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John Menzies plc

Response to National Aviation Services ("NAS") proposal

February 2022



Proposal from NAS fundamentally undervalues the Company

We expect to deliver strong revenue growth in the short and medium term generating significant shareholder value

We believe that:

- The Proposal is highly opportunistic and comes at a time when full impact of management actions are not yet reflected in Menzies' valuation and underlying volumes have yet to return to pre-pandemic levels;
- Since 2019 the business has been re-shaped with £25 million of permanent cost removed¹, a clear and deliverable strategy implemented and a refocussed commercial approach that has generated £120 million of net new annualised revenue. The Proposal does not reflect the benefit of these actions;
- The Proposal fails to reflect Menzies' strong growth prospects and attractive industry outlook. Menzies is well positioned as a global player in a market with proven structural growth and will benefit from the continued recovery in flight and freight volumes;
- We have a clear strategy with tangible evidence of delivery. We will continue to deliver against our five strategic priorities - focussing on air cargo services, new fuelling operations and high quality ground handling with new operations being targeted in emerging markets where margins are typically higher;
- Our pipeline of opportunities is full. In 2022 we have clear and obtainable targets that we believe will deliver approximately £80 million of net new annualised revenue and several business development opportunities that will deliver approximately £150-200 million of new revenue over the short to medium term - all of which are expected to be at higher margins;
- The Proposal implies a significantly lower (pre-IFRS16) EV/EBITDA multiple than achieved in comparable transactions over the last decade in our markets for other assets of our size and standing²; and
- The Proposal fails to account for our highly experienced management team, who are all invested in the business and bring a proven track record.

Source: Menzies company information

2 1. As at 31 December 2021. Updated position of permanent costs removed of £20 million which was on announced 9 March 2021. 2. See page 8 and appendices for full sources disclosure.

Re-shaped business

Decisive management action has created a strong platform for growth with re-structured cost base and portfolio mix

£25m of permanent cost savings delivered¹

- Re-structure of regional set up, merged UK and Europe
- Rationalisation of head office costs
- Exit from loss making stations and contracts

Commercial structures overhauled - performance completely turned around

- £120m of net new annualised revenue from net contract wins in 2020 & 2021
- New global terms agreements with many carriers – being easy to do business with

Clear strategy implemented and delivered

- 1. Optimise portfolio 2. Targeted growth 3. Margin improvement 4. Customer focus 5. People centric
- Strong evidence of delivery with excellent growth in air cargo services and entry into emerging markets
- Key customer relationships strengthened

