

Presentation to Analysts

25 February 2022



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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 2021

Group Net Profit After Tax

⌘ **\$56.3**

million¹ (an increase of 15.6% from the previous corresponding period)

Total trade steady at

⌘ **13.0**

million tonnes (a decrease of nearly 0.3% from the previous corresponding period)

Imports

⌘ **5.0**

million tonnes (an increase of 2.7% from the previous corresponding period)

Exports

⌘ **8.0**

million tonnes (a decrease of 2.0% from the previous corresponding period)

Container volumes

⌘ **622,271**

TEU² (an increase of 1.5% from the previous corresponding period)

Transhipped containers

⌘ **21.4%**

(a decrease to 143,339 TEUs from the previous corresponding period)

Subsidiary and Associate Company earnings

⌘ **11.2%**

(a decrease from the previous corresponding period)

Log exports

⌘ **3.1**

million tonnes (a decrease of 6.1% from the previous corresponding period)

Direct dairy exports

⌘ **2.3%**

(an increase from the previous corresponding period)

Direct kiwifruit exports

⌘ **16.0%**

(an increase from the previous corresponding period)

Interim dividend of

6.5

cents per share (an 8.3% increase on the same period last year)

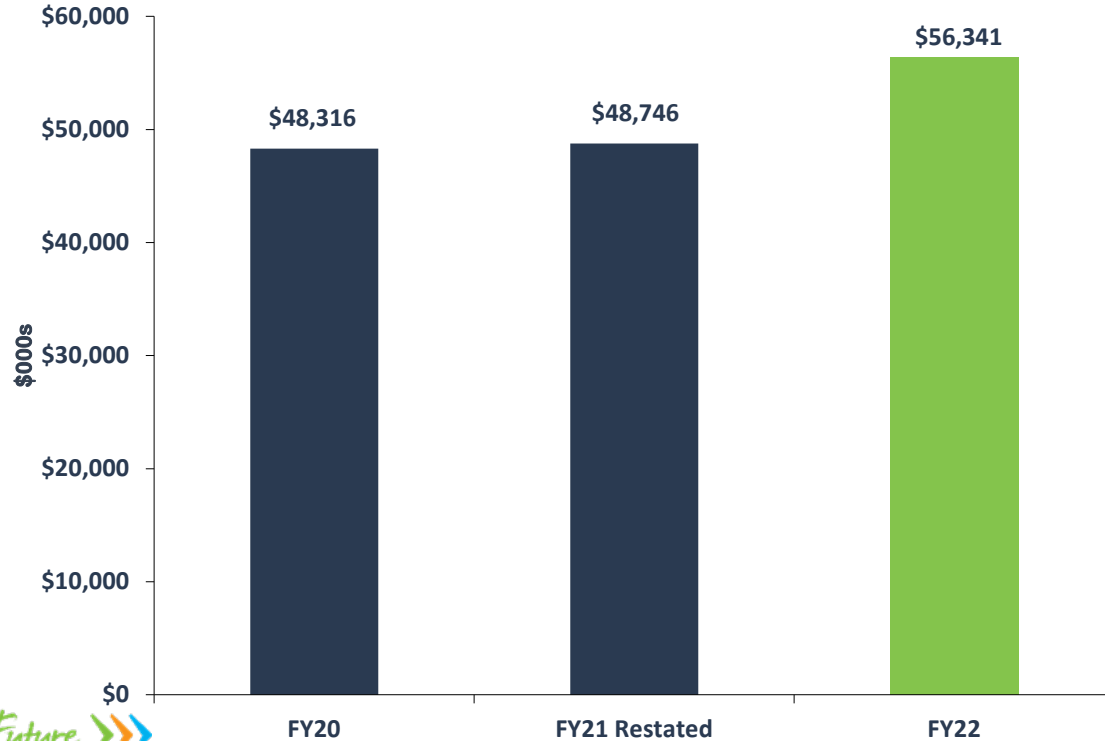
PORT OF
TAURANGA

NEW ZEALAND'S

Port for the Future >>>

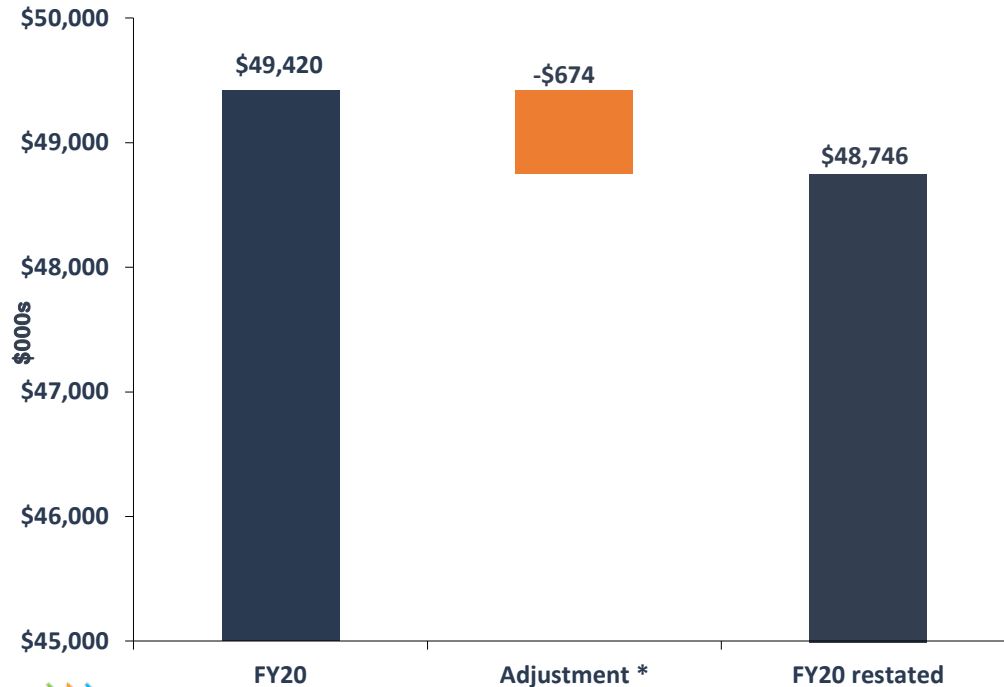
