

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.

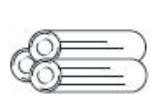
Highlights and Challenges

For the six months ended December 2020



Highlights and Challenges

For the six months ended December 2020



Log exports down

↓ **2.1%**

to 3.3 million tonnes



Dairy exports down

↓ **10.8%**

to 1.1 million tonnes



Transhipped TEUs decreased

↓ **5.1%**



Interim dividend of

6.0 cents

per share

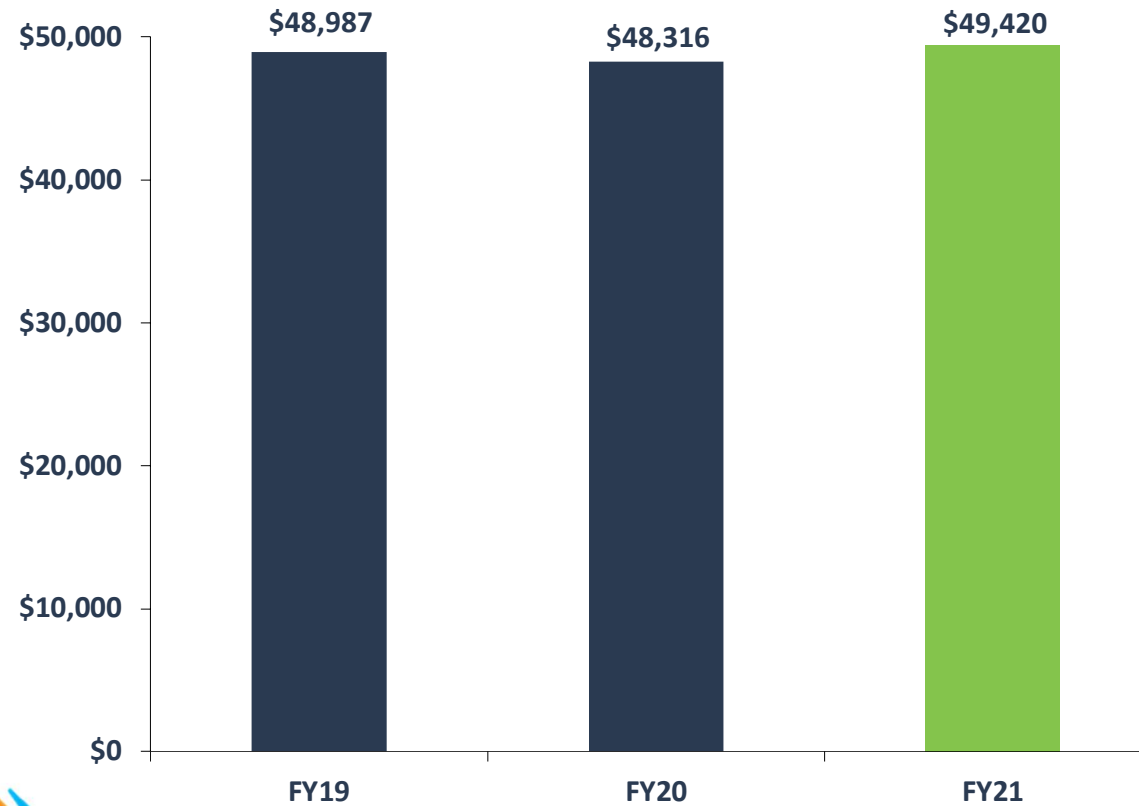


NEW ZEALAND'S

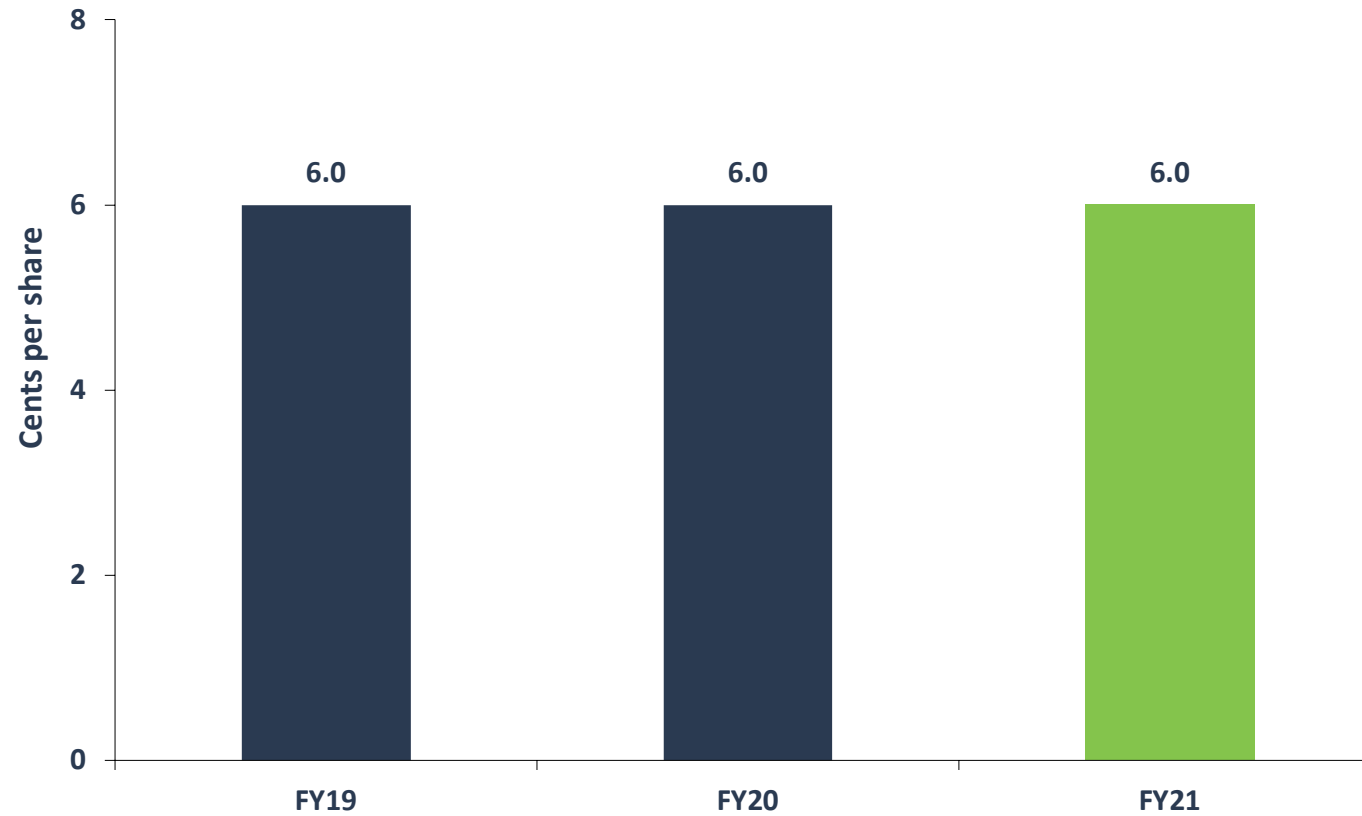
Port for the Future >>>

