



**NAPIER<sup>o</sup>**  
**PORT**  
*Te Herenga Waka o Ahuriri*

# HALF YEAR RESULTS

TO 31 MARCH 2025

**INVESTOR PRESENTATION - 21 MAY 2025**

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## PRESENTING TODAY

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**BLAIR O'KEEFFE**

CHAIR

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**TODD DAWSON**

CHIEF EXECUTIVE

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**KRISTEN LIE**

CHIEF FINANCIAL OFFICER

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## HY2025 OVERVIEW

BLAIR O'KEEFFE, CHAIR

Robust earnings growth with strong container cargo recovery by key customers

Fundamentals are strong – cargo diversity, infrastructure and capability, operating leverage, track record of delivery and resilience

Confidence retained amidst continued volatility in the global trade environment

# CONTAINER VOLUMES STEP UP

## TRADE OVERVIEW FY2025 HALF YEAR

Volume	HY2025	HY2024	Variance	
			kT / TEU / calls	%
Total cargo (kT)	2,450	2,527	-77	-3.0
Containerised cargo (TEU)	112,000	98,000	+14,000	+13.9
Bulk cargo (kT)	1,710	1,883	-173	-9.2
- Logs exports (kT)	1,355	1,552	-197	-12.7
Cruise vessels (calls)	77	88	-11	-12.5

- Container volumes significantly higher on Pan Pac's return to full pulp and timber operations, an earlier apple harvest and increased restow and transshipment activity
- Lower bulk volumes following lower logs exports
- Solid cruise season given sector near-term headwinds

# STRONG OPERATING LEVERAGE ON CONTAINER VOLUME GROWTH

## FINANCIAL RESULTS OVERVIEW FY2025 HALF YEAR

	HY2025 \$M	HY2024 \$M	Variance	
			\$M	%
Revenue	78.1	70.6	+7.5	+10.6
Result from operating activities	33.1	27.4	+5.7	+21.1
Net profit after tax – underlying <sup>1</sup>	14.8	11.1	+3.7	+33.4
Cash flow from operations – underlying <sup>1</sup>	25.8	24.5	+1.3	+5.0

- Strong revenue and earnings growth in half year
  - Led by container services revenue growth of \$9.1m (+27.2%)
  - Continued ARPU<sup>2</sup> growth across all main service areas – reflects focus on yield, margin and mix, and positioning for achieving medium term ROIC targets
  - Continued focus on operational flexibility with cost discipline
- Strong operating leverage effect demonstrated in earnings

1- Refer to appendices for reconciliations of underlying metrics

2- ARPU – Average Revenue Per Unit

# FUTURE READY: STRATEGIC PROJECTS

## GROWING CAPABILITY AND CAPTURING OPPORTUNITIES

- Strategic pathway outlined to investors in March 2025 – available on NZX and in Napier Port's website investor centre
- Viewpoint Supply Chain
  - Increasing cargo customer relationships and geographical reach to facilitate growing port cargo volume
- Napier Port Transformation (NPT) – focuses on operating as a sustainable business for the long term – operationally, economically, environmentally and socially
  - Battery electric autonomous trucks for horizontal container transport
  - Progressing towards formal contracts during 2H FY2025
- TSHD Dredge joint investment with Port Otago
  - Maintaining and deepening our channels and berths towards our consented depth
  - Construction in progress with targeted vessel delivery end CY2026



