

**NZX & MEDIA RELEASE**

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## **Covid-19 Pandemic Update**

South Port is classified as an essential service and continues to operate under the Covid-19 Level 4 restrictions announced by the Government on 25 March 2020.

During the period of the lockdown South Port's priority will be to safeguard the health, safety and wellbeing of its staff, while ensuring essential cargo can continue to access the Port for both import and export.

South Port Chief Executive, Nigel Gear said today that "the Company has comprehensive Covid-19 response plans in place to protect staff and ensure business continuity."

"These contingency plans and the cooperation and commitment of South Port staff is enabling the business to continue to operate to deliver essential services to the region."

At the time of the release of the Company's interim result on 13 February, Mr Gear said "the recent outbreak of the coronavirus has sent ripples through the international marketplace, impacting tourism and trade. There is a fair amount of uncertainty as to the level of impact however the Port will notify shareholders should there be any material changes in the coming months."

Mr Gear now says "the national impact of the pandemic and the necessary Government response to it has escalated dramatically since 13 February. South Port is fortunate that two-thirds of its cargoes are classified as essential, and in the case of NZAS are exempt from the lockdown restrictions."

"The most affected cargoes are logs, wood chips and processed forestry products which are at this stage classified as non-essential."

"The loss of these cargoes together with unbudgeted additional labour and other costs associated with changed operational requirements will have an impact on the current year profit."

The Company in its 13 February interim profit announcement, said that "based on all known factors at the date of releasing its 2020 interim result, South Port estimates that its full year earnings should fall in the range of \$8.2M-\$8.7M (FY2019 - \$9.79M)."

South Port Chairman, Rex Chapman today said that, “based on all known factors we now expect full year earnings to be at the lower end of this range or slightly less. This guidance is based on a number of assumptions and most importantly that the integrity of the supply chain for essential cargoes remains intact. Further updates will be provided if there are material changes.”

**FOR FURTHER INFORMATION PLEASE CONTACT:**

Mr Nigel Gear  
Chief Executive  
South Port New Zealand Ltd  
Tel: (03) 212 8159  
Email: [ngear@southport.co.nz](mailto:ngear@southport.co.nz)

Mr Rex Chapman  
Chairman  
Mobile: 027 454 8455  
Email: [rex.chapman@cplaw.co.nz](mailto:rex.chapman@cplaw.co.nz)