

First Quarter 2025 Earnings Call

April 24, 2025

www.world-kinect.com

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Disclaimer and Cautionary Note Regarding Forward-Looking Statements

Certain statements, including comments about World Kinect Corporation's expectations regarding future plans, performance and acquisitions are forward-looking statements that are subject to a range of uncertainties and risks that could cause World Kinect's actual results to materially differ from the forward-looking information. The forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe," "anticipate," "expect," "estimate," "project," "could," "would," "will," "will be," "will continue," "plan," or words or phrases of similar meaning. Specifically, this presentation includes forward-looking statements regarding expectations regarding our future plans and performance, including our operating margin, gross profit, adjusted EBITDA and free cash flow. All of our forward-looking statements are qualified in their entirety by cautionary statements and risk factor disclosures contained in our SEC filings. These forward-looking statements are estimates and projections reflecting our best judgment and involve risks, uncertainties or other factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Although we believe the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect. Our actual results may differ materially from the future results, performance or achievements expressed or implied by the forward-looking statements.

Important factors that could cause actual results to differ materially from the results and events anticipated or implied by such forward-looking statements include, but are not limited to: the effects of tariffs and other trade restrictions, which can lead to continuing uncertainty and volatility in global financial and commodity markets, declining consumer confidence, lower personal and business travel and consequent demand for our fuel products; customer and counterparty creditworthiness and our ability to collect accounts receivable and settle derivative contracts; changes in the market prices of energy or commodities or extremely high or low fuel prices that continue for an extended period of time; adverse conditions in the industries in which our customers operate; our inability to effectively mitigate certain financial risks and other risks associated with derivatives and our physical fuel products; our ability to achieve the expected level of benefit from our restructuring activities and cost reduction initiatives; relationships with our employees and potential labor disputes associated with employees covered by collective bargaining agreements; our failure to comply with restrictions and covenants governing our outstanding indebtedness; the impact of cyber and other information technology or security related incidents on us, our customers or other parties; changes in the political, economic or regulatory environment generally and in the markets in which we operate, including as a result of the current conflicts in Eastern Europe and the Middle East and the actions of the U.S. presidential administration; greenhouse gas reduction programs and other environmental and climate change legislation adopted by governments around the world, including cap and trade regimes, carbon taxes, increased efficiency standards and mandates for renewable energy, each of which could increase our operating and compliance costs as well as adversely impact our sales of fuel products; changes in credit terms extended to us from our suppliers; non-performance of suppliers on their sale commitments and customers on their purchase commitments; non-performance of third-party service providers; our ability to effectively integrate and derive benefits from acquired businesses; our ability to meet financial forecasts associated with our operating plan; lower than expected cash flows and revenues, which could impair our ability to realize the value of recorded intangible assets and goodwill; the availability of cash and sufficient liquidity to fund our working capital and strategic investment needs; currency exchange fluctuations; inflationary pressures and their impact on our customers or the global economy, including sudden or significant increases in interest rates or a global recession; our ability to effectively leverage technology and operating systems and realize the anticipated benefits; failure to meet fuel and other product specifications agreed with our customers; environmental and other risks associated with the storage, transportation and delivery of petroleum products; reputational harm from adverse publicity arising out of spills, environmental contamination or public perception about the impacts on climate change by us or other companies in our industry; risks associated with operating in high-risk locations, including supply disruptions, border closures and other logistical difficulties that arise when working in these areas; uninsured or underinsured losses; seasonal variability that adversely affects our revenues and operating results, as well as the impact of natural disasters, such as earthquakes, hurricanes and wildfires; declines in the value and liquidity of cash equivalents and investments; our ability to retain and attract senior management and other key employees; changes in U.S. or foreign tax laws, interpretations of such laws, changes in the mix of taxable income among different tax jurisdictions, or adverse results of tax audits, assessments, or disputes; our failure to generate sufficient future taxable income in jurisdictions with material deferred tax assets and net operating loss carryforwards; changes in multilateral conventions, treaties, tariffs or other arrangements between or among sovereign nations; our ability to comply with U.S. and international laws and regulations, including those related to anti-corruption, economic sanction programs and environmental matters; the outcome of litigation, regulatory investigations and other legal matters, including the associated legal and other costs; and other risks described from time to time in our SEC filings.

New risks emerge from time to time, and it is not possible for management to predict all such risk factors or to assess the impact of such risks on our business. Accordingly, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, changes in expectations, future events, or otherwise, except as required by law.

Non-GAAP Financial Measures

We believe that the non-GAAP financial measures (collectively, the “Non-GAAP Measures”), when considered in conjunction with our financial information prepared in accordance with GAAP, are useful to investors to further aid in evaluating the ongoing financial performance of the Company and to provide greater transparency as supplemental information to our GAAP results. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. In addition, our presentation of the non-GAAP financial measures may not be comparable to the presentation of such metrics by other companies. Our forward-looking guidance for our non-GAAP metrics depends on future levels of revenues and other metrics which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between projected adjusted gross profit, adjusted operating expense, and the most comparable GAAP metrics without unreasonable effort.

The Non-GAAP Measures exclude acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, gains or losses on the extinguishment of debt, gains or losses on sale of businesses, integration costs associated with our acquisitions, and non-operating legal settlements, primarily because we do not believe they are reflective of our core operating results. We also exclude costs associated with a previously disclosed erroneous bid made in the Finnish power market (the “Finnish bid error”) that resulted in the extraordinary losses.

Definitions

- “Net income (loss)” means net income (loss) attributable to World Kinect as presented in the Statements of Income and Comprehensive Income.
- “Operating margin” means income (loss) from operations as a percentage of gross profit.

