



NAPIER^o PORT

Te Herenga Waka o Ahuriri

Investing in Napier Port
June 2021

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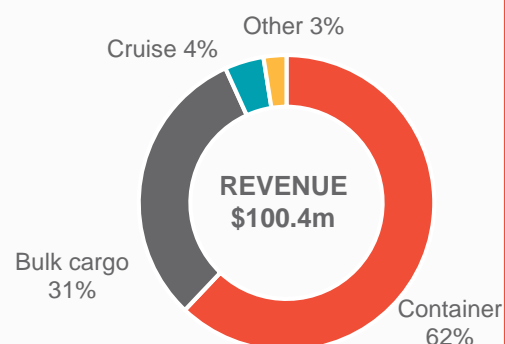
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NAPIER PORT - A NEW ZEALAND EXPORT GATEWAY

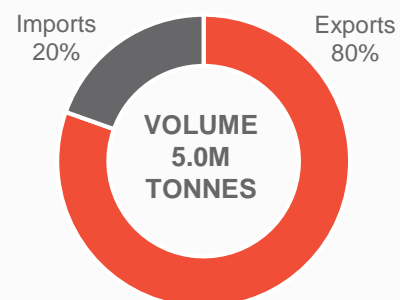
AN EXPORT DRIVEN PORT CONNECTING A THRIVING REGION TO THE WORLD

KEY STATISTICS (FY2020)

CONTAINERS LEAD REVENUE



EXPORTS DOMINATE



5.0 M TONNES
CARGO
HANDLED



2.4 M TONNES
LOGS
EXPORTED



>268,000
TEU CONTAINERS
HANDLED



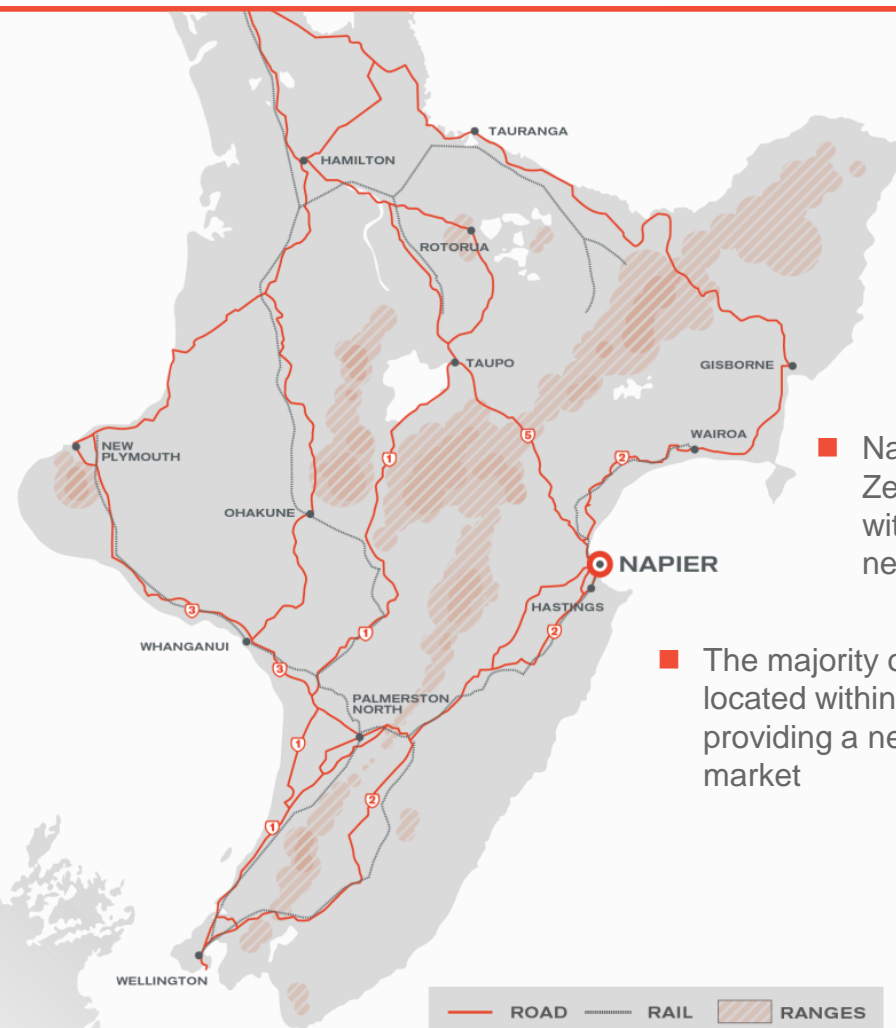
~284
PERMANENT
STAFF



\$100.4 M
REVENUE



\$41.2 M
RESULT FROM
OPERATIONS



■ Fourth largest container terminal port in New Zealand

■ Napier Port is positioned on New Zealand's main shipping route with core national rail and road network connectivity

