



2020 Full Year Summary

Investor Presentation

Year ended 31 December 2020

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1. Business Overview and Update
2. Trading Update and Outlook
3. Funding and Treasury

Business Overview and Update

Our mission is 'Keeping Britain Trading'. We will utilise our strong port locations to drive increased value for our customers, optimising their supply chain solutions in a safe and sustainable manner.



Business strengths support our success

Asset Ownership	<ul style="list-style-type: none"> • Freehold ownership of port assets • Landlord business model underpinning business strategy
Business Strategy	<ul style="list-style-type: none"> • Clear focus on strategic growth areas with close alignment to the UK Government's ten point plan for a green industrial revolution • Focus on “value add” opportunities to support customers
Locations	<ul style="list-style-type: none"> • Ports well positioned on key global trade routes • Geographically diversified with close proximity to important industrial sites • Strategic links to UK logistic chains
Customers and their Cargo	<ul style="list-style-type: none"> • Highly diversified cargo and customer base • Long dated customer contracts, typically with minimum volume guarantees or fixed revenue arrangements
Financing	<ul style="list-style-type: none"> • Diversified debt funding sources • Investment grade secured covenanted financing structure
Shareholders	<ul style="list-style-type: none"> • Collaborative, experienced and well resourced shareholder group focused on stable long-term returns and are fully supportive of management initiatives

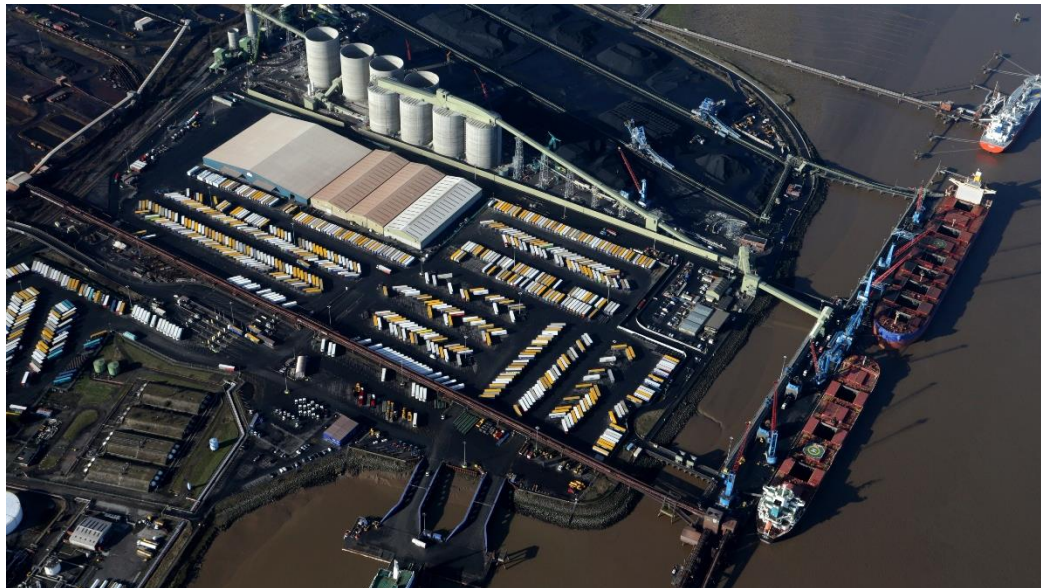


2020 Major Investments in Core Sectors

Southampton's fifth dedicated cruise terminal is an investment of £55 million strengthening Southampton's position as Europe's leading cruise turn-around port and the UK's number one departure port.

Terminal 5 is a strategic partnership with MSC Cruises and Norwegian Cruise Line, the third and fourth biggest cruise operators, allowing them to develop long-term in Southampton.

Terminal 5 received support from the Solent Local Enterprise Partnership through the Government's Getting Building Fund with an £8 million grant. ABP received an additional £4.4m of grant in relation to providing the shore power connectivity. Terminal 5 will be complete in summer 2021.