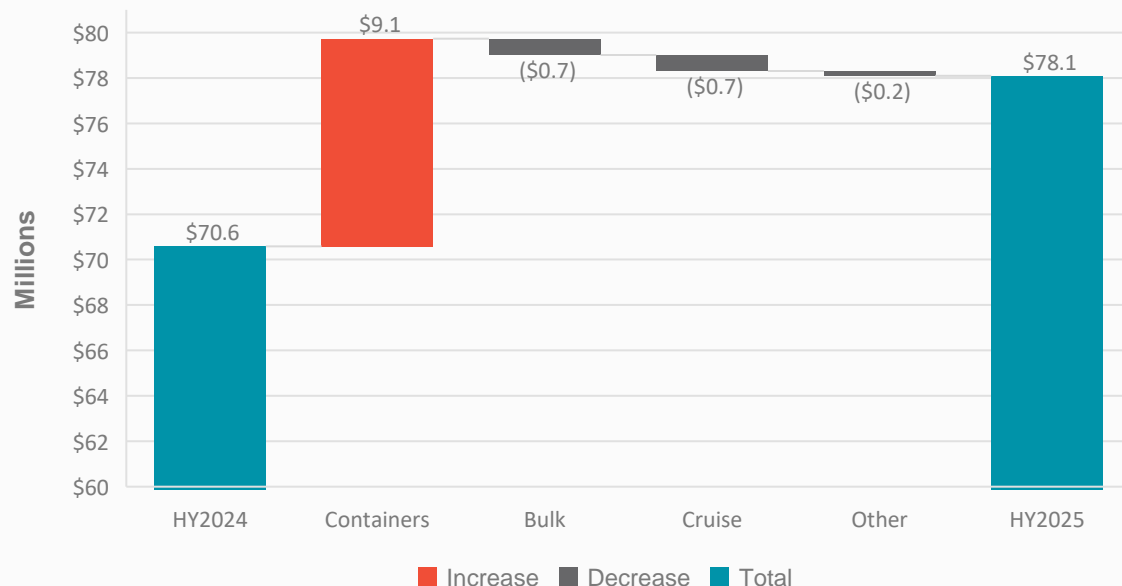


# REVENUE GROWTH SUPPORTED BY DIVERSITY OF TRADES

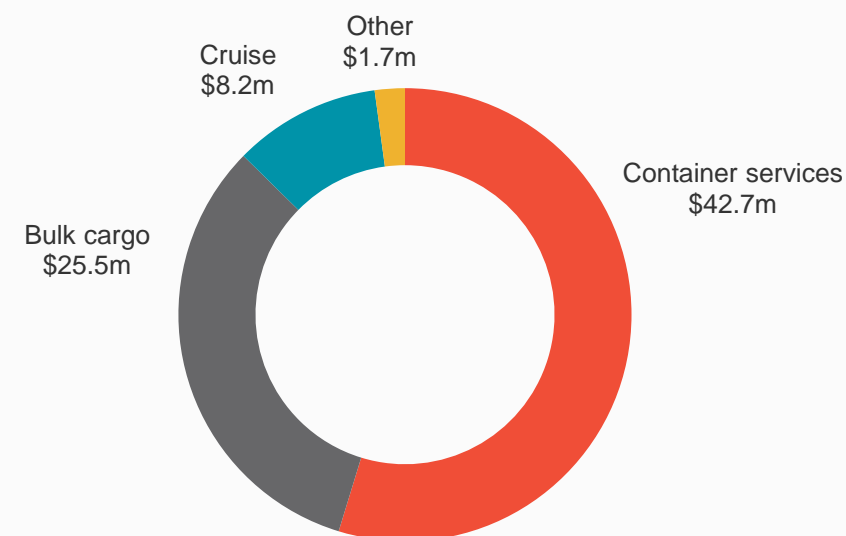
## RECORD FIRST HALF REVENUE

- 10.6% total revenue growth half year-on-half year (HoH)
- Financial resilience in diversity of trades
  - Container services revenue increased \$9.1m (+27.2%) to \$42.7m
  - Bulk cargo revenue decreased \$0.7m (-2.7%) to \$25.5m
  - Cruise revenue down \$0.7m (-8.0%) to \$8.2m

HY2025 REVENUE PROGRESSION



HY2025 REVENUE COMPOSITION



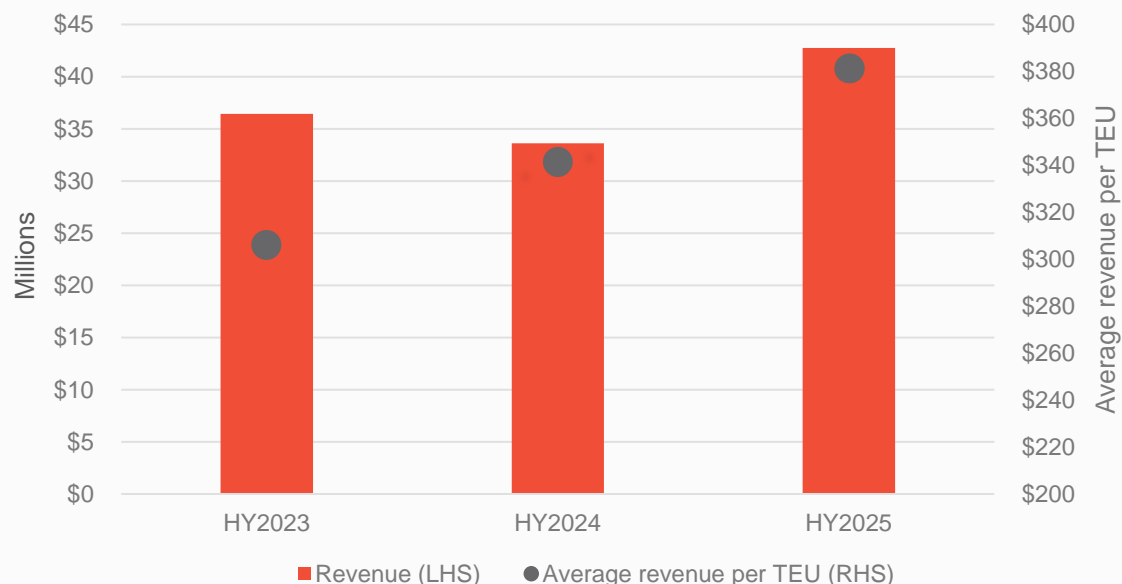


## CONTAINER REVENUE UP ON VOLUMES AND YIELD

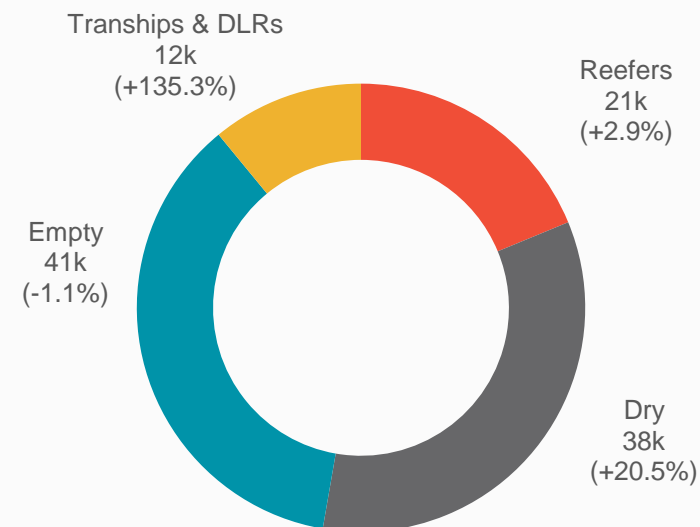
SUPPORTED BY SIGNIFICANT UPLIFT IN OTHER CONTAINER SERVICES REVENUE

- Container Services revenue increased \$9.1m (+27.2%) to \$42.7m HoH
  - Including \$3.8m increase in other container services revenue; Port Pack and Depot operations
- Total TEU volume increased 14,000 (+13.9%) HoH
  - Full containers up 7,000 TEU, empties flat, and tranships and DLRs up 7,000 TEU
- Average revenue per TEU increased 11.7% to \$381 per TEU from \$341 per TEU HoH
  - Port Pack and Depot contributions, tariff and mix changes
- Container exports with a USA destination were 2.8% of total TEU in FY2024