■ The majority of our cargo owners are located within 100 km of Napier Port, providing a nearby, cost effective route to market

NAPIER PORT - A NEW ZEALAND EXPORT GATEWAY

AGILE AND RESILIENT INFRASTRUCTURE TO SUPPORT THE REGION



KEY INFRASTRUCTURE

- 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
- Offsite container service and marshalling facilities

6 WHARF

- Investment to support future growth
- 350m wharf with estimated cost of \$173m - \$190m
- Target completion in 2022
- Benefits include: reduced congestion, handle larger vessels, 24-hour berthing, increased operational agility and resilience

A STRATEGY TO DRIVE CUSTOMER COLLABORATION

NAPIER PORT IS BUILDING STRONG RELATIONSHIPS WITH CUSTOMERS TO CONNECT THEM TO THE WORLD

OUR PURPOSE

TOGETHER WE BUILD A THRIVING REGION
BY CONNECTING YOU TO THE WORLD

OUR FOCUS



Better understanding what our customers want and how we can help them achieve their goals



Collecting and harnessing data and **using technology to optimise our operations**



Using connected network infrastructure to ensure seamless supply chains across our region and beyond



Working with all stakeholders to help drive growth in the region, to drive growth for the port







OUR FOUNDATION



OUR CULTURE OF CARE

OUR STRATEGY BUILDS ON A STRONG BUSINESS

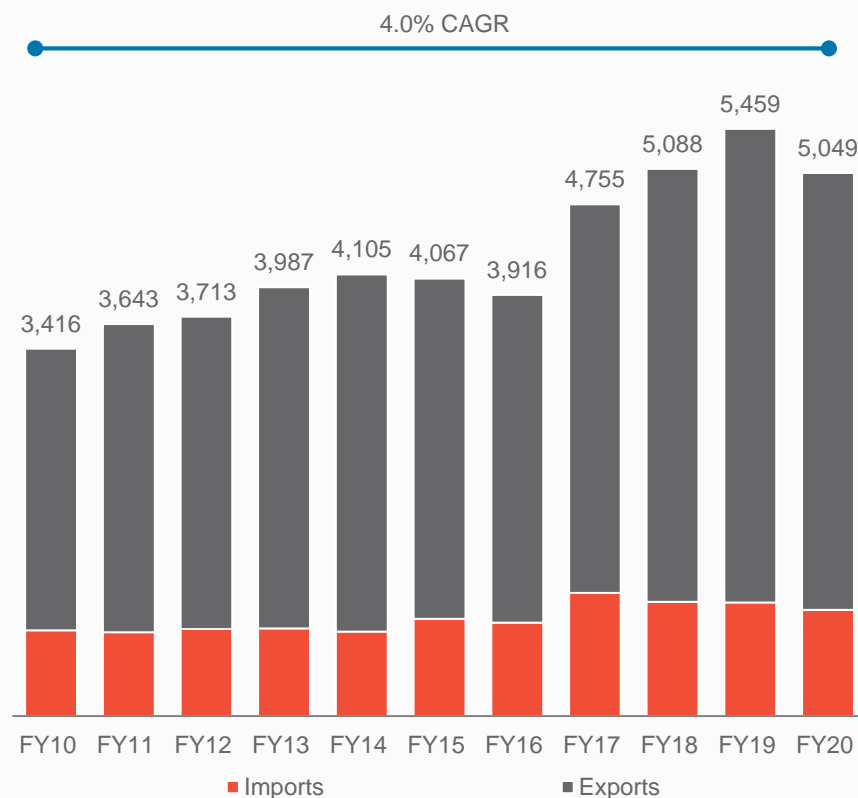
A LONG-TERM ASSET ESSENTIAL TO THE HEALTH OF THE HAWKE'S BAY ECONOMY

	RELEVANCE DURING COVID-19
<p>AN INFRASTRUCTURE ASSET ESSENTIAL TO THE HEALTH OF THE HAWKE'S BAY ECONOMY</p> <p>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</p>	
