

# Appendix 4D

## Half yearly results

Name of entity

Steamships Trading Company Limited

ARBN

055836952

Half year ended ('current period')

30 June 2025

### Results for announcement to the market–

K'000

Revenues from ordinary operations	Up/ <del>Down</del>	6.7%	to	361,597
Profit (loss) from ordinary operations after tax	Up/ <del>Down</del>	3.4%	to	26,265
Profit (loss) attributable to members	Up/ <del>Down</del>	(1.7%)	to	24,840
Dividends (distributions)	Amount per security		Franked amount per security	
Final Dividend – 2024	30t		0t	
Interim Dividend – 2025	40t*		0t	

Record date for determining entitlements to the dividend

Not Applicable

Refer Pages 3 and 4 for commentary.

This report is to be read in conjunction with the most recent annual financial report.

*\* Proposed interim dividend, subject to Board approval.*

## Directors' Report

The directors present their report together with the condensed interim consolidated financial information for the half-year ended 30 June 2025.

Directors:

The directors of the Company during or since the end of the half-year are:

G.L. Cundle Chairman	Director since 2013 and Chairman since 2015
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P.J. Aitsi, MBE	Director since 2021
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L.M. Bromley	Director since 2019
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D.H. Cox OL, OBE	Director since 2003
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C.K. Daniells	Appointed as Director on 1 July 2024
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C. Kasou	Director since 2024
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A. Mistrone	Appointed as Director on 1 July 2024
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J.B. Rae Smith	Director since 2019
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## Commentary

### Half Year Report to the Stock Exchange

The Directors of Steamships Trading Company Limited (Steamships) announce an unaudited profit after tax and minority interests of K24.8 million for the six months to June 2025, a decrease of 1.7% over the same period in 2024. Profit before tax includes the following items:

- K9.5 million cash spend related to ongoing upgrade of enterprise resource planning (ERP) system
- K16.4 million net gain on property disposals

Revenue from ordinary operations increased 6.7% to K361.6 million compared to the same period last year. Despite the underlying economic conditions remaining soft, Steamships had a positive first half of the year with all divisions performing ahead of expectations as well as prior year.

	6 months ended 30 June 2025 K000's	6 months ended 30 June 2024 K000's	Change
<b>Net Profit attributable to shareholders</b>	<b>24,840</b>	<b>25,271</b>	<b>(2%)</b>
<b>Add / (Less) impact of significant items (post tax and minority interest)</b>			
Gain on disposal of assets	(11,491)	-	
ERP implementation expensed	6,671	1,852	
Net insurance claim settlement income – property damages	-	(12,366)	
<b>Total impact of significant items</b>	<b>(4,820)</b>	<b>(10,514)</b>	
<b>Underlying profit attributable to shareholders</b>	<b>20,020</b>	<b>14,757</b>	<b>36%</b>

The charge for depreciation for the year to date of K60.0 million compared to K55.0 million in the same period in 2024 (excluding impairments). Capital investment increased for the six months, being K130.5 million (through existing facilities and available funding arrangements) against K69.6 million in 2024.

The group's net operating cash flow generation increased to K69.3 million from K53.4 million in 2024. The group had K37.9 million in cash and bank on 30<sup>th</sup> June 2025 (K30.7 million on 30<sup>th</sup> June 2024).

An interim dividend of 40 toea has been proposed, subject to Board approval.

### ***Trading Performance***

Coral Sea Hotels (CSH) performed relatively well in a generally weak market environment, particularly in Port Moresby, that saw pressure on average room night rates. The slight downturn in revenue performance was offset by lower operating costs. Renovations across the CSH's main properties are ongoing and are expected to be completed in 2026.

Encouragingly, demand for Steamships' commercial and residential properties remains robust and the reopening of Pacific Palm's Properties (PPP) luxury residential offerings at its Whittaker (Port Moresby) and Blaikie (Lae) Apartments has lifted PPP's revenues. Steamships, together with its partner Tininga, has broken ground on its new Dobel Shopping Centre project in April, a 12,000sqm mixed use premium mall in the Western Highlands, and is due to open the first phase of its development in 1<sup>st</sup> half 2026.

