

Storing vital products with care



Vopak Full Year 2020 financial results

Analyst presentation – 17 February 2021



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.

Storing
vital products
with care



**Eelco
Hoekstra**

Chairman of the Executive Board
and CEO of Royal Vopak



Key messages 2020

- Effective Covid-19 response - uninterrupted service to customers
- 3% EBITDA growth post-divestments and good cost performance
- Delivered on industrial terminals and digital
- Majority of growth investments will be allocated towards industrial, gas and new energies infrastructures. Positive views on chemicals have not changed. New growth investments in oil infrastructure are expected to be reduced.

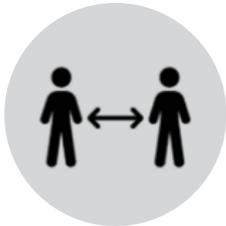


* Including net result from joint ventures and associates and excluding exceptional items

Effective Covid-19 response

Uninterrupted service to customers and society

- We manage this crisis to the best of our ability to ensure we protect the health and well-being of our people and support society by storing vital products with care
- Effective controls and governance structures have been put in place
- All terminals are operational to serve our customers. If and where possible, we keep an attitude of business as usual
- We continuously monitor developments and remain alert



Value creation and resilient performance

Focus on executing our strategy and business plans



Strategic Objectives

- Deliver **portfolio transformation**
- Pursue opportunities in **new energies**
- Deliver Vopak's **digital transformation**

Performance Delivery

- Grow EBITDA over time and replace the EBITDA from divested terminals
- Operate terminal portfolio with occupancy rate between 85% and 95%
- Generate portfolio return of capital employed between 10% and 15%

FY 2020 Influencing Developments

- Covid-19 and market conditions in oil and chemicals
- Cost management
- Growth project delivery and operational capacity
- Currency exchange movements and one-off negative accounting result

Business environment update

Long-term sustainable portfolio, well positioned for future 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

Oil products



Dynamic oil market in 2020

- Oil hubs: contango softened, solid contract portfolio
- Fuel oil: IMO capacity rented out
- Import-distribution markets: Solid throughputs despite lockdowns

Gas



Stable commercial performance

- Volatile LNG prices in 2020
- Promising outlook for gas, supported by economic recovery
- Vopak terminals contracted by take-or-pay contracts

New energy



Momentum continues

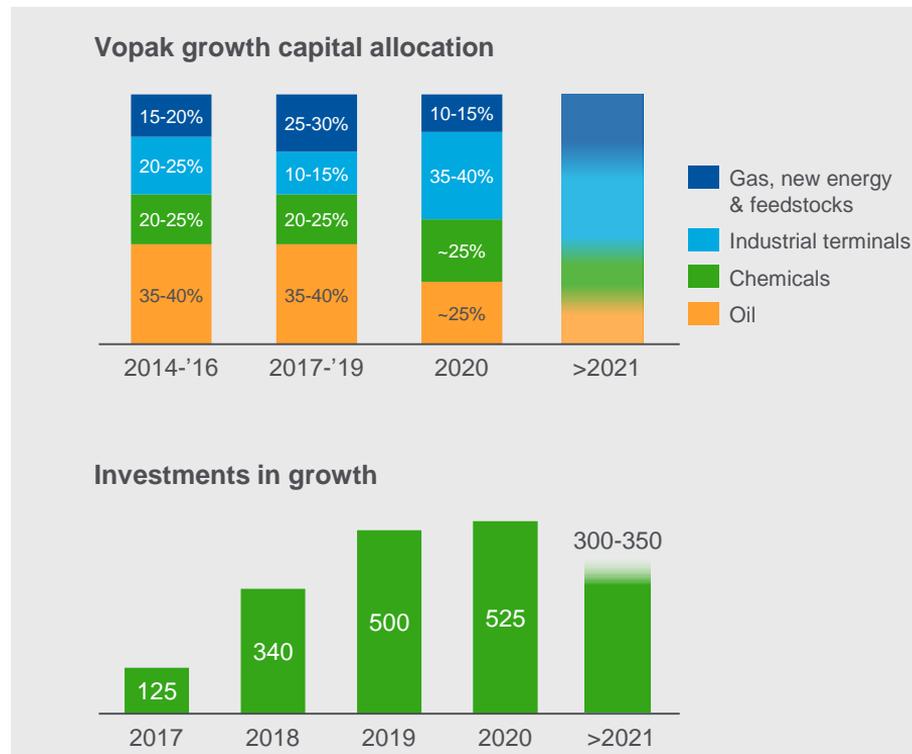
- Significant global growth in renewable energies
- Exploring ammonia and hydrogen possibilities with our partners

Continued portfolio positioning



Strategic transformation toward more sustainable forms of energy & feedstocks

- Majority of growth investments will be allocated towards industrial, gas and new energies infrastructures
- Positive views on chemicals have not changed
- New growth investments in oil infrastructure are expected to be reduced and will mostly be targeted towards strengthening our leading hub positions.
- Capital allocation decisions
 - Q4 2020, industrial terminal acquisition in the US
 - Q1 2021, invest in renewable feedstocks storage in the Port of Rotterdam



