

# Storing vital products with care



6 November 2020

## Vopak Interim Update Q3 2020 – Analyst Presentation

Gerard Paulides – CFO of Royal Vopak



# Forward-looking statement



This presentation contains 'forward-looking statements', based on currently available plans and forecasts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and Vopak cannot guarantee the accuracy and completeness of forward-looking statements.

These risks and uncertainties include, but are not limited to, factors affecting the realization of ambitions and financial expectations, developments regarding the potential capital raising, exceptional income and expense items, operational developments and trading conditions, economic, political and foreign exchange developments and changes to IFRS reporting rules.

Vopak's outlook does not represent a forecast or any expectation of future results or financial performance.

Statements of a forward-looking nature issued by the company must always be assessed in the context of the events, risks and uncertainties of the markets and environments in which Vopak operates. These factors could lead to actual results being materially different from those expected, and Vopak does not undertake to publicly update or revise any of these forward-looking statements.

# YTD Q3 2020 key messages



- Continued good financial performance and improved occupancy rates
- Cost efficiency measures are progressing well and tracking below our revised target of EUR 600 million for the year
- Executing of our strategy with Dow acquisition in industrial terminals
- Continued growth investments in 2020 and 2021



\* Including net result from joint ventures and associates and excluding exceptional items

# Q3 2020 COVID-19 update

- We are in control and our governance structures are functioning well
- We will manage this crisis to the best of our ability to ensure we protect our people and support society by storing vital products with care
- All terminals are operational to serve our customers. If and where possible, we do not procrastinate and keep an attitude of business as usual
- We continuously monitor the developments and remain alert

## China & North Asia

Operations in this region are well under control and most terminal operations are back to normal. Terminals in China, Korea and Vietnam are still taking necessary safety measures including temperature checks and wearing facial masks

## Asia & Middle East

Region with many countries, each at various stages of restrictions and border controls. Malaysia has increased measures during a new wave; India & Indonesia continue to deal with containing the virus; Thailand and Australia have gone back to working normal shifts

## Europe & Africa

New COVID-19 measures were recently announced in Europe as numbers of cases have increased. Key operational staff is working in the terminals. Others are working from home as much as possible; In South Africa, operators are back to working normal shifts

## Americas

Situation varies across North and South Americas with terminals still working in shifts and maintaining COVID-19 measures. The US division office is open again with staff working in shifts on a voluntary basis



# Business environment update

Long-term sustainable portfolio, well positioned for opportunities



## Chemicals



### Stable storage, reduced throughput

- Different demand patterns for durable and non-durable products
- Slight volume improvement in key end-markets including automotive and construction during the quarter

## Oil products



### Benefit from contango continues

- Oil hubs: contango impact oil markets slowed down during the quarter
- Fuel oil: IMO capacity rented out
- Import-distribution markets: resilient throughputs levels

## Gas



### Resilient infrastructure demand

- Oversupplied LNG market makes regasification essential, Vopak is well positioned across the globe
- Sharp rebound in naphtha prices bring back LPG cracking appeal

