

# INTERIM REPORT

FOR THE SIX MONTH PERIOD  
ENDED **31 DECEMBER 2025**

# INTERIM REPORT

## FINANCIAL PERFORMANCE

South Port delivered a record after-tax profit of \$8.45m for the first six months of FY26 (1H25 \$5.76M).

Port activity benefited from stronger economic activity within the region, higher imports of agricultural inputs to support the farming sector and a recovery of smelter-related volumes.

Customers are leveraging the deeper draft conditions to achieve significant productivity gains through more efficient vessel movements and increased payloads, reducing overall port-call costs.

## CARGO

Total cargo throughput increased to 1,992,000 tonnes, up 301,000 tonnes (17.8%) from the prior interim period. Growth was driven by higher fertiliser imports (+86,000 t), fertiliser exports (+16,000 t), sulphuric acid imports (+9,000 t), alumina imports (+114,000 t), aluminium exports (+34,000 t), and project cargo (+7,000 t). Log volumes decreased by 15,000 tonnes.

Large vessel calls rose to 154, a 17.5% increase (1H25 131), reflecting higher fertiliser and container activity. Container volumes grew by 20.4% to 24,800 TEU (1H25 20,600 TEU). South Port also recorded 24 calls from the MSC Wallaby Service, up from 15 in the prior period.

## NEW ZEALAND ALUMINIUM SMELTERS LTD (NZAS)

NZAS returned its third potline to full operation, after volumes for the smelter in the previous year were impacted by a Meridian Energy demand-response event in February 2025.

South Island hydro storage lake levels are at 113% of the historic mean (HY25 97%)\*.

## AGRICULTURAL INPUTS

Over the past 18 months, the Southland region has experienced a structural shift towards increased use of supplementary feed to support milk solid production. This trend is expected to continue through to the end of the financial year.

Coastal shipments from Bluff to Napier have increased, with product sourced from the Ballance Agri-Nutrients' Awarua plant following the closure of its Mount Maunganui facility. Discussions with Ballance on the long term potential of this coastal trade are ongoing.

## WIND FARM EQUIPMENT

Two vessels carrying equipment for stage two of Mercury's Kaiwera Downs wind farm arrived in October, with cargo stored on Port ahead of transport to site. A further three vessels are scheduled for the first quarter of CY26. This cargo means that the previously unused land at the western tip of the Island Harbour is fully utilised following its recent paving.

The Contact Energy Southland Wind Farm, accepted into the fast track consenting process, is now before an expert panel with a decision expected in the second quarter of CY26. The proposal includes up to 55 turbines of approximately 7MW each.

## MEDITERRANEAN SHIPPING COMPANY (MSC) EAGLE SERVICE

In an exciting development for Southland exporters, MSC announced the introduction of the Eagle Service, providing a rapid direct service from New Zealand to the U.S. East Coast with further links through Panama to Europe. The service commences mid February, with South Port connecting via transshipment through the Wallaby Service at CentrePort Wellington.

\*Transpower market operations weekly report 01-Feb-26

## **OPERATIONAL EVENTS: IMPROVED MONITORING**

Enhancements in the marine area include deployment of high tech wave buoys in Foveaux Strait, delivering real time wave and current data into the Port's NCOS under keel clearance system. The Board has also approved acquisition of the TZ Coastal AIS monitoring system, providing real time vessel tracking, playback, alarms, geofencing, guard zones, and proximity breach alerts.

## **BENEFITS OF INCREASED DRAFT**

Deeper draft conditions continue to benefit shipping companies calling at the Port. Of the 154 large vessel calls (308 vessel movements), 25% of the vessels took advantage of the deeper draft conditions at both low and high tide, an impressive statistic illustrating improved productivity at the Port.

## **INFRASTRUCTURE: PURCHASE OF FORESHORE ROAD STORES**

In October 2025, the Company purchased the Foreshore Road facility, previously used for cold storage, near Bluff Township. The 4,000 m<sup>2</sup> facility will be converted to dry storage to complement Island Harbour capacity, supported by an additional 2,400 m<sup>2</sup> of hard stand for cargo handling activities.

## **HEALTH & SAFETY**

The safety and wellbeing of our staff remains a key priority.

One of the key initiatives underway includes the development of overlapping duty agreements with all port operators. Engagement with stakeholders in this process has been positive and will help clarify roles and responsibilities across the Port.

## **BOARD AND SENIOR MANAGEMENT TRANSITION**

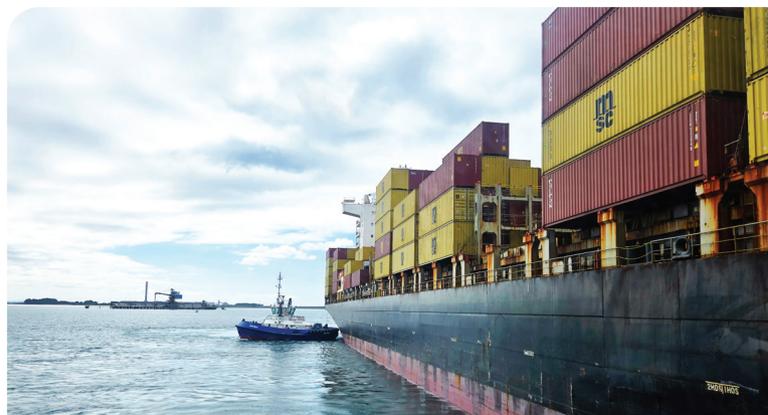
As advised at the company's ASM in October 2025, South Port's long-serving Chief Executive Nigel Gear announced his resignation. The Company is undertaking a recruitment process for his replacement.