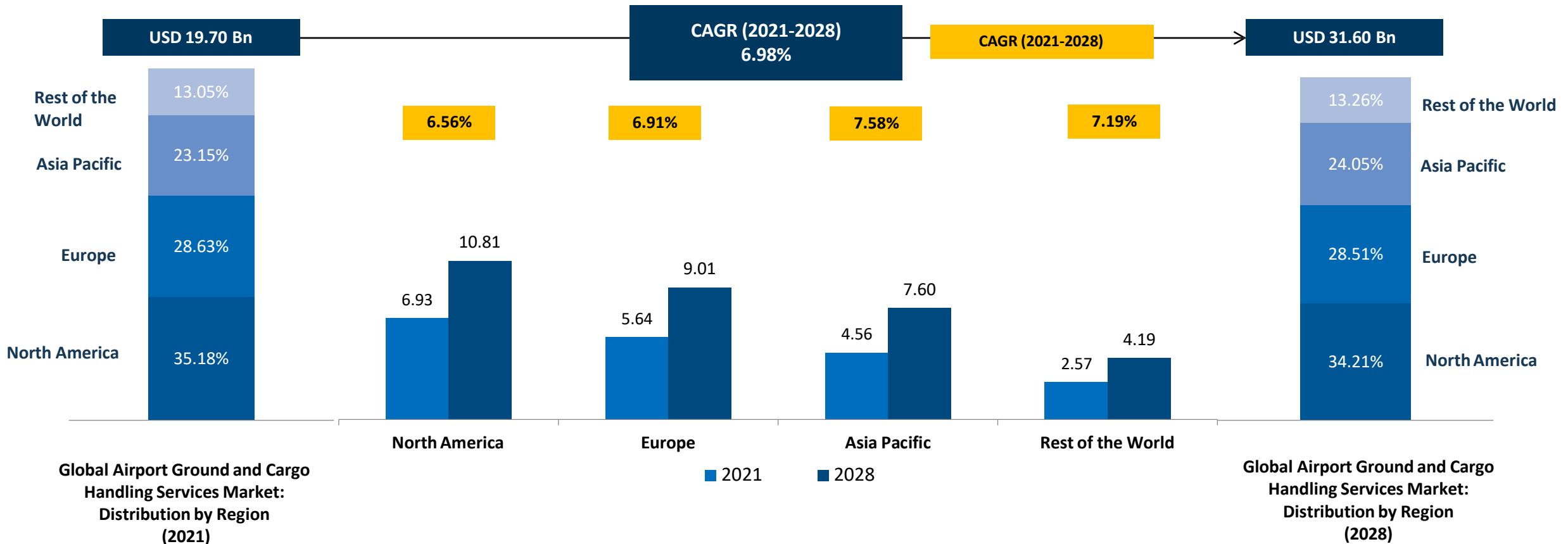
Source: Menzies company information

3 1. As at 31 December 2021. Updated position of permanent costs removed of £20 million which was announced on 9 March 2021.

Structural growth market

Well positioned as a global player to benefit from recovery and future growth

Global Airport Ground and Cargo Handling Services Market Revenue Breakdown (USD Bn, %) by Region, 2021 & 2028



Proven strategy in action

Since 2019 we have achieved tangible delivery against each of our strategic priorities

1. Optimise portfolio

2. Targeted growth

3. Margin improvement

4. Customer focussed

5. People centric

- **Delivering a more resilient revenue mix with growth of air cargo services**
 - Portfolio increased from 38 facilities to 58 facilities in the last two years
 - Major contracts won and new customers welcomed
- **Focus on higher margin emerging markets delivered with operations in 5 new countries**
 - Iraq, Pakistan, Costa Rica, Guatemala, El Salvador
- **Overall margin improving – medium term target 6.5%**
 - New business is margin accretive
 - Emerging markets typically attract higher margins
- **Focus on being a solutions orientated provider to our customers**
 - Customer relationships enhanced, strong collaboration through the pandemic
 - Significant new business won, significant secondary business
- **People are our greatest strength, its all about them**
 - M100 created, focus on transparency, leadership and great communication

Strong growth dynamics

Pipeline full of incremental opportunities

Commercial

We target to deliver a further c**£80m of net revenue** in 2022 across all product categories

- Major bids underway
- Seek to benefit from continuing out-sourcing trend
- Developing customer relations to win additional business
- Several attractive contracts that are targeted



Business development

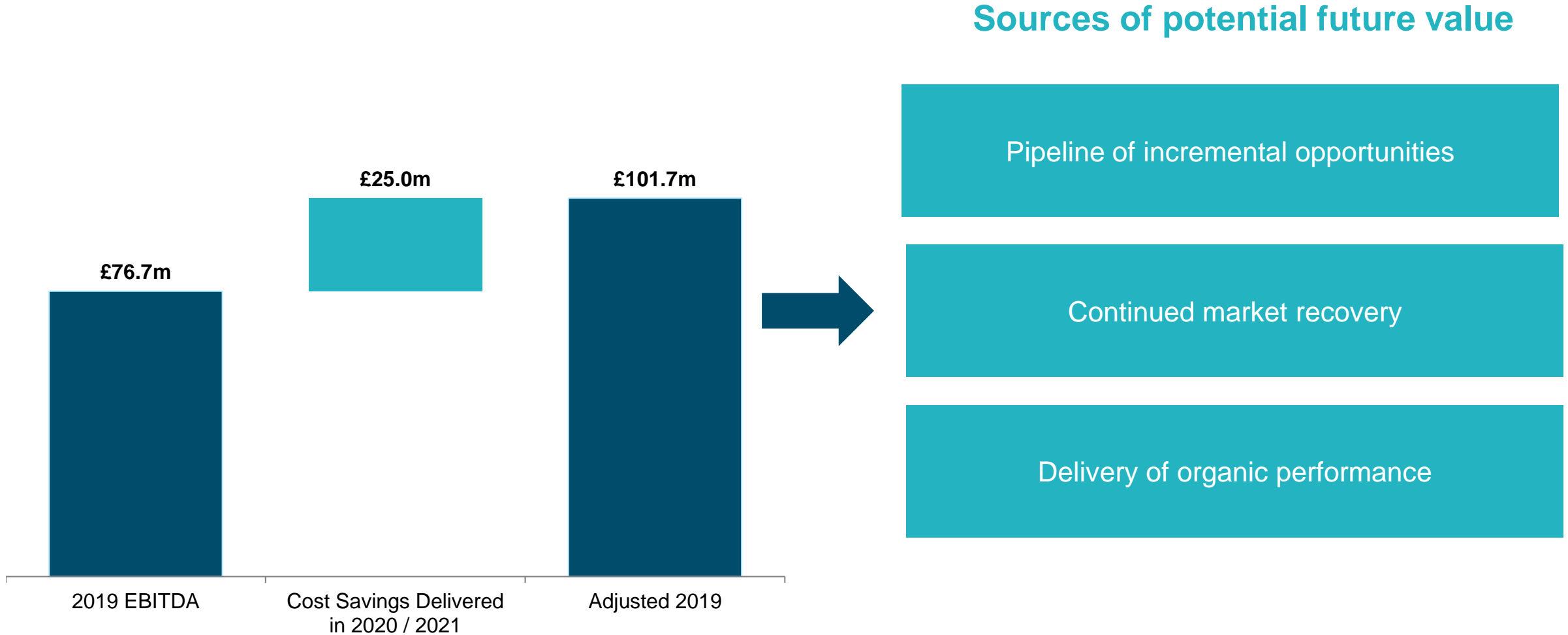
From live projects we anticipate c**£150-200m of new revenue** over the short to medium term

