



# Presentation to NZ Council of Cargo Owners

February 2024



New Zealand  
Council of  
Cargo Owners

The association for NZ's  
largest shippers



# Agenda

## Business Update – Roger Gray

- Industry Trends
- Regaining our Mana
- Auckland Council – LTP Process
- Half year result – the Key numbers and Highlights

## Key numbers – Craig Sain

- Business volumes
- Container Terminal Performance
- Operational Improvement Team initiatives

## AOB



# Industry Trends

- Post COVID inflation pressure & economic challenges
- Challenges to vessel schedules – industrial action, re-deployments, IMO impacts (less reception to speeding up), volume uncertainty
- Port companies under pressure to invest in infrastructure whilst increasing demand by owners to lift ROE – prices will continue to increase
- Heightened security risks at Borders – NZ is a target
- Realisation we need a resilient, low carbon supply chain in NZ. This will be hard to deliver



# Regaining our Mana

## Our Strategy

### Vision

Port of Auckland Limited will be a port that is sustainably profitable, delivering a fair return to Auckland Council, whilst remaining the preferred port of our customers and our people.

### Purpose

Facilitate the sustainable growth of trade for Auckland and the North Island.

### Focus Areas



#### Customer at the core

- Only focus on what our customers value.
- Increase our Revenue.
- Deliver seamless customer experiences.
- Instituting strong capital discipline and fiscal prudence.



#### Execute the plan

- Plan and optimise the use of our sites.
- Upgrade our core systems.
- Build our reputation (social licence) with others.
- Maintain operational integrity.
- Simplify our business operations and structures.



#### Whanaungatanga

- Operate safely and sustainably.
- Develop a safe high-performance focused culture.
- Attract and retain great people.
- Leverage the power of our people working together through High Performance High Engagement.
- Don't pass on poor work.

