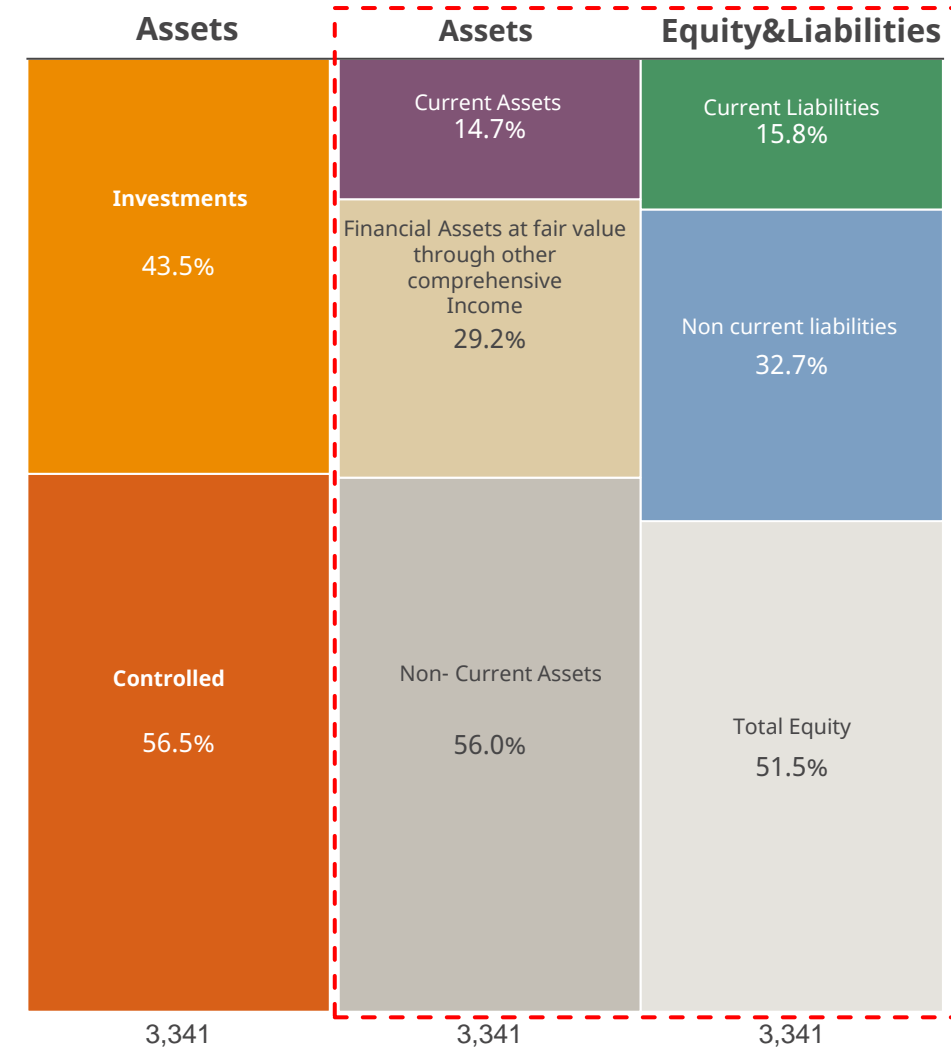


# Balance Sheet (KD Mln)



Strong Asset and Equity base to support our future growth plan

Balance sheet	Dec 2022	Dec 2021	Variance	%
Current assets	492.7	274.8	217.9	79.3%
Non-Current assets	2,848.1	2,630.5	217.6	8.3%
<b>Total assets</b>	<b>3,340.8</b>	<b>2,905.3</b>	<b>435.5</b>	<b>15%</b>
Current liabilities	528.2	321.8	206.5	64.2%
Non-current liabilities	1,092.0	524.5	567.5	108.2%
<b>Total liabilities</b>	<b>1,620.2</b>	<b>846.2</b>	<b>774.0</b>	<b>91.5%</b>
Equity attributable to equity holders of the Parent Company	<b>1,601.6</b>	<b>2,012.6</b>	<b>-411.0</b>	<b>-20.4%</b>