Group Net Profit After Tax up 15.6%

For the six months ended December 2021

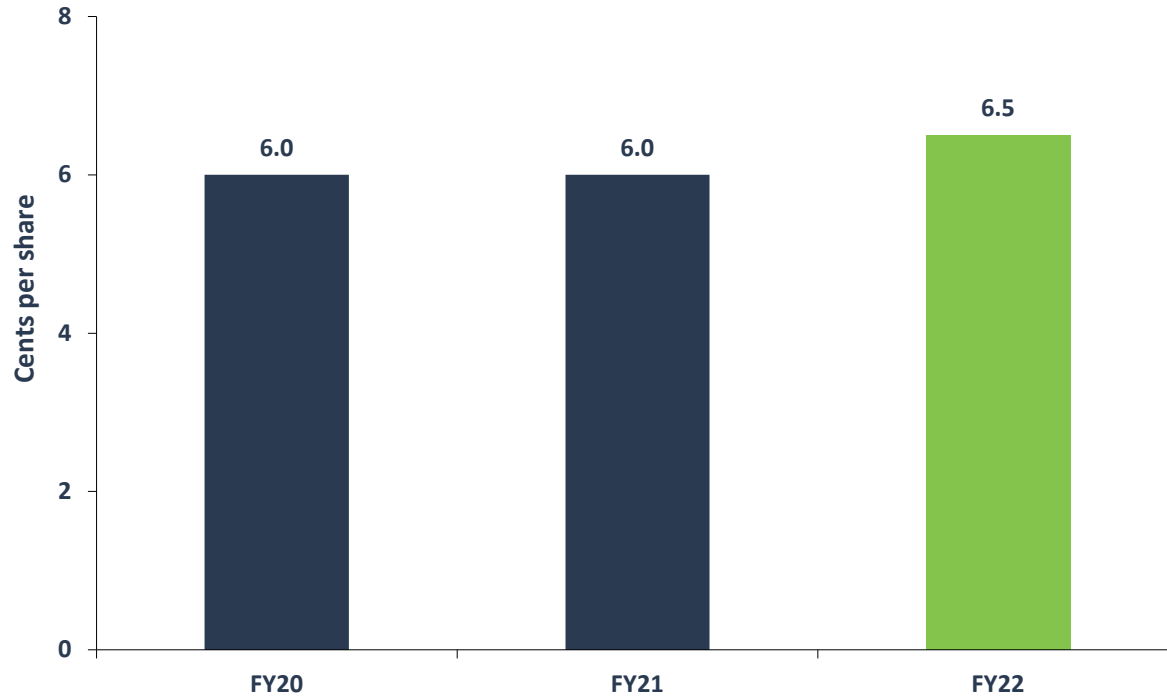


Restatement of Prior Period Profit

For the six months ended December 2020

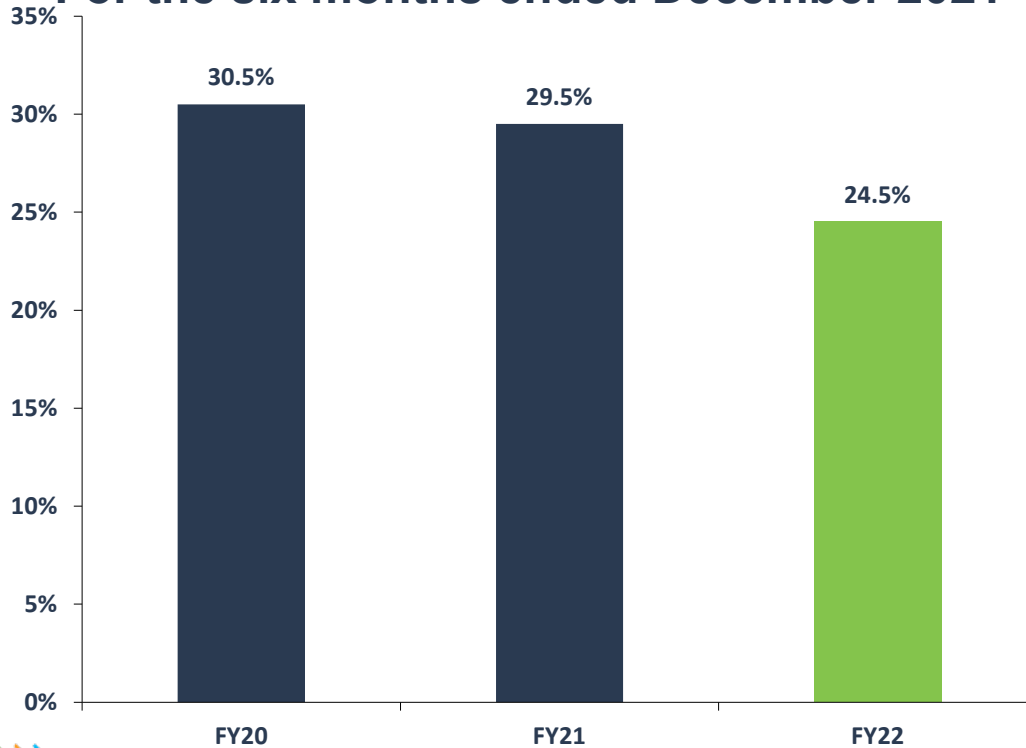


Interim Dividend



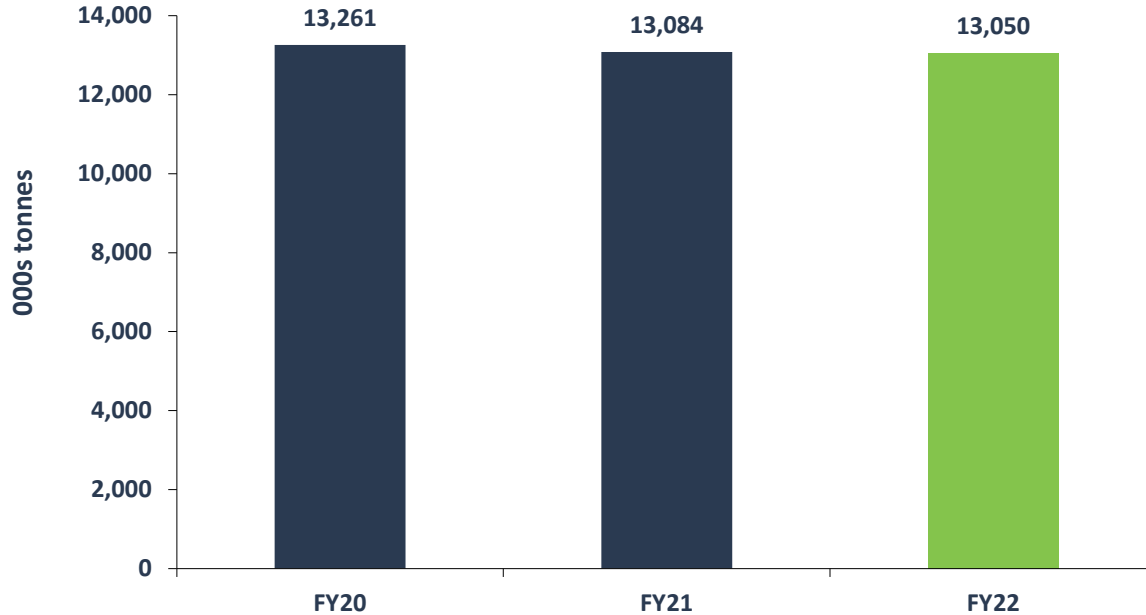
Net Debt / Net Debt + Equity

For the six months ended December 2021



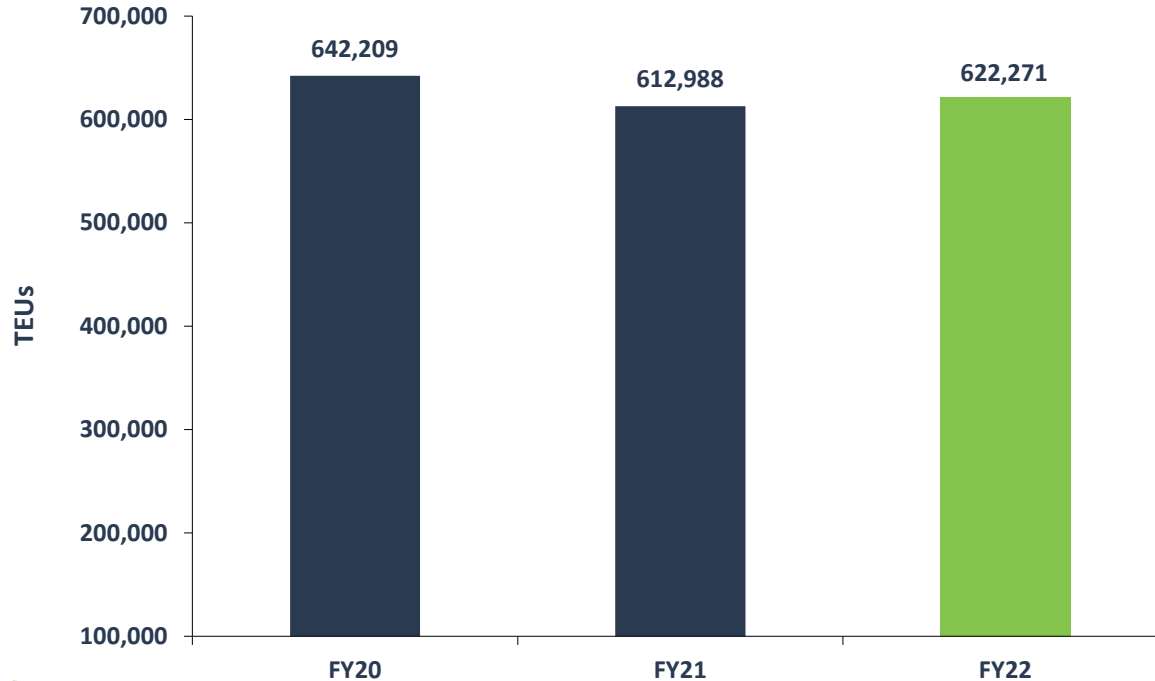
Total Trade Steady

For the six months ended December 2021



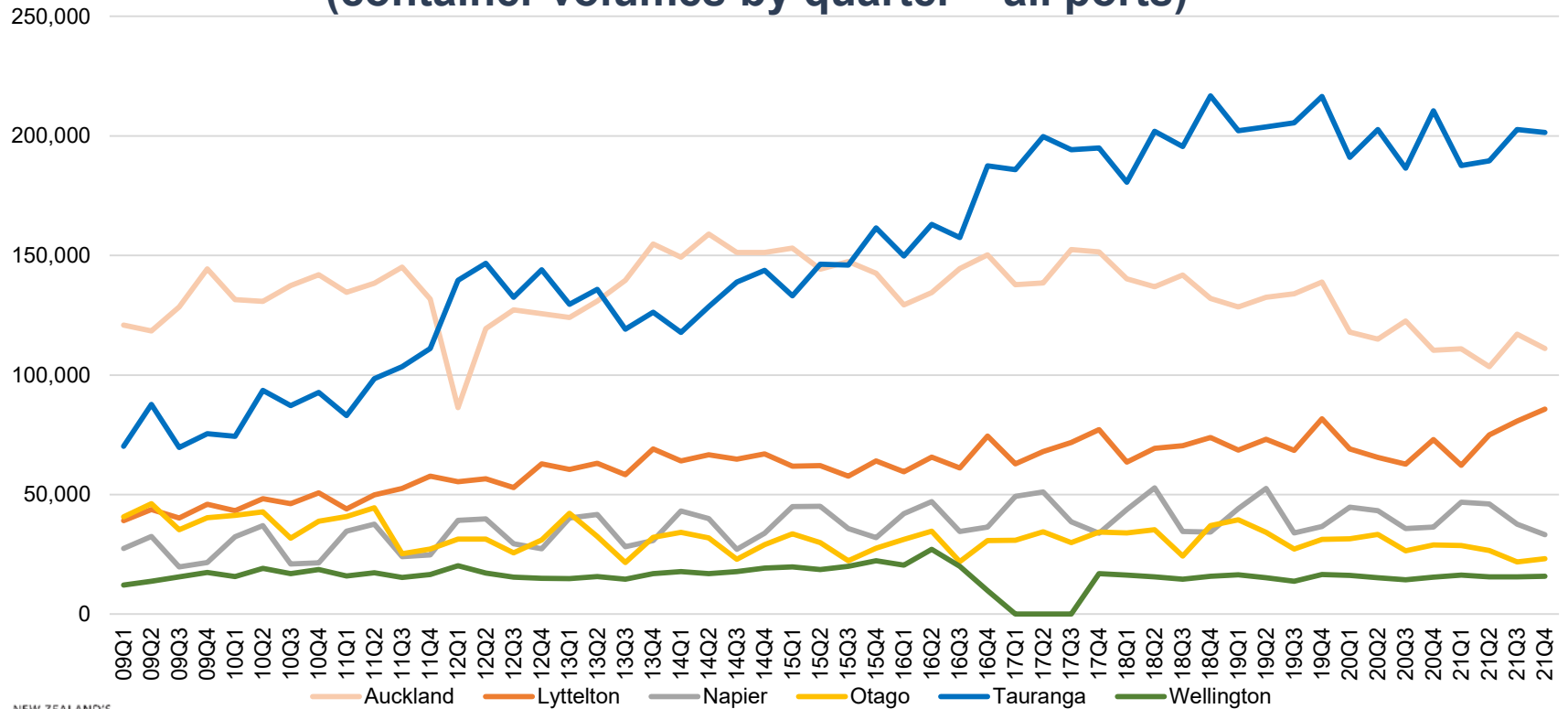
Container Volumes up 1.5%

For the six months ended December 2021

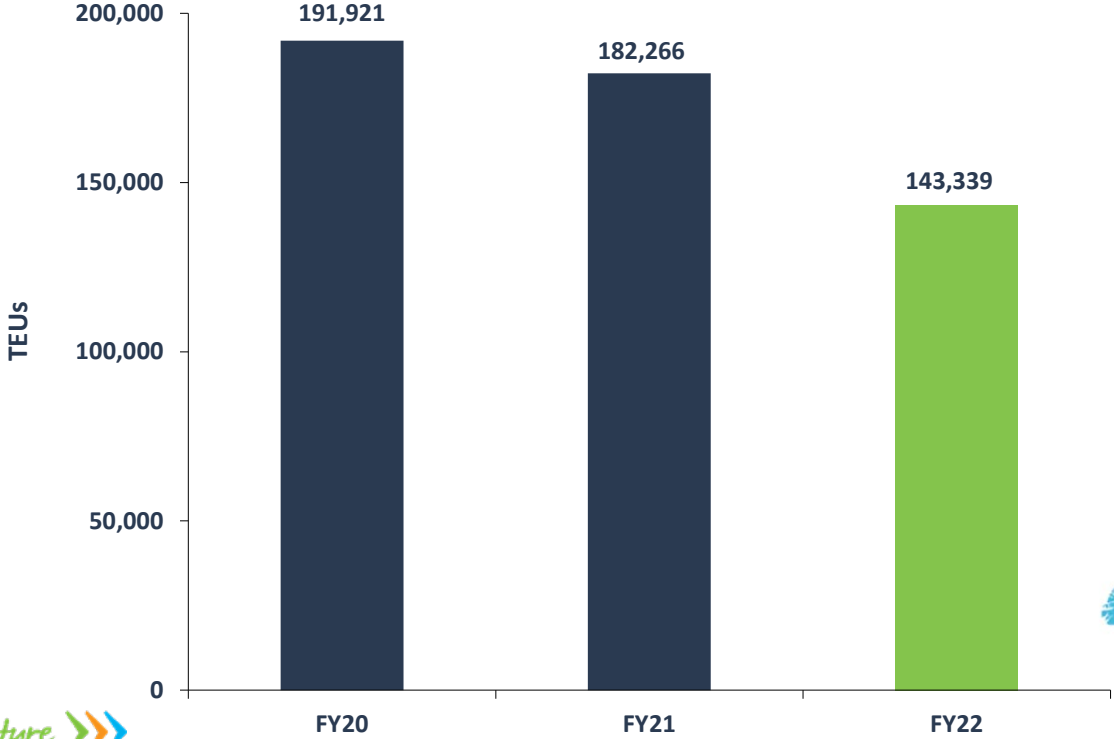


NZ's Largest Container Terminal

(container volumes by quarter – all ports)

