

Intermodal Africa

Mombasa | April 27, 2022

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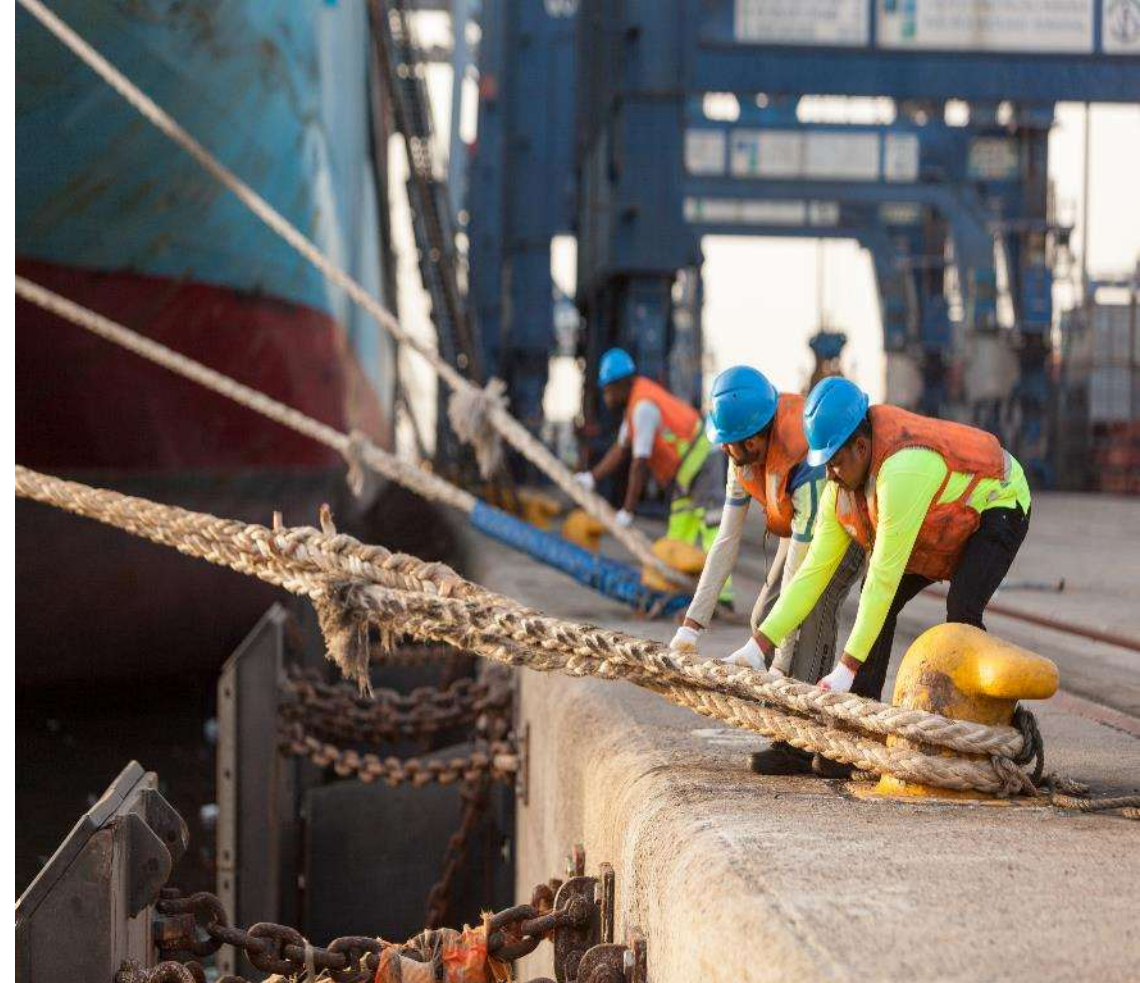
About Red Sea Gateway Terminal

RSGT's Flagship Operation - Jeddah, Saudi Arabia

Red Sea Gateway Terminal in Jeddah Islamic Port Terminals – Specifications and Layout