### Sustainability



#### Caring for Aucklanders



#### Genuine harbour health



#### Meaningful climate action



#### Driving towards a circular economy



#### Sustainable business in Auckland

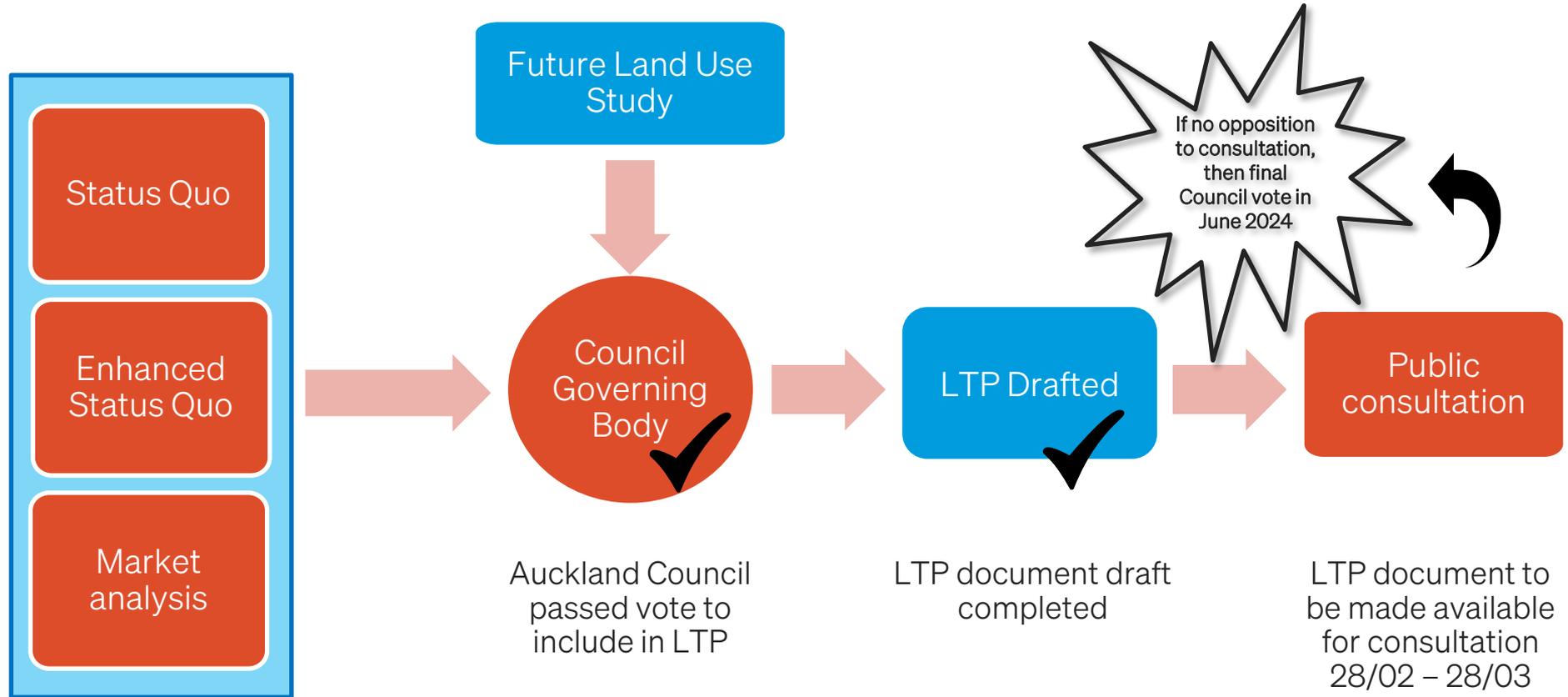
### Financial

FY24 \$52m NPAT  
\$35m Dividend

FY25 \$60m NPAT  
\$42m Dividend

FY26 \$70m NPAT  
\$50m Dividend

# Recommendations to Auckland Long Term Plan (LTP)



# Loss of Captain Cook/Marsden Wharves

Requires berth  
to replace  
Captain Cook



# Half Year Result - The key numbers

Measure	Progress	Half Year Result
<b>Revenue</b>	↑ \$3 million	\$162.5m
<b>Underlying Net Profit After Tax (NPAT)</b>	↑ \$400,000	\$21.2 million
<b>Dividend</b>	↑ \$5 million	\$20 million
<b>Net Debt Levels</b>	↓ \$9.9m	\$397.6m
<b>Lost Time Injuries</b>	↓ 85%	
<b>Total laden import and exports</b>	↑ 8% increase in upper North Island market share	225,128 TEU

# Highlights

## Increase in safety leadership

Recent safety results show increase in safety leadership with improvements across all questions and confidence to speak up on safety increasing by 13%.

## Tracking well for cruise

On track for record cruise season including the arrival of two new cruise lines – Disney and Virgin.

## Deloitte Top 200 Awards

Winner of the Deloitte Top 200 Business Award for Most Improved Performance.

## Straddle conversion project

Work started on converting the automated straddles to manually operated straddles this month.





