



FY 2023

Investors' Briefing

01 March 2024

Year in Review



BCT (Poland) start of renewed concession (June)



Durban Container Terminal 2 declared preferred bidder (July)



VICT (Australia) expansion completed (December)



IDRC (Congo) expansion completed (December)



Announced decarbonization commitment (January)



VCT (Philippines) declared preferred bidder (January)

2023

PT MTS (Indonesia) ceased operations (January)

PICT (Pakistan) concession expired (June)

US\$750M Term Loan Credit Facility (August)

2024

IJP/OJA (Indonesia) divested (January)

Settlement of ICTSI Oregon legal claims (February)

- Manuel V. Pascua as new Chief Financial Officer (January)

- Jose Manuel De Jesus, VP, Regulatory Affairs, passes on (June)
- Caroline C. Causon as SVP, Global Corporate Planning and Financial Services (July)
- Arlyn L. McDonald as new VP, Global Financial Controller (July)

Sustainability Updates

Our **commitment** to climate change

2030

26%

Reduction in Scopes
1 and 2 emissions
per move
(baseline year 2021)

2050

**Net
Zero**

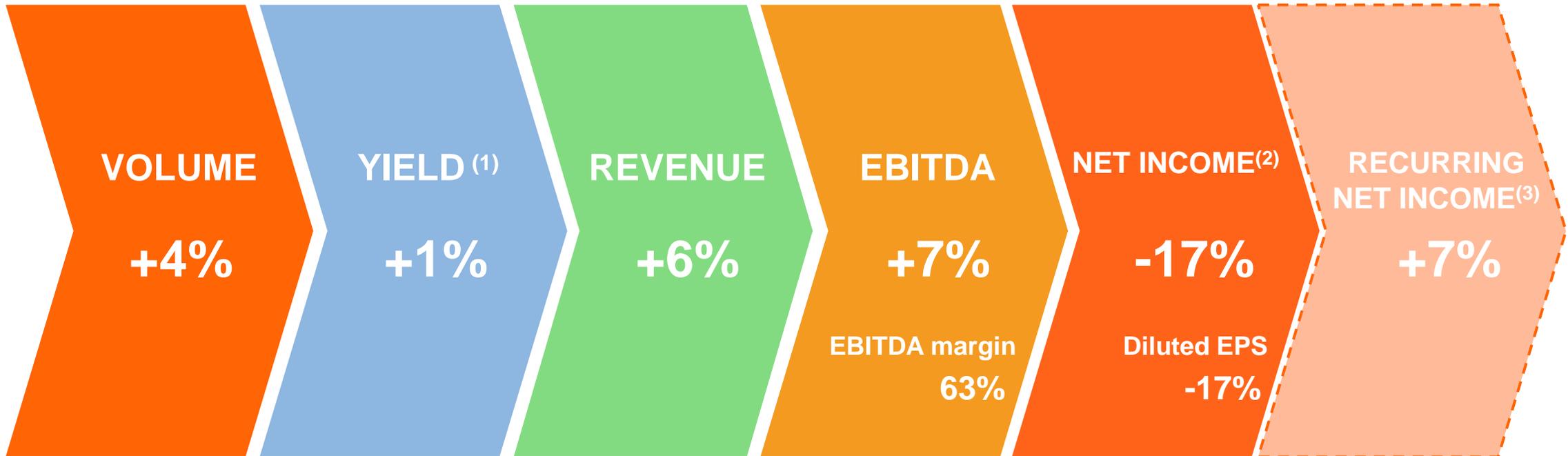
CO₂ emissions



2023 Sustainability Report

ICTSI 2023 Sustainability Report theme,
The Logistics of Transformation, exemplifies the company's focus on
bringing about positive change while driving economic growth

Consolidated Financial & Operational Highlights



- Volumes grew across our diversified portfolio despite flat global trade
- Yield continued its upward trajectory and remained above US\$180
- EBITDA margin maintained above 60%; EBITDA hit record high

Yearly and Quarterly Results



<i>(In US\$ million except Volume, Yield per TEU & EBITDA margin)</i>	FY2020	FY2021	FY2022	FY2023	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023
Volume (in TEU '000)	10,194	11,163	12,216	12,749	2,833	2,920	3,104	3,360	3,102	3,174	3,176	3,297
Gross Revenues	1,506	1,865	2,243	2,388	528	535	577	603	572	593	595	628
Yield / TEU* (in US\$)	147	165	180	182	183	179	181	176	179	181	183	186
Port Fees	175	203	222	220	53	54	57	58	55	55	54	56
Operating Expenses	454	523	612	663	137	147	154	174	163	163	163	174
Opex per TEU	45	47	50	52	48	50	50	52	53	51	51	53
EBITDA	877	1,139	1,409	1,506	338	334	366	371	354	375	378	399
EBITDA Margin	58%	61%	63%	63%	64%	63%	63%	62%	62%	63%	64%	63%
Net Income att. to Equity Holders	102	429	618	512	142	152	171	153	155	159	171	27
Recurring Net Income att. to Equity Holders	282	443	634	677	142	152	171	169	155	170	171	182

Notes: *Yield per TEU excluding predominantly non-containerized terminals [MHCPST, KMT, BIPI, EJMT and HIPS (until August 2022)]