We use the following non-GAAP measures:

- Adjusted net income attributable to World Kinect (“adjusted net income”) is defined as net income excluding the impact of acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, gains or losses on the extinguishment of debt, gains or losses on sale of businesses, integration costs, non-operating legal settlements, and costs associated with the Finnish bid error.
- Adjusted diluted earnings per common share is computed by dividing adjusted net income by the sum of the weighted average number of shares of common stock outstanding for the period and the number of additional shares of common stock that would have been outstanding if our outstanding potentially dilutive securities had been issued. For the purpose of calculating Adjusted EPS, the weighted average number of shares of common stock outstanding is adjusted to include the convertible note hedges. Potentially dilutive securities include share-based compensation awards, such as non-vested restricted stock units, performance stock units where the performance requirements have been met, settled stock appreciation rights awards, and the convertible notes.
- Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) is defined as net income including noncontrolling interest and excluding the impact of interest, income taxes, and depreciation and amortization, in addition to acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, gains or losses on sale of businesses, integration costs, non-operating legal settlements, and costs associated with the Finnish bid error.
- Adjusted income from operations is defined as income (loss) from operations excluding the impact of acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, integration costs, and costs associated with the Finnish bid error.
- Consolidated and Land Adjusted gross profit is defined as gross profit excluding the impact of costs associated with the Finnish bid error.
- Adjusted income from operations as a percentage of adjusted gross profit (“adjusted operating margin”) is computed by dividing adjusted income from operations by adjusted gross profit.
- Adjusted operating expenses is defined as operating expenses excluding the impact of acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, integration costs, and costs associated with the Finnish bid error.
- Adjusted Corporate Unallocated Operating Expenses are defined as corporate operating expenses excluding the impact of acquisition and divestiture related expenses, costs associated with restructuring activities (including all costs associated with exit activities), impairments, integration costs, and costs associated with the Finnish bid error.
- Free Cash Flow is defined as operating cash flow minus total capital expenditures as presented in the Statement of Cash Flows.
- Net Debt is defined as Total Debt less cash.

Business Overview



Michael J. Kasbar
Chairman & CEO

“*Our Aviation business outperformed our expectations this quarter, while our Land business faced headwinds due to challenging market conditions.*”

The divestiture of our UK Land business marks continued progress in streamlining our Land portfolio and reinforces our commitment to achieving our broader financial goals.”