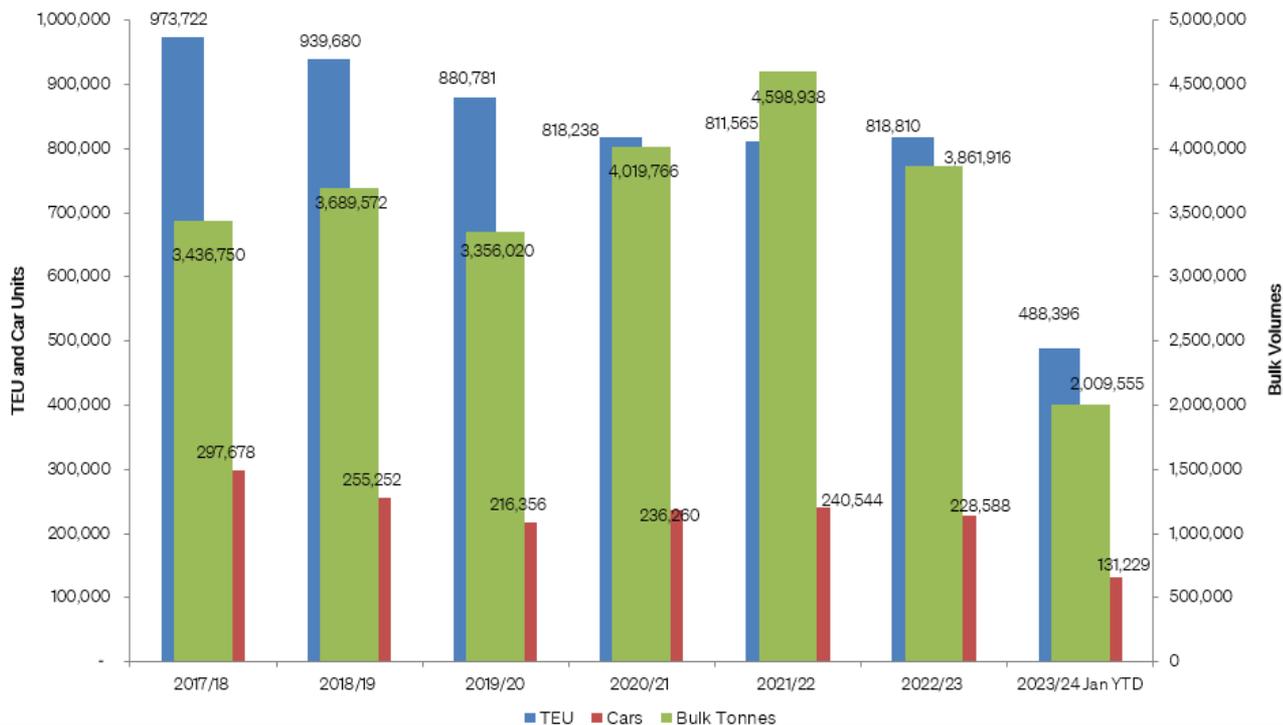
# Business Volumes



# POAL Volumes – Containers / Cars / Bulk – (YTD January 2023/24)

POAL Volumes by Year

Bulk figures do not include car volumes converted to tonnes



YOY Change	TEU'S	Vehicles	Bulk
17/18 - 18/19	-3.5%	-14.3%	7.4%
18/19 - 19/20	-6.3%	-15.2%	-9.0%
19/20 - 20/21	-7.1%	9.2%	19.8%
20/21 - 21/22	-0.8%	1.8%	14.4%
21/22 - 22/23	0.9%	-5.0%	-16.0%
22/23YTD-23/24YTD	0.7%	1.3%	-18.5%

YTD	22/23	23/24	Comparison
Export Full	76,869	81,592	6.1%
Export Empty	118,968	113,696	-4.4%
Import Full	205,663	217,362	5.7%
Import Empty	23,354	23,279	-0.3%
Transhipments	52,982	47,209	-10.9%
Other	6,980	5,258	-24.7%
	484,816	488,396	0.7%

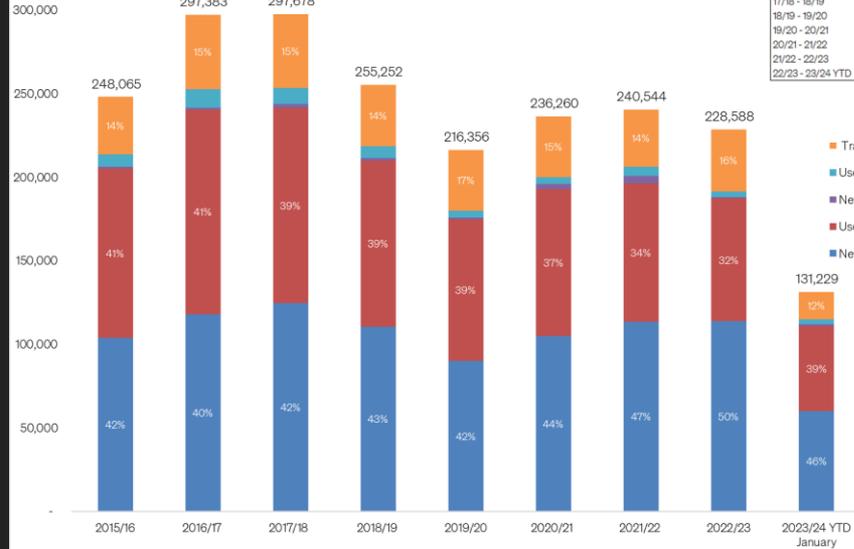
# Multi-cargo RORO and Bulk/BBK Trades FY 24 YTD