## New energies



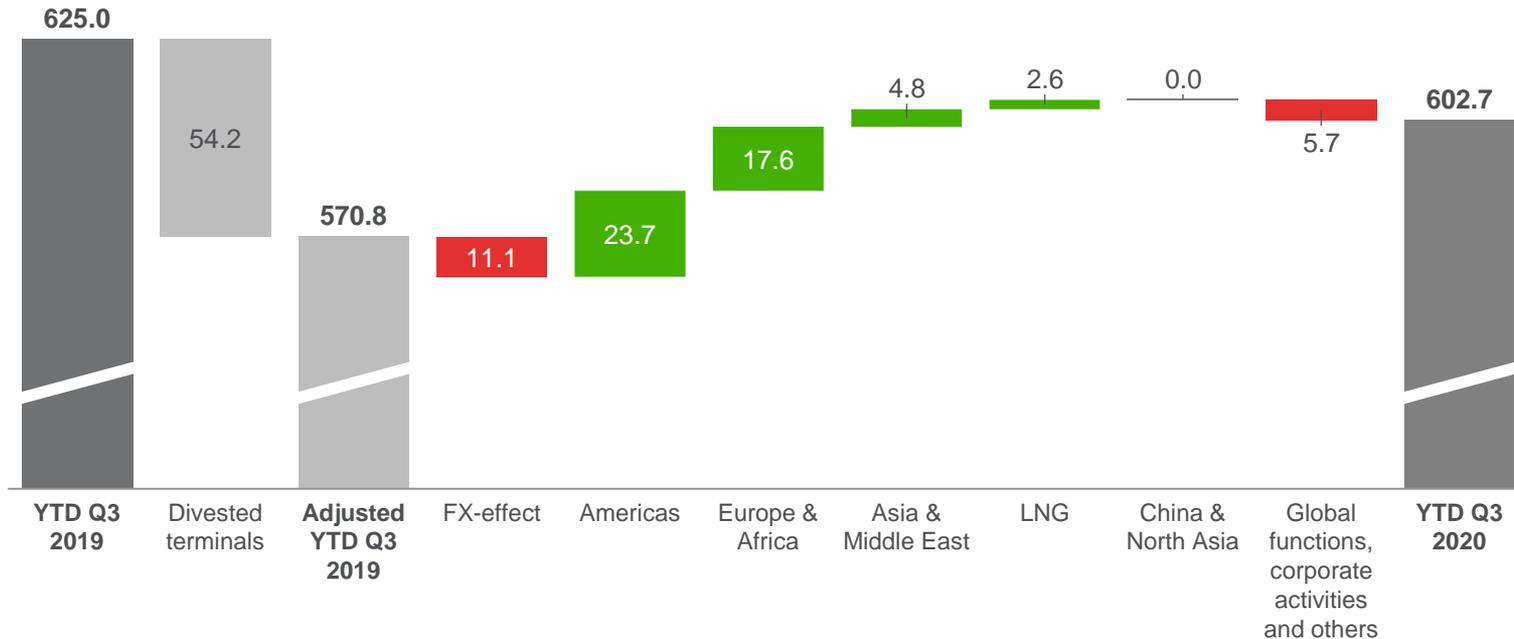
### Momentum in opportunities

- Significant global growth in renewable energies
- Exploring hydrogen and ammonia possibilities with our partners

# YTD Q3 2020 vs YTD Q3 2019 EBITDA



EBITDA - post divestments - increased by EUR 32 million reflecting resilient business performance including currency headwinds of EUR 11 million



# Divisional performance



Europe & Africa reflect strong oil storage and lower out-of-service; Americas and Asia & Middle East temporary lower chemical throughput; China strong demand