Michael J. Kasbar

Chairman and Chief Executive Officer, World Kinect Corporation

Financial Overview

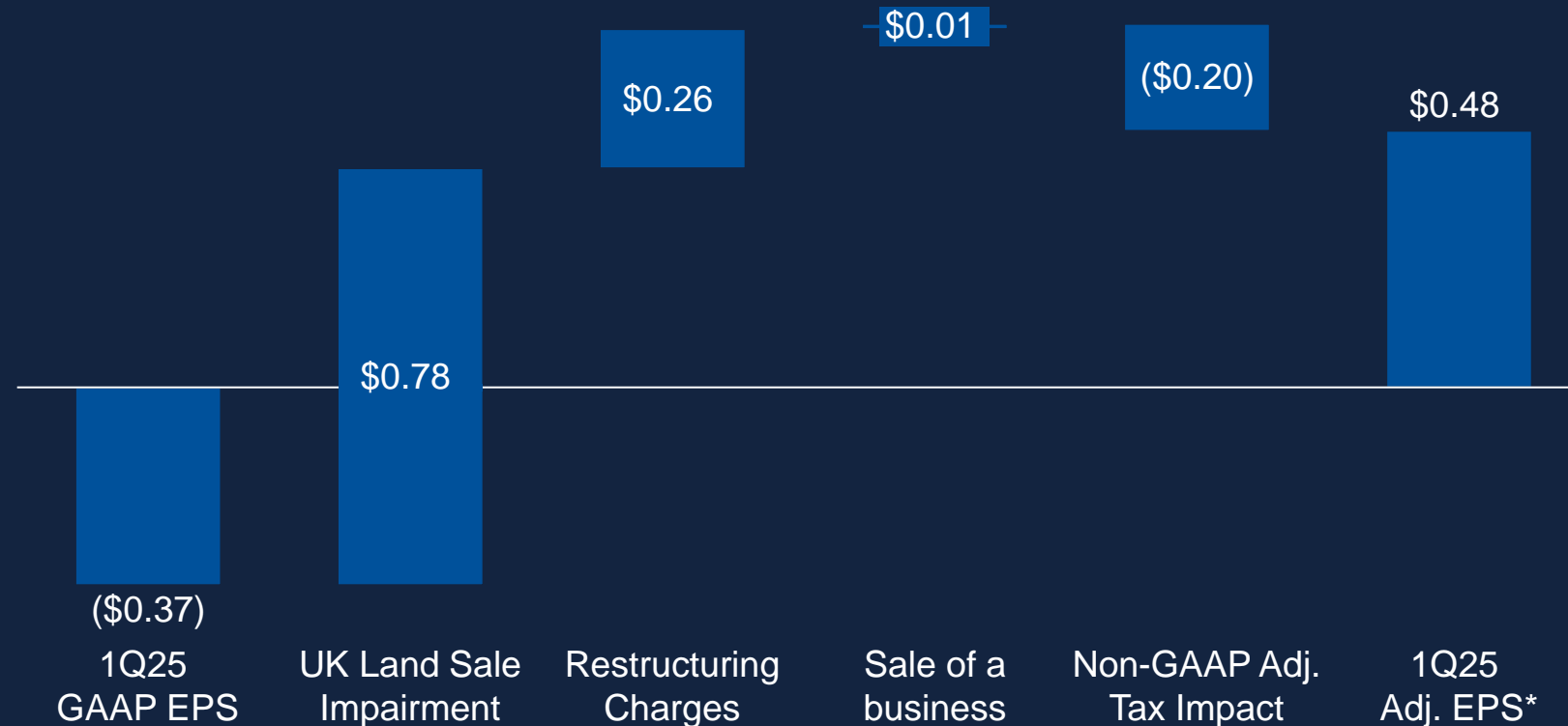


Ira M. Birns
Executive Vice President &
CFO

Q1 2025 Results

1Q25 Diluted EPS

Diluted EPS Reconciliation - GAAP to Adjusted GAAP



GAAP Adjustments

Highlights

- We recognized a one-time charge of \$44.5 million associated with the sale of our UK Land business.
- We recognized restructuring charges of \$15 million designed to further streamline our operating model and enhance organizational efficiency and effectiveness

*Note: Adjusted Diluted EPS is a non-GAAP financial measure. Please see Appendix for a reconciliation of these non-GAAP financial measure to their most directly comparable GAAP measure.

Q1 2025 Consolidated Financial Highlights

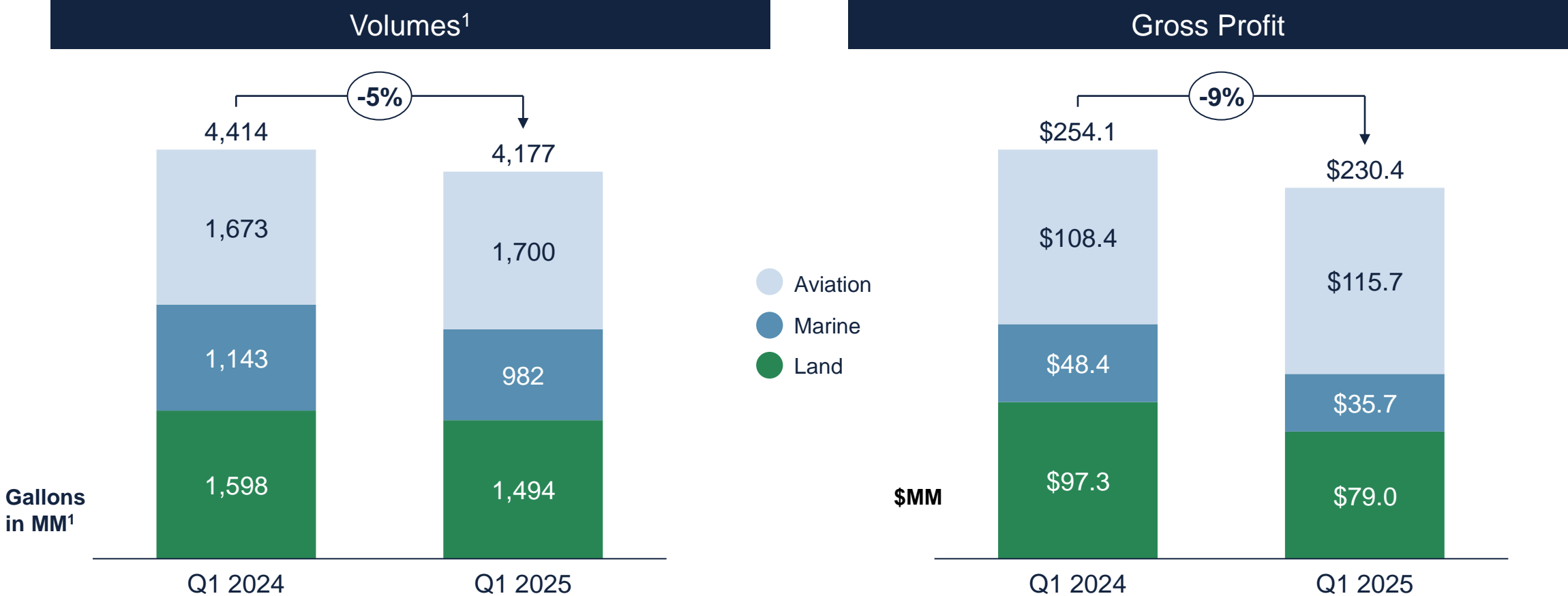
\$ millions (except EPS)	Q1 2025	Q1 2024	% Change YoY
Volume¹	4,177	4,414	(5%)
Gross Profit	\$230	\$254	(9%)
Net Income (Loss)²	(\$21)	\$27	(178%)
Diluted EPS	(\$0.37)	\$0.45	(182%)
Adj. Net Income	\$27	\$28	(3%)
Adj. Diluted EPS³	\$0.48	\$0.47	2%
Adj. EBITDA³	\$80	\$86	(6%)
Operating Cash Flow	\$114	\$110	4%
Free Cash Flow³	\$99	\$93	7%

Note: Q1 2025 information as reported as of April 24, 2025, compared to prior year's results.

1. Includes gallons and gallon equivalents.
2. Net Income (loss) including Noncontrolling Interest.
3. Adjusted Diluted EPS, Adjusted EBITDA and Free Cash Flow, are non-GAAP financial measures. Please see Appendix for a reconciliation of these non-GAAP financial measure to their most directly comparable GAAP measure.

"We continued to streamline our land business and right size our cost structure this quarter, while delivering strong operating and free cash flow." said Ira M. Birns, Executive Vice President and Chief Financial Officer."

Q1 2025 Results



Gross Profit

\$254.1

\$108.4

\$48.4

\$97.3

Q1 2024

\$230.4

\$115.7

\$35.7

\$79.0

Q1 2025

-9%

\$MM

Note:
1. Includes gallons and gallon equivalents.

