NAPIER PORT
Te Herenga Waka o Ahuriri

HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 31 MARCH 2025

NAPIER PORT
Te Herenga Waka o Ahuriri

Contents.

Trade and Financial Results

For the six months ended 31 March 2025.

$78.1m
Revenue
▲ 10.6%

$33.1m
Result from Operations
▲ 21.1%

$20.2m
Reported Net Profit
▲ 40.8%

$8.0m
Interim Dividend
4.0 cents/share

112k
TEU Containers Handled
▲ 13.9%

$5.0m
Special Dividend
2.5 cents/share

1.7m
Tonnes of Bulk Cargo Handled
▼ 9.2%

77
Cruise Vessel Calls
▼ 12.5%

Chair and Chief Executive's Report.

Chair and Chief Executive's Report

We are pleased to report strong earnings growth for the six months ended 31 March 2025, underpinned by a solid uplift in container cargo volumes, a marked increase in DLR (discharge, load, restow) and transhipment activity, and the continued benefits of disciplined cost control and effective yield management.

Trading Overview

This positive half-year result reflects Napier Port's strong operational performance under improved trading conditions. The full resumption of Pan Pac's pulp and timber operations has driven a notable increase in dry export container volumes. Meanwhile, favourable growing conditions led to an earlier apple harvest, boosting refrigerated container throughput.

Changes to shipping line services also contributed to significantly higher DLR and transhipment volumes compared to the same period last year. In contrast, bulk cargo volumes were softer, primarily due to the absence of windthrown logs that had positively impacted last year's first half result. This result once again highlights the value of a diverse and resilient cargo base, supported by the operational agility to deliver capacity and flexibility when needed.

Strong trade volume, together with effective cost control and yield management, is working well for us alongside the investments in infrastructure and additional customer services we are providing. This positive operating leverage is supporting a higher level of earnings for Napier Port.

> "Strong trade volume, together with effective cost control and yield management, is working well for us alongside the investments in infrastructure and additional customer services we are providing."

Financial Results

Revenue for the half year rose 10.6% to $78.1 million from $70.6 million in the same period last year.

Container services revenue for the half year increased 27.2% to $42.7 million from $33.6 million following a 13.9% increase in container volumes to 112,000 TEU, compounded by a 11.7% increase in average revenue per TEU.

Bulk cargo revenue for the half year decreased 2.7% to $25.5 million from $26.2 million as export log volume decreased 12.7% to 1.36 million tonnes and total bulk cargo volume decreased 9.2% to 1.71 million tonnes.

Cruise revenue for the first half decreased 8% to $8.2 million from $8.9 million. There were 77 cruise vessel calls in the half year, compared to 88 in the prior year.

Operating expenses were contained, despite significantly increased container volumes, to an increase of 4% on the same period last year.

Positive operating leverage was evident as higher container volume, together with contained costs, increased the result from operating activities by 21.1% to $33.1 million from $27.4 million reported for the first half of the last financial year.

Underlying net profit after tax increased 33.4% to $14.8 million from $11.1 million in the same period last year. Reported net profit after tax was $20.2 million, a 40.8% increase on the prior year's $14.3 million, which included a $7.5 million pre-tax contribution from the final settlement of the Cyclone Gabrielle material damage and business interruption insurance claim.

$78.1m
Revenue
▲ 10.6%

$20.2m
Reported Net Profit
▲ 40.8%

$42.7m
Container Services Revenue
▲ 27.2%

Outlook and Dividend

We are pleased to deliver a solid half-year result for both our region and our shareholders. This outcome reflects the dedication of the Napier Port team, who achieved it despite operating with fewer resources than prior years and some equipment availability challenges, in the first half of the year.

Demand for the region's food and fibre exports has been strong, and we expect to sustain healthy volume and earnings into the second half of the year. Growing conditions have supported earlier pipfruit exports, which are progressing well, although the final crop size for export is yet to be determined.

We anticipate continued momentum in containerised wood pulp and timber volumes, provided sector market conditions remain stable. However, we remain mindful of ongoing uncertainty in the log export market, particularly around potential impacts from trade negotiations and broader global market dynamics.

One scheduled cruise visit remains for the 2025 cruise season. We currently have 66 forward bookings for the upcoming 2026 season commencing in October.

