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# Results presentation

**Albion JVCo Limited**
for the three months ended
31 March 2022

**Aggreko Limited**
for the three months ended
31 March 2022

19 May 2022

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# Introduction

## The transaction

- On **10 August 2021**, the acquisition of Aggreko plc by TDR Capital & I Squared Capital was completed
- Aggreko's shares were delisted and Aggreko plc was re-registered as a private limited company, Aggreko Limited, on 16 August 2021
- The Albion entities (as detailed in Appendix 1) were incorporated in early 2021 and in July 2021 and October 2021 entered into various financing arrangements which, together with equity contributed by the ultimate shareholders, were used to pay the acquisition consideration to the shareholders of Aggreko plc, to settle costs and to repay Aggreko's existing bilateral credit facilities and U.S. private placement notes

## Results being presented today

- The Albion entities had no material operations, revenue or assets (other than in connection with their respective incorporation, the acquisition of Aggreko plc or the financing thereof) prior to 10 August 2021 and, as such, this results presentation includes:
  - Unaudited headline financials for Albion JVCo Limited for the 3 months ended 31 March 2022; and
  - Consolidated results of Aggreko Limited for the three months ended 31 March 2022 and 2021 to provide a meaningful comparison of the results of operations relating to the Aggreko Group

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# Strong start to the year

**Financial performance**

- Underlying revenue up 22%, with all markets continuing to recover post-COVID and successful delivery of the Beijing Olympics
- Increased focus on pricing opportunities to reflect 'specialty rental' proposition and more complex solutions – more than mitigating inflationary cost pressures
- Underlying EBITDA up 46%, supported by volume growth, rate increases and cost discipline
- Significant increase in fleet investment to support future growth, 154% up on 2021

**Operational focus**

- Key performance metrics aligned across the business
- First cycle of quarterly performance reviews (QPRs) complete
- Organisational changes being rolled out across the Group to drive increased simplicity and accountability, and to support growth
- Eurasia sale process fully underway, several interested parties now engaged in due diligence

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# Albion JVCo Limited

Results for the three months to 31 March 2022

# Financial headlines

## Results pre-exceptional items

| £m | Q1 YTD 2022 |
|---|---|
| Revenue | 396 |
| Operating profit | 44 |
| *Operating profit margin* | *11.1%* |
| Net finance costs | (78) |
| Loss before taxation | (34) |
| Taxation | (18) |
| Loss for the period | (52) |
| | |
| Adjusted EBITDA[1] | 134 |
| *Adjusted EBITDA margin* | *33.9%* |
| Cash generated from operations | 52 |

- The Albion entities were incorporated in early 2021 and had no material operations, revenue or assets (other than in connection with their respective incorporation, the acquisition of Aggreko plc or the financing thereof) prior to 10 August 2021, and hence no comparatives are provided here
- Group net debt at 31 March 2022 was £2,208 million

1. Adjusted EBITDA is pre-exceptional items profit before tax, adjusted to add back net finance costs (including finance costs related to finance leases), depreciation and amortization of intangibles and fulfilment asset

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# Aggreko Limited

Results for the three months ended 31 March 2022

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# Financial summary

| Pre-exceptional items | | | Movement | |
|---|---|---|---|---|
| £m | Q1 YTD 2022 | Q1 YTD 2021 | CHANGE | CHANGE excluding pass-through fuel and currency |
| Revenue | 396 | 320 | 23% | 22% |
| Operating profit | 61 | 25 | 147% | 173% |
| *Operating profit margin* | *15.4%* | *7.7%* | *7.7pp* | *8.5pp* |
| Net finance costs | (8) | (6) | (41)% | |
| Profit before taxation | 53 | 19 | 179% | 223% |
| Taxation | (21) | (8) | 153% | |
| Profit for the year | 32 | 11 | 199% | |
| | | | | |
| Adjusted EBITDA[1] | 134 | 93 | 44% | 46% |
| *Adjusted EBITDA margin* | *33.9%* | *29.0%* | *4.9pp* | *5.8pp* |
| Cash generated from operations | 51 | 72 | | |
| Adjusted ROCE[2] | 16.2% | 7.5% | 8.7pp | 8.5pp |

1. Adjusted EBITDA is pre-exceptional items profit before tax, adjusted to add back net finance costs (including finance costs related to finance leases), depreciation and amortization of intangible assets and fulfilment asset
2. Adjusted ROCE is pre-exceptional items
3. Underlying revenue and operating profit excludes exceptional items, pass through fuel and currency