- Opportunities underway in every region in which we operate
- Focus on emerging markets continues
- Targeting air cargo services and fuelling
- Enter new territories via joint venture where appropriate



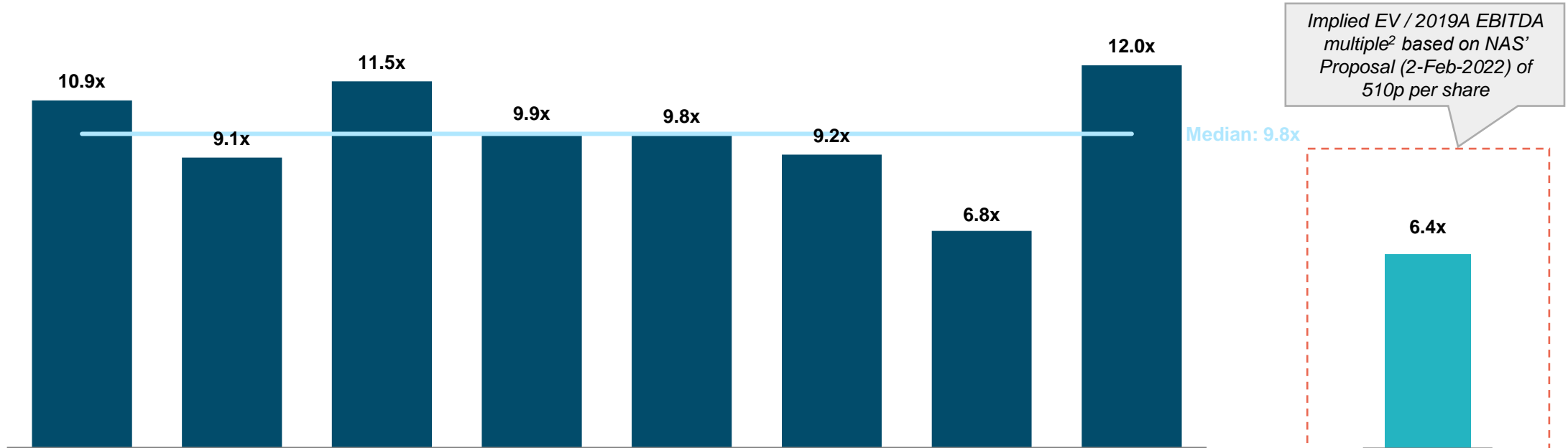
Proposal does not reflect future value of Menzies

Potential for significant growth

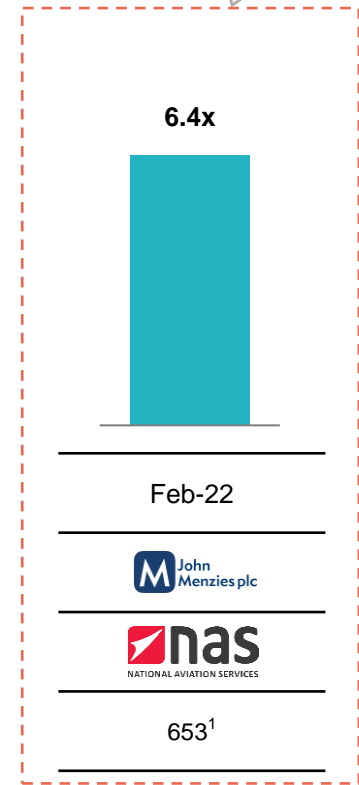


Proposal does not offer appropriate value

Transaction EV / LTM EBITDA multiples paid in comparable transactions



Date	Nov-10	Oct-13	Jun-15	Sep-16	Nov-17	Jun-18	Sep-21	Dec-21
Target								
Acquiror								
EV (£m)	771	82	1,834	154	307	1,066	64	182



