

# Shaping the future

Analyst Presentation

25 October 2023



Storing vital products with care

# Forward-looking statement



Any statement, presentation or other information contained herein that relates to future events, goals or conditions is, or should be considered, a forward-looking statement.

Although Vopak believes these forward-looking statements are reasonable, based on the information available to Vopak on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on these forward-looking statements. Vopak's outlook does not represent a forecast or any expectation of future results or financial performance.

The actual future results, timing and scope of a forward-looking statement may vary subject to (amongst others) changes in laws and regulations including international treaties, political and foreign exchange developments, technical and/or operational capabilities and developments, environmental and physical risks, (energy) resources reasonably available for our operations, developments regarding the potential capital raising, exceptional income and expense items, changes in the overall economy and market in which we operate, including actions of competitors, preferences of customers, society and/or the overall mixture of services we provide and products we store and handle.

Vopak does not undertake to publicly update or revise any of these forward-looking statements.

All numbers in this presentation are excluding exceptional items, unless otherwise stated.

# Shaping the future

## Vopak Q3 2023 Results



**Dick Richelle**  
**CEO of Royal Vopak**



# Q3 2023 Key Highlights



>12%  
Operating cash return

EUR 1 billion  
Growth capex by 2030

EUR 1 billion  
Growth capex by 2030

**IMPROVE**  
performance of our  
portfolio

**GROW**  
our base in industrial  
& gas terminals

**ACCELERATE**  
towards new energies &  
sustainable feedstocks



EBITDA increased by EUR 76 million to EUR 735 million YTD, FY23 outlook increased.



Reached agreement on the sale of chemical terminals in Rotterdam.



Continued focus on sustainability improvements.



Solidifying our leading industrial terminal position in Singapore and China.



Working towards the last steps of completing the acquisition of 50% of the shares in EemsEnergy Terminal.



Gate terminal starts construction of 4<sup>th</sup> tank, to enhance gas supply security in Europe.



Commissioned repurposed existing infrastructure in the port of Los Angeles to store low-carbon fuels.



Collaborating on the pre-FEED for the development of a large-scale, low-carbon ammonia production and export project on the Houston Ship Channel.

# Solid market demand across our services

## Gas

## New energies & sustainable feedstocks

## Energy

## Manufacturing

### Market dynamics

- Relatively stable LNG markets with limited supply disruptions.
- LPG market as feedstock for crackers weak in Europe and Asia, strong demand for PDH units in Asia.

- High demand for low carbon fuels increases the need for waste-based feedstocks.
- Increasing demand for infrastructure that supports low carbon solutions.

- Oil markets continued to be volatile resulting extended OPEC+ cuts and geopolitical tensions.
- Oil supply deficit resulted in highest Brent prices in nearly a year.

- Manufacturing markets remain oversupplied and declining margins and operating rates.
- The products of feedstock and energy favored regions are being pushed into global markets.

### Vopak impact

- LNG infrastructure in North West Europe remains in high demand driven by long-term contracts.
- Other LNG and LPG terminals performing their role in local energy systems.

- Conversion of Fuel oil capacity SAF storage completed in Los Angeles.
- Demand for infrastructure for biofuels increasing across the world, currently stored at 30% of our terminals globally.

- Market dynamics supporting storage demand.
- Fuel distribution terminals remain stable and benefit from growing local demand.

- High imports support European chemical storage demand.
- The demand for storage is supported by market dynamics and remains stable.





# Improve portfolio performance

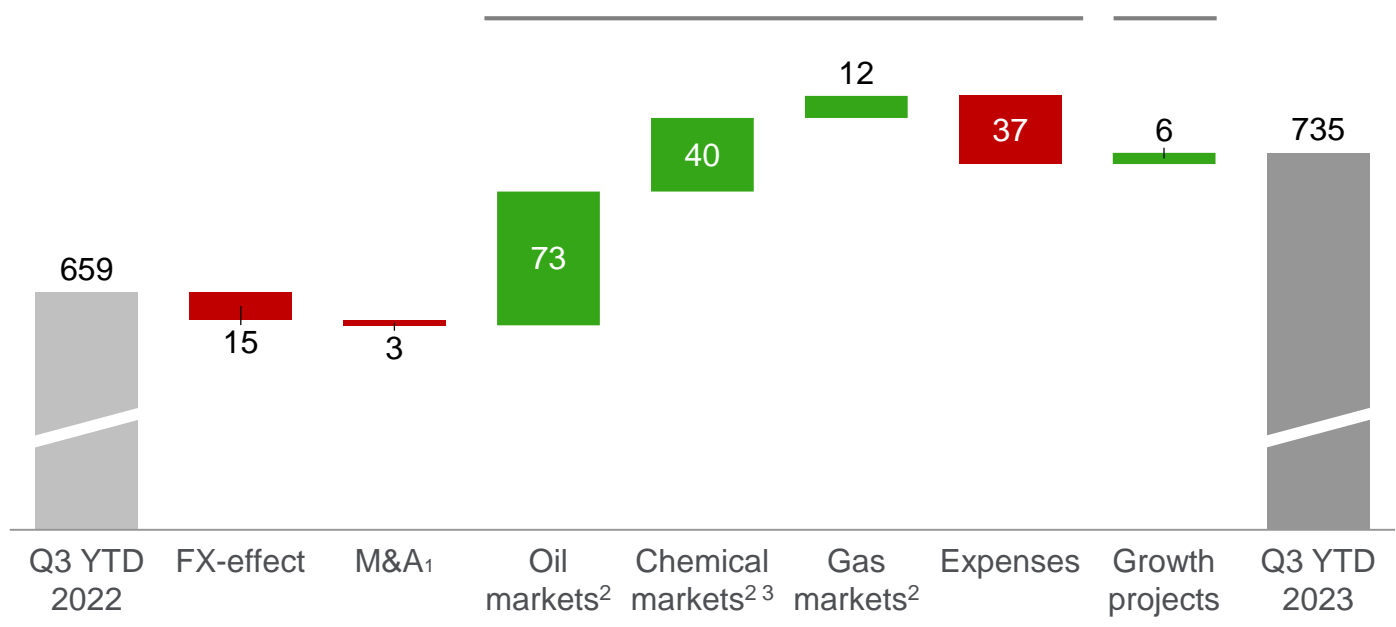


Improve  
+88 EUR mln.



Grow

## EBITDA In EUR million



## EBITDA performance

- EBITDA of EUR 735 million YTD Q3 2023, supported by improved market conditions
- Continued improved performance of oil and chemicals market
- Gas continue to perform well in normalized market
- Mainly energy and labor costs increased compared to YTD Q3 2022

1 M&A is net of divestments (Savannah) and acquisitions (e.g. Aegis).  
 2 Oil, chemical and gas markets represents revenues and result joint ventures.  
 3 Chemical markets include industrial performance.



# Growing our core in Industrial and Gas terminals



## Expanding in LNG in the Netherlands to enhance security of supply in North West Europe

### Gate Terminal

Start construction of 4<sup>th</sup> tank, supporting energy security in North West Europe. The first Dutch LNG import terminal, operational since 2011.

### EemsEnergy Terminal

Expect to finalize acquisition by the end of 2023. Floating LNG terminal is operational since September 2022.



Growing capacity with 40% by adding 12 bcma

Backed by long-term take or pay commercial agreements

LNG terminals with New Energy potential on the long term

## Solidifying our leading position in the Industrial clusters of Singapore

### Banyan, Singapore

- Creating a long-term industrial integration between Banyan terminal and an existing customer via repurposing and building new pipeline connections
- Repurposing at Sebarok terminal 40k cbm capacity to biofuel capacity as well as modifying the existing jetty system to convert it to a dedicated bio-fuel service