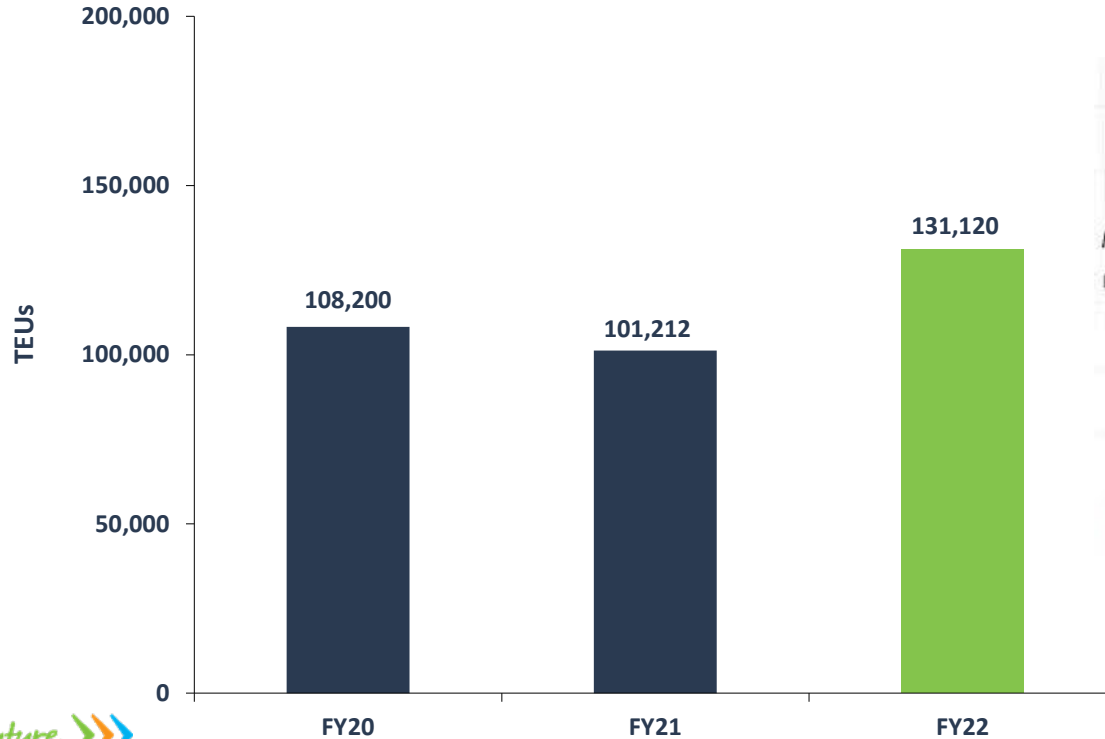


Transhipped TEUs down 21.4%



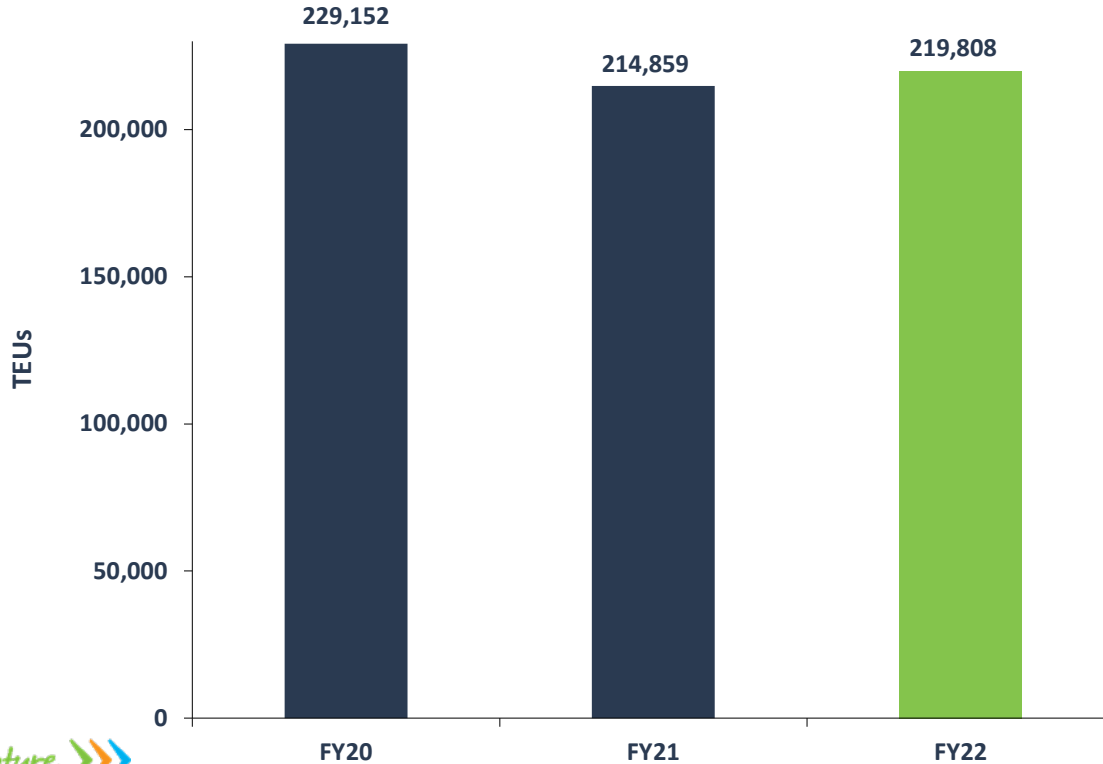
Import TEUs up 29.5%

For the six months ended December 2021



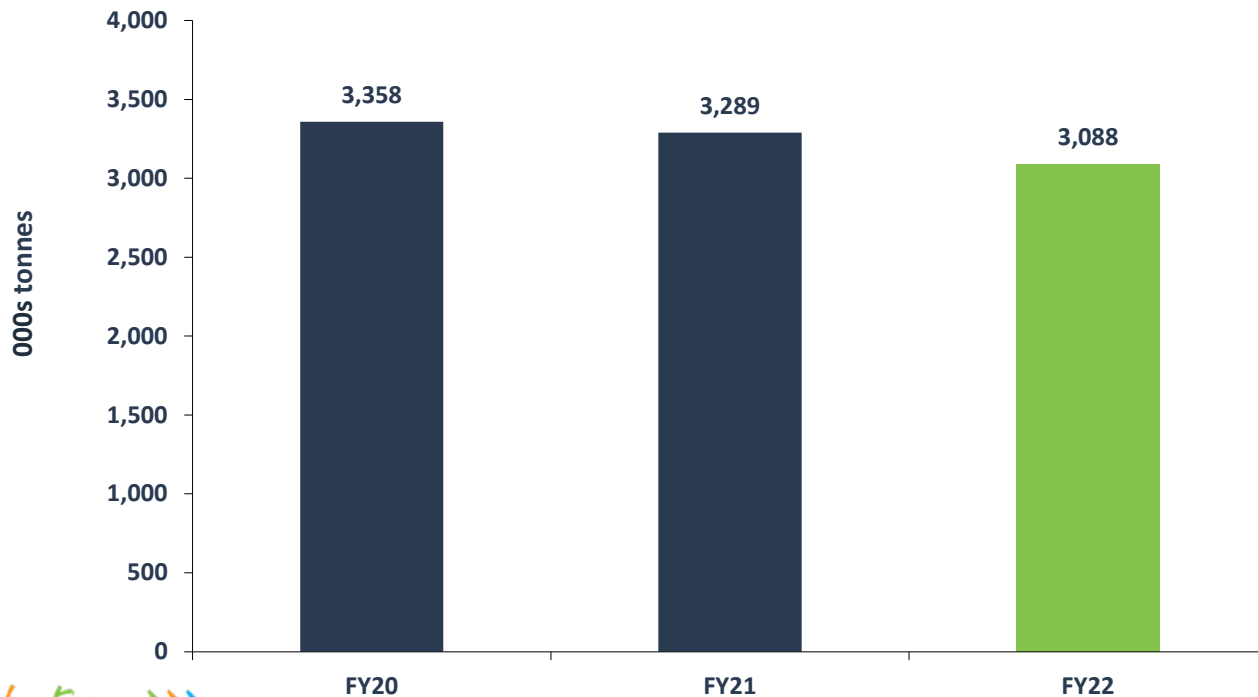
Export TEUs up 2.3%

For the six months ended December 2021



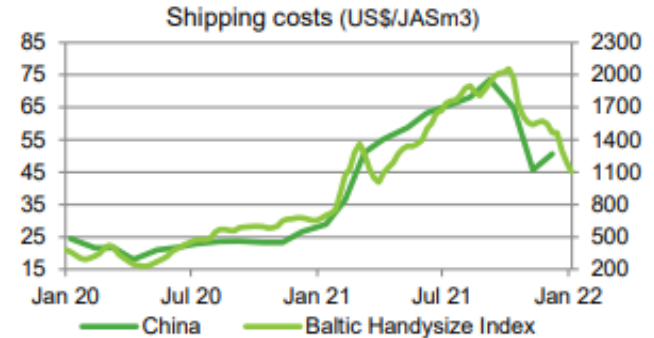
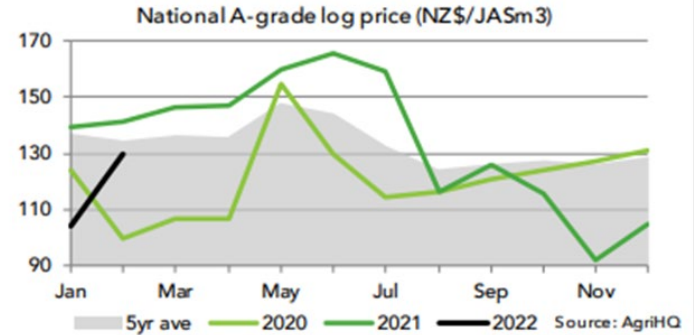
Exports – Logs down 6.1%

