

# Press Release



## Vopak reports on Q1 2022 financial results

Rotterdam, the Netherlands, 20 April 2022

in EUR millions	Q1 2022	Q4 2021	Q1 2021
Revenues	324.1	315.2	300.1
<b>Results -excluding exceptional items-</b>			
Group operating profit before depreciation and amortization (EBITDA)	213.1	212.5	198.6
Group operating profit (EBIT)	125.8	121.9	120.7
Net profit attributable to holders of ordinary shares	74.7	69.1	72.5
Earnings per ordinary share (in EUR)	0.60	0.55	0.58
<b>Results -including exceptional items-</b>			
Group operating profit before depreciation and amortization (EBITDA)	213.1	206.5	198.6
Group operating profit (EBIT)	125.8	115.9	120.7
Net profit attributable to holders of ordinary shares	74.7	64.1	72.5
Earnings per ordinary share (in EUR)	0.60	0.51	0.58
Cash flows from operating activities (gross excluding derivatives)	169.1	313.1	139.9
Cash flows from operating activities (gross)	150.2	312.2	122.4
Cash flows from investing activities (including derivatives)	- 94.8	- 139.7	- 137.0
<b>Additional performance measures</b>			
Proportional EBITDA -excluding exceptional items-	253.7	250.6	243.9
Proportional capacity end of period (in million cbm)	22.6	22.5	22.2
Proportional occupancy rate	84%	86%	89%
Storage capacity end of period (in million cbm)	36.2	36.2	35.7
Subsidiary occupancy rate	83%	86%	88%
Return on capital employed (ROCE)	9.1%	9.6%	10.3%
Average capital employed	5,418.2	5,150.2	4,460.4
Net interest-bearing debt	2,908.9	2,925.1	2,723.6
Senior net debt : EBITDA	2.70	2.93	2.60
Total net debt : EBITDA	2.92	3.16	2.82

### Highlights for Q1 2022 -excluding exceptional items-:

- EBITDA of EUR 213 million (Q1 2021: EUR 199 million) in volatile market conditions, adjusted for EUR 9 million positive currency translation effects; EBITDA increased by EUR 5 million (2.5%).
- EBITDA year on year improvement is driven by growth projects contribution and good performance in the Americas division that offset the impact of particularly challenging market conditions in Europe.
- Proportional occupancy rate of 84% declined compared to the fourth quarter last year which was 86%. This was mainly driven by low occupancy performance in oil storage in the Netherlands as a result of continued soft storage markets for oil.
- Cost level for Q1 2022 amounted to EUR 165 million (Q1 2021: EUR 151 million) mainly related to increases in utility prices, currency exchange movements and including costs for delivered growth projects and new business development efforts.
- EBIT of EUR 126 million (Q1 2021: EUR 121 million), increased due to positive business

performance, positive currency translation effect, partially offset by higher depreciation.

- Net profit attributable to holders of ordinary shares of EUR 75 million (Q1 2021: EUR 73 million).
- Cash Flow From Operations (excluding derivatives) of EUR 169 million increased compared to Q1 2021 EUR 140 million driven by business performance and receipt of dividends from joint ventures slightly offset by working capital movements.
- Return on capital employed (ROCE) of 9.1% decreased from Q1 2021: ROCE of 10.3% as a result of higher capital employed from new capacity and investments in sustaining and IT capex.
- The senior net debt: EBITDA ratio is 2.70 (Q4 2021: 2.93) mainly due to positive EBITDA performance and receipt of joint venture dividends.

#### **Portfolio items:**

- Vopak has signed an agreement subject to customary closing conditions for the divestment of 4 Canadian terminals located in Hamilton, Montreal East and West and Quebec City. Proceeds of around EUR 116 million are expected and will be used for debt repayments. We expect a limited exceptional divestment result upon closing.
- Following the outcome of the previously announced strategic review of our assets in Australia, Vopak decided to continue to operate these terminals. The Australian market is solid and will continue to support the cash flow generation of Vopak.
- Gate terminal, our joint venture with Gasunie for LNG in Rotterdam, continues to play a key role in the security of natural gas supplies in Northwest Europe supplying the equivalent of 25% of the Netherlands' gas needs. One of our customers, Uniper, will increase its capacity rights by 1 BCM as of October 2022. Following last year's announcement on expansion of send out capacity which will become available in October 2024, it is currently also being investigated if, in the short term, the send out capacity of the Gate terminal can be expanded further.
- Delivery of new capacity of 44,500 cbm during Q1 2022 in Altamira and Deer Park.