Group Net Profit After Tax up 2.3%

For the six months ended December 2020

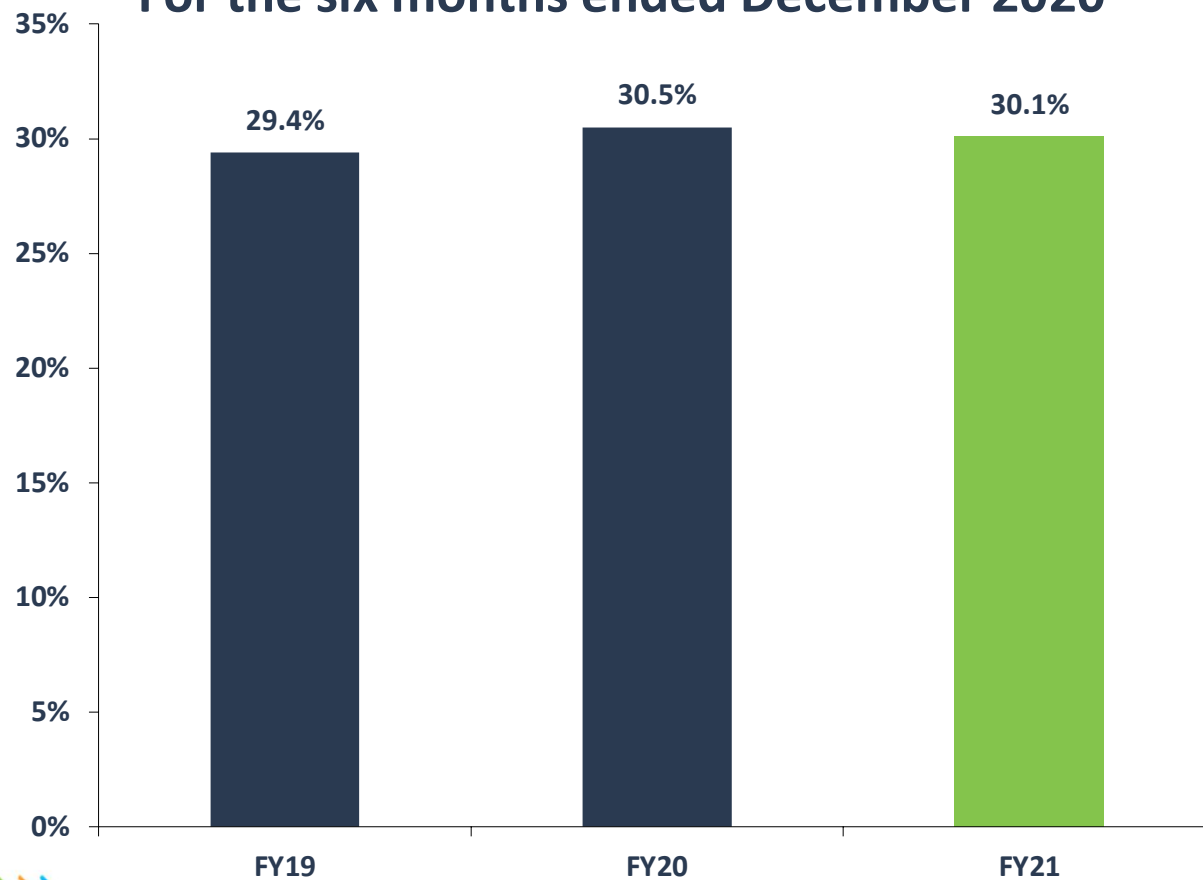


Interim Dividend



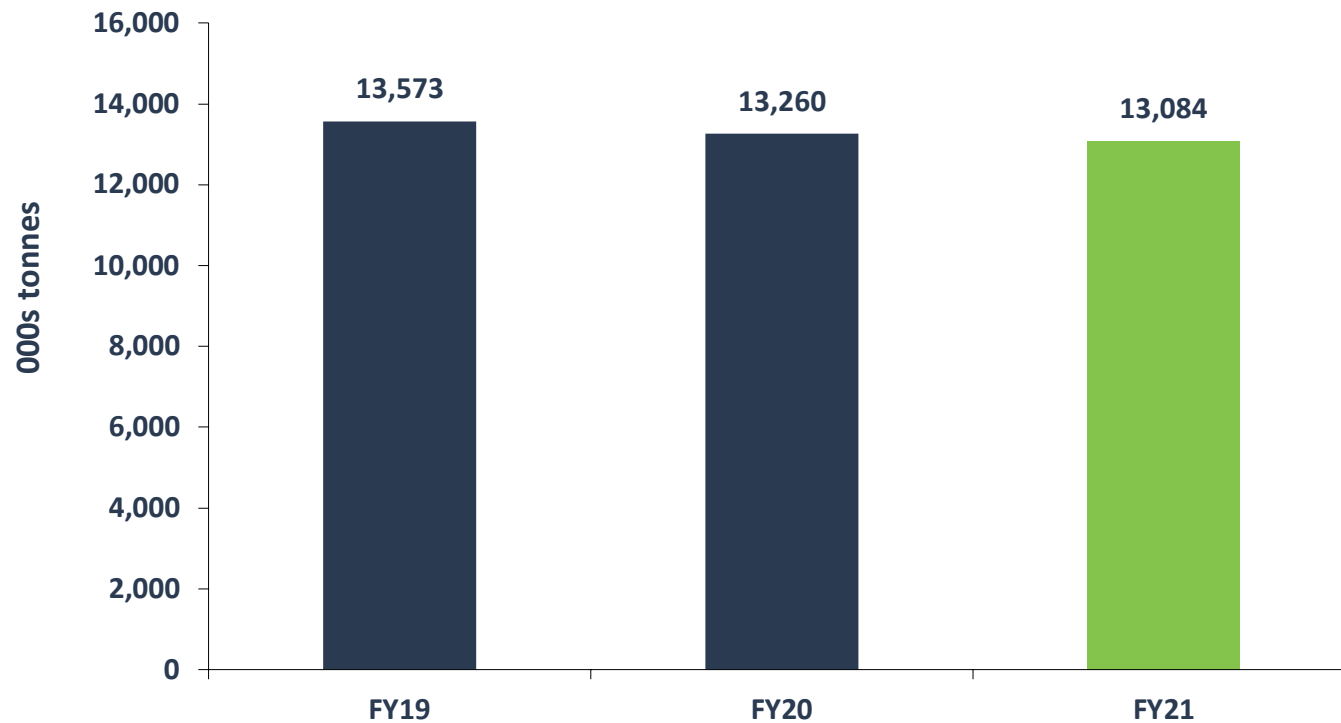
Net Debt / Net Debt + Equity

For the six months ended December 2020



Total Trade down 1.3%

For the six months ended December 2020



The Business

February 12, 2014

PORTS OF AUCKLAND

GOING NOWHERE **FAST**

Port delays
not over yet

A21



My Food Bay
\$342 million
AIMEE SHAW

Kiwi
surv
DAM

Arde
'tran
MAT
HOO

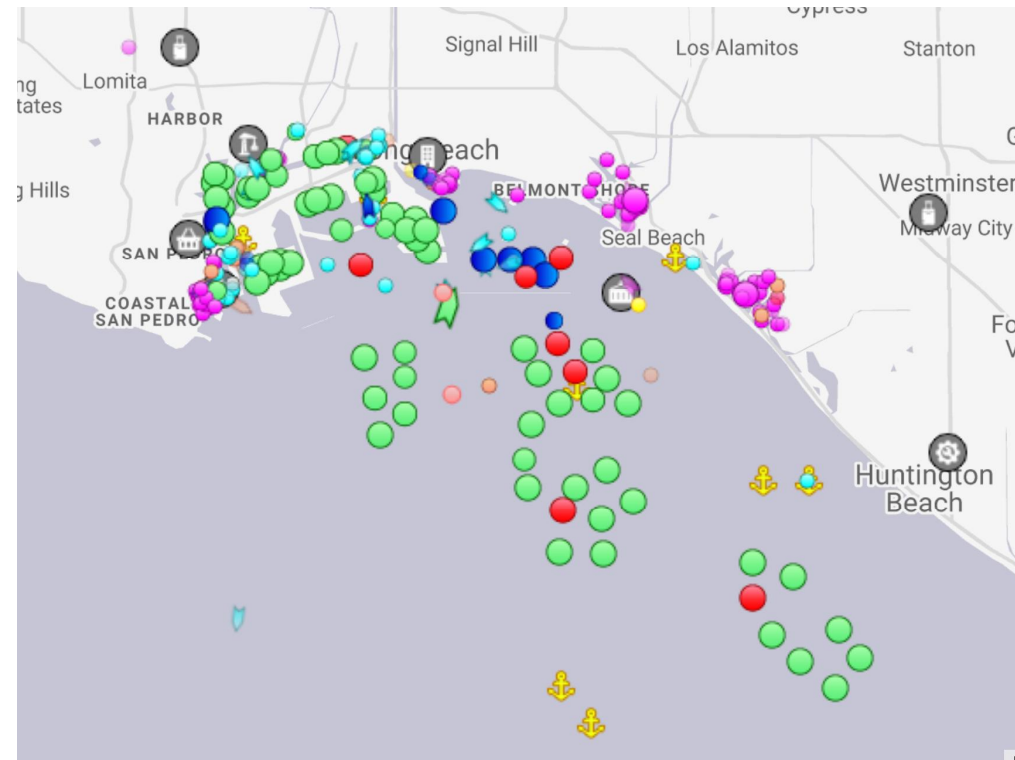
Wha
targe
BRIA

