



## **NZX Announcement**

**NZX: SPN: South Port New Zealand**

19/09/2025

## **2025 Annual Report**

South Port New Zealand Limited's Annual Report for the year ended 30 June 2025 is now available on our website. You can view the Report at: <https://southport.co.nz/annual-report/2025>

South Port (NZX: SPN) has delivered a record net profit after tax for FY25, underpinned by strong bulk and stable container volumes, which more than offset reduced activity at the Tiwai wharf. Meanwhile, investment in infrastructure, supply chain resilience and a diversified cargo base continue to position the Company strongly for growth going forward.

## **FY25 Highlights**

- Bulk cargo volumes: up 12.5% to 3.0 MT; revenue per MT up 4% to \$13.80
- Container volumes: up 1% to 52,300 TEU; revenue per TEU up 29%
- Tiwai volumes: down 20% to 811k tonnes
- Total revenue: up 13% to \$63.3m from \$56.1m in pcp
- EBITDA: up 21% to \$25.8m from \$21.3m in pcp
- EBITDA margin: up 300bps to 41% from 38% in pcp
- Record NPAT: up 81% to \$13.3m from \$7.4m in pcp
- Operating free cash flow: up 97% to \$16.9m from \$8.6m in pcp
- Debt/EBITDA: 1.0x down from 1.6x in pcp
- Dividend per share: 28.0 cps (fully imputed), payout ratio of 55% of NPAT

## **Divisional Overview**

### **Bulk Cargo**

Bulk cargo was the standout performer in FY25, driven by strong agricultural demand. Fertiliser volumes increased 23% to 353k tonnes, and stock food surged 74% to 563k tonnes due to a high dairy payout and a wet spring. Forestry exports also rebounded strongly, up 27% to 983k tonnes. Woodchip vessels, in particular, benefited from increased draft post-Kia Whakaū dredging, improving supply chain economics and backloading opportunities.

## **Containers**

Container volumes were steady at 52,300 TEU despite disrupted global shipping schedules. Agricultural imports and manufacturing exports helped maintain activity. The introduction of the MSC Wallaby Service (replacing Capricorn) ensured continuity of services. Higher container handling activity and increased rates lifted container revenue per TEU by 29%.

## **Tiwai Wharf**

Cargo volumes at Tiwai dropped 20% to 811k tonnes, impacted by the 50MW demand response call agreed between NZAS and Meridian Energy. Despite lower volume, revenue remained stable due to a fixed-fee structure. Following improved hydro storage levels, NZAS could begin the process of resuming normal operations in June 2025. Importantly, NZAS reaffirmed its 20-year electricity supply agreement, highlighting its ongoing commitment to the region.

## **Financial Performance**

South Port's total revenue increased 13% to \$63.3m, underpinned by record volumes and the full-year implementation of the Kia Whakaū infrastructure levy. Bulk revenue grew by \$8.3m to \$30.3m, while container revenue also lifted by \$3.3m to \$13.9m supported by rate and activity increases. Tiwai revenue was consistent despite a drop in volumes, due to fixed contractual components.

Operating costs increased by 7%, reflecting inflationary pressures, additional compliance, and increased maintenance in the marine and infrastructure sectors. Despite this, operating leverage improved on stronger volumes, resulting in a 21% rise in EBITDA to \$25.8m and a higher EBITDA margin of 41% (FY24: 38%).

A record NPAT result, up 81% to \$13.3m, reflecting the strong operational result and lower interest and tax costs.

Return on assets improved to 18.6% from 15.9%, and operating free cash flow almost doubled to \$16.9m. Gross debt reduced by \$5m to \$31m, leaving headroom for future investment and reducing the debt/EBITDA ratio to 1.0x.

## **Capital Management and Dividend**

South Port's capital management continues to reflect prudent long-term planning. Following a multi-year period of heavy investment, including dredging, petroleum berth rebuild, a new tug and Island Harbour infrastructure upgrades, FY25 saw modest PPE growth of 3%. Maintenance capex was held flat at \$4.3m, aligned with depreciation.

The Board declared a final dividend of 20.5 cps, bringing the total dividend to 28.0 cps (fully imputed), 1cps above FY24. This equates to a 55% payout ratio on reported NPAT and 44% of OFCF, and a gross yield of 5.6% based on the 30 June 2025 share price of \$7.01.

## **Outlook**

Looking to FY26, South Port anticipates continued strength in bulk cargo due to a strong dairy outlook and ongoing recovery in the meat sector. Forecast milk prices support continued import demand for agricultural inputs. Container volumes are expected to hold steady, while volumes at Tiwai should recover to normal levels barring further demand response interruptions.

Several aquaculture and renewable energy projects (such as the Kaiwera Downs stage 2 wind farm and several offshore aquaculture initiatives) are in progress. Planning is underway to determine infrastructure and land requirements to both service these projects and secure potential future cargo growth. With short term infrastructure investment moderating and operating free cash flow increasing, South Port is well-positioned to support regional growth while continuing to deliver resilient financial returns.

**Nigel Gear**

Chief Executive

South Port New Zealand Limited