Recent Financial Performance



Liquidity and Capital Resources



Questions and Answers



Appendix



Recent Financial Performance



Manila International Container Terminal, Philippines

Consolidated P&L Highlights



(In US\$ '000, except Volume and EPS)

	2022	2023	% Change
Volume (in TEU)	12,216,190	12,749,214	+4%
Gross Revenues from Port Operations	2,242,992	2,388,326	+6%
Cash Operating Expenses	612,115	662,704	+8%
EBITDA	1,409,273	1,505,614	+7%
EBITDA Margin	63%	63%	
Financing Charges and Other Expenses	198,042	329,886	+67%
Net Income Attributable to Equity Holders	618,465	511,530	-17%
Diluted EPS	0.287	0.237	-17%

Recurring Net Income



(In US\$ '000)

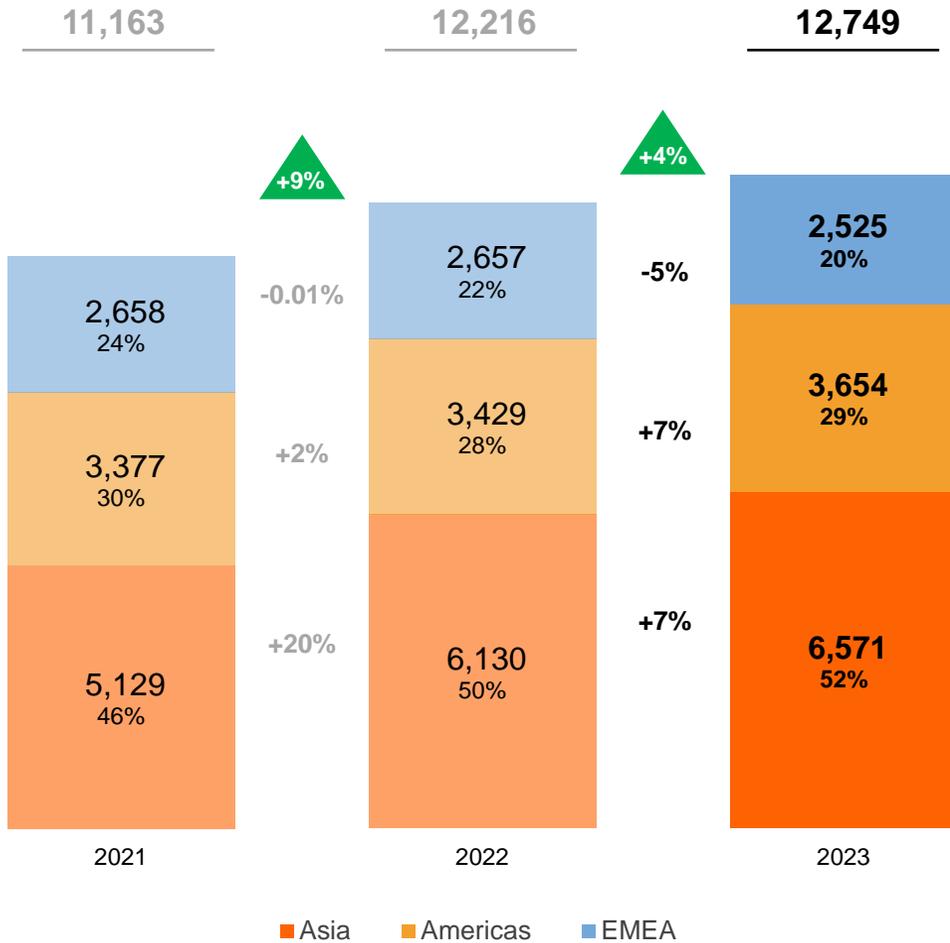
	2022	2023	% Change
Net Income Attributable to Equity Holders	618,465	511,530	-17%
Non-recurring items:			
Add: Impairment of other non-financial assets	16,013	154,689	
Add: Impairment of goodwill attributed to PICT	-	10,615	
Recurring Net Income attributable to Equity Holders	634,478	676,833	+7%

