

Presentation to Analysts

24 February 2023



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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
2022

GROUP NET PROFIT AFTER TAX

^ \$62.7
million (an increase of 11.3% from
the previous corresponding period)

TOTAL TRADE

∨ 12.7
million tonnes (a decrease of 2.5% from
the previous corresponding period)

SUBSIDIARY AND ASSOCIATE COMPANY EARNINGS

^ 0.6%
increase compared with
the previous corresponding period

CONTAINER VOLUMES

^ 637,728
TEUs¹ (an increase of 2.5% from
the previous corresponding period)

TRANSHIPPED CONTAINERS

^ 21.7%
increase to 174,444 TEUs¹

INTERIM DIVIDEND

^ 6.8
cents per share (a 4.6% increase from
the previous corresponding period)

IMPORTS

∨ 5.0
million tonnes (a decrease of 0.9% from
the previous corresponding period)

EXPORTS

∨ 7.7
million tonnes (a decrease of 3.5% from
the previous corresponding period)

SHIP VISITS

^ 701
(an increase of 2.5% from the
previous corresponding period)

LOG IMPORTS

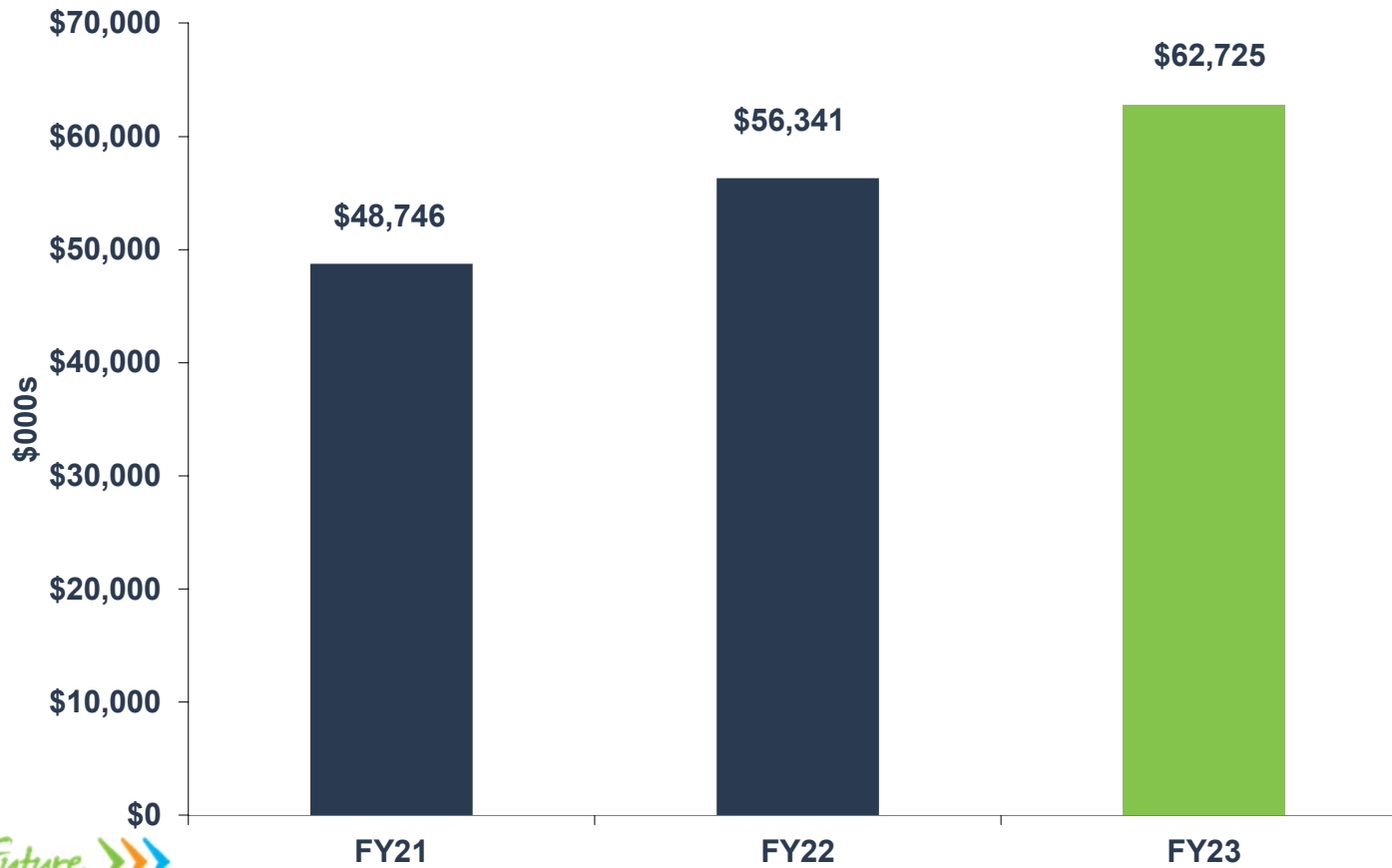
∨ 3.0
million tonnes (a decrease of 2.6% from
the previous corresponding period)

DIRECT DAIRY EXPORTS

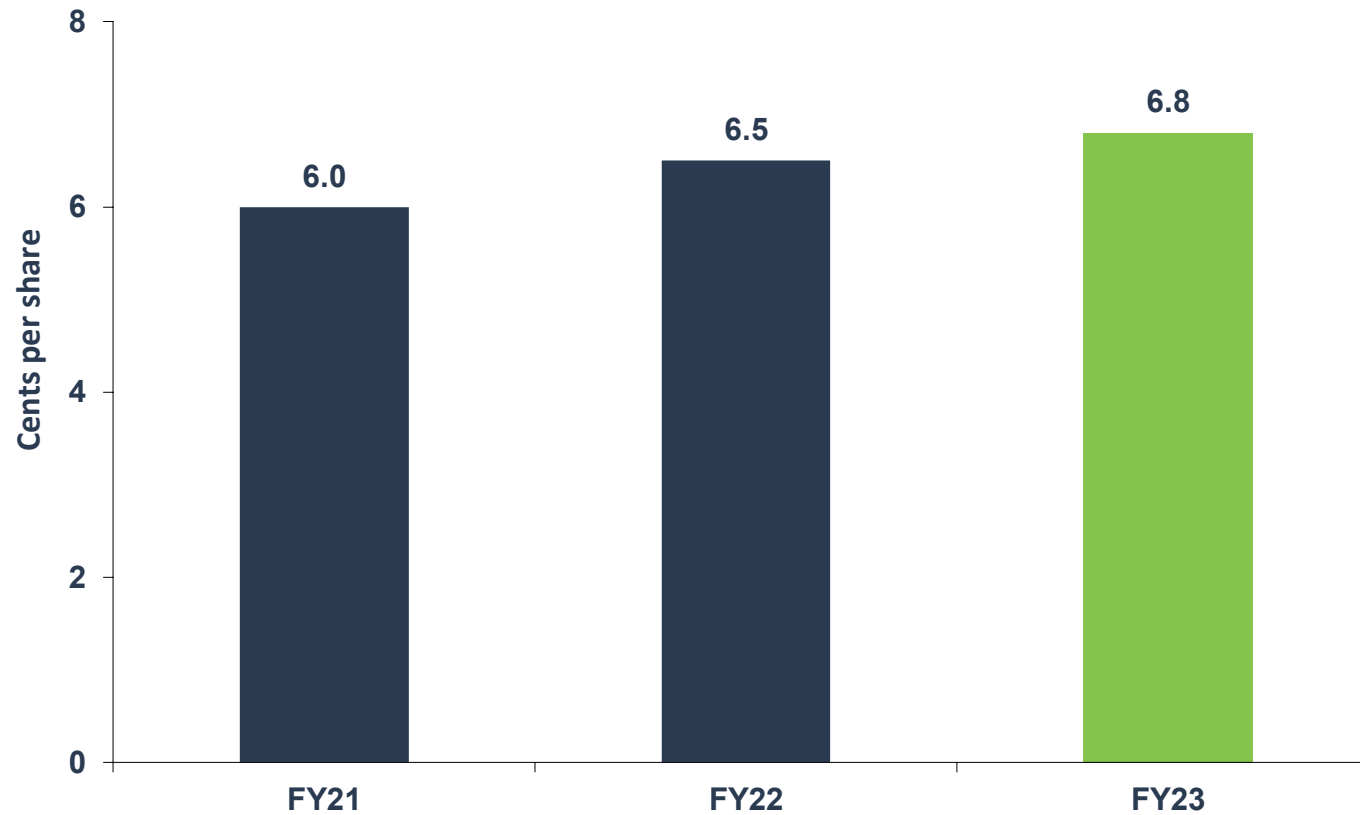
∨ 0.9
million tonnes (a decrease of 3.2% from
the previous corresponding period)