Industrial terminal update

Established leading position in industrial terminal delivery



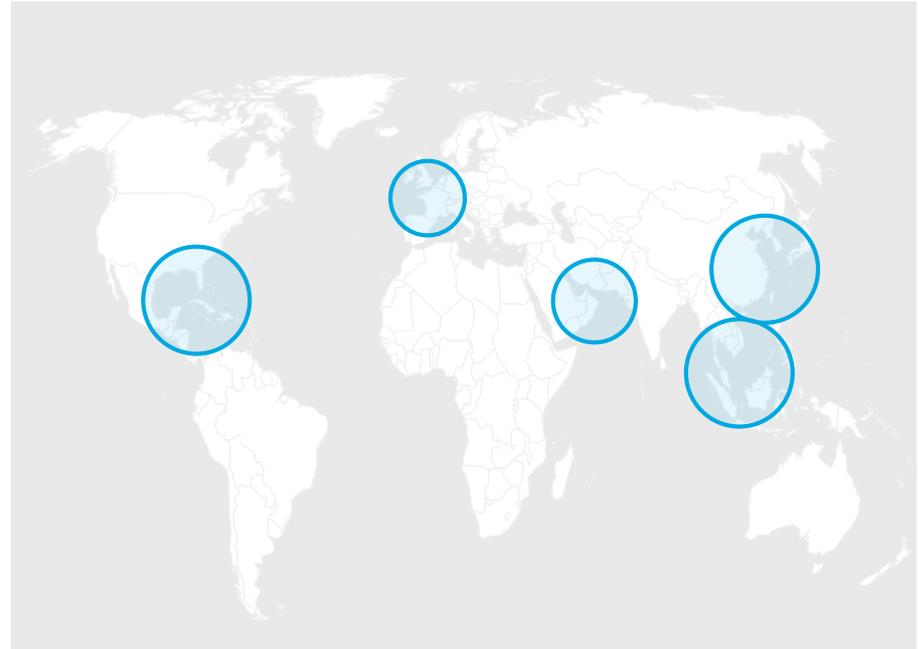
Dow industrial terminals transaction

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

Vopak US Gulf Coast footprint



Industrial terminal focus areas



New energy & feedstocks

Vopak will play an important role in developing infrastructure for new energy

- Vopak is well positioned to capture opportunities in **ammonia** and **hydrogen**
 - Strong and **unique locations** in global key energy centers
 - Knowhow and **experience** in energy infrastructure and storage
Vopak already owns and operates ammonia and methanol infrastructure globally
 - Reputable **independent** and efficient operator



Vopak ammonia tank in Singapore

- **Hydrogen** can support decarbonizing energy system and will develop into a globally traded commodity.

- Possible path way for key sectors with energy transition potential

Industry - transition to (locally) produced (initially blue) hydrogen as feedstock and power source

Power generation - transition and use hydrogen to buffer increasingly renewable power systems

Transportation - develop hydrogen distribution model to supply hydrogen fuel cells in vehicles

2020

2025

2030

Vopak's roadmap to hydrogen



Target to deliver infrastructure projects in new energy, including ammonia and hydrogen developments, in the coming years

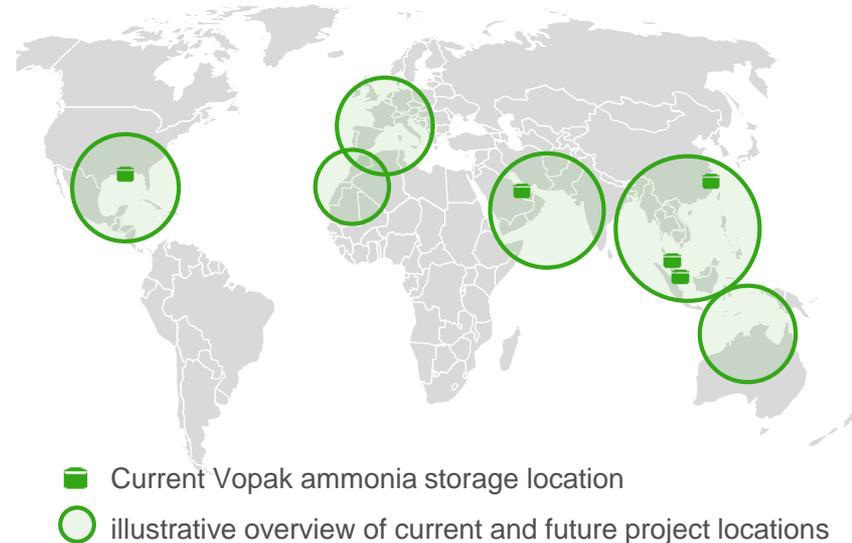
- **Vopak** currently pursues 10+ infrastructure projects and studies

Projects pursued in first half of the decade

- Various pilot projects for regional hydrogen supply flows
- Investments in (blue) hydrogen infrastructure in Rotterdam
- Ammonia projects to support new marine fuels for vessels
- Infrastructure to support hydrogen as power source for data centers
- Cooperate and participate in technology developments

Illustrative projects for second half of the decade

- Infrastructure supporting large scale hydrogen and ammonia import and distribution in energy demand centers and industrial consumption areas
- Infrastructure for hydrogen and ammonia based marine fuels
- New energy export infrastructure in energy surplus regions



