

Presentation to Analysts

26 August 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 year ended 30 June 2022

GROUP NET PROFIT AFTER TAX

^ \$111.3

million (up 8.7% from \$102.4million)

TOTAL TRADE

∨ 25.6

million tonnes (down 0.5% from 25.7 million tonnes)

SUBSIDIARY AND ASSOCIATE COMPANY EARNINGS OF

∨ \$15.0

million, down 16.2%

FINAL DIVIDEND

^ 8.2 cents per share

(compared with 7.5 cents per share in 2021)

CONTAINER VOLUMES

^ 1.24

millionTEUs¹
(a 3.4% increase)

REVENUE

^ \$375.3

million (increased 10.9% from \$338.3 million)

TOTAL ORDINARY DIVIDEND

^ 14.7 cents per share

(compared with 13.5 cents per share)

CONTAINER CRANE RATE

^ 32.1 moves per hour

(up from 29.7 moves per hour in 2021)

IMPORTS

^ 9.7

million tonnes (increased 3.0% from 9.4 million tonnes)

EXPORTS

∨ 15.9

million tonnes (decreased 2.5% from 16.3 million tonnes)

CARBON EMISSIONS

∨ 0.6%

reduction in intensity (cargo emissions per tonne)

TOTAL RECORDABLE INJURY FREQUENCY RATE

∨ 0 per million hours

worked (Port of Tauranga) and 26.6 per million hours worked (Port of Tauranga and contractors combined)

SHIP VISITS

^ 1,369

(increased 4.7% from 1,307)

PORT TOURS

∨ 1,500+

people hosted on port tours

SCHOLARSHIPS

^ 18

tertiary education scholarships awarded

RUAKURA INLAND PORT

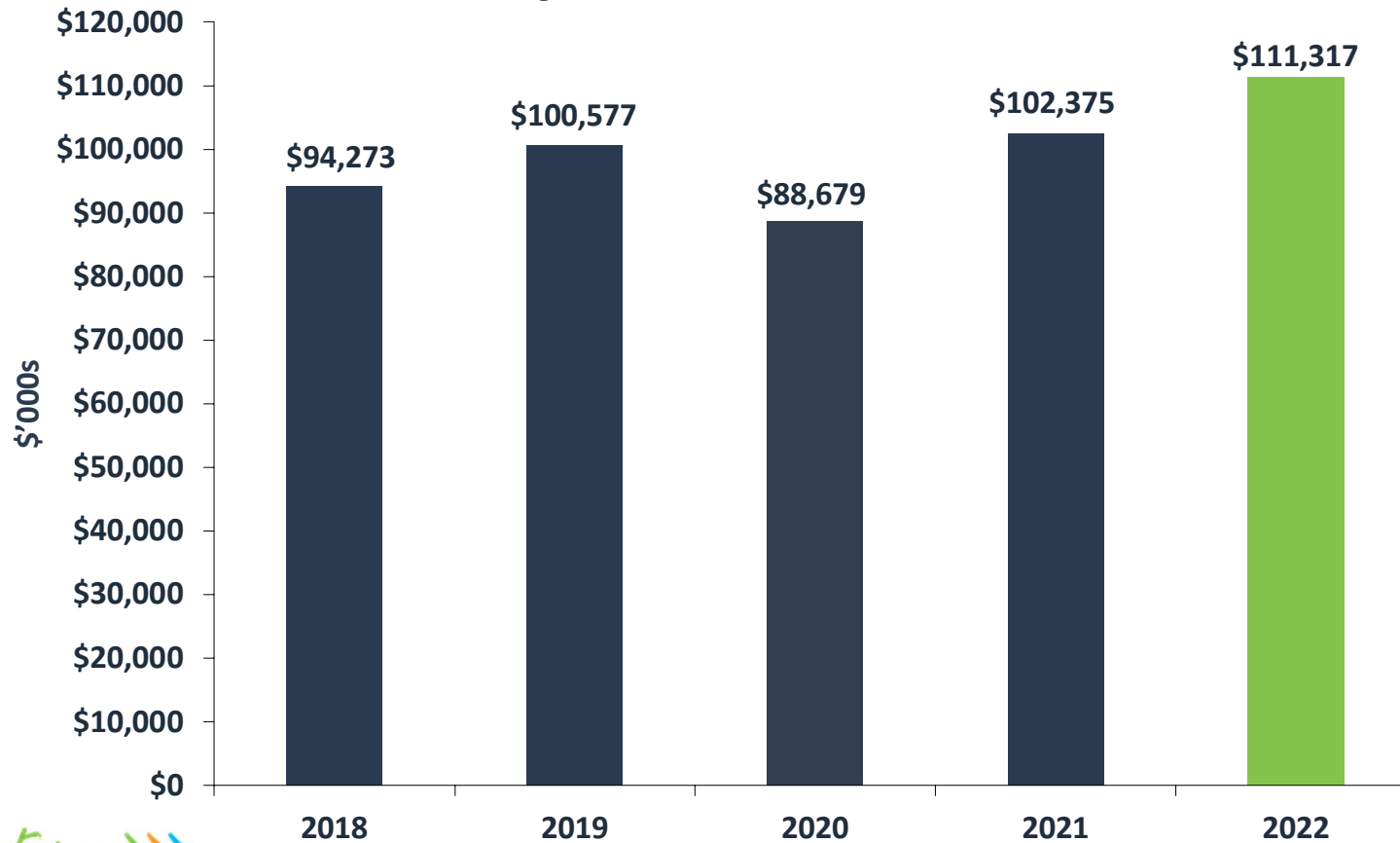
2022

due to open late 2022

¹ TEUs = twenty foot equivalent units, a standard measure of shipping containers.