Our investment programme into infrastructure and capability continues, with renewal and replacement across several areas, including the container terminal transformation project and construction of a new trailer suction hopper dredge in partnership with Port Otago, which will see an increased level of capital investment into our assets in the near term.

We have revised expectations for an underlying result from operating activities for the year to the end of September 2025 of between $59 million and $63 million, assuming a continuation of current operating conditions and excluding insurance claim income.

The Board has resolved to pay a fully imputed interim dividend of 4.0 cents per share, which is increased from the 3.0 cents per share interim dividend paid last year. In addition, to recognise the strong financial position of the Group and improved profitability arising from the finalisation of the Cyclone Gabrielle insurance claim, a fully imputed one-off special dividend of 2.5 cents per share has been declared. The record date for the interim and special dividend entitlements is 13 June and the payment date will be 26 June.

Nga mihi.

Blair O'Keeffe
Chair

Todd Dawson
Chief Executive Officer

Overview of the Half Year.

Responding to Increased Volume

During the half year, Napier Port handled a substantial increase in container activity, driven by a strong seasonal influx of apples and squash, robust Pan Pac pulp and timber volumes, and repositioning of empty containers arriving in Hawke's Bay.

This volume increase is attributed to a favourable growing season leading to an early apple harvest, and Pan Pac operations returning to normal levels, two years after Cyclone Gabrielle. Initial expectations were exceeded and port operations responded well to manage the increase in cargo volume. A recent operations structure change, which involved forming dedicated Planning and Execution functions, proved effective in managing the demand without significant cost or resource increases.

Additionally, there was a notable rise in transhipment and DLR work following service changes among container shipping lines, highlighting future opportunities for Napier Port. Bulk cargo volumes remained steady with a constant flow of logs into the port, and there were 77 cruise vessel calls during the half-year period, including several double and triple cruise days.

"Bulk cargo volumes remained steady with a constant flow of logs into the port, and 77 cruise vessel calls during the half-year period, including several double and triple cruise days."

Logs on Rail

In January, we welcomed the inaugural log train from Karioi Forest in Manawatū-Wanganui, marking the commencement of a new partnership between Ernslaw One, KiwiRail, and Napier Port. The new rail service was established following the closure of Winstone Pulp International's Tangiwai Mill, which had previously processed and supplied pulp and timber for export through Napier Port. Operating five days a week, this rail service replaces 21 logging trucks per trip with a 19-wagon train capable of carrying 600 tonnes of logs.

The additional logs are also feeding throughput of the port's debarking operation, which strips the bark off export logs to comply with phytosanitary requirements in importing countries.

This initiative benefits both the Ruapehu and Hawke's Bay communities by reducing road wear, enhancing road safety, supporting local contractors, and lowering transport emissions. Additionally, it strengthens the connection between Central and Lower North Island producers and global shipping services.

600 Tonnes of Logs per trip

19 Rail Wagons per trip

5 Days a Week

21 Log Trucks off the Road per trip

> “This initiative aims to protect the shipping channels and harbour access of both ports for future generations, enhancing safety and resilience.”

Dredge Partnership Builds Resilience

In December, we announced a partnership with Port Otago to form a joint venture for the construction of a $36 million state-of-the-art trailing suction hopper dredge, built by Dutch shipbuilders Damen Shipyards. This initiative aims to protect the shipping channels and harbour access of both ports for future generations, enhancing safety and resilience.

This builds on a long-standing collaborative relationship between our two ports and led to the formation of a new Limited Partnership. This dredge enables Napier Port to utilise its current resource consents, valid until 2053, by incrementally deepening the shipping channels from their current depth of 12.5 meters at low water to the consented depth of 14.5 metres.

This will accommodate larger, deeper-draft vessels and strengthen the port's capacity for future growth.

The partnership will utilise Port Otago's 150 years of expertise in dredging operations. This collaboration enhances New Zealand's maritime infrastructure, with shared ownership of the dredge improving operations at both ports and reducing duplication of investment within the sector.

By the end of the half-year period, production had commenced on the dredge at Shipyard189 in Haiphong, Vietnam, marked by the official steel cutting ceremony.

Berth larger vessels coming to NZ

$36m Joint Investment

Deepen the shipping channel to **14.5m**

Sustainability and Emissions

Total emissions in the half year increased 8.2% compared to the corresponding period in the previous year.