Drax Blending Shed and Additional Storage is a £21m investment to develop blending and storage facilities allowing Drax to utilise cheaper alternative viable fuels that can be blended with wood pellets.

The investment converts an existing shed from agri-bulks to biomass, expands the lorry load-in facility and provides additional operational equipment. The project also includes replacement warehousing to maintain the agri-bulks volume growth that, prior to this project, would have been handled through existing shed.

First phase went live in December 2020 and will be fully operational from May 2021.

Alternative Energy

Alternative Energy is a new part of ABP's strategy for the future and focuses on emerging opportunities within the alternative energy sector where ABP's ports provide attractive locations for investment. This includes Large-scale Hydrogen Production and Carbon Capture, Utilisation & Storage.

ABP is a member of Zero Carbon Humber, a consortium of leading energy and industrial companies and academic institutions with a shared vision to transform the Humber region into the UK's first net-zero carbon cluster by 2040.

Zero Carbon Humber are working to deliver low carbon hydrogen production facilities and carbon capture usage and storage facilities together with region-wide infrastructure that will enable large-scale decarbonisation.

In March, Zero Carbon Humber received £75m of Government funding through the Industrial Strategy Challenge Fund.

Key projects include:

- Equinor-led "Hydrogen to Humber Saltend" scheme, the world's largest hydrogen production plant.
- Captured industrial emissions piped from an onshore marine terminal to offshore subsea storage facility.