CONTAINER SERVICES REVENUE AND ARPU



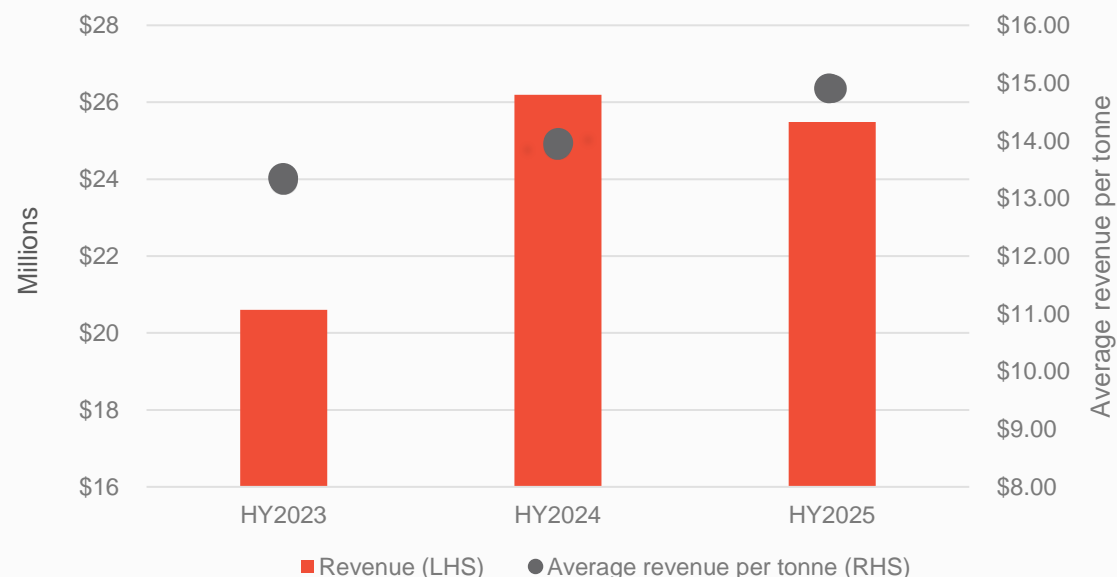
HY2025 TEUs (VERSUS HY2024)



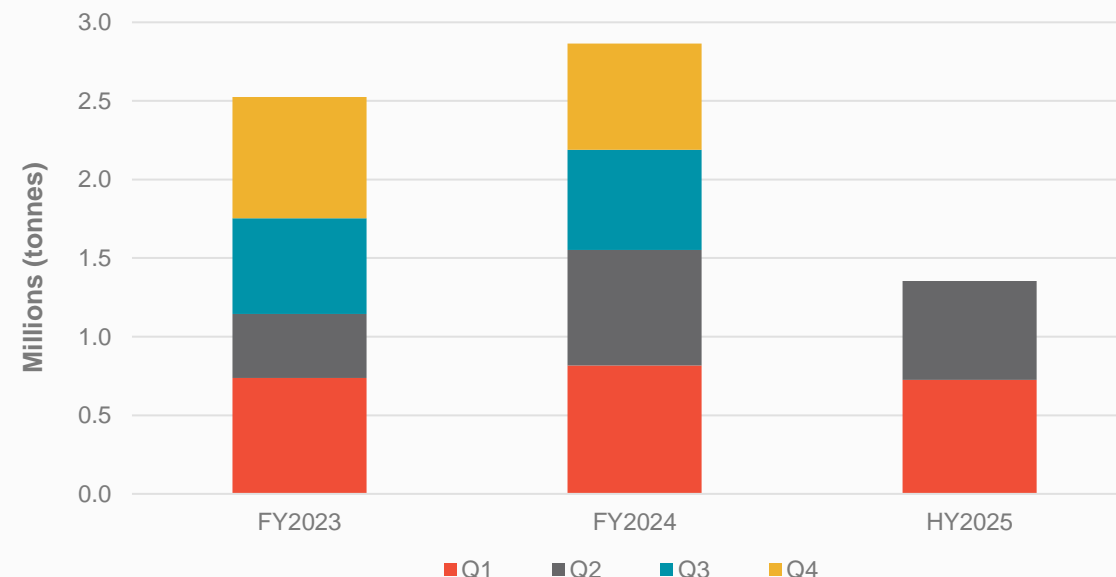
## BULK CARGO – STEADY BUT SUBDUED LOG EXPORTS

- Bulk revenue decreased \$0.7m (-2.7%) to \$25.5m HoH
- Volume decreased by 0.17 million tonnes (-9.2%) to 1.71 million tonnes HoH
  - Export logs decreased by 0.2 million tonnes (-12.7%) to 1.36 million tonnes HoH
- Average revenue per tonne increased 7.1% to \$14.90/T from \$13.91/T HoH
  - Changes to cargo mix and vessels, tariff and levy increases