Following significant investment in Logistics assets and fleet maintenance over the last 18-months, the business is delivering better results in terms of improved reliability and revenue growth and is performing in line with expectations.

Colgate-Palmolive (PNG) Limited, a PNG incorporated joint venture, is performing in line with expectations despite FX pressure on margin.

### **Trading outlook**

The positive trend in performance experienced in the first half is expected to continue for the rest of the year despite the underlying economic growth at macro level continuing to be unremarkable. Steamships remain cautiously optimistic for the second half.

Access to foreign currency has eased but remains difficult and delays in natural resources projects have prevented the economy from experiencing an uplift in activity and growth.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	6 months ended 30 June 2025 K'000	6 months ended 30 June 2024 K'000
<b>Revenue</b>		
Revenue from operations	361,597	338,961
Other income (Note 4)	16,412	18,120
<b>Operating expenses</b>		
Cost of goods and services	(72,189)	(77,459)
Staff costs	(98,253)	(97,779)
Depreciation and amortisation	(59,996)	(54,978)
Electricity and fuel	(29,601)	(26,283)
Insurance	(4,318)	(2,642)
Security costs	(7,124)	(7,591)
Motor vehicle and vessel expenses	(17,376)	(15,618)
Finance costs - net	(5,773)	(1,765)
Other operating expenses	(48,674)	(37,716)
Share of net profit of associates and joint venture entities accounted for using the equity method	3,290	2,539
<b>Profit from operations before income tax</b>	37,995	37,789
Income tax expense (Note 6)	(11,730)	(12,392)
<b>Profit for the six-month period</b>	26,265	25,397
<b>Profit attributable to Continuing Operations</b>	26,265	25,397
<b>Profit/Total comprehensive income is attributable to:</b>		
Owners of Steamships Trading Company Limited	24,840	25,271
Non-controlling interests	1,425	126
	26,265	25,397
<b>Basic and Diluted Earnings per security</b>	80.1t	81.5t

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	<b>Share Capital <u>K'000</u></b>	<b>Retained Earnings <u>K'000</u></b>	<b>Other Reserves <u>K'000</u></b>	<b>Total <u>K'000</u></b>	<b>Non- controlling Interests <u>K'000</u></b>	<b>Total Equity <u>K'000</u></b>
Balance at 1 January 2024	24,200	1,068,690	(40,295)	1,052,595	17,028	1,069,623
Profit for the period	-	25,271	-	25,271	126	25,397
Dividends	-	(18,605)	-	(18,605)	(20)	(18,625)
<b>Balance at 30 June 2024</b>	<b>24,200</b>	<b>1,075,356</b>	<b>(40,295)</b>	<b>1,059,261</b>	<b>17,134</b>	<b>1,076,395</b>
Profit for the period	-	20,567	-	20,567	1,028	21,595
Dividends	-	(12,403)	-	(12,403)	(664)	(13,067)
<b>Balance at 31 Dec 2024</b>	<b>24,200</b>	<b>1,083,520</b>	<b>(40,295)</b>	<b>1,067,425</b>	<b>17,498</b>	<b>1,084,923</b>
Profit for the period	-	24,840	-	24,840	1,425	26,265
Dividends	-	(9,302)	-	(9,302)	-	(9,302)
<b>Balance at 30 June 2025</b>	<b>24,200</b>	<b>1,099,058</b>	<b>(40,295)</b>	<b>1,082,963</b>	<b>18,923</b>	<b>1,101,886</b>

