

NAPIER^o PORT

Te Herenga Waka o Ahuriri



FACT SHEET

DECEMBER 2019

Napier Port is located in Hawke's Bay and is New Zealand's fourth largest port by container volume. It is the main gateway for Hawke's Bay exports, and it operates a long-term regional infrastructure asset that supports the regional economy. Its strategic purpose is to collaborate with the people and organisations that have a stake in helping the region grow.

It generates revenue by providing a range of port and logistics services (marine, handling and value-add services), with its core revenue streams arising from container services, bulk cargo and servicing cruise ships. The company is 55% owned by Hawke's Bay Regional Council via its subsidiary Hawke's Bay Regional Investment Company. The remainder is held by private investors.



NAPIER PORT'S CONNECTIONS

- Road
- Rail
- Ranges



KEY INFRASTRUCTURE

MAIN PORT SITE

- 50-hectare site
- 6 mobile harbour cranes
- 1000+ connection points for refrigerated cargo
- 42,830m² warehousing
- 34 heavy container handling machines
- 16-hectare container storage space
- Large on-port packing facility – 8000m²
- 10 hectares of dedicated log storage
- Dedicated stevedoring services, SSA
- Skilled log marshalling services, ISO and C3

6 WHARF

6 Wharf is a long-term solution which will enable us to capitalise on future growth opportunities and continue to support our customers, and therefore Hawke's Bay and its surrounding regions. Benefits include reduced congestion, an ability to handle larger vessels and growth in cruise ship demand, extending the Port's capacity to handle container vessels, an ability to provide 24-hour berthing of larger container vessels and increased operational agility and resilience.

THAMES STREET I & II

Empty Container Depot
Building capacity
with a second site –
Thames II



FIVE YEAR TRADE AND FINANCIAL SUMMARY

	2019	2018	2017	2016	2015
Total Cargo (million tonnes)	5.46	5.09	4.75	3.92	4.07
Container Volumes (TEU)	271,221	266,006	288,444	257,380	256,438
Bulk Cargo (million tonnes)	3.40	3.07	2.51	2.03	2.18
Revenue (\$m)	99.6	91.7	86.7	72.7	72.1
Result from Operating Activities* (\$m)	42.0	38.9	37.4	30.4	29.7
Net Profit After Tax (\$m)	6.8	17.6	16.7	11.5	12.9
Dividends (\$m)	54.0	10.0	10.7	7.9	7.4
Capital Investment (\$m)	17.6	15.7	18.7	10.3	35.1
Net Debt (\$m)	-	80.6	83.3	79.2	84.3
Equity Ratio	91%	64%	63%	63%	62%
Debt Coverage Ratio	-	2.1	2.2	2.6	2.8
Interest Coverage Ratio	11.6	8.9	9.0	6.8	6.5
Return on Operating Assets %**	13.3%	12.6%	12.5%	10.5%	10.8%
Return on Shareholders' Funds %***	2.5%	8.4%	8.5%	6.1%	7.0%

Note: prior to 2019, data relates to Port of Napier Limited only

* Profit from operating activities before interest, tax, depreciation, amortisation and impairments, other income & expenses, joint venture results, and IPO transaction costs. ** Result from operating activities divided by average non-current assets used in operations. *** Net profit after tax divided by average shareholders' funds.

PORT ACTIVITIES

CONTAINERS

The Port's container trade is predominantly export driven and consists of a diverse range of primary produce, including forestry products, pipfruit and meat. Our service offering includes marine, handling and value-add services such as depot services, Port Pack and empty container storage at the Thames Street container depot.

BULK CARGO

The principal bulk cargo exports through Napier Port are log and forestry products, while the principal bulk cargo imports are fertiliser, petrochemicals and cement. Our service offering to bulk cargo owners includes marine services, handling services and log fumigation facilities with some services provided by third-party providers. In addition, we lease sheds, silos and tanks (or the ground on which such structures are built) to bulk cargo owners.

CRUISE

We are the gateway to the Hawke's Bay region for the growing number of cruise visits and we are one of the key ports of call for cruise ships in New Zealand.

MARINE SERVICES

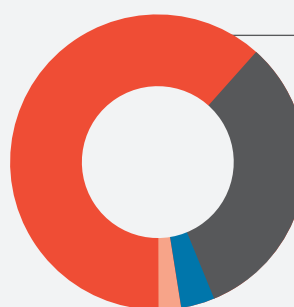
Marine services include pilotage (ships being guided through the channel by our pilots), towage (manoeuvring vessels by tugboat) and berthage and mooring services.

