

Interim Results Announcement HY2025

Financial highlights:

- Marina and Boatyard revenue of \$1,724k, up 4.5%.
- Lease revenue of \$2,628k, up 2.3%.
- Operating profit (excluding one-off costs related to the proposed transaction) of \$995k, up 2.1%.
- One-off costs related to the proposed transaction of \$412k impacting underlying earnings as of 31 December 2024.
- Northport share of earnings of \$4,011k, down 6.5%, due to lower log volumes and associated revenue.

Marsden Maritime Holdings Limited (NZX:MMH) has reported a Half Year Net Profit After Tax of \$3,794k, down 12.9% on the previous period, with the change mainly due to lower earnings from its joint venture interest in Northport, and one-off costs associated with a proposed transaction announced on 25 February 2025 (details below). MMH also reported continued growth in its parent entity segments with Operating Profit of \$995k, up 2.1% on the previous period, driven by Marina and Boatyard revenue (up 4.5%) and lease revenue (up 2.3%), which is particularly pleasing given the economic conditions.

Proposed transaction

On 25 February 2025, MMH signed a Scheme Implementation Agreement ('SIA') with a consortium comprising Port of Tauranga Limited ('POT'), Northland Regional Council ('NRC') and Ngāpuhi Investment Fund Limited ('Tupu Tonu'), under which the Consortium would acquire all of the shares in MMH not already held by NRC, via a scheme of arrangement ('Scheme').

The Consortium first approached MMH on 7 August 2024 with a non-binding indicative proposal, which was followed by months of negotiations until MMH determined that the terms of the proposal were in the best interests of all MMH shareholders.

The Scheme is conditional on public consultation by NRC, as well as approval by the High Court and MMH shareholders. The Shareholder meeting is expected in May 2025.

If the Scheme were to proceed, shareholders will receive a payment of \$5.60 per share on the day of transaction. The price of \$5.60 per share represents a 73 per cent premium to MMH's share price of \$3.24 at market close on 24 February 2025.

On implementation of the Scheme, the Consortium has confirmed that MMH would procure POT's interest in Northport (currently 50:50 owned by MMH and POT), upon which Northport would become a wholly owned subsidiary of MMH. MMH would be delisted from the NZX, and the Consortium would hold all shares in MMH.

MMH Board Chair Benoît Marcenac says the Board's primary focus is to secure the best outcome for all shareholders. In signing the SIA, the MMH Board has concluded that the Scheme, as finally agreed, represents a compelling option for shareholders and an opportunity to unlock value now.

Dividend

No dividend has been declared for this half year period (down from 6 cents declared as interim dividend last period). This is because the SIA has a number of standard value protection provisions, including a requirement that no dividend be declared to MMH shareholders for the half-year period to 31 December 2024.

Northport

The joint venture with Northport delivered \$4,011k share of profit to MMH. This was slightly down on the previous period's \$4,288k, however, it is largely in line with the performance delivered in past years. Log volumes continue to be impacted by global market demand and have been reduced by 6.3% compared to the prior period.

Operations

MMH business park and marina operations at Marsden Cove Marina have continued to show steady growth in the first half year, despite a challenging property market. Property including port, industrial and commercial property developments within the investment property business line and the Marina Commercial area have increased lease revenue by 2.3% to \$2,628k. Overall property asset occupancy has increased from 95% to 96%. The Marina and Boatyard Operations also continued its growth momentum, with revenue up 4.5% to \$1,724k.

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