**CONDENSED CONSOLIDATED  
STATEMENT OF FINANCIAL POSITION**

	As at 30 June 2025 K'000	As at 31 Dec 2024 K'000	As at 30 June 2024 K'000
<b>Current Assets</b>			
Cash and cash equivalents	37,860	27,800	31,075
Receivables and prepayments	181,918	159,987	195,918
Inventories	50,326	47,073	42,029
Income tax receivable	16,030	14,329	4,451
Assets held for sale	-	455	975
<b>Total Current Assets</b>	<b>286,134</b>	<b>249,644</b>	<b>274,448</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	879,198	832,366	732,677
Investment properties	401,310	409,061	378,012
Investments in related companies	72,999	51,562	47,971
Intangible assets	76,433	76,433	76,433
Loans to related companies	158,188	156,646	161,803
Deferred tax assets	6,632	4,880	4,627
<b>Total Non-Current Assets</b>	<b>1,594,760</b>	<b>1,530,948</b>	<b>1,401,523</b>
<b>Total Assets</b>	<b>1,880,894</b>	<b>1,780,592</b>	<b>1,675,971</b>
<b>Current Liabilities</b>			
Trade and other payables	139,171	138,482	133,018
Lease liabilities	2,326	2,280	2,333
Provisions for other liabilities and charges	7,456	6,710	6,259
Loans from related companies	2,772	2,305	1,209
Loan from a minority shareholder	160	160	160
Borrowings (Note 10)	89,675	71,565	30,000
<b>Total Current Liabilities</b>	<b>241,560</b>	<b>221,502</b>	<b>172,979</b>
<b>Non-Current Liabilities</b>			
Other payables	29,414	29,414	-
Lease liabilities	52,923	53,496	54,327
Deferred tax liabilities	39,217	34,026	30,283
Borrowings (Note 10)	402,845	344,845	330,286
Provisions for other liabilities and charges	13,049	12,386	11,701
<b>Total Non-Current Liabilities</b>	<b>537,448</b>	<b>474,167</b>	<b>426,597</b>
<b>Total Liabilities</b>	<b>779,008</b>	<b>695,669</b>	<b>599,576</b>
<b>Net Assets</b>	<b>1,101,886</b>	<b>1,084,923</b>	<b>1,076,395</b>
<b>Equity</b>			
Share capital	24,200	24,200	24,200
Reserves	1,058,763	1,043,225	1,035,061
Capital and reserves attributable to the Company's shareholders	1,082,963	1,067,425	1,059,261
Non-controlling interests	18,923	17,498	17,134
<b>Total Equity</b>	<b>1,101,886</b>	<b>1,084,923</b>	<b>1,076,395</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	6 months ended 30 June 2025 K'000	6 months ended 30 June 2024 K'000
<b>Cash flows related to operating activities</b>		
Receipts from customers	339,667	327,768
Payments to suppliers and employees	(244,050)	(257,556)
Interest and other items of similar nature received	1,068	1,610
Interest and other costs of finance paid	(18,494)	(10,163)
Income taxes paid	(8,890)	(8,291)
<b>Net cash from operating activities</b>	<b>69,301</b>	<b>53,368</b>
<b>Cash flows related to investing activities</b>		
Purchases of property, plant and equipment	(130,475)	(69,644)
Proceeds from sale of property, plant and equipment	19,499	43
Subscription of additional shares in joint venture companies	(20,873)	-
Dividends received from an associate	2,500	8,000
Net loans repaid by related companies	5,179	80,612
<b>Net cash (used in) / from investing activities</b>	<b>(124,170)</b>	<b>19,011</b>
<b>Cash flows related to financing activities</b>		
Proceeds from borrowings	93,000	50,000
Repayments of borrowings	(25,242)	(105,000)
Lease repayments	(1,264)	(1,150)
Dividends paid to a shareholder	-	(11,404)
<b>Net cash from / (used in) financing activities</b>	<b>66,494</b>	<b>(67,554)</b>
<b>Net increase in cash held</b>	<b>11,625</b>	<b>4,825</b>
Net cash at beginning of the period	26,235	25,909
<b>Net cash at end of the period</b> <i>(see Reconciliation of cash)</i>	<b>37,860</b>	<b>30,734</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:

	Current period K'000	Previous corresponding period K'000
Cash on hand and at bank, term deposits	37,860	31,075
Bank overdraft	-	(341)
<b>Total cash at end of period</b>	<b>37,860</b>	<b>30,734</b>



## OTHER NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Ratios

	Current period	Previous corresponding Period
<b>Profit before tax / revenue</b>		
Consolidated profit from ordinary activities before tax as a percentage of revenue	10.5%	11.1%
<b>Profit after tax / equity interests</b>		
Consolidated net profit from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	2.3%	2.4%

### Earnings per security (EPS)

Calculation of the following in accordance with *LAS33: Earnings per Share*

(a) Basic EPS	80.1t	81.5t
(b) Diluted EPS	80.1t	81.5t
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	31,008,237	31,008,237

