



# 2026 HALF YEAR REPORT

STEEL & TUBE HOLDINGS LIMITED

# INTERIM FINANCIAL STATEMENTS

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FOR THE SIX MONTHS  
ENDED 31 DECEMBER 2025

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These interim financial statements do not include all the notes and information normally included in the annual financial statements. Accordingly, they should be read in conjunction with the annual financial statements for the year ended 30 June 2025.

Due to rounding, numbers presented throughout the financial statements may not add up precisely to the totals provided.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2025

	Notes	Unaudited December 2025 \$000	Unaudited December 2024 \$000
Sales revenue	3	211,890	196,027
Other operating income		218	40
Cost of sales	2	(171,271)	(158,933)
Operating expenses	2	(51,609)	(47,726)
Software as a Service (SaaS) upfront expenditure		(1,159)	(309)
<b>(Loss)/Earnings before interest, tax, other gains and losses</b>		<b>(11,931)</b>	(10,901)
Other gains/(losses)		38	(21)
<b>(Loss)/Earnings before interest and tax</b>		<b>(11,893)</b>	(10,922)
Finance income		147	268
Finance costs		(5,329)	(3,614)
<b>(Loss)/Profit before tax</b>		<b>(17,075)</b>	(14,268)
Tax credit/(expense)		4,676	3,874
<b>(Loss)/Profit for the period attributable to owners of the company</b>		<b>(12,399)</b>	(10,394)
<b>Items that may subsequently be reclassified to profit or loss</b>			
Other comprehensive income - hedging reserve		258	215
<b>Total comprehensive (loss)/income</b>		<b>(12,141)</b>	(10,179)
<b>Basic (loss)/earnings per share (cents)</b>		<b>(6.8)</b>	(6.2)
<b>Diluted (loss)/earnings per share (cents)</b>		<b>(6.8)</b>	(6.2)

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2025

	Share capital \$000	Retained earnings \$000	Hedging reserve \$000	Share-based payments \$000	Total equity \$000
<b>Balance at 1 July 2025</b>	<b>166,921</b>	<b>14,566</b>	<b>(258)</b>	<b>1,105</b>	<b>182,334</b>
<b>Comprehensive income</b>					
Loss after tax	-	(12,399)	-	-	(12,399)
<b>Other comprehensive income</b>					
Hedging reserve (net of tax)	-	-	258	-	258
<b>Total comprehensive (loss)/income</b>	<b>-</b>	<b>(12,399)</b>	<b>258</b>	<b>-</b>	<b>(12,141)</b>
<b>Transactions with owners</b>					
Employee share schemes	-	366	-	(197)	169
<b>Unaudited balance at 31 December 2025</b>	<b>166,921</b>	<b>2,533</b>	<b>-</b>	<b>908</b>	<b>170,362</b>
<b>Balance at 1 July 2024</b>	<b>155,127</b>	<b>42,050</b>	<b>(26)</b>	<b>1,039</b>	<b>198,190</b>
<b>Comprehensive income</b>					
Loss after tax	-	(10,394)	-	-	(10,394)
<b>Other comprehensive income</b>					
Hedging reserve (net of tax)	-	-	215	-	215
<b>Total comprehensive (loss)/income</b>	<b>-</b>	<b>(10,394)</b>	<b>215</b>	<b>-</b>	<b>(10,179)</b>
<b>Transactions with owners</b>					
Dividends paid	-	(3,348)	-	-	(3,348)
Employee share schemes	285	234	-	(237)	282
Dividend reinvestment plan	233	-	-	-	233
<b>Unaudited balance at 31 December 2024</b>	<b>155,645</b>	<b>28,542</b>	<b>189</b>	<b>802</b>	<b>185,178</b>

The accompanying notes form part of these financial statements.