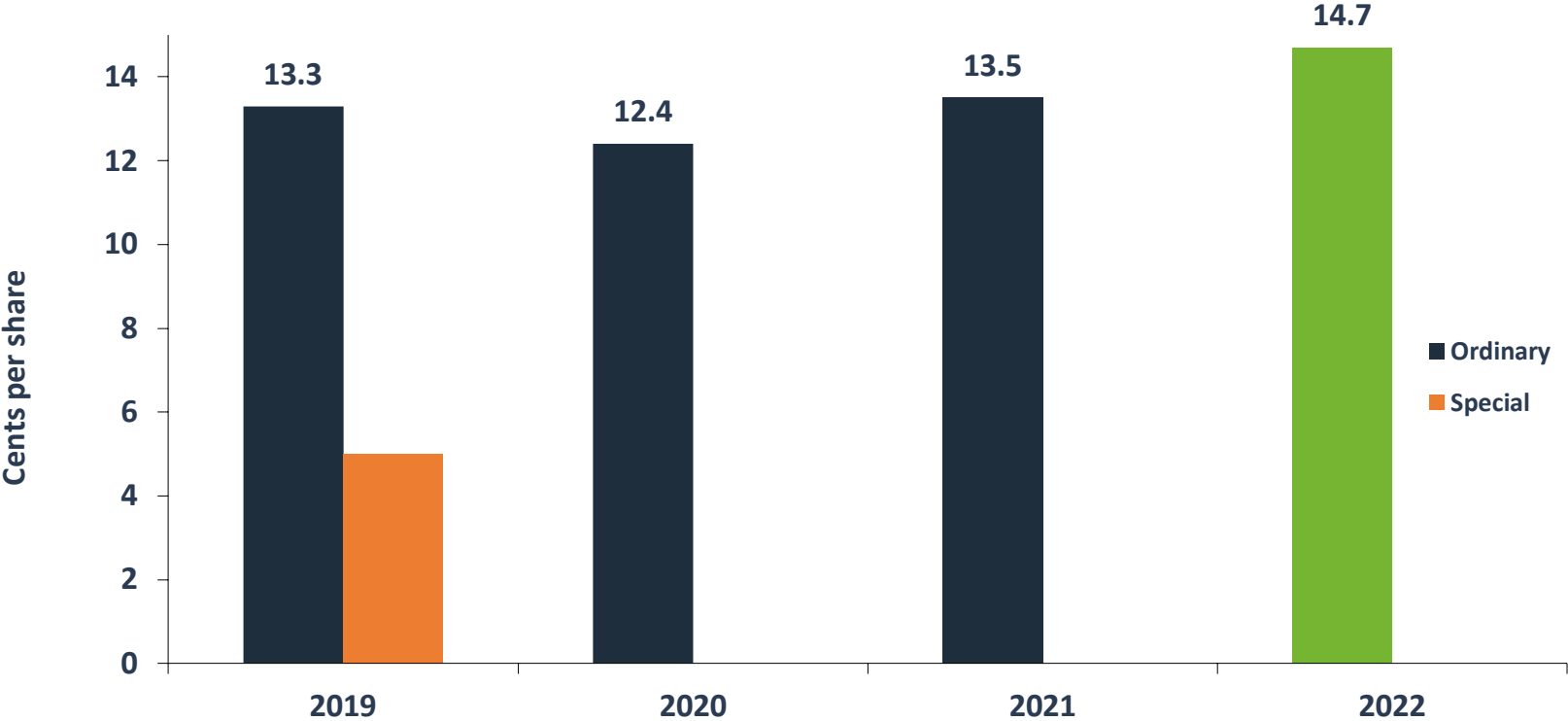
Group Net Profit After Tax up 8.7%

For the year ended 30 June 2022

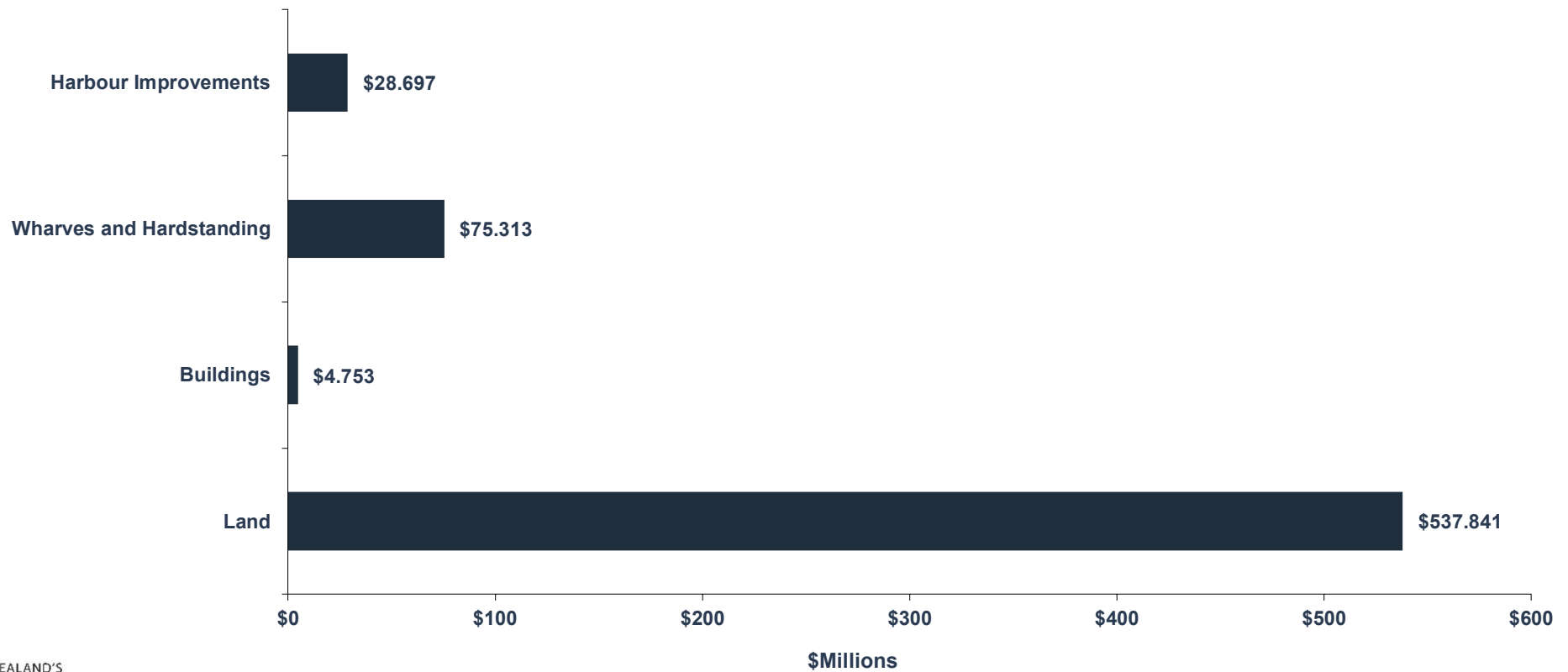


Ordinary Dividends maintained at 90% of Net Profit After Tax

For the year ended 30 June 2022

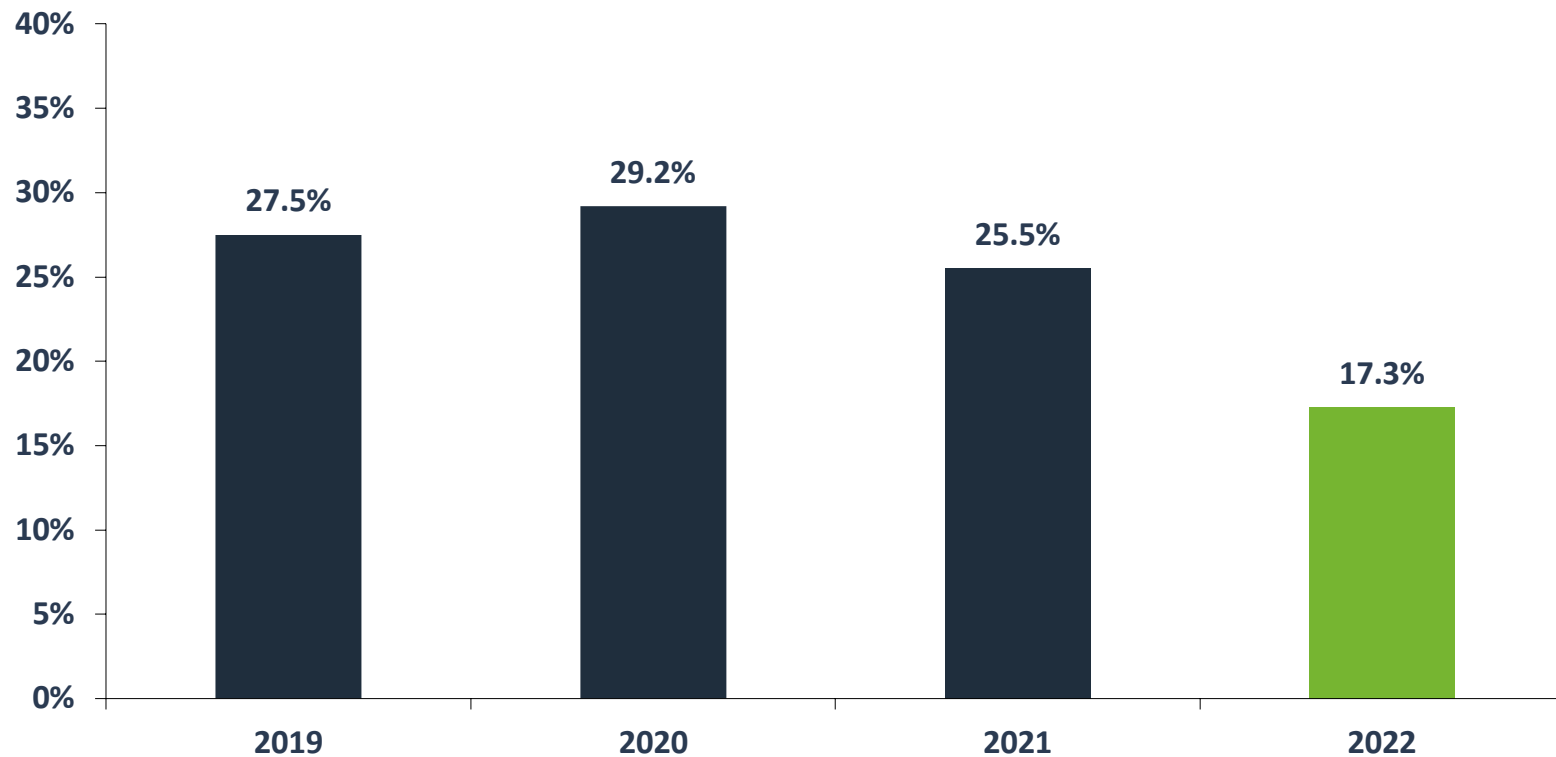


Revaluation of Property, Plant & Equipment



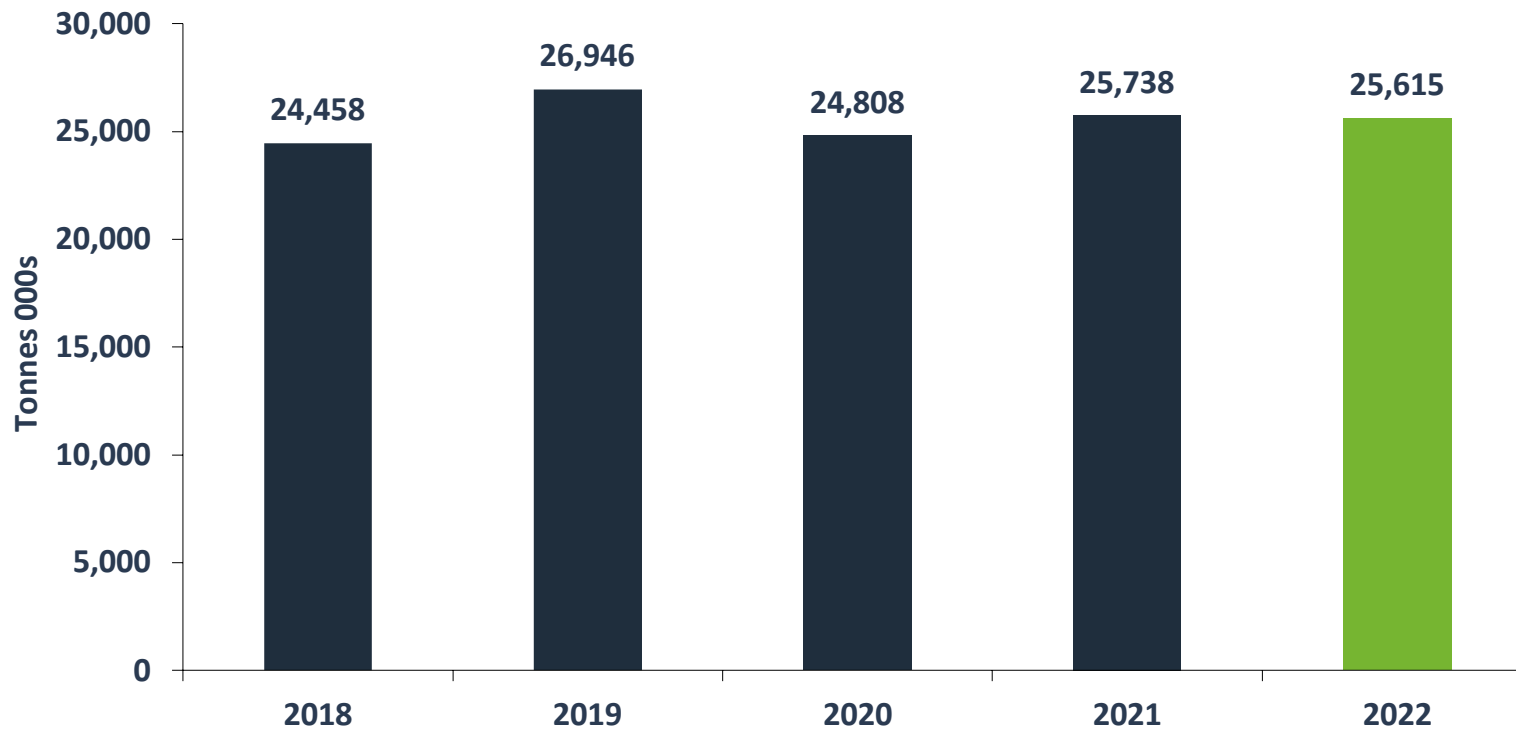
Net Debt / Net Debt + Equity

For the year ended 30 June 2022



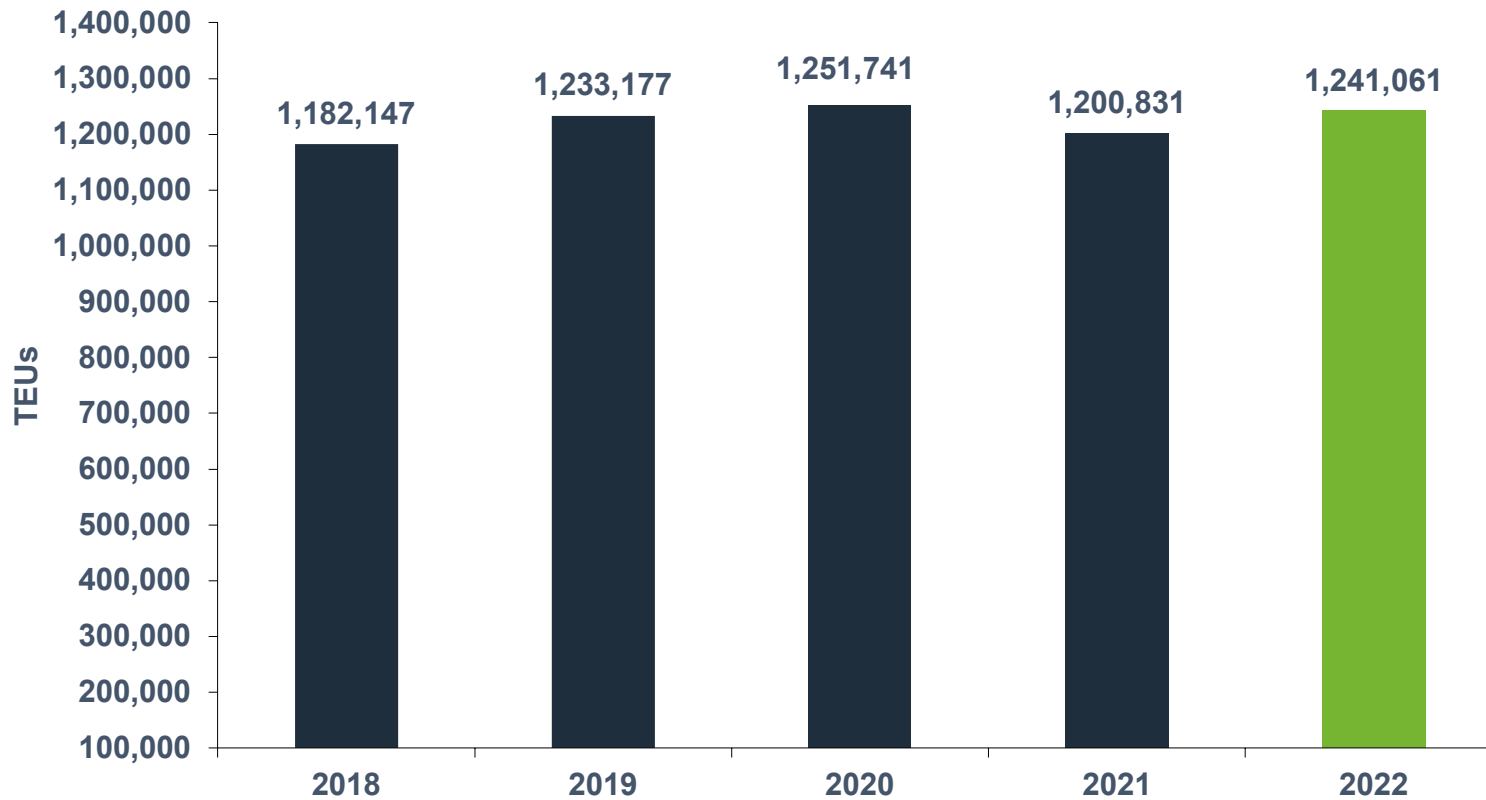
Total Trade down 0.5%

For the year ended 30 June 2022



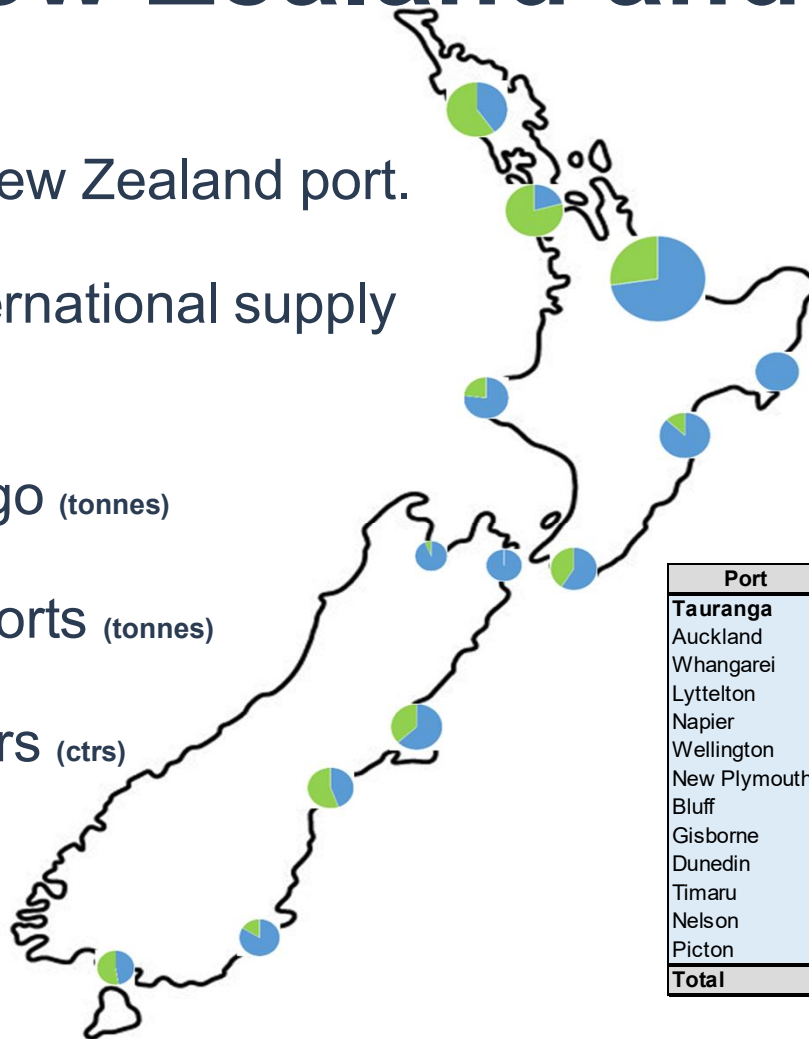
Container Volumes up 3.4%

For the year ended 30 June 2022



Connecting New Zealand and the World

- Largest and most efficient New Zealand port.
- Lowest carbon emission international supply chain.
- 32% of all New Zealand cargo (tonnes)
- 36% of all New Zealand exports (tonnes)
- 42% of all shipping containers (ctrs)

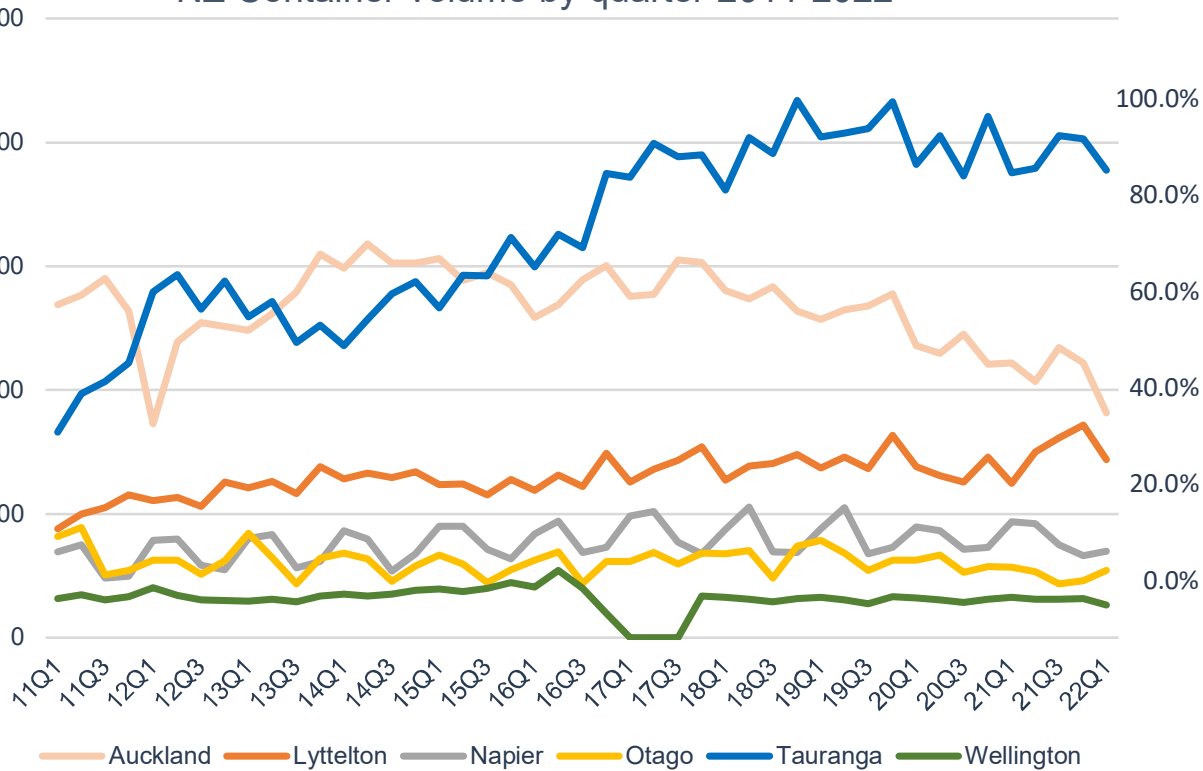


Port	Export (Tonnes M)	Import (Tonnes M)
Tauranga	14953.85	6282.69
Auckland	1117.85	6029.42
Whangarei	2882.21	4201.02
Lyttelton	3436.06	2031.33
Napier	4174.03	674.67
Wellington	2186.06	1969.17
New Plymouth	2983.60	755.56
Bluff	1511.09	1605.26
Gisborne	2819.95	0.99
Dunedin	1822.32	277.78
Timaru	639.48	1129.99
Nelson	1537.36	117.51
Picton	810.69	0.67
Total	40874.55	25076.06

