



Navios Maritime Holdings Inc.

Navios Maritime Holdings Inc.
Q2 2022 Earnings Presentation

September 8, 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, including with respect to expected cash flow generation, Navios Holdings' growth strategy and measures to implement such strategy. 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 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 the COVID-19 pandemic; 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, as well as 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 from operating activities and 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. We use EBITDA as a liquidity measure and reconcile 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.

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 Navios Holdings' 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 Logistics EBITDA is used to measure its operating performance.



Navios Holdings Structure

- **Navios Holdings - post sale of fleet**
 - 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



Private company



Public company



Company Highlights

Financial Results

Revenue	Q2: \$159.2M	EBITDA	Q2: \$98.9M	Net Income	Q2: \$45.0M
	H1: \$287.0M		H1: \$172.7M		H1: \$40.0M

TCE per day achieved:

Capesize	Q2: \$25,151	Panamax	Q2: \$27,796	Ultra-Handymax	Q2: \$28,300
	H1: \$20,291		H1: \$26,834		H1: \$25,357

■ Exiting fleet ownership

- \$835 million sale of dry bulk fleet completed
 - \$784.2 million ⁽¹⁾ reduction of liabilities

■ Navios Logistics, one of the largest logistics providers in Hidrovia region of South America

- Unique infrastructure comprising of port terminal facilities, barge and cabotage fleet
- Favorably located assets: Nueva Palmira a critical infrastructure asset at the mouth of the river
- Long-term ‘take-or-pay’ contract with Vale
- Entrepreneurial new entrants to mining business
- Favorable market backdrop supports growth

■ Position in Navios Partners

- Excellent potential economic returns
- Compelling investment in a well-positioned diversified maritime company

(1) See slide 6

NM Q2 and H1 2022 Earnings Highlights

Earnings Highlights						
(\$ '000 except per share data)	Three months ended June 30, 2022	Three months ended June 30, 2021	P-o-P Variance	Six months ended June 30, 2022	Six months ended June 30, 2021	P-o-P Variance
Revenue	159,221	143,624	11%	287,011	260,575	10%
EBITDA	98,869	80,536 ⁽¹⁾	23%	172,650	135,128 ⁽³⁾	28%
Net Income	44,960	24,936 ⁽¹⁾	80%	39,960 ⁽²⁾	25,099 ⁽³⁾	59%
Basic Earnings per share	1.38	1.80 ⁽¹⁾	(24%)	1.24 ⁽²⁾	1.72 ⁽³⁾	(28%)

Operating Highlights						
	Three months ended June 30, 2022	Three months ended June 30, 2021	P-o-P Variance	Six months ended June 30, 2022	Six months ended June 30, 2021	P-o-P Variance
Available Days	3,275	3,916	(16.4%)	6,427	8,118	(20.8%)
Fleet Utilization	99.4%	99.8%	(0.4%)	99.3%	99.6%	(0.3%)
Time Charter Equivalent	\$26,984	\$21,572	25.1%	\$24,425	\$17,862	36.7%

- (1) EBITDA, Net Income and Basic Earnings per share for the three month period ended June 30, 2021, include \$5.4 million in impairment losses relating to drybulk vessels.
- (2) Net Income and Basic Earnings per share for the six month period ended June 30, 2022, include the impact of the \$24.0 million 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.
- (3) EBITDA, Net Income and Basic Earnings per share for the six month period ended June 30, 2021 include (i) \$25.9 million in equity income in affiliate companies due to Navios Partners' Merger with Navios Containers effected on March 31, 2021; and (ii) approximately \$25.9 million in impairment losses relating to drybulk vessels.