ZEROCARBON
HUMBER

ABP | ASSOCIATED
BRITISH PORTS

**BRITISH
STEEL**

centrica

drax

equinor

**MITSUBISHI
POWER**

nationalgrid

px

**sse
Thermal**

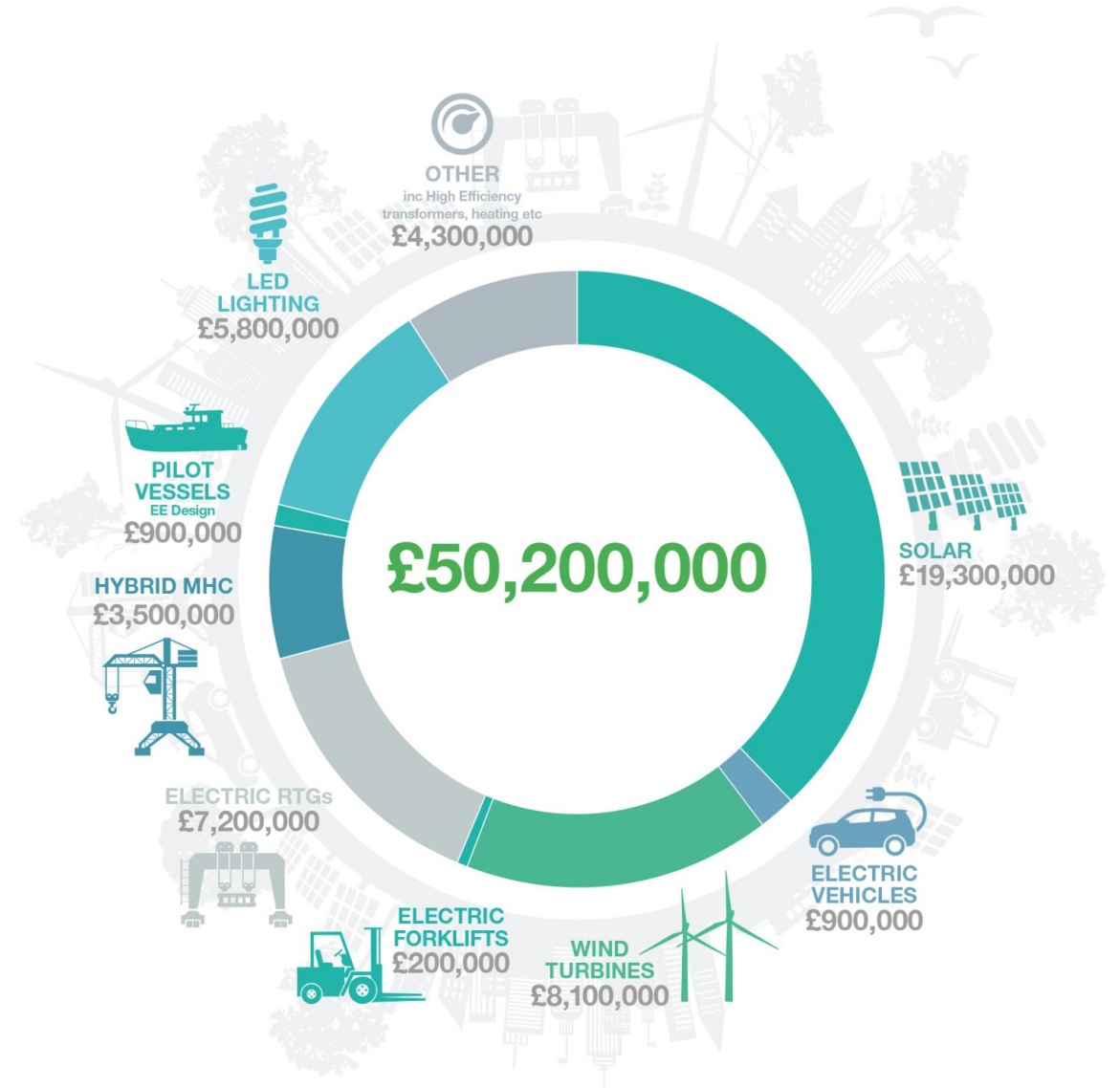
TRITON POWER

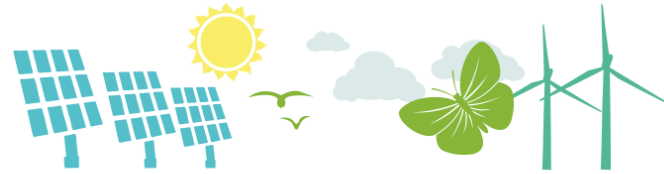
AMRC

Investing in green technologies



Since 2011, **ABP** has invested nearly **£50 million in green technologies**, including renewable energy generation, pilot vessels designed to reduce fuel use, high efficiency transformers and new LED high-mast lighting across its estates.





Generating renewable energy

17

OF ABP'S 21 PORTS HAVE RENEWABLE ENERGY GENERATION PROJECTS, **PROVIDING CLEAN POWER FOR THE COMPANY AND ITS CUSTOMERS**

22.2GWh

IN 2019, ABP GENERATED 22.2GWH OF ELECTRICITY, **17% MORE THAN THE PREVIOUS YEAR**

2.4GWh

OF ELECTRICITY GENERATED BY ONSITE RENEWABLES WAS **USED BY CUSTOMERS**

12.6GWh

IN 2019, 12.6GWH (18.8%) OF ALL THE ELECTRICITY ABP USED WAS **GENERATED BY ONSITE RENEWABLES**

7.2GWh

OF ELECTRICITY GENERATED BY ONSITE RENEWABLES WAS **EXPORTED TO THE UK GRID**



Reducing GHG emissions

Since 2014 **ABP has reduced its absolute GHG emissions by 36%.**



Reducing waste

ABP's focus is not only on reducing emissions but also improving waste management. **ABP is currently achieving its objective of diverting over 90% of all waste to landfill.**



Supporting sustainable supply chains

For over 20 years, ABP has been managing the complete end-to-end operation for Scotland's TimberLINK service. The TimberLINK Service ships up to **100,000 tonnes of timber a year, removing around one million lorry miles from roads** between Argyll and Ayrshire.