**BULK CARGO REVENUE AND ARPU**



**LOG EXPORT VOLUME**

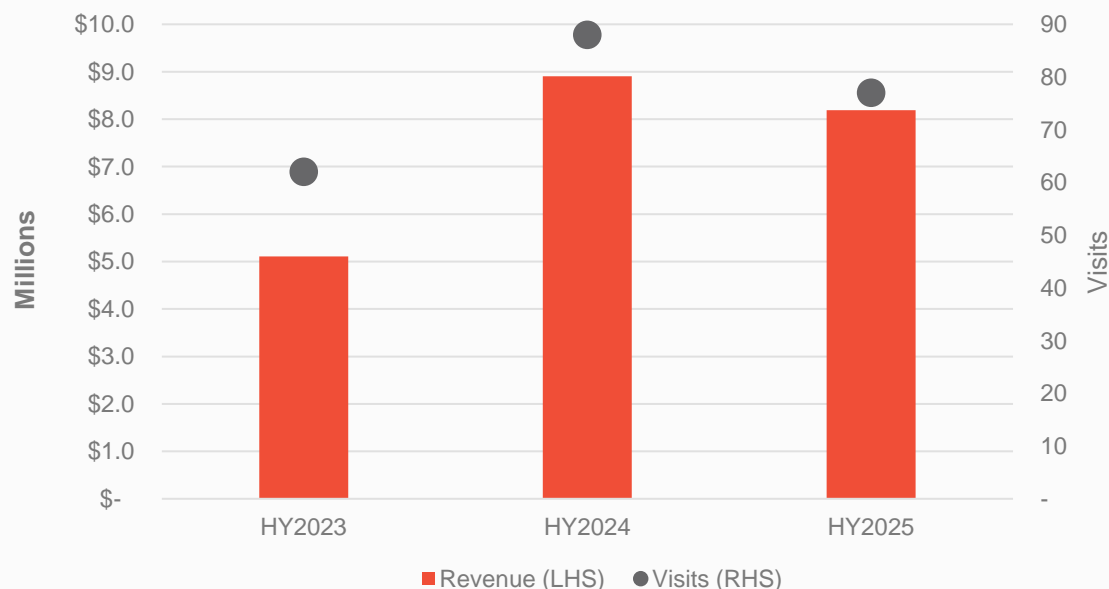


# SOLID CRUISE SEASON IN FACE OF INDUSTRY HEADWINDS

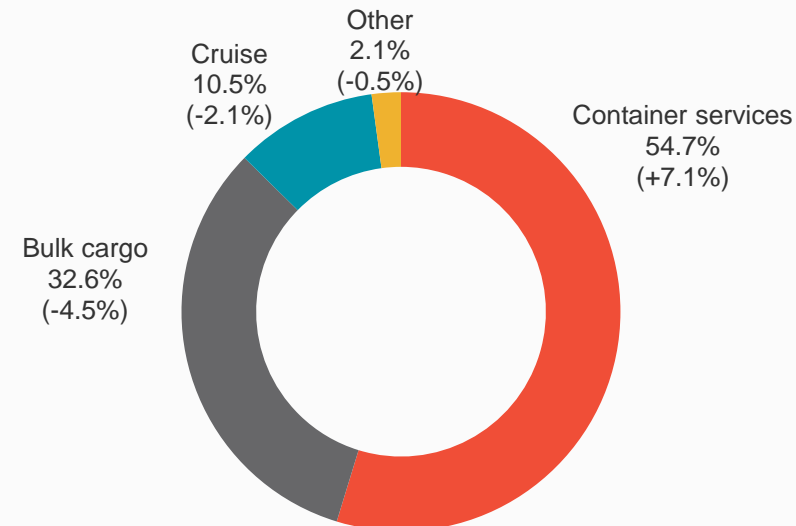
## CRUISE REVENUE 10.5% OF HALF YEAR REVENUE

- Cruise revenue decreased \$0.7m (-8.0%) to \$8.2m HoH
- Vessel visits decreased from 88 to 77
  - Approx. 107,000 passengers visited the region
  - Smaller vessels on average
- Average revenue per vessel increased 5.2%

CRUISE REVENUE AND VISITS



HY2025 REVENUE COMPOSITION (VERSUS HY2024)

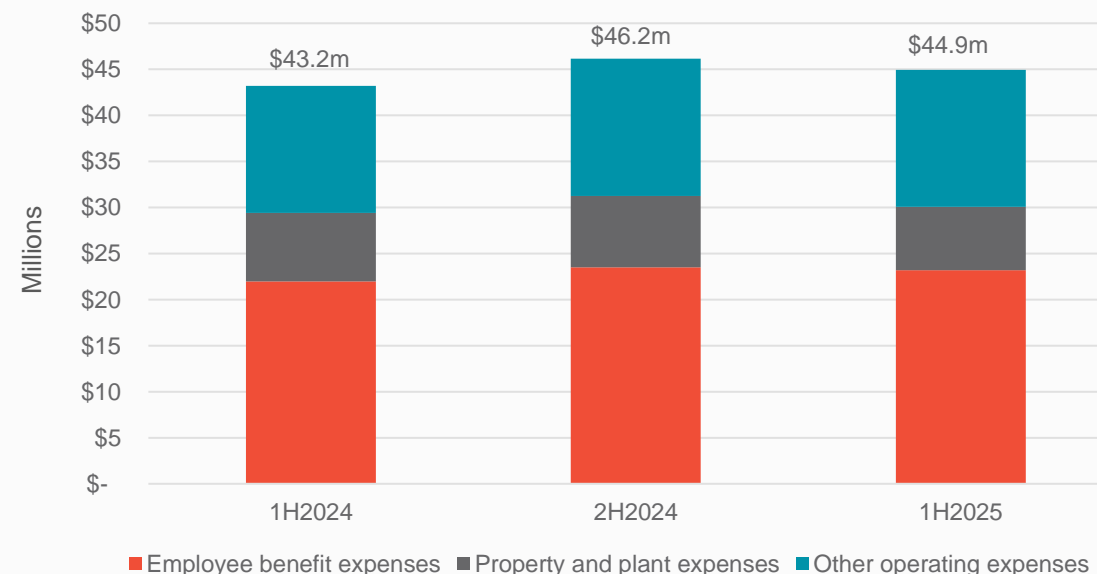


# OPEX CONTROLLED ON HIGHER CONTAINERS, REVENUE

## SUPPORTING MARGIN AND OPERATING LEVERAGE

- Total opex increased \$1.7m (+4.0%) to \$44.9m HoH,
  - -2.7% compared to 2H 2024
- Employee benefit expenses increased \$1.2m (+5.5%)
- Property and plant expenses decreased \$0.6m (-7.5%)
- Other operating expenses increased \$1.1m (+7.8%)
  - Higher stevedoring, administration and insurance costs

