



Navios Maritime Holdings Inc.

***Navios Maritime Holdings Inc.***  
**Q3 2022 Earnings Presentation**

**November 22, 2022**



# Forward Looking Statements

This presentation 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 debt securities.

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, cash flow provided by operating activities or other operations or cash flow statement data 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 Holdings uses EBITDA as a liquidity measure and reconciles EBITDA to net cash provided by operating activities, the most comparable U.S. GAAP liquidity measure. EBITDA is calculated as follows: net cash provided by operating activities adding back, when applicable and as the case may be, the effect of (i) net increase/(decrease) in operating assets; (ii) net (increase)/decrease in operating liabilities; (iii) net interest cost; (iv) deferred financing costs and (losses)/gains on bond and debt extinguishment, net; (v) allowance for credit losses; (vi) earnings/(losses) in affiliate companies, net of dividends received; (vii) payments for drydock, special survey costs and other capitalized items; (viii) noncontrolling interest; (ix) gain/(loss) on sale of assets; (x) unrealized (loss)/gain on derivatives; (xi) loss on sale and reclassification to earnings of available-for-sale securities; and (xii) impairment losses. Navios Holdings believes that EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Holdings’ ability to incur indebtedness and meet working capital requirements. Navios Holdings also believes that EBITDA is 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.

Navios Logistics’ EBITDA represents Navios Logistics’ net income before interest and finance costs, before depreciation and amortization and before income taxes. Navios Logistics presents EBITDA because it is used by certain investors to measure a company’s operating performance.

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’ performance.



# Navios Holdings Structure

- Focus on growing Navios Logistics
  - 63.8% controlling equity stake since 2008
  - Consolidated into Navios Holdings' financial statements
- 10.3% passive equity stake in Navios Partners



# Recent Developments

Financial Results					
Revenue *	Q3: \$74.4M	EBITDA	Q3: \$149.9M	Net Income	Q3: \$39.0M
	9M: \$202.8M		9M: \$322.5M		9M: \$78.9M
* Excludes revenue from drybulk shipping operations; the results of the drybulk vessel operations are reported as discontinued operations.					

➤ **\$370.6 million net cash received from sale of 36-vessel drybulk fleet in Q3 2022**

- \$342.6 million sale proceeds used to repay debt
  - ✓ \$262.6 million mandatory repayment of NSM loans
  - ✓ \$ 80.0 million redemption at maturity of Senior Secured Notes
- \$28.0 cash on balance sheet;

➤ **\$102.2 million net gain recorded from the sale <sup>(1)</sup>**

➤ **\$9.2 million paid for tendered preferred shares in October 2022**

- 604,343 preferred shares G and H tendered (26.2% of total preferred shares)
  - ✓ 584,158 preferred series H (33% of total series H)
  - ✓ 20,185 preferred series G (3.8% of total series G)

➤ **Navios Logistics developments**

- Implementing management succession
- \$29.1 million Adjusted EBITDA <sup>(2)</sup> in Q3 2022 being 25% y-o-y increase
- \$85.3 million Adjusted EBITDA <sup>(2)</sup> in 9M 2022 being 24% y-o-y increase

(1) Breakdown as follows: \$169.6 million gain from the sale of 36-vessel fleet less (a) \$61.7 million prepayment penalty on NSM loans paid in PIK; and (b) \$5.7 million write-offs of deferred finance cost related to bank debt, NSM loans and lease financing arrangements

(2) See slide 10

# NM Q3 and 9M 2022 Earnings Highlights

Earnings Highlights						
(\$ '000 except per share data)	Three months ended September 30, 2022	Three months ended September 30, 2021	P-o-P Variance	Nine months ended September 30, 2022	Nine months ended September 30, 2021	P-o-P Variance
Revenue from continuing operations *	74,437	63,524	17%	202,776	174,318	16%
EBITDA	149,852 <sup>(1)</sup>	116,143	29%	322,502 <sup>(1)</sup>	251,271 <sup>(4)</sup>	28%
Net Income	38,958 <sup>(2)</sup>	59,808	(35%)	78,918 <sup>(3)</sup>	84,906 <sup>(4)</sup>	(7%)
Basic Earnings per share	0.92 <sup>(2)</sup>	3.67	(75%)	2.22 <sup>(3)</sup>	5.76 <sup>(4)</sup>	(61%)

\* Following the closing of the sale of the 36-vessel drybulk fleet on September 8, 2022, the results of the drybulk vessel operations are reported as discontinued operations for all periods presented.