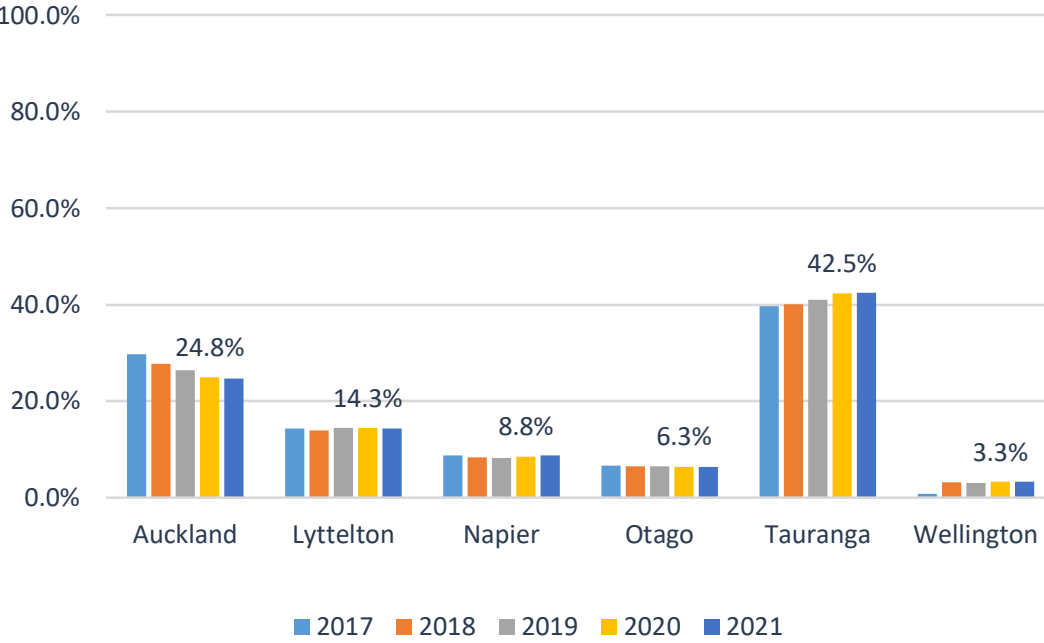
Source: Ministry of Transport / STATS NZ
12 months to May 2022

NZ's Largest Container Terminal

NZ Container volume by quarter 2011-2022



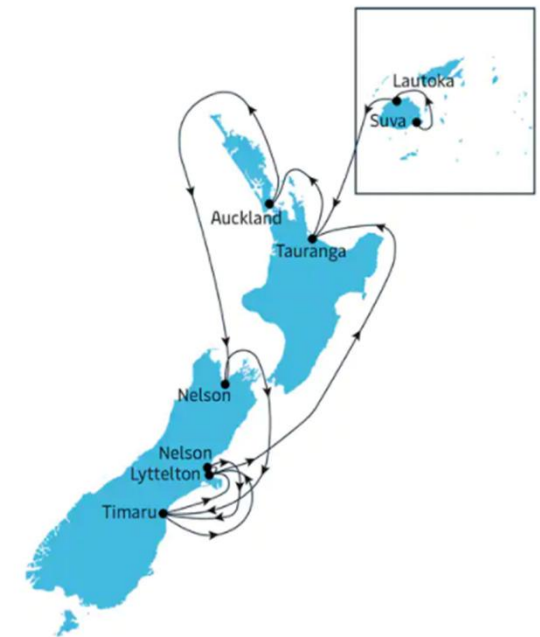
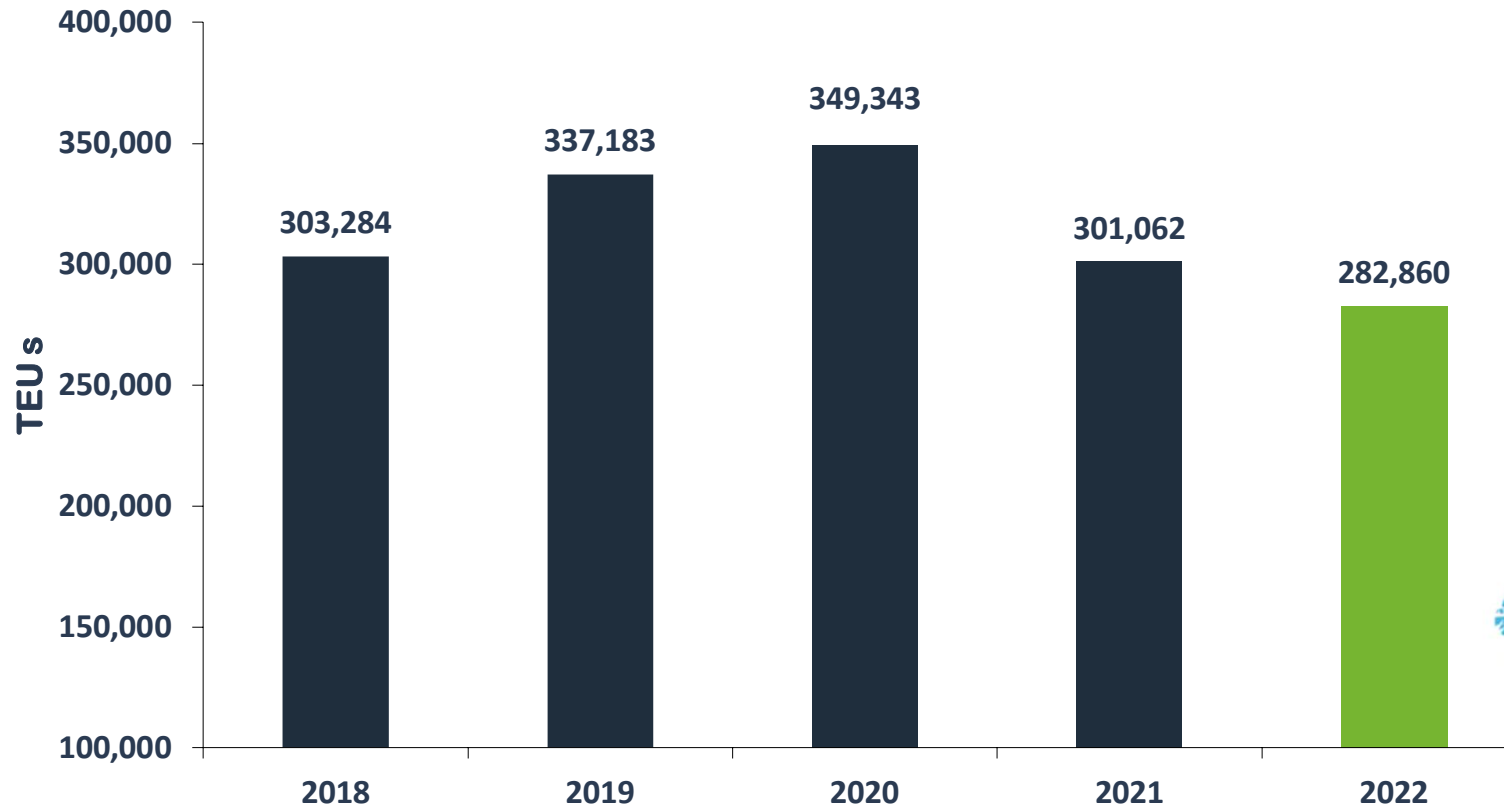
NZ Container Port Market Share Annual Volume