## BALANCE SHEET

As at 31 December 2025

	Notes	Unaudited December 2025 \$000	Audited June 2025 \$000
<b>Current assets</b>			
Cash and cash equivalents		6,969	13,738
Trade and other receivables		54,172	59,444
Contract assets		1,623	2,633
Inventories	4	115,927	113,598
Income tax receivable		1,172	1,171
Derivative assets		105	1
		<b>179,968</b>	<b>190,585</b>
<b>Non-current assets</b>			
Loan receivable		1,660	1,624
Deferred tax		13,335	8,909
Property, plant and equipment		45,173	45,068
Intangibles		54,277	54,619
Right-of-use assets		98,753	101,794
		<b>213,198</b>	<b>212,014</b>
<b>Total assets</b>		<b>393,166</b>	<b>402,599</b>
<b>Current liabilities</b>			
Trade and other payables		48,807	42,371
Borrowings	6	50,000	20,000
Provisions		216	247
Derivative liabilities		102	1,069
Short term lease liabilities		18,712	17,968
		<b>117,837</b>	<b>81,655</b>
<b>Non-current liabilities</b>			
Borrowings	6	-	30,000
Trade and other payables		5,240	5,504
Provisions		1,629	1,629
Long term lease liabilities		98,098	101,477
		<b>104,967</b>	<b>138,610</b>
<b>Equity</b>			
Share capital		166,921	166,921
Retained earnings		2,533	14,566
Other reserves		908	847
		<b>170,362</b>	<b>182,334</b>
<b>Total equity and liabilities</b>		<b>393,166</b>	<b>402,599</b>

These financial statements and the accompanying notes were authorised by the board on 24 February 2026.

For the board:



**Susan Paterson** Chair



**Karen Jordan** Director

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

For the six months ended 31 December 2025

	Unaudited December 2025 \$000	Unaudited December 2024 \$000
<b>Cash flows from operating activities</b>		
Customer receipts	219,861	215,438
Interest receipts	111	218
Payments to suppliers and employees	(208,977)	(188,906)
Payments for interest on leases	(3,435)	(3,166)
Income tax payments	-	(28)
Interest payments	(1,983)	(408)
<b>Net cash inflow from operating activities</b>	<b>5,577</b>	23,148
<b>Cash flows from investing activities</b>		
Property, plant and equipment disposal proceeds	59	12
Property, plant and equipment and intangible asset purchases	(3,759)	(3,887)
<b>Net cash outflow from investing activities</b>	<b>(3,700)</b>	(3,875)
<b>Cash flows from financing activities</b>		
Dividends paid	-	(3,114)
Payment for leases	(8,646)	(7,344)
<b>Net cash outflow from financing activities</b>	<b>(8,646)</b>	(10,458)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,769)</b>	8,815
Cash and cash equivalents at the beginning of the period	13,738	8,699
<b>Cash and cash equivalents at the end of the period</b>	<b>6,969</b>	17,514
<b>Represented by:</b>		
Cash and cash equivalents	6,969	17,514
	<b>6,969</b>	17,514

The accompanying notes form part of these financial statements.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six months ended 31 December 2025

## 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

### General Information

Steel & Tube Holdings Limited (the company or Steel & Tube) is registered under the Companies Act 1993 and is a FMC Reporting Entity under the Financial Markets Conduct Act 2013. The company is a limited liability company incorporated and domiciled in New Zealand. The group comprises Steel & Tube Holdings Limited and its subsidiaries.

The registered office of the company is 7 Bruce Roderick Drive, East Tamaki, Auckland, 2013, New Zealand.

These interim financial statements are unaudited and were approved for issue on 24 February 2026.

These interim financial statements are presented in New Zealand dollars and rounded to the nearest thousand.

### Basis of Preparation

The group is a for-profit entity. The interim financial statements have been prepared in accordance with, and comply with, New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with NZ IAS 34: Interim Financial Reporting and the NZX Main Board Listing Rules (issued 31 January 2025).

These interim financial statements do not include all the information required for an annual financial report and consequently should be read in conjunction with the audited financial statements of the group for the year ended 30 June 2025. Non-GAAP measures shown in the interim financial statements are defined in the 2025 Annual Report.

These interim financial statements have been prepared using the same accounting policies and methods of computation as the financial statements for the year ended 30 June 2025.

The preparation of the interim financial statements requires the exercise of judgements that affect the application of accounting policies, the reported amounts of assets and liabilities, and income and expenses. Where applicable and based on information available at the time of preparing the interim financial statements, the group has updated its judgements, estimates and assumptions adopted since the audited financial statements of the group for the year ended 30 June 2025.

These interim financial statements have been prepared on a going concern basis as the group will be able to discharge its liabilities.

The carrying value of all financial instruments approximates fair value. All financial instruments are held at amortised cost, with the exception of derivative instruments which are accounted for at fair value through profit or loss. The derivative instruments comprise forward foreign exchange contracts, the fair value of which are calculated using forward exchange rates that are quoted in an active market. All financial instruments accounted for at fair value through profit or loss are classified as level 2 of the fair value hierarchy. The group applies hedge accounting and where derivative instruments are designated as hedging instruments in a cash flow hedge, fair value gains/losses are recognised in other comprehensive income and released either to profit or loss or the hedged item when the forecast transaction takes place.

