Ahmed Hi. Good afternoon, ladies and gentlemen. Hope everything is well with everyone on the call. This is Ahmed Hazem here from EFG Hermes speaking. And I'd like to welcome you all today to the AD Ports Second Quarter 2025 Results conference call. We have with us on the line today, Mr. Martin Aarup, Group CFO of AD Ports Group, Mr. Ross Thompson, Group Chief Strategy and growth officer, and Mr. Marc Hammoud, VP of investor relations. First off, I'd like to congratulate the company on the solid set of numbers that they reported today.

And without further delay, I'd like to hand over the call to Marc. Marc, please go ahead.

Marc Thank you, Ahmed, for the introduction. Good morning, good afternoon, everyone. Welcome to our Q225 earnings call. As usual, I will kick it off with the key messages before we go into the market updates with Ross and then the financial and operational performance with Martin. The number one message for this quarter is the positive free cash flow to the firm we delivered for the quarter, but also year to date. And the driving force behind this steady growth was our agile operational execution. On the macro front, Abu Dhabi is outperforming in non-oil foreign trade, and it has certainly to do with CEPAs. And CEPAs, again, are comprehensive economic partnership agreements. In details, Abu Dhabi's non-oil foreign trade soared 35% year on year to 195 billion Dirham in H1 2025, outperforming the UAE and the world's growth of 24% and 1.75%, respectively. Strong non-oil trade growth with existing CEPA partners, Turkey, 41%, India, 33%. Those two CEPAs are implemented.

In total, 28 CEPAs are signed and 10 implemented, including Jordan and Serbia that were implemented in Q225. And negotiations with the EU has started. On the Q2 results, more specifically, we continue to maintain our strong growth trajectory. Revenue were up 15% to 4.83 billion Dirham for the quarter, 10% on the like for like basis. EBITDA grew 9% year on year to 1.17 billion Dirham, 5% on the like for like basis, implying an EBITDA margin of 24%. And total net profit was relatively stable at 445 million dirham. Operationally, and the profit performance are expected to further improve in the second half of the year.

As I said earlier, one of the key messages is about the free cash flow to the firm positive in the quarter and year to date. And that was driven by operating cash flow almost doubling year on year to 1.14 billion dirham in the second quarter, the high cash conversion of 97% for the quarter, versus 55% in Q224, and capex declining 21% to 928 million in the second quarter, taking the year to date outlay to 1.88 billion, which puts it in line with the annual guidance of 3.5 to 4 billion. Our balance sheet remains stable, and Martin will go into the details of it, but our definition of net debt to EBITDA has changed to be in line with the credit rating agencies, but it hasn't changed the fact that it has remained stable for the past three quarters and significantly improved year on year. We continue to enjoy a strong liquidity position, with 2.9 billion Dirham in cash and 5.4 billion in undrawn bank facilities. No upcoming debt maturity in '25 or '26, and no changes in investment grade credit ratings. Because the maritime and shipping cluster is meaningful in terms of contribution, and because there is focus on the shipping business segment from the market, we thought it would be important to update you on certain developments taking place for the cluster and for this business segment.

First, rover shipping through UGR, for those who were who might remember it, it started in March, and the business has been picking up, resulting in the dilution of the container feeder shipping business. We've continued to be flexible in our container shipping network, which has enabled us to respond swiftly to shifting cargo flows and capitalize on new market opportunities in geographies of focus. And outside the US, demand remains strong for container feeder shipping, as demonstrated by the volumes that we transported in Q225 of 34% growth year on year.

Finally, the impact of the US tariffs remains immaterial. The US tariffs are creating new export and transshipment opportunities for the UAE. They are one more reason for companies to consider the UAE as a base to serve not only the US, but also the European, African and Asian markets. And finally, the UAE has increasingly turning into a private pivotal transshipment hub for the rerouting of products to global markets.

On the equity story, we believe that the investment case is at an inflection point. We continue to grow a double digit. Capex is declining, debt is plateauing, and we have been increasingly generating cash flows. The four building blocks remain the same. We continue to enjoy a supportive, top-down story. Our strategy is centered around a triple take growth strategy. We are pivoting towards free cash flow positive, and the target is to the free cash flow positive from 2026 onwards, on a sustainable basis. And we continue to have a stable balance sheet, despite the strong growth, we've been delivering. No major change to this slide. Ownership remains the same, 75% owned by ADQ and foreign ownership has been stable over the past 18 months, at 9%. There's continued disconnect between the stock performance and the financial performance. As you can see, the stock performance declined. The stock price declined 20% in H1 versus plus 7% for ADX, so underperforming the index, but we're still up 27% since listing, which is outperforming the index that grew by 13% since then. And you can see on the right-hand side that this is disconnected from our performance, financial performance, with a three year CAGR for revenue of 64%, growing 15% in H1, and a three year CAGR of 41% for EBITDA, growing another 9% in H1. Another positive note is that the average daily traded value has been increasing to $2.9 million.