<p>STRONG REGIONAL ECONOMIC GROWTH DRIVERS AND STRONG KEY CUSTOMER RELATIONSHIPS</p> <p>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</p>	
<p>DIVERSIFIED TRADE PORTFOLIO MITIGATES SECTOR AND COUNTRY-SPECIFIC RISKS</p> <p>The Port handles a diversified mix of export and import products including logs and forestry products, pipfruit, oil products and fertiliser, which are shipped to or from over 110 countries globally</p>	
<p>WELL-POSITIONED GIVEN FUTURE CARGO VISIBILITY AND FULLY-CONSENTED DEVELOPMENT PLANS</p> <p>Future cargo visibility enables robust planning for strategic growth projects. Development of 6 Wharf is expected to significantly increase the Port's capacity and improve operational efficiency</p>	
<p>STRONG HISTORICAL FINANCIAL PERFORMANCE AND A RECORD OF EXECUTION ON GROWTH OPPORTUNITIES</p> <p>Napier Port delivered annual average revenue growth of 8.4% over the last four years (2016 - 2020), while consistently delivering EBITDA margins of above 40%</p>	
<p>EXPERIENCED MANAGEMENT TEAM THAT IS WELL CONNECTED WITH CARGO OWNERS AND OTHER STAKEHOLDERS</p> <p>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</p>	

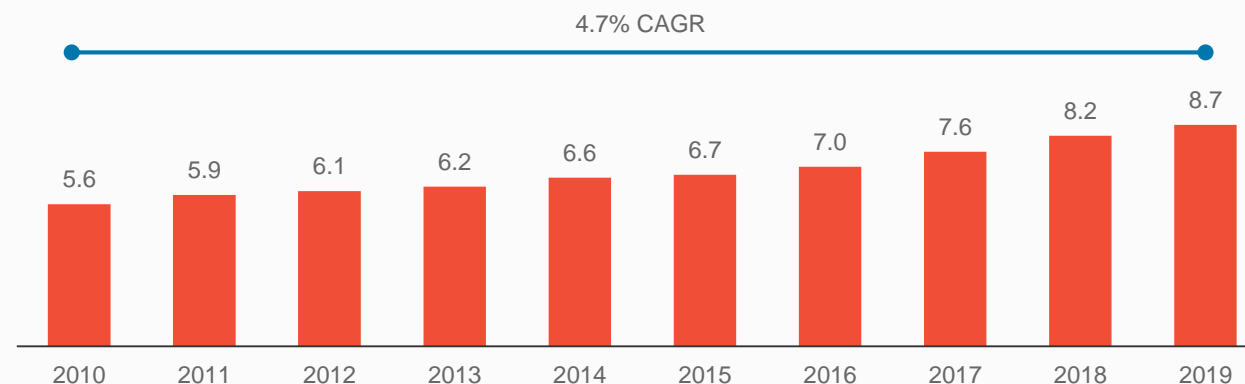
STRONG REGIONAL ECONOMIC GROWTH DRIVERS

GROWTH IN THROUGHPUT OVER THE LAST 10 YEARS HAS BEEN PRIMARILY DRIVEN BY TRADE TO AND FROM HAWKE'S BAY AND ITS SURROUNDING REGION

Napier Port throughput FY2010 to FY2020, (000 tonnes)



Hawke's Bay GDP growth⁽¹⁾ (NZ\$B)