## Americas



## Asia & Middle East



## China & North Asia



## Europe & Africa



## LNG

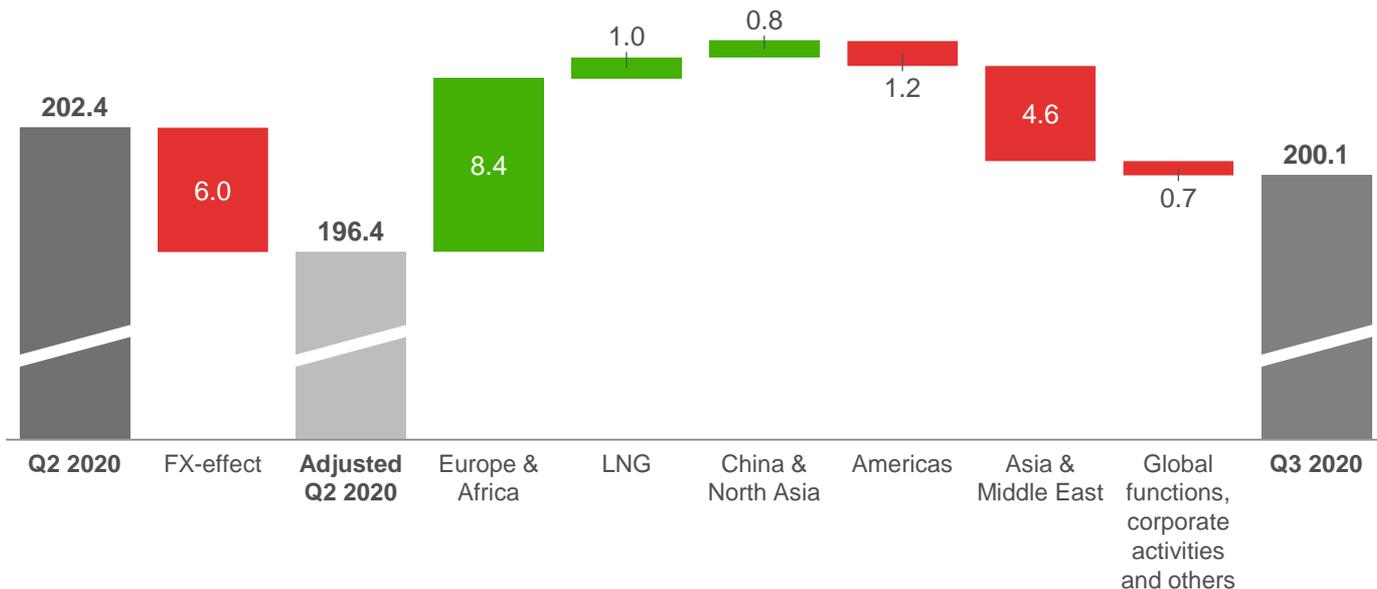


 Occupancy rate (in percent) for subsidiaries only, with the exception of LNG  
 EBITDA (in EUR million) excluding exceptional items and including net result from joint ventures and associates and currency effects

# Q3 2020 vs Q2 2020 EBITDA



Resilient business performance despite EUR 6 million negative FX effects and cost phasing

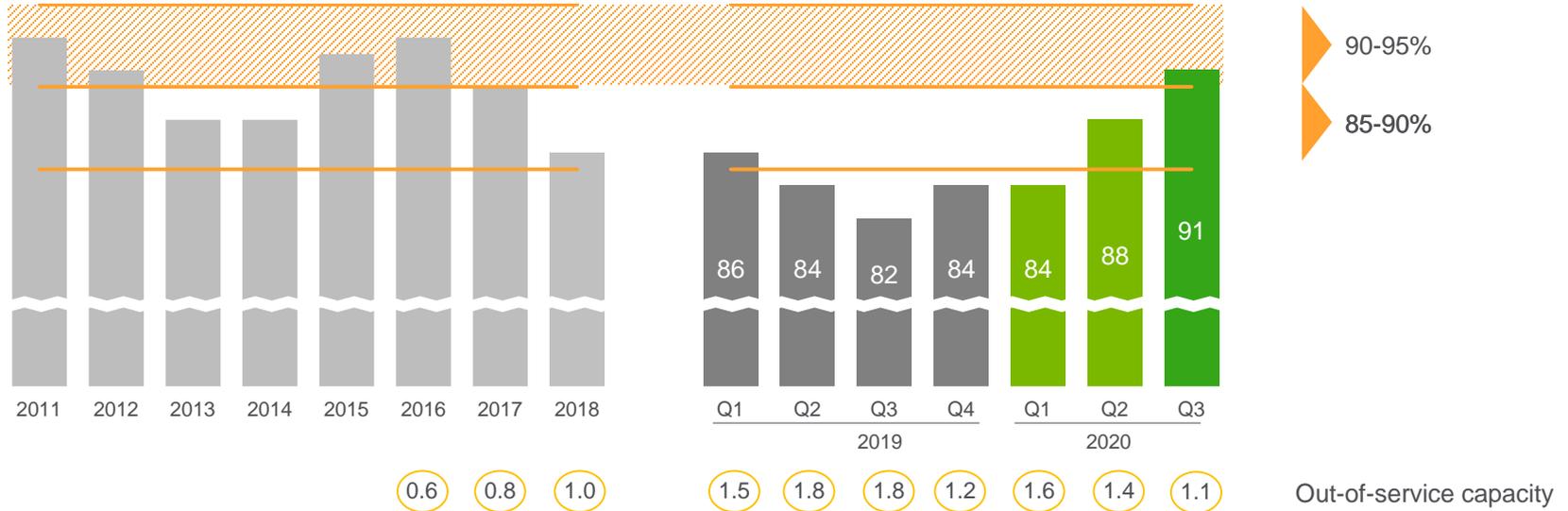


# Occupancy rate developments

Occupancy rate continued to trend up following support from oil storage demand  
 Out-of-service capacity reduced, though work restrictions continued in Singapore

## Subsidiary occupancy rate and out-of-service capacity

In percent



■ Occupancy rate (in percent) for subsidiaries only  
○ Out-of-service capacity (in million cbm) for subsidiaries only, not corrected for divestments