I'll go quickly through the slide. This is the revenue and EBITDA distribution for H1 of this year. As you can see, between the ports, economic cities and maritime and shipping clusters, you have more than 90% of the EBITDA, and those three clusters have delivered an outstanding performance in the second quarter and year to date. Same picture for the total assets and the capex. This is the picture for our global operations. I think the notable changes from Q1 is the economic zone in Egypt, in East port side that we secured. That's the first foreign for the economic city and free zone cluster, and that completes basically the portfolio of services that we now can deliver in Egypt. Apart from that, I would mention the identifying network on the container shipping side, with additional services and ports and countries covered by this network.

Scale of operations. We continue to scale up. On the port side, you can see that we reached a container capacity of 11.8 million to use. Over the past 12 month, we handled 6.9 million to use. And on the general cargo volumes front, we close to 60 million, with 59.1 million exactly, while row volumes have been relatively stable on a 12 month rolling basis, at 1.5 million units.

Economic zones, we signed 1.6 square kilometer year to date. That puts the land leases at 72 square kilometer utilization rate of the staff accommodation beds has continued to increase, and we now have 111,000 beds, least warehouses, also enjoy a high-utilization rate. And we have now 724,000 square meter of warehouses leased, and 23 million MMBtu of gas volumes delivered over the past 12 months. Maritime and shipping, 26 container feeder services, with 52 container vessels operating on those services, and 2.9 million TEUs transported by those vessels over the past 12 months. That implies one TU every nine seconds based on the volumes in Q2, and then you have 34 bulk RORO and multipurpose vessels, 107 offshore and subsea vessels, and 74 marine services vessels. On the logistics front, we handled 4.7 million tons of polymers in the last 12 months, and 43,000 tons in terms of air freight, and 387,000 TUs in ocean freight. And I'll pass it on to you, Ross, for the market update.

Ross

Thanks, Marc, next slide. Yeah. Okay, so the group, Abu Dhabi Ports Group, is now contributing, directly and indirectly, around about 24.5% of the non-oil GDP in Abu Dhabi. Largely, if you look at the graph and the dark blue, that's largely coming from the GDP effect of our economic cities and our free zones. But of course, that is enabled by having a very, very strong port in Khalifa Port, and also the ecosystem around that to support that. So, currently, within the Emirate of Abu Dhabi, we support around about 412,000 jobs and employment. In 2024, we created around about 170 billion in GVA. That's largely up around 20 billion on the previous year, and we're forecasting that to increase by another 20 billion to 190 billion by the end of 2025, with a forecast economic impact of around about 440,000 jobs created within the sector.

Next slide. So, the real end message is Abu Dhabi Ports Group is still a significant economic engine driver in the Emirate of Abu Dhabi.

Next slide, please, Marc. According to the jury industry report, Abu Dhabi Ports Group is moving up the rankings, and moved up two places to number 19 globally in terms of Port operators around the world. This is based on 2024 numbers. The report was published this month, but due to the fact that we should be closing this year across the group around about 6.6 million TUs, I think we'll move up to around 18th place, pushing towards the top 17 as we go in the container trades.

Next slide, please. Really how the markets are looking and how the dynamics of particularly the maritime is shaping up in the first half of this year, and also quarter three and quarter four, global container volumes remain relatively stable despite the disturbances, I think, with the Trump tariffs. We saw a pre-tariff surge of volume, which is now largely dissipated. But tariffs are not settled, and we're still seeing how they play out in some of the markets, and we still have geopolitical issues in the supply chains in a number of areas of the world. Very well published that in our area of the world. But having said that, in the container markets that we predominantly have our marine assets in and our terminal assets, they're tending to outperform in terms of volume and growth the more traditional markets, so we don't see much change in either rates or volume in quarter three. Quarter four is a little far for us to forecast at this point, and we will give an updated viewpoint on quarter four in the quarter three results.

Next slide, please, Marc. Yeah, this just follows on. The container freight rates are holding up. They are influenced regionally, I would say, and on a trade lane basis, more than globally at this present time. But in fact, for the group, as Marc alluded to earlier, things like the Red Sea have been diluted. The impact of the Red Sea have been diluted for the maritime organization and for the group, as we've divested the business into RORO and other unitized freight and away from container freight.

Next slide, please. Largely similar in the bulk markets. And I think the bulk liquid market is tending to show quite positive signs, whereas the dry bulk market is showing some signs of demand stagnation, largely driven by weakening demand in China for commodities, but largely speaking, it's flat and stable, and we see that continuing throughout the following half of year.

Next, please, Marc. RORO shipping, actually, we're seeing improved demand. There's a lot of change and dynamics in that market, the RORO market, being roll off, roll on, which is predominantly vehicles. We're seeing a shift towards exports out of China, particularly for EV vehicles, and a shift away from trade on the Trans-Pacific, those vehicles largely coming into our area and into Europe and into a little bit into South America, but we're a significant facilitator of that. We've invested heavily in RORO vessels. We've taken on long-term contracts. We already have a 5% global market share in the RORO sector in port operations. We're handling about 1.6 million vehicles across the group, and our investment in shipping is linking the supply chain to our infrastructure a little bit like what we've done in containers, and we're seeing the fruition of that and a significant new earning segment for the company.