Source: Ministry of Transport

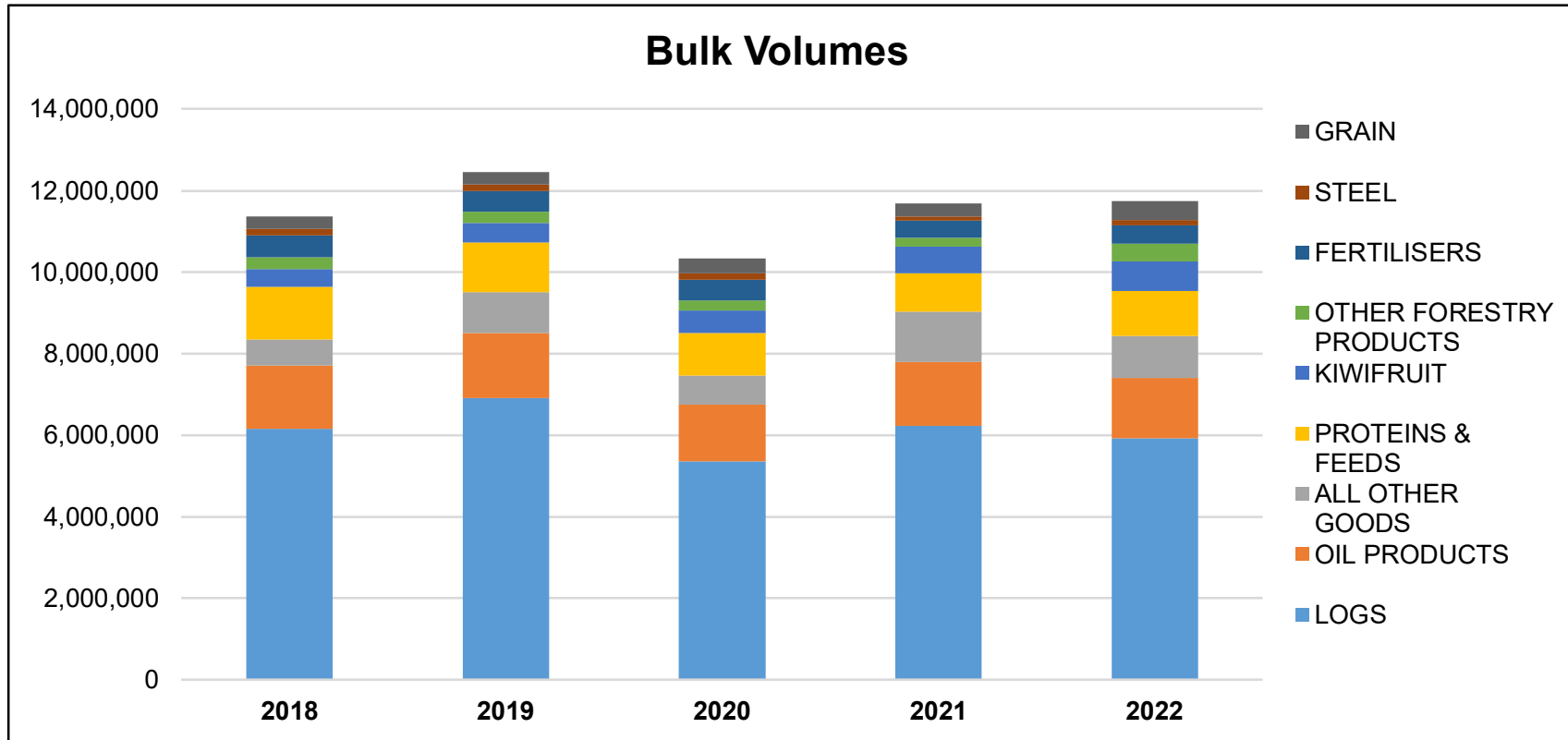
Transshipment down 6.0%

For the year ended 30 June 2022



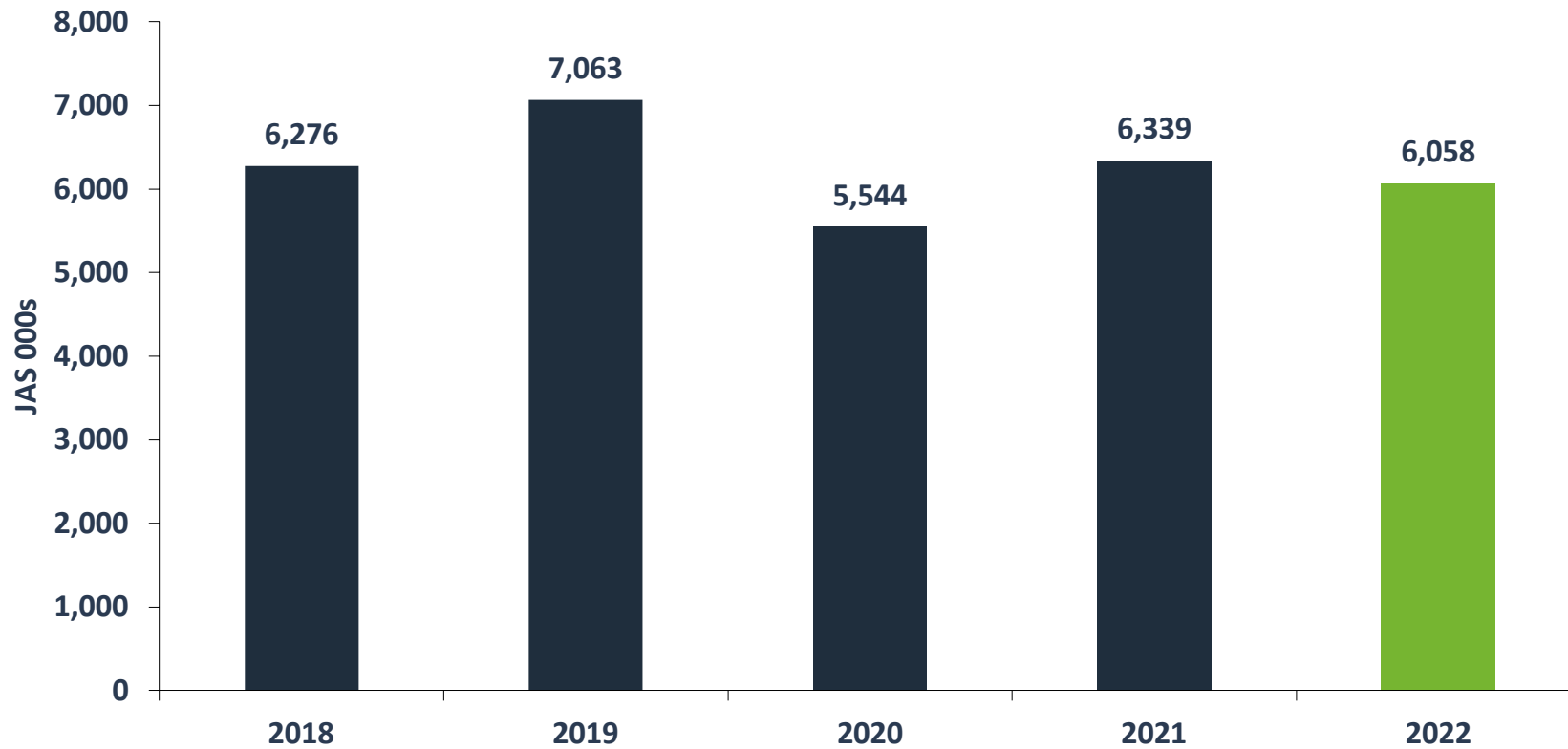
Bulk Cargo up 0.5%

For the year ended 30 June 2022



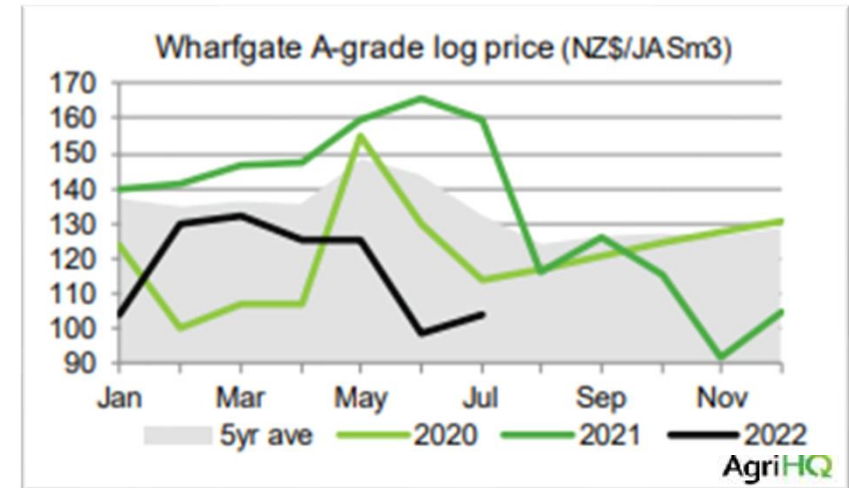
Log Exports down 4.4%

For the year ended 30 June 2022



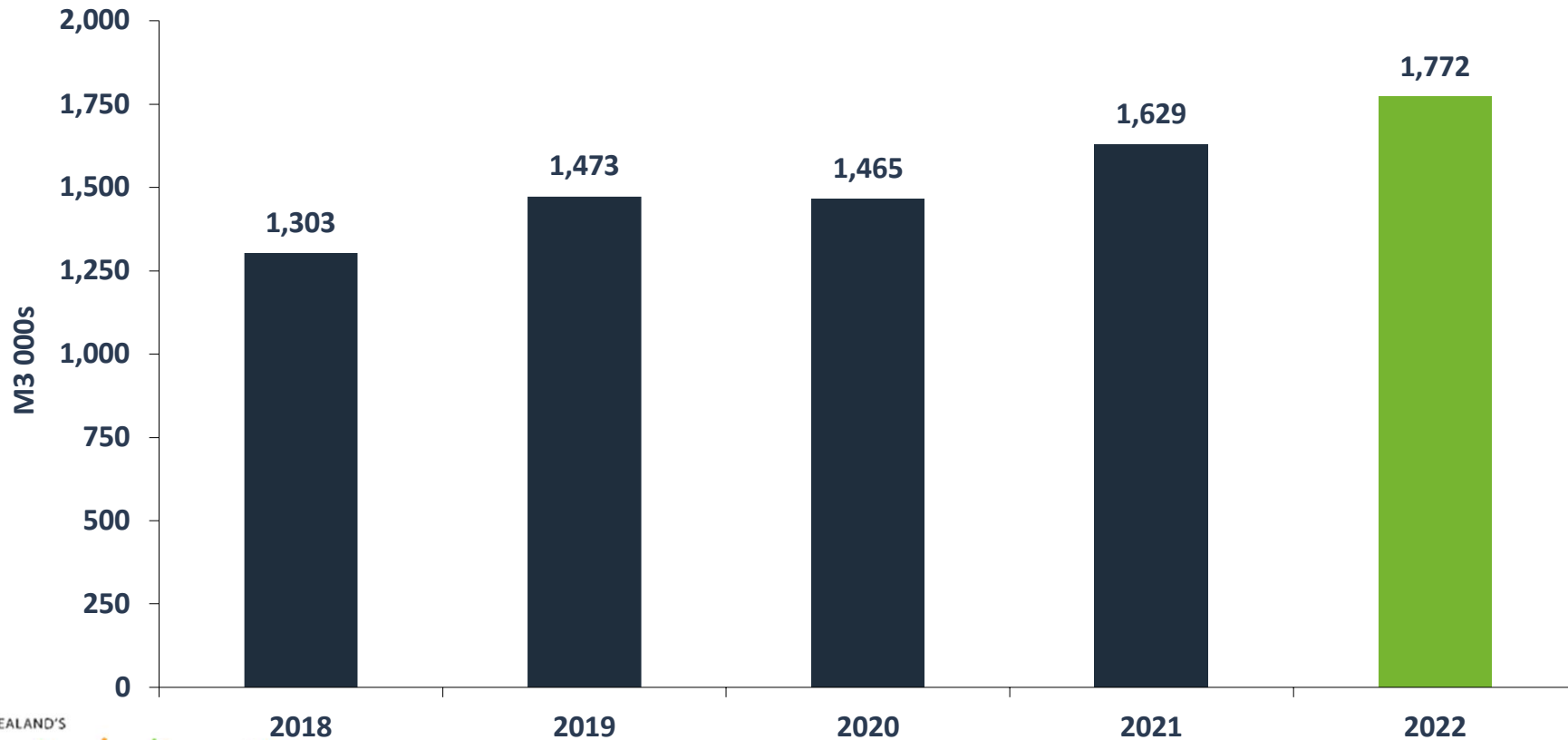
Forestry Outlook

- Log price correction bottomed out – expect improvement through remainder of 2022. At wharf gate market (*smaller forests, farm blocks etc*) has been the most impacted during downturn.
- Circa 65% Tauranga export volume from forest estate owners who manage a sustainable cut to generate fixed income as such less price sensitive.
- No NZ logs to India continues with Australia supplying bulk as they remain locked out of China.



Direct Kiwifruit Exports up 8.8%

For the year ended 30 June 2022



Kiwifruit Outlook



- Strong growth driven by Gold license release and orchards coming into production.
- In 2022 there was a surprising drop in yields (likely weather related) and significant quality issues which will impact grower returns.
- 2022 crop is now forecast at 171M trays compared to forecast 192M trays (21M tray decline).
- Market side demand continues to be very strong with headroom for significant growth built around health, snacking & emerging middle class.
- Significant headwinds from rising costs through the supply chain, in particular freight and post harvest costs.
- Labour shortages continue to be a challenge as crop volume grows.
- Forecast growth circa 40% by 2030.

HEADROOM FOR GROWTH



HEALTH AND WELLNESS



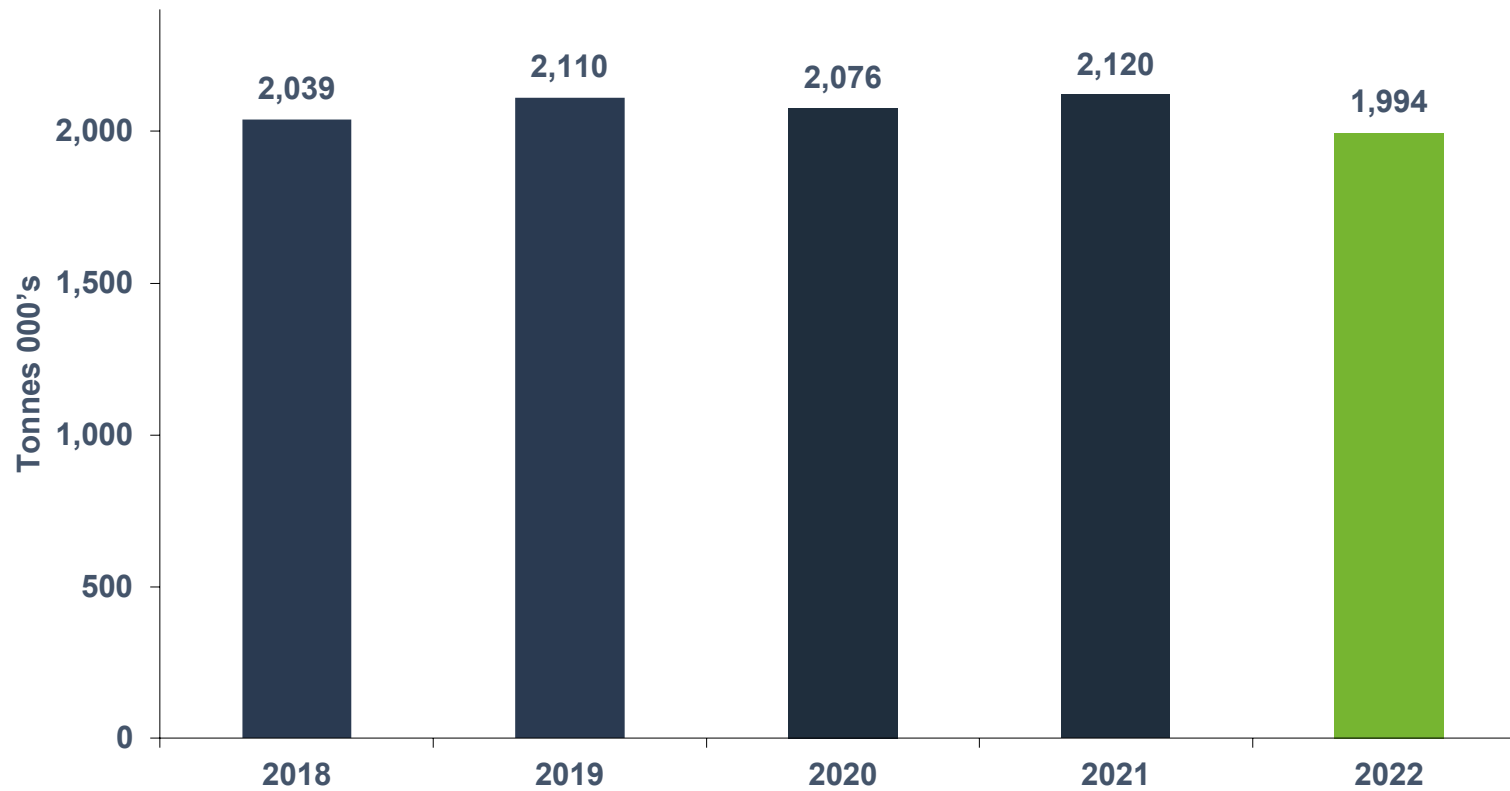
SNACKING



EMERGING MIDDLE CLASS

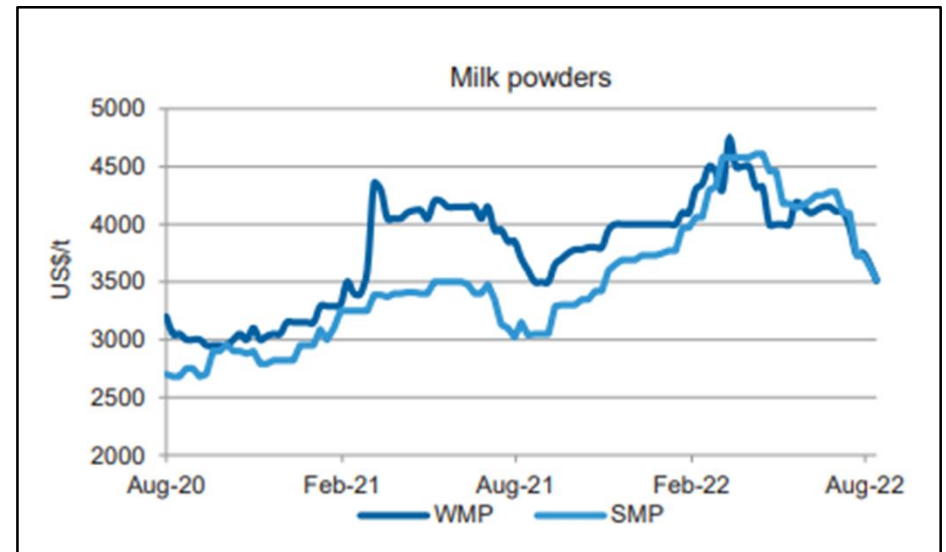
Direct Dairy Exports down 6.0%

For the year ended 30 June 2022



Dairy Outlook

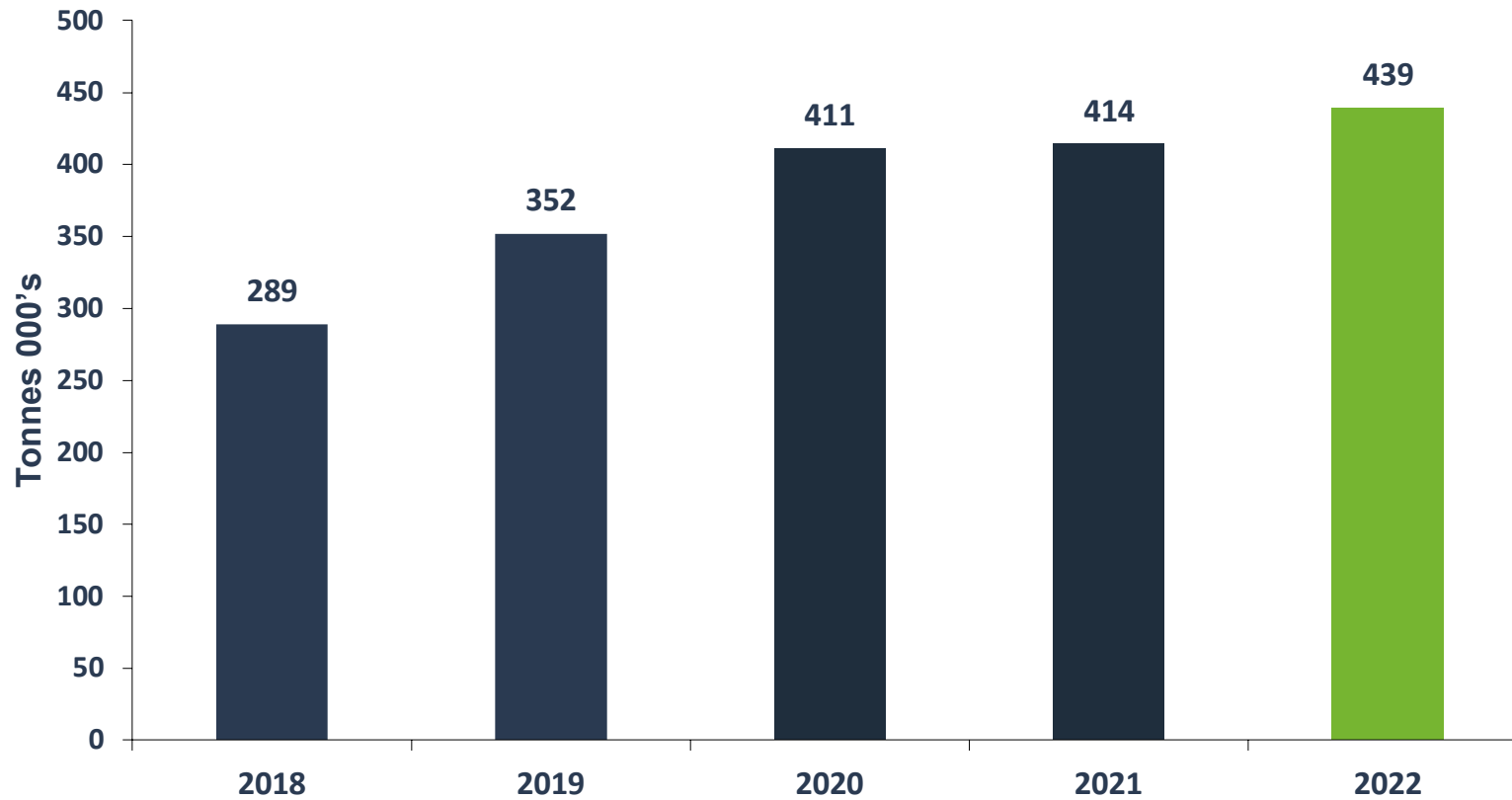
- Dairy volumes forecast to be flat as NZ is at peak cow.
- Conversion to more “value add” products may have an impact of increasing export tonnage.
- Strong commodity price remains although have come back from the March 22 heights.
- There is a higher level of last season inventory onshore than normal (as a result of supply chain delays) which should see solid numbers for FY23.



