

# Presentation to Analysts

*26 February 2021*



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The information contained in this presentation should be considered in conjunction with the Company's latest audited financial statements which are available in the investor section of our website.

# Highlights and Challenges

For the six months ended December 2020



<sup>1</sup>TEUs = twenty foot equivalent units, a standard measure of shipping containers

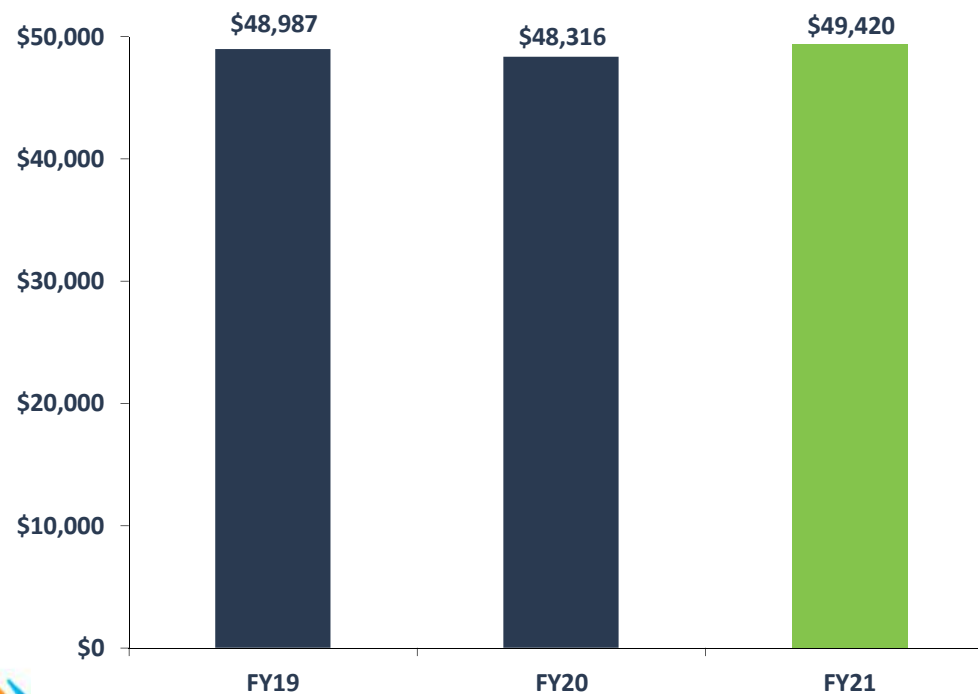
# Highlights and Challenges

For the six months ended December 2020

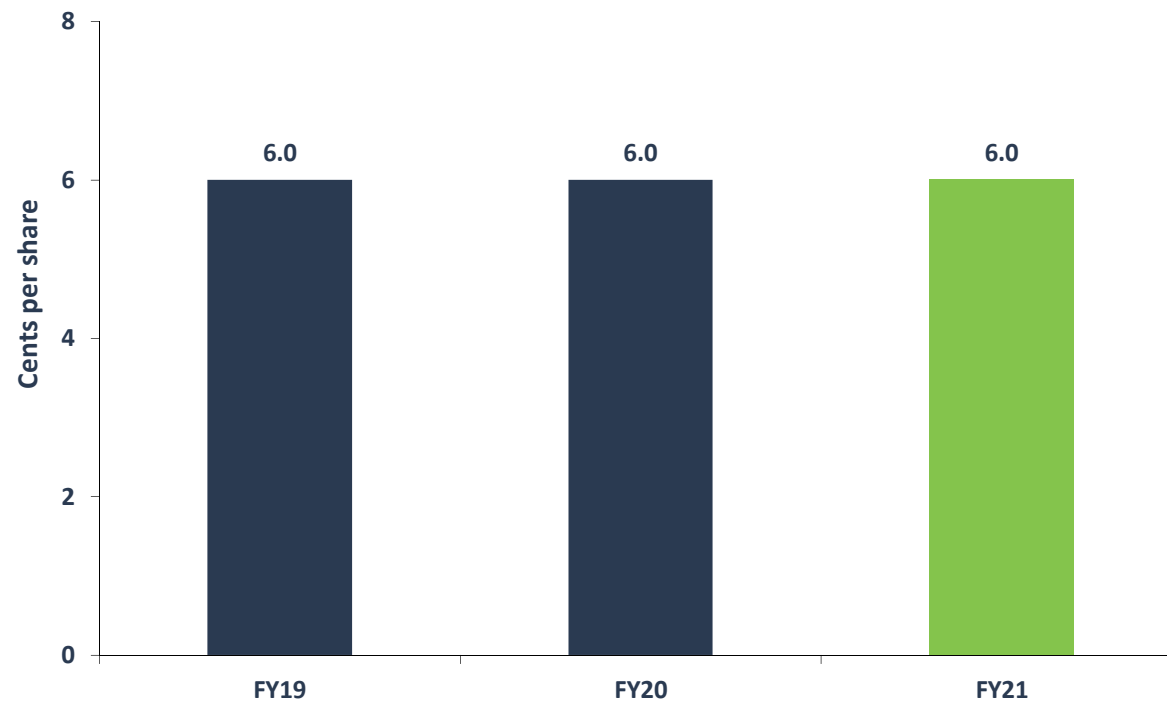


# Group Net Profit After Tax up 2.3%

For the six months ended December 2020

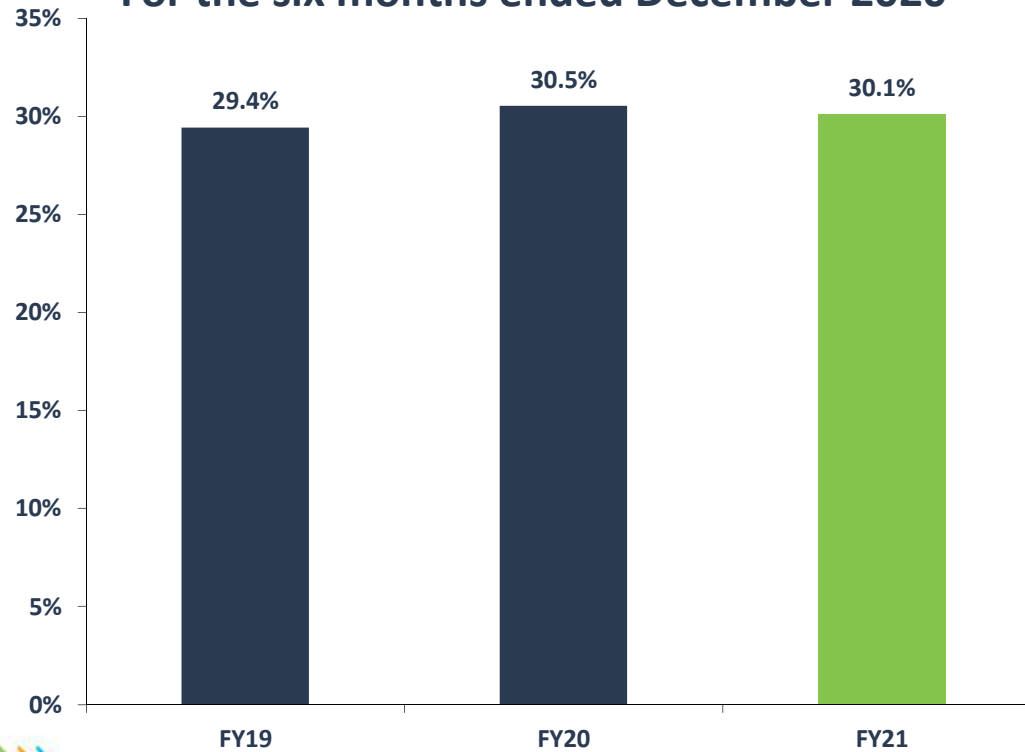