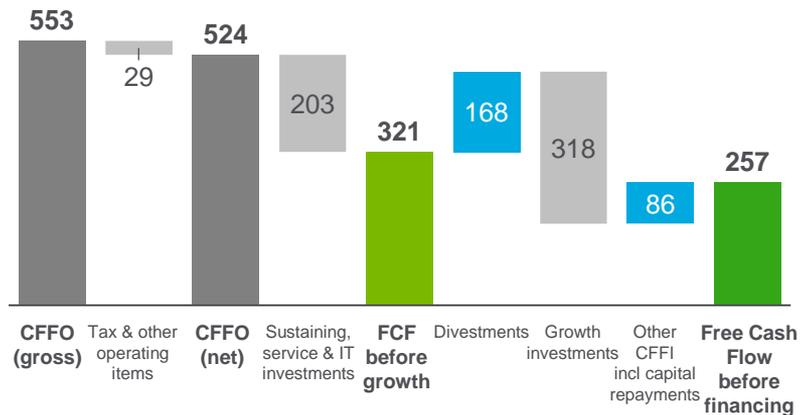
# Cash flow overview



Continued investments in growth; cash momentum supported by divestment proceeds and capital repayment

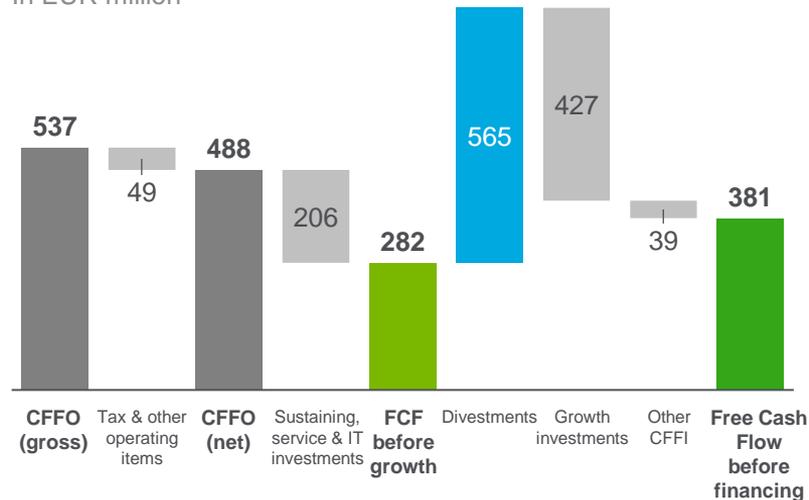
## YTD Q3 2020

In EUR million



## YTD Q3 2019

In EUR million



# Q3 Portfolio highlights

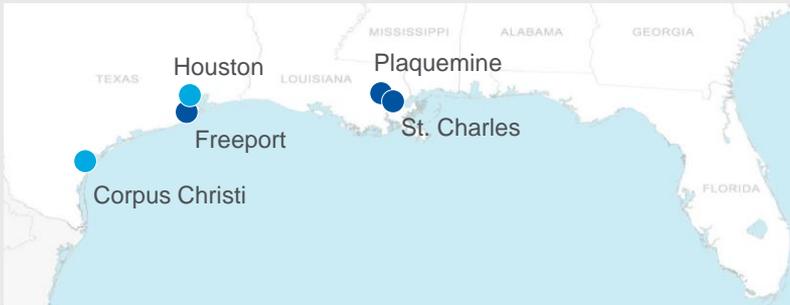
Established leading position in industrial terminal delivery



## Dow industrial terminals transaction

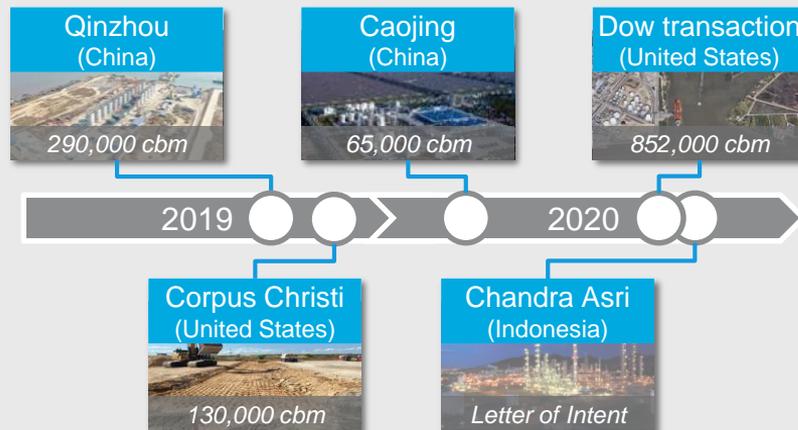
- Vopak & BlackRock joint venture to acquire three industrial terminals (852,000 cbm) from Dow supported by long-term service agreements
- Transformative industrial terminals footprint on US Gulf Coast. Post acquisition and project completion total Vopak storage capacity: 2.3 million cbm (14.5 million bbl)