AgriHQ

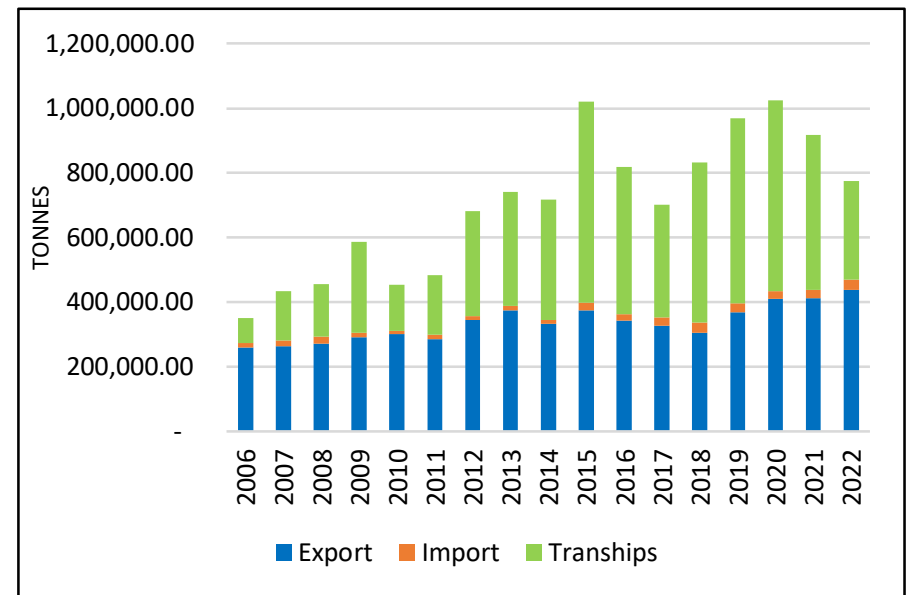
Direct Meat Exports up 6.2%

For the year ended 30 June 2022

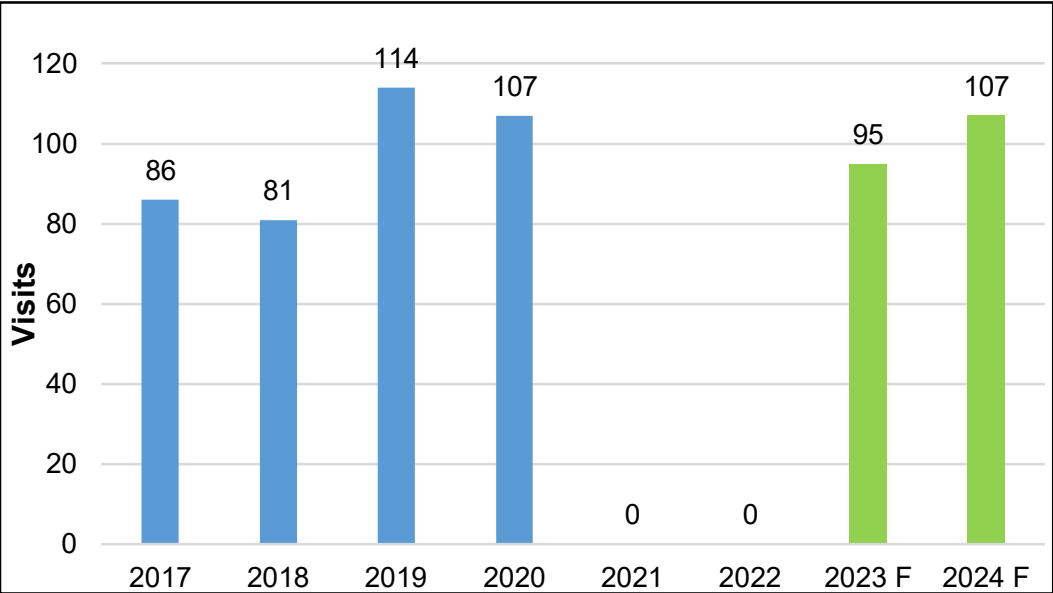


Meat Outlook

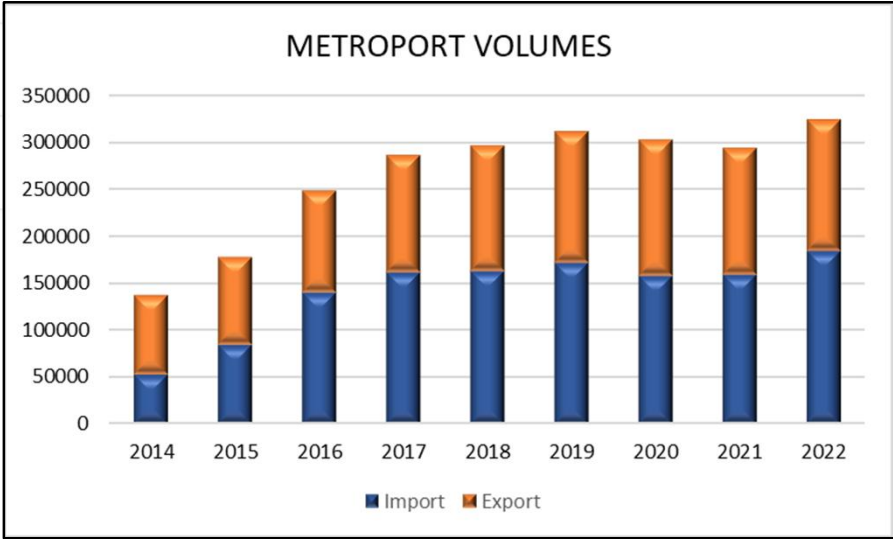
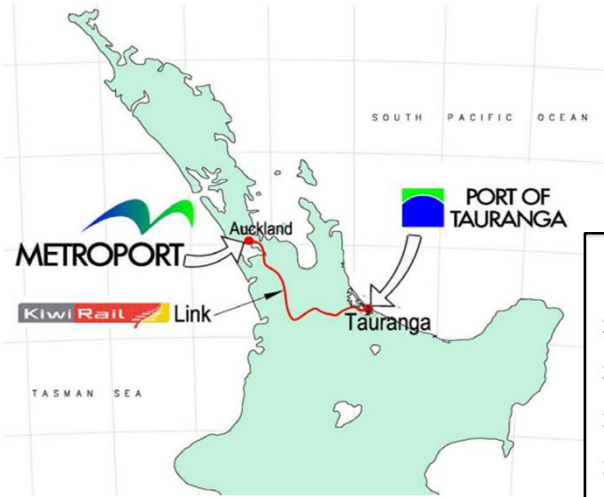
- Historically tranship volume has been more than 50% of the total export meat volumes.
- Tranship volumes originating in both other NZ ports and offshore have decreased in the past two years due to vessel rotation changes.
- Direct export volumes have remained very similar with no domestic changes in production or export port.



Cruise Vessels



MetroPort

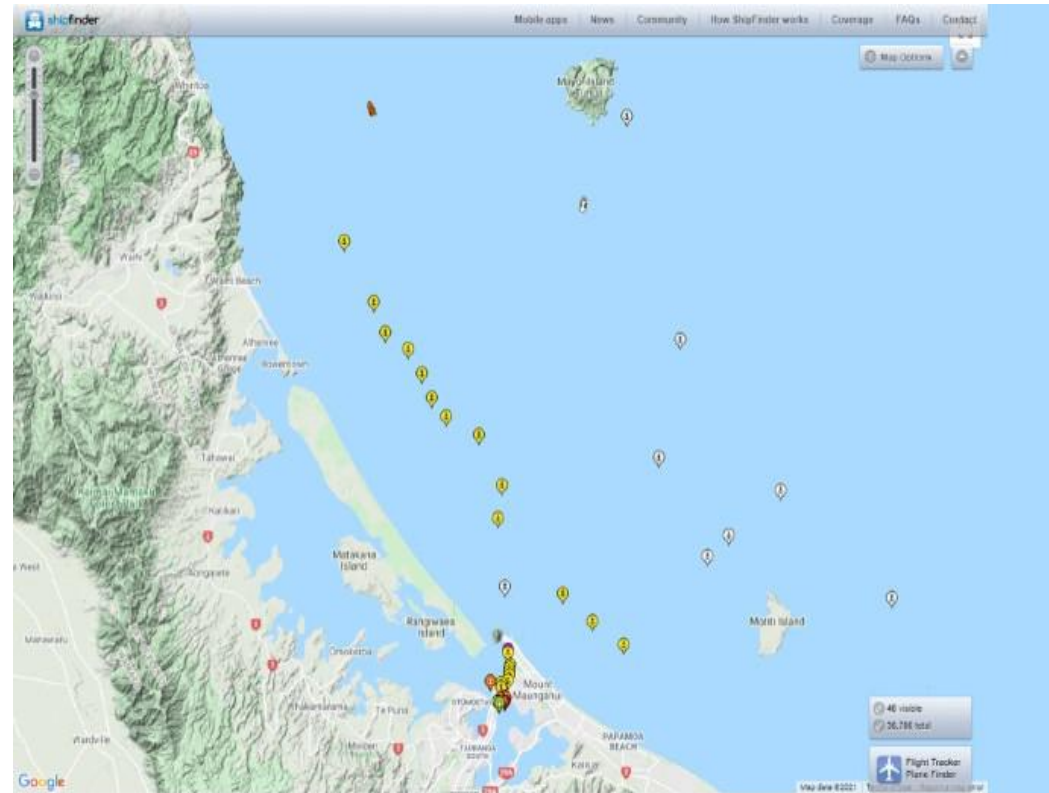


MetroPort rail volumes up 10% on PCP to 325,000 TEU.
 Current programme 92 trains per week.

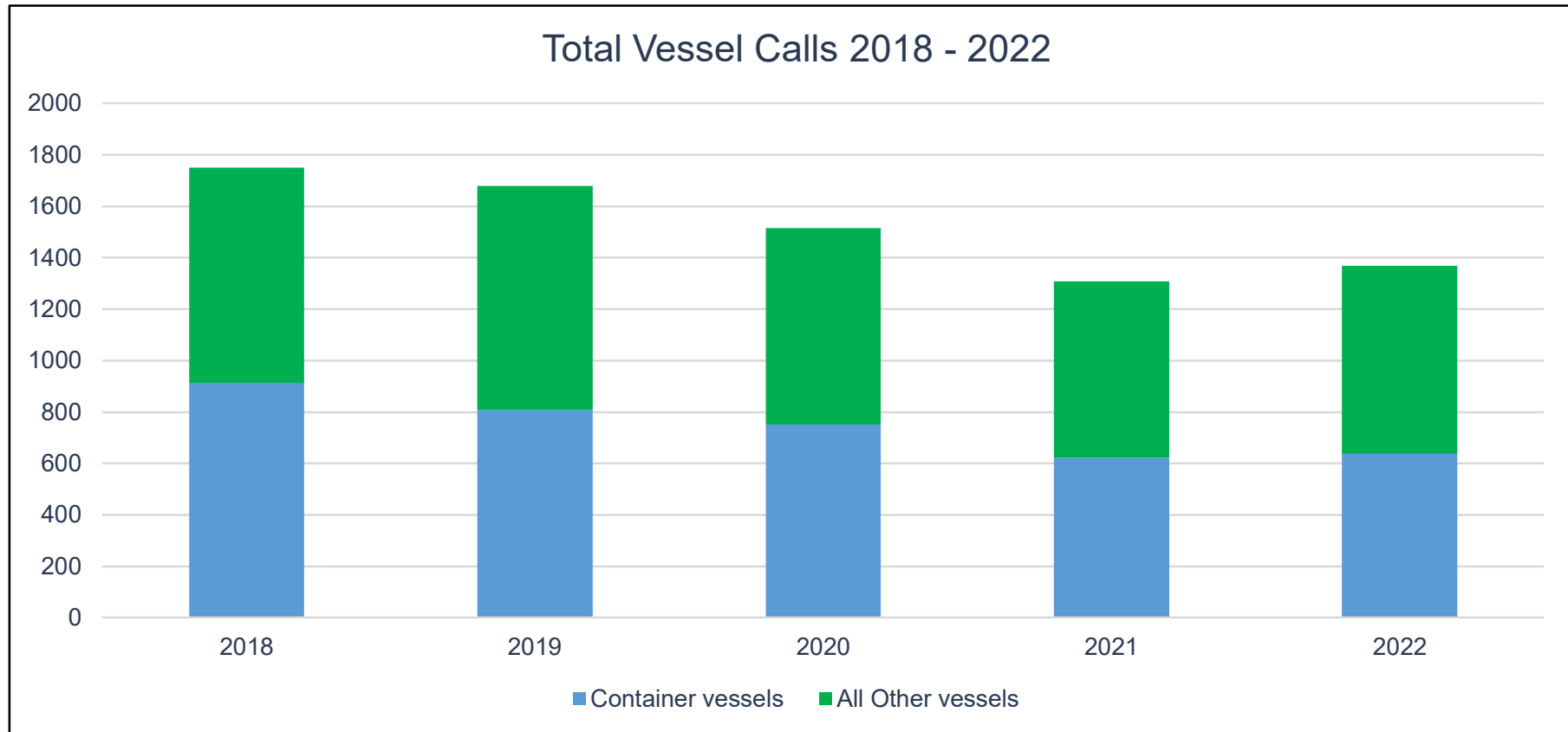


Port Congestion

- Vessel schedules remain suspended in New Zealand.
- 6 of 16 weekly container services can meet berth window in Tauranga ~37%.
- Proforma berth windows expected to be reinstated in Q1 2023.
- Berth priority given to services on window in Tauranga.
- Berth window reinstatement will require all NZ ports to be able to work agreed windows.



Congestion Impacts

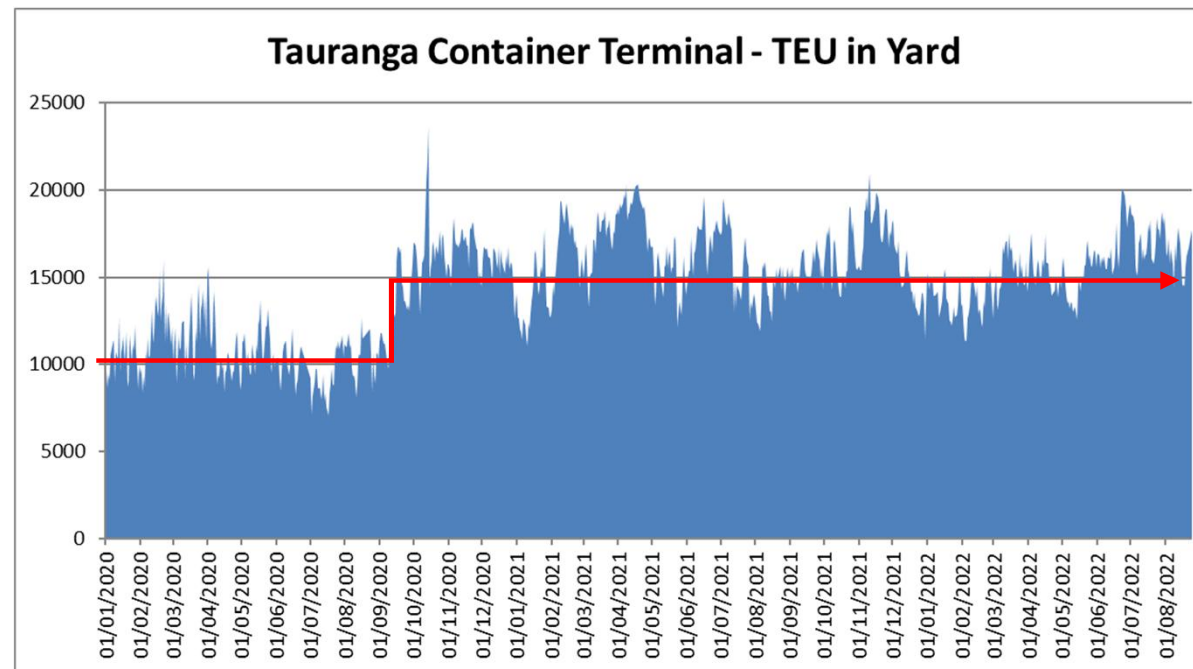


170 less container vessels (22%) vs pre-covid FY 2019.

4.7% increase in vessel calls FY2022 vs PCP.

