Airglades International Airport
A unique opportunity to reshape the US-Latin America supply chain

October 2019
Note: All data and projections are provided on a non-reliance basis for general information purposes only

WWW.AIRGLADES.COM
Executive Summary

Airglades International Airport, LLC, referred to as AIA

- AIA is a purpose-built hub for air-cargo trade & handling between Latin America and the USA

- AIA's location and ~3,000 acre footprint present a greenfield opportunity to develop operations and infrastructure (MIA ~3,000 acres, BOS ~1,300 acres, LGA 740 acres)

- With broad-based local support and the FAA Record of Decision received on September 30 2019, AIA is diligently completing the steps to final sign-off, including construction contracts, bank financing, remaining environmental and necessary due diligence to complete the transaction

- AIA is actively engaging with your organization and others in the industry to select an eminently qualified Ground Handling & Warehousing Services provider

- Responses will be kept confidential to the extent permitted by law and AIA will be available to answer any questions or concerns you may have
Project History

Airglades has secured an investor and operator and received the Record of Decision from FAA, subject to completion of certain conditions. All major regulatory hurdles have been successfully achieved.

Disclaimer: AIA schedule is indicative

A copy of the ROD is available at www.regulations.gov Docket No. 2010-1052
Airglades acts as a purpose-built logistics hub for air-cargo trade & handling between Latin America and the US

- An international perishable cargo airport 85 miles north of the city of Miami
- Houses an innovative new perishables handling facility that can generate significant cost savings and improved product quality to the US perishable cargo import value chain
- Exploits its unique location as closer to LatAm air cargo export hubs than other US airports, while avoiding the air and ground congestion of urban airports, bringing cost savings from reduced trucking and flight times thereby increasing shelf life
- Abundant affordable on-airport and adjacent off-airport land for developing a greenfield logistics infrastructure footprint by perishable importers and logistics providers
- Located on four lane divided highway to relieve congestion and traffic delays currently experienced on I-95 and I-75 South Florida corridors
- Offers the full range of cargo processing and aircraft maintenance, repair, overhaul, parking and bonded fuel services

SOURCE: Airglades International Airport, LLC; Miami Customs District, 2017 data. US Department of Transportation T-100 database, 2017 data
AIA’s location and footprint present a greenfield opportunity to develop operations and infrastructure

- AIA is strategically located in the center of the state, close to major transportation routes...
  - AIA is located 90 minutes north of MIA, 60 minutes east of RSW, and 70 minutes west of PBI
  - Easy access to Route 27 and coastal interstates feeding northern markets

- ...all while providing ample space to grow and develop operations and infrastructure
  - ~800 acres available on-airport for development
  - There is ample and uncongested area around AIA for growth

Disclaimer: AIA design is still preliminary and is subject to change
AIA enables airlines to increase cost and operational efficiency while meeting the demand of the importers

- Leading importers of perishable goods have strong volume commitments to AIA
- Freight forwarders have expressed an interest based on the clear logistical benefits

Effective operations to increase airline cost efficiency

- Equivalent or reduced round trip flight times to most major South American importers – Bogota, Colombia (same); Lima, Peru (5 mins < MIA); Santiago, Chile (13 mins < MIA)
- Reduced airline taxi times by 60% (18 mins < MIA)
- World class ground handling and advanced landside facilities uniquely tailored to minimize cold-chain disruption

Optimal infrastructure in place to maximize fleet utilization

- State-of-the-art Maintenance Repair and Overhaul (MRO) as well as line maintenance
- All required critical use infrastructure, such as a high grade fuel supplier (meeting the price of other airports in the region) and sufficient space to accommodate overnight parking

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1 Flight times for Miami International Airport obtained from FlightAware (2013); Flight times for AIA obtained from Flight Engineering LLC (Detailed flight plan analysis) for Boeing 767-300 freighter
2 FAA ASPM – Miami International Airport (2006 to Nov. 2015). Average taxi time is comprised of average taxi out time + in time. Taxi times for AIA obtained from CMT (Crawford, Murphy & Tilly) analysis
At Airglades, companies will have improved efficiency, fewer bottlenecks, and predictable performance