Total unaudited Scope 1 emissions increased 11.7%, largely due to a 13.9% increase in container volumes, which drove higher emissions from fuel use by cranes, forklifts and trucks.

Scope 2 includes indirect emissions from purchased electricity and decreased 17%. This decline is largely attributed to lower use of reticulated electricity for reefer cargo, with more diesel generation required due to the increased volume and storage distribution of reefer cargo across the port.

There were minor movements across Scope 3 categories and a complete dataset for FY25 will be reported in the annual report.

On a relative metric basis, emissions per cargo tonne increased by 11.5%, as relatively emissions-intensive container cargo represented a higher proportion of total cargo tonnes handled by Napier Port.

Napier Port is dedicated to driving sustainability through various initiatives that engage our team and support local environmental efforts. Through our Employee Recognition Scheme, employees are recognised for their contributions to sustainability, with opportunities to participate in activities like the Litter Intelligence Survey in partnership with Sustainable Coastlines, regular beach clean-ups, and volunteer days at the Seabird Sanctuary through our sponsorship of the Cape Sanctuary, a wildlife conservation project focused on restoring native species and ecosystems. These initiatives not only help protect the local environment but also foster a culture of sustainability within the Napier Port team and the wider community.

8.2%

Increase in half year emissions

11.5%

Increase in emissions per cargo tonne

> “These initiatives not only help protect the local environment but also foster a culture of sustainability within the Napier Port team and the wider community.”

Financial Statements.

Napier Port Holdings Limited

Consolidated Income Statement

For the Six Months Ended 31 March 2025	Note	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Revenue	5	**78,092**	**70,582**
Employee benefit expenses		23,174	21,959
Property and plant expenses		6,889	7,449
Other operating expenses		14,880	13,807
Operating expenses		**44,943**	**43,215**
Result from operating activities		**33,149**	**27,367**
Depreciation, amortisation and impairment expenses		9,666	8,760
Other (income) and expenses		6	(127)
Net Cyclone Gabrielle insurance proceeds	4	(7,460)	(7,136)
Profit before finance costs and tax		**30,937**	**25,870**
Net finance costs	6	2,772	3,304
Profit before income tax		**28,165**	**22,566**
Income tax expense	7	8,002	8,246
Profit for the period attributable to the shareholders of the Company		**20,163**	**14,320**
Earnings Per Share:			
Basic earnings per share ($)		0.10	0.08
Diluted earnings per share ($)		0.10	0.08

The above income statement should be read in conjunction with the accompanying notes.

Napier Port Holdings Limited

Consolidated Statement of Comprehensive Income

For the Six Months Ended 31 March 2025	Note	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Profit for the period attributable to the shareholders of the Company		20,163	14,320
Other comprehensive income			
Items that will be reclassified to profit or loss:			
Changes in fair value of cash flow hedges		526	(1,673)
Cash flow hedges transferred to profit or loss	6	(839)	(1,270)
Deferred tax on changes in fair value of cash flow hedges		88	824
Items that will not be reclassified to profit or loss:			
Cash flow hedges transferred to property, plant and equipment		157	-
Deferred tax on changes in fair value of cash flow hedges		(44)	-
Revaluation of sea defences		-	17,682
Deferred tax on revaluation of sea defences		-	(2,184)
Other comprehensive income for the period, net of tax		**(112)**	**13,379**
Total comprehensive income for the period attributable to the shareholders of the Company		**20,051**	**27,699**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Napier Port Holdings Limited

Consolidated Statement of Changes In Equity

For the Six Months Ended 31 March 2025	Share Capital $'000	Revaluation Reserve $'000	Hedging Reserve $'000	Share-Based Payment Reserve $'000	Retained Earnings $'000	Total Equity $'000
Balance at 1 October 2024	**246,107**	**113,017**	**987**	**609**	**58,406**	**419,126**
Profit for the period	-	-	-	-	20,163	20,163
Other comprehensive income	-	-	(112)	-	-	(112)
Total comprehensive income for the period	**-**	**-**	**(112)**	**-**	**20,163**	**20,051**
Dividends	17	-	-	-	(11,993)	(11,976)
Fair Share loans - employee repayments	70	-	-	-	-	70
Fair Share transfers	12	-	-	(12)	-	-
Share based payments	-	-	-	130	-	130
Transfers from treasury stock - employee recognition scheme	215	-	-	-	-	215
Long term incentive plan vesting	195	-	-	(195)	-	-
Total transactions with owners in their capacity as owners	**509**	**-**	**-**	**(77)**	**(11,993)**	**(11,561)**
Total movement in equity	**509**	**-**	**(112)**	**(77)**	**8,170**	**8,490**
Balance at 31 March 2025 (Unaudited)	**246,616**	**113,017**	**875**	**532**	**66,576**	**427,616**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes In Equity (Continued)