Key messages 2020

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

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**Gerard
Paulides**

Member of the Executive Board
and CFO of Royal Vopak



Financial highlights

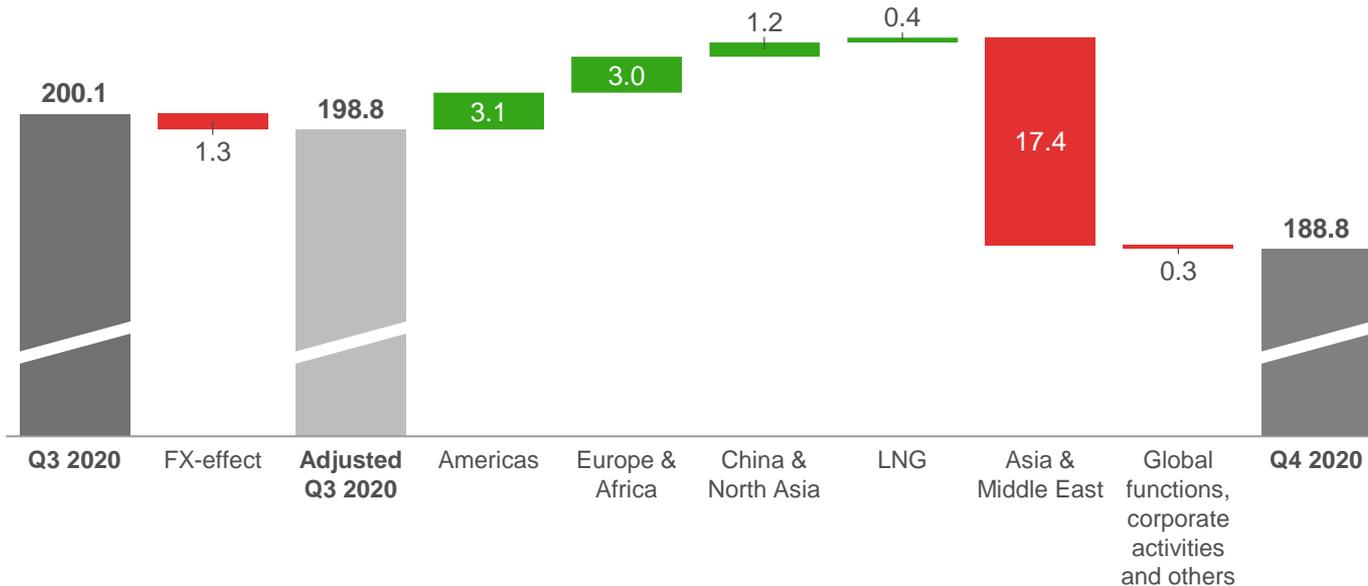


- EBITDA post-divestments increased EUR 20 million reflecting growth contributions and resilient business performance in a dynamic environment
- Cost efficiency measures delivered - cost base below EUR 600 million revised target
- Growth momentum with EUR 525 million invested in growth in 2020 and continued capital allocation to growth investments in 2021
- EUR 100 million share buyback program completed in 2020
- Earnings per share of EUR 2.42 and dividend proposal of EUR 1.20 (4% increase)

Q4 2020 vs Q3 2020 EBITDA



Excluding EUR 20 million one-off negative accounting result in Malaysia, EBITDA for Q4 2020 would amount in EUR 209 million

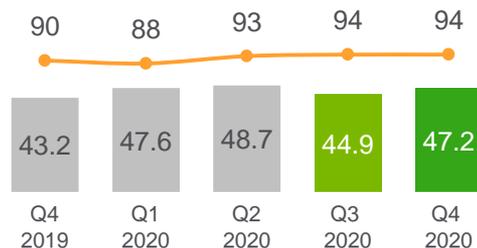


Divisional performance



Americas and Europe & Africa growth and strong oil storage; Asia & Middle East lower chemical throughput and identified item; China and LNG strong demand

