

Napier Port Holdings Limited

Supplemental Selected Financial Information (unaudited)

The below supplemental selected financial information provides a summary of financial information for the nine months ended 30 June 2024 (9M2024) compared to the corresponding period in 2023 (9M2023).

Except where information is denoted as being extracted directly from audited financial statements, the supplemental selected financial information is unaudited.

Selected financial information¹

| NZ\$000 | 3Q2024 | 3Q2023 | 9M2024 | 9M2023 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| Financial period | 3 months ending 30 Jun 24 | 3 months ending 30 Jun 23 | 9 months ending 30 Jun 24 | 9 months ending 30 Jun 23 |
| Financial performance: | | | | |
| Revenue ⁽²⁾ | 36,542 | 28,572 | 107,124 | 92,708 |
| Result from operating activities ⁽³⁾ | 12,259 | 7,463 | 39,626 | 29,333 |
| Net profit after tax | 4,767 | 4,193 | 19,087 | 12,883 |
| Underlying net profit after tax ⁽⁴⁾ | 4,790 | 1,866 | 15,861 | 9,331 |
| Balance sheet and cash flow items: | | | | |
| Dividends paid | 6,000 | 3,400 | 13,100 | 12,800 |
| Total assets | 572,099 | 560,300 | 572,099 | 560,300 |
| Cash and cash equivalents | 4,596 | 3,282 | 4,596 | 3,282 |
| Total liabilities | 156,662 | 168,515 | 156,662 | 168,515 |
| Total debt | 105,737 | 128,946 | 105,737 | 128,946 |
| Net cash flows from operating activities | 27,014 | 11,584 | 52,306 | 32,953 |
| Underlying net cash flows from operating activities ⁽⁵⁾ | 20,278 | 12,757 | 44,820 | 34,126 |

Notes:

- The selected financial information (excluding any financial information in the selected financial information table that is identified as being underlying financial information) is extracted from unaudited financial statements of Napier Port Holdings Limited ('Napier Port') for 9M2024. Some line items in the selected financial information include adjustments applied by Napier Port (denoted 'underlying'). An explanation of these adjustments is contained in section 1.1 below.
- Revenue relates to operating income as disclosed in the financial statements for Napier Port.
- Result from operating activities is a non-NZ GAAP measure and is as disclosed in the financial statements for Napier Port. The measure is calculated as operating income less operating expenses. The measure excludes income and expenses related to finance costs, taxes, the depreciation, amortisation, impairment, and retirement of operating and other assets, and the income and expenses arising from fair value changes, non-recurring and abnormal, and joint-venture and other investment activity.
- Underlying net profit after tax is a non-NZ GAAP measure that comprises reported net profit after tax adjusted for certain non-recurring, non-core and abnormal items, and unrealised fair value movements as described in section 1.1 below. Tax expense has been adjusted to reflect the tax implications of the adjustments. A reconciliation to reported net profit after tax is included in section 1.2 below.
- Underlying cash flows from operating activities is a non-NZ GAAP measure that comprises net cash flows from operating activities adjusted for certain non-recurring, non-core and abnormal items and the tax implications of these adjustments on the basis that cash taxes would be paid in the corresponding reporting period. A reconciliation to reported cash flows from operating activities is included in section 1.3 below.

1.1 Description of adjustments

In determining the use of adjustments, the Directors have considered only those items that they believe are required to ensure consistency and comparability of the financial information over the periods presented.

The adjustments that Napier Port considers appropriate are explained below:

- (i) removal of unrealised fair value movements on investment properties as this relates to non-core activity;
- (ii) removal of expenses and business interruption insurance income attributable to the extraordinary Cyclone Gabrielle event that occurred during February 2023.

Insurance income receivable for insured business interruption losses indemnifies the Group for reduced operating profits following Cyclone Gabrielle. The recognition of business interruption insurance income does not necessarily match the accounting period of the reduced operating profits, as this income recognition is determined according to the Group's accounting policy for recognising insurance recovery income and is dependent upon the timing of the lodgement of claims with insurers and the timing of their review processes. The adjustment removes this timing effect and the potential variability in income recognition; and

- (iii) removal of the one-off deferred tax charge relating to the removal of tax depreciation on commercial buildings.

1.2 Reconciliation of underlying net profit after tax

| NZ\$000 | 3Q2024 | 3Q2023 | 9M2024 | 9M2023 |
|--|--------------|--------------|---------------|---------------|
| Reported net profit after tax | 4,767 | 4,193 | 19,087 | 12,883 |
| Adjustments: | | | | |
| Fair value movements on investment properties | - | - | (129) | (1,225) |
| Cyclone Gabrielle related expenses | 19 | 268 | 127 | 268 |
| Cyclone Gabrielle business interruption insurance income | - | (3,500) | (7,243) | (3,500) |
| Tax impact of adjustments | (5) | 905 | 1,992 | 905 |
| Tax impact of removal of tax depreciation on buildings | 9 | - | 2,027 | - |
| Underlying net profit after tax | 4,790 | 1,866 | 15,861 | 9,331 |

1.3 Reconciliation of underlying net cash flows from operating activities

| NZ\$000 | 3Q2024 | 3Q2023 | 9M2024 | 9M2023 |
|--|---------------|---------------|---------------|---------------|
| Reported net cash flows from operating activities | 27,014 | 11,584 | 52,306 | 32,953 |
| Adjustments | | | | |
| Cyclone Gabrielle related expenses | 19 | 268 | 127 | 268 |
| Cyclone Gabrielle business interruption insurance income | (6,750) | - | (9,605) | - |
| Tax impact of adjustments | (5) | 905 | 1,992 | 905 |
| Underlying net cash flows from operating activities | 20,278 | 12,757 | 44,820 | 34,126 |