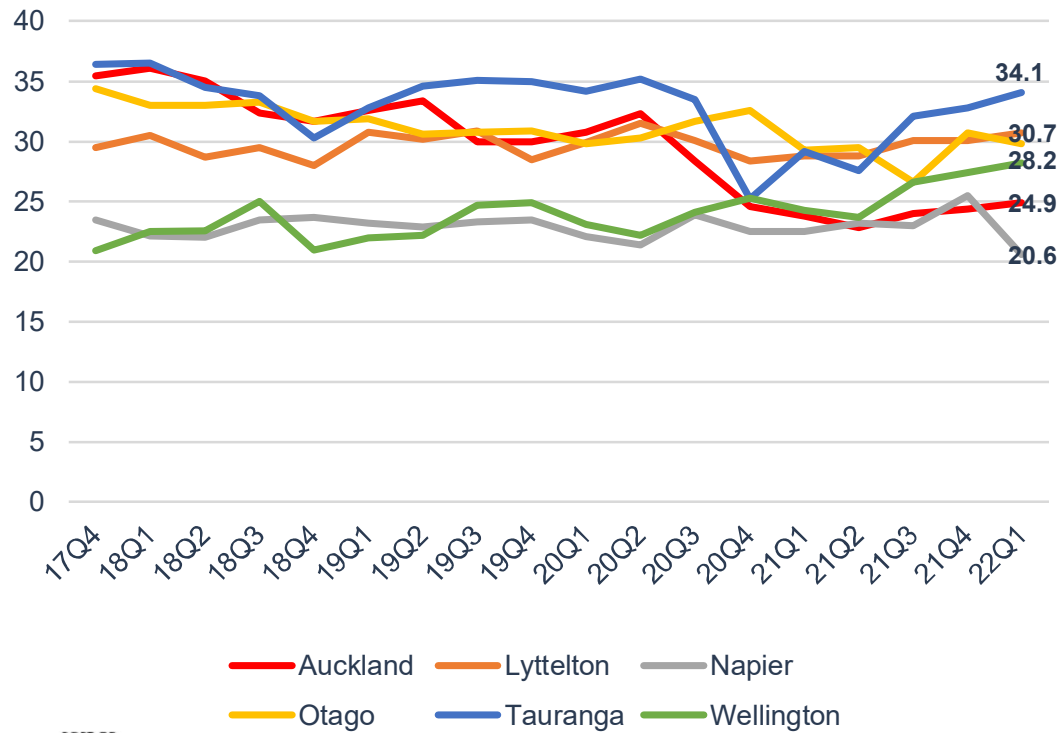
Congestion Impacts

- FY 2022 average container daily yard volume 15,403 TEU (FY21- 15,106 TEU) (FY20- 10,610 TEU).
- Yard intensity continues ~45% above pre covid levels.
- Unlikely to improve until berth windows are reinstated.
- Average vessel exchange increased 11% in FY2022 - (215-TEU) .

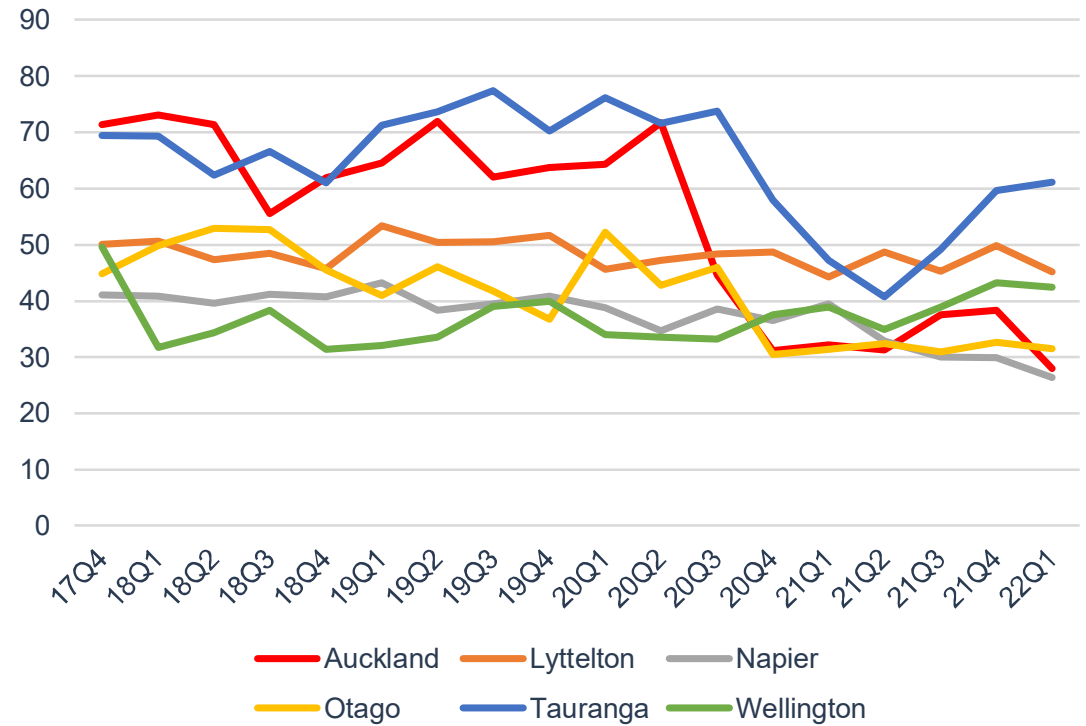


New Zealand Port Productivity

NZ Port Net Crane rate



NZ Port Vessel Rate



Source: FIGS, Ministry of Transport

Port Sector Labour Challenges

- Continued widespread labour shortages across the port sector.
- Additional labour constraints due to seasonal illness and second omicron wave (June – August 2022).
- Significant labour cost inflation across the port sector .
- Urgent need to address immigration settings to allow greater access to foreign labour.



30 Years of Planning

- Berth extension development planned since RMA inception.
- Included in 1996 Coastal Occupation Consent & 2003 Regional Coastal Environment Plan.
- Restricted discretionary activity.
- All proposed development within the existing Port footprint.

AMENDMENT TO COASTAL PERMIT FOR OCCUPATION OF THE COASTAL MARINE AREA PURSUANT TO SECTION 384A OF THE RESOURCE MANAGEMENT ACT 1991

Port of Tauranga Limited is the holder of a coastal permit issued pursuant to section 384A of the Resource Management Act 1991 and dated 27 July 1994, authorising the company to occupy until 30 September 2026 that part of the coastal marine area identified in a map attached to the said permit to enable the company to manage and operate the port related commercial undertakings that it acquired under the Port Companies Act 1988.

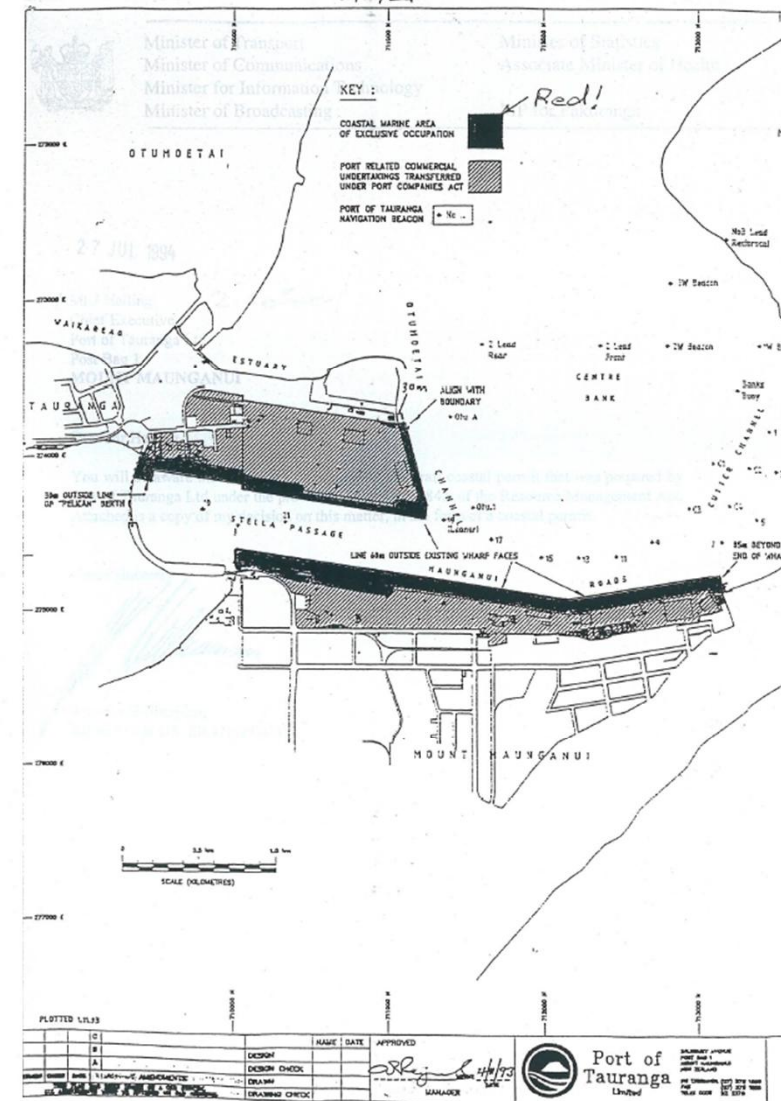
The permit refers, in particular, to areas of the coastal marine area coloured red and marked on the said map, but does not refer to those parts of the coastal marine area located beneath existing structures that comprised part of the said port related commercial undertakings, and in respect of which the company sought an occupation right pursuant to section 384A.

Because it was not the intention of the permit to exclude the right to occupy the areas underlying the above-mentioned structures, the purpose of this instrument is to record expressly that the right of occupation afforded by the permit includes the right to occupy those parts of the coastal marine area located beneath the structures that were acquired by Port of Tauranga Limited under the Port Companies Act 1988 and which are bounded by the areas marked in red on the above-mentioned map.



Maurice Williamson
MINISTER OF TRANSPORT

Date: 10/12/96



Current Consent Request

- Consultation, detailed design and early contractor engagement commenced 2019.
- Shovel Ready applied May 2020 - **declined August 2020**.
- Fast Track application applied October 2020 - **declined March 2021**.
- Direct referral route suggested from MBIE.
- Consent and direct referral request lodged May 2021.
- December 2021 direct referral request accepted.





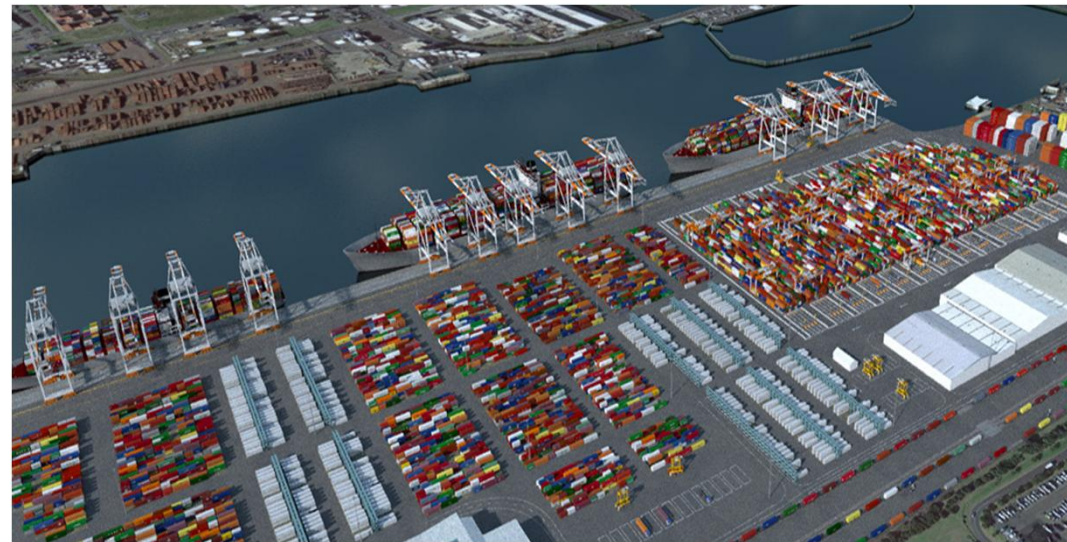
Critical New Zealand Infrastructure

- ~~July 2022~~ - Environment Court hearing date - TBC ~ March 2023.
- Current container capacity 1.4M TEU, current volume 1.25M TEU.
- **2-year construction period & 2.5 years capacity left**

TIME IS OF THE ESSENCE

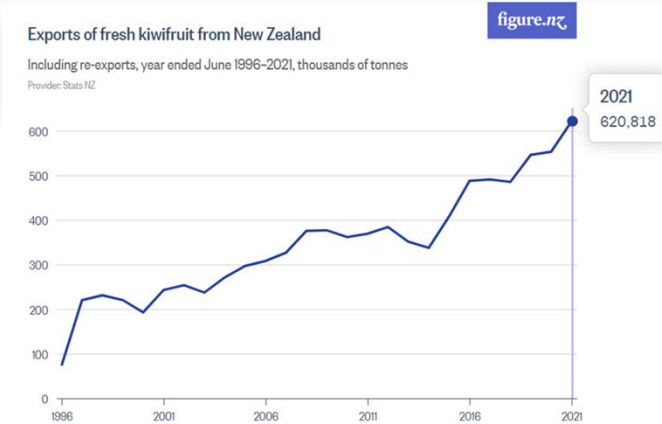
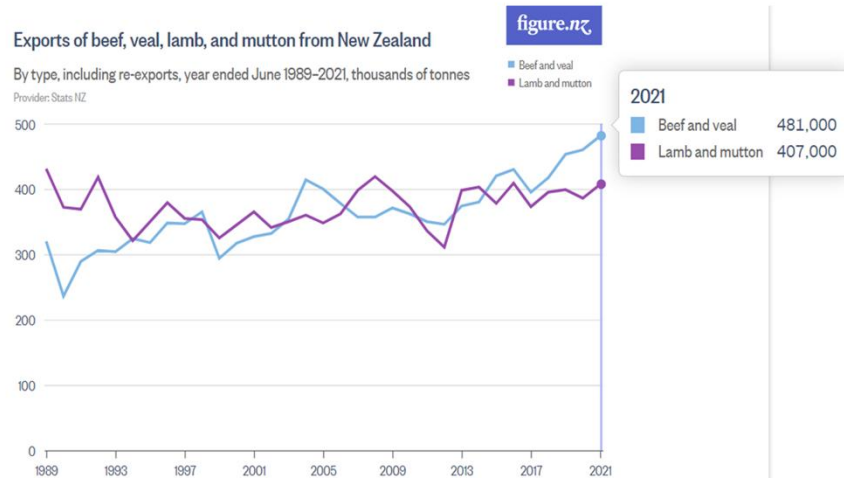
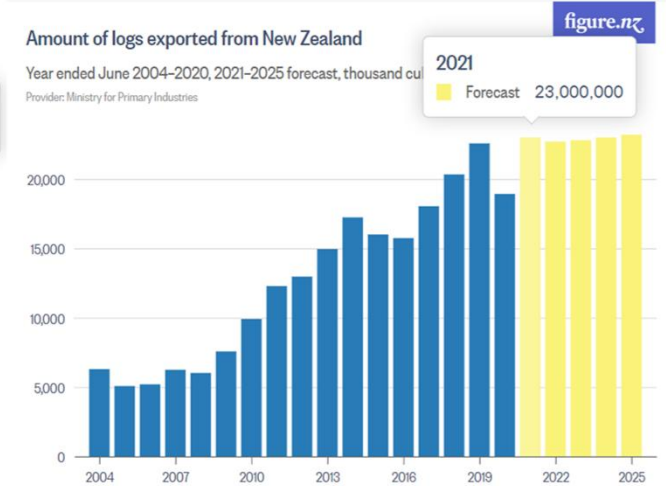
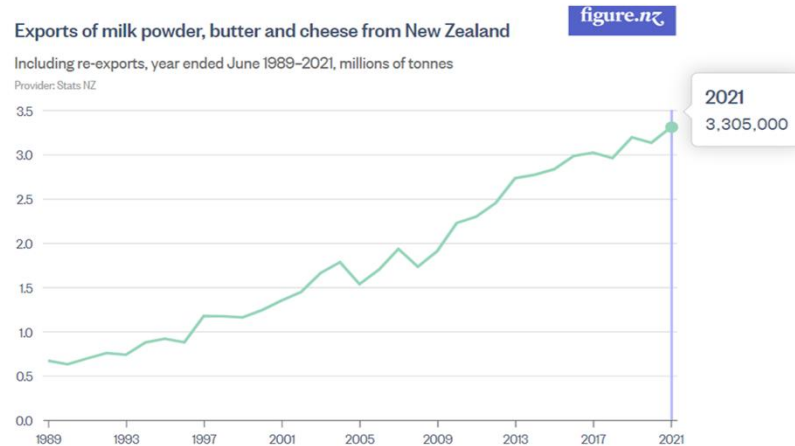
Future Capacity

- New Tauranga berth extension.
- Introduction of new electric Auto Stacking Cranes (ASC).
- Full Terminal Buildout Capacity ~2.8M TEU.
- Based on 2019 MOT National Freight Demand Study “high growth” rate 2.51%.
- Circa 35 years capacity in Tauranga following terminal development.
- ~75% reduction in emissions from ASC introduction.