The Board is also managing a Board transition process. On 4 December 2025, Michelle Henderson advised her intention to step down from the South Port Board effective 27 January 2026, to become General Manager of NZAS at Tiwai Point. The Board congratulates Michelle and acknowledges her contribution, including her leadership as Chair of the Board Health & Safety Committee.

To ensure a smooth transition process, the Board has moved to appoint two new independent directors, Peter Barker and Jacqui Nelson.

Peter joins us following a career as a senior finance executive including as CFO of Computershare, VP of Finance for BHP and interim CFO of AdBri (formerly Adelaide Brighton Cement). He is currently a Non-Executive Director of Downer.

Jacqui joins us following a career as a senior executive at Contact Energy culminating in positions as Chief Generation Officer and Chief Development Officer. She is currently a Non-Executive Director of Todd Corporation.





From left: Nigel Gear, Chief Executive, Philip Cory-Wright, Chair.

## OUTLOOK

Global conflict continues to influence international supply chains. While vessel transits through the Red Sea have increased recently, volumes remain 60% below pre-conflict levels.

Dairy export pricing declined through late CY25, prompting Fonterra to adjust its farm gate milk price forecast to \$8.50–\$9.50 per kgMS (previously \$8.00–\$11.00). To date, the Port has not observed any reduction in import volumes for dairy industry inputs but will continue monitoring over the next six months.

The overall trade outlook, however, remains positive, with cargo volumes recovering from previous reduced levels in FY25, and the recorded increases at 1H26 are expected to remain stable through to year end.

There are emerging opportunities in the energy and aquaculture sectors, several of which are progressing through the fast-track consenting process. The Company will continue to monitor the timing of these opportunities to ensure we have the necessary resources in place to support these developments.

The Company will continue advancing infrastructure upgrades to strengthen existing operations, accommodate future cargo growth opportunities and unlock further efficiency gains from the entrance channel deepening.

## DIVIDEND

The Directors have declared a fully imputed interim dividend of 8.50 cents per share (2025: 7.50 cents), payable on 10 March 2026. Final distribution decisions will reflect the year end result, market conditions, future capex requirements, and trading outlook.

**P W Cory-Wright**  
Chair

**N G Gear**  
Chief Executive

# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

SIX MONTH PERIOD ENDED 31 DECEMBER 2025	Unaudited 31/12 2025 \$000's	Unaudited 31/12 2024 \$000's	Audited Year to 30/06/25 \$000's
Total operating revenues from Port services	34,755	29,566	63,282
Total operating expenses	(18,042)	(16,125)	(35,599)
Operating profit before administrative and finance costs	16,713	13,441	27,683
Administrative expenses	(4,116)	(3,506)	(7,126)
Operating profit before financing costs	12,597	9,935	20,557
Financial income	41	22	65
Financial expenses	(971)	(1,855)	(2,907)
Net financing costs	(930)	(1,833)	(2,842)
Other income	7	-	63
Surplus before income tax	<b>11,674</b>	<b>8,102</b>	<b>17,778</b>
Income tax	(3,220)	(2,344)	(4,460)
<b>Net surplus after income tax</b>	<b>8,454</b>	<b>5,758</b>	<b>13,318</b>
<b>Other comprehensive income</b>	-	-	-
<b>Total comprehensive surplus/(loss) after income tax</b>	<b>8,454</b>	<b>5,758</b>	<b>13,318</b>
<b>Basic earnings per share</b>	<b>\$0.322</b>	<b>\$0.219</b>	<b>\$0.508</b>
<b>Diluted earnings per share</b>	<b>\$0.321</b>	<b>\$0.219</b>	<b>\$0.506</b>

## STATEMENT OF CASH FLOWS

SIX MONTH PERIOD ENDED 31 DECEMBER 2025	Unaudited 31/12 2025 \$000's	Unaudited 31/12 2024 \$000's	Audited Year to 30/06/25 \$000's
Cash flows from operating (note 7)	7,628	7,039	23,672
Cash flows from investing	(6,399)	(3,479)	(7,974)
Cash flows from financing	(4,926)	(2,614)	(11,933)
<b>Net Increase/(Decrease) in Cash</b>	<b>(3,697)</b>	<b>946</b>	<b>3,765</b>

