



International
Container Terminal
Services, Inc.

1Q 2023 Investors' Briefing

May 8, 2023

Recent Financial & Operational Highlights

1Q2023 Consolidated Results (with MNHPI)



- MNHPI consolidation drove volume and revenue growth; impacted yield
- Tariff adjustments boosted revenues; helped offset inflationary cost pressures
- A diversified portfolio supported financial and operational performance and cushioned impact of macroeconomic environment
- Net income grew despite challenging global backdrop

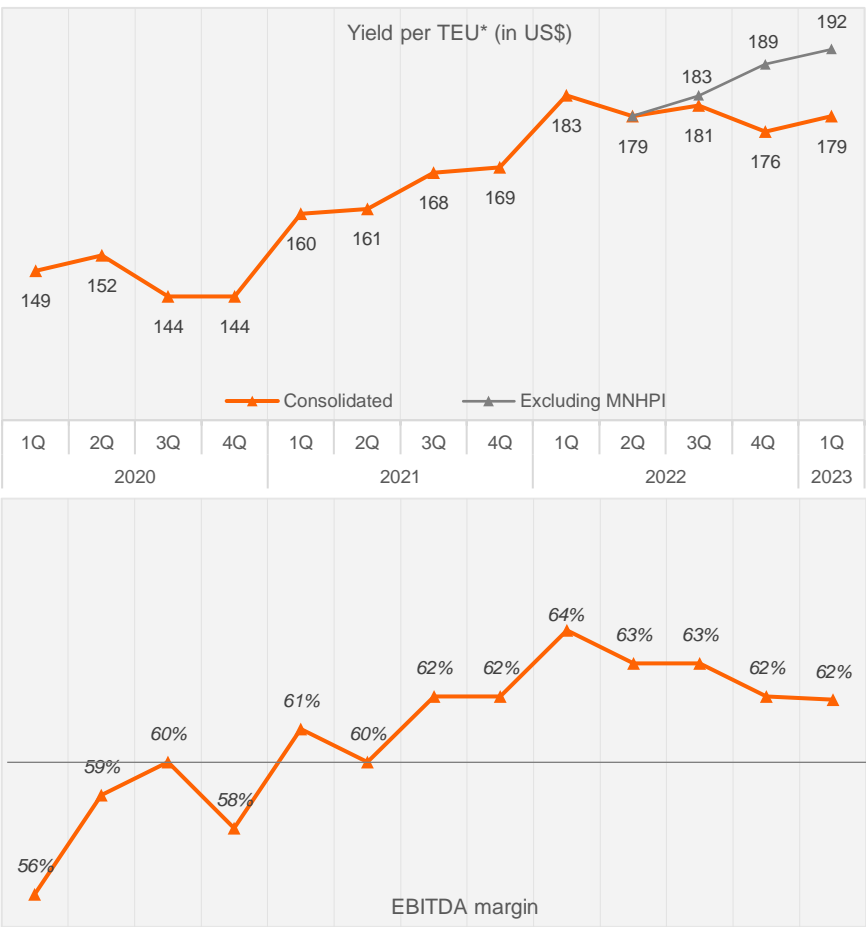
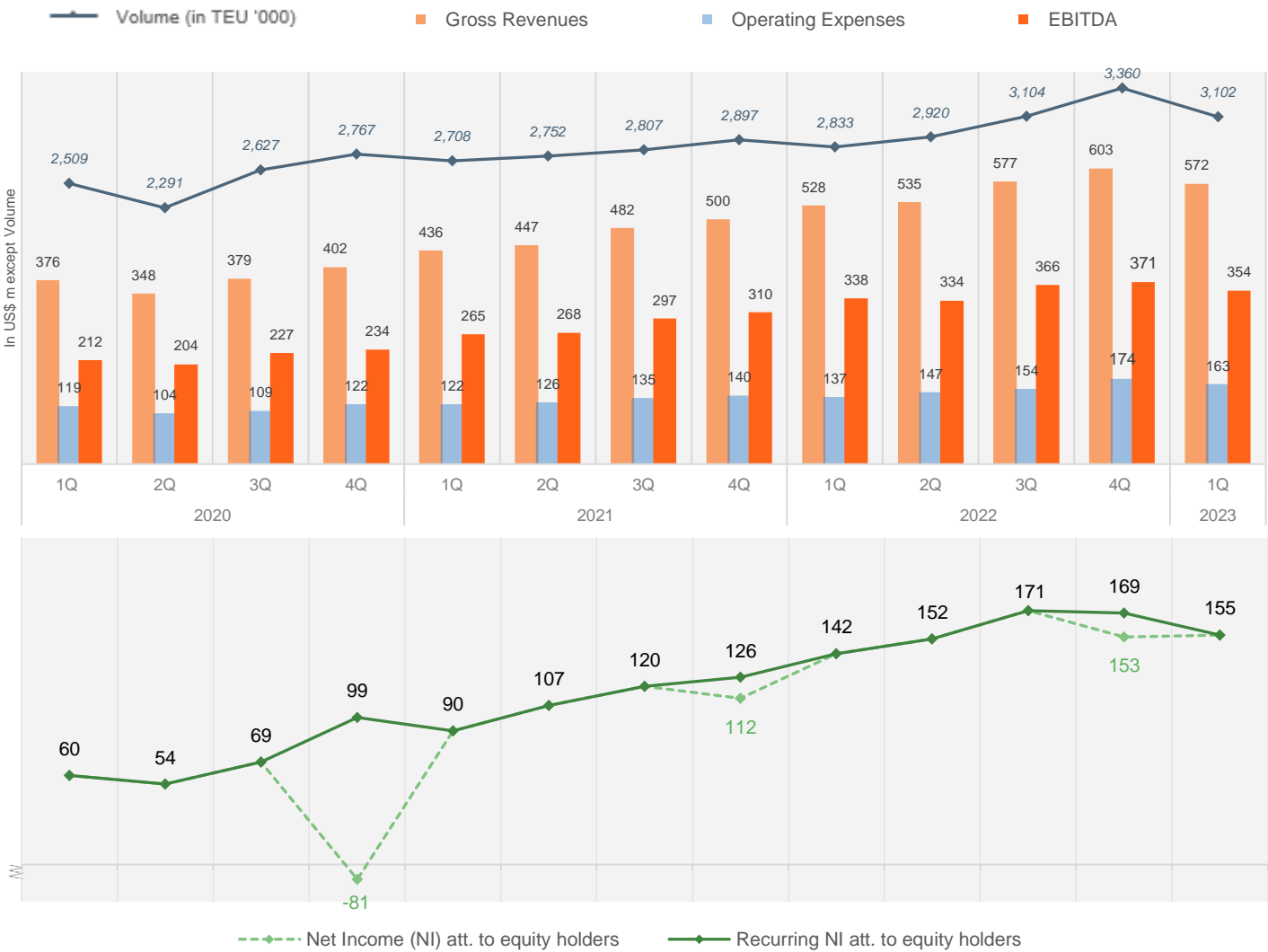
Note: ⁽¹⁾ Yield per TEU excluding predominantly non-containerized terminals (MHCPST, KMT, BIPI, HIPS and EJMT)