#### **Exceptional items Q1 2022:**

- There were no exceptional items in Q1 2022.

#### **Subsequent events:**

- Vopak will be working together with partners Gasunie and HES International to develop an import terminal for green ammonia as a hydrogen carrier in Rotterdam, the Netherlands. The companies have signed a cooperation agreement which is a response to growing global demand for import and storage of green energy. In Q2 2022, work will be started on the basic design of the import terminal. The terminal, which will operate on the Maasvlakte under the name ACE Terminal, is planned to be operational from 2026.

#### **Looking ahead:**

- Vopak is on track with the prior announced target of EUR 110 million to EUR 125 million EBITDA contribution in 2023 from growth projects.
- We expect to manage the 2022 cost base including additional cost for new growth projects around EUR 645 million, subject to currency exchange and utilities price movements. In Q1 2022 there was upward pressure on currency exchange and utilities price movements.
- In 2022, growth investments are expected to be below EUR 300 million. The allocation of these investments will be through existing committed projects, new business development and pre-FID (Final Investment Decision) feasibility studies in new energies including hydrogen.
- For the period 2020-2022, Vopak expects to be at the higher end of the range EUR 750 million to EUR 850 million for sustaining and service improvement capex, subject to additional discretionary decisions, policy changes and regulatory requirements.
- As part of the strategic direction for the period 2020-2022, Vopak indicated to invest annually up to a maximum of EUR 45 million in IT capex, to complete Vopak's digital terminal management system. We expect to complete the roll out of our Vopak Terminal System to our terminal network and joint ventures by the end of 2023.

**Impact of the Russia-Ukraine war:**

The Russian invasion of Ukraine is a major humanitarian drama and we sympathize with the people who are now suffering from the violence of war.

Vopak is monitoring the situation closely and is fully committed to adhere to relevant sanctions laws and regulations. At the moment, restrictions under applicable EU sanctions are in general exempted in relation to the import of energy products into the EU. As governments try to ensure energy security and affordability, Vopak follows applicable government regulations with regard to energy imports from Russia.

The Russia-Ukraine war and the international sanction regimes make the market situation volatile and uncertain. Vopak's direct exposure is assessed to be limited. There is, however, an indirect exposure through factors such as utility prices, inflation, market conditions and exchange rates.

**Impact of Covid-19 pandemic in 2022:**

The pandemic spread of Covid-19 remains an impactful event in several regions around the world, such as recently China. Our first priority in the Covid-19 response continues to be to protect the health and well-being of our people, their families and the communities in which we operate. Also in times of crisis, Vopak plays an important role within society by storing vital products with care.



## Financial calendar

20 April 2022	Annual General Meeting
22 April 2022	Ex-dividend quotation
25 April 2022	Dividend record date
28 April 2022	Dividend payment date
12 May 2022	Capital Markets Day
27 July 2022	Publication of 2022 half-year results
11 November 2022	Publication of 2022 third-quarter interim update

## Disclaimer

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.

## About Royal Vopak

Royal Vopak is the world's leading independent tank storage company. We store vital products with care. With over 400 years of history and a focus on sustainability, we ensure safe, clean and efficient storage and handling of bulk liquid products and gases for our customers. By doing so, we enable the delivery of products that are vital to our economy and daily lives, ranging from chemicals, oils, gases and LNG to biofuels and vegoils. We are developing key infrastructure solutions for the world's changing energy and feedstock systems, while simultaneously investing in digitalization and innovation. Vopak is listed on the Euronext Amsterdam and is headquartered in Rotterdam, the Netherlands. For more information, please visit [vopak.com](http://vopak.com).

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The analysts' presentation will be given via an on-demand audio webcast on Vopak's corporate website, starting at 8:45 AM CEST on 20 April 2022.

This press release contains inside information as meant in clause 7 of the Market Abuse Regulation. The content of this report has not been audited or reviewed by an external auditor.