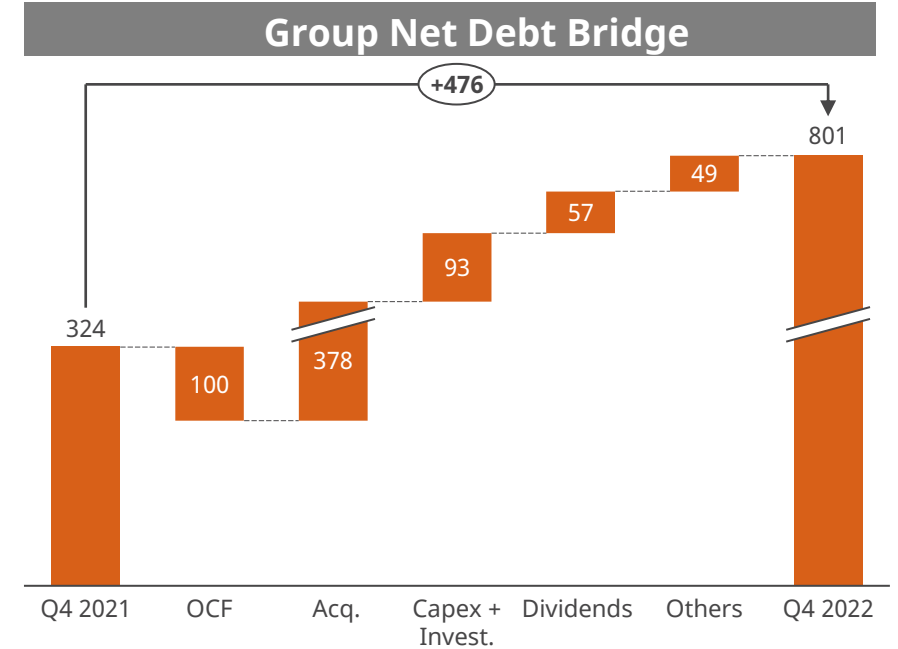
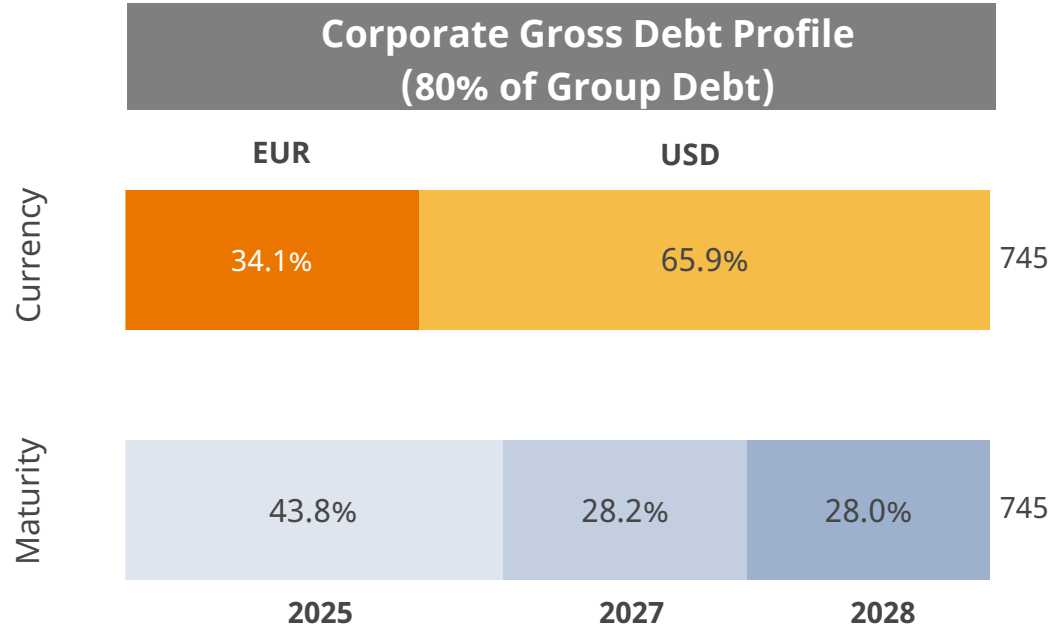


• Menzies and HG Storage assets are included in the controlled segment and DSV is part of the Investment segment

# Debt Profile (KD Mln)



Refinanced and increased credit facilities with medium to long term maturities



- 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 at the discretion of the banks.

