Global Ports Holding Plc

Trading Statement for the twelve months to 31 March 2022

Global Ports Holding Plc ("GPH" or "Group"), the world's largest independent cruise port operator, today issues a trading update with its unaudited preliminary financials for the period from 1 April 2021 to 31 March 2022.

Key Financials[1]	**12 months ended 31-Mar-22**	**15 months ended 31-Mar-21**	**YoY Change (%)**	**3 months ended 31-Mar-22 (Q4)**	**3 months ended 31-Mar-21**
	Unaudited	Audited			
Total Revenue ($m)	**130.8**	**79.4**	*65%*	23.5	13.9
Adjusted Revenue ($m)[2]	**40.3**	**26.8**	*50%*	12.1	3.9
Segmental EBITDA ($m)[4]	**13.0**	**1.2**	*1028%*	**5.0**	**(1.0)**
Adjusted EBITDA ($m)[6]	**7.6**	**(6.7)**	*n/a*	**3.2**	**(2.6)**

	31-Mar-22	**31-Mar-21**	
Gross Debt (IFRS)	597.7	548.9	*9%*
Gross Debt ex IFRS 16 Finance Lease	**534.9**	**483.0**	*11%*
Net Debt ex IFRS 16 Finance Lease	**435.2**	**312.4**	*39%*
Cash and Cash Equivalents	99.7	170.7	*-42%*

Key Highlights

- The strong rebound in cruise activity in the third quarter of the financial year continued in the fourth quarter, with our Caribbean ports experiencing a strong pick-up in activity
- In the 12 months ended 31 March 2022, GPH welcomed 2.4m cruise passengers, 0.9m of which were welcomed in the three months ended 31 March 2022
- Adjusted revenue for the 12 months recovered strongly to $40.3m
- At the EBITDA level, the group returned to operational profitability in the transitional post-pandemic period of the fiscal year 2022. With Segmental EBITDA of $13.0m and Adjusted EBITDA of $7.6m compared to a loss of $6.7m for the fifteen months ended 31 March 2021
- Further delivery of our new port strategy was achieved in the fourth quarter, with the award of a 12-year concession, plus a 6-year extension option, to manage the services for cruise passengers at Tarragona Cruise Port, Spain. This agreement followed the recent addition of GPH's first cruise port in Northern Europe, Kalundborg Cruise Port, Denmark and the awarding of preferred bidder status to GPH for three cruise ports in the Canary Islands
- Outlook for the year to March 2023 continues to improve, with the industry now expecting to have all cruise ships back in service during summer 2022 and occupancy levels to reach historical levels before the end of the calendar year 2022

KPI Highlights[1]	12 months ended 31-Mar-22	15 months ended 31-Mar-21	YoY Change (%)	3 months ended 31-Mar-22	3 months ended 31-Mar-21
Passengers (m PAX)[7]	2.4	1.3	*85%*	0.9	0.01
General & Bulk Cargo ('000 tons)	201.4	37.7	*429%*	60.8	12.7
Container Throughput ('000) TEU)	47.0	54.0	*-13%*	10.6	12.2
Cruise Revenue ex-IFRIC 12 ($m)[3]	**31.7**	**17.5**	*81%*	**10.1**	**2.0**
Commercial Revenue ($m)	**8.6**	**9.3**	*-8%*	**2.1**	**1.9**
Adjusted Revenue ($m)[2]	40.3	26.8	*50%*	12.1	3.9
Cruise EBITDA ($m)[5]	**9.6**	**(1.7)**	*n/a*	**4.2**	**(1.6)**
Commercial EBITDA ($m)	**3.4**	**2.9**	*19%*	**0.8**	**0.6**
Adjusted EBITDA ($m)[6]	7.6	(6.7)	*n/a*	3.2	(2.6)
Cruise EBITDA Margin (%)	*30%*	*n/a*		*41%*	*n/a*
Commercial EBITDA Margin (%)	*40%*	*31%*		*38%*	*32%*
Adjusted EBITDA Margin (%)	*19%*	*n/a*		*26%*	*n/a*