	Share Capital $'000	Revaluation Reserve $'000	Hedging Reserve $'000	Share-Based Payment Reserve $'000	Retained Earnings $'000	Total Equity $'000
Balance at 1 October 2023	**246,150**	**97,519**	**5,077**	**766**	**46,668**	**396,180**
Profit for the period	-	-	-	-	14,320	14,320
Other comprehensive income	-	15,498	(2,119)	-	-	13,379
Total comprehensive income for the period	**-**	**15,498**	**(2,119)**	**-**	**14,320**	**27,698**
Dividends	11	-	-	-	(7,098)	(7,087)
Fair share loans - employee repayments	17	-	-	-	-	17
Share-based payments	-	-	-	138	-	138
Total transactions with owners in their capacity as owners	**28**	**-**	**-**	**138**	**(7,098)**	**(6,932)**
Total movement in equity	**28**	**15,498**	**(2,119)**	**138**	**7,222**	**20,766**
Balance at 31 March 2024 (Unaudited)	**246,178**	**113,017**	**2,958**	**904**	**53,890**	**416,947**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Napier Port Holdings Limited

Consolidated Statement of Financial Position

As at 31 March 2025	Note	31 March 2025 Unaudited $'000	30 September 2024 Audited $'000
EQUITY			
Share capital		246,616	246,107
Reserves		114,424	114,613
Retained earnings		66,576	58,406
		427,616	**419,126**
NON-CURRENT LIABILITIES			
Loans and borrowings	8	104,088	110,690
Deferred tax liability		26,314	25,470
Derivative financial instruments		410	848
Provision for employee entitlements		594	617
		131,406	**137,625**
CURRENT LIABILITIES			
Taxation payable		5,664	6,576
Lease liabilities		26	2
Derivative financial instruments		236	80
Trade and other payables		16,143	15,445
		22,069	**22,103**
		581,091	**578,854**

The above statement of financial position should be read in conjunction with the accompanying notes.

As at 31 March 2025	Note	31 March 2025 Unaudited $'000	30 September 2024 Audited $'000
NON-CURRENT ASSETS			
Property, plant and equipment		538,017	535,916
Intangible assets		713	606
Investment properties		13,630	13,630
Derivative financial instruments		1,832	2,901
Investment in joint venture		250	250
		554,442	**553,303**
CURRENT ASSETS			
Cash and cash equivalents		1,539	1,783
Restricted cash		348	137
Derivative financial instruments		1,731	1,304
Trade and other receivables		23,031	18,827
Cyclone Gabrielle insurance receivable	4	-	3,500
		26,649	**25,551**
		581,091	**578,854**

On behalf of the Board of Directors, who authorised the issue of these financial statements on the **20 May 2025.**

Chairman

Director

Consolidated Statement of Cash Flows

For the Six Months Ended 31 March 2025	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Receipts from customers	69,543	62,613
Net Cyclone Gabrielle insurance proceeds	10,960	2,747
GST received	1,437	944
Cash was applied to:		
Payments to suppliers and employees	(39,270)	(37,367)
Income taxes paid	(8,027)	(3,645)
Net cash flows generated from operating activities	**34,643**	**25,292**
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was provided from:		
Proceeds from disposal of property, plant and equipment	1	3
Cash was applied to:		
Acquisition of property, plant and equipment and intangible assets	(13,575)	(7,371)
Net cash flows used in investing activities	**(13,574)**	**(7,368)**

For the Six Months Ended 31 March 2025	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash was provided from:		
Repayment of fair share loans by employees	88	28
Cash was applied to:		
Repayment of bank loans and borrowings	(6,500)	(9,000)
Dividends paid	(11,993)	(7,098)
Repayment of lease liabilities	(94)	(105)
Finance costs paid	(2,814)	(3,201)
Net cash flows used in financing activities	**(21,313)**	**(19,376)**
Net decrease in cash and cash equivalents	**(244)**	**(1,453)**
Cash and cash equivalents at beginning of the period	1,783	1,104
Cash and cash equivalents at end of the period	**1,539**	**(349)**

The above statement of cash flow should be read in conjunction with the accompanying notes.