POAL Total Car Volumes Breakdown

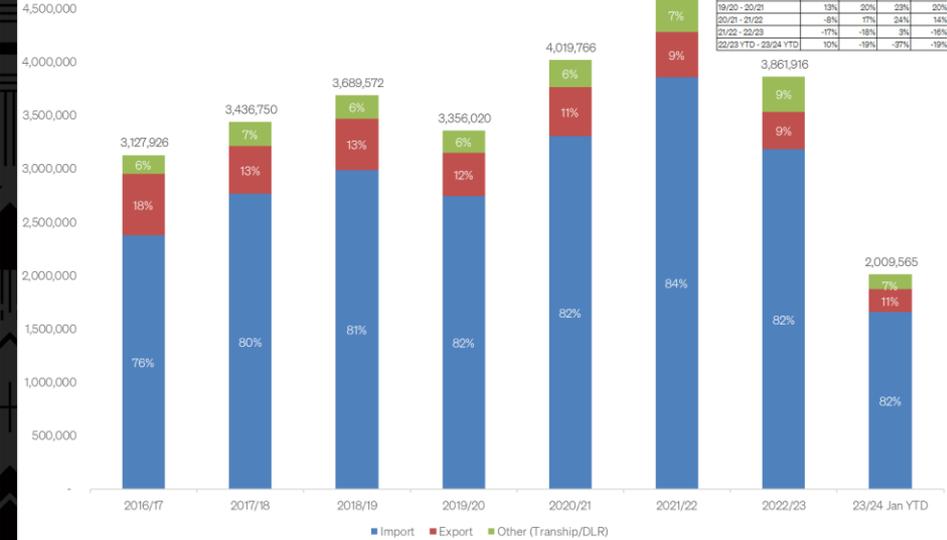
YOY Change	
15/16 - 16/17	19.9%
16/17 - 17/18	0.1%
17/18 - 18/19	-14.3%
18/19 - 19/20	-15.2%
19/20 - 20/21	9.2%
20/21 - 21/22	1.8%
21/22 - 22/23	-5.0%
22/23 - 23/24 YTD	1.3%

- Tranships
- Used Exports
- New Exports
- Used Imports
- New Imports



Breakbulk and Bulk volumes Imp/Exp/Other  
(tn/m3 whichever is the greater)

YOY change		Export	Import	Other	Total
16/17 - 17/18	-22%	18%	28%	10%	10%
17/18 - 18/19	7%	8%	-2%	7%	7%
18/19 - 19/20	-16%	-8%	-8%	-9%	-9%
19/20 - 20/21	13%	20%	23%	20%	20%
20/21 - 21/22	-8%	-17%	24%	14%	14%
21/22 - 22/23	-17%	-18%	3%	-16%	-16%
22/23 YTD - 23/24 YTD	10%	-19%	-37%	-19%	-19%