Cruise

- GPH welcomed 0.9m cruise passengers across the consolidated cruise port network in the fourth quarter of its fiscal year 2022, compared to just 10k in the comparable period last year. While all cruise port reporting segments experienced a significant increase, the most significant increases occurred at Antigua Cruise Port and Nassau Cruise Port, in line with the usual seasonality
- Excluding the impact of IFRIC-12 Construction revenues at Nassau Cruise Port, cruise revenue for the 12-months to 31 March 2022 was $31.7m, a significant increase from the $6.5m for the 12-months to 31 March 2021
- Cruise revenue for the fourth quarter was $8.1m higher than in the same period last year, at $10.1m
- Cruise EBITDA of $9.6m compares to an EBITDA loss of $7.4m for the 12-months to 31 March 2021. Q4 Cruise EBITDA was $5.8m higher at $4.2m, representing a Q4 Cruise EBITDA margin of 41%
- The experience of our ports in the fourth quarter has been one of a significant increase in calls but continued lower than normal occupancy levels as cruise lines build back bookings for calendar year 2022 on shorter lead times than normal and due to Covid-19- related protocols and short-term cancellations by cruise passengers
- In Q4-2022, passenger volumes across our network on a like-for-like basis were 48% of the passenger volumes for the same period in 2019. The omicron variant negatively impacted on-board occupancy levels in the quarter. However, as the quarter progressed, occupancy levels rose and in March 2022, on a like-for-like basis, passenger volumes rose to 62% of 2019 levels

Commercial

- Total container volumes (TEUs) fell by 13% and General & Bulk volumes grew 429%, driven by volumes in certain low margin cargo items
- Commercial revenues for the 12 months were $8.6m, with Q4 revenue of $2.1m

Balance Sheet

At 31 March 2022, IFRS gross debt was $597.7m (Ex IFRS-16 Finance Leases Gross Debt: $534.9m), compared to gross debt at 31 March 2021 of $548.9m (Ex IFRS-16 Finance Leases Gross Debt: $483.0m). Net debt Ex IFRS-16 finance leases was $435.2m compared to $312.4m as at 31 March 2021. At 31 March 2022, GPH had cash and cash equivalents of $99.7m, compared to $170.6m at 31 March 2021.

The net debt increase of $122.8m in the period was primarily driven by (i) capital expenditure of $95.8m, with $91.2m of this spent on our continued investment into the transformation of Nassau Cruise Port, (ii) the net effect of the Eurobond refinancing, in particular, the use of the high level of available cash as of 31 March 2021 as a result of the sale of Port Akdeniz in January 2021 in such Eurobond refinancing, and (iii) additional indebtedness at Nassau Cruise Port to finance the investment commitment there.

During the period, GPH entered into a five-year, senior secured loan agreement for up to $261.3m with Sixth Street, a leading global investment firm. The loan agreement provides for two term loan facilities, an initial five-year term facility of $186.3m and an additional five-year growth facility of up to $75.0m. The latter will be key to the continued success of our growth strategy. The first enabled the early repayment in July 2021 of the $250m 8.125% senior secured Eurobond due November 2021 (together with proceeds from the sale of Port Akdeniz).

Other developments

Despite the significant impact of Covid-19 on the cruise industry and our cruise operations, we have continued to deliver on our strategic growth ambitions. In the fourth quarter, we were awarded a 12-year concession, with a 6-year extension option, to manage the services for cruise passengers at Tarragona Cruise Port, Spain.

This agreement follows the recent addition of GPH's first cruise port in Northern Europe, with Kalundborg Cruise Port, Denmark joining the PGH network under a 20-year agreement and signing a 20-year concession agreement at Taranto Cruise Port, Italy, as well as being awarded preferred bidder status to Global Ports Canary Islands S.L., an 80:20 joint venture between GPH and our local partner Sepcan S.L., to operate three cruise port concessions in the Canary Islands.

After the year-end, GPH announced that Emre Sayin, Chief Executive Officer, is stepping down from his role to pursue new business opportunities. Emre is expected to leave Global Ports Holding by the 26th May 2022. Mehmet Kutman, Co-Founder and Executive Chairman of GPH, will take on the Chief Executive Officer role as the business continues its path of recovery from the Covid-19 pandemic.