8 **Source:** Menzies company information, public filings. Please refer to appendices for full sources disclosure. ¹ Enterprise Value on a pre-IFRS 16 basis. ² Based on Pre-IFRS 16 EBITDA for 2019A of £101.7m, calculated as reported full year 2019 EBITDA of £138.7m, adjusted for an IFRS 16 impact of £62.0m as well as £25.0m of permanent cost savings delivered.

510 pence is a small premium to pre-pandemic levels

Proposal is opportunistic



Shareholders can benefit from significant value creation on a stand alone basis

- Strong platform created since 2019 expected to support accelerated growth plans
- Market recovery well underway with busy summer season predicted by industry commentators
- Further benefits from structural growth market and continued market recovery
- Ability to leverage our position as a leading player in the global market to grow in Middle East and South East Asia
- Driving the business forward – £150m - £200m of new revenue business development opportunities at higher margins targeted over the short to medium term
- Balance sheet repaired and sound financial position
- Excellent management strength throughout the business - key to our success

Appendix – References to prior slides

Slide 7 – Proposal does not reflect future value of Menzies

- 2019 EBITDA : £76.7m – 2019 Pre IFRS 16 EBITDA calculated as 2019 reported EBITDA of £138.7m (Source: John Menzies Annual Report and Accounts 2019, published 8 April 2020, page 160) minus IFRS 16 depreciation of £62.0m (Source: John Menzies Annual Report and Accounts 2020, published 8 April 2021, page 34)
- Cost Savings Delivered in 2020 / 2021: £25.0m as at 31 December 2021 (Source: Menzies company information and Menzies Announcement, published 9 February 2021). Updated position of permanent costs removed of £20 million which was announced on 9 March 2021 in the announcement of Menzies' results for year to 31 December 2020.

Slide 8 – Proposal does not offer appropriate value

NAS / John Menzies: 6.4x

- Implied Enterprise Value: £653m – calculated as 510p multiplied by the fully diluted number of shares outstanding of 93.9m (calculated as number of shares outstanding 91.9m (Source: John Menzies plc Investor Centre Website) plus dilution of 2.02m (Source: John Menzies plc Annual Report and Accounts 2020, published 8 April 2021, pages 108, 190, 191)), plus net debt excluding leases of £181.0m, preference shares of £1.4m, associates of £(13.5)m, minority interest of £4.7m (Source: John Menzies plc 2021 Interim Results Announcement, dated 1 September 2021, pages 15, 27)
- EBITDA: £101.7m – 2019 Pre IFRS 16 EBITDA calculated as 2019 reported EBITDA of £138.7m (Source: John Menzies Annual Report and Accounts 2019, published 8 April 2020, page 160), minus IFRS 16 depreciation of £62.0m (Source: John Menzies Annual Report and Accounts 2020, published 8 April 2021, page 34), plus £25.0m of permanent run rate cost savings (Source: John Menzies plc Announcement, published 9 February 2022)

WFS / Mercury: 12.0x

- Enterprise Value: \$245m (Source: WFS Offering Memorandum €340,000,000 6³⁸% Senior Secured Notes due 2027, \$400,000,000 7⁷⁸% Senior Secured Notes due 2027, €250,000,000 Senior Secured Floating Rate Notes due 2027, dated February 3, 2022, page 133)
- EBITDA: €18m (Source: WFS Offering Memorandum €340,000,000 6³⁸% Senior Secured Notes due 2027, \$400,000,000 7⁷⁸% Senior Secured Notes due 2027, €250,000,000 Senior Secured Floating Rate Notes due 2027, dated February 3, 2022, page 133)
- FX Rate: USDGBP FX rate of 0.741, EURGBP of 0.839, spot as of 30 Dec 2021