Fonterra: What lies ahead FEATURE A28-29

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*

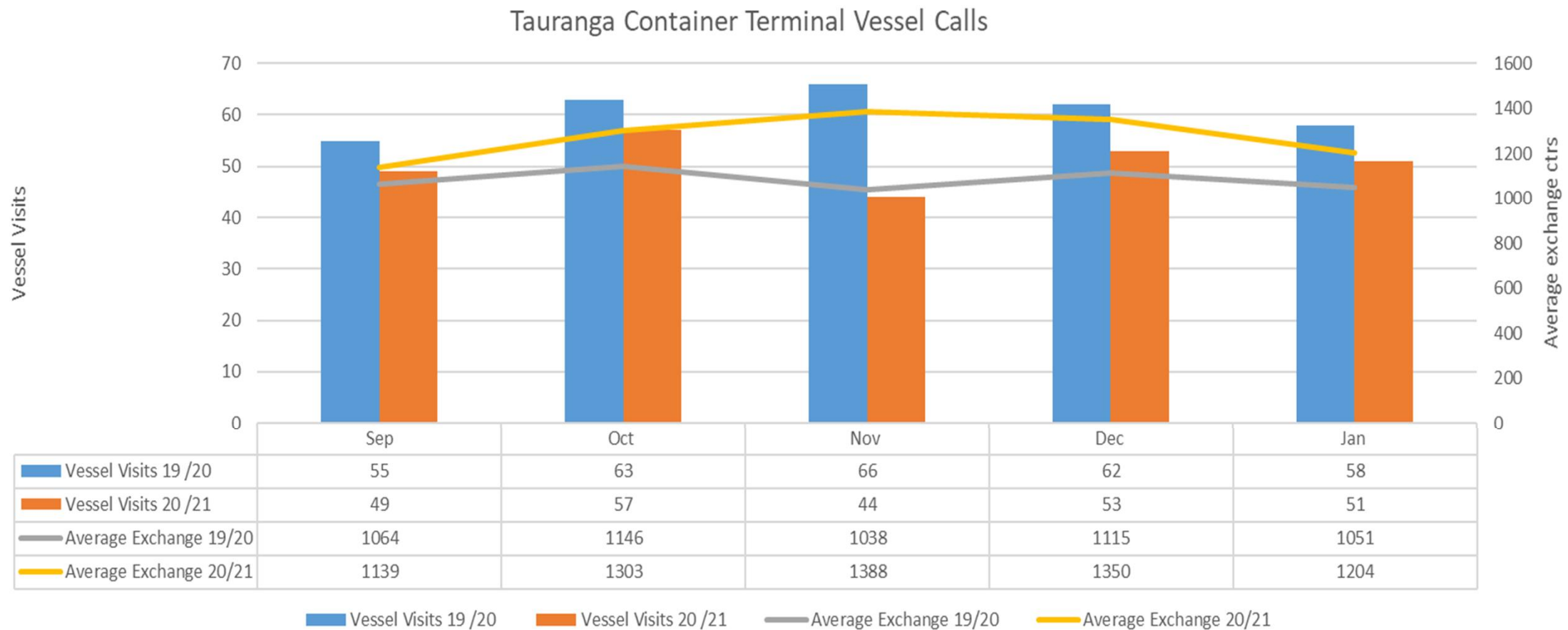
Flow-on Effects



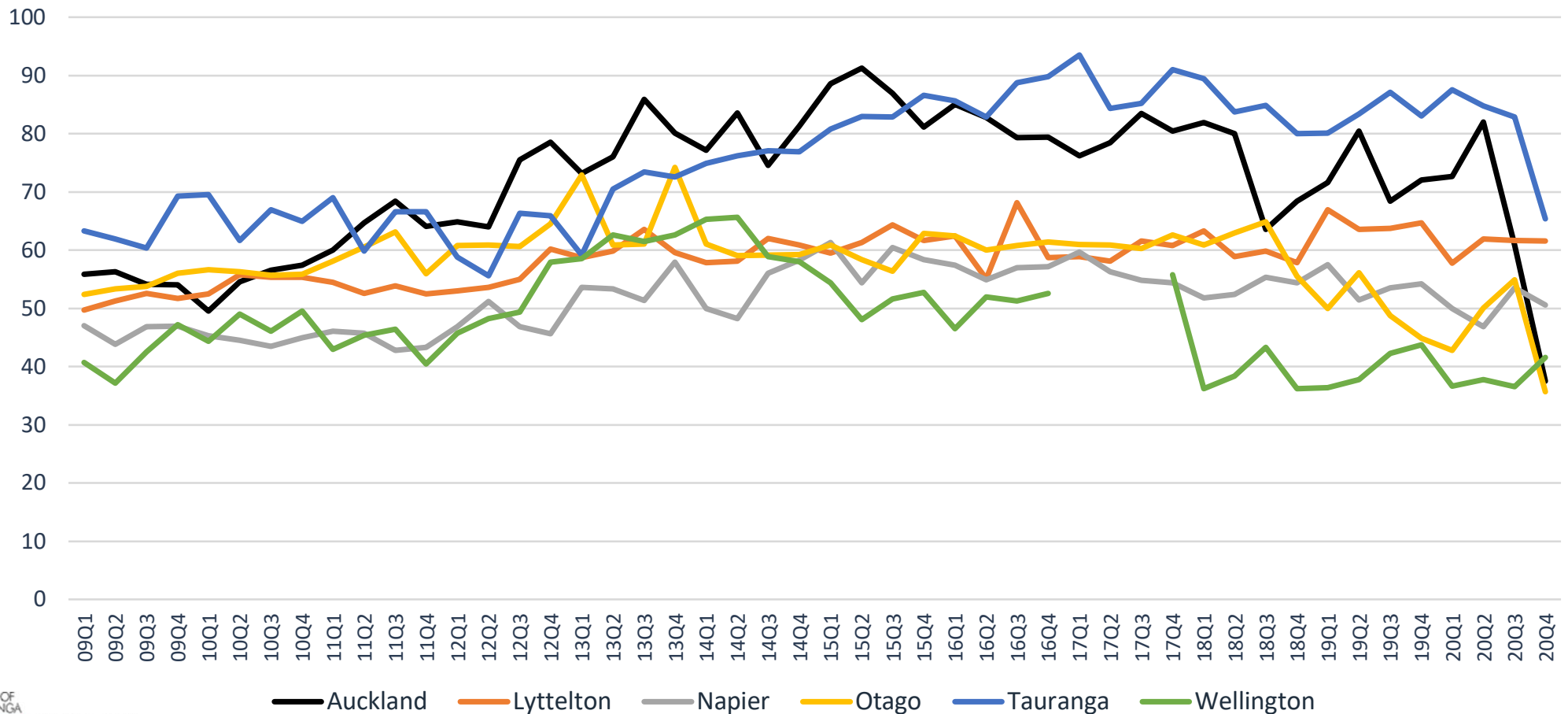
- Port of Tauranga able to accommodate 11 unscheduled import vessel calls since September 2020
- Northport able to take two container vessel calls
- Despite additional import calls, vessel delays resulted in overall reduced vessel numbers at Tauranga
- Vessel delays and resulting cargo congestion impacts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