Next slide, please, Marc. Yeah, logistics. Logistics is going through still, global supply chains remain under pressure. They've become far more complex, and there's no end in sight towards that. Of course, the two biggest, or the three biggest drivers in that are the regional conflicts or geopolitical issues that we see, the tariffs, the Trump tariffs, and the disruption in the market because of that, and then the shifting trade patterns of China, which is focused on Indo China and Southeast Asia, as opening up new avenues for it, for investment. And what that means is, is there's more cost in the system for shippers, more complexity, more cost. They're looking away. They're looking more towards regionalization and a China plus one, sourcing and manufacturing strategy, whereas prior would have been just China. Tariffs are reshaping sectors for sure and redrawing supply routes and supply chains. And our view is that the winners in that will be those operators that are agile, that have the capability of delivering end to end solutions, that have the capability to shift product in transit, whether that's by destination or whether to hold it in stock or to speed it up. And companies like ours that positioned themselves are benefiting, both on the logistics side, but also on the group side, that we're able to position ourselves to do that for the market and for our customers and for governments.

Next slide, please, Marc. Yeah, I think Marc touched on it, but in quarter two, since the last update, I think the two biggest achievements for the company, we signed a 50-year renewable agreement in Egypt to develop and operate industrial and logistics park in Port Said. Egypt is a very strategic market for the company. It's a very strategic market in terms of the role it plays in global trade. And this will be something we develop over the next coming years, and it won't be the only investment that we make in Egypt. This will be part of a network that covers both Red Sea side and the Mediterranean side in Egypt for us. The second one was the Tbilisi intermodal terminal. This is a strategic terminal that sucks in a lot of cargo, and consolidates cargo around the, what they call the middle corridor, cargo transiting through the stand countries and the Caspian Sea and the Black Sea. We started to receive, after completing infrastructure works, we started to receive our first shipments by the rail link from MSC ships that had docked in Georgia, and we're moving that cargo and storing that cargo and redistributing that cargo as such.

Next slide, please, Marc. Yeah, I think this slide sort of demonstrates the new M&A that came onto the balance sheet, and the P&L within the quarter, and two specific deals that have been talked about before, but they really came to fruition, The Luanda Multi-Purpose terminal and the United Global RORO UGR, which is our shipping arm of the RORO sector, which we're bringing all under one umbrella. So, bringing under one an umbrella the shipping and also the port operations and the logistics operations under one management and leadership within the company to offer a real end to end product sector, product to the automotive sector. The ownership level of United global RORO for us is 60% and the consolidation started on the first of March 2025. In Q2, we had three months collective revenue of 202, and EBITDA of 42 million.

Next slide, please, Marc. Yeah. And after the acquisitions and some of the restructuring, this is how the group looks, after the full integration of new atom as well. Along the five clusters you see our subsidiaries underneath the leadership of each of the CEOs in each sector. This really sets the company up. We've talked about it before, but the strategy is that we have five clusters, they're very specific, but when we go to market, they act as one to offer full end to end supply chain and logistics solutions to either governments or to the private sector and companies. Now, what this means is we have deep knowledge and sector expertise, infrastructure and services in each of our businesses, and they run independently of each other. Having said that, when we offer solutions to customers, we can offer either a suite of 1, 2, 3, 4, 5 of our services that we're able to provide. If you look at our top 10 and even our top 20 customers, they have revenues in all five of our businesses. And this is how we create a lot of stickiness, and how we expand our share of wallet with customers, and how we unlock issues in their supply chain for them and become real partners.

Next slide, please, Marc. A little bit about the expanding Noatum Ports, the geographic footprint of its operations and its 23 terminals now, I think, in various forms, but where our expansion into Africa, where we have the Angola, the Luanda terminal, both the container side and the multipurpose side. Congo Brazzaville, the 30-year concession that we signed. And in Egypt, two terminals now in Safaja and Adibir [ph] in Spain are 15 terminals, Kazakhstan terminal, which is specifically for grain and grain movements out of Kazakhstan. Our Pakistan's terminal is expanding from just purity container and now into multipurpose and bulk. And in Tanzania, we have a 30% ownership of the container terminal with our partners at Den.

Next slide, please. Marc already suggested on this, but this is a visual map of the CEPAs that the UAE is signing with its trade partners around the world. Green ones is those that are signed. Yellow is those that agreed upon, and in the process of being signed or signed. Red is obviously under negotiation. Now, what these do is open up trade opportunities, and largely what we're finding is, as these CEPAs are signed, what you see is trade increases substantially, and what trade needs in order to increase substantially between the UAE and its trading partners, it needs infrastructures, and it needs services. So, we position our group around that. We not only position the group in terms of services, in terms of maritime services, but we look at our investments in infrastructure, in poor assets in the partner economies to enable more access to market and enable more volumes to flow through our infrastructure and benefit the Group.