- Group revenue of £396 million, up 22% on an underlying[3] basis
  - Continued recovery from COVID-19 across all business units
  - Improved rates further supporting revenue growth
  - Successful execution of Beijing Winter Olympics (c. £13m revenue)
- Adjusted EBITDA[1] of £134 million, up 46% (definition updated to include amortisation of fulfilment assets)
- Adjusted EBITDA margin expansion driven by rate increases and improved cost efficiency, leveraging revenue growth
- Pre-tax exceptional charge of £2 million (£4m related to the Group's Future of Finance programme offset by a £2m gain on sale of the Group's operations in Turkey)

# Rental Solutions

**REVENUE**
**£196m** (2021: £163m)

**ADJUSTED EBITDA[2]**
Pre-exceptional items
**£55m** (2021: £42m)

**ADJUSTED EBITDA MARGIN**
Pre-exceptional items
**28.4%** (2021: 25.6%)

**UTILIZATION RATE**
based on average MW on hire

| | |
|---|---|
| Q1 YTD 22 | 57% |
| Q1 YTD 21 | 57% |

**Underlying[1] revenue up 20%**
**Underlying operating profit up 80%**
**Underlying adjusted EBITDA[2] up 33%**

- Good growth across all regions
- Strong performance in Manufacturing (up 42%), O&G (up 33%) and PCR (up 14%) as well as Events trending at pre-COVID levels
- Increased rates and continued cost discipline support margin improvement
- Continued focus on customer service has led to a stable NPS of 71.5 (FY 2021: 71.8)

1. Underlying excludes exceptional items and currency
2. Adjusted EBITDA is pre-exceptional profit before tax, adjusted to add back net finance costs (including finance costs related to finance leases), depreciation and amortization of intangibles and fulfilment asset

# Power Solutions Industrial

## REVENUE
**£109m** (2021: £87m)

## ADJUSTED EBITDA[2]
Pre-exceptional items

**£45m** (2021: £26m)

## ADJUSTED EBITDA MARGIN
Pre-exceptional items

**41.1%** (2021: 29.2%)

## UTILIZATION RATE
based on average MW on hire

| | |
|---|---|
| Q1 YTD 2022 | 74% |
| Q1 YTD 2021 | 72% |

**Underlying[1] revenue up 27%**
**Underlying operating profit up 395%**
**Underlying adjusted EBITDA[2] up 79%**

- Growth across all regions, including pickup of local Events business in Middle East
- Revenue growth further supported by the Beijing Olympics (c. £13m revenue)
- EBITDA margin increase driven by revenue growth leverage, benefit from Beijing and Eurasia and operational leverage
- Announcement made on 1 March 2022 of our intention to sell our Eurasia business, which generated £17m of revenue in Q1 2022 (2021: £16m)

1. Underlying excludes exceptional items and currency
2. Adjusted EBITDA is pre-exceptional profit before tax, adjusted to add back net finance costs (including finance costs related to finance leases), depreciation and amortization of intangibles and fulfilment asset

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# Power Solutions Utility

**REVENUE**
(excl. pass-through fuel)
**£69m** (2021: £57m)

**ADJUSTED EBITDA[2]**
(excl. pass-through fuel)
Pre-exceptional items
**£31m** (2021: £22m)

**ADJUSTED EBITDA MARGIN**
(excl. pass-through fuel)
Pre-exceptional items
**44.0%** (2021: 39.5%)

**UTILIZATION RATE**
based on average MW on hire

| | |
|---|---|
| Q1 YTD 2022 | 74% |
| Q1 YTD 2021 | 66% |

**Underlying[1] revenue up 22%**
**Underlying operating profit up 448%**
**Underlying adjusted EBITDA[2] up 36%**

- Revenue performance reflects Kurdistan flare to power on-hire, Ivory Coast expansion and higher running in Burkina Faso
- Adjusted EBITDA margin increase was supported by the higher margin Kurdistan project
- Progress towards on-hire continues on the two major grid-balancing projects in the Philippines (IASCO and INGRID)
- Increase in utilization driven by Kurdistan project and Ivory Coast expansion

1. Underlying excludes exceptional items and currency
2. Adjusted EBITDA is pre-exceptional profit before tax, adjusted to add back net finance costs (including finance costs related to finance leases), depreciation and amortization of intangibles and fulfilment asset

