



Navios Maritime Holdings Inc.

Navios Maritime Holdings Inc. Reports Financial Results for the First Quarter Ended March 31, 2023

May 24, 2023

- **Revenue**
 - **\$65.4 million in Q1 2023**
- **Net Income**
 - **\$14.5 million in Q1 2023**
- **EBITDA, a non-GAAP measure**
 - **\$40.5 million in Q1 2023**
- **Navios Logistics**
 - **\$26.0 million EBITDA, a non-GAAP measure, in Q1 2023**

GRAND CAYMAN, Cayman Islands, May 24, 2023 (GLOBE NEWSWIRE) -- Navios Maritime Holdings Inc. ("Navios Holdings" or the "Company") (NYSE: NM), today reported its financial results for the first quarter ended March 31, 2023. Navios Holdings owns (i) a controlling equity stake in Navios South American Logistics Inc. ("Navios Logistics"), one of the largest infrastructure and logistics companies in the Hidrovia region of South America and (ii) an interest in Navios Maritime Partners L.P. ("Navios Partners") (NYSE:NMM), a United States publicly listed shipping company that owns and operates dry cargo and tanker vessels.

Angeliki Frangou, Chairwoman and Chief Executive Officer, stated, "I am pleased with the results for the first quarter of 2023, in which we reported Net Income and EBITDA of \$14.5 million and \$40.5 million, respectively."

Angeliki Frangou, continued, "Navios Holdings' primary focus is on its controlling interest in Navios South American Logistics, a logistics and infrastructure provider in the Hidrovia region of South America. With global macro conditions supporting growth in the Hidrovia region, we are seeking to maximize the return on our unique infrastructure assets by adapting to changing conditions and offering innovative logistics solutions to existing and new clients."

HIGHLIGHTS

Navios Logistics

Navios Logistics' EBITDA increased by approximately 9% to \$26.0 million in the three month period ended March 31, 2023, as compared to \$23.9 million in the same period in 2022. Iron ore port transshipments for the three month period ended March 31, 2023 increased to 828 thousand tons, compared to 41 thousand tons for the same period in 2022. In iron ore transportation, Navios Logistics has fixed six dry barge convoys under period contracts, for durations up to December 2024, which are expected to generate revenues of \$27.0 million. Fleet utilization in cabotage vessels increased by 20% to 84% in the three month period ended March 31, 2023, as compared to the same period in 2022.

Discontinued Operations

In September 2022, the sale of our 36-vessel drybulk fleet (the "Transaction") was completed. Following the closing of the Transaction, the results of the dry-bulk vessel operations are reported as discontinued operations for all periods presented.

Non-GAAP Measures

EBITDA attributable to Navios Holdings' common stockholders and EBITDA of Navios Logistics (on a stand-alone basis) are non-U.S. GAAP financial measures and should not be used in isolation or as substitute for results calculated in accordance with U.S. GAAP.

See Exhibit I under the heading, "Disclosure of Non-GAAP Financial Measures," for a discussion of Navios Holdings' consolidated EBITDA and EBITDA of Navios Logistics (on a stand-alone basis) and a reconciliation of such measures to net income/(loss), the most comparable measure calculated under U.S. GAAP.

Earnings Highlights

First Quarter 2023 and 2022 Results (in thousands of U.S. dollars, except per share data and unless otherwise stated):

The first quarter 2023 and 2022 information presented below was derived from the unaudited condensed consolidated financial statements for the respective periods.

<u>Three Month</u>	<u>Three Month</u>
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	Period Ended March 31, 2023	Period Ended March 31, 2022
	(unaudited)	(unaudited)
Revenue (from continuing operations)	\$ 65,412	\$ 59,154
Net Income/(loss) attributable to Navios Holdings' common stockholders	\$ 14,465	\$ (5,000) ⁽¹⁾
Net Income/(loss) attributable to Navios Holdings' common stockholders from continuing operations	\$ 14,465	\$ (15,437) ⁽¹⁾
EBITDA	\$ 40,466	\$ 73,781
EBITDA (from continuing operations)	\$ 40,466	\$ 33,279
Basic Earnings/(loss) per share attributable to Navios Holdings' common stockholders	\$ 0.26	\$ (0.28) ⁽¹⁾
Basic Earnings/(loss) per share attributable to Navios Holdings' common stockholders from continuing operations	\$ 0.26	\$ (0.74) ⁽¹⁾