### TOTAL OPERATING EXPENSES BY HALF YEAR



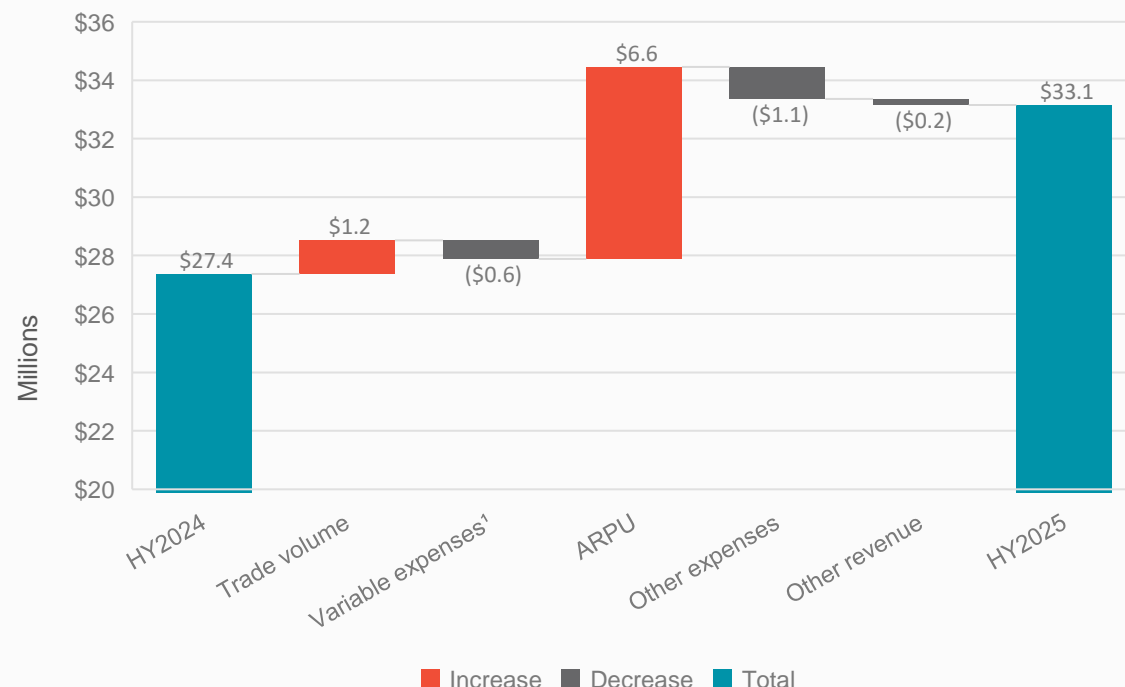


# SIGNIFICANTLY HIGHER OPERATING RESULT

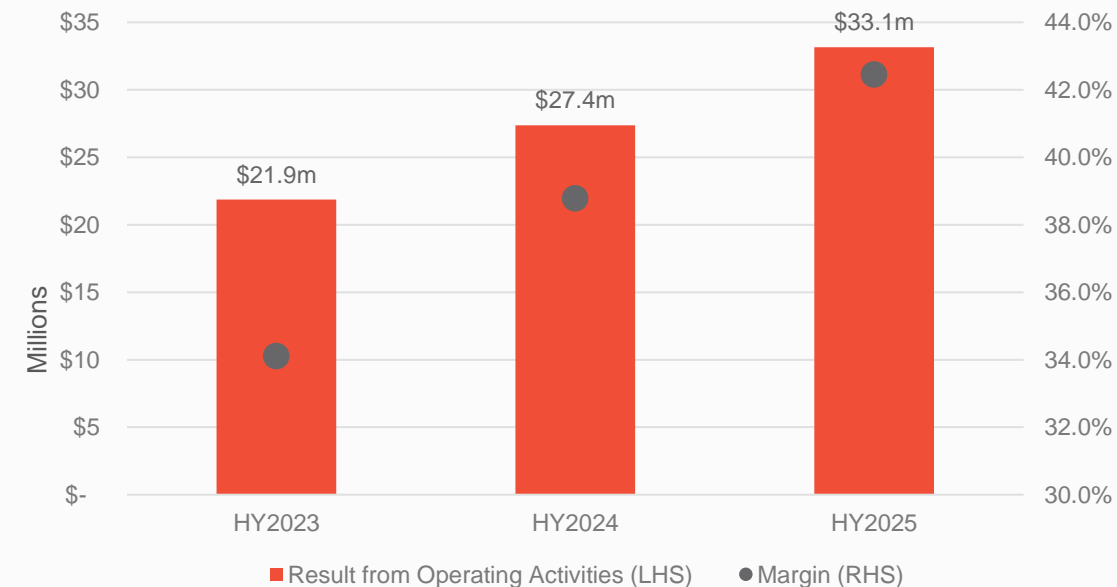
## YIELD, MARGIN AND MIX IMPROVEMENTS

- Result from operating activities up \$5.8m (+21.1%) to \$33.1m
- Operating margin of 42.4%, up from 38.8% HoH