Volume and Revenue



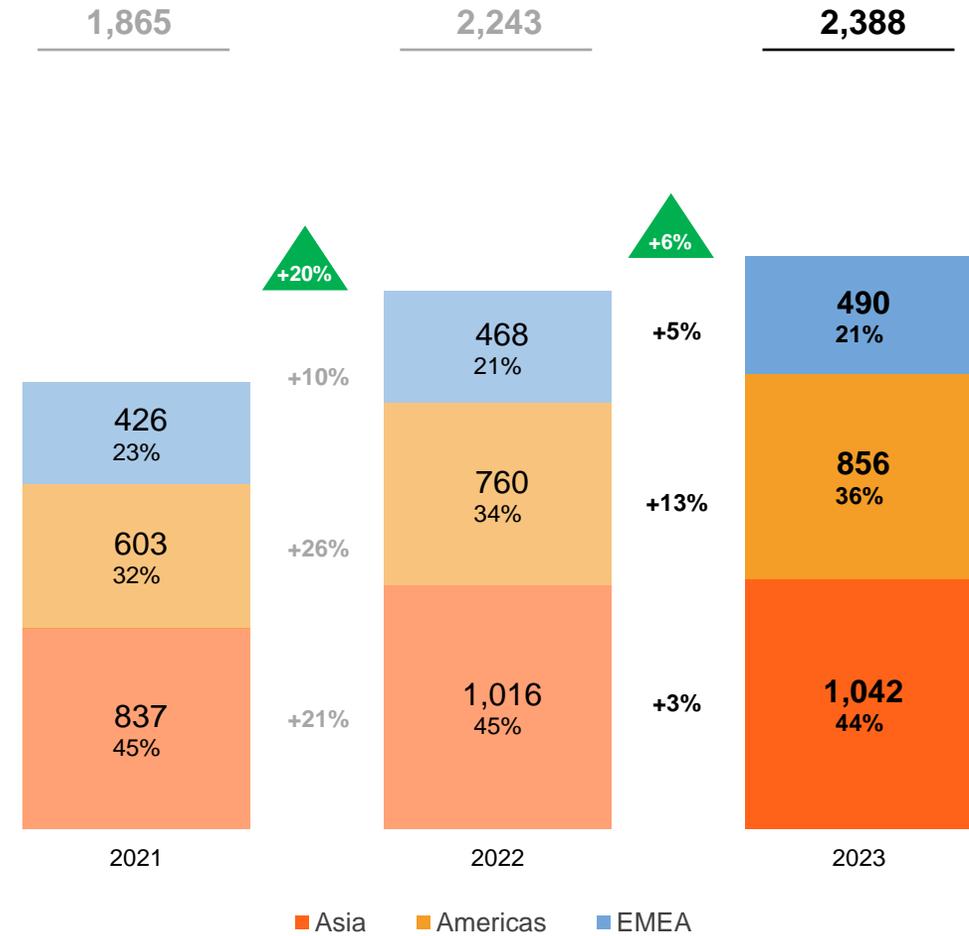
Volume

(in '000 TEUs)



Gross Revenues

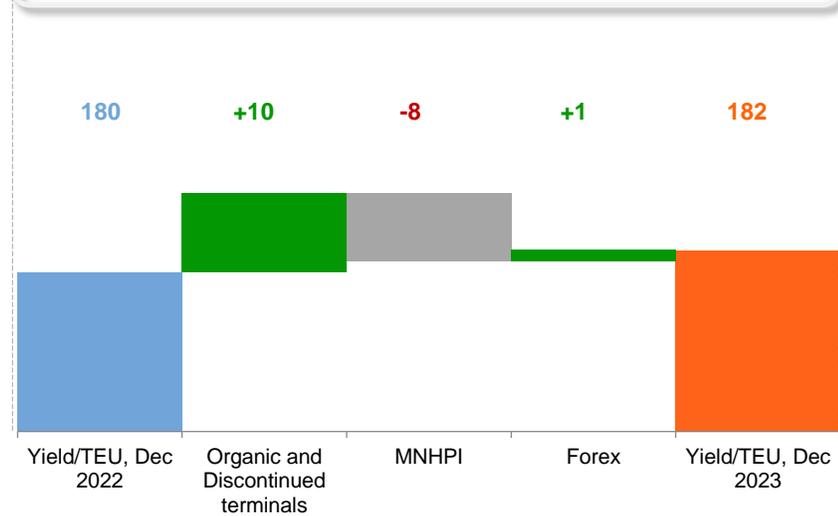
(in US\$ millions)



Yield / TEU Analysis



	2022	2023	% change
Volume (TEUs '000)	12,216	12,749	+4%
Revenues (US\$ '000)	2,193,155	2,322,856	+6%
Revenue / TEU (US\$)	180	182	+1%

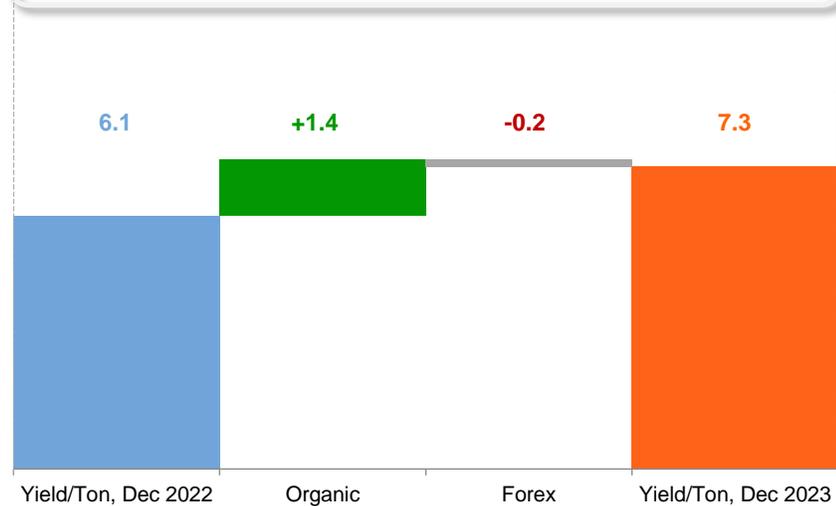


Note: Yield per Ton excluding predominantly non-containerized terminals [MHCPSI, KMT, BIPI, EJMT and HIPS (until August 2022)]