Next slide, Marc. I think that's it. Yeah. Our economic zones Marc touched on the growth, another strong demand year. Demand is growing and continues to be very strong for both warehouses and land space in Keyset [ph]. We don't see that changing. We actually think that there'll be sustained and increasing demand throughout quarter three and quarter four and into 2026. Challenge for the group is now land is becoming at a premium, but we also see rents increasing throughout the UAE, and particularly in or rental prices increasing throughout the UAE, and we see that as with increased demand in Keshet [ph]. So, as our land becomes more scarce, as we use up the development of land, we see land lease rentals that we're able to achieve increasing in that. Broad and energy signed, Whittle golf industry signed, the Exxon development and stock space and sing auto within quarter two. Largely also followed the same footprint, mostly over 50 Years. Land leases, they range from 80,000 square meters is the largest and the smallest being 15,000, but generally very similar footprints. Large investments by the four companies and cumulatively speaking, we're around 600 million of inward investment into the four deals.

Next slide, please, Marc. Over to you, Martin.

Martin

Thank you, Ross. Next slide, Marc. So, again, the Q2 and H1 performance, financial performance, at a glance. Again, in spite of the ongoing macro and geopolitical uncertainty, we continue to deliver solid financial performance in Q2. Again, this highlights the resilience and the adaptability of our strategy and the business model. Revenue for the quarter increased 15% year on year to 4.8 billion and 5% higher than Q1. On a like for like basis, when we exclude the base effect from M&A contribution that Ross mentioned, Q2 revenue grew 10% year on year. EBITDA was up 8%, 1.17 billion, and net profit reached 445 million for the quarter, up 1% year on year. The reason for the lower bottom line growth was partly due to higher effective tax rate for the quarter following implementation of the pillar to chop up tax in the UAE. Growth trend for the first half of the year was similar to the quarter, except for stronger bottom line growth of 8% year on year. Operational and profit performance is expected to somewhat slightly further improve in the second half of the year, as some of the impact of the transformational initiatives that we have been working on will flow into the P&L. Again, this is assuming unchanged macro and geopolitical environment for the rest of the year.

Next slide. Operational performance for our port cluster, general cargo volumes were up 13% year on year in Q2, mainly supported by strong growth in the UAE on the back of higher yield steel cargo and ETA volumes. Internationally, volume growth was driven by Pakistan and Egypt, and partly offset by Spain due to seasonality. Our container volumes increased 17% in Q2 after the addition of the new CMA terminal in December of last year. The capacity for our containers reached 68% versus 71% in Q224, in spite of us adding additional capacity of 1.8 million TU for the CMA terminal. The CMA terminal recorded an impressive 80% utilization in its second quarter of operation. The volume mix in UAE stood steady at 63% transshipment and 37% O&D. International operation had strong growth, particularly in Spain and Pakistan, while Egypt had a 6% year on year decline. RORO volumes modestly increased 4% year on year, with strong growth internationally, which was partly offset by declining in UAE volumes.

Next slide. In our economic cities, we inked around 600,000 square meters of net new land leases in Q2, bringing the year to date to 1.6 square kilometers. This is very much in line with the guidance that we have given of average 3.5 to 4 square kilometers per year. The key new leases signed in Q2 were in sectors like renewable energy, recycling, FMB and green logistics industries. Our specialized industrial hubs, like the metal Park, Ag Tech Park, food hub and auto hub are progressing well and on track to come online in phases during 2025 and 2026. Around 70% of the overall Land leases continue to be for industrial and manufacturing purposes. For our warehouses, we are virtually fully leased out, with an overall utilization of 98% in Q2, after adding 150,000 square meters new BTS warehouse for noon in Q2. With the very high demand for warehouses, we are increasing our stock, and we will have another 157,000 square meters of warehouse capacity coming on stream in the second half of the year.

Next slide. For our staff accommodation business through Sadara Group, we continue ramping up, particularly our Racine facilities, the bets leased in. Increased 29% year on year, with utilization now at 80%, up from 63% a year ago. Gas volumes declined 13% year on year in Q2 to 5.9 million MMBtu, and that was due to a temporary holding operation of a customer. And we expect for the coming quarters that we'll be back on the esthetic growth trajectory that we've seen in previous quarters. Our gas network now comprise 100 kilometers of pipeline, up from 84 kilometers in the same period of last year.

Next slide. In our maritime and shipping cluster, we operated 26 container feeder services in Q2, with a fleet of 52 vessels connecting 81 ports across 28 countries. The feeder and container volumes were up 34% year on year in Q2, in line with increased capacity. Around 65% of the feeder container shipping volumes came from the Gulf Indian subcontinent and Red Sea in Q2, with the Red Sea accounting for 22% continuing, going down in line with we have higher growth in regions outside the Red Sea.

Next slide. As in previous quarters, we continue to focus on having a balanced, synergistic portfolio of maritime assets with different market cycles to limit business performance volatility. The recent launch of UGR RORO will further support this diversification. In UGR, we currently have 12 owned and charted in vessels deployed on four services connecting 25 ports across 17 countries in Asia, Arabian Gulf, Africa and Europe. As of Q2, our total fleet is 270, slightly up from Q1 of this year. This includes 34 bulk and RORO vessels and 107 vessels deployed in our offshore and subsea segment.

Next slide. In our logistics cluster, polymers volumes were down 16% year on year in Q2, and that was mainly due to a one month planned shutdown for maintenance. Air freight volumes increased 33% year on year for the quarter, benefiting from the ongoing disruptions in the ocean freight segment. For this reasons, ocean freight was also flat year on year in Q2.