Segment Overview: Aviation

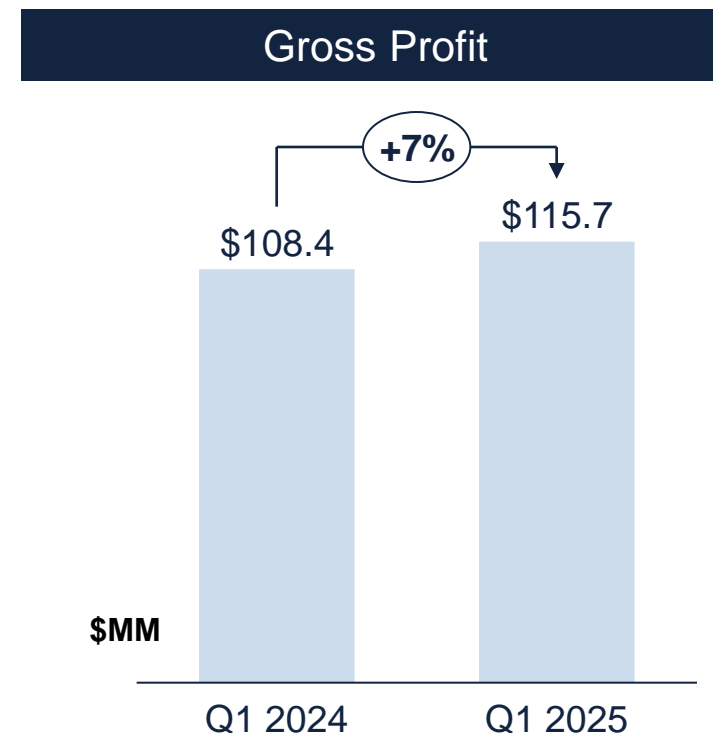
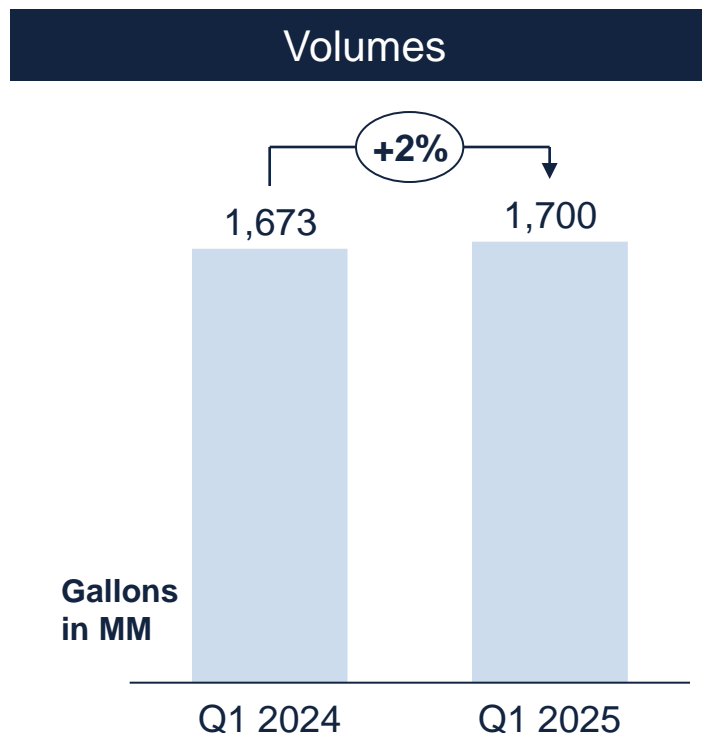
Quarter Highlights & Q2 Outlook

Q1 2025 Highlights vs Q1 2024:

- Volumes increased 2% year-over-year driven primarily by growth in our North American bulk fuel business.
- Gross Profit increased \$7 million or 7% year-over-year, driven by improved performance from our operated airport locations in Europe, our physical inventory business, and our business and general aviation activities, partially offset by the impact of the Avinode sale.

Q2 2025 Outlook vs Q2 2024

- Aviation gross profit is expected to be similar to what was a very strong second quarter in 2024.



Segment Overview: Land

Quarter Highlights & Q2 Outlook

Q1 2025 Highlights vs Q1 2024:

- Volumes decreased 6% year-over-year, principally related to the sale of our business in Brazil and the exit of certain activities in North America during Q4 2024.
- Gross Profit decreased 19% year-over-year, primarily attributable to lower profit contribution from our liquid fuel business in North America, driven by industry trends and economic uncertainty.

Q2 2025 Outlook vs Q2 2024:

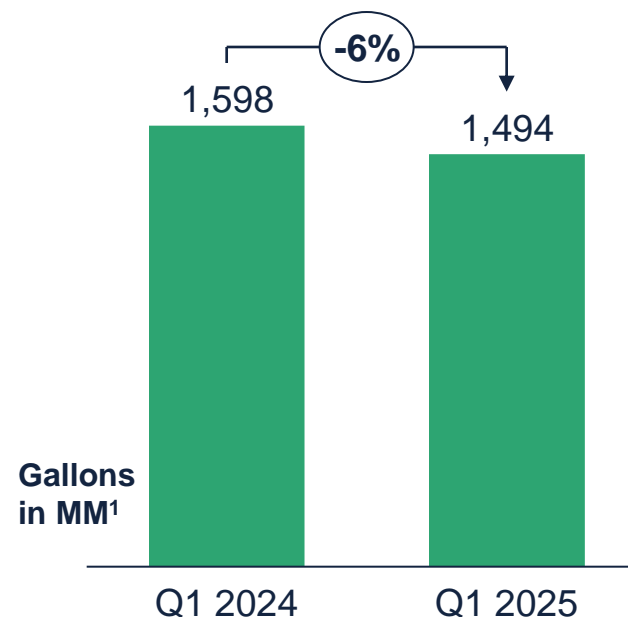
- Gross Profit is expected to be up year-over-year despite the impact of the recent Brazil and UK divestitures.