## 2. EXPENSES

	Unaudited December 2025 \$000	Unaudited December 2024 \$000
<b>Cost of sales and operating expenses:</b>		
Inventories expensed in cost of sales	151,189	142,785
Employee benefits	42,557	37,120
Depreciation and amortisation	13,134	11,483
Information technology expenses	3,743	3,605
Defined contribution plans	1,025	992
Directors' fees	275	321
Short term and low value lease costs	139	87
Impairment loss/(reversal) on trade receivables	326	77
Foreign exchange losses/(gains)	59	11
Other expenses	10,433	10,178
<b>Total cost of sales and operating expenses</b>	<b>222,880</b>	<b>206,659</b>

Inventory sold during the period is expensed as cost of sales. Depreciation of \$1.0m (31 December 2024: \$0.9m) related to equipment used to manufacture products is included in cost of sales. Depreciation of right-of-use assets and other depreciation is included in operating expenses.

Information technology expenses disclosed in the above table excludes SaaS upfront expenditure. This has been disclosed separately on the Statement of Profit or Loss and Other Comprehensive Income.

Employee benefits expense in the current period include restructuring costs of \$0.2m recognised as part of a board approved restructuring plan.

Included in the above table is \$0.2m of integration costs in relation to the acquisition of Perry Metal Protection.

## 3. OPERATING SEGMENTS

The group has identified three reporting segments as at 31 December 2025 having regard for the criteria outlined in NZ IFRS 8 Operating Segments (NZ IFRS 8). The group's Chief Operating Decision Maker (being the CEO) receives financial reports which aggregate the activities of the group's various operating segments into three distinct divisions, being Distribution, Processing (formerly known as Infrastructure) and Others.

These reportable segments have been determined by having regard to the nature of products, services and processes the various Business Units undertake to service customers. The group has a diverse range of customers from various industries, with no single customer contributing more than 10% of the group's revenue.

The group derives its revenue from the distribution, processing and galvanizing of steel and associated products. Within the Distribution business, the primary focus is on the distribution of steel products and fasteners, servicing similar customer groups, sharing similar business models and trading skills, and using similar sales channels. The majority of product is traded and sales staff are tasked to know the full range of products. Within the Processing business, product is predominately steel product which is bought and processed/manufactured in warehouse facilities for project/contract customers. Others include the galvanizing business which primarily provides hot dip galvanizing services to customers.

The CEO uses EBIT as a measure to assess the performance of segments. The segment information provided to the CEO for the period ended 31 December 2025 is as follows:

December 2025	Distribution \$000	Processing \$000	Others \$000	Reconciled to group \$000
<i>Timing of revenue recognition</i>				
At a point in time	116,425	51,811	16,405	<b>184,641</b>
Over time	-	27,249	-	<b>27,249</b>
<b>Revenue from external customers</b>	<b>116,425</b>	<b>79,060</b>	<b>16,405</b>	<b>211,890</b>
Depreciation and amortisation	(6,420)	(5,458)	(1,256)	<b>(13,134)</b>
Expenses	(118,528)	(79,973)	(12,148)	<b>(210,649)</b>
<b>Segment EBIT</b>	<b>(8,523)</b>	<b>(6,371)</b>	<b>3,001</b>	<b>(11,893)</b>
Interest on leases	(1,585)	(1,329)	(521)	<b>(3,435)</b>
Interest - others (net)				<b>(1,747)</b>
Reconciled to group loss before tax				<b>(17,075)</b>

December 2024	Distribution \$000	Processing \$000	Reconciled to group \$000
<i>Timing of revenue recognition</i>			
At a point in time	114,664	54,295	<b>168,959</b>
Over time	-	27,068	<b>27,068</b>
<b>Revenue from external customers</b>	<b>114,664</b>	<b>81,363</b>	<b>196,027</b>
Depreciation and amortisation	(6,261)	(5,222)	<b>(11,483)</b>
Expenses	(115,201)	(80,265)	<b>(195,466)</b>
<b>Segment EBIT</b>	<b>(6,798)</b>	<b>(4,124)</b>	<b>(10,923)</b>
Interest on leases	(1,744)	(1,422)	<b>(3,166)</b>
Interest - others (net)			<b>(180)</b>
Reconciled to group profit before tax			<b>(14,269)</b>

Operating segments are reported in a manner consistent with the internal reports that the CEO uses to assess performance. The operating segments include the reallocation of the head office function costs to respective segments. Comparative figures have been amended to align with current period presentation.