# Accelerating in new energies and sustainable feedstocks



## 4 focus areas



Hydrogen



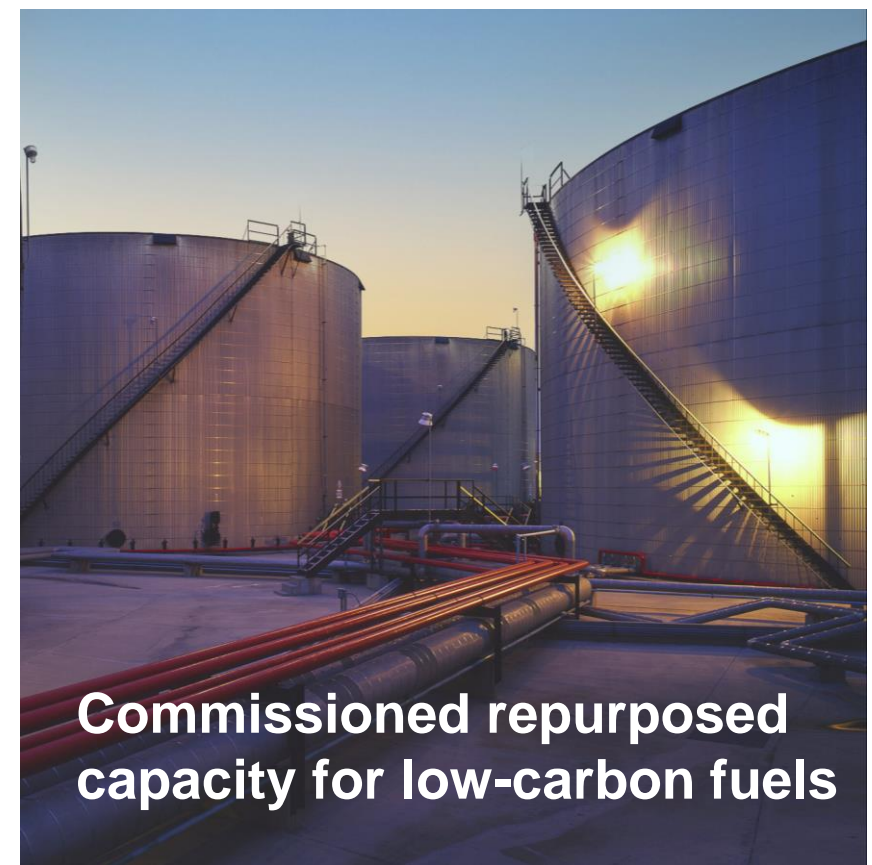
Low carbon fuels and feedstocks



CO<sub>2</sub> infrastructure



Long duration energy storage





## Q3 2023 Key Highlights

>12%  
Operating cash return

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Growth capex by 2030

**IMPROVE**  
performance of our  
portfolio

**GROW**  
our base in industrial  
& gas terminals

**ACCELERATE**  
towards new energies &  
sustainable feedstocks

*“We continued to make good progress on our strategy to improve our financial and sustainability performance, to grow our base in industrial and gas terminals, and to accelerate towards new energies and sustainable feedstocks.”*

# Shaping the future

## Vopak Q3 2023 Results



**Michiel Gilsing**  
**CFO of Royal Vopak**



# Financial focus areas



Improved financial  
business performance



Strong  
cash flow generation



Solid  
balance sheet



Capital  
allocation

**Improve performance of the portfolio**



# Delivering on performance improvement

## Year to date 2023



Revenue	
EUR 1,073 m.	+6%

EBITDA	
EUR 735 m.	+12%

Proportional occupancy	
91%	+4 %p.

Operating Cash Return	
14.4%	+3.1 %p.

Growth capital expenditures <sup>1</sup>	
EUR 188 m.	-82m

Total net debt to EBITDA	
2.27x	-0.75x

All numbers represent YTD Q3 2023 results and % change represent YTD Q3 2023 vs YTD Q3 2022 change  
 1. Growth investments exclude any net cash compensation received.

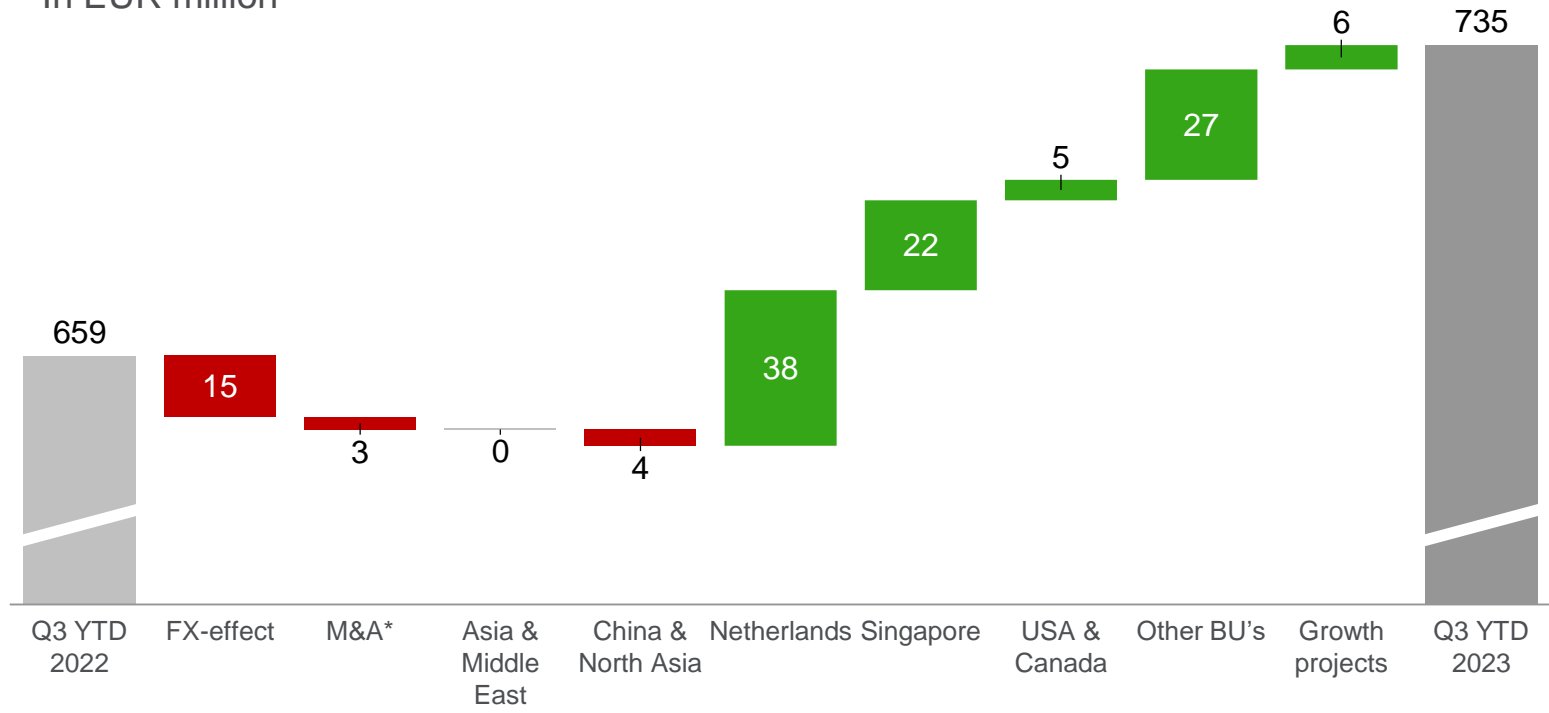




# EBITDA performance driven by organic growth across most business units



## EBITDA In EUR million



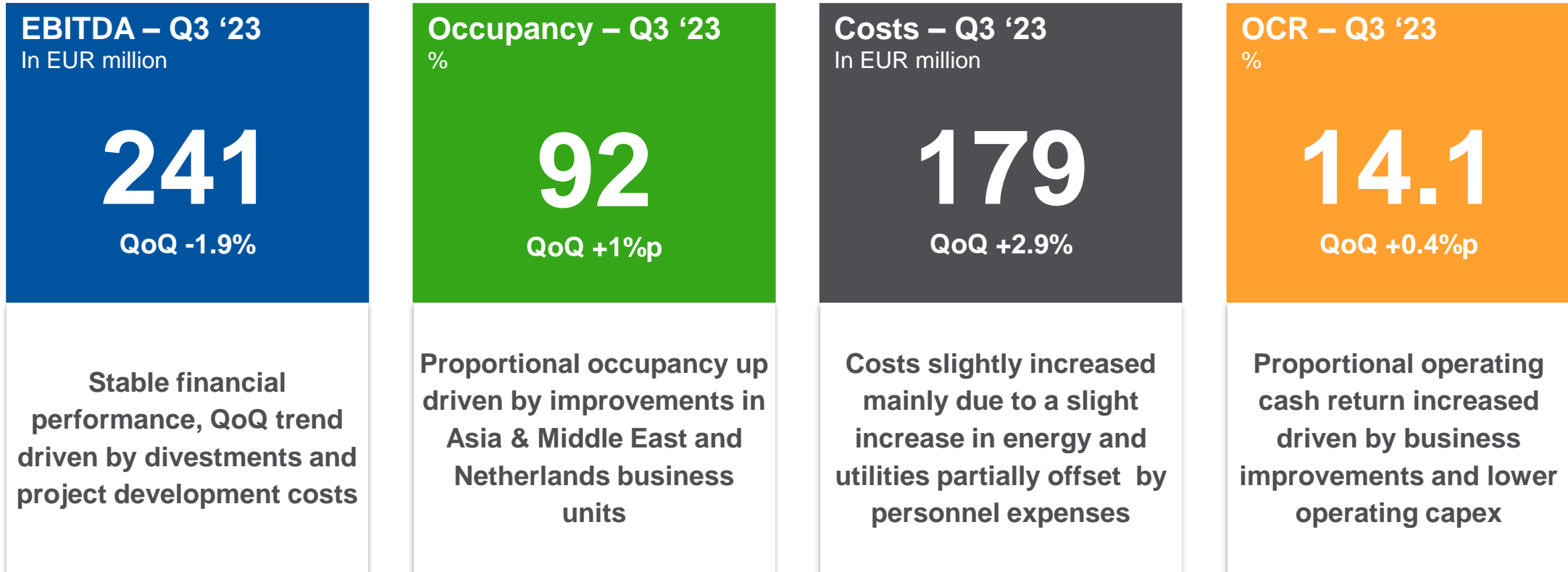
## EBITDA performance

- EBITDA performance driven by growth in most of the Business Units due to favorable storage market developments, partly offset by negative currency effects.
- In Singapore and the Netherlands, the performance improved due to favorable market developments in both oil and chemicals.
- Growth in the other BU's well spread across all Business Units.