# Interim Dividend



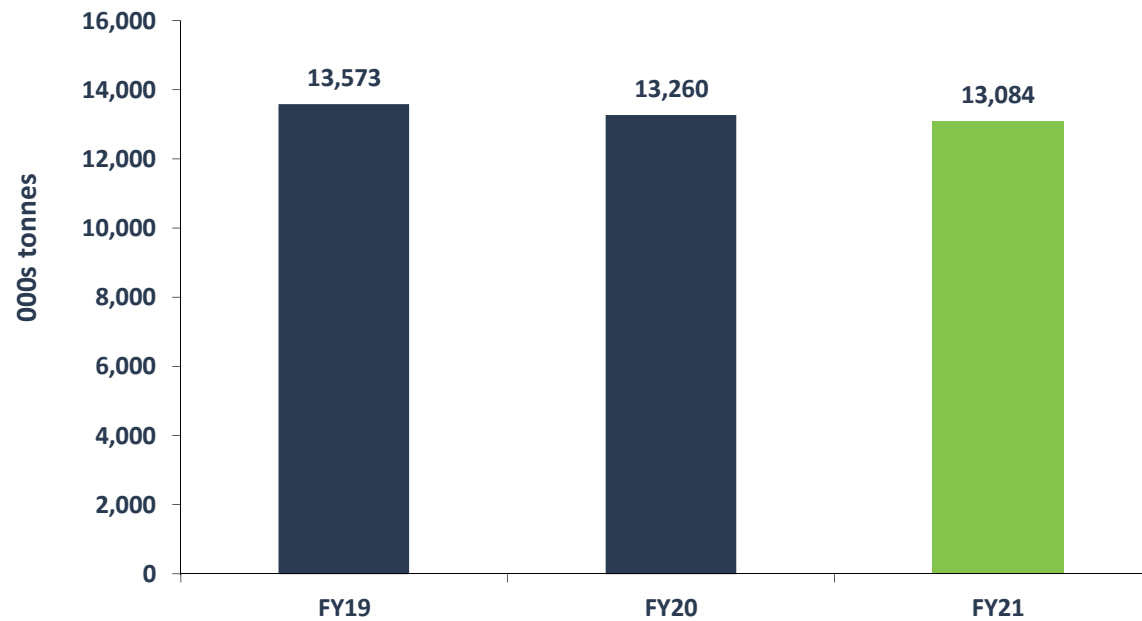
# Net Debt / Net Debt + Equity

For the six months ended December 2020



# Total Trade down 1.3%

For the six months ended December 2020



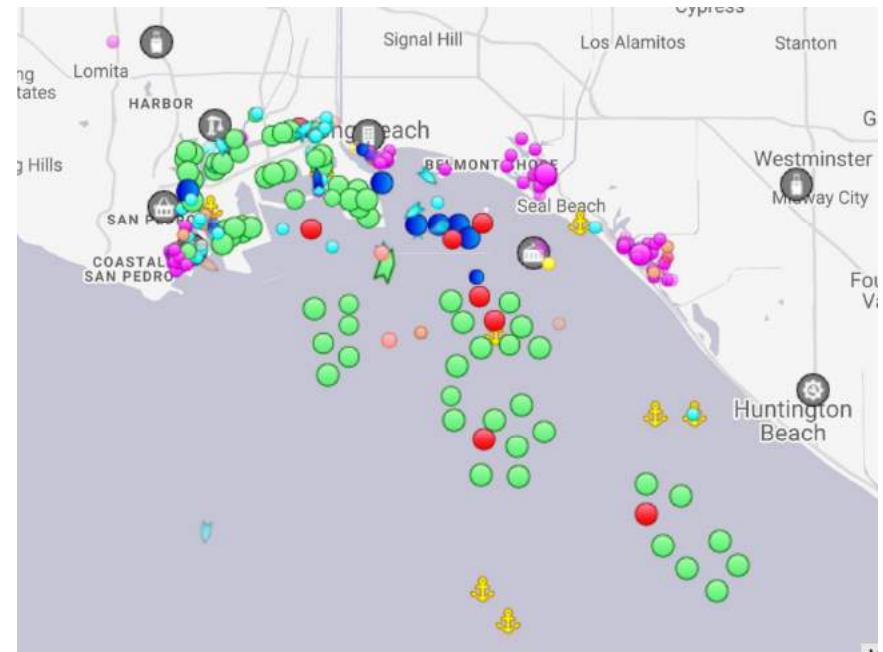




## Upper North Island Port Congestion

# Causes of Port Congestion

- Global supply chain shipping congestion post-COVID lockdowns
- Australian industrial relations resulting in vessel delays into NZ
- Exacerbated impact in Auckland with circa 31% of available capacity being utilised (2/8 cranes and 3/8 cranes)
- Auckland predominant first call for imports – vessel delays carried to all other NZ ports (7-14 days)



*Ships at anchor outside Port of Los Angeles, 23 February 2021*  
Source: [marinetraffic.com](https://www.marinetraffic.com)

