

MARSDEN MARITIME HOLDINGS LTD – ANNUAL MEETING 15 OCTOBER 2019

CHAIRMAN’S ADDRESS

WELCOME AND INTRODUCTION

It is with pleasure I welcome everyone to the 2019 Marsden Maritime Holdings Annual Meeting. My name is Murray Jagger and I am the chairman of Marsden Maritime Holdings.

On behalf of the Board, I am pleased to present an overview of the Company’s progress over the last 12 months and to make comment on the year and the opportunities going forward.

The details of the financial results and company report will be presented following the commentary by our Chief Executive, Felix Richter.

The Company’s focus during the year has been to continue to be an enabler for economic growth in the Greater Marsden Point Area. Marsden Maritime Holdings’ has invested significantly in both port related and non-port related activity and continues to diversify its earnings and to generate sustained long-term returns.

NORTHPORT

Our joint venture, Northport Ltd continues to deliver strong results and continues to deliver a significant contribution to the Company’s net surplus.

As previously reported, log volumes are predicted to trend down over the short to medium term. A large amount of focus from the Northport management has been on increasing the diversification of cargo and it is pleasing to note that the annual container volumes have increased by 61% on the previous year.

Jon Moore and his team run a very efficient port operation and together with our joint venture partners, your Company is focused on maximising the opportunities that are available and presented to us.

I would like to comment on the potential opportunities for Northport later.

PROPERTY HOLDINGS

I am pleased to say the Company has experienced its highest ever level of enquiry and is in discussion with a number of large-scale tenants. It appears evident that this current level of enquiry will continue into the foreseeable future especially with the recently announced government infrastructure investments for Northland. The Company over the year has completed four commercial units alongside the Company's Marsden Point office and is advancing plans to construct a similar complex of 12 units on Marsden Bay Drive.

During the year two 4,000m² bulk stores were commissioned, with the second completed at the end of September.

The strategic thinking surrounding the Company's Land Use Development Plan and the positioning of potential tenants will become more critical over the next few years. As a result of this, I plan to lead the Board through a strategic planning process early in the New Year to clearly define the Company's purpose and strategic imperatives.

MARSDEN COVE MARINA

Berth occupancy has experienced strong growth but at a slower rate as previous years. Now in its second year of operation, the Company's boatyard complex is performing well with year on year growth. With this growth, the Board has started to expand the current boatyard by a further hectare. This continues the Company's strategic objective to develop a marine hub adjacent to Marsden Cove Marina.

The Company also completed in December, the construction of a trailer boat park and boat sales yard.

There was excitement at having the Sail GP Development Team based out of the boatyard and launching at Northport over the summer. There is a high probability they will be back for more development this summer. This opportunity only enhances the Company and marina's reputation.

GOVERNANCE

Sir John Goulter resigned from the Board at the end of the financial year, serving as a director for eight years and as chairman for six and a half of those. I would sincerely like to thank Sir John for his significant contribution to your Company. His vision and energy has been instrumental to the evolution of both Marsden Maritime Holdings and Northport.

The Board has a diverse range of skills that are appropriate for strong and best practice governance of your Company. You have been presented with 2 resolutions for new directors to the Board. Mr Benoit Marcenac and Rabin Rabindran, who will present to you later, both will bring additional skills and diversity to the Board.

I would like to thank the effort and commitment of the Board over the last year and to Felix and his team for all their hard work on your behalf.

OUTLOOK

There have been a number of public announcements which have been politically driven that should give you, the shareholder, some degree of confidence of the potential of Northport and the importance of your Company's landholdings.

The investment in the Northland rail corridor and potentially the Marsden Point rail spur, the feasibility study of the dry dock relocation and the Upper North Island Supply Chain Strategy, all provide opportunities for the development of Northport and Marsden Maritime Holdings. We eagerly await the final report of the Upper North Island Supply Chain Strategy and what decisions will be made around its implementation, understanding that it still would require government sign off. If the interim report is anything to go by, this will be a large undertaking that needs to be considered carefully, but with a clear purpose and strategy will be a defining moment for the Marsden Point area.