Brexit and Freeports

- There has been minimal impact on ABP's operations following the departure from the EU Customs Union on 31 December 2020. Goods have continued to move through the ports and ABP's customers have generally been prepared for changes that are required or that are due to come in to force in the months ahead.
- *Border Control Posts (BCPs)* are to be required for checks on consignments of animals, animal products and products of non-animal origin from non-EU countries. ABP owned ports are receiving £32.6m of grant from the Port Infrastructure Fund to build new BCPs across 4 sites at Hull, Immingham, Southampton and Plymouth.
- UK Government recently announced an extension of the timetable from 1 July 2021 to 1 January 2022 for when inspections will begin and therefore BCPs are required.
- ABP is involved in four Freeports in England.
- Freeports are designed to attract investment and benefits are delivered through enhanced tax relief to encourage employment and investment, simplified customs procedures all alongside wider government support including the Levelling Up Fund.
- UK Government to agree with the devolved administrations the delivery of potential Freeports in Scotland, Wales and Northern Ireland.



Trading Update and Outlook

Year ended 31 December 2020

2020 Key Figures

Throughput

**Bulk Cargo
Tonnage**
49.3Mt (-9.5%)

Unitised Cargo
3.0m units (-14.3%)

Passengers
342.0k (-88.4%)

Financials

Revenue
£565.2m (-7.6%)

**Consolidated EBITDA
(pre exceptional costs)**
£292.8m (-11.5%)

**Consolidated EBITDA
(post exceptional costs)**
£288.8m (-8.4%)

**Consolidated EBITDA
Margin
(pre exceptional costs)**
51.8% (-2.3%)

Covenant Ratios

Interest Cover
1.96x

**Leverage
(pre exceptional costs)**
6.77x

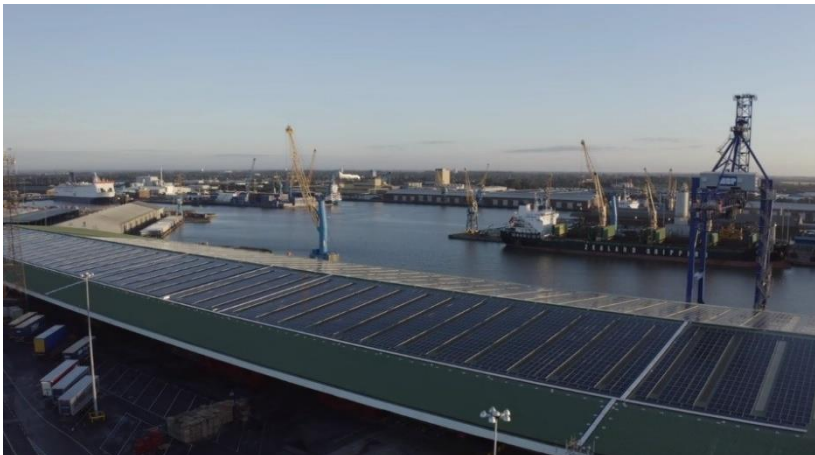
**Leverage
(post exceptional costs)**
6.87x

2020 Business Highlights

In February, Howard Tenens Logistics Limited, one of the largest privately owned logistics companies in the UK, entered in to a new lease of warehousing in the Port of Newport.

In March, ABP received and unloaded 63,907 tonnes of Drax's sustainable biomass, the largest shipment to arrive at the Port of Immingham, enough fuel to generate electricity for 1.3 million homes.

In May, Tata Steel and ABP entered into a new and improved 10-year agreement in respect of the import of raw materials to the integrated steelworks via the deep-water harbour at Port Talbot and the handling of finished steel products for export through the Port of Newport.