Note:

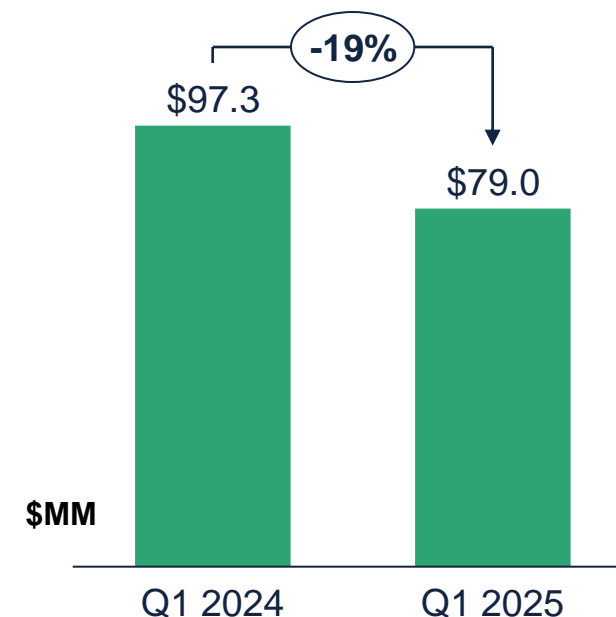
1. Includes gallons and gallon equivalents.



Volumes¹



Gross Profit



Segment Overview: Marine

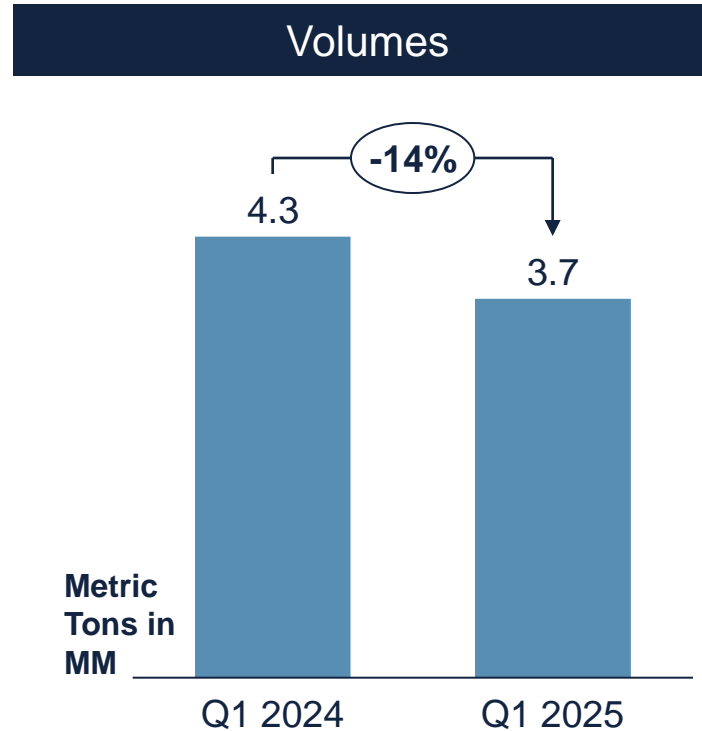
Quarter Highlights & Q2 Outlook

Q1 2025 Highlights vs Q1 2024:

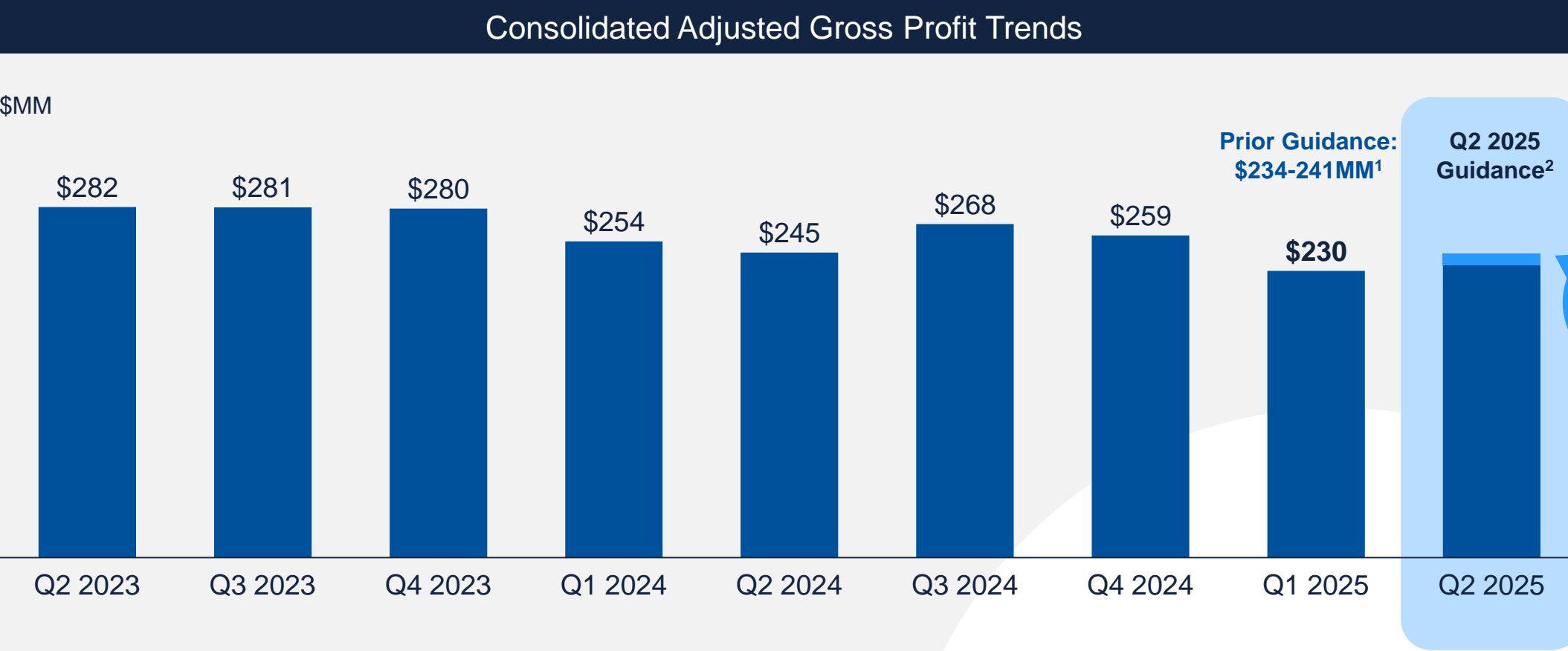
- Volumes and Gross Profit decreased 14% and 26% respectively, year-over-year. The decreases were attributable to lower bunker fuel prices and further reduced volatility as well as growing market uncertainty.