⁽²⁾ Net Income attributable to Equity Holders

⁽³⁾ Diluted Earnings per Share

Quarterly Results

Business fundamentals remain constructive despite near term cyclical weakness and high inflationary environment



Note: *Yield per TEU excluding predominantly non-containerized terminals (MHCPST, KMT, BIPI, HIPS and EJMT)

Governance and Sustainability



“ Environment

We continue to carefully identify, assess and manage our climate-related risks, with the ambition of becoming carbon neutral for our Scopes 1 and 2 emissions. We are in the process of accounting for the full GHG emissions footprint for the entire ICTSI Group, including the quantification of our material Scope 3 emissions.

To manage our greenhouse gas emissions, we shall identify interim and long-term decarbonization strategies that are grounded on science-based targets for each of our business units. On the drawing board, we are drafting a full ICTSI Group Climate Ambition Roadmap and a Policy on Climate Change that will guide us in aiming a significant reduction in our emissions and transforming our operations towards using renewable energy.

”



“ Social

We remain committed in nurturing the communities where we serve through programs and initiatives. We center our efforts on youth development which includes education and sports development, on environmental protection to mitigate effects of our economic activities, protect wildlife, and restore forests, and on community assistance to uplift lives through health, livelihood, local leadership, and disaster management

”



“ Governance

In accordance with our Global Principles on Human Capital, our Diversity and Equal Opportunities policy, and our policy on board diversity, we continue to find solutions to capture all areas of diversity in our corporate governance such as in terms of age, race, culture, gender and knowledge. We also aim to strengthen tenurial arrangement in our Board towards stability, sustainability, and retaining expertise in the company. We likewise continue to entrust the chairmanship of the Board and presidency of the company to Mr. Enrique K. Razon Jr as we find it practicable and more efficient in unifying these positions to one person considering the nature of our business.

”

Agenda

01

Recent Financial Performance

02

Liquidity and Capital Resources

03

Questions and Answers

04

Appendix

01

Recent Financial Performance

Consolidated P&L Highlights

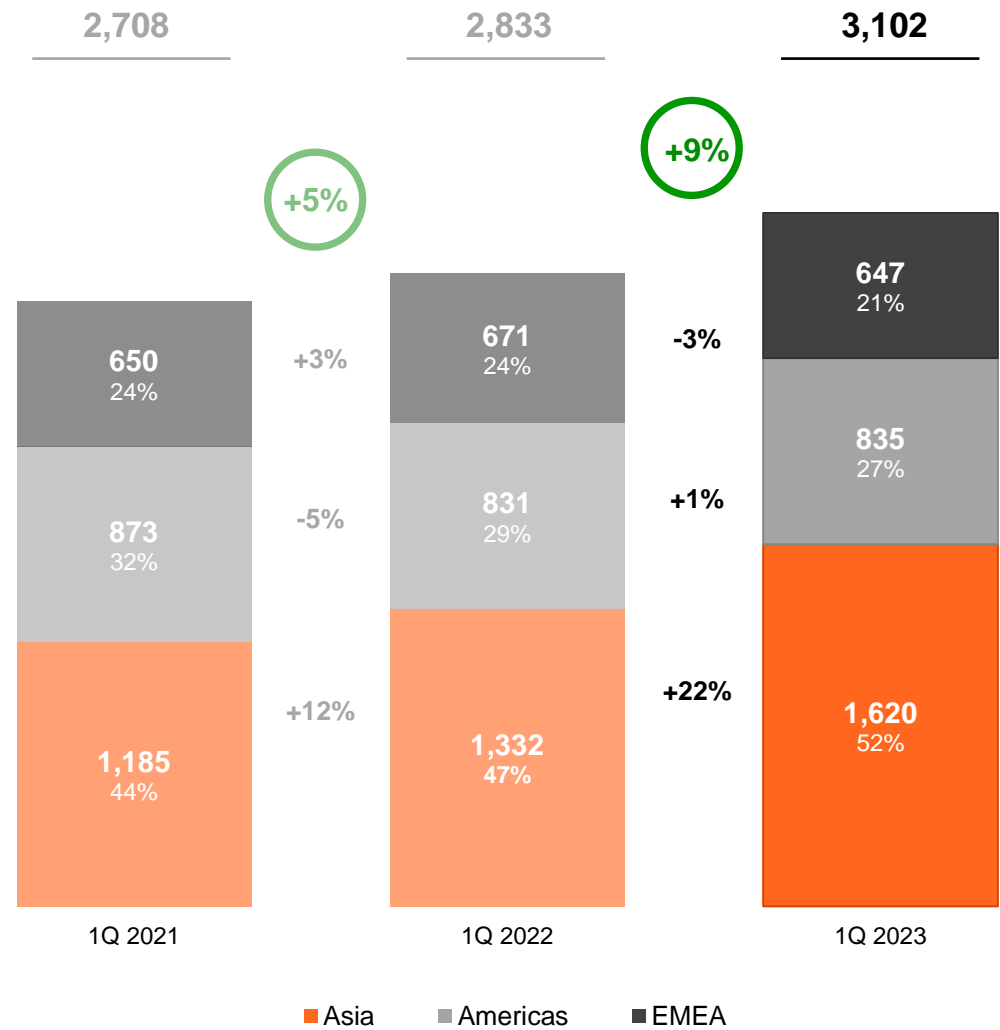
(In US\$ '000, except Volume and EPS)