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



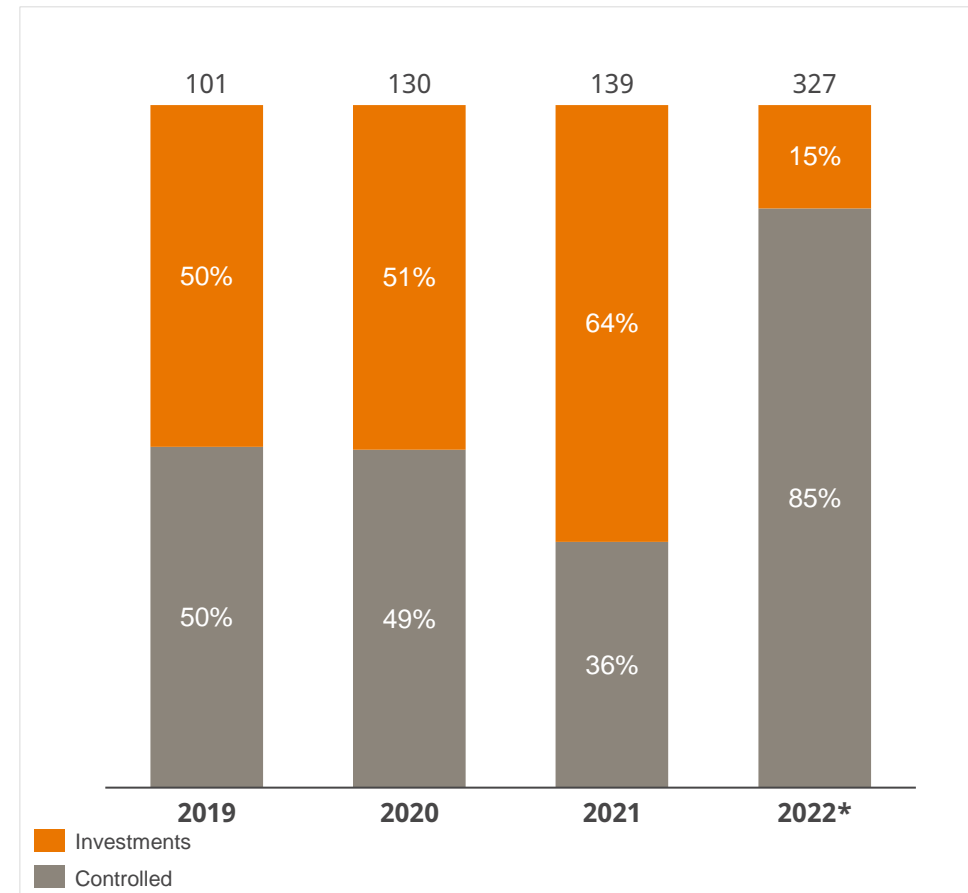
Agility has a healthy cash flow generation and will continue to reinvest in its businesses

Cash Flow Statement	Dec 2022	Dec 2021	Variance	%
Cash from Operating activities before changes in working capital	166.2	112.5	53.7	47.7%
Changes in working capital	(51.4)	27.4	(78.8)	(288%)
Other Items	(14.7)	(10.1)	(4.6)	(-31.1%)
<b>Net Cash flow from operating activities</b>	<b>100.0</b>	<b>129.7</b>	<b>(29.7)</b>	<b>(22.9%)</b>
Net Organic Capex	(45.9)	(50.2)	4.3	(8.6%)
Net Investments*	(280.9)	(89.2)	(191.7)	214.8%
<b>Capex + Investments</b>	<b>(326.8)</b>	<b>(139.5)</b>	<b>(187.3)</b>	<b>134.3%</b>
<b>Free Cash Flow</b>	<b>(226.5)</b>	<b>(9.7)</b>	<b>(216.8)</b>	<b>2,226.1%</b>