Yield / Ton Analysis



	2022	2023	% change
Volume (Tons '000)	8,201	9,028	+10%
Revenues (US\$ '000)	49,836	65,470	+31%
Revenue / Ton (US\$)	6.1	7.3	+19%



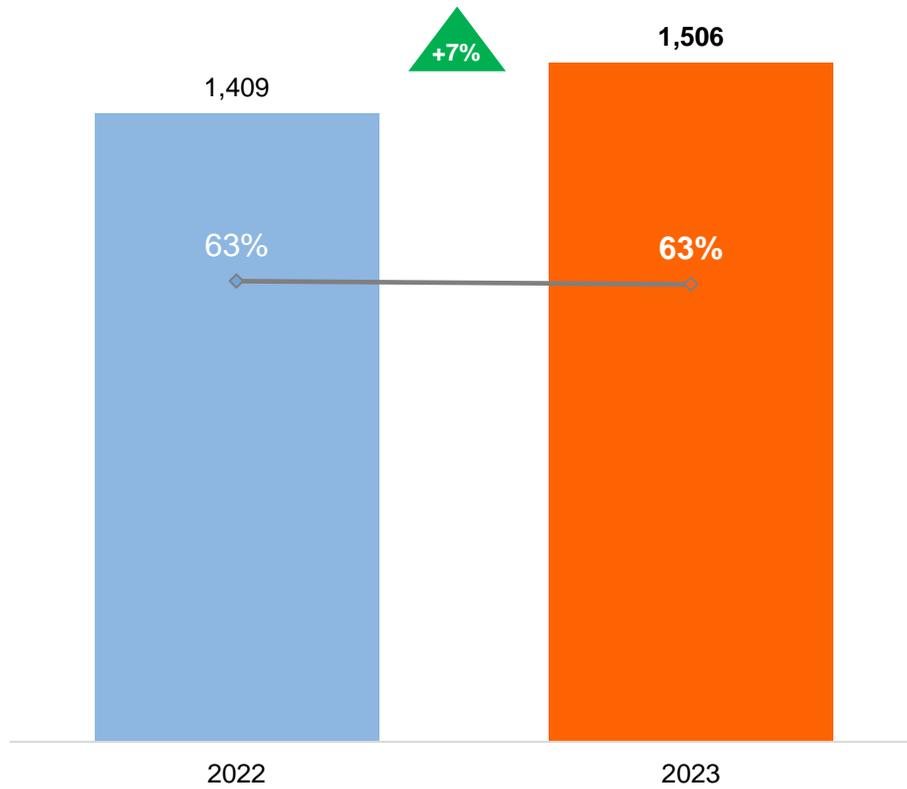
Note: Yield per Ton includes predominantly non-containerized terminals [MHCPST, KMT, BIPI, EJMT and HIPS (until August 2022)]

EBITDA and Free Cash Flow



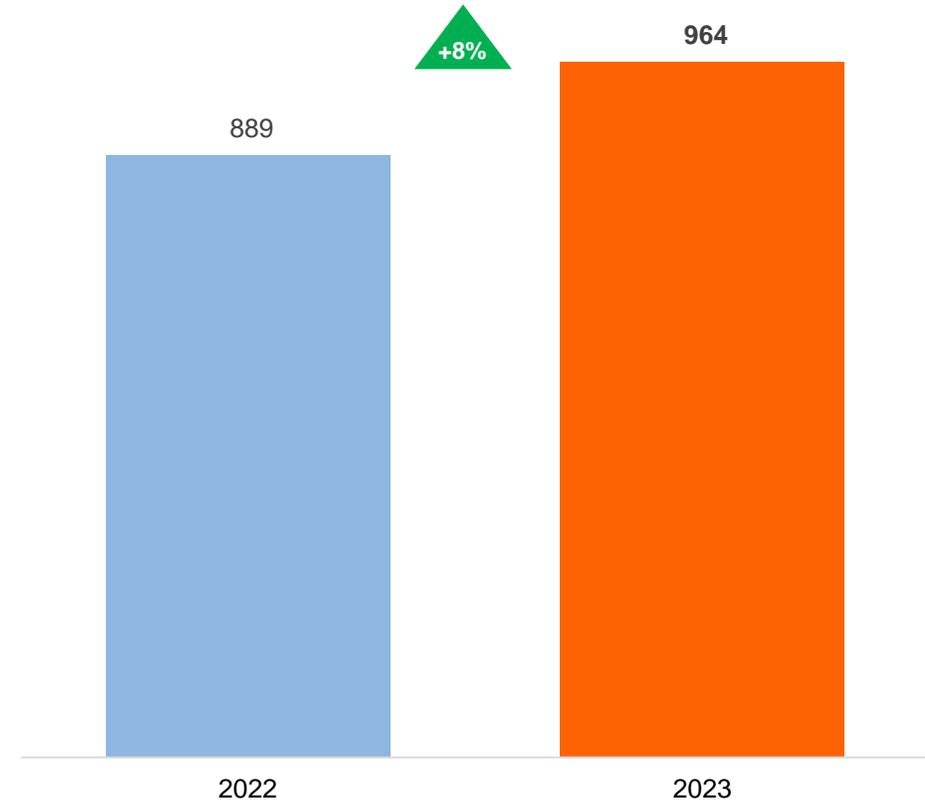
EBITDA & EBITDA Margin

(in US\$ millions)