(1) Net Loss and Basic Loss per share attributable to Navios Holdings' common stockholders for the three month period ended March 31, 2022 include a \$24.0 million upfront fee in the form of a convertible debenture that was drawn in January 2022 (also included in Net Loss attributable to Navios Holdings' common stockholders and Basic Loss per share attributable to Navios Holdings' common stockholders from continuing operations).

Revenue from continuing operations was \$65.4 million for the three month period ended March 31, 2023, as compared to \$59.2 million for the same period in 2022. The increase was mainly attributable to (i) a \$3.0 million increase in revenue from the Barge Business, mainly attributable to the commencement of fixed time charter contracts for iron ore transportation; (ii) a \$1.8 million increase in revenue from the port terminal business, mainly attributable to higher tariffs and volumes transhipped at the Iron Ore Port Terminal, partially offset by a decrease in revenues from the Grain Port Terminal due to lower grain throughput related to Uruguayan exports; (iii) a \$1.2 million increase in sales of products attributable to the sale of fuel products from our bunkering services in the port of Nueva Palmira; and (iv) a \$0.3 million increase in revenue from the Cabotage Business.

Net Income attributable to Navios Holdings' common stockholders from continuing operations was \$14.5 million for the three month period ended March 31, 2023, as compared to a \$15.4 million net loss for the same period in 2022. This increase in net income from continuing operations was mainly due to (i) a \$24.0 million upfront fee incurred in January 2022, in the form of a convertible debenture; (ii) a \$7.2 million increase in EBITDA as discussed below; and (iii) a \$0.2 million decrease in depreciation and amortization. This overall increase of approximately \$31.4 million was partially mitigated by (i) a \$0.7 million increase in interest expense and finance cost, net; (ii) a \$0.5 million increase in amortization of deferred drydock and special survey costs; and (iii) a \$0.3 million increase in income tax expense. Net Income attributable to Navios Holdings' common stockholders from discontinued operations was \$10.4 million for the three month period ended March 31, 2022.

Net Income of Navios Logistics, on a standalone, basis was \$1.1 million for the three month period ended March 31, 2023, as compared to \$0.4 million net loss for the same period in 2022.

EBITDA of Navios Holdings from continuing operations for the three month period ended March 31, 2023 increased by \$7.2 million to \$40.5 million, as compared to \$33.3 million for the same period in 2022. The increase in EBITDA from continuing operations was primarily due to (i) a \$6.3 million increase in revenue attributable to Navios Logistics; and (ii) a \$6.3 million increase in equity in net earnings from affiliate companies. This overall increase of approximately \$12.5 million was partially mitigated by (i) a \$1.6 million increase in other expense, net; (ii) a \$1.4 million increase in time charter, voyage and logistics business expenses; (iii) a \$1.4 million increase in general and administrative expenses (excluding stock-based compensation expenses); (iv) a \$0.5 million increase in net income attributable to noncontrolling interest; and (v) a \$0.4 million increase in direct vessel expenses (excluding the amortization of deferred drydock, special survey costs and other capitalized items). EBITDA of Navios Holdings from discontinued operations was \$40.5 million for the three month period ended March 31, 2022.

EBITDA of Navios Logistics, on a standalone basis, was \$26.0 million for the three month period ended March 31, 2023, as compared to \$23.9 million for the same period in 2022.

Conference Call:

As previously announced, Navios Holdings will host a conference call today, May 24, 2023, at 8:30 am ET, at which time Navios Holdings' senior management will provide highlights and commentary on earnings results for the first quarter ended March 31, 2023.

A supplemental slide presentation will be available on the Navios Holdings website at www.navios.com under the "Investors" section by 8:00 am ET on the day of the call.