Americas



Asia & Middle East



China & North Asia



Europe & Africa



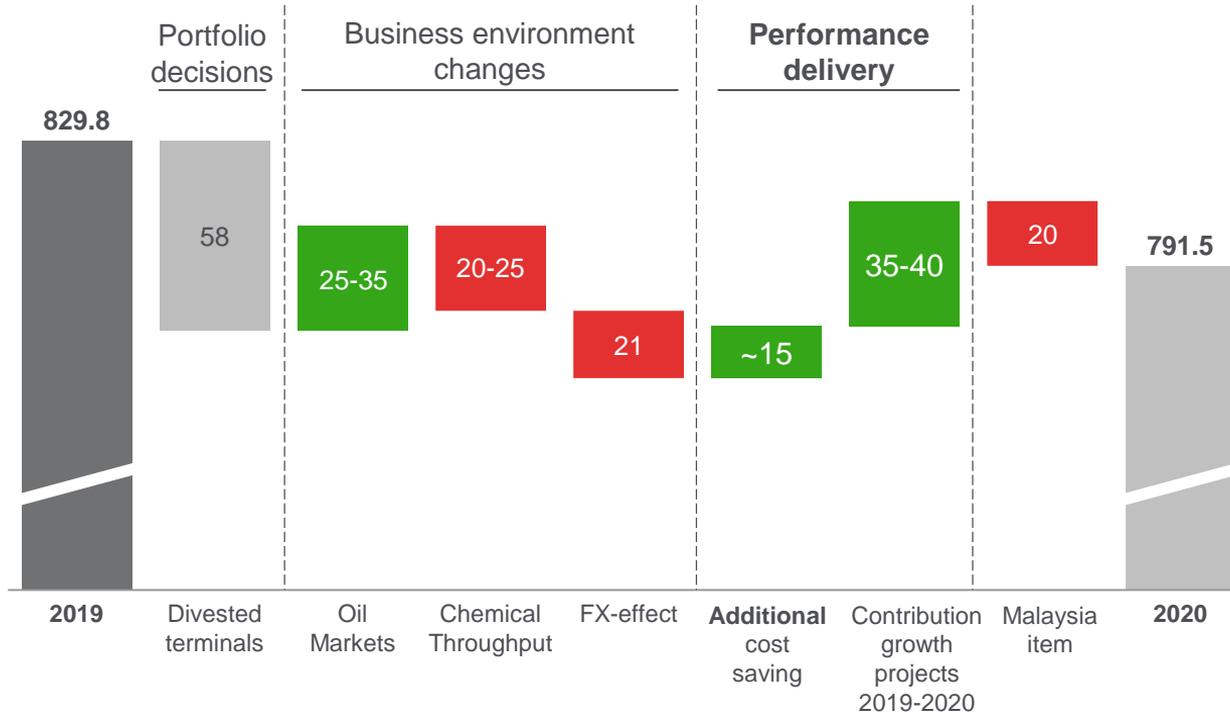
LNG



 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

EBITDA growth post-divestments

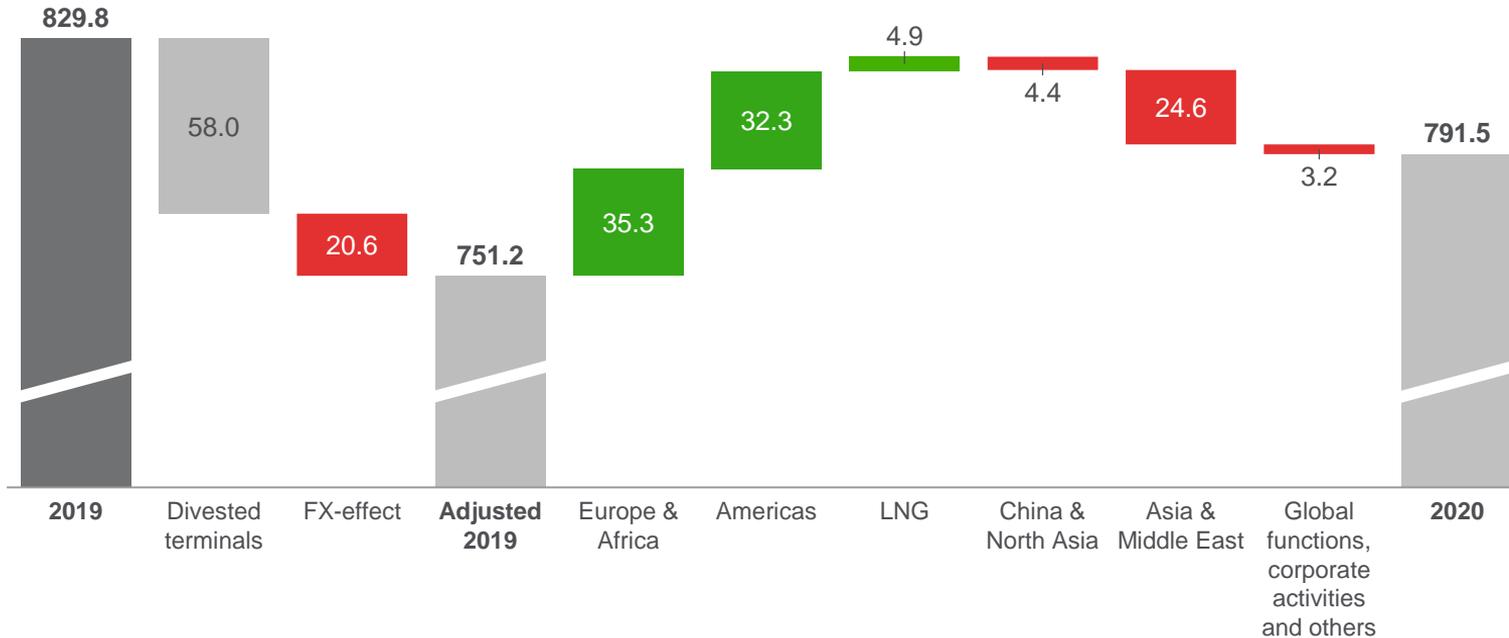
Delivery of cost efficiency measures and growth projects - despite some construction delays



2020 vs 2019 EBITDA



EBITDA growth post-divestments absorbing currency headwinds and one-off negative accounting result