For the six months ended December 2021



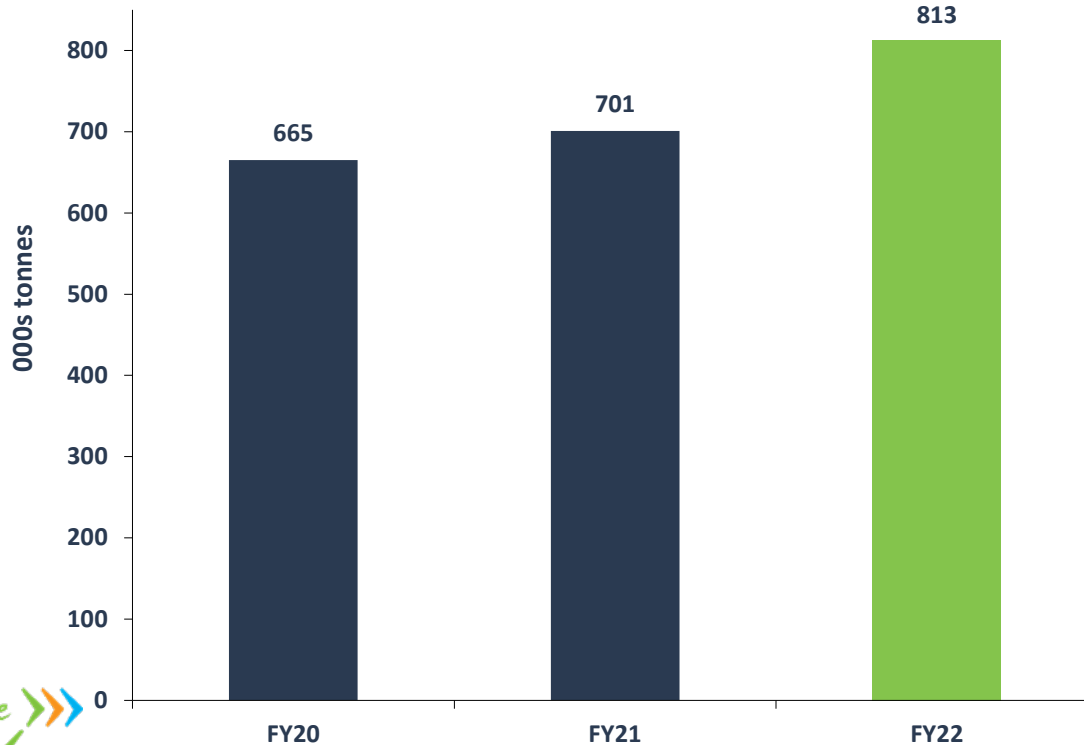
Forestry Outlook

- Uncertainty in the Chinese construction sector a concern over the next 6 - 12 months.
- Circa 85% Tauranga log volume to China.
- Current China on wharf inventory levels circa 5M JAS.
- Some silver linings with expected reductions in log volumes to China from Russia and South America.



Exports – Direct Kiwifruit up 16.0%

For the six months ended December 2021



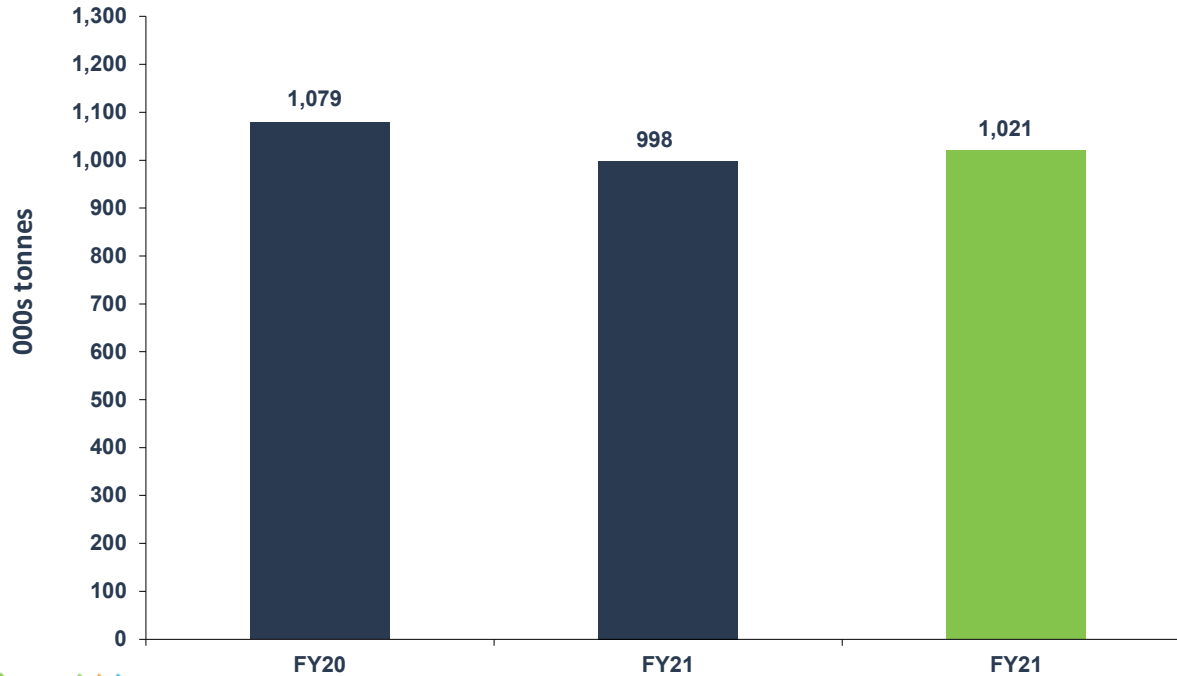
Kiwifruit Outlook



- Strong growth driven by Gold license release and orchards coming into production.
- Strong Gold yields ~16,000 trays per Ha.
- Expected decline in Green crop ~ 68.7M 2022 vs 78M trays 2021.
- Market side demand continues to be very strong.
- Labour supply from overseas and labour availability due to Covid continues to be a concern, as does ongoing disruption to global shipping.

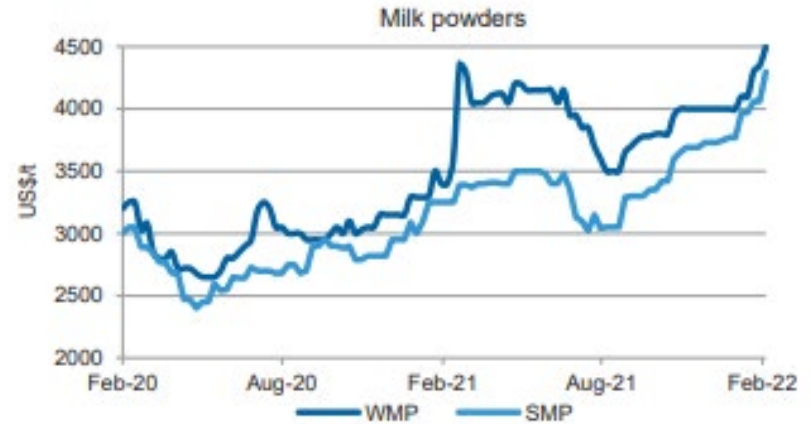
Exports - Direct Dairy up 2.3%

For the six months ended December 2021



Dairy Outlook

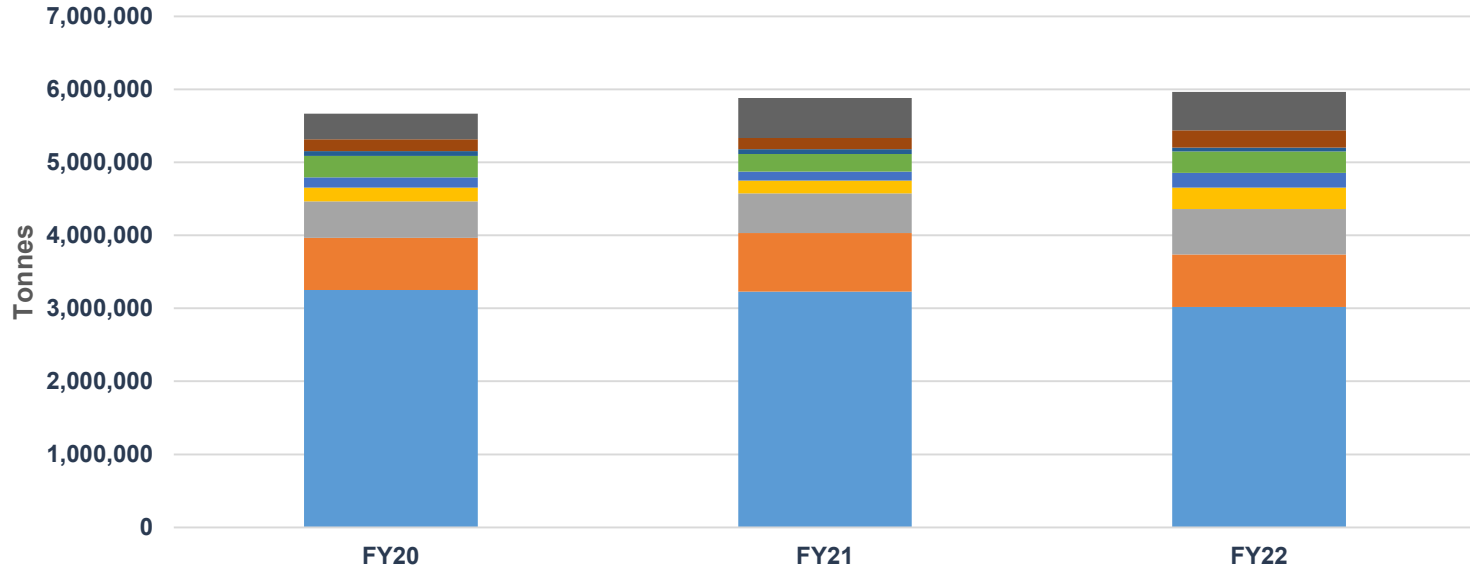
- Strong commodity price and Covid supply chain risk, driving early season volume push.
- Waikato dry conditions impact volume and demand for supplementary products (feed and fertiliser).
- Expect lower inventory levels for second half of FY22.