Costs of Congestion

50 fewer container vessels September 2020 to January 2021 vs PCP

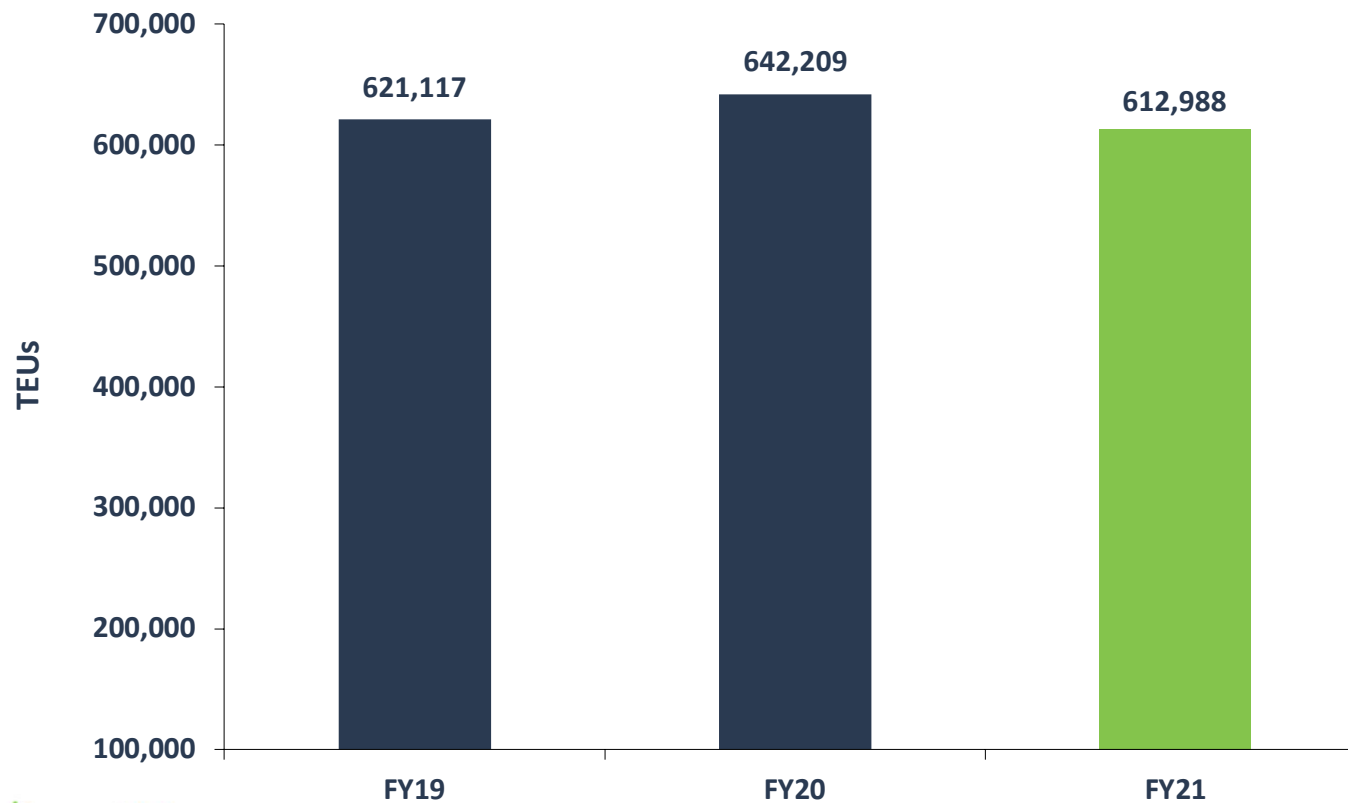


New Zealand Port Ship Rate



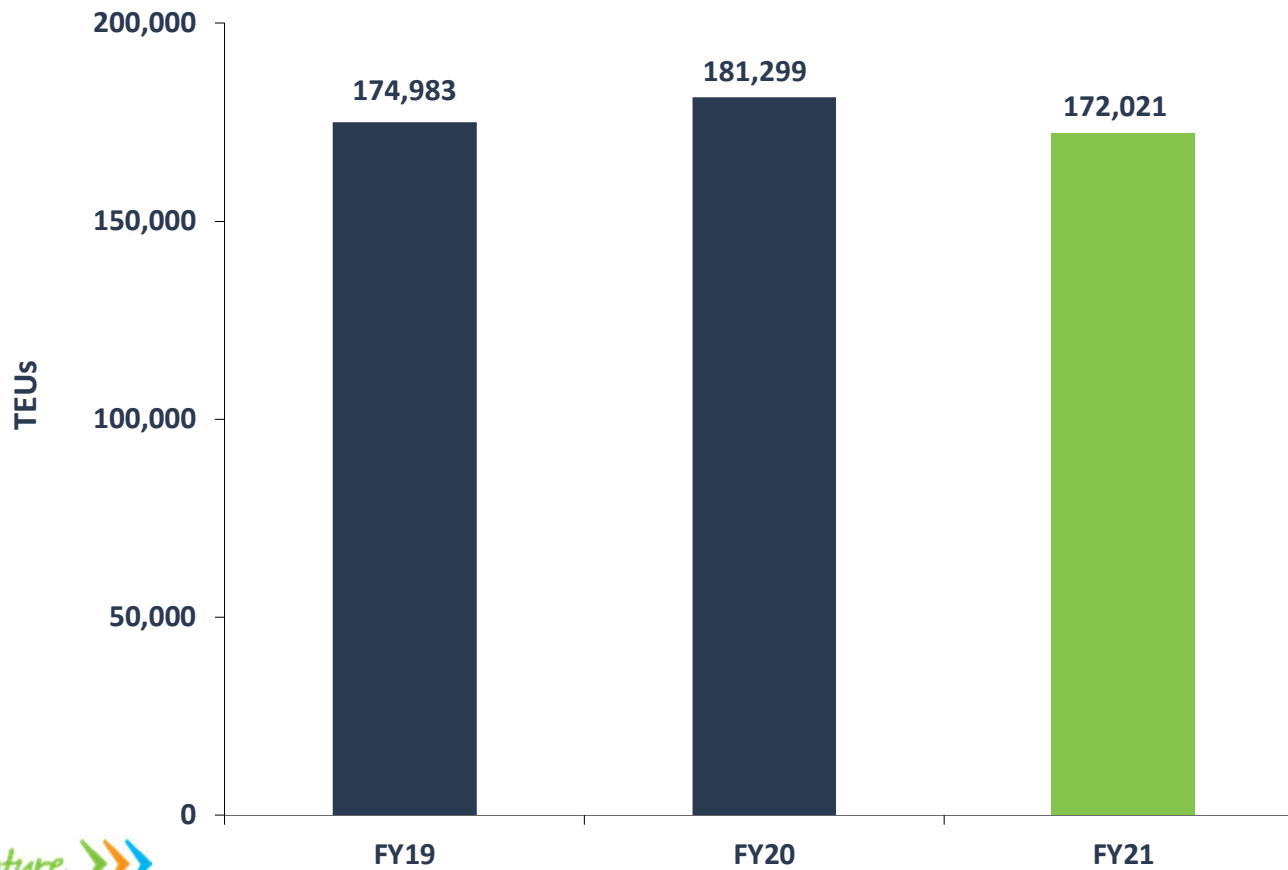
Container Volumes down 4.6%

For the six months ended December 2020

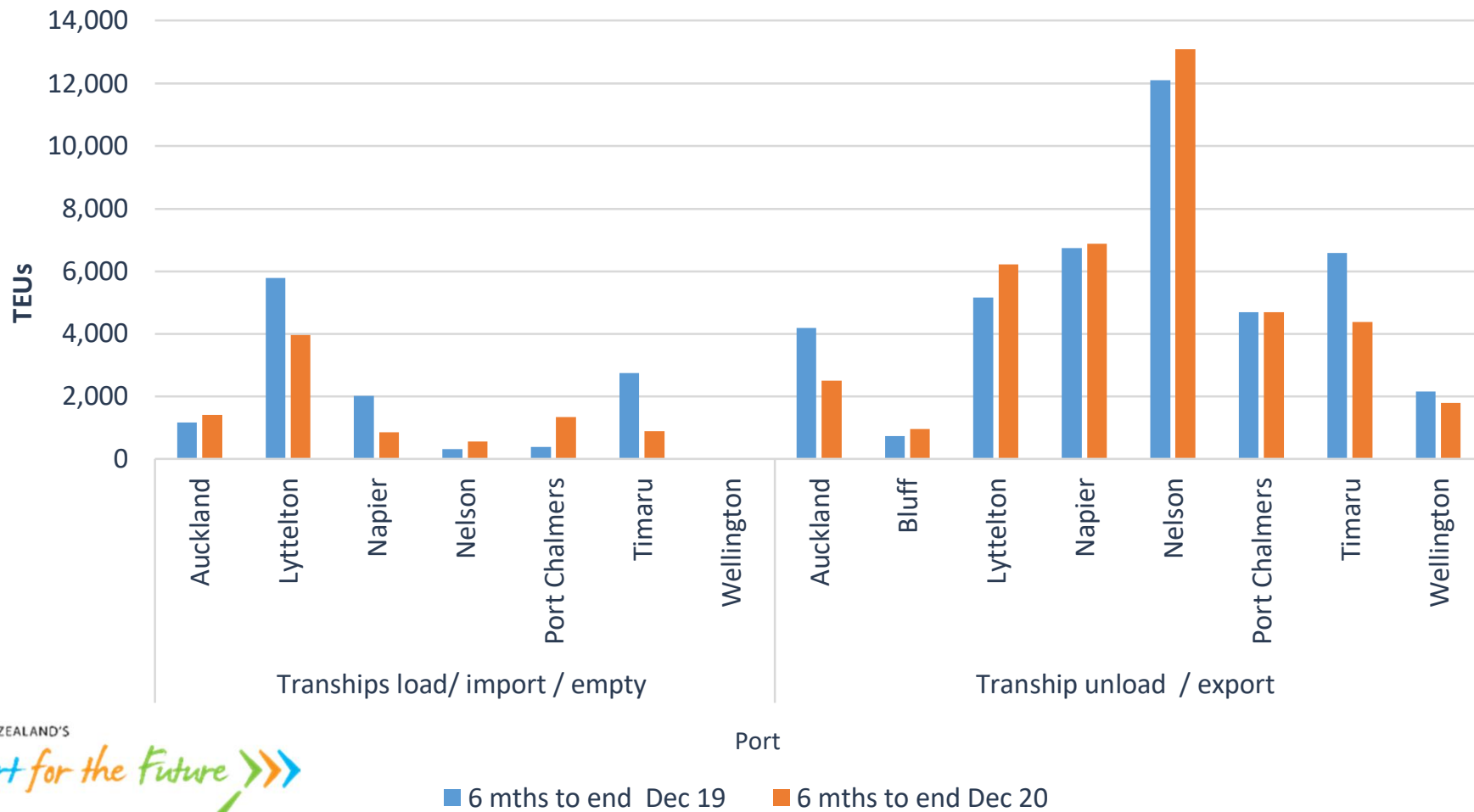