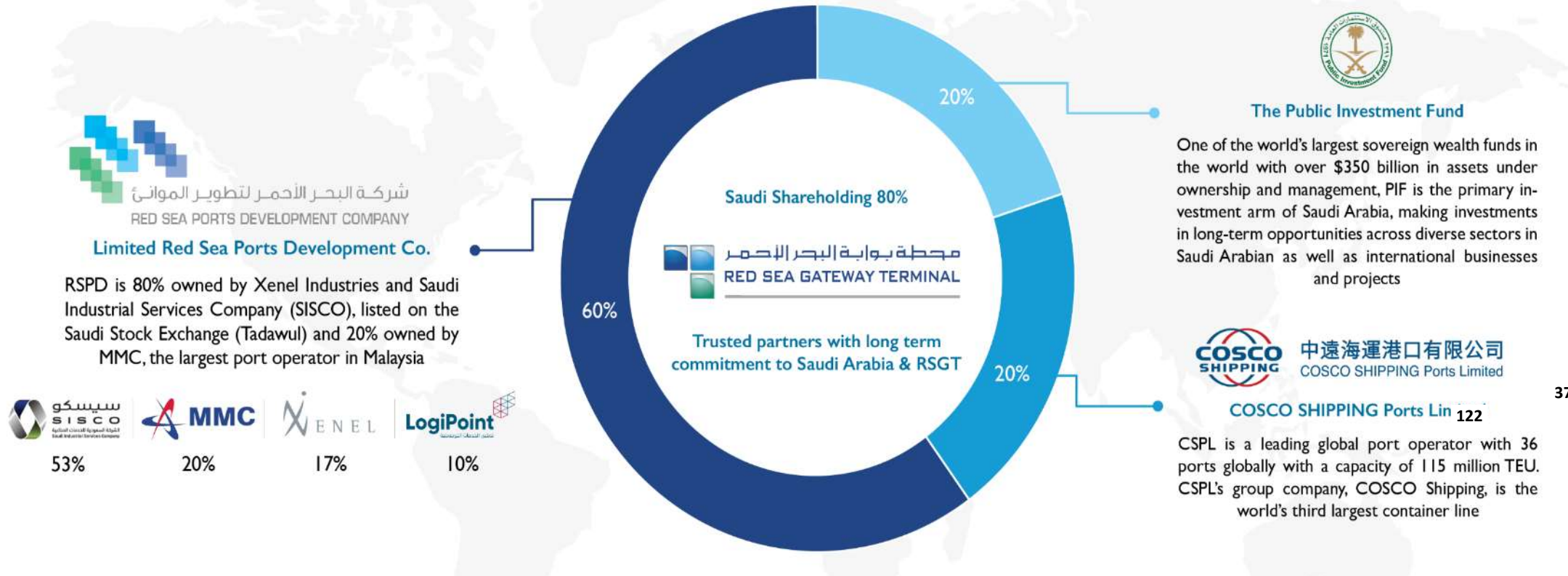
1 Largest Saudi Port Operator	520 Hectare Terminal Area	18 Meters Quay Depth	3,300 Meters Quay Length	2.9 Million TEU handled Annually
20,000 TEU-Slots Design Vessel	101,371 TEU-Slots Yard Capacity	4,900 Reefer Plugs Yard Capacity	24 STS Cranes for Quay Operations	63 RTGs for Yard Operations
4th On Maersk Line's Global Productivity Index (200 terminals)	Largest Container Terminal in KSA and Red Sea	Highest Vessels Productivity in KSA (136 BMPH)	25% Overall Saudization Platinum Level	53% Saudization Office and Professional Employees

Dynamic Team



RSGT has some interesting shareholder partners

RSGT combines a strong Saudi local content with global leadership and excellence in port operations



Public Investment Fund of Saudi Arabia



His Royal Highness
Mohammad bin Salman Al-Saud

Crown Prince, Deputy Prime Minister
Chairman of the Council of Economic and Development Affairs
Chairman of the Public Investment Fund

As one of the world's largest sovereign wealth funds, the Public Investment Fund (PIF) has a world-class investment portfolio with a focus on long term, opportunistic investments, both domestically and internationally.



