

1 March 2022

Interim Results for the six months to 31 December 2021

Quayside Holdings Limited is pleased to present the results for the interim period ending 31 December 2021. Group Net Profit after Tax (NPAT) for the six months was \$81 million (2020: \$80.7 million), an increase of 0.4%. The performance of the Group is comprised of the result from the 'Port of Tauranga Group' (Port segment) and the 'Quayside Group' (Investing segment) as follows:

Port of Tauranga Group Performance

Port of Tauranga Group increased its profitability for the first six months of the 2022 financial year as it deals with ongoing cargo volume volatility. Net Profit After Tax for the six months to December 2021 was \$56.3 million, a 15.6% increase on the same period versus the previous year. Operating revenue increased 16.7% to \$186.0 million due to changes in container mix and higher per container revenue. Operating expenses increased 17.5% due to increased rail, labour, fuel and electricity costs.

Subsidiary and Associate Company earnings decreased 11.2% overall on the previous corresponding period, partly due to changes in the accounting for the Timaru Container Terminal. Coda's performance improved significantly from the previous year and Quality Marshalling also produced strong financial results.

The Port applied for the Covid-19 recovery fast track resource consenting process for its proposed berth extension at Tauranga Container Terminal. The project was declined and has now been referred directly to the Environment Court. The case is waiting for a court date.

The Port has declared as a subsequent event, in its 31 December 2021 interim accounts, a fully imputed interim dividend of 6.5 cents per share, providing Quayside for future cash flow of \$23.1m.

Quayside Group Performance

The Quayside Group reported an operating profit of \$24.6 million (2020: \$31.2 million) after tax for the first half of the year. This result excludes distributions from Port of Tauranga Group. Of the reported income, \$4.7 million is cash income (ex-Port of Tauranga dividend) and \$ 24.8 million is represented by unrealised gains (based on 31 December 2021 valuations). The biggest contributor to the Quayside Group's performance is the listed asset portfolio, with \$3.7 million of dividend paid in the first six months of the year and \$14.9 million of unrealised gains.

The private equity portfolio generated \$9.7 million in unrealised gains as of 31 December 2021. Positive returns from unlisted investments are classified in Other Income. Quayside also continues to see strong returns from its orchards and other commercial investments.

The Quayside Group paid dividends to Perpetual Preference Shareholders during the period of \$1.7 million in accordance with its prospectus. Net dividends paid during the period to the Bay of Plenty Regional Council were \$20.0 million (2020: \$33.1 million) in line with the current Statement of Intent.

Attachments:

- Appendix 1
- Interim financial statements to 31 December 2021

Regards



Scott Hamilton

Chief Executive, Quayside Holdings Limited