\* M&A is net of positive contribution mainly from Aegis acquisitions and negative impact of divestments being Savannah.



# Q3 2023 Key messages



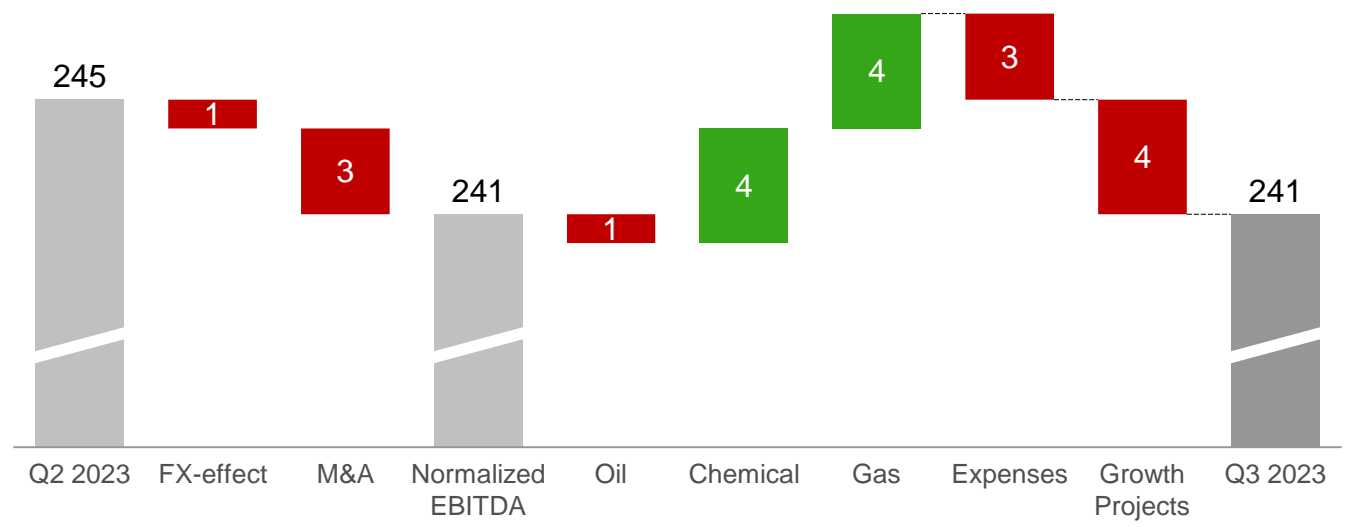




# Improving trend on market dynamics quarter on quarter



## EBITDA In EUR million



## EBITDA performance

- Normalized EBITDA impacted by divestment of Savannah
- Underlying markets still strong quarter over quarter, especially in chemicals and gas, oil markets stable
- Project development cost in Canada and Belgium had negative impact on EBITDA this quarter of EUR 4 million

1 M&A is net of divestments (Savannah) and acquisitions (e.g. Aegis).  
 2 Oil, chemical and gas markets represents revenues and result joint ventures.  
 3 Chemical markets include industrial performance.

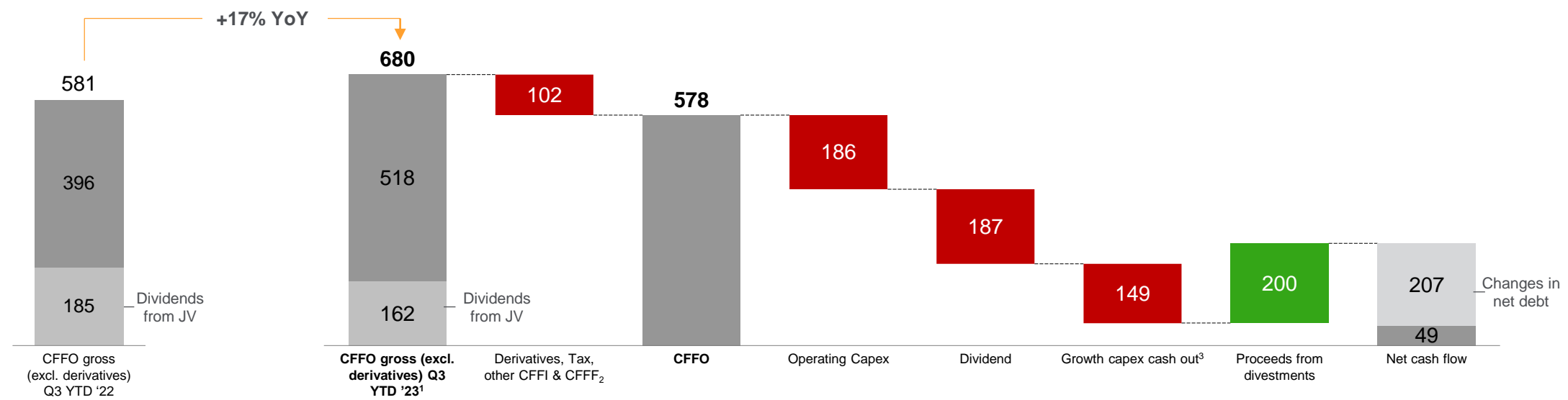


# Strong cash flow generation



## Cash flow overview

In EUR million



**Cash flow generation funding growth investments and keeping leverage below the range**

<sup>1</sup> CFFO (gross) is defined as EBITDA including exceptional items, impairment(s), dividends received from JV, derivatives and working capital movements and other.  
<sup>2</sup> CFFF is excluding dividends and changes in debt.  
<sup>3</sup> Growth investments include net cash compensation received.





# Reached agreement on the sale of chemical terminals in Rotterdam



- Decreasing exposure to chemical distribution segment with divestment of 3 chemical terminals in Rotterdam
- Reverse impairment of around EUR 54 million and net proceeds of around EUR 368 million
- Expected close by end of 2023

