

IL&FS Prime Terminals FZC

ACQUISITION PROPOSITION - TEASER

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Opportunity Summary



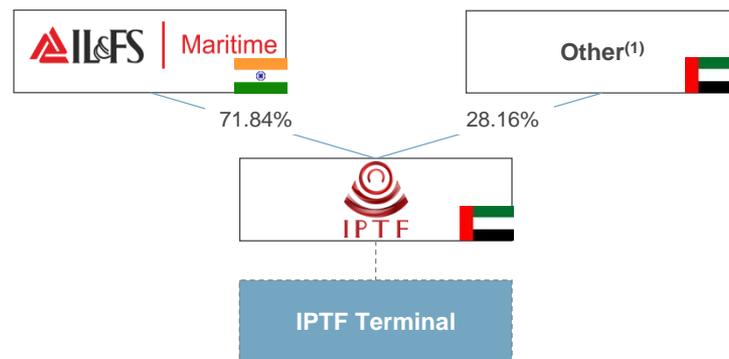
Opportunity to acquire a controlling interest in a state-of-the-art bulk petroleum storage terminal (the “IPTF Terminal”); the IPTF terminal is located in Fujairah, United Arab Emirates and provides complete tanking solutions through the Port of Fujairah

Asset Overview

- The IPTF Terminal commenced operations in 2015 and services the Port of Fujairah, **one of the world’s largest bunkering and trading hubs**
- Located ~65 miles from the Strait of Hormuz, **the IPTF Terminal is an award-winning facility offering maximum operational flexibility** through dedicated infrastructure, multiple simultaneous operations and optimal blending capabilities
- 333,484 CBM gross storage capacity via 14 carbon steel refined oil storage tanks and 3 utility tanks
- Dedicated pipeline systems with pumping capacity of up to 4,500 CBM / hour for heavy distillates and up to 7,000 CBM / hour for middle / light distillates
- Terminal allows multiple simultaneous operations (receipt, discharge of product and pipeline transfers) as well as customized blending and circulation
- Direct pipeline to all weather, deep draft Port of Fujairah and connectivity to surrounding terminals
- Turnkey **Phase II expansion** project ready to commence immediately, which **would more than double gross capacity** and optimize installed asset utilization

Investment Opportunity

- IL&FS Prime Terminals FZC (“**IPTF**”) is the **owner, developer and operator of the IPTF Terminal**
- IPTF is majority owned and controlled by IL&FS Maritime Infrastructure Company Limited (“**IMICL**”)
- IMICL is a wholly-owned subsidiary of Infrastructure Leasing & Financial Services (“**IL&FS**”)



- IMICL is seeking expressions of interest for the **potential acquisition of a controlling interest in the IPTF Terminal**
- In the form of a stock transaction, this is an **opportunity to acquire up to 81.84% of IPTF’s common equity**

Notes:

(1) Other Shareholders are all UAE based entities: Al Hail Holding LLC (10.00%), Fujairah Petroleum Company (10.00%) and Prime Terminals Limited (8.16%), the first two shareholders reserve their right to tag along

Investment Highlights



New, independent merchant facility located in the highly attractive Port of Fujairah with turnkey opportunity to more than double the gross capacity

Award-winning Independent Terminal in Fujairah

The IPTF Terminal is a state-of-the-art, independent bulk petroleum storage terminal with dedicated infrastructure and flexibility to handle a wide range of petroleum products of different grades

- ✓ Winner of multiple tank storage certifications and awards including “Most Efficient Oil / Gas Storage Tank Port / Terminal of the Year 2018“ by Global Ports Forum, Singapore; and “Biggest Commitment to Environment” by Global Tank Storage, Rotterdam
- ✓ Validated by premier customers including BP, Lukoil, Saudi Aramco, PetroChina, Vitol, Glencore and ENOC
- ✓ Dedicated pipeline connectivity to the Port of Fujairah, providing access to all berths at the port
- ✓ 1 of 4 independent, third-party storage facilities in Fujairah which is not vertically integrated

Strategic Location in One of Largest Bunkering and Oil Trading Hubs

Located in the Fujairah Oil Industry Zone (“FOIZ”), the Port of Fujairah is the number one collection point and trading hub for the Gulf region, providing tank solutions for make bulk, break bulk, blending, distribution and trading purposes