Reconciliation of profit for the period to cash flows from operating activities

For the Six Months Ended 31 March 2025	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Profit for the period	**20,163**	**14,320**
Adjust for non-cash items:		
Fair value gains on investment property	-	(129)
Depreciation and amortisation	9,057	8,130
Impairment of assets	609	631
Net loss on disposal of property, plant and equipment	23	2
Share-based payments	130	138
Other non-cash items	-	(27)
Deferred tax	887	1,596
	10,706	**10,341**
Other adjustments:		
Finance costs classified as financing activities	2,772	3,304
(Decrease)/ Increase in non-current provision	(24)	18
	2,748	**3,322**

For the Six Months Ended 31 March 2025	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Movements in working capital:		
Increase in trade and other receivables	(4,204)	(3,464)
Decrease/ (increase) in Cyclone Gabrielle insurance receivable	3,500	(4,388)
Increase in trade and other payables	2,642	2,158
(Decrease)/ increase in current taxation payable	(912)	3,003
	1,026	**(2,691)**
Net cash flows generated from operating activities	**34,643**	**25,292**

Notes To The Consolidated Financial Statements

For the six months ended 31 March 2025

1. Reporting entity

The interim financial statements presented are those of Napier Port Holdings Limited and its subsidiaries (together 'the Group'). The Group's subsidiaries are Port of Napier Limited, a 100% owned, NZ incorporated, port operating company, and Napier Port IC Limited, a 100% owned, Cook Islands incorporated, captive insurance company.

Napier Port Holdings Limited is incorporated under the Companies Act 1993 and domiciled in New Zealand. Napier Port Holdings Limited's shares are publicly traded on the New Zealand Stock Exchange (NZX) and has bonds quoted on the NZX Debt Market (NZDX).

2. Basis of preparation

The financial statements have been prepared in accordance with the Financial Markets Conduct Act 2013.

Statement of compliance

The interim financial statements have been prepared in accordance with New Zealand equivalents to International Accounting Standard 34, Interim Financial Reporting (NZ IAS 34), and International Accounting Standard 34, Interim Financial Reporting. The Group is a for-profit entity for NZ GAAP purposes. These interim financial statements do not include all the information normally included in an annual financial report. Accordingly, these should be read in conjunction with the Group's annual financial statements for the year ended 30 September 2024.

Basis of measurement

The interim financial statements have been prepared on a historical cost basis, except for sea defences, investment properties and derivative financial instruments, which are measured at fair value. The basis of fair value measurement is consistent with the Group's annual financial statements. The interim financial statements are presented in New Zealand Dollars (NZD) and all values are rounded to the nearest thousand dollars ($'000), unless otherwise stated.

Reclassification of costs

Certain costs incurred by the Group have been reclassified in the prior period to provide comparable information to the current period. As a result, property and plant expenses have decreased by $0.3 million, and other operating expenses has increased by this amount for the six months ended 31 March 2024. There is no change to the reported result from operating activities for that period.

3. Summary of material accounting policy information

The principal accounting policies adopted are consistent with those followed in the preparation of the Group's Consolidated Financial Statements for the year ended 30 September 2024.

4. Uncertainties, estimates and judgements

The preparation of the financial statements in conformity with NZ IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and income and expenses. Actual results may differ from these estimates.

Changes in accounting estimates

During the period, the Group reviewed the useful lives and residual values of its property, plant and equipment, which resulted in changes to the estimated useful lives and residual values of certain assets.

The estimated useful lives of cranes were amended to between 33,000-39,000 operating hours, from 33,000-36,000 operating hours, while certain other mobile plant assets' estimates of useful lives were extended.

The residual values for mobile plant and equipment, including cranes, reduced from a range of 0-20% of cost to 0-15% of cost. The estimated useful life of maintenance dredging assets were amended from 8 years to a range of 4-8 years.

The changes in estimates have been accounted for prospectively from the respective dates of change. The estimated impact of these changes for the current reporting period is an increase in depreciation, amortisation and impairment expenses of approximately $0.5 million.

Cyclone Gabrielle and insurance matters

During February 2023, Cyclone Gabrielle struck New Zealand causing widespread damage and disruption to the Hawke's Bay region and its infrastructure which negatively impacted the Group's trading.