### Vopak US Gulf Coast footprint



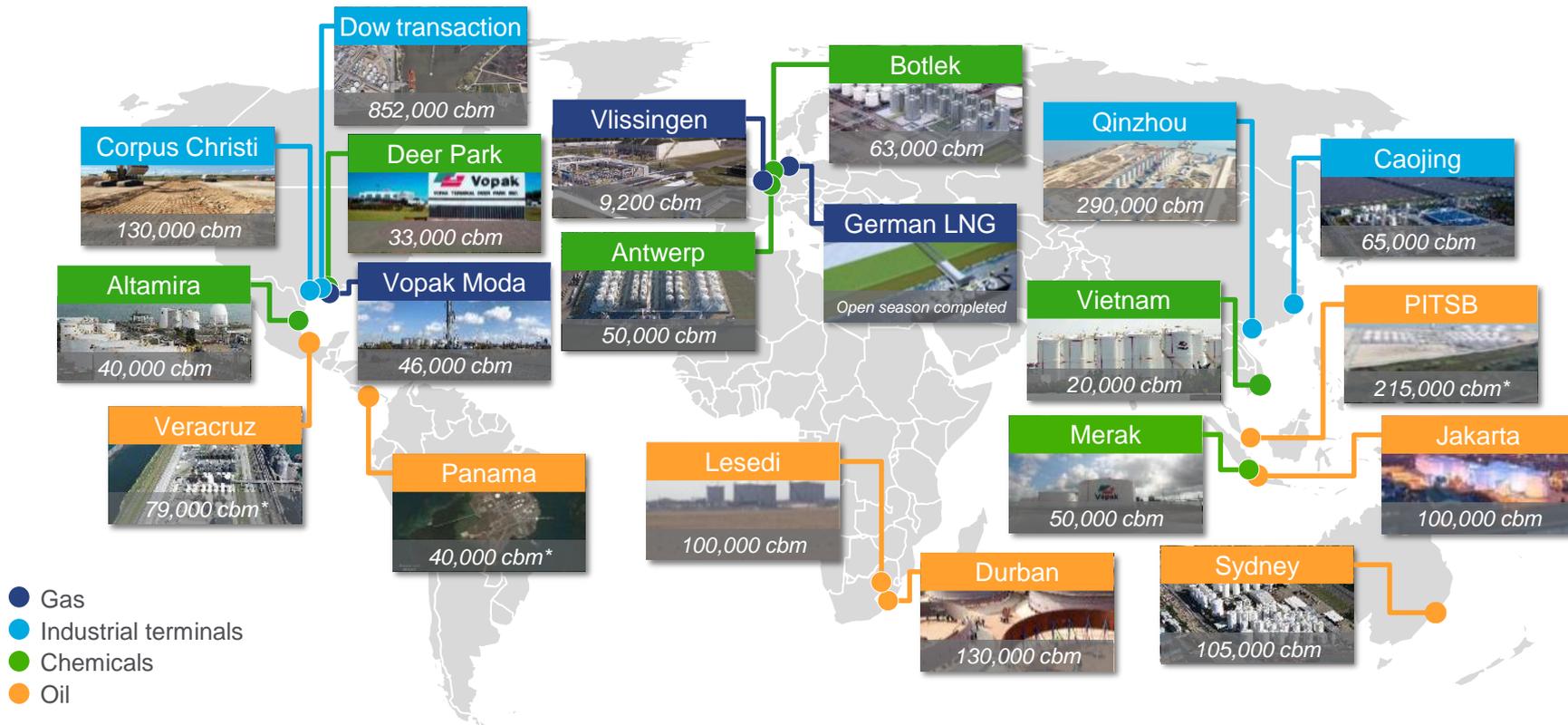
## Industrial terminal delivery

- Target 1-3 new industrial terminal opportunities in '19-'20
- 5 Industrial terminal opportunities exceeded target delivery



