

NZX RELEASE

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Q4 2023 Operational Update

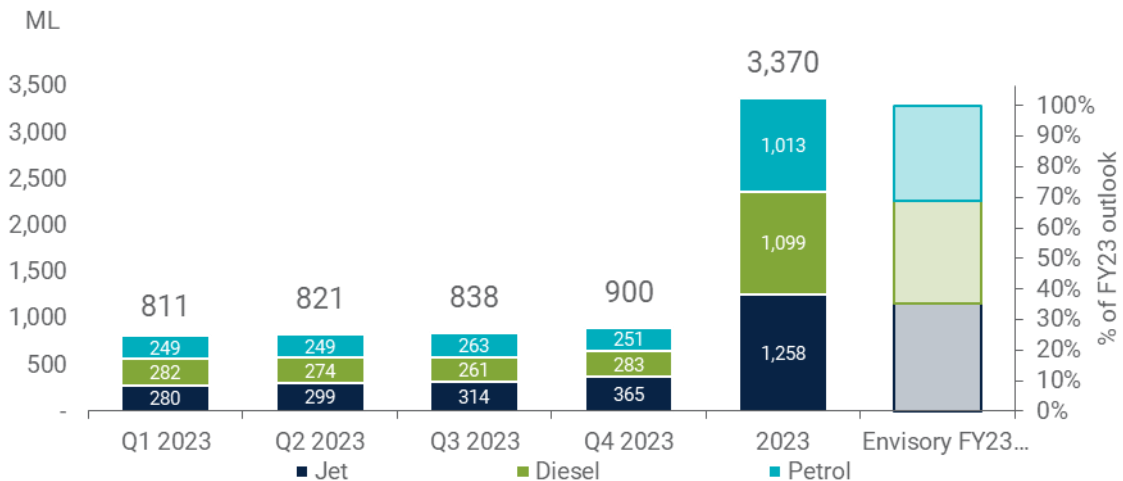
Channel Infrastructure (CHI) has today released its operational update for the three months ended 31 December 2023 (Q4 2023), combined with an update on the conversion project.

HIGHLIGHTS

Terminal and pipeline throughput

- 14 import shipments received and discharged during the quarter (2023 YTD: 70) including New Zealand's largest ever finished product import in December on the 250m long LR2 class vessel "STI Gauntlet" with cargo totaling over 115 million litres of product in one delivery.
- Terminal and pipeline throughputs were strong at c.900 million litres in Q4 2023, up 62 million litres on the previous quarter and c.13% higher than Q4 2022.
- The increased throughput continues to be driven by a strong aviation demand recovery, with jet throughput up c.49% on the previous corresponding period (Q4 2023: 365 million litres; Q4 2022: 244 million litres).
- For the 12 months ended 31 December 2023, total throughput was 3,370 million litres, tracking slightly above the Envisory (formerly Hale & Twomey)¹ fuel demand outlook for 2023 but in line with management expectations.

Pipeline and Truck Loading Facility volumes



- A summary of Quarterly Terminal and Pipeline Throughputs by fuel type since commencement of import terminal operations on 1 April 2022 is included as **Appendix I**.

Conversion project

- Conversion project substantially complete with only remaining firefighting and bund upgrade work to continue to 2026.

¹ Refer to page 26 of FY22 Investor Presentation available at: [CHI FY22 Investor Presentation](#)



- Conversion costs remain within budget (\$200-220 million of conversion costs and \$45-50 million for private storage) with c.\$205 million² spent to 31 December 2023 (30 September 2023: \$189 million), including c.\$42 million of private storage costs (30 September 2023: \$36 million).
- Net borrowings are unchanged at \$315 million as at 31 December 2023 (30 September 2023: \$315 million) due to the divestment of c.72 million carbon credits (NZUs) and the receipt of US\$0.5 million from Seadra Energy Limited to renew its option to purchase permanently decommissioned assets for an additional six months³.

Channel Infrastructure confirms that it will release its FY2023 financial results on Thursday 29 February 2024.

- ENDS -

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About Channel Infrastructure NZ

Channel Infrastructure's vision is to be a world-class infrastructure company, delivering resilient infrastructure solutions to help meet changing fuel and energy needs.

Channel Infrastructure's assets are a critical part of the Northland and Auckland fuel supply chain, supplying around 40% of New Zealand's transport fuel demand and all of the jet fuel to the Auckland International Airport. Utilising the deep-water harbour and jetty infrastructure at Marsden Point, as well as 280 million litres of storage tanks, and the 170-kilometre pipeline from Marsden Point to Auckland we receive, store, test and distribute fuel owned by our customers. Channel Infrastructure's wholly-owned subsidiary, Independent Petroleum Laboratory Limited, provides fuel quality testing services at Marsden Point and around New Zealand.

Channel Infrastructure will seek to support New Zealand's decarbonisation ambitions, by utilising our strategically-located assets and our expertise in supply chain infrastructure. The Company remains focused on its future growth opportunities at the Marsden Point site and beyond, including additional fuel storage to support fuel security and studies underway with partners on hydrogen and sustainable aviation fuel opportunities.

For more information on Channel Infrastructure, please visit: www.channelnz.com

² Subject to the finalisation of the FY23 financial results.

³ NZX Announcement 21 December 2023: Extension of option to purchase decommissioned assets.



Appendix I – Terminal and Pipeline Throughputs (since 1 April 2022)

Terminal and Pipeline Throughputs by quarter	2022 ML ⁴	2023 ML
Quarter 1		
Jet		280
Diesel		282
Petrol		249
Total		811
Quarter 2		
Jet	146	299
Diesel	275	274
Petrol	257	249
Total	679	821
Quarter 3		
Jet	200	314
Diesel	264	261
Petrol	258	263
Total	721	838
Quarter 4		
Jet	244	365
Diesel	275	283
Petrol	280	251
Total	799	900

⁴ ML – million litres