Group Net Profit After Tax up 11.3%

For the six months ended December 2022

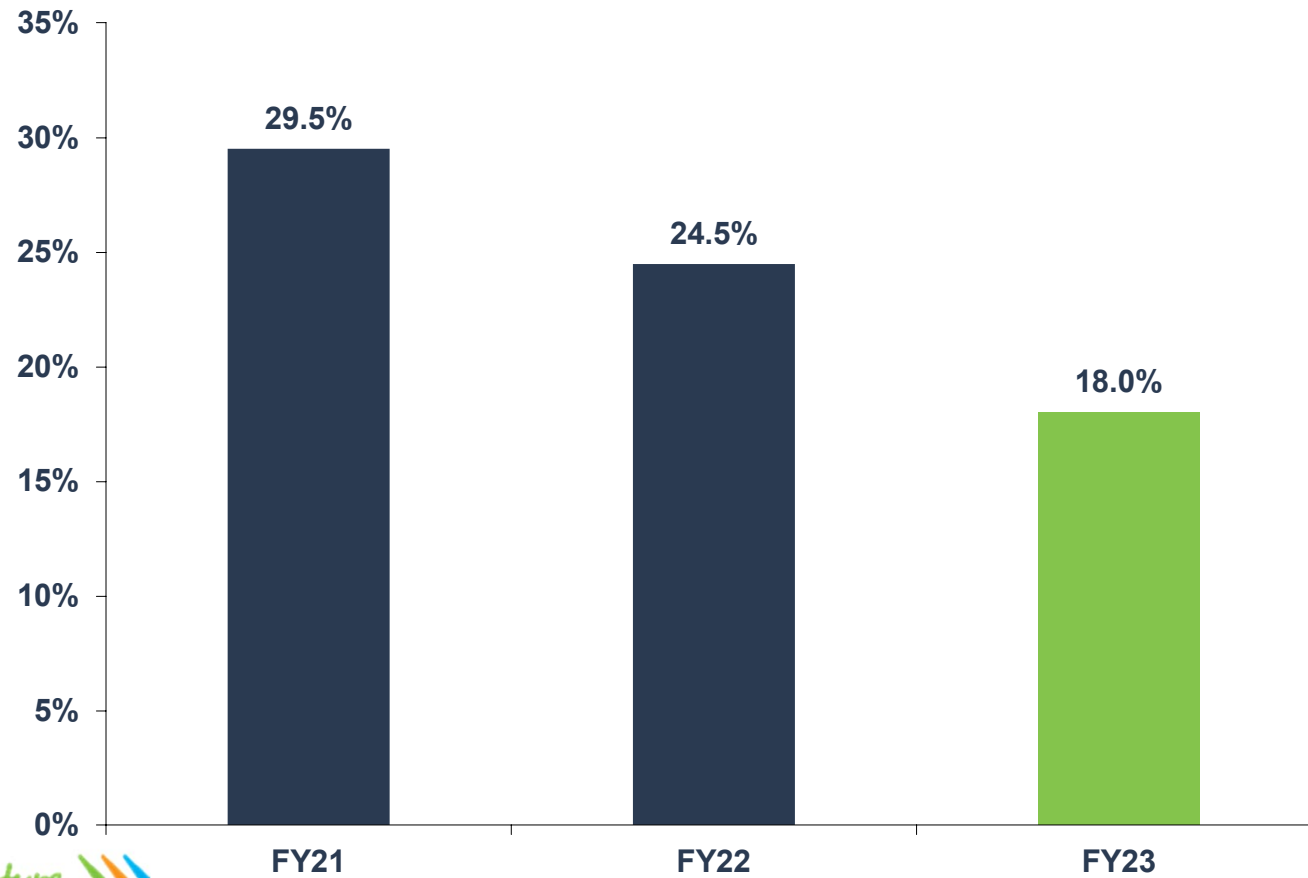


Interim Dividend up 4.6%



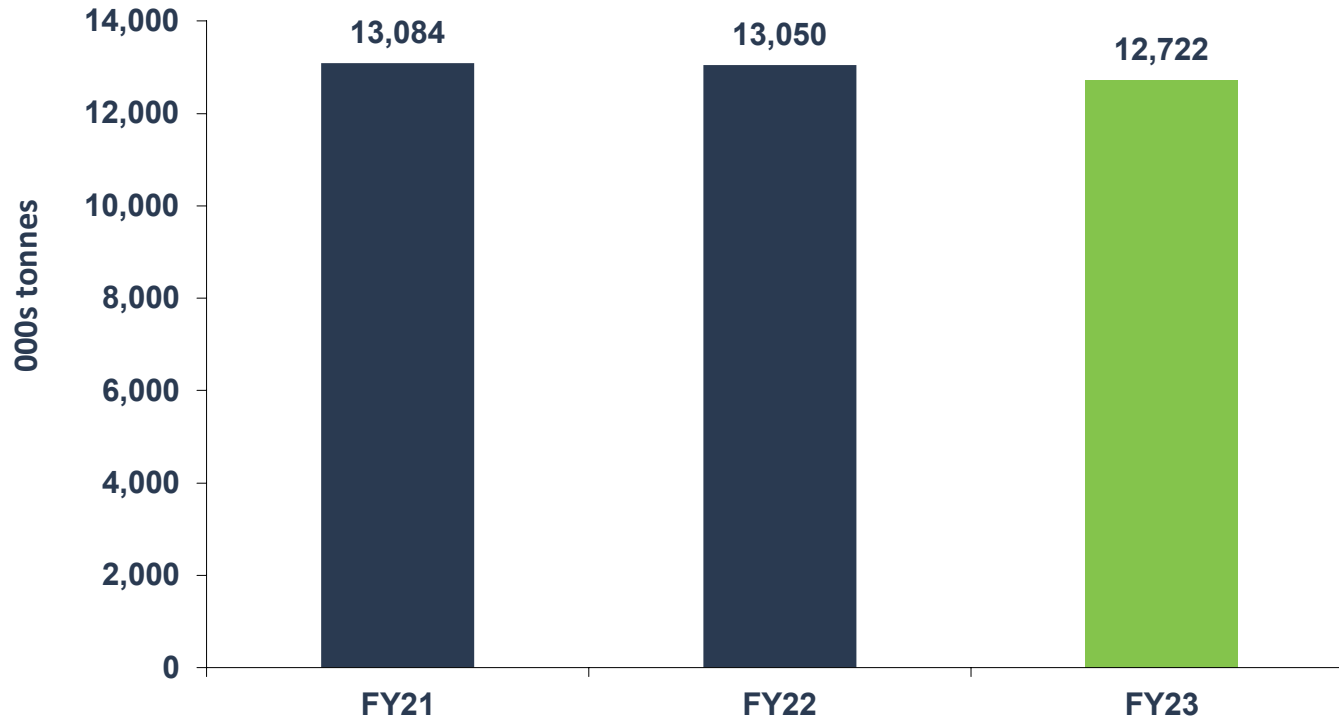
Net Debt / Net Debt + Equity

For the six months ended December 2022



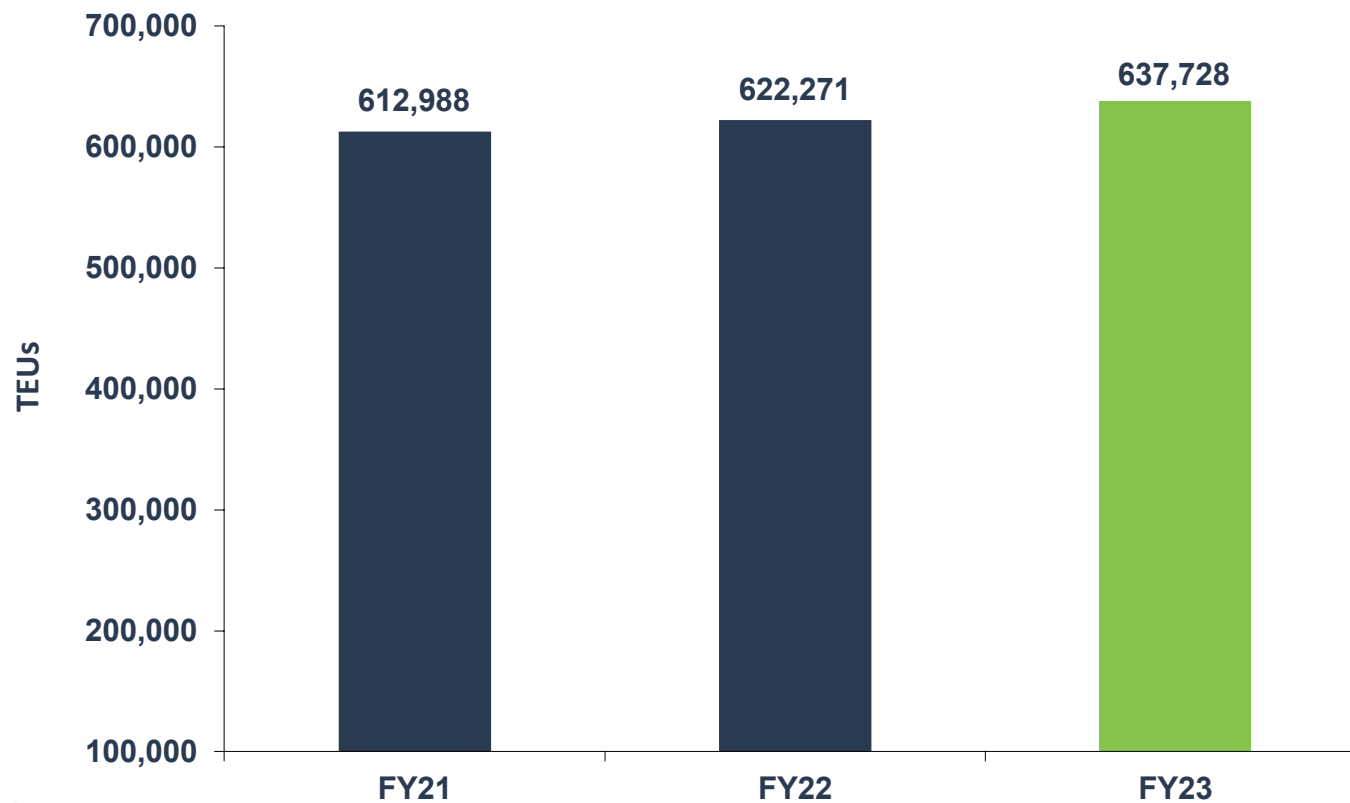
Total Trade down 2.5%

For the six months ended December 2022



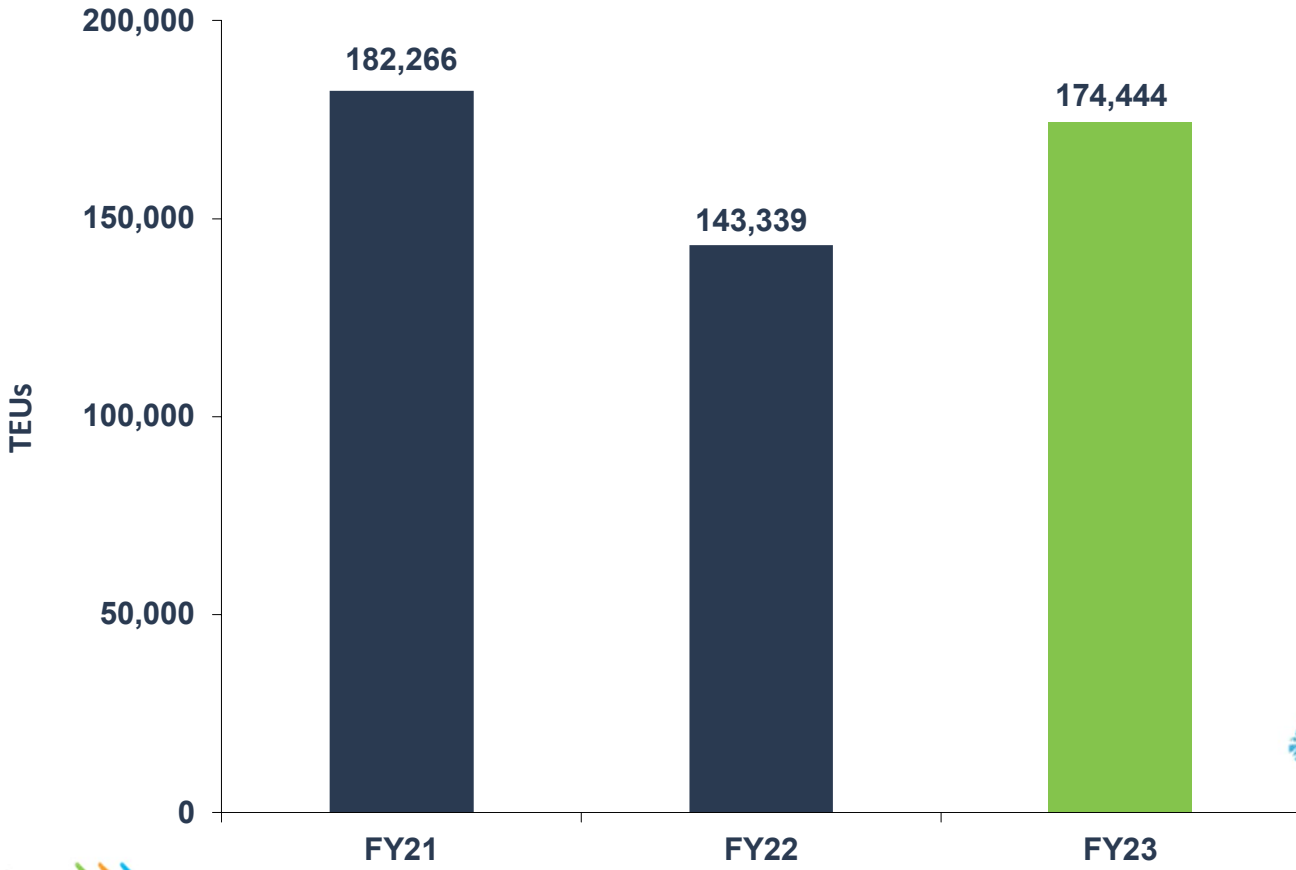
Container Volumes up 2.5%

For the six months ended December 2022



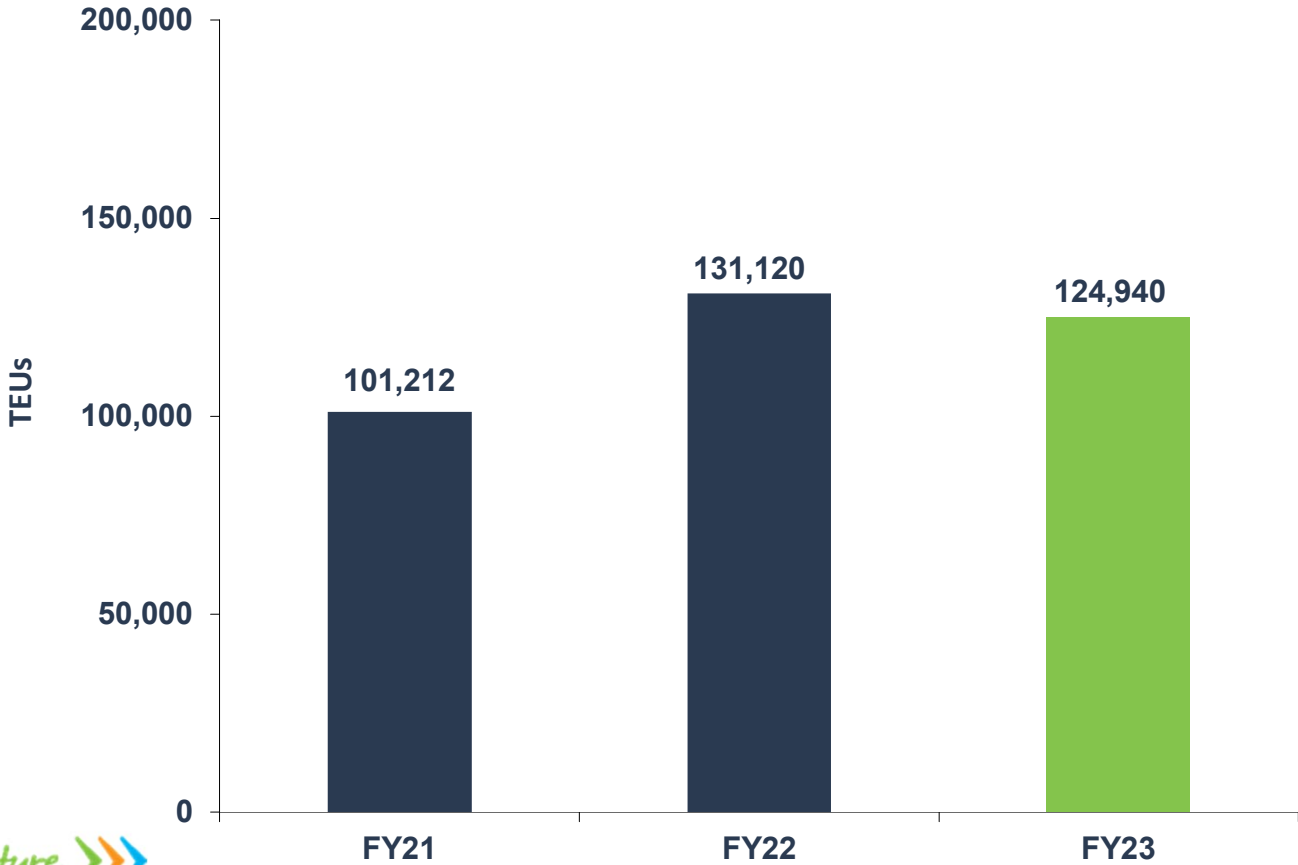
Transhipped TEUs up 21.7%

For the six months ended December 2022



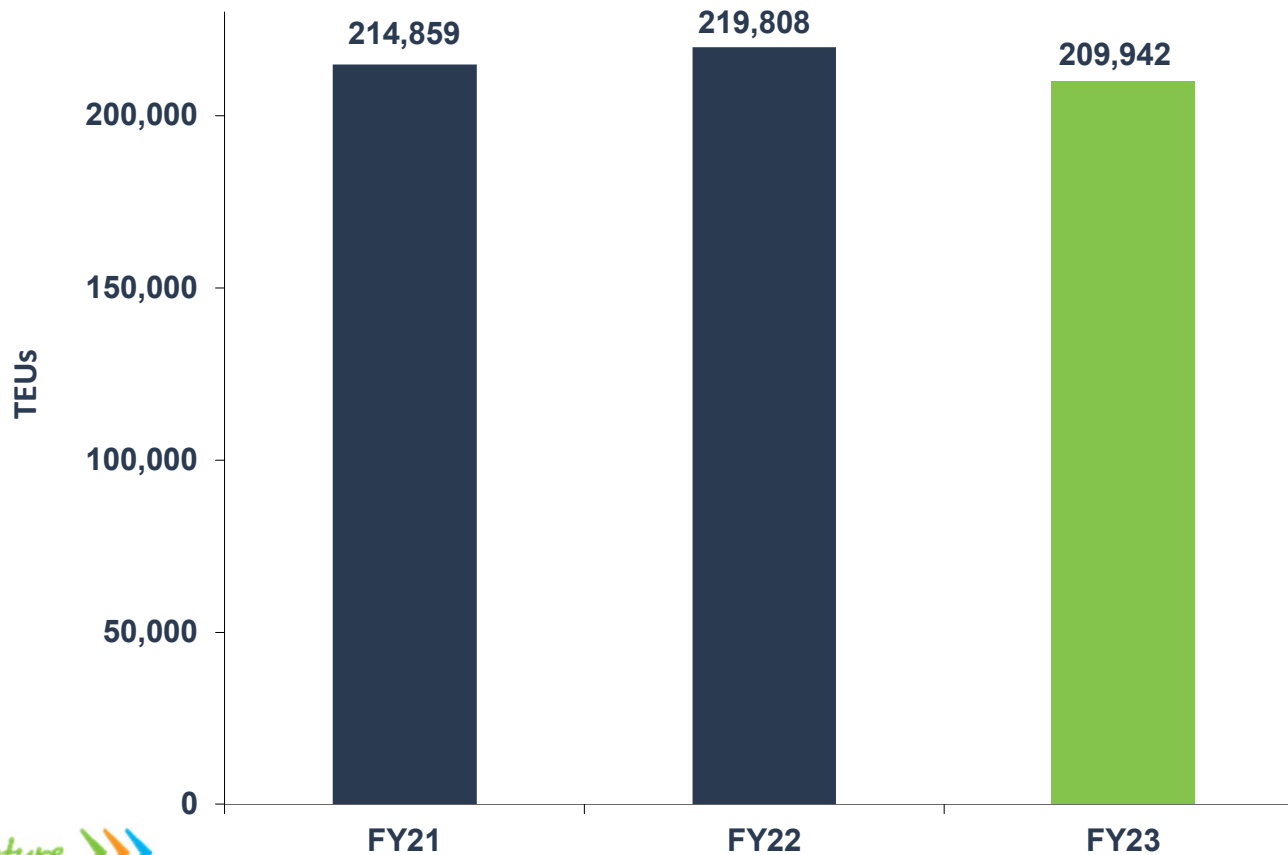