AgriHQ

Bulk Cargo up 1.4%

For the six months ended 31 December 2021



- LOGS
- OIL PRODUCTS
- PROTEINS & FEEDS
- KIWIFRUIT
- OTHER WOOD PRODUCTS
- FERTILISERS
- STEEL
- GRAIN
- ALL OTHER GOODS

Subsidiaries & Associates



KEY

- State Highway 1
- State Highway 2
- Golden Triangle Rail Network
- East Coast Main Trunk Rail Network

1

PARENT COMPANY

- New Zealand's largest port and international freight gateway
- Container terminal, bulk cargo wharves and bunkering/bulk liquids facilities
- Extensive cargo storage and handling facilities
- Rail connections to Hamilton, Auckland and the central North Island
- Extensive road networks and coastal shipping connections.



1 2 3 5

50% OWNERSHIP WITH KOTAHI

- Freight logistics group incorporating Tapper Transport, Dairy Transport Logistics, Priority Logistics and MetroPack
- 80% shareholding in MetroBox
- Operates New Zealand's largest intermodal freight hub at Otahuhu in Auckland.



4

50% OWNERSHIP WITH MARSDEN MARITIME HOLDINGS

- Deep water commercial port near Whangarei.

PORTCONNECT

1 3 6

50% OWNERSHIP WITH PORTS OF AUCKLAND

- Online cargo management system.



3

OPERATED BY PARENT COMPANY AND KIWIRAIL

- Inland port in the heart of Auckland's commercial and industrial area, connected by rail to Tauranga and Hamilton
- New Zealand's fourth largest container terminal.



2

50:50 JOINT VENTURE WITH TAINUI GROUP HOLDINGS

- Inland port connected by rail to Tauranga and Auckland
- Part of the Ruakura Superhub
- Due to open in mid-2022.



5

OPERATED BY TIMARU CONTAINER TERMINAL

- Intermodal freight hub at Rolleston
- Rail connections to Timaru Container Terminal and rest of South Island
- New warehouse built for Coda Group.



5 6

100% OWNERSHIP

- Direct links to Tauranga
- Operates MetroPort Christchurch at Rolleston.



1 6

100% OWNERSHIP

- Specialist cargo handling services company with operations at Tauranga and Timaru.



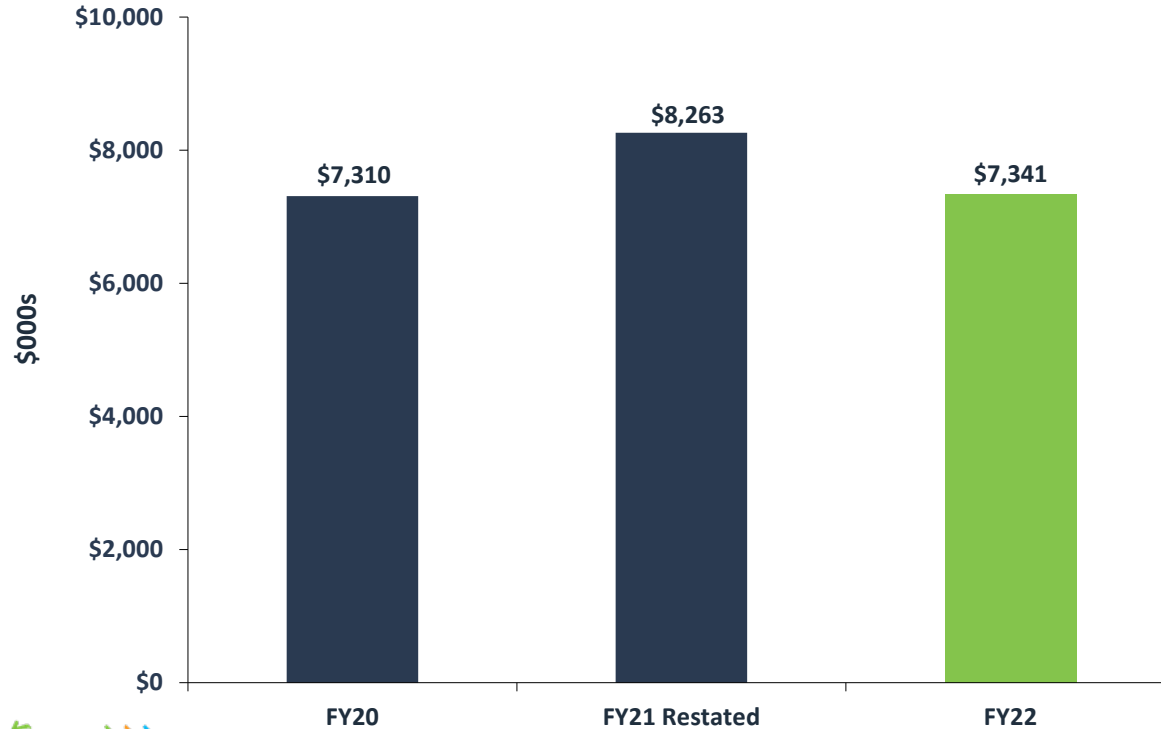
6

50% OWNERSHIP WITH TIMARU DISTRICT HOLDINGS

- Commercial port in Timaru
- Bulk cargoes including major cement handling facility
- New oil terminal.

Subsidiaries & Associates

Net Profit After Tax down 11.2%





Northport



Earnings down 6.3% to \$3.944 million.
Break Bulk trade down 9.3%, log volumes down 12.1%.
Containers up 71.1% to 9,221 TEUs.



Earnings up to \$0.558 million vs \$.069 million in the prior year.
Current period reported profits impacted by SaaS IT projects being expensed.



Earnings down to \$1.141 million vs \$1.916 million in the prior year.

Total trade volumes up 6.4% on last year.

Profits impacted by depreciation, labour, maintenance and fuel costs.



Container volumes down 8.6%.

Reported loss of \$0.088 million.

Expect stronger container volumes in second half.



QUALITY
MARSHALLING



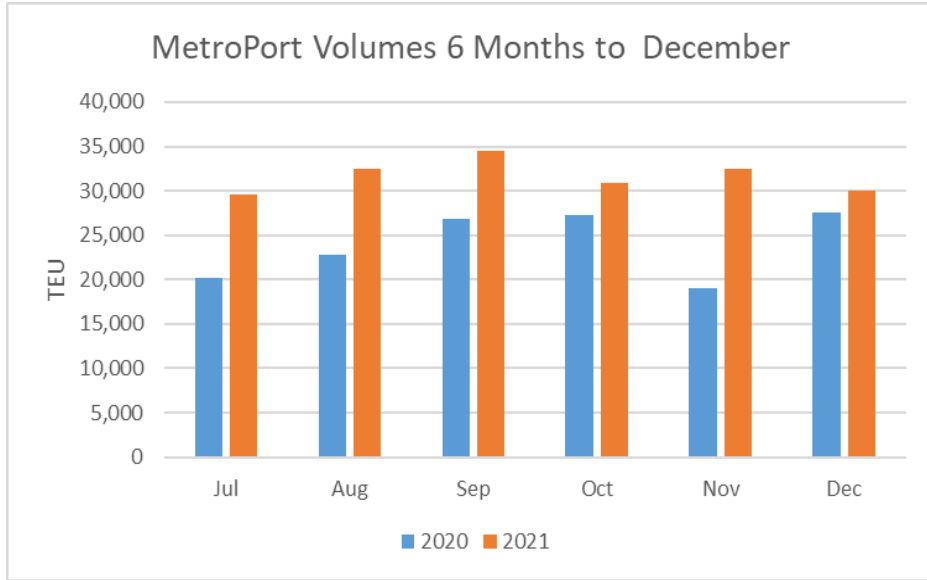
NPAT up 8.3% to \$1.692 million.
Took over the management of Timaru Container Terminal from 1 November
2020.