Next slide. In terms of revenue, the port's revenue grew 31% year on year to 731 million in Q2, driven by strong growth in bulk, general cargo and international container operations. Furthermore, UAE concession revenues also increased with the ramp up of operation at the CMA terminal in Khalifa Port. For our economic cities, revenue grew by a strong 18% year on year to 555 million for the quarter. And this was mainly coming from, again, the continued lease out of keyset [ph] in terms of land leases and warehouses, as well as increased utilization and Sadara Group staff accommodation facilities. The Maritime and shipping cluster delivered strong 20% year on year growth to 2.36 billion in Q2. The revenue for the quarter was driven primarily from the Marine services and shipping segments, and the ramp up of UGR. On a like for like basis, adjusted for UGR, revenue growth in the maritime cluster remained strong at 10% year. In logistics, revenue was up 5% year on year to 1.13 billion, primarily on the back of strong growth in air freight and project logistics, partly offset by lower polymer volumes that I mentioned due to the plant shut down for maintenance in Q2.

Next slide. In terms of the geographical revenue distribution, 63% of revenue came from UAE, with balance 35% from international operations. Europe being the largest contributor, with 24% slightly up versus Q1, mainly due to FX impact. Around 600 million or 7% of Q2 revenue came from base effect of M&A activities.

Next slide. Again, Q1 EBITDA was up 9% year on year and 5% on a like for like basis. Our three biggest clusters all delivered strong growth and accounted for 90% of the quarter EBITDA. Ports was up 29% year on year based on top line growth and operating leverage. The economic cities was also up 29% year on year based on healthy land leases, new warehouses and the increased utilization in Sadara staff accommodation. Maritime, up 8% with strong growth in marine service and shipping with UGR. Logistics was disappointingly down 62% due to a number of one-offs, primarily from the lower polymer volumes due to that one month of production plan maintenance, provision for debt, and also negative price impact in the ocean freight segment. Digital results mainly impacted by the timing of the projects that they are delivering externally.

Next slide. Overall, the EBITDA margin for Q2 stood at 24%, which is slightly below our medium term guidance of 25% to 30%. This was mainly due to the temporary negative impact from the logistics cluster. In ports, the operating leveraging in UAE business is offset by addition of international businesses with relatively lower margins. We do expect, though, that the Port cluster margin will improve over the coming quarters. Similarly in economic cities, the operating leverage in the land lease business is partly being offset by very strong growth in the relatively lower margin warehouse business and the ramp up of the staff accommodation that we're having. Although down year on year, maritime EBITDA margin improved from 21% in Q1 to 24% in Q2. As we talked about in previous quarters, the consolidated EBITDA margin will continue to rebalance at moderate rate as capital projects come online and operations are ramped up. The higher margin businesses are predominantly in the UAE, where the group largely operates a landlord business model. We continue to target that more than 60% of our equity weighted, proportionate EBITDA is coming from our infrastructure business, i.e., ports and economic cities. And therefore, based on the current performance, we are slightly underweight in terms of the infrastructure business.

Next slide. For our balance sheet, total assets grew 10% year on year to 67.2 billion in Q2 with total equity increased 8% to 29.5 billion. Marginal increase in net debt, as Marc mentioned during the quarter, with net debt to EBITDA slightly increasing to 4.1 times in Q2. We are now to make sure that we are consistent across calculating the net debt to EBITDA, according to the Moody's definition, and the main difference to the previous calculation is the addition of SIF liability and lease liabilities. No debt maturing in 2025 and 2026. Our balance sheet still offers good flexibility, with cash balance of 2.9 billion and 5.4 billion of undrawn facilities. Our guidance remain unchanged to maintain a solid investment grade credit rating on a standalone basis. The change that you see in the geographical asset deployment is mainly coming from FX impact between the euro and AED.

Next slide. Capex reach 928 million in Q2 around the same level as in in previous quarters. That brings the year to date, capex outlay to 1.88 billion, down 23% year on year. Majority of the Q2 spend was in economic cities for infrastructure work and for the Metal Park hub. In ports, we had port concessions and the new Alfiya Dry port facility. And in maritime, it was predominantly purchase of offshore vessels and barges, as well as dry docking of a large portion of our offshore vessels. Only 46% of year to date capex were spending infrastructure asset as lots of our committed infrastructure capex, including port developments in Egypt, Pakistan, Congo and Angola, will only ramp up over the coming quarters. Expected capex spend for ‘25 and ‘26 will be around 3.5 billion to 4 billion annually as previously guided, and we expect that around 65% of ‘25 to ‘29 capex be allocated to infrastructure assets, i.e. ports and economic cities.