Import TEUs down 4.7%

For the six months ended December 2022



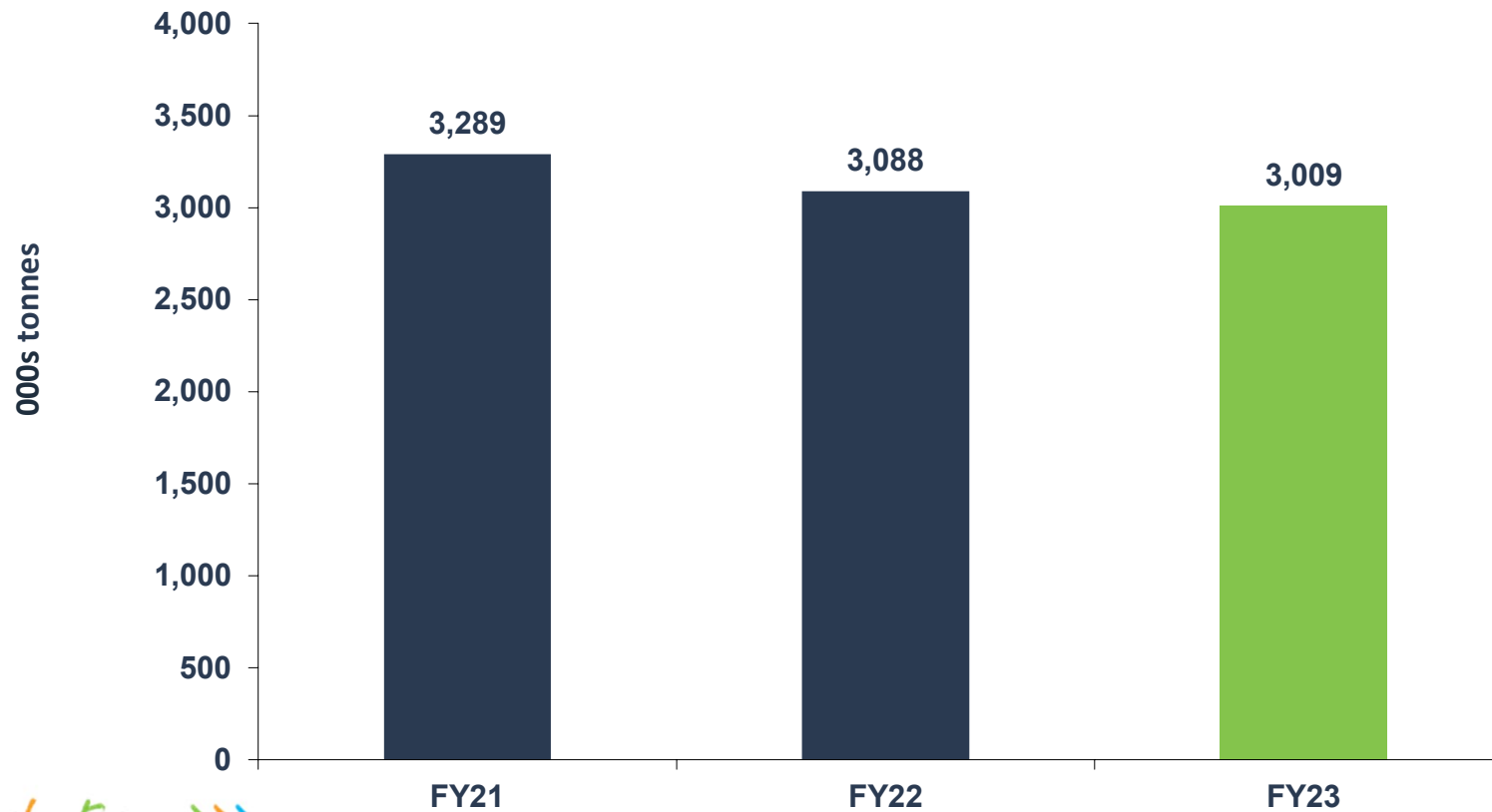
Export TEUs down 4.5%

For the six months ended December 2022



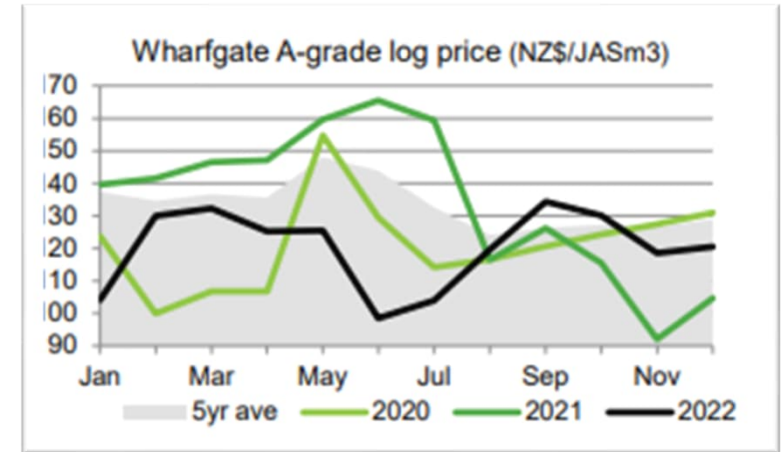
Exports – Logs down 2.6%

For the six months ended December 2022



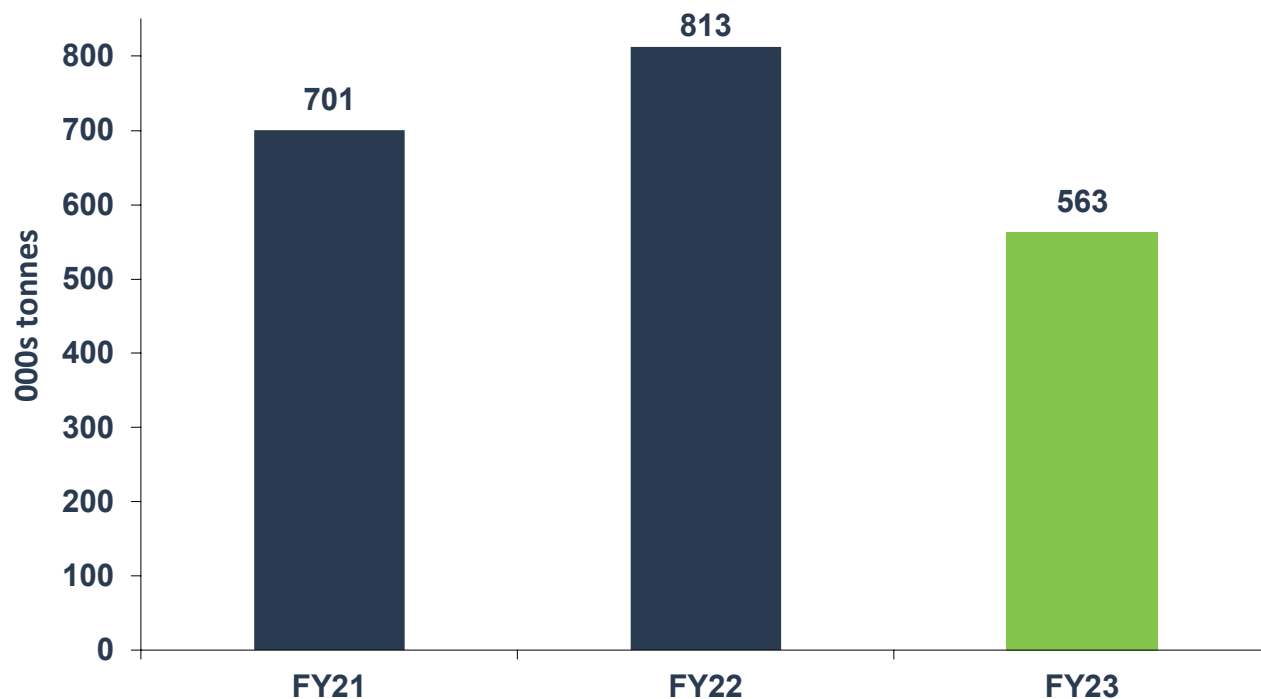
Forestry Outlook

- Export markets more positive as China reopens and gets back to a level of normality.
- Circa 85% Tauranga log volume to China.
- Stevedore companies bringing in labour from overseas to lift productivity.
- Shipping costs continue to decline.
- Central North Island impact from Cyclone Gabrielle.