- ✓ Located ~65 miles south of the Strait of Hormuz, one of the most strategic global oil routes
- ✓ One of the world’s largest bunkering hubs and third largest petroleum storage and trading centre in the world
- ✓ Trading hub for the MENA region; direct access to markets in Asia and Africa

Potential to Double Capacity in Phase II Expansion

Capacity expansion opportunity as Phase II would materially increase the gross storage capacity and optimize utilization of IPTF’s installed assets

- ✓ Phase II, with 18 tanks (planned), would increase gross storage capacity by ~440,000 CBM
- ✓ All permits secured and blueprints for engineering and execution prepared
- ✓ Land secured on long term lease, with infrastructure work and common utilities in place
- ✓ Planned tanks are designed to optimize flexibility in blending for IMO complied bunker fuels

Asset Overview



The following schedules summarize IPTF's existing infrastructure, products and select value-add services⁽¹⁾

Infrastructure Detail ⁽¹⁾

	Heavy Distillates Tanks	Middle/ Light Distillates Tanks	Slop & Utility Tanks
Tank Material:	<ul style="list-style-type: none"> Carbon Steel 	<ul style="list-style-type: none"> Carbon Steel with Internal Floating Roof 	<ul style="list-style-type: none"> Carbon Steel
# of Tanks:	<ul style="list-style-type: none"> 6 ⁽²⁾ 	<ul style="list-style-type: none"> 8 ⁽²⁾ 	<ul style="list-style-type: none"> 3
Tank Filling Capacity:	<p><u>Total Product Tanks</u></p> <ul style="list-style-type: none"> Total Gross Capacity: 333,484 CBM Total Safe Filling Capacity: 317,770 CBM <p><u>Safe Filling Capacity By Product Class</u></p> <ul style="list-style-type: none"> Class I&II: 131,330 CBM (8 Tanks) Class III: 186,440 CBM (6 Tanks) 		
Pumping Capacity:	<ul style="list-style-type: none"> Up to 4,500 CBM / Hour 3 pumps ⁽³⁾ 	<ul style="list-style-type: none"> Up to 7,000 CBM / Hour 5 Pumps ⁽³⁾ 	<ul style="list-style-type: none"> n/a
Bi-direction, Piggable Pipelines:	<ul style="list-style-type: none"> Internal: Two 36-inch lines ⁽⁴⁾ Dock lines: Two 30-inch lines ⁽⁴⁾ 	<ul style="list-style-type: none"> Internal: Three 24-inch lines ⁽⁴⁾ Dock lines: Two 24-inch lines ⁽⁴⁾ and two 16-inch lines ⁽⁴⁾ 	<ul style="list-style-type: none"> One 6 inch utility line (Air / Nitrogen)

Notes:

⁽¹⁾ Reflects IPTF Phase I only

⁽²⁾ Can convert 6 heavy distillate tanks to middle distillate tanks and 1 middle / light distillate tank to heavy distillate tank. All product tanks have aluminum geodesic dome roofs

⁽³⁾ All product pumps equipped with Variable Frequency Drives ("VFDs")

⁽⁴⁾ Pipelines are equipped with bi-directional pigging facility

Products & Services

Refined Oil Products	
<u>Finished Products</u>	<u>Blending Products</u>
<ul style="list-style-type: none"> Heavy Fuel Oil Fuel Oil Gasoil Diesel Jet Fuel Gasoline 	<ul style="list-style-type: none"> Cutter Stock MTBE Ethanol <p><u>Other Compatible Products</u></p>
Value-Add Services and facilities	
<ul style="list-style-type: none"> Customized Blending and Circulation Inline Blending Tank heating facilities Truck Loading & Unloading Bays Inter Tank & Terminal-to-Terminal Transfer Dedicated systems for Heavy/Middle/Light Distillates Simultaneous receipt and discharge of Heavy/Middle/Light Distillates and pipe line transfer Dedicated loading pumps, VFDs, motorized valves, nitrogen plant and auto tank gauging system Computerized Weigh bridge with 100 MT facility 	