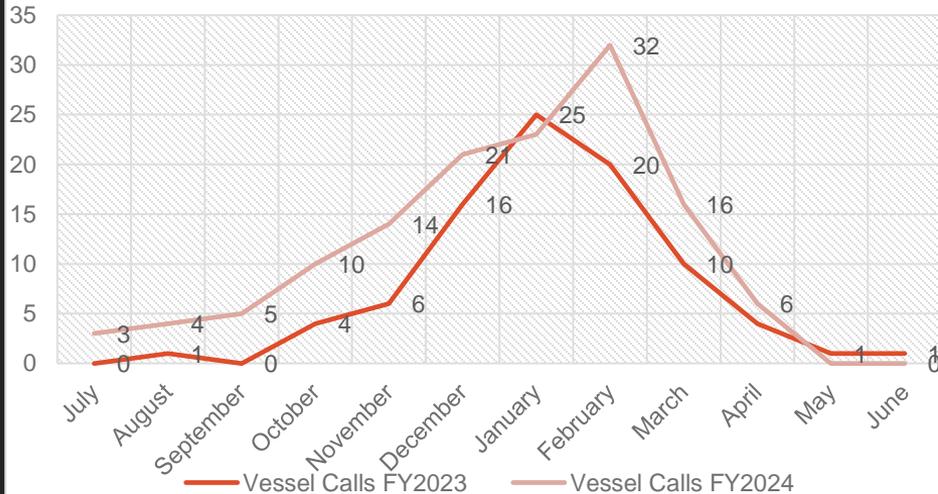


# POAL Cruise FY23 vs FY24 YTD

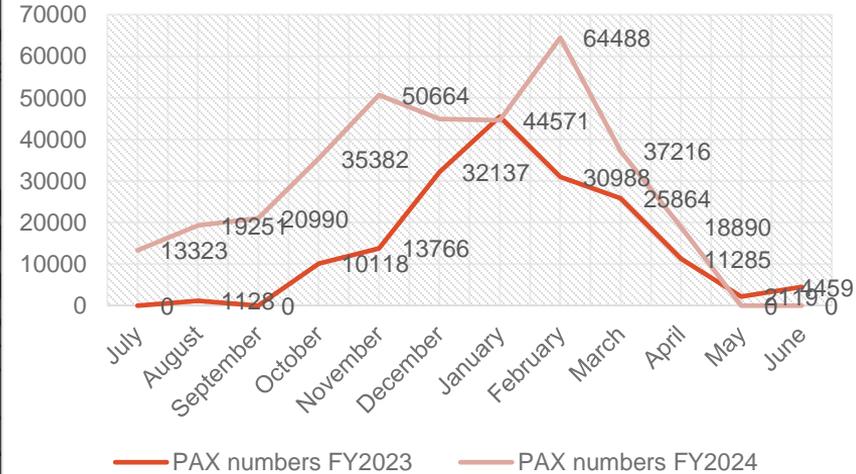


FY23 88 Cruise vessel visits and 177K PAX – FY24 est. 134 Cruise vessel visits and 350k PAX.