	Next slide. With a cash conversion of 97% in Q2, operating cash flow reached 1.14 billion. Combined with the discipline capex spend led to a positive FCFF performance, both for the quarter and year to date, which again, is an important milestone for us, and something that we have been working towards. We'll see that happen more frequently going forward in terms of the quarters and we are on track to achieve this on a sustainable basis from around 2026.
	Next slide. In terms of our medium term guidance, no changes there. Things are development in line with what we have expected, and we are delivering on the initiatives that we have planned for in the medium term, between 24 and 29 we expect to deliver revenue and EBITDA cake and the range of 10% to 15% and profit before tax around 15%. Again, this is factoring in the shipping cycles. Hence, in the short term, there may be slight deviations, which is also what you're seeing in in the year to date performance, which is very much expected and in line with our plans. In the next couple of years, we expect annual capex, again, as I mentioned, around 3.5 billion to 4 billion per year. And as always, this is based on currently announced, approved transactions.
	Over to you, Marc.
Marc	Thank you, Martin. Ahmed, can we open the floor for Q&A, please?
Ahmed	Absolutely. So as a reminder for everyone, you can use the raise hand function, and you can unmute your mic to ask your questions directly, or you can send your questions in the Q&A box. We will be prioritizing raised hands first, and we have our first question coming from Claudia Carpenter. Claudia, please ensure that you're unmuted locally and ask your question. Go ahead. Claudia, can you unmute locally as well? Okay, Claudia, we can't hear you, so we'll move to our next question from Ricardo. Ricardo, please unmute locally and ask your question.
Claudia	Can you hear me now?
Ahmed	Hi, Claudia, yes, we can hear you.
Claudia	When you say that the differentials for the US tariffs, with China, etc., are you saying that more companies are interested in setting up bases in the UAE because there's only a 10% tariff in the UAE?
M	Yes, we are seeing more demand. It's not just changing tariffs, also change of regulation, but yeah, we're seeing more demand for companies wishing to set up here. Yeah.
Claudia	And have you seen an increase in the number of ships actually making calls in the UAE because of that?
M	Not necessarily, not necessarily the number of ships, but what we're seeing is volumes being diverted. So you'll see that China's output, in terms of container volumes, hasn't really changed. But if you look at the Trans-Pacific trade, the Trans-Pacific trade is largely around about 10% down, but that trade has been diverted elsewhere. So it's just accessing new markets, whether it's product or shipping more to some of the existing markets. So it's a change in trade patterns and trade volumes.

Claudia	Yeah. And the UAE is benefiting?
M	Yeah, the UAE, the UAE is a partial benefit for that as a Southeast Asia, Indo-China, all of these regions.
Claudia	Thank you.
M	And if I may add also, I mean, you can see it in the Abu Dhabi, non-oil foreign trade. This is a very good proxy, and it's up in the 30s in first half of the year. And then you can see it also through our volumes transported in Q2, which is also in the 30s in terms of growth. So, China continues to export, and their exports is still positive in H1, while the US Route for them is in negative. So that positive export is going somewhere else, and we acting as the UAE and Abu Dhabi as an increasing hub to either the Middle East or to global markets.
Ahmed	Thank you, Ross and Marc. We move to Ricardo's question. Ricardo, please go ahead. Hi, Ricardo, we cannot hear you at the moment. Ricardo, I see that your mic is unmuted, but we can't hear you. Okay, so we'll move to Graham Hunt. Graham, please go ahead. Ricardo, we'll get back to you again.
Graham	Hello, can you hear me?
Ahmed	Yes, Graham, we can hear you. Please go ahead.
Graham	Perfect. Thank you. Good afternoon, gentlemen. Thank you so much for the presentation. I'll start with two questions, and then I might jump back in the queue. First one, just on the impact of the logistics business. I mean, I understand, I mean, the impact on logistics itself is material, but small in the context of the broader group. But I'm just trying to work out whether it's delivering you those halo benefits for the rest of the group, and in particular the domestic platform, because when I look at the land, the economic season, free zones, division, net new land leases came in a little bit lower than we would have been expecting. And I think is running a bit below your guidance there, even on the half year basis. So I suppose, is logistics delivering you that broader halo effect for the group? Are you feeling that already, or is that still to come? And then second question, just on net new land leases, what's holding that back from growing faster? Because you're seeing more volumes, you're seeing more flow, that doesn't seem to be translating on the land side in Abu Dhabi. Thank you.
M	Ross, this is for you.
Ross	Well, maybe I'll take the second part of your question first. Land leases, it just depends on the size. I mean the size. If you look at the number of deals that we're signing, actually we're signing more deals now than we ever had. They are of a smaller land plot nature. So, if you look at previous years, what we've had is, in the first half, is what we call a mega deal, where we've done like half a kilometer or a kilometer of land. And you look at the size of these, they're smaller parcels. So, rather than huge manufacturing sites, they're small manufacturing or smaller manufacturing sites. The demand is very strong. The limitation for us is actually where we're becoming full. What we have in the pipeline is significantly strong. It takes some time to sometimes to sign, but I think that we'll catch up in the second half of the year of what we forecast, which is a step up from what we've done on an average of the previous years. So