Ruakura Inland Port



Inland Port construction underway.
Expect opening mid 2022 (timing linked to Waikato expressway).

MetroPort



MetroPort rail volumes up 21%.
Current programme 92 trains per week.

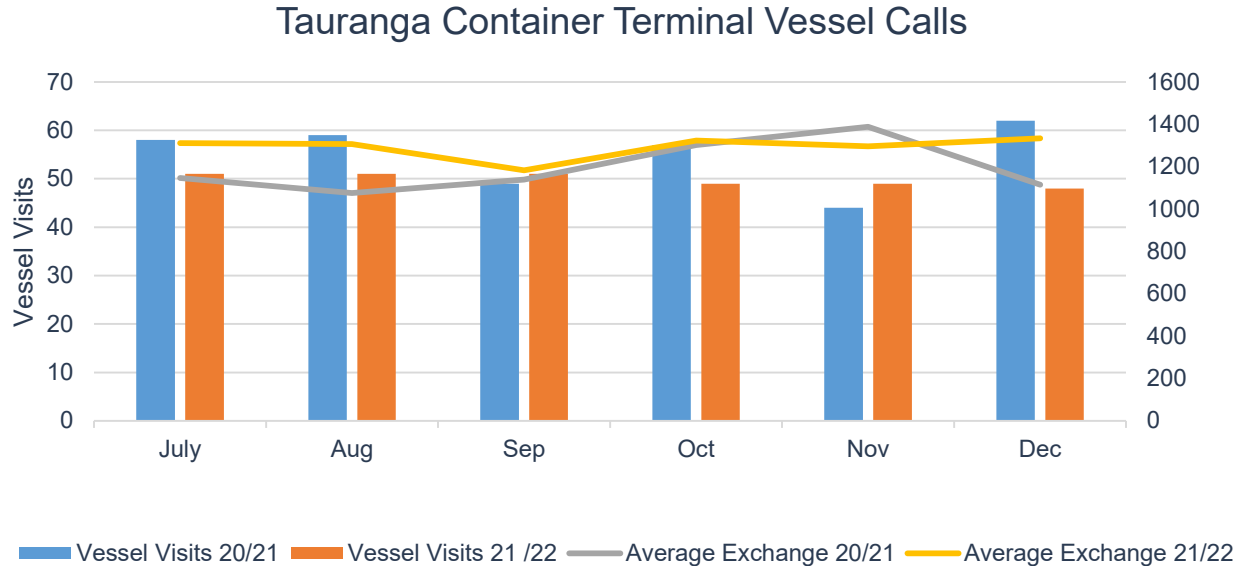
Port Congestion

- Vessel schedules remain suspended in New Zealand ~40% of services meet proforma berth windows.
- Proforma berth windows not expected to be reinstated in 2022.
- Berth priority given to services on window in Tauranga.
- Berth window reinstatement will require all NZ ports working at normal productivity.

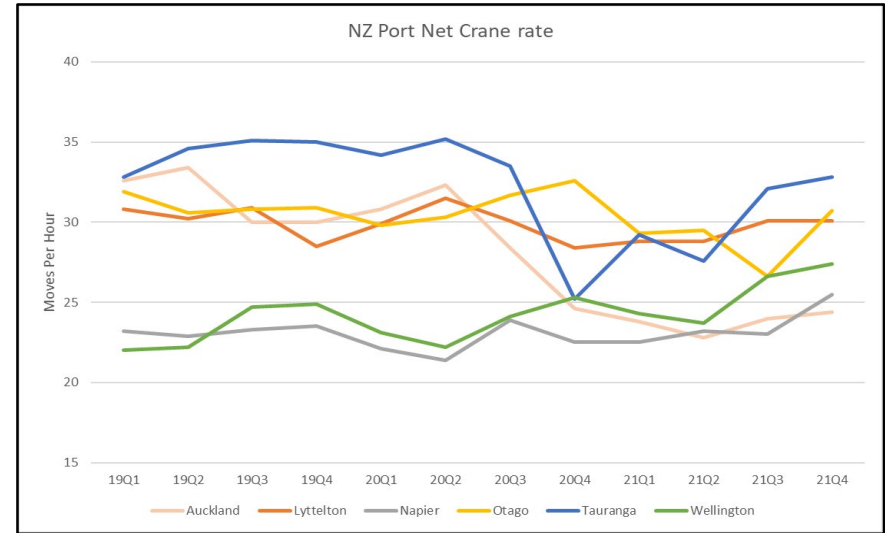
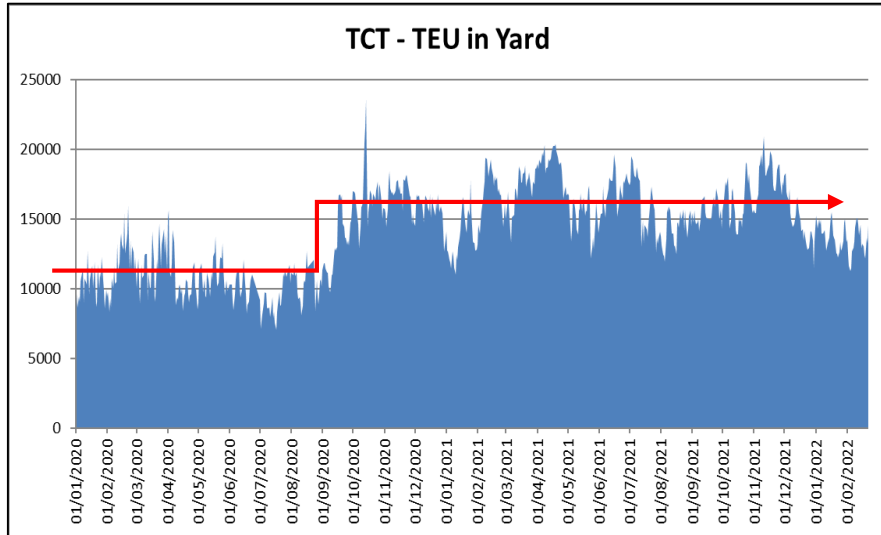


Congestion Impacts

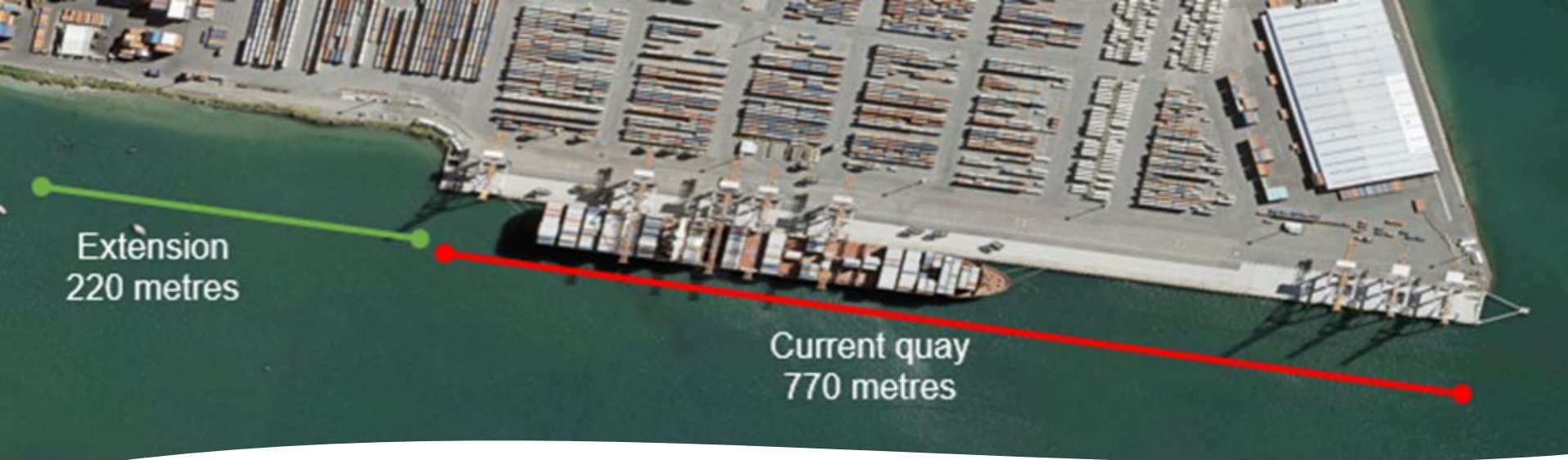
30 fewer container vessels July – December 2021 vs PCP



Congestion Impacts



- Some improvement in static terminal volumes as customers stage volumes off site.
- Yard intensity continues 40% above PCP.
- Improving productivity ~ 33 NCR.
- Average crane rate still ahead of top five Australian ports in 21Q3 (32.1 versus 27.0).