	1Q 2022	1Q 2023	% Change
Volume (in TEU)	2,833,001	3,102,105	+9%
Gross Revenues from Port Operations	528,267	572,246	+8%
Cash Operating Expenses	137,105	163,135	+19%
EBITDA	337,852	354,199	+5%
EBIT	274,649	281,190	+2%
Financing Charges and Other Expenses	43,497	40,780	-6%
Net Income Attributable to Equity Holders	142,275	154,609	+9%
Diluted EPS	0.065	0.072	+12%

Volume and Revenue

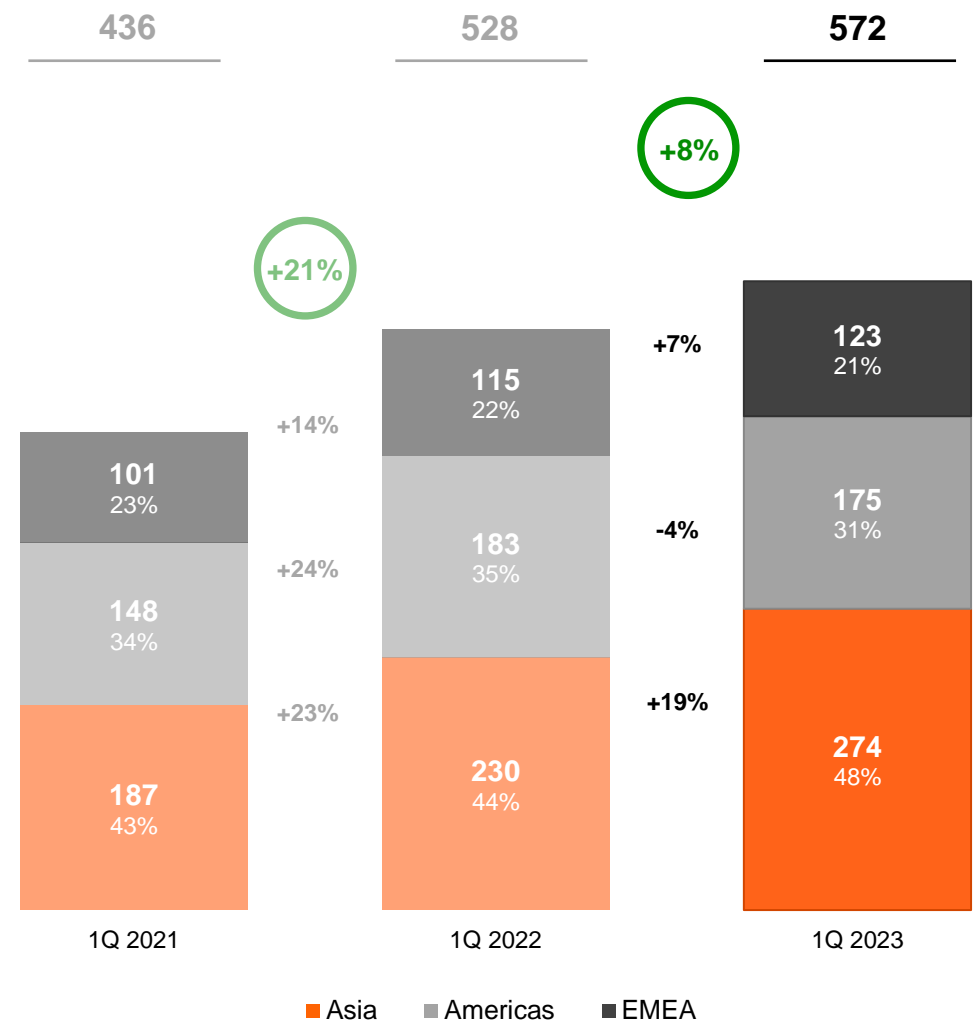
Volume

(in '000 TEUs)



