



# NAPIER<sup>o</sup> PORT

*Te Herenga Waka o Ahuriri*

## FACT SHEET

MAY 2020

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.

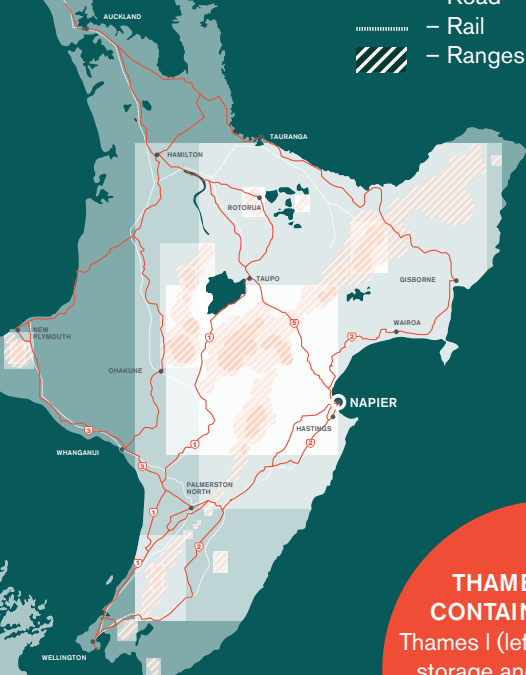
It generates revenue by providing a range of port and logistics services (marine, handling and value-add services), with its core revenue streams arising from container services, bulk cargo and servicing cruise ships. The company is 55% owned by Hawke's Bay Regional Council via its subsidiary Hawke's 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
- 42,830m<sup>2</sup> warehousing
- 38 heavy container handling machines
- 16-hectare container storage space
- Large on-port packing facility – 8000m<sup>2</sup>
- 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 CONTAINER DEPOTS

Thames I (left) is for container storage and Thames II (right) opened this year for container wash, inspection and reefer container pre-tripping.





## TRADE AND FINANCIAL SUMMARY<sup>1</sup>

	1H20	1H19	FY19	FY18	FY17
Total Cargo (million tonnes)	2.53	2.66	5.46	5.09	4.75
Container volumes (TEU 000)	135	126	271	266	288
Bulk Cargo (million tonnes)	1.60	1.72	3.40	3.07	2.51
Revenue (\$m)	52.3	48.7	99.6	91.7	86.7
Result from operating activities <sup>2</sup> (\$m)	21.7	22.1	42.0	38.9	37.4
Net Profit After Tax (\$m)	12.8	9.2	6.8	17.6	16.7
Dividends (\$m)	5.0	4.0	54.0	10.0	10.7
Capital Investment (\$m)	23.2	7.5	17.6	15.7	18.7
Net Debt (\$m)	-	80.8	-	80.6	83.3

1 – Data prior to FY2019 refers to Port of Napier Limited. 2 – Profit from operating activities before interest, tax, depreciation, amortisation and impairments, other income & expenses, joint venture results, and IPO transaction costs

## 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.

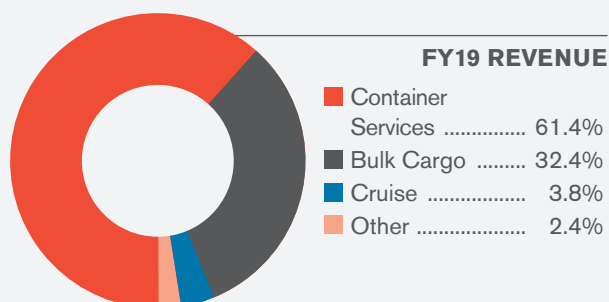
### MARINE SERVICES

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

<b>50</b>	<b>2.6</b>	<b>70</b>
THOUSAND TEU THROUGH PORT PACK	MILLION TONNES OF LOG EXPORTS – UP 17%	CRUISE SHIPS CALL

<b>5,000</b>	<b>5.5</b>
ADDITIONAL TEU – 271,000 TEU IN TOTAL	MILLION TONNES OF CARGO HANDLED – UP 7%



## 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 has experienced 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)\*



\* Up to 13/05/2020. Volume graph excludes trade volume of 16.1 million on 20 August 2019; the first day of trading on the NZX Main Board

## 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

**General Manager Infrastructure Services:** Michel De Vos

**General Manager Container Operations:** Kianoush Zia

## NAPIER PORT HOLDINGS

**NZX Code:** NPH

**Shares on issue:** 200,000,000

**Market capitalisation:** NZ\$620 million (13/05/2020)

### INDICES

S&P/NZX All Index

S&P/NZX Small Cap Index

S&P/NZX All Industrials Sector Index

MSCI Small Cap Index (from 29 May 2020)

### KEY DATES

**FY 2020-year end:** 30 September 2020

**FY 2020 results announcement:** November 2020

**Annual meeting:** December 2020

**FY 2021 half year end:** 31 March 2021

**FY 2021 half year announcement:** May 2021

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