	demand being very strong is just a function of timing, of what you sign, not all the projects and the mega projects, they tend to be more spaced out, and they take longer to sign. They'll be in negotiation for 12 to sometimes 24 months, where the smaller ones tend to be shorter negotiations of three to six months. It's just the nature of the business, and there's nothing, I don't think there's a trend to look at, or any underlying reason for that. Remind me what's the first part your question?
Graham	Just in terms of the Halo effects from the logistics platform, putting aside the cyclical pricing and dynamics of the division, is it giving you that reach that you're seeing it translate to that bigger scale effect to benefit—
Ross	The nascence of it, but you have to remember, a lot of the logistics efforts. And so, our strategy is based around about having the infrastructure first and then entering markets with the infrastructure, and then having the logistics capability and the maritime capability that funnels, that funnels volumes and services through our infrastructure businesses. Now, if you look we already had that logistics setup in Abu Dhabi, so surrounding Khalifa Port, which is our major port. And of course, it funnels volumes through there, and it's an enabler for all the businesses that sit within that. But if you look at the investments that we made, they're not yet coming on stream. So if you look at Angola, if you look at Sufaga, if you look at Port Sayid, these are all in development. So, of course, the logistics isn't benefiting those yet, but those infrastructure need to be built out. Now, what we're now investing in, if you look at the strategy, is we've also invested in logistics parts which can house both warehousing and manufacturing bases so many Khalifa Port, economic zone setups that require logistics services for those businesses to be set there. So, as time moves on and these infrastructure projects come on stream, you're going to see more and more of that halo effect of what you talk about in logistics.
Graham	Understood. Thanks. I'll jump back in. I'll jump off and jump back in. Thanks,
Ahmed	Thanks, Ross. So Ricardo is back. We'll give Ricardo another chance. Ricardo, please ensure that you're unmuted locally as well.
Ricardo	Can you hear me now?
Ahmed	Yes, we can hear you.
Ricardo	Okay, perfect. Thank you. Have a couple questions. The first one, when you look at the reading rate of capex in the first half, it's closer to the bottom range of your guidance. So should we see an acceleration on the second half, or should we really see full year capex as close to the lower end? And then the second one, it's on the free cash flow. We did see a positive free cash flow in the second quarter. How do you think about the second half of the year? Are you expecting a positive cash flow generation, or should we wait for 2026? Thank you.
M	It's a good question, and the two are very much linked. On the first question, again, our guidance is, is 3.5 billion to 4 billion. We have done 1.88, I think so close to 1.9. That gives you 3.8 if it's annualized. It may accelerate a bit again. Where exactly the payments are falling between the quarters may differ a little bit, also in terms of particularly the green fields, in terms of the progress payments, but we do expect that in the second half of the year that we would probably be closer to the 4 billion than the 3.5. And when it comes to the cash, we

expect that we will continue to deliver strong operating cash flow and with the cash conversion at least to the same level that we have seen year to date for the second half of the year. And again, whether we would be free cash flow positive in the second half of the year, again, depends on the capex payment and the magnitude shoot of those. But again, I think it's very clear that we have seen now that it becomes more and more frequent in terms of us actually being free cash flow positive. But again, we have guided for around 2026 that we will be on a sustainable basis. Before that, it will go up and down quarter on quarter, and again. It depends on when we would have capex payments.

Ricardo Thanks. That was clear. And if I may follow up and apologies if you have answered that already, on the first question from one of my colleagues, when you mentioned that you're seeing just quite a lot of interest for the UAE, given everything that is happening with tariffs. Is there any specific sector that you've seen more interest, or just broad interest for more companies wanting to start operations in the UAE?

M I think the interests across the board, it's primarily, again, in the industry and manufacturer space that we have the predominant of leases in. And again, coming back to the question that was mentioned earlier, in terms of the land leases that we have signed, again, I think we have to keep in mind that when people sign a land lease, it's for the next 50 years. So it's big decision, and a lot of work go into to making that decision, and therefore also the lead time for when the market and the environment changes, until actually it starts showing up in terms of increased land leases, there is a lag. And for that reason that these are big decisions and very long-term decisions for our investors.

Ricardo Okay, thanks, Martin.

Ahmed Thank you for that. We don't have any more hands raised. So just as a reminder, you can raise your hand, or you can send your questions in the Q&A box. I think Graham popped again, Graham, you have a question, a follow-up? Please go ahead, unmute locally as well.

Graham Yeah, thank you. Yeah. Just two quick follow-ups. Can I just ask? It might be a basic question, but you mentioned a couple of times that land is a scarcity now, but when I look at your leasable land or developed land, I'm still seeing a decent headroom from leased. So I'm just trying to understand that a little bit better. And then the second question was, just on the CMA terminal, you said is now at 80% capacity. Can you just give us an update in terms of where we are with additional expansion timeline there? Thanks, on that terminal.

M Yeah. Marc, I think, Ross dropped. Will you be able to take that?

Marc Yeah, sure. On the land, we had 72% utilization of leasable land in Abu Dhabi. But a lot, a lot of the requirements are not available in that leasable land. So whether it's the size of the plot, the location of the plot, different parameters in the search for that land is not often available today, because the other part of the land is not unlocked. So it's basically based on consideration of matching the requirement with the availability today. And that's why I think Ross is referring to the scarcity. On the second question, which was, which was, which was on the CMA terminal, yeah, so 80% utilization is a level where most likely CMA terminals will trigger the option to expand to 2.7 million to use. It's likely to be done in Q3 or Q4, then give it a lead time of six to nine month. And by the end of 2026, we should have the 2.7 million to use operating.