Conference Call details:

Call Date/Time: Wednesday, May 24, 2023 at 8:30 am ET
Call Title: Navios Holdings Q1 2023 Financial Results Conference Call
US Dial In: +1. 800.267.6316
International Dial In: +1.203.518.9783
Conference ID: NMQ123

The conference call replay will be available shortly after the live call and remain available for one week at the following numbers:
US Replay Dial In: +1.800.839.5241
International Replay Dial In: +1.402.220.2698

This call will be simultaneously Webcast. The Webcast will be available on the Navios Holdings website, www.navios.com, under the "Investors" section. The Webcast will be archived and available at the same Web address for two weeks following the call.

About Navios Maritime Holdings Inc.

Navios Maritime Holdings Inc. (NYSE: NM) owns a controlling equity stake in Navios South American Logistics Inc., one of the largest infrastructure

and logistics companies in the Hidrovia region of South America and an interest in Navios Maritime Partners L.P., a US publicly listed shipping company which owns and operates dry cargo and tanker vessels. For more information about Navios Holdings, please visit our website: www.navios.com.

About Navios South American Logistics Inc.

Navios South American Logistics Inc. is one of the largest infrastructure and logistics companies in the Hidrovia region of South America, focusing on the Hidrovia region river system, the main navigable river system in the region, and on cabotage trades along the southeastern coast of South America. Navios Logistics serves the storage and marine transportation needs of its petroleum, agricultural and mining customers through its port terminals, river barge and coastal cabotage operations. For more information about Navios Logistics, please visit its website: www.navios-logistics.com.

About Navios Maritime Partners L.P.

Navios Maritime Partners L.P. (NYSE: NMM) is an international owner and operator of dry cargo and tanker vessels. For more information, please visit its website: www.navios-mlp.com.

Forward Looking Statements - Safe Harbor

This press release contains and our earnings call will contain forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events. Words such as “may,” “expects,” “intends,” “plans,” “believes,” “anticipates,” “hopes,” “estimates,” and variations of such words and similar expressions are intended to identify forward-looking statements. Such statements include comments regarding demand and/or charter and contract rates for our affiliates’ vessels and port facilities. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by, Navios Holdings at the time these statements were made. Although Navios Holdings believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates, which are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Navios Holdings. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to risks relating to: global and regional economic and political conditions; changes in production or demand for the transportation or storage of grain and mineral commodities and petroleum products; the development of Navios Logistics’ planned Port Murtinho Terminal and Nueva Palmira Free Zone port terminal facilities; the ability and willingness of charterers to fulfill their obligations to the affiliates in which we are invested; prevailing charter rates; drydocking and repairs; changing vessel crews and availability of financing; potential disruption of shipping routes due to accidents, wars, diseases, pandemics, political events, piracy or acts by terrorists, including the impact of global pandemics; the aging of our affiliates’ fleets and resultant increases in operations costs; our affiliates’ loss of any customer or charter or vessel; the financial condition of our affiliates’ customers; changes in the availability and costs of funding due to conditions in the bank market, capital markets and other factors; increases in costs and expenses related to the operation of vessels, including but not limited to: crew wages, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance, and general and administrative expenses; the expected cost of, and the ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as standard regulations imposed by charterers; competitive factors in the market in which Navios Holdings and its affiliates operate; our affiliates’ ability to make distributions and dividends to us; the value of our subsidiaries and affiliates; risks associated with operations outside the United States; and other factors listed from time to time in Navios Holdings’, Navios Partners’ and Navios Logistics’ filings with the Securities and Exchange Commission, including their respective Forms 20-F and Forms 6-K. Navios Holdings expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Navios Holdings’ expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based. Navios Holdings makes no prediction or statement about the performance of its common or preferred stock or Navios Logistics’ debt securities.