~60% OF NEW ZEALAND'S TOTAL PLANTED AREA OF PIPFRUIT²



~8% OF NEW ZEALAND'S TOTAL PLANTED FOREST AREA³

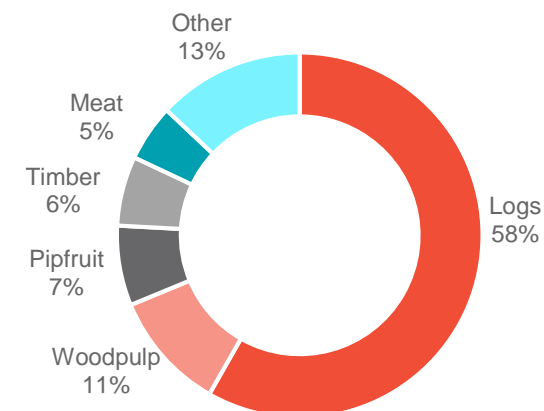
DIVERSIFIED TRADE PORTFOLIO MITIGATES RISK

THE PORT HANDLES A DIVERSIFIED MIX OF EXPORT AND IMPORT PRODUCTS, WHICH ARE SHIPPED TO MORE THAN 110 COUNTRIES GLOBALLY

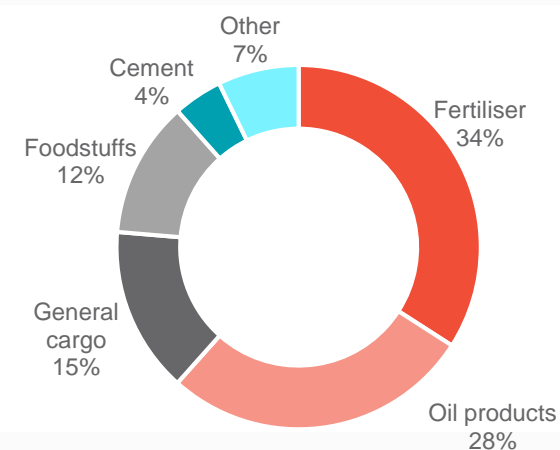


- We are primarily export focused (with exports making up 80% of all cargo by weight processed through the Napier Port in FY2020) but imports also contribute to our diversified trade portfolio
- A number of different revenue streams across container services, bulk cargo, cruise and other income
- Over 30 export and import commodity products are handled through the Port

Napier Port export product mix (FY2020, by weight)



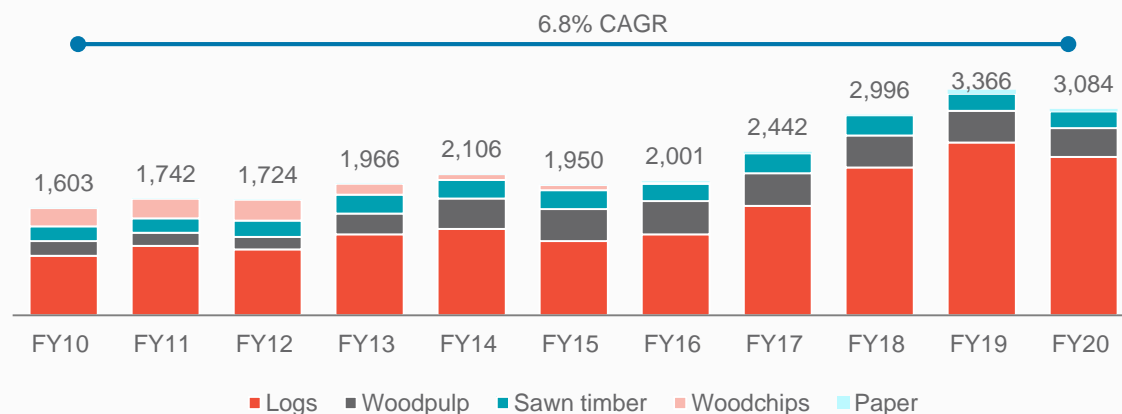
Napier Port import product mix (FY2020, by weight)