Overview of value drivers

**Significantly increases revenue potential**
- Dramatically improves cool chain performance through optimized supply chain:
  - Increases perishable shelf life
  - Supports a premium service
- Possesses space to grow volume beyond today’s regional capacity

**Simplifies business operations and dramatically increases reliability**
- Preserves confidentiality in more efficient setting
- Flexes to allow customized operations post-transit
- Increases certainty around key supply chain activities, e.g., air traffic, CBP arrivals inspections
- Stabilizes long-term planning horizon
- Addresses options to handle seasonality peaks

**Noticeably reduces costs**
- Provides abundant land at favorable prices
- Reduces trucking transportation costs (less traffic, increased proximity to end customers)
- Reduces flight costs from/to Latin America (shorter flight time, shorter aircraft waiting times)
- Drives higher utilization of fixed costs through efficiency
- Has lower utility costs

SOURCE: Logyca market report, customer interviews
Uninterrupted Cold Chain and Faster Delivery Time

Airglades’ innovative operating model is centered around cargo handling to deliver a superior perishable cargo customer experience.

1. After taking off from Latin America, aircraft flies along uncongested airspace to the closest US cargo hub. Aircraft lands at Airglades and efficiently taxis to where the perishables are unloaded.

2. The Airglades cargo operator processes the goods from the aircraft through the state-of-the-art handling and temperature-controlled perishable cargo center.

3. While in the cargo center, the perishables are efficiently inspected and transferred to logistics providers/importers who further process their goods.

4. Logistics providers/importers consolidate/break down goods and transport across the US, Canada, or to international destinations.

Cool chain remains unbroken as goods are transferred through the airport. In discussions, perishable importers have relayed excitement about the streamlined and improved cool chain at Airglades compared to other existing airports.
Overview of planned capital improvements

AIA will be custom built to provide ideal conditions for cargo operations in an efficient environment and a fully integrated transportation network.

AIA development scope

1. Upgraded airport access road
2. Integrated federal inspections & Perishable Cargo Center (PCC)
3. Aircraft parking apron
4. Air traffic control tower
5. New runway & parallel taxiway
6. Runway 13-31 (Existing)
7. Wastewater treatment facility & storage
8. Aircraft parking apron

Development in partnership with users

9. Warehouse and distribution facilities
10. Airport maintenance, repair, and overhaul facilities (MRO)
11. Refueling and storage system
Federal agency interactions

Early involvement of key stakeholders to maximize alignment and coordination
Operational Efficiency

The significant value-add from AIA’s operational efficiency will directly result in significant cost savings for perishable importers and will result in extended shelf-life for improved revenues.

**Current Logistics Chain at MIA**

At MIA, goods are unloaded by airport ground handler, inspected by USDA / CBP agents at on-airport facility, then re-palleted in preparation for trucking.

- Certain fruits and vegetables are trucked to facility for fumigation and USDA inspection.
- Goods are then trucked to importer-owned warehouses or distribution centers where importers conduct value added services, store inventory, and repackage inventory by end customer for distribution.
- Wholesalers and retailers contract with logistics provider to pick up the goods and truck them to their own stores or distribution centers.

**Proposed Logistics Chain at Airglades**

At Airglades, goods are unloaded by airport ground handler to on-airport Perishable Cargo Center, where:

- USDA / CBP agents inspect goods.
- Certain fruits and vegetables are fumigated.
- Importers conduct value added services, store inventory, and repackage inventory.
- Goods are loaded onto trucks by logistics provider bound for stores and distribution centers.

Customer
What’s next? AIA will be complete mid-2022

- Engaging customers: continued negotiations with perishable community; 70% of flower importers from MIA already signed

- Construction begins early 2020; two construction companies signed to build the terminal and surrounding complex

- First commercial aircraft lands at Airglades International Airport in mid-2022
Airglades International Airport

Thank you for your interest

October 2019

www.Airglades.com