Transhipped TEUs down 5.1%

For the six months ended December 2020

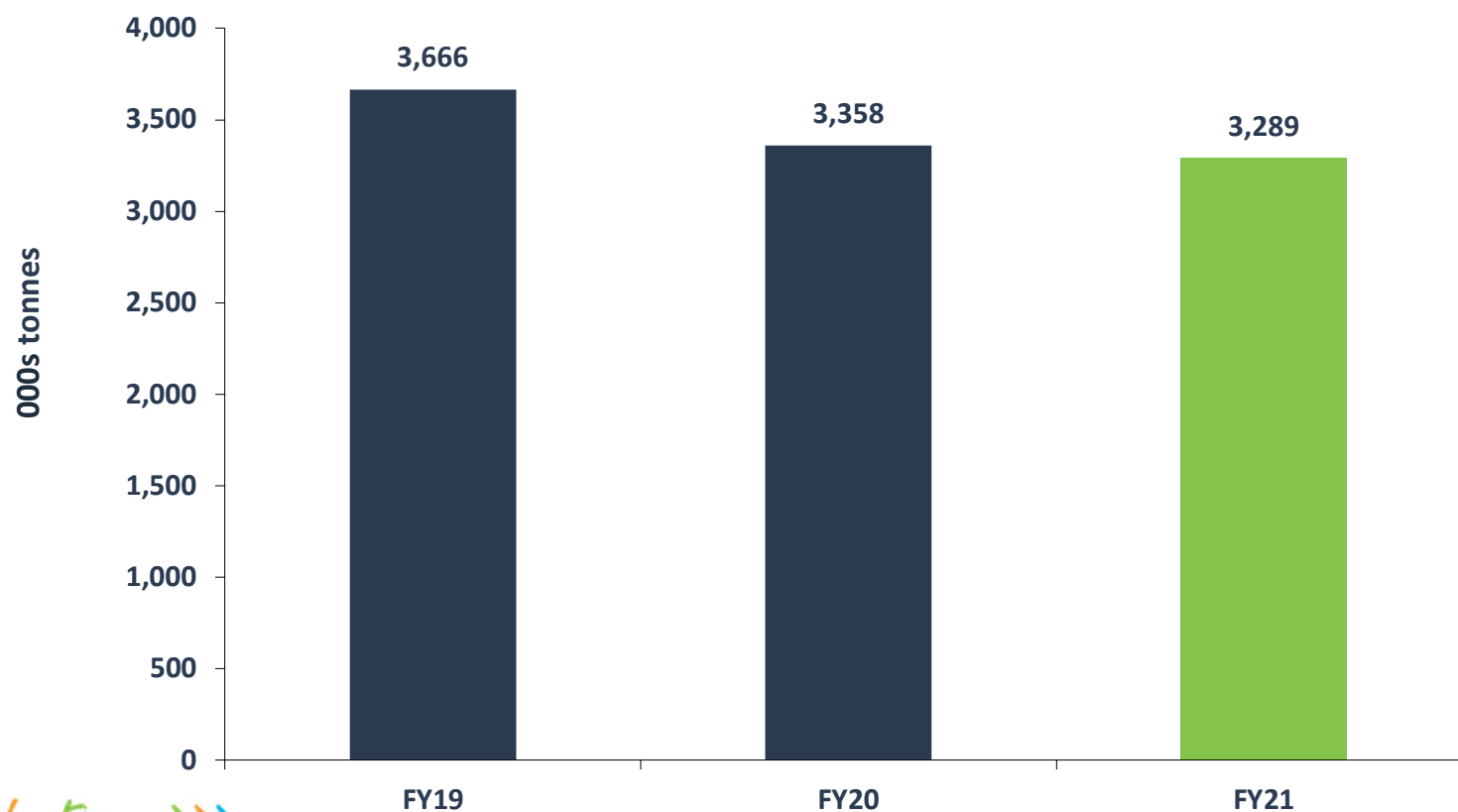


NZ Transshipment by Port



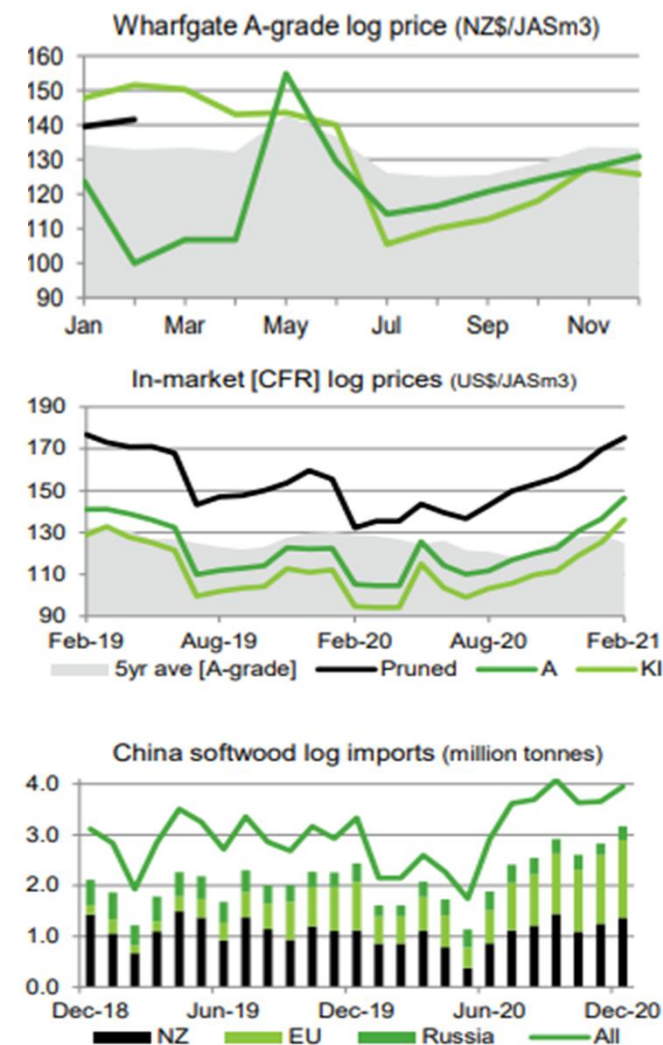
Exports – Logs down 2.1%

For the six months ended December 2020



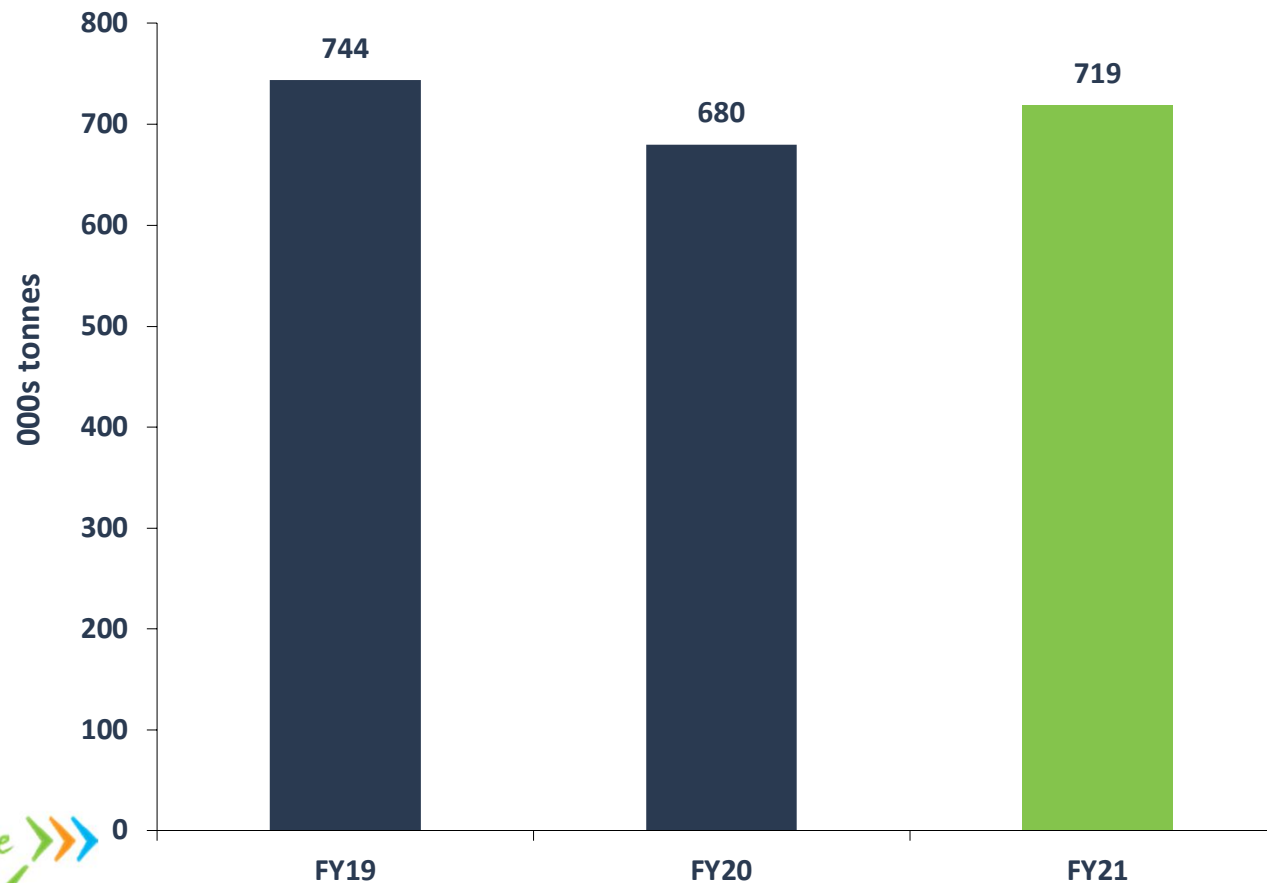
Forestry Outlook