Free Cash Flow

(in US\$ millions)



Financing Charges



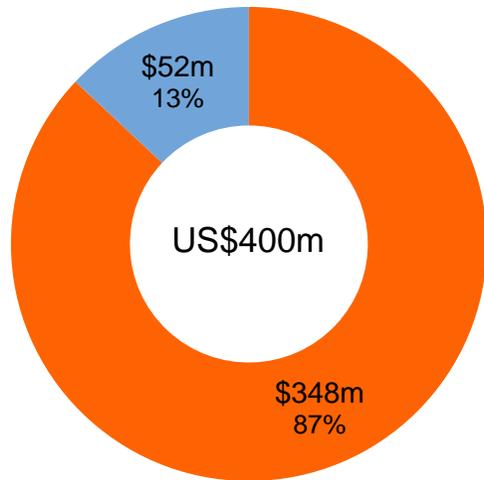
(In US\$ '000)

	2022	2023	% Change
Financing Charges	158,355	169,203	+7%
<ul style="list-style-type: none"> ▪ Interest Expense on Loans/Bonds ▪ Perpetual Securities distribution ▪ Amortization of Debt Issue Cost ▪ Other expenses 	<p>104,138</p> <p>33,438</p> <p>9,945</p> <p>10,834</p>	<p>116,733</p> <p>29,027</p> <p>11,250</p> <p>12,192</p>	<p>+12%</p> <p>-13%</p> <p>+13%</p> <p>+13%</p>
Average Outstanding Debt & Perp Balance	3,032,465	2,868,408	-5%
Average Remaining Tenor (Debt & Perp)	4.5 yrs	4.8 yrs	
Average Cost of Financing (post CIT)	4.1% p.a.	4.7% p.a.	

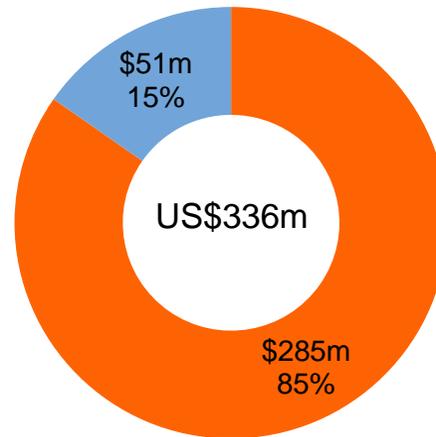
Capital Expenditure



2023 Budget

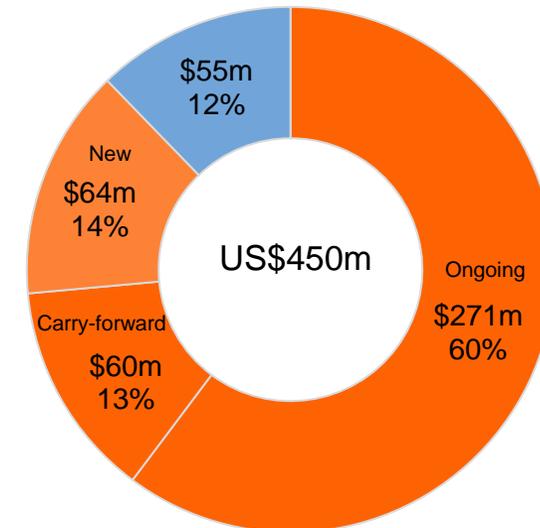


2023 Actual



■ Expansionary

2024 Budget



■ Maintenance

2023A CAPEX mainly for:
 EXPANSIONARY: VICT, MICT, CMSA, ICTSNL, MICTSL,
 IDRC, EJMT and ICTSI Rio

2024B CAPEX mainly for:
 EXPANSIONARY: ICTSI Rio, CMSA, MICT, IDRC, MICTSL,
 EJMT and Iloilo, Phils.

Liquidity and Capital Resources



Balance Sheet Summary



Strong balance sheet with functional and reporting currency in USD

Balance Sheet Highlights

(In US\$ million)