Graham	Got it. And as I've got the floor, maybe just one last technical one on tax. Is the Q2 tax rate, what we should be modeling going forward? Or do you have a different guidance for that? Thanks.
M	No, as it is right now, the expected lending in terms of effective tax rate is between 13% to 14%.
Graham	Perfect. Thank you, Martin, thank you, Marc.
Ahmed	Thank you, Graham. So we'll move to our next raised hand from Anna. Please unmute locally and ask your question.
Anna	Yes. Good afternoon. Can you hear me well?
Ahmed	Yes.
Anna	Thank you. Good afternoon. Thank you for the presentation. A quick question from our side. What is the current status update on your plans regarding your investment in Aramex? Any color you could share with us would be much appreciated. Thank you.
M	No changes. Again, we again reiterating what we have been saying consistently. We have been, as a financial investor, since we took over the stake from ADQ, obviously, with the transaction, the VTO being successful for ADQ now having majority control, we combined, have a very, very majority stake in Aramex. That gives opportunities in terms of transformation of the business, which is already well underway, but in terms of the shareholding, there is no plans. Again, we're very much united in terms of how we are operating that with ADQ, in terms of Aramex.
Anna	Understood. Thank you.
Ahmed	So we don't have any more hands raised at the moment, but we have a question coming in the Q&A box coming from Rakesh. We understand that there have been plans to issue USD debt for the past year, but high rates have kept you away from issuances so far. Can you update us on the current thoughts as far as USD debt issuances are concerned?
Martin	Yeah, again, good question. No major changes. Again, we are very much following the market and looking for an opportune window to convert some of the medium term debt that we're having into long term. Again, we're not in a rush. So we want to time it in the best possible way. Again, we have no maturities in the next two years, but it's still the plan, but we are waiting for when we would consider it it's an opportune time to convert it into long term debt.
Ahmed	Thank you. Thank you, Martin. Maybe a follow up from my end to the answer that Marc gave on the CMA terminal expansion. What are the main bottlenecks that the CMA terminal has to unlock that, if I heard you correctly, 2.7 million TU capacity. Is it more cranes? Is it yard space? What's that bridge on capacity, and why is the lead time maybe six to nine months, and why isn't it longer? If it's ordering cranes, for example.

M No, it's mainly ordering cranes. The key is available. It's theirs from the moment they order the cranes you need about six to nine months for the cranes to arrive and to be operational. So from the moment they ordered the cranes, you need to count six to nine months, and then, and then this capacity will be online.

Ahmed And just, if I may, add to that. The terminal has been operation in six, eight months. It's quite massive in terms of building up the operations for such a big terminal in such a short period of time. And again, 1.8 million TU is a lot, and it's a lot to handle in an efficient way, especially for a newly established organization. And although CMA have done this many, many times, it is a big, big, big accomplishment and a tall or big task. And the important thing is to do the transition and ramp up and stabilization in a manner where don't want any unnecessary risk. But as Marc said, the lead time is the additional equipment, and then obviously also in terms of the network, readjusting the network, in terms of moving volumes into Khalifa Port.

Ahmed And on that point on Khalifa moving volumes into Khalifa port, how much volumes are CMA sending right now to Jabal Ali, for example, that could be diverted quite easily?

M That's a question for DP World, but you can assume the same level of utilization on the 2.7 million to use at the more major stage. So let's say they have in place the 2.7 million to use by end of next year, and then the ramp up utilization to the same sorts of utilization rates of 70% to 80%. Where this volume comes from Jebel Ali predominantly, I would suppose, but also from other parts of the Arabian Gulf, the contract, the commitment, or the contractual obligation from CMA is to bring the majority of the regional volumes. As we know, the regional volumes predominantly sits in Jebel Ali. So yes, bulk of the volumes would be coming from Jebel Ali. How much is difficult to say because, I mean, obviously the deep world doesn't disclose on a per line basis, and this is also confidential information that CMA wouldn't share with us.

Ahmed Okay, got you. And maybe from a capex perspective, given that CMA could potentially expedite the plans, and given that you said that basically, to expedite these plans and deliver that capacity, or what they need is pretty much equipment, from a capex perspective on AD Ports Group, the capex should be insignificant for the additions, right?

M Correct, correct. There's no additional capex from our side, besides our 30% stake in CMA.

Ahmed Got you. Perfect, perfect. Thank you. Again, maybe as a final reminder for everyone on the call, you can use the raise hand function and we can unmute you, or you can send your questions in the Q&A box. We'll give it one last chance for everyone in attendance. Okay, there doesn't seem to be any hands coming up, so Marc and Martin, back to you for any closing remarks.

Marc Thank you, Ahmed. Thank you all for attending the call. We look forward to interacting with you. September is going to be heavy in terms of investor engagement. There are several events planned. Don't hesitate to reach out to us to find out more about it, and you may now disconnect. Thank you.

Ahmed Thank you, Martin, thank you, Ross, and thank you, Marc, and everyone in attendance. You may now disconnect. Have a good day.