600BN USD

AUM Approximately



13

Strategic Sectors



50

PIF Companies Created



500,000

Direct & Indirect Jobs Created

Xenel – Large and Diversified Conglomerate



Descendant of the oldest merchant family in the Gulf, the Xenel group is at the centre of 40 publically and privately held companies across 20 countries and employs over 13,000 people



Business Portfolio

Heavy Industries

Saudi Cable Company (SCC)
Hidada

Industrial Services

AECOM Arabia
Saudi Miebach
Arabian Services Group
Al-Karam Al-Arabi

Infrastructure

Red Sea Gateway Terminal
Al Qatrana IPP
Abour Wind Farm IPP
Sapphire Electric Company Ltd.
Saudi Industrial Services Co.
Logipoint

Information Technology

Xeca International

Petrochemicals

Natpet
Safra

Construction

Tecnimont Arabia Ltd.
CTCI Arabia Ltd.

Real Estate

Xentury City
Tamlik

Transport, Logistics & Building Materials

Arabian Bulk Trade Ltd.
Binex
Saudi Bulk Transport
Saudi Scaffolding Factory
Agri Bulk Trade

Healthcare

AMI
Magrabi
Imdad Medical Business Co.,



- **Objective** “..(to) participate in financing development projects in developing countries by granting them necessary loans, technical aids necessary for financing studies, institutional support, and financing and guaranteeing national non-crude oil exports”
- **Capitalization:** USD 8.2 Bil is one of the most generous contributors of development assistance (% of GNI) globally. SFD is active in 85 countries.

Envisioned Cooperation

- Direct communication and working relationship between RSGT and SFD
- SFD support as part of RSGT offering
- Priority financing/aid towards relevant projects affecting ports and surroundings (roads, water, energy, health etc.)
- SFD to lead KSA advantage as a generous development lender/donor and enabler of economic growth

Example: West Africa

SFD Activity

- Loans totaling USD 169 Mil for 12 projects including transport, education, water and economic development. Grants totaling USD 43.5 Mil towards projects in the water and energy sectors
- USD 12 Mil to finance the rehabilitation of an International Airport. Financing the construction of 50KM of roads (ongoing)

RSGT Activity

- Investment of USD 100-150 Mil in the rehabilitation, expansion, and operation of a Port
- Relevant development projects of value to RSGT investment beyond economic scope of a port developer; rehabilitation of port access road, river port

RSGT Focus Areas

Protect and Grow RSGT

- **Defend current market penetration**
Improve offering, volumes, and margins
- **Expand CoFootprint in KSA**
Jubail, Neom, Yanbu

Differentiate Domestically, Expand Internationally

- **Horizontal and Vertical Integration in KSA**
Inland PortsRoRo/Grain/Cruise: Dammam, Jeddah, Yanbu, KAP
Free Zones: Khomra, KAP
- **Develop/Upgrade/Operate Int'l Container Terminal**
Focus on Red Sea, East Africa, Africa and other select markets

De-Risk Internationally, Explore new business models

- **Develop/Operate Industry Driven Terminals; Manage Logistics Services**
Ghana (Oil & Gas), Jordan (Oil Terminal)
- **Run Operations under Management Contracts**
Non-core grain terminals