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025	Unaudited 31/12 2025 \$000's	Unaudited 31/12 2024 \$000's	Audited Year to 30/06/25 \$000's
<b>TOTAL EQUITY</b>	<b>69,703</b>	<b>60,922</b>	<b>66,573</b>
<b>Non-Current Assets</b>			
Property, plant & equipment	98,219	93,660	94,548
Right-of-use assets	95	191	146
Deferred tax asset	-	57	-
Financial assets	-	-	-
Total non-current assets	98,314	93,908	94,694
<b>Current Assets</b>			
Cash and cash equivalents	2,378	3,255	6,075
Trade and other receivables	12,407	11,426	8,898
Financial assets	-	63	-
Total current assets	14,785	14,744	14,973
<b>Total assets</b>	<b>113,099</b>	<b>108,652</b>	<b>109,667</b>
<b>Non-Current Liabilities</b>			
Employee entitlements	54	60	59
Loans and borrowings	31,518	38,304	31,008
Deferred tax liability	323	1,042	499
Lease liabilities	5	88	55
Contract liability	2,180	108	2,246
Financial liabilities	7	-	25
Total non-current liabilities	34,087	39,602	33,892
<b>Current Liabilities</b>			
Loans and borrowings	-	-	-
Trade and other payables	4,854	5,305	4,532
Employee entitlements	2,224	1,611	1,983
Provision for taxation	1,797	1,103	2,355
Lease liabilities	107	109	115
Contract liability	133	-	133
Financial liabilities	194	-	84
Total current liabilities	9,309	8,128	9,202
<b>Total liabilities</b>	<b>43,396</b>	<b>47,730</b>	<b>43,094</b>
<b>TOTAL NET ASSETS</b>	<b>69,703</b>	<b>60,922</b>	<b>66,573</b>
Net asset backing per share	\$2.66	\$2.32	\$2.54

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

## 01 Activities of South Port New Zealand Ltd

South Port New Zealand Ltd is primarily involved in providing and managing port and warehousing services.

## 02 Accounting Policies

South Port New Zealand Ltd is a Financial Markets Conduct (FMC) reporting entity for the purposes of the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013. These financial statements comply with these Acts and have been prepared in accordance with the New Zealand equivalents to international Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit orientated entities. These financial statements comply with International Financial Reporting Standards (IFRS) as appropriate for condensed interim financial statements. They comply with New Zealand equivalents to International Accounting Standards 34 (NZ IAS 34) Interim Financial Reporting, and International Accounting Standards 34. There has been no change in accounting policies. All policies have been applied on a consistent basis with the most recent annual report.

## 03 Taxation

Income tax expense comprises current and deferred tax at the company tax rate of 28%. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

## 04 Segmental Reporting

South Port New Zealand Ltd operates in the Port Industry in Southland, New Zealand, and therefore only has one reportable segment and one geographical area based on the information as reported to the chief operating decision maker on a regular basis. South Port engaged with one major customer who contributed individually greater than 10% of its total revenue for the period ended 31 December 2025. This customer contributed \$5.75 million for the six months ended 31 December 2025 (2024: \$4.45 million).

## 05 Amalgamation of Subsidiary

The amalgamation of Awarua Holdings Ltd with South Port New Zealand Ltd was completed on 18 June 2025, as disclosed in the FY25 annual financial statements. There have been no further impacts arising from this transaction during the current interim reporting period.



## 06 Statement of Changes in Equity

SIX MONTH PERIOD ENDED 31 DECEMBER 2025	Unaudited 31/12 2025 \$000's	Unaudited 31/12 2024 \$000's	Audited Year to 30/06/25 \$000's
<b>Total equity at beginning of the period</b>	<b>66,573</b>	<b>60,232</b>	<b>60,232</b>
Profit/(loss) after income tax	8,454	5,758	13,318
Other comprehensive income	–	–	–
<b>Total comprehensive surplus</b>	<b>8,454</b>	<b>5,758</b>	<b>13,318</b>
Share based payment reserve	54	48	106
Distributions to shareholders	(5,378)	(5,116)	(7,083)
<b>Total equity at end of the period</b>	<b>69,703</b>	<b>60,922</b>	<b>66,573</b>

## 07 Net Cash Flow from Operating Activities

Surplus after taxation	8,454	5,758	13,318
Add/(less) items classified as investing/financing activities	–	–	–
Add/(less) non-cash items	2,708	3,137	5,517
Add/(less) movement in working capital	(3,534)	(1,856)	4,837
<b>Net cash provided by operating activities</b>	<b>7,628</b>	<b>7,039</b>	<b>23,672</b>



## DIRECTORS

Philip Cory-Wright  
**Chair**

Cassandra Crowley

Nicola Greer

Michelle Henderson  
*(Resigned 27 January 2026)*

Derek Nind

John Schol

## CORPORATE EXECUTIVES

Nigel Gear  
**Chief Executive**

Geoff Finnerty  
**Port General Manager**

Lara Stevens  
**Chief Financial Officer**

Jamie May  
**Commercial Manager**

Hayden Mikkelsen  
**Container Operations Manager**

Frank O'Boyle  
**Infrastructure and Environmental Manager**

Helen Young  
**People and Safety Manager**



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