### NTA backing

Net tangible asset backing per ordinary security

K33.07	K32.25
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**2. Material interests in entities which are not controlled entities**

<i><b>Name of entity</b></i>	Percentage of ownership interest held at end of period or date of disposal		Equity accounted for contribution to net profit (loss)	
	Current period	Previous corresponding period	Current period - K'000	Previous corresponding period - K'000
<b>Equity accounted associates and joint venture entities</b>				
Colgate Palmolive Limited	51	51	1,712	1,239
Riback Stevedoring Limited	49	49	-	(45)
Makerio Stevedoring Limited	45	45	17	(54)
Nikana Stevedoring Limited	45	45	258	1
Harbourside Development Limited	50	50	-	-
Pacific Rumana Limited	50	50	364	350
Viva No. 31 Limited	50	50	75	22
Wonye Limited	50	50	759	895
Wonye No. 2 Limited	50	50	105	131
Gulf Maritime Services Limited	47.5	100	-	-
Hebamo Transport Limited	49	100	-	-
<b>Total</b>			<b>3,290</b>	<b>2,539</b>

**3. Details of entities over which control has been gained or lost during the period**

On 28<sup>th</sup> February 2025, Hebamo Transport Limited was structured as a 51%-49% partnership, with Laba Holdings Limited owning the majority stake.

On 9<sup>th</sup> April 2025, the Board of Wonye No. 2 Limited approved the issuance of 20.8 million ordinary shares each to Steamships Trading Company Limited and Tininga Limited respectively. There is no change in the control of Wonye No. 2 arising from the additional shares subscribed.

**4. Other income**

Other income relates to net gain on property sale.

**5. Basis of Accounting**

This interim consolidated financial information has been prepared in accordance with IAS 34 Interim Financial Reporting.

For more details on the accounting policies, please refer to the annual report of Steamships Trading Company Limited for the year ended 31 December 2024. The Group applies International Financial Reporting Standards and other generally accepted accounting practice in Papua New Guinea. These policies have been consistently applied to all periods presented. There were no changes in significant accounting policies in the current half year period.

## 6. Income Tax Expense

The effective rate of tax charged differs from the statutory rate of 30% as follows:

	<b>Current period K'000</b>	<b>Previous corresponding period K'000</b>
Net profit before income tax	37,995	37,789
Prima facie tax on profit before income tax at 30%	11,399	11,336
Tax on non-assessable income	(987)	(762)
Tax on non-deductible expenses	486	293
Adjustments of current tax of prior periods	531	763
Unrecognised deferred tax asset on losses	304	762
	<u>11,730</u>	<u>12,392</u>

## 7. Contingent Liabilities

There were contingent liabilities at the Balance Sheet date as follows:

- (a) Steamships Trading Company Limited holds a 51% interest in an associated company, Colgate Palmolive (PNG) Ltd, ("CP (PNG) Ltd"). In 2022 CP (PNG) Ltd received a notice from PNG Customs seeking to reassess the historic rate of import duty applied to a specific product, known as soap noodles, resulting in an additional duty of K11.1 million and an intention to apply the higher rate on future imports. CP (PNG) Ltd has disputed the interpretation of the product characteristics by PNG Customs and formally appealed against this higher assessed rate of duty. The appeal process remains in progress.

To the extent that any of the additional duty is deemed payable by CP (PNG) Ltd following the appeal process, the Group's share of profits from associates and the equity accounted investment in CP (PNG) Ltd will be reduced by 51% of the amount payable, net of any tax effect.

- (b) The parent entity has given a secured guarantee in respect of the bank overdrafts and loans of certain subsidiaries, associates and joint ventures.
- (c) The parent entity has given letters of comfort of continuing financial support in respect of certain subsidiaries, associates and joint ventures.

No losses are anticipated in respect of these guarantees.

## 8. Capital Commitments

As at 30 June 2025 the Group had contracts outstanding for capital expenditure of K46.8 million in respect of property developments and all due within 12 months (prior year capital commitments of K13.6 million all due within 12 months).