RSGT is committed to invest USD 1.5 billion in Jeddah alone

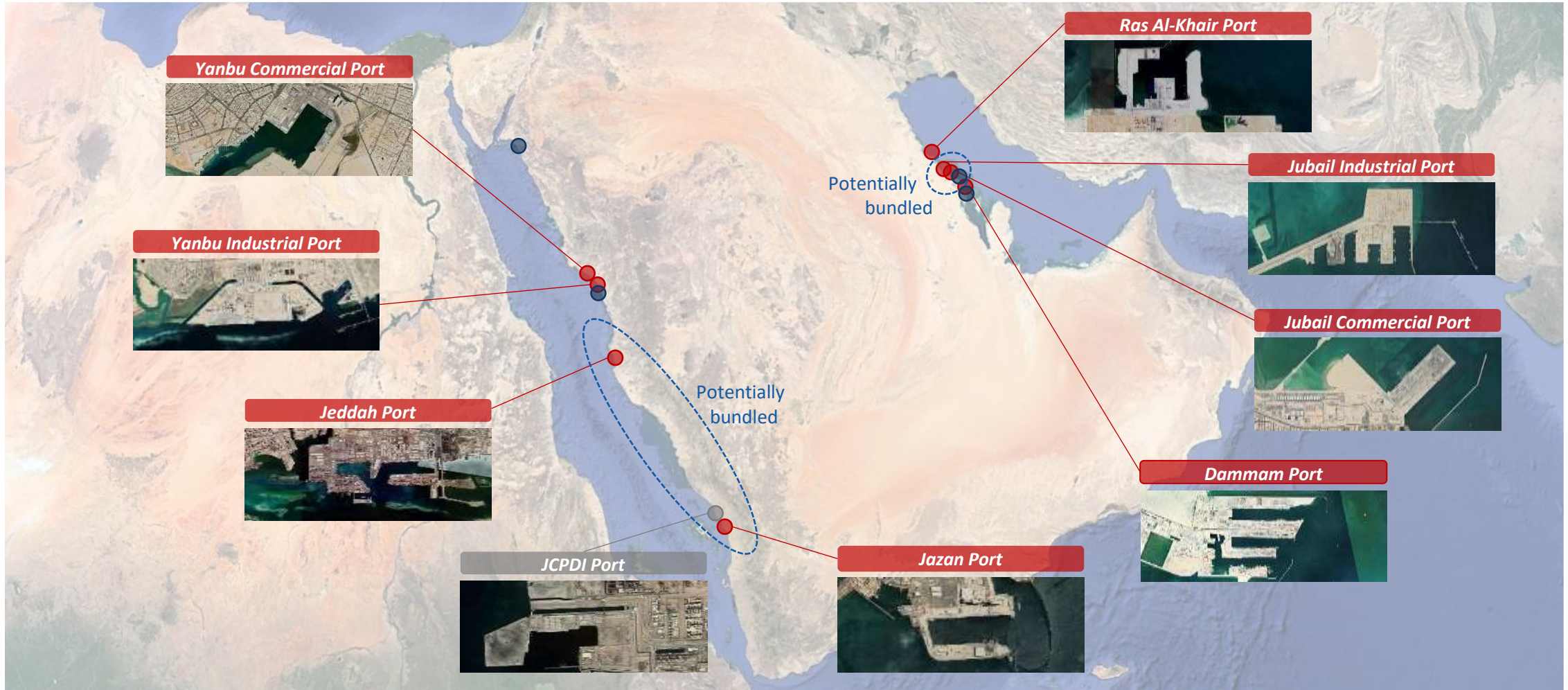


	2009 – 2019	Planned : 2020 – 2023	Envisaged: 2024 – 2049
Investment	SAR 2.5 Billion	SAR 1.0 Billion	SAR 5.6 Billion
Key Length	1,350 meter	3,300 meter	4,300 meter
Capacity	2.5 million TEU	5.2 million TEU	8.8 million TEU
STS	14	24	40
RTG	38	63	136
Reefer Plugs	2400	4900	4900+
Area	700,000 sqm	1,500,000 sqm	1,800,000 sqm