- 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



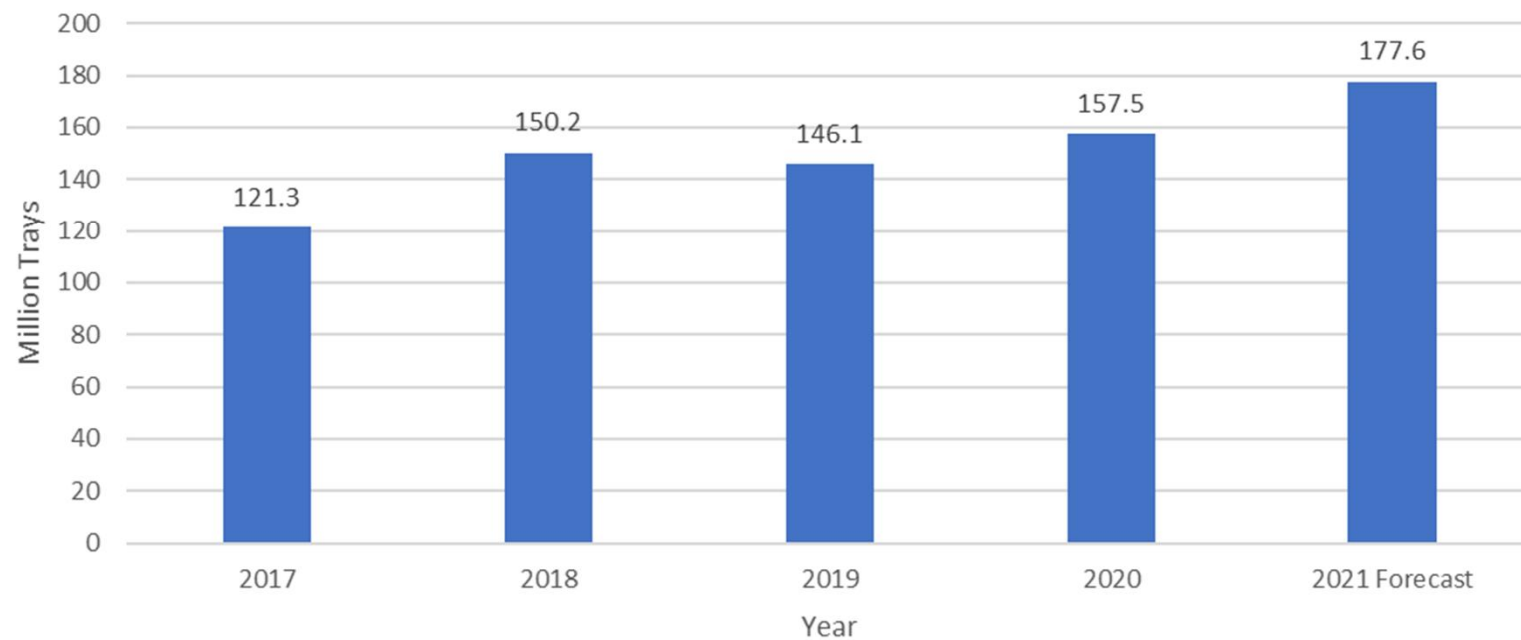
Exports – Kiwifruit up 5.4%

For the six months ended December 2020



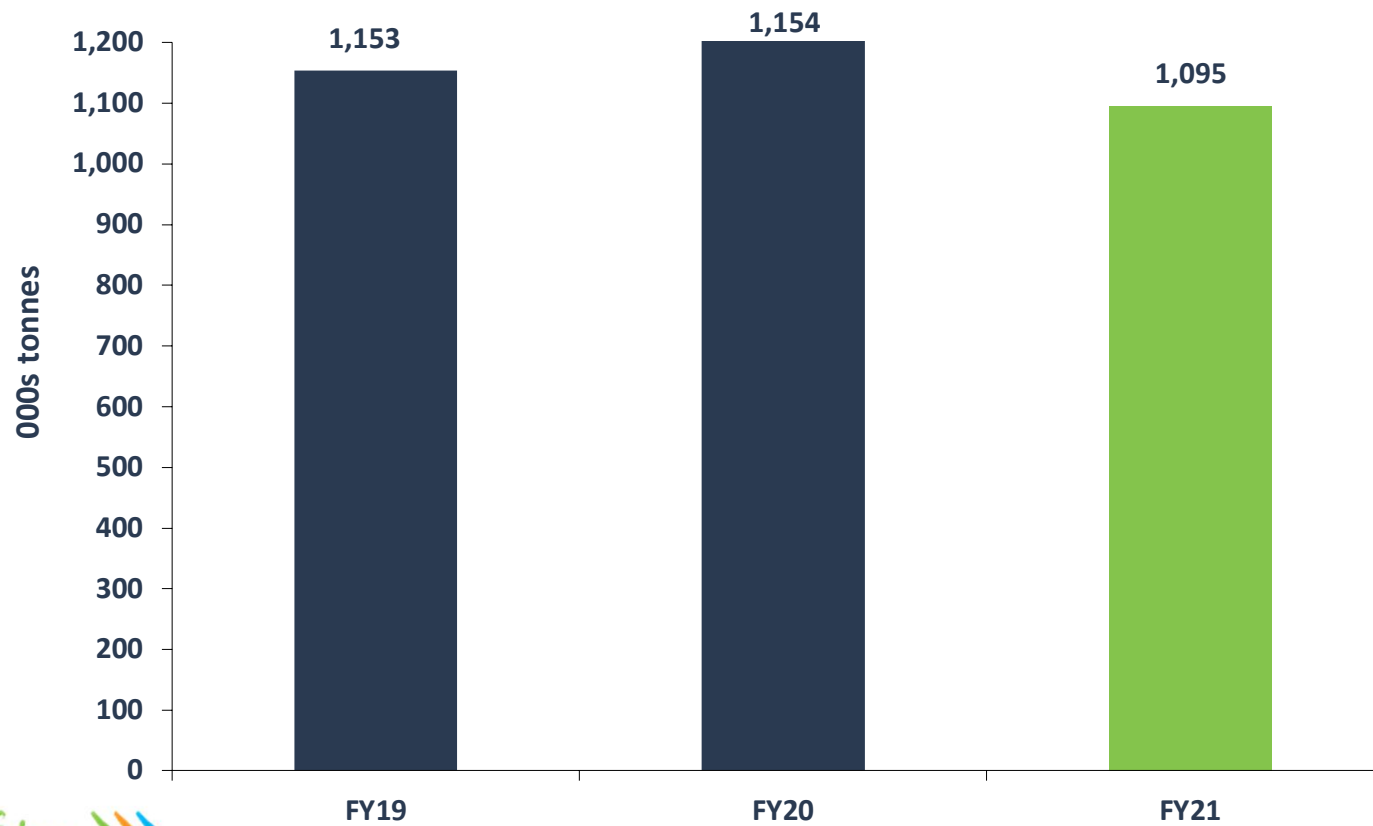
Kiwifruit Outlook

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



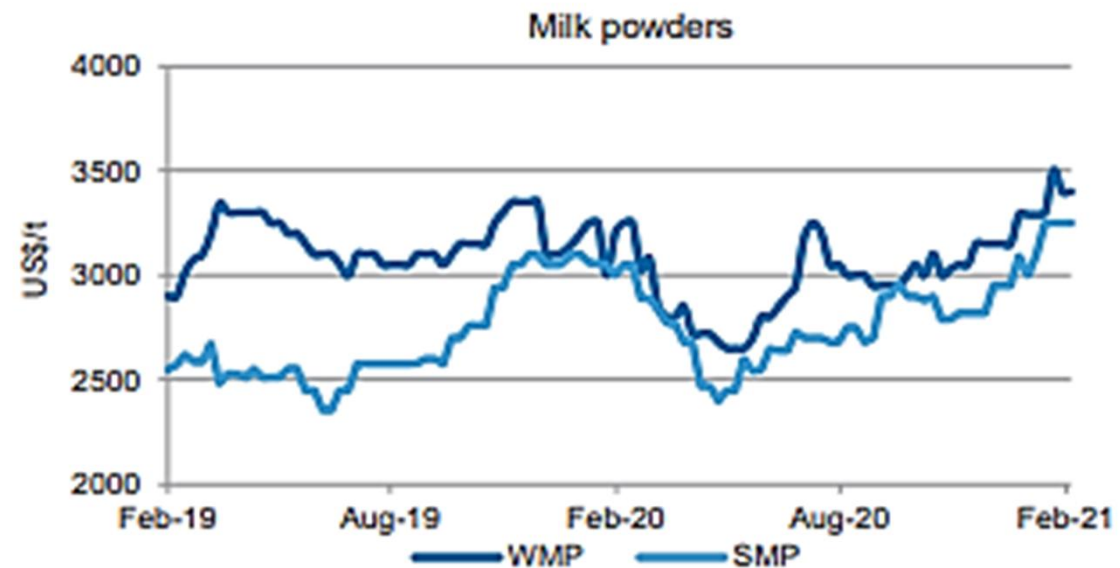