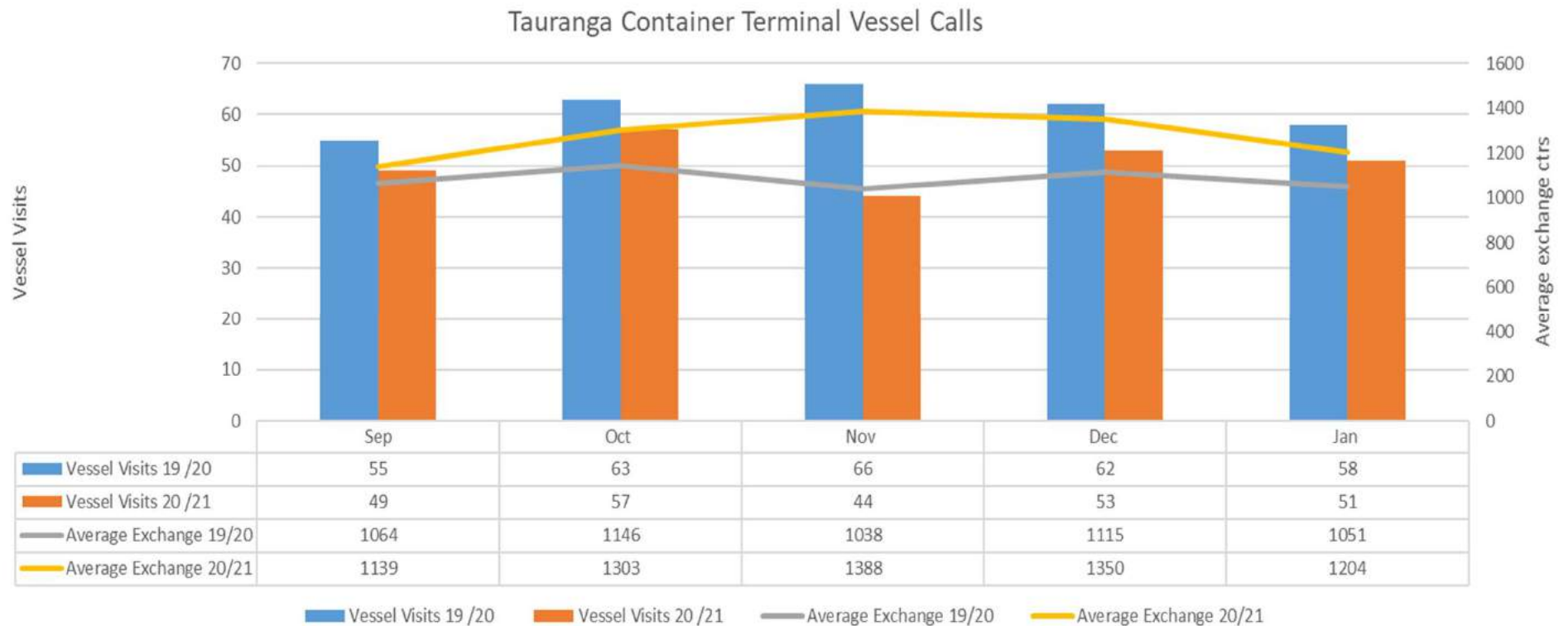
# Flow-on Effects



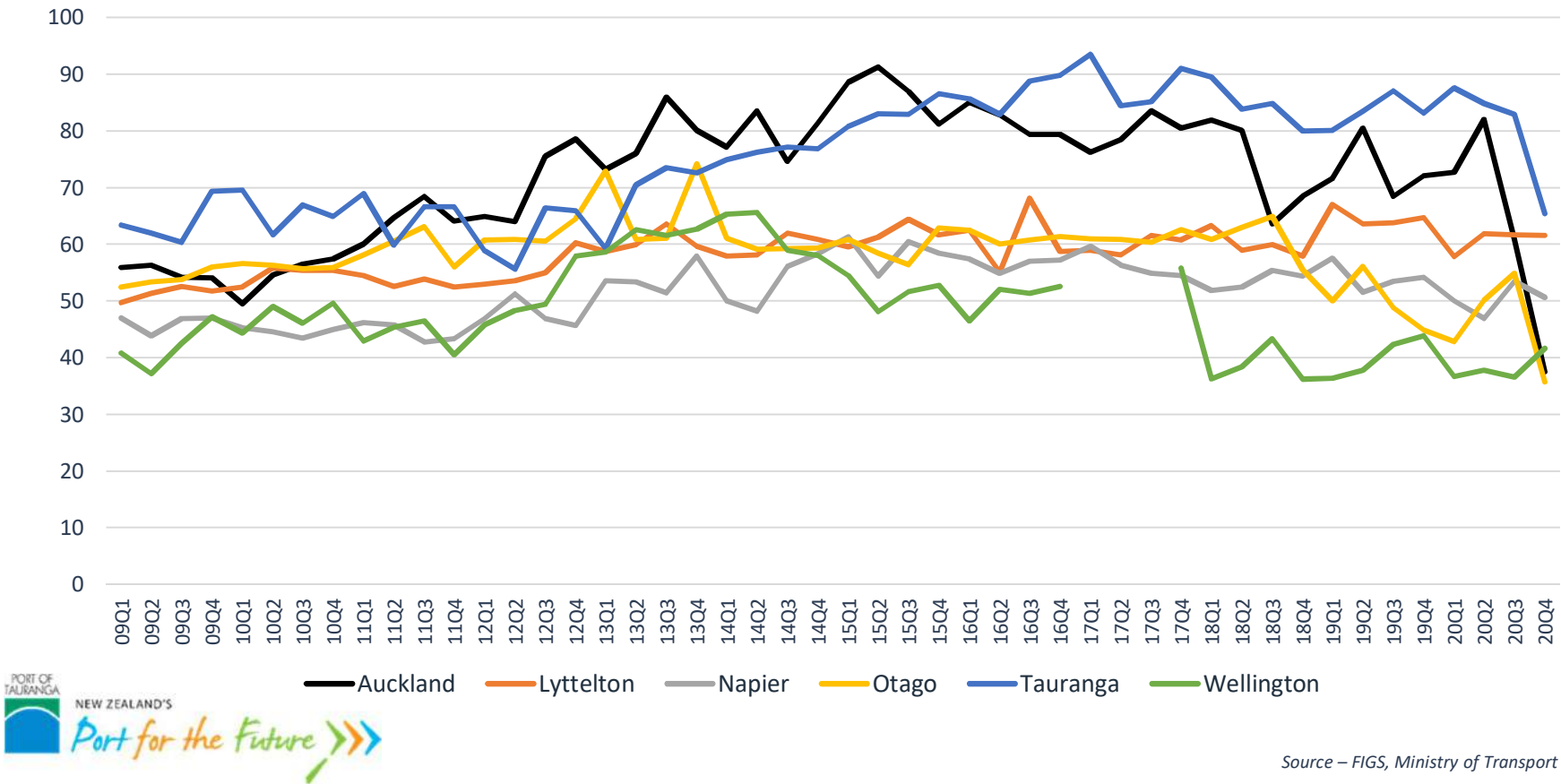
- Port of Tauranga able to accommodate 11 unscheduled import vessel calls since September 2020
- Northport able to take two container vessel calls
- Despite additional import calls, vessel delays resulted in overall reduced vessel numbers at Tauranga
- Vessel delays and resulting cargo congestion impacts on port productivity