Outlook

Long term, the outlook for the cruise industry continues to be positive. The passenger capacity of the industry is forecasted to grow by 45% by 2027, from 2019 levels. Driven by the 75 cruise ships currently in the cruise ship order book and due for delivery by 2027.

This growth in the number of ships and the size of ships means that many cruise ports will need to invest in their infrastructure in order to be able to accommodate the new ships. There is no better example of this type of investment than GPH's significant investments into Antigua Cruise Port and Nassau Cruise Port. Despite the impact of the Covid-19 pandemic on GPH and the cruise industry, our investment to increase the capacity of these ports and transform the passenger experience has largely continued as planned over the last two years. Since taking over these two ports just before the pandemic in late 2019, GPH has invested over $200m in CAPEX; this demonstrates the commitment of GPH and our partners to our ports and destinations.

Our strategic ambition to grow the number of cruise ports in the network remains a key focus for the board and management. Despite the unprecedented nature of the Covid-19 crisis and its significant impact on our business, we have continued to grow the number of cruise ports in our network. Since the onset of the crisis, we have announced agreements to add eight new cruise ports to the portfolio, a significant achievement in any period. This success stands as a testament to the strength of our operational capabilities and the appeal of our global expertise and operating model to a fragmented global growth industry.

In the near term, since the end of the first quarter of the financial year, there has been a strong month-on-month acceleration in cruise calls and passenger volumes across our network. This acceleration primarily reflects the continued easing of travel restrictions, the continued strong underlying demand from consumers to return to cruising and the continued increase in fleet deployment from the major cruise lines to match the easing of restrictions and consumer demand.

Activity levels are expected to continue to rise across the cruise industry, with 100% fleet re-deployment by the cruise lines expected during the summer of 2022. This continued positive momentum can be seen in our cruise calls for the three months to March 2022. On a like-for-like basis, calls were just three calls lower than in the same period in 2019, with Antigua and Nassau Cruise Port both welcoming more ships in March 2022 than in March 2019.

Concerns around the Omicron variant negatively impacted occupancy levels. However, this impact has proven temporary, with occupancy levels rising strongly throughout the three months to the end of March 2022.

In its recent quarterly results statement, Royal Caribbean declared that occupancy levels for the three months to March 2022 were 59%, with a load factor for March of 68%. With booking volumes for March and April significantly higher than in the same period in 2019, Royal Caribbean now expect occupancy levels to exceed 100% by the end of the calendar year.

With cruise calls set to rise, occupancy levels will be key to our financial performance in the year to March 2023 and recent trends and industry expectations in this regard are very supportive.

CONTACT

For investor, analyst and financial media enquiries:

Investor Relations

Martin Brown

Telephone: +44 (0) 7947 163 687

Email: martinb@globalportsholding.com

For trade media enquiries:

Global Ports Holding

Ceylan Erzi

Telephone: +90 212 244 44 40

Email: ceylane@globalportsholding.com

Notes

1. *All $ refers to United States Dollar unless otherwise stated*
2. *Adjusted revenue is calculated as total revenue excluding IFRIC-12 construction revenue at Nassau Cruise Port*
3. *Sum of revenues of consolidated and managed cruise portfolio excluding IFRIC-12 construction revenue at Nassau Cruise Port*
4. *Segmental EBITDA is calculated as income/(loss) before tax after adding back: interest; depreciation; amortisation; unallocated expenses; and specific adjusting items*
5. *EBITDA allocated to the Cruise segment is the sum of EBITDA of consolidated cruise ports and pro-rata Net Profit of equity-accounted associates La Goulette, Lisbon, Singapore and Venice and the contribution from management agreements*
6. *Adjusted EBITDA calculated as Segmental EBITDA less unallocated (holding company) expenses*
7. *Passenger numbers refer to consolidated and managed portfolio consolidation perimeter; hence it excludes equity accounted associate ports La Goulette, Lisbon, Singapore and Venice.*