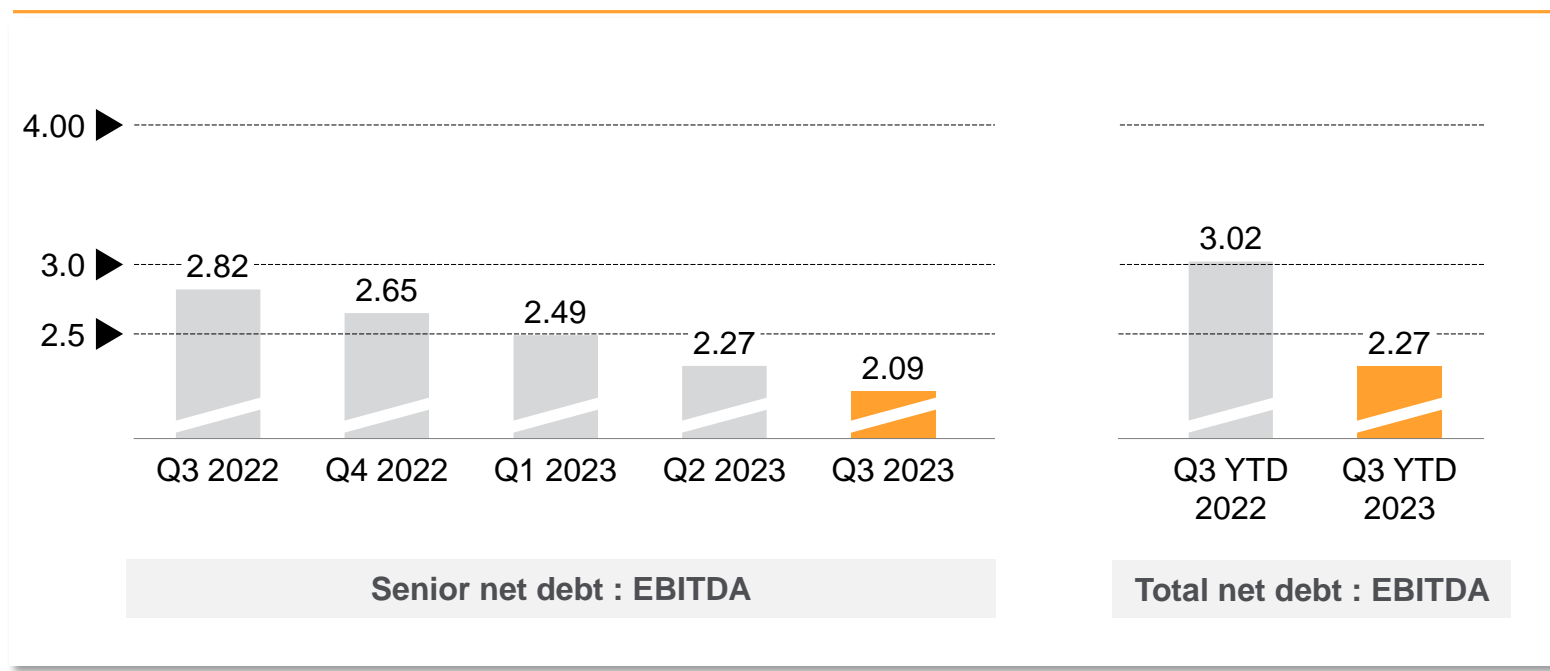




# Solid balance sheet allows us to execute our strategy



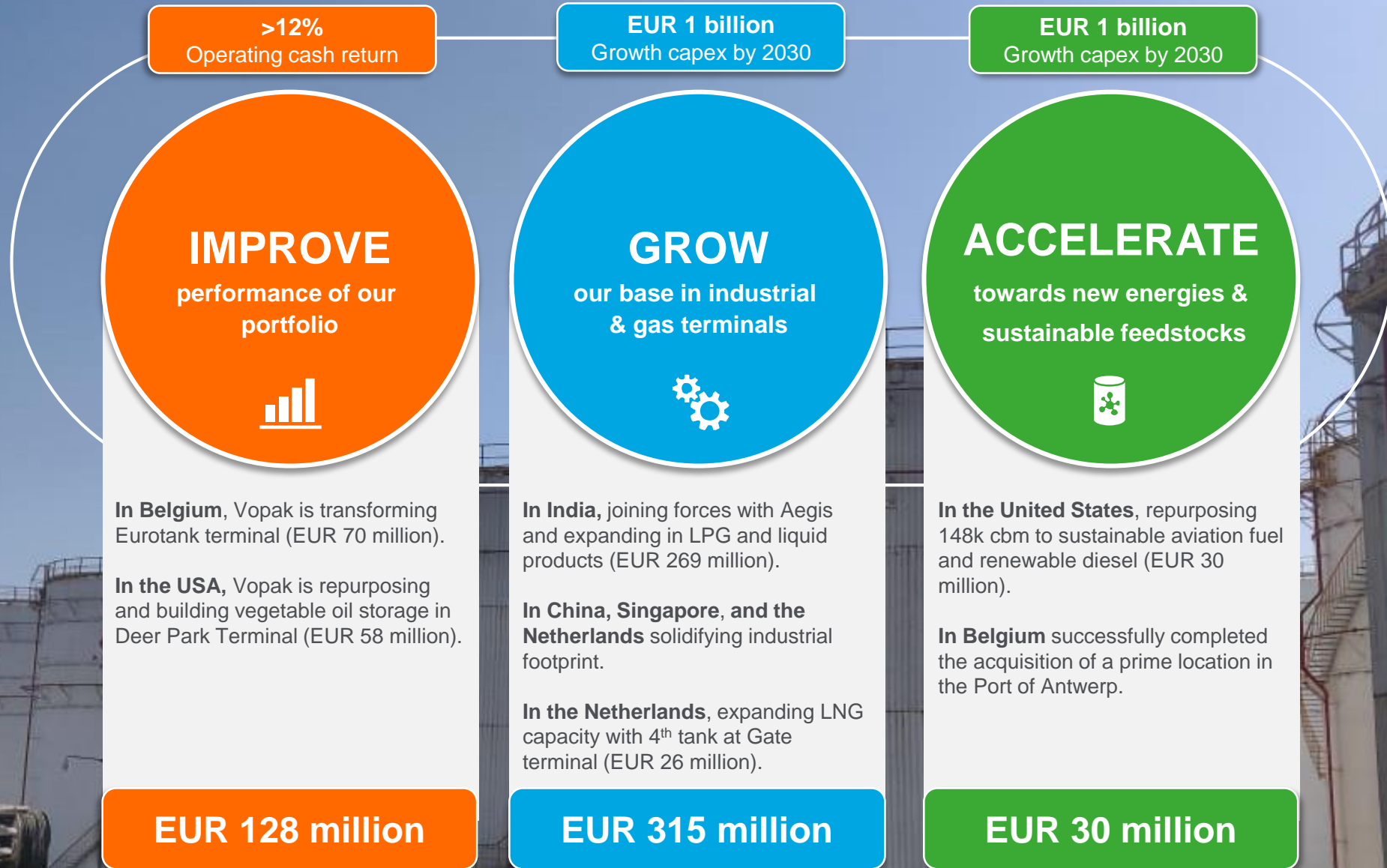
Maintain a healthy leverage ratio with a range of around 2.5-3.0x net debt to reported EBITDA







# Capital allocation supporting strategy execution





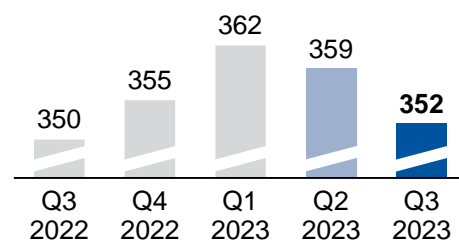
# Improved performance across all indicators



Reported

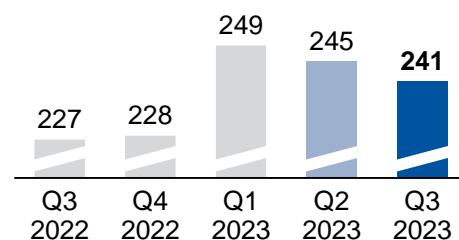
## Reported Revenue

In EUR million



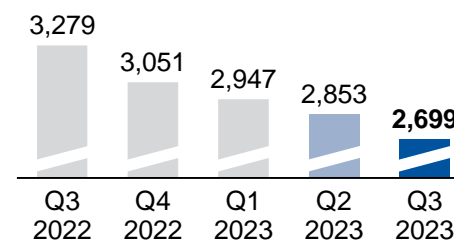
## EBITDA

In EUR million



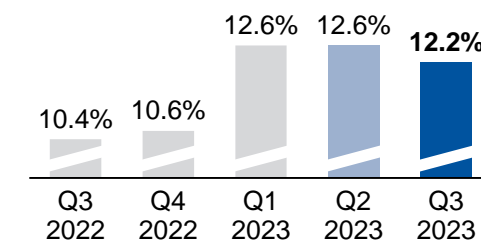
## Net interest-bearing debt

In EUR million



## ROCE

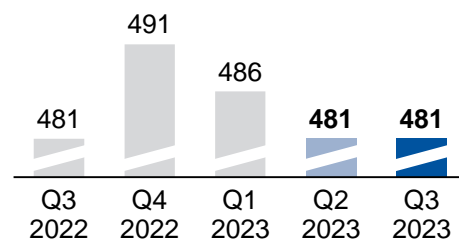
In %



Proportional

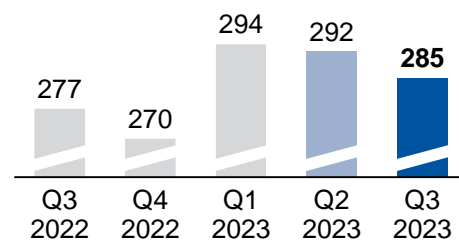
## Proportional Revenue

In EUR million



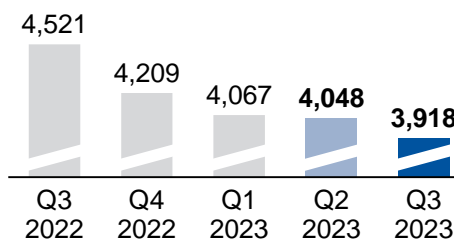
## Proportional EBITDA

In EUR million



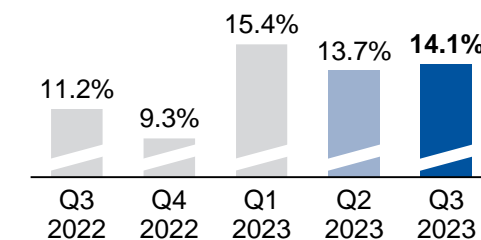
## Proportional net interest-bearing debt