# Costs of Congestion

50 fewer container vessels September 2020 to January 2021 vs PCP

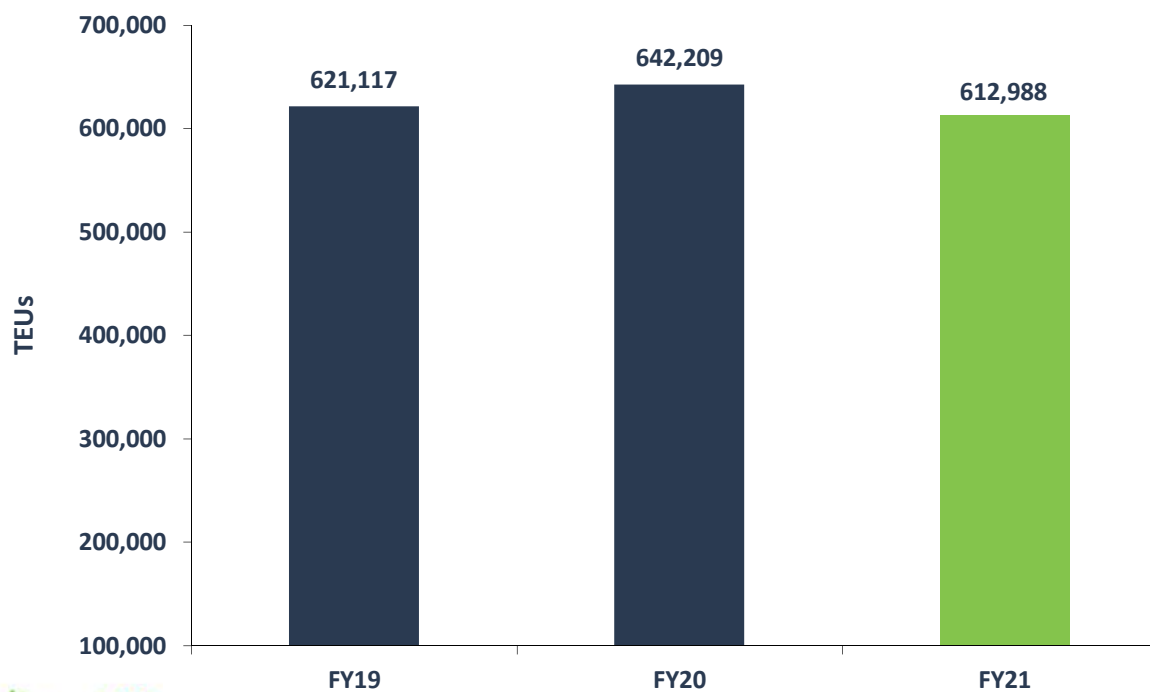


# New Zealand Port Ship Rate



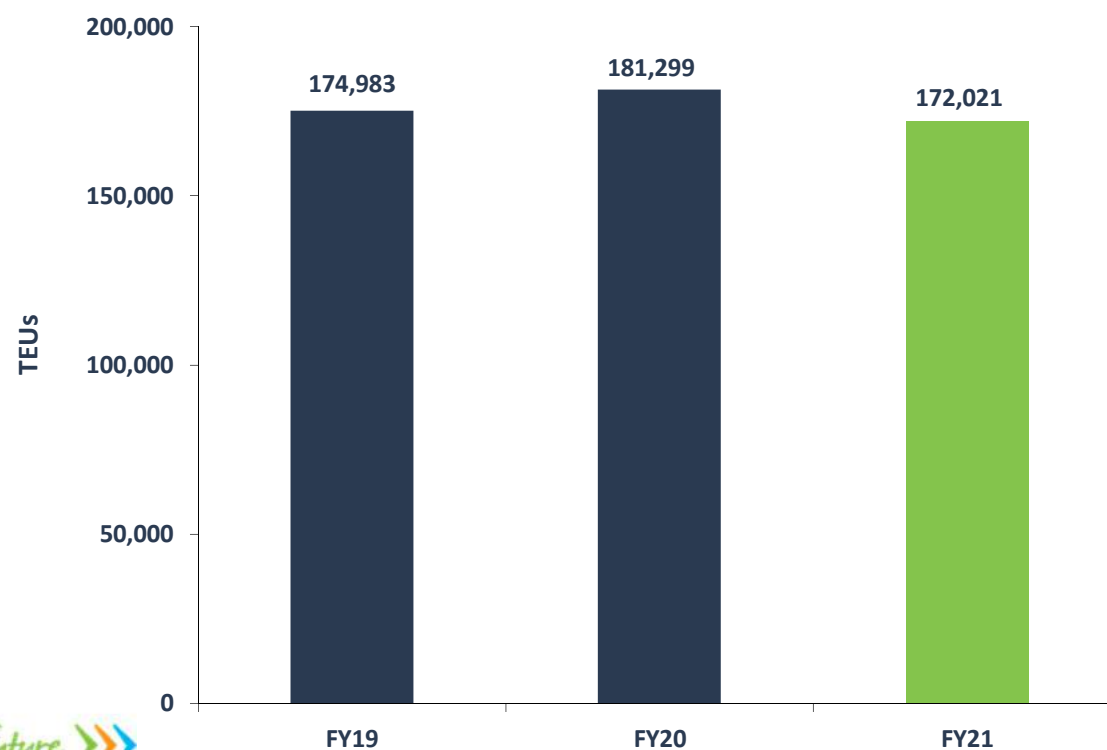
# Container Volumes down 4.6%

For the six months ended December 2020



# Transhipped TEUs down 5.1%

For the six months ended December 2020