Exports – Direct Kiwifruit down 30.7%

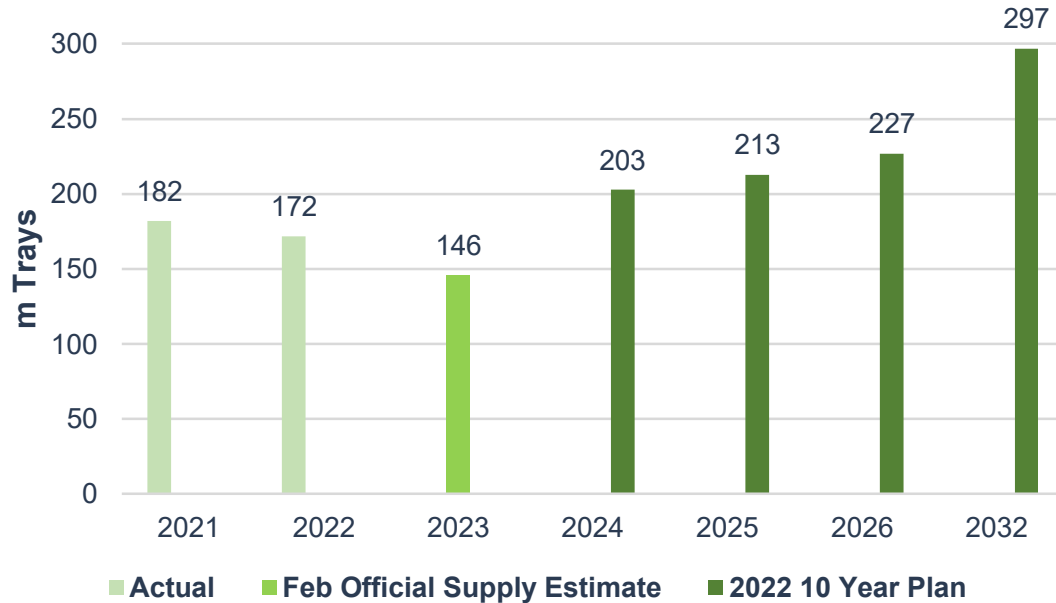
For the six months ended December 2022



- The 2022 crop was 5.5% down on the 2021 crop with green and gold yields both down.
- The harvest appeared to have progressed well despite challenges with labour.
- A combination of labour supply, harvest and handling, crop loading and weather are thought to have contributed to a reduced harvest and significantly higher fruit losses despite earlier estimates of an increase over 2021 crop.
- Investigations into the cause of the fruit quality issues are ongoing.

Kiwifruit Outlook

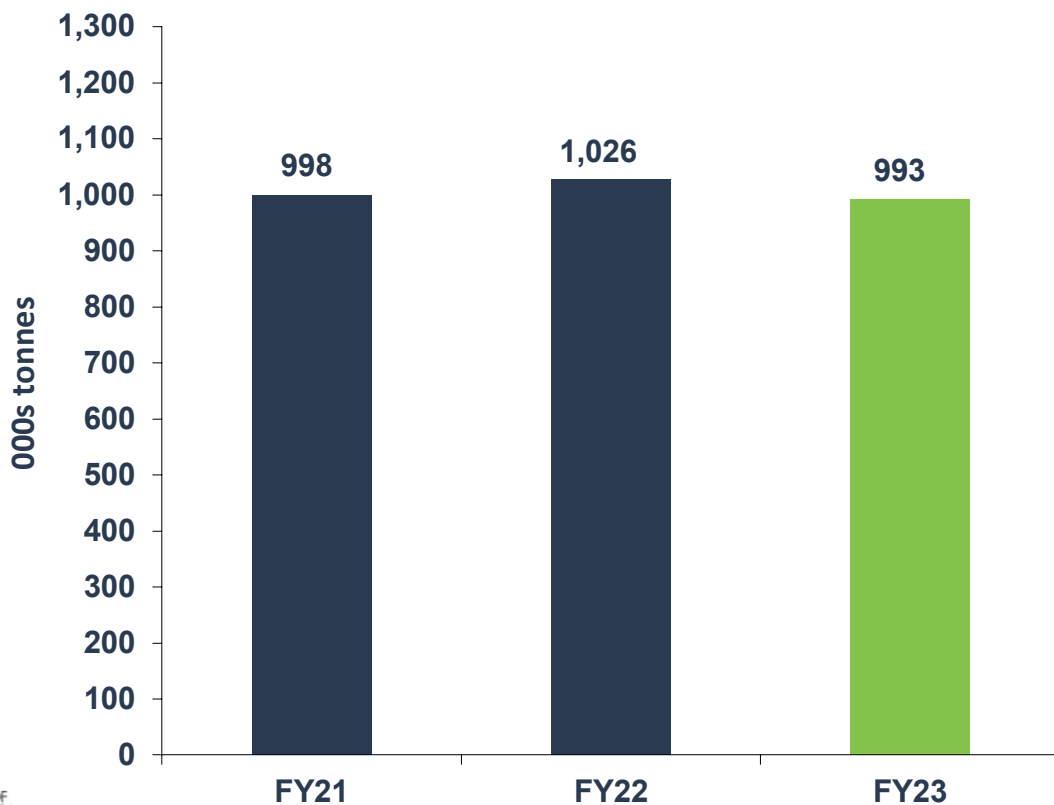
Class 1 Gross Submit



- Medium term outlook remains for strong growth driven by gold license release and orchards coming into production.
- 2023 forecast crop shows a decline due to:
 - Poor flowering year
 - Frost early October 2022
 - Hail event
 - Flooding in outer regions (impact not yet confirmed).
- Strong gold yields expected medium term (~16,000 trays per Ha) but impacted in 2023 by above.
- Significant decline in green crop ~ 45M TE 2023 v 69M TE 2022.
- Market side demand continues to be very strong.
- Labour supply and rising input costs continue to be headwinds for the sector.

Exports - Direct Dairy down 3.2%

For the six months ended December 2022



- Direct dairy trade for the six months remains relatively flat relative to prior years.
- Some shipping challenges impacted first six months.
- Exports were strong for the quarter ended September 2022 due to carried over inventory from the prior year.
- Carried over inventory can mainly be attributed to COVID-19 related short term impacts on demand and supply chain disruptions, specifically in China.

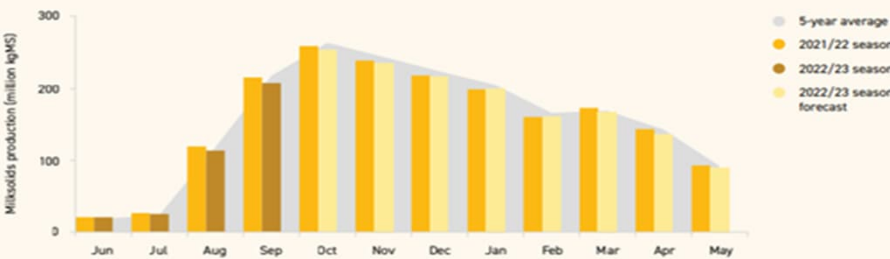
Dairy Outlook

Figure 9: Global Dairy Trade (GDT) auction prices (all products) lower in 2022/23 season
June 2021 to November 2022, US\$ per metric tonne



Source: Global Dairy Trade and MPI.

Figure 7: New Zealand milksolids production forecast to decline in 2022/23 season
Year to 31 May, million kgMS

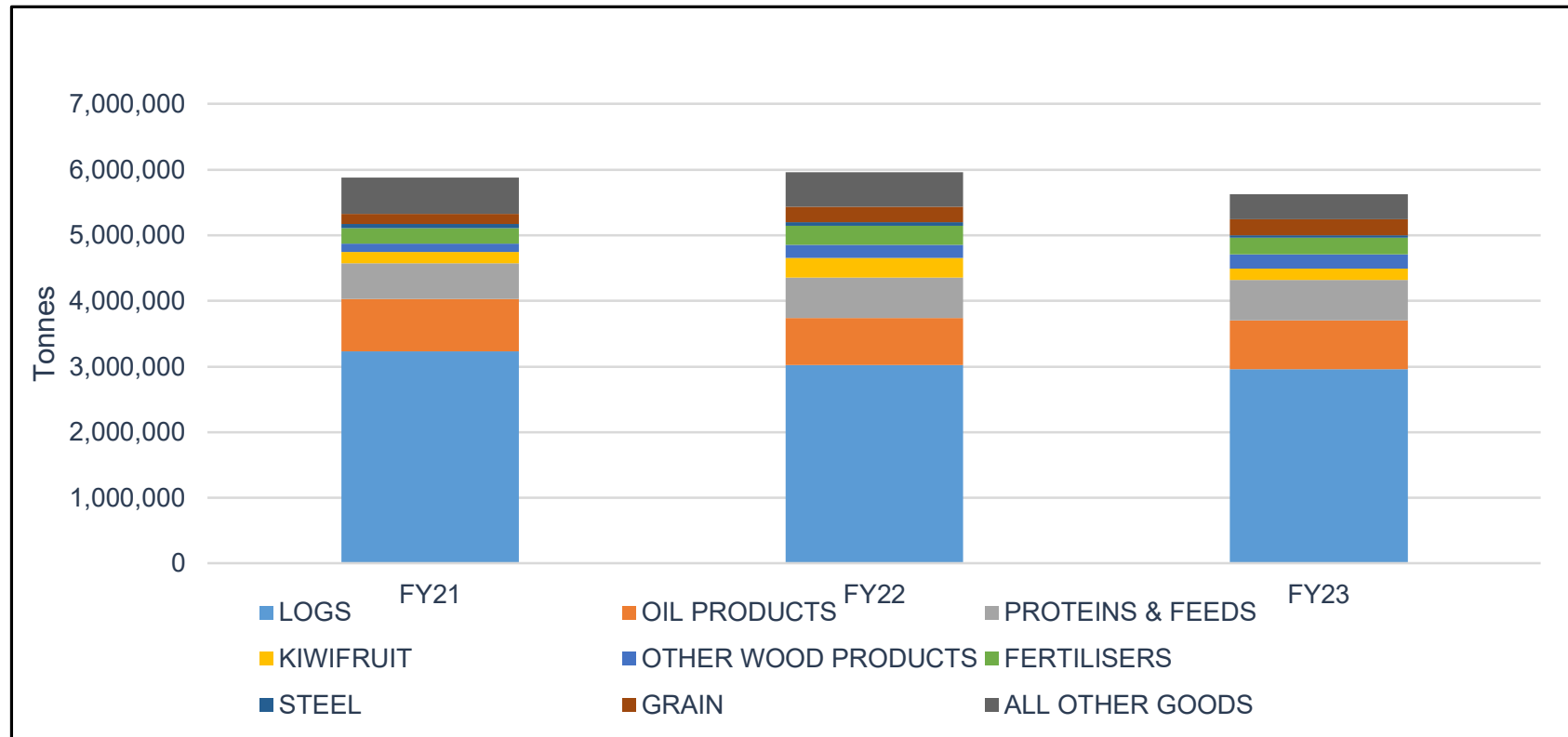


Source: Dairy NZ and MPI.