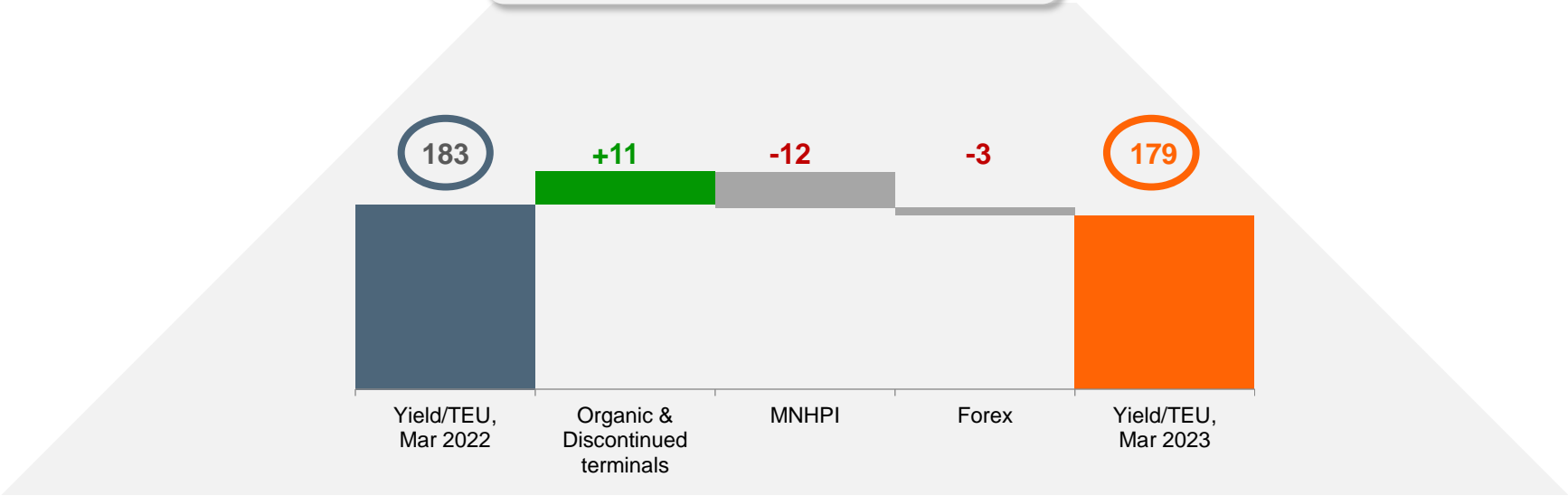
Gross Revenues

(in US\$ millions)



Yield / TEU Analysis

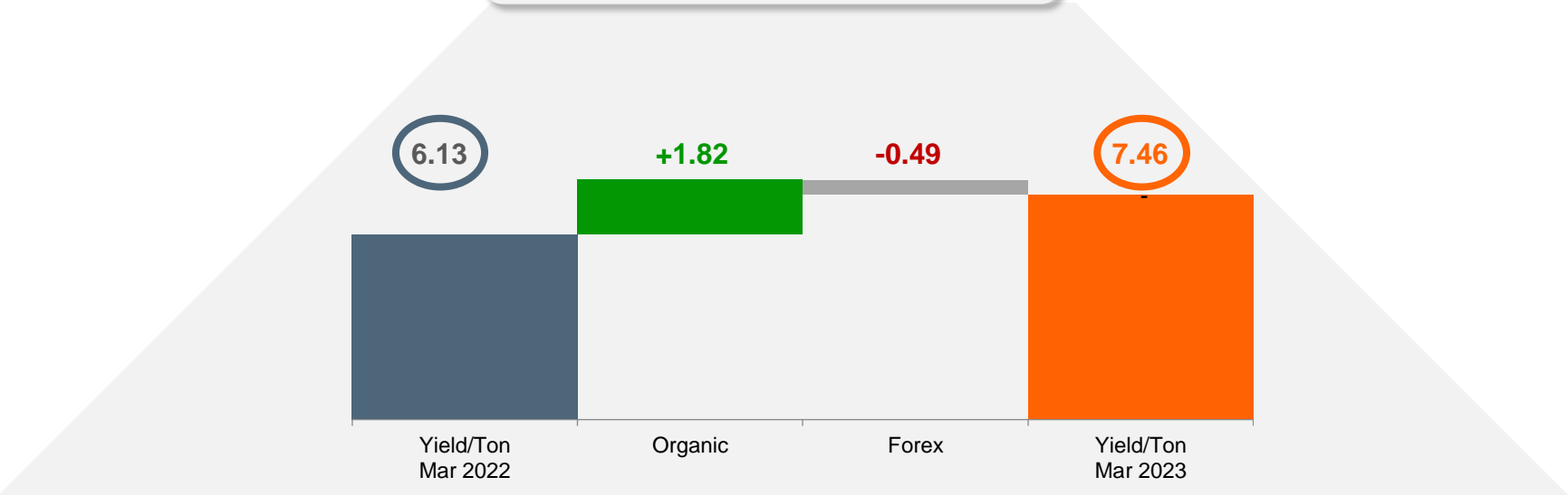
	1Q 2022	1Q 2023	Difference	% change
Volume <small>(TEUs '000)</small>	2,833	3,102	269	+9%
Revenues <small>(US\$ '000)</small>	518,680	555,871	37,191	+7%
Revenue / TEU <small>(US\$)</small>	183	179	-4	-2%



Note: Excluding predominantly non-containerized terminals (MHCPST, KMT, BIPI, HIPS and EJMT)

Yield / Ton Analysis

	1Q 2022	1Q 2023	Difference	% change
Volume (Tons '000)	1,563	2,195	632	+40%
Revenues (US\$ '000)	9,587	16,375	6,788	+71%
Revenue / Ton (US\$)	6.13	7.46	1.33	+22%