Q2 2025 Outlook vs Q2 2024:

- Gross profit is expected to be down modestly year-over-year, assuming continuing uncertainty in the global shipping markets.



Consolidated Adjusted Gross Profit Trends

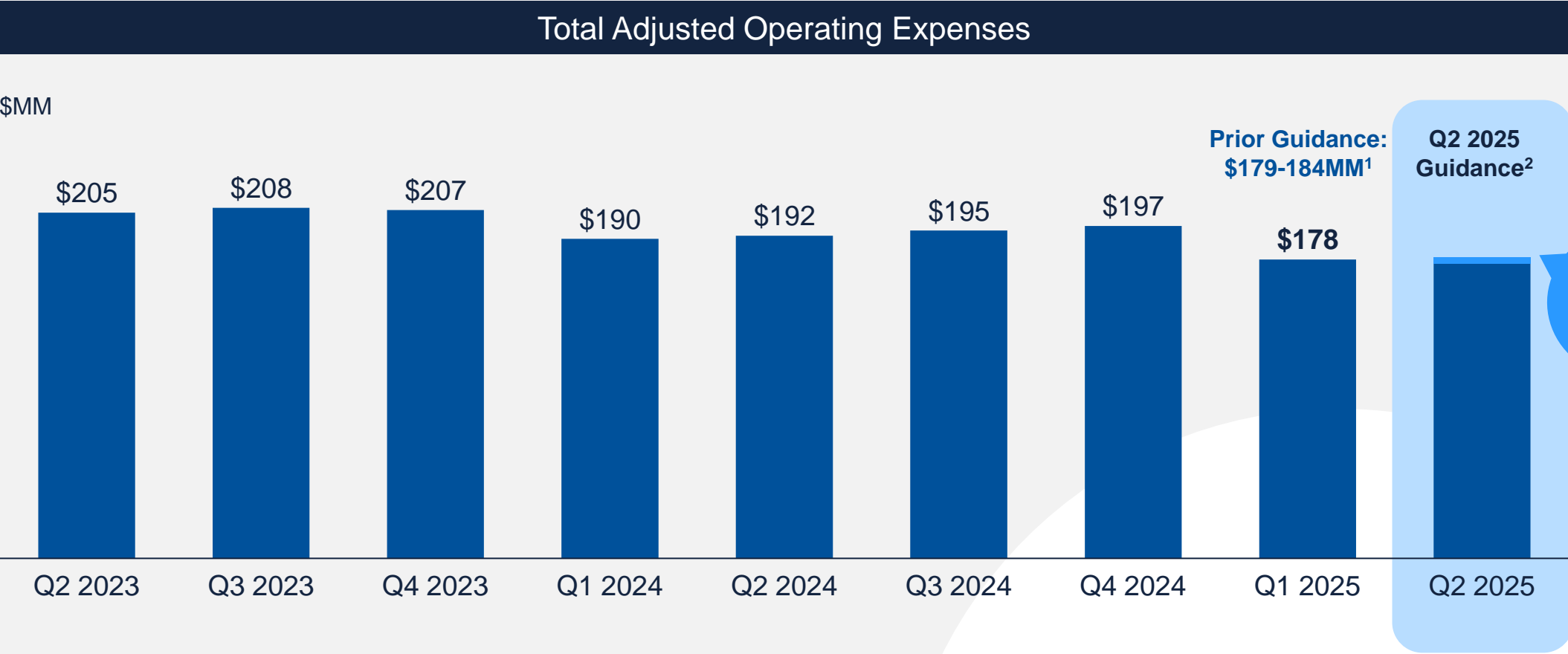


Note:

1. Guidance for Q1 2025 earnings provided on February 20, 2025.

2. Not a guarantee of actual future performance. Actual performance is subject to various risks and uncertainties, including those referenced in our most recent Form 10-K and other filings with the SEC.