# Portfolio developments

Growth program of 2.4 million cbm in 2020-2022



\* Remaining capacity, partly commissioned in 2019

# Non-IFRS proportional information



Proportional consolidated information provides transparency considering increase joint venture contribution relative to subsidiaries

IFRS BASED

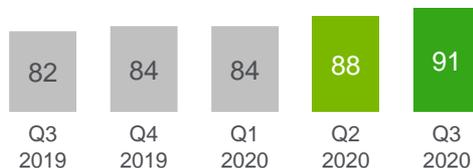
## EBITDA

In EUR million



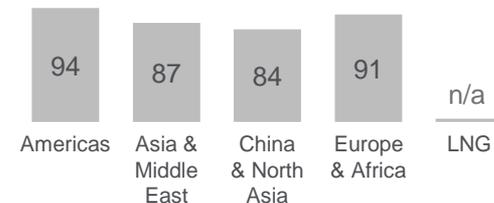
## Occupancy rate

In percent – subsidiaries only



## Q3 2020 occupancy per division

In percent – subsidiaries only



NON-IFRS PROPORTIONAL

## EBITDA

In EUR million



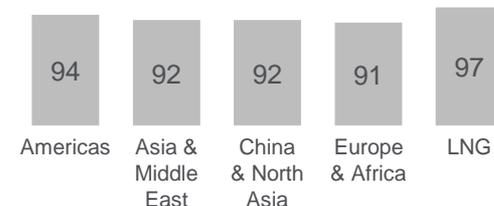
## Occupancy rate

In percent



## Q3 2020 occupancy per division

In percent



# YTD Q3 2020 key messages



- Continued good financial performance and improved occupancy rates
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\* Including net result from joint ventures and associates and excluding exceptional items

# Looking ahead



- We aim to **grow EBITDA over time** with new contributions from growth projects and replace the EBITDA from recent 2019 and 2020 divested terminals, subject to market conditions and currency exchange movements.
- **Cost management continues** in 2020 and Vopak's cost base is currently tracking lower than our revised target of EUR 600 million for the year
- For the remainder of the year, we will **continue to invest in growth** of our global terminal portfolio with growth investments for 2020 that are expected to be in the range of EUR 500 million to EUR 600 million including the Dow transaction.
- Vopak has the ambition to allocate some EUR 300 million to EUR 350 million to **growth investments in 2021** through existing sanctioned projects, new business development and pre-FID feasibility studies in new energies including hydrogen.

# Storing vital products with care



Vopak Interim Update Q3 2020

## Questions & Answers





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## Upcoming events:

### Publication of 2020 annual results

17 February 2021

### Publication of Q1 2021 interim update

21 April 2021

### Annual General Meeting

21 April 2021

### Ex-dividend quotation

23 April 2021

### Dividend record date

26 April 2021

### Dividend payment date

29 April 2021

**Royal Vopak**

6 November 2020

Analyst presentation

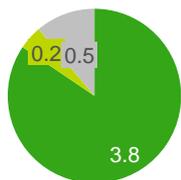
**Vopak Q3 2020**  
interim update



# Americas developments

## Storage capacity

In million cbm

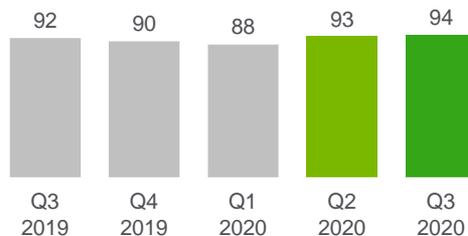


Total Q3 2020  
4.5 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

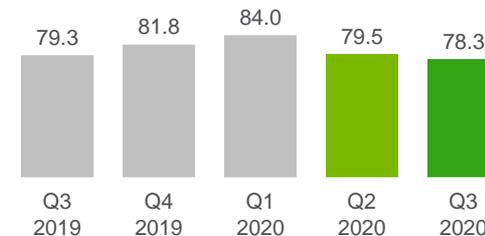
## Occupancy rate\*

In percent



## Revenues\*

In EUR million

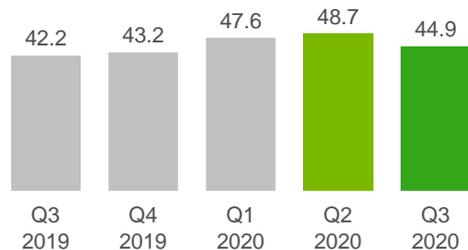


## 19 Terminals (6 countries)



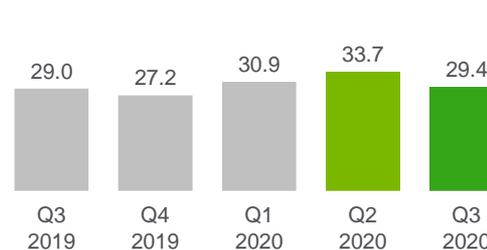
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