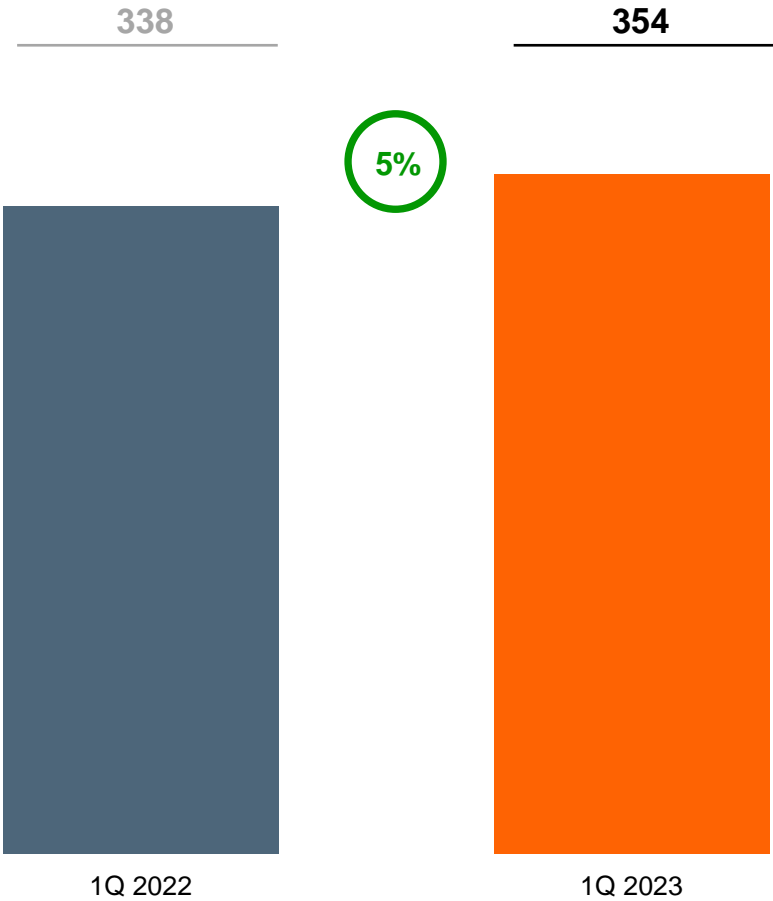
Note: Pertains to non-containerized terminals (MHCPST, KMT, BIPI, HIPS and EJMT)

Cash Operating Expenses

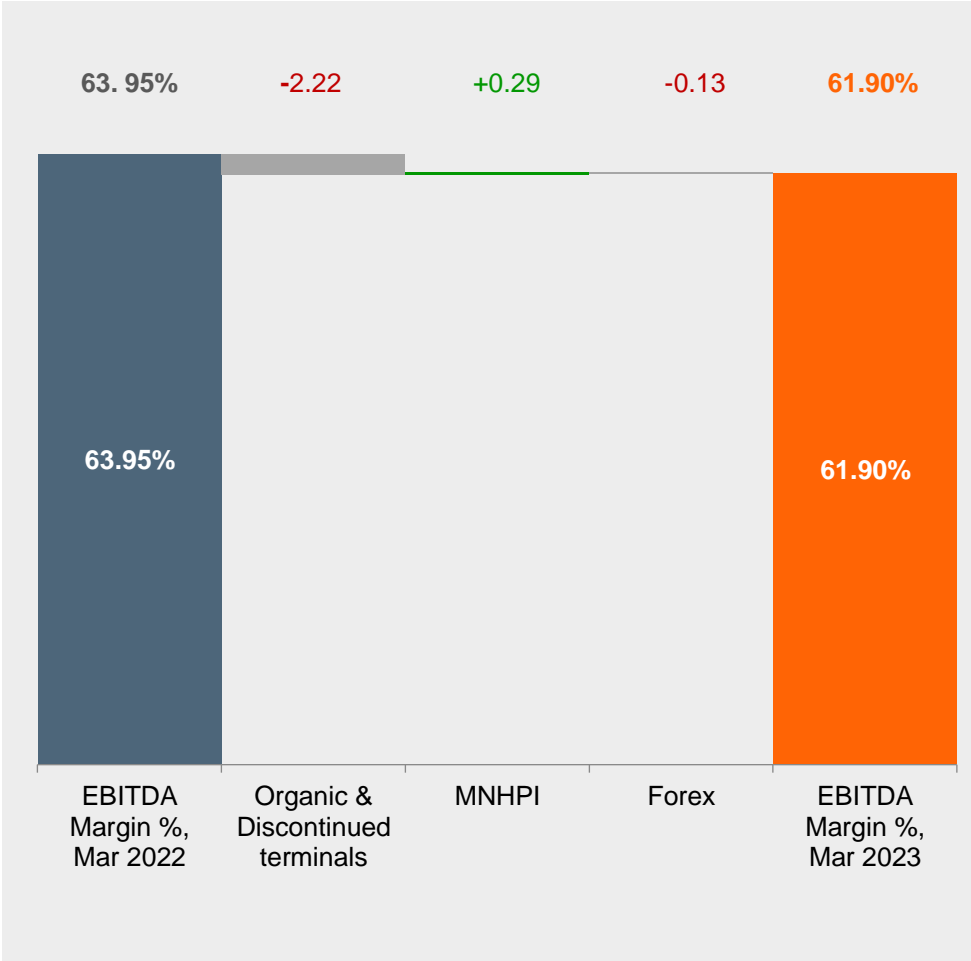
	1Q 2022	1Q 2023	% change	(ORGANIC) % change
Volume (in TEUs)	2,833,001	3,102,105	+9%	-1%
Cash Operating Expenses (in US\$ '000)	137,105	163,135	+19%	+14%
Cash Opex per TEU (in US\$)	48.4	52.6	+9%	+14%

EBITDA and EBITDA Margin

EBITDA (In US\$ million)