NM Consolidated Balance Sheet

Selected Balance Sheet Data

(in \$'000)	June 30, 2022	December 31, 2021
Cash & cash equivalents (incl. restricted cash)	54,946	137,851
Other current and non current assets	574,746	547,499
Operating and finance lease asset	170,217	173,426
Vessels, port terminal and other fixed assets, net	928,423	950,002
Total Assets	1,728,332	1,808,778
Other current and non current liabilities	158,713	157,541
Operating lease liability, including current portion	171,561	198,986
Finance lease liability, including current portion	17,285	—
Senior and ship mortgage notes, net	584,450	1,101,931
Long term debt, including current portion	687,439	283,676
Stockholders Equity ⁽¹⁾	108,884	66,644
Book Capitalization ⁽¹⁾	1,398,058	1,452,251
Net Debt / Book Capitalization	88.3%	85.9%

Sale of drybulk fleet

- \$835 million sale of dry bulk fleet completed in Q3 2022
 - \$784.2 million reduction of liabilities

Description of liability	Amount (in US\$ millions)
Debt and finance leases ⁽²⁾	\$441.6
Vessel loans ⁽³⁾	\$262.6
11.25% Senior Secured Notes	\$ 80.0
Total	\$784.2

(1) Includes noncontrolling interest

(2) Assumed by Navios Partners, includes bank debt and finance lease liabilities as well as obligations from bareboat arrangements on a finance lease basis as of June 30, 2022, adjusted at the closing of the transaction

(3) Mandatory repayment of loans associated with the sale of the vessels due to N Shipmanagement Acquisition Corp. and its subsidiaries, an entity affiliated with the Chairwoman and Chief Executive Officer of Navios Holdings

Navios South American Logistics Overview



- ✓ 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 loss from Mark to Market and disposal of NM shares (\$24.1mm) and impairment losses (\$19.4mm)

Improving Prospects for Navios Logistics

- Global focus on food security should drive agricultural volumes
 - 49% y-o-y growth in grain port terminal volumes in H1 2022 driven by:
 - Increased Uruguayan exports
 - Top-off volumes due to draft advantage
 - Water level of dry port unaffected by drought due to strategic location at mouth of river
 - Expectations for solid grain export growth in the 2022/2023 crop year, including a full recovery of Paraguayan crop
- Positive outlook for iron ore port terminal and barge transportation
 - Revived interest in Hidrovia region's mineral assets
 - Corumba mines (formerly owned by Vale) are expected to increase production under J&F ownership
 - Vetrica continues to export through Navios terminal
 - 4B Mining, a new player, commenced exports through Navios terminal
- Gradually improving river conditions
 - Water levels higher than 2020 and 2021, yet below their historical average

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

Navios Logistics Q2 & H1 2022 Earnings Highlights – IFRS

	(in \$ '000)	Three months ended June 30, 2022	Three months ended June 30, 2021	Y-o-Y Variance	Six months ended June 30, 2022	Six months ended June 30, 2021	Y-o-Y Variance
Navios Logistics	Revenue	68,905	57,343	20%	127,752	110,378	16%
	EBITDA	32,034	21,695	48%	56,245	45,305	24%
	Profit / (Loss)	6,372	(843)	n/a	5,992	1,663	260%
Port Terminals	Revenue	30,857	24,567	26%	58,811	49,339	19%
	EBITDA	24,453	18,258	34%	45,220	36,091	25%
Barge Business	Revenue	25,312	24,672	3%	44,828	43,458	3%
	EBITDA	5,333	3,924	36%	6,896	7,951	(13%)
Cabotage Business	Revenue	12,736	8,104	57%	24,113	17,581	37%
	EBITDA	2,248	(487)	n/a	4,129	1,263	227%

Navios Logistics Q2 2022 Balance Sheet – IFRS

Statement of Financial Position (\$'000)	June 30, 2022	December 31, 2021
Cash and cash equivalents	\$37,642	\$32,580
Trade receivables and contract assets	56,386	44,444
Tangible assets	526,640	537,841
Intangible assets	151,676	153,062
Other assets	26,294	25,745
Total Assets	\$798,638	\$793,672
Trade and other payables and contract liabilities	60,586	63,798
Interest-bearing loans and borrowings, including current portion	544,683	542,350
Deferred tax liabilities	10,159	10,495
Other liabilities	25,110	24,921
Total Liabilities	\$640,538	\$641,564
Stockholders Equity	\$158,100	\$152,108
Total Equity & Liabilities	\$798,638	\$793,672



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