21st January 2022

To: Kavita Gounder
Ministry of Health

Re: Tobacco Returns and Report 2021

Please find detailed below the amount of cigarettes we have sold to our customers during the calendar year, 1st January 2021 to 31st December 2021.

As we have endeavoured to communicate on several occasions, we do not sell product into the New Zealand local market. ALL of the product we import is held under NZ Customs bond/Duty Free, and sold to international customers. (Sea Services business is to provide products and services to international, ocean going vessels, to keep them operational). All transactions are controlled by New Zealand Customs. New Zealand Customs applies a formula to determine the amount of duty free “bonded” product that can be purchased by/supplied to individual vessels.

Because our customers are international, we supply and invoice products and services with many different terms and conditions. We price our products to meet these requirements, and therefore do not have a standard RRP. To satisfy your requirements, I have averaged the price we have charged for the individual products, (I trust you will find this satisfactory). Accompanying this report, I have included the worksheet with the raw data to show you my calculations. (You will note that some sales quantities are recorded as “0”. This is due to NZ Customs determining that the vessel is not allowed it’s requested supply of duty free product. We invoice the vessel for “0” quantity and note the invoice line as “declined supply by NZ Customs” to communicate why the product has not been supplied).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Brand | Brand Variant | Pack Size of Brand Variant (in Sticks) | Volume of Cigarettes released for sale | Average Price Charged per pack (in NZ dollars) |
|  |
|  |
| Double Happiness |   | 20 |  107,600  |  $1.52  |  |
| Hero  | Red | 20 |  60,800  |  $1.34  |  |
| Hero | Menthol | 20 |  75,200  |  $1.30  |  |
| Hero | Blue | 20 |  27,200  |  $1.26  |  |
| L & M | Red | 20 |  372,800  |  $2.98  |  |
| Liqun | Premium | 20 |  102,200  |  $2.00  |  |
| Marcopolo |   | 20 |  64,000  |  $1.33  |  |
| Marlboro | Lights | 20 |  167,800  |  $3.84  |  |
| Marlboro | Red (Hardpack) | 20 |  271,400  |  $3.81  |  |
| Lesser Panda |   | 20 |  200  |  $2.12  |  |
| RGD | Blue | 20 |  119,600  |  $1.58  |  |
| RGD | Red | 20 |  69,600  |  $1.56  |  |
| RGD | Gold | 20 |  49,800  |  $1.57  |  |
| United |   | 20 |  82,800  |  $1.31  |  |
| Yuxi |   | 20 |  26,200  |  $2.26  |  |
| TOTALS: |   |   |   |   |   |  1,597,200  |  $1.99  |  |

Please advise if you require any further information.

Best Regards

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| A picture containing clipart  Description automatically generatedLogo  Description automatically generated |

|  |
| --- |
| **Darrell Lines** Chandler Provisions Sea Services (2002) Ltd |
| **m:** +64 27 279 4478**p:** +64 9 379 4217**e:** DarrellL@seaservices.co.nz |
| 192 Station Road,Penrose 1061, Auckland |
| [www.seaservices.co.nz](http://www.seaservices.co.nz/) |

 |