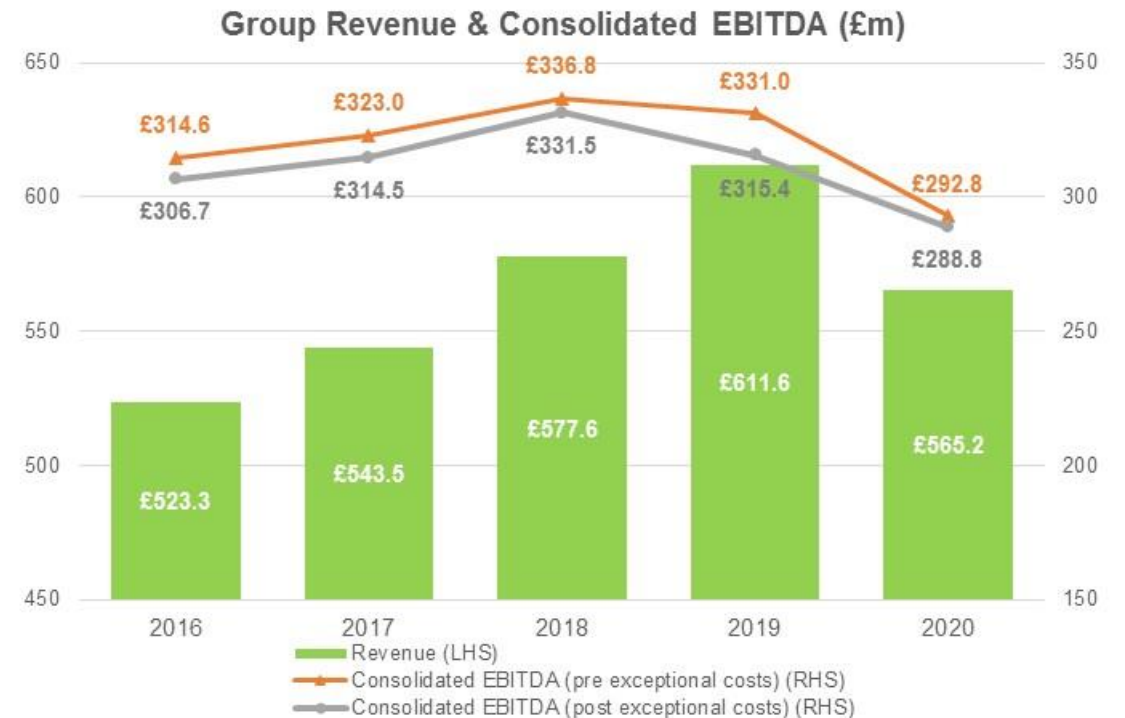


In June, Valero, a global refiner specialising in the manufacture of transportation fuels and petrochemical products, signed a new contract at the Port of Cardiff. The long-term agreement includes occupation of a 12-acre storage and distribution terminal which will be fed by coastal tankers.

In November, ABP unveiled the UK's largest commercial rooftop solar array at the Port of Hull, a £6.8 million investment more than doubling ABP's Humber renewable energy generation capacity.

2020 Summary versus 2019

- ABP's diversified commodity and customer base underpinned by fixed and guaranteed contractual arrangements limited the downside impact on financial performance despite the challenging economic climate resulting from the impact of Covid-19. As a result, full year EBITDA (pre-exceptional costs) of £292.8 was £38.2m below 2019.
- Biggest impact was on the Cruise sector which saw revenue decline 55.4% and in the Automotive sector with a revenue decline of 5.0%. EBITDA was further reduced by additional provisions taken in the year of £17.4m which includes a precautionary general bad debt provision and a provision for specific maintenance work.
- Downsides from Covid-19 were offset by cost saving measures of £25.4m and strong operational delivery of biomass handling for Drax resulting in higher throughput above minimum volume guarantees. Full year EBITDA was further supported by stronger underlying performance in the second half of the year than had been expected.
- Full year EBITDA (post exceptionals) of £288.8m and Net Debt of £1,982.7m resulted in a year end leverage covenant of 6.87x.
- Net Debt lower due to a cash injection of £159.5m from the new MidCo debt raised to enhance the resilience of the ABPAH Group and continue investment in opportunities that will lead to increased value in the longer-term.



