



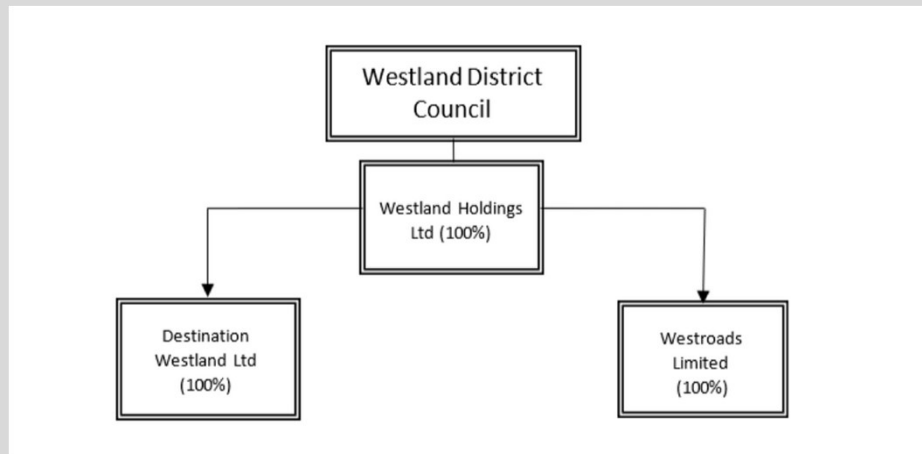
WESTLAND HOLDINGS LIMITED

COUNCIL UPDATE

November 2020

Westland Holdings Structure

GROW AND PROTECT OUR COMMUNITIES, OUR ECONOMY AND OUR UNIQUE NATURAL ENVIRONMENT



Westland Holdings Board



Joanne Conroy

Chair
BBS(VPM) CStJ JP MinstD MPINZ



Chris Rea

Director
MinstD



Chris Gourley

Director
BCM(Finance/Marketing) MinstD

Grow and protect our communities, our economy and our unique natural environment

ECONOMIC BENEFIT

- Monitor performance of the CCTO's
- Communicate with the Economic Development Committee of council around key performance outcomes quarterly and full council 6 Monthly
- Influence future growth opportunities to enable strong returns to council and the community as well as accessing external funding sources to support that growth

SOCIAL AND COMMUNITY BENEFIT

- Ensure we focus on social benefit for the community as well as commercial outcomes
- Provide wider social impact reporting
- Ensure we support council initiatives to improve social well being
- Targeted long term strategy for events activity

GOVERNANCE AND SUPPORT

- Provide clear and structured governance support to ensure our CCTO's operate in a prudent and commercially responsible way
- Ensure health and safety is a primary focus for all CCTO's
- Monitor and report on performance against agreed KPI's

PROTECT OUR UNIQUE NATURAL ENVIRONMENT

- Promote our unique natural environment as a destination for tourism and a great place to live
- Maintain a future focused perspective and ensure our environment is protected and celebrated
- Consider environmental impacts of any commercial investments.



WESTLAND HOLDINGS RESULTS

Results for the Year Ended 30 June 2020	\$000
Net Surplus before Taxation	2,017
Subvention Payment	200
Income Taxation	478
Net Surplus after Taxation	1,339
Other Comprehensive Income	0
Total Comprehensive Income for the Year	1,339
Movements in Equity	
Equity (opening balance)	13,771
Distributions to Owners	(200)
Surplus after Taxation	1,339
Total Other Comprehensive Income	0
Equity (closing balance)	14,910



Updates

BUSINESS REVIEW | 2020

Strategic plans

WHL have worked closely with both Westroads and Destination Westland to ensure we have cohesive strategies that build towards our overarching purpose

Implementation of DW rebalance due to Covid

WHL board has worked closely with the CE of DW and implemented the necessary changes to ensure DW can now move forward. This included replacement of the DW board with WHL members and significant cost savings across the business to rebalance and prepare the business for future sustainable growth

Maintained strong governance and risk process

It has been a significantly challenging year on many fronts, but the strong focus by WHL on governance and risk management has seen both CCO's best prepared to deal with this uncertainty and we are proud of how both have responded to the changing economic environment



Updates

BUSINESS REVIEW | 2020

Upgrade of the old Christchurch road

As we are now coming to the end of the Westland Milks work we have been working hard to secure further work and we have been able to win the shovel ready project to upgrade the Old Christchurch Road, in the main this work will fall in the second half of the financial year and ensure we can deliver a strong result for the Westland Branch.

The Christchurch market has been tough

We have been working hard to secure some consistent work for our Christchurch branch to ensure we can keep our crews busy, we have now managed to secure circa \$3.2m in forward work, all though lower margins it keeps our crews with work and we are in the running for a number of other higher margin contracts in the new year.

Key risks that we are focusing on

We have spent a lot of time focusing on mitigating the main risks we face, one that still remains is ensuring we re-gain the WDC roading contract in June 2021



Updates

BUSINESS REVIEW | 2020

Rebalance now complete

DW has now completed the full business review and rebalance and is focused on building back revenue streams and returning to profitability

Airport

The recent successful bid for funding from the Government to upgrade our airport terminal has been successful and the renovations are now well planned and ready to go. We have also seen flight numbers return faster than expected, back to circa 89% of pre-covid levels.

Finalisation of our strategic plan

The CE and the board based on the significant changes in this business have developed a strategic plan that is designed to return this business to a sustainable and profitable entity. Our purpose "Building profits to invest in social outcomes for Westland", this is to help define the delicate balance that DW operates in between profit and social.

Westroads Key Results 30 June 2020

It has been a challenging year with Covid, but Westroads had a very strong start to the year and post the Covid lockdown work increased quickly back to normal levels. Overall the year has been successful with good strong growth.

34.6M

GROSS REVENUE

Gross revenue landed on 34.6m against a budget of 29.15m

2.134m

NET PROFIT BEFORE TAX

Net profit before tax of 2.134m against a budget of 1.165m

20.6%

RETURN ON SHAREHOLDER FUNDS

20.6% against a KPI of >10%



Destination Westland Key Results 30 June 2020

Destination Westland has faced significant headwinds with Covid reducing revenues across the board. This has forced the business to quickly downsize and refocus. The business is now in a rebuilding phase with a clear focus on recovery.

2.982M

GROSS REVENUE

Gross revenue landed on 2.982m against a budget of 3.674m

(0.009)M

NET PROFIT BEFORE TAX

Net profit before tax loss of (0.009)m against a budget of 0.075m

-0.2%

RETURN ON SHAREHOLDER FUNDS

-0.2% against a KPI of 1-6%



Westland Holdings

EMAIL

Admin@westlandholdings.co.nz