Export – Dairy down 10.8%

For the six months ended December 2020



Dairy Outlook

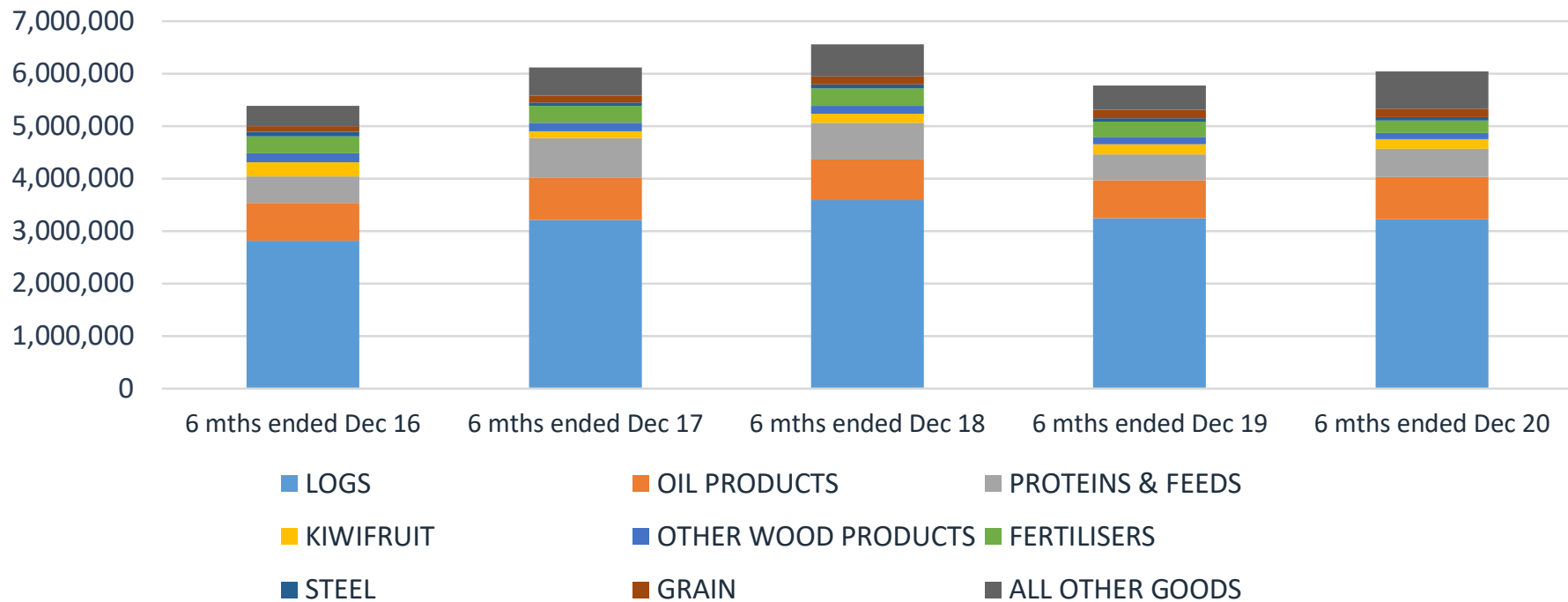
- Global Dairy Trade (GDT) price index currently at levels not seen since May 2014
- Impacted by vessel delays resulting in higher than expected inventory levels
- Expect stronger second half of FY21