### RESULT FROM OPERATING ACTIVITIES

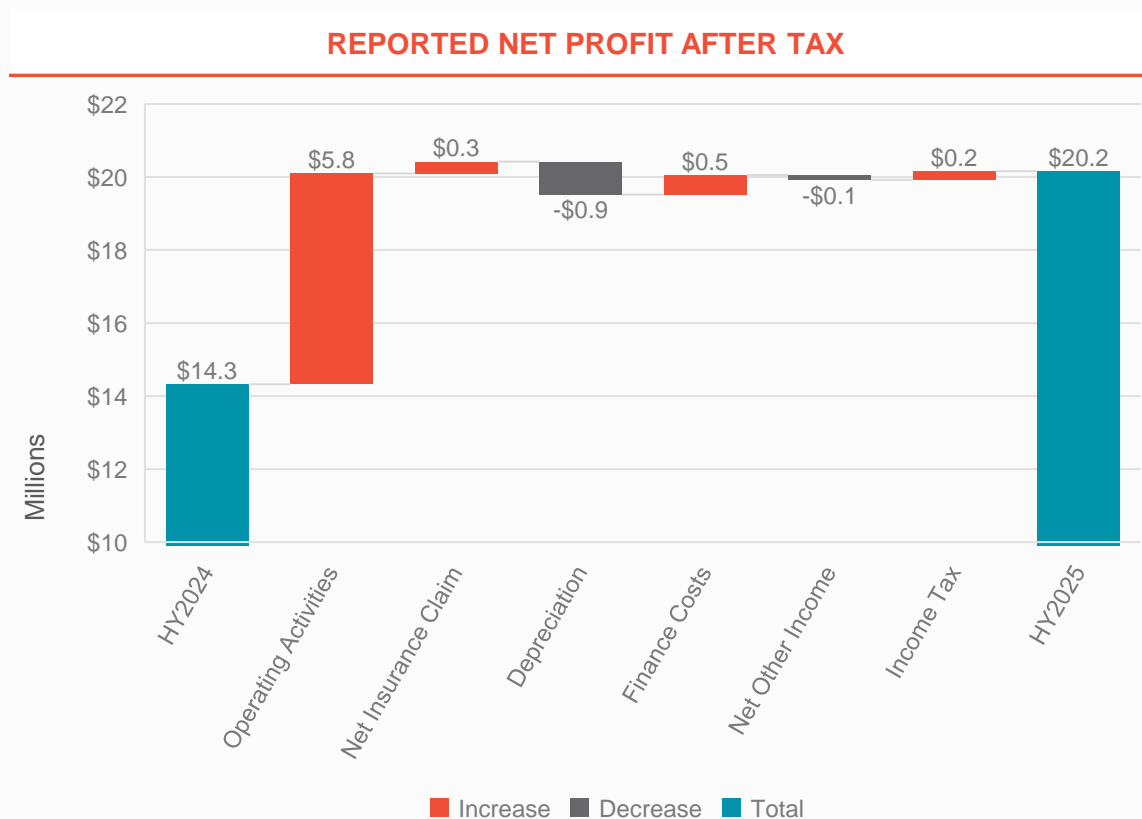


### OPERATING MARGIN



# NET PROFIT GROWTH ON HIGHER OPERATING RESULT

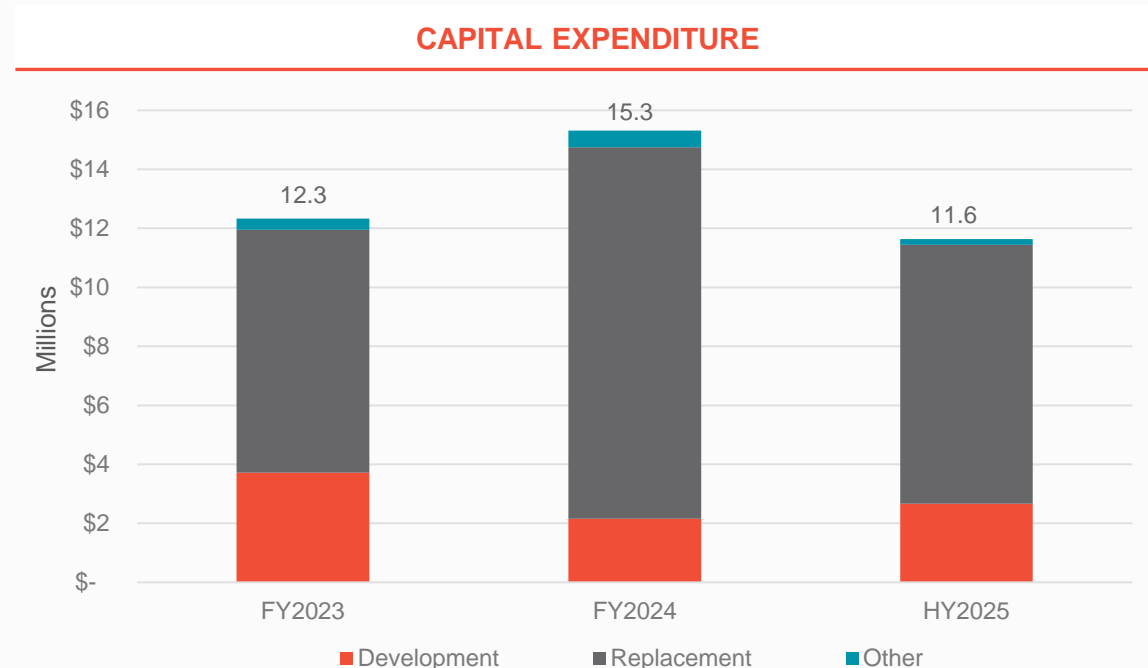
- Underlying NPAT<sup>1</sup> increased by \$3.7m (+33.4%) to \$14.8m
  - Excludes \$7.5m insurance income (pre-tax) – Cyclone Gabrielle claim fully settled in 1H FY2025
- Reported NPAT increased by \$5.8m (+40.8%) to \$20.2m



1- Refer to appendices for reconciliations of underlying metrics

## HIGHER LEVEL OF CAPITAL EXPENDITURE IN NEAR TERM

- Capital expenditure of \$11.6m<sup>1</sup>
  - \$4.3m site – paving, breakwater reinstatement, maintenance dredging, other major maintenance
  - \$3.7m plant – mobile plant (empty container handlers, truck and trailers, cranes) and floating plant major maintenance
  - \$2.1m dredge build
- Near term future capex – mobile plant replacements, dredge build, container terminal transformation project
- FY2025 total estimated range \$25m – \$29m (dependent on approvals and timing)