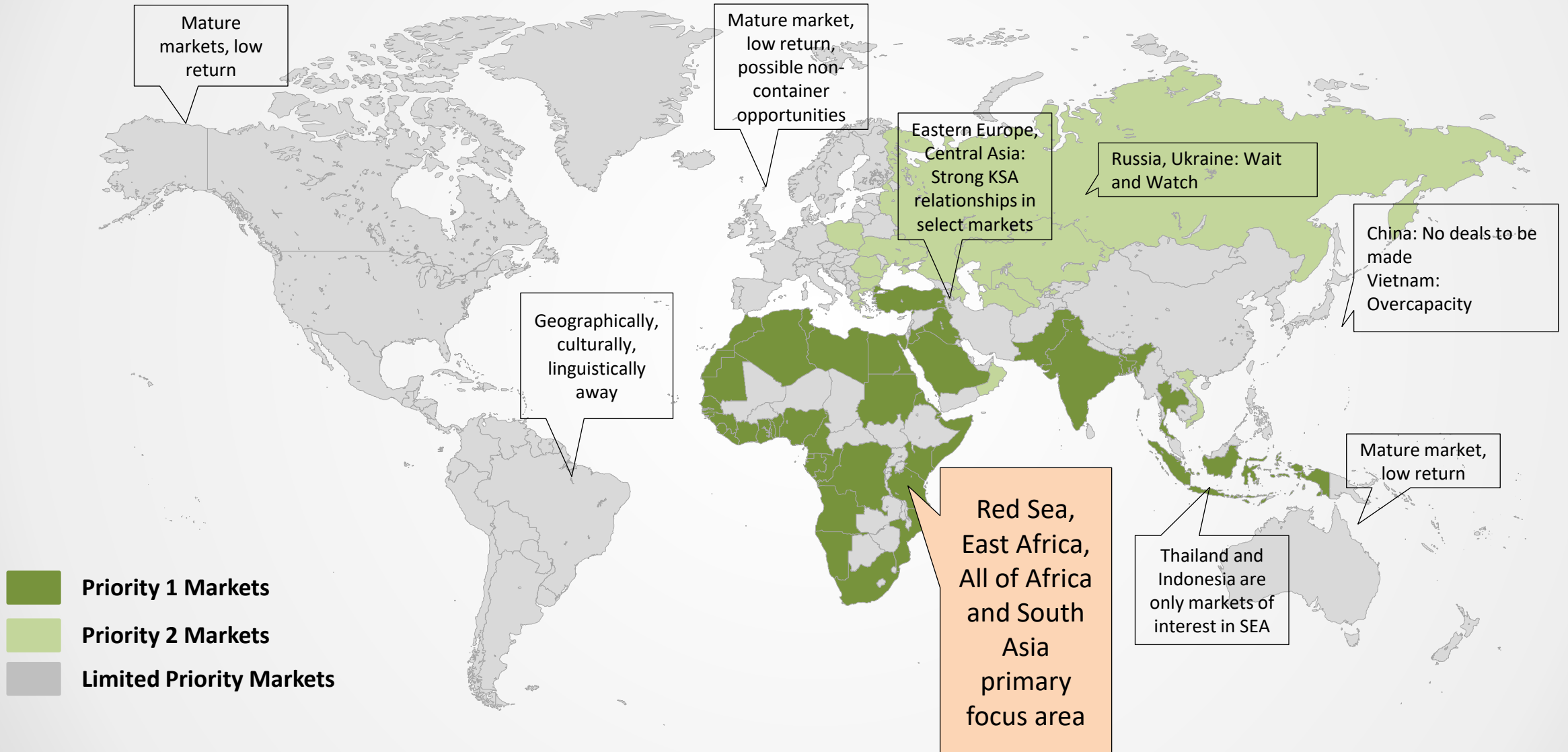
RSGT Jeddah after expansion completion