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# Cash flow

| £m | Q1 YTD 2022 | Q1 YTD 2021 |
|---|---|---|
| Adjusted EBITDA | 134 | 93 |
| Changes in working capital (excluding exceptional items) | (76) | (7) |
| Cashflow relating to fulfilment assets and demobilization provisions | (6) | (14) |
| Other cashflow items | (1) | - |
| **Cash generated from operations (excluding exceptional items)** | **51** | **72** |
| Cash flows from exceptional items | (3) | (1) |
| **Cash generated from operations (including exceptional items)** | **48** | **71** |
| Tax paid | (17) | (7) |
| Net interest | (1) | (3) |
| Purchases of property, plant and equipment | (49) | (20) |
| Other fixed asset movements / lease payments / investments | (1) | (7) |
| Decrease in non-trade amounts from other Albion entities | (25) | - |
| Movement in lease liability (net of exchange) | 3 | 3 |
| Exchange | 4 | 3 |
| **Movement in net debt** | **(38)** | **40** |
| **Net cash / (debt)** | **16** | **(340)** |

| £m | Q1 YTD 2022 | Q1 YTD 2021 |
|---|---|---|
| Trade and other receivables | 15 | (4) |
| Trade and other payables | (70) | 9 |
| Inventory | (21) | (12) |
| Working capital | (76) | (7) |

- Receivables decrease driven by North America, following improvements in billing process and collection of overdue amounts. Payables outflow driven by 2021 bonus payment and deferred revenue movement. Inventory increase to support our capital build program, as well as additional fuel holding in Brazil (at higher fuel price).
- Capex of £49m includes fleet capex of £45m (2021: £18m), of which £28m is “growth” capex vs maintenance, as we drive increased investment to support future growth

# Closing remarks

## Summary

- Strong start to the year across the Group with underlying revenue up 22% and underlying EBITDA up 46%
- Significant focus on pricing opportunities expected to drive revenue growth
- Cost efficiency and operational performance improvement initiatives in progress
- Increased fleet investment commitments to support future growth

- Going forward we will continue to focus on our three simple priorities:
  - Addressing the Group's cost base
  - Driving day to day performance
  - Capital discipline and accountability

