

NZX RELEASE

19 April 2024

Q1 2024 Operational Update

Channel Infrastructure NZ Limited (NZX:CHI) (**Channel** or **Channel Infrastructure**) has today released its operational update for the three months ended 31 March 2024.

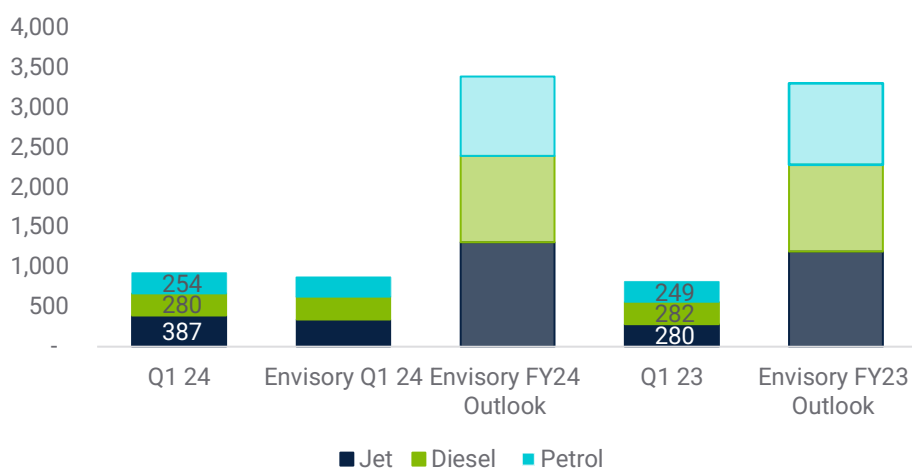
OPERATIONAL HIGHLIGHTS

Terminal and pipeline throughput

- Terminal and pipeline throughputs for the quarter ended 31 March 2024 continued to track above the Envisory fuel demand outlook at c.921 million litres in Q1 2024, up 21 million litres on the previous quarter and c.13% higher than Q1 2023 (811 million litres).
- 17 import shipments were received and discharged during the quarter (Q1 2023: 18).
- The increased throughput continues to be driven by a strong aviation demand recovery, with jet fuel throughput up c.38% on the previous corresponding period (Q1 2024: 387 million litres; Q1 2023: 280 million litres).
- Jet fuel demand has shown typical seasonal behaviour (Summer peak demand) but demand has been stronger than expected with a greater number of flights for the anticipated growth in passenger numbers, reflected in the lower reported airline load factors. Actual jet fuel throughput for Q1 was 13% above the Envisory forecast compared with 14% for Q4 2023 and 5% for FY23. Management's view is that the seasonal peak is now concluded, in line with pre-Covid trends.

Pipeline and Truck Loading Facility volumes

Million Litres



- 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 and private storage update

- Decommissioning and workforce transition is now complete with the remaining conversion work largely associated with firefighting and bunding upgrades.
- Conversion costs remain within the \$220 million budget with c.\$169 million spent to 31 March 2024 (31 December 2023: \$163 million).
- Private storage growth capex of c\$43.5 million spent to 31 March 2024, within budget of \$50 million (31 December 2023: \$41 million).
- Net borrowings increased to \$333 million as at 31 March 2024 (31 December 2023: \$315 million).

- ENDS -

Authorised by:

Chris Bougen
General Counsel and Company Secretary

Investor Relations contact:

Anna Bonney
investorrelations@channelnz.com

Media contact:

Laura Malcolm
communications@channelnz.com

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 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



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

Terminal and Pipeline Throughputs by quarter (million litres)

| | 2022 | 2023 | 2024 |
|------------------|------------|------------|------------|
| Quarter 1 | | | |
| Jet | | 280 | 387 |
| Diesel | | 282 | 280 |
| Petrol | | 249 | 254 |
| Total | | 811 | 921 |
| 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 | |