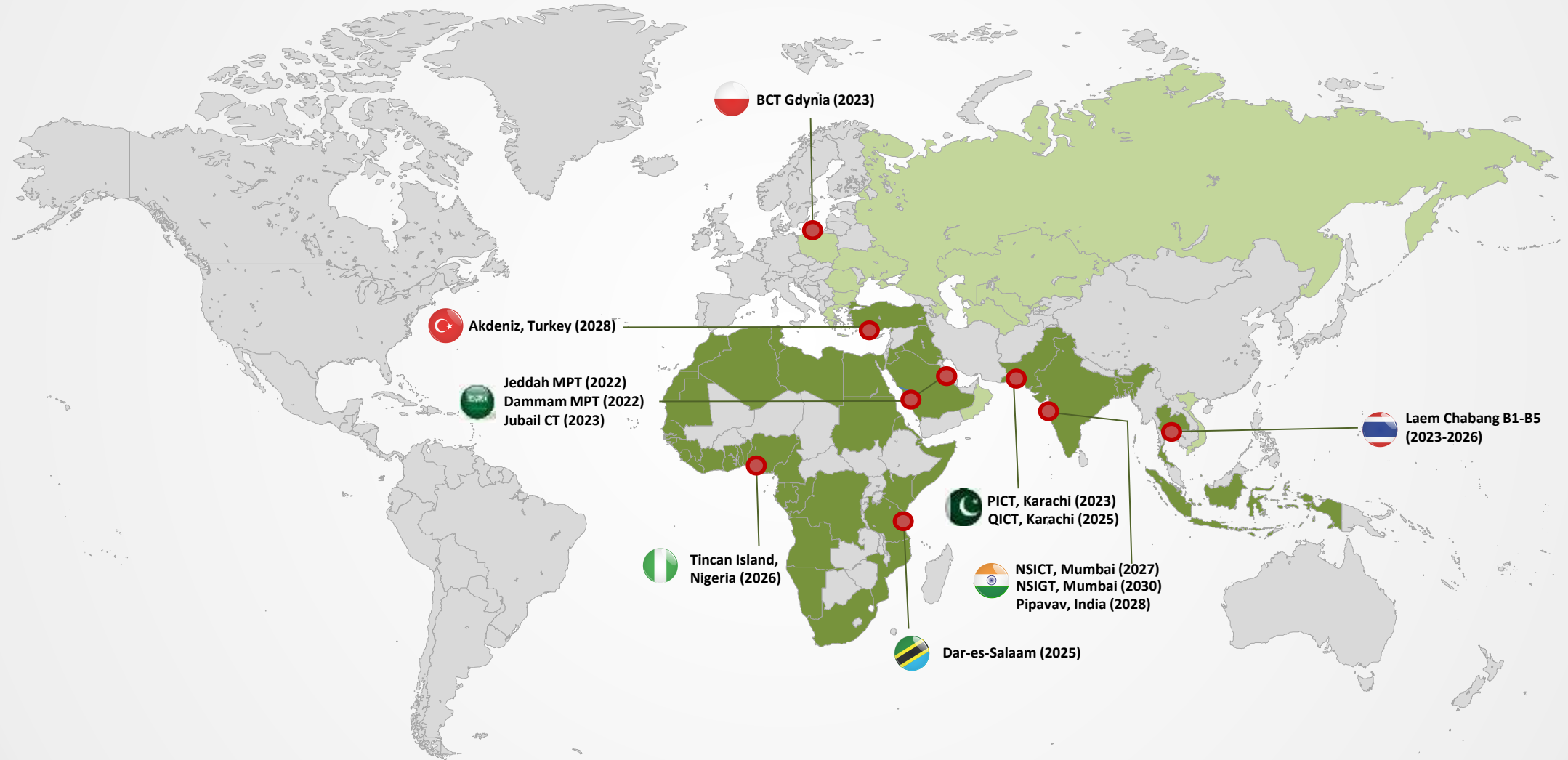
Container Opportunities Plus Eight multi-purpose port concessions in KSA