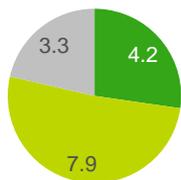
\* Subsidiaries only

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

# Asia & Middle East developments

## Storage capacity

In million cbm

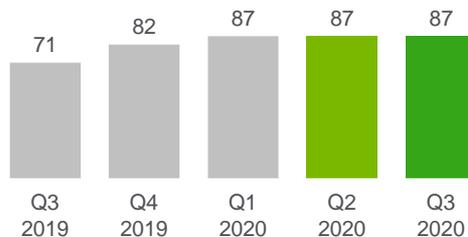


Total Q3 2020  
15.4 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

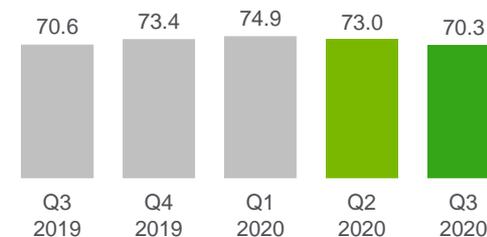
## Occupancy rate\*

In percent



## Revenues\*

In EUR million

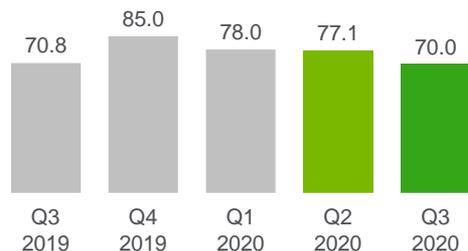


## 19 Terminals (9 countries)



## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



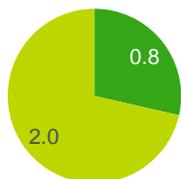
\* Subsidiaries only

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

# China & North Asia developments

## Storage capacity

In million cbm



Total Q3 2020  
2.8 million cbm

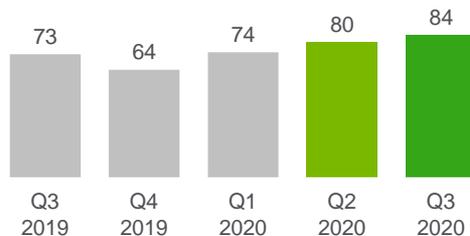
- Subsidiaries
- Joint ventures & associates
- Operatorships

## 8 Terminals (3 countries)



## Occupancy rate\*

In percent



## Revenues\*

In EUR million



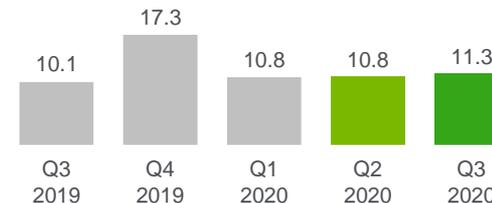
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



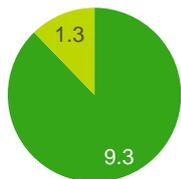
\* Subsidiaries only

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# Europe & Africa developments

## Storage capacity

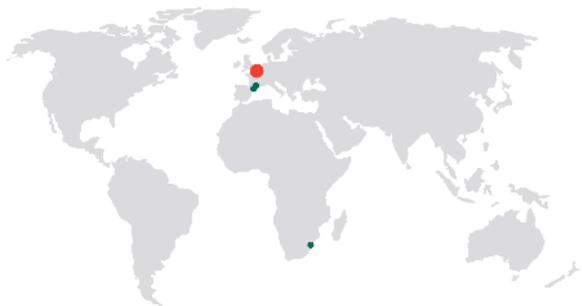
In million cbm



Total Q3 2020  
10.6 million cbm

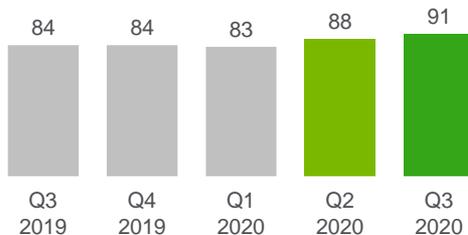
- Subsidiaries
- Joint ventures & associates
- Operatorships