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EXHIBIT I

NAVIOS MARITIME HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in thousands of U.S. dollars — except share and per share data)

	Three Month Period Ended March 31, 2023	Three Month Period Ended March 31, 2022
	(unaudited)	(unaudited)
Revenue	\$ 65,412	\$ 59,154
Time charter, voyage and logistics business expenses	(15,872)	(14,441)
Direct vessel expenses	(17,787)	(16,926)
General and administrative expenses	(5,380)	(4,046)
Depreciation and amortization	(7,741)	(7,946)
Interest expense and finance cost, net	(16,513)	(15,782)
Other expense, net	(3,069)	(1,443)
Non-operating other finance cost	—	(24,000)
Loss before equity in net earnings of affiliate companies	(950)	(25,430)

Equity in net earnings of affiliate companies	16,088	9,798
Income/(loss) before taxes	\$ 15,138	\$ (15,632)
Income tax (expense)/benefit	(265)	67
Net income/(loss) from continuing operations	\$ 14,873	\$ (15,565)
Net income from discontinued operations	—	10,437
Net income/(loss)	14,873	(5,128)
Less: Net (income)/loss attributable to the noncontrolling interest	(408)	128
Net income/(loss) attributable to Navios Holdings	\$ 14,465	\$ (5,000)
Net income/(loss) attributable to Navios Holdings from continuing and discontinued operations:		
Income/(loss) attributable to Navios Holdings, basic and diluted from continuing operations	\$ 5,810	\$ (16,714)
Income attributable to Navios Holdings, basic and diluted from discontinued operations	\$ —	\$ 10,437
Income/(loss) attributable to Navios Holdings common stockholders, basic and diluted	\$ 5,810	\$ (6,277)
Basic earnings/(loss) per share attributable to Navios Holdings common stockholders from continuing operations	\$ 0.26	\$ (0.74)
Basic earnings per share attributable to Navios Holdings common stockholders from discontinued operations	—	0.46
Basic earnings/(loss) per share attributable to Navios Holdings common stockholders	\$ 0.26	\$ (0.28)
Weighted average number of shares, basic	22,744,450	22,631,476
Diluted earnings/(loss) per share attributable to Navios Holdings common stockholders from continuing operations	\$ 0.25	\$ (0.74)
Diluted earnings per share attributable to Navios Holdings common stockholders from discontinued operations	—	0.46
Diluted earnings/(loss) per share attributable to Navios Holdings common stockholders	\$ 0.25	\$ (0.28)
Weighted average number of shares, diluted	22,850,450	22,841,662

	Three Month Period Ended March 31, 2023 (unaudited)	Three Month Period Ended March 31, 2022 (unaudited)
Net income from discontinued operations		
Revenue	\$ —	\$ 68,635
Time charter, voyage and logistics business expenses	—	(15,051)
Direct vessel expenses	—	(11,536)
General and administrative expenses	—	(2,519)
Depreciation and amortization	—	(6,432)
Interest expense and finance cost, net	—	(21,782)
Loss on bond extinguishment, net	—	(115)
Other expense, net	—	(743)
Income tax expense	—	(20)
Net income from discontinued operations	\$ —	\$ 10,437

NAVIOS MARITIME HOLDINGS INC.
Other Financial Data

	March 31, 2023 (unaudited)	December 31, 2022 (unaudited)
ASSETS		
Cash and cash equivalents, including restricted cash	\$ 61,461	\$ 78,851
Vessels, port terminals and other fixed assets, net	492,371	495,919
Goodwill and other intangibles	149,596	150,289
Operating lease assets	15,474	11,787
Other current and non-current assets	197,458	183,976
Total assets, continuing operations	\$ 916,360	\$ 920,822
Total assets, discontinued operations	—	3,489
Total assets	\$ 916,360	\$ 924,311

LIABILITIES AND EQUITY

Long-term debt, including current portion	\$ 175,163	\$ 178,146
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Senior and ship mortgage notes, net	497,651	496,608
Operating lease liabilities, including current portion	15,470	11,787
Other current and non-current liabilities	71,090	89,597
Total stockholders' equity	156,986	142,091
Total liabilities, continuing operations	\$ 916,360	\$ 918,229
Total liabilities, discontinued operations	—	6,082
Total liabilities and stockholders' equity	\$ 916,360	\$ 924,311

Disclosure of Non-GAAP Financial Measures

EBITDA and Navios Logistics' EBITDA are "non-U.S. GAAP financial measures" and should not be used in isolation or considered substitutes for net income prepared in accordance with generally accepted accounting principles in the United States.