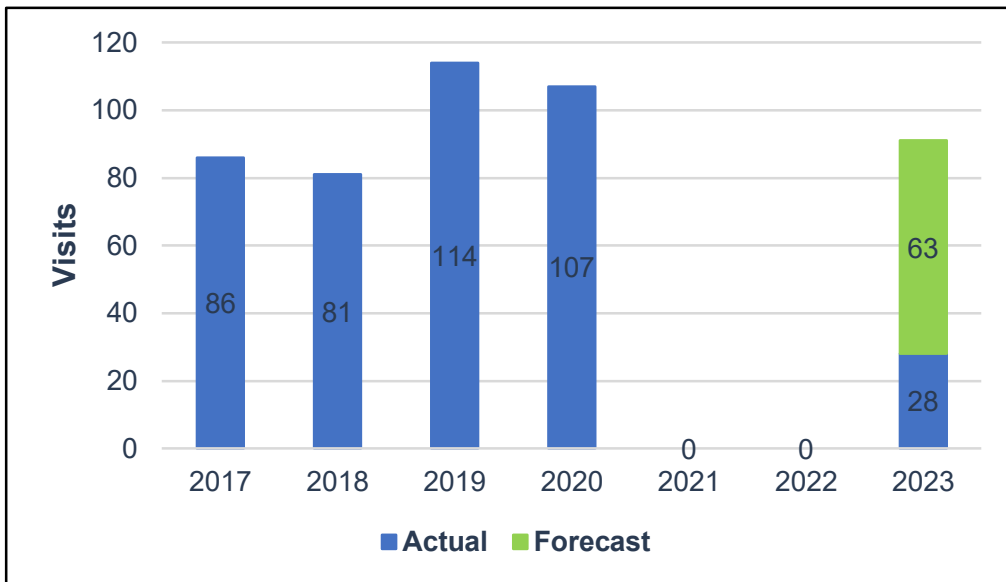
- Dairy export revenue forecast to increase by 6% to reach \$23B in the year to 30 June 2023 despite weakening overseas demand and an estimated 2% decline in milk production.
- The increase in export receipts is driven by:
 - A weak NZD
 - Previous seasons inventory sold in current year
 - Reduced supply from key dairy exporting regions.
- Global dairy trade (GDT) prices have weakened considerably since the peak in March 2022.
- NZ is at peak cow and long-term forecast indicate volume to be flat.
- Some product mix volume growth potential.

Bulk Cargo down 5.7%

For the six months ended December 2022

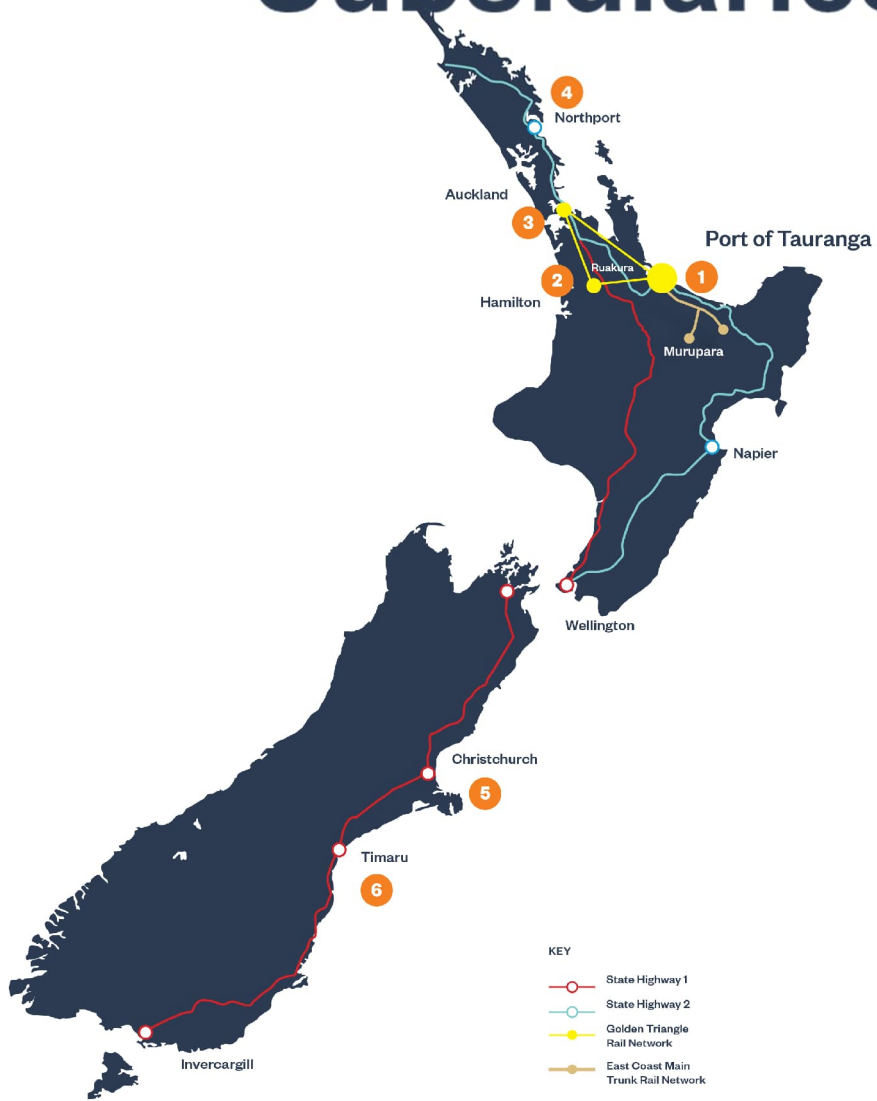


Return of Cruise



- Eight cruise calls cancelled due to weather
- Forecast ~ 91 cruise vessels this season

Subsidiaries & Associates



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
- 50% 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 KIWRAIL

- 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.



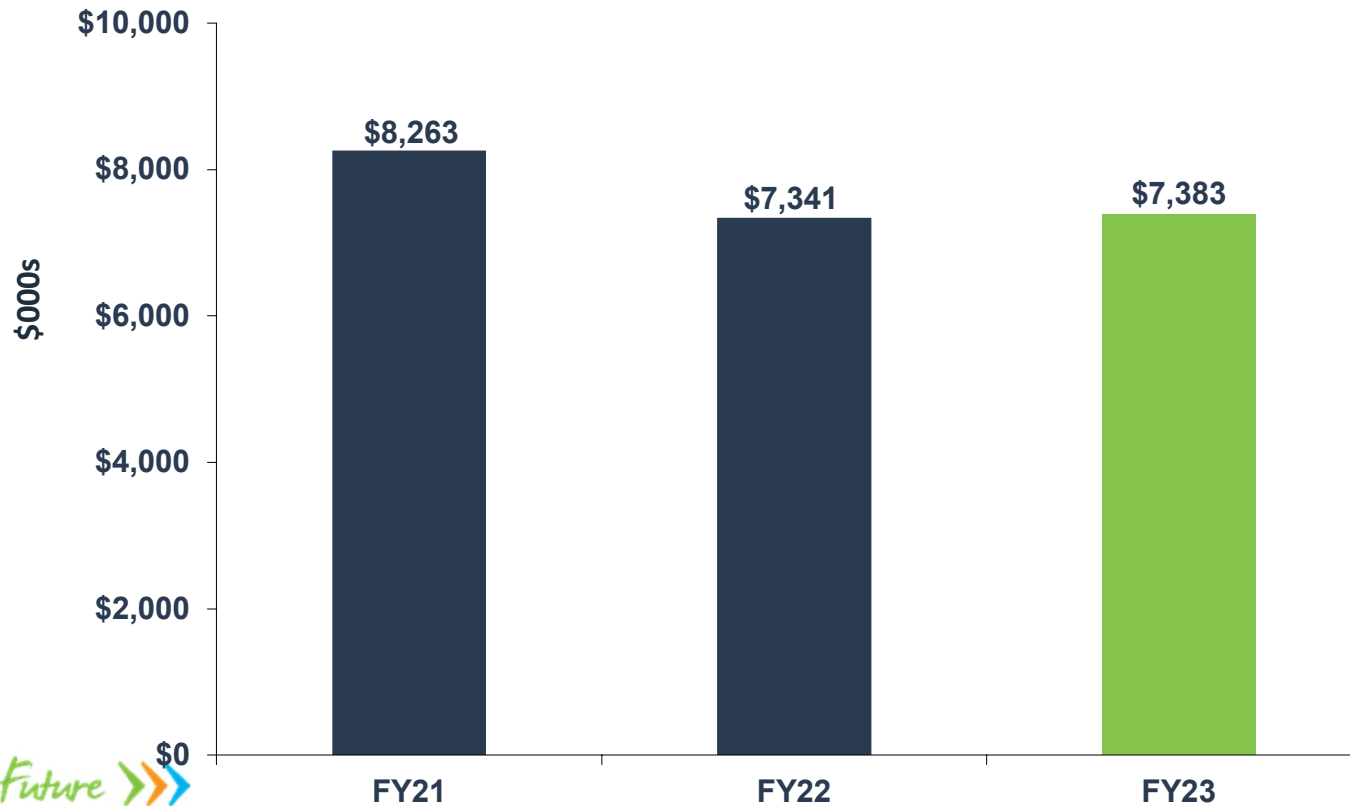
6

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 up 0.6%

For the six months ended December 2022





Northport



- Profit down 0.7% to \$3.918 million.
- Break Bulk volumes down 12.7% with log volumes down 266,205 tonnes on the prior corresponding period.
- Container volumes up 15.1% to 10,611 TEU.
- Strong contribution from NorthTugz.



Reported profit of \$0.492 million vs \$0.558 million on the prior corresponding period.
Weakness in Distribution Centres and 3PL Transport Division.



- Earnings of \$1.346 million vs \$1.141 million in the prior corresponding period.
- Total trade volumes down 12.7% on last year – impacted by lower log volumes.



- Container volumes of 36,951 TEU down 7.0% for the period.
- Reported loss of \$0.004 million.
- Extended the Kotahi export cargo volume deal until 2030.





Earnings of \$1.570 million down 7.2% on the prior corresponding period.
Impacted by lower reefer volumes at the Tauranga Container Terminal.