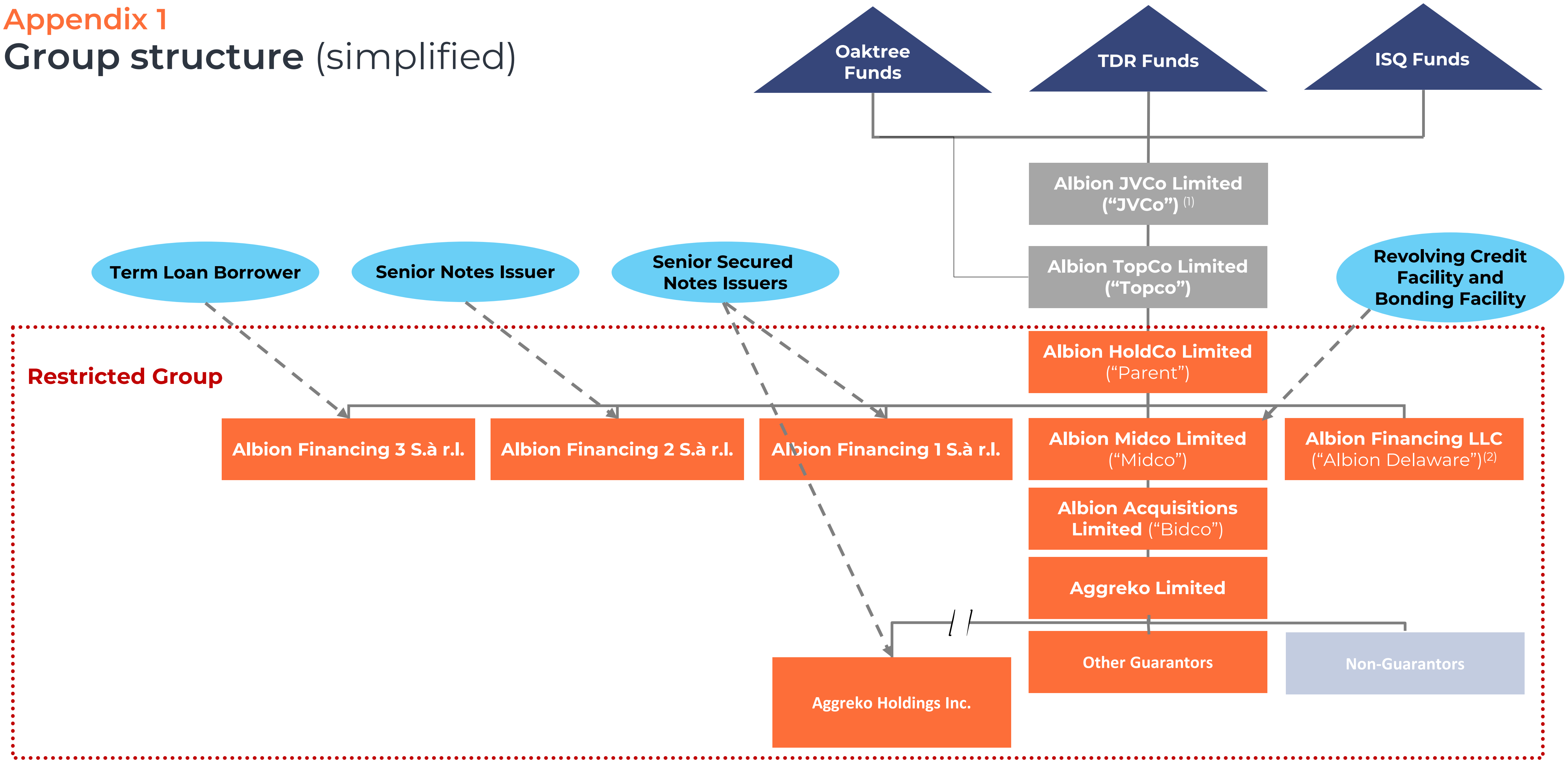
# Q&A

Please stay on the webcast – The Q&A will begin shortly

Questions will be streamed on the webcast via a conference call line shared with investors

# Appendices

## Appendix 1
# Group structure (simplified)




1. Reporting entity providing consolidated financial statements going forward.
2. Notional co-borrower to the Term Loan.

## Appendix 2
# Albion JVCo Limited vs Albion HoldCo Limited

**The differences between Albion JVCo Limited and Albion HoldCo Limited are:**

- Net debt and net assets are £98 million higher at Albion JVCo Limited level as a result of £98 million of preference share debt (preference shares issued by Albion TopCo Limited to Oaktree)
- Net finance costs for Q1 are £2 million higher at Albion JVCo Limited level due to interest on the above mentioned preference shares issued by Albion TopCo Limited to Oaktree

## Appendix 3

# Aggreko Limited - Reconciliation of underlying revenue to revenue

| £m | Q1 YTD 2022 | Q1 YTD 2021 | Movement CHANGE | Movement CHANGE % |
|---|---|---|---|---|
| Revenue | 396 | 320 | 76 | 23% |
| Pass-through fuel | (22) | (13) | | |
| Revenue (excluding pass-through fuel) | 374 | 307 | 67 | 22% |
| Currency impact[1] | | (1) | | |
| Underlying Revenue | 374 | 306 | 68 | 22% |

1. The currency impact line included in the table above excludes the currency impact on pass through fuel in PSU, which in 2022 was £1 million

## Appendix 4

# Reconciliation of EBITDA to Adjusted EBITDA

| | Albion JVCo Limited | Aggreko Limited | |
|---|---|---|---|
| **£m** | **Q1 YTD 2022** | **Q1 YTD 2022** | **Q1 YTD 2022** |
| (Loss) / Profit (Post exceptional items) | (54) | 30 | 11 |
| Taxation (Post exceptional items) | 18 | 21 | 8 |
| Net finance costs (Post exceptional items) | 78 | 8 | 6 |
| **Operating profit / (loss) (Post exceptional items)** | **42** | **59** | **25** |
| Depreciation | 65 | 58 | 60 |
| Amortisation of intangible assets | 11 | 1 | 2 |
| Amortisation of fulfilment assets | 14 | 14 | 6 |
| **EBITDA (Post exceptional items)** | **132** | **132** | **93** |
| Exceptional items | 2 | 2 | - |
| Adjusted EBITDA | 134 | 134 | 93 |

## Appendix 5

# Albion JVCo Limited debt summary

| Debt at 31 March 2022 | | £ equivalent[1] |
|---|---|---|
| 6.125% senior secured notes due 2026 | $565,000,000 | 429,000,000 |
| 5.250% senior secured notes due 2026 | €450,000,000 | 380,000,000 |
| 8.750% senior notes due 2027 | $450,000,000 | 342,000,000 |
| Senior Term Facility Agreement, maturity 2026 ($) | $750,000,000 | 570,000,000 |
| Senior Term Facility Agreement, maturity 2026 (€) | €500,000,000 | 423,000,000 |
| Preference shares | | 95,000,000 |
| Drawings on revolving credit facility[2, 3] | | 80,000,000 |
| **Gross debt[3]** | | **2,319,000,000** |
| Capitalised interest / fees deducted at source / capitalised borrowing costs | | 17,000,000 |
| **Total borrowings** | | **2,336,000,000** |
| Cash at bank and in hand | | (200,000,000) |
| Lease liability | | 72,000,000 |
| **Net borrowings** | | **2,208,000,000** |

Notes:

[1] Translated into Sterling at the spot fx rate on 31 March 2022

[2] Total revolving credit facility of £300 million

[3] The gross debt together with the undrawn revolving credit facility of £220 million equates to committed facilities of £2.6 billion