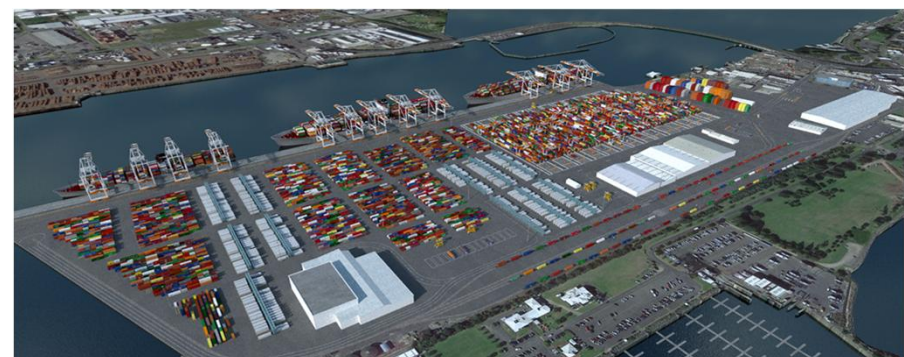
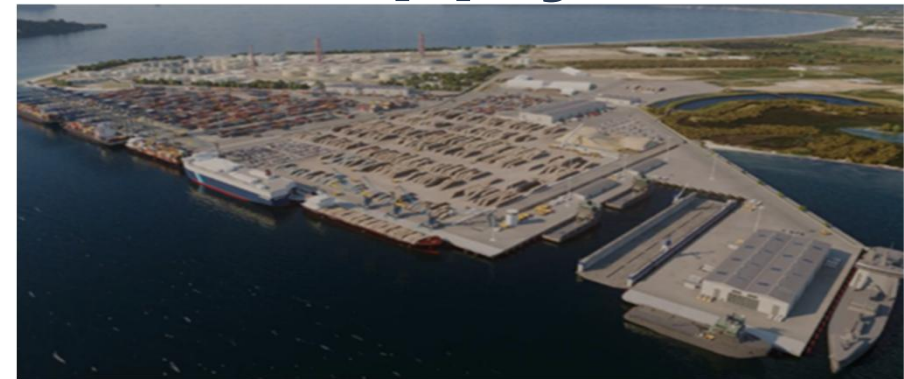


Enabling New Zealand's Export Trade

- ~70% of New Zealand's Dairy trade (2.3M tonnes)
- ~61% of NZ's Meat exports (550K tonnes)
- ~30% of NZ's Export logs (6.7M tonnes)
- ~85% of NZ's Kiwifruit (530K tonnes)
- ~ \$30B in key export commodities plus many more
- ~40% growth in Kiwifruit in next five years

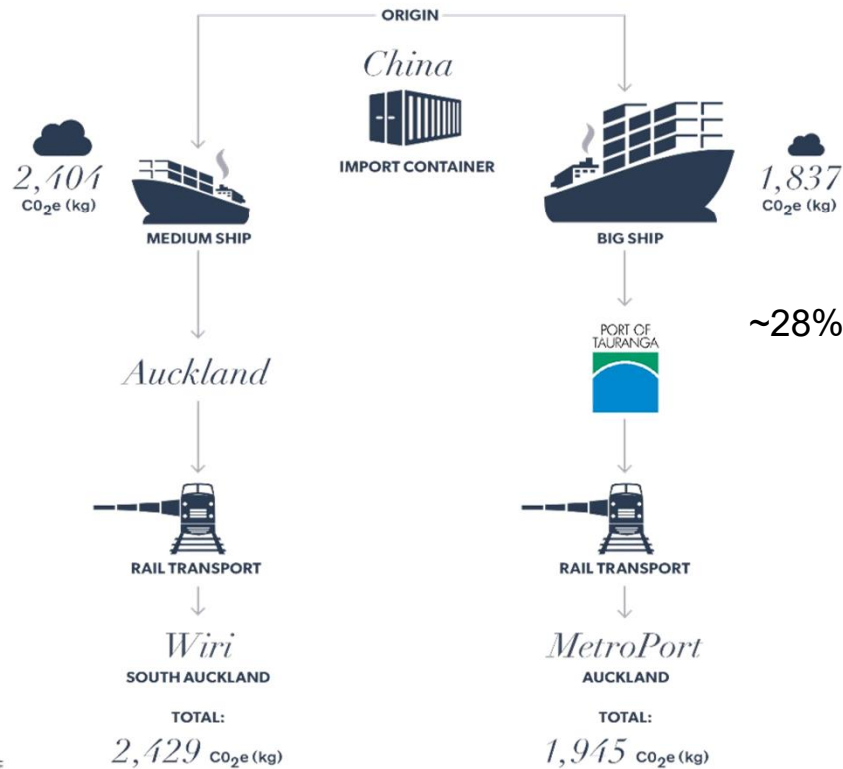


An Integrated Upper North Island Supply Chain



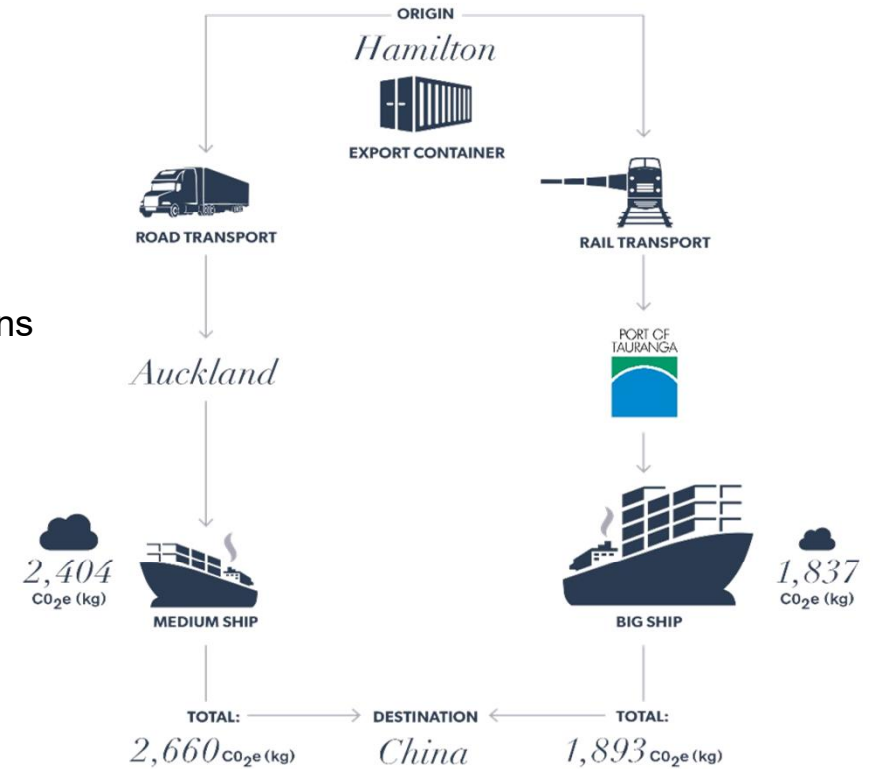
Bigger Ships = Lower Carbon Supply Chain

Import cargo from China to South Auckland
CO₂ emission comparison



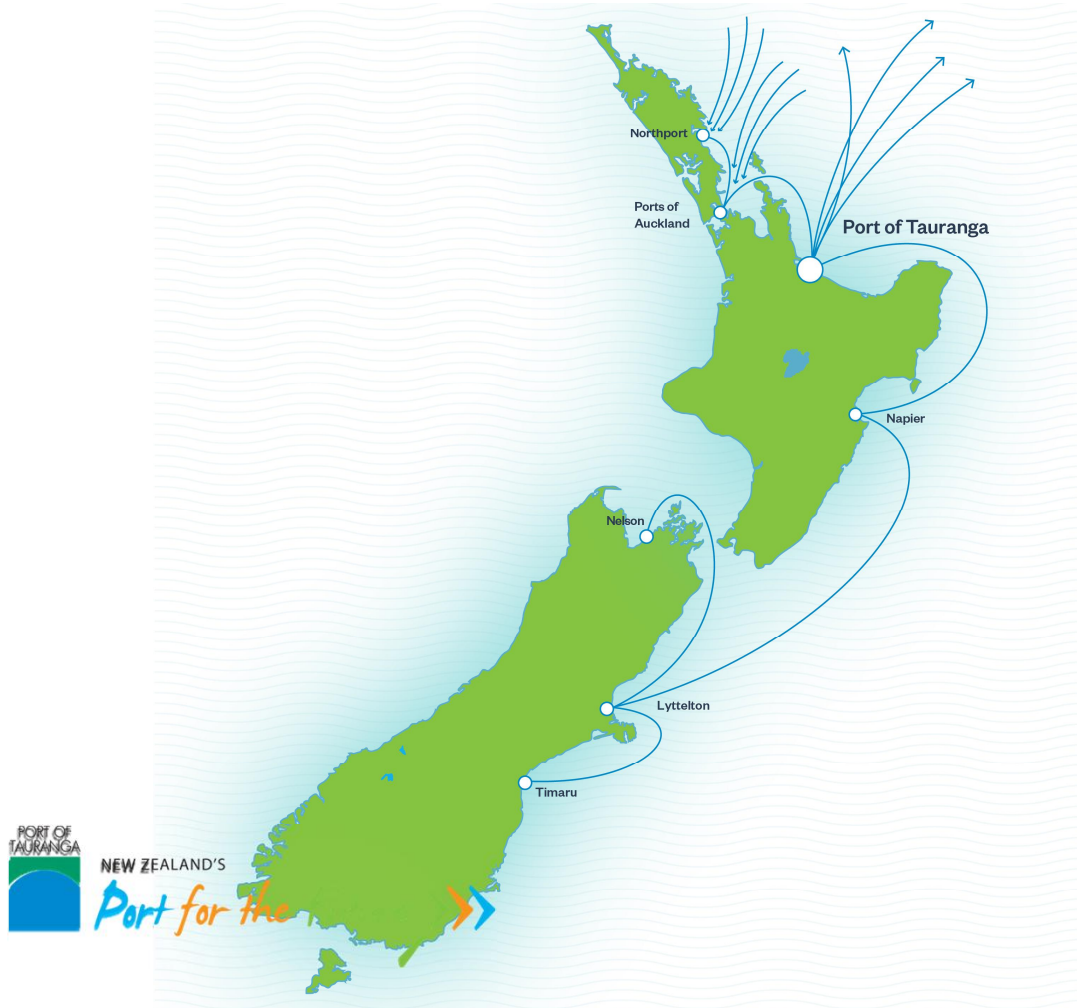
~28% saving in emissions

Export cargo from Hamilton to China
CO₂ emission comparison



Coastal Shipping Supporting Big Ships

Tauranga berth extension crucial to enabling coastal shipping



Mode	Grams of CO ₂ per tonne-kilometre
Road	123.1
Heavy duty road vehicles	92.0
Rail	22.8
Coastal shipping	13.9



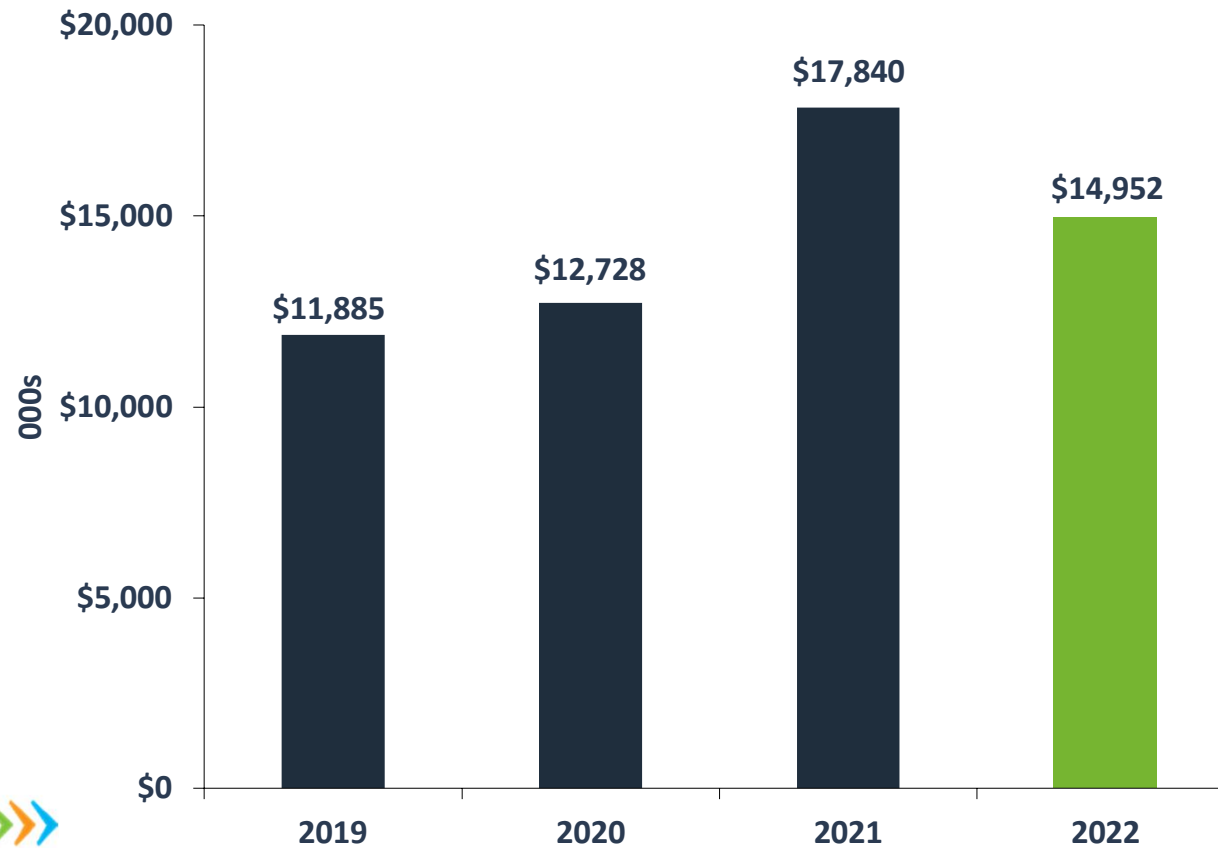
Terminal Automation

- Progressing first stage of Terminal Automation.
- Currently seeking proposals for Auto Stacking Cranes (ASC) from providers.
- Expect vendor selection Q2 FY 2023.
- Well established technology used globally.



Subsidiaries & Associates Net Profit After Tax down 16.2%

For the year ended 30 June 2022





Northport



- Profit down 13.9% to \$7.527 million.
- Break Bulk volumes down 17.6% with log volumes down 518,405 tonnes on the previous year.
- Container volumes up 42.0% to 19,106 TEU.



Profit down 20.8% to \$2.257 million.

Bulk trade volumes increased but offset by marine revenue being lower.



Profit of \$0.492 million down from \$0.782 million in the prior year.

Container volumes down 18.2% to 76,819 TEU.