## Cruise Vessel calls FY23 vs FY24

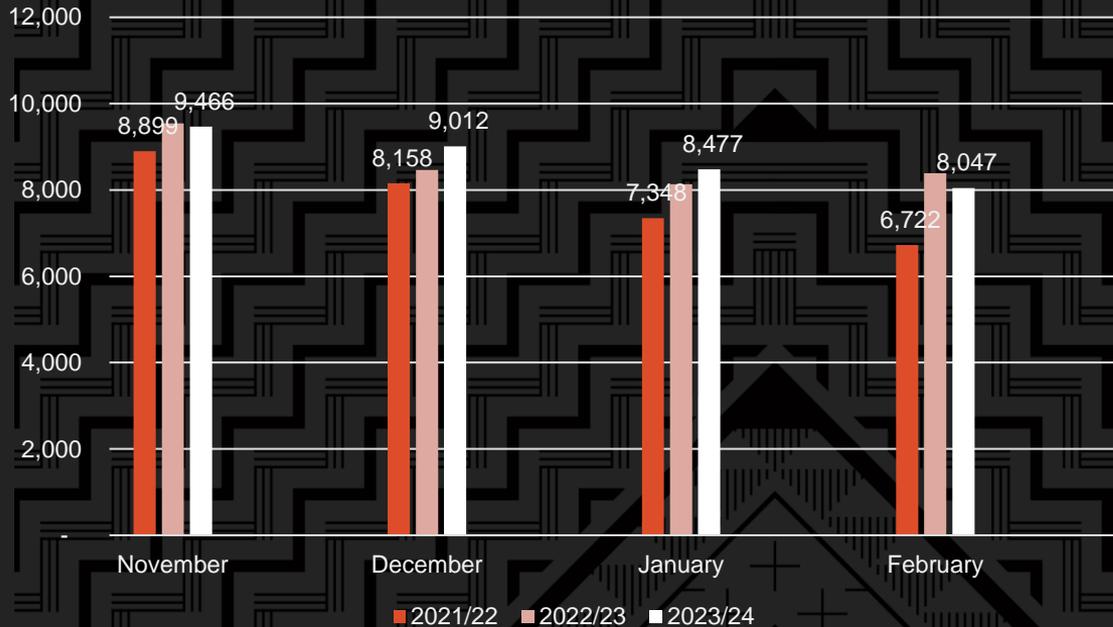


## Cruise PAX numbers



# Container Terminal Weekly Volumes

Average weekly Container moves

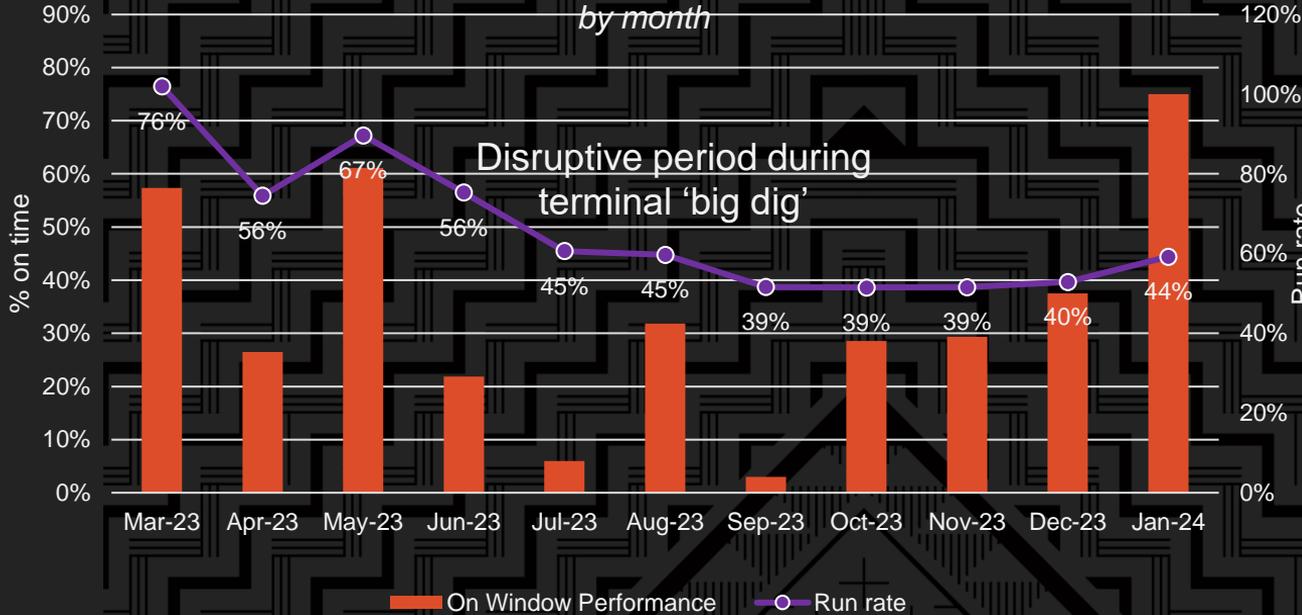


- Weekly labour capacity approx. 10,500 moves per week
- July expect to be 11,500 moves capacity and building
- Dec/Jan affected by DP World/MUA industrial action
- Feb ongoing offshore schedule disruptions
- Proforma caps removed Feb for mid week services, weekends now - 5%, reduced from -10%

# Container Terminal Berth Window Performance

		FY2024 W29	FY2024 W30	FY2024 W31	FY2024 W32	FY2024 W33	FY2024 W34	
Arrival	Early	4	3	2	0	1	4	
	ON	0	1	0	5	2	2	
	OFF	2	4	7	5	4	5	
Departure	ON	4	4	3	3	1	5	
	OFF	2	4	6	7	6	6	
	Ad-hoc	0	2	0	1	1	1	
ON Window Departure		100%	100%	100%	60%	33%	83%	