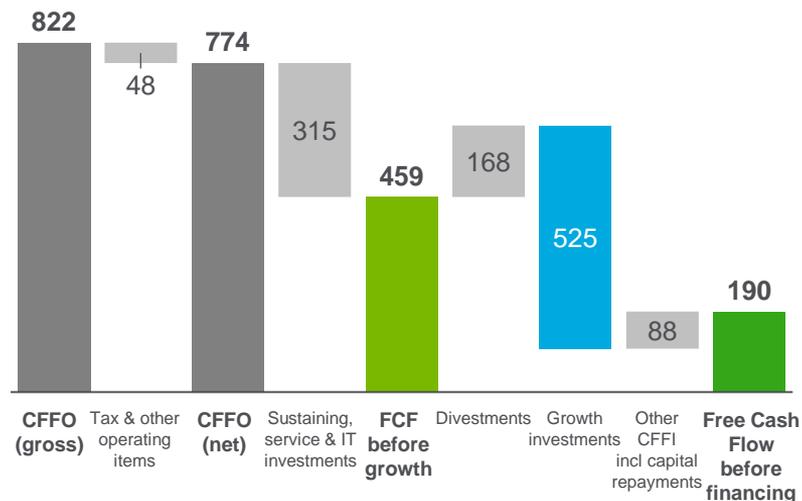
Cash flow overview

Investment momentum driven by growth project



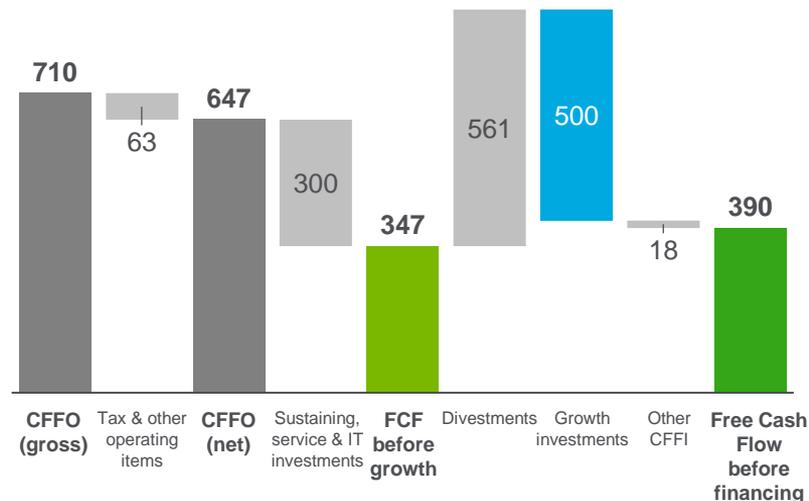
2020

In EUR million



2019

In EUR million

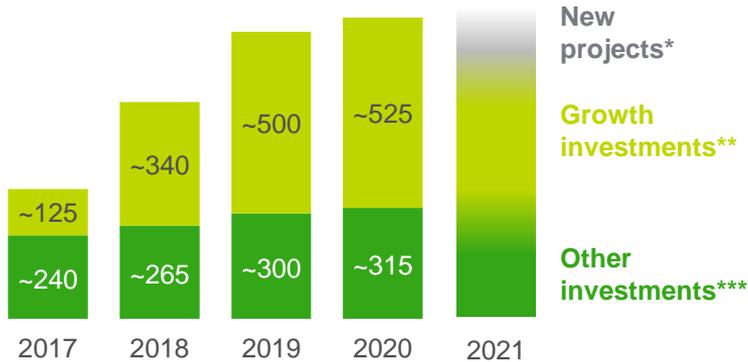


Investment phasing

Balanced approach for growth, sustaining, service improvement and IT investments

Investments

In EUR million



- For 2021, Vopak has the ambition to allocate some **EUR 300-350 million** to growth investments
- In the period 2020-2022, Vopak may invest **EUR 750-850 million** in sustaining and service improvement capex, subject to additional discretionary decisions, policy changes and regulatory environment
- In the period 2020-2022, Vopak expects to spend annually **EUR 30-50 million** in IT capex

* For illustration purposes only, new announcements might increase future growth investments

** Growth capex at subsidiaries and equity injections for joint ventures's and associates

*** Sustaining, service improvement and IT capex

Robust balance sheet



Target leverage of 2.5 to 3.0 times senior net debt : EBITDA

Priorities for cash

- 1 **Debt servicing**
average interest rate 2020: 3.7%
- 2 **Growth opportunities**
Value accretive growth
- 3 **Shareholder dividend**
Stable to rising cash dividend
- 4 **Capital optimization**
Efficient robust capital structure

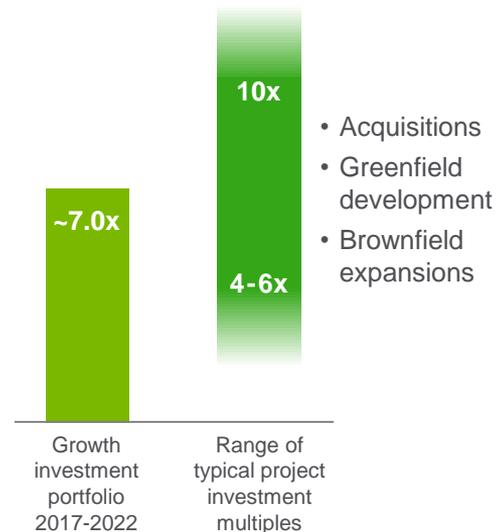
Senior net debt : EBITDA ratio

for covenant (frozen GAAP)



Growth investment multiples

Invested capital / normalized projected EBITDA*



* Invested capital reflects growth capex at subsidiaries and equity injections for JV's and associates
Normalized projected EBITDA reflects Vopak's EBITDA contribution in normalized operating and market conditions