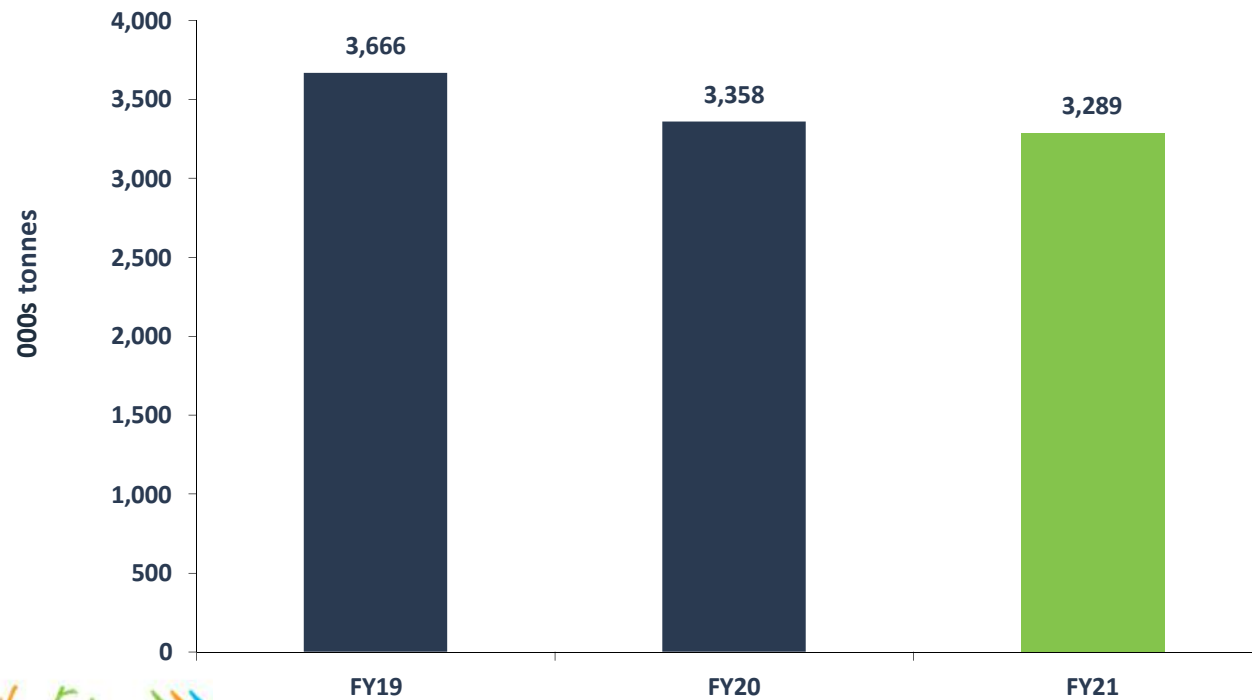
# NZ Transshipment by Port





# Exports – Logs down 2.1%

For the six months ended December 2020

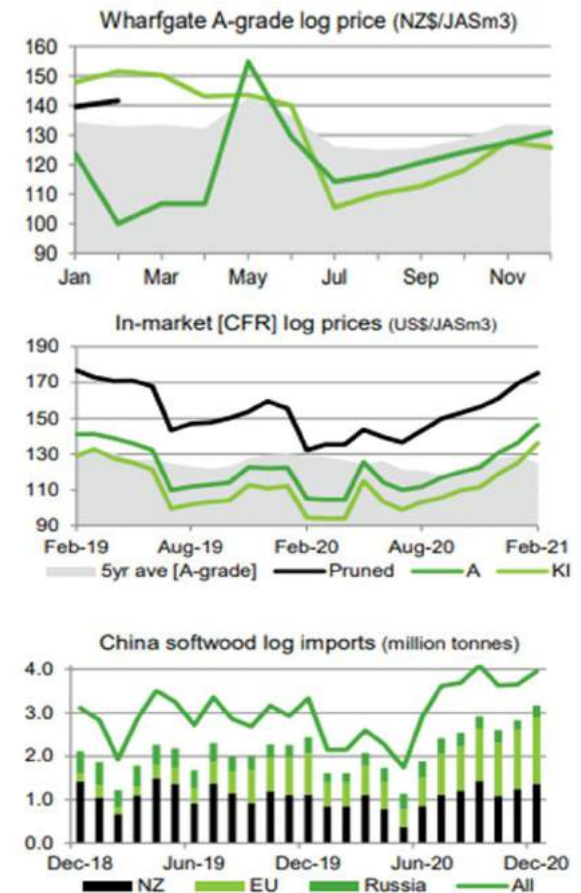


# Forestry Outlook

- Strong in market pricing and demand in China
- Australian market diverted to India resulting in no NZ – India exports
- Volume expected to be circa 6.2M JAS FY21