In EUR million



## Proportional Operating Cash Return

In %



Net interest-bearing debt includes the leases



# Increased FY 2023 outlook



## Short-term outlook

**EBITDA**

For FY 2023 reported EBITDA is expected to be around EUR 970 million (from prior outlook of above EUR 950 million)

**Proportional EBITDA**

For FY 2023 is expected to be around EUR 1,160 million (from prior outlook of above EUR 1,140 million)

**Consolidated operating capex**

For FY 2023 is expected to be maximum EUR 280 million (from prior outlook of maximum EUR 300 million)

**Consolidated growth capex**

For FY 2023 is expected to be around EUR 275 million (from prior outlook of around EUR 300 million)

**Operating cash return**

For FY 2023 is expected to be above 13% (from prior outlook of above 12%)

## Long-term outlook

**Operating cash return**

Maintain an operating cash return of above 12%

**Consolidated growth capex**

Vopak's long-term commitment is to invest EUR 1 billion in industrial and gas terminals by 2030 and EUR 1 billion in new energies and sustainable feedstocks

**Leverage**

Maintain a healthy leverage ratio with a range of around 2.5-3.0x going forward

**Dividend policy**

Progressive dividend policy aiming to maintain or grow our annual dividend subject to market conditions

Note: proportional Operating Cash Return is defined as proportional operating cash flow divided by average proportional capital employed. Proportional operating cash flow is defined as proportional EBITDA minus IFRS 16 lessee depreciation/interest) minus proportional operating capex. From 2022, onwards IFRS 16 lessor (gross customer receipts minus interest income) has been adjusted. Proportional operating capex is defined as sustaining and service capex plus IT capex. Proportional operating cash flow is pre-tax, excludes growth capex derivative movements and working capital movements. Proportional Capital employed is defined as proportional total assets excluding assets and current liabilities not related to operational activities, excluding IFRS 16 lessee (gross lease payment)

# Shaping the future



## Appendix



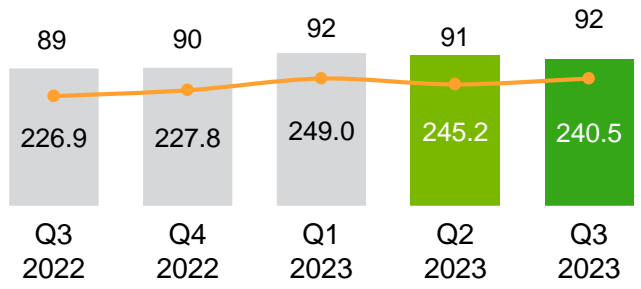


# Well diversified infrastructure portfolio

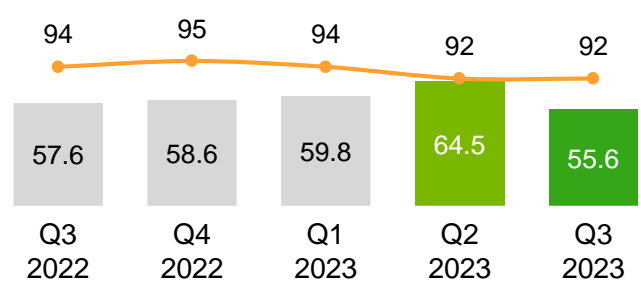
## Divisions



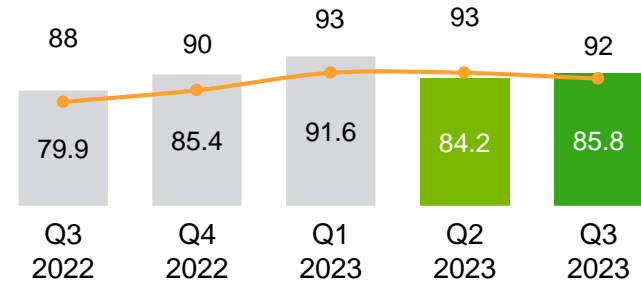
### Vopak



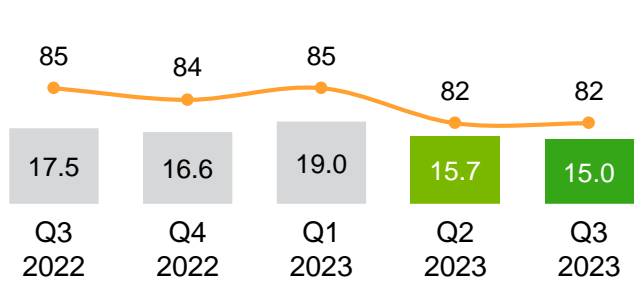
### Americas



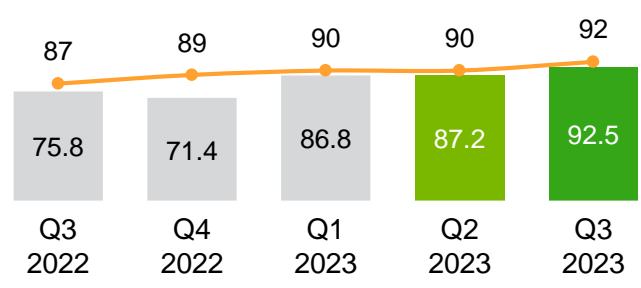
### Asia & Middle East



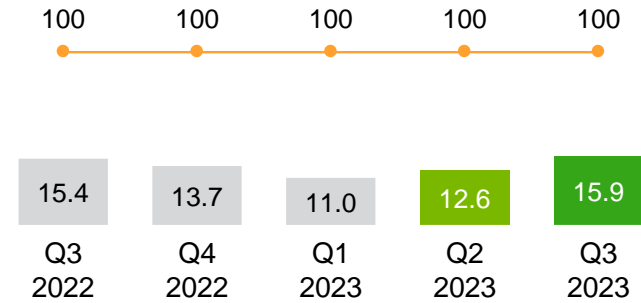
### China & North Asia



### Europe & Africa



### New Energy & LNG



Proportional occupancy rate (in percent)

Reported EBITDA (in EUR million), excluding company-wide cost allocations, including net result from joint ventures and associates and currency effects