Adjusted OpEx decreased 6% Year-Over-Year

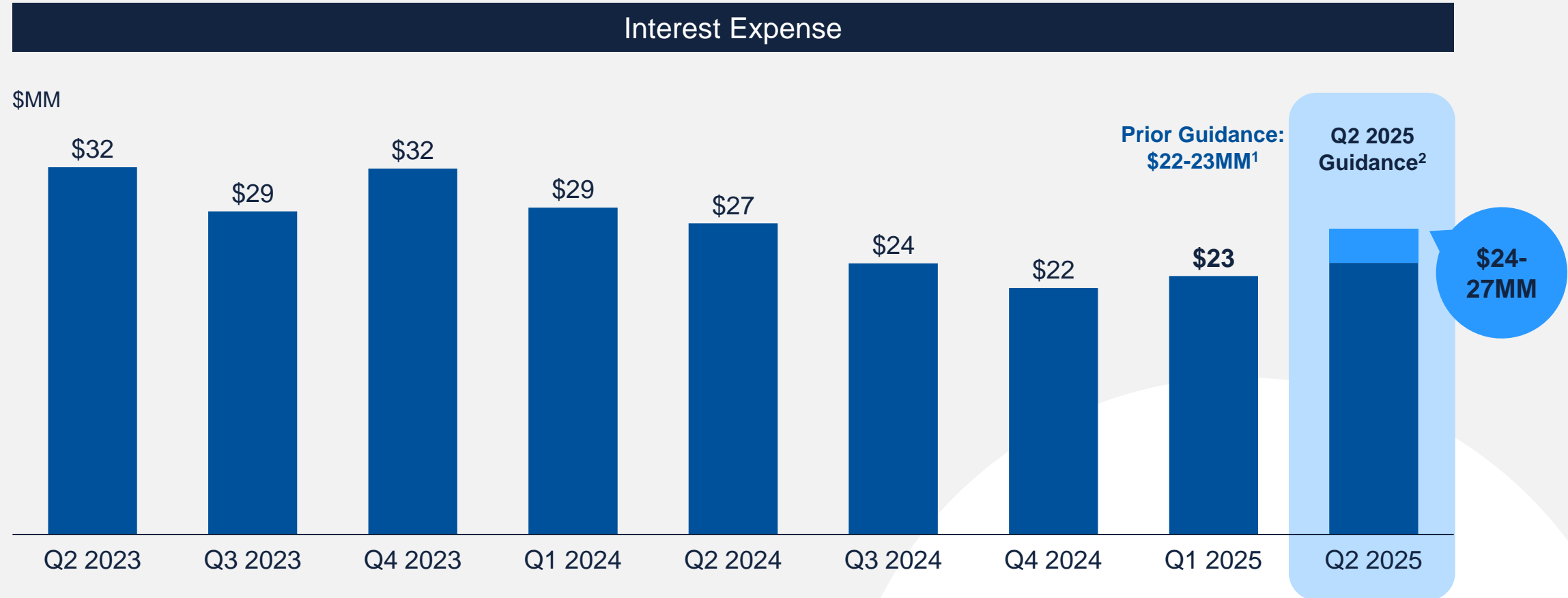


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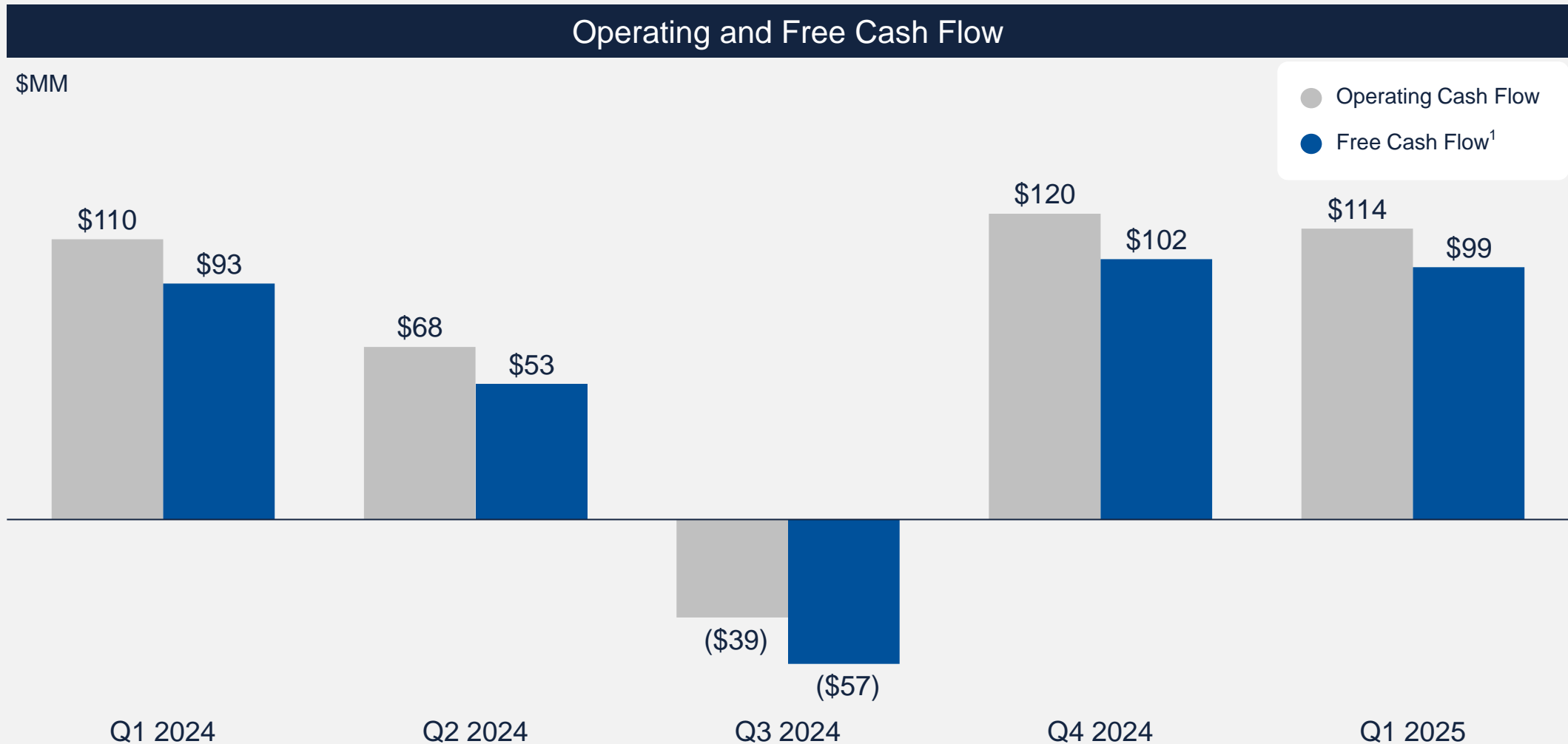
1Q25 Interest Expense Decreased 21% Year-Over-Year