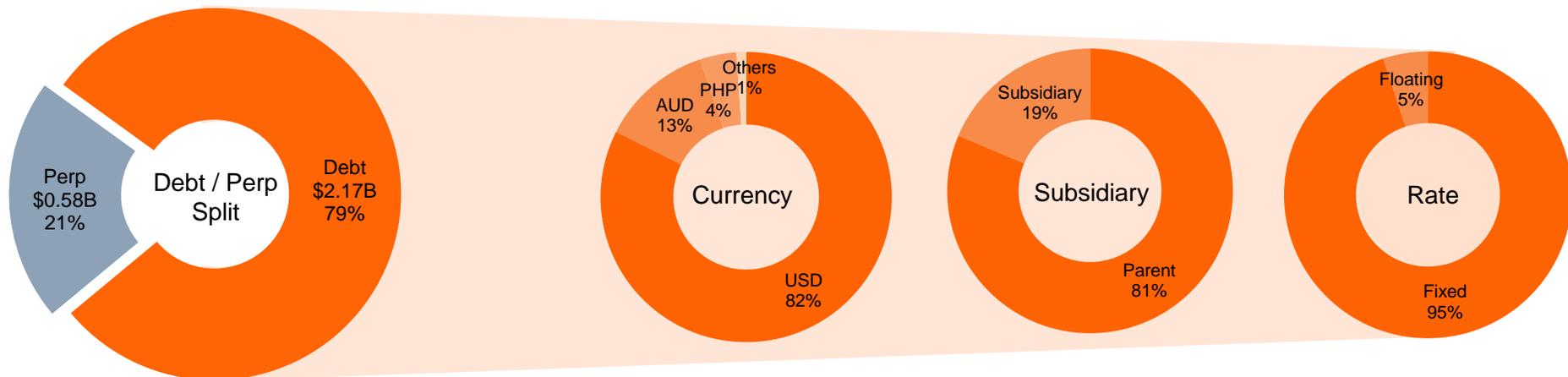
	Dec 31, 2022	Dec 31, 2023
Total Assets	7,054	7,245
Total Liabilities	5,327	5,340
Total Equity	1,727	1,905

Debt Ratios

	Dec 31, 2022	Dec 31, 2023
Gearing: Debt/SHE	1.43	1.14
Current Ratio: Current Assets/Current Liab.	1.00	1.69
Covenant Leverage Ratio: Debt/EBITDA	1.68	1.37

Debt & Perpetual Securities Profile

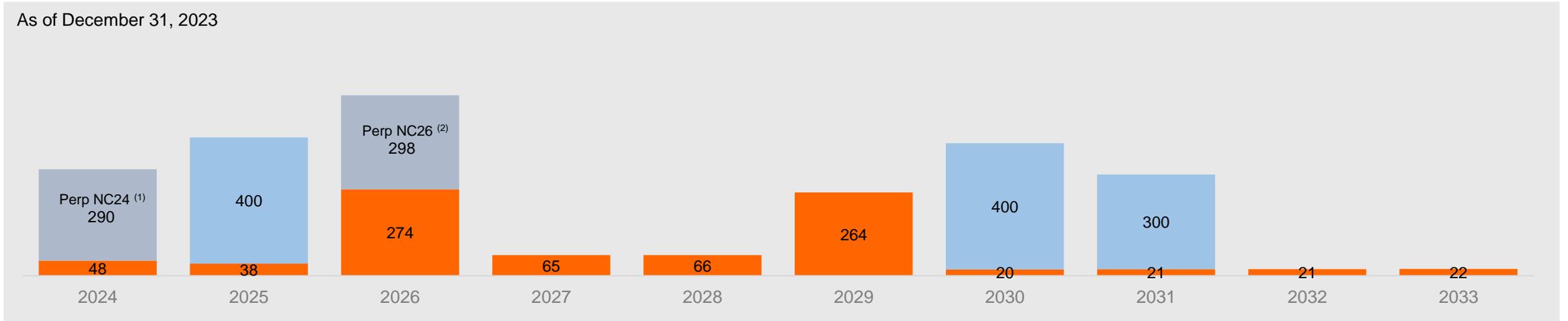
As of Dec 31, 2023



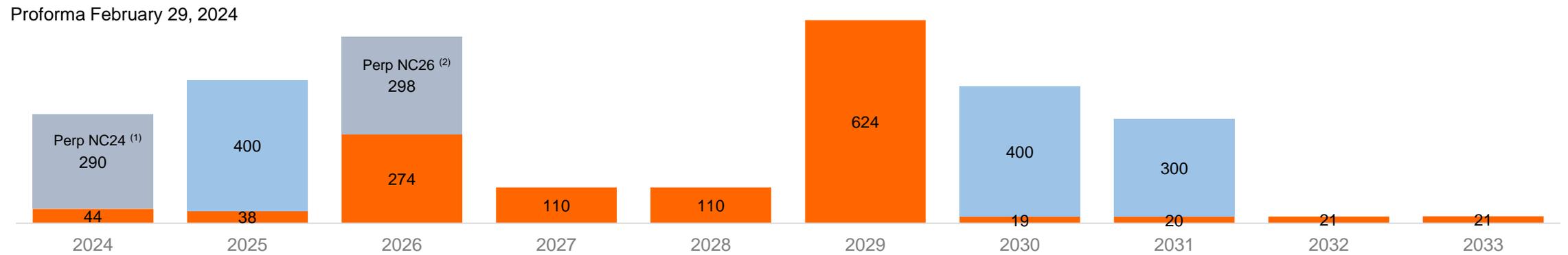
Principal Redemption Profile



(In US\$ million)



Relationship Banks Bonds Perp



Notes:

(1) Callable in 2024 with rate reset and 250-bp step-up in 2024

(2) Callable in 2026 with rate reset and 250-bp step-up in 2026

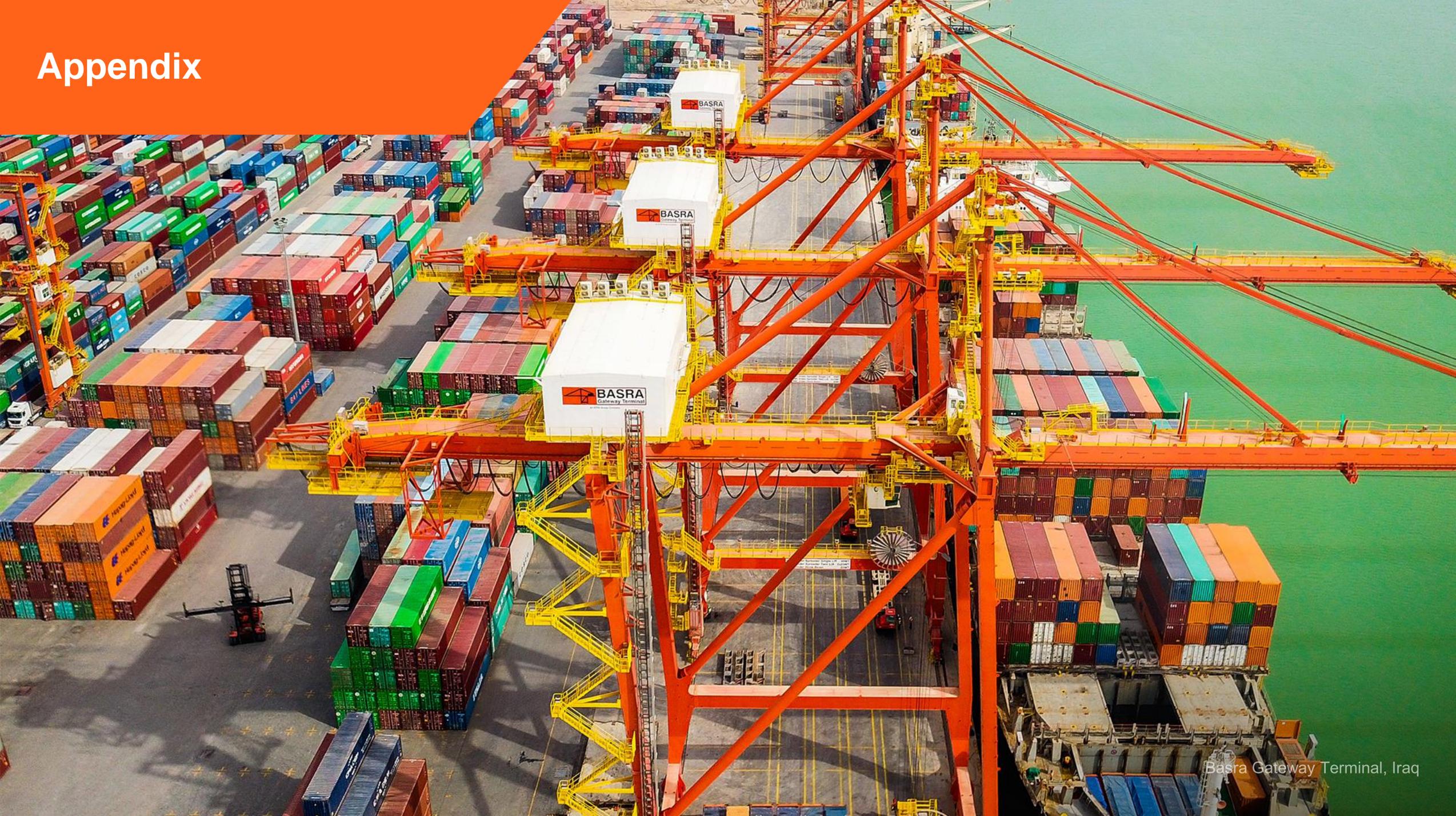


- ✓ Fundamental strategies continued to support strong financial performance and ensured business resilience
- ✓ Yield sustained above US\$180 and hits all-time high US\$186 in 4Q2023
- ✓ EBITDA margin maintained above 60%; EBITDA hit record high for both the full year at US\$1.51B and US\$399M in 4Q2023
- ✓ Balance sheet and cash generation remain robust; well-positioned to capitalize on growth opportunities

Questions and Answers



Appendix



Basra Gateway Terminal, Iraq

EESG: Year-in Highlights



ENVIRONMENT

- **ICTSI** published its commitment towards decarbonization, as it targets a 26% reduction in its Scopes 1 and 2 emissions per move, and net-zero by 2050.
- **Biodiversity.** Various terminals across the group ramped up their efforts to preserve and protect biodiversity. CMSA committed to the reforestation of the Cuyutian Lagoon, an important wetland on the coasts of the Mexican Pacific. TSSA continued its support in the conservation of seahorse, a critical specie that is threatened with extinction.
- **Innovations.** ICTSI terminals also continue to explore other sources of energy and innovate equipment to reduce emissions and cost. ICTSI Yantai in China started constructing a high voltage inverter to power the vessels berthing in the terminal while OMT in Nigeria optimizes the combination of electricity and portable power panels to operate its reefers.



