# Global Ports Holding Plc

## Trading Statement for the six months to 30 September 2021

Global Ports Holding Plc ("GPH" or "Group"), the world's largest independent cruise port operator, today issues a trading update for the period from 1 April to 30 September 2021, which is the first half of its new 2022 reporting period to end 31 March 2022.

| Key Financials & KPI Highlights[1] | 6 months ended 30-Sep-21 | 6 months ended 30-Sep-20 Restated[8] | YoY Change (%) |
|---|---|---|---|
| **Total Revenue ($m)** | **61.1** | **46.4** | *32%* |
| **Adjusted Revenue ($m)[2]** | **14.8** | **6.3** | *63%* |
| *Ex-IFRIC 12 Cruise Revenue ($m)[3]* | *10.3* | *2.7* | *281%* |
| *Commercial Revenue ($m)* | *4.5* | *3.6* | *23%* |
| **Segmental EBITDA ($m)[4]** | **2.1** | **(3.6)** | *n/a* |
| *Cruise EBITDA ($m)[5]* | *0.3* | *(4.7)* | *n/a* |
| *Commercial EBITDA ($m)* | *1.8* | *1.1* | *59%* |
| **Adjusted EBITDA ($m)[6]** | **(0.5)** | **(5.8)** | *n/a* |
| | **30-Sep-21** | **31-Mar-21** | |
| Gross Debt (IFRS) | 544.8 | 548.9 | *-1%* |
| **Gross Debt ex IFRS 16 Finance Lease** | **478.0** | **483** | *-1%* |
| **Net Debt ex IFRS 16 Finance Lease** | **395.3** | **312.4** | *27%* |
| Cash and Cash Equivalents | 82.7 | 170.6 | *-52%* |
| **KPIs** | **6 months ended 30-Sep-21** | **6 months ended 30-Sep-20** | |
| Passengers (m PAX)[7] | 0.563 | 0.01 | *5530%* |
| General & Bulk Cargo ('000 tons) | 60.1 | 18.4 | *227%* |
| Container Throughput ('000 TEU) | 25.9 | 27.2 | *-5%* |

### Notes

1. *All $ refers to United States Dollar unless otherwise stated*
2. *Adjusted revenue is calculated as total revenue excluding IFRIC-12 construction revenue for Nassau Cruise Port*
3. *Sum of revenues of consolidated and managed cruise portfolio excluding IFRIC-12 construction revenue for 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, Venice and Pelican Peak, 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.*
8. *Comparative information has been restated due to the sale of Port Akdeniz.*

### Key Financials and KPIs

- Cruise passenger volumes for the 6M period ended 30 September 21 were significantly up YoY at 563k), reflecting the steady but slow return to activity across the cruise industry following the disruption caused by the Covid-19 pandemic. While cruise calls and passenger volumes for the period remained significantly below the levels achieved pre-Covid 19, there has been a material increase in activity levels in recent months.
- In September 2021, for the first time since pre-Covid 19, all of our cruise ports received cruise calls, a significant milestone in the continued recovery in activity levels across our cruise ports. On a like-for-like basis during September 2021, our ports received 53% of the cruise calls and 30% of the passengers received for the

same period pre-Covid 19. Compared to cruise calls, the lower passenger recovery primarily reflects the impact of on-board Covid-19 measures that have reduced current occupancy rates across the industry.

- Total container volumes (TEUs) fell by 5% and General & Bulk volumes grew 227%, driven by volumes in certain low margin cargo items
- Total consolidated revenues were $61.1m for the 6M period; excluding the impact of IFRIC-12 Construction revenues at Nassau Cruise Port, Adjusted Revenues were $14.8m
    - Total cruise revenue of $56.6m for the six months to end September 2021. Excluding the impact of IFRIC-12 Construction revenues at Nassau Cruise Port, Cruise revenue was $10.3m
    - Total commercial revenues rose by 23% to $4.5m for the period vs $3.6m for the six months to 30 September 2020
- Segmental EBITDA for the six months to end September 2021 was a loss of $2.1m, compared to a loss of $5.8m for the 6M period to 30 September 2020
    - Cruise EBITDA was $0.3m, compared to an EBITDA loss of $4.7m for the six months to 30 September 2020
    - Commercial EBITDA was $1.8m, compared to $1.1m for the six months to 30 September 2020
- Adjusted EBITDA was a loss of $0.5m