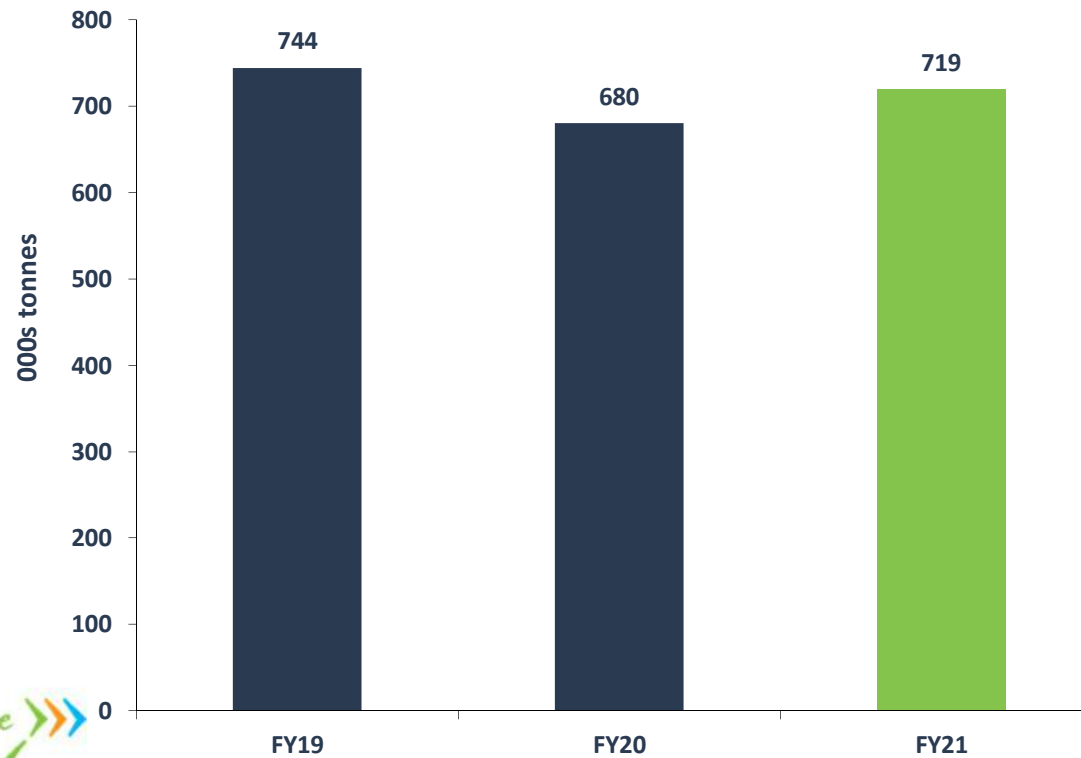


Source: AgriHQ



# Exports – Kiwifruit up 5.4%

For the six months ended December 2020

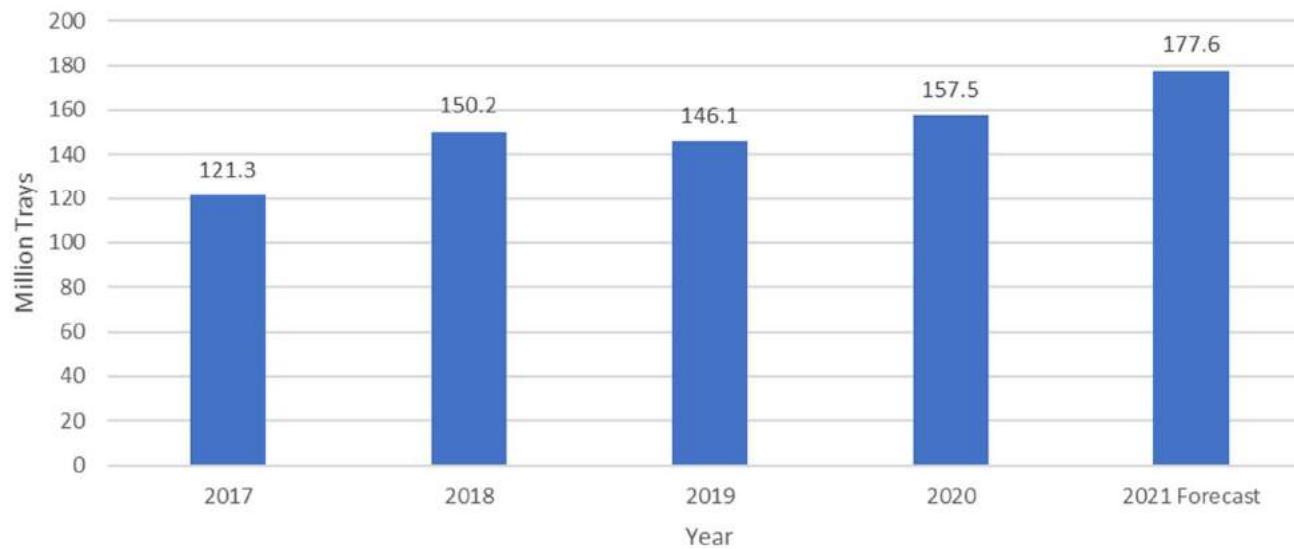


NEW ZEALAND'S

Port for the Future >>>

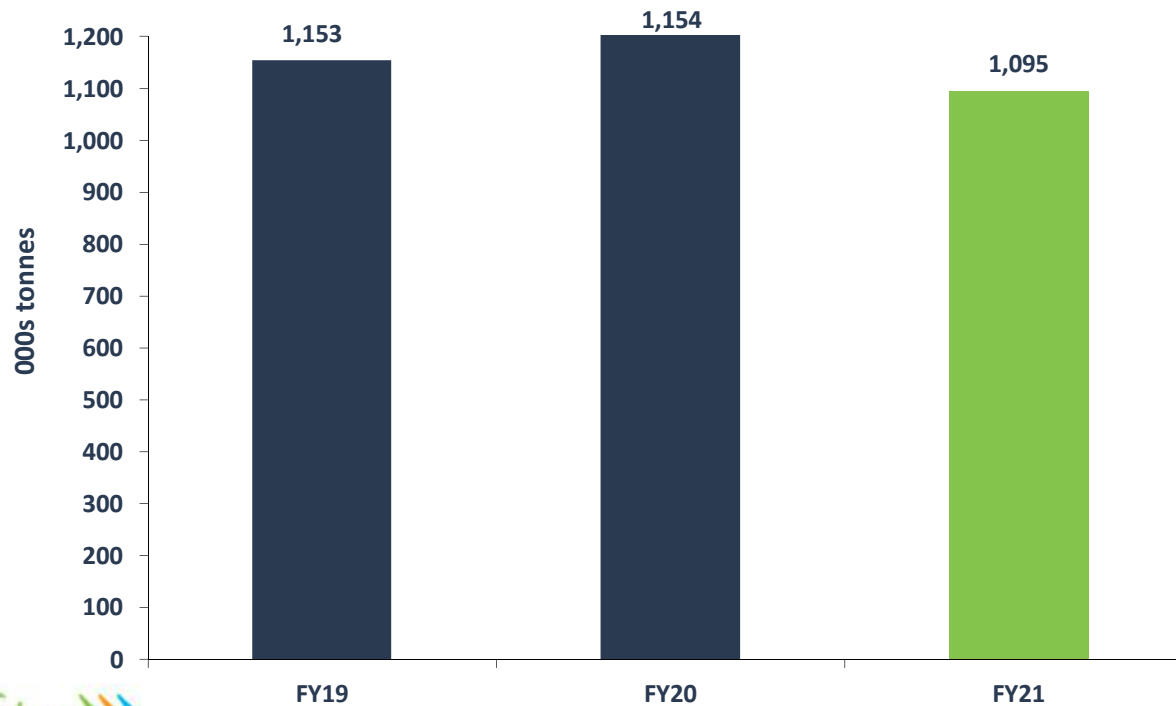
# Kiwifruit Outlook

TOTAL VOLUMES SHIPPED (FOBS)  
2017 - 2020: Actual  
2021: Forecast



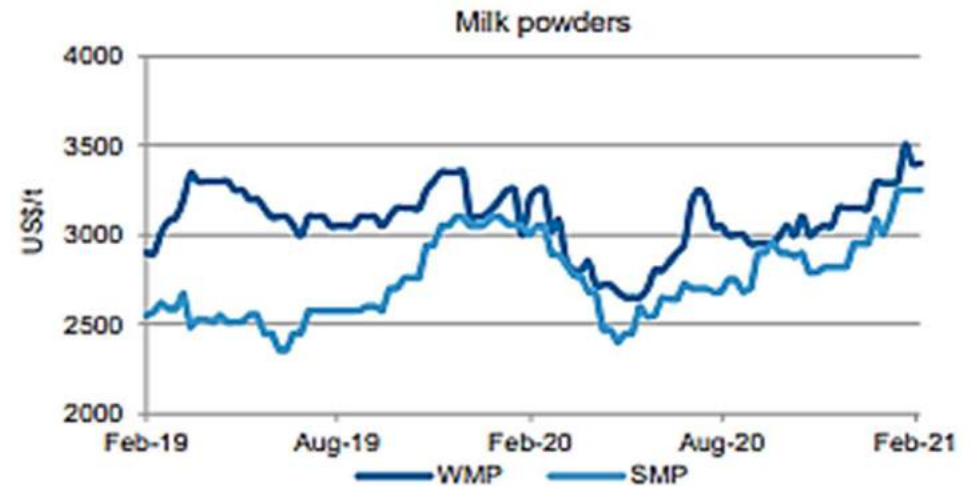
# Export – Dairy down 10.8%

For the six months ended December 2020



# Dairy Outlook

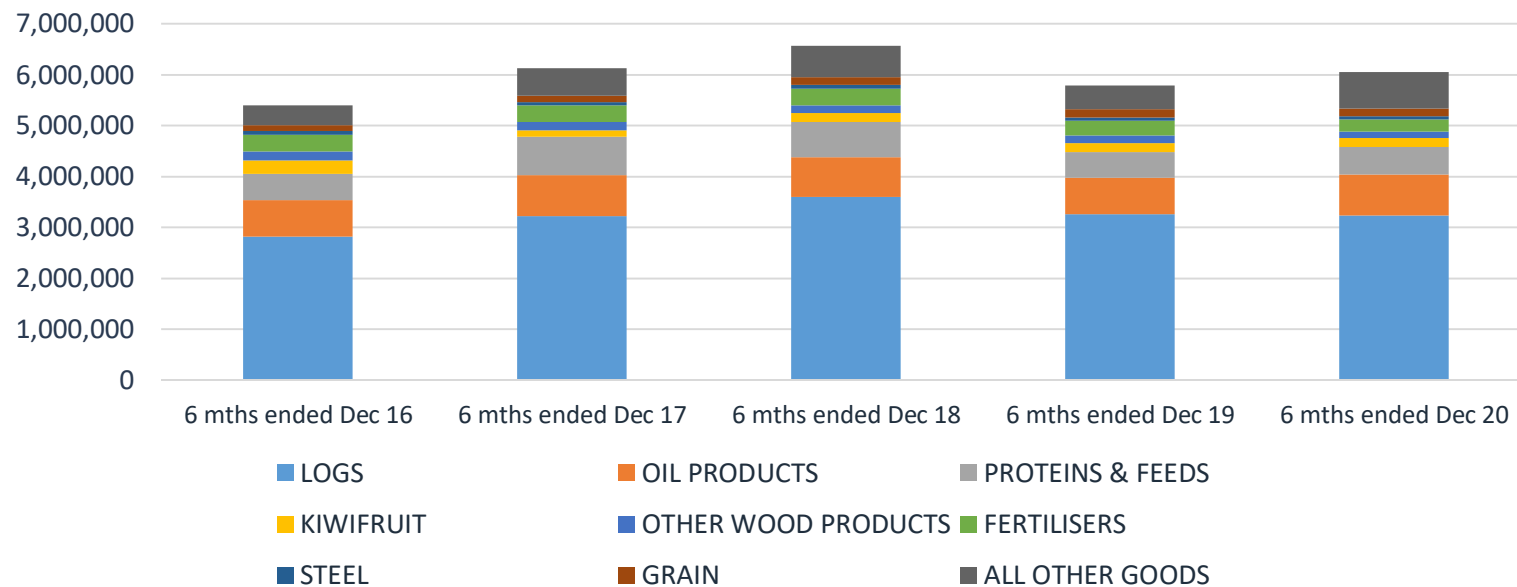
- Global Dairy Trade (GDT) price index currently at levels not seen since May 2014
- Impacted by vessel delays resulting in higher than expected inventory levels
- Expect stronger second half of FY21



AgrHQ

# Bulk Cargo up 4%

Breakbulk Tonnes 6 months July to December



# Subsidiaries & Associates



50% OWNERSHIP  
WITH KOTAHI

**Northport**

50% OWNERSHIP WITH MARSDEN  
MARITIME HOLDINGS



OPERATED BY PARENT  
COMPANY AND KIWIRAIL



50:50 JOINT VENTURE WITH  
TAINUI GROUP HOLDINGS



OPERATED BY TIMARU  
CONTAINER TERMINAL



100% OWNERSHIP



100% OWNERSHIP



50% OWNERSHIP WITH  
TIMARU DISTRICT HOLDINGS

**PORTCONNECT**

50% OWNERSHIP WITH  
PORTS OF AUCKLAND





# Subsidiaries & Associates

## Net Profit After Tax up 22.3%





Earnings down 4.8% to \$4.591 million  
Trade up 2.8% on last year, log volumes up 11.7%  
Containers down 24.5% to 5,388 TEUs





Earnings up \$0.286 million on last year  
Impacted by congestion issues





Earnings up 74.3% to \$2.207 million





Container volumes up 21.1%

NPAT of \$0.454 million up from \$0.072 million in prior year

Acquired Kotahi's 49.9% shareholding in October, in exchange for volume-based rebate