Depreciation and amortisation recognised as at 31 December 2025 is inclusive of depreciation recognised under NZ IFRS 16 Leases, which is in line with the financial reports received by the CEO. Interest recognised under NZ IFRS 16 Leases is shown separately in the financial reports provided to the CEO. Other interest income and expense are not allocated to segments as these are driven by the central treasury function, which manages the cash position of the group.

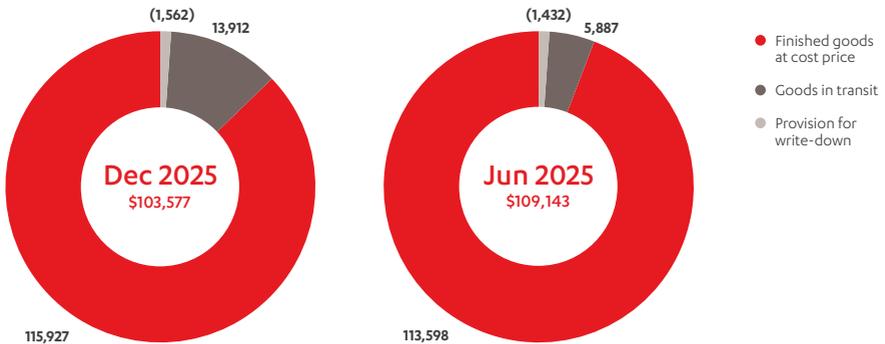
Assets and liabilities are reported to the CEO on a group basis, and are not separately reported with respect to the individual operating segments.

Sales between segments are eliminated on consolidation. The amounts provided to the CEO with respect to segment revenue are measured in a manner consistent with that of the financial statements.

#### 4. INVENTORY

The group holds inventories valued at \$115.9m (30 June 2025: \$113.6m).

##### Inventories (\$'000s)



#### 5. IMPAIRMENT TESTING

##### Key Judgement - Impairment Testing

NZ IAS 36 Impairment of Assets (NZ IAS 36) requires the group to assess at the end of each reporting period for any indicators of impairment and also to test the recoverable amount of the group's assets against its carrying value to assess whether there is any indication that an asset may be impaired. The recoverable amount is the higher of an asset's fair value less costs of disposal (FVLCD) and value-in-use (VIU).

As at 31 December 2025, the group's market capitalisation was \$119.4m and the carrying value of its net assets was \$170.4m. Accounting standards consider this to be an indicator of impairment. The market capitalisation value excludes any control premium and may not reflect the value of 100% of the group's net assets.

For the purpose of assessing impairment, assets are grouped in the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash generating unit or CGU), which as at 31 December 2025 were identified as being Distribution, Reinforcing/CFDL, Rollforming and Galvanizing.

To complete the impairment testing, management assessed the recoverable amount of each of the CGU of which goodwill, property plant and equipment and finite life intangible assets have been allocated by undertaking a VIU calculation for each of the CGUs. A VIU calculation is a valuation based on forecast cash flows. These forecast cash flows are discounted back to present value to estimate a value for the CGU. If the VIU exceeds the carrying value of the assets, no impairment is recognised. The recoverable amounts of the CGU were estimated based on the following key assumptions:

Key Assumptions	Distribution	Reinforcing/ CFDL	Rollforming	Galvanizing
Revenue growth (FY26 to FY30 CAGR)	10.2%	12.0%	8.8%	6.0%
Gross margin growth (FY26 to FY30 CAGR)	17.1%	25.6%	13.3%	5.8%
Discount rate (post tax)	11.0%	11.0%	11.0%	11.0%
Discount rate (pre tax)	14.2%	14.2%	14.0%	14.5%

Future cash flows were projected for 5 years and a terminal growth rate of 2% was applied to 2030 and thereafter. Key assumptions for earnings are based on the board approved forecast for the FY26 period with the forecast period growth rates applied over the remaining forecast period (2027 to 2030). The 2026 forecast assumption is largely based on earnings returning to levels evidenced in 2021 to 2023 as well as other strategic initiatives.