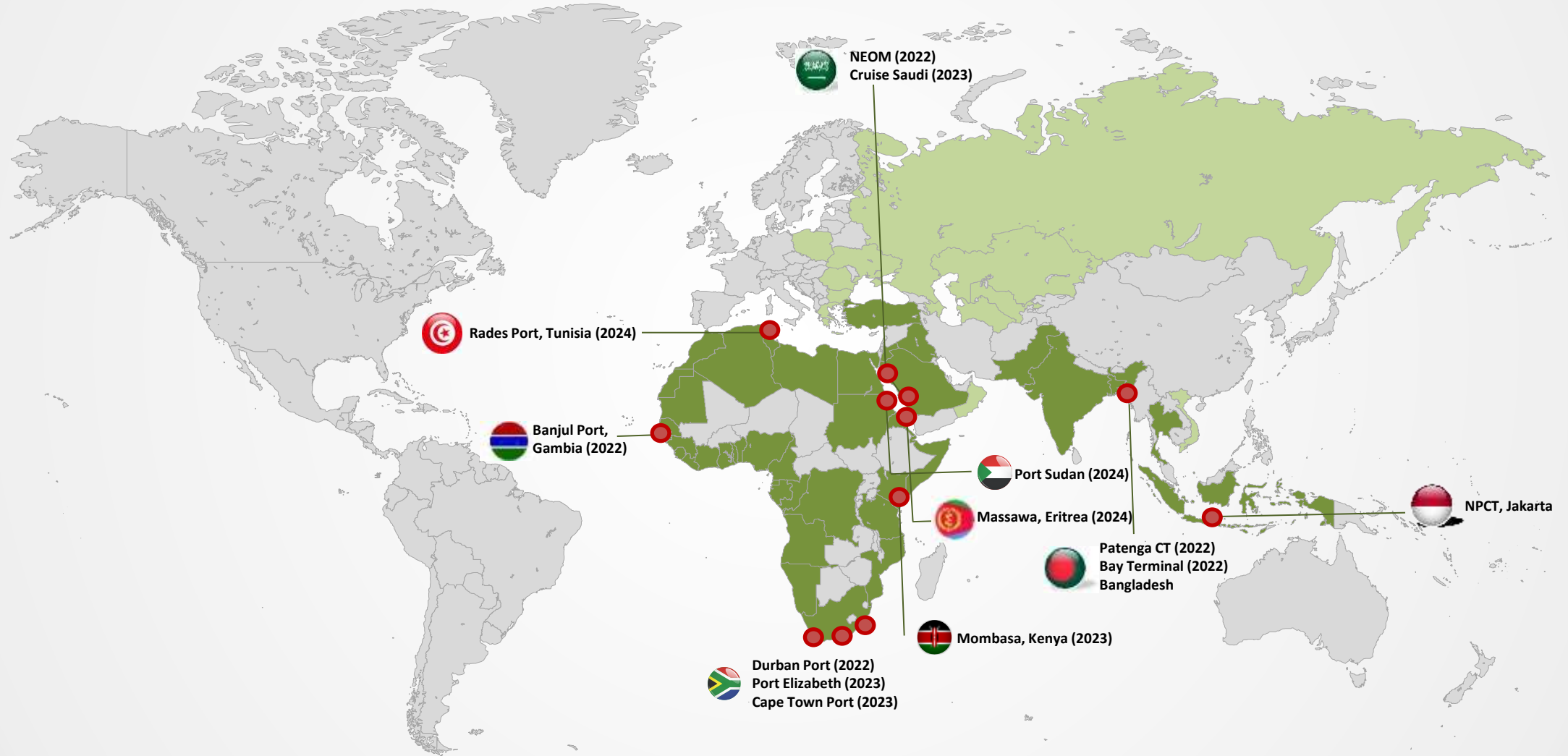
Red Sea and East Africa remain primary markets of interest



Concessions are expiring with faster pace



New Concessions in key markets could be available soon



Some Trending Observations

Some Trending Observations

- Overcapacity – Survival of the fittest
- Revenue focus is making way for a Return focus
- Sharp Customer Contracts
- Port Cartels?
- New Crop of Terminal Operators
 - Technology focus
 - Sustainability focus
- First concessions expiring in Africa
- Liners have fat, acquisition-ready purses
- More ports/portfolios exits coming up?

What is the Latest Industry Context?

