

NZX RELEASE

15 April 2025

Q1 2025 Operational Update

Channel Infrastructure NZ Limited (NZX:CHI) has today released its operational update for the three months ended 31 March 2025.

Strategic Highlights

- On 9 April 2025 the New Zealand Government announced an increase in the minimum stockholding obligation for diesel importers (with more than 10% market share) from 21 days to 28 days (equivalent to an additional ~70 million litres) which will take effect from 1 July 2028. Channel is well positioned to support our customers to meet any requirements for additional stockholding they may have, with ~350 million litres of tank capacity at Marsden Point that can be repurposed as it is needed. Channel's proximity and access to Auckland, New Zealand's largest fuel demand market, also facilitates efficient turnover of fuel stocks to uphold product quality.
- Channel has commenced front-end engineering and design for a potential diesel generation plant at its Marsden Point site that could provide electricity peaking capacity to help smooth New Zealand's winter electricity peaks. The cost of the design work is being funded by two electricity market participants and should be complete within the coming months. Should the project go ahead, the proposed commercial model for the project would result in the Company receiving capacity payments for making the plant available to potential customers.
- Following the conclusion of the Government's Fuel Security Study, Channel welcomed the Government's announcement on 25 February regarding the role the Marsden Point Energy Precinct could play in boosting New Zealand's fuel and energy security including the potential for a 'Special Economic Zone' at Marsden Point which could include business-friendly regulations, infrastructure and facilities, investment support, and customs and trade facilitation.

Throughput

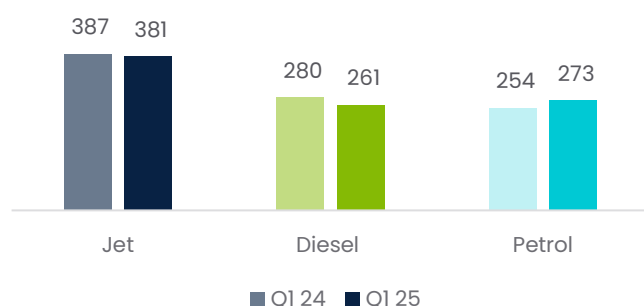
Following the commissioning of the Transmix project late last year approximately 50% of Channel's revenue is now fixed/capacity-based fees, with the remainder calculated in relation to fuel throughput:

- Combined fuel throughput for the quarter ended 31 March was 915 million litres. Jet throughput was in line with Channel's expectations and petrol and diesel throughput combined remain in line with the Envisory fuel demand outlook¹.
- 13 import shipments were received and discharged during the quarter reflecting an increase in larger Long-Range vessels being received at Marsden Point reducing the overall number of ship movements (Q1 2024: 17).

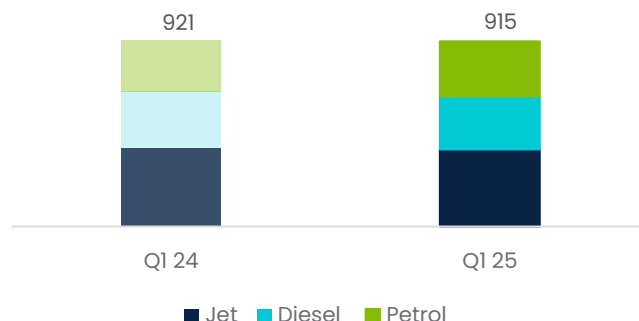
¹ The Envisory outlook is annual for all fuel types, Channel uses 2024 historical data to inform FY25 seasonality.



Throughput Q1 2024 V Q1 2025
Million Litres



Throughput Q1 2024 V Q1 2025
Million Litres



- Jet throughput for Q1 25 remains stable relative to Q1 24, in line with Channel's guidance for 2025, reflecting Air New Zealand's well-signalled aircraft availability issues this year.
- Diesel throughput was lower for Q1 25 relative to Q1 24 due to a scheduled diesel tank outage at the Wiri (Auckland) end of the fuel pipeline. The fuels terminal at Wiri, which is owned by Channel's customers, is undergoing a significant program of works across 2025 which will see a series of rolling planned tank outages to enable infrastructure upgrades.
- Petrol throughput was higher for Q1 25 relative to Q1 24, reflecting stockholding levels at Wiri.

A summary of quarterly throughput by fuel type since commencement of import terminal operations on 1 April 2022 is included as **Appendix I**.

Conversion and growth project update

Conversion spend is ~\$187 million to 31 March 2025 (31 December 2024: \$186 million) and remains within budget. Bund upgrades for the conversion project will continue until 2027.

The private storage multi-year growth project was completed Q1 2025 and delivered safety, within budget and to schedule. Capex of ~\$50 million was spent to 31 March 2025 (31 September 2024: \$49 million).

The Z Energy jet storage project, announced 23 August 2024, is more than 30% complete and remains on schedule and within budget. The bitumen import terminal construction tender is well progressed and on track to be awarded early May 2025.

Net borrowings increased to \$305 million as at 31 March 2025 (31 December 2024: \$296 million).

- ENDS -



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About Channel Infrastructure NZ

Fuel is imported via our deep-water harbour and jetty infrastructure at Marsden Point and stored in more than 290 million litres of contracted storage tanks on site. The fuel is then distributed via our 170-kilometre pipeline to Auckland, or by our customers (bp, Mobil, and Z Energy) via truck into Northland. We underpin the resilience of New Zealand's fuel supply chain with our tank capacity, which enables increased storage of fuel in New Zealand, and through efficient, low-emission distribution of the fuel into the Auckland market. Given our proximity to Auckland, and critical role in the jet fuel supply chain, Channel is well positioned to support the renewable fuel transition in New Zealand.

Our plan for growth includes supporting fuel resilience for New Zealand through additional fuel storage on our site, unlocking the strategic value of the Marsden Point Energy Precinct Concept which reflects the significant role Channel could play in supporting New Zealand's energy transition – through potential opportunities including supporting the manufacture of lower-carbon future fuels, as well as a range of potential energy security opportunities, and exploring expansion beyond Marsden Point through the acquisition of other terminals infrastructure in New Zealand.

Channel Infrastructure's wholly-owned subsidiary, Independent Petroleum Laboratory Limited, provides fuel quality testing services throughout New Zealand.

For more information on Channel Infrastructure, please visit: www.channelnz.com



Appendix I – Throughput (since 1 April 2022)

Throughput by quarter (million litres)

	2022	2023	2024	2025
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Quarter 1

Jet		280	387	381
Diesel		282	280	261
Petrol		249	254	273
Total		811	921	915

Quarter 2

Jet	146	299	318
Diesel	275	274	267
Petrol	257	249	255
Total	679	821	840

Quarter 3

Jet	200	314	324
Diesel	264	261	251
Petrol	258	263	238
Total	721	838	813

Quarter 4

Jet	244	365	375
Diesel	275	283	289
Petrol	280	251	245
Total	799	900	909