WFS / Pinnacle Logistics: 6.8x

- Enterprise Value: €75m (Source: WFS Offering Memorandum €340,000,000 6³⁸% Senior Secured Notes due 2027, \$400,000,000 7⁷⁸% Senior Secured Notes due 2027, €250,000,000 Senior Secured Floating Rate Notes due 2027, dated February 3, 2022, page 134)
- EBITDA: €11m (Source: WFS Offering Memorandum €340,000,000 6³⁸% Senior Secured Notes due 2027, \$400,000,000 7⁷⁸% Senior Secured Notes due 2027, €250,000,000 Senior Secured Floating Rate Notes due 2027, dated February 3, 2022, page 134)
- FX Rate: EURGBP FX rate of 0.857, spot as of 24 Sep 2021

Cerberus / WFS: 9.2x

- Enterprise Value: €1,214m (Source: WFS Offering Memorandum €400,000,000 6³⁴% Senior Secured Notes due 2023, €260,000,000 Senior Secured Floating Rate Notes due 2023, dated July 27, 2018, page 9)
- EBITDA: €132.2m (Source: WFS Offering Memorandum €400,000,000 6³⁴% Senior Secured Notes due 2023, €260,000,000 Senior Secured Floating Rate Notes due 2023, dated July 27, 2018, page 24)
- FX Rate: EURGBP FX rate of 0.879, spot as of 19-Jun-2018

Appendix – References to prior slides

Slide 8 cont. – Proposal does not offer appropriate value

Swissport / Aerocare: 9.8x

- Enterprise value: CHF 343.3m (Source: Swissport Financing Offering Memorandum, €410,000,000 5.25% Senior Secured Notes due 2024 / €250,000,000 9.00% Senior Notes due 2025, dated August 14 2019, page 122)
- EBITDA: €41m (Source: Swissport Investor Presentation, published March 2018, page 4)
- FX Rate: CHFGBP FX rate of 0.765, EURGBP FX rate of 0.894, spot as of 27-Nov-2017

John Menzies / ASIG: 9.9x

- Enterprise Value: \$202m (Source: John Menzies plc announcement “Proposed \$202m Acquisition of ASIG to significantly enhance the scale and service offering of Menzies Aviation”, released on September 16, 2016, page 1)
- EBITDA: \$20.4m, calculated as underlying EBITDA before BBA Aviation central cost allocations of \$27.7m minus the Board estimation of the cost to Menzies of providing these services to ASIG of \$7.3m (Source: John Menzies plc announcement “Proposed \$202m Acquisition of ASIG to significantly enhance the scale and service offering of Menzies Aviation”, released on September 16, 2016, page 9)
- FX Rate: USDGBP FX rate of 0.764, spot as of 16-Sep-2016

HNA / Swissport: 11.5x

- Enterprise Value: CHF2.7bn (Source: “PAI Partners agrees sale of Swissport to HNA Group”, PAI Partners, July 30, 2015)
- EBITDA: CHF235.6m (Source: Swissport Offering Memorandum €363,522,000 6.750% Senior Secured Notes due 2021, €264,644,000 9.750% Senior Notes due 2022, dated August 11, 2017, page 24)
- FX Rate: CHFGBP FX rate of 0.679, spot as of 30-Jun-2015

KL Airport Services / Konsortium Logistik: 9.1x

- Enterprise Value: MYR 417m – calculated as the sum of implied equity value, calculated using an equity consideration of MYR 241m and an equity stake of 61.61% (Source: DRB-HICOM BERHAD acquisition proposal, dated 25 October 2013) and net debt of MYR 25.8m (Source: Konsortium Logistik Berhad Reports and Statutory Financial Statements for the Financial Year ended 31 December 2012, page 102)
- EBITDA: MYR 46.0m – calculated as the sum of profit before tax (MYR 22.1m), depreciation and amortization (MYR 20.2m), and finance costs (MYR 3.7m) (Source: Konsortium Logistik Berhad Reports and Statutory Financial Statements for the Financial Year ended 31 December 2012, pages 13 and 19)
- FX Rate: MYRGBP FX rate of 0.196, spot as of 25-Oct-2013

PAI / Swissport: 10.9x

- Enterprise Value: €880m (Source: “Ferrovia sells Swissport to PAI Partners, a private equity firm, for 654 million euro”, Ferrovia press release, 1 November 2010)
- EBITDA: €81m (Source: “Ferrovia sells Swissport to PAI Partners, a private equity firm, for 654 million euro”, Ferrovia press release, 1 November 2010)
- FX Rate: EURGBP FX rate of 0.876, spot as of 2-Nov-2010

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