AgriHQ

Bulk Cargo up 4%

Breakbulk Tonnes 6 months July to December



Subsidiaries & Associates



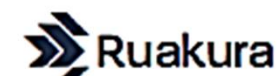
*50% OWNERSHIP
WITH KOTAHI*

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

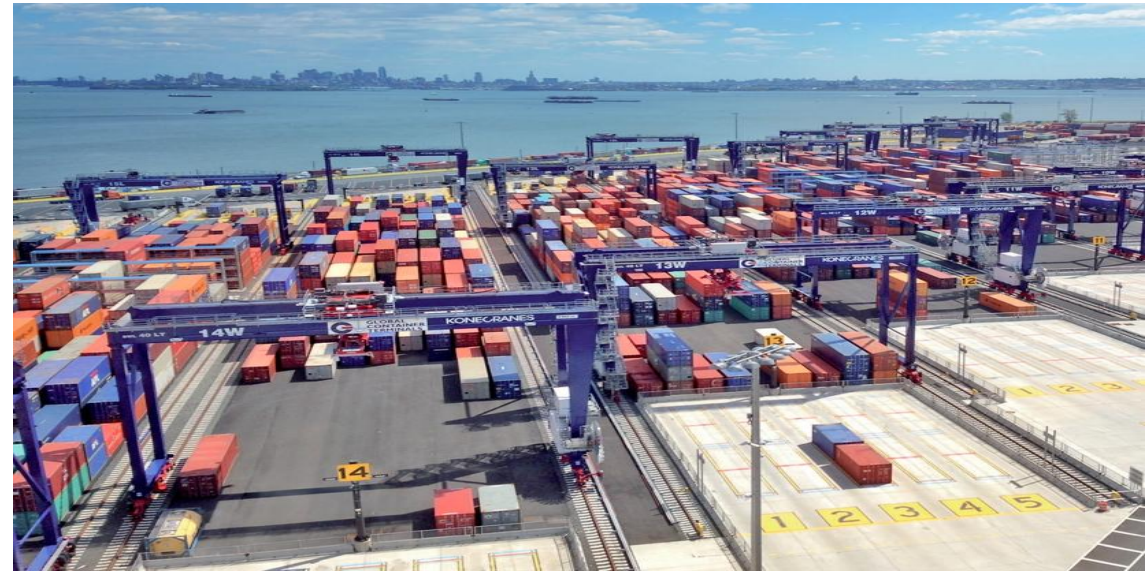
Berth Consent Progress

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

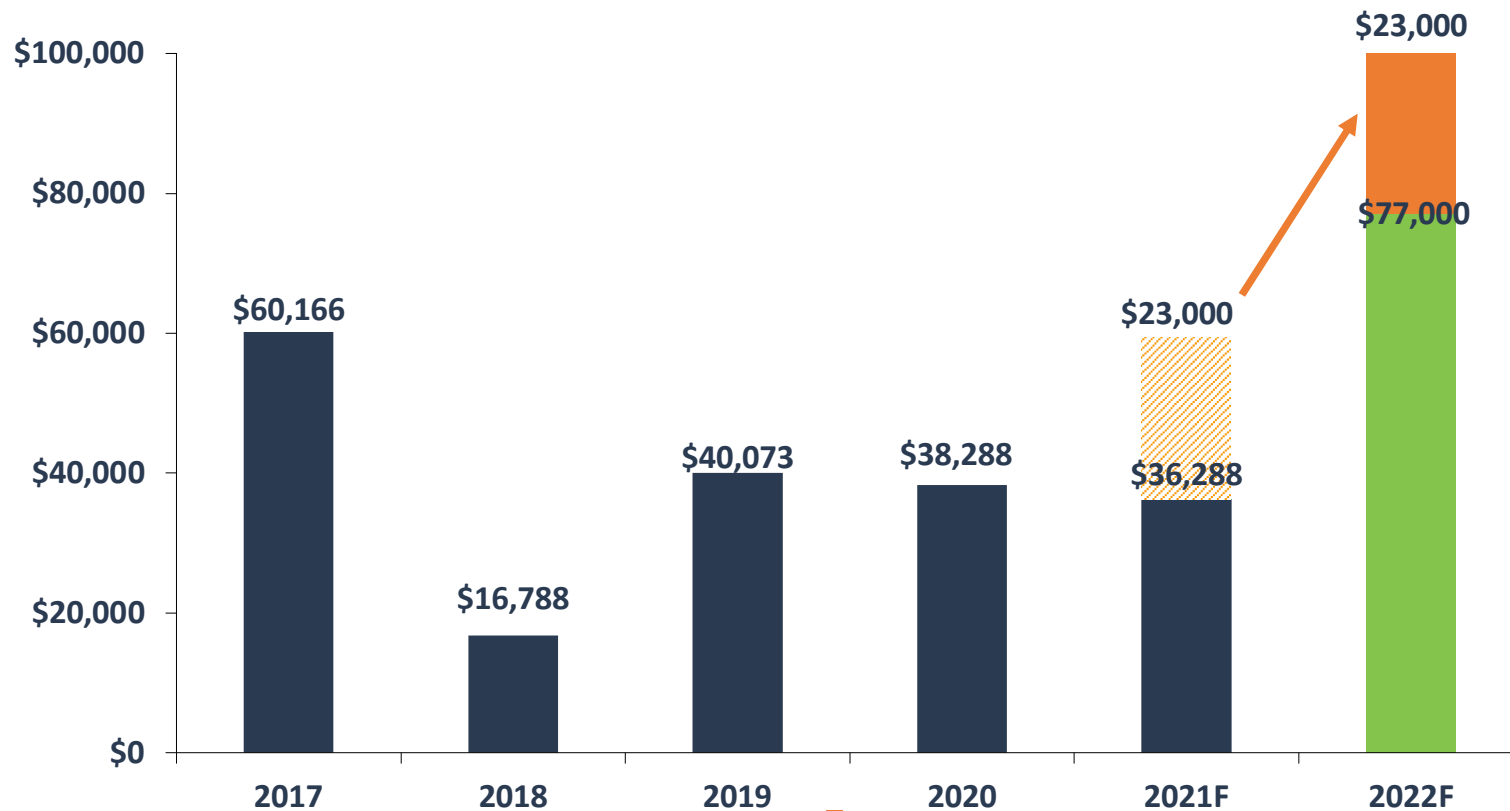


Learnings from Disruption

- 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



An aerial photograph of the Port of Tauranga, New Zealand. The image shows a large harbor with a deep blue sea. In the foreground, there's a marina filled with many white sailboats. To the left, a large container ship is docked at a pier with several red cranes. The water is bright blue with some whitecaps. In the background, a large, rounded hill (Moutua) rises from the water. The sky is clear and blue. The text "THANK YOU" is overlaid in the center in white capital letters.

THANK YOU