## 9. Divisional Segments

The group operates in the following commercial areas:

	<b>Property and Hospitality</b>	<b>Logistics</b>	<b>Commercial and Investment</b>	<b>Total</b>
	<b>K'000</b>	<b>K'000</b>	<b>K'000</b>	<b>K'000</b>
<b>2025</b>				
External revenue and other income	151,604	224,948	1,457	378,009
Interest revenue	-	40	5,045	5,085
Interest expense	(2,360)	-	(8,498)	(10,858)
Segment results	58,994	4,160	(28,449)	34,705
Add: Share of associate and joint venture profit	-	-	3,290	3,290
Total segment result	58,994	4,160	(25,159)	37,995
Income tax (expense) / credit	(17,698)	(1,248)	7,216	(11,730)
Group profit from continuing operations	41,296	2,912	(17,943)	26,265
Segment assets	1,044,023	625,537	211,334	1,880,894
Segment liabilities	(105,456)	(404,785)	(268,767)	(779,008)
Net assets	938,567	220,752	(57,433)	1,101,886
Capital expenditure	93,078	37,397	-	130,475
Depreciation	(22,177)	(36,522)	(1,297)	(59,996)
Cost of goods and services	(34,862)	(36,384)	(943)	(72,189)
Staff costs	(28,272)	(56,232)	(13,749)	(98,253)
Significant items:				
Gain on asset disposal – net	16,428	(16)	-	16,412
ERP costs	-	-	(9,531)	(9,531)

	Property and Hospitality	Logistics	Commercial and Investment	Total
	K'000	K'000	K'000	K'000
<b>2024</b>				
External revenue and other income	151,582	202,982	2,517	357,081
Interest revenue	-	73	8,326	8,399
Interest expense	(1,278)	-	(8,886)	(10,164)
Segment results	61,658	(7,355)	(19,053)	35,250
Add: Share of associate and joint venture profit	-	-	2,539	2,539
Total segment result	61,658	(7,355)	(16,514)	37,789
Income tax (expense) / credit	(18,498)	2,206	3,900	(12,392)
Group profit from continuing operations	43,160	(5,149)	(12,614)	25,397
Segment assets	699,271	577,255	399,445	1,675,971
Segment liabilities	(27,020)	(372,777)	(199,779)	(599,576)
Net assets	672,251	204,478	199,666	1,076,395
Capital expenditure	30,193	39,203	248	69,644
Depreciation	(21,380)	(31,958)	(1,640)	(54,978)
Cost of goods and services	(34,672)	(41,693)	(1,094)	(77,459)
Staff costs	(21,366)	(58,536)	(17,877)	(97,779)
Significant items:				
Net insurance proceeds	17,665	-	455	18,120
ERP costs	-	-	(2,646)	(2,646)

## 10. Borrowings

Bank facilities with BSP Financial Group Limited and Kina Securities Limited will mature on 27 October 2025 and 31 December 2025 respectively. This has resulted in reclassification of the facilities to current liabilities, being due within the next 12 months. Management expects to renew each facility for another 3 years.

## 11. Subsequent events

Madang property with Nil net book value was sold in July 2025 for K1 million consideration.

Signed in accordance with a resolution of, and on behalf of the Board.



A. Mistrone  
Finance Director



C.K. Daniells  
Managing Director



## Report on review of the condensed interim consolidated financial information

to the Directors of Steamships Trading Company Limited

### Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Steamships Trading Company Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2025 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and notes, comprising material accounting policy information and other explanatory notes. The Directors are responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

### Restriction on distribution or use

This report is made solely to the Directors of the Company, as a body. Our review work has been undertaken so that we might state to the Directors those matters which we are required to state to them in our review report and for no other purpose. We do not accept or assume responsibility to anyone other than the Directors of the Company, as a body, for our review work, for this report or for the conclusion we have formed.

PricewaterhouseCoopers

Chris Wickenhauser  
Partner  
Engagement Leader

Alison Judd  
Partner  
Registered under the Accountants Act 1996

Port Moresby  
29 August 2025

PricewaterhouseCoopers, PwC Haus, Level 6, Harbour City,  
Konedobu, PO Box 484  
Port Moresby, Papua New Guinea  
T: +675 321 1500 / +675 305 3100