## Financial Metrics

Conversion ratio (OCF/EBITDA)	55.4%	119.1%
Organic CAPEX as % of Revenue	5.3%	10.3%

## Capex and Investment Allocation



\* Investments & Acquisitions

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

# Agility's Operating entities delivering healthy growth YTD 2022



## Aviation Services



**+417%**

revenue growth Vs last year

**+169%**

EBITDA growth Vs last year

### ► Growth Drivers

The Menzies acquisition has given Agility the ability to leverage this business for future growth. The integration process of NAS within the Menzies organization is nearing completion. The process has been straightforward due to the fact that the two businesses complement one another's geographic footprint and operations.

## Fuel Logistics



**+60%**

revenue growth Vs last year

**+39%**

EBITDA growth Vs last year

### ► Growth Drivers

The drivers of Tristar's 2022 performance includes successful renewal of two large long-term peacekeeping contracts, making Tristar the UN's top supplier and the growing maritime business and its recent acquisition of a 51% stake in HG Storage International, finalized at the end of August.

## Other Controlled Businesses

**+14%**

revenue growth Vs last year

**+42%**

EBITDA growth Vs last year

### ► Growth Drivers

The main contributors to this group were:

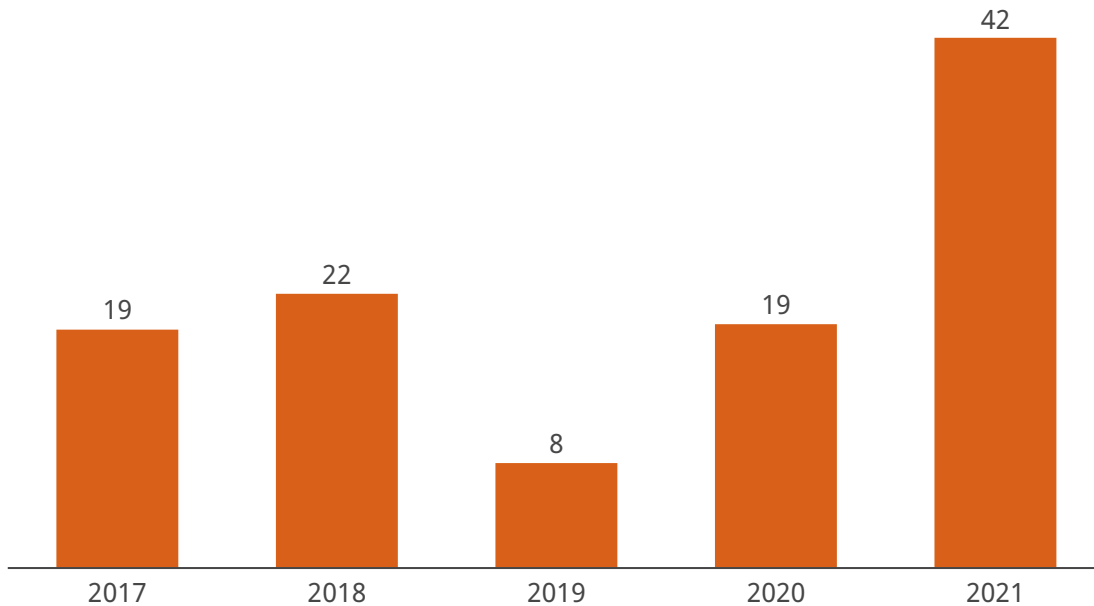
- ALP reported 10% revenue growth, pursuing its growth strategy by increasing and optimizing its existing land bank, developing new projects, and looking to acquire additional land, especially in the Middle East and Africa.
- UPAC posted a 28% revenue growth primarily due to a rebound in airport-related services and parking, following the reopening of Kuwait International Airport and lifting of COVID restrictions.
- GCS revenue grew 4% and is focused on delivering optimal efficiencies to its customers.