Ruakura Inland Port

Practical completion of inland port,
March 2023

Distribution centre and cool store
operational ~ Q4 2023

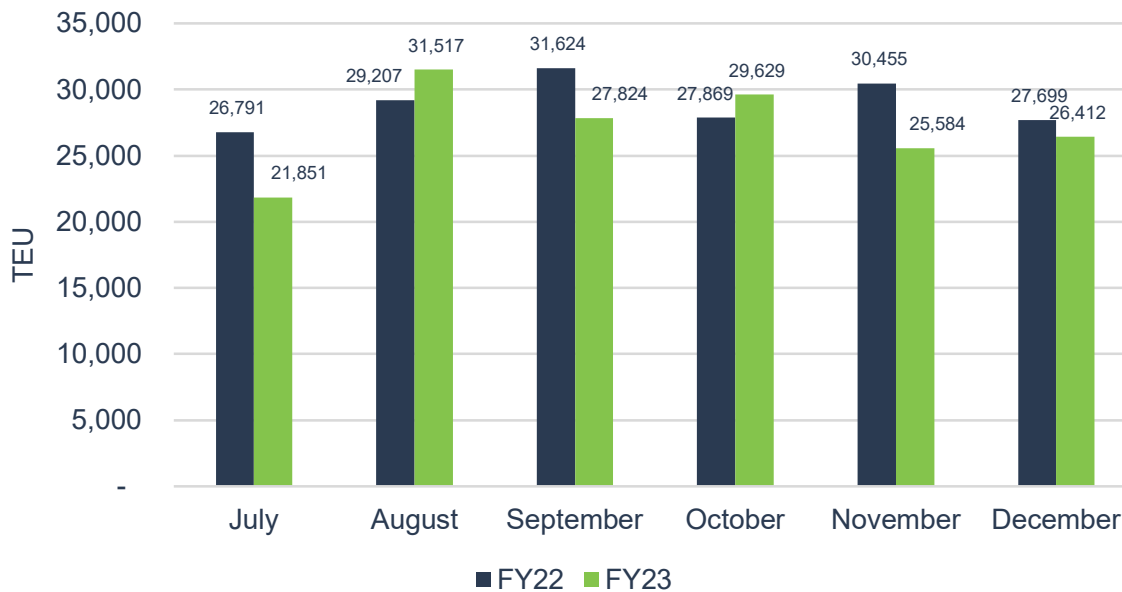


Ruakura
INLAND PORT



MetroPort

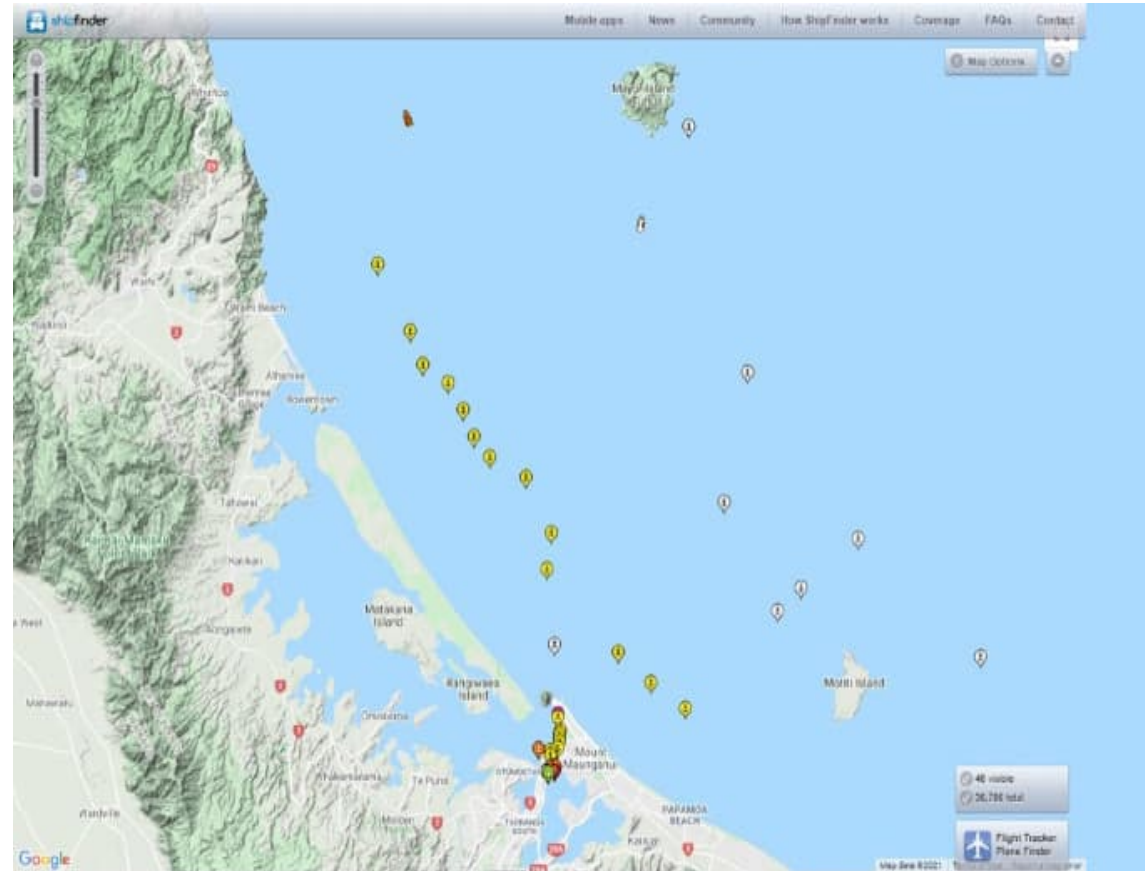
MetroPort Rail Volumes



- MetroPort rail volumes down 7.6% on PCP
- 92 per week MetroPort train plan – under review

Port Congestion

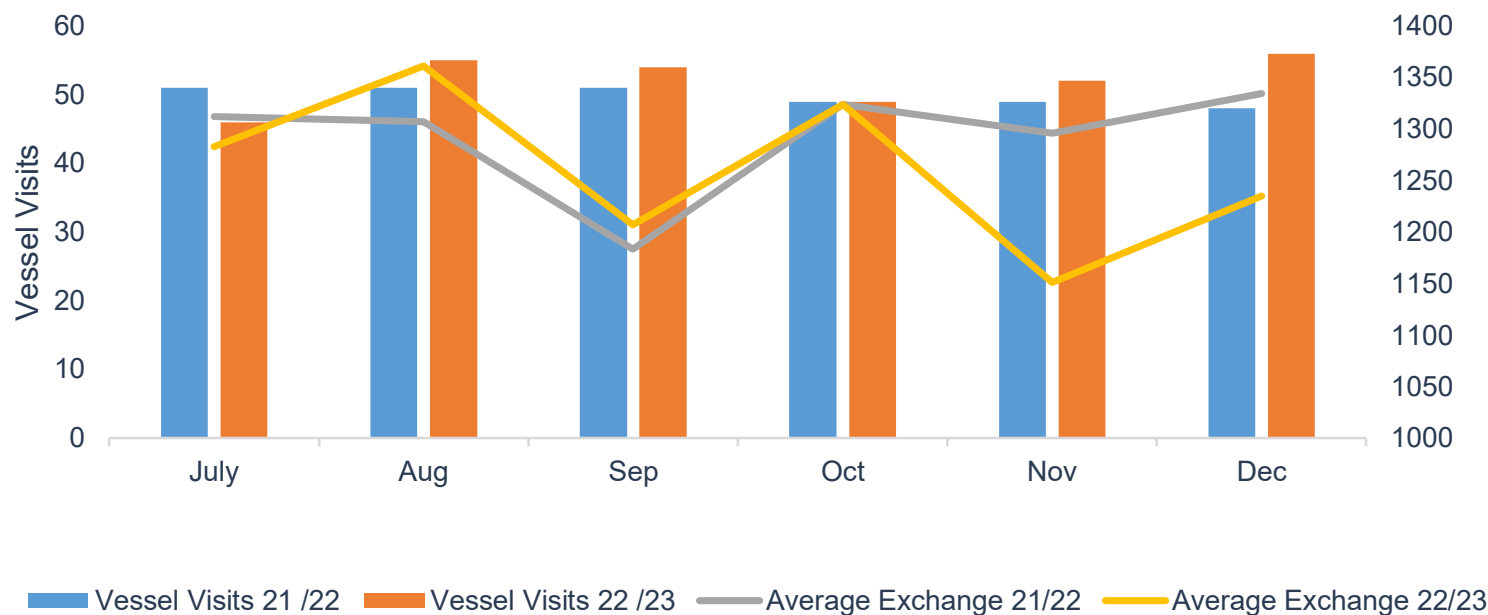
- Proforma vessel schedules have been suspended since October 2020.
- Since October 2020 32-35% of vessels have met scheduled berth window.
- Prior to October 2020 ~ 85% vessels on window.
- 80% required to reinstate berth windows effectively.
- Berth priority given to services on window in Tauranga (priority not holding berth window).
- Berth window reinstatement requires all NZ ports to reinstate agreed windows.



Congestion Impacts

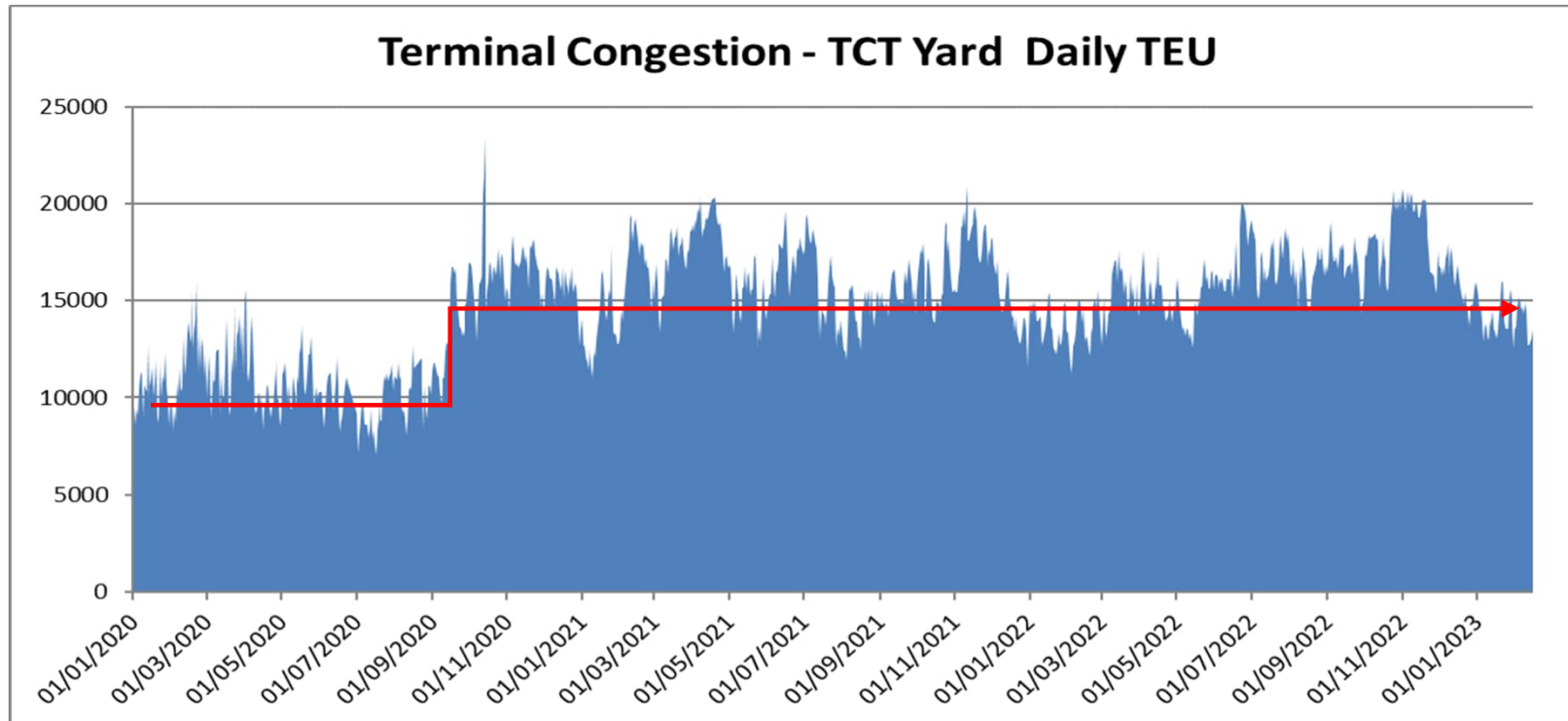
12 more container vessels July – December 2022 vs PCP

Tauranga Container Terminal Vessel Calls



4% Increase in container vessel calls vs PCP

Congestion Impacts Daily TEU in Yard

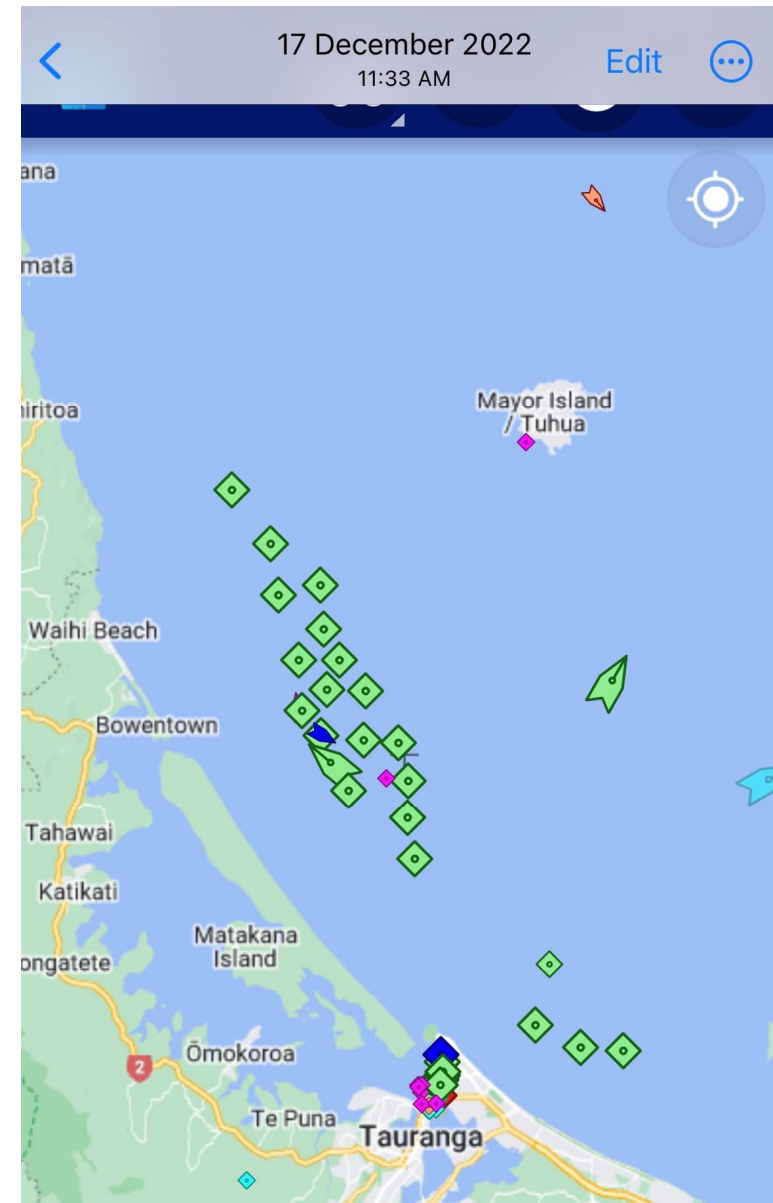


- Yard intensity continues ~45% (5,000 TEU) above October 2020 levels.
- Unlikely to improve until berth windows are reinstated.
- Average vessel exchange increased 11% however less frequent (down 22% from 2019).
- No move count restrictions imposed in Tauranga since vessel schedules suspended.

