

## NZX RELEASE

7 February 2025

### Channel announces uplift in valuation of assets

Channel Infrastructure NZ Limited (**Channel Infrastructure**) (NZX:CHI) announces today that it expects to recognise an uplift in the carrying value of its Import Terminal System of approximately \$270 million to c.\$1.1 billion and an increase in the surplus land carrying value of approximately \$105 million to c.\$120 million, a total revaluation gain of approximately \$375 million, in its financial results for the year ended 31 December 2024. This would result in an increase in Channel Infrastructure's Net Tangible Assets per share of approximately \$0.73.

Channel Infrastructure holds its surplus land and Import Terminal System, being the assets in use in the provision of infrastructure services enabling the importation of fuel through its Marsden Point facility, including jetties, the 170km fuels pipeline to Auckland and storage assets, at fair value in its financial statements (NZ IFRS 13). Channel Infrastructure's revaluation policy requires an independent assessment of value every three years. With the last independent cycle being undertaken in 2021, Channel Infrastructure engaged Deloitte to undertake an independent valuation of the Import Terminal System and CBRE to undertake an independent valuation of the surplus land as part of its ordinary review cycle.

The key changes impacting the Import Terminal System and surplus land valuations since 31 December 2023 include:

- an updated fuel demand outlook from Envisory, providing greater confidence in likely fuel demand beyond 2050 and improving the terminal value assumption for the Import Terminal System;
- additional growth contracts signed and announced to the market since the previous independent valuation in 2021, with existing contracts assumed to be renewed given greater certainty regarding fuel outlook. Importantly, growth contracts not 'in service' as at 31 December 2024 are excluded from the carrying value (being the Z Energy jet fuel storage contract and Higgins bitumen import terminal contract);
- a significant reduction in risk free rate reducing discount rate; and
- a recognition of the port-adjacent nature of Channel Infrastructure's surplus land, which Channel Infrastructure is planning to develop as the Marsden Point Energy Precinct. The surplus land valuation does not include the value of the potential lease for the Seadra biorefinery or reflect the potential future value of the Marsden Point Energy Precinct.

The revaluation is a non-cash item and is subject to finalisation and Board approval of the full-year financial statements.

As previously announced, Channel Infrastructure will release its full year results on 27 February 2025.

- ENDS -

**Authorised by:**



Chris Bougen  
General Counsel and Company Secretary

**Investor Relations contact:**

Anna Bonney  
[investorrelations@channelnz.com](mailto:investorrelations@channelnz.com)

**Media contact:**

Laura Malcolm  
[communications@channelnz.com](mailto:communications@channelnz.com)

## About Channel Infrastructure NZ

Channel Infrastructure is New Zealand's largest fuel import terminal, storing and distributing 40% of New Zealand's transport fuel, including 80% of New Zealand's jet fuel. We receive, store, test and distribute petrol, diesel, and jet fuel that our customers import and supply to Auckland and Northland.

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](http://www.channelnz.com)