# Dividends (KD Million)



Agility has a balanced distribution strategy and continues to focus on driving shareholders' return

## Cash Dividends\* (KD mln)



## Agility has paid KD 110 Million in dividends over the last 5 years

	2017	2018	2019	2020	2021
Cash Dividends	15 fils	15 fils	5 fils	10 fils	20 fils
Bonus Shares	15%	15%	15%	10%	20
Payout	28%	27%	10%	46%	4.3%

- For 2022 the board recommended no dividends distribution, however, will continue to monitor the situation closely to assess the viability of distributing quarterly dividends.
- Agility has always maintained a consistent and balanced dividend distribution with a focus on creating value for its shareholders.
- With the uncertainty in Kuwait related to the leasing contracts, the company has to be more prudent in managing cash.
- Priority remains to drive strong returns on our investment which will benefit shareholders in the long run.

\*Dividends Declared for the year

\*\*Price as of end of December

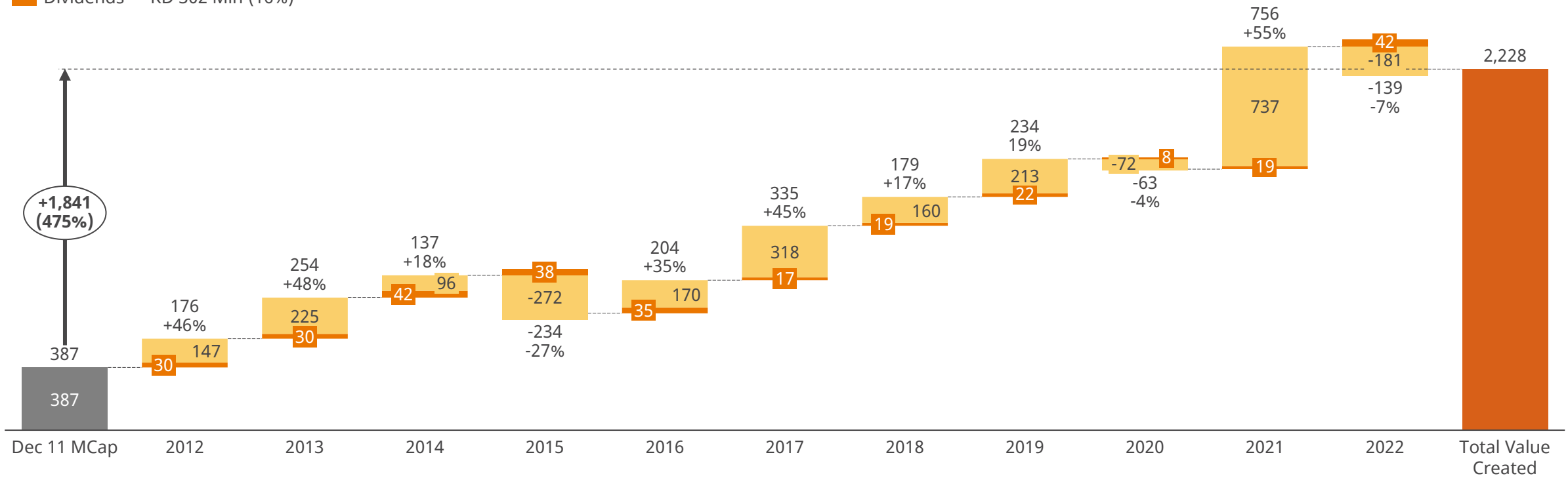
# Agility has created \$6 billion in value for shareholders over the last decade



Value for shareholders has increased 5x since 2011 with a 20% IRR

## Value creation since 2011 is KWD 1.8 billion

- Value Growth - KD 1,539 Mln (84%)
- Dividends\* - KD 302 Mln (16%)