Critical New Zealand Infrastructure

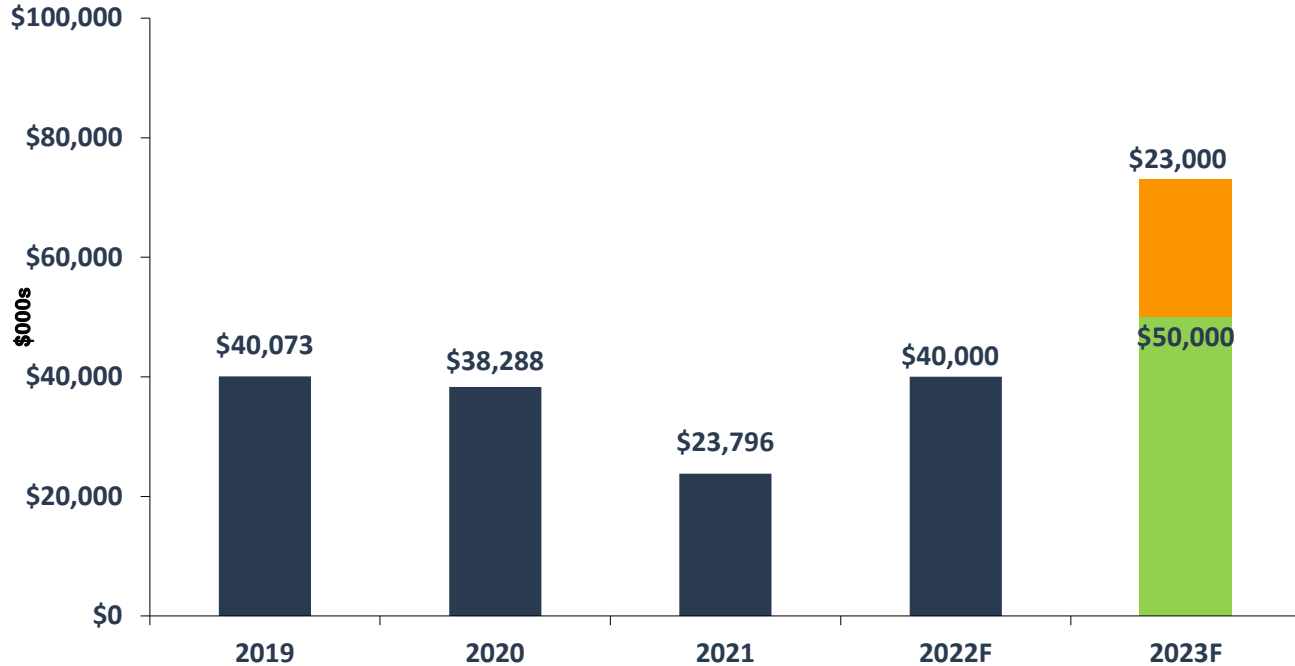
- Direct referral of resource consent to the Environment Court accepted.
- Currently awaiting Environment Court hearing date.
- Terminal capacity head room circa 2 - 3 years.

Terminal Automation

- Continued progress of automation design and scope.
- Shortlist of suppliers for final RFP and selection.
- Global demand on terminal equipment may extend delivery windows.

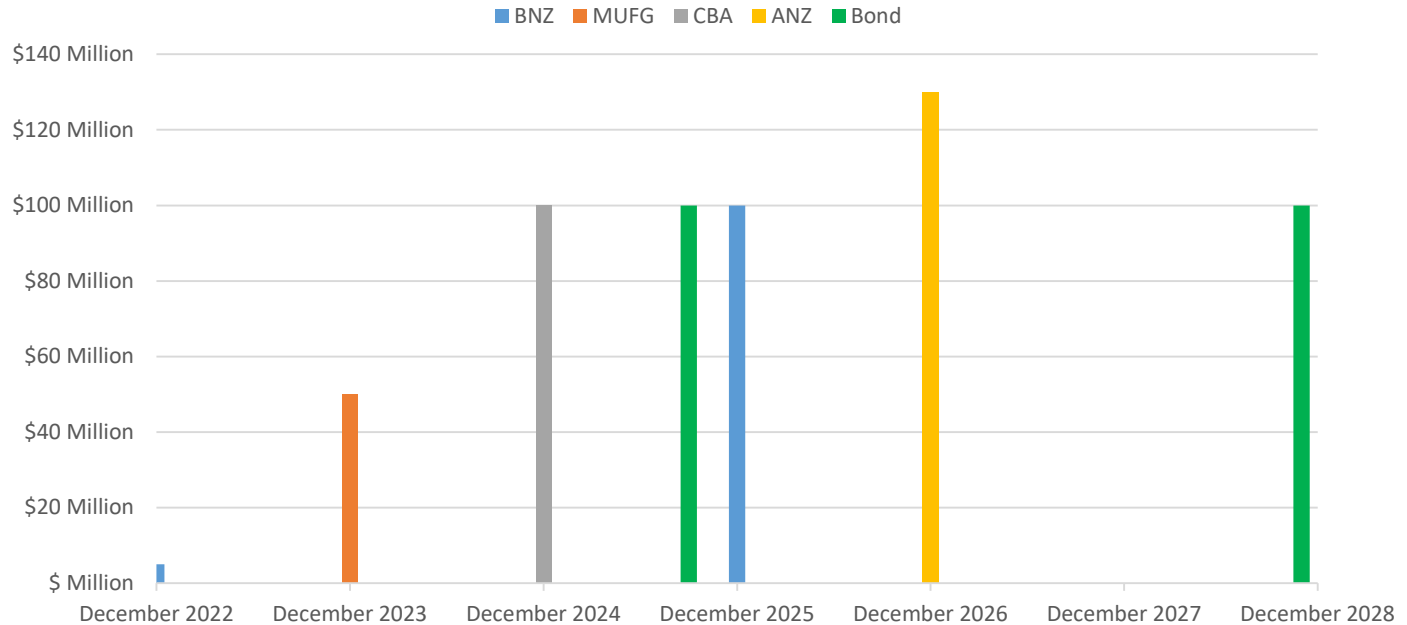


Parent Capital Expenditure 2019 - 2023



Debt Profile Extended

Weighted average debt maturity profile now over 4 years



Port Sector Labour Challenges

- Industry wide labour supply challenges continue.
- Shortages likely to be exacerbated by Omicron outbreak and isolation requirements.
- Operational work groups separated into small work bubbles, PPE used by all, work-from-home where possible.
- Mandatory vaccination for all Port of Tauranga employees.
- Currently utilising RAT tests for critical workers / close contacts.



Outlook 2022

- Port congestion is expected to continue for the remainder of this financial year.
- Expect to handle about 1.225 million TEUs with Log volumes around 6M JAS.
- Full impact of Omicron still to come.
- FY22 earnings guidance still expected to be between \$103 and \$110 million.



Chair Retirement

- David Pilkington retiring from the Board after 17 years (nine years as Chair).
- During his tenure, market capitalisation has grown from \$663 million to in excess of \$4 billion in 2022.
- Deloitte Top 200 Business Awards Chairperson of the Year 2019.



New Chair – Julia Hoare

- Joined the Board in August 2015 and chairs the Audit Committee.
- Comprehensive range of commercial, financial, tax, regulatory and sustainability experience.
- Deputy Chair of The a2 Milk Company, Director of Auckland International Airport and Meridian Energy.
- President of the Institute of Directors and a Member of the Chapter Zero New Zealand Steering Committee.
- Appointment effective 1 August 2022.



THANK YOU

PORT OF
TAUANGA

NEW ZEALAND'S