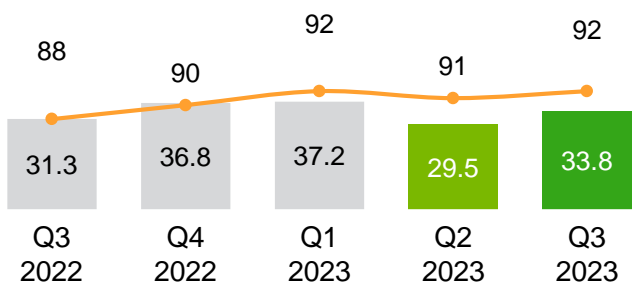


# Well diversified infrastructure portfolio

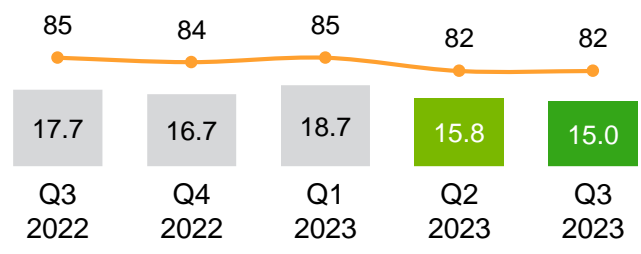
## Business Units



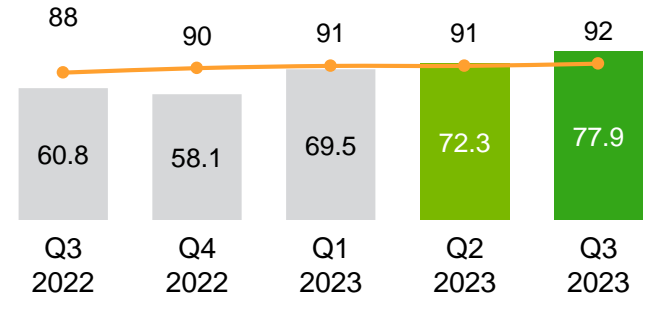
### Asia & Middle East



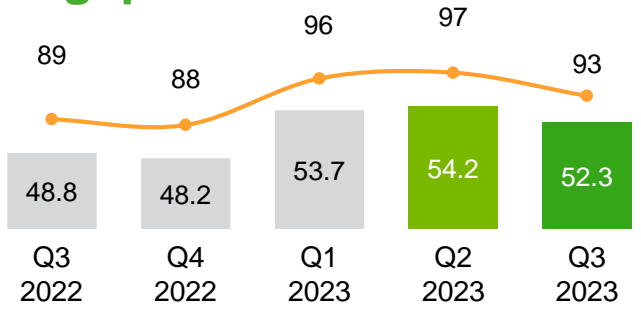
### China & North Asia



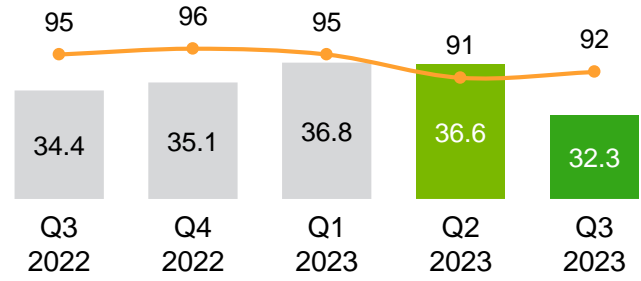
### Netherlands



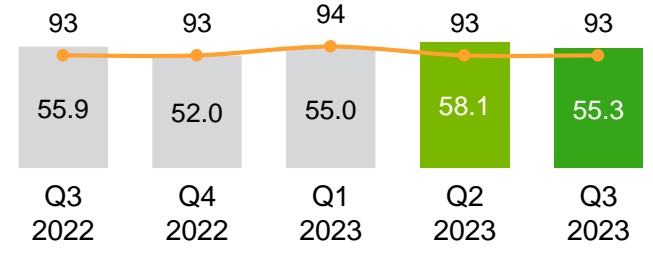
### Singapore



### USA & Canada



### Other Business Units



Proportional occupancy rate (in percent)

Reported EBITDA (in EUR million), excluding company-wide cost allocations, including net result from joint ventures and associates and currency effects

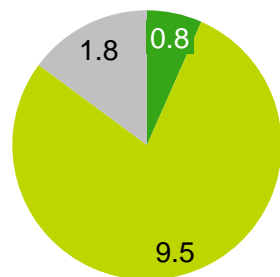


# Asia & Middle East developments



## Storage capacity

In million cbm

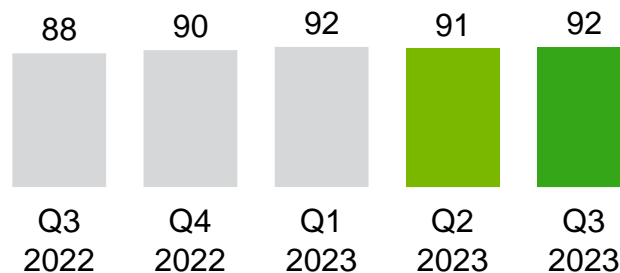


Q3 2023  
12.1 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

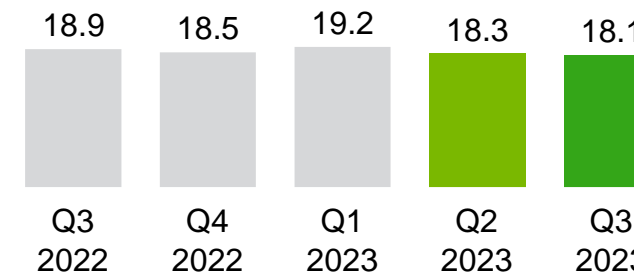
## Proportional occupancy rate

In percent



## Revenues\*

In EUR million

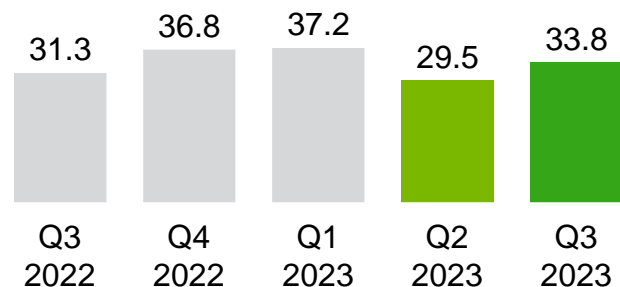


## 25 Terminals (8 countries)



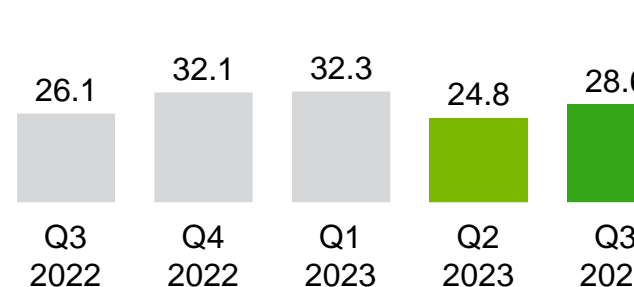
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



\* Subsidiaries only

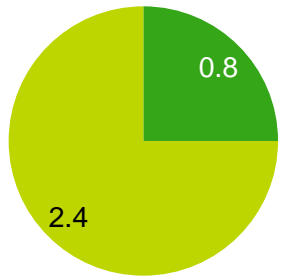
\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

# China & North Asia developments



## Storage capacity

In million cbm

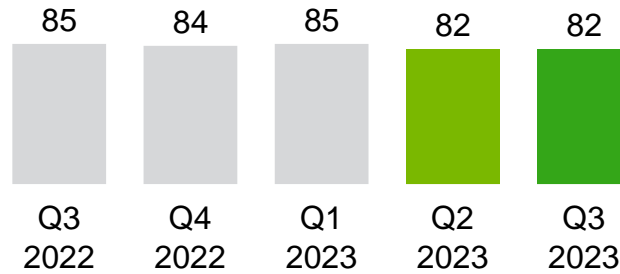


Q3 2023  
3.2 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

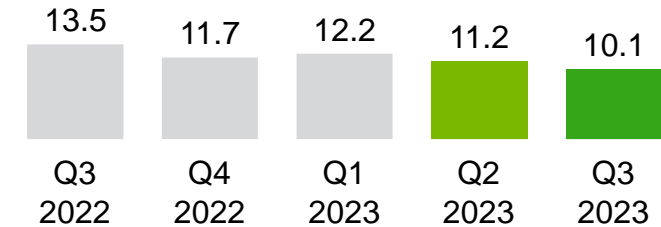
## Proportional occupancy rate

In percent



## Revenues\*

In EUR million

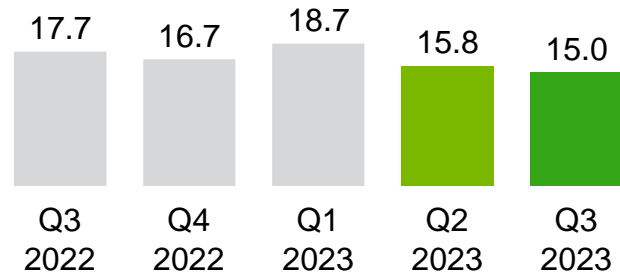


## 9 Terminals (3 countries)



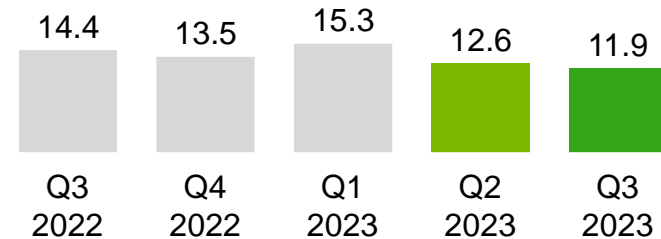
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