In the three months to 30 September 2021, we welcomed 498.7k PAX and Adjusted EBITDA was a positive $1.5m

## Balance Sheet

At 30 September 2021, IFRS gross debt was $544.8m (Ex IFRS-16 Finance Leases Gross Debt: $478m), 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 $395.3m compared to $312.4m as at 31 March 2021. At the end of September 2021, GPH had cash and cash equivalents of $82.7m, compared to $170.6m at 31 March 2021.

The net cash reduction of $88.0m in the period was primarily driven by the capital expenditure of $50.3m, with $46.6m of this spent on our continued investment into the transformation of Nassau Cruise Port. Net cash from operating activities was a negative $11.8m in the period, mainly driven by advance contractor payments for capital expenditure in Nassau.

Net cash from financing activities was a negative $48.5m, reflecting the net impact of our early Eurobond repayment, drawdown on our new loan facility and an additional $55.0m of debt issuance by Nassau Cruise Port as well as $30.7m of interest paid in the period, including $14m related to the first interest payments on the debt incurred to fund the investment into Antigua Cruise Port and Nassau Cruise Port.

## 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. 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. As well as this agreement enabling the early repayment in July 2021 of the $250m 8.125% senior secured Eurobond due November 2021, the growth facility will be key to the continued success of our growth strategy.

During the period, a 20-year concession agreement was signed and operations commenced at Taranto Cruise Port, Italy. After the period end, GPH signed a 20-year lease agreement for Kalundborg Cruise Port, Denmark, located in the north western region of Denmark it is approximately one hour from Copenhagen city centre. The geographic location of the port means that it can provide cruise lines with a time saving and fuel-efficient alternative to Copenhagen Cruise Port. Kalundborg Cruise Port is GPH's first cruise port in Northern Europe, marking another important milestone in the continued development and geographic expansion of the Group.

GPH today also announced that the Port Authority of Las Palmas has awarded preferred bidder status to Global Ports Canary Islands S.L. ("GPCI"), an 80:20 joint venture between GPH and Sepcan S.L. ("Sepcan"), to operate three cruise port concessions in the Canary Islands.

This agreement will cover three cruise port concessions, the port of Las Palmas de Gran Canaria, port of Arrecife (Lanzarote) and Puerto del Rosario (Fuerteventura), which have tenures of 40 years, 20 years and 20 years respectively.

## Outlook

While the first quarter to 30 June 2021 was characterised by a slow pick up in passenger volumes, there has been a very strong month-on-month acceleration in cruise calls and passenger volumes at all of our cruise ports since the end of June. This acceleration reflects the continued easing of travel restrictions, the increase in the number of cruise ships sailing and the continued strong underlying demand from consumers to return to cruising.

This acceleration in volumes meant that our ports handled ten times as many passengers in September 2021 as they did in May 2021, a very encouraging trend as we look forward into calendar year 2022.

As expected, there is a significant variation in trends across our network of cruise ports. Some ports began welcoming the return of cruise passengers over a year ago, albeit in small numbers, while others welcomed the return of cruise passengers in September 2021 for the first time since the Covid-19 pandemic.

No matter where a cruise port currently is on its recovery trajectory, the current outlook is positive. The current itineraries of cruise lines point to a continued pick-up in activity levels as more cruise ships return to service, with most cruise lines expecting close to 100% deployment in the summer of 2022.

In the absence of a return to travel restrictions, this is a very encouraging outlook. However, a decisive factor in the financial performance of GPH will be cruise ship occupancy levels. As a result of on-board Covid-19 measures, occupancy levels remain significantly below long-established historical norms of over 100%. However, occupancy levels are expected to steadily increase over the next 12 months, trending back towards a run rate of c100% by the end of calendar year 2022.

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 six 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.

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