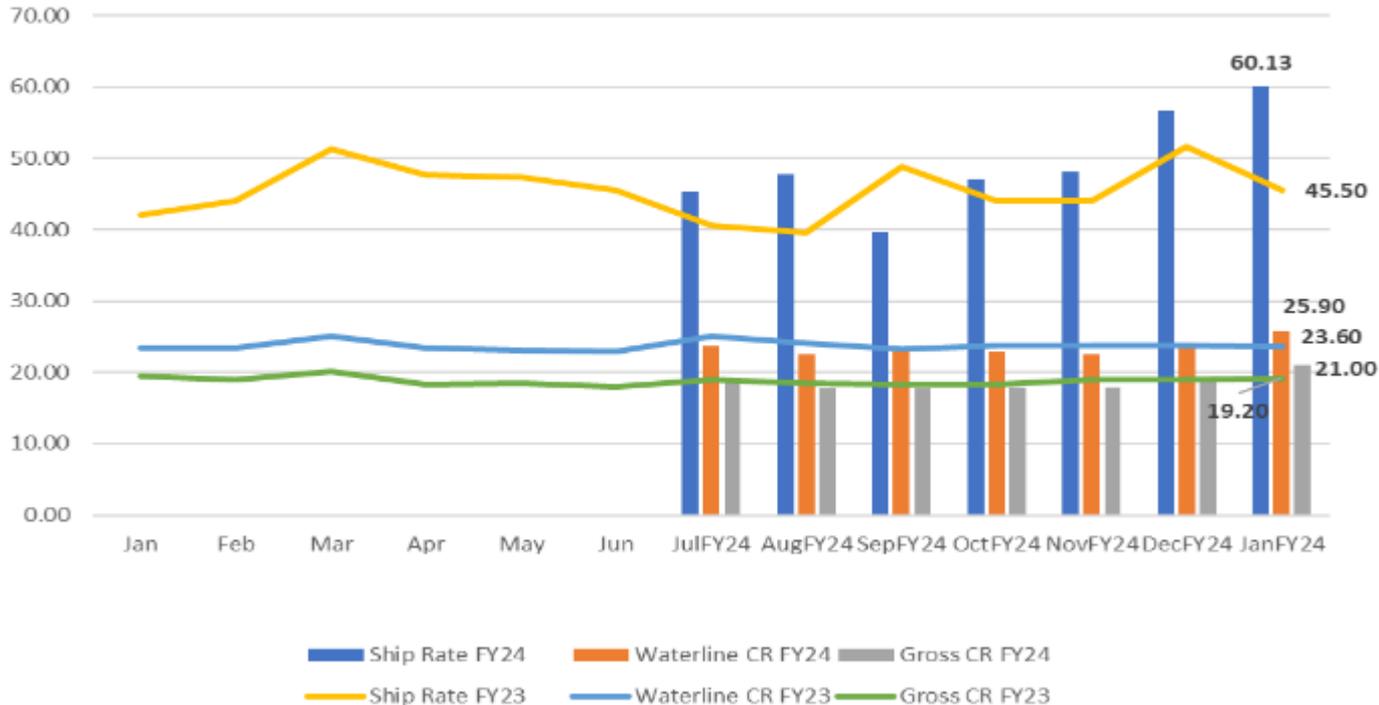
On Window Performance  
by month



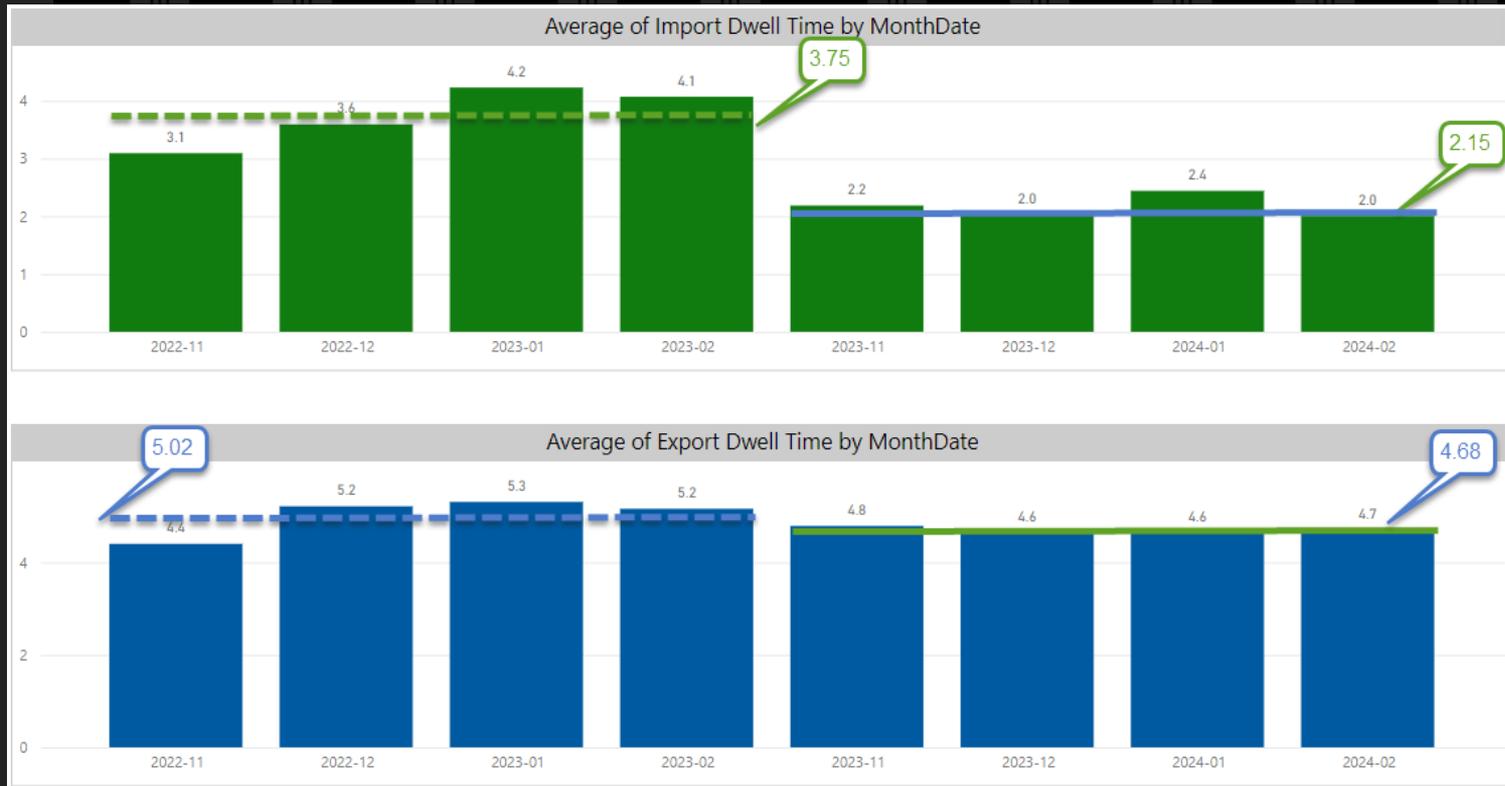
- Improving On Time performance – last 6 weeks ave. 83% OTD!
- OTD based on Early/On Window arrival – departing within 30mins on proforma window
- Last 6w (51 vessels) 47% arrived Early/On Window and 53% arrived late