2021 Business Highlights

In January, ABP completed the final stage of a £50 million investment in upgrading our Humber Container Terminals. In 2018, following completion of the container terminal expansion in Hull, sailings increased from five to 15 per week adding new customers and destinations. The upgrade and improvement programme at Immingham Container Terminal has modernised equipment, extended the footprint leading to increased productivity. The new electric rubber tyre gantry cranes that arrived over a year ago have reduced fuel consumption at the terminal by 95%.



In February, ABP invested £300,000 in a new rail service in the Western Docks at the Port of Southampton. Together with customer DB Cargo UK, ABP will now move around 600 to 800 new BMW Minis each week by rail.

In March, ABP and a new European customer, announced an investment of £23 million to create a new manufacturing facility in Newport. The Welsh Government also contributed £750,000 in support of the project. The new facility will be used to store gypsum and manufacture plasterboard.

In April 2021, ABP announced a partnership with Verizon Business and Nokia to deploy a private 5G network at the Port of Southampton, making it the first UK mainland port to offer this flexible and resilient technology to customers.

Financial Outlook

ABP's latest 5 year business plan forms the basis of the covenant forecasts set out in the Investor Report. ABP's business plan is based on our own outlook, customer commitments and forecasts, wider industry data and economic forecasts. The business plan was prepared in Q3 2020 and ABP took a cautious view, particularly in the first half of 2021. Volumes were assumed to remain constrained in the first half of 2021 with a recovery only materialising in the second half of 2021.

As at 31 December	2020 (actuals)	2021	2022	2023
Adjusted Consolidated EBITDA ¹	286.8	298.3	316.9	333.1
Net Interest Payable	146.4	145.8	142.5	145.9
Ratio of Adjusted Consolidated EBITDA to Net Interest Payable	1.96x	2.05x	2.22x	2.28x
Consolidated Net Borrowings	1,982.7	2,070.6	2,222.5	2,371.0
Consolidated EBITDA	288.8	306.6	328.9	351.3
Ratio of Consolidated Net Borrowings to Consolidated EBITDA	6.87x	6.75x	6.76x	6.75x