The Group has an insurance policy that responded to the material damage and business interruption losses of the Group arising from Cyclone Gabrielle. During the period, the Group has settled, in full, its claims and received all proceeds due from its insurers.

The Group's accounting policy is to recognise insurance recovery income when it is virtually certain insurance proceeds will be received and the amount receivable can be reliably estimated.

In relation to the Group's insurance claims for material damage and business interruption losses, for the six months ended 31 March 2025 the Group has recognised total insurance recovery income of $7,500,000 (31 March 2024: $7,243,000) in the Consolidated Income Statement.

5. Revenue and segment reporting

	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Disaggregation of revenue		
Container services	42,741	33,594
Bulk cargo	25,482	26,193
Cruise	8,192	8,903
Sundry income	290	298
Port operations	76,705	68,988
Property operations	1,387	1,594
Operating income	**78,092**	**70,582**

Accounting Policies:

Port Operations

Port operations represents a series of services including marine, berthage and port infrastructure services to the Group's customers which are accounted for as a single performance obligation. Revenue is recognised over-time using the percentage of completion method.

Revenue is measured based on the service price specified in the relevant tariffs or specific customer contract. The contract price for the services performed reflects the value transferred to the customer.

Property Operations

Property lease income is recognised on a straight-line basis over the period of the lease term.

Operating Segments

The Group determines its operating segments based on internal information that is regularly reported to the Chief Executive, who is the Group's Chief Operating Decision Maker (CODM).

The Group operates in one reportable segment being Port Services. This consists of providing and managing port services and cargo handling infrastructure through Napier Port. Within the Port Services reportable segment the following operating segments have been identified: marine services, general cargo services, container services, port pack services and depot services. These have been aggregated on the basis of similarities in economic characteristics, customers, nature of services and risks.

The Group operates in one geographic area, that being New Zealand. During the period the Group had two customers which comprised 21% of total revenue (March 2024: 25%).

6. Net finance costs

	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Interest income	(19)	(24)
Finance income	**(19)**	**(24)**
Interest and finance charges on borrowings	3,535	4,108
Gain realised on cash flow hedges transferred from other comprehensive income	(839)	(1,270)
Loss realised on fair value hedges	240	546
Unrealised change in fair value of fair value hedges	204	(3,204)
Unrealised change in fair value of loans and borrowings subject to fair value hedges	(204)	3,204
Lease imputed interest	2	4
Less: Interest capitalised to property, plant & equipment	(147)	(60)
Finance expenses	**2,791**	**3,328**
Net finance costs	**2,772**	**3,304**

7. Income tax expense

	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
Reconciliation between income tax expense and tax expense calculated at the statutory income tax rate:		
Profit before income tax	28,165	22,566
Income tax at 28%	7,885	6,318
Adjustment to prior year tax	9	(73)
Tax effect of non-deductible items	108	20
Tax effect of non-assessable items	-	(37)
Removal of tax depreciation on commercial buildings	-	2,018
Income tax expense	**8,002**	**8,246**
The income tax expense is represented by:		
Current tax on profits for the year	7,837	6,751
Adjustments for current tax of prior periods	(722)	(101)
Current income tax expense	7,115	6,650
Deferred income tax expense for the period	156	1,568
Adjustments for deferred tax of prior periods	731	28
Deferred income tax expense	887	1,596
Income tax expense	**8,002**	**8,246**

8. Loans and borrowings

31 March 2025 Non-current	Drawn Facilities/ Bonds Issued NZ$'000	Carrying Value NZ$'000
Bank facilities	3,000	3,000
Fixed rate NZD Bonds	100,000	101,088
Total non-current	**103,000**	**104,088**

30 September 2024 Non-current	Drawn Facilities/ Bonds Issued NZ$'000	Carrying Value NZ$'000
Bank facilities	9,500	9,500
Fixed rate NZD Bonds	100,000	101,190
Total non-current	**109,500**	**110,690**

9. Related party transactions

Transactions with owners

RELATED PARTY	NATURE OF TRANSACTIONS	31 March 2025 Unaudited $'000	31 March 2024 Unaudited $'000
		VALUE OF TRANSACTIONS	
Hawke's Bay Regional Council	Rates, levies, consents and services	187	197
	Cost recoveries	-	(60)
	Lease income	(24)	(22)
	Receivable by the Group	-	12
	Payable by the Group	(275)	(294)
Hawke's Bay Regional Investment Company	Dividends	6,600	3,905

10. Commitments and contingencies

Capital expenditure commitments

At balance date there were commitments in respect of contracts for capital expenditure totalling $17.3 million (31 March 2024 $1.1 million).