October 2022 to January 2023

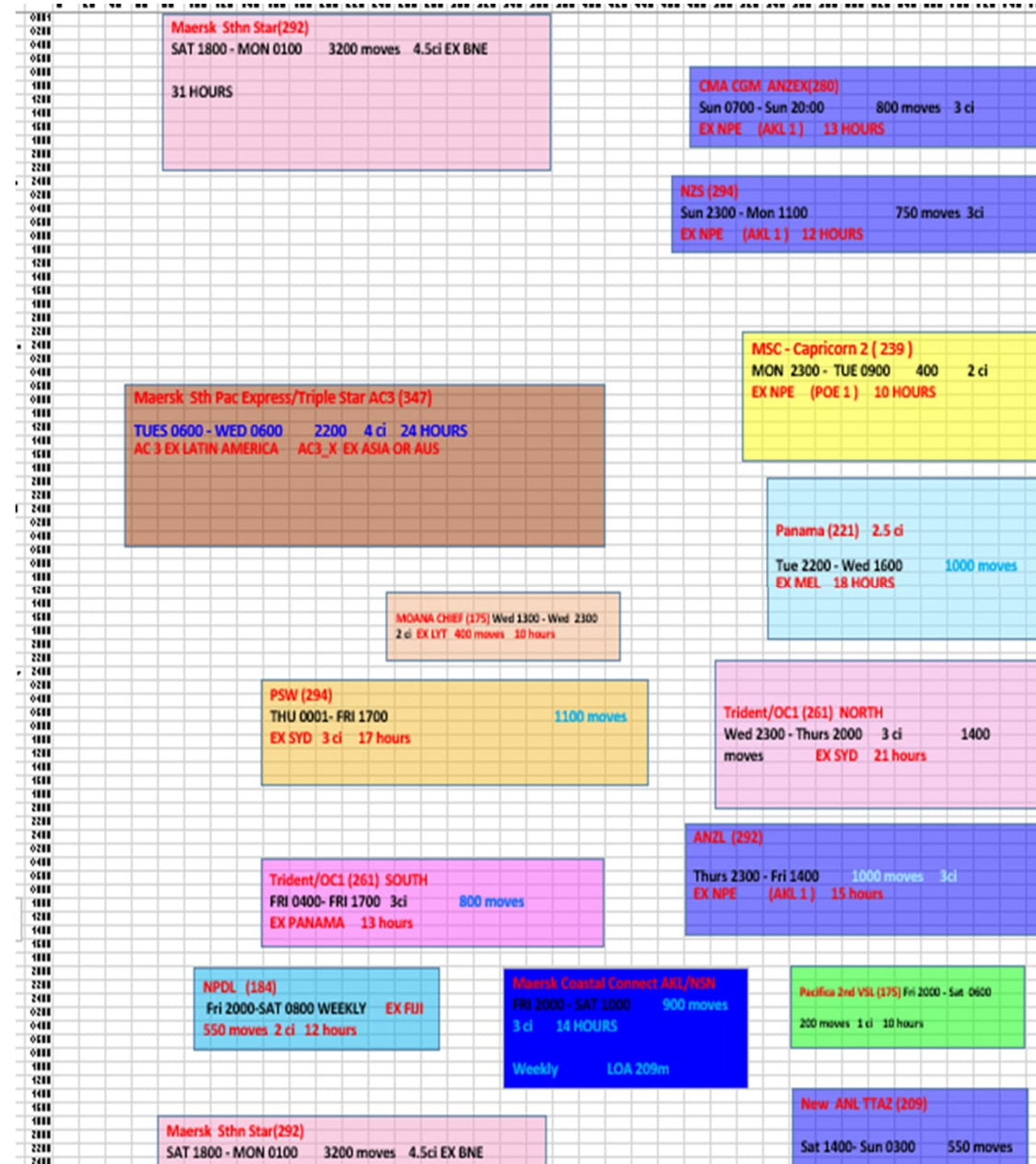
	October 2022	November 2022	December 2022
Average Container Volumes	18,141	18,972	15,948
Average Dwell	4.55 days	5.36 days	5.49 days
Average Vessel/s at Anchor	2	4.3	12
Average Wait Time	12.5 hours	24 – 36 hours	11 days

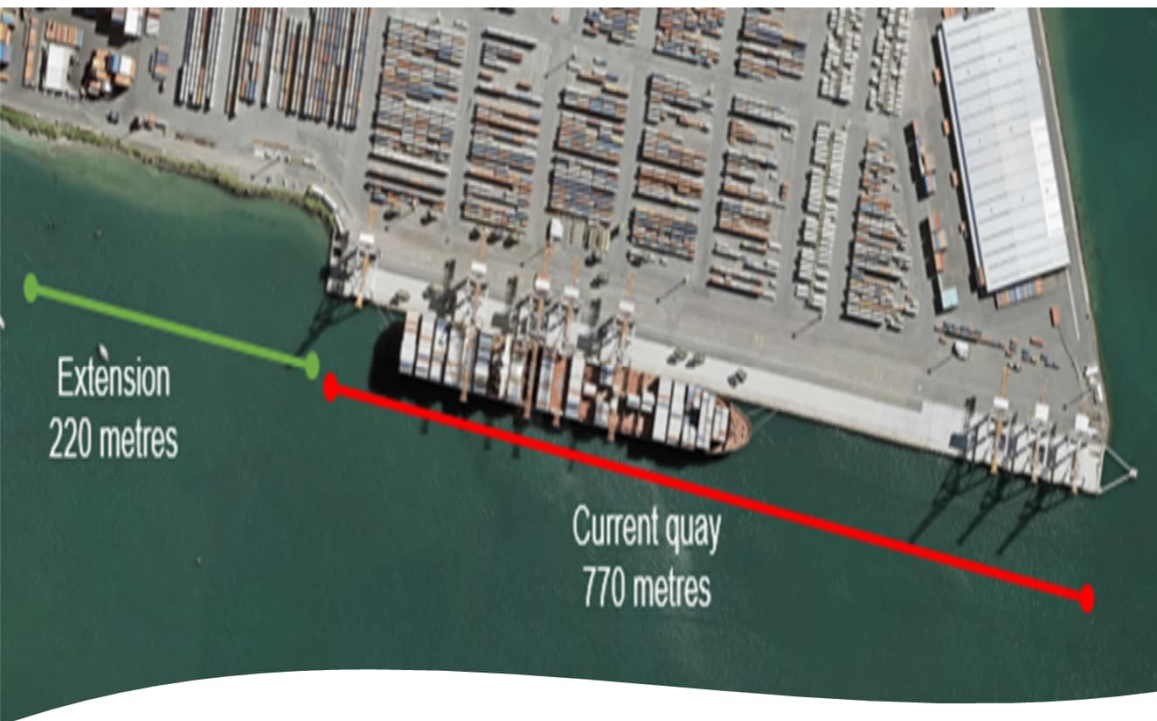
- December – significant vessel bunching exacerbating congestion.
- Twelve container vessels arrived at anchor within 24-hour period.
- Average vessel exchange ~29 hours.



Reinstatement of Proforma Berth Windows

- Planned NZ proforma berth reinstatement 6 March 2023.
- Joint Port initiative across the NZ Port sector.
- Tauranga proforma berth schedule ~1.3M TEUs.
- Reduced yard congestion.
- Improved terminal productivity - reduced dwell.
- Increase in throughput capacity.



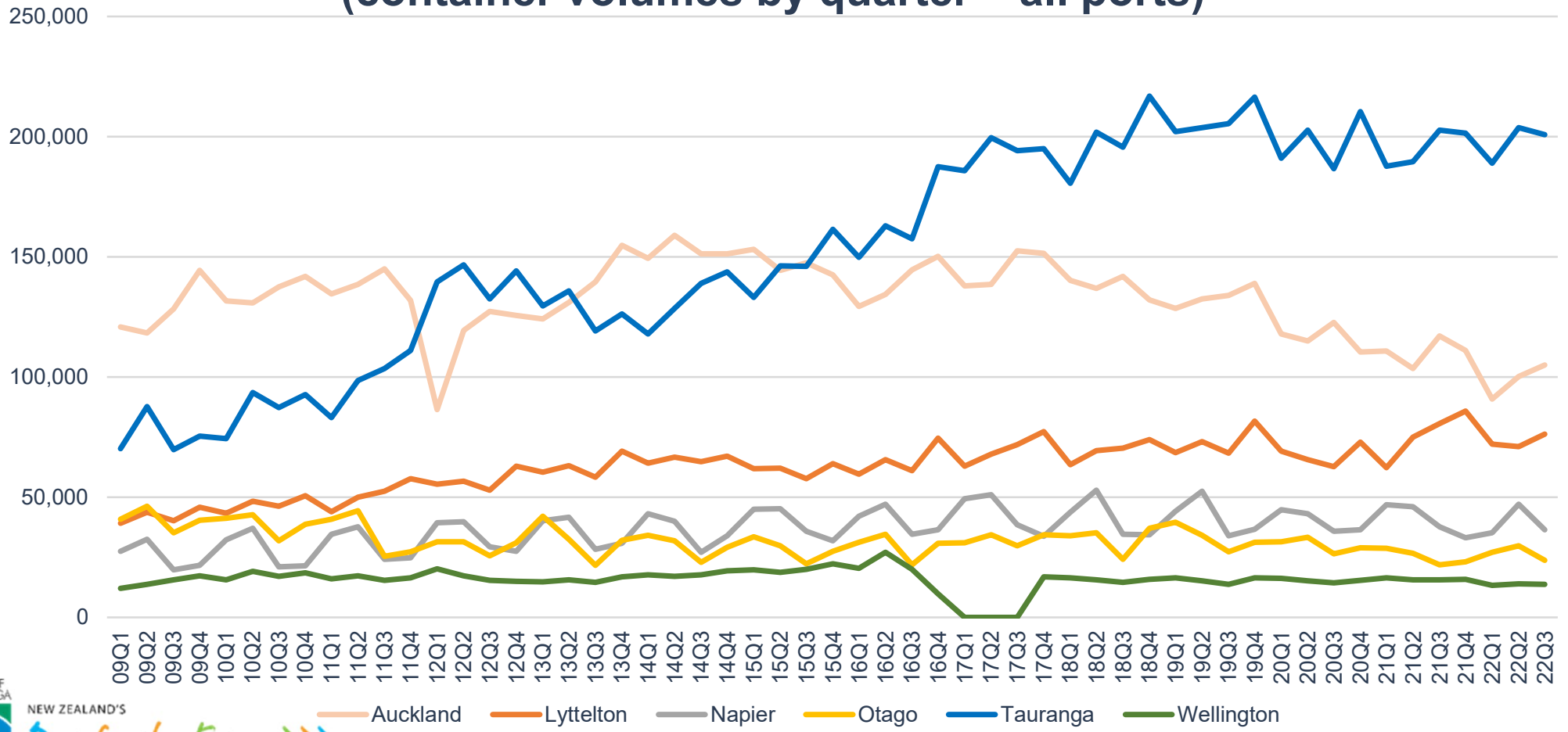


Critical New Zealand Infrastructure

- Environment Court hearing commences 27 February 2023 (for approx. three weeks).
 - At capacity based on current extended dwell. Proforma capacity ~1.3M TEUs.
 - 2-year construction time frame after consent granted.