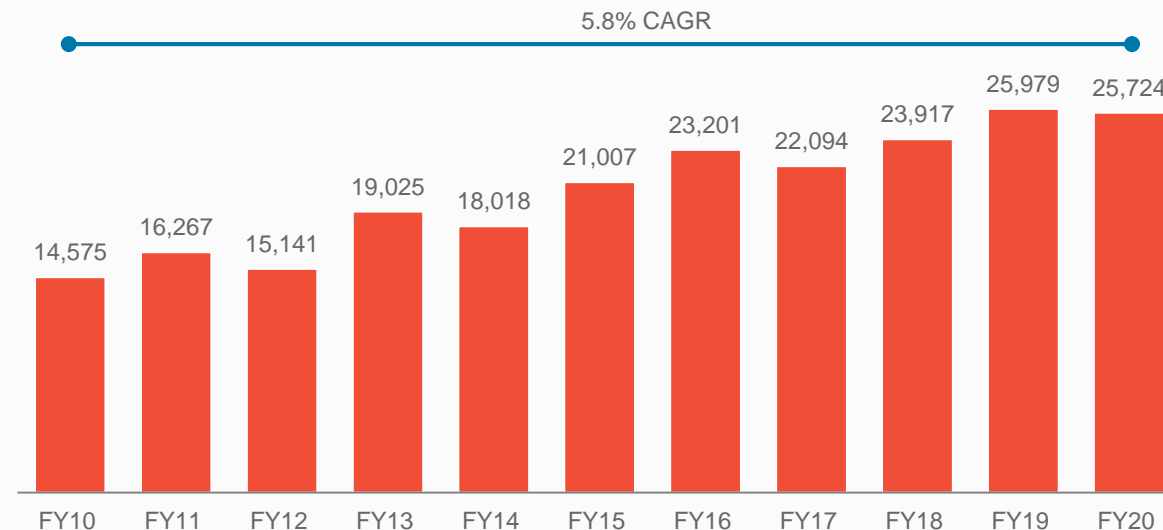
FUTURE CARGO VISIBILITY ENABLES ROBUST STRATEGIC PLANNING

FOREST AND ORCHARD PLANTINGS CORRELATED WITH NAPIER PORT CARGO FLOWS OF THESE PRODUCTS

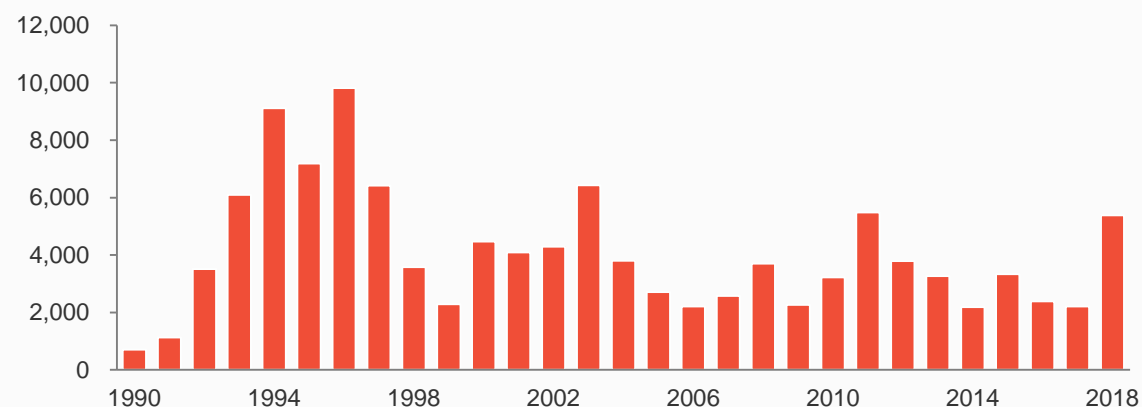
Napier Port forestry product export composition (FY2010 to FY2020, 000 tonnes)



Napier Port pipfruit exports (FY2010 to FY2020, TEUs)



Hawke's Bay forestry planting 1990 to 2018¹ (hectares)

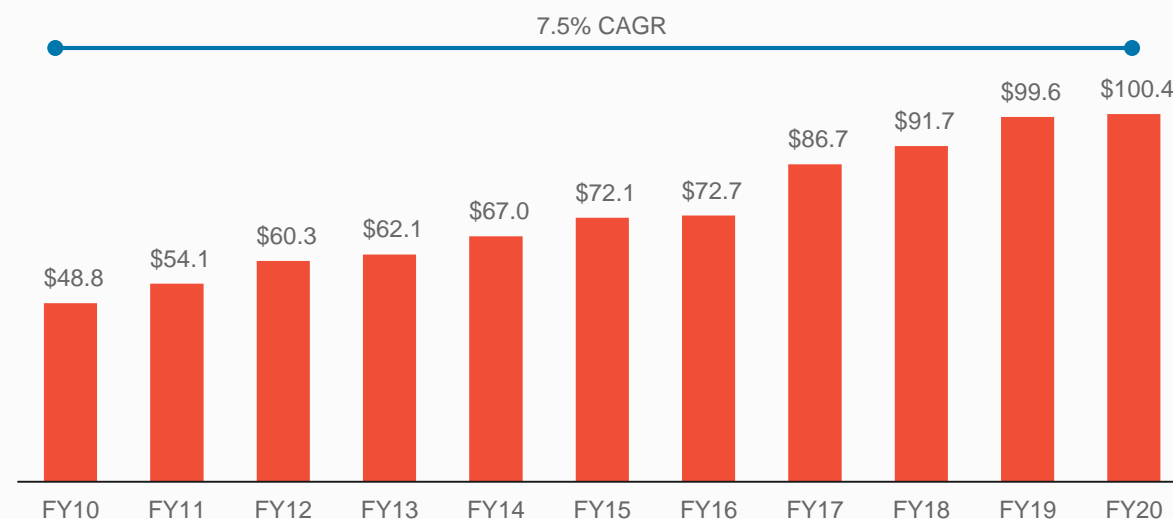


- Hawke's Bay has ~8% of New Zealand's total planted forests and ~60% of the country's total planted pipfruit orchards made up of:
 - 132,000 hectares² of planted forests with plantings in the mid-1990s now coming to maturity
 - 6,000 hectares³ of orchards, with an average yield of 61 tonnes per hectare⁴