Contingent liabilities

There were no material contingent liabilities at balance date (31 March 2024: nil).

11. Events subsequent to balance date

Subsequent to the balance sheet date, a fully imputed dividend of $8.0 million (4.0 cents per share) and a special interim dividend of $5.0 million (2.5 cents per share), were approved by the Board of Directors.

Shape the future with confidence

Independent Auditor’s Review Report

To the Shareholders of Napier Port Holdings Limited

The Auditor-General is the auditor of Napier Port Holdings Limited (the “Company”) and its subsidiaries (together the “Group”). The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the review of the interim financial statements of Group on his behalf.

Conclusion

We have reviewed the interim financial statements of the Group on pages 12 to 21, which comprise the consolidated statement of financial position as at 31 March 2025 and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six months ended on that date, and the notes, including a summary of significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 March 2025, and its financial performance and cash flows for the six months ended on that date, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting* and International Accounting Standard 34: *Interim Financial Reporting*.

Basis for conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (‘NZ SRE 2410 (Revised)’). Our responsibilities are further described in the *Auditor’s Responsibilities for the Review of the Interim Financial Statements* section of our report.

We are independent of the Group in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Ernst & Young provides agreed upon procedures to the Group which are compatible with those independence requirements. We have no other relationship with, or interest in, the Group.

Directors’ responsibilities for the interim financial statements

The Directors are responsible, on behalf of the Group, for the preparation and fair presentation of these interim financial statements in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting* and International Accounting Standard 34: *Interim Financial Reporting* and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the publication of the interim financial statements, whether in printed or electronic form.

Auditor’s responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting* and International Accounting Standard 34: *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Stuart Mutch
Partner
Ernst & Young
On Behalf Of The Auditor-General
Wellington, New Zealand
20 May 2025

Directory

Directors

Blair O'Keeffe (Chair)

Stephen Moir

John Harvey

Vincent Tremaine

Kylie Clegg

Debbie Birch

Dan Druzianic

Senior Management Team

Todd Dawson – **Chief Executive**

Kristen Lie – **Chief Financial Officer**

Adam Harvey – **Chief Operating Officer**

David Kriel – **General Manager Commercial**

Jo-Ann Young – **Corporate Affairs Manager**

David Broad – **General Manager Assets and Infrastructure**

Chris Wylie – **General Manager Port Optimisation**

Registered Office

Breakwater Road
PO Box 947
Napier 4140
New Zealand

Phone: **+64 6 833 4400**

Email: **info@napierport.co.nz**

Facebook: **Napier Port**

LinkedIn: **Napier Port**

Website: **napierport.co.nz**

Bond Supervisor

Public Trust
Level 16, SAP Tower
151 Queen Street
Auckland 1010

Bankers

Westpac New Zealand Limited
16 Takutai Square
Auckland 1010
New Zealand

Industrial and Commercial Bank of China (New Zealand) Limited
Level 11
188 Quay Street
Auckland Central 1010
New Zealand

Solicitors

Bell Gully
171 Featherston Street
Wellington
New Zealand

Auditors

Ernst & Young
PO Box 490
Wellington 6140
On behalf of the Auditor-General

Share Registry

For enquiries about share transactions, dividend payments, or to change your address, please get in touch with:

MUFG Corporate Markets
PO Box 91976
Victoria Street West
Auckland 1142

Phone: **+64 9 375 5998 or 0800 041 040**

Email: **napierport@cm.mpms.mufg.com**

Copies of our latest annual report are available at ***napierport.co.nz/investor-centre***

Financial Calendar

31 March 2025 - **Half year balance date**

21 May 2025 - **Interim results announcement**

26 June 2025 - **Interim dividend payment**

30 September 2025 - **Financial year end**

November 2025 - **Annual results announcement**

18 December 2025* - **Final dividend payment**

19 December 2025 - **Annual meeting**

** Subject to board approval*

NAPIER PORT

Te Herenga Waka o Ahuriri