# Container Terminal Performance

Ship Rate & Crane Rate FY24 v FY23



# Terminal Container Dwell times



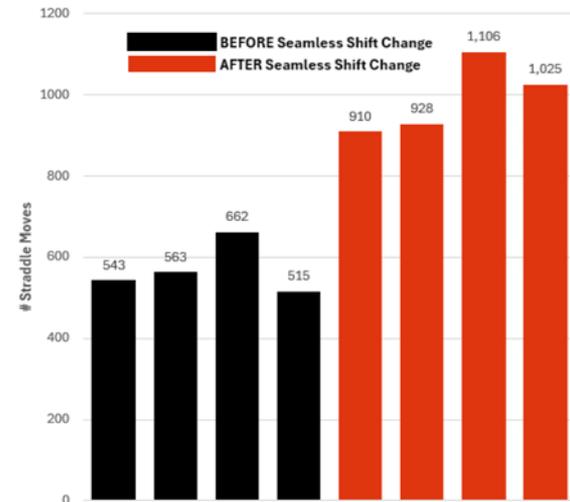
# Container Terminal Truck Turn times



# OIT – Operational Improvement Team

## Focus areas

- The OIT has been set up with a High-Performance High Engagement (HPHE) approach to bring our Whanaungatanga pillar where people closest to the problem help solve the problem.
  - The OIT has representatives from across Operations and Planning in partnership with the Maritime Union New Zealand (MUNZ). Staff from across Port of Auckland are also involved in a variety of initiatives.
  - The teams main focus is on sustainable operational changes – quick wins and long-term initiatives to safely increase volumes and operational performance.
- Improved and reduced briefing times
  - Implemented seamless shift changeovers – added another 500 more straddle moves to weekly Terminal Ops
  - Focus on improving vessel inspection process and reduce time
  - Focus on crane working ‘exclusion zones’
  - Ongoing focus on lifting Ship rate (crane productivity, vessel planning, yard planning, road gate and rail operations aligned to yard strategy)



# Thanks Ngā mihi nui

**Do you have any questions?**

Craig.Sain@poal.co.nz

+64 21 934 452

www.poal.co.nz



# Waitematā Seaport

- Land: 66ha of land and 11ha of wharf