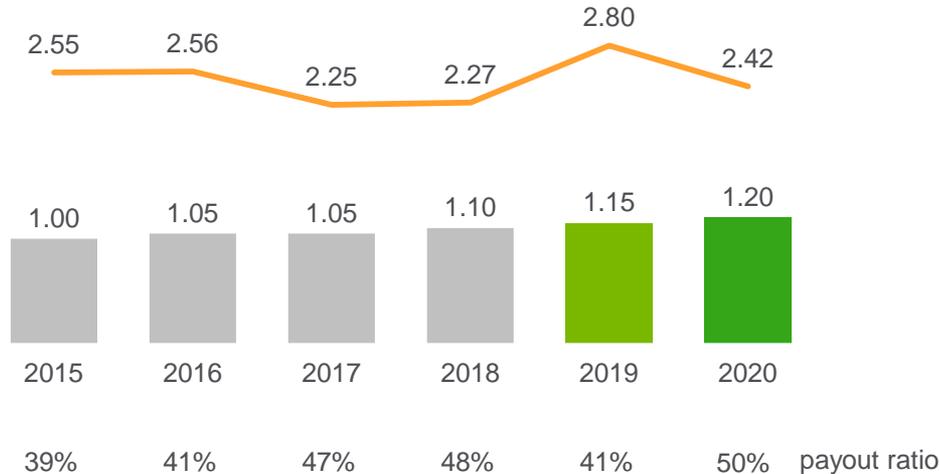
Increase in shareholder returns

Continued rising cash dividend



Dividend and EPS*

In EUR



Dividend policy

Dividend policy targets to pay an annual stable to rising cash dividend in balance with a management view on a payout ratio range of 25-75% of the net profit excluding exceptional items attributable to holders of ordinary shares and subject to market circumstances

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

Financial highlights



- EBITDA post-divestments increased EUR 20 million reflecting growth contributions and resilient business performance in a dynamic environment
- Cost efficiency measures delivered - cost base below EUR 600 million revised target
- Growth momentum with EUR 525 million invested in growth in 2020 and continued capital allocation to growth investments in 2021
- EUR 100 million share buyback program completed in 2020
- Earnings per share of EUR 2.42 and dividend proposal of EUR 1.20 (4% increase)

Looking ahead



- In 2021, **new contributions** from 2020 and 2021 growth projects, to **replace EBITDA** from divested terminals, can add between EUR 30 million and EUR 50 million subject to market conditions and currency exchange movements.
- **Cost management continues** and we expect to manage the 2021 cost base including additional cost for new growth projects at some EUR 615 million, subject to currency exchange movements.
- Vopak has the ambition to allocate some EUR 300 million to EUR 350 million to **growth investments in 2021** through existing committed projects, new business development and pre-FID feasibility studies in new energies including hydrogen.
- The majority of growth investments will be allocated towards **industrial, gas and new energies** infrastructures. Our positive views on chemicals have not changed. New growth investments in oil infrastructure are expected to be reduced and will mostly be targeted towards strengthening our leading hub positions.

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Vopak Full Year 2020 financial
results

Questions & Answers





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Upcoming events:

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

17 February 2021

Analyst presentation

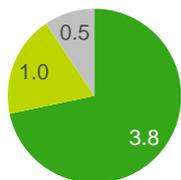
Vopak FY 2020
financial results



Americas developments

Storage capacity

In million cbm

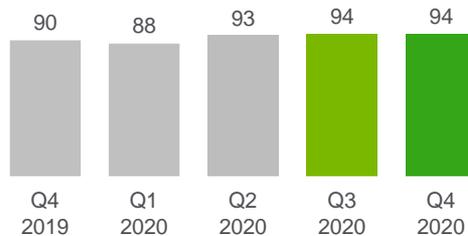


Total Q4 2020
5.3 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

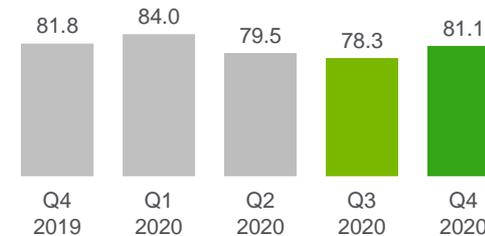
Occupancy rate*

In percent



Revenues*

In EUR million

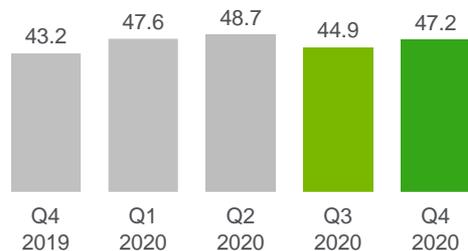


22 Terminals (6 countries)



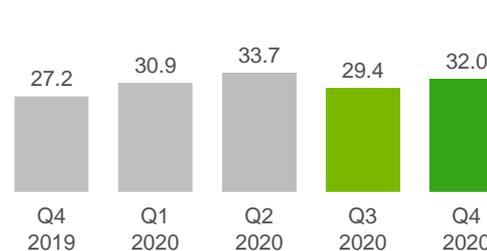
EBITDA**

In EUR million



EBIT**

In EUR million



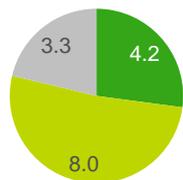
* Subsidiaries only

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

Asia & Middle East developments

Storage capacity

In million cbm

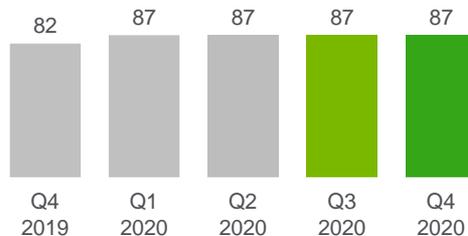


Total Q4 2020
15.5 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorships

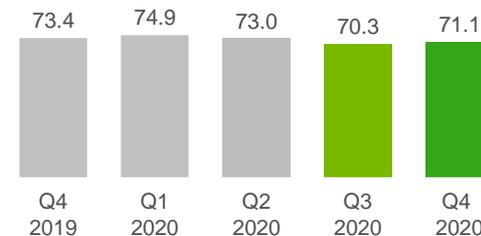
Occupancy rate*

In percent



Revenues*

In EUR million

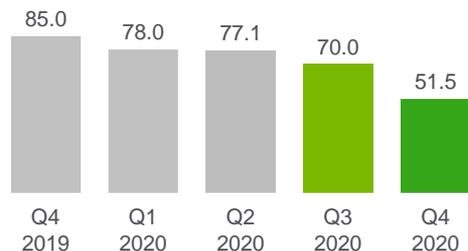


19 Terminals (9 countries)



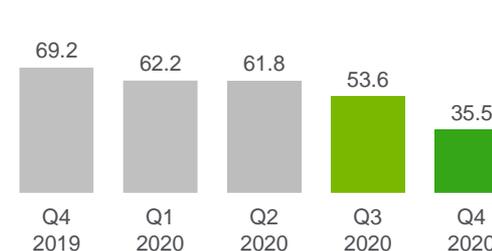
EBITDA**

In EUR million



EBIT**

In EUR million



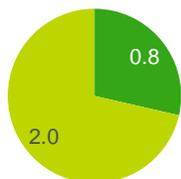
* Subsidiaries only

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

China & North Asia developments

Storage capacity

In million cbm



Total Q4 2020
2.8 million cbm

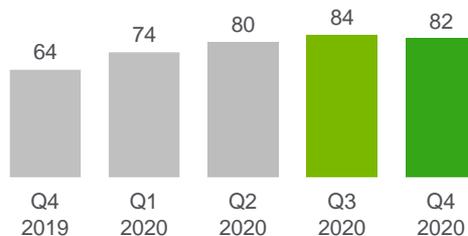
- Subsidiaries
- Joint ventures & associates
- Operatorships

8 Terminals (3 countries)



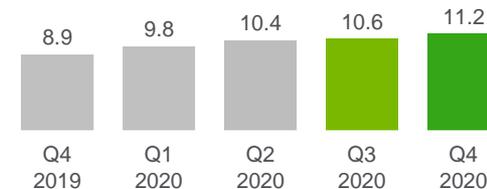
Occupancy rate*

In percent



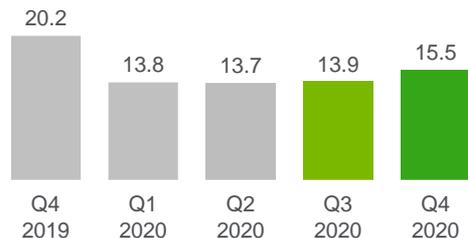
Revenues*

In EUR million



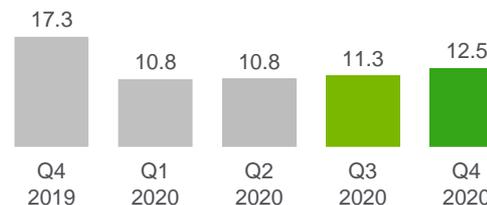
EBITDA**

In EUR million



EBIT**

In EUR million



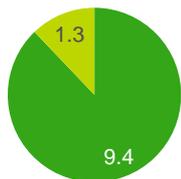
* Subsidiaries only

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

Europe & Africa developments

Storage capacity

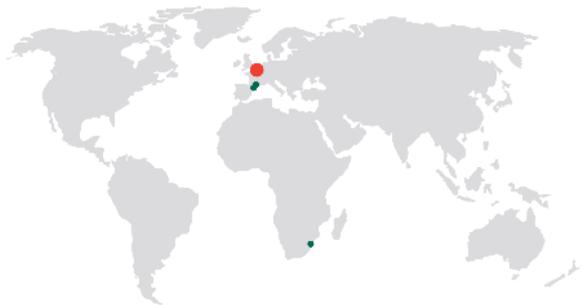
In million cbm



Total Q4 2020
10.7 million cbm

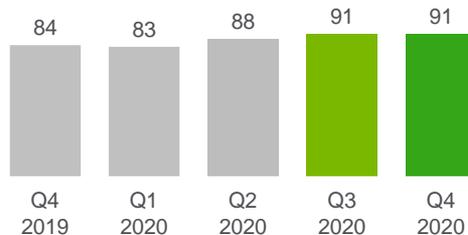
- Subsidiaries
- Joint ventures & associates
- Operatorships