EBITDA Margin

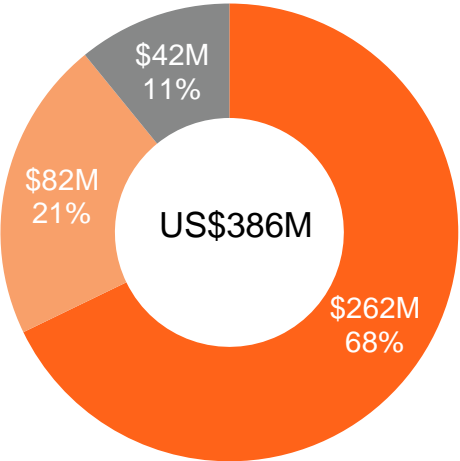


02

Liquidity and Capital Resources

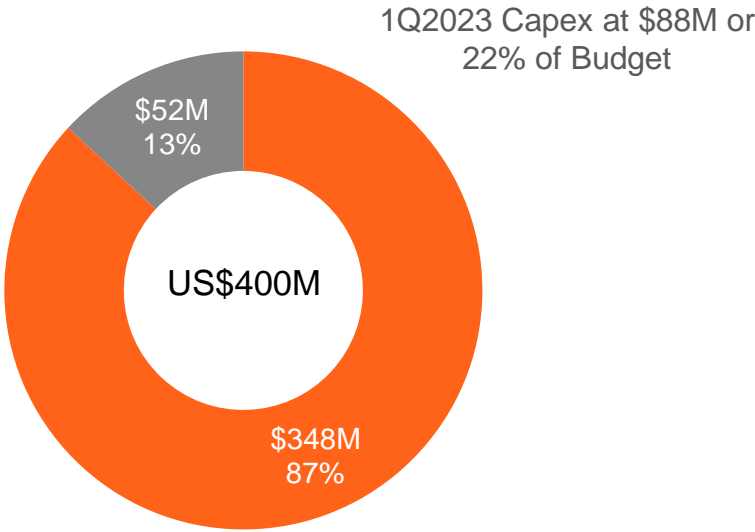
Capital Expenditure

2022 Actual



2022A CAPEX mainly for:
EXPANSIONARY: VICT, MICT, CMSA, ICTSNL, MICTSL, IDRC
NEW PROJECTS 2022: MHCPPI (land)

2023 Budget



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

● Expansionary ● Maintenance ● New Projects

Balance Sheet Summary

Strong balance sheet with functional and reporting currency in USD

Balance Sheet Highlights

(In US\$ million)

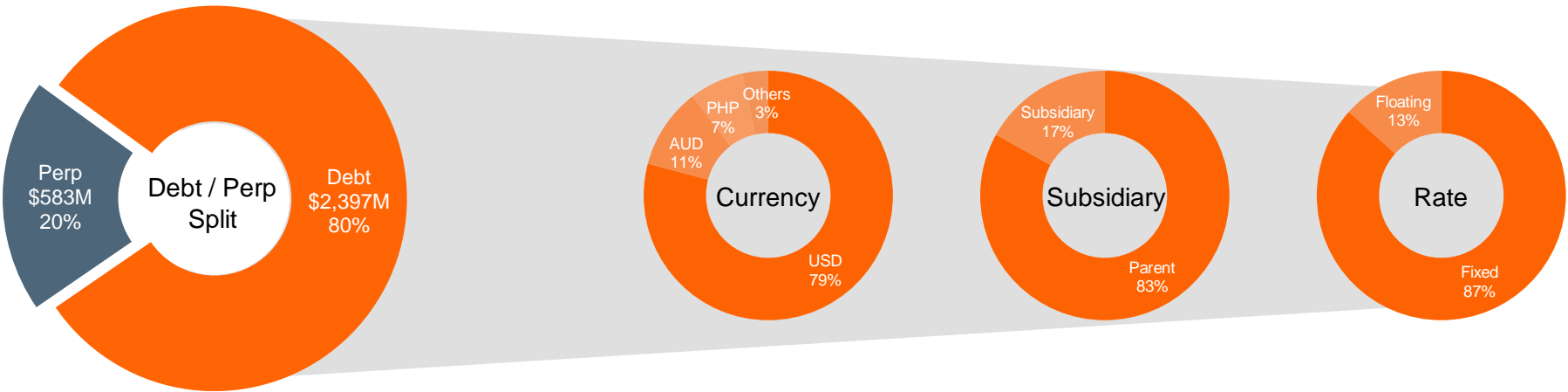
	Dec 31, 2022	Mar 31, 2023
Total Assets	7,054	6,886
Total Liabilities	5,327	5,326
Total Equity	1,727	1,560

Debt Ratios

	Dec 31, 2022	Mar 31, 2023
Gearing: Debt/SHE	1.43	1.54
Current Ratio: Current Assets/Current Liab.	1.00	0.88
Covenant Leverage Ratio: Debt/EBITDA	1.68	1.60