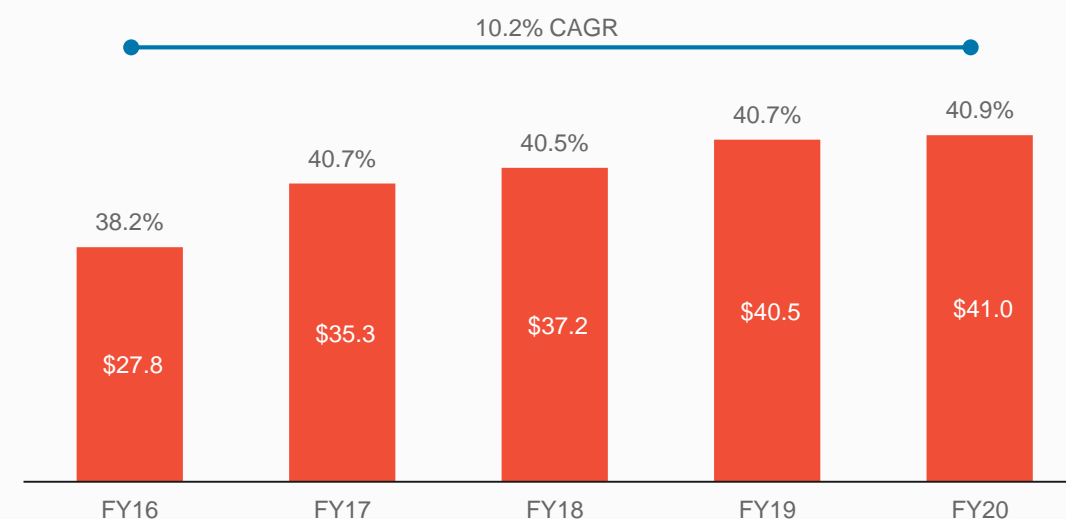
NAPIER PORT HAS A STRONG RECORD OF FINANCIAL PERFORMANCE

BETWEEN 2016 AND 2020 NAPIER PORT HAS DELIVERED AVERAGE REVENUE GROWTH OF 8.4% AND PROFORMA EBITDA MARGINS OF ~40%

Napier Port revenue FY2010 – FY2020 (NZ\$M)



Napier Port pro forma EBITDA FY2016 – FY2020 (NZ\$M) and Margin (%)



OUR NZX MARKET RECORD TO DATE

NAPIER PORT HAS OUTPERFORMED THE S&P NZX 50 SINCE LISTING

Napier Port share price and trade volume since listing (August 2019)



- Joined S&P NZX 50 on 22 June 2020

APPENDIX 1: FIVE YEAR TRADE AND FINANCIAL SUMMARY

	2020	2019	2018	2017	2016
Total Cargo (million tonnes)	5.05	5.46	5.09	4.75	3.92
Container Volumes (TEU)	268,266	271,221	266,006	288,444	257,380
Bulk Cargo (million tonnes)	3.12	3.40	3.07	2.51	2.03
Revenue (\$m)	100.4	99.6	91.7	86.7	72.7
Result from Operating Activities* (\$m)	41.2	42.0	38.9	37.4	30.4
Net Profit After Tax (\$m)	22.0	6.8	17.6	16.7	11.5
Dividends (\$m)	5.0	54.0	10.0	10.7	7.9
Capital Investment (\$m)	46.1	17.6	15.7	18.7	10.3
Net Debt (\$m)	-	-	80.6	83.3	79.2
Equity Ratio	90%	91%	64%	63%	63%
Debt Coverage Ratio	-	-	2.1	2.2	2.6
Interest Coverage Ratio	n/a	11.6	8.9	9.0	6.8
Return on Operating Assets %**	13.6%	13.3%	12.6%	12.5%	10.5%
Return on Shareholders' Funds %***	6.5%	2.5%	8.4%	8.5%	6.1%

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 (excluding work in progress)

*** Net profit after tax divided by average shareholders' funds.