Source: ABPA Holdings Investor Report

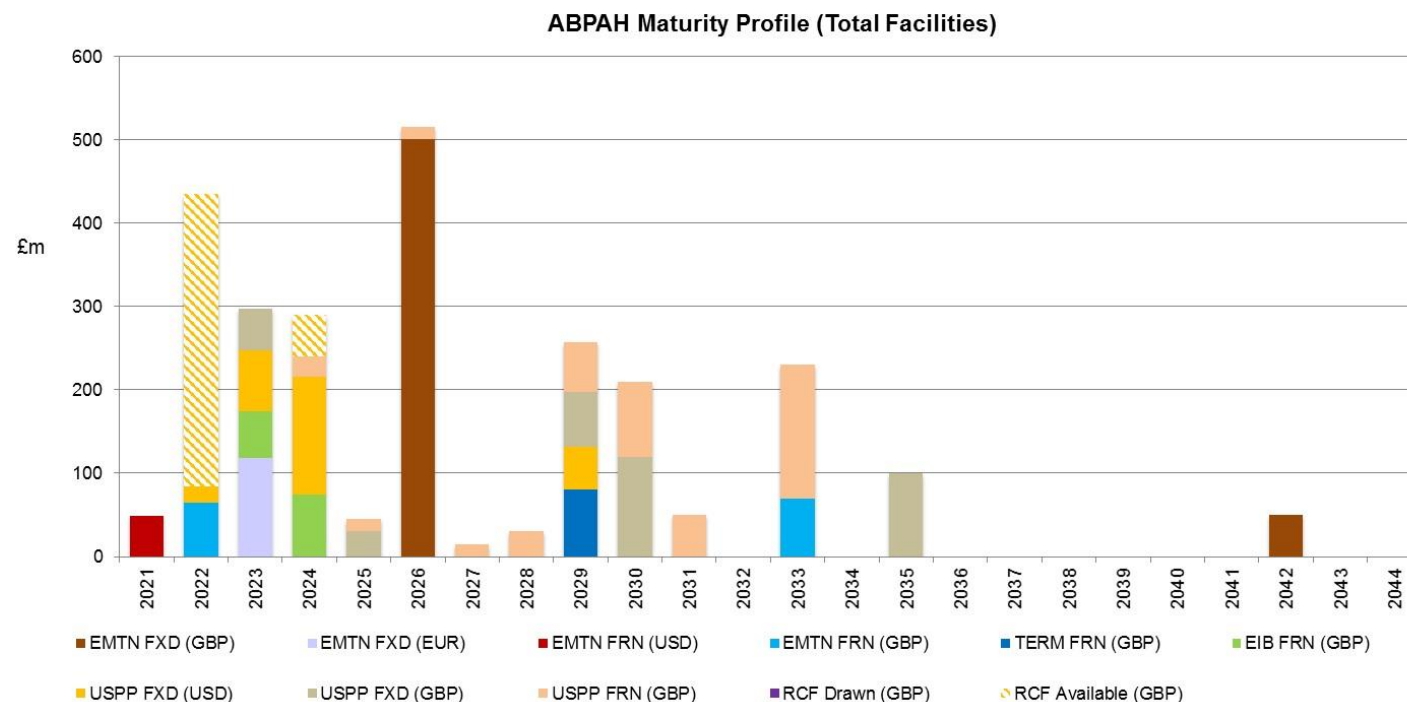
¹Adjusted Consolidated EBITDA is after adjustments for tax

Funding and Treasury

Diverse funding sources and maturities

- ABPA Holdings debt profile remained unchanged during 2020 with debt from a range of sources, basis types, currencies and maturities.
- In addition to the facilities listed, £165m of committed debt service liquidity facilities in place in accordance with creditor covenant package.
- Refinancing of £350m of undrawn bank Revolving Credit Facilities maturing in 2022 is underway.

Source (issuing currency)	Facility (£m)	Drawn (£m)
Revolving Credit Facilities (GBP)	400.0	0.0
Term Loans (GBP)	80.0	80.0
EIB Loans (GBP)	129.0	129.0
EMTN (GBP)	685.0	685.0
EMTN (USD)	48.9	48.9
EMTN (EUR)	118.7	118.7
USPP (GBP)	825.0	825.0
USPP (USD)	285.8	285.8
Total	2,572.4	2,172.4



Debt Basis	Drawn (£m)
Fixed Rate	915.0
Fixed Rate (swapped to floating)	404.5
Floating Rate	852.9
Total	2,172.4