Debt & Perpetual Securities Profile

As of March 31, 2023

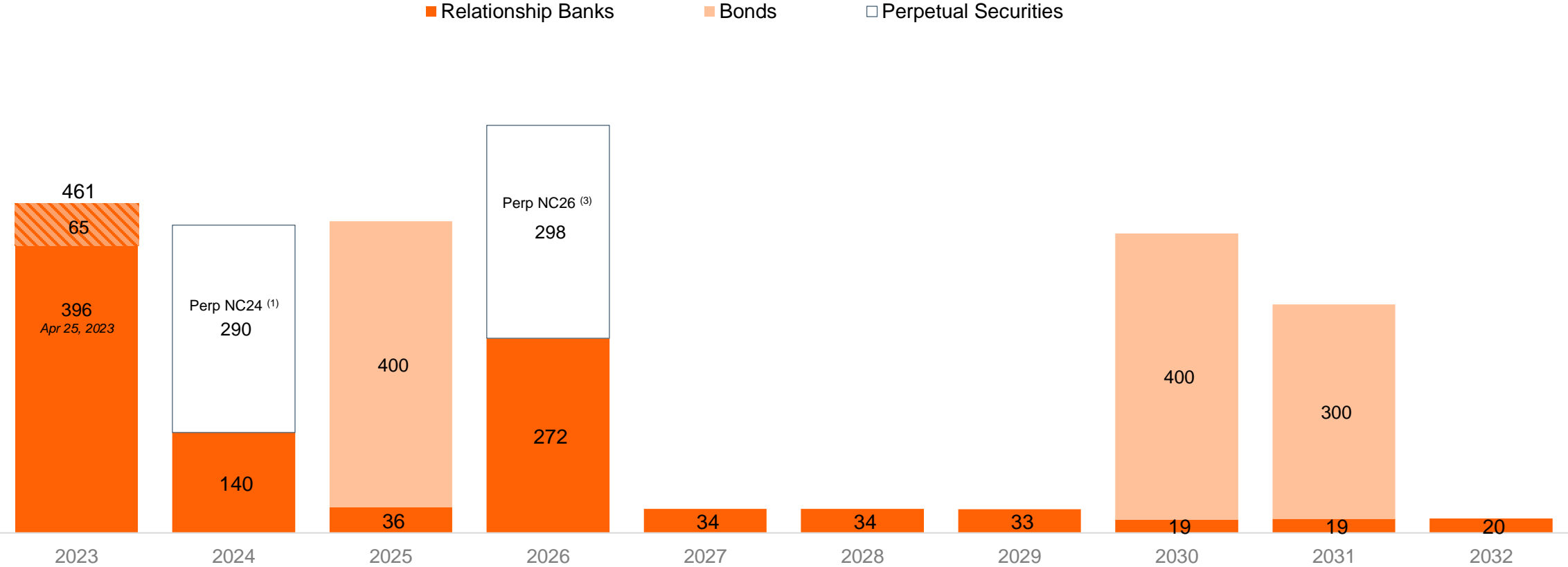


Financing Charges & Other Expenses

	1Q 2022	1Q 2023	% Change
<i>(In US\$' 000)</i>			
Financing Charges & Other Expenses	43,497	40,780	-6%
<ul style="list-style-type: none"> Interest Expense on Loans/Bonds Capitalized Borrowing Cost Amortization of Debt Issue Cost Other Expenses 	28,252 (100) 2,015 13,330	35,126 (501) 2,055 4,100	+24% -401% +2% -69%
Average Outstanding Debt Balance	2,189,339	2,256,218	+3%
Average Remaining Tenor	6.0 yrs	6.5 yrs	
Average Cost of Debt (post CIT)	4.0% p.a.	4.9% p.a.	

Principal Redemption Profile

As of March 31, 2023
(In US\$ million)



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

- Volume, revenue, and EBITDA all increased for Q1 2023 compared to Q1 2022 due to the consolidation of Manila North Harbor as well as management focus on yield improvement and margins
- Net Income increased 9% and Diluted EPS increased 12% reflecting improved profitability throughout the income statement
- Balance sheet and cash generation are robust

03

Q&A

- Well-positioned in a weak macroeconomic environment: focused O&D strategy and diversified portfolio
- Proactive cost management to offset inflationary pressure remains a key priority
- Robust balance sheet and cash generation to withstand headwinds and deliver sustainable growth

04

Appendix

EESG: 1Q2023 Highlights

Environment



- Contecon Manzanillo is the first organization across the Mexican port industry to be certified carbon neutral. The certification recognizes Contecon Manzanillo's commitment to global initiatives to combat climate change, promote renewable energy and decarbonize ports and maritime transport.
- OPC, ICTSI's Honduran business unit in Puerto Cortés, recently welcomed the inaugural call of Seaboard Blue – the first container vessel in the world to be converted from conventional diesel to liquified natural gas propulsion.
- PICT launched the Climate Champion Contest as part of its commitment in promoting inclusive programs that inspire young people to become future leaders who will contribute to building a sustainable society.

Economy



- ICTSI added another berth at the MICT. The expansion will increase MICT's capacity by 200,000 TEUs to 3.5 million TEUs, which will be key in addressing the increase in cargo volume as the country's economy fully reopens. In addition, it will enable the terminal to handle foreign ultra large container vessels with capacities of up to 18,000 TEUs.
- ICTSI outlined a significant proposal for the expansion of the VICT which would dramatically increase efficiencies and pave the way for larger ships to berth at Australia's pre-eminent port.

Society



- South Pacific International Container Terminal (SPICT) and Motukea International Terminal (MIT) have demonstrated their commitment to upholding a safe and secure working environment for its employees and customers by participating in a recent seminar on the International Ship and Port Facility Security Code (ISPS).
- ICTSI actively participates with the Global Compact Network Philippines in the series of dialogues with a local community in the country to scale up a waste recycling program through cash and in-kind incentives. ICTSI has pledged cash donations over the next six months for the program

Governance



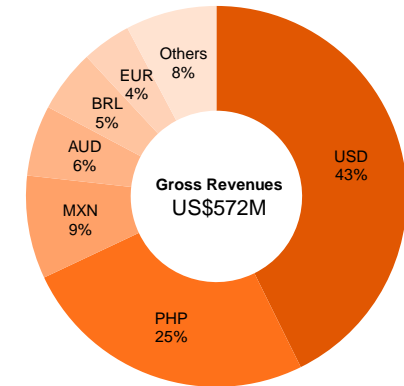
- ICTSI has joined the UN Global Compact (UNGC), strengthening its commitment to push forward initiatives and advocacies around human rights, governance, anti-corruption, labor and environment – the focus areas of UNGC's Ten Principles
- ICTSI conducted the Philippine Terminal's Cargo Handling Responsibility (PTCHR) to supervisors and superintendents where they learned about the basic concepts of PTCHR, liabilities in case of loss, damage or injury, and other helpful information that strengthens the awareness of employees on the legal implications of various operational risks.