\* Subsidiaries only

\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

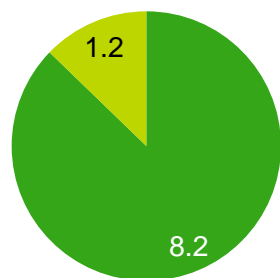


# Netherlands developments



## Storage capacity

In million cbm

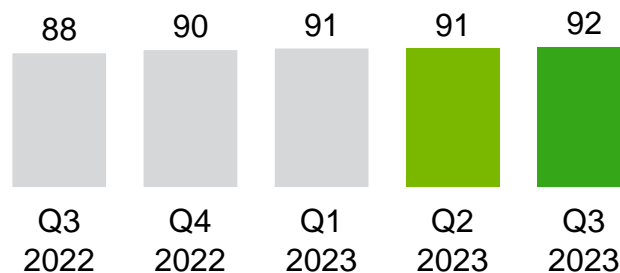


Q3 2023  
9.4 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

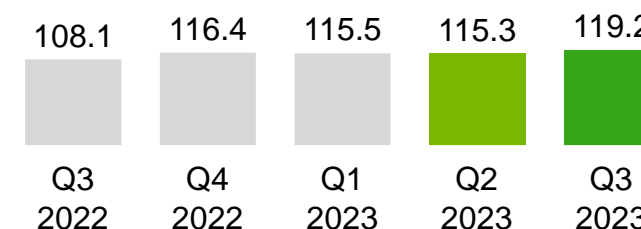
## Proportional occupancy rate

In percent



## Revenues\*

In EUR million

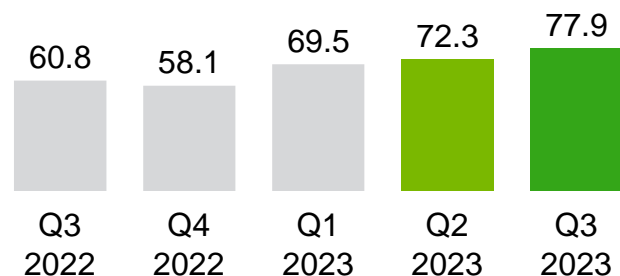


## 10 Terminals (1 country)



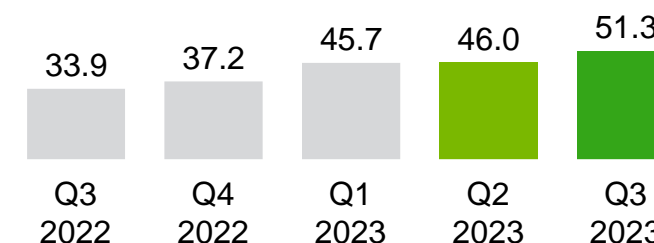
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



\* Subsidiaries only

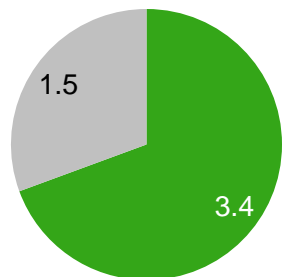
\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

# Singapore developments



## Storage capacity

In million cbm

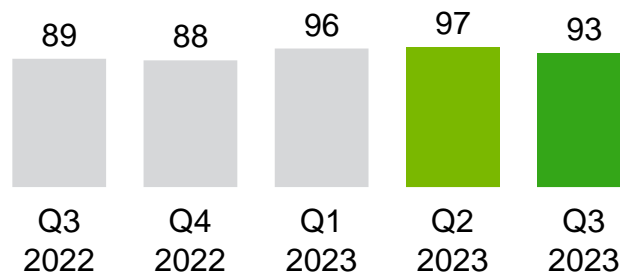


Q3 2023  
4.9 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

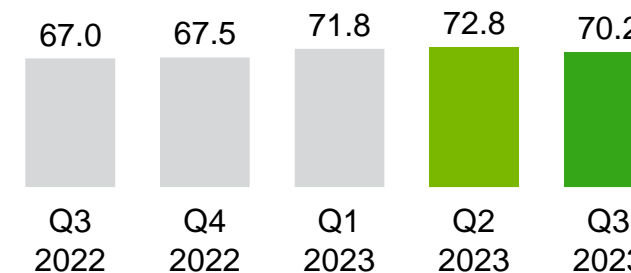
## Proportional occupancy rate

In percent



## Revenues\*

In EUR million

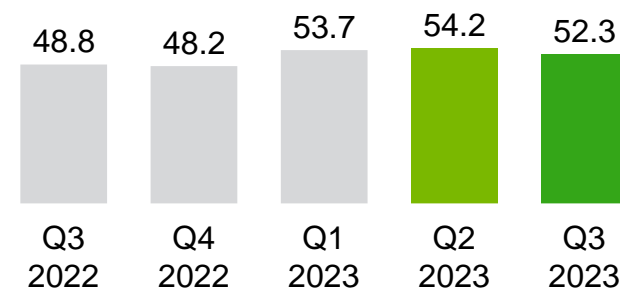


## 5 Terminals (1 country)



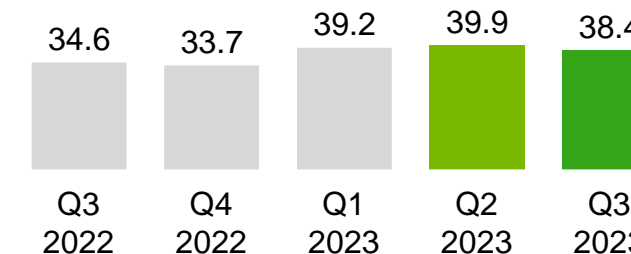
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



\* Subsidiaries only

\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

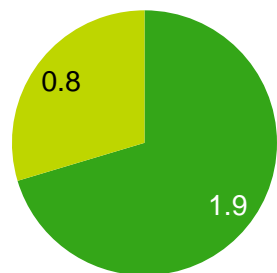


# USA & Canada developments



## Storage capacity

In million cbm

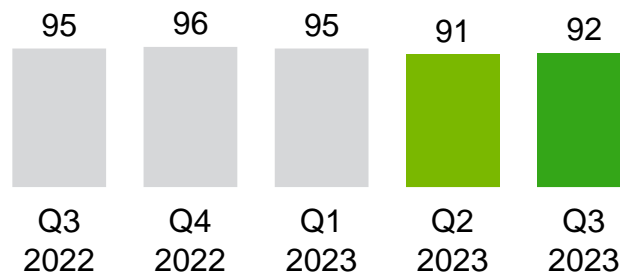


Q3 2023  
2.7 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

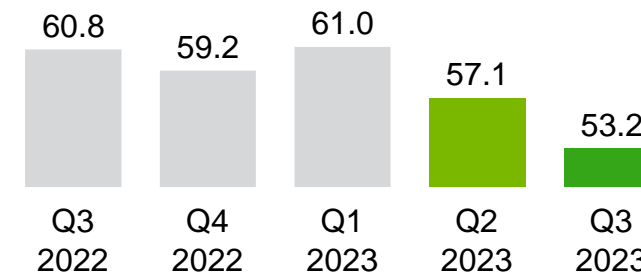
## Proportional occupancy rate

In percent



## Revenues\*

In EUR million

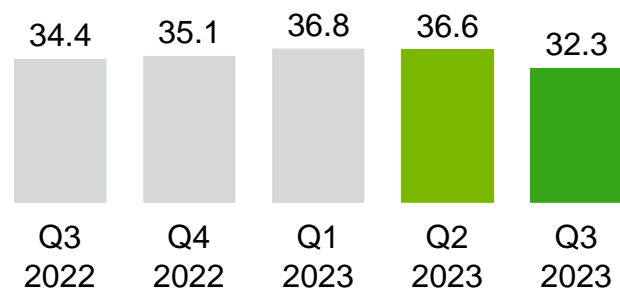


## 9 Terminals (2 countries)



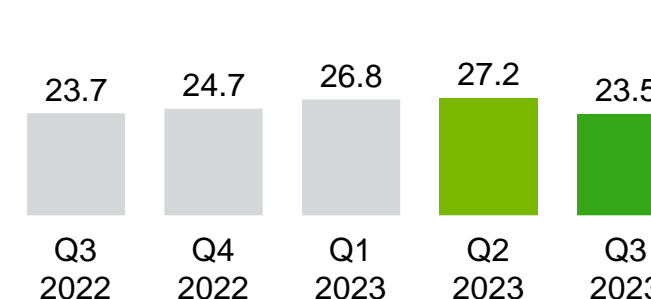
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



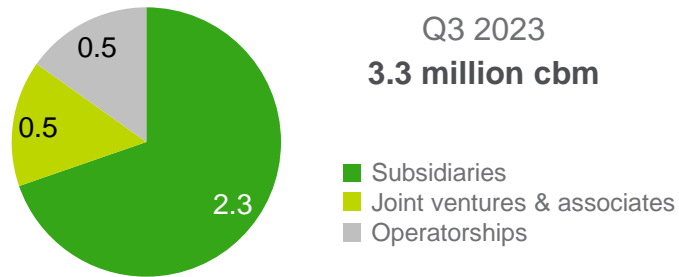
\* Subsidiaries only

\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

# Other Business Units developments



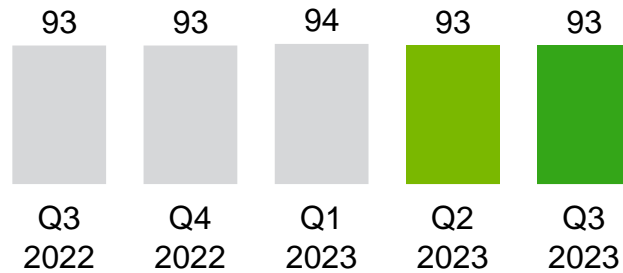
## Storage capacity In million cbm



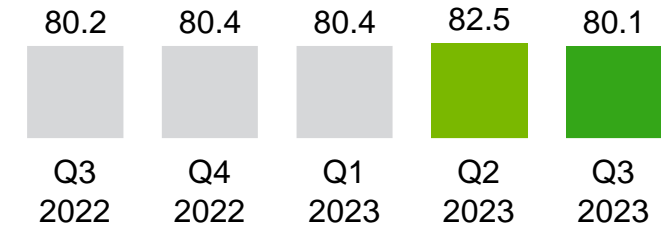
## 16 Terminals (6 countries)