1- Includes accounting accruals including capitalised overhead and finance costs. HY2025 cash spend \$13.6m

## CASH FLOW & LIQUIDITY

	<b>HY2025 \$M</b>	<b>HY2024 \$M</b>	<b>Var \$M</b>
Operating cash flows	34.6	25.3	+9.3
Investing cash flows	(13.6)	(7.4)	-6.2
Dividends	(12.0)	(7.1)	-4.9
Reduction in total gross debt	(6.5)	(9.0)	+2.5
Other financing cash flows	(2.8)	(3.3)	+0.5
Decrease in cash and cash equivalents	(0.2)	(1.5)	

- Growth in operating cash flow aligned with operating result
  - Supported by MDBI insurance cash proceeds of \$11.0m
- Underlying operating cash flows<sup>1</sup> increased \$1.2m to \$25.8m HoH
- FY2024 final dividend of \$12.0m (6.0 cps) paid December 2024
- Total drawn debt reduced to \$103.0m at end of period, down from \$109.5m at the end of FY2024

1- Refer to appendices for reconciliations of underlying metrics



## CAPITAL MANAGEMENT

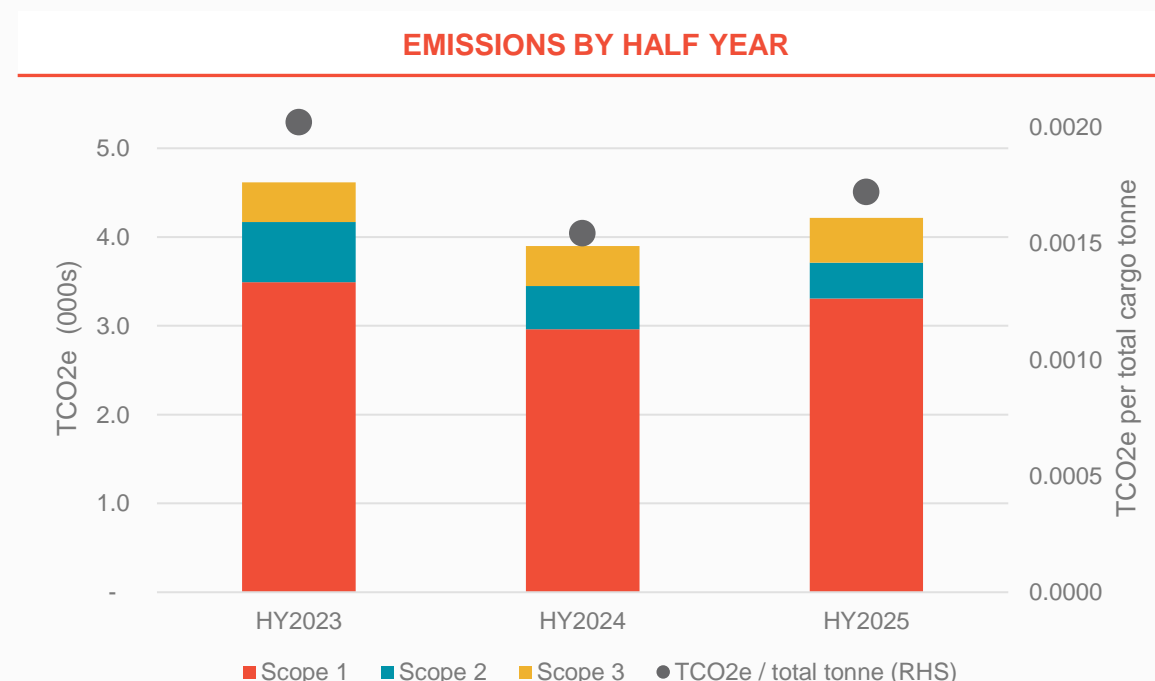
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- Forecast capital expenditure across FY25 – FY27 average approx. \$40 million p.a. (subject to changes and approvals)
  - c. \$80m replacement maintenance capital
  - c. \$40m capacity & growth
- Risk reserve fund investments from April 2025
- Debt to EBITDA of 1.54x at 31 March
  - 1.79x excluding MDBI insurance settlement
  - Long-term target range of 2.0x – 3.0x
- Total bond and bank facilities of \$180m
- Weighted average term to debt maturity of 2.2 years

# EMISSIONS REPORTING

## HIGHER EMISSIONS ON HIGHER CONTAINER ACTIVITY

- Total (unaudited) emissions for half year increased 8.2% HoH
  - Scope 1 increased 11.7%
    - Correlated to higher container volumes
    - Higher generator use for reefer containers
  - Scope 2 decreased 16.9%
    - 15.5% lower electricity usage, partly linked to higher generator use
    - Small emission factor reduction
  - Minor movements across Scope 3 categories
- Relative metric basis: emissions per cargo tonne increased by 11.5% due to increased container activity



## CONCLUSION AND OUTLOOK

### POSITIVE RESULTS SUPPORT INVESTMENTS IN FUTURE AND INCREASED SHAREHOLDER RETURNS

Strong container services performance, record HY result

Demonstrated diversified revenues and resilient cargo base, positive operating leverage supporting earnings growth

Progressing strategic investments to grow capability and support future relevance and returns

Global trade challenges expected to negatively impact export markets – extent uncertain

Subdued log export outlook in near term

66 forward cruise bookings for the 2026 season

Revised earnings guidance for FY2025 underlying result from operating activities of between \$59m and \$63m

Progressing towards future earnings target of WACC level returns on invested capital



## HY2025 INTERIM AND SPECIAL DIVIDEND

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Declared interim dividend of 4.0 cps (2024: 3.0 cps)

Additional (one-off) special dividend of 2.5 cps

Fully imputed

Record date: 13 June 2025

Payment date: 26 June 2025



# QUESTIONS



## APPENDICES

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The following appended financial information provides a summary of financial information for the half year period ended 31 March 2025 (HY2025) compared to the corresponding half year period in 2024 (HY2024).