(1) EBITDA for the three and the nine month periods ended September 30, 2022 includes the impact of (i) \$97.7 million in other-than-temporary impairment ("OTTI") loss related to our investment in Navios Partners; (ii) \$169.6 million in gain from discontinued operations, following the completion of the sale of the 36-vessels on September 8, 2022; and (iii) \$2.0 million representing Navios Holdings' portion of impairment losses incurred by Navios Logistics in relation to the sale of assets.

(2) Net Income and Basic Earnings per share attributable to Navios Holdings' common stockholders for the three month period ended September 30, 2022 include the impact of (i) items described in footnote (1); (ii) \$61.7 million in prepayment fees paid via increasing the outstanding principal amount of the Convertible Debenture in respect of the repayments of the NSM Loan I and NSM Loan II; and (iii) \$5.7 million in write off of deferred financing costs in connection with the sale of the 36-vessels.

(3) Net Income and Basic Earnings per share attributable to Navios Holdings' common stockholders for the nine month period ended September 30, 2022 include the impact of (i) items described in footnote (2); and (ii) \$24.0 million of upfront fee paid in the form of a Convertible Debenture in respect of NSM Loan I and NSM Loan II drawn down in January 2022.

(4) EBITDA, Net Income and Basic Earnings per share attributable to Navios Holdings' common stockholders for the nine month period ended September 30, 2021 include the impact of (i) \$25.9 million in equity income in affiliate companies due to the merger of Navios Containers with Navios Partners effected on March 31, 2021; and (ii) approximately \$25.9 million in impairment losses relating to vessels.

# NM Balance Sheet

## Selected Balance Sheet Data

(in \$'000)

	September 30, 2022	December 31, 2021
Cash & cash equivalents (incl. restricted cash)	91,074	137,851
Other current and non current assets	310,705	547,499
Operating lease asset	9,199	173,426
Vessels, port terminal and other fixed assets, net	501,398	950,002
<b>Total Assets</b>	<b>912,376</b>	<b>1,808,778</b>
Other current and non current liabilities	78,020	157,541
Operating lease liability, current portion	9,199	198,986
Senior and ship mortgage notes, net	495,593	1,101,931
Long term debt, including current portion	181,082	283,676
<b>Stockholders Equity <sup>(1)</sup></b>	<b>148,482</b>	<b>66,644</b>
Book Capitalization <sup>(1)</sup>	825,157	1,452,251
Net Debt / Book Capitalization	71.0%	85.9%

(1) Includes noncontrolling interest.

# Navios South American Logistics Overview



Q3 2022 LTM Adj.  
EBITDA<sup>(1)</sup>  
=\$95.9mm (IFRS)

- ✓ Leading infrastructure & logistics company in the Hidrovia region
- ✓ Strategically located port infrastructure, difficult to replicate
- ✓ Nueva Palmira port terminal located –
  - in tax free zone,
  - at the mouth of the river - water levels are unaffected by drought conditions
- ✓ Positioned to capture compelling growth opportunities
- ✓ US Dollar-denominated business
- ✓ Longstanding contracts containing minimum volume guarantees

(1) Adjusted to exclude impairment losses (\$22.6mm)

# Navios Logistics: Management Succession & Strategy

- **New executive management team**
  - Chief Executive Officer: George Achniotis
  - Chief Operating Officer: Ioannis Karyotis
  - Chief Financial Officer: Enrique Ferrando
  - Chief Risk Officer: Mariana Rebolo
  
- **Commercial and Business Development team**
  - SVP Trading and Commercial Development: Michalis Rizos
  - SVP Business Development: Francisco Tazelaar
  