QUALITY  
MARSHALLING



NPAT up 17.5% to \$1.563 million

Good performance across all areas of the company

Management of Timaru Container Terminal from 1 November 2020



# Ruakura Inland Port



New joint venture established  
Inland Port opening planned March 2022

# KiwiRail



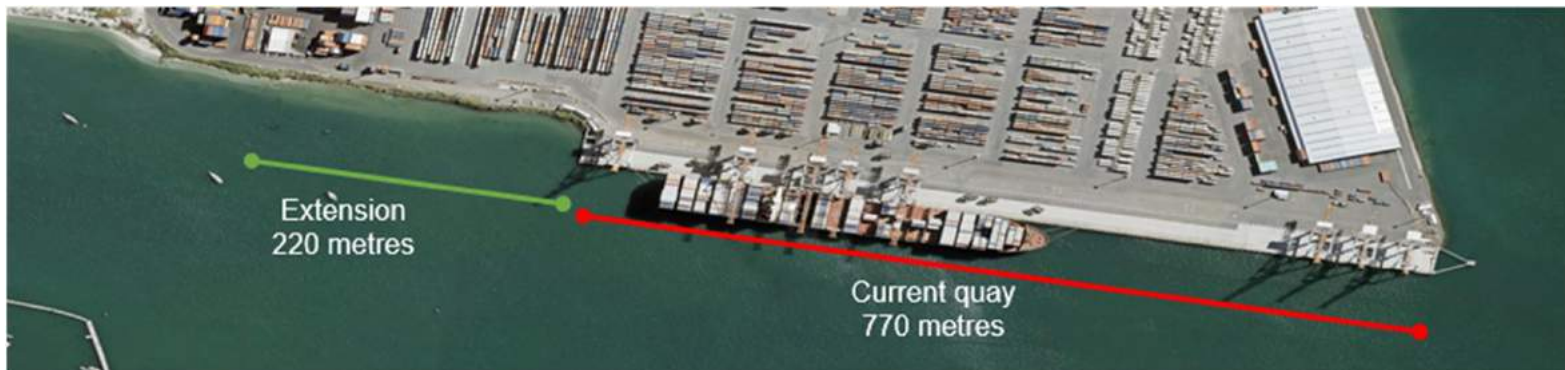
Renewed MetroPort Agreement – 20 Years





# Berth Consent Progress

- Ongoing consultation - currently ~12 months behind schedule
- Design completed and early contractor engagement
- Fast Track application submitted - waiting for decision
- 220 metre extension

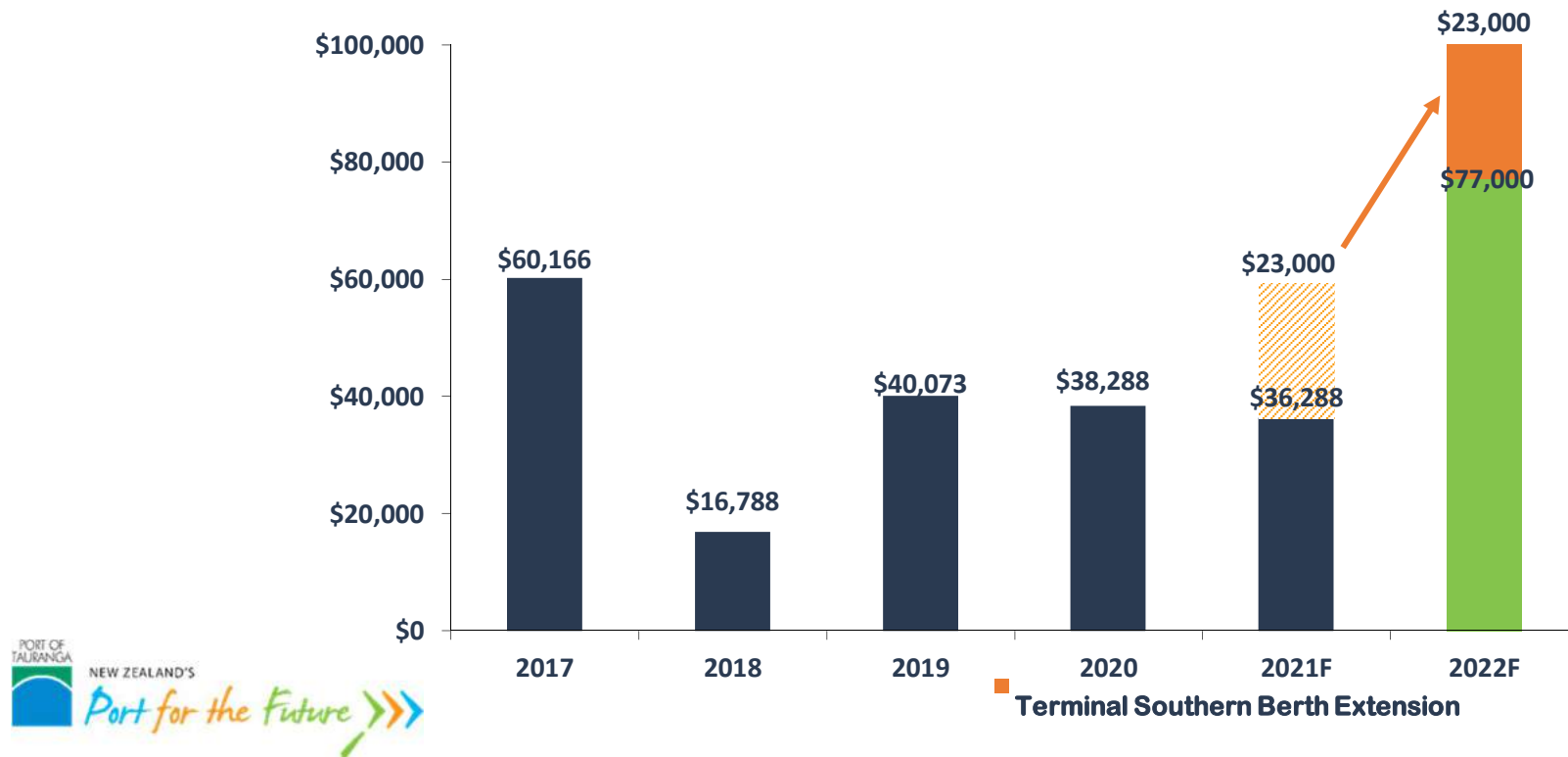


# Learnings from Disruption

- Early phasing of terminal automation to reduce disruption and bed in new technology
- Staged start - provides ability to scale with volume
- Significant environmental benefit - circa 73% reduction in emissions



# Parent Capital Expenditure 2016-2022



# Outlook 2021

- Port congestion is expected to continue for the remainder of this financial year
- Expect to handle about 1.225 million TEUs
- Revised FY21 earnings guidance now expected to be between \$94 and \$100 million





# THANK YOU