This is also the opportunity to be an enabler for a wider Northland transport strategy including improved road infrastructure to Auckland.

The future is bright and your Board and management will work hard on your behalf to ensure we take full advantage of the opportunities presented to us and in turn maximise shareholder value to you.

Thank you for your attendance here today and I will now hand over to Felix Richter, our Chief Executive. At the end of Felix's address, we would be pleased to take any questions.

CHIEF EXECUTIVE'S ADDRESS

Having only just joined the Company same time around last year, this is the first year that I will report to the annual meeting.

Therefore, I am very glad that it has been a successful year with a good result.

[Slide Trading Surplus v Net Surplus]

The Company recorded a trading surplus of \$9.3m which is in Line with last year's results And with a significant valuation uplift, the Company's net surplus improved to \$9.7m which is an improvement of \$0.3m over last year.

[Slide Northport Ltd – Cargo Volumes]

While there was a decrease in earnings from our joint venture interest in Northport by \$220k compared to last year, your company's other business units performed strongly and delivered an additional \$160k over last year's result.

The reduced earnings from Northport are mainly the result of a reduction in log exports, which is a continuation of last year's trend.

Overall cargo volumes have decreased by 5% to 3,300,000t.

[Slide Revenue by Operating Segment]

However, there are some real good news stories to be told, not the least being the recent announcements by the Upper North Island Supply Chain Study group, but also around the development of Northport as a container port.

With close to 13,000 TEU passing across the berth face in 2019, this is an improvement of almost 5000 containers or 61% over the previous year.

And while this does not make up for the reduced log exports yet, it is a very promising trend, especially since MSC will be offering a fortnightly service all year around at Northport from now on.

The parent company had a very good year, more than doubling last year's profits. The earnings from Company's property holdings are in line with the previous year, Once a new tenant is signed up, there is usually a 9-12 month project period before earnings are achieved.

The Company has successfully completed two new building Projects over the past financial year.

The first one was the development of the Manaia Business Centre, a complex of four new commercial units at 250m² each on a site along Marsden Bay Drive.

This project was completed in May this year and is fully tenanted since the beginning of September.

The earnings from this development will have a positive effect on the property earnings for the current financial year.

The second project was the construction of two 4000m² bulk storage warehouses on our land holdings close to the port.

Construction started in January with the first warehouse handed to the Client at the end of June. The second warehouse recently at the end of September.

With an original budget of just less than \$8m, this project was completed in only nine months and within budget.

As with the first project, the current financial year will see the benefits of this new development.

Other developments on our property holdings included the construction of a 600-metre road access way to access our land holdings from McEwan Road on the southern end of our land, And the relocation of the container storage facility, which was required for the Manaia Business Centre.

The already positive trend on the boatyard operations from 2018 has improved significantly.

A highlight of the previous year was certainly the establishment of the SailGP team on our boatyard and at Northport, for the testing of their new F50 foiling catamarans.

The average number of vessels on the yard has increased from 10 to 17 which is a 70% increase over the previous year.

This very satisfying development was the result of targeted marketing initiatives and great service on excellent facilities which result in a high return/retention rate.

The increase in boats on our yard also has positive effects for our associated business. So that in December last year the Company erected a second smart shelter structure on the Boatyard as a permanent leased base for our boat builder.

Another completed project was the construction of a 7,800m² Trailer Boat park and boat sales yard along Marsden Bay Drive.

With the continued growth of the operations we would soon run out of space on the boatyard and have therefore started the construction of an additional 1Ha of hardstand area as an extension of the boatyard. Completion is expected in April.

[Slide Financial Performance Relative to Dividend Distributions]

The positive developments in the diversification in Cargo at Northport, as well as the strong growth in the parent company, despite the continued downwards trend in log exports, have allowed us to once again increase the dividend payments per share compared with last year. A dividend of 16 cents per share for the 2019 financial year was distributed. This is a 2 percent increase over the previous year.

With the recent government discussion and the greater presence of Northport and Northland in the news there has been a steadily increasing level of interest in our land holdings over the last year.

With the recent release of the second part of the Upper North Island Supply Chain study, we only expect this interest to grow.

All this bodes very well for the future of your Company.