ECONOMY

- **Economic contributions.** ICTSI terminals boost national and local economic growth that were recognized by different bodies. Philippine terminals, in particular, were among the strongest in SEA region, according to Drewry Maritime Research. ICTSI and NorthPort were among the top taxpayers in Manila while MCT in Mindanao was the top revenue contributor according to an industrial authority.
- **Intermodal connections.** ICTSI global operations enable a smooth and easier connection in both land and sea trade. It completed the acquisition of 60% of CLIA Posou Alegre that will facilitate stronger logistics in Brazil. CGSA introduced an automated Port to Door services for its customers, while CMSA and CMA-CGM launched a block train service in Mexico.



SOCIETY

- **Sports.** ICTSI has been backing athletes competing in international games, and supporting sports leagues with a cause. In the Philippines, ICTSI backed the national athletes vying in the Asian Games and the Olympics. BCT was the main sponsor in the Winter Swimming Cup in Poland, while MGT supported local golf community to hone grassroot talents.
- **Safety and Security.** Safety is a major concern for all ICTSI terminals. In CGSA, the terminal invested a USD3.5 million facility for stronger surveillance and anti-narcotics activities with the national police. Philippine terminals such as MCT and MHC secured their safety seal certifications because of their strict measures in health and safety of stakeholders.
- **Best place to work.** OPC and SCIPSI were recognized by award-giving bodies for their outstanding investment in human resources.



GOVERNANCE

- **Digital Governance.** Digitization has been one of the priority strategies of ICTSI. MICT partnered with Autosweep RFID provider for seamless gate processing, along with its launching of a new E-Gate Program. MICT and MHNPI also introduced new chatbots, Issa and Portia, to improve customer experience.
- **Supply Chain Governance.** ICTSI Global Procurement continue to recognize top suppliers through ICTSI Supplier Quality Awards, which in 2023, highlighted the importance of sustainability, and encouraged the suppliers to be with the company in doing sustainable practices.
- **Policies.** The Global Legal Affairs strengthened the cascading of both corporate laws and national regulations, such as through the conduct of Terminal Exposure Awareness (TEA) Time program to mitigate legal risks from doing operational activities.

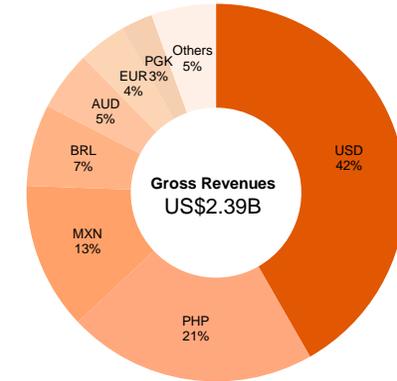
Proactive FX Risk Management



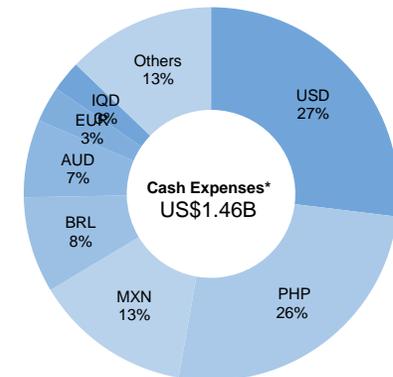
ICTSI's revenue and cash expenses are favourably matched, which provides a natural currency hedge that mitigates against volatility attributable to FX movements

Revenue Currency by Subsidiary			Subsidiaries	Cash Expense Currency by Subsidiary		
USD	EUR	Local Currency		Local Currency	EUR	USD
46%		54% PHP	MICT	90% PHP	1%	9%
		100% RMB	YICT	100% RMB		
39%		61% PHP	SBITC/ISI	83% PHP		17%
		100% PHP	SCIPSI	100% PHP		
16%		84% PHP	MICTSI	100% PHP		
		100% PHP	BIPI	100% PHP		
		100% PHP	CGT	100% PHP		
22%		78% PHP	LGICT	98% PHP		2%
		100% AUD	VICT	100% AUD		
		100% PGK	SPICTL/MITL	100% PGK		
29%		71% PHP	MHCPSI	97% PHP		3%
		100% PHP	MNHPI	100% PHP		
		100% IDR	EJMT	90% IDR		10%
65%	5%	30% PLN	BCT	76% PLN		24%
	100%		MICTSL	57% MGA	40%	3%
100%			BICT	75% GEL	1%	24%
	100%		AGCT		98%	2%
64%		36% IQD	ICTSI Iraq	86% IQD		14%
100%			IDRC	2% CDF		98%
		100% XAF*	KMT	100% XAF		
50%		50% NGN	ICTSNL	86% NGN		13%
		100% BRL	TSSA	99% BRL		1%
100%			CGSA			100%
100%			OPC	54% HNL		46%
20%		80% MXN	CMSA	98% MXN		2%
100%			TECPLATA	93% ARS		7%
46%		54% BRL	ICTSI RIO	99% BRL		1%
		100% BRL	IRB Logistica	100% BRL		
		100% BRL	CLIA Pouso Alegre	100% BRL		

Revenues from Port Operations
(2023 Revenue Breakdown by Currency)



Expenses favourably Matching Revenues
(2023 Cash Expense Breakdown by Currency)



Note
*Total Cash Expense includes Cash Opex, Port Fees, Realized FX losses, Interest Cost, Perp Distribution, IFRIC Interest, Other "cash" expenses and Income tax paid

*XAF pegged to EUR



Thank you!