**Note:**

1. Guidance for Q1 2025 earnings provided on February 20, 2025.

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A Strong Start to 2025 Cash Flow



Note:
1. Free Cash Flow is defined as operating cash flow minus total capital expenditures as presented in the Statement of Cash Flows.
Please see Appendix for a reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure.

Guidance Summary¹

Date Guidance Provided	Period	Guidance Metric	Guidance		Actual
February 20, 2025 ²	Q1 2025	Total Gross Profit	\$234 – 241MM	–	\$230MM
	Q1 2025	Adj. Operating Expense	\$179 – 184MM	✓	\$178MM
	Q1 2025	Interest Expense	\$22 – 23MM	✓	\$23MM
	FY 2025	FY 2025 Tax Rate	22 – 25%	✓	
April 24, 2025	Q2 2025	Total Gross Profit	\$235 – 244MM		
	Q2 2025	Adj. Operating Expense	\$175 – 179MM		
	Q2 2025	Interest Expense	\$24 – 27MM		
	FY 2025	FY 2025 Tax Rate	22 – 24%		

Notes:

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2. Guidance for Q1 2025 earnings provided on February 20, 2025.

Q&A

Appendix

Non-GAAP Reconciliation (1/4)

\$ in millions, except per share data

GAAP Measure

Loss (gain) on sale of a business

Asset Impairments

Finnish bid error

Restructuring Charges

Income tax impact

Adjusted non-GAAP measure

For the Three Months Ended March 31,			
2024		2025	
Net Income	Earnings per share	Net Income	Earnings per share
\$27.4	\$0.45	(\$21.1)	(\$0.37)
-	-	0.4	0.01
-	-	44.5	0.78
0.9	0.02	-	-
0.2	0.00	15.0	0.26
(0.2)	(0.00)	(11.5)	(0.20)
28.2	0.47	27.3	0.48

Non-GAAP Reconciliation (2/4)

\$ in millions

Net income (loss) including noncontrolling interest

Interest expense and other financing cost, net

Provision (benefit) for income taxes

Depreciation and amortization

EBITDA

Loss (gain) on sale of a business

Asset Impairments

Finnish bid error

Restructuring Charges

Adjusted EBITDA

For the Three Months Ended March 31,		
	2024	2025
	\$27.2	(\$21.3)
	28.9	22.9
	3.3	(6.8)
	25.3	25.6
	84.8	20.4
	-	0.4
	-	44.5
	0.9	-
	0.2	15.0
	85.8	80.3

Non-GAAP Reconciliation (3/4)

\$ in millions

	For the Three Months Ended							
	June 30,	September 30,	December 31,	March 31,	June 30,	September 30,	December 31,	March 31,
	2023	2023	2023	2024	2024	2024	2024	2025
Gross Profit GAAP Measures	\$281.7	\$281.4	\$232.4	\$254.1	\$245.2	\$268.1	\$258.9	\$230.4
Finnish bid Error	-	-	48.0	-	-	-	-	-
Gross Profit Adjusted Non-GAAP Measures	281.7	281.4	280.4	254.1	245.2	268.1	258.9	230.4

	For the Three Months Ended							
	June 30,	September 30,	December 31,	March 31,	June 30,	September 30,	December 31,	March 31,
	2023	2023	2023	2024	2024	2024	2024	2025
Operating Expenses GAAP Measure	\$206.2	\$208.2	\$247.7	\$190.8	\$200.0	\$195.8	\$229.0	\$237.0
Acquisition and divestiture related expenses	0.5	-	0.4	-	-	0.0	0.4	-
Finnish bid error	-	-	0.8	0.9	0.4	(0.0)	0.1	-
Asset impairments	0.3	0.0	32.4	-	2.4	1.2	25.3	44.5
Exit Cost - provisions for credit losses	-	-	-	-	-	-	4.4	-
Restructuring charges	-	-	7.2	0.2	5.6	(0.0)	1.4	15.0
Operating Expenses Adjusted Non-GAAP Measure	205.3	208.2	206.8	189.7	191.6	194.7	197.4	177.5

Non-GAAP Reconciliation (4/4)

\$ in millions

	For the Three Months Ended				
	March 31,	June 30,	September 30,	December 31,	March 31,
	2024	2024	2024	2024	2025
Net cash provided by (used in) operating activities	\$110.2	\$67.9	(\$38.5)	\$120.3	\$114.4
Capital expenditures	17.5	14.6	18.2	17.8	15.2
Free cash flow	92.8	53.3	(56.8)	102.4	99.2

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