Reconciliations provided are extracted from and should be read in conjunction with the Supplemental Selected Financial Information document released with NPH's 2025 Half Year Report on the NZX announcements platform and the Napier Port website Investor Centre.

## REVENUE

<b>NZ\$000</b>	<b>HY2025</b>	<b>HY2024</b>
Container services	42,741	33,594
Bulk cargo	25,482	26,193
Cruise	8,192	8,903
Sundry revenue	290	298
<b>Revenue from port operations</b>	<b>76,705</b>	<b>68,988</b>
Revenue from property operations	1,387	1,594
<b>Total operating income</b>	<b>78,092</b>	<b>70,582</b>



## OPERATING EXPENSES

### Employee benefit expenses

NZ\$000	HY2025	HY2024
Wages & salaries	21,465	20,368
Other employee benefit expenses	1,709	1,591
<b>Total employee benefit expenses</b>	<b>23,174</b>	<b>21,959</b>

### Property and plant expenses

NZ\$000	HY2025	HY2024
Plant expenses	2,546	2,763
Site expenses	1,313	1,434
Fuel & power	3,030	3,252
<b>Total property and plant expenses</b>	<b>6,889</b>	<b>7,449</b>



## OPERATING EXPENSES

### Other operating expenses

<b>NZ\$000</b>	<b>HY2025</b>	<b>HY2024</b>
Administration expenses	3,930	3,466
Occupancy expenses	5,233	5,014
Contract services	4,947	4,512
Other staff expenses	770	815
<b>Total other operating expenses</b>	<b>14,880</b>	<b>13,807</b>

## CAPITAL EXPENDITURE

NZ\$000	HY2025	HY2024
<b>Development capex</b>		
Dredge	2,069	-
Terminal transformation	407	-
Other development capex	187	1,713
<b>Total development capex</b>	<b>2,663</b>	<b>1,713</b>
Replacement capex	8,778	5,034
Compliance and other capex	197	226
<b>Total capex including capitalised finance costs</b>	<b>11,638</b>	<b>6,972</b>
Movement in fixed asset creditors	1,937	399
<b>Capex per cash flow</b>	<b>13,575</b>	<b>7,371</b>

## RECONCILIATION OF UNDERLYING NET PROFIT AFTER TAX<sup>1</sup>

NZ\$000	HY2025	HY2024
<b>Reported net profit after tax</b>	<b>20,163</b>	<b>14,320</b>
<b>Adjustments:</b>		
Fair value movements on investment properties	-	(129)
Cyclone Gabrielle related expenses	40	108
Cyclone Gabrielle material damage and business interruption insurance income	(7,500)	(7,243)
Restructuring costs	(33)	-
Tax impact of adjustments	2,098	1,998
Tax impact of removal of tax depreciation on commercial buildings	-	2,018
<b>Underlying net profit after tax</b>	<b>14,768</b>	<b>11,072</b>

1- Underlying net profit after tax is a non-NZ GAAP measure – refer to the Supplemental Selected Financial Information released with NPH's 2025 Half Year Report on the NZX announcements platform for further information related to this measure

## RECONCILIATION OF UNDERLYING NET CASH FLOWS FROM OPERATING ACTIVITIES<sup>1</sup>

NZ\$000	HY2025	HY2024
<b>Reported net cash flows from operating activities</b>	<b>34,643</b>	<b>25,292</b>
<b>Adjustments</b>		
Cyclone Gabrielle related expenses	40	108
Cyclone Gabrielle material damage and business interruption insurance income	(11,000)	(2,855)
Tax impact of adjustments	2,098	1,998
<b>Underlying net cash flows from operating activities</b>	<b>25,781</b>	<b>24,543</b>

1- Underlying net cash flows from operating activities is a non-NZ GAAP measure – refer to the Supplemental Selected Financial Information released with NPH's 2025 Half Year Report on the NZX announcements platform for further information related to this measure

## DIVIDEND POLICY

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- The Board is targeting paying total dividends within a range of 70% to 90% of Free Cash Flow<sup>1</sup>
- Free Cash Flow<sup>1</sup> is a non-NZ GAAP measure adopted by Napier Port. It excludes capital expenditure on development projects and the interest costs capitalised during construction
- The payment of dividends is not guaranteed and will be at the discretion of the Board and depend on a number of factors. These factors include the general business environment, operating results (including our ability to grow Free Cash Flow<sup>1</sup>) and financial condition of Napier Port, future funding requirements, any contractual, legal or regulatory restrictions on the payment of dividends by Napier Port and any other factors the Board may consider relevant. In declaring dividends, Napier Port must comply with the solvency test under the Companies Act and the covenants in its banking facilities
- Dividend payments are expected to be split into an interim dividend paid in June, targeting 40% of the total expected dividend for the financial year, and a final dividend paid in December. Napier Port intends to impute dividends to the maximum extent possible

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1- Non-NZ GAAP measure, being NPAT, adjusted for the post-tax impact of fair value revaluations of derivatives and investment properties, plus depreciation, amortisation and impairment, less the average replacement capital expenditure of maintaining Napier Port's asset base. Average replacement capital expenditure is based on an assessment of the long term average cost of maintaining assets for Napier Port in real terms.

## FURTHER INFORMATION ON NAPIER PORT

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- Share price information
  - Links to NZX results and market announcements
  - Key calendar dates
  - Publications, including:
    - Annual Reports
    - Sustainability Strategy and Action Plan
    - Climate Change Related Disclosure (TCFD) Reports
    - Investment Key Facts
    - Investing in Napier Port
    - Investor Day 2025 Presentation
    - Log Supply Chain Case Study
  - Key policies and governance documents
-