The group has conducted analysis of the sensitivity of the impairment test to changes in key assumptions used to determine the recoverable amounts for the applicable CGUs. Change in individual assumptions, while keeping all other assumptions constant which results in the recoverable value to equate to the carrying value is shown in the sensitivity analysis below:

Key Assumptions	Input required for the VIU to equate to the carrying value		
	Distribution	Reinforcing/CFDL	Rollforming
Revenue growth (FY26 to FY30 CAGR)	6.8%	11.1%	7.4%
Gross margin growth (FY26 to FY30 CAGR)	3.2%	22.2%	7.9%
Discount rate (post tax)	16.1%	12.1%	13.4%

Sensitivity analysis was undertaken which concluded that the Galvanizing results are not particularly sensitive to changes in the underlying assumptions.

The group has also calculated the recoverable amount of the CGUs using the FVLCD method. The resulting outcome of the FVLCD calculations have shown a higher headroom between the recoverable amount and carrying value when compared to the VIU method. The group concluded that the recoverable amount of each of the CGU were higher than their respective carrying values and therefore no impairment was considered necessary at 31 December 2025.

The group has also concluded that no reversal of the previous impairment of intangible assets should be made following an assessment that previous assumptions applied remain consistent in the current period.

## 6: BORROWINGS

	Unaudited December 2025 \$000	Audited June 2025 \$000
Trade Loan facility – current	20,000	20,000
Revolving Term Advance facility – current	30,000	-
Revolving Term Advance facility – non current	-	30,000
<b>Bank loans</b>	<b>50,000</b>	<b>50,000</b>

### Key Policy

Borrowings are recognised initially at fair value and net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the net proceeds and redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. The movement in borrowings shown in the Statement of Cash Flows is the net of repayments and drawdowns of borrowings. Borrowings are classified as current liabilities if there is no right to defer settlement for greater than 12 months. The group is required to comply with certain financial covenants.

The group has in place committed bank borrowing facilities of \$80m, comprising a \$20m Revolving Cash Advance facility and a \$30m Revolving Term Advance facility with an expiry date of 4 August 2026, and a \$30m Trade Loan facility with no expiry date and has the effect of being repayable on demand. The interest rate is variable with reference to a base rate (BKBM bid rate) plus a margin. Borrowing facilities arranged with the group’s banking partner can be drawn at any time, subject to meeting the terms of the group’s Facility Agreement.

Both facilities are subject to compliance with covenants based on earnings and net debt tested periodically across the next twelve months. If certain of these covenants are breached, they may render the Revolving Term Advance Facility payable on demand.

The group had no events of review or default as at 31 December 2025.

In February 2026, the group has agreed revised covenants with its banking partner. The group expects to meet these revised covenants in the upcoming financial year. The group has also extended its Revolving Cash Advance and Revolving Term Advance facilities with an expiry date of 4 March 2027.

## **7. RELATED PARTY AND SHARE BASED PLANS**

The group has related party relationships with its subsidiaries and with key management personnel.

There have been no material changes in the nature or amount of related party transactions for the group since 30 June 2025.

## **8. SUBSEQUENT EVENTS**

In February 2026, the group has agreed revised covenants with its banking partner and extended its bank facilities with an expiry date of 4 March 2027 (refer Note 6).

## Directory

### Registered Office

7 Bruce Roderick Drive, East Tamaki,  
Auckland 2013, New Zealand

PO Box 58880, Botany, Auckland 2163,  
New Zealand

**Ph:** +64 4 570 5000 **Fax:** +64 4 570 2453

**Email:** [info@steelandtube.co.nz](mailto:info@steelandtube.co.nz)

**Website:** [www.steelandtube.co.nz](http://www.steelandtube.co.nz)

### Directors

Susan Paterson Chair and Independent  
Director

Steve Reindler Independent Director

Christopher Ellis Independent Director

Karen Jordan Independent Director

Andrew Flavell Independent Director

### Auditor

KPMG Auckland

18 Viaduct Harbour Avenue, Auckland 1010

### Share Registry

**Computershare Investor Services Limited**  
Private Bag 92119, Auckland 1142, New Zealand

**Ph:** +64 9 488 8777 **Fax:** +64 9 488 8787

**Email:** [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

**Website:** [www.computershare.co.nz](http://www.computershare.co.nz)

### Bankers

ANZ New Zealand

ANZ Centre, 23-29 Albert Street, Auckland 1010

### Solicitors

Chapman Tripp Auckland

Level 34, PwC Tower, 15 Customs Street West

PO Box 2206, Auckland 1140

### Financial Calendar

Half year results announced February

End of financial year 30 June

Annual results announced August

Annual report August

### Stock Exchange

The company's shares trade on the  
New Zealand Exchange under the code STU