Proactive FX Risk Management

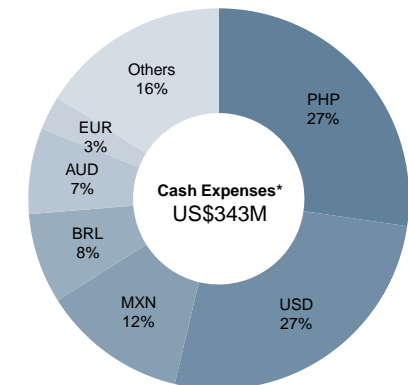
ICTSI's revenue and cash expenses are favourably matched, which provides a natural currency hedge that mitigates against volatility attributable to FX movements

Revenue Currency by Subsidiary			Subsidiaries	Cash Expense Currency by Subsidiary		
USD	EUR	Local Currency		Local Currency	EUR	USD
42%		58% PHP	MICT	91% PHP	1%	7%
		100% RMB	YICT	100% RMB		
76%		24% IDR	OJA	85% IDR		15%
32%		68% PHP	SBITC/ISI	82% PHP		18%
		100% PHP	SCIPSI	100% PHP		
		100% PHP	MICTSI	100% PHP		
		100% PHP	BIPI	100% PHP		
		100% PHP	CGT	100% PHP		
14%		86% PHP	LGICT	98% PHP		2%
		100% AUD	VICT	100% AUD		
		100% PGK	SPICTL/MITL	100% PGK		
		100% PHP	MHCPSI	100% PHP		
		100% PHP	MNHPI	100% PHP		
58%	14%	28% PLN	BCT	96% PLN		4%
	100%		MICTSL	56% MGA	41%	3%
84%		16% PKR	PICT	83% PKR		17%
100%			BICT	75% GEL		25%
	100%		AGCT	14% HRK	84%	2%
75%		25% IQD	ICTSI Iraq	78% IQD		22%
100%			IDRC	2% CDF		98%
		100% XAF	KMT	100% XAF		
38%		62% NGN	ICTSNL	88% NGN		11%
		100% BRL	TSSA	99% BRL		1%
100%			CGSA			100%
100%			OPC	44% HNL		56%
23%		77% MXN	CMSA	98% MXN		2%
100%			TECPLATA	99% ARS		1%
74%		26% BRL	ICTSI RIO	98% BRL		2%
		100% BRL	IRB Logistica	100% BRL		

Revenues from Port Operations
(1Q 2023 Revenue Breakdown by Currency)



Expenses favourably Matching Revenues
(1Q 2023 Cash Expense Breakdown by Currency)

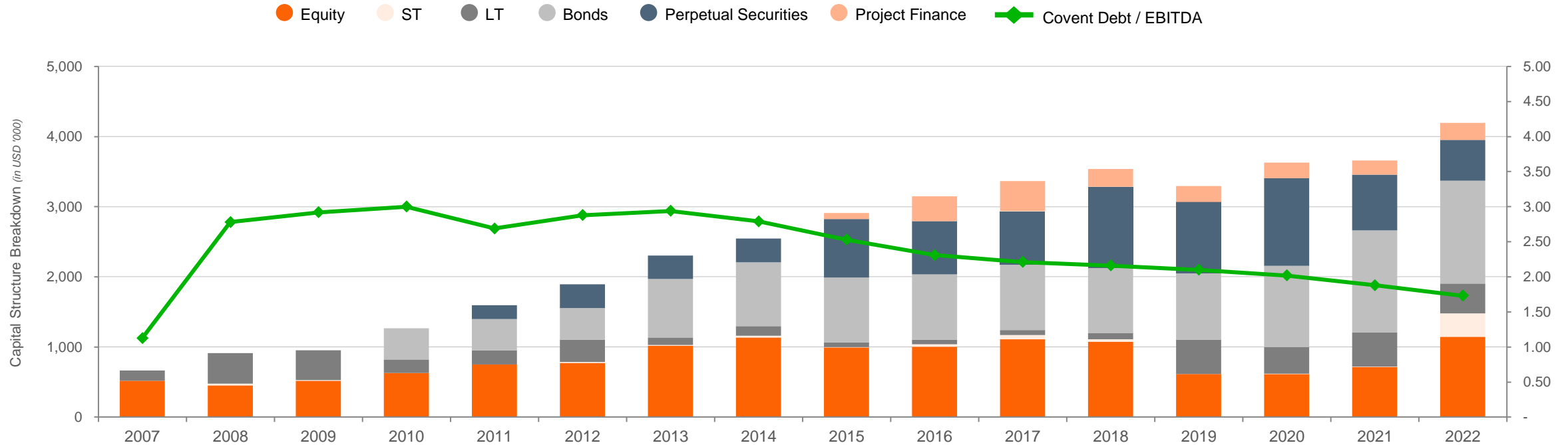


Note

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

Building a Value Accretive Capital Structure

ICTSI has a proven track record of accessing diverse sources of capital with demonstrated strong investor following. The company has been successful in deploying capital to its existing terminals and expansion projects, more than doubling the no. of terminals and tripling its capacity in 10 years



No of. Terminals	12	15	16	18	20	24	25	28	30	30	31	32	31	32	35	33
Capacity (in '000 TEU)	5,180	6,290	7,070	7,070	8,770	10,920	11,970	12,700	13,780	14,855	17,925	19,275	20,505	21,055	21,185	20,685



International
Container Terminal
Services, Inc.

Thank you!