The Port of Fujairah has experienced a rapid rise in significance as a global trading, storage and bunkering hub

Optimal Location / Global Trading Hub

Characterized by minimal tidal variation and a deep draft, the Port of Fujairah is one of the world's top blending locations and bunkering hubs, ranking amongst well-known ports such as Singapore, Rotterdam, Houston and Busan

- ✓ Situated on the open-ocean side of the Arabian Gulf, Fujairah enjoys direct access to Asia and Africa for make bulk, break bulk and combi cargoes
 - ✓ Location of the Port allows it to be physically at the centre of oil trade between the east and the west
- ✓ Fujairah's goal is to become a global pricing centre (similar to Rotterdam, Singapore and Houston) for crude oil and petroleum products
 - ✓ Increased volatility in oil prices has contributed to further trading and storage activity
 - ✓ Regular data on oil inventories across terminals in Fujairah is published to increase transparency for traders
 - ✓ Greater flow of oil through Port of Fujairah and increased storage capacity is trending towards a global Fujairah price

Strategically Important to Abu Dhabi

Abu Dhabi has made a significant commitment to the Port of Fujairah with stated goals, including increasing access to the global market, employment and for economic growth

- ✓ Abu Dhabi Ports signed a 35-year concession deal in June 2017 to develop infrastructure and manage / operate certain facilities in the Port of Fujairah
- ✓ Over AED 1 billion expected to be invested into equipment and infrastructure for modernization and capacity expansion
- ✓ Expansion of UAE refining capacity via ADNOC's planned development at Fujairah

Positive Growth Drivers

Positive macro trends indicate significant volume increases

- ✓ Major regional oil producers, such as KSA, Bahrain, Kuwait and Iraq, are expanding refining capacities, driving overall volumes
- ✓ International Maritime Organization ("IMO") recently ruled to reduce the sulphur cap for bunker fuel from 3.5% to 0.5% by 2020 (MARPOL norms). The change in IMO requirements is expected to increase demand for segregated storage and blending in Fujairah
- ✓ Etihad Rail is expanding the network, linking Ghweifat at the border of Saudi Arabia to Fujairah, providing safe transport capacity for volatile organic compounds (VOCs) such as sulphur and oil
- ✓ Overall regional economic growth is expected to continue increasing the demand for petroleum products

Facility Pictures



Terminal Overview



Interconnecting Lines





Mr. Amit Datta

Chief Executive Officer

- Over 29 years of experience in project construction, business development, tank farms, port and terminal operations
- Prior to joining IPTF, Mr. Datta worked with GCPTCL (part of Reliance Group) where he managed port & terminal operations for handling various petroleum and petrochemical products

Mr. Daan Schutte

Commercial & Business Development Director

- Over 14 years of experience in terminals management, business development and commercial management
- Mr. Schütte has been responsible for several terminal project developments in the Middle East, Europe and Africa
- Mr. Schütte was associated with Vopak for over 10 years where he held multiple senior roles

Mr. Rajesh Menon

Terminal Manager

- Close to 22 years of extensive experience in overall terminal management of liquid storage products as well as terminal construction projects, logistics management and management of port & jetty facilities
- Mr. Menon has previously been associated with various terminals including Socar Arora Fujairah Terminal, Gulf Refining Company, Petrochem Middle East and Dow Chemicals



Mr. Varun Mehta

Head of Finance

- Over 12 years of experience in audit & accounting, planning & controlling, sales marketing finance and treasury functions in the commodity and manufacturing businesses
- At IPTF, he is responsible for the finance function covering all aspects including reporting, internal controls and funds management
- Mr. Mehta has past experience of working with the Vedanta Group under various managerial positions

Mr. Sanjaykumar Bhatt

Quality Health Safety Security and Environment (QHSSE) Manager

- Over 26 years of experience in operations, maintenance and HSE
- Mr. Bhatt is NEBOSH certified safety professional and Lead Auditor for ISO 9001:2015, ISO 14001:2015 and OHSAS 18001: 2007
- Mr. Bhatt has also worked with Reliance Industries, Refinery Div. Jamnagar, Adani Ports in his career under various Safety and Operational positions



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