16 Terminals (4 countries)



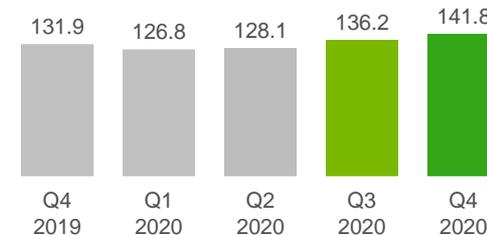
Occupancy rate*

In percent



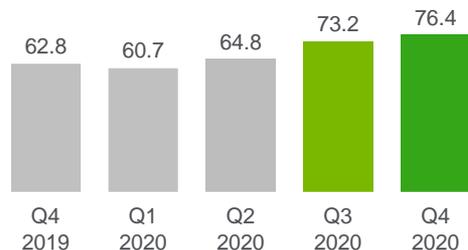
Revenues*

In EUR million



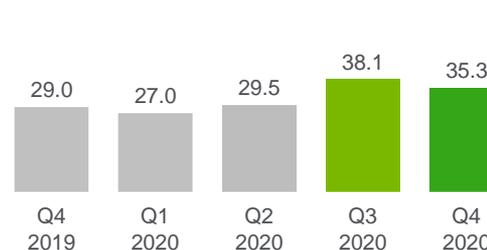
EBITDA**

In EUR million



EBIT**

In EUR million



* Subsidiaries only

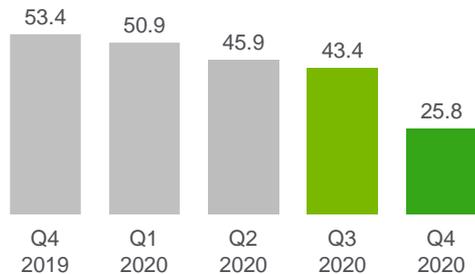
** EBIT(DA) - including net result from joint ventures and associates and excluding exceptional items

JVs & associates developments



Net result JVs and associates*

In EUR million



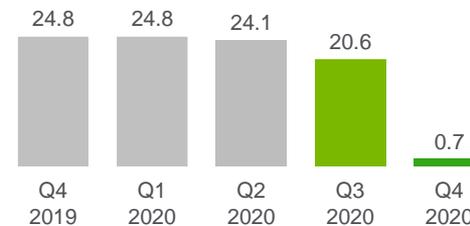
Americas*

In EUR million



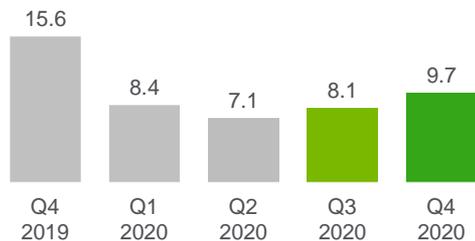
Asia & Middle East*

In EUR million



China & North Asia*

In EUR million



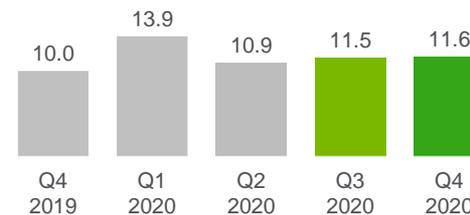
Europe & Africa*

In EUR million



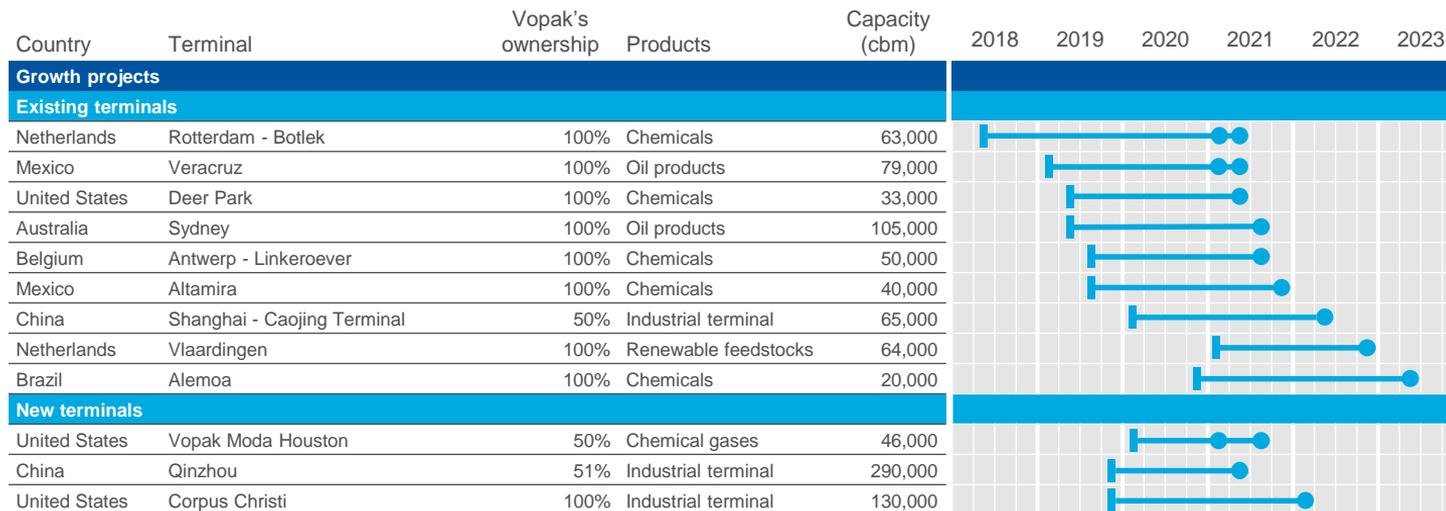
LNG*

In EUR million



* Excluding exceptional items

Project timelines



 start construction
 expected to be commissioned