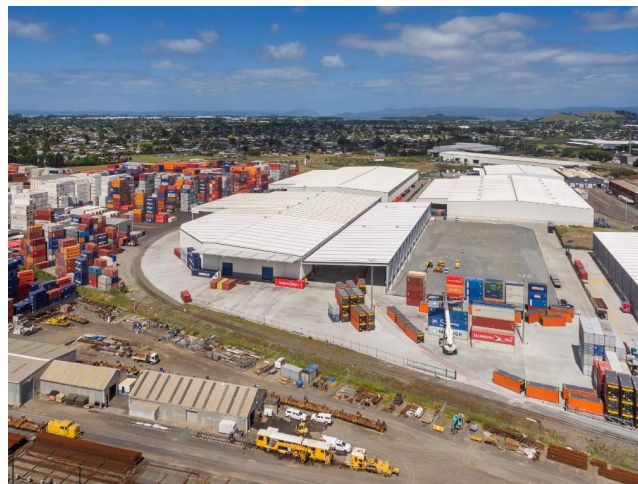


QUALITY
MARSHALLING



Profit of \$3.232 million down 7.7% on the prior year.

Impacted by lower generator hire revenue compared to the prior year and increases in operating costs.



Reported profit of \$1.283 million vs \$1.869 million in the prior year.
Prior year's result included the profit on sale of Coda's investment in TNX.

Ruakura Inland Port

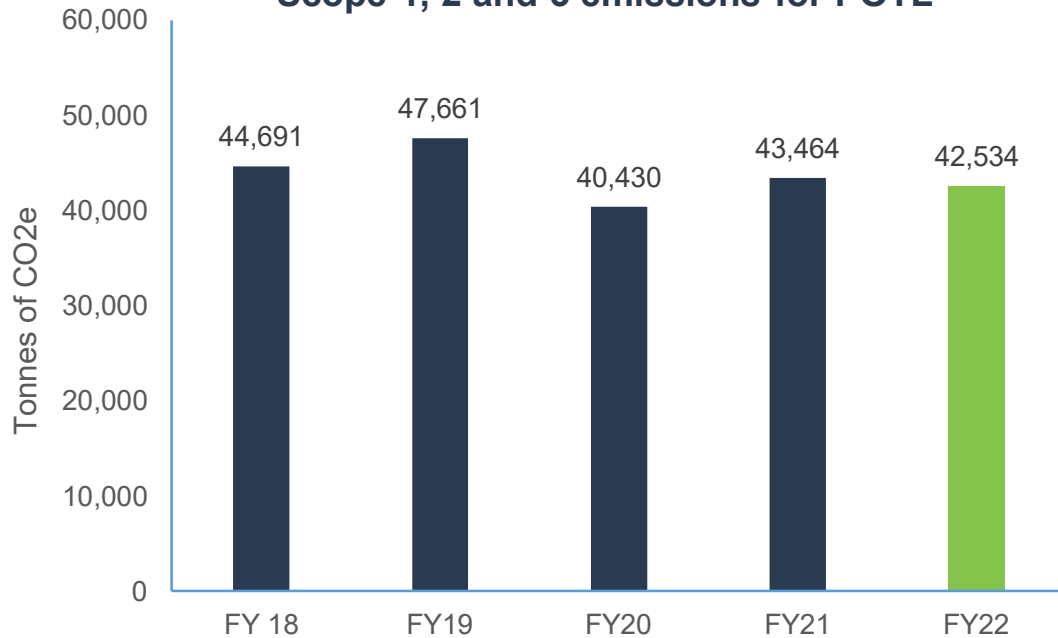


Inland Port construction almost complete
Due to open late 2022
(Waikato expressway opened July 2022)

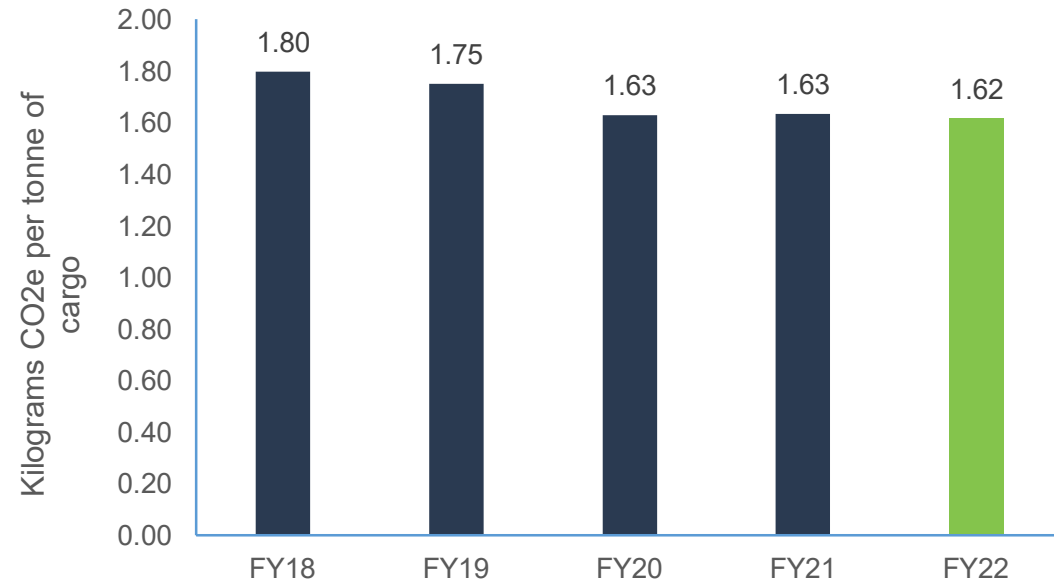


Greenhouse Gas Emissions

Scope 1, 2 and 3 emissions for POTL



Kilograms of CO2e per tonne of cargo



- Emission reductions resulting from several key reduction programs
- Congestion in FY21 and FY22 has slowed further reductions in emission reductions

Air Quality Initiatives & Improvements

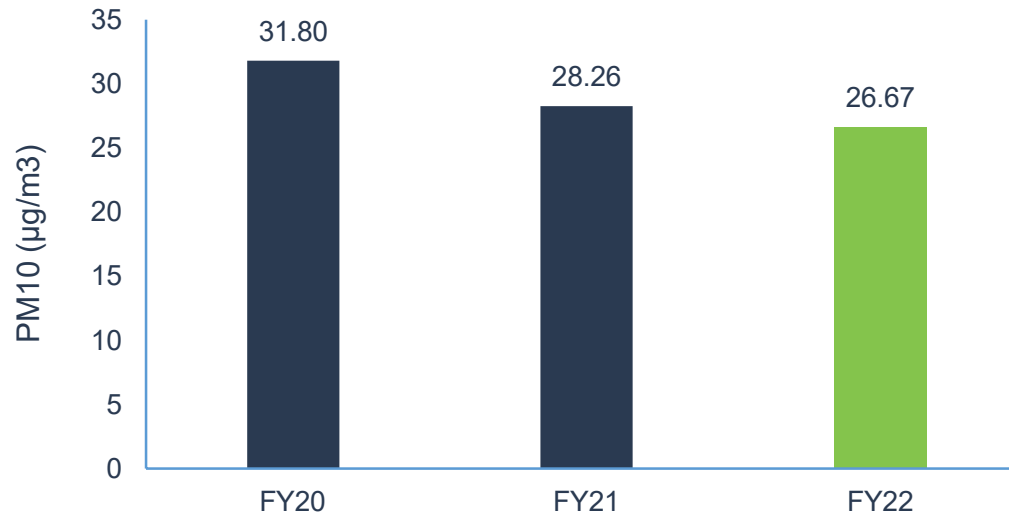
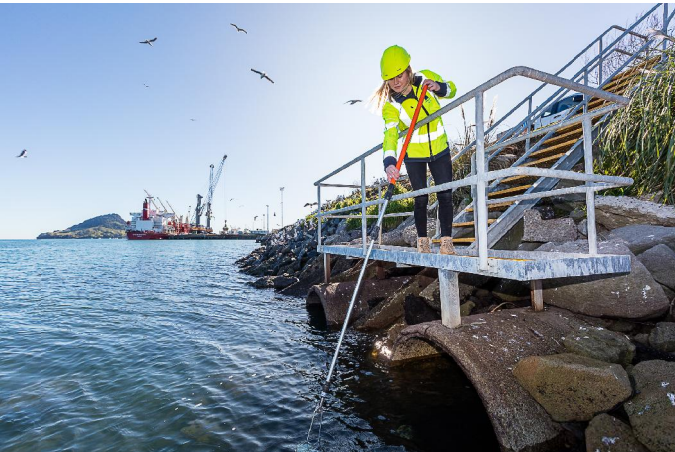
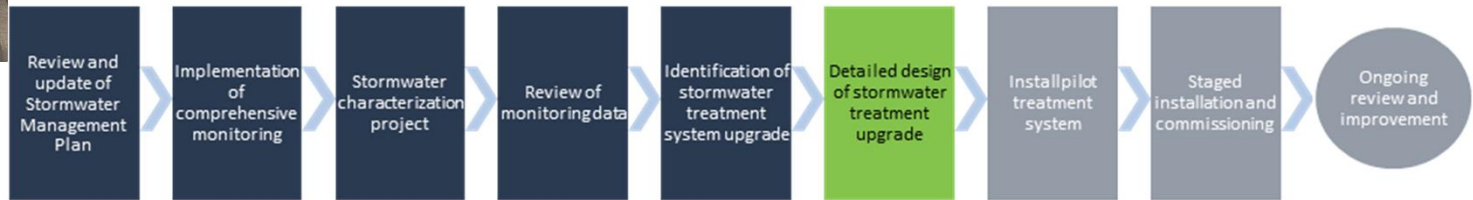
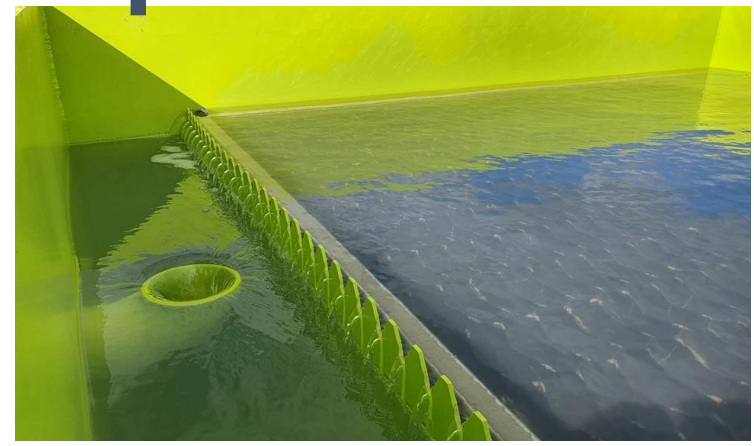


Figure 1. Mean PM₁₀ concentrations measured at the BOPRC monitor 'Railyard South' during dry weather conditions in spring-summer periods when the Port was upwind.

Water Quality Initiatives & Improvements



- Comprehensive stormwater monitoring.
- Compliant with resource consent's water quality limits.
- Continuous improvement pathway.



Harbour Water and Sediment Quality



All mean values meets high conservation value guideline for heavy metal toxicants.



All mean values meets slightly-moderately disturbed systems guideline for heavy metal toxicants.



All mean values meets highly disturbed system guideline for heavy metal toxicants.



All mean values meets very highly disturbed system guideline for heavy metal toxicants.



Sediment quality sample site.



Water quality sampling site.



Sponsorship & Community Partnerships

Port of Tauranga Rescue Centre – Surf Lifesaving Eastern



Enhancements of Mauao walking tracks



BOP TECT Rescue helicopter winch



Tertiary Scholarships via Turirangi Te Kani Memorial Nga Matarae Charitable Trust

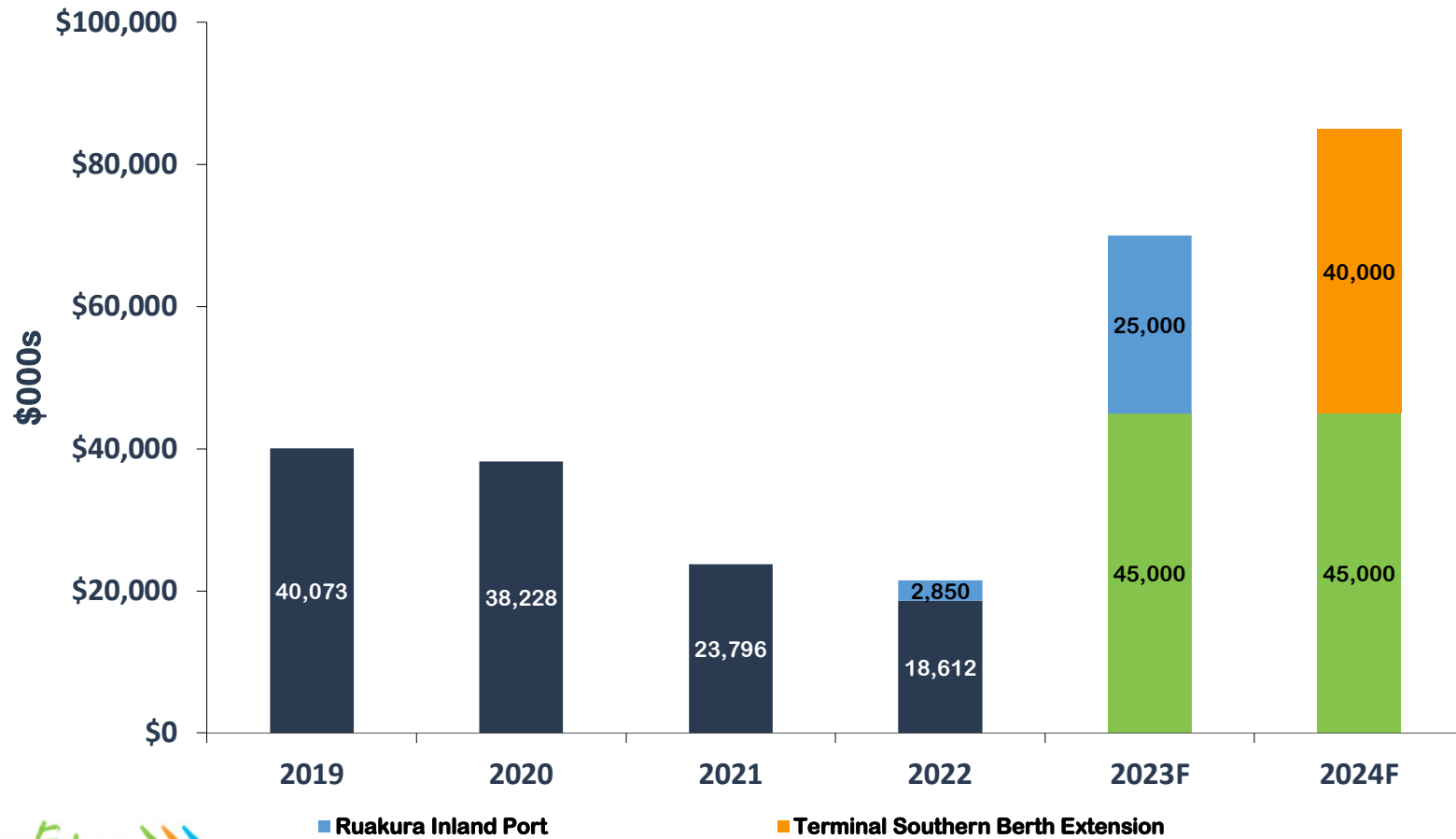


NGĀTI PŪKĒNGA IWI KI TAURANGA TRUST



Pilot Bay Boardwalk

Parent Capital Expenditure 2019-2024



Outlook 2023

- Port congestion is expected to continue until berth windows reinstated ~Q1 2023.
- Labour shortages a worsening problem across port sector.
- Expect to handle about 1.270 million TEUs.
- Log volume forecast circa 5.8M JAS FY23.
- Earnings guidance to be provided in October at Annual Meeting.



THANK YOU