EBITDA represents net income attributable to Navios Holdings' common stockholders before interest and finance costs, before depreciation and amortization, before income taxes and before stock-based compensation. Navios Logistics' EBITDA represents net income/(loss) before depreciation and amortization, amortization of deferred drydock and special survey costs, before interest expense and finance cost, net and before income taxes. EBITDA and Navios Logistics' EBITDA are presented because they are used by certain investors to measure a company's operating performance and are reconciled to net income, the most comparable U.S. GAAP performance measure. EBITDA and Navios Logistics' EBITDA are calculated as follows: net income adding back, when applicable and as the case may be, the effect of (i) depreciation and amortization; (ii) amortization of deferred drydock and special survey costs; (iii) stock based compensation; (iv) interest expense and finance cost, net; and (v) income tax benefit/(expense). Navios Holdings and Navios Logistics believe that EBITDA are basis upon which performance can be assessed and represents useful information to investors regarding their ability to incur indebtedness and meet working capital requirements. Navios Holdings and Navios Logistics also believe that EBITDA are used (i) by prospective lessors as well as potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

While EBITDA is frequently used as a measure of operating results and the ability to meet debt service requirements, the definition of EBITDA used here may not be comparable to those used by other companies due to differences in methods of calculation.

EBITDA has limitations as an analytical tool, and therefore, should not be considered in isolation or as a substitute for the analysis of results as reported under U.S. GAAP. Some of these limitations are: (i) EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) EBITDA does not reflect the amounts necessary to service interest or principal payments on our debt and other financing arrangements; and (iii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, EBITDA should not be considered as an indicator of Navios Holdings' or Navios Logistics' performance.

The following tables provide a reconciliation of EBITDA of Navios Holdings (including Navios Logistics), as well as EBITDA of Navios Logistics on a stand-alone basis:

Navios Holdings Reconciliation of EBITDA to Net Income/(Loss)

	EBITDA from continuing operations	EBITDA from discontinued operations	EBITDA
	(unaudited)	(unaudited)	(unaudited)
Three Month Period Ended March 31, 2023			
(in thousands of U.S. dollars)			
Net income	\$ 14,465	\$ —	\$ 14,465
Depreciation and amortization	7,741	—	7,741
Amortization of deferred drydock and special survey costs	1,460	—	1,460
Stock based compensation	22	—	22
Interest expense and finance cost, net	16,513	—	16,513
Income tax expense	265	—	265
EBITDA	\$ 40,466	\$ —	\$ 40,466

	EBITDA from continuing operations	EBITDA from discontinued operations	EBITDA
	(unaudited)	(unaudited)	(unaudited)
Three Month Period Ended March 31, 2022			
(in thousands of U.S. dollars)			
Net (loss)/income	\$ (15,437)	\$ 10,437	\$ (5,000)
Depreciation and amortization	7,946	6,432	14,378
Amortization of deferred drydock and special survey costs	1,009	1,831	2,840
Stock based compensation	46	—	46
Interest expense and finance cost, net	39,782	21,782	61,564
Income tax (benefit)/expense	(67)	20	(47)
EBITDA	\$ 33,279	\$ 40,502	\$ 73,781

EBITDA breakdown

Three Month Period Ended (in thousands of U.S. dollars)	March 31, 2023 (unaudited)	March 31, 2022 (unaudited)
Navios Holdings (excluding Navios Logistics)	\$ 14,841	\$ 49,777
Navios Logistics (including noncontrolling interest)	25,625	24,004
EBITDA	\$ 40,466	\$ 73,781

Navios Logistics EBITDA Reconciliation to Net Income/(Loss)

Three Month Period Ended (in thousands of U.S. dollars)	March 31, 2023 (unaudited)	March 31, 2022 (unaudited)
Net income/(loss)	\$ 1,128	\$ (355)
Depreciation and amortization	7,741	7,946
Amortization of deferred drydock and special survey costs	1,460	1,009
Interest expense and finance cost, net	15,439	15,343
Income tax expense/(benefit)	265	(67)
EBITDA	\$ 26,033	\$ 23,876