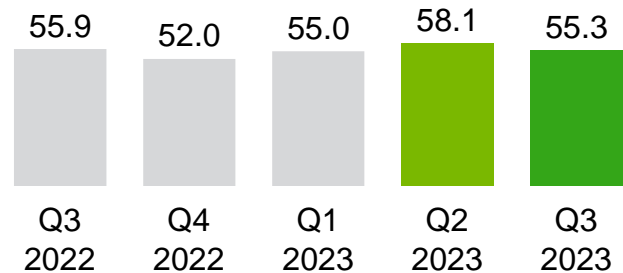
## Proportional occupancy rate In percent



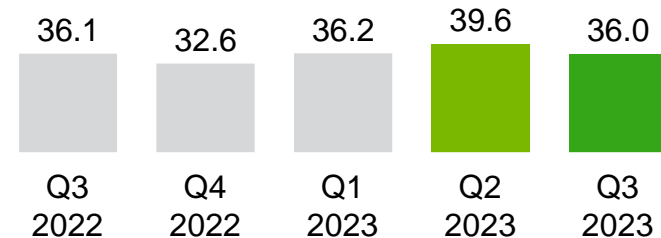
## Revenues\* In EUR million



## EBITDA\*\* In EUR million



## EBIT\*\* In EUR million



\* Subsidiaries only

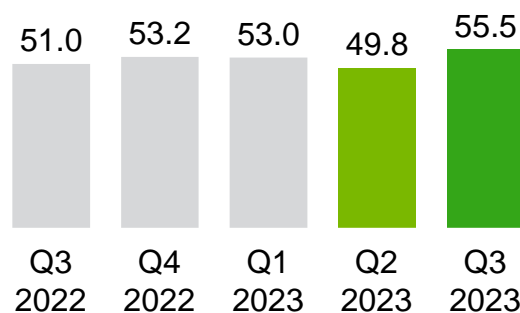
\*\* EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items and company-wide cost allocations

# JVs & associates developments\*



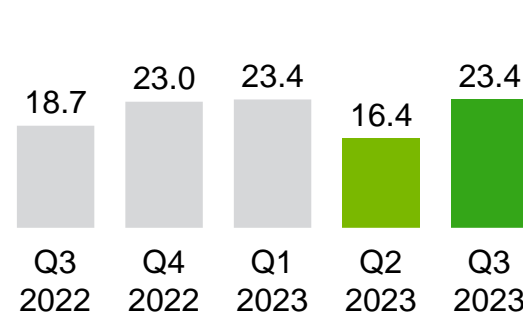
## Net result JVs and associates

In EUR million



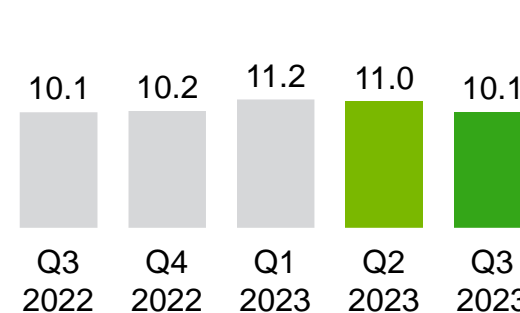
## Net result Asia & Middle East

In EUR million



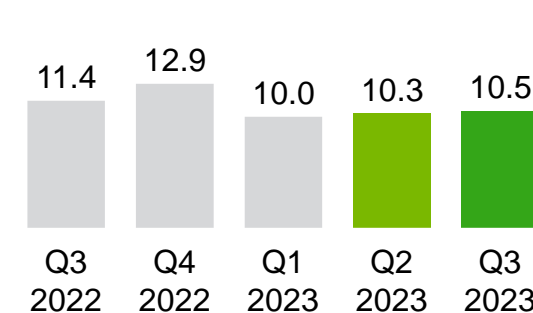
## Net result China & North Asia

In EUR million



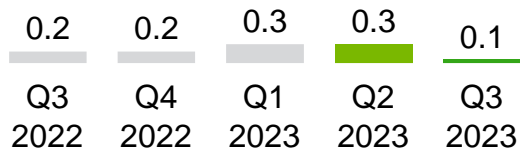
## Net result Netherlands

In EUR million



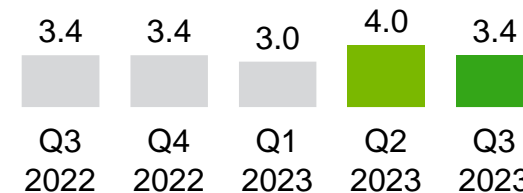
## Net result Singapore

In EUR million



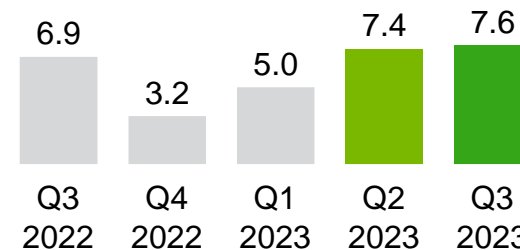
## Net result USA & Canada

In EUR million



## Net result Other Business Units

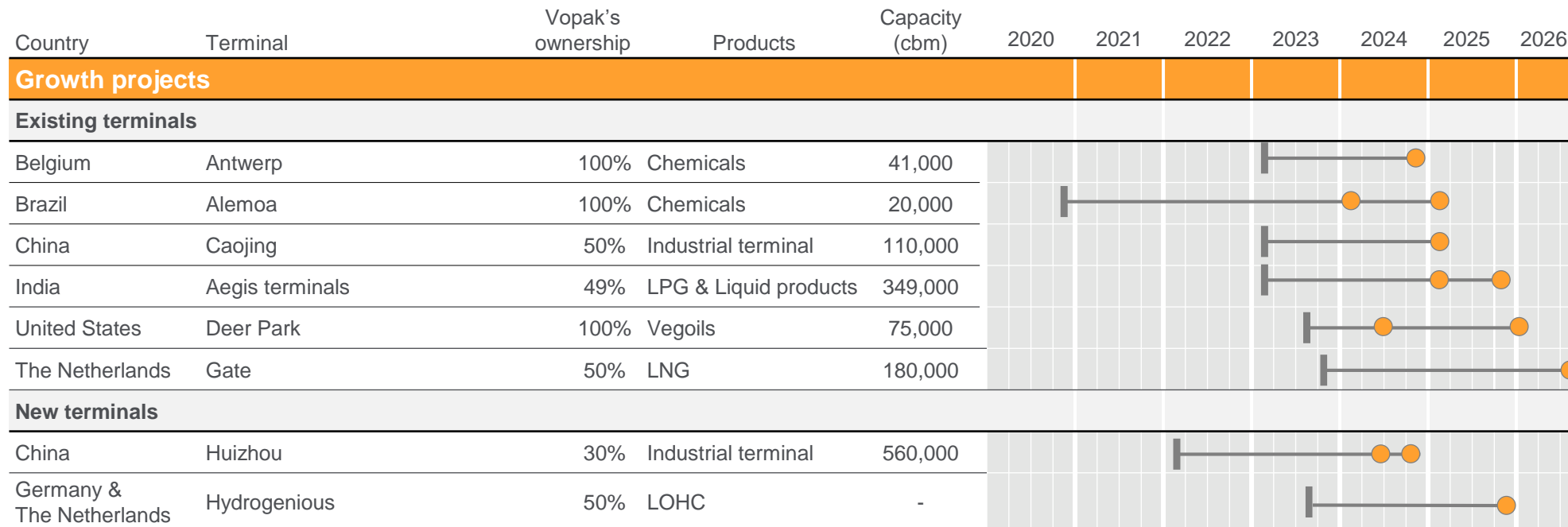
In EUR million



\* Excluding exceptional items



# Project timelines



start construction  
 expected to be commissioned

Indicative overview, timing may change due to project delays

# Well spread maturity profile

## Q3 Debt repayment schedule

In EUR million