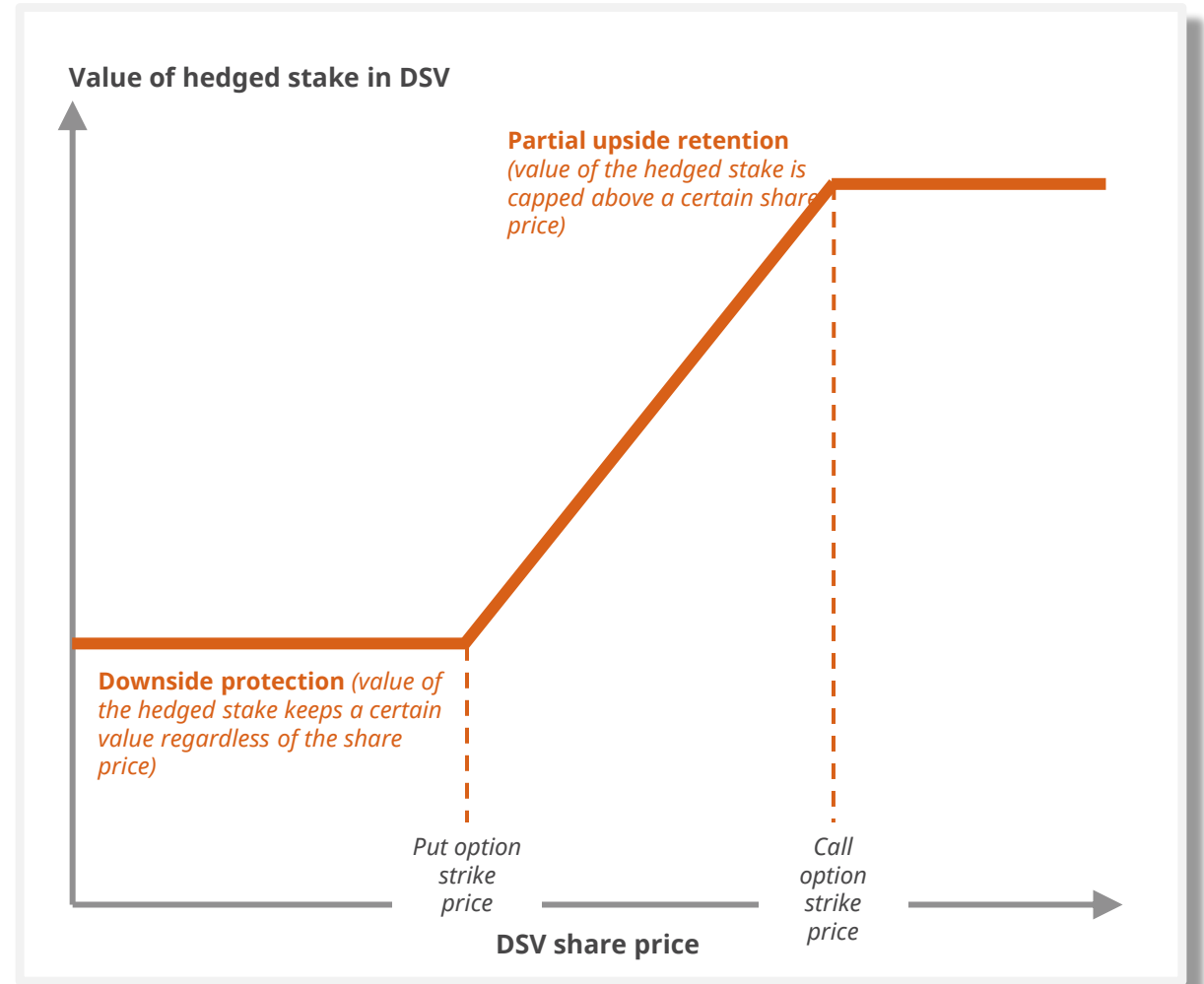


\*Dividends declared previous year

# Funded collar on DSV shares



- Agility maintains every expectation of DSV's continued success, and its management ability to drive growth and value.
- Given continued market uncertainty and the significance of the DSV stake on Agility's overall value, Agility has undertaken this hedging transaction, out of prudence, to protect the value of the investment and the shareholders' value.
- Entered into Multi-year funded equity collar agreements structured as a combination of put and call option
- The size represents **up to 7.5 million** of Agility's stake in DSV which allows Agility to drawdown up to **EUR 1 billion (around KD 330 million)** of relatively cheaper liquidity which will help and strengthen the company's balance sheet
- This hedging instrument **doesn't imply that Agility is selling its DSV shares**. However, it enables Agility to benefit, to some extent, from the increase in the rise in the DSV share price, while at the same time limiting the impact of a possible decline in DSV stock price in the future within the agreed limits.



# Q&A Session