## 15 Terminals (4 countries)



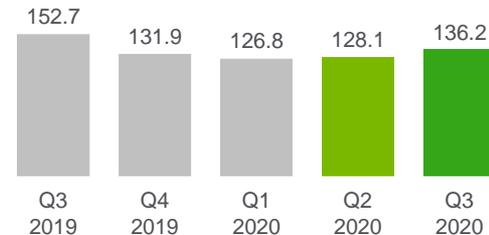
## Occupancy rate\*

In percent



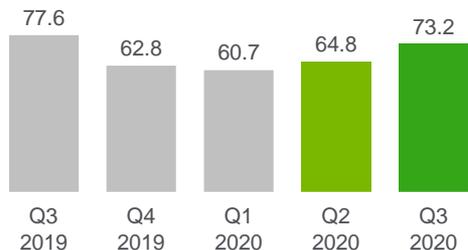
## Revenues\*

In EUR million



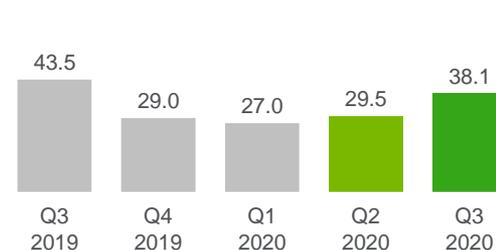
## EBITDA\*\*

In EUR million



## EBIT\*\*

In EUR million



\* Subsidiaries only

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

# JVs & associates developments



## Net result JVs and associates\*

In EUR million



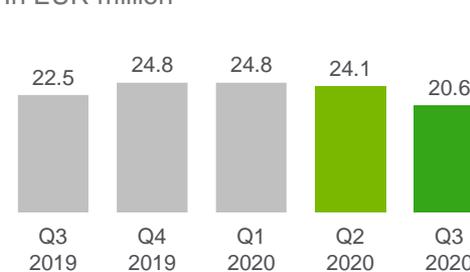
## Americas\*

In EUR million



## Asia & Middle East\*

In EUR million



## China & North Asia\*

In EUR million



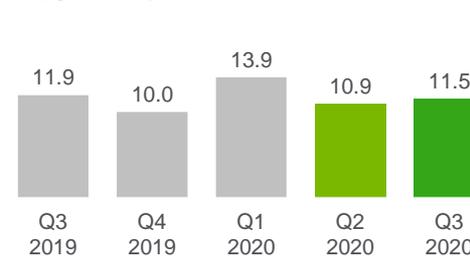
## Europe & Africa\*

In EUR million



## LNG\*

In EUR million



\* Excluding exceptional items

# Project timelines

Country	Terminal	Vopak's ownership	Products	Capacity (cbm)	2018	2019	2020	2021	2022	2023
<b>Growth projects</b>										
<b>Existing terminals</b>										
Indonesia	Jakarta	49%	Oil products	100,000						
Indonesia	Merak	95%	Chemicals	20,000						
Mexico	Veracruz	100%	Oil products	79,000						
Netherlands	Rotterdam - Botlek	100%	Chemicals	63,000						
United States	Deer Park	100%	Chemicals	33,000						
Australia	Sydney	100%	Oil products	105,000						
Belgium	Antwerp - Linkeroever	100%	Chemicals	50,000						
Mexico	Altamira	100%	Chemicals	40,000						
China	Shanghai - Caojing Terminal	50%	Industrial terminal	65,000						
Brazil	Alemao	100%	Chemicals	20,000						
<b>Acquisitions</b>										
United States	Vopak Industrial Infrastructure Americas	50%	Industrial terminal	852,000						
<b>New terminals</b>										
South Africa	Lesedi	70%	Oil products	100,000						
United States	Vopak Moda Houston	50%	Chemical gases	46,000						
China	Qinzhou	51%	Industrial terminal	290,000						
United States	Corpus Christi	100%	Industrial terminal	130,000						