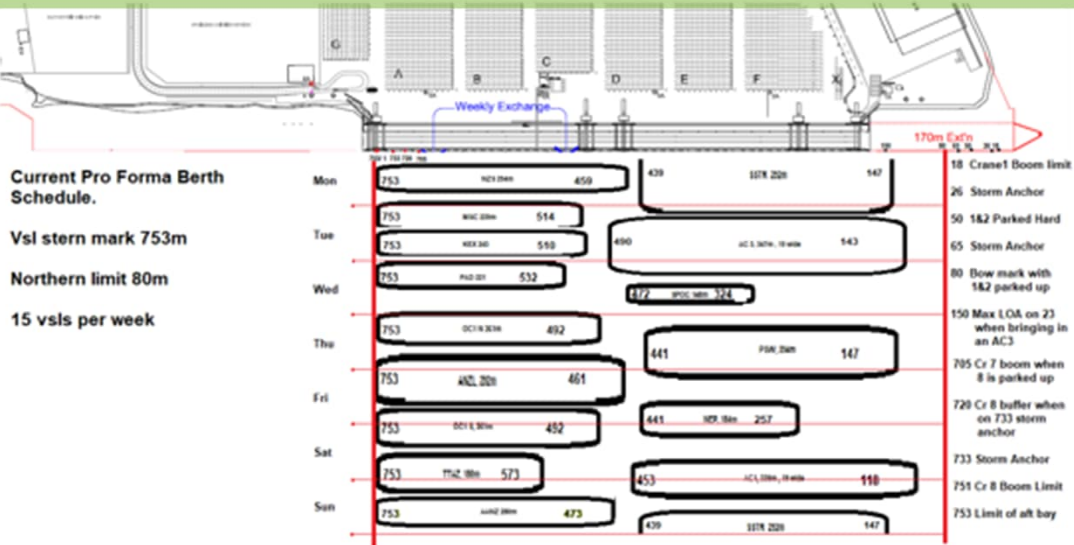
NZ's Largest Container Terminal

(container volumes by quarter – all ports)



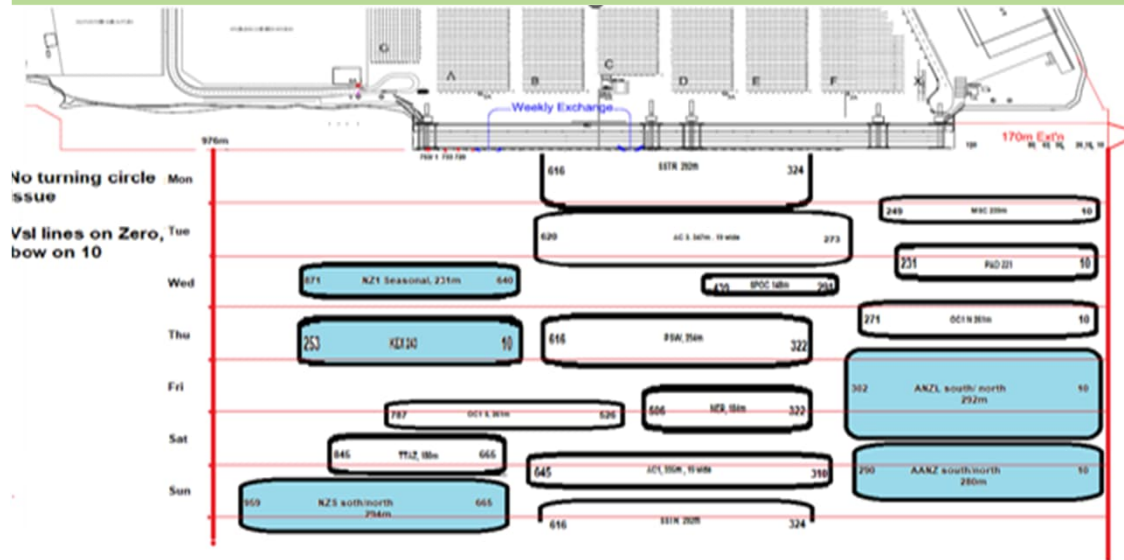
Source: Ministry of Transport

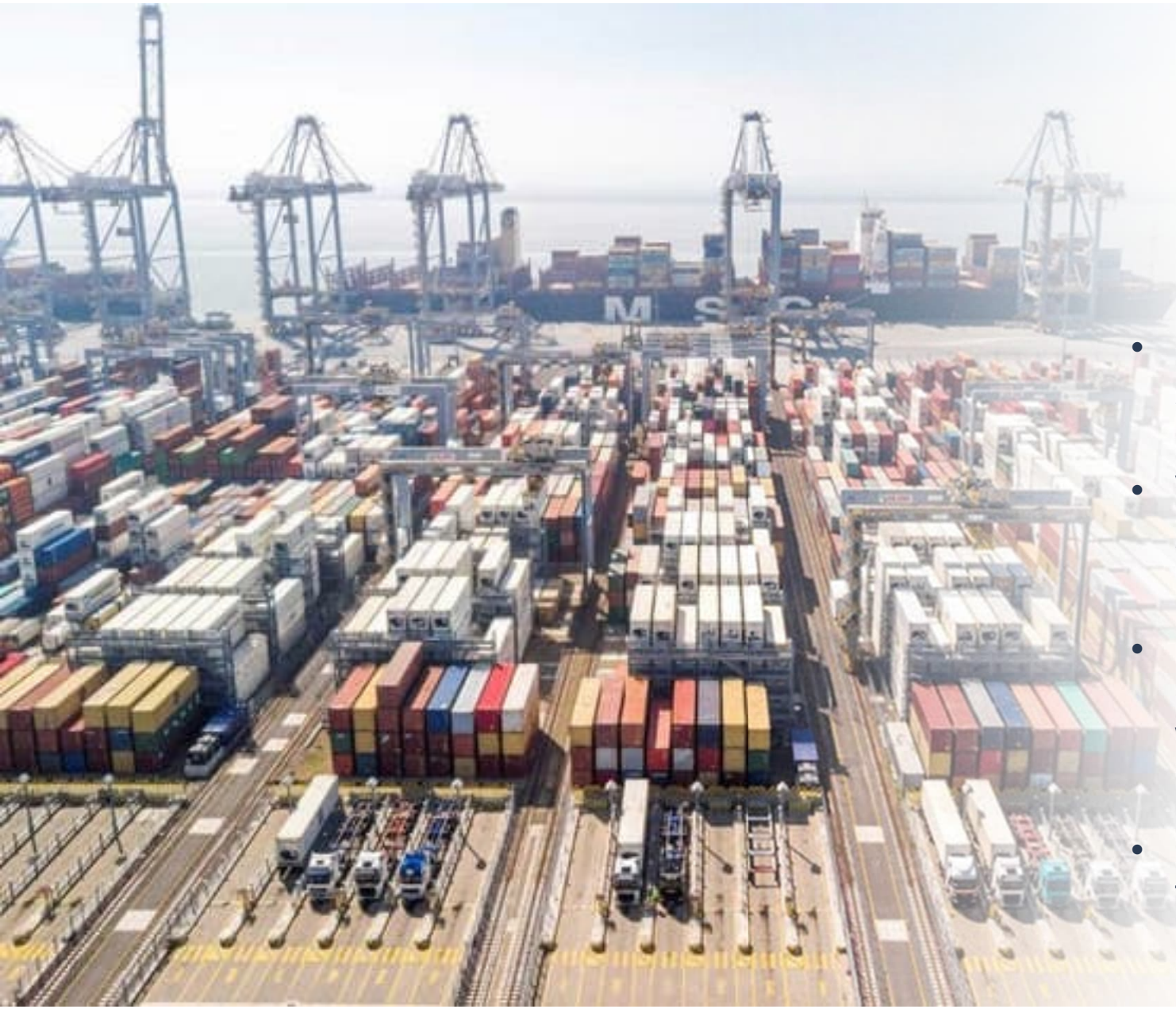
Current Berth



Increasing Resilience

New Berth Capacity

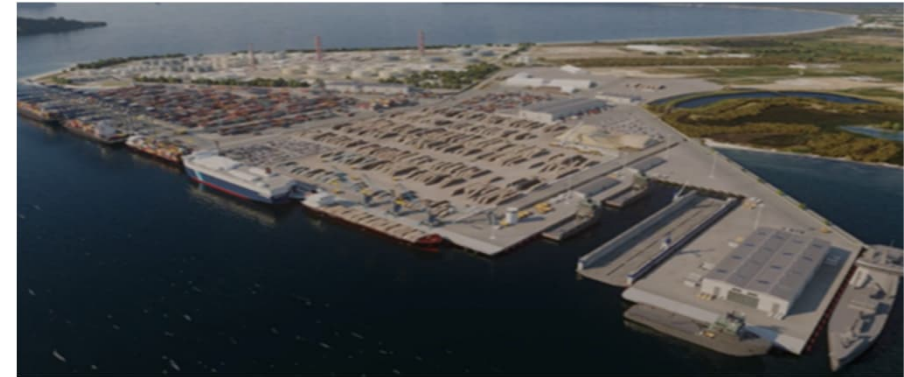




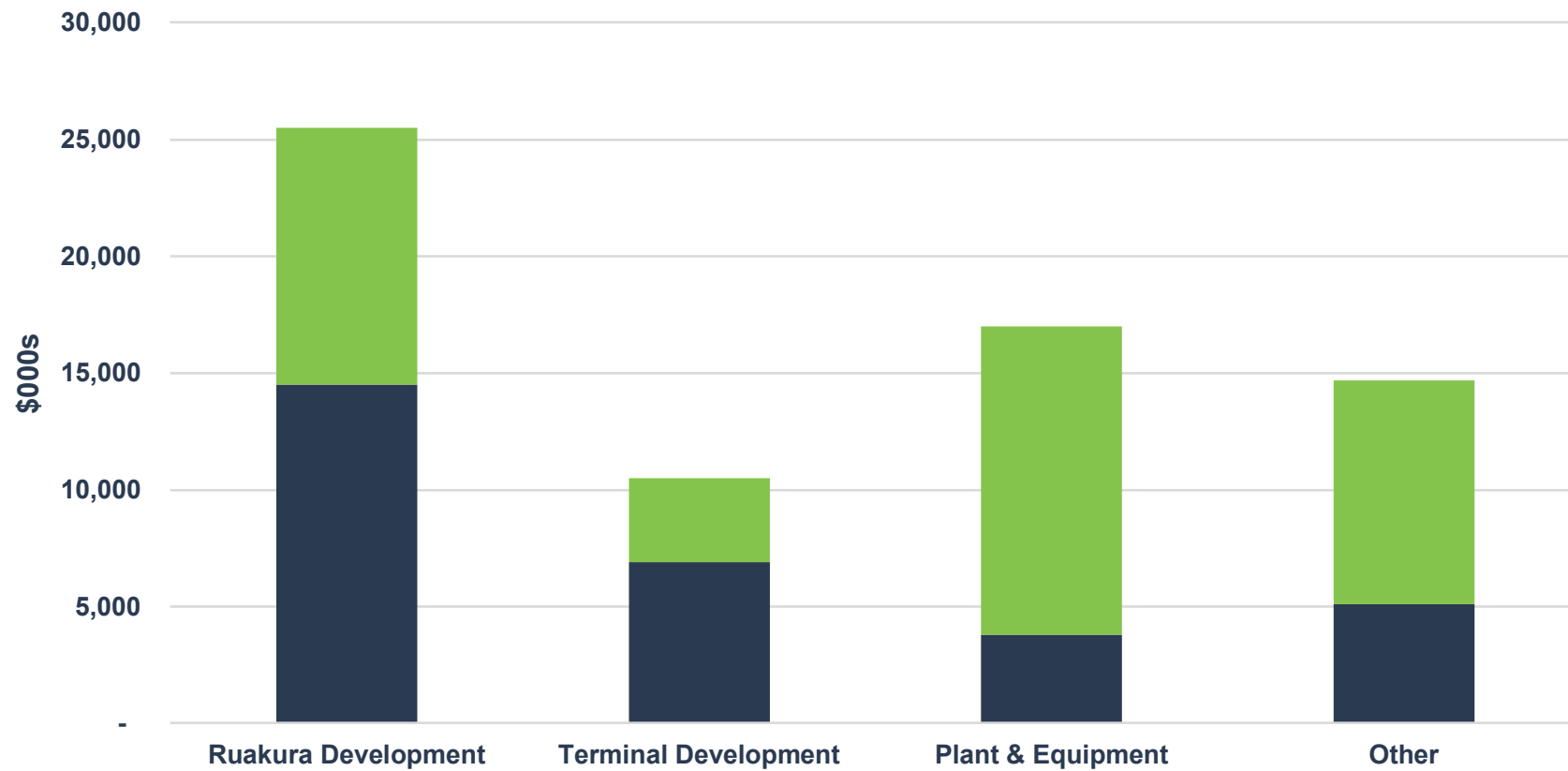
Terminal Automation

- Request for tender released Q4 2022.
- Vendor selection expected Q2 2023.
- High global demand on terminal equipment may extend delivery windows.
- Early indications ~ 12-18 months from order placement.

A Resilient Upper North Island Supply Chain



Parent Capital Expenditure FY 2023



Outlook 2023

- Port congestion is expected to ease following berth window reinstatement.
- Labour levels on Port improving.
- Recent weather cargo impacts still being assessed – not expected to be significant.
- Expect to handle about 1.20 – 1.25 million TEU.
- Log volume forecast circa 5.7M JAS FY23.
- F23 earnings guidance expected to be between \$117 and \$124 million.



THANK YOU



NEW ZEALAND'S

Port for the Future >>>