- **Our strategy for Navios South American Logistics focuses on:**
  - Maximizing the return of our existing assets
  - Being adaptive and offer innovative logistics solutions to our clients
  - Capturing new business opportunities

***Navios Logistics can leverage its unique infrastructure assets to service increased demand from existing clients and develop new businesses***



# Navios Logistics: Recent Developments

- **Global focus on food security drives agricultural volumes**
  - 45% y-o-y growth in grain port terminal volumes (9M 2022) driven by:
    - ✓ Increased Uruguayan exports
    - ✓ Top-off volumes
  - Dry port water level - unaffected by drought given location at mouth of river
  - Expected grain export growth in 2022/2023 crop year (including Paraguayan crop)
- **Positive outlook for iron ore port terminal / barge transportation**
  - Revived interest in Hidrovia region's mineral assets
    - ✓ J&F initiated shipments in Q3 from the Corumba mines and should increase production and exports
    - ✓ Vetrica continues to export through Navios terminal
    - ✓ 4B Mining commenced exports through Navios terminal
    - ✓ Navios port terminal - Record stockpile 500,000+ tons in November 2022
- **Improving river conditions**
  - Water levels – below historical average but above prior two years
  - Subdued demand and rates due to failed Paraguayan soybean crop
- **Improving cabotage market conditions**
  - 13% y-o-y increase in operating days (9M 2022)
  - Higher rates

# Navios Logistics Q3 & 9M 2022 Earnings Highlights – IFRS

		(in \$ '000)					
		Three months ended September 30, 2022	Three months ended September 30, 2021	Y-o-Y Variance	Nine months ended September 30, 2022	Nine months ended September 30, 2021	Y-o-Y Variance
<b>Navios Logistics</b>	Revenue	74,134	63,281	17%	201,886	173,660	16%
	Adj. EBITDA	29,093 <sup>1</sup>	23,332 <sup>2</sup>	25%	85,338 <sup>1</sup>	68,639 <sup>2</sup>	24%
	Adj. Profit / (Loss)	4,803 <sup>1</sup>	(4,285) <sup>2</sup>	n/a	10,795 <sup>1</sup>	(2,622) <sup>2</sup>	n/a
	Profit / (Loss)	1,608	(28,434)	n/a	7,600	(26,771)	n/a
<b>Port Terminals</b>	Revenue	33,048	30,388	9%	91,859	79,727	15%
	Adj. EBITDA	25,789	19,593	32%	71,009	55,684	28%
<b>Barge Business</b>	Revenue	25,080	22,389	12%	69,908	65,848	6%
	Adj. EBITDA	535	1,975	(73%)	7,431	9,928	(25%)
<b>Cabotage Business</b>	Revenue	16,006	10,504	52%	40,119	28,085	43%
	Adj. EBITDA	2,769	1,764	57%	6,898	3,027	128%

1. Adjusted to exclude impairment losses (\$3.2mm)

2. Adjusted to exclude loss from Mark to Market and disposal of NM shares (\$24.1mm)

# Navios Logistics Q3 2022 Balance Sheet – IFRS

Statement of Financial Position (\$'000)	September 30, 2022	December 31, 2021
Cash and cash equivalents	\$52,781	\$32,580
Trade receivables and contract assets	40,718	44,444
Tangible assets	516,891	537,841
Intangible assets	150,982	153,062
Other assets	27,540	25,745
<b>Total Assets</b>	<b>\$788,912</b>	<b>\$793,672</b>
Trade and other payables and contract liabilities	48,762	63,798
Interest-bearing loans and borrowings, including current portion	550,403	542,350
Deferred tax liabilities	9,764	10,495
Other liabilities	20,275	24,921
<b>Total Liabilities</b>	<b>\$629,204</b>	<b>\$641,564</b>
<b>Stockholders Equity</b>	<b>\$159,708</b>	<b>\$152,108</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$788,912</b>	<b>\$793,672</b>



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[www.navios.com](http://www.navios.com)