Carrier	Revenue			Operating Profit			Operating Profit Margin		Net Profit		
	2020	2021	%	2020	2021	%	2020	2021	2020	2021	%
COSCO SHIPPING Holdings ⁶⁾	15'690	33'317	112%	884	14'404	1529%	5.6%	43.2%	567	10'464	1746%
CMA CGM ^{2), 5)}	16'915	31'058	84%	3'223	14'093	337%	19.1%	45.4%	768	11'224	1361%
Maersk Group ^{8), 10)}	17'749	29'566	67%	4'337	14'095	225%	24.4%	47.7%	1'599	11'848	641%
Hapag-Lloyd ^{5), 10)}	10'976	17'381	58%	2'131	7'906	271%	19.4%	45.5%	631	6'446	922%
ONE ^{3), 10)}	5'917	13'333	125%	1'342	7'496	459%	22.7%	56.2%	682	6'760	891%
Evergreen Marine Corp. ^{1), 7)}	4'914	11'972	144%	579	6'899	1092%	11.8%	57.6%	435	6'353	1360%
Yang Ming	3'324	7'389	122%	301	3'910	1199%	9.1%	52.9%	-11	2'247	20527%
HMM	3'632	8'295	128%	173	4'810	2680%	4.8%	58.0%	70	3'954	5549%
Zim	2'631	7'262	176%	503	4'236	742%	19.1%	58.3%	158	2'941	1761%
Wan Hai	1'861	5'651	204%	145	3'011	1977%	7.8%	53.3%	124	2'489	1907%
Average ⁴⁾			96%			498%	15.8%	48.3%			1235%

USD million, Jan-Sep 2021 results

How did deal-making look in 2021?

Lines bought ports and port operators bought logistics companies

2021	Target	Stake	Buyer	Seller	Deal size (USD'm)	Valuation
Jan	Red Sea Gateway Terminal	40%	Cosco Shipping Ports (20%) Public Investment Fund (20%)	MMC, Red Sea Port, others	280	9.2x EV/EBITDA
Feb	Dighi Port	100%	Adani Ports & SEZ	Balaji Infrastructure Project	97	n.a.
	Tianjin Container Terminal	34.99%	Cosco Shipping Ports	Tianjin Port Holdings	212.1	15.6x P/E.
Mar	Gangavaram Port	100%	Adani Ports & SEZ	Warburg Pincus, DVS Raju, govt	757.3	9.0x EV/EBITDA
Apr	Krishnapatnam Port	25%	Adani Ports & SEZ	Vishwasamudra	375.5	10.3x EV/EBITDA
	Tianjin Euroasia Terminal	30%	Tianjin Port Holdings	Cosco Shipping Ports	42.4	39.7x P/E
May	APMT Rotterdam	100%	Hutchison Ports	APM Terminals	n.a.	n.a.
Jul	Port of Barranquilla	78%	I-Squared Capital	Chilean Southern Cross	220	n.a.
Aug	Thessaloniki Port	4.85%	Belterra Investments	Public share tender	14.7	7.7x EV/EBITDA
	Ashcroft Terminal	25%	Canadian Tire	CrescentView Investments	40	n.a.
Sept	Hamburg Port CTT	35%	Cosco Shipping Ports	Hamburger Hafen Und Logistik	116	7.7x EV/EBITDA
	Ports America	90.6%	Canada Pension Plan	Oaktree Capital Management	4,000	n.a.
	Container Terminal Wilhelmshaven	30%	Hapag Lloyd	Eurogate	n.a.	n.a.
Oct	Euromax Terminal	35%	Navigator Investco	Cosco Shipping Ports	n.a.	n.a.
Nov	Fenix Marine Services	90%	CMA CGM	EQT Infrastructure	2,300	13.7x EV/EBITDA
	Carrix Inc	51%	Blackstone Infrastructure	Founding family stakes	2,500	n.a.
Dec	Bollere Africa Logistics	100%	MSC	Bollere SE	6,473.5	18.4x EV/EBITDA

- The 17 deals with a total disclosed value of \$17.4bn – more than doubled the \$7.7bn recorded in 2020 on 14 deals. The range of the transaction multiple EV/EBITDA increased to 7.7x – 18.4x, compared with 7.6x – 10.6x in the first pandemic year.
- In Nov 2021, the French shipping giant is repurchasing Fenix Marine Services, the terminal it divested when it built up cash for post-NOL acquisition. In the following month, MSC made a bid for Bollere Africa Logistics in purportedly the largest port deal of the year
- Meanwhile, Cosco Shipping Ports continues to expand in Europe, taking a 35% stake in CTT Hamburg – a major terminal in the heart of Europe
- **In 2021, the high-profile vertical acquisitions were PSA acquiring logistics provider, BDP International and Bollere buying freight forwarder OVRSEA, DP acquiring SA logistics company Imperial**

Thank You

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