Source: Company Information as at 31 December 2020

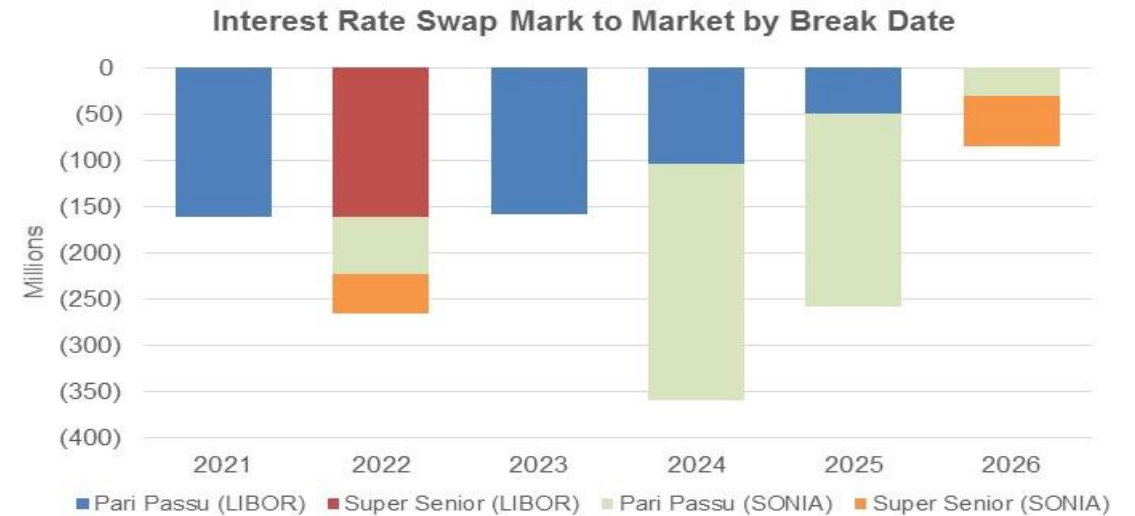
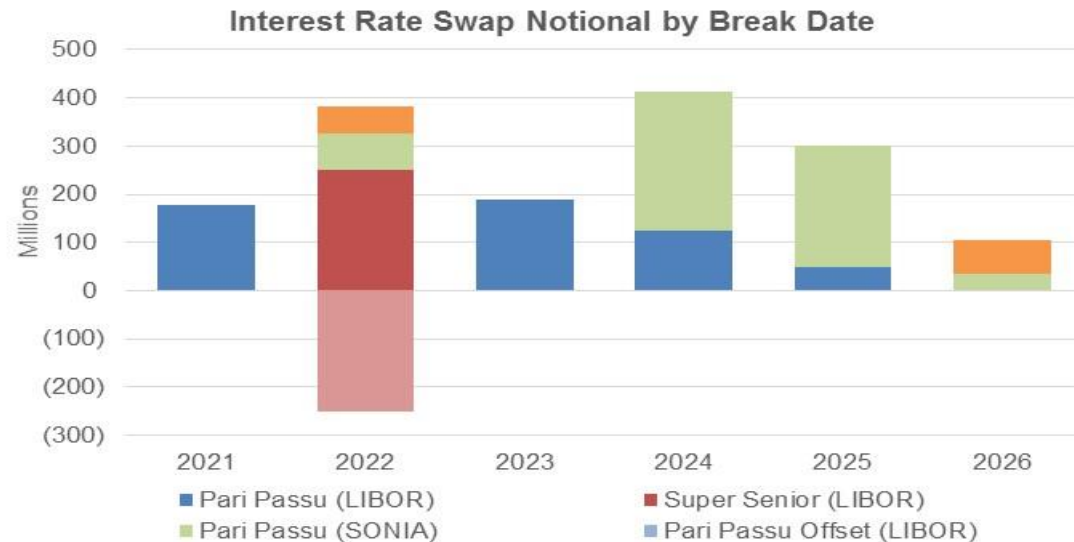
Debt-linked derivative positions

Net mark to market is an out of the money position totalling £1,129.5m. Fair value reported in the financial statements is a liability totalling £933.0m (2019: £797.5m).

ABP prudently manages the interest rate swaps with mandatory breaks spread over the next 6 years. In addition, ABP has completed the restructuring of several swaps to enable complete removal of breaks.

ABP has continued with plans to proactively transition existing GBP LIBOR financial instruments to SONIA.

Trade Type	Notional (£m)	Mark to Market (£m)	Fair Value (£m)
Total Interest Rate Swaps	1,985.8	(1,240.6)	(1,044.5)
Total Cross Currency Swaps	453.4	111.1	111.5
Total Derivative Position	2,439.2	(1,129.5)	(933.0)



Source: Company Information as at 31 December 2020