FY 2019 PORT ACTIVITY STATISTICS

50	2.6	70
THOUSAND TEU THROUGH PORT PACK	MILLION TONNES OF LOG EXPORTS – UP 16.9%	CRUISE SHIPS CALL

5,000
ADDITIONAL TEU
– 271,000
TEU IN TOTAL

5.5
MILLION
TONNES OF CARGO
HANDLED – UP 7%



FY19 REVENUE	
Container	61.4%
Bulk Cargo	32.4%
Cruise	3.8%
Other	2.4%



BUSINESS STRENGTHS

AN INFRASTRUCTURE ASSET ESSENTIAL TO THE HEALTH OF THE HAWKE'S BAY ECONOMY

Napier Port is an essential regional infrastructure asset and, by connecting Hawke's Bay and central New Zealand to global markets, is an active participant in driving regional prosperity.

STRONG REGIONAL ECONOMIC GROWTH DRIVERS AND STRONG KEY CUSTOMER RELATIONSHIPS

The Hawke's Bay region is experiencing strong growth, supported by international demand for its diverse range of export cargo. Strong key customer relationships see the Port embedded as an essential supply chain partner.

DIVERSIFIED TRADE PORTFOLIO MITIGATES SECTOR AND COUNTRY-SPECIFIC RISKS

The Port handles a diversified mix of export and import products including logs and forestry products, pip fruit, oil products and fertiliser, which are shipped to or from over 110 countries globally.

WELL-POSITIONED GIVEN FUTURE CARGO VISIBILITY AND FULLY CONSENTED DEVELOPMENT PLANS

Future cargo visibility enables robust planning for strategic growth projects. The development of 6 Wharf is expected to significantly increase the Port's capacity and improve operational efficiency.

STRONG HISTORICAL FINANCIAL PERFORMANCE AND A RECORD OF EXECUTION ON GROWTH OPPORTUNITIES

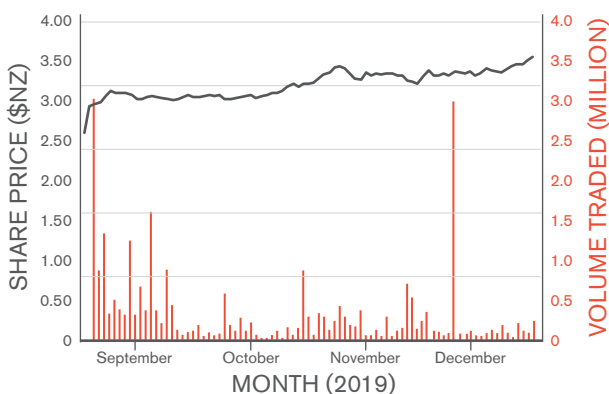
Napier Port delivered annual average revenue growth of 11% over the last four years (2016 - 2019), while consistently delivering EBITDA margins of above 40%.

EXPERIENCED MANAGEMENT TEAM THAT IS WELL CONNECTED WITH CARGO OWNERS AND OTHER STAKEHOLDERS

Extensive commercial and infrastructure expertise and broad depth of senior leadership experience in New Zealand and overseas, and management enjoys strong relationships with key stakeholders and the local community.

SHARE PRICE & VOLUME

NAPIER PORT (NPH)*



*As at 18/12/2019. **Volume graph excludes trade volume of 16.1 million on 20 August 2019; the first day of trading

GOVERNANCE & MANAGEMENT

BOARD

Independent Chair: Alasdair MacLeod

Independent Non-Executive Directors: Diana Puketapu, Stephen Moir, Vincent Tremaine, John Harvey

Non-Executive Directors: Blair O'Keeffe, Hon. Rick Barker

MANAGEMENT

Chief Executive: Todd Dawson

Chief Financial Officer: Kristen Lie

General Manager Commercial: David Kriel

General Manager Culture & Community: Viv Bull

General Manager Marine & Cargo Operations: Adam Harvey

General Manager Strategy & Innovation: Andrea Manley

Capability and Cruise Manager: Bruce Lochhead

General Manager Infrastructure Services: Michel De Vos

General Manager Container Operations:

(Acting) Viv Bull and Adam Harvey

NAPIER PORT HOLDINGS

NZX Code: NPH

Shares on issue: 200,000,000

Market capitalisation: NZ\$719.6 million (as at 18/12/2019)

INDICES

S&P/NZX All Index

S&P/NZX Small Cap Index

S&P/NZX All Industrials Sector Index

KEY DATES

FY 2020 half year end: 31 March 2020

Half year announcement: May 2020

FY 2020 year end: 30 September 2020

Full year announcement: November 2020

ADDRESS:

Breakwater Road, Napier, New Zealand

PO Box 947, Napier 4140, New Zealand

Tel: +64 6 833 4643

Email: investors@napierport.co.nz

Website: www.napierport.co.nz/investor-centre

REGISTRAR

Link Market Services

Tel: 0800 041 040

Email: napierport@linkmarketservices.co.nz

ANALYST COVERAGE

**Deutsche
CRAIGS**

Wade Gardiner

wade.gardiner@craigsip.com

**Goldman
Sachs**

Owen Birrell

owen.birrell@gs.com



FORSYTH BARR

Andy Bowley – andy.bowley@forsythbarr.co.nz